

9 April 2018



QSBO Stronger Than Its Seams

- **QSBO likely still holding together post-election**
- **Albeit broadly stretched at the seams**
- **Big-ticket investment conscious of govt reviews**
- **Electronic transactions affected by early Easter?**
- **Friday's PMI checked for fortitude**

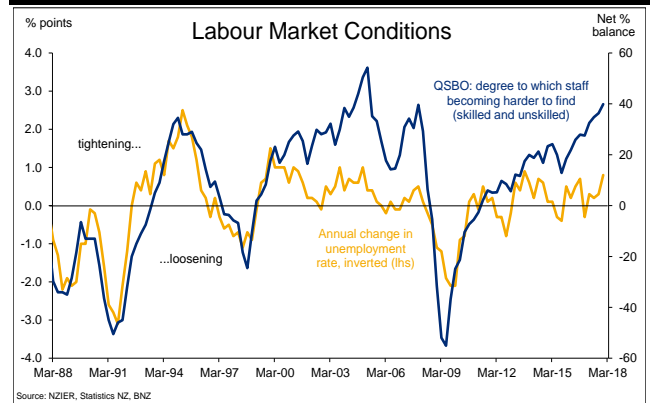
Tomorrow's Quarterly Survey of Business Opinion (QSBO) is the main data focus this week. Looking back at its last release, in January, it was clearly dented, post the election. However, it was far from a write-off. We expect it to broadly repeat itself tomorrow, with respect to its net confidence measure (previously -12), and its range of real economy indicators.

If anything, the QSBO might even improve a little. In this regard, bear in mind it doesn't canvas farmers all that well. And farmers have been by far the most pessimistic lot of late, looking at the range of other business surveys. Some of this likely reflects recent weather extremes. Then again, for NZ businesses as a whole, offshore trade tensions and equity market wobbles are headwinds for confidence.

Overall, however, we anticipate a hanging-in-there type of result for tomorrow's QSBO, rather than anything strong as an indicator of economic expansion.

But this is not to lose sight of the NZIER survey's clearest message – that the economy is getting extremely stretched. It's hard to argue otherwise when the capacity utilisation measure, CUBO, was riding close to a record high at last read. And when reported difficulty in finding staff was becoming more and more intense (akin to the worst over the 2003-07 cycle).

Stretched



With this, pricing intentions were relatively strong in the previous QSBO and we'd be surprised if they slump in tomorrow's edition. Providing they hold up, they will be important to flag, given the likelihood that CPI inflation itself looks to have hit a judder bar in the March quarter, partly on technical grounds (including increased subsidies to tertiary students).

The other details we'll be checking in tomorrow's QSBO are around employment. These held up arguably the best of all the indicators last quarter. But any slippage since then might undermine a key source of strength coursing through the household sector.

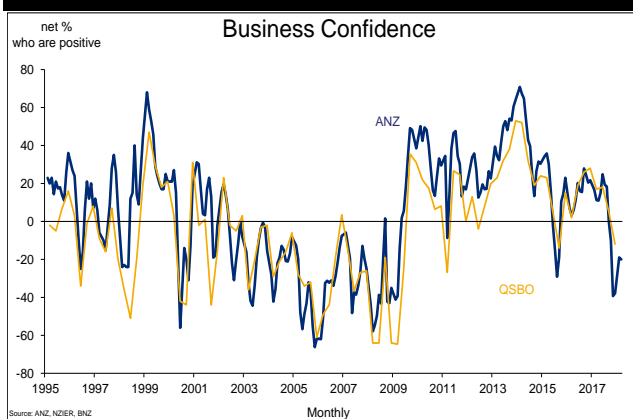
Investment intentions also held together relatively well in January's QSBO. This is consistent with indicators on business investment, such as monthly capital goods imports.

But we are also keeping a close eye on investment from a broader, bigger ticket, perspective. We say this conscious of the changes afoot from the new government, which we detect are the source of some uncertainty for local businesses. This includes such things as arterial roading projects, electricity generation and supply, oil and gas (in the context of climate-change policy), the role of the government's ambitious Kiwibuild scheme with respect to the construction industry, to name but a few.

There are certainly a lot of government reviews underway – including on tax, and phase two of the RBNZ Act review process – which businesses will need to follow carefully.

Other than the QSBO, there is not much on the local data front to potentially shake the market's tree. For Thursday's

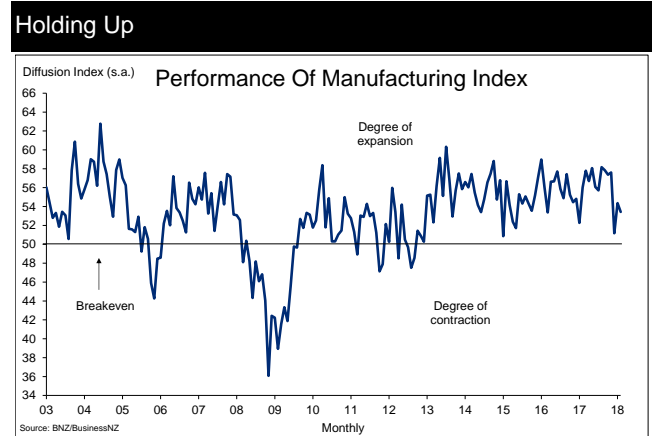
Relatively Better



March electronic card transactions we anticipate a 0.4% nominal increase, seasonally adjusted. This is consistent with the approximate 1.0% increase we currently judge for Q1 retail trade volumes. That said, there is potential for March's electronic transactions to be shaken around by the early Easter this year. Indeed, it's something to bear in mind for all of the March versus April monthly data series.

The BNZ-Business New Zealand Performance of Manufacturing Index printed some OK results in the first two months of 2018, having teetered a bit back in December. March's outcome, due Friday morning, will be a test of this resolve.

All the while, we'll keep an eye out for the March results from the Real Estate Institute. These will very likely be published by the end of the week. The early Easter probably compromised housing market activity in March, but probably not house price inflation itself.



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Global Watch

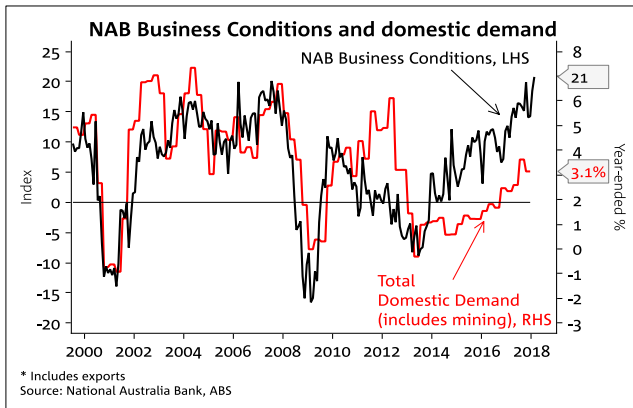
- **US inflation data in focus; CPI inflation to rise**
- **China inflation expected to slow**
- **AU confidence readings, Lowe, stability report on agenda**
- **Fed minutes to note**

Australia

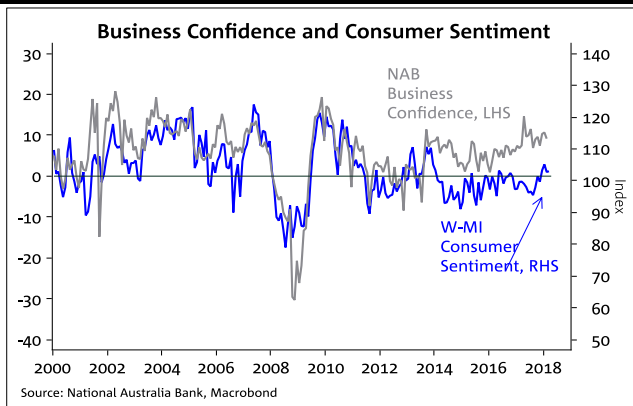
It's the week of the two main confidence surveys starting Tuesday with the NAB Business Survey for March, which comes on the heels of February's record Business Conditions and higher than average levels of Confidence. No clues on March! That's followed Wednesday with the Westpac-MI monthly Consumer Sentiment Survey where we will be interested to see how Sentiment has fared amid still positive labour market news, cooling housing prices, and a barrage of international trade tension news that has dogged financial market sentiment.

RBA Governor Lowe is speaking on *Regional Variation in a National Economy* – at the Australia-Israel Chamber of Commerce (WA), in Perth on Wednesday (3.05 pm AEST; 1.05 pm AWST). It would not be a surprise if Dr. Lowe spoke of how regional economic variations have lessened, with signs that Qld, SA, and more recently WA have shown positive growth signs. These states are benefiting

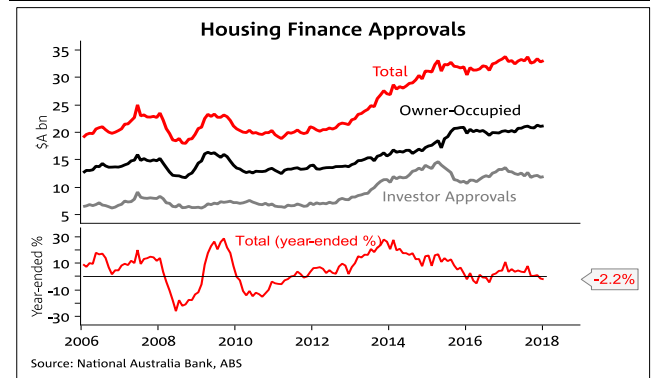
Stronger Activity Evident



Business Confidence Has Been Leading



Steady Owner Occupier Lending; Investor Easing



from the continued global economic recovery, a resurgent mining and resources sector, and continued growth in the East.

Rounding out the week is Housing Finance approvals for February, out Thursday, followed Friday by the RBA's six-monthly Financial Stability Review. NAB is forecasting that the aggregate number of owner-occupier housing finance approvals edges lower by 0.8% in February; there will also be interest in the flow of investor housing approvals that have been trending lower for some time now.

US

Inflation is on the watch list this week with PPI on Tuesday a prelude to Wednesday's CPI with base effects from a fall last March expected to lift core CPI from 1.8% to 2.1%. The FOMC release their March Minutes, although little new news is expected. More Treasury note auctions also beckon, including 3s, 10s, and 30y tenors.

China

The Bao Forum at Hainan runs through to Wednesday, with President Xi speaking on reforms. China releases its March CPI/PPI (annual inflation in both is expected to slow) and Trade data.

Japan

It's a very light week for data; February current account/trade data is out Monday with BoJ Governor speaking.

UK

It's light with Trade, Industrial Production, and Construction Output due. Carney speaks in Toronto on Thursday.

Eurozone

There will be a swathe of ECB speakers (but not Draghi) this coming week. It's not a heavy data release calendar, with Industrial Production and Trade. Germany releases its final March CPI on Friday.

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Fixed Interest Market

Reuters: BNZL, BNZM Bloomberg:BNZ

The NZ yield curve steepened last week, with longer-term rates increasing and the short-end reasonably stable. Having reached near 12 month lows, the 10 year swap rate increased around 7bps last week, slightly more than the modest rebound in US Treasury yields.

US Treasury yields tracked movements in US equities for most of the week on continued trade tensions between the US and China. The 10 year Treasury yield is up a few basis points on the week, although it did fall back from its highs on Friday after the weaker than expected non-farm payrolls report and Trump’s announcement he was considering an extra \$100b in tariffs on China. The impact on US Treasury yields from a material escalation in trade tensions between the two countries is not clear cut; higher broadly based tariffs (if introduced), would reduce global trade, global growth and equity prices (implying lower yields) but they would also be inflationary, at least in the first instance (implying higher yields). There is also the question of whether China might threaten to use (i.e. sell) its large Treasury holdings as leverage, although there aren’t any government bond markets that have the same liquidity and credit quality as the US. For now, there is a positive correlation between US equities and Treasury yields, with yields declining during risk-off episodes.

Last week marked the start of a new quarter amid an increased focus on US short-term funding markets. The US 3 month Libor-OIS spread increased from 10bps in early December to almost 60bps at the end of March, with increased US Treasury bill issuance over this time seemingly partly to blame. Treasury bill issuance declines in April as the US government takes in more tax receipts (leaving the government with less funding to do), and the market expects US-Libor OIS to decline in sympathy. As it happened, US Libor-OIS was broadly stable on the week and the market will be searching for other explanations if the spread doesn’t decline this month. The NZ 3 month bank bill rate was also largely unchanged on the week, at 1.97%.

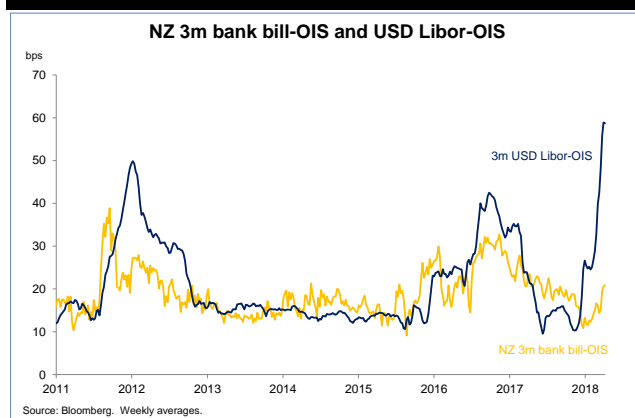
With no major domestic data last week (and none to come this week), OCR expectations have been relatively stable. The first RBNZ hike is fully priced for June next year with the next hiked in March 2020. The next key piece of local data is CPI on the 19th of March. Until then, the short-end of the swaps curve (i.e. the 2 year swap rate) will likely be driven by expectations of NZ bank bill-OIS spreads (which themselves will be affected by US Libor-OIS).

April sees a large volume of coupon payments related to government bonds (and LGFA bonds), which should provide some support to NZGBs in the coming weeks. After that, focus is likely to shift to the Budget on 17th May (and potentially any new policies revealed in advance of that). Not all the government’s planned policies were fully

costed in the December HYEFU and there is the risk that the Budget may reveal greater net spending and consequently a larger bond programme. Encouragingly, the government’s operating surplus was around \$500m better than forecast in February, but that could potentially be outweighed by new spending initiatives. More fiscal spending, were that to eventuate, should put some upward pressure on NZGB yields and steepen the curve (given issuance is being focused on the longer-end).

Looking to the week ahead, the focus offshore will probably be again centred on the US-China trade standoff. Data-wise, the highlight will be US CPI, with the market looking for the core measure to bounce to 2.1% y/y. The other highlight will be the release of the minutes to the Fed’s March meeting, with the market likely to focus on the discussion around whether 3 or 4 hikes seemed appropriate for 2018. We continue to think the risks are skewed towards more rather than less hikes than the market is pricing (the market prices just less than 2 additional hikes from the Fed this year).

US Libor-OIS in focus (and impacting NZ bank bill-OIS)



Current Rates/Spreads and Recent Ranges

	Current	Last 3-weeks range*
NZ 90d bank bills (%)	1.97	1.95 - 1.97
NZ 2yr swap (%)	2.24	2.21 - 2.28
NZ 5yr swap (%)	2.68	2.61 - 2.74
NZ 10yr swap (%)	3.13	3.05 - 3.21
2s10s swap curve (bps)	88	84 - 94
NZ 10yr swap-govt (bps)	34	33 - 36
NZ 10yr govt (%)	2.79	2.70 - 2.86
US 10yr govt (%)	2.77	2.72 - 2.93
NZ-US 10yr (bps)	1	-7 - 1
NZ-AU 2yr swap (bps)	15	12 - 18
NZ-AU 10yr govt (bps)	14	11 - 15

*Indicative range over last 3 weeks

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Foreign Exchange Markets

Reuters pg BNZFWDS Bloomberg pg BNZ9

Currency changes last week were fairly modest, with a slight upward bias for the NZD on most crosses including ½% gains against the USD and AUD. The key theme for the week was escalating US-China trade tensions. At this stage it looks more like a war of words that anything else, with the US proposing a ramp up in tariffs on imported goods from China and China proposing to retaliate to the same degree. Actual protectionist action has been very limited so far but it's a storyline that seems likely to linger over the weeks and months ahead.

The war of words seems to be having more impact on equity markets than for bonds and currencies. NZD 3-month implied volatility is actually currently below the average of the past quarter and past year and those averages are historically low themselves. The NZD has remained within familiar ranges although as we noted last week a possible downward channel might be in play.

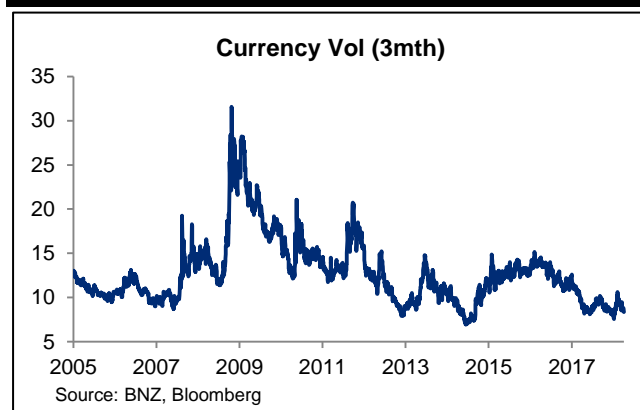
The trade tensions seem to have had more impact on the AUD than the NZD. The Australian economy has a stronger link to China and the global growth outlook than NZ. Trade tensions are seeing more downside in metal prices than soft commodities. Our short-term model has seen fair value for NZD/AUD drift up by 2 cents this year driven by relative commodity prices. Speculative accounts are seeing the trade war as an excuse to favour the NZD over the AUD. Our indicator shows increasing long positions in NZD/AUD over the past five consecutive weeks. This flow saw NZD/AUD reach a high of 0.9500 last week, a level not seen since July last year.

Over the past couple of years, the NZD has shown resistance around the 0.95-0.96 level and our view is that the current episode plays out in the same way, presenting some opportunities for exporters and importers to take active positions on their hedging ratios.

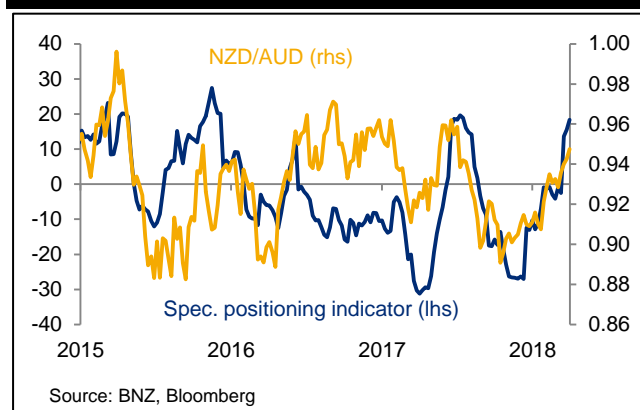
In the week ahead the data calendar is fairly light, with key focus on the US CPI for March, due Wednesday night NZ time. A very weak figure from March last year drops out of the calculation which will see a chunky uptick in the annual figures for headline and core inflation. This should be well anticipated by the market and not unduly impact the USD, while keeping the prospect of further monetary policy tightening alive.

On the NZ calendar only tomorrow's QSBO offers any vague interest, which should continue to show tight capacity pressures and therefore a bias towards greater inflationary pressure ahead. US-China trade tensions will remain on the radar this week, but this still likely has several months to play out. In the meantime we'd expect support for the NZD at USD 0.7155 to hold this week and resistance near 0.7440 not to be threatened.

NZD Volatility Still Lower Than Average Despite Trade War



NZD/AUD Going Up and Speculators Going Longer



Cross Rates and Model Estimates

	Current	Last 3-weeks range*
NZD/USD	0.7274	0.7150 - 0.7320
NZD/AUD	0.9476	0.9290 - 0.9500
NZD/GBP	0.5163	0.5090 - 0.5210
NZD/EUR	0.5925	0.5830 - 0.5960
NZD/JPY	77.80	75.50 - 78.20

*Indicative range over last 3 weeks, rounded figures

BNZ Short-term Fair Value Models

	Model Est.	Actual/FV
NZD/USD	0.7040	3%
NZD/AUD	0.9220	3%

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Technicals

NZD/USD

Outlook: Downside risk
 ST Resistance: 0.7440 (ahead of 0.7550)
 ST Support: 0.7155 (ahead of 0.7050)

Lower highs over the past couple of months raise the possibility of a downward channel developing. Key resistance is at 0.7440, but ahead of that 0.7300-0.7350 might offer some resistance as well. A break of support of 0.7155 would add to the case for a downward channel.



NZD/AUD

Outlook: Trading range
 ST Resistance: 0.9520 (ahead of 0.9640)
 ST Support: 0.9250 (ahead of 0.9050)

An upward trend within a long-term trading range is evident and resistance levels keep getting broken on the way up. The next level of resistance is around 0.9520 and a break of that would open up a charge towards 0.96. The first area of support kicks in around 0.9250.

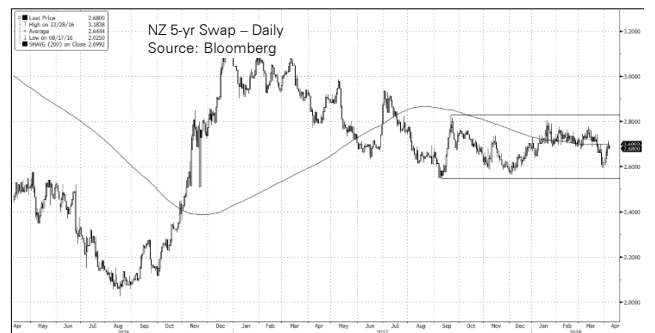


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NZ 5-year Swap Rate

Outlook: Neutral
 ST Resistance: 2.82
 ST Support: 2.5475

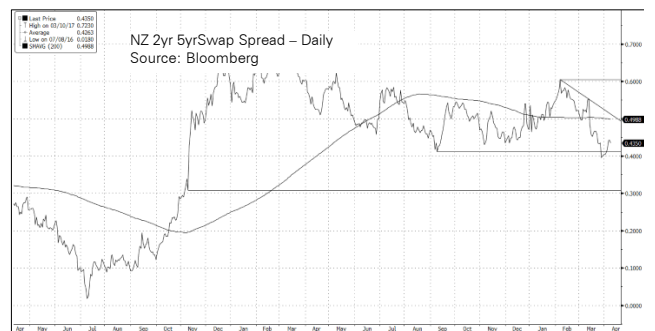
Support held last week now mid-range and around 200 day moving average. Await a break to initiate new position.



NZ 2-year - 5-year Swap Spread (yield curve)

Outlook: Flatter
 MT Resistance: +60.8
 MT Support: +31

Steepened slightly from lows but still expect a move to +31. Move to +51 would bring this into question.



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Quarterly Forecasts

Forecasts as at 9 April 2018

Key Economic Forecasts

Quarterly % change unless otherwise specified

Forecasts

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
GDP (production s.a.)	0.4	0.7	0.9	0.6	0.6	0.6	0.8	1.1	0.9	0.6
Retail trade (real s.a.)	1.4	1.4	1.8	0.3	1.7	1.0	0.7	1.3	1.3	0.7
Current account (ytd, % GDP)	-2.2	-2.6	-2.6	-2.5	-2.7	-2.6	-2.7	-3.1	-3.1	-2.9
CPI (q/q)	0.4	1.0	0.0	0.5	0.1	0.3	0.3	0.6	0.3	0.6
Employment	0.9	1.0	0.0	2.2	0.5	0.6	0.5	0.5	0.5	0.5
Unemployment rate %	5.3	4.9	4.8	4.6	4.5	4.4	4.4	4.3	4.2	4.4
Avg hourly earnings (ann %)	1.1	1.1	1.2	2.0	3.1	3.2	3.0	2.8	2.6	2.8
Trading partner GDP (ann %)	3.5	3.6	3.7	4.1	3.9	3.9	3.8	3.7	3.7	3.7
CPI (y/y)	1.3	2.2	1.7	1.9	1.6	0.9	1.2	1.3	1.5	1.8
GDP (production s.a., y/y)	3.5	3.0	2.8	2.7	2.9	2.8	2.6	3.1	3.4	3.4

Interest Rates

Historical data - qtr average

Forecast data - end quarter

	Cash	Government Stock			Swaps			US Rates		Spread
		90 Day	5 Year	10 Year	2 Year	5 Year	10 Year	Libor	US 10 yr	NZ-US
		Bank Bills						3 month		Ten year
2017 Mar	1.75	2.00	2.70	3.25	2.35	3.00	3.50	1.15	2.50	0.80
Jun	1.75	1.95	2.45	2.95	2.25	2.80	3.25	1.25	2.20	0.75
Sep	1.75	1.95	2.45	2.95	2.20	2.70	3.20	1.30	2.20	0.75
Dec	1.75	1.90	2.35	2.90	2.20	2.65	3.15	1.60	2.40	0.40
2018 Mar	1.75	1.95	2.50	3.00	2.20	2.75	3.30	1.80	3.00	0.00
Forecasts										
Jun	1.75	1.95	2.50	2.95	2.20	2.75	3.25	1.95	3.00	-0.05
Sep	1.75	1.95	2.70	3.20	2.35	2.95	3.50	2.20	3.25	-0.05
Dec	1.75	2.05	2.80	3.25	2.50	3.05	3.55	2.30	3.25	0.00
2019 Mar	2.00	2.30	2.95	3.35	2.75	3.20	3.65	2.45	3.25	0.10
Jun	2.25	2.55	3.25	3.65	3.05	3.20	3.65	2.55	3.50	0.15
Sep	2.50	2.80	3.45	3.80	3.30	3.20	3.65	2.55	3.50	0.30
Dec	2.75	3.05	3.60	3.90	3.45	3.50	3.95	2.55	3.50	0.40
2020 Mar	3.00	3.20	3.70	3.95	3.65	3.50	3.95	2.55	3.50	0.45
Jun	3.00	3.20	3.65	3.95	3.65	3.50	3.95	2.55	3.50	0.40

Exchange Rates (End Period)

USD Forecasts

	NZD/USD	AUD/USD	EUR/USD	GBP/USD	USD/JPY
Current	0.73	0.77	1.23	1.41	107
Jun-18	0.72	0.78	1.28	1.43	104
Sep-18	0.71	0.77	1.30	1.45	103
Dec-18	0.70	0.75	1.30	1.46	102
Mar-19	0.70	0.75	1.28	1.46	101
Jun-19	0.71	0.76	1.27	1.45	100
Sep-19	0.71	0.76	1.28	1.45	100
Dec-19	0.70	0.75	1.30	1.46	99
Mar-20	0.70	0.75	1.32	1.47	99
Jun-20	0.69	0.74	1.34	1.48	98
Sep-20	0.69	0.74	1.36	1.47	98

NZD Forecasts

	NZD/USD	NZD/AUD	NZD/EUR	NZD/GBP	NZD/JPY	TWI-17
Current	0.73	0.95	0.59	0.52	77.8	75.1
Jun-18	0.72	0.92	0.56	0.50	74.9	73.1
Sep-18	0.71	0.92	0.55	0.49	73.1	71.9
Dec-18	0.70	0.93	0.54	0.48	71.4	71.2
Mar-19	0.70	0.93	0.55	0.48	70.7	71.3
Jun-19	0.71	0.93	0.56	0.49	71.0	72.2
Sep-19	0.71	0.94	0.56	0.49	71.0	72.4
Dec-19	0.70	0.93	0.54	0.48	69.3	71.3
Mar-20	0.70	0.93	0.53	0.48	69.3	71.3
Jun-20	0.69	0.93	0.52	0.47	67.6	70.4
Sep-20	0.69	0.93	0.51	0.47	67.6	70.4

TWI Weights

14.0% 20.7% 10.3% 4.8% 6.8%

Source for all tables: Statistics NZ, Bloomberg, Reuters, RBNZ, BNZ

Annual Forecasts

Forecasts as at 9 April 2018	March Years					December Years				
	Actuals		Forecasts			Actuals		Forecasts		
	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
GDP - annual average % change										
Private Consumption	3.9	5.4	4.1	3.8	2.3	5.0	4.5	3.9	2.7	1.4
Government Consumption	2.5	2.0	4.9	2.9	2.2	1.7	4.7	3.3	2.5	1.9
Total Investment	4.7	5.6	3.9	4.1	3.9	6.4	3.3	4.5	4.0	3.6
Stocks - ppts cont'n to growth	-0.3	-0.1	-0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
GNE	3.5	4.8	3.5	3.4	2.7	4.7	4.0	3.2	3.0	2.1
Exports	5.6	0.7	4.2	2.2	4.3	1.6	2.5	2.4	4.2	4.5
Imports	2.1	5.1	6.2	3.6	3.6	3.4	6.6	3.7	3.9	3.0
Real Expenditure GDP	4.4	3.6	3.3	3.1	2.8	4.1	3.0	3.1	3.1	2.4
GDP (production)	3.6	3.7	2.8	3.2	2.8	4.0	2.9	3.0	3.0	2.4
GDP - annual % change (q/q)	4.0	3.0	2.8	3.4	2.5	3.5	2.9	3.4	2.6	2.3
Output Gap (ann avg, % dev)	1.0	1.3	0.9	1.3	1.3	1.3	1.0	1.2	1.4	1.2
Household Savings (% disp. income)	-1.3	-2.8	-2.3	-3.2	-2.9					
Nominal Expenditure GDP - \$bn	254.7	270.3	287.5	300.3	314.1	266.0	283.5	297.0	310.6	324.9
Prices and Employment - annual % change										
CPI	0.4	2.2	0.9	1.8	2.0	1.3	1.6	1.5	2.1	2.0
Employment	2.0	5.7	3.3	2.0	1.6	5.8	3.7	2.1	1.8	1.2
Unemployment Rate %	5.2	4.9	4.4	4.4	4.4	5.3	4.5	4.2	4.4	4.6
Wages - ahote	2.5	1.1	3.2	2.8	2.7	1.1	3.1	2.6	2.8	2.4
Productivity (ann av %)	1.5	-1.9	-0.8	0.7	1.0	-0.8	-1.3	0.2	1.1	1.0
Unit Labour Costs (ann av %)	1.3	3.8	3.8	2.9	2.1	2.7	4.0	3.6	2.0	1.8
External Balance										
Current Account - \$bn	-7.0	-7.2	-7.4	-8.8	-7.0	-6.0	-7.7	-9.1	-7.5	-7.3
Current Account - % of GDP	-2.8	-2.6	-2.6	-2.9	-2.2	-2.2	-2.7	-3.1	-2.4	-2.2
Government Accounts - June Yr, % of GDP										
OBEGAL (core operating balance)	0.7	1.5	1.0	0.9	1.6					
Net Core Crown Debt (excl NZS Fund Assets)	24.5	22.2	23.3	23.2	22.2					
Bond Programme - \$bn	7.0	8.0	8.0	9.0	10.0					
Bond Programme - % of GDP	2.7	3.0	2.8	3.0	3.2					
Financial Variables ⁽¹⁾										
NZD/USD	0.67	0.70	0.73	0.70	0.70	0.70	0.70	0.70	0.70	0.68
USD/JPY	113	113	106	101	99	116	113	102	99	97
EUR/USD	1.11	1.07	1.23	1.28	1.32	1.05	1.18	1.30	1.30	1.38
NZD/AUD	0.90	0.92	0.94	0.93	0.93	0.96	0.91	0.93	0.93	0.93
NZD/GBP	0.47	0.57	0.52	0.48	0.48	0.56	0.52	0.48	0.48	0.46
NZD/EUR	0.61	0.66	0.59	0.55	0.53	0.67	0.59	0.54	0.54	0.49
NZD/YEN	76.2	79.1	77.0	70.7	69.3	81.6	78.7	71.4	69.3	66.0
TWI	72.2	76.5	74.8	71.3	71.3	78.1	73.6	71.2	71.3	69.5
Overnight Cash Rate (end qtr)	2.25	1.75	1.75	2.00	3.00	1.75	1.75	1.75	2.75	2.75
90-day Bank Bill Rate	2.41	1.98	1.95	2.28	3.20	2.02	1.88	2.03	3.03	2.87
5-year Govt Bond	2.40	2.70	2.50	2.95	3.70	2.75	2.30	2.80	3.60	3.60
10-year Govt Bond	2.90	3.25	3.00	3.35	3.95	3.30	2.80	3.25	3.90	3.95
2-year Swap	2.30	2.30	2.20	2.75	3.65	2.40	2.20	2.50	3.45	3.40
5-year Swap	2.60	3.00	2.75	3.20	3.95	3.00	2.65	3.05	3.85	3.85
US 10-year Bonds	1.90	2.50	3.00	3.25	3.50	2.50	2.40	3.25	3.50	3.50
NZ-US 10-year Spread	1.00	0.75	0.00	0.10	0.45	0.80	0.40	0.00	0.40	0.45

⁽¹⁾ Average for the last month in the quarter

Source for all tables: Statistics NZ, EcoWin, Bloomberg, Reuters, RBNZ, NZ Treasury, BNZ

Key Upcoming Events

	Forecast	Median	Last		Forecast	Median	Last
Monday 9 April				Thursday 12 April			
NZ, (circa) REINZ Housing Data, March				NZ, Electronic Card Transactions, March	+0.4%	+0.5%	+0.1%
Aus, Construction PMI (AiG), March			56.0	Aus, Housing Finance, February		-0.4%	-1.1%
Germ, Trade Balance, February	+€19.0b	+€17.4b		Euro, Industrial Production, February		+0.4%	-1.0%
Tuesday 10 April				Friday 13 April			
NZ, QSBO, Q1			-12	NZ, BNZ PMI (Manufacturing), March			53.4
Aus, NAB Business Survey, March			+9	Aus, Financial Stability Review			
US, NFIB Small Business Optimism, March			107.6	China, Trade Balance, March	+CNY102.9b	+CNY225b	
US, Wholesale Inventories, Feb 2nd est	+0.5%	+1.1%		Euro, Trade Balance, February s.a.			+€19.9b
US, Fed's Kaplan Speaks, Beijing				US, Mich Cons Confidence, Apr 1st est		101.0	101.4
US, PPI ex-food/energy, March y/y	+2.6%	+2.5%		US, JOLTS Job Openings, February			6,312
Wednesday 11 April				Monday 16 April			
Aus, Lowe Speaks, Perth				NZ, Food Price Index, March	+0.4%		-0.5%
Aus, Consumer Sentiment - Wpac, April			103.0	NZ, BNZ PSI (Services), March			55.0
China, PPI, March y/y	3.2%	+3.7%		US, Empire Manufacturing, April			+22.5
China, CPI, March y/y	+2.6%	+2.9%		US, Retail Sales, March		+0.3%	-0.1%
Jpn, Machinery Orders, February	-2.5%	+8.2%		US, Business Inventories, February		+0.6%	+0.6%
UK, Industrial Production, February	+0.6%	+1.3%		US, NAHB Housing Index, April			70
UK, Trade Balance, February	-£2.7b	-£3.1b					
US, CPI ex food/energy, March y/y	+2.1%	+1.8%					
US, FOMC Minutes, 21 Mar meeting							

Historical Data

	Today	Week Ago	Month Ago	Year Ago		Today	Week Ago	Month Ago	Year Ago
CASH & BANK BILLS					SWAP RATES				
Call	1.75	1.75	1.75	1.75	2 years	2.24	2.22	2.23	2.28
1mth	1.86	1.88	1.78	1.87	3 years	2.40	2.36	2.42	2.49
2mth	1.92	1.92	1.84	1.92	4 years	2.55	2.49	2.60	2.68
3mth	1.97	1.96	1.91	1.98	5 years	2.68	2.62	2.76	2.84
6mth	2.07	2.06	1.97	2.03	10 years	3.13	3.06	3.27	3.36
GOVERNMENT STOCK					FOREIGN EXCHANGE				
03/19	1.75	1.75	1.77	2.10	NZD/USD	0.7277	0.7213	0.7296	0.6962
04/20	1.91	1.86	1.95	2.28	NZD/AUD	0.9475	0.9418	0.9269	0.9279
05/21	2.08	2.02	2.13	2.42	NZD/JPY	77.89	76.39	77.64	77.24
04/23	2.36	2.29	2.46	2.74	NZD/EUR	0.5926	0.5865	0.5916	0.6569
04/25	2.61	2.53	2.78	3.02	NZD/GBP	0.5165	0.5138	0.5246	0.5606
04/27	2.80	2.72	2.99	3.12	NZD/CAD	0.9290	0.9315	0.9369	0.9278
04/33	3.19	3.11	3.35	3.46					
04/37	3.41	3.33	3.50	3.73	TWI	75.1	74.5	75.2	76.1
GLOBAL CREDIT INDICES (ITRXX)									
Australia 5Y	69	70	56	84					
Nth America 5Y	65	68	54	65					
Europe 5Y	58	60	49	76					

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