

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6544	-0.5%	WTI Crude Oil	65.71	-\$1.33
	90-day Bill	3.58	AUD/JPY	94.50	-0.6%	Brent Crude Oil	67.55	-\$1.22
	3-year Bond	3.31	AUD/EUR	0.5553	-0.6%	Mogas95*	77.20	-\$1.11
	10-year Bond	4.18	AUD/GBP	0.4794	-0.4%	CRB Index***	299.93	0.00
US			AUD/NZD	1.0819	0.0%	Gold	3324.02	-\$5.21
			AUD/CNY	4.6939	-0.4%	Silver	36.95	\$0.22
	2-year	3.85	EUR/USD	1.1783	0.1%	Iron Ore (62% Fe)**	96.60	-\$0.15
	10-year	4.33	USD/JPY	144.43	-0.1%	Iron Ore (25-26 Average)	95.46	\$0.06
Other 10-year			USD/CNY	7.1656	-0.1%	Copper	9864.50	-\$90.00
			RBA Policy			Equities		
			O/N Cash Rate Target	3.85		ASX200	8597	-9
			Interbank O/N Cash Rate	3.84		Dow Jones***	44829	0
Japan	1.45	-1	Probability of a 25bps Cut in Jul	94.3%		S&P500***	6279	0
Germany	2.61	-1	RBA Bond Holdings (30 Jun)	A\$276.4b		Stoxx600	541	-3
UK	4.55	1				CSI300	3982	14

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

**Iron ore is the second SGX futures contract.

***No change due to a public holiday.

Friday was a quiet day on the global financial markets, with US investors away for the Independence Day holiday. Elsewhere, the UK stocks ended flat, while there were losses in continental Europe and results in the Asia-Pacific region were mixed.

The ASX 200 closed 0.1% higher on Friday, reaching a fresh record high. Gains in most sectors were almost fully offset by losses in materials, energy and communication services. The Australian dollar is down against all the major currencies. Commonwealth bond yields declined across the yield curve, similarly to their equivalents in other advanced economies.

US President Donald Trump signed the 'One Big Beautiful Bill' into law on Friday as planned, and investors' attention has now turned to the 'mini-Liberation Day' on 9 July, which is the end of the tariff pause that was allowed for trade negotiations between the US and its trading partners.

President Trump said that he would start sending letters containing new tariff details to partners that failed to secure a deal, starting with 12 countries, as soon as today. He suggested that the updated tariff rates could reach 'maybe 60% or 70%' in some cases, which would be above the levels originally announced on 2 April.

In commodity markets, oil prices fell over the weekend, as OPEC+ decided to increase output by 548k barrels a day from August, rather than the monthly increases of 411k barrels a day it had announced at each of its previous three meetings. The gold price ticked up, to be 3.0% off its record high from mid-June. Iron ore futures were steady.

Data-wise, the Aussie household spending indicator, which is set to fully replace retail trade following the release of the June figures, rose by 0.9% in May, to be up by 4.2% through the year. This was an upside surprise to market participants, who expected gains of 0.5% and 3.5%, respectively.

The surprisingly strong gain in May followed a small downward revision result for April to 0.0% MoM (from the initially estimated +0.1% MoM), but also contrasted with disappointing retail sales figures for May (+0.2%). The solid gain in May was thanks to both discretionary spending (+1.1%; primarily apparel) and – to a lesser extent – essential spending (+0.5%). Spending on goods rose by 0.8% in May, while spending on services picked up by 0.9%.

The key domestic event [this week](#) will be the RBA Monetary Policy Board decision tomorrow, with another 25bps cut widely expected by market participants. It will be followed by a press conference by RBA Governor Michele Bullock, where some further clarity may be provided on the rate outlook. Tomorrow will also see the NAB business report for June, but the domestic calendar will be otherwise empty.

The key event offshore will be the 'mini-Liberation Day' on 9 July. The other major highlight will be the FOMC minutes on Wednesday. Other events include the Chinese inflation figures for June, the NFIB US small business consumer confidence index and RBNZ rate decision, with no change expected.

Economic Data Review

- AU:** Household Spending Indicator (MoM, May) – Actual 0.9%, Expected 0.5%, Previous 0.0% (revised).

Economic Data Preview

- AU:** ANZ Indeed Job Ads (MoM, Jun) – Previous -1.2%.