Market Daily Update

04 AUGUST 2026

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7005	-0.6%	WTI Crude Oil	80.71	$0.17
90-day Bill	4.51	1	AUD/JPY	110.26	0.1%	Brent Crude Oil	84.20	$0.41
3-year Bond	4.49	0	AUD/EUR	0.6084	-0.3%	Mogas95*	104.28	-$1.55
10-year Bond	4.94	1	AUD/GBP	0.5215	-0.1%	CRB Index	379.95	-5.15
			AUD/NZD	1.1931	0.0%	Gold	4056.24	-$7.55
			AUD/CNY	4.7288	-0.5%	Silver	58.27	$0.22
US			EUR/USD	1.1513	-0.3%	Iron Ore (61% Fe)**	93.35	-$1.50
2-year	4.25	1	USD/JPY	157.41	0.7%	Iron Ore (26-27 Average)	97.96	-$0.22
10-year	4.68	-1	USD/CNY	6.7558	0.0%	Copper	13870.00	$79.00
			RBA Policy			**Equities**		
			O/N Cash Rate Target		4.35	ASX200	9062	102
Other 10-year			Interbank O/N Cash Rate		4.35	Dow Jones	53178	693
Japan	2.81	-1	Probability of a 25bps Hike in Aug		3.1%	S&P500	7601	111
Germany	3.15	-5	RBA Bond Holdings (30 Jun)		A$229.9b	Stoxx600	652	3
UK	4.95	-10				CSI300	4543	-45

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

News of apparent US–Iran ceasefire talks and the pending reopening of the Strait of Hormuz boosted Wall Street further overnight. The Dow Jones reached a record high, while the S&P 500 is just 0.1% below its own.

US President Donald Trump continues to claim that ceasefire negotiations with Iran are underway and that the Strait of Hormuz will reopen tomorrow. Iran, however, denies negotiating with the US, stressing that no meetings have been scheduled, although it acknowledges that talks with Oman on traffic through the Strait remain underway.

Oil market participants are awaiting more concrete news on ceasefire talks and the Strait. After falling yesterday, Brent futures have stabilised below US$85 a barrel, while WTI futures are below US$80. Iron ore futures reached another one-year low, dragged down by a downside surprise in China's headline RatingDog manufacturing PMI.

The decline in commodity prices dealt a blow to the Australian dollar, which depreciated against all major currencies except the Japanese yen. The yen eased after appreciating strongly following foreign exchange intervention late last week. Commonwealth bond yields edged higher, while the ASX 200 opened in positive territory this morning after gaining 0.5% yesterday.

On the data front, the US ISM manufacturing PMI rose 2.3 points to 55.6 in July (above 50 indicates expansion), signalling the strongest growth since mid-2022. The report showed further growth in orders, with export orders emerging from contraction, and a solid gain in employment. Supply chain and cost pressures eased but remained acute. Respondents pointed to buoyant conditions driven by the artificial intelligence boom, alongside further disruptions from tariff policies.

Across the Pacific, China's RatingDog manufacturing PMI declined 0.8 points to 50.9 in July. However, the report indicated the longest streak of growth in new orders since 2018, the strongest increase in employment in nearly three years, and steady prices amid easing cost pressures.

At home, the Melbourne Institute Inflation Gauge suggested that annual consumer price growth remained around 4.0% in July. The gauge is modelled on the official CPI basket, but uses a much smaller sample and is not targeted by the RBA.

ANZ Roy Morgan consumer confidence rose 4.9% last week as inflation expectations eased to 5.5%, their lowest level since early March.

Economic Data Review

- **AU:** Melbourne Institute Inflation Gauge (YoY, Jul) – Actual 4.0%, Previous 3.9%.
- **AU:** ANZ Roy Morgan Consumer Sentiment (w/e 1 Aug) – Actual 74.7, Previous 71.2.
- **CH:** RatingDog Manufacturing PMI (Jul) – Actual 50.9, Expected 52.0, Previous 51.7.
- **US:** ISM Manufacturing PMI (Jul) – Actual 55.6, Expected 53.9, Previous 53.3.

Economic Data Preview

- **AU:** Household Spending (MoM, Jun) – Expected 0.1%, Previous 1.3%.
- **AU:** ANZ Indeed Job Ads (MoM, Jul) – Previous -0.2%.
- **US:** JOLTS Job Openings (Jun) – Expected 7.5m, Previous 7.6m.