Global Markets Research

Economics: Perspective

2 September 2016

The Week Ahead

- The latest Australian capital expenditure survey suggests that the outlook for private investment is better than it was three months ago - it represents a step in the right direction.
- In Australia, data is published on GDP (QII) and its partials, job advertisements, the trade balance and housing finance.
- The RBA is widely expected to leave the cash rate unchanged at 1.5% at Tuesday's Board meeting.
- There are also monetary policy meetings for the ECB and BoC.
- In the US, the key release is non-farm payrolls which print tonight (10.30pm AEST).

Australian financial markets were focused on capex plans, which were published on Thursday. The third estimate of 2016/17 spending plans came in better than expected and implies an upgrade on the estimate three months ago. The improvement was broad-based with upgrades to both mining and non-mining investment intentions. The outlook for non-mining investment remains soft in absolute terms, but relative to where things were three months ago, there has been a lift in investment intentions. See pages 2-4 for a detailed analysis of the latest capex survey.

Next week is an incredibly busy one for Australian financial market participants. The week kicks off with the business indicators data which includes company profits, employee compensation and inventories. Higher commodity prices should support company profits over QII. The business indicators will feed directly into our GDP forecasts. There is also an update on job advertisements and consumer inflation expectations.

More pieces of the Australian QII GDP puzzle are available on Tuesday with numerous partial data prints. We expect to see a small narrowing in the current account deficit due to firmer commodity prices over the quarter. But export volumes, which drive real GDP growth, are likely to post a small fall after a bumper QI. Net exports should make a small negative contribution to QII GDP growth after being a big contributor to growth in the previous quarter. Based on the partial data published to date, we think that GDP growth in QII will print around 0.3-0.5% (which would leave annual growth a touch over 3%). We will publish a point estimate in our detailed GDP preview on Tuesday once all of the partial data has been published.

Tuesday's RBA Board Meeting should see the Bank leave policy on hold in September. Current market pricing is ascribing just a 5% probability of a rate cut, so the focus is expected to be on the post-meeting Statement. On that score, we will be looking for the Governor's latest views on the housing market, labour market and QII capex survey. This will be Glenn Stevens last Board meeting as RBA Governor. Dr Philip Lowe will take the top job from 18th September and Guy Debelle has today been named as his Deputy.

In the US, the key event is non-farm payrolls tonight. It's the final read on the US labour market before the much anticipated Fed Reserve meeting in mid-September. A comprehensively strong report would spice things ahead of the meeting. Current market pricing implies a 34% of a rate hike in September which is a non-trivial probability. We think the Fed is more likely to wait until December to move on rates given the asymmetric risk or hiking versus waiting.

There are monetary policy meetings for the ECB and BoC. Our base case is for the ECB to keep its policy settings unchanged. However, there is always a risk under a Draghi-led ECB for a surprise. At the very least, the ECB should reinforce its dovish rhetoric. After factoring in the negative effect from Brexit in the baseline, the ECB is likely to modestly downgrade its longer-term growth and inflation forecasts. When combined with the lack of a lift in core Eurozone inflation, lower inflation expectations, and potential scarcity issues regarding the pool of bonds available for purchase, some tweaks to the current policy mix are expected in time. The BoC should leave the cash rate unchanged.

The other key international data releases and events are UK PMIs and industrial production, US ISM non-manufacturing and Fed Beige Book and the Canadian employment report. Chinese data includes the trade balance, CPI and PPI.

Our full data previews are enclosed along with our economic, FX and rates forecasts.

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Australian *Perspective*

Capex - QII 2016

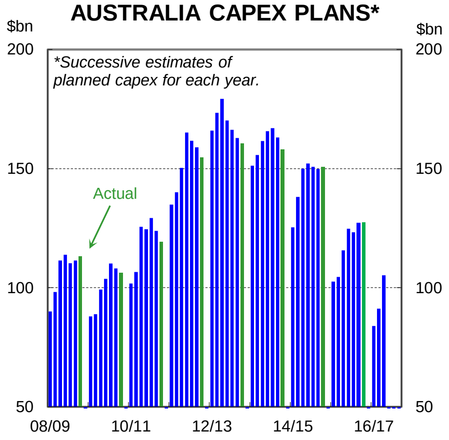
- Actual capital spending fell by 5.4% in QII due to a sizeable fall in mining capex partially offset by a lift in non-mining capex.
- The third estimate of 2016/17 spending plans came in better than expected and implies an *upgrade* on the estimate three months ago.
- Both mining and non-mining spending intentions were upgraded.

Summary

There were two key figures in the capex survey (i) 2016/17 expectations (3rd estimate); and QII 2016 actual spending. The forward looking 2016/17 plans came in better than expected and imply *upgrades* to investment intentions from three months ago. The improvement was broad-based with implied upgrades to both mining and non-mining investment intentions. The QII actual capex was a little weaker than forecast (but in line with our call). The capex report means that the outlook for private investment is better than it was three months ago and represents a step in the right direction.

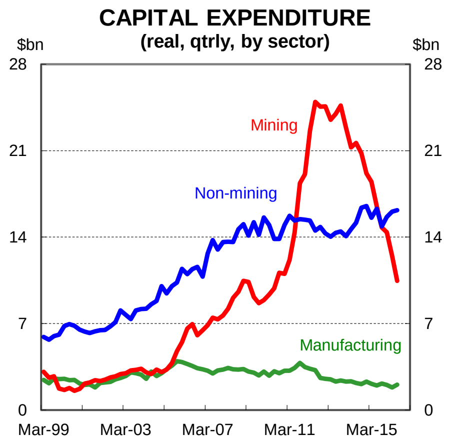
As always, there is plenty of information in the capex release and making sense of the forward looking estimates requires some sensitivity analysis. In addition, there are also some caveats that need to be taken into account when assessing the outlook for capital investment based on the survey – timing and limitations – see page 2.

We cover the two key components of the release below.



2016/17 expectations (3rd estimate)

The third estimate of 2016/17 capex plans came in at $105bn – above market expectations which were centred on an estimate of $97bn (CBA on consensus). It looks like the estimates overshot analysts' expectations for both mining and non-mining capex. Mining capex intentions for 2016/17 printed at $42bn and non-mining $63bn. Sensitivity analysis for both non-mining and mining is presented in tables 1 and 2 below.



Non-mining: Third estimates for spending plans can vary significantly from actual spending. A comparison of previous third estimates with actuals shows that the non-mining sector will almost always *underestimate* its capex plans in the early rounds when quizzed. But the magnitude of the miss can vary greatly in any given year as the realisation ratios[1] (RR) indicate. As the economic landscape changes, capex spending plans evolve accordingly. The third estimate is often revised up sharply if demand lifts and the economic outlook improves.

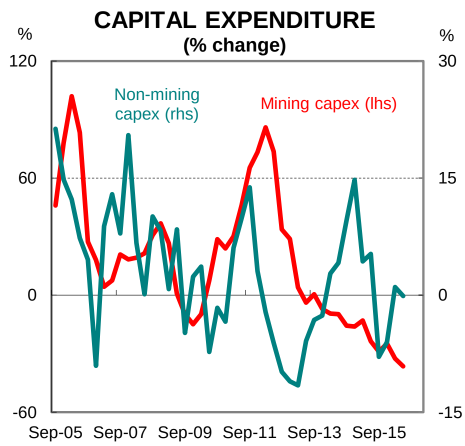


Table 1: Sensitivity: Non-mining capex in 2016/17

	RR	$billion	% change on 2015/16
5-year realisation ratio (RR)	1.15	73	-2
2015/16 RR	1.22	70	+5
Lowest RR	0.94	51	-19
Highest RR	1.39	76	+19
Change on 2015/16 Est 3	-	-	+5

[1] Realisation ratio is calculated as actual expenditure divided by estimated expenditure

Based on the historical relationship between estimates and actuals the 2016/17 non-mining estimate of $63bn implies a roughly flat outcome compared to 2015/16. This is still a soft outcome in absolute terms, but relative to where things were three months ago there has been an improvement in non-mining investment intentions.

Mining: A fall in mining capex over 2016/17 was anticipated though the magnitude was smaller than both we and the market were looking for. Mining firms have tended to follow the capex boom and bust. In the early days of the resources boom, mining firms were generally upgrading capex plans over the survey period. In recent years, however, as the mining boom has unwound, actual spending has come in below early estimates (i.e. firms have been downgrading spending plans over the survey period).

Some sensitivity analysis suggests that the third estimate of 2016/17 implies a fall of around 30% in mining capex compared with 2015/16. This is a little bit less than we were looking at three months ago, but is still a big number and indicates that we will continue to see a fall in mining investment over the coming year.

Table 2: Sensitivity: Mining capex in 2016/17

	RR	$billion	% change on 2015/16
5-year RR	0.90	38	-30
2015/16 RR	0.97	41	-24
Lowest RR	0.80	33	-38
Highest RR	1.48	62	+16
Change on 2015/16 Est 1	-	-	-24

QII 2016 – Actual

The 5.4% fall in actual capital expenditure over QII was a little bit more than the 4% expected by the market (CBA(f) -5.0%). Mining capex fell by a whopping 16.1% while non-mining capex rose by a decent 2.1%. Within the non-mining space, manufacturing capex rose by 12.9% and other selected industries rose by 0.8%. In annual terms, mining capex is down by 36.6% and non-mining investment is flat.

By type, building and structures fell by 10.6% while plant and equipment rose by 2.8%. The latter component feeds into QII GDP (published Wednesday 7th September) and was a fair bit stronger than our peg for a fall of 1.5%. It wasn't enough to push our QII point estimate of 0.3%q/q higher due to rounding, but it introduces some upside risk to our call. As always, we will refine our forecast early next week as the full suite of partials become available. A full GDP preview will be published on Tuesday 6th September.

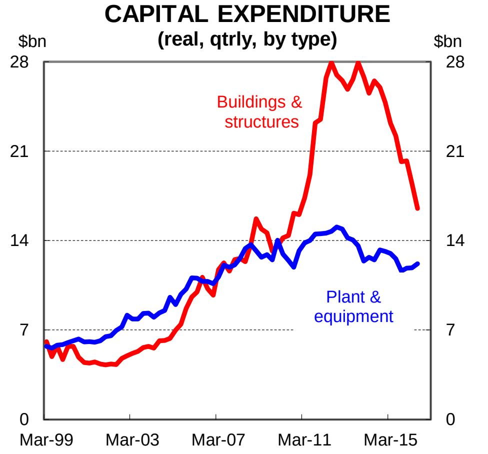
Some caveats

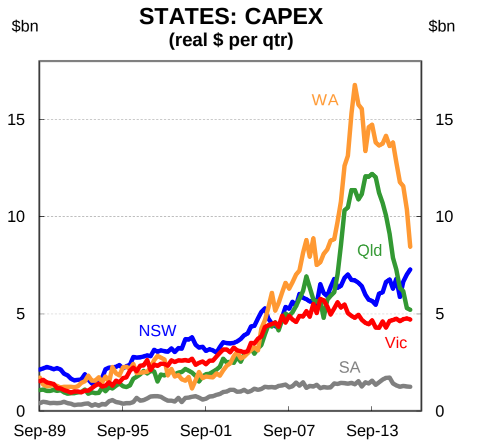
Timing of the survey: The QII survey was taken over July and August which encompassed a rally in commodity prices and the AUD. In addition, the RBA cut the cash rate in August. Since the last capex survey the Coalition Government was also re-elected and the UK voted to leave the EU. On balance, the series of events and moves in financial markets over the past three months would have supported spending intentions.

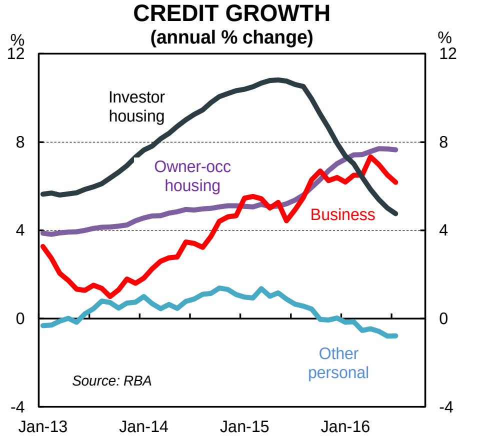
Limitations of the survey: The survey excludes a number of large and important sectors which include agriculture, health and education. The drivers of investment in health and education tend to be structural rather than cyclical and as such, investment is anticipated to be firm in these sectors.

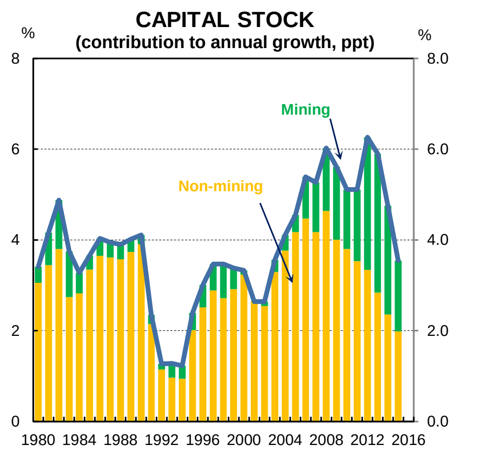
Implications

Policymakers will assess today's capex survey against a range of other indicators that relate to the outlook for non-mining business investment. On that score, the









latest credit aggregates offer a glimmer of hope that non-mining capex might lift. Business credit growth has been lifting and is running at 6.2%pa – compared to 4.9%pa a year ago. There is also a decent increase in public investment expected in 2016/17 which will support investment more generally.

From an RBA perspective, we retain our view that more policy easing is coming as inflation continues to undershoot the Bank's target. At the margin, however, today's capex data slightly reduces the odds of a near-term cut.

China *Perspective:* Stepping up

Basking in the 'G20 blue': China's PMI surprised on the upside

- Official manufacturing PMI surprised on the upside, registering 50.4 in August compared with market expectations of 49.8.
- We expect industrial production to grow by 6.0% yoy in August, the same pace as in July.
- Official service PMI was little changed in August at 53.5 (vs. 53.9 in July), boding well for China's GDP growth in Q3.
- Caixin (private) manufacturing PMI moderated to 50 in August from 50.6 in July.
- We are unsure how the official PMI was able to shrug off the impact of suspension in production ahead of the G20 summit.

China's official manufacturing PMI surprised the market (including us) on the upside, registering 50.4 in August, compared with the Bloomberg consensus forecast of 49.8, and 49.9 in July (chart 1). The official service PMI was little changed, at 53.5 in August (vs. 53.9 in July). Caixin (private) manufacturing PMI moderated to 50 in August from 50.6.

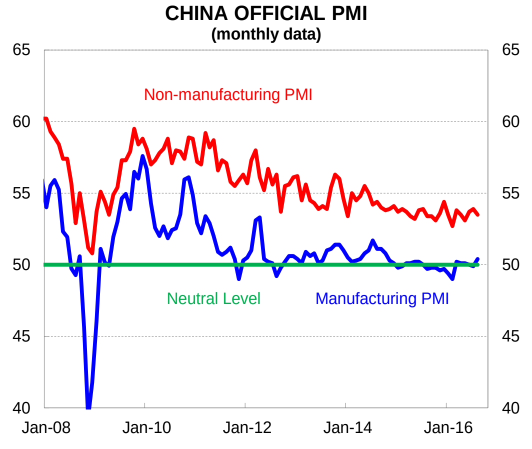
By breakdown of the official PMI, new orders for manufacturing products accelerated to 51.3 in August from 50.4 in July, partly driven by a one-off recovery after demand was interrupted in July by heavy floods. The decline in new export orders narrowed to 49.7 from 49 previously.

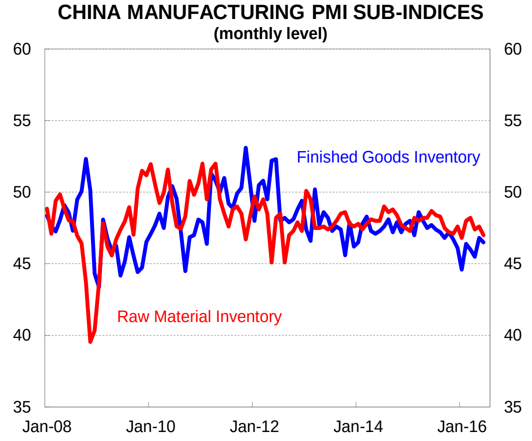
Inventories of raw materials and finished manufacturing goods (which, in our view, reflect factory owners' expectations on future demand) continued to contract (chart 2).

Both manufacturing and services employment indices stayed in contractionary territory (chart 3), meaning jobs are still being shed. However, the impact so far has been largely contained in slower wage growth rather than a higher unemployment rate. We expect continued moderation in Chinese consumer spending in coming months.

Prices of manufacturing products rose further. This should improve corporate financial health, but not enough to trigger another investment boom.

We are not entirely sure how the official manufacturing PMI was able to completely shrug off the impact of suspension of heavy industrial production in eastern parts of China from 22 August to 6 September (in order to ensure the sky appears clean and blue during the G-20 summit held in Hangzhou on 4-5 September, see *CBA China Economics: The G20 summit and blue skies with Chinese characteristics*). According to the wall street journal, hundreds of factories of chemical companies, construction material producers and textile manufacturers were affected across the Yangtze River Delta region, comprising Shanghai, Zhejiang, Jiangsu, Anhui and Jiangxi provinces. Nine cities in Shandong province, nearly 700kms north of Hangzhou, also pledged to restrict factory production if needed, to limit the inter-region transmission nature of air pollution.





Shutting down factories to curb pollution has become a routine for China when it holds big international events following the success of the 2008 Beijing Olympic Games. During the APEC leaders' meeting held in Beijing in November 2014, the PMI production sub-index declined after a similar production suspension. On the contrary, production accelerated ahead of the upcoming G20 summit.

While China's economy appeared to have done better than expected in August, we are sceptical how long the positive momentum can last. We have highlighted two factors – a housing downturn and moderating consumer spending, which will weigh on China's growth in coming months (see *CBA China Chart Pack: Retreat, regroup, retreat again*).

We maintain our expectation that the People's Bank of China (PBoC) will cut interest rates again before end-2016, because

(1) China's economy is under renewed pressure from a housing downturn and slower consumer spending (chart 4);

(2) Inflation has peaked (see 9 June 2016, *China Economics: CPI inflation should have peaked*);

(3) The effect of interest rate cuts in 2014/15 is wearing; and

(4) China's fiscal deficit has reached 4% of GDP, against an official target of 3.0% for 2016. It is hard for the Chinese government to increase fiscal stimulus further.

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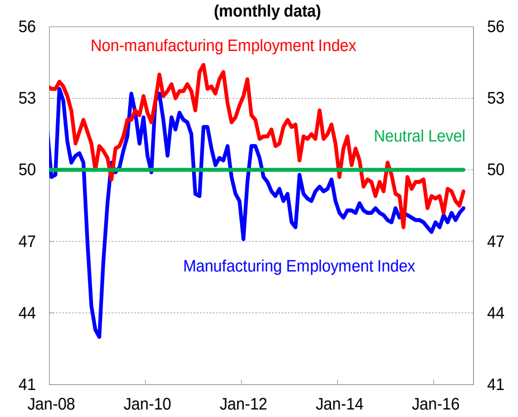
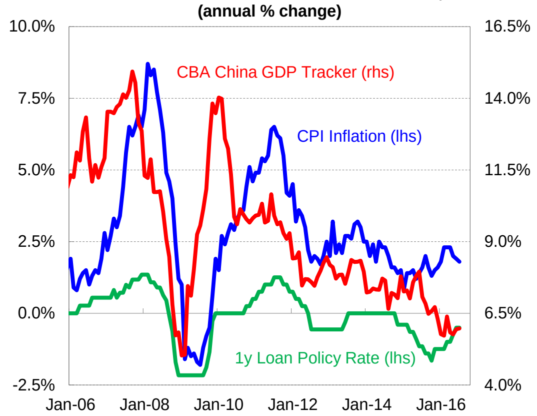
CHINA OFFICIAL PMI EMPLOYMENT SUB-INDICES
(monthly data)



CHINA POLICY INTEREST RATE & GDP, CPI
(annual % change)



International *Perspective*

GBP - Beyond The Noise

- GBP has consolidated its post referendum falls, supported by the extremely bearish GBP sentiment & "better" UK data.
- Extreme GBP positioning complicates the near-term outlook. But the fundamentals favour a weaker GBP medium-term.
- Economic headwinds remain, particularly for household consumption & business investment. The UK may avoid a technical recession, but the growth pulse will slow & inflation will rise. More negative UK *real* yields will weigh on GBP.

GBP – Vulnerable Positioning vs Fundamentals

Following its post EU Referendum decline, GBP/USD has consolidated, oscillating in a close to 6% range centred on 1.3145. Some market participants argue that a lot of the Brexit related negativity is now factored into the GBP price, and further large falls could be hard to come by.

In the very short-term this may be the case, given the bearish GBP sentiment. As at 23 August, the IMM futures data was the most "net short" GBP since at least 2003 (chart 1). Based on the heavy skew in market positioning and sentiment, GBP/USD remains vulnerable to intermittent spikes higher if the US data underwhelms expectations and US Fed rate hike expectations are pushed back out, or the volatile monthly UK data exceeds low consensus estimates. GBP/USD could lift to the 50-day moving average (1.3219) and potentially towards the top of its one-month range (1.3372) in a liquidity air-pocket as excessive GBP short positions are pared back. But we doubt these moves would be sustained. The fundamental outlook points to a weaker GBP. We think GBP will underperform broadly over the next twelve months.

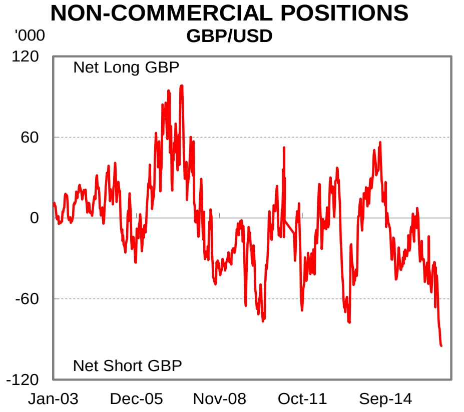
Brexit uncertainty yet to crystallise

The July UK retail sales report, one of the first pieces of hard data that captured the post-EU referendum period, was surprisingly strong. Retail sales volumes rose 1.5% (MoM) in the month. This appeared to allay fears the UK economy could nosedive, as per the signal from the slump in the UK PMIs in July. But one swallow doesn't make a summer. A few exogenous factors such as the timing of the summer sales, improved weather and rise in luxury jewellery and watch demand in the wake of the GBP plunge propped up the result.

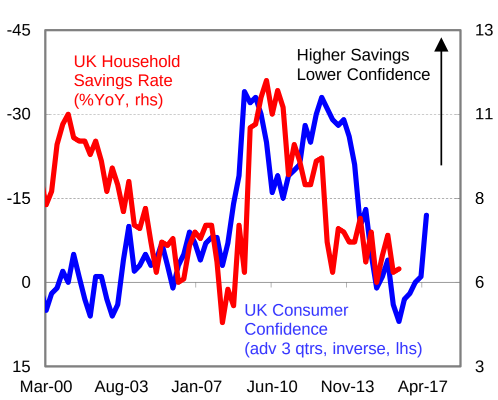
Beyond the monthly volatility, the underlying economic headwinds stemming from the UK's vote to leave the EU are still in place. And the crystallisation of the Brexit-related uncertainty will be a slow burn on the UK economy, rather than generate a short sharp deterioration. Overall, although the UK may avoid a near-term technical recession given the cushioning impact generated by the lower GBP and BoE policy easing measures, the growth pulse should weaken as the year rolls on.

Indeed, looking beyond the noise in the retail sales data, the fundamentals underpinning UK household consumption are shaky. This is significant as household consumption equates to 62% of the UK economy. In terms of the drivers, the decline in UK consumer confidence points to higher pre-cautionary household savings (chart 2). The more apprehensive UK consumer is already observable in some softer demand for big ticket items (new car registrations are slowing), leading indicators of housing market activity, and moderation in demand for consumer credit (chart 3).

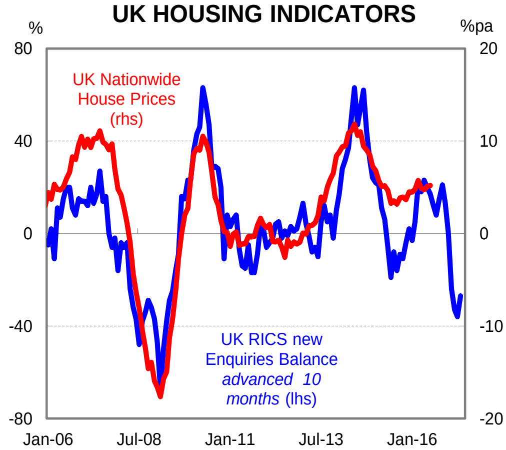
1. NON-COMMERCIAL POSITIONS



2. UK HOUSEHOLD SAVINGS RATE & CONFIDENCE



3. UK HOUSING INDICATORS

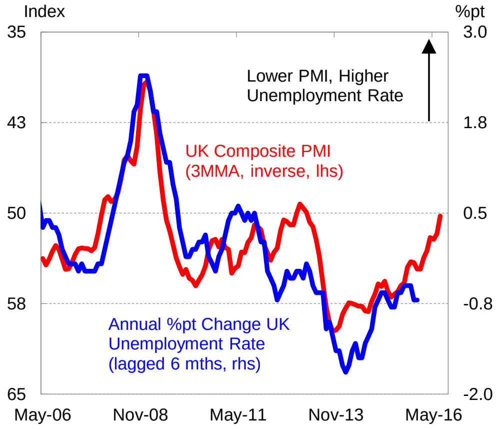


In addition, real wage growth will slow and could turn negative as the UK labour market, a lagging indicator of economic activity, deteriorates and inflation accelerates (chart 4). On the latter, UK inflation looks set to lift sharply as the decline in GBP and unwind of past energy price falls flow through concurrently into the CPI data in coming months.

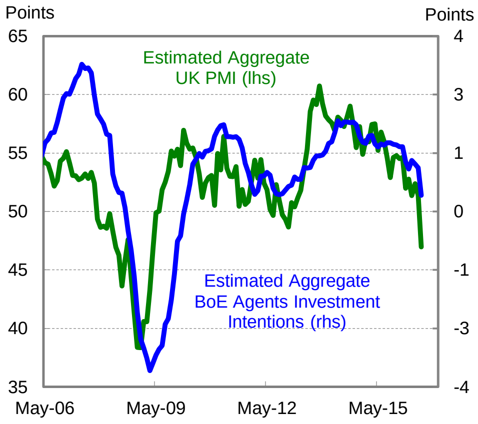
Business investment, another key driver of UK domestic demand, should remain weighed down by the heightened uncertainty. Recent media reports suggest the UK Government could trigger Article 50 of the Lisbon Treaty by April 2017, thereby starting the two-year period for the UK to withdraw from the EU. Other reports indicate Article 50 could be triggered even later. We anticipate the UK economy to take a leg down once Article 50 is triggered and the countdown actually begins.

Irrespective, even in the lead-up, UK businesses should remain hesitant to commit to longer-term projects and/or hiring given the lack of clarity. While the month-on-month decline in the UK PMIs in July may exaggerate the near-term risks and a rebound is probable, a moderation in investment intentions has also been the main message from the BoE's Agent Score Survey (chart 5).

4. UK PMI & UNEMPLOYMENT



5. UK BUSINESS SURVEYS

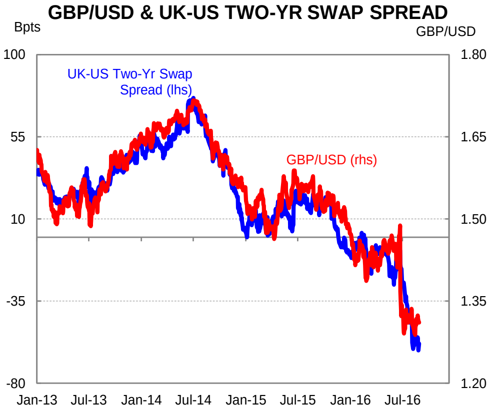


Increasingly negative UK real yields

In an effort to mollify the Brexit vote impact on the UK economy, the Bank of England (BoE) has been on the front-foot and the UK Government looks set to announce fiscal support measures in their Autumn Statement around November.

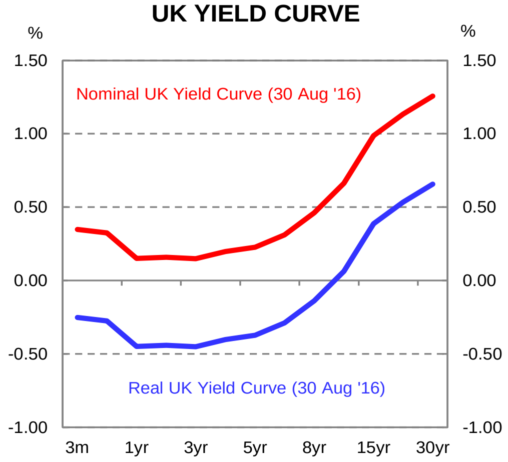
Specifically, in August the BoE cut the bank rate to a new record low 0.25% and announced sovereign and corporate asset purchases (see *CBA FX Strategy – BoE Update: Mitigating Brexit*, published 4 August 2016). The BoE also flagged more easing is in the pipeline, pointing out that even "*if the incoming data prove broadly consistent with the August Inflation Report forecast, a majority of members expect to support a further cut in Bank Rate to its effective lower bound at one of the MPC's forthcoming meetings during the course of the year*". We think the BoE will cut the bank rate by another 10-15bps in November but the risk is the move is delayed until 2017 if the UK economic data holds up.

6. GBP/USD & UK-US TWO-YR SWAP SPREAD



From a rates market perspective, the policy easing announced by the BoE, expectations of more, and the global trend of lower bond yields has generated sizeable moves. The UK 2s10s yield curve is near its flattest since Q3 2008, and the UK-US two-year swap spread is close to its most negative since Q2 2006 (chart 6). Importantly, *real* UK Gilt yields (deflated by headline inflation) are tracking in negative territory out to 8-years (chart 7). The outlook for BoE policy and the UK economy, combined with the global backdrop should continue to depress nominal UK yields for the foreseeable future. And as UK inflation accelerates (see above) *real* UK yields will move further into negative territory.

7. UK YIELD CURVE



This is significant given the UK's large current account deficit (5.7% of GDP) has been financed via inflows into UK equities and bonds over recent years. Noticeably, in the seven months to July 2016, non-resident purchases of UK Gilts has been well below the average observed in past years (chart 8). This swing in investor sentiment is unlikely to reverse course, given the UK's anticipated economic underperformance, increased uncertainty, and lower nominal and increasingly negative *real* UK yields. Challenges in funding the UK's large external deficit will undermine GBP for some time.

GBP to struggle against the AUD

While GBP has the potential to unwind some more of its post EU Referendum depreciation vis-à-vis the AUD in the short-run, our medium-term expectations remain unchanged. Even though we think the RBA will cut the cash rate by another 25bps in November, we continue to see more AUD/GBP upside (GBP/AUD downside) over coming quarters.

The combination of: (1) more subdued market volatility; (2) the improved outlook for Australia's terms of trade given the rebound in commodity prices; (3) outperformance of the Australian economy relative to the UK; (4) the more assertive policy easing stance of the BoE compared with the RBA; (5) Australia's ongoing yield advantage (chart 9); and (6) the potential challenges in funding the UK's large current account deficit (5.7% of GDP), fundamentally favour the AUD over GBP over the medium-term. We are forecasting AUD/GBP to rise (GBP/AUD to fall) to 0.6066 (1.6486) by Q1 2017.

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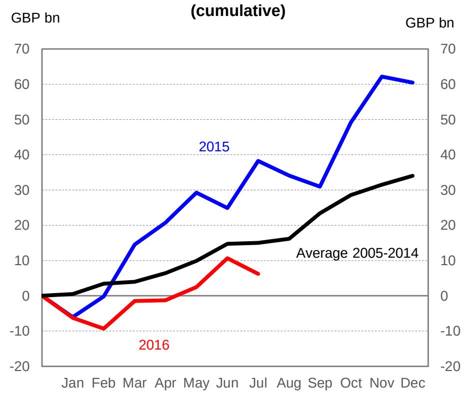
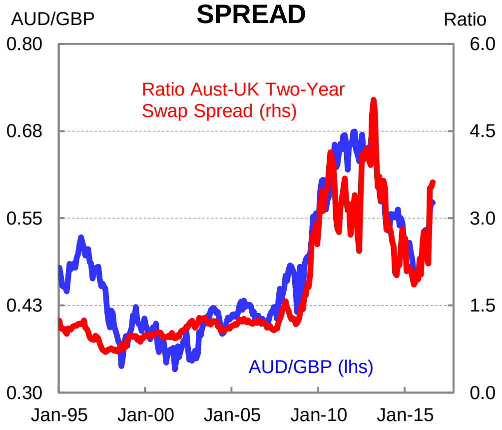
8. NON-RESIDENT PURCHASES UK GILTS (cumulative)



9. AUD/GBP & TWO-YR SWAP SPREAD



Calendar

Calendar - Australasia, Japan and China

Date	Time AEST	Eco	Event	Period	Unit	Last	Forecast Market	Forecast CBA
Mon 5 Sep	09:30	AU	Ai Group PSI	Aug	Index	53.9	~	~
	09:30	IN	BoP current account balance	QII	RMB bn	-$0.3	~	~
	10:00	JN	Labor cash earnings	Jul	y%ch	1.4	~	~
	10:00	JN	Real cash earnings	Jul	y%ch	2.0	~	~
	10:30	JN	Nikkei Japan PMI services	Aug	Index	50.4	~	~
	10:30	JN	Nikkei Japan PMI composite	Aug	Index	50.1	~	~
	11:00	AU	WBC MI inflationary expectations	Aug	m%ch y%ch	-0.3 1.0	~ ~	~ ~
	11:00	NZ	ANZ commodity price	Aug	%	2.0	~	~
	11:30	AU	ANZ job advertisements	Aug	m%ch	-0.8	~	~
	11:30	AU	Inventories	QII	q%ch	0.4	~	0.1
	11:30	AU	Company operating profit	QII	q%ch	-4.7	~	0.0
	11:45	CH	Caixin China PMI services	Aug	Index	51.7	~	~
	11:45	CH	Caixin China PMI composite	Aug	Index	51.9	~	~
	12:30	JN	Kuroda speaks at a Kyodo News event					
	15:00	IN	Nikkei India PMI services	Aug	Index	51.9	~	~
	15:00	IN	Nikkei India PMI composite	Aug	Index	52.4	~	~
Tue 6 Sep	08:00	NZ	ANZ Truckometer heavy	Aug	m%ch	-5.7	~	~
	09:30	AU	ANZ Roy Morgan Weekly Consumer Confidence Index	Sep	Index	118.4	~	~
	10:00	NZ	QV house prices	Aug	y%ch	14.1	~	~
	11:30	AU	Net exports of GDP	QII	~	1.1	~	~
	11:30	AU	BoP current account balance	QII	$bn	-20.8	~	~
	14:30	AU	RBA cash rate target	Sep	%	1.5	1.5	1.5
Wed 7 Sep	~	CH	Foreign reserves	Aug	CNY bn	3,201.1	~	~
	08:45	NZ	Manufacturing activity volume	QII	q%ch	-1.2	~	~
	08:45	NZ	Manufacturing activity	QII	q%ch	-2.6	~	~
	09:30	AU	Ai-Group PCI	Aug	Index	51.6	~	~
	09:50	JN	Official reserve assets	Aug	¥bn	1,264.8	~	~
	11:30	AU	GDP	QII	q%ch y%ch	1.1 3.1	~ ~	0.2-0.5 3-3.3
	15:00	JN	Leading index CI	Jul P	Index	99.2	~	~
	15:00	JN	Coincident index	Jul P	Index	111.1	~	~
	16:30	AU	Foreign reserves	Aug	$bn	66.0	~	~
Thu 8 Sep	~	CH	Trade balance	Aug	CNY bn	52.3	~	~
	~	CH	Exports	Aug	y%ch	-4.4	~	~
	~	CH	Imports	Aug	y%ch	-12.5	~	~
	~	CH	Exports CNY	Aug	y%ch	2.9	~	~
	~	CH	Imports CNY	Aug	y%ch	-5.7	~	~
	~	CH	Trade Balance CNY	Aug	CNY bn	342.8	~	~
	~	JN	Eco watchers survey current	Aug	Index	45.1	~	~
	~	JN	Eco watchers survey outlook	Aug	Index	47.1	~	~
	08:55	AU	RBA's Lowe introductory remarks at Sydney Conference					
	09:12	CH	Foreign direct investment CNY	Aug	y%ch	-1.6	~	~
	09:50	JN	BoP current account balance	Jul	¥bn	974.4	~	~
	09:50	JN	BoP current account adjusted	Jul	¥bn	1,648.4	~	~

	09:50	JN	Trade balance BoP basis	Jul	¥bn	763.6	~	~
	09:50	JN	GDP	QII F	q%ch	0.0	~	~
	09:50	JN	GDP annualized	QII F	q%ch	0.2	~	~
	09:50	JN	GDP nominal	QII F	q%ch	0.2	~	~
	09:50	JN	GDP deflator	QII F	y%ch	0.8	~	~
	09:50	JN	GDP private consumption	QII F	q%ch	0.2	~	~
	09:50	JN	GDP business spending	QII F	q%ch	-0.4	~	~
	09:50	JN	Japan buying foreign bonds	Sep	¥bn	105.7	~	~
	09:50	JN	Japan buying foreign stocks	Sep	¥bn	333.5	~	~
	09:50	JN	Foreign buying Japan bonds	Sep	¥bn	268.7	~	~
	09:50	JN	Foreign buying Japan stocks	Sep	¥bn	-6.8	~	~
	09:50	JN	Bank lending incl. trusts	Aug	y%ch	2.1	~	~
	09:50	JN	Bank lending ex-trusts	Aug	y%ch	2.1	~	~
	11:30	AU	Trade balance	Jul	$bn	-3.2	~	-2.1
	12:00	JN	Tokyo average office vacancies	Aug	~	3.9	~	~
	14:30	JN	Bankruptcies	Aug	y%ch	-9.5	~	~
	14:30	JN	BOJ Nakaso makes a speech at ACCJ in Tokyo					
Fri 9 Sep	08:45	NZ	Card spending retail	Aug	m%ch	0.3	~	~
	08:45	NZ	Card spending total	Aug	m%ch	0.4	~	~
	09:50	JN	Money stock M2	Aug	y%ch	3.3	~	~
	09:50	JN	Money stock M3	Aug	y%ch	2.9	~	~
	11:30	CH	CPI	Aug	y%ch	1.8	~	~
	11:30	CH	PPI	Aug	y%ch	-1.7	~	~
	11:30	AU	No of owner-occupier	Jul	m%ch	1.2	~	2.0
	11:30	AU	Investment lending	Jul	%	3.2	~	~
	11:30	AU	Value of total lending	Jul	m%ch	2.3	~	1.5
	14:30	JN	Tertiary industry index	Jul	m%ch	0.8	~	~
Sat 10 Sep	09:13	IN	Local car sales	Aug	~	177,604	~	~
	09:14	NZ	REINZ house sales	Aug	y%ch	-10.1	~	~
	09:15	IN	Trade balance	Aug	RMB mn	-7,761.4	~	~
	09:15	IN	Imports	Aug	y%ch	-19.0	~	~
	09:15	IN	Exports	Aug	y%ch	-6.8	~	~
	09:15	CH	Aggregate financing	Aug	CNY bn	487.9	~	~
	09:15	CH	New Yuan loans	Aug	CNY bn	463.6	~	~
	09:15	CH	Money supply M2	Aug	y%ch	10.2	~	~
	09:15	CH	Money supply M1	Aug	y%ch	25.4	~	~
	09:15	CH	Money supply M0	Aug	y%ch	7.2	~	~

*P = Preliminary

Calendar – North America & Europe

Date	Time AEST	Eco	Event	Period	Unit	Last	Forecast Market	Forecast CBA
Mon 5 Sep	08:55	GE	Markit Germany services PMI	Aug F	Index	53.3	~	~
	08:55	GE	Markit/BME Germany composite PMI	Aug F	Index	54.4	~	~
	09:00	SZ	Total sight deposits	Sep	CHF bn	515.6	~	~
	09:00	SZ	Domestic sight deposits	Sep	CHF bn	438.1	~	~
	09:00	EC	Markit Eurozone services PMI	Aug F	Index	53.1	~	~
	09:00	EC	Markit Eurozone composite PMI	Aug F	Index	53.3	~	~
	09:30	UK	Official Reserves changes	Aug	£mn	219.0	~	~
	09:30	UK	Markit/CIPS UK services PMI	Aug	Index	47.4	~	~
	09:30	UK	Markit/CIPS UK composite PMI	Aug	Index	47.5	~	~
	09:30	EC	Sentix Investor confidence	Sep	~	4.2	~	~
	10:00	EC	Retail sales	Jul	m%ch	0.0	~	~
					y%ch	1.6	~	~
	14:50	UK	Bank of England bond-buying operation results					
Tue 6 Sep	00:01	UK	BRC sales like-for-like	Aug	y%ch	1.1	~	~
	06:45	SZ	GDP	QII	q%ch	0.1	~	~
					y%ch	0.7	~	~
	07:00	GE	Factory orders	Jul	m%ch	-0.4	~	~
					y%ch	-3.1	~	~
	08:15	SZ	CPI	Aug	m%ch	-0.4	~	~
					y%ch	-0.2	~	~
	08:15	SZ	CPI EU harmonized	Aug	m%ch	-0.1	~	~
					y%ch	-0.5	~	~
	08:30	GE	Markit Germany construction PMI	Aug	Index	51.6	~	~
	09:00	UK	New car registrations	Aug	y%ch	0.1	~	~
	09:10	GE	Markit Germany retail PMI	Aug	Index	52.0	~	~
	09:10	EC	Markit Eurozone retail PMI	Aug	Index	48.9	~	~
	10:00	EC	GDP	QII F	q%ch	0.3	~	~
					y%ch	1.6	~	~
	10:00	EC	Gross Fix Cap QoQ	QII	q%ch	0.8	~	~
	10:00	EC	Govt Expend QoQ	QII	q%ch	0.4	~	~
	10:00	EC	Household Cons QoQ	QII	q%ch	0.6	~	~
	10:40	UK	BOE Indexed Long-Term Repo Operation Results					
	14:45	US	Markit US Services PMI	Aug F	Index	50.9	~	~
	14:45	US	Markit US Composite PMI	Aug F	Index	51.5	~	~
	14:50	UK	Bank of England Bond-Buying Operation Results					
	15:00	CA	Bloomberg Nanos Confidence	Sep	Index	59.3	~	~
	15:00	US	Labor Market Conditions Index Change	Aug	~	1	~	~
	15:00	US	ISM Non-Manf. Composite	Aug	Index	55.5	55.5	~
	15:00	US	IBD/TIPP Economic Optimism	Sep	Index	48.4	~	~
	17:15	SZ	SNB's Jordan Speaks in Lucerne					
Wed 7 Sep	00:01	UK	BRC Shop Price Index YoY	Aug	y%ch	-1.6	~	~
	02:15	US	Fed's Williams Speaks on Outlook in Reno, Nevada					
	07:00	GE	Industrial production	Jul	m%ch	0.8	~	~
					y%ch	0.5	~	~
	08:00	SZ	Foreign currency reserves	Aug	CHF bn	615.4	~	~
	08:30	UK	Halifax house prices	Aug	m%ch	-1.0	~	~
	08:30	UK	Halifax house price 3mths/year	Aug	%	8.4	~	~
	09:30	UK	Industrial Production MoM	Jul	m%ch	0.1	~	~
					y%ch	1.6	~	~

	09:30	UK	Manufacturing Production MoM	Jul	m%ch	-0.3	~	~
					y%ch	0.9	~	~
	10:15	EC	BOE's Cunliffe on Panel at Bruegel Think Tank in Brussels					
	12:00	US	MBA mortgage applications	Sep	%	2.8	~	~
	14:15	UK	BOE's Carney, Cunliffe, Forbes, McCafferty speak in London					
	14:50	UK	Bank of England bond-buying operation results					
	15:00	CA	Bank of Canada rate decision	Sep	%	0.5	0.5	~
	15:00	UK	NIESR GDP estimate	Aug	%	0.3	~	~
	15:00	CA	Ivey Purchasing Managers	Aug	Index	57.0	~	~
	15:00	US	JOLTS job openings	Jul	~	5,624	~	~
	19:00	US	U.S. Federal Reserve releases Beige Book					
Thu 8 Sep	00:01	UK	RICS house price balance	Aug	%	5.0	~	~
	07:00	GE	Labor Costs	QII	q%ch	1.7	~	~
					y%ch	3.1	~	~
	12:45	EC	ECB main refinancing rate	Sep	%	0.0	~	~
	12:45	EC	ECB deposit facility rate	Sep	%	-0.4	~	~
	12:45	EC	ECB marginal lending facility	Sep	%	0.3	~	~
	12:45	EC	ECB asset purchase target	Sep	€bn	EU80	~	~
	13:30	CA	New housing price index	Jul	m%ch	0.1	~	~
	13:30	CA	Capacity utilization rate	QII	%	81.4	~	~
	13:30	CA	New housing price index	Jul	y%ch	2.5	~	~
	13:30	US	Initial jobless and continuing claims	Sep	~	~	~	~
	13:30	CA	Building permits	Jul	m%ch	-5.5	~	~
	17:05	CA	Bank of Canada's Tim Lane Presentation in Thunder Bay					
	20:00	US	Consumer credit	Jul	$bn	12.3	15.2	~
Fri 9 Sep	06:45	SZ	Unemployment rate	Aug	%	3.3	~	~
	07:00	GE	Trade balance	Jul	€bn	24.7	~	~
	07:00	GE	Current account balance	Jul	€bn	26.3	~	~
	07:00	GE	Exports	Jul	m%ch	0.2	~	~
	07:00	GE	Imports	Jul	m%ch	1.1	~	~
	07:00	UK	Riksbank Deputy Governor Floden in London					
	08:00	EC	Euro-Area Finance Chiefs, Central Bankers meet in Bratislava					
	09:10	EC	EU Finance Chiefs, Central Bankers in Bratislava Sept. 9-10					
	09:30	UK	Visible trade balance	Jul	£mn	-£12,409	~	~
	09:30	UK	Trade balance non EU	Jul	£mn	-£4,159	~	~
	09:30	UK	Trade balance	Jul	£mn	-£5,084	~	~
	09:30	UK	Construction output	Jul	m%ch	-0.9	~	~
					y%ch	-2.2	~	~
	09:30	UK	BoE/TNS inflation next 12 months	Aug	%	2.0	~	~
	12:45	US	Fed's Rosengren to deliver Economic Forecast in Boston					
	13:15	CA	Housing starts	Aug	000	195.0	~	~
	13:30	CA	Unemployment rate	Aug	%	6.9	~	~
	13:30	CA	Net change in employment	Aug	000	-31.2	~	~
	13:30	CA	Full time employment change	Aug	~	-71.4	~	~
	13:30	CA	Part time employment change	Aug	~	40.2	~	~
	13:30	CA	Participation rate	Aug	~	65.4	~	~
	15:00	US	Wholesale inventories	Jul F	m%ch	0.0	0.1	~
	15:00	US	Wholesale trade sales	Jul	m%ch	1.9	~	~
Sat 10 Sep	08:00	EC	EU-28 Finance Chiefs, Central Bankers Meet in Bratislava					

Key Events To Watch

Australasia, China and Japan

Date	Country	Data/event	CBA (f)	Comment
5 Sept	AU	Company Profits, QII Inventories	0% 0.1%pts	We expect a flat outcome for company profits following a 4.7% decline last quarter. Higher commodity prices means that mining profits are likely to be less of a drag.
6 Sept	AU	Balance of payments, QII, $bn	-20.4	We expect a slight improvement in the balance of payments in the QII. However net exports are likely to make a small detraction from growth as resource exports volumes are likely to be soft following a very strong QI outcome.
6 Sept	AU	RBA Interest Rate Decision	1.5%	We expect the cash rate to remain unchanged at this meeting. With the economy growing at a moderate pace the RBA has time to wait and assess the impacts of the August rate cut on the inflation outlook.
6 Sept	NZ	GlobalDairyTrade auction, whole milk powder, % change	7-9%	Overnight Tuesday, the latest GlobalDairyTrade auction takes place. We expect another strong result on top of the price surge over August. Current futures pricing suggests a whole milk powder price rise in the 7% to 9% range. We expect global dairy prices to maintain or lift modestly further over the remainder of 2016, reflecting the tightening in global dairy supply.
7 Sept	AU	GDP, QII, q%ch, y%ch	0.3-0.5% 3.0-3.3%	GDP should expand by a relatively soft 0.2-0.5% in QII. While strong dwelling construction has boosted growth, a downturn in business investment is weighing. Nonetheless the annual growth rate of 3-3.3% should remain above its long term average.
7 Sept	CH	Foreign Reserves (USD)	3,192bn	The strengthening of USD against other currencies resulted in a negative valuation effect on China's FX reserves.
7 Sept	NZ	Manufacturing Survey, sales volumes ex-meat & dairy, QII	-	We expect manufacturing production growth continued at a robust pace in Q2, with the manufacturing PMI continuing to hold up at expansionary levels.
8 Sept	AU	Trade Balance, July, $bn	-2.1	The trade balance should narrow this month to $2.1bn. Higher commodity prices in the month should lift exports while a lift in the Australian dollar should see imports fall.
8 September	CH	Trade balance (USD)	54bn	China's current account surplus has been rebounding since mid-2014.
8 September	CH	Exports (y/y)	-5%	Demand for China's exports moderated according to the PMI survey.
8 September	CH	Imports (y/y)	-3%	Recovering commodity prices are supportive of China's import growth.
9 Sept	AU	Housing Finance, July No of owner-occupiers, m%ch Value of loans, m%ch	 2.0% 1.5%	Housing finance approvals for owner-occupiers remain at a high level. However approvals for investors are down almost 20% from their peak. We expect a rise in the number and value of loans as the May rate cut continues to boost the housing market.

9 September	CH	CPI (y/y)	1.6%	Pork and vegetable prices fell considerably in August.
9 September	CH	PPI (y/y)	-0.7%	Higher commodity prices continue to ease industrial product deflation.

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International

Date	Country	Data/Event	CBA (f)	Comment
5 Sep	UK	Services PMI, Aug, Index	~	The UK services PMI plunged to 47.4 in the wake of the EU referendum outcome, its lowest level since early 2009. Following the sharp lift in the UK manufacturing PMI in August, a rebound in the services PMI is also anticipated. The combination of a lower GBP, BoE policy easing and more positive market reaction should see sentiment in the services industry recover in the month.
8 Sep	EZ	ECB, % & EUR bn per mth	-0.4 / 0.0 & 80bn/mth	Our base case is for the ECB to keep its policy settings unchanged in September. However, there is always a risk under a Draghi-led ECB for a surprise. At the very least, the ECB should reinforce its dovish rhetoric. After factoring in the negative effect from Brexit in the baseline, the ECB is likely to modestly downgrade its longer-term growth and inflation forecasts. When combined with the lack of pick in core Eurozone inflation, lower inflation expectations, and potential scarcity issues regarding the pool of bonds available for purchase, some tweaks to the current policy mix are expected in time.
7 Sep	CA	Bank of Canada meeting, %	0.50	We expect the BoC to keep its policy rate on hold at 0.50% despite the sharp contraction in Canada's Q2 GDP. Excluding the damage from the wildfires, Canada's Q2 GDP grew 0.4% saar (or 0.1% QoQ). Also, the BoC is increasingly concerned about rising Canadian house prices and record high household debt to disposable income.
9 Sep	CA	Employment, monthly chg, '000	~	Employment conditions in August will remain soft. All the jobs created so far this year have been part-time and there is still plenty of slack left in the labour market. The long-term unemployment rate and the percentage of involuntary part-time workers are still elevated.
8 Sep	US	Fed Beige Book	~	In July, the Fed Beige Book indicated that "economic activity continued to expand at a moderate pace" and "wage pressures remained modest to moderate in most Districts". It will be interesting to see if the upcoming Beige Book upgrades or downgrades its wage pressures description.
6 Sep	US	ISM non-manufacturing ISM, Aug	~	The ISM non-manufacturing PMI should remain well above the 50 threshold consistent with expansion because the US economy is near full employment.
5 Sep	UK	Services PMI, Aug, Index	~	The UK services PMI plunged to 47.4 in the wake of the EU referendum outcome, its lowest level since early 2009. Following the sharp lift in the UK manufacturing PMI in August, a rebound in the services PMI is also anticipated. The combination of a lower GBP, BoE policy easing and more positive market reaction should see sentiment in the services industry recover in the month.

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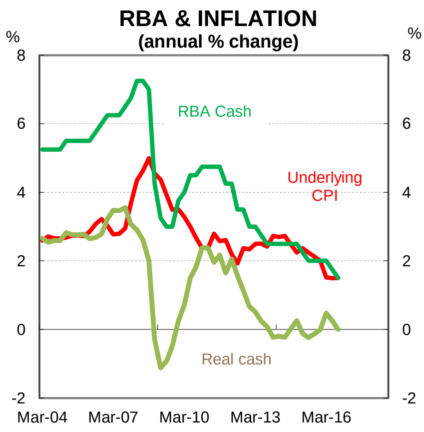
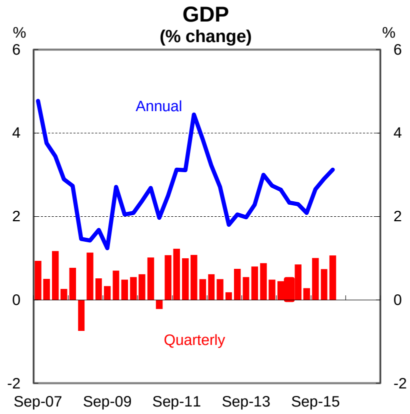
The Week Ahead in Charts

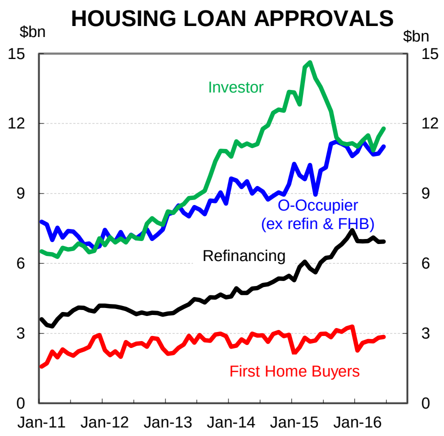
With inflation declining the RBA has had to cut the cash rate to keep real interest rates close to zero.



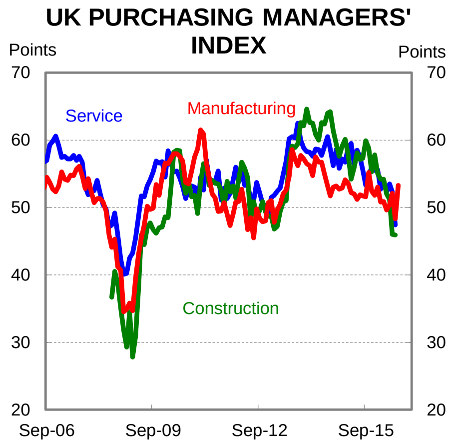
While the quarterly outcome will be relatively soft the annual rate of growth should remain above its long term trend.



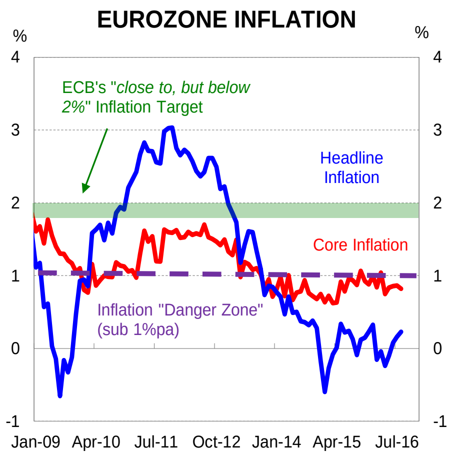
The housing finance data shows that lower mortgage rates do stimulate the economy with the May rate cut helping to lift lending by 2.3% in June.



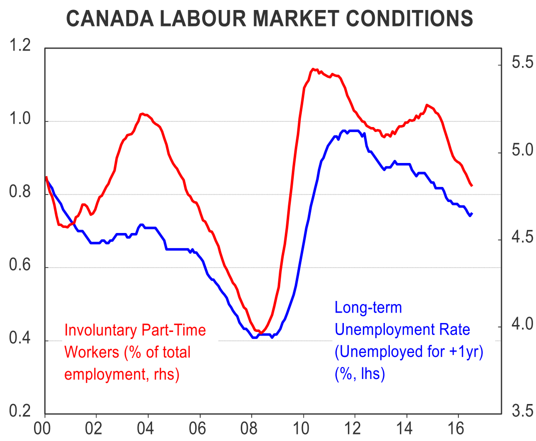
The combination of a lower GBP, BoE policy easing and more positive market reaction should see sentiment in the services industry recover in the month.



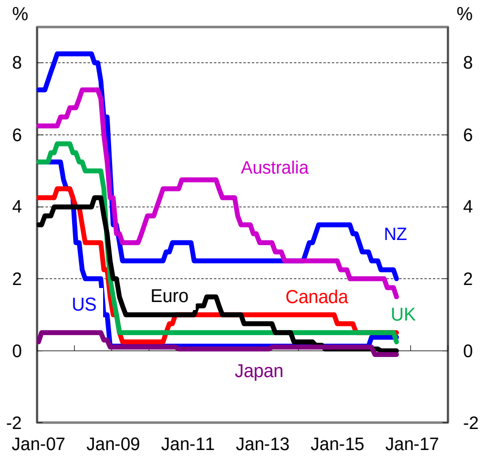
Our base case is for the ECB to keep its policy settings unchanged in September. However, there is always a risk under a Draghi-led ECB for a surprise tweak to the policy mix.



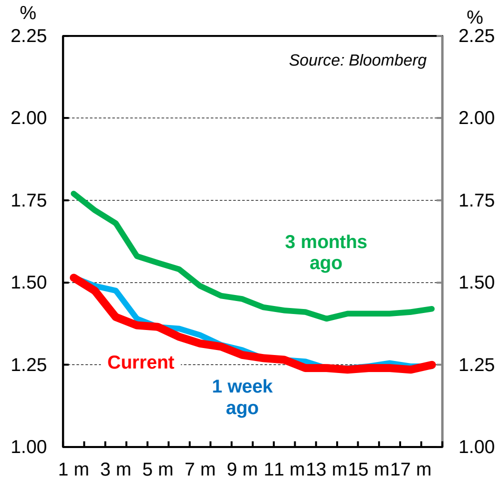
Canadian August employment conditions will remain soft. All the jobs created so far this year have been part-time and there is still plenty of slack left in the labour market.



OFFICIAL INTEREST RATES



OIS CASH RATE PRICING



Country	Last Move	Next Meeting and Forecast	Jun'16	Sep'16	Dec'16	Mar'17	CBA View
Australia (RBA)	25bpt cut to 1.50% on 2 August 2016.	6 September 2016	1.75%	1.50%	1.25%	1.25%	The RBA cut rates in May and August. We expect another cut in November.
US (FOMC)	25 bpt rate rise to 0.25-0.50 in December 2015.	20-21 September 2016	0.50%	0.50%	0.75%	0.75%	We favour a rate hike in December 2016. Full employment and 2% GDP growth support a rate rise.
Eurozone (ECB)	10bpt cut to 0.05% on 4 September 2014.	8 September 2016	0.00%	0.00%	0.00%	0.00%	The ECB shifted to a zero refin rate and more negative Deposit Facility on 10 March. Further monetary policy easing is likely due to downside growth risks.
UK (MPC)	25bpt cut to 0.25% on 4 August 2009.	15 September 2016	0.50%	0.25%	0.25%	0.25%	Following Brexit, the BoE eased policy in August. Further easing via another small rate cut or more QE looks probable.
NZ (RBNZ)	25bpt cut on 11 August to 2.00%.	22 September 2016	2.25%	2.00%	2.00%	2.00%	Overall, we forecast one more 25bps RBNZ rate cut in November 2016.
Canada (BoC)	25bpt cut to 0.5% on 15 July 2015.	8 September 2016	0.50%	0.50%	0.50%	0.50%	The risk is that the BoC cuts rates again.
Japan (BoJ)	On 29 January 2016, the BoJ introduced a three tier interest rate framework, including a -0.1% policy rate.	20-21 September 2016	-0.1%	-0.3%	-0.3%	-0.3%	We expect the Bank of Japan to cut its policy rate further and increase its purchases of JGB's (and monetary base target) this year.
China (PBoC)	Benchmark 1yr Loan Rate – 25bps cut to 4.35% on 23 October 2015.	Benchmark 1 Year Deposit Rate and RRR	4.35%	4.10%	3.85%	3.85%	We expect one more RRR rate cut by PBoC in 2016 to support market liquidity.
	Required Reserve Ratio – 50bpt cut to 16.5% 29 February 2016.		16.50%	16.00%	15.50	15.50	

CBA Forecasts – Economic

	Fiscal Years						Calendar Years						
	2012/13 (a)	2013/14 (a)	2014/15 (a)	2015/16 (f)	2016/17 (f)	2017/18 (f)	2011 (a)	2012 (a)	2013 (a)	2014 (a)	2015 (a)	2016 (f)	2017 (f)
Economic Activity													
Private final demand	**1.9**	**1.6**	**1.1**	**0.6**	**1.1**	**2.2**	**5.5**	**4.4**	**1.3**	**1.4**	**0.9**	**0.5**	**1.7**
Of which: Household spending	1.6	2.6	2.7	3.0	2.9	3.0	3.2	2.3	1.7	2.8	2.8	3.0	3.0
Dwelling investment	-1.8	5.1	8.1	8.9	3.3	1.2	-0.4	-6.7	2.0	7.4	9.8	5.9	1.9
Business investment	3.9	-3.7	-6.6	-11.9	-8.1	-1.3	19.1	16.2	-1.4	-5.1	-9.3	-11.5	-4.7
Public final demand	**0.5**	**0.4**	**-0.1**	**2.1**	**1.8**	**1.9**	**0.3**	**3.5**	**-1.5**	**0.0**	**1.8**	**2.1**	**1.7**
Domestic final demand	**1.6**	**1.3**	**0.8**	**0.9**	**1.3**	**2.1**	**4.2**	**4.2**	**0.6**	**1.1**	**1.1**	**0.9**	**1.7**
Inventories (contrib to GDP)	-0.1	-0.3	0.2	0.0	0.1	0.0	0.4	0.0	-0.4	0.1	0.0	0.1	0.0
GNE	**1.5**	**1.1**	**1.0**	**0.9**	**1.3**	**2.1**	**4.7**	**4.1**	**0.3**	**1.2**	**1.0**	**1.0**	**1.7**
Exports	5.6	5.8	6.5	7.5	8.6	9.0	0.1	5.8	5.9	6.7	5.9	8.7	9.1
Imports	0.6	-1.8	0.1	-0.4	0.6	4.6	11.1	6.1	-1.8	-1.6	1.5	-0.9	2.4
Net exports (contrib to GDP)	*0.9*	*1.6*	*1.3*	*1.7*	*1.8*	*0.0*	*-2.3*	*-0.2*	*1.6*	*1.7*	*1.0*	*2.1*	*1.6*
GDP	**2.4**	**2.5**	**2.3**	**3.0**	**3.1**	**3.3**	**2.7**	**3.5**	**2.0**	**2.7**	**2.5**	**3.1**	**3.3**
Prices & Incomes													
CPI	**2.3**	**2.7**	**1.7**	**1.4**	**1.6**	**2.1**	**3.3**	**1.8**	**2.4**	**2.5**	**1.5**	**1.2**	**2.0**
Underlying CPI	2.4	2.6	2.3	1.8	1.9	2.1	2.6	2.2	2.5	2.5	2.2	1.6	2.1
WPI	**3.3**	**2.6**	**2.4**	**2.1**	**2.0**	**2.7**	**3.7**	**3.6**	**2.9**	**2.5**	**2.2**	**1.9**	**2.4**
Nominal GDP	2.3	4.0	1.6	2.5	3.6	4.9	7.2	3.3	3.3	2.9	1.8	3.0	4.3
Real h/hold disposable income	0.5	2.2	1.8	1.8	2.3	2.7	4.6	1.8	1.6	2.0	1.6	2.1	2.5
Labour Market													
Employment	1.2	0.5	1.2	2.2	1.8	2.0	1.7	1.2	0.9	0.7	1.9	1.9	2.0
Unemployment rate	5.4	5.8	6.2	5.9	5.8	5.5	5.1	5.2	5.7	6.1	6.1	5.8	5.6
External Accounts													
Current Account: $bn	**-59.4**	**-51.3**	**-59.6**	**-81.2**	**-68.4**	**-60.0**	**-43.0**	**-64.1**	**-53.0**	**-48.2**	**-77.9**	**-74.5**	**-63.3**
% of GDP	*-3.9*	*-3.2*	*-3.7*	*-4.9*	*-4.0*	*-3.3*	*-3.0*	*-4.3*	*-3.4*	*-3.0*	*-4.8*	*-4.4*	*-3.6*

CBA Forecasts – Financial

		Interest Rates					Exchange Rates				
End Period		Cash Rate	90-day Bank Bill	180-day Bank Bill	3-year Bond	10-year Bond	USD versus AUD	JPY	EUR	GBP	NZD
Dec-10		4.75	5.04	5.23	5.30	5.55	1.02	81.1	1.34	1.56	0.78
Mar-11		4.75	4.93	5.01	5.07	5.49	1.03	83.1	1.42	1.60	0.76
Jun-11		4.75	5.03	5.07	4.78	5.21	1.07	80.6	1.45	1.61	0.83
Sep-11		4.75	4.92	4.68	3.61	4.22	0.97	77.1	1.34	1.56	0.76
Dec-11		4.25	4.48	4.43	3.07	3.67	1.02	76.9	1.30	1.55	0.78
Mar-12		4.25	4.34	4.33	3.45	3.98	1.03	82.9	1.33	1.60	0.82
Jun-12		3.50	3.49	3.44	2.39	3.04	1.02	79.8	1.27	1.57	0.80
Sep-12		3.50	3.37	3.32	2.35	2.99	1.04	78.0	1.29	1.62	0.83
Dec-12		3.00	3.07	3.01	2.67	3.27	1.04	86.8	1.32	1.63	0.83
Mar-13		3.00	3.10	3.12	2.86	3.41	1.04	94.2	1.28	1.52	0.84
Jun-13		2.75	2.82	2.84	2.78	3.76	0.91	99.1	1.30	1.52	0.77
Sep-13		2.50	2.60	2.59	2.86	3.81	0.93	98.3	1.35	1.62	0.83
Dec-13		2.50	2.64	2.66	3.00	4.24	0.89	105.3	1.37	1.66	0.82
Mar-14		2.50	2.70	2.73	3.05	4.08	0.93	103.2	1.38	1.67	0.87
Jun-14		2.50	2.71	2.72	2.69	3.54	0.94	104.0	1.37	1.71	0.88
Sep-14		2.50	2.74	2.78	2.74	3.48	0.94	105.0	1.28	1.63	0.85
Dec-14		2.50	2.77	2.83	2.10	2.74	0.82	119.5	1.22	1.56	0.78
Mar-15		2.25	2.23	2.22	1.66	2.32	0.77	120.1	1.07	1.48	0.75
Jun-15		2.00	2.15	2.26	2.08	3.01	0.77	122.5	1.11	1.57	0.68
Sep-15		2.00	2.18	2.26	1.78	2.61	0.70	119.9	1.12	1.51	0.64
Dec-15		2.00	2.10	2.20	2.04	2.88	0.73	120.2	1.09	1.47	0.68
Mar-16		2.00	2.10	2.20	1.88	2.49	0.75	120.2	1.09	1.47	0.68
Jun-16		1.75	1.85	1.95	1.50	2.20	0.74	103.2	1.11	1.33	0.71
Sep-16	Forecast	1.50	1.60	1.70	1.30	2.20	0.72	104.0	1.09	1.30	0.67
Dec-16		1.25	1.35	1.45	1.35	2.30	0.73	106.0	1.10	1.26	0.68
Mar-17		1.25	1.35	1.45	1.40	2.30	0.74	108.0	1.12	1.22	0.69
Jun-17		1.25	1.35	1.45	1.45	2.40	0.75	110.0	1.15	1.20	0.70
Sep-17		1.25	1.35	1.45	1.50	2.50	0.75	113.0	1.17	1.19	0.72
Dec-17		1.25	1.35	1.45	1.50	2.60	0.77	116.0	1.19	1.18	0.73

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