Week beginning 16 November 2026

AUSTRALIA & NEW ZEALAND WEEKLY

Analysis and forecasts for this week's key releases.

In this week's edition:

Economic Insight: An RBA peak of greater conviction.

The Week That Was: Cost of living front and centre.

Focus on New Zealand: Post election, where are we left?

For the week ahead:

Australia: Q3 WPI, labour force survey, housing sentiment index, RBA Governor Bullock, RBA minutes.

New Zealand: Performance services index, selected prices, RBNZ survey of expectations.

China: Retail sales, industrial production, fixed asset investment.

Japan: Q3 GDP, core machinery orders, CPI.

Euro Area: Industrial production, ZEW survey of expectations, consumer confidence.

United Kingdom: Unemployment rate, CPI, consumer sentiment, retail sales.

United States: FOMC minutes, regional manufacturing surveys, housing market data, retail sales.

Information contained in this report current as at 13 November 2026.

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An RBA peak of greater conviction



Luci Ellis
Chief Economist, Westpac Group

It was already our view that the RBA was likely done hiking the cash rate after the November increase. Since then, our conviction on that call has strengthened. Later today we will publish the November *Market Outlook* with revised forecasts. GDP growth, the labour market and housing market have all been revised down in 2027.

Underlying inflation has been revised down slightly in the second half of 2027, bringing the year-ended figure for calendar 2027 more decisively inside the RBA's 2–3% target range than our previous forecast round. The unemployment rate forecast has been revised up to peak above 5%. Based on this revised forecast profile, an increase in the cash rate from here would be unlikely and – we would argue – undesirable.

A range of considerations underlie this forecast revision. **The housing market has undershot our forecasts over the past couple of months.** Turnover and financing activity have been coming in under our earlier expectations. Mortgage loan inquiries have taken another leg down in October after the September rate hike, after finding something of a level in prior months, with the additional impact of the November rate hike still to come.

We are also seeing early signs of a turn in the consumer. Consumer income and spending have so far been quite resilient to pressures from fuel prices and rising interest rates. But our Westpac Card Tracker is starting to show that discretionary services spending is turning down again in Q4, joining the discretionary goods category that was already quite weak. We would not over-emphasise this point, but it does imply that the risks of further surprising resilience are fading.

Subsequent to the November Monetary Policy Board (MPB) meeting, business survey data has shown weaker conditions and a sharp decline in forward orders. They also show further evidence that current inflation is mostly a non-labour cost shock that is not being fully passed through to consumer prices.

As we noted following the November MPB meeting, oil and fuel prices are already materially lower than the track assumed in the RBA's forecasts. Dated Brent is nearly one-fourth lower than on 28 October, the date the RBA's forecasts were finalised, and spot Brent is around 15% lower. This significantly lowers the risk of a new wave of pass-through of fuel costs to other prices, as well as easing consumer inflation perceptions and expectations.

Forecast changes

- **A full update to our forecasts has been published in our November Market Outlook.**

In the media conference following the November meeting, Governor Bullock flagged that it was a good time to "take stock" of the policy tightening to date. Both we and the market read this as a signal that the MPB would pause at the December meeting. The 6:3 split vote at the meeting also suggests that some external members are more attentive to downside risks than the internal members.

> **"A deeper housing downturn and early signs of cracks in the consumer sector point to an even softer 2027."**

A rate hike in February 2027 cannot be ruled out but it is looking even less likely given signs in the data and surveys. The MPB will at least discuss a hike in February. The staff and senior officials remain sensitive to inflation risks and have a downbeat view of supply capacity growth.

Given what we are seeing in the economy now, though, a rate hike in 2027 would require either a material new inflation shock that has not yet occurred, or would constitute a policy error on the part of the RBA (something that we will never forecast as a base case, knowing the talents and capabilities of the staff and the Board). We concur with the dissenting voters in the MPB that the downside risks need more attention.

Policy is clearly restrictive, and the risk of overdoing the inflation correction is growing. And by the time we get to February, we think there will be more evidence that the domestic economy is slowing materially, and the inflation outlook with it.

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Cliff Notes: cost of living front and centre

Elliot Clarke, Head of International Economics
Ryan Wells, Economist
Illiana Jain, Economist

In Australia, the Westpac-MI Consumer Sentiment Index fell 2.7% to 78.2 in November, its weakest reading since late-2022 and a level historically associated with periods of severe economic stress. Renewed cost-of-living and interest rate pressures were front and centre following another lift in inflation, including sharply higher petrol prices, and the RBA's November rate increase. Mortgage holders are feeling the squeeze most acutely, with sentiment across this group falling to a record low. Consumers have become noticeably more downbeat on the near-term economic outlook – the relevant sub-index dropping 10.2% to be 22% below its long-run average. Job-loss fears also continue to edge up.

Businesses are similarly troubled. The latest NAB business survey showed confidence slipped further to –15 in October as conditions held near their weakest level since the pandemic. Of concern for the outlook, forward orders fell to –12, also the weakest read since the pandemic, and capital expenditure intentions deteriorated. Purchase costs continue to grow materially faster than selling prices, further compressing already tight margins.

Housing provides a clear example of how caution and tighter financial conditions can jolt activity. The value of new dwelling finance approvals plunged 15% in Q3, the largest quarterly decline in the series' history, taking approvals 25% lower year-to-date. Investor lending bore the brunt of the adjustment, falling 30% over the quarter as higher rates combined with the housing tax changes announced in May. Owner-occupier lending also weakened, however, with first-home buyers proving particularly sensitive to the deterioration in affordability and market conditions.

Taken together, the data points to a further loss of momentum across the domestic economy, consistent with Westpac's expectation for subdued growth and concern over downside activity risks.

Meanwhile, in the US, October's headline CPI met our expectations but at 0.4% was a touch above the consensus view. Energy and food both contributed meaningfully to the result, but core inflation was also marginally stronger than forecast, +0.3%. Core goods inflation has accelerated over the past four months to average a gain of 0.2% as businesses look to pass tariffs, tech and energy input cost inflation through. Shelter meanwhile continued to rise at an above-average pace, gaining 0.3% in October.

The market impact of the October CPI report was accentuated by hawkish remarks from Fed Governor Waller prior to the release. He expressed confidence in economic activity and the labour market while showing significant concern over the strength and persistence of inflation, focusing on the passthrough of energy and technology input inflation. His conclusion for policy was clear: "if, as I expect, the monthly rate of inflation improves in October, I am leaning toward supporting an increase in our policy rate of 25 basis points at the FOMC's December meeting"; but "if the October CPI inflation data out later today are similar to the past two monthly readings—with core CPI inflation around 0.3 percent or even higher—then a stronger policy move may be needed".

Regional Fed Presidents Goolsbee, Logan and Hammack also kept the focus on inflation risks and stated or implied the FOMC needs to act. Market participants have responded to this week's updates, pricing a 25bp hike in for the December and January meetings, and a cumulative 3.5 hikes by September. We believe this pricing overstates the need for policy tightening given core inflation ex shelter remains relatively benign at 2.4% on a six-month annualised basis and the labour market is balanced; but it will take time for price concerns to subside.

While we agree that the US economy is strong in aggregate, US households are under pressure from the cost of living, and their investment decision making is constrained by borrowing costs. Highlighting this, US existing home sales fell 5.5% in October after a downwardly revised 1.0% gain in September, leaving the level of sales below the cycle lows of 2009 and 2010. Our November Market Outlook provide a full update on our expectations for the US and the world.

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Post election, where are we left?



Michael Gordon
Senior Economist

This week markets and the economy needed to digest the General Election results, as well as data on how the economy is tracking through the final months of the year. A centre-right coalition looks more likely to ultimately prevail, although it may be a while before we know for sure and longer again before a stable government emerges. Watch this space as paths to victory for the centre-left remain. Economic data are consistent with a still-strong external sector but a weaker domestically-generated growth impulse. Our upcoming Economic Overview next week will examine these trends in more depth.

The real star of the show this week was the outcome of the 2026 General Election, which delivered an election night lead to the centre-right coalition of the National, ACT and NZ First parties. The preliminary result was a 67-57 seat margin in an enlarged 131 seat parliament. Hence the centre-right won on election night with a slender one-seat margin, given that 66 seats are required to form a majority. Financial markets and the business sector generally cheered this outcome given their preference for a centre-right government. However, the margins are tight and there is the potential for the result to switch around when the final vote count becomes available on November 27.

National leads Labour by narrow margins in two electorates (Wairarapa and Hamilton East) and could lose those seats when all is said and done. Also, special votes tend to swing more to the left than the right historically and hence could boost the centre-left bloc. The star performer of the election was the Opportunity Party which debuted in parliament with 7 seats. The centre-left would require their support to get over the line in all scenarios, whereas the centre-right might or might not need them depending on how the special votes and final electorate results play out. There seems a clearer path to victory for the centre-right – especially if they can come to an agreement with Opportunity – but clients should be wary of complacency (which we note may be a risk).

A further complication is that the election left the incumbent National Party in a much-weakened position as their coalition partners picked up seats at their expense, and because their much-reduced share of the party vote (29.2%) meant that no National Party list MPs made it into parliament. Several seasoned and senior government ministers needed a list seat to make it into the new government including Finance Minister Nicola Willis. Even if the final results confirm a centre-right coalition win, there will be fierce debate within the coalition on which party staffs key ministerial roles. ACT party leader David Seymour is making a strong play for Finance Minister, which Prime Minister Christopher Luxon is fiercely resisting.

There is the potential for tough and protracted coalition negotiations to play out well into the Christmas period. Indeed, I spoke on a post-election panel with an ex-National Party senior minister this week who expressed the view that it might not be until Waitangi Day (February 6) before a new government is formed. Should anything like this play out then the implications for economic and market uncertainty could be significant. The initial relief rally in the New Zealand dollar might prove premature in that scenario.

For interest rate markets, the main conclusion drawn is that as a centre-left government seems a lower probability prospect, then so also is the likelihood of a return to a 'dual mandate' for the RBNZ. Chief Economist Paul Conway made remarks this week suggesting ongoing concern with inflation risks, suggesting he is still in the hike camp at this stage. This has seen markets firm up short-term OCR expectations such that a 25bp OCR increase in December is now seen as high probability (85-90% currently). Bond markets cheered the prospect of potentially tighter fiscal policy that could come with a centre-right government. The spread between the 10-year government bond and swap spread narrowed 4 basis points over the week and the 10-year government bond yield differential to the US fell to -49 basis points – the most negative since 2019.

Economic data showed further evidence of the two-speed economy that is showing above-trend growth yet at the same time feels quite unsatisfying to most voters. The low exchange rate, generally robust global demand and tight supply conditions in soft commodity markets have been delivering consistently strong export returns for a couple of years now.

This week we saw another very strong GDT Pulse auction that propelled whole milk powder futures higher – up some 20-25% on year ago levels in USD terms. Significant upside risk for our 2026/27 Farmgate Milk Price forecast of $9.75/kgMS now exists, which we will be delving into more deeply in our Economic Overview to be released on Wednesday. The manufacturing sector appears to remain in a solid state, with the manufacturing PMI slipping a touch in October to 54.9 from 56.3 in September.

Short-term visitor arrivals have resumed their prior strong uptrend, growing almost 3% for a second consecutive month in September and almost 10% higher than a year earlier. While arrivals from key European markets remain well below year-earlier levels – likely reflecting the disruption to travel through key Middle Eastern hubs along with higher jet fuel prices – this has been more than offset by a very sharp lift in arrivals from China. Indeed, Chinese arrivals in September were almost two-thirds higher than the same month last year.

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And in the September quarter, arrivals from China surpassed their pre-pandemic level for the first time. The number of Australian citizens visiting New Zealand grew just under 6%yr in September, but growth momentum from New Zealand's number one source market (a 30% share) does appear to have slowed somewhat in recent months.

Less positive trends were evident in the more domestically orientated areas of the economy. The most concrete indicator of the NZ economy – concrete poured – dropped back a touch in the September quarter, while consumer spending in fell 0.7% in October. We have concerns on the quality of the consumer spending data given that bank-sourced data indicates a rise in consumer spending in October. But nonetheless it's probably reasonable to infer that higher fuel costs in October crimped household budgets.

Housing market data for October were also week. House sales fell and are down almost 22% y/y, while house prices fell in October for the fifth consecutive month to be down almost 2% y/y. The weak performance of the housing market is likely another factor weighing on consumer spending and residential investment. That's another topic we will be taking a look at in next week's Economic Overview.

Net migration flows for September confirm still modest population growth. Arrivals of non-New Zealand citizens continues to drift higher while departures declined a touch. The net outflow of New Zealanders remains relatively high but is declining, as signs of firmer employment growth emerge in New Zealand at the same time as the Australian labour market shows signs of weakening.

NZ vs Aus unemployment and Net flow of NZ citizens



Source: Stats NZ, ABS, Macrobond, Westpac Economics

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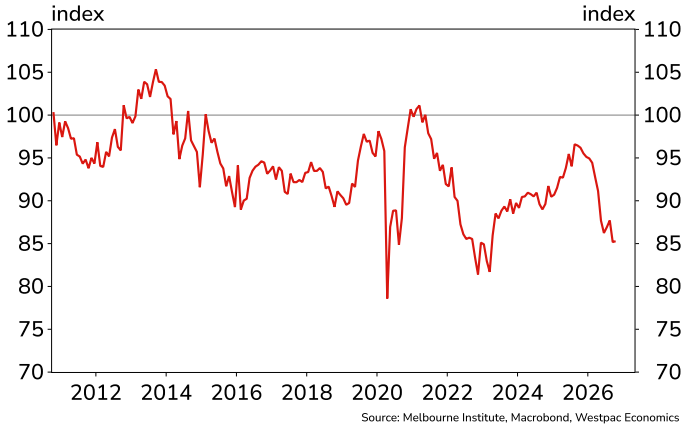
AUS: Nov Westpac Housing Sentiment (index)

Nov 17, Last: 85.3

The **Westpac Housing Sentiment Index** that appears in our regular **Housing Pulse** reports will now be published on a monthly basis a week after **Westpac-Melbourne Institute Consumer Sentiment** is released. The Index is a composite based on housing-related sentiment measures from the survey and has proven to be an extremely useful predictor of turning points in housing markets, both nationally and across states.

At 85.3, the Oct monthly Index read was holding near historic lows, well below the long run avg of 100. The Nov update will capture reactions to the RBA's latest interest rate rise and the deepening and broadening housing downturn. The release will also include results from two new questions added to the regular survey on consumers' property buying and selling intentions over the next twelve months.

Housing Sentiment Index



Source: Melbourne Institute, Macrobond, Westpac Economics

AUS: Q3 Wage Price Index (%qtr)

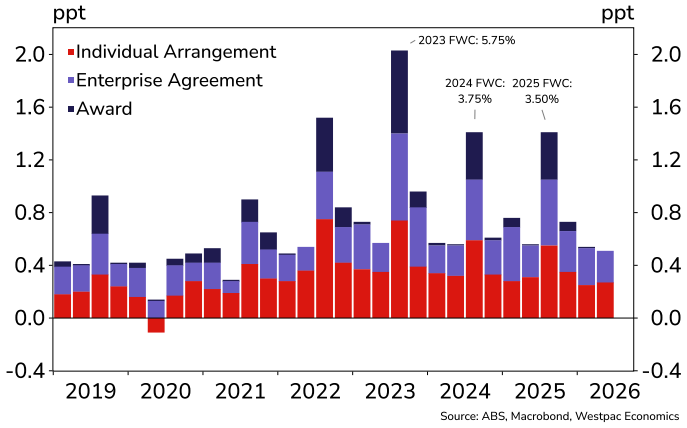
Nov 18, Last: 0.8, Westpac f/c: 1.0
Market f/c: 1.0, Range: 0.9 to 1.1

The Wage Price Index (WPI) rose 0.8% in Q2, leaving annual growth at 3.2%. Private sector wages continued to decelerate, in line with a softer labour market, while public sector wages provided a bit of an offset.

The Fair Work Commission's (FWC) 2026 Annual Wage Review handed down a larger-than-expected 4.75% increase in award wages. This will have a noticeable impact on the Q3 WPI, as the wage increases stemming from the review are typically passed on during the September quarter.

We have pencilled in a rise of 1.0% for Q3, lifting the annual pace to 3.4%yr. Detail on wages growth by bargaining stream will be closely watched for evidence of broader diffusion beyond arrangements directly linked to the FWC's decision.

Contributions to Quarterly WPI Growth



Source: ABS, Macrobond, Westpac Economics

AUS: Oct Labour Force – Employment Change (000s)

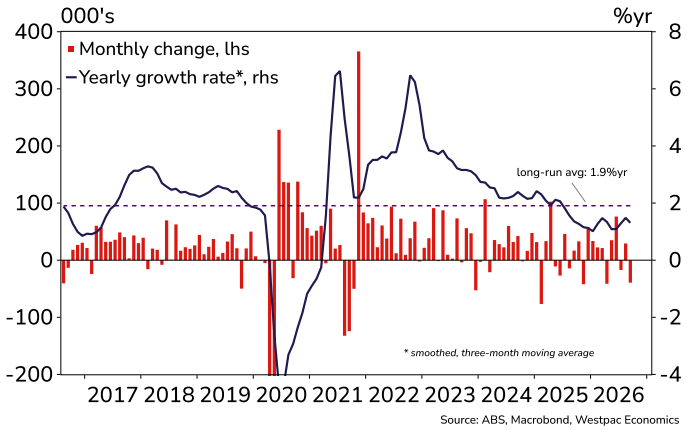
Nov 19, Last: –39.3, Westpac f/c: 30
Market f/c: 27.5, Range: 9.9 to 42

Employment fell by 39.3k in September, well below expectations for a 20k lift. Some of this weakness may reflect an unwind of a possible residual seasonality stemming from recent changes to the survey design, which saw August come in stronger.

Under the monthly noise, the labour market is loosening gradually as jobs growth runs slower than population growth. While some leading indicators point to near-term stability – such as job ads – business surveys and detail within the employment data point to some downside risk.

For October, we have pencilled in a lift in employment of +30k, which would see employment growth hold steady on a three-month average basis.

Employment growth



Source: ABS, Macrobond, Westpac Economics

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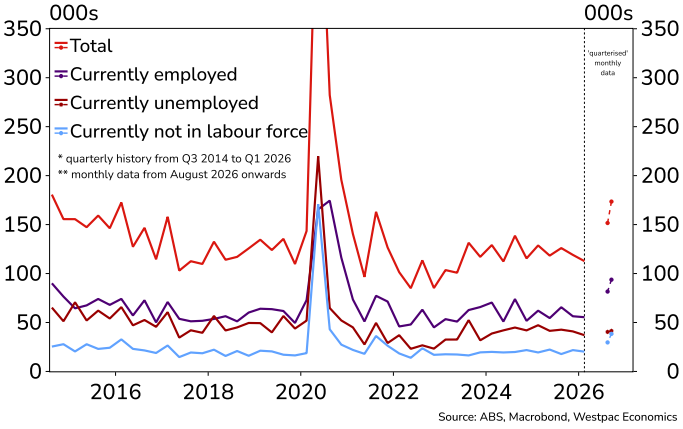
AUS: Oct Labour Force – Unemployment Rate (%)

Nov 19, Last: 4.7, Westpac f/c: 4.7
Market f/c: 4.7, Range: 4.6 to 4.8

Once again, the surprise in employment coincided with a surprise in labour force participation, which fell 0.2ppts to 66.8% from its near cycle high of 67.0% in August. This translated to a 26.2k decline in the size of the labour force, which was less than the drop in employment. As a result, the unemployment rate ticked slightly higher in September, from 4.65% to 4.72% (although it was steady at 4.7% to one decimal place), a new cycle high.

For October, we have the participation rate steady at 66.8%, which together with the forecast rise in employment, would see the unemployment rate also hold steady at 4.7%. Early signs of rising retrenchments are a key signal to watch over the coming months, especially if new hiring across other areas of the economy starts to dry up.

Retrenchments



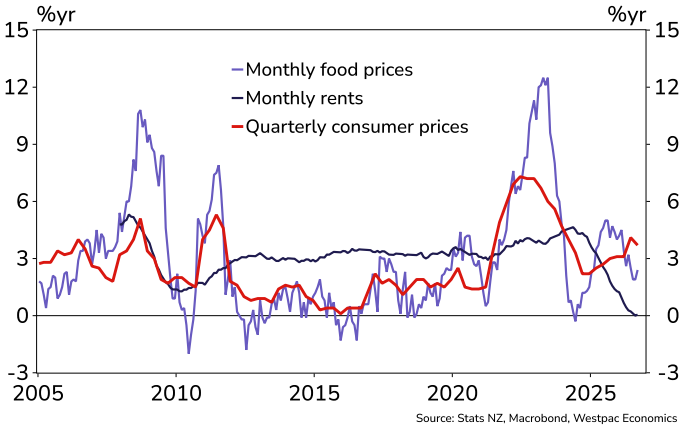
Source: ABS, Macrobond, Westpac Economics

NZ: Oct Selected Consumer Prices

Nov 17

Stats NZ's monthly Selected Prices provides an update on around half of the full CPI, including many of the more volatile items. In terms of the big groups, we're expecting a 0.1% rise in overall food prices, with fresh produce prices typically soft at this time of year. We also expect continued softness in housing rents. However, the key focus will be on transport costs. Petrol prices are expected to be up 11%. And we'll be watching to see if high global fuel prices are contributing to further increases in airfares after recent large increases. There is related uncertainty around holiday accommodation costs (which drive much of the month-to-month volatility in overall prices).

NZ selected consumer prices



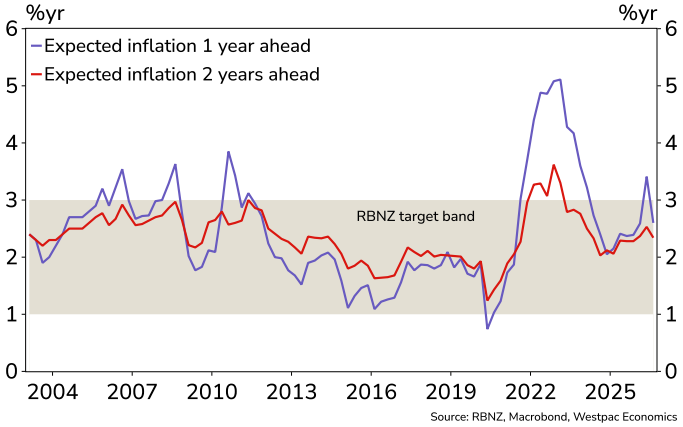
Source: Stats NZ, Macrobond, Westpac Economics

NZ: Q4 RBNZ Survey of Expectations (%yr)

Nov 17, Inflation 2yrs Ahead, Last: 2.34

With an easing in headline inflation in the September quarter, we're likely to see some easing in near-term inflation expectations (one year ahead). However, longer term inflation expectations, particularly the closely-watched two years ahead measure, are likely to remain broadly steady. While interest rates are moving higher, businesses are continuing to report pressures on operating costs. In addition, despite their recent easing, oil prices remain elevated. The only time longer-term inflation expectations have moved materially below 2.3% was in the mid-2010s. That followed an extended period when inflation was running below 2%.

RBNZ survey of inflation expectations



Source: RBNZ, Macrobond, Westpac Economics

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What to watch

	For	Data/Event	Unit	Last	Market f/c	Westpac f/c	Risk/Comment
Mon 16							
NZ	Oct	Performance Services Index	index	50.9	–	–	Improving, but has underperformed manufacturing this year.
Jpn	Q3	GDP	%qtr	0.4	0.1	–	Real growth still constrained by rising costs of essentials.
Chn	Oct	Retail Sales	ytd %yr	1.1	–	–	Chinese industrial activity continues to support growth ...
	Oct	Industrial Production	ytd %yr	5.3	–	–	... though pressures in the household sector remain as...
	Oct	Fixed Asset Investment	ytd %yr	–7.2	–7.0	–	... consumers lose out on AI windfall.
Eur	Sep	Industrial Production	%mth	–0.5	0.9	–	Global slowdown feeds through.
US	Nov	Fed Empire State Manufacturing	index	25.5	19.0	–	Domestic resilience continues to surprise.
		Fedspeak	–	–	–	–	Williams.
Tue 17							
Aus	Nov	Westpac Housing Sentiment	index	85.3	–	–	A monthly update following our consumer sentiment index.
		RBA Governor Bullock	–	–	–	–	Panel participation at ASIC Annual Forum, 10:00am AEDT.
	Nov	RBA Minutes	–	–	–	–	Further insights into the 6–3 split vote decision.
NZ		RBNZ Financial Stability Report	–	–	–	–	Six–monthly review of financial conditions.
	Oct	Selected Price Indices – Food	%mth	0.0	–	0.1	Softness in fresh produce prices.
	Oct	Selected Price Indices – Rents	%mth	0.1	–	0.0	Rents remain soft despite the usual seasonal upswing.
	Q4	RBNZ 2–Yr Inflation Expectations	%ann	2.34	–	–	Likely to remain broadly steady in the face of oil volatility.
Eur	Nov	ZEW Survey Of Expectations	index	18.5	–	–	Consumers are cautious about the outlook.
UK	Sep	ILO Unemployment Rate	%	4.7	4.7	–	Slack picks up speed in the labour market,
US	Oct	Retail Sales	%mth	0.8	0.2	–	Spending steady even as gas prices rise.
	Oct	Import Price Index	%mth	1.1	0.7	–	Tech puts pressure on import costs.
	Oct	Industrial Production	%mth	0.7	0.1	–	Utilities are leading the charge.
	Nov	NAHB Housing Market	index	29	29	–	Activity still subdued.
		Fedspeak	–	–	–	–	Hammack.
Wed 18							
Aus	Q3	WPI	%qtr	0.8	1.0	1.0	Will the award wage boost permeate more broadly?
NZ	Q3	PPI Output Prices	%qtr	1.6	–	–	A short–lived easing in fuel costs over the quarter.
UK	Oct	CPI	%ann	3.5	3.5	–	Breadth of inflation may trigger rate rise.
US	Oct	Housing Starts	%mth	–5.2	4.4	–	Housing market remains constrained by higher ...
	Oct	Building Permits	%mth	–0.4	–1.6	–	... borrowing costs which are seeing builders delay ...
	Oct	Pending Home Sales	%mth	–7.3	–	–	... projects and buyers remain hesitant.
	Oct	FOMC Minutes	–	–	–	–	Discussion around inflation risks.
		Fedspeak	–	–	–	–	Williams.
Thu 19							
Aus	Oct	Employment Change	000s	–39.3	27.5	30	Volatile employment data may reflect residual seasonality ...
	Oct	Unemployment Rate	%	4.7	4.7	4.7	... but the unemployment rate continues to march higher.
NZ		RBNZ Governor Breman	–	–	–	–	Fireside chat and Q&A on economy and policy, 7:00am NZDT.
		RBNZ Chief Economist Conway	–	–	–	–	Speaking at two different events, 9:00am and 3:00pm NZDT.
	Oct	Trade Balance	$mn	–1971	–	–1960	Seasonal upswing in exports; imports likely boosted by aircraft.
Jpn	Sep	Core Machinery Orders	%mth	5.2	1.7	–	AI boom continues to power the manufacturing sector.
US	Nov	Phily Fed Manufacturing	index	20.9	23.2	–	Resilience remains.
		Initial Jobless Claims	000s	200	197	–	Still at a low level versus history.
	Nov	Kansas City Fed Manufacturing	index	11.0	–	–	Some sectors holding up better than others.
		Fedspeak	–	–	–	–	Goolsbee, Hammack.
Fri 20							
Aus		RBA MPB Member	–	–	–	–	Fry–McKibben appearing at CAMA, 11:15am AEDT.
Jpn	Oct	CPI	%ann	2.1	2.5	–	Inflation is broadening.
Eur	Nov	Consumer Confidence	index	–17.9	–18.2	–	Borrowing costs are constraining confidence.
UK	Nov	GfK Consumer Sentiment	index	–24	–22	–	Sentiment downbeat as consumers face rising prices ...
	Oct	Retail Sales	%mth	–0.4	–0.1	–	... leading to some pull back in discretionary spending.
US	Nov	Uni. Of Michigan Sentiment	index	51.0	53.3	–	Final estimate.

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Economic & financial forecasts

Interest rate forecasts

Australia	Latest (13 Nov)	Dec–26	Mar–27	Jun–27	Sep–27	Dec–27	Mar–28	Jun–28	Sep–28	Dec–28
Cash	4.85	4.85	4.85	4.85	4.60	4.35	4.10	3.85	3.85	3.85
90 Day BBSW	4.95	4.96	4.96	4.81	4.56	4.31	4.11	3.96	3.95	3.95
3 Year Swap	4.78	4.75	4.70	4.65	4.60	4.50	4.40	4.35	4.30	4.25
3 Year Bond	4.78	4.75	4.70	4.65	4.60	4.50	4.40	4.35	4.30	4.25
10 Year Bond	5.11	5.00	4.95	4.90	4.95	4.95	5.00	5.00	5.00	5.00
10 Year Spread to US (bps)	–2	5	5	5	5	0	0	–5	–10	–15
United States										
Fed Funds	3.875	4.125	4.375	4.375	4.375	4.375	4.125	3.875	3.875	3.875
US 10 Year Bond	5.13	4.95	4.90	4.85	4.90	4.95	5.00	5.05	5.10	5.15
New Zealand										
Cash	2.75	3.00	3.50	3.75	4.00	4.00	4.00	4.00	3.75	3.75
90 Day Bill	3.20	3.40	3.75	4.00	4.20	4.20	4.20	4.15	3.95	3.95
2 Year Swap	3.79	3.95	4.10	4.25	4.20	4.20	4.15	4.15	4.10	4.10
10 Year Bond	4.71	4.80	4.85	4.95	5.05	5.05	5.05	5.05	5.05	5.05
10 Year Spread to US (bps)	–42	–15	–5	10	15	10	5	0	–5	–10

Exchange rate forecasts

	Latest (13 Nov)	Dec–26	Mar–27	Jun–27	Sep–27	Dec–27	Mar–28	Jun–28	Sep–28	Dec–28
AUD/USD	0.6806	0.70	0.70	0.71	0.71	0.71	0.72	0.72	0.72	0.72
NZD/USD	0.5547	0.56	0.58	0.60	0.61	0.62	0.62	0.63	0.63	0.64
USD/JPY	159.82	157	157	156	155	154	153	151	149	147
EUR/USD	1.1055	1.13	1.14	1.15	1.16	1.17	1.18	1.19	1.20	1.21
GBP/USD	1.3239	1.34	1.35	1.36	1.37	1.38	1.39	1.40	1.41	1.41
USD/CNY	6.6724	6.65	6.60	6.50	6.45	6.40	6.35	6.35	6.30	6.30
AUD/NZD	1.2269	1.24	1.22	1.19	1.16	1.15	1.15	1.15	1.14	1.14

Australian economic forecasts

	2026				2027				Calendar years			
% change	Q1	Q2	Q3(f)	Q4(f)	Q1(f)	Q2(f)	Q3(f)	Q4(f)	2025	2026(f)	2027(f)	2028(f)
GDP %qtr	0.3	0.4	0.5	0.2	0.3	0.2	0.3	0.3	–	–	–	–
%yr end	2.5	2.1	2.1	1.4	1.4	1.2	1.0	1.0	2.6	1.4	1.0	2.1
Unemployment rate %	4.2	4.4	4.6	4.8	5.0	5.2	5.2	5.1	4.2	4.8	5.1	4.7
Wages (WPI) (sa) %qtr	0.8	0.8	1.0	0.7	0.7	0.7	0.8	0.8	–	–	–	–
%yr end	3.2	3.2	3.4	3.3	3.3	3.2	3.0	3.0	3.4	3.3	3.0	3.3
Headline CPI %qtr	1.4	0.6	1.3	1.2	0.4	0.5	0.8	0.4	–	–	–	–
%yr end	4.1	3.9	3.9	4.6	3.5	3.4	2.9	2.1	3.6	4.6	2.1	2.2
Trimmed Mean CPI %qtr	0.8	0.8	1.0	0.9	0.7	0.7	0.6	0.6	–	–	–	–
%yr end	3.5	3.6	3.7	3.6	3.5	3.3	2.9	2.7	3.4	3.6	2.7	2.3

New Zealand economic forecasts

	2026				2027				Calendar years			
% Change	Q1	Q2	Q3(f)	Q4(f)	Q1(f)	Q2(f)	Q3(f)	Q4(f)	2025	2026(f)	2027(f)	2028(f)
GDP %qtr	0.9	0.2	0.6	0.7	0.9	0.5	0.6	0.7	–	–	–	–
Annual avg change	0.9	1.7	2.1	2.4	2.4	2.5	2.6	2.6	0.3	2.4	2.6	3.0
Unemployment rate %	5.4	5.6	5.7	5.7	5.6	5.5	5.3	5.1	5.4	5.7	5.1	4.5
CPI %qtr	0.9	1.5	0.7	1.2	0.3	0.4	0.5	0.2	–	–	–	–
Annual change	3.1	4.1	3.7	4.3	3.7	2.5	2.3	1.4	3.1	4.3	1.4	1.9

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