

Weekly Economic Report

17 April 2023

Financial markets charts

The week that was

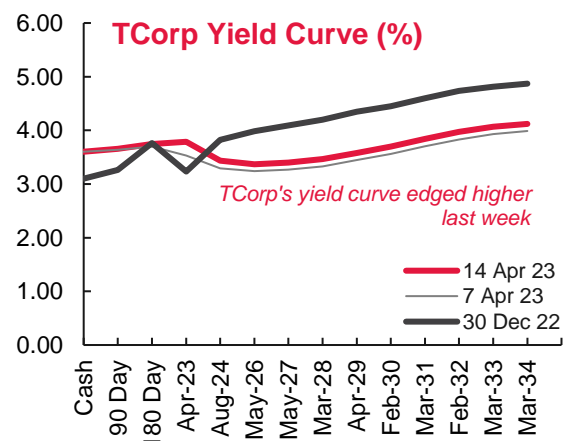
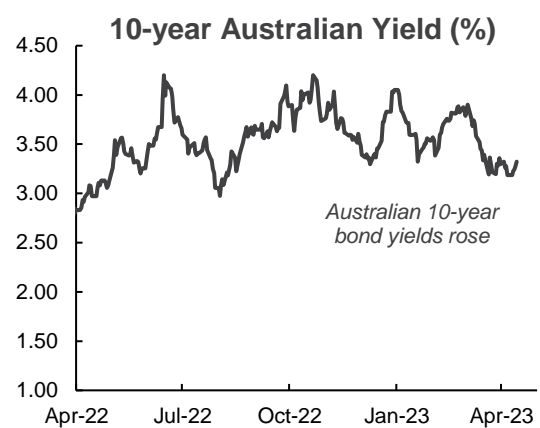
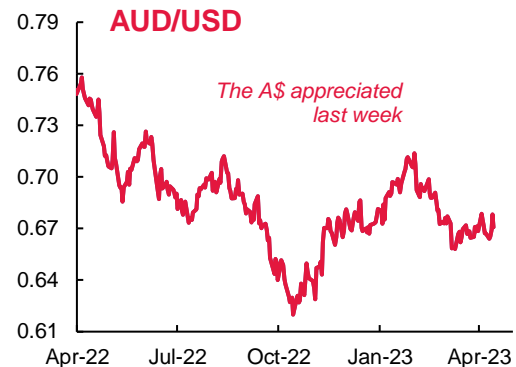
- In Australia, March labour market data was stronger than expected, with employment growing strongly and the unemployment rate unchanged at 3.5%. Surveyed business conditions remained resilient in March and consumer sentiment rose in April, although it remains at a low level. Australian 3-year and 10-year bond yields rose by 14bps, and the Australian dollar appreciated by 0.5%. The ASX200 gained 2%, with resource stocks rising most robustly.
- US consumer and producer price inflation were both weaker than expected in March, mainly due to volatile food and energy prices. The data suggests that US inflation has continued to moderate, though remains well above the Federal Reserve's 2% target. Minutes from the Fed's March meeting showed that officials now expect a mild recession later this year. US 2-year and 10-year bond yields ended the week 12bps higher and the S&P500 rose by 0.8%.
- Q1 profit reports for JPMorgan, Citigroup, Wells Fargo and BlackRock beat expectations.
- The Bank of Canada left its policy rate unchanged for the second consecutive month.

Economic calendar

Monday 17/04	US: Empire Manufacturing, Apr
Tuesday 18/04	AU: RBA minutes, Apr US: Building permits, Mar CH: GDP, March qtr; Monthly activity data, Mar CA: CPI, Mar UK: Labour market data, Mar GE: ZEW Survey Expectations, Apr
Wednesday 19/04	UK: CPI & RPI, Mar US: Fed Beige Book
Thursday 20/04	US: Philadelphia Fed Business Outlook, Apr; Existing home sales, Mar; Leading index, Mar. NZ: CPI, Mar qtr EC: Consumer confidence, April (prelim)
Friday 21/04	UK: Retails sales, Mar; GfK consumer confidence, April JP: National CPI, Mar Global: PMIs, Apr (prelim) CA: Retail sales, Feb

The week ahead

- Minutes from the Reserve Bank of Australia's April Board meeting will be closely read for insights into what conditions might result in a rate rise in May.
- Inflation data in several countries will show if inflationary pressures have continued to ease.
- Profit reporting season in the US continues after the first few financial institutions reported last Friday.



Financial markets data: Week ending 14 April 2023

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	3.60	0	—	50	▲
90-day BBSW	3.65	2	▲	39	▲
3-year Australian Bond Yield	2.96	14	▲	-55	▼
10-year Australian Bond Yield	3.32	14	▲	-73	▼
20-year Australian Bond Yield	3.76	13	▲	-62	▼
10-year Australian Break-Even Inflation	2.37	10	▲	-9	▼
10-year Australian Real Yield	0.95	3	▲	-64	▼
Fed Funds Rate (lower bound)	4.75	0	—	50	▲
2-year US Treasury Yield	4.10	12	▲	-33	▼
10-year US Treasury Yield	3.51	12	▲	-36	▼
30-year US Treasury Yield	3.73	13	▲	-23	▼
10-year German Bund Yield	2.44	26	▲	-13	▼
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
4.00% 20 April 2023	3.79	26	▲	55	▲
1.00% 8 February 2024	3.57	13	▲	-17	▼
5.00% 20 August 2024	3.44	15	▲	-39	▼
1.25% 20 March 2025	3.37	14	▲	-48	▼
4.00% 20 May 2026	3.37	13	▲	-62	▼
3.00% 20 May 2027	3.40	13	▲	-69	▼
3.00% 20 March 2028	3.47	14	▲	-74	▼
3.00% 20 April 2029	3.58	13	▲	-77	▼
3.00% 20 February 2030	3.70	13	▲	-75	▼
2.00% 20 March 2031	3.84	14	▲	-76	▼
1.50% 20 February 2032	3.97	14	▲	-76	▼
2.00% 8 March 2033	4.07	14	▲	-74	▼
3.50% 20 March 2034	4.12	13	▲	-75	▼
2.75% 20 November 2025 CIB	0.23	12	▲	-58	▼
2.50% 20 November 2035 CIB	1.73	6	▲	-66	▼
10-year NSW TCorp Bond Yield	4.03	13	▲	-72	▼
10-year TCV (Victoria) Spread	-0.01	-1	▼	-5	▼
10-year QTC (Queensland) Spread	-0.08	0	▲	-3	▼
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	7,362	2.0%	▲	4.6%	▲
S&P500 (US)	4,138	0.8%	▲	7.8%	▲
FTSE 100 (UK)	7,872	1.7%	▲	5.6%	▲
DJ Stoxx600 (Europe)	467	1.7%	▲	9.9%	▲
Nikkei 225 (Japan)	28,493	3.5%	▲	9.2%	▲
Shanghai Composite (China)	3,338	0.3%	▲	8.1%	▲
Currencies	Close	1 Week		YTD	
AUD/USD	0.671	0.5%	▲	-1.6%	▼
EUR/USD	1.099	0.8%	▲	2.7%	▲
USD/JPY	133.79	1.2%	▲	2.0%	▲
GBP/USD	1.24	0.0%	▼	2.7%	▲
US\$ Index	101.55	-0.5%	▼	-1.9%	▼
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	86.31	1.4%	▲	0.5%	▲
Iron Ore (US\$/t)	119.41	0.8%	▲	7.3%	▲
Coking Coal (US\$/t)	257.59	-4.4%	▼	-28.5%	▼
Gold (US\$/oz)	2,004.17	-0.2%	▼	9.9%	▲

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