

## Feedback

We welcome feedback from New Zealand exporters on this report as we continue to refine its content. We also invite requests for reporting from New Zealand's [network of Embassies and High Commissions](#). Please direct any suggestions or feedback to [exports@mfat.net](mailto:exports@mfat.net).

## Domestic update

- As of 3 November, it is **compulsory** for all **travellers** to hold a [voucher](#) for **Managed Isolation and Quarantine (MIQ)**. Those that do not will be denied boarding by airlines. In the lead up to Christmas, MIQ capacity is in high demand. Travellers without a voucher from now until 15 December who face an imminent threat to their life or serious risk to health should submit an [Emergency Allocation request](#).

## Regional updates

### Australia

- The **Reserve Bank of Australia** has **cut interest rates** to a **record low** of 0.1% as the **Bank's Governor Philip Lowe** says Australia is not out of the recession yet. The Bank is forecasting unemployment to peak at 8% before dropping to 6% by the end of 2022. In addition the Bank has announced AUD\$100 billion in **government bond purchases** over the next six months to lift inflation and stimulate lending and investment in a further round of quantitative easing.

### Asia

- Export growth** in **India** rebounded in September (up 5.3% year-on-year), with an acceleration in both **oil** and **non-oil exports**. **Imports** also picked up, although they continue to lag exports (Sep -19.6% y-o-y versus Aug -26%). Non-oil imports – a proxy of domestic demand – also picked up, suggesting improved domestic activity (September -14.4% year-on-year versus August -20.1%). India is likely to record another elevated current account surplus in Quarter 2 of 2020-21, after posting a record surplus of USD19.8 billion in the June quarter, as services exports and remittances continue to be resilient.

### Europe

- Lockdown measures** are being re-imposed across various parts of **Europe** in response to increasing **COVID-19** cases as a **second wave** takes hold. **England** will go into a national lockdown from 5 November. **France** and the **Czech Republic** have also implemented a national lockdown. Nearly all of Europe is implementing some form of restriction such as partial lockdowns (e.g. **Germany**, the **Netherlands**) or curfews (**Spain**, **Belgium**).
  - Round two** of **New Zealand's free trade agreement (FTA) negotiation with the UK** has **concluded** after just over two weeks of virtual negotiations from 19 October to 3 November. Both sides remain committed to negotiating a high quality, comprehensive, inclusive and forward looking FTA. As part of our ongoing stakeholder outreach, a **joint webinar** with Chief Negotiators was held on 28 October for both UK and NZ stakeholders with a particular focus on the digital and SME elements of the FTA negotiations. Stakeholders were given the opportunity to ask Chief Negotiators questions of particular interest which covered a range of topics, including professional services, tariff rate quotas, labelling of goods, investment, intellectual property, climate change and the environment.
  - The **UK's transition period** from the **EU** will end on 31 December 2020, when it will leave the EU customs and single market. Information about **how Brexit may affect New Zealanders**, including **exporters**, can be found [here](#).
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## Americas

- The **Office of the US Trade Representative** and the **US Department of Agriculture** released a joint [interim report](#) on the **US-China “Phase 1” agreement** tracking China’s progress in delivering both regulatory reform and agricultural product purchase commitments under the agreement.
- The **Trump Administration** [announced](#) on 27 October that **Section 232 tariffs** imposed on **non-alloyed, unwrought aluminium imports from Canada** will be **lifted retroactively** from 1 September. The Administration may consider re-imposing tariffs if Canadian imports rise above 105% of monthly volumes as stipulated in the Proclamation.
- **Visitors from Japan** are now able to participate in **Hawai’i’s pre-departure testing programme**. The programme allows incoming passengers to forgo mandatory self-isolation if they provide proof of a negative COVID-19 test from a trusted testing partner taken within 72 hours of arrival. Japan is the only jurisdiction outside of the US currently able to participate. The Governor of Hawai’i has publically expressed his interest in broadening the plan to include other countries with low COVID-19 infection rates, including New Zealand.
- The **Canadian Government** announced on 29 October that it has extended its **ban on cruise ships** coming into Canada until the end of February 2021. The same extension also applies to the **ban on smaller vessels** carrying 12 or more passengers in Arctic coastal waters.
- **Brazil** is experiencing a **domestic soy bean shortage** after shipping a record amount of the oilseed to **China**, the world’s biggest buyer. To help mitigate the impact, the Brazilian government announced earlier this month that it would **suspend the import tariffs on corn and soybeans** from **outside the Mercosur** bloc. The **US** is a significant soybean exporter outside of the Mercosur bloc, but restrictions on the import of **genetically modified soybeans** may mean that Brazil’s domestic soybean demand cannot be met by the US alone.
- **Argentina** has now formally authorised the return of **regular international commercial flights**. With limited exceptions, international commercial flights had been banned in Argentina since late March. Only Argentine citizens and residents as well as tourists from neighbouring countries will be allowed to enter the country.

## **Market reports released this week**

- A report on Japan’s Strategic Roadmap for Hydrogen was prepared by the New Zealand Embassy in Tokyo [here](#).
  - An economic update on Japan was also prepared by the New Zealand Embassy in Tokyo and can be found [here](#).
  - An economic update on Mexico was prepared by the New Zealand Embassy in Mexico City [here](#).
  - Last week’s global economic and trade update can be found [here](#).
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## External links

The following links may provide useful information to businesses:

- [NZTE](#) has a website focused on providing COVID-19 information for exporters. They've also launched [myNZTE](#), an interactive digital portal of insights and tools available to all New Zealand exporters.
- The Treasury releases a weekly [COVID-19 economic dashboard](#), and Stats NZ has published a new [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.

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## More reports

View full list of market reports from MFAT at <https://www.mfat.govt.nz/en/trade/mfat-market-reports>

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

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