Monthly Economic Indicators

THE TREASURY
Kaitohutohu Kaupapa Rawa

September 2009

Executive Summary

- **GDP increases marginally in the June quarter, ending 5 quarters of contraction.**
- **Current account narrows more than expected as investment income deficit shrinks.**
- **Lower risk aversion and higher commodity prices continue to push NZ dollar higher.**
- **Net migration and confidence expected to drive housing and consumption higher.**
- **Indicators point to a slow economic recovery, with the composition of growth tilted more towards domestic factors than external factors.**

The New Zealand economy grew marginally in the June quarter, ending the recession which began in March 2008 - one quarter earlier than we had anticipated. Production GDP rose 0.1% in the quarter, as increased logging and oil production offset declines in manufacturing and construction. The April 1 tax cuts boosted household disposable income, which flowed through to higher consumer spending. In addition, higher exports, coupled with lower imports, helped drive a 0.4% quarterly increase in the expenditure measure of GDP.

A reduction in income earned from foreign investment in New Zealand and lower goods and services imports drove a significant decline in the current account deficit, with the annual measure shrinking from a revised 8.1% of GDP in March to 5.9% in June. In the *Budget*, we expected the current account deficit to narrow to 5.3% of GDP over the next two years, though we now expect it to fall towards 5% in the coming year. Further out, however, with the dollar expected to remain strong, demand for imports will pick up while the investment income deficit will also widen, increasing the current account deficit again.

The outlook for the world economy continued to strengthen in September. As a result, risk appetites and commodity prices rose strongly, along with demand for the New Zealand dollar. The Trade Weighted Index appreciated 2.9%, as the dollar strengthened against the currencies of all our major trading partners.

Net migration continues to remain robust, with would-be emigrants preferring to remain at home. At 15,600 in the 12 months to August and expected to rise, net migration is set to provide underlying support for a recovery in residential investment and consumer spending.

Relevant indicators suggest the trough in economic activity has passed and point to a gradual recovery in the New Zealand economy, with moderate growth expected in the September and December quarters. The composition of growth is likely be tilted towards the domestic (as opposed to the external) side of the economy, which we expect will do little to unwind macroeconomic imbalances over the medium term.

This month's special topic provides further insights from business talks conducted by the Treasury.

New Zealand Government

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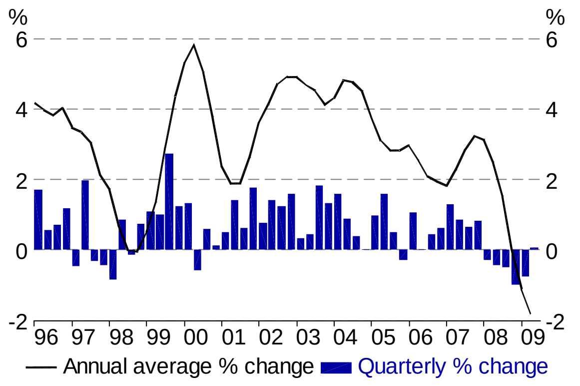
Commentary

The month of September confirmed that economic activity in New Zealand grew in the June quarter, ending the recession that began in March 2008. Relevant indicators suggest a slow recovery will continue in the near term, with the composition of growth again tilted towards the domestic (rather than the external) side of the economy. With the recovery in the housing market underway, residential investment and consumer spending look set to grow in the near term. With global risk appetites increasing, the outlook is for the New Zealand dollar to remain strong, making imports more attractive and exports less competitive, with a sustained fall in the current account deficit unlikely under these conditions.

Real production GDP grows in the June quarter, ending five quarters of contraction

Real production GDP increased 0.1% (seasonally adjusted) in the June 2009 quarter, following a revised 0.8% decline in the March quarter. The slight increase marks the technical end to the recession, which we had been expecting in the following quarter. On an annual average basis, the economy contracted 1.8% in the year to June 2009 – the largest decline in the current GDP series (since 1987), and probably since the late 1970s (*Figure 1*).

Figure 1 – Real production GDP



Source: Statistics NZ

Strong demand from China boosts forestry and logging activity

Reduced supply of Russian logs enabled New Zealand to gain market share in China, with forestry and logging activity increasing 8.0% in the quarter. Mining activity also rose, following the Maari oil field reaching planned production during the quarter. Other sectors to record increases included electricity, gas and water (with high lake levels enabling a higher value add for electricity production, in addition to increased demand from Tiwai Point aluminium smelter) and real estate and business services (reflecting a 21% increase in house sales in the quarter).

Manufacturing fell in the quarter, led by a third consecutive decline in machinery and equipment manufacturing, highlighting the continuing weak global investment environment. Wholesale and retail trade also declined in the June quarter, with falling wholesale trade outweighing a small increase in the retail sector, which received a boost from the April 1 tax cuts.

The external sector and private consumption drive expenditure GDP higher than forecast

Expenditure GDP also increased in the June quarter (0.4%), on the back of a stronger external sector. Lower services exports (brought about by a lower average spend per overseas visitor) only partially offset a 5% increase in goods exports, as log exports (mentioned earlier) and dairy picked up markedly in the quarter. Much of the increase in goods exports was met out of existing inventories rather than current production, with the $1.1 billion inventory unwind being the largest in over 20 years. While the rundown of dairy stocks is likely to be a significant component of the reduction, other stocks will need to be restored to more normal levels, pointing to increased production in coming quarters.

Falling imports, in light of recent weak domestic demand, also contributed to GDP growth, with the volume of goods and services imports down 3.8% in the June quarter. In the year to June 2009, imports fell 12.3%, the largest decline for the current GDP series, reflecting weak investment and spending over the past year. Real private consumption surprised by recording a mild increase in the June quarter (0.4%). Higher services offset a further decline in durables consumption, while nondurables recorded their highest growth since late 2006 (0.7%), despite fuel and food prices both rising in the three months to June.

Nominal GDP falls as terms of trade decline

A 0.8% decrease in the GDP deflator more than offset the 0.4% increase in real expenditure GDP, leaving nominal GDP down 0.4%. The negative GDP deflator was largely the result of a fall in the terms of trade. According to the Overseas Trade

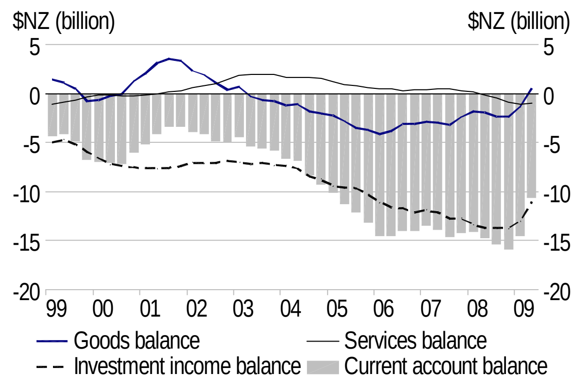
Index, export prices declined 11.6% and import prices fell to a lesser extent, down 2.9%, with both impacted by the higher exchange rate. The 10.7% decline in export prices was the largest decline since 1951, with the fall also reflecting generally lower world prices for export goods.

More recently, prices for dairy products have been recovering, as evidenced through Fonterra's average price rising a cumulative 56% in its latest two online auctions. The sharp recovery in prices, in conjunction with an improving global outlook, led Fonterra to revise up its forecast payout from $4.55 to $5.10/kg for the 2009/10 season.

Current account deficit narrows sharply…

In annual terms, New Zealand's current account deficit narrowed to $10.6 billion (5.9% of GDP) in June 2009, down from a revised $14.6 billion (8.1%) in March 2009 (*Figure 2*). The largest drivers of the reduction were a fall in the investment income deficit and lower import values, both reflecting a weak New Zealand economy over the first half of 2009.

Figure 2 – Current account



Source: Statistics NZ

… as the goods balance and investment income balance increases

The goods balance recorded a surplus of $1.8 billion in the June 2009 quarter, chiefly explained by a drop-off in import values, reflecting subdued domestic demand coupled with lower import prices, particularly for oil. Higher volumes of export goods (particularly dairy products) partially offset a sharp fall in export prices, with the result being a continuation of the slight downward trend in export values.

The deficit on investment income was $1.6 billion in the June quarter, well below the $3.6 billion recorded a year ago. The lower deficit was explained by a fall in profits earned by foreign-owned New Zealand enterprises, including a tax provision of $661 million by the BNZ for its structured finance tax case with the Inland Revenue Department. Aside from the tax charge, a large narrowing of the investment income deficit was caused by generalised weakness in profits accrued to foreign investors - a reflection of the weak local economy - and a fall in interest paid to foreign investors on New Zealand's overseas debt due to lower interest rates.

In the *Budget*, we expected the current account deficit to narrow over the next two years to 5.3% of GDP. This latest result (5.9% of GDP) means annual deficits will fall towards 5% in the coming year, but a larger more sustained fall is unlikely. A collapse in imports and falling profits for foreign-owned companies has proven to be the main driver of the decreasing deficit to date, owing to soft domestic demand and earlier falls in the exchange rate. With the New Zealand dollar expected to remain above US$0.70, continuing positive contributions to the deficit through weak imports is not expected when coupled with a recovery in the domestic economy. Additionally, the higher exchange rate will reduce the competitiveness of goods and services exports, resulting in a further deterioration in the current account deficit in the medium term.

Annual merchandise trade deficit narrows

The removal of large monthly deficits from the calculation (owing to higher oil prices last year) continued to result in a narrowing of the annual merchandise trade deficit, as it fell from $2.5 billion in July to $2.4 billion in August. On a trend basis, the monthly trade deficit dissipated between September 2008 and May 2009 as imports declined more than exports. The trend has remained around zero since, as a pick-up in domestic demand has slowed the rate of decline in imports to broadly match the decline in exports.

International outlook remains positive…

The outlook for the world economy continued to strengthen in September, though to a lesser extent than in August. With recent trends pointing to growth resuming in late 2009 (supported by the IMF announcing it will revise up its latest forecasts), major central banks announced a coordinated unwinding of emergency liquidity measures. However, acknowledging the fragility of the current environment, the G20 committed to stimulus measures remaining in place until the economic recovery is firmly underway.

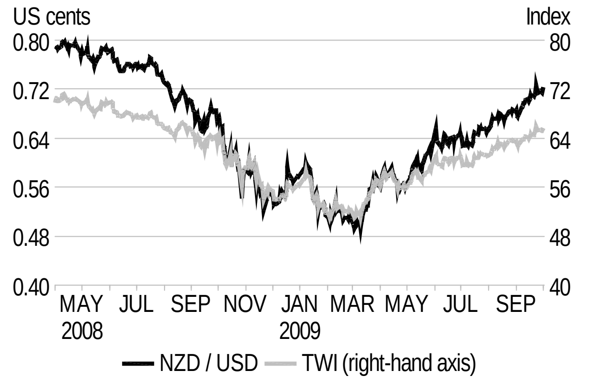
Business and consumer confidence in the major economies were both generally more positive, but at times failed to meet expectations, reflecting the high degree of optimism pinned on the economic recovery. The market continues to anticipate corporate profits increasing in the near term, with major international bourses rising to a similar degree in September as in August. The extent of the recovery priced-in to equity markets will be tested once the earnings reporting season for the third quarter begins in mid-October.

Housing market stability in the US is regarded by some as a prerequisite for wider financial stability. Crucially, there are increasing signs of a recovery in the US housing market, with the key Case-Shiller 20-city home price index rising 1.6% in July – the third consecutive monthly increase.

… with the New Zealand dollar appreciating as a result

As global risk appetite returns, demand for the growth-sensitive New Zealand dollar continues to rise. The Trade Weighted Index (TWI) increased 2.9% over September as the dollar appreciated against the currencies of all our major trading partners (*Figure 3*). Against the Euro and US dollar, the kiwi continued to trend upward, climbing 3% and 5% respectively. The largest move came against the British pound, with the dollar surging 7% to a 13-year high as concerns over debt and an extension of quantitative easing reduced demand for the pound.

Figure 3 – New Zealand dollar exchange rate



Source: RBNZ

Net migration continues to remain robust…

Weak labour markets offshore continued to be a telling factor in migration flows in August, with would-be emigrants preferring to remain at home. Long-term departures appear to have stabilised at around 5,000 per month, while the trend for long-term arrivals continues to ease slightly. In the 12-months to August, net permanent and long-term migration reached 15,600 – the highest annual total since the November 2004 year. While we expect the annual total to increase in the near term, positive sentiment offshore (particularly around the Australian economy) will ultimately lead to a resumption of departures and a return of net migration to its long-term level around 10,000.

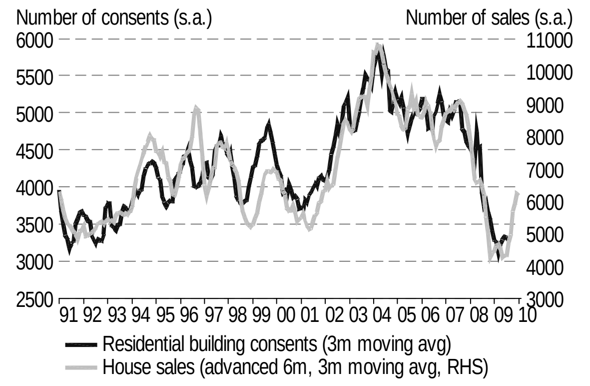
… supporting the housing market recovery…

In previous recessions, net migration has turned negative, limiting or detracting from population growth and weakening the demand for housing. With population growth expected to be higher than average and interest rates expected to remain low in the near term, fundamental support is in place for a recovery in the housing market.

The Real Estate Institute of New Zealand's house price index increased 1.2% in August to be 2.6% higher than a year ago, while the days-to-sell declined 3 days to 34 days, falling further below the 10-year average. House sales slipped slightly in the month (-1%), but continue to remain well ahead of last year's trough, up 39% on August 2008. Higher prices and fewer days to sell reflect the current shortage of available listings, with data from Barfoot and Thompson continuing to show an escalating sales-to-listings ratio in the Auckland region over August.

Housing market activity leads residential building consents by 3-4 months. Consents increased 1.7% in August after rising 4.5% the month prior, while excluding apartments, consents rose 2.8% following an 11.4% rise in July. With the housing market recovering, we expect building consents to strengthen in the near term (*Figure 4*).

Figure 4 – House sales and building consents

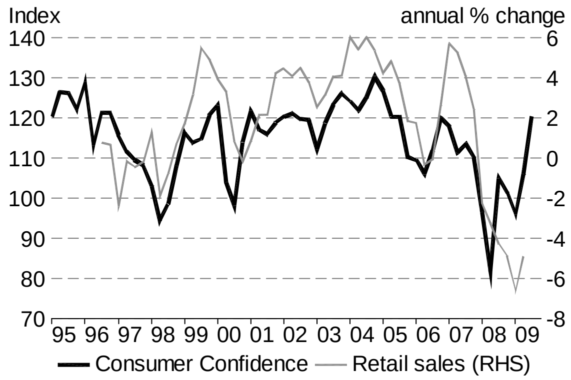


Source: Statistics NZ, Real Estate Institute of New Zealand

… which, along with higher confidence, is expected to buoy consumer spending…

The latest Westpac McDermott Miller survey showed consumer confidence rising to 120 in the September quarter - the highest level since 2005, with rises across all regions. Confidence in future conditions dominated changes in the index, with the net percent of respondents expecting good economic times in the year ahead lifting by the largest amount in over eight years (up 46 points from June to a net 17%). With the net percent of respondents expecting good economic times over the next five years at more than double its long-term average, the strong results for the forward-looking indicators are likely reflecting the recent passing of the trough in economic activity. Nonetheless, the recent revival in confidence points to a pick-up in consumer spending over the coming quarters (*Figure 5)*.

Figure 5 – Consumer confidence and spending



Source: Westpac, Statistics NZ

The pick-up in the housing market is an important catalyst for retail sales, both directly (for example, purchase of whiteware, furniture and floor coverings) and indirectly (as higher house prices increase homeowners' perceived wealth). In addition to the effects on housing activity, higher net migration also leads to higher spending in aggregate, as a larger population requires more goods and services.

… although current spending is weak

While the effects of a higher population and recovering housing market will flow through to retailers with a lag, current spending patterns remain weak. Retail sales eased for the second consecutive month in July, with both total and core retailing falling 0.5%. The April 1 tax cuts undoubtedly supported consumer spending in the two months following the tax cuts, with core retailing (excluding the volatile automotive components of retail trade) averaging 0.8% over April and May. Interestingly, the next highest 2-month average during the 5-quarter long recession was recorded for the months of October and November (0.5%) – the two months following the October 1 tax cuts. We anticipate consumer spending to remain relatively flat through until the end of the year, reinforced by the weak labour market.

Business confidence increases markedly…

Increasing reassurance that both the New Zealand and global economies are strengthening resulted in a marked improvement in the National Bank Business Outlook (NBBO) in September. Business confidence rose 15 percentage points from the month prior, with a net 49% of respondents expecting better economic conditions over the next 12 months – the highest result since the economy emerged from the recession of the late 1990s.

… along with activity and profit expectations

A net 32% expect their own activity levels to improve over the next year, up 6 points from August and broad-based across all major sectors. Profit expectations moved firmly above zero (8%), with all sectors (aside from agriculture) expecting an improvement in the year ahead.

Employment intentions became positive for the first time in 18 months (2%), but still remain weak given the rate of population growth. Firms are also more optimistic about obtaining credit, with a net 22% expecting an easing in the availability of credit over the next 12 months. This month's special topic provides further insights from business talks conducted by the Treasury.

… suggesting growth over coming quarters

While the economy emerged from the recession in the June quarter, we emphasise the recovery over the second half of this year is likely to be gradual. The forward-looking nature of both the consumer and business confidence surveys mentioned earlier tend to focus on conditions at least one year ahead, with limited implications for the quarter just past (the September quarter) and the current quarter (the December quarter). For the remainder of the year, we expect a slow recovery to continue, with further details to come in the Treasury's *Half Year Update*, to be released mid-way through December.

October will see September quarter releases for both the Quarterly Survey of Business Opinion and the CPI, with higher food prices likely to be reflected in the headline CPI figure. Partial data relating to August and September will help interpret how the economy performed in the September quarter, in addition to assessing the momentum behind the recovery.

Special Topic: Business Talks

Treasury talks with businesses in September[1] found an economy that had reached the bottom of the business cycle and was now showing signs of an upswing. This was consistent with the GDP result, which reported a 0.1% increase for the June 2009 quarter following five consecutive quarterly decreases.

Mixed reports across the sectors

Meat prices have helped sheep and beef farmers to have a reasonably good year. The same cannot be said for dairy farmers where the level of the milk payout means that the average dairy farm made a loss last year. Debt servicing is a concern for both types of farmers. The outlook for dairy farmers is positive, with the increase in the dairy payout, but the NZD price for sheep-meat and beef exports is declining.

We received a mixture of reports on manufacturing. Generally, those servicing the domestic market are struggling owing to a fall-off in demand. Exporters selling into markets where demand is holding up are faring well. Others are not doing quite so well despite the quality of their goods. All exporters are feeling some downward pressure from their customers on prices and mentioned the level of the NZD relative to other currencies as a concern, but many mentioned that it was the volatility rather than the level that caused them the most problems.

On the construction front, infrastructure, e.g. roads and stadia, seemed to be the main area where there was currently any significant activity. There are few significant commercial projects in the pipeline and residential building is quiet. There has been some rationalisation of firms involved in residential construction, with funding scarce.

Total tourist numbers are down and the mix has shifted away from big-spending European and East Asian visitors to lesser-spending Australians. This has had flow-on effects for retailers. Overall retail is in a significant downturn, but the smaller retailers have been affected more than the big, nation-wide chains. In fact, some of the large chains have reported increased sales and profits.

Essential purchases, e.g. appliance replacement, are still happening but more-discretionary consumer spending has been deferred.

Labour market has bottomed

Many firms have reduced staff numbers, but this appears to be coming to an end now. Staff reductions have occurred at all levels, from unskilled workers right through to senior management. Employers have been careful not to trim their workforce too much, particularly retaining skilled workers, so that they are well-placed to take advantage of the impending economic upswing. Some firms expect to resume or increase hiring in 2010.

In an effort to cut costs, but also retain staff, workers' hours have been reduced. This has been achieved through a mixture of overtime restrictions, job-sharing and reduced working weeks.

Wage rises have been restricted to no more than cost-of-living increases. There were many reports of nil increases, especially for salaried staff, and even salary reductions. Previously-negotiated wage agreements are being honoured. Employers generally expect to resume salary and wage increases over the coming year.

Credit conditions still tight

Although credit conditions have eased a little recently, they are still viewed as being much tighter than in the past. Credit is still seen as expensive, with lenders demanding high premiums for perceived risk, and also reflecting the high cost of funds, both offshore and retail, relative to the Official Cash Rate. Officials received several reports of good-quality, cash-flow positive businesses being declined credit for what appeared to be sound business proposals. This may have had more to do with the supply of funding than the lender's willingness to take on risk.

[1] In mid-September, Treasury contacted 45 firms and business organisations in Auckland, Wellington, Dunedin and Christchurch. This report summarises the opinions of those firms and organisations and does not necessarily represent the Treasury's views.

Investment and profits restricted

Investment plans have been scaled back considerably lately. For most firms, investment has been restricted to essential maintenance. Lack of available, affordable funding is a constraint on investment for some businesses wanting to expand. For most businesses, the current strategy appears to be to generate cash to pay down debt, thereby strengthening balance sheets.

Overall, profits declined in the 2009 tax year but may be turning now, although it is too early to tell with any certainty. There have been many incidences of losses being incurred, some of them quite large, which could have a negative effect on the Crown's tax take for the next few years.

Monthly Economic Indicators is a regular report prepared by the Forecasting and Monitoring team of the Treasury.

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New Zealand Key Economic Data

Quarterly Indicators

		2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3
Gross Domestic Product (GDP)								
Real production GDP	qtr % chg[1]	-0.3	-0.4	-0.5	-1.0	-0.8	0.1	...
	ann ave % chg	3.1	2.5	1.5	0.0	-1.1	-1.8	...
Real private consumption	qtr % chg[1]	-0.4	-0.5	0.0	-0.2	-1.2	0.4	...
	ann ave % chg	3.2	2.2	1.0	-0.1	-0.8	-1.1	...
Real public consumption	qtr % chg[1]	1.5	0.7	0.0	1.6	0.3	-1.0	...
	ann ave % chg	4.2	4.4	3.8	3.8	3.3	2.3	...
Real residential investment	qtr % chg[1]	-4.3	-9.5	-6.8	-14.5	0.2	-2.6	...
	ann ave % chg	4.3	-2.0	-9.7	-18.6	-23.4	-24.9	...
Real non-residential investment	qtr % chg[1]	-1.2	5.5	-8.7	-1.1	-6.9	1.3	...
	ann ave % chg	4.1	4.3	3.0	0.0	-3.1	-8.2	...
Export volumes	qtr % chg[1]	-2.2	-0.7	-2.4	-3.2	0.6	4.7	...
	ann ave % chg	3.1	2.9	2.6	-1.3	-3.3	-3.9	...
Import volumes	qtr % chg[1]	1.7	1.2	-5.6	-6.7	-8.3	-3.8	...
	ann ave % chg	10.0	10.1	7.9	2.0	-4.7	-12.3	...
Nominal GDP - expenditure basis	ann ave % chg	7.1	5.7	4.3	2.5	1.1	0.7	...
Real GDP per capita	ann ave % chg	2.1	1.5	0.6	-0.9	-2.0	-2.8	...
Real Gross National Disposable Income	ann ave % chg	5.0	4.7	4.2	1.5	-0.7	-1.3	...
External Trade								
Current account balance (annual)	NZ$ millions	-14128	-14795	-15436	-15968	-14568	-10614	...
	% of GDP	-7.9	-8.3	-8.6	-8.9	-8.1	-5.9	...
Investment income balance (annual)	NZ$ millions	-13343	-13732	-13728	-13721	-13035	-11027	...
Merchandise terms of trade	qtr % chg	4.2	-0.4	-1.0	-1.0	-2.7	-8.9	...
	ann % chg	11.6	10.7	5.8	1.8	-5.0	-13.1	...
Prices								
CPI inflation	qtr % chg	0.7	1.6	1.5	-0.5	0.3	0.6	...
	ann % chg	3.4	4.0	5.1	3.4	3.0	1.9	...
Tradable inflation	ann % chg	3.4	4.8	6.3	2.3	1.7	0.2	...
Non-tradable inflation	ann % chg	3.5	3.4	4.1	4.3	3.8	3.3	...
GDP deflator	ann % chg	6.1	3.9	2.2	2.4	2.4	2.0	...
Consumption deflator	ann % chg	2.5	3.3	4.1	3.9	3.8	3.1	...
Labour Market								
Employment (HLFS)	qtr % chg[1]	-1.2	1.2	0.1	0.8	-1.4	-0.5	...
	ann % chg[1]	-0.3	0.8	1.0	1.0	0.8	-0.9	...
Unemployment rate	%[1]	3.8	4.0	4.3	4.7	5.0	6.0	...
Participation rate	%[1]	67.7	68.5	68.6	69.1	68.3	68.4	...
LCI salary & wage rates - total (adjusted)[5]	qtr % chg	0.8	0.8	1.2	0.7	0.6	0.3	...
	ann % chg	3.4	3.6	3.9	3.6	3.4	2.9	...
LCI salary & wage rates - total (unadjusted)[5]	qtr % chg	1.2	1.2	1.7	1.4	0.8	0.6	...
	ann % chg	5.3	5.4	5.6	5.6	5.2	4.6	...
QES average hourly earnings - total[5]	qtr % chg	1.5	1.4	1.5	0.9	1.4	0.7	...
	ann % chg	4.6	5.3	5.5	5.4	5.3	4.5	...
Labour productivity[6]	ann ave % chg	3.1	2.4	1.5	0.4	-1.5	-1.0	...
Confidence Indicators/Surveys								
WMM - consumer confidence[3]	Index	97	82	105	101	96	106	120
QSBO - general business situation[4]	net %	-64.1	-63.7	-19.3	-64.4	-64.6	-24.8	...
QSBO - own activity outlook[4]	net %	-9.7	-22.9	-8.3	-40.9	-38.7	-13.1	...

Monthly Indicators

		2009M 3	2009M 4	2009M 5	2009M 6	2009M 7	2009M 8	2009M 9
External Sector								
Merchandise trade - exports	mth % chg[1]	0.0	-4.0	-0.9	-0.9	1.0	-6.9	...
	ann % chg[1]	17.7	-4.7	6.1	-9.7	-7.1	-22.8	...
Merchandise trade - imports	mth % chg[1]	13.3	-11.7	-5.1	18.6	-13.9	-0.5	...
	ann % chg[1]	4.2	-19.7	-21.7	-6.2	-20.8	-21.4	...
Merchandise trade balance (12 month total)	NZ$ million	-4684	-4070	-2994	-3111	-2488	-2365	...
Visitor arrivals	number[1]	200710	205000	204950	197080	204810	203200	...
Visitor departures	number[1]	200620	202510	207950	201860	206420	204700	...
Housing								
Dwelling consents - residential	mth % chg[1]	-1.8	11.3	2.6	-9.3	4.5	1.7	...
	ann % chg[1]	-34.2	-56.5	-23.8	-23.7	-16.9	-8.8	...
House sales - dwellings	mth % chg[1]	6.5	22.8	-13.0	9.8	2.6	-0.8	...
	ann % chg[1]	30.2	39.8	44.0	40.1	33.7	40.4	...
REINZ - median dwelling price	mth % chg	-0.7	1.1	-0.3	1.2	0.2	2.4	...
	ann % chg	-4.0	-1.5	-2.2	0.1	0.0	5.1	...
Private Consumption								
Core retail sales	mth % chg[1]	0.6	0.0	1.6	-0.6	-0.5	...	...
	ann % chg[1]	2.3	2.0	3.5	2.3	1.9	...	...
Total retail sales	mth % chg[1]	-0.1	0.5	0.7	-0.1	-0.5	...	...
	ann % chg[1]	-2.1	-2.3	-1.0	-1.8	-1.7	...	...
New car registrations	mth % chg[1]	7.3	-1.4	-2.9	6.1	7.0	-3.6	...
	ann % chg	-32.9	-41.0	-33.3	-29.6	-16.4	-18.3	...
Electronic card transactions - total retail	mth % chg[1]	0.3	0.2	0.7	-1.0	0.8	0.2	...
	ann % chg	-0.3	1.2	-0.5	0.3	0.2	-1.3	...
Migration								
Permanent & long-term arrivals	number[1]	7480	7490	7520	6840	7570	6770	...
Permanent & long-term departures	number[1]	5750	5390	4910	5140	5150	5160	...
Net PLT migration (12 month total)	number	7482	9176	11202	12515	14488	15642	...
Commodity Prices								
Brent oil price	US$/Barrel	46.58	50.52	57.50	68.58	64.90	72.59	67.45
WTI oil price	US$/Barrel	47.98	49.91	59.26	69.67	64.21	71.06	69.40
ANZ NZ commodity price index	mth % chg	-3.4	-2.7	-1.4	-5.0	0.1	-0.7	...
	ann % chg	-4.0	-7.6	-11.2	-17.3	-19.5	-21.6	...
ANZ world commodity price index	mth % chg	1.0	2.6	2.8	0.2	1.0	4.2	...
	ann % chg	-31.4	-29.4	-28.1	-27.9	-28.5	-22.9	...
Financial Markets								
NZD/USD	$[2]	0.5308	0.5709	0.5989	0.6374	0.6437	0.6754	0.7024
NZD/AUD	$[2]	0.7979	0.8006	0.7855	0.7953	0.8011	0.8089	0.8166
Trade weighted index (TWI)	June 1979 = 100[2]	53.84	56.87	57.95	60.32	60.59	62.85	64.32
Official cash rate (OCR)	%	3.00	2.50	2.50	2.50	2.50	2.50	2.50
90 day bank bill rate	%[2]	3.24	3.12	2.82	2.78	2.79	2.76	2.77
10 year govt bond rate	%[2]	4.77	5.24	5.59	5.97	5.75	5.82	5.63
Confidence Indicators/Surveys								
National Bank - business confidence	net %	-39.3	-14.5	1.9	5.5	18.7	34.2	49.1
National Bank - activity outlook	net %	-21.2	-3.8	3.8	8.3	12.6	26.0	32.2
Roy Morgan - consumer confidence	net %	93.4	104.6	105.8	103.4	107.8	112.3	120.0

qtr % chg — quarterly percent change
mth % chg — monthly percent change
ann % chg — annual percent change
ann ave % chg — annual average percent change

1 Seasonally adjusted
2 Average (11am)
3 Westpac McDermott Miller
4 Quarterly Survey of Business Opinion
5 One News Colmar Brunton
6 Ordinary time
7 Production GDP divided by HLFS hours worked

Sources: Statistics New Zealand, Reserve Bank of New Zealand, National Bank of New Zealand, NZIER, ANZ, Datastream, Westpac McDermott Miller, One News Colmar Brunton