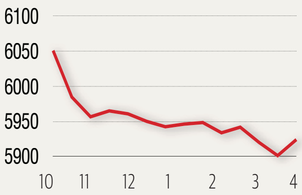
ASX 200	ALL ORDINARIES	BEST ASX 50	WORST ASX 50	$A	OIL BRENT	IRON ORE
		SCENTRE GROUP	AMP LTD	US CENTS	$US PER BARREL	$US PER TONNE
5927.80	6058.30	$2.04	$1.465	72.19 ¢	$43.38	$107.77
-123.30 -2.03%	-119.20 -1.93%	+.02 .99%	-.215 -12.80%	+0.75 +1.05%	-0.37 -0.84%	-0.11 -0.10%

The market has suffered its worst day in over a month, falling alongside overseas indices after a contraction in the US economy.



potential for Tigerlily

a new collection more in keeping with its past.

"Tigerlily lost its way," Mr Wilkinson said.

"When we looked at the business we felt that if we could bring it back to the fun, eclectic design and aesthetic that the brand was known for, there was a real opportunity.

"Obviously a brand needs to evolve and we need to be on trend, current and relevant.

"But bringing back some of the key shapes, the bright colours, making sure the price point is accessible and offers really good value for money — that is the key for us."

Crumpler is backed by private equity firm Crescent Capital. Crescent also owned Tigerlily, buying it back during the administration process in a corporate manoeuvre that angered some suppliers.

Rival swimwear brand Seafolly, which was placed into voluntary administration in late June, is undertaking a similar corporate shuffle with its private equity owner.

Tigerlily's store network has been shrunk from 26 to 10 and Mr Wilkinson said the tie-up with Crumpler would generate both back office and logistics savings.

"Crumpler has quite an expansive head office space and warehouse space that we were not using to capacity … we thought there were some very good synergies across the businesses," he said.

Tigerlily was founded in Sydney in 2000 by model and businesswoman Jodhi Meares.

Debt burden's the price of survival

THE SHORTCUT

ANDREW MACKEN

FIVE months into the pandemic and one thing has become clear: eradication of COVID-19 is not a viable option for most nations.

Instead, most are pursuing various forms of containment strategies aimed at buying time until widespread vaccinations can enable the return of more normal times.

And containment itself is proving to be a real challenge.

Even in places that had seemingly broken the back of the outbreak, such as Japan, Spain, Israel and here in Australia, recent flare-ups are proving to be frustratingly resilient.

So, we wait for a vaccine. And the news on this front is positive at first glance.

As pointed out by The Atlantic this week: "Scientists have gone from discovery of the virus to more than 165 candidate vaccines in record time, with 27 vaccines already in human trials."

It does appear likely a vaccine with at least some degree of efficacy will be available within coming months.

Of course, this solves one very important problem but leaves another: the manufacture and distribution of said vaccine.

At best, it will take many more months to make available the 300 million doses that are required for the US, the 400 million doses required for Europe, the more than one billion doses likely required for China, et cetera.

And this assumes that people will be willing to take the vaccine.

In May, a survey from The Associated Press-NORC Centre for Public Affairs Research found 20 per cent of Americans said they planned to refuse any COVID-19 vaccine.

The US Department of Health and Human Services has proudly announced its Operation Warp Speed, aimed at accelerating the delivery of doses domestically.

This is a worthy program. But for international borders to open back up, some degree of global immunity is ultimately required — not just national immunity.

This could well take years, not months.

Within this context, governments are faced with a dilemma.

Should large-scale government support for those who need it be continued?

Or should public deficits and associated government borrowings be limited to some designated level?

In Australia, the sensible JobKeeper and JobSeeker programs will start to be ratcheted down from September.

In the US, political disagreement over continued government stimulus has emerged, with some Republicans committing to vote against any Phase 4 package on the basis of excessive government spending.

But is this really a dilemma?

As Australia's Finance Minister, Mathias Cormann, put it last week: "In the circumstances, what was the alternative? Are you suggesting that we shouldn't have provided the support we did to boost our health system, to protect jobs, to protect livelihoods?"

It is likely this will be the simple reality for governments for many more months to come.

There really is no alternative.

From an economic perspective, if government support is withdrawn, growth would likely turn sharply negative and unemployment would increase further.

Asset prices would also likely fall, exacerbating any decline in consumption.

No government wants this. And certainly, no US president seeking re-election in less than four months wants a scenario like this.

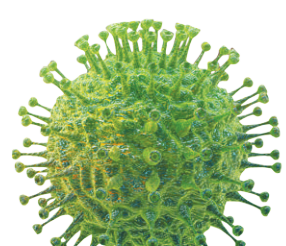
Reserve Bank governor Philip Lowe said recently that "it's very important that we keep the support measures going", noting the International Monetary Fund has flagged the early withdrawal of government stimulus as being the policy mistake the world is at most risk of making.

And with central banks pursuing government bond-buying programs en masse, they are ensuring that governments can finance themselves on favourable terms for the foreseeable future.

The message from central bankers is clear: there is no alternative for governments.

Today, and in coming months, economies need their support.

And concerns around excessive government indebtedness should be ignored for the time being.



ANDREW MACKEN IS CHIEF INVESTMENT OFFICER AT MONTAKA GLOBAL INVESTMENTS

Aussie on US80c path

CURRENCY

THE Australian dollar is heading to US80c, according to the latest forecast from National Australia Bank.

NAB currency strategist Ray Attril said the revised forecast "reflects our increased conviction that the recent weakening in the USD is for real and has a fair way to play out over the coming couple of years at least".

Mr Attril predicted the Aussie would be at US74c in December versus US72c previously, US78c in December 2021 versus US75c and US80c at June 2022 versus US75c.

Short-term "fair value" for the Aussie had been boosted by a combination of improved risk sentiment and commodity price gains.

AMP tips halved profit as law suit lobbed

FINANCIAL SERVICES

AMP has warned investors to brace for a halving of its profit and pledged to defend itself against a second class action it has been hit with this week.

The embattled financial adviser, led by Francesco De Ferrari, expects to report an underlying profit of between $140m to $150m for the six months to June.

That is less than half of the $309m profit it posted in the same period last year.

AMP pointed the finger at the COVID-19 pandemic in an update ahead of its half-year results, warning that it would take a $25m provision for bad credit, while its customers pull almost $1bn from their super accounts under the government's early access scheme.

Average assets under management at its wealth arm would be 6 per cent lower than the same time last year at $126bn, as it clocked net outflows of $4.4bn — $900m related to the government's early release of super scheme, and $1.34bn from the loss of corporate super mandates.

In a rough week for the financial services giant, AMP said it would mount a defence against a class action filed against its financial planning arm over the sale of life and insurance products — the second class action brought against it in the past week.

The company said the latest legal action related to "advice provided by some aligned financial advisers in respect of certain life and other insurance products".

Shares in AMP shed 12.8 per cent on Friday to close at $1.46.