

Interest Rates (%)			FX			Commodities US\$				
Australia	Δ bp		AUD/USD	0.6382	0.3%	WTI Crude Oil	63.15	\$0.85		
		90-day Bill	3.90	-2	AUD/JPY	91.64	0.6%	Brent Crude Oil	66.97	\$0.80
		3-year Bond	3.30	-7	AUD/EUR	0.5617	0.1%	Mogas95*	77.67	\$1.60
		10-year Bond	4.18	-10	AUD/GBP	0.4800	0.1%	CRB Index	298.46	2.84
				AUD/NZD	1.0721	0.3%	Gold	3310.83	-\$26.46	
				AUD/CNY	4.6657	0.6%	Silver	32.93	-\$0.72	
US			EUR/USD	1.1360	0.2%	Iron Ore (62% Fe)**	98.20	-\$2.05		
		2-year	3.76	-9	USD/JPY	143.58	0.3%	Iron Ore (24-25 Average)	101.69	-\$0.04
		10-year	4.24	-12	USD/CNY	7.2867	0.0%	Copper	9374.00	-\$8.50
		RBA Policy			Equities					
Other 10-year			O/N Cash Rate Target		4.10	ASX200	8046	92		
			Interbank O/N Cash Rate		4.09	Dow Jones	40114	507		
			Probability of a 50bps Cut in May		59.2%	S&P500	5525	149		
			RBA Bond Holdings (31 Mar)		A\$297.4b	Stoxx600	520	4		
						CSI300	3787	0		

\*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 gains over the long weekend, still supported by hopes that US-China trade tariffs could eventually be lowered to less extreme levels. The S&P rose by 2.0% on Thursday and 0.7% on Friday, and US Treasury yields fell.

Equities rose across Europe and most of the Asia-Pacific on Friday, while the Aussie market was closed for ANZAC day after closing 0.7% higher on Thursday, surpassing the levels from just before the President Trump's announcement of 'reciprocal' tariffs on 2 April.

The Australian dollar appreciated against all the major currencies, and Commonwealth bond yields followed US yields lower.

In commodity markets, iron ore futures slid back below US\$100 a tonne amid conflicting messages about US-China trade talks, while the Chinese Politburo announcement following its Friday meeting lacked specific details on stimulus. However, the news was sufficiently promising to support oil prices, while the gold price eased but remains only around 5% off its record high from last week.

Data-wise, the final University of Michigan's consumer confidence index for April picked up 1.4pts from the initial estimate to 52.2, although this remains very low. One-year consumer inflation expectations rose to 6.5% this month, which is slightly lower than the originally estimated 6.7%, but still the highest since late 1981. The estimate for five- to ten-year inflation expectations was unchanged at a three-decade high of 4.4%.

At the same time, US durable goods orders surged by 9.2% in March, supported by the choppy aircraft orders. Durable goods orders excluding transportation were flat in March, while core capital goods orders (non-defence excluding aircraft) ticked up by just 0.1% after declining by 0.3% in the previous month.

The Chicago Fed national activity index, which is a weighted average of 85 US economic indicators, declined to -0.03 in March, with the three-month moving average declining to -0.01 from 0.12 in February, indicating that activity growth is slightly slower than average. Negative contributions from production, inventories, and labour market were partly offset by increased personal consumption ahead of the tariffs.

US weekly initial jobless claims picked up to a still-low 222k in the week ending 19 April, following a decline in continued claims to a two-month low of 1,841k the week before.

The key domestic highlight [this week](#) will be the Q1 CPI on Wednesday. The CoreLogic home value index for April and the March trade balance are due Thursday, followed by Q1 retail sales volumes on Friday. Key releases offshore will be the first estimate of US Q1 GDP and the US employment data for April, the Chinese and US PMIs for April, as well as the report on US personal income and outlays for March, which will contain PCE [rice inflation targeted by the Fed].

## Economic Data Review

- **US:** Durable Goods Orders (MoM, Mar) – Actual 9.2%, Expected 2.0%, Previous 0.9% (revised).
- **US:** Initial Jobless Claims (w/e 19 Apr) – Actual 222k, Expected 222k, Previous 216k (revised).

## Economic Data Preview

- **US:** S&P CoreLogic 20-City House Price Index (MoM, Feb) – Expected 0.4%, Previous 0.5%.