

Interest Rates			FX			Commodities US\$				
Australia	Δ bp		AUD/USD	0.6544	0.1%	WTI Crude Oil	59.23	\$0.29		
		90-day Bill	3.67	1	AUD/JPY	101.91	-0.3%	Brent Crude Oil	63.07	-\$0.27
		3-year Bond	3.88	0	AUD/EUR	0.5640	0.1%	Mogas95*	76.25	-\$2.58
		10-year Bond	4.53	2	AUD/GBP	0.4943	0.1%	CRB Index	301.49	3.64
				AUD/NZD	1.1414	0.0%	Gold	4229.98	\$51.26	
				AUD/CNY	4.6335	0.2%	Silver	57.28	\$3.77	
US			EUR/USD	1.1603	0.1%	Iron Ore (62% Fe)**	101.95	-\$3.30		
		2-year	3.49	1	USD/JPY	155.73	-0.4%	Iron Ore (25-26 Average)	103.16	-\$0.01
		10-year	4.03	2	USD/CNY	7.0745	-0.1%	Copper	11189.00	\$249.50
		RBA Policy			Equities					
Other 10-year			O/N Cash Rate Target		3.60	ASX200	8605	-21		
			Interbank O/N Cash Rate		3.60	Dow Jones	47716	289		
			Probability of a 25bps Cut in Dec		5.6%	S&P500	6849	36		
			RBA Bond Holdings (31 Oct)		A\$272.1b	Stoxx600	576	1		
						CSI300	4527	11		

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

**Iron ore is the second SGX futures contract.

US stocks continued to climb in thin trading during the shortened session on Friday. This followed an outage at the Chicago Mercantile Exchange caused by a data centre fault, which disrupted pre-market activity. Market sentiment remained supported by hopes for more monetary policy easing from the Fed. A December cut remains over 80% priced in, with a total of almost 100bps expected by the markets by the end of 2026.

The good global market sentiment supported the AUD, which appreciated against all the major currencies except for the JPY. The AUD/USD is now at the highest level in around a month. 10-year Commonwealth bond yields picked up a bit this morning. The ASX 200 was steady on Friday, as gains in most sectors were offset by declines in financials and real estate amid concerns over the RBA monetary policy outlook, before opening flat again this morning.

The gold price gained, as US President Donald Trump declared Venezuelan air space closed in a social media post. While Venezuela rejected this announcement, it increases a risk of a military conflict between the countries after weeks of tensions. Oil prices were mixed as US-Venezuela tensions offset news about a fresh round of talks regarding a ceasefire between Russia and Ukraine. Iron ore futures declined after another set of a disappointing Chinese data.

The Chinese NBS composite PMI ebbed 0.3pts to 49.7 in November (below 50 = contraction), suggesting the first decline in economic activity since late 2022. Marginal contraction was reported for the manufacturing sector (+0.2pts to 49.2), services (-0.7pts to 49.5) and construction (+0.5pts to 49.1).

In Australia, the Cotality home value index rose by another 1.0% in November, with Perth again seeing the strongest gain of 2.4%. The Perth median home price now sits at A\$914k, which compares to A\$889k nationwide.

Aussie private sector credit rose by 0.7% in October, slightly more than the 0.6% registered for the previous month, while the annual growth rate remained steady at an upwardly revised 7.3%. The acceleration in the monthly credit growth rate was driven by business credit (+0.3ppts to 0.8%), while housing credit growth was steady at 0.6% and personal credit growth slowed 0.3ppts to 0.2%.

It will be a very busy week at home, with Q3 GDP on Wednesday being the major release. It will be preceded by the Q3 current account balance and October dwelling approvals tomorrow. Thursday will see the October trade balance and the household spending indicator. The calendar will also be full offshore. Among the US data we are aware of at the time of writing are the ISM PMIs, ADP employment figures and Michigan consumer sentiment index.

Economic Data Review

- **AU:** Private Sector Credit (MoM, Oct) – Actual 0.7%, Expected 0.6%, Previous 0.6%.
- **AU:** Cotality Home Price Index (MoM, Nov) – Actual 1.0%, Previous 1.1%.
- **CH:** NBS Composite PMI (Nov) – Actual 49.7, Previous 50.0.

Economic Data Preview

- **AU:** Melbourne Institute Inflation Gauge (MoM, Nov) – Previous 0.3%.
- **AU:** ANZ Indeed Job Ads (MoM, Nov) – Previous -2.2%.
- **CH:** RatingDog Manufacturing PMI (Nov) – Expected 50.5, Previous 50.6.
- **US:** ISM Manufacturing PMI (Nov) – Expected 49.0, Previous 48.7.