

## Financial markets charts

### The week that was

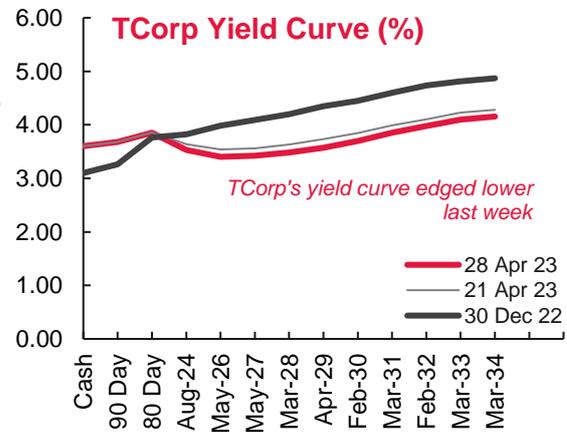
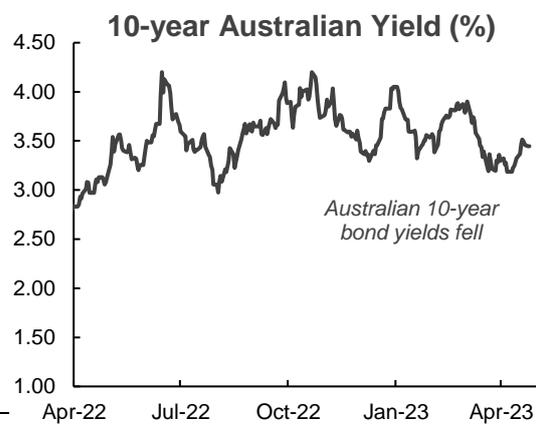
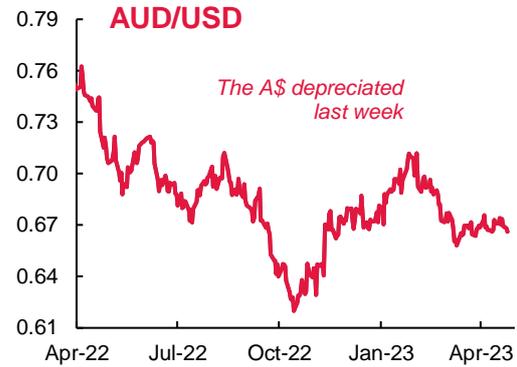
- While March quarter Australian headline consumer inflation was slightly stronger than expected, to be 7% over the year, underlying inflation was weaker. Financial markets expect no further interest rate hikes from the Reserve Bank of Australia (RBA) in this cycle. Australian 10-year bond yields ended the week 12bps lower, the ASX200 fell by 0.3% and the Australian dollar depreciated by 1.2%.
- US GDP growth in the March quarter was weaker than expected. The US Federal Reserve's preferred measure of inflation, the core Personal Consumption Expenditure deflator, was in line with expectations in March, 4.6% higher over the year. A key measure of wage growth – the March quarter Employment Cost Index – was slightly above expectations. US 10-year bonds fell by 15bps over the week and the S&P500 rose by 0.9%, supported by some better-than-expected corporate earnings reports.
- Eurozone GDP growth was a little weaker than expected in the March quarter, at 0.1%.
- The Bank of Japan left its monetary policy settings unchanged.

### Economic calendar

|                            |   |
|----------------------------|---|
| <b>Monday<br/>01/05</b>    | US: ISM Manufacturing index, Apr  |
| <b>Tuesday<br/>02/05</b>   | AU: RBA monetary policy decision;<br>Speech by RBA Governor<br>EC: CPI, Apr (prelim)<br>US: Factory orders, Mar; Durable goods orders, Mar (final)                          |
| <b>Wednesday<br/>03/05</b> | US: FOMC policy decision; ADP Employment, Apr; ISM Services index, Apr<br>AU: Retail sales, Mar; Speech by RBA Assistant Governor (Economics)<br>EC: Unemployment rate, Mar |
| <b>Thursday<br/>04/05</b>  | EC: ECB policy decision; PPI, Mar<br>AU: Trade balance, Mar<br>CH: Caixin Manufacturing PMI, Apr  |
| <b>Friday<br/>05/05</b>    | US: Non-farm payrolls, Apr; Unemployment rate; Apr<br>AU: RBA Statement on Monetary Policy<br>CA: Labour market data, Apr<br>CH: Caixin Services PMI, Apr                   |

### The week ahead

- Policy decisions by the RBA, the US Federal Reserve and the European Central Bank will be the focus.
- In the US, ISM indexes and non-farm payrolls will provide updated reads on economic activity and the labour market.
- Locally, close attention will be paid to speeches by RBA officials and the bank's updated Statement on Monetary Policy for insights into future policy decisions.



## Financial markets data: Week ending 28 April 2023

| <b>Interest Rates</b>                   | <b>Close (%)</b> | <b>1 Week (bps)</b> |   | <b>YTD (bps)</b> |   |
|---|------------------|---------------------|---|------------------|---|
| RBA Cash Rate                           | 3.60             | 0                   | – | 50               | ▲ |
| 90-day BBSW                             | 3.68             | 0                   | ▼ | 41               | ▲ |
| 3-year Australian Bond Yield            | 3.00             | -13                 | ▼ | -50              | ▼ |
| 10-year Australian Bond Yield           | 3.34             | -12                 | ▼ | -71              | ▼ |
| 20-year Australian Bond Yield           | 3.78             | -10                 | ▼ | -59              | ▼ |
| 10-year Australian Break-Even Inflation | 2.36             | -1                  | ▼ | -10              | ▼ |
| 10-year Australian Real Yield           | 0.97             | -11                 | ▼ | -62              | ▼ |
| Fed Funds Rate (lower bound)            | 4.75             | 0                   | – | 50               | ▲ |
| 2-year US Treasury Yield                | 4.01             | -18                 | ▼ | -42              | ▼ |
| 10-year US Treasury Yield               | 3.42             | -15                 | ▼ | -45              | ▼ |
| 30-year US Treasury Yield               | 3.67             | -10                 | ▼ | -29              | ▼ |
| 10-year German Bund Yield               | 2.31             | -17                 | ▼ | -26              | ▼ |
| <b>NSW TCorp Bonds</b>                  | <b>Close (%)</b> | <b>1 Week (bps)</b> |   | <b>YTD (bps)</b> |   |
| 1.00% 8 February 2024                   | 3.66             | -8                  | ▼ | -8               | ▼ |
| 5.00% 20 August 2024                    | 3.53             | -11                 | ▼ | -30              | ▼ |
| 1.25% 20 March 2025                     | 3.41             | -13                 | ▼ | -43              | ▼ |
| 4.00% 20 May 2026                       | 3.40             | -14                 | ▼ | -58              | ▼ |
| 3.00% 20 May 2027                       | 3.42             | -14                 | ▼ | -67              | ▼ |
| 3.00% 20 March 2028                     | 3.48             | -15                 | ▼ | -72              | ▼ |
| 3.00% 20 April 2029                     | 3.58             | -16                 | ▼ | -77              | ▼ |
| 3.00% 20 February 2030                  | 3.70             | -15                 | ▼ | -75              | ▼ |
| 2.00% 20 March 2031                     | 3.85             | -14                 | ▼ | -75              | ▼ |
| 1.50% 20 February 2032                  | 3.97             | -13                 | ▼ | -76              | ▼ |
| 2.00% 8 March 2033                      | 4.10             | -13                 | ▼ | -72              | ▼ |
| 3.50% 20 March 2034                     | 4.16             | -13                 | ▼ | -72              | ▼ |
| 2.75% 20 November 2025 CIB              | 0.28             | -14                 | ▼ | -53              | ▼ |
| 2.50% 20 November 2035 CIB              | 1.79             | -8                  | ▼ | -59              | ▼ |
| 10-year NSW TCorp Bond Yield            | 4.06             | -14                 | ▼ | -69              | ▼ |
| 10-year TCV (Victoria) Spread           | -0.02            | 0                   | ▲ | -7               | ▼ |
| 10-year QTC (Queensland) Spread         | -0.10            | 0                   | ▼ | -4               | ▼ |
| <b>Equities</b>                         | <b>Close</b>     | <b>1 Week</b>       |   | <b>YTD</b>       |   |
| S&P/ASX 200 (Australia)                 | 7,309            | -0.3%               | ▼ | 3.8%             | ▲ |
| S&P 500 (US)                            | 4,169            | 0.9%                | ▲ | 8.6%             | ▲ |
| FTSE 100 (UK)                           | 7,871            | -0.6%               | ▼ | 5.6%             | ▲ |
| DJ Stoxx 600 (Europe)                   | 467              | -0.5%               | ▼ | 9.8%             | ▲ |
| Nikkei 225 (Japan)                      | 28,856           | 1.0%                | ▲ | 10.6%            | ▲ |
| Shanghai Composite (China)              | 3,323            | 0.7%                | ▲ | 7.6%             | ▲ |
| <b>Currencies</b>                       | <b>Close</b>     | <b>1 Week</b>       |   | <b>YTD</b>       |   |
| AUD/USD                                 | 0.662            | -1.2%               | ▼ | -2.9%            | ▼ |
| EUR/USD                                 | 1.102            | 0.3%                | ▲ | 2.9%             | ▲ |
| USD/JPY                                 | 136.30           | 1.6%                | ▲ | 4.0%             | ▲ |
| GBP/USD                                 | 1.26             | 1.1%                | ▲ | 4.0%             | ▲ |
| US\$ Index                              | 101.66           | -0.2%               | ▼ | -1.8%            | ▼ |
| <b>Commodities</b>                      | <b>Close</b>     | <b>1 Week</b>       |   | <b>YTD</b>       |   |
| Brent Oil (US\$/bbl)                    | 79.54            | -2.6%               | ▼ | -7.4%            | ▼ |
| Iron Ore (US\$/t)                       | 116.14           | -1.1%               | ▼ | 4.4%             | ▲ |
| Coking Coal (US\$/t)                    | 191.56           | -16.4%              | ▼ | -46.8%           | ▼ |
| Gold (US\$/oz)                          | 1,990.00         | 0.3%                | ▲ | 9.1%             | ▲ |

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