

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6443	-0.5%	WTI Crude Oil	85.82	\$0.28
90-day Bill	4.36	0	AUD/JPY	99.34	0.1%	Brent Crude Oil	90.10	-\$0.38
3-year Bond	3.88	7	AUD/EUR	0.6063	-0.3%	Mogas95*	107.42	\$0.43
10-year Bond	4.30	9	AUD/GBP	0.5176	-0.4%	CRB Index	298.18	0.31
			AUD/NZD	1.0910	0.1%	Gold	2384.40	\$28.01
			AUD/CNY	4.6628	-0.2%	Silver	28.92	\$0.82
US			EUR/USD	1.0628	-0.2%	Iron Ore (62% Fe)**	112.40	\$1.35
2-year	4.92	4	USD/JPY	154.18	0.5%	Iron Ore (23-24 Average)	119.11	-\$0.03
10-year	4.60	8	USD/CNY	7.2381	0.0%	Copper	9576.00	\$118.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.35		ASX200	7753	-3
			Interbank O/N Cash Rate	4.32		Dow Jones	37735	-248
Other 10-year			Probability of a 25bps Cut in May	7.8%		S&P500	5062	-62
Japan	0.86	1	RBA Bond Holdings (29 Mar)	A\$335.5b		Stoxx600	506	1
Germany	2.44	8				CSI300	3549	73
UK	4.24	10						

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

**Iron ore is the second SGX futures contract.

US stocks saw further declines and Treasury yields rose as fed funds rate cut expectations eased following a solid upside surprise to the US retail sales figures. The US dollar index reached the highest level in over five months, while the Japanese yen continued to depreciate to be the weakest since the early 1990s.

The Australian dollar depreciated against all the major currencies except for the weaker Japanese yen. The AUD/USD fell 0.5%, to reach the lowest level since mid-November 2023. Commonwealth bond yields tracked the US yields higher. The ASX 200 lost 0.5% yesterday, with a particularly strong decline in information technology, before opening lower again this morning.

US retail sales rose 0.7% in March, significantly more than the 0.4% expected by the markets, while the February increase was revised up to 0.9% from 0.6%. What is more, the retail sales control group, which excludes food, petrol, cars and building materials, and feeds into the personal consumption component of GDP, saw a relatively strong increase of 1.1%, the most since January 2023, with an upward revision for the previous month to 0.3% from 0.0%.

Speaking overnight, New York Fed President John Williams said that he did not see the recent inflation data as a 'turning point' and stressed that he still expects fed funds rate cuts to begin this year.

Concerns over escalation of the conflict between Iran and Israel continue, despite Iran stressing that their missile and drone attack on Israel is over. Israel's military Chief of Staff Herzi Halevi said that his country will respond to the attack, but the scale and timing of this response is uncertain.

The ongoing geopolitical concerns saw the gold price rise to yet another record high, but Brent futures declined by 0.4%. Iron ore futures rose 1.2%, while copper futures picked up by 1.3%.

From local data, the ANZ Roy Morgan consumer confidence index rose 2.0% last week, but remained depressed, while consumer inflation expectations ebbed 0.1ppts to the still high 5.1%.

ECONOMIC DATA REVIEW

- **AU:** ANZ Roy Morgan Consumer Confidence (w/e 13 Mar) – Actual 2.0%, Previous -1.1%.
- **US:** Retail Sales (MoM, Mar) – Actual 0.7%, Expected 0.4%, Previous 0.9% (revised).

ECONOMIC DATA PREVIEW

- **CH:** GDP (YoY, Q1) – Expected 5.0%, Previous 5.2%.
- **CH:** Retail Sales (YoY, Mar) – Expected 4.8%, Previous 5.5% (Jan-Feb).
- **CH:** Industrial Production (YoY, Mar) – Expected 6.0%, Previous 7.0% (Jan-Feb).
- **CH:** Urban Fixed Asset Investment (YoY Ytd, Mar) – Expected 4.0%, Previous 4.2%.
- **UK:** Unemployment Rate (Feb) – Expected 4.0%, Previous 3.9%.
- **US:** Industrial Production (MoM, Mar) – Expected 0.4%, Previous 0.1%.

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