Market Daily Update

09 MARCH 2026

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.6962	-0.7%	WTI Crude Oil	107.51	$28.34
90-day Bill	4.08	1	AUD/JPY	110.30	-0.2%	Brent Crude Oil	108.03	$22.62
3-year Bond	4.57	17	AUD/EUR	0.6044	0.1%	Mogas95*	126.59	$23.63
10-year Bond	4.96	14	AUD/GBP	0.5234	-0.3%	CRB Index	352.12	15.27
			AUD/NZD	1.1895	0.1%	Gold	5044.67	-$45.38
			AUD/CNY	4.8468	0.4%	Silver	81.12	-$1.85
US			EUR/USD	1.1519	-0.8%	Iron Ore (61% Fe)**	102.25	$2.15
2-year	3.60	2	USD/JPY	158.44	0.6%	Iron Ore (25-26 Average)	102.93	$0.01
10-year	4.18	5	USD/CNY	6.9047	-0.1%	Copper	12862.00	-$40.00
			RBA Policy			**Equities**		
			O/N Cash Rate Target		3.85	ASX200	8514	-319
Other 10-year			Interbank O/N Cash Rate		3.85	Dow Jones	47502	-453
Japan	2.21	5	Probability of a 25bps Hike in Mar		31.0%	S&P500	6740	-91
Germany	2.86	2	RBA Bond Holdings (27 Feb)		A$250.0b	Stoxx600	599	-6
UK	4.63	9				CSI300	4660	13

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

Stock markets in Europe and the US saw further declines on Friday, dragged down by disappointing US labour market data, a growing realisation that the conflict in the Middle East might be more prolonged than previously hoped and could generate broader spillovers, for instance into credit markets. Redemptions from private sector credit funds have increased since the escalation last weekend, forcing one of them, a subsidiary of BlackRock, to curb withdrawals.

The S&P 500 lost 1.3%, falling to the lowest level since mid-December, with solid declines in information technology, consumer discretionary, materials and financials. BlackRock share price dropped by 7.7%. This followed equally strong losses in Europe and mixed results in the Asia-Pacific region. The ASX 200 fell by 1% on Friday, before tumbling by over 3% at the open this morning.

Mounting concerns over oil supply due to the closure of the Strait of Hormuz and attacks on oil facilities across the Middle East saw Brent futures spike above US$100 a barrel, a level unseen since mid-2022. Iron ore prices climbed to US$102.5 a tonne, after Chinese authorities pledged to support the steel industry in the country. The gold price ebbed.

The weaker global market sentiment saw the AUD depreciate against the stronger USD and JPY, but it is still marginally up versus the EUR. Commonwealth bond yields rose sharply at the open today, with 10-year yields the highest since 2023 and 3-year yields reaching a 15-year high. This came as cash rate hike expectations intensified further.

Alongside Middle East developments, the weaker-than-expected US headline employment data caused slight confusion in the markets on Friday, leading to a slight intensification in fed funds rate cut expectations, dragging the front end of US sovereign curve lower. However, a 25bps fed funds rate reduction is still not fully priced in until September.

Non-farm payrolls saw an unexpected and broad-based fall of 92k in February, after a solid gain of 126k in the previous month. The unemployment rate ticked up by 0.1ppts to 4.4%, against consensus for no change. However, wages growth was steady at 0.4% MoM and 3.8% YoY, while the underemployment rate ticked down to an eight-month low of 6.7%.

Separate data showed that US retail sales ebbed by 0.2% in February, though likely due to adverse weather conditions.

Speaking after the employment figures came out, Fed Vice Chair Michelle Bowman said that they mean that the labour market might need some monetary policy support. San Francisco Fed President Mary Daly echoed these comments, judging that they undermine the consensus that labour market conditions are stabilising, while her Chicago Fed counterpart Austan Goolsbee called them a 'tough miss'.

The key releases this week will be the NAB February business survey and Westpac March consumer confidence tomorrow, as well as Melbourne Institute inflation expectations on Thursday. Apart from news from the Middle East, the highlights offshore will be the US and Chinese inflation data and the Chinese trade report.

Economic Data Review

- **US:** Non-farm Payrolls (monthly change, Feb) – Actual -92k, Expected 55k, Previous 126k (revised).
- **US:** Unemployment Rate (Feb) – Actual 4.4%, Expected 4.3%, Previous 4.3%.
- **US:** Retail Sales (MoM, Feb) – Actual -0.2%, Expected -0.3%, Previous 0.0%.

Economic Data Preview

- **CH:** Inflation (YoY, Feb) – Expected 0.9% (CPI) and -1.1% (PPI), Previous 0.2% (CPI) and -1.4% (PPI).
- **US:** New York Fed One-year Inflation Expectations (Feb) – Previous 3.1%.