



**NEW ZEALAND**  
**FOREIGN AFFAIRS & TRADE**  
Manatū Aorere

# **Weekly Global Economic Round-up**



**MARKET REPORT**  
**7 February 2023**

# Highlights

- Prime Minister Chris Hipkins traveled to Canberra on 7 February to meet with Australian Prime Minister Anthony Albanese. This meeting will spark the start of this year's celebrations around the 40 years of the Closer Economic Relations Agreement, 50 years of the Trans-Tasman Travel Arrangement, and 80 years since the establishment of New Zealand and Australia's High Commissions.
- The United Kingdom suspended import duties on a list of specified products from 1 January 2023. These apply to listed imports from all countries, and temporarily removes the UK's standard tariff that would otherwise be applicable. While there is no fixed time period, typically such duty suspensions remain in place for around two years. The list, following a consultation process in mid-2021, covers around 130 tariff lines, most of which are industrial products (organic chemicals, plastics, metals, etc.), but the list also covers Mānuka honey (temporarily removing a UK tariff of 16%), vegetable seeds, dried garlic and onions, and citrus juice concentrates.
- Further information is [available here](#), and the [full list of eligible products](#) is published here. The UK's tariff tool provides more information for [listed items](#) here. These tariff reductions are separate to those agreed in the NZ-UK Free Trade Agreement (FTA). The FTA is anticipated to enter into force in the first half of 2023.

# Regional updates

## Domestic

- New Zealand will host the 10th World Avocado Congress at the Aotea Centre in Auckland on 2-5 April. The four-yearly Congress is the largest global event for the avocado industry. Over 1000 delegates from 27 different countries are registered to attend, making the Congress one of the largest horticultural events New Zealand will have hosted. New Zealand Avocado, is leading the hosting and organisation of the Congress.
  - The latest report from StatsNZ saw exports up 11% to \$6.7 billion and imports up 1.8% percent to \$7.2 billion. This puts that trade balance at a deficit of \$475 million in December 2022.
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## Global

- The New Zealand will Chair the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) in 2023 and 7th CPTPP Commission. CPTPP is one of Aotearoa New Zealand's largest trading blocs, with total two-way trade worth more than \$50 billion. New Zealand exporters enjoyed more than \$300 million in tariff savings under CPTPP in its first two years.
- Chairing CPTPP is an opportunity to work with the CPTPP membership to further economic integration in the Asia Pacific and promote inclusive and sustainable trade. Aotearoa New Zealand will also use its host year to promote indigenous economic empowerment, work with members to ensure the Agreement remains relevant to the trade and investment issues we collectively face, and practical initiatives that deliver gains for exporters. The centrepiece of New Zealand's host year will be the 7th CPTPP Commission in July and looks forward to warmly welcoming CPTPP ministers to Aotearoa New Zealand.

## Pacific

- French Polynesia's economy is recovering well from COVID-19 with GDP growth predicted to be between 3-4% in 2023. This is founded on a strong rebound of tourism which is back to pre-COVID levels.

## Europe

- The European Commission proposed increased support for manufacturing electric vehicles and other green products until the end of 2025. The proposal will be discussed by member states at a meeting next week, with many aspects of the proposal likely to be debated.

## Asia

- Air New Zealand has announced that they will be increasing passenger flights from Auckland to Shanghai from 4 February. These flights will depart Monday, Thursday, Friday, and Saturday from Auckland at 11.50pm to arrive in Shanghai at 7:05am the following day.
- The Philippine economy continues to rebound from the pandemic thanks to strong domestic activity and the easing of COVID-19 restrictions. This is despite accelerating inflation and a depreciated peso. Growth for 2022 is now expected to reach 7.2% before slowing to an average of 5.7% per annum from 2023 to 2025. Read more in the latest report, [Philippines: Economy: Bouncing back quickly - Update 03 - January 2023](#).

## Americas

- The United States Treasury Secretary announced that the US had reached its debt ceiling on 19 January. While this does not pose an immediate risk to the US or global economy, in June Congress must agree whether to raise the debt ceiling. Failure to raise the ceiling would lead to the first-ever default on US debt, with wide-ranging potential consequences. While the exact consequences of a default are unknown, it would be likely to cause significant and broad-ranging damage to the US and global economies.

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## Market Reports released this week

- Read the [previous global economic round-up](#).
- [Canada: Fall economic statement - January 2023](#)
- [MFAT – Monitoring Global Supply Chains: October 2022 - January 2023](#)

# Feedback

We welcome feedback from New Zealand exporters on this report and invite requests for reporting from New Zealand's network of Embassies and High Commissions. If you would like to subscribe to this weekly update, you can sign up here or email us at [exports@mfat.net](mailto:exports@mfat.net).

## 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. NZTE also provide [comprehensive market guides](#) which cover export regulations, business culture, market-entry strategies and more.
- 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 \(shinyapps.io\)](#). 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)

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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.

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