

## Markets look to week of central bank bonanza

- Raft of central bank rate announcements this week.
- Follows on from announcement of co-ordinated action from six major central banks to shore up liquidity.
- We expect RBNZ will leave OCR on hold this Thursday and highlight increased global uncertainty.

Central banks will once again be in the spotlight this week, with the Reserve Bank of NZ, Reserve Bank of Australia, European Central Bank, Bank of England and Bank of Canada due to make rate announcements. The recent escalation in the European debt crisis led to coordinated action from six major global central banks – the US Federal Reserve, BoC, BoE, Bank of Japan, ECB and Swiss National Bank – to shore up liquidity in the global financial markets.

The pricing on existing USD swap arrangement with the Fed was reduced by 50 basis points and USD swap lines were extended by 6 months to 1 February 2013. These measures were designed to ease strains in the financial markets. The respective central banks will also offer temporary bi-lateral liquidity swap arrangements so that liquidity can be provided in each jurisdiction in any of their currencies should market conditions so warrant. Earlier, the People's Bank of China took action to support growth, cutting its reserve requirement ratio by 50 basis points to 21% for large banks.

Meanwhile, there was a surprising drop in the US unemployment rate, but this largely reflected a large decline in the size of the labour force rather than strong employment growth. Overall, the data highlighted the subdued nature of global growth. The OECD has slashed its global growth forecasts, and now expects full year GDP growth for the total OECD to dip to 1.9% in 2011 and ease even further to 1.6% in 2012. Unsurprisingly, weaker Eurozone growth forecasts drive the downward revisions, with the region now expected to enter another period of recession over the coming year. We expect the ECB will cut its policy rate by 25 basis points this week.

There is more uncertainty surrounding the RBA's rate announcement tomorrow, with expectations amongst analysts a decrease in the cash rate will occur in either the December or February meeting before rates are kept on hold for the remainder of 2012. Markets have fully priced in a 25 basis point rate cut for the December meeting. Recent Australian data indicate some slowing in economic activity.

Meanwhile, we expect the RBNZ to leave the OCR unchanged at 2.5% at the December Monetary Policy Statement this Thursday. Heightened uncertainty in the offshore outlook, combined with general softness in recent domestic developments, mean there is little urgency for the RBNZ to raise the OCR, and we now expect the RBNZ will remain on hold until December 2012. The first half of next year no longer looks soon enough for the RBNZ to have confidence that the risks to the global economy have been sufficiently defused, even assuming Europe contains the crisis very soon. We expect the RBNZ to highlight the increased downside risks from recent offshore developments, and note that it will need some time to assess the impact on the NZ economy.

### Click here for:

[Foreign Exchange](#)

[Interest Rates](#)

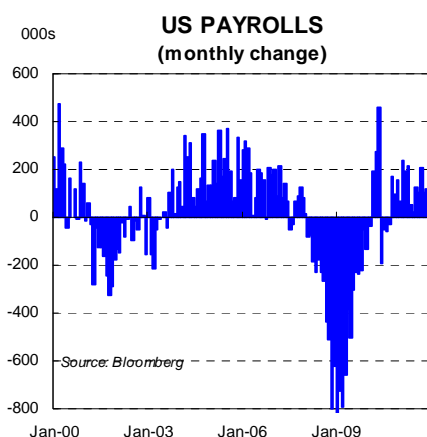
[Week Ahead](#)

[Week in Review](#)

[Global Calendars](#)

- The NZD lifts on improved confidence as market encouraged by coordinated central bank action.
- NZ interest rates also lift with markets paring back pricing of OCR cuts.
- RBNZ to leave OCR unchanged on Thursday, manufacturing survey and card spending also due.
- NZ construction activity remains weak, but consents point to improvement. Terms of Trade ease.
- Australia takes centre stage with rate announcement, GDP and employment report all due this week.

### Chart of the Week



US employment data released last Friday showed a surprising drop in the US unemployment rate, from 9.0% to a two-and-a-half-year low of 8.6% in November.

However, this was on the back of a decline in the participation rate. Employment growth of 120,000 in November was slightly below market expectations, although there were upward revisions to the increases in payrolls for September and October. On balance over the two months, the result counts as a small positive surprise.

Encouragingly, the 50,000 increase in employment in the retail sector suggests retailers are optimistic of a positive holiday shopping season.

Despite some encouraging developments within the detail of the employment report, the pace of jobs growth remains below the rate required to lower the unemployment rate over the long term.

## Foreign Exchange Market

FX Rates	Current*	Week ago	Month ago	6 mths ago	Year ago	ST Bias	Support^	Resistance^
NZD/USD	0.7801	0.7497	0.7932	0.8145	0.7546	UP	0.7600	0.7900
NZD/AUD	0.7616	0.7619	0.7639	0.7603	0.7739	FLAT	0.7550	0.7700
NZD/JPY	60.90	58.21	61.85	65.24	63.15	UP	60.00	62.00
NZD/EUR	0.5817	0.5641	0.5744	0.5587	0.5715	UP	0.5750	0.5950
NZD/GBP	0.4998	0.4836	0.4953	0.4979	0.4837	UP	0.4900	0.5100
TWI	69.04	67.2	69.3	70.0	68.5	UP	68.00	70.00

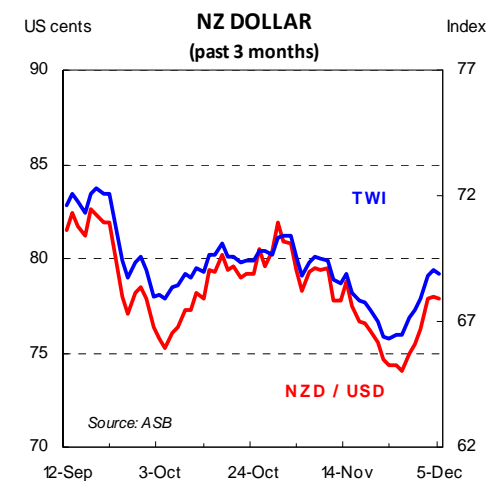
^Weekly support and resistance levels \* Current is as at 13.30 am Monday; week ago as at Monday 5pm.

The NZD rallied over 2 cents against the USD following the announcement of co-ordinated central bank action to enhance USD liquidity. The announcement returned some confidence to global investors, which saw some paring back of safe haven positions reducing demand for the USD.

We expect NZD/EUR to lift this week, as the market remains optimistic about leaders making progress to resolve the debt crisis in Europe. However the debt auctions this week and Eurozone economic data have the potential to sour the mood, and cap any rise of NZD/EUR. We expect the ECB to cut interest rates this week, which could actually support EUR if market participants see the ECB is now being responsive to the growth threats in Europe. Developments at Friday's Leaders Summit will set the tone for FX markets early next week.

It is a reasonably light week in the US for both data and scheduled Fed speakers. Therefore, USD direction will likely be a function of global risk sentiment. On this front the focus is squarely on Europe.

### Short-term outlook:



### Key data

Key data	Date	Time (NZT)	Market
AU RBA Cash Rate Decision	6/12	4.30 pm	4.25%
RBNZ December MPS	8/12	9.00 am	2.50%
NZ Manufacturing Survey	8/12	10.45 am	-
Bank of England December Meeting	8/12	1.00 am	0.25%
ECB December Meeting	8/12	1.45 am	1.00%
NZ Electronic Card Spending	9/12	10.45 am	-

**Key events in markets this week:** UK PMI Services Index, EU PMI Services, EU Retail Sales, German bond auction (5th); RBA cash rate, EU GDP, French bond auction, US ISM Non-Manufacturing index, US Factory Orders (6th); AU GDP, German and Portuguese bond auctions (7th); AU employment, ECB interest rate announcement, Bank of England rate decision (8th); JP GDP, US Initial Jobless Claims, European Leaders Summit (9th); US Trade Balance, US Consumer Confidence (10th).

**Fed Speakers:** Evans (6th); Tarullo (7th); Raskin (8th).

**RBA Speakers:** Stevens (8th).

### Medium-term outlook:

[Last Quarterly Economic Forecasts](#)

We expect NZD/USD remain around 0.78 until the end of 2011. However, uncertainty around the Eurozone sovereign debt crisis is likely to continue over the next 3-6 months. Over this period, investors are likely to remain in safe-haven assets, which will continue to provide support to the USD. In addition to this, we have revised down our expectations on global growth, which in turn will impact demand for commodity currencies such as the NZD and AUD. Given these forces, we expect the NZD/USD will come under pressure over the first half of 2012, falling to 0.73 by June.

By mid-2012 we anticipate Eurozone leaders will have finally made progress towards a resolution of the crisis. This should help support a recovery in global sentiment. In addition, with RBNZ OCR increases on the radar for late 2012 and early 2013 we expect the NZD will recover back to 0.78 by the end of 2012.

We expect the NZD to remain high, and relatively stable against the GBP and EUR over the medium term. Whilst the RBNZ is likely to raise rates at some point, further policy easing from the BoE and ECB is possible.

Australian interest rates are significantly higher than NZ interest rates over our forecast horizon, and the NZD is expected to trade mainly below 0.80 against the AUD over the medium term. However, we expect a slightly higher NZD/AUD cross rate over 2012 compared with 2011, as the AU-NZ interest rate spread narrows over the coming year.

## Interest Rate Market

<u>Wholesale interest rates</u>	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	2.67	2.67	2.72	2.66	3.18	FLAT
2-year swap	2.93	2.76	3.14	3.41	3.91	FLAT
5-year swap	3.66	3.48	3.92	4.45	4.81	FLAT
5-year benchmark gov't stock	3.57	3.52	3.96	4.11	4.82	FLAT
NZSX 50	3289	3218	3332	3515	3283	FLAT

\* Current is as at 11.30 am 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 the Dec 2017 maturity, which is technically a 6-year maturity. Please be very careful with comparisons of gov't bond yields and swap rates.

Following last week's co-ordinated central bank action to ease liquidity, New Zealand interest rates rose across the curve as markets eliminated their previous pricing-in of a near-term OCR cut.

Offshore, hopes were raised once again that a solution to the Eurozone debt crisis may soon eventuate and as a result investor sentiment towards Eurozone Government debt improved somewhat. Italian ten-year yields subsided below the 'danger' level of 7%, finishing the week at 6.66% and Spanish yields fell by nearly a full percentage point over the week to finish at 5.57%.

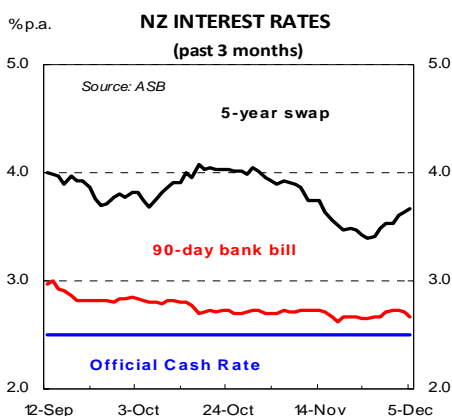
### Short-term outlook:

#### Key data

#### Date

#### Time (NZT)

#### Market



AU RBA Cash Rate Decision

6/12

4.30 pm

4.25%

RBNZ December MPS

8/12

9.00 am

2.50%

NZ Manufacturing Survey

8/12

10.45 am

-

Bank of England December Meeting

8/12

1.00 am

0.25%

ECB December Meeting

8/12

1.45 am

1.00%

NZ Electronic Card Spending

9/12

10.45 am

-

**Comment:** Interest rate decisions by central banks will be watched carefully this week, with the RBNZ, RBA and BoE expected to keep rates on hold and the ECB expected to cut by 25bps. The BoE is also not expected to announce changes to its current programme of quantitative easing at this point in time.

Markets will also continue to pay attention to developments in (and rumours about) the Eurozone debt crisis. German Chancellor Merkel and French President Sarkozy will be meeting on Monday and markets are building in high hopes for the EU leaders' summit in Brussels on Friday.

### Medium-term outlook:

#### [Last Quarterly Economic Forecasts](#)

The RBNZ left the OCR on hold at 2.5% at the October OCR Review, as widely expected. As in the September MPS the statement reiterated the "real risk" of the European debt crisis sparking weakness in the global economy. Back in September a weaker global growth outlook prompted the RBNZ to revise down its medium-term growth forecasts.

Again the RBNZ has highlighted its concern at the potential flow-on effects of the recent tightening in funding markets on NZ bank funding costs, noting the crisis could put pressure on bank funding costs "over the coming year". Back in September the potential impact contributed to the RBNZ lowering 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% - in line with our own expectations.

Although the domestic economy has been slightly softer than the RBNZ's September forecasts, the RBNZ continued to note that earthquake reconstruction will give domestic demand a significant boost.

The RBNZ views underlying inflation as settling around 2% once government-related impacts are accounted for. While recent inflation indicators also 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 some concern.

Efforts to resolve the European debt crisis have been repeatedly curtailed. Meanwhile, activity indicators globally suggest subdued activity in the Western economies. The RBNZ has indicated global developments remain the dominant factor for the RBNZ in determining its interest rate outlook. This suggests there is little urgency for the RBNZ to raise the OCR. We now expect the RBNZ will keep the OCR on hold until December 2012. We also now expect some pauses in the tightening cycle, such that the OCR is not expected to reach its peak of 4% until December 2013.

# Data Preview: a look at the week ahead

Data	Date	Time (NZT)	Previous	Market expects	ASB expects
AU RBA Cash Rate Decision	6/12	16.30	4.50%	4.25%	4.50%
EZ GDP – Q3	6/12	23.00	0.2%	0.2%	-
AU GDP – Q3	7/12	13.30	1.2%	1.0%	1.2%
RBNZ December Monetary Policy Statement	8/12	09.00	2.50%	2.50%	-
Economic Survey of Manufacturing	8/12	10.45	-0.7%	-	-
UK Bank of England December Meeting	8/12	01.00	0.25%	0.25%	-
EZ ECB December Meeting	8/12	01.45	1.25%	1.00%	-
Electronic Card Transactions - November	9/12	10.45	1.5%	-	0.2%

## New Zealand Data Previews

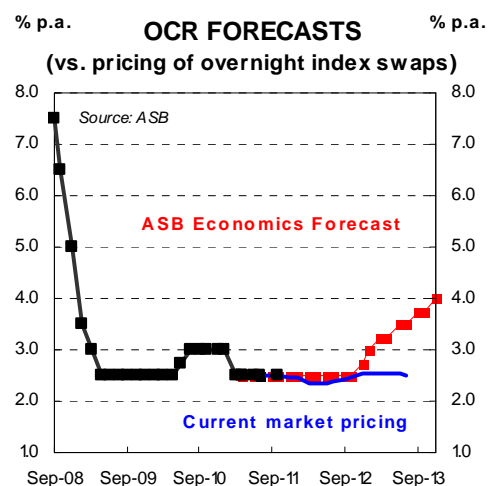
### Thursday 8 December

#### RBNZ December Monetary Policy Statement

**Previous: 2.50% f/c: 2.50%**

Heightened uncertainty in the offshore outlook, combined with general softness in recent domestic developments, mean there is little urgency for the RBNZ to raise the OCR. As such, we have pushed out our view of when we expect the RBNZ to lift the OCR to December 2012. The first half of next year no longer looks soon enough for the RBNZ to have confidence that the risks to the global economy have been sufficiently defused, even assuming Europe contains the crisis very soon.

We expect the RBNZ will highlight the increased downside risks to the NZ growth outlook from recent offshore developments. The RBNZ is likely to highlight the large degree of uncertainty at the moment, and note it would need more time to assess the impact on the local economy. Markets have currently priced in a risk of an OCR increase at some point over the coming year.



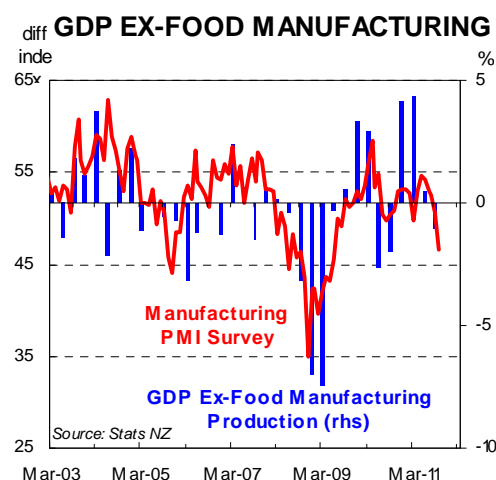
### Thursday 8 December

#### Economic Survey of Manufacturing

**Previous Volumes: -0.7%**

The Q2 manufacturing survey reported a drop in sales volumes, led by declines in meat and dairy. Excluding these more volatile items, core manufacturing sales volumes remained relatively flat. Manufacturing activity has performed well over the first half of the year, with the data showing no material impact from the earthquake disruption.

However, more recently confidence in the manufacturing sector has declined sharply. In addition, Q3 trade volumes data revealed a large drop in non-food manufactured exports. This suggests that production may have faltered over the quarter. We expect manufacturing production excluding dairy and meat to fall 1%.



Friday 9 December

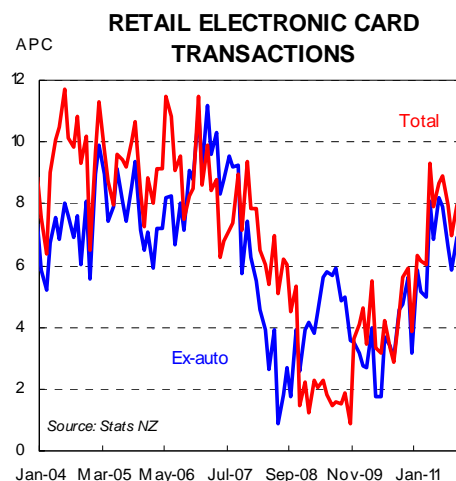
### Electronic Card Transactions - November

Previous: +1.5%mom, f/c:+0.2%mom

We expect retail card spending edged up slightly over November. This follows a strong result in the previous month, reflecting the boost from the Rugby World Cup as the country geared up for the knock-out stages. In particular, there was a substantial increase in spending on apparel and services.

Spending in the other areas has recovered in line with trend. We expect the recovery in retail spending to continue over the coming year, reflecting the improvement in consumer confidence. In particular, households have shown an increased willingness to spend on major household items, as reflected in the recent increases in spending on durables and vehicles.

Nonetheless, continued high levels of household debt mean that the recovery in retail spending is likely to be gradual.

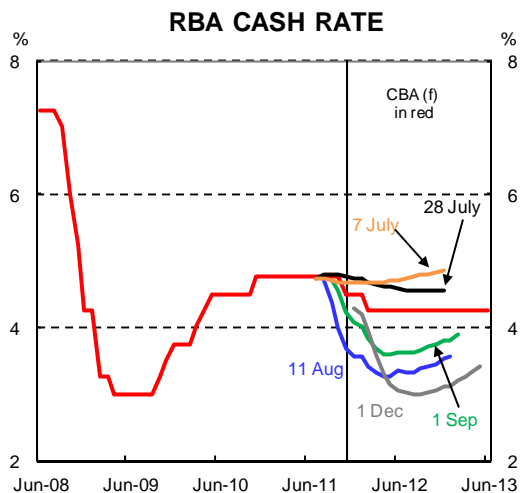


**International Data Previews**

**Tuesday 6 December**

**AU RBA Cash Rate Decision, Dec, %, (f) 4.50 (4.50 prev)**

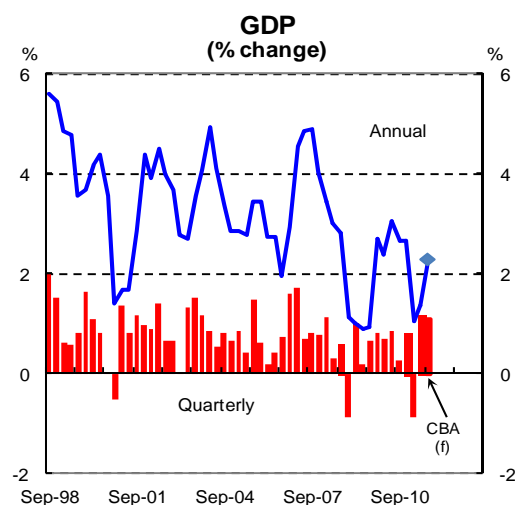
The RBA's revised growth and inflation forecasts have opened the door for a shift in monetary policy. The impacts of the European sovereign debt crisis on financial markets, confidence, and activity in the non-mining side of the Australian economy have resulted in a weaker growth outlook, and a lower inflation profile. In November the RBA shifted policy towards neutral. We think they are likely to deliver one further rate cut, provided that the situation in the Eurozone does not result in a severe disruption of the global financial system. Domestic data have been mixed since the November Board meeting. Capital spending has rocketed, as the mining boom continues to make its impact felt, and business investment spending leaks out into other sectors. However the household side of the economy remains weak, with asset prices falling and residential building approvals plummeting. The risk to our February rate cut lies with an earlier move, at this week's meeting.



**Wednesday 7 December**

**AU GDP, Q3, q/y%ch, (f) 1.2/2.3 (1.2/1.4 prev)**

Growth in the Australian economy rebounded in Q2, following the disaster-affected Q1 outcome. GDP rose 1.2%, following the 0.9% fall in the first quarter. We are expecting a similar strong growth outcome in Q3. Our forecast is for GDP to lift by 1.2% in the quarter, driven by a surge in business investment. Capex and construction figures point to an outsized contribution from business investment in the quarter. The Q3 figures will have a number of other factors to contend with. We expect public spending, inventories and net exports to all detract from growth in Q3. The annual pace of growth is expected to lift to 2.3% in Q3, which remains below the economy's potential growth rate. However the pace of annual growth is expected to accelerate rapidly over coming quarters, as disaster-related weakness passes through the figures and the resource construction boom continues to gather pace.

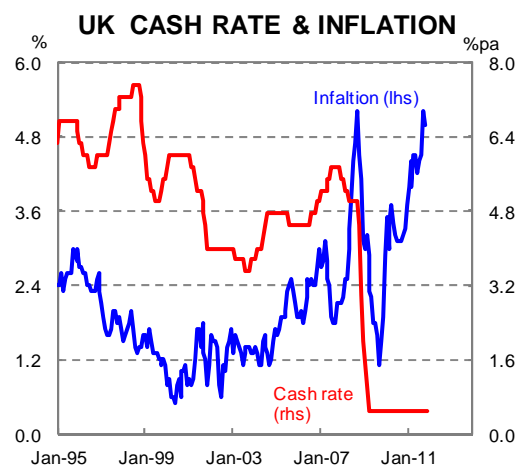


**Thursday 8 December**

**UK Bank of England Meeting, Dec, %, 0.25 ( 0.25 prev)**

**Asset purchase program, £bn, 275 (275 prev)**

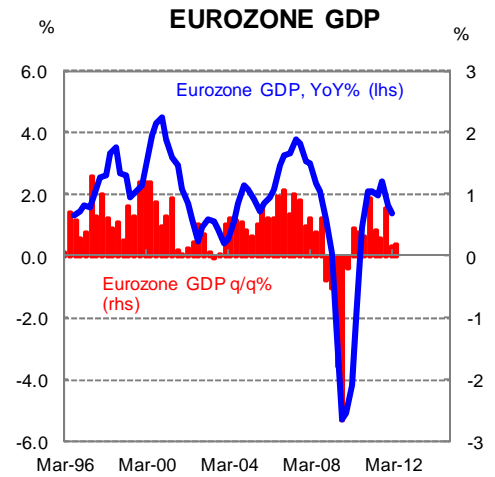
The final Bank of England policy meeting of the year is unlikely to include any changes to policy. We expect no change to the bank rate and no change to the GBP275bn asset purchase target this time out. However, we do now believe that the asset purchase target will be increased significantly in the New Year. The additional GBP75bn purchases announced a few months ago are scheduled to end in February and we expect an immediate extension of the purchases to continue taking the total asset purchase target up to the GBP350 - 400bn range through the course of 2012.



**Tuesday 6 December**

**EZ GDP, Q3 P, q/y%ch, (0.2/1.4 prev)**

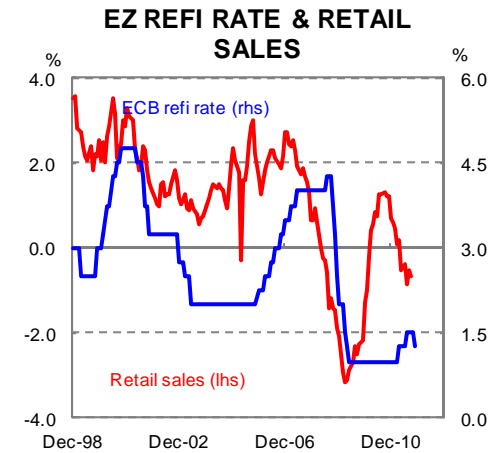
Second estimates of Euro-zone GDP growth are expected to remain unchanged at 0.2% in Q3 by consensus, leaving annual growth in GDP at 1.4% in the four quarters to Q3. Further detail over the breakdown of the numbers is anticipated and will highlight marked divergence of performance geographically. First estimates showed German GDP growth expanding by 0.5% q/q in Q3, with France growing 0.4%. GDP in Spain was flat in the quarter, initial numbers for Italy are not yet available, but implicitly must be bad. In terms of the expenditure breakdown of the estimates, household consumption is expected to rebound from the surprise contraction in Q2.



**Thursday 8 December**

**EZ ECB meeting, Dec, %, 1.00 (1.25 prev)**

The ECB Governing Council is expected to cut its main refinance rate again to 1.0% following the surprise 25bps cut at its November meeting. ECB staff will publish their new set of updated growth and inflation forecasts at this meeting as well. ECB President Draghi signalled last time out that there would be dramatic revisions to the growth forecasts. We expect to see a small positive GDP growth forecast for 2012, somewhere around 0.3%. The post-meeting press conference will again signal that there are intensified downside risks to this outlook, although we expect Mr. Draghi to indicate that inflation risks are broadly balanced.



# Data Recap: weekly recap

## NZ Building Consents

Building consents recovered 11% over October, following the previous month's 17% decline. Dwelling consents have been more volatile than usual over the past 3 months. Looking through this volatility to the underlying trend, the current pace of consent issuance is up slightly from lows recorded over the first half of 2011, but remains at extremely weak levels. Dwelling consent issuance in Canterbury remains very weak. It is still too early to see any meaningful increase in earthquake-related reconstruction.

Non-residential consent issuance in October suggests some slowing in the improvement in private non-residential investment. Overall, the results suggest the recovery in private non-residential investment will be gradual in the near term.

While the underlying demand for housing construction appears to have increased slightly over the second half of the year, overall dwelling consent issuance remains very weak and points to low construction activity over the final months of 2011. Over the coming year we expect to see further recovery in underlying demand for housing construction, with low interest rates and a tight housing market underpinning this lift. In addition, a gradual recovery in non-residential construction should also add to the construction outlook. From mid-2012 we expect that residential reconstruction activity in Canterbury will have started to gather some momentum and drive much of the activity in the construction sector for the next few years.

## RBNZ Credit Aggregates

Housing credit growth remained very subdued in October, increasing just \$127 million over the month and up just 1.2% over the year. The weakness in the housing market is a contributing factor to the low pace of lending growth, with turnover volumes at very low levels. Stronger repayments are also likely to be a contributing factor, as households remain wary of debt levels and as Christchurch Redzone owners receive Government payouts.

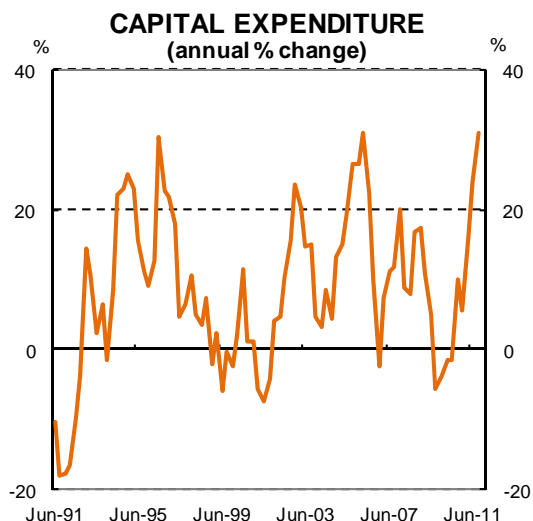
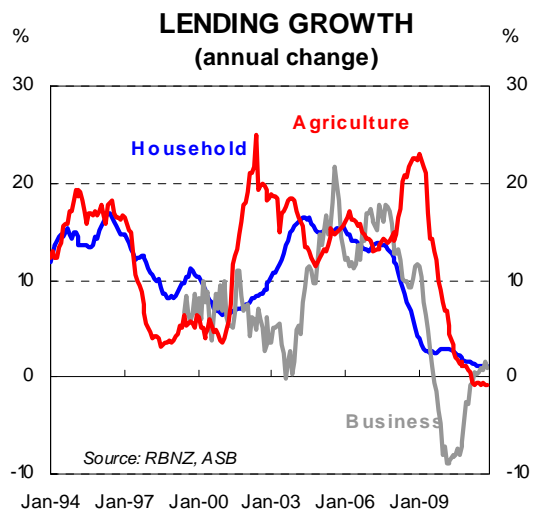
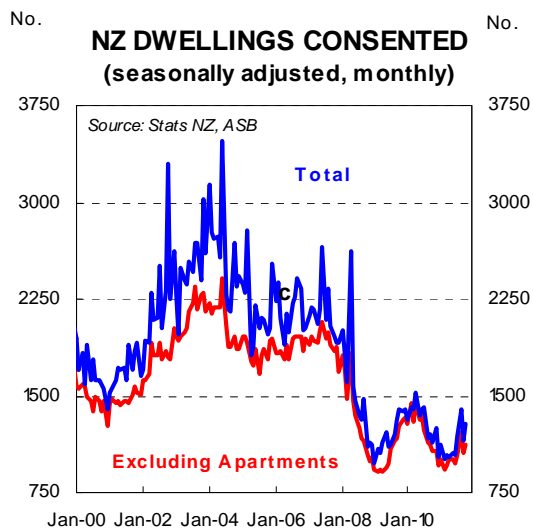
Meanwhile, consumer credit displayed some signs of improvement, growing for the second consecutive month following a run of declines. Business investment edged slightly higher over the month, although the pace of annual growth remains subdued at just 1%. Business credit demand appeared to have waned in recent months. Agricultural credit eased in October, and is now down 0.9% on year-ago levels. Farmers are likely using stronger dairy export incomes to repay debt.

## AU Capital Expenditure

New capital spending rose by 12.3% in Q3, with spending on plant and equipment up 6.3% and spending on buildings and structures up 17.1%.

On an industry basis, the Q3 outcome was driven by a further 22.1% leap in mining investment. Mining investment is now 60.2% higher than year earlier levels. Manufacturing investment spending also rose very strongly. Manufacturing capex was up 9.8% in Q3, to be 29.0% higher than a year ago. Manufacturing capex has been rising rapidly for the past few quarters. The strongest growth has been in manufacturing sub-sectors linked to the mining boom. Investment in the other selected industries category, where investment rose by only 4.1% in Q3, was the weak spot of the capex figures.

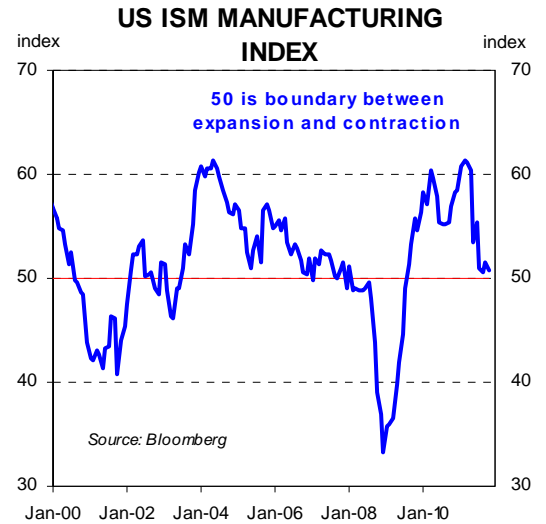
The data further highlight the extent of the mining boom, with other sectors of the economy just about holding up. However, the accompanying survey of firms' investment intentions for 2011/12 showed an increase that was driven by the non-mining sector.



**US ISM Manufacturing**

US ISM manufacturing jumped to a five-month high of 52.7 in November. The increase was led by an improvement in the forward-looking new orders index, which rose from 52.4 to 56.7. Production and exports also recorded strong gains while, disappointingly, the employment index dipped from 53.5 to 51.8.

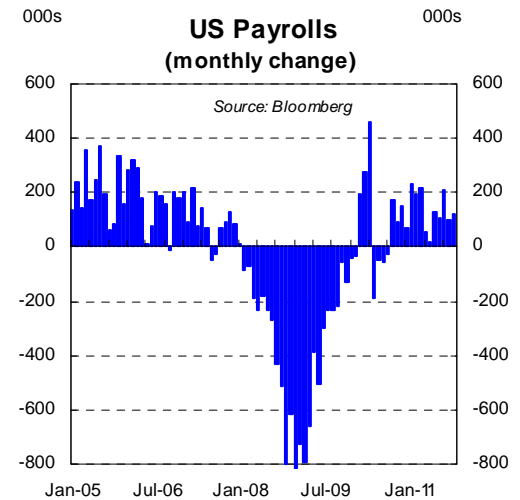
The overall level of the index is consistent with an annualised GDP growth of 2.0% to 2.5%, so the indication is that US growth in the current quarter should be reasonably strong – in contrast to performance over the middle of the year and seemingly in spite of ongoing turmoil in Europe.



**US Non-farm Payrolls**

US non-farm payrolls edged up 120k in November from a revised 100k increase in October (previously 80k). On balance over the two months, the data counted as a small positive surprise. However, the pace of jobs growth remains below the rate required to lower the unemployment rate over the long term.

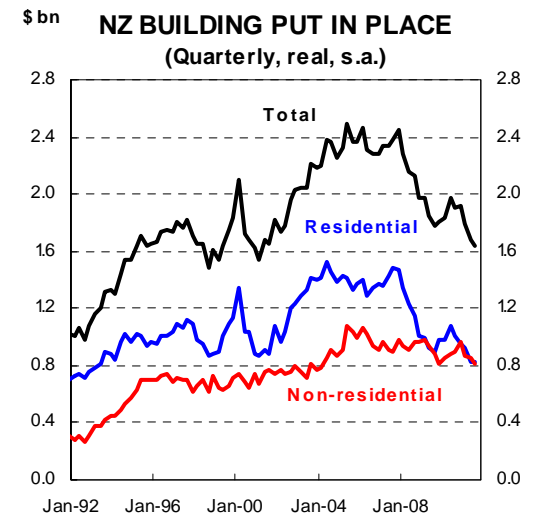
At the same time, the US unemployment rate dropped surprisingly to 8.6% from 9.0%. However, the move lower was partly the result of a large fall in the size of the labour force rather than from jobs growth, so is a little misleading.



**NZ Building Work Put in Place**

Non-residential building activity increased in Christchurch and is likely to reflect repair work following the earthquakes. Meanwhile, non-residential building throughout the rest of the country declined. This weakness reflects ongoing impact of weak economic demand, with businesses scaling back investment in new buildings. Recent consent issuance data shows non-residential consent issuance remains at subdued levels, and suggests commercial investment (outside of earthquake rebuilding) is likely to be very quiet over the coming year.

Residential building activity remained flat, and is at the lowest level since June 1993. We expect to see small increase in residential construction over the next quarter, given a pick-up in consent issuance recorded over the September quarter. Over 2012 we expect to see further improvement in underlying demand for construction. From mid-2012 we expect that earthquake reconstruction activity will start to pick up, and will be the primary driver of recovery in construction.



# Global Data Calendars

## Calendar - Australasia, Japan and China

Date	Time (NZT)	Eco	Event	Period	Unit	Last	Forecast	
							Market	ASB
Tue 6 Dec	13:30	AU	Current account balance	Q3	\$mn	-7,419	-5,600	-6,100
	13:30	AU	Australia net exports of GDP	Q3	q%ch	-0.5	-0.6	-0.6
	16:30	AU	RBA cash target	Dec	%	4.50	4.25	4.50
Wed 7 Dec	11:30	AU	Ai-Group PCI	Nov	Index	34.7	~	~
	13:30	AU	GDP	Q3	q%ch	1.2	1.0	1.2
	18:00	JN	Leading index CI	Oct	Index	91.5	~	~
Thu 8 Dec	09:00	NZ	RBNZ official cash rate	Dec	%	2.5	2.5	~
	10:45	NZ	Manufacturing activity - volume	Q3	q%ch	-0.7	~	~
	12:00	NZ	QV House Prices	Nov	y%ch	1.2	~	~
	12:50	JN	Adjusted current account total	Oct	¥bn	1186.6	941.0	~
	12:50	JN	Trade balance - BOP basis	Oct	¥bn	373.2	343.3	~
	12:50	JN	Machine Orders	Oct	m%ch	-8.2	-7.1	~
	13:30	AU	Employment change	Nov	000	10.1	10.0	10.0
	13:30	AU	Participation rate	Nov	%	65.6	65.6	65.6
	13:30	AU	Unemployment rate	Nov	%	5.2	5.2	5.2
	20:20	AU	RBA Governor Glenn Stevens speaks in Sydney					
Fri 9 Dec	~	CH	Industrial production	Nov	ytd	14.1	~	~
	~	CH	Fixed assets inv excl. rural	Nov	ytd	24.9	24.8	~
	~	CH	Retail Sales	Nov	y%ch	17.2	16.8	~
	10:45	NZ	NZ card spending - total	Nov	m%ch	1.8	~	~
	12:50	JN	GDP deflator	Q3	y%ch	-1.9	~	~
	12:50	JN	Nominal GDP	Q3	q%ch	1.4	~	~
	12:50	JN	GDP	Q3	q%ch	1.5	~	~
	13:00	NZ	ANZ consumer confidence	Dec	m%ch	-2.9	~	~
	15:00	CH	CPI	Nov	y%ch	5.5	4.5	~
15:00	CH	PPI	Nov	y%ch	5.0	3.5	~	
Sat 10 Dec	~	CH	Trade Balance	Nov	USD	17.0	15.0	~

## Calendar – North America &amp; Europe

Please note all days and times are UK time. Add 13 hours for NZ times.

Date	Time (UK)	Eco	Event	Period	Unit	Last	Forecast	
							Market	ASB
Mon 5 Dec	08:55	GE	PMI services	Nov	Index	51.4	~	~
	09:00	EC	PMI services	Nov	Index	47.8	~	~
	09:30	UK	PMI services	Nov	Index	51.3	~	~
	10:00	EC	Euro-Zone Retail Sales	Oct	m%ch	-0.7	~	~
	15:00	US	ISM non-manufacturing composite	Nov	Index	52.9	53.5	~
	15:00	US	Factory orders	Oct	%	0.3	-0.4	~
	17:10	US	Fed's Evans Speaks in Muncie, Indiana					
Tue 6 Dec	~	UK	New car registrations	Nov	y%ch	2.6	~	~
	08:00	SZ	Foreign currency reserves	Nov	\$bn	242.7	~	~
	08:15	SZ	CPI - EU Harmonised	Nov	m%ch	-0.1	~	~
	09:30	UK	Bank of England Publishes Record of Interim FPC					
	10:00	EC	Euro-Zone GDP	Q3	q%ch	0.2	~	~
	11:00	GE	Factory orders	Q3	m%ch	-4.3	~	~
	13:30	CA	Building Permits	Q3	m%ch	-4.9	~	~
	14:00	CA	Bank of Canada rate	Dec	%	1.0	1.0	~
	15:00	US	Fed's Tarullo testifies at Senate Banking					
Wed 7 Dec	15:00	CA	Ivey purchasing managers index	Nov	Index	54.4	~	~
	06:45	SZ	Unemployment rate	Nov	%	3.0	~	~
	08:15	EC	ECB calls for bids in 3-month dollar tender					
	09:30	UK	Industrial production	Oct	m%ch	0.0	~	~
	10:00	EC	ECB announces allotment in 3-month dollar tender					
	11:00	GE	Industrial production	Oct	m%ch	-2.7	~	~
Thu 8 Dec	20:00	US	Consumer credit	Oct	\$bn	7.4	7.0	~
	12:00	UK	BOE asset purchase target	Dec	£bn	275.0	~	~
	12:00	UK	BOE announces rates	Dec	%	0.5	0.5	~
	12:45	EC	ECB announces interest rates	Dec	%	1.25	1.00	~
	13:15	CA	Housing starts	Nov	000	207.6	205.0	~
	13:30	CA	New Housing Price Index	Oct	m%ch	0.2	~	~
	13:30	US	Initial jobless claims	Dec	000	391.0	~	~
	15:00	US	Wholesale inventories	Oct	%	-0.1	0.4	~
	15:30	CA	Bank of Canada Publishes Financial System Review					
	15:30	EC	ECB's Constancio Speaks at Conference in					
Fri 9 Dec	17:00	US	Flow of Funds	Q3	~	~	~	~
	07:00	GE	Current account	Oct	€bn	15.7	~	~
	07:00	GE	CPI - EU Harmonised	Nov	m%ch	0.0	~	~
	07:00	GE	Labor costs	Q3	q%ch	1.4	~	~
	07:00	GE	Trade balance	Oct	€bn	17.4	~	~
	09:00	NE	ECB's Knot speaks in Parliament in The Hague					
	09:30	UK	PPI output	Nov	m%ch	0.0	~	~
	09:30	UK	PPI output core	Nov	m%ch	0.3	~	~
	9:30	UK	Total trade balance	Oct	£mn	-3,940	~	~
	13:30	CA	Labor productivity	Q3	q%ch	-0.9	~	~
	13:30	CA	International merchandise trade	Oct	C\$bn	1.3	~	~
	13:30	US	Trade balance	Oct	\$bn	-43.1	-43.0	~
	14:55	US	U. of Michigan confidence	Dec	Index	64.1	65	~
	17:00	US	Flow of Funds	Q3	~	~	~	~

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