

Economic conditions remain very weak, despite activity indicators showing economic activity having picked up somewhat since the move to Level 3. The ANZ Business Outlook Survey for April found a net 55% of businesses expecting weaker activity for their own business, a net 42% of businesses expecting to export less and a net 51% of businesses expecting to lay off staff. Jobseeker recipients have increased sharply by almost 40,000 since 20 March, despite over 1.72 million individuals now being covered by the wage subsidy, and over \$10.6 billion paid out.

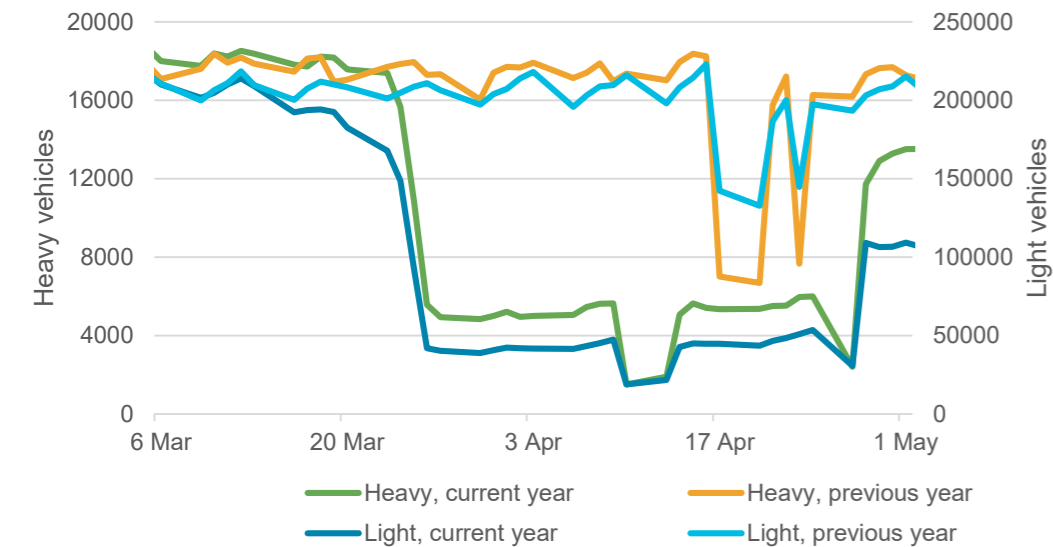
Light and heavy vehicle traffic is now 30 – 50% below last year's levels, whereas it was 60% – 80% below last year's levels under level 4. Consumer card spending has also picked up slightly under level 3. Merchandise exports to China and imports from China are currently above last year's levels, however exports and imports for the rest of the world remain subdued due to weaker demand. International prices for NZ commodity exports continue to track at weaker levels compared to late last year's levels.

Global business outlook and demand for oil remain weak. Weekly US initial unemployment claims are below the record levels seen at the start of April, but still far above what was seen during the GFC.

## Domestic Economy

**Heavy and light vehicle traffic** have increased by approximately 30% compared with level 4. The additional dips in the graph are due to Easter and ANZAC day.

Traffic flows in main centres



**The number of Jobseeker benefit recipients increased again.** There have been almost 40,000 new applications since 20 March.

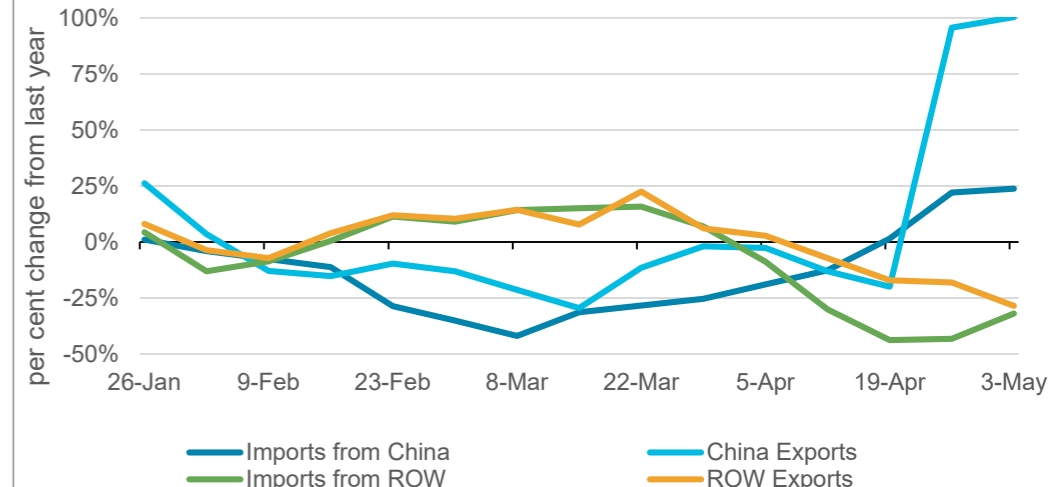
Jobseeker Support: Total recipients



**NZ merchandise exports to China and imports from China have increased in the past week, while exports and imports with the rest of the world are below last year's levels.**

Weekly NZ Export and Imports

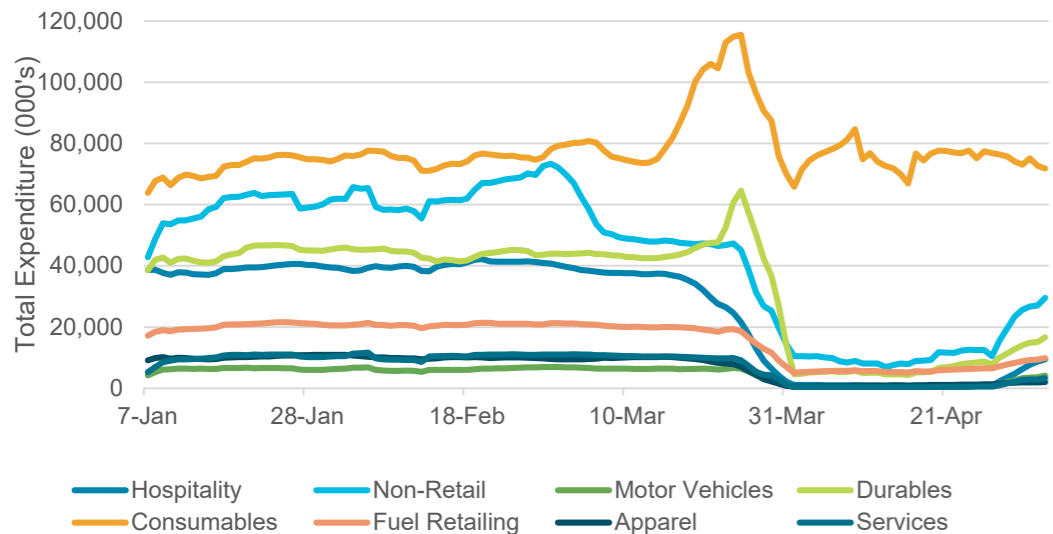
(3 weekly rolling average compared to same period last year)



**Consumer spending is starting to increase under level 3, however still remains well below normal levels.**

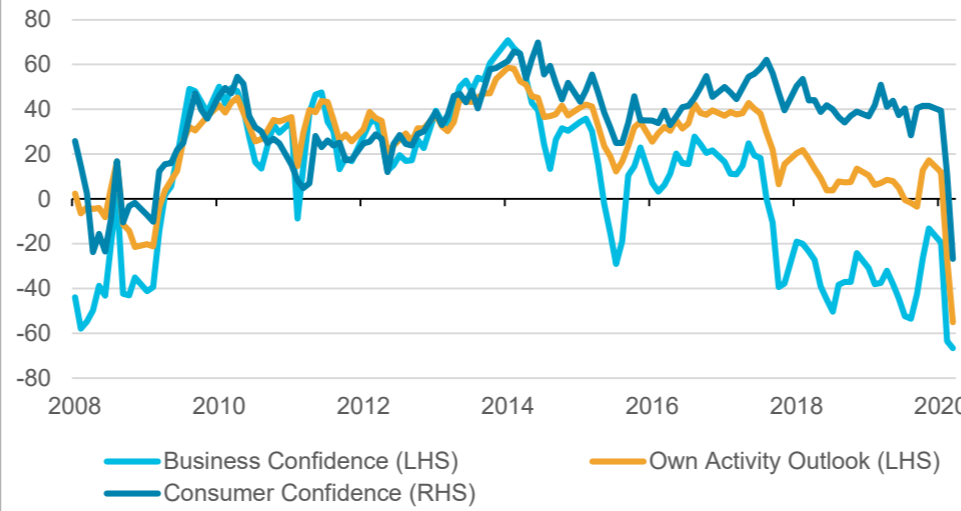
Total Spend By Industry

Rolling 7 day average



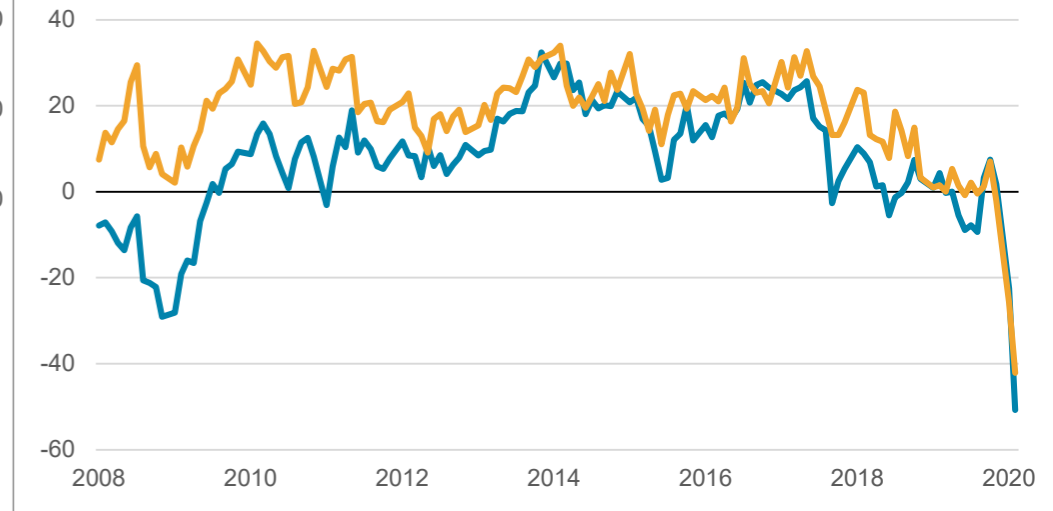
**Consumer confidence has fallen to levels not seen since the GFC, and a net 55% of firms expect weaker activity for their own business.** Headline business confidence is -67%.

Business and Consumer Confidence, Own Activity Outlook



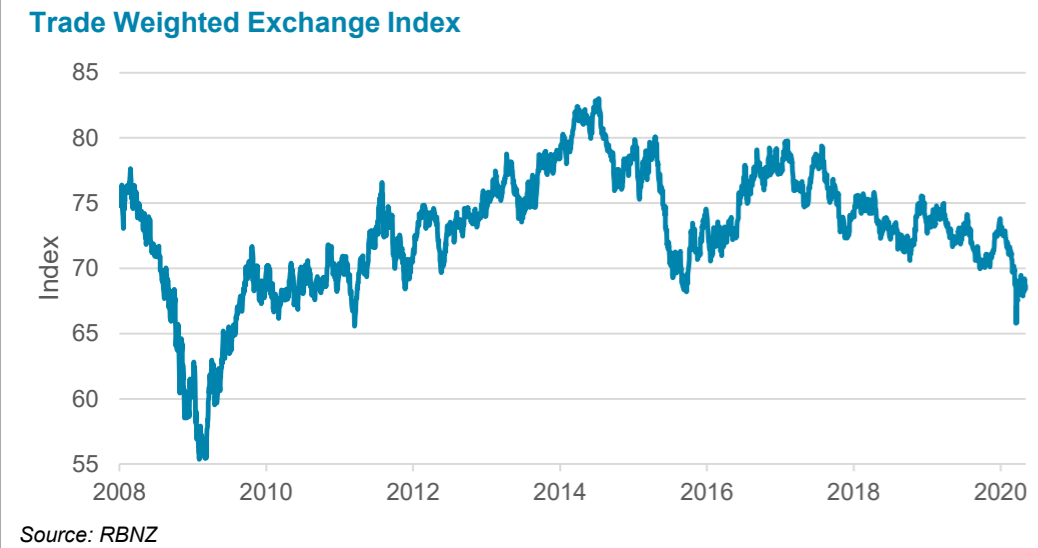
**Export and employment intentions remain very weak** in latest ANZ business outlook survey, with a net 51% of firms expecting to reduce employment, and a net 42% of firms expecting to export less.

Firms' Export and Employment Intentions

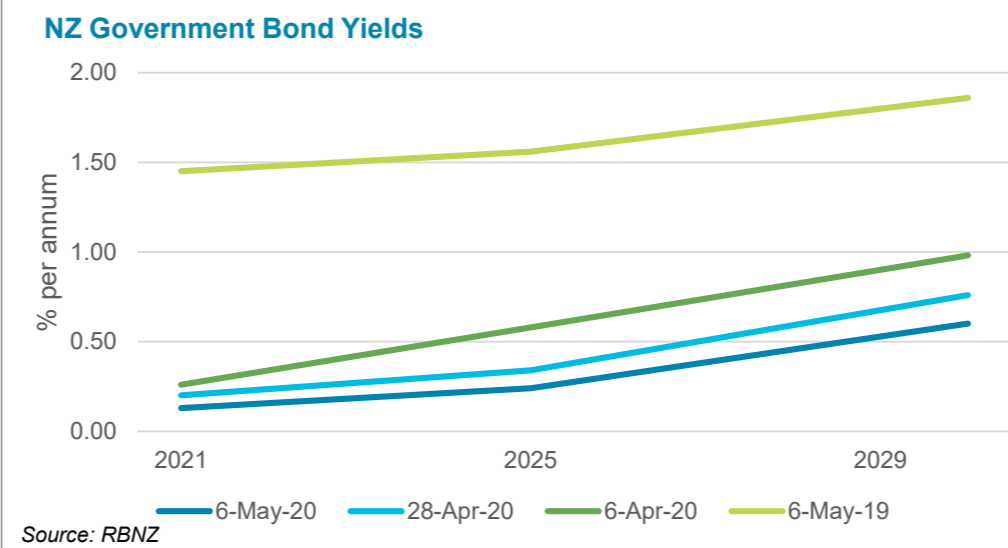


# Financial Conditions and Commodity Export Markets

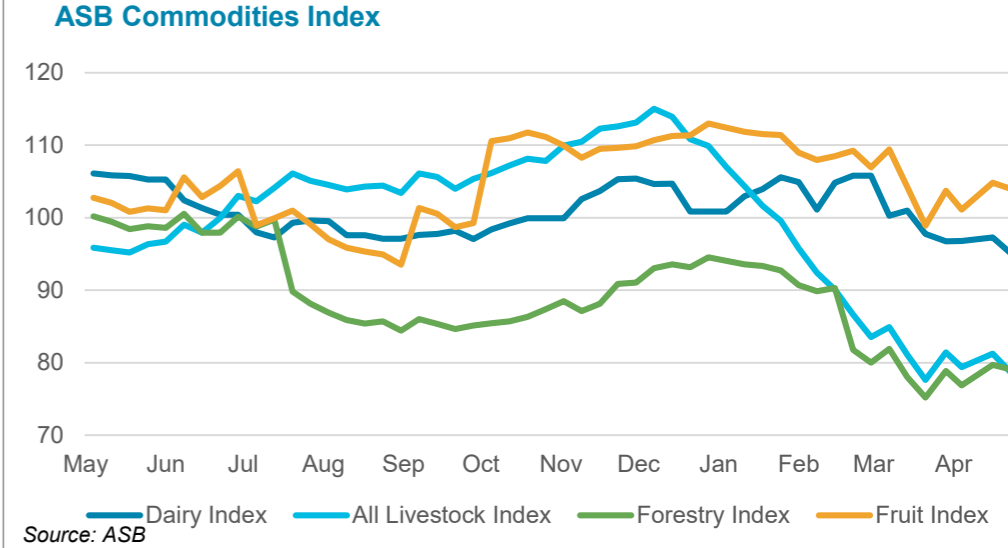
**The New Zealand TWI has remained relatively steady,** reflecting broadly stable risk sentiment across global markets.



**NZ bond yields have fallen slightly in the past week,** and are significantly lower than a month ago, reflecting ongoing monetary easing operations.

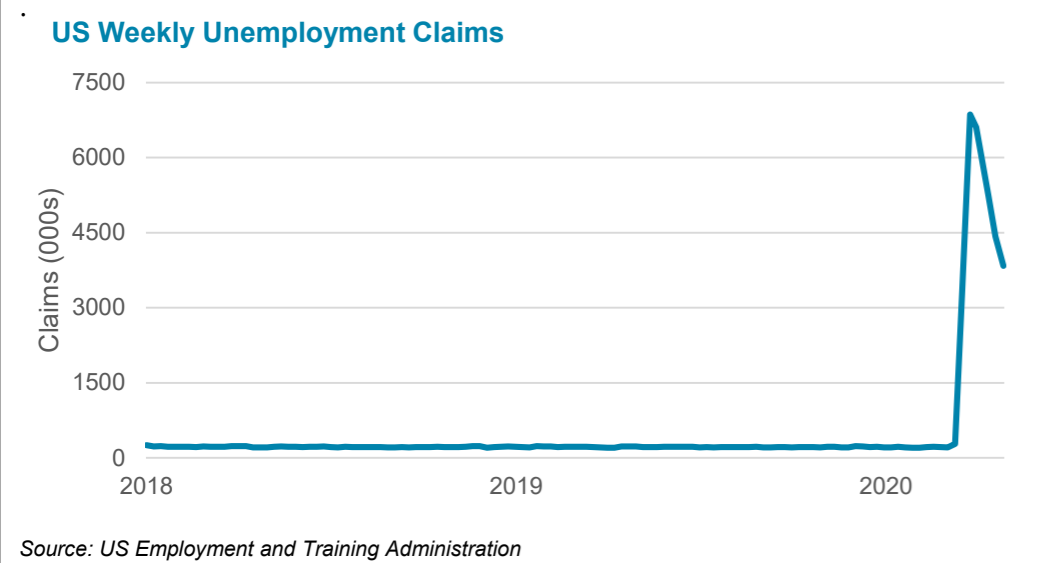


**NZD commodity export prices have weakened relative to recent months' levels.**

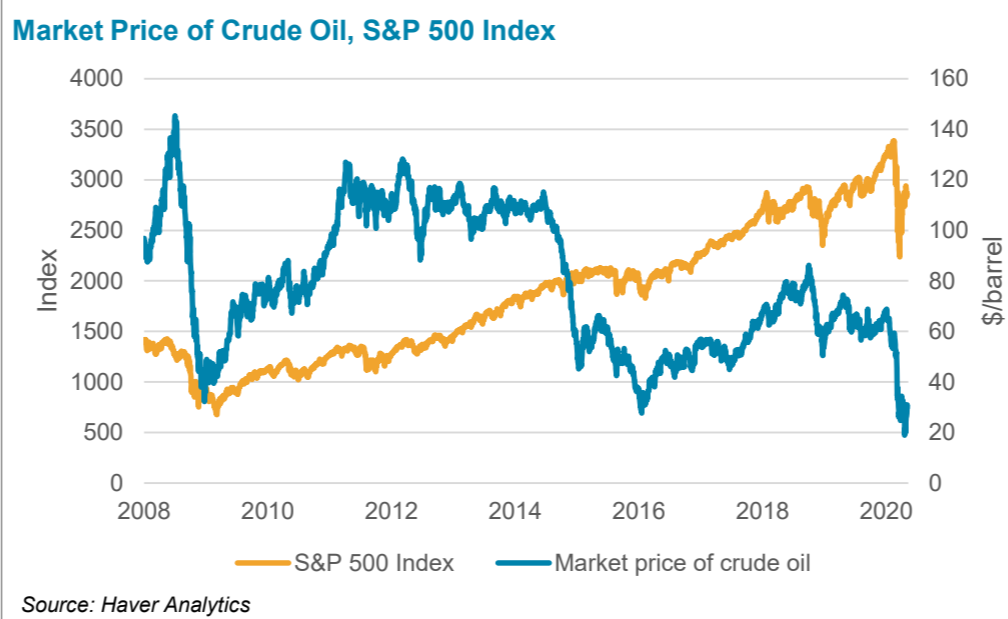


## International Developments

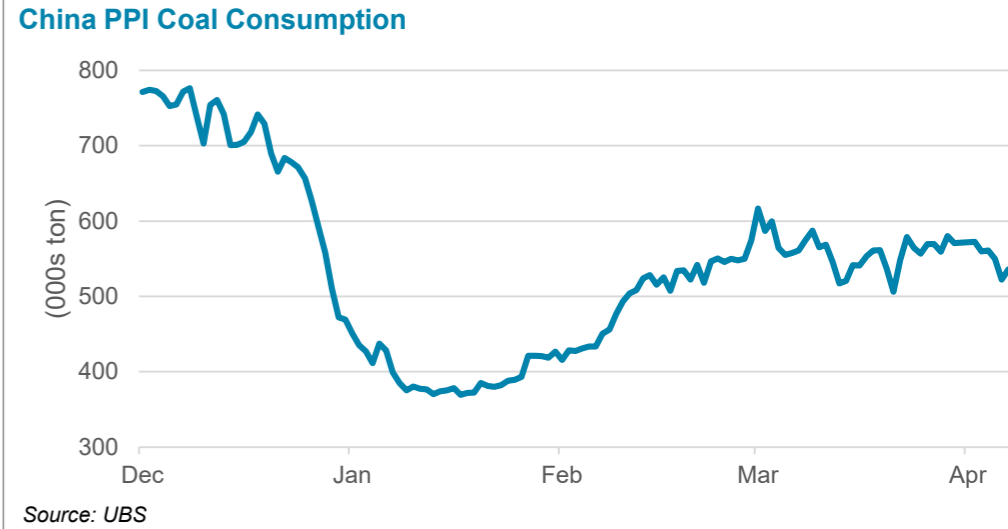
**US unemployment claims have seen an unprecedented surge** with over 30 million people filing initial unemployment claims in the last month. The number of weekly claims vastly exceeds what was seen during the GFC.



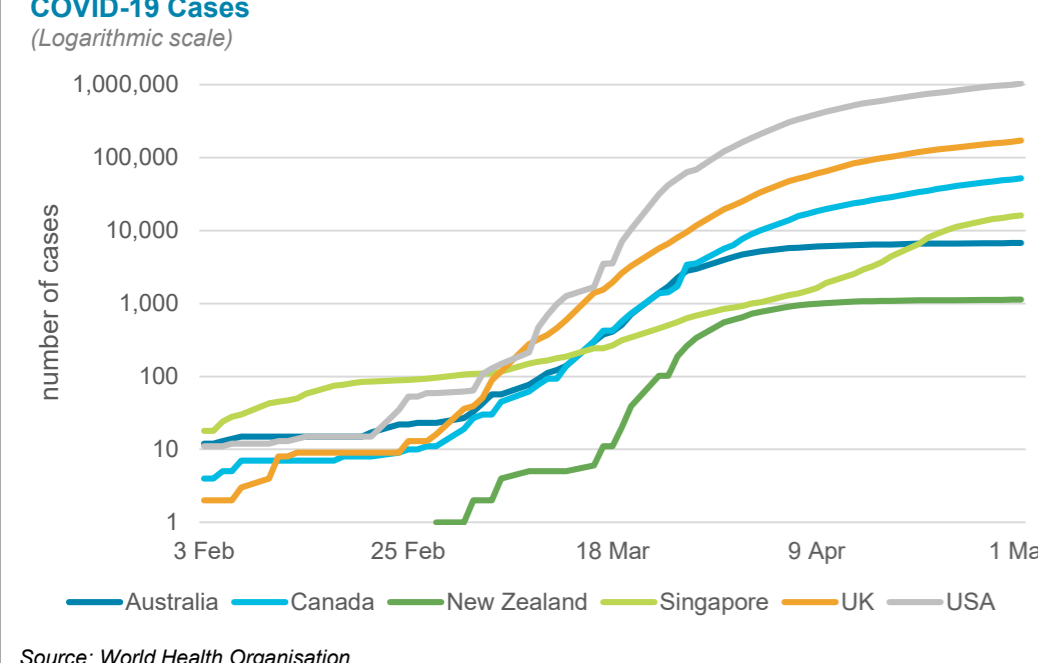
**The global business outlook and demand for oil remain weak.**



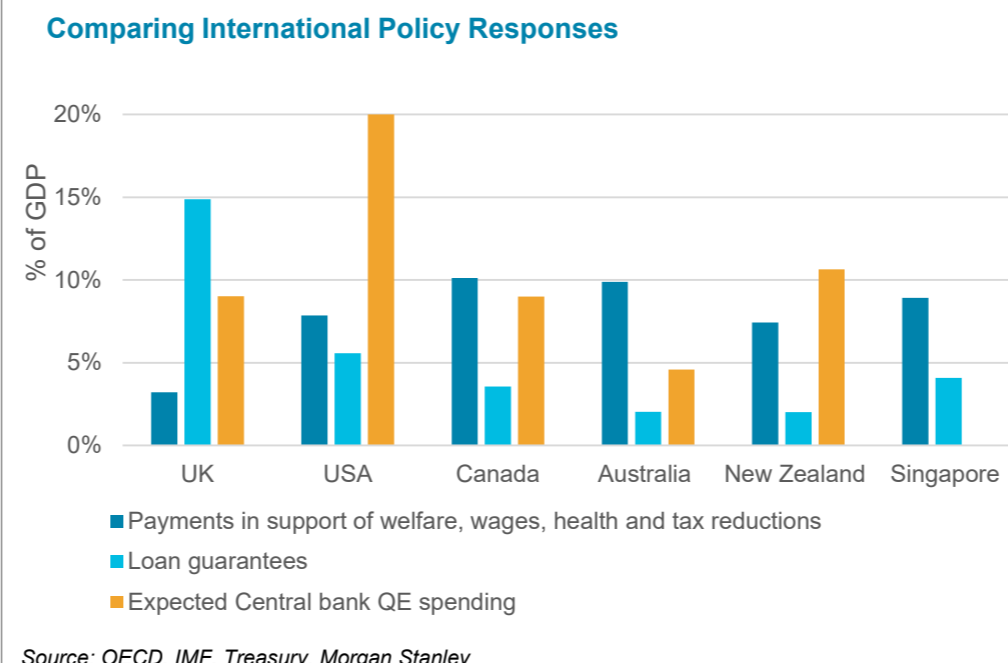
**Coal consumption in China is beginning to plateau.** Passenger transport numbers in China are increasing gradually, providing signs of a slow recovery in China's domestic activity, but both indicators remain well below last year's levels.



**Total cases of infection are beginning to plateau in a some developed countries.**



**Other developed countries' fiscal and monetary policy responses are of similar scale to New Zealand's.**



**China Passenger Transport Volumes**

