

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6519	-0.3%	WTI Crude Oil	81.72	\$0.43
90-day Bill	4.34	0	AUD/JPY	98.65	-0.4%	Brent Crude Oil	86.09	-\$0.16
3-year Bond	3.65	-4	AUD/EUR	0.6030	-0.1%	Mogas95*	103.68	\$0.30
10-year Bond	3.99	-5	AUD/GBP	0.5168	-0.2%	CRB Index	286.76	-1.05
			AUD/NZD	1.0883	0.0%	Gold	2191.30	\$11.80
			AUD/CNY	4.7164	0.0%	Silver	24.53	\$0.07
US			EUR/USD	1.0811	-0.2%	Iron Ore (62% Fe)**	102.05	-\$1.80
2-year	4.57	-2	USD/JPY	151.37	-0.1%	Iron Ore (23-24 Average)	120.09	-\$0.11
10-year	4.19	-4	USD/CNY	7.2260	0.1%	Copper	8849.50	-\$12.50
			RBA Policy			Equities		
Other 10-year			O/N Cash Rate Target	4.35		ASX200	7820	37
Japan	0.73	-2	Interbank O/N Cash Rate	4.32		Dow Jones	39760	478
Germany	2.29	-6	Probability of a 25bps Cut in May	10.4%		S&P500	5248	45
UK	3.93	-4	RBA Bond Holdings (29 Feb)	A\$335.5b		Stoxx600	512	1
						CSI300	3503	-41

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

**Iron ore is the second SGX futures contract.

Global stocks bounced back last night, taking the MSCI World Index to a fresh record high. On Wall Street, the S&P 500 also reached an all-time high, while the Dow Jones and Nasdaq closed just short. US Treasury yields declined slightly, while the US dollar appreciated.

The Japanese yen hit a 34-year low against the greenback. However, the currency stabilised after warnings from Japanese authorities, followed by talks about the JPY weakness between the Bank of Japan and the Japanese Ministry of Finance that could prompt foreign exchange intervention.

The Australian dollar weakened against all the major currencies, while Commonwealth bond yields declined more than their US equivalents, partly due to the slight downside surprise to the monthly CPI indicator. The ASX 200 gained 0.5% yesterday, with gains in all industries except for information technology and utilities, before surging 0.8% at the open this morning to also be currently sitting at a record high.

In commodity markets, oil prices were little changed, while iron ore futures fell further, to be just a touch above US\$100 a tonne. Cocoa futures reached a new record high, propped up by supply concerns due to adverse weather conditions and diseases in West Africa.

From Fedspeak, Fed Governor Christopher Waller voiced an opinion that the recent disappointing inflation data means that it is 'prudent' to hold the fed funds rate at 'its current restrictive stance perhaps longer than previously thought'. He added that there was 'no rush to cut the policy rate'.

Data-wise, the [monthly CPI indicator](#) suggested that Australian annual consumer price inflation was unchanged at 3.4% in February in headline terms. Annual trimmed mean inflation, which is the RBA's favoured measure of underlying inflation, picked up 0.1ppts to 3.9%, helped by faster growth in services and non-tradable items, particularly new dwelling prices and rents.

Today's domestic data calendar is packed and will include retail trade and private sector credit for February as well as Q1 job vacancies. The key releases offshore will be the final estimate of US Q4 GDP numbers tonight and the US personal income and outlays report for February tomorrow, which will include PCE inflation targeted by the Fed.

ECONOMIC DATA REVIEW

- **AU:** Monthly CPI Indicator (YoY, Feb) – Actual 3.4%, Expected 3.5%, Previous 3.4%.

ECONOMIC DATA PREVIEW

- **AU:** Retail Trade (MoM, Feb) – Expected 0.4%, Previous 1.1%.
- **AU:** Private Sector Credit (MoM, Feb) – Expected 0.4%, Previous 0.4%.
- **AU:** Job Vacancies (QoQ, Q1) – Previous -0.7%.
- **US:** GDP (QoQ annualised, Q4, final) – Expected 3.2%, Previous 3.2%.
- **US:** Personal Spending (MoM, Feb) – Expected 0.5%, Previous 0.2% (tomorrow).
- **US:** PCE Price Index (MoM, Feb) – Expected 0.4%, Previous 0.3% (tomorrow).

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