Market Alert

Wednesday 15 July 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5809	0.0028
NZD/AUD	0.8332	0.0066
NZD/JPY	94.225	-1.00
NZD/EUR	0.5086	-0.0014
NZD/GBP	0.4338	0.0022
NZD/CNH	3.9341	-0.0333
AUD/USD	0.6971	-0.0022
AUD/EUR	0.6103	-0.0065
EUR/USD	1.1421	0.0083
USD/CNH	6.7738	-0.0898
GBP/USD	1.3388	-0.0005
EUR/GBP	0.8529	0.0066

INT RATES	NZ	Australia
OCR/Cash	2.50%	4.35%
90 day bills	2.87%	4.52%
2 year swap	3.63%	4.49%
10 year Govt	4.74%	5.03%

Trump reversing cargo fee …

President Trump has gone back on his 20% toll on all cargo going through the Strait of Hormuz, saying the toll would be replaced by trade and investment deals with the Gulf states instead. The US military also launched more airstrikes against Iran as it is preparing to bring back the blockade on the country's ports at coastal areas, meant to take effect at 4pm ET. The continued aggression has seen oil prices higher this morning, with WTI Crude at 79.66 and Brent Crude at 85.19.

US CPI was down -0.4% in June and up 3.5% over the June year, both lower than expectations of -0.1% and 3.8% respectively. Core CPI was flat on the month and 2.6% over the year, also lower than expectations. The monthly headline figure is the first decline in six years, being led by falls in gas prices as markets had been pricing in an end to the war in Iran. Fed Chair Kevin Warsh stated that the Central Bank had, *"no tolerance for persistently elevated inflation,"* but also emphasised that the Fed's employment mandate is just as important as the inflation mandate, stating that, *"price stability and maximum employment are not an either-or proposition. I'm committed to both of them."*

The lower-than-expected CPI figures have given the Fed some breathing room, which has brought the US 2-year Treasury yield down to 4.19% and the 10-year yield to 4.58%, declines of 9bps and 4bps respectively.

Business confidence up, consumer confidence down …

The New Zealand Institute of Economic Research ("NZIER") released their Quarterly Survey of Business Opinion ("QSBO") for Q2, which showed a recovery in business confidence, with a seasonally adjusted net 12% of firms expecting an improvement in general economic conditions in the coming months. It was noted that the QSBO was undertaken between 10 June – 7 July, coinciding with a period when fuel prices were declining, before the tensions between the US and Iran began to reignite. The QSBO's cost and pricing indicators revealed that over half of the firms surveyed reported higher costs, with a net 41% able to pass on costs by raising prices, leaving a risk of persistent high inflation.

New Zealand had an annual net migration gain of 18.8k for the May 2026 year, made up a of net migration gain of 55.6k non-citizens and a net loss of 36.8k citizens. Over the month there were migrant arrivals of 9k and departures of 9.1k, for a total net migration loss of 100 in May.

In Australia, the NAB Business Survey saw business confidence rising 3 points to sit a 5, with confidence weakest in retail and strongest in construction. Business conditions jumped by 8 points to sit at 9, increasing the long-term trend for the first time this year, although the trend is still below average.

The Westpac-Melbourne Institute of Consumer Sentiment Index also came out yesterday, and saw a 4.1% rise in July, although the month's reading of 83.9 is still well below the 100 level, indicating, *"ongoing severe pessimism among consumers at the moment."* For reference, this is around the same level as when the RBA pursued its aggressive hiking cycle between July 2022 – July 2024.

Daily Rates

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FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	66.40				
NZD/USD	0.5809	0.0005	0.0015	0.0028	0.0046
NZD/AUD	0.8332	0.0012	0.0034	0.0066	0.0102
NZD/JPY	94.225	-0.15	-0.45	-0.9984	-2.08
NZD/EUR	0.5086	-0.0002	-0.0005	-0.0014	-0.0035
NZD/GBP	0.4338	0.0004	0.0012	0.0022	0.0037
AU TWI	65.00				
AUD/USD	0.6971	-0.0004	-0.0011	-0.0022	-0.0039
AUD/NZD	1.1998	-0.0019	-0.0052	-0.0097	-0.0162
AUD/JPY	112.61	-0.35	-1.01	-2.07	-3.93
AUD/EUR	0.6103	-0.0011	-0.0032	-0.0065	-0.0121
AUD/GBP	0.5206	-0.0003	-0.0008	-0.0015	-0.0024
USD Index	100.95				
EUR/USD	1.1421	0.0014	0.0042	0.0083	0.0162
USD/JPY	162.20	-0.41	-1.20	-2.49	-4.76
GBP/USD	1.3388	0.0000	-0.0001	-0.0005	-0.0015
EUR/GBP	0.8529	0.0011	0.0032	0.0066	0.0131
USD/CNY	6.77	-0.0151	-0.0438	-0.0917	-0.1819

	Spot Mid NZD/...	AUD/...
CAD	0.8168	0.9805
CHF	0.4700	0.5643
CNY	3.9315	4.7195
DKK	3.8004	4.5622
FJD	1.2779	1.5341
HKD	4.5511	5.4634
KRW	864.62	1037.93
MYR	2.3669	2.8414
NOK	5.6292	6.7575
SEK	5.6116	6.7364
SGD	0.7495	0.8997
TWD	18.65	22.39
ZAR	9.51	11.41

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.70%	4.36%
90 day bank bills	2.87%	4.52%
1 year swap	3.31%	4.54%
2 year swap	3.63%	4.49%
3 year swap	3.76%	4.47%
5 year swap	3.96%	4.45%
10 year swap	4.32%	4.76%
3 year Govt bond	3.94%	4.55%
5 year Govt bond	4.24%	4.64%
10 year Govt bond	4.74%	5.03%

EQUITIES	Index
NZX50	13,651
ASX200	8,809
Dow Jones	52,509
S&P 500	7,548
FTSE100	10,529
DAX 40	25,147
Nikkei	67,744

COMMODITIES	USD
Brent Crude	85.40
Gold	4,054.57
Silver	58.73
Iron Ore	98.31
CRB Index	482.53

	NZD
NZ Carbon	54.00