

CAMA RBA SHADOW BOARD – COMMENTS

AUGUST 2016

Each CAMA RBA Shadow Board member is invited (but not obliged) to provide a personal comment on monetary conditions. Neither the comments nor the probabilities constitute financial advice. The views of the Shadow Board members are not those of CAMA. Any individuals utilizing these comments, or the probabilities, do so at their own risk.

PAUL BLOXHAM

No comment.

MARK CROSBY

With global markets recovered from Brexit and local inflation numbers moving towards the bottom end of the target range there is a strong case for holding this month. Rate decisions are still complicated by major central bank settings, and changes in these settings are likely to be the strongest driver of desired rate changes in Australia for the remainder of 2016.

MARDI DUNGEY

No comment.

BOB GREGORY

No comment.

GUAY LIM

No comment.

WARWICK MCKIBBIN

No comment.

JAMES MORLEY

No comment.

JOHN ROMALIS

No comment.

JEFFREY SHEEN

Inflation for the second quarter of 2016 remains significantly and stubbornly below the RBA's target range, suggesting a further loosening of monetary policy is needed. Though GDP growth and the unemployment rate are close to medium term normals, capital expenditure is still declining (by -5.7% in the first quarter), which presents a concern about future production. My preference has therefore drifted towards a cut in the cash rate at the August meeting.