MARKET UPDATES

Market Daily Update

21 JULY 2026

Interest Rates

Australia		**∆ bp**
90-day Bill	4.49	2
3-year Bond	4.56	0
10-year Bond	4.97	1
US		
2-year	4.21	3
10-year	4.59	5
Other 10-year		
Japan	2.73	3
Germany	3.15	2
UK	5.03	8

FX

AUD/USD	0.7001	0.2%
AUD/JPY	113.79	0.3%
AUD/EUR	0.6134	0.4%
AUD/GBP	0.5213	0.4%
AUD/NZD	1.1945	-0.1%
AUD/CNY	4.7389	0.2%
EUR/USD	1.1413	-0.2%
USD/JPY	162.52	0.1%
USD/CNY	6.7684	-0.1%

RBA Policy

O/N Cash Rate Target	4.35
Interbank O/N Cash Rate	4.35
Probability of a 25bps Hike in Aug	21.7%
RBA Bond Holdings (30 Jun)	A$229.9b

Commodities

WTI Crude Oil	82.98	-$1.44
Brent Crude Oil	88.86	-$1.60
Mogas95*	112.65	$1.30
CRB Index	383.82	1.86
Gold	4023.00	$21.72
Silver	56.95	$0.55
Iron Ore (61% Fe)**	98.75	-$1.70
Iron Ore (26-27 Average)	98.96	-$0.03
Copper	13622.00	$96.50

Equities

ASX200	8749	-57
Dow Jones	51839	-307
S&P500	7443	-14
Stoxx600	640	-2
CSI300	4598	69

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

US equities climbed early in the overnight session, but momentum faded over the course of the day to end lower as the conflict in the Middle East continued to weigh on sentiment. The decline saw the S&P 500 end in the red for the third day in a row, pushing the US benchmark to a three-week low. However, losses were limited by a stabilisation in semiconductor shares following recent heavy falls. US Treasury yields, and bond yields elsewhere, rose amid renewed inflation concerns following the rebound in oil prices.

There was an especially sharp rise in UK gilt yields as traders frowned upon comments from new UK Prime Minister Andy Burnham, who promised a new economic model and fiscal flexibility.

Oil prices jumped to the highest levels in almost six weeks early yesterday in response to the renewed fighting in the Middle East and closure of the Strait of Hormuz, while Houthi rebels threatened to blockade oil export routes in the Red Sea. Reports of a fresh ceasefire proposal saw prices give up the earlier gains, with Brent crude falling to as low as US$86.12, before picking up again. Iron ore futures prices fell to the lowest levels in a week, driven by concerns over the outlook for steel demand and elevated inventories.

The fall in the US share market followed declines across much of Europe and the Asia-Pacific. The mainland Chinese market bounced after closing at its lowest level since early April on Friday, the Japanese market was closed for a public holiday, while South Korea's Kospi slumped 4.5%, dragged down by a selloff in tech shares. The Aussie market closed marginally lower yesterday and has opened in the red again this morning.

Australian bond yields followed global yields higher in early trade this morning but have since slipped back. The Australian dollar fell to as low as US$0.6963 in early trade yesterday morning as the renewed fighting in the Middle East escalated, but has since recovered and is up against all the major currencies over the past 24 hours.

The ANZ-Roy Morgan weekly consumer confidence index rose 0.3pts last week to 75.6pts, while the four-week moving average improved 0.7pts to 75.4. Both are well off the lows of earlier this year but remain in deeply pessimistic territory. Weekly inflation expectations for the period two years ahead edged up 0.1ppts to a four-week high of 5.8%, likely due to the re-escalation of the Middle East conflict and related concerns over higher oil prices.

Economic Data Review

- **CH:** People's Bank of China Announcement (Five-year Loan Prime Rate) – Actual 3.50%, Exp 3.50%, Prev 3.50%.
- **AU:** ANZ Weekly Consumer Confidence Index (w/e 19 July) – Actual 75.6, Previous 75.3.

Economic Data Preview

- **NZ:** CPI (QoQ, Q2) – Expected 1.5%, Previous 0.9%.