



Weekly economic report

15 June 2026

Financial markets charts

The week that was

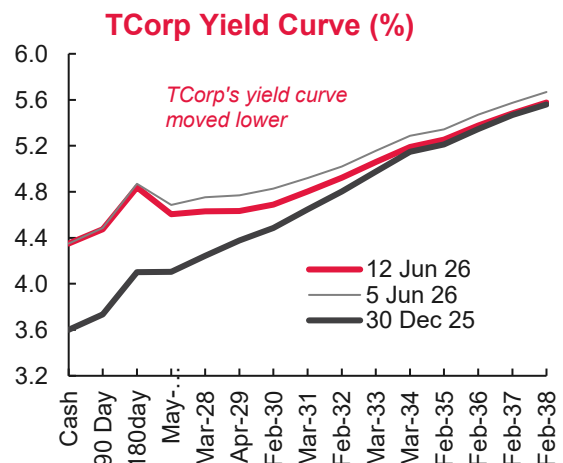
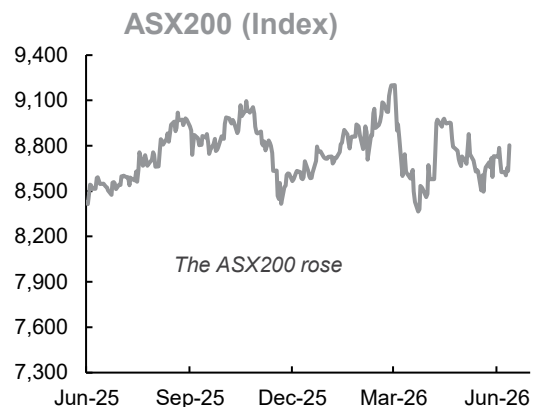
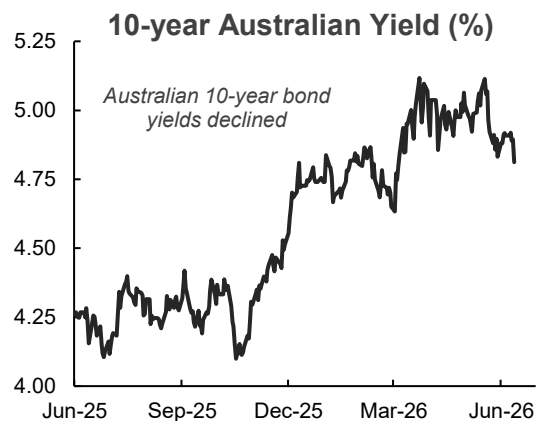
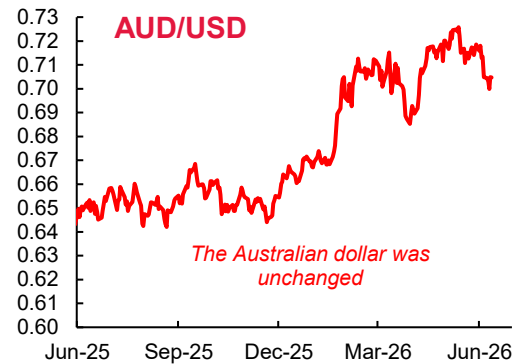
- Last week markets were driven by optimism that a peace deal between the US and Iran was imminent. This drove oil prices 6% lower, to be below US\$90/bbl for the first time since the war started. Global bond yields declined in response and most equity markets ended the week higher.
- Optimism of a resolution to the conflict enabled the S&P500 to rise by 0.6%, but weakness in some large tech stocks weighed on the market. The ASX200 rose by 2.1%, with the IT sector also weighing.
- Higher energy prices drove headline US inflation above 4% in May, but core inflation hovered around 3%. Inflation in energy intensive areas is rising, but the pass-through of higher tariffs to goods prices is viewed as largely complete. Slower growth in rent prices is also keeping overall inflation contained.
- Australian survey data showed that consumers remain very pessimistic amid cost-of-living pressures and concerns about the housing market. Business confidence is also low in an environment of sluggish consumer spending and cost pressures because of the Iran war.
- The European Central Bank (ECB) raised interest rates by 25bps to combat rising inflation after the Middle East energy shock.
- The Bank of Canada left interest rates unchanged and highlighted the high degree of uncertainty around the outlook as policymakers balance weak economic conditions with rising inflation.

Economic calendar

Monday 15/06	
Tuesday 16/06	AU: RBA policy decision JP: Bank of Japan policy decision
Wednesday 17/06	US: Federal Reserve policy decision; Retail sales, May UK: CPI, May
Thursday 18/06	UK: Bank of England policy decision NZ: GDP, Q1
Friday 19/06	

The week ahead

- The Reserve Bank of Australia (RBA) is widely expected to hold rates steady. Investors are 50/50 on whether interest rates have peaked or if the RBA might raise rates once more in 2026.
- Central banks in the US and UK are also expected to keep rates unchanged, while the Bank of Japan is expected to raise rates for the first time this year.



Financial markets data: Week ending 12 June 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.47	-1	▼	74	▲
3-year Australian Bond Yield	4.42	-13	▼	29	▲
10-year Australian Bond Yield	4.81	-10	▼	7	▲
20-year Australian Bond Yield	5.25	-8	▼	7	▲
10-year Australian Break-Even Inflation	2.39	0	▲	8	▲
10-year Australian Real Yield	2.43	-10	▼	0	▼
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.08	-7	▼	61	▲
10-year US Treasury Yield	4.48	-5	▼	31	▲
30-year US Treasury Yield	4.97	-3	▼	12	▲
10-year German Bund Yield	3.00	-4	▼	14	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.61	-8	▼	50	▲
3.00% 20 March 2028	4.63	-12	▼	38	▲
3.00% 20 April 2029	4.63	-14	▼	25	▲
3.00% 20 February 2030	4.69	-14	▼	20	▲
2.00% 20 March 2031	4.80	-12	▼	15	▲
1.50% 20 February 2032	4.92	-10	▼	12	▲
2.5% 22 November 2032	5.01	-10	▼	11	▲
2.00% 8 March 2033	5.06	-10	▼	9	▲
1.75% 20 March 2034	5.19	-10	▼	5	▲
5.25% 17 October 2034	5.21	-9	▼	--	--
4.75% 20 February 2035	5.25	-9	▼	5	▲
4.75% 20 September 2035	5.34	-9	▼	6	▲
4.25% 20 February 2036	5.38	-9	▼	4	▲
4.75% 20 February 2037	5.48	-9	▼	2	▲
3.50% 20 November 2037	5.57	-9	▼	3	▲
5.25% 24 February 2038	5.58	-9	▼	2	▲
5.25% 22 February 2039	5.67	-9	▼	1	▲
2.50% 20 November 2035 CIB	2.83	-8	▼	-16	▼
10-year NSW TCorp Bond Yield	5.39	-10	▼	9	▲
10-year TCV (Victoria) Spread	0.05	0	▼	-2	▼
10-year QTC (Queensland) Spread	0.03	0	–	-3	▼
Equities					
S&P/ASX200 (Australia)	8,804	2.1%	▲	1.0%	▲
S&P500 (US)	7,431	0.6%	▲	8.6%	▲
FTSE 100 (UK)	10,472	1.0%	▲	5.4%	▲
DJ Stoxx600 (Europe)	633	1.7%	▲	6.9%	▲
Nikkei 225 (Japan)	66,020	-0.9%	▼	31.1%	▲
Shanghai Composite (China)	4,032	0.1%	▲	1.6%	▲
Currencies					
AUD/USD	0.705	0.0%	▼	5.6%	▲
EUR/USD	1.157	0.4%	▲	-1.5%	▼
USD/JPY	160.24	0.0%	▼	2.3%	▲
GBP/USD	1.34	0.5%	▲	-0.5%	▼
US\$ Index	99.75	-0.3%	▼	1.4%	▲
Commodities					
Brent Oil (US\$/bbl)	87.33	-6.2%	▼	43.5%	▲
Iron Ore (US\$/t)	101.50	-0.4%	▼	-5.3%	▼
Coking Coal (US\$/t)	175.51	-0.7%	▼	17.3%	▲
Gold (US\$/oz)	4,219.33	-2.5%	▼	-2.3%	▼

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