Preston Rowe Paterson

International Property Consultants

Economic Report

Australia

March Quarter 2017

HIGHLIGHTS

- Consumer Price Index increased by 0.5% over the March quarter to bring annual change to 2.1%, the first time inflation has increased above 2% in more than two years.
- 10 Year Australian bond yields have been steadily increasing over the quarter, with average yields at 2.81% in March. 90 Day bank bill swap rate increased to an average of 1.79% in March.
- Interest rate was kept unchanged for the sixth meeting in a row in March, remaining at 1.5%.
- Gross Domestic Production increased by 1.1% (seasonally adjusted) over the December quarter. Economic growth over the year lifted to 2.4%.
- Unemployment rate remained unchanged at 5.9% over the month of March.

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Inflation and Investor Sentiment

Consumer Price Index

Over the three months to March 2017, All groups Consumer Price Index (CPI) for Australia increased by 0.5% over the quarter to bring annual change to 2.1%, just above the Reserve Bank's two-to-three per cent inflation target. This annual increase is considerably higher when compared to the twelve-month change to December 2016, which rose 1.5% (the lowest annual increase in nineteen years). When looking at core inflation, which is looks at changes in prices that reflect only the supply and demand conditions in the economy, prices changes remain relatively weak with a 0.4% rise in the weighted median over the three months to March to result in an annual change of 1.7%.

The main contributors to the quarterly rise include automobile fuel (+5.7%), electricity (+2.5%), medical and hospital services (+1.6%) and new dwelling purchases by owner-occupiers (+1.0%). Petrol price increases have been negatively impacting on consumer spending power, with a combined increase of 12.9% over the past six months. Furthermore, spending on services that are outside consumer discretion, i.e. fuel, health, insurance and utilities, continue to be on the rise, with a combined yearly increase of 4.2% over the year. According to Commonwealth Bank economist, Michael Blythe, consumer spending on these items exerts influence onto household's perception of financial pressures, which will ultimately have a flow-on effect on sentiment and spending decisions. In contrast, prices falls in fruit (-6.7%), international holiday travel and accommodation (-3.8%) and furniture (-3.5%) all contributed to offsetting the aforementioned price increases.

In the last year, Melbourne and Sydney recorded the largest increase in All Groups CPI, with a respective annual increase of +2.5% and +2.4%. In contrast, Darwin recorded the lowest increase, with an annual change of 0.5%. Over the March quarter, CPI increased in all capital cities, except for Darwin, when we look at the All groups level. Notably, the housing group (+0.8%) contributed the most to the quarterly rise, which increases in six out of eight capital cities. In conjunction with an increase in new dwelling purchases by owner-occupiers, increases in input costs and electricity prices all contributed to the rise prices in the housing group. The transport group (+1.5%), health group (+2.0%) and education group (+3.1%) all contributed positively to the quarterly movements in the All groups. Petrol price, fuelled by an increase in world oil prices, was the main driver of the transport group. Rises in medical & hospital services and pharmaceutical products caused by the resetting of the Medicare Benefits Scheme (MBS) (which increased the out-of-pocket expenses for patients) contributed the most to the increase in prices in the health group.

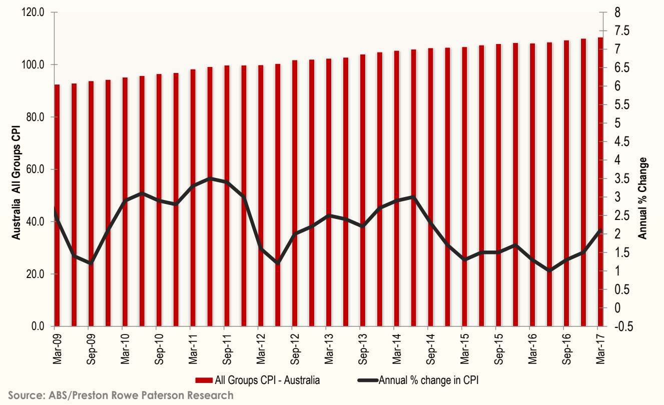

Chart 1—All Group CPI and Annual Percentage Change from March 2009 to March 2017—Source—ABS

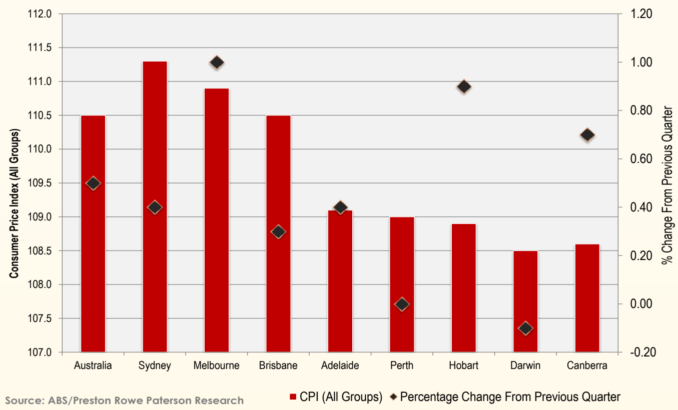

Chart 2—All Group CPI (Capital Cities) and Percentage Change from December 2016 to March 2017—Source—ABS

	Percentage Change		
	Quarterly to March 2017	Yearly to March 2017	Index number, March 2017
Sydney	0.4	2.4	111.3
Melbourne	0.9	2.5	1109
Brisbane	0.3	1.8	110.5
Adelaide	0.4	2.0	109.1
Perth	0.0	1.0	109.0
Hobart	0.8	2.3	108.9
Darwin	-0.1	0.5	108.5
Canberra	0.6	2.3	108.6
Weighted Average of 8 Capital Cities	0.5	2.1	110.5

Table 1 — Quarterly and Yearly Percentage Changes in Australia's Capital Cities, including Weighted Average—Source— ABS

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Business Sentiment

According to the NAB Quarterly Business Survey, confidence amongst Australian businesses increased in the first quarter of 2017. The business confidence indicator increased by +1, to +6, on a scale in which a reading above 0 indicates improving conditions. However, National Australia Bank did note that despite the solid results, there is no strong evidence that the increased confidence towards the global economic outlook is positively impacting business confidence. This may be due to the increased concerns around political events around the world. Business confidence were positive for all industries other than retail (-1) and manufacturing (-5). Construction (+8) and transport & utilities (+4) experienced strong levels of confidence, whilst mining (+10) and wholesale (+10) continue to see the strongest levels of growths amongst all industries.

Business conditions also improved throughout the March quarter, up by two points to +8. This results points to an improve in the non-mining sectors, regardless of the strength of the Australian Dollar and apparent credit tightening through interest rate changes and regulatory controls. The increase in business conditions was most obvious in the wholesale industry (up 17 points) and mining (up 15 points), with retail (up 7 points) and finance, property and business services (up 1 point) the only other industries that strengthened throughout the quarter.

Consumer Sentiment

According to the Westpac-Melbourne Institute Consumer Sentiment Index, overall sentiment in April declined by 0.7%, from March's index of 99.7 to April's 99.0. This decline is influenced by both domestic and international factors, including the domestic concerns over Australia's housing market, the action of major banks to increase their interest rates for some mortgage borrowers, disappointing labour market figures, declining iron ore prices over the last month, and the strengthening Australian dollar and its inevitable impact on exports. On the international front, the lack of progress shown by the Trump administration in delivering their growth policies have resulted in a frantic market, along with an increase in tensions in the Middle East. We note that consumers are less confident when compared to previous years when asked about the annual Budget, with the expectation that any negative shocks in this year's Budget will result in a significant decline in the Confidence Index.

Westpac's chief economist, Bill Evans, noted that there are mixed indications on Australia's economic outlook. According to the economist, "there was some encouraging improvement in the components measuring respondents' assessments around their own finances… though expectations for the economy, possibly reflecting prospects for the housing market and global developments, fell".

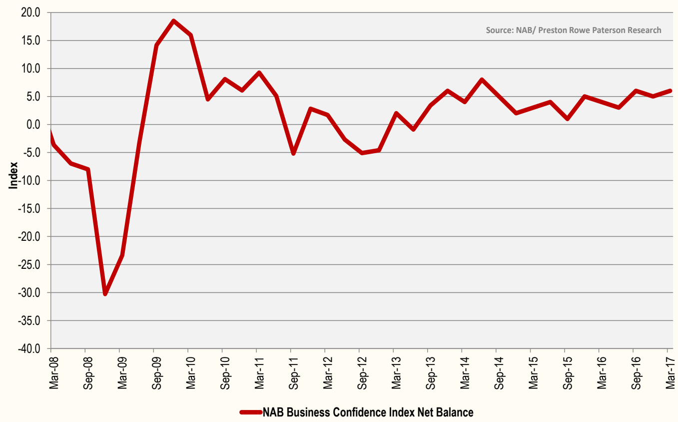

Chart 3—NAB Business Confidence Index, March 2008 to March 2017 Overview—Source—NAB Business Confidence Index

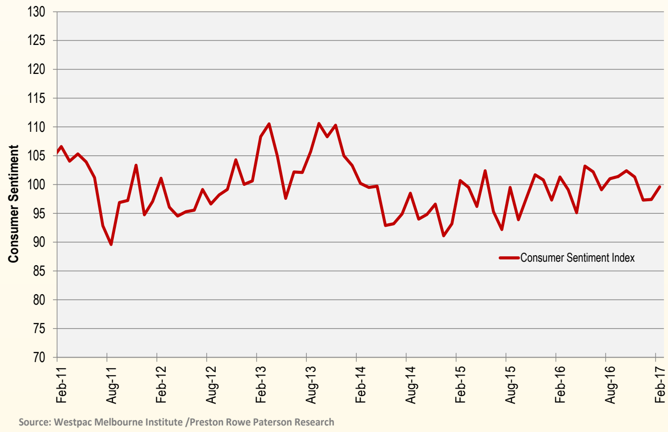

Chart 4—Consumer Sentiment Index, 2000-2016 Overview—Source—Westpac Melbourne Institute Survey

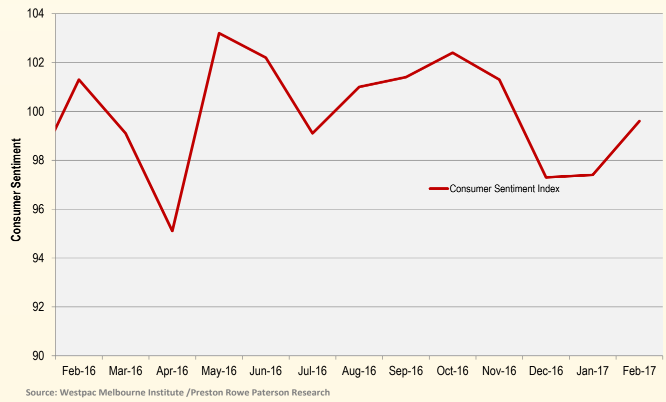

Chart 5—Consumer Sentiment Index, February 2016 to February 2017—Source—Westpac Melbourne Institute Survey

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Lending Rates

10 Year Bond & 90 Day Bill Rate

10 Year Australian government bond yields have been steadily increasing over the three months to March 2017. The average 10 Year yields in March stands at 2.81%, which indicates a 2 basis points increase from December's average of 2.79% and a 24 basis points increase from the March 2016's average of 2.57%. The 90-Day bank bill swap rate increased at a more modest rate, to 1.79% for the month of March. This figure indicates a rise of 1 basis point from the previous quarter, though indicates a yearly decline of 0.52%.

We note that over the past twelve months, central banks globally have utilised unconventional policies (i.e. buying programs and quantitative easing methods) in order to manipulate decreases in bond yields with the intention to stimulate both private and corporate investment. Inevitably, bond yields have declined to historical lows, though the effectiveness of these programs in their ability to influence economic growth have been questioned by the International Monetary Fund and the G20 through to 2017. Nevertheless, the US Election prompted Treasury bond rates to increase as market confidence spurred from the election of Donald Trump. Global economies, including Australia, have mirrored the upward movements of the US Bond markets ever since the US Election in November 2016, though we note that rate rises have slowed over the three months to March 2017.

Preston Rowe Paterson Research forecasts that volatility in Australia's bullish bond yields will continue throughout 2017. The latest figures from April indicated a sharp decline in Australian 10-Year bond yields, slumping to 2.59% - the lowest level since November's figures post-Trump election. We note that this was influenced by the decline in US 10-Year Treasury yields to 2.32%, which has decreased as declining oil prices prompted fears in inflation and economic growth prospect. Furthermore, the Trump administration have not been able to show any signs of fulfilling their infrastructure spending promises, which inevitably adds to the uncertainty of future growth prospects in the United States.

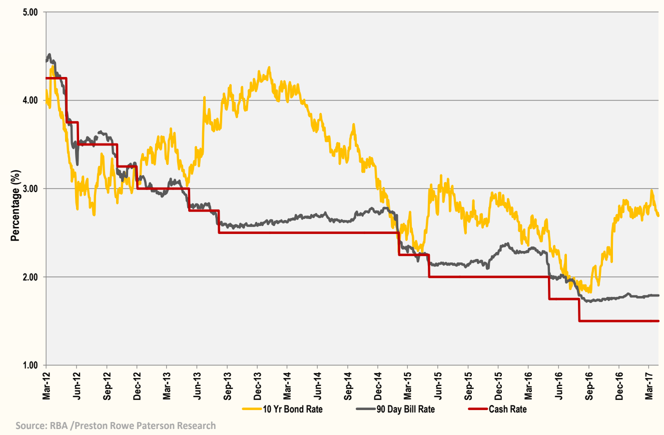

Chart 6— Daily Movement of 90-day Bill, 10-year bond yields and Cash rate, from March 2012 to March 2017— Source: RBA

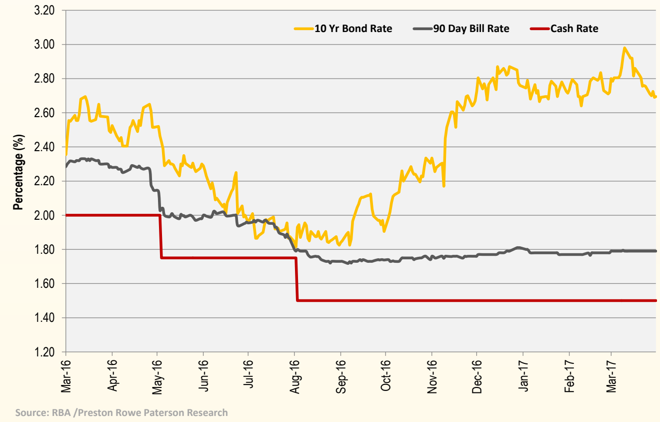

Chart 7— Daily Movement of 90-day Bill, 10-year bond yields and Cash rate, from March 2016 to March 2017— Source: RBA

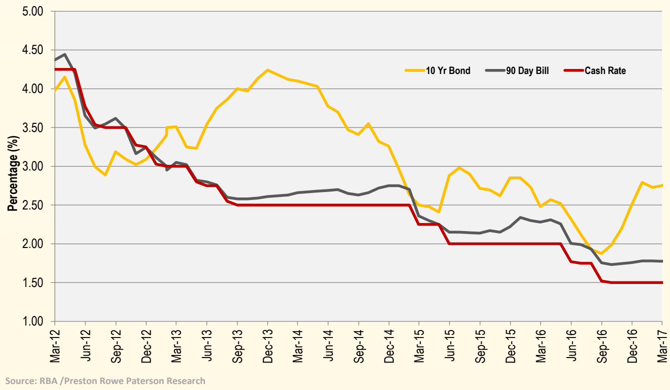

Chart 8— Monthly movement of 90-day Bill, 10-year bond yields and Cash rate, from March 2012 to March 2017— Source: RBA

Interest Rates

Interest rate was kept unchanged for the sixth meeting in a row in March, with the cash rate remaining at 1.5%. The Reserve Bank of Australia based its decision on the fact that the global economy has improved modestly over the few months in 2017, with expectations of above-trend growth in advanced economies even as uncertainty remains. The RBA emphasises the transition away from additional expansionary monetary policies from major economies around the world all whilst the world anticipates the decision stemming from the US Federal Reserve to increase its interest rate in the near future.

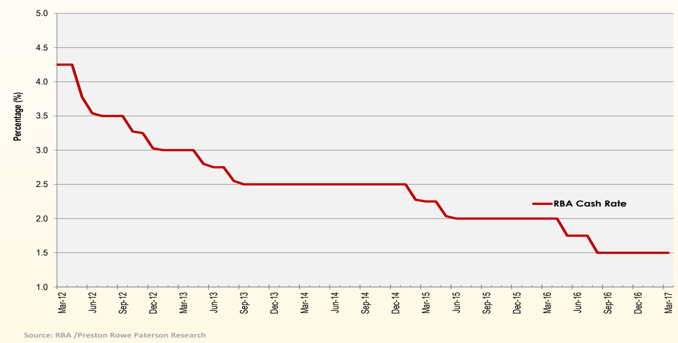

Chart 9— Movement of the Cash Rate from March 2012 to March 2017— Source: RBA

Australia's domestic economy is currently at the end of its transition away from the mining boom, with strong increases in non-mining exports and business investments over the past year. The RBA did reiterate that there are weaknesses in our labour market and household incomes. Variation in employment prospects around Australia, the growing prominence of part time jobs and low growth in household income are all weaknesses in our domestic economy that have been taken into consideration in making the decision to have interest rate remain unchanged at this prehistorically low level. The Reserve Bank also noted on the different conditions across the housing market throughout Australia, especially the increase in apartment supply scheduled to enter the eastern capital cities in the coming years. Risks in the housing market are known to the Reserve Bank, in which they have praised the Australian Prudential Regulation Authority (APRA) in its role in strengthening lending standards in order to address some of the risks. In saying this, rate rises in the near future are not unjustified given the problem of cost of housing, which require the Reserve Bank to step in to manage the situation if it deteriorates.

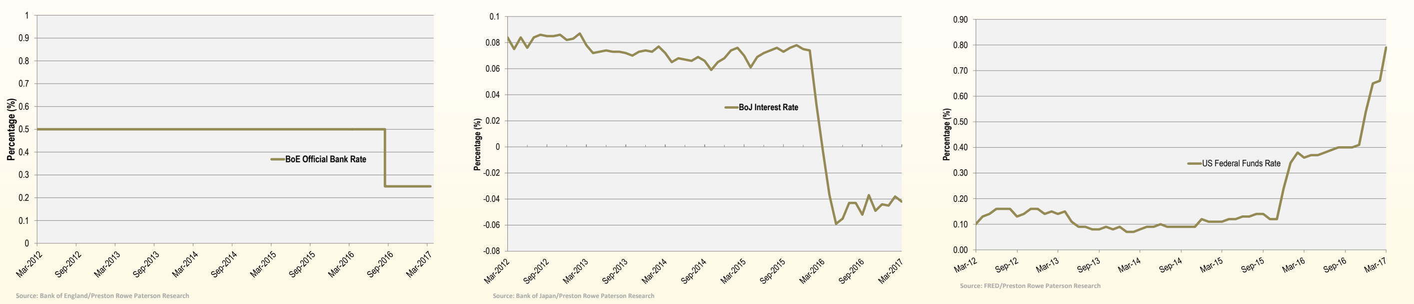

Chart 10— Movement of Central Bank's Cash Rate in England, Japan and US— Source: Bank of England; Bank of Japan; US Federal Reserve

Housing and Business Loan Rates

Australia's current boom in its housing market (mainly in the easterly capital cities) has resulted in increased borrowings by investors, with household debt now increasing at a faster rate than household income. In light of this, some of the major banks around Australia have sought to increase their home loan variable rate despite the RBA leaving interest rates unchanged at 1.50%. National Australia Bank was the first of Australia's major banks to increase both their residential investment home loan variable rate and standard variable rate as at March 2017. This move was followed by Australia's other major banks, of which Commonwealth Bank, ANZ, St George have opted to also increase investor home loans. These moves were prompted by APRA raising concerns in lending practices and the need to curb speculative property lending. Accordingly, variable housing loan increased by 5 basis points over the quarter to 5.30% in March. Similarly, mortgage manager's standard variable lending rate increased by 5 basis points to 3.90% over the same period. Personal home loan remain unchanged at 5.80%.

Small business loan rates remained largely unchanged over the quarter to March 2017. Residential secured small business rate stood at 6.40% and Other small business rate at 7.25%. However, these rates signify a yearly decline of 35 basis points each when compared to March 2016 rates. 3 year fixed small business lending rate declined by 10 basis points to 5.25% over the quarter.

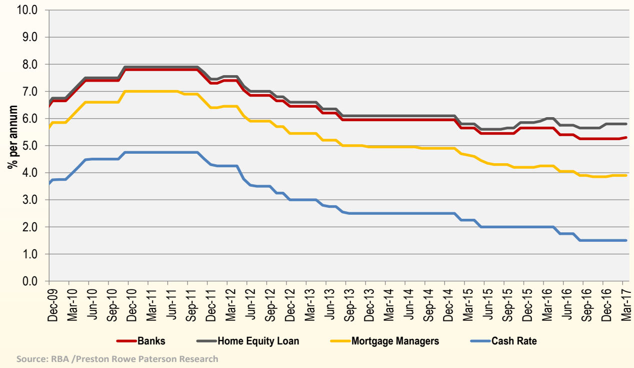

Chart 11— Housing Loan Indicator Lending Rates— Source: RBA

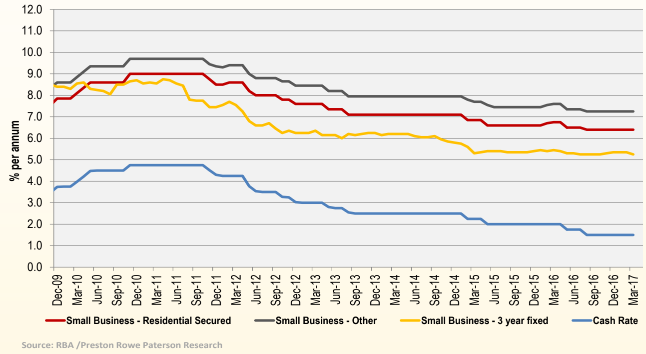

Chart 12— Small Business Indicator Lending Rates— Source: RBA

Australian Exchange Rates

The Australian currency depreciated against most major currencies over the month to March. The Australian dollar slipped against the US Dollar, depreciating by 0.6% to buy $USD0.7644. Furthermore, the Australian Dollar declined against the UK Pound, the Euro and the Japanese Yen, with $AUD1 buying £0.6126 (-0.9% m-o-m), €0.7161 (-1.4% m-o-m) and ¥85.67 (-1.0% m-o-m) respectively. In contrast, the Australian dollar appreciated against the New Zealand Dollar, buying 2.4% more than the previous month at $NZ1.095. When we look at changes over the quarter, the Australian Dollar fared better, appreciating 5.6% against the US Dollar, 4.0% against the UK Pound, 4.2% against the Euro, 1.4% against the Yen and 5.32% against the New Zealand Dollar. The Australian exchange rate in slipped in March after the Reserve Bank's decision to let interest rate remain unchanged amidst the build-up of risk that stems from the housing market. The Bank's stance of interest rate is a hard balancing act, as lifting rates would ideally cool down the housing market though this may detriment Australia's economic progression.

At this stage, the US Dollar can arguably be considered as a 'safe haven' asset in comparison to the Australian Dollar. Iron ore prices have started to decline after price increases through late 1016 and the first few months of 2017. This is attributed to the iron ore stockpile in China, meaning that this has had a negative flow on effect on the demand for Australian iron ore as China is the commodity's largest importer. Ultimately, deterioration in Australia's terms-of-trade will lead to further depreciation in the currency in the future.

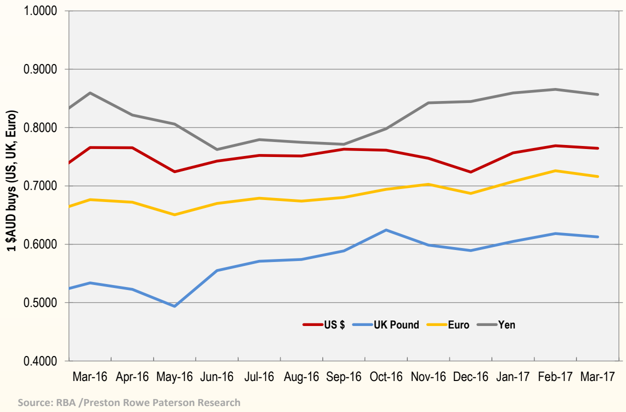

Chart 13— Movement in Exchange Rate over the year to March 2016— Source: RBA

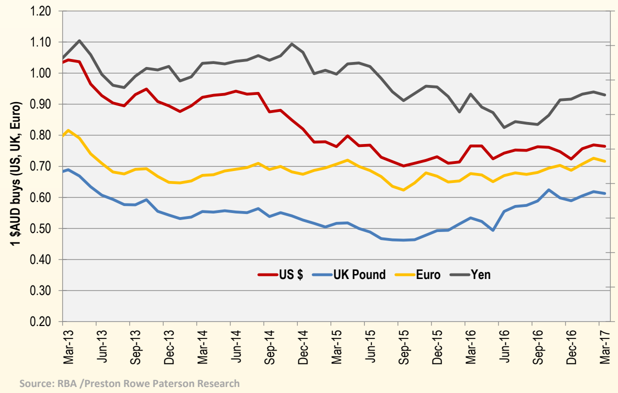

Chart 14— Movement in Exchange, from March 2013 to March 2017— Source: RBA

Equity Markets

Share Price Indices

Over the three months to March 2017, the Australia S&P/ASX 200 increased by 3.52% , from 442.7 in December 2016 to 458.3 in March 2017, while the US S&P 500 increased by 5.53% from 678.0 in December 2016 to 715.5 in March 2017. Over the year, the Australian share price index increased by 15.4% and US S&P 500 increased by 14.7%.

Australia's local share market has been greeted with great investor optimism coming into 2017, driven by confidence in US economic growth prospects, increase in crude oil prices and a positive outlook for corporate earnings. We stand to monitor the progress of growth in the US economy and whether the Trump administration will be able to deliver on his pre-election growth promise. Furthermore, the current situation in Australia's housing market have put pressure on the Reserve bank to take a contractionary monetary policy approach through rate rises in order to prevent a possible housing bubble. In combination with this, China's economy has slowed down in comparison in recent years, and this may result in a long term trend in declining demand from Australia's most important trade partner. When we take all these events into consideration, along with the geopolitical events occurring worldwide, Australia's local share market may experience notable corrections in the near future.

The US S&P 500 Index, albeit experiencing growth over the quarter to March 2017, showed a weak performance over the month. This can be attributed to the increase concerns from investors about the US economy, as doubts increase as to whether the US government would be successful in implementing pro-growth legislation as promised. Furthermore, downward pressure has been placed on the index as Donald Trump's inability to replace the Affordable Care Act prompts investors to question his ability to go through with his election promises.

Industrials, All Ordinaries & Property Trust Index Values

The All Ordinaries Index, Industrials Index and Property Trust Index all performed strongly throughout the first quarter of 2017. All Ordinaries Index increased by 2.5% over the month to 5,903.8, while Industrials and Property Trust increased by 3.9% and 0.6%, respectively, to 5,284.5 and 1,379.6. When we look at year-on-year performance, the All Ordinaries performed strongly, increasing by 14.6%. Over the same period, Industrials index increased by a modest 3.8% and Property Trust Index increased by 1.3%.

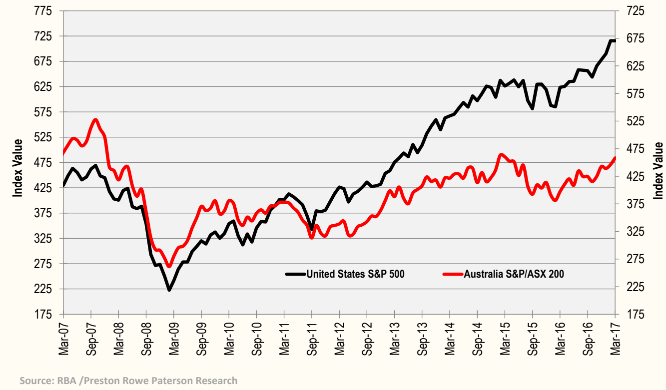

Chart 15— Australian and US Share Price Indices, from March 2007 to March 2017— Source: RBA

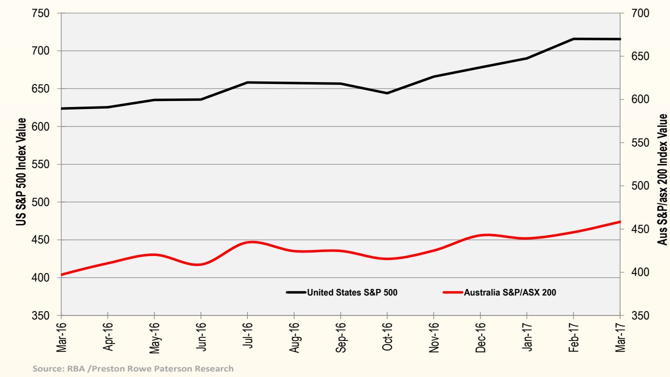

Chart 16— Australian and US Share Price Indices, Movement over the year to March 2017— Source: RBA

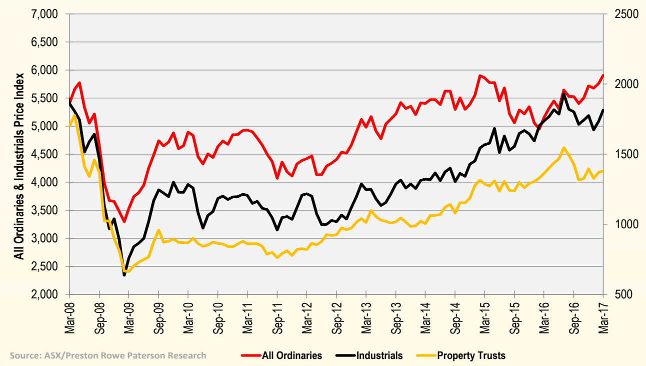

Chart 17— Australian Share Price Indices, from March 2008 to March 2017— Source: ASX

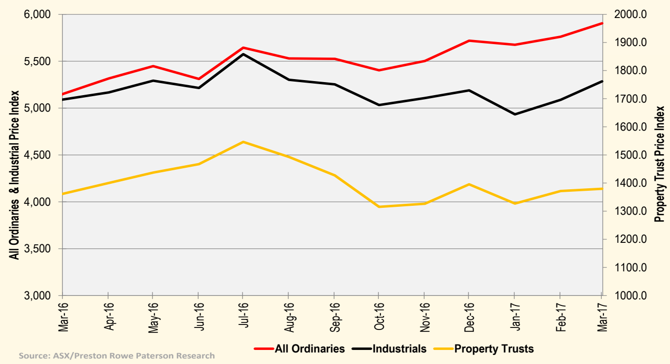

Chart 18— Australian Share Price Indices, over the year to March 2017— Source: ASX

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Economic Growth

Gross Domestic Product

Over the December quarter, Gross Domestic Product increased by a seasonally adjusted 1.1%, and hence lifted Australia's economic growth over the year to 2.4%. This increase over the quarter meant that Australia have averted a technical recession after the contraction of 0.5% over the September quarter, though overall growth over the year was at a below long-term average of about 2.75%. Notably, the Australian Bureau of Statistics pointed to a rise in household spending and public investment as the two biggest contributors to the quarter's strong performance, with a respective growth of 0.5% and 0.3% over the quarter.

Out of twenty industries, improvements were recorded in fifteen, with the strongest growth stemming from Mining, Agriculture, Forestry and fishing and Professional scientific and technical services- with each industry recording 0.2% to GDP Growth. We note that Australia's Terms of trade increased by 9.1% over the three months through to December, with its improvement attributed to by strong price increase in coal and iron ore upon increased demand from foreign buyers. Furthermore, the rise in commodity prices has resulted in a 16.5% increase in Private non-financial corporation's gross operating surplus.

We also note that compensation of employees declined 0.5% in the quarter, this being the first decline since September quarter of 2012. These figures are supported by record low growth in the Wage Price Index, which was observed to be at 1.9% over the year to December. Furthermore, more households are digging into their savings, as the Household savings ratio stood at a seasonally adjusted 5.2% in December- down from September quarter's figure of 6.3%. Household spending over the December quarter increase to 1.2% (0.6% in September), whilst household gross disposable income increased by a low 0.2%.

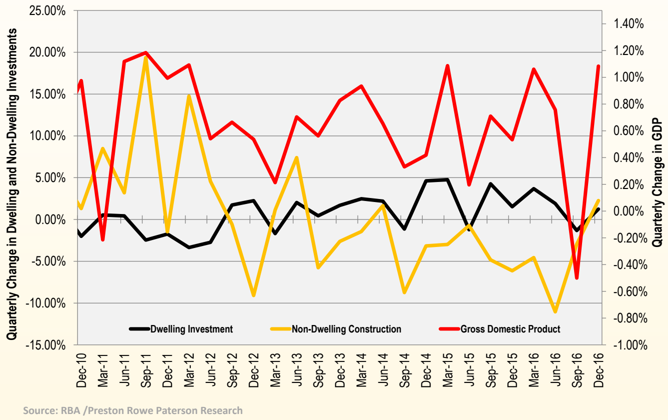

Chart 19— Percentage Change in Dwelling, Non-Dwelling Investments and GDP— Source: ABS

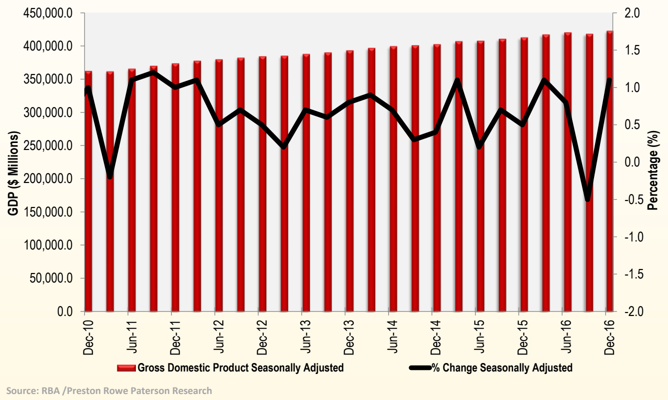

Chart 20— Seasonally Adjusted GDP and Seasonally Adjusted Change in GDP— Source: ABS

Labour Force

Unemployment

National unemployment rate remained unchanged in March at 5.9%, even if the economy was boosted by the creation of 60,900 new jobs. The reason for this was that over the month, Australia's participation rate increased by 0.2% to 64.8%, which means that there was an increase in the proportion of people in employment or seeking employment when compared to the previous month. When we break down the numbers, there were 75,500 full time jobs filled up over the month, though this was offset by a decrease of 13,6000 part time positions. These figures provide a refreshing change from the frequent reports of Australia's underperforming full-time job market over the past twelve months, though analysts remain cautious since the unemployment rate remains precariously high. We also note that underemployment is still considerably high, with over one million people in Australia wanting more work but unable to obtain any.

When we look at the states and territories, most enjoyed an improvement in their unemployment rate. Queensland and New South Wales benefited from an addition of 28,800 and 23,300 jobs, respectively, over the month to March. Their respective unemployment rate declined to 6.3% (6.6% in Feb) and 5.1% (5.2% in Feb). Victoria, South Australia, Western Australia and Tasmania all experienced an increase in their unemployment rate. Victoria's unemployment rate increased by 0.1% to 6.1%, South Australia's increased from 6.6% to 7.0%, Western Australia's from 6.1% to 6.5% and Tasmania's from 5.8% to 6.0%.

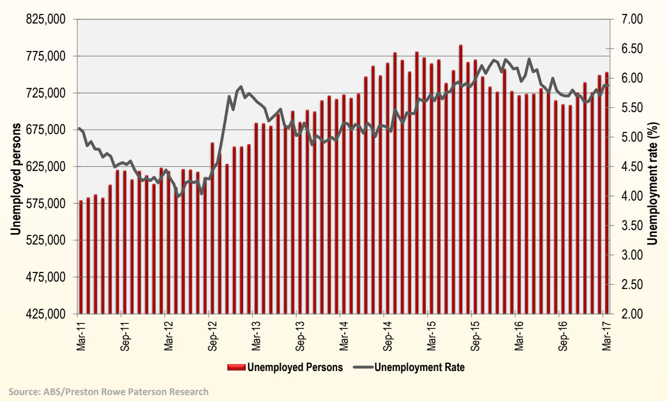

Chart 21— Unemployment Persons and Unemployment Rate, March 2011 to March 2017 — Source: ABS

	Unemployment Rate (%)			Participation Rate (%)		
	February	March		February	March	
Australia	5.9	5.9	▬	64.6	64.8	▲
New South Wales	5.2	5.1	▼	62.9	63.1	▲
Victoria	6.0	6.1	▲	65.7	65.9	▲
Queensland	6.6	6.3	▼	64.1	64.6	▲
South Australia	6.6	7.0	▲	62.3	62.3	▬
Western Australia	6.1	6.5	▲	67.2	67.5	▲
Tasmania	5.8	6.0	▲	59.5	59.9	▬
Northern Territory*	3.5	3.5	▬	78.1	78.5	▲
Australian Capital Territory*	3.7	3.7	▬	70.1	70.1	▬

Table 2— Unemployment Rate and Participation Rate, February vs. March 2017 — Source: ABS
* Trend figures used for NT and ACT as seasonally adjusted data for both are not publicly available

Wage Price Index

December quarter 2016 wage price index, released on 22nd February 2017, indicated that the Private sector experienced a 0.4% increase in wages, whilst the Public sector index increased by 0.6%. Over the year, all sectors increased by 1.9%, with a record low annual growth of 1.8% for the Private sector and an annual growth of 2.3% from the Public sector. The Reserve Bank of Australia have delved into Australia's issue of low wage growth, indicating that the decline in inflation expectation, declining corporate profitability and the depreciating Australian dollar to improve international competitiveness have all contributed to the decline in wage growth over the recent years. Furthermore, the struggling mining and mining-related industries, the RBA stated, have also contributed to this overall slowdown in wage growth. The Reserve Bank predicts that as Australia moves away from its dependence on the mining industry, wage growth will gradually pick up, though reiterated that the extent of improvement will rely heavily on the condition of Australia's labour market.

When we look at the states and territories around Australia, Queensland and South Australia recorded the largest increase in their index with 0.6% for each state. In contrast, Western Australia and Tasmania recorded the lowest quarterly increase with 0.2% each. When we look at the Private sector, New South Wales recorded the highest increase of 0.4% over the quarter, whilst Western Australia recorded the lowest out of all states and territories with a rise of 0.1%. When we look at the Public sector, Queensland recorded the highest quarterly growth of 1.3%, whilst New South Wales recorded the lowest growth of 0.2%.

Looking at the different industries around Australia, we recognise some variations in wage growth amongst those in the Private and Public sectors. When we delve into the Private sector, IT recorded the highest quarterly growth of 1.1%, whilst Mining, Wholesale trade, Professional, Scientific and technical services all recorded record low growth of 0.1%. The Public sector provided a more balanced quarterly increase, with Health care and social assistance recording the highest quarter increase with 0.8%, and Electricity, gas, water and waste services, Professional services and Public administration & safety recorded the lowest wage growth at 0.5%.

*March quarter figures are currently not available and hence the December quarter's figures will be used for analysis.

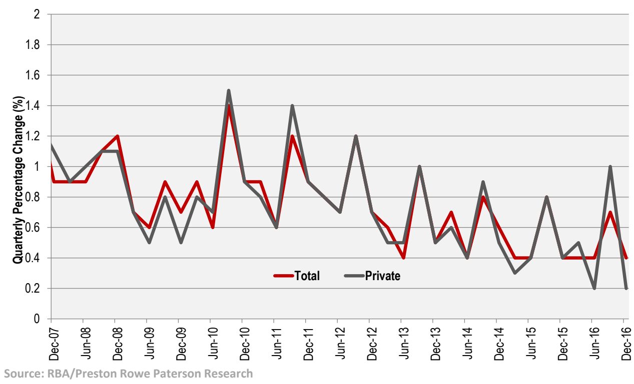

Chart 22— Wage Price Index from December 2007 to December 2016— Source: ABS

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Balance of Payments

Current Account Balance

Over the December quarter, Australia's current account deficit declined by $6,348 million (-62%), in seasonally adjusted terms, to $3,853 million. This is largely attributed to by the surge in commodity prices over the second half of 2016, as foreign demand amps up Australia's iron ore and coal prices. We note that the goods and services surplus increased to $4,667 million, from September's quarter deficit of -$3,538 million, with this being the largest surplus in Australia's trade record. The balance on goods and services experienced an increase of $700 million (or 49%) to a surplus of $2,124 million over the quarter, with goods credit increasing by $1,825 million while good debit increased by $814 million. Furthermore, the net deficit on services increased to $311 million, from September's deficit of $205 million.

Over the quarter, Australia's Terms of trade increased by 9.1% to 102.9. This was helped by a trade surplus of more than $3.5 billion, with exports increasing by 5% to $32.6 billion, whilst imports only increased by 1%. However, we note that this increase in trade surplus may not last, with economists predicting demand for commodity may decline as we enter the second half of 2017.

	Balance on Current Account	Balance on Goods & Services	Net Primary Income
September Quarter 2016	-$10,201m	-$3,528m	-$6,238m
December Quarter 2016	-$3,853m	$4,667m	-$8,081m
% Change over the Quarter	62%	—	-30%

Table 4 — Balance on Current Account, Balance on Goods & Services and Net Primary Income, Seasonally Adjusted, ($m– millions) — Source: ABS

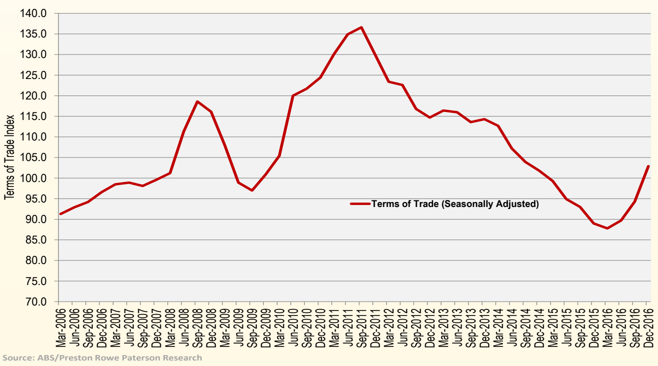

Chart 23— Terms of Trade, Seasonally Adjusted — Source: ABS

International Investment Position

Over the December quarter, Australia's net International Investment Position (IIP) liability was at $1,021.6 billion, which indicated a decline of $19.8 billion (or 2%) on September 2016's revised figure of $1,041.4 billion. Net foreign debt liability declined by $25.6 billion (or 2%) over the quarter, to reach a lower liability position of $1,023.1 billion. Furthermore, net foreign equity asset declined by $5.8 billion (or 80%) to a net asset position of $1.4 billion as at the end of 2016. Albeit a slight improvement in its liability position, Australia's debt level still stand very high when compared to the rest of the developed world. Major ratings companies around the world have continued to emphasise on Australia's debt situation, reiterating that there is a high chance of Australia losing its AAA-rating score if inaction around tackling it continues. Australia's big four banking institutions rely on the strong credit score to compete strongly in the offshore wholesale debt market, so a decline in ratings would detrimentally funding costs of these banks.

We note that Australia is one of the ten countries to hold a AAA rating and is also on track to being the country with the longest run of economic growth, though with the lingering concern of a possible housing market collapse, increasing level of household debts and stagnant living standards, things could change directions very quickly if these problems are continued to be overlooked.

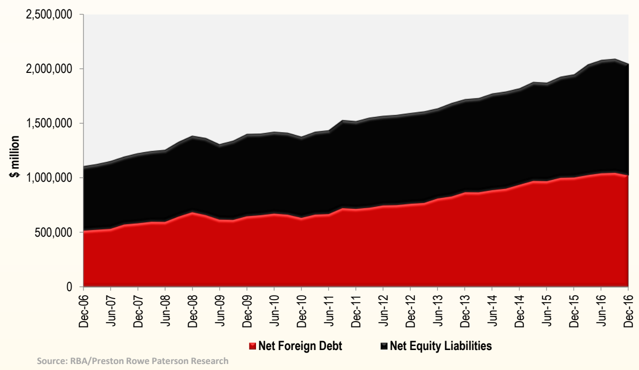

Chart 24— Net Foreign Debt and Net Equity Liability, December 2006 to December 2016— Source: ABS

	Net Foreign Debt ($ billions)			Net Equity Liability ($ billions)		
	September 2016	December 2016		September 2016	December 2016	
Australia	$1,048.521	$1,023.055	▲	$1,043.279	$1,021.612	▲
Change over Quarter	-$25.466		▼	-$21.667		▼
% Change over Quarter	-2.4%		▼	-2.1%		▼
% Change over Year	1.7%		▲	8.3%		▲

Table 4 — % Change over Quarter & Year of Net Foreign Debt and Net Equity Liability, September 2016 vs. December 2016 — Source: ABS

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· Self managed super funds
· Solicitors and barristers
· Sovereign wealth funds
· Stock brokers
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· Facilities management
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· Funds management advice & portfolio analysis
· Income and outgoings projections and analysis
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· Relocation advice, strategies and consultancy
· Rental assessments and determinations
· Sensitivity analysis
· Strategic property planning

About This Report

The Preston Rowe Paterson Economic Report provides an analysis of the Australian Economy based on various economic indicators and information provided in the June 2016 Statistics from the Reserve Bank of Australia. Our report provides a summary of current figures as well as providing historical data to give an indication of movements in the economy over recent years and to determine possible future trends.

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