Market Daily Update

07 JULY 2026

Interest Rates			FX			Commodities		
Australia		**∆ bp**	AUD/USD	0.6954	0.3%	WTI Crude Oil	68.85	$0.33
90-day Bill	4.46	-1	AUD/JPY	112.77	0.7%	Brent Crude Oil	72.30	$0.46
3-year Bond	4.39	-1	AUD/EUR	0.6079	0.3%	Mogas95*	94.43	$1.05
10-year Bond	4.79	0	AUD/GBP	0.5193	0.0%	CRB Index	362.31	9.28
			AUD/NZD	1.2197	0.3%	Gold	4160.01	-$14.11
			AUD/CNY	4.7273	0.5%	Silver	61.96	-$0.53
US			EUR/USD	1.1440	0.0%	Iron Ore (61% Fe)**	98.70	$0.30
2-year	4.12	-1	USD/JPY	162.16	0.4%	Iron Ore (26-27 Average)	98.10	$0.02
10-year	4.47	0	USD/CNY	6.7945	0.2%	Copper	13403.50	$37.00
			RBA Policy			**Equities**		
			O/N Cash Rate Target	4.35		ASX200	8811	-27
Other 10-year			Interbank O/N Cash Rate	4.35		Dow Jones	53056	156
Japan	2.84	4	Probability of a 25bps Hike in Aug	15.5%		S&P500	7537	54
Germany	2.95	1	RBA Bond Holdings (30 Jun)	A$229.9b		Stoxx600	651	-2
UK	4.79	1				CSI300	4842	0

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

Wall Street started the trading week on a positive note, catching up to Friday's global stock rally, with the strongest gains in communication and information technology. This followed fresh declines in Europe and most of the Asia-Pacific region, with the tech-heavy Korean Kospi seeing the largest losses. US Treasury yields declined slightly at the front end of the curve, as details of the ISM services PMI report suggested tentative easing in cost pressures.

The positive sentiment on Wall Street continued to support the Australian dollar, which appreciated against all major currencies except the British pound. 3-year Commonwealth bond yields declined a little, while 10-year yields held steady.

The ASX 200 declined by 0.2% yesterday, with gains and losses almost equally split across sectors. Health care saw the strongest gain, while utilities registered the largest drop. The Australian share market opened flat this morning.

Oil prices picked up a little, despite some encouraging news from the Middle East. According to press reports, the military group Hamas has offered to dissolve its emergency government in the Gaza territory, which would be in line with the ceasefire agreement reached with Israel in October last year. However, it is highly uncertain when, or even if, Hamas will hand over control of Gaza.

Data-wise, the US ISM services PMI declined by 0.5 points to 54.0 in June, indicating slightly slower, albeit solid, expansion. The report details pointed to slower but decent growth in new orders, renewed growth in employment and a slight decline in cost inflation from its local peak in May. However, survey respondents reported further cost pressures and supply chain disruptions, related not just to the war in the Middle East, but also to weather conditions in the US.

At home, the Melbourne Institute inflation gauge suggested that the annual rate of headline consumer price growth slowed to 3.9% in June. The Melbourne Institute inflation gauge is modelled on the official CPI basket, but the sample size is much smaller, meaning that it is sometimes a poor predictor of the official CPI figures targeted by the RBA. This was the case last month, when the gauge failed to predict a decline in the annual rate of headline CPI inflation to 4.0%.

ANZ job ads ebbed by 0.2% in June, but this followed an upwardly revised gain of 2.0% in the previous month (originally: +1.8%). Job ads remain elevated by historical standards, at 15.0% above their pre-COVID average.

ANZ Roy Morgan consumer confidence fell by 1.6% last week, with declines across all subindices except for 'time to buy a major household item'. While up from its record lows in late March, consumer confidence remains depressed. Inflation expectations declined to 5.4%, which is a new low since the US-Iran war began.

Economic Data Review

- **AU:** Melbourne Institute Inflation Gauge (YoY, Jun) – Actual 3.9%, Previous 4.4%.
- **AU:** ANZ Job Ads (MoM, Jun) – Actual -0.2%, Previous 2.0% (revised).
- **AU:** ANZ Roy Morgan Consumer Confidence (w/e 4 Jul) – Actual 74.7, Previous 75.9.
- **US:** ISM Services PMI (Jun) – Actual 54.0, Expected 54.0, Previous 54.5.

Economic Data Preview

No market-moving data.