Market Alert

Thursday 12 November 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5566	0.0037
NZD/AUD	0.8128	0.0072
NZD/JPY	88.985	-0.78
NZD/EUR	0.5018	-0.0008
NZD/GBP	0.4193	0.0026
NZD/CNH	3.7142	-0.0308
AUD/USD	0.6847	-0.0018
AUD/EUR	0.6173	-0.0065
EUR/USD	1.1091	0.0089
USD/CNH	6.6736	-0.0987
GBP/USD	1.3273	0.0002
EUR/GBP	0.8354	0.0065

INT RATES	NZ	Australia
OCR/Cash	2.75%	4.85%
90 day bills	3.18%	4.99%
2 year swap	3.74%	4.78%
10 year Govt	4.77%	5.14%

As the old bloke in 'Lethal Weapon' used to say ...

I'm getting too old for this s*** ... I must admit ... it's taken me a couple of years to get used to playing against a bunch of 25-years olds, but last night was a step too far ... they were all 19 and part of last years 1st XI from one of the top footie schools in the country. Normally I can manage by kicking the young blokes, but they were too big, too fast, and too strong. I now have so much swelling on one leg it looks like I have 2 -knee's! But the good news

is that we scored ... so it's yet another moral victory!

Speaking of moral victories, equity markets decided to completely ignore the bond market's staging a glorious AI-fuelled comeback ahead of the inevitable rate-hiking storm proving once again that tech traders have the memory of a goldfish when it comes to hot inflation prints.

The Nasdaq surged 2.3% after cloud provider CoreWeave skyrocketed 25% after smashing Q3 earnings and lifting guidance. Sentiment got an extra boost from reports that OpenAI hit USD10.0bn in quarterly revenue while Anthropic's upcoming IPO is multiple times oversubscribed at a staggering USD1.3trn-USD1.4trn valuation. The S&P500 firmed 1.6% while the European bourses gained 0.5%-1.0%.

With the cash-traded Treasury market closed for the Veterans Day bank holiday, the futures market remained open and promptly sold off. The price action implies yields will jump another 2bps-4bps when cash trading resumes tonight, threatening to push the benchmark 10-year yield back above the psychological 5.01% level.

US SOFR futures retreated as traders priced in 3 full 25bps Fed hikes by mid-2027. This hawkish contagion bled directly into Asia-Pacific rate curves, pushing Australia's 10-year yield up 5bps to 5.04%. Local swap curves also traded higher with the NZ curve gaining 6bps-8bps yesterday and will likely open with a modest bid tone this morning.

Backed by surging rate expectations, the USD-index pushed higher to a smidge below the 103.0 level. The resurgent USD kept cyclical currencies pinned down, leaving the NZD/USD hovering defensively, falling 0.7% to 0.5565, while the AUD outperformed following its recent weakness, dropping a mere 0.25% to be at 0.685 as it struggles against bets that the RBA is finally done hiking. The EUR and JPY also fell 0.65%.

Oil staged a modest corrective bounce from early-week losses, with Brent lifting 2.0% toward USD93.40 while crude firmed 1.0% to USD85.75. Gold is trading at USD4,000 an ounce after taking a beating from higher yields and a firmer greenback.

Looking at the Geopolitical headlines ...

In a rare bit of good news, trilateral talks between Ukraine, Russia, and the US in Abu Dhabi wrapped up constructively, resulting in an agreement for the largest humanitarian prisoner of war exchange in months.

Conversely, Middle East tensions remain dangerously close to reigniting. US Treasury Secretary Scott Bessent has reportedly moved from his home onto a military base following credible Iranian assassination threats while, Iran unveiled a new underground missile base and lifted its missile range limits.

Iranian Parliament Speaker Mohammad Ghalibaf spoke to Al Jazeera stating, "*We do not want the war to continue. The US has not yet given any official and specific response to the message and plan presented by Iran.*"

Saudi Arabia's crude oil production surged 26% to 10.56m barrels per day in October, its highest level since before the outbreak of the war.

The PBoC's monetary policy report for Q3 vowed to, "*Prevent the exchange rate overshoot risk,*" adding "*The PBoC will adjust monetary policy tools at the appropriate time.*"

Daily Rates

Thursday 12 November 2026

FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	64.00				
NZD/USD	0.5566	0.0006	0.0019	0.0037	0.0070
NZD/AUD	0.8128	0.0014	0.0040	0.0072	0.0122
NZD/JPY	88.985	-0.12	-0.41	-0.7783	-1.67
NZD/EUR	0.5018	-0.0001	-0.0004	-0.0008	-0.0020
NZD/GBP	0.4193	0.0004	0.0013	0.0026	0.0052
AU TWI	63.80				
AUD/USD	0.6847	-0.0005	-0.0011	-0.0018	-0.0025
AUD/NZD	1.2305	-0.0022	-0.0062	-0.0115	-0.0197
AUD/JPY	109.13	-0.35	-1.05	-1.95	-3.70
AUD/EUR	0.6173	-0.0012	-0.0036	-0.0065	-0.0120
AUD/GBP	0.5157	-0.0004	-0.0009	-0.0014	-0.0017
USD Index	102.93				
EUR/USD	1.1091	0.0014	0.0046	0.0089	0.0183
USD/JPY	159.86	-0.39	-1.27	-2.44	-4.96
GBP/USD	1.3273	0.0000	0.0002	0.0002	-0.0008
EUR/GBP	0.8354	0.0010	0.0033	0.0065	0.0136
USD/CNY	6.6703	-0.0160	-0.0500	-0.0972	-0.2045

	Spot Mid NZD/...	AUD/...
CAD	0.7926	0.9754
CHF	0.4635	0.5706
CNY	3.7127	4.5698
DKK	3.7497	4.6143
FJD	1.2450	1.5321
HKD	4.3650	5.3715
KRW	744.06	915.63
MYR	2.2645	2.7867
NOK	5.3141	6.5395
SEK	5.5505	6.8304
SGD	0.7148	0.8796
TWD	18.30	22.52
ZAR	9.24	11.37

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.93%	4.86%
90 day bank bills	3.18%	4.99%
1 year swap	3.53%	4.94%
2 year swap	3.74%	4.78%
3 year swap	3.85%	4.72%
5 year swap	4.02%	4.72%
10 year swap	4.36%	4.91%
3 year Govt bond	3.99%	4.80%
5 year Govt bond	4.27%	4.84%
10 year Govt bond	4.77%	5.14%

EQUITIES	Index
NZX50	14,180
ASX200	9,153
Dow Jones	52,495
S&P 500	7,644
FTSE100	10,835
DAX 40	26,663
Nikkei	61,249

COMMODITIES	USD
Brent Crude	93.47
Gold	3,984.86
Silver	51.82
Iron Ore	92.54
CRB Index	497.07

	NZD
NZ Carbon	50.10

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