



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

19 FEBRUARY 2024

Weekly Global Economic Round-up

MARKET INTELLIGENCE REPORT

Regional updates

Australia

- On 15 February the [Australian Bureau of Statistics](#) released January's employment data which showed that 22,000 less Australian's were employed in January compared with the month previous. This led to an increase in the unemployment rate from 3.9 percent to 4.1 percent, the highest rate since January 2022.
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Americas

- Inflation in the United States, as measured by the consumer price index (CPI) declined to 3.1 percent on a yearly basis in January according to a release by the [Bureau of Labor Statistics](#) on 13 February. This reading came in above the market expectation of 2.9 percent, but still represented a decline from December's reading of 3.4 percent. The Core CPI, which excludes volatile food and energy prices, rose 3.9 percent in the same period, matching the December's increase and slightly above market expectations.
 - The Inflation Reduction Act (IRA) is the centrepiece of the Biden Administration's economic growth and climate change agenda. Authorising spending of USD \$391b, the IRA is designed to reduce emissions and spur green industrialisation, increasing economic growth and putting the United States at the forefront of the clean energy race. As the IRA becomes embedded into the United States economic fabric, there are [potential opportunities for New Zealand cleantech-focused companies](#) and research institutions seeking to expand their export focus and global footprint.
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Europe

- Inflation in the United Kingdom held steady in January, with data released by the [Office of National Statistics](#) on 14 February showing CPI coming in at 4.0 percent year-on-year. The release also showed that the core CPI came in at an annual 5.1 percent, slightly below market expectations.
- Revised data released by Eurostat, the statistical office of the European Union, showed the growth in Europe remained largely subdued during the final quarter of 2023. According to the [Eurostat release on 14 February](#), seasonally adjusted gross domestic product increased by 0.1 percent in the euro area and by 0.3 percent in the EU in the fourth quarter, after registering rates of 0.0 percent growth in both zones in the previous quarter.
- However, in positive news for the EU's climate goals, [greenhouse gas emissions in the EU showed a decline of 7.1 percent in the third quarter of 2023](#). The economic sectors responsible for the largest reductions compared to the third quarter of 2022 were electricity and gas supply (- 23.7 percent), households (-6.5 percent) and manufacturing (-4.9 percent).
- Finally, Germany has recently adopted new legislation to promote [digitalisation within their healthcare market](#). The legislation should accelerate implementation of the 2023 Digitalisation Strategy for Health and Care including wider and faster uptake of electronic patient records, e-prescriptions, digital health applications and telemedicine. As Germany is one of the largest health markets globally, these developments may create new opportunities for New Zealand businesses offering innovative digital healthcare solutions.

Middle East

- Europe, the United Kingdom, and North Africa are a sizable source of goods trade for New Zealand. In the year to September 2023, 11 percent (\$7.7bn) of New Zealand's goods exports and 20 percent (\$15.7bn) of goods imports were traded with these regions. However, [Houthi attacks on commercial shipping in the Red Sea](#) are currently disrupting goods trade between Europe and New Zealand, as many shipping companies avoid transiting through the Suez Canal. For analysis on what the ongoing disruption means to global trade as well as the potential risks to New Zealand.
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Multilateral issues

- Following Brazil's invitation, as G20 host, for New Zealand to attend the 2024 Trade and Investment Ministerial Meeting, officials participated in the first of four working group discussions. New Zealand joins 14 other invited guests in the trade track (Angola, Chile, Colombia, Egypt, Netherlands, Nigeria, Norway, Paraguay, Peru, Portugal, Singapore, Spain, UAE, and Uruguay).
 - The meeting discussed the three areas of focus for the Brazilian presidency: trade and sustainable development; investment and sustainable development; and women in international trade, with a number of delegations referencing New Zealand's leadership in latter. The intended outputs are practical guidelines and collections of best practices designed to inform countries' domestic policies. The Ministerial Meeting is scheduled for 24 October 2024 in Brasilia.
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Upcoming events

- The Latin America New Zealand Business Council is hosting [a webinar on 21 February showcasing Uruguay](#). The webinar will take place between 10-11am (New Zealand time) and feature a number of speakers, including both country's respective ambassadors and a number of business representatives (including Barkers Chief Executive Officer, Agnes Baekelandt). If you are interested in registering for the event, you can register [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 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

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