

CAMA RBA SHADOW BOARD – COMMENTS

MAY 2018

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

The RBA has made noises about the next movement being upwards, but that the timing may still be a way away. However, the longer rates stay at artificially low levels the greater the financial stability risks. The distortions from continuing low rates warrant a move to raising rates sooner rather than later, given continued strength in the world economy.

MARDI DUNGEY

No comment.

GUAY LIM

No comment.

WARWICK MCKIBBIN

No comment.

JAMES MORLEY

No comment.

JEFFREY SHEEN

Credit market conditions will likely tighten for a while in 2018 on account of the Banking Royal Commission findings, which could have a negative impact on aggregate demand. With inflation remaining stubbornly below 2%, the cash rate should remain unchanged for a longer time than previously recommended.