



RESERVE BANK OF AUSTRALIA

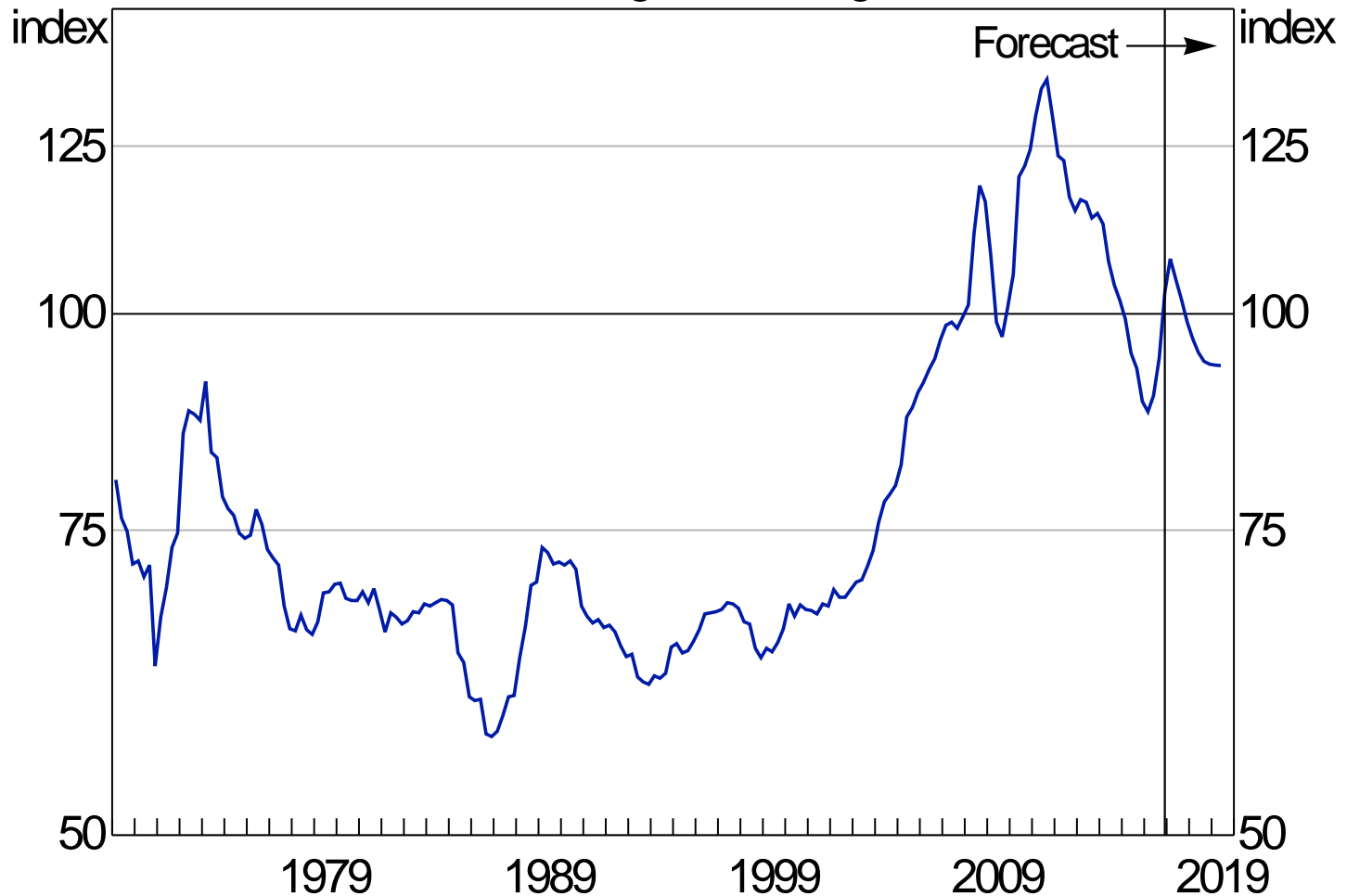
# Economic Update and the Board Minutes

Michael Plumb  
June 2017

Education

# Terms of Trade

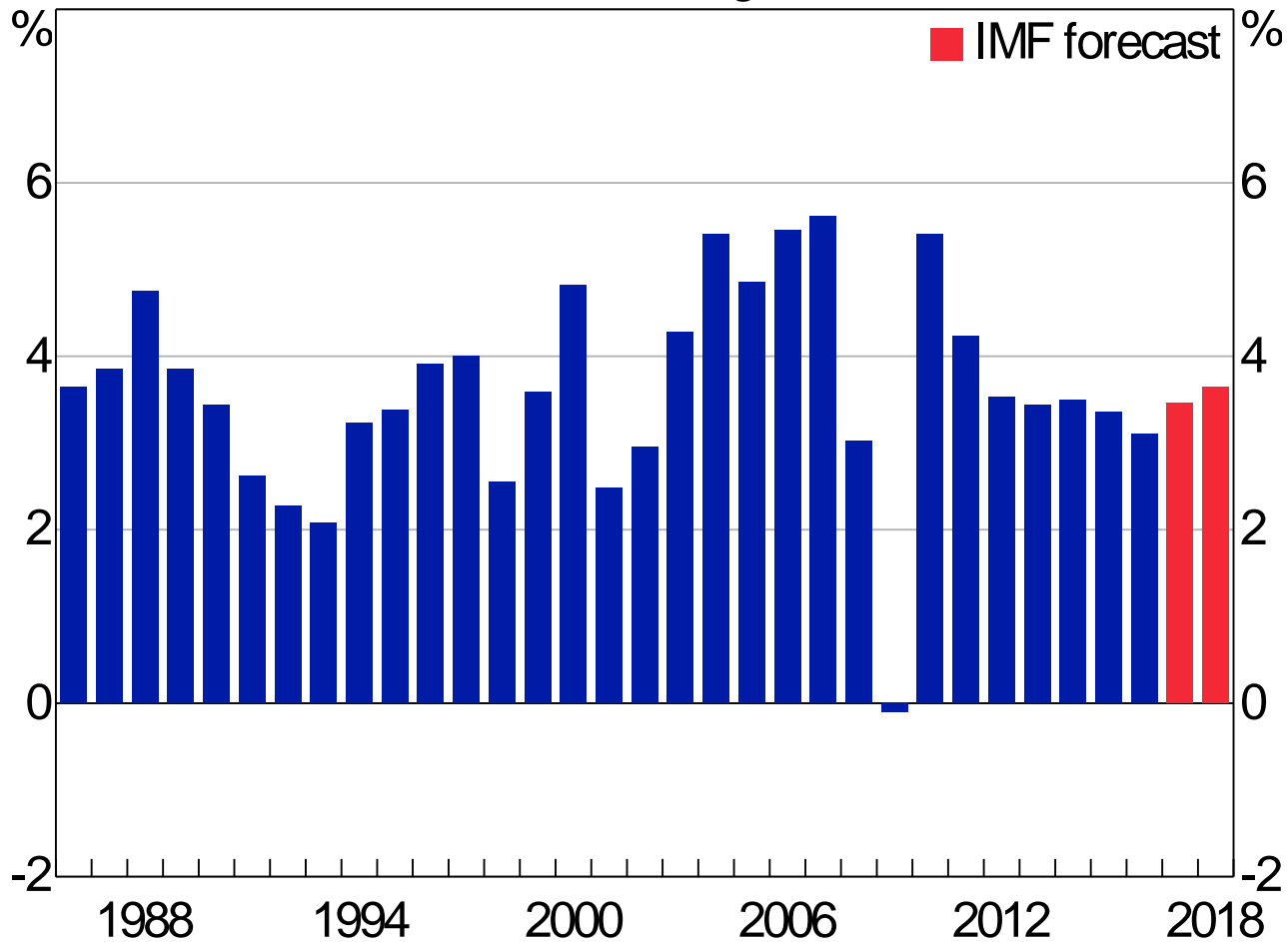
2014/15 average = 100, log scale



Sources: ABS; RBA

# World GDP Growth\*

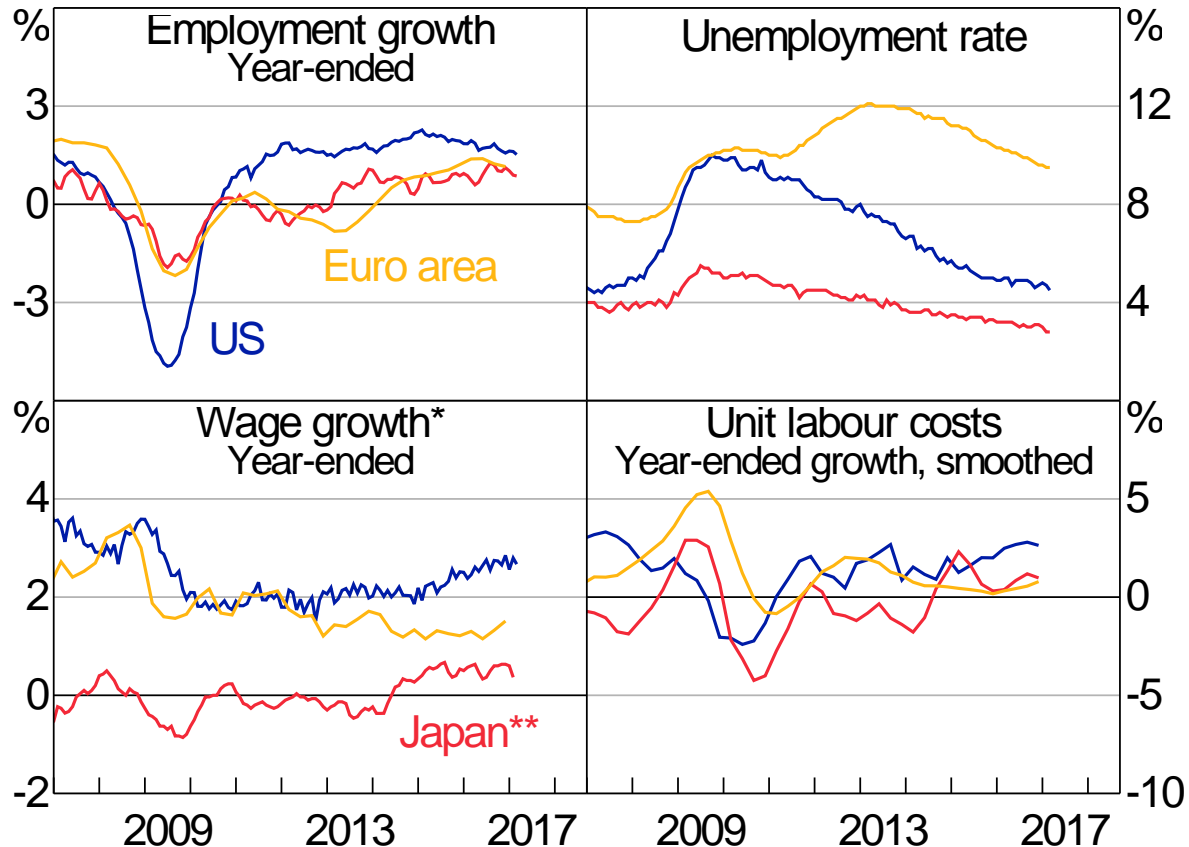
Year-average



\* PPP-weighted; forecasts from April 2017

Source: IMF

## Major Advanced Economies – Labour Markets

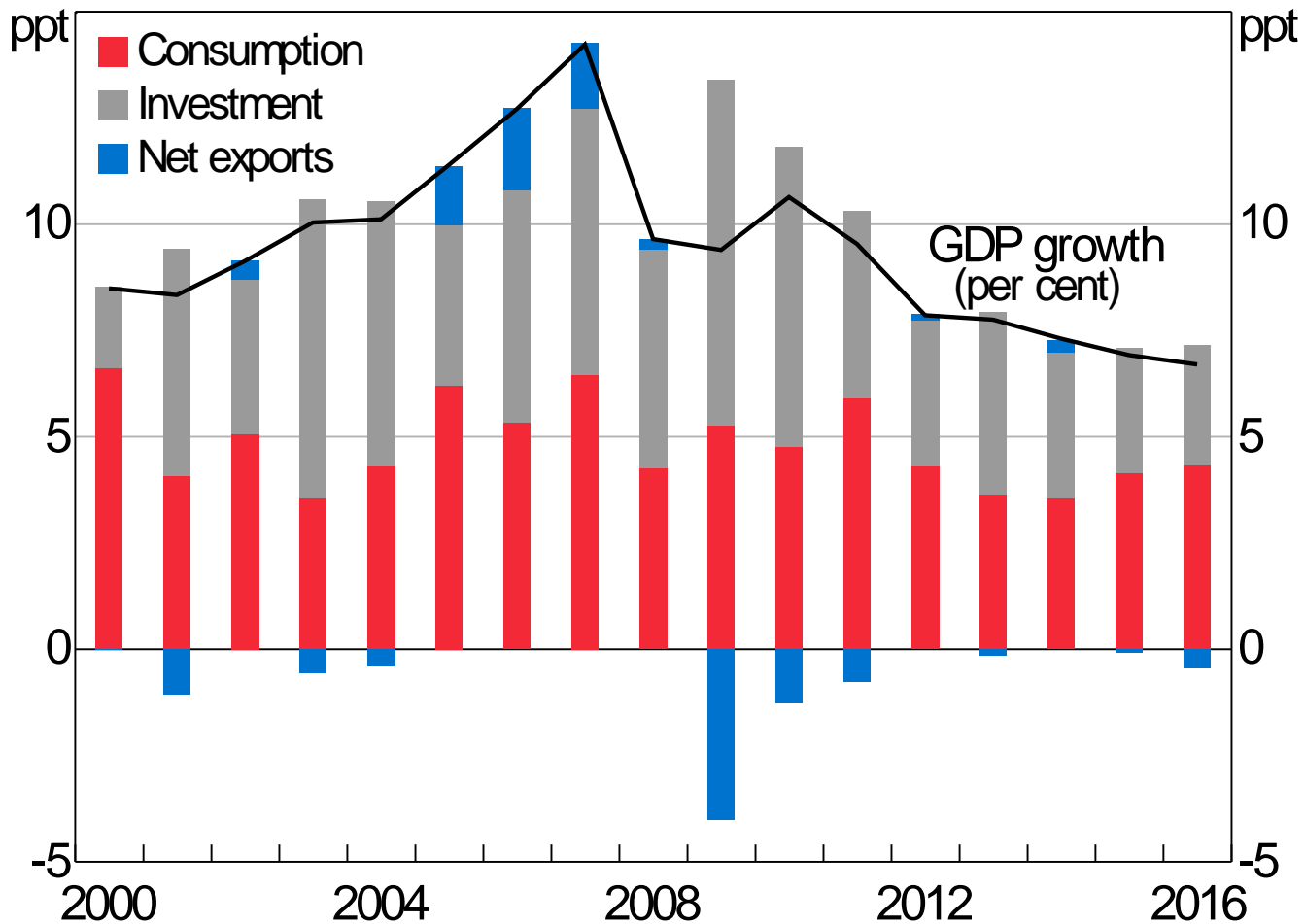


\* Average hourly earnings for the US; compensation per employee for the euro area; full-time base wages for Japan

\*\* Smoothed for employment growth and wage growth

Sources: ECB; Eurostat; RBA; Thomson Reuters

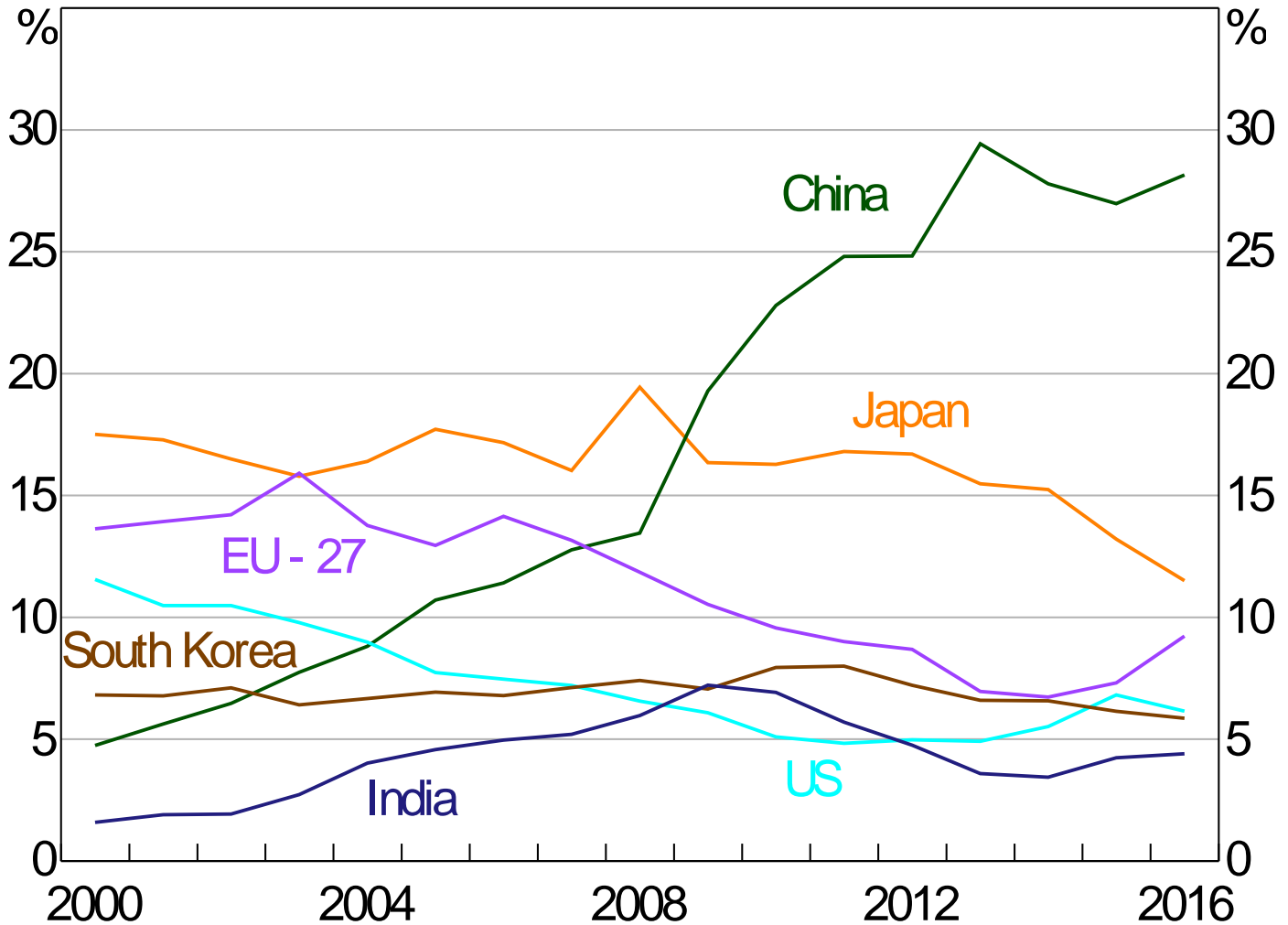
# China – Contributions to GDP Growth



Sources: CEIC Data; RBA

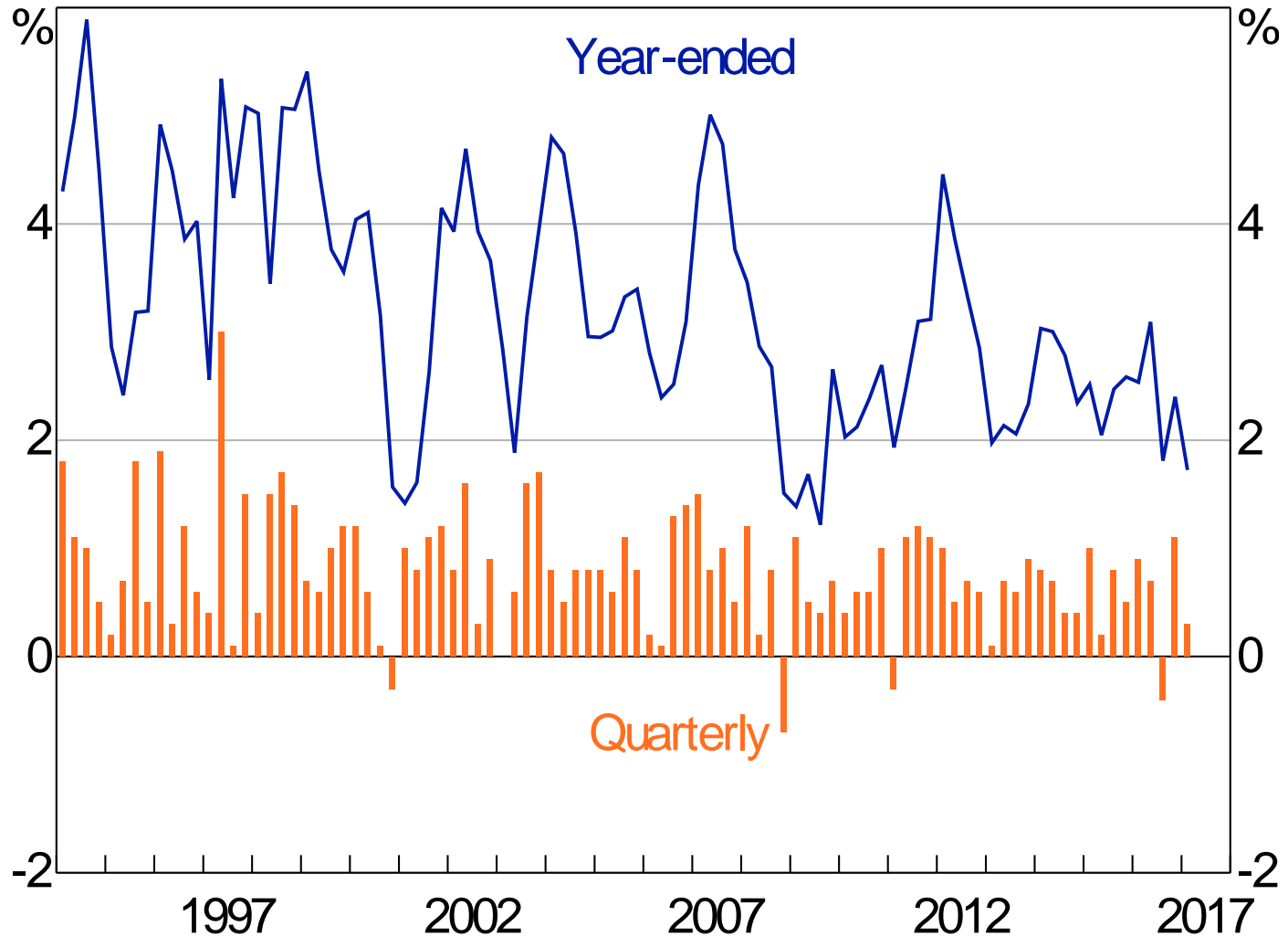
# Exports by Destination

Annual, share of total values



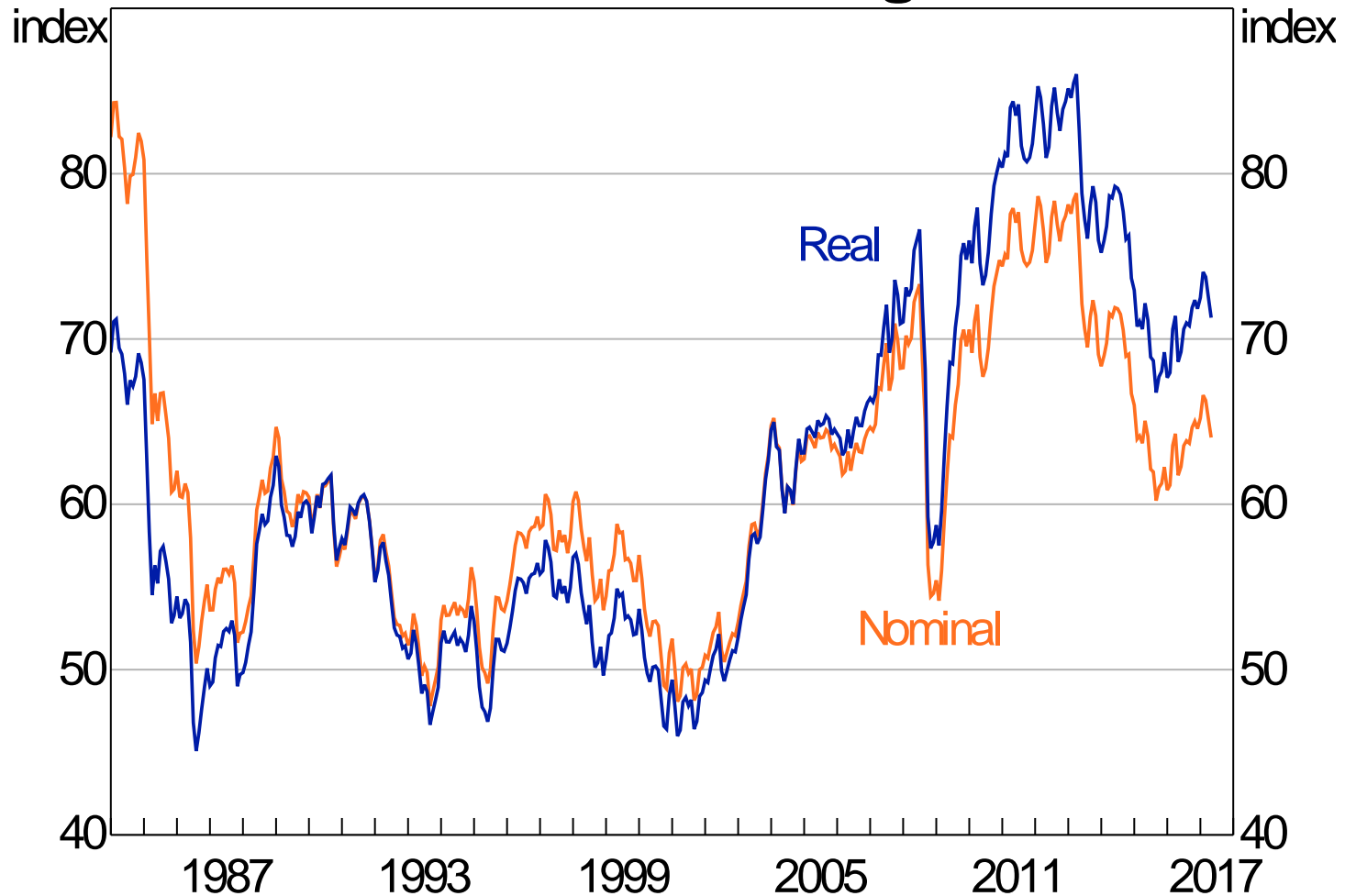
Source: ABS

# GDP Growth



Source: ABS

# Australian Dollar Trade-weighted Index\*

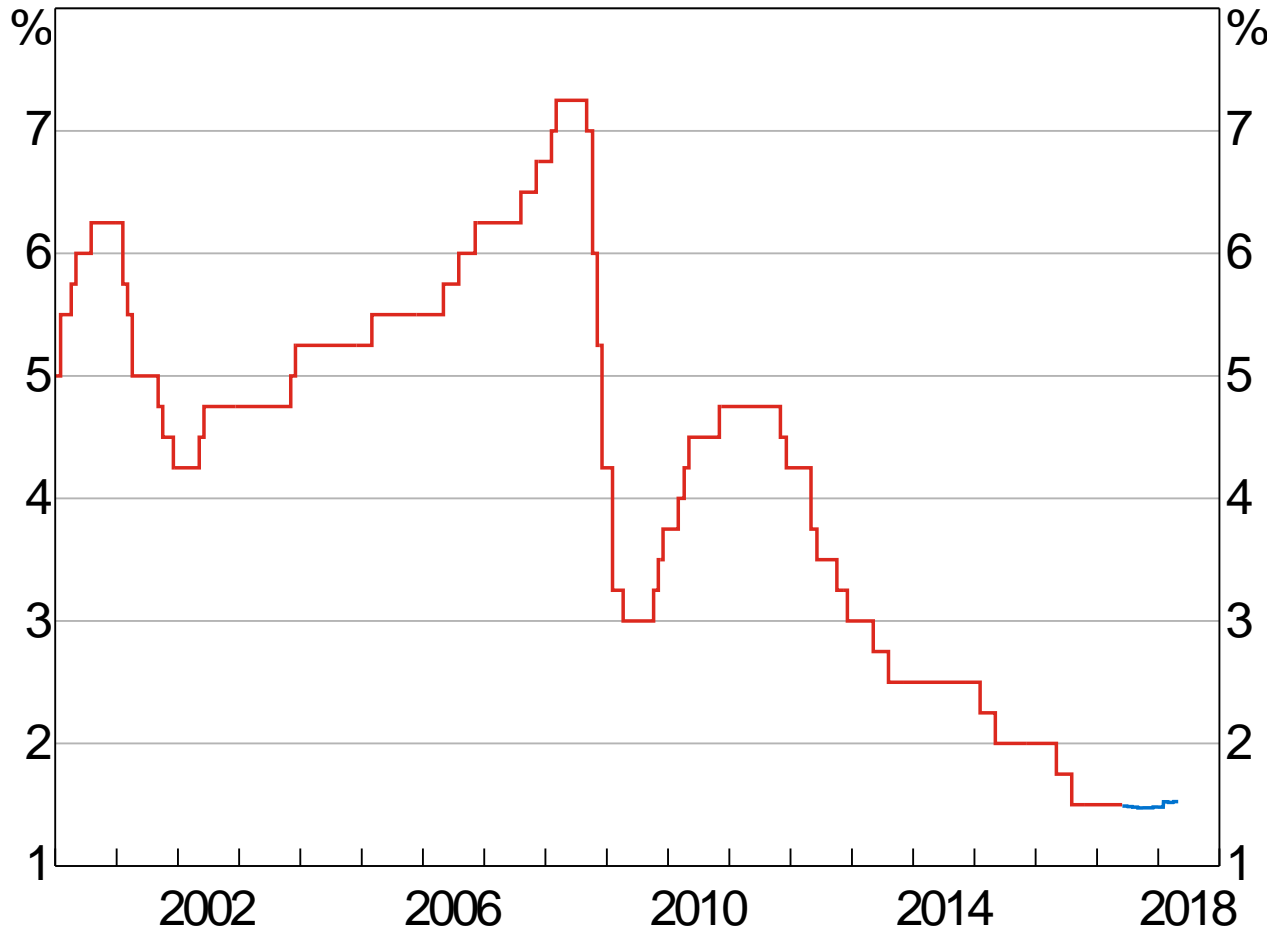


\* May 1970 = 100 for nominal; real indexed to equate post-float averages; latest observations for real TWI are estimates

Sources: ABS; RBA; Thomson Reuters; WM/Reuters



# Cash Rate\*

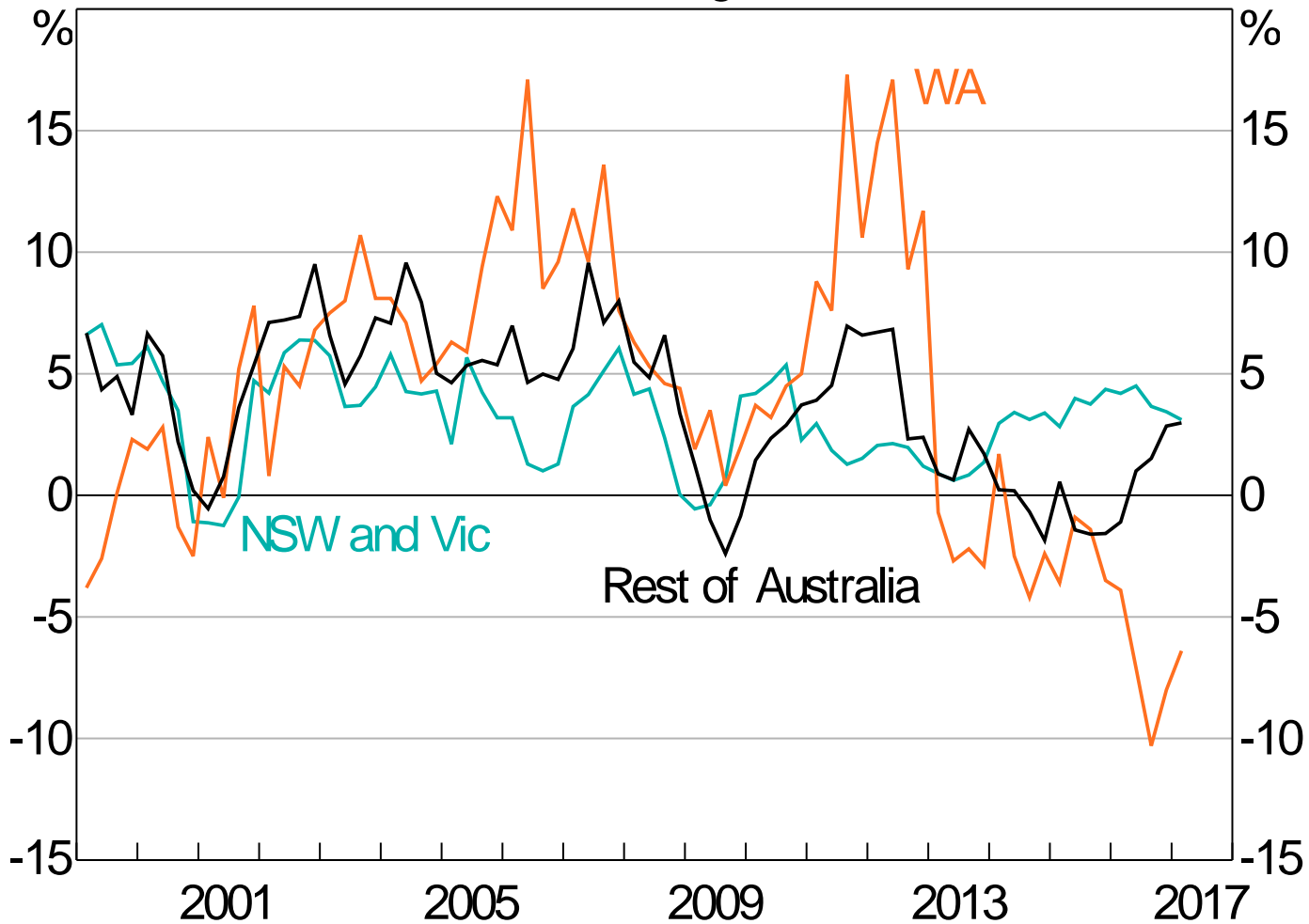


\* Data from June 2017 onwards are expectations derived from interbank cash rate futures

Sources: ASX; Bloomberg

# State Final Demand

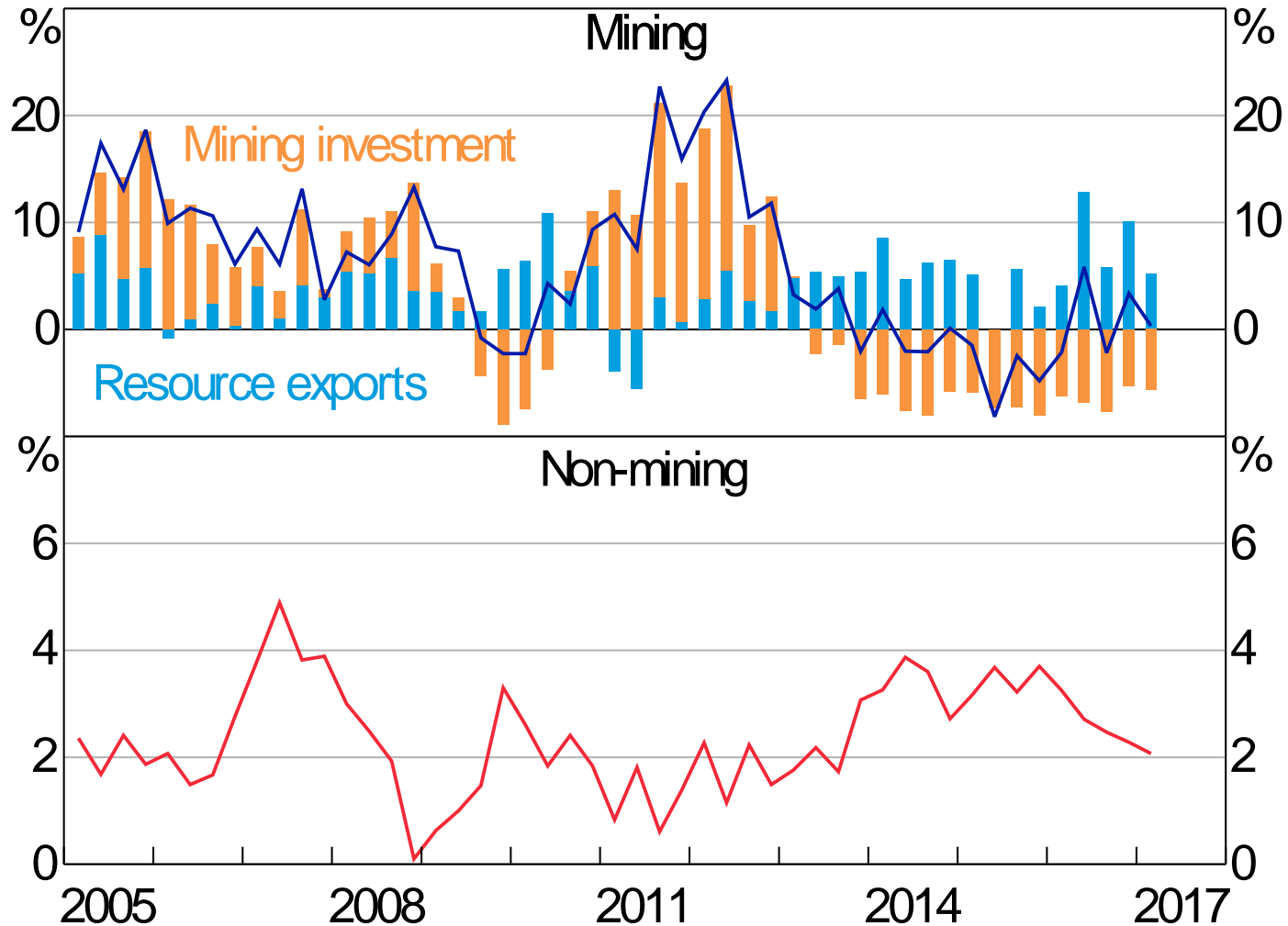
Year-ended growth



Sources: ABS; RBA

# Mining and Non-mining Activity

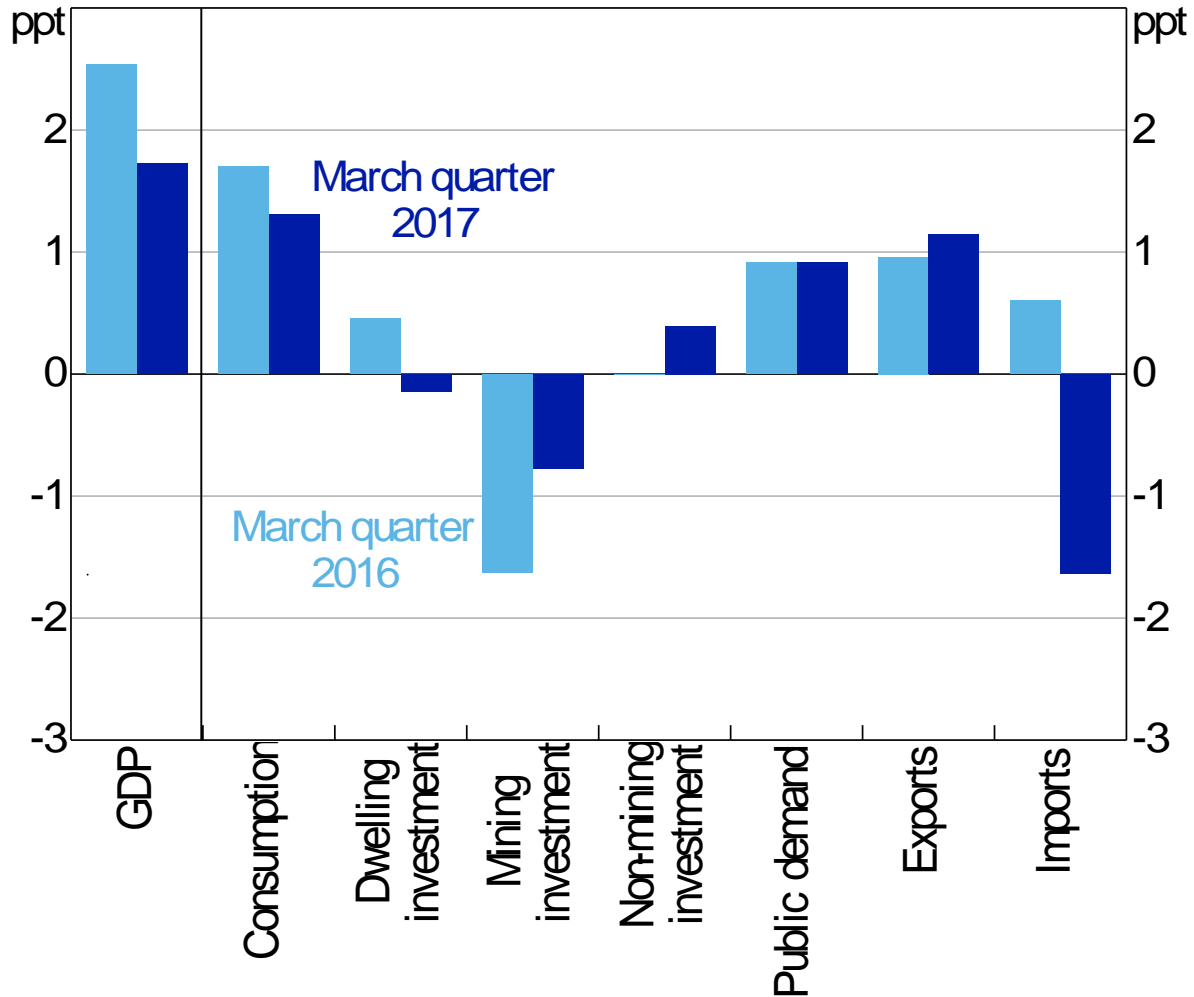
Year-ended growth, RBA estimates



Sources: ABS; RBA

# GDP Growth

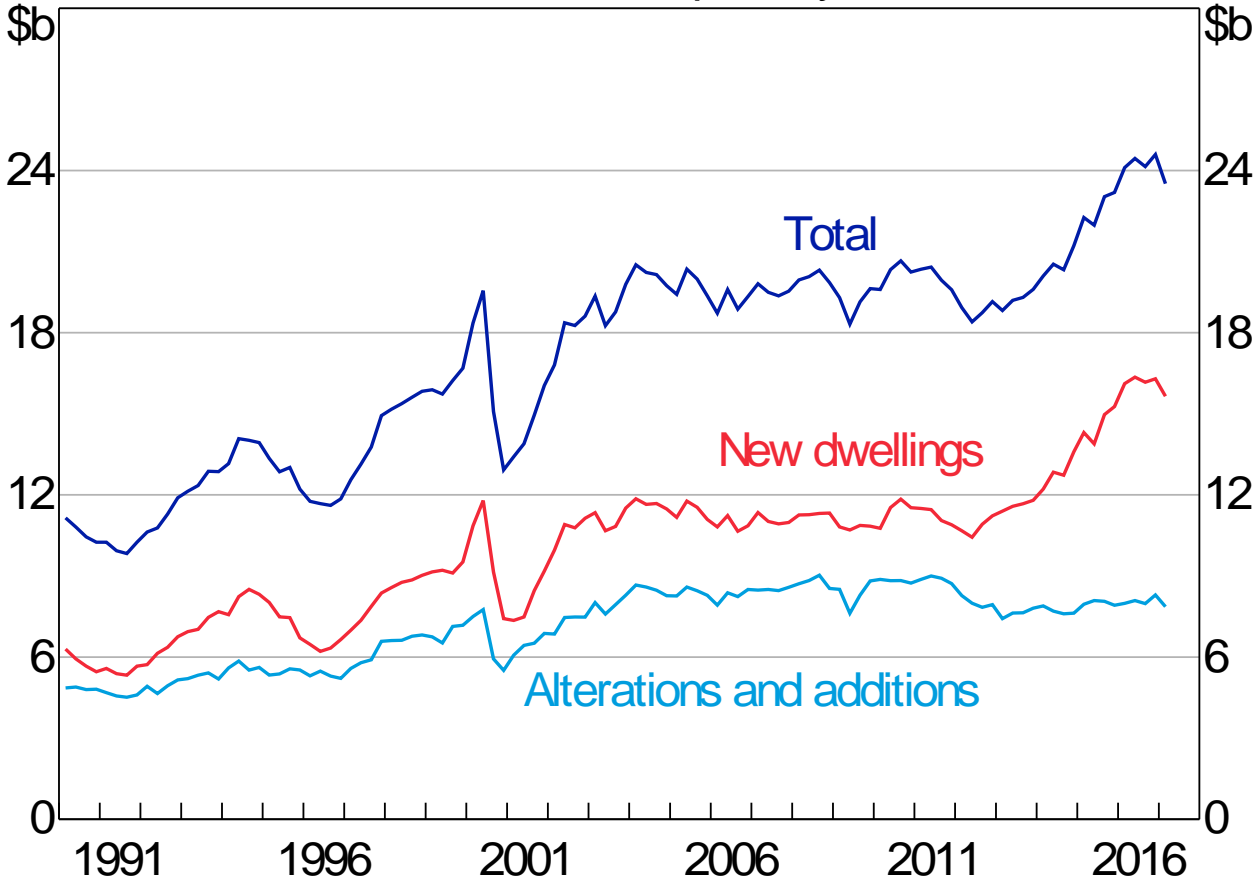
## Year-ended contribution



Sources: ABS; RBA

# Private Dwelling Investment

Chain volume, quarterly\*

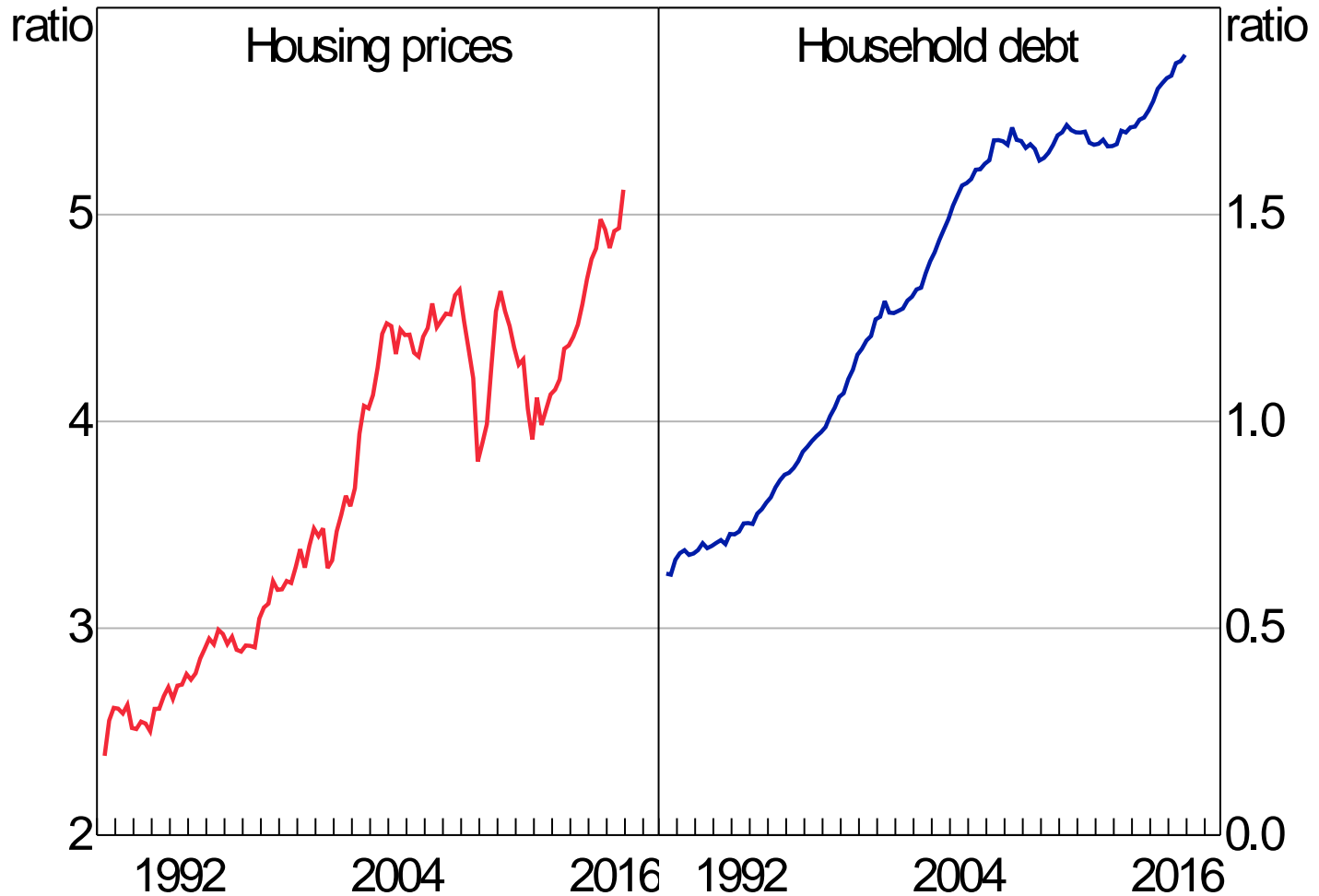


\* Reference year is 2014/15

Source: ABS

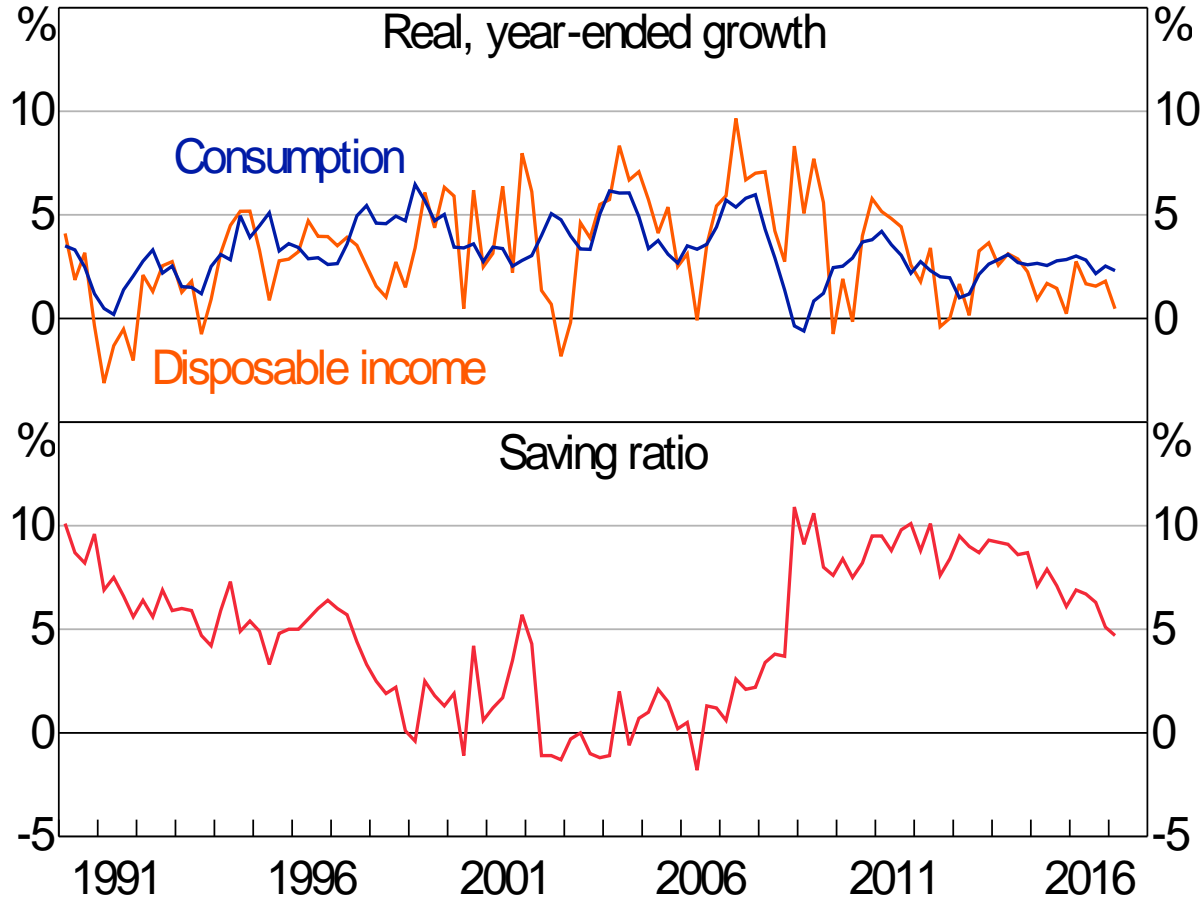
# Housing Prices and Household Debt

Ratio to household income



Sources: ABS; APM; APRA; CoreLogic; RBA

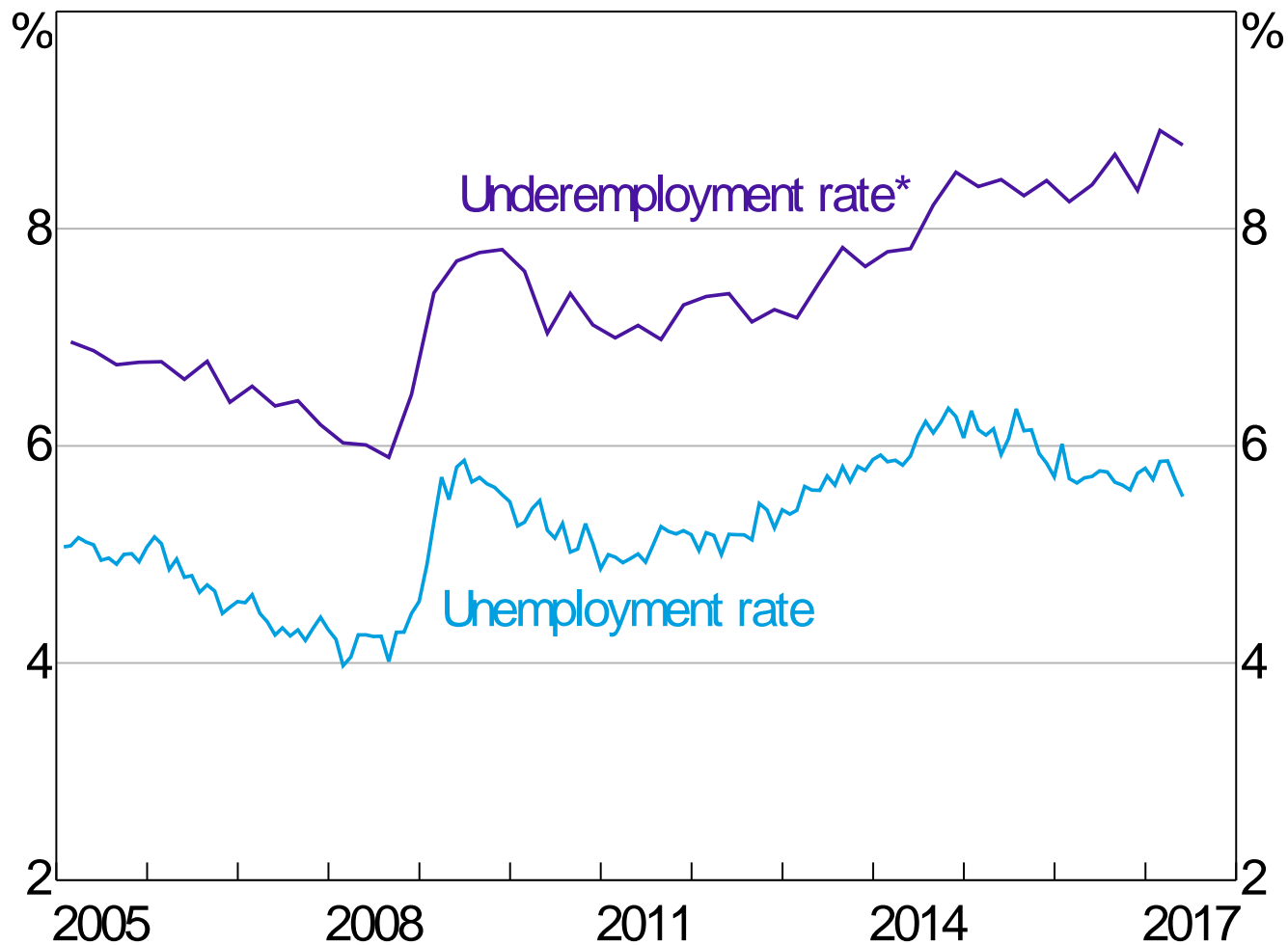
# Household Consumption and Income\*



\* Household sector includes unincorporated enterprises; disposable income is after tax and interest payments; saving ratio is net of depreciation

Sources: ABS; RBA

# Labour Market



\* Full-time workers on reduced hours for economic reasons and part-time workers who would like, and are available, to work more hours

Source: ABS



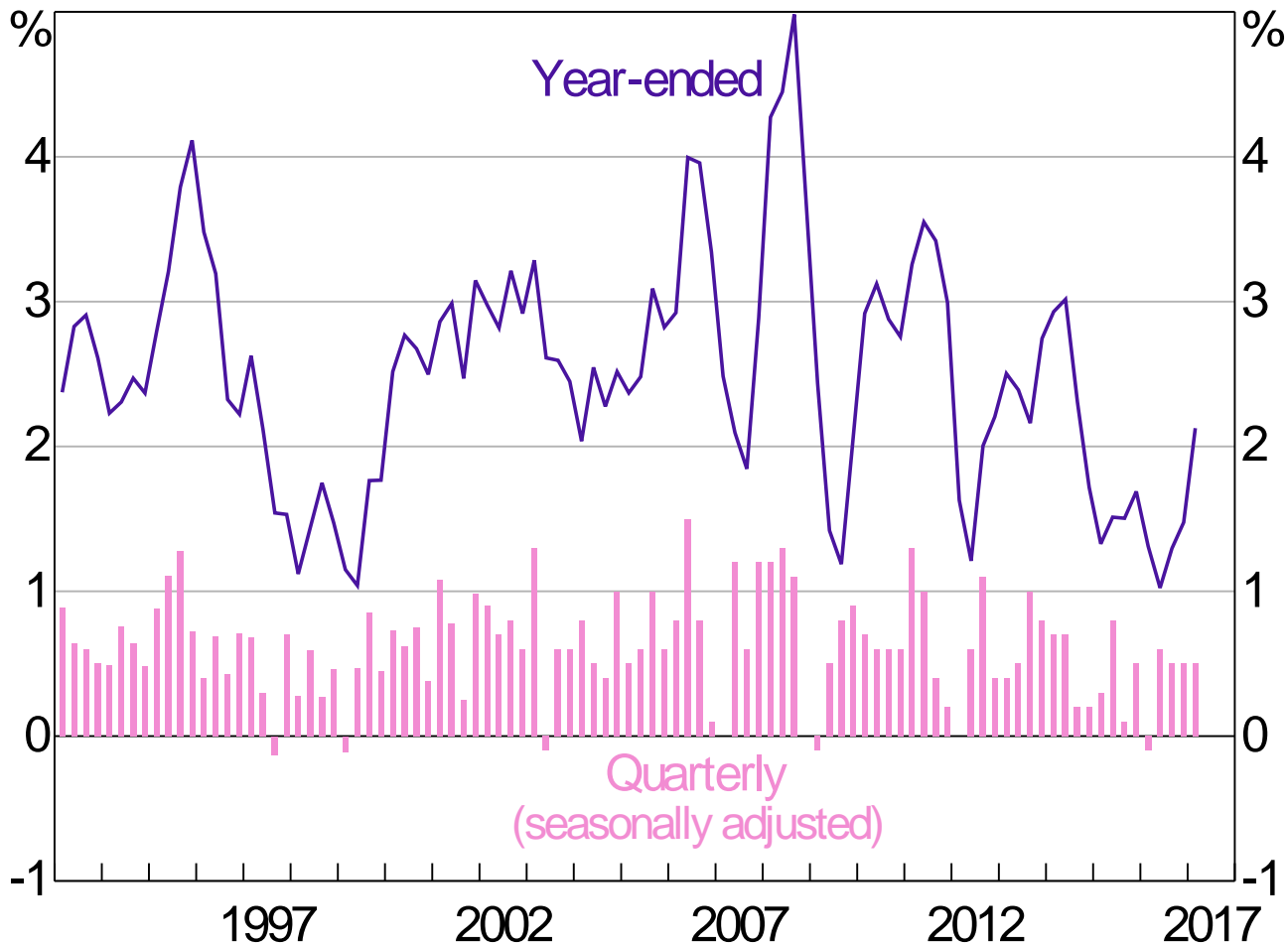
# Labour Costs

## Year-ended growth



Source: ABS

# Consumer Price Inflation\*

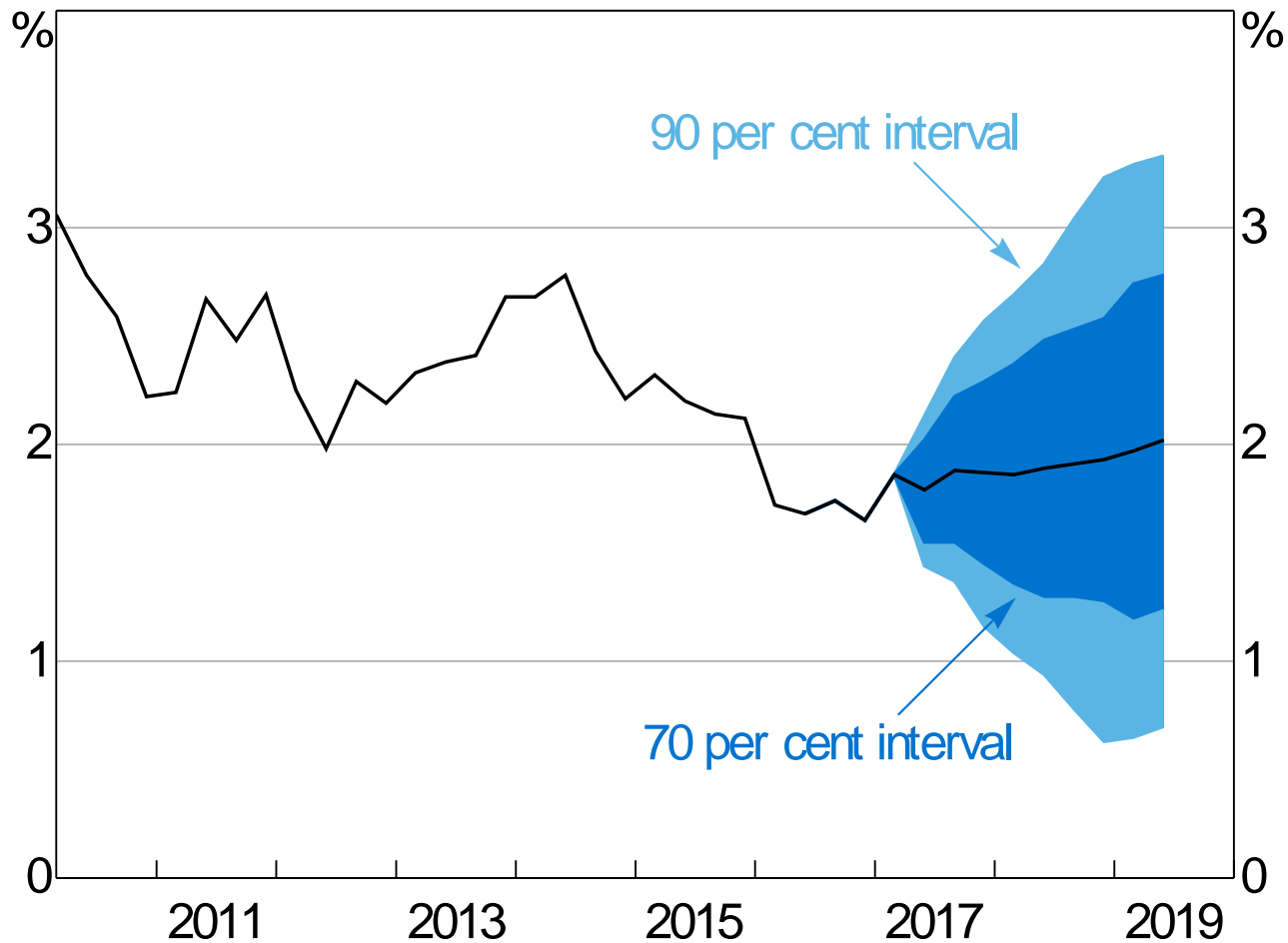


\* Excludes interest charges prior to the September quarter 1998; adjusted for the tax changes of 1999–2000

Sources: ABS; RBA

# Trimmed Mean Inflation Forecast\*

Year-ended

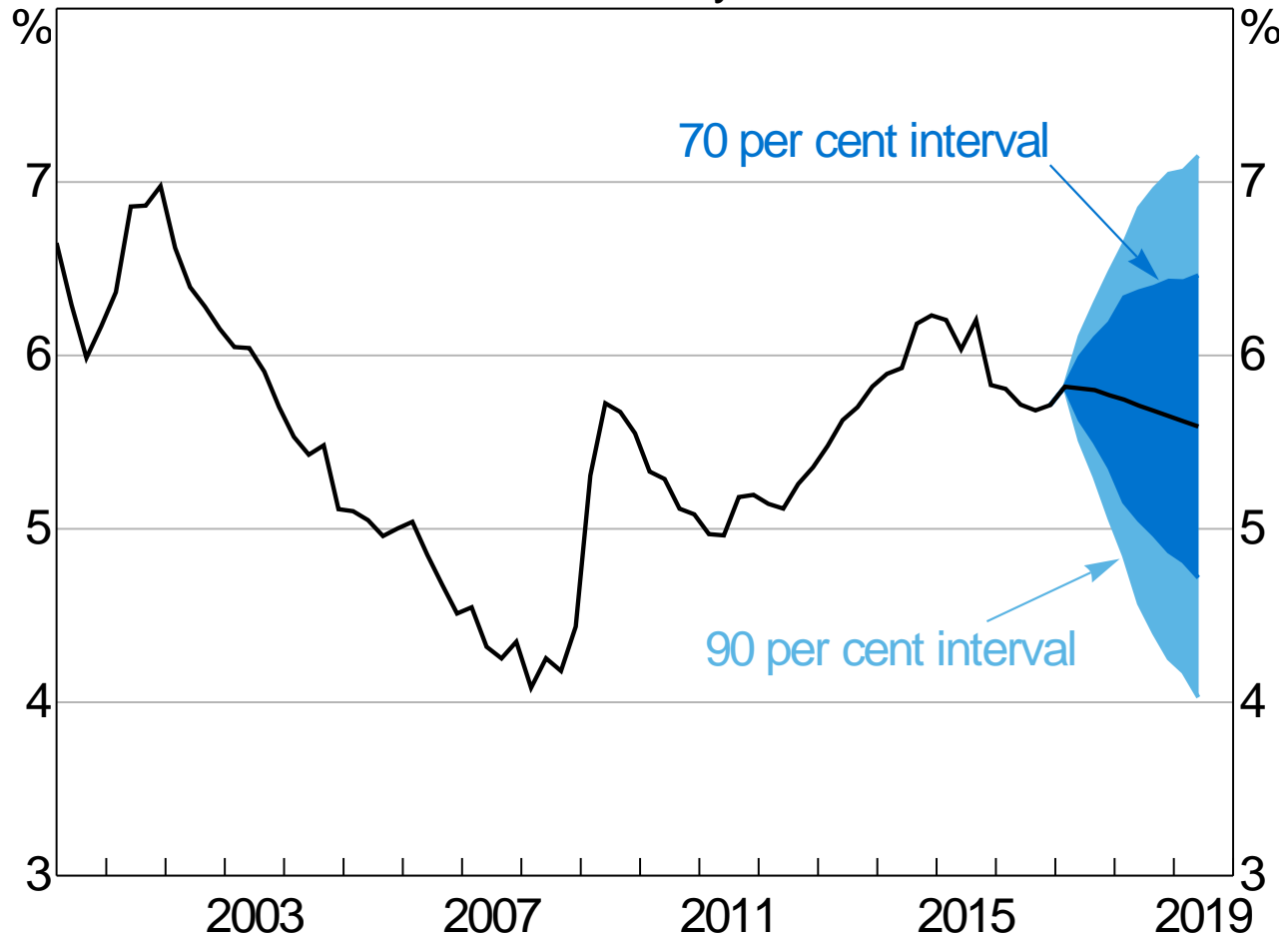


\* Confidence intervals reflect RBA forecast errors since 1993

Sources: ABS; RBA

# Unemployment Rate Forecast\*

Quarterly



\* Confidence intervals reflect RBA forecast errors since 1993

Sources: ABS; RBA

# More Information



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