



Weekly economic report

22 June 2026

Financial markets charts

The week that was

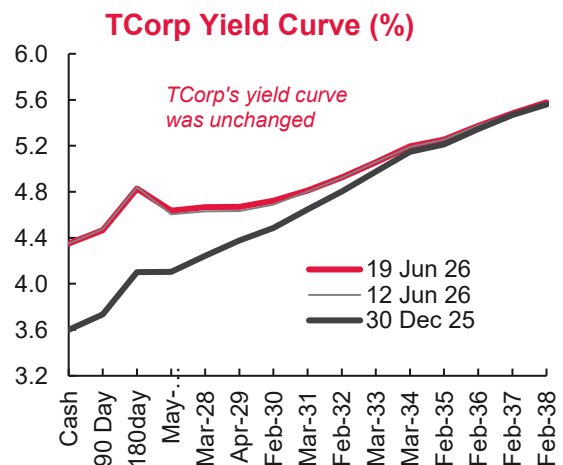
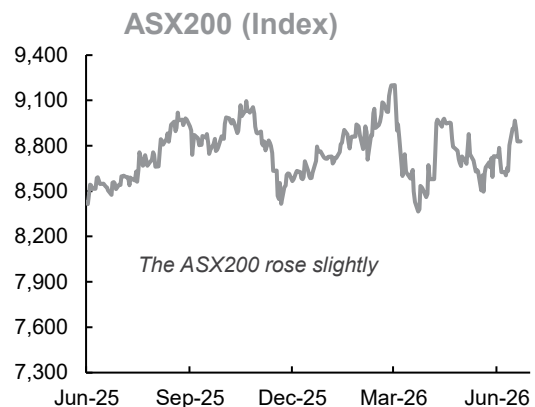
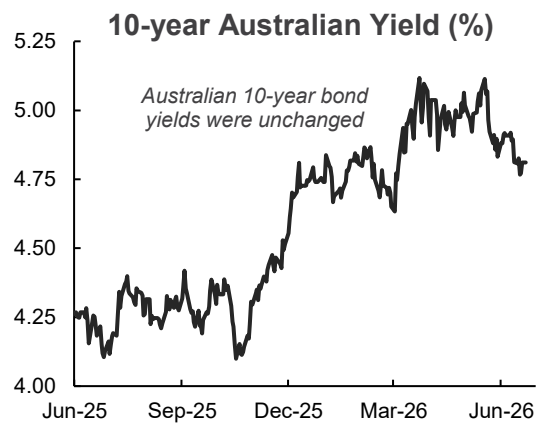
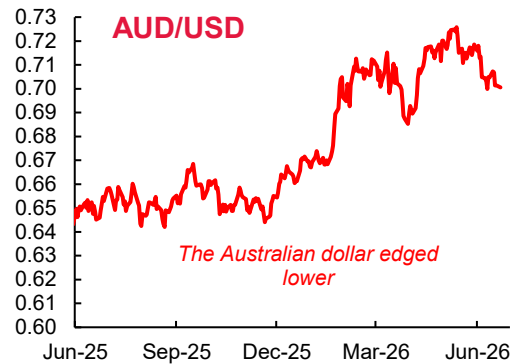
- Market confidence that a peace deal between Iran and the US will be signed saw global oil prices fall by almost 8%, to \$US80/bbl. This boosted equity markets and triggered a fall in global bond yields, though the latter was mostly reversed on Friday as concerns around the US-Iran deal materialised.
- Australian 10-year bond yields were unchanged last week. The Reserve Bank of Australia (RBA) held rates steady, as was widely expected, as it balances the risk of higher inflation against a weakening economy. Investors still see about a 50% chance of one more rate hike by the RBA this year.
- The US Federal Reserve (Fed) left rates unchanged but has become more hawkish as inflation rises and data continues to point to a strong US economy. The hawkish shift saw US bond yields rise, with 2-year yields ending the week 10bps higher, though 10-year yields ended the week 3bps lower. Investors expect the US Fed to raise rates 1 or 2 times in late 2026.
- The Bank of England also left rates on hold, with markets focussed on the evolving political situation in the UK. In contrast, the Bank of Japan (BoJ) raised rates by 25bps, to 1.0%, the first rate rise this year. Investors are waiting to see if the BoJ will keep raising rates, as there is perceived political pressure to keep rates low.
- Most equity markets rose last week, with the US S&P500 gaining 0.9% and the ASX200 rising by 0.3%. Japan's market was the standout, up 7.9% to be over 40% higher in 2026 to date. Japan benefits from the AI boom, as do Korea and Taiwan, where equity markets are up 115% and 62% in 2026.

Economic calendar

Monday 22/06	CA: CPI, May
Tuesday 23/06	Global: PMIs, Jun (preliminary) NSW: State Budget
Wednesday 24/06	AU: CPI, May
Thursday 25/06	US: Core PCE deflator, May AU: Labour force, May; Household spending, May
Friday 26/06	

The week ahead

- Australian inflation and labour force data are the key local releases. The 2026/27 NSW Budget will be released on Tuesday.
- US inflation is the key offshore data, as well as timely Global Purchasing Managers' Indexes (PMIs).



Financial markets data: Week ending 19 June 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.47	-1	▼	73	▲
3-year Australian Bond Yield	4.46	4	▲	32	▲
10-year Australian Bond Yield	4.81	0	▼	7	▲
20-year Australian Bond Yield	5.24	-1	▼	6	▲
10-year Australian Break-Even Inflation	2.34	-4	▼	3	▲
10-year Australian Real Yield	2.47	4	▲	4	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.18	10	▲	70	▲
10-year US Treasury Yield	4.45	-3	▼	29	▲
30-year US Treasury Yield	4.90	-7	▼	5	▲
10-year German Bund Yield	2.99	-1	▼	13	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.64	3	▲	53	▲
3.00% 20 March 2028	4.67	4	▲	41	▲
3.00% 20 April 2029	4.67	3	▲	29	▲
3.00% 20 February 2030	4.72	3	▲	24	▲
2.00% 20 March 2031	4.81	1	▲	16	▲
1.50% 20 February 2032	4.93	0	▲	13	▲
2.5% 22 November 2032	5.02	1	▲	12	▲
2.00% 8 March 2033	5.06	0	▼	9	▲
1.75% 20 March 2034	5.19	0	▲	6	▲
5.25% 17 October 2034	5.21	0	▲	--	--
4.75% 20 February 2035	5.25	0	▼	5	▲
4.75% 20 September 2035	5.34	0	▲	6	▲
4.25% 20 February 2036	5.37	0	▼	4	▲
4.75% 20 February 2037	5.48	0	–	2	▲
3.50% 20 November 2037	5.57	-1	▼	3	▲
5.25% 24 February 2038	5.58	0	▲	2	▲
5.25% 22 February 2039	5.67	1	▲	2	▲
2.50% 20 November 2035 CIB	2.91	8	▲	-8	▼
10-year NSW TCorp Bond Yield	5.39	1	▲	9	▲
10-year TCV (Victoria) Spread	0.05	0	▼	-2	▼
10-year QTC (Queensland) Spread	0.03	-1	▼	-4	▼
Equities					
S&P/ASX200 (Australia)	8,829	0.3%	▲	1.3%	▲
S&P500 (US)	7,501	0.9%	▲	9.6%	▲
FTSE 100 (UK)	10,363	-1.0%	▼	4.3%	▲
DJ Stoxx600 (Europe)	636	0.4%	▲	7.3%	▲
Nikkei 225 (Japan)	71,250	7.9%	▲	41.5%	▲
Shanghai Composite (China)	4,090	1.5%	▲	3.1%	▲
Currencies					
AUD/USD	0.701	-0.5%	▼	5.1%	▲
EUR/USD	1.147	-0.8%	▼	-2.3%	▼
USD/JPY	161.30	0.7%	▲	2.9%	▲
GBP/USD	1.32	-1.3%	▼	-1.8%	▼
US\$ Index	100.85	1.1%	▲	2.6%	▲
Commodities					
Brent Oil (US\$/bbl)	80.57	-7.7%	▼	32.4%	▲
Iron Ore (US\$/t)	100.33	-1.2%	▼	-6.4%	▼
Coking Coal (US\$/t)	177.81	1.3%	▲	18.8%	▲
Gold (US\$/oz)	4,155.71	-1.5%	▼	-3.8%	▼

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