

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7157	-0.2%	WTI Crude Oil	90.64	\$2.57
90-day Bill	4.34	0	AUD/JPY	114.04	0.0%	Brent Crude Oil	98.48	\$3.71
3-year Bond	4.61	3	AUD/EUR	0.6094	0.1%	Mogas95*	121.26	\$6.17
10-year Bond	4.94	2	AUD/GBP	0.5297	-0.1%	CRB Index	371.79	2.54
			AUD/NZD	1.2131	0.0%	Gold	4744.72	-\$73.75
			AUD/CNY	4.8827	-0.2%	Silver	77.44	-\$2.16
US			EUR/USD	1.1745	-0.3%	Iron Ore (61% Fe)**	106.70	\$0.10
2-year	3.78	5	USD/JPY	159.34	0.2%	Iron Ore (25-26 Average)	103.44	\$0.02
10-year	4.29	4	USD/CNY	6.8265	0.1%	Copper	13230.50	-\$44.50
			RBA Policy			Equities		
			O/N Cash Rate Target	4.10		ASX200	8890	-46
			Interbank O/N Cash Rate	4.10		Dow Jones	49149	-293
Other 10-year			Probability of a 25bps Hike in May	73.9%		S&P500	7064	-45
Japan	2.40	2	RBA Bond Holdings (31 Mar)	A\$250.0b		Stoxx600	616	-5
Germany	3.00	2				CSI300	4768	11
UK	4.88	5						

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

**Iron ore is the second SGX futures contract.

Global market sentiment turned a bit sour overnight, while oil prices rose, as none of the key US or Iranian negotiators appeared for peace talks in Pakistan. The S&P 500 declined by 0.6%, following a 0.9% decline in the European Stoxx 600. Government bond yields increased a bit on renewed inflation concerns, while the US dollar resumed appreciating.

Following the US market close, US President Donald Trump announced on social media that he would extend the ceasefire, while continuing the naval blockade of Iran, until the Iranian side comes up with a unified peace proposal. This means that, while there are no further military operations, at least for now, disruptions to the global supply of oil and other commodities will remain.

According to Bloomberg data, only two vessels have managed to cross the Strait of Hormuz overnight. At the same time, the US blockade reportedly forced two more vessels back to Iran, taking the total number to 27 ships.

At the time of writing, Brent futures are trading around US\$98 a barrel, or 3.9% higher than yesterday morning, having briefly exceeded US\$100 a barrel before 4am AWST. WTI futures picked up by 2.7% and are just below US\$90 a barrel this morning.

The Australian dollar depreciated against the stronger greenback and British pound, but held steady against the Japanese yen and was slightly higher against the euro. Commonwealth bond yields rose slightly less than their US equivalents. The ASX 200 opened lower this morning, after closing nearly flat yesterday despite a quite positive start.

Data-wise, US retail sales rose by 1.7% in nominal terms in March, with over half of the increase coming from petrol stations amid a surge in fuel prices. However, even excluding this category, retail sales picked up by a quite solid 0.6%, roughly the same as in the previous month.

US retail sales control group, which excludes food services, car dealers, building materials and petrol stations, and is a good indicator of personal consumption expenditures, also saw a decent 0.7% gain.

Domestically, the ABS has published the government finance statistics for 2024-25, which encompass all levels of the Australian government. According to the release, the consolidated general government operating balance declined to -\$8.2b, from A\$18.4b in the previous financial year, while the consolidated general government net debt reached 34.4% of GDP, which compares with the average of 79.7% of GDP for the advanced economies, as estimated by the IMF for 2025.

Economic Data Review

- **US:** Retail Sales (MoM, Mar) – Actual 1.7%, Expected 1.2%, Previous 0.7% (revised).

Economic Data Preview

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