

### The week that was

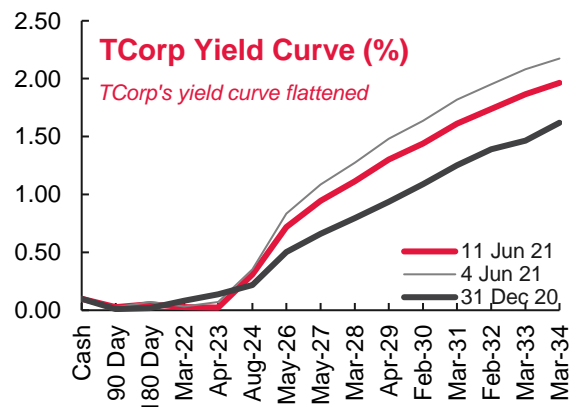
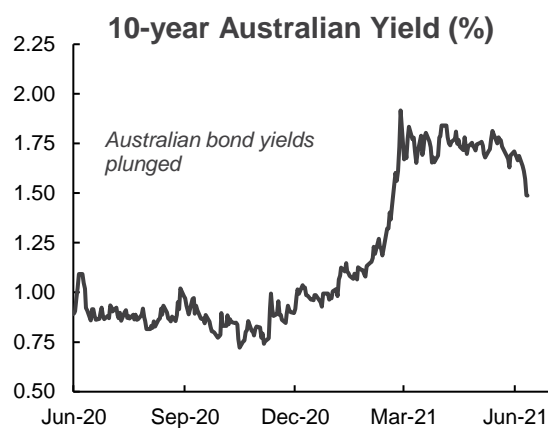
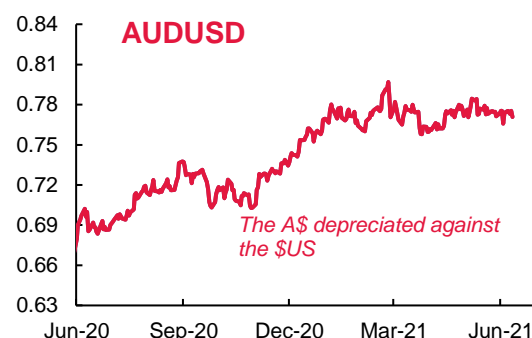
- Economic data released last week supported the broad theme of faster growth and muted inflation pressures. Stronger-than-expected US inflation largely reflected transitory COVID-related price spikes. The mix of news supported rallies in bond markets, stock markets and commodity prices over the week. Many stock markets posted new record highs.
- European share markets continued to lead the way. The Euro Stoxx600 gained 1.1%, the US S&P500 added 0.4%, and the ASX200 edged up 0.2%.
- Bond yields plunged, falling to levels last seen in late-February/early-March. US 10-year bond yields fell 10bps to 1.45%, and Australia's November 31 bond yield dropped 20bps to 1.49%. TCorp's bond yields fell noticeably along the length of the yield curve.
- The Commodity Research Bureau (CRB) Index of commodity prices rose 0.9%. Brent oil pushed above US\$72 per barrel. Iron ore jumped 4.3%. The AUD depreciated 0.6% against the USD, to 0.771.

### Economic calendar

<b>Monday</b> 14/6	AU: Public holiday, ex QLD & WA EU: Industrial production, Apr
<b>Tuesday</b> 15/6	AU: QLD State Budget 2021 US: Retail sales, May
<b>Wednesday</b> 16/6	CH: Industrial production, Jun US: FOMC monetary policy decision
<b>Thursday</b> 17/6	AU: RBA Governor Lowe speech AU: Employment, May
<b>Friday</b> 18/6	

### The week ahead

- There are lots of potentially market moving events scheduled this week. On Thursday, Reserve Bank of Australia Governor Lowe's speech entitled, *From Recovery to Expansion*, will be closely followed by the May Labour Force report, which will reveal the full impact of ending the JobKeeper subsidy.
- Internationally, the FOMC policy decision is the main event. Investors will pay close attention to Federal Reserve officials' forecasts for key US economic variables and views about when to start tapering the bond purchase programme. Key US data releases include retail sales, producer prices, industrial production (all Tuesday), housing starts (Wednesday) and jobless claims (Thursday).
- China's monthly dump of key data will be released on Wednesday - industrial production, retail sales and fixed asset investment - will provide some insights into China's likely demand for commodities.



## Financial markets data: Week ending 11 June 2021

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	0.10	0	—	0	—
90-day BBSW	0.03	0	▲	2	▲
3-year Australian Bond Yield	0.25	-6	▼	14	▲
10-year Australian Bond Yield	1.49	-20	▼	52	▲
20-year Australian Bond Yield	2.17	-21	▼	46	▲
10-year Australian Break-Even Inflation	2.11	-3	▼	35	▲
10-year Australian Real Yield	-0.63	-17	▼	17	▲
Fed Funds Rate (lower bound)	0.00	0	—	0	—
2-year US Treasury Yield	0.15	0	▲	3	▲
10-year US Treasury Yield	1.45	-10	▼	54	▲
30-year US Treasury Yield	2.14	-9	▼	49	▲
10-year German Bund Yield	-0.27	-6	▼	30	▲
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
6.00% 1 March 2022	0.03	-1	▼	-5	▼
4.00% 20 April 2023	0.02	-5	▼	-11	▼
1.00% 8 February 2024	0.22	-4	▼	2	▲
5.00% 20 August 2024	0.31	-4	▼	9	▲
4.00% 20 May 2026	0.72	-12	▼	22	▲
3.00% 20 May 2027	0.94	-14	▼	28	▲
3.00% 20 March 2028	1.11	-16	▼	32	▲
3.00% 20 April 2029	1.30	-18	▼	37	▲
3.00% 20 February 2030	1.44	-20	▼	35	▲
2.00% 20 March 2031	1.61	-21	▼	36	▲
1.50% 20 February 2032	1.74	-21	▼	35	▲
2.00% 8 March 2033	1.87	-22	▼	40	▲
2.75% 20 November 2025 CIB	-1.36	2	▲	-25	▼
2.50% 20 November 2035 CIB	0.15	-11	▼	24	▲
10-year NSW TCorp Bond Yield	1.65	-20	▼	41	▲
10-year TCV (Victoria) Spread	0.00	0	▲	-2	▼
10-year QTC (Queensland) Spread	-0.01	0	▼	3	▲
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	7,312	0.2%	▲	11.0%	▲
S&P500 (US)	4,247	0.4%	▲	13.1%	▲
FTSE 100 (UK)	7,134	0.9%	▲	10.4%	▲
DJ Stoxx600 (Europe)	458	1.1%	▲	14.7%	▲
Nikkei 225 (Japan)	28,949	0.0%	▲	5.5%	▲
Shanghai Composite (China)	3,590	-0.1%	▼	3.4%	▲
Currencies	Close	1 Week		YTD	
AUD/USD	0.771	-0.4%	▼	0.2%	▲
EUR/USD	1.211	-0.5%	▼	-0.9%	▼
USD/JPY	109.66	0.1%	▲	6.2%	▲
GBP/USD	1.41	-0.4%	▼	3.2%	▲
US\$ Index	90.51	0.4%	▲	0.6%	▲
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	72.69	1.1%	▲	40.3%	▲
Iron Ore (US\$/t)	214.37	4.3%	▲	37.6%	▲
Coking Coal (US\$/t)	1,780.50	10.6%	▲	18.7%	▲
Gold (US\$/oz)	1,877.53	-0.7%	▼	-1.1%	▼

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