

Fortnightly Economic Update

2 September 2022

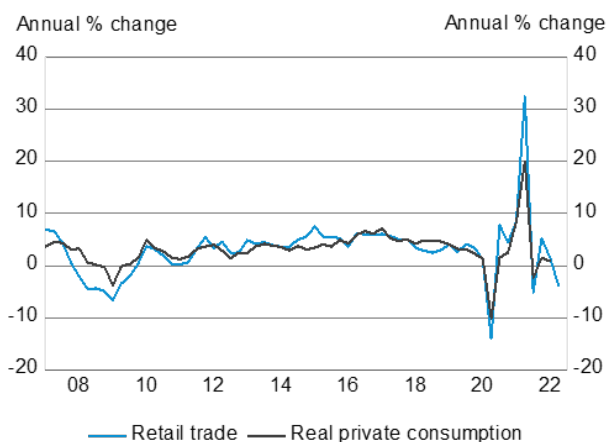
- Retail sales activity continued to slide and the gloomy outlook points to further weakness
- The goods terms of trade declined as import price pressures remained intense
- Central banks focus on fighting inflation as global activity continues to weaken
- Our Special Topic looks at the key drivers of the widening current account deficit

Retail sales activity continued to slide in the June quarter and businesses remained gloomy about the outlook in August, highlighting the headwinds confronting the economy on many fronts. However, labour demand remains resilient, and the terms of trade remain high despite falling, providing some offset to the impact of high inflation on household income and business profits. Globally, further signs of easing activity were evident across the world's major economies.

Consumer spending fell in the June quarter...

Retail sales volumes fell 2.3% in the June quarter as the anticipated rebound from the Omicron disrupted March quarter fell short of the market's expectation for a 1.7% rise. The fall in activity was broad-based, with 12 of the 17 industry groups declining on the previous quarter. There was some evidence of a recovery in services, with accommodation, and food and beverage activity up 10.6% and 3.3%, respectively. The recovery in international visitor arrivals likely contributed to this rise, although it was not enough to offset the decline in overall sales.

Figure 1: Retail trade volumes and real private consumption spending



Source: Stats NZ

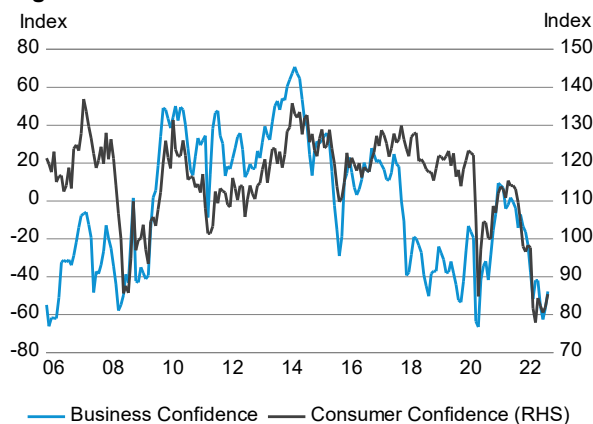
This retail trade downturn points to sluggish private consumption in the quarter, with the caveat that the correlation has been weak recently (Figure 1). Nevertheless, analysts downgraded their expectations of June quarter GDP growth. Over the remainder of the year, retail spending is expected to remain subdued as households remain under pressure from high inflation, rising interest rates and falling house prices.

However, labour demand remains solid providing a buffer for household incomes. ANZBO employment intentions rose slightly further into positive territory in August while filled jobs increased 0.5% in July from a month ago according to Stats NZ's employment indicators release.

...and weak sentiment points to further falls ahead

The ANZ Business Outlook survey for August showed business confidence and activity improved for the second month in a row, albeit from very low levels. While expected activity is improving across most industries, the retail sector is increasingly pessimistic. Indicators of inflation pressures remain intense and show only weak signs of easing over coming months. Retail and construction firms are the sectors most keen to raise prices in coming months in the face of higher wages and other costs.

Figure 2: Business and consumer confidence



Source: Stats NZ, ANZ

Consumer confidence lifted slightly but remained firmly in negative territory in August's ANZ-Roy Morgan NZ Consumer Confidence survey (Figure 2).

Building consents hold up, but likely temporary

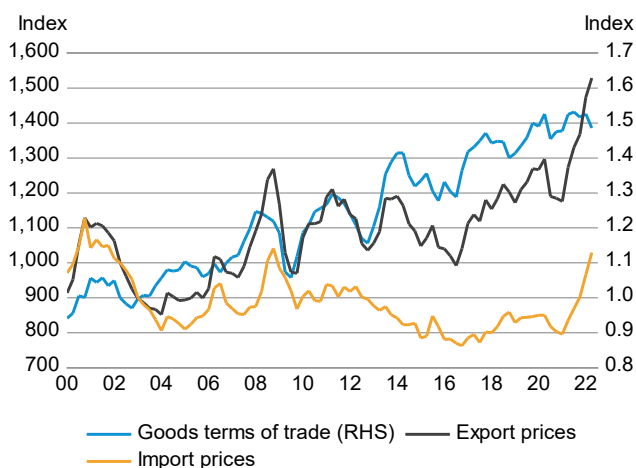
Residential building consents held up in July, however with no underlying changes in the market this is likely to be temporary. Residential dwelling consent issuance rose 5% in July, however nearly all this increase came from multi-unit dwellings (the likes of townhouses and apartments) which tend to be lumpy. ANZ's Business Outlook residential construction indicator, a useful leading indicator of building consents, remained at a near-record low in August. Although consents are easing, there is a considerable pipeline of activity to be completed, which we expect to sustain activity throughout the remainder of 2022. Alongside shortages of labour and materials, and as indicated by the ANZBO, cost pressures are likely to remain intense.

The terms of trade fell in the June quarter...

The goods terms of trade fell 2.4% in the June quarter as import prices surged 6.5% while export prices lifted 3.7% (Figure 3). Higher fuel prices in the fallout of the war in Ukraine caused petroleum import prices to rise 42% in quarter. Import price pressures are broad-based as strong global inflation and supply constraints persist. Whilst the level remains high, the terms of trade are expected to continue to ease over the remainder of the year as weaker global demand pulls down NZ commodity prices, and strong global inflation and energy supply shortages keep import prices elevated.

Export volumes bounced back from the Omicron-disrupted March quarter, up 3.0%. The recovery was broad-based with most commodities increasing. Dairy volumes were an exception, showing weakness, down 5.8% as poor weather impacted production, while meat volumes bounced back strongly, up 8.1% in the quarter. Import volumes declined 0.9% in the June quarter, although underlying this consumption and capital goods both lifted strongly indicating that domestic demand remains robust.

Figure 3: Goods Terms of Trade



Source: Stats NZ

Meanwhile, travel services exports lifted 83% in the June quarter, as the reopening of the border supported the resumption of international tourism flows. The sharp recovery in international tourism will provide a key support to the economy in the coming quarters.

Global activity continues to weaken...

Economic activity appears to be slowing across the major advanced economies as higher energy prices and tighter monetary policy bite. Spiralling European gas prices are weighing on activity in Europe and supporting monetary policy tightening expectations. US developments were more mixed, amid Powell's hawkish message from Jackson Hole. Activity is also slowing in China, prompting the government to provide further support.

The "flash" prints of the S&P Developed Markets Purchasing Managers Indexes (PMIs) continued to weaken in August. The composite print, which weights services and manufacturing by share of activity, fell 2.7pts, to 45.0. Both components are the lowest since the COVID-19 lock-downs in early 2020. The weakness was broad-based across regions, although the euro area declined a bit less than anticipated whereas both the US and Japan disappointed. The US services PMI dropped 3 pts to 44, contrasting with the solid July services readings of 56 in more widely followed ISM survey. The August ISM manufacturing PMI was steady at 52, as new orders and employment both lifted back into expansionary territory.

...as Fed focuses on price stability

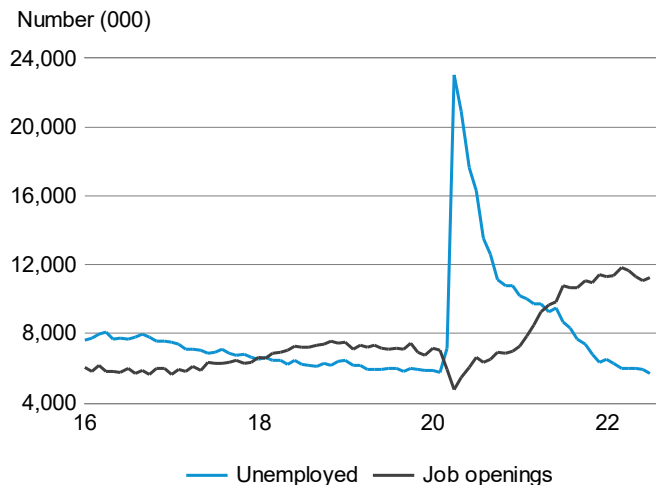
US Federal Reserve Chairman Jay Powell's much-anticipated opening address at Jackson Hole made the case for interest rates to rise further and to remain at restrictive levels for some time. Powell focused on the Fed's commitment to bringing inflation down to 2 percent, noting that this will take some time and will bring "some pain to households and businesses" but, "a failure to restore price stability would mean far greater pain". This message led to 'risk-off' moves in global financial markets: the S&P 500 stock price index fell 3.3% on the day and has continued to fall this week, and the USD index strengthened. The NZD fell 1.4% to a 2-year low of US\$0.61.

The impact of the Russia/Ukraine conflict on the global outlook was among the themes discussed at the Jackson Hole gathering of central bankers. Some speakers expressed the view that, alongside the pandemic, the war may signal a turning point for the global economy and many of the economic relationships that have driven global growth in recent decades such as globalisation and a plentiful supply of labour. The implications for New Zealand are explored in a recent Treasury paper ["Long-term consequence of the Russia-Ukraine War – a tipping point?"](#).

The job openings and labour turnover survey (JOLTS) data for July showed vacancies increased to nearly twice the number of available unemployed workers, showing that the labour market remains tight (Figure 4). US

consumer confidence for August also surprised to the upside with lower gasoline prices and the strong labour market likely contributing to the rise. The combination of a strong labour market and the lift in confidence reinforced market expectations that the Fed was likely to raise rates by 75bps at next month's meeting.

Figure 4: Job openings and unemployment



Source: Haver

Europe's challenges mount...

The eurozone composite PMI dropped slightly into contractionary territory in August, from 49.9 to 49, led by Germany and France. Eurozone inflation came in at 9.1% in August, but may rise to over 10% this October. In coming months energy supply constraints could dent activity and continue to add to inflationary woes as winter approaches. Analysts expect the economy to contract in both the December quarter this year and the March quarter next year, before returning to very soft growth thereafter.

This means a challenging task ahead for the European Central Bank (ECB)— an impending recession coupled with double digit inflation. Markets expect at least another 100bps of rate rises this year, including at least 50bp next month.

ECB President von der Leyen said that the EU is working on an emergency intervention and full reform of the electricity market that would break the link between electricity prices and soaring gas prices. Meanwhile Shell's Chief Executive warned that Europe may need to ration access to energy for several years as the crisis is expected to last more than one winter.

Policy support increases in China...

China will play a key role in determining where the global expansion is heading. For the current quarter a significant reopening bounce is already evident in activity readings, but the latest data also point to a potential sharp loss of momentum as we head into the December quarter. China's manufacturing PMI rose somewhat in August following a sharp drop in July but remained in contractionary territory. However, the non-manufacturing

PMI continued to trend lower, down 1.2pts reflecting intensifying weakness in the property sector and softness in service-sector activity related to ongoing COVID-related fears.

This week several of China's largest cities including Shenzhen, Dalian and Chengdu imposed tougher COVID-19 restrictions. A recent report by Citibank estimates that cities affected by COVID-restrictions account for over 30% of GDP.

On the heels of last week's monetary policy easing, the State Council announced a new round of stimulus measures to support central government infrastructure projects, local government bond issuance, and energy sector investments to ensure stable power supply. They also instructed local governments to adopt city-specific measures to support housing demand. Despite this week's new stimulus package, along with the easing measures in June and July, analysts continue to see growth risks as skewed towards a substantial slowing next quarter.

Asia outlook weakens...

Elsewhere in Asia, policy was tightened. The Bank of Korea raised its policy rate 25bps while Bank Indonesia surprised analysts with a 25bps rise to begin its tightening cycle. Analysts pointed to an imminent hike in subsidized energy prices as the trigger for the rise in Indonesia.

Signs of weakening global demand have also started to appear in the trade and production data for Asia. Japan's flash manufacturing new export orders PMI fell 1.8-pts to 47.0 in August and follows declines in exports orders for Taiwan and Korea.

Australian retail sales resilient...

In Australia headline retail sales rose 1.3% in the month of July, with increases across all categories except household-goods retailing, which is sensitive to housing-market developments. On the latter, the value of residential construction completed fell 6.8% in the June quarter compared to the previous quarter, dwelling approvals fell over 17% in July compared to June and house prices fell 1.6% in August, to be 4% below their peak.

Overall, the resilience in household spending led local commentators to strengthen their conviction in a 50 basis point rise in the cash rate by the Reserve Bank of Australia at its 6 September meeting.

Coming Up:

Date	Release
9 Sep	Electronic card transactions (Aug)
12 Sep	Food and rental price indexes (Aug)
14 Sep	Balance of payments and NIIP (Jun qtr)
15 Sep	GDP (Jun qtr)

Special Topic: The current account and New Zealand's external balances

The New Zealand economy has been through a tumultuous period across the pandemic, and this is apparent in the GDP data, which has seen record quarterly changes. The balance of payments have also experienced some sharp swings and this Special Topic outlines some of these impacts.

The current account...

The current account of the balance of payments records whether the value of NZ's exports of goods and services is greater or less than the value of imports of goods and services. The current account also records whether the income earned from overseas assets, such as interest and dividends, exceeds or falls short of the income paid to foreign owners of NZ assets. When the current account is in deficit it means that some portion of national spending is being financed by foreign funds or capital inflows as measured by the financial account balance. In turn, these capital inflows add to the stock of liabilities recorded in New Zealand's net international investment position (NIIP).

The current account can also be expressed as the difference between national saving (both public and private) and investment. When the current account is in deficit, national saving falls short of investment and foreign capital inflows are required to make up the shortfall. This view is consistent with the role of the current account in smoothing consumption spending over time. This means that current borrowing from overseas can be met by higher future income, at which time the borrowing is repaid. We look at the impact of government and private sector spending and saving decisions on the current account balance.

The current account is not the only factor driving the NIIP, capital gains and losses on both assets and liabilities also have an important role to play. In this Special Topic we focus on the impacts of the pandemic on the current account and show how capital gains have helped to limit the impact on the NIIP.

...narrowed over the past decade...

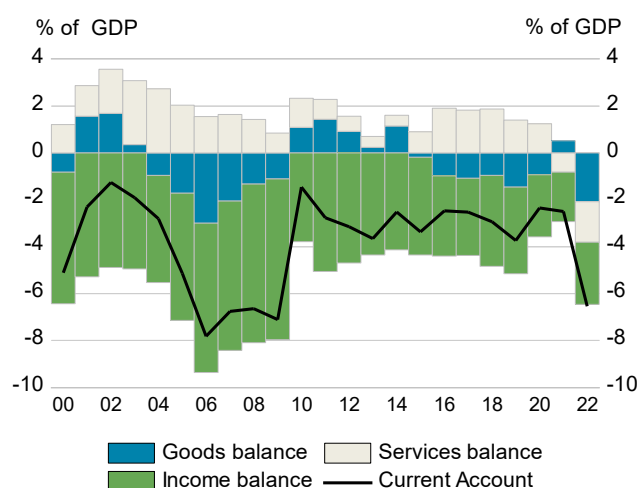
Measured on an annual basis, New Zealand's current account has been continuously in deficit since 1973, mostly attributable to deficits in the balance of income. Foreign capital is used to finance the difference between saving and investment. By the mid-2000's the accumulated deficits resulted in New Zealand's net foreign liability position reaching almost 85% of GDP. This was very high by international standards and led to fears that foreigners might be unwilling to continue to finance current account deficits, resulting in a sharp and disruptive adjustment.¹

Ultimately, the global financial crisis (GFC) of 2007/08 was the trigger for a sharp and sustained correction in the current account deficit and in the net liability position. In the decade following the GFC the deficit had averaged less than 3% of GDP, well below the average of over 4% in the preceding four decades, and the net liability position declined to 55% of GDP.

...but has widened during the pandemic

The widening deficit is a result of a confluence of factors, most notably the reversal of the services balance from surplus to deficit as New Zealand's international border closed in response to COVID-19. In addition, deficits in both the goods and income balances have widened (Figure 1).

Figure 1: Annual current account balance



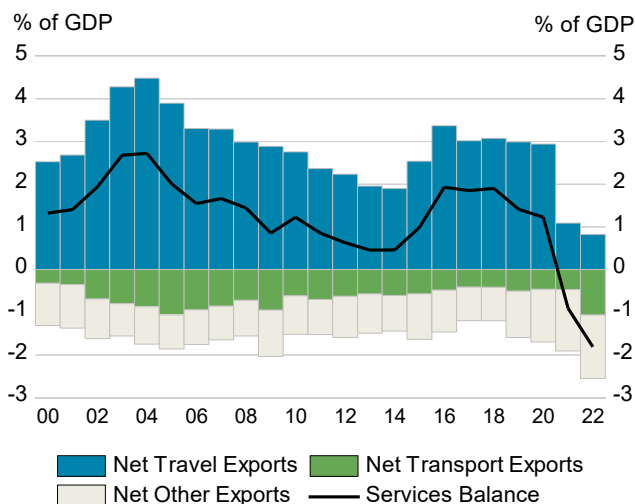
Source: Stats NZ

Border restrictions stopped international tourism...

Restrictions on people movements across the border led to a halt in international travel that has driven a reversal in the balance on services from a \$4 billion (1.2% of GDP) surplus in the year ending March 2020 to a \$6 billion (1.8% of GDP) deficit in the year ending March 2022 (Figure 2). Travel restrictions have not been the only driver of the deterioration; global supply-chain disruption has contributed to a surge in the price of transporting goods, while domestic demand for online services has increased as the pandemic changed spending behaviour. Net spending on other imports, especially software and online streaming services, has increased by around \$1.5 billion per year compared to pre-pandemic levels.

¹ See for example Sebastian Edwards "External Imbalances in New Zealand" in [Testing stabilisation policy limits in a small open economy - Reserve Bank of New Zealand - Te Pūtea Matua \(rbnz.govt.nz\)](#)

Figure 2: Annual services balance

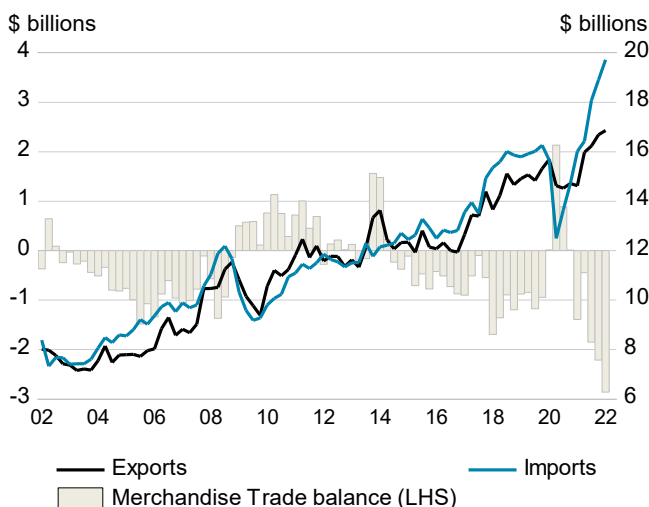


Source: Stats NZ

...while demand switched toward goods...

The goods deficit has also deteriorated across the pandemic as public health restrictions and behavioural changes led to a switch in spending away from services and towards goods. This switch was reinforced by stimulatory monetary and fiscal policies. Globally, the impact of disruption to goods and services production, including from the Russia-Ukraine conflict, combined with policy stimulus has led to a rapid rise in prices. Following a slump in imports in the June 2020 quarter when pandemic restrictions in New Zealand and many other countries were at their peak, the result has been a surge in import values (Figure 3). New Zealand's export prices also benefited from the boost to goods demand and the terms of trade rose to record highs. However, disruptions to supply in New Zealand have limited the rise in export values and the goods trade deficit, according to the most recent overseas merchandise trade data, rose to a record \$11.4 billion in the year to July 2022.

Figure 3: Quarterly goods balance

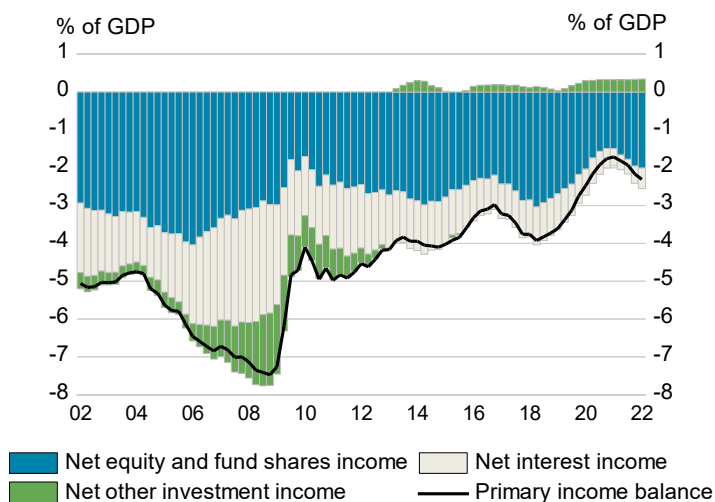


Source: Stats NZ

...and New Zealand firms returned profits to overseas investors

In the period since the GFC, reduced external borrowing and declining global interest rates have reduced debt-servicing costs. This helped to drive the income deficit to a trough of 1.6% of GDP in early 2020 from over 7% in 2009 (Figure 4). However, the income deficit has subsequently increased, to 2.2% of GDP, as dividend payments by New Zealand businesses to overseas investors has increased.

Figure 4: Annual primary income balance



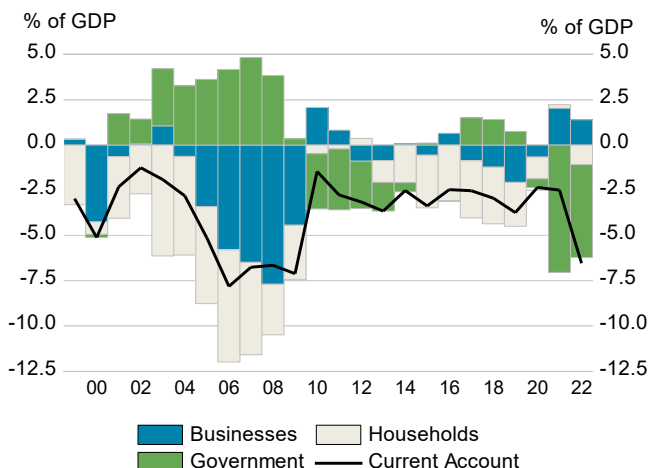
Source: Stats NZ

The widening deficit reflects policy support during the pandemic...

The current account can also be viewed as the difference between national savings and investment, where a deficit indicates the requirement for external borrowing to make up the shortfall in national savings. This view also reflects the consumption smoothing role that current account deficits can play. For instance, if a country is struck by a shock—such as the current pandemic or a natural disaster—that temporarily depresses its ability to access productive capacity, rather than take the full brunt of the shock immediately, the country can spread out the pain over time by running a current account deficit.

During the pandemic the Government has acted to smooth household and business income by significantly increasing borrowing. In addition, monetary policy stimulus has lowered the cost of borrowing for households and businesses. Early in the pandemic this support, combined with restrictions that limited the ability to spend, contributed to a rise in household and business saving (Figure 5). Coupled with a slowdown in investment, the current account deficit narrowed. Subsequently, as the worst effects of the pandemic have subsided, private sector saving has fallen and investment has picked up, leading to a wider current account deficit.

Figure 5: Sectoral contributions to current account



Source: Stats NZ

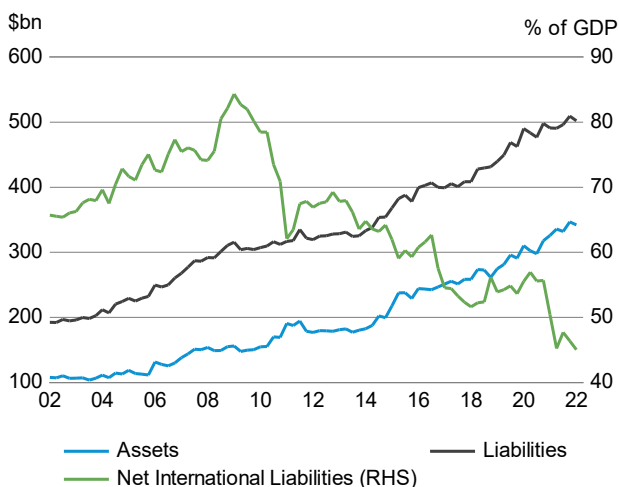
[1] Institutional sector data for March 2022 and March 2021 years are provisional from the experimental quarterly income GDP accounts and may not sum to the current account

Over the medium-term, we expect the deficit to return towards pre-pandemic levels. The Government's fiscal position is expected to improve as pandemic related spending is withdrawn and tighter monetary policy is expected to slow growth in private sector investment and encourage increased private saving.

New Zealand's net liability position has improved

The capital inflows associated with current account deficits are recorded in the financial account. New Zealand's long history of deficits is reflected in the net liability position (Figure 6). However, the net position is also affected by changes in the underlying value of assets and liabilities, that is, by capital gains and losses. These capital gains have become more significant as the stock of assets and liabilities has grown.

Figure 6: Net international investment position



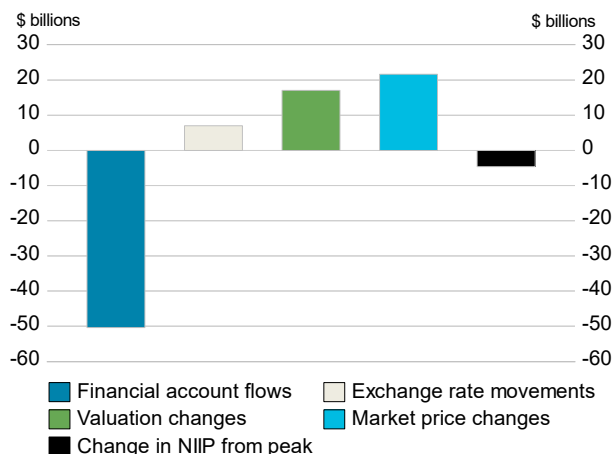
Source: Stats NZ

New Zealand's net international liabilities have fallen significantly since the GFC...

Figure 7 shows how these capital gains have almost fully offset the cumulative value of current account deficits since 2009. Since the peak in New Zealand's net international liability position, the financial account - the sum of the current and capital accounts - has contributed roughly \$50 billion to net international liabilities. Net capital gains arising from the exchange rate, market prices and valuation changes have almost fully offset the impacts of capital inflows on the value of net liabilities. In addition, GDP growth across the period explains most of the lower NIIP to GDP ratio.

NZ's improved net liability position has allayed many of the concerns about sustainability that were to the fore prior to the GFC. Despite the increase in public debt during the pandemic, New Zealand's international credit ratings were upgraded by S&P in February 2021, reflecting confidence in the economy's ability to weather external shocks.

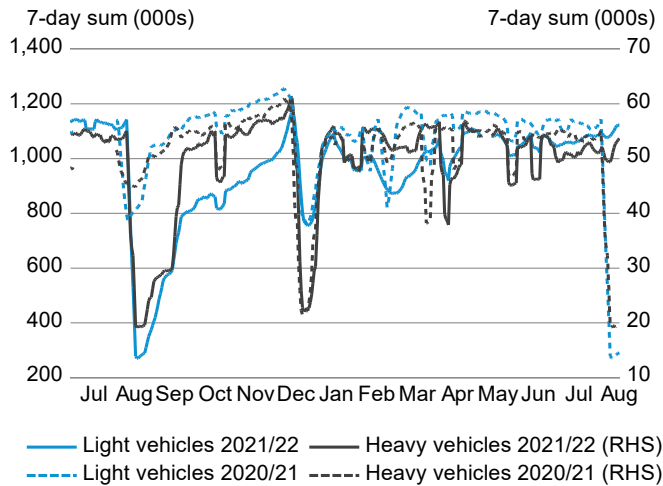
Figure 7: Changes to the NIIP since March 2009



Source: Stats NZ

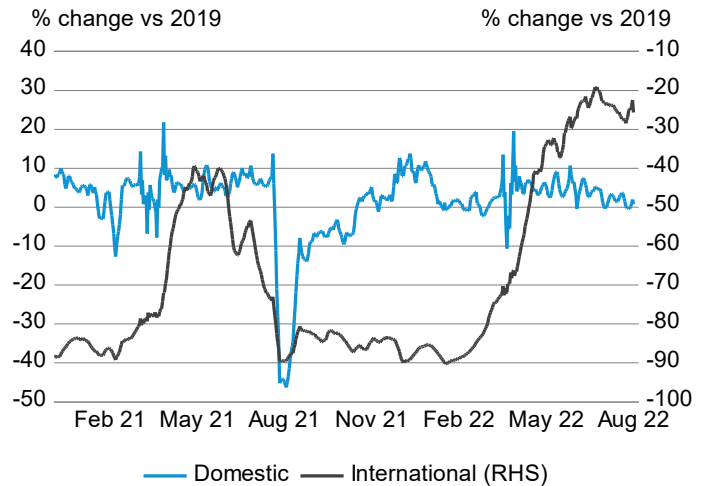
High-Frequency Indicators

Traffic and Freight Movement



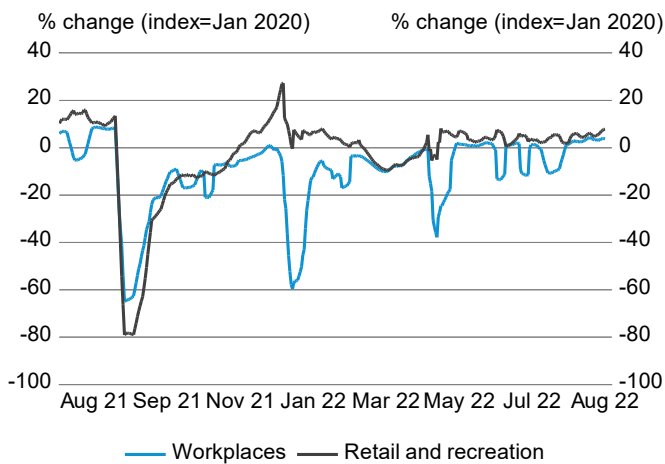
Source: Waka Kotahi NZ Transport Agency

Card Spending



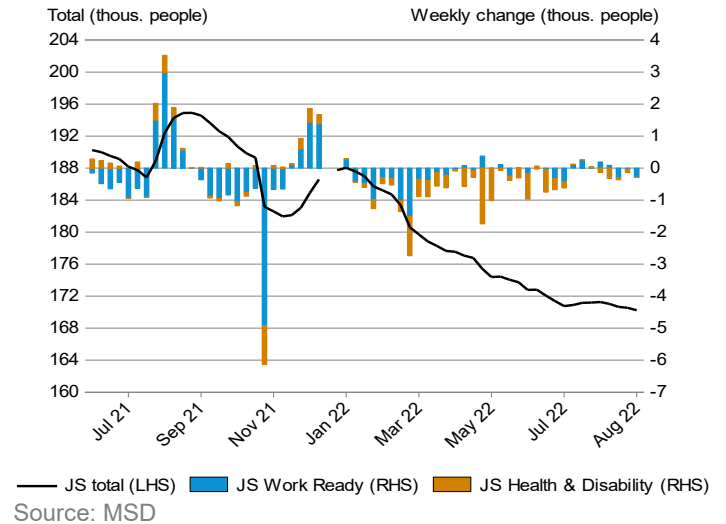
Source: Marketview data via MBIE

People Movements at Selected Locations



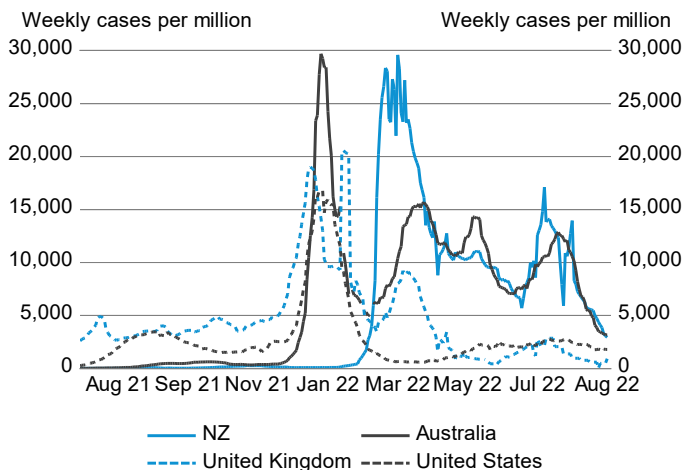
Source: Google/Haver

Jobseeker (JS) and Income Support Receipts



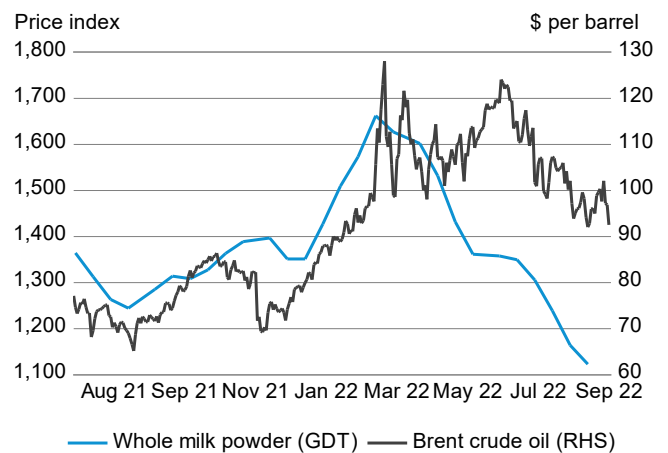
Source: MSD

COVID-19 Cases Per Million People



Source: John Hopkins University/Haver

World Commodity Prices



Source: Haver

Tables

Quarterly Indicators		2021Q1	2021Q2	2021Q3	2021Q4	2022Q1	2022Q2
Real Production GDP (1)	qpc	1.7	2.4	-3.8	3.0	-0.2	...
	aapc	-1.4	5.2	4.9	5.6	5.1	...
Current account balance (annual)	%GDP	-2.5	-3.3	-4.6	-5.8	-6.5	...
Merchandise terms of trade	apc	-0.9	-0.1	5.2	2.8	3.3	...
CPI inflation	qpc	0.8	1.3	2.2	1.4	1.8	1.7
	apc	1.5	3.3	4.9	5.9	6.9	7.3
Employment (HLFS) (1)	qpc	0.6	1.1	1.7	-0.1	-0.0	0.0
Unemployment rate (1)	%	4.6	3.9	3.3	3.2	3.2	3.3
Participation rate (1)	%	70.4	70.5	71.2	71.0	70.9	70.8
LCI salary & wage rates - total (2)	apc	1.6	2.1	2.4	2.6	3.0	3.4
QES average hourly earnings - total (2)	apc	4.0	4.0	3.5	3.8	4.8	6.4
Core retail sales volume	apc	5.3	30.0	-3.2	5.1	3.2	-1.8
Total retail sales volume	apc	6.6	33.1	-5.1	4.4	2.3	-3.7
WMM - consumer confidence (3)	Index	105.2	107.1	102.7	99.1	92.1	78.7
QSBO - general business situation (1,4)	net%	-7.1	9.3	-11.4	-36.6	-34.0	-61.6
QSBO - own activity outlook (1,4)	net%	4.6	30.4	8.8	6.7	5.3	-10.5

Monthly Indicators		Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22
Merchandise trade balance (12 month)	NZ\$m	-9,319.7	-9247.6	-9588.4	-10935.4	-11640.5	...
Dwelling consents - residential	apc	25.6	-6.9	7.8	-6.5	-2.9	...
House sales - dwellings	apc	-31.9	-32.9	-25.5	-36.1	-36.7	...
REINZ - house price index	apc	9.0	6.2	3.8	0.8	-2.8	...
Estimated net migration (12 month total)	people	-13,692.0	-12729.0	-12533.0	-11480.0	...	...
ANZ NZ commodity price index	apc	20.9	17.5	16.5	14.5	14.2	...
ANZ world commodity price index	apc	18.0	13.2	6.2	4.8	4.3	...
ANZBO - business confidence	net%	-41.9	-42.0	-55.6	-62.6	-56.7	-47.8
ANZBO - activity outlook	net%	3.3	8.0	-4.7	-9.1	-8.7	-4.0
ANZ-Roy Morgan - consumer confidence	net%	77.9	84.4	82.3	80.5	81.9	85.4
NZAC	apc	1.7	...	...	...	...	...

Daily Indicators		Thu 25/8/22	Fri 26/8/22	Mon 29/8/22	Tue 30/8/22	Wed 31/8/22	Thu 1/9/22
NZ exchange and interest rates (5)							
NZD/USD	\$	0.6205	0.6200	0.6113	0.6144	0.6132	0.6096
NZD/AUD	\$	0.8944	0.8910	0.8916	0.8922	0.8936	0.8951
Trade weighted index (TWI)	index	71.14	71.06	70.61	70.86	70.75	70.47
Official cash rate (OCR)	%	3.00	3.00	3.00	3.00	3.00	3.00
90 day bank bill rate	%	3.42	3.44	3.46	3.47	3.47	3.47
10 year govt bond rate	%	3.86	3.86	3.89	3.97	3.98	4.06
Share markets (6)							
Dow Jones	index	33,292	32283	32099	31791	31510	31656
S&P 500	index	4,199	4058	4031	3986	3955	3967
VIX volatility index	index	21.8	25.6	26.2	26.2	25.9	25.6
AU all ords	index	7,292	7346	7193	7230	7226	7080
NZX 50	index	11,627	11608	11507	11649	11601	11610
US interest rates							
3 month OIS	%	2.33	2.33	2.33	2.33	2.33	...
3 month Libor	%	3.04	3.07	...	3.08	3.10	...
10 year govt bond rate	%	3.03	3.04	3.12	3.11	3.15	3.26
Commodity prices (6)							
WTI oil	US\$/barrel	92.52	93.63	97.40	92.08	89.55	...
Gold	US\$/ounce	1,753.55	1751.25	...	1730.30	1715.90	...
CRB Futures	index	589.66	593.39	592.87	588.00	585.01	...

(1) Seasonally adjusted
(2) Ordinary time, all sectors
(3) Westpac McDermott Miller

(4) Quarterly Survey of Business Opinion
(5) Reserve Bank (11am)
(6) Daily close

Data in italic font are provisional
... Not available

Country	Indicator		Jan 22	Feb 22	Mar 22	2022Q1	Apr 22	May 22	Jun 22	2022Q2	Jul 22	Aug 22
United States	GDP (1)	qpc				-0.4				-0.1		
	Industrial production (1)	mpc	0.4	0.7	0.7		0.7	-0.1	0.0		0.6	...
	CPI	apc	7.5	7.9	8.5		8.3	8.6	9.1		8.5	...
	Unemployment rate (1)	%	4.0	3.8	3.6		3.6	3.6	3.6		3.5	...
	Employment change (1)	000s	504.0	714.0	398.0		368.0	386.0	398.0		528.0	...
	Retail sales value	apc	13.7	17.7	7.1		7.8	8.7	8.5		10.3	...
	House prices (2)	apc	19.0	20.3	21.2		21.3	20.5	18.6		...	...
	PMI manufacturing (1)	index	57.6	58.6	57.1		55.4	56.1	53.0		52.8	52.8
	Consumer confidence (1)(3)	index	111.1	105.7	107.6		108.6	103.2	98.4		95.3	103.2
Japan	GDP (1)	qpc				0.0				0.5		
	Industrial production (1)	mpc	-2.4	2.0	0.3		-1.5	-7.5	9.2		1.0	...
	CPI	apc	0.5	0.9	1.2		2.5	2.5	2.3		2.6	...
	Unemployment rate (1)	%	2.8	2.7	2.6		2.5	2.6	2.6		2.6	...
	Retail sales value	apc	1.1	-0.9	0.7		3.1	3.7	1.5		2.4	...
	PMI manufacturing (1)	index	55.4	52.7	54.1		53.5	53.3	52.7		52.1	51.5
	Consumer confidence (1)(4)	index	36.6	35.1	32.5		32.0	33.1	32.3		30.1	32.0
Euro area	GDP (1)	qpc				0.5				0.6		
	Industrial production (1)	mpc	-0.9	0.5	-1.7		0.5	2.1	0.7		...	...
	CPI	apc	5.1	5.9	7.4		7.4	8.1	8.6		8.9	...
	Unemployment rate (1)	%	6.9	6.8	6.8		6.7	6.7	6.7		6.6	...
	Retail sales volume	apc	8.5	5.1	1.9		4.2	0.4	-3.7		...	...
	PMI manufacturing (1)	index	58.7	58.2	56.5		55.5	54.6	52.1		49.8	49.6
	Consumer confidence (5)	index	-9.7	-9.6	-21.7		-22.1	-21.2	-23.7		-27.0	-24.9
United Kingdom	GDP (1)	qpc				0.8				-0.1		
	Industrial production (1)	mpc	0.9	-0.5	0.3		-0.1	1.3	-0.9		...	...
	CPI	apc	4.9	5.5	6.2		7.8	7.9	8.2		8.8	...
	Unemployment rate (1)	%	4.0	3.8	3.7		3.8	3.8	3.8		...	...
	Retail sales volume	apc	9.5	7.5	2.0		-5.7	-4.9	-6.1		-3.3	...
	House prices (6)	apc	11.2	12.6	14.3		12.1	11.2	10.7		11.0	10.0
	PMI manufacturing (1)	index	57.3	58.0	55.2		55.8	54.6	52.8		52.1	47.3
	Consumer confidence (1)(5)	net %	-19.0	-26.0	-31.0		-38.0	-40.0	-41.0		-41.0	-44.0
Australia	GDP (1)	qpc				0.8				...		
	CPI	apc				5.1				6.1		
	Unemployment rate (1)	%	4.2	4.0	3.9		3.9	3.9	3.5		3.4	...
	Retail sales value	apc	5.8	9.1	8.2		11.1	10.2	12.2		15.8	...
	House Prices (7)	apc				...				...
	PMI manufacturing (1)	index	48.4	53.2	55.7		58.5	52.4	54.0		52.5	49.3
	Consumer confidence (8)	index	102.2	100.8	96.6		95.8	90.4	86.4		83.8	81.2
China	GDP	apc				4.8				0.4		
	Industrial production	apc	7.5	7.5	5.0		-2.9	0.7	3.9		3.8	...
	CPI	apc	0.9	0.9	1.5		2.1	2.1	2.5		2.7	...
	PMI manufacturing (1)	index	50.1	50.2	49.5		47.4	49.6	50.2		49.0	49.4
South Korea	GDP (1)	qpc				0.6				0.7		
	Industrial production (1)	mpc	0.4	0.3	1.2		-3.2	0.3	1.7		-1.3	...
	CPI	apc	3.6	3.7	4.1		4.8	5.4	6.0		6.3	...

(1) Seasonally adjusted

(2) Case-Shiller Home Price Index 20 city

(3) The Conference Board Consumer Confidence Index

(4) Cabinet Office Japan

(5) European Commission

(6) Nationwide House Price Index

(7) Australian Bureau of Statistics

(8) Melbourne/Westpac Consumer Sentiment Index