

No hurry for RBNZ to raise OCR

- RBNZ leaves OCR on hold at 2.5% and highlights global uncertainty dominates its outlook.
- We expect Q2 GDP will be relatively weak, but underlying growth in the NZ economy remains firm.
- We now see March as the most likely timing for an OCR increase.

As widely expected, the RBNZ left the OCR on hold at 2.5% at the September MPS and indicated increases in the OCR would be largely dependent on the global outlook. In particular, escalating fears of a meltdown in the financial markets in Europe has increased the downside risks for our economy. Partly as a result of the weaker global growth outlook, the RBNZ has revised down its medium-term growth forecasts. The RBNZ also highlighted the tightening in funding markets in recent months, and its concern at the potential flow-on effects to NZ bank funding costs. As a result, it has lowered its medium-term interest rate outlook (see below).

While the debt crisis in Eurozone is far from resolved, market fears have been allayed somewhat by an announcement late last week of a joint approach from major central banks including the Federal Reserve, European Central Bank, Bank of England, Bank of Japan and Swiss National Bank to relieve liquidity pressures. The central banks will jointly offer 3-month USD liquidity to banks in their various jurisdictions to provide sufficient USD funds to cover liquidity needs into early 2012. These measures reduce the likelihood of a credit crunch in the financial markets. Nonetheless, the sustainability of debt in the Western economies remains a key issue for the stability of the global financial markets.

In contrast, the RBNZ remains optimistic on the domestic growth outlook on the assumption global developments will have a relatively mild impact on NZ. However, there is much uncertainty surrounding the growth outlook for NZ's trading partners. For now, the RBNZ remains upbeat that continued strength in NZ export commodity prices will underpin a continued recovery in the NZ economy. Recent domestic data indicate economic activity was broadly flat in the NZ economy over Q2. This largely reflects growth in retail spending and housing-related activity being offset by declines in construction, manufacturing and wholesale trade. While the recent weakness in construction, manufacturing and wholesale trade activity is disappointing, underlying growth in the NZ economy remains firm. The 0.8% growth recorded over the March quarter was impressive in light of the disruption caused by the February earthquake. We see the outlook for the second half of 2011 as remaining solid, given the continued recovery in the household sector and business investment. Confidence in the manufacturing sector remains relatively upbeat, with the low NZD/AUD providing support to many manufacturing exporters. In addition, recovering NZ demand is expected to provide further support and recovery in domestically-focused manufactures.

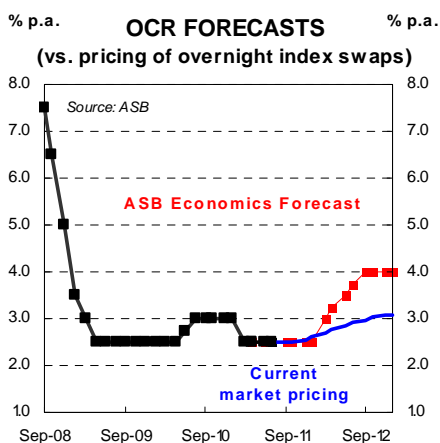
Whilst the weakness in domestic economic growth over Q2 is expected to be temporary, it does reduce the urgency for OCR increases. Following the September MPS, we have pushed back our expectations of when the RBNZ will raise the OCR, with a 50bp increase now not expected till March. This will allow the RBNZ more time to assess the impacts of the Eurozone debt crisis and slowing global growth on the NZ economy.

Click here for:

- [Foreign Exchange](#)
- [Interest Rates](#)
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- [Week in Review](#)
- [Global Calendars](#)

- NZD edges higher on improved market sentiment.
- Domestic interest rates fall as markets push back expectations of OCR increase.
- Q2 Current Account and GDP the key domestic data releases.
- RBNZ leaves OCR on hold and highlights its concern at escalating global risks.
- FOMC rate announcement the key focus for offshore markets.

Chart of the Week



The RBNZ reduced its medium-term outlook for the 90-day bank bill to 4.3%, consistent with the OCR levelling off at 4-4.25%. Influences on the shift include: weaker growth; the assumption the NZD would persist at a higher level; the assumption that the post-GFC wedge between the OCR and actual banking funding costs will remain wide.

Our estimate of the neutral cash rate is 4.5%-5% when accounting for the impact of changed funding costs. Households' more conservative attitudes to debt, if they persist over the next few years, would imply an even lower neutral rate than 4.5-5% is currently in effect and relevant for the RBNZ's policy decisions.

The RBNZ's shift largely ties in with our own view of a 4% OCR peak. In August we lowered our forecast OCR peak from 4.5% to 4% on the view the NZD would remain above USD0.80 over 2012.

Foreign Exchange Market

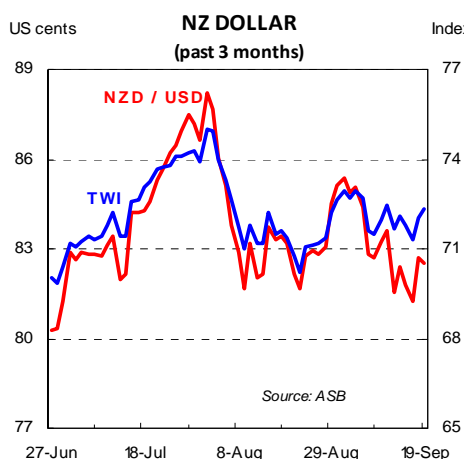
FX Rates	Current*	Week ago	Month ago	6 mths ago	Year ago	ST Bias	Support^	Resistance^
NZD/USD	0.8251	0.8156	0.8215	0.7326	0.7302	FLAT	0.8100	0.8400
NZD/AUD	0.8015	0.7877	0.7921	0.7322	0.7729	FLAT	0.7900	0.8100
NZD/JPY	63.44	62.92	62.84	59.29	62.56	FLAT	62.50	64.50
NZD/EUR	0.6027	0.6029	0.5740	0.5170	0.5559	UP	0.5950	0.6100
NZD/GBP	0.5251	0.5153	0.4982	0.4520	0.4655	UP	0.5180	0.5320
TWI	72.3	71.7	70.8	64.4	67.0	FLAT	71.00	73.00

^Weekly support and resistance levels * Current is as at 11.30 am Monday; week ago as at Monday 5pm.

The recent period of USD consolidation is likely to continue through the week. The lack of solidarity about how to handle the euro zone debt situation at the latest EU Finance Ministers meeting is likely to sustain USD demand in the early part of the week. In addition, with the Bank of Japan and Swiss National Bank intervening to weaken the JPY and CHF, the USD should remain well supported as volatility remains acute. We expect the FOMC to reiterate its rather bleak near-term outlook for the US economy and announce further policy easing measures. Concern that the US economy may be heading towards recession, or the announcement by the FOMC of what is perceived by participants to be a relatively muted policy response, is also likely to push USD higher.

The NZD edged higher last week, largely reflecting the improvement in market sentiment. Q2 NZ GDP data on Thursday are no longer expected to repeat the robust Q1 result. A weak GDP print could weigh on the NZD late in the week. Beyond this key local release, the NZD direction will largely be driven by market sentiment about the European situation, and the FOMC decision. The NZD has spent the last week largely trading in a 0.8150-0.8350 range. Developments both on and offshore have the potential to push the NZD either side of this range this week.

Short-term outlook:



Key data

Date

Time (NZT)

Market

RBA Meeting Minutes	20/9	1.30 pm	-
NZ International Travel and Migration	21/9	10.45 am	-
NZ Current Account (% of GDP)	21/9	10.45 am	-4%
FOMC Rate Announcement	22/9	6.15 am	
NZ GDP – Q2	22/9	10.45 am	+0.5%
NZ Merchandise trade balance (million)	26/9	10.45 am	-

Key events in markets this week: RBA board minutes, German producer prices, euro zone and German ZEW survey, US housing starts, US building permits (20th); German Budget Committee meeting on Greece and EFSF, US existing home sales, FOMC rate decision (21st); EZ consumer confidence, US weekly jobless claims (22nd); EZ PMIs (23rd).

Speakers: US Fed: Dudley, Williams (23rd). ECB: Gonzalez-Paramo (19th), Weidmann, Schaeuble (23rd), Trichet (23rd), Stark, Weidmann, Schaeuble (24th). RBA: Battellino (21st), Lowe (22nd).

Medium-term outlook:

[Last Quarterly Economic Forecasts](#)

The global demand for USD funding is escalating as the euro zone sovereign crisis continues and the threat of a US recession rises. The USD tends to rise whenever the US enters recession, or the threat of a US recession significantly rises. The combination of a downward revision to US and euro zone GDP forecasts is generating a period of softer global growth. We have recently adjusted our FX forecasts to account for these developments.

In addition to rising USD demand, our revised currency forecasts reflect a host of local and global factors: (1) the lower EUR and GBP forecasts are a function of weaker euro zone and UK economic growth as well as an easing in the European Central Bank (ECB) and Bank of England's (BoE) monetary policy stance; (2) a weaker CHF is a result of the interventionist policy measures undertaken by the Swiss National Bank (SNB); (3) the downward revision to the AUD and NZD forecasts reflect a period of softer global economic growth in the world economy; and (4) lower CAD forecasts reflect the softer global economy, the softer US economy, and a shift by the Bank of Canada to a neutral stance following an unexpected Q2 contraction in the Canadian economy.

An extended period of "temporary" USD strength and softer global growth are the two main factors behind the trimming of our AUD and NZD forecasts. However, the bulk of downward revisions to GDP growth are coming from outside non-Japan Asia, meaning the net impact on the AUD and NZD is somewhat insulated. The net modest downward revision to global economic growth suggests to us that the commodity currencies of the NZD, AUD (and CAD) therefore only need to be revised modestly lower. We expect the NZD to peak around 0.84 and the AUD to peak around 1.08 against the USD over 2012, lower than our previous forecasts of 0.88 and 1.10.

Interest Rate Market

Wholesale interest rates	Current	Week ago	Month ago	6 mths ago	Year ago	ST Bias
Cash rate	2.50	2.50	2.50	2.50	3.00	FLAT
90-day bank bill	2.80	2.97	2.87	2.62	3.17	FLAT
2-year swap	3.32	3.28	3.31	3.32	3.84	UP
5-year swap	3.96	3.99	4.12	4.39	4.46	UP
5-year benchmark gov't stock	3.54	3.53	3.54	4.32	4.59	FLAT
NZSX 50	3291	3264	3268	3348	3212	UP

* Current is as at 11.30am Monday; week ago is as at Monday at 5pm. Please note there are currently no NZ gov't bonds on issue that are close to a 5-year maturity. As a result, we are currently using an April 2015 maturity, which is technically a 4-year maturity. Please be very careful with comparisons of gov't bond yields and swap rates.

Domestic interest rates fell last week, following the release of the RBNZ's September MPS. The moves were concentrated in the short end, reflecting markets pushing back expectations of the timing of the OCR increase. The RBNZ indicated in its Statement the OCR was likely to be left on hold for longer given the greater global uncertainty. Markets have currently priced a 25bp OCR increase by the April meeting, and only 58bp of rate increases have been priced in till the end of 2012.

Offshore, market sentiment was boosted late last week by the announcement from major central banks of a joint offering of 3-month USD liquidity to banks in their various jurisdictions. This was aimed at relieving liquidity pressures in the global financial system, with enough USD funds to cover liquidity needs into early-2012. The improvement in market sentiment boosted bond yields last Thursday night.

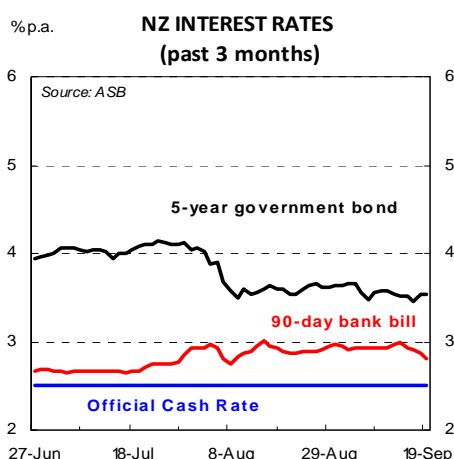
Short-term outlook:

Key data

Date

Time (NZT)

Market



RBA Meeting Minutes

20/9

1.30 pm

-

NZ International Travel and Migration

21/9

10.45 am

-

NZ Current Account (% of GDP)

21/9

10.45 am

-4%

FOMC Rate Announcement

22/9

6.15 am

-

NZ GDP – Q2

22/9

10.45 am

+0.5%

NZ Merchandise trade balance (million)

26/9

10.45 am

-

Comment: Domestic market attention turns to the Q2 GDP data released this Thursday. Recent domestic data suggests economic growth was weak in the June quarter. A weak result has the potential to see a decline in domestic interest rates.

The FOMC rate announcement will be the focus for offshore markets. The move by the FOMC to expand the meeting to two days, combined with the deterioration in the US economic data, has raised expectations of further policy easing measures.

Medium-term outlook:

[Last Quarterly Economic Forecasts](#)

The RBNZ left the OCR on hold at 2.5% at the September MPS, as widely expected. The accompanying Statement indicated the recent escalation in global uncertainty has increased the downside risks to its domestic growth outlook. Partly as a result of the weaker global growth outlook, the RBNZ has revised down its medium-term growth forecasts.

The RBNZ has highlighted its concern at the flow-on effects of the recent tightening in funding markets on NZ bank funding costs. Partly as a result of its expectations that bank funding costs will remain high, the RBNZ has lowered its medium-term outlook for the 90-day bank bill to 4.3%. This outlook implies the RBNZ expects the OCR will level off at 4-4.25% - in line with our expectations that the OCR will peak at 4%.

In regards to the domestic economy, the RBNZ remains optimistic. It expects recent global developments will have a relatively mild impact on NZ. For now, the RBNZ remains upbeat that continued strength in NZ export commodity prices will underpin a continued recovery in the NZ economy.

The RBNZ has also revised down its CPI forecasts as a result of its downward revisions to growth and its expectations of a higher NZ dollar over the coming years. We see its inflation forecast of annual CPI inflation quickly returning to close to the mid-point of its target band of 2% as optimistic. While recent inflation indicators suggest there is breathing space for the RBNZ on the inflation front at the moment, the fact medium-term inflation expectations remain close to the top of the RBNZ's target band is of concern.

In the wake of the September MPS, we have pushed back our expectations for the timing of the OCR increase. We now expect the RBNZ will wait until March before lifting the OCR by 50bp. This will allow the RBNZ more time to assess the impacts of the Eurozone debt crisis and slowing global growth on the NZ economy.

Data Preview: a look at the week ahead

Data	Date	Time (NZT)	Previous	Market expects	ASB expects
RBA Meeting Minutes	20/9	1.30 pm	-	-	-
NZ International Travel and Migration (net migration)	21/9	10.45 am	-220	-	-
NZ Current Account (% of GDP)	21/9	10.45 am	-4.2%	-4%	-4%
FOMC Rate Announcement	22/9	6.15 am			
NZ GDP – Q2	22/9	10.45 am	+0.8%	+0.5%	+0.1%
NZ Merchandise trade balance (million)	26/9	10.45 am	+\$129	-	-\$500

New Zealand Data Previews

Wednesday 21 September

Balance of Payments – Q2

Previous: -\$97 million, -4.2% of GDP

ASB(f): -\$600 million, -4.0% of GDP

We expect a current account deficit of \$600 million in Q2, bringing the annual deficit back to 4% of GDP. In seasonally-adjusted terms, the deficit is likely to be unchanged from the previous quarter at \$1.7 billion.

Underpinning the Q2 deficit is an improvement in the goods balance. Export receipts surged 4.5%, underpinned by strong prices for meat and dairy and a lift in manufactured exports. Meanwhile we expect the services balance to weaken, weighed by lower export receipts as visitor arrivals were weak over the quarter.

Over Q1, the income deficit was reduced, due to reduced earnings on foreign-owned NZ companies as a result of insurance-industry losses arising from the Canterbury earthquake. We expect further realisation of losses will weigh on foreign earnings in Q2, although to a lesser extent than in Q1.

Wednesday 21 September

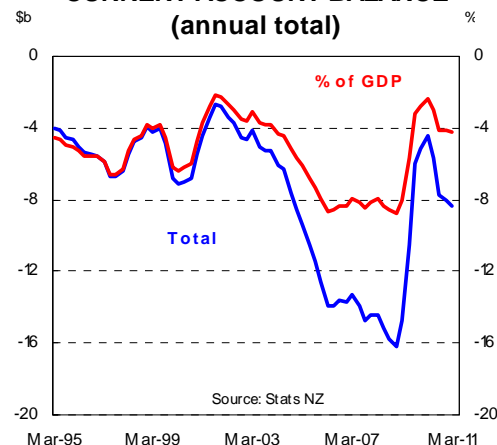
International Travel and Migration - August

Previous net migration: -220

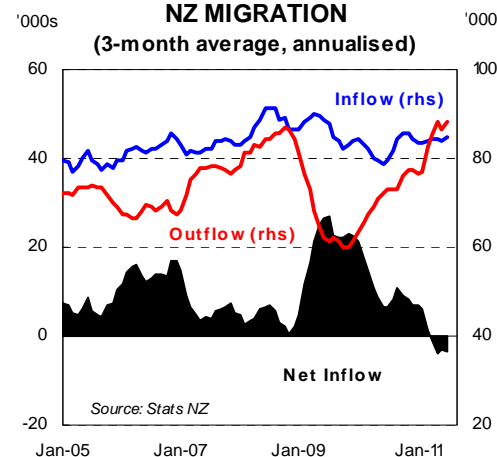
There has been a steady run of net outflows of NZ residents since March. New Zealanders continue to relocate to Australia, with the relative strength of the labour market a strong draw card. While this trend has been in place for the past year, the Christchurch earthquake in February appears to have added additional momentum. However, we expect these outflows to peak in the coming months, as Australia's labour market slows. Meanwhile, economic prospects in NZ have improved with job growth now showing a firm recovery, which should convince some New Zealanders to stay put – at least while the Rugby World Cup is on.

Short-term visitor arrivals bounced back in July, lifting 2% following the previous month's 4.4% decline induced by the ash cloud and cancellation of trans-Tasman flights. However, on a trend basis the number of visitor arrivals from key regions has started to decline. Beyond the boost from the RWC, the outlook for tourism remains challenging given weak visitor arrivals coupled with the relatively high level of the NZD against the USD, GBP and EUR.

CURRENT ACCOUNT BALANCE (annual total)



NZ MIGRATION (3-month average, annualised)



Thursday 22 September

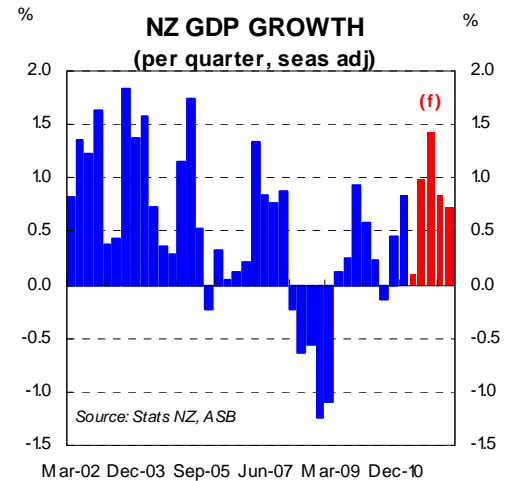
GDP – Q2

Previous: +0.8% qoq ASB(f): +0.1%

We expect GDP growth of just 0.1% over Q2. This follows a robust 0.8% increase over the first quarter of 2011. The strength of the Q1 increase was particularly impressive given the disruption caused by the February earthquake.

Over Q2, we expect growth in retail spending and housing related activity will be offset by declines in construction, manufacturing, and wholesale trade.

Despite the expectation of weak growth over Q2, the underlying story remains buoyant, although perhaps less upbeat than initially thought following the Q1 result. Over the first half of the year, the economy probably grew at an average quarterly pace of 0.4-0.5%, which is consistent with the level of business confidence that prevailed. In addition, the outlook for the second half of 2011 remains solid. Many of the industries that will be underpinning the Q2 decline are unlikely to remain weak and we expect to see continued gradual recovery in the household sector and business investment.



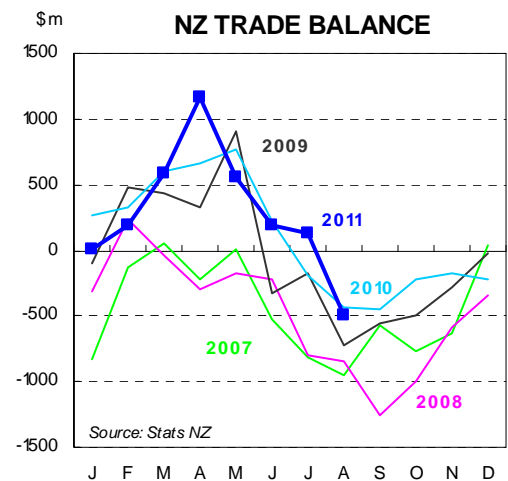
Monday 26 September

Trade Balance - August

Previous: +\$129m ASB(f): -\$500m

We expect a trade deficit of \$500 million in August. However, the deficit is seasonal, and on a seasonally-adjusted basis we expect a small trade surplus of around \$70 million. Throughout the second half of the year, agricultural and horticultural commodity exports go into a seasonal decline. Beyond the seasonal effects, we expect to see some decline in dairy exports, largely reflecting lower prices. Log exports may also be constrained, with anecdotes of weak Chinese demand over the mid part of the year.

Meanwhile, imports tend to increase over the second half of the year, so we are expecting to see some pick up in July. Beyond seasonal effects, improved business confidence points to increased investment, so we also expect to see an increase in capital goods imports over the coming months. In addition, continued import of new aircraft over the coming year will continue to add to import volatility (although we have not made any specific allowances for August). Petrol imports were unusually low in July, and we expect some payback in August.

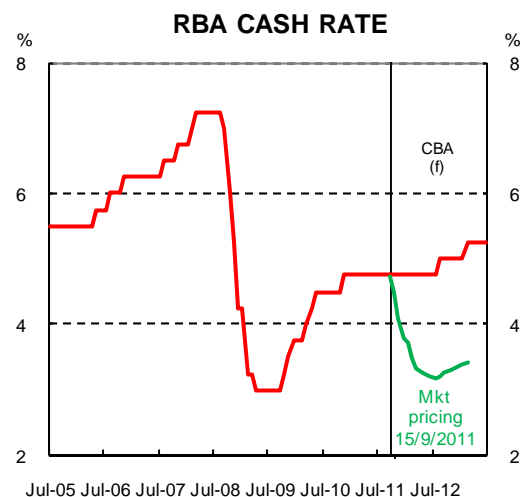


International Data Previews

Tuesday 20 September

RBA September Board Meeting Minutes

In contrast to the August meeting, the RBA board is unlikely to have considered raising interest rates in September. The post-meeting statement made it clear that the RBA is assessing the potential risks to the Australian growth and inflation outlook from the current global financial market turmoil. We expect the minutes to highlight the RBA's thinking on the potential linkages between current market uncertainty and the outlook for domestic growth and inflation. The RBA has been enunciating a "wait and see" approach to the unfolding troubles in Europe. The minutes may lay out some clear markers on what the RBA sees as benchmarks for progress towards a resolution. The RBA's bi-annual Financial Stability Review will be released next week as well, and is likely to have a significant focus on the European banking and sovereign situation.

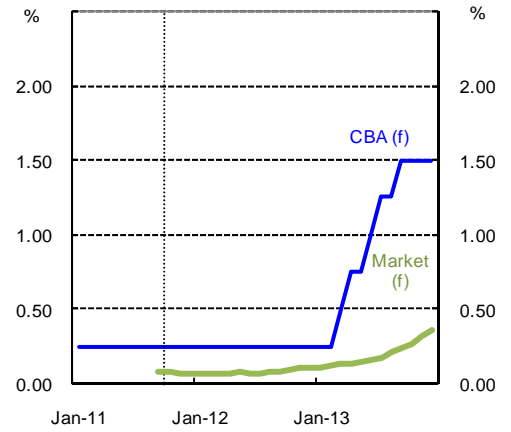


Wednesday 21 September

FOMC Policy Meeting

Following soft growth in the first half of 2011, the US economy has deteriorated further. We expect the FOMC to deliver further policy stimulus to support the economy in the form of Operation Twist. Operation Twist refers to the Fed selling its short-term holdings of US Treasuries to buy long-term Treasuries. The economy is stimulated because corporates' and households' borrowing interest rates are linked to long-term US Treasury yields. If the FOMC determines the US economy requires further support, the FOMC may also cut the interest rate paid to banks on their excess reserves to encourage banks to lend.

FEDERAL FUNDS RATE

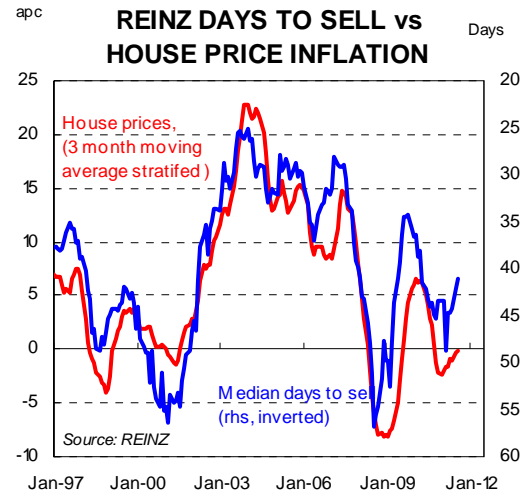


Data Recap: weekly recap

REINZ House sales

The August REINZ house sales data continue to point to a gradual pick-up in underlying housing market activity. Nationwide housing turnover ticked up in August on a seasonally-adjusted basis. Encouragingly, there continues to be a recovery in housing turnover in Canterbury in August, following the sharp drop in the wake of the earthquakes in June.

There continues to be a tightening in the housing market, as reflected in a continued decline in the median number of days taken to sell a house. Other housing reports have shown a fall in housing inventory on the market, suggesting the housing market is beginning to turn in favour of sellers. Meanwhile, house prices were broadly flat over August on a seasonally-adjusted basis.



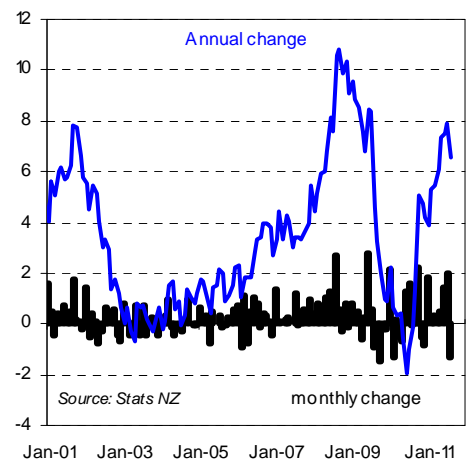
NZ food prices - August

Food prices fell 1.3% in August, driven by a 5.9% decline in the price of fruit and vegetables. Fruit and vegetable prices tend to be volatile from month to month reflecting the effects of weather on crop yields, and the decline in August follows some strong results in recent months. Nonetheless, there was an easing in the price of other food categories as well.

Meat prices fell 0.9% in August, largely reflecting increased discounting in the price of fresh chicken. Meanwhile, grocery prices also eased on the back of increased discounting of discretionary food items including cheese, cakes and yoghurt.

The price of restaurants and takeaways remained flat in August. Given labour costs makes up a large proportion of the input cost in this category and wage growth has been recovering in recent months, it appears restaurants have found it difficult to raise prices in the face of subdued household demand.

FOOD PRICE INDEX
(including GST increase in October)



NZ Economic Survey of Manufacturing – Q2

Manufacturing activity appears weaker than expected over Q2. Total sales declined 0.7%, led by declines in meat and dairy. Excluding these more volatile items, core manufacturing sales remained relatively flat.

Large declines in coal and petroleum manufacturing, and chemical, polymer and rubber manufacturing drove much of the weakness. Wood and paper manufacturing sales also declined in Q2. These declines were offset by increases in printing, and non-metallic mineral product manufacturing. One of the larger components of manufacturing, transport equipment, machinery and equipment manufacturing, declined just 0.4% following the previous quarter's 12% surge. This is an encouraging sign that underlying demand remains relatively firm, despite some volatility in other components.

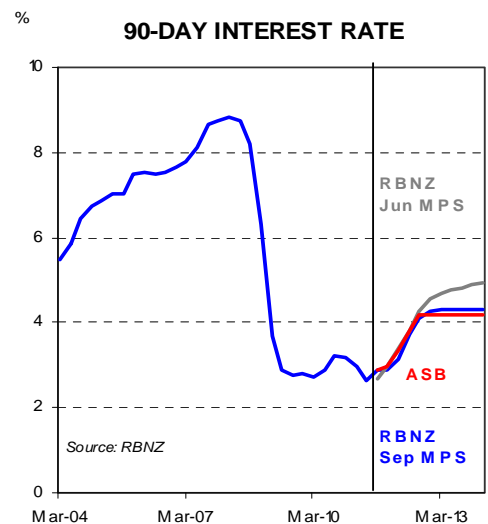
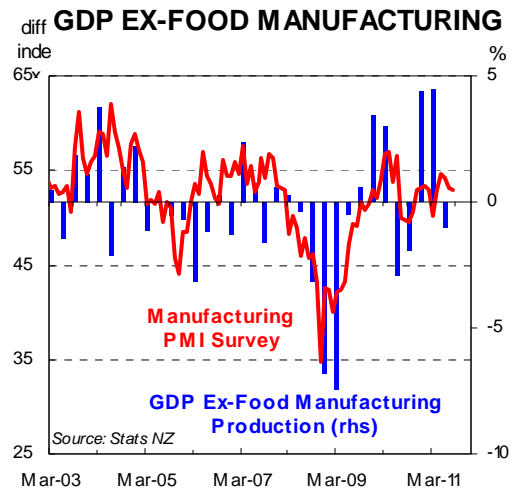
On a GDP basis, activity in manufacturing is weaker than reported in the survey results. As a result, our indicator implies manufacturing production (excluding food and beverage rated manufacturing) fell 1% over Q2. This does follow two very strong quarters of growth, and some correction was possible. Underlying support remains for further recovery in manufacturing, although growth is likely to be slightly slower than that achieved over the first half of 2011.

RBNZ Monetary Policy Statement

The RBNZ left the OCR unchanged at 2.5% as expected. Increases in the OCR are now largely dependent on the global outlook, and specifically developments in Europe.

While the RBNZ remains optimistic on the domestic growth outlook, it has revised down its growth forecasts based on the weaker global outlook and a higher NZ dollar assumption.

With concern about the escalating debt crisis in Eurozone dominating RBNZ's outlook, we now expect the RBNZ will leave the OCR on hold until March next year. While there is much uncertainty about both the timing and size of the first OCR increase, for now we see a 50 basis point OCR increase in March as the most likely scenario. Beyond that, we continue to expect 25bp increases at the subsequent meetings until the OCR reaches a peak of 4%.



Global Data Calendars

Calendar - Australasia, Japan and China

Date	Time (NZT)	Eco	Event	Period	Unit	Last	Forecast	
							Market	ASB
Tue 20 Sep	13:30	AU	Reserve Bank's Board September minutes	Sep	~	~	~	~
	17:00	JN	Coincident index CI	Jul F	Index	109.0	~	~
	17:00	JN	Leading index CI	Jul F	Index	106.0	~	~
Wed 21 Sep	10:45	NZ	Current account balance	QII	NZD	-0.1	-0.7	-0.6
	10:45	NZ	Current account to GDP ratio	QII	ytd	-4.3	-4.0	-4.0
	10:45	NZ	Net migration s.a.	Aug	~	-220.0	~	~
	11:50	JN	Merchandise trade balance total	Aug	¥bn	70.0	-196.3	~
	11:50	JN	Adjusted merchandise trade balance	Aug	¥bn	-130.5	-22.1	~
	11:50	JN	Merchandise trade exports	Aug	y%ch	-3.4	8.0	~
	11:50	JN	Merchandise trade imports	Aug	y%ch	9.9	14.3	~
	12:30	AU	Westpac leading index	Jul	m%ch	0.1	~	~
	14:00	CH	Conference board China July leading economic					
	15:00	NZ	Credit card spending	Aug	m%ch	1.0	~	~
	25:00	NZ	RBNZ Governor Bollard speaks at a Euromoney conference in New York					
25:20	AU	RBA Deputy Governor Battellino speaks at a Euromoney conference in New York						
Thu 22 Sep	10:45	NZ	GDP	QII	q%ch	0.8	0.5	0.1
	11:00	AU	RBA's Lowe speaks at Australian economic forum in Sydney					
	13.30	AU	ABS announces further changes to Australian CPI					
Fri 23 Sep	12:00	AU	Conference board leading index	Jul	%	-0.8	~	~
	13.30	AU	Financial Stability Review					
Thu 22	~	CH	HSBC Flash China Manufacturing PMI	Sep	Index	~		

Calendar - North America & Europe

Please note all days and times are UK time. Add 11 hours for NZ times.

Date	Time (UK)	Eco	Event	Period	Unit	Last	Forecast	
							Market	ASB
Mon 19 Sep	02:01	UK	Bank of England publishes quarterly bulletin					
	02:01	UK	Rightmove house prices	Sep	m%ch	-2.1	~	~
	12:00	EC	Construction output	Jul	m%ch	-1.8	~	~
	16:30	EC	ECB announces bond purchases					
Tue 20 Sep	09:00	GE	Producer prices	Aug	m%ch	0.7	0.1	~
	09:00	SZ	Trade balance	Aug	CHF bn	2.8	~	~
	09:00	SZ	Exports real	Aug	m%ch	-3.0	~	~
	09:00	SZ	Imports real	Aug	m%ch	0.1	~	~
	12:00	GE	ZEW survey (current situation)	Sep	Index	53.5	37.5	~
	12:00	EC	ZEW survey (econ. sentiment)	Sep	Index	-40.0	-37.6	~
	15:30	CA	Leading indicators	Aug	m%ch	0.2	~	~
	15:30	CA	Wholesale sales	Jul	m%ch	0.2	0.3	~
	15:30	US	Housing starts	Aug	'000	604.0	590.0	~
	15:30	US	Building permits	Aug	'000	597.0	588.0	~
	18:30	CA	Bank of Canada Governor Carney Speaks in Saint John, New Brunswick					
Wed 21 Sep	02:01	UK	Nationwide consumer confidence	Aug	Index	49.0	48.0	~
	11:30	UK	Bank of England releases Monetary Policy Committee minutes from the September meeting					
	11:30	UK	Public finances (PSNCR)	Aug	£bn	-5.6	~	~
	14:00	CA	CPI	Aug	y%ch	2.7	2.9	~
	14:00	CA	Bank Canada CPI core	Aug	y%ch	1.6	1.6	~
	17:00	US	Existing home sales	Aug	mn	4.7	4.8	~
	21:15	US	FOMC rate decision	Sep	%	0.25	0.25	0.25
Thu 22 Sep	12:00	EC	Industrial new orders s.a.	Jul	m%ch	-0.9	~	~
	12:00	SZ	Credit Suisse ZEW survey (expectations)	Sep	Index	-71.4	~	~
	13:00	UK	CBI trends total orders	Sep	Index	1	~	~
	15:30	CA	Retail sales	Jul	m%ch	0.7	-0.3	~
	15:30	CA	Retail sales less autos	Jul	m%ch	-0.1	0.2	~
	15:30	US	Initial jobless and continuing claims	Sep	'000	~	~	~
	17:00	EC	Consumer confidence	Sep A	Index	-16.5	-17.5	~
	17:00	US	Leading indicators	Aug	m%ch	0.5	0.1	~
	17:00	US	House price index	Jul	m%ch	0.9	~	~
Fri 23 Sep	17.00	US	International Monetary Fund – World Bank hold annual meeting					
	10:30	GE	PMI manufacturing	Sep A	Index	50.9	50.5	~
	11:00	EC	PMI composite	Sep A	Index	50.7	50.5	~
	11:00	EC	PMI manufacturing	Sep A	Index	49.0	49.0	~
	11:00	EC	PMI services	Sep A	Index	51.5	51.0	~
	23.30	EC	ECB's Trichet speaking in Washington					
Sat 24 Sep	17.00	US	International Monetary Fund – World Bank hold annual meeting					

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