

## Financial markets charts

### The week that was

- For the third month in a row, US inflation surprised to the upside, with March headline and core inflation both slightly stronger than expected. There are now heightened concerns that the disinflation process may be stalling. US bond yields rose sharply as investors significantly pared back expectations for rate cuts by the US Federal Reserve (Fed). US 10-year bond yields ended the week 12bps higher, while the S&P500 fell by 1.6%, weighed down by higher bond yields and escalating Middle East tensions.
- Central banks globally have emphasised in recent weeks that they are in no rush to cut rates and want further evidence that inflation is continuing to sustainably fall towards target. While the March data could see the Fed delay rate cuts, the European Central Bank gave a strong indication that a rate cut in June is likely if incoming data is in line with its expectations.
- While advanced economies battle high inflation, China's inflation has been too low. Consumer prices rose only 0.1% over the year to March, while producer prices have fallen for 1.5 years.
- Expectations for Reserve Bank of Australia rate cuts were also pared back following the higher US inflation data, despite noticeably weaker economic conditions in Australia. Household spending in particular is much softer and consumer sentiment remained weak in April.

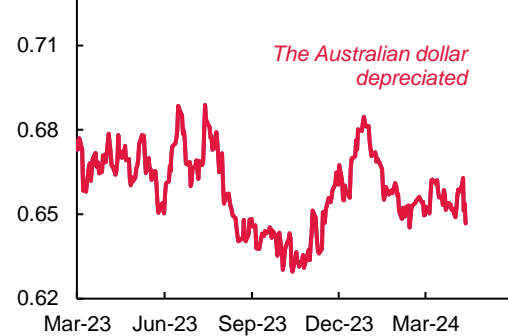
### Economic calendar

<b>Monday 15/04</b>	US: Retail sales, Mar; Empire Manufacturing, Apr
<b>Tuesday 16/04</b>	CH: GDP, Mar qtr; Monthly activity indicators, Mar US: Building permits, Mar; Housing starts, Mar CA: CPI, Mar
<b>Wednesday 17/04</b>	UK: CPI, Mar NZ: CPI, Mar EC: CPI, Mar (final)
<b>Thursday 18/04</b>	AU: Labour force, Mar US: Federal Reserve Beige Book
<b>Friday 19/04</b>	US: Existing home sales, Mar JN: National CPI, Mar

### The week ahead

- Locally, employment data for March is the focus. Despite heightened volatility, indicators suggest that the labour market continues to gradually loosen.
- Following the upside surprise in US inflation, inflation data in several economies will show if they are also experiencing sticky inflation pressures.
- Investors will also focus on comments by Fed officials on the outlook for interest rates, developments in the Middle East and US corporate earnings reports.

#### AUD/USD



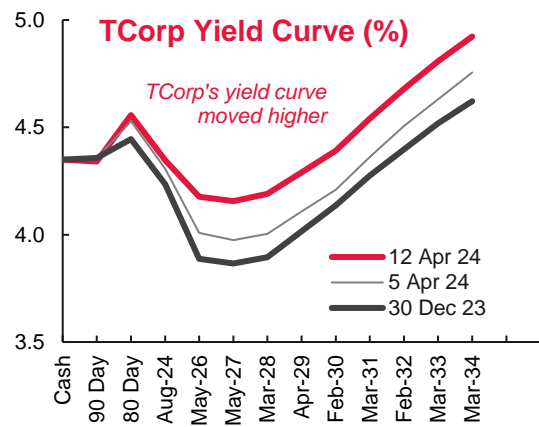
#### 10-year Australian Yield (%)



#### ASX200 (Index)



#### TCorp Yield Curve (%)



## Financial markets data: Week ending 12 April 2024

INTEREST RATES	CLOSE (%)	1 WEEK (BPS)		YTD (BPS)	
RBA Cash Rate	4.35	0	—	0	—
90-day BBSW	4.34	-2	▼	-2	▼
3-year Australian Bond Yield	3.85	17	▲	24	▲
10-year Australian Bond Yield	4.27	17	▲	31	▲
20-year Australian Bond Yield	4.53	15	▲	29	▲
10-year Australian Break-Even Inflation	2.56	4	▲	-2	▼
10-year Australian Real Yield	1.71	13	▲	33	▲
Fed Funds Rate (lower bound)	5.25	0	—	0	—
2-year US Treasury Yield	4.90	15	▲	65	▲
10-year US Treasury Yield	4.52	12	▲	64	▲
30-year US Treasury Yield	4.63	8	▲	60	▲
10-year German Bund Yield	2.36	-4	▼	34	▲
<b>NSW TCorp Bonds</b>	<b>Close (%)</b>	<b>1 Week (bps)</b>		<b>YTD (bps)</b>	
5.00% 20 August 2024	4.35	4	▲	11	▲
1.25% 20 March 2025	4.31	11	▲	27	▲
4.00% 20 May 2026	4.18	17	▲	29	▲
3.00% 20 May 2027	4.16	18	▲	29	▲
3.00% 20 March 2028	4.19	19	▲	30	▲
3.00% 20 April 2029	4.29	18	▲	27	▲
3.00% 20 February 2030	4.39	18	▲	26	▲
2.00% 20 March 2031	4.54	18	▲	26	▲
1.50% 20 February 2032	4.68	17	▲	28	▲
2.00% 8 March 2033	4.81	18	▲	29	▲
1.75% 20 March 2034	4.92	17	▲	30	▲
2.75% 20 November 2025 CIB	1.46	12	▲	40	▲
2.50% 20 November 2035 CIB	2.33	10	▲	26	▲
10-year NSW TCorp Bond Yield	4.88	17	▲	32	▲
10-year TCV (Victoria) Spread	0.09	1	▲	-2	▼
10-year QTC (Queensland) Spread	-0.04	1	▲	4	▲
<b>Equities</b>	<b>Close</b>	<b>1 Week</b>		<b>YTD</b>	
S&P/ASX200 (Australia)	7,788	0.2%	▲	2.6%	▲
S&P500 (US)	5,123	-1.6%	▼	7.4%	▲
FTSE 100 (UK)	7,996	1.1%	▲	3.4%	▲
DJ Stoxx600 (Europe)	505	-0.3%	▼	5.5%	▲
Nikkei 225 (Japan)	39,524	1.4%	▲	18.1%	▲
Shanghai Composite (China)	3,019	-1.6%	▼	1.5%	▲
<b>Currencies</b>	<b>Close</b>	<b>1 Week</b>		<b>YTD</b>	
AUD/USD	0.647	-1.7%	▼	-5.1%	▼
EUR/USD	1.064	-1.8%	▼	-3.6%	▼
USD/JPY	153.23	1.1%	▲	8.6%	▲
GBP/USD	1.25	-1.5%	▼	-2.2%	▼
US\$ Index	106.04	1.7%	▲	4.6%	▲
<b>Commodities</b>	<b>Close</b>	<b>1 Week</b>		<b>YTD</b>	
Brent Oil (US\$/bbl)	90.45	-0.8%	▼	17.4%	▲
Iron Ore (US\$/t)	108.49	9.7%	▲	-20.4%	▼
Coking Coal (US\$/t)	225.22	17.3%	▲	-18.3%	▼
Gold (US\$/oz)	2,344.37	0.6%	▲	13.6%	▲

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