Market Alert

Friday 14 November 2025

CURRENCIES	Spot	6mths
NZD/USD	0.5656	0.0043
NZD/AUD	0.8662	0.0058
NZD/JPY	87.315	-0.82
NZD/EUR	0.4860	-0.0009
NZD/GBP	0.4287	0.0032
NZD/CNH	4.0137	-0.0141
AUD/USD	0.6528	0.0005
AUD/EUR	0.5609	-0.0048
EUR/USD	1.1638	0.0109
USD/CNH	7.0969	-0.0782
GBP/USD	1.3192	0.0001
EUR/GBP	0.8820	0.0081

INT RATES	NZ	Australia
OCR/Cash	2.50%	3.60%
90 day bills	2.47%	3.69%
2 year swap	2.53%	3.57%
10 year Govt	4.29%	4.53%

Last night was all about the annual donation …

to my friends at Sky City … Although my partner claimed she never heard me say, *"You can cash those in and take profit!"* Apparently, she has always been under the impression that you have to stay at the casino until all the money's gone. Thinking about it, that does explain a lot …

Yesterday's highlight …

Were the Australian employment numbers … and boy, it was a dozy, after Australian employment increased by 42.2k to a record high of 14.7m, surging from September's 12.7k gain and ahead of expectations at 20k. In amongst the detail, full-time employment increased by 55.3k to 10.1m, while part-time employment dropped by 13.1k to 4.5m. This saw the unemployment rate ease from 4.4% to 4.3%, while the participation rate flatlined at 67.0%.

Financial markets had been pricing in a 68% possibility of an Australian rate cut prior to the release but this has since been scaled back to 40%. The Australian 10-year Govvie firmed 6bps to 4.45%, while US Treasury yields followed suit with the 2-year 2bps higher at 3.60%, while the 10-year firmed 3bps to 4.11%. To provide a comparison, the NZ 10-year yield has gained 6bps over the last 24-hours to yield 4.19%.

Interestingly, while the Australian dollar initially spurted higher (yes, that is an official term), it wasn't able to hold onto those gains overnight and is now back around 0.6525, having peaked at 0.6580. That is despite the USD-index closing its session lower, easing 0.4% to 99.00, with the CHF, GBP and JPY all gaining, while the commodity currencies, the CAD, AUD and NZD, all eased 0.2%.

Global equity markets are all trading 1.0%-2.0% lower as optimism surrounding the end of the US government shutdown appears to have been priced in, while the ongoing rotation out of high-valuation tech stocks continued. Commodity markets were mixed with energy products trading in the green, while precious metals traded in the red.

Looking at the other data releases …

- The UK economy expanded by just 0.1% in Q3, easing from Q2's 0.3% growth and falling short of expectations at 0.2%.
- Eurozone industrial production rose 0.2% in September, rebounding from August's revised 1.1% decline, but below expectations at 0.7%.
- New Chinese CNY loans dropped sharply to CNY220bn in October, down from September's CNY1,290bn and the CNY500bn in the same month last year.

Guess who's back … back again?

Shady's back, tell a friend. Yep, the old slim shady called the end of the US Federal shut-down correctly, but it has been largely ignored in reality. While The Donald has signed the temporary funding bill into law, it may take days, or potentially weeks, to backpay workers, reinstate food aid programmes, and re-start the data collection and official key releases.

But that didn't stop various Fed members providing some insights with Beth Hammack suggesting, *"Inflation is still too high and moving up. I expect tariffs to drive up inflation into early next year. The labour market appears broadly balanced, (although) the employment side of the Fed's mandate is challenging."* Colleagues Alberto Musalem and Neel Kashkari agreed, with the latter noting, *"Inflation still too high, at 3.0%,"* while the former added, *"I supported the rate cuts so far to protect the labour market, but we now need to proceed with caution. Uncertainty is causing firms to pull back on hiring."*

Finally, a big shout to Michael 'Big Short' Burry … who, after calling for yet another equity bubble, tweeting, *"Sometimes, we see bubbles"* … has closed his Scion fund.

Daily Rates

Friday 14 November 2025

FX	Spot Mid	FECs (mid) 1mth	3mths	6mths	12mths
NZ TWI	65.70				
NZD/USD	0.5656	0.0008	0.0023	0.0043	0.0076
NZD/AUD	0.8662	0.0009	0.0029	0.0058	0.0117
NZD/JPY	87.3150	-0.15	-0.45	-0.8218	-1.51
NZD/EUR	0.4860	-0.0002	-0.0005	-0.0009	-0.0018
NZD/GBP	0.4287	0.0006	0.0017	0.0032	0.0059
AU TWI	61.40				
AUD/USD	0.6528	0.0002	0.0004	0.0005	-0.0004
AUD/NZD	1.1538	-0.0012	-0.0039	-0.0080	-0.0164
AUD/JPY	101.62	-0.28	-0.85	-1.63	-3.13
AUD/EUR	0.5609	-0.0008	-0.0025	-0.0048	-0.0099
AUD/GBP	0.4947	0.0002	0.0003	0.0003	-0.0002
USD Index	99.14				
EUR/USD	1.1638	0.0019	0.0059	0.0109	0.0198
USD/JPY	154.39	-0.47	-1.41	-2.61	-4.70
GBP/USD	1.3192	-0.0001	0.0000	0.0001	-0.0006
EUR/GBP	0.8820	0.0015	0.0044	0.0081	0.0151
USD/CNY	7.0951	-0.0142	-0.0413	-0.0732	-0.1310

	Spot Mid NZD/...	AUD/...
CAD	0.7934	0.9160
CHF	0.4477	0.5171
CNY	4.0238	4.6466
DKK	3.6275	4.1883
FJD	1.2717	1.4683
HKD	4.3939	5.0731
KRW	830.68	959.09
MYR	2.3328	2.6935
NOK	5.6651	6.5408
SEK	5.3125	6.1337
SGD	0.7350	0.8486
TWD	17.59	20.31
ZAR	9.64	11.13

INTEREST RATES	New Zealand Mid	Australia Mid
30 day bank bills	2.50%	3.60%
90 day bank bills	2.47%	3.69%
1 year swap	2.37%	3.54%
2 year swap	2.53%	3.57%
3 year swap	2.70%	3.63%
5 year swap	3.04%	3.81%
10 year swap	3.64%	4.22%
3 year Govt bond	3.02%	3.83%
5 year Govt bond	3.48%	4.02%
10 year Govt bond	4.29%	4.53%

EQUITIES	Index
NZX50	13,598
ASX200	8,753
Dow Jones	47,593
S&P 500	6,745
FTSE100	9,808
DAX 40	24,042
Nikkei	51,282

COMMODITIES	USD
Brent Crude	62.94
Gold	4,153.74
Silver	52.33
Iron Ore	104.17
CRB Index	377.47

	NZD
NZ Carbon	37.95