AUSTRALIA & NEW ZEALAND WEEKLY.

Week beginning 20 May 2024

Editorial: Running a fine line, with scissors.

RBA: Minutes from the May Meeting.

Australia: Westpac-MI Consumer Sentiment.

NZ: RBNZ Policy Decision, real retail sales, consumer confidence, trade balance, GlobalDairyTrade auction.

UK: CPI, retail sales, consumer sentiment.

US: FOMC Minutes, Chair Powell speaking, durable goods orders, house sales.

Global: S&P Global PMIs.

Key economic & financial forecasts.

INFORMATION CONTAINED IN THIS REPORT CURRENT AS AT 17 MAY 2024.

WESTPAC INSTITUTIONAL BANK

Running a fine line, with scissors

Households in Australia are collectively doing it tough. Their cash flows are being squeezed by the high cost of living, high level of interest rates and a rising tax take. Consumption per capita has fallen more than 2½% since the RBA started raising rates. Australia stands out from its peers on this front.

At the same time, inflation is too high and the labour market is tight, though not quite as tight as late last year. The labour force data for April confirmed this gradual easing, helping to cut through the noise of the first three months of the year. And the Wage Price Index release, also this week, shows that wages growth is starting to roll over from its recent peak, as was widely expected. To be fair, these are lagging indicators. But there is nothing in these data – or more leading indicators – pointing to even higher inflation pressures down the track.

The trade-off between a household sector under pressure and ongoing inflationary dynamics is the context the government faced in framing this week's budget.

Structuring some of the support measures to reduce measured inflation makes sense in that context. The last thing the Government wants is to be blamed for a coming rate rise. Ideally, it would want to see the first couple of rate cuts ahead of the next election. The same imperative drove the reshaping of the Stage 3 tax cuts earlier in the year. Then, the government took care to keep the reduction in revenue within the envelope of the original version, and make sure everyone knew this. Because the original version was already in everyone's forecasts, the modified version could not then be used to justify tightening monetary policy.

The government is walking that fine line between providing support and services to a household sector under pressure and avoiding adding to that pressure by boosting inflation and possibly interest rates.

Even still, the commentary after the budget has been very focused on the potential inflationary consequences. It is true that a dollar not spent on rent or electricity is a dollar available to be spent on other things. (This of course assumes that electricity companies and landlords do not raise underlying prices to offset some of the subsidy.)

And in principle, if some of that dollar is spent, that represents higher demand that could push up prices elsewhere. There are some unstated assumptions behind this reasoning, though. It assumes that most of the extra spending power is indeed spent, and that there is little spare capacity in the area where it is spent, so the main result is higher prices not a higher quantity sold. In other words, it assumes that the economy will be fully employed later this year when these support measures come into effect.

Furthermore, even though the reduction in measured inflation is temporary and in some sense artificial, households' experienced cost of living will be genuinely lower as a result. This should, at the margin, help keep inflation expectations anchored, and will moderate the following year's increases in those prices that are typically indexed to CPI.

The assumptions behind those inflation concerns also underpin current discussion around monetary policy. The presumption is that the problem is that the level of demand exceeds the level of supply, and so policy needs to be restrictive to dampen demand and get it back in line with supply. Again, there are some unstated assumptions here. One of these is that demand is the only thing that can move. It is like seeing a pair of scissors and thinking that only one blade does the work. In fact, the other blade – supply – might still be contending with the ripple effects of the pandemic. Some recovery in supply could play a role in rebalancing itself to demand.

And again, it assumes that a currently fully employed economy will still be fully employed when the time comes to start cutting rates. However, this cannot and should not be presumed.

One lens on this assumption is the economics profession's own forecasts. Every quarter ahead of its Statement on Monetary Policy, the RBA polls private sector economists about our forecasts and views of the economy. Recently, it has expanded the sample of respondents from around 20 to around 40; aggregated results are compiled into a new statistical table on its web site. This round, the RBA added the output gap to the list of questions. Importantly, it only sought an estimate for the December quarter 2023, the latest available published data for GDP. The estimates ranged from –1.2% of GDP to +1.0%, with a median of 0.3%. That spread should tell you how uncertain these invisible concepts are. (Full disclosure: my guesstimate in the survey was +0.5%, and it is just a guesstimate.)

But taken together with the estimates of potential output growth (range 1.8% to 3.0%, median 2.5%) and economists' forecasts for actual GDP growth over 2024 (range 0.2% to 2.3%, median and Westpac 1.6%), we can reasonably conclude that some economic slack is expected by the time the fiscal support and rate cuts occur. It's a little bit more complicated than that because the potential output estimates were for 'over the next couple of years', and potential output growth could be boosted this year because population growth – and so labour supply – will still be stronger than average. (Westpac Economics expects population growth to slow from 2½% last year to 2% this year, normalising to around 1½% over 2025). But the direction is clear.

If we as a profession are to take our own forecasts seriously, the economy will not quite be fully employed by year's end. Withdrawing some of the restrictive stance of policy at that point – or putting $75 in each household's pocket each quarter – might not be as inflationary as it would be if done today. There are risks to this strategy, and both the RBA and the government will need to walk a fine line. But neither of them is pursuing the policy equivalent of running with scissors.

Luci Ellis, Chief Economist Westpac Group

THE WEEK THAT WAS

On Budget 2024-25, our bulletin and conversation with Chief Economist Luci Ellis provides a full view of the Government's fiscal position and economic plan to 2028. In terms of policy initiatives, the focus was split between immediate cost of living relief for households and long-term plans to expand Australia's productive capacity. While these policies will see spending exceed revenue across the forward estimates, the Federal Government projecting a return to deficits from 2024-25 to 2027-28, it is not a given that inflation risks will increase, with current momentum and the degree of spare capacity at the time the policy initiatives become active to determine the consequence for inflation. This is a topic taken up by Chief Economist Luci Ellis in her weekly essay.

In terms of the week's data, a below expectations Q1 WPI of 0.8% was constructive, seeing annual wage inflation moderate from 4.2%yr in December to 4.1%yr in March, ahead of the RBA's expectation (growth or 4.2%yr through mid-2024). Last year's strength in public wages – associated with new enterprise agreements and changes to wage caps – is cycling out. Private sector wage growth is also moderating, in line with the gradual easing of labour market conditions evident in April's Labour Force Survey.

At 2.8%yr on a three-month average basis, employment growth is slowly tracking towards the more typical 2.0-2.5%yr pace observed pre pandemic. Individuals remain eager to enter and participate in the labour force, but securing a job is becoming more challenging, seeing the unemployment rate edge higher. This trend is expected to continue through the remainder of the year to a quarter-average unemployment rate of 4.3% at year end.

Over in New Zealand, ahead of the RBNZ meeting next week and Budget 2024 at month end, our New Zealand team released their latest quarterly, providing an in-depth assessment of current conditions and the outlook.

Further afield, comments by US FOMC members through the week, including from Chair Powell, reiterated the need for patience and thorough analysis of price risks. Having experienced a strong first quarter of 2024, a number of months of data signalling further progress towards the 2.0% inflation target needs to be seen for the Committee to be comfortable easing.

The price data for April began this journey, the headline CPI printing below expectations at 0.3%, allowing the annual rate to edge down to 3.4%. More importantly, the detail of the release showed inflation is being driven by supply constraints and historic inflation – rents and motor vehicle insurance being the clearest examples. Meanwhile, goods inflation is absent, and discretionary demand driven components such as accommodation away from home and airfares are benign or in retreat.

Notably, annual headline CPI inflation excluding only shelter has been around 2.0% for 12 consecutive months, printing a range between 0.7% and 2.3% and averaging 1.7% over the period. Annual shelter inflation has also decelerated from 8.0% at May 2023 to 5.5% in April 2024. Although the PPI surprised to the upside in April, revisions to March offset; also, the components of PPI used as inputs for PCE inflation, the FOMC's preferred measure of consumer inflation, were broadly neutral. Taking both the CPI and PPI detail into consideration, April's PCE result will likely be benign.

US retail sales for April were also constructive for the inflation outlook, headline sales flat in the month and the control group down 0.3%. More importantly, both benchmarks are essentially flat over the first four months of this year, pointing to a stalling out of consumer goods demand. Services demand still has momentum, but its slowing. This sets the scene for a gradual deceleration in GDP growth over the course of 2024 to around trend, our baseline view. Such an outturn will allow the FOMC to begin cutting in September and continue doing so through to mid-2026, albeit to a still mildly-contractionary 3.375%. If the labour market suddenly deteriorates, the FOMC can accelerate or lengthen the cutting cycle; but this is a risk not our baseline view.

Data and policy guidance out of both Europe and the UK were also constructive for the price and activity outlook this week. Both the ECB and BoE look to be on track to cut in June, though the timing and pace of easing thereafter is yet to be determined with growth to pick up and inflation risks to persist. Conversely, the growth outlook for Japan remains challenged. This week, GDP was reported to have contracted in the March quarter by a larger than expected 2.0% annualised. That is the second contraction in three quarters, and there is a clear risk of further weakness given the consumer is financially constrained after a sustained decline in real incomes. The BoJ continues to anticipate an acceleration in consumer demand through mid-year as the latest wage increases take effect and inflation continues to abate. But consumer confidence and the health of small business pose significant risks. Japan is also arguably not in as strong a position as China, Korea and developing Asia to benefit from global growth in investment. While another small increase in Japan's policy interest rates has to be expected in 2024, the end-point of this tightening cycle is likely within a 0.0-0.5% range versus 1.0% or above. The US dollar and US interest rates are therefore likely to dictate the Yen's path rather than Japan's domestic situation.

Finally to China, the April data round again highlighted that authorities are achieving on their objective to increase industrial capacity and, through trade, national income. However, also evident in the disappointing retail sales result is that households are, in aggregate, yet to see material benefit. At the same time, there remains a need for additional policy support for the property sector, which reports this week suggest are under discussion. Chinese growth is set to remain uneven and susceptible to shocks. But authorities' 5.0% growth guidance for 2024 is certainly achievable; and, looking to the long-term, all the investment being undertaken is developing a strong foundation for a sustainable robust uptrend in national income.

Week ahead & data wrap

Persistent inflation to keep the champagne stoppered.

The big focus for New Zealand in the coming week will be the RBNZ's May *Monetary Policy Statement*. As we noted in our preview, we don't expect any significant change to the "Watch, Worry and Wait" strategy that the RBNZ has followed since the May 2023 *Monetary Policy Statement,* although markets remain primed for an eventual dovish tilt.

We expect the RBNZ to keep the OCR at 5.5% and reiterate its view that the OCR will need to remain at 5.5% for "a sustained period" to bring inflation back within the 1-3% target range. The RBNZ will likely note that while economic growth is weak, inflation pressures remain elevated. Inflation will be forecast to return close to 2% by the end of 2025, contingent on a forward OCR profile close to that shown in February's *Statement* (which implied around a 40% chance of a further OCR increase in 2024, but an initial cut to the OCR to 5.25% by mid-2025).

We noted at the time of the April Monetary Policy *Review* that relatively little data had come to light since the February *Statement* to disturb the RBNZ's view on the inflation outlook. We think that the general tone of activity and sentiment data since the February meeting will have helped balance the very strong inflation data which indicated unexpectedly persistent domestic inflation pressures. It's likely still the case that there is little to support the idea that interest rates can be cut earlier than the RBNZ previously assumed. We think the RBNZ will be reluctant to reduce the pressure on the economy while inflation remains elevated.

To summarise, the key developments since the February *Statement* have been: slightly weaker Q4 2023 GDP and associated revisions; weak forward indicators for GDP growth in H1 2024; lower business inflation expectations, but still elevated household inflation expectations and sticky price intentions indicators; a slightly weaker labour market in Q1; a stronger than expected Q1 CPI inflation outcome, driven by sharply higher non-tradable inflation; higher oil prices; and a weaker terms of trade in Q4 2023. The new forecasts will likely also assume a slightly lower NZD TWI, although in recent days the TWI has moved back into line with the RBNZ's February forecast.

The RBNZ's formal projections won't be based on Budget 2024 as this isn't released until 30 May. But the Treasury will have briefed the RBNZ on the key macro features of Budget 2024, so any deviations from expectations will feed into the rhetoric the RBNZ chooses to describe the policy outlook. The RBNZ noted in the February *Statement* that preliminary analysis concluded it was unclear whether the net effect of the new Government's policies would be inflationary or deflationary. As we don't expect any big surprises in Budget 2024, the RBNZ should continue with this line in the May *Statement*. A more definitive quantitative assessment of the impact of Budget 2024 on the RBNZ's projections will occur in the August *Statement*. By that time, the details of policy changes – such as income tax cuts and investor housing policy – and the reaction of the economy will begin to become clearer.

We think the RBNZ will be happy with the current level of financial conditions. Markets have backed off the near-term easing expectations they held early in 2024, but similarly are not pricing in OCR increases either. They will want the market to respond to the data – especially the inflation data – that emerges over the next 6 months. We don't think they will want to give the market a sense that their strategy has changed from that of holding the OCR at current levels for the foreseeable future.

We also don't think the RBNZ will want to fan expectations of near-term policy easing – we think they will want to see a couple of quarters of well-behaved inflation data, at the very least, before considering moving to a less restrictive stance. In the April *Review* the RBNZ signalled that their views hadn't changed much by issuing a very short press release. We see similar potential this time around.

We see three main scenarios. Our baseline case (70% probability) is that the RBNZ retains a similar OCR track as in the February *Statement*. A hawkish scenario (20% probability) would see the RBNZ revise up its OCR profile to recapture the 75% chance of a rate hike that they included in the November 2023 *Statement*. This would occur if the RBNZ concludes that domestic inflation is sufficiently sticky such that a return of inflation close to 2% in 2025 now looks remote. A dovish case (10% probability) could be the RBNZ downgrading its outlook for growth and bringing forward forecast OCR cuts to Q1 2025. The earlier start to easing could imply an OCR at 4.5% by year end 2025. This would occur if the RBNZ is confident that weak growth momentum and a widening output gap will generate lower non-tradable inflation outcomes as the year progresses. The RBNZ would implicitly leave open the possibility of a November easing should their forecast of low non-tradable CPI outcomes eventuate in Q2 (data released July) and Q3 (data released October) and if further downside risks to growth were to emerge.

Kelly Eckhold, Chief Economist NZ

Round-up of local data released over the last week

Date	Release	Previous	Actual	Westpac f/c
Mon 13	Apr BusinessNZ PSI	47.2	47.1	–
	Apr food prices	–0.5%	0.6%	–0.1%
	Apr housing rents (stock measure)	0.4%	0.5%	0.4%
	Q2 RBNZ inflation expectations	2.50%	2.33%	–
Tue 14	Apr REINZ house sales %yr	11.3%	25.3%	–
	Apr REINZ house prices %yr	2.7%	2.8%	–
	Apr retail card spending	-0.7%	-0.4%	0.4%
	Mar net migration	6330	4910	–

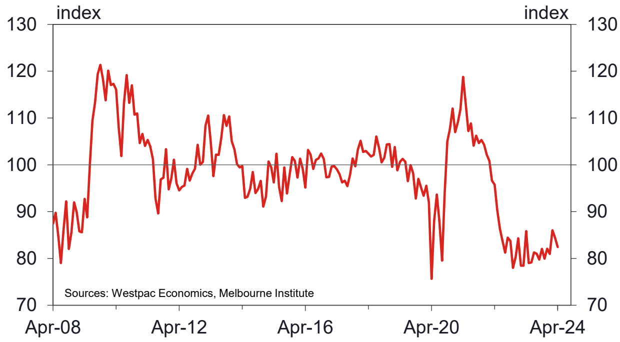
Aus May Westpac-MI Consumer Sentiment

May 21, Last: 82.4

Consumer sentiment declined 2.4% to 82.4 in April, the pessimism that has dominated for the last two years still showing few signs of lifting. There were some glimmers of hope showing around the outlook for family finances, but these were offset by renewed concerns about the wider economy and what looks to be slow progress in getting inflation and wider cost of living problems back under control.

The May survey is in the field over the week of the Federal budget and will capture consumer reactions to the government's attempt to balance cost-of-living assistance with the need to help ensure a timely return to low inflation. Expectations for family finances should register some further improvement, but its unclear how persuaded consumers will be on the path for inflation and interest rates, particularly given the higher-than-expected Q1 CPI outcome and the RBA's stated 'vigilance' towards upside risks.

Consumer Sentiment Index



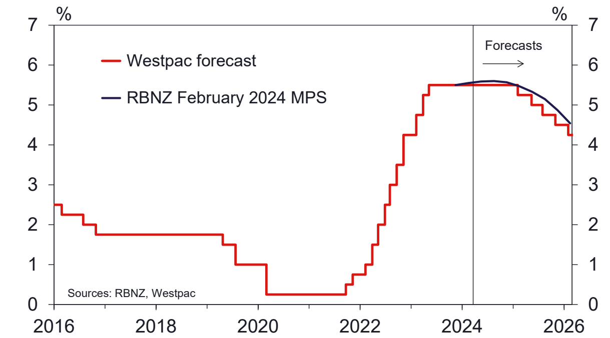
RBNZ May Monetary Policy Statement

May 22, Official Cash Rate, Last: 5.50%, Westpac f/c: 5.50%, Market f/c: 5.50%

We expect the RBNZ will leave the OCR at 5.5% at its May Monetary Policy Statement, and we don't expect significant changes in the RBNZ's projections for the OCR. The RBNZ is likely to reiterate its view that the OCR will need to remain at 5.5% for "a sustained period" to bring inflation back within the 1-3% target range.

On balance, the flow of data in recent weeks will likely have left the RBNZ comfortable with the forward outlook communicated in their February Monetary Policy Statement. Weaker than expected GDP growth and numerous indications of a flat economy should trigger a downward adjustment in the 2024 growth profile. But the inflation outlook remains challenging as a non-tradables driven upward inflation surprise in Q1 2024 likely implies a still elevated near-term inflation outlook, as well as the need for ongoing policy restraint.

RBNZ Official Cash Rate



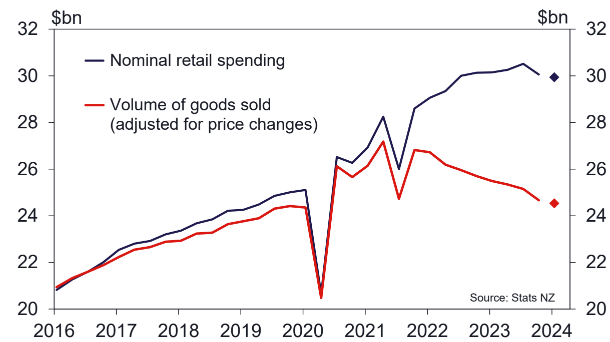
NZ Q1 retail spending

May 23, Volumes, Last: –1.9%, Westpac f/c: –0.5%

Nominal retail spending levels have flattened off over the past year, while the amount of goods that households have actually been taking home has been trending down for two years now. That softness reflects the ongoing pressure on households' finances as a result of large increases in consumer prices and the related rise in borrowing costs.

That weakness in spending has continued in the early part of 2024, with monthly retail spending trending down in recent months. We're forecasting a 0.4% fall in nominal spending over the March quarter, with the volume of goods sold down 0.5%. That's largely related to falls in discretionary areas like household durables and motor vehicles.

NZ retail spending



For the week ahead

		Last	Market median	Westpac forecast	Risk/Comment
Mon 20					
US	Fedspeak	–	–	–	Bostic, Barr. Chair Powell to give commencement speech.
Tue 21					
Aus	May Westpac–MI Consumer Sentiment	82.4	–	–	How did the budget go over with consumers?
	RBA May Meeting Minutes	–	–	–	More colour on balance of risks.
Eur	Mar trade balance €bn	17.9	–	–	Asia growth and global investment presents opportunities.
US	Fedspeak	–	–	–	Bostic, Barkin, Waller, Williams.
Wed 22					
NZ	GlobalDairyTrade auction (WMP)	2.4%	–	–	Recent auctions have outperformed futures market pricing.
	RBNZ policy decision	5.50%	5.50%	5.50%	Sticky domestic inflation against a weaker economy.
Jpn	Mar core machinery orders %mth	7.7%	–2.0%	–	Growth likely to remain fickle.
UK	Apr CPI %yr	3.2%	–	–	Inflation tending to target despite services momentum.
US	Apr existing home sales %mth	–4.3%	–0.7%	–	Lack of inventory limiting activity.
	FOMC May Meeting Minutes	–	–	–	Guidance on evolving risks key.
	Fedspeak	–	–	–	Bostic, Collins & Mester on panel. Goolsbee too.
Thu 23					
Aus	May MI inflation expectations	4.6%	–	–	Provides a general view on risks.
NZ	Q1 real retail sales	–1.9%	–	–0.5%	Cost of living pressures dampening discretionary spending.
Jpn	May Jibun Bank manufacturing PMI	49.6	–	–	Growth outlook uncertain with consumers under…
	May Jibun Bank services PMI	54.3	–	–	… pressure and trade opportunities limited.
Kor	Bank of Korea policy decision	3.5%	–	–	On hold as price and activity outlooks assessed.
Eur	May HCOB manufacturing PMI	45.7	–	–	Starting to see signs of improving underlying momentum…
	May HCOB services PMI	53.3	–	–	… across the Euro Area economy.
	May consumer confidence	–14.7	–	–	Will take time and economic gains to heal.
UK	May S&P Global manufacturing PMI	49.1	–	–	Deceleration in inflation will benefit sentiment…
	May S&P Global services PMI	55.0	–	–	… and activity as it proves a lasting change.
US	May S&P Global manufacturing PMI	50.0	50.2	–	Business surveys offering a range of signals on US…
	May S&P Global services PMI	51.3	51.6	–	… growth, from soft to outright weak.
	May Kansas City Fed index	–8	–	–	Points to lingering risks for regional manufacturing…
	Apr Chicago Fed activity index	0.15	–	–	… as broader activity continues to move towards trend.
	Apr new home sales %mth	8.8%	–1.9%	–	Supply and affordability are challenges.
	Initial jobless claims	222k	–	–	Very low and likely to remain so.
Fri 24					
NZ	May ANZ consumer confidence	82.1	–	–	Sentiment remains soft, in the face of financial headwinds.
	Apr trade balance $mn	588	–	717	Surplus due to seasonal strength in exports, soft imports.
Jpn	Apr CPI %yr	2.7%	2.4%	–	Inflation target coming into view even with rates at 0%.
UK	May GfK consumer sentiment	–19	–	–	Healing to take time.
	Apr retail sales	0.0%	–	–	Consumer to remain under pressure.
US	Apr durable goods orders	0.9%	–0.7%	–	Equipment investment lacks construction's momentum.
	May Uni. of Michigan sentiment	67.4	67.4	–	Final estimate.
	Fedspeak	–	–	–	Waller.

Forecasts

Interest rate forecasts

Australia	Latest (17 May)	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Cash	4.35	4.35	4.35	4.10	3.85	3.60	3.35	3.10
90 Day BBSW	4.35	4.37	4.37	4.17	3.92	3.72	3.55	3.30
3 Year Swap	4.04	4.10	4.00	3.90	3.80	3.70	3.60	3.50
3 Year Bond	3.85	3.90	3.80	3.70	3.60	3.50	3.40	3.30
10 Year Bond	4.21	4.35	4.30	4.25	4.20	4.10	4.00	4.00
10 Year Spread to US (bps)	-16	-15	-10	-5	0	0	0	0
US								
Fed Funds	5.375	5.375	5.125	4.875	4.625	4.375	4.125	3.875
US 10 Year Bond	4.37	4.50	4.40	4.30	4.20	4.10	4.00	4.00
New Zealand								
Cash	5.50	5.50	5.50	5.50	5.25	5.00	4.75	4.50
90 day bill	5.63	5.60	5.60	5.50	5.25	4.95	4.75	4.50
2 year swap	4.92	5.10	5.00	4.80	4.55	4.40	4.25	4.15
10 Year Bond	4.61	5.00	4.90	4.80	4.70	4.65	4.55	4.50
10 Year spread to US	24	50	50	50	50	55	55	50

Exchange rate forecasts

Australia	Latest (17 May)	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
AUD/USD	0.6663	0.66	0.66	0.67	0.68	0.69	0.70	0.71
NZD/USD	0.6121	0.60	0.60	0.61	0.62	0.63	0.64	0.65
USD/JPY	155.82	156	156	154	150	146	143	140
EUR/USD	1.0859	1.08	1.09	1.10	1.11	1.12	1.13	1.14
GBP/USD	1.2659	1.26	1.27	1.28	1.29	1.30	1.31	1.31
USD/CNY	7.2264	7.20	7.15	7.10	7.05	7.00	6.90	6.80
AUD/NZD	1.0901	1.10	1.10	1.10	1.10	1.10	1.09	1.09

Australian economic growth forecasts

	2023			2024				Calendar years			
% change	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	2022	2023	2024f	2025f
GDP % qtr	0.5	0.3	0.2	0.3	0.3	0.4	0.5	–	–	–	–
%yr end	2.1	2.1	1.5	1.3	1.1	1.3	1.6	2.4	1.5	1.6	2.5
Unemployment rate %	3.6	3.7	3.9	3.9	4.0	4.2	4.3	3.5	3.9	4.3	4.6
Wages (WPI)*	1.0	1.2	1.0	0.8	0.9*	0.8*	0.5*	–	–	–	–
annual chg*	3.7	4.0	4.2	4.1	4.2*	3.7*	3.2*	3.3	4.2	3.2*	3.1*
CPI Headline	0.8	1.2	0.6	1.0	0.9	0.6	0.8	–	–	–	–
annual chg	6.0	5.4	4.1	3.6	3.7	3.0	3.2	7.8	4.1	3.2	2.8
Trimmed mean	0.9	1.2	0.8	1.0	0.7	0.8	0.8	–	–	–	–
annual chg	5.8	5.1	4.2	4.0	3.7	3.4	3.5	6.8	4.2	3.5	2.8

** WPI forecasts currently under review*

New Zealand economic growth forecasts

	2023			2024				Calendar years			
% change	Q2	Q3	Q4	Q1f	Q2f	Q3f	Q4f	2022	2023	2024f	2025f
GDP % qtr	0.5	-0.3	-0.1	0.1	-0.1	0.3	0.3	–	–	–	–
Annual avg change	3.0	1.3	0.6	0.2	-0.3	-0.1	0.2	2.4	0.6	0.2	1.8
Unemployment rate %	3.6	3.9	4.0	4.3	4.6	4.9	5.2	3.4	4.0	5.2	5.4
CPI % qtr	1.1	1.8	0.5	0.6	0.8	1.1	0.4	–	–	–	–
Annual change	6.0	5.6	4.7	4.0	3.7	3.0	2.9	7.2	4.7	2.9	2.2

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Disclaimer continued

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