

Financial markets charts

The week that was

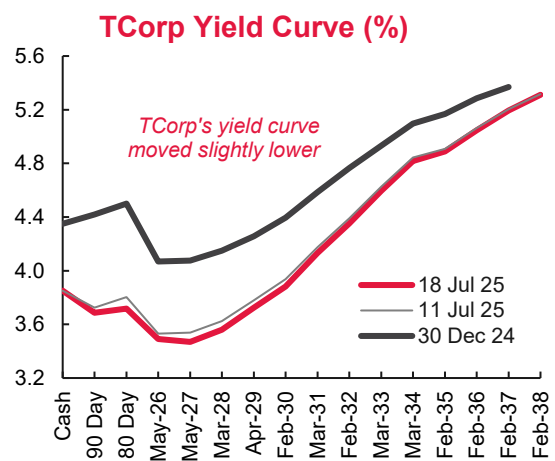
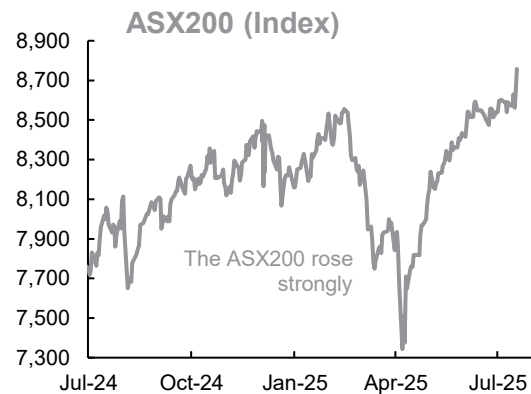
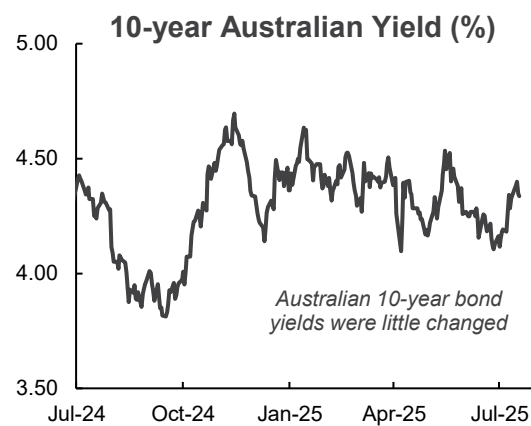
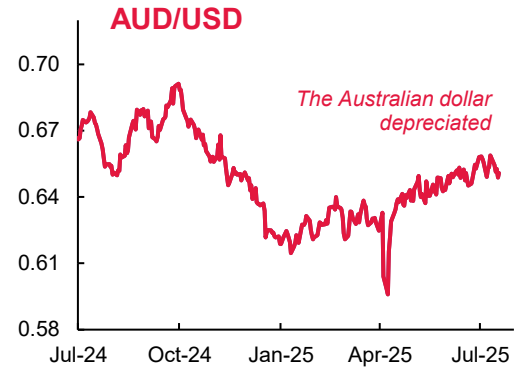
- 10-year bonds yields were little changed last week, and equity markets rose across most advanced economies. Markets largely ignored tariff-related headlines, though speculation about whether President Trump is preparing to fire the Chair of the US Federal Reserve (Fed) triggered some volatility throughout the week.
- The impact of US tariffs started to show up in inflation data for June, with price rises for goods such as household furnishings, appliances and clothing. However, that impact was offset by weakness in some categories not affected by tariffs and limited the market reaction to the data. US bond yields ended the week 1bp higher and the S&P500 rose 0.6%, boosted by some positive US economic data and corporate earnings reports.
- Australian employment growth disappointed again in June, indicating that the labour market is gradually cooling. The unemployment rate rose to 4.3%, partly driven by a rise in labour supply, but remains low by historical standards. The weaker labour market data reinforces the case for the Reserve Bank of Australia (RBA) to cut rates again in August, which the bond market has now fully priced. This saw Australian 3-year bond yields end the week 5bps lower, though 10-year yields rose 1bp. The ASX200 rose strongly (+2.1%), with all sectors higher over the week.
- Despite higher tariffs and trade policy uncertainty, strong growth in exports and manufacturing activity continued to drive economic activity in China in the first half of 2025. Weaker exports to the US have been more than offset by stronger exports to the rest of the world. This likely reflects Chinese firms diverting exports to the US through third countries to avoid the high tariffs on goods from China.

Economic calendar

Monday 21/07	NZ: CPI, Q2
Tuesday 22/07	AU: RBA Board Minutes, Jul
Wednesday 23/07	
Thursday 24/07	Global: PMIs, Jul (preliminary) ECB: Monetary policy decision AU: RBA Governor speech
Friday 25/07	JP: Tokyo CPI, Jul

The week ahead

- Minutes from the RBA Board's July meeting will be released. There will be interest in details about the 6-3 split decision of the new Monetary Policy Board to hold rates steady. The RBA Governor will also deliver a speech on Thursday.
- Elsewhere, the European Central Bank is expected to hold rates steady at its meeting this week.



Financial markets data: Week ending 18 July 2025

INTEREST RATES	CLOSE (%)	1 WEEK (BPS)		YTD (BPS)	
RBA Cash Rate	3.85	0	—	-50	▼
90-day BBSW	3.69	-4	▼	-73	▼
3-year Australian Bond Yield	3.41	-5	▼	-42	▼
10-year Australian Bond Yield	4.34	1	▲	-3	▼
20-year Australian Bond Yield	4.91	2	▲	9	▲
10-year Australian Break-Even Inflation	2.14	4	▲	-19	▼
10-year Australian Real Yield	2.20	-3	▼	17	▲
Fed Funds Rate (lower bound)	4.25	0	—	0	—
2-year US Treasury Yield	3.87	-2	▼	-37	▼
10-year US Treasury Yield	4.42	1	▲	-15	▼
30-year US Treasury Yield	4.99	4	▲	21	▲
10-year German Bund Yield	2.70	-3	▼	33	▲
NSW TCorp Bonds	Close (%)	1 Week (bps)		YTD (bps)	
4.00% 20 May 2026	3.49	-4	▼	-52	▼
3.00% 20 May 2027	3.47	-7	▼	-53	▼
3.00% 20 March 2028	3.56	-6	▼	-51	▼
3.00% 20 April 2029	3.72	-6	▼	-45	▼
3.00% 20 February 2030	3.88	-5	▼	-42	▼
2.00% 20 March 2031	4.13	-4	▼	-36	▼
1.50% 20 February 2032	4.35	-4	▼	-32	▼
2.00% 8 March 2033	4.60	-3	▼	-24	▼
1.75% 20 March 2034	4.82	-3	▼	-18	▼
4.75% 20 February 2035	4.89	-2	▼	-18	▼
4.25% 20 February 2036	5.05	-2	▼	-14	▼
4.75% 20 February 2037	5.19	-1	▼	-8	▼
5.25% 24 February 2038	5.31	-1	▼	--	--
2.75% 20 November 2025 CIB	0.96	-16	▼	-236	▼
2.50% 20 November 2035 CIB	2.70	-7	▼	-3	▼
10-year NSW TCorp Bond Yield	4.93	-2	▼	-12	▼
10-year TCV (Victoria) Spread	0.06	2	▲	-1	▼
10-year QTC (Queensland) Spread	0.07	0	▼	5	▲
Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	8,757	2.1%	▲	7.3%	▲
S&P500 (US)	6,297	0.6%	▲	7.1%	▲
FTSE 100 (UK)	8,992	0.6%	▲	10.0%	▲
DJ Stoxx600 (Europe)	547	-0.1%	▼	7.8%	▲
Nikkei 225 (Japan)	39,819	0.6%	▲	-0.2%	▼
Shanghai Composite (China)	3,534	0.7%	▲	5.5%	▲
Currencies	Close	1 Week		YTD	
AUD/USD	0.651	-1.0%	▼	5.2%	▲
EUR/USD	1.163	-0.5%	▼	12.3%	▲
USD/JPY	148.81	0.9%	▲	-5.3%	▼
GBP/USD	1.34	-0.6%	▼	7.2%	▲
US\$ Index	98.48	0.6%	▲	-9.2%	▼
Commodities	Close	1 Week		YTD	
Brent Oil (US\$/bbl)	69.28	-1.5%	▼	-7.2%	▼
Iron Ore (US\$/t)	98.37	0.6%	▲	-5.1%	▼
Coking Coal (US\$/t)	121.19	-3.8%	▼	-13.1%	▼
Gold (US\$/oz)	3,349.94	-0.2%	▼	27.6%	▲

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