

Interest Rates			FX			Commodities US\$			
Australia		Δ bp	AUD/USD	0.6517	0.1%	WTI Crude Oil	59.68	-\$0.02	
	90-day Bill	3.56	-2	AUD/JPY	99.37	0.5%	Brent Crude Oil	63.52	-\$0.01
	3-year Bond	3.51	1	AUD/EUR	0.5637	0.5%	Mogas95*	76.42	\$0.21
	10-year Bond	4.29	1	AUD/GBP	0.4888	0.2%	CRB Index	295.54	2.78
			AUD/NZD	1.1395	0.3%	Gold	4123.79	\$77.25	
			AUD/CNY	4.6458	0.4%	Silver	52.47	\$2.12	
US			EUR/USD	1.1560	-0.5%	Iron Ore (62% Fe)**	106.70	\$0.20	
	2-year	3.51	0	USD/JPY	152.49	0.4%	Iron Ore (25-26 Average)	102.55	\$0.00
	10-year	4.06	3	USD/CNY	7.1309	-0.1%	Copper	10820.50	\$302.50
			RBA Policy			Equities			
Other 10-year			O/N Cash Rate Target		3.60	ASX200	8865	-51	
			Interbank O/N Cash Rate		3.60	Dow Jones	46068	588	
	Japan	1.68	-1	Probability of a 25bps Cut in Nov		50.8%	S&P500	6655	102
	Germany	2.64	-1	RBA Bond Holdings (30 Sep)		A\$272.1b	Stoxx600	567	2
	UK	4.66	-2				CSI300	4594	-23

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

**Iron ore is the second SGX futures contract.

US stocks bounced back on Monday, as hopes for a quick resolution of fresh US-China trade tensions prevailed. US President Donald Trump made attempts to calm the concerns on his social media account, while his Vice President JD Vance called on China to choose a 'path of reason'.

The gains on Wall Street were quite broad-based, with consumer staples and health care being the only industries that saw some losses. The S&P 500 jumped by 1.6%, while the Nasdaq rose by 2.2%. The US Treasury market was closed for the Columbus Day holiday, but 10-year yields rose slightly at the open this morning.

The Australian dollar appreciated against all major currencies, with the AUD/USD climbing back above the US\$0.65 mark. Commonwealth bond yields are little changed since yesterday morning.

The ASX 200 opened flat this morning, after closing 0.8% lower yesterday, with losses across all sectors except real estate, which was led by information technology. However, miners of critical minerals registered considerable gains, driven by hopes that Chinese export restrictions will provide a boost to the Australian critical minerals industry.

Despite the lift-off on Wall Street and some other equity markets yesterday, tariff concerns remain present in the prices of precious metals. Prices of gold and silver rose to fresh record highs. Hamas has released the Israeli hostages under the 'phase one' deal, meaning that the Gaza ceasefire is holding for now, allowing oil prices to decline a little further. Copper futures bounced back, however, while iron ore futures were little changed despite some encouraging news from the Chinese trade data.

China's trade surplus narrowed to a seven-month low of US\$90.5b in September, with acceleration in both export and import growth (to 8.3% YoY and 7.4% YoY, respectively). Chinese imports of iron ore surged by 11.7% YoY, to reach 116.3 million tonnes, the highest level on record.

The annual rate of decline in Chinese exports to the US narrowed to a still-staggering 27.0% in September, while the pace of export growth to ASEAN countries slowed to a still-solid 15.9% YoY. The pace of exports to Australia was roughly unchanged at 10.7% YoY, while imports from Australia accelerated to 12.6% YoY, a level unseen since late 2023.

ANZ consumer confidence fell by 2.5% last week, as consumer inflation expectations remained unchanged at an elevated 5.2%.

Economic Data Review

- **AU:** ANZ Roy Morgan Consumer Confidence (w/e 11 Oct) – Actual 83.0, Previous 85.1.
- **CH:** Trade Balance (Sep) – Actual US\$90.5b, Expected US\$99.0b, Previous US\$102.3b.

Economic Data Preview

- **AU:** RBA Monetary Policy Board Minutes.
- **AU:** NAB Business Conditions – Previous 7.
- **AU:** NAB Business Confidence – Previous 4.
- **US:** NFIB Small Business Optimism (Sep) – Expected 100.6, Previous 100.8.