



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

**19 AUGUST 2024**

# **Weekly Global Economic Report**

MARKET INTELLIGENCE REPORT

# Regional updates

## Domestic

### Reserve Bank cuts official cash rate

- The Reserve Bank of New Zealand [cut the official cash rate \(OCR\) by 25 basis points](#) last week from 5.5% to 5.25%. The decision comes on the back of the Reserve Bank's moves to bring inflation back within its target range of 1 to 3 percent, which it expects will happen in the September quarter this year. More cuts are anticipated to follow throughout the year, although the Reserve Bank cautioned that the pace of future cuts would depend on the continued easing of inflation. In the wake of the cuts retail banks responded nearly immediately by cutting their own rates.
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## Africa and Middle East

### Qatar economic report

- The latest [market intelligence report on Qatar](#) is now available to read. The IMF estimates that Qatar will achieve 2% real GDP growth in 2024. Doha is reducing reliance on its hydrocarbons sector, transitioning towards a diversified, private sector led economic model that supports investment and Qatari employment.
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## Americas

### US inflation data released

- On 14 August, the United States Bureau of Labor Statistics released the latest data on its Consumer Price Index (CPI). Overall, headline inflation is up 2.9% year ending July 2024 (compared to the same period ending July 2023) and a month-on-month increase of 0.2% in July 2024 (compared to the previous month), the slowest rate of increase since 2021. 90% of the rise came from housing costs. The slowing inflation has given economists reason to believe that rate cuts may be around the corner as soon as September, especially as the Federal Reserve aims to avoid recession and engineer a 'soft landing' for the economy. Rate cuts next month would be the first in the US since March 2020.
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# Asia

## New Zealand ASEAN Trade Survey

- The ASEAN Business Alliance is now taking responses to its annual New Zealand ASEAN Trade Survey. Responses to this survey will help both businesses and the public sector to better understand the experience of trading across the Southeast Asia region – a region to which New Zealand exported more than NZ\$9 billion in goods and services in the year ending March 2024. Feedback will influence the results and will help inform the action that New Zealand Government agencies, business councils, and your own business can take to improving the trading environment within ASEAN for New Zealand businesses. Respondents will be sent a summary report of survey results, to help inform business decisions in the ASEAN Market. You can find the link to the survey here: [New Zealand ASEAN \(Association of Southeast Asian Nations\) Trade Survey 2024 \(surveymonkey.com\)](https://www.surveymonkey.com/s/new-zealand-asean-trade-survey-2024).
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# Australia

## Prime Minister Luxon completes official visit to Australia

- Prime Minister Christopher Luxon completed a two-day visit to Australia for the annual Australia New Zealand Leaders' Meeting. Accompanied by senior Ministers, the Prime Minister spent the first day in Sydney, where he met members of the New South Wales Government, gained insight through a set of infrastructure-focused calls, met Australian business leaders and investors, and delivered a speech to the Lowy Institute. PM Luxon then spent the second day in Canberra to meet his Australian counterpart, Prime Minister Anthony Albanese. Their main discussions covered our defence and security partnership, our trade and economic relationship, and how we work together in support of Pacific priorities.
  - In the [Joint Statement](#), the two Prime Ministers committed to reinvigorating the Trans-Tasman Mutual Recognition Arrangement (TTMRA) to ensure a seamless market for goods and the mutual recognition of occupational registration across the Tasman. They also noted that New Zealand is increasing investment in updating and maintaining joint building standards with Australia as well as in the adoption of relevant international standards to better align the two regulatory systems.
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# Europe

## European Artificial Intelligence Act enters into force

- On 1 August, the European Union's [Artificial Intelligence Act](#) entered into force. As the world's first comprehensive legal framework on artificial intelligence (AI), the Act aims to foster responsible AI development and deployment in the European Union. The Act addresses potential risks to citizens' health, safety and fundamental rights, and provides developers and deployers with clear requirements and obligations regarding specific uses of AI. Member States have until 2 August 2025 to designate relevant authorities to oversee the application of the Act, with the majority of rules within the Act applying from 2 August 2026. The Act is part of a wider package of policy measures to support the development of trustworthy AI. These include an [AI Innovation Package](#) and a [Coordinated Plan on AI](#).
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# 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)

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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.

## To contact the Export Helpdesk

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