

## Safe-havens provide shelter from US hurricanes, North Korean tensions

- Local data releases for Q2 fall short of expectations but sentiment gauges are expected to remain firm.
- US Hurricanes, and concerns over North Korea have dictated market direction, with the USD index approaching 3 year lows, gold prices hitting 12-month highs, global bond yields rallying and expectations for interest rate hikes by central banks being pared back.
- In a light week for data, the focus will be on the pending NZ general election, geopolitics, and global central banks.

**Local activity data have been mixed.** Whilst Q2 growth in wholesale sales and rebounding meat and dairy production point to strengthening economic momentum, readings for broader manufacturing activity and construction sector activity were weaker than expected. We will be finalising our pick for GDP early this week, and at present it stands at +0.6% (+2.4% y/y), somewhat below the 0.9% qoq forecast in the August MPS. The Q2 figures are now old news, but the prospect of another weaker than expected print for GDP leaves the RBNZ in something of a quandary. The OCR is going nowhere in a hurry.

**Risk aversion is currently gripping markets.** Hurricane Irma is battering Florida as tensions continue to simmer in the Korean peninsula. Prices for gold have soared, the USD has slumped against the yen and euro, and 10-year US Treasury yields have approached 2%, with NZ 10-year bond yields back to June lows despite the prospect of an election-related bidding war. Market odds of Fed rate hikes were pared back further, with US FOMC Vice Chair Dudley acknowledging that the US hurricanes could impact on the timing of pending US rate hikes. NZ rate hike odds over the next 12 months declined from around 60:40 to roughly 50:50. Despite this, measures of volatility (the VIX) have been reasonably contained.

**Last week was a busy one for central banks.** The RBA stuck to the script, leaving the cash rate unchanged, with Governor Lowe reaffirming the need for patience and appropriateness of current RBA policy settings. The Bank of Canada hiked rates, but reaffirmed policy settings were not on a pre-set course. The ECB left its deposit rates and asset purchase programme unchanged and while ECB president Draghi noted that the “bulk” of the decision on how and when the ECB would wind down asset purchases would occur in October, the decisions needed were “many” and “complex”.

**The week ahead is light on both the local and overseas calendar.** With less than two weeks to go until the General Election – which at present looks too close to call – forthcoming readings for consumer and manufacturing sentiment gauges may show signs of pre-election jitters. The BOE is widely expected to keep interest rates on hold.

### Foreign Exchange

- Generalised USD weakness versus euro, yen strength. NZD TWI slightly higher than a week ago.

### Interest Rates

- Yields lower, with the stronger rally in long-end yields seeing the curve flatten.

### Week Ahead

- September Consumer confidence, August food prices, August manufacturing PMI.

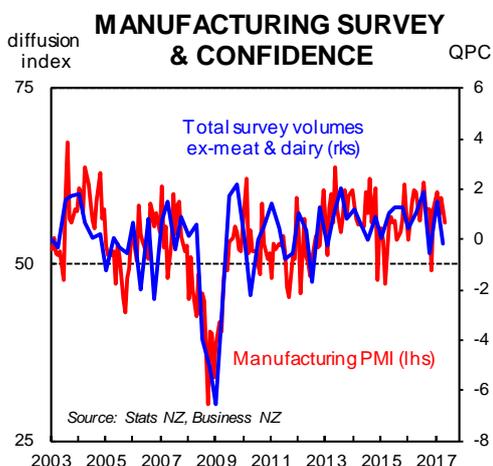
### Week in Review

- Building Work Put in Place, Global Dairy Trade Auction and the Economic Survey of Manufacturing.

### Global Calendars

- Bank of England rate announcement, US CPI, Australian employment, China retail sales.

### Chart of the Week: Spotlight on the manufacturing sector



Last week's Q2 manufacturing survey figures showed a rebound in meat and dairy volumes from their Q1 slump. However, the 0.2% qoq decline in core manufacturing volumes was weaker than suggested by (upbeat) manufacturing sentiment. It may be linked to the weaker than expected readings for Q2 building work put in place, and may be the result of capacity constraints.

The Q2 data are historic, and sentiment gauges provide a more forward-looking steer. Recent readings for domestic manufacturing sentiment have been upbeat, reflecting signs of improvement in global gauges and the solid outlook for construction sector activity.

With the election in less than two weeks and now looking too close to call, forthcoming sentiment gauges will be perused for signs of an election impact on economic activity.

## Foreign Exchange Market

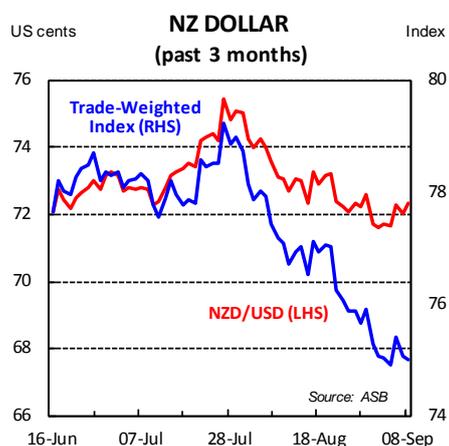
| FX Rates | Current* | Week ago | Month ago | 6 mths ago | Year ago | ST Bias   | Support^ | Resistance^ |
|----------|----------|----------|-----------|------------|----------|-----------|----------|-------------|
| NZD/USD  | 0.7263   | 0.7173   | 0.7272    | 0.6936     | 0.7397   | UP        | 0.7150   | 0.7400      |
| NZD/AUD  | 0.9016   | 0.9009   | 0.9260    | 0.9160     | 0.9673   | FLAT      | 0.8880   | 0.9150      |
| NZD/JPY  | 78.56    | 78.76    | 79.24     | 79.63      | 75.49    | DOWN      | 77.20    | 79.50       |
| NZD/EUR  | 0.6040   | 0.6037   | 0.6175    | 0.6483     | 0.6559   | DOWN      | 0.5940   | 0.6120      |
| NZD/GBP  | 0.5505   | 0.5537   | 0.5599    | 0.5695     | 0.5551   | DOWN      | 0.5420   | 0.5590      |
| TWI      | 75.5     | 75.0     | 76.7      | 75.9       | 78.4     | FLAT/DOWN | 74.00    | 76.50       |

^Weekly support and resistance levels \* Current is as at 9.30 am Monday; week ago as at Monday 5pm.

**The NZD TWI recovered some of its losses last week, boosted by the recovery in the NZD/USD over the week.** Financial markets remain particularly sensitive to ongoing tensions in the Korean peninsula and more recently, attention is turning to the devastating impacts on Hurricane Irma. While North Korean tensions are weighing on the USD, dovish comments from a couple of US Federal Reserve officials also pushed the USD lower last week (supporting the NZD/USD). The NZD/CAD also dipped last week following the surprise rate increase by the Bank of Canada on Wednesday.

**The dataflow is relatively quiet this week and as a result, financial markets will have plenty of opportunities to assess the ongoing North Korea threat, as well as further damage caused by Hurricane Irma.** In New Zealand, NZD volatility is likely to remain heightened as we near the General Election (23rd of September).

### Short-term outlook:



### Key data

|                                   | Date  | Time (NZT) | Market |
|-----------------------------------|-------|------------|--------|
| UK CPI, Aug, %yoy                 | 12/09 | 8:30pm     | 2.8    |
| AU Employment, Aug, 000's         | 14/09 | 1:30pm     | 19     |
| Bank of England Rate Announcement | 14/09 | 11:00pm    | 0.25   |
| US CPI, Aug, headline, %yoy       | 15/09 | 12:30am    | 1.8    |

**Key events: NZD:** ANZ Consumer Confidence (Thu). **USD:** Aug PPI (Wed), Aug CPI (Thu), Initial jobless claims (Thu), Aug retail sales (Fri), Aug industrial production (Fri). **AUD:** Aug employment (Thu). **JPY:** Jul IP (Thu). **EUR:** Jul industrial production (Wed). **GBP:** Aug CPI (Tue), Aug jobless claims (Wed), Jul weekly earnings (Wed), BoE meeting (Thu). **CH:** Aug retail sales, fixed asset investment, industrial production (Thu).

**Speakers: RBA:** Debelle (Thu). **ECB:** Weidmann, Nouy (Fri).

### Medium-term outlook:

### Last Quarterly Economic Forecasts

**We updated our FX forecasts in early September.** These incorporate the lower starting point for the NZD, with the TWI close to 4% lower than when our July forecasts were published. The NZD still remains the recipient of some key supports - including the near record Terms of Trade, relatively high interest rates and a solid domestic outlook - which are expected to support NZD TWI consolidation around current levels over the forecast period. **While there is a temporary and modest political risk to our NZD forecast in the short term, these fundamental factors are expected to keep the NZD elevated over the forecast horizon.**

**Our forecasts also incorporate a weaker USD.** Further USD falls are expected given the upward bias in non USD rates, fiscal policy inaction by the Trump Administration (delays to pending tax rate cuts), and with the strengthening synchronised global economy typically bullish for commodity currencies like the NZD and AUD. We have increased our near-term NZD/USD forecasts modestly to reflect a weaker USD. We expect the NZD/USD to end 2017 at 0.74 and 2018 at 0.77. Higher iron ore prices, the narrowing Australian current account deficit, and the strengthening domestic and trading partner should eventually pressure the NZD/AUD lower and we expect the NZD/AUD to ease from 0.93 by the end of 2017 to 0.91 by late 2018.

Supportive growth prospects, signals of pending tapering by the ECB before the end of the year and prospective ECB rate hikes next year will support the euro. **We expect the NZD/EUR to end 2017 at 0.60 and 2018 at 0.61.** With the BOE expected to keep UK rates on hold for an extended period, and with EU-UK Brexit negotiations weighing on the UK economic outlook, the NZD is expected to remain elevated against the GBP. We expect the NZD/GBP to remain in a 0.56-0.57 range till the end of 2018.

**We expect the NZD/JPY to hover around the 79/80 level over the next couple of years.** The large Japanese current account surplus and low US Treasury yields, and no indication of further easing by the BOJ are expected to support the JPY.

## Interest Rate Market

| Wholesale interest rates     | Current | Week ago | Month ago | 6 mths ago | Year ago | ST Bias |
|------------------------------|---------|----------|-----------|------------|----------|---------|
| Cash rate                    | 1.75    | 1.75     | 1.75      | 1.75       | 2.00     | FLAT    |
| 90-day bank bill             | 1.95    | 1.95     | 1.95      | 1.96       | 2.23     | FLAT    |
| 2-year swap                  | 2.14    | 2.16     | 2.15      | 2.34       | 2.01     | FLAT    |
| 5-year swap                  | 2.56    | 2.61     | 2.62      | 3.06       | 2.15     | DOWN    |
| 5-year benchmark gov't stock | 2.38    | 2.41     | 2.41      | 2.62       | 1.90     | DOWN    |
| NZSX 50                      | 7852    | 7809     | 7719      | 7202       | 7475     | FLAT    |

^Weekly support and resistance levels \* Current is as at 9.30am Monday; week ago as at Monday 5pm.

**Longer-term local interest rates fell early in the week, largely following falls in offshore (US) rates. Escalating US-North Korean tensions** (including North Korea's successful detonation of a hydrogen bomb) **kept market participants on edge, creating volatility in interest rate markets and driving demand for safe-haven assets.** Also weighing on US interest rates last week were dovish comments by US Federal Officials, suggesting that the future path of interest rate increases could be slower than previously anticipated.

Later in the week however, the **US agreed to extend the debt limit for three months**, meaning that the US government will now avoid a partial shutdown in early October. As this was **one less concern for financial markets, sentiment recovered slightly towards the end of the week.** Further, **North Korea held off from firing more missiles over the weekend which also buoyed market sentiment, further erasing some of last week's falls.**

| Short-term outlook:  | Key data  | Date  | Time (NZT) | Market |
|--|---|-------|------------|--------|
| <p><b>NZ INTEREST RATES</b><br/>(past 3 months)</p> <p>Source: ASB</p>   | UK CPI, Aug, %qoq   | 12/09 | 8:30pm     | 2.8    |
|  | AU Employment, Aug, 000's   | 14/09 | 1:30pm     | 19     |
|  | Bank of England Rate Announcement   | 14/09 | 11:00pm    | 0.25   |
|  | US CPI, Aug   | 15/09 | 12:30am    | 1.8    |
|  | <b>Comment:</b> With a relatively quiet week ahead of us in terms of data, interest rate movements are likely to remain at the mercy of geo-political and weather events. US rates in particular are likely to remain under pressure as the devastation from Hurricane Irma becomes more evident throughout the week. Fed officials started downplaying the chances of rate hikes last week and if that continues, we could see the odds of a US December rate hike drop below 25% (where it is currently). However, this week's US CPI release for August could also influence market pricing, especially if we have another soft reading. |       |            |        |
| <b>UK CPI data followed by the Bank of England rate announcement</b> will be watched by markets this week. However, as the UK economy is softening we are not expecting any change in interest rates and, as such, the impact on interest rates should be minimal. |   |       |            |        |

### Medium-term outlook:

#### Last Quarterly Economic Forecasts

The RBNZ continued to hold the OCR at its record-low of 1.75% at its August Monetary Policy Statement (MPS) and Official Cash Rate (OCR) Review. The RBNZ retained its neutral bias and continued to note the numerous uncertainties. However, **the key surprise was the RBNZ left the OCR outlook unchanged** (with two hikes by mid-2020) in **contrast to widely-held expectations of a flatter OCR forecast.**

The RBNZ's frustration with the elevated NZD increased in August. The RBNZ made an effort to undermine support for the NZD by emphasising the external currency drivers (i.e. weaker USD) while downplaying the domestic drivers (i.e. higher NZ export prices) and stated that a lower NZD was "needed". The RBNZ dismissed the recent weaker GDP growth outcomes and focussed on the robust economic outlook. Going forward, growth will be supported by low interest rates, strong population growth, high Terms of Trade and fiscal stimulus. Furthermore, we see **upside risk to the RBNZ conservative medium-term milk-price assumption**, which will provide further support to NZ growth.

The RBNZ remains confident in the medium-term inflation outlook, despite anticipated volatility in headline inflation this year. The RBNZ expects inflation will dip below 1% (due to volatility in fuel and food) before swiftly recovering to reach 2% by 2018. **The RBNZ appears to be relying on a very swift pick-up in non-tradable inflation.** This is a fairly bold assumption given the RBNZ is wary that **price-setting behaviours have become more backward looking.** Nonetheless, **we expect the RBNZ will start lifting the OCR in Q1 2019**, which is slightly earlier than the RBNZ's expectations for a hike in Q3 2019.

## Key international data for the week ahead

| Data   | Date  | Time (NZT) | Previous | Market expects | ASB expects |
|--|-------|------------|----------|----------------|-------------|
| Australia Business Conditions and Confidence, August | 12/09 | 1:30 pm    | 15       | -              | -           |
| UK CPI, August, %yoy                                 | 12/09 | 8:30 pm    | 2.6      | 2.8            | 2.5         |
| Australia Consumer Confidence, September, index      | 13/09 | 12:30 pm   | 95.5     | -              | -           |
| China Retail Sales, August, %yoy                     | 14/09 | 2:00 pm    | 10.4     | 10.5           | 10.5        |
| Australia Employment, August, 000s                   | 14/09 | 1:30 pm    | 27.9     | 19.0           | 20.0        |
| Bank of England interest rate announcement, %        | 14/09 | 11:00 pm   | 0.25     | 0.25           | 0.25        |
| US CPI, August, Headline, %yoy                       | 15/09 | 12:30 am   | 1.7      | 1.8            | 1.8         |
| US Retail Sales, August, ex auto gas, %mom           | 16/09 | 12:30 am   | 0.5      | 0.3            | 0.4         |
| US Industrial Production, August, %mom               | 16/09 | 1:15 am    | 0.2      | 0.1            | -0.2        |

**Australian business confidence** is well above its long-run average. This looks to be finally translating into stronger business investment with the Q2 capex data showing that non-mining firms plan to lift investment this year.

In contrast to business confidence, **Australian consumer confidence** remains below its long-run average. We expect confidence will improve once wage growth picks up and spare capacity in the labour market is eroded.

We expect **China's retail sales**, fixed asset investment and industrial production to accelerate after July's unexpected sharp deceleration.

The pace of **employment growth in Australia** has picked up since March this year, with new jobs averaging 37k since then. We are forecasting a 20k increase and an unchanged unemployment rate. This month's report will also include the quarterly underemployment rate.

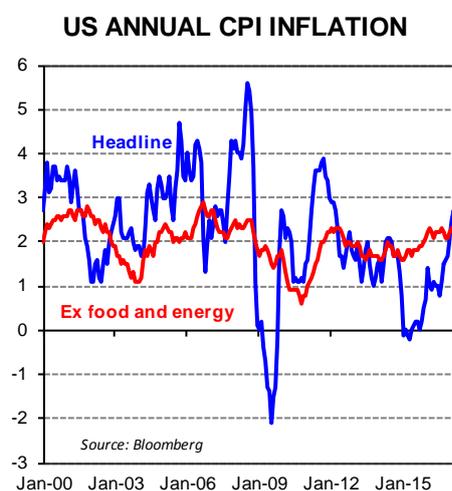
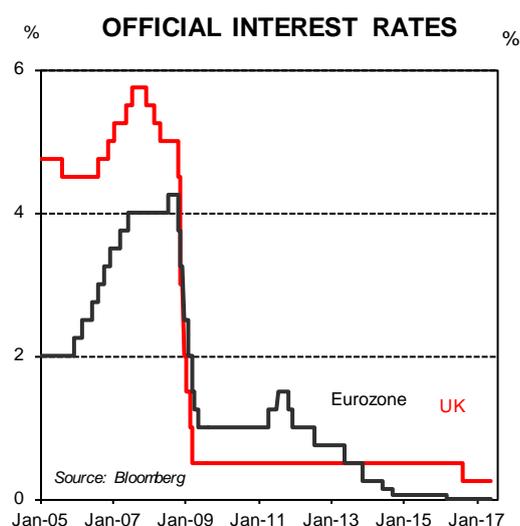
The exchange rate pass-through to higher **inflation in the UK** appears to be waning as consumer demand softens.

We expect no change in the **Bank of England's interest rate** or asset purchases. The UK economy is softening and uncertainty about future UK-EU trade relationships remains high.

**US inflation pressures** have been easing despite a tightening labour market. A long period of very low inflation expectations amongst consumers appears to be a headwind to a pick-up in wage and price inflation.

We expect **US retail sales growth** of 0.4% in August, reflecting the creation of many jobs in the US labour market.

**US industrial production** is benefiting from the decrease in the USD this year. However, Hurricane Harvey made landfall on 26 August and will pull down production for a few months.

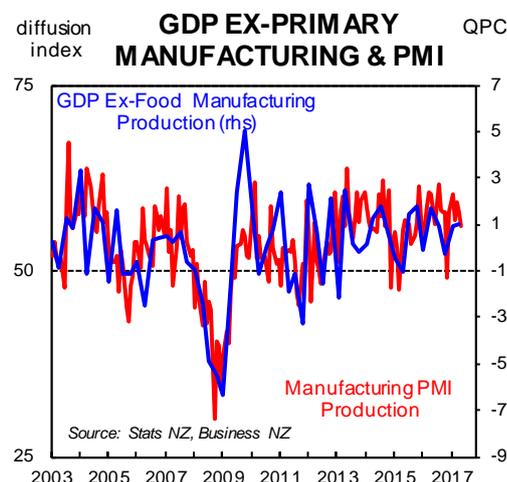
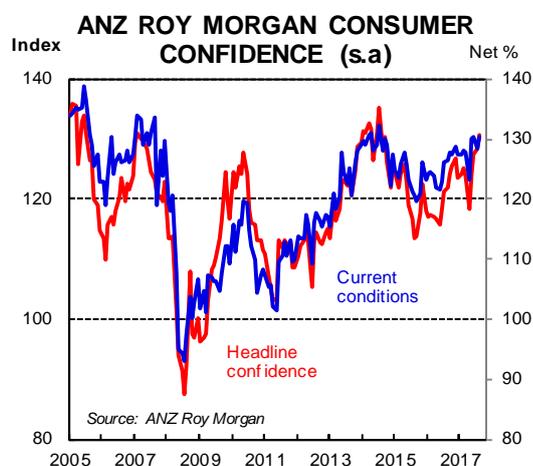


## NZ Data Preview: a look at the week ahead

| Data                     | Date  | Time (NZT) | Previous | Market expects | ASB expects |
|--------------------------|-------|------------|----------|----------------|-------------|
| Consumer confidence, Sep | 14/09 | 1:00pm     | 126.2    | -              | -           |
| Manufacturing PMI, Aug   | 15/09 | 10:30am    | 55.4     | -              | -           |

**Headline ANZ/Roy Morgan consumer confidence firmed in August, hitting a 3-year high in seasonally-adjusted terms.** Driving the improvement was more household optimism over their own financial position (+35) and their 1-year ahead outlook for the NZ economy (+25). However, consumers' optimism over the 5-year ahead economic outlook dipped (+21). While the strengthening labour market and improving rural incomes should ensure sentiment remains elevated, **some volatility over the next few months is to be expected given the tightening election race.**

**The August manufacturing PMI is expected to remain in the mid-50s zone, consistent with steady growth in broader manufacturing sector activity.** Risks are for a small fall in the headline PMI (55.4 in July) towards long-term averages (53.3). The tightening election race, stagnant domestic housing turnover and a levelling off in construction sector activity has been weighing on overall sentiment. **Nevertheless, with global manufacturing sentiment gauges on a strengthening trajectory, and with the NZD sharply lower over August – falls of 4 to 5% for the NZD TWI and the NZD/AUD – the sector looks well placed to capitalise on the improving global economy.**



## Data Recap: weekly recap

| Data  | Date  | Actual | Market forecast | ASB Forecast |
|---|-------|--------|-----------------|--------------|
| Building Work Put in Place, volumes, Q2, %qoq         | 05/09 | -0.5   | +1.6            | +3.1         |
| GlobalDairyTrade Auction, whole milk powder, % change | 06/09 | -1.6   | -               | +2 to +4     |
| Economic Survey of Manufacturing, sales volumes, %qoq | 08/09 | -0.2   | -               | -            |
| Electronic Card Transactions, August, Total, %mom     | 11/09 | -0.2   | 0.5             | 0.2          |

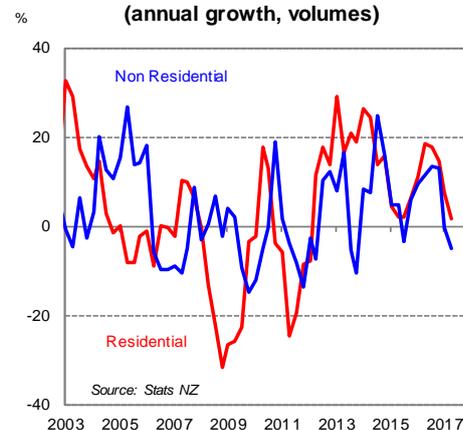
**Q2 building construction volumes declined 0.5% qoq sa**, much weaker than the 1.6% qoq lift expected by the market and our +3.1% qoq pick. It marks the second straight quarter in which overall volumes fell, the first time this has occurred since 2011. **Both residential (-0.5%qoq) and non-residential (-0.4% qoq) volumes declined for the second straight quarter.** The decline in non-residential work was particularly surprising considering it followed the sharp 6.8% fall in Q1. It is possible that some construction sector capacity has been diverted to assist with earthquake-related construction in Kaikoura and elsewhere, and this will still underpin wider GDP. We will have to wait for the GDP release on September 21 to find out. **We expect the pattern of volatile outcomes to continue over the remainder of 2017**, reflecting the multitude of demand and supply side influences and heightened uncertainty caused by the tightening NZ General Election race.

**Overall dairy auction prices were effectively unchanged at last week's auction.** However, the overall change masks some changes. Milk fat prices were strong, with butter and AMF lifting 3.8% and 3.6%, respectively. **The butter rise takes prices to their second-highest level in auction history.** Moreover, the lift suggests that another butter price surge may not be far away. **On the other hand, WMP prices fell 1.6%, whereas futures pricing ahead of the auction had pointed to a 3%-5% price rise. All up, the auction result was mixed.**

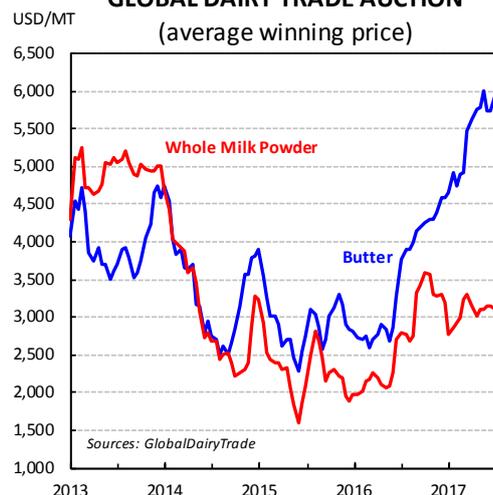
**Manufacturing sales volumes rebounded 1.0% in Q2, the first quarterly rise in three quarters.** However, the annual increase in volumes eased to just 0.2%, the lowest in close to four years. Much of the volatility in overall manufacturing volumes continues to be driven by fluctuations in meat and dairy volumes, which rebounded 8.2% in Q2 after their Q1 slump. High livestock slaughter and rising dairy production were likely influences behind the Q2 lift. **The outlook for manufacturing activity remains positive despite a weaker-than-expected result for core manufacturing.** However, with the apparent levelling off in construction sector activity, heightened levels of election-related uncertainty and the impact of wet weather on dairy production, **continued volatility in manufacturing activity is to be expected over the remainder of this year.**

**Retail card spending fell 0.2% in August, the fourth consecutive monthly decline, which continues the run of weaker-than-expected data for card spending.** Despite an estimated 5% increase in petrol prices, fuel spending managed just a 0.4% rise, with core spending (which excludes fuel and vehicles) also declining 0.2% mom in August. **Still-robust levels of consumer sentiment highlight the significant tailwinds underpinning consumer spending.** The strengthening employment market, low rates of unemployment, strengthening rural incomes and the strongest consumer purchasing power in a generation (courtesy of the near-record terms of trade) should see annual growth in consumer spending strengthen towards the end of the year. However, consumers are expected to show restraint until election-related uncertainties are resolved and the domestic housing market settles.

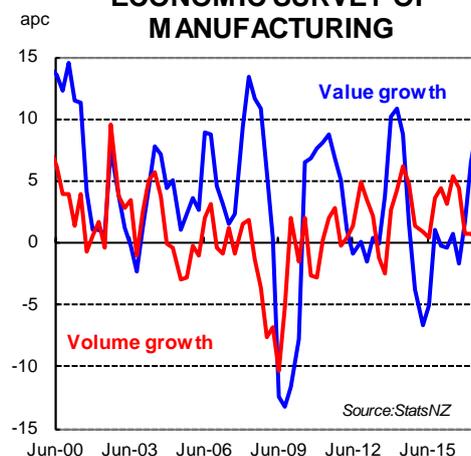
**BUILDING WORK PUT IN PLACE**  
(annual growth, volumes)



**GLOBAL DAIRY TRADE AUCTION**  
(average winning price)



**ECONOMIC SURVEY OF MANUFACTURING**



## Global Data Calendars

## Calendar - Australasia, Japan and China

| Date       | Time (NZT) | Eco | Event                                    | Period | Unit     | Last  | Forecast |      |
|------------|------------|-----|--|--------|----------|-------|----------|------|
|            |            |     |  |        |          |       | Market   | ASB  |
| Tue 12 Sep | 11:30      | AU  | ANZ Roy Morgan Consumer Confidence Index | Sep    | Index    | 114.1 | ~        | ~    |
|            | 13:30      | AU  | NAB business conditions                  | Aug    | ~        | 15.0  | ~        | ~    |
|            | 13:30      | AU  | NAB business confidence                  | Aug    | ~        | 12.0  | ~        | ~    |
| Wed 13 Sep | 10:45      | NZ  | Food prices                              | Aug    | m%ch     | -0.2  | ~        | ~    |
|            | 11:50      | JN  | PPI                                      | Aug    | m%ch     | 0.3   | 0.1      | ~    |
|            | 12:30      | AU  | WBC consumer confidence index            | Sep    | Index    | 95.5  | ~        | ~    |
| Thu 14 Sep | 11:15      | AU  | RBA's Debelle gives speech in Sydney     |        |          |       |          |      |
|            | 13:00      | NZ  | ANZ consumer confidence index            | Sep    | Index    | 126.2 | ~        | ~    |
|            | 13:00      | AU  | Consumer inflation expectation           | Sep    | %        | 4.2   | ~        | ~    |
|            | 13:30      | AU  | Employment change                        | Aug    | 000      | 27.9  | ~        | 20.0 |
|            | 13:30      | AU  | Unemployment rate                        | Aug    | %        | 5.6   | ~        | 5.6  |
|            | 13:30      | AU  | Participation rate                       | Aug    | %        | 65.1  | ~        | 65.1 |
|            | 14:00      | CH  | Retail sales                             | Aug    | y%ch     | 10.4  | 10.5     | 10.5 |
|            | 14:00      | CH  | Fixed assets ex rural                    | Aug    | ytd y%ch | 8.3   | 8.2      | 8.2  |
|            | 14:00      | CH  | Industrial production                    | Aug    | y%ch     | 6.4   | 6.6      | 6.6  |
|            | 16:30      | JN  | Industrial production                    | Jul F  | m%ch     | -0.8  | ~        | ~    |
| Fri 15 Sep | 10:30      | NZ  | BusinessNZ manufacturing PMI             | Aug    | Index    | 55.4  | ~        | ~    |

## Calendar - North America &amp; Europe

| Date       | Time (UKT) | Eco | Event                          | Period | Unit  | Last  | Forecast |      |
|------------|------------|-----|--------------------------------|--------|-------|-------|----------|------|
|            |            |     |                                |        |       |       | Market   | ASB  |
| Tue 12 Sep | 09:30      | UK  | CPI                            | Aug    | m%ch  | -0.1  | ~        | ~    |
|            | 09:30      | UK  | CPI core                       | Aug    | y%ch  | 2.4   | ~        | 2.3  |
|            | 09:30      | UK  | House price index              | Jul    | y%ch  | 4.9   | ~        | ~    |
| Wed 13 Sep | 09:30      | UK  | ILO unemployment rate 3 months | Jul    | %     | 4.4   | ~        | ~    |
|            | 10:00      | EC  | Industrial production          | Jul    | m%ch  | -0.6  | ~        | ~    |
|            | 10:00      | EC  | Employment                     | Q2     | q%ch  | 0.4   | ~        | ~    |
|            | 13:30      | US  | PPI final demand               | Aug    | m%ch  | -0.1  | 0.3      | ~    |
|            | 13:30      | US  | PPI ex food and energy         | Aug    | m%ch  | -0.1  | 0.2      | ~    |
| Thu 14 Sep | 19:00      | US  | Monthly Budget Statement       | Aug    | \$bn  | -42.9 | ~        | ~    |
|            | 00:01      | UK  | RICS house price balance       | Aug    | %     | 1.0   | ~        | ~    |
|            | 12:00      | UK  | Bank of England bank rate      | Sep    | %     | 0.25  | ~        | ~    |
| Fri 15 Sep | 13:30      | US  | CPI                            | Aug    | m%ch  | 0.1   | 0.3      | ~    |
|            | 10:00      | EC  | Trade balance                  | Jul    | €bn   | 22.3  | ~        | ~    |
|            | 13:30      | US  | Empire manufacturing           | Sep    | ~     | 25.2  | 18.0     | ~    |
|            | 13:30      | US  | Retail sales advance           | Aug    | m%ch  | 0.6   | 0.2      | 0.4  |
|            | 14:15      | US  | Industrial production          | Aug    | m%ch  | 0.2   | 0.1      | -0.2 |
|            | 14:15      | US  | Capacity utilization           | Aug    | %     | 76.7  | 76.8     | ~    |
|            | 15:00      | US  | Uni. of Michigan sentiment     | Sep P  | Index | 96.8  | 95       | ~    |
|            | 15:00      | US  | Business inventories           | Jul    | %     | 0.5   | 0.2      | ~    |

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