

Market Alert

Tuesday 13 January 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5765	0.0037
NZD/AUD	0.8590	0.0060
NZD/JPY	91.165	-0.81
NZD/EUR	0.4941	-0.0010
NZD/GBP	0.4284	0.0028
NZD/CNH	4.0278	-0.0129
AUD/USD	0.6710	-0.0005
AUD/EUR	0.5750	-0.0052
EUR/USD	1.1668	0.0096
USD/CNH	6.9644	-0.0672
GBP/USD	1.3456	-0.0003
EUR/GBP	0.8669	0.0072
INT RATES	NZ	Australia
OCR/Cash	2.25%	3.60%
90 day bills	2.50%	3.79%
2 year swap	2.88%	3.95%
10 year Govt	4.42%	4.80%

That intra-net thing!

It was a good evening at the tennis last night, and I did learn a new rule ... always be careful with who does the ordering. These 'older' people don't always understand how this intra-net thingy works!

Having broken all of the rules for

politics and international diplomacy, President Trump has now set his sights on financial markets with the announcement that Federal prosecutors have opened an investigation into Federal Reserve Chair Jerome Powell. The DoJ probe is in relation to the Governor's comments at his June Senate testimony concerning the multi-year renovation of the Fed's historic Washington headquarters, at

a cost of USD2.5bn. Facing criminal charges, Chair Jerome Powell retaliated with, *"No one, certainly not the chair of the Federal Reserve is above the law, but this unprecedented action should be seen in the broader context of the administration's threats and ongoing pressure. The criminal charges are a consequence of the Fed setting interest rates based on its assessment of the public interest rather than the President's preferences. The broader issue is whether the Federal Reserve will continue to set interest rates based on evidence and economics' or be directed by political pressure and intimidation. This is about whether the Fed can set interest rates independently."*

Concerns over the Federal Reserve's independence, and the heightened geopolitical risks, boosted safe-haven demand with gold surging to a new high, rallying more than 2% to above USD4,620 per ounce, while silver surged an incredible 6.6% to close above the USD85.00 level. Equity markets also benefited on the possibility of further rate cuts, with most exchanges 0.25%-75% higher while, on the other side of the ledger, the USD-index and Treasuries were sold. The USD is currently 0.25% lower, which saw NZD/USD rally to 0.5765 and AUD/USD re-gain the 0.6700 handle at 0.6715, while the 2 and 10-year Treasury yields are a touch firmer at 3.54% and 4.18% respectively. On a side note, the US Treasury auctioned off USD39bn of 10-year notes at a high yield of 4.173% vs. the on-the-run at 4.18% to generate a -0.7bps tail. A further positive was the 2.55X bid-to-cover ratio.

Beyond the Fed-related headlines

The other political and financial releases paled into the background, but for the record ...

- President Donald Trump is weighing a series of potential military options in Iran following the deadly protests in the country.
- Australian household spending rose 1.0% in November, slowing from December's marginally revised 1.4% increase.
- Eurozone investor confidence firmed from -6.2 to -1.8, exceeding forecasts at -4.9.
- The French 2026 budget may be delayed past the March elections ahead of next week's confidence vote which is threatening a governmental collapse.
- UK hiring fell for a 39th consecutive monthly in permanent staff placements.
- Japanese PM Sanae Takaichi is considering calling a snap election for mid-February in an attempt to secure a stronger governing mandate.
- Google reached a USD4.0trn market cap on a CNBC reported that Apple has entered a partnership with Google's Gemini to power its AI features.



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Daily Rates

Tuesday 13 January 2026

FX	Spot	FECs (mid)				Spot Mid	
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...
NZ TWI	66.10					CAD	0.7996
NZD/USD	0.5765	0.0008	0.0020	0.0037	0.0060	CHF	0.4594
NZD/AUD	0.8590	0.0010	0.0029	0.0060	0.0124	CNY	4.0178
NZD/JPY	91.1650	-0.15	-0.40	-0.8057	-1.62	DKK	3.6898
NZD/EUR	0.4941	-0.0002	-0.0004	-0.0010	-0.0024	FJD	1.2896
NZD/GBP	0.4284	0.0006	0.0015	0.0028	0.0047	HKD	4.4922
						KRW	844.68
						MYR	2.3394
AU TWI	62.40					NOK	5.8024
AUD/USD	0.6710	0.0001	0.0000	-0.0005	-0.0028	SEK	5.2866
AUD/NZD	1.1637	-0.0015	-0.0041	-0.0087	-0.0175	SGD	0.7408
AUD/JPY	105.26	-0.30	-0.82	-1.69	-3.41	TWD	18.19
AUD/EUR	0.5750	-0.0009	-0.0024	-0.0052	-0.0112	ZAR	9.44
AUD/GBP	0.4985	0.0000	0.0000	-0.0003	-0.0019		11.00
USD Index	98.89					EQUITIES	
EUR/USD	1.1668	0.0019	0.0049	0.0096	0.0177	Index	
USD/JPY	158.14	-0.47	-1.23	-2.39	-4.42	NZX50	13,683
GBP/USD	1.3456	0.0000	-0.0002	-0.0003	-0.0010	ASX200	8,759
EUR/GBP	0.8669	0.0014	0.0037	0.0072	0.0137	Dow Jones	49,532
USD/CNY	6.973	-0.0139	-0.0314	-0.0631	-0.1194	S&P 500	6,978
FTSE100						FTSE100	10,141
DAX 40						DAX 40	25,405
Nikkei						Nikkei	51,940
INTEREST	New Zealand			Australia			
RATES	Mid			Mid			
30 day bank bills	2.41%			3.62%			
90 day bank bills	2.50%			3.79%			
1 year swap	2.59%			3.89%			
2 year swap	2.88%			3.95%			
3 year swap	3.13%			4.05%			
5 year swap	3.50%			4.20%			
10 year swap	4.04%			4.54%			
3 year Govt bond	3.30%			4.12%			
5 year Govt bond	3.76%			4.31%			
10 year Govt bond	4.42%			4.80%			
				NZD			
NZ Carbon				36.50			

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