

Interest Rates				FX			Commodities		
Australia		Δ bp	AUD/USD	0.6961	0.1%	WTI Crude Oil	91.16	\$2.13	
	90-day Bill	4.77	0	AUD/JPY	110.02	0.2%	Brent Crude Oil	103.85	\$2.68
	3-year Bond	4.89	0	AUD/EUR	0.6206	-0.1%	Mogas95*	130.41	\$1.06
	10-year Bond	5.34	-4	AUD/GBP	0.5261	-0.1%	CRB Index	414.34	2.96
US			AUD/NZD	1.2415	-0.1%	Gold	4142.75	\$34.45	
			AUD/CNY	4.6627	-0.3%	Silver	59.55	-\$0.20	
	2-year	4.76	-2	EUR/USD	1.1216	0.2%	Iron Ore (61% Fe)**	90.95	-\$0.70
	10-year	5.23	-6	USD/JPY	158.05	0.1%	Iron Ore (26-27 Average)	96.62	-\$0.09
Other 10-year			USD/CNY	6.7035	0.0%	Copper	14309.00	-\$166.50	
			RBA Policy			Equities			
			O/N Cash Rate Target		4.60	ASX200	8696	0	
			Interbank O/N Cash Rate		4.60	Dow Jones	51232	52	
	Japan	3.05	-4	Probability of a 25bps Hike in Nov		28.9%	S&P500	7765	-36
	Germany	3.50	2	RBA Bond Holdings (30 Sep)		A\$214.7b	Stoxx600	626	-5
	UK	5.48	4				CSI300	4310	-47

*Mogas95 is the Singapore benchmark petrol price closely linked to Australian domestic fuel prices.

**Iron ore is the second SGX futures contract.

US equities fell for a second straight day, led by technology stocks, as concerns about AI-related earnings resurfaced following reports that OpenAI's revenue was lower than investors had anticipated. Chipmakers were the largest drag, with the semiconductor subindex down 3.3%. US Treasuries experienced another volatile session. US Treasury yields initially moved higher, along with oil prices, before slipping back as oil prices eased and a Treasury auction of US\$22 billion of 30-year bonds drew solid demand. The US dollar consolidated at its 18-month highs.

Federal Reserve Governor Christopher Waller said yesterday that a further interest rate hike would likely be needed to curb inflation, although the Fed has some flexibility over the timing. His comments had no impact on expectations for the next increase, with a hike by year-end remaining fully priced in.

Oil prices rose after reports that Iran continued to strike tankers in the Strait of Hormuz and remarks from US President Trump that he was not interested in pursuing a deal with Iran added to market concerns about possible US military action. Brent crude futures peaked at US\$105.89 a barrel before slipping back following remarks from the US President that the US will not be attacking Iran at any time prior to the Midterm Elections.

In Europe, the Stoxx 600 opened lower and failed to recover as higher oil prices and elevated bond yields weighed on sentiment. Asia-Pacific markets were also broadly weaker, with major indexes falling 1% or more, including in mainland China, where traders returned from the week-long holiday and joined the sell-off.

At home, the ASX 200 fell 0.8% yesterday, led by sharp declines in the major banks and miners. The market opened higher this morning as bank shares recovered. Australian bond yields drifted higher during yesterday's session before opening lower this morning. The Australian dollar remained relatively steady against the major currencies.

Trading volumes in iron ore futures jumped on the Singapore Exchange yesterday as traders returned after China's national holiday. Prices edged lower to the bottom of the narrow range they have occupied over the past week. Gold prices rose as bond yields fell and geopolitical risks remained elevated.

US initial jobless claims remained low at 197k in the week ending 3 October. Together with other employment data, this suggests the US labour market remains in a low-hiring, low-firing mode. Continuing claims edged up from 1.699m to 1.716m in the week ending 25 September but remained very low.

Economic Data Review

- **US:** Initial Jobless Claims (w/e 3 Oct) – Actual 197k, Expected 200k, Previous 199k (revised).

Economic Data Preview

- **US:** University of Michigan Consumer Sentiment (Oct, prel) – Expected 47.6, Previous 48.1.