

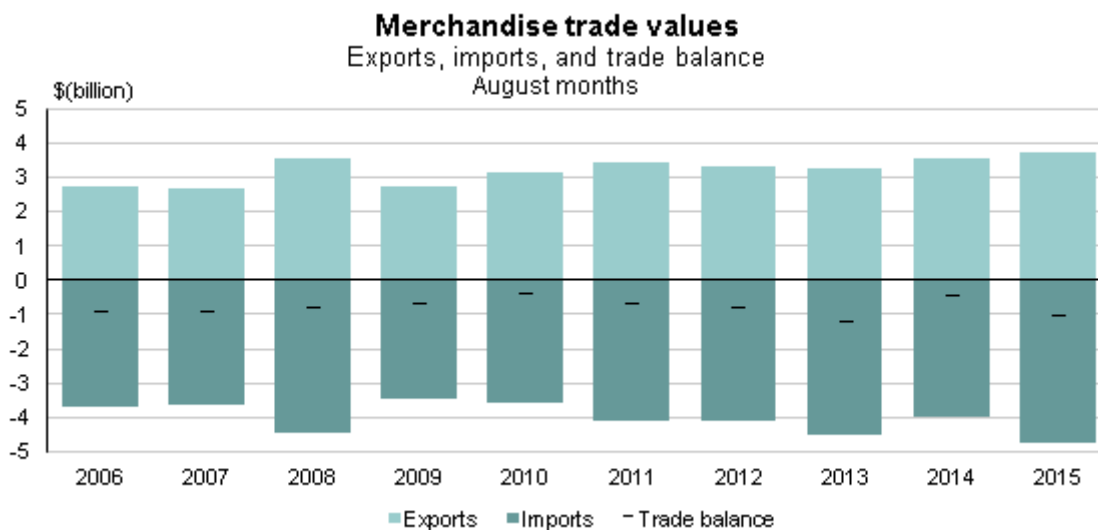
Overseas Merchandise Trade: August 2015

Embargoed until 10:45am – 24 September 2015

Key facts

For August 2015 compared with August 2014:

- Goods exports rose \$197 million (5.6 percent) to \$3.7 billion, led by meat and fruit.
- Goods imports rose \$767 million (19 percent) to \$4.8 billion, led by capital goods.
- The trade deficit was \$1.0 billion (28 percent of exports).



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Commentary

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- [Seasonally adjusted imports rise 2.2 percent](#)
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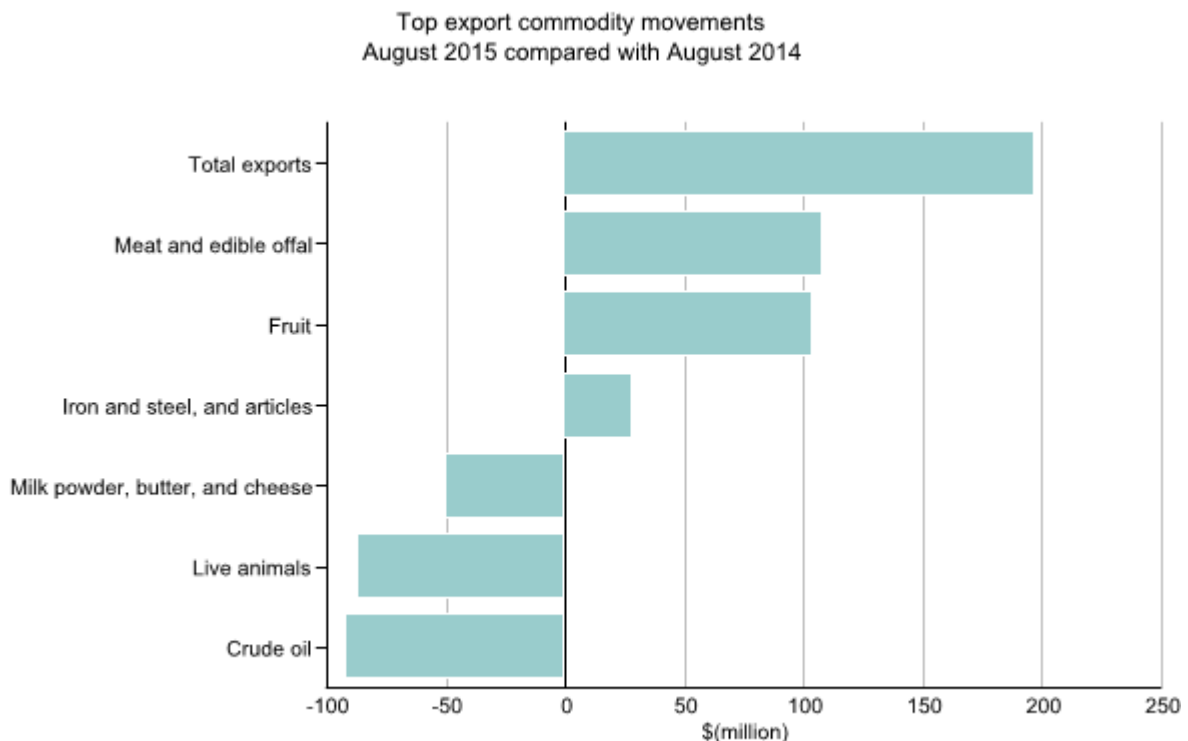
This commentary refers to trade in goods only.

See [Goods and Services Trade by Country: Year ended June 2015](#) for information on trade in goods and services.

All comparisons are between August 2015 and August 2014, unless otherwise stated.

Exports rise 5.6 percent

In August 2015, merchandise goods exports were valued at \$3.7 billion, up \$197 million (5.6 percent) from August 2014. This was the highest-ever value of goods exports for an August month.



Source: Statistics New Zealand

Meat and fruit continue to lead rise in exports

Meat and edible offal (New Zealand's second-largest export commodity group) rose \$108 million (34 percent). Beef exports led the rise, up \$61 million (46 percent). The rise in beef was price driven, with the quantity up 18 percent. Lamb rose \$35 million (25 percent).

Fruit (our fourth-largest export commodity group) rose \$105 million (63 percent), with the quantity up 32 percent. The rise in fruit exports in August 2015 was led by kiwifruit, up \$88 million (62 percent). The quantity of kiwifruit exported rose 29 percent. Apples rose \$18 million, with the quantity up 79 percent.

Milk powder, butter, and cheese fell \$49 million (7.5 percent). Milk powder fell \$43 million (13 percent) and natural milk constituents (such as milk protein) fell \$32 million (54 percent). Butter rose \$15 million (24 percent).

Other key changes in commodity export values for August 2015 were:

- **crude oil** fell \$91 million (72 percent)
- **live animals** fell \$86 million (78 percent).

Fruit to China leads the rise in exports by country

The monthly movements for August 2015 for our top export destinations (ranked by total annual exports) were:

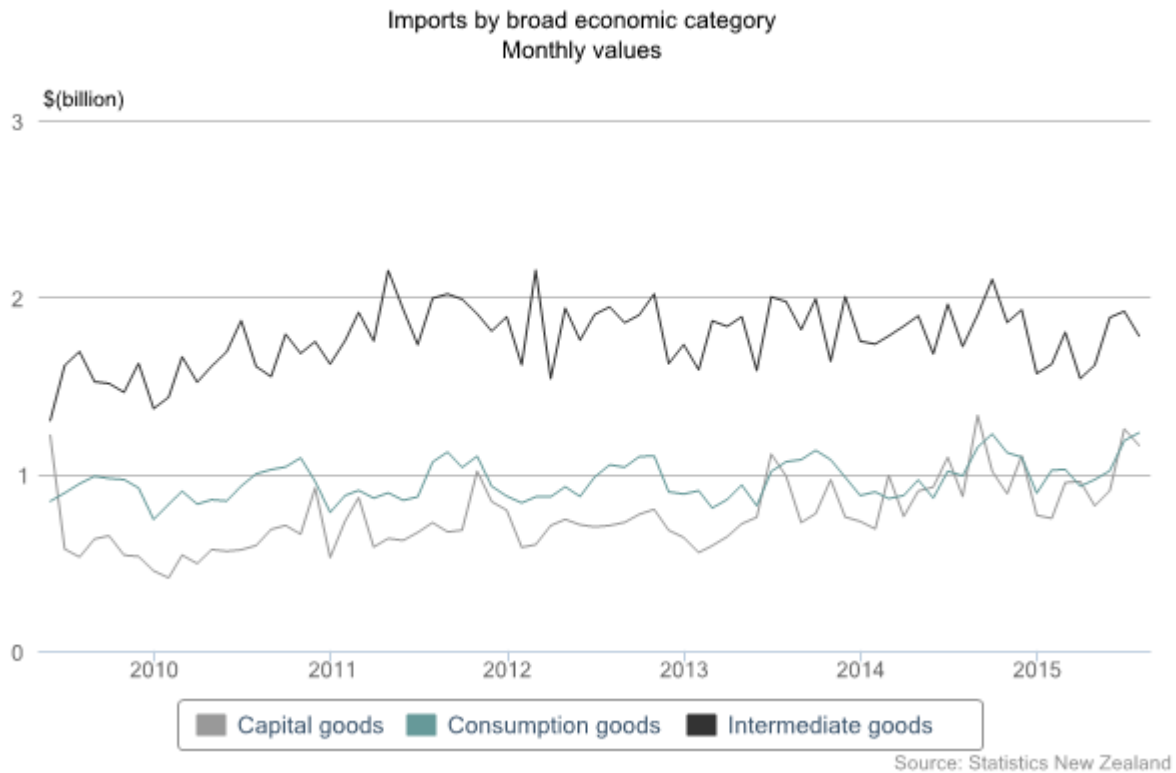
1. **Australia** – down \$17 million (2.3 percent), led by crude oil.
2. **China** – showed little change, up \$2.9 million (0.5 percent), led by fruit (up \$36 million), milk powder, butter, and cheese (up \$34 million), and meat (up \$31 million). These rises offset the fall in live animals, down \$95 million.
3. **United States** – up \$51 million (15 percent), led by beef, up \$21 million (36 percent) and wine, up \$15 million (50 percent).
4. **European Union (EU)** – up \$83 million (23 percent), led by lamb and kiwifruit.
5. **Japan** – down \$4.1 million (1.7 percent), led by wood pulp, down \$9.4 million.

Imports rise 19 percent

In August 2015, goods imports were valued at \$4.8 billion, up \$767 million (19 percent) from August 2014.

Capital goods lead the rise in imports

All the main broad economic categories – capital goods, consumption goods, and intermediate goods – increased in value, compared with August 2014.



Capital goods rose \$288 million (33 percent), led by transport equipment (such as aircraft), up \$171 million (71 percent). This movement was influenced by aircraft imports.

Consumption goods rose \$245 million (25 percent), led by semi-durable goods (such as clothing), up \$75 million. Non-durable consumer goods (such as pharmaceutical products) rose \$56 million, and durable consumer goods (such as furniture) rose \$51 million.

Intermediate goods rose \$59 million (3.4 percent).

In other categories of goods:

- **petrol and avgas** rose \$85 million, to \$121 million.
- **passenger motor cars** rose \$77 million (22 percent), to \$426 million.

Four of our top five import partners show increases

The monthly movements for August 2015 for our top import partners (ranked by total annual goods imports) were:

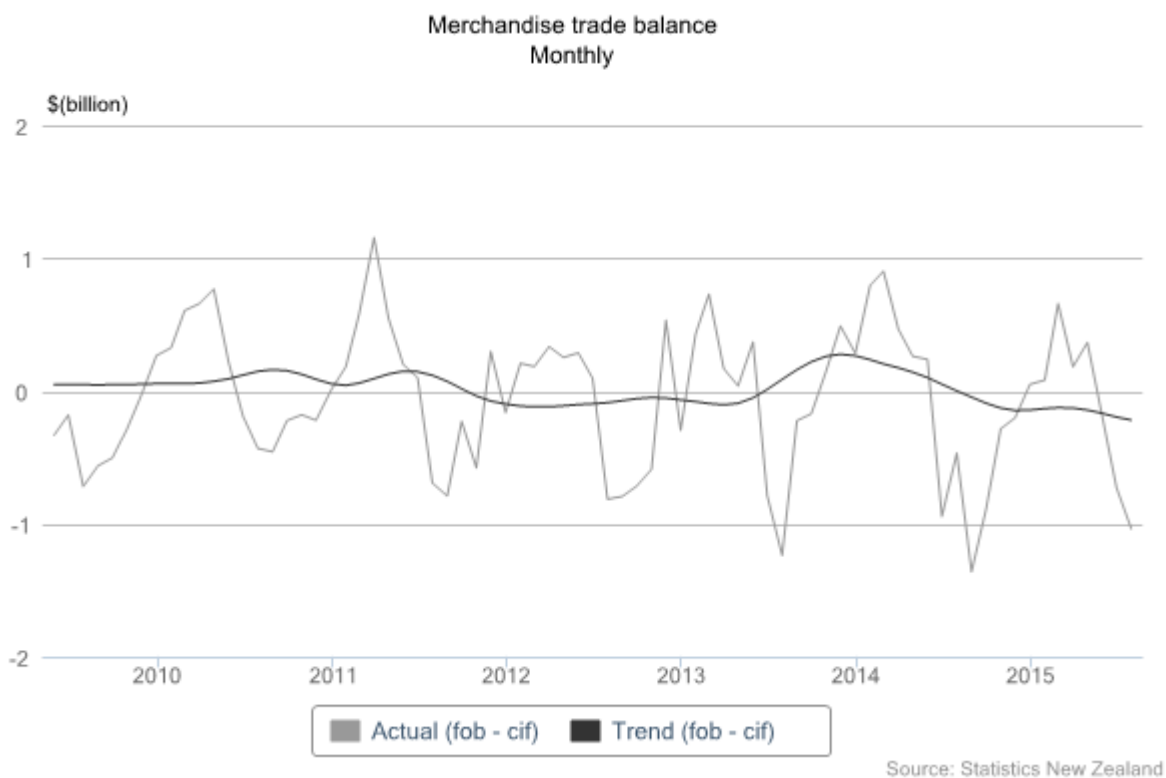
1. **China** – up \$244 million (34 percent), across a range of commodities.
2. **EU** – up \$83 million (12 percent), led by mechanical machinery from Germany and the Netherlands (up \$36 million). The rise was partly offset by a decrease in trains from Spain (down \$18 million).
3. **United States** – up \$253 million (58 percent), led by aircraft and parts, up \$203 million.
4. **Australia** – down \$32 million (5.7 percent), led by crude oil.
5. **Japan** – up \$48 million (18 percent), led by new and used motor vehicles.

The quantities and values of imported petroleum tend to fluctuate depending on where they come from. In August 2015, petroleum influenced other significant country movements. **Russia, Singapore, Indonesia, and Korea** showed increases. **Kuwait, Saudi Arabia, Australia, Brunei, and United Arab Emirates** showed decreases.

Goods trade deficit in August 2015

In August 2015, there was a goods trade deficit of \$1.0 billion (28 percent of exports). This deficit compares with an average deficit of 22 percent of goods exports over the previous five August months.

For the year ended August 2015, there was an annual trade deficit of \$3.3 billion (6.8 percent of exports). This was the largest annual trade deficit since the year ended April 2009 (\$4.1 billion).



Note: fob – free on board, or the value of goods at New Zealand ports before export. cif – the cost of goods, including insurance and freight to New Zealand.

Seasonally adjusted exports rise 4.4 percent

The seasonally adjusted value of exported goods in August 2015 rose 4.4 percent (\$188 million) compared with July 2015. This follows an 8.5 percent increase in July 2015 compared with June 2015.

The trend for goods exports value is 3.2 percent lower than the peak in January 2014.

Seasonally adjusted exports to China rise

Comparisons are between August 2015 and July 2015.

The seasonally adjusted movements in August 2015 for our main export destinations were:

- **China** – up 0.6 percent (\$5.5 million) to \$857 million. The trend for goods exports to China is 23 percent lower than the series peak in December 2013.
- **Australia** – up 2.6 percent (\$18 million) to \$730 million. The trend for goods exports to Australia is 23 percent lower than the series peak in July 2011.
- **EU** – up 12 percent (\$54 million) to \$501 million. The trend for goods exports to the EU is 11 percent lower than the series peak in December 2008.

Change in seasonally adjusted export values

Meat and edible offal exports rose 14 percent (\$79 million), following a 2.3 percent increase in July 2015. The seasonally adjusted quantity rose 11 percent.

Fruit exports rose 8.4 percent (\$18 million), following an 8.9 percent rise in July 2015. The seasonally adjusted quantity rose 5.3 percent.

Wine exports rose 11 percent (\$13 million), following a 1.2 percent fall in July 2015. The seasonally adjusted quantity rose 35 percent.

Milk powder, butter, and cheese exports fell 0.3 percent (\$2.8 million), following a 19 percent rise in July 2015. The seasonally adjusted quantity fell 0.7 percent.

Trend for milk powder, butter, and cheese appears to be rising

The trend for **milk powder, butter, and cheese** exports has been falling since the series peak in January 2014 but now appears to be rising. Further data points are required to confirm this.

Recent trends for the values of other leading commodity groups show that:

- **meat and edible offal** has been flat in recent months.
- **fruit** has been rising for 12 consecutive months and has reached a new high.

Seasonally adjusted imports rise 2.2 percent

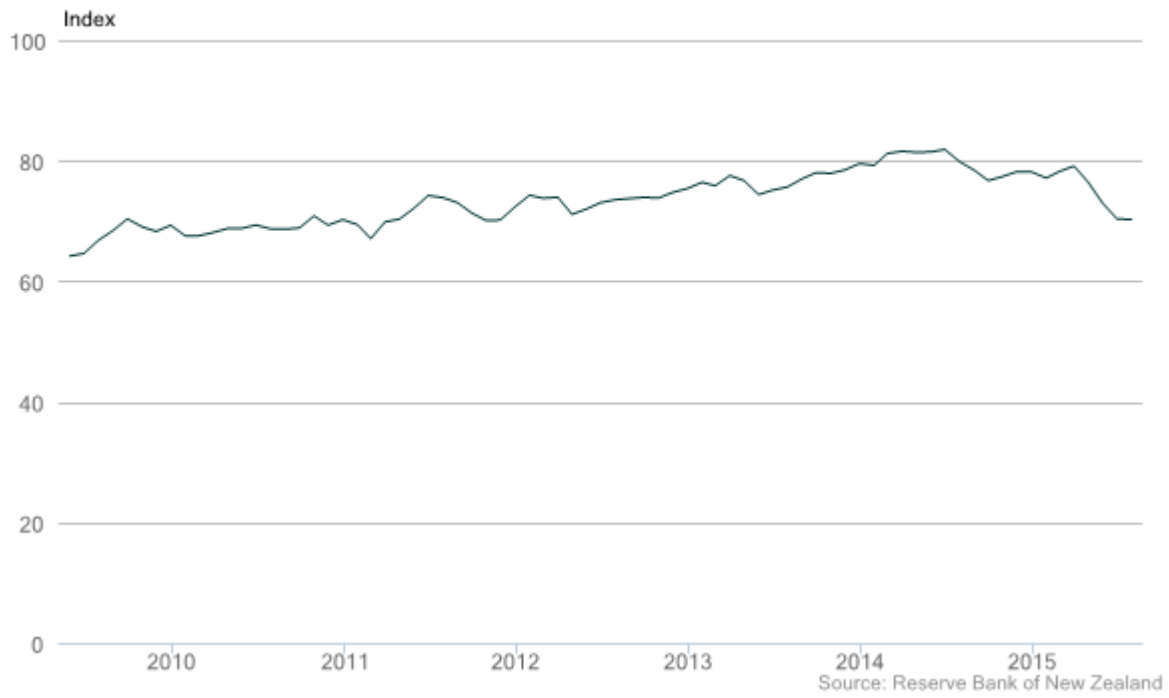
Seasonally adjusted goods imports rose 2.2 percent (\$101 million), to \$4.8 billion in August 2015, compared with July 2015. This increase follows a 5.5 percent rise in July 2015. Excluding petroleum and products, seasonally adjusted goods imports rose 3.8 percent in August 2015.

The trend for goods import values has been rising in recent months and is now at a series high.

Exchange rate movements

The Reserve Bank's trade weighted index showed the New Zealand dollar was 0.1 percent lower in August 2015 than in July 2015, and 12 percent lower than in August 2014.

Trade weighted index
Monthly. Base: 31 October 2014 (=76.4400)



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.

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[Overseas Merchandise Trade: August 2015 – data collection methodology](#) details the methodology used for this release and revisions to provisional values published in our previous release.

[Overseas Merchandise Trade – data collection methodology](#) details the general methodology used to produce overseas merchandise trade statistics.

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[New Zealand Customs Service](#) is the government agency that ensures the security of our borders.

[Ministry of Foreign Affairs and Trade](#) is the Government's principal adviser and negotiator on foreign and trade policy issues.

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See [Overseas Merchandise Trade: August 2015 – tables](#) (Excel, 18 sheets, 503kB) 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
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