Weekly economic report

17 August 2026

The week that was

- It was a mixed week across financial markets. Oil prices rose 6% but have been rangebound between US$80 and US$90 per barrel over the last month. This reflects a lack of decisive market-moving news from the Middle East.
- US inflation in July was softer than expected, which saw investors push back the timing of the first US rate rise to December. While US 2-year bonds yields fell slightly last week, 10-year yields ended 5bps higher. The benign inflation data also boosted US equities, with the S&P500 rising by 0.4%.
- In contrast, Australian 10-year yields were unchanged last week. The Reserve Bank of Australia (RBA) kept interest rates on hold, and its messaging was in line with prior communication.
- The ASX200 declined by 1.6%, with banks underperforming. The major banks have reported 15-20% falls in mortgage applications, as high interest rates and the Federal Government's housing tax changes weigh on the housing market. Mortgage applications from investors have fallen particularly sharply.
- A weaker housing market will also reduce the NSW Government's stamp duty revenue, which has fallen sharply since the start of 2026. This primarily reflects a fall in the number of transactions, though weaker prices have also contributed.

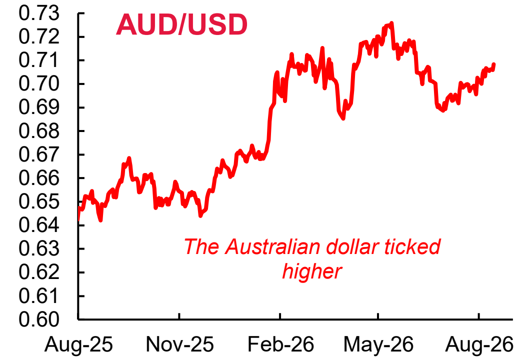
Economic calendar

Monday 17/08	CH: Monthly activity data, Jul JP: GDQ, Q2 CA: CPI, Jul
Tuesday 18/08	AU: Consumer sentiment, Aug
Wednesday 19/08	AU: Wage price index, Q2 US: Federal Reserve meeting minutes, Jul UK: CPI, Jul
Thursday 20/08	AU: Labour force, Jul
Friday 21/08	Global: S&P PMIs, Aug JP: CPI, Jul

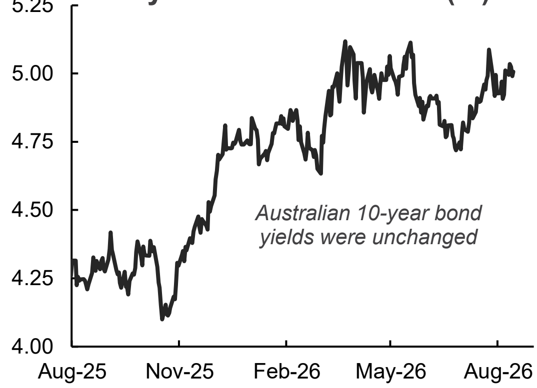
The week ahead

- Australian labour market and wage growth data are the key local statistical release this week.
- Inflation will be released in several economies and global Purchasing Managers Indexes (PMIs) will provide timely reads on economic activity.
- The minutes from the US Federal Reserve's (Fed's) July meeting will be closely read for insights into the Fed's thinking under new Chair, Kevin Warsh.

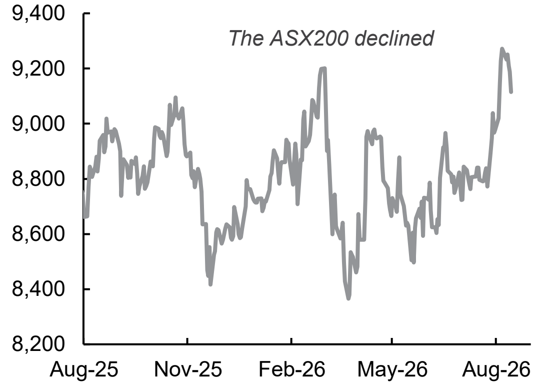
Financial markets charts



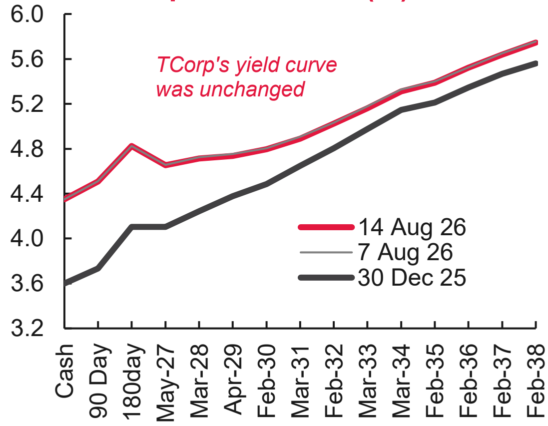
10-year Australian Yield (%)



ASX200 (Index)



TCorp Yield Curve (%)



Financial markets data: Week ending 14 August 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.51	0	▼	77	▲
3-year Australian Bond Yield	4.52	-2	▼	39	▲
10-year Australian Bond Yield	5.01	0	▼	27	▲
20-year Australian Bond Yield	5.43	-1	▼	25	▲
10-year Australian Break-Even Inflation	2.30	1	▲	-1	▼
10-year Australian Real Yield	2.71	-1	▼	27	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.17	-3	▼	70	▲
10-year US Treasury Yield	4.69	5	▲	53	▲
30-year US Treasury Yield	5.26	6	▲	42	▲
10-year German Bund Yield	3.20	7	▲	35	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.65	0	▼	55	▲
3.00% 20 March 2028	4.71	-1	▼	46	▲
3.00% 20 April 2029	4.74	-2	▼	35	▲
3.00% 20 February 2030	4.79	-1	▼	31	▲
2.00% 20 March 2031	4.89	-2	▼	24	▲
1.50% 20 February 2032	5.02	-1	▼	22	▲
2.5% 22 November 2032	5.12	-1	▼	22	▲
2.00% 8 March 2033	5.16	-2	▼	19	▲
1.75% 20 March 2034	5.31	-1	▼	17	▲
5.25% 17 October 2034	5.34	-1	▼	--	--
4.75% 20 February 2035	5.39	-1	▼	19	▲
4.75% 20 September 2035	5.48	-2	▼	20	▲
4.25% 20 February 2036	5.52	-1	▼	19	▲
4.75% 20 February 2037	5.57	-1	▼	--	▲
3.50% 20 November 2037	5.64	-1	▼	18	▲
5.25% 24 February 2038	5.73	-1	▼	19	▲
5.25% 22 February 2039	5.75	-1	▼	19	▲
2.50% 20 November 2035 CIB	5.82	-1	▼	17	▲
10-year NSW TCorp Bond Yield	5.55	0	▼	25	▲
10-year TCV (Victoria) Spread	0.03	0	▲	-3	▼
10-year QTC (Queensland) Spread	0.03	-1	▼	-4	▼
Equities	**Close**	**1 Week**		**YTD**	
S&P/ASX200 (Australia)	9,115	-1.6%	▼	4.6%	▲
S&P500 (US)	7,786	0.4%	▲	13.7%	▲
FTSE 100 (UK)	10,750	-1.4%	▼	8.2%	▲
DJ Stoxx600 (Europe)	658	-0.4%	▼	11.1%	▲
Nikkei 225 (Japan)	68,714	4.7%	▲	36.5%	▲
Shanghai Composite (China)	3,927	-0.3%	▼	-1.0%	▼
Currencies	**Close**	**1 Week**		**YTD**	
AUD/USD	0.708	0.2%	▲	6.2%	▲
EUR/USD	1.157	0.1%	▲	-1.5%	▼
USD/JPY	159.32	1.0%	▲	1.7%	▲
GBP/USD	1.35	0.3%	▲	0.5%	▲
US$ Index	99.67	0.1%	▲	1.4%	▲
Commodities	**Close**	**1 Week**		**YTD**	
Brent Oil (US$/bbl)	88.52	5.9%	▲	45.5%	▲
Iron Ore (US$/t)	95.50	0.8%	▲	-10.9%	▼
Coking Coal (US$/t)	178.44	-5.4%	▼	19.2%	▲
Gold (US$/oz)	4,376.40	0.8%	▲	1.3%	▲

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