Market Daily Update

05 FEBRUARY 2026

Interest Rates

Australia		∆ bp
90-day Bill	3.93	0
3-year Bond	4.35	-1
10-year Bond	4.87	-1
US		
2-year	3.56	-1
10-year	4.28	1
Other 10-year		
Japan	2.26	0
Germany	2.86	-3
UK	4.55	3

FX

AUD/USD	0.7002	-0.3%
AUD/JPY	109.88	0.4%
AUD/EUR	0.5933	-0.2%
AUD/GBP	0.5130	0.0%
AUD/NZD	1.1665	0.4%
AUD/CNY	4.8468	-0.2%
EUR/USD	1.1802	-0.1%
USD/JPY	156.93	0.7%
USD/CNY	6.9439	0.1%

Commodities

WTI Crude Oil	64.49	$0.68
Brent Crude Oil	69.46	$2.13
Mogas95*	78.11	$0.43
CRB Index	312.93	2.82
Gold	5017.25	$19.82
Silver	89.77	$4.20
Iron Ore (62% Fe)**	101.40	-$1.40
Iron Ore (25-26 Average)	103.57	-$0.01
Copper	13044.50	-$433.50

RBA Policy

O/N Cash Rate Target	3.85
Interbank O/N Cash Rate	3.85
Probability of a 25bps Hike in Mar	13.3%
RBA Bond Holdings (30 Jan)	A$250.2b

Equities

ASX200	8912	64
Dow Jones	49501	260
S&P500	6883	-35
Stoxx600	618	0
CSI300	4699	39

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

US stocks continued to fall last night, still led by declines in information technology amid renewed concerns about the sustainability of the artificial intelligence boom. This followed mixed results in Europe and gains in most Asia-Pacific stock exchanges.

The Australian dollar depreciated against the stronger greenback and euro, but is up against the Japanese yen. Commonwealth bond yields declined a little after increases around the RBA tightening. The ASX 200 closed 0.8% higher, supported by solid gains in materials, energy and financials. However, this was partly offset by strong losses in most other sectors, particularly information technology. The Aussie share market opened lower again this morning.

Data-wise, US ISM services PMI was unchanged at a downwardly revised 53.8 in January (above 50 = expansion). The details of the report pointed to a faster rise in production, but a slowdown in new orders growth. Prices paid inflation accelerated somewhat, while employment growth slowed and was marginal.

A separate report from the ADP indicated US employment rose by only 22k in January, half the 45k pencilled in by the consensus. The December gain was revised slightly downwards (to 37k from 41k). JOLTS and the official jobs figures were delayed by the US government shutdown, and will be published tonight and next Wednesday, respectively.

Across the Atlantic, the annual rate of euro area HICP inflation declined by 0.2ppts to 1.7%, which is the lowest level since September 2024. The ECB is set to announce its monetary policy decision tonight, with no changes expected.

The Chinese RatingDog PMI unexpectedly ticked up by 0.3pts to 52.3 in January, with details of the report pointing to the first rise in employment in six months, but also to cost inflation easing to a five-month low and output charges little changed from the previous month.

From the local data, the ABS published two second tier, but still interesting reports yesterday.

One of them was the selected cost of living indices, whose annual growth rate ranged from 2.3% for employees to 4.2% for age pensioners. The major drivers of the rise in the cost of living were housing, food and non-alcoholic beverages, as well as recreation and culture.

The ABS has also published a report on barriers and incentives to labour force participation, showing that 2.0m people without a job did not want a job, while a further 1.9m were retired or permanently unable to work. The most cited reason for remaining outside the labour market was long-term health conditions in the case of men and caring for children in the case of women.

Economic Data Review

- **CH:** RatingDog Services PMI (Jan) – Actual 52.3, Expected 52.0, Previous 52.0.
- **EZ:** HICP (YoY, Jan) – Actual 1.7%, Expected 1.7%, Previous 1.9%.
- **US:** ISM Services PMI (Jan) – Actual 53.8, Expected 52.0, Expected 53.8 (revised).
- **US:** ADP Employment (monthly change, Jan) – Actual 22k, Expected 45k, Previous 37k (revised).

Economic Data Preview

- **AU:** Goods Trade Balance (Dec) – Expected A$3.5b, Previous A$2.9b.
- **EZ:** ECB Decision (Deposit Rate) – Expected 2.00%, Previous 2.00%.
- **UK:** Bank of England Decision (Bank Rate) – Actual 3.75%, Expected 3.75%.