17 November 2026

MORNING REPORT

Today's economic developments and market movements.

Key themes

Global equities moved firmly lower, with uncertainty ahead of Nvidia's earnings and Anthropic's planned IPO later this week weighing on technology stocks.

US Treasury yields edged lower, while markets continue to view a December Fed hike as all but certain. Australian government bond yields were little changed ahead of today's RBA meeting minutes.

The US dollar strengthened modestly amid risk-off sentiment and expectations for further Fed tightening, with the euro briefly falling below 1.10.

Oil prices declined as exports continued to flow despite escalating tensions in the Gulf, while gold, industrial metals and iron ore also moved lower as recent themes persisted.

Data snapshot

FX Last 24 hrs	Current	Change
TWI	62.9	-0.6%
AUD/USD	0.6740	-0.5%
AUD/JPY	107.49	-0.6%
AUD/GBP	0.5112	-0.2%
AUD/NZD	1.2252	-0.1%
AUD/EUR	0.6126	-0.3%
AUD/CNH	4.4919	-0.6%
AUD/SGD	0.8688	-0.4%
AUD/HKD	5.2883	-0.5%
AUD/CAD	0.9634	-0.3%
EUR/USD	1.1003	-0.2%
USD/JPY	159.47	-0.2%
USD Index	103.51	0.1%

AUS Interest Rate Swaps	Last	Change
30 day BBSY	4.86	0.01
90 day BBSY	4.99	0.00
180 day BBSY	5.34	0.00
1 year swap	4.96	0.00
2 year swap	4.84	0.00
3 year swap	4.77	-0.02
4 year swap	4.78	0.00
5 year swap	4.81	0.00
6 year swap	4.85	0.00
7 year swap	4.90	0.00
8 year swap	4.95	0.00
9 year swap	5.00	0.00
10 year swap	5.04	0.00

Equities	Close	Change
S&P/ASX 200	9,045	-0.4%
S&P 500	7,404	-2.1%
Japan Nikkei	59,662	-2.4%
Hang Seng	23,754	0.5%
Euro Stoxx 50	6,348	-0.6%
UK FTSE100	10,882	-0.2%
VIX Index	24.31	26.0%

Government Bond Yields	Close	Change
Australia		
3 year bond	4.79	0.01
10 year bond	5.13	0.01
United States		
3-month T Bill	4.12	-0.01
2 year bond	4.83	-0.02
10 year bond	5.12	-0.01
Other (10 year yields)		
Germany	3.39	0.01
Japan	2.89	0.02
UK	5.37	0.03

Commodities	Current	Change
CRB Index	386.51	-0.5%
Gold	3863.19	-0.5%
Copper	13256	-1.1%
Oil (WTI futures)	85.60	-3.3%
Coal (coking)	252.00	0.0%
Coal (thermal)	145.25	-0.3%
Iron Ore	88.05	-2.7%
ACCU	36.13	-4.3%

Sydney Futures Exchange	Current	Change
10 yr bond	5.11	-0.03
3 yr bond	4.76	-0.02
3 mth bill rate	4.98	0.01
SPI 200	9,025	-0.7%

Data as at 7:00am AEST. Change is from the previous trading day (excluding the SFE, which is the change during the night session). Source: Bloomberg.

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Financial Markets

- US equities continued to slide at Monday's open, with technology stocks leading declines amid uncertainty ahead of Nvidia's earnings and Anthropic's expected IPO later this week. Sentiment was further clouded by a new Trump administration rule requiring data centre operators in certain countries to obtain a US government licence before exporting advanced chips from American manufacturers to customers in those markets. The S&P 500 fell 2.1%, while the NASDAQ declined a sharper 2.3% and the Dow Jones lost 1.4%. European equities also moved lower, with the Euro Stoxx 50 down 0.6% and the FTSE 100 falling 0.2%.
- Asian equities were generally weaker on similar concerns around the AI trade. Tech-exposed indices led declines, with the KOSPI down 3.6% and the Nikkei 225 falling 2.4%. The Hang Seng bucked the regional trend, gaining 0.5%. Locally, the ASX 200 tracked global peers lower, declining 0.4%.
- US Treasury yields edged lower at the start of the week, with the 2-year yield down 2bps and the 10-year yield falling 1bp. Futures markets continue to view a December Fed rate hike as all but certain, taking the implied year-end fed funds rate to 4.14%, with additional hikes fully priced for March and June 2027.
- Australian government bond yields were little changed on Monday, with both the 3-year and 10-year yields rising 1bp. Swap markets see little prospect of a near-term move in the cash rate, with the implied year-end rate at 4.87%. Attention now turns to today's release of the RBA's November meeting minutes for further insight into the Board's 6–3 split decision.
- The US dollar edged higher amid broader risk aversion and ongoing expectations for further Fed tightening, with the DXY up 0.1%. The AUD fell 0.5% to 0.6740 against the greenback, while sterling and the euro both declined 0.2%, with the latter briefly falling below 1.10. The yen bucked the broader trend, gaining 0.2%.
- Oil prices declined as exports continued to flow despite ongoing tensions in the Gulf, with Iran reportedly launching drones towards Bahrain for the second time in three days and a third US aircraft carrier arriving in the region. Brent fell 3.6% to US$92.4/bbl, while WTI declined 3.3% to US$85.6/bbl. Dated Brent traded at US$95.1/bbl. Gold, copper, aluminium and iron ore remained under pressure from recent themes, falling 0.5%, 1.1%, 0.2% and 2.7% respectively.

Today's key data and events

Time	Event	Exp	Prev
8:45	NZ Food Price Index Oct	-	0.0%
11:30	AU RBA Minutes	-	-
13:00	NZ RBNZ Inflation Expectations Q4	-	2.3%
18:00	GB ILO Unemployment Rate Sep	4.7%	4.7%
21:00	EZ Zew Survey Of Expectations Nov	-	18.5pts
0:30	US Retail Sales Oct	0.2%	0.8%
0:30	US Import Price Index Oct	0.7%	1.1%
2:00	US Business Inventories Sep	0.5%	0.4%
2:00	US NAHB Housing Market Nov	29pts	29pts

Times are AEST. All data forecasts are m/m or q/q and seasonally adjusted unless otherwise specified. Forecasts for Australian data are our forecasts and for other countries they are consensus forecasts.

International Data

The **US Empire State manufacturing survey** deteriorated in November, falling from 25.5 to 7.8. The current level is modestly above the historic average.

FOMC Chair Warsh provided initial guidance on three long-term AI scenarios Federal Reserve staff have begun to consider. They include one that foresees significant productivity gains shared by employers and employees, one that investigates significant unemployment caused by AI, and another where AI development disappoints, weighing on financial markets and the economy. Chair Warsh provided no views on current monetary policy at the AI symposium hosted by the San Francisco Federal Reserve.

Euro Area industrial production rose 0.2% in September following a 0.5% decline in August. Production is down 1.5% over the year.

China data disappointed expectations in October. Annual retail sales growth slowed to 0.4%yr, although the year-to-date gain was little changed at 1.0%. The year-to-date decline in fixed asset investment broadened, with activity falling 8.1% across the economy. Industrial production, which has shown strength throughout the year, also softened, annual growth slowing from 5.5%yr to 4.8%yr, keeping the year-to-date gain unchanged at 5.3%. The property sector remains under acute stress, with investment -21.6% year-to-date, property sales -14.1% year-to-date and new / existing home prices -0.15% / -0.24%.

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