Market Daily Update

21 SEPTEMBER 2026

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7127	0.2%	WTI Crude Oil	99.81	-$1.10
90-day Bill	4.73	4	AUD/JPY	111.83	0.6%	Brent Crude Oil	103.34	-$0.43
3-year Bond	4.98	4	AUD/EUR	0.6208	0.2%	Mogas95*	136.80	-$0.35
10-year Bond	5.30	3	AUD/GBP	0.5323	-0.1%	CRB Index	422.55	-2.91
			AUD/NZD	1.2459	0.2%	Gold	4368.54	$10.62
			AUD/CNY	4.7728	0.1%	Silver	66.29	$0.61
US			EUR/USD	1.1482	0.0%	Iron Ore (61% Fe)**	97.30	$0.70
2-year	4.74	7	USD/JPY	156.89	0.4%	Iron Ore (26-27 Average)	97.44	$0.01
10-year	5.00	6	USD/CNY	6.6977	-0.1%	Copper	14521.50	$30.00
			RBA Policy			**Equities**		
			O/N Cash Rate Target		4.35	ASX200	8704	-55
Other 10-year			Interbank O/N Cash Rate		4.35	Dow Jones	51683	-95
Japan	2.99	2	Probability of a 25bps Hike in Sep		88.0%	S&P500	7651	13
Germany	3.52	4	RBA Bond Holdings (31 Aug)		A$227.4b	Stoxx600	635	-7
UK	5.30	7				CSI300	4507	47

*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 higher on Friday, but the Dow Jones fell, concluding its worst week since mid-March. US 10-year yields again touched the 5% mark, while two-year yields reached a new two-year high, and the EUR/USD was steady.

The gains on Wall Street were quite narrow and limited to information technology, industrials and financials, while other sectors either closed flat or saw quite solid declines. They occurred amid a spike in trading volumes due to the expiration of a large number of options, and followed losses in Europe and mixed results in the Asia-Pacific region.

The ASX 200 closed virtually flat on Friday, as considerable gains in materials, information technology and utilities were almost entirely offset by losses in other sectors. The Australian share market opened in the red this morning.

Commonwealth bond yields have risen less than their US equivalents since Friday morning. Following the increasingly hawkish appearance of senior RBA officials before the House of Representatives Standing Committee on Economics, cash rate hike expectations intensified, with a 25-basis point hike now nearly 90% priced in for next week.

The further rise in RBA monetary policy tightening expectations, along with somewhat better global market sentiment, supported the Australian dollar over the weekend. The AUD appreciated against all major currencies except the British pound, which strengthened following solid retail sales figures for the UK.

Oil prices declined over the weekend, with WTI futures sliding below US$100 a barrel. This came as Iranian officials have signalled efforts to return to the expired memorandum of understanding between their country and the US. At the same time, Houthi rebels doubled down on their attacks on Saudi Arabia over the weekend.

Meanwhile, traffic through the Strait of Hormuz remains officially stagnant, while the number of shipments through the Bab al-Mandab Strait is steadily declining.

In central banking news, the Bank of Japan increased its policy rate by 25 basis points to a three-decade high of 1.25%, as expected. However, to the surprise of market participants, two of the nine policy board members preferred to keep the policy rate unchanged, citing inflation remaining below the 2% target, which drove the Japanese yen lower.

During the press conference, Governor Kazuo Ueda confirmed the central bank's commitment to further policy normalisation, but this failed to provide a significant boost for the JPY. As a result, some market participants are speculating that the Japanese authorities might intervene in the yen market in the coming days.

Data-wise, US industrial production unexpectedly stagnated in August, dragged down by a surprising decline in manufacturing, while growth in mining remained negligible and growth in utilities accelerated.

The key domestic events this week will be several RBA speeches tomorrow, the S&P Global PMIs on Wednesday and the labour force survey on Thursday. The S&P Global PMIs will be the only releases of note abroad. Minor central banks in Europe are also set to announce their monetary policy decisions this week, with no changes expected.

Economic Data Review

- **US:** Industrial Production (MoM, Aug) – Actual 0.0%, Expected 0.3%, Previous 0.2%.

Economic Data Preview

- **CN:** PBoC Announcement (Five-year Loan Prime Rate) – Expected 3.50%, Previous 3.50%.