

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.6956	-0.4%	WTI Crude Oil	93.20	\$2.34
	90-day Bill	4.77	AUD/JPY	110.27	-0.2%	Brent Crude Oil	106.65	\$3.09
	3-year Bond	4.89	AUD/EUR	0.6233	0.0%	Mogas95*	130.74	-\$0.38
	10-year Bond	5.32	AUD/GBP	0.5266	-0.2%	CRB Index	417.10	2.37
US			AUD/NZD	1.2451	0.1%	Gold	4171.79	-\$18.08
			AUD/CNY	4.6566	-0.4%	Silver	60.27	-\$0.67
	2-year	4.79	EUR/USD	1.1161	-0.4%	Iron Ore (61% Fe)**	90.85	-\$0.50
	10-year	5.24	USD/JPY	158.51	0.2%	Iron Ore (26-27 Average)	96.47	-\$0.08
Other 10-year			USD/CNY	6.6938	0.0%	Copper	14618.50	\$78.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.60		ASX200	8766	2
			Interbank O/N Cash Rate	4.60		Dow Jones	51851	196
Japan	3.02	0	Probability of a 25bps Hike in Nov	26.7%		S&P500	7807	-4
Germany	3.48	0	RBA Bond Holdings (30 Sep)	A\$214.7b		Stoxx600	636	4
UK	5.44	0				CSI300	4288	-29

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

**Iron ore is the second SGX futures contract.

US equities were mostly higher overnight; however, weakness in semiconductor, Amazon and Tesla shares saw the S&P 500 close marginally lower. The Philadelphia Stock Exchange Semiconductor Index fell 2.7%, its fourth consecutive decline, as concerns persisted over elevated valuations, revenue prospects and competition from China. The US Treasury market was closed for a public holiday but reopened this morning, with the 10-year yield falling slightly. Oil prices rose as a proposed halt to strikes on energy infrastructure by Ukraine and Russia appeared to fail, while the conflict in the Middle East showed no sign of abating. The US dollar index rose to a fresh 18-month high, largely reflecting euro weakness amid concerns over France's fiscal position.

European equities began the week on a positive note, with the Stoxx 600 rising 0.65%. Banks were the main contributors to the gain, while automakers were supported by an EU-China trade deal that capped Chinese hybrid vehicle imports into the European market. China also reportedly agreed to lower tariffs on some EU products, including auto parts.

In other European news, the French Government's fiscal credibility again came into focus. The 10-year French Treasury bond yield rose to just below the 24-year high reached earlier in the month, while the spread between French and German 10-year yields widened to a fresh 14-year high.

Asia-Pacific equities mostly weakened yesterday, with South Korean shares recording the largest decline amid falls in major chipmakers. Uncertainty over the economic outlook weighed on mainland Chinese markets. Taiwan's benchmark index was flat despite a decline in TSMC, which dominates the market. Markets in Japan were closed for a holiday.

Australian equities recorded another positive session yesterday, with the ASX 200 rising 0.8%, led by the major banks and miners, although the index is lower this morning. Australian bond yields have edged down ahead of the release of the RBA Monetary Policy Board's late-September meeting minutes, at which the cash rate was raised. The AUD has fallen against all major currencies over the past 24 hours except the euro.

In commodity markets, oil prices remained under upward pressure from geopolitical developments, gold eased against a stronger US dollar, and iron ore futures continued to trade within a narrow range.

The ANZ-Roy Morgan weekly consumer confidence index rose 0.9 points to 68.0 last week, indicating that Australian consumers were slightly less pessimistic. The increase partially reversed the sharp fall in the week ending 4 October, when the index dropped to its lowest level since May after the RBA raised the cash rate earlier that week. Two-year inflation expectations rose by 0.2 percentage points to a three-week high of 6.1%.

Economic Data Review

- AU:** ANZ-Roy Morgan Consumer Sentiment Index (w/e 11 Oct) – Actual 68.0, Previous 67.1.

Economic Data Preview

- AU:** RBA Monetary Policy Board Meeting Minutes (28-29 Sep)
- AU:** NAB Business Conditions Index (Sep) – Previous -1.
- AU:** NAB Business Confidence Index ((Seo) – Previous -8.
- US:** NFIB Small Business Optimism (Sep) – Expected 98.2, Previous 98.7.