Market Alert

Monday 14 September 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5813	0.0029
NZD/AUD	0.8116	0.0061
NZD/JPY	89.255	-0.87
NZD/EUR	0.5012	-0.0011
NZD/GBP	0.4298	0.0020
NZD/CNH	3.9005	-0.0359
AUD/USD	0.7157	-0.0019
AUD/EUR	0.6169	-0.0060
EUR/USD	1.1596	0.0081
USD/CNH	6.7073	-0.0947
GBP/USD	1.3518	0.0001
EUR/GBP	0.8569	0.0059

INT RATES	NZ	Australia
OCR/Cash	2.75%	4.35%
90 day bills	3.09%	4.72%
2 year swap	4.02%	4.99%
10 year Govt	5.11%	5.47%

US inflation pressure

US Core CPI met expectations in August with a 0.4% increase over the month and a 3.4% increase over the August year. Core CPI was slightly higher than expected on the month, at 0.3% against forecasts of 0.2%, but met expectations over the August year at 2.4%. Energy costs were, unsurprisingly, a driver in the headline figure, with gasoline prices accounting for one third of the index's gain. Markets are now pricing in a 90% chance of a hike at this week's Fed meeting, with further hikes over the coming months.

President Donald Trump has continued to push for the Fed to lower interest rates, stating "*We should be paying – the United States is so strong – we should be paying the lowest interest rate in the world, regardless of their formulas.*"

The UK's GDP print over July came in higher than expect at 0.4% against forecasts of a flat 0.0%. The 3M/3M change was also 0.4%, slightly higher than expectations of 0.3%. The Office for National Statistics ("ONS") stated that the growth in July was driven by the services sector, particularly admin services, computer programming, and consulting. Within consulting, the ONS stated that many of the businesses reporting the largest turnover involved activities related to AI and cloud computing.

Fed hikes likely

Friday's US CPI did nothing to talk the Fed out of a hike this week and the interest rates moved accordingly. The 2-year US Treasury yield added 4bps to 4.63% and the 10-year inched even closer to 5.00%, at 4.97%, while the 30-year was unchanged at 5.36%, so local swap rates should open higher this morning with a flattening bias. The USD-index was largely unchanged, just above 99.00, the NZD/USD and AUD/USD firmed slightly to 0.5818 and 0.7161, and NZD/AUD sits at 0.8124. The yen remains the pick of the bunch, as it strengthened against the USD to slightly above 153.00, remaining near a seven-month low, (NZD/JPY is 89.35) with the BoJ expected to hike on Friday.

Despite projectiles hitting Saudi Arabia's East-West pipeline, the Houthis completing their takeover of Bab el-Mandeb, and the IEA putting Saudi crude supply near the lowest in more than three decades, oil went the other way, WTI down USD2.43 to USD100.05 and brent down USD3.02 to USD104.61, and that was enough to snap four days of equity losses, with the S&P 500 up 0.9% and the Dow 1.0%.

The week ahead

Three central banks, and NZ GDP:

- US: the FOMC on Thursday morning our time, with the new projections and Warsh's first press conference. Retail sales, the Empire and Philly Fed surveys and industrial production fill in around it.
- Europe & UK: the BoE on Thursday night, where a hold at 3.75% is expected and the vote split is the story. UK jobs Tuesday, UK CPI Wednesday.
- Asia-Pacific: the BoJ on Friday, where a move toward 1.25% is live after the yen's run. Chinese activity data Tuesday, Japanese CPI Friday.
- NZ & Australia: New Zealand's June quarter current account data are out on Wednesday and GDP on Thursday, with the RBNZ picking flat after March's 0.8%. The RBNZ has assumed the conflict cost the quarter around 0.6%. In Australia, the RBA meets on 29 September, NAB the only major calling a move to 4.60% this month…

Daily Rates

Monday 14 September 2026

FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	65.50				
NZD/USD	0.5813	0.0005	0.0015	0.0029	0.0050
NZD/AUD	0.8116	0.0010	0.0032	0.0061	0.0108
NZD/JPY	89.255	-0.13	-0.42	-0.8703	-1.89
NZD/EUR	0.5012	-0.0001	-0.0005	-0.0011	-0.0029
NZD/GBP	0.4298	0.0003	0.0010	0.0020	0.0037
AU TWI	66.00				
AUD/USD	0.7157	-0.0003	-0.0010	-0.0019	-0.0043
AUD/NZD	1.2327	-0.0017	-0.0050	-0.0096	-0.0177
AUD/JPY	110.39	-0.31	-0.95	-1.90	-3.78
AUD/EUR	0.6169	-0.0010	-0.0031	-0.0060	-0.0118
AUD/GBP	0.5289	-0.0003	-0.0009	-0.0015	-0.0026
USD Index	99.10				
EUR/USD	1.1596	0.0014	0.0041	0.0081	0.0162
USD/JPY	153.54	-0.38	-1.13	-2.27	-4.52
GBP/USD	1.3518	0.0001	0.0002	0.0001	-0.0012
EUR/GBP	0.8569	0.0009	0.0028	0.0059	0.0121
USD/CNY	6.708	-0.0149	-0.0449	-0.0917	-0.1953

	Spot Mid NZD/...	AUD/...
CAD	0.8030	0.9919
CHF	0.4728	0.5838
CNY	3.9014	4.8116
DKK	3.7337	4.6120
FJD	1.2656	1.5633
HKD	4.5437	5.6126
KRW	779.00	962.26
MYR	2.3570	2.9115
NOK	5.3749	6.6393
SEK	5.6168	6.9381
SGD	0.7339	0.9066
TWD	18.31	22.62
ZAR	9.33	11.53

EQUITIES	Index
NZX50	13,580
ASX200	8,741
Dow Jones	52,573
S&P 500	7,657
FTSE100	10,650
DAX 40	25,569
Nikkei	64,011

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.95%	4.44%
90 day bank bills	3.09%	4.72%
1 year swap	3.64%	4.93%
2 year swap	4.02%	4.99%
3 year swap	4.19%	4.96%
5 year swap	4.39%	5.00%
10 year swap	4.71%	5.15%
3 year Govt bond	4.32%	5.07%
5 year Govt bond	4.63%	5.15%
10 year Govt bond	5.11%	5.47%

COMMODITIES	USD
Brent Crude	104.61
Gold	4,347.32
Silver	64.46
Iron Ore	98.02
CRB Index	544.20
	NZD
NZ Carbon	49.05