Weekly economic report

9 November 2026

The week that was

- US equity markets fell sharply after the Democrats won control of the House and the Senate in the US mid-term elections. This prompted concerns about constraints on building data centres. The S&P500 ended the week down 2.7% and the tech-heavy Nasdaq fell 3.4%, with those firms most exposed to the AI infrastructure build-out falling 20-30%.
- The Democrat victory also resulted in oil prices falling 16% over the last week, to be back under US$100 per barrel, as the chances of a re-escalation in the Iran war are perceived to be lower.
- The AI equities sell-off and lower oil prices saw global bond yields fall, as investors sought the safety of government bonds and lower oil prices reduce inflationary pressures. US and German 10-year yields fell by 7bps, with larger falls across the rest of Europe (including France).
- Australian 10-year bond yields fell by 13bps, alongside global bonds and after the Reserve Bank of Australia (RBA) raised the cash rate to 4.85%. Although the rate rise was widely expected, the 6-3 split decision saw expectations of future rate hikes pared back. Investors now expect the next interest rate move to be a cut in the second half of 2027, as the housing market downturn continues and the Australian economy is weakening. The ASX200 gained 1.3%.
- The Australian dollar fell by 2.3% against the US dollar, to below 69 US cents, weighed down by investor risk aversion and lower commodity prices.

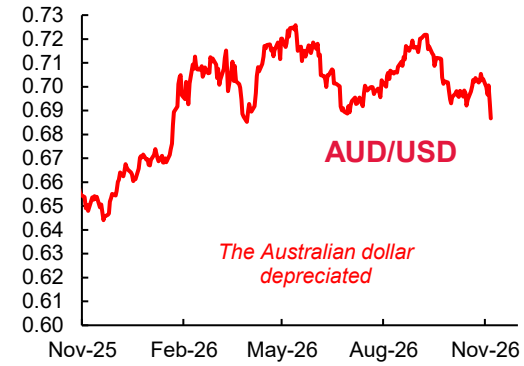
Economic calendar

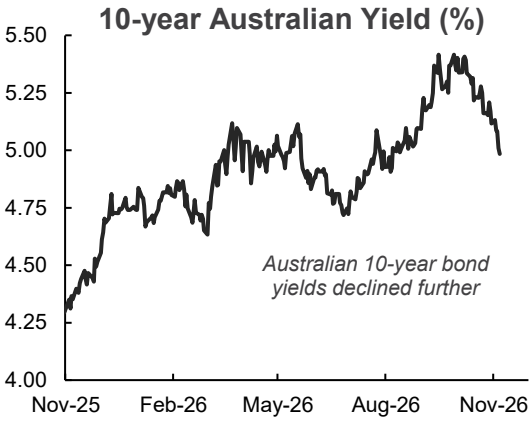
Monday 09/11	AU: RBA's Hunter speaks CH: Inflation, Oct
Tuesday 10/11	AU: Consumer sentiment, Nov US: Inflation, Oct
Wednesday 11/11	AU: Home loan approvals, Q3 EU: German inflation
Thursday 12/11	UK: GDP, Q3
Friday 13/10	US: Producer prices, Oct

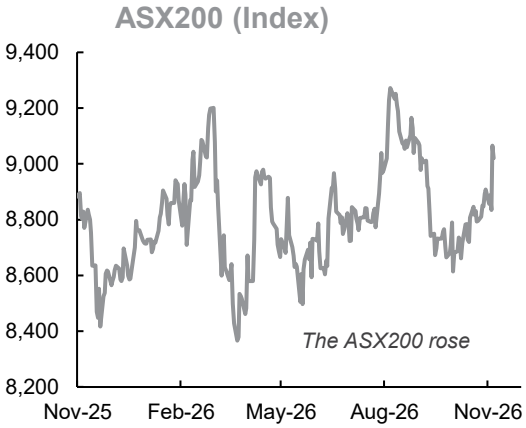
The week ahead

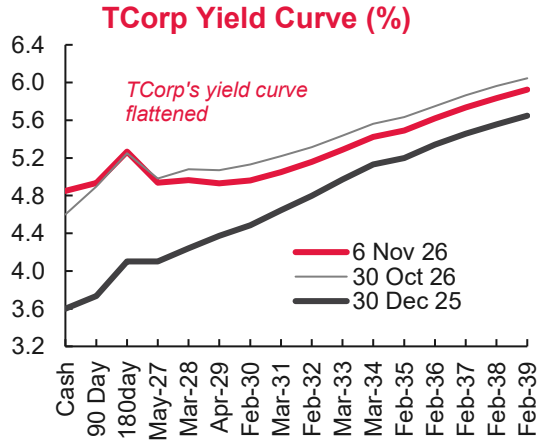
- Globally, US inflation data will be the focus. With the US labour market going from strength to strength, signs of accelerating inflation would seal the case for the Fed to raise rates in December.
- Locally, we receive updates of consumer and business confidence, with investors keen to see how people reacted to the RBA rate hike last week.

Financial markets charts









Financial markets data: Week ending 6 November 2026

	Close (%)	1 Week (bps)		YTD (bps)	
Interest Rates					
RBA Cash Rate	4.85	25	▲	125	▲
90-day BBSW	4.93	3	▲	119	▲
3-year Australian Bond Yield	4.67	-14	▼	53	▲
10-year Australian Bond Yield	4.98	-13	▼	24	▲
20-year Australian Bond Yield	5.36	-10	▼	18	▲
10-year Australian Break-Even Inflation	2.27	-9	▼	-4	▼
10-year Australian Real Yield	2.72	-4	▼	28	▲
Fed Funds Rate (lower bound)	3.75	0	–	25	▲
2-year US Treasury Yield	4.51	-8	▼	104	▲
10-year US Treasury Yield	4.86	-7	▼	69	▲
30-year US Treasury Yield	5.26	-4	▼	42	▲
10-year German Bund Yield	3.25	-7	▼	40	▲
NSW TCorp Bonds					
3.00% 20 May 2027	4.94	-5	▼	83	▲
3.00% 20 March 2028	4.96	-12	▼	72	▲
3.00% 20 April 2029	4.93	-14	▼	55	▲
3.00% 20 February 2030	4.96	-17	▼	47	▲
2.00% 20 March 2031	5.05	-17	▼	40	▲
1.50% 20 February 2032	5.16	-16	▼	36	▲
2.5% 22 November 2032	5.24	-15	▼	34	▲
2.00% 8 March 2033	5.29	-15	▼	32	▲
1.75% 20 March 2034	5.42	-14	▼	29	▲
5.25% 17 October 2034	5.45	-14	▼	--	--
4.75% 20 February 2035	5.49	-14	▼	29	▲
4.75% 20 September 2035	5.57	-14	▼	31	▲
4.25% 20 February 2036	5.62	-13	▼	29	▲
5.50% 22 October 2036	5.66	-13	▼	--	▲
4.75% 20 February 2037	5.74	-13	▼	28	▲
3.50% 20 November 2037	5.82	-14	▼	28	▲
5.25% 24 February 2038	5.83	-13	▼	29	▲
5.25% 22 February 2039	5.92	-12	▼	28	▲
2.50% 20 November 2035 CIB	2.93	-18	▼	-28	▼
10-year NSW TCorp Bond Yield	5.66	-12	▼	37	▲
10-year TCV (Victoria) Spread	0.07	0	▼	0	▲
10-year QTC (Queensland) Spread	0.04	0	▼	-2	▼
Equities	**Close**	**1 Week**		**YTD**	
S&P/ASX200 (Australia)	9,021	1.3%	▲	3.5%	▲
S&P500 (US)	7,377	-2.7%	▼	7.8%	▲
FTSE 100 (UK)	10,674	-0.5%	▼	7.5%	▲
DJ Stoxx600 (Europe)	648	0.2%	▲	9.5%	▲
Nikkei 225 (Japan)	57,435	-9.3%	▼	14.1%	▲
Shanghai Composite (China)	3,649	1.4%	▲	-8.1%	▼
Currencies	**Close**	**1 Week**		**YTD**	
AUD/USD	0.687	-2.3%	▼	2.9%	▲
EUR/USD	1.114	-0.2%	▼	-5.1%	▼
USD/JPY	158.48	0.6%	▲	1.1%	▲
GBP/USD	1.34	-0.3%	▼	-0.9%	▼
US$ Index	102.30	0.4%	▲	4.0%	▲
Commodities	**Close**	**1 Week**		**YTD**	
Brent Oil (US$/bbl)	98.32	-16.4%	▼	61.6%	▲
Iron Ore (US$/t)	93.15	2.7%	▲	-13.1%	▼
Coking Coal (US$/t)	220.27	-1.6%	▼	47.2%	▲
Gold (US$/oz)	4,070.80	5.1%	▲	-5.8%	▼

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