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Australian GDP catastrophe an economic recession in 2017 Government reports economy is shrinking, biggest decline since the global financial crisis

AUSTRALIAN GDP CATASTROPHE ECONOMIC RECESSION



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The Australian Federal Government reported on December 9th that the economy during the September quarter declined, shrinking down to 1.8 per cent from 3.1 per cent as of June 2016, representing an Australian GDP catastrophe, the greatest economic decline since the global financial crisis.

Treasurer, Scott Morrison in a press conference announced the truth about the Australian GDP catastrophe with a touch of political spin, "there's nothing much to worry about even though the economy has suddenly stalled", it was stated that Australia might be in an economic recession with a negative quarter of economic growth. Economists and doom sayers are in full swing over the Australian GDP catastrophe and potential economic recession in 2017.

<https://mortgageeproperty.com/australian-gdp-catastrophe-economic-recession.pdf>

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GDP figures 'not too bad'? Think again. We're in for a rocky 2017

IF YOU believe the Federal Government (and some commentators), there's nothing much to worry about even though the economy has suddenly stalled, and is going backwards by 0.5 per cent per year. They say there is plenty to be pleased with in the latest figures. If you look at the national income figures, it's rosy days. And that's true. The national income surged last quarter. But the surge had nothing to do with good economic management. It was simply because our dollar dropped during that period. National income measures the money earned by Australians, whether that comes from overseas or at home. This surged mainly because the price of iron ore and coal has started to pick up. Which, if you're a mining company is great news. However, most of us aren't mining companies.

<http://www.couriermail.com.au/business/economy/gdp-figures-not-too-bad-think-again-were-in-for-a-rocky-2017/news-story/484dbb77a7d3af1d03b6fb80eb12f3bd>

GDP falls few and far between in 25 years

It happened once under Peter Costello, twice on Wayne Swan's watch, but for all his gaffe-prone time as treasurer, never to Joe Hockey. Nor did it happen during Chris Bowen's 83-day tenure. But Scott Morrison has joined an elusive club of treasurers who have presided over a negative quarter of economic growth. The shock 0.5 per cent growth contraction in the September quarter national accounts, released this week, was the first decline since March 2011. Back then the economy was buffeted by a series of natural disasters - Cyclone Yasi and the Queensland floods, along with the trade disruption from earthquakes in neighbouring New Zealand and Japan, which is Australia's second-largest trading partner. The September quarter decline, which shrank the annual rate to 1.8 per cent from 3.1 per cent as of June, was the largest since the 2008-09 global financial crisis.

<http://www.news.com.au/national/breaking-news/gdp-falls-few-and-far-between-in-25-years/news-story/a42cef52d696938cb1e7a5c99cd20f06>

Trade deficit increases risk of recession

Policymakers face an increasingly difficult task of lowering the budget deficit and boosting employment after disappointing trade numbers increased the risk of a recession. A day after GDP data showed that Australia's economic growth rate fell 0.5 per cent in the September quarter — the first quarterly decline in five years — the Bureau of Statistics said the monthly international trade deficit swelled to \$1.5 billion in October. The deficit was more than twice market expectations, amid a jump in transportation goods imports and a smaller-than-expected pick-up in resource exports despite booming iron ore and coal prices. It suggested net exports could make another big deduction from growth in the December quarter. While economists are hopeful that Australia will avoid a recession this year, other parts of the economy will have to be much stronger in the December quarter to prevent another fall in GDP. "The unexpected widening in the trade deficit in October is worrying as it implies net exports may be a big drag on GDP growth in the fourth quarter," said Paul Dales, chief economist at Capital Economics. "After the news that GDP contracted in the third quarter, this means the chances of a recession — two consecutive quarters of falling GDP — have increased."

<http://www.theaustralian.com.au/business/opinion/david-rogers-exchange/trade-deficit-increases-risk-of-recession/news-story/b19611c58eb59b64c96643e2ad180a24>