

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7187	0.0%	WTI Crude Oil	99.24	\$2.60
90-day Bill	4.39	2	AUD/JPY	114.68	0.1%	Brent Crude Oil	110.93	\$2.70
3-year Bond	4.79	8	AUD/EUR	0.6134	0.0%	Mogas95*	127.99	\$1.36
10-year Bond	5.07	4	AUD/GBP	0.5314	0.0%	CRB Index	385.62	4.42
			AUD/NZD	1.2205	0.4%	Gold	4601.68	-\$91.17
			AUD/CNY	4.9118	0.1%	Silver	73.20	-\$2.73
US			EUR/USD	1.1716	0.0%	Iron Ore (61% Fe)**	106.35	-\$0.50
2-year	3.84	4	USD/JPY	159.57	0.1%	Iron Ore (25-26 Average)	103.51	\$0.01
10-year	4.35	1	USD/CNY	6.8376	0.2%	Copper	13036.50	-\$176.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.10		ASX200	8671	-26
			Interbank O/N Cash Rate	4.10		Dow Jones	49142	-26
Other 10-year			Probability of a 25bps Hike in May	83.5%		S&P500	7139	-35
Japan	2.48	-1	RBA Bond Holdings (31 Mar)	A\$250.0b		Stoxx600	607	-2
Germany	3.07	3				CSI300	4758	-13
UK	5.01	3						

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

**Iron ore is the second SGX futures contract.

The global market sentiment turned slightly sour again overnight, as investors were spooked by a further rise in oil prices. The S&P 500 ebbed by 0.5%, with information technology being the weakest sector after a newspaper report that OpenAI had missed its revenue and user targets. The declines on Wall Street followed losses in continental Europe and across the Asia-Pacific region.

Brent hit a near one-month high of US\$112 a barrel last night, while WTI futures briefly surpassed US\$100 a barrel. The decision of the United Arab Emirates to leave OPEC, effective from Friday, resulted only in a marginal retreat in oil prices, despite the country being OPEC's third largest oil producer before the US-Iranian war. The United Arab Emirates' decision is conducive to higher oil supply after the situation in global markets normalises when the blockade of the Strait of Hormuz ends.

Concerns over the impact of a rise in energy prices on inflation and central bank tightening drove government bond yields higher across the major advanced economies outside of Japan.

The Bank of Japan kept its policy rate at 0.75% yesterday, as expected, but the decision was made by a 6-3 vote, with some of the Board members preferring a 25bps hike to 1.00%. The BoJ revised its inflation forecast upwards, particularly for the 2026 fiscal year (ending in March 2027). The Japanese yen depreciated slightly, while Japanese government bond yields also declined a little.

The Australian dollar is little changed against the major currencies, with a slight appreciation against the weaker JPY. Commonwealth bond yields rose more than their global equivalents ahead of the March CPI release, scheduled for later this morning. The ASX 200 lost 0.6% yesterday, with energy and financials being the only sectors that saw some gains. The Aussie share market opened in red this morning.

From the data released overnight, the US Conference Board consumer confidence index saw a surprising gain of 0.7% in April, but remained depressed at 92.8 points. The rise was exclusively due to an improvement in expectations, while the assessment of the present situation saw a slight decline. The difference between 'jobs plentiful' and 'jobs hard to get' increased to the highest level this year so far, but is still somewhat smaller than recorded on average in 2025.

From more dated releases, the Case-Shiller house price index for the 20 major US cities saw the first decline since mid-2025 in February, but remained 0.9% up through the year.

Economic Data Review

- **US:** Conference Board Consumer Confidence (Apr) – Actual 92.8, Expected 89.0, Previous 92.2 (revised).
- **US:** Case-Shiller House Price Index 20 Cities (MoM, Feb) – Actual -0.1%, Expected 0.2%, Previous 0.2%.

Economic Data Preview

- **AU:** CPI (YoY, Mar) – Expected 4.8%, Previous 3.7%.
- **CA:** Bank of Canada Decision (Policy Rate) – Expected 2.25%, Previous 2.25%.
- **US:** FOMC Decision (IoER) – Expected 3.60%, Previous 3.60%.
- **US:** Goods Trade Balance (Mar, adv.) – Expected -US\$88.0b, Previous -US\$98.5b.