Market Daily Update

10 FEBRUARY 2026

Interest Rates

Australia		∆ bp
90-day Bill	3.94	0
3-year Bond	4.30	-2
10-year Bond	4.83	-2
US		
2-year	3.48	-2
10-year	4.20	-3
Other 10-year		
Japan	2.26	-1
Germany	2.84	0
UK	4.53	1

FX

AUD/USD	0.7084	0.8%
AUD/JPY	110.66	0.2%
AUD/EUR	0.5950	0.1%
AUD/GBP	0.5178	0.2%
AUD/NZD	1.1710	0.4%
AUD/CNY	4.9094	0.9%
EUR/USD	1.1905	0.7%
USD/JPY	156.21	-0.5%
USD/CNY	6.9209	-0.2%

Commodities

WTI Crude Oil	64.36	$1.43
Brent Crude Oil	69.04	$1.65
Mogas95*	79.51	$1.44
CRB Index	311.08	1.57
Gold	5038.17	$6.53
Silver	82.32	$2.77
Iron Ore (62% Fe)**	100.15	$0.90
Iron Ore (25-26 Average)	103.49	-$0.02
Copper	13176.50	$182.50

RBA Policy

O/N Cash Rate Target	3.85
Interbank O/N Cash Rate	3.85
Probability of a 25bps Hike in Mar	8.9%
RBA Bond Holdings (30 Jan)	A$250.2b

Equities

ASX200	8898	46
Dow Jones	50136	20
S&P500	6965	33
Stoxx600	621	4
CSI300	4719	75

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

Gains on Wall Street continued into the new trading week, though they were much less impressive than on Friday, as investors are awaiting a set of US data due later today. The Dow Jones closed at a fresh record high, while the S&P 500 is now just 0.2% below its own record level. US Treasury yields declined a little, while the US dollar depreciated quite considerably.

The global bourses were a sea of green yesterday, with solid increases in Europe and across the Asia-Pacific region. In Australia, the trading week began with a 1.9% surge, with solid gains in all sectors led by information technology. The ASX 200 opened even higher this morning.

The good global market sentiment supported the Australian dollar, which appreciated against all the major currencies, reaching a new three-year high against the weaker greenback. The AUD/JPY is now the highest since 1990. Commonwealth bond yields have declined slightly since yesterday morning.

In commodity markets, the gold price ticked up a bit further overnight. Prices of other commodities are also generally on the rise. This includes iron ore futures, which have risen back above US$100 a tonne.

Data-wise, New York Fed consumer inflation expectations declined by 0.3ppts to 3.1% for the one-year horizon in January, but were steady at 3.0% for longer horizons, with inflation uncertainty declining a little further. Around 42% of US consumers expect an increase in the unemployment rate in the coming year, roughly the same as a month ago.

At home, the household spending indicator unexpectedly declined by 0.4% in December, but remained up by 5.0% through the year. The decline was caused by a payback from strong gains in the previous two months caused by Black Friday sales. In the entirety of the quarter, household spending volumes rose by a solid 0.9%.

The Westpac consumer sentiment declined by another 2.6% in February in reaction to the RBA cash rate hike last week. Given that the RBA move was largely anticipated, it was somewhat smaller than the average 3.8% fall after cash rate increases in the past. The drop was quite broad based and led by the current assessment of the family finances, though the assessment of economic conditions saw an insignificant uptick.

Australian consumers expect further tightening from the RBA, with interest rate expectations index up by 16.1%. The ‘time to buy a dwelling’ subindex plunged by 6.3%, but the house price expectations index picked up by 3.9%. The unemployment expectations index rose by 0.3%, but remained roughly in line with the historical average.

A separate ANZ Roy Morgan consumer confidence index dropped by 4.5% last week, with inflation expectations sharply down by 0.5ppts to a four-month low of 5.0% in the aftermath of the RBA cash rate hike.

Economic Data Review

- **AU:** Household Spending Indicator (MoM, Dec) – Actual -0.4%, Expected 0.1%, Previous 1.0%.
- **AU:** Westpac Consumer Sentiment (MoM, Feb) – Actual 2.6%, Previous -1.7%.
- **US:** New York Fed Consumer Inflation Expectations (Jan) – Actual 3.1%, Expected 3.4%, Previous 3.4%.

Economic Data Preview

- **AU:** NAB Business Conditions (Jan) – Previous 9.
- **AU:** NAB Business Confidence (Jan) – Previous 3.
- **US:** Retail Sales (MoM, Dec) – Expected 0.4%, Previous 0.6%.