Market Daily Update

27 JULY 2026

Interest Rates		
Australia		**Δ bp**
90-day Bill	4.54	0
3-year Bond	4.62	-6
10-year Bond	5.00	-6
US		
2-year	4.29	-6
10-year	4.63	-7
Other 10-year		
Japan	2.76	-3
Germany	3.17	-3
UK	5.03	-7

FX		
AUD/USD	0.7002	0.5%
AUD/JPY	114.50	0.3%
AUD/EUR	0.6136	0.2%
AUD/GBP	0.5240	-0.4%
AUD/NZD	1.2053	-0.1%
AUD/CNY	4.7283	0.2%
EUR/USD	1.1412	0.3%
USD/JPY	163.53	-0.2%
USD/CNY	6.7711	-0.1%

Commodities		
WTI Crude Oil	84.13	-$8.65
Brent Crude Oil	91.51	-$9.61
Mogas95*	117.16	-$7.98
CRB Index	395.67	-4.51
Gold	4096.39	$50.50
Silver	59.73	$2.10
Iron Ore (61% Fe)**	97.95	$0.25
Iron Ore (26-27 Average)	98.69	-$0.03
Copper	13645.00	$50.50

RBA Policy	
O/N Cash Rate Target	4.35
Interbank O/N Cash Rate	4.35
Probability of a 25bps Hike in Aug	34.1%
RBA Bond Holdings (30 Jun)	A$229.9b

Equities		
ASX200	8849	56
Dow Jones	51947	236
S&P500	7412	4
Stoxx600	645	5
CSI300	4649	-79

*Mogas95 is the Singapore benchmark petrol price closely linked to Australian domestic fuel prices.
**Iron ore is the second SGX futures contract.

The S&P 500 closed virtually flat on Friday, as the initial gains were wiped out later in the session amid a sell-off in tech stocks ahead of earnings from the top megacaps this week. The tech-heavy Nasdaq closed 0.6% lower, while the Dow Jones picked up by 0.5%.

Tensions between the US and Iran were attracting less attention from market participants over the weekend, especially as the US appears to have paused its strikes, while Iran and Oman held talks about the Strait of Hormuz.

The market ignored signs of a possible broadening of the war, such as the Houthi attacks on Saudi Arabia and a Ukrainian attack on an Iranian commercial vessel in the Caspian Sea. Brent futures dropped back below US$100 a barrel to just above US$90 a barrel.

The Australian dollar appreciated versus most major currencies, while Commonwealth bond yields fell quite substantially across the yield curve. This came as expectations for a 25bps cash rate hike shifted from late 2026 to February 2026. The ASX 200 closed 0.8% lower on Friday, before opening in the black this morning.

Friday also saw the S&P Global flash PMI reports for the major advanced economies. In the US, the composite index rose by 1.7pts to 53.6 points in July (above 50 = expansion), with acceleration in services (+2.4pts to 53.6) as well as broadly steady and solid growth in manufacturing (-0.1pts to 53.8).

The report details pointed to the highest US business confidence in eight months, but also to only a marginal gain in employment, the longest supplier delivery times in nearly four years, higher cost price inflation and the steepest rise in selling prices since August 2022.

The euro area and UK returned to expansion in July, while the pace of expansion in Japan accelerated. A separate set of data showed that Japanese inflation picked up to 1.7% for all items and excluding fresh food and energy.

The key domestic events this week will be the CPI on Wednesday and dwelling approvals on Tuesday; both releases are for June. This week will also see the Q2 international trade price indices on Thursday and Q2 PPI on Friday. Governor Michele Bullock will speak tomorrow, and Assistant Governor Sarah Hunter has a fireside chat on Thursday.

Data highlights offshore will include the US Q2 GDP figures, US personal spending and PCE inflation for June, as well as the Chinese NBS PMIs. It will be a big week for central banking, with decisions from the FOMC, Bank of England, and Bank of Japan all due, though no changes are expected.

Economic Data Review

- **JP:** S&P Global Composite PMI (Jul, flash) – Expected 50.2, Previous 50.0.
- **JP:** CPI (YoY, Jun) – Expected 1.7%, Previous 1.5%.
- **EZ:** S&P Global Composite PMI (Jul, flash) – Actual 51.9, Expected 50.2, Previous 50.0.
- **UK:** S&P Global Composite PMI (Jul, flash) – Actual 51.9, Expected 50.2, Previous 50.0.
- **US:** S&P Global Composite PMI (Jul, flash) – Actual 53.6, Expected 52.2, Previous 51.9.

Economic Data Preview

- **US:** Durable Goods Orders (MoM, Jun) – Expected 1.5%, Expected -4.5%.