

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6572	0.7%	WTI Crude Oil	79.20	\$0.00
90-day Bill	4.41	0	AUD/JPY	100.61	-1.1%	Brent Crude Oil	83.67	\$0.04
3-year Bond	4.04	-5	AUD/EUR	0.6125	0.5%	Mogas95*	97.82	-\$0.69
10-year Bond	4.42	-6	AUD/GBP	0.5241	0.6%	CRB Index	284.74	-0.70
			AUD/NZD	1.1021	0.0%	Gold	2303.62	-\$21.48
			AUD/CNY	4.7593	0.6%	Silver	26.65	-\$0.14
US			EUR/USD	1.0730	0.2%	Iron Ore (62% Fe)**	117.00	\$1.60
2-year	4.87	-10	USD/JPY	153.09	-1.8%	Iron Ore (23-24 Average)	118.95	\$0.00
10-year	4.58	-5	USD/CNY***	7.2411	0.0%	Copper	9765.50	-\$130.00
			RBA Policy			Equities		
			O/N Cash Rate Target	4.35		ASX200	7587	13
			Interbank O/N Cash Rate	4.32		Dow Jones	38226	322
Other 10-year			Probability of a 25bps Hike in May	2.6%		S&P500	5064	46
Japan	0.90	1	RBA Bond Holdings (29 Mar)	A\$335.5b		Stoxx600	503	-1
Germany	2.54	-4				CSI300***	3604	0
UK	4.29	-8						

*Mogas95 is the Singapore benchmark petrol price closely linked to Australian domestic fuel prices.

**Iron ore is the second SGX futures contract.

***No change due to a public holiday.

Wall Street rebounded last night, while US Treasuries fell further and the US dollar depreciated, as the markets continued to digest the Fed's forward guidance. Expectations for the first fed funds rate cut have moved back to November, with another cut almost fully priced in for early 2025. Investors now await the April non-farm payrolls report scheduled for tonight.

The Australian dollar appreciated against all the major currencies, except for the stronger Japanese yen. Commonwealth bond yields followed their US equivalents lower. The ASX 200 added 0.2% yesterday, with a drop in consumer staples and declines in communication services, energy, consumer discretionary and utilities more than offset by gains in other sectors. The Aussie share market opened higher this morning.

The Japanese yen saw another strong appreciation yesterday, with speculation this is the result of further foreign exchange intervention by Japanese authorities.

In commodity markets, oil prices were little changed overnight, while iron ore futures rose by 1.4%.

Data-wise, US non-farm labour productivity rose an annualised 0.3% in Q1 but was up a healthy 2.9% YoY. Coupled with solid wage growth, the slower productivity growth in the quarter translated into an 4.7% annualised surge in unit labour costs, though YoY growth was a moderate 1.8%. US initial and continued jobless claims were unchanged last week and in the week ending 20 April, respectively.

From domestic data, [dwelling approvals](#) rose a seasonally adjusted 1.9% in March, but continued to decline in trend terms, with trend growth being heavily negative for multi-dwellings. Private sector house approvals rose by 3.8% in seasonally adjusted terms and 0.6% in trend terms.

The [trade surplus](#) declined to A\$5,024m in March (the lowest level since November 2020), from the downwardly revised A\$6,591m in the previous month. The decline in the surplus was almost exclusively due to a rise in imports, with hardly any change in exports. Exports of metal ores and minerals (mainly iron ore) declined by 0.6%, reflecting a fall in iron ore prices, while volumes increased further.

ECONOMIC DATA REVIEW

- **AU:** Dwelling Approvals (MoM, Mar) – Actual 1.9%, Expected 3.4%, Previous -0.9% (revised).
- **AU:** Trade Balance (Mar) – Actual 5,024m, Expected A\$7,300m, Previous A\$6,591m (revised).
- **US:** Non-farm Productivity (QoQ, Q1) – Actual 0.3%, Expected 0.5%, Previous 3.4% (revised).
- **US:** Initial Jobless Claims (w/e 27 Mar) – Actual 208k, Expected 211k, Previous 208k (revised).

ECONOMIC DATA PREVIEW

- **AU:** Housing Finance (MoM, Mar) – Expected 1.0%, Previous 1.5%.
- **AU:** Household Spending Indicator (YoY, Mar) – Previous 3.6%.
- **US:** Non-farm Payrolls (monthly change, Apr) – Expected 240k, Previous 303k.
- **US:** Unemployment Rate (Apr) – Expected 3.8%, Previous 3.8%.

Disclaimer

Any opinions, judgments, conclusions, forecasts, predictions or estimations contained in this advice are made in reliance on information provided to Western Australian Treasury Corporation which Western Australian Treasury Corporation believes to be reliable. Western Australian Treasury Corporation, however, cannot guarantee the accuracy of that information. Thus, any recommendations are made in good faith but are provided only to assist you with any decisions which you make. These recommendations are not intended to be a substitute for professional advice on a particular matter. Before accepting or rejecting those recommendations you must discuss your particular needs and circumstances with Western Australian Treasury Corporation.