

Financial markets charts

The week that was

- The Reserve Bank of Australia (RBA) held interest rates steady, though its post-meeting communication was interpreted as slightly hawkish. The Board again considered the case for a rate rise but its policy stance remains neutral.
- A key uncertainty for the RBA remains how quickly inflation will fall towards target, with June quarter data to provide important information before the Board next meets in August. The Board's comments helped lift the Australian dollar by 0.4% last week. Driven by moves offshore, 10-year bond yields rose 9bps, and the ASX200 gained 0.9%.
- TCorp's 10-year spread to Commonwealth Government bonds narrowed by 10bps after the NSW Government announced a lower projected borrowing requirement in the next few years than investors had expected.
- The Swiss central bank cut interest rates by 25bps, after delivering its first rate cut in March. The Bank of England (BoE) held rates steady, but investors see a likely rate cut in August after the BoE's communication was interpreted as dovish.
- European equity markets rose as concerns about the results of the recent European elections diminished. However, heightened political uncertainty has seen sizeable falls in French equities in June.
- US economic data was on the softer side, with retail sales disappointing and jobless claims rising by more than expected. Despite the weaker data, US 10-year bond yields ended the week 3bps higher and the S&P500 rose by 0.6%.

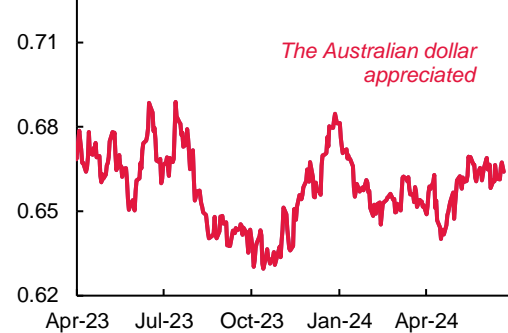
Economic calendar

Monday 24/06	US: Dallas Fed Manufacturing, Jun
Tuesday 25/06	CA: CPI, May AU: Consumer sentiment, Jun US: Consumer confidence, Jun
Wednesday 26/06	AU: Monthly CPI, May US: New home sales, May
Thursday 27/06	AU: Job vacancies, May US: GDP, Mar qtr (third release)
Friday 28/06	US: Core PCE deflator, May AU: Private sector credit, May JP: Tokyo CPI, Jun UK: GDP, Mar qtr (final release)

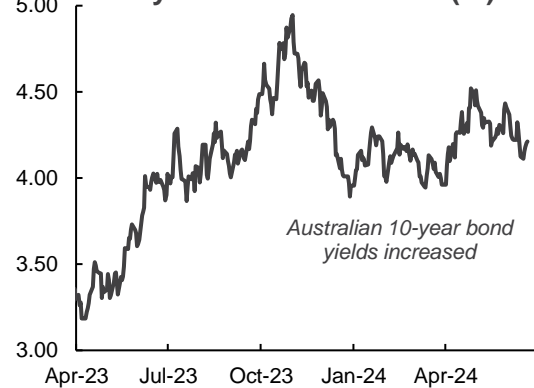
The week ahead

- Investors will focus on inflation data from the US, Australia and Canada for insights into whether inflation fell further in May.
- Locally, job vacancies data are expected to show a continued loosening of the labour market. Consumer sentiment data will also be released, and there will be speeches by senior RBA officials.

AUD/USD



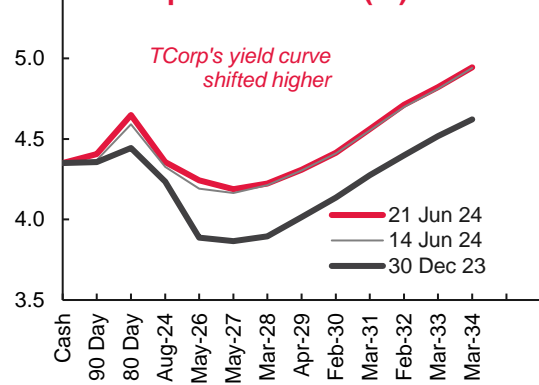
10-year Australian Yield (%)



ASX200 (Index)



TCorp Yield Curve (%)



Financial markets data: Week ending 21 June 2024

INTEREST RATES	CLOSE (%)	1 WEEK (BPS)		YTD (BPS)	
RBA Cash Rate	4.35	0	—	0	—
90-day BBSW	4.41	4	▲	5	▲
3-year Australian Bond Yield	3.91	10	▲	31	▲
10-year Australian Bond Yield	4.21	9	▲	26	▲
20-year Australian Bond Yield	4.51	9	▲	27	▲
10-year Australian Break-Even Inflation	2.36	2	▲	-22	▼
10-year Australian Real Yield	1.86	7	▲	47	▲
Fed Funds Rate (lower bound)	5.25	0	—	0	—
2-year US Treasury Yield	4.73	3	▲	48	▲
10-year US Treasury Yield	4.26	3	▲	38	▲
30-year US Treasury Yield	4.40	5	▲	37	▲
10-year German Bund Yield	2.41	5	▲	39	▲
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
5.00% 20 August 2024	4.36	3	▲	12	▲
1.25% 20 March 2025	4.33	2	▲	30	▲
4.00% 20 May 2026	4.24	5	▲	36	▲
3.00% 20 May 2027	4.19	2	▲	32	▲
3.00% 20 March 2028	4.22	1	▲	33	▲
3.00% 20 April 2029	4.31	0	▲	29	▲
3.00% 20 February 2030	4.41	0	▲	28	▲
2.00% 20 March 2031	4.56	1	▲	29	▲
1.50% 20 February 2032	4.71	2	▲	32	▲
2.00% 8 March 2033	4.82	1	▲	30	▲
1.75% 20 March 2034	4.95	0	▲	32	▲
2.75% 20 November 2025 CIB	1.88	8	▲	82	▲
2.50% 20 November 2035 CIB	2.51	7	▲	44	▲
10-year NSW TCorp Bond Yield	4.93	1	▲	37	▲
10-year TCV (Victoria) Spread	0.05	1	▲	-6	▼
10-year QTC (Queensland) Spread	0.01	0	▼	9	▲
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	7,796	0.9%	▲	2.7%	▲
S&P500 (US)	5,465	0.6%	▲	14.6%	▲
FTSE 100 (UK)	8,238	1.1%	▲	6.5%	▲
DJ Stoxx600 (Europe)	515	0.8%	▲	7.5%	▲
Nikkei 225 (Japan)	38,596	-0.6%	▼	15.3%	▲
Shanghai Composite (China)	2,998	-1.1%	▼	0.8%	▲
Currencies	Close	1 Week		YTD	
AUD/USD	0.664	0.4%	▲	-2.5%	▼
EUR/USD	1.069	-0.1%	▼	-3.1%	▼
USD/JPY	159.80	1.5%	▲	13.3%	▲
GBP/USD	1.26	-0.3%	▼	-0.7%	▼
US\$ Index	105.80	0.2%	▲	4.4%	▲
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	85.24	3.2%	▲	10.6%	▲
Iron Ore (US\$/t)	106.63	-0.8%	▼	-21.8%	▼
Coking Coal (US\$/t)	197.84	18.9%	▲	-28.2%	▼
Gold (US\$/oz)	2,321.98	-0.5%	▼	12.6%	▲

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