Market Alert

Thursday 19 November 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5492	0.0036
NZD/AUD	0.8179	0.0073
NZD/JPY	87.530	-0.78
NZD/EUR	0.5006	-0.0008
NZD/GBP	0.4178	0.0026
NZD/CNH	3.6624	-0.0315
AUD/USD	0.6714	-0.0016
AUD/EUR	0.6120	-0.0065
EUR/USD	1.0970	0.0089
USD/CNH	6.6686	-0.1003
GBP/USD	1.3143	0.0003
EUR/GBP	0.8344	0.0064

INT RATES	NZ	Australia
OCR/Cash	2.75%	4.85%
90 day bills	3.21%	5.00%
2 year swap	3.82%	4.81%
10 year Govt	4.86%	5.19%

Yesterday was a day on the road, catching up with clients ...

Who seemed to be full of the joys of spring, and then back in time for a game of football which was a draw, so we'll take that as a moral victory!

But beyond the initial joy a little sunshine brings, and the feel-good factor of a 'sweat-it-out-session', overnight equity markets opened in the red after Wall Street threw Nvidia under the bus – despite the company practically doubling its quarterly revenue to USD115.0b - proving that no amount of AI cash can cure a market haunted by a ghost CEO, a 50bps Fed scare, and a three-way superpower cuddle in Shenzhen.

While equity stocks initially tried to bounce on Nvidia's blockbuster numbers, a combination of fresh Congressional chip probes on Chinese chip exports, Fed Governor Christopher Waller's threat to *"shock people,"* and a sudden afternoon wave of mysterious tech failures ... quickly flipped the major indices back into the red for a fifth straight session.

The most worrying headline this morning ...

Was from the FT with, 'US tech outages blamed on rush to fix bugs found by AI' with 'experts' warning that a race to patch software flaws likely created instability in computer systems at Microsoft, JPMorgan, the FAA and others. As I type, the Dow is trading 1.6% lower near its 5-month low, the S&P 500 is flat, while the Nasdaq, somewhat surprisingly, has posted a modest 0.4% gain. The European bourses took a pasting, falling 0.5%-1.0%.

Federal Reserve Governor Christopher Waller called for aggressive action against inflation stating *"I'm very, very concerned about inflation. It's kind of headed in the wrong direction, and it's spreading out. Annualised inflation is heading to 3.5%. If you really want to get it down, you've got to start taking more aggressive actions. You might need to, like, shock people. If you are not going to signal a more aggressive pace in the months ahead, the Fed need's to 50bps now!"*

But despite the hawkish comments, money markets are still pricing odds at 100% for a a standard 25bps move, leaving the 50bps risk at just 5.0%. Treasury yields initially spiked on the comments, briefly sending the 2-year Treasury yield to 4.83% before equity risk-aversion pulled yields lower across the curve. Currently the 2-years is trading 3bps lower at 4.79%, the 10-years has eased 6bps to 5.06%, while the 30-years has fallen 5bps to 5.41%.

Conversely, the comments added additional support to the USD-index, which is trading at 103.75. The NZD/USD and AUD/USD remain stuck in their respective basements with NZD/USD trapped below 0.5500 around 0.5491–0.5498 (just above Tuesday's 0.5481 six-year low), while the RBNZ TWI-17 slipped to 63.14.

Despite a couple of 'Gulf flare-ups', the threat of surging oil inventories in 2027 sent WTI prices tumbling 2.7% to USD81.95 while Brent fell 1.75% to USD91.35. US copper prices sank to a 7-month low below USD5.70 per pound while spot gold plunged a further 3.1% to USD3,750/oz.

In the UK, inflation hit a 12-month high at 3.6% - although it printed slightly softer than the BoE's forecast, although producer price inflation rose to its highest level in 3.5-years at 5.1%. In NZ, Q3 PPIs cooled more than expected after outputs increased 0.8% while input firmed 0.7%.

In the least surprising news of the day ...

The Democrats have nominated Hakeem Jeffries to be the US House speaker. And speaking of political headlines, President Xi Jinping personally greeted Donald Trump at the airport - receiving a special 'Trump hug' for his troubles - ahead of today's unprecedented trilateral summit with Russian President Vladimir Putin on the sidelines of APEC.

Daily Rates

Thursday 19 November 2026

FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	63.20				
NZD/USD	0.5492	0.0006	0.0018	0.0036	0.0069
NZD/AUD	0.8179	0.0014	0.0040	0.0073	0.0124
NZD/JPY	87.530	-0.13	-0.40	-0.7826	-1.66
NZD/EUR	0.5006	-0.0001	-0.0004	-0.0008	-0.0022
NZD/GBP	0.4178	0.0004	0.0013	0.0026	0.0052
AU TWI	62.60				
AUD/USD	0.6714	-0.0005	-0.0011	-0.0016	-0.0020
AUD/NZD	1.2223	-0.0021	-0.0061	-0.0110	-0.0189
AUD/JPY	106.94	-0.34	-1.02	-1.90	-3.62
AUD/EUR	0.6120	-0.0012	-0.0035	-0.0065	-0.0119
AUD/GBP	0.5108	-0.0004	-0.0009	-0.0014	-0.0015
USD Index	103.77				
EUR/USD	1.0970	0.0014	0.0045	0.0089	0.0183
USD/JPY	159.36	-0.40	-1.27	-2.45	-4.95
GBP/USD	1.3143	0.0001	0.0002	0.0003	-0.0002
EUR/GBP	0.8344	0.0010	0.0033	0.0064	0.0136
USD/CNY	6.6676	-0.0162	-0.0503	-0.0991	-0.2056

	Spot Mid NZD/...	AUD/...
CAD	0.7867	0.9619
CHF	0.4631	0.5664
CNY	3.6591	4.4779
DKK	3.7406	4.5738
FJD	1.2375	1.5132
HKD	4.3082	5.2677
KRW	731.75	894.73
MYR	2.2579	2.7608
NOK	5.3204	6.5055
SEK	5.5821	6.8240
SGD	0.7080	0.8657
TWD	18.09	22.12
ZAR	9.49	11.60

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.98%	4.86%
90 day bank bills	3.21%	5.00%
1 year swap	3.59%	4.94%
2 year swap	3.82%	4.81%
3 year swap	3.94%	4.75%
5 year swap	4.11%	4.78%
10 year swap	4.47%	5.02%
3 year Govt bond	4.08%	4.82%
5 year Govt bond	4.36%	4.86%
10 year Govt bond	4.86%	5.19%

EQUITIES	Index
NZX50	14,264
ASX200	8,822
Dow Jones	50,380
S&P 500	7,346
FTSE100	10,551
DAX 40	25,736
Nikkei	59,024

COMMODITIES	USD
Brent Crude	91.35
Gold	3,732.30
Silver	45.13
Iron Ore	90.62
CRB Index	493.01

	NZD
NZ Carbon	50.00

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