

Table 1.1 – Economic outlook: central forecast¹

(Annual average % change, March years)	2003	2004	2005	2006	2007	2008
	Actual	Estimate	Forecast	Forecast	Forecast	Forecast
Private consumption	4.4	5.4	3.3	2.3	2.6	2.7
Public consumption ²	2.3	3.9	6.7	3.1	5.0	2.9
Total Consumption	3.9	5.0	4.1	2.5	3.1	2.7
Residential investment	23.4	15.7	7.4	-8.9	-6.9	0.5
Central Government investment	1.4	9.0	-0.2	6.3	3.1	2.8
Other investment	5.6	12.9	8.5	3.4	2.8	4.2
Total Investment	9.6	13.3	7.5	0.4	0.5	3.3
Stock change ³	-0.3	0.3	-0.2	0.0	0.0	0.0
Gross National Expenditure	4.6	7.0	4.7	2.0	2.5	2.8
Exports	7.0	0.3	5.4	4.7	6.0	4.0
Imports	9.4	11.8	9.8	2.9	3.3	3.2
GDP (Production Measure)	4.4	3.3	2.8	2.5	3.4	3.0
- annual % change	4.3	3.3	2.3	3.0	3.2	3.0
Real GDP per capita	2.8	1.6	1.6	1.5	2.6	2.2
Nominal GDP (expenditure basis)	3.8	6.1	5.7	4.3	5.0	5.3
GDP deflator	-0.1	2.9	2.8	1.7	1.6	2.1
Employment ⁴	2.6	2.8	1.4	0.7	1.6	1.4
Unemployment ⁵	4.9	4.6	4.7	5.0	4.9	4.8
Wages ⁶	2.9	3.6	4.2	3.9	3.6	3.6
CPI inflation	2.5	1.5	2.6	2.4	2.2	2.0
Export prices ⁷	-13.3	-8.6	0.6	0.9	3.6	1.9
Import prices ⁷	-8.2	-11.5	0.1	2.8	4.0	1.0
Current account balance						
- \$ million	-5,035	-6,433	-8,415	-8,770	-8,405	-8,265
- % of GDP	-3.9	-4.8	-5.9	-5.9	-5.4	-5.0
TWI ⁸	60.6	66.9	63.3	60.5	58.3	57.5
90-day bank bill rate ⁸	5.8	5.5	5.8	5.8	5.8	5.8
10-year bond rate ⁸	6.0	5.8	6.4	6.0	6.0	6.0

Sources: Statistics New Zealand, Datastream, The Treasury

- NOTES: 1 Forecasts finalised 27 April 2004. Text finalised 20 May 2004.
2 The forecast profile for public consumption is influenced by government defence spending.
3 Contribution to GDP growth.
4 Household Labour Force Survey, full-time equivalent employment.
5 Household Labour Force Survey, percentage of the labour force, March quarter, seasonally adjusted.
6 Quarterly Employment Survey, average hourly ordinary time earnings.
7 Overseas Trade Index basis, annual average percentage change, March quarter.
8 Average for the March quarter.