Market Daily Update

14 SEPTEMBER 2026

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7146	-0.2%	WTI Crude Oil	102.59	-$0.48
90-day Bill	4.67	1	AUD/JPY	109.78	-0.8%	Brent Crude Oil	107.50	-$0.63
3-year Bond	4.98	-5	AUD/EUR	0.6168	0.0%	Mogas95*	132.31	-$4.97
10-year Bond	5.35	-2	AUD/GBP	0.5286	-0.3%	CRB Index	423.08	-6.07
			AUD/NZD	1.2323	0.0%	Gold	4338.87	$14.96
			AUD/CNY	4.8113	0.1%	Silver	63.96	$0.34
US			EUR/USD	1.1587	-0.2%	Iron Ore (61% Fe)**	96.15	-$1.50
2-year	4.62	3	USD/JPY	153.62	-0.6%	Iron Ore (26-27 Average)	97.55	-$0.04
10-year	4.96	0	USD/CNY	6.7074	-0.1%	Copper	14240.00	$6.50
			RBA Policy			**Equities**		
			O/N Cash Rate Target		4.35	ASX200	8741	14
Other 10-year			Interbank O/N Cash Rate		4.35	Dow Jones	52573	509
Japan	3.00	3	Probability of a 25bps Hike in Sep		78.0%	S&P500	7657	65
Germany	3.50	0	RBA Bond Holdings (31 Aug)		A$227.4b	Stoxx600	639	3
UK	5.34	-3				CSI300	4510	-38

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

The sell-off on Wall Street came to a halt on Friday night, as global oil prices eased from their four-month highs and US CPI figures came in largely in line with market expectations. This followed a rebound in Europe and ongoing declines across the Asia-Pacific region.

However, the US CPI report was strong enough for Fed funds rate hike expectations to intensify further. A 25bps hike is now nearly 90% priced in, compared to around 70% on Thursday night. US 2-year yields picked up as a result, while 10-year yields were little changed.

The decline in global oil prices came after a steep ascent over the past few days, as Iran suggested it will reveal a plan for a shipping lane with Oman through the Strait of Hormuz, though it may take some time before the deal becomes effective.

Meanwhile, having seized the strategic port of Mokha and the critical island of Mayun (Perim), the Houthi rebels attacked the Saudi Arabian East-West pipeline that bypasses the Strait of Hormuz and now control the entire Yemeni Red Sea coastline and the northern shore of the Bab al-Mandab strait. According to Bloomberg data, traffic through the Bab al-Mandab Strait continues, but is somewhat lower than earlier in 2026.

Meanwhile, US headline CPI rose by 0.4% MoM and 3.4% YoY, as expected, with the annual rate unchanged from the previous month. Core CPI picked up by 0.3% in August, marginally exceeding expectations for a 0.2% gain, but the annual rate remained unchanged at 2.4%. While broadly in line with consensus, the CPI figures suggest that PCE inflation, which is targeted by the Fed, remained above the Fed's 2% goal in August.

The rise in oil prices pushed US inflation expectations higher, according to the University of Michigan consumer sentiment survey, taking household confidence to a four-month low.

Despite the improvement in global market sentiment, the Australian dollar depreciated against all major currencies except the euro. Commonwealth bond yields declined over the weekend but remain elevated. The ASX 200 opened virtually flat this morning, after dropping by 0.9% on Friday.

Events in the Middle East will likely remain in focus this week. It will also be a big week in central banking, with the FOMC, Bank of England and Bank of Japan decisions all due. While markets are increasingly pricing in a rate hike from the Fed and Bank of Japan, the Bank of England is expected to stay on hold.

At home, there will again be a lot of RBA speak, with RBA Assistant Governor Sarah Hunter speaking later today and all top RBA officials appearing before a House of Representatives committee on Friday. The most important data releases next week will be US and Chinese activity data for August, with another weak set of Chinese indicators expected.

Economic Data Review

- **US**: CPI (MoM, Aug) – Actual 0.4%, Expected 0.4%, Previous 0.1%.
- **US**: University of Michigan Consumer Sentiment (Sep, prelim.) – Actual 47.8, Expected 51.0, Previous 51.7.

Economic Data Preview

- **AU:** Public Appearance by RBA Assistant Governor Sarah Hunter.