

May Client Dealing Desk Monthly

Month in review

Summary

- The US dollar was mixed over May, despite ongoing US tariff announcements and some softer economic data.
- Meanwhile the Australian dollar drifted higher over the month, reaching a peak of 0.6537 for the first time since November before ending the month at 0.6431.
- Major energy commodities unwound some of the April declines to finish the month higher, while other commodities were more mixed.
- The Australian Carbon Credit Unit (ACCU) Spot price rose 1.7 per cent to \$35.65 following the Federal Election outcome.

Currencies

The US dollar was mixed against the major currencies over the month, as markets digested the evolving US trade situation, responded to some softer US economic data (business conditions, Q1 GDP, retail sales, consumer confidence all softened), the US Federal Reserve indicated its uncertainty for the policy outlook, and several US Treasury note auctions were weaker than expected. Closer to home, the Australian dollar traded in a relatively tight range (certainly in relation to recent volatile months), with limited reaction after the RBA announced a 25 basis-point cut to the cash rate, with markets having already priced in this move prior to the meeting. As international trade and tariff negotiations continue markets are expected to be volatile over the months ahead.

Commodities

After having fallen below USD 60 per barrel for the first time since early 2021, Brent crude oil rose around 1.2 per cent over May, though this remains below the almost USD 75 a barrel it was trading at prior to the Trump Administration's tariff announcements. Base metal prices were more mixed, with copper and aluminium rising, while nickel and tin fell. The safe-haven asset of gold finished the month higher, though below the record high of USD 3,500 per ounce reached in mid-April.

Carbon

The ACCU Spot price jumped on the first trading day after the Federal Election (5 May) and then continued to lift throughout May. Overall, the generic ACCU price rose 1.7 per cent over the month to finish at \$35.65 per unit.

Market data

| | CLOSING PRICE | ONE MONTH % CHANGE | ONE YEAR % CHANGE |
|---------------------------|---------------|--------------------|-------------------|
| MAJOR CURRENCIES | | | |
| AUD/USD | 0.6431 | 0.53% | -3.26% |
| EUR/USD | 1.1353 | -0.15% | 4.56% |
| GBP/USD | 1.3477 | 0.93% | 5.85% |
| USD/JPY | 144.25 | 1.16% | -8.18% |
| USD/CHF | 0.8223 | 0.04% | -8.86% |
| USD/CNY | 7.2043 | -0.90% | -0.52% |
| AUD CROSSES | | | |
| AUD/EUR | 0.5664 | 0.68% | -7.48% |
| AUD/JPY | 92.77 | 1.70% | -11.18% |
| AUD/GBP | 0.4772 | -0.39% | -8.61% |
| AUD/NZD | 1.0770 | -0.09% | -0.50% |
| AUD/CAD | 0.8843 | 0.10% | -2.45% |
| AUD/CHF | 0.5288 | 0.57% | -11.83% |
| AUD/SEK | 6.1722 | 0.04% | -11.78% |
| AUD/HKD | 5.0427 | 1.65% | -3.01% |
| AUD/SGD | 0.8295 | -0.69% | -7.66% |
| AUD/INR | 55.00 | 1.63% | -0.87% |
| AUD/KRW | 887.61 | -2.61% | -3.47% |
| AUD/TWD | 19.23 | -6.20% | -11.00% |
| AUD/IDR | 10511 | -1.01% | -2.67% |
| AUD/CNY | 4.6330 | -0.37% | -3.76% |
| COMMODITIES (USD) | | | |
| LME Aluminium MT | 2,442 | 1.80% | -7.80% |
| LME Copper MT | 9,513 | 4.18% | -5.18% |
| LME Zinc MT | 2,619 | 1.27% | -11.68% |
| LME Lead MT | 1,958 | -0.09% | -13.70% |
| LME Nickel MT | 15,217 | -1.18% | -22.73% |
| LME Tin MT | 30,422 | -2.92% | -7.93% |
| SGX Lithium kg | 8.50 | -6.80% | -39.97% |
| ICE Brent Crude bbl | 63.90 | 1.24% | -21.71% |
| SGX Sing Gasoil bbl | 79.37 | -2.94% | -18.44% |
| COMMODITIES (AUD) | | | |
| Diesel (Brisbane) cents/L | 157.60 | -2.35% | -10.66% |
| CARBON (AUD) | | | |
| Generic ACCUs Spot | 35.65 | 1.71% | 7.22% |

FX rates and commodity prices are sourced from Macrobond and the Generic ACCUs price is sourced from Core Markets and are correct at the time of publication.

CLIENT DEALING DESK

QTC

FOREIGN EXCHANGE

- Assisting to identify and quantify FX exposures
- Wholesale FX rates and Online foreign currency payments platform

COMMODITIES

- Assisting to identify and quantify commodity price risks
- Risk management solutions

ENVIRONMENTAL PRODUCTS

- Australian Carbon Credit Units (ACCUs)
- ACCU custody and inventory management services

INTEREST RATES

- Protect against adverse interest rate movements
- Hedging bespoke liabilities and cash flows

OVERSEAS PROCUREMENT

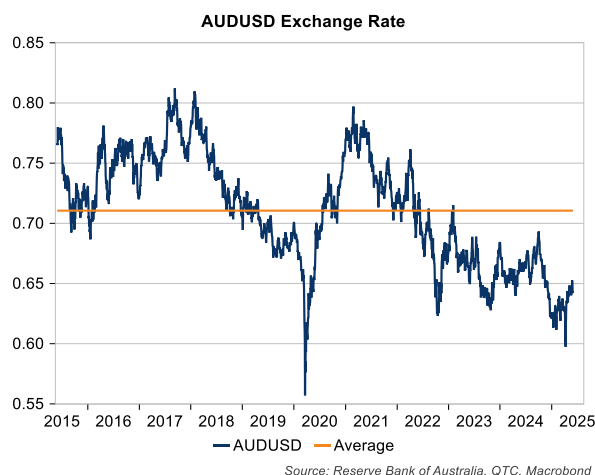
- Analysis of dual currency quotes
- Reviewing FX and commodity price variation clauses

Email dealingdesk@qtc.com.au or phone 07 3842 4733 to discuss your foreign exchange, environmental products or other financial risk management requirements

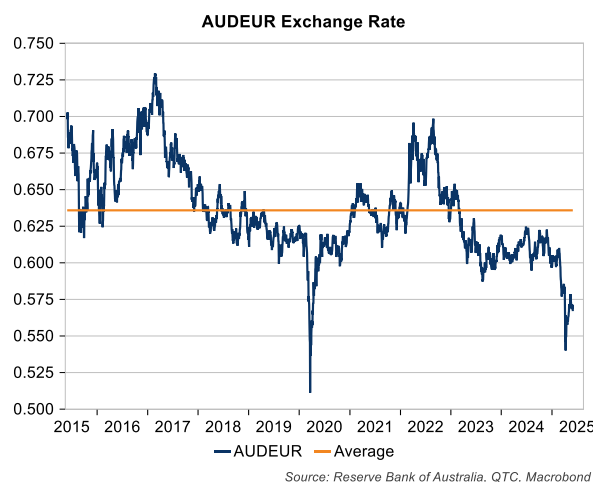


Charts

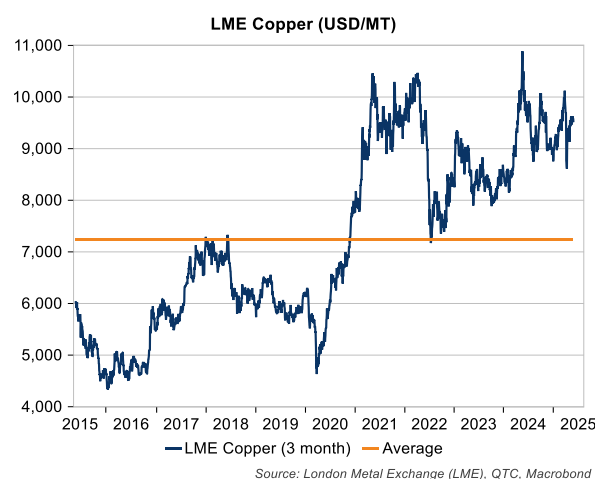
AUD/USD



AUD/EUR



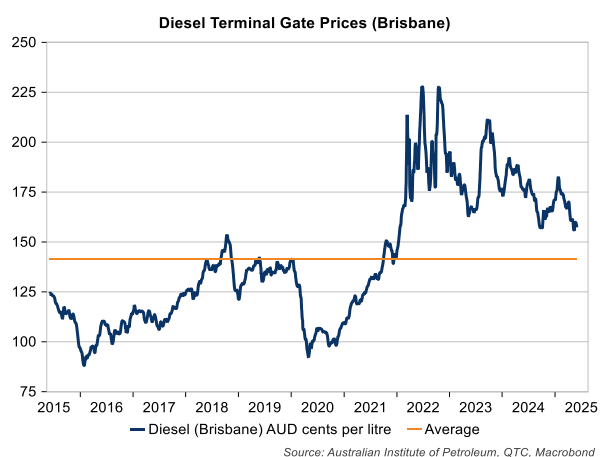
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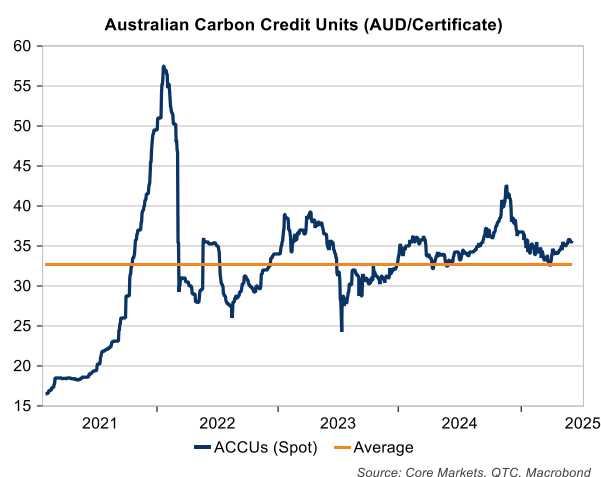
LME ALUMINIUM



DIESEL TERMINAL GATE PRICE (BRISBANE)



AUSTRALIAN CARBON CREDIT UNITS (SPOT)



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