

Australia/India Free Trade area – what to watch out for

16 December 2015



A difficult balancing act

- The Indian market offers great potential for Australian exporters. Already the world's third largest economy and growing by over 7% annually, India looks set to overtake China as the world's most populous country in the next 7 years and reap the growth dividend of a young population (when many countries face the drag of population ageing on growth). India's middle class is growing rapidly, lifting spending power. By 2030 India's middle class could have the largest share of that group's global spending.
- Despite this solid growth, Australian exports to India have been falling in recent years but this reflects specific issues in the three categories that dominate trade rather than a broader problem. Medium term export prospects are undoubtedly held back by India's very closed market – only a handful of countries have higher tariffs on agricultural imports or larger barriers to services trade. Lowering these trade barriers therefore offers a big opportunity to Australian business.
- However, the political sensitivities involved in securing a free trade agreement with India are probably even greater than was the case for China. In previous FTAs, India has refused to liberalise trade in a long list of agricultural products of key interest to Australia. There is also a perception in India that past FTAs have not delivered as much export benefit as hoped for. The high protection in many service sectors reflects their ongoing political and lobbying muscle (with the on again off again FTA negotiations between India and the EU highlighting all these problems). India will want better access for temporary workers into the Australian job market (already a political issue since the Chinese FTA deal). Finally, India's new model investment protection agreement offers far less protection to the \$10 billion Australian business has invested in India than under existing arrangements.
- Consequently, an FTA with India is a difficult balancing act involving concessions by both sides in sensitive areas but the long run rewards of success should be considerable and signing a deal against these odds would be quite an achievement.

Contents

The State of Trade	2
Agricultural trade - a very sensitive area for India	3
Indian farming highly protected – sensitive sectors never opened up	4
Tackling the hidden agricultural trade barriers in India	5
Resources – the biggest segment of trade but not many issues	6
Services – Area of key interest to India	7
Services – Australia wants better access to protected Indian market	8
Movement of natural persons – potentially tricky	9
Australian investment in India – protection to be watered down?	10
Big stock of Indian Investment in Australia – FTA affects their rights too	11
Outcomes to look for in potential India-Australia FTA	12

Contact

Tom Taylor tom.taylor@nab.com.au
+61(0)477 723 767

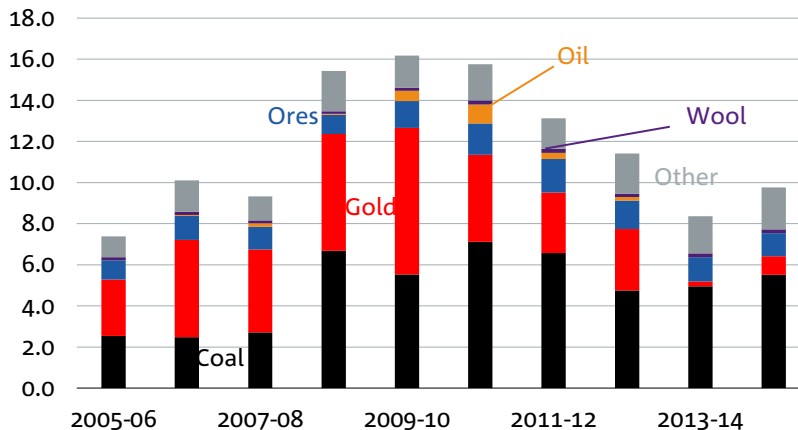
Gerard Burg gerard.burg@nab.com.au
+61(0)477 723 768

The State of Trade

- Although India's economy has been growing rapidly, Australian export values have been trending down. This reflects specific issues in the three product groups that accounted for 75% of all 2010 exports – coal, gold and education services.
- Coal exports have been hit by the fall in export prices, gold by Indian government import restrictions imposed a few years ago to protect its then weak balance of payments and education earnings by attacks on Indian students that received considerable attention in India in 2009.
- While export earnings in the big 3 product groups have suffered, other areas of trade have been growing strongly. Widespread vegetarianism obviously limits beef industry opportunities in India but higher incomes are lifting demand for products like almonds and pulses (which account for almost \$300 million of Australian exports). Cereals, oilseeds and fruit & veg demand is also growing but big trade barriers limit the extent to which Australia can access those markets.
- Australian imports of Indian business services have been growing rapidly – up from \$50 million in 2010/11 to almost \$500 million in 2014/15 and telecom service imports have also risen strongly.

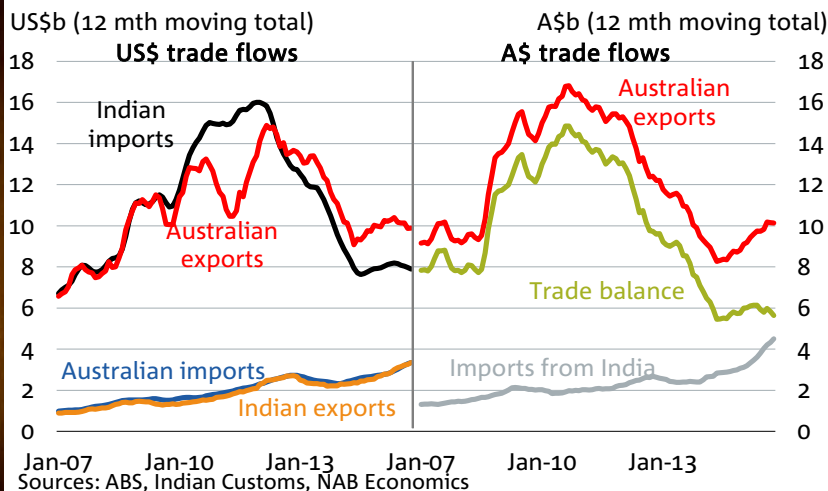
Falling commodity prices and lower gold shipments erode Australian goods exports

Australian goods exports to India (\$b)



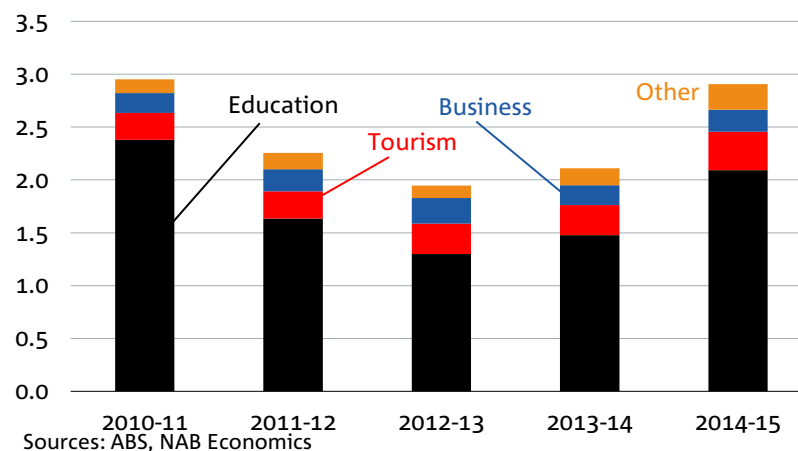
Sources: ABS, NAB Economics

Falling Australian trade surplus with India as exports hit by falling commodity prices and imports trend up



Education exports the biggest service earner and revenues now growing again

Australian services trade with India (\$b)



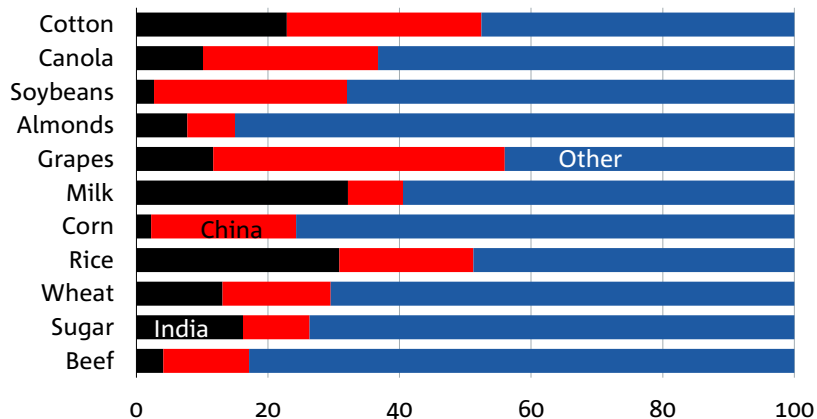
Agricultural trade - a very sensitive area for India

- India is a massive producer and consumer of farm products – consuming 94 million tonnes of wheat, 99 million tonnes of rice, 22 million tonnes of corn, 27 million tonnes of oilseeds, 6 million tonnes of cotton, 60 million tonnes of milk, 5 million tonnes of butter and 28 million tonnes of sugar. India is the world’s biggest beef exporter (water buffalo meat), beef imports are forbidden as is cattle slaughter in most states (USDA).
- The vegetarian focus of India’s diet differentiates its consumption patterns and trade opportunities from those in China where not only have meat imports been growing strongly but there is also a massive domestic output and trade in animal feed (corn, soybeans). This livestock feed complex is largely absent in India, as reflected in trade flows.
- Food security, price stability and supporting farm incomes are crucial policy goals in India and all lead to a focus on promoting local self-sufficiency for foodstuffs. Consequently, Indian demand for farm products is largely met by local supply with imports generally playing a comparatively minor role, with high protection contributing to this outcome.
- Australian agricultural trade with India is dominated by shipments of pulses, nuts (especially almonds, with bilateral trade of around \$100 million), wool, cotton and occasional shipments of cereals.



India a major global food market but vegetarianism means distinctive pattern of consumption

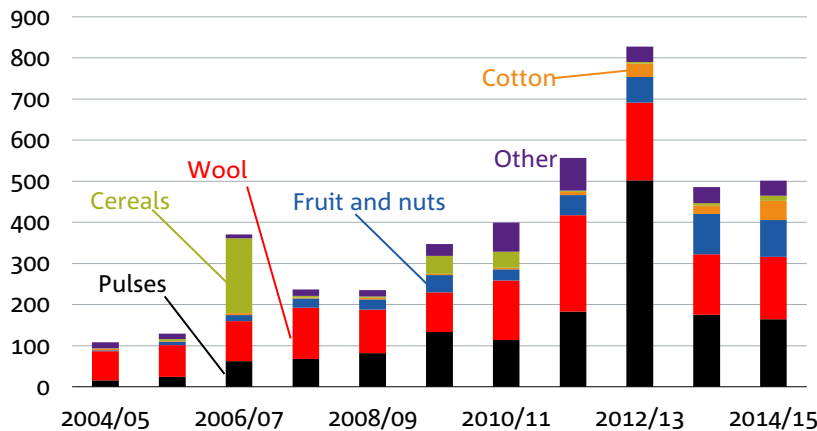
Share of global farm product consumption 2015



Sources: USDA, NAB Economics

Specialised export base driven by small group of commodities

Indian imports of Australian agricultural products (\$ million, fiscal year)



Sources: CEIC, NAB Economics

Indian farming highly protected – sensitive sectors never opened up

- India has high tariffs on agricultural products, averaging 36% before extra duties are levied that take the rate up to 46%. 13 countries have higher “bound” (legal maximum) tariffs and only 5 actually apply higher tariffs. India can lift its agricultural tariffs much higher and remain within WTO trade rules with legally bound tariffs on agricultural products averaging almost 120%.
- This big gap between the applied and bound tariffs allows the Indians to vary the rate levied on key farm products in accordance with prices and supply/demand imbalances. For instance, following the arrival of a shipment of Australian wheat this year, a 10% tariff on wheat was reinstated this August, followed by a rise to 25% until end March 2016. With a 100% bound tariff on wheat, this illustrates the scope for Australian exporters to face unstable and unpredictable trade barriers under the current trade regime.
- India also operates a number of tariff rate quotas on agricultural products of interest to Australia – milk-powder, butter and canola. These quota amounts are not very large, given the size of the Indian market and there is a steep step-up in tariffs once they are filled.
- India has already signed a number of free trade agreements but many agricultural products were excluded from the trade liberalisation. Cereals, fruit, dairy, vegetables and oilseeds (all key Australian exports) saw no improvement in access to the Indian market under past FTAs.
- Agricultural product access is a key sensitivity in the FTA talks between Australia and India as well as those between India and NZ. Both Australasian countries will see improved access in this politically difficult area for India as a key outcome of the negotiations. How this access will be secured remains to be seen – maybe via country-specific tariff rate quotas or very gradual phasing in of tariff reductions.



Indian tariffs on agricultural products (% average)

	Effective tariffs	Applied tariffs	Bound tariffs
Meat	30.4	36.3	105.9
Dairy	34.2	39.6	65.0
Fruit & veg	29.0	36.8	99.4
Cereals	40.9	52.1	115.7
Oilseeds	33.2	39.3	165.2
Sugar	35.4	56.0	124.7
Cotton	2.7	3.3	110.0
Agriculture	36.4	46.1	119.2

Sources: WTO, NAB Economics



India tariff rate quotas on agricultural products

	Within quota rate	Outside quota rate	2013/14 quota (Mt)
Skim milk powder	15.0	60.0	10000
Butter	0.0	30.0	15000
Maize	0.0	50.0	500000
Sun/safflower oil	50.0	75.0	150000
Canola oil	45.0	75.0	150000

Sources: WTO, NAB Economics

Tackling the hidden agricultural trade barriers in India

- As tariffs on agricultural products fall, countries can be tempted to switch to less obvious forms of trade protection. The aggressive use of quarantine controls has proved to be a very effective way to keep foreign goods out. Even through there are global rules supposedly controlling the extent to which WTO members can adopt these restrictive measures (the “Sanitary and Phytosanitary Agreement”).
- India has been the second most active country in the world this year in imposing new measures that limit access to its markets and agricultural products rank second globally among the sectors facing new trade restrictions. The US has been particularly vociferous in its complaints that Indian quarantine controls are blocking its exports across a wide range of farm products and Australian exporters have also had issues with Indian quarantine standards in the past.
- Both Australia and India have included chapters on quarantine arrangements in their previous FTAs – putting more discipline around these measures to hopefully make them less easily used to block trade. If an Indian-Australian agreement contained the same provisions governing the use of quarantine controls as the Indian FTAs with Malaysia and Singapore, that would provide additional security to the access of Australian agricultural products into the Indian market.
- The mutual recognition of each other’s regulatory systems, accepting the “equivalence” in outcomes of different ways of running quarantine, accepting that regions can be free of pests (Tasmania, S Australia’s Riverland) that exist elsewhere in a country and following international standards and good science are all avenues to secure the access for Australian farm products.

India-Malaysia Free Trade Agreement - quarantine (SPS) arrangements

Objective to ensure they do not create "unjustified barriers to trade"

Use international standards as basis for quarantine controls

Have systems to determine different regulatory systems are "equivalent"

Accept regions can be pest/disease free or have low incidence in quarantine controls



Indian quarantine controls on US imports of agricultural goods

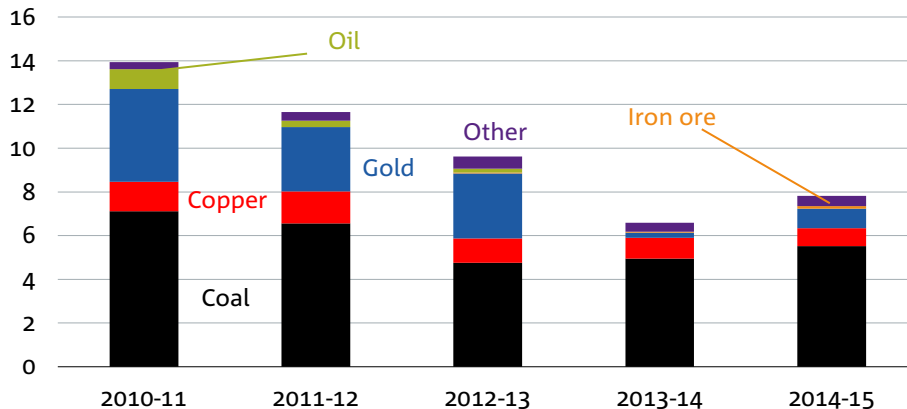
Product	Control	Reason	Impact
Dairy	Certify milk free of paraTB	Health	"precludes" US exports
Pork	Import ban	Health	Stops trade
Poultry meat	Import ban	Health	Stops trade
Pulses	Fumigate with MB at US port	Weeds, pests	Will stop trade
Wheat, barley	Zero tolerance on weed seeds	Weeds, pests	Stops trade

Resources – the biggest segment of trade but not many issues

- Resources account for around 80% of Australian goods exports to India with coal, gold and copper ore the biggest items. India does not import much iron ore as it has its own reserves. India is also a major coal producer but demand increasingly outpaces local production. Coal imports rose from 39 million tonnes in 2005/6 to 212 million tonnes in 2014/15. Australia mainly sells coking coal to India (38 million tonnes in 2014/15) but shipments of thermal coal for power generation have been rising (from 2½ million tonnes in 2012/13 to 10 million tonnes in 2014/15).
- While India is a major market for many resource products, its heavy industry is easily outstripped by China's. Chinese steel output is 8 times India's, power generation is 5 times India's and China accounts for around half of global demand for many minerals, well above India's share. However there is great potential for growth in Indian resource demand.
- Australian resource export earnings have fallen in recent years as A\$ coking coal prices have halved since mid-2011, thermal coal prices are down by almost 30% and gold prices by 5%. Indian government policies making it harder to import gold have also taken a toll on Australian gold exports.
- The tariffs applied to imports of most ores and coal are generally very low (2% plus an additional 2% duty) but India could lift these rates higher (to 25% to 40% for many ores and 25 to 40% for some coal) and remain within the WTO trade rules as the bound tariffs are well above applied rates.

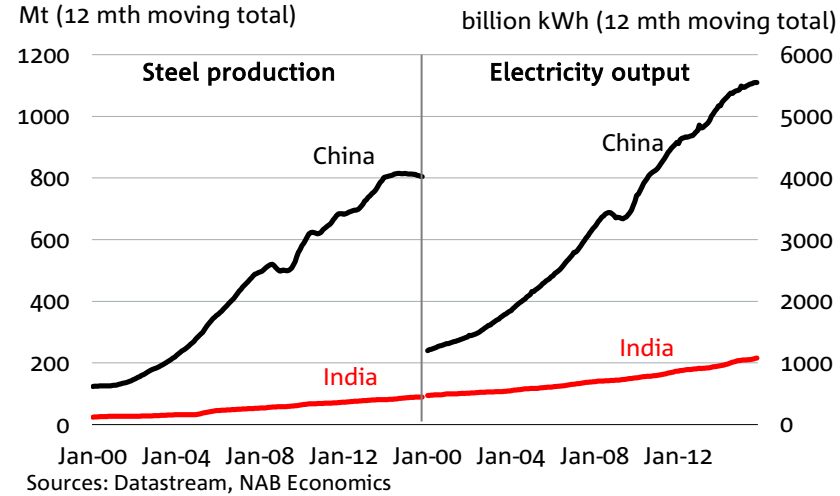
Coal, gold and mineral ores are the biggest exports

Australian resources exports to India (\$b)



Sources: DFAT, NAB Economics

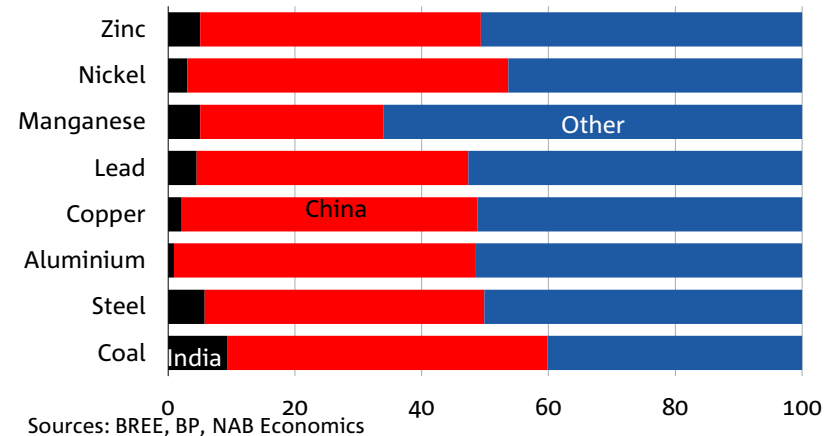
Chinese resources sector demand bigger than India's



Sources: Datastream, NAB Economics

India a big player in global resources markets but China is half of global demand

Share of global output/consumption 2015 (%)



Sources: BREE, BP, NAB Economics

Services – Area of key interest to India

- Thanks to its education sector, Australian services exports to India are much greater than its imports from India. That said, securing better access for its service sector has been identified by the Indian Government as a key goal in its recent FTA negotiations.
- India’s strengths in services are largely based on its computer software and IT enabled services exports (which includes business process outsourcing in centres like Bangalore). This sector’s export earnings exceeded US\$71 billion in 2013/14, with Australia and NZ representing around US\$2.5 billion of that total.
- The other big Indian government objective in recent FTA agreements and negotiations has been getting improved temporary access for Indian professional workers into its trading partners’ labour markets.
- Although there has been gradual de-regulation, securing improved access to India’s massive service sector market has been a key objective for its trading partners. Existing FTA agreements allow foreign suppliers “national treatment” in selected service industries, ensuring they get the same benefits as Indian suppliers. There are also specific commitments limiting power to stop foreign firms entering or expanding operations.

How are services supplied to foreign customers?

Examples

Mode 1 Cross Border Supply – Bangalore business services hub

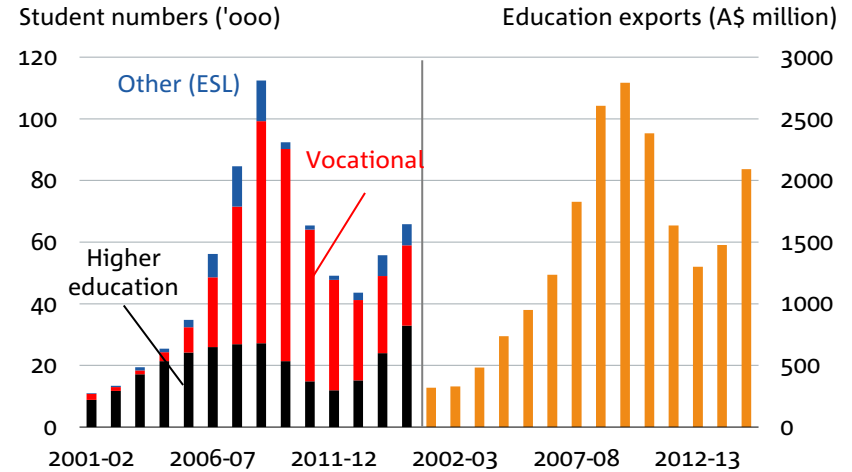
Mode 2 Consumption Abroad – Indian students studying in Australia, Australian tourists visiting India.

Mode 3 Commercial presence – Australian banking operations based in India

Mode 4 Presence of natural persons – Indian expatriate workers temporarily employed in Sydney

These categories form the basis of FTA negotiations on services, Modes 3 and 4 are the most sensitive

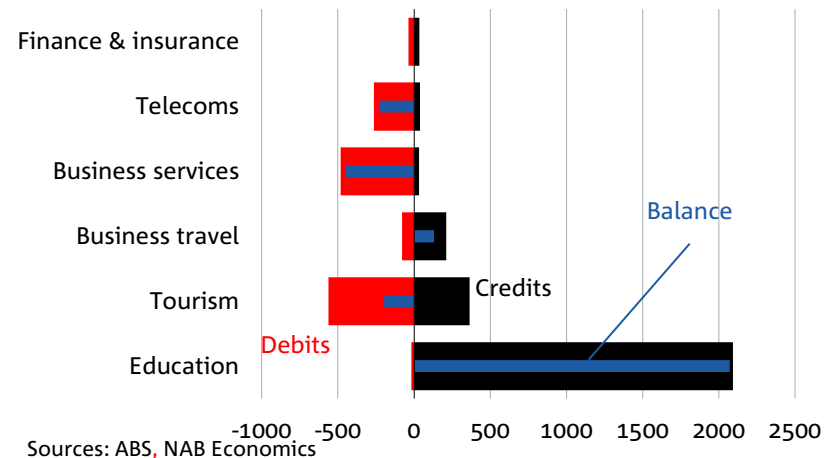
Education sector earnings recovering after big downturn post 2009



Sources: ABS, Department of Education, NAB Economics

Australian education sector exports by far the biggest trade flow

India-Australia services trade (\$b)

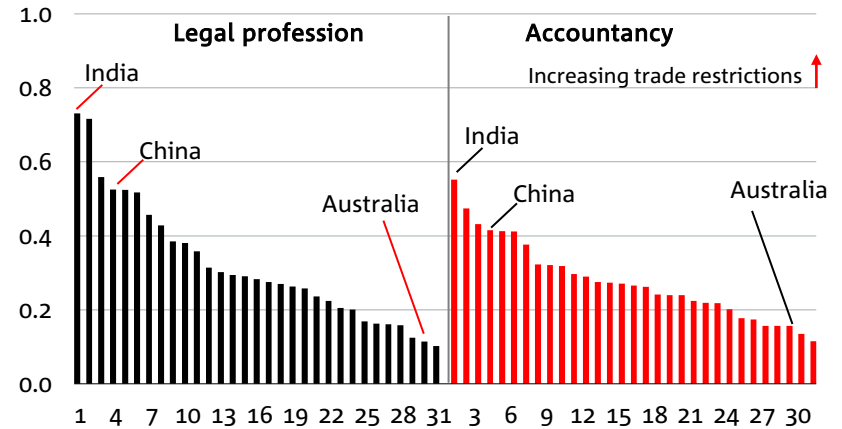


Sources: ABS, NAB Economics

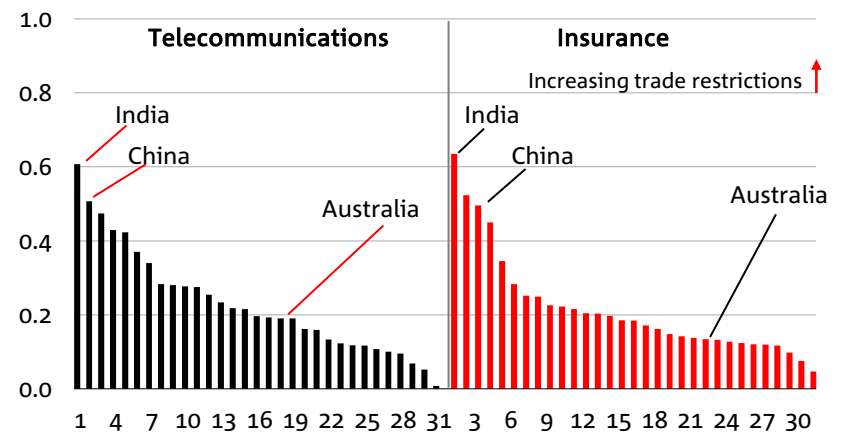
Services – Australia wants better access to protected Indian market

India's services sectors are among the most restrictive to access from a trade perspective

Services trade restrictions 2015 (1 = closed market, 0 = open market)



Services trade restrictions 2015 (1 = closed market, 0 = open market)



Sources: OECD, NAB Economics

- India's service sector is highly protected by OECD standards but the magnitude of the trade barriers differs between sectors, with India's government gradually liberalising market access for foreign firms wanting to enter the market in several key industries. India has also offered some liberalisation in its services in previous FTAs, notably the improved access to big Singaporean banks in the India/Singapore FTA.
- Because service industry protection is delivered through so many channels it is hard to get an overall picture or comparative ranking of how countries differ. The OECD's services trade restrictiveness index shows how closed India's key service markets across legal, accountancy, telecoms and insurance are by the standards of OECD countries and big emerging market economies.
- Clearly there is a lot of scope for progress in market access for Australian firms in India but winning trade concessions in this area is very difficult due to the lobbying power of influential domestic interests. This is particularly obvious in sensitive industries like legal, insurance and retailing. Improved service market access is granted line by line, depending on the sector and the mode of market entry. Establishing commercial presence and professionals securing recognition of a right to practice have been particularly difficult in India in the past.
- There are several ways Australia can make progress in services market access – including getting India to bind existing market access so it cannot be rescinded later; lifting foreign equity limits; and removing or liberalising controls on the number of locations a foreign supplier can operate.



Movement of natural persons – potentially tricky

- India has been a strong supporter of liberalising the temporary movement of people moving to cross border jobs. It has pressed for easier access throughout the WTO negotiations and tried to secure better access for Indian nationals moving temporarily for work in its FTA deals.
- Many of the things that the Indian negotiators seek were granted in the recent China-Australia FTA text – including no economic needs tests or testing of the local labour market; better recognition of the skills of the incoming workers; and no numerical quotas on arrival numbers. Many of these issues are also being discussed at the trade in services talks involving a group of countries that includes Australia.
- The Indian request for access by independent professionals into other countries has met a mixed response in its previous FTAs – Malaysia and Singapore agreeing but South Korea proving less keen.
- Alongside the easier migration of people comes the issue of recognising their qualifications, registrations and licences and this has been addressed in previous Indian FTAs with Malaysia, Singapore and ASEAN where governments agreed to encourage professional bodies to agree to mutually recognise each other’s qualifications.
- China-Australia’s FTA showed how sensitive the issue is in Australia and that applies in India in professions like law, architecture etc.

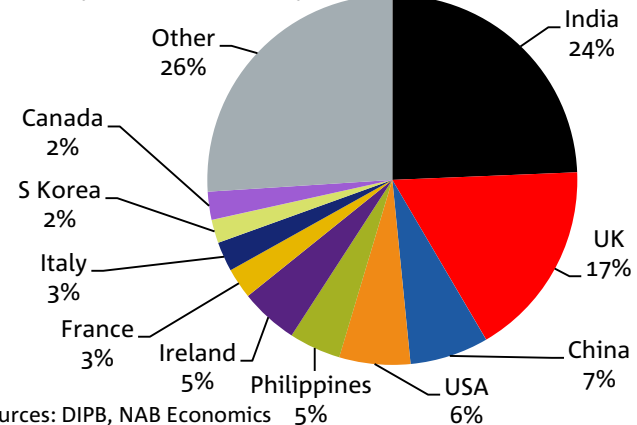
Temporary movement provisions listed in Free Trade Agreements

	China-Australia	India Malaysia
Numerical limits	No	No
Labour market/needs testing	No	No
Duration limits on stay	Yes	Yes
Qualification recognition	Less mandatory testing	Encourage mutual recognition
Categories of people		
Business visitor	Yes	Yes
Independent executives	Yes	No
Intercompany transfers	Yes	Yes
Contractual service suppliers	Yes	Yes
Installers	Yes	Yes
Independent professionals	No	Yes

Sources: Ministry of Trade (India, Malaysia), NAB Economics

India is already the largest source of labour under Australia’s 457 visa program

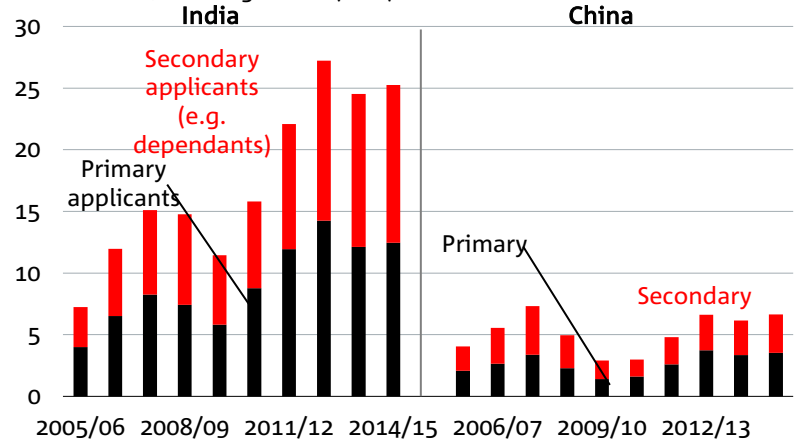
Australian primary applicant 457 visas granted (% share by citizenship country 2014/15)



Sources: DIPB, NAB Economics

India has recorded a major increase in 457 visas over the past decade, compared with a modest increase for China

Australian 457 visas granted ('000)



Sources: DIPB, NAB Economics

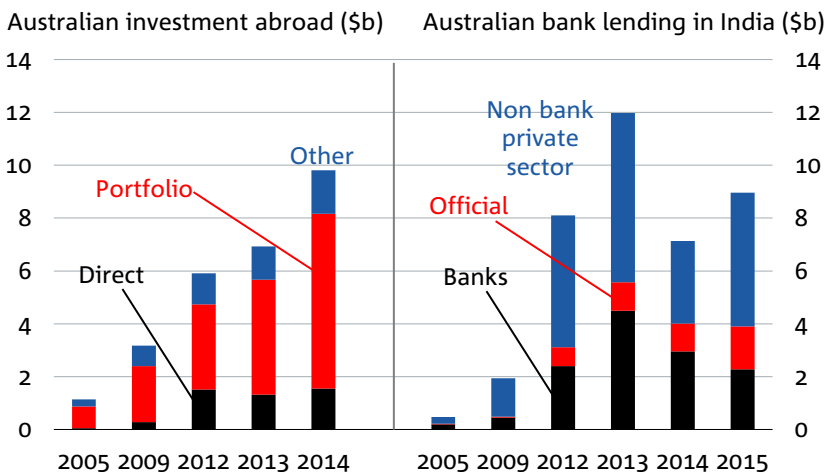
Australian investment in India – protection to be watered down?

- Direct investment represented around \$1.5 billion of the \$10 billion in Australian investment in India, while another \$6.5 billion consists of portfolio equity securities (where the Australian investor does not have effective control over the operations of the firm invested in).
- India has been re-thinking its framework of agreements that protect overseas investors in the wake of a series of appeals by aggrieved foreign investors and an arbitral decision against India in favour of an Australian mining firms to which India had to pay compensation.
- India’s new draft model “Investment Protection Agreement” (IPA) waters down the legal rights afforded foreign investors well below those in the existing bilateral Australian-Indian IPA as well as those in recent FTAs like the China-Australia and Trans-Pacific agreements.
- We will have to see if India succeeds in getting their new model IPA terms included in the services chapter of any Indian-Australian FTA. Given that the World Bank ranks India 130th out of 189 countries (and worse than other BRICs) in terms of ease of doing business, that there are already many Australian firms operating in India and that the India can terminate the high level of protection in the existing bilateral IPA in a year, this is clearly an area of potential concern to watch in any new FTA with India.

Erosion of protection in India’s new model Investment Protection Agreement

- (1) **Remove most favoured nation clause** – stops investors using terms across all Indian IPAs to support their case
- (2) **Restrict coverage of investors who are protected** to enterprises with “real and substantial business operations” in India, possibly excluding portfolio investors.
- (3) **Replace need for “fair and equitable treatment”** of foreign investors by tests involving denial of justice, “egregious violations of due process” and “manifestly abusive treatment”
- (4) An investor pursuing a claim must first **exhaust its options in India’s courts** before going on to international arbitration
- (5) Provides **no protection against acts of Indian State and local governments** who regulate

Australian investment in India



World Bank rankings show areas to improve in the business environment in India

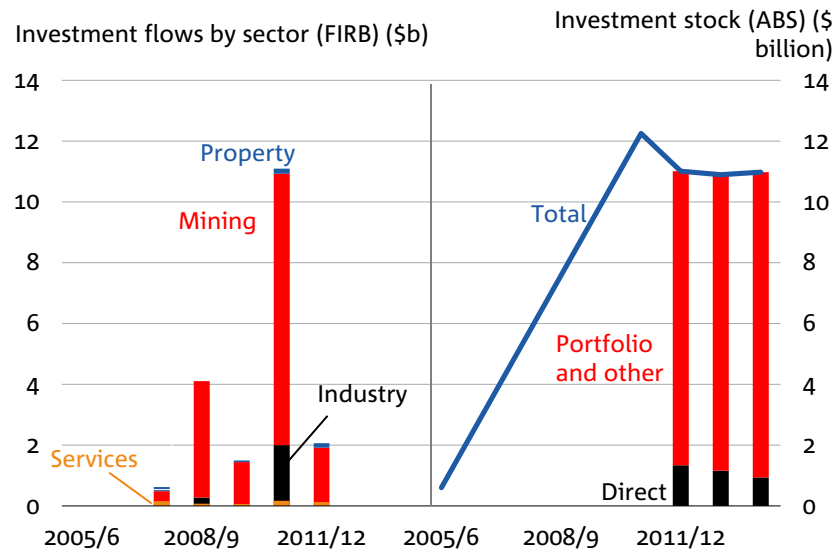
World Bank Ease of doing business ranking (June 2015)

	India	Brazil	Russia	China	South Africa	Indonesia
Start ups	155	174	41	136	120	173
Register property	138	130	8	43	101	131
Protect minority investors	8	29	88	134	14	88
Enforce contracts	178	45	5	7	119	170
Resolve insolvency	136	62	51	55	41	77
Overall rank	130	116	51	84	73	109

Sources: World Bank, NAB Economics

Big stock of Indian Investment in Australia – FTA affects their rights too

- As India has become a major investor in foreign countries, Indian businesses have been quick to point out that any watering down in its Investment Protection Agreements has consequences for the security of their assets located abroad.
- By mid-2015 the Indian private sector had foreign assets of around US\$ 150 billion and foreign direct investments worth around US\$100 billion of which US\$3 billion was in Australia.
- The Australian statistics show total Indian investment in Australia worth \$11 billion, most of which is invested in mining and resources (with big investment by firms like GVK, Lanco, Jindal and Adani).
- Although the World Bank ranks Australia as the 13th easiest country to do business out of 189 nations, as opposed to India’s 130th, the local regulatory environment can still pose challenges for inward investors.
- Given the plain packaging legal case, it will be interesting to see if Australia changes the approach used in earlier IPAs for accessing arbitration in investor/government disputes. Although investor-state dispute settlement clauses are in 7 Australian FTAs (including China) and 21 IPAs, its inclusion is now a case by case matter.
- Some previous FTAs have set higher thresholds for FIRB review for trading partners and India may seek the same outcome as China got.



Sources: FIRB, ABS, NAB Economics

Thresholds for investments requiring FIRB approval \$A million

	Selected FTA Partners	Other countries
Non land		
Non sensitive business	1094	252
Sensitive business	252	252
Media	0	0
Agribusiness		55
- Chile, NZ, US	1094	
Land		
Farm land		15
- Chile, NZ, US	1094	
- China, Japan, S Korea	15	
- Singapore, Thailand	50	
Developed commercial land	1094	252
Vacant commercial land	0	0
Mining tenements		0
- Chile, NZ, US	1094	
- Others	0	

Sources: FIRB, NAB Economics



Outcomes to look for in potential India-Australia FTA

Agriculture

- Are sensitive products like wheat, oilseeds, dairy, cotton and sugar included in the FTA? These have been excluded in previous Indian FTAs but getting them included in a deal with Australia would be a major achievement that provides certainty for our traders by preventing India from lifting tariffs to the high ceiling allowed by WTO rules.
- The very long phasing-in of tariff cuts used in previous Indian FTAs for sensitive items and/or using quotas to limit volumes could be ways to overcome Indian political sensitivities on key items.
- India already has quotas on important dairy products and canola and there might be scope to lift these, especially for dairy.
- Previous Indian FTAs had chapters on the quarantine rules that can block trade, emphasising mutual recognition of each others rules.

Services

- Extent to which India alters its rules on foreign ownership limits, the thresholds for automatic entry of foreign investors without screening by the authorities, the extent to which key staff and directors must have Indian nationality or residence, the extent to which foreign professionals can practise in India and the limits on the number of locations foreign controlled firms can operate.

- While Australia will probably focus its efforts on the easier establishment of a commercial presence, the Indians have probably argued hard for improved access for Indian professionals temporarily working in Australia and efforts to encourage the mutual recognition of qualifications.

Investment

- India may also get the same higher thresholds before FIRB approval is needed already granted in other Australian FTAs.
- The extent to which the investment part of the FTA resembles India's new model investment protection agreement – with its watered down protection for foreign investors – will be interesting. Australia now considers Investor-State Dispute systems on a case by case basis for inclusion in future FTAs so it might accept India's views there. However that still leaves the other erosions of protection in India's model IPA text as a risk to Australian investors.

Summary by sector for potential Australian/Indian FTA

	Current trade/capital flows	Prospective flows	Political sensitivity
Agriculture	Small	Very large	Very high
Mining	Large	Very large	Low
Manufacturing	Moderate	Moderate	Low
Services - commercial presence	Moderate	Very large	Very high
Services - Temporary workers	Small	Moderate	Very high
Investment	Moderate	Very large	Low



Group Economics

Alan Oster
Group Chief Economist
+61 3 8634 2927

Jacqui Brand
Personal Assistant
+61 3 8634 2181

Australian Economics and Commodities

Riki Polygenis
Head of Australia Economics
+(61 3) 8697 9534

James Glenn
Senior Economist – Australia
+(61 3) 9208 8129

Vyanne Lai
Economist – Australia
+(61 3) 8634 0198

Amy Li
Economist – Australia
+(61 3) 8634 1563

Phin Ziebell
Economist – Agribusiness
+(61 4) 75 940 662

Industry Analysis

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) 86414028

International Economics

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

Global 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

Rodrigo Catril
Currency Strategist
+61 2 9293 7109

Interest Rate Strategy

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

Credit Research

Michael Bush
Head of Credit Research
+61 3 8641 0575

Simon Fletcher
Senior Credit Analyst – FI
+61 29237 1076

Andrew Jones
Credit Analyst
+61 3 8641 0978

Distribution

Barbara Leong
Research Production Manager
+61 2 9237 8151

New Zealand

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

Craig Ebert
Senior Economist
+64 4 474 6799

Doug Steel
Markets 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

Julian Wee
Senior Markets Strategist, Asia
+65 6632 8055

UK/Europe

Nick Parsons
Head of Research, UK/Europe,
and Global Co-Head of FX Strategy
+ 44207710 2993

Gavin Friend
Senior Markets Strategist
+44 207 710 2155

Derek Allassani
Research Production Manager
+44 207 710 1532

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.