3 August 2015

Weekly Commentary

Kea. Arthurs Pass National Park.

In this issue

Comfortably low

Last week Reserve Bank Governor Graeme Wheeler delivered a speech titled "Some Thoughts on the Inflation Outlook and Monetary Policy". The speech elaborated on the messages of the July OCR review statement – chief among these being that the RBNZ is relatively cautious about reducing the OCR.

The Governor had a pointed message for markets: "Some local commentators have predicted large declines in interest rates over coming months that could only be consistent with the economy moving into recession." This suggested two things: (1) the RBNZ is not inclined to move in increments of more than 25bps, and (2) while the RBNZ seems prepared to cut the OCR again in September, it is on the fence about whether any further reduction in interest rates will be required this year.

At present, market pricing roughly accords with the RBNZ's views.

Our own assessment differs markedly from the Reserve Bank's (and therefore we disagree with current market pricing). We remain very comfortable forecasting a low point in the OCR of 2.0%. It is worthwhile exploring where these differences in our forecast come from.

The Reserve Bank appears to be reasonably positive on the domestic economy. The plunge in world dairy prices is clearly a concern, but overall the RBNZ sees growth running just a little below trend, supported by easier financial conditions, high net migration, growth in construction and strength in the services sector.

In contrast, our views are predicated on the economy entering a sharp slowdown in the near term. Until this week our view was based only on a sense that the most recent declines in dairy export prices were an important turning point, and would seriously knock confidence across the economy. We have also been cognisant of the fact that the Canterbury rebuild has peaked nine months earlier than previously thought, and

Comfortably low continued

will no longer underwrite accelerating GDP growth. Updating our economic forecasts is a work in progress, but indicatively, we are looking at GDP growth dropping below 2% and the unemployment rate rising to around 6.4% by early next year.

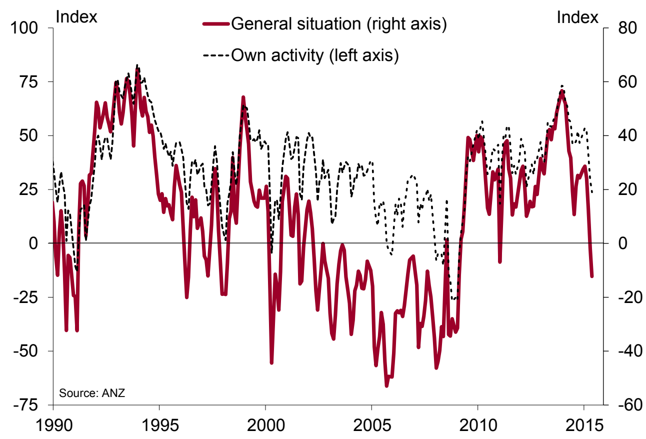
The notion that the economy is about to slow received important empirical backing from Friday's ANZ Business Outlook Survey. Overall business confidence plunged from -2.3% to -15.3%, the lowest level since March 2009. Business confidence stood at a robust +35.8% as recently as March this year. Businesses' assessment of their own prospects also fell sharply.

It was unsurprising to see that the sharpest drop in confidence and activity expectations was among businesses in the agriculture sector – we anticipate a further big drop next month in response to the latest dairy auctions and a likely downgrade to Fonterra's milk payment forecast. Negative rural sentiment is also showing up in farm prices – Quotable Value had this to say: "Following the latest GlobalDairyTrade auction result… there are already indications of a change in sentiment in the market which could lead to a decline in farm sale prices".

We were less prepared for the savage plunge in activity expectations among construction firms. This could be construed as important confirmation that the Canterbury rebuild has peaked (although it is also possible that the confidence reading itself was influenced by our report on the topic!). Certainly, last week's 4.1% decline in residential building consents data didn't do anything to dispel misgivings about construction – although we would caution that most of the decline came in the volatile apartments category. Auckland consents are still on an upward trend.

The second leg of the Reserve Bank's argument is that the falling exchange rate will help to lift inflation from 0.3% at present to around 2% over the first half of 2016. This is a fair point. But a fall in the exchange rate will only generate a transitory burst of inflation (with a lag of up to a year). Meanwhile, non-tradables inflation is already weak, and the softer growth outlook and the peak in the construction boom

Business confidence and own-activity expectations



suggest any material pickup is some way off. So maintaining inflation close to 2% is likely to require sustained tradable goods inflation – which in turn requires a sustained decline in the NZ dollar – or a significant pickup in domestic activity. But neither of those will happen if the RBNZ cuts the OCR by only another quarter percent or so.

Our forecast for a 2.0% OCR does imply interest rates that are below the levels reached in the aftermath of the Global Financial Crisis (GFC). We would appeal here to the precedent set by Australia in recent years. When Australia's terms of trade and construction booms faded, the cash rate was reduced to 2.0% without a recession – much lower than the 3.0% cash rate low reached during the GFC. We struggle to see why New Zealand will differ materially as its own terms of trade and construction booms fade.

The second point to consider here is that inflation and inflation expectations are much lower now than they were in 2009. An OCR of 2.0% today actually equates to higher real (inflation adjusted) interest rates than we experienced in 2009.

Fixed vs Floating for mortgages

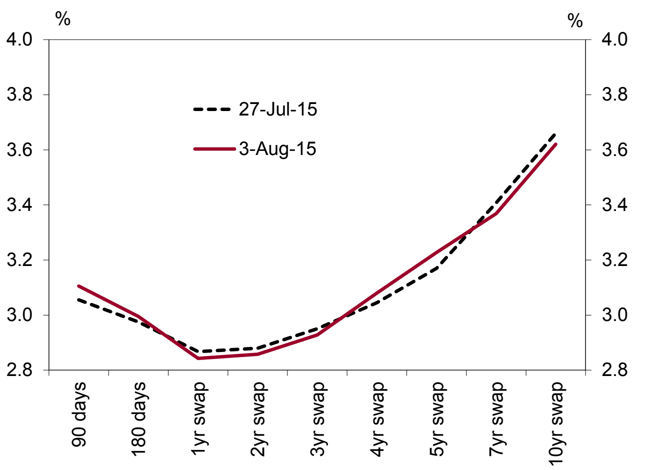
With short-term interest rates likely to fall further, borrowers should feel in no hurry to fix.

Longer-term fixed rates do offer the benefit of stability, but even those looking to fix may want to wait a while longer.

For borrowers with a deposit of deposit of 20% or more, the best value probably continues to lie in the two-year ahead and three-year ahead terms. Four- and five-year rates still seem high relative to where we think shorter-term rates are going to go over the next four or five years.

Floating mortgage rates usually work out to be more expensive for borrowers than short-term fixed rates, such as the six-month rate. However, floating may still be the preferred option for those who require flexibility in their repayments.

NZ interest rates



NZ Q2 household labour force survey

Aug 5, Employment, last: +0.7%, WBC f/c: +0.5%, Mkt f/c: 0.5%
Unemployment, last: 5.8%, WBC f/c: 5.9%, Mkt f/c: 5.9%

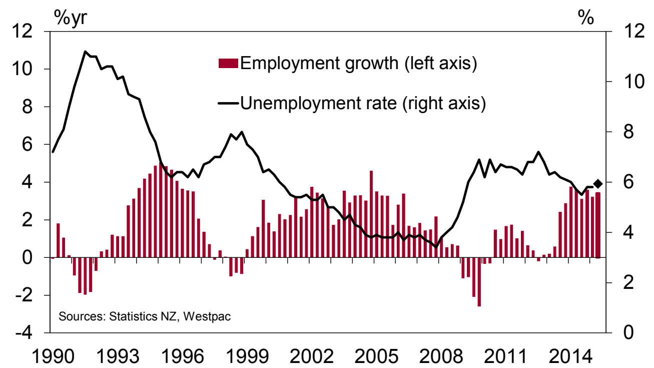
- In the early part of 2015, employment rose at a solid pace. However, increases in labour force participation meant that unemployment remained unchanged.
- In the June quarter, we're expecting the unemployment rate to rise to 5.9%. Underlying this is softening labour demand, with employment growth expected to have eased back to 0.5%. This will still leave annual employment growth at a healthy 3.4%. However, it won't be enough to offset the continued strong growth in the labour force over the past year.

NZ Q2 labour cost index

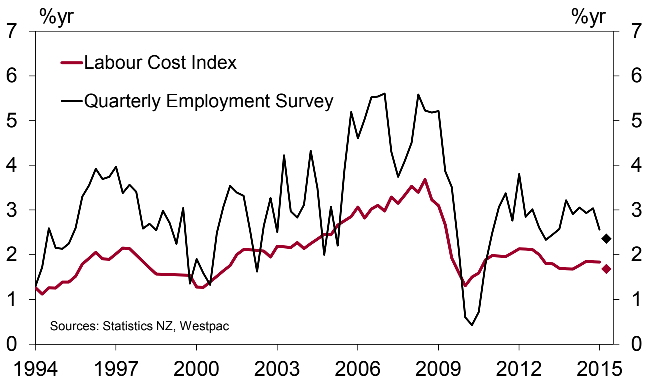
Aug 5, last: +0.3%, Westpac f/c: +0.4%, Mkt: 0.5%

- Private sector LCI wage inflation (including overtime) was just 0.3% in the March quarter, leaving wage rates up 1.8% for the year.
- We're expecting June's Labour Cost Index to show that annual private sector wage and salary growth has moderated to 1.7%, consistent with the continued softness in consumer price inflation.
- Nominal wage growth hasn't shown any material acceleration for several years now. Furthermore, with confidence in the economy wavering and some of the big drivers of growth coming off, any material lift in nominal wage inflation looks like it's some way off.

Household Labour Force Survey



Private sector wage growth



Aus Jun retail trade

Aug 4, Last: 0.3%, WBC f/c: 0.7%
Mkt f/c: 0.4%, Range: flat to 1.2%

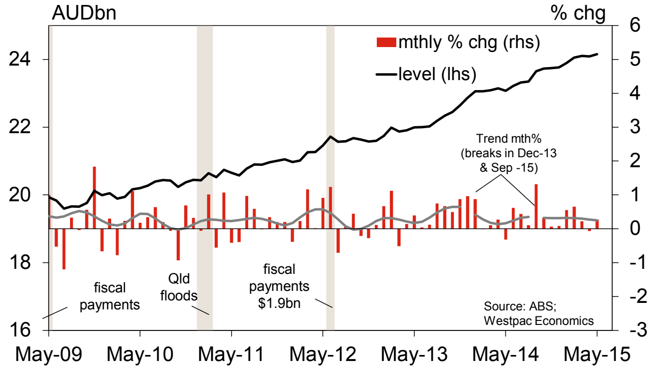
- Retail sales disappointed in May with a 0.3% rise following a 0.1% dip in Apr. A rate cut and a decent bounce in consumer sentiment had been expected to drive a somewhat better gain. Instead trend sales growth has lapsed back to track an annualised pace of just 3%.
- June may see more of a lift. Budget measures aimed at stimulating small business investment may have generated a sales burst in some segments ahead of the end of financial year. The evidence on this is mixed with some retailers reporting strong sales but the RBA minutes reporting little change in June from its business liaison. Vehicle sales did record a lift though. Retailers responding to private business surveys have also registered some improvement. On balance we expect a decent 0.7% gain in retail sales.

Aus Q2 real retail sales

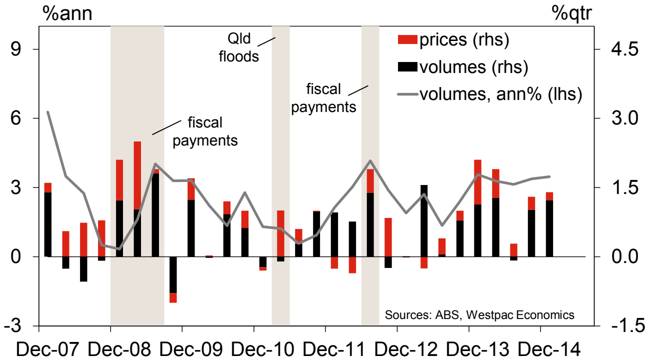
Aug 4, Last: 0.7%, WBC f/c: 0.4% Mkt f/c: 0.4%, Range: flat to 0.9%

- Real retail sales recorded a solid 0.7% gain in Q1, following strong gains of 1.2% in Q4 and 1% in Q3. Note that the Q4 gain was augmented by an abnormally large, and questionable, 'level shift' in electronic goods retail.
- Q2 is expected to show a more muted 0.4%qtr gain. Despite a kick-up in June, lacklustre sales in April-May mean nominal sales will be up about 0.7%qtr in Q2. The CPI detail suggests retail prices were up about 0.3%qtr vs 0.5% in Q1. The mix implies a 0.4% gain in real retail sales. Note that base effects (a –0.1%qtr in Q2 last year) mean annual growth lifts from 2.8% to 3.4%. More generally, the retail survey is a problematic guide to total consumer spending. The RBA was badly wrong-footed by the retail strength in 2014 H2. That said, the softer Q2 retail read is expected to be more in line with the broader national accounts measures this time around, even understating conditions slightly.

Monthly retail sales



Quarterly retail volumes and prices



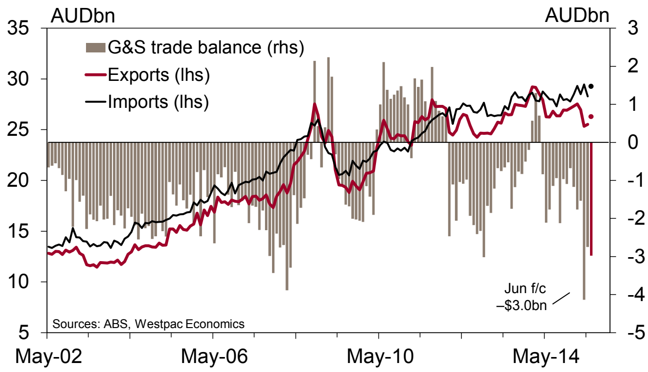
The week ahead

Aus Jun trade balance, AUDbn

Aug 4, Last: –2.8, WBC f/c: –3.0
Mkt f/c: –3.0, Range: –3.5 to –2.1

- Australia's international trade account has been in deficit for 14 consecutive months to May, with export earnings dented by falling global commodity prices.
- In May, the deficit was a still sizeable $2.8bn. That came on the heels of a record $4.1bn deficit in April as iron ore prices tumbled.
- For June, we expect no relief, forecasting a deficit of $3.0bn.
- Imports, which have been volatile of late, are expected to post a 3.5% rise. The ABS advise that goods imports increased by 4.4%.
- Export earnings are expected to advance in June, but at a slower pace than imports, up a forecast 3.0%. Iron ore volumes and prices, as well as coal volumes, are likely positives in the month.

Australia's trade position

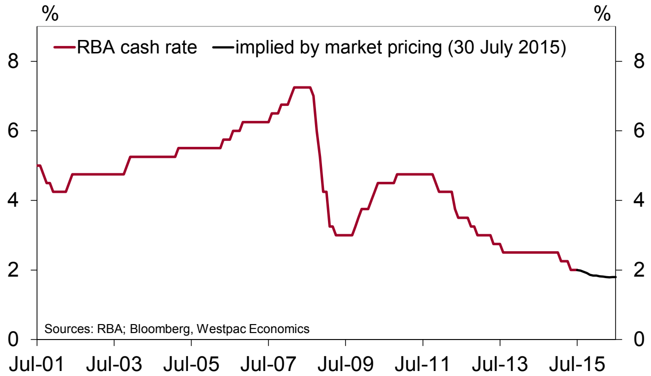


Aus RBA policy decision

Aug 4, Last: 2.00%, WBC f/c: 2.00%
Mkt f/c: 2.00%, Range: 1.75% to 2.00%

- The RBA is expected to leave rates unchanged. The Aug meeting is 'live' insofar as the Statement on Monetary Policy the following Friday offers an opportunity to back any move with a detailed explanation and revised forecasts, an approach the RBA has favoured in recent years and is ideal when decisions are heavily dependent on forecasts.
- The 2016 view is the critical factor for policy. We expect the Bank to lower its 2016 growth forecast from 3¼% to 3%. However, this is unlikely to trigger a move. The key dynamic is between firming consumer demand and an expected pick up in non-mining activity in 2016. The Bank will need the full Q2 national accounts and a decent set of Q3 partials to get a clear read on the consumer. Other considerations, around 'trend growth', labour markets, the AUD and housing-related financial stability concerns also argue for no change.

RBA cash rate

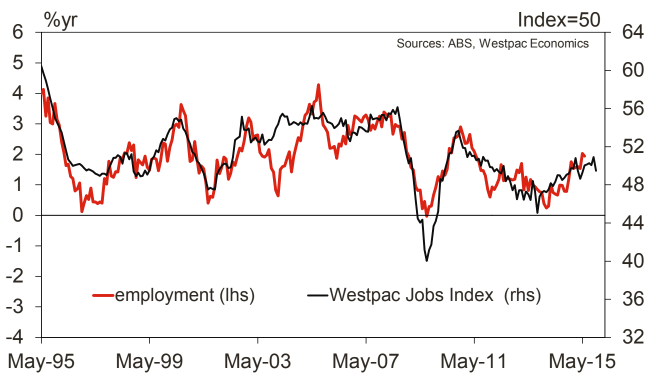


Aus Jul employment change

Aug 6, Last: 7.3k, WBC f/c: 15k
Mkt f/c: 10k, Range: –17k to 25k

- Total employment rose 7.3k in June, stronger than Westpac's forecast for –15k but close to the market's expectation for a flat print. Estimates ranged from –17k to +20k.
- The three month average change in total employment was 12.6k in June from 26.0k in May, 25.8k in April and 27.6 in March. Total employment has risen 224.4k (or 1.9%yr) in the year to June, a slight moderation from the 234.3k (or 2.0%yr) in the year to May. Full-time employment rose 24.5k while part-time employment eased –17.2k.
- Westpac's Jobs Index was highlighting that employment growth could accelerate to around 2%yr in the first half of 2015. However, the Index has now dropped to 49 which is more consistent with a pace between 1½%yr and 1¾%yr. Westpac is looking soft employment prints as we move into Q4.

Jobs Index is pointing to a softer pace for H2

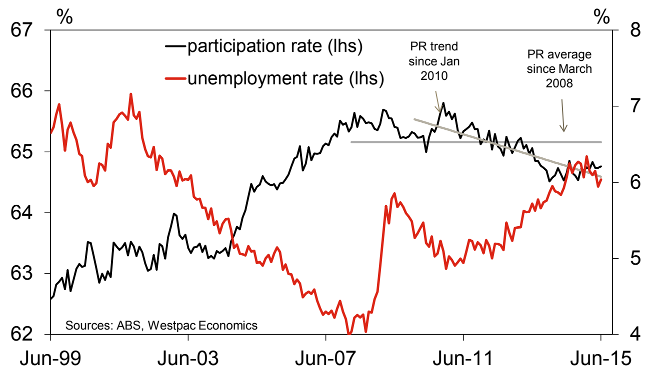


Aus Jul unemployment rate

Aug 6, Last: 6.0%, WBC f/c: 6.1%
Mkt f/c: 6.1%, Range: 6.0% to 6.1%

- In June, the unemployment rate rose to 6.0% (6.04% unrounded) from 5.9% (5.94%). Participation rose a touch to 64.8% from 64.7%, which drove a 20.1k lift in the labour force and the 0.1ppt rise in the unemployment rate.
- The ABS currently has the working age population growing at a 1.7%yr pace but with the recent improvement in participation the pace of growth in the labour force is reported at around 2.0%yr, on a par with that for the employment. Hence the unemployment rate has been trending around 6.0%.
- Holding the participation rate at 64.8% will generate a 24k rise in the labour force. With Westpac forecasting for a 15k lift in employment the resulting gap will generate a 0.1ppt rise in the unemployment rate.

Unemployment and participation rates

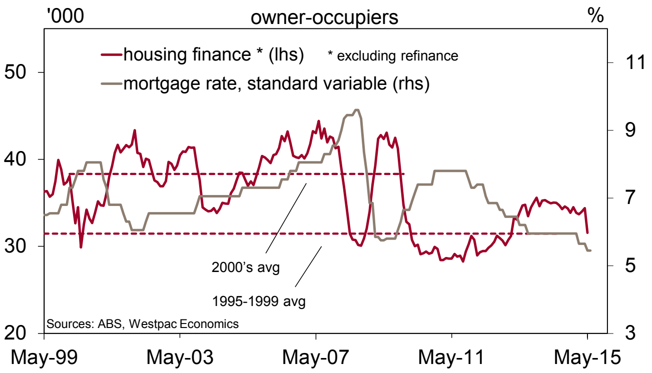


Aus Jun housing finance (no.)

Aug 7, Last: –6.1%, WBC f/c: 5.0%
Mkt f/c: 5.0%, Range: –1.0% to 6.5%

- Housing finance approvals to owner occupiers fell sharply in May with a 6.1% drop to be down 1.9%yr. Most of the May detail was also weak with the value of housing finance approvals to investors falling 3.2% (though still up 19.4%yr).
- Industry data points to a strong rebound in June. Although underlying conditions are softening for owner-occupiers – evident in the sustained weakening in buyer sentiment since early 2014 – the May fall looks overdone, perhaps reflecting a technical issue with seasonal adjustment. The June update is expected to see a solid (but still only partial) 5% rebound. There will again be keen interest in the investor numbers. The question here is whether the May decline is due to regulatory efforts to rein in lending growth or the same factors that drove the exaggerated fall in owner-occupier loans.

Owner-occupier finance & the rate cycle

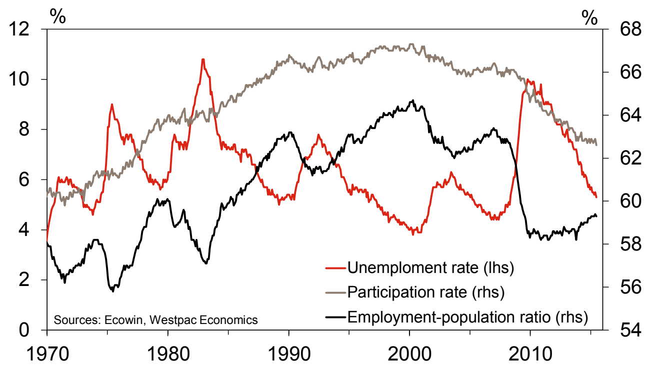


US July employment report

Aug 7, nonfarm payrolls Last: 223k, WBC f/c: 240k
Aug 7, unemployment rate Last: 5.3%, WBC f/c: 5.4%

- Nonfarm payrolls rose by 223k in June, broadly in line with the 3-month average of 221k, up from 195k in March. The unemployment rate fell 0.2pts in the month to 5.3% – a new cycle low, albeit only due to a 0.3ppt decline in participation.
- Apparent in the above results is a continuation of the robust employment trend of the past 18 months. This trend has been driven by record-low firing and renewed job creation.
- With initial jobless claims remaining near their low through July and available business surveys showing employment conditions at 'average' levels, another robust payrolls print is expected (240k). A partial retracement in participation will likely put upward pressure on the unemployment rate; but a bounceback in household survey jobs should partly offset.

Unemployment fell to 5.3% in June



Data calendar

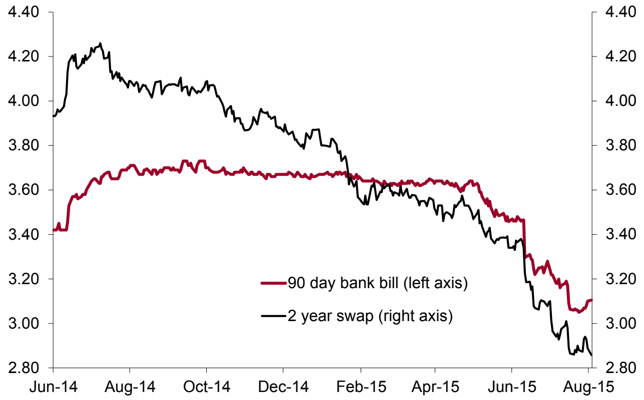
		Last	Market median	Westpac forecast	Risk/Comment
Mon 3					
Aus	Bank Holiday	–	–	–	Parts of NSW & ACT.
	Jul AiG PMI	44.2	–	–	Fell 8.1pts to 44.2 in June, with new orders soft in the month.
	Jul CoreLogic RP Data home value index	2.1%	–	2.6%	Price growth has kicked up again led by Sydney & Melbourne.
	Jul TD–MI inflation gauge %yr	1.5%yr	–	–	Petrol prices were softer & no historical seasonality in July.
	Jul ANZ job ads %yr	10.8%yr	–	–	Jobs ads improved end 2014, weakend through Q1 & recovered in Q2.
Chn	Jul Caixin PMI manufacturing - final	48.2	48.3	–	Flash estimate unnervingly weak.
US	Jun personal income	0.5%	0.3%	–	Persistent growth in incomes, from wages and investments.
	Jun personal spending	0.9%	0.2%	–	Services growth failed to pick up in Q2.
	Jun PCE deflator	0.3%	0.2%	–	Inflation pressures contained. Oil and USD still impacting.
	Jul ISM manufacturing	53.5	53.5	–	Well off highs despite recent bounce.
	Jul Markit manufacturing PMI final	53.8	53.8	–	Flash showed slight rebound from June's 20-month low.
	Jun construction spending	0.8%	0.7%	–	Residential work showing momentum; non-res stagnant.
Eur	Jul Markit manufacturing PMI final	52.2	52.2	–	Still showing healthy momentum; modest revision from flash likely.
Ger	Jul Markit manufacturing PMI final	51.5	51.5	–	Flash disappointed, reporting two-month low for series.
UK	Jul Markit manufacturing PMI	51.4	51.6	–	Soft European demand and the strong GBP have weighed on activity.
Tue 4					
NZ	Jul QV house price index %yr	9.3%	–	–	Early signs that housing inflation is radiating beyond Auckland.
	Jul commodity price index	–3.1%	–	–4.0%	Slumping dairy, strong beef; index may be up in NZ$ terms.
Aus	Jun retail sales	0.3%	0.4%	0.7%	Budget boost to SME investment to generate a lift ahead of fin year-end.
	Q2 real retail sales	0.7%	0.4%	0.4%	Moderation continues but has been unreliable guide to consumer spend.
	Jun trade balance, AUDbn	–2.8	3.0	–3.0	Another sizeable deficit. Imports +3.5%, exports, +3.0%.
	RBA policy decision	2.00%	2.00%	2.00%	On hold pending better gauge of consumer momentum & 2016 outlook.
US	Jul New York ISM	63.1	–	–	Businesses reported a solid lift in conditions in June.
	Jul factory orders	–1.0%	1.7%	–	Durable orders continue to disappoint; but transport supportive in Jul.
UK	Jul Nationwide house prices	–0.2%	0.4%	–	Price growth has slowed in recent months.
	Jul Markit construction PMI	58.1	58.5%	–	At robust levels, and has picked up recently.
Wed 5					
NZ	GlobalDairyTrade auction	–10.7%	–	–	Supply glut meets nervous global markets.
	Q2 unemployment rate	5.8%	5.9%	5.9%	Pushing higher as labour demand slows.
	Q2 employment growth	0.7%	0.5%	0.5%	Recent surveys point to slowing labour demand.
	Q2 LCI private wages (includ. overtime)	0.3%	0.5%	0.4%	Low inflation is dampening wage growth.
Chn	Jul Caixin services PMI	51.8	–	–	Financial services the obvious swing factor.
US	Jul ADP employment change	237k	210k	240k	Absence of firing key for continued strength in net hiring.
	Jun trade balance, $bn	–$41.9	–$42.2	–	New data on goods trade points to wider deficit in Jun.
	Jul Markit services PMI final	55.2	55.2	–	Jul flash reported bounce in activity.
	Jul Markit composite PMI final	55.2	–	–	Services survey points to confidence in outlook deteriorating.
	Jul ISM non-manufacturing composite	56.0	56.3	–	Well off its high, but still indicative of solid growth.
Eur	Jul Markit services PMI final	53.8	53.8	–	Robust momentum apparent; oil price and Euro supportive.
	Jul Markit composite PMI final	53.7	53.7	–	Final unlikely to report significant revision.
	Jun retail sales	0.2%	–	–	Up 2.4%yr in May; persistent momentum seen through H1 2015.
Ger	Jul Markit services PMI final	53.7	53.7	–	Employment index picked up in Jul, as for manufacturing.
	Jul Markit composite PMI final	53.4	53.4	–	Weaker headline read for both components; Jul is two-month low.
UK	Jul BRC shop price index %yr	–1.3%	–	–	Price pressures remain low.
	Jul Markit services PMI	58.5	58.0	–	Has remained at robust levels.
	Jul Markit composite PMI	57.4	–	–	Businesses reported stronger conditions last month.
	Jul Halifax house prices	1.7%	0.3%	–	Tentative date. Supply shortages have been boosting prices.
Thu 6					
Aus	Jul employment ch '000	7.3k	10k	15k	Jobs Index is pointing to employment slowing to under a 1¾%yr pace.
	Jul unemployment rate, %	6.0%	6.1%	6.1%	Labour force growing around 2%yr so a modest rise in unemployment.
US	Initial jobless claims	267k	–	–	Claims rose by 12k last week, but remain low.
UK	Jun industrial production	0.4%	0.1%	–	The sector has been expanding at a modest pace.
	BoE policy meeting and inflation report	0.5%	0.5%	0.5%	Rates to remain on hold.
Fri 7					
Aus	Jun housing finance	–6.1%	5.0%	5.0%	Industry figs show rebound from May's surprise fall. All eyes on investors.
	Aug RBA Statement on Monetary Policy	–	–	–	Slight revision of 2016 growth forecast likely: mid-point from 3¼% to 3%.
US	Jul non–farm payrolls	223k	225k	240k	Jun 3-mth average at 221k, up from 195k in Mar.
	Jul unemployment rate	5.3%	5.3%	5.4%	Participation rate likely to partially retrace; see unemp rate edge up.
	Jun consumer credit, $bn	16.1	17.0	–	Student debt and auto lines continue to drive total series.
Can	Jul Ivey PMI	55.9	–	–	After earlier rises, the index fell back sharply in June.
Ger	Jun trade balance	19.5b	20.3b	–	Rise in foreign demand underpinning widening surplus.
UK	Jun trade balance (visibles)	–8.0b	–9.3b	–	Gains in exports and falling imports have seen the deficit narrow.
Sat 8					
Chn	Jul trade balance, CNY bn	284	–	–	Imports stabilising in volume terms, exports under pressure.
US	Fedspeak	–	–	–	Powell on Bond Market Liquidity.

New Zealand forecasts

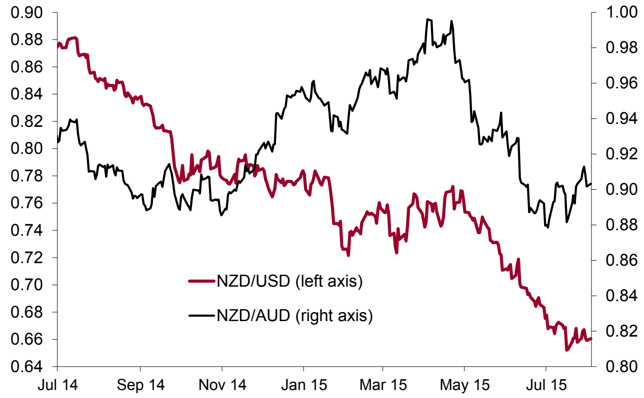
Economic Growth Forecasts	March years				Calendar years			
% change	2014	2015	2016f	2017f	2013	2014	2015f	2016f
GDP (Production) ann avg	2.5	3.2	2.4	3.3	2.2	3.3	2.4	3.1
Employment	3.8	3.2	3.0	2.3	2.9	3.6	2.8	3.0
Unemployment Rate % s.a.	6.0	5.8	5.6	5.1	6.1	5.8	5.9	5.0
CPI	1.5	0.1	1.7	1.9	1.6	0.8	0.8	2.2
Current Account Balance % of GDP	-2.6	-3.6	-4.6	-4.3	-3.3	-3.3	-4.2	-4.4

Financial Forecasts	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
Cash	2.75	2.25	2.00	2.00	2.00	2.00
90 Day bill	2.65	2.30	2.10	2.10	2.10	2.10
2 Year Swap	2.70	2.30	2.20	2.30	2.40	2.50
5 Year Swap	3.10	2.80	2.90	3.10	3.30	3.40
10 Year Bond	3.30	3.20	3.30	3.50	3.70	3.90
NZD/USD	0.63	0.62	0.62	0.63	0.64	0.65
NZD/AUD	0.86	0.86	0.86	0.88	0.88	0.88
NZD/JPY	76.2	76.3	76.3	78.1	80.0	81.9
NZD/EUR	0.58	0.58	0.58	0.59	0.59	0.60
NZD/GBP	0.42	0.42	0.41	0.42	0.41	0.41
TWI	67.9	67.4	67.3	68.5	69.1	69.8

2 Year Swap and 90 Day Bank Bills



NZD/USD and NZD/AUD



NZ interest rates as at market open on Monday 3 August 2015

Interest Rates	Current	Two weeks ago	One month ago
Cash	3.00%	3.25%	3.25%
30 Days	3.13%	3.13%	3.31%
60 Days	3.11%	3.10%	3.27%
90 Days	3.11%	3.08%	3.23%
2 Year Swap	2.86%	2.85%	2.97%
5 Year Swap	3.23%	3.22%	3.36%

NZ foreign currency mid-rates as at Monday 3 August 2015

Exchange Rates	Current	Two weeks ago	One month ago
NZD/USD	0.6605	0.6520	0.6657
NZD/EUR	0.6014	0.6019	0.6047
NZD/GBP	0.4223	0.4179	0.4279
NZD/JPY	81.85	80.87	81.21
NZD/AUD	0.9032	0.8840	0.8925
TWI	70.41	69.36	70.27

International forecasts

Economic and Financial Forecasts

Economic Forecasts (Calendar Years)	2011	2012	2013	2014	2015f	2016f
Australia						
Real GDP % yr	2.7	3.6	2.1	2.7	2.4	3.0
CPI inflation % annual	3.0	2.2	2.7	1.7	2.5	2.5
Unemployment %	5.2	5.3	5.8	6.2	6.5	6.3
Current Account % GDP	-2.8	-4.4	-3.3	-2.8	-3.4	-3.4
United States						
Real GDP %yr	1.6	2.3	2.2	2.4	2.0	3.2
Consumer Prices %yr	3.1	2.1	1.5	1.6	0.1	2.0
Unemployment Rate %	8.9	8.1	7.4	6.2	5.3	5.0
Current Account %GDP	-2.9	-2.9	-2.2	-2.2	-2.3	-2.3
Japan						
Real GDP %yr	-0.5	1.8	1.6	-0.1	1.3	1.8
Euroland						
Real GDP %yr	1.6	-0.8	-0.4	0.8	1.4	1.2
United Kingdom						
Real GDP %yr	1.6	0.7	1.7	2.6	2.5	2.7
China						
Real GDP %yr	9.3	7.8	7.8	7.4	7.0	7.0
East Asia ex China						
Real GDP %yr	4.4	4.5	4.3	4.1	4.2	5.0
World						
Real GDP %yr	4.2	3.4	3.4	3.4	3.2	4.0
Forecasts finalised 10 July 2015						

Interest Rate Forecasts	Latest	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16
Australia						
Cash	2.00	2.00	2.00	2.00	2.00	2.00
90 Day Bill	2.15	2.20	2.20	2.20	2.20	2.20
10 Year Bond	2.76	3.00	3.10	3.25	3.40	3.55
International						
Fed Funds	0.125	0.375	0.625	0.875	1.125	1.375
US 10 Year Bond	2.26	2.60	2.80	3.00	3.20	3.30
ECB Repo Rate	0.05	0.05	0.05	0.05	0.05	0.05

Exchange Rate Forecasts	Latest	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16
AUD/USD	0.7300	0.73	0.72	0.72	0.72	0.73
USD/JPY	124.08	121	123	123	124	125
EUR/USD	1.0950	1.08	1.07	1.07	1.07	1.08
AUD/NZD	1.1088	1.16	1.16	1.16	1.14	1.14

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Disclaimer continued

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