Market Daily Update

30 OCTOBER 2026

Interest Rates (%)		
Australia		**Δ bp**
90-day Bill	4.91	0
3-year Bond	4.78	-9
10-year Bond	5.11	-7
US		
2-year	4.60	-10
10-year	4.94	-7
Other 10-year		
Japan	2.85	4
Germany	3.36	-2
UK	5.29	-3

FX		
AUD/USD	0.7020	-0.5%
AUD/JPY	110.73	-0.6%
AUD/EUR	0.6273	-0.8%
AUD/GBP	0.5244	-1.0%
AUD/NZD	1.2476	-0.5%
AUD/CNY	4.6831	-0.3%
EUR/USD	1.1190	0.3%
USD/JPY	157.75	-0.1%
USD/CNY	6.6611	-0.1%

RBA Policy	
O/N Cash Rate Target	4.60
Interbank O/N Cash Rate	4.60
Probability of a 25bps Hike in Nov	80.0%
RBA Bond Holdings (30 Sep)	A$214.7b

Commodities US$		
WTI Crude Oil	102.83	$0.97
Brent Crude Oil	114.88	-$0.44
Mogas95*	128.25	-$2.85
CRB Index	411.42	-2.26
Gold	4015.40	-$39.28
Silver	51.88	-$2.05
Iron Ore (61% Fe)**	91.05	$0.25
Iron Ore (26-27 Average)	95.60	-$0.05
Copper	14477.50	$0.00

Equities		
ASX200	8931	29
Dow Jones	52343	-133
S&P500	7720	-24
Stoxx600	649	5
CSI300	4042	-42

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

US equity markets reversed course overnight, with the S&P 500 falling 0.3% as concerns about overspending on AI infrastructure resurfaced. Communication services led the declines, with Alphabet shares slumping over 10% after the company reported Q3 capital expenditure of US$51b, mainly on AI infrastructure. Full-year capital expenditure is expected to reach US$195–US$205b and rise significantly in 2027. Information technology was the other major drag, led by semiconductors. The equity sell-off drove investors into US Treasuries, pushing yields lower.

European equities posted solid gains across most markets. In the Asia-Pacific region, Japanese shares rose, while other major markets declined, including China, where the CSI 300 is near a 15-month low.

At home, the ASX 200 closed at a seven-week high yesterday, led by financials, real estate and energy, and opened higher again this morning. Australian bond yields eased slightly yesterday before opening sharply lower today. The overnight equity sell-off also weighed on the Australian dollar, which fell against all major currencies.

Brent crude oil futures prices eased a little, and base metal prices were also weaker. Iron ore futures rose for the second day in a row.

The advance estimate showed US real GDP grew at an annualised 3.4% in Q3, slightly above market expectations of 3.2%. The US reports its GDP figures as annualised growth rates. Growth was driven mainly by a 3.8% rise in personal consumption expenditure, a 12.7% increase in business fixed investment and higher business inventories. Government spending rose 5.3%. Net exports were the main drag, with exports falling 5.7% and goods imports surging 24.7%.

US inflation continued to move in the wrong direction. The PCE price index, the Fed's preferred inflation measure, rose 0.5% in September, lifting annual inflation by 0.2 percentage points to 3.6%. Core PCE prices rose 0.3% in the month and 3.1% over the year. Both annual measures remained well above the Fed's 2.0% target.

The European Central Bank left its policy interest rates unchanged, as expected, although ECB President Christine Lagarde said a rate hike had been discussed. A 25 basis point hike is 80% priced in for December.

Australian export prices rose 1.4% in Q3, driven by gas and coal, partly offset by lower iron ore and gold prices. The export price index was up 6.3% over the year. Import prices fell 1.1% in the quarter, largely reflecting lower prices for petroleum and related products and fertilisers following strong Q2 increases. These declines were partly offset by sharp price rises for office and automatic data-processing machines and telecommunications equipment, likely reflecting strong demand associated with the data centre construction boom. The import price index rose 5.5% over the year.

Economic Data Review

- **AU**: International Trade Prices (Q3).
- **EZ**: ECB Meeting (Deposit Rate) – Actual 2.50%, Expected 2.50%, Previous 2.50%.
- **US**: GDP (QoQ annualised, Q1, Adv) – Actual 3.4%, Expected 3.2%, Previous 2.2%.
  US: PCE Price Index (MoM, Sep) – Actual 0.5%, Expected 0.5%, Previous 0.3%.

Economic Data Preview

- **AU**: PPI (QoQ, Q3) – Previous 1.3%.
- **AU**: Private Sector Credit (MoM, Sep) – Expected 0.5%, Previous 0.6%.
- **EZ**: GDP (QoQ, Q3, Flash) – Expected 0.2%, Previous 0.6%.