Weekly Market Report

17 August 2026

Brent Crude w/w	Gold (US$/oz) w/w	ASX 200 w/w	MSCI World w/w	AUD/USD
+1.1%	−0.1%	−1.2%	+0.2%	70.88 +0.5%

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Market overview

Financial markets traded in a mixed manner over the week. While domestic markets were lower, led by a wider decline across the resources sector and higher bond yields coming off the back of the hawkish statements by the RBA post its meeting, global markets were more positive post the benign US CPI print. In addition, US retail sales were also weaker than forecast, which combined to reduce market concerns about a near-term rate rise by the Fed.

Inflation and the Fed

While some market analysts now see the Fed on hold through 2026, we still see the potential for higher rates. While core CPI was 2.5% y/y (−0.1% pcp), it remains elevated and well above the Fed's 2.0% target level. However, with a broader softening in US consumer spend, the potential for a further decline in inflation could eventuate, particularly if energy prices remain stable.

Domestic conditions

Domestically, the most notable data point was the further decline in business confidence (−6 pts). This followed on from a weak prior survey (−5 pts) that also mirrors consumer sentiment data at a multi-year low. As we head into the domestic corporate reporting season, early results across the consumer discretionary sector are already highlighting a challenging outlook.

What to watch this week

This week sees employment data as the focus. While the unemployment rate is forecast to remain steady at 4.5%, new employment numbers are set to be flat (forecast +12.0k), well below the prior number of +76k. Wage price data is also set for release (forecast 3.2% y/y), which sees real wages remaining flat. In the US, housing and PMI data will be the focus. With US 30yr mortgages moving higher over the week, US housing volumes remain in the doldrums, while PMI indicators are expected to reflect an expansionary outlook, further supporting the near-term earnings outlook. In China, it's a telling week with the release of industrial production along with retail sales and property investment data.

Asset class returns

	1 wk	1 mth	3 mths	6 mths	1 yr p.a.
Aust Eq (lge) S&P/ASX 200 (Accum)	−1.2%	+3.7%	+5.9%	+3.4%	+5.3%
Aust Eq (sml) S&P/ASX Sml Ords (Accum)	−0.9%	+6.4%	+2.1%	−2.1%	+3.1%
Aust Industrials S&P/ASX 200 Industrials (Accum)	−0.9%	+1.5%	+8.8%	+1.6%	−4.3%
Aust Resources S&P/ASX 200 Resources (Accum)	−2.0%	+9.5%	−0.8%	+8.3%	+41.0%
Global Eq (unh) MSCI AC World (unh) Accum	+0.2%	+3.0%	+6.5%	+10.5%	+12.1%
Global Eq (hdg) MSCI AC World (hdg) Accum	+0.6%	+4.3%	+6.1%	+12.7%	+24.1%
Global Eq (sml unh) MSCI World SMID Cap Index	+1.4%	+5.4%	+6.9%	+8.7%	+21.3%
Global Eq (EM unh) MSCI Emerging Markets (unh) Accum	+1.5%	+3.5%	+3.6%	+9.9%	+25.1%
AREITs S&P/ASX 200 AREIT (Accum)	−1.8%	+0.7%	+2.0%	−1.9%	−9.1%
GREITs EPRA NAREIT (ex-Aust) hdg (Accum)	+1.0%	−1.7%	+4.7%	+2.3%	+16.6%
Global Infra (A$ hdg) S&P Gbl Infrastructure A$ (Hdg) TR	0.0%	−1.9%	+1.6%	−1.4%	+11.3%
Global Infra (A$ unhdg) S&P Gbl Infrastructure A$ TR	−0.3%	−3.0%	+1.8%	−3.2%	+2.1%
Aust Fixed Income BBerg AusBond Composite (0+yrs)	+0.1%	+0.1%	+1.9%	+1.0%	+0.7%
Global Fixed Income Bar Cap Global Agg Index (AUD hdg)	+0.1%	−0.1%	+1.0%	−0.6%	+2.2%
Aust Cash BBerg Aust Bond Bank Bill Index	0.0%	+0.3%	+1.1%	+2.1%	+3.9%

Source: Bloomberg, Infinity.

S&P/ASX sectors

	1 wk	1 mth	3 mths	6 mths	1 yr
Energy	+2.8%	+6.9%	+2.3%	+18.0%	+14.4%
Materials	−3.0%	+9.6%	−0.4%	+4.3%	+36.4%
Industrials	−3.0%	−0.5%	+1.6%	−0.9%	−2.3%
Consumer Disc	−0.9%	−0.3%	+20.1%	+2.4%	−8.4%
Consumer Staples	−1.4%	+2.6%	+17.1%	+10.6%	+7.6%
Healthcare	+1.5%	+7.8%	+27.2%	−3.1%	−36.2%
Financials	−1.0%	+0.2%	+6.6%	−1.0%	+2.8%
AREITs	−2.1%	+0.3%	+0.5%	−3.5%	−12.0%
IT	+3.0%	+13.8%	+13.7%	+15.6%	−32.9%
Comm Services	−2.9%	+0.1%	−5.4%	−0.5%	−14.2%
Utilities	+7.6%	+7.1%	+0.4%	+1.8%	+2.0%
Banks	−1.1%	+0.3%	+6.1%	−7.3%	+2.3%

Currencies

Pair	Rate	1 wk	1 mth	3 mths
AUD/USD	70.88	+0.5%	+1.5%	−0.9%
AUD/GBP	52.34	+0.2%	+0.8%	−2.5%
AUD/EUR	61.25	+0.2%	+0.3%	−0.4%
AUD/JPY	112.8230	+0.4%	−0.5%	−0.6%
GBP/USD	1.3542	+0.3%	+0.7%	+1.6%
EUR/USD	115.73	+0.3%	+1.2%	−0.4%
USD/JPY	159.1800	−0.1%	−2.0%	+0.3%
Aust TWI	65.6000	0.0%	+0.5%	−1.5%

Bond markets — yields & weekly change

	2yr %	3yr %	5yr %	10yr %
Australia	4.58 +2bp	4.56 +2bp	4.62 +3bp	5.05 +6bp
United States	4.17 −7bp	4.25 −6bp	4.36 −5bp	4.69 −1bp
United Kingdom	4.36 +1bp	4.46 +2bp	4.56 +3bp	5.04 +5bp
Japan	1.67 +4bp	1.88 +4bp	2.14 +5bp	2.89 +6bp
Europe	2.80 0bp	2.82 0bp	2.93 +1bp	3.20 +3bp

Commodities

	1 wk	1 mth	3 mths
Barclays Cmdty (TR US$)	+0.6%	+3.3%	−3.0%
Gold (US$/oz)	−0.1%	+9.2%	−3.4%
Crude Oil (Brent)	+1.1%	+2.7%	−8.2%
Copper	+1.7%	+8.0%	+7.9%
Iron Ore (Qingdao 62%)	+0.8%	−4.5%	−10.9%