


New Zealand Weekly Data Wrap

23 August 2024



This is not personal advice nor financial advice about any product or service. It does not take into account your financial situation or goals. Please refer to the Important Notice.

 **Contact us**
See [page 5](#).

 **ANZ Proprietary data**
Check out our latest releases below

- [ANZ Business Outlook](#)
- [ANZ-Roy Morgan Consumer Confidence](#)
- [ANZ Truckometer](#)
- [ANZ Commodity Price Index](#)
- [ANZ NZ Merchant and Card Spending: July 2024](#)

Key forecasts and rates

Our forecasts can be found on [page 4](#).

Glossary

Confused by acronyms or jargon? See a glossary [here](#).

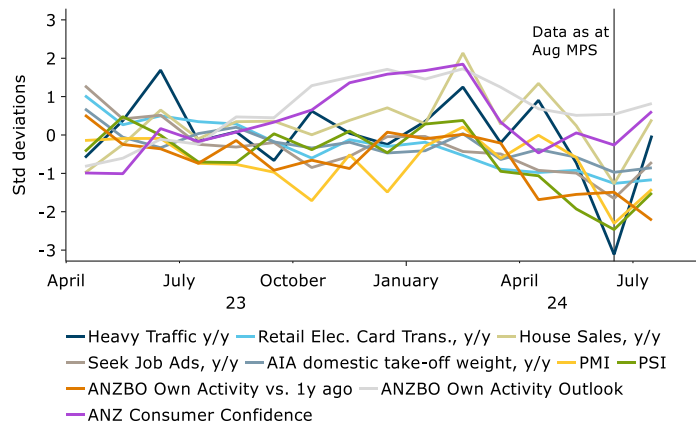
Bouncing off the bottom?

This week's July housing market snapshot showed price momentum continues to weaken. The [REINZ House Price Index \(HPI\)](#) fell 0.6% m/m, its third month of contraction in a row. On their own, these data suggest a touch of downside risk to our 2024 house price forecast of -1%, though with the RBNZ kicking off its easing cycle last week, that may well be a timing story, as lower interest rates provide support later this year.

Unfortunately, there were some issues with the release of the REINZ data on Tuesday. The data we received did not contain the revisions to previous data, unbeknownst to us. Of particular note, sales volumes in June (which as initially reported were the second-weakest June on record) were revised significantly higher. However, these revisions don't change our broad interpretation of the data, with sales volumes remaining subdued relative to history, down 7.5% on a three-month moving average basis. Historical revisions also changed our estimate for how much the HPI fell in seasonally adjusted terms, from -0.5% m/m to -0.6% (revisions of this magnitude are common).

But importantly, the sharp fall in house sales in June was one of the high-frequency indicators referenced by the RBNZ when it cut the OCR 25bp last week. Given the volatility in these high-frequency data, we'd expected the RBNZ would choose to wait a little longer in order to have greater confidence that the broad weakness seen in June would persist. We now have the July snapshot of all the high-frequency indicators, and as shown in figure 1, almost all of these data have bounced off their lows.

Figure 1. Selected standardised high frequency indicators



Source: Stats NZ, BusinessNZ, AIA, REINZ, SEEK, Macrobond, ANZ Research

That's certainly not to say that these data are suggesting rebounding activity. While we've seen a relative improvement from June, most of these indicators are still signalling weak momentum in an absolute sense. And even if we do see some improvement in these indicators in the coming months, that wouldn't necessarily suggest that disinflation progress will stall. There's still a significant amount of spare capacity across the economy, and demand has some way to recover before that's likely to materialise in renewed inflation pressures.

Nonetheless, the evolution of these indicators over coming months will be important for gauging the economy's responsiveness to lower interest rates and the risks surrounding the RBNZ's easing profile. A sustained bounce in these indicators could tilt the risks towards a more gradual easing path, while on the flipside, if these indicators remain subdued or head further south, the odds of a more aggressive policy response from the RBNZ rise. One way or the other, they are worth keeping an eye on.



Looking ahead



NZ Economic News

ANZ's latest data releases, forecast updates and insights

- [NZ Agri Focus: outlook improving](#)
- [NZ Carbon Market: Emissions Trading Scheme settings](#)
- [NZ REINZ housing data: southbound for now](#)
- [NZ Economic Outlook: tipping point?](#)
- [RBNZ MPS Review: the first cut is the deepest](#)
- [RBNZ MPS starting-point surprise chart pack](#)
- [NZ labour market: no smoking gun](#)
- [NZ Property Focus: crossing the Tasman](#)
- [NZ Insight: China consumer caution impacting NZ exports](#)
- [NZ Insight: Draft Emissions Reduction Plan](#)
- [NZ OCR Call Change: 25bp cut in November](#)
- [NZ CPI Review: reassuring](#)
- [RBNZ MPR Review: watch this space](#)
- [NZ Agri Focus: brighter days ahead](#)
- [NZ GDP: kicking off 2024 with a tiny bounce](#)
- [ANZecdotes – June 2024](#)
- [NZ Insight: non-tradable inflation – a waiting game](#)
- [NZ Property Focus: soggy – and unaffordable](#)
- [NZ Budget 2024: fiscal reshuffle not a game-changer for the economic outlook](#)
- [NZ Economic Outlook: the ducks are lining up](#)
- [NZ Property Focus: buy vs rent](#)
- [NZ Insight: new Government, new fiscal strategy](#)
- [NZ Forecast Update: milk price revised up](#)
- [NZ Insight: house prices - impacts from proposed DTI and LVR settings](#)
- [NZ Insight: labour market capacity indicators](#)
- [NZ Insight: what an oil price shock could mean for inflation](#)

[Click here for more.](#)

Primary sector outlook generally improving

This week we published our [Agri Focus](#). The outlook for the primary sector is generally improving but it is very mixed. The dairy and beef sectors are doing well but returns for sheep and forestry are still very low. Farmer sentiment has generally been buoyed by recent regulatory changes, falling interest rates, and relatively favourable weather conditions.

Forecast returns for the 2024-25 dairy season are healthy, with upside risk to our current milk price forecast of \$8.50/kg milksolid. This contrasts favourably with the 2023-24 season, for which final returns are expected to be near \$7.85/kg MS, near the average breakeven point for the industry.

The new dairy season is underway as most dairy cows calve, and therefore return to milk, from July-September. Weather conditions and feed availability have generally been favourable in the major dairying regions. Lakes will fill as snow melts and hopefully there will be sufficient water stored to allow irrigation schemes to run at full capacity this summer. Global milk supplies are quite stable at present, which has helped to support higher prices, particularly for whole milk powder (New Zealand's largest dairy export).

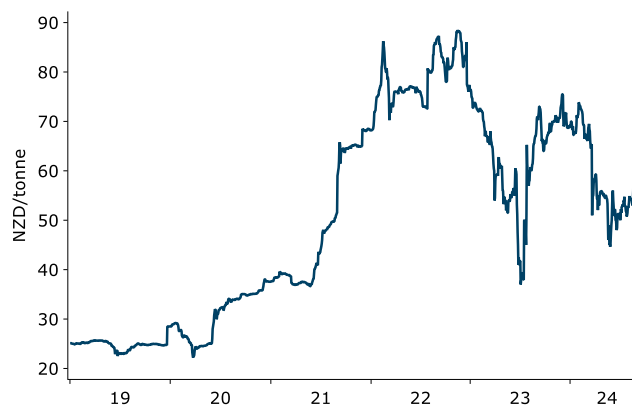
Beef prices are being supported by exceptionally strong demand from the US as their own cattle numbers have decreased. Economic growth in the US remains relatively strong, which is also supporting demand for more expensive proteins such as lamb and venison. However, this market takes only selected lamb cuts; most need to be sold into other markets.

China remains our largest market for both lamb and mutton, but the prices this market is willing to pay has dropped considerably, which has dragged down farmgate prices. Sheep farmers are struggling to turn a profit and this situation is expected to prevail for a further 12 months. Low wool returns, along with elevated shearing costs, are also a drag on profits.

Forestry returns have improved a little, but New Zealand exporters are heavily reliant on China to buy our logs. Our exporters have increased market share, meaning they now have a larger bite of a smaller pie. India has purchased a few shipments of logs but the logistics are particularly challenging and volumes are therefore not expected to increase quickly.

Earlier this week the Government released its settings for the [Emissions Trading Scheme](#) for the next five years. The volume of units being offered to the market via quarterly auctions has reduced significantly, in a manner aligned with earlier advice from the [Climate Change Commission](#). Following the announcement the carbon price traded above \$60 for the first time since March. The price floor at which units can trade at the Government auctions this year is \$64, increasing to \$68 in 2025.

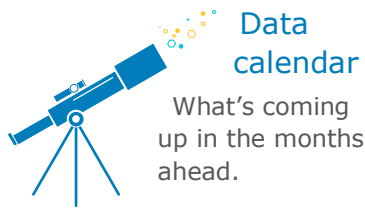
Figure 2. Carbon spot market price



Source: Bloomberg, Macrobond, ANZ Research



Financial markets update



Date	Data/event
Wed 28 Aug (10:45am)	Employment Indicators – Jul
Thu 29 Aug (1:00pm)	ANZ Business Outlook – Aug
Fri 30 Aug (10:00am)	ANZ-RM Consumer Confidence – Aug
Fri 30 Aug (10:45am)	Building Permits – Jul
Tue 3 Sep (10:45am)	Terms of Trade – Q3
Wed 4 Sep (early am)	Global Dairy Trade auction
Wed 4 Sep (1:00pm)	ANZ Commodity Price Index – Aug
Fri 6 Sep (10:45am)	Volume of All Buildings – Q2
Tue 10 Sep (10:45am)	Economic Survey of Manufacturing – Q2
Wed 11 Sep (10:45am)	Net Migration – Jul
Thu 12 Sep (10:00am)	ANZ Truckometer – Aug
Thu 12 Sep (10:45am)	Selected Price Indexes – Aug
Thu 12 Sep (10:45am)	Electronic Card Transactions – Aug
Fri 13 Sep (10:45am)	BusinessNZ Manuf PMI – Aug
Mon 16 Sep (10:30am)	Performance Services Index – Aug
Wed 18 Sep (early am)	Global Dairy Trade auction
Wed 18 Sep (10:45am)	Balance of Payments – Q2
Thu 19 Sep (10:45am)	GDP – Q2
Mon 23 Sep (10:45am)	Merchandise Trade – Aug
Fri 27 Sep (10:00am)	ANZ-RM Consumer Confidence – Sep
Mon 30 Sep (10:45am)	Employment Indicators – Aug
Mon 30 Sep (1:00pm)	ANZ Business Outlook – Sep
Tue 1 Oct (10:00am)	NZIER QSBO – Q3
Tue 1 Oct (10:45am)	Building Permits – Aug
Wed 2 Oct (early am)	Global Dairy Trade auction
Thu 3 Oct (1:00pm)	ANZ Commodity Price Index – Sep
Wed 9 Oct (2:00pm)	RBNZ MPR

Interest rate markets

It's been a week of consolidation in global and local interest rate markets. In local markets, that's been felt via the short end unwinding expectations of excessive cuts as markets have contemplated the idea that getting started early will afford the RBNZ the opportunity to ease gradually, especially given the bounce in high-frequency indicators (see page 1). The global vibe has been similar, with the early part of the week characterised by falling bond yields but the latter part seeing a reversal ahead of a key speech by Fed Chair Powell tonight (2am Saturday NZT). While minutes from the Fed's 31 July meeting strongly hinted at a cut next month, noting that the "vast majority [of Committee members] observed that, if the data continued to come in about as expected, it would likely be appropriate to ease policy at the next meeting", more balanced comments by Fed officials in recent days point to that likely proceeding in a balanced manner (ie in 25bp increments rather than larger cuts), and that's seen US bond yields pull back. Still, looking ahead, we expect markets to continue to press for cuts at every meeting both here and in the US, and to price in the chance of larger cuts on geopolitical rather than macroeconomic grounds. That's likely to keep a lid on swap rates and bond yields.

FX markets

The Kiwi has now recovered all its post-MPS losses, reaching a high of almost 0.6180 on Thursday. Most of this has been thanks to a weaker USD, with the DXY index falling to an 8-month low as US bond yields fell, but higher dairy prices and strong participation by offshore investors in NZDM's syndicated issue of 2036 bonds (foreigners bought \$3.6bn of bonds) were likely tailwinds. Returning to the USD, looking further down the track to the Fed's first cut, we expect the confirmation effect (ie that they'll shift to easing mode) to weigh on USD sentiment as we inch towards the end of the year.

Key data summary

Performance Services Index – July. Lifted 3.9pts to 44.6, led by a lift in the new orders index. But despite the improvement, the PSI remains deep in contractionary territory.

REINZ House Prices – July. The nationwide [REINZ House Price Index](#) (HPI) fell 0.6% m/m (sa).

Overseas Merchandise Trade – July. The annual deficit narrowed to \$9.3bn.

GlobalDairyTrade auction. Dairy markets outperformed expectations with a strong auction. The GDT Price Index rose 5.5%, driven by strong price gains for most products, including a significant 7.2% lift in whole milk powder prices.

Retail Sales – Q2 (Friday 23 August, 10:45am). Sales volumes fell 1.2% q/q, broadly consistent with our Q2 GDP forecast of -0.3% q/q. But there are plenty more partials to come before the big day.

The week ahead

Monthly Employment Indicators – July (Wednesday 28 August, 10:45am). Weekly filled jobs data suggest a broadly flat result is on the cards, with risks on both sides.

ANZ Business Outlook – August (Thursday 29 August, 1:00pm).

ANZ-Roy Morgan Consumer Confidence – August (Friday 30 August, 10:00am).

Building Permits – July (Friday 30 August, 10:45am). A bounce after last month's near-14% m/m fall wouldn't surprise. But that's likely to be a volatility story more than sharp recovery.



Key forecasts and rates

	Actual			Forecast (end month)					
	Jun-24	Jul-24	Today	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
FX rates									
NZD/USD	0.609	0.592	0.615	0.610	0.620	0.620	0.620	0.630	0.630
NZD/AUD	0.913	0.911	0.916	0.910	0.899	0.886	0.886	0.887	0.887
NZD/EUR	0.569	0.546	0.553	0.560	0.564	0.554	0.544	0.543	0.534
NZD/JPY	98.0	89.1	89.8	91.5	91.8	89.3	88.0	88.2	85.7
NZD/GBP	0.482	0.461	0.469	0.477	0.477	0.470	0.459	0.463	0.463
NZ\$ TWI	71.9	69.7	70.9	71.0	71.4	70.6	70.2	70.8	70.4
Interest rates									
NZ OCR	5.50	5.50	5.25	5.25	4.75	4.50	4.00	3.50	3.50
NZ 90 day bill	5.63	5.46	5.24	4.89	4.69	4.20	3.70	3.62	3.62
NZ 2-yr swap	4.96	4.23	3.90	3.86	3.77	3.67	3.62	3.62	3.62
NZ 10-yr bond	4.67	4.34	4.22	4.25	4.00	4.00	4.00	4.00	4.50

Economic forecasts

	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
GDP (% qoq)	0.2	-0.3	0.0	0.1	0.2	0.3	0.4	0.5	0.6
GDP (% yoy)	0.3	-0.5	-0.2	0.0	0.0	0.6	1.0	1.4	1.8
CPI (% qoq)	0.6	0.4	1.0	0.3	0.4	0.7	0.7	0.2	0.3
CPI (% yoy)	4.0	3.3	2.6	2.4	2.1	2.4	2.1	1.9	1.9
Employment (% qoq)	-0.3	0.4	-0.3	-0.2	-0.1	0.0	0.1	0.2	0.4
Employment (% yoy)	1.3	0.6	0.3	-0.4	-0.2	-0.6	-0.2	0.2	0.7
Unemployment Rate (% sa)	4.4	4.6	4.8	5.0	5.2	5.4	5.5	5.5	5.5

Figures in bold are forecasts. mom: Month-on-Month; qoq: Quarter-on-Quarter; yoy: Year-on-Year. [Click here for full ANZ forecasts](#)

Figure 3. GDP level

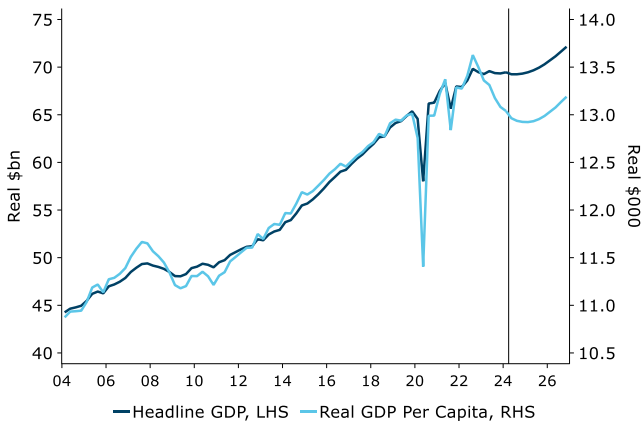


Figure 4. CPI inflation components

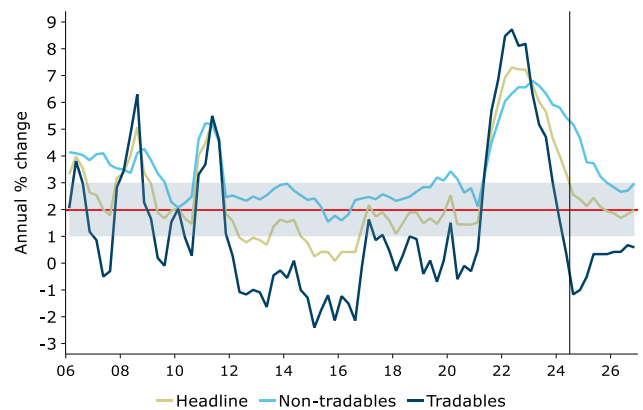


Figure 5. OCR forecast

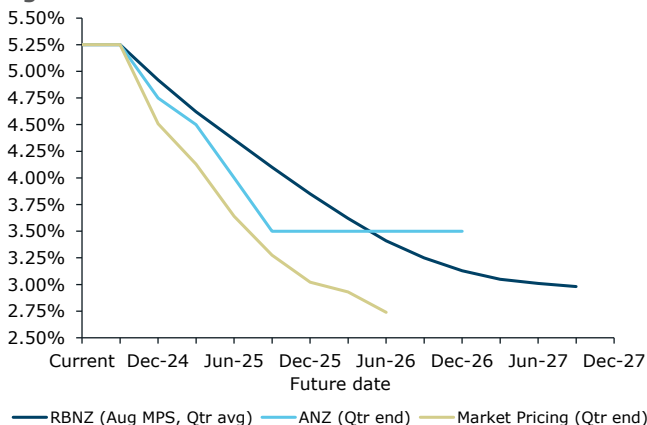
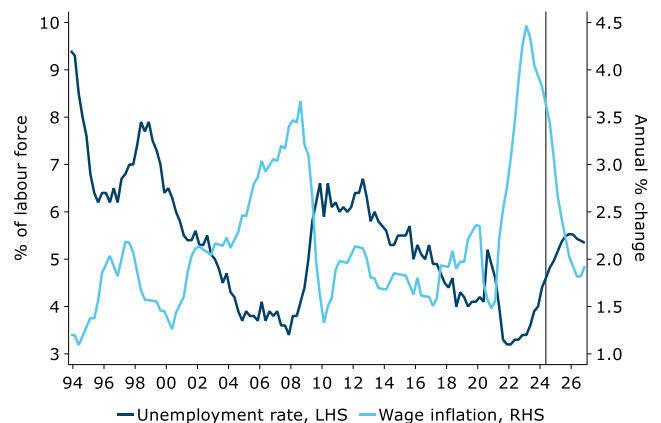


Figure 6. Unemployment and wage inflation



Source: Stats NZ, Bloomberg, RBNZ, Macrobond, ANZ Research



Contact us

Meet the team

We welcome your questions and feedback. Click [here](#) for more information about our team.



Sharon Zollner
Chief Economist

Follow Sharon on X
@sharon_zollner

Telephone: +64 9 357 4094
Email: sharon.zollner@anz.com

General enquiries:
research@anz.com

Follow ANZ Research
@ANZ_Research (global)



David Croy
Senior Strategist

Market developments, interest rates, FX, unconventional monetary policy, liaison with market participants.

Telephone: +64 4 576 1022
Email: david.croy@anz.com



Susan Kilsby
Agricultural Economist

Primary industry developments and outlook, structural change and regulation, liaison with industry.

Telephone: +64 21 633 469
Email: susan.kilsby@anz.com



Miles Workman
Senior Economist

Macroeconomic forecast co-ordinator, economic developments, labour market dynamics, inflation, fiscal and monetary policy.

Telephone: +64 21 661 792
Email: miles.workman@anz.com



Henry Russell
Economist

Macroeconomic forecasting, economic developments, GDP and activity dynamics and monetary policy.

Telephone: +64 21 629 553
Email: henry.russell@anz.com



Natalie Denne
PA / Desktop Publisher

Business management, general enquiries, mailing lists, publications, chief economist's diary.

Telephone: +64 21 253 6808
Email: natalie.denne@anz.com



Kyle Uerata
Economic Statistician

Economic statistics, ANZ proprietary data (including ANZ Business Outlook), data capability and infrastructure.

Telephone: +64 21 633 894
Email: kyle.uerata@anz.com

Important notice

Last updated: 20 February 2024

The opinions and research contained in this document (in the form of text, image, video or audio) are (a) not personal financial advice nor financial advice about any product or service; (b) provided for information only; and (c) general in nature and do not take into account your financial situation or goals.

This document may be restricted by law in certain jurisdictions. Recipients must observe all relevant restrictions.

Disclaimer for all jurisdictions: This document is prepared by ANZ Bank New Zealand Limited (ANZ Centre, 23-29 Albert Street, Auckland 1010, New Zealand). This document is distributed in your country/region by Australia and New Zealand Banking Group Limited (ABN11 005 357 522) (**ANZ**), a company incorporated in Australia or (if otherwise stated), by its subsidiary or branch (herein collectively referred to as **ANZ Group**). The views expressed in it are those of ANZ Economics and Markets Research, an independent research team of ANZ Bank New Zealand Limited.

This document is distributed on the basis that it is only for the information of the specified recipient or permitted user of the relevant website (**recipients**).

This document is solely for informational purposes and nothing in it is intended to be an invitation, solicitation or offer by ANZ Group to sell, or buy, receive or provide any product or service, or to participate in a particular trading strategy.

Distribution of this document to you is only as may be permissible by the laws of your jurisdiction, and is not directed to or intended for distribution or use by recipients resident or located in jurisdictions where its use or distribution would be contrary to those laws or regulations, or in jurisdictions where ANZ Group would be subject to additional licensing or registration requirements. Further, any products and services mentioned in this document may not be available in all countries.

ANZ Group in no way provides any personal financial, legal, taxation or investment advice to you in connection with any product or service discussed in this document. Before making any investment decision, recipients should seek independent financial, legal, tax and other relevant advice having regard to their particular circumstances.

Whilst care has been taken in the preparation of this document and the information contained within is believed to be accurate and made on reasonable grounds on the date it was published, ANZ Group does not represent or warrant the accuracy or completeness of the information. Further, ANZ Group does not accept any responsibility to inform you of any matter that subsequently comes to its notice, which may affect the accuracy of the information in this document.

This document may contain forward looking statements or opinions including statements regarding our intent, belief or current expectations regarding economic and market conditions, financial instruments and credit markets. Such statements are usually predictive in character, may not be accurate once the future becomes known and should not be relied upon when making investment decisions. Past performance is not a reliable indicator of future performance. ANZ does not accept any responsibility to inform you of any revisions to these forward-looking statements to reflect events or circumstances occurring after the date of this document.

Preparation of this document and the opinions expressed in it may involve material elements of subjective judgement and analysis. Unless specifically stated otherwise: they are current on the date of this document and are subject to change without notice; and, all price information is indicative only. Any opinions expressed in this document are subject to change at any time without notice.

ANZ Group does not guarantee the performance of any product mentioned in this document. All investments entail a risk and may result in both profits and losses. Any products and services described in this document may not be suitable for all investors, and transacting in these products or services may be considered risky.

ANZ Group expressly disclaims any responsibility and shall not be liable for any loss, damage, claim, liability, proceedings, cost or expense (**Liability**) arising directly or indirectly and whether in tort (including negligence), contract, equity or otherwise out of or in connection with this document to the extent permissible under relevant law. The contents of this document have not been reviewed by any regulatory body or authority in any jurisdiction.

ANZ Group may have an interest in the subject matter of this document. They may receive fees from customers for dealing in any products or services described in this document, and their staff and introducers of business may share in such fees or remuneration that may be influenced by total sales, at all times received and/or apportioned in accordance with local regulatory requirements. Further, they or their customers may have or have had interests or long or short positions in any products or services described in this document, and may at any time make purchases and/or sales in them as principal or agent, as well as act (or have acted) as a market maker in such products. This document is published in accordance with ANZ Group's policies on conflicts of interest and ANZ Group maintains appropriate information barriers to control the flow of information between businesses within the group.

Your ANZ Group point of contact can assist with any questions about this document including for further information on these disclosures of interest.

Australia. ANZ holds an Australian Financial Services licence no. 234527. For a copy of ANZ's Financial Services Guide please [click here](#) or request from your ANZ point of contact.

Brazil. This document is distributed on a cross border basis and only following request by the recipient. No securities are being offered or sold in Brazil under this document, and no securities have been and will not be registered with the Securities Commission - CVM.

Brunei, Japan, Kuwait, Malaysia, Switzerland, Taiwan. This document is distributed in each of these jurisdictions by ANZ on a cross-border basis.

Cambodia. The information contained in this document is confidential and is provided solely for your use upon your request. This does not constitute or form part of an offer or solicitation of any offer to engage services, nor should it or any part of it form the basis of, or be relied in any connection with, any contract or commitment whatsoever. ANZ does not have a licence to undertake banking operations or securities business or similar business, in Cambodia. By requesting financial services from ANZ, you agree, represent and warrant that you are engaging our services wholly outside of Cambodia and subject to the laws of the contract governing the terms of our engagement.

Canada. This document is general information only, is intended for institutional use only – not retail, and is not meant to be tailored to the needs and circumstances of any recipient. In addition, this document is not intended to be an offer or solicitation to purchase or sell any security or other financial instrument or to employ a specific investment strategy.

Chile. You understand and agree that ANZ is not regulated by Chilean Authorities and that the provision of this document is not subject to any Chilean supervision and is not guaranteed by any regulatory or governmental agency in Chile.

Fiji. For Fiji regulatory purposes, this document and any views and recommendations are not to be deemed as investment advice. Fiji investors must seek licensed professional advice should they wish to make any investment in relation to this document.

Hong Kong. This document is issued or distributed in Hong Kong by the Hong Kong branch of ANZ, which is registered at the Hong Kong Monetary Authority to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Important notice

India. If this document is received in India, only you (the specified recipient) may print it provided that before doing so, you specify on it your name and place of printing.

Israel. ANZ is not a holder of a licence granted in Israel pursuant to the Regulation of Investment Advising, Investment Marketing and Portfolio Management Law, 1995 ("Investment Advice Law") and does not hold the insurance coverage required of a licensee pursuant to the Investment Advice Law. This publication has been prepared exclusively for Qualified Clients as such term is defined in the First Schedule to the Investment Advice Law. As a prerequisite to the receipt of a copy of this publication a recipient will be required to provide confirmation and evidence that it is a Qualified Client. Nothing in this publication should be considered Investment Advice or Investment Marketing as defined in the Investment Advice Law. Recipients are encouraged to seek competent investment advice from a locally licensed investment adviser prior to making any investment.

Macau. Click [here](#) to read the disclaimer for all jurisdictions in Mandarin. 澳门. 点击[此处](#)阅读所有司法管辖区的免责声明的中文版。

Myanmar. This document is intended to be general and part of ANZ's customer service and marketing activities when implementing its functions as a licensed bank. This document is not Securities Investment Advice (as that term is defined in the Myanmar Securities Transaction Law 2013).

New Zealand. This document is distributed in New Zealand by ANZ Bank New Zealand Limited. The material is for information purposes only and is not financial advice about any product or service. We recommend you seek advice about your financial situation and goals before acquiring or disposing of (or not acquiring or disposing of) a financial product.

Oman. ANZ neither has a registered business presence nor a representative office in Oman and does not undertake banking business or provide financial services in Oman. Consequently ANZ is not regulated by either the Central Bank of Oman (**CBO**) or Oman's Capital Market Authority (**CMA**). The information contained in this document is for discussion purposes only and neither constitutes an offer of securities in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy non-Omani securities in Oman as contemplated by Article 139 of the Executive Regulations to the Capital Market Law (issued vide CMA Decision 1/2009). ANZ does not solicit business in Oman and the only circumstances in which ANZ sends information or material describing financial products or financial services to recipients in Oman, is where such information or material has been requested from ANZ and the recipient understands, acknowledges and agrees that this document has not been approved by the CBO, the CMA or any other regulatory body or authority in Oman. ANZ does not market, offer, sell or distribute any financial or investment products or services in Oman and no subscription to any securities, products or financial services may or will be consummated within Oman. Nothing contained in this document is intended to constitute Omani investment, legal, tax, accounting or other professional advice.

People's Republic of China (PRC). This document may be distributed by either ANZ or Australia and New Zealand Bank (China) Company Limited (**ANZ China**). Recipients must comply with all applicable laws and regulations of PRC, including any prohibitions on speculative transactions and CNY/CNH arbitrage trading. If this document is distributed by ANZ or an Affiliate (other than ANZ China), the following statement and the text below is applicable: No action has been taken by ANZ or any affiliate which would permit a public offering of any products or services of such an entity or distribution or re-distribution of this document in the PRC. So, the products and services of such entities are not being offered or sold within the PRC by means of this document or any other document. This document may not be distributed, re-distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations. If and when the material accompanying this document relates to the products and/or services of ANZ China, the following statement and the text below is applicable: This document is distributed by ANZ China in the Mainland of the PRC.

Peru. The information contained in this document has not been, and will not be, registered with or approved by the Peruvian Superintendency of the Securities Market (Superintendencia del Mercado de Valores, **SMV**) or the Lima Stock Exchange (Bolsa de Valores de Lima, **BVL**) or under the Peruvian Securities Market Law (Legislative Decree 6 861), and will not be subject to Peruvian laws applicable to public offerings in Peru. To the extent this information refers to any securities or interests, it should be noted the securities or interests may not be offered or sold in Peru, except if (i) such securities or interests were previously registered with the Peruvian Superintendency of the Securities Market, or (ii) such offering is considered a private offering in Peru under the securities laws and regulation of Peru.

Qatar. This document has not been, and will not be:

- lodged or registered with, or reviewed or approved by, the Qatar Central Bank (**QCB**), the Qatar Financial Centre (**QFC**) Authority, QFC Regulatory Authority or any other authority in the State of Qatar (**Qatar**); or
- authorised or licensed for distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public offer or other invitation in respect of securities in Qatar or the QFC.

The financial products or services described in this document have not been, and will not be:

- registered with the QCB, QFC Authority, QFC Regulatory Authority or any other governmental authority in Qatar; or
- authorised or licensed for offering, marketing, issue or sale, directly or indirectly, in Qatar.

Accordingly, the financial products or services described in this document are not being, and will not be, offered, issued or sold in Qatar, and this document is not being, and will not be, distributed in Qatar. The offering, marketing, issue and sale of the financial products or services described in this document and distribution of this document is being made in, and is subject to the laws, regulations and rules of, jurisdictions outside of Qatar and the QFC. Recipients of this document must abide by this restriction and not distribute this document in breach of this restriction. This document is being sent/issued to a limited number of institutional and/or sophisticated investors (i) upon their request and confirmation that they understand the statements above; and (ii) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Singapore. To the extent that this document contains any statements of opinion and/or recommendations related to an investment product or class of investment product (as defined in the Financial Advisers Act 2001), this document is distributed in Singapore by ANZ solely for the information of "accredited investors", "expert investors" or (as the case may be) "institutional investors" (each term as defined in the Securities and Futures Act 2001 of Singapore). ANZ is licensed in Singapore under the Banking Act 1970 of Singapore and is exempted from holding a financial adviser's licence under Section 23(1)(a) of the Financial Advisers Act 2001 of Singapore. In respect of any matters arising from, or in connection with, the distribution of this document in Singapore, please speak to your usual ANZ contact in Singapore.

United Arab Emirates (UAE). This document is distributed in the UAE or the Dubai International Financial Centre (**DIFC**) (as applicable) by ANZ. This document does not, and is not intended to constitute: (a) an offer of securities anywhere in the UAE; (b) the carrying on or engagement in banking, financial and/or investment consultation business in the UAE under the rules and regulations made by the Central Bank of the UAE, the Emirates Securities and Commodities Authority or the UAE Ministry of Economy; (c) an offer of securities within the meaning of the Dubai International Financial Centre Markets Law (**DIFCML**) No. 12 of 2004; and (d) a financial promotion, as defined under the DIFCML No. 1 of 200. ANZ DIFC Branch is regulated by the Dubai Financial Services Authority (**DFSA**). The financial products or services described in this document are only available to persons who qualify as "Professional Clients" or "Market Counterparty" in accordance with the provisions of the DFSA rules.

Important notice

United Kingdom. This document is distributed in the United Kingdom by Australia and New Zealand Banking Group Limited (**ANZ**) solely for the information of persons who would come within the Financial Conduct Authority (**FCA**) definition of “eligible counterparty” or “professional client”. It is not intended for and must not be distributed to any person who would come within the FCA definition of “retail client”. Nothing here excludes or restricts any duty or liability to a customer which ANZ may have under the UK Financial Services and Markets Act 2000 or under the regulatory system as defined in the Rules of the Prudential Regulation Authority (**PRA**) and the FCA.

ANZ considers this document to constitute an Acceptable Minor Non-Monetary Benefits (**AMNMB**) under the relevant inducement rules of the FCA. ANZ is authorised in the United Kingdom by the PRA and is subject to regulation by the FCA and limited regulation by the PRA. Details about the extent of our regulation by the PRA are available from us on request.

United States. Except where this is a FX-related document, this document is distributed in the United States by ANZ Securities, Inc. (**ANZ SI**) which is a member of the Financial Regulatory Authority (**FINRA**) (www.finra.org) and registered with the SEC. ANZSI’s address is 277 Park Avenue, 31st Floor, New York, NY 10172, USA (Tel: +1 212 801 9160 Fax: +1 212 801 9163). ANZSI accepts responsibility for its content. Information on any securities referred to in this document may be obtained from ANZSI upon request. This document or material is intended for institutional use only – not retail. If you are an institutional customer wishing to effect transactions in any securities referred to in this document you must contact ANZSI, not its affiliates. ANZSI is authorised as a broker-dealer only for institutional customers, not for US Persons (as “US person” is defined in Regulation S under the US Securities Act of 1933, as amended) who are individuals. If you have registered to use our website or have otherwise received this document and are a US Person who is an individual: to avoid loss, you should cease to use our website by unsubscribing or should notify the sender and you should not act on the contents of this document in any way. Non-U.S. analysts may not be associated persons of ANZSI and therefore may not be subject to FINRA Rule 2242 restrictions on communications with the subject company, public appearances and trading securities held by the analysts. Where this is a FX-related document, it is distributed in the United States by ANZ’s New York Branch, which is also located at 277 Park Avenue, 31st Floor, New York, NY 10172, USA (Tel: +1 212 801 916 0 Fax: +1 212 801 9163).

Vietnam. This document is distributed in Vietnam by ANZ or ANZ Bank (Vietnam) Limited, a subsidiary of ANZ.