

Market Alert

Wednesday 08 April 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5726	0.0033
NZD/AUD	0.8213	0.0077
NZD/JPY	91.380	-0.84
NZD/EUR	0.4937	-0.0007
NZD/GBP	0.4308	0.0032
NZD/CNH	3.9223	-0.0259
AUD/USD	0.6970	-0.0025
AUD/EUR	0.6010	-0.0065
EUR/USD	1.1596	0.0080
USD/CNH	6.8568	-0.0853
GBP/USD	1.3287	-0.0022
EUR/GBP	0.8725	0.0075

INT RATES	NZ	Australia
OCR/Cash	2.25%	4.10%
90 day bills	2.53%	4.37%
2 year swap	3.42%	4.70%
10 year Govt	4.77%	5.08%

At midday we'll know ... something ... we're just not sure what!

As we await Trump's latest deadline ...

- President Trump ratcheted up his rhetoric, threatening, "A whole civilization will die tonight, never to be brought back."
- Iranian First Vice President Mohammad Reza Aref countered with, "We have finalised the necessary measures in detail for all scenarios."
- Pakistan has asked the US to extend the deadline for 2-weeks, and for Iran to reopen the Strait of Hormuz for 2-weeks as a goodwill gesture.
- Initial feedback suggests Iran is 'positively reviewing' the request for a ceasefire, while Trump said he "can't comment" because he's in "heated negotiations!"

Financial markets are 'treading water' as

we approach the deadline. Oil futures are a touch lower with crude down 0.4% to USD112.00, while Brent fell 2.9% to be at USD106.70. Gold and silver firmed. Equities were down 0.5%-1.0% in Europe, while the US exchanges are flat. The USD-index dipped back below the 100.00 level to be at 99.40, which saw the AUD gain 0.8% to 0.6975, although the NZD underperformed only gaining 0.3% to be at 0.5730, which means the NZD/AUD has fallen to the 0.8215 level. The 3-year US Treasury auction saw strong support, which helped the 2 and 10-year yields drop 5bp and 4bp to 3.81% and 4.31%.

The other headlines saw ...

- US inflation expectations for the year ahead lifted from 3.0% to 3.4% in March.
- Conversely, US economic optimism fell to 42.8, its lowest level since June 2024, down from 47.5 in March.
- New orders for US-manufactured durable goods fell by 1.4% in February.
- Australian household spending firmed 0.3% in February, ahead of expectations, which saw annual spending hold steady at 4.6%.
- Chicago Fed President Austin Goolsbee suggested, "The Fed is now in an uncomfortable situation. Inflation could come roaring back (while) rising oil prices could generate a stagflationary shock. My immediate concern is a stagflationary shock of oil prices before the tariff-price shock has gone away. The job's market is stable, but not great. The longer you go with high inflation, the more it gets ingrained into the economy."

- Blue Owl shares hit a record low as redemption requests surged.
- IMF MD Kristalina Georgieva warned that the world is ill-equipped to respond to another big economic downturn and that the global watchdog will downgrade its global growth forecasts next week.

Meanwhile, in our corner of the world ...

The NZ commodity index surged 4.1% in March in response to the conflict. In NZD terms, the index surged 6.4% to a record high. Industrial metals rallied strongly after aluminium prices jumped 9.8%, dairy prices climbed 5.9%, and agri markets firmed with meat and fibre prices rising 2.4%. Forestry prices rose modestly, although margins remain under pressure due to rising shipping costs linked to higher fuel prices.

But that positive story could be about to end ... as referenced by last night's GDT auction after the headline index fell 3.4% to record its first negative print of 2026. Once again, the lack of Chinese buyers saw volumes of sold product at the lower end of the scale as Southeast Asian and Central American buyers weren't able to pick up the slack. Looking at the individual products, somewhat surprisingly, skim fell 1.6%, while whole milk only eased 0.7%. The title of 'biggest losers' went to butter and AMF which plummeted 8.1% and 7.1%.

While it's unlikely there will be any surprises at today's RBNZ meeting, there is no doubt the Governor has a fine line to tread!



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Daily Rates

Wednesday 08 April 2026

FX	Spot	FECs (mid)				Spot Mid		
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...	
NZ TWI	65.40					CAD	0.7951	0.9681
NZD/USD	0.5726	0.0006	0.0019	0.0033	0.0054	CHF	0.4566	0.5560
NZD/AUD	0.8213	0.0012	0.0039	0.0077	0.0150	CNY	3.9111	4.7603
NZD/JPY	91.380	-0.15	-0.40	-0.8443	-1.78	DKK	3.6888	4.4910
NZD/EUR	0.4937	-0.0002	-0.0004	-0.0007	-0.0016	FJD	1.2655	1.5407
NZD/GBP	0.4308	0.0005	0.0016	0.0032	0.0061	HKD	4.4859	5.4615
						KRW	857.87	1044.43
AU TWI	64.70					MYR	2.3060	2.8075
AUD/USD	0.6970	-0.0003	-0.0010	-0.0025	-0.0063	NOK	5.5144	6.7136
AUD/NZD	1.2169	-0.0020	-0.0059	-0.0118	-0.0228	SEK	5.4219	6.6026
AUD/JPY	110.71	-0.36	-1.01	-2.06	-4.16	SGD	0.7338	0.8933
AUD/EUR	0.6010	-0.0012	-0.0033	-0.0065	-0.0128	TWD	18.27	22.25
AUD/GBP	0.5244	-0.0002	-0.0006	-0.0011	-0.0023	ZAR	9.62	11.72
USD Index	99.77					EQUITIES		
EUR/USD	1.1596	0.0017	0.0045	0.0080	0.0143		Index	
USD/JPY	159.59	-0.45	-1.22	-2.42	-4.57	NZX50	13,070	
GBP/USD	1.3287	-0.0001	-0.0006	-0.0022	-0.0067	ASX200	8,729	
EUR/GBP	0.8725	0.0013	0.0037	0.0075	0.0146	Dow Jones	46,435	
USD/CNY	6.8567	-0.0150	-0.0413	-0.0803	-0.1554	S&P 500	6,586	
						FTSE100	10,349	
INTEREST			New Zealand		Australia	DAX 40	22,922	
RATES			Mid		Mid	Nikkei	53,430	
30 day bank bills			2.43%		4.11%	COMMODITIES		
90 day bank bills			2.53%		4.37%		USD	
1 year swap			2.89%		4.63%	Brent Crude	108.68	
2 year swap			3.42%		4.70%	Gold	4,709.49	
3 year swap			3.69%		4.70%	Silver	72.85	
5 year swap			3.96%		4.69%	Iron Ore	107.97	
10 year swap			4.33%		4.86%	CRB Index	482.71	
3 year Govt bond			3.82%		4.71%		NZD	
5 year Govt bond			4.24%		4.78%	NZ Carbon	42.50	
10 year Govt bond			4.77%		5.08%			

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