



RESERVE BANK

O F N E W Z E A L A N D

THE NEW ZEALAND ECONOMY: TEN YEARS AT A GLANCE

(Annual percentage change, unless specified otherwise)

March Years	Actuals		August 1998 Projections		
	1997	1998e	1999	2000	2001
Price measures					
CPIX	2.0	1.7	1.2	1.6	1.2
Wages	4.0	2.5	2.1	2.1	2.4
Import prices	-4.6	3.1	5.3	0.3	-0.1
Export prices	-6.3	5.5	5.3	2.6	0.1
Monetary conditions					
Real MCI (March quarter level)	979	636	75	-25	175
Nominal MCI (March quarter level)	956	550	-150	-225	0
TWI (March quarter level)	68.4	61.2	56.8	56.9	58.6
90-day rate (March quarter level)	7.5	8.9	5.8	5.0	5.7
Output and labour force					
Output gap (% of potential GDP, year average)	1.0	0.0	-2.8	-1.7	0.2
Real GDP (production, year average)	2.7	2.2	0.1	4.0	4.7
Key balances					
Government operating balance (% of GDP, June year)	2.0	2.6	0.6	1.1	1.9
Current account balance (% of GDP, year average)	-4.7	-7.1	-6.9	-4.7	-3.7
Terms of trade (year average)	-0.9	-0.6	1.9	2.4	0.1
Unemployment rate (March qtr, s.a.)	6.4	7.1	8.2	7.4	6.3
Household savings rate (year average level)	1.4	0.5	1.1	2.1	2.6
World economy					
Industrial production (year average)	2.3	3.8	-1.0	2.8	2.7
World CPI inflation	2.3	2.3	1.9	2.2	2.2
Real expenditure on GDP (Annual average percentage change)					
Final consumption expenditure					
Private	4.1	3.2	1.3	2.5	2.9
Public authority	2.2	6.4	1.4	-0.9	3.2
Total	3.7	3.8	1.3	1.9	3.0
Gross fixed capital formation					
Market sector:					
Residential	2.0	5.7	-15.5	6.1	5.5
Business	4.9	-1.1	-2.0	7.2	9.6
Non-market government sector	24.3	18.4	3.3	0.5	3.7
Total	6.4	2.8	-4.1	5.9	7.9
Final domestic expenditure					
Stockbuilding	-0.4	0.4	0.0	0.1	-0.1
Gross national expenditure					
Exports of goods and services	3.8	3.9	0.1	2.8	3.9
Imports of goods and services	3.8	2.4	-2.0	5.4	6.2
	6.9	4.8	-2.9	1.1	3.5
GDP (expenditure)					
	2.8	3.2	0.4	4.1	4.8
GDP (production)					
	2.7	2.2	0.1	4.0	4.7

e = estimate.

Government operating balance

Current account balance

Terms of trade

Unemployment rate

Industrial production

World CPI inflation

Stockbuilding

Annual percentage change

Source:

Percentage of nominal GDP (expenditure), June year.

Percentage of nominal GDP (production).

Domestic currency export and import prices, *Overseas Trade Indexes*.

Seasonally adjusted rate. *Household Labour Force Survey*.

Actuals: OECD. Projection based on *Consensus Forecasts*. Seasonally adjusted.

RBNZ definition and estimate. TWI trading partners' CPI inflation, using TWI weights. Projection based on *Consensus Forecasts*.

Percentage point contribution to growth rate in GDP.

(Quarter/Quarter_{t-1})*100

Unless specified otherwise, Statistics New Zealand definitions, not seasonally adjusted.

THE NEW ZEALAND ECONOMY: TEN YEARS AT A GLANCE

(Annual percentage change, unless specified otherwise)

March Years	1992	1993	1994	1995	1996
Price measures					
CPIX	2.0	1.7	1.6	2.6	2.1
Wages	2.8	0.7	1.4	2.1	3.7
Import prices	3.3	3.6	-6.0	1.1	-1.3
Export prices	4.6	8.8	-6.5	1.2	-3.5
Monetary conditions					
Real MCI (March quarter level)	-245	-274	-218	414	759
Nominal MCI (March quarter level)	-208	-254	-251	474	759
TWI (March quarter level)	54.3	53.7	56.6	59.8	64.2
90-day rate (March quarter level)	7.4	7.5	4.9	9.4	8.7
Output and labour force					
Output gap (% of potential GDP, year average)	-2.7	-2.9	0.4	2.1	1.9
GDP (production, year average)	-1.2	1.2	6.3	5.4	3.6
Key balances					
Government operating balance (% of GDP, June year)	N/A	-1.1	0.9	3.1	3.6
Current account balance (% of GDP, year average)	-2.6	-1.7	-1.0	-3.1	-3.1
Terms of trade (year average)	-2.3	2.4	1.5	-0.3	-2.2
Unemployment rate (March qtr, s.a.)	10.6	9.8	9.1	6.6	6.1
Household savings rate (year average level)	6.5	4.3	4.4	1.5	1.8
World economy					
Industrial production (year average)	-0.8	-0.9	-0.3	5.5	2.4
World CPI inflation	3.2	2.3	1.7	2.4	2.7
Real expenditure on GDP (Annual average percentage change)					
Final consumption expenditure					
Private	-2.0	0.3	3.2	6.1	4.1
Public authority	0.0	3.0	-1.1	-0.9	2.8
Total	-1.6	0.9	2.3	4.6	3.9
Gross fixed capital formation					
Market sector:					
Residential	-15.3	2.8	17.0	12.3	-0.7
Business	-20.7	5.3	20.3	16.1	14.1
Non-market government sector					
Total	-3.5	-3.1	8.4	36.9	3.3
Total	-17.6	3.7	18.2	17.2	9.3
Final domestic expenditure					
Stockbuilding	-4.6	1.3	5.0	7.0	5.0
	0.0	0.7	1.1	0.0	-0.7
Gross national expenditure					
Exports of goods and services	-4.6	2.0	6.1	6.9	4.2
Imports of goods and services	9.3	2.5	7.9	8.4	2.6
	-3.8	7.4	8.0	14.3	7.3
GDP (expenditure)					
	-1.1	0.8	6.1	5.3	2.7
GDP (production)					
	-1.2	1.2	6.3	5.4	3.6
CPIX	<i>Consumers Price Index excluding credit services.</i>				
Import prices	<i>Overseas Trade Index (domestic currency).</i>				
Export prices	<i>Overseas Trade Index (domestic currency).</i>				
Wages	<i>Private sector average hourly earnings, Quarterly Employment Survey.</i>				
Real MCI	<i>Reserve Bank of New Zealand.</i>				
Nominal MCI	<i>Reserve Bank of New Zealand.</i>				
Exchange rate (TWI)	<i>Reserve Bank of New Zealand.</i>				
90-day bank bill yield	<i>Reserve Bank of New Zealand.</i>				
Output gap	<i>Defined as the year average percentage difference between real GDP (production, seasonally adjusted) and potential GDP.</i>				
Potential output	<i>Reserve Bank of New Zealand definition and estimate.</i>				