

Interest Rates (%)			FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.6422	-0.3%	WTI Crude Oil	82.52	-\$0.18
90-day Bill	4.36	0	AUD/JPY	99.27	-0.1%	Brent Crude Oil	87.11	-\$0.25
3-year Bond	3.89	-2	AUD/EUR	0.6033	0.0%	Mogas95*	104.77	\$0.35
10-year Bond	4.33	0	AUD/GBP	0.5165	-0.1%	CRB Index	295.60	1.16
			AUD/NZD	1.0882	-0.1%	Gold	2380.61	\$12.09
			AUD/CNY	4.6469	-0.3%	Silver	28.23	-\$0.02
US			EUR/USD	1.0642	-0.2%	Iron Ore (62% Fe)**	114.60	-\$2.05
2-year	4.99	5	USD/JPY	154.59	0.2%	Iron Ore (23-24 Average)	119.05	-\$0.02
10-year	4.63	4	USD/CNY	7.2387	0.0%	Copper	9734.50	\$152.00
			RBA Policy			Equities		
			O/N Cash Rate Target	4.35		ASX200	7642	-1
			Interbank O/N Cash Rate	4.32		Dow Jones	37775	22
Other 10-year			Probability of a 25bps Cut in May	5.2%		S&P500	5011	-11
Japan	0.87	-2	RBA Bond Holdings (29 Mar)	A\$335.5b		Stoxx600	500	1
Germany	2.50	3				CSI300	3570	4
UK	4.27	1						

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

**Iron ore is the second SGX futures contract.

It was a calm night in the global financial markets, with global stock market gauge the MSCI World Index being virtually flat. In the US, the Dow Jones closed 0.1% higher, but the S&P 500 declined 0.2% and the Nasdaq fell 0.6%. Declines in the S&P 500 and Nasdaq were led by information technology and consumer discretionary. US Treasury yields rose across the yield curve, while the US dollar appreciated.

The Australian dollar depreciated again, but the AUD/USD remains 0.3% above Tuesday's lows. Commonwealth bond yields declined at the front end of the yield curve, despite the March labour force survey seeing a smaller-than-expected rise in the Aussie unemployment rate. The ASX 200 closed 0.5% higher yesterday, with gains in all industries except for health care, communication services and energy.

Speaking last night, New York Fed President John Williams did not rule out a fed funds rate hike if needed, but stressed it was not his baseline scenario. His Atlanta Fed counterpart Raphael Bostic said he was 'comfortable being patient' about rate cuts, which – in his opinion – should not start until toward the end of this year. However, he also said he needs to be 'open to increasing rates' if inflation starts moving higher again. Minneapolis Fed President Neel Kashkari also judged that the FOMC could 'potentially' keep rates unchanged until the end of 2024. Cleveland Fed President Loretta Mester stressed that 'we need to be watching and gathering more information before we take action'.

Data-wise, US initial jobless claims were unchanged at a moderate 212k last week and continued claims were also flat at around 1.8m in the week ending 5 April.

The annual rate of Japanese CPI inflation declined 0.1ppts to 2.7% in March, while the so-called 'core-core' inflation, which excludes fresh food and energy, fell 0.2ppts to 2.9%.

From the local data, Aussie employment declined by 6.6k in March, against market expectations of a 10.0k gain. The February surge was revised up to 117.6k from the initially estimated 116.5k. The unemployment rate picked up by 0.1ppts to 3.8% (mkt exp. 3.9%).

The month-to-month analysis of labour market data remains challenging due to changes in seasonal patterns following COVID-19, which are not fully captured by the current seasonal adjustment method. Looking through the monthly volatility, employment continued to climb in trend terms, at quite a solid pace of 28.5k. The trend unemployment rate was unchanged at 3.9% for the fifth straight month.

ECONOMIC DATA REVIEW

- **AU:** Employment (monthly change, Mar) – Actual -6.6k, Expected 10.0k, Previous 117.6k (revised).
- **AU:** Unemployment Rate (Mar) – Actual 3.8%, Expected 3.9%, Previous 3.7%.
- **JP:** CPI (YoY, Mar) – Actual 2.7%, Expected 2.8%, Previous 2.8%.
- **US:** Initial Jobless Claims (w/e 13 Apr) – Actual 212k, Expected 215k, Previous 212k (revised).

ECONOMIC DATA PREVIEW

No market-moving data.

Disclaimer

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