

For the week ending Friday, 08 September 2017

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

“An error doesn’t become a mistake until you refuse to correct it”: Orlando Battista (1917 -1995).

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

- The **S&P/ASX200 index** slid **0.91%** across the week, dropping to **5672**.
- The **Aussie Dollar** held the 80c level, rising **1.17%** across the week and closing at **\$US0.80521**.

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

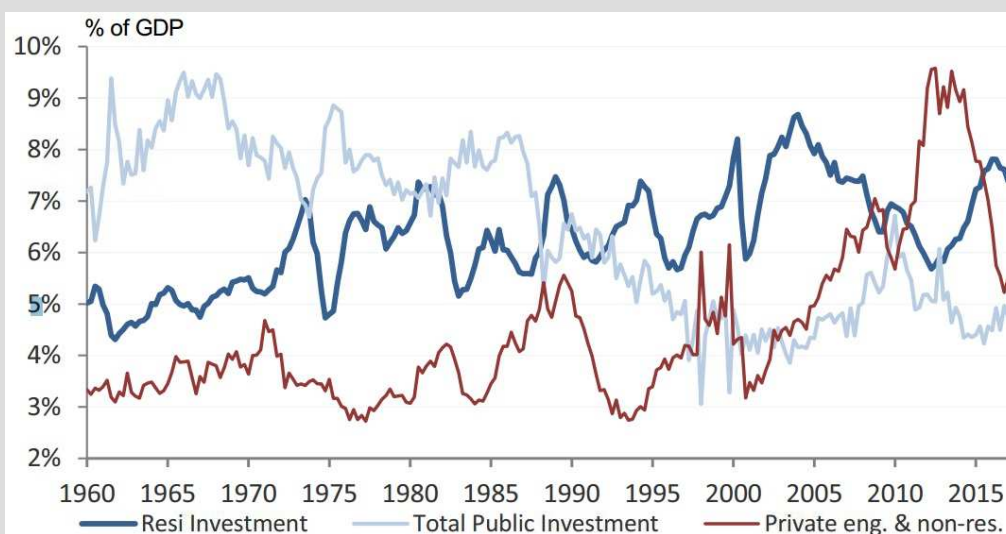
- The **RBA** decided to hold the **cash rate** steady at **1.50%** for the 12<sup>th</sup> consecutive meeting.
- **ABS data** showed **retail sales** were unchanged in July, just **missing expectations** for a small increase. Excluding food (the largest category by total spend), sales slid by **0.5%**.
- **Chinese consumer inflation** was higher than expected in August, rising from 1.4% to **1.8%**.

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

- The **WA state government** has announced a **50% increase** in the royalty paid by gold producers, from **2.5% to 3.75%** when the gold price is over **\$US1200 an ounce**.
- **AGL Energy** plans to convert its **Liddell coal power station** site into a clean energy facility once the 46 year-old plant closes in **2022**.
- **Santos** and **Origin** have signed a new deal to supply Chinese-controlled plastic maker **Qenos** with **ethane** until the end of 2019.

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

As residential construction took the baton from the commodities-driven capital expenditure during the mining boom, now it seems that public infrastructure is picking up slack as residential investment cools off. Household income continues to grow sluggishly (average hourly earnings growth in the June quarter recorded the first annual contraction since 1993). However, public investment surged 11.9% in the quarter and 14.7% over the year.



## Sources

1. brainyquote.com 2. Commsec. 3. Business Spectator 4. Australian Financial Review 5. ABS, Morgan Stanley Research