

Market Alert

Wednesday 24 September 2025

CURRENCIES	Spot	6mths
NZD/USD	0.5860	0.0037
NZD/AUD	0.8879	0.0039
NZD/JPY	86.505	-0.95
NZD/EUR	0.4960	-0.0017
NZD/GBP	0.4333	0.0029
NZD/CNH	4.1663	-0.0226
AUD/USD	0.6598	0.0013
AUD/EUR	0.5584	-0.0043
EUR/USD	1.1815	0.0114
USD/CNH	7.1127	-0.0836
GBP/USD	1.3524	-0.0006
EUR/GBP	0.8733	0.0087
INT RATES	NZ	Australia
OCR/Cash	3.00%	3.60%
90 day bills	2.83%	3.61%
2 year swap	2.63%	3.31%
10 year Govt	4.32%	4.38%

Chubby chappie all round ...

That's it ... the toys have well and truly been thrown out of the basket ... because I need to get to the gym. Quite possibly I shouldn't have eaten that packet of marshmallows watching TV last night ... but with impeccable timing, I've just been given a 3-day gym membership ... with an offer from a young person to take me to a 'cycling' class. I don't know how you can cycle in a room ... but it could be the end of me!

Today's the day ...

With the announcement due today of the RBNZ's new Governor. By all accounts, it's going to be an overseas hire of someone who's not affiliated with the RBNZ. If nothing else ... it'll be interesting to see how they adapt to the internal politics in Wellywood.

Last night's yawn fest didn't generate any excitement, but here's what happened ...

The OECD updated their projections, with global economic growth forecast to slow to 3.2% in 2025 and 2.9% in 2026 as tariffs weigh on trade and investment. However, there is a positive in that the 2025 forecast is actually 0.3% higher than their June forecast, reflecting stronger-than-expected resilience in the first half of the year.

The Riksbank, Sweden's central bank, unexpectedly cut its policy rate by 25bps to 1.75%, defying market expectations for a hold. Policymakers said the decision aims to support economic activity and bring inflation back to target over the medium term.

US composite PMIs slipped to 53.6 in September from 54.6 in August, marking a second straight month of slower growth. Services activity cooled to its weakest since June at 53.9, while manufacturing momentum eased to 52.0 from August's peak.

In Australia, composite PMIs fell from 55.5 to 52.1, with services at 52.0 and manufacturing at 51.6.

The US current account deficit narrowed by USD188.5bn to USD251.3bn from Q2's record high.

The UK's latest Confederation of British Industry survey showed the countries total order book improved to -27 in September 2025, up from -33 in July and slightly above market expectations of -30.

Federal Reserve Chair Jerome Powell spoke last night and appeared to be

after some sympathy, stating the central bank is in a "challenging situation" with faster-than-expected inflation and weakening job growth. Signalling further rate cuts aren't a 'gimme', he added, "*The downside risks to employment shifted the balance of risks, prompting last week's rate cut. Uncertainty over the path of inflation remains high. The Beige Book showed modest growth. We can't say the labour market is solid anymore. Economy growing but not fast. It looks like the middle group is absorbing tariffs, not passing much on to consumers. The pass through to consumers has been later, and less, than we expected.*"

Currency markets were quiet, while Treasury yields eased with the 2-years 2bps lower at 3.60% and the 10-years 4bps lower at 4.12%. Equities markets eased, although Goldmans raised their 12-month S&P500 forecast to 7,200, while commodity markets firmed 1.0%-2.0%.

The Donald at the UN ...

Well ... he didn't hold back! President Trump blasted the UN as a forum of "empty words" accused it of "*funding an assault on Western countries,*" and of bankrolling illegal migration and undermining his efforts to resolve global conflicts. On immigration he stated, "*I'm really good at this stuff,*" while on climate change, he said it was the "*the greatest con job ever perpetrated on the world,*" adding, "*Your countries are going to hell.*"



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Daily Rates

Wednesday 24 September 2025

FX	Spot	FECs (mid)				Spot Mid	
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...
NZ TWI	67.40					CAD	0.8107 0.9131
NZD/USD	0.5860	0.0007	0.0020	0.0037	0.0067	CHF	0.4635 0.5221
NZD/AUD	0.8879	0.0006	0.0019	0.0039	0.0077	CNY	4.1631 4.6922
NZD/JPY	86.5050	-0.20	-0.52	-0.9461	-1.71	DKK	3.7003 4.1678
NZD/EUR	0.4960	-0.0004	-0.0010	-0.0017	-0.0031	FJD	1.3018 1.4662
NZD/GBP	0.4333	0.0004	0.0014	0.0029	0.0057	HKD	4.5552 5.1307
						KRW	816.65 919.81
AU TWI	60.90					MYR	2.4580 2.7685
AUD/USD	0.6598	0.0003	0.0008	0.0013	0.0016	NOK	5.7941 6.5260
AUD/NZD	1.1259	-0.0008	-0.0026	-0.0051	-0.0106	SEK	5.4640 6.1542
AUD/JPY	97.45	-0.29	-0.80	-1.48	-2.77	SGD	0.7514 0.8463
AUD/EUR	0.5584	-0.0008	-0.0023	-0.0043	-0.0084	TWD	17.74 19.98
AUD/GBP	0.4877	0.0001	0.0005	0.0011	0.0021	ZAR	10.09 11.37
USD Index	97.22					EQUITIES	
EUR/USD	1.1815	0.0023	0.0063	0.0114	0.0205		Index
USD/JPY	147.61	-0.51	-1.35	-2.53	-4.54	NZX50	13,137
GBP/USD	1.3524	0.0002	0.0001	-0.0006	-0.0030	ASX200	8,846
EUR/GBP	0.8733	0.0015	0.0046	0.0087	0.0167	Dow Jones	46,293
USD/CNY	7.1116	-0.0136	-0.0388	-0.0709	-0.1330	S&P 500	6,657
						FTSE100	9,223
INTEREST		New Zealand		Australia		DAX 30	23,611
RATES		Mid		Mid		Nikkei	45,494
30 day bank bills			2.97%		3.60%	COMMODITIES	
90 day bank bills			2.83%		3.61%		USD
1 year swap			2.60%		3.35%	Brent Crude	67.93
2 year swap			2.66%		3.33%	Gold	3,764.36
3 year swap			2.81%		3.38%	Silver	44.02
5 year swap			3.13%		3.76%	Iron Ore	105.49
10 year swap			3.72%		4.18%	CRB Index	372.02
3 year Govt bond			3.08%		3.46%		
5 year Govt bond			3.52%		3.71%		NZD
10 year Govt bond			4.32%		4.38%	NZ Carbon	58.05

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