



NEW ZEALAND  
FOREIGN AFFAIRS & TRADE  
Manatū Aorere

5 NOVEMBER 2024

# Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

# Highlights

## International Monetary Fund forecasts moderate growth over 2024-25

- The International Monetary Fund's (IMF's) latest economic growth forecast provided an upbeat outlook for global inflation, with global inflation falling to 3.5% on an annual basis by the end of 2025, down from an average 5.8% in 2024. However, despite this good news on inflation, global growth will continue to be moderate, with the IMF forecasting the world economy to expand by just 3.2% over both 2024-25.
- Underneath these headlines, however, are some interesting points for exporters and New Zealand businesses. The IMF forecasts zero growth in New Zealand in 2024 before a slow and steady recovery in 2025, with a forecast expansion of 1.9%. Looking at the broader economy the outlook is more mixed, with growth in the United States being revised up for both 2024-25 (to 2.8% and 2.2% respectively). However, this is somewhat offset by projected slower growth in other advanced economies, with the outlook for both the European Union and Japan worsening. China's projected growth is also expected to moderate (but will still grow at a reasonably brisk 4.8% and 4.5% respectively over the 2024-25 period), while India will continue to be the standout of the large economies, growing at a rate of 7.0% and 6.5% in 2024 and 2025.
- [The IMF also identified three main risks](#) to this outlook as part of its forecast. The first of these was that central banks may be too slow in cutting rates, leading to slower growth and prolonged stagnation. The second risk was that the ongoing conflicts in the Middle East could escalate and cause a significant increase in oil prices. Finally, the IMF noted that increases in protectionism could also have a negative impact on the current economic outlook.

## Minister McClay announces \$100m NZ-Brazil trade boost through 13 key partnerships

- As part of the New Zealand Trade Mission to São Paulo last week, Minister McClay announced [the signing of 13 memorandums of understanding](#) (MOUs) between New Zealand and Brazilian firms. These MOUs cover a broad range of sectors including technology, healthcare, advanced manufacturing, and education, and are anticipated to generate over \$100m in revenue over the next three years.

## New Zealand ranked first in Sustainable Trade Index for third year

- New Zealand has been awarded first place in the [2024 Sustainable Trade Index](#), retaining the top spot for the third consecutive year. The Sustainable Trade Index, released last week by the Hinrich Foundation and the International Institute for Management Development, ranks New Zealand first out of 30 economies that participate in global trade, which supports long-term goals of sustainable development. The Index is categorised into three “pillars”: Economic, Environmental, and Societal across 30 economies considered to be the main axes of sustainable trade including all members of APEC, CPTPP and RCEP. The Index ranked the United Kingdom second, Australia third, Singapore fourth, and Japan fifth.

## New Zealand takes next step in dairy dispute with Canada

- On 18 October, Trade and Agriculture Minister Todd McClay announced that New Zealand has triggered mandatory negotiations in the [ongoing dispute with Canada](#) over the administration of its dairy Tariff Rate Quotas in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.
- In September last year, a Panel of Arbitrators ruled in favour of New Zealand, finding that Canada had breached its obligations under the CPTPP by blocking New Zealand dairy access. Canada has failed to comply with the ruling and under the Agreement the next step is for New Zealand to request formal negotiations.
- Under the CPTPP dispute settlement process, negotiations must commence within 15 days of notification.

# Regional updates

## Europe

### Europe Imposes Duties on Imports of Chinese Electric Vehicles

- The European Commission has imposed duties of up to 45% on imports of Chinese electric vehicles. Europe has joined the US and Canada in imposing duties albeit at lower and varied rates depending on the exporting company. The levels of duties are 17% on the firm BYD, 18.8% for Geely, 35.3% for SAIC, 7.8% for Shanghai-based Tesla, 20.7% for other cooperating companies and 35.3% for any other China-based exporter.
- 

## South East Asia

### Viet Nam appoints new President

- Viet Nam has appointed a new President, restoring the country's traditional power-sharing arrangement between four leaders. Luong Cuong, 67, takes over the role of President from To Lam, who was appointed president in May. General Secretary To Lam is now Leader of the Communist Party of Viet Nam, but no longer Head of State. Cuong was elected with the vote of all of the National Assembly's 440 deputies in attendance at the session on Monday. Cuong will retain the Presidency until the 2026 Party Congress, when all four leadership positions are once again up for grabs.
-

# External links

The following links may provide useful information to businesses:

- [NZTE's website](#) and [myNZTE](#) provide a range of insights and tools available to support New Zealand exporters.
- [The Treasury releases a weekly economic update](#) every Friday. Stats NZ has published a [data portal](#) with near real-time economic indicators.
- MBIE publishes a [sector reports series](#) which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- [Business.govt.nz](#) provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a [tariff finder](#) which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.
- The all of government [Trade Barriers](#) website can be used to register any trade barriers experienced or issues exporting to an offshore market. Queries can be sent via the website or through the MFAT Exporter Helpline 0800 824 605. Enquiries will be sent to the government agency best placed to answer.
- Tauranga Aotearoa Stats NZ provides official data on the value of New Zealand's exports and imports of both goods and services, by commodity type via the [New Zealand Trade Dashboard](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

# More info

## More reports

View full list of market reports from MFAT at [www.mfat.govt.nz/market-reports](http://www.mfat.govt.nz/market-reports)

If you would like to request a topic for reporting please email [exports@mfat.net](mailto:exports@mfat.net)

To get email alerts when new reports are published, go to our [subscription page](#).

To learn more about exporting to this market, New Zealand Trade & Enterprise's comprehensive [market guides](#) cover export regulations, business culture, market-entry strategies and more.

## To contact the Export Helpdesk

email [exports@mfat.net](mailto:exports@mfat.net)

call 0800 824 605

visit [Tradebarriers.govt.nz](http://Tradebarriers.govt.nz)

### Disclaimer

This information released in this report aligns with the provisions of the Official Information Act 1982. The opinions and analysis expressed in this report are the author's own and do not necessarily reflect the views or official policy position of the New Zealand Government. The Ministry of Foreign Affairs and Trade and the New Zealand Government take no responsibility for the accuracy of this report.