Auctioneers and Valuers Association of Australia

August 2026 —

RBA Statement On Monetary Policy

Australia's economic environment remains demanding, with the Reserve Bank of Australia's statement on monetary policy of August 2026 highlighting elevated inflation, restrictive financial conditions and subdued economic growth. These trends provide important context for valuers and auctioneers operating across art and antiques, rare coins and books, sporting memorabilia and collectables, motor vehicles, aviation and marine, plant and machinery, and other specialised asset classes.

The Australian economy continues to experience capacity constraints, despite moderating domestic demand and easing labour market conditions. Weak productivity growth is limiting the economy's capacity to expand without generating inflationary pressure. The Middle East conflict is disrupting energy production and shipping, contributing to volatile oil and commodity prices.

The Reserve Bank maintained the cash rate target at 4.35 per cent following three increases earlier in 2026. These increases have flowed through to lending rates, leaving financial conditions restrictive. Financial markets are pricing in around a 50 per cent chance of another cash rate increase by the end of 2026.

For auctioneers and valuers, higher borrowing costs, household expenses and weak consumer sentiment may influence buyer confidence and discretionary spending. Demand, transaction volumes and realised prices may be affected by sentiment and access to finance.

Interest Rates (Cash Rate)
4.35%
Steady (No Change)

Headline Inflation
3.9%
Last 12 Months

RBA Key Economic Data —

- Cash rate target maintained at 4.35 per cent.
- GDP grew by 2.5 per cent over the year to the March quarter.
- Headline inflation measured 3.9 per cent over the year to the June quarter.
- Underlying trimmed mean inflation remained elevated at 3.6 per cent.
- GDP growth is forecast to slow to 1.4 per cent by the end of 2026.
- Unemployment was 4.4 per cent in June and is forecast to reach 4.8 per cent end 2028.
- Consumer sentiment remains very weak, although household consumption is resilient.
- Inflation is forecast to decline to 2.4 per cent by the end of 2028.

> "Inflation is still too high and is not expected to return to the middle of our 2–3 per cent target range until early 2028. Spending in the economy will need to slow to bring inflation down."
>
> Reserve Bank of Australia Statement

Inflation remains elevated, with higher energy and input costs expected to flow through the economy. Increased transport, freight and operating costs may affect auction businesses and influence replacement costs, market assumptions and evidence used in valuation assignments.

Although consumer sentiment is subdued, household consumption has moderated. Business credit growth remains strong and business investment continues, indicating that economic activity is continuing at a slower pace.

The Reserve Bank expects growth to remain subdued through 2026 before recovering gradually. Inflation is forecast to return to the midpoint of the 2 to 3 per cent target range in early 2028.

Data Source: Reserve Bank Of Australia – August 2026

75 AVAA 75th Anniversary 1952 - 2027

AVAA

The **Auctioneers and Valuers Association of Australia (AVAA)** is the nation's preeminent professional association representing valuers and auctioneers working across fine art and antiques, rare books and coins, memorabilia and collectables, motor vehicles, aviation and marine, household and office goods, plus plant and equipment.

AVAA is a member-led association than exists to support professionals in the sector, through individual certification, publication of industry standards, the provisions of professional development programs, and advocacy of policy reform to the Australian, state and territory governments.

Our Vision

Where clients and government recognises valuers and auctioneers for their professionalism, technical expertise, credibility and integrity when they hold the respected AVAA Certified Valuer (CVAu) and AVAA Certified Auctioneer (CAAu) professional credentials.

Our Mission

To advance the careers and standing of professionals holding the respected CVAu and CAAu credentials by setting clear professional and ethical standards, delivering quality education, and being an effective voice for the valuation and auction sectors in a changing market.

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