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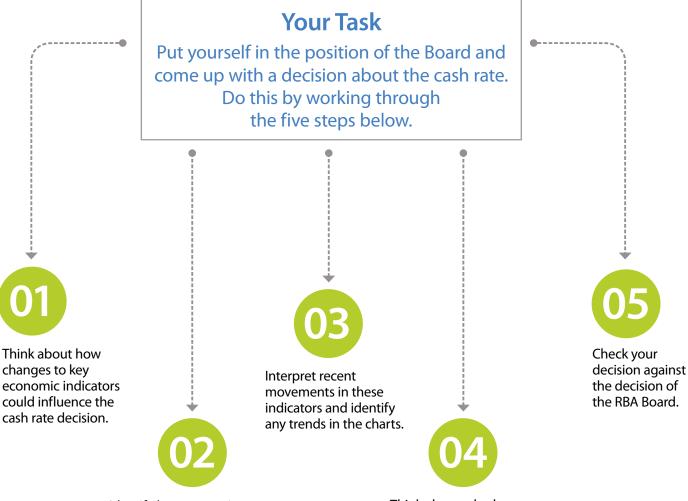
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# You Make the Decision – the Cash Rate

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## The RBA

On the first Tuesday of each month (except January), the RBA Board meets to make a decision about whether to increase, decrease or keep the cash rate the same. For each meeting the Board is given a detailed account of developments in economic and financial conditions. The Chart Pack and Snapshots, along with the table on the next page, provide examples of some of the information that might be considered by the Board when making a decision about the cash rate.



Identify key economic indicators in the Chart Pack and in the Snapshots that could be used to help the Board make its decision.

Think about whether recent movements and current economic conditions support the case for an increase, decrease or no change in the cash rate.

## Key economic indicators relevant to the cash rate decision

Economic Indicator	01 What is the effect of an increase in the indicator on the cash rate decision	01	What is the effect of a decrease in the indicator on the cash rate decision	02	Identify charts that show changes in the indicator	ldentify recent changes/trends in the indicator
Economic growth						
Inflation						
Unemployment rate						
Wage growth						
Household consumption						
Household debt						
Business investment						
Terms of trade						
Exchange rate						
Global economic conditions						
Explain what decision you would make based on the available information:						
Compare your decision with the decision made by the RBA Board. Highlight the key economic indicators that were focused on in the 'Statement by the Governor: Monetary Policy Decision':						