ANZ RESEARCH

AUSTRALIA MARKET FOCUS

7 March 2016

CONTACT
research@anz.com

INSIDE

Justin Fabo
Senior Economist
+61 2 8037 0070
Justin.Fabo@anz.com

Dylan Eades
Senior Economist
+61 3 9095 0402
Dylan.Eades@anz.com

Tom Kenny
Senior Economist
+61 2 8037 0073
Tom.Kenny@anz.com

Martin Whetton
Senior Rates Strategist
+61 2 8037 0002
Martin.Whetton@anz.com

Daniel Been
Senior FX Strategist
+61 2 8037 0067
Daniel.Been@anz.com

Daniel Hynes
Senior Commodity Strategist
+61 2 8037 0072
Daniel.Hynes@anz.com

Follow us on Twitter
@ANZ_Research

DOOM AND GLOOM TAKES A BACK SEAT

ECONOMIC OVERVIEW

- Market sentiment has turned more positive, in part because participants realise that the US economy remains solid and as China concerns abate.
- Strong US jobs growth in February boosted risk sentiment and reduced recession fears.
- The RBA remained on hold as expected. Q4 GDP data showed that the economy recorded a strong finish to 2015.
- We still expect further RBA rate cuts, but the data are challenging this view and risks are skewed toward policy easing occurring later than we forecast.
- China nominated a 6.5-7% GDP growth target for 2016.

INTEREST RATE STRATEGY

- Yields finished higher after a white knuckle ride for the Australian front end last week.
- Risk-on sentiment globally helped push yields higher.
- Focus to remain on higher funding costs as a major bank announced a rise in investor housing loan rates.

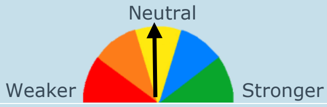
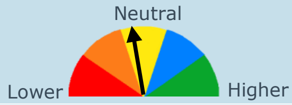
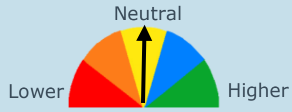
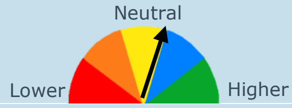
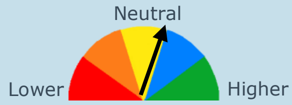
CURRENCY STRATEGY

- The USD is struggling as the data pulse remains strong, but Fed rhetoric remains dovish. This, together with the solid GDP outcome in Australia, is keeping the AUD elevated.
- The sustainability of these AUD levels will depend on the market volatility remaining subdued.

COMMODITY STRATEGY

- Low prices induce supply response in copper.
- Iron ore supported by hope of further policy support in Chinese steel sector.
- Investor demand for gold remains robust.

THE ANZ HEATMAP

VARIABLE	VIEW	COMMENT	ANZ VIEW RISK PROFILE*
GDP	3.3% y/y for Q1 2017	Growth forecasts upgraded. Household spending is a key risk in both directions.	
Unemployment rate	5.8% for Q1 2017	The labour market has been strong over the past six months but jobs growth looks set to moderate this year.	
CPI	2.2% y/y for Q1 2017	Weak global inflation and soft wage growth will keep inflation on the low side of the RBA's 2-3% target band.	
RBA cash rate	1.50% by Mar 2017	We continue to expect the RBA to cut the cash rate this year but risks are skewed to it happening later than May/Aug.	
AUD	USD0.64 by Sep 2016	The global environment remains uncertain and local markets continue to price in RBA rate cuts.	

* Risks to ANZ's view

AUSTRALIA ECONOMIC OVERVIEW

KEY POINTS

- RBA remained on hold, as expected
- GDP subsequently supported this position, with a strong result for Q4.
- We still expect further rate cuts this year but the risks are skewed towards later policy easing.
- China nominated a 6.5–7% GDP growth target.

RBA ON HOLD…

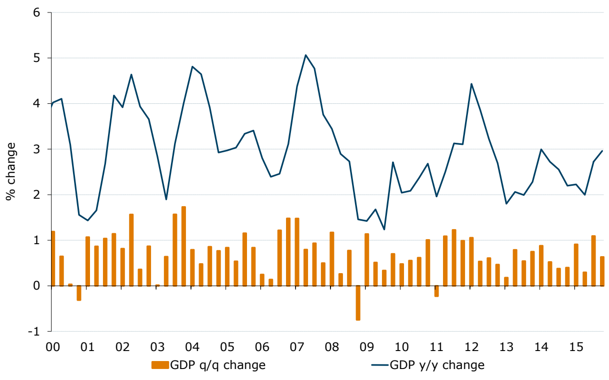
As widely expected, the **RBA kept the cash rate on hold at 2%** last week. The Bank continued to take a positive view of the Australian economy, noting that "the expansion in the non-mining parts of the economy strengthened during 2015".

We interpreted two small changes to the Governor's statement as *slightly* on the dovish side. First, the Bank noted that low inflation "would" provide scope to ease further rather than its prior reference to "may". Secondly, the AUD was characterised as "has been adjusting" versus "has continued its adjustment". Clearly, the Bank would still prefer a lower AUD which has subsequently pushed higher to USD0.74. The Bank would likely become more vocal on the currency again if the activity data started to soften.

…WHICH WAS JUSTIFIED BY Q4 GDP

The slightly more dovish tone from the Bank, however, came before the strong Q4 GDP print. Not only did Q4 GDP surprise on the upside at 0.6% q/q, upward revisions meant that **growth over the year was well above expectations at 3%**. The Bank had been flagging the potential for GDP revisions and this rate of growth helps to square the apparent disconnect with the strong labour market data last year.

FIGURE 1. 2015 FINISHED ON A HIGH NOTE



Source: ABS, ANZ Research

The Bank would have been heartened by the pick-up in household spending. A key feature of the Bank's forecasts is a strengthening in household spending to slightly above the long-run average of 3½%. Household consumption grew 2.9% y/y in Q4.

Housing construction also remained strong (+2.2% q/q; 10% y/y) in Q4. A significant backlog of work is supporting activity at record levels, especially in the key Sydney and Melbourne markets but lower approvals numbers suggest this growth impetus will wane.

WHAT WE'RE WATCHING THIS WEEK

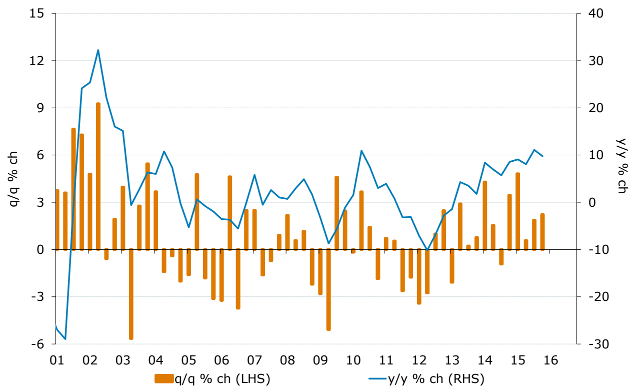
ANZ job advertisements, Feb (7 Mar)

NAB business confidence and conditions, Feb (8 Mar): looking for consolidation in business conditions following recent easing.

Westpac consumer confidence, Mar (9 Mar)

Housing finance, Jan (9 Mar): We're forecasting -3.3% m/m.

FIGURE 2. HOUSING CONSTRUCTION IS STRONG



Source: ABS, ANZ Research

Meanwhile, business investment fell as expected. Engineering construction drove the quarterly fall as resources projects, particularly LNG, continued to approach completion. But **the news on the investment front was not all one-way traffic**, with both machinery & equipment spending and non-residential building rising solidly in Q4, the latter despite falling building approvals and a shrinking backlog of work.

Overall, there were **plenty of positives in the national accounts.** Growth continues to broaden beyond the mining sector, and the pick-up in consumer spending will be particularly encouraging for the RBA. As such, **the economy is on a much firmer footing** than previously envisaged.

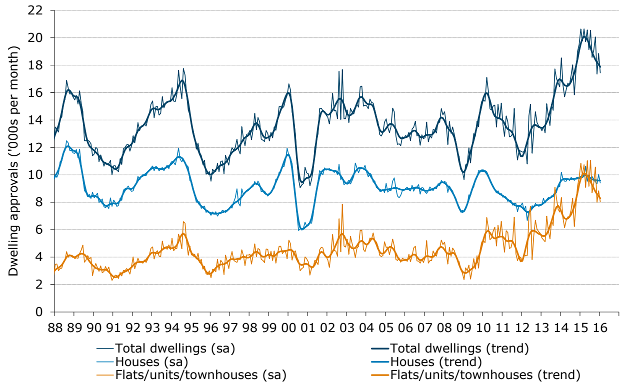
WE STILL EXPECT FURTHER RATE CUTS

Despite the improvement in the economy over the second half of 2015, **we continue to expect further RBA rate cuts this year.** Our call for the first rate cut to occur in May, however, is being challenged by the incoming data.

We maintain that the **contribution to growth from property market activity – not just housing construction – will ease over 2016**. Dwelling construction *directly* added ½ppt to Australia's GDP growth in 2015 but this is unlikely to be sustained. While the *level* of building activity will remain high, the fall in residential building approvals over the past year suggests that the impetus to *growth* will wane (Figure 3).

AUSTRALIA ECONOMIC OVERVIEW

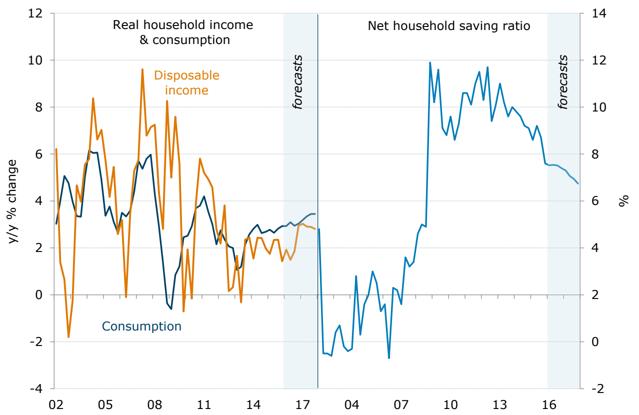
FIGURE 3. HOUSING APPROVALS HAVE ROLLED OVER



Source: ABS, ANZ Research

There are also risks around household spending. While household consumption strengthened over 2015, this was against a weak income backdrop and was heavily assisted by a sharply lower saving ratio (Figure 4).

FIGURE 4. CAN CONSUMPTION CONTINUE TO OUTPACE INCOME GROWTH?



Source: ABS, ANZ Research

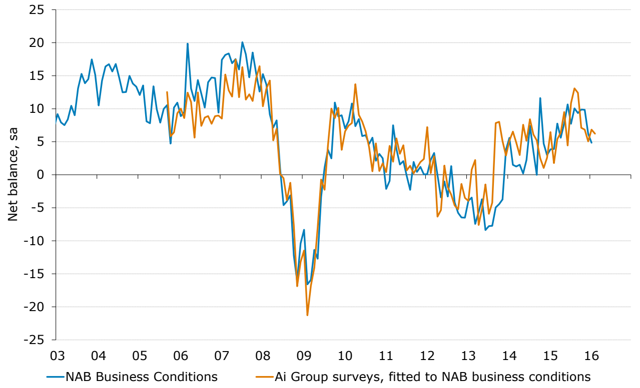
Presumably, the falling saving ratio can be partly attributable to a 'wealth effect' amid strong dwelling price growth. But this is expected to wane this year amid slower house price growth (and as equities have weakened). Some of the savings decline, however, will reflect consumption smoothing, with evidence of this particularly in the mining states of WA and Queensland that ran up savings during the commodity price boom.

More timely data on retail sales (released last week) show that **spending has been soft in recent months**, with no growth in December and a modest 0.3% m/m rise in January.

With unemployment expected to remain around 5¾–6%, spare labour market capacity will continue to weigh on wages growth. In all, it is difficult to see household consumption accelerating further from here. **Consumption growth falling below the RBA's expectations would certainly increase the likelihood of further rate cuts.**

Surveyed business conditions have moderated in the early months of 2016, indicating some slowing in non-mining activity. Ahead of the important NAB survey tomorrow, however, Ai Group's surveys for February continued to show some consolidation in aggregate at above-average levels (Figure 5). Business *confidence* may be further weighed down by the negative global sentiment in February.

FIGURE 5. BUSINESS CONDITIONS STABILISING?



Source: Ai Group, NAB, ANZ Research

Overall, the **incoming data on the Australian economy has remained OK and, for now, allays any concerns about the renewed strength in the currency.** China's target of 6.5–7% GDP growth for 2016, coupled with slightly higher budget deficit, lending and money supply growth targets, will also help to further calm anxiety about that economy.

The rate cut we have pencilled in for May is less than two months away so **clearly the risks are skewed towards further RBA policy easing kicking off later than we expect.** Markets are only pricing one full rate cut for this year.

Despite weak wages growth, **we can't rule out being surprised on the upside by household spending.** There is room for household saving to fall further to support stronger-than-expected consumption. Housing markets have commenced 2016 in a relatively positive fashion, with auction clearance rates rebounding in Sydney and Melbourne, while price growth has stabilised at solid rates. If these early indicators translate into a second wind for building approvals, the risks would be to the upside for housing construction. Moreover, the RBA would likely be uncomfortable reducing the cash rate further in the face of ongoing strength in house price growth.

Working in the opposite direction, however, are that the global growth backdrop remains fragile, our interest rates continue to look 'high' in a world where negative rates are more commonplace, and creeping upward pressure on actual lending rates in Australia is likely to remain from higher funding costs and tighter capital requirements.

Stay tuned.

Daniel.Gradwell@anz.com

GLOBAL ECONOMIC OVERVIEW

KEY POINTS

- Solid US jobs growth in February boosted risk sentiment and reduced recession fears.
- Fed officials remain cautious on inflation though, suggesting that any further normalisation is unlikely anytime soon.
- Prices in the euro area fell back into deflation in February. This will likely reinforce the ECB's resolve to take bold policy action this week.

WHAT'S THE VIEW?

Global risk appetite improved last week on the back of better US data, which have reduced fears of a US recession. We have for some time been saying that recession fears were overstated as US fundamentals remain positive. Specifically, household incomes are being supported by solid jobs growth and a modest uptick in wages growth.

Meanwhile, the debate over the impact of negative policy rates on banks' profitability has intensified and will be in the spotlight again this week with the ECB likely to cut the deposit rate further into negative territory. This is a sensitive topic in the euro area given the sharp decline in bank share prices. The ECB is said to be considering a tiered system for negative rates to mitigate the negative impact on banks.

US

The US economy added 242k jobs in February while the unemployment remain steady at 4.9% as the participation rate jumped. The increase in February took job gains beyond 13m over 65 consecutive months. This is now the largest (in terms of jobs) and longest (in terms of months) positive streak of job creation in US history. Wages disappointed, however, falling 0.1% m/m and year-ended growth slipping to 2.2% from 2.5% in January. Nevertheless, we still view the trend in wages growth as rising modestly.

The ISM manufacturing index was 49.5 in February, the fifth consecutive month below 50. Although manufacturing activity remains subdued, the slowing appears to have troughed. By contrast the ISM non-manufacturing survey continues to signal that the service sector is expanding at a reasonably healthy pace, although the pace is moderating.

Last week, FOMC officials continued to strike a dovish tone, reaffirming the view that the Fed is unlikely to hike anytime soon. Notably, New York Fed President Dudley stressed the risks to growth remain to the downside. In addition, he said he was less confident on the inflation outlook owing to recent declines in market-based measures of inflation expectations. It seemed odd that Dudley made no mention of trends in either core inflation or average hourly earnings, which are important drivers of headline inflation over the longer term. Both core inflation and wages appear to be trending higher.

WHAT WE'RE WATCHING THIS WEEK

Fed's Fischer and Brainard speak (7 Mar): The focus will be on risks to the growth and inflation outlook.

ECB policy meeting (10 Mar): The ECB is expected to deliver bold easing measures.

This week is quiet in terms of data. We will be closely watching comments by the Fed's Fischer and Brainard (Monday) to gauge if there is any change in their outlook for growth and/or inflation related to recent developments in global financial markets and the US market. These will be the last comments before the blackout period prior to the 15-16 March FOMC meeting.

EURO AREA

Prices in the euro area fell back into negative territory in February (-0.2% y/y vs +0.3% y/y in January) for the first time since September 2015. Most of the drop was driven by the renewed slide in energy prices. That said, core inflation also weakened as it fell to 0.7% y/y from 1.0% y/y previously.

Subdued inflation combined with falling inflation expectations are likely to persuade ECB officials to support additional easing at its policy meeting on Thursday. Minutes from the ECB's January meeting highlighted that there was wide support from the Governing Council to counter the deflation threat. We expect the ECB to cut the deposit rate by 10bps (to -0.4%) and further expand the size of its monthly purchases (currently at EUR60bn per month).

There has been some suggestion that further cuts to the deposit rate could be implemented via a tiering system (as in Switzerland, Denmark, and Japan), which would reduce the burden on banks. The ECB may also change the composition of its monthly purchases by adding new asset classes, including: corporate bonds; bank bonds; and, re-bundled bank non-performing loans.

JAPAN

Last week, the Ministry of Finance sold 10-year bonds with a yield below zero for the first time ever. This follows on from the introduction of negative rates by the BoJ on 29 January. It seems incredible that the government is being paid to borrow when public debt is over 230% of GDP. Last week BoJ Governor Kuroda told the Diet that inflation is on an upward trend and there is a virtuous spending cycle underpinning growth. This suggests the BoJ is in no rush to ease policy again, though the Governor's word lacks some credibility.

GiuliaLavinia.Specchia@anz.com
Tom.Kenny@anz.com

INTEREST RATE STRATEGY

KEY POINTS

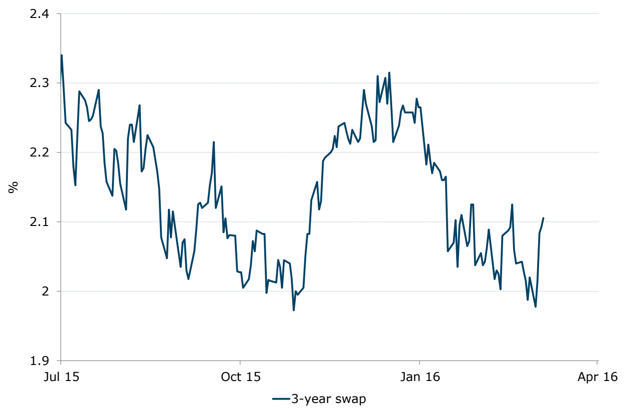
- Yields finished higher after a white knuckle ride for the Australian front end last week.
- Risk-on sentiment globally helped push yields higher.
- Focus to remain on higher funding costs as a major bank announced a rise in investor housing loan rates.

WHAT'S THE VIEW?

Yields in AUD rates markets pushed higher last week as global sentiment turned more positive and economic data surprised to the upside. While the RBA was perhaps more dovish, and in some ways continued to dangle the carrot of a rate cut, markets interpreted their words as a cut may come, but no time soon. Strong GDP data reinforced this view. As such, the rates curve shifted higher in yield although the moves in the front end were particularly significant. Market pricing for the RBA now shows the first full cut at the November meeting. Pricing continues to be pushed out, which should put upward pressure on short tenor fixed and floating rates.

In terms of fixed rate markets, the 3-year swap rate closed the week 12bps higher. This was the largest weekly move higher in rates since August 2015. The 3-year swap remains well through the 3-month BBSW rate but that spread narrowed over the week. Interestingly, there has also been a rise in both the 3- and 6-month BBSW floating rates. We would attribute this move to the increase in global funding rates seen across markets. It is important to separate the rise in funding costs with the movements in market yields.

FIGURE 1. 3-YEAR SWAP RATE



Source: Bloomberg, ANZ Research

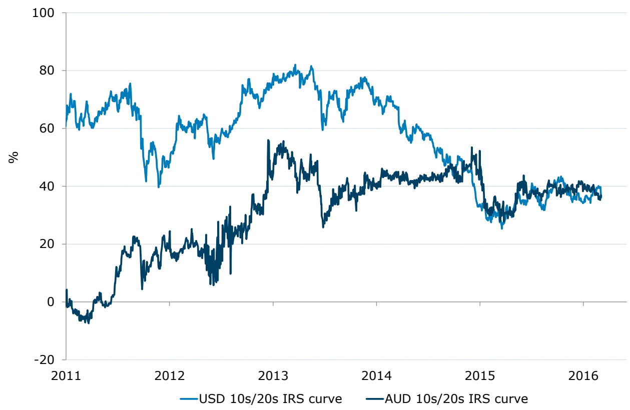
We do not expect to see a rush to fix rates given this move, however, we would note the continued rise in lending rates from the domestic banking system. We do not wish to buy into the politics of these moves but we have noted for some time that the cost of wholesale funding is rising.

In the longer end of the curve, yields have also risen and the slope of the curve has been little changed. We expect a further modest rise in yields in the 3-10 year tenors over the coming month.

For borrowers with access to much longer term funding, the flattening of the 10s-20s and 10s-30s swap curve has opened opportunities. This is evident in both the AUD and USD markets.

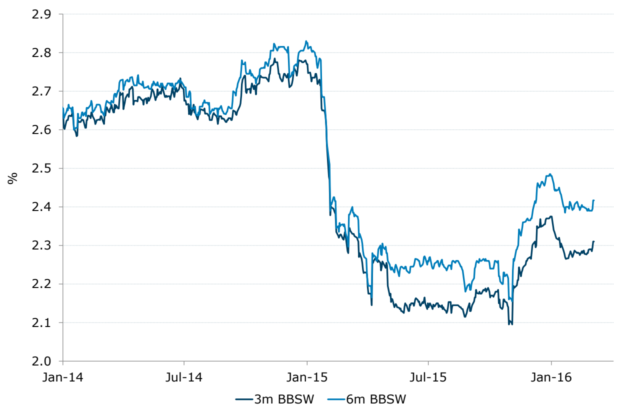
There have been a number of AUD borrowers who have accessed the USD market in a private placement (PP) format recently. There have also been some borrowers tapping the 20-30 year part of the AUD market given low outright levels and a flat yield curve.

FIGURE 2. AUD & USD 10S-20S SWAP CURVES



Source: Bloomberg, ANZ Research

FIGURE 3. BBSW RATES



Source: Bloomberg, ANZ Research

Looking ahead, end of half year for some Australian banks should reduce funding pressures as they move into their blackout period where they will not issue debt.

Martin.Whetton@anz.com
Katie.Hill@anz.com

CURRENCY STRATEGY

KEY POINTS

- The USD is struggling as the data pulse remains strong, but Fed rhetoric remains dovish. This, together with the solid GDP outcome in Australia, is keeping the AUD elevated.
- The sustainability of these AUD levels will depend on the market volatility remaining subdued.
- This week the key event will be the ECB meeting. After the surprising price action following the BOJ meeting we are alert to unintended consequences.

WHAT'S THE VIEW?

Momentum has taken hold of the AUD. The better-than-expected GDP print provided the spark, but a broader USD sell-off has driven the majority of the gains.

The USD sell-off is being driven by a number of themes and against the AUD we are not convinced that they are sustainable.

The first is the fact that renewed stability in China's markets has removed a source of volatility for broader markets. We continue to question the sustainability of this spell. Chinese growth remains soft, interest rate differentials continue to move in favour of the USD, and the CNY remains expensive on a trade-weighted basis.

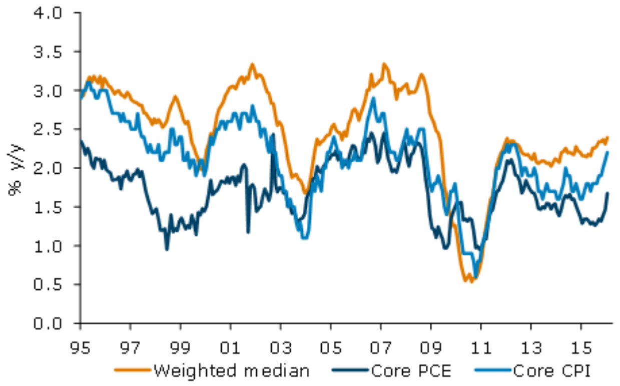
The second, and more significant driver, was the combination of a resurgence of US economic strength together with a surprisingly dovish speech from NY Fed Governor Dudley. This has created a 'goldilocks' feel in the markets once again where investors believed that we could have strong growth without disruptive tightening.

We continue to think that this view will prove unsustainable. Since the Fed last hiked, economic growth has proved resilient, inflation and wages have begun to show signs of acceleration (Figure 1), and the US consumer looked through the market volatility. Further, the recent rally for risk has reversed a large portion of the tightening financial conditions from January.

TABLE 1. CURRENT VIEWS

CROSS	WEEK	MONTH	YEAR
AUD/USD	↓	Medium-term fundamentals remain hostile	Decline in line with terms of trade and rising USD
AUD/NZD	↑	Near-term upside as risks get better priced into NZD	Threatening to break higher through 1.10
AUD/EUR	↔	The cross is increasingly behaving like a risk proxy	Further ECB easing will be key
AUD/JPY	↓	Current stabilisation is likely to be short-term given regional and global risks	Risks of a downside break are rising
AUD/GBP	↓	We view the current up-move as counter-trend and likely to prove temporary	Strong fundamentals in the UK will drive GBP outperformance

FIGURE 1. INFLATION IS QUICKENING



Source: Bloomberg, ANZ Research

For the AUD right now it is a question of timing, and in the next few weeks there is some risk that the AUD consolidates its gains. That said, we view the balance of risks as pointing lower.

This week there will be four key drivers of currency markets, and of AUD crosses in particular. The first will be the data in China. The trade, loans, and CPI data will all be scoured for signs that justify the recent market stabilisation, or of further deterioration.

The second is the ECB: expectations of further easing are high and the market response to what is delivered will send important signals to the market about the efficacy of policy (after the disappointing response to BoJ easing).

Third, the Australian domestic data will be important. Any weakness here will heighten the vulnerability of the AUD to another test lower.

Finally, the data, and the tone of the RBNZ will be critical for the AUD/NZD cross. Any softening in rhetoric from the RBNZ could drive the AUD/NZD cross back up through 1.10.

TABLE 2. UPCOMING EVENT RISK

EVENT	WHEN (AEDT)	LIKELY IMPACT	
NZD: Truckometre	Tue 08:00	AUD/NZD	↑
AUD: RBA Lowe Speaks	Tue 10:20	AUD/USD	↔
AUD: Business Conf	Tue 11:30	AUD/USD	↑
USD: Small Bus Survey	Tue 22:00	AUD/USD	↓
NZD: RBNZ	Thu 07:00	AUD/NZD	↑
EUR: ECB Meeting	Thu 23:45	AUD/EUR	↔
CNY: New Loans	Thu	AUD/USD	↓

BOTTOM LINE

Our bearish medium-term view is being tested, but we continue to expect at least one more decline in the AUD to take the currency towards USD0.64 by September 2016.

Daniel.Been@anz.com

COMMODITY STRATEGY

KEY POINTS

- Low prices induce supply response in copper.
- Iron ore supported by hope of further policy support in Chinese steel sector.
- Investor demand in gold surges as worries over negative yields rise.

WHAT'S THE VIEW?

Copper prices continue to rise strongly, as supply outages and better-than-expected demand indicators have reversed sentiment. It now appears that concerns around fundamentals that pushed prices to a seven-year low in early January were overblown. Better-than-expected import volumes into China, as well as strong growth in fixed investment and money supply in China has helped turn around sentiment. The emergence of further supply constraints has also been a factor. Low prices are finally having the desired impact, with Chilean output falling 14% y/y in January. This follows cost-related closures in Africa (announced in H2 2015). An improving macro environment, with a more stable USD and stronger equity markets, has also helped. While the speed of the rally leaves it vulnerable to a pull-back in coming weeks, we feel copper prices should largely hold their recent gains.

The broad improvement in sentiment towards commodities has also pushed **iron ore** prices higher. The market has already been buoyed by new government policies to encourage demand in China's housing sector. Continued speculation on measures to rectify the overcapacity in the Chinese steel sector have also supported steel prices. China's National People's Congress last week has also provided some positive news for commodity markets by stimulating domestic demand. But we expect any policy support will be neutral for the steel and iron ore sector. Rather, we are still inclined to view the current strength in iron ore prices as short-lived given fundamentals remain weak. Iron ore inventory at Chinese ports increased to 95.8m tonnes last week, the highest since May 2015.

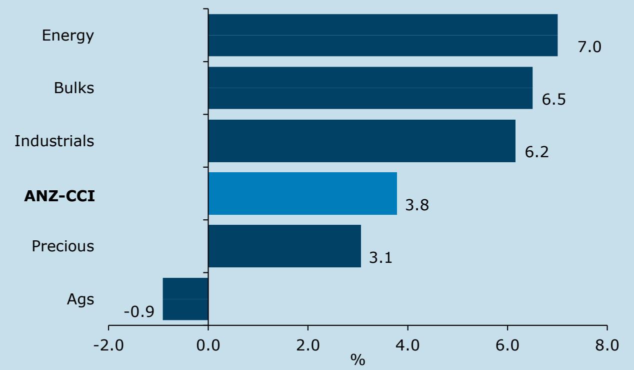
Gold prices have also found continued support, holding onto the strong gains in January despite a greater appetite for risk by investors. Safe haven buying was particularly strong earlier in the year as market volatility hit extreme levels. More stable currency and equity markets in recent weeks, however, haven't seen investors reverse positions on gold. On the contrary, demand has picked up with inflows into ETFs surging. Gold holdings in ETFs have grown almost 18% to 55.1m ounces in the first two months of the year. According to CFTC data, long positions in gold have surged 50% this year, while shorts have cut their positions by over 37%. The drivers appear to be rising inflation expectations, a stable USD and the emergence of negative yields in Japan and Europe. Our expectations are that these issues are unlikely to disappear any time soon, which would make the probability of any sell-off in gold low.

ANZ CHINA COMMODITY INDEX (CCI)

The ANZ CCI registered strong gains last week. The price gains in commodities were widespread. Copper and iron ore prices rose to the highest levels yet for 2016. Crude oil prices gained support from declining US crude production. The tight credit market will make it difficult for US shale producers to refinance upcoming debt, and we may see an accelerated decline in US oil production in 2016-17. The decline in US production has to be more than the gain from Iran to support the prices.

The precious metals complex was also strong even with rebound in risky assets. Gold prices broke out from a key resistance level of USD1,250/oz and traded as high as USD1,265/oz before retracing. ETF buying has been key in supporting prices this year. Year-to-date ETF gold inflows are 252 tonnes, after net outflows over the past three years.

FIGURE 1. ANZ-CCI WEEKLY PERFORMANCE



Source: ANZ Research

TABLE 1. CURRENT VIEWS

SECTOR	WEEK	MONTH	YEAR
Energy	↔	Increasing Iranian exports a major headwind	Market surplus seen increasing through 2016
Agriculture	↓	Brazil harvest and Argentina farmer selling pressuring prices	Close to the bottom of the cycle
Industrials	↔	The number of supply outages expected to increase	Macro environment gradually supportive
Precious	↑	Negative yields driving strong investor demand	USD headwind to subside, supporting gold
Bulks	↓	Supply to recover after disruptions earlier in the year	Structural reform in Chinese steel market to persist

Daniel.Hynes@anz.com
Paul.Deane@anz.com
Anurag.Soin@anz.com

DATA AND EVENT CALENDAR

DATE	REGION	DATA/EVENT	PERIOD	MARKET	ANZ	LAST	GMT	AEDT
Monday	AU	ANZ Job Advertisements m/m	Feb	--	--	1.0%	00:30	11:30
7-Mar	JN	**BOJ Kuroda Speaks in Tokyo**					**03:40**	**14:40**
	CH	Foreign Reserves	Feb	$3190.0b	--	$3230.9b	--	--
	GE	Factory Orders m/m	Jan	-0.3%	--	-0.7%	07:00	18:00
	US	**Fed's Brainard Speaks at International Banking Conference**					**18:00**	**05:00**
		Fed's Fischer Speaks at Annual NABE Conference in Washington					**18:00**	**05:00**
		Consumer Credit	Jan	$16.500b	--	$21.267b	20:00	07:00
Tuesday	NZ	ANZ Truckometer Heavy m/m	Feb	--	--	-4.3%	21:00	08:00
8-Mar		Mfg Activity sa q/q	Q4	--	--	4.2%	21:45	08:45
	AU	ANZ-Roy Morgan Weekly Consumer Confidence Index	06-Mar	--	--	111.3	22:30	09:30
		RBA's Phillip Lowe speaks in Adelaide on 'Resilience And Ongoing Challenges'					**23:20**	**10:20**
		NAB Business Confidence	Feb	--	--	2	00:30	11:30
	JN	Bank Lending Ex-Trusts y/y	Feb	2.4%	--	2.4%	23:50	10:50
		BoP Current Account Balance	Jan	¥700.0b	--	¥960.7b	23:50	10:50
		GDP Annualized sa q/q	Q4 F	-1.6%	--	-1.4%	23:50	10:50
		GDP sa q/q	Q4 F	-0.4%	--	-0.4%	23:50	10:50
		Trade Balance BoP Basis	Jan	-¥520.5b	--	¥188.7b	23:50	10:50
	CH	Exports y/y	Feb	-15.0%	-15.8%	-11.2%	--	--
		Imports y/y	Feb	-10.2%	-19.6%	-18.8%	--	--
		Trade Balance	Feb	$50.75b	$55.10b	$63.29b	--	--
	EA	GDP sa q/q	Q4 P	0.3%	--	0.3%	10:00	21:00
		GDP sa y/y	Q4 P	1.5%	--	1.5%	10:00	21:00
	GE	Industrial Production sa m/m	Jan	0.5%	--	-1.2%	07:00	18:00
	US	NFIB Small Business Optimism	Feb	94.1	--	93.9	11:00	22:00
	CA	Housing Starts	Feb	181.5k	--	165.9k	13:15	00:15
		Building Permits m/m	Jan	-0.8%	--	11.3%	13:30	00:30
Wednesday	AU	Westpac Consumer Conf Index	Mar	--	--	101.3	23:30	10:30
9-Mar		Home Loans m/m	Jan	-2.8%	-3.3%	2.6%	00:30	11:30
	JN	Money Stock M3 y/y	Feb	2.6%	--	2.5%	23:50	10:50
		Machine Tool Orders y/y	Feb P	--	--	-17.2%	06:00	17:00
	UK	Industrial Production m/m	Jan	0.4%	--	-1.1%	09:30	20:30
		Manufacturing Production m/m	Jan	0.2%	--	-0.2%	09:30	20:30
	US	MBA Mortgage Applications	04-Mar	--	--	-4.8%	12:00	23:00
	CA	**Bank of Canada Rate Decision**	**09-Mar**	**0.5%**	**--**	**0.5%**	**15:00**	**02:00**
10-14 Mar	NZ	REINZ House Sales y/y	Feb	--	--	4.3%	--	--
Thursday	NZ	**RBNZ Official Cash Rate**	**10-Mar**	**2.50%**	**2.50%**	**2.50%**	**20:00**	**07:00**
10-Mar		**RBNZ Governor Wheeler News Conference on OCR**					**20:05**	**07:05**
		RBNZ's Wheeler at Parliament Select Committee					**23:10**	**10:10**
	JN	PPI m/m	Feb	-0.3%	--	-0.9%	23:50	10:50
		PPI y/y	Feb	-3.4%	--	-3.1%	23:50	10:50
	CH	CPI y/y	Feb	1.8%	2.0%	1.8%	01:30	12:30
		PPI y/y	Feb	-4.9%	-5.0%	-5.3%	01:30	12:30
(10-15 Mar)		New Yuan loans CNY	Feb	1200.0b	1270.0b	2510.0b	--	--
		Aggregate Financing CNY	Feb	1790.0b	1780.0b	3420.0b	--	--
		Money Supply M2 YoY	Feb	13.7%	13.9%	14.0%	--	--
	EA	**ECB Deposit Facility Rate**	**10-Mar**	**-0.40%**	**--**	**-0.30%**	**12:45**	**23:45**
		ECB Main Refinancing Rate	**10-Mar**	**0.05%**	**--**	**0.05%**	**12:45**	**23:45**
	GE	Current Account Balance	Jan	17.0b	--	25.6b	07:00	18:00
		Exports sa m/m	Jan	0.8%	--	-1.4%	07:00	18:00
		Imports sa m/m	Jan	0.8%	--	-1.6%	07:00	18:00
		Labor Costs sa q/q	Q4	--	--	0.0%	07:00	18:00
	US	Initial Jobless Claims	05-Mar	275k	--	278k	13:30	00:30
		Monthly Budget Statement	Feb	-$200.0b	--	--	19:00	06:00
Friday	NZ	BusinessNZ Manufacturing PMI	Feb	--	--	57.9	21:30	08:30
11-Mar		Food Prices m/m	Feb	--	--	2.0%	21:45	08:45
	GE	CPI EU Harmonized m/m	Feb F	0.4%	--	0.4%	07:00	18:00
		CPI EU Harmonized y/y	Feb F	-0.2%	--	-0.2%	07:00	18:00
		CPI m/m	Feb F	0.4%	--	0.4%	07:00	18:00
		CPI y/y	Feb F	0.0%	--	0.0%	07:00	18:00
	UK	Construction Output sa m/m	Jan	0.2%	--	1.5%	09:30	20:30
		Trade Balance	Jan	-£3000	--	-£2709	09:30	20:30
	US	Import Price Index m/m	Feb	-0.8%	--	-1.1%	13:30	00:30
		Import Price Index y/y	Feb	-6.6%	--	-6.2%	13:30	00:30
	CA	Unemployment Rate	Feb	7.2%	--	7.2%	13:30	00:30
Saturday	CH	Industrial Production YTD y/y	Feb	5.6%	5.6%	6.1%	05:30	14:30
12-Mar		Retail Sales YTD y/y	Feb	10.9%	11.5%	10.7%	05:30	14:30
		Fixed Assets Ex Rural YTD YoY	Feb	9.4%	9.8%	10.0%	05:30	14:30

DATA AND FORECASTS

AUSTRALIAN ECONOMIC ACTIVITY

	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16	2014	2015	2016	2017
Real GDP (q/q, %)										
Consumption	0.9	0.8	**0.7**	**0.7**	**0.8**	**0.8**	2.8	2.8	**3.0**	**3.4**
Dwelling investment	1.9	2.2	**1.0**	**0.5**	**-0.1**	**-0.1**	7.4	9.5	**4.0**	**1.1**
Business investment*	-4.5	-2.7	**-3.9**	**-2.5**	**-1.6**	**-1.6**	-4.2	-8.9	**-11.2**	**-0.8**
Public demand*	-0.8	1.4	**0.5**	**0.9**	**0.9**	**0.9**	-0.7	1.9	**3.0**	**3.5**
Inventories (contribution)	-0.2	0.2	**0.0**	**0.0**	**0.0**	**0.0**	0.1	0.0	**0.1**	**0.0**
Gross national expenditure	-0.4	0.5	**0.0**	**0.4**	**0.4**	**0.4**	1.1	1.1	**1.0**	**2.7**
Exports	5.4	0.6	**1.7**	**1.3**	**1.5**	**1.5**	6.7	6.1	**5.9**	**6.8**
Imports	-2.3	0.6	**-1.2**	**-1.3**	**-0.8**	**-0.8**	-1.6	1.0	**-3.2**	**4.0**
Net exports (contribution)	1.6	0.0	**0.6**	**0.6**	**0.5**	**0.5**	1.7	1.1	**2.0**	**0.8**
GDP	1.1	0.6	**0.7**	**0.8**	**0.8**	**0.8**	2.6	2.5	**3.0**	**3.2**
Labour Market										
Unemployment rate (%)	6.2	5.8	**5.9**	**5.8**	**5.8**	**5.8**	6.1	6.1	**5.8**	**5.7**
Employment growth	0.6	1.0	**0.3**	**0.4**	**0.4**	**0.4**	0.7	1.9	**2.1**	**1.7**
Wages (WPI)	0.6	0.5	**0.5**	**0.5**	**0.6**	**0.6**	2.5	2.2	**2.1**	**2.4**
Inflation										
Headline	0.5	0.4	**0.1**	**0.5**	**0.6**	**0.6**	2.5	1.5	**1.6**	**2.3**
Core (Avg. RBA measures)	0.3	0.5	**0.5**	**0.5**	**0.4**	**0.4**	2.5	2.2	**1.9**	**2.1**
External Sector										
Terms of trade	-2.5	-3.2	**-1.7**	**-1.2**	**0.3**	**0.3**	-7.4	-11.4	**-6.7**	**2.4**
Current account balance**	-4.6	-5.1	**-4.6**	**-4.4**	**-4.0**	**-4.0**	-3.0	-4.6	**-4.1**	**-3.5**

Forecasts in bold. Annual data and forecasts are year-averages. * Net of second-hand asset transfers. ** % of GDP

COMMODITY PRICES

	Units	Current	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17
Base Metals										
Copper	USD/t	5,037	4,200	4,600	4,800	5,000	5,500	5,600	5,800	6,000
Aluminium	USD/t	1,605	1,450	1,525	1,563	1,600	1,600	1,650	1,700	1,850
Nickel	USD/t	9,317	8,500	9,000	9,250	9,500	11,500	12,000	13,500	15,000
Zinc	USD/t	1,852	1,550	1,663	1,719	1,775	1,800	1,900	2,000	2,100
Precious Metals										
Gold	USD/oz	1,259	1130	1190	1220	1250	1250	1300	1350	1400
Silver	USD/oz	16	14.9	15.5	16.3	16.6	16.6	17.2	17.8	18.5
Platinum	USD/oz	979	850	860	875	880	900	900	900	900
Palladium	USD/oz	555	480	525	550	550	600	750	775	800
Energy										
WTI crude	USD/bbl	36	28	34	37	40	45	48	51	53
Brent crude	USD/bbl	38	29	34	37	40	45	48	51	53
Bulks**										
Iron ore	USD/t	54	35	40	43	45	50	52	52	55
Coking coal	USD/t	78	81	80	83	85	85	88	90	92
Thermal coal	USD/t	51	45	48	49	50	50	55	58	60
Agriculture										
Corn	USc/bu	355	370	400	350	360	390	400	370	360
Wheat	USc/bu	455	480	520	530	540	610	590	600	610
Soybeans	USc/bu	871	860	870	860	940	980	920	910	990
Cotton	USc/lb	65	67	64	63	67	70	69	68	72
Sugar	USc/lb	15	13.9	15.7	15.2	16.8	17.9	16.7	16.2	17.0
Live cattle	USc/lb	136	128	119	115	123	121	114	110	117

Agriculture forecast are period averages, all others are end-period.

** Iron ore is spot price (62% fines) including freight to Qingdao Port, China.

** Coking coal is Australian coking coal free on board price. Thermal coal is Newcastle futures contract.

DATA AND FORECASTS

FINANCIAL MARKETS

	Current	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17
Interest Rates (%)									
RBA cash rate	2.00	2.00	1.75	1.50	1.50	1.50	1.50	1.50	1.50
90-day bank bill	2.32	2.21	2.27	2.38	2.37	2.36	2.36	2.35	2.35
3-year bond	1.90	2.02	2.01	2.01	2.00	2.13	2.25	2.38	2.50
10-year bond	2.55	3.09	3.30	3.40	3.50	3.50	3.50	3.50	3.50
Curve - 3s10s (bps)	65	107	129	139	150	138	125	113	100
10-yr spread to US (bps)	68	59	70	70	70	65	60	55	50
3y swap	2.15	2.10	2.10	2.20	2.30	2.44	2.58	2.71	2.85
5y swap	2.40	2.32	2.55	2.68	2.80	2.95	3.10	3.25	3.40
10y swap	2.70	3.19	3.30	3.40	3.50	3.58	3.65	3.73	3.80
RBNZ cash rate	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.75	3.00
US fed funds	0.50	0.50	0.75	1.00	1.25	1.25	1.50	1.75	1.75
US 2-year note	0.86	1.17	1.36	1.53	1.53	1.53	1.53	1.53	1.53
US 10-year note	1.87	2.50	2.60	2.70	2.80	2.85	2.90	2.95	3.00
ECB refi rate	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
BoE Bank Rate	0.50	0.50	0.50	0.75	1.00	1.00	1.25	1.50	1.50
Foreign Exchange									
AUD/USD	0.74	0.67	0.65	0.64	0.64	0.65	0.66	0.68	0.70
AUD/EUR	0.67	0.63	0.62	0.59	0.58	0.58	0.57	0.57	0.57
AUD/GBP	0.52	0.49	0.48	0.44	0.42	0.42	0.42	0.43	0.43
AUD/JPY	84.4	73.7	68.3	67.2	67.2	65.0	66.0	68.0	70.0
AUD/CNY	4.82	4.39	4.29	4.26	4.29	4.37	4.46	4.60	4.76
AUD/NZD	1.09	1.06	1.07	1.08	1.08	1.08	1.08	1.08	1.08
AUD/CHF	0.74	0.68	0.67	0.65	0.65	0.64	0.64	0.63	0.64
AUD/IDR	9724	9514	9360	9344	9472	9653	9834	10166	10500
AUD/INR	49.68	45.36	44.20	43.65	43.84	44.66	45.54	47.12	48.65
AUD/KRW	891	811	800	794	800	819	838	870	903
USD/JPY	114	110	105	105	105	100	100	100	100
EUR/USD	1.10	1.07	1.05	1.08	1.10	1.12	1.15	1.20	1.22
USD/CNY	6.51	6.55	6.60	6.65	6.70	6.72	6.75	6.77	6.80
AUD TWI	62.90	57.80	56.24	55.35	55.37	55.76	56.54	58.00	59.64

Bond yields are on government-issued securities at constant maturity. Forecasts are for quarter-end.

The distribution of this document or streaming of this video broadcast (as applicable, "publication") may be restricted by law in certain jurisdictions. Persons who receive this publication must inform themselves about and observe all relevant restrictions.
Disclaimer for all jurisdictions, where content is authored by ANZ Research: Except if otherwise specified below, this publication is issued and distributed in your country/region by Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) ("ANZ"), on the basis that it is only for the information of the specified recipient or permitted user of the relevant website (collectively, "recipient"). This publication may not be reproduced, distributed or published by any recipient for any purpose. It is general information and has been prepared without taking into account the objectives, financial situation or needs of any person. Nothing in this publication is intended to be an offer to sell, or a solicitation of an offer to buy, any product, instrument or investment, to effect any transaction or to conclude any legal act of any kind. If, despite the foregoing, any services or products referred to in this publication are deemed to be offered in the jurisdiction in which this publication is received or accessed, no such service or product is intended for nor available to persons resident in that jurisdiction if it would be contradictory to local law or regulation. Such local laws, regulations and other limitations always apply with non-exclusive jurisdiction of local courts. Certain financial products may be subject to mandatory clearing, regulatory reporting and/or other related obligations. These obligations may vary by jurisdiction and be subject to frequent amendment. Before making an investment decision, recipients should seek independent financial, legal, tax and other relevant advice having regard to their particular circumstances. The views and recommendations expressed in this publication are the author's. They are based on information known by the author and on sources which the author believes to be reliable, but may involve material elements of subjective judgement and analysis. Unless specifically stated otherwise: they are current on the date of this publication and are subject to change without notice; and, all price information is indicative only. Any of the views and recommendations which comprise estimates, forecasts or other projections, are subject to significant uncertainties and contingencies that cannot reasonably be anticipated. On this basis, such views and recommendations may not always be achieved or prove to be correct. Indications of past performance in this publication will not necessarily be repeated in the future. No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided. Additionally, this publication may contain 'forward looking statements'. Actual events or results or actual performance may differ materially from those reflected or contemplated in such forward looking statements. All investments entail a risk and may result in both profits and losses. Foreign currency rates of exchange may adversely affect the value, price or income of any products or services described in this publication. The products and services described in this publication are not suitable for all investors, and transacting in these products or services may be considered risky. ANZ and its related bodies corporate and affiliates, and the officers, employees, contractors and agents of each of them (including the author) ("Affiliates"), do not make any representation as to the accuracy, completeness or currency of the views or recommendations expressed in this publication. Neither ANZ nor its Affiliates accept any responsibility to inform you of any matter that subsequently comes to their notice, which may affect the accuracy, completeness or currency of the information in this publication. Except as required by law, and only to the extent so required: neither ANZ nor its Affiliates warrant or guarantee the performance of any of the products or services described in this publication or any return on any associated investment; and, ANZ and its Affiliates expressly disclaim any responsibility and shall not be liable for any loss, damage, claim, liability, proceedings, cost or expense ("Liability") arising directly or indirectly and whether in tort (including negligence), contract, equity or otherwise out of or in connection with this publication. If this publication has been distributed by electronic transmission, such as e-mail, then such transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. ANZ and its Affiliates do not accept any Liability as a result of electronic transmission of this publication. ANZ and its Affiliates may have an interest in the subject matter of this publication as follows: They may receive fees from customers for dealing in the products or services described in this publication, and their staff and introducers of business may share in such fees or receive a bonus that may be influenced by total sales. They or their customers may have or have had interests or long or short positions in the products or services described in this publication, and may at any time make purchases and/or sales in them as principal or agent. They may act or have acted as market-maker in products described in this publication.
ANZ and its Affiliates may rely on information barriers and other arrangements to control the flow of information contained in one or more business areas within ANZ or within its Affiliates into other business areas of ANZ or of its Affiliates. Please contact your ANZ point of contact with any questions about this publication including for further information on these disclosures of interest.
Country/region specific information: Australia. This publication is distributed in Australia by ANZ. ANZ holds an Australian Financial Services licence no. 234527. A copy of ANZ's Financial Services Guide is available at http://www.anz.com/documents/AU/aboutANZ/FinancialServicesGuide.pdf and is available upon request from your ANZ point of contact. If trading strategies or recommendations are included in this publication, they are solely for the information of 'wholesale clients' (as defined in section 761G of the Corporations Act 2001 Cth). Persons who receive this publication must inform themselves about and observe all relevant restrictions. **Brazil.** This publication is distributed in Brazil by ANZ on a cross border basis and only following request by the recipient. No securities are being offered or sold in Brazil under this publication, and no securities have been and will not be registered with the Securities Commission - CVM. **Brunei. Japan. Kuwait. Malaysia. Switzerland. Taiwan.** This publication is distributed in each of Brunei, Japan, Kuwait, Malaysia, Switzerland and Taiwan by ANZ on a cross-border basis. **Cambodia.** APS222 Disclosure. The recipient acknowledges that although ANZ Royal Bank (Cambodia) Ltd. is a subsidiary of ANZ, it is a separate entity to ANZ and the obligations of ANZ Royal Bank (Cambodia) Ltd. do not constitute deposits or other liabilities of ANZ and ANZ is not required to meet the obligations of ANZ Royal Bank (Cambodia) Ltd. **European Economic Area ("EEA"): United Kingdom.** ANZ in the United Kingdom is authorised by the Prudential Regulation Authority ("PRA"). Subject to regulation by the Financial Conduct Authority ("FCA") and limited regulation by the PRA. Details about the extent of our regulation by the PRA are available from us on request. This publication is distributed in the United Kingdom by ANZ solely for the information of persons who would come within the FCA definition of "eligible counterparty" or "professional client". It is not intended for and must not be distributed to any person who would come within the FCA definition of "retail client". Nothing here excludes or restricts any duty or liability to a customer which ANZ may have under the UK Financial Services and Markets Act 2000 or under the regulatory system as defined in the Rules of the PRA and the FCA. **Germany.** This publication is distributed in Germany by the Frankfurt Branch of ANZ solely for the information of its clients. **Other EEA countries.** This publication is distributed in the EEA by ANZ Bank (Europe) Limited ("ANZBEL") which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, to persons who would come within the FCA definition of "eligible counterparty" or "professional client" in other countries in the EEA. This publication is distributed in those countries solely for the information of such persons upon their request. It is not intended for, and must not be distributed to, any person in those countries who would come within the FCA definition of "retail client". **Fiji.** For Fiji regulatory purposes, this publication and any views and recommendations are not to be deemed as investment advice. Fiji investors must seek licensed professional advice should they wish to make any investment in relation to this publication. **Hong Kong.** This publication is distributed in Hong Kong by the Hong Kong branch of ANZ, which is registered at the Hong Kong Monetary Authority to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities. The contents of this publication have not been reviewed by any regulatory authority in Hong Kong. If in doubt about the contents of this publication, you should obtain independent professional advice. **India.** This publication is distributed in India by ANZ on a cross-border basis. If this publication is received in India, only you (the specified recipient) may print it provided that before doing so, you specify on it your name and place of printing. Further copying or duplication of this publication is strictly prohibited.

Myanmar. This publication is intended to be of a general nature as part of customer service and marketing activities provided by ANZ in the course of implementing its functions as a licensed bank. This publication does not take into account your financial situation or goals and is not Securities Investment Advice (as that term is defined in the Myanmar Securities Transaction Law 2013). The contents of this publication have not been reviewed by any regulatory authority in Myanmar. If in doubt about the contents of this publication, you should obtain independent professional advice. **New Zealand.** This publication is intended to be of a general nature, does not take into account your financial situation or goals, and is not a personalised adviser service under the Financial Advisers Act 2008. **Oman.** This publication has been prepared by ANZ. ANZ neither has a registered business presence nor a representative office in Oman and does not undertake banking business or provide financial services in Oman. Consequently ANZ is not regulated by either the Central Bank of Oman or Oman's Capital Market Authority. The information contained in this publication is for discussion purposes only and neither constitutes an offer of securities in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy non-Omani securities in Oman as contemplated by Article 139 of the Executive Regulations to the Capital Market Law (issued vide CMA Decision 1/2009). ANZ does not solicit business in Oman and the only circumstances in which ANZ sends information or material describing financial products or financial services to recipients in Oman, is where such information or material has been requested from ANZ and by receiving this publication, the person or entity to whom it has been dispatched by ANZ understands, acknowledges and agrees that this publication has not been approved by the CBO, the CMA or any other regulatory body or authority in Oman. ANZ does not market, offer, sell or distribute any financial or investment products or services in Oman and no subscription to any securities, products or financial services may or will be consummated within Oman. Nothing contained in this publication is intended to constitute Omani investment, legal, tax, accounting or other professional advice.
People's Republic of China ("PRC"). Recipients must comply with all applicable laws and regulations of PRC, including any prohibitions on speculative transactions and CNY/CNH arbitrage trading. If and when the material accompanying this document is distributed by Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) ("ANZ") or an affiliate (other than Australia and New Zealand Bank (China) Company Limited ("ANZ C")), the following statement and the text below is applicable: No action has been taken by ANZ or any affiliate which would permit a public offering of any products or services of such an entity or distribution or re-distribution of this document in the PRC. Accordingly, the products and services of such entities are not being offered or sold within the PRC by means of this document or any other document. This document may not be distributed, re-distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations. If and when the material accompanying this document relates to the products and/or services of ANZ C, the following statement and the text below is applicable: This document is distributed by ANZ C in the Mainland of the PRC. **Qatar.** This publication has not been, and will not be: lodged or registered with, or reviewed or approved by, the Qatar Central Bank ("QCB"), the Qatar Financial Centre ("QFC") Authority, QFC Regulatory Authority or any other authority in the State of Qatar ("Qatar"); or authorised or licensed for distribution in Qatar, and the information contained in this publication does not, and is not intended to, constitute a public offer or other invitation in respect of securities in Qatar or the QFC. The financial products or services described in this publication have not been & will not be: registered with the QCB, QFC Authority, QFC Regulatory Authority or any other governmental authority in Qatar; or authorised or licensed for offering, marketing, issue or sale, directly or indirectly, in Qatar.
Accordingly, the financial products or services described in this publication are not being, and will not be, offered, issued or sold in Qatar, and this publication is not being, and will not be, distributed in Qatar. The offering, marketing, issue and sale of the financial products or services described in this publication and distribution of this publication is being made in, and is subject to the laws, regulations and rules of, jurisdictions outside of Qatar and the QFC. Recipients of this publication must abide by this restriction and not distribute this publication in breach of this restriction. This publication is being sent/issued to a limited number of institutional and/or sophisticated investors (i) upon their request and confirmation that they understand the statements above; and (ii) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose. **Singapore.** This publication is distributed in Singapore by the Singapore branch of ANZ solely for the information of "accredited investors", "expert investors" or (as the case may be) "institutional investors" (each term as defined in the Securities and Futures Act Cap. 289 of Singapore). ANZ is licensed in Singapore under the Banking Act Cap. 19 of Singapore and is exempted from holding a financial adviser's licence under Section 23(1)(a) of the Financial Advisers Act Cap. 100 of Singapore. In respect of any matters arising from, or in connection with the distribution of this publication in Singapore, contact your ANZ point of contact. **United Arab Emirates.** This publication is distributed in the United Arab Emirates ("UAE") or the Dubai International Financial Centre (as applicable) by ANZ. This publication: does not, and is not intended to constitute an offer of securities anywhere in the UAE; does not constitute, and is not intended to constitute the carrying on or engagement in banking, financial and/or investment consultation business in the UAE under the rules and regulations made by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or the United Arab Emirates Ministry of Economy; does not, and is not intended to constitute an offer of securities within the meaning of the Dubai International Financial Centre Markets Law No. 12 of 2004; and, does not constitute, and is not intended to constitute, a financial promotion, as defined under the Dubai International Financial Centre Regulatory Law No. 1 of 200. ANZ DIFC Branch is regulated by the Dubai Financial Services Authority ("DFSA"). The financial products or services described in this publication are only available to persons who qualify as "Professional Clients" or "Market Counterparty" in accordance with the provisions of the DFSA rules. In addition, ANZ has a representative office ("ANZ Representative Office") in Abu Dhabi regulated by the Central Bank of the United Arab Emirates. ANZ Representative Office is not permitted by the Central Bank of the United Arab Emirates to provide any banking services to clients in the UAE.
United States. If and when this publication is received by any person in the United States or a "U.S. person" (as defined in Regulation S under the US Securities Act of 1933, as amended) ("US Person") or any person acting for the account or benefit of a US Person, it is noted that ANZ Securities, Inc. ("ANZ S") is a member of FINRA (www.finra.org) and registered with the SEC. ANZ S' address is 277 Park Avenue, 31st Floor, New York, NY 10172, USA (Tel: +1 212 801 9160 Fax: +1 212 801 9163). Except where this is an FX-related publication, this publication is distributed in the United States by ANZ S (a wholly owned subsidiary of ANZ), which accepts responsibility for its content. Information on any securities referred to in this publication may be obtained from ANZ S upon request. Any US Person receiving this publication and wishing to effect transactions in any securities referred to in this publication must contact ANZ S, not its affiliates. Where this is an FX-related publication, it is distributed in the United States by ANZ's New York Branch, which is also located at 277 Park Avenue, 31st Floor, New York, NY 10172, USA (Tel: +1 212 801 9160 Fax: +1 212 801 9163). Commodity-related products are not insured by any U.S. governmental agency, and are not guaranteed by ANZ or any of its affiliates. Transacting in these products may involve substantial risks and could result in a significant loss. You should carefully consider whether transacting in commodity-related products is suitable for you in light of your financial condition and investment objectives. ANZ S is authorised as a broker-dealer only for US Persons who are institutions, not for US Persons who are individuals. If you have registered to use this website or have otherwise received this publication and are a US Person who is an individual: to avoid loss, you should cease to use this website by unsubscribing or should notify the sender and you should not act on the contents of this publication in any way. **Vietnam.** This publication is distributed in Vietnam by ANZ or ANZ Bank (Vietnam) Limited, a subsidiary of ANZ. Please note that the contents of this publication have not been reviewed by any regulatory authority in Vietnam. If you are in any doubt about any of the contents of this publication, you should obtain independent professional advice.
V1.2016