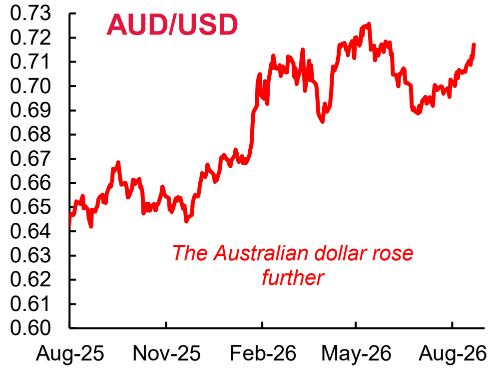
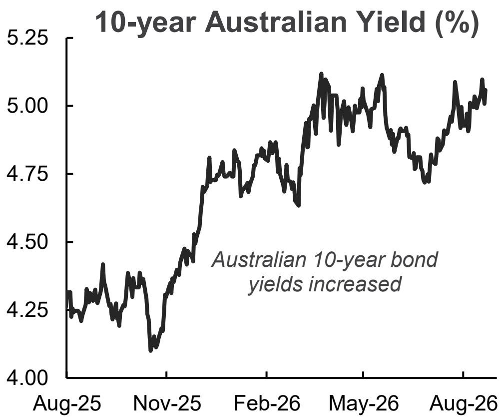
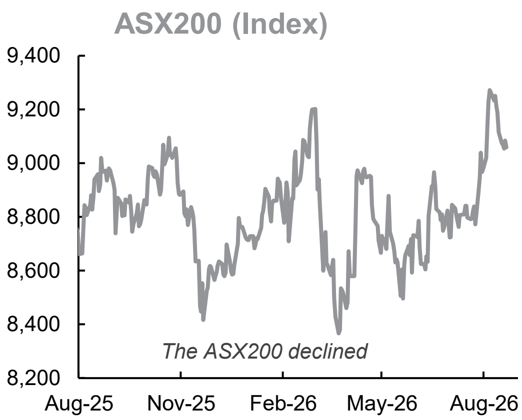
Weekly economic report

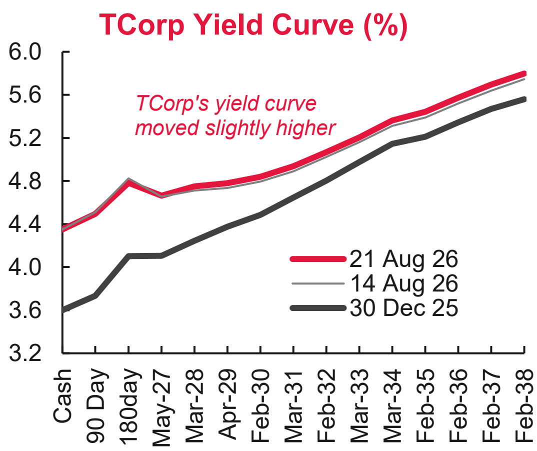
24 August 2026

Financial markets charts









The week that was

- Risk sentiment in financial markets deteriorated last week. Oil prices rose to US$95 per barrel amid ongoing disruptions to energy markets and no apparent progress towards ending the war.
- Bond yields rose alongside oil prices, with US 10-year yields increasing 4bps and Australian 10-year yields rising by 5bps.
- Most equity markets fell last week. The US S&P500 declined by 1.4%, with most sectors down including many large tech companies. Energy companies rose alongside higher commodity prices. The market was also boosted by a 130% rise in Moderna's share price after it announced positive results from a cancer vaccine trial.
- The ASX200 fell by 0.6%, with another large fall in banking stocks amid the housing market slowdown. Consumer stocks were also weak amid disappointing earnings reports from retailers. In contrast, resources stocks rose, alongside a rise in commodity prices.
- Labour market data indicated that Australia's labour market continues to gradually loosen, with the unemployment rate trending higher, to 4.5%. Wages growth for workers that are most sensitive to current labour market conditions – those on individual wage agreements and those in the private sector – has slowed and is consistent with the midpoint of the Reserve Bank of Australia's (RBA's) inflation target.
- The Australian dollar continued to climb higher, supported by strong commodity prices, ending the week a touch below 72 US cents.

Economic calendar

Monday 24/08	
Tuesday 25/08	AU: RBA Board minutes, Aug
Wednesday 26/08	AU: CPI, Jul US: PCE deflator, Jul; GDP, Q2
Thursday 27/08	AU: Private investment, Q2; Construction work done, Q2; Household spending, Jul
Friday 28/08	US: Fed Chair Warsh speech JP: Tokyo CPI, Aug

The week ahead

- A suite of Australian data will be released, including inflation and household spending for July.
- US inflation is the key offshore data. Investors will focus on Kevin Warsh's speech, with markets still trying to understand the new US Fed Chair's communication style. Nvidia's earnings report will also be in focus.

Financial markets data: Week ending 21 August 2026

Interest Rates	Close (%)	1 Week (bps)		YTD (bps)	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.49	-1	▼	76	▲
3-year Australian Bond Yield	4.57	5	▲	43	▲
10-year Australian Bond Yield	5.06	5	▲	32	▲
20-year Australian Bond Yield	5.49	5	▲	31	▲
10-year Australian Break-Even Inflation	2.35	5	▲	4	▲
10-year Australian Real Yield	2.70	0	▼	27	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.24	7	▲	76	▲
10-year US Treasury Yield	4.73	4	▲	57	▲
30-year US Treasury Yield	5.27	1	▲	43	▲
10-year German Bund Yield	3.26	5	▲	40	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.66	1	▲	56	▲
3.00% 20 March 2028	4.75	4	▲	50	▲
3.00% 20 April 2029	4.78	4	▲	40	▲
3.00% 20 February 2030	4.84	4	▲	35	▲
2.00% 20 March 2031	4.94	5	▲	29	▲
1.50% 20 February 2032	5.07	5	▲	27	▲
2.5% 22 November 2032	5.17	5	▲	26	▲
2.00% 8 March 2033	5.20	4	▲	23	▲
1.75% 20 March 2034	5.36	5	▲	22	▲
5.25% 17 October 2034	5.39	5	▲	--	--
4.75% 20 February 2035	5.44	5	▲	24	▲
4.75% 20 September 2035	5.53	5	▲	25	▲
4.25% 20 February 2036	5.57	5	▲	24	▲
4.75% 20 February 2037	5.63	6	▲	--	▲
3.50% 20 November 2037	5.70	6	▲	23	▲
5.25% 24 February 2038	5.79	5	▲	25	▲
5.25% 22 February 2039	5.80	5	▲	24	▲
2.50% 20 November 2035 CIB	5.89	6	▲	23	▲
10-year NSW TCorp Bond Yield	5.60	5	▲	30	▲
10-year TCV (Victoria) Spread	0.02	-1	▼	-4	▼
10-year QTC (Queensland) Spread	0.03	0	▲	-4	▼

Equities	Close	1 Week		YTD	
S&P/ASX200 (Australia)	9,059	-0.6%	▼	4.0%	▲
S&P500 (US)	7,674	-1.4%	▼	12.1%	▲
FTSE 100 (UK)	10,817	0.6%	▲	8.9%	▲
DJ Stoxx600 (Europe)	654	-0.6%	▼	10.5%	▲
Nikkei 225 (Japan)	66,016	-3.9%	▼	31.1%	▲
Shanghai Composite (China)	3,905	-0.6%	▼	-1.6%	▼

Currencies	Close	1 Week		YTD	
AUD/USD	0.717	1.2%	▲	7.5%	▲
EUR/USD	1.168	0.9%	▲	-0.6%	▼
USD/JPY	158.95	-0.2%	▼	1.4%	▲
GBP/USD	1.36	0.8%	▲	1.3%	▲
US$ Index	98.80	-0.9%	▼	0.5%	▲

Commodities	Close	1 Week		YTD	
Brent Oil (US$/bbl)	94.39	6.6%	▲	55.1%	▲
Iron Ore (US$/t)	95.33	-0.2%	▼	-11.1%	▼
Coking Coal (US$/t)	222.31	24.6%	▲	48.5%	▲
Gold (US$/oz)	4,603.07	5.2%	▲	6.6%	▲

Brian Redican
Chief Economist
brian.redican@tcorp.nsw.gov.au

Emily Perry
Head of Macroeconomic Strategy
emily.perry@tcorp.nsw.gov.au

Level 7, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000, Australia

T +61 2 9325 9325
W www.tcorp.nsw.gov.au

ABN 99 235 825

Disclaimer

About TCorp

TCorp provides best-in-class investment management, financial management, solutions, and advice to the New South Wales (NSW) public sector. TCorp is NSW's sovereign investment manager, responsible for A$119 billion of assets under management and acts as the central borrowing authority of the state, with a balance sheet of A$196 billion. It is rated Aaa (Stable) by Moody's, AAA (Stable) by Fitch, and AA+ (Negative) by S&P.