

The week that was

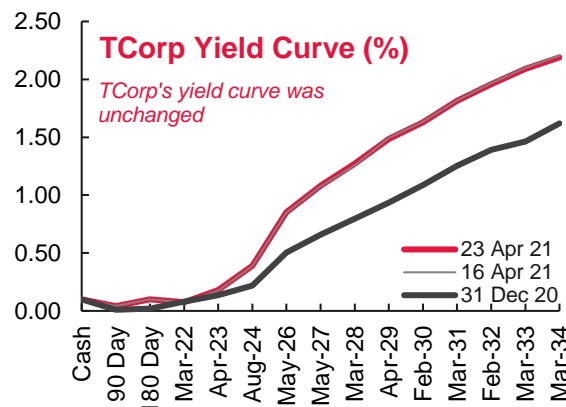
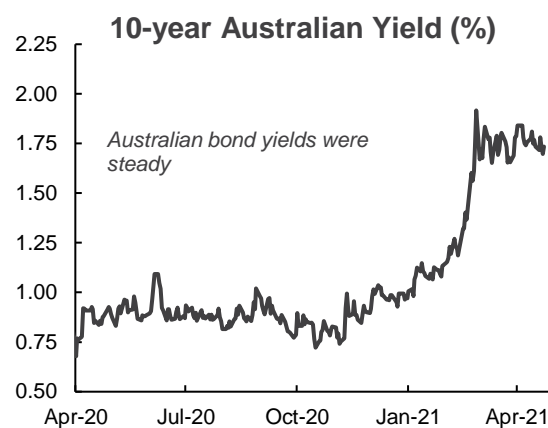
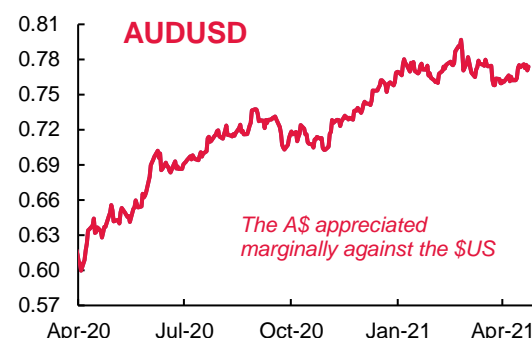
- Strong economic data and US President Biden's plan to double the rate of capital gains tax for higher income earners triggered occasional bouts of volatility last week, but ultimately financial markets were shaken, not stirred.
- The US S&P500 stock market index ended just 0.1% below last week's close. Australia's ASX200 was unchanged. The pan-European Stoxx 600 fell 0.8%, after posting a record high on Monday.
- US 10-year bond yields edged down 2bps to 1.56% and Australia's 10-year bond yield was unchanged. TCorp's March 31 bond yield remained at 1.82% and the TCorp yield curve was essentially unmoved. The Bank of Canada was the first major central bank to say it would begin phasing out some policy support measures due to the economy's strong recovery, but again this had little lasting impact on markets.
- The US dollar fell an average of 0.8% against other currencies, although the Australian dollar gained just 0.1% to US\$0.774. Brent oil fell 1% to US\$66 per barrel, but iron ore increased another 2.5% to US\$179 per tonne.

Economic calendar

Monday 26/4	GE: IFO business survey, Apr US: Durable goods orders, Mar
Tuesday 27/4	JP: BoJ monetary policy decision US: Consumer confidence, Apr
Wednesday 28/4	AU: CPI, Q1 US: FOMC monetary policy decision
Thursday 29/4	AU: Trade prices, Q1 US: GDP, Q1
Friday 30/4	AU: Credit, March EU: GDP, Q1

The week ahead

- Key events scheduled for this week include US and Japanese central bank policy decisions, and potentially market-moving economic data releases in Australia, Europe and the US.
- The Federal Reserve and Bank of Japan are not expected to announce changes to their current policy stances, supporting economic growth.
- Q1 GDP reports from the US and Eurozone will provide analysts with a wealth of information to update their forecasts and investment recommendations.
- Australia's Q1 CPI report should show inflation is dormant, with the Reserve Bank of Australia's preferred inflation measure for guide interest policy expected to rise by just 1.2% over the year. Latest data on producer prices, international trade and private sector credit will also be released.



Financial markets data: Week ending 23 April 2021

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	0.10	0	—	0	—
90-day BBSW	0.04	0	▼	3	▲
3-year Australian Bond Yield	0.33	4	▲	22	▲
10-year Australian Bond Yield	1.74	0	—	77	▲
20-year Australian Bond Yield	2.44	0	▼	73	▲
10-year Australian Break-Even Inflation	2.21	2	▲	45	▲
10-year Australian Real Yield	-0.48	-2	▼	32	▲
Fed Funds Rate (lower bound)	0.00	0	—	0	—
2-year US Treasury Yield	0.16	0	▼	4	▲
10-year US Treasury Yield	1.56	-2	▼	64	▲
30-year US Treasury Yield	2.23	-3	▼	59	▲
10-year German Bund Yield	-0.26	1	▲	31	▲
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
6.00% 1 March 2022	0.08	0	▼	-1	▼
4.00% 20 April 2023	0.18	0	▲	4	▲
1.00% 8 February 2024	0.32	0	▲	12	▲
5.00% 20 August 2024	0.39	0	▲	17	▲
4.00% 20 May 2026	0.85	0	▲	35	▲
3.00% 20 May 2027	1.08	1	▲	42	▲
3.00% 20 March 2028	1.27	1	▲	47	▲
3.00% 20 April 2029	1.49	-1	▼	55	▲
3.00% 20 February 2030	1.63	0	▼	54	▲
2.00% 20 March 2031	1.82	0	▼	56	▲
2.00% 20 March 2032	2.09	-1	▼	63	▲
2.00% 20 March 2033	2.19	-1	▼	57	▲
2.75% 20 November 2025 CIB	-1.44	-2	▼	-33	▼
2.50% 20 November 2035 CIB	0.26	-5	▼	35	▲
10-year NSW TCorp Bond Yield	1.83	-1	▼	59	▲
10-year TCV (Victoria) Spread	0.00	0	▼	-2	▼
10-year QTC (Queensland) Spread	0.01	0	▲	5	▲
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	7,061	0.0%	▼	7.2%	▲
S&P500 (US)	4,180	-0.1%	▼	11.3%	▲
FTSE 100 (UK)	6,939	-1.2%	▼	7.4%	▲
DJ Stoxx 600 (Europe)	439	-0.8%	▼	10.0%	▲
Nikkei 225 (Japan)	29,021	-2.2%	▼	5.7%	▲
Shanghai Composite (China)	3,474	1.4%	▲	0.0%	▲
Currencies	Close	1 Week		YTD	
AUD/USD	0.774	0.1%	▲	0.6%	▲
EUR/USD	1.210	1.0%	▲	-1.0%	▼
USD/JPY	107.88	-0.8%	▼	4.5%	▲
GBP/USD	1.39	0.3%	▲	1.5%	▲
US\$ Index	90.86	-0.8%	▼	1.0%	▲
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	66.11	-1.0%	▼	27.6%	▲
Iron Ore (US\$/t)	178.54	2.5%	▲	14.6%	▲
Coking Coal (US\$/t)	1,633.00	-0.8%	▼	8.8%	▲
Gold (US\$/oz)	1,777.20	0.0%	▲	-6.4%	▼

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