

EU summit gives markets hope

- RBNZ keeps OCR at 2.5% and indicates global developments remain the dominant factor in its outlook.
- Markets react positively to the announcement from the EU summit of the three-pillar strategy.
- NZ labour market data this week will provide useful insight into underlying NZ recovery.

The RBNZ kept the OCR at 2.5% as widely expected, and retained its key message at the OCR Review last Thursday. It is clear that global developments remain the dominant factor in the RBNZ's monetary policy outlook. In particular, downside risks from the Eurozone debt crisis has been a key consideration for the RBNZ in keeping the OCR on hold.

There have been some positive developments in that regard, with the announcement of three-pillar strategy at the European Union leaders' summit at the end of last week. This would involve 1) private sector bondholders undertaking a "voluntary bond exchange with a nominal discount of 50% on notional Greek debt"; 2) bank recapitalisation which would also involve requiring banks to lift their Tier 1 core capital ratios to 9% by end-June from current levels of around 5%; and 3) expanding the resources of the European Financial Stability Facility (EFSF).

In particular, the boost to the EFSF's powers is designed to stem the threat of contagion across the European financial system. The increase of the remaining resources of the EFSF by 4-5 times is estimated to bring the fund's firepower to €1-1.36 trillion. In particular, the creation of a "ring fence" around the troubled nations of Greece, Ireland and Portugal is aimed at preventing contagion to the other European economies. The three nations have a total of €508 billion worth of maturing debt, which is within the parameters of the enhanced EFSF.

In a significant step forward, cooperation with the IMF is being sought to enhance the EFSF. According to reports, the IMF, sovereign wealth funds and non-European nations appear willing to contribute. The forthcoming 3-4 November G20 summit appears to be a forum for an announcement by the IMF. Markets have reacted positively to the announcement, with European shares ending last week 4.1% higher and the Dow Jones 3.6% higher. The announcement has removed some degree of near-term uncertainty, although European sovereign issues should linger in the background. Despite the improvement, market sentiment remains fragile and it will not take much to generate a bout of market risk aversion.

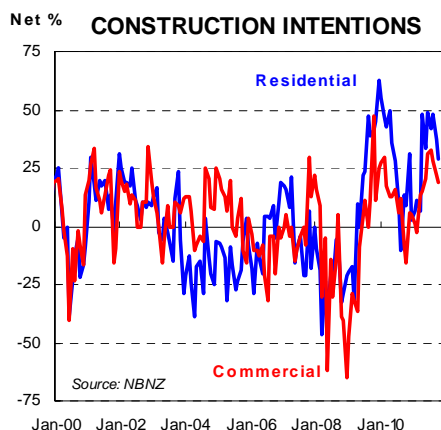
Meanwhile, Q3 labour market data released this week will provide useful insight into how the NZ economy is tracking along. The Rugby World Cup is likely to have provided a boost to employment over the September quarter. However, this boost will likely be temporary, and the key focus will be on the recovery in underlying employment. Despite some easing in hiring intentions in recent months, businesses are still indicating they expect to increase staff numbers over the coming year. Nonetheless, recent domestic data point to some softening in NZ's underlying economic recovery. We still expect recovery will be very gradual.

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- The NZD surges as market confidence recovers following EU announcement.
- Interest rates remain broadly unchanged from pre-labour weekend levels.
- NZ labour market data, with wages on Tuesday and employment on Thursday.
- RBNZ leaves OCR unchanged, business confidence dips and building consents fall sharply.
- Central bank decisions loom, with RBA on Tuesday, FOMC and ECB on Thursday.

Chart of the Week



The latest dwelling building consent issuance data showed a sharp decline in September, suggesting the recovery in residential building demand faltered over the month. Nonetheless, the underlying trend for residential building remains positive.

Similarly, non-residential consent issuance in September continues to point to an encouraging outlook for near-term private non-residential investment. In particular, consent issuance for offices and storage buildings continue to improve.

These results are broadly in line with recent business confidence survey results. There has been an easing in both residential and commercial construction intentions in recent months. However, the two measures generally point to a continued recovery in residential and non-residential investment over the coming year, albeit at a very gradual pace.

Foreign Exchange Market

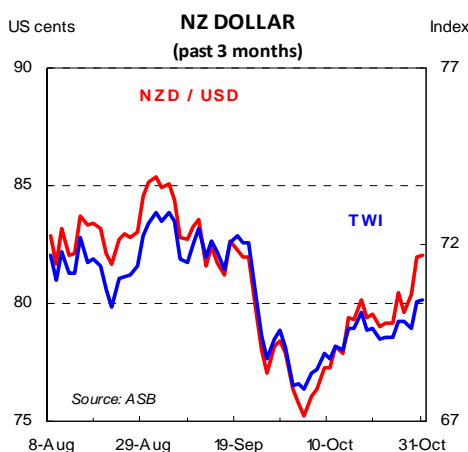
FX Rates	Current*	Week ago	Month ago	6 mths ago	Year ago	ST Bias	Support^	Resistance^
NZD/USD	0.8205	0.7915	0.7639	0.8061	0.7535	FLAT	0.8050	0.8350
NZD/AUD	0.7669	0.7753	0.7845	0.7363	0.7713	FLAT	0.7600	0.7750
NZD/JPY	62.18	60.76	58.50	65.70	60.69	FLAT	61.00	63.00
NZD/EUR	0.5800	0.5744	0.5650	0.5447	0.5420	FLAT	0.5750	0.5850
NZD/GBP	0.5091	0.5009	0.4902	0.4839	0.4727	FLAT	0.5050	0.5150
TWI	70.4	69.4	68.0	68.6	66.9	FLAT	70.00	70.50

^Weekly support and resistance levels * Current is as at 10.00 am Monday; week ago as at Monday 5pm.

The NZD was under pressure over the first half of the week, with weaker local data (CPI, Fonterra announcement) and market risk aversion weighing on the NZD. However, the NZD surged Thursday night, on the back of a recovery in market confidence as European officials reached an agreement on a new plan to tackle the debt crisis. The NZD lifted 2 cents against the USD, climbing back to 82 cents.

We expect the recovery in global market confidence will be temporary, as investors gradually become wary of hurdles the Eurozone has yet to clear. However, in the near term, positive announcements from the G-20 meeting are likely to provide support to the NZD and AUD.

Short-term outlook: Key data Date Time (NZT) Market



Key data	Date	Time (NZT)	Market
NZ Labour Cost Index – Q3	1/11	10.45 am	+0.5%
NZ QES Average Hourly Earnings – Q3	1/11	10.45 am	+0.9%
RBA Cash Rate Announcement	1/11	4.30 pm	4.5%
NZ HLFS Unemployment Rate – Q3	3/11	10.45 am	6.4%

Potential local currency movers this week: EU CPI (31st); UK Manufacturing PMI, UK GDP, US ISM manufacturing (1st); AU building approvals, EU manufacturing PMI, FOMC policy decision, US ADP employment (2nd); AU retail sales, ECB policy meeting, US ISM non manufacturing, US factory orders (3rd); US non farm payrolls (4th).

Speakers: Bernanke (2nd), Draghi (3rd).

Medium-term outlook: [Last Quarterly Economic Forecasts](#)

The global demand for USD funding escalated as the Eurozone sovereign crisis dragged on and the threat of a US recession increased. 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 Eurozone 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

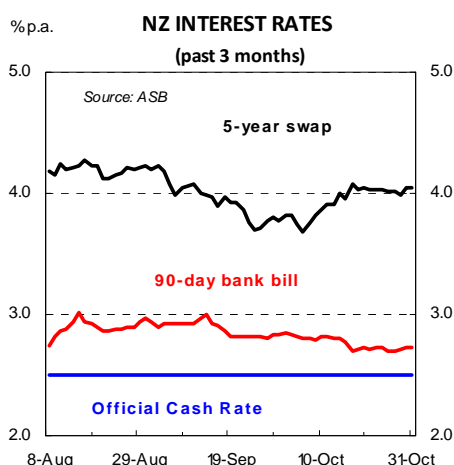
Wholesale interest rates	Current	Week ago	Month ago	6 mths ago	Year ago	ST Bias
Cash rate	2.50	2.50	2.50	2.50	3.00	FLAT
90-day bank bill	2.72	2.72	2.85	2.65	3.19	FLAT
2-year swap	3.22	3.21	3.16	3.41	3.93	UP
5-year swap	4.04	4.03	3.82	4.59	4.55	FLAT/UP
5-year benchmark gov't stock	4.03	4.16	3.39	4.32	4.55	FLAT/UP
NZSX 50	3334	3281	3343	3498	3305	FLAT

* Current is as at 10.00 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.

Interest rates start the week roughly unchanged from pre-Labour Weekend levels. Swap rates dipped 3-5bp during the week on soft Australian data but reversed as the RBNZ kept a steady message and as Europe's politicians hammered out the broad details of a comprehensive rescue package. Bond yields are overall lower.

The NZ CPI (+0.4% qq) was softer than expectations, in part due to mild inflation in construction-related components. Business confidence in the NBNZ survey belatedly showed some signs of softness in response to the escalation of Europe's crisis and a weaker global outlook. Milder than expected inflation in Australia has fuelled expectation there will be a cash rate cut this Tuesday. Swap rates rose around 4bp on the RBNZ's review statement. The statement showed very little change in stance from the September policy assessment but, in the wake of the weak NZ and Australian CPI results, markets seemed braced for a softer tone.

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NZ HLFS Unemployment Rate – Q3	3/11	10.45 am	6.4%

Comment: The key source of event risk for interest rates is the RBA cash decision on Tuesday afternoon: an 80% probability of a 25bp cut is priced in. The low CPI gives the RBA some justification for cutting rates, but Europe's resolution progress reduces the probability of a nasty global outcome. Our CBA colleagues' view is the RBA will remain on hold (in contrast to the consensus expectation of a 25bp cut), which implies some lift in short-term rates that could impact in NZ. NZ HLFS data will be watched for further signs of underlying improvement in the economy. The Fed is unlikely to change policy on Thursday morning though there is a small risk it changes its guidance over the Fed Funds rate.

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, and the RBNZ appears more comfortable with the inflation outlook compared to just three months ago. We see its medium-term inflation forecast of around 2% as optimistic, though do expect inflation will dip to 2% mid-2012. 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.

With the Eurozone debt crisis likely to remain a significant source of uncertainty, we expect the RBNZ will leave the OCR on hold until March next year. We expect the RBNZ to lift the OCR by 25 basis points in March and at each consecutive meeting, bringing the OCR to a peak of 4%. Given the likelihood of ongoing global uncertainty and increased NZ household sensitivity to interest rate increases, the risks are that the OCR increases later and/or more gradually than our current forecasts.

Data Preview: a look at the week ahead

Data	Date	Time (NZT)	Previous	Market expects	ASB expects
NZ Labour Cost Index – Q3	1/11	10.45 am	+0.5%	+0.5	+0.5%
NZ QES Average Hourly Earnings – Q3	1/11	10.45 am	+1.2%	+0.9	+0.5%
RBA Cash Rate Announcement	1/11	4.30 pm	4.75%	4.5%	4.75%
US ISM Manufacturing Survey	2/11	3.00 am	51.6	52.0	-
FOMC Rate Announcement	3/11	5.30am	0.25	0.25	0.25
NZ HLFS Unemployment Rate – Q3	3/11	10.45 am	6.5%	6.4%	6.2%
ECB Rate Announcement	4/11	1.45 am	1.5%	1.5%	1.5%
US Non-farm Payrolls	5/11	1.30 am	103k	95k	-

New Zealand Data Previews

Tuesday 1 November

NZ Q3 Labour Cost Index and Quarterly Employment Survey

LCI Private Sector Ordinary Time

Previous: +0.5% qoq f/c +0.5% qoq

QES Average Hourly Earnings – Private Sector Ordinary Time

Previous: +1.2% qoq f/c +0.5% qoq

Wage growth has now recovered and we expect that annual wage growth will stabilise around current levels for the next 12 months. Nonetheless, the pace of growth will remain relatively subdued. This reflects reduced profitability as the economic recovery remains gradual. In addition, softer wage growth reflects the degree of slack in the labour market as the unemployment rate remains elevated. From mid-2012, a pickup in reconstruction efforts will result in skill shortages becoming more acute, and we expect wage growth will accelerate.

Over Q3 we expect (LCI) labour costs to increase 0.5%, with the annual rate to remain relatively steady at 2.0%.

The QES wage measures tend to be more volatile as the survey does not adjust for compositional shifts in the work force. We expect a 0.5% qoq increase in average hourly earnings (private sector, ordinary time).

Thursday 3 November

Household Labour Force Survey – Q3

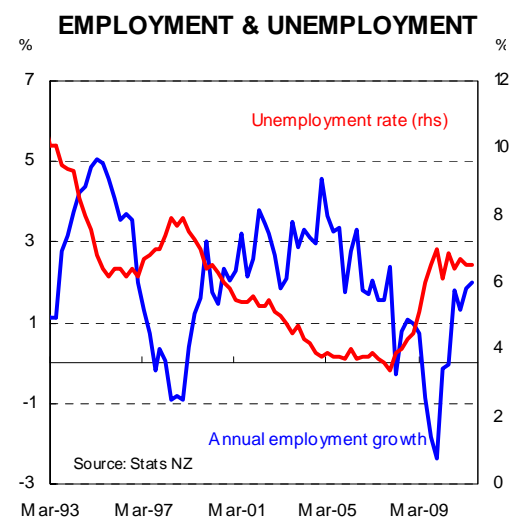
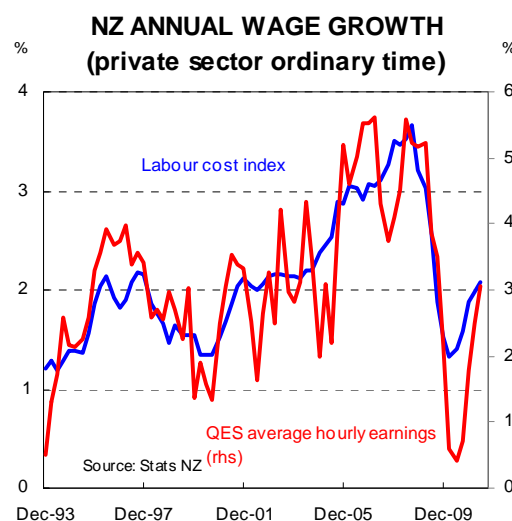
Employment Growth: Previous +0.0% qoq, ASB(f) 0.6% qoq

Unemployment Rate: Previous 6.5%, ASB(f) 6.2%

Employment growth was strong over the first half of 2011, with strong increases across the country providing offset to declines in employment in Canterbury as a result of February's earthquake.

Employment is likely to stabilise in Canterbury over Q3, although it will be too soon to see a meaningful recovery with the CBD still closed over the quarter. Throughout the rest of the country we expect employment to continue to recover in line with the gradual pickup in underlying demand. The national employment indicator points to fairly robust employment growth over August, although some of the pick up in jobs growth over Q3 may be related to the Rugby World Cup and, if so, is likely to be temporary.

A solid 0.6% increase in employment should result in the unemployment rate falling to 6.2%, from 6.5%.



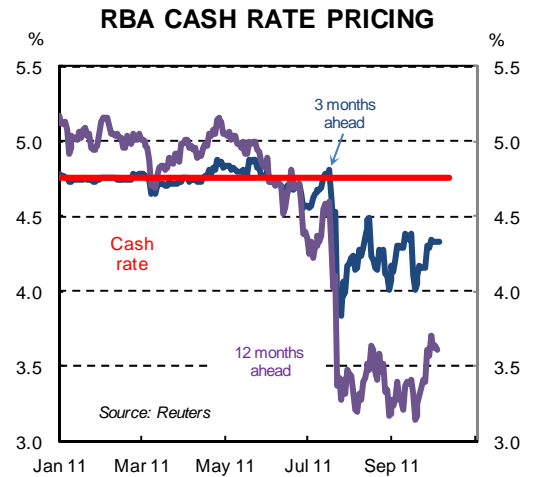
International Data Previews

Tuesday 1 November

RBA Cash Rate Announcement

Previous: 4.75% (f) 4.75%

The eagerly awaited CPI data released on 26 October saw the headline inflation figure rise 0.6% in Q3, with the annual inflation rate at 3.5%, in line with market expectations. The unexpected result of an underlying inflation rate of 0.3% in Q3, has caused markets to lean towards expecting a Melbourne Cup Day rate cut. The new weighting pattern and seasonal-adjustment series that the ABS has introduced from QIII going forward has meant that inflation analysis and forecasts are difficult. The revised RBA forecasts for inflation are due on the 4 November in the Statement of Monetary Policy. The inflation pressures on the Australian economy that we have previously mentioned are still persistent, which in our belief will cause the RBA to keep rates on hold in November. Furthermore, the announced European policy measures appear to be a satisfactory response, for now, and therefore have removed a large extent of the near-term uncertainty.

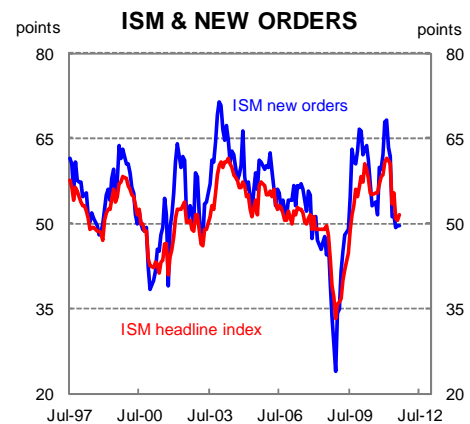


Tuesday 1 November

US ISM Manufacturing Survey - October

Previous: 51.6

The national accounts for the third quarter showed the US economy picked up some momentum. By contrast, the widely-followed ISM manufacturing survey eased considerably in the third quarter. The new orders index of the ISM survey has been just below 50 points for three consecutive months. We think the risk to the headline index for the ISM lie with a modest drop in October, but still remain over 50 points, compared to the modest increase expected by US economists.



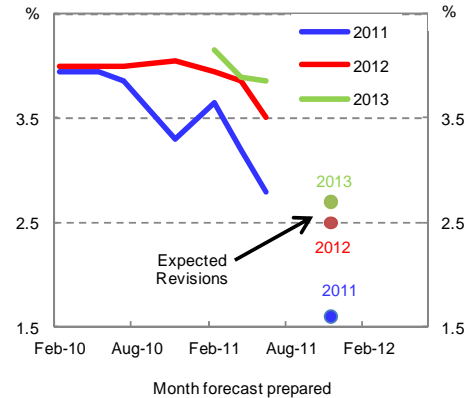
Thursday 3 November

FOMC Rate Announcement

Previous Fed Funds target rate: 0.25% (f) no change

This policy meeting will be a two-day meeting with a press conference to follow the meeting. We expect no change in policy. However, in our view, there is a small risk the FOMC decide to change their future guidance over the funds rate. For example, the FOMC may decide to elaborate on their mandate. FOMC participants will also provide their up-to-date forecasts for unemployment, inflation and economic growth. We expect a significant cut to GDP growth for the next few years, weaker inflation and higher unemployment.

EVOLUTION OF FED'S FORECASTS (GDP forecasts)



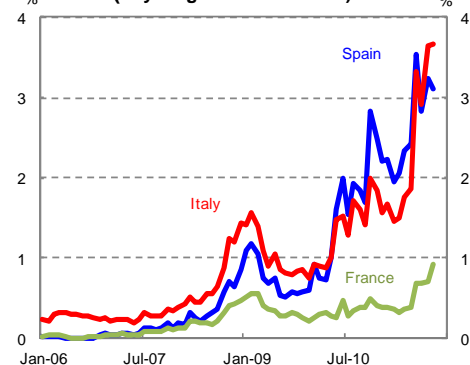
Thursday 3 November

ECB Rate Announcement

Previous Policy Rate: 1.5% (f) no change

ECB President Draghi presides over his first meeting as the new head of the ECB. We do not expect any change to monetary policy at the November meeting, or for that matter any additional special measures likely to be announced. Rather the post-meeting press conference is likely to be most interesting to see how Mr Draghi performs in his first outing as President and whether he gives any hints as to the stance of monetary policy to come. The ECB Governing Council is likely to want to see how the EU leaders' crisis fighting strategy announced this week impacts on financial markets.

SPREAD TO GERMAN BONDS (10 year government bond)

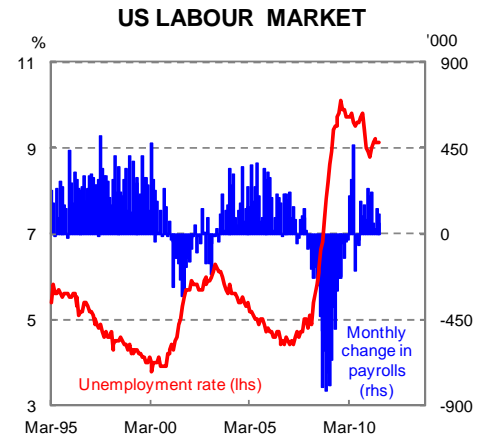


Friday 4 November

US Non-farm Payrolls - October

Previous: 103,000, forecast 95,000

The high unemployment rate is a major headwind to the US economy. Expectations for payrolls are near 100,000. If delivered, jobs growth is not going to be enough to push the US unemployment rate down sustainably. Dallas Fed President Fisher has blamed the reluctance of US businesses to expand hiring on uncertainty about the future fiscal and regulatory policy. If the US labour market remains weak, consistent with consensus forecasts, further policy easing by the FOMC will remain a risk.



Data Recap: weekly recap

Treasury Pre-Election Economic and Fiscal Update

The Treasury's pre-election update of the economic and fiscal outlook did not result in any material change in the overall net debt position. In the near term (2012) the fiscal deficit has increased, largely due to the change in timing of earthquake-related costs. However, beyond this, the fiscal position improves relatively swiftly.

The key economic revisions included downward revisions to growth (in 2013) and inflation, largely reflecting the weaker global economic outlook, along with downward revisions to interest rates. In addition, the timing of earthquake rebuilding activity has been delayed (although the overall size of rebuilding revised up). Overall, the economic and interest rate forecast revisions resulted in lower debt servicing costs more than offsetting the impact of lower tax revenue. As a result, the fiscal balance recovers swiftly to leave the net debt position largely unchanged from the May Budget. In addition, there have been no changes to the Bond Tender Programme.

NBNZ Business Outlook

The effects of the continued turbulence in offshore markets are reflected in the latest National Bank Business Outlook survey, particularly in the decline in headline business confidence in October. While businesses' assessment of own activity also fell, both measures remain above their long-term averages. One concerning factor is the slump in profitability expectations, and this looks to have been driven by a large decline in the agriculture sector. Furthermore, since the survey was taken Fonterra has revised down its forecast dairy payout for the 2011/2012 season by 45 cents in the wake of the recent easing in dairy prices.

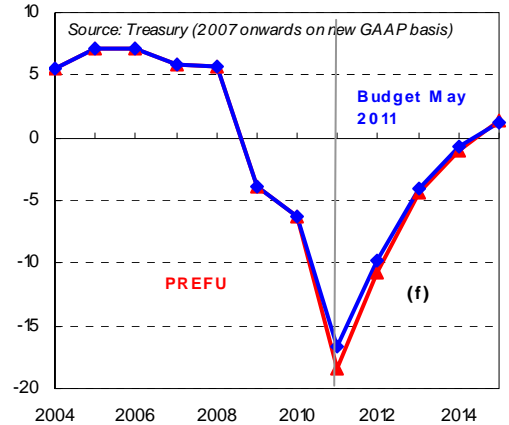
Nonetheless, the other activity indicators have held up reasonably well. The results point to continued recovery in underlying activity over the remainder of 2011, albeit at a very gradual pace. A net number of businesses continue to indicate they expect to increase investment and staff numbers over the coming months. This suggests businesses remain positive enough about the growth outlook to continue to put in place expansion plans.

OCR Review

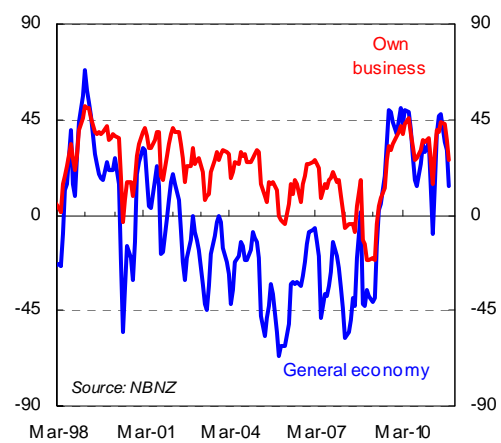
The RBNZ left the OCR unchanged at 2.5%, as widely expected. In the statement, the RBNZ noted the softness seen in the recent NZ data, and continued to highlight the risks in Europe as a key consideration for keeping the OCR on hold. The message in the OCR Review was very similar to that of the September Monetary Policy Statement, with global developments continuing to be the dominant factor in the RBNZ's monetary policy outlook.

We continue to expect the RBNZ will remain on hold until March next year, given European crisis resolution will take time and the global economic outlook is now less favourable. Beyond the 25 basis point OCR increase in March, we expect a steady series of 25 basis point OCR increases at the subsequent meetings until the OCR reaches a peak of 4%. Recent developments skew the risk to a later start, and the potential for pauses at some point in the tightening cycle.

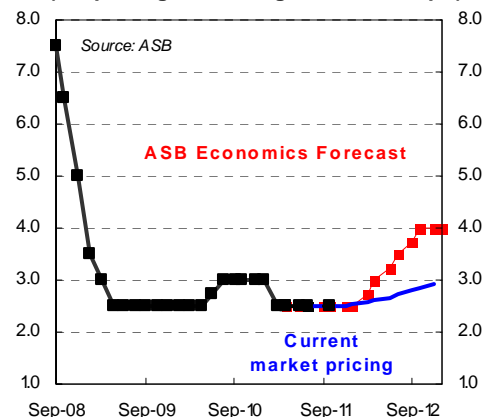
OBEGAL FORECAST
(June years \$b)



NZ BUSINESS CONFIDENCE



OCR FORECASTS
(vs. pricing of overnight index swaps)



Trade Balance

The September trade balance was weaker than expected, with a deficit of \$750 million. The surprise was largely due to stronger than expected imports. Nonetheless, once seasonally adjusted, the increase in imports was not particularly strong, with imports up 2.7%. Much of the increase was due to a lift in oil imports, with ex-oil imports only up 0.6% over the month.

Seasonally adjusted, September recorded a deficit of \$63 million, and follows another small trade deficit of \$43 million in August. Despite the small deficits recorded over August and September, the trade balance remained in surplus over the September quarter. Nonetheless, the monthly data suggest the underlying strength in the trade balance may be starting to weaken. Exports are starting to ease, reflecting lower commodity prices. Meanwhile, underlying demand for imports continues to recover as domestic demand in NZ picks up.

Building Consents

The recovery in residential building demand faltered in September, with dwelling consent issuance falling 17% and reversing the previous month's surge. The decline follows two months of strong growth, which had been encouraging to see. The extent of the decline in September was disappointing.

Nonetheless, the underlying trend for residential building remains a positive one, with ex-apartment consent issuance up 10% over the quarter, which points to small recovery in residential construction towards the end of 2011.

Non-residential consent issuance in September continues to suggest an encouraging outlook for near-term private non-residential investment. In particular, consent issuance for offices and storage buildings continues to improve. This indicates businesses are feeling confident enough about demand over the coming year to plan for an expansion of operations.

Australian CPI

The Australian CPI rose by 0.6% in Q3, bringing the annual inflation rate down slightly to 3.5%, from Q2's 3.6%. However, the big surprise was the very low underlying result of 0.3%, with the annual rate at 2.5%. It was the lowest quarterly underlying inflation since 2002. Annualised core inflation is running at a low 2.2%.

The divergence between goods and services prices continued in Q3. Goods prices rose by 0.2% in Q3, dampened by the high Australian dollar's influence over imported prices. Meanwhile, services prices rose by 1.2% in Q3 and are more reflective of the underlying pressures within an economy running close to full employment.

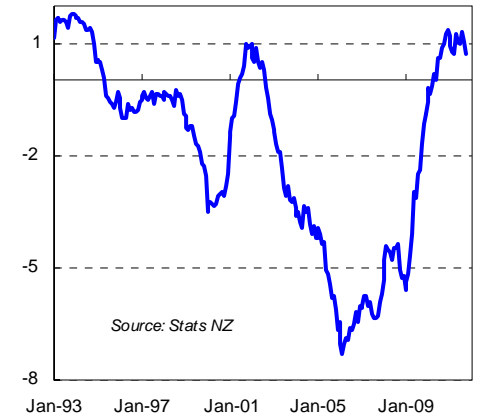
US GDP

The advanced estimate of US Q3 GDP growth reported expansion of 2.5% (seasonally-adjusted annualised rate), in line with market expectations, and up on the 1.3% saar over Q2.

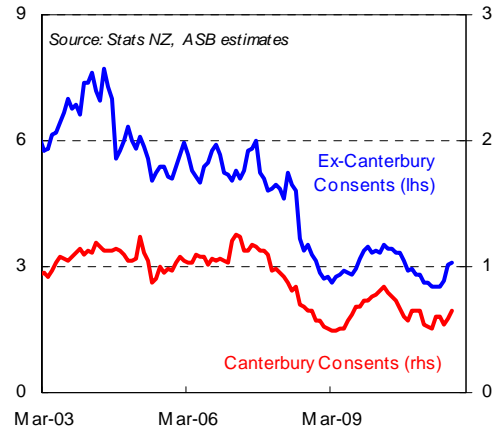
Consumption growth accelerated to 2.4%, although households funded the extra spending by running down their savings rate over the quarter.

Business investment growth accelerated to an astounding 16.3% annualised pace in Q3, following on from an already impressive 10.3% increase in Q2. Net trade added a modest 0.2% to overall growth, with exports up 4% and imports up 1.9%.

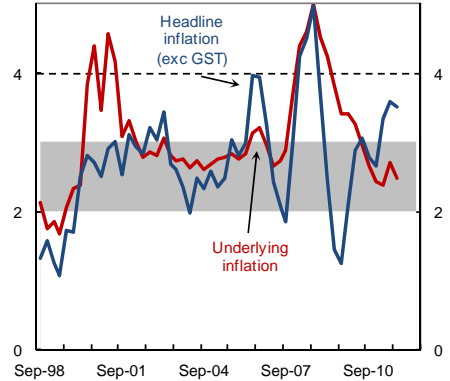
\$b **NZ GOODS TRADE BALANCE** \$b
(annual total)



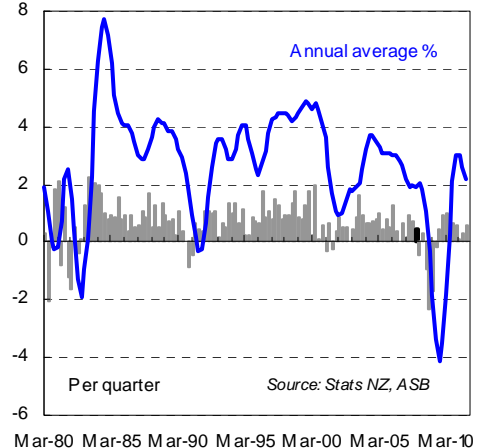
CONSENT ISSUANCE
(s.a. 3 month rolling sum)



CONSUMER PRICES
(annual % change)



US GDP GROWTH



Global Data Calendars

Calendar - Australasia, Japan and China

Date	Time (NZT)	Eco	Event	Period	Unit	Last	Forecast	
							Market	ASB
Mon 31 Oct	15:00	NZ	Money supply M3	Sep	y%ch	5.5	~	~
	18:00	JN	Construction orders	Sep	y%ch	9.3	~	~
	18:00	JN	Housing starts	Sep	y%ch	14.0	7.6	~
Tue 1 Nov	10:45	NZ	Average hourly earnings	Q3	q%ch	1.2	~	~
	10:45	NZ	Private wages excluding overtime	Q3	q%ch	0.5	~	~
	10:45	NZ	Private wages inc overtime	Q3	q%ch	0.5	~	~
	11:30	AU	Ai Group Performance Manufacturing Index	Oct	Index	42.3	~	~
	13:30	AU	House price index	Q3	q%ch	-0.1	~	~
	14:00	CH	PMI manufacturing	Oct	Index	51.2	51.8	~
	16:30	AU	RBA Cash Target	Nov	%	4.75	4.50	4.75
Wed 2 Nov	12:50	JN	Monetary base	Oct	y%ch	16.7	~	~
	13:30	AU	Building approvals	Sep	m%ch	11.4	~	-5.0
Thu 3 Nov	10:45	NZ	Unemployment rate	Q3	%	6.5	~	~
	10:45	NZ	Employment change	Q3	q%ch	0.0	~	~
	10:45	NZ	Participation rate	Q3	q%ch	68.4	~	~
	11:30	AU	CBA/Ai Group PSI	Oct	Index	50.3	~	~
	13:30	AU	Retail sales	Sep	m%ch	0.6	~	0.5
	13:30	AU	Retail sales ex inflation	Q3	q%ch	0.3	~	1.0
	14:00	CH	China non-manufacturing PMI	Oct	Index	59.3	~	~

Calendar - North America & Europe

Please note all days and times are UK time. Add 12 hours for NZ times.

Date	Time (UK)	Eco	Event	Period	Unit	Last	Forecast	
							Market	ASB
Mon 31 Oct	00:01	UK	Lloyds business barometer	Oct	Index	7	~	~
	08:00	SZ	Swiss Central Bank publishes balance sheet data					
	09:30	UK	Net consumer credit	Sep	£bn	0.5	0.4	~
	09:30	UK	M4 money supply	Sep	y%ch	-0.6	~	~
	10:00	EC	Euro-Zone CPI estimate	Oct	y%ch	3.0	2.8	~
	10:00	EC	Euro-Zone unemployment rate	Sep	%	10.0	10.0	~
	11:02	GE	Retail sales	Sep	m%ch	-2.7	1.0	~
	12:30	CA	GDP	Aug	m%ch	0.3	0.2	~
	13:45	US	Chicago purchasing managers index	Oct	Index	60.4	59.0	~
Tue 1 Nov	07:00	UK	Nationwide house prices	Oct	m%ch	0.1	0.0	~
	08:15	SZ	Retail sales (real)	Sep	y%ch	-1.9	~	~
	08:30	SZ	PMI manufacturing	Oct	Index	48.2	~	~
	09:30	UK	PMI manufacturing	Oct	Index	51.1	50.0	~
	09:30	UK	GDP	Q3 A	q%ch	0.1	0.3	~
	14:00	US	ISM manufacturing	Oct	Index	51.6	52.3	~
	14:00	US	ISM prices paid	Oct	Index	56.0	55.0	~
Wed 2 Nov	09:00	EC	PMI manufacturing	Oct F	Index	47.3	47.3	~
	09:30	UK	PMI construction		Oct	Index		50.1
	12:15	US	ADP employment change	Oct	'000	91.0	101.0	~
	16:30	US	FOMC rate decision	Nov	%	0.25	0.25	0.25
	18:15	US	Bernanke speaks at Fed press conference					
Thu 3 Nov	~	~	G20 Summit in Cannes					
	~	SZ	SNB's Danthine speaks in Geneva					
	09:30	UK	PMI services	Oct	Index	52.9	52.0	~
	12:30	US	Fed's Lockhart opens Emory economic conference					
	12:30	US	Initial jobless and continuing claims	Nov	'000	~	~	~
	12:45	EC	ECB announces interest rates	Nov	%	1.5	1.5	1.5
	13:30	EC	Draghi speaks at ECB Monthly News Conference					
	14:00	US	ISM non-manufacturing composite	Oct	Index	53.0	54.0	~
Fri 4 Nov	14:00	US	Factory orders	Sep	m%ch	-0.2	-0.1	~
	~	~	G20 Summit in Cannes					
	08:00	SZ	Foreign currency reserves	Oct	CHF	282.4	~	~
	09:00	EC	PMI composite	Oct F	Index	47.2	~	~
	09:00	EC	PMI services	Oct F	Index	47.2	47.2	~
	10:00	EC	Euro-Zone PPI	Sep	y%ch	5.9	5.8	~
	11:00	GE	Factory orders	Sep	m%ch	-1.4	0.0	~
	11:00	CA	Unemployment rate	Oct	%	7.1	7.2	~
	11:00	CA	Net change in employment	Oct	'000	60.9	20.0	~
	12:30	CA	Building permits	Sep	m%ch	-10.4	~	~
	12:30	US	Change in non-farm payrolls	Oct	'000	103.0	100.0	~
	12:30	US	Change in private payrolls	Oct	'000	137.0	125.0	~
	12:30	US	Unemployment rate	Oct	%	9.1	9.1	~
	17:00	US	Fed's Tarullo speaks in Washington					

ASB Economics & Research

Phone

Fax

Economics				
Chief Economist	Nick Tuffley	nick.tuffley@asb.co.nz	(649) 301 5659	(649) 302 0992
Economist	Jane Turner	jane.turner@asb.co.nz	(649) 301 5660	
Economist	Christina Leung	christina.leung@asb.co.nz	(649) 301 5661	

<https://reports.asb.co.nz/index.html>

ASB Economics
Level 9, 135 Albert Street, Auckland

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