



Weekly economic report

2 March 2026

Financial markets charts

The week that was

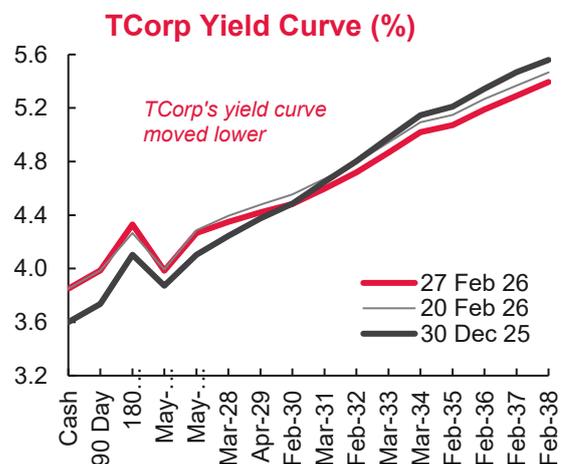
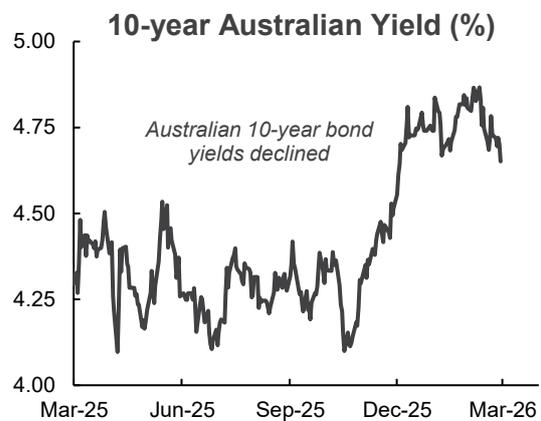
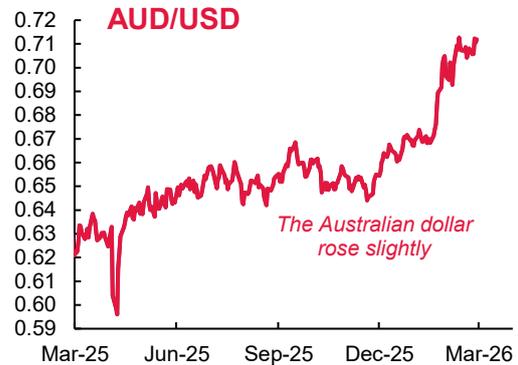
- Equity markets globally rose last week, except for the US. However, tensions between US and Iran helped push global bond yields lower, and oil and gold prices higher.
- The sharp escalation in the Middle East conflict over the weekend is initially expected to trigger risk aversion across global financial markets and 'safe haven' flows. Based on past reactions, this is likely to result in falls across global equity markets, rises in oil and gold prices, falls in bond yields (including in Australia), and a depreciation of the Australian dollar. The severity of the market reaction will depend on how the conflict unfolds in coming days.
- The US S&P500 fell by 0.4% last week, weighed down by a fall in technology stocks. A 6.5% fall in Nvidia's share price dragged, despite a strong earnings report. Banks' share prices also fell, reflecting investors' concern that troubles in the opaque private credit sector could transmit to banks.
- US 10-year bond yields declined by 15bps, to be a bit below 4% - around its lowest level in a few years.
- Australian 10-year bond yields fell 8bps, alongside the fall in global yields. The extent of the fall was limited by Australian inflation data for January, which was a touch stronger than investors expected.
- The ASX200 gained 1.3%, supported by a strong rise in the share prices of mining companies. The Australian dollar rose by 0.5%, hovering around US\$0.71, but will likely fall on Monday.

Economic calendar

Monday 02/03	US: ISM Manufacturing, Feb
Tuesday 03/03	AU: Building approvals, Jan EC: CPI, Feb
Wednesday 04/03	AU: GDP, Q4 US: ISM Services, Feb
Thursday 05/03	AU: Household spending indicator, Jan
Friday 06/03	US: Non-farm payrolls, Feb; Retail sales, Feb

The week ahead

- Australian GDP for the December quarter will be the focus locally, with the economy expected to have grown by 0.7%. Data on household spending and building approvals will also be released.
- Offshore, US non-farm payrolls and European inflation data will be the key data releases. China's National People Congress will also take place. But events in the Middle East are likely to dominate.



Financial markets data: Week ending 27 February 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	3.85	0	–	25	▲
90-day BBSW	3.99	0	▼	25	▲
3-year Australian Bond Yield	4.22	-6	▼	8	▲
10-year Australian Bond Yield	4.65	-8	▼	-9	▼
20-year Australian Bond Yield	5.08	-8	▼	-10	▼
10-year Australian Break-Even Inflation	2.26	-2	▼	-5	▼
10-year Australian Real Yield	2.39	-5	▼	-4	▼
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	3.37	-10	▼	-10	▼
10-year US Treasury Yield	3.94	-15	▼	-23	▼
30-year US Treasury Yield	4.61	-11	▼	-23	▼
10-year German Bund Yield	2.64	-9	▼	-21	▼
NSW TCorp Bonds					
4.00% 20 May 2026	3.98	-1	▼	11	▲
3.00% 20 May 2027	4.27	-2	▼	16	▲
3.00% 20 March 2028	4.35	-5	▼	10	▲
3.00% 20 April 2029	4.42	-6	▼	4	▲
3.00% 20 February 2030	4.48	-7	▼	0	▼
2.00% 20 March 2031	4.60	-7	▼	-5	▼
1.50% 20 February 2032	4.72	-7	▼	-8	▼
2.00% 8 March 2033	4.87	-8	▼	-10	▼
1.75% 20 March 2034	5.02	-7	▼	-12	▼
4.75% 20 February 2035	5.07	-8	▼	-13	▼
4.25% 20 February 2036	5.19	-8	▼	-15	▼
4.75% 20 February 2037	5.29	-8	▼	-17	▼
5.25% 24 February 2038	5.39	-7	▼	-16	▼
2.50% 20 November 2035 CIB	2.76	-9	▼	-12	▼
10-year NSW TCorp Bond Yield	5.17	-7	▼	-13	▼
10-year TCV (Victoria) Spread	0.07	1	▲	0	▲
10-year QTC (Queensland) Spread	0.05	0	▼	-2	▼
Equities					
S&P/ASX200 (Australia)	9,199	1.3%	▲	5.6%	▲
S&P500 (US)	6,879	-0.4%	▼	0.5%	▲
FTSE 100 (UK)	10,911	2.1%	▲	9.9%	▲
DJ Stoxx600 (Europe)	634	0.5%	▲	7.0%	▲
Nikkei 225 (Japan)	58,850	3.6%	▲	16.9%	▲
Shanghai Composite (China)	4,163	2.0%	▲	4.9%	▲
Currencies					
AUD/USD	0.712	0.5%	▲	6.7%	▲
EUR/USD	1.181	0.2%	▲	0.6%	▲
USD/JPY	156.05	0.6%	▲	-0.4%	▼
GBP/USD	1.35	0.0%	▲	0.1%	▲
US\$ Index	97.61	-0.2%	▼	-0.7%	▼
Commodities					
Brent Oil (US\$/bbl)	72.48	1.0%	▲	19.1%	▲
Iron Ore (US\$/t)	99.06	0.9%	▲	-7.6%	▼
Coking Coal (US\$/t)	143.91	-4.9%	▼	-3.8%	▼
Gold (US\$/oz)	5,278.93	3.4%	▲	22.2%	▲

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