# Market Alert

Monday 02 November 2026

| CURRENCIES | Spot | 6mths |
|---|---|---|
| NZD/USD | 0.5632 | 0.0033 |
| NZD/AUD | 0.8012 | 0.0073 |
| NZD/JPY | 88.725 | -0.80 |
| NZD/EUR | 0.5046 | -0.0009 |
| NZD/GBP | 0.4206 | 0.0025 |
| NZD/CNH | 3.7486 | -0.0326 |
| AUD/USD | 0.7020 | -0.0024 |
| AUD/EUR | 0.6289 | -0.0069 |
| EUR/USD | 1.1158 | 0.0084 |
| USD/CNH | 6.6528 | -0.0963 |
| GBP/USD | 1.3388 | -0.0001 |
| EUR/GBP | 0.8333 | 0.0064 |

| INT RATES | NZ | Australia |
|---|---|---|
| OCR/Cash | 2.50% | 4.60% |
| 90 day bills | 3.16% | 4.95% |
| 2 year swap | 3.89% | 4.85% |
| 10 year Govt | 4.90% | 5.21% |

## Pinch, punch ...

It's the start of the month! And who would have thought ... it's November already!

Markets wrapped up October with a spectacular tech-fuelled tantrum, while macro investors are coming to terms with the reality that inflation is a permanent roommate. The tech-heavy Nasdaq Composite suffered its worst single-day beating since June, plummeting 3.5% as the "*Show Me the Money*" phase of the AI infrastructure boom turned brutal while the hyperscalers are finding out that spending billions on data centres requires a massive corporate payout just to keep shareholders smiling!

## Following last week's central bank dramas ...

Of the Fed's fractured hold, the RBNZ's pause, and Christine Lagarde's dramatic exit notice, the Bank of Japan wrapped up the global central bank marathon by leaving its ultra-loose policy settings unchanged, essentially letting the global volatility engine spin out while they look for a less chaotic window to tighten later.

But despite all of the pauses, it should be noted markets are all pricing in 75%-85% probabilities that the Fed, RBNZ, ECB and BoJ will all hike in December. Meanwhile, in a massive tell that the US Treasury doesn't think inflation is 'transitory,' newly issued Series I retail savings bonds saw their yields spike to 5.51%. This marks the highest fixed-rate component offered to savers since 2006!

While US yields remain elevated, they ended the week slightly lower, which saw the USD-index eased back below the 102.00 level. This helped the NZD/USD and AUD/USD to consolidate above the 0.5625 and 0.7025 levels, with NZD/AUD just above 0.8000, even though the NZD is weak on the crosses.

Equity markets closed 1.0%-2.0% lower, with the Nasdaq wrapping up a horrific month, falling 6.45% as the defensive money actively rotated into cash equivalents to escape the carnage. Adding to the mix, headlines of Binance's USD6.3bn hack, allegedly by North Korea, weighed on sentiment even though the exchange has pledged to cover the losses.

Saturday morning saw oil prices take another aggressive step toward their recent four-year high with Brent crude climbing to USD113.45 after energy desks went into structural panic mode following reports that President Trump was formally briefed on expanded strike options targeting Iranian infrastructure.

China's official NBS manufacturing PMIs fell from 50.1 to 49.3, missing estimates at 50.0 to record its lowest reading since July. Output and export orders both fell into contractionary territory, while new orders and buying levels declined for the first time in three months.

Here's a thought for the next NZ Government ... German annual inflation eased from a near three-year high of 3.3% to 2.8% in October, below market expectations of 3.0% ... following the temporary fuel tax cut!

## The week ahead

Will mostly be focused on tomorrow's US midterms and, locally, the NZ election. Its expected the Democrats will win the House of Representatives, but the Senate is a lot closer to call. The NZ election? I've no idea! This week's OPEC meeting will also be closely watched for signals on oil production and supply. In the US, the Q3 quarter earnings season gains momentum, while we also have non-farm payrolls, hourly earnings, job openings, job cuts, employment, ISM PMIs, and the University of Michigan consumer sentiment index.

From the UK we have the BoE decision and house prices, from the Eurozone we have CPI, PPIs, PMIs, and retail sales, German factory orders, industrial production, and retail sales. Finally, from our part of the world we have Chinese RatingDog PMIs, the minutes from the BoJ's September meeting, the RBA tomorrow, as well as Australian trade, building approvals and the inflation gauge, while in NZ we have building permits and employment.

# Daily Rates

Monday 02 November 2026

| FX | Spot Mid | FECs (mid) 1mth | 3mths | 6mths | 12mths |
|---|---|---|---|---|---|
| NZ TWI | 63.90 | | | | |
| NZD/USD | 0.5632 | 0.0006 | 0.0017 | 0.0033 | 0.0057 |
| NZD/AUD | 0.8012 | 0.0013 | 0.0039 | 0.0073 | 0.0123 |
| NZD/JPY | 88.725 | -0.11 | -0.41 | -0.7953 | -1.69 |
| NZD/EUR | 0.5046 | -0.0001 | -0.0004 | -0.0009 | -0.0026 |
| NZD/GBP | 0.4206 | 0.0004 | 0.0013 | 0.0025 | 0.0047 |
| | | | | | |
| AU TWI | 65.20 | | | | |
| AUD/USD | 0.7020 | -0.0005 | -0.0013 | -0.0024 | -0.0038 |
| AUD/NZD | 1.2482 | -0.0021 | -0.0062 | -0.0114 | -0.0194 |
| AUD/JPY | 110.55 | -0.34 | -1.05 | -1.99 | -3.76 |
| AUD/EUR | 0.6289 | -0.0012 | -0.0036 | -0.0069 | -0.0129 |
| AUD/GBP | 0.5242 | -0.0004 | -0.0010 | -0.0017 | -0.0022 |
| | | | | | |
| USD Index | 101.96 | | | | |
| EUR/USD | 1.1158 | 0.0013 | 0.0042 | 0.0084 | 0.0170 |
| USD/JPY | 157.53 | -0.38 | -1.18 | -2.32 | -4.54 |
| GBP/USD | 1.3388 | 0.0000 | 0.0002 | -0.0001 | -0.0016 |
| EUR/GBP | 0.8333 | 0.0010 | 0.0031 | 0.0064 | 0.0136 |
| USD/CNY | 6.6538 | -0.0151 | -0.0469 | -0.0958 | -0.1958 |

| | Spot Mid NZD/... | AUD/... |
|---|---|---|
| CAD | 0.7865 | 0.9806 |
| CHF | 0.4646 | 0.5778 |
| CNY | 3.7507 | 4.6778 |
| DKK | 3.7710 | 4.7012 |
| FJD | 1.2480 | 1.5559 |
| HKD | 4.4173 | 5.5069 |
| KRW | 750.87 | 936.09 |
| MYR | 2.2828 | 2.8459 |
| NOK | 5.1733 | 6.4493 |
| SEK | 5.5306 | 6.8948 |
| SGD | 0.7196 | 0.8972 |
| TWD | 18.35 | 22.87 |
| ZAR | 9.41 | 11.73 |

| INTEREST RATES | New Zealand Mid | Australia Mid |
|---|---|---|
| 30 day bank bills | 2.93% | 4.78% |
| 90 day bank bills | 3.16% | 4.95% |
| 1 year swap | 3.58% | 4.95% |
| 2 year swap | 3.89% | 4.85% |
| 3 year swap | 4.02% | 4.80% |
| 5 year swap | 4.18% | 4.79% |
| 10 year swap | 4.49% | 5.04% |
| 3 year Govt bond | 4.10% | 4.87% |
| 5 year Govt bond | 4.39% | 4.92% |
| 10 year Govt bond | 4.90% | 5.21% |

| EQUITIES | Index |
|---|---|
| NZX50 | 13,797 |
| ASX200 | 8,908 |
| Dow Jones | 51,770 |
| S&P 500 | 7,580 |
| FTSE100 | 10,730 |
| DAX 40 | 25,818 |
| Nikkei | 63,290 |

| COMMODITIES | USD |
|---|---|
| Brent Crude | 113.43 |
| Gold | 3,875.02 |
| Silver | 49.10 |
| Iron Ore | 90.87 |
| CRB Index | 531.72 |

| | NZD |
|---|---|
| NZ Carbon | 48.50 |

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