Market Daily Update

03 FEBRUARY 2026

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.6964	0.0%	WTI Crude Oil	61.95	-$1.35
90-day Bill	3.87	2	AUD/JPY	108.29	0.3%	Brent Crude Oil	66.30	-$1.09
3-year Bond	4.28	2	AUD/EUR	0.5899	0.5%	Mogas95*	74.81	-$6.37
10-year Bond	4.82	1	AUD/GBP	0.5092	0.1%	CRB Index	305.14	-14.95
			AUD/NZD	1.1575	0.2%	Gold	4809.46	$16.53
			AUD/CNY	4.8197	-0.7%	Silver	83.69	-$0.04
US			EUR/USD	1.1805	-0.5%	Iron Ore (62% Fe)**	103.00	-$0.35
2-year	3.57	4	USD/JPY	155.50	0.4%	Iron Ore (25-26 Average)	103.59	-$0.01
10-year	4.27	3	USD/CNY	6.9453	-0.2%	Copper	12891.50	-$266.00
			RBA Policy			**Equities**		
			O/N Cash Rate Target		3.60	ASX200	8883	64
Other 10-year			Interbank O/N Cash Rate		3.60	Dow Jones	49408	515
Japan	2.26	-2	Probability of a 25bps Hike in Feb		71.7%	S&P500	6976	37
Germany	2.87	2	RBA Bond Holdings (30 Jan)		A$250.2b	Stoxx600	617	6
UK	4.51	-2				CSI300	4606	-100

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

Wall Street started the trading week with moderate gains in the S&P 500, supported by a rebound in tech stocks and the strong upside surprise in the US ISM manufacturing figures. US Treasury yields picked up, and while the US dollar appreciated a little further, it remained quite weak. In a separate set of news, the US and India have reached a trade deal, that would see a tariff cut for Indian exports to the US and a pledge from India to stop buying Russian oil.

The ASX 200 opened higher this morning after dropping by 1.0% yesterday. The Australian dollar is mixed against the major currencies, with depreciation against the stronger greenback. Commonwealth bond yields are slightly higher ahead of the RBA decision later today. A 25bps cash rate hike is widely expected by market participants, though some see a chance of no change. However, the markets will focus on the RBA's communication on future moves and the updated economic projections, particularly of inflation.

The gold price continued to fall overnight, reaching its lowest level since mid-January. Industrial commodities also saw further declines, with oil futures down by another 1.5-2.0% and iron ore declining by 0.3%.

Data-wise, the ISM manufacturing PMI bounced by 4.7pts to 52.6 in January (above 50 = expansion), signalling the fastest growth since August 2022. This was a surprise to market participants who had expected further contraction. The details suggested the strongest gain in production and new orders since early 2022, a slower decline in employment and elevated growth in prices paid. Comments from survey participants still pointed to the negative impacts of tariffs.

Across the Pacific, the RatingDog manufacturing PMI rose by 0.3pts to 50.3 in January, indicating a very sluggish expansion. The details of the report pointed to a rise in new export orders and a further increase in costs (especially of metals), which resulted in the first pick-up in selling prices since November 2024.

In Australia, the Melbourne Institute inflation gauge suggested that the CPI rose by 0.2% in January, taking the annual rate of inflation to 0.1ppts higher to 3.6%. The Melbourne Institute inflation gauge is modelled on the official CPI basket, but the sample size is much smaller. It is not targeted by the RBA.

ANZ Indeed job ads bounced by 4.4% in January, from a nearly four-year low in the previous month, but were 3.2% lower over the year. Concerns over upcoming rate hikes by the RBA dragged the ANZ Roy Morgan consumer confidence 4.2% last week. The subindex 'future financial conditions' reached its lowest level since November 2023. Despite expectations of a cash rate hike, consumer inflation expectations picked up by another 0.1ppts to 5.5%.

Economic Data Review

- **AU:** Melbourne Institute Inflation Gauge (MoM, Jan) – Actual 0.2%, Previous 1.0%.
- **AU:** ANZ Indeed Job Ads (MoM, Jan) – Actual 4.4%, Previous -0.8% (revised).
- **AU:** ANZ Roy Morgan Consumer Confidence (w/e 31 Jan) – Actual 80.5, Previous 84.0.
- **CH:** RatingDog Manufacturing PMI (Jan) – Actual 50.3, Expected 50.0, Previous 50.1.
- **US:** ISM Manufacturing PMI (Jan) – Actual 52.6, Expected 48.5, Expected 47.9.

Economic Data Preview

- **AU:** RBA Monetary Policy Decision (Dec) – Expected 3.85%, Previous 3.60%.
- **AU:** RBA Statement on Monetary Policy (Q1).
- **AU:** Dwelling Approvals (MoM, Dec) – Expected -6.4%, Previous 15.2%.