

High Commission of India
WELLINGTON

No.Wel/201/1/2006

September 30, 2009

ECONOMIC AND COMMERCIAL REPORT FOR UPTO SEPTEMBER 2009

1. POPULATION

- | | | |
|------|---|----------|
| (i) | Population (30 September 2009) | 4.33mn |
| | Population growth during June 2009 year | 1.1% |
| (ii) | Population of Persons of Indian Origin | 1,06,000 |

2. GDP

- | | | |
|-------|---|------|
| (i) | Total GDP (NZ\$ 33,143 mn - US \$ 19,554 mn in March June 2009 quarter) | |
| (ii) | Percentage change from previous quarter | 0.1 |
| (iii) | Percentage change from Previous year | -1.8 |

3. Rate of Inflation – CPI Quarterly basis

- | | | |
|------|---|------|
| (i) | Consumer Price Index (CPI) base June 2006 | 1000 |
| (ii) | Consumer Price Index (CPI) for June 2009 | 1093 |

(iii) In the June 2009 quarter compared with the March 2009 quarter:

- The consumers price index (CPI) rose to 0.6 percent.
- Food prices rose 0.9 percent, with the main contribution coming from higher prices for vegetables, partly offset by lower prices for fruit.
- Transport prices rose 0.6 percent, mainly due to higher prices for petrol and the purchase of second-hand cars.
- Housing and household utilities rose 0.4 percent mainly due to higher prices for electricity.
- Recreation and culture fell 1.2 percent mainly due to lower prices for overseas package holidays.

4. New Zealand's Total Imports (All figures in Million)

Year (Total)	2005 Year	2006 Year	2007 Year	2008 Year	2009 upto Aug
In NZ \$	37,278.7	40,715.6	41,868.5	48,514	26,608
In US \$	26,095	26,465.1	30,982.7	34,445	15,699

5. New Zealand's Total Exports (All figures in Million)

Year (Total)	2005 Year	2006 Year	2007 Year	2008 Year	2009 upto Aug
In NZ \$	30,817.3	34,633.5	36,556.7	42,900.2	27,424.3
In US \$	21,572.1	22,511.7	27,052	30,459.1	16,180.3

6. Total Imports from India (All figures in Million)

Year (Total)	2005 Year	2006 Year	2007 Year	2008 Year	2009 upto Aug
India	223.3	251.2	268.9	329.1	206.01
In US \$	156.3	163.2	199	233.6	121.54

7. Total Exports to India (All figures in Million)

Year (Total)	2005 Year	2006 Year	2007 Year	2008 Year	2009 upto Aug
India	235.2	337.3	366.2	543.7	453.7
In US \$	164.6	219.2	271	386	276.6

Rates of Exchange for the above conversion of NZ \$ into US \$:

Year 2005 : 1 NZ \$ = 0.70 US \$
Year 2006 : 1 NZ \$ = 0.65 US \$
Year 2007 : 1 NZ \$ = 0.74 US \$
Year 2008 : 1 NZ \$ = 0.71 US \$
Year 2009 : 1 NZ \$ = 0.59 US \$

(All Figures in New Zealand Dollars)**Exports by Destination⁽¹⁾⁽²⁾**

Exports by Destination ⁽¹⁾⁽²⁾												
Destination			Month of	Three months ended			12 months ended					
Rank	Code ⁽³⁾	Name	August	August	%	August	August	%	August	August	%	
			2008	2009 P		2008	2009 P		2008	2009 P		
			\$(million)		change	\$(million)		change	\$(million)		change	
Country groups												
	96	Asia	1,200	994	-17.2	3,503	3,419	-2.4	4,275	14,970	4.9	
	95	Europe	560	399	-28.7	1,622	1,306	-19.5	6,373	6,117	-4.0	
	06	OECD	2,377	1,713	-27.9	6,968	5,484	-21.3	5,918	25,086	-3.2	
	01	APEC	2,534	1,945	-23.2	7,547	6,460	-14.4	8,713	28,875	0.6	
	05	EU	504	378	-24.9	1,495	1,237	-17.2	5,898	5,752	-2.5	
	02	ASEAN	323	255	-21.0	1,000	924	-7.6	4,785	4,156	-13.1	
Top 20 countries												
	1	AU	Australia	1,055	759	-28.0	2,879	2,201	-23.6	9,742	9,280	-4.7
	2	US	United States of America	299	177	-40.7	1,059	833	-21.4	4,061	4,564	12.4
	3	CN	People's Republic of China	184	221	19.9	589	827	40.5	2,203	3,499	58.8
	4	JP	Japan	335	242	-27.8	952	706	-25.8	3,473	3,247	-6.5
	5	GB	United Kingdom	136	111	-18.2	399	366	-8.2	1,666	1,729	3.7
	6	KR	Republic of Korea	102	92	-9.9	314	275	-12.5	1,397	1,252	-10.4
	7	ID	Indonesia	87	47	-46.5	284	213	-25.0	1,019	1,018	-0.1
	8	SG	Singapore	55	59	8.8	163	230	41.7	932	830	-11.0
	9	HK	Hong Kong (SAR)	68	65	-4.5	186	205	10.5	647	824	27.4

10	DE	Germany	79	48	-39.5	227	153	-32.6	896	807	-9.9
11	MY	Malaysia	56	69	22.1	214	179	-16.1	899	798	-11.3
12	TW	Taiwan	71	48	-33.2	216	191	-11.8	774	738	-4.6
13	IN	India	72	40	-44.6	124	175	40.5	404	709	75.7
14	PH	Philippines	54	34	-36.6	147	126	-14.6	731	643	-12.0
15	SA	Saudi Arabia	40	27	-31.0	138	113	-17.9	732	564	-23.0
16	FR	France	34	33	-3.6	118	112	-4.7	472	552	17.0
17	TH	Thailand	46	27	-40.6	131	103	-21.2	844	544	-35.6
18	CA	Canada	32	38	20.1	116	119	3.1	536	529	-1.4
19	BE	Belgium	28	28	-1.6	100	75	-25.1	593	508	-14.2
20	NL	Netherlands	42	19	-54.5	125	97	-22.1	497	495	-0.3
ASEAN – Association of Southeast Asian Nations.											
SAR – Special Administrative Region.											
Symbols:											
P provisional (Statistics for the latest three months are provisional.)											
- no code available											
Imports by Country of Origin⁽¹⁾⁽²⁾											
Origin			Month of		Three months ended			12 months ended			
			August		August			August			
Rank	Code ⁽³⁾	Name	2008	2009 P	%	2008	2009 P	%	2008	2009 P	%
			\$(million)	change	\$(million)		change	\$(million)		change	
Country groups											
	96	Asia	1,552	1,541	-0.7	4,985	4,120	-17.4	9,983	18,951	-5.2
	95	Europe	687	539	-21.6	2,016	2,231	10.7	7,729	8,299	7.4
	06	OECD	2,592	2,072	-20.0	7,197	6,608	-8.2	6,928	26,489	-1.6

	01	APEC	3,001	2,690	-10.4	8,827	7,377	-16.4	3,739	32,253	-4.4
	05	EU	659	502	-23.8	1,903	2,127	11.8	7,283	7,695	5.7
	02	ASEAN	473	599	26.5	1,715	1,340	-21.9	7,262	6,106	-15.9
Top 25 countries											
1	AU	Australia	871	610	-30.0	2,402	1,918	-20.2	8,685	7,816	-10.0
2	CN	People's Republic of China	544	494	-9.2	1,548	1,444	-6.7	5,964	6,528	9.5
3	US	United States of America	523	494	-5.6	1,297	1,181	-8.9	4,425	4,552	2.9
4	JP	Japan	264	226	-14.3	968	627	-35.2	4,011	3,397	-15.3
5	DE	Germany	188	137	-26.9	511	410	-19.7	1,985	1,898	-4.4
6	SG	Singapore	103	181	76.6	527	310	-41.3	2,282	1,833	-19.7
7	KR	Republic of Korea	160	122	-23.5	319	409	28.1	1,156	1,520	31.6
8	FR	France	66	46	-31.1	188	773	310.9	737	1,423	93.1
9	MY	Malaysia	190	151	-20.7	450	353	-21.6	1,942	1,286	-33.8
10	QA	Qatar	223	53	-76.0	496	252	-49.1	1,177	1,201	2.1
11	TH	Thailand	109	94	-13.6	343	262	-23.6	1,274	1,129	-11.4
12	ID	Indonesia	46	115	150.3	319	192	-39.9	936	1,042	11.4
13	GB	United Kingdom	98	80	-18.5	287	261	-9.1	1,070	998	-6.7
14	IT	Italy	80	59	-27.2	238	169	-29.1	1,003	833	-16.9
15	TW	Taiwan	54	49	-8.8	277	156	-43.7	981	734	-25.1
16	CA	Canada	55	38	-31.3	142	136	-4.1	636	689	8.2
17	BN	Brunei Darussalam	0	34	...	0	152	...	459	503	9.6
18	DK	Denmark	28	15	-46.0	61	49	-19.7	237	449	89.4
19	MA	Morocco	40	13	-68.2	107	28	-73.8	313	376	20.2
20	NL	Netherlands	38	30	-22.0	110	90	-18.6	384	373	-2.9
21	CH	Switzerland	22	30	38.9	82	91	11.3	335	348	3.7
22	IN	India	27	26	-3.9	75	74	-1.2	292	344	17.7
23	SA	Saudi Arabia	114	19	-83.6	172	53	-69.3	555	318	-42.7
24	BE	Belgium	31	28	-9.9	83	69	-16.8	310	305	-1.5
25	AE	United Arab Emirates	170	6	-96.3	421	22	-94.7	989	302	-69.5

Symbols:										
P provisional (Statistics for the latest three months are provisional.)										
- no code available										
... not applicable										
Exports of Main Commodities										
Commodity	Month of		Three months ended		12 months ended					
	August		August		August					
	2008	2009 P	%	2008	2009 P	%	2008	2009 P	%	
	\$(million)	change	\$(million)	change	\$(million)	change	\$(million)	change	\$(million)	change
Milk powder, butter and cheese	477	359	-24.8	1,666	,468	-11.9	9,155	8,840	-3.4	
Meat and edible offal	387	262	-32.2	1,289	,095	-15.0	4,905	5,351	9.1	
Logs, wood and wood articles	209	208	-0.4	569	596	4.9	2,034	2,345	15.3	
Mechanical machinery and equipment	171	128	-25.6	484	393	-18.8	1,886	1,790	-5.1	
Crude oil	348	171	-50.9	986	496	-49.7	3,001	1,667	-44.5	
Fruit	146	157	7.8	511	528	3.4	1,419	1,629	14.7	
Fish, crustaceans and molluscs	105	95	-9.3	302	298	-1.4	1,145	1,299	13.4	
Casein and caseinates	42	31	-27.4	143	164	14.8	885	1,060	19.8	
Electrical machinery and equipment	105	82	-22.5	282	243	-13.8	1,042	1,035	-0.7	
Aluminium and aluminium articles	129	81	-37.3	360	221	-38.6	1,435	1,026	-28.5	
Wine	90	89	-0.8	227	252	11.1	813	1,009	24.0	
Preparations of cereals, flour and starch	87	71	-18.0	206	219	6.1	745	1,002	34.5	
Iron and steel and articles ⁽⁴⁾	87	67	-23.2	305	202	-33.7	1,014	920	-9.2	
Precious metals, jewellery and coins	53	58	9.3	158	171	8.2	567	758	33.5	
Optical, medical and measuring equipment	56	59	4.6	156	174	11.5	556	702	26.2	
Miscellaneous edible preparations	49	46	-6.5	147	134	-9.0	622	652	4.8	

Wood pulp and waste paper	63	61	-3.9	172	152	-11.8	678	601	-11.4
Textiles and textile articles ⁽⁴⁾	65	53	-18.5	174	144	-17.1	693	593	-14.4
Paper and paperboard and articles ⁽⁴⁾	52	47	-10.4	143	143	-0.3	543	558	2.7
Wool	49	36	-26.1	126	112	-11.2	616	554	-10.2
Aircraft and parts	13	3	-72.8	43	64	50.6	289	471	62.7
Plastic and plastic articles	41	37	-7.8	123	104	-15.1	453	447	-1.1
Raw hides, skins and leather ⁽⁴⁾	53	26	-50.6	123	82	-33.2	502	421	-16.1
Vegetables ⁽⁴⁾	18	16	-11.7	62	58	-5.8	421	414	-1.5
Other animal originated products	23	15	-34.1	71	63	-11.7	296	368	24.1
Vehicles, parts and accessories	26	25	-4.3	73	74	0.3	286	318	11.1
Food residues, wastes and fodder	23	19	-17.4	72	66	-8.0	257	315	22.6
Pharmaceutical products	31	26	-17.7	82	68	-17.1	273	286	4.6
Meat and fish preparations	19	19	4.6	51	60	19.3	210	250	19.3
Albumins, gelatin, glues and enzymes	13	11	-9.6	35	45	26.9	217	250	14.9
Preparations of vegetables, fruit and nuts	21	22	2.3	68	68	-0.5	213	245	15.1
Ships, boats and floating structures	88	28	-67.7	129	78	-39.8	356	232	-35.0
Furniture, furnishings and light fittings	15	14	-9.7	47	44	-5.7	189	192	1.5
Live animals	9	14	64.5	32	45	39.8	184	178	-3.3
Beverages, spirits and vinegar ⁽⁴⁾	14	16	13.6	43	44	2.8	174	176	1.1
Petroleum and products other than crude oil	27	9	-67.8	80	48	-39.8	152	174	14.5
Animal or vegetable fats and oils ⁽⁴⁾	21	10	-51.4	59	44	-24.6	207	157	-24.0
Seeds, raw peanuts and soya flour ⁽⁴⁾	10	8	-24.1	41	46	13.3	140	155	10.6
Sugars and sugar confectionery	11	14	23.0	39	38	-1.9	154	154	-0.1
Other chemical products ⁽⁴⁾	13	13	6.6	39	34	-11.4	140	147	4.9
Other commodities ⁽⁴⁾	197	166	-15.8	576	494	-14.2	2,194	2,006	-8.6
Confidential data ⁽⁷⁾	119	72	...	307	280	...	669	1,198	...
All merchandise exports	,575	2,744	-23.2	0,601	,154	-13.6	41,733	41,943	0.5

Imports of Main Commodities

Commodity	Month of August			Three months ended August			12 months ended August	
	2008	2009 P	%	2008	2009 P	%	2008	2009 P
	\$(million)		change	\$(million)		change	\$(million)	
Petroleum and products ⁽⁴⁾	939	516	-45.1	2,582	1,349	-47.8	7,853	6,552
Mechanical machinery and equipment	501	461	-7.9	1,456	1,292	-11.2	5,993	5,649
Electrical machinery and equipment ⁽⁵⁾	318	294	-7.3	994	983	-1.1	3,841	4,232
Vehicles, parts and accessories	439	289	-34.3	1,334	781	-41.5	5,313	3,587
Textiles and textile articles	174	161	-7.1	478	461	-3.5	1,914	2,019
Plastic and plastic articles	149	128	-13.5	431	364	-15.5	1,629	1,620
Iron and steel and articles ⁽⁵⁾	153	83	-45.6	419	296	-29.4	1,560	1,478
Optical, medical and measuring equipment	106	129	21.2	338	368	9.0	1,224	1,434
Aircraft and parts	186	146	-21.7	323	896	177.7	971	1,412
Pharmaceutical products	86	96	11.4	285	294	3.0	1,064	1,184
Paper and paperboard and articles	81	77	-5.0	250	235	-6.2	1,007	1,016
Fertilizers	89	26	-70.6	151	62	-58.9	525	765
Furniture, furnishings and light fittings	58	53	-9.1	153	137	-10.2	624	598
Miscellaneous edible preparations	39	41	4.3	123	127	2.7	485	544
Rubber and rubber articles	44	37	-15.5	133	118	-11.4	506	534
Other chemical products	53	47	-11.0	137	130	-5.1	469	525
Food residues, wastes and fodder	55	45	-16.9	153	116	-24.1	535	506
Salt, earths, stone, lime and cement	59	20	-65.6	180	50	-72.3	466	505
Inorganic chemicals ⁽⁵⁾	60	34	-44.1	163	97	-40.2	565	493
Toys, games and sports requisites	40	41	1.5	105	105	0.1	446	486
Beverages, spirits and vinegar	40	31	-23.1	113	96	-15.0	451	443
Essential oils, perfumes and toiletries	33	38	16.7	93	108	17.0	417	442
Books, newspapers and printed matter	34	34	0.4	110	103	-7.0	436	429

Preparations of cereals, flour and starch	27	31	16.0	85	96	12.6	311	364
Organic chemicals ⁽⁵⁾	35	27	-24.3	110	81	-26.4	365	354
Glass and glassware	31	25	-21.1	84	71	-14.8	316	338
Fruit and nuts	26	28	7.4	75	78	3.9	293	336
Footwear	29	30	3.6	68	72	7.0	279	324
Cereals	27	18	-31.2	81	70	-13.5	279	309
Preparations of vegetables, fruit and nuts	25	22	-10.8	78	72	-6.9	297	303
Tanning extracts, dyes, paints and putty	25	23	-5.2	72	74	2.5	302	302
Precious metals, jewellery and coins	21	23	7.2	56	62	10.8	253	299
Animal and vegetable fats and oils	20	24	19.4	82	64	-22.0	280	292
Aluminium and aluminium articles ⁽⁵⁾	29	19	-35.4	89	57	-35.7	370	284
Soap and organic surface-active agents ⁽⁵⁾	22	20	-8.6	62	58	-6.7	220	244
Cocoa and cocoa preparations	20	26	28.8	52	67	28.9	186	241
Sugars and sugar confectionery ⁽⁵⁾	9	13	40.2	42	64	51.4	236	241
Meat and edible offal	14	13	-8.5	42	45	6.2	152	195
Logs, wood and wood articles	12	11	-11.6	44	35	-19.7	198	194
Metal tools, implements and cutlery	18	15	-17.2	52	43	-17.6	212	186
Other commodities ⁽⁵⁾	257	247	-3.7	697	639	-8.2	3,069	2,730
Confidential data ⁽⁶⁾	39	26	...	87	68	...	187	322
All merchandise imports	4,423	3,469	-21.6	12,461	10,385	-16.7	46,102	44,308

Source : Statistics New Zealand

8. Trade Agreements

Agreements in Force

- [ASEAN-Australia/NZ Free Trade Area](#) (Agreement is signed but not yet entered into force)
- [New Zealand-China Free Trade Agreement](#) (NZ-China FTA) - The FTA was signed on 7 April 2008 and entered into force on 1 October 2008.
- [Trans-Pacific Strategic Economic Partnership](#) (Trans-Pacific SEP) - 2005
Brunei/Chile/New Zealand/Singapore
- [New Zealand and Thailand Closer Economic Partnership](#) (NZTCEP) - 2005
- [New Zealand and Singapore Closer Economic Partnership](#) (NZSCEP) - 2001
- [Australia and New Zealand Closer Economic Relations](#) (CER) - 1983

Agreements under negotiation

- [New Zealand and Malaysia Free Trade Agreement](#) (Agreement is concluded but not yet signed)
- [Anti-Counterfeiting Trade Agreement](#)
- [New Zealand-Gulf Cooperation Council Free Trade Agreement](#)
- [New Zealand and Hong Kong Closer Economic Partnership](#)
- Expansion of the [Trans-Pacific Strategic Economic Partnership](#) (TransPac)
- [New Zealand-Korea Free Trade Agreement](#)

9. New Zealand - India Free Trade Agreement (FTA)

New Zealand and India agreed to undertake a joint study into the implications of a free trade agreement in 2007. That study has now been completed.

10. Executive Summary

- New Zealand has been in a recession for five consecutive quarters, and probably a sixth. However, there are signs of improvement.
- Economic activity, as recorded by the National Bank's *Regional Trends* publication, expanded by 0.4 percent on a national level over the June 2009 quarter, the first quarter to do so since 2007. In another first since 2007, retail sales volumes rose by 0.4 percent over the June 2009 quarter, the first quarterly rise in sales volumes since the September 2007 quarter. International commodity prices for New Zealand's main export commodities rose for the sixth consecutive month.
- The housing market in general is showing signs of re-awakening. The REINZ House Price Index rose by 0.9 percent between July 2008 and 2009, and sales numbers have been rising.
- Recovery in economic growth is forecast to return in either the September or December quarter of 2009. Whatever the speed of the recovery, the unemployment rate has been forecast to continue climbing over the short-term. Forecasts vary as to the extent of future rises in the unemployment rate.
- Merchandise exports were valued at \$ 2.7 billion, down \$ 830 million (23.2 percent). The fall in exports was widespread with crude oil; meat and edible offal; and milk powder, butter and cheese being the most significant contributors. The exports trend has been falling since October 2008, and is down 10.5 percent since then.

- Merchandise imports were valued at \$ 3.5 billion, down \$ 953 million (21.6 percent). The fall in imports was also widespread with petroleum and products; and vehicles, parts, and accessories being the most significant contributors. The imports trend has declined 20.7 percent since August 2008, the largest fall since the series began in 1988.
- The trade balance was a deficit of \$ 725 million, or 26.4 percent of exports compared with an average August deficit of 34.1 percent of exports for the previous five years.
