Market Daily Update

21 APRIL 2026

Interest Rates		
Australia		Δ bp
90-day Bill	4.34	1
3-year Bond	4.58	-2
10-year Bond	4.93	-1
US		
2-year	3.72	-1
10-year	4.25	-2
Other 10-year		
Japan	2.39	-2
Germany	2.98	2
UK	4.83	7

FX		
AUD/USD	0.7171	0.3%
AUD/JPY	113.99	0.3%
AUD/EUR	0.6086	0.1%
AUD/GBP	0.5302	0.1%
AUD/NZD	1.2133	-0.2%
AUD/CNY	4.8918	0.0%
EUR/USD	1.1782	0.2%
USD/JPY	158.96	-0.1%
USD/CNY	6.8173	0.0%

RBA Policy	
O/N Cash Rate Target	4.10
Interbank O/N Cash Rate	4.10
Probability of a 25bps Hike in May	71.5%
RBA Bond Holdings (31 Mar)	A$250.0b

Commodities		
WTI Crude Oil	88.07	-$1.96
Brent Crude Oil	94.77	-$1.26
Mogas95*	115.09	-$5.43
CRB Index	369.25	6.47
Gold	4818.47	$53.07
Silver	79.59	$0.14
Iron Ore (61% Fe)**	106.60	$1.85
Iron Ore (25-26 Average)	103.42	$0.02
Copper	13275.00	-$72.00

Equities		
ASX200	8936	20
Dow Jones	49443	-5
S&P500	7109	-17
Stoxx600	621	-5
CSI300	4757	29

*Mogas95 is the Singapore benchmark petrol price closely linked to Australian domestic fuel prices.
**Iron ore is the second SGX futures contract.

Global stocks started the trading week on the back foot, affected by renewed concerns over the outlook for the conflict in the Middle East.

After a US navy attack on an Iranian cargo vessel, Iranian officials have signalled that they might not turn up at talks with the US in the Pakistani capital Islamabad, on Wednesday. The US President Donald Trump said that it was unlikely that the ceasefire with Iran would be extended beyond the deadline on Thursday morning (AWST). The Strait of Hormuz remains largely closed, with only four vessels crossing it on Sunday and Monday according to Bloomberg data.

However, there was a very similar pattern ahead of negotiations a fortnight ago, which ended with a de-escalation of the conflict. It cannot be ruled out that the ceasefire will be eventually extended. Given this, the market reaction to the above was quite measured.

The S&P 500 eased by 0.2% from its record high, but losses were more decisive during the European session, with the Stoxx600 down by 0.8% and the FTSE declining by 0.6%. The Asia-Pacific bourses mostly closed in black yesterday.

The ASX 200 managed to make up for its early losses during yesterday's trading session and eventually close 0.1% higher. There were solid gains in consumer staples and discretionary items, despite a Fair Work Commission ruling ordering fortnightly reviews of fuel costs for truck drivers outsourced by the major retailers and other large companies in Australia. The Aussie share market opened again higher this morning.

The Australian dollar appreciated against all the major currencies, as fossil fuel prices are higher than they were late last week, while cash rate hike expectations have re-intensified a little. That said, market participants continue to price in a May rate hike with around a 70% probability and expect a total of around 50bps of tightening in the remainder of this year. Commonwealth bond yields have declined slightly since yesterday morning.

ANZ Roy Morgan consumer sentiment ebbed by 0.3% to 64.3 last week, which is somewhat above the record low recorded in late March, but still very depressed. Inflation expectations bounced back to 7.1%, just 0.2ppts below the record high from a month ago.

The Commonwealth Bank published its weekly household spending data this morning, for the week ending 11 April, which pointed to a relatively strong decline in discretionary spending during the Easter season, particularly on travel and eating out. This did not apply to Western Australia, which was the only jurisdiction that saw a gain.

From other news, the People's Bank of China announced that the five-year loan prime rate, which is a benchmark for new mortgage rates in the country, will stay unchanged at 3.50%. The one-year loan prime rate, a benchmark for corporate and personal loans, was also kept steady at 3.00%.

Economic Data Review

- **AU:** ANZ Roy Morgan Consumer Sentiment (w/e 18 Apr) – Actual 64.3, Previous 64.5.

Economic Data Preview

- **US:** Retail Sales (MoM, Mar) – Expected 1.2%, Previous 0.6%.