

AUSTRALIAN MARKETS WEEKLY

The boom and bust in high-rise apartment construction



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- **Australia:** Tuesday's RBA Board minutes and labour market data on Thursday are the key events this week. Now that RBA Deputy Governor Debelle clarified that the tweak to the policy paragraph of April interest rate decision reflected more the unresolved tension between soft GDP and a still-healthy labour market rather than signalling easier policy, the minutes will likely repeat that the Board did not see a strong case for a near-term rate cut even as members continue to watch the data closely.
- For the labour market, NAB expects a solid 25K increase in employment (mkt: 15K) and unemployment to tick back up to 5.0% (mkt: 5.0%). The NAB Quarterly Business Survey on Thursday contains forward-looking indicators of employment and investment intentions, plus an update on the reported difficulty in finding suitable labour.
- **International:** For Wednesday's NZ CPI, our BNZ colleagues look for 0.4% q/q (1.8% y/y), higher than the RBNZ's forecast of 0.2% q/q (1.6% y/y). Elsewhere, Chinese Q1 GDP and March activity indicators (fixed asset investment, industrial production and retail sales) are due Wednesday. Growth in GDP is expected to slow to 6.3% y/y, while the monthly activity prints are expected to show an improvement in annual growth.

Analysis - The boom and bust in high-rise apartment construction

- Australia recently experienced one of its largest booms on record in residential investment, driven by new construction as renovations to existing homes inexplicably languished.
- Unlike every past boom, construction has been driven by an unprecedented surge in high-rise apartment construction, where work done on these homes peaked at 1.2% of GDP in 2016. Work done should soon fall, though, as approvals and commencements of high-rise apartments have roughly halved from their recent record highs and are at their lowest level since the early 2010s. There is still a substantial number of apartments yet to be built, but it should be noted that developers are currently completing projects at a record rate.
- The unwinding of this construction boom underpins our forecast that residential investment will fall by nearly 20% by end-2020, almost double the decline anticipated by the Reserve Bank in February. A rebound in high-rise construction appears unlikely in the near term given: (1) tighter credit conditions for property developers; (2) tighter credit conditions for domestic investors, where rental properties account for most high-rise units; and (3) reduced foreign demand.

Forecast change - AUD/EUR and AUD/GBP forecasts revised higher

- Downward revisions to our GBP/USD and EUR/USD forecasts stem from prolonged Brexit uncertainty and, as articulated in our latest *Global FX Strategist*, flow through to a quite significant uplift to our AUD/GBP and AUD/EUR forecasts. Our revised forecasts for the two AUD crosses are not too far from current levels through year-end before coming lower in 2020. We stress that the tail risks on both sides of the new point forecasts are particularly fat given the ongoing high level of Brexit uncertainty.

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

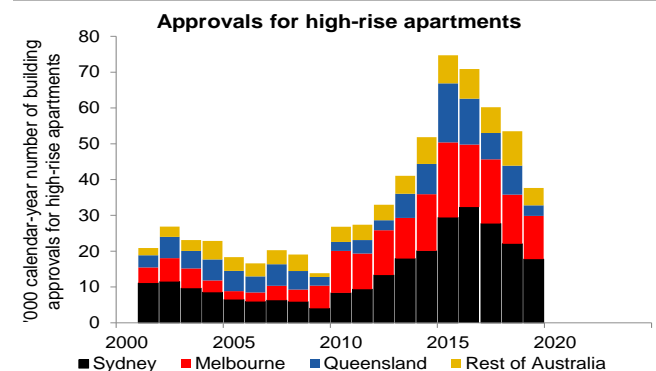
- [Ask the Economists](#)
- [Ask the FX Strategists](#)
- [Ask the Interest Rate Strategists](#)

Key markets over the past week

	Last	% chg week		Last	bp/% chg week
AUD	0.7169	0.9	RBA cash	1.50	0
AUD/CNY	4.81	1.1	3y swap	1.55	2
AUD/JPY	80.3	1.5	ASX 200	6,248	0.4
AUD/EUR	0.634	0.4	Iron ore	93.9	0.3
AUD/NZD	1.060	0.5	WTI oil	63.5	-1.5

Source: Bloomberg

Chart of the week: Approvals have roughly halved



The boom and bust in high-rise apartment construction

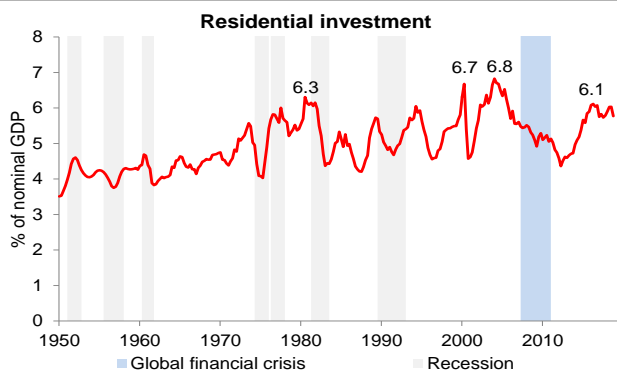
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- The unwinding of this construction boom underpins our forecast that residential investment will fall by nearly 20% by end-2020, almost double the decline anticipated by the Reserve Bank in February. A rebound in high-rise construction appears unlikely in the near term given: (1) tighter credit conditions for property developers; (2) tighter credit conditions for domestic investors, where rental properties account for most high-rise units; and (3) reduced foreign demand.

Australia has experienced one of its largest housing construction booms

Until recently Australia has been in the middle of one of the largest construction booms in years. The scale of the boom is reflected in residential investment, which comprises the construction of new homes and renovations to existing homes. Investment reached 6.1% of GDP at the height of the boom in 2016, and was only a shade lower at 6.0% as recently as Q3 2018.

This was the fourth-largest boom in the post-WW2 period, although it followed a roughly five-year period where investment languished, falling to a low of 4.4% of GDP in 2012, which was the lowest level since the late 1980s.

Chart 1: Residential investment peaked at 6.1% of GDP in 2016



Note: The quarterly estimates for the 1950s were derived by applying the Chow-Lin procedure to annual data.
Source: Australian Bureau of Statistics, Melbourne Institute, National Australia Bank

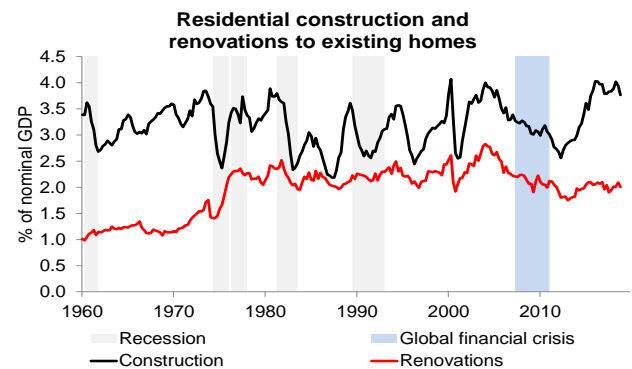
New construction has driven the boom in residential investment

The boom in residential investment has reflected the construction of new homes as renovations to existing homes have been unusually weak since 2006.

- Construction peaked at 4.0% of GDP over the whole of 2016 and again in Q2 2018. This was the second-largest peak in the post-WW2 period, surpassed only in Q2 2000, when construction reached 4.1% as builders sought to beat the introduction of the Goods and Services Tax.
- Renovations to existing homes reached an all-time high of 2.8% of GDP in 2003. Renovations then slid to 1.8% in 2013, which was the lowest level since 1975. Renovations then managed a small rebound, hovering around a recession-like 2% of GDP since 2014.

The weakness in renovations is difficult to explain as renovations had been broadly in synch with construction from the 1980s to the 2000s, albeit in a much more damped cycle. We suspect that this could partly reflect a measurement problem, where the Bureau of Statistics finds it difficult to estimate alterations and additions.

Chart 2: The boom in residential investment was driven by the construction of new homes



Source: Australian Bureau of Statistics, Melbourne Institute, National Australia Bank

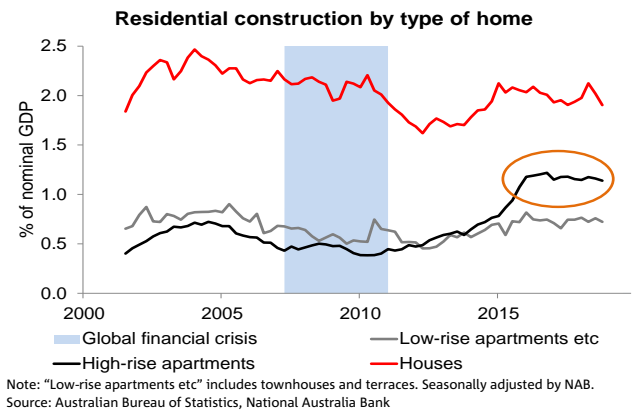
High-rise apartments have driven the boom in housing construction this cycle

In a major break from the past, high-rise apartments - which we define as apartments in a four or more storey block - have driven the boom in housing construction in this cycle.

Splitting construction into the type of home:

- **Houses:** Work done has experienced a muted cycle, reaching a high of 2.1% of GDP in 2015 and again in 2018, which compares with the previous boom where construction peaked at 2.5% in 2004. Work done was slightly lower at 1.9% at the end of 2018.
- **Townhouses and low-rise apartments:** Construction has shown little change over the past couple of decades. Activity rose to 0.8% of GDP in 2016, matching the high reached during the early 2000s boom, but was little changed at 0.7% at the end of last year.
- **High-rise apartments:** Construction attained a record high of 1.2% of GDP in 2016, which was almost double the peak reached in the early 2000s. Work done edged down to 1.1% of GDP at the end of 2018.

Chart 3: High-rise apartments are behind the recent boom in housing construction



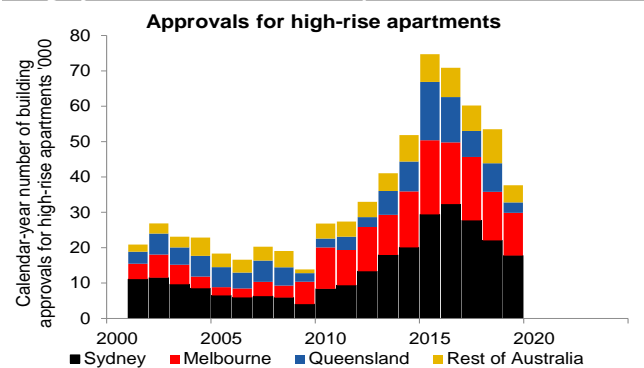
Approvals for high-rise construction have halved from their 2015 peak

In judging the outlook for high-rise construction, the number of approvals for high-rise apartments peaked at 75k in 2015 (or 0.8% of the national housing stock). Approvals have since fallen sharply and were running at an annualised rate of 38k in early 2019 (or 0.4% of the national housing stock). This is roughly half the 2015 peak and the lowest level since 2012.

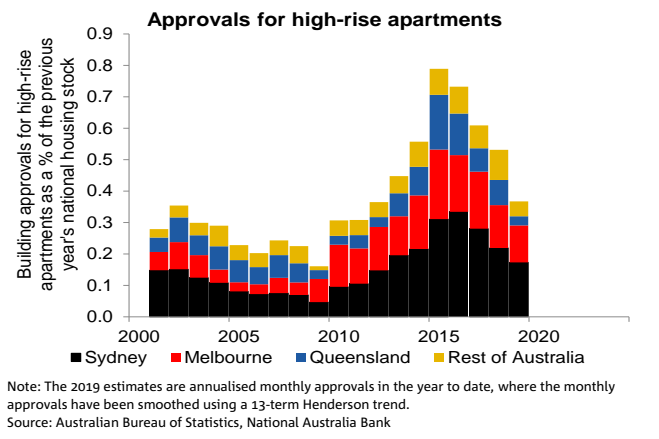
In terms of the major locations for approvals:

- **Sydney:** Approvals peaked at 32K in 2016 and were running at an annualised 18K in 2019 to date, which is the lowest level since 2012.
- **Melbourne:** Approvals reached a high of 21K in 2015 and are an annualised 12K so far in 2019, which is the smallest number of approvals since 2011.
- **Queensland:** Approvals hit a high of 16K in 2015 and have fallen by more than 80% to an annualised 3K in 2019 to date, which is the lowest level since 2012.¹

Chart 4: Approvals for high-rise apartments have roughly halved from their 2015 peak



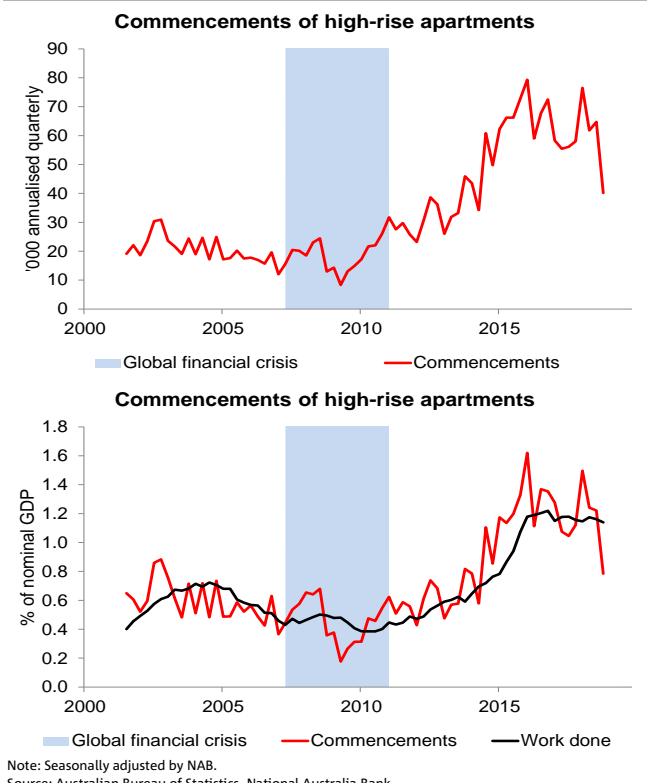
¹ High-rise apartments in Queensland are split almost equally between Brisbane and coastal Queensland.



Commencements are tumbling and the substantial amount of work in the pipeline may be quickly exhausted

The steep decline in approvals has been reflected in both the number and value of commencements. Commencements peaked at an annualised 79k in early 2016 (or 1.6% of GDP), falling by about 50% to 40k (0.8%) by end-2018.

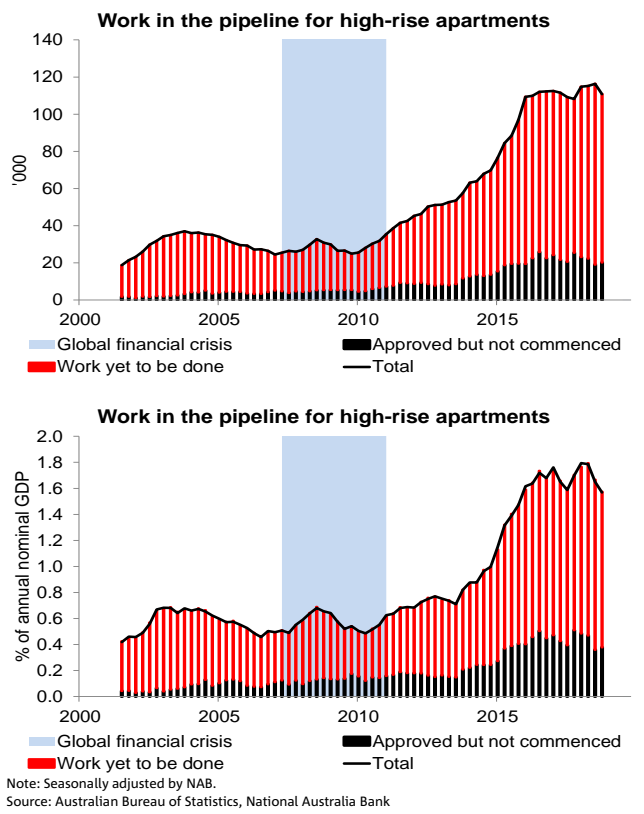
Chart 5: Lower approvals are reflected in tumbling commencements



The combination of sharply lower approvals and a high level of work done has yet to eat into the number of high-rise apartments yet to be built, where the pipeline of work has held at around 100-115k units since 2016.² There has also been little change in the pipeline when expressed as a share of GDP, where the share edged down to 1.6% at the end of 2018 from a peak of 1.8% earlier that year.

² Work in the pipeline comprises: (1) work approved but not yet commenced; and (2) work commenced but yet to be done.

Chart 6: Work in the pipeline still remains substantial



Although this is still a substantial number of apartments that are yet to be built, we think that this pipeline of work could be quickly exhausted. This is because with the inflow of work – as reflected in both approvals and commencements – in steep decline, the recent surge in completions should rapidly reduce this pipeline unless builders decide to ration work by slowing the pace of construction.

Chart 7: Completions have trebled over recent years



The decline in high-rise construction should underpin a large fall in residential investment

The end of the boom in high-rise construction should underpin a large fall in residential investment over the next couple of years. Investment started falling at the end of 2018 in real terms and we forecast it will drop a cumulative 18% by the end of 2020, almost double the 10% fall expected by the Reserve Bank in its February Statement on Monetary Policy.

We think that this decline is largely unavoidable given tighter credit conditions for both developers and domestic investors, as well as reduced demand from foreign buyers.

- The NAB Residential Property Survey shows that tight credit conditions are the main constraint on new property developments, while the ANZ-Property Council Survey shows developers expect tight credit conditions will persist into 2020.
- Domestic investors have traditionally been the main buyers of high-rise apartments, with rental properties accounting for about 70% of units in the last census. There are no publicly-available surveys of credit conditions for households, but the variable mortgage rate for investors has increased by 55bp over recent years, even as the cash rate has held steady at 1.5%. At the same time, new loans to investors have dropped to 0.9% of the housing stock, which is likely the lowest share since the mid 1990s.
- Commonwealth approvals of foreign purchases of new homes are published with a long lag, but show demand in 2017-18 was at its lowest level since 2012-13. In our view, this reflects greater difficulty in obtaining finance, with Chinese buyers finding it harder to get money out of China due to tougher government controls.

Chart 8: Surveys report it is difficult for developers to access credit and this situation should persist

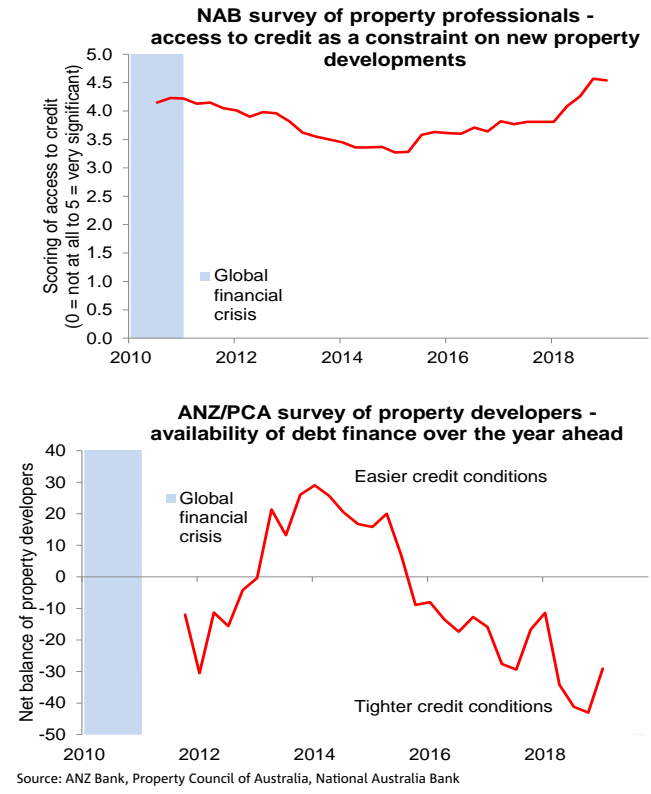


Chart 9: Investor home loan interest rates are up 55bp from their low

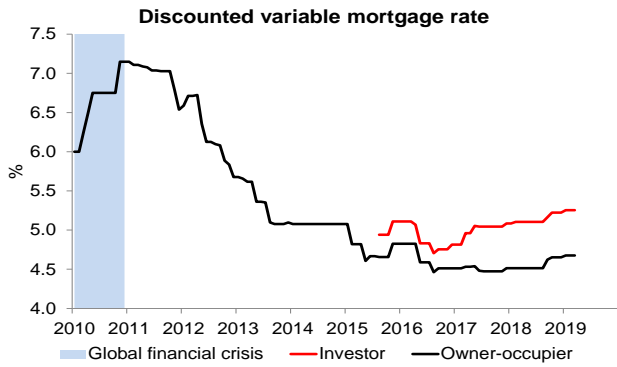


Chart 10: Investor home loans have fallen sharply

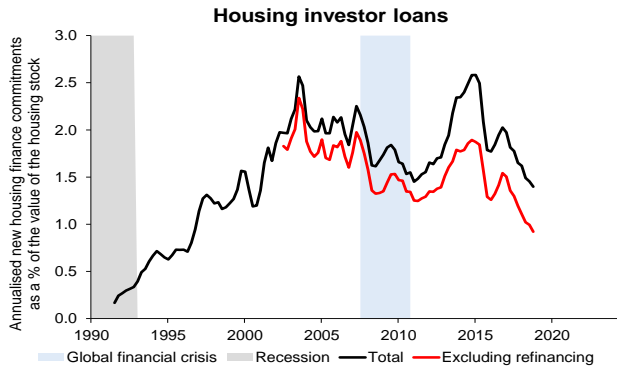


Chart 11: Foreign demand for new homes has fallen



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CALENDAR OF ECONOMIC RELEASES

Country	Economic Indicator	Period	Forecast	Consensus	Actual	Previous	GMT	AEST
Monday, 15 April 2019								
NZ	Performance Services Index	Mar				53.8	22.30	8.30
JN	BOJ Wakatabe makes a brief speech at a conference						0.00	10.00
US	Empire Manufacturing	Apr		8		3.7	12.30	22.30
UK	BOE's Haskel Speaks on Panel in Warwick						16.00	2.00
US	Fed's Evans Discusses Economy and Monetary Policy						17.00	3.00
US	Total Net TIC Flows	Feb				-143.7	20.00	6.00
Tuesday, 16 April 2019								
US	Fed's Rosengren Speaks at Davidson College in North Carolina						0.00	10.00
AU	RBA Minutes of April Policy Meeting						1.30	11.30
UK	Claimant Count Rate / Jobless Claims Change	Mar		/		2.9/27	8.30	18.30
GE	ZEW Survey Current Situation	Apr		8.5		11.1	9.00	19.00
CA	Manufacturing Sales MoM	Feb		-0.1		1	12.30	22.30
US	Industrial Production MoM	Mar		0.2		0.1	13.15	23.15
US	Fed's Kaplan Speaks at Community Forum in New Mexico						18.00	4.00
Wednesday, 17 April 2019								
NZ	Dairy Auction Avg. Winning Price MT	42461				3483		early am
NZ	CPI QoQ / YoY	1Q	0.2 / 1.6	0.3/1.7		0.1/1.9	22.45	8.45
JN	Trade Balance	Mar		367.7		339	23.50	9.50
AU	Westpac Leading Index MoM	Mar				0	0.30	10.30
CH	Fixed Assets Ex Rural YTD YoY	Mar		6.3		6.1	2.00	12.00
CH	Industrial Production YoY	Mar		6		5.7	2.00	12.00
CH	Retail Sales YoY	Mar		8.4		8.2	2.00	12.00
CH	Property Investment YTD YoY	Mar				11.6	2.00	12.00
CH	GDP SA QoQ / YoY	1Q		1.4/6.3		1.5/6.4	2.00	12.00
JN	Industrial Production MoM / YoY	Feb F		/		1.4/-1	4.30	14.30
UK	CPI MoM / YoY	Mar		0.2/2		0.5/1.9	8.30	18.30
UK	CPI Core YoY	Mar		1.9		1.8	8.30	18.30
UK	RPI MoM / YoY	Mar		0.2/2.6		0.7/2.5	8.30	18.30
EC	Trade Balance SA	Feb				17	9.00	19.00
EC	CPI Core YoY	Mar F		0.8		0.8	9.00	19.00
EC	CPI MoM / YoY	Mar		1/1.4		0.3/1.5	9.00	19.00
US	MBA Mortgage Applications	12-Apr				-5.6	11.00	21.00
CA	CPI Core- Trim YoY% / Median YoY%	Mar		1.8/1.8		1.9/1.8	12.30	22.30
CA	CPI NSA MoM / YoY	Mar		0.7/1.9		0.7/1.5	12.30	22.30
US	Trade Balance	Feb		-53.5		-51.1	12.30	22.30
UK	BOE's Carney, BOF's Villeroy de Galhau Speak in Paris						13.00	23.00
US	Wholesale Inventories MoM	Feb		0.3		1.2	14.00	0.00
US	Fed's Harker Speaks on the Economic Outlook						16.30	2.30
US	Fed's Bullard Speaks at Hyman Minsky Conference						16.45	2.45
US	U.S. Federal Reserve Releases Beige Book						18.00	4.00
US	New York Fed's Logan Speaks at Money Marketeers of New York						21.30	7.30
Thursday, 18 April 2019								
AU	NAB Business Confidence	1Q				1	1.30	11.30
AU	Employment Change	Mar	25	15		4.6	1.30	11.30
AU	Unemployment Rate	Mar	5	5		4.9	1.30	11.30
AU	Participation Rate	Mar	65.6	65.6		65.6	1.30	11.30
GE	Markit/BME Germany Manufacturing PMI	Apr P		45		44.1	7.30	17.30
GE	Markit Germany Services PMI	Apr P		55		55.4	7.30	17.30
EC	Markit Eurozone Manufacturing PMI	Apr P		48		47.5	8.00	18.00
UK	Bank of England Credit Conditions & Bank Liabilities Surveys						8.30	18.30
UK	Retail Sales Inc Auto Fuel MoM / YoY	Mar		-0.3/4.5		0.4/4	8.30	18.30
CA	Retail Sales MoM	Feb		0.4		-0.3	12.30	22.30
CA	Retail Sales Ex Auto MoM	Feb		0.2		0.1	12.30	22.30
CA	ADP Canada Releases March Payroll Estimates						12.30	22.30
US	Retail Sales Advance MoM	Mar		1		-0.2	12.30	22.30
US	Retail Sales Ex Auto and Gas	Mar		0.4		-0.6	12.30	22.30
US	Philadelphia Fed Business Outlook	Apr		10.5		13.7	12.30	22.30
US	Initial Jobless Claims	13-Apr		205		196	12.30	22.30
US	Markit US Manufacturing PMI	Apr P		52.8		52.4	13.45	23.45
US	Markit US Services PMI	Apr P		55		55.3	13.45	23.45
US	Leading Index	Mar		0.4		0.2	14.00	0.00
US	Fed's Bostic Speaks at an Economic Roundtable Event in Florida						16.10	2.10
Friday, 19 April 2019								
AU NZ US CA UK EZ - Easter Friday Holiday								
JN	Natl CPI YoY	Mar		0.5		0.2	23.30	9.30
US	Housing Starts	Mar		1230		1162	12.30	22.30
US	Building Permits	Mar		1300		1296	12.30	22.30
Upcoming Central Bank Interest Rate Announcements								
Canada, BoC		24-Apr	1.75%	1.75%		1.75%		
Japan, BoJ		25-Apr	-0.1%	-0.1%		-0.1%		
US, Federal Reserve		1-May	2.25-2.5%	2.25-2.5%		2.25-2.5%		
UK, BOE		2-May	0.75%	0.75%		0.75%		
Australia, RBA		7-May	1.5%	1.5%		1.5%		
New Zealand, RBNZ		8-May	1.75%	1.75%		1.75%		
Europe, ECB		6-Jun	-0.4%	-0.4%		-0.4%		

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

FORECASTS

Economic Forecasts																			
	Annual % change				Quarterly % change														
	2018	2019	2020	2017				2018				2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Australia Forecasts																			
Household Consumption	2.6	2.0	2.4	0.4	0.7	0.7	1.0	0.4	0.9	0.3	0.4	0.4	0.7	0.5	0.6	0.6	0.6	0.6	0.6
Underlying Business Investment	1.4	2.3	5.1	3.4	0.2	3.9	0.2	0.9	-1.1	-1.8	0.4	1.1	1.5	1.2	1.6	1.0	1.5	1.0	1.2
Residential Construction	4.4	-7.8	-8.1	-4.1	-0.1	-1.4	0.9	3.4	2.2	0.5	-3.4	-2.1	-3.0	-2.9	-2.1	-2.1	-1.8	-1.9	-0.9
Underlying Public Spending	5.1	5.6	4.5	1.3	1.3	1.1	0.7	1.6	0.6	2.5	1.4	1.4	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Exports	5.0	2.6	2.5	-2.2	2.9	0.8	-1.4	4.1	1.3	-0.1	-0.7	1.1	1.4	1.1	0.6	0.5	0.5	0.4	0.6
Imports	4.2	1.7	3.6	2.8	0.1	3.2	1.0	1.8	0.6	-1.0	0.1	0.6	0.9	0.7	1.0	0.9	1.0	0.8	1.0
Net Exports (a)	0.2	0.2	-0.2	-1.0	0.6	-0.5	-0.5	0.5	0.1	0.2	-0.2	0.1	0.1	0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Inventories (a)	0.0	-0.1	0.0	0.4	-0.7	0.3	0.1	0.1	0.1	-0.3	0.2	0.0	0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Domestic Demand - qtr%				0.7	0.8	0.9	0.8	0.9	0.7	0.5	0.3	0.5	0.6	0.5	0.6	0.6	0.7	0.6	0.7
Dom Demand - ann %	3.0	1.9	2.4	2.2	2.5	3.5	3.3	3.4	3.3	2.9	2.5	1.7	1.6	2.0	2.3	2.3	2.4	2.5	2.6
Real GDP - % q/q				0.4	0.8	0.6	0.6	1.1	0.8	0.3	0.2	0.6	0.8	0.5	0.6	0.5	0.6	0.5	0.6
Real GDP - % y/y	2.8	2.1	2.3	2.2	2.1	2.8	2.4	3.1	3.1	2.7	2.3	1.9	1.8	2.2	2.5	2.4	2.2	2.2	2.2
CPI headline - qtr %				0.5	0.2	0.6	0.6	0.4	0.4	0.4	0.5	0.2	0.6	0.6	0.8	0.5	0.6	0.6	0.7
CPI headline - ann %	1.9	1.9	2.5	2.1	1.9	1.8	1.9	1.9	2.1	1.9	1.8	1.5	1.8	2.0	2.3	2.6	2.6	2.5	2.4
CPI underlying - qtr %				0.5	0.6	0.3	0.5	0.5	0.4	0.3	0.4	0.5	0.6	0.5	0.6	0.6	0.6	0.5	0.5
CPI underlying - ann %	1.8	1.9	2.2	1.7	1.9	1.9	1.9	2.0	1.8	1.7	1.7	1.6	1.8	2.0	2.2	2.3	2.3	2.3	2.2
Wages (Pvte WPI - qtr %)				0.5	0.5	0.5	0.5	0.5	0.6	0.5	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Wages (Pvte WPI - ann %)	2.1	2.5	2.7	1.8	1.8	1.9	1.9	1.9	2.1	2.1	2.3	2.4	2.4	2.5	2.6	2.6	2.7	2.7	2.8
Unemployment Rate (%)	5.3	5.1	5.1	5.9	5.6	5.5	5.4	5.5	5.6	5.1	5.0	5.0	5.1	5.1	5.1	5.1	5.1	5.1	5.2
Terms of trade	1.5	-1.2	-0.1	5.4	-5.9	-0.1	-0.1	3.1	-1.1	0.9	3.1	-3.8	-0.1	-1.9	0.9	0.6	-0.3	-0.9	0.1
G&S trade balance, \$Abn	22.1	17.2	11.4	6.6	3.3	1.0	-1.3	4.1	3.8	5.8	8.4	4.7	5.2	3.4	4.0	4.3	3.5	2.0	1.7
% of GDP	1.2	0.9	0.6	1.5	0.7	0.2	-0.3	0.9	0.8	1.2	1.7	1.0	1.1	0.7	0.8	0.8	0.7	0.4	0.3
Current Account (% GDP)	-2.1	-2.3	-2.6	-1.6	-2.4	-2.8	-3.4	-2.3	-2.5	-2.3	-1.5	-2.3	-2.2	-2.5	-2.4	-2.3	-2.5	-2.7	-2.8

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

Exchange Rate Forecasts					
	15-Apr	Jun-19	Sep-19	Dec-19	Mar-20
Majors					
AUD/USD	0.7177	0.70	0.73	0.75	0.76
NZD/USD	0.6777	0.67	0.69	0.70	0.70
USD/JPY	111.97	113	110	108	107
EUR/USD	1.1313	1.13	1.14	1.16	1.18
GBP/USD	1.3098	1.33	1.35	1.38	1.40
USD/CHF	1.0022	0.98	0.99	0.97	0.98
USD/CAD	1.3322	1.31	1.27	1.27	1.25
USD/CNY	6.7090	6.70	6.68	6.60	6.50

Australian Cross Rates					
	15-Apr	Jun-19	Sep-19	Dec-19	Mar-20
AUD/NZD	1.0590	1.04	1.06	1.07	1.09
AUD/JPY	80.4	79	80	81	81
AUD/EUR	0.6344	0.62	0.64	0.65	0.64
AUD/GBP	0.5479	0.53	0.54	0.54	0.54
AUD/CNY	4.8150	4.69	4.88	4.95	4.94
AUD/CAD	0.9561	0.92	0.93	0.95	0.95
AUD/CHF	0.7193	0.69	0.72	0.73	0.74

Interest Rate Forecasts					
	15-Apr	Jun-19	Sep-19	Dec-19	Mar-20
Australia Rates					
RBA Cash rate	1.50	1.50	1.25	1.00	1.00
3 month bill rate	1.69	1.80	1.60	1.35	na
3 Year Swap Rate	1.56	1.45	1.35	1.35	1.40
10 Year Swap Rate	2.18	2.08	2.08	2.08	2.20
Offshore Policy Rates					
US Fed funds	2.50	2.50	2.50	2.50	2.50
ECB deposit rate	-0.40	-0.40	-0.40	-0.40	-0.20
BoE repo rate	0.75	0.75	0.75	1.00	1.00
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	13.5	12.5	12.0	12.0	12.0
10-year Benchmark Bond Yields					
Australia	1.95	2.40	2.50	2.60	2.60
United States	2.56	2.80	3.00	3.00	3.00
New Zealand	2.04	3.10	3.20	3.30	3.40

Sources: NAB Global Markets Research; Bloomberg; ABS

Global GDP							
Dec year	2015	2016	2017	2018	2019	2020	20 Yr Avg
Australia	2.5	2.8	2.4	2.8	2.1	2.3	3.4
US	2.9	1.6	2.2	2.9	2.1	1.8	2.6
Eurozone	2.0	1.9	2.5	1.8	1.2	1.6	1.5
UK	2.3	1.8	1.8	1.4	1.3	1.6	2.4
Japan	1.3	0.6	1.9	0.8	0.5	0.7	0.8
China	6.9	6.7	6.9	6.6	6.3	6.0	9.2
India	8.2	7.1	6.7	7.3	7.1	7.2	6.6
New Zealand	3.5	3.9	3.1	2.8	2.4	2.6	3.0
World	3.5	3.3	3.8	3.7	3.5	3.5	3.5
MTP Top 5	4.1	3.7	4.3	4.0	3.5	3.4	5.0

Commodity prices (\$US)					
	15-Apr	Jun-19	Sep-19	Dec-19	Dec-20
Brent oil	71.4	65	65	70	75
Gold	1291	1320	1330	1350	1390
Iron ore	93.3	82	78	76	69
Met coal	202	193	178	170	152
Thermal coal	84	93	98	95	90
Copper	6465	6250	6400	6300	6100
Aust LNG (*)	16.4	11.3	11.6	11.4	12.2

(*) Implied Australian LNG export prices.

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