

Market Alert

Monday 20 April 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5859	0.0031
NZD/AUD	0.8220	0.0076
NZD/JPY	93.025	-0.88
NZD/EUR	0.4991	-0.0013
NZD/GBP	0.4340	0.0027
NZD/CNH	4.0154	-0.0288
AUD/USD	0.7127	-0.0028
AUD/EUR	0.6071	-0.0072
EUR/USD	1.1737	0.0091
USD/CNH	6.8129	-0.0849
GBP/USD	1.3498	-0.0013
EUR/GBP	0.8694	0.0075

INT RATES	NZ	Australia
OCR/Cash	2.25%	4.10%
90 day bills	2.54%	4.38%
2 year swap	3.40%	4.54%
10 year Govt	4.73%	5.09%

Well, the weekend didn't bring anything conclusive ...

And the rumour mill is running at full pace!

The optimistic re-opening of the Strait of Hormuz turned out to be a false start after Iran fired on some ships that were attempting the transit! Iran is claiming that the US "did not fulfil their obligations" and that the Iranian military has moved to "close" the Strait once again.

President Trump countered with, "Iran fired bullets in the Strait - A total violation of our ceasefire. We are offering a deal. I hope they take it. NO MORE MR. NICE GUY!" But then eased back on the rhetoric with, "My representatives are going to Islamabad. They will be there tomorrow evening, for negotiations. We're offering a fair and reasonable deal, and I hope they take it." But it's not clear who these negotiations will

be with after an IRGC official claimed it's fake news.

There was further contradictory news on the uranium front after an Iranian Security spokesman stated, "The option of transferring Iran's enriched uranium abroad is rejected," although there is talk that the US offered to release USD6.0bn of frozen Iranian funds in return for Iran giving up its stockpile of enriched uranium. Iran countered demanding USD27.0bn, with the hope they will "meet in the middle" at USD20.0bn!

So ... while momentum had been building towards a peace deal last week, it broke down at the start of the weekend, but hopes are building again after the President announced US negotiators will travel to Pakistan on Monday for the next round of talks. Confused? Yeah ... I am too!

In amongst the optimism/pessimism, equity markets continued to grind higher, reaching (yet again) new record highs on Friday, with the US exchanges gaining 1.25%-1.75%, while the European bourses gained 1.75%-2.25%. Against this, the USD-index fell on Friday to its lowest level since the conflict, although talk that the Strait was closing ultimately saw the USD recover those losses. While the NZD and AUD closed modestly lower, this morning's early trading has seen further selling on the antipodean currencies. Treasury yields also closed the week lower, with the US 2- and 10-years easing 7bps to yield 3.71% and 4.25% respectively and, in a similar trend,

the positivity saw oil prices tumble, with crude falling 11.5% to USD83.85 while Brent tumbled 9.0% to USD90.40.

This week ...

The big non-war event will be the testimony before the Senate Banking Committee of Kevin Warsh, President Trump's nominee to be the next Federal Reserve Chair.

And speaking of such things, Fed Governor Chris Waller stated, "If the war creates higher inflation and a weaker labour market, it could increase the call to hold rates steady. High inflation, weak job market would be challenging for the Fed with March headline PCE inflation likely to hit 3.5%. Markets appeared to have undervalued the risk of an extended conflict. The outlook depends on how much oil prices rise, and how long the conflict persists for."

The week ahead ...

Will see markets focused on the war and Fed Chair nominee Kevin Warsh's testimony before Congress. Beyond that we also have US retail sales, pending home sales, and the April flash PMIs. We also have the flash PMI releases for the Eurozone and Germany, as well as German PPIs, economic sentiment, and business sentiment. We also have UK inflation, employment and wage growth. In our part of the world, we have the PBoC meeting to review their 1- and 5-year LPRs, Japanese inflation and trade data, Australian lending, and in NZ, Q1 inflation, trade, business sentiment.



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Daily Rates

Monday 20 April 2026

FX	Spot	FECs (mid)				Spot Mid		
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...	
NZ TWI	66.60					CAD	0.8016	0.9756
NZD/USD	0.5859	0.0006	0.0018	0.0031	0.0043	CHF	0.4576	0.5566
NZD/AUD	0.8220	0.0012	0.0038	0.0076	0.0133	CNY	3.9920	4.8584
NZD/JPY	93.025	-0.14	-0.41	-0.8829	-1.92	DKK	3.7197	4.5271
NZD/EUR	0.4991	-0.0002	-0.0006	-0.0013	-0.0036	FJD	1.2750	1.5517
NZD/GBP	0.4340	0.0005	0.0014	0.0027	0.0042	HKD	4.5851	5.5802
						KRW	858.94	1045.37
AU TWI	66.40					MYR	2.3131	2.8152
AUD/USD	0.7127	-0.0004	-0.0012	-0.0028	-0.0067	NOK	5.4823	6.6722
AUD/NZD	1.2155	-0.0020	-0.0059	-0.0119	-0.0214	SEK	5.3713	6.5371
AUD/JPY	114.18	-0.35	-1.04	-2.10	-4.13	SGD	0.7435	0.9048
AUD/EUR	0.6071	-0.0012	-0.0035	-0.0072	-0.0142	TWD	18.43	22.43
AUD/GBP	0.5278	-0.0003	-0.0008	-0.0017	-0.0035	ZAR	9.54	11.61
USD Index	98.23					EQUITIES		
EUR/USD	1.1737	0.0016	0.0049	0.0091	0.0160		Index	
USD/JPY	158.76	-0.40	-1.20	-2.33	-4.34	NZX50	12,906	
GBP/USD	1.3498	-0.0001	-0.0003	-0.0013	-0.0043	ASX200	8,947	
EUR/GBP	0.8694	0.0012	0.0038	0.0075	0.0144	Dow Jones	49,447	
USD/CNY	6.8169	-0.0142	-0.0423	-0.0814	-0.1549	S&P 500	7,126	
						FTSE100	10,668	
INTEREST			New Zealand		Australia	DAX 40	24,702	
RATES			Mid		Mid	Nikkei	58,476	
30 day bank bills			2.39%		4.16%	COMMODITIES		
90 day bank bills			2.54%		4.38%		USD	
1 year swap			2.97%		4.56%	Brent Crude	90.38	
2 year swap			3.40%		4.54%	Gold	4,828.30	
3 year swap			3.62%		4.53%	Silver	80.79	
5 year swap			3.89%		4.53%	Iron Ore	106.85	
10 year swap			4.30%		4.75%	CRB Index	459.64	
3 year Govt bond			3.78%		4.70%		NZD	
5 year Govt bond			4.18%		4.78%	NZ Carbon	48.00	
10 year Govt bond			4.73%		5.09%			

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