

# Markets Research

## What to Watch



### Week of 14 October 2024

#### Past Week ([jump to section](#))

- Locally, it has been a quiet week data wise with mostly second-tier data. The RBA September Minutes contained little new information, though some analysts did latch onto the absence of near-term guidance.
- Moves in domestic and offshore markets continue to be dominated by US data flow, and the ebb of Chinese stimulus news. US Payrolls beat and CPI came in slightly hotter than expected, while all eyes on the Chinese FM on Saturday for any fiscal details after the NDRC disappointed this week.

#### Week ahead ([jump to section](#))

- The Australian unemployment rate is seen steady at 4.2% on Thursday, which would be on track compared to the RBA's August forecasts. RBA's Hunter speaks Wednesday.
- BNZ expects NZ Headline CPI of 0.8% q/q on Wednesday, in line with the RBNZ's August pick. Consensus is 0.7%q/q. There are a couple of RBNZ appearances during the week as well.
- The US data calendar slows down a bit, but Retail Sales will still get some interest in Thursday. FOMC speakers will be in focus as markets gauge the prospects for a pause. 25bp at the next two meetings remains the base case. Monday is Columbus Day, but equity markets remain open.
- Earnings season continues with key names including some larger tech names: Goldmans & BofA (Tuesday); TSMC and Netflix (Thursday);
- The ECB is widely expected to cut at its meeting Thursday. UK data includes CPI (Wednesday), Jobs and Earnings (Thursday) and retail sales (Friday)
- A big week in China, with a key briefing from China's Finance Ministry on Saturday coming ahead of a full data calendar. CPI Sunday, GDP and monthly activity data Friday, and trade and aggregate financing data also during the week

#### Important Events Preview ([jump to section](#))

### Contents

Week of 14 October 2024	1
Week in Review	2
Week Ahead	2
Important Events Preview	3
Weekly Calendar of Economic Releases	6
Forecasts Table	7

### Key Markets

	% change		
	Latest	week	YTD
<b>Cash rates</b>			
RBA Cash Rate	4.35	0	0
US Fed Funds	5.00	0	-50
RBNZ Cash Rate	4.75	-50	-75
<b>Rates</b>			
		<i>bps</i>	<i>bps</i>
AU BBSY 3m	4.47	0.5	6.2
AU 3y swap	3.81	2.0	2.7
AU 3yr yield	3.78	16.6	17.0
AU 10yr yield	4.22	14.7	26.6
US 10yr yield	4.06	9.4	18.2
AU-US 10yr spread	16.0	5.4	8.4
<b>Commodities</b>			
		%	%
Iron ore	106	-2.3	-14.6
Coal (thermal)	148.1	-0.1	1.1
Brent oil	79.1	1.4	5.5
Gold	2644.4	-0.3	28.2
<b>FX</b>			
AUD/USD	0.6745	-0.7	-1.0
USD (DXY)	102.87	0.3	1.5
AUD/NZD	1.1052	-0.2	-2.4
<b>AUD crosses</b>			
AUD/JPY	100.30	0.7	-4.2
AUD/CNY	4.7699	0.1	1.5
AUD/EUR	0.6166	0.4	0.1
AUD/GBP	0.5167	0.2	3.6
<b>Equities</b>			
ASX 200	8223.1	0.9	8.3
ASX Resources	5625.0	-1.4	-11.5
ASX Financials	8224.6	2.4	22.4
US S&P 500	5780.1	1.4	21.2

Source: Bloomberg

## Week in Review

Locally, it has been a quiet week data wise with mostly second-tier data. The RBA September Minutes contained little new information, though some analysts did latch onto the absence of near-term guidance (recall the prior August Minutes included “it was unlikely that the cash rate target would be reduced in the short term”).

However, the Governor in her post-Meeting September presser did say “message clearly from the Board is that in the near term it does not see interest rate cuts”. It seems the RBA is ok with markets pricing cuts by early 2025 (see [AUS: RBA Minutes contained little new, not ruling anything out](#)).

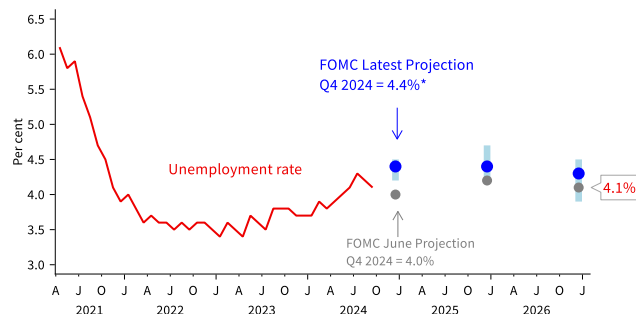
Encouragingly consumer confidence appears to be lifting in the Westpac survey (+6.2% to 89.8 and its highest since May 2022). Our own NAB Business Survey also saw business conditions rebound to their long-run average of around +7. There is a still mixed picture of inflationary pressures with price indicators slowing, but capacity utilisation still high.

Moves in domestic and offshore markets continue to be dominated by US data flow, and the ebb of Chinese stimulus news. The Australian 3yr yield is up 16.5bps on the week. A similar move in the 10yr, up 15.6bps to 4.23%. Meanwhile the AUD fell -0.8% and iron ore is also down -2.4%. Across the Ditch the RBNZ cut rates by 50bps as largely expected and our BNZ cousins expect another 50bp move in November.

On US data, last Friday’s Payrolls came in much better than expected and the unemployment rate ticked back down to 4.1% from 4.2%. That reduced the probability of a follow up 50bp cut in November to virtually zero with yields lifting sharply on the news. Markets now price 21.4bps of cuts for November and a terminal rate of 3.31% in early 2026, compared to last Thursday’s 33.8bps and terminal of 2.97%.

US Core CPI also came in slightly hotter than expected at 0.3% m/m vs. 0.2% expected, though with limited market reaction. Still, the Fed’s Bostic opened the discussion to whether the Fed could pause in November, and the Fed’s Daly prior to the CPI numbers said in her mind the discussion was between one or two more rate cuts by the end of 2024.

### US Unemployment Rate vs. Fed Projections



\* Shaded region is the range of FOMC projections  
Source: National Australia Bank, Federal Reserve, U.S. Bureau of Labor Statistics (BLS), Macrobond

On Chinese stimulus news, the NDRC met, but disappointed expectations of sizeable new measures. Chinese equities fell sharply on the news, though some stability re-emerged with China’s Finance Minister due to speak this Saturday on intensifying countercyclical adjustment of fiscal policy to promote high-quality economic development.

## Week Ahead

**Australian** labour market data on Thursday is the local focus. We expect a 25k employment gain and an unemployment rate stable at 4.2% (Consensus 22/4.2). The RBA in August forecast an unemployment rate of 4.3% and while that assessment remains on track their focus will instead be on marking progress against their forecast pickup in activity growth and improvement in the inflation backdrop.

Also from the RBA is a speech from chief economist Hunter on Thursday.

In **NZ**, BNZ expects Q3 CPI on Wednesday of 0.8% q/q and 2.3% y/y. that would be in line with the RBNZ’s August forecast. Consensus is for 0.7/2.2. Beyond headline inflation, there will also be focus on the various core measures like the weighted median, trim means and CPI ex fuel and energy. Card transaction data and the PSI are out Monday and there are a couple of RBNZ speakers to watch out for. Governor Orr speaks on Monday (on improving Maori access to capital), Deputy Governor Hawkesby on Tuesday (on financial stability), and Assistant Governor Silk on Wednesday (on the transmission of monetary policy to financial conditions).

**China** is in focus, with a big week for data, but before then more focus will be on a key briefing from China’s Finance Ministry on Saturday, where hopes are recent stimulus pledges will be made more concrete. Inflation data is on Sunday, followed by Q3 GDP and September activity data on Friday.

In **Europe**, markets are all-but fully priced for a 25bp rate cut for the October meeting on Thursday, following a fairly abrupt shift in communication from ECB Governing Council members since their meeting on 12 September. On Tuesday the ECB’s Q3 Bank Lending Survey gives an update on lending conditions.

The **US** data calendar gets some reprieve. Retail sales on Thursday are expected to reflect solid consumption growth continuing through the end of third quarter. FOMC speakers will remain in focus, and markets will be attuned for anything suggestive of a pause. Columbus Day and Indigenous People’s Day are Monday, with bond markets closed but equity markets open.

The reporting season also continues with the first of the tech names also featuring. Key names include: Goldmans, BofA, Citigroup (Tuesday); semi fabricator ASML and Morgan Stanley (Wednesday; chip maker TSMC and streaming giant Netflix (Thursday).

In the **UK**, CPI on Wednesday is seen dripping back to around 1.9% y/y. Core and services prices will remain elevated relative to the headline but are likely to moderate a tenth or two on a year ended basis. Wages data will be in focus in labour market data on Thursday and retail sales is Friday. The data should support a November cut from the BoE but markets price 37bp over the next two meetings, and the BoE will need to see better news on wages and inflation over the next couple of prints to support another cut in December.

Elsewhere, CPI data for **Canada** (Tuesday) and **Japan** (Friday) are of note.

# Important Events Preview

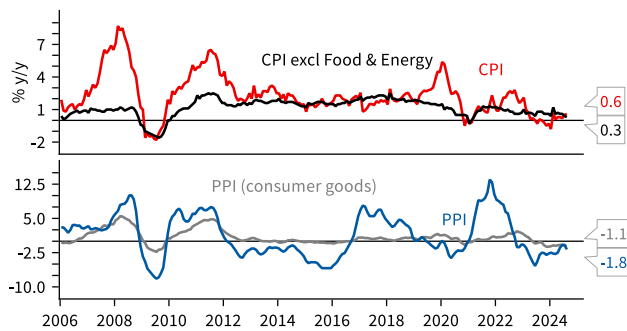
Selection of key data. full calendar below.

## Sunday 13

### CH CPI and PPI

Inflation data on Sunday comes amid a big week of Chinese data and follows what will be a closely watched briefing from China's Finance Ministry on Saturday. Producer prices are expected to slip deeper into negative territory to -2.6% y/y, while CPI is seen stable at a soft 0.6% y/y.

#### China, Measures of inflation



Source: National Australia Bank, China National Bureau of Statistics (NBS), Macrobond

## Monday 14

### NZ PSI & Card spending

Transaction values look likely to remain weak and below year earlier levels. Another soft monthly result would indicate the same for retail sales volumes in Q3. September's PSI will be lined up against August's very weak 45.5.

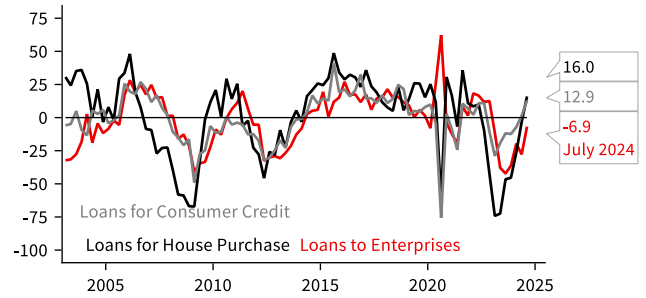
### CH Trade

## Tuesday 15

### EZ ECB Q3 Bank Lending Survey

Following a sharp tightening of lending conditions and thereby demand for loans from corporates/business, house purchases and consumer credit over the past couple of years, conditions have started to become less tight. The Q3 survey may show conditions for corporates and consumer credit follow those for house purchases into actual easier territory. In Q2 loan demand had turned positive for mortgages and consumer credit. A return to positive territory for corporate/business loans would be a positive shift.

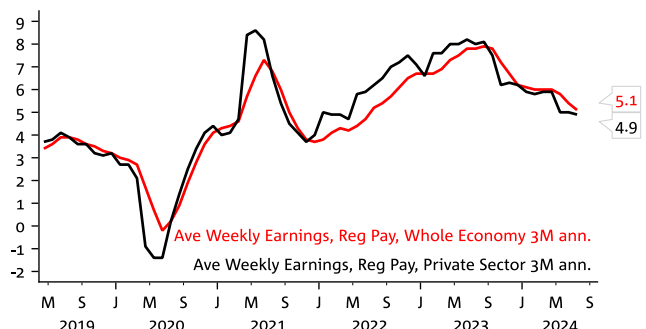
#### Change in loan demand, last 3m; net balance



Source: National Australia Bank, Macrobond

### UK Average Weekly Earnings Aug, Sep Labour Market

UK wage data revealed a drop to 4% 3M Y/Y at the headline level including bonuses in July, the lowest in this cycle. Stripping out bonuses however, showed earnings at a more stubborn 5.1%. Further, the regular pay measure for the private sector that the BoE likes to focus on was close by at 4.9%. This will need to drop suitably further to get members of the BoE MPC on board with anything more than a 25bp cut in November and no move in December (Nab's view). Markets price 22bps of easing in November and 37bps by December.



Source: National Australia Bank, Macrobond

### GE German ZEW

### CA CPI

A sharp fall in gasoline prices will flatter Canadian headline inflation, where expectations are for inflation to dip to 1.9% y/y from 2.0%. Core measures should remain comfortably below 3% and keep the BoC on track for more easing, with the question more about whether they will be benign enough to support a 50bp move. Markets currently price 38bp for the October 23 meeting.

## Wednesday 16

### NZ Q3 CPI

BNZ anticipates the Headline CPI to rise 0.8% q/q and 2.3% y/y. This would see annual inflation back inside the RBNZ's target band for the first time since Q1 2021. That would match RBNZ expectations as published in its August MPS. Consensus is for 0.7% q/q and 2.2% y/y.

Within the detail there is likely to be some large movements, such as a significant increase in local authority rates and potential for a decline in early childhood education if recent government policy changes

show up in the figures as we expect. Fuel prices fell in the quarter, while food prices rose. Rents rose in the quarter, but annual inflation is starting to ease.

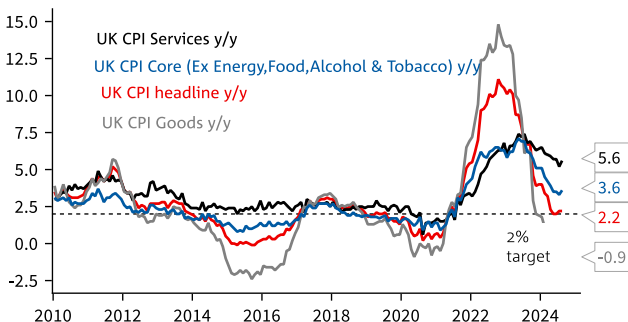
Beyond headline inflation, there will also be focus on the various core measures like the weighted median, trim means and CPI ex fuel and energy. Non-tradeables annual inflation is expected to ease to 5.1% and tradeables annual inflation to -1.6%, both matching RBNZ expectations.

**AU RBA's Hunter**

RBA Assistant Governor (Economic) Hunter is speaking at an investor conference in Sydney, no topic yet available.

**UK September CPI**

UK headline inflation is expected to drop back to around 1.9% y/y in data released for September from 2.2% in August, which at the margin might increase pricing of rate cuts ahead given the market is short of pricing two full cuts in the remaining November and December meetings. Core CPI should also nudge a tenth lower to 3.5% y/y, while services inflation could ease by two-tenths to 5.4%. These measures are still elevated and will ease only very slowly. Moreover, with the headline measure widely expected to move back higher again into year-end and possibly almost reaching 3%, we remain very sceptical the BoE will ease more than once to 4.75% in 2024.



Source: National Australia Bank, Macrobond

**Thursday 17**

**AU September Employment**

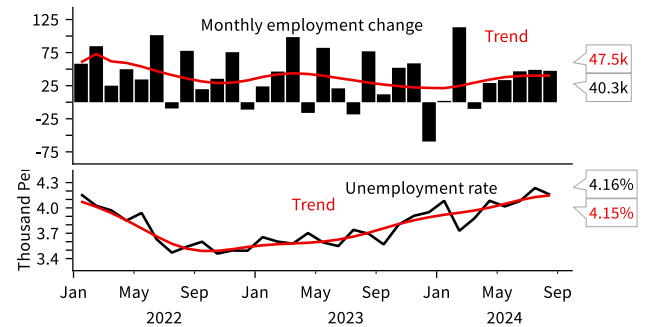
We expect employment growth of 25k and the unemployment rate holding steady at 4.2% in September (consensus 22k/4.2). That would be tracking near the RBA's forecast 4.3% in average in Q4.

Employment growth has been steady and strong recently and we pencil in a slower but still solid pace of employment gains in September, which would leave the unemployment rate steady at 4.2%. There is some risk of larger payback from recent strength, given monthly outcomes can be volatile, and the outgoing one eighth of the sample this month had a higher employment to population ratio than average.

Bigger picture, it currently takes an employment gain of about 30k per month to keep pace with population growth if the participation rate is stable. Recent trend employment growth has been stronger than that, met by strength in participation as well as population growth.

Looking forward, we think employment growth will remain positive but slow from its recent trend pace, seeing the unemployment rate gradually rise a little further before stabilising near 4½%

**Australian Employment**



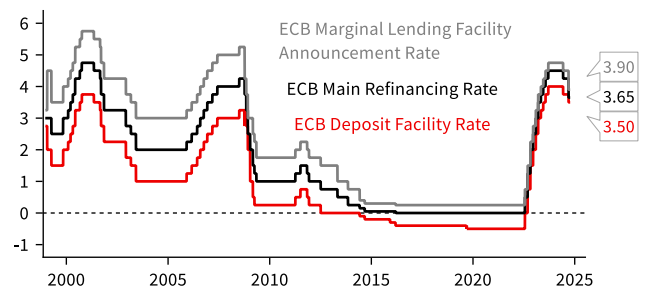
Source: National Australia Bank, ABS

**EZ ECB Meeting**

Markets are all-but fully priced for a 25bp rate cut for the October meeting following a fairly abrupt shift in communication from ECB Governing Council members since their meeting on 12 September. After initially warning in September that there was little time for much new information for the coming October meeting preliminary September inflation data at the headline level was markedly lower at 1.8% y/y.

Core HICP also eased a tenth to 2.7% and though services inflation (and thereby wage settlements) remain too high, the messaging from the ECB has been a weakening economic growth trajectory is providing increased confidence that inflation will return to target. Not everyone is convinced however, with Slovakia's Kazimir noting rate cut decisions should not be based on just one good number. Nab recently adjusted its ECB rate forecasts to include an October cut to a December easing that will see the Deposit Rate at 3%.

**ECB policy rates**



Source: National Australia Bank, Macrobond

**US Retail Sales & Jobless claims**

For retail sales, some rebound from recent softness in vehicle sales, but a likely offset from gas sales are likely to leave core measures consistent with still solid consumption outcomes through Q3.

After a spike last week, Jobless claims will once again be difficult to interpret, with hurricane/strike effects adding to the usual tricky seasonals.

## Friday 18

### JN September CPI

Utility subsidies will help the headline rate lower, with the early consensus for 2.5% y/y from 2.8%, while the ex fresh food and energy measure is seen stable at 2.0% y/y. The BoJ looks to be on the sidelines for now, and next month's CPI data, due 22 November, is likely to be more important given it will capture corporate price rises for H2 of the local financial year.

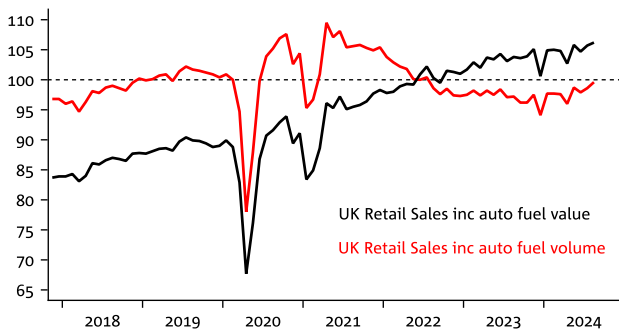
### CH Q3 GDP, September Activity indicators

Early forecasts are for GDP to slow to 4.6% from 4.7% on a y/y basis on a 1.0% quarterly gain as weakness in consumption and investment weigh. A host of monthly activity data for September is also released on Wednesday. The data is expected to confirm a sluggish backdrop in Q3, but the detail on stimulus is likely to be more informative for growth prospects looking forward.

### UK Retail Sales

UK retail sales have picked up recently as a consequence of rising real incomes and improved weather after what was a prolonged period of unseasonal precipitation. However, more recent warnings from the UK government about potential tax rises in the 30 October Budget and an overly gloomy message have severely dented consumer confidence.

UK sales volumes are recovering as inflation drops back.



Source: National Australia Bank, Macrobond

## Weekly Calendar of Economic Releases

Date	Time	Country	Event	Period	Consensus	NAB	Previous
Friday, 11 October	--	CH	(11 Oct - 15 Oct) Money Supply M2 YoY	Sep	6.40		6.3
	--	CH	(11 Oct - 15 Oct) New Yuan Loans CNY YTD	Sep	16368.05		14426.12
Sunday, 13 October	12:30 PM	CH	PPI YoY	Sep	-2.6%		-1.8%
	12:30 PM	CH	CPI YoY	Sep	0.6%		0.6%
Monday, 14 October	7:15 AM	NZ	RBNZ Governor Orr Speaks on Maori Access to Capital	--	--		--
	8:30 AM	NZ	Performance Services Index	Sep	--		45.5
	8:45 AM	NZ	Card Spending Total MoM	Sep	--		-0.2%
	5:15 PM	EC	ECB's Nagel Speaks	--	--		--
	5:30 PM	UK	BOE's Dhingra Speaks	--	--		--
	6:00 PM	EC	ECB's Villeroy speaks in Paris	--	--		--
	--	CH	Exports YoY	Sep	6.0%		8.7%
	--	CH	Trade Balance	Sep	91.20		91.0
	6:00 AM	US	Fed's Waller Speaks on the Economic Outlook	--	--		--
Tuesday, 15 October	7:00 AM	NZ	REINZ House Sales YoY	Sep	--		-0.7%
	9:00 AM	NZ	RBNZ Deputy Governor Speaks on Financial Stability	--	--		--
	3:30 PM	JN	Industrial Production MoM	Aug F	--		-3.3%
	5:00 PM	UK	Weekly Earnings ex Bonus 3M/YoY	Aug	--		5.1%
	5:00 PM	UK	ILO Unemployment Rate 3Mths	Aug	4.10		4.1
	5:00 PM	UK	Claimant Count Rate	Sep	--		4.7%
	5:00 PM	UK	Jobless Claims Change	Sep	--		23.7
	5:45 PM	FR	CPI YoY	Sep F	--		1.2%
	8:00 PM	GE	ZEW Survey Expectations	Oct	10.00		3.6
	8:00 PM	GE	ZEW Survey Current Situation	Oct	--		-84.5
	11:30 PM	US	Empire Manufacturing	Oct	--		11.5
	11:30 PM	CA	CPI NSA MoM	Sep	-0.2%		-0.2%
	11:30 PM	CA	CPI YoY	Sep	1.9%		2.0%
Wednesday, 16 October	2:30 AM	US	Fed's Daly Gives Keynote Remarks	--	--		--
	8:45 AM	NZ	CPI YoY	3Q	2.2%		3.3%
	8:45 AM	NZ	CPI QoQ	3Q	0.7%		0.4%
	9:00 AM	AU	RBA's Hunter-Speech	--	--		--
	9:45 AM	NZ	RBNZ Assistant Governor Silk Speaks on Policy Transmission	--	--		--
	10:50 AM	JN	Core Machine Orders MoM	Aug	0.3%		-0.1%
	5:00 PM	UK	CPI MoM	Sep	--		0.3%
	5:00 PM	UK	CPI YoY	Sep	1.9%		2.2%
	5:00 PM	UK	CPI Core YoY	Sep	--		3.6%
Thursday, 17 October	10:00 PM	US	MBA Mortgage Applications	Oct 11	--		-5.1%
	11:30 AM	AU	Employment Change	Sep	22		48
	11:30 AM	AU	Unemployment Rate	Sep	4.2%		4.2%
	11:30 AM	AU	Participation Rate	Sep	67.1%		67.1%
	3:30 PM	JN	Tertiary Industry Index MoM	Aug	-0.3%		1.4%
	8:00 PM	EC	CPI YoY	Sep F	1.8%		1.8%
	8:00 PM	EC	CPI MoM	Sep F	-0.1%		-0.1%
	11:15 PM	EC	ECB Deposit Facility Rate	Oct 17	3.25		3.5
	11:30 PM	US	Retail Sales Advance MoM	Sep	0.2%		0.1%
Friday, 18 October	11:30 PM	US	Initial Jobless Claims	Oct 5	230.00		258.0
	12:15 AM	US	Industrial Production MoM	Sep	-0.1%		0.8%
	7:00 AM	UK	BOE's Sam Woods Speaks	--	--		--
	10:30 AM	JN	Natl CPI YoY	Sep	2.5%		3.0%
	10:30 AM	JN	Natl CPI Ex Fresh Food, Energy YoY	Sep	2.0%		2.0%
	1:00 PM	CH	GDP YoY	3Q	4.6%		4.7%
	1:00 PM	CH	GDP SA QoQ	3Q	1.0%		0.7%
	1:00 PM	CH	Industrial Production YoY	Sep	4.6%		4.5%
	1:00 PM	CH	Retail Sales YoY	Sep	2.5%		2.1%
5:00 PM	UK	Retail Sales Inc Auto Fuel MoM	Sep	--		1.0%	
11:30 PM	US	Housing Starts	Sep	1349.50		1356.0	
<b>Upcoming Central Bank Interest Rate Announcements</b>							<b>Current</b>
		Nov 5	Australia, RBA				4.35
		Nov 7	UK, BOE				5.00
		Nov 7	US, Federal Reserve (Upper Bound)				5.00
		Nov 27	New Zealand, RBNZ				4.75
		Oct 23	Canada, BoC				4.25
		Oct 17	Europe, ECB				3.50
		Oct 31	Japan, BoJ				0.25

Sydney Time. Dates reflect 24 hours from 7am

## Forecasts Table

For NAB Economics Latest Forecast Update, see: [Growth weak as consumers remain on sidelines](#)

Australian Economic Forecasts																
	2023				2024				2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>GDP</b>																
Household Consumption	0.2	0.5	-0.1	0.2	0.6	-0.2	-0.2	0.2	0.2	0.3	0.5	0.5	0.5	0.5	0.5	0.5
Dwelling Investment	0.0	0.2	0.5	-3.6	0.1	0.1	0.0	0.1	0.2	0.2	0.2	0.2	0.3	0.4	0.5	0.6
Underlying Bus. Investment	4.5	2.2	0.9	1.4	-1.2	-0.2	-0.6	0.3	0.2	0.4	0.5	0.6	0.6	0.5	0.5	0.6
Public Final Demand	0.8	2.1	1.4	0.0	0.8	1.4	1.2	0.8	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Domestic Final Demand	0.8	1.0	0.7	0.2	0.5	0.2	0.3	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6
(% y/y)	2.7	2.8	2.9	2.7	2.4	1.5	1.1	1.4	1.4	1.7	2.0	2.2	2.3	2.4	2.4	2.5
Inventories	(contr) 0.1	(contr) -1.1	(contr) 0.4	(contr) -0.1	(contr) 0.7	(contr) -0.3	(contr) -0.1	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0
Net Exports	(contr) -0.5	(contr) 0.5	(contr) -0.5	(contr) 0.2	(contr) -1.1	(contr) 0.2	(contr) 0.1	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0	(contr) 0.0
Gross Domestic Product	0.5	0.5	0.3	0.2	0.2	0.2	0.2	0.4	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6
(% y/y)	2.2	1.9	2.1	1.6	1.3	1.0	0.8	1.0	1.3	1.6	2.0	2.2	2.3	2.3	2.3	2.3
<b>Labour Market</b>																
Employment	0.8	0.9	0.6	0.7	0.4	0.7	0.5	0.2	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.4
Unemployment Rate	(%) 3.6	(%) 3.6	(%) 3.7	(%) 3.9	(%) 3.9	(%) 4.1	(%) 4.3	(%) 4.5	(%) 4.6	(%) 4.6	(%) 4.6	(%) 4.6	(%) 4.6	(%) 4.5	(%) 4.4	(%) 4.4
WPI Wages	1.0	0.8	1.3	1.0	0.9	0.8	1.0	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
(% y/y)	3.7	3.6	4.0	4.2	4.1	4.1	3.7	3.6	3.6	3.6	3.5	3.4	3.4	3.3	3.3	3.2
<b>Inflation</b>																
CPI Trimmed Mean	1.2	0.9	1.2	0.8	1.0	0.8	0.8	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.5	0.5
(% y/y)	6.5	5.8	5.1	4.1	4.0	3.9	3.5	3.4	3.1	2.9	2.7	2.6	2.5	2.4	2.3	2.3
CPI Headline	1.4	0.8	1.2	0.6	1.0	1.0	0.3	0.6	0.7	0.7	0.8	0.6	0.6	0.6	0.5	0.5
(% y/y)	7.0	6.0	5.4	4.1	3.6	3.8	2.9	2.9	2.7	2.4	2.9	2.9	2.8	2.7	2.3	2.3

Source: ABS, NAB Economics. Quarterly percent change unless specified

Exchange Rate Forecasts						
	10-Oct	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
<b>Majors</b>						
AUD/USD	0.675	0.69	0.71	0.72	0.74	0.75
NZD/USD	0.61	0.62	0.64	0.65	0.66	0.67
USD/JPY	148.7	143	140	137	134	131
EUR/USD	1.09	1.11	1.13	1.14	1.16	1.17
GBP/USD	1.31	1.30	1.31	1.32	1.34	1.35
USD/CNY	7.07	7.15	7.10	7.00	6.90	6.85
USD/CAD	1.38	1.35	1.34	1.33	1.32	1.29
USD/CHF	0.86	0.87	0.86	0.85	0.84	0.83

Australian Cross Rates						
	10-Oct	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
AUD/NZD	1.11	1.11	1.11	1.11	1.12	1.12
AUD/JPY	100.3	99	99	99	99	98
AUD/EUR	0.62	0.62	0.62	0.63	0.64	0.64
AUD/GBP	0.52	0.53	0.54	0.55	0.55	0.56
AUD/CNY	4.77	4.93	5.01	5.04	5.11	5.14
AUD/CAD	0.93	0.93	0.94	0.96	0.98	0.97
AUD/CHF	0.58	0.60	0.61	0.61	0.62	0.62

Interest Rate Forecasts						
	10-Oct	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
<b>Australian Rates</b>						
RBA cash rate	4.35	4.35	4.10	3.85	3.60	3.35
3 month bill rate	4.42	4.24	3.97	3.73	3.49	3.27
3 Year Swap Rate	3.81	3.65	3.55	3.45	3.30	3.15
10 Year Swap Rate	4.30	4.20	4.05	4.05	4.00	3.90
<b>Offshore Policy Rates</b>						
US Fed funds	5.00	4.50	4.00	3.50	3.00	3.00
RBNZ OCR	4.75	4.75	4.50	4.00	3.50	3.00
<b>10-year Bond Yields</b>						
Australia	4.22	4.10	4.00	4.00	3.95	3.90
United States	4.06	3.90	3.80	3.80	3.80	3.75
New Zealand	4.40	4.40	4.35	4.30	4.25	4.25

Global GDP				
	2023	2024	2025	2026
Australia	2.0	1.0	2.1	2.1
United States	2.5	2.2	1.4	1.8
Eurozone	0.6	0.8	1.2	1.4
United Kingdom	0.1	1.1	0.9	1.2
Japan	1.8	-0.2	0.7	0.7
China	5.2	4.7	4.6	4.4
India	7.7	6.6	6.2	6.4
New Zealand	0.6	0.2	2.5	3.1
World	3.2	3.0	3.0	3.1

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