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# Market Movements

27<sup>th</sup> March 2026

# Market Update

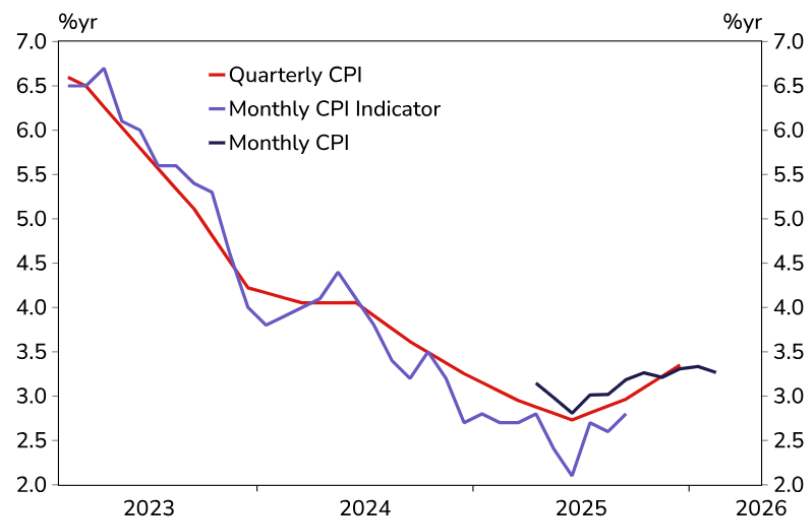
## Inflation Softens, But Fuel Shock Looms



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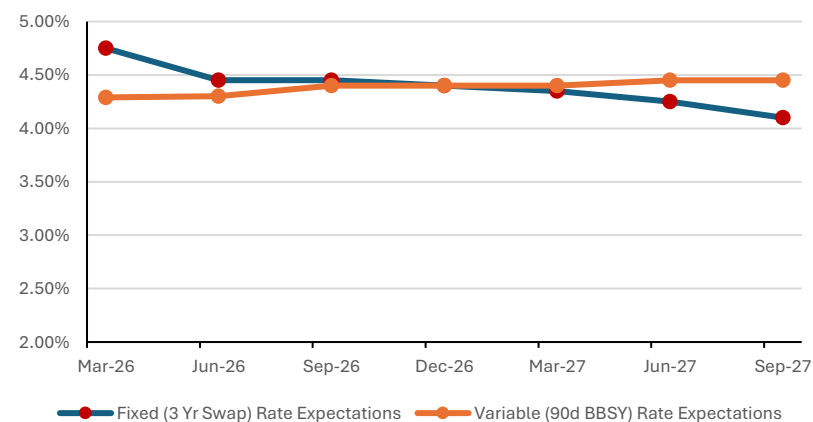
- February inflation came in slightly softer than expected, with CPI at 3.7% year-on-year and flat over the month, suggesting price pressures were easing at the start of 2026.
- Underlying inflation also moderated, with the trimmed mean steady at 3.3% and monthly growth at 0.2%, breaking a run of firmer outcomes and indicating a gradual loss of momentum in core inflation.
- Housing costs were a key contributor to the softer result, with dwelling price growth slowing to just 0.1% in the month. This was well below expectations and points to some easing in one of the more persistent drivers of inflation.
- Other components were mixed. Education costs rose less than expected, while travel declined and some household goods categories saw price falls, reinforcing the view that inflation pressures were becoming more contained across parts of the economy.
- Importantly, this data predates the sharp lift in global oil prices. As a result, headline inflation is now expected to rise again, with forecasts pointing to around 5.5% by mid-2026, largely driven by higher fuel costs.
- In contrast, underlying inflation is expected to increase more modestly, peaking closer to 3.5%, as temporary energy-related volatility is stripped out.
- Overall, inflation was moving in the right direction before the recent energy shock. The divergence between headline and underlying inflation is now likely to widen, complicating the outlook for monetary policy and the timing of any future rate decisions.

### Trimmed Mean Inflation



Source: ABS, Macrobond, Westpac Economics

### Fixed vs Variable Expectations (Westpac)



Source: Westpac Weekly (23<sup>rd</sup> March)

# Consumer Confidence

## Confidence Falls 5.4pts

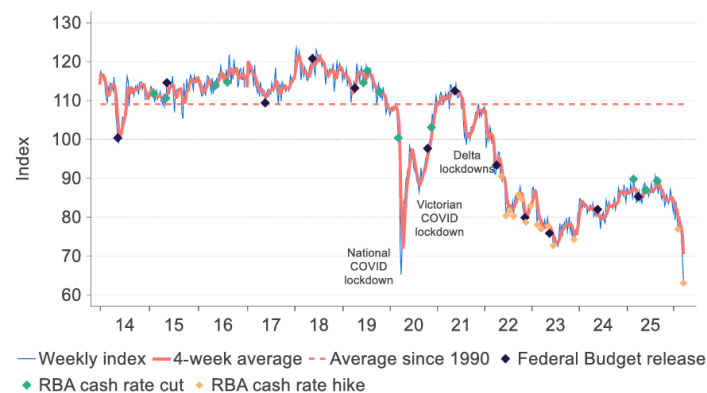


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### Consumer Confidence

“ANZ-Roy Morgan Australian Consumer Confidence fell to its lowest since records began in 1973. The impacts of the Middle East conflict on oil prices and the economic outlook are likely behind the drop, along with the RBA’s decision last week to increase the cash rate to 4.10%. With very large increases in petrol prices through March, inflation expectations rose to an all-time high last week. Household confidence in their current and future finances weakened sharply, as did the ‘time to buy a major household item’ subindex, which is at its lowest since late March 2020 when pandemic lockdowns were announced. Concerns around upside inflation risks and urgency to keep inflation expectations anchored are likely to support a final 25bp rate hike by the RBA in May, taking the cash rate to 4.35%.” Sophia Angala – ANZ Economics

ANZ-Roy Morgan Australian Consumer Confidence fell 5.4pts last week



Source: ANZ-Roy Morgan, Macrobond, ANZ Research

### Oil Pulls Back, But Risks Remain Elevated

- Oil prices eased back toward \$93 per barrel, trimming recent gains as short-term tensions showed signs of stabilising.
- Some tanker traffic has resumed through the Strait of Hormuz, supported by diplomatic signals and new insurance measures aimed at restoring shipping flows.
- Negotiations remain fragile, with Iran rejecting US proposals and continuing to assert control over the region.
- The Strait remains a critical chokepoint, with roughly 20% of global oil supply flowing through it, leaving markets highly sensitive to disruption.
- Despite the recent pullback, oil prices are still up around 40% since the conflict began, reflecting ongoing supply risks.

Crude Oil WTI



source: tradingeconomics.com

# Foreign Exchange

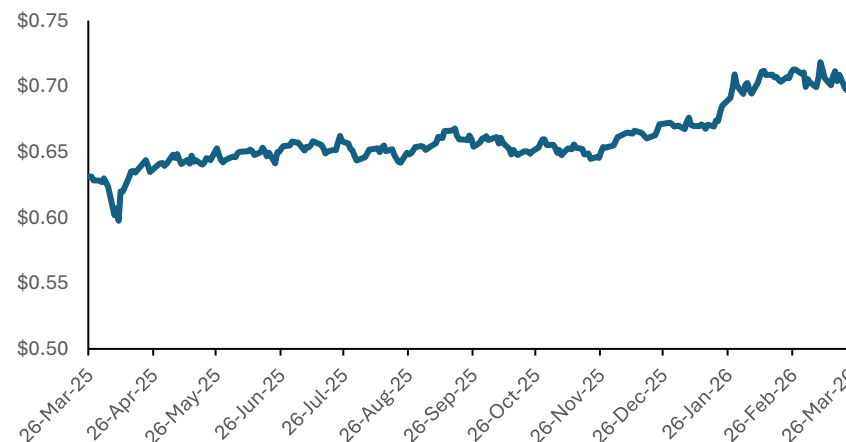
## AUD Under Pressure as Global Risks Build



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- The Australian dollar has weakened to below US\$0.695, hovering around a seven-week low as global uncertainty continues to weigh on investor sentiment.
- The primary driver has been escalating tensions in the Middle East, with conflicting signals around negotiations and increased military activity raising the risk of a prolonged conflict.
- This uncertainty has supported the US dollar as a safe-haven currency, putting downward pressure on risk-sensitive currencies like the Australian dollar.
- At the same time, the Reserve Bank has highlighted the inflationary risks associated with a sustained energy shock, noting that higher oil prices could lift both headline inflation and inflation expectations.
- RBA officials have also acknowledged the complexity of responding to supply-driven shocks. These events tend to push inflation higher while simultaneously weighing on growth, limiting the effectiveness of monetary policy.
- As a result, the policy focus shifts toward preventing inflation from becoming entrenched, even if the initial shock is temporary in nature.
- While higher interest rate expectations in Australia would typically provide support for the currency, this effect is currently being offset by broader concerns around global growth and geopolitical instability.
- The central bank has also emphasised that Australia's financial system remains resilient, which may help cushion the domestic impact even if global conditions deteriorate.
- In the near term, the Australian dollar is likely to remain volatile, with direction heavily influenced by geopolitical developments and how persistent the resulting inflation pressures prove to be.

Australian Dollar / US Dollar



### The week ahead

Tuesday March 31 2026			Previous	Forecast
<b>11:30 AM</b>	AU	RBA Meeting Minutes		
11:30 AM	AU	Housing Credit MoM FEB	0.6%	0.6%
11:30 AM	AU	Private Sector Credit MoM FEB	0.5%	0.6%
11:30 AM	AU	Private Sector Credit YoY FEB	7.7%	7.7%
Wednesday April 01 2026			Previous	Forecast
01:01 AM	AU	Cotality Dwelling Prices MoM MAR	0.7%	0.5%
<b>09:00 AM</b>	AU	Ai Group Industry Index MAR	-1.5	-10
<b>11:30 AM</b>	AU	Building Permits MoM Prel FEB	-7.2%	4.5%
Thursday April 02 2026			Previous	Forecast
<b>12:30 PM</b>	AU	Balance of Trade FEB	A\$2.631B	A\$2.7B
12:30 PM	AU	Exports MoM FEB	-0.9%	
12:30 PM	AU	Imports MoM FEB	0.8%	



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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.



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**Over 60 Lenders**



# Supporting You

## Navigating Commercial Lending

### 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



## 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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