

Week of 15 June 2026

- Domestically, the RBA decision (Tuesday) headlines, with the Board widely expected to hold.
- Globally the Fed and BoE are seen on hold, while the BoJ is likely to hike. The G7 leaders' summit is in France.
- Elsewhere, NZ Q1 GDP, UK CPI, China activity data and Japan CPI feature.

Domestically, the **RBA** decision (Tuesday) headlines. We expect a hold at 4.35% and now see the tightening cycle as complete, with the next move likely down and now expected in Q2 2027. The **Westpac Leading Index** and a speech from RBA's Jones (both Wednesday) round out the week.

Internationally, it is a busy week for central banks. The **BoJ** (Tuesday), **Fed** (Wednesday) and **BoE** (Thursday), **Riksbank** (Wednesday), **SNB** and **Norges Bank** (both Thursday) are all meeting. Only the BoJ is expected to move, with markets almost fully pricing a 25bp hike. The **G7 summit** in France runs from Monday, with the strait of Hormuz in focus. Before then markets will be looking for whether the claimed prospect of a weekend signing of a US-Iran deal materialises.

In NZ, it is a heavy data week headlined by Q1 **GDP** (Thursday); BNZ forecasts a decent 0.9% gain, not far from the 1.0% the RBNZ projected in its May MPS. The week also includes the **PSI** and **electronic card transactions** (Monday), **selected prices** (Tuesday), **consumer confidence** and the **balance of payments** (Wednesday) and **merchandise trade** (Friday).

In Asia, Japan's National **CPI** (Friday) will show how far prices are spreading beyond subsidised energy. In China, **retail sales** and **industrial production** (both Tuesday) test whether April's demand weakness persisted, leaving growth trade-reliant.

In the US, **Retail sales** (Wednesday) will be supported by higher gas prices, with the core measures providing an update on consumer momentum. **Industrial production** (Monday) and regional Fed **manufacturing** surveys are also released. Canada's **retail sales** land Friday.

In the UK, we expect May **CPI** (Wednesday) to rise from 2.8% to 3% yoy, mainly on services prices, with core up 0.2ppts to 2.7% and services up by as much as 0.4ppts, reversing some of the April drop. **Labour market** data (Thursday) should show some stabilisation, including in the drop in payrolled employees, after recent softening in jobs and wages. The **Makerfield by-election** (Thursday) could mark the start of a leadership challenge to UK PM Starmer and a shift in UK assets. Final EZ May **HICP** is due Wednesday.

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Key Data

	Latest	Next
GDP	2.5% yoy	2Q on 2 Sep
Unemployment	4.5%	May on 25 Jun
Trimmed Mean	3.5% yoy	2Q on 29 Jul
RBA	4.35%	16 Jun

Key Markets

		% change	
	Latest	Week	YTD
Rates			
		<i>bps</i>	<i>bps</i>
AU BBSY 3m	4.52	-1.2	73.7
AU 3y swap	4.42	-15.8	31.9
AU 3yr yield	4.43	-13.1	29.0
AU 10yr yield	4.82	-8.3	8.4
US 10yr yield	4.47	-5.9	30.4
AU-US 10yr spread	35.4	-2.4	-22.0
Commodities			
		%	%
Iron ore	102	-0.1	-1.3
Coal (thermal)	151.8	2.8	41.2
Brent oil	89.3	-4.1	48.3
Gold	4182.1	-3.4	-3.2
FX			
AUD/USD	0.7031	-0.2	5.4
USD (DXY)	99.81	-0.3	1.5
AUD/NZD	1.2	0.6	-4.1
AUD crosses			
AUD/JPY	112.64	0.3	-7.2
AUD/CNY	4.7574	0.5	-2.0
AUD/EUR	0.6080	0.6	-6.5
AUD/GBP	0.5	0.7	-5.6

Source: Bloomberg

Week Ahead Calendar

Highlighted events are previewed below.

	Event	Period	NAB	Previous
Monday, 15 June	08:30 NZ Performance Services Index	May		48.90
	08:45 NZ Card Spending Total MoM	May		-1.6%
	17:15 EC ECB's Lagarde Speaks in Frankfurt			
	19:00 EC Industrial Production WDA YoY	Apr		-2.1%
	22:15 CA Housing Starts	May		279.3k
	22:30 US Empire Manufacturing	Jun		19.60
	23:15 US Industrial Production MoM	May		0.7%
Tuesday, 16 June	— JN BOJ Target Rate	16 Jun	1.00%	0.75%
	08:45 NZ Food Prices MoM	May		0
	12:00 CH Industrial Production YoY	May		4.1%
	12:00 CH Retail Sales YoY	May		0.2%
	14:30 AU RBA Cash Rate Target	16 Jun	4.35%	4.35%
	22:30 US Building Permits	May P		1423k
	22:30 US Housing Starts	May		1465k
Wednesday, 17 June	07:00 NZ Westpac Consumer Confidence	2Q		94.70
	08:45 NZ BoP Current Account Balance NZD	1Q		-5.984b
	09:50 JN Trade Balance	May		¥301.9b
	10:30 AU Westpac Leading Index MoM	May		0.04%
	11:30 AU RBA's Jones-Speech			
	16:00 UK CPI Core YoY	May		2.5%
	16:00 UK CPI YoY	May		2.8%
	17:30 SW Riksbank Policy Rate	17 Jun		1.75%
	19:00 EC CPI Core YoY	May F		2.5%
	19:00 EC CPI YoY	May F		3.2%
	22:30 US Retail Sales Advance MoM	May		0.5%
	04:00 US FOMC Rate Decision (Upper Bound)	17 Jun	3.75%	3.75%
	Thursday, 18 June	08:45 NZ GDP YoY	1Q	
16:00 UK ILO Unemployment Rate 3Mths		Apr		5.0%
16:00 UK Payrolled Employees Monthly Change		May		-100k
16:00 UK Weekly Earnings ex Bonus 3M/YoY		Apr		3.4%
17:30 SZ SNB Policy Rate		18 Jun		0
18:00 NO Deposit Rates		18 Jun		4.25%
21:00 UK Bank of England Bank Rate		18 Jun	3.75%	3.75%
22:30 US Philadelphia Fed Business Outlook		Jun		-40.0%
Friday, 19 June	08:45 NZ Trade Balance NZD	May		1920m
	09:30 JN Natl CPI Ex Fresh Food YoY	May		1.4%
	09:30 JN Natl CPI YoY	May		1.4%
	09:50 JN BOJ Minutes of April Meeting			
	22:30 CA Retail Sales MoM	Apr		0.9%
	00:30 EC ECB's Lane Speaks in Paris			
Upcoming Central Bank Interest Rate Announcements				
	CA BoC	10 Jun		Current 2.25
	EZ ECB	11 Jun		2.00
	AU RBA	16 Jun		4.35
	JN BoJ	16 Jun		0.75
	US Federal Reserve	17 Jun		3.75
	UK BoE	18 Jun		3.75
	NZ RBNZ	8 Jul		2.25

Sydney Time. Dates reflect 24 hours from 7am.

Key Event Previews

Tuesday

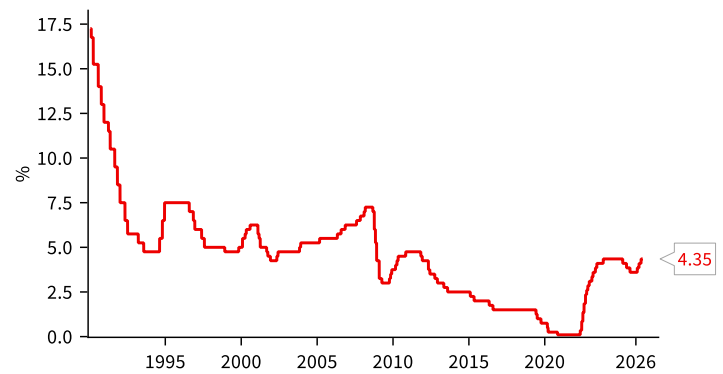
AU RBA Cash Rate Target

We expect the RBA to hold the cash rate at 4.35% on Tuesday.

The communication after the May meeting noted the Board had ‘space’ to assess incoming data even as the SoMP judged there would be limited cooling in the labour market and strong pass-through to near term inflation. The data flow since has suggested inflation is unlikely to surprise their forecast higher, but that unemployment and consumption growth could be weaker than they anticipated.

Inflation risks remain elevated and the RBA is unlikely to guide against further tightening on Tuesday, but we expect with restrictive policy and slow growth momentum, the next move from the RBA is likely to be down. [Next move in RBA cash rate is down, timing uncertain.](#)

RBA cash rate



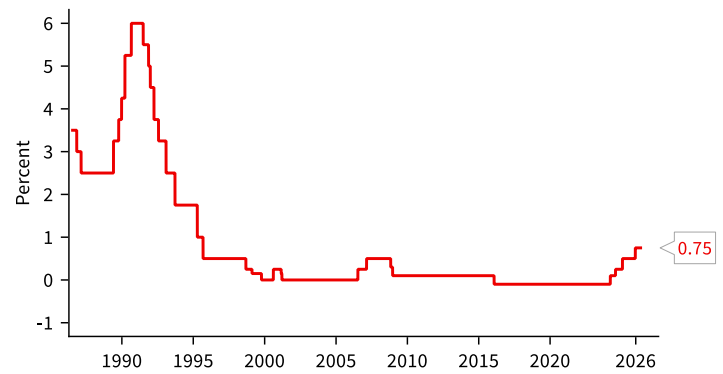
Source: National Australia Bank, Reserve Bank of Australia, Macrobond

AU BOJ Target Rate

We expect the **BoJ** to hike 25bp to 1.00% on Tuesday, a move markets are almost fully priced for. It would be the first of two hikes we expect this year (June and September), which would take the rate to 1.25% by end-2026 before two more in 2027 to 1.75% takes policy near neutral.

There are no new projections at this meeting, leaving focus on the post meeting press conference for hints about the past forward. Governor Ueda has been hospitalised and is expected to miss the meeting, which could complicate communication. Deputy Governor Himino will serve as acting chair, and it will fall on Deputy Governor Uchida to host the press conference.

BOJ policy target rate



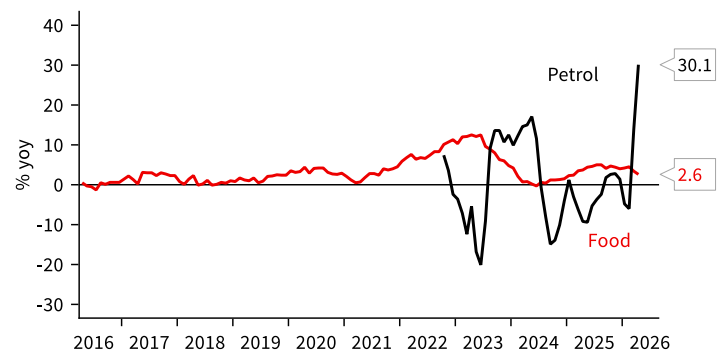
Source: National Australia Bank, Bank of Japan (BOJ), Macrobond

NZ Selected Prices

May's Selected Prices give the latest read on the CPI's various segments. Several components should look tame – some unwind in fuel prices (especially diesel), flat food and flat rents – while electricity, gas and alcohol prices are expected to rise.

The tone may be set by the volatile airfare and accommodation components: airfares should be seasonally lower in the month, but elevated fuel costs are expected to leave them higher than a year ago. BNZ will measure the components against its 1.4% q/q and 4.0% y/y Q2 CPI forecast, a touch below the RBNZ's 1.6% q/q and 4.2% y/y May MPS projection.

New Zealand selected prices



Source: National Australia Bank, Statistics New Zealand, Macrobond
Note: the petrol time series begins October 2022.

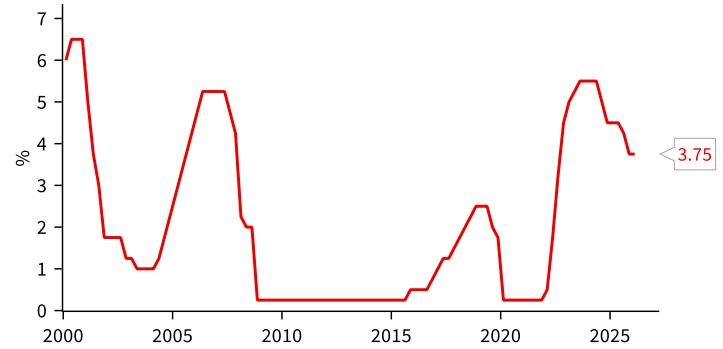
Wednesday

US FOMC Decision

The FOMC is expected to leave rates at 3.5-3.75% on Wednesday, with Kevin Warsh holding his first press conference as Chair. We see the Fed on hold through end-2027. Core PCE is tracking around 3.3% and is expected to stay above target well into 2027 as the oil shock and semiconductor prices feed goods inflation. Markets price 19bp of tightening by the end of the year.

The statement is likely to drop the easing bias, that case further support by last week's strong jobs report. The meeting also includes the Statement of Projections. The end 2026 median is likely to show no cuts this year, from 25bp in March. As well as communication style, the press conference will also be watched for signs communication framework will be reviewed.

Fed Funds Target Rate*



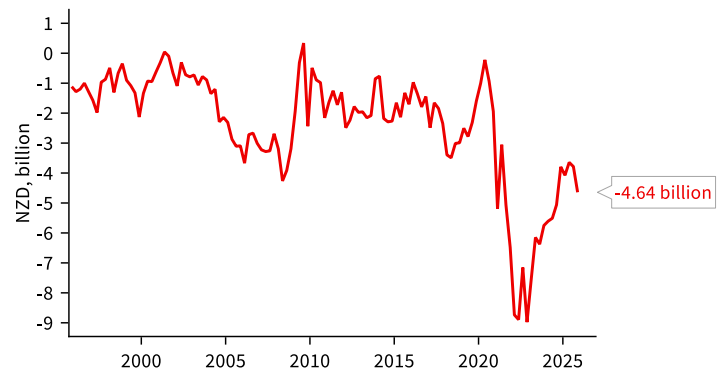
Source: National Australia Bank, Macrobond
Notes: * Top of the target range, end quarter.

NZ Balance of Payments

BNZ forecasts the current account deficit at 3.7% of GDP in the year to March 2026, matching the deficit in the year to December 2025. The goods trade annual deficit is expected to widen as rising imports outpace slowing export growth, while the services deficit narrows on strong inbound tourist spending.

The investment income deficit edges marginally wider. In the big picture, the material narrowing trend of the past three years has stalled, with some widening expected to commence over the coming year.

NZ Current account balance



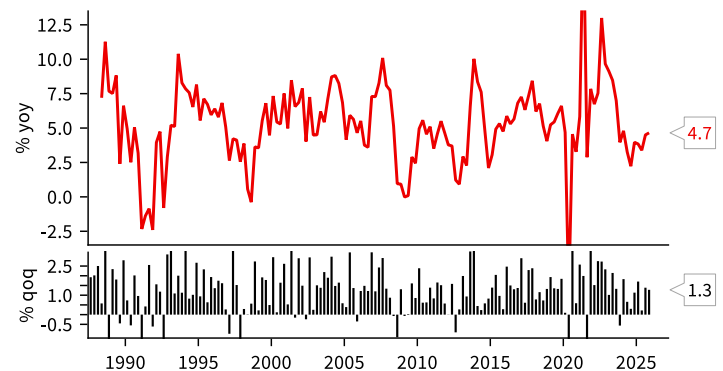
Source: National Australia Bank, Statistics New Zealand, Macrobond

Thursday

NZ GDP (Q1)

BNZ expects GDP grew 0.9% q/q. This would be strong quarterly growth, but BNZ thinks it will overstate the underlying trend. Even with the anticipated quarterly lift, annual GDP growth still eases a touch to 1.1% (absent any revisions). But it would be the third consecutive quarter of growth, confirming recovery was well underway ahead of the conflict in the Middle East. BNZ expects manufacturing, distribution and service sector growth, construction contraction, and a mixed primary sector performance. If correct, Q1 GDP will be close to the 1.0% the RBNZ projected in its May MPS.

NZ GDP



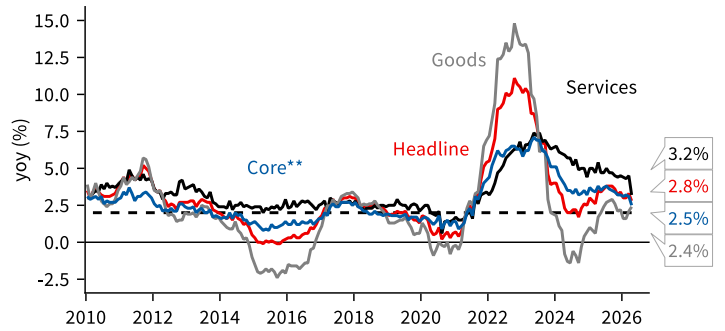
Source: National Australia Bank, Statistics New Zealand, Macrobond

AU Bank of England Bank Rate

The BoE is widely expected to hold rates steady at 3.75%, with markets pricing in almost zero chance of a move. Currently markets price almost two full hikes by year end, but this will change alongside developments in the Middle East.

We continue to expect no change in rates in 2026, with the economy suitably weak and labour market data softening to a degree that any second-round effects are more likely through pricing by firms. There are no new formal economic forecasts at this meeting.

UK Inflation*



Source: National Australia Bank, U.K. Office for National Statistics (ONS), Macrobond
 Notes: * CPI, dashed line represents the BOE's 2% inflation target; Excluding energy, food, alcohol and tobacco.

Forecasts Tables

See: [Forward View Australia](#)

Australian Economic Forecasts													
		2025				2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP	(% yoy)												
Household Consumption		0.9	2.3	2.7	2.5	2.5	1.7	1.4	1.3	1.2	1.3	1.5	1.6
Dwelling Investment		6.5	5.6	6.3	5.1	3.5	3.3	1.7	1.4	1.2	1.5	1.9	2.2
Underlying Bus. Investment		-0.8	-1.6	3.6	4.1	11.3	11.6	7.3	7.0	0.7	0.7	1.0	1.0
Public Final Demand		3.9	3.0	1.6	2.4	2.5	2.7	1.7	1.3	1.6	1.6	1.6	1.6
Domestic Final Demand	(% qoq)	0.4	0.7	1.2	0.6	1.0	0.3	0.4	0.4	0.5	0.4	0.5	0.4
	(% yoy)	2.0	2.3	2.8	2.9	3.5	3.2	2.3	2.1	1.6	1.7	1.8	1.9
Gross Domestic Product	(% qoq)	0.3	1.0	0.4	0.9	0.3	0.4	0.4	0.4	0.6	0.4	0.5	0.4
	(% yoy)	1.3	2.0	2.1	2.5	2.5	1.9	1.9	1.5	1.8	1.8	2.0	2.0
Labour Market													
Employment	(% qoq)	0.2	0.6	0.1	0.2	0.6	0.3	0.4	0.3	0.3	0.3	0.3	0.3
Unemployment Rate	(%)	4.1	4.2	4.3	4.3	4.2	4.3	4.4	4.5	4.6	4.6	4.7	4.7
WPI Wages	(% qoq)	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
	(% yoy)	3.4	3.4	3.3	3.4	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Inflation													
CPI Trimmed Mean	(% qoq)	0.7	0.7	1.0	0.9	0.8	1.0	0.9	0.8	0.7	0.8	0.7	0.7
	(% yoy)	2.9	2.7	3.0	3.4	3.5	3.8	3.7	3.6	3.4	3.2	3.0	2.9
CPI Headline	(% qoq)	0.9	0.7	1.3	0.6	1.4	1.1	0.9	0.6	0.5	0.5	0.8	0.6
	(% yoy)	2.4	2.1	3.2	3.6	4.1	4.5	4.0	4.0	3.1	2.5	2.5	2.5

Source: ABS, NAB Economics. Quarterly percent change unless specified

See: [Global FX Strategist](#)

See: [Global Forward View](#)

Exchange Rate Forecasts						
	11-Jun	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Majors						
AUD/USD	0.7031	0.72	0.73	0.74	0.73	0.71
NZD/USD	0.5816	0.61	0.63	0.64	0.63	0.63
USD/JPY	160.2	153	152	150	149	143
EUR/USD	1.1563	1.19	1.20	1.21	1.20	1.21
GBP/USD	1.3402	1.34	1.33	1.36	1.35	1.34
USD/CNY	6.77	6.70	6.60	6.50	6.40	6.85
USD/CAD	1.3980	1.36	1.35	1.34	1.35	1.37
USD/CHF	0.7962	0.78	0.77	0.76	0.77	0.76
Australian Cross Rates						
AUD/NZD	1.21	1.18	1.16	1.15	1.15	1.13
AUD/JPY	113	110	111	111	109	102
AUD/EUR	0.61	0.61	0.61	0.61	0.61	0.59
AUD/GBP	0.52	0.54	0.55	0.54	0.54	0.53
AUD/CNY	4.76	4.82	4.82	4.81	4.67	4.86
AUD/CAD	0.98	0.98	0.99	0.99	0.99	0.97
AUD/CHF	0.56	0.56	0.56	0.57	0.56	0.54

Source: Bloomberg

Global GDP				
	2024	2025	2026	2027
US	2.8	2.1	2.1	1.9
Euro-zone	0.9	1.5	0.5	1.2
Japan	-0.2	1.1	0.6	0.8
UK	1.0	1.4	0.9	0.8
Canada	2.0	1.7	0.5	1.6
China	5.0	5.0	4.7	4.3
India	7.3	7.6	6.7	6.5
Australia	1.0	2.0	1.5	1.9
NZ	-0.3	0.2	1.5	2.3
Global	3.4	3.4	3.1	3.2

Interest Rate Forecasts						
	11-Jun	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Australian Rates						
RBA cash rate	4.35	4.35	4.35	4.35	4.10	3.85
3 month bill rate	4.47	4.43	4.43	4.27	4.03	3.78
3 Year Swap Rate	4.42	4.65	4.45	4.25	4.15	4.05
10 Year Swap Rate	4.92	5.10	5.00	4.95	4.95	4.85
Offshore Policy Rates						
US Fed funds	3.75	3.75	3.75	3.75	3.75	3.75
RBNZ OCR	2.25	2.75	3.25	3.75	4.00	4.00
10-year Bond Yields						
Australia	4.82	5.10	5.00	4.90	4.90	4.80
United States	4.47	4.50	4.50	4.50	4.50	4.50
New Zealand	4.48	4.90	4.90	4.90	4.90	4.90

Source: Bloomberg

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