

Overseas Trade Indexes (Prices and Volumes): March 2017 quarter (provisional)

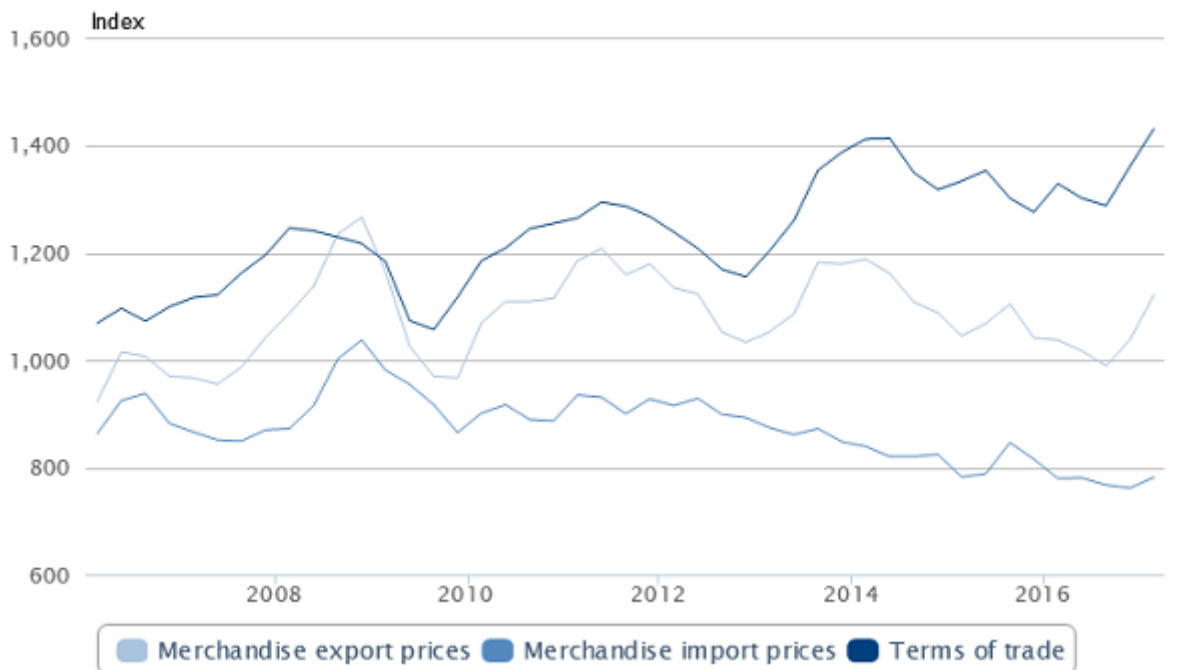
Embargoed until 10:45am – 01 June 2017

Key facts

The following movements occurred in the March 2017 quarter, compared with the December 2016 quarter.

- The merchandise (goods) terms of trade rose 5.1 percent.
- Export prices for goods rose 8.0 percent, while import prices for goods rose 2.7 percent.
- Seasonally adjusted goods export volumes fell 4.2 percent, and goods import volumes rose 1.2 percent.
- Seasonally adjusted goods export values rose 3.4 percent (to \$11.8 billion), and goods import values rose 6.2 percent (to \$13.2 billion).

Merchandise price and terms of trade indexes
Quarterly indexes. Base: June 2002 quarter (=1000)



- The services terms of trade rose 0.1 percent.
- Services export and import prices rose 1.1 percent.

Liz MacPherson, Government Statistician
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Commentary

- [Overview for the March 2017 quarter](#)
- [Export prices and values up, while volumes fall](#)
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All comparisons are between the December 2016 and March 2017 quarters, and all volumes and values are seasonally adjusted, unless otherwise stated. All prices are unadjusted.

Overview for the March 2017 quarter

The **merchandise (goods) terms of trade** rose 5.1 percent in the March 2017 quarter, to reach its highest level since the June 1973 quarter. This increase is due to goods export prices rising more than goods import prices.

In the March 2017 quarter:

- total export prices for goods rose 8.0 percent, while import prices rose 2.7 percent
- seasonally adjusted export volumes fell 4.2 percent, and import volumes rose 1.2 percent
- the seasonally adjusted value of exports rose 3.4 percent (to \$11.8 billion), and goods import values rose 6.2 percent (to \$13.2 billion).

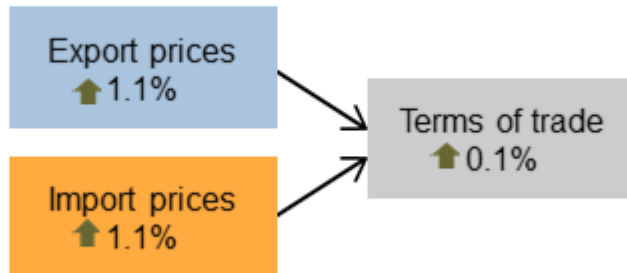
Terms of trade is a measure of the purchasing power of New Zealand's exports abroad. The latest rise means 5.1 percent more goods imports could be funded by a fixed quantity of goods exports than in the December 2016 quarter.



Source: Stats NZ

The **services terms of trade** rose 0.1 percent in the March 2017 quarter, with export and import prices rising 1.1 percent.

Services imports and exports prices
 March 2017 quarter compared with the December 2016 quarter



Source: Stats NZ

See [definitions](#) for more information on services.

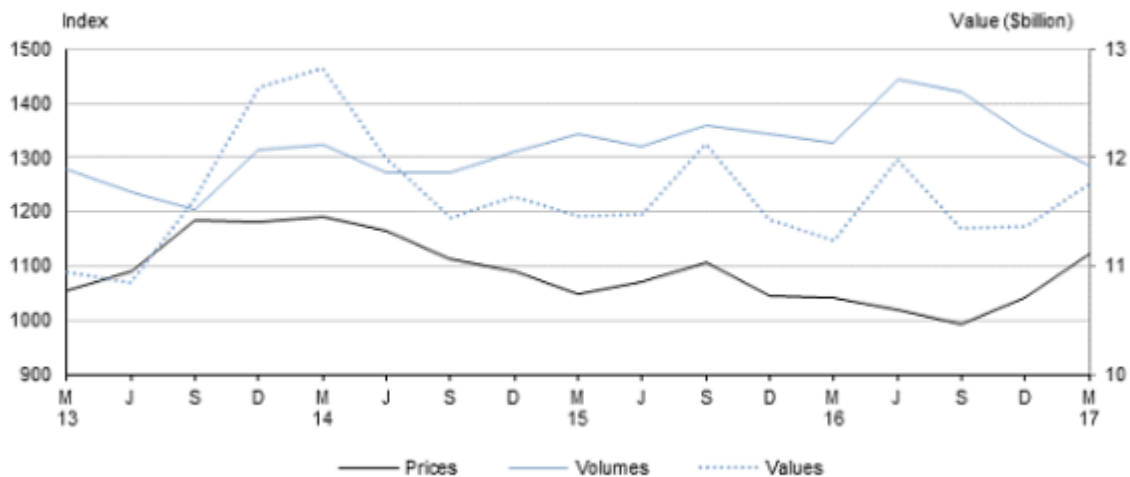
Export prices and values up, while volumes fall

The 8.0 percent rise in export prices in the March 2017 quarter was mainly due to a rise in dairy product prices. This is the second consecutive quarter of big price rises for exports. Export prices are 13 percent higher than the recent low of September 2016, but are still 5.6 percent lower than the recent high of March 2014.

Excluding dairy, export prices rose 4.8 percent.

Seasonally adjusted export values were up 3.4 percent in the March 2017 quarter, following a 0.1 percent rise in the December 2016 quarter. Seasonally adjusted export volumes were down 4.2 percent, largely due to falls in dairy export volumes.

Exports price and volume indexes, and values
 Quarterly (volumes and values are seasonally adjusted)
 Prices base: June 2002 quarter (=1000)

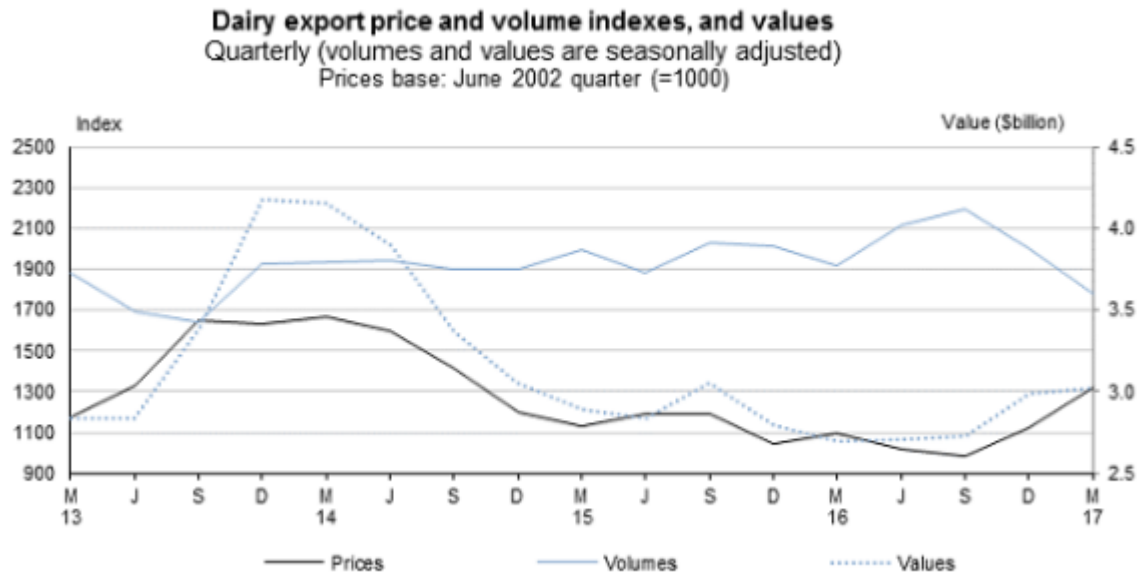


Source: Stats NZ

Dairy prices and values rise, while volumes fall

Dairy prices rose 18 percent, with prices for milk powder up 20 percent, butter up 23 percent, and cheese up 8.8 percent. Dairy prices are 34 percent higher than the recent low of September 2016, but are still 21 percent lower than the March 2014 high.

Dairy values rose 1.2 percent in the March 2017 quarter (to \$3 billion), while the seasonally adjusted dairy export volumes fell 11 percent, to the lowest level since the September 2013 quarter.



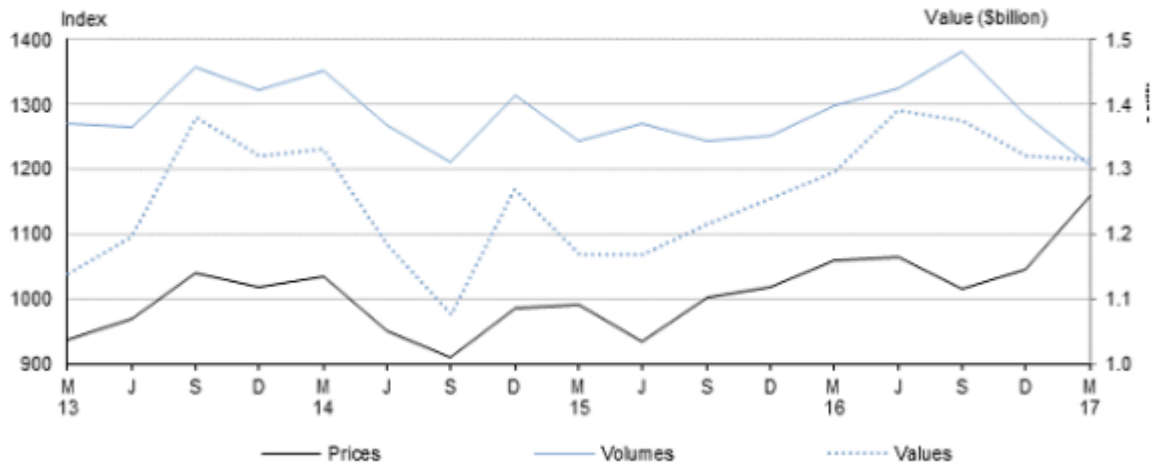
Source: Stats NZ

Forestry prices rise, while volumes and values fall

Prices for forestry products rose 11 percent in the March quarter, led by prices for wood (up 15 percent). Forestry products prices were at their highest level since the series began, and were 1.5 percent higher than the previous high in September 2000.

Seasonally adjusted forestry product volumes fell 6.1 percent, to their lowest level since the March 2012 quarter. Seasonally adjusted forestry product values fell 0.4 percent, to \$1.3 billion.

Forestry export price and volume indexes, and values
 Quarterly (volumes and values are seasonally adjusted)
 Prices base: June 2002 quarter (=1000)



Source: Stats NZ

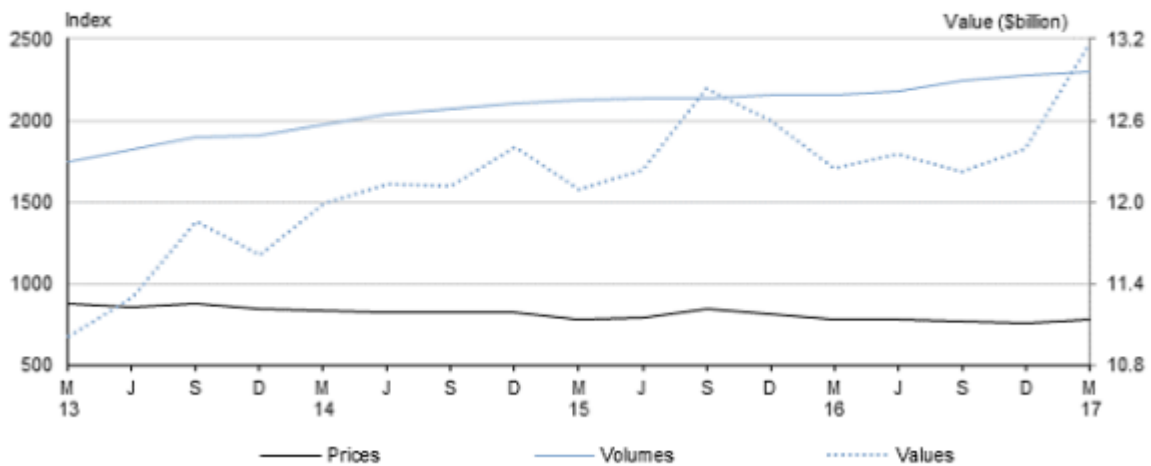
Other notable export movements

- Wool prices fell 13 percent, values fell 19 percent, and volumes fell 11 percent.

Import prices, values, and volumes rise

Prices for imported goods rose 2.7 percent in the March 2017 quarter, influenced by price rises for petroleum and petroleum products, and electrical and mechanical machinery imports. Volumes rose 1.2 percent, while total import values rose 6.2 percent in the March 2017 quarter, to \$13.2 billion.

Imports price and volume indexes, and values
 Quarterly (volumes and values are seasonally adjusted)
 Prices base: June 2002 quarter (=1000)

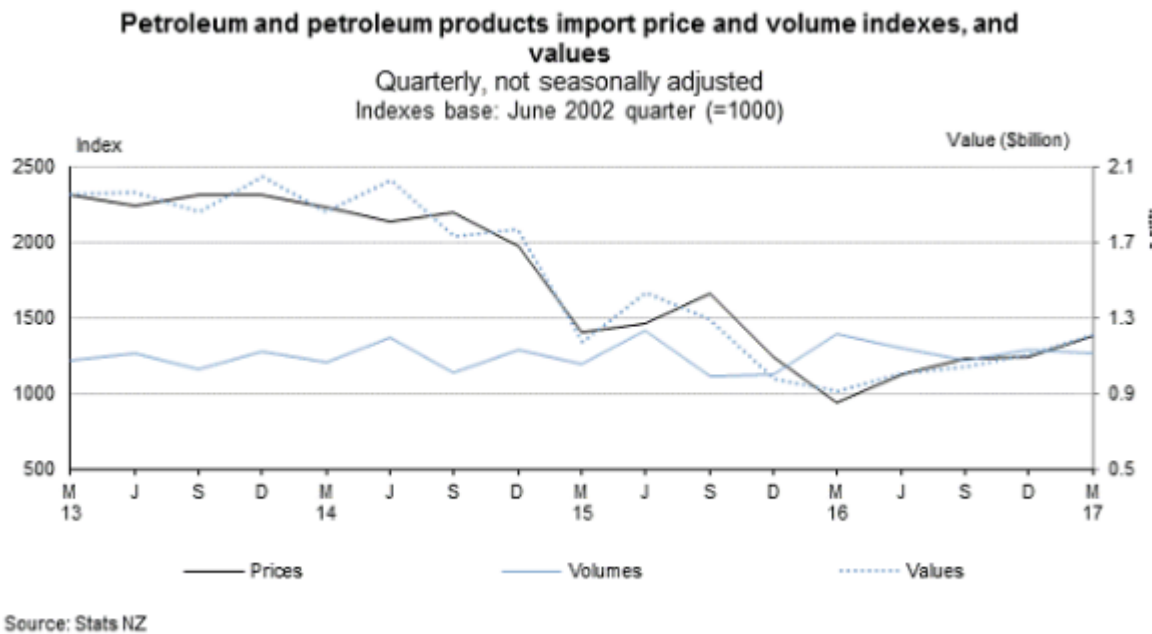


Source: Stats NZ

Petroleum and petroleum products import prices, volumes, and values rise

Petroleum and petroleum product prices, volumes, and values are not seasonally adjusted. The price for petroleum and petroleum products rose 11 percent in the March 2017 quarter, and 46 percent for the year to March 2017. Prices are still 17 percent lower than in the September 2015 quarter. Import volumes fell 1.2 percent in the March 2017 quarter, and values rose by 9.7 percent.

The Marsden Point refinery was shut down for three weeks in March 2017 for maintenance. See [Refining NZ's announcement](#) for more information.



Looking at selected trading partners

The volumes and values in the following section are unadjusted, and compare the March 2017 quarter with the December 2016 quarter.

China

The terms of trade rose 5.3 percent.

- Export prices rose 11 percent.
- Import prices rose 5.6 percent.
- Export volumes fell 12 percent and values fell 2.7 percent. Dairy led the fall in values, partly offset by an increase in lamb.
- Import volumes fell 18 percent and values fell 14 percent.

Australia

The terms of trade rose 0.6 percent.

- Export prices rose 2.6 percent.
- Import prices rose 2.0 percent.
- Export volumes fell 7.8 percent and values fell 5.3 percent. Wine led the fall in values.
- Import volumes fell 9.5 percent and values fell 7.6 percent.

United States

The terms of trade rose 0.5 percent.

- Export prices rose 3.4 percent.
- Import prices rose 2.9 percent.
- Export volumes rose 8.7 percent and values rose 12 percent. Beef led the rise in values.
- Import volumes fell 21 percent and values fell 19 percent.

Japan

The terms of trade rose 2.4 percent.

- Export prices rose 3.3 percent.
- Import prices rose 0.9 percent.
- Export volumes fell 6.4 percent and values fell 3.3 percent. Kiwifruit led the fall in values.
- Import volumes fell 4.2 percent and values fell 3.3 percent.

European Union (EU)

The terms of trade rose 2.7 percent.

- Export prices rose 2.3 percent.
- Import prices fell 0.4 percent.
- Export volumes fell 24 percent and values fell 27 percent.
- Import volumes fell 9.0 percent and values fell 9.3 percent.

Rest of the world

The rest of the world includes all countries other than the four above and EU countries.

The terms of trade rose 8.7 percent.

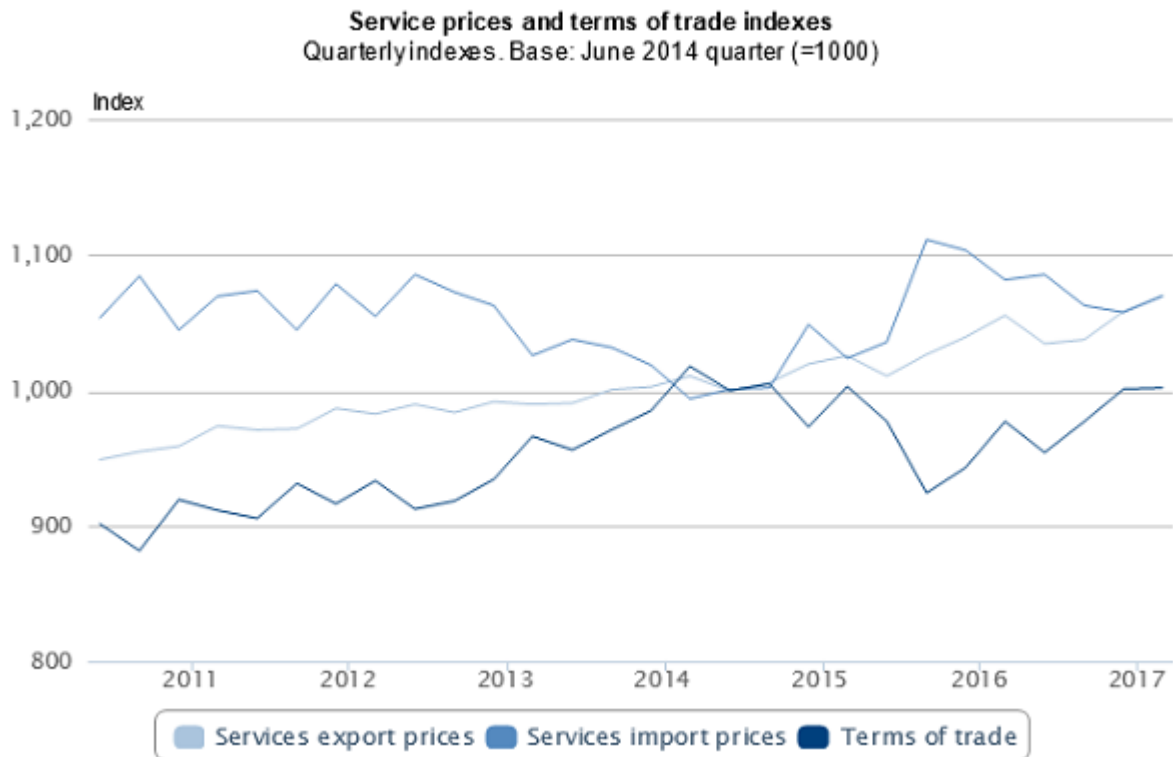
- Export prices rose 15 percent.
- Import prices rose 5.5 percent.
- Export volumes fell 11 percent and values rose 2.7 percent.
- Import volumes fell 8.7 percent and values fell 3.6 percent.

Prices rise for export and import of services

The services terms of trade rose 0.1 percent in the March 2017 quarter, with export and import prices both rising.

Prices for services exports rose 1.1 percent, led by travel (up 1.2 percent).

Prices for services imports also rose 1.1 percent, led by other services (up 1.1 percent) and transportation (up 2.1 percent).



Exchange-rate information

See [DataInfo+](#) for exchange-rate information.

| Exchange rates for March 2017 quarter | | | | | | |
|--|--------------------|--------------------|-------------------------|---------------------|---------------------|-----|
| Reserve Bank of New Zealand | | | | | | |
| | USA (NZ\$:US\$) | UK (NZ\$:pound) | Australia (NZ\$:A\$) | Japan (NZ\$:yen) | Euro (NZ\$:euro) | TWI |
| Change from December 2016 quarter (%) | 0.0 | 0.3 | -1.0 | 4.0 | 1.3 | 0.4 |

| Exchange rates for March 2017 quarter | | | | | | |
|--|--------------------|--------------------|-------------------------|---------------------|---------------------|-----|
| New Zealand Customs Service | | | | | | |
| | USA (NZ\$:US\$) | UK (NZ\$:pound) | Australia (NZ\$:A\$) | Japan (NZ\$:yen) | Euro (NZ\$:euro) | TWI |
| Change from December 2016 quarter (%) | -1.2 | 1.4 | -0.4 | 7.4 | 2.6 | 1.1 |

Find data tables

For more detailed data about overseas trade indexes see the Excel tables in the 'Downloads' box.

Related links

- [Next release](#)
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Next release

Overseas Trade Indexes (Prices and Volumes): June 2017 quarter (provisional) will be released on 1 September 2017.

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Past releases

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

Data quality

[Data collection methodology – DataInfo+](#)

This section contains information on methodology.

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

Definitions of terms used in this release

[Overseas Trade Index: March 2017 – data collection methodology – DataInfo+](#)

This section contains information that has changed since the last release.

General information

[Overseas Trade Index – DataInfo+](#)

General methodology used to produce overseas trade indexes

[Principals 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

Overseas Trade Index: March 2017 – data collection methodology – DataInfo+ details the methodology used for this release and revisions to provisional values published in our previous release.

Overseas Trade Index – data collection methodology – DataInfo+ details the general methodology used to produce Business Price Index statistics.

Overseas merchandise trade has information on the importing and exporting of merchandise goods between New Zealand and other countries. These statistics are published monthly.

Balance of payments and international investment position measures the value of New Zealand's transactions with the rest of the world, and provides a snapshot of our country's international financial assets and liabilities.

National accounts measure the values of economic aggregates such as gross domestic product, capital formation, and government and private consumption. They are published annually.

Economic Survey of Manufacturing provides a quarterly economic indicator of how our manufacturing sector is performing.

Revisions

Updates to previously published material

The overseas trade indexes are provisional for one quarter to allow us to receive and edit late and amended trade documentation. The following table shows updates to index numbers.

| December 2016 quarter merchandise overseas trade indexes – prices, values, and volumes (unadjusted) | | | | | | | |
|--|------------------|------------------|-----------------|------------------|------------------|---------------------|------------------|
| | Prices | | | Volumes | | Values: \$(million) | |
| | Exports | Imports | Terms of trade | Exports | Imports | Exports | Imports |
| Infoshare series | OTPQ. SEO1E95 | OTPQ. SIO1I95 | OTPQ. STTZZ5 | OTVQ. SEA2E91 | OTVQ. SIA2I91 | OTVQ. SEA3E91 | OTVQ. SIA3I91 |
| Provisional Dec 2016 qtr Published 1 Mar 2017 | 1040 | 764 | 1362 | 1379 | 2396 | 11,639 | 13,128 |
| Final Dec 2016 qtr Published 1 Jun 2017 | 1041 | 764 | 1363 | 1382 | 2395 | 11,672 | 13,129 |

Contacts

For media enquiries contact:

Sarah Williams

Wellington 04 931 4214

Email: info@stats.govt.nz

For technical information contact:

Thomas Doehring

Wellington 04 931 4452

Email: info@stats.govt.nz

For general enquiries contact our Information Centre:

Phone: 0508 525 525 (toll free in New Zealand)

+64 4 931 4600 (outside of New Zealand)

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Tables

See the following Excel tables in the 'Downloads' box on this page. If you have problems viewing the files, see [opening files and PDFs](#).

Prices tables

- 1.01 Overseas trade price and terms of trade indexes
- 1.02 Overseas merchandise trade price and terms of trade indexes
- 2 Merchandise export price indexes
- 3 Merchandise import price indexes
- 4.01 Merchandise imports by broad economic category, price indexes
- 4.02 Merchandise imports by broad economic category, price index percentage change from previous period
- 5 Overseas trade in services price indexes
- 6 Exchange rates, Reserve Bank of New Zealand

Volumes and values tables

- 1.01 Overseas merchandise trade, seasonally adjusted volumes and values
- 1.02 Merchandise exports and imports, values, price indexes, and volume indexes
- 2.01 Merchandise export volume indexes and values
- 2.02 Seasonally adjusted merchandise export volume indexes
- 2.03 Seasonally adjusted merchandise export values
- 3.01 Merchandise import volume indexes and values
- 3.02 Seasonally adjusted merchandise import volume indexes
- 3.03 Seasonally adjusted merchandise import values
- 4.01 Merchandise imports by broad economic category, volume indexes
- 4.02 Seasonally adjusted merchandise imports by broad economic category, volume indexes
- 4.03 Seasonally adjusted merchandise imports by broad economic category, volume index percentage change from preceding period
- 5.01 Related series, quantities

Access more data on Infoshare

Infoshare

Select the following categories from the Infoshare homepage for time series data for this release:

Subject category: **Imports and exports**

Group: **Overseas Trade Indexes – Prices – OTP**

Group: **Overseas Trade Indexes – Volumes and Values – OTV**

More detailed explanatory notes and a full list of available indexes and related dollar-value series are available on request.

Next release

Overseas Trade Indexes (Prices and Volumes): June 2017 quarter (provisional) will be released on 1 September 2017.