

# Overseas Merchandise Trade: May 2016

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## Key facts

For May 2016 compared with May 2015:

- Goods exports rose \$220 million (5.1 percent) to \$4.6 billion.
- Logs, wood, and wood articles led the rise in exports, up \$110 million (42 percent).
- Goods imports rose \$229 million (5.7 percent) to \$4.2 billion.
- Consumption goods led the rise in imports, up \$152 million (16 percent).
- The trade surplus was \$358 million (7.8 percent of exports).



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## Commentary

- [Exports rise 5.1 percent](#)
- [Imports rise 5.7 percent](#)
- [Goods trade surplus in May 2016](#)
- [Seasonally adjusted exports show little change](#)
- [Seasonally adjusted imports fall 1.3 percent](#)
- [Exchange rate movements](#)

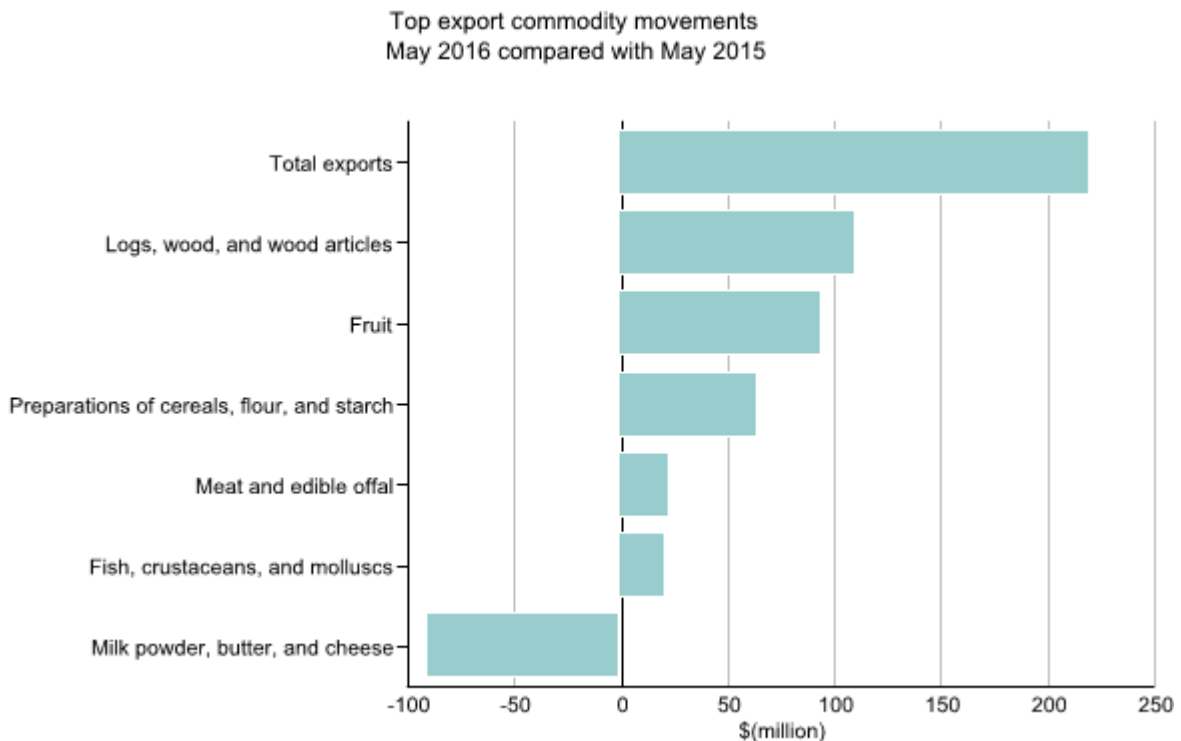
This commentary refers to trade in goods only.

See [Goods and Services Trade by Country: Year ended March 2016](#) for information on trade in goods and services.

All comparisons are between May 2016 and May 2015, unless otherwise stated.

### Exports rise 5.1 percent

In May 2016, goods exports were valued at \$4.6 billion, up \$220 million (5.1 percent).



### Logs, wood, and wood articles lead rise in exports

**Logs, wood, and wood articles** had the largest rise of any commodity group in May 2016, up \$110 million (42 percent). Untreated logs led the rise, up \$89 million (70 percent), followed by sawn or chipped wood, up \$11 million (16 percent). The quantity of untreated logs rose 31 percent from May 2015.

**Fruit** exports rose \$95 million (21 percent). Kiwifruit led the rise, up \$80 million (29 percent), with quantity up 14 percent.

- gold kiwifruit was up \$50 million in value and 23 percent in quantity
- green kiwifruit was up \$35 million and 13 percent in quantity
- apples were up \$14 million; quantity down 4.3 percent.

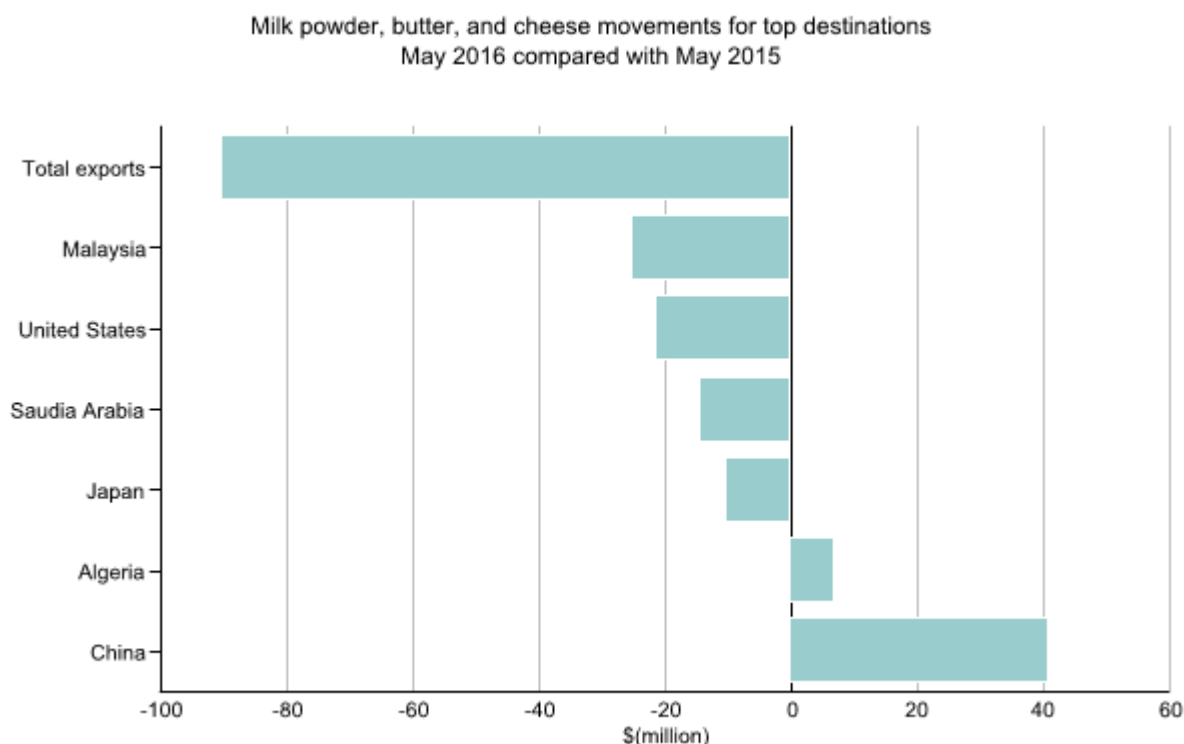
Kiwifruit exports were up across all top export destinations (by total annual exports). The largest movements for May 2016 were to China, up \$31 million (62 percent), and the European Union, up \$20 million (26 percent).

The largest movement in apple exports for May 2016 was to the United States of America, up \$12 million.

**Milk powder, butter, and cheese** (the largest export commodity group) fell \$90 million (9.9 percent) in May 2016. The movements included:

- milk powder down \$64 million (13 percent); quantity up 6.5 percent
- whole milk powder down \$43 million (12 percent); quantity up 6.7 percent
- skim milk powder down \$18 million (19 percent); quantity up 9.0 percent
- milk fats (including butter) up \$25 million (14 percent); quantity up 23 percent
- cheese down \$11 million (8.6 percent).

This commodity group had contrasting movements for the top export destinations (by total annual exports) for May 2016. Malaysia, down \$25 million (49 percent); United States of America, down \$21 million (33 percent); and Saudi Arabia, down \$14 million (40 percent) were the principal falls. In contrast, exports to China were up \$41 million (30 percent).



Other key changes in commodity export values for May 2016 were:

- **preparations of cereals, flour, and starch**, up \$65 million (95 percent)
- **meat and edible offal**, up \$23 million (3.6 percent)
- **fish, crustaceans, and molluscs**, up \$22 million (17 percent)
- **miscellaneous edible preparations**, up \$18 million (21 percent)
- **casein and caseinates**, down \$20 million (19 percent)
- **ships and boats**, down \$21 million.

## **Contrasting movements for our top export destinations**

Of our top five export partners, China, the EU, and Australia had increases in the value of goods imports in May 2016. The United States had a decrease and Japan showed little change.

The monthly movements for May 2016 for our top export destinations (ranked by total annual exports) were:

**1. China** – up \$177 million (27 percent), led by a rises in logs, wood, and wood articles (up \$49 million); milk powder, butter and cheese (up \$41 million); kiwifruit (up \$31 million); meat and edible offal (up \$21 million); and fish, crustaceans, and molluscs (up \$17 million). These rises were slightly offset by a fall in wool (down \$17 million). Gold kiwifruit led the rise in kiwifruit exports to China, up \$27 million.

In the milk powder, butter, and cheese commodity group, exports to China included rises in milk powder (up \$21 million), milk fats including butter (up \$9.0 million), milk and cream (up \$7.3 million), and cheese (up \$6.4 million).

**2. Australia** – up \$18 million (2.7 percent), led by rises in food preparations for infant use (up \$33 million), and miscellaneous edible preparations (up \$15 million). Falls in mechanical machinery and equipment (down \$16 million), petroleum and fuel oils (down \$12 million), and non-monetary gold (down \$15 million) partly offset the rises.

**3. United States** – down \$17 million (2.9 percent), led by falls in whey and natural milk constituents (down \$21 million), and beef (down \$13 million). These falls were partly offset by a rise in apples (up \$12 million).

**4. European Union (EU)** – up \$28 million (5.2 percent), led by rises in kiwifruit (up \$20 million), and fish, crustaceans, and molluscs (up \$11 million). Exports of squid increased (up \$10 million).

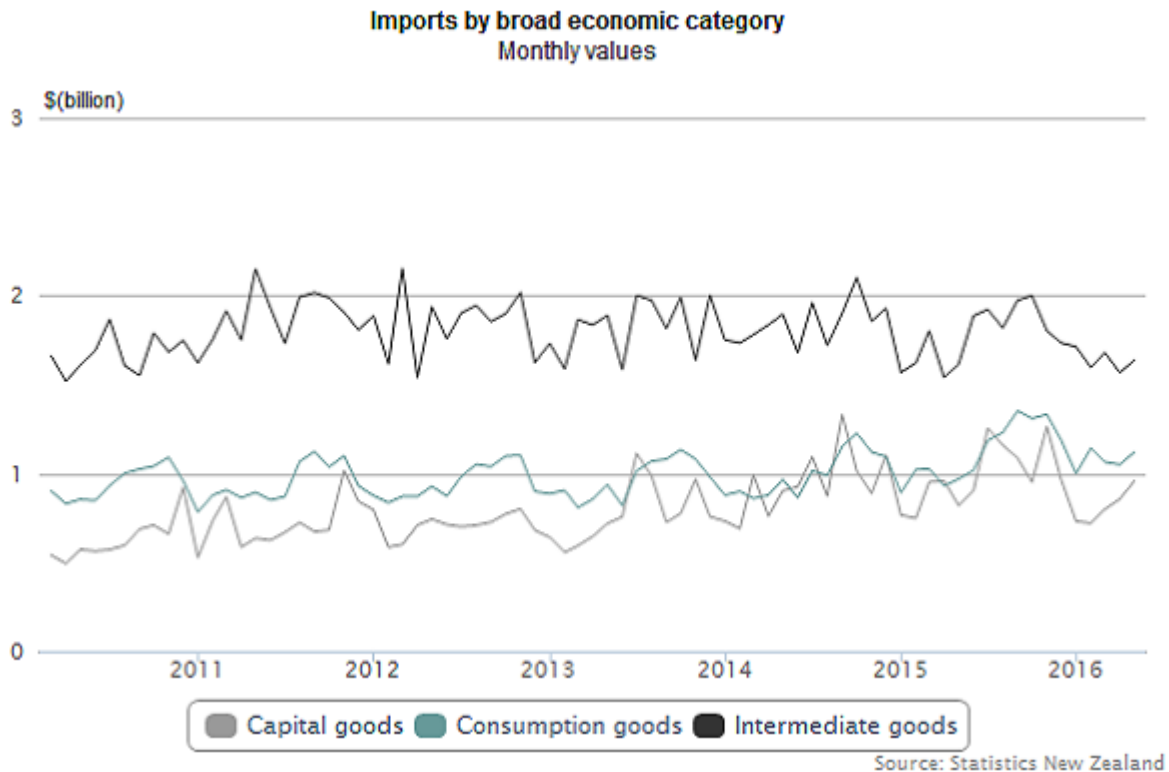
**5. Japan** – showed little change (up 0.5 percent) with rises in logs, wood, and wood articles (up \$16 million), meat and edible offal (up \$8.4 million), and kiwifruit (up \$6.2 million). These rises were partly offset by a fall in milk powder, butter, and cheese (down \$10 million).

## **Imports rise 5.7 percent**

In the May 2016 month, imported goods were valued at \$4.2 billion, up \$229 million (5.7 percent).

## **Consumption goods lead rise in imports**

All three main broad economic categories of goods increased in value for May 2016.



**Consumption goods** rose \$152 million (16 percent), with rises that included:

- non-durable goods (such as tobacco, retail medicines, soaps, and oils), up \$69 million (30 percent)
- durable goods (such as furniture, mechanical machinery and equipment, and jewellery), up \$31 million (19 percent)
- semi-durable goods (such as clothing, footwear, optical and medical equipment), up \$24 million (9.3 percent).

**Intermediate goods** rose \$21 million (1.3 percent):

- parts and accessories of transport equipment, up \$53 million (33 percent)
- processed food and beverages for industry, up \$19 million (50 percent)
- parts and accessories of capital plant, up \$16 million (8.3 percent).

These rises were partly offset by falls in:

- crude oil, down \$84 million (31 percent), due to lower prices
- primary food and beverages for industry, down \$16 million (46 percent).

Excluding crude oil, the net movement for intermediate goods was an increase of \$105 million (7.9 percent).

**Capital goods** rose \$138 million (17 percent):

- machinery and plant, up \$71 million (12 percent)

- transport equipment, up \$67 million (30 percent).

Comparisons between values of the same month in the previous year, particularly for capital goods, can be significantly affected by high-value infrequent imports such as aircraft. Excluding aircraft (not aircraft parts) goods imports, capital goods in May 2016 increased only \$53 million (6.9 percent) from May 2015, and total imported goods increased only \$144 million (3.7 percent).

In other categories of goods:

- **petrol and avgas** fell \$96 million (59 percent)
- **passenger motor cars** showed little change (up 0.2 percent).

### Contrasting movements for our top five import partners

Of our top five import partners, China, the EU, and Japan had increases in the value of goods imports in May 2016. The United States and Australia had decreases. The actual monthly movements for May 2016 for our top import partners (ranked by total annual goods imports) were:

1. **China** – up \$29 million (3.8 percent), led by rises in electrical machinery and equipment (such as telephones and cellphones), and furniture, partly offset by falls in motor spirit and fertilisers.
2. **European Union (EU)** – up \$225 million (35 percent), led by increases in aircraft, turbo-jets and turbo-propellers (including aircraft parts), and tobacco. These were partly offset by a fall in cruise and cargo ships.
3. **Australia** – down \$10 million (2.0 percent), led by falls in wheat, motor spirit, aluminium oxide, and motor vehicles. These were partly offset by rises in fats and oils, and miscellaneous food preparations.
4. **United States** – down \$38 million (8.1 percent), led by falls in aircraft, maize, and petroleum coke, which were partly offset by rises in optical, medical, and measuring equipment, and turbo-jets and turbo-propellers (including aircraft parts).
5. **Japan** – up \$44 million (17 percent), led by a rises in mechanical machinery and equipment, automotive diesel, iron and steel articles, and optical, medical, and measuring equipment.

Other significant country movements were:

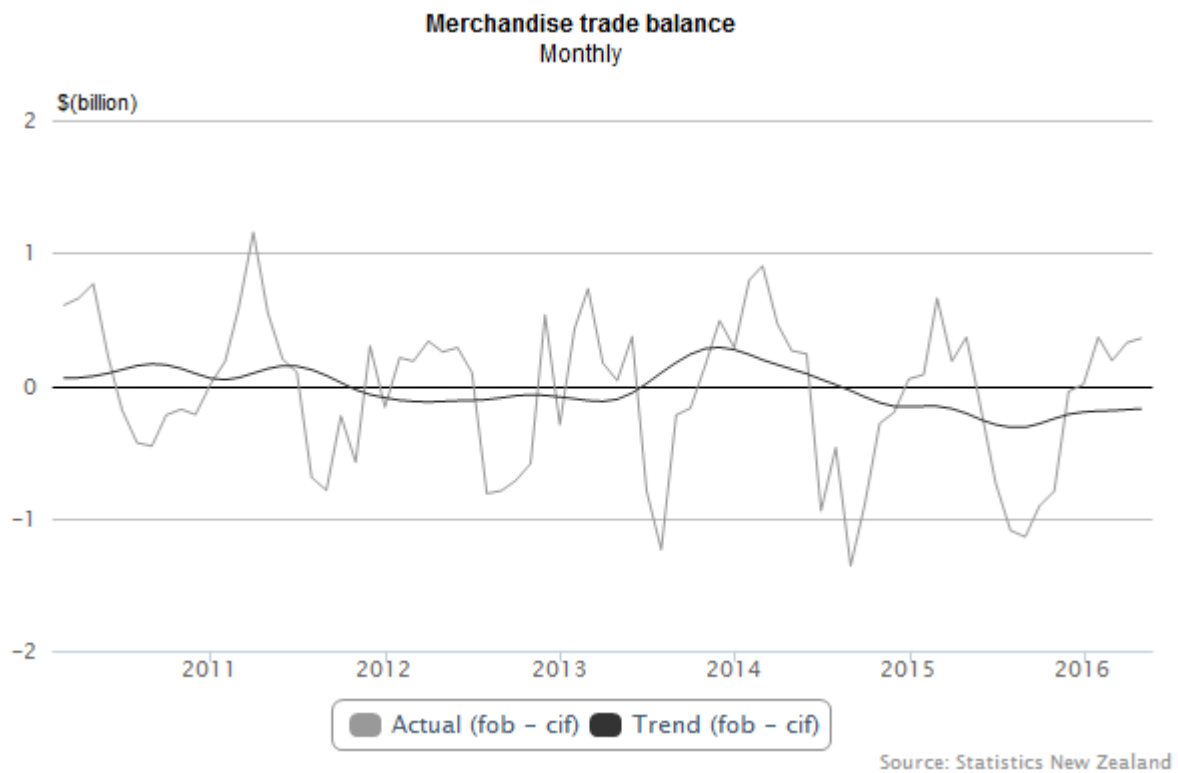
- **Thailand** – up \$35 million, due to increased imports of motor vehicles
- **Costa Rica** – up \$15 million, due to increased imports of sugar.

The monthly quantities and values of imported petroleum tend to fluctuate for specific countries depending on the timing of large shipments. In May 2016, petroleum influenced the large movements in the value of imports from: **United Arab Emirates** and **Oman**, which had large increases; **Malaysia**, **Qatar**, and **Kuwait**, which had large decreases.

### Goods trade surplus in May 2016

In May 2016 there was a goods trade surplus of \$358 million (7.8 percent of exports). This compares with an average surplus of 5.8 percent of exports in the previous five May months.

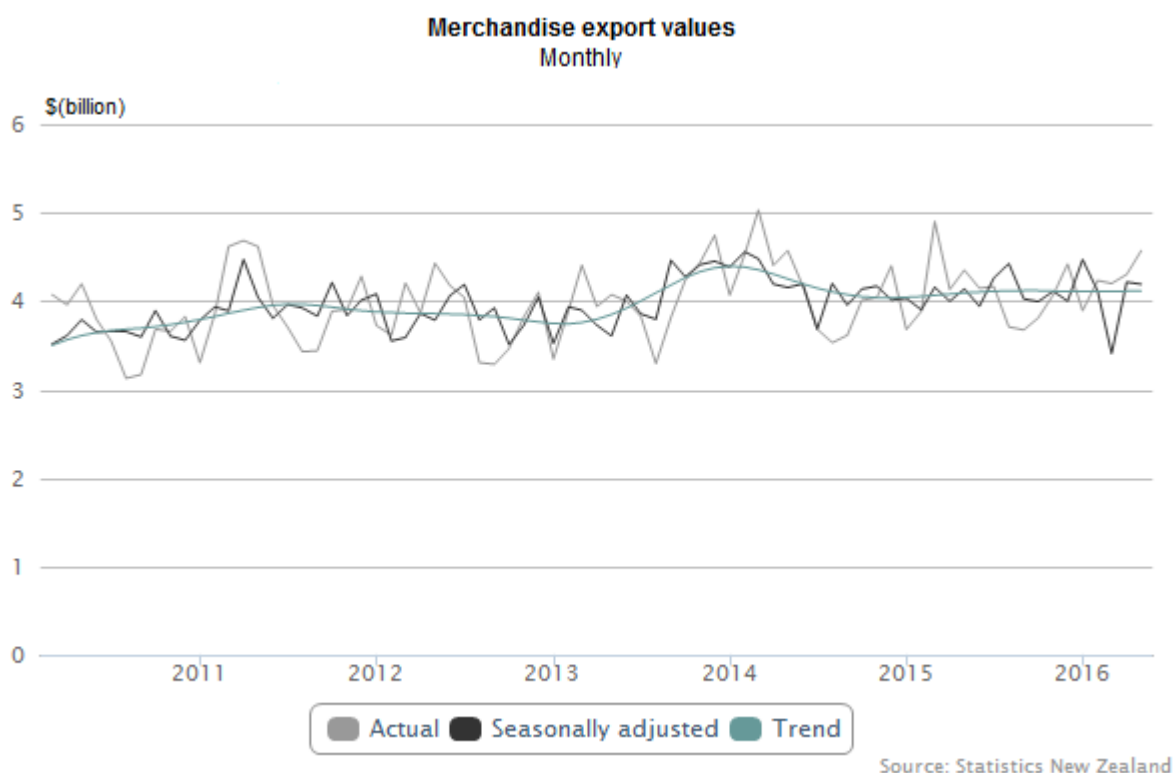
For the year ended May 2016, there was an annual trade deficit of \$3.6 billion.



## Seasonally adjusted exports show little change

The seasonally adjusted value for exported goods fell 0.6 percent (\$25 million) from April 2016 to May 2016. This follows a 24 percent rise from March 2016 to April 2016.

The trend for goods exports has been flat since late 2015.



### Contrasting movements in seasonally adjusted exports

The movements in seasonally adjusted exports for our main export destinations in May 2016, compared with April 2016 were:

- **China** – up 7.0 percent (\$57 million) to \$869 million. The trend for China has risen in recent months, but was still 29 percent lower than the series peak in December 2013.
- **Australia** – showed little change, up 0.4 percent to \$719 million. The trend for Australia was 22 percent lower than the series peak in July 2011.
- **EU** – showed little change, down 0.2 percent to \$448 million. The trend for the EU was 15 percent lower than the series peak in December 2008.

The movements in seasonally adjusted exports for our main export commodity groups in May 2016, compared with April 2016 were:

- **Milk powder, butter, and cheese** – fell 3.2 percent (\$28 million), following an 8.9 percent rise in April. The quantity fell 1.7 percent.
- **Meat and edible offal** – rose 7.1 percent (\$38 million), following a 20 percent rise in April. The quantity rose 4.0 percent.
- **Logs, wood, and wood articles** – rose 11 percent (\$37 million), following a 4.4 percent rise in April.
- **Fruit** – rose 4.4 percent (\$10 million), following a 2.0 percent rise in April 2016. The quantity rose 6.7 percent.
- **Fish, crustaceans, and molluscs** – fell 3.0 percent (\$4.5 million), following a 1.4 percent rise in April. The quantity fell 1.8 percent.



- **Machinery and mechanical appliances** – fell 14 percent (\$22 million), following an 18 percent rise in April.
- **Wine** rose 5.2 percent (\$7 million) after showing little change (up 0.7 percent) in April. The quantity rose 7.9 percent.

### **Trends for fruit and wood commodity groups continue to rise**

The trend for values of **fruit** rose 3.9 percent in May 2016, following a 4.0 percent rise in April 2016. The trend for fruit has been rising for the past five months.

The trend for values of **logs, wood, and wood articles** rose 1.5 percent in May 2016, following a 2.2 percent rise in April 2016. The trend for this commodity group has been rising steadily since June 2015.

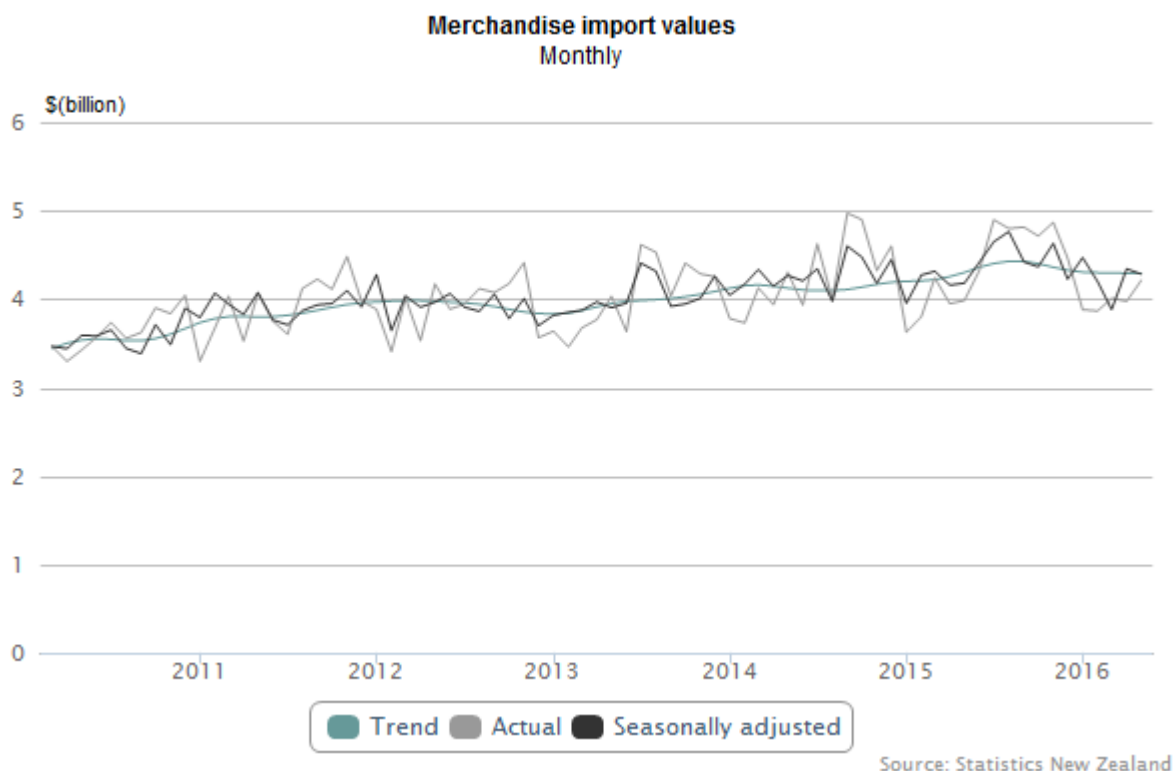
The trends for values of other leading commodities:

- **meat and edible offal** – rose 0.3 percent in May 2016, following seven months of consecutive falls.
- **milk powder, butter, and cheese** – fell 2.5 percent in May 2016. The trend has been falling since July 2015.
- **fish, crustaceans, and molluscs** – rose 1.9 percent in May 2016.

### **Seasonally adjusted imports fall 1.3 percent**

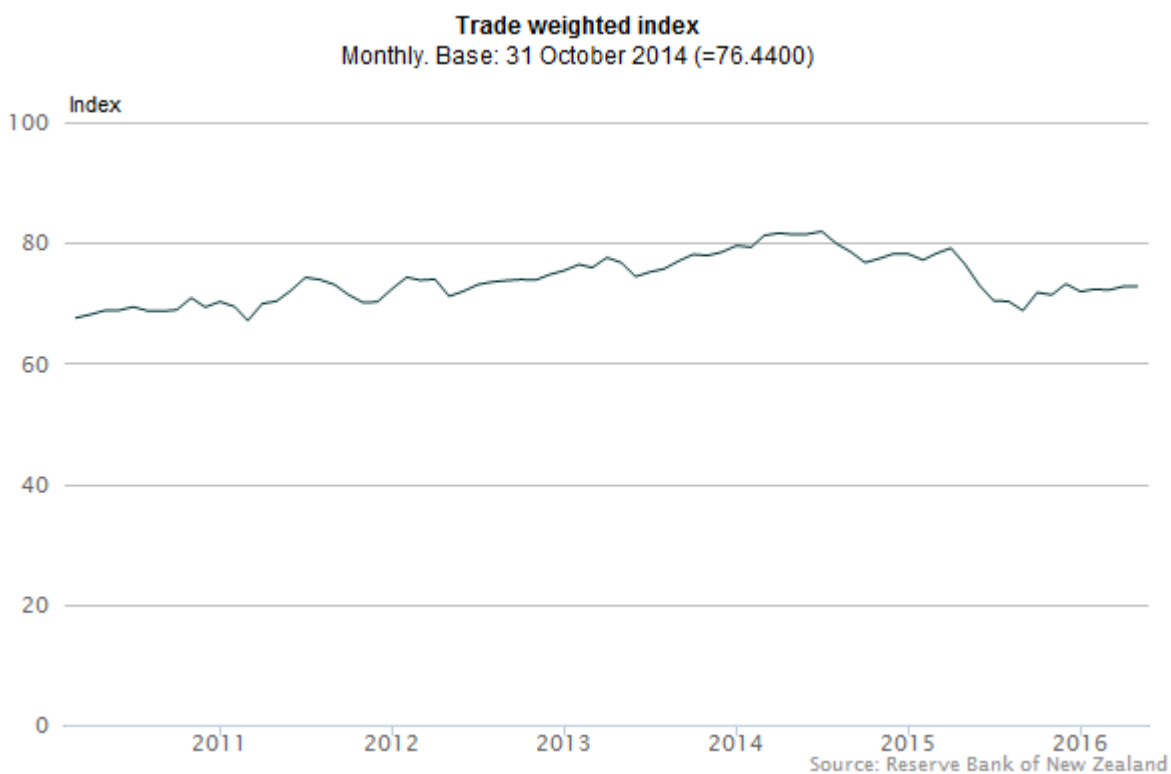
Seasonally adjusted imports fell 1.3 percent (\$58 million) from April 2016, to \$4.3 billion in May 2016. This fall follows a 12 percent rise in April 2016.

Excluding petroleum and products, seasonally adjusted goods imports showed little change (up 0.2 percent) in May 2016, following an 11 percent rise in April 2016.



## Exchange rate movements

The Reserve Bank's trade weighted index showed the New Zealand dollar was 0.1 percent higher in May 2016 than in April 2016, and 4.7 percent lower than in May 2015.



For more detailed data, see the Excel tables in the 'Downloads' box.

See [DataInfo+](#) for information on definitions, data quality, and revisions. These sections were previously included in this release.

## Related links

- [Next release](#)
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*Overseas Merchandise Trade: June 2016* will be released on 26 July 2016.

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## Past releases

[Overseas Merchandise Trade](#) has links to past releases.

[Goods and Services Trade by Country](#) has annual goods and services trade in a single information release. This provides a comprehensive picture of economic trade between New Zealand and our main trading partners, by combining information on commodities and services.

## Data quality

### Period-specific information

[Overseas Merchandise Trade: May 2016 – DataInfo+](#)

Methodology used for this release and revisions to provisional values published in our previous release.

### General information

[Overseas Merchandise Trade – DataInfo+](#)

General methodology used to produce overseas merchandise trade statistics.

[Overseas Merchandise Trade concepts – DataInfo+](#)

Definitions of terms used in this release.

[Principles and protocols for producers of Tier 1 statistics](#)

Statistics in this release have been produced in accordance with the Official Statistics System principles and protocols for producers of Tier 1 statistics for quality. They conform to the Statistics NZ methodological Standard for Reporting of Data Quality.

## Related information

[Global New Zealand](#)

Comprehensive annual trade statistics.

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Information on the value of New Zealand's transactions with the rest of the world and our international financial assets and liabilities.

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## Tables

See Overseas Merchandise Trade: May 2016 – tables (Excel, 18 sheets, 437kB) for the following tables, which are also available from the 'Downloads' box on this page. If you have problems viewing the files, see opening files and PDFs.

- 1.01 Overseas merchandise trade, actual values
- 1.02 Overseas merchandise trade, trade balance – actual values
- 2 Overseas merchandise trade, seasonally adjusted and trend values – monthly
- 3 Exports by destination
- 4 Imports by country of origin
- 5 Exports of main commodities
- 6 Imports of main commodities
- 7 Imports by broad economic category (BEC) group
- 8 Exchange rates
- 9 Related series, livestock, cars, and crude oil
- 10 Exports and imports by Standard International Trade Classification (SITC)
- 11 Exports by top 10 HS categories, values – seasonally adjusted
- 12 Exports by top 10 HS categories, quantities – seasonally adjusted
- 13 Imports by selected HS categories, values – seasonally adjusted
- 14 Exports by top 10 HS categories, values – trend
- 15 Exports by top 10 HS categories, quantities – trend
- 16 Imports by selected HS categories, values – trend

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Infoshare allows you to organise data in the way that best meets your needs. You can view the resulting tables onscreen or download them.

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Subject category: **Imports and Exports**

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