

# Market Alert

Monday 23 March 2026

CURRENCIES	Spot	6mths
NZD/USD	0.5824	0.0035
NZD/AUD	0.8318	0.0076
NZD/JPY	92.795	-0.90
NZD/EUR	0.5033	-0.0009
NZD/GBP	0.4375	0.0032
NZD/CNH	4.0270	-0.0238
AUD/USD	0.6999	-0.0025
AUD/EUR	0.6048	-0.0068
EUR/USD	1.1570	0.0088
USD/CNH	6.9035	-0.0827
GBP/USD	1.3302	-0.0025
EUR/GBP	0.8671	0.0078

  

INT RATES	NZ	Australia
OCR/Cash	2.25%	4.10%
90 day bills	2.52%	4.34%
2 year swap	3.51%	4.83%
10 year Govt	4.78%	5.13%

## After a quiet weekend keeping away from the news headlines ...

and concentrating on the important things in life like the Warrior's, but let's not mention the football or the cricket, now that we're back in the office, it's time for a recap ...

- Saturday saw President Trump tweet, "If Iran doesn't fully open, without threat, the Strait of Hormuz, within 48-hours from this exact point in time, the USA will hit and obliterate their various power plants, starting with its biggest one first."
- In response, Iran has vowed regional and US infrastructure will be "irreversibly destroyed."
- Iran also announced a USD2m transit fee on 'non-enemy' ships transiting through the Strait of Hormuz.
- US Treasury Secretary Scott Bessent warned "50-days of higher oil prices for

50-years of no Iranian nukes," as the US plans to "escalates to de-escalate."

- Iraq has declared force majeure on all oilfields developed by foreign oil companies cutting production and exports.
- Also, Fitch has placed NZ on a negative credit watch.

Friday saw bond yields spike higher on rumours the US was considering a high-risk move to capture Iran's Kharg Island, which saw the 2 and 10-year US Treasuries spike 12 and 13bp higher to yield 3.91% and 4.39% respectively. But the move is essentially a continuation of last week's, and while the PBoC, ECB, BoJ, and BoE all left their key policy rates unchanged, most indicated a bias toward tighter monetary policy amid rising inflationary pressures from higher oil prices. The BoJ is expected to resume policy normalisation soon, while markets now anticipate 3 rate hikes from both the ECB and BoE in 2026. Last week, the RBA raised its cash rate for the 2nd consecutive meeting, while the market is also projecting 3 x 25bp hikes from the RBNZ this year!

The USD-index continues to trade in the mid-99.00s as the hawkish narrative from the major central banks strengthened their currencies, although this morning the NZD and AUD have opened a touch lower.

Equity markets, as one would assume, all closed last week on a 'sour' note, trading 1.0%-2.0% lower, with the Nikkei 3.4% lower.

Naturally, oil prices rallied with crude firming 2.8% to USD98.25/bbl, while Brent gained USD3.3% to USD112.20, but here's the thing, neither reflect the real price of oil! It's fair to say that the widening crude-Brent spread is reflecting the conflict, with the price of Brent more reflective of the inherent risks while the crude price is the 'optimistic' outlook, but if you look at the onshore price in the Gulf, which is reflective of the price of oil passing through the Strait, the Omani onshore oil price is trading at USD165.00!

## Geopolitics ...

will remain the driver of market movements as we head into the 4th week of conflict, but beyond that, the headlines will be generated by US PMIs, Michigan consumer confidence, Q4 current account and productivity, labour costs, the Chicago Fed's national activity index, and the Richmond Fed and Kansas Fed manufacturing indexes.

We also have the flash PMI releases from the Eurozone, as well as German consumer and business confidence, the Norges Bank central bank meeting, and the Danish snap election. In China, the calendar is light with industrial profits the only notable release, while in Japan focus will be on the CPI, PMI, and the minutes from the central bank's January meeting. We also have the latest inflation and PMI releases from Australia and, from NZ, Governor Breman's speech, and the latest employment and consumer confidence numbers.



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# Daily Rates

Monday 23 March 2026

FX	Spot	FECs (mid)				Spot Mid		
	Mid	1mth	3mths	6mths	12mths	NZD/...	AUD/...	
NZ TWI	67.00					CAD	0.7968	0.9592
NZD/USD	0.5824	0.0007	0.0019	0.0035	0.0056	CHF	0.4581	0.5503
NZD/AUD	0.8318	0.0012	0.0038	0.0076	0.0154	CNY	4.0274	4.8555
NZD/JPY	92.795	-0.16	-0.43	-0.8957	-1.95	DKK	3.7542	4.5193
NZD/EUR	0.5033	-0.0002	-0.0005	-0.0009	-0.0021	FJD	1.2719	1.5312
NZD/GBP	0.4375	0.0005	0.0016	0.0032	0.0064	HKD	4.5534	5.4815
						KRW	875.15	1053.52
AU TWI	66.10					MYR	2.2884	2.7548
AUD/USD	0.6999	-0.0002	-0.0010	-0.0025	-0.0066	NOK	5.5597	6.6929
AUD/NZD	1.2035	-0.0018	-0.0057	-0.0117	-0.0232	SEK	5.4366	6.5447
AUD/JPY	111.97	-0.36	-1.06	-2.17	-4.43	SGD	0.7452	0.8971
AUD/EUR	0.6048	-0.0011	-0.0035	-0.0068	-0.0138	TWD	18.62	22.42
AUD/GBP	0.5255	-0.0002	-0.0006	-0.0011	-0.0023	ZAR	9.89	11.90
USD Index	99.50					<b>EQUITIES</b>		
EUR/USD	1.1570	0.0017	0.0048	0.0088	0.0154		<b>Index</b>	
USD/JPY	159.32	-0.44	-1.29	-2.54	-4.87	NZX50	12,990	
GBP/USD	1.3302	0.0000	-0.0006	-0.0025	-0.0075	ASX200	8,428	
EUR/GBP	0.8671	0.0013	0.0038	0.0078	0.0161	Dow Jones	45,577	
USD/CNY	6.8857	-0.0140	-0.0407	-0.0799	-0.1548	S&P 500	6,506	
						FTSE100	9,918	
<b>INTEREST</b>			<b>New Zealand</b>		<b>Australia</b>	DAX 40	22,380	
<b>RATES</b>			Mid		Mid	Nikkei	53,373	
30 day bank bills			2.43%		4.11%	<b>COMMODITIES</b>		
90 day bank bills			2.52%		4.34%		<b>USD</b>	
1 year swap			2.96%		4.73%	Brent Crude	112.19	
2 year swap			3.51%		4.83%	Gold	4,487.65	
3 year swap			3.76%		4.83%	Silver	67.76	
5 year swap			4.02%		4.80%	Iron Ore	105.89	
10 year swap			4.37%		4.95%	CRB Index	463.82	
3 year Govt bond			3.86%		4.86%		<b>NZD</b>	
5 year Govt bond			4.28%		4.91%	NZ Carbon	40.50	
10 year Govt bond			4.78%		5.13%			

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