

# Market Alert

Monday 11 May 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5960	0.0028
NZD/AUD	0.8214	0.0075
NZD/JPY	93.250	-0.93
NZD/EUR	0.5058	-0.0013
NZD/GBP	0.4382	0.0027
NZD/CNH	4.0411	-0.0308
AUD/USD	0.7252	-0.0032
AUD/EUR	0.6154	-0.0073
EUR/USD	1.1779	0.0083
USD/CNH	6.7940	-0.0836
GBP/USD	1.3596	-0.0020
EUR/GBP	0.8648	0.0073

  

INT RATES	NZ	Australia
OCR/Cash	2.25%	4.35%
90 day bills	2.63%	4.49%
2 year swap	3.54%	4.66%
10 year Govt	4.75%	5.09%

## The signs aren't good ... it could be time for boots on the ground?

Iran has finally responded to the US peace proposal, but it was light on detail, stating, "Iran has submitted its response to the latest US proposal to end 10 weeks of war!" Word on the street is that Israeli PM Benjamin Netanyahu has cut short a vacation and returned to Tel Aviv for meetings and a conference call with President Trump ... with the discussion rumoured to be focused on plans to extract the enriched uranium. Trump has responded with, "Iran is playing games with the United States."

With France planning to send an aircraft carrier, and the UK planning to send destroyers, Iran has warned of a "decisive, immediate" response to British or French warships approaching the Strait. The Iranian Guard has also threatened to unleash "heavy attacks" on US bases in

the Gulf region should the aggression in the Strait persist.

## Over the weekend ...

In a display of economic resilience, Chinese exports rose 14.1% to a record high of USD359.4bn in the year to April, surging from March's 2.5% gain. Shipments to the US soared 11.3% to USD 36.8bn, returning to growth after a 26.5% plunge in March, despite tariffs imposed by the Trump administration. Imports surged for a second straight month to a record USD274.6bn, up 25.3%, amid resilient domestic demand jumping 23.6%.

The headlines from Friday saw a solid performance from the US economy after it added 115k jobs in April, a lot stronger than forecasts at 62k, while the March print was revised higher to 185k. The employment rate flatlined at 4.3%, the participation rate eased down from 61.9% to 61.8%, while non-farm average hourly earnings rose by 0.2%, to be up 3.6% on the year.

But against this positivity, the University of Michigan's consumer sentiment index dropped to a record low of 48.2 in early May, below expectations at 49.5 and April's 49.8.

The positive payrolls release saw equity markets move higher with the S&P500 (0.7%) and the Nasdaq (1.7%) rallying to fresh highs, although the European bourses had closed in negative territory (-1.0% to -2.0%) ahead of the US releases. WTI crude oil futures were little changed at \$95 per barrel on Friday.

Despite the escalation in tensions towards last week's close, Friday's modest gains saw oil prices post a broad 7.0% loss across the week. But after the weekend's announcements, it looks like oil prices will once again dominate the headlines and likely rally.

Currency and bond markets also had a lacklustre close to the week with, on this morning's open, the NZD/USD starting on the backfoot opening -0.3% lower at 0.5945. The AUD/USD is fairing a little better at 0.7245, which means NZD/AUD is at 0.8205. The 2 and 10-year US Treasury yields last traded softer falling 2bp and 4bp to be at 3.90% and 4.36% respectively.

## The week ahead ...

Remains the same as it has been for the last 8 ... it's all about the geopolitical headlines! But in terms of the non-war related headlines, the big item this week will be tonight's Senate vote on the nomination of Kevin Warsh as the 17th Chair of the Federal Reserve.

In terms of data, we have US CPI, PPI's, retail sales, industrial production, home sales, business inventories and the NY Empire State manufacturing index. From Europe we have GDP, the German ZEW economic sentiment index, wholesale prices, while the UK will release Q1 GDP, industrial production, and trade. We also have Chinese CPI and PPI, the BoJ minutes and Japanese PPIs, Australian, consumer and business confidence, home loans, wages, and consumer inflation expectations. From NZ we have house prices, immigration, and PMIs.



**BANCORP**

BANCORP TREASURY SERVICES LIMITED

**Barrington**  
TREASURY SERVICES

**Barrington**  
ASSET CONSULTING



**BANCORP**

BANCORP CORPORATE FINANCE LIMITED

# Daily Rates

Monday 11 May 2026

FX	Spot	FECs (mid)				Spot Mid	
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...
NZ TWI	67.10					CAD	0.8131 0.9904
NZD/USD	0.5960	0.0006	0.0016	0.0028	0.0037	CHF	0.4624 0.5612
NZD/AUD	0.8214	0.0013	0.0038	0.0075	0.0130	CNY	4.0565 4.9263
NZD/JPY	93.250	-0.16	-0.45	-0.9319	-2.03	DKK	3.7752 4.5982
NZD/EUR	0.5058	-0.0002	-0.0006	-0.0013	-0.0033	FJD	1.2843 1.5643
NZD/GBP	0.4382	0.0005	0.0013	0.0027	0.0048	HKD	4.6614 5.6776
						KRW	870.18 1059.88
AU TWI	66.80					MYR	2.3328 2.8413
AUD/USD	0.7252	-0.0005	-0.0014	-0.0032	-0.0069	NOK	5.4567 6.6462
AUD/NZD	1.2180	-0.0021	-0.0057	-0.0112	-0.0197	SEK	5.4667 6.6584
AUD/JPY	113.28	-0.37	-1.08	-2.16	-4.23	SGD	0.7538 0.9181
AUD/EUR	0.6154	-0.0013	-0.0036	-0.0073	-0.0138	TWD	18.64 22.70
AUD/GBP	0.5330	-0.0003	-0.0008	-0.0016	-0.0029	ZAR	9.76 11.89
USD Index	97.84					<b>EQUITIES</b>	
EUR/USD	1.1779	0.0017	0.0046	0.0083	0.0154		<b>Index</b>
USD/JPY	156.39	-0.41	-1.18	-2.29	-4.38	NZX50	13,175
GBP/USD	1.3596	-0.0001	-0.0005	-0.0020	-0.0065	ASX200	8,744
EUR/GBP	0.8648	0.0013	0.0037	0.0073	0.0150	Dow Jones	49,609
USD/CNY	6.8005	-0.0151	-0.0437	-0.0844	-0.1640	S&P 500	7,399
						FTSE100	10,233
<b>INTEREST</b>		<b>New Zealand</b>		<b>Australia</b>		DAX 40	24,339
<b>RATES</b>		Mid		Mid		Nikkei	62,714
30 day bank bills		2.45%		4.35%		<b>COMMODITIES</b>	
90 day bank bills		2.63%		4.49%			<b>USD</b>
1 year swap		3.12%		4.66%		Brent Crude	101.29
2 year swap		3.54%		4.66%		Gold	4,714.41
3 year swap		3.70%		4.63%		Silver	80.32
5 year swap		3.95%		4.62%		Iron Ore	110.93
10 year swap		4.33%		4.81%		CRB Index	494.45
3 year Govt bond		3.88%		4.70%			<b>NZD</b>
5 year Govt bond		4.22%		4.77%		NZ Carbon	51.75
10 year Govt bond		4.75%		5.09%			

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