



Weekly economic report

1 June 2026

Financial markets charts

The week that was

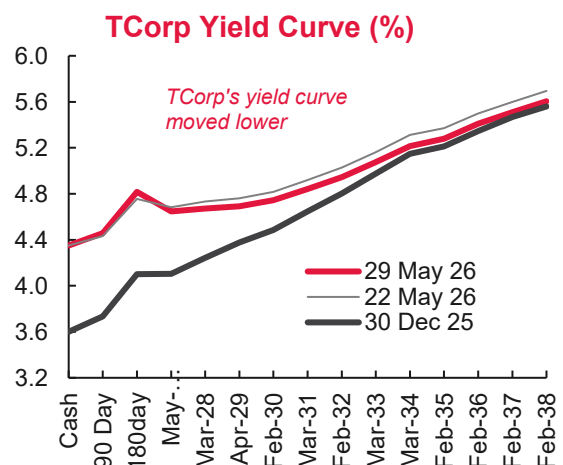
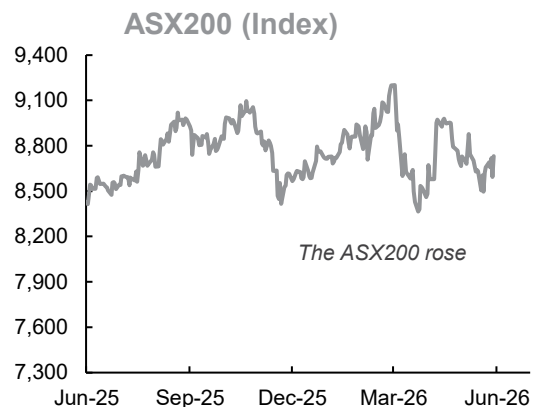
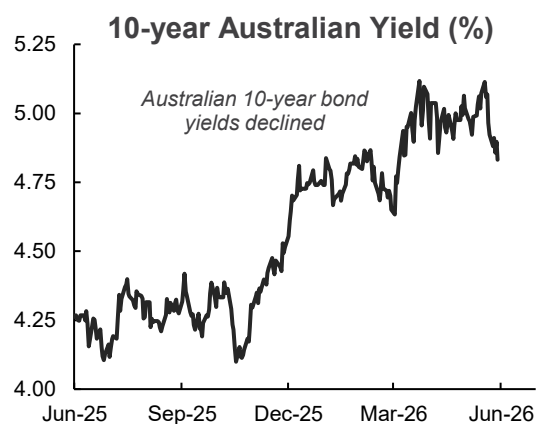
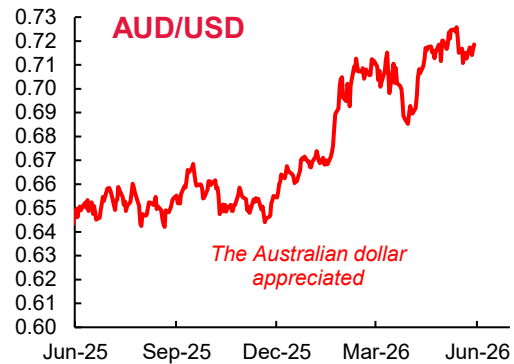
- Headlines throughout the week that Iran and the US were close to reaching a deal boosted investor sentiment. This saw oil prices fall by 11%, to US\$92/bbl – the lowest level since mid-April.
- Global bond yields fell alongside oil prices, with US 10-year yields down 12bps and Australian 10-year yields 9bp lower.
- Most equity markets rose last week. The US S&P500 gained 1.4%, with the tech sector outperforming. The ASX200 rose by 0.9%, with mining stocks increasing further while the banking sector fell.
- Australian trimmed mean inflation printed in line with expectations for April, but headline inflation was weaker. The Reserve Bank of Australia (RBA) is widely expected to leave rates on hold in June as recent economic data has been on the softer side. Household spending was weak in April, and the housing market is softening, with turnover declining and prices easing.
- Further, business investment and construction activity has been driven by investment in data centres (and renewable energy projects to a lesser extent). Outside of this, business investment has been weak.
- The more positive risk sentiment saw the Australian dollar appreciate by 0.8% against the US dollar, though it has traded in a narrow range over the past few weeks.
- The Reserve Bank of New Zealand held rates steady last week, in a split 4-3 decision, but signalled that it is likely to raise interest rates soon.

Economic calendar

Monday 01/06	US: ISM Manufacturing Index, May
Tuesday 02/06	EU: CPI, May AU: Building approvals, Apr
Wednesday 03/06	AU: GDP, Q1 US: ISM Services Index, May
Thursday 04/06	
Friday 05/06	US: Non-farm payrolls, May AU: RBA parliamentary testimony

The week ahead

- Australian GDP data for Q1 will be the local focus, as well as comments by RBA Officials on Friday.
- US non-farm payrolls and European inflation data are the key offshore data releases.



Financial markets data: Week ending 29 May 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.46	2	▲	72	▲
3-year Australian Bond Yield	4.48	-6	▼	34	▲
10-year Australian Bond Yield	4.83	-9	▼	9	▲
20-year Australian Bond Yield	5.25	-10	▼	7	▲
10-year Australian Break-Even Inflation	2.38	-5	▼	7	▲
10-year Australian Real Yield	2.45	-4	▼	2	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.00	-12	▼	53	▲
10-year US Treasury Yield	4.44	-12	▼	27	▲
30-year US Treasury Yield	4.97	-9	▼	13	▲
10-year German Bund Yield	2.94	-10	▼	8	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.65	-4	▼	54	▲
3.00% 20 March 2028	4.67	-6	▼	42	▲
3.00% 20 April 2029	4.69	-7	▼	31	▲
3.00% 20 February 2030	4.74	-7	▼	26	▲
2.00% 20 March 2031	4.84	-8	▼	19	▲
1.50% 20 February 2032	4.95	-8	▼	15	▲
2.5% 22 November 2032	5.04	-8	▼	13	▲
2.00% 8 March 2033	5.08	-9	▼	11	▲
1.75% 20 March 2034	5.21	-10	▼	8	▲
5.25% 17 October 2034	5.24	-10	▼	--	--
4.75% 20 February 2035	5.28	-9	▼	8	▲
4.75% 20 September 2035	5.36	-9	▼	9	▲
4.25% 20 February 2036	5.41	-9	▼	7	▲
4.75% 20 February 2037	5.51	-9	▼	5	▲
3.50% 20 November 2037	5.60	-9	▼	6	▲
5.25% 24 February 2038	5.60	-9	▼	5	▲
5.25% 22 February 2039	5.69	-8	▼	4	▲
2.50% 20 November 2035 CIB	2.82	-4	▼	-17	▼
10-year NSW TCorp Bond Yield	5.41	-9	▼	11	▲
10-year TCV (Victoria) Spread	0.05	-1	▼	-2	▼
10-year QTC (Queensland) Spread	0.05	0	▼	-2	▼
Equities					
S&P/ASX200 (Australia)	8,732	0.9%	▲	0.2%	▲
S&P500 (US)	7,580	1.4%	▲	10.7%	▲
FTSE 100 (UK)	10,409	-0.5%	▼	4.8%	▲
DJ Stoxx600 (Europe)	626	0.1%	▲	5.7%	▲
Nikkei 225 (Japan)	66,330	4.7%	▲	31.8%	▲
Shanghai Composite (China)	4,069	-1.1%	▼	2.5%	▲
Currencies					
AUD/USD	0.719	0.8%	▲	7.6%	▲
EUR/USD	1.166	0.5%	▲	-0.7%	▼
USD/JPY	159.27	0.1%	▲	1.7%	▲
GBP/USD	1.35	0.2%	▲	0.1%	▲
US\$ Index	98.94	-0.3%	▼	0.6%	▲
Commodities					
Brent Oil (US\$/bbl)	92.05	-11.1%	▼	51.3%	▲
Iron Ore (US\$/t)	108.82	-0.2%	▼	1.5%	▲
Coking Coal (US\$/t)	169.52	9.7%	▲	13.3%	▲
Gold (US\$/oz)	4,540.26	0.7%	▲	5.1%	▲

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