



Figure 45: AUD/NZD already low vs history, but the relative strength of the labour markets says that's fair



Source: ABS, Bloomberg Finance LP, Deutsche Bank

Figure 46: Notwithstanding some recent convergence, households are still more upbeat in NZ than Australia



Source: Haver, Bloomberg Finance LP, Deutsche Bank

Figure 47: AUD/NZD fair vs rates, but the market looks too hawkish on the RBA and too dovish on the RBNZ



Source: Bloomberg Finance LP, Deutsche Bank

Figure 48: Australian labour market data has been exceptionally strong – some normalization may come



Source: ABS, Bloomberg Finance LP, Deutsche Bank

Figure 49: Relative commodity prices argue for a lower AUD/NZD



Source: Bloomberg Finance LP, Deutsche Bank

Figure 50: On our preferred DBBeer valuation metric, AUD/NZD is quite expensive relative to history



Source: Haver, Deutsche Bank