

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6595	0.3%	WTI Crude Oil	70.44	-\$0.18
90-day Bill	4.42	1	AUD/JPY	100.45	0.5%	Brent Crude Oil	74.06	\$1.25
3-year Bond	4.03	-3	AUD/EUR	0.6064	0.4%	Mogas95*	81.82	-\$0.58
10-year Bond	4.54	-2	AUD/GBP	0.5088	-0.2%	CRB Index	279.44	-0.42
			AUD/NZD	1.1012	0.0%	Gold	2740.29	-\$6.98
			AUD/CNY	4.6763	-0.1%	Silver	32.51	-\$0.17
US			EUR/USD	1.0876	-0.1%	Iron Ore (62% Fe)**	102.30	-\$0.50
2-year	4.21	3	USD/JPY	152.30	0.2%	Iron Ore (24-25 Average)	101.09	\$0.00
10-year	4.38	9	USD/CNY	7.1290	0.2%	Copper	9570.50	\$64.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.35		ASX200	8140	75
			Interbank O/N Cash Rate	4.34		Dow Jones	42052	289
			Probability of a 25bps Cut in Nov	2.4%		S&P500	5729	23
Other 10-year			RBA Bond Holdings (30 Sep)	A\$311.7b		Stoxx600	511	6
Japan	0.95	-2				CSI300	3890	-1
Germany	2.41	2						
UK	4.45	0						

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

**Iron ore is the second SGX futures contract.

Wall Street rebounded on Friday, as the losses from the previous days attracted bargain hunters, while fed funds rate cut expectations intensified a little after dismal US jobs and ISM reports. US Treasury yields continued to climb, however, amid concerns over the impact of election promises on the outlook for the already dire US government budget position. The US dollar appreciated on Friday but has slipped back in early trade this morning.

The Australian dollar has strengthened against the big dollar, the Japanese yen and the euro but eased against the British pound. Commonwealth bond yields are down since Friday morning. The ASX 200 fell 0.5% on Friday, with losses in all sectors except for energy and materials, before opening higher this morning.

US non-farm payrolls rose by a meagre 12k in October, with private payrolls falling 28k, which was the first decline since December 2020. The decline was driven by temporary jobs and manufacturing, amid the impacts of hurricanes and industrial action. The previous two months payrolls were revised down a combined 112k. The unemployment rate, which comes from a separate household survey, remained at 4.1%.

The US ISM PMI fell 1.3pts to 46.5 in October (below 50 = contraction). This is the lowest level since July 2023. The report details pointed to a faster employment decline, further contraction in new orders and renewed growth in costs.

Across the Pacific, the Chinese Caixin manufacturing PMI saw a surprise rise into slight expansion in October.

In Australia, [new home loans](#) unexpectedly fell 0.3% in September, with a 1.0% fall in investor loans and a 0.1% uptick in loans to owner occupiers. This followed an upwardly revised 2.1% gain in August from the initial estimate of 1.0%.

The Aussie household spending indicator, which is due to replace the retail trade report in mid-2025, declined by 0.1% in September, dragged down by a lower value of apparel and fuel sales.

The Aussie PPI rose by 0.9% in Q3, with the strongest contributions coming from the property and construction sectors.

It will be another eventful [week](#), both at home and offshore. The RBA Board will announce a monetary policy decision tomorrow, with no changes expected. However, the decision will be accompanied by a press conference and the quarterly Statement on Monetary Policy, containing updated economic projections. Other domestic events will be the October Melbourne Institute inflation gauge later today and the September trade balance report on Thursday. The key events abroad will be the US elections on Tuesday night and an FOMC rate decision on Thursday (Friday morning AWST). Other events include the US and Chinese services PMIs as well as a Bank of England rate decision.

Economic Data Review

- **AU:** Housing Finance (MoM, Sep) – Actual -0.3%, Expected 1.0%, Previous 2.1% (revised).
- **AU:** Household Spending Indicator (MoM, Sep) – Actual -0.1%, Previous 0.2% (revised).
- **AU:** PPI (QoQ, Q3) – Actual 0.9%, Previous 1.0%.
- **CH:** Caixin Manufacturing PMI (Oct) – Actual 50.3, Expected 49.7, Previous 49.3.
- **US:** ISM Manufacturing PMI (Oct) – Actual 46.5, Expected 47.6, Previous 47.8.
- **US:** Non-farm Payrolls (monthly change, Oct) – Actual 12k, Expected 101k, Previous 223k (revised).
- **US:** Unemployment Rate (Oct) – Actual 4.1%, Expected 4.1%, Previous 4.1%.

Economic Data Preview

- **AU:** Melbourne Institute Inflation Gauge (MoM, Oct) – Previous 0.1%.