

# CAMA RBA SHADOW BOARD – COMMENTS

AUGUST 2019

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.

SALLY AULD

No comment.

PAUL BLOXHAM

No comment.

MARK CROSBY

Despite the RBAs determination to push on a string, rates are well below any reasonable neutral rate and should be rising accordingly. The RBA is correct to point to the need to use other policy levers to stimulate the economy, but perhaps these levers would be more inclined to be pushed if the RBA was less willing to push rates to levels that will have little further impact on the economy.

RENÉE FRY-MCKIBBIN

No comment.

GUAY LIM

No comment.

WARWICK MCKIBBIN

No comment.

JAMES MORLEY

No comment.

JOHN ROMALIS

No comment.

JEFFREY SHEEN

Inflation, output and wage growth remain weak, with the continuing mining investment unwind a major negative contributor. After the two recent cuts in the cash rate, it makes sense now to wait some months to see if they might stimulate business investment. Also, it is advisable to keep some conventional monetary policy space available in the event of a major crisis. Unconventional 'slope' policies should be readied in (the low probability) case they are needed, but it should be understood they will have less impact than conventional interventions.