Monthly Economic Indicators

October 2014

Executive Summary

- **Moderating economic indicators point to growth slowing to a more sustainable, but nonetheless solid pace**
- **Inflation remains low and continues to fall below expectations, despite the economy appearing to be operating near capacity**
- **International economic developments point to uneven growth across major economies, while geopolitical risks continue to weigh on markets**

Both business and consumer confidence continue to soften but remain at historically high levels with business confidence recovering from the previous month's decline in October. For businesses, high confidence continues to bolster employment and investment intentions while capacity utilisation also remains at high levels. Activity levels for both the manufacturing and service sectors are high. While consumers remain confident about the present, confidence about the future has waned as the economy in general and the housing market in particular have slowed.

Annual inflation fell to 1.0%, which is below market expectations and at the bottom of the RBNZ's target band. Falling tradables prices, thanks to a relatively strong exchange rate and weak international inflation, continues to weigh on inflation. Increases in housing and housing utility prices were the main driver of increases in the quarterly CPI. Despite the recent weak outturns, inflationary pressures are expected to increase as the economy continues to operate near capacity, and the drag on inflation from tradables prices should reduce now that the exchange rate has come off earlier highs.

The housing market is cooling with increases in house prices slowing and sales lower than a year ago. Some of the recent weakness in sales may have been due to election uncertainty as well as anticipation of property revaluations in Auckland in October. Although the proportion of new high loan-to-value ratio mortgages continues to rise, it remains some way below the "speed limit" imposed by the RBNZ as banks continue to adjust their portfolios.

Consumption is holding up despite lower consumer confidence. Electronic card transactions increased over the quarter despite a modest fall in September. While the nominal consumption outlook remains modest, low inflation and a relatively strong exchange rate of late have boosted consumers' purchasing power, which will help to keep real consumption growth solid.

Growth in the major economies remains uneven, with global markets highly volatile and sentiment fragile. The euro area remains subdued, with the ECB's asset purchase programme providing only limited support to markets so far. Both the US and the UK continue their steady recovery, moving closer to a point where they can begin normalising monetary policy. The Chinese economy continues to slow, with the government introducing targeted stimulus as a result. Geopolitical risks remain elevated, as Ebola concerns are added to the ongoing conflict in the Middle East and tensions in Ukraine.

Analysis

Business confidence remains positive…

The Quarterly Survey of Business Opinion (QSBO) headline confidence measure fell in the September quarter, with a seasonally adjusted net 20% of respondents expecting the economy to improve over the next six months. Although lower than the net 32% posted for the June quarter, the outturn is still high by historical standards and was likely influenced by election uncertainty. This result was mirrored in the ANZ Business Outlook (ANZBO) October survey, where a net 27% of firms were optimistic about the future, a recovery from the dip to a net 13% prior to the election. The QSBO measure of firms' own prospects was positive, with a steady net 14% experiencing increased domestic trading activity in the quarter and a net 29% (down from 32%) expecting increased activity in the next quarter.

Capacity utilisation of builders and manufacturers was unchanged at 90.6%, above the historical average of 89.1%. Capacity as a constraint eased slightly to a net 12% (from 15%) whilst sales as a constraint increased to a net 62%, reversing recent trends. This is indicative of a shift in the balance from supply constraints to easing demand. High capacity utilisation is reflected in the BNZ Performance of Manufacturing Index (PMI) and Performance of Services Index (PSI). The PMI increased for a fourth consecutive month to 58.1 in September, on the back of healthy levels of activity. The PSI also rose, to 58.0, more than a point above the year-to-date average. Encouragingly, both measures picked up increased activity across all regions, suggesting current buoyant economic performance extends beyond Auckland and Christchurch.

… bolstering employment and investment intentions…

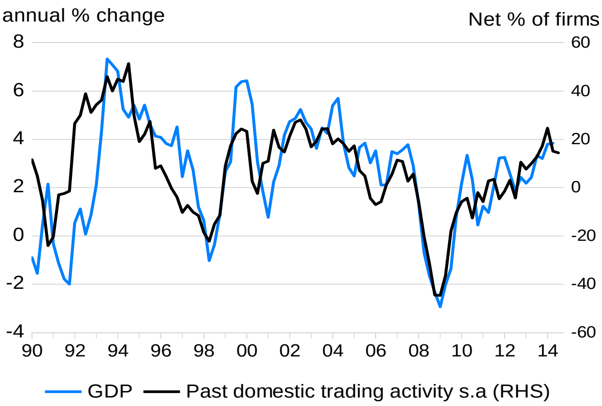
A net 18% of firms in the QSBO expected to increase employment in the coming quarter and although easing slightly in the quarter, the difficulty of finding both skilled and unskilled labour remains high. At the same time positive momentum is developing in job advertising, with ANZ measuring job advert numbers at their highest level since the GFC in September. Taken together, these indicators suggest that further increases in employment are likely. September quarter labour market data will be released in the first week of November.

Building investment intentions rose to a net 5% from 1% in the June quarter. This was enough to offset a fall in plant and machinery investment intentions from 19% to a still strong net 16%, leaving overall investment intentions higher.

… and pointing to solid economic growth

Taken as a whole the various business confidence surveys and indicators point to solid, albeit slowing, growth. The capacity utilisation figures and employment and investment intentions indicate the economy is operating near capacity, consistent with other analysis indicating that the output gap is small. Based on the forward looking confidence indicators, demand is easing. As supply and demand move more into balance growth will slow from its recent high levels, although trading activity experienced in the September quarter is still consistent with annual real economic growth of over 3% (Figure 1).

Figure 1 – Real GDP and Own Activity Outlook



Source: NZIER, Statistics NZ

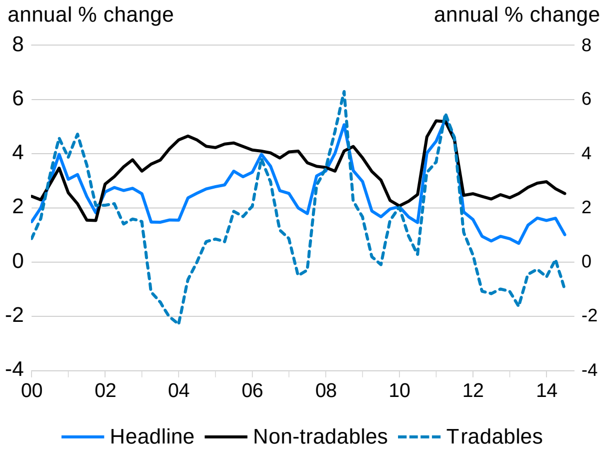
Inflation remains low...

The Consumers Price Index (CPI) increased 0.3% in the September quarter, below median market expectations of 0.5%. The housing and household utilities group contributed 0.2 percentage points to the CPI increase. Local authority rates rose by 3.8%, with changes in annual rates by local councils mainly occuring in the September quarter. This increase is lower than in recent years owing to the Auckland Council, which accounts for over one third of the CPI regional weight, increasing rates by 2.5%. With solid construction continuing in Christchurch and Auckland, the cost of building a new house increased by 1.1% in the quarter. House rental costs rose 0.6%.

Of the other two large components of the CPI, transport contributed just 0.01 percentage point to the CPI while food was flat. Transport prices rose by 0.1%, largely as a result of petrol prices increasing 1.0% on the back of a 3 cents/litre increase in the excise tax that was only partially offset by lower crude oil prices. Food prices were flat in the quarter, as rising vegetable prices were offset by small falls in seven of the other 12 food classes. Alcohol prices rose 0.5% in the quarter, owing to the annual indexation of alcohol excise tax from 1 July.

The September quarter increase took annual inflation to 1.0%, down from 1.6% in the year to June. The annual inflation figure has mostly been driven by non-tradables inflation of 2.5%, down from 2.7% in the year to June (Figure 2). The weaker non-tradables inflation is consistent with easing demand growth coupled with expanded productive capacity in the economy. Thanks to the elevated exchange rate over the past year and low global inflation, tradables inflation has been negative, with tradables prices falling 1.0% in the year to September.

Figure 2 – Annual Consumer Price Inflation



Source: Statistics NZ

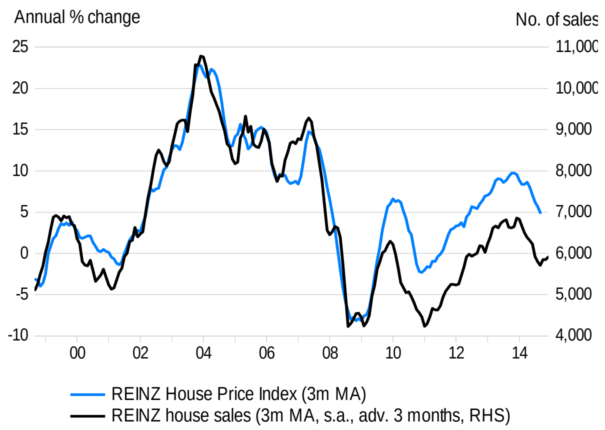
… and inflationary pressures are modest

Although recent inflation outturns have been weaker than market expectations, inflation pressures will grow. With the output gap estimated to be closed and capacity utilisation above average, non-tradables inflation is expected to increase. Tradables inflation is also expected to increase over coming months as a result of the recent depreciation in the exchange rate. Firms are also anticipating higher inflation. In the QSBO a net 29% of firms are expecting to raise prices in the next quarter while in the ANZBO 24% of firms expect to raise prices in the next year. Expected inflation in a year's time stood at 2.5% in the ANZBO. At its interim review on 30 October, the Reserve Bank of New Zealand (RBNZ) held the OCR at 3.5% and indicated a period of assessment before further policy adjustment.

The housing market cooled slightly…

REINZ house prices were flat in the month of September, although annual price increases slowed to 4.1%, down from 4.8% in August (Figure 3). Auckland and Christchurch increases remain higher than the country average, with annual increases of 7.7% and 7.1% respectively for the year to September.

Figure 3 – House Prices and Sales



Source: REINZ

House sales rebounded in September, increasing 3.6% on a seasonally adjusted basis to partially reverse the 4.9% fall in August. This left the quarter 1.5% higher despite the uncertainty caused by the September election and Auckland property revaluations in October. However, the recent rebound needs to be put in the context of a longer term slowdown in activity. Total sales for the year to September were 12.0% lower than the previous year, while in Auckland sales fell 17.1%. In contrast, Canterbury sales remain strong, only 2.5% lower than the previous year, as the rebuild continues and housing demand remains robust.

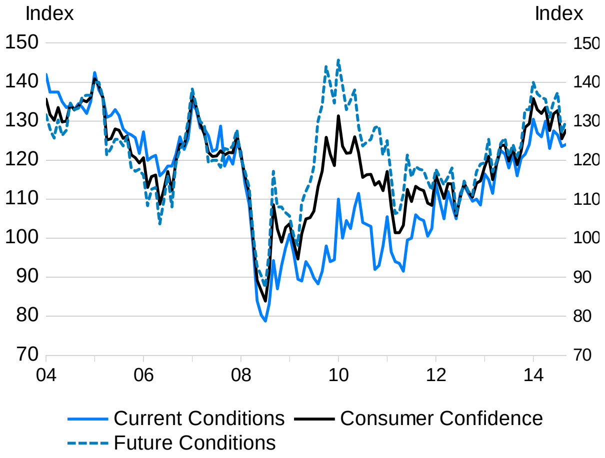
High loan-to-value ratio (LVR) new mortgages rebounded to $359 million in September from $311 million the previous month. New mortgages for homes with LVRs under 80% also rose, up $0.2 billion to $3.9 billion. The share of high LVR mortgages in September increased to 7.3% (from 6.5% in July and August). While strictly speaking this is not the high LVR "speed limit" that the RBNZ will measure compliance with, it is a similar measure and indicates that the banks are exercising more restraint than the RBNZ requires. However, the high LVR share has been trending upwards from a low of 3.6% in March 2014, suggesting that after a sharp reaction to cut high LVR mortgage lending, banks are slowly expanding their portfolios in this area again. The cautious expansion appears to be aimed at avoiding overshooting the high LVR restriction of 10% of new mortgage lending.

The combination of slowing house price increases and lower sales suggests that demand growth has eased since the start of the year. Part of this easing in demand is due to the LVR restrictions which came into place October 2013. Stronger demand could re-emerge in the near term as net migrant inflows remain high and fixed rate mortgages continue to be low in historical terms.

… as did consumer confidence...

A weaker wealth effect as the housing market slows, coupled with the general slowing of the economy, is reflected in lower consumer confidence. The ANZ-Roy Morgan Consumer Confidence Index dropped 3.4% to 123.4 in October (Figure 4). The October reading was its lowest level in 12 months but remains above the long term average of 118.8. Confidence regarding current conditions increased modestly for the second month in a row and a net 9% of households in the survey felt better off financially than they did a year ago.

Figure 4 – ANZ-Roy Morgan Consumer Confidence



Source: ANZ-Roy Morgan

Signals on future expectations were more mixed. Nearly a third of households in the survey expected to be financially better off in 12 months' time. However, less than a fifth thought New Zealand economic conditions as a whole would improve. Both the one and five year outlooks halved from their peaks in July to net 17% and 19% respectively in September. Overall, the recent consumer confidence outturns are consistent with the business confidence surveys, with the pace of the economy moderating to slower but nonetheless solid growth.

...leading to weaker consumption…

The value of electronic card transactions dipped in September, falling 0.2% on a seasonally adjusted basis. The fall was driven by core retail transactions, particularly consumables which fell 0.4%. Despite the weak September numbers, the quarter as a whole was a solid 0.7% higher than the previous quarter with core retail the main driver. The card transaction data, together with other indicators, are consistent with nominal private consumption growth of around 1.0-1.2% for the September quarter. Bearing in mind persistently low inflation, this represents solid growth in real consumption of about 1%, as weak prices and a strong exchange rate support consumers' purchasing power.

… partially offset by continuing strong net migration

The net inflow of permanent migrants was broadly flat at 4,670 in September. Coupled with solid inflows in July and August, this took the September quarter migration figure to a new record of 13,960, while annual net migration also reached a new record of 45,410. The migration cycle continues to be driven by a combination of fewer departures of New Zealand citizens coupled with increased arrivals of non-New Zealand citizens. Recent outturns suggest that New Zealand citizen departures may be starting to stabilise, with future net inflows expected to be driven by non-New Zealand citizen arrivals.

Overall the net migration trend is a positive reflection of the strength of the New Zealand economy, at least relative to others, with fewer New Zealanders leaving for opportunities elsewhere and more non-New Zealanders seeing New Zealand as an attractive place to migrate to. Net migration also reinforces New Zealand's economic performance, by expanding the labour supply as well as adding to domestic demand.

Commodity prices continue to fall…

In contrast to easing but still solid domestic demand, external demand continued to fall over the past month. Dairy prices remain weak, with the average price falling 7.0% at the first GDT auction and increasing just 1.6% at the second on slightly reduced auction volumes. Whole milk powder fell 9.2% to a five year low of US$2,443/mt but has since rallied a little to just over $2,500/mt. A global surplus of dairy products and relatively muted demand continue to weigh on prices, with the Russian import ban adding additional uncertainty to the market. Most commentators are forecasting a farm gate price in the $4.75-5.10/kg milk solids (MS) range now, below Fonterra's current forecast of $5.30/kg MS.

Dairy prices were the main driver behind a 1.3% decline in ANZ's world commodity price index in September. Apples, also affected by the impact of the Russian import ban on the EU market, were another significant contributor to the lower commodity price index with an 11% fall. Some offset came from beef prices, which rose 10% in the month to a new record high on the back of shortages in the US. The 2.3% depreciation in the New Zealand dollar (in TWI terms) in October provided some relief, with the New Zealand dollar commodity price index increasing 1.6%.

… leading to a deteriorating merchandise trade balance

Merchandise exports in the September quarter fell 3% to $12.0 billion (seasonally adjusted). Nearly 90% of the fall was attributable to lower nominal dairy exports, 8.8% lower in value terms with large price falls offsetting a modest increase in volume. Forestry and crude oil exports also made significant negative contributions while higher meat and seafood exports provided a small offset.

Meanwhile, merchandise imports surged 3.7% to a seasonally adjusted $13.0 billion in the September quarter. The total was boosted by a number of aircraft deliveries, including two Boeing 787 Dreamliners (though one arrived in the June quarter for GDP purposes), two Boeing 777s and an Airbus A320, as Air New Zealand's fleet upgrade continues. Changes were fairly modest across the other major import categories.

Putting the two together saw the merchandise trade deficit widen to $1.0 billion from $0.2 billion in the previous quarter. The annual trade surplus halved from $1.2 billion in the year to June to $0.6 billion. As the merchandise trade balance progressively moves from an annual surplus to deficit in response to falling commodity prices, the current account deficit will begin to widen again.

Investor sentiment fragile in global markets...

Sentiment in global financial markets was fragile in October, as activity remained weak in many major economies while monetary policy is expected to be tightened in the US and UK in 2015, owing to their ongoing economic recoveries. Investors were also concerned about geopolitical and Ebola risks. Markets stabilised later in the month, assisted by stronger data outturns and supportive policy actions.

...owing to uneven growth across developed economies...

Investors are concerned about the weak outlook for many advanced economies. The IMF revised down its global growth forecasts for both 2014 (to 3.3%) and 2015 (to 3.8%), driven by weakness in Japan, the euro area and emerging economies, although growth was revised up for the US economy in 2014.

Euro area activity remained weak. A contraction in industrial production (IP) in August reflected weak demand, and the PMIs in October showed only a modest recovery in business activity. The German economy showed weaker signs, with IP plunging 4.0% in August, reflecting low growth in exports owing to weak demand in the euro area and emerging markets, and Russian sanctions. The German government cut its growth forecasts heavily. In Japan, business activity remained subdued as domestic demand continued to be weak after the sales tax rise in April.

However, the recovery continued in the US and the UK. In the US, the ISM PMIs showed strong expansion in business activity, which supported jobs growth. The non-farm payrolls rose 248,000 in September and the unemployment rate fell to 5.9%. The housing market appeared to have stabilised, with a pick-up in home sales and solid growth in housing starts and new permits, which shows stable growth in housing investment; however, annual house price growth has fallen. The UK economy expanded 0.7% in the September quarter, driven by private consumption and residential investment. The unemployment rate fell 0.2% points to 6.0% in the three months to August, despite more modest jobs growth.

...US and UK monetary tightening in 2015 amidst risks of asset overvaluation...

The Federal Reserve (Fed) and the Bank of England (BoE) are on track to tighten monetary policy in 2015. US inflation in September (1.7%) was generally higher than in 2013, reflecting some reduction in spare economic capacity. UK inflation was soft (1.2%), but analysts identified growing imbalances around the housing market. Market expectations of the first rate rise in the US and UK have been pushed back to the second half of 2015, as policymakers aim to assure markets that rates will not be raised prematurely. The Fed concluded its asset purchases in October but reaffirmed its rate outlook. Years of accommodative policy have depressed bond yields and supported equities, and investors are concerned that high asset prices will be unsustainable once credit conditions tighten, without an entrenched recovery in the economy.

The outlook for other major central banks remains highly supportive. The European Central Bank (ECB) began its purchase programme for covered bonds from the private sector, and unofficial sources indicated that the ECB may broaden its programme to include high quality corporate debt. The Bank of Japan reportedly noted risks of inflation falling below 1% (excluding the effect of the sales tax rise), suggesting it may expand QE. The Reserve Bank of Australia stated that its policy rate is likely to be maintained at 2.5% for some time. Australian inflation fell from 3.0% to 2.3% in the September quarter partly owing to the removal of the carbon tax in July.

...and concerns about weak demand in China...

The Chinese economy grew 7.3% on a year ago in the September quarter, the slowest since the GFC, partly as the slowdown in the housing market impacted on demand. However, a rebound in IP in September and a stronger manufacturing PMI in October showed that the government's targeted easing has started to support activity. Low inflation in September (1.6%) provides room for further monetary easing, and the People's Bank of China has cut its key policy rates and is reportedly planning more liquidity injections for selected banks.

...affecting Australian business confidence...

Weak business sentiment in Australia and the downturn in the labour market continued to affect demand. Employment rose just 0.4% on a year ago in September, the slowest since the GFC, and the unemployment rate rose to 6.1%. Consumer confidence and retail spending remained low, affected by weak job growth. The investment outlook is subdued, with business confidence down to a 13-month low, owing to falls in iron ore prices as Chinese demand declined.

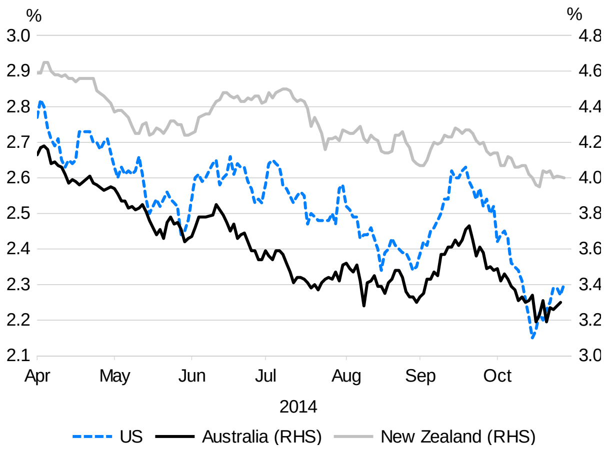
...and geopolitical and Ebola risks

Markets continued to be affected by geopolitical risks in the Middle East and Ukraine. More recently, concerns also emerged about the Ebola outbreak in West Africa, especially as a few isolated cases have occurred in the US and Europe. Other risks affecting market sentiment include political uncertainty in Greece and large protests in Hong Kong.

Global financial markets volatile

Fragile investor sentiment led to high volatility in global markets, with large falls in equity prices. The S&P500 declined 6% in the first half of October, back to its level in March, and the Stoxx600 fell 9% to its late 2013 levels. Equity prices also declined in Japan, despite support from yen depreciation, and in emerging economies. Hard commodity prices fell, led by crude oil, which was down around 12% in the month. Safe-haven bond yields dropped on the back of market caution. The 10-year US Treasury yield fell sharply to a low of 2.15% in the first half of October (Figure 5), and the German bund yield was down to a record low of 0.76%. The NZ 10-year government bond yield followed US yields lower, falling from 4.14% to 4.01% in the month. The USD was volatile and fell slightly over the month in trade-weighted terms, as safe-haven demand was offset by market expectations of the Fed holding its policy rate low for longer.

Figure 5: 10 year government bond yields



Source: Haver

However, market sentiment stabilised later

Global markets stabilised later in October. Equity prices recovered to a large extent, with the S&P500 ending the month just 1.8% below its peak in September. Government bond yields rose moderately as safe-haven demand receded, but US bond yields remained at a low level of 2.32%.

The recovery in market sentiment was attributed to stronger US economic data, reports of the ECB considering broader asset purchases, and indications that the Japanese government pension fund will invest more in equities. Signs that targeted easing in China have positively impacted on activity also supported hard commodity prices.

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

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New Zealand Key Economic Data

30 October 2014

Quarterly Indicators

		2013Q1	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2	2014Q3
Gross Domestic Product (GDP)								
Real production GDP	qtr % chg[1]	0.5	0.6	1.1	1.0	1.0	0.7	...
	ann ave % chg	2.3	2.2	2.6	2.8	3.2	3.5	...
Real private consumption	qtr % chg[1]	0.9	0.9	0.5	1.2	0.1	1.2	...
	ann ave % chg	2.6	2.6	3.1	3.3	3.4	3.3	...
Real public consumption	qtr % chg[1]	-0.3	0.3	1.9	-0.3	1.4	0.5	...
	ann ave % chg	-1.0	-0.5	0.3	0.9	1.7	2.6	...
Real residential investment	qtr % chg[1]	5.7	1.0	6.3	1.0	11.1	-0.2	...
	ann ave % chg	19.3	17.9	17.5	17.3	17.0	18.1	...
Real non-residential investment	qtr % chg[1]	1.9	5.7	1.4	0.6	-1.4	2.5	...
	ann ave % chg	3.7	3.9	5.5	7.2	8.4	7.2	...
Export volumes	qtr % chg[1]	0.8	-3.2	-0.9	4.0	2.8	-2.9	...
	ann ave % chg	3.0	3.1	1.4	1.3	0.4	0.9	...
Import volumes	qtr % chg[1]	2.0	2.2	4.0	0.2	1.8	2.9	...
	ann ave % chg	1.3	2.5	4.6	6.3	8.0	8.8	...
Nominal GDP - expenditure basis	ann ave % chg	2.1	1.6	2.8	5.2	6.7	7.8	...
Real GDP per capita	ann ave % chg	1.7	1.6	1.9	2.0	2.2	2.4	...
Real Gross National Disposable Income	ann ave % chg	0.9	2.0	3.3	5.4	7.2	7.8	...
External Trade								
Current account balance (annual)	NZ$ millions	-7,967	-7,894	-8,476	-7,350	-6,005	-5,798	...
	% of GDP	-3.8	-3.7	-3.9	-3.3	-2.7	-2.5	...
Investment income balance (annual)	NZ$ millions	-8,923	-8,501	-8,507	-9,026	-9,337	-9,820	...
Merchandise terms of trade	qtr % chg	4.2	4.6	7.5	2.5	1.8	0.4	...
	ann % chg	-2.8	4.3	15.8	20.2	17.3	12.5	...
Prices								
CPI inflation	qtr % chg	0.4	0.2	0.9	0.1	0.3	0.3	0.3
	ann % chg	0.9	0.7	1.4	1.6	1.5	1.6	1.0
Tradable inflation	ann % chg	-1.1	-1.6	-0.5	-0.3	-0.6	0.1	-1.0
Non-tradable inflation	ann % chg	2.4	2.5	2.8	2.9	3.0	2.7	2.5
GDP deflator	ann % chg	0.1	-0.1	3.2	7.2	6.1	3.2	...
Consumption deflator	ann % chg	0.5	0.1	0.6	0.9	0.9	1.1	...
Labour Market								
Employment (HLFS)	qtr % chg[1]	0.2	0.5	1.2	1.1	0.9	0.4	...
	ann % chg[1]	0.4	0.8	2.4	3.0	3.8	3.7	...
Unemployment rate	%[1]	6.2	6.4	6.1	6.0	5.9	5.6	...
Participation rate	%[1]	67.9	68.1	68.6	68.9	69.2	68.9	...
LCI salary & wage rates - total (adjusted)[5]	qtr % chg	0.4	0.4	0.4	0.5	0.3	0.5	...
	ann % chg	1.8	1.7	1.6	1.6	1.5	1.6	...
QES average hourly earnings - total[5]	qtr % chg	0.8	0.2	1.6	0.2	0.5	0.2	...
	ann % chg	2.1	2.1	2.6	2.9	2.5	2.5	...
Labour productivity[6]	ann ave % chg	2.3	1.6	0.6	-0.3	-0.3	-0.3	...
Retail Sales								
Core retail sales volume	qtr % chg[1]	0.9	1.9	-0.1	0.9	1.0	1.2	...
	ann % chg	2.5	4.4	4.3	3.7	3.6	3.0	...
Total retail sales volume	qtr % chg[1]	0.8	1.4	0.3	1.3	0.8	1.2	...
	ann % chg	3.5	4.2	4.7	3.9	3.8	3.6	...
Confidence Indicators/Surveys								
WMM - consumer confidence[3]	Index	111	117	115	120	122	121	117
QSBO - general business situation[4]	net %	22.8	35.9	37.8	52.8	51.7	31.7	19.0
QSBO - own activity outlook[4]	net %	18.0	20.9	15.4	17.5	20.8	11.5	22.9

Monthly Indicators

		2014M04	2014M05	2014M06	2014M07	2014M08	2014M09	2014M10
External Sector								
Merchandise trade - exports	mth % chg[1]	-5.3	2.6	-0.1	3.4	-7.6	14.5	...
	ann % chg[1]	11.8	12.2	4.3	-3.8	6.5	-5.3	...
Merchandise trade - imports	mth % chg[1]	-7.7	0.1	-1.1	-9.2	14.3	-8.7	...
	ann % chg[1]	4.4	6.8	8.3	0.2	-11.7	22.9	...
Merchandise trade balance (12 month total)	NZ$ million	1095	1320	1189	1031	1778	648	...
Visitor arrivals	number[1]	237,450	238,150	237,260	235,810	228,770	230,730	...
Visitor departures	number[1]	236,170	246,760	246,050	238,310	238,570	231,570	...
Housing								
Dwelling consents - residential	mth % chg[1]	3.0	-4.6	5.3	-1.7	0.0	...	...
	ann % chg[1]	18.6	7.8	30.1	20.5	15.7	...	...
House sales - dwellings	mth % chg[1]	-6.9	2.4	0.3	4.8	-4.9	3.6	...
	ann % chg[1]	-20.2	-14.8	-6.3	-13.0	-16.3	-12.0	...
REINZ - house price index	mth % chg	0.0	-0.8	0.2	0.2	0.2	0.0	...
	ann % chg	8.5	6.5	6.3	5.9	4.8	4.1	...
Private Consumption								
Electronic card transactions - total retail	mth % chg[1]	0.3	1.2	0.1	-0.1	0.6	-0.1	...
	ann % chg	5.7	7.6	4.0	5.1	4.1	5.4	...
New car registrations	mth % chg[1]	-0.4	3.5	3.1	1.9	-1.2	3.5	...
	ann % chg	17.5	21.7	25.2	16.6	18.7	31.1	...
Migration								
Permanent & long-term arrivals	number[1]	8,770	9,110	9,200	9,320	9,500	9,550	...
Permanent & long-term departures	number[1]	4,680	5,090	4,920	4,750	4,780	4,880	...
Net PLT migration (12 month total)	number	34,366	36,397	38,338	41,043	43,483	45,414	...
Commodity Prices								
Brent oil price	US$/Barrel	107.78	109.48	111.84	106.81	101.78	97.40	*87.78*
WTI oil price	US$/Barrel	102.07	102.11	105.79	103.59	96.54	93.21	*84.81*
ANZ NZ commodity price index	mth % chg	-4.7	-2.1	-1.0	-3.4	-0.4	1.6	...
	ann % chg	-3.4	-6.0	-7.8	-11.5	-12.5	-9.9	...
ANZ world commodity price index	mth % chg	-3.7	-2.2	-0.9	-2.4	-3.3	-1.3	...
	ann % chg	-2.5	-3.1	-0.3	-3.3	-7.2	-9.4	...
Financial Markets								
NZD/USD	$[2]	0.862	0.861	0.8621	0.8697	0.8435	0.8167	*0.7871*
NZD/AUD	$[2]	0.9254	0.9255	0.9204	0.9259	0.9065	0.9001	*0.8984*
Trade weighted index (TWI)	June 1979 = 100[2]	80.21	80.10	80.33	80.93	79.23	78.36	*76.59*
Official cash rate (OCR)	%	3.00	3.00	3.25	3.50	3.50	3.50	3.50
90 day bank bill rate	%[2]	3.24	3.38	3.52	3.67	3.69	3.71	*3.68*
10 year govt bond rate	%[2]	4.55	4.30	4.42	4.37	4.20	4.20	*4.04*
Confidence Indicators/Surveys								
ANZ - business confidence	net %	64.8	53.5	42.8	39.7	24.4	13.4	26.5
ANZ - activity outlook	net %	52.5	51.0	45.8	45.1	36.6	37.0	37.8
ANZ-Roy Morgan - consumer confidence	net %	133.5	127.6	131.9	132.7	125.5	127.7	123.4
Performance of Manufacturing Index	Index	54.1	52.7	53.7	54.0	57.0	58.1	...
Performance of Services Index	Index	58.5	54.1	55.1	58.5	57.7	58.0	...

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 Ordinary time
6 Production GDP divided by HLFS hours worked

Sources: Statistics New Zealand, Reserve Bank of New Zealand, NZIER, ANZ, Haver, Westpac McDermott Miller, ANZ-Roy Morgan, REINZ, BNZ-Business NZ