Market Daily Update

11 MARCH 2026

Interest Rates		
Australia		**Δ bp**
90-day Bill	4.15	8
3-year Bond	4.50	5
10-year Bond	4.88	4
US		
2-year	3.59	4
10-year	4.16	6
Other 10-year		
Japan	2.20	4
Germany	2.84	-2
UK	4.55	-9

FX		
AUD/USD	0.7122	0.7%
AUD/JPY	112.59	0.9%
AUD/EUR	0.6134	0.8%
AUD/GBP	0.5307	0.8%
AUD/NZD	1.2018	0.8%
AUD/CNY	4.8990	0.7%
EUR/USD	1.1612	-0.1%
USD/JPY	158.09	0.3%
USD/CNY	6.8685	-0.6%

RBA Policy	
O/N Cash Rate Target	3.85
Interbank O/N Cash Rate	3.85
Probability of a 25bps Hike in Mar	62.0%
RBA Bond Holdings (27 Feb)	A$250.0b

Commodities		
WTI Crude Oil	85.66	-$3.10
Brent Crude Oil	87.80	-$4.75
Mogas95*	110.58	-$2.93
CRB Index	348.03	-8.86
Gold	5194.46	$60.94
Silver	88.40	$1.35
Iron Ore (61% Fe)**	103.45	-$0.25
Iron Ore (25-26 Average)	102.94	$0.00
Copper	13140.00	$186.00

Equities		
ASX200	8722	1
Dow Jones	47707	-34
S&P500	6781	-15
Stoxx600	606	11
CSI300	4675	59

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

US stocks fell back a little last night, while Treasury yields picked up and the USD appreciated, as investors are increasingly confused by conflicting messages about the military conflict in the Middle East. The gold price rose further, while oil prices continued to retreat.

The declines on Wall Street followed gains in Europe and the Asia-Pacific region. The ASX 200 bounced by 1.1% yesterday, with gains in all sectors except for energy and consumer staples, before opening higher again today.

The Australian dollar appreciated, additionally helped by hawkish comments from RBA Deputy Governor Andrew Hauser, which led to a rise in the probability of a 25bps cash rate hike at next week's meeting to above 50%. Three-year Commonwealth bond yields increased slightly more than their US equivalents.

In an interview published on the RBA website yesterday, Deputy Governor Hauser reminded that the monetary policy decision meeting next week will be 'live', stressing that the recent oil price spike adds to existing inflation pressures. He warned that, if the RBA does not act decisively enough, they might risk a de-anchoring of inflation expectations, which would make the central bank's task harder in the future.

From domestic data, NAB business conditions were steady at 7 points in February, which is close to the series average. This came as an improvement in trading conditions offset a deterioration in employment. NAB business confidence eased to -1, the weakest outcome in nearly a year. Labour and purchase cost pressures intensified a little in February, while price pressures were little changed.

Yesterday also saw a more dated report on the total value of dwellings for Q4, which printed a 3.2% gain, the strongest in exactly four years. The mean dwelling price rose by 2.7% nationwide to a new record high of A$1,075k. Western Australia saw the strongest increase among all states (+7.5%), which took the State's mean dwelling price to A$1,014k.

From the global data, the US NFIB small business survey for February, which preceded the escalation of the Middle Eastern conflict, showed an unexpected 0.5% decline in optimism. The details of the report were better than the headline, pointing to a rise in employment, less supply chain disruptions and lower uncertainty.

Across the Pacific, the Chinese trade balance was US$214b in the first two months of the year, exceeding market expectations of a US$188b surplus. This came as a 21.8% YtD YoY surge in exports slightly exceeded a 19.8% YtD YoY rise in imports. Both were significantly above the market consensus of 7.2% YtD YoY and 7.0% YtD YoY. Chinese iron ore imports picked up by around 3% from a year earlier.

Economic Data Review

- **AU:** NAB Business Conditions (Feb) – Actual 7, Previous 7.
- **AU:** NAB Business Confidence (Feb) – Actual -1, Previous 4 (revised).
- **AU:** Total Value of Dwellings (Feb) – Actual 3.2%, Previous 2.0%.
- **CH:** Trade Balance (Jan-Feb) – Actual US$214b, Expected US$188b.
- **US:** NFIB Small Business Optimism (Feb) – Actual 98.8, Expected 99.6, Previous 99.3.

Economic Data Preview

- **US:** CPI (MoM, Feb) – Expected 0.3%, Previous 0.2%.