

STATE HANDBOOK: NEW SOUTH WALES

MARCH 2017



CONTENTS

- 2 | Key points
- 3 | In Focus: Observations on the labour market
- 4 | Consumer & household sector
- 5 | NAB Customer Spending Behaviours
- 6 | Business sector
- 8 | Labour market
- 9 | Demographics
- 10 | Residential property
- 12 | Fiscal outlook & semi market
- 14 | Economic structure and trade
- 15 | State Forecasts

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KEY POINTS:

NSW still an outperformer, but is the recovery running out of steam?

CHART 1: STATE GSP GROWTH FORECASTS

Annual growth, % change

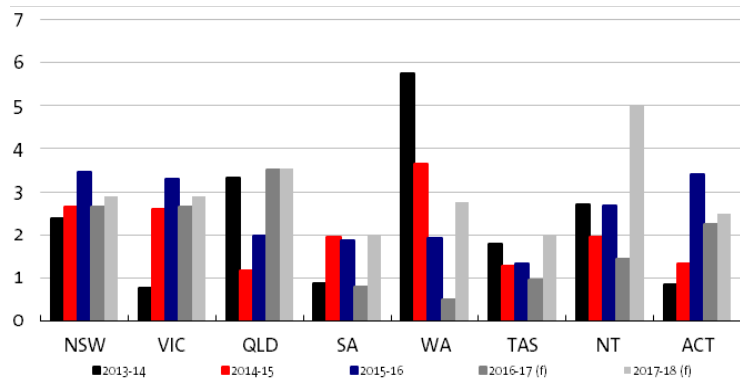
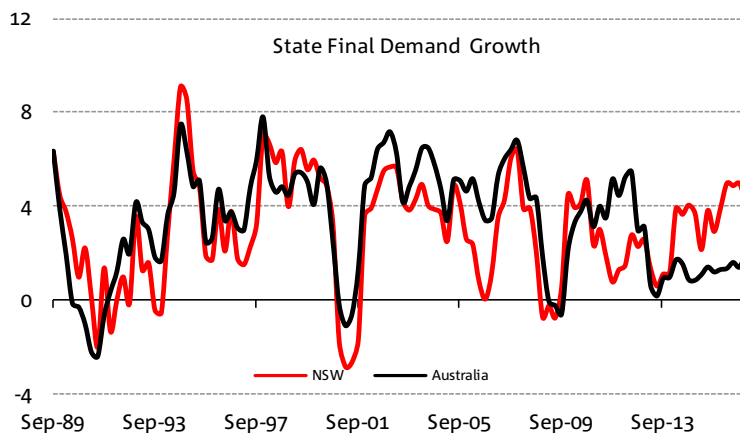


CHART 2: STATE FINAL DEMAND GROWTH

Year-ended % change



Source: ABS and NAB Group Economics

- NSW has been one of the better performing state economies, recording annual state final demand growth that was faster than any other state in Q4 2016 at 4.1%, despite a severe weather induced disruption to activity (especially in construction) in H2 2016. State final demand growth has remained well above the national aggregate for the past couple of years, with growth recently supported by relatively broad-based improvements in consumption and both private and public investment – consumption growth has made a large, albeit shrinking, contribution to growth. **While some of the timely economic partials are now painting a mixed picture, we remain generally optimistic about NSW’s prospects. Overall, Gross State Product (GSP) growth is expected to moderate to around 2% in 2016-17 and pick up to 2.9% in 2017-18 (from 3.5% in 2015-16) (Chart 1), but remain a standout (together with Victoria) in terms of state final demand.** The anticipated peak in the housing construction boom (along with more modest property market performance) are expected to pose a challenge to growth going forward, however infrastructure spending and improving non-mining business investment will add to growth. The trade sector (including services exports) will be supportive, although will not grow as strongly given reduced support from AUD depreciation compared to previous years. Recent commodity price spikes (namely coal) should also help the trade balance and royalties in the near term, although high prices are expected to be temporary.
- Recent ABS data suggests improvements in the NSW labour market have stalled (see page 3). The unemployment rate has managed to hold relatively steady, but that has been helped by a decline in the state’s participation rate. Trend employment growth has essentially ground to a halt, despite a solid increase in population. There are, however, conflicting reads coming from other labour market indicators, including NAB’s business survey, which tend to suggest more stable conditions in the labour market going forward.
- Population growth is expected to remain solid, which will require better than average job creation to stabilise the unemployment rate. While some activity indicators have moderated of late, most still point to good levels of activity in the economy, which should contribute to adequate job creation, while **major infrastructure projects (such as the West Connex and light rail projects) are expected to add significantly to NSW jobs. Overall, the unemployment rate is forecast to steady at around 5-5½%.** The housing market is expected to shift down a gear going forward, as the residential construction boom approaches its peak and price gains slow – reflecting greater supply, credit constraints and worsening affordability. Dwelling construction is expected to **continue making a positive contribution to growth through 2017, but will eventually become a drag as supply begins to outstrip demand.** While a severe property price correction is not expected, the Sydney property market is expected to slow after four consecutive years of double digit growth. Aside from the direct implications for construction, a more subdued market also means there will be less support for household consumption (via wealth effects). As a result, we **need to see a return of solid employment growth and further improvement in household income** to drive what is already a fairly modest forecast for consumption growth – further falls in the household savings rate may be required to support consumption as well.
- Tight capacity and solid (albeit temporarily moderating in 2016) business conditions are having a noticeable impact on business investment, although momentum did seem to turn in H2 2016. Private investment looks set to grow further (albeit at a relatively modest pace), while **public infrastructure spending will provide key support to the local economy over coming years (accounting for around 3% of GSP in the four years to 2019-20).**

IN FOCUS:

Some observations on the stalling NSW labour market.

The previous strong performance of labour intensive industries that underpin the NSW economy – such as the finance and personal services – meant that solid growth translated into significant job creation. However, the labour market appears to have stalled in the past year, with NSW seeing more job losses since mid-2016 than the other major eastern states, despite continuing to take the lead in terms of economic performance.

Female employment accounted for the bulk of employment growth in NSW, but is now feeling the brunt of the pull-back – although employment growth for males has also weakened (Chart 3). Additionally, while full-time jobs were the first to improve in 2015, they have now generally weakened more than part-time employment.

CHART 3: NSW ANNUAL EMPLOYMENT GROWTH

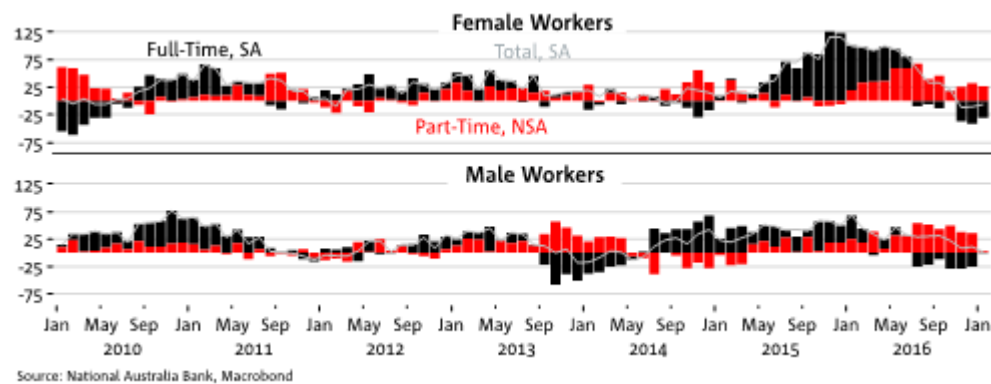
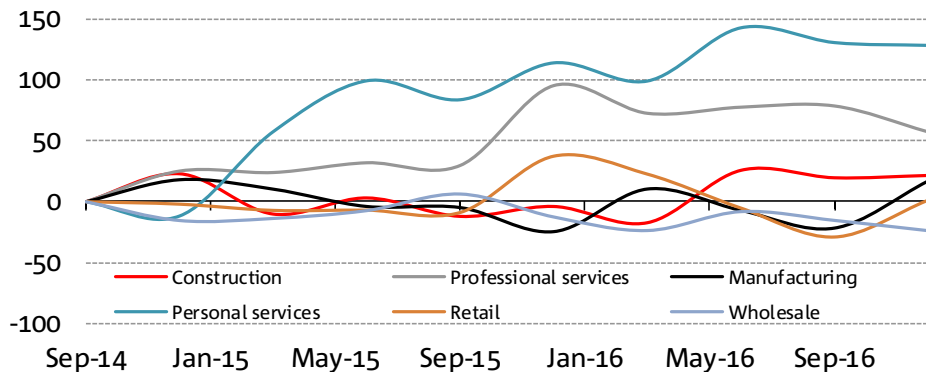


CHART 4: NSW JOBS CYCLE BY INDUSTRY

Accumulative jobs created since Q2 2014 (000s)



The deterioration in NSW jobs growth also appears to be relatively broad-based, although retail appears to have lost the most jobs in the past year – somewhat consistent with movements in employment and business conditions from the NAB Business Survey, although surprisingly retail seems to have held up relatively better than other industries (Charts 4 & 6).

Finally, there remains some question about the reliability of employment data in NSW. Other indicators such as employment conditions from the NAB Business Survey and job ads suggest that the ABS stats may have overstated the previous strength in NSW employment growth and may be similarly overstating the current slowdown (Chart 5).

CHART 5: ABS EMPLOYMENT GROWTH & NAB EMPLOYMENT INDEX

Annual Growth; Index

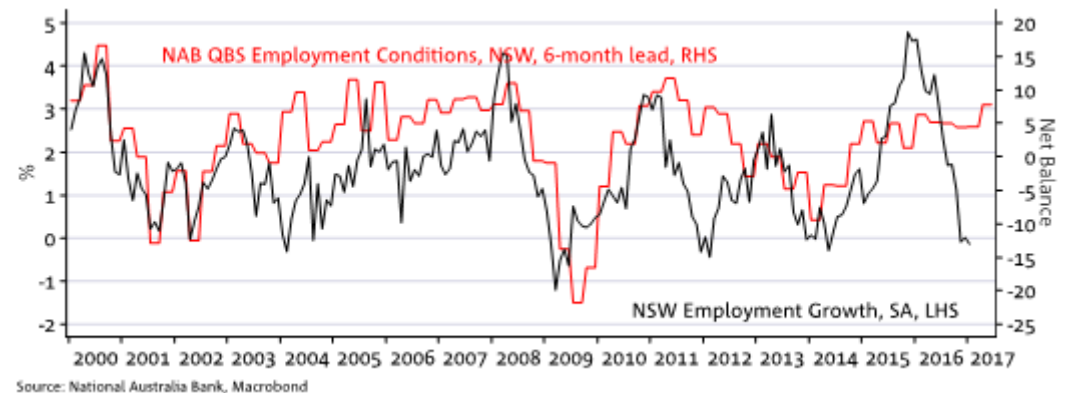
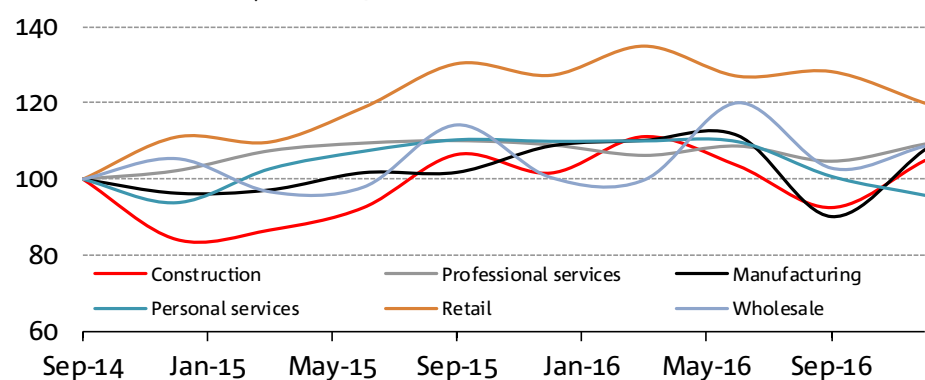


CHART 6: NSW BUSINESS CONDITIONS BY INDUSTRY

Accumulative Index, Q2 2014 = 100



CONSUMER SPENDING:

Consumers are again looking more conservative

Real household final consumption growth rebounded in Q4, following two relatively soft quarters, to be up 2.7% over the year (down from 3.7% y/y in Q1 2016). Consumption growth has been weighed down somewhat by subdued income growth – growth in compensation of employees has again slowed – while uncertainty in the housing market and ballooning levels of household debt are offsetting some of the wealth effects from higher property prices.

House prices regained momentum in Sydney following the RBA rate cuts last year, posting double digit growth for the fourth consecutive year. Consistent with that, the consumption of goods often associated with a heated housing market (such as

furnishings) has started to pick up once again, along with some other discretionary spending (e.g. cafes and restaurants). That is despite the NAB Consumer Anxiety Survey showing consumers in NSW became more conservative in Q4 2016, reining in most spending and focussing on essentials and paying down debt (chart 9).

However, that trend may prove to be temporary as the housing market is expected to cool markedly in 2017/18. If so, consumption growth will be more reliant on employment and income growth – which are already looking soft, albeit expected to gradually improve.

CHART 7: NOMINAL AGGREGATE COMPENSATION OF EMPLOYEES AND HOUSEHOLD CONSUMPTION GROWTH

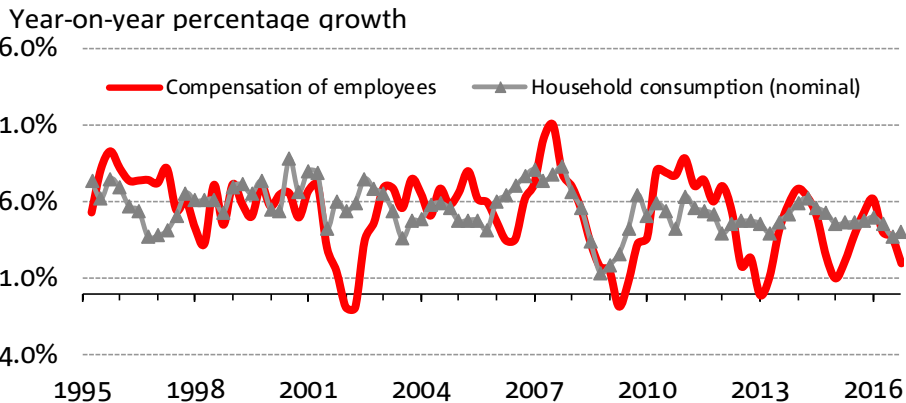


CHART 8: RETAIL TURNOVER AND HOUSE PRICE GROWTH

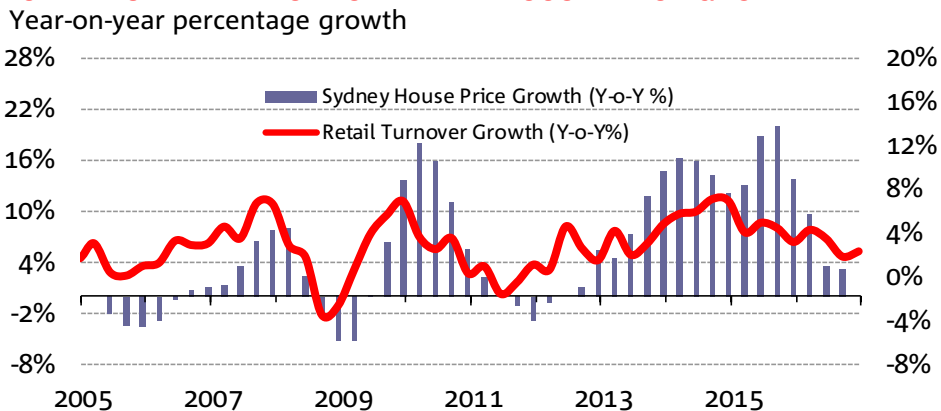
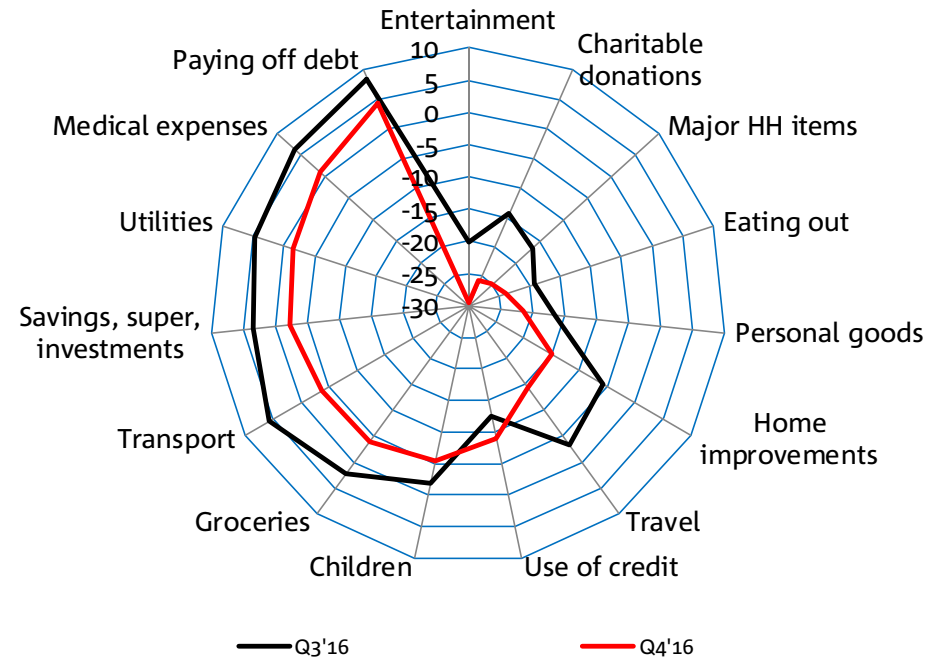


CHART 9: NAB CONSUMER ANXIETY SURVEY - CONSUMER SPENDING PREFERENCES

Changes in Consumer Spending Preferences (net balance)



NAB CUSTOMER SPENDING BEHAVIOURS:

Spending growth in regional areas stronger than in metropolitan NSW

NAB's customer transaction data allows for a more granular look at spending behaviours across regions in NSW.

By individual postcode, spending growth in Metro Sydney over the year was fastest in Georges Hall (2198) at almost 23%, followed by Silverwater 2128 (19.4%), Coogee 2034 (17.1%) and St Peters 2044 (17.0%). Overall, spending was fastest in Currabubula 2342 (55.5%) and Windale 2306 (54.0%), followed by Walgett 2386 (39.4%), Koraleigh 2735 (39.1%) and Galong 2585 (37.3%).

Customer spending on Accommodation, Cafes, Pubs & Restaurants was fastest in both Sydney Metro (13.8%) and NSW Regional areas (17.4%).

CHART 10: GREATER SYDNEY METRO AREA

Year-ended growth to Q4 2016

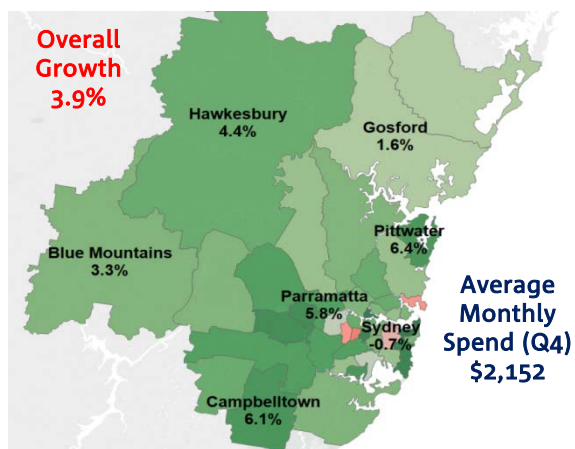


CHART 12: REGIONAL NSW (EX METRO)

Year-ended growth to Q4 2016

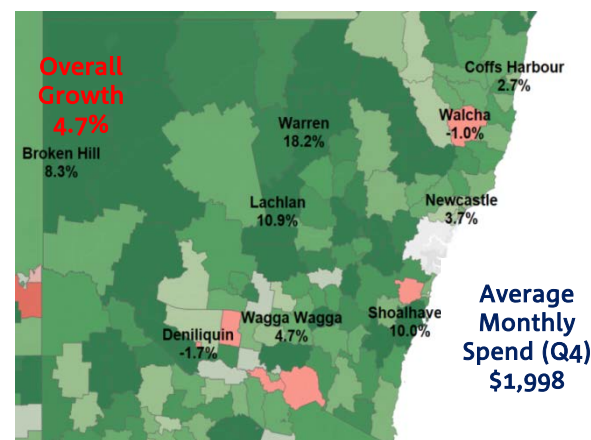


CHART 11: TOP 20 FASTEST GROWING SUBURBS FOR SPENDING

Metro

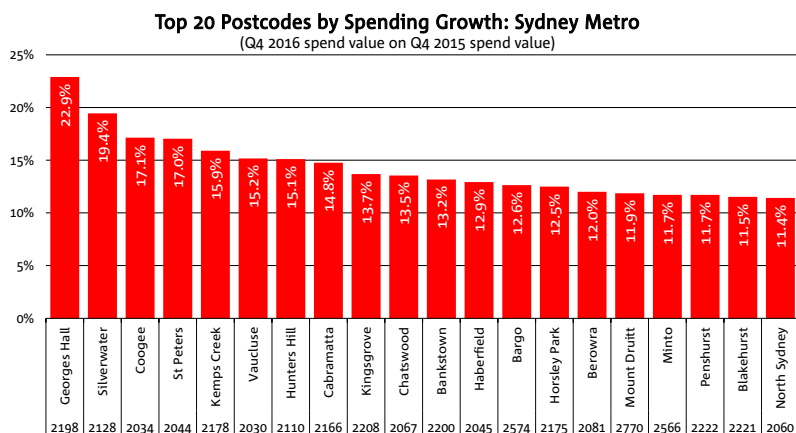
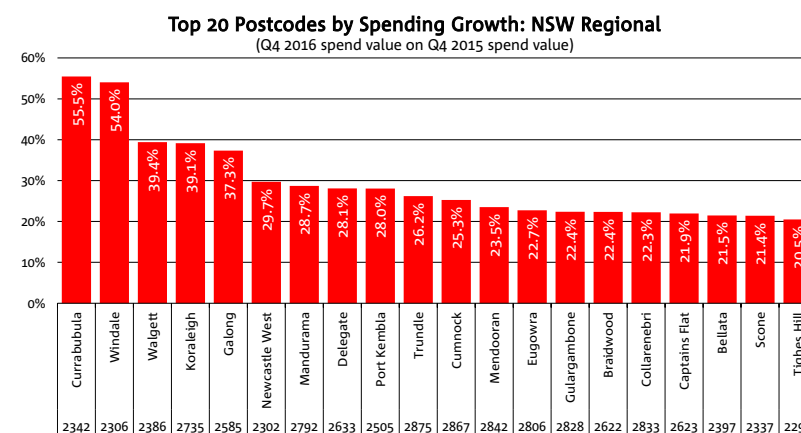


CHART 13: TOP 20 FASTEST GROWING SUBURBS FOR SPENDING

Regional NSW



BUSINESS CONDITIONS:

Still outperforming, but with a loss of momentum

NSW has been a consistent and clear outperformer in the NAB Business Survey for some time, in terms of business conditions, although there was a temporary dip in momentum last year which is now reversing. Nonetheless, the strong trend in capacity utilisation reported in the survey – a necessity for any ongoing recovery in non-mining investment – appears to have stalled, but has remained at elevated levels (Chart 14).

Tight capacity and solid (despite a temporary dip) business conditions are having a noticeable impact on business investment in NSW, rising 9.1% in 2016, although momentum did slow in the second half of the year (consistent with other partials and trends in the labour market – see pages 3 & 7).

CHART 14: NAB BUSINESS SURVEY – CAPACITY UTILISATION

Per cent of full capacity

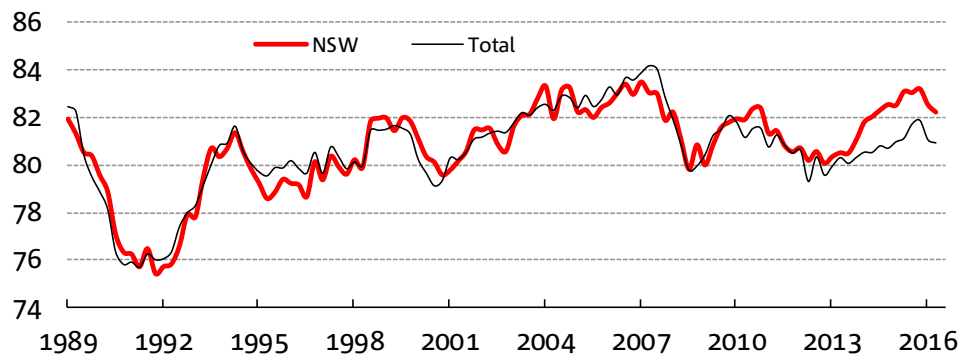
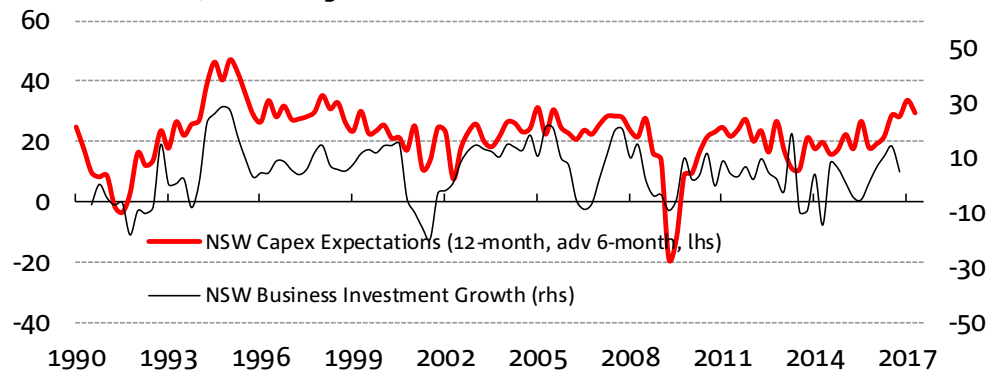


CHART 15: NAB SURVEY CAPEX EXPECTATIONS & PRIVATE BUSINESS INVESTMENT GROWTH

Net balance; Per cent growth



Source: NAB Group Economics

The fundamentals for investment in NSW remain solid despite some of the recent pull-back. That is reflected in the improving trend seen in capital expenditure expectations reported in the NAB Business Survey (chart 15) – recent ABS capex expectations data is now suggesting a pick-up in investment as well (page 7).

Services sectors have largely led improvements in business conditions in the NAB Survey, although other industries such as construction have caught up, and most are positive. Confidence is also positive in most industries and is surprisingly highest in retail, followed by construction (Chart 17).

CHART 16: SPREAD IN NAB BUSINESS CONDITIONS

Net balance

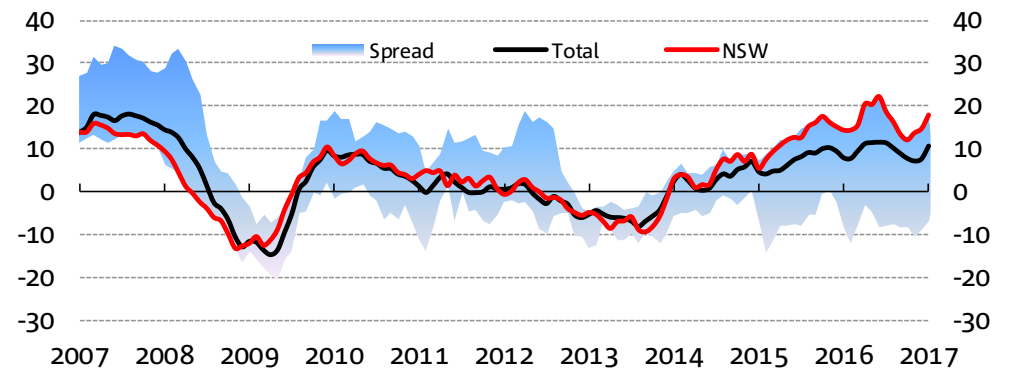
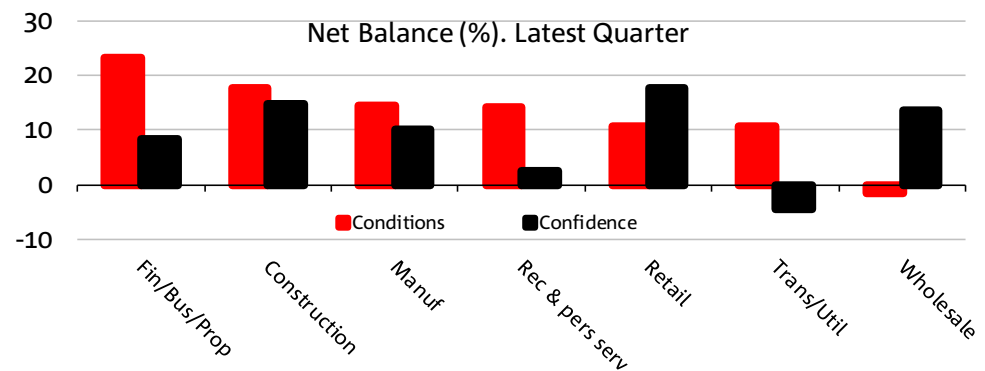


CHART 17: NSW BUSINESS CONDITIONS & CONFIDENCE BY INDUSTRY

Net balance, Q3 2016



INVESTMENT:

Leading indicators are encouraging and public spending will be supportive

Private business investment was solid in 2016, although largely driven by sharp rises in late 2015/early 2016. New non-residential building investment has fallen back sharply of late, but encouragingly, new approvals for non-residential building (smoothed) rose in late 2016 – although the series tends to be lumpy (chart 18).

Retail and ‘other’ (primarily tourism) have driven much of the improvement in building approvals. Office approvals have also seen an upward trend of late, and with office vacancy rates holding at low levels, we can expect to see more improvement (Chart 19). Sentiment in the market has also been elevated according to the NAB Commercial Property Survey (chart 21).

CHART 18: NON-RESIDENTIAL BUILDING APPROVALS

Million dollars

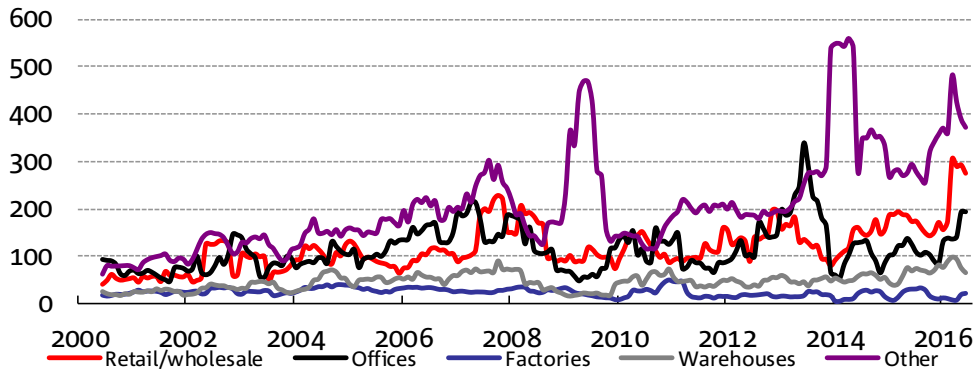
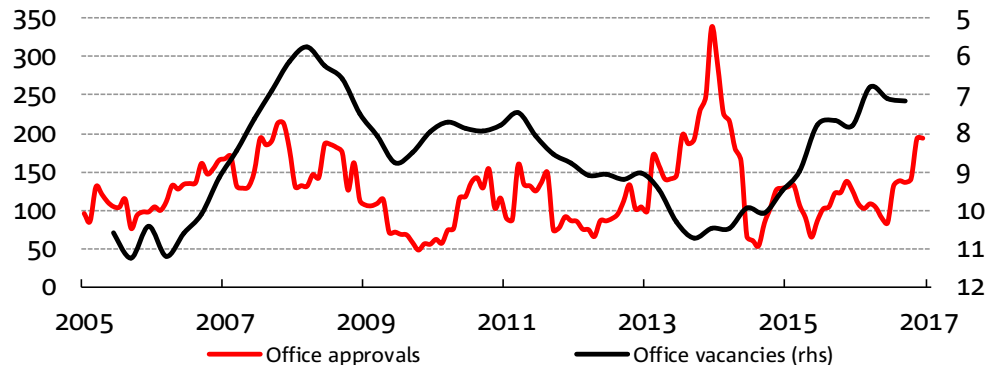


CHART 19: NSW OFFICE MARKET CONDITIONS

Million dollars; Per cent of capacity



NAB survey measures of capex intentions (page 6) have been consistently more upbeat than official measures, but that has started to change with the latest ABS release pointing to an uptick in 2017/18 for NSW (chart 20). This is a welcome sigh and consistent with better reads on non-mining investment in the National Accounts more broadly.

Construction activity is also likely to be supported going forward by very large pipeline of public infrastructure projects (more than \$70b spent by 2020), most of which includes a private partnership component. Infrastructure spending should also add to labour demand and broader business sentiment in the near-term, while contributing to productivity gains longer-term (if done wisely).

CHART 20: NSW CAPITAL EXPENDITURE & EXPECTATIONS

Actual & expected based on previous realisation ratio (\$billion)

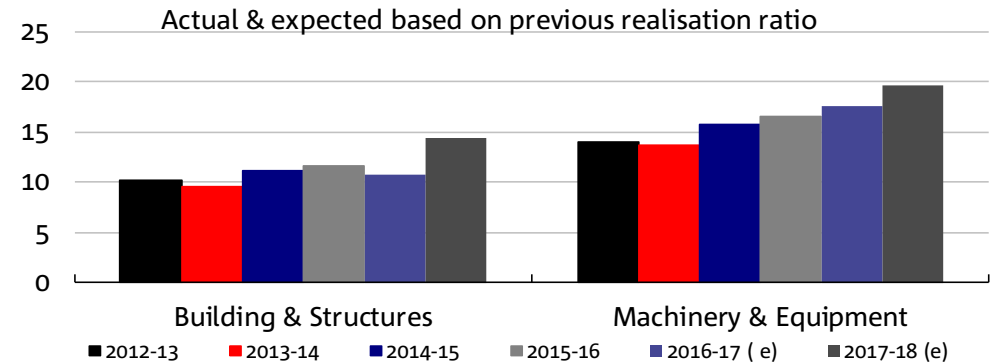
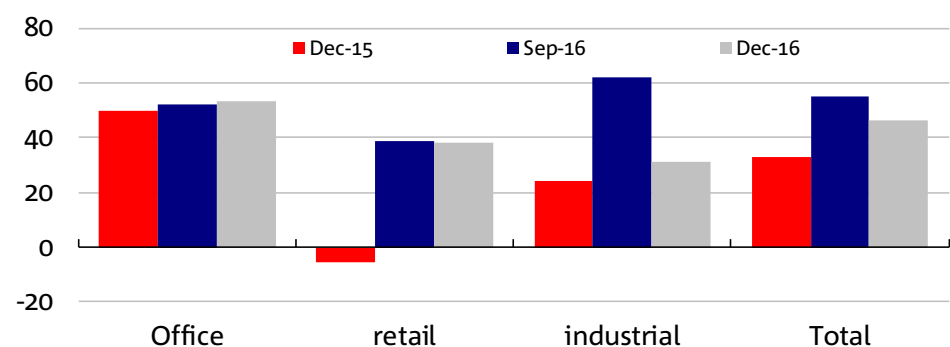


CHART 21: NAB COMMERCIAL PROPERTY INDEX - NSW

Index



LABOUR MARKET:

Labour market has stalled, but may be overstated

Annual employment growth has slowed to a crawl of late, remaining broadly flat over the year to January 2017. At the same time, population growth has held up at elevated levels in NSW, putting strain on the labour market. Yet despite that, there the unemployment rate has remained reasonably steady (around 5%). The regional rate is higher, but has largely closed the gap with the city regions (Chart 22).

A sudden fall in the participation rate helps to reconcile these outcomes, but it is not clear whether this is a sustained fall to previous levels or just statistical noise?

We do, however, have some scepticism over the current weakness in the labour market as other partials have generally held up better – although many also failed to show the same degree of strength as the ABS measure prior to the slowdown. This includes employment conditions in the NAB Business Survey (see slide 3), while diminished spare capacity also points to solid labour demand in the near-term (Chart 23).

Over 2016, most of the jobs created were in parts of business and personal services, while robust residential construction translated into additional jobs. Job losses have been largest in 'other services' and distribution services (Chart 24).

CHART 22: UNEMPLOYMENT RATE BY REGION

Per cent, nsa

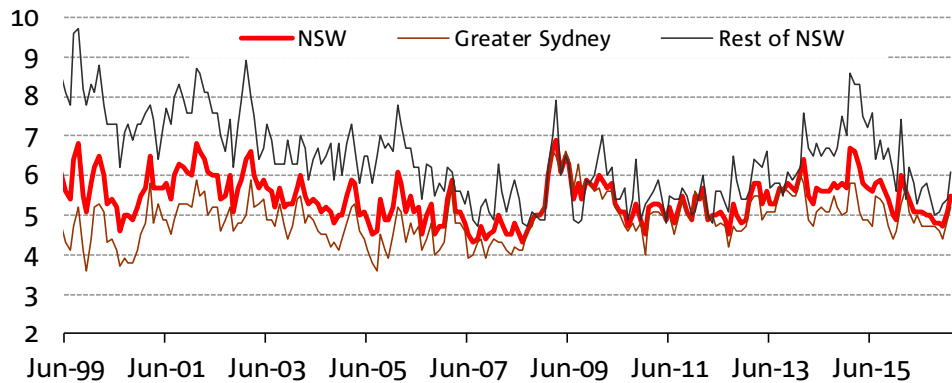


CHART 23: UNEMPLOYMENT RATE & NAB CAPACITY UTILISATION RATE

Per cent; dollar billions

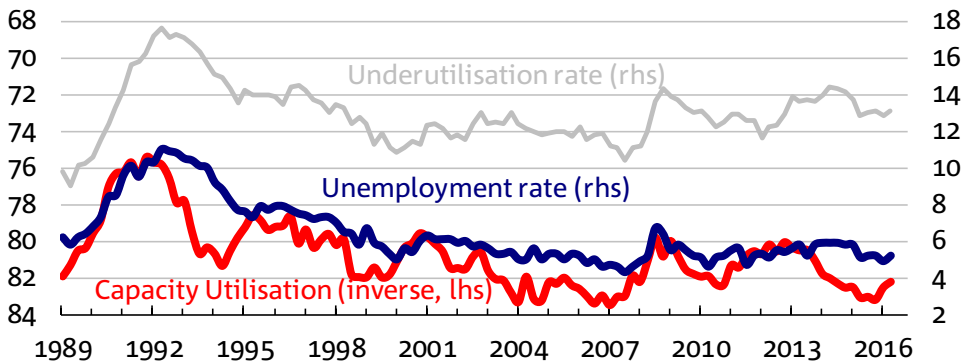
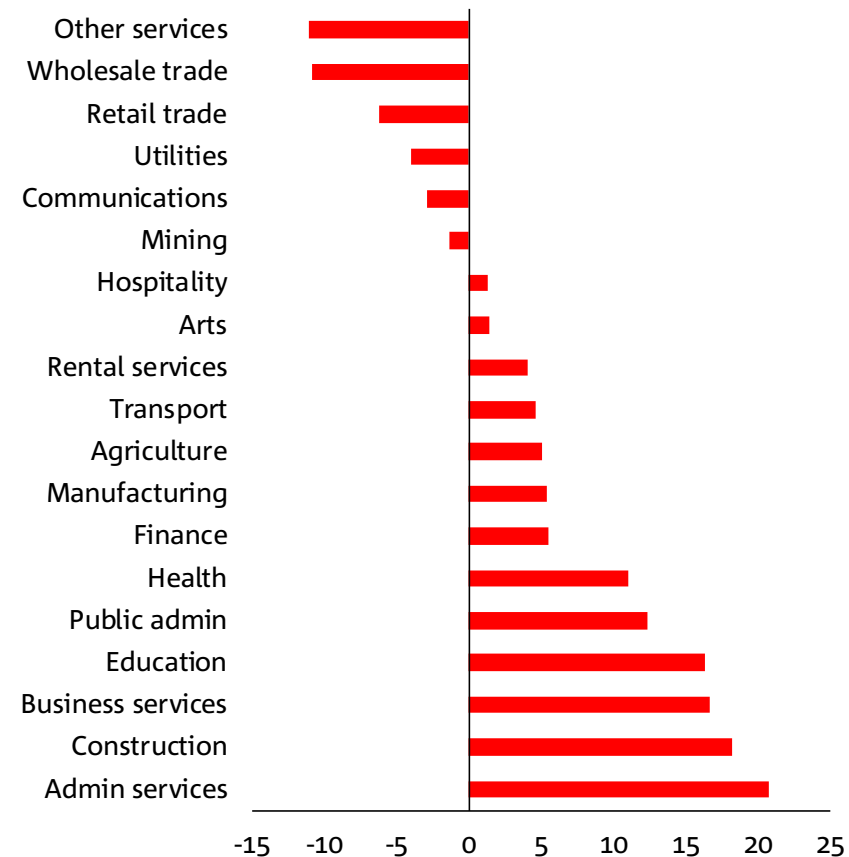


CHART 24: CHANGE IN EMPLOYMENT BY INDUSTRY, NSW

Last 12 months, thousands



DEMOGRAPHICS:

Population growth still strong, but will stalling employment reverse the course?

NSW population growth remains at relatively elevated levels, supported by both overseas migration and less interstate outflows (Chart 25) – reflecting the economy’s relative outperformance (which includes having the lowest unemployment rate of the states), especially compared to the mining states.

After lagging behind for more than a decade, NSW population growth is now consistent with national average levels (Chart 26).

CHART 25: NSW POPULATION GROWTH

Thousands, over the year

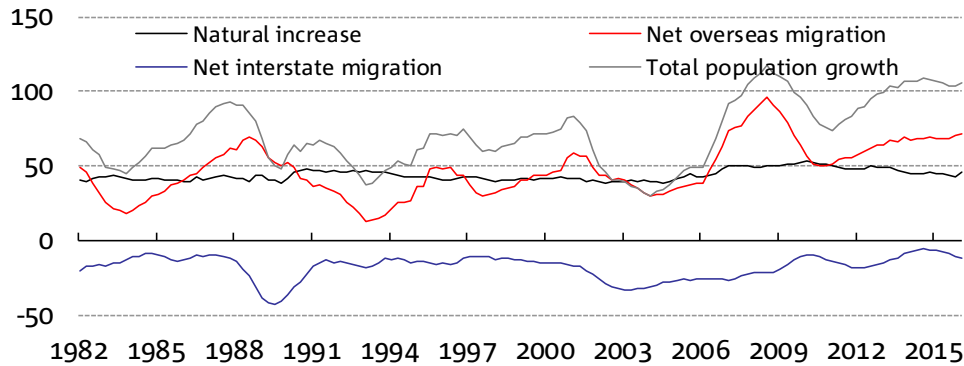
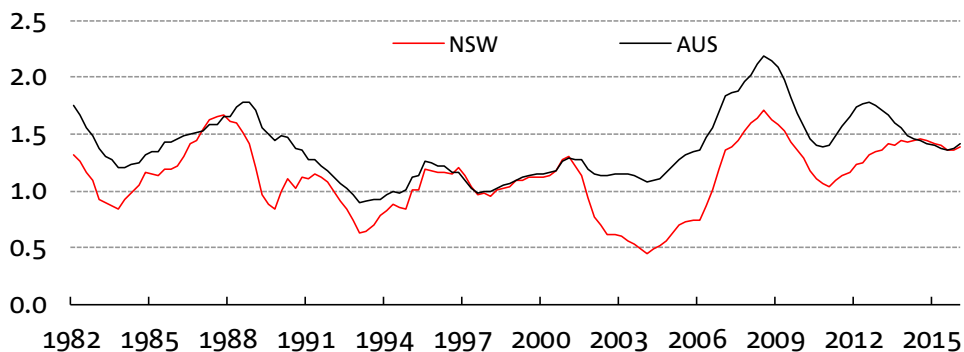


CHART 26: NSW POPULATION GROWTH

Year-ended growth, %

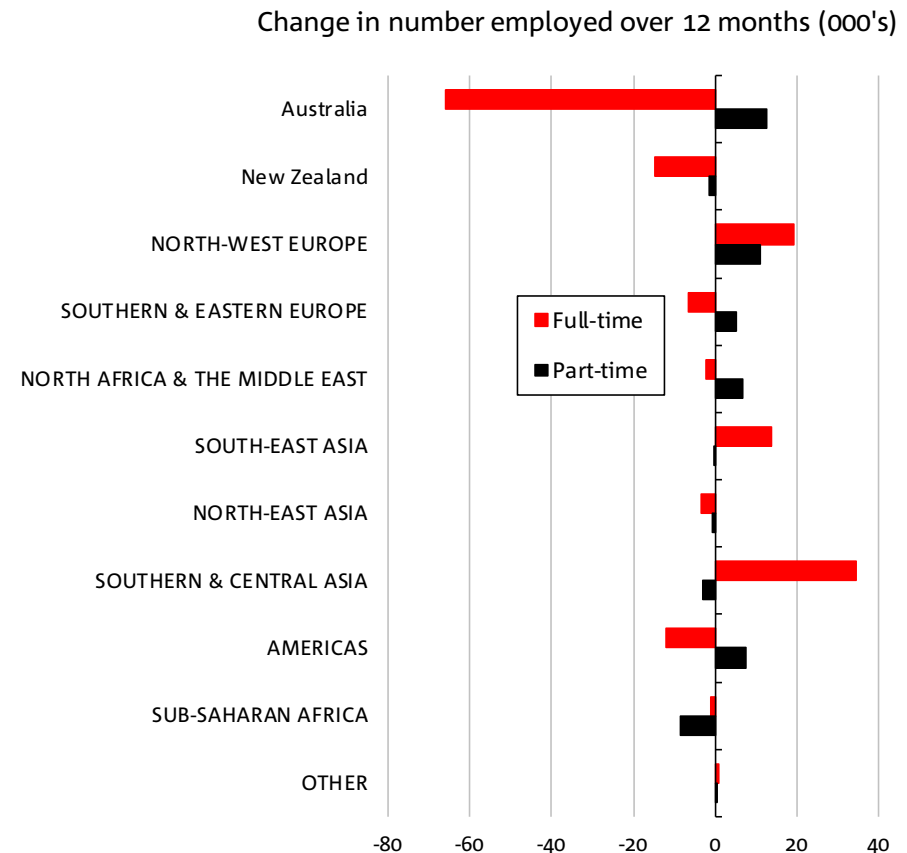


Sources: ABS; NAB Economics

However, if employment growth has stalled – as suggested by the ABS – there might be some follow on effect to population trends. Examination of employment changes by country of birth suggests much of the weakness has been confined to the domestic workforce – showing a large drop in full time employment – which could see net interstate migration reverse course. While employment of workers born in many overseas regions have fallen slightly too, full-time workers from Southern & Central Asia, and (to some extent) South-East Asia and north-west Europe have seen solid employment gains (Chart 27).

CHART 27: NSW EMPLOYMENT BY COUNTRY OF BIRTH

Thousands, over the year



DWELLING INVESTMENT:

Signs emerging that the dwelling construction boom may soon peak

Dwelling investment in NSW bounced back in Q4, rising 5.2% q/q (following a subdued increase of 0.4% q/q in Q3). The acceleration reflects a recovery from the impact of an unusually wet winter, which appeared to have had a disruptive effect. However, growth only averaged 2.8% q/q in h2, down from 7.5% q/q in H1, which might suggest some loss of underlying momentum as well.

Longer term, high (but falling) levels of new approvals are driving a record pipeline of construction that will support activity for quarters to come. However, commencements did not quite keep pace during much of the boom, which might suggest that uncertain market conditions are prompting developers to stall projects (chart 28). If so, construction may contribute less to growth than first thought. That said, the NAB Residential Property Survey shows that market participants

CHART 28: NSW COMMENCEMENT RATES FALLING

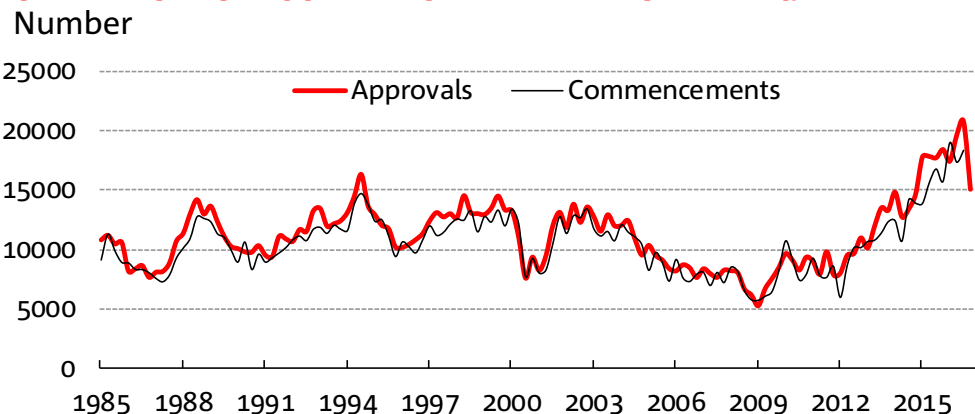
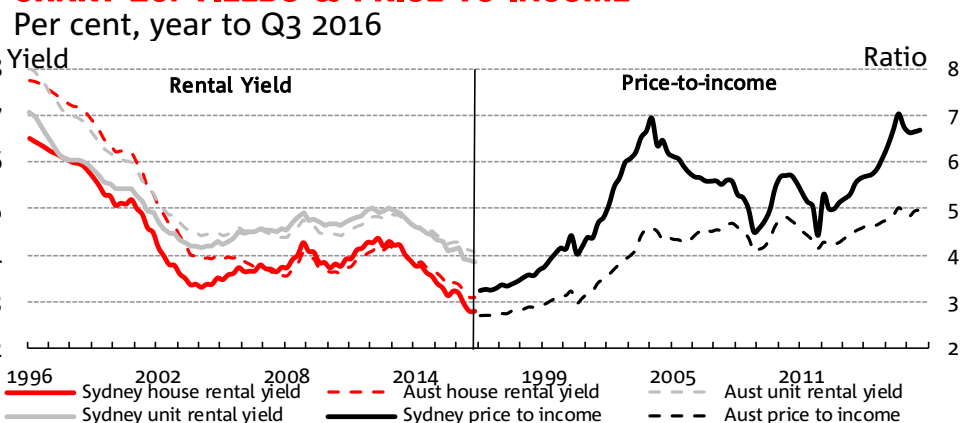


CHART 29: YIELDS & PRICE-TO-INCOME



Source: ABS; CoreLogic; NAB Economics

in NSW still see demand for new developments as good to very good in all market segments (and better than all other states in some segments) (chart 30) – a surprising result given concerns of oversupply in the apartment market (chart 31).

More recently, approvals for new apartments have fallen back, albeit still at fairly elevated levels. Approvals for detached houses have eased a little as well. NAB expects the pipeline will support construction activity over coming quarters, although on balance indications are that the peak impact on growth may soon pass.

Rental yields have steadily declined, which along with tighter credit conditions and lower capital growth expectations will eventually weigh on investor demand. Meanwhile, tougher affordability is a constraint on owner-occupier demand (chart 29).

CHART 30: NAB SURVEY – DEMAND FOR DEVELOPMENTS

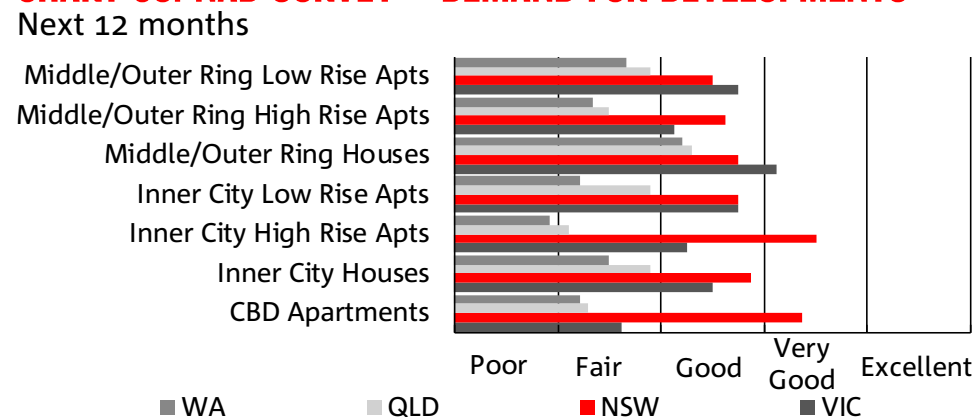
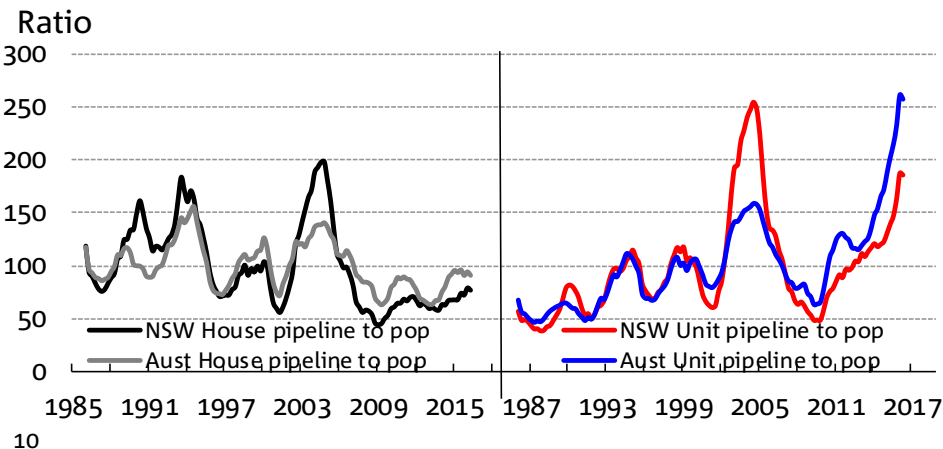


CHART 31: NSW RESIDENTIAL BUILD ACTIVITY TO POPULATION



RESIDENTIAL PROPERTY:

Fundamentals suggest current price strength is temporary

The post-rate cut recovery in Sydney property prices has been more pronounced than we expected, although fundamentals still suggest a more subdued market in 2017/18. House prices have continued to outperform units (chart 32), which is a trend that is likely to continue as concerns linger over the strong supply response in the apartment market. Price growth has varied across property types and regions, although all have generally performed reasonably well with only central western units showing a slight decline (Chart 33). Positive growth has also been seen in most regional markets, although the far west regions showed a notable decline (chart 35).

Housing fundamentals in Sydney remain strong enough to suggest that a sharp market correction looks unlikely. Nonetheless, they have weakened enough to

CHART 32: NSW RESIDENTIAL PROPERTY PRICE GROWTH

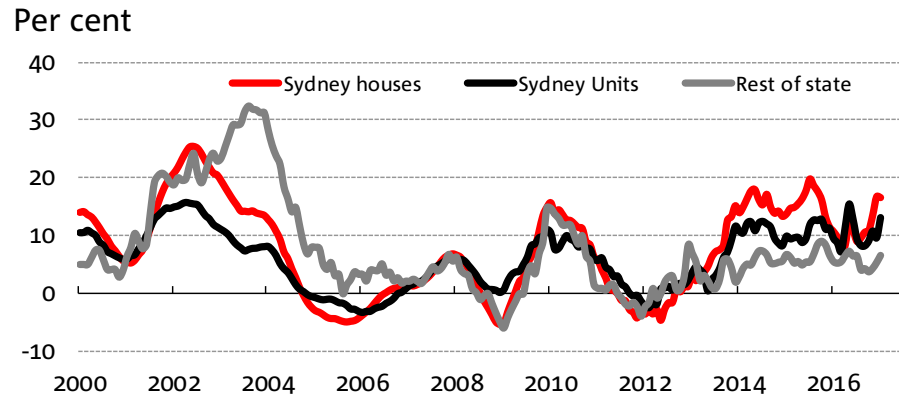
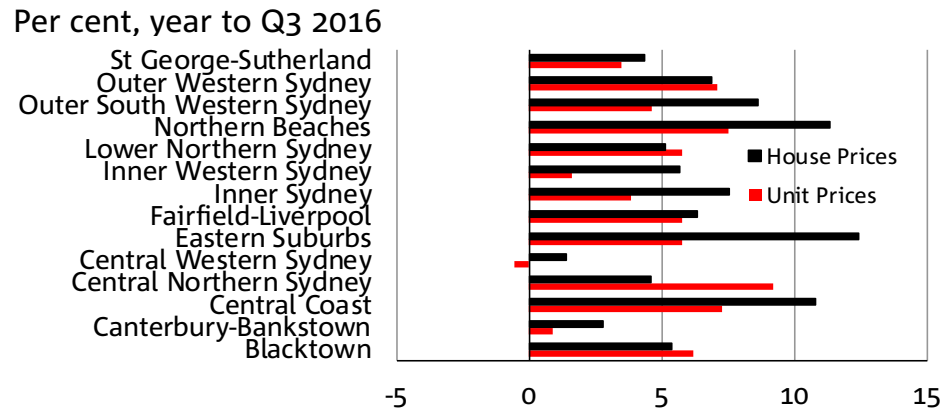


CHART 33: SYDNEY - MEDIAN PROPERTY PRICE GROWTH



Source: ABS; CoreLogic; NAB Economics

suggest a more muted market going forward. This is particularly true of the apartment sector where the supply response is largest (page 10, chart 31).

Rising supply, along with worsening affordability, less foreign demand and prudential constraints are all expected to limit future price gains. Nevertheless, the NAB Property Survey suggest residential prices growth will be solid in the near and medium-term (Chart 34). NAB's forecast is for very muted price growth, predicting flat to very modest positive growth in the near-term (with the potential for price declines in the apartment market). House prices are expected to rise 4.5% in Sydney over 2017, while apartments will see more modest gains of 1%.

CHART 34: NAB PROPERTY SURVEY – PRICE EXPECTATIONS

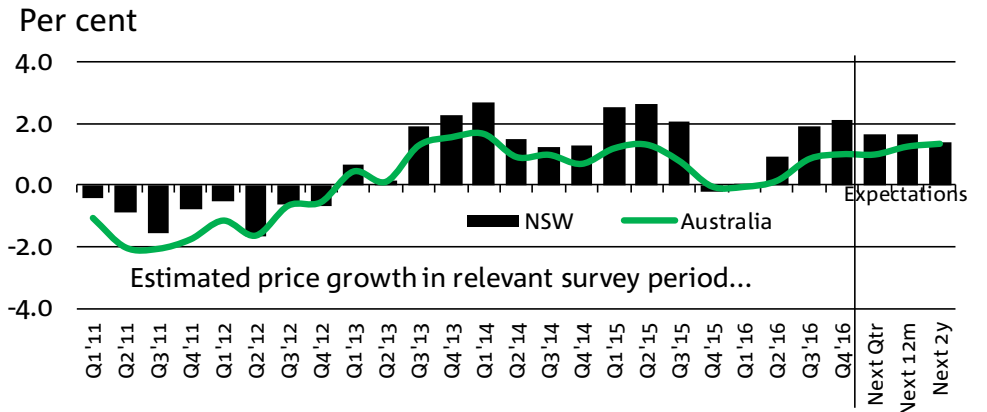
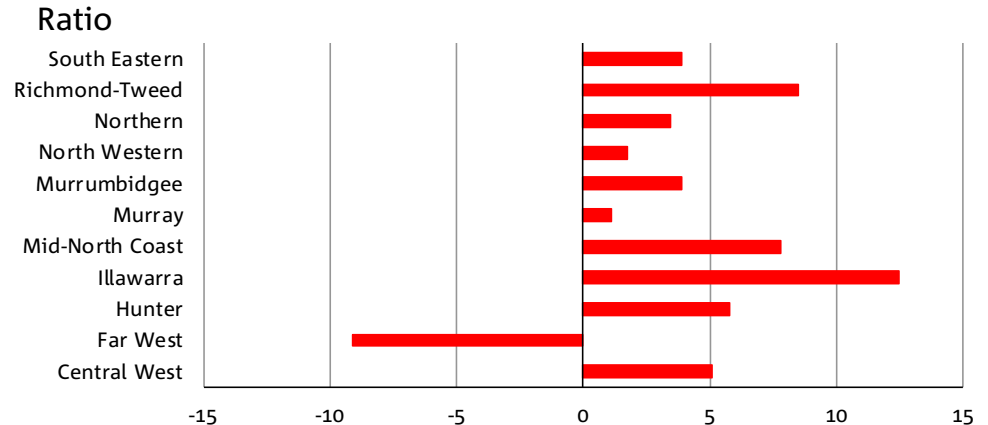


CHART 35: REGIONAL PRICES



FISCAL OUTLOOK:

Near-term position improved. Extensive infrastructure investment pipeline

The underlying financial position of the NSW government was broadly unchanged in the recent mid-year fiscal update for 2016-17. Despite some volatility due to AUSGRID and revised GST redistribution, making the general government surplus more front-loaded, the trajectory remains encouraging. The operating surplus for 2016-17 was revised up by nearly a quarter of a billion dollars (to 0.7% of GSP), while 2017-18 was also revised higher. Subsequent year were reduced by around \$1 billion, reflecting a weaker outlook for GST revenue (chart 36)

Revisions to the budget position largely reflect changes on the revenue side. Upward revisions in 2016-17 and 2017-18 stem from transfer duties associated with the partial lease of AUSGRID, as well as Asset Recycling Initiative payments, which

CHART 36: NSW NET OPERATING BALANCE & TRANSFER DUTY

Per cent of GSP

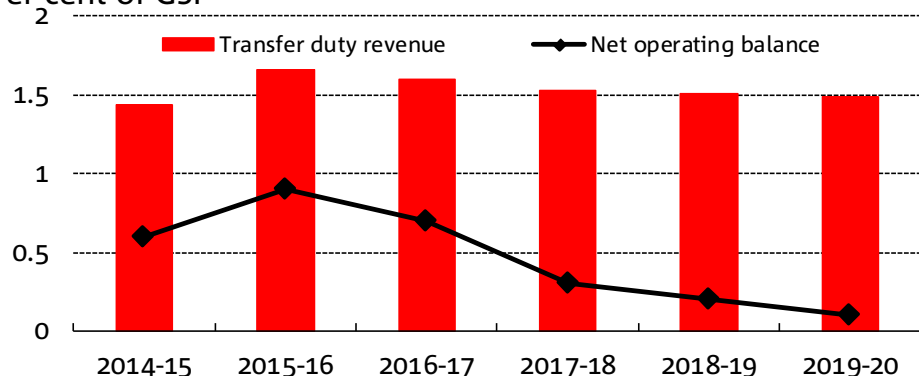
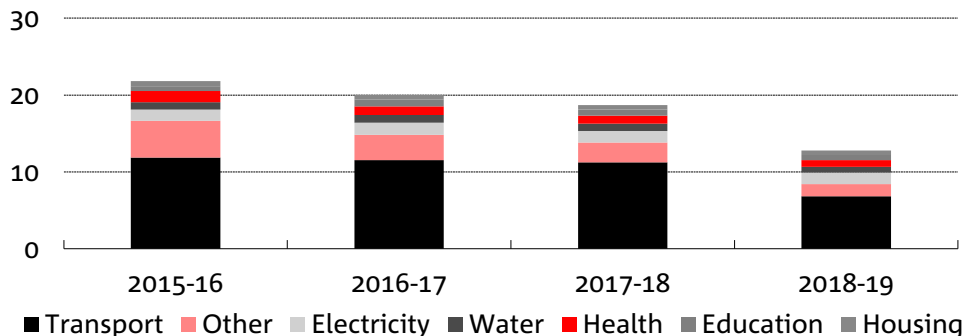


CHART 37: NSW STATE CAPITAL SPENDING BY FUNCTION

Billion dollars, as at 16-17 Budget



Source: NSW State Budget; NAB Economics

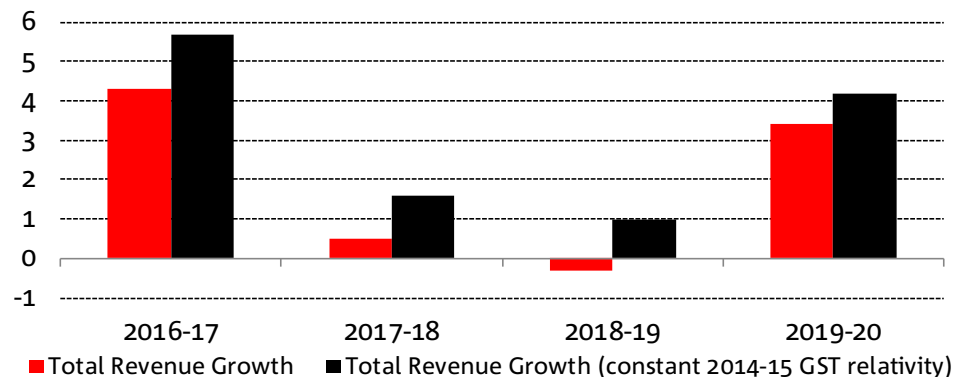
offset revisions to GST and funding for new initiatives. Revenue is generally higher over the forward estimates compared with the Budget, although it is lower than Budget in 2019-20 due to the lower projected GST relativity for New South Wales reducing GST receipts and lower interest revenue. NAB see there being a high risk to transfer duties, which are currently expected to keep pace with GSP, should residential markets cool as expected.

Expenditure is estimated to be \$1.9 billion higher across the four years to 2019-20 than forecast at the 2016-17 Budget. The higher expenses principally reflect the impact of new policy decisions.

At the time of the 2016-17 Half-Yearly Budget Review, the Government (consolidated) was committed to spending \$73.2b on infrastructure over the Budget projection period – which accounts for around 3% of GSP for that period. A further \$1.5 billion had been included since the 2016-17 Budget for Rebuilding NSW projects, while the Review included \$2.7 billion in new capex decisions in total. Much of the spending is in transport infrastructure, although there is also major hospital redevelopments, the construction of new schools and significant funding for new correctional centres. Large amounts of infrastructure spending will help create jobs and are aimed at boosting long-term productivity in the economy. According to the 2016-17 Budget, the WestConnex and light rail projects alone will create around 20k jobs in NSW.

CHART 38: IMPACT OF REVISIONS TO GST DISTRIBUTION

Share on revenue growth



SEMI GOVERNMENT AND CREDIT OUTLOOK: NSW

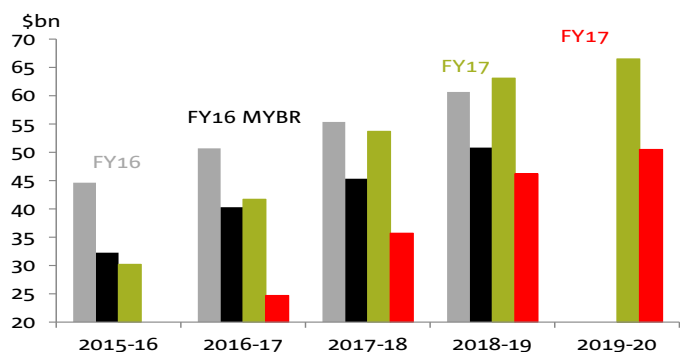
Asset sales/leases continue to reduce the debt burden

NSW's mid-year review continued the trend of significant downward revisions to net debt forecasts, helped by the partial long term lease of Ausgrid. The process to lease 50.4 per cent of Endeavour Energy is underway and, in line with usual practice, is not included in forecasts.

NSW's AAA credit rating is not under threat from state budget position but will be lowered if the Commonwealth's rating is changed.

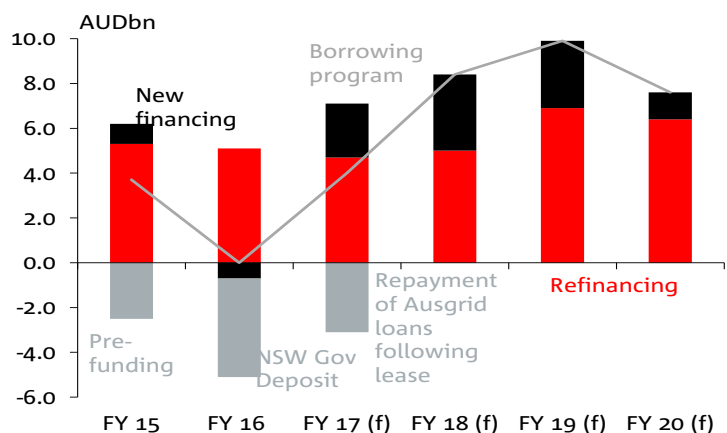
NSWTC funding program for 2016-17 was revised from \$7.1bn to \$4bn following the Ausgrid sale. We assume it will again be revised lower following the sale of Endeavour.

CHART 39: NSW NON-FINANCIAL PUBLIC SECTOR NET DEBT



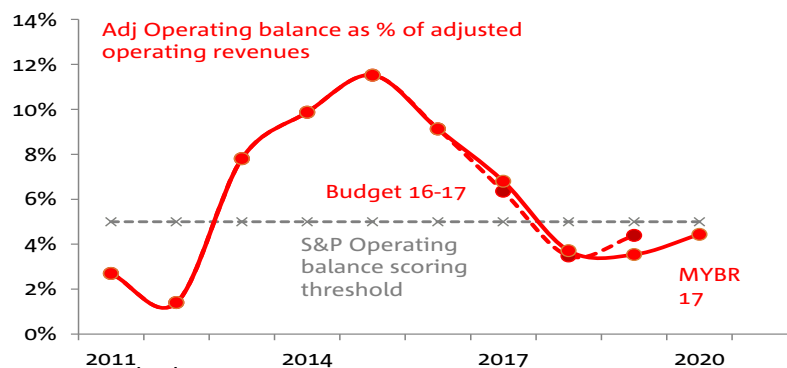
Source: NSW Budget papers

CHART 40: NSWTC BORROWING PROGRAM



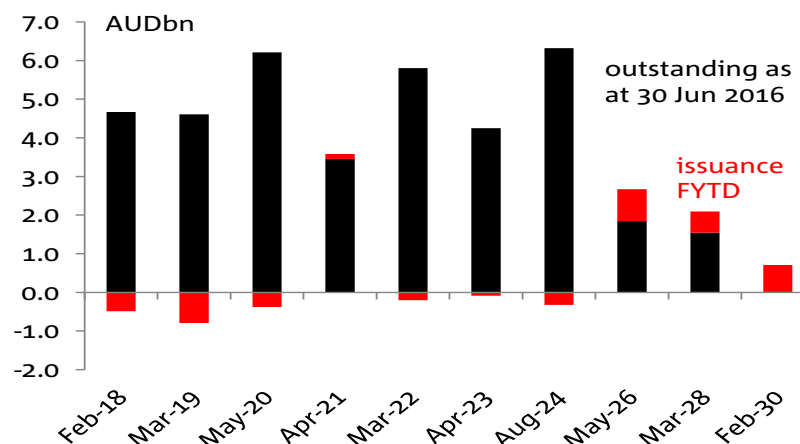
Source: NSWTC

CHART 41: S&P CREDIT METRIC: OPERATING BALANCE AS % OF REVENUE



Source: NSW budget paper, NAB

CHART 42: NSWTC TERM BONDS OUTSTANDING



Source: NSWTC

ECONOMIC STRUCTURE AND TRADE:

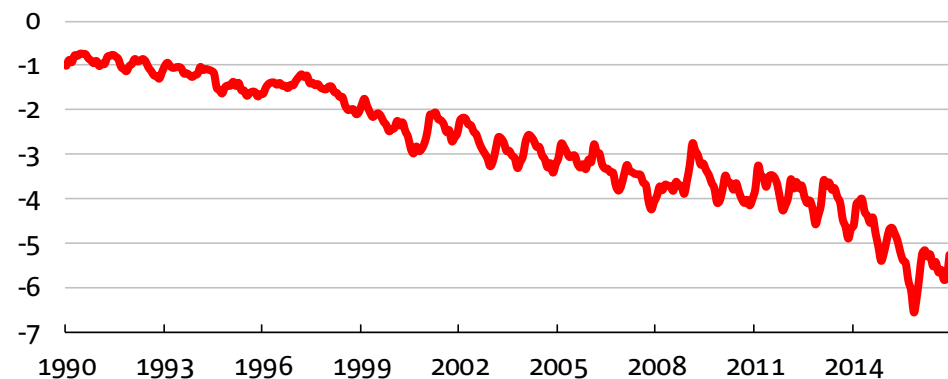
Prices improved the trade deficit, while AUD support still seen in some sectors

The NSW trade position has steadily improved in the past year, led by goods trade – although the result was largely driven by changes in the deflator (in real terms the trade balance has been somewhat steady). Higher frequency merchandise trade data shows the trade deficit widening again (chart 43).

Some trade sectors are seeing clear benefits of AUD depreciation, especially in services such as tourism. Short-term visitor arrivals to NSW have been steadily increasing, which is helping soak up capacity in the hospitality sector (Chart 44). However, support from prior AUD depreciation may soon fade.

CHART 43: NSW NET TRADE

Billion dollars, 3mma



TOP EXPORT DESTINATIONS, NSW

Billion dollars, 12-month average

Value of exports (\$m)		Value of imports (\$m)			
1	Japan	9003	1	China	28101
2	China	6295	2	EU	22604
3	ASEAN	3750	3	ASEAN	13756
4	Korea	2940	4	US	12624
5	US	2536	5	Japan	6787
6	Taiwan	2455	6	Germany	5897
7	New Zealand	2245	7	Korea	4216
8	EU	1867	8	UK	3238
9	India	1355	9	New Zealand	2825
10	HK	1007	10	Singapore	2633
11	UK	603	11	Taiwan	1957
12	Singapore	401	12	HK	447
13	Germany	128			

Source: ABS, NAB Economics

CHART 44: HOTEL OCCUPANCY RATES

Per cent of revenue

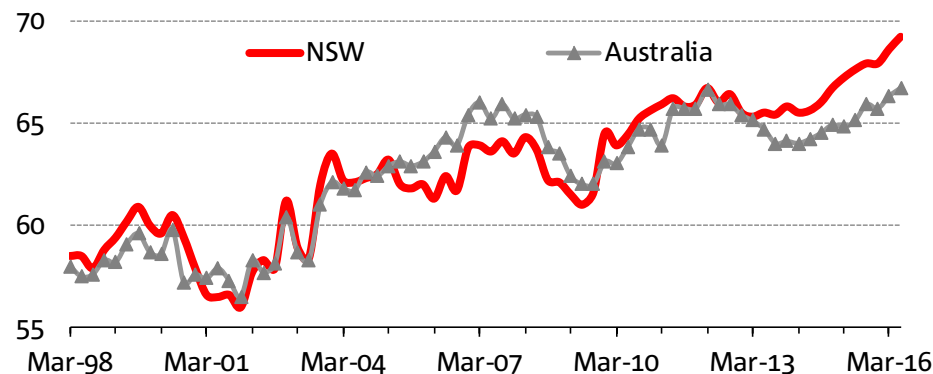
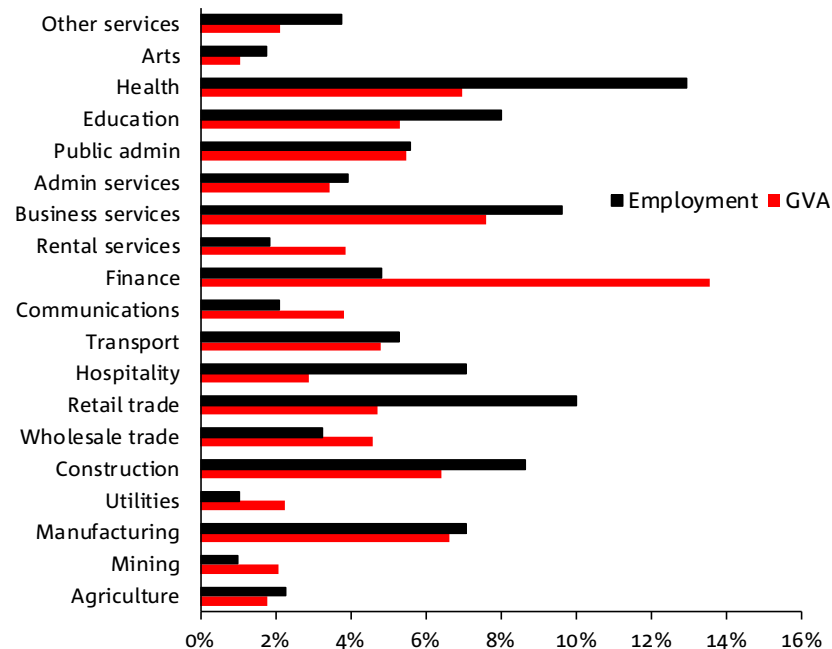


CHART 45: COMPOSITION OF EMPLOYMENT & GVA

Per cent



FORECASTS BY STATE AND TERRITORY:

NSW and Victoria the leaders of the pack in terms of state final demand

NAB's economic forecasts by state and territory are below. For a summary of the outlook by state, please see the [States Handbook – Overview](#) which contains links to the detailed handbook for each state and territory.

REAL GROSS STATE PRODUCT AND UNEMPLOYMENT RATE FORECASTS

Annual average

NAB growth and unemployment rate forecasts for the states								
	Gross State Product YoY				Unemployment Rate			
	14-15	15-16	16-17f	17-18f	14-15	15-16	16-17f	17-18f
NSW	2.6	3.5	2.7	2.9	5.9	5.4	5.1	5.3
VIC	2.6	3.3	2.7	2.9	6.4	5.9	5.7	5.7
QLD	1.2	2.0	3.5	3.5	6.5	6.2	6.2	5.8
SA	2.0	1.9	0.8	2.0	6.9	7.3	7.0	7.0
WA	3.6	1.9	0.5	2.8	5.4	6.0	6.5	6.3
TAS	1.3	1.3	1.0	2.0	6.9	6.5	6.5	6.5
NT	2.0	2.7	1.5	5.0	4.2	4.2	4.0	4.8
ACT	1.3	3.4	2.3	2.5	4.5	4.5	4.3	4.3
Australia	2.4	2.7	2.1	3.0	6.2	5.9	5.7	5.7

HEDONIC HOUSE PRICE FORECASTS*

Through the year growth to Q4

	2013	2014	2015	2016	2017
Sydney	15.2	13.4	11.5	16.7	4.5
Melbourne	8.5	8.4	11.7	15.1	5.6
Brisbane	5.3	5.2	4.3	4.0	1.7
Adelaide	3.0	4.5	-0.3	4.5	1.5
Perth	10.2	2.1	-3.8	-4.4	-2.7
Hobart	2.9	3.3	-1.6	11.7	3.5
Cap City Avg	9.9	8.4	7.8	11.6	3.4

Source: ABS, CoreLogicNAB Economics

HEDONIC UNIT/APARTMENT PRICE FORECASTS *

Through the year growth to Q4

	2013	2014	2015	2016	2017
Sydney	11.6	8.3	11.3	9.6	1.0
Melbourne	8.7	1.1	6.9	1.7	-2.7
Brisbane	3.5	1.2	1.8	-0.2	-1.8
Adelaide	0.6	2.5	1.4	1.1	0.7
Perth	6.3	1.9	-3.5	-3.2	-3.8
Hobart	-5.1	5.9	8.6	6.7	0.6
Cap City Avg	9.0	5.1	7.9	5.9	-0.8

SOURCE: CoreLogic, NAB Economics