

Financial markets charts

The week that was

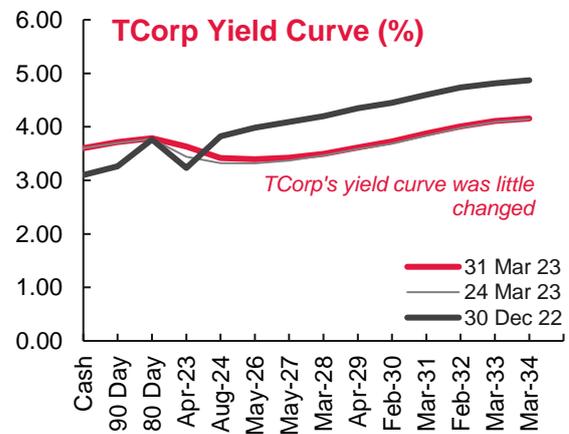
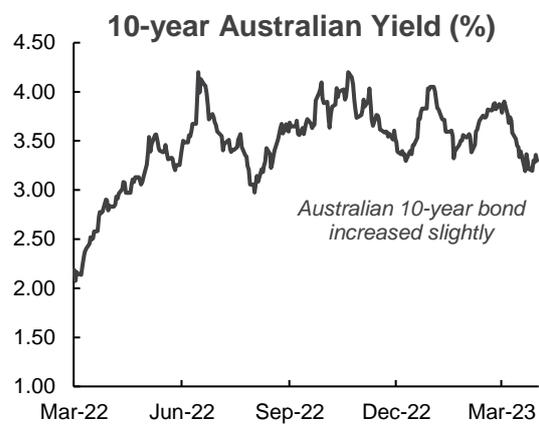
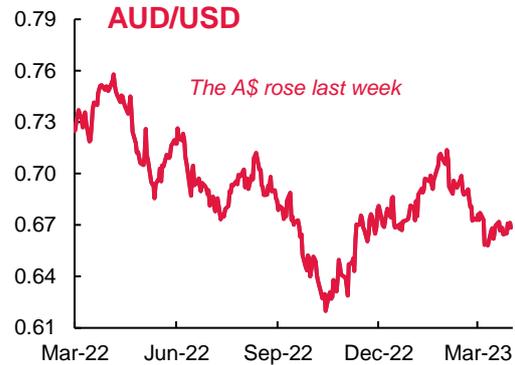
- Financial market conditions stabilised as concerns around the US and European banking sectors diminished. Global bond yields rose after falling sharply in recent weeks, and equity markets rebounded strongly. US 2-year bond yields rose 26bps, 10-year yields lifted 9bps and the S&P500 was up 3.5%. Australian 10-year bond yields rose by 8bps and the ASX200 gained 3.2%.
- In Australia, recent data strengthened investor expectations that the Reserve Bank of Australia (RBA) will leave policy unchanged at its meeting on 4 April. The monthly CPI inflation indicator for February was lower than expected. Although retail sales rose slightly in February, as anticipated, the value of spending has been unchanged for the past 6 months.
- Recent inflation data in the US and Europe also indicated that inflationary pressures are moderating. Core Personal Consumer Expenditure (PCE) inflation in the US (February) and a preliminary read of CPI inflation in Europe (March) were both lower than expected.
- Official PMI data for China pointed to a resilient manufacturing industry in March and a solid increase in activity in the non-manufacturing sector.
- The Australian dollar rose by 0.6% to US\$0.67 amid improving risk sentiment last week.

Economic calendar

Monday 03/04	US: ISM Manufacturing index, Mar EC/UK/US: S&P Global Manufacturing PMIs, Mar (final) AU: Building approvals, Feb CH: Caixin Manufacturing PMI, Mar
Tuesday 04/04	AU: RBA policy decision, Mar US: Building permits, Feb; JOLTS job openings, Feb, Durable goods, Feb (final) EC: PPI, Feb
Wednesday 05/04	AU: Speech by RBA Governor US: ADP Employment Change, March; ISM Services index, Mar EC/UK/US: S&P Global Services PMIs, Mar (final)
Thursday 06/04	CA: Employment, Mar GE: Industrial production, Feb CH: Caixin Services PMI, Mar
Friday 07/04	US: Non-farm payrolls & unemployment rate, Mar

The week ahead

- In Australia, the focus will be on whether the RBA board pauses its rate hikes on Tuesday and accompanying commentary, including a speech by the Governor on Wednesday.
- US employment and payroll data will provide important updates on the US labour market.



Financial markets data: Week ending 31 March 2023

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	3.60	0	–	50	▲
90-day BBSW	3.72	1	▲	45	▲
3-year Australian Bond Yield	2.94	10	▲	-56	▼
10-year Australian Bond Yield	3.30	8	▲	-75	▼
20-year Australian Bond Yield	3.72	3	▲	-66	▼
10-year Australian Break-Even Inflation	2.35	5	▲	-11	▼
10-year Australian Real Yield	0.95	3	▲	-64	▼
Fed Funds Rate (lower bound)	4.75	0	–	50	▲
2-year US Treasury Yield	4.03	26	▲	-40	▼
10-year US Treasury Yield	3.47	9	▲	-41	▼
30-year US Treasury Yield	3.65	1	▲	-31	▼
10-year German Bund Yield	2.29	16	▲	-28	▼
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
4.00% 20 April 2023	3.63	19	▲	40	▲
1.00% 8 February 2024	3.51	13	▲	-23	▼
5.00% 20 August 2024	3.42	10	▲	-41	▼
1.25% 20 March 2025	3.37	8	▲	-47	▼
4.00% 20 May 2026	3.39	8	▲	-59	▼
3.00% 20 May 2027	3.42	6	▲	-66	▼
3.00% 20 March 2028	3.49	3	▲	-71	▼
3.00% 20 April 2029	3.61	3	▲	-73	▼
3.00% 20 February 2030	3.73	4	▲	-72	▼
2.00% 20 March 2031	3.88	4	▲	-72	▼
1.50% 20 February 2032	4.01	3	▲	-73	▼
2.00% 8 March 2033	4.11	1	▲	-71	▼
3.50% 20 March 2034	4.16	2	▲	-72	▼
2.75% 20 November 2025 CIB	0.19	4	▲	-62	▼
2.50% 20 November 2035 CIB	1.72	2	▲	-67	▼
10-year NSW TCorp Bond Yield	4.06	3	▲	-69	▼
10-year TCV (Victoria) Spread	0.00	1	▲	-4	▼
10-year QTC (Queensland) Spread	-0.08	0	▼	-2	▼
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	7,178	3.2%	▲	2.0%	▲
S&P500 (US)	4,109	3.5%	▲	7.0%	▲
FTSE 100 (UK)	7,632	3.1%	▲	2.4%	▲
DJ Stoxx600 (Europe)	458	4.0%	▲	7.8%	▲
Nikkei 225 (Japan)	28,041	2.4%	▲	7.5%	▲
Shanghai Composite (China)	3,273	0.2%	▲	5.9%	▲
Currencies	Close	1 Week		YTD	
AUD/USD	0.669	0.6%	▲	-1.9%	▼
EUR/USD	1.084	0.7%	▲	1.3%	▲
USD/JPY	132.86	1.6%	▲	1.3%	▲
GBP/USD	1.23	0.9%	▲	2.1%	▲
US\$ Index	102.51	-0.6%	▼	-1.0%	▼
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	79.77	6.4%	▲	-7.1%	▼
Iron Ore (US\$/t)	127.06	0.7%	▲	14.2%	▲
Coking Coal (US\$/t)	257.32	0.0%	▲	-28.6%	▼
Gold (US\$/oz)	1,969.28	-0.5%	▼	8.0%	▲

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