MARKET UPDATES

Market Daily Update

19 NOVEMBER 2025

Interest Rates		
Australia		**Δ bp**
90-day Bill	3.65	-1
3-year Bond	3.72	-6
10-year Bond	4.42	-6
US		
2-year	3.57	-4
10-year	4.11	-3
Other 10-year		
Japan	1.76	1
Germany	2.71	-1
UK	4.55	2

FX		
AUD/USD	0.6502	0.2%
AUD/JPY	101.06	0.3%
AUD/EUR	0.5613	0.2%
AUD/GBP	0.4945	0.2%
AUD/NZD	1.1507	0.2%
AUD/CNY	4.6304	0.3%
EUR/USD	1.1584	0.0%
USD/JPY	155.43	0.1%
USD/CNY	7.1094	0.0%

Commodities US$		
WTI Crude Oil	60.66	$0.86
Brent Crude Oil	64.89	$0.69
Mogas95*	80.12	$0.22
CRB Index	303.36	1.72
Gold	4075.05	$37.92
Silver	50.78	$0.85
Iron Ore (62% Fe)**	103.95	$0.10
Iron Ore (25-26 Average)	103.02	$0.02
Copper	10719.50	-$59.00

RBA Policy	
O/N Cash Rate Target	3.60
Interbank O/N Cash Rate	3.60
Probability of a 25bps Cut in Dec	8.5%
RBA Bond Holdings (31 Oct)	A$272.1b

Equities		
ASX200	8475	-82
Dow Jones	46092	-499
S&P500	6617	-55
Stoxx600	562	-10
CSI300	4568	-30

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

**Iron ore is the second SGX futures contract.

US stocks fell further last night, as investors remained concerned about the valuation of information technology stocks and were anxious ahead of Nvidia's earnings results. The losses were led by consumer discretionary and information technology, but several other industries saw modest gains. The S&P 500 and Nasdaq are now 4.0% and 6.2% off their record highs from late October, respectively.

Despite further deterioration in global market sentiment, the Australian dollar appreciated against all major currencies amid gains in commodity prices. Commonwealth bond yields somewhat more than their US equivalents. The ASX 200 saw a broad-based plunge of 1.9% yesterday, with information technology leading the losses by far, but opened flat this morning. The Aussie share market is 6.8% off its peak from 21 October.

Data-wise, according to preliminary weekly data supplied by ADP and the Stanford Economy Digital Lab, US private payrolls declined by an average of 2.5k a week in the four weeks to 1 November, after an average fall of 14.3k in the four weeks to 25 October. At the same time, the ADP figures suggested that private payrolls rose by an average of 24.3k in the four weeks to 27 September. The monthly ADP figures have historically not been the best indicator of official payrolls. The official labour market figures for September will be released tomorrow night.

Speaking last night, Richmond Fed President Tom Barkin judged that US labour market conditions might be even weaker than indicated by available data, pointing to recent layoffs announcements by large companies. At the same time, he assessed inflation as 'somewhat elevated', but did not expect it to increase much further. A 25bps cut is around 40% priced in for the upcoming meeting in December.

In Australia, the RBA Monetary Policy Board minutes showed that the discussion at the November meeting was centred around three major topics – the implications of the recent rise in inflation, the labour market outlook and the degree of monetary policy restrictiveness.

On inflation, the Board members agreed that the rise was driven by 'temporary' factors, but the strength of 'several components' could mean that it could turn out to be 'persistent'. On the labour market, they judged that – even before the recent solid labour force survey for October – there was a wide range of indicators that might suggest that conditions are 'still a little tight'. On monetary policy settings, they cited a decline in bank lending spreads and risk premia on financial markets following rate cuts over the past year, but overall were still of the opinion that conditions are 'still slightly restrictive'.

The minutes confirmed that monetary policy adjustment was not considered at the meeting. Looking ahead, the members suggested that rate cuts could be resumed if the labour market conditions deteriorated 'materially' or if recovery in real GDP growth proved to be weaker than expected, translating into a decline in price pressures.

Economic Data Review

- **US:** ADP Weekly Private Payrolls (4-week average change, w/e 1 Nov, prelim.) – Actual -2.5k, Previous -14.3k.

Economic Data Preview

- **AU:** Wage Price Index (QoQ, Q3) – Expected 0.8%, Previous 0.8%.
- **AU:** Westpac Leading Index (MoM, Oct) – Previous 0.0%.
- **UK:** CPI (MoM, Oct) – Expected 0.4%, Previous 0.0%.