



Source: Reserve Bank of Australia

Sydney – 1 April 2025

Michele Bullock

Governor

Transcript

Michele Bullock

Good afternoon, everyone. Well, as you know today the Board decided to leave the cash rate at 4.1%. Despite all the global news and associated uncertainty since the February meeting domestic economy has evolved broadly as expected. The Board strategy is to bring inflation down and avoid a big increase in low unemployment. With low unemployment and inflation tracking down, we are well positioned for any shocks that might come our way. Inflation is an ongoing challenge and we're aiming to get it to the middle of the band of 2 to 3% and keep it there. We judge the cash rate is restrictive helping us achieve that. Private demand has picked up as real incomes have risen and public demand continues to support growth. Many indicators suggest the labour market is tight, and the Board has discussed the possibility that there is more strength in the economy which could make it harder to get inflation back down.

The Board is focused on risks to activity and inflation in Australia. But there's also a lot of uncertainty around the global outlook at the moment. One of the things we're cautious about is that policy unpredictability overseas could lead to slower growth. The implications for inflation here, though, in Australia are less clear.

The recent commentary from the Federal Reserve and other central banks is worth noting. They are all conscious of the impact on global growth but uncertain about the medium-term inflation implications. We're not on our own in navigating this period of unpredictability. So that the Board can properly debate and consider the risks to the outlook for Australia, the team at the RBA has been working on a number of scenarios, and we're talking to our peers in other central banks, particularly other small open economies, to try to make sense of what is going on now, and what we can expect in the next year or so.

We're paid to worry, to analyse and to make judgments as new data come in and as the environment evolves, and that's what we've been doing and will continue to do. We've come a long way and it hasn't been easy, but we have made good progress on bringing inflation down and keeping unemployment low. This is a good position for the economy to be in as we approach a period of uncertainty. But we have to be careful not to get ahead of ourselves. Inflation pressures remain and cost of living pressures are still very real for many Australians. The Board will continue to look at the data to assess if the economy and inflation continue to evolve as expected. Thank you and I'm happy to take your questions.



Swati Pandey

Thank you, Governor. This is Swati from Bloomberg News. Can you tell us if the Board discussed a rate cut today and whether today's decision was a consensus decision as it was a new Board?

Michele Bullock

The Board did not explicitly discuss a rate cut. It did talk a little bit about downside risks, including the global downside risks, but it did not explicitly discuss a rate cut as I said earlier. So far the information we've had since February indicate that things are on track. So we felt that holding was the best thing. It was a consensus decision.

Nadia Daly

Governor, Nadia Daly from ABC News. How is the uncertainty around US tariffs affecting your decisions?

Michele Bullock

At the moment, Nadia, it's not having a specific impact. The question we're asking ourselves is what it might do to activity globally and inflation in Australia as we move on. So at the moment we're not seeing signs that we're being impacted by this. What will be important for us is particularly what happens with our major trading partners and China. And I talked a little bit about the scenarios we've been doing. We've been thinking about what the response of the Chinese authorities might be, and if they continue to add fiscal support then it might be that the impact on Australian activity is actually - it will be there, it will slow, but it might be relatively muted. Two other points I'd make, one is that where you see these things often show up is in commodity prices, and the exchange rate is a bit of a buffer for us. So when we get sort of hit by lower commodity prices or slowing world economy, the exchange rate helps us to adjust a little bit. The other point I'd make is that I said earlier the impact on inflation is less certain, because on the one hand if supply dominates, so if the impact of tariffs on supply dominates then you might see a rise in inflation but it's also possible that trade diversion might end up with cheaper goods coming into Australia. So there's competing impacts there. So they're the sorts of things the Board's thinking about.

Nadia Daly

Thank you.

Juliette Saly

Governor, Juliette Saly, ausbiz. You mentioned that measures of labour underutilisation are at relatively low rates despite the decline in employment in February. What levels would you be looking at in order to cut rates confidently again especially considering some economists say the NAIRU is lower than where you have it pegged.



Michele Bullock

This is an active debate and I am well aware some other economists have different views about how tight the labour market is than we do. We're actively considering that. A number of things for us indicate it is still tight, including liaison from businesses we talk to, including survey measures that come from businesses. Also vacancies, job ads, those sorts of things. All those forward-looking indicators indicate the labour market is still tight. We are alert to the fact that it might not be quite as tight as that and we can sustain an unemployment rate down around these levels without adding to inflation pressure. That would be great. But we are still alert to the possibility that it might still be a little bit tight and that might put wages under upward pressure and, hence, inflation. So I wouldn't put a number on an unemployment rate or anything like that which would indicate that we would ease rates, but I would just say we are focusing on making sure that we bring inflation sustainably back into the band, and as we get more confident with that that's when we can start to ease policy.

Matt Cranston

Governor, Matt Cranston from the Australian. Just reading through the statement, the obvious thing that struck me was this difference between the language in February of underlying inflation is welcome but then, nevertheless, risks on both sides.

Michele Bullock

Mmm.

Matt Cranston

Both sides.

Michele Bullock

Mmm.

Matt Cranston

And that's talking about inflation, not outlook. So I wonder, what has been the major difference, the new piece of information between February and now, that makes it such a contrast to both sides? And I can think of one which was last week which is this record 40-year high in spending as a proportion of GDP. Maybe you could comment on the mechanics of how high government spending impacts on inflation?

Michele Bullock

So the way we think about forecasting inflation and forecasting activity is about total demand and total supply. And what we've been saying for some time is that total demand, which is private and public together, has been above the level of supply in the economy; the ability of the economy to supply what is being demanded, and that's what's driving inflation. So you can mechanically think about, well, if public spending goes up and that takes up total demand,



then the potential impact on inflation depends on what's happening with supply as well. There's no mechanical sense in which one thing necessarily leads to the other. At the moment, what we've got is that we've got private sector relatively weak and public sector filling a bit of a gap there. And we're still seeing inflation come down and we're seeing employment hold up. So that's at the moment that all seems to be hanging together. So I would say rather than focus on one component, we focus on the totality, and at the moment our forecasts from February, the budget didn't tell us anything, really, different from what we had in February. So our forecasts from February really are incorporating what was in the budget. That's already effectively there. On the both sides, well, you may be reading a bit too deeply into the press release, I suspect. There are risks on both sides and I think we've emphasised the risks, the tight labour market, we're cautious, but there are risks on the downside as well. It is possible consumption doesn't pick up as we're expecting it to pick up. That's part of our forecast. It has disappointed before, it might disappoint again. So there's risks there, and of course there is the global - potential global stuff as well. So I would say there's still risks on both sides, but as every month goes by and we get more information and it's in line where our forecasts are, we just get more confident.

Matt Cranston

Thank you.

Michael Read

Michael Read from the Australian Financial Review. Governor, the AFR Magazine reported last month that Treasurer Jim Chalmers had put pressure on both you and your predecessor, Philip Lowe, over your public messaging. In particular he rang you in June last year to voice his displeasure about Board statements linking Federal and State government budgets to inflation. Several well-placed sources say the RBA has come under political pressure from Jim Chalmers more so than other Treasurers. Did that phone call in June happen and how robust have the interventions been from the Treasurer in his private exchanges with you?

Michele Bullock

Well, probably won't surprise you to say, Mike, I do speak with the Treasurer regularly. I'm not going to comment on any particular private conversations because they are private. All I would say in response to some of that is that I have a very respectful relationship with the Treasurer and I personally and the Board have not felt under particular political pressure at all to do anything. We are focused on the job.

John Rolfe

Governor, John Rolfe from the Telegraph and Herald Sun. Economists such as CBA's Gareth Aird have said if trimmed mean inflation in the March quarter comes in at less than 0.7%, then a rate cut in May is a, to use his words, done deal. How reasonable is that view?



Michele Bullock

Well, he is much more certain than I am. I'm going to wait and see what the numbers tell me and it will depend very much on what else is going on as well, because there's labour market data also to come in, a couple of readings on that. I'm not suggesting that I've made up my mind on May and the Board has made up their mind on May but we're certainly not as certain as Mr Evans is, and we're just going to wait and see what the data draw out and if we're still on track and it gives us a bit more certainty, then we can start to consider when it is appropriate to start lowering rates.

Patrick Commins

Governor, Patrick Commins from The Guardian. In your statement your Board says you are well placed to respond to international developments. By that I presume you mean potential tariffs and trade protectionism, and so forth. Are you essentially saying to Australians that even if we do enter a period of uncertainty, the RBA has the room to cut, to help? Can you expand a little bit more on what you mean by that?

Michele Bullock

Sure. So we're well placed in a couple of ways. The first is that the economy is in a reasonable position. Inflation is coming down. Unemployment is still relatively low. It's up from its trough but it's still relatively low. And I think everyone's been pleasantly surprised how the labour market has held up so we're in a good position there. The second point is the point you alluded to, which is that when we went into the pandemic, interest rates were about 1.5%. They are now much higher than that. If it turns out that there is a big growth impact on Australia, we do have room to move the exchange rate to support there. Now, it does depend on what happens. The exchange rate will also come into play there. It is likely to absorb some of the impact. It also depends what's happening with inflation as well and that's a little bit indeterminate, and that the challenging bit might be if growth slows but inflation picks up then we're in a slightly difficult world. But they're the two parts to I'd say why we're in a good position.

Cameron Micallef

Hi, Governor. It is Cameron from NewsWire. You previously forecast three rate cuts between now and mid-2026, or markets have. Is that still likely in a Trump world?

Michele Bullock

Yes, the markets do have some of that in there. As you note, we do use that mechanically in our forecasting. We're not endorsing the market path. We're not disputing that the markets have a particular view, that's fine. We're a little more circumspect but I think our job is to be a little bit more cautious because we don't want to let all the hard work we've done getting inflation down to get away from us. As I said in response to some of the other questions, what happens in this Trump tariff trade war sort of world depends very much on a number of things. It depends on how other countries respond. Do they respond with similar sorts of tariffs



themselves? So that obviously will have impacts on world supply chains, efficiency of production in various economies. It also depends very much on what China does because China is obviously - it is not only going to be quite heavily impacted from a trade sense, but it is also our most important trading partner. And at least at the moment the Chinese authorities have indicated that they are going to make sure that they keep momentum in their economy. They still have their 5% growth target. So at least our scenario analysis at the moment suggests that if China continue on that path, then, yes, there will be a bit of an impact on us in terms of growth but it's not going to be as big as some other countries might suffer in these sorts of circumstances. So it's not mechanical, it's not clear, but, you know, again, I think we're in a position where we can watch and wait and see what happens.

Deb Knight

Governor, Deb Knight from 9 Radio and A Current Affair. Were you conscious at all of the timing of the decision today, that not changing the status quo on rates during the middle of an election campaign or was that something that didn't factor into the thinking of yourself or the Board today?

Michele Bullock

It certainly didn't factor into my thinking and it was never even mentioned at the Board. The focus very much is on the data, the information, what we think is best for trying to get inflation back down to levels and the political cycle, we've just got to remain completely removed from.

Stella Qiu

Hi, Governor. Stella Qiu from Reuters. In today's statement the Board dropped the sentence that it was cautious about the prospects of further policy easing. So that appeared in February.

Michele Bullock

Yeah.

Stella Qiu

We're just wondering, does that open the door to a May interest rate cut or --

Michele Bullock

No, it's not opening the door and I'm certainly, as I've said before, I'm certainly not giving predictions. All that was meant to say was that we're cautious about the outlook. There's a number of things now that are playing. Since February there has been a lot more uncertainty introduced in the international context. What that means for us is not 100% clear but we are cautious. We are going to wait, by May we will have another reading on CPI, we will have a couple more readings on the labour market, and we'll have a new forecast round and that will give us the context to decide whether or not it's appropriate to ease rates and when.



Sophia Rodrigues

Sophia from Central Bank Intel. If the CPI numbers and the labour market and your forecasts give you scope to cut next month, is it important that you also need to resolve this issue about whether inflation - in which direction the inflation will move due to tariffs or - so next month, for example, if all the other numbers line up but you do not know which direction inflation will move, would you still cut?

Michele Bullock

Wow. That's the most detailed forward guidance anyone has ever asked me for, Sophia. I think all I'd say is that we are focusing - we are focussing on what's happening domestically. And the role of the Board and interest rates has been to try and slow the growth in demand because we're at a high level of demand, even though growth in demand isn't very strong, the level is quite high relative to supply. And we're trying to bring that imbalance back together. So that's our focus. And if the data continue to suggest that's happening, then it's possible that we think about when it might be appropriate to continue easing. I reiterate, though, remember, we didn't go as high as other countries, and so we don't really have as much restrictiveness than they had in order to remove. So what's going on with inflation, as a result of all the trade tensions and the tariffs, and so on, we'll obviously have to keep an eye on that but there is a difference between - and other countries are emphasising this as well - there is a difference between a level shift in prices due to tariffs and ongoing inflation. And what central banks will be looking for is making sure that if there is a level shift in prices, that it doesn't get ingrained into ongoing inflation. So that's going to be the important judgment that we will have to be thinking about, us and others.

Chris Kohler

Good afternoon Governor, Chris Kohler from 9 News. You have spoken a bit about tariffs, reciprocal tariffs and the implications of them on upwards and downwards inflation. I'm looking for your commentary more broadly here. Does the RBA really not have an inkling of whether a trade war would pull up inflation or bring it down? Is this the level of uncertainty we're in right now that we don't know what to be worried about?

Michele Bullock

I wouldn't say we don't know what to be worried about. We do know what to be worried about. A trade war with escalating tariffs and reciprocal tariffs is going to slow down growth and world trade. Australia as a small open economy has benefitted massively from open trade. So it's not good for us, a world trading system that is fragmenting. That's not good for us. What do we know? We do do scenario analysis, as I said. We do know that some countries will be more affected and others, particularly countries that put on tariffs, they will experience rises in price levels to the extent that production now is going to take place domestically, possibly in less efficient industries, then that will impact supply. So that's potentially going to impact productivity over time. These are longer-run impacts. So there's going to be longer-run impacts of this trade war. The immediate impacts in terms of fragmentation, stopping of trade, increasing in price levels, they will all be felt, but I think the issue of longer run, the



sorts of impacts this has is going to be quite dramatic. For us, we provided, as I said earlier, if China is still doing reasonably well and they lean into the fiscal stimulus, that will help us in the short run, but ultimately it just will not be good for the world economy as a whole. And that, I suppose, the longer-run thing, is much more uncertain.

Chris Kohler

Thank you.

Matt Wade

Matt Wade from the Sydney Morning Herald. A number of high-profile forecasters have recently lifted their expectations of a recession in the United States. One recently put the odds at 35% chance. How likely do you rate the chances of recession in Australia in the next 12 months?

Michele Bullock

It is certainly not in our forecasts at the moment. We don't forecast a recession. We in fact forecast that we will continue to - growth will pick up a bit as real incomes are recovering, people are starting to spend a bit more, we expect that to continue. So we're not forecasting a recession in Australia over the next 12 months. Now, I've said there's lots of uncertainty in the world economy at the moment. Not just uncertainty but unpredictability, I would say. But I'd say certainly in our central forecasts at the moment we don't have a recession baked in there.

Jassmyn Goh

Hi Governor, Jassmyn from Capital Brief. Earlier today former Prime Minister Malcolm Turnbull warned that Australia could face enormous damage from a global trade war sparked by Trump's tariffs. Is this consistent with the RBA's research and thinking?

Michele Bullock

Well, yes. We - as I said we have been doing scenarios. We are less exposed directly to the United States so it does depend very much on what others do. And it depends on reciprocal tariffs in other countries, it depends on what China does. Then it depends on the implications of all of that for the trade and supply chains. That's what it depends on. Ultimately, as I said earlier, fragmentation in world trade, less open world trade isn't great for Australia because that's how we've thrived. So the actual outcomes, our scenarios suggest that provided China leans in on this and gives fiscal stimulus, then we will see an impact on our GDP growth but it won't be as dramatic as for some of the countries that are caught up much more directly in these large tariff raises.

David Taylor

Governor, David Taylor from the ABC. We're meant to read the statement that you give us every word of it, right. So every word of the statement is crucial. Is that fair enough?



Michele Bullock

Yes, I suppose it's fair enough. Although you seem to scrutinise it.

David Taylor

But you --

Michele Bullock

Particularly.

David Taylor

You wouldn't just hand it out to the public without really thoroughly looking at it.

Michele Bullock

We do look at it very carefully, yes.

David Taylor

Okay. Because if you look through this statement - I have looked through the whole statement many, many times - it's my sort of guess, for want of a better word, that you're not confident inflation is returning back to the target sustainably anymore. That's my impression because you cut rates and you said it was because you were making up for the November 2023 decision. So you're not easing monetary policy at the moment. That's not what you're doing. And everyone is saying maybe you cut rates in May. We've got no idea. The statement is full of uncertainty. The word uncertainty. But you've lost confidence, haven't you?

Michele Bullock

No, I wouldn't say we've lost confidence. We haven't got 100% confidence but if you look at our forecasts and you look at how inflation is tracking relative to forecasts, we're actually doing pretty well. We think we're meeting our forecasts, our central forecasts. So I wouldn't say that we've lost confidence. I'd say that we're gradually getting more confidence. But we don't have 100% confidence and I think it's very difficult to be 100% confident.

David Taylor

Surely it's enough to cut rates now because we are so close to the target range.

Michele Bullock

We think that we are mildly restrictive at the moment and I've said before that we don't have to be in the target range to cut rates but there are some risks on the upside and the labour market is one of them. Not everyone agrees but we still think there's tightness in the labour market. And so at the moment, it seems prudent to wait and get a bit more data, a bit more information on the labour market and inflation to make sure we're continuing to track where



our forecasts are saying we're tracking. If we're continuing to track we get that bit more confidence each time.

David Taylor

Thank you.

Cecile Lefort

Governor, Cecile from The Financial Review. Do you think that tariffs will be transitory? Should trade tariffs push inflation higher and materially slow down growth, what will be your priority? Inflation or growth?

Michele Bullock

Will they be transitory? I don't think that there's any sense in which what's being talked about in the United States is transitory. I mean, it's a bit hard to know but I'm not an international relations expert. But I think generally if you look at the direction of world trade policy over the last few years, it's on steroids now but the direction has been to basically less free world trade. That's the direction things are going. You know, so I think there is sense in which there is going to be some permanence to these sorts of trade restrictions that we're seeing now. What will we prioritise over - we've got a dual mandate, as you know. But you can't have low and stable unemployment if you have inflation out of control. So inflation is the number one thing you have to keep in control. They're not incompatible in the sense that if you let inflation get out of control, you are going to end up in a situation where you have to have higher - you have higher unemployment. That's just - so I wouldn't put it in terms of we're just going to concentrate solely on inflation. We'll have an eye to what's going on with unemployment but there's no point taking the brakes off and letting inflation accelerate because that will mean that unemployment eventually has to go up.

Cecile Lefort

Thank you.

Edward Boyd

Governor, Edward Boyd from Sky News. Government spending has been at record levels, both major political parties announced billions of dollars in spending at this election campaign. How worried are you about the level of government spending right now and accelerating over the next 12 months?

Michele Bullock

So we've got - our forecasts for May - for February that we put out with the latest February Statement on Monetary Policy, that did have in - it didn't have the most recent budget in but, as I said earlier, that budget - it's pretty much a wash. It's pretty much the same fiscal impulse as I think we've got in our forecasts at the moment. So that's not driving any change in our inflationary forecasts at the moment. We still that there has been an increase in public



spending which has gone into particular areas which, frankly, I think I've said this before, there are certain things, services that people expect the governments to provide and they are providing them. The other point to make is that to the extent that there's infrastructure spending going on, ultimately some of this might be good for productivity of the economy. So there's a whole lot of considerations there. I don't think you can just sort of say, you know, spending up bad, spending down good. I think there is a sense in which you - as I said you have got to think about it holistically, how does it fit in with the whole economy. Also, what sort of impetus is it giving possibly to productivity and where are - where is the spending going? And the governments have to make these sorts of trade-offs all the time.

Luca Ittimani

Thanks, Governor. Luca from The Guardian. We've seen just with one rate cut house prices seem to be steaming on right ahead back to what they were doing before. I was speaking to Rebecca from Brisbane earlier today, she is trying to buy a house, trying to get into the market. She can't quite make it now that the rate cut has seen first home buyers pouring back in and everyone is back in trying to get ahead of the market. What does it tell you that just one rate cut has seen the momentum pick right back up again? What does it tell you about the Australian consumer, the households?

Michele Bullock

I think it's a little bit dangerous to correlate one month's rate cut and one or two months' house price rises and say that's the impact of a quarter per cent rate cut. It is a little bit tenuous to do that. The fundamental problem here is demand and supply. There is a shortage of supply in housing and more demand. That's the essential problem. And I think it's very difficult to forecast house price rises. House prices were rising when interest rates were going up so it's not an easy sort of relationship. You can't just correlate one with the other. So I guess I don't have any particular things to say to people who are finding it difficult to get into the housing market, other than to emphasise that there needs to be a supply response. That's really - we have undersupplied housing for a long time. It's not recent. And that's what needs to be - that's what needs to be addressed.

Luca Ittimani

What does it tell you about the resilience of Australian buyers?

Michele Bullock

Well, probably that doesn't really tell me a lot about the resilience of Australian buyers. We know that most households are resilient. Not all are. We also know that. We know that some people - so your example is someone who is complaining that interest rates have come down and it is harder to get into the market. There's other people who are experiencing high interest rates and complaining it's making it really tough for them. Interest rates are an instrument that has different impacts on different people. So I think it's very difficult to sort of generalise and say down is good, up is bad or vice versa.



Michael Stutchbury

Governor, Michael Stutchbury, from the Financial Review. The central forecasts you refer to are based on a solid productivity recovery in the second half of 2025 and beyond. If that doesn't happen, if productivity continues to fall or stall or increase only slightly, what would that mean for sustainable wages growth, inflation and interest rates?

Michele Bullock

Sure. So yes, it's right. We do have productivity picking up. Productivity is how we improve our living standards. It's how people can get real wage rises. So it's really important that we get that. If productivity didn't pick up, then that means that the rate of nominal wages growth that can be sustained and be in line with the inflation target is lower. That's what that means. Because if it doesn't come off, then that adds inflationary pressure and then we will be trying to bring demand back into line with supply again by raising interest rates and that will impact the labour market. So the answer is they will come together in the medium term at some point. Quarter to quarter you can have productivity not moving and wages increasing by more, and so on. But over the medium term, over the trend, you need wage rises - nominal wage rises that will deliver you an inflation target of 2.5% which is what we're aiming at and if you don't have any productivity, then naturally you can only have lower wage rises.

Michael Janda

Michael Janda from ABC News. Governor, I preface this question with noting the Reserve Bank's mandate for financial stability. Would it concern you if a future government told your colleagues at banking regulator APRA about how to regulate home lending, such as the level of their mortgage serviceability buffers?

Michele Bullock

Well, that's very much a matter for APRA and the government. We only have one target - well, a dual mandate with one instrument and house prices is not in that mandate. It is inflation and unemployment are the two things. What happens around regulation is a matter for APRA and the government. But our focus has to remain on inflation and unemployment. So I'd be not saying anything particularly on that.

Michael Janda

You do have a responsibility for the stability of the banking system?

Michele Bullock

We do have responsibility for the financial stability and APRA and the government will have to work out how that is going to fit in with a stable banking system.



Jonathan Shapiro

Governor, Jonathan Shapiro from the Financial Review. One possible takeaway from February or from the last meeting was that if the RBA did not have to - or did not mechanically input the market forecasts of interest rates, which seemed in the RBA's view to be overly dovish, that the RBA might have been able to forecast an inflation rate that was closer to its target. I guess given then the market seems to have become more dovish so the path of interest rates has turned even further downward, my question is do you - does that mechanically mean that the inflation target is more elusive and goes further away? And should we also assume that the RBA's view on the market's path of interest rate is still that it's overly dovish?

Michele Bullock

I think if you look at what the market path has done since February, I think you'll see that at least for the next six months or so it hasn't shifted down and mainly it's shifted down in the following year in 2026, and that seems to have been largely as a result of what's going on overseas. So I'd say for the next six to nine months the market path hasn't really done anything. So I guess what we were trying - the message we were trying to get across in February was that with our central forecast, if we wanted to get back to the midpoint, 2.5, the market path wasn't going to deliver that for us. So that meant a bit of a higher path than the market was looking at. When we go back to our forecasts in May, we'll have another look at that and see whether or not that is still the case. The only other qualification I'd put on this, of course, is that our central forecasts are very uncertain, and as we get closer to quarters we get more confident that we know what's going on but the further out you go, the more difficult it gets. So yes, this is our assumption that we use, we will use the same assumption in May, and we'll see, given everything that's transpired since then, the new information we have, whether or not we're still on similar path and that will give us a bit of a flavour for whether or not in the central forecast we still think that that is too dovish a path.

Michael Heath

Governor, Michael Heath from Bloomberg News. Ahead of liberation day on Wednesday I wonder you've been in central banking for a long time. Have you ever seen a greater own goal by a developed world government in your time in central banking than what we're expecting to see tomorrow?

Michele Bullock

I really wouldn't want to comment on that, Michael. But, you know, it is a challenging period for all central banks. Thank you.