

## Data and event previews - Australia and New Zealand

Date <sup>(a)</sup>	Data/event	Forecast		Previous	Comment
		JPMorgan	Consensus		
Monday, 5 May (10:45am)	<b>NZ labour cost index (1Q, %q/q)</b>	0.7	0.9	1.1	Data this morning showed the labour cost index grew 0.7%q/q in 1Q. Please see main essay for details.
Monday, 5 May (11:30am)	<b>Aust. ANZ job advertisements (%m/m)</b>	na	na	na	na
Monday, 5 May (11:30am)	<b>Aust. house price index (%q/q)</b>	1.5	0.0	3.2	House price growth will moderate in the March quarter to 1.5%q/q from 3.2% in 4Q. House prices are forecast to rise 6% in 2008 owing to chronic undersupply, rising residential rents (mainly because of an acute shortage of new homes) and accelerating population growth (on the back of higher skilled migration).
Tuesday, 6 May (11.30am)	<b>Aust. trade balance (A\$bn)</b>	-3.1	-2.9	-3.3	The trade gap should narrow slightly in March to -A\$3.2 billion from -A\$3.3 billion. Exports should rise 2% as farm exports increase further thanks to recent rainfall. Imports will grow a milder 1% in March as higher interest rates weighed on domestic demand.
Wednesday, 7 May (2:30pm)	<b>RBA cash rate announcement</b>	7.25	7.25	7.25	The RBA probably will leave the cash rate at 7.25%. The tone of the RBA's commentary has become decidedly more balanced in recent weeks, even though 1Q CPI spiked above 4% oya, well about the RBA's 2-3% target range. Domestic demand growth is slowing, growth in the global economy will be subtrend in 2008, and the problems in credit markets will likely persist.
Thursday, 8 May (10:45am)	<b>NZ labour force survey (1Q, %)</b>	3.6	3.5	3.4	The jobless rate is forecast to rise from 3.4% in 4Q to 3.6% in 1Q as the economy shed momentum, leading employment growth to fall. Still, despite the rise in the jobless rate, labour market conditions remain tight. The Kiwi labour force continues to lose skilled workers abroad, keeping the pool of available workers low.
Thursday, 8 May (11.30am)	<b>Aust. Employment (Apr, 000s)</b>	12.5	10.0	15.0	Another 12,500 jobs are forecast to be added, keeping the jobless rate at 4.1%. With tight labour market conditions and skill shortages widespread, wage growth should accelerate, adding further to inflation pressures.
Friday, 9 May (11.30am)	<b>RBA Statement on Monetary Policy</b>	na	na	na	As always, RBA officials will explain in great detail the latest views on the economy and policy stance. As always, the focus should be on the inflation forecasts towards the back of the statement. The shocking 1Q outcome means the forecasts now have a much higher base, but the RBA probably will have a steeper decline back towards the target range. The RBA probably expects inflation, though, to stay above target in 2009.