

Financial markets charts

The week that was

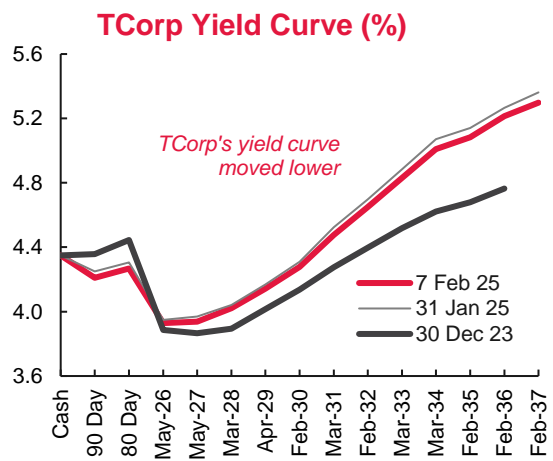
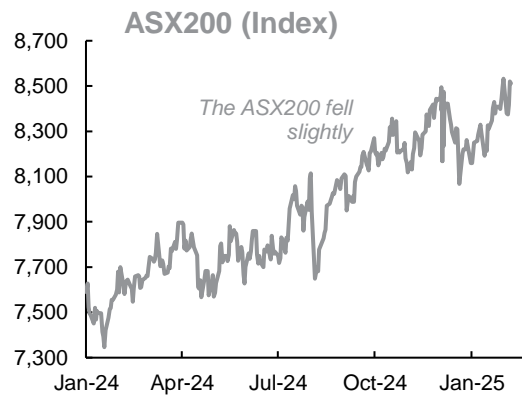
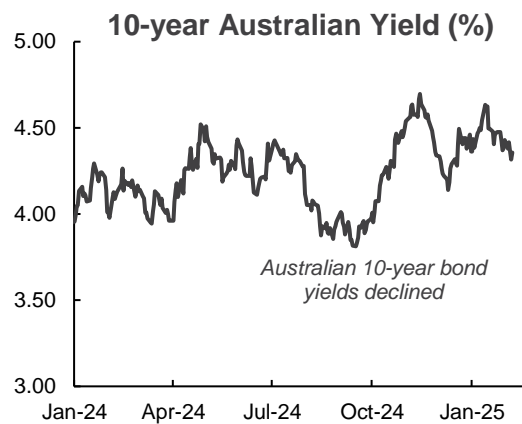
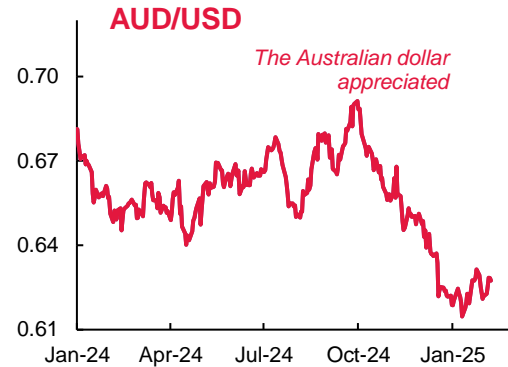
- Financial markets focused on tariff announcements during the week, which generated volatility in equity, currency and bond markets. While US tariffs on Mexico and Canada were delayed, an additional 10% tariff on China's exports came into effect. China retaliated with a 10% tariff on selected imports from the US, though the impact of these on the US is much smaller than the impact of the additional US tariffs on China.
- US 10-year bond yields ended the week 4bps lower, weighed down by softer-than-expected data on activity in the services sector. However, continued strength in US employment growth limited the fall in bond yields. With the US labour market remaining strong and inflation still above target, investors expect only one 25bps rate cut by the US Federal Reserve in 2025.
- The US S&P500 and the ASX200 both declined by 0.2% last week. The Australian dollar rose by 0.9% against the US dollar, to be back above US\$0.62. Australian 10-year bond yields ended the week 7bps lower.
- The Bank of England cut interest rates by a further 25bps, with investors expecting another 2 or 3 rate cuts in 2025.

Economic calendar

Monday 10/2	
Tuesday 11/2	AU: Consumer sentiment, Feb; NAB Business Survey, Jan
Wednesday 12/2	US: CPI, Jan
Thursday 13/2	US: PPI, Jan UK: GDP, Q4 (preliminary)
Friday 14/2	US: Retail sales, Jan EC: GDP, Q4 (preliminary)

The week ahead

- In a quiet week for domestic and offshore data, financial markets will continue to focus on possible tariff announcements.
- US consumer price inflation data is the key release this week. Investors will also focus on comments made by Fed Chair, Jerome Powell, at his Congressional testimony.
- Elsewhere, consumer and business sentiment data for Australia will be released, as well as UK GDP data for the December quarter.



Financial markets data: Week ending 7 February 2025

INTEREST RATES	CLOSE (%)	1 WEEK (BPS)		YTD (BPS)	
RBA Cash Rate	4.35	0	–	0	–
90-day BBSW	4.21	-4	▼	-21	▼
3-year Australian Bond Yield	3.78	-4	▼	-4	▼
10-year Australian Bond Yield	4.36	-7	▼	0	▼
20-year Australian Bond Yield	4.83	-9	▼	1	▲
10-year Australian Break-Even Inflation	2.32	0	▲	-1	▼
10-year Australian Real Yield	2.04	-8	▼	1	▲
Fed Funds Rate (lower bound)	4.25	0	–	0	–
2-year US Treasury Yield	4.29	9	▲	5	▲
10-year US Treasury Yield	4.49	-4	▼	-7	▼
30-year US Treasury Yield	4.69	-9	▼	-9	▼
10-year German Bund Yield	2.37	-9	▼	0	▲
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
4.00% 20 May 2026	3.93	-2	▼	-8	▼
3.00% 20 May 2027	3.94	-3	▼	-6	▼
3.00% 20 March 2028	4.02	-2	▼	-5	▼
3.00% 20 April 2029	4.14	-3	▼	-3	▼
3.00% 20 February 2030	4.28	-3	▼	-3	▼
2.00% 20 March 2031	4.48	-5	▼	-2	▼
1.50% 20 February 2032	4.65	-5	▼	-2	▼
2.00% 8 March 2033	4.83	-5	▼	0	▼
1.75% 20 March 2034	5.01	-6	▼	1	▲
4.75% 20 February 2035	5.08	-6	▼	1	▲
4.25% 20 February 2036	5.21	-5	▼	3	▲
4.75% 20 February 2037	5.30	-6	▼	2	▲
2.75% 20 November 2025 CIB	2.58	4	▲	0	▲
2.50% 20 November 2035 CIB	2.69	-1	▼	3	▲
10-year NSW TCorp Bond Yield	5.07	-6	▼	2	▲
10-year TCV (Victoria) Spread	0.05	0	▲	-2	▼
10-year QTC (Queensland) Spread	0.08	0	–	6	▲
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	8,511	-0.2%	▼	4.3%	▲
S&P500 (US)	6,026	-0.2%	▼	2.5%	▲
FTSE 100 (UK)	8,701	0.3%	▲	6.5%	▲
DJ Stoxx600 (Europe)	543	0.6%	▲	6.9%	▲
Nikkei 225 (Japan)	38,787	-2.0%	▼	-2.8%	▼
Shanghai Composite (China)	3,304	1.6%	▲	-1.4%	▼
Currencies	Close	1 Week		YTD	
AUD/USD	0.627	0.9%	▲	1.4%	▲
EUR/USD	1.033	-0.3%	▼	-0.3%	▼
USD/JPY	151.41	-2.4%	▼	-3.7%	▼
GBP/USD	1.24	0.1%	▲	-0.9%	▼
US\$ Index	108.04	-0.3%	▼	-0.4%	▼
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	74.66	-2.7%	▼	0.0%	▲
Iron Ore (US\$/t)	106.72	5.0%	▲	3.0%	▲
Coking Coal (US\$/t)	127.70	-7.7%	▼	-8.4%	▼
Gold (US\$/oz)	2,861.07	2.2%	▲	9.0%	▲

Brian Redican
Chief Economist
brian.redican@tcorp.nsw.gov.au

Emily Perry
Senior Economist
emily.perry@tcorp.nsw.gov.au



Level 7, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000, Australia

T +61 2 9325 9325

W www.tcorp.nsw.gov.au

ABN 99 235 825

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