

Interest Rates			FX			Commodities		
Australia		Δ bp	AUD/USD	0.7093	0.9%	WTI Crude Oil	96.62	-\$7.69
90-day Bill	4.34	0	AUD/JPY	112.93	0.6%	Brent Crude Oil	97.31	-\$5.67
3-year Bond	4.63	-10	AUD/EUR	0.6029	0.2%	Mogas95*	122.49	-\$5.84
10-year Bond	4.95	-9	AUD/GBP	0.5249	0.0%	CRB Index	374.60	5.30
			AUD/NZD	1.2089	0.0%	Gold	4766.68	\$91.85
			AUD/CNY	4.8492	0.3%	Silver	75.93	\$2.06
US			EUR/USD	1.1765	0.7%	Iron Ore (61% Fe)**	104.35	\$0.10
2-year	3.77	-7	USD/JPY	159.22	-0.3%	Iron Ore (25-26 Average)	103.36	\$0.01
10-year	4.29	-7	USD/CNY	6.8302	0.0%	Copper	13053.50	\$208.00
			RBA Policy			Equities		
			O/N Cash Rate Target	4.10		ASX200	8990	84
			Interbank O/N Cash Rate	4.10		Dow Jones	48218	302
Other 10-year			Probability of a 25bps Hike in May	66.8%		S&P500	6886	69
Japan	2.45	-4	RBA Bond Holdings (31 Mar)	A\$250.0b		Stoxx600	614	-1
Germany	3.09	3				CSI300	4646	10
UK	4.87	3						

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

**Iron ore is the second SGX futures contract.

Financial markets continued to be pushed around by developments surrounding the Middle East war yesterday. Equities rose in the US after declines in European and Asia-Pacific markets. US Treasury yields fell, the Aussie dollar climbed against all the major currencies, while the US dollar index fell to the lowest levels since early March. Oil futures prices retreated.

Wall Street initially opened lower amid news of the failed US-Iran peace talks on the weekend and the US naval blockade of Iranian ports. Shares climbed later in the session amid reports the US and Iran are in discussions about entering another round of talks.

The Aussie equity market lost 0.4% yesterday, before opening higher today. Commonwealth bond yields opened lower this morning following the decline in US Treasury yields overnight. The Aussie dollar has risen to its highest levels against the US dollar and Japanese yen in almost four weeks.

Brent crude futures peaked at US\$103.87 a barrel early yesterday but have since slipped back on renewed hopes for another round of peace talks. However, the ongoing disruption to supplies saw the Brent crude price for immediate delivery climb over 5% to US\$132.45.

OPEC data showed that the group's crude oil output plunged almost 8 million barrels per day (bpd) in March due to the conflict; equivalent to around 7% of global output in February. A major oil trader estimates that around 3 million bpd of Persian Gulf refining capacity is either not operational or operating below potential. Another 2-3 million bpd of Asian refining capacity is estimated to have been impacted due to a lack of crude oil supply.

Chinese credit data for March showed annual credit growth fell to the lowest level since late 2024. The slowdown was driven by weakness in household and business credit demand, and lower government bond issuance compared to March 2025.

US existing home sales fell 3.6% to a nine-month low in March, with rising mortgage rates a major headwind. The US market is dominated by 30-year fixed-rate mortgages, with borrowing costs dragged higher by the strong rise in Treasury yields during the month.

Economic Data Review

- **US:** Existing Home Sales (MoM, Mar) – Actual -3.6%, Expected -0.8%, Previous 2.7% (revised).

Economic Data Preview

- **AU:** Westpac-Melbourne Institute Consumer Sentiment (MoM, Apr) – Previous 1.2%.
- **AU:** NAB Business Conditions Index (Mar) – Previous 7.
- **AU:** NAB Business Confidence Index (Mar) – Previous -1.
- **CH:** Trade Balance (Mar) – Expected US\$107.5b, Previous US\$91.0b.
- **US:** Producer Price Index (MoM, Mar) – Expected 1.1%, Previous 0.7%.