

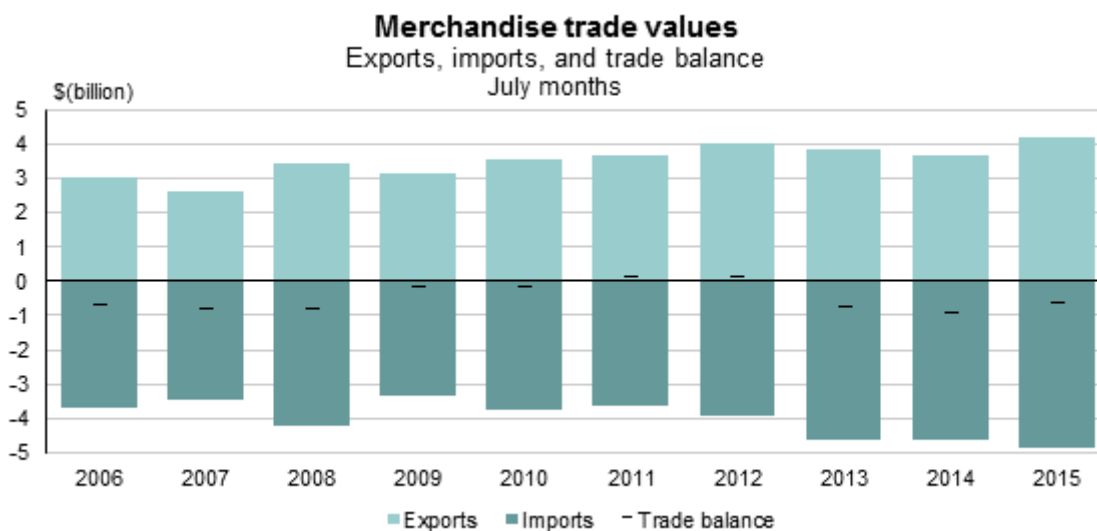
Overseas Merchandise Trade: July 2015

Embargoed until 10:45am – 26 August 2015

Key facts

For July 2015 compared with July 2014:

- Goods exports rose \$514 million (14 percent) to \$4.2 billion.
- Fruit and meat led the rise.
- Goods imports rose \$221 million (4.8 percent) to \$4.8 billion.
- Consumption goods led the rise.
- The trade deficit was \$649 million (15 percent of exports).



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Commentary

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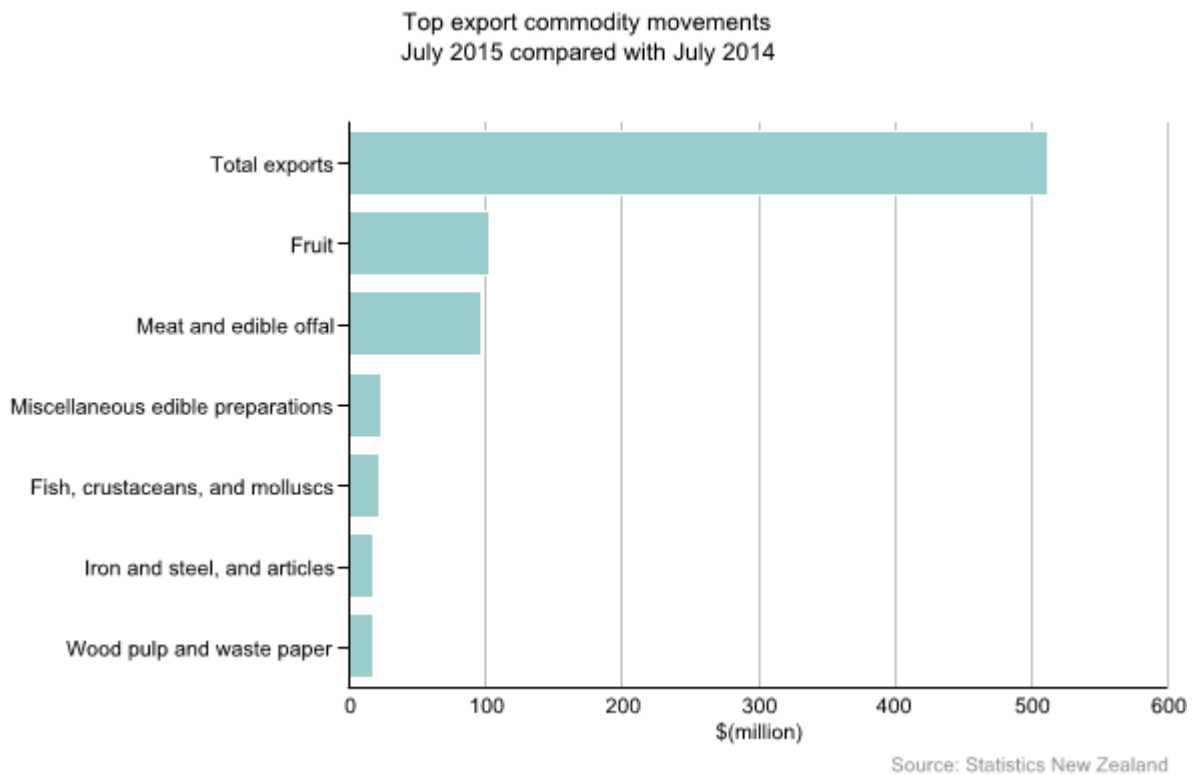
This commentary refers to trade in goods only.

See [Goods and Services Trade by Country: Year ended March 2015](#) for information on trade in goods and services.

All comparisons are between July 2015 and July 2014, unless otherwise stated.

Exports rise 14 percent

In July 2015, merchandise goods exports were valued at \$4.2 billion, up \$514 million (14 percent) from July 2014. The latest value is the highest goods exports value for a July month.



Rise in exports due to fruit and meat

Fruit (our fourth-largest export commodity group) rose \$105 million (51 percent) to \$311 million, with the quantity up 32 percent.

The rise in fruit exports in July 2015 was led by kiwifruit, up \$75 million (48 percent). The quantity

of kiwifruit exported rose 25 percent. Apples rose \$33 million (85 percent), with the quantity up 58 percent.

Meat and edible offal (New Zealand's second-largest export commodity group) rose \$99 million (24 percent). Beef exports drove the rise, up \$70 million (40 percent). The rise in beef was price-driven, with the quantity up 5.8 percent.

Milk powder, butter, and cheese showed little change, up \$0.9 million (0.1 percent). Cheese (up \$36 million), dairy spreads (up \$25 million) and natural milk constituents (up \$13 million) offset the fall in milk powder (down \$76 million).

Other key changes in commodity export values for July 2015 were:

- **miscellaneous edible preparations** rose \$26 million (41 percent)
- **fish, crustaceans, and molluscs** rose \$25 million (23 percent).

Meat exports to United States lead the rise

The monthly movements for July 2015 for our top export destinations (ranked by total annual exports) were:

1. **Australia** – up \$20 million (2.9 percent).
2. **China** – up \$86 million (14 percent), led by frozen beef, up \$29 million.
3. **United States** – up \$111 million (30 percent), led by frozen beef, up \$34 million (47 percent).
4. **European Union (EU)** – up \$59 million (16 percent), led by kiwifruit, up \$15 million.
5. **Japan** – up \$53 million (23 percent), led by cheese, up \$15 million.

Imports rise 4.8 percent

In July 2015, goods imports were valued at \$4.8 billion, up \$221 million (4.8 percent) from July 2014.

Consumption goods lead the rise in imports

Of the three main broad economic categories, consumption and capital goods increased in value, while intermediate goods decreased in value compared with July 2014.



Consumption goods rose \$176 million (17 percent), led by semi-durable goods (such as clothing).

Capital goods rose \$161 million (15 percent), led by machinery and plant (such as mobile phones), up \$117 million (18 percent).

Intermediate goods fell \$96 million (4.9 percent), due to crude oil, which was down \$168 million (34 percent).

In other categories of goods:

- **passenger motor cars** fell \$25 million (6.3 percent).
- **petrol and avgas** rose \$2.6 million (2.2 percent).

Four of our top five import partners show increases

The monthly movements for July 2015 for our top import partners (ranked by total annual goods imports) were:

1. **China** – up \$197 million (28 percent), led by mobile phones (up \$16 million).
2. **EU** – up \$34 million (3.9 percent), led by aircraft from France (up \$51 million). The rise was partly offset by a decrease in turbo-jets (down \$30 million).
3. **Australia** – down \$3.1 million (0.6 percent), led by vehicles.
4. **United States** – up \$54 million (8.9 percent), across a range of commodities.
5. **Japan** – up \$5.4 million (1.9 percent), led by monitors.

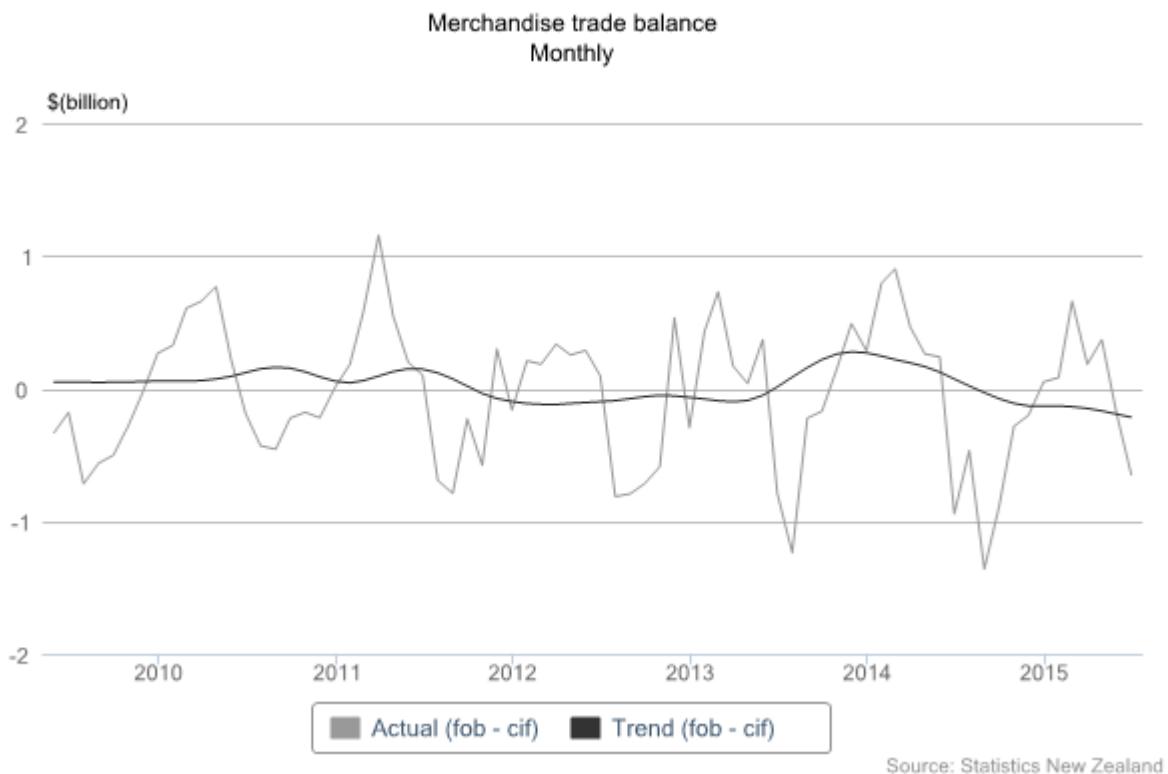
The quantities and values of imported petroleum tend to fluctuate depending on where they come from. In July 2015, petroleum influenced other significant country movements. **Saudi**

Arabia, Singapore and Brunei showed increases. **Malaysia, Kuwait, Korea, United Arab Emirates, and Qatar** showed decreases.

Goods trade deficit in July 2015

In July 2015, there was a goods trade deficit of \$649 million (15 percent of exports). This deficit compares with an average deficit of 9.2 percent of goods exports over the previous five July months.

For the year ended July 2015, there was an annual trade deficit of \$2.7 billion (5.5 percent of exports).



Note: fob – free on board, or the value of goods at New Zealand ports before export. cif – the cost of goods, including insurance and freight to New Zealand.

Seasonally adjusted exports rise 8.0 percent

The seasonally adjusted value of exported goods in July 2015 rose 8.0 percent (\$317 million) compared with June 2015. This follows a 5.8 percent decrease in June 2015 compared with May 2015.

The trend for goods exports value is 5.9 percent lower than the peak in January 2014.

Seasonally adjusted exports to China rise

Comparisons are between July 2015 and June 2015.

The seasonally adjusted movements in July 2015 for our main export destinations were:

- **China** – up 9.9 percent (\$77 million) to \$854 million. The trend for goods exports to China is 26 percent lower than the series peak in December 2013.
- **Australia** – up 1.3 percent (\$9 million) to \$712 million. The trend for goods exports to Australia is 24 percent lower than the series peak in July 2011.
- **EU** – down 3.8 percent (\$17 million) to \$433 million. The trend for goods exports to EU is 18 percent lower than the series peak in December 2008.

Change in seasonally adjusted export values

Milk powder, butter, and cheese exports rose 19 percent (\$174 million), following a 3.2 percent fall in June 2015. The seasonally adjusted quantity rose 20 percent.

Fruit exports rose 11 percent (\$22 million), following a 3.6 percent rise in June 2015. The seasonally adjusted quantity rose 4.0 percent.

Fish, crustaceans, and molluscs exports rose 12 percent (\$14 million), following a 2.6 percent fall in June 2015. The seasonally adjusted quantity rose 0.5 percent.

Trend for milk powder, butter, and cheese appears to be rising

The trend for **milk powder, butter, and cheese** exports has been falling since the series peak in January 2014 but now appears to be rising. Further data points are required to confirm this.

Recent trends for the values of other leading commodity groups show that:

- **meat and edible offal** has been flat in recent months.
- **fruit** has been rising for 11 consecutive months and has reached a new high.

Seasonally adjusted imports rise 2.8 percent

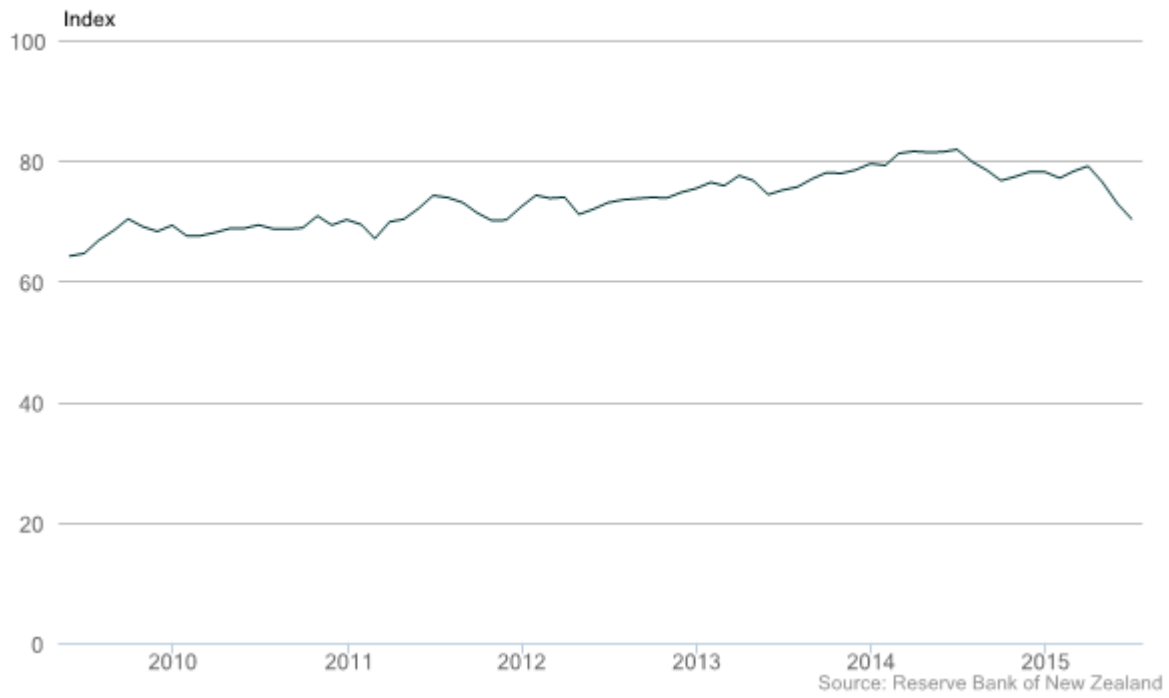
Seasonally adjusted goods imports rose 2.8 percent (\$124 million), to \$4.5 billion in July 2015, compared with June 2015. This increase follows a 5.8 percent rise in June 2015. Excluding petroleum and products, seasonally adjusted goods imports rose 4.7 percent in July 2015.

The trend for goods import values has been rising in recent months and is now at a series high.

Exchange rate movements

The Reserve Bank's trade weighted index showed the New Zealand dollar was 3.5 percent lower in July 2015 than in June 2015, and 14 percent lower than in July 2014.

Trade weighted index
Monthly. Base: 31 October 2014 (=76.4400)



For more detailed data, see the Excel tables in the 'Downloads' box.

See [DataInfo+](#) for information on definitions, data quality, and revisions. These sections were previously included in this release.

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Overseas Merchandise Trade: August 2015 will be released on 24 September 2015.

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Past releases

[Overseas Merchandise Trade](#) has links to past releases.

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Related information

[DataInfo+: Overseas Merchandise Trade – concepts](#) provides the definitions of terms used in this release.

[DataInfo+: Overseas Merchandise Trade – July 2015 – data collection methodology](#) details the methodology used for this release and revisions to provisional values published in our previous release.

[DataInfo+: Overseas Merchandise Trade – data collection methodology](#) details the general methodology used to produce overseas merchandise trade statistics.

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[New Zealand Customs Service](#) is the government agency that ensures the security of our borders.

[Ministry of Foreign Affairs and Trade](#) is the Government's principal adviser and negotiator on foreign and trade policy issues.

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See [Overseas Merchandise Trade: July 2015 – tables](#) (Excel, 18 sheets, 503kB) for the following tables, which are also available from the ‘Downloads’ box on this page. If you have problems viewing the files, see [opening files and PDFs](#).

- 1.01 Overseas merchandise trade, actual values
- 1.02 Overseas merchandise trade, trade balance – actual values
- 2 Overseas merchandise trade, seasonally adjusted and trend values – monthly
- 3 Exports by destination
- 4 Imports by country of origin
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- 15 Exports by top 10 HS categories, quantities – trend
- 16 Imports by selected HS categories, values – trend

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