

Interest Rates (%)			FX			Commodities US\$		
<b>Australia</b>		<b>Δ bp</b>	AUD/USD	0.6441	0.4%	WTI Crude Oil	83.02	\$0.50
90-day Bill	4.37	0	AUD/JPY	99.62	0.5%	Brent Crude Oil	86.78	-\$0.11
3-year Bond	3.90	1	AUD/EUR	0.6041	0.2%	Mogas95*	104.06	-\$0.72
10-year Bond	4.34	1	AUD/GBP	0.5203	0.8%	CRB Index	298.15	2.55
			AUD/NZD	1.0901	0.2%	Gold	2383.65	\$8.14
			AUD/CNY	4.6455	0.0%	Silver	28.50	\$0.34
<b>US</b>			EUR/USD	1.0662	0.2%	Iron Ore (62% Fe)**	115.00	\$0.35
2-year	5.00	3	USD/JPY	154.66	0.1%	Iron Ore (23-24 Average)	119.05	\$0.00
10-year	4.65	3	USD/CNY	7.2393	0.0%	Copper	9876.00	\$141.50
			<b>RBA Policy</b>			<b>Equities</b>		
			O/N Cash Rate Target	4.35		ASX200	7670	104
			Interbank O/N Cash Rate	4.32		Dow Jones	37986	211
<b>Other 10-year</b>			Probability of a 25bps Cut in May	7.8%		S&P500	4967	-44
Japan	0.86	-1	RBA Bond Holdings (29 Mar)	A\$335.5b		Stoxx600	499	0
Germany	2.50	0				CSI300	3542	-28
UK	4.23	-4						

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

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

US equity markets were mixed on Friday, with the ongoing sell-off in the stocks of tech giants dragging the S&P 500 and Nasdaq lower, while the Dow Jones, which is less driven by the tech sector, managed to close in black.

Press reports of explosions in central Iran triggered a panicked sell-off during the Asia-Pacific session, but geopolitical concerns eased during the European session, as Iran downplayed the situation and Israeli military forces did not comment on the incident.

US Treasury yields plunged in reaction to the initial press reports on the events in the Middle East but rose again during the trading day. This increase was helped by comments from normally dovish Chicago Fed Chair Austan Goolsbee, who acknowledged on Friday night that 'the progress on inflation has stalled' and so 'it makes sense to wait and get more clarity before moving' to cut interest rates. The US dollar spiked on Friday amid news of the attack on Iran but depreciated later in the session.

The Australian dollar was smashed when the Middle-eastern news broke which, coupled with the greenback's spike, took the AUD/USD to a five-month low. However, the improvement in global market sentiment later on Friday helped the Australian dollar recover, with the AUD higher against most of the major currencies at the time of writing.

Commonwealth bond yields dropped in concert with their US equivalents on Friday but, thanks to the turnaround over the weekend, are still slightly below the levels from the previous edition of the Daily Report. The disruptions in fixed income markets shifted RBA cash rate cut expectations back to December, from March 2025 before the reports on explosions in the Middle East, but they are already back on a decline this morning.

Similarly to other Asian-Pacific bourses, the Australian stock exchange saw a sell-off on Friday, closing 1.0% lower. The losses were broad-based, with only the energy sector closing flat amid a rise in global oil prices. The Aussie stock market bounced 1.3% at the open this morning.

Brent futures surged after the press reports from the Middle East, rising temporarily above US\$90 a barrel. However, they have since declined to be just a little above Friday morning's levels. The gold price reached a new record high, rising above US\$2,400, before falling back. Iron ore futures rose by 1.1%.

The most important domestic release [this week](#) will be the Q1 CPI report on Wednesday. The Q1 international price indices and PPI will come out on Friday, preceded by the Judo Bank flash PMIs for March tomorrow. Key releases offshore include the S&P Global flash PMIs tomorrow, US Q1 GDP on Thursday and the US March personal income and outlays report on Friday, which will include PCE price inflation targeted by the Fed. The People's Bank of China and Bank of Japan will announce monetary policy decisions, today and on Friday, respectively.

## ECONOMIC DATA REVIEW

No market-moving data.

## ECONOMIC DATA PREVIEW

- **CH:** PBoC Decision (One-year Loan Prime Rate) – Expected 3.45%, Previous 3.45%.

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