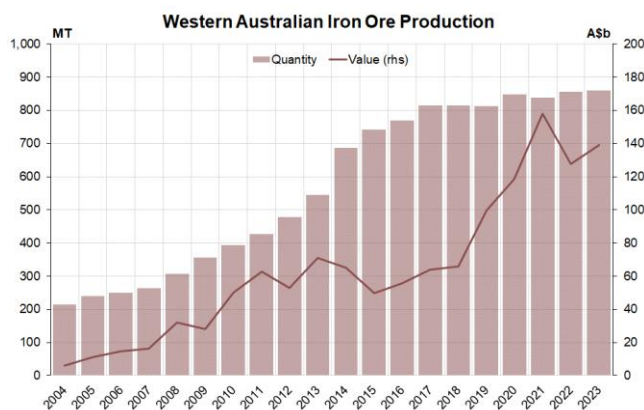
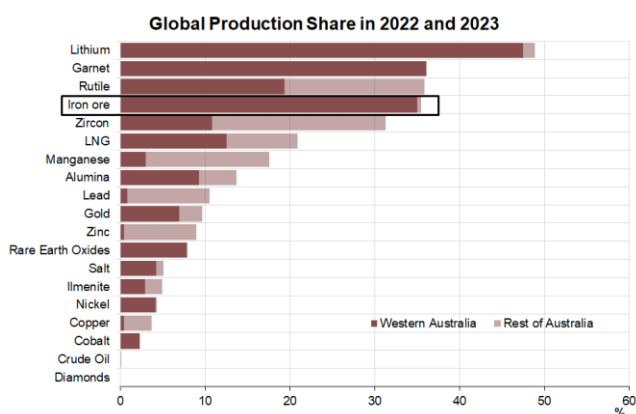


THIS MONTH'S WESTERN AUSTRALIAN DATA HIGHLIGHTS

- [The RBA](#) left its interest rates unchanged in September.
- The Western Australian [unemployment rate](#) was 3.9% in August, while employment rose by 3.1% YoY.
- Western Australian [retail trade](#) increased by 0.4% in August, to be 4.5% up through the year.
- In September, Western Australian Treasury Corporation released an investor focused publication '[Decarbonising Western Australia and Our Trading Partners](#)'.

WESTERN AUSTRALIAN IRON ORE PROFILE – AUGUST 2024

- Western Australia is the largest iron ore supplier in the world, accounting for 38% of global supply in 2023, followed by Brazil (18%).
- The State has large iron ore reserves, accounting for an estimated 28% share of the world's total reserves of this commodity. The demonstrated iron ore resources of 51.7 billion tonnes could sustain production for 62 years at the 2022-23 production rates.
- In 2023, Western Australian iron ore supply rose by 2% to 949 million tonnes, which compares with a 1% pick-up in Brazil to 440 million tonnes.
- Western Australia's iron ore industry has established long-term trade relationships across Asia. In 2023, Western Australia accounted for a significant share of the iron ore imports of China (65%), Japan (50%) and South Korea (69%).
- China remains the major destination of Western Australian iron ore exports, accounting for 84% of the value of the State's iron ore exports in the 12 months to June 2024, followed by Japan with 6%.
- Western Australia's iron ore miners are among the world's lowest cost seaborne iron ore exporters. In 2023, the average total cash cost of the State's iron ore exports was US\$40 a tonne, well below the average for global production (US\$52 a tonne) and production of its main competitor, Brazil (US\$49.7 a tonne).
- In addition, Western Australia's major iron ore ports are close to the largest iron ore markets in Asia, reducing shipping costs relative to some competitors. In 2023, the iron ore freight rate for capsize vessels from Western Australian to China stood at US\$8.0 a wet tonne, compared to US\$24.0 a wet tonne in freight rates from Brazil to China.
- Given the low production and freight costs, Western Australian iron ore exports will likely remain resilient despite the slower growth in China. The Western Australian Government's State Budget 2024-25 forecasts Western Australia's iron ore sales volumes will increase from 862 million tonnes in 2023-24 to 886 million tonnes in 2024-25, reflecting new production coming online from the Iron Bridge and Onslow iron mines.



Figures for global production share for all minerals are for 2023. Crude Oil and LNG are for 2022 due to rest of world production for 2023 being unavailable at the time of publication.

Source: WA Department of Energy, Mines, Industry Regulation and Safety

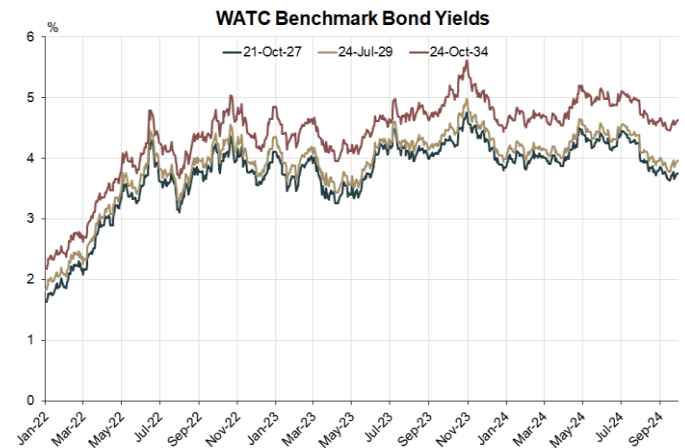
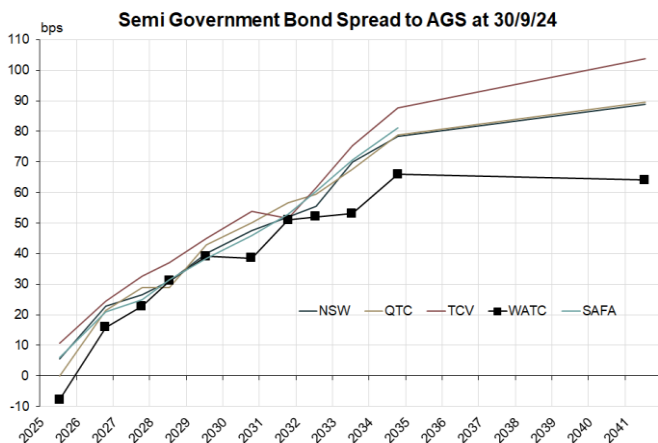
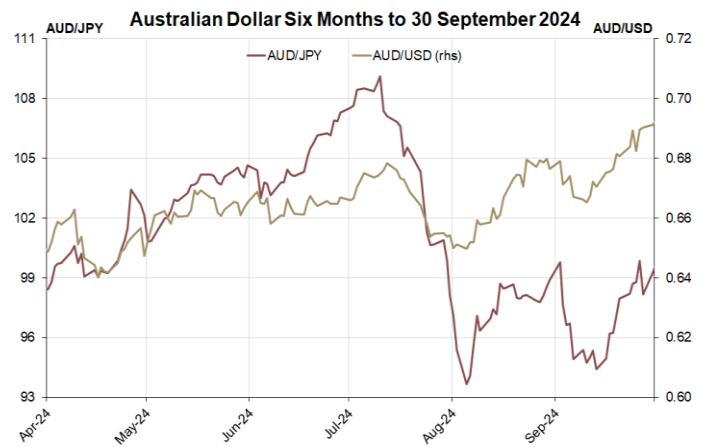
Australian Interest Rates (%)			FX and Equities	
RBA Cash Rate Target	4.35	(0 pt)	AUD/USD	0.6913 (↑2.2%)
90-Day Bank Bills	4.43	(↑4 pt)	AUD/JPY	99.30 (↑0.4%)
3-year Australian Government Bond	3.54	(↓1 pt)		
10-year Australian Government Bond	3.97	(↑1 pt)	ASX200	8270 (↑178 pt)

MARKET SUMMARY

- The RBA Board left interest rates unchanged at its September meeting, including the cash rate target at 4.35%.
- Australian Government bond yields followed US Treasury yields lower over the first half of September, declining to the lowest levels in over a year on rising optimism that the US Federal Reserve would begin its easing cycle with a 50-basis point cut to the fed funds rate. However, despite the Fed fulfilling these expectations, yields rose again over the second half of the month, to end September virtually unchanged.
- The Australian dollar appreciated by 2.2% against the greenback during the month, taking the AUD/USD to the highest level in 1.5 years. The appreciation against the Japanese yen was mild, however, reflecting the strength of the Japanese currency due to expectations for further monetary policy tightening by the Bank of Japan.
- The Australian equity market increased by 2.2% in September, to reach a new record high.

WATC Benchmark Bond Yields				
Maturity	Yield		Spread to AGS	
	30/9/2024		30/9/2024	
23 July 2025	4.11	(↓4 pt)	-8 pt	(↓3 pt)
21 October 2026	3.79	(↓5 pt)	+16 pt	(0 pt)
21 October 2027	3.75	(↓4 pt)	+23 pt	(↓3 pt)
20 July 2028	3.83	(↓2 pt)	+31 pt	(↑1 pt)
24 July 2029	3.96	(↑1 pt)	+39 pt	(↑3 pt)
22 October 2030	4.12	(↑1 pt)	+39 pt	(↑1 pt)
22 October 2031	4.29	(↑2 pt)	+51 pt	(↑3 pt)
21 July 2032	4.36	(0 pt)	+52 pt	(↑1 pt)
20 July 2033	4.45	(0 pt)	+53 pt	(↓2 pt)
24 October 2034	4.63	(↑2 pt)	+66 pt	(↑1 pt)
23 July 2041	5.04	(↑8 pt)	+64 pt	(↓2 pt)

Spreads are to nearest Commonwealth Bond. * Green bond.



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