



Australian Markets Weekly

A weekly outlook for Australia, key global economies and markets

9 November 2015

Fed on track for December. RBA's inflation targeting is evolving

Another busy week in Australia with the NAB Business Survey, Consumer Confidence and October Labour Force data all released. Markets are likely to continue to be significantly impacted by the stronger than expected US non-farm payrolls report on Friday night, which will see interest rates under upward pressure, a weaker \$A against the US\$, and less confidence in the RBA needing to further reduce Australian interest rates.

In our special focus this week, Peter Jolly, NAB's Global Head of Research looks at something of an evolution in the RBA's inflation targeting framework. A number of economists had looked for a rate cut last week on the back of lower than expected inflation, however, the Bank has importantly added the need for policy to contribute sustainably to growth into its decision-making framework in recent times. This is broadly in line with some of the academic debate overseas, where policy cannot simply focus on CPI inflation, but must also take broader macroeconomic stability into consideration.

This Week

The key focuses this week in Australia will be important updates on Business conditions and Consumer confidence (NAB Business Survey, Tuesday and Westpac Consumer Confidence on Wednesday) and Labour Market data on Monday (ANZ Job Ads) and Thursday (the ABS Labour Force release for October). After a big rise in job ads in September, it's likely there will be at best a further small gain, if not some modest retracement. The NAB Business Survey and Westpac Consumer Confidence will be closely watched to see if improved business conditions and confidence are sustained after recent mortgage rate hikes by banks. If they are, this would suggest that improving economic trends are becoming entrenched, and the change of leadership in Canberra has been beneficial.

On Thursday, we get the latest employment report, where NAB is looking for a stronger-than-market outcome of around +25K after last month's weaker-than-expected outcome. The other Australian event of note will be Housing Finance for September, though in truth this data is a little dated. The data

is likely to show slower investor lending, but a pick-up in lending to owner-occupiers, though there remains some suspicion about the accuracy of the investor/owner-occupier splits in this data.

Market Developments and Key Views

Two key developments over the past week had a significant impact on market pricing. The most important was the release of stronger than expected non-farm payrolls data in the US (employment +271K in October and unemployment down 0.1 pts to 5%). In the markets' mind, this has all but cemented a December interest rate lift-off for the US Federal Reserve and resulted in a marked sell off in interest rates and swaps across the curve in the US and Australia.

The detail in the report was also encouraging, with temporary help services adding 24,500 jobs, the largest increase for some months. Temp help often leads a general pick up in jobs growth, so it will be important to monitor whether another strong reading occurs in November payrolls as this would suggest increased risk that the data may turn out stronger than the markets are currently expecting in early 2016. It's also interesting to note that October's stronger than expected outcome occurred in spite of the restraining influences from Chinese economic developments and capex spending by the oil and gas sector, highlighting the importance of improved consumer spending trends in the US.

The other important development was the RBA leaving interest rates unchanged at its November meeting – as expected by NAB. Most importantly, the RBA has become more optimistic about the outlook for the domestic economy in recent times, likely reflecting the combined influences of lower interest rates, the lower \$A and lower oil prices.

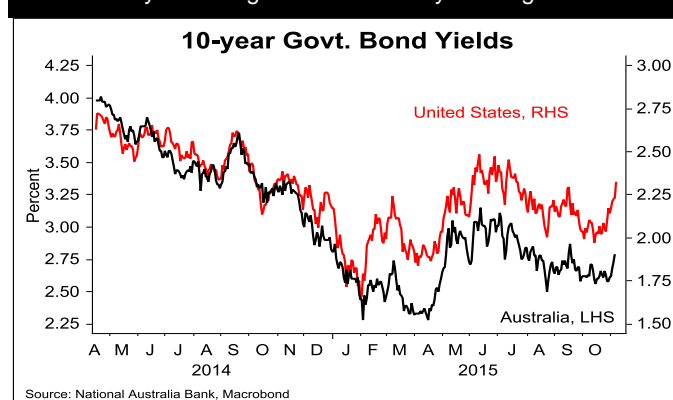
The Bank appears to now recognise that improvements in the non-mining economy at least for now are more than offsetting the drag on the economy from weaker mining activity and lower commodity prices. The net effects of these contrasting forces saw the US\$ strengthen sharply against all comers, with the \$A outperforming against third currencies such as the JPY and

Key markets over the past week

	Last	% chg week		Last	bp / % chg week
AUD	0.7032	-1.6	RBA cash	2.00	0
AUD/CNY	4.47	-1.4	3y sw ap	2.16	16
AUD/JPY	86.7	0.5	ASX 200	5,215	-0.5
AUD/EUR	0.655	1.0	Iron ore	48.2	-3.3
AUD/NZD	1.077	1.7	WTI oil	44.3	-4.9

Source: Bloomberg

Chart 1: US yields drag Australian term yields higher



EUR, after no change by the RBA. Commodity prices were weaker due the stronger US\$ and prospect of higher US interest rates.

ivan.colhoun@nab.com.au

Special focus: The RBA's evolving policy framework – longer term financial stability considerations more important

It would have been reasonable to conclude that an RBA singularly focussed on inflation would have cut the cash rate last week – quite a few people thought they would.

Underlying inflation in Q3 had just printed a low +0.3% q/q and 2.1% y/y, below the middle of the 2 to 3% target band. The non-mining part of the economy is improving, but the broader economy is still subdued and the unemployment rate is stuck between 6 and 6¼% – higher than desired and also above the rate that is thought consistent with a stable inflation rate (the NAIRU), presumed to be nearer 5%.

In the event, the RBA left the cash rate at 2% – as NAB expected they would. The Bank added a little cryptically, the “outlook for inflation may afford scope for further easing of policy, should that be appropriate to lend support to demand.”

So the question must be, if the RBA acknowledges the inflation outlook provided the scope to ease policy last week, why didn't they use this scope?

There were several reasons I expect:

- One was they are clearly a bit more hopeful on the near-term prospects for the economy – as are we. They commented in Tuesday's Board Statement that “prospects for an improvement in economic conditions had firmed a little over recent months”. There is evident strength in part of the non-mining economy.
- Another factor would have been their well-established medium term framework, where in thinking about interest rates today, they consider not just the near-term economy but also its medium term prospects. The new set of forecasts in Friday's Statement on Monetary Policy showed a better medium-term balance for the economy. Underlying inflation is expected to fall in the next few quarters before returning towards the middle of the 2% to 3% band in the out-years. The unemployment rate is expected to remain between 6 to 6¼% over the next year, before declining gradually in the out-years.

While these short and medium term economic factors are very important, by themselves I doubt they alone stopped the RBA from cutting more last week. After all, the RBA acknowledged the inflation outlook gave them “scope” and they could have decided to grow the economy even more quickly.

Re-thinking inflation targeting – the RBA's well-established medium term forecasting framework has been supplemented with an even longer-term focused financial stability framework.

I suspect the extra reason for RBA caution is the added weight being given to their financial stability mandate.

Stepping back a bit, the evidence globally is that while keeping inflation low and stable is an important aim for the central bank, by itself it doesn't guarantee economic prosperity. For example, the core PCE inflation rate was around the Fed's 2% target in the years immediately ahead of the Subprime and subsequent Global Financial Crisis.

So low and stable inflation are a necessary but not sufficient condition for the RBA to achieve its objectives in the Reserve Bank Act of: 1) the stability of the currency of Australia; 2) the maintenance of full employment in Australia; and 3) the economic prosperity and welfare of the people of Australia.

It's reasonable to expect that how best to achieve these objectives will evolve through time as our understanding of the economy and financial system also evolves.

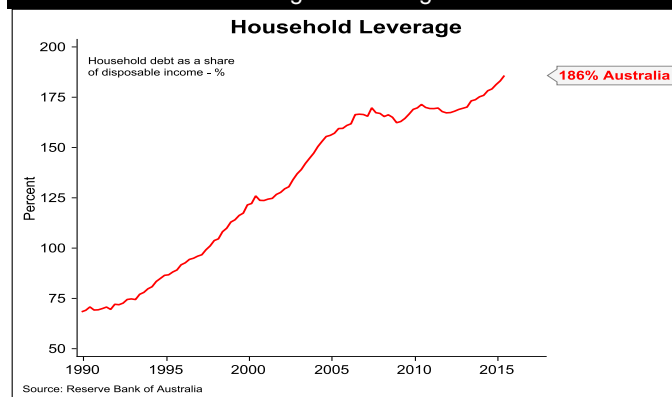
In a recent article, Axel Weber, the former Head of Germany's Bundesbank, persuasively highlighted the limits of inflation targeting frameworks and called for their re-think. This is an excellent article that deserves a read.

In Australia this re-think has already happened – without significant fanfare. In 2010, the RBA's agreement with the Treasurer, the “Statement on the Conduct of Monetary Policy” was expanded to officially include responsibility for financial stability. The current Statement notes financial stability “is critical to a stable macroeconomic environment”.

In an important speech on 22 July, RBA Governor Stevens put some flesh on these financial stability bones when he stated that in thinking about whether to cut the cash rate again “it is not quite good enough simply to say that evidence of continuing softness should necessarily result in further cuts in rates, without considering the longer-term risks involved.... My judgement would be that policy settings that fostered a return to the sort of upward trend in household leverage we saw up to 2006 would have a high likelihood, sometime down the track, of being judged to have gone too far.”

So as well as the outlook for inflation and growth, financial stability, credit growth and household leverage are also factors the RBA considers when setting the cash rate today.

Chart 2: Household leverage increasing



Household leverage rising

In the financial stability vein, a chart that I suspect the RBA Board might have pondered last Tuesday was the chart above on household leverage. It shows that after stabilising between

2007 and 2013, household leverage is on the rise again and relative to disposable income household debt reached a record ratio of 186% in Q2 2015.

Now the appropriate leverage for household balance sheets is never clear ex-ante and presumably can evolve through time. The extra borrowing may be high quality, the borrowed money may be being put to a productive use, and a clear offset is that given low interest rates, households interest payments are hardly onerous – as a share of disposable income they are near long run averages.

Even so, it is unambiguously true that more debt and higher leverage makes households, and by implication the financial system, more vulnerable to economic and/or interest rate shocks.

I thought it telling that in Tuesday's Statement, the Board noted that despite the increase in some mortgage rates recently "overall conditions are still quite accommodative" and "Credit growth has increased a little over recent months, with growth in lending to investors in the housing market easing slightly while that for owner-occupiers appears to be picking up."

Conclusion – RBA are reluctant cutters

The near and even medium term outlook for inflation and growth does give the Bank some scope to cut the cash rate again – the RBA has acknowledged this. But it's also clear that: 1) they consider present monetary policy settings to be very accommodative; and 2) they won't use this extra scope unless they are confident that in doing so they aren't adding to longer-term vulnerabilities for household finances and the financial system.

Practically, having passed in November there is very little chance the Bank will now cut in December – close to zero. February seems the earliest possible date for a cut but a lot would need to change between now and then for this to happen.

NAB's forecast sees the RBA on hold for an extended period.

peter.jolly@nab.com.au

Calendar of Economic Releases

Country	Economic Indicator	Period	Forecast	Consensus	Actual	Previous	GMT	AEDT
Monday, 9 November 2015								
AU	ANZ Job Advertisements MoM	Oct				3.9	0.30	11.30
JN	Labor Cash Earnings YoY	Sep		0.5		0.5	1.30	12.30
GE	Trade Balance	Sep		20		15.3	7.00	18.00
GE	Current Account Balance	Sep		21.9		12.3	7.00	18.00
EC	Sentix Investor Confidence	Nov		13.1		11.7	9.30	20.30
EC	OECD Economic Outlook						10.30	21.30
EC	ECB's Coeure Participates in Eurgroup Meeting in Brussels							
CA	Housing Starts	Oct		200		230.701	13.15	0.15
US	Labor Market Conditions Index Change	Oct		0.9		0	15.00	2.00
US	Fed's Rosengren Speaks on Outlook for U.S. Economy						17.00	4.00
Tuesday, 10 November 2015								
NZ	REINZ Housing report (pending)	Oct						
NZ	ANZ Truckometer Heavy MoM	Oct				1.7	21.00	8.00
NZ	Card Spending Retail MoM/YoY	Oct	flat (total)	0.3% (retail)		0.7% (total)	21.45	8.45
AU	ANZ Roy Morgan Weekly Consumer Confidence Index	Nov-08				115.2	22.30	9.30
JN	BoP Current Account Adjusted	Sep		1500		1590.1	23.50	10.50
UK	BRC Sales Like-For-Like YoY	Oct		0.75		2.6	0.10	11.10
AU	NAB Business Confidence/Conditions	Oct				5/9	0.30	11.30
AU	Home Loans MoM	Sep	0.8	0		2.9	0.30	11.30
AU	Investment Lending	Sep				-0.4	0.30	11.30
CH	CPI/PPI YoY	Oct		1.5/-5.9		1.6/-5.9	1.30	12.30
EC	ECB's Nouy Speaks in Frankfurt						8.15	19.15
US	NFIB Small Business Optimism	Oct		96.5		96.1	11.00	22.00
EC	ECB's Coeure Speaks in Berlin						11.15	22.15
EC	ECB's Constancio Participates in Ecofin Meeting in Brussels							
US	Import Price Index MoM/YoY	Oct		-0.1/-9.4		-0.1/-10.7	13.30	0.30
US	Wholesale Inventories MoM	Sep		0		0.1	15.00	2.00
CA	Bank of Canada's Wilkins Makes Introductory Remarks in Toronto						17.00	4.00
Wednesday, 11 November 2015								
NZ	RBNZ Financial Stability Report						20.00	7.00
NZ	RBNZ Governor Wheeler News Conference on FSR						20.05	7.05
AU	Westpac Consumer Conf Index/MoM	Nov				97.8/4.2	23.30	10.30
JN	BOJ Harada makes a speech in Utsunomiya						1.30	12.30
CH	Retail Sales YoY/YTD	Oct		10.9/10.6		10.9/10.5	5.30	16.30
CH	Industrial Production YoY/YTD	Oct		5.8/6.2		5.7/6.2	5.30	16.30
CH	Fixed Assets Ex Rural YTD YoY	Oct		10.2		10.3	5.30	16.30
CH	Bloomberg GDP Monthly Estimate YoY	Oct				6.55	6.00	17.00
JN	Machine Tool Orders YoY	Oct P				-19.1	6.00	17.00
UK	Jobless Claims Change	Oct		1.35		4.6	9.30	20.30
UK	BoE's Carney Speak at BoE conference on market reform						9.00	20.00
EC	ECB's Constancio Speaks in Madrid							
EC	ECB President Mario Draghi Speaks at BOE event in London						13.15	0.15
Thursday, 12 November 2015								
NZ	BusinessNZ Manufacturing PMI	Oct				55.4	21.30	8.30
NZ	Food Prices MoM	Oct	0.2			-0.5	21.45	8.45
JN	Machine Orders MoM/YoY	Sep		3.3/-4.6		-5.7/-3.5	23.50	10.50
NZ	ANZ Consumer Confidence Index/MoM	Nov				114.9/3.7	0.00	11.00
UK	RICS House Price Balance	Oct		45		44	0.10	11.10
AU	Employment change/Unemployment rate	Oct	25/6.1	15/6.2		-5.1/6.2	0.30	11.30
GE	CPI MoM/YoY	Oct F		0/0.3		0/0.3	7.00	18.00
EC	Industrial Production SA MoM/YoY	Sep		-0.1/1.3		-0.5/0.9	10.00	21.00
US	Initial Jobless Claims	Nov-07		270		276	13.30	0.30
CA	New Housing Price Index MoM/YoY	Sep		0.2/1.3		0.3/1.3	13.30	0.30
US	Fed's Bullard Speaks on Monetary Policy in Washington						14.15	1.15
US	Fed's Yellen welcome remarks at Fed Policy Conference						14.30	1.30
US	Fed's Lacker Participates in Monetary Policy Panel						14.45	1.45
US	JOLTS Job Openings	Sep		5385		5370	15.00	2.00
US	Fed's Evans Speaks on Economy and Policy in Chicago						15.15	2.15
UK	BoE's Haldane Speaks in London						17.00	4.00
US	Fed's Dudley Speaks on Economy and Policy in New York						17.15	4.15
US	Monthly Budget Statement	Oct		-130		91.1	19.00	6.00
Friday, 13 November 2015								
NZ	Non Resident Bond Holdings	Oct				68.7	2.00	13.00
JN	Industrial Production MoM/YoY	Sep F		/		1/-0.9	4.30	15.30
JN	Tertiary Industry Index MoM	Sep		0.1		0.1	4.30	15.30
GE	GDP SA QoQ/YoY	3Q P		0.3/1.8		0.4/1.6	7.00	18.00
EC	Trade Balance SA	Sep		19.3		19.8	10.00	21.00
EC	GDP SA QoQ/YoY	3Q A		0.4/1.7		0.4/1.5	10.00	21.00
CA	Bank of Canada's Wilkins Speaks in Toronto						13.00	0.00
US	Retail Sales Advance MoM	Oct		0.3		0.1	13.30	0.30
CA	Teranet/National Bank HPI MoM/YoY	Oct		/		0.6/5.6	13.30	0.30
CA	Teranet/National Bank HP Index	Oct				177.09	13.30	0.30
US	PPI Final Demand MoM/YoY	Oct		0.2/-1.2		-0.5/-1.1	13.30	0.30
US	Business Inventories	Sep		0		0	15.00	2.00
US	U. of Mich. Sentiment	Nov P		91.5		90	15.00	2.00
US	Fed's Mester Speaks on Economic Outlook and Monetary			0		0	17.30	4.30
Upcoming Central Bank Interest Rate Announcements								
UK	BOE	5-Nov				0.50%		
Japan	BoJ	19-Nov	0.0%-0.1%	0.0%-0.1%		0.0%-0.1%		
Australia	RBA	1-Dec	2.00%	2.00%		2.00%		
Europe	ECB	3-Dec				0.05%		
Canada	BoC	3-Dec				0.50%		
New Zealand	RBNZ	10-Dec	2.50%	2.50%		2.75%		
US	Federal Reserve	17-Dec				0-0.25%		

GMT: Greenwich Mean Time; AEDT: Australian Eastern Daylight Saving Time

Forecasts

Economic Forecasts

	Annual % change			Quarterly % change											
	2014	2015	2016	2014			2015			2016					
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Australia Forecasts															
Household Consumption	2.4	2.5	2.4	0.5	0.6	0.5	0.8	0.6	0.5	0.7	0.6	0.6	0.6	0.6	0.7
Underlying Business Investment	-6.1	-8.1	-6.6	-1.9	-0.8	-1.4	-1.9	-3.8	-0.3	-2.3	-3.1	-1.1	-1.3	-1.4	-1.5
Residential Construction	8.0	10.9	7.1	4.3	1.7	-1.1	4.0	5.6	-1.1	4.5	2.6	2.0	1.2	0.5	-0.5
Underlying Public Spending	0.7	1.9	1.9	0.5	-0.2	-1.4	0.8	0.3	2.7	-0.7	0.4	0.4	0.6	0.6	0.6
Exports	6.7	6.5	8.7	3.3	-0.6	2.9	1.3	3.7	-3.3	5.0	2.1	2.0	2.0	2.1	2.3
Imports	-1.7	1.7	2.5	-2.3	2.9	-1.3	-1.8	3.2	-0.7	0.5	0.5	0.9	0.9	0.7	0.6
Net Exports (a)	1.7	1.0	1.4	1.2	-0.7	0.9	0.6	0.2	-0.6	1.0	0.4	0.3	0.3	0.3	0.4
Inventories (a)	0.0	0.0	0.0	-0.3	0.7	0.2	-0.7	0.5	-0.2	-0.2	0.0	0.2	0.0	0.0	0.0
Domestic Demand - qtr%				0.4	0.4	-0.5	0.6	0.3	0.8	0.3	0.2	0.5	0.4	0.3	0.3
Dom Demand - ann %	1.1	1.4	1.5	1.3	1.5	0.6	1.0	0.9	1.2	1.9	1.5	1.7	1.4	1.4	1.5
Real GDP - qtr %				0.9	0.6	0.4	0.5	0.9	0.2	0.8	0.6	0.9	0.7	0.6	0.8
Real GDP - ann %	2.7	2.3	2.9	2.9	2.8	2.8	2.5	2.5	2.0	2.4	2.5	2.5	3.0	2.9	3.0
CPI headline - qtr %				0.6	0.5	0.5	0.2	0.2	0.7	0.5	0.9	0.7	0.6	0.7	0.8
CPI headline - ann %	2.5	1.6	2.9	2.9	3.0	2.3	1.7	1.3	1.5	1.5	2.2	2.8	2.8	3.0	3.0
CPI underlying - qtr %				0.6	0.6	0.4	0.6	0.7	0.5	0.3	0.7	0.7	0.6	0.7	0.6
CPI underlying - ann %	2.5	2.3	2.5	2.7	2.7	2.5	2.2	2.4	2.3	2.2	2.3	2.2	2.4	2.7	2.6
Wages (Pvte WPI -ann %)	2.5	2.2	2.2	2.6	2.4	2.4	2.5	2.3	2.2	2.2	2.2	2.3	2.2	2.2	2.2
Unemployment Rate (%)	6.0	6.1	6.1	5.8	6.0	6.2	6.1	6.2	5.9	6.2	6.0	6.2	5.9	6.2	6.0
Terms of trade	-7.5	-9.8	-3.2	-1.5	-4.6	-3.2	-1.8	-2.6	-3.5	-1.4	-0.6	0.3	-1.2	-0.8	-0.9
G&S trade balance, \$Abn	-9.4	-28.7	-22.1	2.1	-4.7	-3.9	-2.9	-4.8	-9.6	-7.4	-6.9	-5.9	-6.0	-5.4	-4.7
% of GDP	-0.6	-1.8	-1.3	0.5	-1.2	-1.0	-0.7	-1.2	-2.4	-1.8	-1.7	-1.4	-1.4	-1.3	-1.1
Current Account (% GDP)	-3.0	-4.0	-3.6	-2.4	-3.6	-3.3	-2.9	-3.3	-4.7	-4.1	-3.9	-3.7	-3.7	-3.5	-3.4

Source: NAB Group Economics; (a) Contributions to GDP growth

Exchange Rate Forecasts

	9-Nov	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
Majors						
AUD/USD	0.7034	0.70	0.68	0.69	0.70	0.70
NZD/USD	0.6531	0.62	0.60	0.60	0.61	0.62
USD/JPY	123.25	121	122	123	124	125
EUR/USD	1.0730	1.10	1.10	1.10	1.08	1.07
GBP/USD	1.5047	1.52	1.51	1.48	1.45	1.44
USD/CNY	6.3535	6.40	6.50	6.60	6.65	6.70
USD/CAD	1.3299	1.34	1.38	1.37	1.36	1.37

Australian Cross Rates

	9-Nov	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
AUD/JPY	86.7	85	83	85	87	88
AUD/EUR	0.6555	0.64	0.62	0.63	0.65	0.65
AUD/GBP	0.4675	0.46	0.45	0.47	0.48	0.49
AUD/NZD	1.0770	1.13	1.13	1.15	1.15	1.13
AUD/CNY	4.4691	4.48	4.42	4.55	4.66	4.69
AUD/CAD	0.9355	0.94	0.94	0.95	0.95	0.96
AUD/CHF	0.7074	0.69	0.66	0.69	0.71	0.00

Interest Rate Forecasts

	9-Nov	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
Aust rates						
RBA Cash rate	2.00	2.00	2.00	2.00	2.00	2.50
3 month bill rate	2.19	2.15	2.15	2.20	2.40	2.83
3 Year Swap Rate	2.16	2.1	2.4	2.4	2.6	2.9
10 Year Swap Rate	3.02	3.1	3.5	3.5	3.5	3.7
Offshore Policy Rates						
US Fed funds	0.25	0.50	0.50	0.75	1.00	1.25
ECB refi rate	0.05	0.05	0.05	0.05	0.05	0.05
BoE repo rate	0.50	0.50	0.50	0.50	0.75	0.75
BoJ overnight call rate	0.10	0.10	0.10	0.10	0.10	0.10
RBNZ OCR	2.75	2.50	2.50	2.50	2.50	2.50
China 1yr lending rate	4.35	4.35	4.10	3.85	3.85	3.85
China Reserve Ratio	17.5	17.5	17.0	16.5	16.0	16.0
10 Year Benchmark Bond Yields						
Australia	2.87	3.1	3.1	3.1	3.3	3.3
United States	2.33	2.5	2.5	2.5	2.8	2.8
Europe/Germany	0.69	0.8	0.9	1.0	1.2	1.2
UK	2.04	2.1	2.2	2.3	2.4	2.4
New Zealand	3.44	3.4	3.5	3.6	3.7	3.7

Sources: NAB Global Markets Research; Bloomberg; ABS

Global GDP

Dec year	2013	2014	2015	2016	20 Yr Avge
Australia	0.0	2.7	2.3	2.9	3.4
US	2.2	2.4	2.5	2.5	2.6
Eurozone	-0.3	0.9	1.3	1.7	1.5
UK	2.2	2.9	2.4	2.3	2.4
Japan	1.6	-0.1	0.7	1.2	0.8
China	7.7	7.3	7.1	6.9	9.2
India	6.4	7.1	7.4	7.5	6.6
New Zealand	2.3	3.3	2.2	1.8	3.0
World	3.4	3.3	3.1	3.2	3.5

Commodity prices (\$US)

	9-Nov	Sep-15	Dec-15	Jun-16	Dec-16
WTI oil	44.29	46	49	54	58
Gold	1088	1090	1050	990	970
Iron ore	48	55	54	53	50
Hard cok. coal	112	88	90	94	99
Thermal coal	62	68	68	62	62
Copper	4997	5360	5330	5280	5330
Japan LNG	8.9	10.1	10.2	11.1	11.3

Markets Research

Peter Jolly
Global Head of Research
+61 2 9237 1406

Australia

Economics

Ivan Colhoun
Chief Economist, Markets
+61 2 9237 1836

David de Garis
Senior Economist
+61 3 8641 3045

Tapas Strickland
Economist
+61 2 9237 1980

FX Strategy

Ray Attrill
Global Co-Head of FX Strategy
+61 2 9237 1848

Interest Rate Strategy

Skye Masters
Head of Interest Rate Strategy
+61 2 9295 1196

Rodrigo Catril
Interest Rate Strategist
+61 2 9293 7109

Credit Research

Michael Bush
Head of Credit Research
+61 3 8641 0575

Simon Fletcher
Senior Credit Analyst – FI
+61 2 9237 1076

Andrew Jones
Credit Analyst
+61 3 8641 0978

Distribution

Barbara Leong
Research Production Manager
+61 2 9237 8151

Group Economics

Alan Oster
Group Chief Economist
+61 3 8634 2927

New Zealand

Stephen Toplis
Head of Research, NZ
+64 4 474 6905

Craig Ebert
Senior Economist
+64 4 474 6799

Doug Steel
Senior Economist
+64 4 474 6923

Kymerly Martin
Senior Market Strategist
+64 4 924 7654

Raiko Shareef
Currency Strategist
+64 4 924 7652

Yvonne Liew
Publications & Web Administrator
+64 4 474 9771

Asia

Christy Tan
Head of Markets Strategy/Research, Asia
+852 2822 5350

UK/Europe

Nick Parsons
Head of Research, UK/Europe,
and Global Co-Head of FX Strategy
+44 207 710 2993

Gavin Friend
Senior Markets Strategist
+44 207 710 1588

Derek Allassani
Research Production Manager
+44 207 710 1532

Riki Polygenis
Head of Economics, Australia
+61 3 8697 9534

James Glenn
Senior Economist – Australia
+61 3 9208 8129

Vyanne Lai
Economist – Australia
+61 3 8634 0198

Phin Ziebell
Economist – Agribusiness
+61 475 940 662

Amy Li
Economist – Australia
+61 3 8634 1563

Dean Pearson
Head of Industry Analysis
+61 3 8634 2331

Robert De lure
Senior Economist – Industry Analysis
+61 3 8634 4611

Brien McDonald
Senior Economist – Industry Analysis
+61 3 8634 3837

Karla Bulauan
Economist – Industry Analysis
+61 3 8641 4028

Tom Taylor
Head of Economics, International
+61 3 8634 1883

Tony Kelly
Senior Economist – International
+61 3 9208 5049

Gerard Burg
Senior Economist – Asia
+61 3 8634 2788

John Sharma
Economist – Sovereign Risk
+61 3 8634 4514

Jacqui Brand
Personal Assistant
+61 3 8634 2181

Important Notice

This document has been prepared by National Australia Bank Limited ABN 12 004 044 937 AFSL 230686 ("NAB"). Any advice contained in this document has been prepared without taking into account your objectives, financial situation or needs. Before acting on any advice in this document, NAB recommends that you consider whether the advice is appropriate for your circumstances. NAB recommends that you obtain and consider the relevant Product Disclosure Statement or other disclosure document, before making any decision about a product including whether to acquire or to continue to hold it.

Please click [here](#) to view our disclaimer and terms of use.