

Interest Rates (%)			FX			Commodities US\$		
<b>Australia</b>		$\Delta$ bp	AUD/USD	0.6499	0.5%	WTI Crude Oil	68.95	\$2.16
90-day Bill	4.42	0	AUD/JPY	100.38	0.7%	Brent Crude Oil	73.30	\$2.37
3-year Bond	4.07	-5	AUD/EUR	0.6137	0.0%	Mogas95*	84.42	\$2.60
10-year Bond	4.56	-5	AUD/GBP	0.5129	0.1%	CRB Index	284.01	4.29
			AUD/NZD	1.1050	0.2%	Gold	2612.26	\$40.08
			AUD/CNY	4.7070	0.6%	Silver	31.14	\$0.74
<b>US</b>			EUR/USD	1.0590	0.5%	Iron Ore (62% Fe)**	99.45	\$3.25
2-year	4.28	-2	USD/JPY	154.46	0.2%	Iron Ore (24-25 Average)	101.12	\$0.02
10-year	4.41	-3	USD/CNY	7.2320	0.0%	Copper	9072.50	\$70.00
			RBA Policy			Equities		
<b>Other 10-year</b>			O/N Cash Rate Target	4.35		ASX200	8355	80
Japan	1.07	-2	Interbank O/N Cash Rate	4.34		Dow Jones	43390	-55
Germany	2.37	2	Probability of a 25bps Cut in Dec	8.9%		S&P500	5894	23
UK	4.47	-1	RBA Bond Holdings (31 Oct)	A\$311.7b		Stoxx600	503	0
						CSI300	3950	-18

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

\*\*Iron ore is the second SGX futures contract.

US stocks had a mixed start to the trading week, with the S&P 500 and Nasdaq rising, while the Dow Jones closed in red. The strongest gains were registered in energy, and oil prices rose as the Russia-Ukraine war again hit the headlines. US Treasury yields declined a little, while the US dollar depreciated.

The Australian dollar appreciated against all the major currencies. Commonwealth bond yields fell more than their US equivalents, with market pricing for the first cash rate cut shifting back to May 2025 after being pushed out to as far as August last week. The ASX 200 managed to close 0.2% higher yesterday after a late rally, before opening even higher this morning.

In commodity markets, oil prices rose on reports that the US has given Ukraine permission to fire long-range missiles into Russia, which more than offset President-elect Donald Trump's nomination of Chris Wright, CEO of Denver-based fracking company Liberty Energy, as the next Energy Secretary.

The decision to let Ukraine stroke deeper into Russia pushed the gold price higher, with Goldman Sachs reiterating its call that the price of the yellow metal could climb above US\$3,000 an ounce next year. Iron ore futures are up 3.6% from this time yesterday to be just below US\$100 a tonne.

Reserve Bank of Australia Assistant Governor Christopher Kent spoke yesterday afternoon, discussing the relationship between monetary policy and financial stability in Australia.

He focused on the importance of the high share of variable rate debt in household and business liabilities, which strengthens the transmission of monetary policy. He quoted data suggesting that 40% of Australian households with variable rate mortgages have two years' worth of mortgage buffers, though around 30% of them have three months' worth of buffers or less.

As to businesses, he noted that higher interest rates have impacted primarily small companies, but this was partly cushioned by the strong financial position of businesses.

Data-wise, the ANZ Roy Morgan consumer confidence index saw another slight increase of 0.1% last week to be close to the highest levels since early 2023, although it is still depressed. Consumer inflation expectations eased to 4.7%.

### Economic Data Review

- **AU:** ANZ Consumer Confidence (w/e 16 Nov) – Actual 0.1%, Previous 0.2%.

### Economic Data Preview

- **AU:** RBA Board Minutes