



PulseCheck

POWERED BY YORK PARK GROUP

Collapse in Confidence – Australians start the year worried

The Pulse collapsed by 10 points to -5 as Australians came to terms with the December 2025 Bondi terrorist attack and faced their first interest-rate hike in over two years. It confirmed, despite previous hopes, that the cost-of-living crisis was not over.

Of greater concern is that the collapse of the Pulse occurred prior to the US and Israel attack on Iran and the ongoing consequences.

Uncertainty was rising at the start of the year, and due to subsequent events, that trend looks set to continue.

At the end of March, Australians were not feeling confident, cutting discretionary spending and feeling pessimistic about the future. Politically, One Nation has benefited from this environment, with Australians now comfortable to declare their support for the minor party and, as evidenced in South Australia, vote for them.

This put pressure on the Coalition, which once again split and then reunited. Sussan Ley was ousted by Angus Taylor as Liberal Leader, and Matt Canavan was elected Nationals Leader following the resignation of David Littleproud.

The Q1 Pulse demonstrated Australia is under compounding pressure. All signals point to a further decline in the Pulse in Q2.



Outlook for Q2-2026 – Global War, Domestic Budget

We predicted 2026 would be dominated by the Royal Commission on Antisemitism and Social Cohesion. That call now looks wrong. 2026 will be dominated by war and the threat of recession.

US and Israel attacked Iran, creating tension across the Middle East and triggering an energy shock and the closure of the Strait of Hormuz. The implications of this extend beyond the very real prospect of fuel rationing, to shortages of fertiliser or skyrocketing costs of plastics.

Analysis from Citi finds that every 10¢/litre increase in petrol price costs consumers \$1.6 billion per year. This compares to the \$1.8 billion cost of a 25 basis-point increase in the interest rate.

Treasurer Chalmers had previously hinted that the upcoming 2026-27 Federal Budget in May would focus on major reform and spending-restraint to make room for private sector spending. It will be challenging to maintain this given the negativity from business and consumers.

For more information about the York Park Group PulseCheck, and how organisations can use it, please contact Sean Sammon – sean.sammon@yorkparkgroup.com.au or 0417 137 419

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PulseCheck Methodology

York Park Group wanted PulseCheck to be an objective and subjective measurement. In developing the methodology, we considered:

- How do voters the community feel generally against their actions?
- What are business perceptions against the decisions they make?
- How to answer these questions with data that already exists?

We determined six national measurements released monthly were the best indicators of the national pulse. PulseCheck is then calculated by setting each indicator onto an equal and unified scale. This 'normalises' the data onto a scale of -50 and 50, with 0 set as a neutral score, indicating that, socially, economically and politically, Australia is neither positive nor negative.

Indicator	Q1 2026 Change
<i>ABS Household Spending Indicator</i>	
<i>Westpac and Melbourne Institute Consumer Sentiment Index</i>	
<i>NAB Business Survey – Confidence</i>	
<i>NAB Business Survey – Conditions</i>	—
<i>Essential Media – National Mood</i>	
<i>Resolve Country Outlook Index</i>	

History: 2019 to 2026

PulseCheck draws on data and research from around Australia, bringing together economic indicators from the ABS, public polling, and other insights, to determine Australia’s ‘pulse’ and help organisations understand the environment in which they seek to build trust and change minds.

There is a never-ending stream of publicly available economic, social and political insights. The York Park Group PulseCheck brings together high quality, national data to provide a single reference point of the broader environment in which our clients seek to build and manage their reputation, and advocate for policy outcomes.

Stepping back and viewing The Pulse over time illustrates the volatility of the pandemic. It appeared that we had returned to stability following the 2025 Federal Election; however, now it seems volatility is the new normal

