

Tuesday, 29 June 2021

Equities (close & % change)			Sydney Futures Exchange (close & change)					Interest rates (close & change)		
S&P/ASX 200	7,307	0.0%	Last		Overnight Chg			Australia		
US Dow Jones	34,283	-0.4%	10 yr bond	98.46	0.06			90 day BBSW	0.03	0.00
Japan Nikkei	29,048	-0.1%	3 yr bond	99.53	0.01			2 year bond	0.07	0.00
China Shanghai	3,780	0.0%	3 mth bill rate	99.95	0.00			3 year bond	0.43	-0.03
German DAX	15,554	-0.3%	SPI 200	7,190.0	-15			3 year swap	0.48	-0.03
UK FTSE100	7,073	-0.9%	FX Last 24 hrs	Open	High	Low	Current	10 year bond	1.58	0.02
Commodities (close & change)*			TWI	63.2	-	-	63.3	United States		
CRB Index	210.9	0.5	AUD/USD	0.7583	0.7602	0.7555	0.7567	3-month T Bill	0.04	-0.01
Gold	1,778.48	-3.0	AUD/JPY	84.03	84.19	83.60	83.72	2 year bond	0.25	-0.01
Copper	9,399.40	-4.4	AUD/GBP	0.5461	0.5471	0.5436	0.5451	10 year bond	1.48	-0.05
Oil (WTI)	72.76	-1.3	AUD/NZD	1.0733	1.0761	1.0724	1.0746	Other (10 year yields)		
Coal (thermal)	128.55	-2.5	AUD/EUR	0.6354	0.6369	0.6341	0.6345	Germany	-0.19	-0.04
Coal (coking)	174.00	-0.3	AUD/CNH	4.8975	4.9099	4.8842	4.8891	Japan	0.06	0.01
Iron Ore	211.45	-1.1	USD Index	91.9	92.0	91.7	91.9	UK	0.72	-0.06

Data as at 7:30am. Change from previous trading day (excluding the SFE which is the change during the night session). Source: Bloomberg.

Main Themes: The S&P 500 edged up to a new record high while bond yields declined and the US dollar was unchanged.

Share Markets: The S&P 500 rose 0.2% to a new record high while the Dow declined 0.4%.

In the UK, the FTSE 100 fell 0.9% after governments from Europe to Asia imposed new limits on travel from Britain which is seeing a spike in COVID-19 cases.

The Dax fell 0.3%. The ASX 200 finished unchanged but futures point to a weak open.

Interest Rates: The US 2-year yield declined 1 basis point to 0.25% while the 10-year yield slipped 5 basis points to 1.48%.

Australian 10-year yields (futures) fell from 1.60% to 1.55% while 3-year future yields declined from 0.49% to 0.48%.

Foreign Exchange: The AUD/USD pair fell from 0.7583 to 0.7567 but remained in the range from the past couple of weeks. The US dollar finished unchanged.

Commodities: Oil, gold, copper and iron ore all edged lower.

COVID-19: NSW recorded 18 new COVID-19 cases yesterday. Queensland and Western Australian both recorded 2 cases, and the Northern Territory recorded one case.

Perth and the Peel region entered a four-day lockdown and Darwin has extended its current

lockdown for another 72 hours.

Significant changes were made to Australia's vaccine rollout last night. It was announced that adults of all ages in Australia – including under-40s not yet eligible for Pfizer – could request the AstraZeneca jab from GPs. Plus, from September it will be mandatory for all aged care workers to have received at least one dose of the vaccine.

The UK reported the most cases since January due to the delta mutation, although Prime Minister Johnson said an end to restrictions is "very likely" to go ahead on July 19. Hong Kong, Portugal and Spain imposed new restrictions on British travellers.

Australia: There was no major economic data released yesterday.

Europe: The European Central Bank's Weidmann said he wants to discuss conditions under which emergency policy ends, noting risks around the price outlook have shifted to the upside. Weidmann is widely regarded as a hawk. Other speakers have generally reiterated the central bank's intent to maintain support.

United States: The Dallas Fed manufacturing index remained in expansionary territory. General business activity declined from 34.9 to 31.1, but production, new orders and prices paid indices all rose. Employment was steady.

The Federal Open Market Committee's Barkin reiterated the Fed messaging that inflation is

transitory. He noted that price rises in items like used cars and plane tickets were temporary and that inflation might “go backwards” as prices normalise.

Today's key data and events:

AU ANZ Roy Morgan Weekly Consumer Conf Index Jun
prev 112.4 (9:30am)

UK Nationwide House Prices Jun exp 0.7% (4:00pm)

EZ Consumer Confidence Jun Final prev -3.3 (7:00pm)

EZ Economic, Industrial & Services Conf Indexes Jun
(7:00pm)

US FHFA House Price Index Apr exp 1.6% prev 1.4%
(11:00pm)

US S&P CoreLogic CS House Prices Apr exp 1.8% prev
1.6% (11:00pm)

US Consumer Conf Index Jun exp 119.0 prev 117.2
(12:00am)

Times are AEST. All data forecasts are m/m or q/q and seasonally adjusted
unless otherwise specified. Forecasts for Australian data are our forecasts
and for other countries they are consensus forecasts.

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