

August 2, 2024

Investor Signposts: Week beginning August 4, 2024

Upcoming economic and financial market events

Australia

Monday August 5	◆ Judo Bank purchasing managers' indexes (PMIs, July)	<i>The composite PMI is at a six-month low</i>
Monday August 5	◆ Melbourne Institute inflation gauge (July)	<i>Rose 0.3% in June</i>
Monday August 5	◆ New vehicle sales (July)	<i>Sales fell for the first time in 14 months in June</i>
Tuesday August 6	◆ Reserve Bank of Australia (RBA) interest rate decision	<i>No change in rates is expected</i>
Tuesday August 6	◆ RBA Statement on Monetary Policy	<i>Update on economic forecasts</i>
Tuesday August 6	◆ ANZ-Indeed job advertisements (July)	<i>Job ads could fall 0.9%</i>
Wednesday August 7	◆ Selected living cost indexes (June quarter)	<i>Cost-of-living pressures in focus</i>
Thursday August 8	◆ Speech by RBA Governor Michele Bullock	<i>At the Annual Rotary Lecture in Armidale, NSW</i>
Friday August 9	◆ Monthly business turnover indicator (June)	<i>The indicator fell 0.6% in May</i>

Overseas

Monday August 5	◆ China Caixin services PMI (July)	<i>Services activity could lift from 51.2 to 51.5</i>
Monday August 5	◆ US ISM services index (July)	<i>Tipped to increase from 48.8 to 51.3</i>
Monday August 5	◆ US S&P Global services PMI (July)	<i>Services PMI is expected to lift from 55.3 to 56</i>
Tuesday August 6	◆ US trade balance (June)	<i>Trade deficit of US\$72.6bn is expected</i>
Wednesday August 7	◆ China international trade (July)	<i>Exports jumped 8.6% on a year ago in June</i>
Wednesday August 7	◆ US consumer credit (June)	<i>Total credit growth of US\$10.3bn is expected</i>
Thursday August 8	◆ US wholesale inventories (June)	<i>Stocks could lift 0.2%</i>
Friday August 9	◆ China inflation (July)	<i>Consumer prices could lift 0.3% on a year ago</i>

Please note that forecasts are from Bloomberg and Refinitiv unless otherwise stated.

Reserve Bank of Australia (RBA) takes centre stage as the company reporting season continues

- The Reserve Bank of **Australia** (RBA) Board begins a two-day monetary policy meeting **on Monday** before handing down its much-anticipated interest rate announcement at 2.30pm AEST **on Tuesday**. The Statement on Monetary Policy, containing updated economic forecasts, is also issued at the same time. RBA Governor Michele Bullock also fronts the media to explain the Board's decision at 3.30pm AEST.
- Commonwealth Bank (CBA) Group economists maintain their view that the next move in monetary policy will likely be an interest rate cut in November 2024. That said, RBA policymakers could still deliver a "hawkish" hold message at the August 5-6 meeting, pointing to ongoing upside risks to prices.
- **On Thursday**, RBA Governor Bullock has another opportunity to provide investors with some guidance on the central bank's monetary policy stance when she delivers a speech at the Annual Rotary Lecture in Armidale, NSW.
- Elsewhere, it is a quiet week on the data docket with business activity surveys in focus in both the **US** and **China**.
- International trade and inflation reports out of **China** are also likely to show the economic recovery weakening across the board – potentially confirming the wisdom of recent interest rate cuts by the People's Bank of China.

Australian corporate reporting season schedule: Week Two (August 5-9)

- Companies scheduled to report full year (FY24) and interim (1H/2H FY24) results are as follows: **Monday**: Argo Investments; **Tuesday**: Arcadium Lithium; **Wednesday**: Light & Wonder; **Thursday**: News Corp, Mirvac, Charter Hall Long Wale REIT, Transurban, AMP, Avita Medical; **Friday**: Nick Scali, REA Group, QBE Insurance and Life360.

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