



Middle Market Update



Check out our [Wholesale Term Deposit page](#), or give us a call on 1800 209 744 - we are available to assist Monday - Friday 9:00am - 5:00pm AEST.

Introducing Glenn Gibson

We're pleased to announce that Glenn Gibson has joined the ING team as Head of Third Party Distribution and Direct Mortgages as of 5 November.

Glenn has spent his career in financial services, and has experience across direct, third party sales, retention, marketing and operations. He has also been actively involved in the Combined Industry Forum and other industry working groups over the past few years. This experience is incredibly important for our customers and business partners given the current environment.

We are looking forward to the contribution Glenn will bring given his extensive experience in leading teams, building client relationships and the industry.

Economic Update

Australia

According to the ABS figures released on 31st Oct, the headline CPI came in largely in line with expectations, with the headline CPI up by 0.4% in the September quarter. However the annual growth in the CPI fell back below 2% to 1.9% and the underlying figure fell to just 1.6%.

Figures from Thursday showed home prices in Sydney fell the most in October since 1990, down 7.4% annually. Friday's retail sales release showed a marginal increase of 0.2% in September, missing the expected 0.3% reading. Spending on food and eating out drove the increase but was offset by a fall in clothing, footwear and personal accessories.

RBA will announce interest rate decision at 2:30pm today, no change is expected. 3 year and 10 year bond futures rose 12bps and 17bps in the last week following higher US yields. The AUD has rebounded against the USD back above 0.72. Oil retreated, back below USD63.

Offshore

US nonfarm payrolls rose by 250K in October, with the unemployment rate unchanged at 3.7%. This positive outcome reinforced expectations that the central bank will raise interest rates for a fourth time this year in December. US 2 year and 10 year bond futures rose 11bps and 13bps reacting to the positive data.

China kicked off its first-ever International Import Expo in Shanghai yesterday. This weeklong trade fair attracted 3,000 companies from more than 130 countries around the world. Amid the trade war between US and China, the Expo aimed to show China's openness to global trade partners, and dispel the perception of being a nation over reliant on exports.

Trump has softened his stance on China ahead of the US mid-term elections, however it remains to be seen whether this remains once voting has been finalised. The outcome of the elections will be significant in determining Trump's ability to implement his policy agenda in the second half of his term. See ING's analysis on the mid-terms [here](#).

Still no resolution on the Italian/EU standoff or Brexit agreement. Angela Merkel announcing that she will step down from leadership has led to increased uncertainty as to the future leadership of Europe, France's Macron being the most likely candidate to step up and lead the agenda.

For more ING economic analysis, go to <https://think.ing.com/>.

Market snapshot

Rates			
Australia	6/11/2018	30/10/2018	Change
RBA Cash Rate	1.50%	1.50%	0.00%
1 Month BBSW	1.87%	1.85%	0.02%
3 Month BBSW	1.93%	1.92%	0.01%
6 Month BBSW	2.10%	2.07%	0.03%
1 Year Swap	1.97%	1.93%	0.04%
3 Year Bond Futures	2.14%	2.02%	0.12%
10 Year Bond Futures	2.73%	2.56%	0.17%
U.S.	6/11/2018	30/10/2018	Change
2 Year Bond Futures	2.91%	2.80%	0.11%
10 Year Bond Futures	3.20%	3.07%	0.13%

Equities			
ASX 200	5,818	5,728	90
S&P 500	2,739	2,607	132
FX			
AUD/USD	0.7213	0.7052	0.0161
AUD/NZD	1.0815	1.081	0.0005
AUD/EUR	0.6319	0.6192	0.0127
AUD/GBP	0.5529	0.5509	0.0020
Commodities			
Gold	\$1,229.52	\$1,230.52	-\$1.00
Oil	\$62.86	\$66.32	-\$3.46
Iron ore	\$74.27	\$72.87	\$1.40

Need more information?

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