

For the week ending Friday, 07 April 2017

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

“Worry never robs tomorrow of its sorrow, it only saps today of its joy” Leo Buscaglia (1924 - 1998).

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

- The **S&P/ASX200 index** fell a very modest **0.04%**, closing the week at **5862**.
- The **Aussie Dollar** gave up **1.75%** against the greenback, falling to **US\$0.7494**.

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

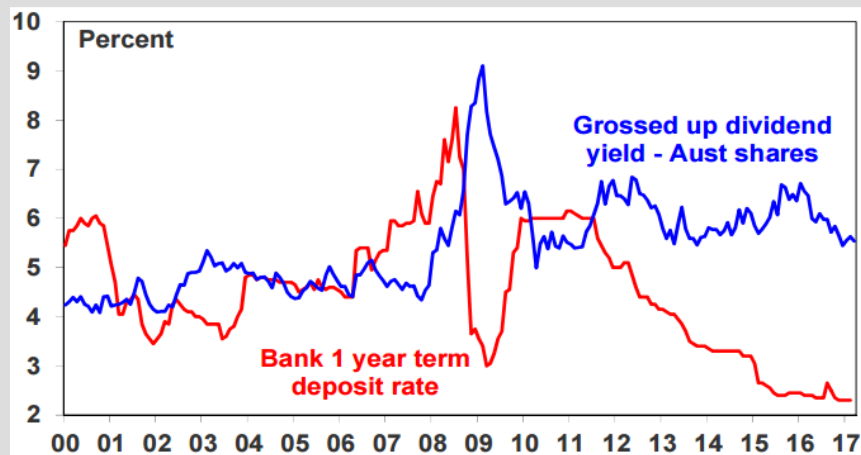
- The **RBA** kept the **cash rate** on hold at **1.50%** for the seventh consecutive meeting.
- The **Eurozone's unemployment rate** continued to trend lower, dropping to **9.5%** in January, the lowest since May 2009.
- **ABS** data showed Australia's trade surplus rose from **\$2.04 billion** to a seasonally adjusted **\$3.511 billion** in December, the highest surplus on record.

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

- **BlueScope** will pay nearly **\$50 million** to deliver its consistently loss-making New Zealand iron ore business at Taharoa and its liabilities into the hands of the Maori traditional land owners.
- **Vocus Group** will begin construction of a **\$228 million** Perth-to-Singapore **submarine cable** (important phone and internet infrastructure) in late 2017 and expect to complete the project by mid-2018. A rival consortium looks to complete its own Singapore-Perth-Sydney cable by **mid-2019**.

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

The RBA offered no surprises at its April board meeting, reiterating a quietly confident view of global and Australian growth. While the outlook for the cash rate remains uncertain, the fact remains that income from cash and cash-linked investments remains depressed. Having a clear framework around appropriate risk tolerances is more important than ever when so many depend on their capital generating a certain level of income.



## Sources

1. brainyquote.com 2. Commsec. 3. Business Spectator 4. Australian Financial Review 5. RBA, Bloomberg, AMP Capital