

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6461	0.2%	WTI Crude Oil	66.79	-\$1.83
90-day Bill	4.43	1	AUD/JPY	99.92	-1.1%	Brent Crude Oil	70.91	-\$1.65
3-year Bond	4.12	-7	AUD/EUR	0.6133	0.1%	Mogas95*	81.82	-\$0.65
10-year Bond	4.60	-5	AUD/GBP	0.5121	0.5%	CRB Index	279.72	-0.80
			AUD/NZD	1.1024	-0.1%	Gold	2573.59	\$6.30
			AUD/CNY	4.6785	0.1%	Silver	30.37	-\$0.04
US			EUR/USD	1.0535	0.1%	Iron Ore (62% Fe)**	96.05	-\$2.40
2-year	4.30	-5	USD/JPY	154.66	-1.2%	Iron Ore (24-25 Average)	101.10	-\$0.07
10-year	4.44	-1	USD/CNY	7.2294	0.0%	Copper	9002.50	\$12.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.35		ASX200	8253	-10
			Interbank O/N Cash Rate	4.34		Dow Jones	43445	-306
Other 10-year			Probability of a 25bps Cut in Dec	8.9%		S&P500	5871	-79
Japan	1.07	0	RBA Bond Holdings (31 Oct)	A\$311.7b		Stoxx600	503	-4
Germany	2.36	1				CSI300	3969	-71
UK	4.47	-1						

*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 on Friday, closing the worst week since early September, while US Treasury yields declined as US activity data for October came out soft. The US dollar was relatively steady at one-year highs, following a week of steady appreciation.

The Australian dollar stabilised against the greenback after depreciating through most of last week. However, it fell sharply against the Japanese yen, which received a boost from comments from the Japanese finance minister hinting at intervention after the recent sharp depreciation in Q3. Commonwealth bond yields fell across the yield curve. The ASX 200 rose by another 0.7% on Friday, with gains in all industries except for health care, before starting today in red.

US retail sales rose 0.4% in October after a 0.8% rise in September. The retail control group, which excludes food, petrol, cars and building materials and will feed into the Q4 GDP report, ebbed 0.1% following a 1.2% increase in September. The figures may have been impacted by hurricanes Helene and Milton.

US industrial production fell by another 0.3% in October, which followed a bigger than initially estimated decline of 0.5% in September (originally 0.3%). The decline in manufacturing accelerated 0.2ppts to 0.5% in October.

Across the Pacific, Japanese real GDP rose by 0.2% in Q3, in line with expectations, but the Q2 gain was revised downwards to 0.5% from the initially estimated 0.7%. The somewhat slower growth in Q3 resulted from a decline in business spending and a more negative contribution from net exports, while consumer spending growth accelerated.

The Chinese activity data for October was mixed. Retail sales rose by 4.8% YoY, faster than the 3.8% expected and the 3.2% registered in September. Industrial production growth disappointed, however, unexpectedly slowing 0.1ppts to 5.3% YoY, although the annual rate of growth in steel output turned positive. Urban fixed asset investment continued to grow by 3.4% YoY YtD, but the pace of decline in property investment deepened 0.2ppts to -10.3%.

The inconclusive Chinese activity data translated into a further decline in iron ore futures which fell further below US\$100 a tonne. Oil prices continued to fall, taking Brent futures to the lowest levels since mid-September. The gold price has also hit a two-month low.

A quieter [week](#) ahead domestically, with the RBA Board minutes tomorrow and Judo Bank flash PMIs for November on Friday being the major highlights. RBA Governor Michele Bullock is due to speak on Thursday, albeit most likely on issues not related to the monetary policy outlook. Friday will also see a release of S&P Global flash PMIs for the major advanced economies. Other events include UK and Japanese inflation figures, on Wednesday and Friday, respectively.

Economic Data Review

- **JP:** GDP (QoQ, Q3) – Actual 0.2%, Expected 0.2%, Previous 0.5% (revised).
- **CH:** Retail Sales (YoY, Oct) – Actual 4.8%, Expected 3.8%, Previous 3.2%.
- **CH:** Industrial Production (YoY, Oct) – Actual 5.3%, Expected 5.6%, Previous 5.4%.
- **CH:** Urban Fixed Asset Investment (YoY YtD, Oct) – Actual 3.4%, Expected 3.5%, Previous 3.4%.
- **US:** Retail Sales (MoM, Oct) – Actual 0.4%, Expected 0.3%, Previous 0.8% (revised).
- **US:** Industrial Production (MoM, Oct) – Actual -0.3%, Expected -0.3%, Previous -0.5% (revised).

Economic Data Preview

- **AU:** Public Appearance by RBA Deputy Governor Christopher Kent.