

AUSTRALIAN MARKETS WEEKLY



How much spare capacity is in the labour market?

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- In this week's Weekly we look at the hours worked component of the labour force survey, which was the only soft spot in an otherwise stellar employment report last week. While employment rose a strong 37.4k m/m in April, the total number of hours worked was reported to have fallen by 4.3m hours (or -0.3% m/m)!
- We caution against reading too much into the hours component of the labour force survey which tends to be extremely volatile on a monthly basis. The reported weakness in hours was driven by less full-time hours, which also tends to be the most volatile component. Drilling into the details reveals recent full-time jobs growth has come from those working 35-39 hours a week, while there are now fewer people working more than 40 hours a week – a trend that has been established since mid-2016.
- The RBA is also paying close attention to trends in hours worked. The May Board Minutes last week noted: "understanding the degree of spare capacity in the economy required an assessment of the additional hours part-time workers were willing and able to contribute as well as the number of unemployed people".
- Our analysis finds that part-time workers are working on average 50% of a full-time working week (or 17½ hours a week on average). It is unclear how many additional hours these part-time employees would desire to work and there are many uncertainties in estimating an hours based measure of spare capacity. According to the ABS, those who identified themselves as underemployed (making up around 30% of part-time employed) wished to work on average an additional 14 hours a week. Combining this with the unemployment rate, results in an hours based estimate of spare capacity of around 8.4% (nsa), a measure that has only fallen slightly from 8.6% in 2015.

RBA focused on hours

The latest [RBA Board Minutes](#) noted "significant uncertainty about how to measure the degree of spare capacity [in the labour market], particularly given the higher levels of underemployment in recent years." Such an assessment has likely come about because wages growth has persistently undershot the RBA's wages models, which are based on the unemployment gap (the difference between the headline unemployment rate and the rate consistent with full-employment in the labour market) which has led the Bank to look to underutilisation (which incorporates underemployment as well as unemployment) as a boarder measure of spare capacity.

Accordingly, the RBA Board has noted that it will be trying to gauge the degree of spare capacity in the economy by assessing "the additional number of hours part-time workers were willing and able to contribute as well as the number of unemployed people".

To contact NAB's market experts, please click on one of the following links:

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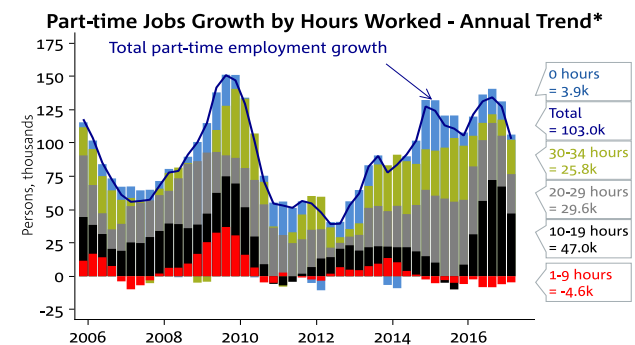
[Ask the Interest Rate Strategists](#)

Key markets over the past week

	Last	% chg week		Last	bp / % chg week
AUD	0.7447	0.5	RBA cash	1.50	0
AUD/CNY	5.13	0.0	3y swap	1.93	-1
AUD/JPY	82.9	-1.7	ASX 200	5,743	-1.6
AUD/EUR	0.665	-1.9	Iron ore	62.7	2.1
AUD/NZD	1.075	-0.1	WTI oil	50.7	3.8

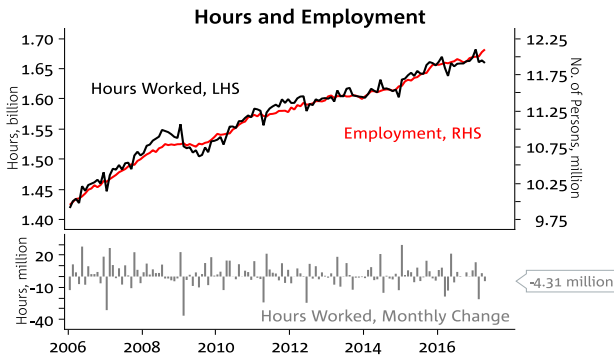
Source: Bloomberg

Chart of the week: Part-time jobs by hours worked



It's no surprise then when the latest employment data revealed strong growth in employment (+37.4k m/m), but surprisingly weak hours worked in the month (Chart 1), that many focused on the weak hours numbers instead of the strength in the employment numbers.

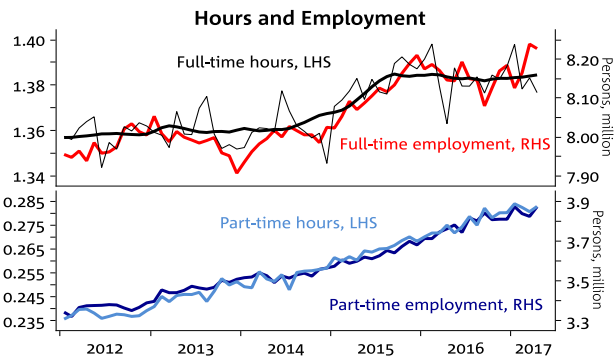
Chart 1: Hours worked less strong than employment



Source: National Australia Bank, ABS

Hours worked fell by 4.3m hours in April (or -0.3% m/m). Breaking down hours worked into hours worked by full/part time reveals hours worked are very volatile on a monthly basis. Chart 2 suggests we should ignore the volatility in the monthly seasonally-adjusted hours numbers which tend to see-saw through time and instead focus on the trend in hours (the thick black line). On this basis, full-time hours have been trending broadly side-ways over the past year, rather than suddenly falling sharply. (it's also likely the late timing of Easter in April contributed to the seasonally adjusted volatility).

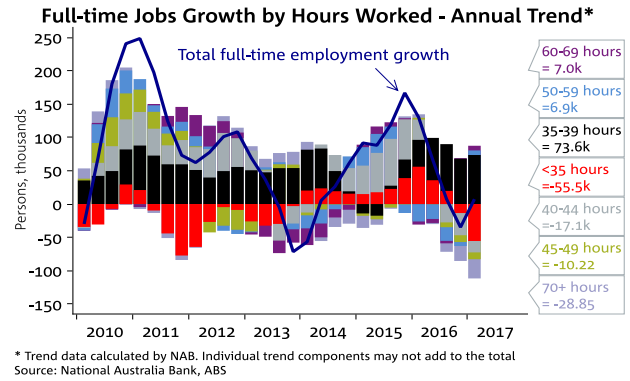
Chart 2: Volatile full-time hours driving the discrepancy



Source: National Australia Bank, ABS

The flat trend in full-time hours does contrast with very recent increases in full-time employment and raises the question of whether we should be alarmed by weakness in full-time hours? The ABS once a quarter publishes hours worked in the week broken down by segment. The quarterly data reveals weakness in full-time hours has largely been driven by less people working more than 40 hours a week, while at the same time more people are working 35-39 hours a week. It is unclear whether we should be worried about such a trend which may reflect industry changes in employment (e.g. mining slowdown and the rise of the services sector).

Chart 3: Less full-timers working more than 40 hours

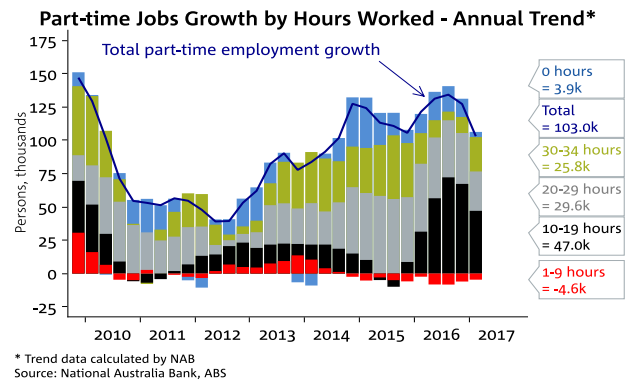


* Trend data calculated by NAB. Individual trend components may not add to the total Source: National Australia Bank, ABS

What about part-time hours?

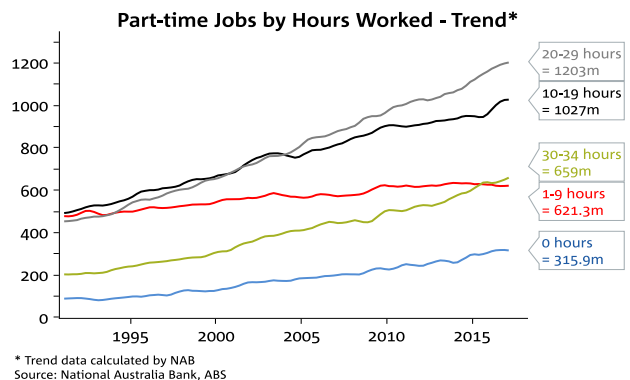
In contrast to very volatile full-time hours, part-time hours have been on a steady rise – partly driven by strong growth in part-time employment. Much of the growth in part-time employment has occurred in the 10-19 and 20-29 hour a week category. Importantly, there are now fewer people working 1-9 hours a week – which could also suggest the strength in part-time employment reflects also strength in the overall labour market.

Chart 4: Part-time employment up for >10 hours a week



* Trend data calculated by NAB Source: National Australia Bank, ABS

Chart 5: Most part-time worked 10-19 & 20-29 hours



* Trend data calculated by NAB Source: National Australia Bank, ABS

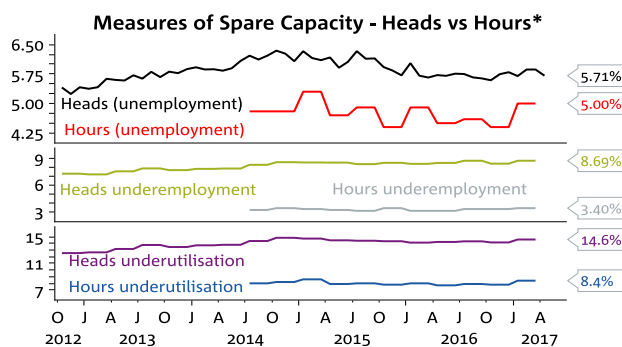
The majority of those employed part-time work 20-29 hours or 10-19 hours per week. Averaging hours worked for those employed part-time reveals part-time workers are working on average 17½ hours a week each, equivalent to around half a full-time load.

Implications for the RBA

The RBA is currently focusing on how many additional hours part-time workers are willing and able to contribute as well as the headline unemployment rate when assessing spare capacity in the labour market. That part-timers on average work 50% of a full-time week may surprise many on this front and suggests less spare capacity in the labour market than first implied by such a statement.

Some hint of the degree of spare capacity can also be obtained by the ABS' volume measure of underemployment. According to the ABS, underemployed workers represent around 30% of part-time workers, who wish to work on average an additional 14 hours a week. That gives an overall volume (or hours based) underemployment rate of 3.4%, compared to a heads based measure 8.7%. Combining with a heads based measure of unemployment, suggests spare capacity in the labour market hovers around 8.4%, compared to a heads based underutilisation rate of 14.6%.

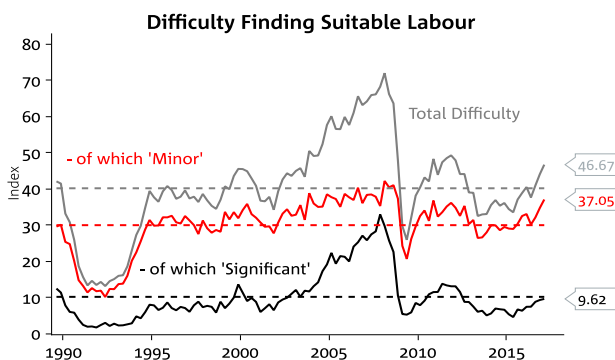
Chart 6: Hours based underutilisation lower than heads



* Hours based measures are non-seasonally adjusted
Source: National Australia Bank, ABS

Another hint that underutilisation may not be as great as reported by headline underutilisation figures is that firms are reporting more difficulty in finding suitable labour. The measure is far from its GFC peaks, but is also suggesting spare capacity in the labour market is also starting to improve.

Chart 7: Difficulty finding labour starting to rise



Source: National Australia Bank, NAB

The past week

Last week saw an injection of offshore volatility toward the end of the week. The Euro gained most support with the USD already losing ground after the softer CPI the week before. Later in the week, market volatility surged in the wake of further pressure on the US Administration, including questions as to whether ex-FBI Director Comey was pressured by the White House to drop his investigation into ex National Security Adviser Flynn. A Special Counsel was subsequently appointed to investigate Russian influence on the US election, investigations that have taken up to years to complete.

After starting last week at around 0.74, the AUD/USD made some net gains against an easing USD, starting this week at 0.7440/50. The gains were less than other currencies. In the commodity space, iron ore prices remained in the low \$US60s, ending the week at \$US62.69/t while WTI oil ended last week just above \$US50/bbl ahead of this week's OPEC meeting, also getting some support from a softer US\$ (as have other US-denominated commodity prices).

S&P joined the other two major ratings agencies in affirming Australia's AAA rating, while maintaining a negative outlook on the rating. The agency questioned whether the budget will achieve the forecast return to surplus and is now also concerned about risks emanating from Australia's rising house prices and household debt.

This week

It's a relatively quiet week for data here and offshore, the main domestic release being Wednesday's Construction Work Done (CWD) for the March quarter. (GDP is due Wednesday 6 June, a little over a fortnight away.) NAB looks for a modest 0.5% net decline in CWD, reflecting the continued decline in major resource spending (a decline that is now drawing to a close) against increases in infrastructure spending and still high levels of residential investment activity. There are two RBA speakers, Deputy Governor Guy Debelle speaking twice offshore, though not on mainstream economy/monetary policy. RBA Head of Payments Policy Tony Richards is speaking at a Retail Banking Conference.

Offshore, the Trump Administration is set to unveil its Budget in more detail on Tuesday, the FOMC Minutes are released on Wednesday, while OPEC has a formal meeting on Thursday. The Saudis and Russia are already calling for production cuts to be extended and the market is expecting this. NZ has its Budget on Thursday, expected to highlight infrastructure spending. NZ holds its election later this year, expected to be closely fought. There are several Fed and ECB speakers, the latter including President Draghi speaking on Wednesday. No key market-sensitive China data is due this week.

For full details please see our *What to Watch* publication (please email Tapas.Strickland@nab.com.au if you would like to subscribe to this publication).

CALENDAR OF ECONOMIC RELEASES

Country	Economic Indicator	Period	Forecast	Consensus	Actual	Previous	GMT	AEST
Monday, 22 May 2017								
JN	Trade Balance Adjusted	Apr		259.55		172.2	0.50	9.50
JN	Leading Index CI	Mar F				105.5	6.00	15.00
US	Chicago Fed Nat Activity Index	Apr		0.1		0.1	13.30	22.30
CH	Conference Board China April Leading Economic Index						14.00	23.00
US	Fed's Harker speaks in Singapore						15.00	0.00
CA	Bloomberg Nanos Confidence	May 19				58.1	15.00	0.00
US	Fed's Kashkari speaks at Minneapolis Fed Conference						15.30	0.30
AU	RBA's Debelle Speech in Basel: How I Learned to Stop Worrying and Love the Basis – at the BIS Symposium: CIP – RIP?						18.30	3.30
Tuesday, 23 May 2017								
US	Fed's Brainard speaks on Role of Inclusion in Economy						0.30	9.30
AU	ANZ Roy Morgan Weekly Consumer Confidence Index	May 21				109.4	0.30	9.30
US/CH	Fed's Evans speaks in Shanghai						2.10	11.10
JN	All Industry Activity Index MoM	Mar		-0.5		0.7	5.30	14.30
JN	Machine Tool Orders YoY	Apr F				34.7	7.00	16.00
GE	GDP SA QoQ/YoY	1Q F		0.6/1.7		0.6/1.7	7.00	16.00
GE	IFO Business Climate	May		113.1		112.9	9.00	18.00
GE	IFO Current Assessment/Expectations	May		121		121.1	9.00	18.00
UK	Public Finances (PSNCR)	Apr				34.3	9.30	18.30
UK	CBI Retailing/Distributive Reported Sales	May		10		38.0	11.00	20.00
CA	Wholesale Trade Sales MoM	Mar		1		-0.2	13.30	22.30
US	Fed's Kashkari speaks with reports in Minneapolis						14.00	23.00
US	New Home Sales, #/MoM	Apr		610/-1.8		621.0/5.8	15.00	0.00
US	Richmond Fed Manufact. Index	May		15		20.0	15.00	0.00
US	Fed's Kashkari speaks in Minneapolis						20.15	5.15
US	Fed's Harker speaks in New York						22.00	7.00
Wednesday, 24 May 2017								
NZ	Trade Balance NZD/YTD	Apr		266.5		332.0	23.45	8.45
NZ	RBNZ Governor Wheeler Speaks in Hamilton (Not Public)						1.00	10.00
JN	BOJ Kuroda speaks in Tokyo						1.00	10.00
AU	Westpac Leading Index MoM	Apr				0.1	1.30	10.30
JN	Nikkei Japan PMI Mfg	May P				52.7	1.30	10.30
AU	Skilled Vacancies MoM	Apr				-0.6	2.00	11.00
AU	Construction Work Done	1Q	-0.5	-0.5		-0.2	2.30	11.30
AU	NAB Consumer Behaviour Survey (Cons. Anxiety Index)	1Q				58.7	2.30	11.30
NZ	New Residential Lending YoY	Apr				-8.9	4.00	13.00
GE	GfK Consumer Confidence	Jun		10.2		10.2	7.00	16.00
GE	Markit/BME Germany Manufacturing PMI	May P		58/55.5		58.2/55.4	8.30	17.30
GE	Markit Germany Services/Composite PMI	May P		55.5		55.4	8.30	17.30
EC	Markit Eurozone Manufacturing PMI	May P		56.5/56.4		56.7/56.4	9.00	18.00
EC	Markit Eurozone Services/Composite PMI	May P		56.4		56.4	9.00	18.00
EC	ECB's Praet (Chf Economist) speaks in Sofia						9.30	18.30
EC	ECB's Draghi speaks in Madrid						13.45	22.45
US	FHFA House Price Index MoM	Mar		0.5		0.8	14.00	23.00
US	House Price Purchase Index QoQ	1Q				1.5	14.00	23.00
US	Markit US Manufacturing PMI	May P		53.1		52.8	14.45	23.45
US	Markit US Services/Composite PMI	May P		53.3/		53.1/53.2	14.45	23.45
CA	Bank of Canada Rate Decision	May 24		0.5		0.5	15.00	0.00
US	Existing Home Sales, #/MoM	Apr		5.65/-1.05		5.7/4.4	15.00	0.00
US	FOMC Meeting Minutes	May 3					19.00	4.00
Thursday, 25 May 2017								
US	Fed's Kaplan speaks in Toronto						23.00	8.00
US	Fed's Kashkari speaks in Wisconsin						23.30	8.30
CN	Swift Global Payments CNY	Apr				1.8	2.00	11.00
NZ	Government Budget						3.00	12.00
AU	RBA's Debelle Remarks in London at the launch of the FX Global Code, FX Week						9.00	18.00
UK	BBA Loans for House Purchase	Apr		40800		41061.0	9.30	18.30
UK	GDP QoQ/YoY (revision)	1Q P		0.3/2.1		0.3/2.1	9.30	18.30
UK	Index of Services MoM/ 3m/3M	Mar		0/0.3		0.2/0.5	9.30	18.30
UK	Total Business Investment QoQ/YoY	1Q P		0.3/		-0.9/-0.9	9.30	18.30
US	Advance Goods Trade Balance	Apr		-64.65		-64.2	13.30	22.30
US	Wholesale/Retail Inventories MoM	Apr P		0.2		0.2	13.30	22.30
US	Initial Jobless Claims	May 20		238		232	13.30	22.30
US	Bloomberg Consumer Comfort	May 21				50.2	14.45	23.45
US	Fed's Brainard Panel Discussion on Global Economy						15.00	0.00
US	Kansas City Fed Manf. Activity	May		8.5		7.0	16.00	1.00
EC	ECB's Constancio speaks in Lisbon						18.00	3.00
CA	Bank of Canada Deputy Governor Sylvain Leduc Speech						22.20	7.20
Friday, 26 May 2017								
JN	Natl CPI YoY	Apr		0.4		0.2	0.30	9.30
JN	Natl CPI Ex Fresh Food/Ex Fresh Food, Energy YoY	Apr		0.4/0		0.2/-0.1	0.30	9.30
JN	Tokyo CPI YoY	May		0		-0.1	0.30	9.30
JN	Tokyo CPI Ex-Fresh Food/Ex-Fresh Food, Energy YoY	May		0/-0.1		-0.1/-0.1	0.30	9.30
JN	PPI Services YoY	Apr		0.9		0.8	0.50	9.50
US	Fed's Bullard Speaks on U.S. economy in Tokyo						3.00	12.00
AU	RBA's Richards (Head of Payments Policy) Panel Participation at Australian Retail Banking Summit						5.30	14.30
US	GDP Annualized/Core PCE QoQ	1Q S		0.9/2		0.7/2.0	13.30	22.30
US	Durable Goods Orders/Core Orders	Apr P		-1.5/0.5		0.9/0.5	13.30	22.30
US	U. of Mich. Sentiment/5-10Yr Inflation	May F		97.5/		97.7/2.3	15.00	0.00
Saturday, 27 May 2017								
CH	Industrial Profits YoY	Apr				23.8	2.30	11.30
Upcoming Central Bank Interest Rate Announcements								
Canada, BoC		25-May	0.5%	0.5%		0.5%		
Australia, RBA		6-Jun	1.50%	1.50%		1.50%		
Europe ECB		8-Jun	-0.4%	-0.4%		-0.4%		
UK BOE		15-Jun	0.25%	0.25%		0.25%		
US Federal Reserve		15-Jun	0.75-1.00%	0.75-1.00%		0.75-1.00%		
Japan, BoJ		16-Jun	-0.1%	-0.1%		-0.1%		
New Zealand, RBNZ		22-Jun	1.75%	1.75%		1.75%		

GMT: Greenwich Mean Time; AEST: Australian Eastern Standard Time

FORECASTS

Economic Forecasts																							
Annual % change								Quarterly % change															
								2015				2016				2017				2018			
								Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Australia Forecasts																							
Household Consumption	2.7	2.7	2.1	2.0	0.7	0.6	1.0	0.6	0.9	0.5	0.4	0.9	0.4	0.5	0.5	0.6	0.4	0.5	0.5	0.5			
Underlying Business Investment	-10.1	-11.2	0.8	4.9	-3.2	-1.9	-5.5	-2.4	-3.4	-2.3	-5.3	2.1	0.7	1.3	1.2	1.0	1.0	1.5	1.2	1.6			
Residential Construction	10.0	7.9	2.1	-1.1	4.8	-1.2	4.3	1.5	3.7	1.9	-1.3	1.2	0.6	0.6	0.4	0.0	-0.3	-0.9	-0.5	-0.8			
Underlying Public Spending	2.4	4.6	3.2	2.8	1.2	1.8	-1.0	2.1	0.5	2.7	0.2	1.3	0.3	0.9	0.5	0.8	0.7	0.7	0.7	0.7			
Exports	6.0	7.6	4.0	5.9	3.7	-2.9	4.6	-0.1	3.3	2.2	1.0	2.2	-0.8	-0.9	4.5	2.4	0.8	0.8	0.7	1.0			
Imports	2.0	0.4	5.0	3.8	2.7	0.9	-1.3	0.0	-0.8	2.9	1.2	1.4	0.7	1.4	1.1	1.0	0.8	0.9	0.9	0.9			
Net Exports (a)	0.7	1.4	-0.2	0.4	0.2	-0.8	1.2	0.0	1.1	-0.1	0.0	0.2	-0.3	-0.5	0.7	0.3	0.0	0.0	0.0	0.0			
Inventories (a)	0.1	0.1	-0.1	0.0	0.7	-0.3	-0.1	0.0	0.0	0.3	0.1	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
Domestic Demand - qtr%					0.5	0.5	-0.2	0.5	0.1	0.7	-0.4	1.2	0.4	0.7	0.6	0.6	0.5	0.6	0.5	0.6			
Dom Demand - ann %	1.3	1.6	2.2	2.3	1.1	1.4	1.2	1.3	1.4	1.6	1.4	2.1	1.9	1.8	2.8	2.3	2.3	2.3	2.2	2.2			
Real GDP - qtr %					1.1	0.2	0.7	0.5	1.1	0.8	-0.5	1.1	0.3	0.3	1.2	0.9	0.5	0.6	0.5	0.6			
Real GDP - ann %	2.4	2.5	2.0	2.7	2.5	2.0	2.4	2.5	2.5	3.1	1.9	2.4	1.6	1.1	2.8	2.7	2.9	3.2	2.5	2.2			
CPI headline - qtr %					0.2	0.7	0.5	0.4	-0.2	0.4	0.7	0.6	0.4	0.4	0.6	0.7	0.5	0.5	0.6	0.7			
CPI headline - ann %	1.5	1.3	2.0	2.2	1.3	1.5	1.5	1.7	1.3	1.0	1.3	1.5	2.1	2.1	2.0	2.0	2.1	2.2	2.2	2.2			
CPI underlying - qtr %					0.6	0.5	0.4	0.5	0.2	0.5	0.4	0.5	0.4	0.5	0.5	0.4	0.5	0.5	0.5	0.5			
CPI underlying - ann %	2.2	1.6	1.8	1.9	2.4	2.2	2.2	2.0	1.6	1.6	1.6	1.6	1.9	1.8	1.9	1.8	1.8	1.8	1.9	2.0			
Wages (Pvte WPI - ann %)	2.1	1.9	1.9	1.9	2.2	2.2	2.1	2.0	2.0	2.0	1.9	1.8	2.0	2.0	1.9	1.8	1.8	1.8	1.9	2.0			
Unemployment Rate (%)	6.1	5.7	5.7	5.6	6.2	6.0	6.2	6.0	5.9	5.7	5.6	5.7	5.7	5.8	5.7	5.7	5.6	5.6	5.6	5.6			
Terms of trade	-11.6	0.0	13.1	-1.6	-2.5	-4.5	-2.1	-4.2	-1.9	2.1	5.2	9.0	4.9	-0.4	-3.0	-2.1	-2.2	-1.3	-1.3	-1.5			
G&S trade balance, \$Abn	-36.8	-14.6	24.6	4.6	-4.7	-11.4	-8.6	-12.0	-8.4	-7.4	-3.5	4.7	7.9	5.5	5.9	5.3	3.2	1.8	0.4	-0.9			
% of GDP	-2.3	-0.9	1.4	0.2	-1.2	-2.8	-2.1	-2.9	-2.0	-1.8	-0.8	1.1	1.8	1.2	1.3	1.2	0.7	0.4	0.1	-0.2			
Current Account (% GDP)	-4.7	-2.6	-0.5	-1.7	-3.3	-5.2	-4.8	-5.6	-3.6	-3.7	-2.4	-0.9	0.0	-0.6	-0.6	-0.7	-1.3	-1.6	-1.9	-2.2			

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

Exchange Rate Forecasts

	22-May	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Majors						
AUD/USD	0.7448	0.73	0.71	0.70	0.70	0.70
NZD/USD	0.6930	0.68	0.67	0.67	0.68	0.68
USD/JPY	111.26	114	116	118	120	120
EUR/USD	1.1204	1.10	1.11	1.13	1.15	1.15
GBP/USD	1.3012	1.31	1.29	1.27	1.26	1.25
USD/CNY	6.8926	6.92	6.96	6.97	7.00	7.05
USD/CAD	1.3515	1.33	1.35	1.37	1.37	1.38

Australian Cross Rates

AUD/JPY	82.9	83	82	83	84	84
AUD/EUR	0.6648	0.66	0.64	0.62	0.61	0.61
AUD/GBP	0.5724	0.56	0.55	0.55	0.56	0.56
AUD/NZD	1.0747	1.07	1.06	1.04	1.03	1.03
AUD/CNY	5.1336	5.05	4.94	4.88	4.90	4.94
AUD/CAD	1.0066	0.97	0.96	0.96	0.96	0.97
AUD/CHF	0.7246	0.71	0.68	0.74	0.71	0.68

Interest Rate Forecasts

	22-May	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Aust rates						
RBA Cash rate	1.50	1.50	1.50	1.50	1.50	1.50
3 month bill rate	1.74	1.75	1.75	1.75	1.75	1.75
3 Year Swap Rate	1.93	2.1	2.3	2.3	2.6	2.6
10 Year Swap Rate	2.74	3.0	3.2	3.2	3.4	3.4
Offshore Policy Rates						
US Fed funds	1.00	1.25	1.50	1.50	1.75	2.00
ECB deposit rate	-0.40	-0.40	-0.40	-0.40	-0.30	-0.20
BoE repo rate	0.25	0.25	0.25	0.25	0.25	0.25
BoJ excess reserves rate	-0.10	-0.10	-0.10	-0.10	-0.10	0.90
RBNZ OCR	1.75	1.75	1.75	1.75	1.75	2.00
China 1yr lending rate	4.35	4.10	4.10	4.10	4.10	4.10
China Reserve Ratio	17.0	16.5	16.5	16.5	16.5	16.5
10 Year Benchmark Bond Yields						
Australia	2.50	2.75	2.90	2.90	3.10	3.05
United States	2.23	2.50	2.75	2.75	3.00	3.00
New Zealand	2.85	3.30	3.35	3.30	3.30	3.60

Sources: NAB Global Markets Research; Bloomberg; ABS

Global GDP

Dec year	2013	2014	2015	2016	2017	2018	20 Yr Avg
Australia	2.1	2.8	2.4	2.5	2.0	2.7	3.4
US	1.7	2.4	2.6	1.6	2.1	2.3	2.6
Eurozone	-0.2	1.2	1.9	1.7	1.9	1.8	1.5
UK	1.9	3.1	2.2	1.8	1.7	1.6	2.4
Japan	2.0	0.2	1.2	1.0	1.2	0.9	0.8
China	7.7	7.3	6.9	6.7	6.5	6.3	9.2
India	6.2	6.9	7.5	7.5	7.4	7.2	6.6
New Zealand	2.2	3.4	2.5	3.1	2.7	2.5	3.0
World	3.4	3.4	3.2	3.1	3.3	3.5	3.5
MTP Top 5	4.1	3.9	4.0	3.8	3.8	3.7	5.0

Commodity prices (\$US)

	22-May	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
WTI oil	50.72	54	56	58	59	60
Gold	1257	1210	1220	1230	1240	1260
Iron ore	62.7	65	61	60	58	60
Hard cok. coal	175	210	160	140	120	110
Thermal coal	74	81	81	81	81	65
Copper	5676	5610	5550	5550	5550	5550
Aust LNG (*)	5.75	7.9	8.3	8.5	8.9	9.2

(*) Implied Australian LNG export prices.

CONTACT DETAILS

Market Economics

Ivan Colhoun
Chief Economist, Markets
+61 2 9237 1836
ivan.colhoun@nab.com.au

David de Garis
Senior Economist
+61 3 8641 3045
david.degaris@nab.com.au

Tapas Strickland
Economist
+61 2 9237 1980
tapas.strickland@nab.com.au

Markets Research

Peter Jolly
Global Head of Research
+61 2 9237 1406
peter.jolly@nab.com.au

Group Economics

Alan Oster
Chief Economist
+61 3 8634 2927
alan_oster@national.com.au

Riki Polygenis
Head of Australian Economics
+61 3 8697 9534
riki.polygenis@nab.com.au

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