

AUSTRALIAN MARKETS WEEKLY



What does Canada tell us about the RBA?

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- Canadian economic data noticeably stronger than Australian data in recent times.
- This is especially evident in a sharp drop in the Canadian unemployment rate in recent months, while Australian unemployment has declined only marginally. Wages and core inflation have also picked up in Canada, unlike in Australia to date.
- This – plus the lower starting point for rates in Canada – suggests less immediate fundamental flow through to implications for the RBA from the Bank of Canada’s recent moves. The RBA is likely to continue to interpret the elevated Australian unemployment rate as suggesting that spare capacity remains in the labour market.
- That said, Australia’s macro data have also improved in recent times. We remain comfortable with our forecast that the unemployment rate will begin to fall more noticeably in the first half of this year, allowing for modest interest rate increases in the second half of this year. [NAB forecasts two interest rate increases].
- Our FX strategists note that AUD/CAD is a little stronger than they would predict based on relative unemployment, interest rate spreads and key commodity prices.
- The main talking point in markets last week was continuing broad-based weakness in the US\$, which has resulted in the \$A continuing to appreciate – contrary to our expectations – finishing the week above US\$0.81. Bond yields have remained under moderate upward pressure, with overseas yields pushed higher by rising oil prices, continuing positive economic growth indications from Europe and the US and strength in equity markets on the back of President Trump’s tax cuts.
- It is a big week ahead for Australian data, with the all-important Q4 CPI on Wednesday, following the NAB business survey on Tuesday. NAB is forecasting headline inflation of 0.75% q/q (2.1% y/y), a touch above market expectations (0.7% q/q). NAB expects core rates of inflation of 0.45% q/q (TM: 1.9% y/y, WM:1.8% y/y), broadly in line with market and RBA forecasts.
- Turning to overseas, the major economic events this week are: the FOMC, US PCE deflators, ISMs and January non-farm payrolls. In the Eurozone, it’s Q4 GDP and CPI; and in China, the PMIs. Yellen’s last FOMC is likely to result in no change to US rate policy. Despite weaker-than-expected US GDP on Friday, the market is still expecting a rate hike at the Fed’s March meeting. For the Eurozone, Q4 GDP is released on Tuesday followed by CPI on Wednesday. The market will be looking for signs of ongoing robust economic growth, following an optimistic speech by Mario Draghi last week. The week end’s with 180,000 expected for employment in January – getting back to a more robust pace – and a pace which across time, would lower the unemployment rate.

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

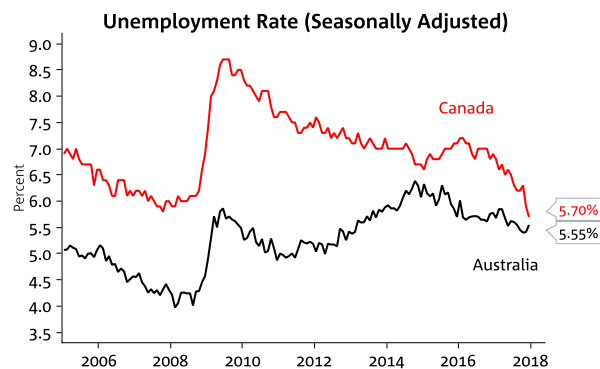
- [Ask the Economists](#)
- [Ask the FX Strategists](#)
- [Ask the Interest Rate Strategists](#)

Key markets over the past week

	Last	% chg week		Last	bp / % chg week
AUD	0.8115	1.3	RBA cash	1.50	0
AUD/CNY	5.12	-0.2	3y swap	2.26	-2
AUD/JPY	88.1	-0.9	ASX 200	6,067	1.0
AUD/EUR	0.653	-0.1	Iron ore	74.4	-2.2
AUD/NZD	1.102	0.8	WTI oil	66.2	4.2

Source: Bloomberg

Chart of the week: Canada unemployment outperforms



Source: National Australia Bank, ABS, Statistics Canada

Ivan Colhoun, Chief Economist, Markets

Australia v Canada Trends

After the Fed, the Bank of Canada has been the most aggressive central bank in recent times, having raised interest rates on three occasions since the middle of last year (Chart 1). As our rates strategists have been noting – and as Chart 2 shows – Australian shorter bond yields have been moving relatively in line with US and Canadian shorter bond yields since late November, with three year yields in each jurisdiction rising around 40bps over the time period.

Chart 1: Bank of Canada close to Australian cash rate

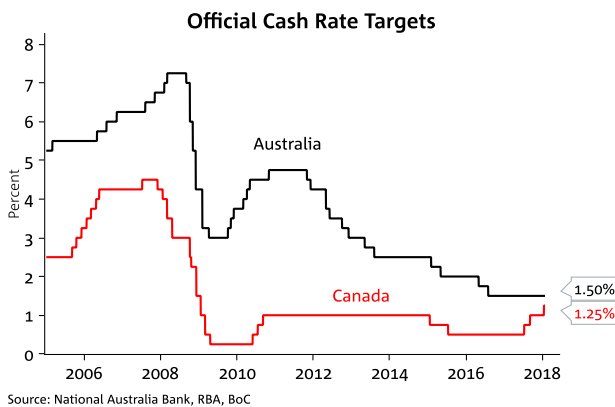
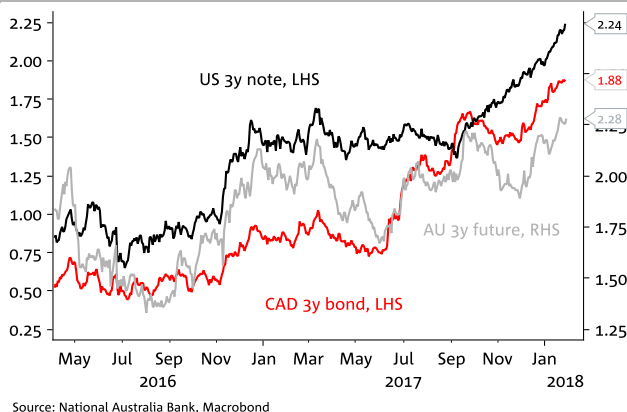


Chart 2: Australian short end yields tracking offshore



Part of this correlation in the markets’ mind stems from the fact that the RBA closely followed the Bank of Canada in easing rates in early 2015, when oil prices were falling sharply. In this weekly, we review the relative performance of the two economies in recent times, to assess the implications from the Bank of Canada’s rate hikes for RBA policy.

Canada has had strong real data

As charts 3 to 6 show, the real data in Canada has been very strong over the past 12 months. Real GDP growth has accelerated from around 1% to 3.6%; employment has grown 1.9% y/y; retail sales have picked up to 5.5% y/y; and consumers are in a more positive mood. With the exception of employment, each of these indicators has been considerably stronger in Canada than in Australia, though in each case, Australia has also recorded improvement.

Chart 3: Canadian GDP has picked up.....

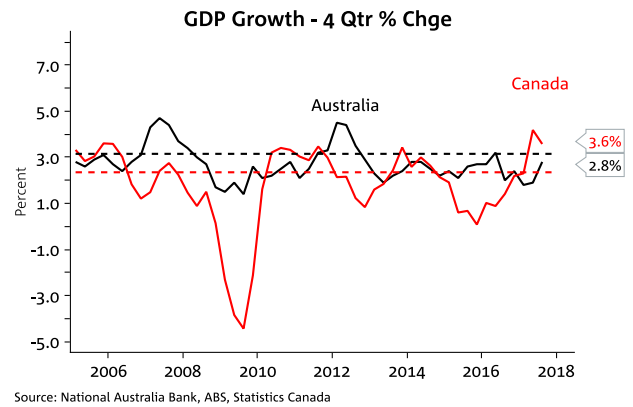


Chart 4: ...driving strong employment growth....

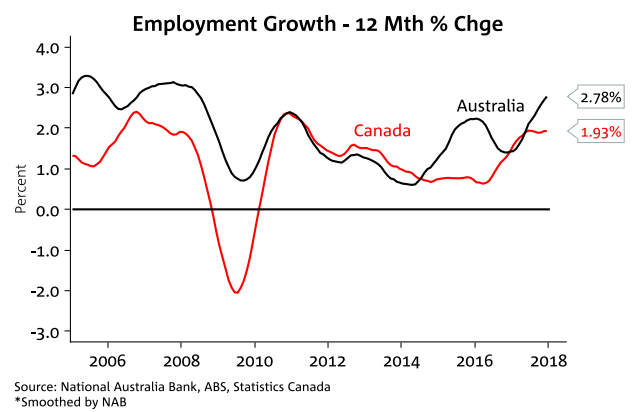


Chart 5: ...a pick-up in retail sales...

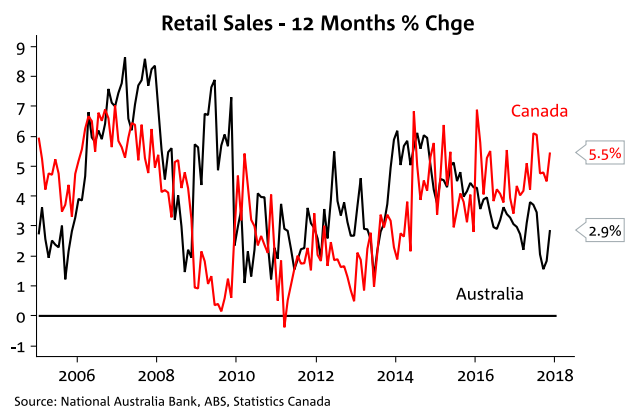
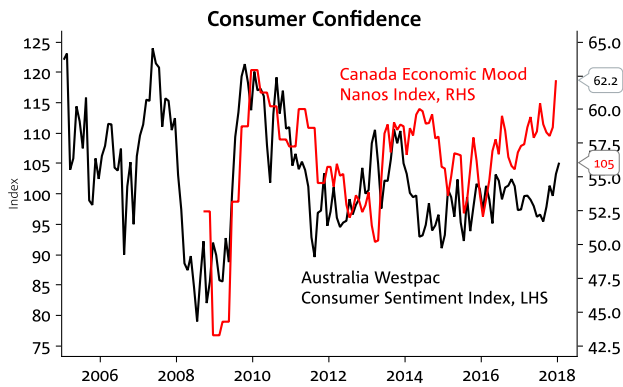


Chart 6: ...and stronger consumer confidence.



Source: National Australia Bank, Macrobond

The most stunning divergence in Australian and Canadian data, however, is on the unemployment rate, with the Canadian unemployment rate dropping around 1.5 percentage points over the past two years and over half a percent since October. Australia's unemployment rate is down nearly a percent from the peak, but there has been little progress made over the past two years. This is despite even stronger reported employment growth over the past year than in Canada (2.6% y/y).

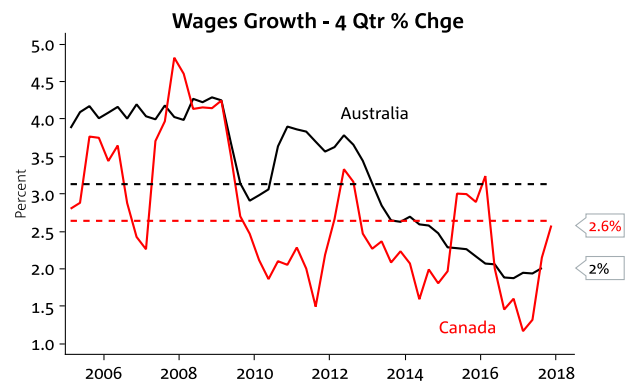
We wrote last week about the strength of the rise in participation which is restraining the improvement in Australian unemployment. Part of this rise has occurred in the mining regions, which coincides with the recovery in commodity prices (which also remain more elevated than we expected). Part might also reflect the impact of the NDIS, moving carers into the labour force and boosting both employment and participation i.e. effectively a reclassification rather than increased participation.

Our conclusion was that the RBA would continue to be guided by the unemployment rate as an indicator of spare capacity in the labour market. This tends to still argue for no early move on interest rates by the RBA (though the improving trend for Australian macro data leaves us confident of our prediction for moderate interest rate rises this year).

Wages and prices

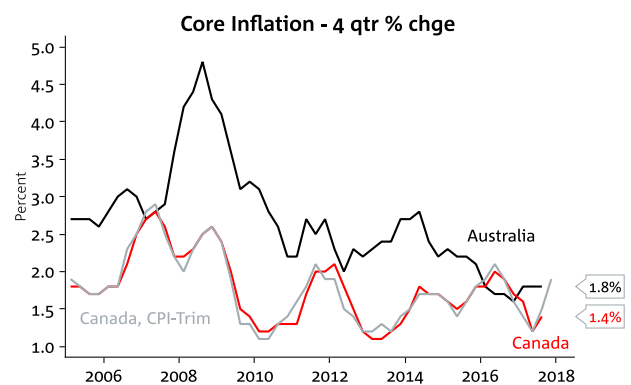
Supporting the message of a stronger labour market in Canada than Australia, wages growth has picked up to around 2.6% y/y, whereas in Australia, wages growth remains near the lows of 2% y/y. So far, core inflation in Canada is picking up more noticeably than in Australia, but even here, core inflation is off the lows and just below the low end of the RBA's 2-3% target, which of course must be achieved across time.

Chart 7: Wages suggest Canada labour market stronger



Source: National Australia Bank, ABS, Statistics Canada

Chart 8: Core inflation up in Canada also



Source: National Australia Bank, RBA, BoC

Implications for Australian monetary policy and markets

This quick review of Australian and Canadian economic trends, suggests that at this stage, the Canadian economy is performing more strongly than the Australian economy. As such it supports the Bank of Canada's recent moves to tighten policy and does not seem to argue strongly for the RBA to need to tighten monetary policy particularly soon. This is especially the case as, for now, the unemployment rate remains elevated in Australia and wages growth and inflation are yet to show little sustained upticks. That said, the Australian data has generally been improving so the trend is in that direction, which makes us confident in our prediction of modest rate rises in 2018.

Our FX strategists note that AUD/CAD is a little stronger than they would predict based on relative unemployment, interest rate spreads and key commodity prices.

Next week, we'll preview the RBA's forthcoming February Statement on Monetary Policy, which of course will include information on the Q4 CPI.

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CALENDAR OF ECONOMIC RELEASES

Country	Economic Indicator	Period	Forecast	Consensus	Actual	Previous	GMT	AEDT
Monday, 29 January 2018								
NZ	Holiday (partial) - Auckland anniversary							
US	Personal Income/Spending	Dec		0.3/0.4		0.3/0.6	13.30	0.30
US	Real Personal Spending	Dec		0.4		0.4	13.30	0.30
US	PCE Deflator MoM/YoY	Dec		0.1/1.7		0.2/1.8	13.30	0.30
US	PCE Core MoM/YoY	Dec		0.2/1.5		0.1/1.5	13.30	0.30
CA	Bloomberg Nanos Confidence	Jan 26				60.0	15.00	2.00
US	Dallas Fed Manf. Activity	Jan		25.4		29.7	15.30	2.30
NZ	Residential Lending YoY	Dec				-1.60%	2.00	13.00
Tuesday, 30 January 2018								
NZ	Trade Balance NZD	Dec		-125		-1193.0	21.45	8.45
NZ	Trade Balance 12 Mth YTD NZD	Dec		-3420		-3439.0	21.45	8.45
AU	ANZ Roy Morgan Weekly Consumer Confidence Index	Jan 28				119.4	22.30	9.30
JN	Jobless Rate/Job-to-Applicant ratio	Dec		2.7/1.57		2.7/1.6	23.30	10.30
JN	Overall Household Spending YoY	Dec		1.5		1.7	23.30	10.30
JN	Retail Sales MoM/YoY	Dec		-0.2/2.1		1.9/2.2	23.30	10.30
AU	NAB Business Conditions/Confidence	Dec		/		12.0/6.0	0.30	11.30
UK	Net Consumer Credit/Mortgage Approvals	Dec		1.4/63.5		1.4/65.1	9.30	20.30
EC	Business Climate Indicator	Jan		1.68		1.7	10.00	21.00
EC	GDP SA QoQ/YoY	4Q A		0.6/2.7		0.6/2.6	10.00	21.00
GE	CPI EU Harmonized MoM/YoY	Jan P		-0.7/1.6		0.8/1.6	13.00	0.00
US	S&P CoreLogic CS 20-City MoM SA/YoY	Nov		0.6/6.35		0.7/6.4	14.00	1.00
US	Conf. Board Consumer Confidence	Jan		123		122.1	15.00	2.00
EC	ECB's Mersch speaks in Frankfurt						16.30	3.30
Wednesday, 31 January 2018								
NZ	Credit Aggregates, Household YoY	Dec				6.30%	2.00	13.00
JN	BOJ Summary of Opinions						23.50	10.50
JN	Industrial Production MoM	Dec P		1.5/3.2		0.5/3.6	23.50	10.50
UK	GfK Consumer Confidence/Lloyds Business Barometer	Jan		-13/		-13.0/28.0	0.10	11.10
UK	BRC Shop Price Index YoY	Jan		-0.4		-0.6	0.10	11.10
AU	CPI QoQ/YoY	4Q		0.7/2		0.6/1.8	0.30	11.30
AU	CPI Trimmed Mean QoQ/YoY	4Q		0.5/1.9		0.4/1.8	0.30	11.30
AU	CPI Weighted Median QoQ/YoY	4Q		0.5/1.9		0.3/1.9	0.30	11.30
AU	Private Sector Credit MoM/YoY	Dec		0.5/5.2		0.5/5.4	0.30	11.30
CH	Manufacturing PMI/Non-Manufacturing PMI	Jan		51.5/55		51.6/55.0	1.00	12.00
JN	BOJ Iwata makes a speech in Oita						1.30	12.30
JN	Consumer Confidence Index	Jan		44.9		44.7	5.00	16.00
JN	Housing Starts/Construction Orders YoY	Dec		1.05/		-0.4/20.5	5.00	16.00
GE	Unemployment Change (000's)/Claims Rate	Jan		-17/5.4		-29.0/5.5	8.55	19.55
EC	Unemployment Rate	Dec		8.7		8.7	10.00	21.00
EC	CPI Estimate/CPI Core YoY	Jan		1.3/1		1.4/0.9	10.00	21.00
US	ADP Employment Change	Jan		185		250.0	13.15	0.15
US	Employment Cost Index	4Q		0.6		0.7	13.30	0.30
CA	GDP MoM/YoY	Nov		0.4/3.4		0.0/3.4	13.30	0.30
CA	Industrial Product/Raw Materials Price MoM	Dec		0/-2.5		1.4/5.5	13.30	0.30
US	Chicago Purchasing Manager	Jan		64		67.6	14.45	1.45
US	Pending Home Sales MoM/YoY	Dec		0.5/		0.2/0.6	15.00	2.00
US	FOMC Rate Decision (Lower/Upper Bound)	Jan 31		1.25/1.5		1.3/1.5	19.00	6.00
Thursday, 1 February 2018								
NZ	ANZ Job Advertisements MoM	Jan				-0.3	21.00	8.00
AU	CBA Australia PMI Mfg	Jan				57.1	22.00	9.00
AU	AiG Perf of Mfg Index	Jan				56.2	22.30	9.30
AU	CoreLogic House Px MoM	Jan				-0.4	23.00	10.00
AU	Export/Import Price Index QoQ	4Q		2/1.5		-3.0/-1.6	0.30	11.30
AU	Building Approvals MoM/YoY	Dec		-7.6/11.5		11.7/17.1	0.30	11.30
JN	Nikkei Japan PMI Mfg	Jan F				54.4	0.30	11.30
CH	Caixin China PMI Mfg	Jan		51.5		51.5	1.45	12.45
AU	Commodity Index AUD/SDR YoY	Jan		/		129.4/-5.9	5.30	16.30
GE	Markit/BME Germany Manufacturing PMI	Jan F		61.2		61.2	8.55	19.55
EC	Markit Eurozone Manufacturing PMI	Jan F		59.6		59.6	9.00	20.00
UK	Markit UK PMI Manufacturing SA	Jan		56.5		56.3	9.30	20.30
CA	MLI Leading Indicator MoM	Dec				0.5	12.00	23.00
US	Challenger Job Cuts YoY	Jan				-3.6	12.30	23.30
US	Nonfarm Productivity/Unit labour Costs	4Q P		1/0.915		3.0/-0.2	13.30	0.30
US	Initial Jobless Claims	Jan 27		235		233.0	13.30	0.30
CA	Markit Canada Manufacturing PMI	Jan				54.7	14.30	1.30
US	Bloomberg Consumer Comfort	Jan 28				53.7	14.45	1.45
US	Markit US Manufacturing PMI	Jan F		55.5		55.5	14.45	1.45
US	Construction Spending MoM	Dec		0.4		0.8	15.00	2.00
US	ISM Manufacturing	Jan		58.6		59.7	15.00	2.00
Friday, 2 February 2018								
NZ	ANZ Consumer Confidence Index/MoM	Jan		/		121.8/-1.5	21.00	8.00
NZ	Building Permits MoM	Dec				10.8	21.45	8.45
NZ	Net Migration SA	Dec				5610.0	21.45	8.45
AU	PPI QoQ/YoY	4Q		/		0.2/1.6	0.30	11.30
UK	Markit/CIPS UK Construction PMI	Jan		52		52.2	9.30	20.30
EC	PPI MoM/YoY	Dec		0.2/2.3		0.6/2.8	10.00	21.00
US	Wards Total Vehicle Sales	Jan		17.3		17.8		
US	Change in Nonfarm Payrolls/Unemployment rate	Jan		180/4.1		148.0/4.1	13.30	0.30
US	Average Hourly Earnings MoM/YoY	Jan		0.3/2.6		0.3/2.5	13.30	0.30
US	Factory Orders	Dec		1.2		1.3	15.00	2.00
US	Factory Orders Ex Trans	Dec				0.8	15.00	2.00
US	Durable Goods Orders	Dec F				2.9	15.00	2.00
US	Durables Ex Transportation	Dec F				0.6	15.00	2.00
US	Cap Goods Orders Nondef Ex Air	Dec F				-0.3	15.00	2.00
US	U. of Mich. Sentiment/5-10 Yr Inflationary expectations	Jan F		95/		94.4/2.5	15.00	2.00
US	Baker Hughes U.S. Rig Count/Oil Rigs Only	Feb 2		/		947.0/759.0	18.00	5.00
US	Fed's Williams Speaks in San Francisco						20.30	7.30
Upcoming Central Bank Interest Rate Announcements								
Europe ECB		25-Jan		-0.4%		-0.4%		
US Federal Reserve		1-Feb		1.25-1.50%		1.25-1.50%		
Australia, RBA		6-Feb		1.50%		1.50%		
New Zealand, RBNZ		8-Feb		1.75%		1.75%		
UK BOE		8-Feb		0.5%		0.50%		
Canada, BoC		7-Mar				1.25%		
Japan, BoJ		9-Mar		-0.1%		-0.1%		

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

FORECASTS

Economic Forecasts					Quarterly % change																
Annual % change					2016				2017				2018				2019				
	2016	2017	2018	2019	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Australia Forecasts																					
Household Consumption	2.8	2.1	2.0	2.4	0.9	0.5	0.3	0.9	0.4	0.8	0.1	0.5	0.5	0.6	0.6	0.5	0.6	0.6	0.6	0.6	0.6
Underlying Business Investment	-11.9	2.9	4.8	4.8	-3.4	-2.4	-5.5	1.7	3.2	0.2	2.6	1.4	1.6	0.4	0.1	1.6	1.3	0.9	1.7	1.7	1.7
Residential Construction	8.6	-2.3	-2.2	-2.2	4.4	1.4	-0.9	2.6	-3.4	-0.5	-1.0	0.5	-0.9	-0.6	-0.8	-0.7	-0.4	-0.5	-0.3	-0.7	-0.7
Underlying Public Spending	5.2	4.4	3.6	4.1	1.9	2.0	0.8	0.7	1.1	1.2	1.5	0.8	0.8	0.8	0.8	0.9	1.1	1.1	1.1	1.1	1.1
Exports	6.8	5.1	7.2	3.6	2.7	1.3	0.9	2.7	-1.6	3.3	1.9	1.6	2.2	1.5	1.1	0.9	0.8	0.8	0.6	0.8	0.8
Imports	0.2	7.4	4.1	4.2	-0.8	2.6	0.7	2.4	2.7	0.5	1.9	1.4	0.9	0.7	0.7	1.0	1.2	1.0	1.2	1.2	1.2
Net Exports (a)	1.2	-0.6	0.5	-0.2	1.1	-0.3	0.0	0.0	-0.9	0.5	0.0	0.0	0.3	0.1	0.1	0.0	-0.1	-0.1	-0.2	-0.1	-0.1
Inventories (a)	0.1	-0.1	0.0	0.0	-0.1	0.3	0.1	-0.3	0.3	-0.6	0.2	-0.1	0.1	0.1	-0.1	0.1	0.0	0.0	0.0	0.0	0.0
Domestic Demand - qtr%					0.1	0.6	-0.2	1.0	0.7	0.8	0.6	0.6	0.6	0.5	0.5	0.6	0.7	0.7	0.8	0.8	0.8
Dom Demand - ann %	1.8	2.6	2.3	2.7	1.5	1.8	1.5	2.3	2.2	2.4	3.2	2.8	2.6	2.3	2.2	2.2	2.4	2.5	2.8	3.0	3.0
Real GDP - qtr %					1.0	0.8	-0.3	1.1	0.4	0.9	0.6	0.6	1.0	0.7	0.4	0.7	0.7	0.6	0.7	0.7	0.7
Real GDP - ann %	2.6	2.3	2.9	2.6	2.7	3.3	2.1	2.4	1.8	1.9	2.8	2.5	3.1	2.9	2.7	2.9	2.6	2.4	2.6	2.6	2.6
CPI headline - qtr %					-0.2	0.4	0.7	0.5	0.5	0.2	0.6	0.8	0.5	0.5	0.6	0.7	0.5	0.5	0.5	0.7	0.7
CPI headline - ann %	1.3	2.0	2.2	2.2	1.3	1.0	1.3	1.5	2.1	1.9	1.8	2.1	2.1	2.4	2.3	2.2	2.2	2.3	2.2	2.2	2.2
CPI underlying - qtr %					0.2	0.4	0.4	0.5	0.5	0.6	0.4	0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.5
CPI underlying - ann %	1.5	1.8	1.9	2.1	1.5	1.5	1.5	1.5	1.7	1.9	1.9	1.9	1.9	1.7	1.9	2.0	2.1	2.1	2.1	2.2	2.2
Wages (Pvte WPI - qtr %)					0.5	0.5	0.4	0.4	0.5	0.5	0.4	0.4	0.5	0.5	0.5	0.7	0.6	0.6	0.6	0.6	0.6
Wages (Pvte WPI - ann %)	1.9	1.9	1.9	2.3	2.0	2.0	1.9	1.8	2.0	2.0	1.9	1.8	1.8	1.8	1.9	2.2	2.2	2.3	2.4	2.2	2.2
Unemployment Rate (%)	5.7	5.6	5.3	5.2	5.8	5.7	5.7	5.7	5.9	5.6	5.5	5.4	5.3	5.3	5.3	5.2	5.2	5.2	5.2	5.1	5.1
Terms of trade	0.5	12.0	-1.2	-0.4	-1.9	2.5	4.1	11.2	5.5	-6.1	-0.4	-0.2	-2.9	-0.9	-0.8	-0.3	-0.4	-1.0	-0.2	0.1	0.1
G&S trade balance, \$Abn	-14.3	16.3	4.9	-5.6	-8.4	-7.4	-4.1	5.7	6.8	3.4	3.1	3.1	1.6	1.5	1.1	0.7	0.0	-1.3	-2.0	-2.3	-2.3
% of GDP	-0.8	0.9	0.3	-0.3	-2.0	-1.8	-1.0	1.3	1.5	0.8	0.7	0.7	0.4	0.3	0.2	0.2	0.0	-0.3	-0.4	-0.5	-0.5
Current Account (% GDP)	-2.9	-1.9	-2.5	-3.0	-3.7	-3.9	-2.9	-1.1	-1.3	-2.2	-2.0	-2.0	-2.5	-2.5	-2.6	-2.6	-2.8	-3.0	-3.2	-3.2	-3.2

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

Exchange Rate Forecasts	29-Jan	Mar-18	Jun-18	Sep-18	Dec-18
Majors					
AUD/USD	0.8115	0.73	0.72	0.73	0.73
NZD/USD	0.7362	0.68	0.68	0.69	0.70
USD/JPY	108.58	115	116	117	118
EUR/USD	1.2427	1.20	1.21	1.24	1.26
GBP/USD	1.4148	1.40	1.41	1.43	1.44
USD/CNY	6.3283	6.59	6.55	6.52	6.50
USD/CAD	1.2314	1.29	1.29	1.29	1.29
USD/CHF	0.9337	0.97	0.97	0.94	0.94

Australian Cross Rates	29-Jan	Mar-18	Jun-18	Sep-18	Dec-18
AUD/NZD	1.1023	1.07	1.06	1.05	1.04
AUD/JPY	88.1	84	83	85	86
AUD/EUR	0.6530	0.61	0.60	0.59	0.58
AUD/GBP	0.5736	0.52	0.51	0.51	0.51
AUD/CNY	5.1354	4.81	4.72	4.73	4.75
AUD/CAD	0.9993	0.94	0.93	0.94	0.94
AUD/CHF	0.7577	0.71	0.70	0.68	0.69

Interest Rate Forecasts	29-Jan	Mar-18	Jun-18	Sep-18	Dec-18
Australia Rates					
RBA Cash rate	1.50	1.50	1.50	1.75	2.00
3 month bill rate	1.78	1.75	2.00	2.25	2.25
3 Year Swap Rate	2.26	2.5	2.9	3.0	3.1
10 Year Swap Rate	3.00	3.3	3.6	3.7	3.7
Offshore Policy Rates					
US Fed funds	1.50	1.75	2.00	2.00	2.25
ECB deposit rate	-0.40	-0.40	-0.40	-0.40	-0.20
BoE repo rate	0.50	0.50	0.50	0.50	0.75
BoJ excess reserves rate	-0.10	-0.10	-0.10	-0.10	-0.10
RBNZ OCR	1.75	1.75	1.75	2.00	2.25
China 1yr lending rate	4.35	4.35	4.35	4.35	4.35
China Reserve Ratio	17.0	16.0	16.0	16.0	16.0
10-year Benchmark Bond Yields					
Australia	2.85	2.70	2.80	2.85	3.05
United States	2.65	2.50	2.60	2.60	2.75
New Zealand	2.90	2.95	3.10	3.15	3.40

Sources: NAB Global Markets Research; Bloomberg; ABS

Global GDP	2014	2015	2016	2017	2018	2019	20 Yr Avg
Dec year							
Australia	2.6	2.5	2.6	2.3	2.9	2.6	3.4
US	2.6	2.9	1.5	2.3	2.4	2.0	2.6
Eurozone	1.4	2.0	1.8	2.4	2.2	1.9	1.5
UK	3.1	2.3	1.8	1.5	1.5	1.5	2.4
Japan	0.3	1.4	0.9	1.8	1.4	0.9	0.8
China	7.3	6.9	6.7	6.8	6.5	6.3	9.2
India	7.0	7.5	7.9	6.4	7.1	7.3	6.6
New Zealand	3.4	2.5	3.0	2.5	2.9	2.9	3.0
World	3.5	3.4	3.2	3.5	3.6	3.5	3.5
MTP Top 5	4.0	4.1	3.7	4.2	3.9	3.6	5.0

Commodity prices (\$US)	29-Jan	Mar-18	Jun-18	Dec-18	Dec-19
WTI oil	66.24	52	54	58	60
Gold	1350	1270	1280	1290	1300
Iron ore	74.4	60	62	60	60
Hard coking coal	239	140	120	100	101
Thermal coal	108	85	80	80	80
Copper	7060	6340	6280	6280	6280
Aust LNG (*)	6.42	7.9	8.0	8.5	8.8

(*) Implied Australian LNG export prices.

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