

Interest Rates			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6517	0.2%	WTI Crude Oil	57.47	-\$0.02
90-day Bill	3.49	0	AUD/JPY	98.24	0.2%	Brent Crude Oil	61.01	-\$0.18
3-year Bond	3.35	-1	AUD/EUR	0.5597	0.4%	Mogas95*	75.16	-\$0.49
10-year Bond	4.13	-1	AUD/GBP	0.4862	0.4%	CRB Index	296.49	3.14
			AUD/NZD	1.1342	0.0%	Gold	4366.34	\$121.73
			AUD/CNY	4.6397	0.2%	Silver	52.54	\$0.61
US			EUR/USD	1.1645	-0.1%	Iron Ore (62% Fe)**	103.30	-\$0.85
2-year	3.46	0	USD/JPY	150.74	-0.1%	Iron Ore (25-26 Average)	102.70	\$0.00
10-year	3.98	-3	USD/CNY	7.1215	-0.1%	Copper	10691.50	\$87.00
			RBA Policy			Equities		
			O/N Cash Rate Target		3.60	ASX200	9079	90
			Interbank O/N Cash Rate		3.60	Dow Jones	46707	516
Other 10-year			Probability of a 25bps Cut in Nov		71.5%	S&P500	6735	71
Japan	1.67	4	RBA Bond Holdings (30 Sep)		A\$272.1b	Stoxx600	572	6
Germany	2.58	0				CSI300	4538	24
UK	4.51	-3						

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

**Iron ore is the second SGX futures contract.

US stocks saw solid gains overnight, supported by good earnings results and hopes that the upcoming talks between the US and China will lead to a de-escalation in trade tensions. However, there was some degree of caution outside the equity market, with the gold price bouncing back to a new record high. US Treasury yields declined at the back end of the curve, but were steady for shorter maturities, while the US dollar appreciated.

The Australian dollar appreciated against all the major currencies, while Commonwealth bond yields declined slightly across the yield curve. The ASX 200 opened higher this morning, after closing up 0.4% yesterday and looks set to reach a fresh record high.

The positive global market sentiment came despite mediocre economic data from China, with GDP rising by 1.1% in Q3, up by 4.8% YoY. GDP growth exceeded expectations of 0.8% QoQ and 4.7% YoY, though the annual growth rate was significantly slower than the 5.2% registered for the previous quarter. Annual year-to-date GDP growth slowed by 0.1ppts to 5.2%, which is still above the 2025 growth target of 'around 5.0%'. There is still a chance that GDP growth will meet the target for 2025, but – for this to happen – quarterly growth would need to re-accelerate somewhat in Q4.

Chinese activity data for September was mixed. While industrial production unexpectedly accelerated to a three-month high of 6.5% YoY, steel output fell by 4.6% YoY. Retail sales growth slowed more than expected, to just 2.9% YoY, marking the weakest result since November 2024.

Urban fixed asset investment declined by 0.5% YoY YtD, its first decline in over five years, while the pace of fall in property investment accelerated to 13.9% YoY YtD. There was only one month in the over 30-year history when the latter drop was larger – in February 2020, during the COVID-19 outbreak.

The People's Bank of China announced that the loan prime rates will remain unchanged at 3.00% for the one-year horizon and 3.50% for the five-year horizon.

Australian Prime Minister Anthony Albanese and US President Donald Trump signed a US\$8.5b critical minerals framework agreement overnight, with US\$1.0b to be deployed in both countries within the next six months. Data-wise, ANZ consumer confidence rose by 1.2% last week, as consumer inflation expectations dropped back to 4.7%.

Across the Tasman, Kiwi CPI rose by 1.0% in Q3, faster than the 0.9% expected by markets and the 0.5% recorded in the previous quarter. The annual rate of consumer price inflation rose by 0.3ppts, reaching the upper bound of the RBNZ target range of 3.0%, in line with the market and RBNZ expectations.

Economic Data Review

- **AU:** ANZ Roy Morgan Consumer Confidence (w/e 18 Oct) – Actual 84.0, Previous 83.0.
- **NZ:** CPI (QoQ, Q3) – Actual 1.0%, Expected 0.9%, Previous 0.5%.
- **CH:** GDP (YoY, Q3) – Actual 4.8%, Expected 4.7%, Previous 5.2%
- **CH:** Retail Sales (YoY, Sep) – Actual 3.0%, Expected 2.9%, Previous 3.4%.
- **CH:** Industrial Production (YoY, Sep) – Actual 6.5%, Expected 5.0%, Previous 5.2%.
- **CH:** Urban Fixed Asset Investment (YoY YtD, Sep) – Actual -0.5%, Expected 0.1%, Previous 0.5%.

Economic Data Preview

No market-moving data.