

## Financial markets charts

### The week that was

- Gains in US employment exceeded expectations again in March, with the labour market remaining tight. The ISM manufacturing survey also surprised to the upside, indicating that the manufacturing sector is recovering. The stronger data is consistent with the Chair of the US Federal Reserve (Fed) emphasising that the Fed is in no rush to cut interest rates. These developments saw US 10-year bond yields rise by 20bps last week and the S&P500 fall by 1%.
- The minutes from the Reserve Bank of Australia (RBA) Board's March meeting confirmed that it did not consider raising rates for the first time since this tightening cycle commenced. Encouragingly, the RBA appears more confident that inflation will return to target in a reasonable period. This is consistent with soft consumer spending, a loosening labour market and weak building approvals. Australian 10-year bond yields ended the week 14bps higher and the ASX200 fell by 1.6%.
- Concerns around the situation in the Middle East saw the Brent crude oil price rise by 4.2% last week. Oil prices are up around 18% since the start of this year and have contributed to global inflation falling less rapidly than it would have otherwise.

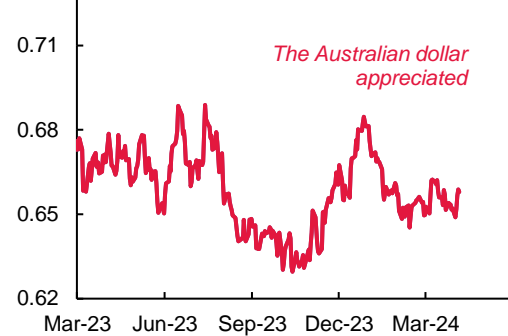
### Economic calendar

|                                  |  |
|----------------------------------|--|
| <b>Monday</b><br><b>08/04</b>    | AU: Housing lending indicators, Feb<br>GE: Industrial production, Feb  |
| <b>Tuesday</b><br><b>09/04</b>   | AU: Westpac consumer sentiment, Apr; NAB Business survey, Mar  |
| <b>Wednesday</b><br><b>10/04</b> | US: CPI, Mar; Federal Reserve meeting minutes, Mar<br>CA: Bank of Canada policy decision<br>NZ: RBNZ policy decision |
| <b>Thursday</b><br><b>11/04</b>  | EU: ECB policy decision<br>US: PPI, Mar<br>CH: CPI & PPI, Mar  |
| <b>Friday</b><br><b>12/04</b>    | GE: CPI, Mar (final)<br>UK: Monthly GDP, Feb   |

### The week ahead

- US inflation data for March will be in focus. Upside surprises to inflation in January and February did not change the Fed's outlook for inflation or interest rates, but more of these could suggest that inflation is stickier and see expectations for rate cuts pushed back further.
- Central banks in Europe, Canada and New Zealand meet, and investors will pay close attention to policymakers' comments about the outlook for interest rates. The minutes of the Fed's March policy meeting will also be closely scrutinised.
- US corporate earnings reporting season commences on Friday with reports from some large US banks.

#### AUD/USD



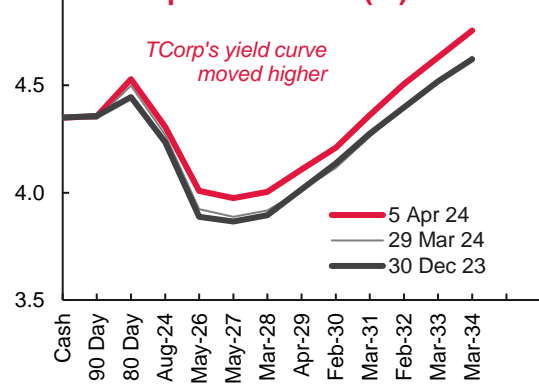
#### 10-year Australian Yield (%)



#### ASX200 (Index)



#### TCorp Yield Curve (%)



## Financial markets data: Week ending 5 April 2024

| INTEREST RATES                          | CLOSE (%)        | 1 WEEK (BPS)        |   | YTD (BPS)        |   |
|---|------------------|---------------------|---|------------------|---|
| RBA Cash Rate                           | 4.35             | 0                   | — | 0                | — |
| 90-day BBSW                             | 4.36             | 1                   | ▲ | 0                | ▼ |
| 3-year Australian Bond Yield            | 3.68             | 6                   | ▲ | 7                | ▲ |
| 10-year Australian Bond Yield           | 4.10             | 14                  | ▲ | 14               | ▲ |
| 20-year Australian Bond Yield           | 4.38             | 13                  | ▲ | 14               | ▲ |
| 10-year Australian Break-Even Inflation | 2.52             | 7                   | ▲ | -5               | ▼ |
| 10-year Australian Real Yield           | 1.58             | 7                   | ▲ | 20               | ▲ |
| Fed Funds Rate (lower bound)            | 5.25             | 0                   | — | 0                | — |
| 2-year US Treasury Yield                | 4.75             | 13                  | ▲ | 50               | ▲ |
| 10-year US Treasury Yield               | 4.40             | 20                  | ▲ | 52               | ▲ |
| 30-year US Treasury Yield               | 4.55             | 21                  | ▲ | 52               | ▲ |
| 10-year German Bund Yield               | 2.40             | 10                  | ▲ | 38               | ▲ |
| <b>NSW TCorp Bonds</b>                  | <b>Close (%)</b> | <b>1 Week (bps)</b> |   | <b>YTD (bps)</b> |   |
| 5.00% 20 August 2024                    | 4.31             | 4                   | ▲ | 7                | ▲ |
| 1.25% 20 March 2025                     | 4.20             | 3                   | ▲ | 17               | ▲ |
| 4.00% 20 May 2026                       | 4.01             | 8                   | ▲ | 12               | ▲ |
| 3.00% 20 May 2027                       | 3.97             | 9                   | ▲ | 11               | ▲ |
| 3.00% 20 March 2028                     | 4.00             | 9                   | ▲ | 11               | ▲ |
| 3.00% 20 April 2029                     | 4.11             | 10                  | ▲ | 9                | ▲ |
| 3.00% 20 February 2030                  | 4.21             | 9                   | ▲ | 7                | ▲ |
| 2.00% 20 March 2031                     | 4.36             | 10                  | ▲ | 9                | ▲ |
| 1.50% 20 February 2032                  | 4.51             | 11                  | ▲ | 11               | ▲ |
| 2.00% 8 March 2033                      | 4.63             | 11                  | ▲ | 11               | ▲ |
| 1.75% 20 March 2034                     | 4.76             | 12                  | ▲ | 13               | ▲ |
| 2.75% 20 November 2025 CIB              | 1.34             | 5                   | ▲ | 28               | ▲ |
| 2.50% 20 November 2035 CIB              | 2.22             | 5                   | ▲ | 15               | ▲ |
| 10-year NSW TCorp Bond Yield            | 4.71             | 12                  | ▲ | 15               | ▲ |
| 10-year TCV (Victoria) Spread           | 0.08             | 0                   | ▲ | -3               | ▼ |
| 10-year QTC (Queensland) Spread         | -0.05            | 0                   | ▲ | 3                | ▲ |
| <b>Equities</b>                         | <b>Close</b>     | <b>1 Week</b>       |   | <b>YTD</b>       |   |
| S&P/ASX200 (Australia)                  | 7,773            | -1.6%               | ▼ | 2.4%             | ▲ |
| S&P500 (US)                             | 5,204            | -1.0%               | ▼ | 9.1%             | ▲ |
| FTSE 100 (UK)                           | 7,911            | -0.5%               | ▼ | 2.3%             | ▲ |
| DJ Stoxx600 (Europe)                    | 507              | -1.2%               | ▼ | 5.8%             | ▲ |
| Nikkei 225 (Japan)                      | 38,992           | -3.4%               | ▼ | 16.5%            | ▲ |
| Shanghai Composite (China)              | 3,069            | 0.9%                | ▲ | 3.2%             | ▲ |
| <b>Currencies</b>                       | <b>Close</b>     | <b>1 Week</b>       |   | <b>YTD</b>       |   |
| AUD/USD                                 | 0.658            | 0.9%                | ▲ | -3.4%            | ▼ |
| EUR/USD                                 | 1.084            | 0.4%                | ▲ | -1.8%            | ▼ |
| USD/JPY                                 | 151.62           | 0.2%                | ▲ | 7.5%             | ▲ |
| GBP/USD                                 | 1.26             | 0.1%                | ▲ | -0.7%            | ▼ |
| US\$ Index                              | 104.30           | -0.2%               | ▼ | 2.9%             | ▲ |
| <b>Commodities</b>                      | <b>Close</b>     | <b>1 Week</b>       |   | <b>YTD</b>       |   |
| Brent Oil (US\$/bbl)                    | 91.17            | 4.2%                | ▲ | 18.3%            | ▲ |
| Iron Ore (US\$/t)                       | 98.91            | -1.2%               | ▼ | -27.5%           | ▼ |
| Coking Coal (US\$/t)                    | 191.96           | -4.6%               | ▼ | -30.4%           | ▼ |
| Gold (US\$/oz)                          | 2,329.75         | 4.5%                | ▲ | 12.9%            | ▲ |

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