Market Daily Update

22 JULY 2026

Interest Rates

Australia		∆ bp
90-day Bill	4.49	0
3-year Bond	4.56	1
10-year Bond	4.98	1
US		
2-year	4.26	5
10-year	4.63	3
Other 10-year		
Japan	2.75	1
Germany	3.16	1
UK	5.03	0

FX

AUD/USD	0.7004	0.0%
AUD/JPY	114.22	0.4%
AUD/EUR	0.6141	0.1%
AUD/GBP	0.5233	0.4%
AUD/NZD	1.2016	0.6%
AUD/CNY	4.7406	0.0%
EUR/USD	1.1405	-0.1%
USD/JPY	163.09	0.4%
USD/CNY	6.7675	0.0%

Commodities

WTI Crude Oil	84.70	$1.72
Brent Crude Oil	91.58	$2.72
Mogas95*	116.08	$3.42
CRB Index	388.65	4.83
Gold	4092.76	$69.76
Silver	58.97	$2.02
Iron Ore (61% Fe)**	98.05	-$0.70
Iron Ore (26-27 Average)	98.86	-$0.10
Copper	13885.00	$263.00

RBA Policy

O/N Cash Rate Target	4.35
Interbank O/N Cash Rate	4.35
Probability of a 25bps Hike in Aug	18.6%
RBA Bond Holdings (30 Jun)	A$229.9b

Equities

ASX200	8818	69
Dow Jones	52225	385
S&P500	7509	66
Stoxx600	643	4
CSI300	4739	141

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

US equities had their best day since late June, with the rally led by a rebound in tech stocks as bargain hunters continued to buy semiconductor shares following last week's heavy selling.

US Treasury yields climbed and the yield curve flattened (the spread between 10-year and two-year Treasury yields narrowed) as another sharp rise in oil prices saw traders increase their bets on Fed interest rate increases this year. The rise in Fed interest rate hike expectations drove the USD higher.

Oil prices rose to a near six-week high as the US and Iran continued to trade strikes and Washington said US forces would soon attack suspected Iranian nuclear facilities in Pickaxe Mountain. There are also reports that a Kuwaiti oil tanker was struck in the Strait of Hormuz and that three Saudi oil tankers in the Red Sea were forced to reverse course amid Houthi threats to blockade Saudi exports through the Bab el-Mandeb Strait, at the southern end of the Red Sea. The closure of the Strait of Hormuz since the outbreak of hostilities in late February has increased the importance of the Red Sea as a conduit for Middle East oil flows, and a sustained closure would place even more pressure on global oil supplies.

The equity rally in the US followed a positive day in Europe where AI-linked names also had a strong session. A rebound in semiconductor shares also drove Asia-Pacific shares higher, with strong increases in mainland China, Japan and South Korea.

Australian equities recovered their earlier losses to end yesterday's session virtually unchanged. Miners were the biggest driver behind the recovery on the ASX, while financials were the major drag, with all the Big Four banks posting losses. The ASX has opened higher this morning.

Australian bond yields fell yesterday but have opened higher this morning, with the 10-year yield currently at its highest levels since May. The Australian dollar has held its own against the stronger greenback and has risen against the other major currencies.

Gold prices have climbed despite the rise in the US dollar and Treasury yields, while iron ore futures slipped a little further and are currently sitting at the lowest level in a fortnight.

The New Zealand CPI rose 1.5% in Q2, with the annual rate accelerating from 3.1% to 4.1%. Auto fuel accounted for around two-thirds of the quarterly increase. Trimmed mean inflation, equivalent to the Australian underlying inflation measure favoured by the RBA, was 0.9% in the quarter and 3.0% YoY. Financial markets continue to price in around a 90% chance of a cash rate hike by the Reserve Bank of New Zealand at the next policy meeting in early September.

Economic Data Review

- **NZ:** CPI (QoQ, Q2) – Actual 1.5%, Expected 1.5%, Previous 0.9%.

Economic Data Preview

- **UK:** CPI (MoM, Jun) – Expected 0.1%, Previous 0.2%.