Market Alert

Wednesday 29 October 2025

CURRENCIES	Spot	6mths
NZD/USD	0.5785	0.0041
NZD/AUD	0.8781	0.0050
NZD/JPY	88.005	-0.84
NZD/EUR	0.4961	-0.0011
NZD/GBP	0.4357	0.0033
NZD/CNH	4.1017	-0.0167
AUD/USD	0.6587	0.0007
AUD/EUR	0.5648	-0.0045
EUR/USD	1.1660	0.0105
USD/CNH	7.0930	-0.0777
GBP/USD	1.3276	-0.0007
EUR/GBP	0.8781	0.0083

INT RATES	NZ	Australia
OCR/Cash	2.50%	3.60%
90 day bills	2.51%	3.61%
2 year swap	2.49%	3.35%
10 year Govt	4.12%	4.27%

It must be cold ... even the Jafas have their jerseys on!

Even the Jafas have their jerseys on! I know that springtime is usually a bit volatile weather wise, and there's usually pictures of lambs in the snow in September, but we're practically in November and the snow over the last few days has been more than a sprinkling ...

Wall Street drives equity markets to new highs ...

There was a bit of news overnight, but it was mostly equity related as ... Apple became the third stock in history to top a USD4trn in market capitalization, Nvidia has invested USD1bn into Nokia, while OpenAI has completed its restructure with Microsoft becoming a 27% shareholder. Heck, even mega-hawk and Ark CEO Cathie Wood has flagged a possible AI correction stating, *"We think there will be a reality check!"* For the record, the AI buzz sent US markets 0.5%-0.75% higher, while European and Asian bourses were mixed, ranging between -0.5% and +0.5%.

Ahead of tomorrow's FOMC ~~cut~~ meeting, with the market fully pricing in a 25bps cut despite the absence of any tier 1 releases, treasury yields were steady-eddie with the 2 and 10-year yields unchanged at 3.50% and 3.99%, respectively. PBoC Governor Pan Gongsheng announced the central bank will resume buying and selling treasury bonds on the open market, which saw the 10-year Chinese yield fall to an 8-week low at 1.75%. The USD-index continued its recent grind lower ahead of the likely cut. The AUD, JPY and GBP were the biggest beneficiaries, with the NZD making a modest gain to be around the 0.5785 level. NZD/AUD is back to its base at 0.8775.

In commodity land, gold fell through the USD4,000 level on the great reversal, although silver is actually trading in positive territory, gaining 0.5%. Energy products are all trading lower, with oil down 2.0%. Copper prices are flat, while soybeans and wheat gained 0.8%.

Looking at the headlines ...

The ADP jobs report showed private businesses in the US added an average of 14,250 jobs per week in the four weeks ending 11-October. This suggests monthly job growth totalled around 57,000 for the 4-week period, compared with a loss of 32,000 reported for September.

The Richmond Fed's composite manufacturing index rose 13pips to -4 in October, although this positivity contrasted with the expectations index which fell to -14 to reflect the softest magnitude of pessimism in the district's factory activity since March.

US consumer confidence was virtually unchanged in October, easing 1pip to 94.6 from September's upwardly revised 95.6.

Chinese industrial profits rose 3.2% to CNY5.37trn in the first nine months of 2025, accelerating from 0.9% growth in the prior period.

UK shop prices fell in October for the first time in seven months, declining 0.3% from September, while food prices dropped 0.4%, the biggest monthly fall since December 2020.

President Trump and Japanese Prime Minister Takaichi signed on framework for securing the supply of critical minerals and rare earths.

With the current ASEAN meeting taking place in KL, the IMF urged Asian countries to reduce non-tariff barriers and deepen regional trade integration to lessen their vulnerability to US tariffs and global financial shocks.

Finally ... justice is about to be done! A former UBS trader who had his conviction quashed following the post-GFC LIBOR rigging scandal is suing his former employer for USD400m (GBP300m) in damages!

Daily Rates

Wednesday 29 October 2025

FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	66.90				
NZD/USD	0.5785	0.0007	0.0022	0.0041	0.0072
NZD/AUD	0.8781	0.0007	0.0025	0.0050	0.0100
NZD/JPY	88.0050	-0.16	-0.46	-0.8402	-1.55
NZD/EUR	0.4961	-0.0003	-0.0006	-0.0011	-0.0021
NZD/GBP	0.4357	0.0005	0.0017	0.0033	0.0060
AU TWI	61.10				
AUD/USD	0.6587	0.0002	0.0006	0.0007	0.0004
AUD/NZD	1.1385	-0.0010	-0.0034	-0.0067	-0.0134
AUD/JPY	99.41	-0.26	-0.82	-1.54	-2.93
AUD/EUR	0.5648	-0.0007	-0.0023	-0.0045	-0.0091
AUD/GBP	0.4961	0.0002	0.0005	0.0008	0.0008
USD Index	98.69				
EUR/USD	1.1660	0.0019	0.0058	0.0105	0.0190
USD/JPY	152.13	-0.44	-1.37	-2.50	-4.52
GBP/USD	1.3276	0.0000	-0.0002	-0.0007	-0.0022
EUR/GBP	0.8781	0.0014	0.0044	0.0083	0.0156
USD/CNY	7.0989	-0.0135	-0.0392	-0.0700	-0.1264

	Spot Mid NZD/...	Spot Mid AUD/...
CAD	0.8063	0.9184
CHF	0.4585	0.5225
CNY	4.1060	4.6760
DKK	3.7038	4.2188
FJD	1.2911	1.4706
HKD	4.4930	5.1176
KRW	827.98	943.09
MYR	2.4260	2.7632
NOK	5.7677	6.5695
SEK	5.4148	6.1676
SGD	0.7479	0.8519
TWD	17.66	20.12
ZAR	9.92	11.30

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.62%	3.53%
90 day bank bills	2.51%	3.61%
1 year swap	2.39%	3.39%
2 year swap	2.49%	3.35%
3 year swap	2.66%	3.42%
5 year swap	2.98%	3.57%
10 year swap	3.56%	4.00%
3 year Govt bond	2.92%	3.48%
5 year Govt bond	3.35%	3.68%
10 year Govt bond	4.12%	4.27%

EQUITIES	Index
NZX50	13,403
ASX200	9,013
Dow Jones	47,847
S&P 500	6,900
FTSE100	9,697
DAX 40	24,279
Nikkei	50,219

COMMODITIES	USD
Brent Crude	64.23
Gold	3,956.67
Silver	47.06
Iron Ore	105.57
CRB Index	375.45

	NZD
NZ Carbon	54.35

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