

Tuesday, 30 May 2023

| Equities (close & % change) | | | Sydney Futures Exchange (last & change) | | | | | Interest rates (close & change) | | |
|-------------------------------|----------|-------|---|---------|-------------|----------------------|-------------|---------------------------------|--------|-------|
| S&P/ASX 200 | 7,217 | 0.9% | | | Last | Overnight Chg | | Australia | | |
| US Dow Jones | closed | | 10 yr bond | 3.66 | -0.04 | | 90 day BBSW | 3.95 | 0.01 | |
| Japan Nikkei | 31,234 | 1.0% | 3 yr bond | 3.39 | -0.04 | | 2 year bond | 3.59 | -0.01 | |
| China Shanghai | 3,377 | 0.3% | 3 mth bill rate | 3.97 | 0.00 | | 3 year bond | 3.44 | -0.01 | |
| German DAX | 15,953 | -0.2% | SPI 200 | 7,229.0 | -8 | | 3 year swap | 3.74 | -0.06 | |
| UK FTSE100 | closed | | FX Last 24 hrs | Open | High | Low | Current | 10 year bond | 3.70 | -0.03 |
| Commodities (close & change)* | | | TWI | 59.9 | - | - | 59.9 | United States | | |
| CRB Index | closed | | AUD/USD | 0.6522 | 0.6554 | 0.6521 | 0.6540 | 3-month T Bill | closed | |
| Gold | 1,943.11 | -3.4 | AUD/JPY | 91.74 | 92.01 | 91.60 | 91.83 | 2 year bond | closed | |
| Copper | closed | | AUD/GBP | 0.5281 | 0.5303 | 0.5281 | 0.5293 | 10 year bond | closed | |
| Oil (WTI futures) | 73.04 | 0.4 | AUD/NZD | 1.0779 | 1.0804 | 1.0772 | 1.0803 | Other (10 year yields) | | |
| Coal (thermal) | 140.65 | 0.0 | AUD/EUR | 0.6083 | 0.6109 | 0.6081 | 0.6107 | Germany | 2.43 | -0.10 |
| Coal (coking) | 230.00 | 0.0 | AUD/CNH | 4.6104 | 4.6390 | 4.6104 | 4.6328 | Japan | 0.44 | 0.02 |
| Iron Ore | 102.40 | -0.4 | USD Index | 104.24 | 104.31 | 104.04 | 104.29 | UK | closed | |

Data as at 6:30am AEST. Change is from the previous trading day (excluding the SFE, which is the change during the night session). Source: Bloomberg.

Main Themes: There were thin trading volumes with both the UK and US having a public holiday.

Share Markets: US equity futures posted modest gains amid cautious optimism the tentative debt-ceiling deal will avert a default that could otherwise come June 5.

Interest Rates: Futures linked to 10- to 30-year Treasuries also rallied on light volume. The probability attached to a rate hike next month from the US Federal Reserve with markets closed remained at 58%. In Australia, markets are attaching a chance of 4% to a rate hike next week from the Reserve Bank and around a 60% probability of a rate hike by August.

Foreign Exchange: AUD/USD stuck to a very tight range with the UK and US on holidays. AUD/USD stuck to 0.6535-0.6547, clear of its seven-month low last week of 0.6491.

Commodities: Oil futures rose in thin trading.

Australia: The Premier of Western Australia, Mark McGowan, announced yesterday he was resigning. He is stepping down at the end of this week, which will lead to a leadership spill. WA next goes to the poll in 20 months' time.

United States: The US has a national holiday, so there was no key data released.

A debt-accord hearing will be held Tuesday by the US House rules committee, a day before the whole

body votes on it. The White House and Republican congressional leaders stepped up lobbying campaigns for passage.

Today's key data and events:

- NZ Bldg Permits Apr prev 7% (8:45am)
- JN Jobless Rate Apr exp 2.7% prev 2.8% (9:30am)
- AU Bldg Approvals Apr exp 2% prev -0.1% (11:30am)
- US FHFA House Price Idx Mar exp 0.2% prev 0.5% (11pm)
- US House Price Purchase Index Q1 prev 0.3% (11pm)
- US S&P CoreLogic Mar 0.00% prev 0.06% (11pm)
- US Conf Board Cons Confid May exp 99 prev 101.3 (12am)
- US Dallas Fed Mfg Index May exp -18 prev -23.4 (12am)

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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The Detail

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