

Interest Rates (%)			FX			Commodities US\$		
<b>Australia</b>		$\Delta$ bp	AUD/USD	0.6441	0.4%	WTI Crude Oil	82.77	-\$2.68
90-day Bill	4.36	0	AUD/JPY	99.37	0.2%	Brent Crude Oil	87.29	-\$2.82
3-year Bond	3.91	-3	AUD/EUR	0.6036	0.0%	Mogas95*	104.54	-\$2.43
10-year Bond	4.33	-6	AUD/GBP	0.5171	0.2%	CRB Index	294.44	-2.40
			AUD/NZD	1.0887	0.1%	Gold	2366.33	-\$15.47
			AUD/CNY	4.6591	0.4%	Silver	28.22	\$0.07
<b>US</b>			EUR/USD	1.0670	0.5%	Iron Ore (62% Fe)**	116.50	\$5.40
2-year	4.93	-5	USD/JPY	154.28	-0.2%	Iron Ore (23-24 Average)	119.07	-\$0.02
10-year	4.59	-9	USD/CNY	7.2386	0.0%	Copper	9582.50	\$114.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.35		ASX200	7606	4
			Interbank O/N Cash Rate	4.32		Dow Jones	37753	-46
<b>Other 10-year</b>			Probability of a 25bps Cut in May	7.8%		S&P500	5022	-29
Japan	0.88	1	RBA Bond Holdings (29 Mar)	A\$335.5b		Stoxx600	499	0
Germany	2.47	-2				CSI300	3565	54
UK	4.26	-4						

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

\*\*Iron ore is the second SGX futures contract.

Wall Street saw further declines last night, as concerns that sticky inflation will delay Fed rate cuts continued to weigh on sentiment. Declines were led by information technology, while some sectors, particularly utilities, saw solid gains. US Treasury yields declined, however, while the US dollar depreciated somewhat.

The Australian dollar appreciated against all the major currencies except for the euro. However, the AUD/USD remained markedly below US\$0.65. Commonwealth bond yields declined in line with their US equivalents. The ASX 200 closed 0.1% lower yesterday, as solid gains in utilities, consumer discretionary and information technology shares were offset by losses energy, health and materials. The Aussie stock market opened higher this morning.

Last night saw publication of the Fed's Beige Book, which gathers anecdotal information on economic conditions across the Fed districts. The document cited further slight expansion of US economic activity since late February, though weakness in discretionary spending due to high prices was reported for several districts. Employment saw slow to modest gains in most districts but stagnated in some parts of the US. Prices continued to rise at a moderate pace, broadly the same as earlier in the year.

The only data release of note was the UK CPI, which increased by 0.6% in March, somewhat more than the 0.4% expected by the markets. The annual rate of consumer price inflation declined 0.2ppts to 3.2%, which is the lowest level since September 2021, but annual services price inflation remained elevated at 6.0%.

In commodity markets, oil prices dropped by around 3% as concerns over an escalation in the conflict between Israel and Iran faded in to the background amid news US oil inventories hit the highest level since June. Easing geopolitical concerns led to a slight decline in the gold price, which however remains only 0.7% off its record high from Monday. Iron ore futures rose by 4.5%, despite US President Joe Biden hinting that US tariffs on Chinese steel will triple.

Today will see the results of the Aussie labour force survey for March, with a slight 10.0k increase in employment pencilled in by the consensus, following the huge 116.5k jump in February. The unemployment rate is expected to increase 0.2ppts to 3.9%. It will be a quiet day offshore, with US initial jobless claims and existing home sales being the only data releases of any interest.

#### ECONOMIC DATA REVIEW

- **UK:** CPI (MoM, Mar) – Actual 0.6%, Expected 0.4%, Previous 0.6%.

#### ECONOMIC DATA PREVIEW

- **AU:** Employment (monthly change, Mar) – Expected 10.0k, Previous 116.5k.
- **AU:** Unemployment Rate (Mar) – Expected 3.9%, Previous 3.7%.
- **US:** Initial Jobless Claims (w/e 13 Apr) – Expected 215k, Previous 211k.

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