

Market Alert

Tuesday 05 November 2024

CURRENCIES	Spot	6mths
NZD/USD	0.5980	0.0013
NZD/AUD	0.9072	0.0014
NZD/JPY	90.940	-1.81
NZD/EUR	0.5494	-0.0034
NZD/GBP	0.4617	0.0013
NZD/CNH	4.2528	-0.0419
AUD/USD	0.6589	0.0003
AUD/EUR	0.6054	-0.0047
EUR/USD	1.0883	0.0091
USD/CNH	7.1117	-0.0849
GBP/USD	1.2948	-0.0012
EUR/GBP	0.8401	0.0077

INT RATES	NZ	Australia
OCR/Cash	4.75%	4.35%
90 day bills	4.48%	4.47%
2 year swap	3.62%	4.06%
10 year Govt	4.58%	4.66%

The man who put the mojo into music!

The term 'Legend' is a term often used, but seldom justified. Well, last night a true legend died ... RIP Quincy Jones ... the man who put the mojo into music!

Late in our session ...

... we saw the USD-index come under selling pressure as traders started to adjust their positioning ahead of the election, locking in profits. Interestingly though, it was just an adjustment, as at the start of a new trading week the momentum was lost in the European and US sessions. To add to the complexity of the situation, listening to one of the

international banks, it suggested that a Trump victory would see EUR/USD fall to the 1.03 level, while a Harris Presidency would see the pair rally to the 1.12 level. It's important to realise that these are just forecasts, but it is a wide range, and with the pair currently at 1.09, it does highlight the potential extremes we may see in the coming days which would drive an impact upon the NZD/USD and AUD/USD as well. If nothing else, it highlights the fact that it's worthwhile having a few 'flyer' orders on the off chance.

We saw similar profit taking moves in fixed income markets with US treasury yields giving up some of their recent gains with the 2 and 10-years falling -3bps and -8bps to yield 4.19% and 4.32% respectively, while equity markets were mixed with a slight downward bias. Berkshire Hathaway's cash fortress increased yet again last quarter to above USD300.0bn as Mr. Buffett sold more stock and froze buybacks. Commodity prices were higher boosted by the weekend's OPEC+ announcement that it would delay its planned December production hikes, which saw oil prices surged 2.8%.

Don't forget, even though it's Melbourne Cup Day, it's RBA day as well! I do have a few tips for the Melbourne Cup ... so if you want to lose your money, your shirt, and your house ... give me a call!

Overnight, US new orders for manufactured goods fell for the second

month in a row easing by -0.5% to USD584.2bn. The US treasury auctioned off USD58.0bn of 3-year notes at a high yield of 4.152% generating a 9bps tail to attract buyers.

Chinese authorities are reportedly reviewing a bill to raise local government debt ceilings.

The Melbourne Institute's inflation gauge is forecasting Australian inflation will firm from 0.1% to 0.3% in October. Job adds were up 0.3% in October, with the September number revised higher, from 1.6% to 2.3%.

#JusticeForPeanut

If you don't know the story, look it up. It will astound you and proves the world has gone crazy!



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Daily Rates

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FX	Spot	FECs (mid)				Spot Mid		
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...	
NZ TWI	69.80					CAD	0.8303	0.9157
NZD/USD	0.5980	0.0001	0.0005	0.0013	0.0030	CHF	0.5161	0.5691
NZD/AUD	0.9072	-0.0001	0.0002	0.0014	0.0045	CNY	4.2567	4.6921
NZD/JPY	90.940	-0.33	-1.02	-1.81	-3.27	DKK	4.0962	4.5149
NZD/EUR	0.5494	-0.0006	-0.0017	-0.0034	-0.0074	FJD	1.3237	1.4590
NZD/GBP	0.4617	0.0001	0.0006	0.0013	0.0031	HKD	4.6465	5.1214
						KRW	822.42	906.48
AU TWI	61.60					MYR	2.6124	2.8794
AUD/USD	0.6589	0.0002	0.0004	0.0003	-0.0004	NOK	6.5764	7.2486
AUD/NZD	1.1020	0.0001	-0.0004	-0.0020	-0.0068	SEK	6.4072	7.0621
AUD/JPY	100.25	-0.36	-1.14	-2.16	-4.10	SGD	0.7881	0.8686
AUD/EUR	0.6054	-0.0006	-0.0020	-0.0047	-0.0110	TWD	19.08	21.03
AUD/GBP	0.5086	0.0001	0.0005	0.0006	0.0007	ZAR	10.46	11.53
USD Index	103.85					EQUITIES		
EUR/USD	1.0883	0.0013	0.0043	0.0091	0.0192		Index	
USD/JPY	152.08	-0.58	-1.83	-3.36	-6.15	NZX50	12,591	
GBP/USD	1.2948	-0.0001	-0.0005	-0.0012	-0.0030	ASX200	8,165	
EUR/GBP	0.8401	0.0010	0.0036	0.0077	0.0167	Dow Jones	41,836	
USD/CNY	7.0995	-0.0168	-0.0523	-0.1060	-0.2124	S&P 500	5,724	
						FTSE100	8,184	
INTEREST			New Zealand		Australia	DAX 30	19,148	
RATES			Mid		Mid	Nikkei	38,054	
30 day bank bills			4.77%		4.36%	COMMODITIES		
90 day bank bills			4.48%		4.47%		USD	
1 year swap			3.92%		4.24%	Brent Crude	75.05	
2 year swap			3.66%		4.07%	Gold	2,737.86	
3 year swap			3.63%		4.06%	Silver	32.48	
5 year swap			3.77%		4.31%	Iron Ore	102.49	
10 year swap			4.15%		4.60%	CRB Index	333.57	
3 year Govt bond			3.87%		4.10%		NZD	
5 year Govt bond			4.08%		4.23%	NZ Carbon	63.75	
10 year Govt bond			4.58%		4.66%			

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