

Interest Rates (%)			FX			Commodities US\$			
Australia		Δ bp	AUD/USD	0.6978	0.1%	WTI Crude Oil	103.32	\$2.60	
	90-day Bill	4.79	2	AUD/JPY	110.63	0.6%	Brent Crude Oil	109.40	\$1.21
	3-year Bond	4.88	4	AUD/EUR	0.6221	0.2%	Mogas95*	127.65	-\$1.57
	10-year Bond	5.28	6	AUD/GBP	0.5241	0.3%	CRB Index	418.61	-1.22
			AUD/NZD	1.2317	0.0%	Gold	4131.59	-\$55.28	
			AUD/CNY	4.6636	0.5%	Silver	56.85	-\$0.59	
US			EUR/USD	1.1218	-0.1%	Iron Ore (61% Fe)**	91.65	\$0.10	
	2-year	4.77	6	USD/JPY	158.54	0.5%	Iron Ore (26-27 Average)	96.12	-\$0.05
	10-year	5.14	8	USD/CNY	6.6813	-0.1%	Copper	14339.00	-\$68.50
			RBA Policy			Equities			
Other 10-year			O/N Cash Rate Target		4.60	ASX200	8767	-81	
			Interbank O/N Cash Rate		4.60	Dow Jones	51966	-36	
	Japan	2.94	3	Probability of a 25bps Hike in Nov		26.7%	S&P500	7691	31
	Germany	3.46	3	RBA Bond Holdings (30 Sep)		A\$214.7b	Stoxx600	640	-5
	UK	5.43	6				CSI300	4175	4

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

**Iron ore is the second SGX futures contract.

US equities recovered some of Friday's losses, led by technology stocks, while the Philadelphia Semiconductor Index rose for the first time in nine sessions. US Treasury yields opened the week higher following last week's sharp decline. Oil prices rose as Iran said it had no choice but to reassert its "sovereignty" over the Strait of Hormuz and reports of further Houthi attacks on Saudi oil facilities.

European shares slipped and bond yields rose as protests in France and elsewhere highlight the challenge of reducing government deficits and stabilising public finances. French bond yields remained under pressure, with the spread between 10-year French and German government bond yields moving back towards 15-year highs.

Earlier, South Korea's Kospi rose 1.8%, led by technology stocks. Mainland China's CSI 300 moved in and out of positive territory before closing slightly higher, while Japanese and Taiwanese benchmarks ended lower.

Australian equities rose 0.4% yesterday to close near a six-week high, but opened sharply lower this morning as bank and mining stocks sold off. Australian bond yields also opened higher, tracking overnight moves in global markets. The Australian dollar was the strongest-performing G10 currency over the past 24 hours.

Oil prices rose as concerns about the Middle East conflict remained elevated, with Brent crude futures reaching a five-month high. Gold prices eased as US Treasury yields and the US dollar strengthened, while iron ore futures held onto recent gains.

China's GDP grew 1.2% in Q3 (mkt. exp. 1.0%), following a 0.9% rise in Q2, lifting annual growth by 0.2ppts to 4.5% YoY. Exports contributed strongly, led by chips and computer equipment, automobiles and refined petroleum. Annual retail sales growth accelerated by 0.7ppts to 1.1% YoY, but the fastest pace since January. Industrial production rose 5.5% YoY, including a 15.3% increase in high-tech manufacturing. Crude steel output fell to 73.6 million tonnes, its lowest level since the end of 2025. Urban fixed asset investment remained the economy's weak point, declining 7.2% YtD YoY.

The weekly ANZ-Roy Morgan Consumer Confidence Index fell 0.3pts to 67.7 in the week ending 18 October, indicating that Australian consumer sentiment remains deeply subdued.

RBA Assistant Governor Christopher Kent said during a fireside chat yesterday that, while monetary policy is somewhat restrictive, but it is uncertain whether it is sufficiently restrictive to return inflation to target. His comments had little impact on financial markets.

Economic Data Review

- **AU:** ANZ-Roy Morgan Consumer Confidence (w/e 18 Oct) – Actual 67.7, Previous 68.0.
- **CH:** GDP (QoQ, Q3) – Actual 4.5%, Expected 4.4%, Previous 4.3%.
- **CH:** Retail Sales (YoY, Sep) – Actual 1.1%, Expected 0.5%, Previous 0.4%.
- **CH:** Industrial Production (YoY, Sep) – Actual 5.5%, Expected 5.4%, Previous 5.2%.
- **CH:** Urban Fixed Asset Investment (YoY YtD) – Actual -7.2%, Expected -7.2%, Previous -7.2%.

Economic Data Preview

- **CH:** PBoC Five-Year Loan Prime Rate – Expected 3.50%, Previous 3.50%.