

For the week ending Friday, 02 June 2017

## Quote of the week <sup>1</sup>

"The opposite of courage in our society is not cowardice, it is conformity": Rollo May (1909-1994).

## Market summary <sup>2</sup>

- The **S&P/ASX200 index** rose **0.63%** over the week, closing at **5788**.
- The **Aussie Dollar** was fairly flat, only falling by **0.04%** on the way to **\$US0.744**.

## Key data <sup>3,4</sup>

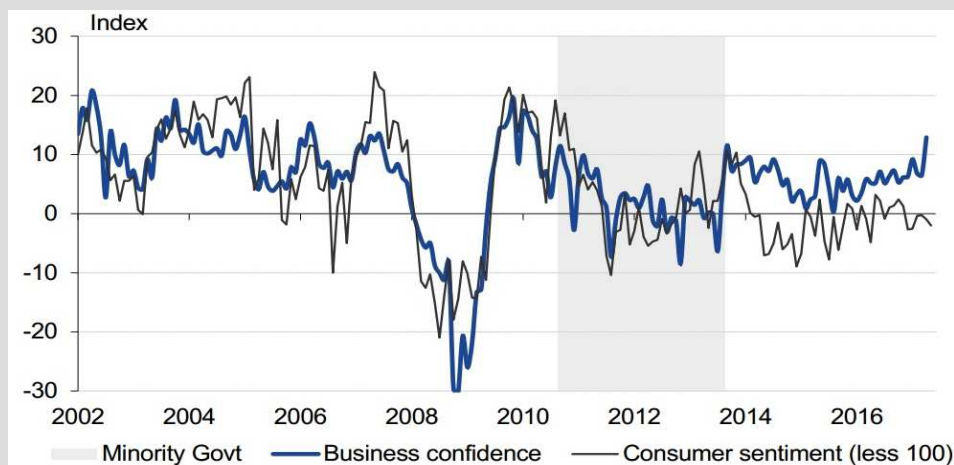
- **RBA data** showed **private sector credit** in Australia growing by **0.4%** in April and **4.9%** higher than a year ago.
- **Eurozone unemployment** was better than expected in April, coming down to **9.3%** - the lowest reading since March 2009.
- **Retail sales** in Australia grew by a seasonally adjusted **1%** in April according to the ABS, led by a turnaround in department store sales which rose **2.5%**.

## In the News <sup>3,4</sup>

- **BHP Billiton** and **Rio Tinto** seem to have stared down the new WA state government over proposed changes to mining lease rent payments.
- Australian firm **Offshore Energy** are in the early stages of planning an **\$8 billion wind farm** off the coast of Gippsland, while an enormous offshore platform to be used at **Inpex Corporation's \$US40 billion Ichthys LNG project** has arrived off Western Australia, paving the way for production to start in **early 2018**.

## 'Eye-opener of the week <sup>5</sup>

While retail spending and private-sector capital expenditure have been slightly stronger than expected, one curious set of figures have continued to raise eyebrows. Seen below, the Melbourne Institute's business and consumer sentiment indices have been heading in opposite directions for some months. Consumers sentiment tends to lag recovery more than business sentiment, while low wage growth has also likely weighed down optimism from households.



## Sources

1. brainyquote.com 2. Commsec. 3. Business Spectator 4. NAB, Morgan Stanley, Melbourne Institute

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