

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7176	0.1%	WTI Crude Oil	93.18	\$1.96
90-day Bill	4.45	0	AUD/JPY	114.27	0.3%	Brent Crude Oil	99.17	\$1.56
3-year Bond	4.56	2	AUD/EUR	0.6166	0.1%	Mogas95*	118.92	-\$1.45
10-year Bond	4.91	1	AUD/GBP	0.5334	0.4%	CRB Index	388.33	-4.34
			AUD/NZD	1.2274	0.3%	Gold	4519.52	-\$28.90
			AUD/CNY	4.8643	-0.1%	Silver	77.43	-\$0.10
US			EUR/USD	1.1638	0.0%	Iron Ore (61% Fe)**	105.15	-\$1.30
2-year	4.03	-3	USD/JPY	159.23	0.2%	Iron Ore (25-26 Average)	103.93	\$0.01
10-year	4.48	-2	USD/CNY	6.7861	0.0%	Copper	13623.50	-\$44.00
			RBA Policy			Equities		
Other 10-year			O/N Cash Rate Target	4.35		ASX200	8648	-2
Japan	2.74	3	Interbank O/N Cash Rate	4.35		Dow Jones	50462	-118
Germany	2.98	3	Probability of a 25bps Hike in Jun	4.3%		S&P500	7519	46
UK	4.88	-2	RBA Bond Holdings (30 Apr)	A\$230.3b		Stoxx600	628	-4
						CSI300	4948	26

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

**Iron ore is the second SGX futures contract.

The S&P 500 and Nasdaq started their trading week with fresh record highs, but this was largely catching up to other stock markets after a long weekend, with performance mixed across sectors.

Outside of the US and UK, which were also on a bank holiday, stock markets generally closed in red on Monday, amid fresh concerns over the sustainability of the fragile ceasefire after the US launched attacks in the vicinity of the Strait of Hormuz.

Concerns over the situation in the Middle East also resulted in oil prices bouncing from multiweek lows, though Brent futures remain marginally below US\$100 at the time of writing. US and UK government bond yields fell, catching up to their global equivalents, but there were increases elsewhere.

Despite mixed global market sentiment, the Australian dollar managed to appreciate against all the major currencies, but the AUD/USD remains 1.1% off its multiyear high from mid-May. Commonwealth bond yields rose slightly across the yield curve ahead of the publication of the April CPI later today. The ASX 200 closed 0.3% lower yesterday, with losses in all sectors except for materials, but opened in black this morning.

From economic data released overnight, the US Conference Board consumer confidence index unexpectedly picked up by 0.3% in May, but remained bleak at 93.1 index points, where 100 indicates the level in 1985. The improvement was caused solely by slightly better, but still depressed, expectations, while the assessment of the present situation deteriorated by 2.6% to a three-month low of 121.2.

The details of the Conference Board report suggested that labour market conditions eased a little, with the difference between the assessment that jobs are 'plentiful' and that they are 'hard to get' narrowing, but remaining positive. Inflation expectations remained at 6.2%, the same as in the previous two months, but 0.7ppts higher than in February.

From more dated releases, the Case-Shiller house price index for 20 major US cities saw the second consecutive monthly decline in March, of 0.2%. US house prices were up just 0.8% through the year.

Economic Data Review

- **US:** Conference Board Consumer Confidence (May) – Actual 93.1, Expected 92.0, Expected 92.8.
- **US:** Case-Shiller House Price Index 20 Cities (MoM, Mar) – Actual -0.2%, Expected -0.1%, Previous -0.1%.

Economic Data Preview

- **AU:** CPI (YoY, Apr) – Expected 4.4%, Previous 4.6%.
- **AU:** Construction Work Done (QoQ, Q1) – Expected 0.8%, Previous -0.1%.
- **AU:** Public Appearance by RBA Monetary Policy Board Member Carolyn Hewson.
- **NZ:** RBNZ Decision (Official Cash Rate) – Expected 2.25%, Previous 2.25%.