

Spotlight on Noosa

Economy and Outlook

Qi Insights



Outcomes

Where is the economy?

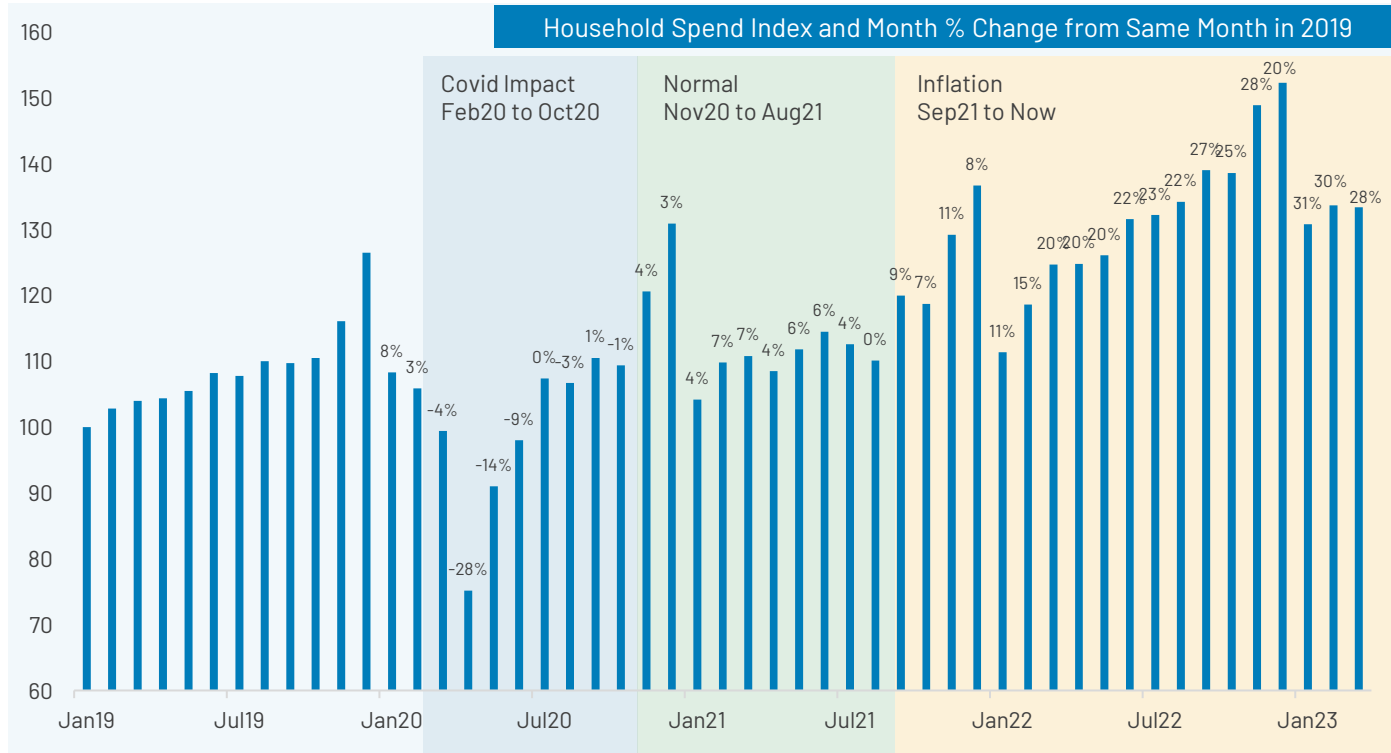
How strong is your business?

How strong are your customers?

A scenic view of a rocky coastline. In the foreground, there are dark, jagged rocks. To the right, a large, gnarled tree with spiky green leaves stands prominently. The ocean is a deep blue, with white foam from waves crashing against the rocks. The sky is a clear, light blue. The text "Know Your Market" is overlaid in white on the left side of the image.

Know Your Market

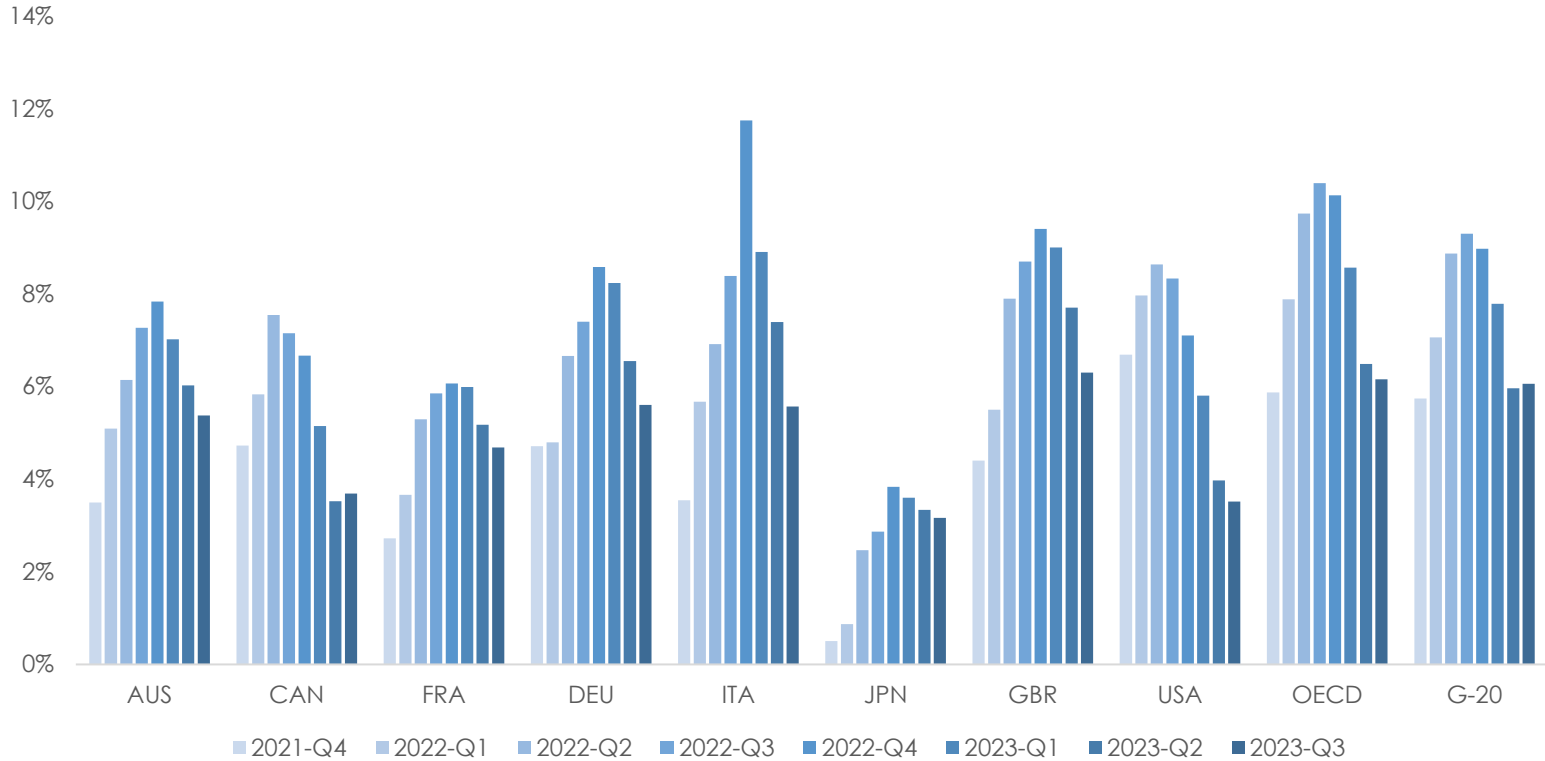
Post-Covid Recovery



Source: ABS

The Inflation Problem

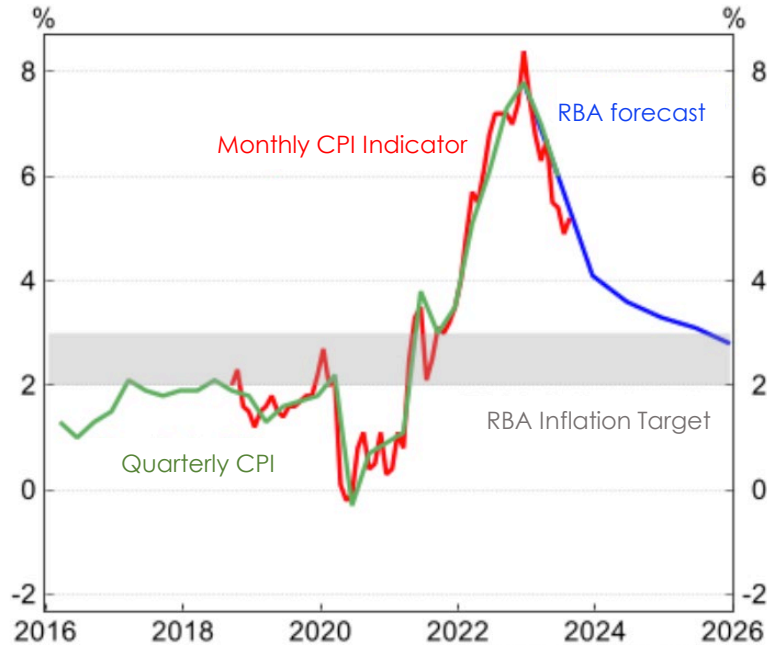
Change in Inflation Over Time Across Major Economies



Source: oecd.org

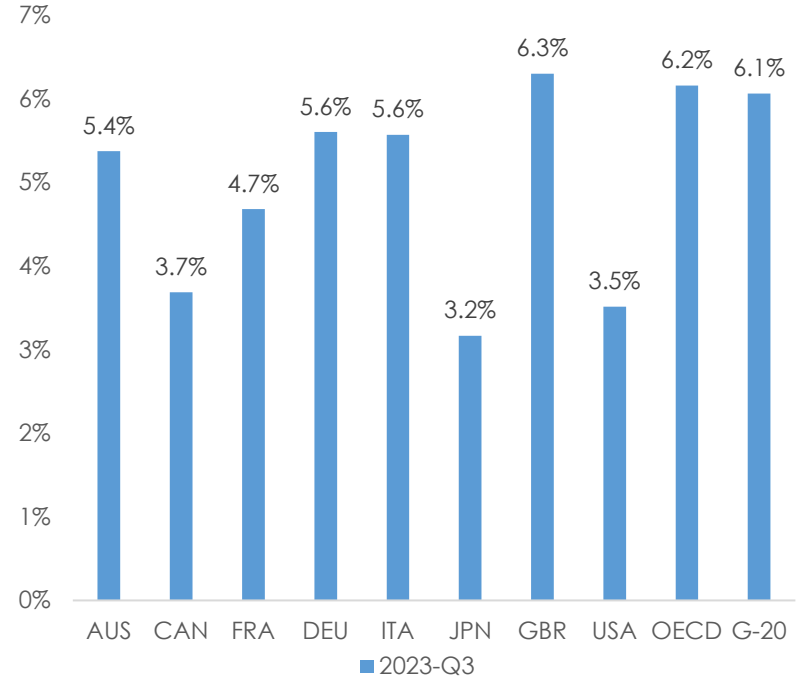
Still a Problem

Consumer Price Index (annual % change)



Source: RBA, ABS, CBA, Macrobond

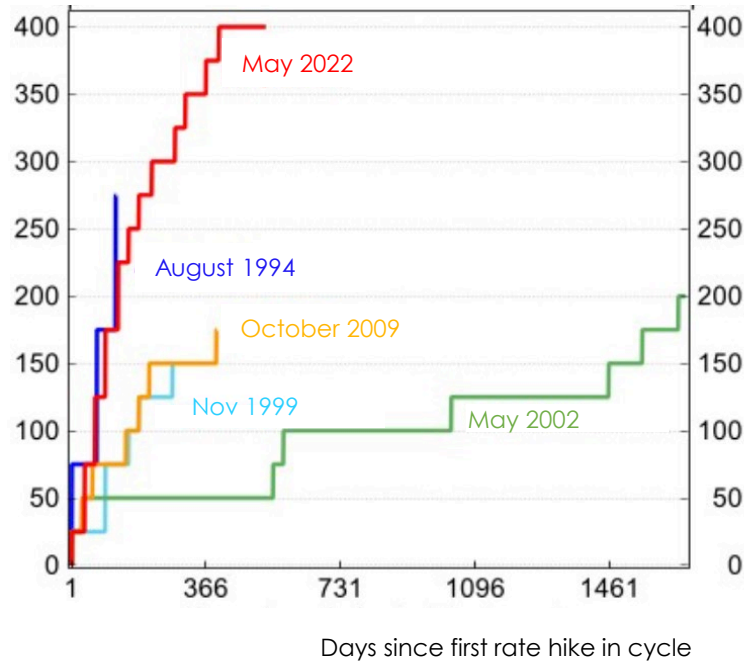
Current Inflation Rate Across Major Countries (Q3)



Source: oecd.org

A Shock to the System

RBA Rate Hike Cycles

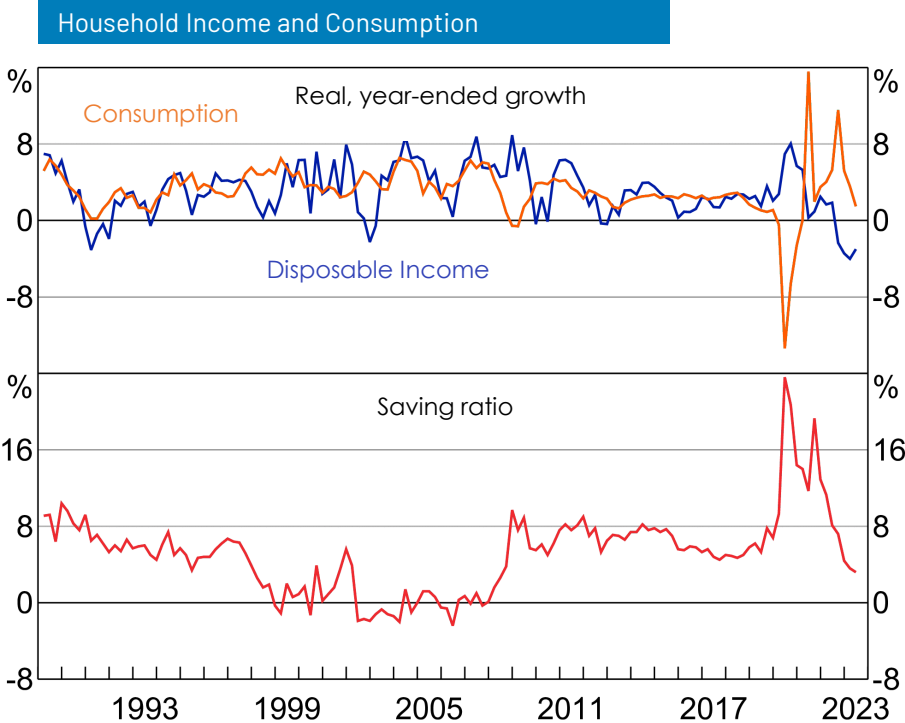


Source: RBA, CBA, Macrobond

Effective Date	Change % points	Cash rate target % points
8 Nov 2023	+0.25	4.35
4 Oct 2023	0.00	4.10
6 Sep 2023	0.00	4.10
2 Aug 2023	0.00	4.10
5 Jul 2023	0.00	4.10
7 Jun 2023	+0.25	4.10
3 May 2023	+0.25	3.85
5 Apr 2023	0.00	3.60
8 Mar 2023	+0.25	3.60
8 Feb 2023	+0.25	3.35
7 Dec 2022	+0.25	3.10
2 Nov 2022	+0.25	2.85
5 Oct 2022	+0.25	2.60
7 Sep 2022	+0.50	2.35
3 Aug 2022	+0.50	1.85
6 Jul 2022	+0.50	1.35
8 Jun 2022	+0.50	0.85
4 May 2022	+0.25	0.35

Source: RBA

Households Uncomfortable...



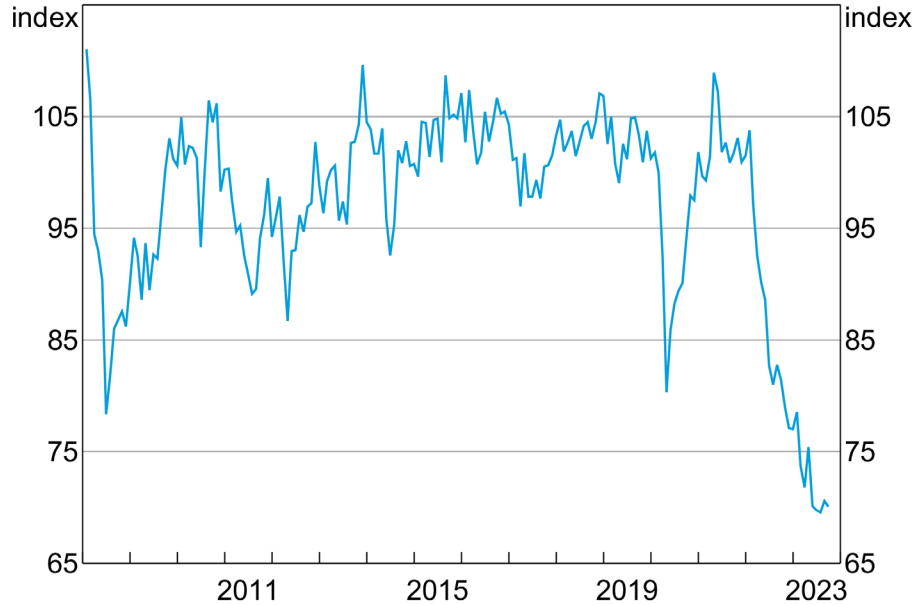
Household sector includes unincorporated enterprises; disposable income is after tax and interest payments; saving ratio is net of depreciation.

Source: ABS, RBA

...Really Uncomfortable

Consumer Sentiment

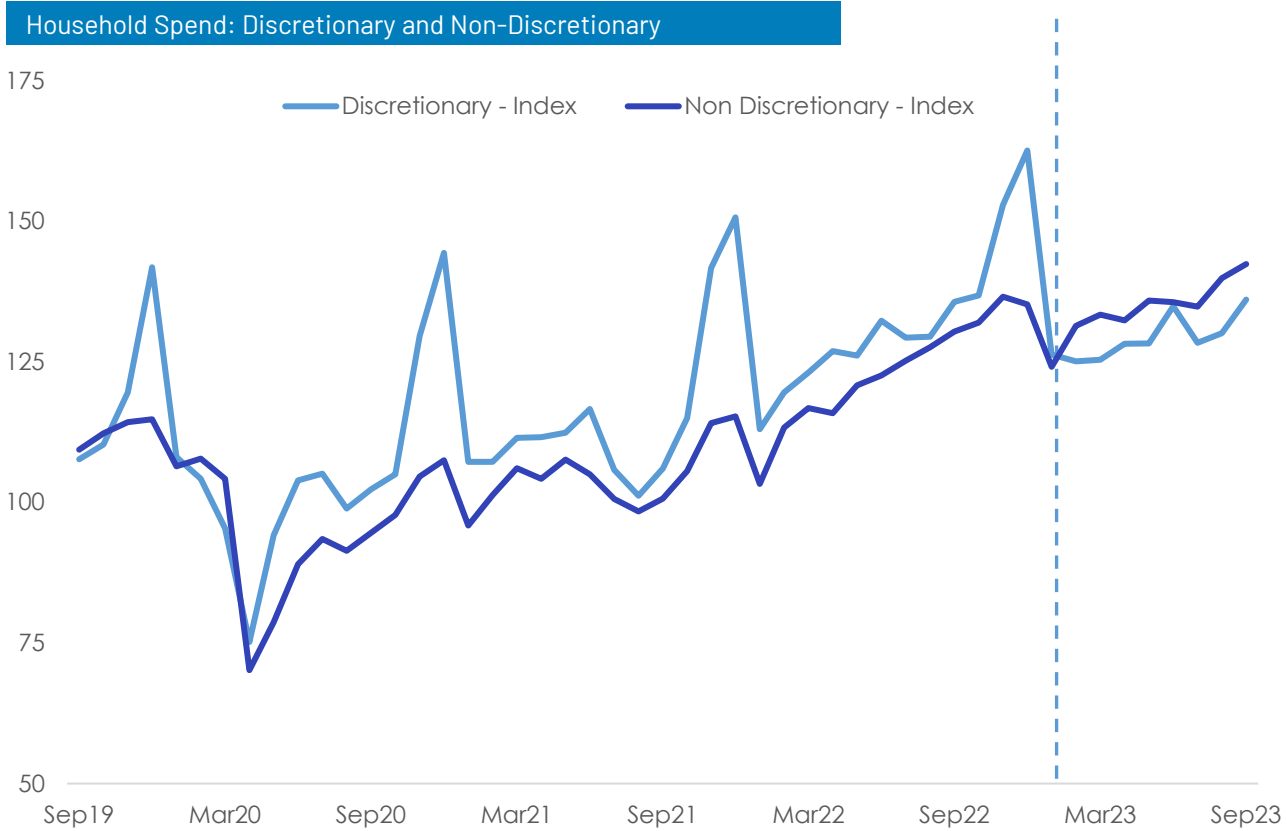
Average since 1980 = 100



* Average of the ANZ-Roy Morgan and Westpac-Melbourne Institute consumer sentiment measure of respondents' perceptions of their personal finances relative to the previous year; ANZ-Roy Morgan index rescaled to have the same average as the Westpac-Melbourne Institute index since 1996.

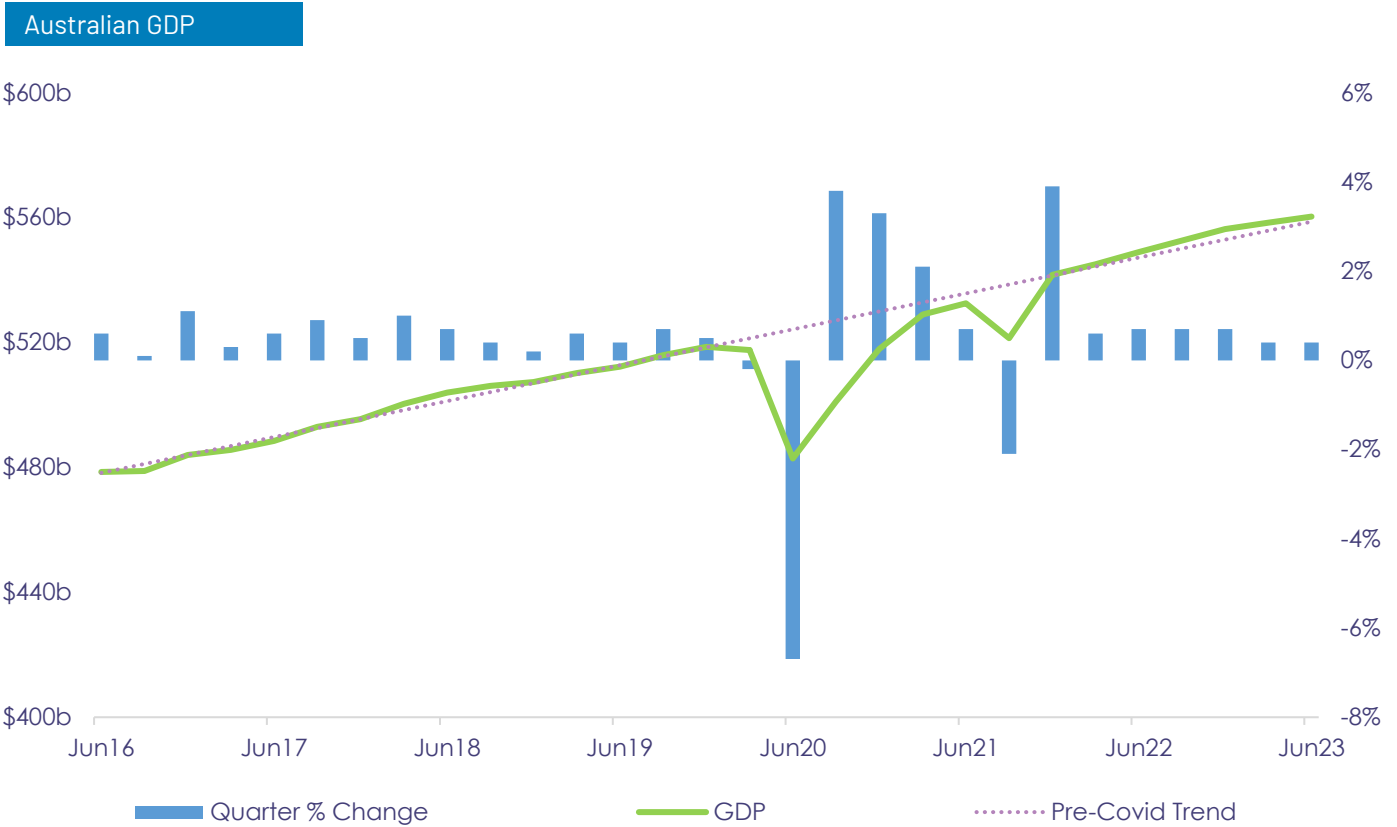
Source: ANZ-Roy Morgan; RBA; Westpac and Melbourne Institute

What's the Result?



Source: ABS

Economic Strength

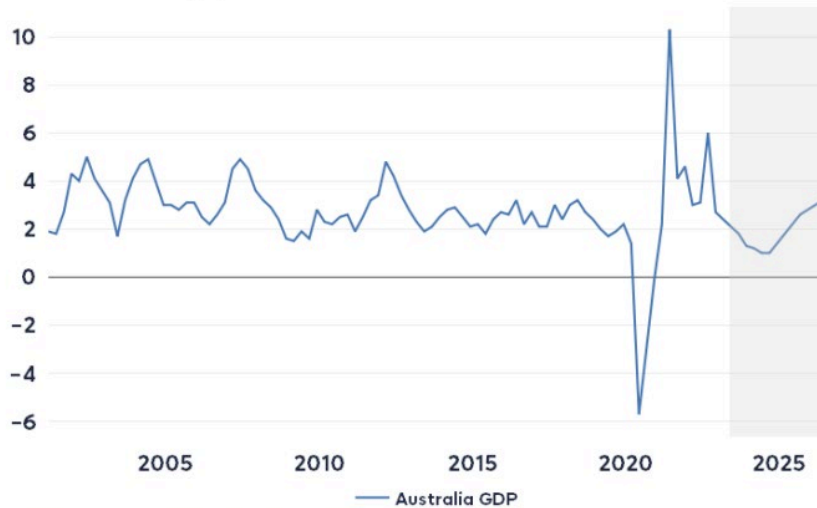


Source: ABS National Accounts

What Will Happen?

GDP Growth - A Recovery is Around the Corner

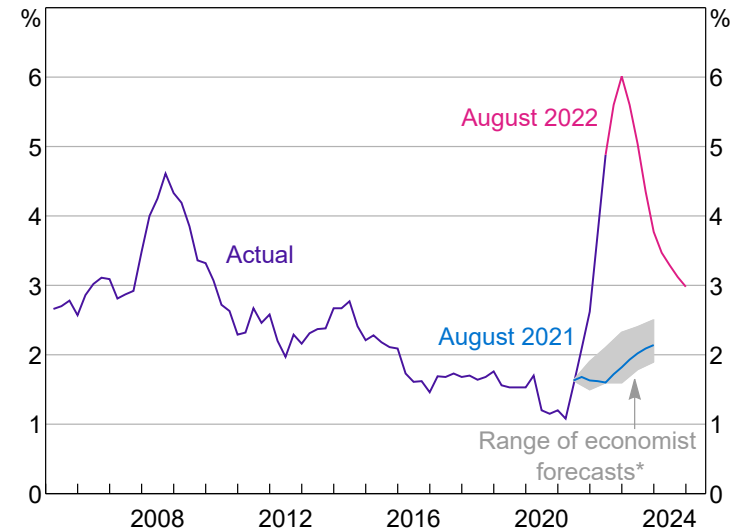
Annual Growth (%)



Source: ABS, EQ Economics, Judo Bank

Trimmed Mean Inflation Forecasts

Year-ended



* Based on the RBA Survey of Market Economists.

Source: ABS, RBA

A scenic view of a rocky coastline. The foreground is dominated by dark, jagged rocks. To the right, a large, gnarled tree with spiky green leaves stands prominently. The middle ground shows the ocean with white foam from waves crashing against the rocks. The background is a clear, bright blue sky. The text "Know Your Business" is overlaid in white on the left side of the image.

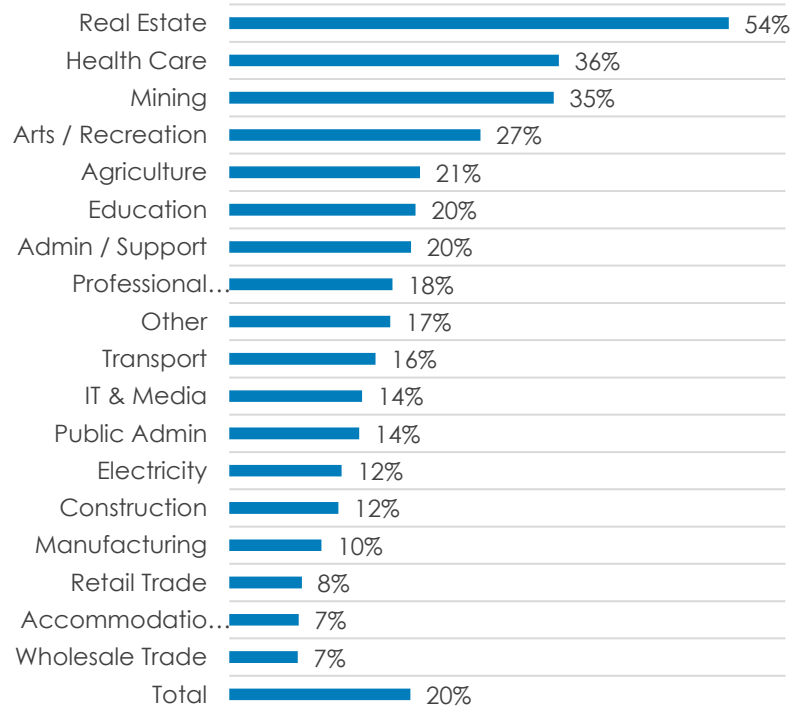
Know Your Business

Identify Potential Pressures

- Wage Growth to Match Inflation
- Supply Costs
- Reduced Demand
- Passing on Costs to Consumers

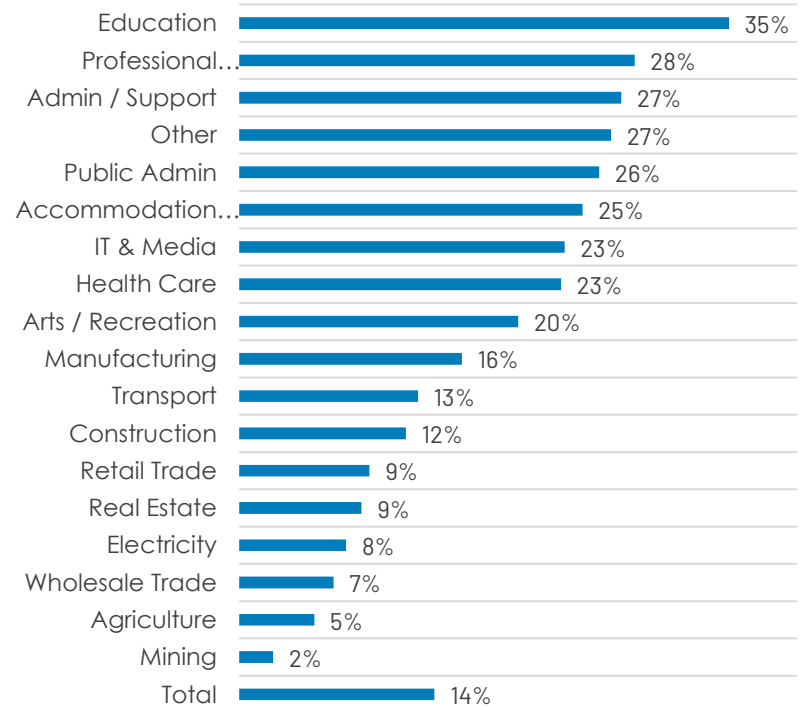
Managing Cost Pressures

Profit Margin



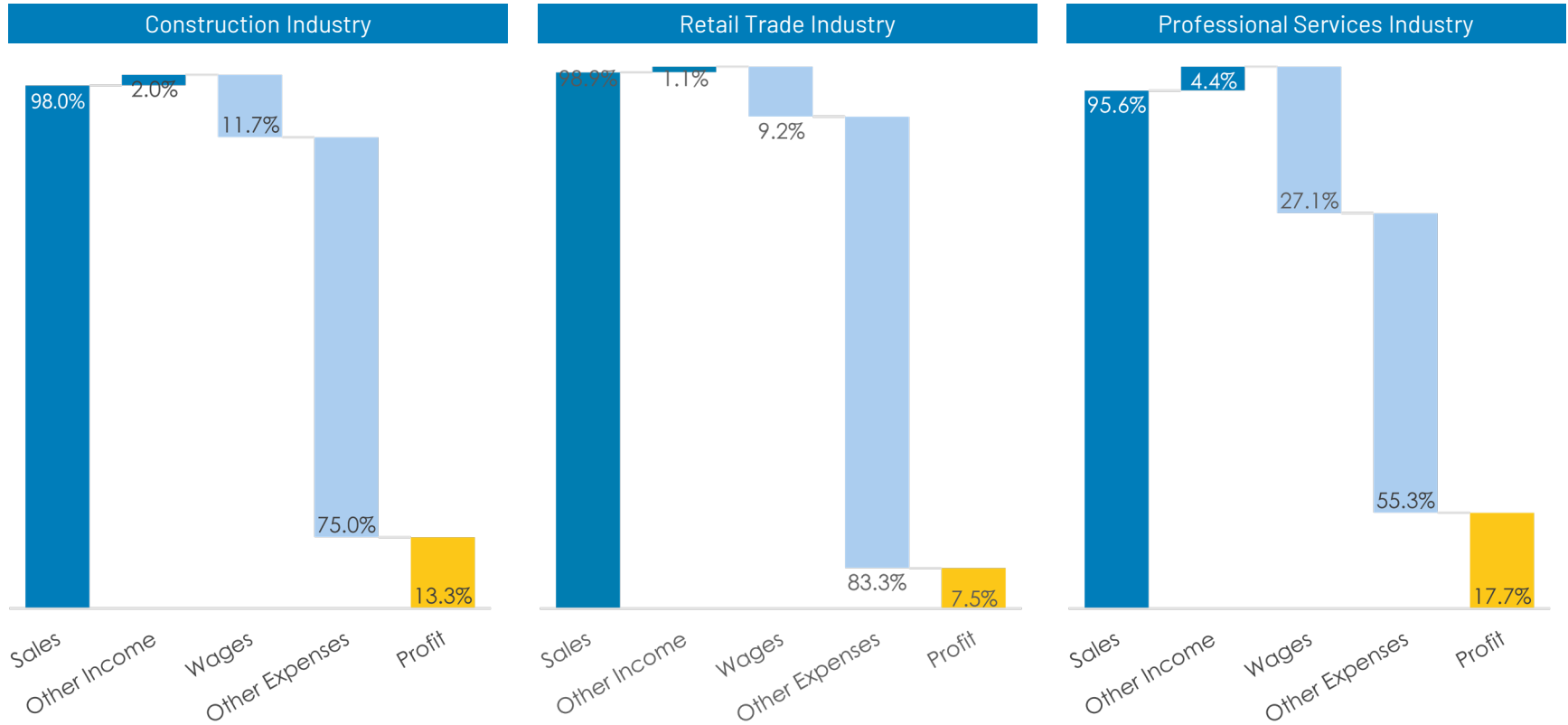
Profit Margin: Profit as % of Total Income
Source: ABS

Wage Ratio



Wage Ratio: Wages as a % of Sales
Source: ABS

Compare Your Metrics



Source: ABS

A scenic view of a rocky coastline. In the foreground, there are dark, jagged rocks. To the right, a large, gnarled tree with many green, spiky leaves stands prominently. The ocean is a deep blue, with white foam from waves crashing against the rocks. The sky is a clear, light blue. The overall scene is bright and sunny.

Know Your Customers

Noosa: Current Population

50

Higher Median Age (38 Nationally)

44%

Homes Owned Outright (29% Nationally)

14%

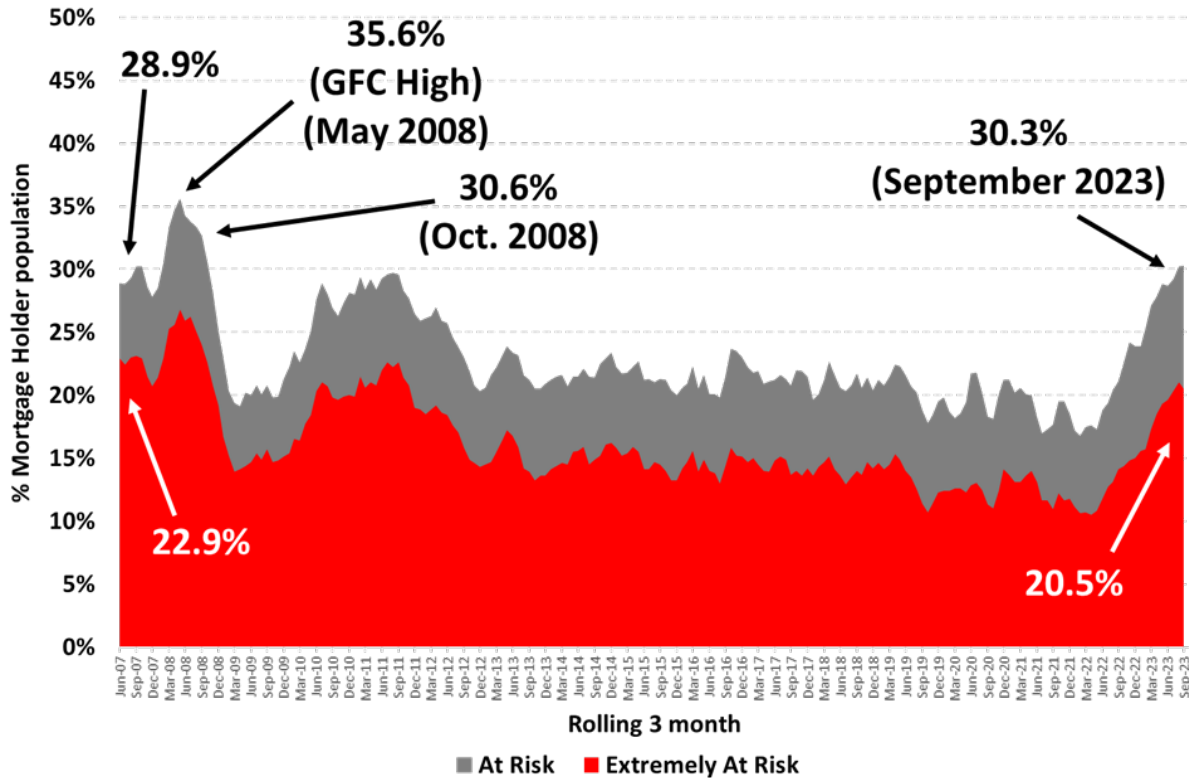
'High Income' (22% Nationally)

12.1%

Mortgage Stress in 2021 (8.8% in Regional QLD)

Rising Mortgage Stress

Mortgage Stress for Owner-Occupied Mortgage Holders



Which regions are people moving to?

Queensland's Sunshine Coast topped the list of Australia's favourite regional destinations, with 16.7 per cent of movers choosing it in the 12 months to September 2023.

1. Sunshine Coast, Qld: 16.7%
2. Greater Geelong, Vic: 8.3%
3. Gold Coast, Qld: 8.3%
4. Fraser Coast, Qld: 6.5%
5. Moorabool, Vic: 5.8%

"By age group, millennials were found to be the ones most likely to make the move," the report said.

Source: ABC News; Nov23

So, who are your customers?



Actions

Who are my customers?

How strong is my business?

How can I manage costs pressures?