Market Alert

Tuesday 14 July 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5749	0.0031
NZD/AUD	0.8311	0.0067
NZD/JPY	93.375	-0.95
NZD/EUR	0.5050	-0.0012
NZD/GBP	0.4305	0.0023
NZD/CNH	3.9010	-0.0307
AUD/USD	0.6916	-0.0019
AUD/EUR	0.6075	-0.0063
EUR/USD	1.1382	0.0086
USD/CNH	6.7850	-0.0893
GBP/USD	1.3352	-0.0002
EUR/GBP	0.8523	0.0065
INT RATES	**NZ**	**Australia**
OCR/Cash	2.50%	4.35%
90 day bills	2.85%	4.51%
2 year swap	3.49%	4.42%
10 year Govt	4.68%	4.98%

Well ... that world cup thing was a nice distraction ...

And in amid the ... will they ... won't they ... bring it home debate, back in the 'real' world President Trump has reinstated the US blockade on of Iranian vessels, imposing a 20% fee on transiting cargos. Tehran has declared the Strait is closed *"until further notice."* According to reports, the last few days have seen the US hit over 140 Iranian military targets while Iran attacked US-linked facilities across the Gulf. The very latest report stated Houthi missiles have been launched at Saudi Arabia.

As one would anticipate, oil and energy prices have extended gains towards their monthly highs. Current oil prices are up 9% on last week's close with WTI crude at USD77.65 and Brent at USD82.90. The move came despite the UAE increasing crude oil production by 1,707k barrels per day to 3.818m barrels per day in June, the highest since April 2020! Meanwhile, the build-up of unsold Iranian cargo at sea, arriving just as US sanctions snap back into force, points to a near-term glut of Iranian barrels searching for buyers, but in amongst this, Chinese buyers are focusing on buying from Qatari, Iraqi and the UAE due to political pressures. Looking at the other commodities, EU gas prices have jumped 8% while gold has fallen 3.0% and silver has dropped 3.7%.

Equity prices have also come under selling pressure amid the 'risk off' sentiment. Chip producers sank on persistent concerns that AI hyperscaler's would be forced to ease spending on AI infrastructure amid the deteriorating macroeconomic backdrop. Currently US exchanges are mirroring the European moves with indices trading 0.25% to 0.75% lower.

The yield on the US 10-year Treasury note rose 6bps to 4.59% to reach its highest level in nearly two months, while the 2-year yield also climbed 6bps to reach its highest level since early 2025 at 4.28%. These moves will impact local market swap rates on their open this morning.

Somewhat against the grain of recent history, the NZD was one of the better performers against the USD overnight compared to its peers. With the USD-index firming 0.3% to 101.25, the NZD eased a mere 0.2% to remain around the 0.5750 level. Against this adjustment, the CHF fell 0.7%, while the JPY and AUD eased 0.5%, which saw the NZD/AUD cross rate reclaim the 0.8300 handle.

Apart from the war ...

There was little to report on from a data perspective ...

The US June federal budget deficit printed at USD120bn against forecasts at USD138.0bn. But while this was a positive, it was a lot worse than the June 2025 surplus at USD108.0bn, and means the year-to-date deficit is at USD1.367trn versus USD1. 337trn a year ago. Interestingly, the June customs duties saw an out-flow of USD25.6bn due to refunds!

Goldman expects US core CPI to ease to 2.8% year-on-year in June.

Fonterra lowered its Farmgate milk mid-price from NZD9.75 to NZD9.25.

NZ services PSIs returned to growth, firming from 48.0 to 50.6 in June.

The Fed's Waller appealed to his new boss stating, *"Now is not the time to use forward guidance. If we get another higher inflation print, I will treat that as signal not noise, but if inflation comes down at the next reading, it will need a couple more to see it as a signal."*

RIP

Sam Neill, quite possibly New Zealand's greatest ever actor. While everyone will remember him for Jurassic Park, he has a large back catalogue including Dead Calm and The Hunt for Red October which are well worth a watch.

Daily Rates

Tuesday 14 July 2026

FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	66.30				
NZD/USD	0.5749	0.0006	0.0016	0.0031	0.0053
NZD/AUD	0.8311	0.0012	0.0035	0.0067	0.0112
NZD/JPY	93.375	-0.16	-0.45	-0.9501	-2.00
NZD/EUR	0.5050	-0.0002	-0.0005	-0.0012	-0.0031
NZD/GBP	0.4305	0.0004	0.0012	0.0023	0.0041
AU TWI	65.00				
AUD/USD	0.6916	-0.0004	-0.0010	-0.0019	-0.0031
AUD/NZD	1.2026	-0.0020	-0.0052	-0.0098	-0.0166
AUD/JPY	112.46	-0.36	-1.01	-2.03	-3.88
AUD/EUR	0.6075	-0.0012	-0.0032	-0.0063	-0.0118
AUD/GBP	0.5179	-0.0003	-0.0008	-0.0014	-0.0024
USD Index	101.27				
EUR/USD	1.1382	0.0015	0.0043	0.0086	0.0172
USD/JPY	162.43	-0.43	-1.22	-2.51	-4.92
GBP/USD	1.3352	0.0000	0.0000	-0.0002	-0.0009
EUR/GBP	0.8523	0.0011	0.0032	0.0065	0.0131
USD/CNY	6.7795	-0.0156	-0.0442	-0.0899	-0.1808

	Spot Mid NZD/...	AUD/...
CAD	0.8137	0.9791
CHF	0.4681	0.5633
CNY	3.8965	4.6882
DKK	3.7742	4.5416
FJD	1.2708	1.5291
HKD	4.5054	5.4209
KRW	860.30	1035.12
MYR	2.3383	2.8134
NOK	5.6294	6.7733
SEK	5.5829	6.7173
SGD	0.7439	0.8951
TWD	18.52	22.28
ZAR	9.46	11.38

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.70%	4.36%
90 day bank bills	2.85%	4.51%
1 year swap	3.22%	4.48%
2 year swap	3.49%	4.42%
3 year swap	3.62%	4.38%
5 year swap	3.82%	4.39%
10 year swap	4.19%	4.66%
3 year Govt bond	3.84%	4.50%
5 year Govt bond	4.15%	4.59%
10 year Govt bond	4.68%	4.98%

EQUITIES	Index
NZX50	13,723
ASX200	8,809
Dow Jones	52,475
S&P 500	7,518
FTSE100	10,498
DAX 40	25,114
Nikkei	67,243

COMMODITIES	USD
Brent Crude	82.89
Gold	3,997.72
Silver	57.41
Iron Ore	98.72
CRB Index	478.66

	NZD
NZ Carbon	54.10