TE TAI ŌHANGA
THE TREASURY

Fortnightly Economic Update

28 October 2022

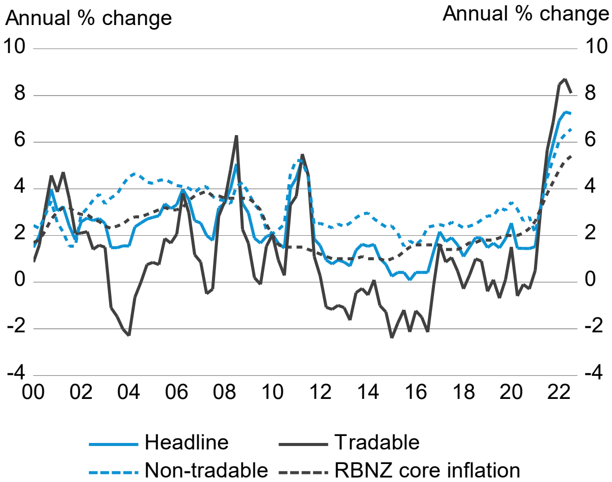
- **Inflation continued to rise rapidly in the September quarter**
- **Price pressures are off their peaks, but remain intense**
- **Global interest rates rise further on positive inflation surprises**
- **Labour shortages, immigration and profitability were the key issues raised by firms in our recent business talks. Our Special Topic gives a summary.**

The strength of domestic and global inflation pressures continued to surprise analysts. This strength led to further increases in interest rates, raising the risk that a contraction in activity will be required to bring inflation under control. In New Zealand, indicators of inflationary pressure are showing some signs of easing but they remain well above their norms. Outside the housing market, there are few signs that higher interest rates are significantly slowing activity. Consistent with these themes, our recent business talks highlighted cost pressures and labour shortages as key challenges. Next week's labour market data will be closely watched for signs of softening demand conditions.

Positive inflation surprise…

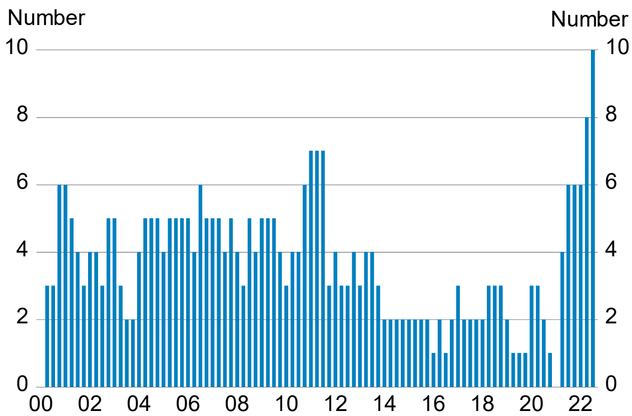
CPI inflation in the September quarter was markedly stronger than expected, rising 2.2% in the quarter and 7.2% in the year (Figure 1). Food, and housing and utilities were the largest contributors, accounting for almost two-thirds of the quarterly rise but the strength in inflation was broad-based: 10 out of 11 groups recorded annual inflation above 3% (Figure 2).

Figure 1: Inflation components and core



Annual tradables inflation was 8.1%, down from 8.7% in the previous quarter, but the third consecutive print above 8%. Non-tradables inflation rose to 6.6%, the highest since records began in 1990. This component of inflation is most within the control of the Reserve Bank (RBNZ), and its strength highlights the challenge in returning inflation to its required range. Reinforcing this message, the RBNZ's measures of core inflation, which strip out the most volatile price movements, both rose to 5.4%, well above previous highs.

Figure 2: CPI groups above annual growth of 3%



…increases risk of more monetary tightening

The surprisingly strong inflation outturn caused upward revisions to expectations of how much higher the RBNZ would need to lift its policy interest rate to meet its inflation objective. Financial market pricing of the Official Cash Rate peak rose to around 5.25%, much higher than the 4.1% peak the Reserve Bank assumed in August. These increases have flowed through to wholesale markets, where the 2-year swap rate is over 5.0%. In retail markets, some of the major banks moved their fixed rates up: the cheapest – the special 1-year fixed loan – is now 5.99%, up from about 3.2% this time a year ago.

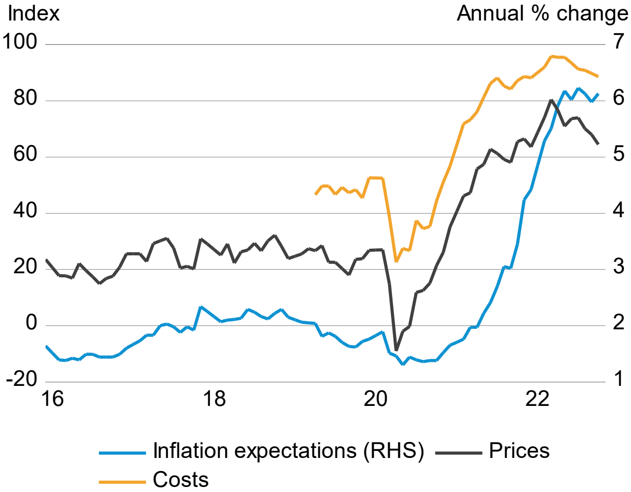
Prepared by the Treasury and released at https://treasury.govt.nz/publications/research-and-commentary/weekly-economic-updates

Some analysts expect most fixed rates will be around 7.0% to 7.5% next year.

Business confidence remains weak

October's ANZ Business Outlook continued to highlight the now familiar themes of very weak headline confidence, subdued expectations of businesses' own trading activity, relatively resilient employment intentions and intense inflation pressures. The latter measures are off their highs, but with 90% of firms expecting costs to rise in the next few months and 65% intending to raise selling prices, they remain exceptionally high (Figure 3). Despite higher interest rates, firms' expectations of inflation in one year's time remain around 6%.

Figure 3: ANZ Business Outlook inflation indicators



Source: ANZ

Consumer confidence also remained at a low ebb, with the ANZ-Roy Morgan index unchanged at 85 in October.

Exports rebound

Exports rose strongly in the September quarter, up 9.4%, underpinned by a 37% gain in dairy following pandemic-related disruption earlier in the year. However, recent declines in world dairy prices, alongside weak production, points to a subdued export outlook. Imports posted their largest gain since September last year, up 6.5% in the quarter, with broad based gains across the major components reflecting, in part, higher prices. Growth in consumer goods imports slowed, suggestive of cooling household demand, but capital goods imports rose strongly, pointing to resilient business demand.

The rebound in exports saw the annual trade deficit narrow for the first time since February. Given the subdued outlook for exports, a weakening in import demand will be required to sustain the direction of travel in the trade balance. We expect this narrowing to gather pace over the year ahead as higher interest rates weigh on import demand.

Global rates rise further

Positive inflation surprises in the UK, Canada, NZ and Australia followed the unexpectedly strong US print earlier in the month, sending global interest rates higher. In the UK, inflation returned to a double-digit annual pace in September and was slightly higher than expected at 10.1%, with the core CPI up 6.9%. In Canada, the annual rate was 6.9% and the average of core measures was 5.3%, while Australian inflation rose to 7.3%, with the core measure up to 6.1%.

In the US, federal fund futures rose to almost 5% in early 2023, up over 50bps this month. However, the direction of travel has reversed in recent days as sentiment increasingly favours the view that central banks will dial back the pace of rate hikes. Following the Reserve Bank of Australia's decision to step down to a 25bps hike earlier this month, an article from a journalist well-connected to the US Fed sparked speculation that the pace of rate hikes there would be pared back to 50bps in December following a 75bps rise in November. Reinforcing this shift, the Bank of Canada surprised analysts with a 50bps hike to 3.75%, where 75bps was expected. In the UK, Rishi Sunak's appointment as PM is expected to pave the way for further fiscal tightening measures, taking pressure off monetary policy. In the euro area, the central bank raised rates 75bps to 1.5% as expected and softened its forward guidance, suggesting less likelihood of further aggressive rate hikes. Nonetheless, as Table 1 shows, central bank policy rates are expected to rise substantially.

Table 1: Monetary policy expectations – financial market pricing (27 October)

	Current policy rate (%)	Expected policy rate (%, end of period)		
		Dec-22	Mar-23	Jun-23
NZ	3.5	4.2	4.9	5.4
Australia	2.6	3.1	3.6	4.0
US	3.1	4.4	4.9	4.8
UK	2.25	3.6	4.6	4.9
Euro area	0.75	2.0	2.5	2.7

Source: ANZ

Signs of slowing demand in the United States

Consistent with the theme of a slower pace of rate hikes, housing market data showed that higher mortgage rates have begun to affect activity. Both the FHFA and S&P CoreLogic Case-Shiller house price indexes declined for the second consecutive month in August, down 0.7% and 0.9% from the previous month respectively. New home sales also resumed their downward trend, falling 10.9% in September. Meanwhile, US consumer confidence decreased to 102.5 in October from 107.8 in September, according to the Conference Board's latest survey. Consumers' assessment of current conditions drove the fall pointing to a sluggish start to December quarter consumer spending.

US GDP bounced back in the September quarter from two quarters of contraction, rising 0.6% compared to the

June quarter. Net exports and private consumption spending drove the increase, the latter reflecting resilient services growth. Residential investment fell sharply, contributing to weak private domestic sales and slowing demand overall.

UK markets settle as fiscal stimulus plans are unwound

UK interest rates fell following the appointment of Rishi Sunak as the new PM and Chancellor Hunt's earlier reversal of all tax cuts previously announced as part of the September mini-budget for which parliamentary proceedings had not been initiated. The new leaders also announced the UK's Autumn Statement, with an OBR forecast, will be delayed until 17 November after it was initially brought forward to 31 October. The Financial Times reports that the government is exploring tax rises and spending cuts of up to GBP50bn (2% of GDP) per year to balance the budget. Bond yields are now back to levels close to those prior to the budget.

China's economy rebounds

China's GDP grew 3.9% in the September quarter compared to the previous quarter and was 3.9% higher than the same quarter a year ago. This followed a fall of 2.7% in the June quarter as Omicron caused severe disruptions. These disruptions continued to affect demand in the September quarter, most obviously in the retail and hospitality industries. In the monthly data for September, fixed asset investment in manufacturing and infrastructure rose strongly as did industrial production, which flowed through to a solid rise in exports. However, the property sector investment remained weak, down 12% from September last year. Overall, the economy continues to face strong headwinds from COVID-19 and the property sector, while the weaker external outlook is likely to limit export growth. On the positive side, the conclusion of the Party Congress is expected to result in a stronger focus on economic recovery.

The 20th National Congress of the Communist Party of China and first Plenum saw Xi Jinping appointed for a third term as Party General Secretary and the election of Party's central leadership. These appointments will be followed by changes in government administration to be announced next March. will be announced. The Congress mainly focused on the leadership reshuffle and amendments to the Party constitution. With leadership resolved, commentators expect a renewed focus on the short-term recovery and on new growth drivers such as technology and green development over the medium-term.

Australian inflation rises to 7.3%...

Annual CPI inflation rose to 7.3% in the September quarter from 6.1% in the June quarter. The quarterly rise of 1.8% was broad based and a little higher than analysts expected but in line with the Reserve Bank of Australia's (RBA) forecast that inflation will rise to 7.8% in the December quarter. Analysts attributed the surprise to food prices, up 3.2% in the quarter, reflecting the impact of recent floods. Housing inflation remained strong (up 3.2%), with electricity and gas prices rising sharply in the quarter (but moderated by government subsidies) and home building costs continuing to rise at pace.

Looking through the volatility, the trimmed mean rose 1.8% in the quarter to be 6.1% higher than a year ago, above analyst expectations of 5.5%, and the RBA forecast of 6.0%. This led some commentators to revise up their expectations of RBA tightening, bringing them more into line with market pricing, which anticipates a peak cash rate of over 4% by mid-2023 from 2.6% currently.

…as the new government delivers its first budget

The new Labor Government's first Budget avoided adding to the inflationary backdrop. The Treasurer forecast a fiscal deficit of 1.5% of GDP in 2022/23, well below the pre-election Budget's estimate of 3.4%, and little changed from the 2021/22 deficit of 1.4% of GDP (Table 2). Deficits are expected to increase thereafter, peaking at 2% of GDP in 2024/25 and continuing at around 1.8% over the medium-term. This drives the debt metrics higher, with net debt projected to rise to 32% of GDP by 2032/33, and the Treasurer emphasised the need for substantial budget repair in future budgets. There were no new major fiscal initiatives, and additional spending was restricted to 0.1% of GDP, implying no additional pressure on inflation in the short-term.

Table 2: Australian Budget aggregates

	Actual	Estimates				Projections
	2021 22	2022 23	2023 24	2024 25	2025 26	2032 33
Underlying cash balance $b	32.0	36.9	44.0	51.3	49.6	-
% of GDP	1.4	1.5	1.8	2.0	1.8	1.9
Gross debt (% of GDP)	39	37.3	40.8	42.5	43.1	46.9
Net debt (% of GDP)	22.5	23.0	25.8	27.4	28.5	31.9

Source: Australian Treasury

The Budget forecasts showed growth slowing to 1.5% in 2023/24 from 3.3% in the current fiscal year and unemployment rising to 4.5% in 2023/24. Inflation is expected to ease gradually from 5.8% in the June 2023 quarter to 3.5% and 2.5% in the June 2024 and 2025 quarters respectively.

Ahead of the Budget, September's labour market release showed the unemployment rate was steady at 3.5%, and that employment and participation were also steady.

Coming Up:

Date	Release
1 Nov	Building consents (Sep)
2 Nov	Labour market (Sept qtr)
8 Nov	RBNZ inflation expectations (Dec qtr)
9 Nov	Electronic Card Transactions (Oct)

Special Topic: Business talks

Between 31 August and 16 September 2022, officials from the Treasury met with a range of businesses and organisations to discuss the outlook for the economy.

In general businesses were cautiously optimistic about the medium-term outlook for the economy. However, uncertainty associated with the state of the global economy and various domestic constraints dampened the sense of optimism. The main pressure points included ongoing labour shortages, frustration with low immigration and a squeeze on profitability owing to rising costs. Many of the participants felt that widespread worker shortages represent the largest supply side constraint, and that this will have a significant impact on the post COVID economic recovery.

Demand is holding up relatively well across the economy

Businesses report that demand for goods and services is holding up relatively well throughout the economy, even after two consecutive years of strong growth in consumer spending and residential investment. During COVID debt was cheap and consumers were largely restricted to spending locally, resulting in strong sales including real estate. Although the cost of investment has increased, businesses indicated ongoing access to credit.

While businesses are optimistic about the state of the economy, most feel that demand growth over the medium term will flatten out. International tourism related sectors were the exception with the return of international tourists expected to drive a recovery. Additionally, strong wage growth over the past year will assist in maintaining consumer purchasing power.

…but consumers are more mindful of how they spend…

Businesses are noticing that consumers are starting to show signs of price sensitivity, while others are delaying decisions around business investment. This is consistent with consumer confidence surveys showing that less people think now is a good time to make a major purchase and weak confidence overall.

Construction activity showed signs of slowing in the June 2022 quarter (especially in the Auckland region) as interest rates rose quickly, but the recent stabilisation in mortgage rates will likely see some activity return to the market.

Although consumer confidence recovered after the initial COVID lock down, it is still not anywhere near pre-COVID levels. If anything, consumer confidence has worsened over the last 12 months.

The inflationary environment is not abating…

The impact of a sharp increase in fuel prices, coupled with high commodity prices as well as increasing labour costs is resulting in significant cost pressures for business. Firms anticipate that elevated fuel prices together with wage pressure will prolong the current high inflationary environment (even with interest rates increasing).

When demand was increasing, businesses found it relatively easy to pass on the full costs of higher input prices to consumers and other businesses. Businesses signalled that there are still considerable cost increases occurring that they will try and pass this on. However, this could change, as businesses are foreseeing a more competitive pricing environment to unfold in the coming months.

…and the need for skilled and unskilled labour remains high

With the borders closed to foreign workers for most of the past two years, the local labour market remains tight. Firms are finding it hard to fill most roles, resulting in significant wage increases to lure workers from competing firms and sectors. Firms are also seeing an increase in sick leave being used, resulting in additional pressure on already constrained human resources.

COVID disruptions and worker fatigue coupled with a tight labour market has resulted in some employees being asked to work longer and more unusual hours than normal. Firms feel that this is not sustainable in the long haul and therefore some businesses are purposefully reducing their offering of goods and services.

Labour shortages are seen as the largest constraint for a post COVID economic recovery. Whilst visa applications have picked up markedly throughout 2022 some businesses indicated a lack of confidence in immigration settings and operation. Others feel that New Zealand is becoming a less attractive destination for highly skilled migrant labour as places like Australia and Canada make it easier to attract and retain these workers.

Recovery in the tourism sector depends on many factors

International tourism remains well below pre-COVID levels and is expected to take time to recover. Initially a significant portion of arrivals will have been ‘friends and family’. Longer-haul tourism is only just getting underway and there is uncertainty around how bigger increase we will see for the 2022/23 season given longer lead times. Similarly, the Chinese market remains closed while the Chinese Government continues with its zero-COVID policy.

Recovery in the tourism sector will be a function of getting the right number of workers on time, the extent of the rebound in the airline and associated industries and an improvement in the global economic climate.

Cost pressures will lead to margins being squeezed in the coming year…

Many firms experienced significant profit levels in the 2021 and 2022 years. Government's COVID-19 stimulus package helped the domestic economy through most of the pandemic. However, subsequent higher interest rates, increasing labour and input costs, continuing supply side constraints and increased New Zealand resident spending abroad will make for tougher trading conditions in the medium term.

In the horticultural sector, unfavourable weather events and the lack of workers impact the quality of fruits that are harvested, resulting in lower prices. While shipping and logistical constraints and cost increases add further pressure on the industry.

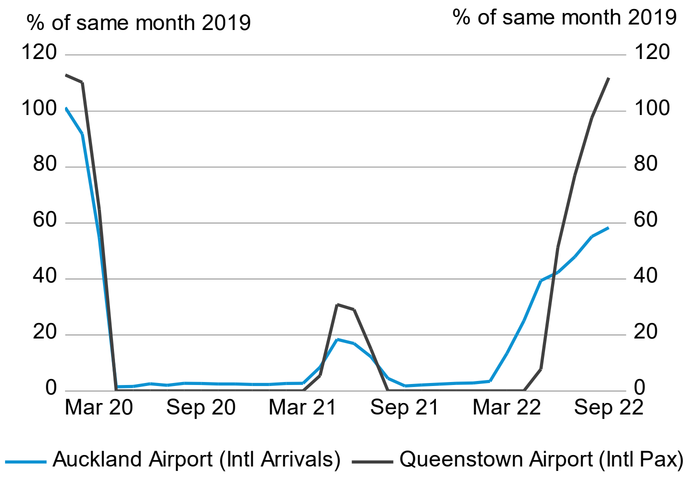
…as firms respond to these challenges

To mitigate against supply chain disruptions a lot of firms have increased orders and stock levels. Some firms are sitting with high inventory levels and expect to run these down over the coming months.

The pandemic has driven considerable change to business processes and firms are investing in information technology systems to be more efficient. Working from home is thought to be an enduring feature of the employment landscape bringing both advantages and disadvantages, especially regarding demand for office space and activity in central business districts in larger cities and towns. The impacts of this will become more evident as the world returns to some level of normality.

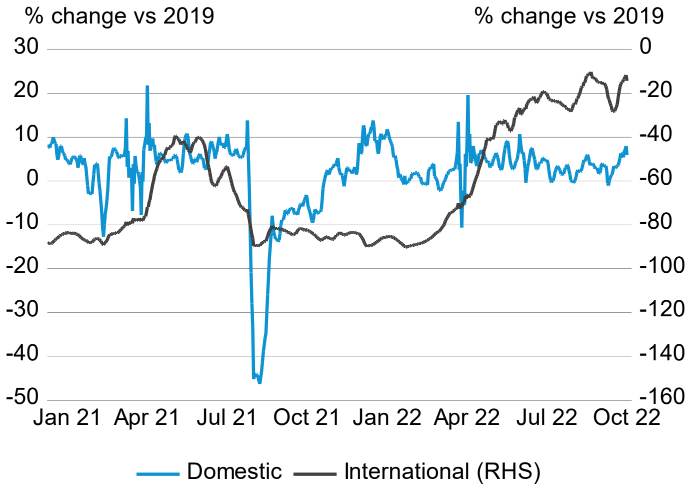
High-Frequency Indicators

Monthly International Arrivals



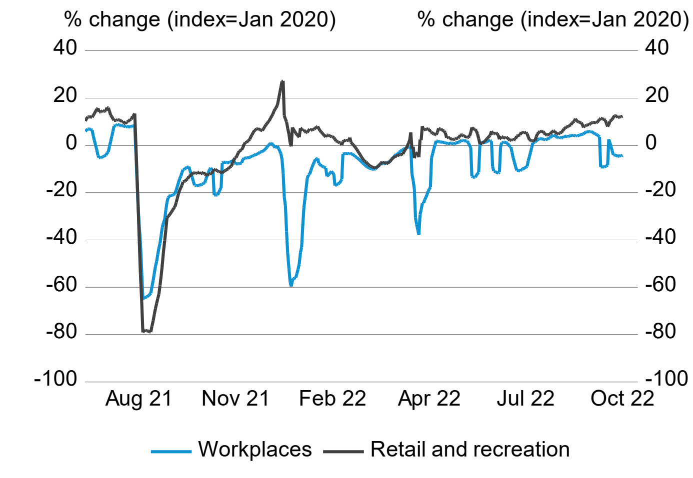
Source: Haver

Card Spending



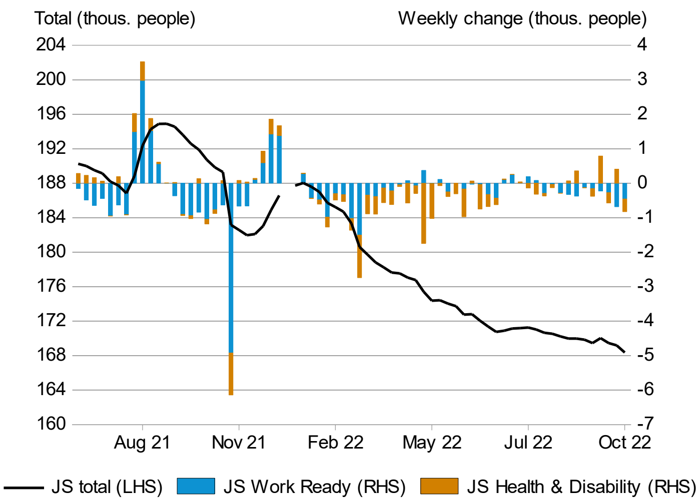
Source: Marketview data via MBIE

People Movements at Selected Locations



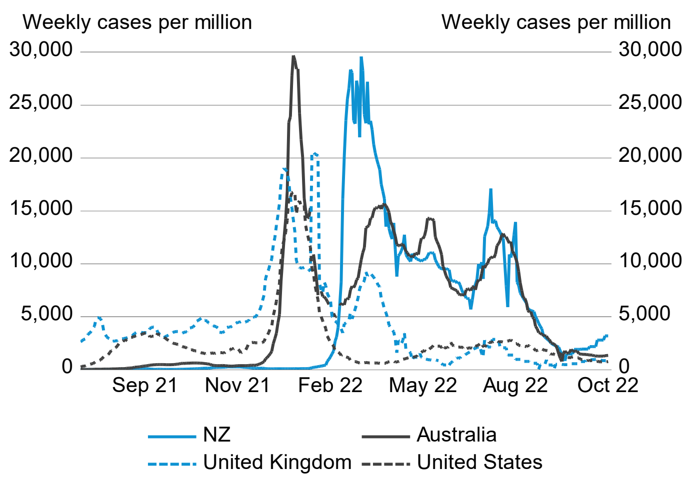
Source: Google/Haver

Jobseeker (JS) and Income Support Receipts



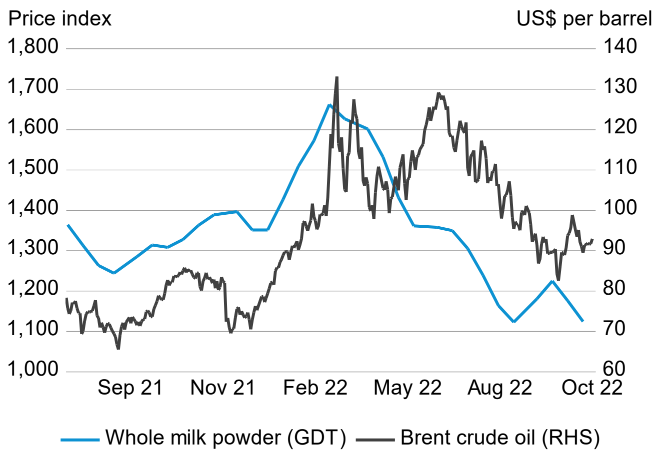
Source: MSD

COVID-19 Cases Per Million People



Source: John Hopkins University/Haver

World Commodity Prices



Source: Haver

Tables

Quarterly Indicators		2021Q2	2021Q3	2021Q4	2022Q1	2022Q2	2022Q3
Real Production GDP (1)	qpc	2.3	-3.9	3.0	-0.2	1.7	...
	aapc	5.1	4.8	5.5	4.9	1.0	...
Current account balance (annual)	%GDP	-3.4	-4.8	-6.0	-6.8	-7.7	...
Merchandise terms of trade	apc	-0.1	5.2	2.8	3.3	-2.4	...
CPI inflation	qpc	1.3	2.2	1.4	1.8	1.7	2.2
	apc	3.3	4.9	5.9	6.9	7.3	7.2
Employment (HLFS) (1)	qpc	1.1	1.7	-0.1	-0.0	0.0	...
Unemployment rate (1)	%	3.9	3.3	3.2	3.2	3.3	...
Participation rate (1)	%	70.5	71.2	71.0	70.9	70.8	...
LCI salary & wage rates - total (2)	apc	2.1	2.4	2.6	3.0	3.4	...
QES average hourly earnings - total (2)	apc	4.0	3.5	3.8	4.8	6.4	...
Core retail sales volume	apc	30.0	-3.2	5.1	3.2	-1.8	...
Total retail sales volume	apc	33.1	-5.1	4.4	2.3	-3.7	...
WMM - consumer confidence (3)	Index	107.1	102.7	99.1	92.1	78.7	...
QSBO - general business situation (1,4)	net%	9.0	-11.4	-36.5	-33.8	-61.9	-42.4
QSBO - own activity outlook (1,4)	net%	29.1	10.0	6.9	5.2	-12.0	-14.0

Monthly Indicators		May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22
Merchandise trade balance (12 month)	NZ$m	-9,596.5	-10974.4	-12003.9	-12496.3	-11945.4	...
Dwelling consents - residential	apc	7.8	-6.5	-2.9	0.9	...	...
House sales - dwellings	apc	-25.5	-35.6	-34.7	-16.1	-10.9	...
REINZ - house price index	apc	3.8	0.7	-2.8	-5.7	-8.0	...
Estimated net migration (12 month total)	people	-15,723.0	-13669.0	-12249.0	-10973.0	...	...
ANZ NZ commodity price index	apc	16.5	14.5	14.2	10.8	14.0	...
ANZ world commodity price index	apc	6.2	4.8	4.3	2.4	0.3	...
ANZBO - business confidence	net%	-55.6	-62.6	-56.7	-47.8	-36.7	-42.7
ANZBO - activity outlook	net%	-4.7	-9.1	-8.7	-4.0	-1.8	-2.5
ANZ-Roy Morgan - consumer confidence	net%	82.3	80.5	81.9	85.4	85.4	85.4
NZAC	apc	...	...	...	...	...	...

Daily Indicators		Fri 21/10/22	Mon 24/10/22	Tue 25/10/22	Wed 26/10/22	Thu 27/10/22	Fri 28/10/22
NZ exchange and interest rates (5)							
NZD/USD	$	0.5663	...	0.5711	0.5732	0.5835	...
NZD/AUD	$	0.9033	...	0.9012	0.8984	0.8998	...
Trade weighted index (TWI)	index	68.43	...	68.80	68.99	69.44	...
Official cash rate (OCR)	%	3.50	3.50	3.50	3.50	3.50	...
90 day bank bill rate	%	4.13	...	4.13	4.13	4.09	...
10 year govt bond rate	%	4.69	...	4.59	4.48	4.36	...
Share markets (6)							
Dow Jones	index	31,083	31500	31837	31839	32033	...
S&P 500	index	3,753	3797	3859	3831	3807	...
VIX volatility index	index	29.7	29.9	28.5	27.3	27.4	...
AU all ords	index	6,870	6978	6994	7005	7042	...
NZX 50	index	10,782	...	10902	11047	11101	...
US interest rates							
3 month OIS	%	3.08	3.08	3.08	3.08	...	...
3 month Libor	%	4.36	4.33	4.36	4.37	...	...
10 year govt bond rate	%	4.21	4.25	4.10	4.04	3.96	...
Commodity prices (6)							
WTI oil	US$/barrel	85.47	86.12	86.93	87.91	89.08	...
Gold	US$/ounce	1,643.25	1649.15	1659.25	1666.75	1659.75	...
CRB Futures	index	558.78	556.86	557.19	558.99	557.83	...

(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		2022Q1	Apr 22	May 22	Jun 22	2022Q2	Jul 22	Aug 22	Sep 22	2022Q3	Oct 22
United States	GDP (1)	qpc	**-0.4**				**-0.1**				**0.6**	
	Industrial production (1)	mpc		0.7	-0.1	-0.1		0.7	-0.1	0.4		...
	CPI	apc		8.3	8.6	9.1		8.5	8.3	8.2		...
	Unemployment rate (1)	%		3.6	3.6	3.6		3.5	3.7	3.5		...
	Employment change (1)	000s		368.0	386.0	293.0		537.0	315.0	263.0		...
	Retail sales value	apc		7.8	8.7	8.8		10.0	9.4	8.2		...
	House prices (2)	apc		21.3	20.5	18.7		16.0	13.1	...		...
	PMI manufacturing (1)	index		55.4	56.1	53.0		52.8	52.8	50.9		...
	Consumer confidence (1)(3)	index		108.6	103.2	98.4		95.3	103.6	107.8		102.5
Japan	GDP (1)	qpc	**0.1**				**0.9**				**...**	
	Industrial production (1)	mpc		-1.5	-7.5	9.2		0.8	3.4	...		...
	CPI	apc		2.5	2.5	2.3		2.6	3.0	2.9		...
	Unemployment rate (1)	%		2.5	2.6	2.6		2.6	2.5	2.6		...
	Retail sales value	apc		3.1	3.7	1.5		2.4	4.1	...		...
	PMI manufacturing (1)	index		53.5	53.3	52.7		52.1	51.5	50.8		...
	Consumer confidence (1)(4)	index		32.0	33.1	32.3		30.1	32.0	31.2		...
Euro area	GDP (1)	qpc	**0.6**				**0.8**				**...**	
	Industrial production (1)	mpc		0.0	1.3	1.0		-2.3	1.5	...		...
	CPI	apc		7.4	8.1	8.6		8.9	9.1	9.9		...
	Unemployment rate (1)	%		6.7	6.7	6.7		6.6	6.6	...		...
	Retail sales volume	apc		4.4	0.7	-3.0		-1.2	-2.0	...		...
	PMI manufacturing (1)	index		55.5	54.6	52.1		49.8	49.6	48.4		...
	Consumer confidence (5)	index		-22.1	-21.2	-23.7		-27.1	-25.0	-28.8		-27.6
United Kingdom	GDP (1)	qpc	**0.7**				**0.2**				**...**	
	Industrial production (1)	mpc		-0.2	0.4	-0.3		-1.1	-1.8	...		...
	CPI	apc		7.8	7.9	8.2		8.8	8.6	8.8		...
	Unemployment rate (1)	%		3.8	3.8	3.8		3.6	3.5	...		...
	Retail sales volume	apc		-6.1	-4.9	-6.1		-3.3	-5.6	-6.9		...
	House prices (6)	apc		12.1	11.2	10.7		11.0	10.0	9.5		...
	PMI manufacturing (1)	index		55.8	54.6	52.8		52.1	47.3	48.4		...
	Consumer confidence (1)(5)	net %		-38.0	-40.0	-41.0		-41.0	-44.0	-49.0		-47.0
Australia	GDP (1)	qpc	**0.7**				**0.9**				**...**	
	CPI	apc	**5.1**				**6.1**				**7.3**	
	Unemployment rate (1)	%		3.9	3.9	3.5		3.4	3.5	3.5		...
	Retail sales value	apc		11.1	10.2	12.2		15.8	19.4	...		...
	House Prices (7)	apc	**...**				**...**				**...**	
	PMI manufacturing (1)	index		58.5	52.4	54.0		52.5	49.3	50.2		...
	Consumer confidence (8)	index		95.8	90.4	86.4		83.8	81.2	84.4		83.7
China	GDP	apc	**4.8**				**0.4**				**3.9**	
	Industrial production	apc		-2.9	0.7	3.9		3.8	4.2	6.3		...
	CPI	apc		2.1	2.1	2.5		2.7	2.5	2.8		...
	PMI manufacturing (1)	index		47.4	49.6	50.2		49.0	49.4	50.1		...
South Korea	GDP (1)	qpc	**0.6**				**0.7**				**0.3**	
	Industrial production (1)	mpc		-3.2	0.3	1.8		-1.3	-1.8	...		...
	CPI	apc		4.8	5.4	6.0		6.3	5.7	5.6		...

(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