

Costs of Rate Cut too Great

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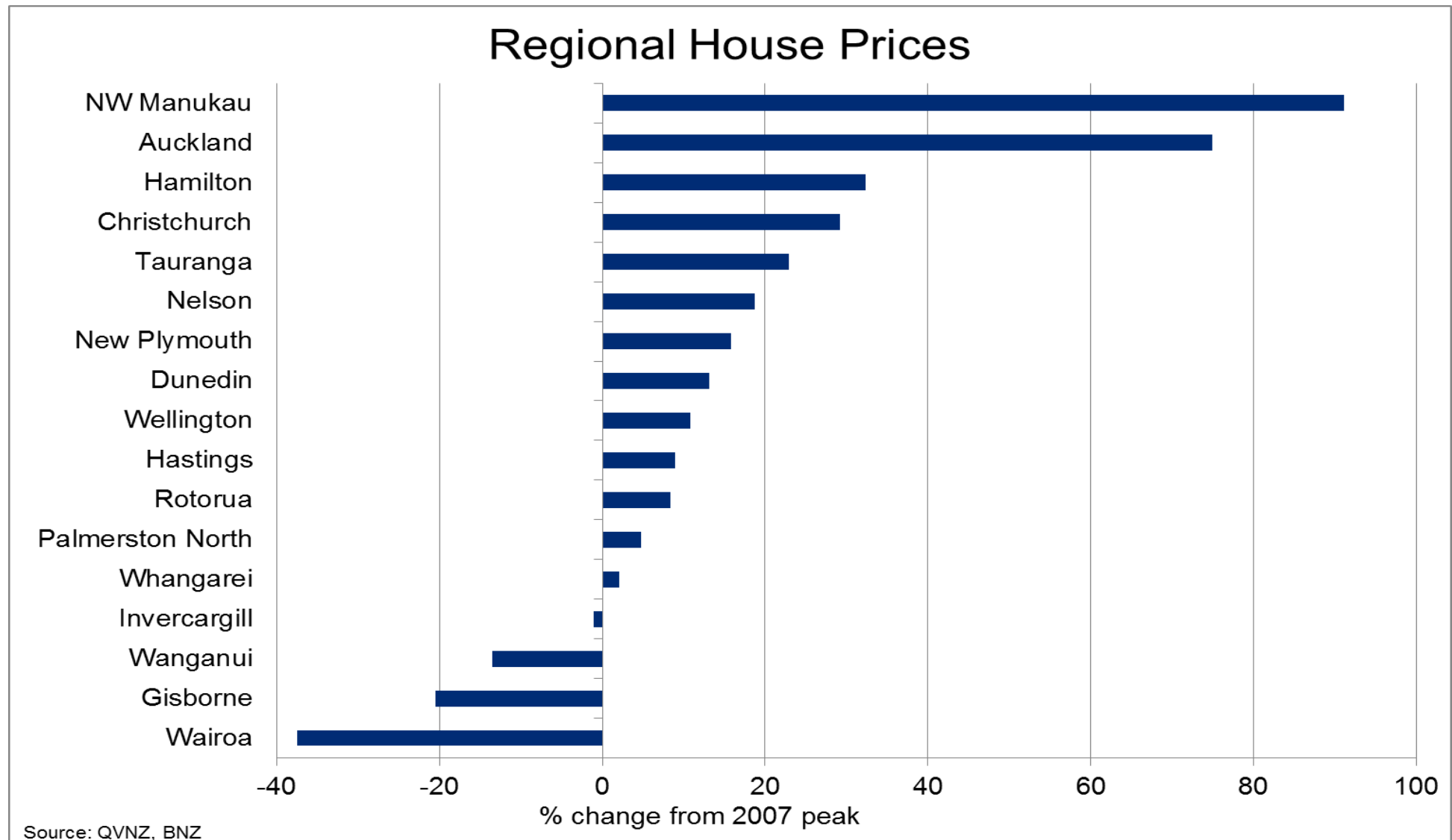
Costs

- *More volatility in domestic demand and non-tradables inflation*
- *More upward pressure on house prices*
- *Increased financial stability concerns*

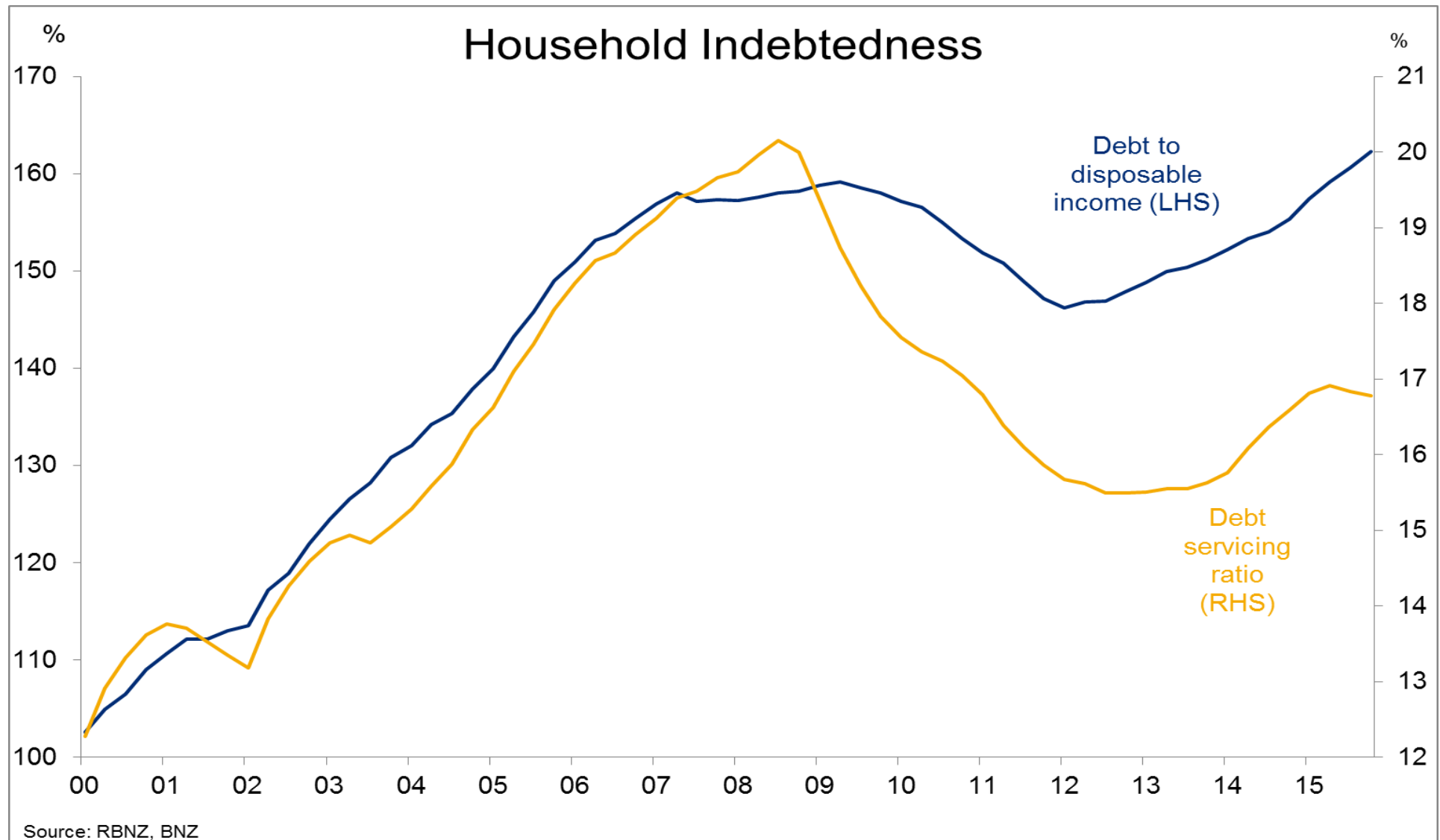
Benefits

- ***A lower currency***
- ***More CPI inflation***

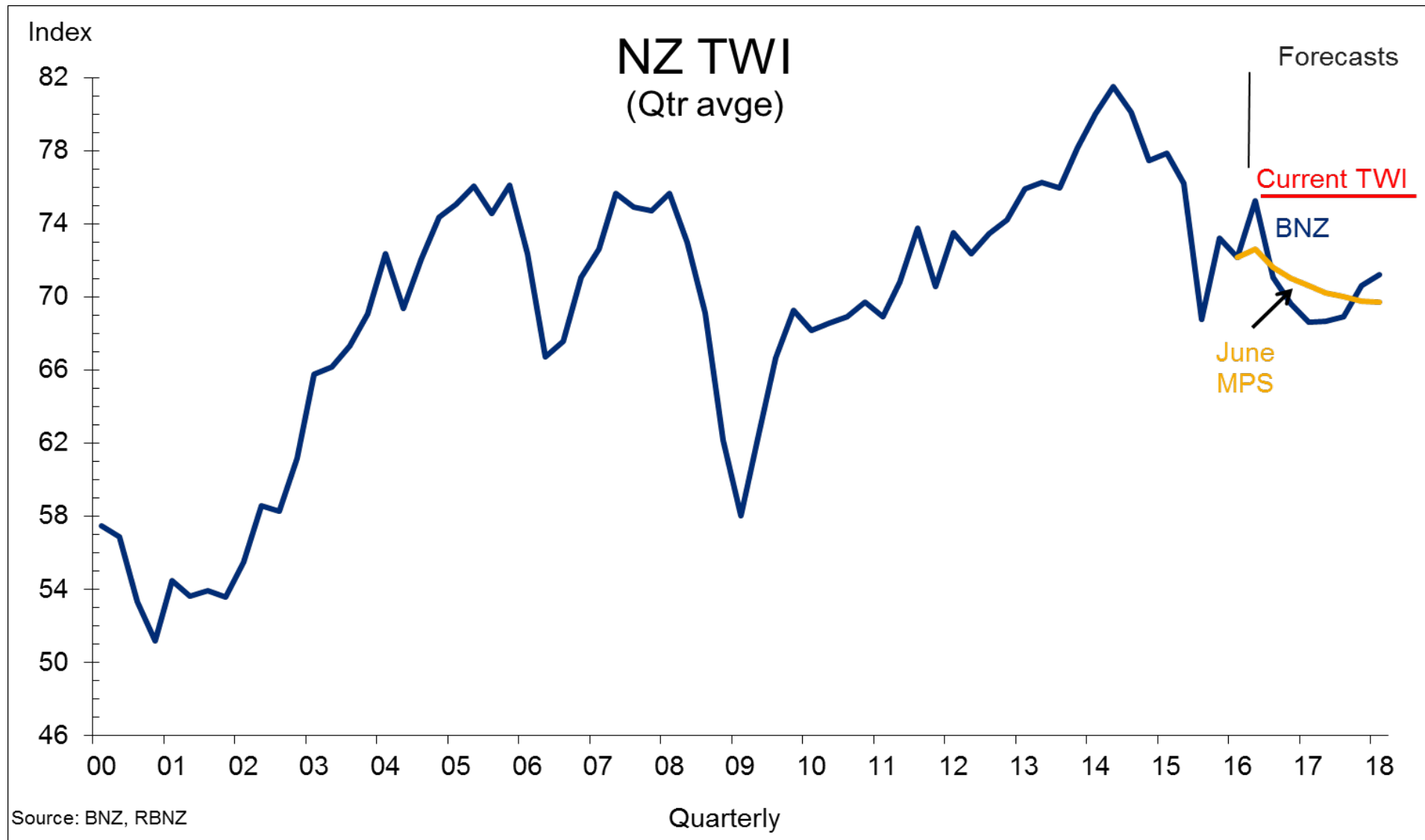
House Prices Ridiculously High



Debt Increasingly Burdensome



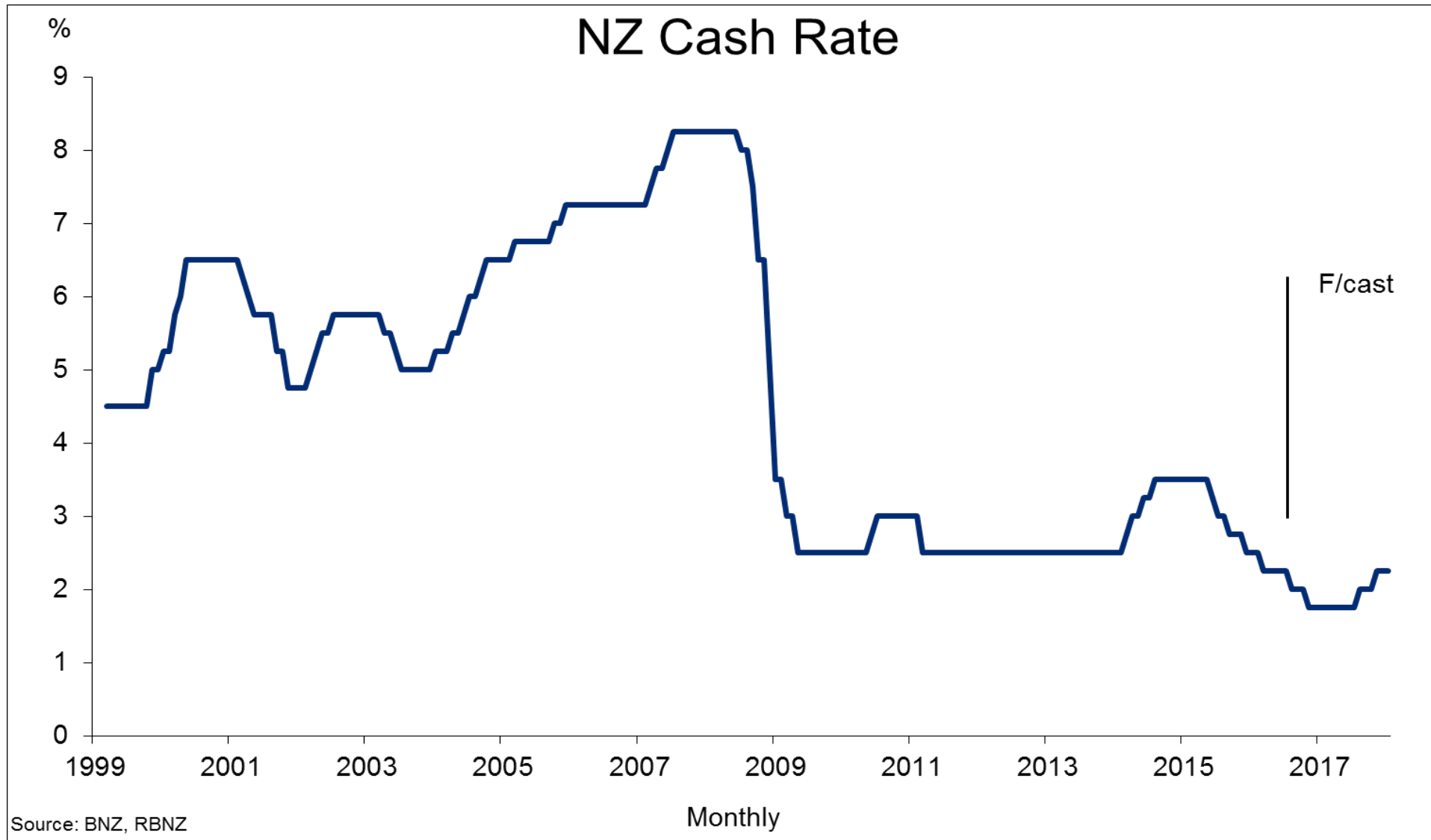
NZD Takes Flight

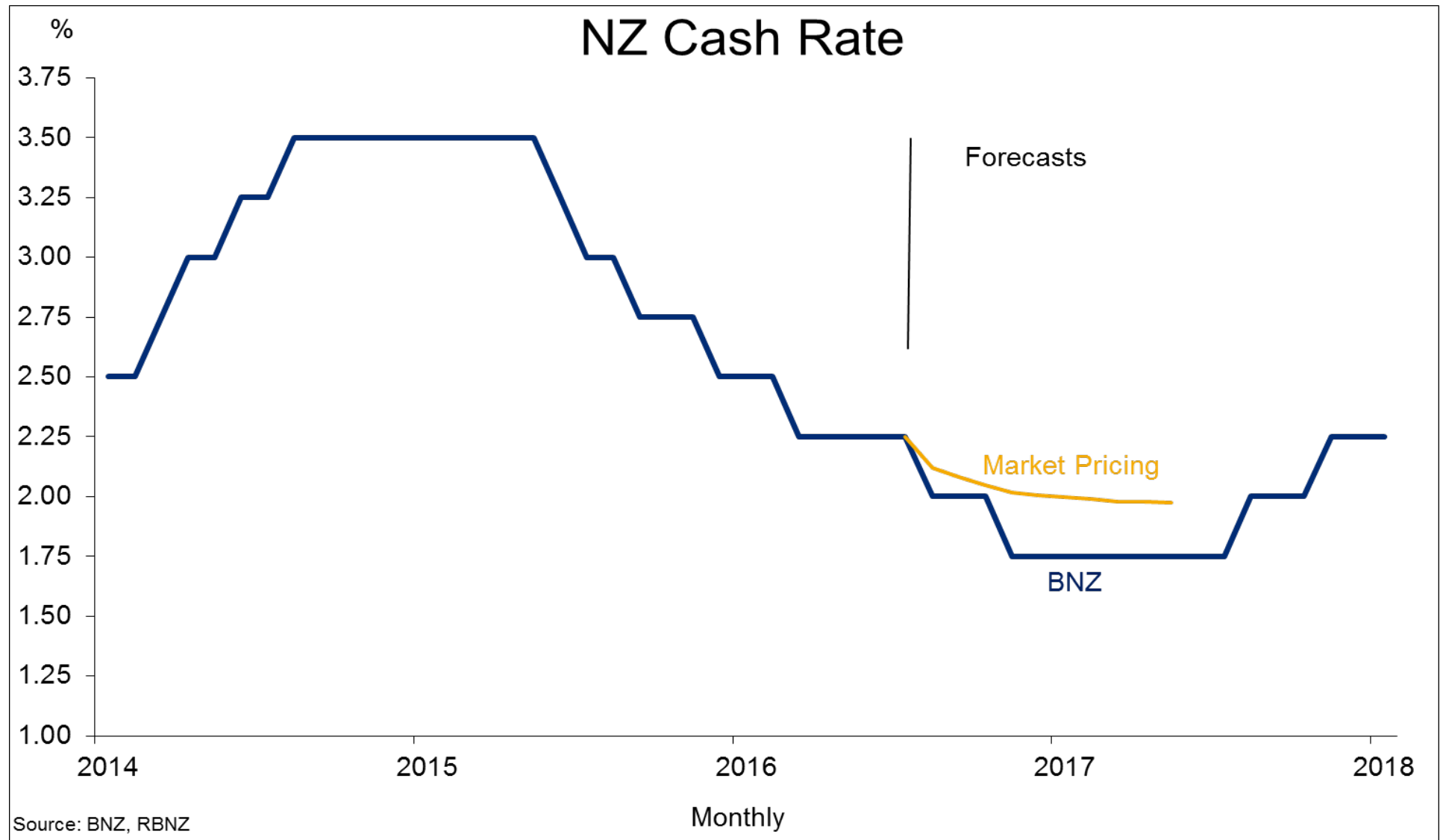


RBNZ Out of Play

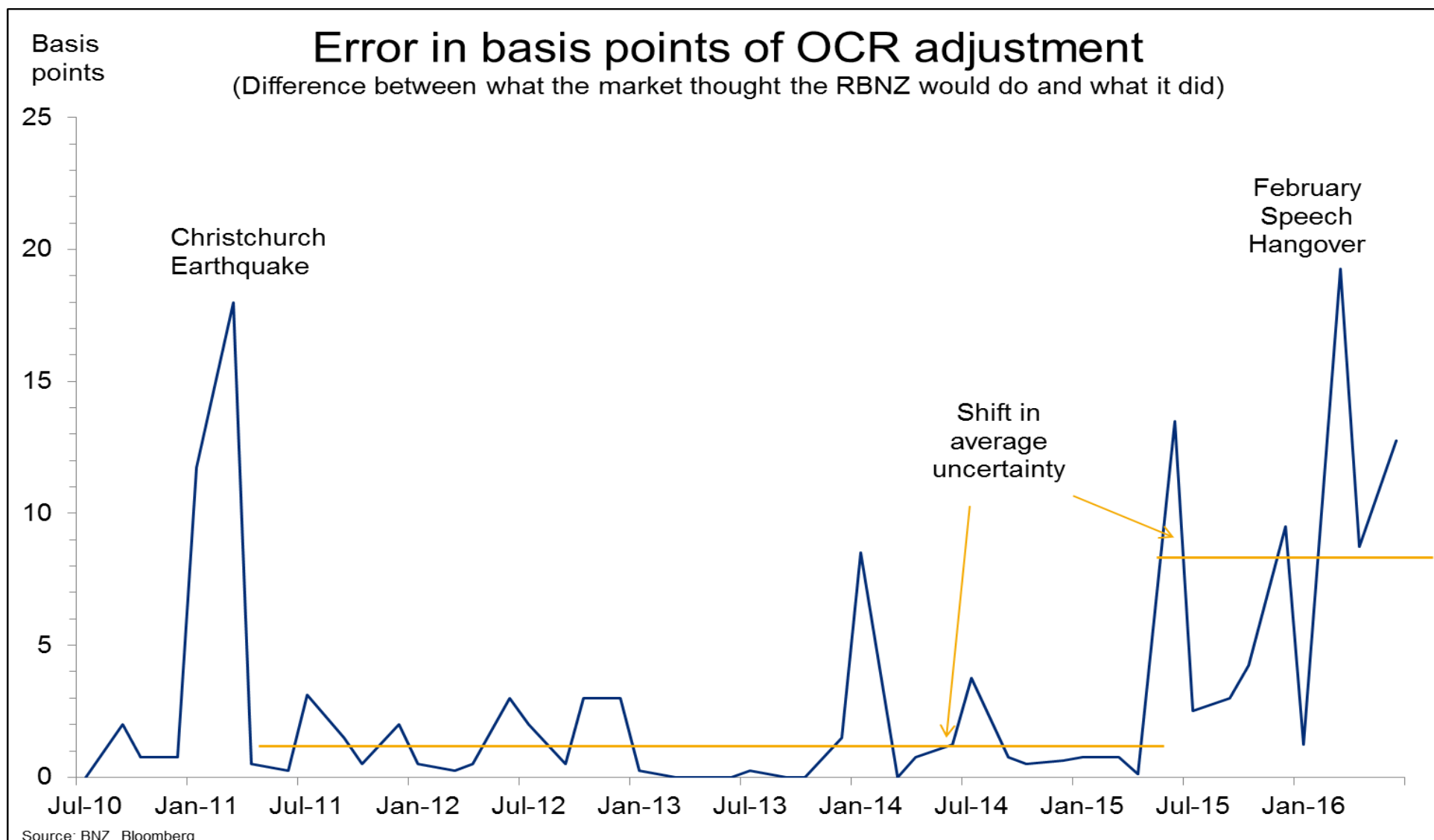
- ***Brexit***
- ***Fed hike***
- ***Increased global uncertainty***
- ***Chinese meltdown***

Another Rate Cut?





Uncertainty Increases



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