Markets Today

19 November 2026

Events round-up

NZ: PPI output (q/q%), Q3: 0.8 vs. 1.7 prev.

AU: Wage price index (q/q%), Q3: 1.1 vs. 1.0 exp.

AU: Wage price index (y/y%), Q3: 3.5 vs. 3.4 exp.

UK: CPI (y/y%), Oct: 3.6 vs. 3.6 exp.

UK: CPI core (y/y%), Oct: 2.8 vs. 2.8 exp.

UK: CPI services (y/y%), Oct: 3.7 vs. 3.8 exp.

US: Housing starts (m/m%), Oct: 9.9 vs. 2.4 exp.

US: Building permits (m/m%), Oct: -7.4 vs. -1.7 exp.

US: Pending home sales (m/m%), Oct: -4.7 vs. -2.0 exp.

Good morning

Market movements overnight have been modest, with US equities hovering in and out of positive territory, slightly lower US Treasury yields and lower oil prices. The NZD has sustained a move to just below 0.55, while GBP underperformed after its CPI report.

US equities show modest gains in early afternoon trading. Nvidia's strong earnings result and upgraded revenue guidance, released after the close yesterday, were met with a 4% share price gain in after-hours trading. However, the move has not been sustained, as investors question the company's path without Huang at the helm and face greater regulatory scrutiny of the company. Nvidia is currently down 1½% for the day. The unravelling of the AI trade continues to be felt in the copper market, which has fallen by more than 5%, extending its decline this month to 13%.

Oil prices are weaker despite ongoing reports of military skirmishes in the Middle East. The US continues to attack targets on Qeshm Island as part of its "defensive" strategy to wipe out Iranian missile launch sites. Iran continues to attack other countries, targeting military bases in both Kuwait and Bahrain, in addition to attacking shipping through the Strait of Hormuz. Meanwhile, there are reports of intensifying attacks between Saudi Arabia and the Houthis. Brent crude is down over 2% and is trading near USD91 per barrel handle. Traders report that speculators have less desire to take long positions in a market where excess supply has emerged. EIA data showed rising stockpiles of crude and refined products in the US last week.

Fed Governor Waller repeated his message that inflation is headed in the wrong direction and that the Fed should consider a jumbo 50bps increase in the Fed Funds rate in December. He said he would prefer the larger increase unless the Fed gave a credible signal of back-to-back 25bp hikes in December and January. Waller is seen as an outlier, with no support from his fellow committee members for a jumbo 50bp hike.

US Treasury yields rose after Waller's comments, but the move was not sustained, and the risk-off mood has supported lower rates across the curve. The 10-year rate reached an overnight high of 5.13% and is currently 5.06%, down 5bps for the day and 3bps from the NZ close. The market fully prices a 25bps hike next month (26bps priced), alongside a high chance of a follow-up move in January.

In economic news, US housing starts jumped 9.9% m/m in October, driven by multi-family dwellings. However, trends in housing remain very weak overall. The 7.4% fall in building permits and the 4.7% fall in pending home sales are consistent with the downturn extending against a backdrop of the recent lift in mortgage rates.

UK CPI inflation data were mostly in line with expectations. The headline rate rose a tenth to 3.6% y/y in October, while the core and services rates were both steady, at 2.8% and 3.7% respectively. Speaking after the data, BoE Governor Bailey said that if the Iran war keeps energy prices elevated, it becomes "more likely persistent inflationary effects will take hold and the higher the level of interest rates will need to be". He noted that the recent fall in oil prices might mean inflation peaks a bit lower than the BoE's forecast of 5% or higher, made earlier this month.

The market saw the CPI data as reassurance that the oil shock was not spreading into wider inflationary pressure through the economy. The market pared its BoE tightening expectations through 2027 but still sees the policy rate heading towards 5% (peaking around 4.9%) from its current level of 4%. UK Gilts rallied, and GBP has been one of the weakest FX majors overnight, with GBP/USD trading below 1.3150.

Currency movements have been modest but both JPY and the USD are well supported, suggesting an underlying safe-haven bid. The NZD is consolidating its recent move below 0.55, but it has not recorded a fresh low over the past 24 hours and sits near 0.5490. The AUD continues to

underperform and traded at a fresh 10-month low of 0.6706. It found no support yesterday, even after wages data came in slightly above consensus and above RBA forecasts. NZD/AUD continues to push higher and has traded above 0.8175.

The underperformance of GBP has driven a small gain in NZD/GBP, to 0.4175. NZD/EUR is hovering around 0.50, while NZD/JPY is around 87.5.

In the domestic rates market, there was little net change in NZGB or swap rates yesterday. Earlier in the day, payside pressure in the swaps market gave way, and by the close, rates were marked down 1bp across the curve. NZGB 5-year and 10-year bonds were marked unchanged for the day.

In the day ahead, Australia's labour market report is the only top-tier economic release. The consensus sees a 25k lift in employment in October, keeping the unemployment rate unchanged at 4.7%. RBNZ Chief Economist Conway will also speak at two different events today.

On the sidelines of the APEC meeting, President Trump will meet with Presidents Xi and Putin. Ahead of the meeting, Xi gave a pro-trade message, warning against economic barriers and urging closer cooperation among APEC partners. Putin gave a similar message and argued against sanctions, saying they would not halt Russia's development.

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Coming up

		Period	Cons.	Prev.	NZT
US	FOMC Meeting Minutes	Oct			08:00
NZ	RBNZ Chief Economist Conway speaks on economy				09:00
NZ	Trade balance (ann. $b)	Oct		-6.2	10:45
AU	Employment change (k)	Oct	25.0	-39.3	13:30
AU	Unemployment rate (%)	Oct	4.7	4.7	13:30
NZ	RBNZ Chief Economist Conway speaks on economy				15:00
US	Philly Fed business outlook	Nov	20.6	20.9	02:30
US	Initial Jobless Claims	14-Nov	198	200	02:30

Source: Bloomberg

Currencies

FX Majors — Indicative overnight ranges (*)

	Last	% Day	Low	High
NZD	0.5493	-0.0	0.5483	0.5503
AUD	0.6719	-0.3	0.6706	0.6737
EUR	1.0974	-0.2	1.0953	1.0985
GBP	1.3149	-0.5	1.3136	1.3194
JPY	159.31	-0.1	159.13	159.48
CAD	1.4336	+0.3		
NZD/AUD	0.8175	+0.2		
NZD/EUR	0.5005	+0.2		
NZD/GBP	0.4178	+0.5		
NZD/JPY	87.51	-0.1		
NZD/CAD	0.7875	+0.3		
NZ TWI	63.14	+0.0		

Other FX

	Last	% Day
CHF	0.8431	+0.3
SEK	10.165	+0.4
NOK	9.706	+0.8
HKD	7.846	-0.0
CNY	6.668	+0.0
SGD	1.290	+0.1
IDR	18,232	-0.1
THB	33.97	+0.4
KRW	1,333	-0.1
TWD	32.96	+0.0
PHP	63.71	+0.0

Equities

Major Indices

	Last	% Day	% Year
S&P 500	7,339	-0.0	10.9
Dow	50,361	-0.8	9.3
Nasdaq	24,444	+0.5	9.0
Stoxx 50	6,154	-0.9	11.2
FTSE	10,551	-1.3	10.5
DAX	25,736	-1.2	11.0
CAC 40	8,147	-0.9	2.2
Nikkei	59,024	+0.3	21.6
Shanghai	3,588	+0.1	-8.9
ASX 200	8,822	-0.7	4.4
NZX 50	14,264	-0.3	7.0
VIX Index	24.06	-5.5	-2.6

Commodities

Price (Near futures, except CRB)

	Last	Net Day
Oil (Brent)	91.15	-2.1
Oil (WTI)	82.55	-4.0
Gold	3743.8	-3.1
HRC steel	1352.0	-0.1
CRB	380.4	+0.2
SGX Iron Ore	88.10	+0.5
NZ Milk '27	10.41	-0.9
NZ Milk '28	10.14	-0.2
NZ Milk '29	9.80	+0.0
WM powder	4260	-0.7

Australian Futures

3 year bond	95.27	0.05
10 year bond	94.92	0.04

Interest Rates

Rates

	Cash	3Mth
USD	4.00	4.85
AUD	4.85	4.95
NZD	2.75	3.21
EUR	2.50	2.78
GBP	4.00	3.90
JPY	1.25	1.38
CAD	2.50	2.69

Swap Yields

	2 Yr	10 Yr
USD	4.64	4.66
AUD	4.80	5.21
NZD	3.84	4.49
EUR	3.39	3.43
GBP	4.76	4.85
JPY	1.84	2.77
CAD	3.18	3.55

Benchmark 10 Yr Bonds

	Last	Net Day
USD	5.06	-0.04
AUD	5.08	-0.05
NZD	4.77	0.01
GER	3.37	-0.01
GBP	5.29	-0.08
JPY	2.88	-0.00
CAD	3.79	-0.03

NZ Government Bonds

	Last	Chg
15-May-28	3.70	-0.01
20-Apr-29	3.94	-0.00
15-May-30	4.09	-0.00
15-May-31	4.24	-0.00
15-May-32	4.37	-0.00
14-Apr-33	4.48	0.00
15-May-34	4.58	0.01
15-May-35	4.68	0.01
15-May-36	4.77	0.00
15-May-37	4.85	0.00
15-May-38	4.91	0.00
15-May-41	5.14	0.00
15-May-51	5.38	0.00
15-May-54	5.40	0.00

NZ BKBM and Swap Yields

	Last	Chg
BKBM 1-mth	2.98	0.00
BKBM 3-mth	3.21	0.00
1 year	3.62	0.01
2 year	3.84	-0.01
3 year	3.95	-0.01
5 year	4.13	-0.01
7 year	4.29	-0.01
10 year	4.49	-0.01
15 year	4.70	-0.01

NZ Inflation-Indexed Bonds

Sept-30	1.68	0.02
Sept-35	2.45	0.02
Sept-40	2.90	0.02

Carbon Price

	Level	% Day	% Year
NZU	50.00	-0.4	+16.6

* These are indicative ranges from 5pm NZT; please confirm rates with your BNZ dealer

Rates are as of: NZT 06:55

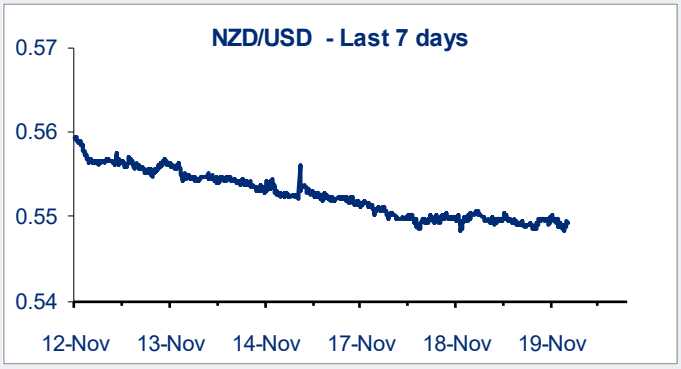
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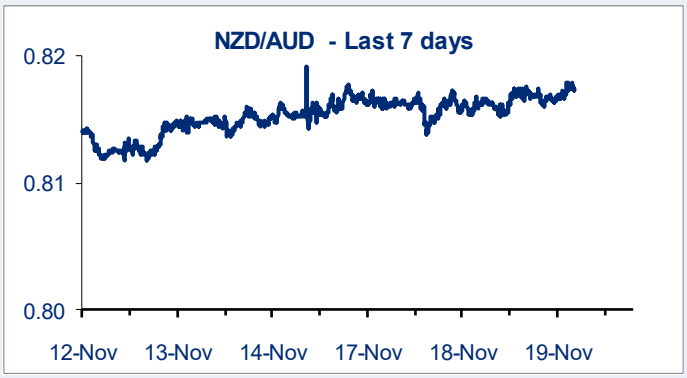
Policy Meeting Run

	NZD	AUD	USD
1st	2.98	4.88	4.15
2nd	3.12	4.93	4.33
3rd	3.26	4.91	4.48
4th	3.38	4.90	4.55
5th	3.47	4.85	4.64

NZD exchange rates

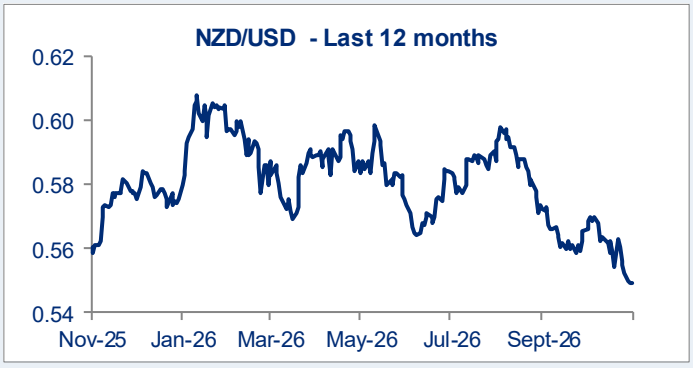
19/11/2026	6:55 am	Prev. NY close
USD	0.5493	0.5494
GBP	0.4178	0.4159
AUD	0.8175	0.8156
EUR	0.5005	0.4995
JPY	87.51	87.56
CAD	0.7875	0.7855
CHF	0.4627	0.4618
DKK	3.7401	3.7333
FJD	1.2581	1.2572
HKD	4.3067	4.3108
INR	51.29	51.36
NOK	5.3325	5.2900
PKR	151.83	152.00
PHP	34.97	34.98
PGK	2.4670	2.4714
SEK	5.5846	5.5615
SGD	0.7079	0.7078
CNY	3.6602	3.6624
THB	18.63	18.57
TOP	1.3054	1.3056
VUV	66.57	66.55
WST	1.5451	1.5433
XPF	59.33	59.34
ZAR	9.4648	9.3017





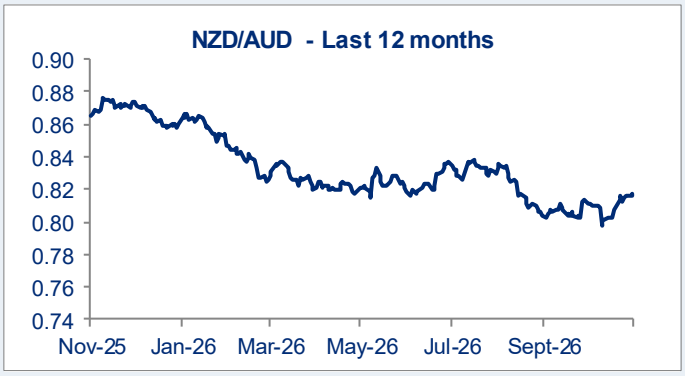
NZD/USD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	5.96	6.14
3 Months	18.80	19.21
6 Months	35.59	36.66
9 Months	52.41	54.25
1 Year	67.53	70.29



NZD/AUD Forward Points

	BNZ buys NZD	BNZ sells NZD
1 Month	14.25	14.65
3 Months	40.68	41.66
6 Months	72.31	74.87
9 Months	100.51	104.54
1 Year	123.62	129.55



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