

## Summary of forecasts – Australia (bank year)

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|                          | 2006 | 2007 | 2008 | 2009 |
|--------------------------|------|------|------|------|
| <b>GDP</b>               | 2.8  | 3.9  | 3.9  | 3.7  |
| <b>Inflation</b>         | 3.4  | 2.4  | 3.2  | 2.7  |
| <b>Unemployment</b> (a)  | 4.7  | 4.3  | 4.3  | 3.9  |
| <b>Cash rate</b> (b)     | 6.00 | 6.50 | 7.25 | 7.25 |
| <b>10-year bonds</b> (b) | 5.5  | 6.1  | 6.7  | 7.1  |
| <b>A\$/US\$</b> (c)      | 0.75 | 0.88 | 0.93 | 0.82 |
| <b>Credit</b> (d)        | 14.7 | 15.9 | 12.6 | 10.7 |
| - <b>Housing</b>         | 14.7 | 11.7 | 12.0 | 11.5 |
| - <b>Business</b>        | 15.7 | 23.3 | 14.2 | 9.9  |
| - <b>Other</b>           | 11.1 | 11.4 | 8.8  | 9.3  |

\* All data and forecasts are on a bank year (ie. ended 30 September) basis.

(a) % of labour force, end September. (b) % per annum, end September.

(c) End September. (d) Year ended September quarter.

## Summary of forecasts – New Zealand (bank year)

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| September Years                      | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------------------------|------|------|------|------|------|
| <b>GDP</b>                           | 1.7  | 2.7  | 1.7  | 2.4  | 3.5  |
| <b>Inflation</b>                     | 3.5  | 2.1  | 2.7  | 2.6  | 2.5  |
| <b>Unemployment</b> (Sept qtr, s.a.) | 3.8  | 3.7  | 4.1  | 4.3  | 4.4  |
| <b>Current Account</b> (% GDP)       | -9.2 | -8.2 | -6.8 | -6.8 | -6.5 |
| <b>90 day bank bill</b> (Sept mth)   | 7.6  | 8.8  | 8.0  | 7.0  | 7.0  |
| <b>10 year bond rate</b> (Sept mth)  | 5.8  | 6.2  | 6.5  | 6.7  | 6.4  |
| <b>NZD/USD</b> (Sept month)          | 0.65 | 0.72 | 0.70 | 0.61 | 0.59 |
| <b>NZD/AUD</b> (Sept month)          | 0.87 | 0.85 | 0.76 | 0.77 | 0.82 |
| <b>AUD/NZD</b> (Sept month)          | 1.16 | 1.18 | 1.31 | 1.30 | 1.22 |
| <b>Credit Growth (PSC)</b>           | 13.2 | 14.1 | 9.2  | 9.1  | 9.8  |
| - Housing                            | 14.1 | 13.7 | 9.5  | 9.3  | 10.3 |
| - Business                           | 14.7 | 14.6 | 9.1  | 9.1  | 9.4  |
| - Personal                           | 4.3  | 5.6  | 5.5  | 7.3  | 8.0  |

Interest rates and exchange rates are for September month end