Market Daily Update

06 NOVEMBER 2026

Interest Rates (%)		
Australia		**Δ bp**
90-day Bill	4.93	-1
3-year Bond	4.67	-3
10-year Bond	5.00	-2
US		
2-year	4.46	-11
10-year	4.83	-4
Other 10-year		
Japan	2.69	-10
Germany	3.24	-3
UK	5.13	0

FX		
AUD/USD	0.6934	-1.1%
AUD/JPY	109.25	-1.5%
AUD/EUR	0.6172	-1.0%
AUD/GBP	0.5151	-0.9%
AUD/NZD	1.2393	-0.5%
AUD/CNY	4.6310	-1.0%
EUR/USD	1.1230	-0.1%
USD/JPY	157.56	-0.4%
USD/CNY	6.6680	-0.1%

RBA Policy	
O/N Cash Rate Target	4.85
Interbank O/N Cash Rate	4.85
Probability of a 25bps Hike in Dec	2.7%
RBA Bond Holdings (30 Oct)	A$213.6b

Commodities US$		
WTI Crude Oil	91.08	$3.04
Brent Crude Oil	98.29	$3.67
Mogas95*	108.32	$3.73
CRB Index	390.54	1.53
Gold	4102.84	$24.67
Silver	52.01	-$0.43
Iron Ore (61% Fe)**	93.40	$1.40
Iron Ore (26-27 Average)	95.41	-$0.01
Copper	13843.50	-$167.50

Equities		
ASX200	9001	37
Dow Jones	51523	-1833
S&P500	7354	-335
Stoxx600	655	-3
CSI300	4113	12

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

Global equity market sentiment turned abruptly sour overnight, with investors turning their attention to the impact of the new political landscape on economic policy and the outlook for individual sectors, particularly artificial intelligence enablers and other tech industries.

The S&P 500 dropped by 4.6%, the most since the 'reciprocal' tariff announcements in early April 2025, with declines across all industries led by information technology, which retreated by 7.3%. The tech-heavy Nasdaq plunged by 5.5% last night. These losses followed more measured declines in Germany and the UK, and mixed results in the Asia-Pacific region. The Korean stock market, which has a relatively large share of tech stocks, lost 5.3% yesterday.

The ASX 200 rose by 2.6% yesterday amid the initial global rally that followed the US midterm election results, but opened sharply lower this morning. Deteriorating global market sentiment dragged on the Australian dollar, which depreciated sharply against all major currencies.

The global equity sell-off triggered some 'flight-to-safety' flows, which drove US Treasury yields lower. Japanese bond yields also saw a significant fall. The declines were much smaller in Germany, while many other European countries saw increases in their bond yields. Commonwealth bond yields also declined less than their US equivalents.

Oil prices bounced overnight after a sharp decline immediately following the midterm elections. However, Brent futures remain below US$100 a barrel.

In other developments, US initial jobless claims declined slightly to 189k last week, while continued claims picked up to above 1.7m in the week ending 24 October.

The Bank of England increased its bank rate by 25 basis points to 4.00% yesterday by an 8-1 majority, with the dissenting member preferring a larger 50 basis point hike. Another rate hike is widely expected in early 2027.

At home, the goods trade surplus bounced to A$2.6b in September from a downwardly revised A$0.2b in the previous month. The bounce reflected both a broad-based 2.3% gain in exports and a 3.3% fall in imports. Imports of automotive fuel picked up further, as did imports of ADP equipment, which reached a fresh record high amid the data centre construction boom.

Speaking yesterday afternoon, RBA Deputy Governor Andrew Hauser discussed central bank credibility. He said that over 50% of respondents have 'high' or 'moderately high' trust in the RBA, but fewer respondents than several years ago appear certain that the RBA could bring inflation back to the target range. Deputy Governor Hauser acknowledged that central bank officials should work towards improving their 'ability to explain themselves clearly'.

Economic Data Review

- **AU:** Goods Trade Balance (Sep) – Expected A$1.0b, Previous A$0.5b.
- **US:** Initial Jobless Claims (w/e 31 Oct) – Actual 189k, Expected 196k, Previous 195k (revised).

Economic Data Preview

- **US:** Non-farm Payrolls (monthly change, Oct) – Expected 65k, Previous 29k.
- **US:** Unemployment Rate (Oct) – Expected 4.2%, Previous 4.2%.
- **US:** University of Michigan Consumer Sentiment (Nov, prel.) – Expected 48.0, Previous 48.0.