Mannix Capital

Market Movements

21st August 2026

Labour Market

Jobs Fall as Unemployment Edges Up to 4.5%

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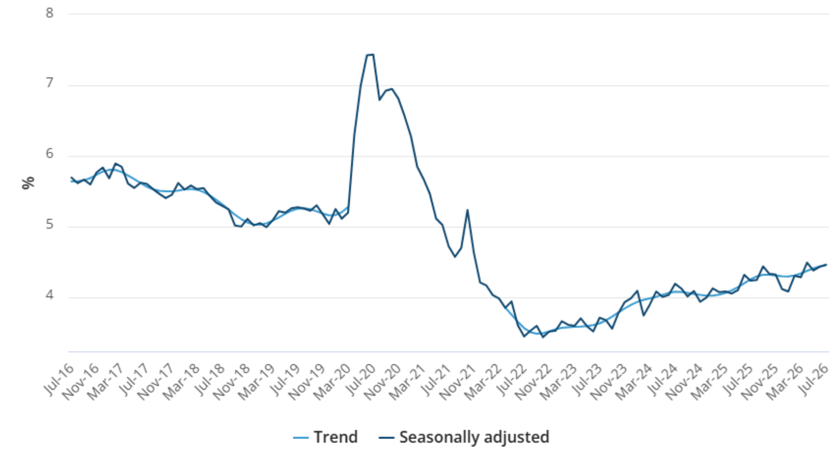
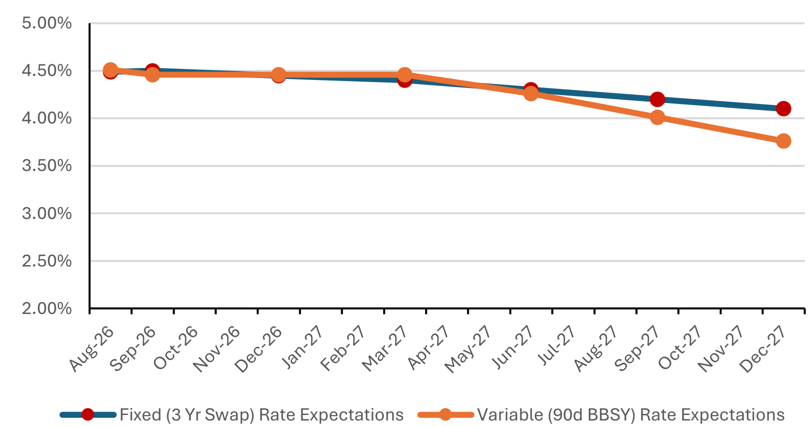
- Employment fell 15.8k in July, a downside surprise after gains of 38.2k in May and 80.2k in June. Participation eased 0.1ppt to 66.9%, which trimmed the labour force by 11.7k and softened the blow.
- The unemployment rate ticked up to 4.5% from 4.4%, though the move was smaller than it looks, going from 4.43% to 4.46%. Labour supply keeps growing faster than employment, so unemployment is drifting higher.
- Hours worked fell 0.6% in the month and are up just 0.2% over the year, against employment growth of 1.3%. Firms are employing more people but giving them fewer hours, with average hours per worker down about 1.1%.
- Underemployment eased 0.1ppt to 6.4% but remains on a rising trend, up 0.7ppt so far this year. Total hours are down 0.4% year to date while employment is up 0.7% and the labour force up 1.1%.
- Some of this reflects softer demand and some reflects supply. Cost of living pressures and higher rates are pushing more people to seek extra hours, which keeps participation strong and adds to measured slack.
- Forward indicators are turning. The Q2 NAB survey showed year-ahead employment expectations down 9 points, the largest fall since the pandemic, a clear signal that hiring plans are cooling into the second half.
- The RBA lifted its Q4 unemployment forecast to 4.5% from 4.3% in the August Statement. Westpac is more downbeat, seeing 4.6% in Q3 and 4.8% in Q4. This looks like a market moving into spare capacity rather than one running tight.

Unemployment rate



Fixed vs Variable Expectations (Westpac)



Source: Westpac Weekly 14th August

Source: ABS Labour Force Survey (July 2026), Westpac Economics, RBA

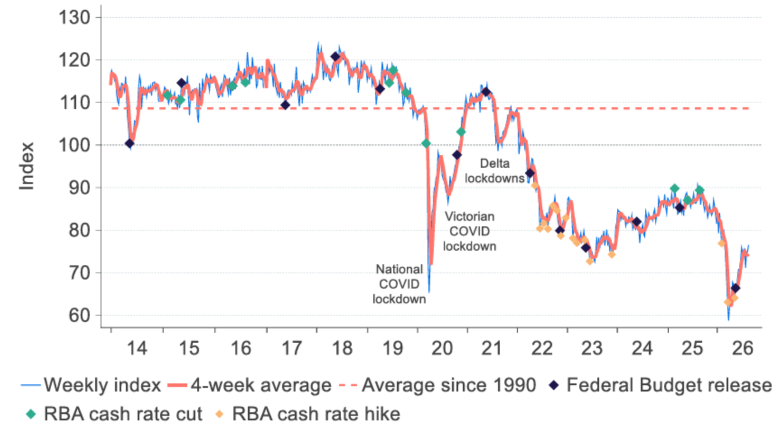
Consumer Confidence

Confidence rises 1.5pts

Consumer Confidence

"ANZ-Roy Morgan Australian Consumer Confidence increased 1.5pts last week, following the RBA's decision to keep the cash rate on hold at 4.35%. This takes confidence to its highest level in 24 weeks. The pick-up was driven by an improvement in householders' confidence in their financial situation, especially over the next year – with this subindex rising to its highest level since February. On a four-week moving average (4wma) basis, confidence amongst renters is at its highest level since January. Over the past few weeks, we've seen the biggest gap ever emerge in the 4wma for confidence amongst renters relative to those paying off a mortgage. Compared to households who own their home outright, confidence amongst renters is at its strongest since 2022. The softer confidence amongst homeowners may be linked to the recent downturn in the housing market. We have lowered our housing price forecasts and expect capital city housing prices to decline 10.6% from their recent peak." Sophia Angala – ANZ Economics

ANZ-Roy Morgan Australian Consumer Confidence rose 1.5pts

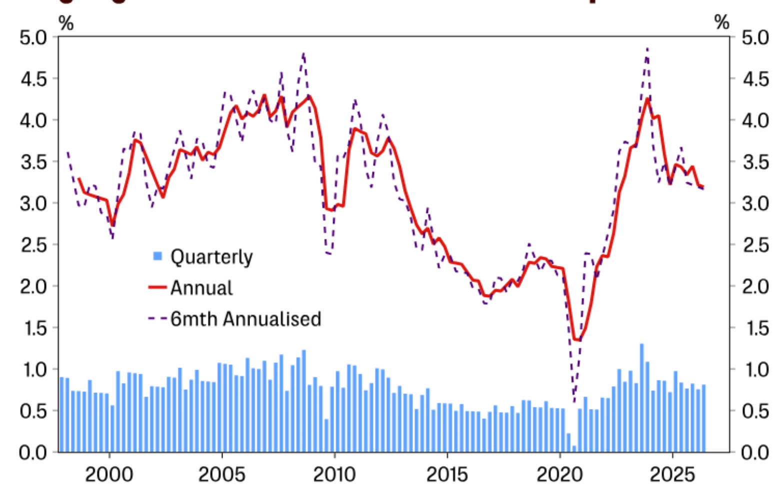


Source: ANZ-Roy Morgan, Macrobond, ANZ Research

Wages: Private Sector Pay Keeps Cooling

- The Wage Price Index rose 0.8% in Q2 to be up 3.2% over the year, in line with forecasts and just below the RBA's 3.3% projection.
- Private wages rose 0.7%, the smallest quarterly gain since late 2021, easing the annual pace to 3.1% from 3.4% six months ago.
- Public wages offset some of that, up 0.9% and steady at 3.4% over the year, led by state government roles and scheduled Commonwealth rises.

Wages growth not a concern for inflation at present

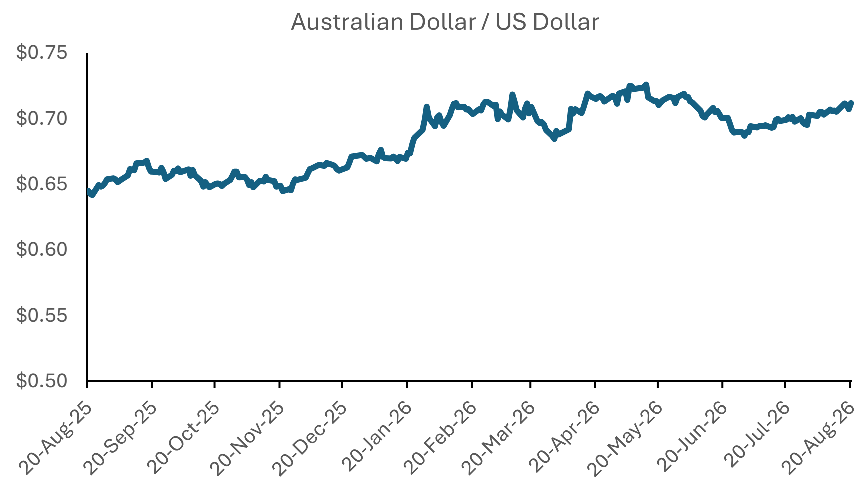


Source: ABS, Macrobond, Westpac Economics

Foreign Exchange

AUD Tops US$0.71 on a Weaker Greenback

- The Australian dollar pushed above US$0.71, an eleven-week high, and is on track for a fourth straight weekly gain as broad US dollar weakness outweighed a softer local jobs report.
- The greenback stayed under pressure as investors questioned whether the Treasury's decision to double purchases of longer-dated debt offers lasting relief. Treasury yields rebounded, keeping the focus on the widening fiscal deficit and debt load.
- That weakness more than offset the domestic data, which showed employment falling and unemployment climbing to a near five-year high of 4.5%.
- The figures were not soft enough to rule out further tightening. Markets still price around a 70% chance of a hike to 4.60% by early next year.
- A diplomatic deadlock in the Middle East has kept oil prices elevated, sustaining inflation risk and lending some support to commodity currencies.
- With the US dollar setting the direction for now, the Aussie has room to hold its gains. Further labour market softening is the main domestic risk to the rally.



The week ahead

Tuesday August 25 2026			Previous	Forecast
12:30 PM	AU	RBA Meeting Minutes		
04:00 PM	AU	RBA Jacobs Speech		
Wednesday August 26 2026			**Previous**	**Forecast**
12:00 PM	AU	Westpac Leading Index MoM JUL	0%	0.1%
12:30 PM	AU	Construction Work Done QoQ Q2	3.4%	-1.6%
12:30 PM	AU	Inflation Rate MoM JUL	-0.1%	0.7%
Thursday August 27 2026			**Previous**	**Forecast**
12:30 PM	AU	RBA Bulletin		
12:30 PM	AU	Building Capital Expenditure QoQ Q2	-3.8%	-1.8%
12:30 PM	AU	Household Spending YoY JUL	6.0%	4.4%
12:30 PM	AU	Plant Machinery Capital Expenditure QoQ	18.1%	-7.8%
12:30 PM	AU	Private Capital Expenditure QoQ Q2	6.5%	-1.4%
	AU	RBA Payments System Board Meeting		


Mannix
Capital
Lending Expertise.
People Focused.

Why Mannix?

Lending expertise. People focused.

At **Mannix Capital**, we understand that success in banking is built on relationships. With over 13 years of industry experience, we've developed deep connections with key lenders, giving our clients access to competitive rates and exclusive lending solutions.

We take the time to understand you

We believe that the best lending outcomes are achieved by understanding our clients deeply, which is why we take the time to get to know your business.

We utilise our market relationships

Our strong network allows us to:

- Negotiate better terms by leveraging trusted relationships.
- Secure fast approvals through our direct access to decision-makers.

We draw on our expertise, particularly on complex deals

We go beyond standard solutions to structure and negotiate lending that truly fits your business needs, including:

- Offering the right level of security for the lending.
- Negotiation of financial and non-financial covenants.
- Achieving optimal lending amounts and costs.

Mannix Capital

Over 60 Lenders

Supporting You

Navigating Commercial Lending

Mannix Capital

Where we support you

Commercial Retail

- Lending up to ~$3m
- Instant approval loans
- Fast approval loans
- Lease Doc Lending
- No financial covenants
- Standard corporate structures
- Typically fully secured
- Some unsecured lending options

Commercial Wholesale

- Lending up to ~$10m
- Financial and non-financial covenants may be included
- Fully secured and partially secured lending
- Industry specialisations
- Scope for complex transactions and structures

Emerging Corporate

- Lending up to ~$100m
- Financial and non-financial covenants
- Fully secured and partially secured lending
- Unsecured lending
- Industry specialisations
- Multibank arrangements and complex security arrangements

Get in touch

Let's grab a coffee

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Ready to Get Started?

Let's chat! Whether you need guidance on your first home loan or a complex commercial transaction, we've got you covered. Feel free to reach out—we'd love to discuss how we can help you achieve your financial goals.

Contact Us

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