



# Weekly economic report

9 June 2026

## Financial markets charts

### The week that was

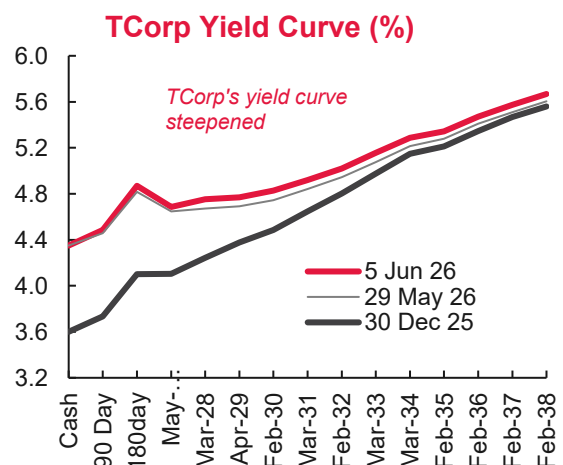
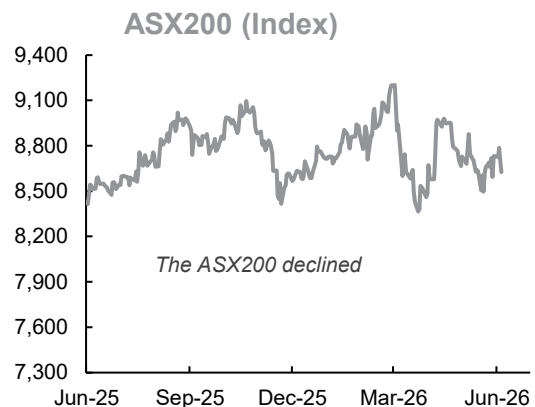
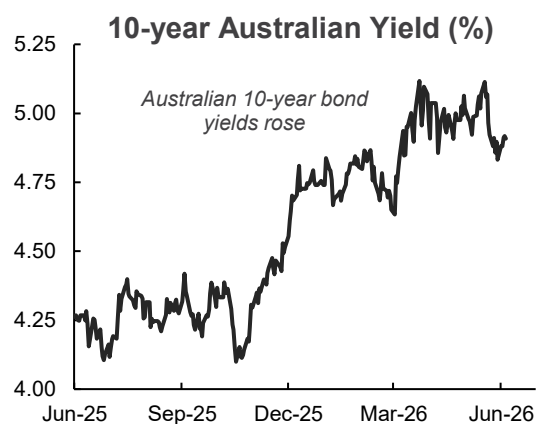
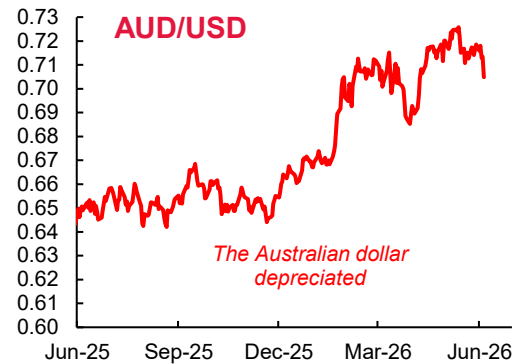
- Financial markets sentiment oscillated with headlines about the Iran war. Oil prices traded in a narrow range but ended the week 1.1% higher.
- Strong US employment growth in May drove bond yields higher, with 10-year yields up 9bps. With the US unemployment rate at 4.3% and inflation rising, a strong labour market increases the prospect of a rate hike by the US Federal Reserve (Fed). Investors expect the Fed to raise rates at the end of this year.
- Higher bond yields weighed on US equities, as did negative sentiment around the AI sector late last week. The S&P500 ended the week 2.6% lower, while the tech-heavy Nasdaq fell by 4.3%.
- Australian bond yields rose by 8bps, alongside the rise in global yields. The ASX200 fell by 1.2%, with weakness in banks and miners.
- The Australian economy grew by 0.3% in the March quarter 2026, which was close to expectations. Although consumer spending supported growth, this partly reflects higher spending on utilities as government electricity rebates ended. More broadly, spending per capita has been stagnant over the past few years. Higher interest rates, higher inflation, and a weakening housing market will be headwinds to consumer spending this quarter.
- The NSW economy grew very strongly in the March quarter, supported by data centre construction.
- Australia' Fair Work Commission awarded a 4.75% and 6% increase in award wages and minimum wages, respectively, from 1 July. This directly impacts around 10% of the nation's wages bill, though indirect effects are larger.

### Economic calendar

<b>Monday</b> <b>08/06</b>	AU: NAB Business survey, May; Westpac Consumer sentiment, Jun
<b>Tuesday</b> <b>09/06</b>	
<b>Wednesday</b> <b>10/06</b>	US: CPI, May CA: Bank of Canada policy decision
<b>Thursday</b> <b>11/06</b>	US: PPI, May EC: ECB policy decision
<b>Friday</b> <b>12/06</b>	

### The week ahead

- US inflation data is the key offshore data this week.
- The European Central Bank is expected to raise rates as the Iran war has triggered high inflation. The Bank of Canada is expected to hold rates steady.



## Financial markets data: Week ending 5 June 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.49	3	▲	75	▲
3-year Australian Bond Yield	4.56	8	▲	42	▲
10-year Australian Bond Yield	4.91	8	▲	17	▲
20-year Australian Bond Yield	5.33	8	▲	15	▲
10-year Australian Break-Even Inflation	2.38	0	▲	7	▲
10-year Australian Real Yield	2.53	8	▲	9	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.15	14	▲	67	▲
10-year US Treasury Yield	4.53	9	▲	36	▲
30-year US Treasury Yield	5.00	2	▲	15	▲
10-year German Bund Yield	3.04	10	▲	18	▲
<b>NSW TCorp Bonds</b>					
3.00% 20 May 2027	4.69	4	▲	58	▲
3.00% 20 March 2028	4.75	8	▲	50	▲
3.00% 20 April 2029	4.77	8	▲	39	▲
3.00% 20 February 2030	4.83	8	▲	34	▲
2.00% 20 March 2031	4.92	8	▲	27	▲
1.50% 20 February 2032	5.02	8	▲	22	▲
2.5% 22 November 2032	5.11	8	▲	21	▲
2.00% 8 March 2033	5.16	8	▲	19	▲
1.75% 20 March 2034	5.29	7	▲	15	▲
5.25% 17 October 2034	5.31	7	▲	--	--
4.75% 20 February 2035	5.34	7	▲	14	▲
4.75% 20 September 2035	5.43	7	▲	15	▲
4.25% 20 February 2036	5.47	6	▲	14	▲
4.75% 20 February 2037	5.57	6	▲	11	▲
3.50% 20 November 2037	5.67	7	▲	13	▲
5.25% 24 February 2038	5.67	6	▲	11	▲
5.25% 22 February 2039	5.76	6	▲	11	▲
2.50% 20 November 2035 CIB	2.92	10	▲	-7	▼
10-year NSW TCorp Bond Yield	5.48	7	▲	19	▲
10-year TCV (Victoria) Spread	0.05	0	▲	-1	▼
10-year QTC (Queensland) Spread	0.03	-1	▼	-3	▼
<b>Equities</b>					
S&P/ASX200 (Australia)	8,625	-1.2%	▼	-1.0%	▼
S&P500 (US)	7,384	-2.6%	▼	7.9%	▲
FTSE 100 (UK)	10,368	-0.4%	▼	4.4%	▲
DJ Stoxx600 (Europe)	623	-0.5%	▼	5.1%	▲
Nikkei 225 (Japan)	66,588	0.4%	▲	32.3%	▲
Shanghai Composite (China)	4,028	-1.0%	▼	1.5%	▲
<b>Currencies</b>					
AUD/USD	0.705	-1.9%	▼	5.6%	▲
EUR/USD	1.152	-1.2%	▼	-1.9%	▼
USD/JPY	160.29	0.6%	▲	2.3%	▲
GBP/USD	1.33	-0.8%	▼	-1.0%	▼
US\$ Index	100.07	1.1%	▲	1.8%	▲
<b>Commodities</b>					
Brent Oil (US\$/bbl)	93.09	1.1%	▲	53.0%	▲
Iron Ore (US\$/t)	101.91	-6.3%	▼	-4.9%	▼
Coking Coal (US\$/t)	176.78	4.3%	▲	18.1%	▲
Gold (US\$/oz)	4,328.45	-4.7%	▼	0.2%	▲

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