

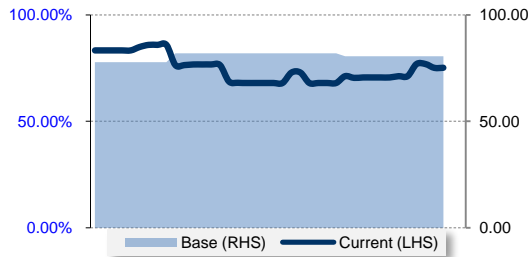


NEW ZEALAND ECONOMY

In a glance.

03-Apr-2014 (Thursday)

Last Updated: 10:23AM (GMT +0800)

**Figure 1: Fundamental Strength Index for last 40 days.****N. ZEALAND** (40 Days Fundamental Strength)**BASE SUMMARY:**

INFLATION INDICATORS :	12.5	/ 22.2
GROWTH INDICATORS :	22.2	/ 27.8
EMPLOYMENT INDICATORS :	11.1	/ 11.1
HOUSING INDICATORS :	11.1	/ 11.1
BUSINESS SURVEY :	18.1	/ 22.2
CONSUMER SURVEY :	5.6	/ 5.6
<i>(automated comments)</i>		
3 Months Outlook (Base)	Ultra Strong	80.56 / 100
Current Momentum	Very Bullish	75.14%

RELATED NEWS (previous 3 days) :

03/04/2014	(Bloomberg): NZD weakened against all of its major counterparts after a gauge of dairy products indicated a decline in prices.
02/04/2014	(Bloomberg): NZD weakened after the weighted average price of nine products traded at the GlobalDairyTrade, a worldwide benchmark, slid 8.9 percent from two weeks ago to \$4,124 a ton yesterday. The nation is home to the world's biggest dairy exporter.
01/04/2014	-

HA Research Comments:

MARKET:	Bears in control on weak dairy, overbought; Bulls pending more risk sentiments boost; China stimulus announced.
TECHNICAL:	Overbought
CONCLUSION:	NZD is overbought and probably need correction prior entry. Risk aversion might catch trader offguard.

Table 1: Pending Fundamental Events for New Zealand & Past 15 economic data release.

UPCOMING FUNDAMENTAL EVENTS						
DATE	TIME	DETAILS	FORECAST	PREVIOUS	IMPACT	
PAST ECONOMIC EVENTS:						
DATE	TIME	DETAILS	ACTUAL	FORECAST	PREVIOUS	
02-Apr Wednesday	9:00am	ANZ Commodity Prices m/m	-0.10%	-	0.90%	→
31-Mar Monday	6:45am	Building Consents m/m	-1.70%	-	-8.60%	→
31-Mar Monday	9:00am	ANZ Business Confidence	67.30	-	70.80	↑
27-Mar Thursday	6:45am	Trade Balance	818.00	595.00	286.00	↑
21-Mar Friday	6:45am	Visitor Arrivals m/m	2.20%	-	2.80%	→
21-Mar Friday	11:00am	Credit Card Spending y/y	5.90%	-	9.40%	→
20-Mar Thursday	6:45am	GDP q/q	0.90%	1.00%	1.20%	↑
19-Mar Wednesday	6:45am	Current Account	-1.43	-1.44	-4.88	↓
17-Mar Monday	6:00am	Westpac Consumer Sentiment	121.70	-	120.10	↑
14-Mar Friday	6:30am	Business NZ Manufacturing Index	56.20	-	56.30	↑
13-Mar Thursday	6:45am	FPI m/m	-1.00%	-	1.20%	→
11-Mar Tuesday	5:45am	REINZ HPI m/m	2.10%	-	-2.40%	→
10-Mar Monday	6:45am	Manufacturing Sales q/q	6.30%	-	6.20%	→
03-Mar Monday	6:45am	Overseas Trade Index q/q	2.30%	1.90%	7.50%	↑
25-Feb Tuesday	11:03am	Inflation Expectations q/q	2.30%	-	2.30%	↑

Disclaimer:

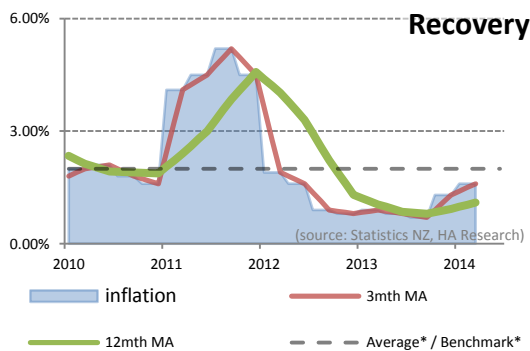
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New Zealand Currency Report

INFLATION INDICATORS



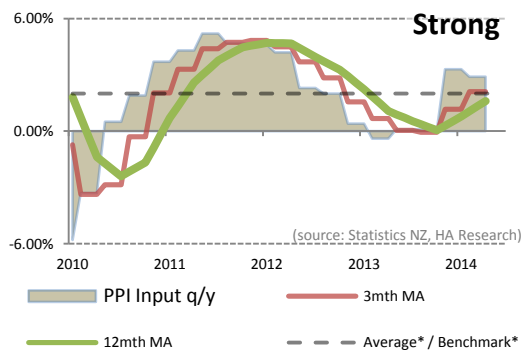
(Fig2.1)



April: **Pending** **Previous** 1.60%

Consumer Price Index Change in the price of goods and services purchased by consumers.

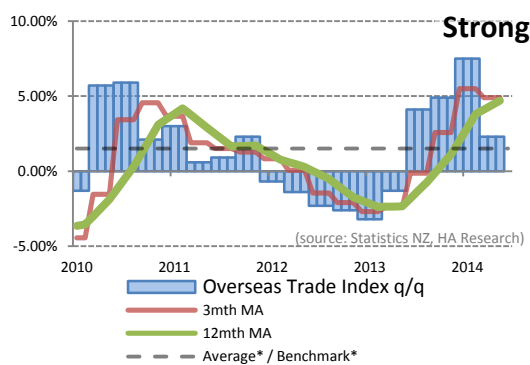
(Fig2.2)



April: **2.90%** **Previous** 2.90%

PPI Input q/y Change in the price of goods and raw materials purchased by manufacturers; Producer Price Index (PPI);

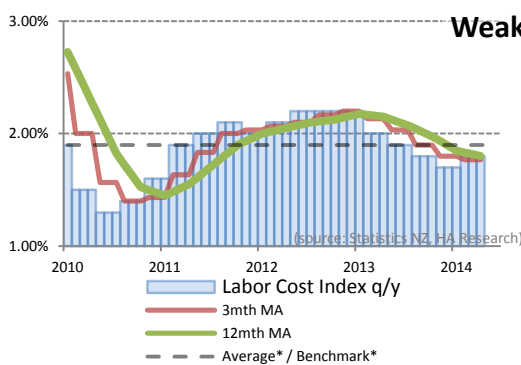
(Fig2.3)



April: **2.30%** **Previous** 2.30%

Overseas Trade Index Change in the price of internationally traded goods and services;

(Fig2.4)

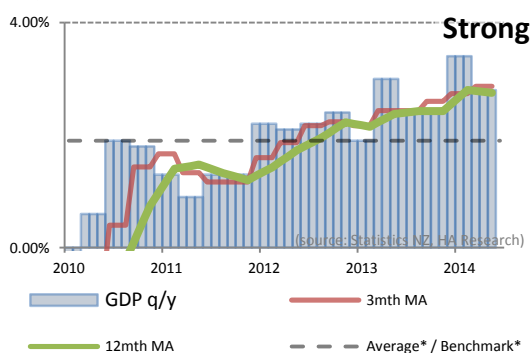


April: **1.80%** **Previous** 1.80%

Labor Cost Index q/y Change in the price businesses pay for labor, excluding overtime;

GROWTH INDICATORS

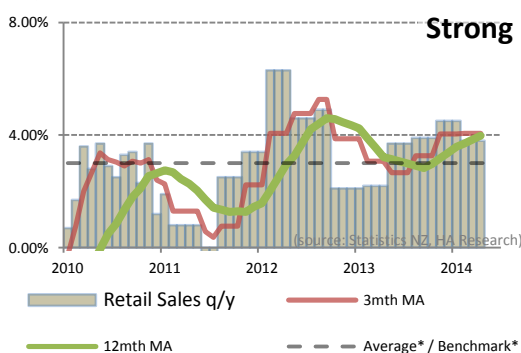
(Fig2.5)



April: **2.80%** **Previous** 2.80%

GDP q/y Change in the inflation-adjusted value of all goods and services produced by the economy;

(Fig2.6)



April: **3.80%** **Previous** 3.80%

Retail Sales q/y Change in the total value of inflation-adjusted sales at the retail level;

Average* / Benchmark* is a derivation of the following considerations: (1) moving averages across data used in the chart period; (2) Mandated target of Central Bank; (3) Market consensus benchmark; (4) Combination of either.

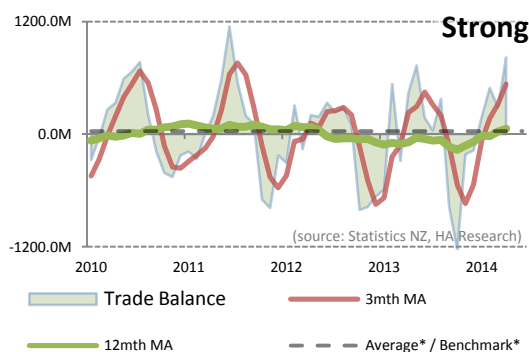
Figure/Chart annotations All figures/charts provided in this report are annotated in Figure(Page).(Chart #) format. Example Figure2.1 represents: Figure in (Page 2).(Chart 1 in page 2).

New Zealand Currency Report

GROWTH INDICATORS (continued)



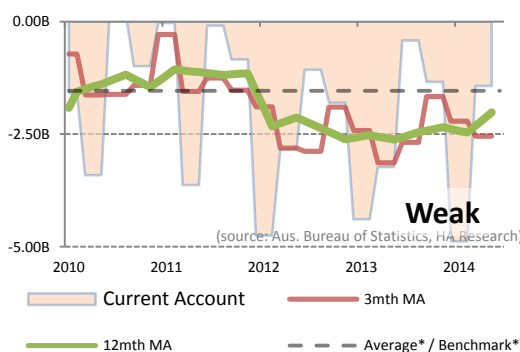
(Fig3.1)



April: **818M** Previous **286M**

Trade Balance Difference in value between imported and exported goods and services during the reported month;

(Fig3.2)

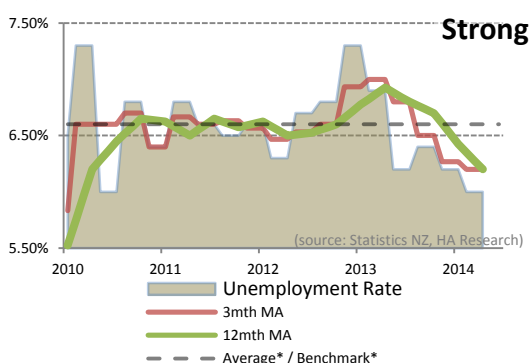


April: **-1.43B** Previous **-1.43B**

Current Account Difference in trade balance, income flows, and unilateral transfers during the previous quarter;

EMPLOYMENT INDICATORS

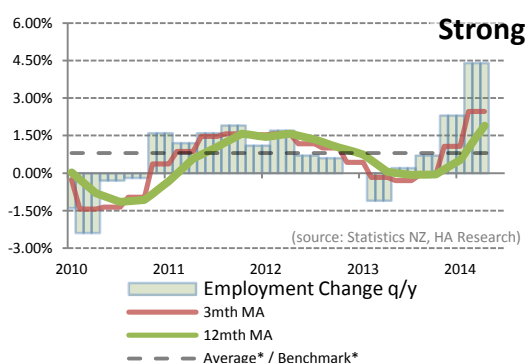
(Fig3.3) Jobless rate low at 6.20%



April: **6.00%** Previous **6.00%**

Jobless Rate % of total work force that is unemployed and actively seeking employment during the previous quarter;

(Fig3.4) NZ Job showed strong gains through 2013.

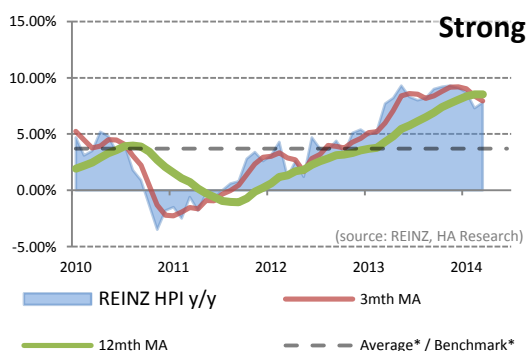


April: **4.40%** Previous **1.10%**

Employment Change q/q Change in the number of employed people;

HOUSING INDICATORS

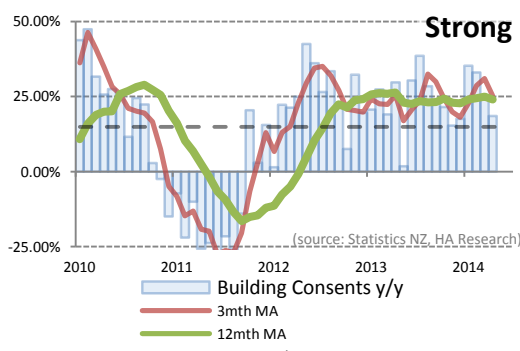
(Fig3.5)



April: **Pending** Previous **7.80%**

REINZ House Price Index Change in the selling price of all homes; Real Estate Institute of New Zealand (REINZ), House Price Index (HPI);

(Fig3.6)



April: **18.50%** Previous **24.60%**

Building Consents Change in the number of new building approvals issued;

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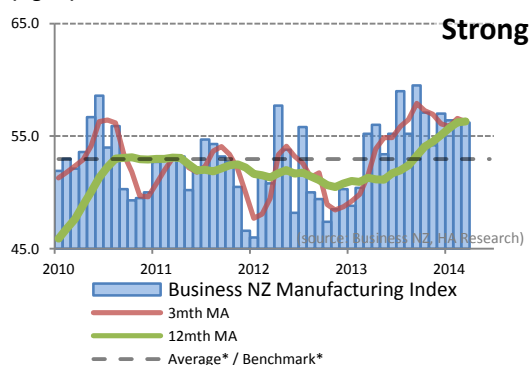
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New Zealand Currency Report

BUSINESS SURVEY

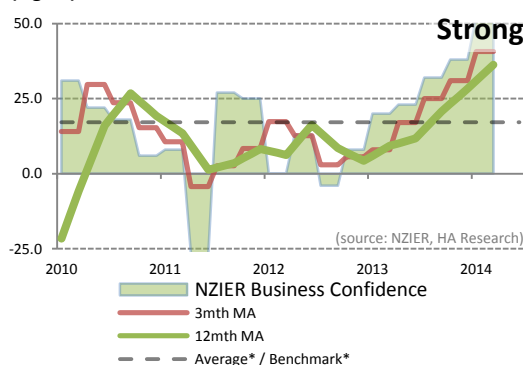


(Fig4.1)



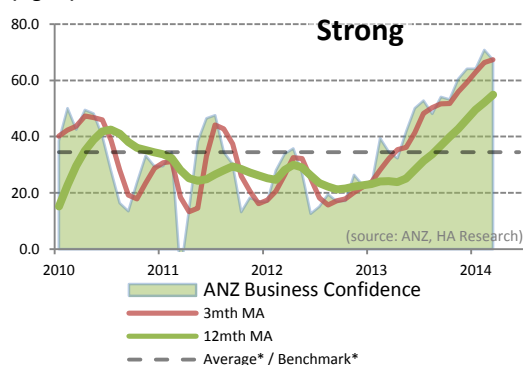
Business NZ Level of a diffusion index based on surveyed manufacturers;
Manu. Index Performance of Manufacturing Index;

(Fig4.2)



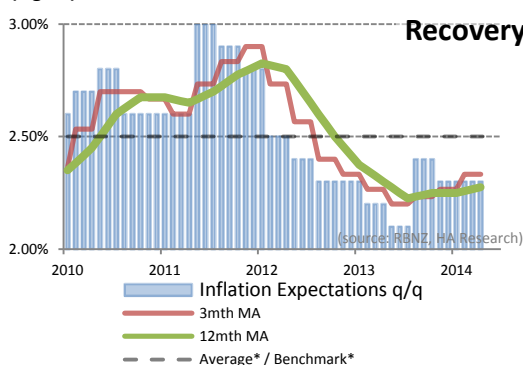
NZIER Biz. Confidence Survey of about 2500 businesses which asks respondents to rate the relative 6-month economic outlook;

(Fig4.3)



ANZ Business Confidence Survey of 1,500 businesses which asks respondents to rate the relative 12-month economic outlook;

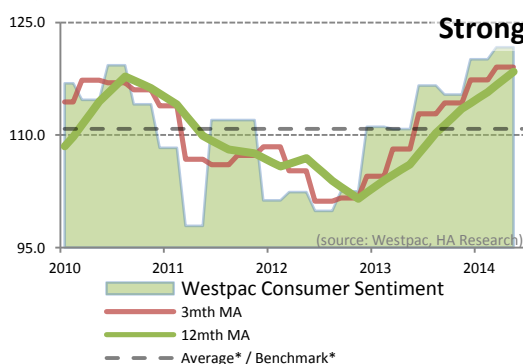
(Fig4.4)



Inflation Expectations Survey of about 100 consumers which asks respondents where they expect prices to be 24 months in the future;

CONSUMER SURVEY

(Fig4.5)



WP Con. Sentiment Survey of 1,500 consumers asked to rate economic conditions; overall economic situation;

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