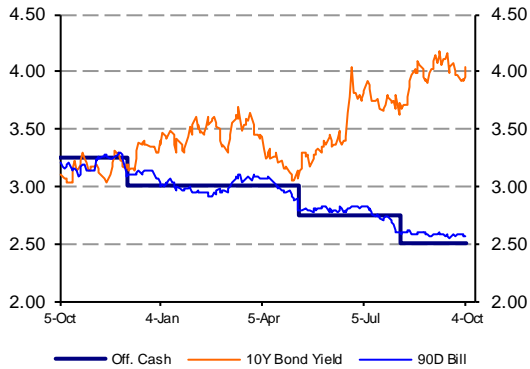
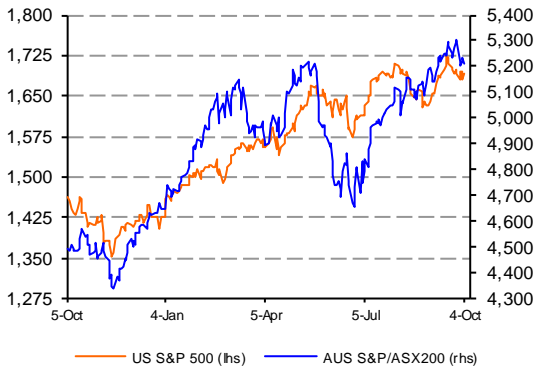


This Roundup covers critical economic data and publications used by NSW Treasury for monitoring and analysis.

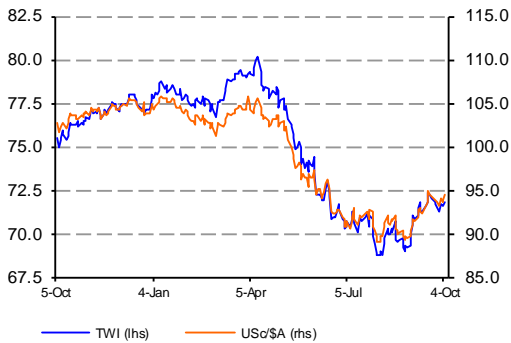
## Chart A: Domestic Interest Rates



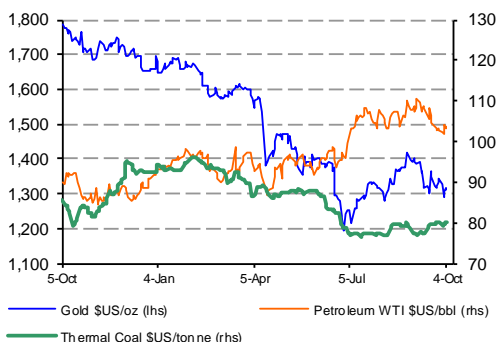
## Chart B: Share Price Index



## Chart C: Exchange Rate



## Chart D: Commodities



## Domestic Data Releases

At its monthly monetary policy meeting, the RBA board decided to leave the **Overnight Cash Rate** unchanged at 2.5%.

Building Approvals data (number, sa, y%ch) for August showed that the number of **residential approvals** in NSW increased 47.4% while approvals nationally were up 7.7%. **Non-Residential approvals** (value, sa, y%ch) were up 66.0% in NSW and 11.6% higher nationally.

**Engineering construction activity** (value, nsa, y%ch,) data for the June quarter showed work yet to be done up 25.3% in NSW and up 20.7% nationally.

**Retail Sales** (value, sa, y%ch) for August rose 2.1% for NSW and increased 2.3% for Australia.

**Merchandise Imports** (value, nsa, y%ch) rose 5.6% for NSW and increased 0.6% for Australia in August. **Merchandise Exports** (value, nsa, y%ch) rose 7.2% for NSW and rose 14.9% for Australia.

The RBA released **total private sector credit** data (value, sa, y%ch) for August. Credit for housing rose 4.7%, business credit increased 1.4% and other personal credit rose by 0.9%. There was an overall increase of 3.4%.

TD-MI's Inflation Gauge for September (index, nsa, y%ch) showed **Headline Inflation** rose 2.1% and **Underlying Inflation** (as measured by the trimmed mean) rose 2.4% across Australia.

AiG's **Performance of Manufacturing Index** (index, sa) rose to 51.7 in September up 5.3 points from August. The AiG-Combank **Performance of Services Index** (index, sa) rose to 47.1 in September up 8.1 points from August. A reading above 50.0 shows expansion in the industry and below 50 a contraction.

## Markets

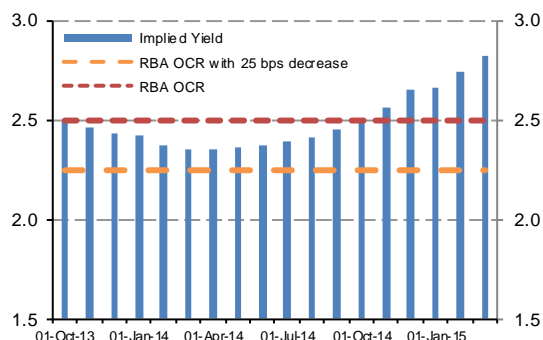
The **Australian stock market** was down 1.9% on the previous Friday, while the **New York stock exchange** fell 0.1%.

	Value	Change on Year	Change on Week
<b>S&amp;P 500</b>	1,690.5	15.7 %	-0.1 %
<b>ASX200</b>	5,208.0	15.9 %	-1.9 %
<b>Australian Dollar (USD)</b>	0.9443	-8.0 %	0.9 %
<b>TWI</b>	71.80	-4.9 %	0.4 %
<b>Oil (USD/bbl)</b>	103.84	15.5 %	0.9 %
<b>Gold (USD/oz)</b>	1,309.75	-26.6 %	-2.3 %
<b>Thermal Coal (USD/tonne)</b>	80.14	-6.5 %	0.1 %
<b>Australian 10-yr bond</b>	4.05%	94.6 bps	8.4 bps
<b>US 10-yr bond</b>	2.62%	88.0 bps	-4.0 bps
<b>Australian 90-day bill</b>	2.56%	-64.6 bps	-2.2 bps

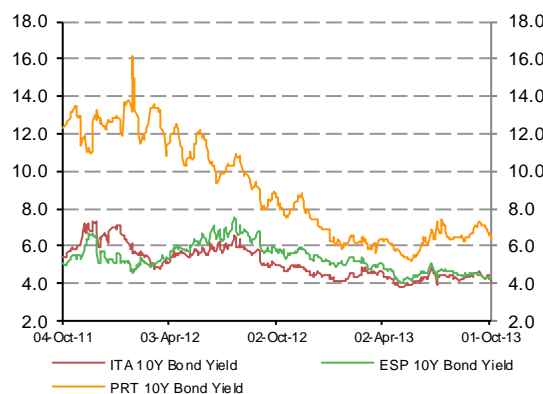
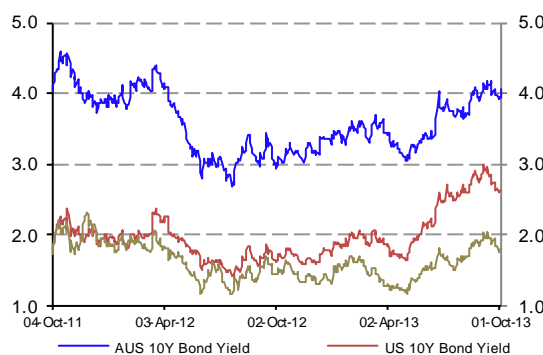
## Upcoming Domestic Data Releases (7/10 – 11/10)

- The ABS will release data on overseas visitors, the labour force and building activity.
- W-MI will release their consumer sentiment report.
- NAB will release their monthly business survey.
- ANZ will release their job advertisements series.
- AiG will release their performance of construction report.
- Consensus Economics will release their Asia-Pacific forecasts.

### Chart E: Interest Rate Expectations



### Charts F & G: International Bond Yields



### Market Interest Rate Expectations

Current **market expectations**, as shown by the implied yield curve on ASX 30 day interbank cash rate futures, **favour no change** by the RBA at its next meeting.

According to the **ASX target rate tracker**, as of the 4 October, there is an 81% expectation that the RBA will keep the cash rate at 2.50% at its 5 November 2013 policy meeting.

### International Bond Yield Spreads

10-yr bond yield	Yield	Change on Year	Change on Week	Spread on 10-yr US bond week end	Spread on 10-yr US bond year ago
<b>Australian (AUS)</b>	4.05%	94.6 bps	8.4 bps	142.8 bps	136.2 bps
<b>United States (US)</b>	2.62%	88.0 bps	-4.0 bps	- -	- -
<b>Germany (GER)</b>	1.81%	29.3 bps	-2.3 bps	-80.7 bps	-22.0 bps
<b>Italy (ITA)</b>	4.16%	-76.0 bps	-26.1 bps	153.9 bps	317.9 bps
<b>Portugal (PRT)</b>	6.36%	-176.3 bps	-40.9 bps	374.1 bps	638.4 bps
<b>Spain (ESP)</b>	4.21%	-144.9 bps	-14.1 bps	159.0 bps	391.9 bps

### International Data Releases

The **European Central Bank** at its **monetary policy meeting** decided to leave their key policy rates unchanged.

Real **retail trade** in the **Euro** area rose 0.7% in August compared to July, in the month prior sales rose 0.5%, and though the year sales were 0.3% lower. In the month the strongest performance was in Portugal, Spain and Slovenia.

### Upcoming International Data Releases (7/10 – 11/10)

- IMF: world economic outlook, global financial stability report.
- US: trade balance, retail sales, consumer confidence.
- UK: Bank of England monetary policy decision.
- Germany: trade balance.