



**The New Zealand Economy: Ten Years at a Glance**

(Annual percentage change, unless specified otherwise)

March years	Actuals			Projections	
	1997	1998e	1999	2000	2001
<b>Price measures</b>					
CPIX	2.0	1.7	1.7	1.1	1.3
Wages	4.0	2.6	1.8	2.0	2.3
Import prices	-4.6	3.1	8.8	1.5	0.3
Export prices	-6.3	5.5	4.7	1.7	0.4
<b>Monetary conditions</b>					
Real MCI (March quarter level)	974	597	-300	-300	-225
Nominal MCI (March quarter level)	956	550	-400	-450	-300
Nominal TWI (March quarter level)	68.4	61.2	55.1	54.5	56.0
90-day interest rate (March quarter level)	7.5	9.0	4.7	4.8	4.9
<b>Output and labour force</b>					
Output gap (year average)	1.2	0.5	-3.1	-2.2	-0.8
GDP (production)	1.6	1.3	0.3	4.0	4.0
Real GDP (production, annual average)	2.7	2.3	-1.0	3.4	4.0
<b>Key balances</b>					
Government operating balance (% of GDP)	2.0	2.6	0.4	-0.2	0.1
Current account balance (% of GDP)	-4.7	-7.2	-7.3	-6.5	-5.0
Terms of trade (year average)	-0.8	-0.6	-0.9	-0.5	0.0
Unemployment rate (March quarter s.a.)	6.5	7.1	8.4	7.9	7.0
Household savings rate (year average level)	1.4	1.0	-1.9	0.2	1.8
<b>World economy</b>					
World GDP (annual average % change)	3.9	2.9	0.7	2.3	2.8
World CPI inflation	2.3	2.4	1.7	1.9	2.1
<b>Real expenditures on GDP (Annual average percentage change)</b>					
Final consumption expenditure					
Private	4.1	3.3	1.6	1.3	1.5
Public authority	2.3	6.0	-0.9	6.8	-0.5
Total	3.7	3.8	1.1	2.3	1.1
Gross fixed capital formation					
Market sector					
Residential	2.0	5.8	-12.2	-0.9	2.5
Business	4.9	-1.1	-2.1	7.8	6.6
Non-market government sector					
Total	24.6	18.7	8.2	-0.4	3.6
Final domestic expenditure					
Stockbuilding	4.3	3.6	0.3	2.8	2.0
Gross national expenditure					
Exports of goods and services	-0.4	0.2	-0.5	0.6	0.3
Imports of goods and services	3.9	3.8	-0.2	3.4	2.3
GDP (expenditure)					
GDP (production)					
GDP (expenditure)					
GDP (production)					

e=estimate.

Government operating balance

Current account balance

Terms of trade

Unemployment rate

World GDP

World CPI inflation

Stockbuilding

Annual percentage change

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

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*.

RBNZ definition. Projections based on *Consensus Forecasts* (s.a.).

RBNZ definition and estimate. TWI trading partners' CPI

inflation, using TWI weights. Projections based on *Consensus Forecasts*.

Percentage point contribution to rate in GDP.

$(Q/Q_{-1}) * 100$

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(Annual percentage change, unless specified otherwise)

March years	1992	1993	1994	1995	1996
<b>Price measures</b>					
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
<b>Monetary conditions</b>					
Real MCI (March quarter level)	-257	-280	-224	408	759
Nominal MCI (March quarter level)	-208	-254	-251	474	759
Nominal TWI (March quarter level)	54.3	53.7	56.6	59.8	64.2
90-day interest rate (March quarter level)	7.4	7.5	4.9	9.4	8.7
<b>Output and labour force</b>					
Output gap (year average)	-2.7	-3.0	0.3	2.0	1.8
GDP (production)	0.8	2.0	7.0	4.6	3.6
GDP (production, annual average)	-1.2	1.2	6.3	5.4	3.6
<b>Key balances</b>					
Government operating balance (% of GDP)	n/a	-1.1	0.9	3.1	3.6
Current account balance (% of GDP)	-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 quarter. 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
<b>World economy</b>					
World GDP (annual average % change)	2.2	2.2	3.2	4.2	3.9
World CPI inflation	3.2	2.3	1.7	2.4	2.7
<b>Real expenditures on GDP (Annual average percentage change)</b>					
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	14.0
Non-market government sector	-3.5	-3.1	8.4	36.9	2.9
Total	-17.6	3.7	18.2	17.2	9.2
Final domestic expenditure	-4.6	1.3	5.0	7.0	5.0
Stockbuilding	0.0	0.7	1.1	0.0	-0.7
<b>Gross national expenditure</b>	-4.6	2.0	6.1	6.9	4.1
Exports of goods and services	9.3	2.5	7.9	8.4	2.6
Imports of goods and services	-3.8	7.4	8.0	14.3	7.2
<b>GDP (expenditure)</b>	-1.1	0.8	6.1	5.3	2.7
<b>GDP (production)</b>	-1.2	1.2	6.3	5.4	3.6

CPIX

Import prices

Export prices

Wages

Real MCI

Nominal MCI

Exchange rate (TWI)

90-day bank bill yield

Output gap

Potential GDP

*Consumers Price Index excluding credit services.*

*Overseas Trade Indexes (domestic currency).*

*Overseas Trade Indexes (domestic currency).*

*Private sector average ordinary hourly earnings, Quarterly Employment Survey.*

Reserve Bank of New Zealand.

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Defined as the year average percentage difference between real GDP (production s.a.) and potential GDP.

Reserve Bank definition and estimate.