

Morning Report

Tuesday, 20 April 2021

Equities (close & % change)			Sydney Futures Exchange (close & change)					Interest rates (close & change)		
S&P/ASX 200	7,066	0.0%			Last	Overnight Chg		Australia		
US Dow Jones	34,078	-0.4%	10 yr bond	98.29		-0.04		90 day BBSW	0.04	0.00
Japan Nikkei	29,685	0.0%	3 yr bond	99.74		-0.01		2 year bond	0.08	0.00
China Shanghai	3,645	1.5%	3 mth bill rate	99.94		-0.01		3 year bond	0.28	-0.01
German DAX	15,368	-0.6%	SPI 200	7,018.0		-32		3 year swap	0.32	-0.01
UK FTSE100	7,000	-0.3%	FX Last 24 hrs	Open	High	Low	Current	10 year bond	1.72	-0.02
Commodities (close & % change)*			TWI	64.6	-	-	64.5	United States		
CRB Index	194.0	0.8	AUD/USD	0.7727	0.7785	0.7706	0.7758	3-month T Bill	0.02	0.00
Gold	1,771.43	0.0	AUD/JPY	84.06	84.33	83.75	83.90	2 year bond	0.16	0.00
Copper	9,384.25	158.8	AUD/GBP	0.5587	0.5609	0.5541	0.5546	10 year bond	1.60	0.02
Oil (WTI)	63.43	0.3	AUD/NZD	1.0832	1.0851	1.0796	1.0800	Other (10 year yields)		
Coal (thermal)	90.35	-0.5	AUD/EUR	0.6448	0.6473	0.6440	0.6443	Germany	-0.24	0.03
Coal (coking)	118.75	0.6	AUD/CNH	5.0423	5.0647	5.0348	5.0490	Japan	0.09	-0.01
Iron Ore	176.32	4.1	USD Index	91.6	91.8	91.0	91.1	UK	0.76	-0.01

Data as at 7:00am. Change from previous trading day (excluding the SFE which is the change during the night session). Source: Bloomberg.

Main Themes: There was little economic data to drive investor sentiment overnight. Major global share markets ended in the red, as investors prepared for the release of more earnings reports.

Share Markets: US share markets closed lower overnight, slipping from last week's record levels, as investors awaited guidance from first-quarter earnings. Technology shares were also weaker. Tesla Inc. contributed the most to the decline in tech shares after one of its electric cars that "no one" appeared to be driving crashed and killed two passengers. The Dow fell 123 points (or -0.4%), the S&P index lost 22 points (or -0.5%) and the Nasdaq declined 138 points (or -1.0%).

Interest Rates: The US 2-year yield ended the trading session unchanged while the US 10-year yield gained 2 basis points to close at 1.60%.

Foreign Exchange: The US dollar index fell to a six-week low overnight of 91.03. The AUD/USD exchange rate broke above a key resistance level overnight of 0.7770 to rise to a four-week high of 0.7785, before succumbing to selling. The nearer-term outlook for the Australian dollar has improved since the middle of last week when the AUD/USD broke out of a trading range it had been in for several weeks.

Commodities: Oil edged higher overnight, underpinned by a weaker US dollar but gains were capped by concerns about the impact on demand

from rising COVID-19 infections in India.

COVID-19: India reported a record daily rise in infections of over 270,000. India has now recorded more than 15 million infections and more than 178,000 deaths, making it the second-worst affected country in the world. The capital region of Delhi ordered a six-day lockdown, joining other states across India that have tightened restrictions.

Australia: There was no major economic data released yesterday domestically.

Eurozone: Construction output fell 2.1% in February and the annual rate of contraction deepened further to 5.8%.

United States: There was no major economic data released overnight.

Today's key data and events:

AU RBA Board Meeting Minutes (11:30am)

UK ILO Unemployment Rate Feb prev 5.0% (4:00pm)

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.

Besa Deda, Chief Economist

Ph: 02-8254-3251

Contact Listing

Chief Economist

Besa Deda

dedab@banksa.com.au

(02) 8254 3251

Economist

Matthew Bunny

matthew.bunny@banksa.com.au

(02) 8254 0023

The information contained in this report (.the Information.) is provided for, and is only to be used by, persons in Australia. The information may not comply with the laws of another jurisdiction. The Information is general in nature and does not take into account the particular investment objectives or financial situation of any potential reader. It does not constitute, and should not be relied on as, financial or investment advice or recommendations (expressed or implied) and is not an invitation to take up securities or other financial products or services. No decision should be made on the basis of the Information without first seeking expert financial advice. For persons with whom BankSA has a contract to supply Information, the supply of the Information is made under that contract and BankSA's agreed terms of supply apply. BankSA does not represent or guarantee that the Information is accurate or free from errors or omissions and BankSA disclaims any duty of care in relation to the Information and liability for any reliance on investment decisions made using the Information. The Information is subject to change. Terms, conditions and any fees apply to BankSA products and details are available. BankSA or its officers, agents or employees (including persons involved in preparation of the Information) may have financial interests in the markets discussed in the Information. BankSA owns copyright in the information unless otherwise indicated. The Information should not be reproduced, distributed, linked or transmitted without the written consent of BankSA.

Any unauthorized use or dissemination is prohibited. Neither BankSA- A Division of Westpac Banking Corporation ABN 33 007 457 141 AFSL 233714 ACL 233714, nor any of Westpac's subsidiaries or affiliates shall be liable for the message if altered, changed or falsified.
