

Market Alert

Thursday 16 April 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5913	0.0032
NZD/AUD	0.8246	0.0074
NZD/JPY	94.010	-0.92
NZD/EUR	0.5012	-0.0011
NZD/GBP	0.4358	0.0028
NZD/CNH	4.0314	-0.0292
AUD/USD	0.7170	-0.0026
AUD/EUR	0.6078	-0.0069
EUR/USD	1.1795	0.0089
USD/CNH	6.8168	-0.0862
GBP/USD	1.3565	-0.0016
EUR/GBP	0.8694	0.0075

INT RATES	NZ	Australia
OCR/Cash	2.25%	4.10%
90 day bills	2.56%	4.37%
2 year swap	3.42%	4.61%
10 year Govt	4.69%	5.02%

De-escalation hopes

Overnight, markets took some encouragement from the latest ceasefire headlines. Reports suggested the US and Iran are considering a short extension to the current truce to allow more time for talks. President Trump said the war could be over "very soon", and separate reporting pointed to a possible Lebanon ceasefire being approved. That was enough to keep risk appetite supported, with US Treasuries sold (pushing yields higher), US equities pushing higher again, oil lower and the USD index continuing its softening trend - stabilising just above the 98.00 level. The NZD remains largely where it was yesterday, holding onto the 0.5900 handle.

Despite the S&P 500 closing at a record high, it is probably a little early to count our chickens just yet. The Strait of Hormuz is still not functioning normally,

the US blockade remains in place, and reports suggest that Washington is also sending approximately 10,000 additional troops into the region. So, while markets are clearly more comfortable with the latest headlines, the underlying supply backdrop is still tight and an extended ceasefire remains anything but a certainty.

The ECB is sounding cautious as well as policymakers see little evidence, for now, that the latest energy shock is becoming broad-based or entrenched. Inflation rose from 1.9% to 2.5% in March but sources said domestic inflation is slowing, labour markets remain soft, and officials want clearer evidence of second-round effects before hiking interest rates. Lagarde's recent comments signalling no tightening bias from the ECB were read in a similar way, leaving markets to pare back pricing of an April hike.

Feeling the pain

Exacerbated by our complete reliance on imported fuel, some New Zealand businesses are already reporting a material hit from higher oil prices and related disruption. Westpac reports that momentum had been starting to firm before the Middle East conflict, but much of that momentum has now been derailed. Its business feedback points to sharply higher diesel and bunker fuel costs, rising supply-chain risk, severe fertiliser availability issues, pressure on margins, and softer demand. Forestry stands out as particularly exposed, with tourism, retail and restaurants also seeing signs of strain.

Christopher Luxon also gave an update on the country's fuel-security. We remain in phase one and fuel stocks are still above minimum levels, but MBIE reports one small shipment bound for New Zealand has already been delayed because some export facilities have closed and more vessels are relying on Singapore as a loading hub, causing congestion. Luxon said the Government is actively preparing in case widespread shortages require a move up the response phases, and he was explicit that higher fuel costs will affect both inflation and growth.

The Data

Wrapping up last night's headlines

- US import and export prices: Import prices rose 0.8% in March and export prices rose 1.6%, leaving annual rates at 2.1% and 5.6% respectively.
- US NY Empire State manufacturing: The headline index rose to 11.0 from 0.0, with new orders and shipments also improving.
- US Beige Book: The Fed said activity rose at a slight to modest pace in eight of twelve districts, but energy and fuel costs rose sharply across all districts, keeping pressure on margins.
- Japan machinery orders: Total orders fell 5.0% in February, but the core private-sector measure rose 13.6%, suggesting underlying capex demand was stronger than the headline implied
- EU industrial production: Euro area industrial production rose 0.4% in February, though it was still down 0.6% on the year.



BANCORP

BANCORP TREASURY SERVICES LIMITED

Barrington
TREASURY SERVICES

Barrington
ASSET CONSULTING



BANCORP

BANCORP CORPORATE FINANCE LIMITED

Daily Rates

Thursday 16 April 2026

FX	Spot	FECs (mid)				Spot Mid		
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...	
NZ TWI	66.80					CAD	0.8118	0.9846
NZD/USD	0.5913	0.0006	0.0018	0.0032	0.0044	CHF	0.4622	0.5606
NZD/AUD	0.8246	0.0012	0.0037	0.0074	0.0137	CNY	4.0322	4.8906
NZD/JPY	94.010	-0.15	-0.43	-0.9161	-1.96	DKK	3.7450	4.5422
NZD/EUR	0.5012	-0.0002	-0.0005	-0.0011	-0.0029	FJD	1.2841	1.5573
NZD/GBP	0.4358	0.0005	0.0014	0.0028	0.0048	HKD	4.6310	5.6164
						KRW	872.02	1057.58
AU TWI	66.10					MYR	2.3352	2.8322
AUD/USD	0.7170	-0.0003	-0.0011	-0.0026	-0.0065	NOK	5.5462	6.7327
AUD/NZD	1.2123	-0.0019	-0.0056	-0.0112	-0.0201	SEK	5.4150	6.5673
AUD/JPY	113.37	-0.35	-1.04	-2.14	-4.24	SGD	0.7512	0.9111
AUD/EUR	0.6078	-0.0012	-0.0034	-0.0069	-0.0137	TWD	18.67	22.65
AUD/GBP	0.5284	-0.0002	-0.0007	-0.0014	-0.0031	ZAR	9.68	11.74
USD Index	98.05					EQUITIES		
EUR/USD	1.1795	0.0017	0.0048	0.0089	0.0156		Index	
USD/JPY	158.99	-0.42	-1.22	-2.39	-4.47	NZX50	13,077	
GBP/USD	1.3565	-0.0001	-0.0004	-0.0016	-0.0052	ASX200	8,979	
EUR/GBP	0.8694	0.0013	0.0037	0.0075	0.0145	Dow Jones	48,482	
USD/CNY	6.818	-0.0145	-0.0411	-0.0820	-0.1555	S&P 500	Denied:	
						FTSE100	7,023	
INTEREST		New Zealand	Australia			DAX 40	24,067	
RATES		Mid	Mid			Nikkei	58,134	
30 day bank bills		2.41%	4.15%			COMMODITIES		
90 day bank bills		2.56%	4.37%				USD	
1 year swap		3.02%	4.58%			Brent Crude	94.78	
2 year swap		3.42%	4.61%			Gold	4,792.69	
3 year swap		3.63%	4.58%			Silver	79.13	
5 year swap		3.87%	4.55%			Iron Ore	106.38	
10 year swap		4.23%	4.75%			CRB Index	471.22	
3 year Govt bond		3.82%	4.65%				NZD	
5 year Govt bond		4.19%	4.71%			NZ Carbon	45.50	
10 year Govt bond		4.69%	5.02%					

This document has been prepared by Bancorp Treasury Services Limited ("BTSL"). Whilst all reasonable care has been taken to ensure the facts stated are accurate and the opinions given are fair and reasonable, neither BTSL nor any of its directors, officers or employees shall in any way be responsible for the contents. No liability is assumed by BTSL, its directors, officers or employees for action taken or not taken on the basis of this document.



BANCORP
BANCORP TREASURY SERVICES LIMITED

Barrington
TREASURY SERVICES

Barrington
ASSET CONSULTING



BANCORP
BANCORP CORPORATE FINANCE LIMITED