

EXCHANGE RATE DEVELOPMENTS APRIL 2026

Highlights:

Policy Interest Rates	Current	Change (basis point)	Last Updated	Commodity Prices	Average Price (USD)	Change	Prev Month
Reserve Bank of NZ	2.25%	no changes	April 8, 2026	crude oil (US\$/bbl)	\$102.37	\$19.59	\$82.78
Reserve Bank of Australia	4.10%	no changes	April 30, 2026	whole milk (US\$/t)	\$3,666.00	-\$21.00	\$3,687.00
US Federal Reserve	3.50%-3.75%	no changes	April 29, 2026				
European Central Bank	2.15%	no changes	April 30, 2026				
Bank of England	3.75%	no changes	April 30, 2026				

USD* per other currencies (month average)

	Apr-25	Mar-26	Apr-26	Mar-26 (%)	Apr-25 (%)
NZD/USD	0.5818	0.5860	0.5833	-0.46	0.26
AUD/USD	0.6283	0.7027	0.7086	0.84	12.77
EUR/USD	1.1184	1.1573	1.1688	0.99	4.50
USD/YEN	144.8398	158.5670	159.3123	-0.47	-9.99
USD/CNH	7.3026	6.8973	6.8386	0.85	6.35
FJD/USD	0.4333	0.4534	0.4509	-0.55	4.05

*with the exception of YEN and CNY which is YEN and CNY per USD

TALA* per foreign currencies (month average)

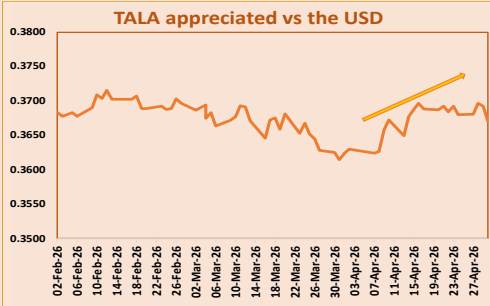
	Apr-25	Mar-26	Apr-26	Mar-26 (%)	Apr-25 (%)
USD/TALA	2.8117	2.7288	2.7244	0.16	3.11
NZD/TALA	1.6352	1.5988	1.5917	0.44	2.66
AUD/TALA	1.7663	1.9173	1.9303	-0.68	-9.28
EUR/TALA	3.1439	3.1580	3.1856	-0.87	-1.32
Nom Index	100.2906	100.3365	100.3607	0.02	0.07
FJD/TALA	1.2184	1.2372	1.2283	0.72	-0.81
TALA/YEN	51.5029	58.1075	58.4752	0.63	11.92
TALA/CNH	2.5971	2.5276	2.5100	-0.70	-3.47

*with the exception of YEN and CNY which is YEN and CNY per TALA



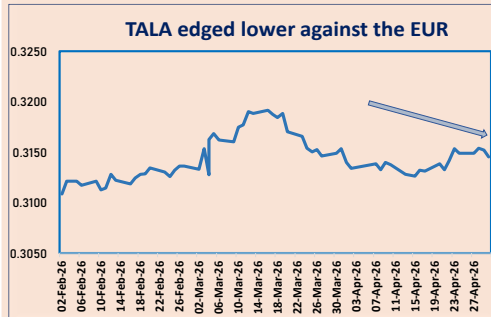
The greenback softened:

- The US dollar weakened mainly due to shifting Federal Reserve rate expectations and policy uncertainty, combined with risk-on capital flows, stronger commodity and foreign currencies and reduced demand for US assets.
- The Federal Reserve Bank held their policy rates steady, maintaining a cautious, data-dependent stance amid persistent inflation and ongoing uncertainty.



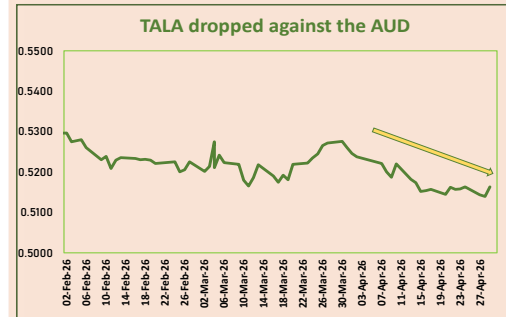
The EUR appreciated against USD as:

- Broad weakness in the US dollar, alongside positive eurozone data particularly firmer inflation signals and pockets of economic resilience provided intermittent support to the Euro throughout April.
- The European Central Bank (ECB) kept rates unchanged, adopting a cautious, "wait-and-see" approach while maintaining a hawkish tilt in response to rising energy-driven inflation risks.



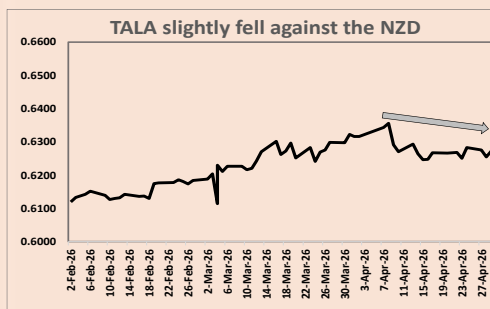
The AUD gained vs the USD due to:

- A series of favourable economic releases, including resilient employment figures and a rebound in services/PMI activity, signalled underlying economic stability and supported the Australian dollar.
- The Reserve Bank of Australia (RBA) held rates steady in April but maintained a hawkish bias, as inflation risks pointed to the possibility of further hikes ahead.



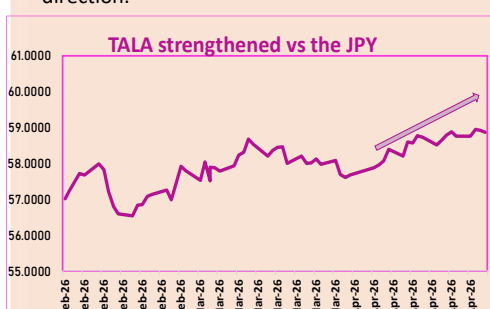
NZD depreciated against USD on:

- A sequence of less-favourable economic releases weighed on the New Zealand dollar. Growth expectations deteriorated, GDP momentum softened, business sentiment slipped into contraction, unemployment rose to around 5.3-5.4%, and equity markets dropped approximately 5.6%, reflecting a fragile economic outlook.
- The Reserve Bank of New Zealand (RBNZ) maintained the Official Cash Rate at 2.25%, holding a cautious stance amid these conditions.



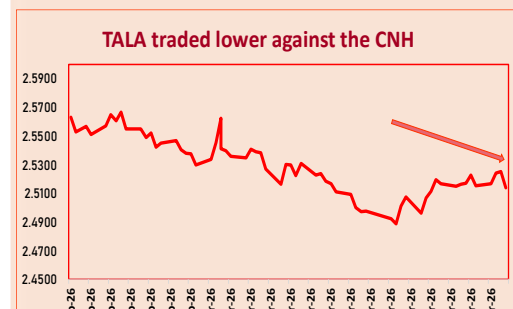
JPY traded lower vs the USD as:

- The Yen weakened mainly due to the wide US-Japan interest-rate differential and the Bank of Japan's cautious, still-accommodative stance. This encouraged capital flows into higher-yielding USD assets, amplified by carry trades and rising energy import costs.
- The Bank of Japan (BoJ) held rates steady but adopted a more hawkish, normalisation-leaning stance, signalling a gradual shift in policy direction.



CNH rose moderately vs the USD:

- The Yuan appreciated, driven by improved global risk sentiment with hopes of an Iran ceasefire which softened the US dollar. Strong Chinese export and current-account fundamentals also supported the currency's strength.
- The People's Bank of China (PBOC) maintained a stable, controlled stance in April 2026, allowing gradual yuan appreciation while prioritising overall currency stability.



ECONOMIC & FINANCIAL FORECASTS

Policy Interest rate forecasts

	Actual (8 May 2026)	Jun 26	Sep 26	Dec 26	Mar 27	Jun 27
USA						
Fed Funds Rate	3.625	3.625	3.625	3.625	3.625	3.625
Australia						
RBA Cash Rate	4.10	4.60	4.85	4.85	4.85	4.85
New Zealand						
RBNZ Cash Rate	2.25	2.25	2.50	3.00	3.50	3.75
China						
PBOC Loan Prime Rate	3.00	2.80	2.80	2.80	2.80	2.80
Euro-Area						
ECB Refinance Rate	2.00	2.25	2.50	2.50	2.50	2.50
United Kingdom						
BOE Base Rate	3.75	4.00	4.25	4.25	4.25	4.00

Exchange rate forecasts

	Actual (8 May 2026)	Jun 26	Sep 26	Dec 26	Mar 27	Jun 27	Sep 27
AUD/USD	0.7226	0.72	0.72	0.73	0.73	0.74	0.74
NZD/USD	0.5951	0.59	0.61	0.62	0.64	0.66	0.67
EUR/USD	1.1745	1.18	1.18	1.19	1.20	1.21	1.22
USD/JPY	156.7750	158.00	156.00	154.00	152.00	150.00	148.00
GBP/USD	1.3578	1.35	1.36	1.37	1.38	1.39	1.40
USD/CNH	6.8066	6.82	6.79	6.75	6.73	6.66	-

US economic indicators and outlook

	Sep25	Dec25	Mar26	Jun26(f)	Sep26(f)	Dec26(f)	Mar27(f)
GDP % qtr.	4.4	0.5	2.0 (adv)	1.0	1.3	1.5	1.6
%yr. annual change	2.3	2.0	2.7 (adv)	1.6	0.9	1.1	-
Unemployment rate %	4.3	4.4	4.3	4.5	4.6	4.7	4.8
CPI % YoY	2.9	2.7	3.3	3.2	3.1	2.9	2.4
Annual change (%)	2.9	2.9	2.6	2.9	2.7	2.5	2.3

Australian economic indicators and outlook

	Sep25	Dec25	Mar26	Jun26(f)	Sep26(f)	Dec26(f)	Mar27(f)
GDP % qtr.	0.5	0.8	0.5 (f)	0.2	0.1	0.2	0.3
% Year end	2.1	2.6	2.6 (f)	1.9	1.6	1.0	0.9
Unemployment rate %	4.3	4.3	4.3	4.4	4.6	4.9	5.0
CPI % qtr.	1.3	0.6	1.5	1.9	0.9	0.3	0.5
Annual Change (%)	3.2	3.6	4.2	5.4	5.0	4.6	3.6

New Zealand economic indicators and outlook

	Sep25	Dec25	Mar26(f)	Jun26(f)	Sep26(f)	Dec26(f)	Mar27(f)
GDP % qtr.	0.9	0.2	0.8 (f)	-0.4	0.5	1.0	1.4
Annual avg change	-0.6	0.2	0.6 (f)	1.2	1.3	1.5	1.9
Unemployment rate %	5.3	5.4	5.3	5.6	5.6	5.4	5.1
CPI % qtr.	1.0	0.6	0.9	1.9	0.9	0.3	0.3
Annual change (%)	3.0	3.1	3.1	4.5	4.4	4.1	3.4

Source: Westpac Economics Update (4 May 2026), Trading Economics

Note: (a) – actual; (e) – estimate; (f) – forecast; (adv) – advance estimates