

Market Alert

Tuesday 27 January 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5987	0.0038
NZD/AUD	0.8644	0.0065
NZD/JPY	92.330	-0.78
NZD/EUR	0.5041	-0.0010
NZD/GBP	0.4375	0.0028
NZD/CNH	4.1598	-0.0149
AUD/USD	0.6925	-0.0009
AUD/EUR	0.5831	-0.0056
EUR/USD	1.1874	0.0098
USD/CNH	6.9488	-0.0685
GBP/USD	1.3680	-0.0003
EUR/GBP	0.8678	0.0073

INT RATES	NZ	Australia
OCR/Cash	2.25%	3.60%
90 day bills	2.50%	3.86%
2 year swap	3.08%	4.13%
10 year Govt	4.62%	4.94%

Despite the Auckland holiday...

Financial markets have ignored the fact and continued on their rampant start to 2026!

The key event in FX markets was the suspected dual JPY intervention after the New York Fed asked market makers for USD/JPY pricing, but despite the rumours, Monday's BoJ money market data indicated that despite the JPY's spike, it wasn't the product of official Japanese intervention. Despite this, the move added to momentum with the lower USD dollar trend, which has exaggerated the impact on the crosses with NZD/JPY easing back to 92.30, while AUD/JPY plummeted to 106.85. The USD-index has continued to feel the impact of the broader sentiment, under pressure from technical and geo-political perspectives, falling to a 4-month low. Last week the index opened at 99.40, and this morning it's at 96.80, with NZD/USD

just shy of 0.6000 while AUD/USD is at 0.6935. In 2026, the NZD has been the strongest performing currency against the USD amongst the 10-major currency pairs, rallying over 4.0%, while the AUD has been the second strongest, gaining 3.96%!

Commodity markets were also volatile, with safe-haven flows generating rallies in silver, 7%, and gold, which is now above USD5k per ounce, while oil prices eased back 0.5%.

Despite the volatility in FX markets, bond markets have been quieter with the 2 and 10-year Treasuries 2bps lower at 3.59% and 4.021% respectively. Positivity around this week's FOMC decision, and speculation that a new Fed Chair could be announced as early as this week, supported equity markets with gains in the 0.25%-0.75% range.

Breaking the actual releases down

US durable goods orders jumped 5.3% in the month of November, rebounding from October's revised 2.1% decline.

The Chicago Feds activity index rose to -0.04 in November from October's 10-months low at -0.42.

German business sentiment remained unchanged at 87.6 in January, holding near its lowest level since May 2025 and below forecasts at 88.1.

Just in case you missed it, NZ Q4 inflation increased to 3.1% in the December quarter, its highest level since Q2 2024, and above Q3's 3.0%. The CPI surprise basically ends any discussion about further rate cuts, reinforcing the RBNZ's 'on-hold' policy bias.

The BoJ left its cash rate unchanged at 0.75%, as was expected. The BoJ noted the risk in "future developments in FX rates and import prices" and that "Uncertainties remain over the outlook for the global economy." Despite this, the prospect of an April rate hike has been raised after the BoJ reiterated, "Given that real interest rates are at significantly low levels, if the aforementioned outlook for economic activity and prices were to be realised, the Bank would continue to raise the policy interest rate." The vote was 8-1.

The PBoC Governor confirmed a moderately loose policy stance for 2026 and that further interest rate cuts remain on the table. China is also expected to set a 2026 growth target of between 4.5%-5.0%.

While it's a shorty week, there's still plenty of action Jackson!

The big one this week is the FOMC on Thursday morning our time, and we also have the BoC and the Riksbank as well. Beyond the central banks, the other highlight will be the Australian CPI release tomorrow - the final piece of information the RBA has before its interest rate decision next week. We also have Australian PPIs, private sector credit, and trade, New Zealand trade, Eurozone Q4 GDP, and US PPIs and building consents.



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Daily Rates

Tuesday 27 January 2026

FX	Spot	FECs (mid)				Spot Mid	
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...
NZ TWI	67.90					CAD	0.8207 0.9494
NZD/USD	0.5987	0.0006	0.0020	0.0038	0.0057	CHF	0.4649 0.5379
NZD/AUD	0.8644	0.0009	0.0031	0.0065	0.0129	CNY	4.1595 4.8186
NZD/JPY	92.3300	-0.14	-0.40	-0.7770	-1.63	DKK	3.7646 4.3551
NZD/EUR	0.5041	-0.0002	-0.0004	-0.0010	-0.0031	FJD	1.3070 1.5120
NZD/GBP	0.4375	0.0005	0.0015	0.0028	0.0044	HKD	4.6678 5.4000
						KRW	864.32 999.91
AU TWI	63.70					MYR	2.3723 2.7444
AUD/USD	0.6925	0.0000	-0.0002	-0.0009	-0.0038	NOK	5.8501 6.7678
AUD/NZD	1.1570	-0.0014	-0.0043	-0.0089	-0.0183	SEK	5.3481 6.1871
AUD/JPY	106.48	-0.28	-0.85	-1.71	-3.47	SGD	0.7600 0.8792
AUD/EUR	0.5831	-0.0009	-0.0026	-0.0056	-0.0124	TWD	18.83 21.78
AUD/GBP	0.5061	0.0000	-0.0001	-0.0006	-0.0026	ZAR	9.59 11.09
USD Index	97.07					EQUITIES	
EUR/USD	1.1874	0.0017	0.0050	0.0098	0.0182		Index
USD/JPY	154.23	-0.40	-1.18	-2.27	-4.15	NZX50	13,461
GBP/USD	1.3680	-0.0001	-0.0002	-0.0003	-0.0012	ASX200	8,860
EUR/GBP	0.8678	0.0012	0.0038	0.0073	0.0138	Dow Jones	49,385
USD/CNY	6.9542	-0.0116	-0.0344	-0.0640	-0.1215	S&P 500	6,960
						FTSE100	10,149
INTEREST		New Zealand		Australia		DAX 40	24,933
RATES		Mid		Mid		Nikkei	52,885
30 day bank bills		2.41%		3.67%		COMMODITIES	
90 day bank bills		2.50%		3.86%			USD
1 year swap		2.70%		4.05%		Brent Crude	65.58
2 year swap		3.08%		4.13%		Gold	5,061.89
3 year swap		3.36%		4.21%		Silver	110.82
5 year swap		3.72%		4.34%		Iron Ore	106.36
10 year swap		4.20%		4.63%		CRB Index	392.28
3 year Govt bond		3.54%		4.31%			NZD
5 year Govt bond		4.00%		4.49%		NZ Carbon	33.50
10 year Govt bond		4.62%		4.94%			

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