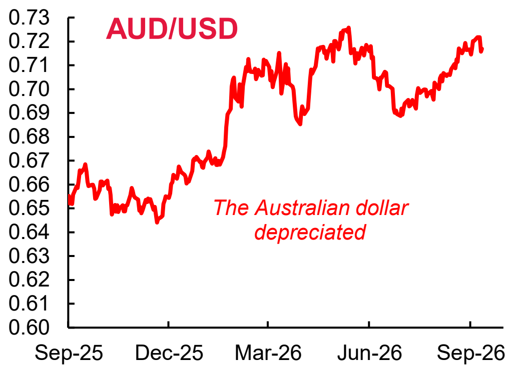
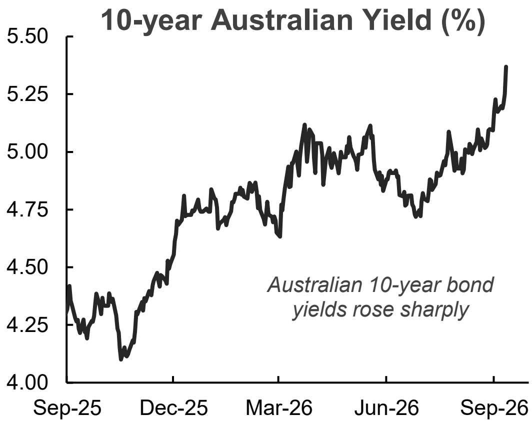
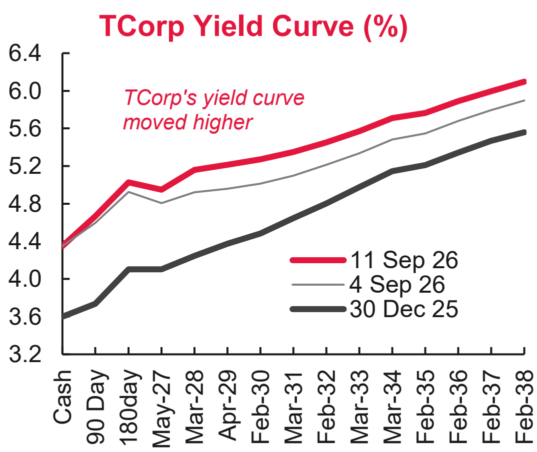
Weekly economic report

14 September 2026

- **Financial markets charts**







The week that was

- The escalating Middle East conflict saw oil prices rise by almost 9%, to US$105 per barrel, and diesel prices reach their highest level since April.
- Rising energy prices have heightened inflationary concerns at a time when global central banks are already concerned about inflation being too high for too long. Bond yields globally rose sharply in response, particularly short-term bond yields in anticipation of further interest rate rises. Australian 3-year and 10-year yields ended the week 25bps and 19bps higher respectively. Bond yields in the US and across Europe rose by similar amounts.
- The European Central Bank raised interest rates again and investors expect another 3 or 4 hikes by mid next year.
- Communication from the Reserve Bank of Australia (RBA) remains hawkish, with policymakers signalling further tightening will be needed if upside risks to inflation materialise. Investors think a rate rise is probable in September and certain that there will be one by November.
- Higher bond yields saw equity markets fall in most economies. The US S&P500 declined by 0.8% and Australia's ASX200 fell by 2.9%.
- The Australian dollar depreciated amid weaker global risk sentiment, ending the week a touch below 72 US cents.

Economic calendar

Monday 14/09	CA: CPI, Aug
Tuesday 15/09	
Wednesday 16/09	US: Federal Reserve policy decision; Retail sales, Aug UK: CPI, Aug
Thursday 17/09	UK: Bank of England policy decision
Friday 18/09	JP: Bank of Japan policy decision; CPI, Aug

The week ahead

- The US central bank is expected to raise rates this week for the first time since 2023, in light of a strong economy and elevated inflation. The Bank of Japan is also expected to raise rates.
- There will be more public appearances by RBA officials. Markets will try to gauge whether a rate rise is imminent or if the RBA is inclined to be more patient given a weakening housing market and weak consumer and business sentiment.

Financial markets data: Week ending 11 September 2026

Interest Rates	**Close (%)**	**1 Week (bps)**		**YTD (bps)**	
RBA Cash Rate	4.35	0	–	75	▲
90-day BBSW	4.67	7	▲	93	▲
3-year Australian Bond Yield	5.00	25	▲	86	▲
10-year Australian Bond Yield	5.37	19	▲	63	▲
20-year Australian Bond Yield	5.73	16	▲	55	▲
10-year Australian Break-Even Inflation	2.42	4	▲	11	▲
10-year Australian Real Yield	2.95	16	▲	52	▲
Fed Funds Rate (lower bound)	3.50	0	–	0	–
2-year US Treasury Yield	4.63	26	▲	115	▲
10-year US Treasury Yield	4.97	18	▲	80	▲
30-year US Treasury Yield	5.35	11	▲	51	▲
10-year German Bund Yield	3.50	17	▲	65	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.95	14	▲	84	▲
3.00% 20 March 2028	5.16	24	▲	91	▲
3.00% 20 April 2029	5.21	25	▲	83	▲
3.00% 20 February 2030	5.27	26	▲	79	▲
2.00% 20 March 2031	5.35	25	▲	70	▲
1.50% 20 February 2032	5.45	24	▲	65	▲
2.5% 22 November 2032	5.55	24	▲	64	▲
2.00% 8 March 2033	5.57	24	▲	60	▲
1.75% 20 March 2034	5.71	23	▲	57	▲
5.25% 17 October 2034	5.73	22	▲	--	--
4.75% 20 February 2035	5.77	22	▲	56	▲
4.75% 20 September 2035	5.85	22	▲	57	▲
4.25% 20 February 2036	5.89	21	▲	55	▲
4.75% 20 February 2037	5.93	21	▲	--	▲
3.50% 20 November 2037	6.00	20	▲	53	▲
5.25% 24 February 2038	6.09	20	▲	55	▲
5.25% 22 February 2039	6.10	20	▲	54	▲
2.50% 20 November 2035 CIB	6.18	19	▲	52	▲
10-year NSW TCorp Bond Yield	5.91	20	▲	61	▲
10-year TCV (Victoria) Spread	0.04	0	▲	-3	▼
10-year QTC (Queensland) Spread	0.05	2	▲	-2	▼
Equities	**Close**	**1 Week**		**YTD**	
S&P/ASX200 (Australia)	8,741	-2.9%	▼	0.3%	▲
S&P500 (US)	7,657	-0.8%	▼	11.9%	▲
FTSE 100 (UK)	10,650	-1.7%	▼	7.2%	▲
DJ Stoxx600 (Europe)	639	-1.7%	▼	7.9%	▲
Nikkei 225 (Japan)	64,011	-1.6%	▼	27.2%	▲
Shanghai Composite (China)	3,888	-1.1%	▼	-2.0%	▼
Currencies	**Close**	**1 Week**		**YTD**	
AUD/USD	0.717	-0.5%	▼	7.4%	▲
EUR/USD	1.160	-0.1%	▼	-1.3%	▼
USD/JPY	153.61	-1.7%	▼	-2.0%	▼
GBP/USD	1.35	0.0%	▲	0.4%	▲
US$ Index	99.12	-0.1%	▼	0.8%	▲
Commodities	**Close**	**1 Week**		**YTD**	
Brent Oil (US$/bbl)	104.61	8.7%	▲	71.9%	▲
Iron Ore (US$/t)	97.35	-2.3%	▼	-9.2%	▼
Coking Coal (US$/t)	240.60	-3.1%	▼	60.8%	▲
Gold (US$/oz)	4,349.08	-1.8%	▼	0.7%	▲

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