

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.6951	0.5%	WTI Crude Oil	90.69	-\$2.44
90-day Bill***	4.76	0	AUD/JPY	109.64	0.3%	Brent Crude Oil	102.13	-\$0.47
3-year Bond	4.89	1	AUD/EUR	0.6180	0.4%	Mogas95*	131.94	-\$2.35
10-year Bond	5.34	0	AUD/GBP	0.5250	0.1%	CRB Index	410.09	-1.93
			AUD/NZD	1.2378	0.0%	Gold	4156.11	-\$5.03
			AUD/CNY	4.6451	-0.2%	Silver	61.04	\$0.33
US			EUR/USD	1.1247	0.1%	Iron Ore (61% Fe)**	91.30	-\$0.65
2-year	4.81	2	USD/JPY	157.74	-0.1%	Iron Ore (26-27 Average)	96.93	-\$0.09
10-year	5.26	1	USD/CNY***	6.7060	0.0%	Copper	14258.50	\$15.00
			RBA Policy			Equities		
			O/N Cash Rate Target		4.60	ASX200	8726	62
Other 10-year			Interbank O/N Cash Rate		4.60	Dow Jones	51177	250
Japan	3.11	4	Probability of a 25bps Hike in Nov		20.0%	S&P500	7723	56
Germany	3.46	-5	RBA Bond Holdings (30 Sep)		A\$214.7b	Stoxx600	631	5
UK	5.37	-3				CSI300***	4358	0

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

**Iron ore is the second SGX futures contract.

***Unchanged due to public holiday

US equities ended last week on a strong note, with the S&P 500 rising 0.7%, led by the tech sector. The market was supported by lower US oil prices and an underwhelming employment report, which reduced expectations of a Fed interest rate hike later this month. US Treasury yields initially fell following the labour market data but recovered later in the session, while the US dollar gave up some of its recent gains.

Europe's Stoxx 600 gained after three consecutive days of losses, supported by lower bond yields and reports that G7 countries had agreed to release a further 100m barrels of petroleum onto the market. Asia-Pacific equities were mixed. Japanese and Hong Kong shares fell, while markets in South Korea and Taiwan gained. Mainland Chinese markets remained closed for the Golden Week holiday and will reopen on Thursday.

At home, the ASX 200 rose 0.8% on Friday, delivering its first weekly gain since the end of August. The rise was led by the major banks and miners. Australian bond yields ended Friday little changed, while the domestic bond market is closed today. Improved market sentiment supported the AUD, which rose against the USD for the first time in five days.

Oil prices initially fell on news that G7 countries would release 100m barrels of petroleum over four months, including a substantial supply of diesel over the next 20 days. Brent crude futures fell to US\$98.40 a barrel before rebounding on reports of renewed clashes between Saudi Arabia and the Houthis.

US non-farm payrolls rose by just 29k in September (mkt. exp. 90k), following a downwardly revised increase of 133k in August. Payrolls for July and August were revised down by a combined 60k. The unemployment rate edged up 0.1ppts to 4.2%, while the labour force participation rate rose 0.2ppts to 61.8% (for context, Australia's participation rate was 67.1% in August). Wage growth was subdued, with average hourly earnings rising 0.1% over the month and annual growth easing 0.1ppts to 3.0%, its lowest rate since 2021.

The preliminary estimate of annual euro area HICP inflation rose 0.6ppts to 3.8% in September, while core inflation increased 0.1ppts to 2.5%. Both outcomes were in line with expectations and do not alter the outlook for the ECB, which is expected to keep rates unchanged in October before raising them in December.

The main local economic releases next week are the Melbourne Institute inflation gauge this morning; the ANZ-Indeed job ads report for September and the Westpac consumer sentiment survey for October on Tuesday; and the Melbourne Institute consumer inflation expectations survey for October on Thursday.

The key offshore releases will be in the US, including the FOMC minutes, ISM services PMI, New York Fed consumer expectations survey for September and the preliminary University of Michigan consumer sentiment index for October.

Economic Data Review

- **US:** Non-Farm Payrolls (Monthly Change, Sep) – Expected 90k, Previous 133k (revised).
- **US:** Unemployment Rate (Sep) – Actual 4.2%, Expected 4.1%, Previous 4.1%.
- **EZ:** HICP (YoY, Sep, preliminary) – Actual 3.8%, Expected 3.8%, Previous 3.2%.

Economic Data Preview

- **AU:** Melbourne Institute Inflation Gauge (MoM, Sep) – Previous 0.5%.
- **US:** ISM Services PMI (Sep) – Expected 55.0, Previous 55.4.