Market Daily Update

22 SEPTEMBER 2026

Interest Rates

Australia		Δ bp
90-day Bill	4.73	0
3-year Bond	4.96	-1
10-year Bond	5.25	-4
US		
2-year	4.75	0
10-year	4.95	-5
Other 10-year		
Japan	2.99	0
Germany	3.46	-6
UK	5.21	-8

FX

AUD/USD	0.7122	-0.1%
AUD/JPY	112.07	0.2%
AUD/EUR	0.6210	0.0%
AUD/GBP	0.5326	0.1%
AUD/NZD	1.2476	0.1%
AUD/CNY	4.7680	-0.1%
EUR/USD	1.1469	-0.1%
USD/JPY	157.36	0.3%
USD/CNY	6.6952	0.0%

RBA Policy

O/N Cash Rate Target	4.35
Interbank O/N Cash Rate	4.35
Probability of a 25bps Hike in Sep	88.0%
RBA Bond Holdings (31 Aug)	A$227.4b

Commodities

WTI Crude Oil	95.80	-$4.01
Brent Crude Oil	100.59	-$2.75
Mogas95*	132.84	-$3.95
CRB Index	419.27	-3.28
Gold	4358.28	-$10.26
Silver	66.48	$0.19
Iron Ore (61% Fe)**	97.00	-$0.30
Iron Ore (26-27 Average)	97.43	-$0.01
Copper	14661.00	$139.50

Equities

ASX200	8757	53
Dow Jones	52049	366
S&P500	7765	114
Stoxx600	642	6
CSI300	4540	32

*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, supported by optimism around US-China talks on extending the trade truce and, potentially, artificial intelligence. Gains were broad-based, led by communication services, followed by information technology. The S&P 500 rose by 1.5% overnight, while the tech-heavy Nasdaq surged by 2.3%; in both cases, these were the strongest gains in over a month.

Market sentiment was also helped by a decline in oil prices after US President Donald Trump hinted that he was ready to meet his Iranian counterpart, Masoud Pezeshkian, during the United Nations General Assembly. Brent futures briefly fell below US$100 a barrel but are again trading slightly above that mark at the time of writing. Lower oil prices helped ease inflation concerns to some extent, dragging long-term government bond yields lower.

The gains on Wall Street followed a positive trading day in Australia. The ASX 200 closed flat yesterday, as initial losses were made up later in the trading day. Gains and losses were almost equally split across sectors, with information technology leading the declines, while financials recorded the strongest increase. The Aussie share market opened higher this morning.

The Australian dollar depreciated against the stronger greenback and was little changed against the euro but managed to strengthen against the Japanese yen. Commonwealth bond yields declined slightly overnight.

From Fedspeak, Chicago Fed President Austan Goolsbee spoke yesterday, drawing attention to the fact that supply shocks have become more frequent and persistent, meaning the approach of ‘looking through’ them may no longer be appropriate. This adds another argument for the FOMC to continue tightening monetary policy.

At home, RBA Assistant Governor Sarah Hunter gave an interview on an economics podcast this morning, repeating that the central bank was ‘very concerned’ about inflation. She noted that risks to inflation are skewed to the upside and that part of the heightened inflation stems from excess demand. RBA Governor Michele Bullock and Monetary Policy Board Member Ian Ross are due to speak later today.

Data-wise, ANZ-Roy Morgan consumer sentiment fell by 2.6% last week, while consumer inflation expectations rose by 0.2 percentage points to 6.1%.

The Commonwealth government has published its seventh Intergenerational Report, which looks more closely at potential longer-run fiscal and structural policy challenges, as well as the forces that will shape the Australian economy in the coming decades. Most interestingly, the development of artificial intelligence was identified as one such force, with the potential to boost multifactor productivity by 2.3% over the next ten years.

At the same time, the cost of capital is expected to remain higher than in the second decade of the twenty-first century, which will weigh on private sector investment while increasing government interest payments. However, the primary balance, which excludes interest payments, is forecast to remain positive until the middle of this century.

Economic Data Review

- **AU:** ANZ Roy Morgan Consumer Confidence (w/e 19 Sep) – Actual 72.0, Previous 73.9.

Economic Data Preview

- **AU:** RBA Governor Michele Bullock Speaks at a CEDA Event.
- **AU:** Member of RBA Monetary Policy Board Ian Ross Speaks at a University of Melbourne Event.