



Kahurangi National Park, New Zealand

# Weekly Economic Commentary.

**I get by with a little help from my friends.**

The coming week will be a big one for the New Zealand economy. First up, Cabinet is due to review the Covid-19 alert level on Monday afternoon. With the daily number of new infections remaining very low, an easing of the current activity restrictions to Alert Level 2 is looking likely.

At Alert Level 2, much of the economy will open up again. That includes the retail, personal services and hospitality sectors. These are sectors that employ large numbers of workers, and where online trading or working from home has generally not been possible. In addition, travel between regions will be permitted again. That will be a very welcome development for the hospitality and tourism sectors which are struggling with the halt in international tourist arrivals.

Nevertheless, the economy won't be back to full speed. Distancing requirements and restrictions on international visitor arrivals mean that large amounts of normal economic activity will remain on hold at Alert Level 2. Furthermore, spending appetites are likely to be subdued as a result of job losses, as well as sharp falls in both household and business confidence.

The Reserve Bank and Government are delivering massive stimulus to try to cushion the blow from Covid-19. Even so, New Zealand will still be wrestling with a severe recession. As we discuss in our recent *Economic Overview*,<sup>1</sup> unemployment is set to rise to 9.5% in the June quarter (up from 4.2% at the end of March) and GDP is expected to fall by 16%. We're also likely to see inflation dropping to low levels. Against this backdrop, the economy is going to need a lot more support. And over the coming week, we think that both the RBNZ and Government will oblige.

The RBNZ's next policy meeting is on 13 May. We expect that they will announce a significant expansion of the bond-buying programme to \$60bn per year, up from the \$30bn that was announced in March.

<sup>1</sup> Available here: <https://www.westpac.co.nz/assets/Business/Economic-Updates/2020/Bulletins-2020/Westpac-QEO-May-2020-Final-Web.pdf>



As well as stipulating a maximum cap on bond purchases, the RBNZ might explicitly target a particular interest rate on government bonds (similar to the approach followed by the RBA). The RBNZ could also provide forward guidance on its bond buying programme. This could take the form of a commitment to keep the interest rates on bonds at or below a certain level for a set period of time.

If the RBNZ decides that even more stimulus is required, its options will be more limited. The RBNZ is reluctant to expand its holdings of Government bonds beyond 40% to 50% of the market due to concerns about market liquidity. At the same time the OCR is already at a low level, and in March the RBNZ committed to holding it there for 12 months.

However, since March's OCR cut, the economic outlook has continued to deteriorate. In fact, a recent analytical note from the RBNZ indicated that they are significantly more pessimistic than we are about the impact of the lockdowns on economic activity.

We expect that the RBNZ will keep the Official Cash Rate on hold in May. However, in our assessment, a negative OCR is eventually going to have to be part of the mix. We expect that the RBNZ will cut the OCR to -0.5%, but not until November.

It's unlikely that the RBNZ will give any explicit endorsement to the idea of a negative OCR this week. Trading banks need time to prepare their systems before a negative OCR could be implemented. And cutting the OCR this year would technically break the RBNZ's previous commitment to keep the OCR at 0.25% for a year. Instead, the RBNZ is likely to repeat that a negative OCR is an option for the future, but they will emphasise that it will not go negative any time soon. How emphatically the RBNZ expresses this will help us determine the timing of our negative OCR call.

There is a chance that the Reserve Bank will give an iron-clad guarantee that it will keep the OCR at 0.25% until March next year. If that occurs, we would change our forecast to expecting a negative OCR early next year, rather than late this year.

The more likely scenario is that the RBNZ is less emphatic – perhaps it will express an intention to keep the OCR at 0.25%. In that case, we would stick to our forecast of a November OCR cut to -0.5%.

Hot on the heels of the RBNZ, the Government will release the 2020 Budget on 14 May. The Government has already committed over \$20bn to cushion the economy through the lockdown phase. We expect that the Budget will include around \$15bn more in new spending and investment to support the recovery.

But there's a limit to how much stimulus the Government can comfortably provide. We expect that the large increases in fiscal spending, along with falls in tax revenue will result in net core Crown debt reaching about 50% of GDP after five years, compared to around 20% today. The Government will have to demonstrate a clear plan to get that debt ratio back down again if it is to avoid a ratings downgrade, especially with large increases in spending related to the aging population on the cards over the coming years.

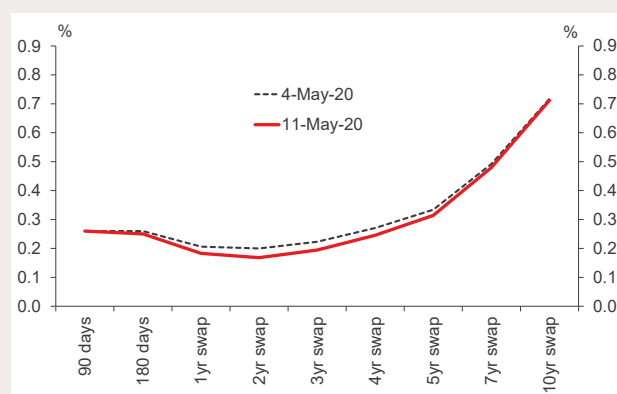
This suggests that at some point later this decade we'll see some combination of belt-tightening and a hunt for new sources of revenue. We don't think that any tax changes will be announced just yet, lest it undermine confidence during the recovery phase. But over time, it's increasingly likely that new or increased taxes will enter the conversation.

## Fixed vs Floating for mortgages.

The interest rate outlook is highly uncertain, so trying to guess which fixed term will result in the lowest interest repayments is difficult. It may be better to keep it simple. Borrowers looking for certainty should aim to fix their mortgage rates, while borrowers who need flexibility should float.

We expect that the RBNZ will lower the OCR to -0.5% in November 2020, although the timing of that is uncertain. If the RBNZ does intend to lower the OCR below zero, they will probably signal the move ahead of time. Fixed mortgage rates would fall shortly after the RBNZ's signal, while floating mortgage rates would fall around the time of the actual OCR change. When the OCR is extremely low or slightly negative, it has a less potent effect on mortgage rates. What all of this means is that we expect both floating and fixed mortgage rates to fall a small amount later this year. But once again, we emphasise that that forecast is uncertain.

NZ interest rates



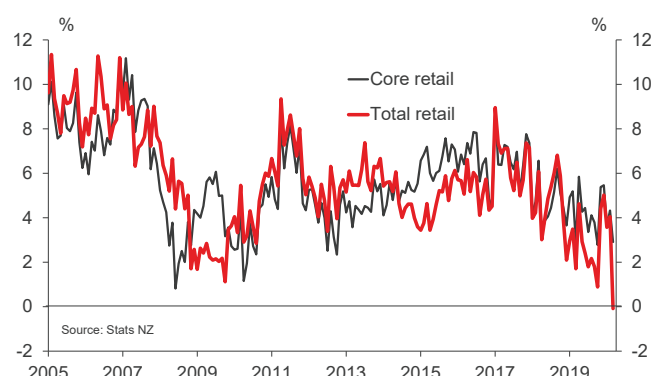
# The week ahead.

## NZ Apr retail card spending

**May 11, Last: -3.9%, WBC f/c: -6.0%**

- Retail spending on electronic cards fell 3.9% in March as efforts to control the spread of COVID-19 put the brakes on spending.
- Lockdown conditions remained in place through most of April. During that time, we did see large increases in online trading in some sectors. However, that did not come close to offsetting the impact of trading restrictions which saw many retail and hospitality businesses shutting their doors for most (if not all) of April.
- We estimate that overall retail spending fell 60% in April, with consumables (i.e. groceries) the only sector where we expect anything like normal trading levels. Spending in all other categories has fallen sharply, in some cases by more than 90%. COVID-19 disruptions mean that there is a very wide band of uncertainty around this month's result.

## Card transactions, annual % change

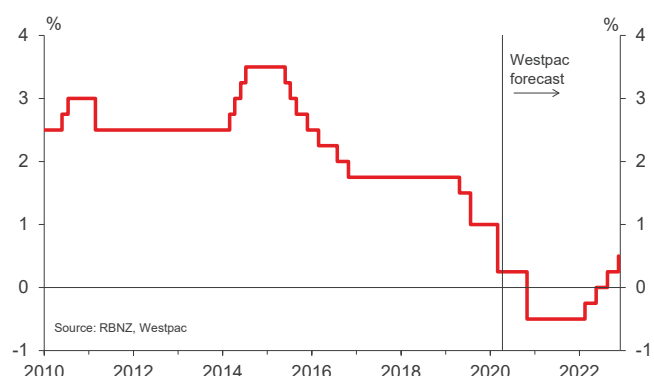


## NZ RBNZ Monetary Policy Statement

**May 13, Last: 0.25%, WBC f/c: 0.25%, Mkt f/c: 0.25%**

- The RBNZ cut the OCR to 0.25% at an intra-meeting decision in March and signalled that it would remain at that level for at least 12 months. The cut was shortly followed by the introduction of a bond purchase program. Since that time, the economic outlook has continued to deteriorate.
- We expect the RBNZ will expand its bond purchase programme to \$60bn in May. The RBNZ may also announce a target interest rate for Government Bonds or give more forward guidance, such as a commitment to keep buying bonds for a set period.
- We do not expect the RBNZ will explicitly signal a negative OCR. However, we remain strongly of the view that the OCR will go negative in the future. What the RBNZ says next week might help us determine the timing of that.

## RBNZ Official Cash Rate

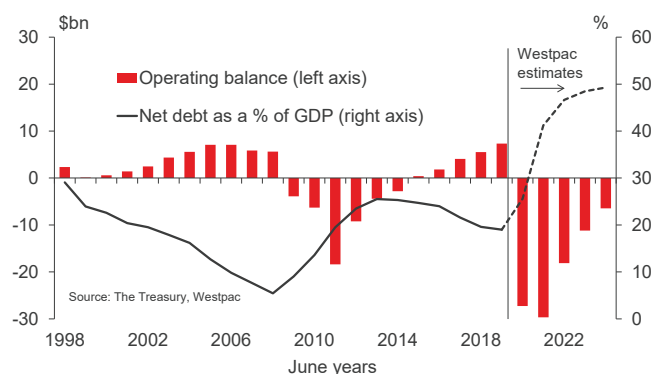


## NZ Government Budget 2020

**May 14**

- We expect operating deficits of close to 10% of GDP for each of the next two fiscal years.
- On top of the already-announced support measures during the lockdown, the Government is expected to announce billions of dollars of new spending to bolster the economy's recovery phase.
- Tax revenue will fall sharply during the downturn, and is likely to remain permanently lower than the Treasury's previous projections.
- Government bond issuance could rise by more than \$100bn over the coming years, and is likely to be front-loaded.

## NZ fiscal position



# The week ahead.

## NZ Apr REINZ House Price Index

**May 15, Last: +9.3%yr**

- House prices rose by only 0.3% in March, with sales down 16.5% over the month. Late March saw the economy going into lockdown, effectively reducing the number of working days. We also saw growing nervousness about the economic outlook, which will have dampened purchasers' appetites.
- With the economy in lockdown through most of April, sales will have taken a serious knock. However, a small number of sales will still have settled over the month. It's not clear what this will mean for average sale prices due to the small sample size.
- New listings have started to rise again as the lockdown level has been dialled back. However, with job losses and increased economic uncertainty, we expect house prices will drop over the months ahead.

## REINZ house prices and sales

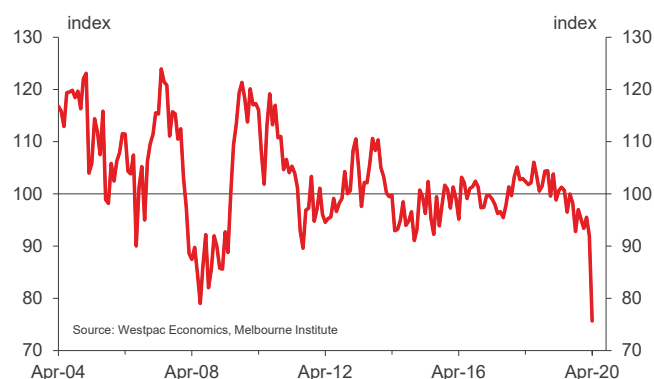


## Aus May Westpac-MI Consumer Sentiment

**May 13 Last: 75.6**

- Consumer sentiment plunged 17.7% to 75.6 in April, as the full impact of the Coronavirus shutdown impacted. The decline was the single biggest monthly fall in the 47yr history of the survey, taking the Index beyond GFC lows to levels only seen during the deep recessions of the early 1990s (64.6) and early 1980s (75.5). Despite the shocking result, the fall could easily have been worse – notably, the survey was conducted after the Federal Government had unveiled its massive \$130bn JobKeeper Payment scheme.
- The May update is in the field over the week ending May 9. Developments over the last month have been mixed. On the positive side, Australia's Coronavirus case count has been lower than feared, allowing for an earlier than expected relaxation in restrictions that is likely to be confirmed late in the survey week. There has been some improvement abroad although new cases and fatalities remain relatively high. Against this, news around the economy, both here and globally, is confirming a very heavy impact on activity and jobs.

## Aus Consumer Sentiment Index

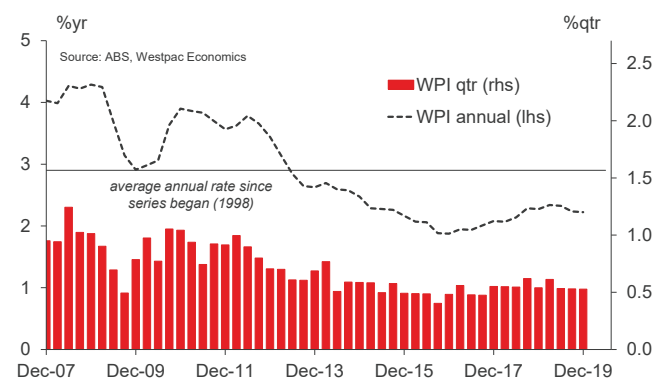


## Aus Q1 Wage Price Index

**May 13, Last: 0.5%, WBC f/c: 0.5%**  
**Mkt f/c: 0.5%, Range: 0.3% to 0.6%**

- Wages growth was running at a slow pace even before the COVID-19 recession hit Australia. The Wage Price Index (WPI) rose 0.5% in the final quarter of 2019, holding annual growth at 2.2%/yr but with a slight moderation to a 2.1% annual pace over the second half of the year. That compares to a cycle low of 1.6% over the second half of 2016 but is still well below the long-run average of 3%.
- We expect wage inflation to show another weak result for the first quarter of 2020 ahead of a material slowing as the Coronavirus shock plays through. Note that shifts in the labour market are usually slow to be reflected in wages growth as gains in many sectors are set by annual minimum wage decisions or adjusted in line with CPI results. Conversely, that also means wages can also be very slow to reflect tightening labour market conditions, particularly when there are wide reaching structural factors at play as well (as has been the case in recent years).

## Aus wage growth



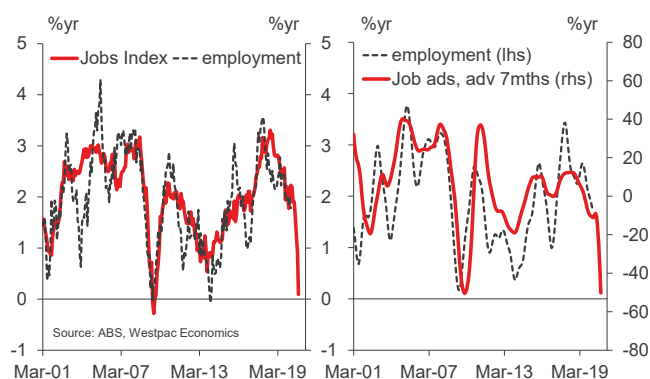
# The week ahead.

## Aus Apr employment change

**May 14, Last: +5.9k, WBC f/c: -450k**  
**Mkt f/c: -550k Range: -125k to 1000k**

- The timing of the labour force survey – covering the first two weeks of the month – meant the March update did not capture the impact of broad based lockdowns implemented late in the month. That is not going to be the case in April which will reflect the full scale of the virus hit.
- All signs suggest the fall-out has been brutal with recent data based on ATO payroll information indicating close to a million workers have been rendered inactive. The main question is how this will be reflected in the official statistics given the specific classifications used (e.g. with payrolls a measure of jobs, not employees, and with most JobKeeper recipients likely be considered employed) and other technical differences (including adjustments for population growth and seasonality).
- On balance, we expect April update to show a -450k drop in seasonally adjusted employment, estimated to be a -3.5% fall in original terms.

## Aus employment

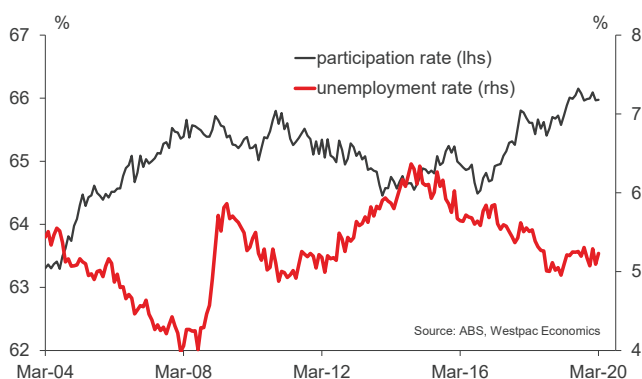


## Aus Apr unemployment rate

**May 14, Last: 5.2%, WBC f/c: 8.3%**  
**Mkt f/c: 8.3% Range: 5.6% to 10.0%**

- Unemployment nudged up to 5.2% in March but is set to spike sharply in April.
- As with the employment number, there is some uncertainty around how inactive workers are classified – those receiving support from the Federal Government's JobKeeper scheme should be classified as employed even if they were not active in the survey week (they will be classed as employed but working no hours).
- A second consideration is how many of those moving out of jobs exit the labour market altogether. Note that to be considered unemployed in the survey, individuals must be available to work in the survey week and actively looking for work. On balance we expect the participation rate to dip from 66% to 65.8%, giving a spike in the unemployment rate to 8.3%. Measures of underemployment, which are less affected by these definitional vagaries, will show a much bigger jump.

## Aus unemployment and participation rates

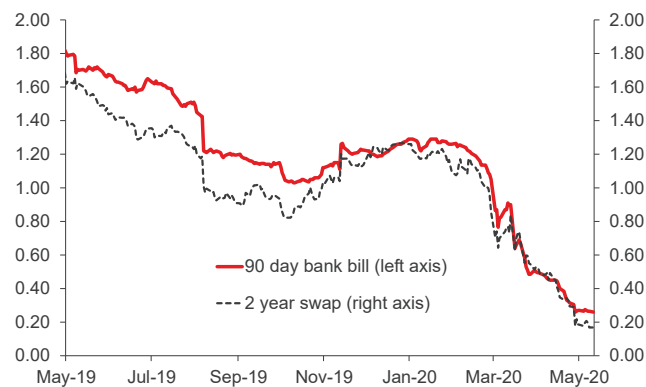


# New Zealand forecasts.

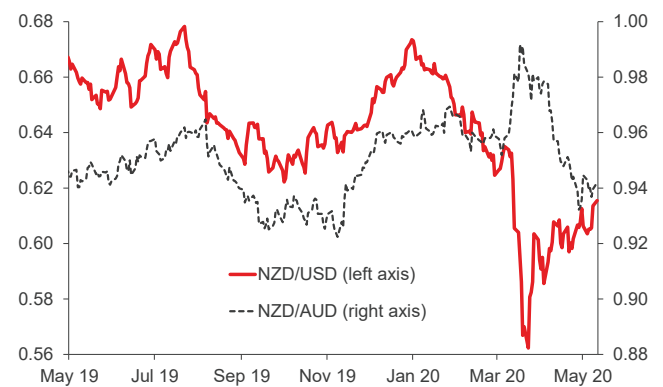
| Economic forecasts               | Quarterly |      |       |      | Annual |      |       |       |
|----------------------------------|-----------|------|-------|------|--------|------|-------|-------|
|                                  | 2019      | 2020 |       |      | 2018   | 2019 | 2020f | 2021f |
| % change                         | Dec (a)   | Mar  | Jun   | Sep  |        |      |       |       |
| GDP (Production)                 | 0.5       | -1.0 | -16.0 | 13.0 | 3.2    | 2.3  | -6.3  | 4.7   |
| Employment                       | 0.1       | 0.7  | -9.4  | 3.1  | 1.9    | 0.8  | -4.4  | 2.8   |
| Unemployment Rate % s.a.         | 4.0       | 4.2  | 9.5   | 8.5  | 4.3    | 4.0  | 7.7   | 7.1   |
| CPI                              | 0.5       | 0.8  | -0.4  | 0.8  | 1.9    | 1.9  | 1.3   | 1.0   |
| Current Account Balance % of GDP | -3.0      | -2.7 | -2.7  | -2.3 | -3.8   | -3.0 | -2.4  | -2.4  |

| Financial forecasts | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 |
|---------------------|--------|--------|--------|--------|--------|--------|
| Cash                | 0.25   | 0.25   | -0.50  | -0.50  | -0.50  | -0.50  |
| 90 Day bill         | 0.30   | 0.20   | -0.20  | -0.20  | -0.20  | -0.20  |
| 2 Year Swap         | 0.20   | 0.10   | 0.00   | 0.00   | 0.00   | 0.10   |
| 5 Year Swap         | 0.40   | 0.40   | 0.40   | 0.45   | 0.50   | 0.60   |
| 10 Year Bond        | 0.75   | 0.80   | 0.80   | 0.85   | 0.90   | 1.00   |
| NZD/USD             | 0.59   | 0.61   | 0.61   | 0.63   | 0.64   | 0.65   |
| NZD/AUD             | 0.95   | 0.95   | 0.93   | 0.93   | 0.94   | 0.94   |
| NZD/JPY             | 63.1   | 64.1   | 65.0   | 67.4   | 68.5   | 70.2   |
| NZD/EUR             | 0.55   | 0.58   | 0.58   | 0.59   | 0.59   | 0.60   |
| NZD/GBP             | 0.48   | 0.50   | 0.49   | 0.50   | 0.51   | 0.52   |
| TWI                 | 67.5   | 68.9   | 68.5   | 69.7   | 70.4   | 71.0   |

2 year swap and 90 day bank bills



NZD/USD and NZD/AUD



NZ interest rates as at market open on 11 May 2020

| Interest rates | Current | Two weeks ago | One month ago |
|----------------|---------|---------------|---------------|
| Cash           | 0.25%   | 0.25%         | 0.25%         |
| 30 Days        | 0.27%   | 0.28%         | 0.33%         |
| 60 Days        | 0.27%   | 0.30%         | 0.39%         |
| 90 Days        | 0.26%   | 0.31%         | 0.45%         |
| 2 Year Swap    | 0.17%   | 0.29%         | 0.46%         |
| 5 Year Swap    | 0.31%   | 0.46%         | 0.61%         |

NZ foreign currency mid-rates as at 11 May 2020

| Exchange rates | Current | Two weeks ago | One month ago |
|----------------|---------|---------------|---------------|
| NZD/USD        | 0.6155  | 0.6055        | 0.6100        |
| NZD/EUR        | 0.5684  | 0.5590        | 0.5587        |
| NZD/GBP        | 0.4961  | 0.4871        | 0.4873        |
| NZD/JPY        | 65.59   | 64.94         | 65.67         |
| NZD/AUD        | 0.9419  | 0.9365        | 0.9541        |
| TWI            | 69.54   | 68.81         | 69.31         |

## Data calendar.

|               |                                    | Last   | Market median | Westpac forecast | Risk/Comment   |
|---------------|------------------------------------|--------|---------------|------------------|--|
| <b>Mon 11</b> |                                    |        |               |                  |  |
| NZ            | Apr retail card spending           | -3.9%  | -50.0%        | -60.0%           | Lockdown restrictions in effect through most of April.       |
|               | Covid-19 alert level announcement  | -      | -             | -                | PM to announce whether the alert level will be changed.      |
| <b>Tue 12</b> |                                    |        |               |                  |  |
| Aus           | Apr NAB business survey            | -21    | -             | -                | Confidence (to -66) and conditions (-21) plunged on COVID.   |
|               | Federal government update          | -      | -             | -                | Ministerial statement: update on economy & COVID package.    |
| Chn           | Apr PPI %yr                        | -1.5%  | -2.6%         | -                | Factory-gate prices expected to slip into deeper deflation.  |
|               | Apr CPI %yr                        | 4.3%   | 3.7%          | -                | Soft demand, easing supply constraints & oil to weigh.       |
| US            | Apr NFIB small business optimism   | 96.4   | 86.5          | -                | Small business to be hit particularly hard by COVID.         |
|               | Apr CPI                            | -0.4%  | -0.7%         | -0.6%            | Airfares, energy & accommodation prices particularly weak.   |
|               | Apr monthly budget statement       | -119.1 | -             | -                | April to show impact from slow processing of tax returns.    |
|               | Fedspeak                           |        |               |                  | Bullard, Harker, Quarles and Mester all to speak.            |
| <b>Wed 13</b> |                                    |        |               |                  |  |
| NZ            | Apr food price index               | 0.7%   | -             | -                | May be a spike due to lack of 'specials' during lockdown.    |
|               | RBNZ Monetary Policy Statement     | 0.25%  | 0.25%         | 0.25%            | OCR on hold; QE program expected to increase to \$60bn.      |
| Aus           | May WBC-MI Consumer Sentiment      | 75.6   | -             | -                | Confidence collapsed in April as COVID shutdown hit.         |
|               | Q1 wage cost index                 | 0.5%   | 0.5%          | 0.5%             | Wages usually slow to respond to labour market shifts.       |
| Eur           | Mar industrial production          | -0.1%  | -12.0%        | -                | Production set for a record monthly contraction.             |
| UK            | Mar trade balance £bn              | -2793  | -2500         | -                | Volatile over last few months; a small narrowing expected.   |
|               | Q1 GDP                             | 0.0%   | -2.6%         | -                | Will contract, but should fare better than EU majors in Q1.  |
| US            | Apr PPI                            | -0.2%  | -0.4%         | -                | Factory price deflation set to continue in April.            |
| <b>Thu 14</b> |                                    |        |               |                  |  |
| NZ            | Mar net migration                  | 8250   | -             | -                | Set to fall sharply due to border closures.                  |
|               | Budget 2020                        | -      | -             | -                | More stimulus spending, large deficits, rising debt.         |
| Aus           | May MI inflation expectations      | 4.6%   | -             | -                | Petrol at <\$1/litre should be driving expectations lower.   |
|               | Apr employment                     | 5.9k   | -550k         | -450k            | Coronavirus impact to be revealed in full: sharp drop in ... |
|               | Apr unemployment rate              | 5.2%   | 8.3%          | 8.3%             | ... hours worked & employment; spike in unemployment.        |
| US            | Apr import price index             | -2.3%  | -3.1%         | -                | In March, airfares index fell 11.3% vs a year ago.           |
|               | Initial jobless claims             | 3169k  | -             | -                | Has been harrowing reading over last two months.             |
| <b>Fri 15</b> |                                    |        |               |                  |  |
| NZ            | Apr manufacturing PMI              | 53.2   | -             | -                | Likely to fall sharply vs Feb (survey not run in March).     |
|               | Apr REINZ house sales              | -16.5% | -             | -                | Due this week. Sales plunged during the lockdown ...         |
|               | Apr REINZ house prices %yr         | 9.3%   | -             | -                | ... making it harder to gauge the true impact on prices.     |
| Chn           | Apr industrial production YTD %yr  | -8.4%  | -4.8%         | -                | With China gradually coming back online...                   |
|               | Apr retail sales YTD %yr           | -19.0% | -12.0%        | -                | ... the contraction in production, trade & investment ...    |
|               | Apr fixed asset investment YTD %yr | -16.1% | -9.5%         | -                | ... will be much less dramatic than in March.                |
| Eur           | Mar trade balance €bn              | 25.8   | -             | -                | Volatility in trade balance should continue in months ahead. |
|               | Q1 GDP                             | -3.8%  | -3.8%         | -                | Prelim set to confirm unprecedented fall in advance read.    |
| US            | Apr retail sales                   | -8.7%  | -11.0%        | -13.0%           | Lockdowns will continue to suppress retail trade volumes.    |
|               | May Fed Empire state index         | -78.2  | -65.0         | -                | Expected to recover slightly as NY gets virus under control. |
|               | Apr industrial production          | -5.4%  | -11.4%        | -                | Poised for one of the biggest falls in a century.            |
|               | Mar business inventories           | -0.4%  | -0.3%         | -                | Will continue the unwinding cycle.                           |
|               | Mar JOLTS job openings             | 6882   | -             | -                | Job openings will be hit by hiring freezes.                  |
|               | May Uni. of Michigan sentiment     | 71.8   | 67.5          | -                | Record fall seen in April, but stabilised late in the month. |
|               | Mar total net TIC flows \$bn       | -13.4  | -             | -                | In Feb, Treasury net purchases grew but corporate fell.      |

## International forecasts.

| Economic forecasts (Calendar years) | 2016 | 2017 | 2018 | 2019 | 2020f | 2021f |
|-------------------------------------|------|------|------|------|-------|-------|
| <b>Australia</b>                    |      |      |      |      |       |       |
| Real GDP % yr                       | 2.8  | 2.5  | 2.7  | 1.8  | -5.4  | 4.0   |
| CPI inflation % annual              | 1.5  | 1.9  | 1.8  | 1.8  | 0.3   | 2.4   |
| Unemployment %                      | 5.7  | 5.5  | 5.0  | 5.2  | 7.6   | 6.3   |
| Current Account % GDP               | -3.1 | -2.6 | -2.1 | 0.5  | 0.5   | -0.8  |
| <b>United States</b>                |      |      |      |      |       |       |
| Real GDP %yr                        | 1.6  | 2.4  | 2.9  | 2.3  | -6.0  | 1.1   |
| Consumer Prices %yr                 | 1.4  | 2.1  | 2.4  | 1.8  | 1.4   | 1.6   |
| Unemployment Rate %                 | 4.9  | 4.4  | 3.8  | 3.7  | 18.0  | 8.2   |
| Current Account %GDP                | -2.3 | -2.3 | -2.3 | -2.6 | -2.5  | -2.4  |
| <b>Japan</b>                        |      |      |      |      |       |       |
| Real GDP %yr                        | 0.5  | 2.2  | 0.3  | 0.7  | -5.0  | 1.0   |
| <b>Euro zone</b>                    |      |      |      |      |       |       |
| Real GDP %yr                        | 1.9  | 2.5  | 1.9  | 1.2  | -8.5  | 1.7   |
| <b>United Kingdom</b>               |      |      |      |      |       |       |
| Real GDP %yr                        | 1.9  | 1.9  | 1.3  | 1.4  | -7.0  | 2.5   |
| <b>China</b>                        |      |      |      |      |       |       |
| Real GDP %yr                        | 6.8  | 6.9  | 6.8  | 6.1  | 0.1   | 10.0  |
| <b>East Asia ex China</b>           |      |      |      |      |       |       |
| Real GDP %yr                        | 4.1  | 4.6  | 4.4  | 3.7  | -2.6  | 5.8   |
| <b>World</b>                        |      |      |      |      |       |       |
| Real GDP %yr                        | 3.4  | 3.9  | 3.6  | 2.8  | -3.0  | 4.8   |

Forecasts finalised 8 May 2020

| Interest rate forecasts | Latest | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Australia</b>        |        |        |        |        |        |        |        |        |
| Cash                    | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   | 0.25   |
| 90 Day BBSW             | 0.10   | 0.15   | 0.20   | 0.25   | 0.30   | 0.35   | 0.40   | 0.45   |
| 10 Year Bond            | 0.91   | 0.75   | 0.80   | 0.85   | 0.90   | 1.00   | 1.10   | 1.20   |
| <b>International</b>    |        |        |        |        |        |        |        |        |
| Fed Funds               | 0.125  | 0.125  | 0.125  | 0.125  | 0.125  | 0.125  | 0.125  | 0.125  |
| US 10 Year Bond         | 0.64   | 0.60   | 0.65   | 0.70   | 0.75   | 0.80   | 0.90   | 1.00   |

| Exchange rate forecasts | Latest | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| AUD/USD                 | 0.6496 | 0.62   | 0.64   | 0.66   | 0.68   | 0.68   | 0.69   | 0.70   |
| USD/JPY                 | 106.35 | 107    | 105    | 106    | 107    | 107    | 108    | 110    |
| EUR/USD                 | 1.0833 | 1.07   | 1.06   | 1.06   | 1.07   | 1.08   | 1.09   | 1.10   |
| GBP/USD                 | 1.2371 | 1.22   | 1.23   | 1.24   | 1.25   | 1.25   | 1.26   | 1.27   |
| USD/CNY                 | 7.0842 | 7.02   | 6.90   | 6.85   | 6.80   | 6.75   | 6.70   | 6.60   |
| AUD/NZD                 | 1.0668 | 1.05   | 1.05   | 1.08   | 1.08   | 1.06   | 1.06   | 1.06   |



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