Market Alert

Monday 13 July 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5763	0.0030
NZD/AUD	0.8292	0.0066
NZD/JPY	93.170	-0.95
NZD/EUR	0.5053	-0.0013
NZD/GBP	0.4304	0.0022
NZD/CNH	3.9082	-0.0310
AUD/USD	0.6948	-0.0019
AUD/EUR	0.6092	-0.0064
EUR/USD	1.1404	0.0087
USD/CNH	6.7815	-0.0889
GBP/USD	1.3385	0.0000
EUR/GBP	0.8515	0.0064

INT RATES	NZ	Australia
OCR/Cash	2.50%	4.35%
90 day bills	2.83%	4.51%
2 year swap	3.49%	4.43%
10 year Govt	4.65%	4.95%

"Mentality? It's not a mentality problem. You can bottle it up and sell it."

Said a certain Mr Tuchel, but beyond that, what a great weekend it was for sport … apart for the warrior's result! The WC continues to excel, the tennis was excellent, and the rugby was good! But what about McCullum getting sacked as the test coach… I didn't see it coming, but then again, it's a bit like the US-Iran peace MoU… should we be surprised?

Looking at the latest headlines

The first one I saw this morning announced… US forces strike Iran for a third time in a week, prompting retaliatory attacks from Iran, with Tehran declaring, *"The Strait of Hormuz would be closed until further notice."*

While the second headline stated that the US claims the Strait of Hormuz is open to all vessels seeking safe transit.

So… no change in terms of the contradictory headlines!

In the 'real world', atleast from a financial market's perspective, the NZD continues to recover from its recent low amid a hawkish RBNZ, and comments from the Governor that, "*There are signs that the economic recovery is stronger than we expected*," which was supported by last week's surge in manufacturing PMIs to 59.7

While the USD -index remains stable around the 100.75 level, the NZD/USD has spiked up to 0.5760, and to 0.8290 against the AUD. It has also recovered on the other crosses as well.

NZ interest rates have also spiked with the 2-year NZ IRS rate firming 16bps since the RBNZ rate hike with the 2-years now at 3.53%. This compares against the 2-year US IRS rate at 4.21% and the 2-year AU IRS rate at 4.43%. As Deutsche Bank said in their latest FX report… when growth holds up and volatility stays contained, yield differentials get paid!

Oil prices will start the week trading on the right-hand-side given the recent attacks, while equities will largely be driven by this week's earnings releases.

The death of South Carolina Senator Lindsey Graham will add to complications for the US Senate, and to the November mid-terms.

The week ahead

Will be dominated by Fed Chair Kevin Warsh's testimony before the House Financial Services Committee on Tuesday and the Senate Banking Committee on Wednesday. It is also the start of the Q2 earning season, which will keep equities 'frothy.' It is also a busy week with US CPI and producer price inflation, retail sales, industrial production, trade, Michigan sentiment, housing starts, building permits, export and import prices, business inventories, the government's monthly budget statement, capital flows, and regional manufacturing indexes such as the NY Empire State and Philadelphia Fed. That is quite the list!

In Europe, the economic calendar is relatively light with Euro Area and UK inflation, while the UK also has GDP, industrial, manufacturing production, and trade. Conversely, it's a busy week in China with GDP, industrial production, retail sales, trade, and new loans. It's a bit quieter in Japan with the Tankan survey, Australia will release their latest business and consumer confidence gauges, as well as consumer inflation expectations. Finally, in NZ, following last weeks stellar manufacturing PMI release we have services PMIs as well as migration, card spending, food inflation, and the Q3 NZIER QSBO report.

Daily Rates

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FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths		Spot Mid NZD/...	AUD/...
NZ TWI	65.80					CAD	0.8158	0.9838
NZD/USD	0.5763	0.0005	0.0016	0.0030	0.0052	CHF	0.4651	0.5606
NZD/AUD	0.8292	0.0012	0.0035	0.0066	0.0112	CNY	3.9020	4.7073
NZD/JPY	93.170	-0.15	-0.45	-0.9461	-1.98	DKK	3.7756	4.5535
NZD/EUR	0.5053	-0.0002	-0.0005	-0.0013	-0.0033	FJD	1.2709	1.5328
NZD/GBP	0.4304	0.0004	0.0011	0.0022	0.0037	HKD	4.5162	5.4467
						KRW	863.49	1041.40
AU TWI	65.10					MYR	2.3430	2.8258
AUD/USD	0.6948	-0.0004	-0.0011	-0.0019	-0.0033	NOK	5.6373	6.7988
AUD/NZD	1.2052	-0.0019	-0.0053	-0.0100	-0.0170	SEK	5.5609	6.7066
AUD/JPY	112.19	-0.34	-1.01	-2.03	-3.89	SGD	0.7439	0.8972
AUD/EUR	0.6092	-0.0011	-0.0032	-0.0064	-0.0122	TWD	18.48	22.29
AUD/GBP	0.5188	-0.0003	-0.0008	-0.0016	-0.0027	ZAR	9.42	11.36
USD Index	100.97							
EUR/USD	1.1404	0.0014	0.0043	0.0087	0.0173			
USD/JPY	161.61	-0.40	-1.21	-2.48	-4.84			
GBP/USD	1.3385	0.0000	0.0000	0.0000	0.0000			
EUR/GBP	0.8515	0.0010	0.0032	0.0064	0.0128			
USD/CNY	6.7766	-0.0148	-0.0442	-0.0896	-0.1802			

EQUITIES	Index
NZX50	13,786
ASX200	8,806
Dow Jones	52,637
S&P 500	7,575
FTSE100	10,497
DAX 40	25,067
Nikkei	68,558

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.70%	4.36%
90 day bank bills	2.83%	4.51%
1 year swap	3.22%	4.51%
2 year swap	3.49%	4.43%
3 year swap	3.62%	4.38%
5 year swap	3.82%	4.39%
10 year swap	4.18%	4.66%
3 year Govt bond	3.78%	4.47%
5 year Govt bond	4.10%	4.56%
10 year Govt bond	4.65%	4.95%

COMMODITIES	USD
Brent Crude	76.01
Gold	4,120.08
Silver	59.84
Iron Ore	98.72
CRB Index	467.90

	NZD
NZ Carbon	54.40