

WESTPAC CARD TRACKER

22 DECEMBER 2022.

WESTPAC INSTITUTIONAL BANK

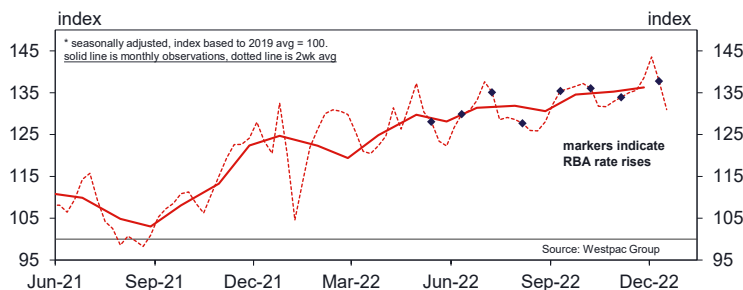


Card activity cools after strong start to Christmas sales



- The **Westpac Card Tracker Index** retraced sharply over the two weeks to Dec 17, a 13.6pt fall to 133.2 unwinding all of the gain over the previous two weeks. Much of the variation looks to be ‘residual seasonality’ relating to the Black Friday and ‘Cyber-week’ sales. As noted in [our last report](#), its not yet possible to seasonally adjust weekly results with complete precision and extra care needs to be taken around periods with large weekly swings. Looking through these as best we can, underlying growth momentum still seems to be holding at a relatively firm pace despite some slowing. However, much will depend on the final wash-up from Christmas and the extent to which conditions cool in the new year.
- Our last report for 2022 finds ‘discretionary goods’ spend in full seasonal swing, albeit running a touch softer than previous years after a strong start that was in line with 2019, 2020 and 2021.
- Other segments have been relatively steady. ‘Discretionary services’ continues to post moderate gains – a lift in ‘hospitality’ offsetting some cooling in travel and other segments, all likely buffeted by seasonal effects. ‘Essential goods’ has seen some pick-up, led by pharmacies and food. ‘Essential services’ has softened a touch, education-related spend in particular but seasonality again a likely factor. All states saw activity retrace, with declines slightly more pronounced in NSW and Vic which both continue to track at a weaker level. Higher interest rates may be biting more heavily in these states.
- Our tracker reports will take a break over the Christmas hiatus, resuming next year with an update on Jan 12 that will include card data up to Jan 7. This will offer the first complete view of how activity has performed over the full Christmas-New Year period.

1. Westpac Card Tracker Index*



* revised measure - see p9 for more details on recent changes to the Index.

“... much will depend on the final wash-up from Christmas and the extent to which conditions cool in the new year.”

The **Westpac Card Tracker** presents indicators based on the millions of credit and debit card transactions processed by Westpac every day. The measures are a timely guide to shifts in spending. See p9 for a full explanation.

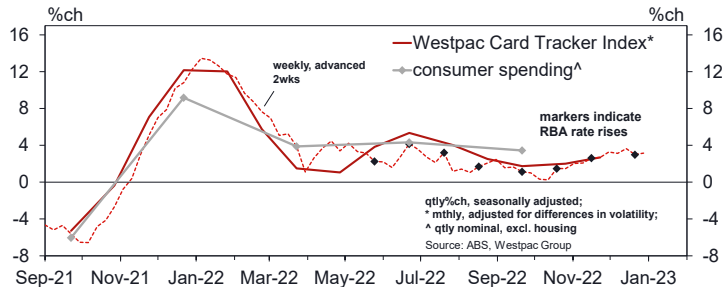
This report is produced by Westpac Economics.
Matthew Hassan, Senior Economist
Email: economics@westpac.com.au
This issue was finalised on 22 December 2022.

If you would like more insights into your sector or your own business from this and other Westpac data please visit [Westpac DataX](#) or contact datax@westpac.com.au.

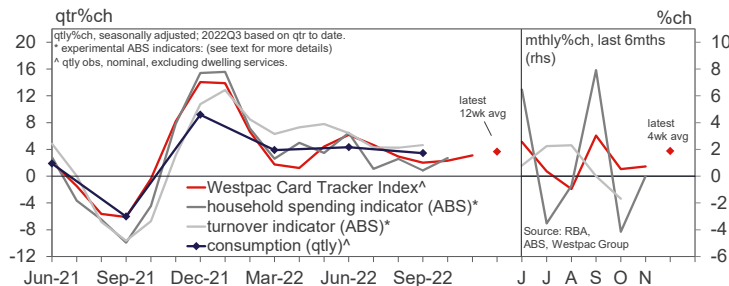
Quarterly signal still tracking a 3-3.5% nominal pace



2. Card activity and spending: growth momentum



3. Consumer spending: selected indicators



- In terms of the quarterly growth signal, the retracement in the index over the last two weeks has mostly offset the gains in the previous two weeks.
- Chart 2 shows the quarterly growth signal from the **Westpac Card Tracker Index** is still broadly in line with a 3-3.5%qtr pace for Q4, latest results a touch softer but not showing a decisive shift. This is in line with the nominal spending gain of 3.4% reported in the Q3 national accounts (see [here](#) for more).
- Other broad nominal indicators - the monthly ABS household spending and business turnover indicators - are available to Oct with Nov updates due on Jan 10 and Jan 20 respectively. Amongst the 'partial' measures, Nov retail estimates will be out on Jan 11, with Nov fuel spend and Dec vehicle also likely to be out slightly before then.

qtly%ch	Q2	Q3	Q4	latest
Westpac Card Tracker*	6.2	2.0	2.7	3.6
Other indicators (nominal)				
Household spending*	6.5	0.8	n.a.	n.a.
Turnover*	6.4	4.6	n.a.	n.a.
Consumer spending (qtly)#				
Nominal	4.3	3.4	n.a.	n.a.
Real	2.5	1.3	n.a.	n.a.

All series are seasonally adjusted, latest is latest weekly obs (12wks %ch on previous 12wks) or latest monthly obs (3mths %ch on previous 3mths). See p9 for more details.

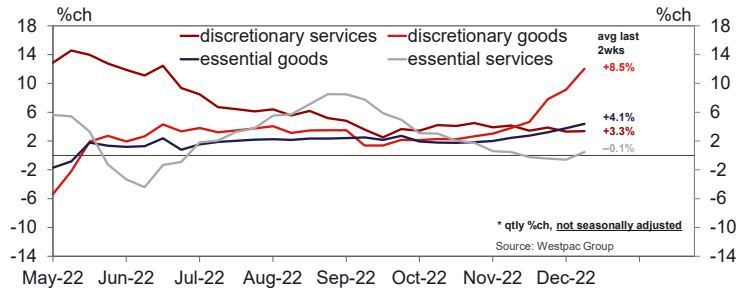
* ABS experimental measures. Household spending indicator based on bank transaction data (seasonally adjusted by Westpac). Turnover based on BAS returns for consumer-sector businesses; #Consumer spending excludes housing costs.

Sources: ABS, Westpac Group

Discretionary spend cools ahead of last Christmas flurry

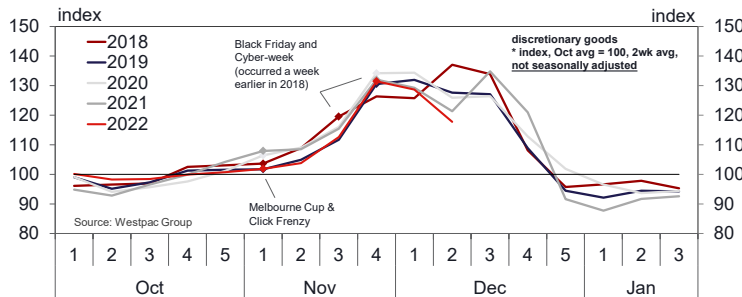


4. Card activity by major category: seasonal surge



- The category and state breakdowns – neither of which are available in seasonally adjusted terms – are understandably being dominated by Christmas-related seasonal surges. ‘Discretionary goods’ is dominating with quarterly growth in this segment surging to 12%, comparable to the 16% gain this time last year, albeit a touch cooler. Chart 5 shows this year’s profile compared to the previous four years, sales indexed to 100 as the Oct month average. The initial seasonal uplift was very similar to 2019, 2020 and 2021 but has cooled off a little more over the last two weeks.
- Conditions have been steadier across other segments with some lift in ‘essential goods’ and ‘essential services’ but flat growth for ‘discretionary services’.

5. Christmas sales periods: 2022 vs history



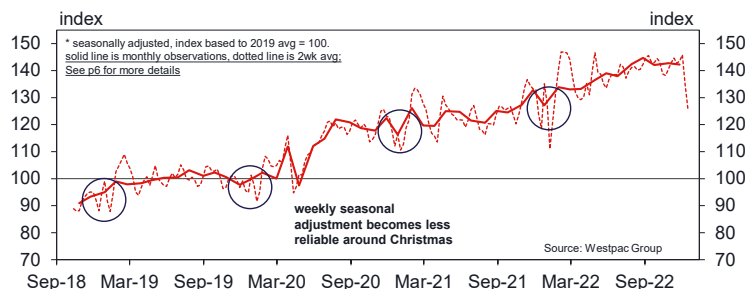
	Oct	Nov	Dec [^]	17/12
Westpac Card Tracker*	135.3	136.3	136.3	133.2
By category (not seasonally adjusted)				
– discretionary	141.1	143.4	155.2	152.5
– essential	134.1	134.4	142.8	140.6
By state (not seasonally adjusted)				
– NSW	134.8	137.7	148.0	145.0
– Vic	138.9	141.1	152.2	149.8
– Qld	146.5	149.6	160.6	158.2
– WA	142.9	144.7	155.5	153.5
– SA	145.2	146.7	159.2	156.7

All indexes based on the value of spending-related transactions, 2019 avg=100, see p9 for more details incl. classifications. * Headline index is seasonally adjusted, all other indexes are unadjusted; [^]month to date.
Sources: ABS, Westpac Group

Sharp fall in retail could be more than just seasonal?

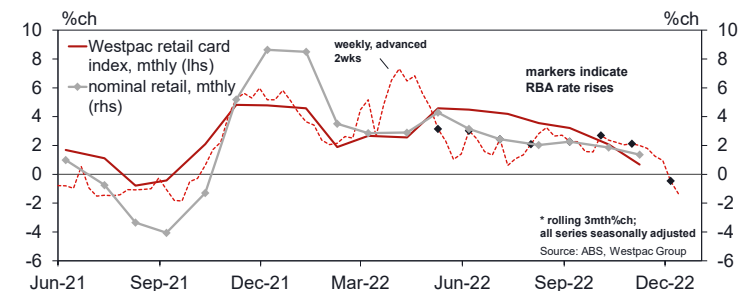


6. Card activity: retail



- Our retail card index was more subdued through the late Nov/early Dec run up and has shown a bigger drop over the last two weeks, down 18.4pts to 127.1 with the weakest two week avg since mid-Jan. However, seasonal warnings apply doubly for this segment with Christmas producing a 25-30% surge in sales in the month and often high week to weak volatility in our weekly adjusted measure (see Chart 6).
- While the latest pull-back is sharp and seems to be larger than previous Christmas variations, these caveats suggest it stops short of a 'canary in the coal mine' signal of a sudden stop. Again we will need several more weeks to be able to assess what's happening. However, the underlying growth pulse does look to be softer for retail segments than for card activity overall.

7. Retail card transactions vs ABS retail sales



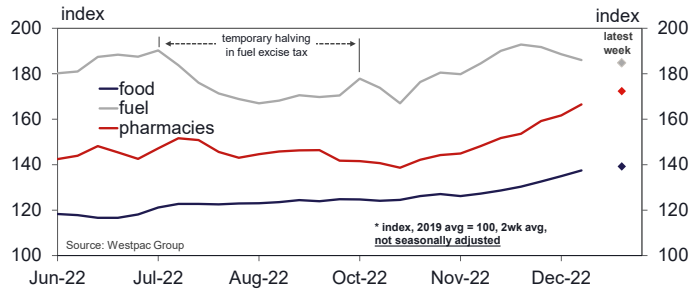
	Oct	Nov	Dec^	17/12
By retail/non retail				
Retail card index*	142.1	142.8	131.0	126.6
– qtly%ch	2.1	0.7	-3.0	-1.3
– qtly, ann%ch	14.1	11.1	7.3	9.1
Non-retail card index	127.7	129.1	142.2	140.7
ABS retail sales				
– %ch	-0.2	n.a.	n.a.	n.a.
– ann%ch	12.5	n.a.	n.a.	n.a.
– qtly%ch	1.9	n.a.	n.a.	n.a.
– qtly ann%ch	16.5	n.a.	n.a.	n.a.

All indexes based on the value of spending-related transactions, 2019 avg=100, see p9 for more details. Retail card index seasonally adjusted using ABS series. All other indexes are not seasonally unadjusted; ^month to date. Sources: ABS, Westpac Group

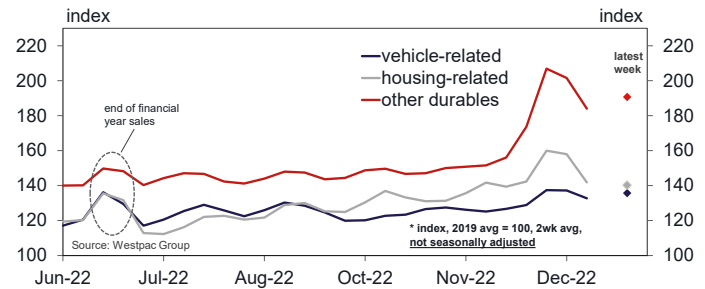
Detailed charts



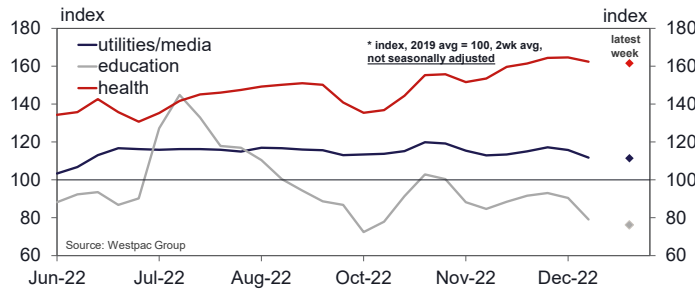
8. Card activity: essential goods



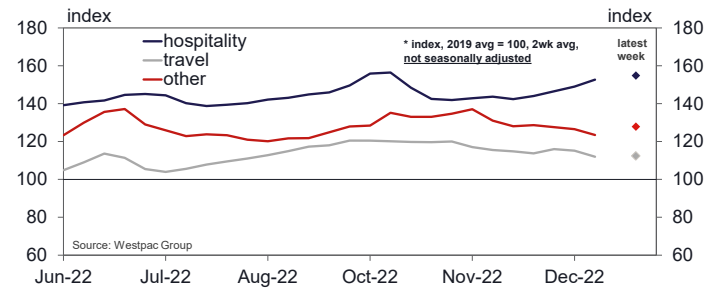
9. Card activity: discretionary goods



10. Card activity: essential services



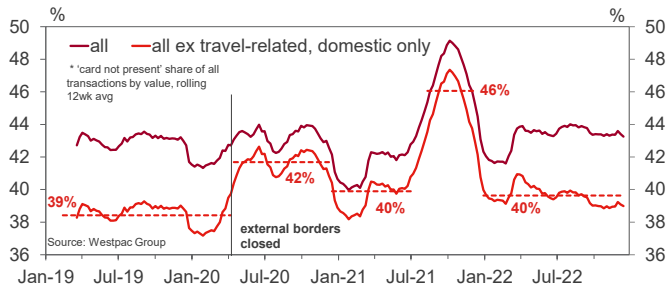
11. Card activity: discretionary services



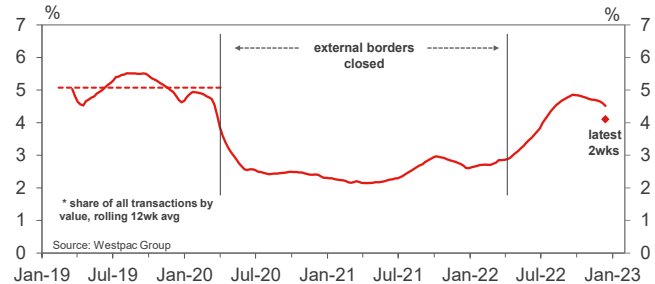
Detailed charts



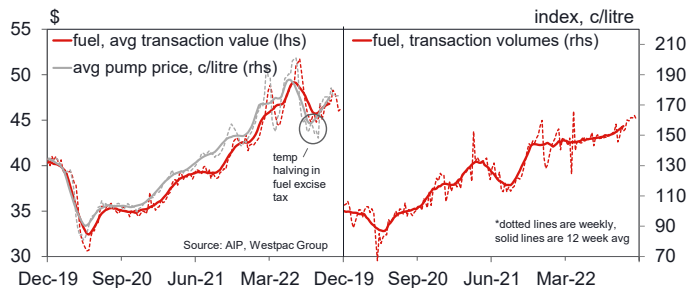
12. Card transactions: online share



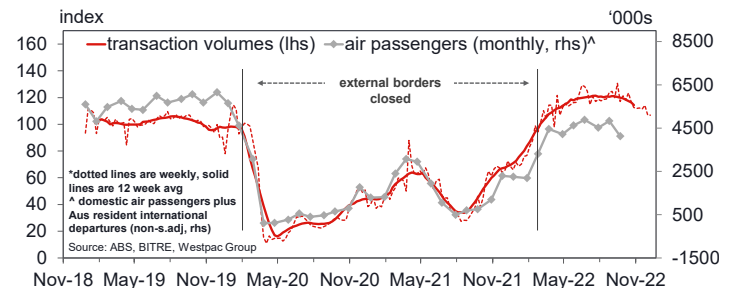
13. Card transactions: international share



14. Card transactions: petrol vs pump price



15. Card transactions: travel vs passenger flights



Westpac card indicators*



	2020	2021	2022				week ending:								
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Oct	Nov	Dec^	26/11	3/12	10/12	17/12
Westpac Card Tracker Index	107.9	109.8	112.1	105.3	120.1	122.2	129.7	132.3	135.3	136.3	136.3	140.3	146.8	128.8	133.2
qtly%ch	5.8	1.8	2.1	-6.1	14.1	1.7	6.2	2.0	2.3	3.1	2.7	3.6	4.2	3.5	3.6
qtly, ann%ch	7.8	8.9	23.7	3.3	11.3	11.2	15.7	25.7	23.5	18.2	13.2	18.0	16.7	15.7	14.4
By category (not seasonally adjusted)															
- discretionary	113.6	103.5	108.9	100.2	127.3	115.1	127.6	134.4	141.1	143.4	155.2	148.9	167.7	145.5	152.5
- essential	112.1	108.5	109.3	116.4	123.6	121.1	123.9	130.9	134.1	134.4	142.8	137.9	141.2	139.1	140.6
services	92.1	95.2	98.7	86.2	103.8	106.5	120.1	128.9	134.9	128.5	133.2	128.1	134.7	128.1	131.5
- discretionary services	88.4	90.9	95.7	78.2	101.7	104.4	122.1	130.3	137.5	129.7	134.7	128.3	135.3	129.0	134.1
- essential services	103.0	108.3	107.7	109.9	110.2	113.1	114.1	124.8	127.4	125.0	128.5	127.4	133.0	125.5	123.6
goods	131.1	113.8	117.8	122.9	145.0	126.4	131.6	136.8	141.8	150.2	165.9	159.5	178.4	156.3	162.7
- discretionary goods	142.7	118.0	124.0	125.7	157.0	127.5	133.9	139.1	145.3	159.1	178.8	172.7	205.0	164.6	173.6
- essential goods	116.5	108.6	110.1	119.5	130.1	124.9	128.6	133.9	137.4	139.0	149.8	143.0	145.2	145.8	148.9
retail^	118.9	121.7	123.8	123.3	129.1	132.6	138.5	143.0	142.1	142.8	131.0	146.8	145.6	123.3	126.6
qtly%ch	-1.1	2.4	1.7	-0.4	4.8	2.7	4.5	3.2	2.1	0.7	-3.0	1.2	1.0	-0.5	-1.3
qtly, ann%ch	19.6	15.4	14.0	2.6	8.7	8.9	11.9	16.0	14.1	11.1	7.3	11.0	10.4	9.9	9.1

By state (not seasonally adjusted)

- NSW	112.6	103.2	108.4	98.9	124.8	114.7	124.6	130.2	134.8	137.7	148.0	143.0	156.6	140.6	145.0
- Vic	111.8	105.8	108.1	103.1	127.1	119.4	127.9	133.3	138.9	141.1	152.2	146.1	162.0	143.5	149.8
- Qld	119.3	109.6	113.8	117.8	131.7	120.8	131.6	140.7	146.5	149.6	160.6	155.1	168.3	152.4	158.2
- WA	116.2	107.3	111.3	117.7	129.4	119.5	127.1	135.1	142.9	144.7	155.5	150.8	161.7	147.9	153.5
- SA	119.0	110.8	114.2	117.3	132.0	121.0	131.0	138.8	145.2	146.7	159.2	152.5	169.0	150.5	156.7

All indexes based on the value of spending-related transactions, 2019 avg=100. See p9 for more details. Headline and retail indexes are seasonally adjusted. All other indexes are not seasonally adjusted.

* composite based on transactions in retail categories, seasonally adjusted using ABS series; ^ month to date.

Sources: ABS, Westpac Group

* revised measures - see p9 for more details on changes to the Index.

About the Westpac card data indicators



The indicators presented in this report are based on the millions of credit and debit card transactions processed by Westpac every day. Transactions covering over ten million merchants are classified into over 700 categories. These are in turn grouped into higher level aggregates that provide a timely guide to wider economic trends.

The main focus of these indicators is consumer spending. Where possible, we have sought to exclude 'non spending' transactions such as: money transfers; tax payments; loan repayments; charitable donations; and superannuation contributions.

It should also be noted that these indicators will also be affected by shifts between card and non card transactions. This may be a significant factor during the COVID-19 pandemic – health concerns about the use of physical cash are likely seeing higher use of cards, particularly where contact-less transactions are available. Transaction flows also include reversals/refunds which have been a significant phenomenon in areas such as travel.

All transaction data is compiled at a highly aggregated level so that individual customer or merchant data is never revealed.

Index construction

The key metrics used in this report are indexes of spending-related card activity where the base of 100 is average activity in 2019. As an example, if transaction flows are 5% above their average level in 2019, the index read for the period is 105. If flows in a subsequent period are 8% above the average level in 2019, the index read for this period is 108. Growth between the two periods can be calculated simply as the change between the two index reads, i.e. 2.9%.

For our headline measure, activity is adjusted for regular seasonality using historical card data from the RBA. All other indexes are based on non-seasonally adjusted data and should be treated with additional caution. We will seek to produce seasonally adjusted versions of these indexes as more data becomes available.

Note that previous versions of this report used an alternative index measure that was based on spending compared to the same period in 2019, relative to the baseline eleven week period immediately prior to the introduction of social restrictions in 2020. See the 'About the Westpac card data indicators' sections from these reports for more detail.

Classifications

Note that the measures and classifications used for card data and this report do not align completely with those used in official ABS statistics on retail sales and consumer spending. There are a range of differences including around both coverage and classification. As such, the card data should be treated as broadly indicative.

The transaction data is grouped into 29 categories that are then combined into four main as follows:

Discretionary goods: durable goods, clothing and vehicle-related.

Discretionary services: recreation, gambling, professional services, hotels, restaurants and cafes, airlines, car rental, travel agencies and transport.

Essential goods: food, fuel and pharmacies.

Essential services: utilities, education and healthcare.

The report also uses two additional classifications:

Retail/non retail: based on the extent to which categories cover sales that are in scope for the [ABS retail survey](#).

COVID group: based on a classification Westpac developed to assess the impact of the Coronavirus (see [here](#) for more). 'Most exposed' is travel, tourism, hospitality and recreational services; 'big ticket' is vehicles and major household items; 'stock-piling' is food, pharmaceuticals and healthcare; 'residual' is all other categories combined.

Westpac Economics directory



Sydney

Level 2, 275 Kent Street
Sydney NSW 2000
Telephone (61-2) 8254 8720
Facsimile (61-2) 8254 6907

Bill Evans

Chief Economist
Global Head of Economics & Research

Andrew Hanlan

Senior Economist

Matthew Hassan

Senior Economist

Justin Smirk

Senior Economist

Elliot Clarke

Senior Economist

Ryan Wells

Economist

Auckland

Takutai on the Square
Level 8, 16 Takutai Square
Auckland, New Zealand
Telephone (64-9) 336 5671
Facsimile (64-9) 336 5672

Michael Gordon

Acting Chief Economist, New Zealand

Satish Ranchhod

Senior Economist

Paul Clark

Industry Economist

Nathan Penny

Senior Agri Economist

Gregorius Steven

Economist

London

Camomile Court,
23 Camomile St,
London EC3A 7LL
United Kingdom

Singapore

12 Marina View
#27-00, Asia Square Tower 2
Singapore, 018961

New York

39th Floor
575 Fifth Avenue
New York, 10017 USA

Publication enquiries, Westpac Economics, Telephone (61-2) 8254 8720, economics@westpac.com.au

DISCLAIMER



© Copyright 2022 Westpac Banking Corporation

Things you should know.

Westpac Institutional Bank is a division of Westpac Banking Corporation ABN 33 007 457 141 ('Westpac').

Disclaimer

Westpac Banking Corporation and its related bodies corporate (Westpac) takes reasonable steps to ensure that its proprietary data used is accurate and any opinions, conclusions or recommendations are reasonably held or made as at the time of compilation of this report. As the statistics take into account only the Westpac's data, no representation or warranty is made as to the completeness of the data and it may not reflect all trends in the market. All customer data used, or represented, in this report is de-identified and aggregated before analysis and is used, and disclosed, in accordance with the Westpac's Privacy Policy.

This material contains general commentary only and is not intended to constitute or be relied upon as personal financial advice. To the extent that this material contains any general advice, it has been prepared without taking into account your objectives, financial situation or needs, and because of this, you should, before acting on it, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs, and, the disclosure documents (including any product disclosure statement) of any financial product you may consider. Certain types of transactions, including those involving futures, options and high yield securities give rise to substantial risk and are not suitable for all investors. We recommend that you seek your own independent legal or financial advice before proceeding with any investment decision. This material may contain material provided by third parties. While such material is published with the necessary permission none of Westpac or its related entities accepts any responsibility for the accuracy or completeness of any such material. Although we have made every effort to ensure the information is free from error, none of Westpac or its related entities warrants the accuracy, adequacy or completeness of the information, or otherwise endorses it in any way. Except where contrary to law, Westpac and its related entities intend by this notice to exclude liability for the information. The information is subject to change without notice and none of Westpac or its related entities is under any obligation to update the information or correct any inaccuracy which may become apparent at a later date. The information contained in this material does not constitute an offer, a solicitation of an offer, or an inducement to subscribe for, purchase or sell any financial instrument or to enter a legally binding contract. Past performance is not a reliable indicator of future performance. Whilst every effort has been taken to ensure that the assumptions on which the forecasts are based are reasonable, the forecasts may be affected by incorrect assumptions or by known or unknown risks and uncertainties. The ultimate outcomes may differ substantially from these forecasts.

Country disclosures

Australia: Westpac holds an Australian Financial Services Licence (No. 233714). This material is provided to you solely for your own use and in your capacity as a client of Westpac.

For XYLO Foreign Exchange clients: This information is provided to you solely for your own use and is not to be distributed to any third parties. XYLO Foreign Exchange is a division of Westpac Banking Corporation ABN 33 007 457 141 and Australian credit licence 233714. Information is current as at date shown on the publication. This information has been prepared without taking account of your objectives, financial situation or needs. Because of this you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation or needs. XYLO Foreign Exchange's combined Financial Services Guide and Product Disclosure Statement can be obtained by calling XYLO Foreign Exchange on 1300 995 639, or by emailing customer-care@XYLO.com.au.

New Zealand: In New Zealand, Westpac Institutional Bank refers to the brand under which products and services are provided by either Westpac or Westpac New Zealand Limited ("WNZL"). Any product or service made available by WNZL does not represent an offer from Westpac or any of its subsidiaries (other than WNZL). Neither Westpac nor its other subsidiaries guarantee or otherwise support the performance of WNZL in respect of any such product. The current disclosure statements for the New Zealand branch of Westpac and WNZL can be obtained at the internet address www.westpac.co.nz. For further information please refer to the Product Disclosure Statement (available from your Relationship Manager) for any product for which a Product Disclosure Statement is required, or applicable customer agreement. Download the Westpac NZ QFE Group Financial Advisers Act 2008 Disclosure Statement at www.westpac.co.nz.



China, Hong Kong, Singapore and India: This material has been prepared and issued for distribution in Singapore to institutional investors, accredited investors and expert investors (as defined in the applicable Singapore laws and regulations) only. Recipients in Singapore of this material should contact Westpac Singapore Branch in respect of any matters arising from, or in connection with, this material. Westpac Singapore Branch holds a wholesale banking licence and is subject to supervision by the Monetary Authority of Singapore. Westpac Hong Kong Branch holds a banking license and is subject to supervision by the Hong Kong Monetary Authority. Westpac Hong Kong branch also holds a license issued by the Hong Kong Securities and Futures Commission (SFC) for Type 1 and Type 4 regulated activities. This material is intended only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance. Westpac Shanghai and Beijing Branches hold banking licenses and are subject to supervision by the China Banking and Insurance Regulatory Commission (CBIRC). Westpac Mumbai Branch holds a banking license from Reserve Bank of India (RBI) and subject to regulation and supervision by the RBI.

UK: The contents of this communication, which have been prepared by and are the sole responsibility of Westpac Banking Corporation London and Westpac Europe Limited. Westpac (a) has its principal place of business in the United Kingdom at Camomile Court, 23 Camomile Street, London EC3A 7LL, and is registered at Cardiff in the UK (as Branch No. BR00106), and (b) authorised and regulated by the Australian Prudential Regulation Authority in Australia. Westpac is authorised in the United Kingdom by the Prudential Regulation Authority. Westpac is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. Westpac Europe Limited is a company registered in England (number 05660023) and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

This communication is being made only to and is directed at (a) persons who have professional experience in matters relating to investments who fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (b) high net worth entities, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). Any person who is not a relevant person should not act or rely on this communication or any of its contents. The investments to which this communication relates are only available to and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such investments will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely upon this communication or any of its contents. In the same way, the information contained in this communication is intended for “eligible counterparties” and “professional clients” as defined by the rules of the Financial Conduct Authority and is not intended for “retail clients”. With this in mind, Westpac expressly prohibits you from passing on the information in this communication to any third party. In particular this communication and, in each case, any copies thereof may not be taken, transmitted or distributed, directly or indirectly into any restricted jurisdiction. This communication is made in compliance with the Market Abuse Regulation (Regulation(EU) 596/2014).

Investment Recommendations Disclosure

The material may contain investment recommendations, including information recommending an investment strategy. Reasonable steps have been taken to ensure that the material is presented in a clear, accurate and objective manner. Investment Recommendations for Financial Instruments covered by MAR are made in compliance with Article 20 MAR. Westpac does not apply MAR Investment Recommendation requirements to Spot Foreign Exchange which is out of scope for MAR.

Unless otherwise indicated, there are no planned updates to this Investment Recommendation at the time of publication. Westpac has no obligation to update, modify or amend this Investment Recommendation or to notify the recipients of this Investment Recommendation should any information, including opinion, forecast or estimate set out in this Investment Recommendation change or subsequently become inaccurate.

Westpac will from time to time dispose of and acquire financial instruments of companies covered in this Investment Recommendation as principal and act as a market maker or liquidity provider in such financial instruments.



Westpac does not have any proprietary positions in equity shares of issuers that are the subject of an investment recommendation. Westpac may have provided investment banking services to the issuer in the course of the past 12 months.

Westpac does not permit any issuer to see or comment on any investment recommendation prior to its completion and distribution. Individuals who produce investment recommendations are not permitted to undertake any transactions in any financial instruments or derivatives in relation to the issuers covered by the investment recommendations they produce.

Westpac has implemented policies and procedures, which are designed to ensure conflicts of interests are managed consistently and appropriately, and to treat clients fairly.

The following arrangements have been adopted for the avoidance and prevention of conflicts in interests associated with the provision of investment recommendations.

- i. Chinese Wall/Cell arrangements;
- ii. physical separation of various Business/Support Units;
- iii. Strict and well defined wall/cell crossing procedures;
- iv. a "need to know" policy;
- v. documented and well defined procedures for dealing with conflicts of interest;
- vi. reasonable steps by Compliance to ensure that the Chinese Wall/Cell arrangements remain effective and that such arrangements are adequately monitored.

U.S.: Westpac operates in the United States of America as a federally licensed branch, regulated by the Office of the Comptroller of the Currency. Westpac is also registered with the US Commodity Futures Trading Commission ("CFTC") as a Swap Dealer, but is neither registered as, or affiliated with, a Futures Commission Merchant registered with the US CFTC. Westpac Capital Markets, LLC ('WCM'), a wholly-owned subsidiary of Westpac, is a broker-dealer registered under the U.S. Securities Exchange Act of 1934 ('the Exchange Act') and member of the Financial Industry Regulatory Authority ('FINRA'). This communication is provided for distribution to U.S. institutional investors in reliance on the exemption from registration provided by Rule 15a-6 under the Exchange Act and is not subject to all of the independence and disclosure standards applicable to debt research reports prepared for retail investors in the United States. WCM is the U.S. distributor of this communication and accepts responsibility for the contents of this communication. All disclaimers set out with respect to Westpac apply equally to WCM. If you would like to speak to someone regarding any security mentioned herein, please contact WCM on +1 212 389 1269. All disclaimers set out with respect to Westpac apply equally to WCM.

Investing in any non-U.S. securities or related financial instruments mentioned in this communication may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the SEC in the United States. Information on such non-U.S. securities or related financial instruments may be limited. Non-U.S. companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect in the United States. The value of any investment or income from any securities or related derivative instruments denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related derivative instruments.

The author of this communication is employed by Westpac and is not registered or qualified as a research analyst, representative, or associated person under the rules of FINRA, any other U.S. self-regulatory organisation, or the laws, rules or regulations of any State. Unless otherwise specifically stated, the views expressed herein are solely those of the author and may differ from the information, views or analysis expressed by Westpac and/or its affiliates.

