

# CAMA RBA SHADOW BOARD – COMMENTS

## NOVEMBER 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

With the Fed now in a raising cycle and the exchange rate weakening the case for holding rates at historic lows remains weak.

### RENÉE FRY-MCKIBBIN

No comment.

### GUAY LIM

No comment.

### WARWICK MCKIBBIN

No comment.

### JAMES MORLEY

No comment.

### JOHN ROMALIS

No comment.

### JEFFREY SHEEN

The Australian economy continues to be near normal for key economic activity indicators, including output growth and unemployment, while Inflation remains below the RBA's target range. Credit availability remains tight, and housing and stock markets have corrected substantially in recent months. Thus no change in the cash rate is needed this month.

The peak of the business cycle for Australia's main trading partners looks increasingly likely in 2019-20, the more so because of the worsening tariff war between China and the USA. Therefore increases in the future cash rate may well turn out to be inappropriate.