Market Daily Update

11 NOVEMBER 2025

Interest Rates			FX			Commodities US$		
Australia		**∆ bp**	AUD/USD	0.6534	0.4%	WTI Crude Oil	60.01	$0.09
90-day Bill	3.64	0	AUD/JPY	100.75	0.7%	Brent Crude Oil	64.06	$0.30
3-year Bond	3.70	2	AUD/EUR	0.5654	0.4%	Mogas95*	79.51	$0.88
10-year Bond	4.40	1	AUD/GBP	0.4961	0.2%	CRB Index	305.05	4.14
			AUD/NZD	1.1573	0.1%	Gold	4127.83	$111.85
			AUD/CNY	4.6539	0.8%	Silver	50.61	$2.04
US			EUR/USD	1.1557	0.0%	Iron Ore (62% Fe)**	101.75	$0.35
2-year	3.59	0	USD/JPY	154.19	0.3%	Iron Ore (25-26 Average)	102.99	$0.00
10-year	4.12	-1	USD/CNY	7.1186	0.0%	Copper	10796.00	$79.50
			RBA Policy			**Equities**		
			O/N Cash Rate Target		3.60	ASX200	8848	41
Other 10-year			Interbank O/N Cash Rate		3.60	Dow Jones	47369	382
Japan	1.70	0	Probability of a 25bps Cut in Dec		11.3%	S&P500	6832	104
Germany	2.67	0	RBA Bond Holdings (31 Oct)		A$272.1b	Stoxx600	573	8
UK	4.46	0				CSI300	4695	16

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

Optimism about the US Government reopening stretched into the Monday session on Wall Street, as the US Senate voted to advance a bill to end the longest shutdown in history. Once the bill passes the Senate it will have to be approved by the House of Representatives and signed by US President Donald Trump, which could take several days. The bill is just a temporary solution, meaning that another shutdown could be looming early next year.

The prospect of the end of the US Government shutdown failed to excite investors outside of the equity market. US long-term Treasury yields saw only a slight decline, while the US dollar held broadly steady. The gold price surged yesterday.

The Australian dollar appreciated against all major currencies, while Commonwealth bond yields picked up a little since yesterday morning. The ASX 200 opened flat this morning, after rising by 0.8% yesterday.

Fedspeak overnight was predominantly dovish. San Francisco Fed President Mary Daly assessed that the US labour market is easing and wage growth is moderating, while inflation from tariffs appears to be contained. Given this, she said it would be a ‘mistake’ to hold off with rate cuts for too long, since this could mean ‘injuring the economy’. Fed Governor Stephen Miran, an ultradove, unsurprisingly repeated that he would like the fed funds rate to be cut by 50bps at the next FOMC meeting in December.

On the other side of the ledger, St Louis Fed President Alberto Musalem voiced the opinion that we could see a rebound in US economic conditions in the first quarter of 2026, and stressed that this means that the FOMC should ‘tread with caution’.

At home, RBA Deputy Governor Andrew Hauser spoke at a UBS conference yesterday, outlining three different scenarios for the monetary policy outlook. The first one would be for the Q3 rise in trimmed mean inflation to be only temporary, with underlying inflationary pressure being limited. The second scenario would be for the economy to be running at excess capacity, which would continue to add to inflation pressures. Note that only in the first scenario is there some likelihood for the cash rate cuts to continue in this cycle. A third scenario would involve increasing the economy’s capacity.

Data-wise, the Westpac consumer sentiment index bounced by 12.8% to 103.8 in November, thereby returning to positive territory for the first time since February 2022. The increase was broad-based, with the strongest gains in expectations about the economic outlook. Consumers with a mortgage saw a 0.3% decline in expectations about their family finances over the next year, as mortgage rate expectations picked up. A separate unemployment expectations index rose by 9.8% in November, signalling a deteriorating perception of labour market conditions.

Economic Data Review

- **AU:** Westpac Consumer Sentiment (Nov) – Actual 12.8%, Previous -3.5%.

Economic Data Preview

- **AU:** NAB Business Conditions (Oct) – Previous 8.
- **AU:** NAB Business Confidence (Oct) – Previous 7.
- **US:** NFIB Small Business Optimism (Oct) – Expected 98.3, Previous 98.8.