Weekly economic report

10 August 2026

The week that was

- It was a better week for investors, with offshore bond yields falling and most equity markets recording solid gains. US 10-year bond yields declined 9bps, with a fall in the unemployment rate contributing. Australian 10-year yields rose 8bps.
- Oil prices fell by 7% as investor optimism was again buoyed by the prospect of a deal that would allow the Strait of Hormuz to reopen. However, a deal has not been finalised and the situation in the Middle East remains volatile and uncertain.
- The US S&P500 gained 3.6%, with the tech sector outperforming after some strong earnings reports.
- Australia's ASX200 rose by 3.2%, with particularly strong gains in the tech and mining sectors. The banking sector has risen strongly since July, following a period of weakness after the Federal Government Budget announced tax changes for investors in housing.
- The housing tax changes – together with higher interest rates and weak consumer sentiment – have triggered a slowdown in Australia's housing market. House prices fell further in July, with Sydney and Melbourne experiencing the largest falls over the past few months.
- The Australian dollar continued to creep higher last week, supported by the positive risk sentiment.

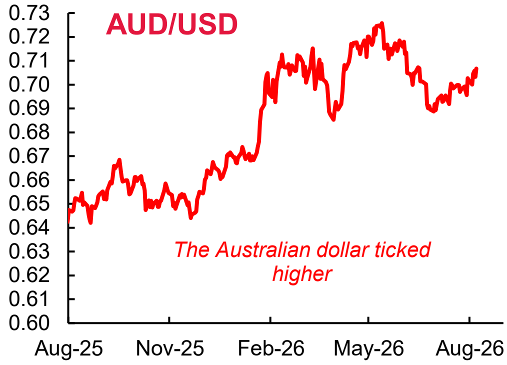
Economic calendar

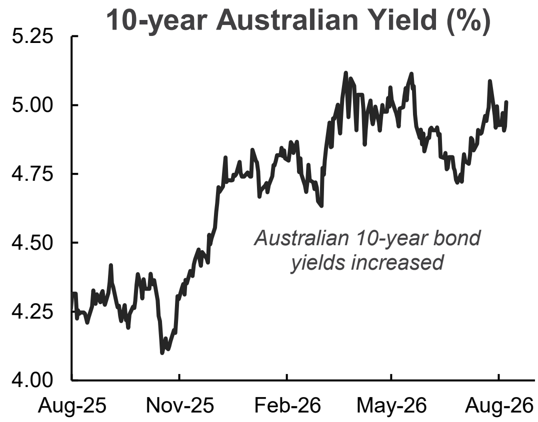
Monday 10/08	
Tuesday 11/08	AU: RBA policy decision; NAB Business Survey, Jul
Wednesday 12/08	US: CPI, Jul
Thursday 13/08	US: PPI, Jul UK: GDP, Q2
Friday 14/08	AU: Housing lending, Q2 US: Retail sales, Jul

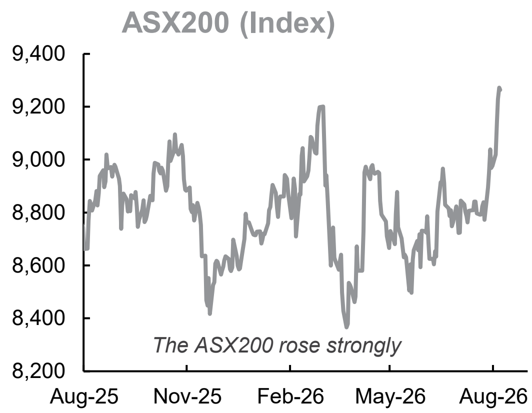
The week ahead

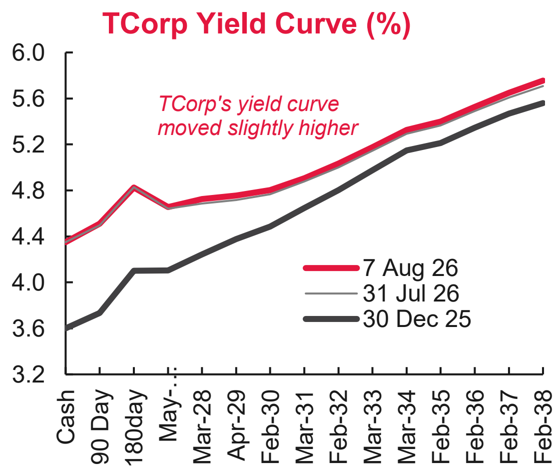
- The Reserve Bank of Australia (RBA) is expected to hold rates steady at its Board meeting this week. The recent run of weaker data should allow the RBA to wait and see how the Iran war and domestic economy evolve before adjusting rates again. Investors will pay close attention to the RBA's updated economic forecasts.
- The NAB Business survey will provide an updated read of business sentiment and price pressures.
- US inflation is the key offshore data.

Financial markets charts









Financial markets data: Week ending 7 August 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.51	1	▲	77	▲
3-year Australian Bond Yield	4.54	5	▲	40	▲
10-year Australian Bond Yield	5.01	8	▲	27	▲
20-year Australian Bond Yield	5.44	7	▲	26	▲
10-year Australian Break-Even Inflation	2.29	-5	▼	-2	▼
10-year Australian Real Yield	2.72	13	▲	29	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.20	-10	▼	72	▲
10-year US Treasury Yield	4.65	-9	▼	48	▲
30-year US Treasury Yield	5.20	-7	▼	36	▲
10-year German Bund Yield	3.13	-7	▼	28	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.66	1	▲	55	▲
3.00% 20 March 2028	4.73	4	▲	47	▲
3.00% 20 April 2029	4.75	4	▲	37	▲
3.00% 20 February 2030	4.80	4	▲	32	▲
2.00% 20 March 2031	4.91	3	▲	26	▲
1.50% 20 February 2032	5.03	3	▲	23	▲
2.5% 22 November 2032	5.13	4	▲	23	▲
2.00% 8 March 2033	5.18	3	▲	21	▲
1.75% 20 March 2034	5.33	3	▲	19	▲
5.25% 17 October 2034	5.35	3	▲	--	--
4.75% 20 February 2035	5.40	4	▲	20	▲
4.75% 20 September 2035	5.49	4	▲	21	▲
4.25% 20 February 2036	5.53	4	▲	19	▲
4.75% 20 February 2037	5.65	4	▲	19	▲
3.50% 20 November 2037	5.74	5	▲	20	▲
5.25% 24 February 2038	5.76	5	▲	20	▲
5.25% 22 February 2039	5.83	4	▲	18	▲
2.50% 20 November 2035 CIB	3.07	6	▲	-3	▼
10-year NSW TCorp Bond Yield	5.55	4	▲	25	▲
10-year TCV (Victoria) Spread	0.03	0	▼	-3	▼
10-year QTC (Queensland) Spread	0.04	-1	▼	-3	▼
Equities	**Close**	**1 Week**		**YTD**	
S&P/ASX200 (Australia)	9,264	3.2%	▲	6.3%	▲
S&P500 (US)	7,758	3.6%	▲	13.3%	▲
FTSE 100 (UK)	10,901	0.3%	▲	9.8%	▲
DJ Stoxx600 (Europe)	660	1.7%	▲	11.5%	▲
Nikkei 225 (Japan)	65,607	1.9%	▲	30.3%	▲
Shanghai Composite (China)	3,940	2.8%	▲	-0.7%	▼
Currencies	**Close**	**1 Week**		**YTD**	
AUD/USD	0.707	0.7%	▲	5.9%	▲
EUR/USD	1.156	0.3%	▲	-1.6%	▼
USD/JPY	157.76	0.2%	▲	0.7%	▲
GBP/USD	1.35	0.1%	▲	0.1%	▲
US$ Index	99.54	-0.4%	▼	1.2%	▲
Commodities	**Close**	**1 Week**		**YTD**	
Brent Oil (US$/bbl)	83.55	-7.3%	▼	37.3%	▲
Iron Ore (US$/t)	94.70	-3.4%	▼	-11.7%	▼
Coking Coal (US$/t)	188.68	5.2%	▲	26.1%	▲
Gold (US$/oz)	4,341.56	7.3%	▲	0.5%	▲

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