

Overseas Merchandise Trade: September 2015

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Key facts

September 2015 quarter:

Values are seasonally adjusted and compared with the June 2015 quarter.

- Exports rose 6.4 percent (to \$12.9 billion).
- Milk powder, butter, and cheese led the rise, up 9.8 percent (\$275 million).
- Imports rose 9.2 percent (to \$13.9 billion), led by aircraft.
- The trade deficit was \$1.0 billion (7.9 percent of exports).

September 2015 month:

Values are actual and compared with the September 2014 month.

- Exports rose 2.0 percent (to \$3.7 billion), led by beef.
- Imports fell 1.3 percent (to \$4.9 billion).
- The trade deficit was \$1.2 billion (33 percent of exports).
- The annual trade deficit was \$3.2 billion (6.6 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 June 2015](#) for information on trade in goods and services.

Quarterly exports rise 6.4 percent

The seasonally adjusted value of exported goods rose 6.4 percent (\$774 million) to \$12.9 billion in the September 2015 quarter. This followed a 0.4 percent increase in the June 2015 quarter.



Dairy and meat lead the rise in seasonally adjusted exports

Milk powder, butter, and cheese (our largest export commodity group) rose 9.8 percent (\$275 million). The quantity exported rose 11 percent.

Meat and edible offal rose 17 percent (\$264 million), with quantity up 13 percent in the September 2015 quarter.

Fruit rose 8.8 percent (\$50 million), driven by price, with the quantity down 0.1 percent since the June 2015 quarter.

Logs, wood, and wood articles (seasonally adjusted) were up 5.7 percent (\$48 million).

The value of exports fell for **crude oil** (not seasonally adjusted), down 20 percent (\$48 million), with quantity down 21 percent.

China leads rise in seasonally adjusted quarterly exports

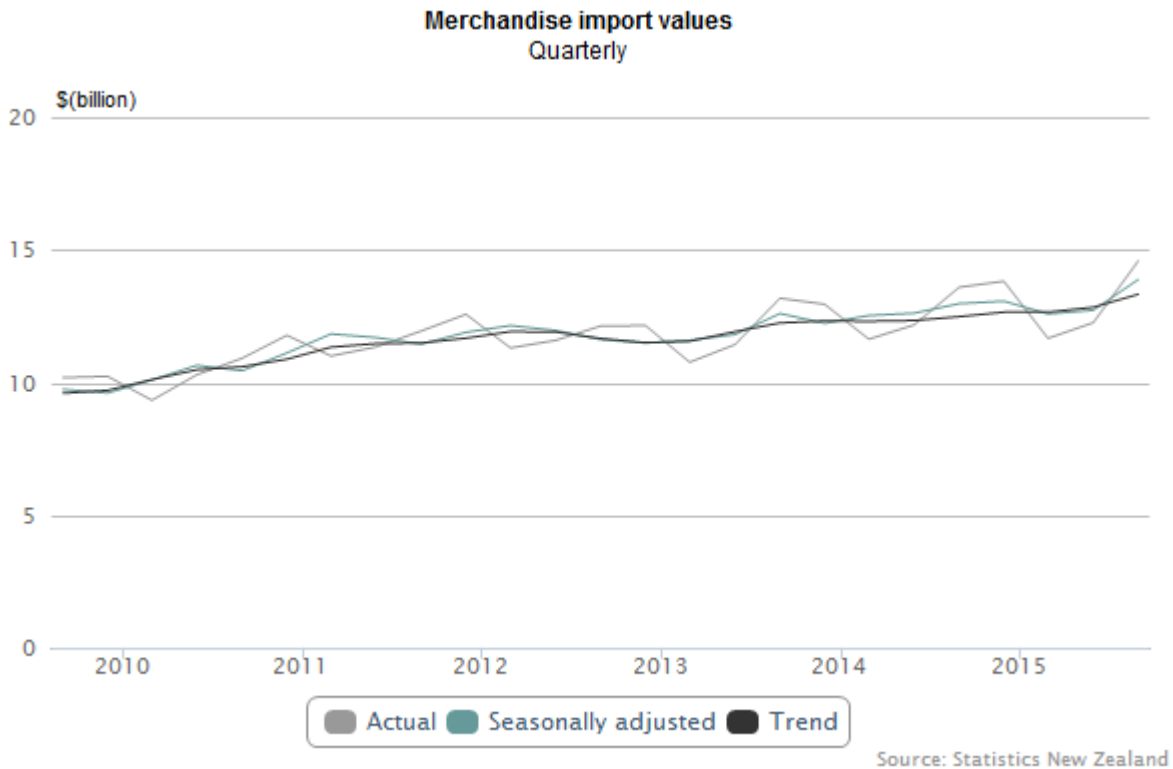
In the September 2015 quarter, compared with the June 2015 quarter, the top export destinations (ranked by total annual exports) for New Zealand were:

- **China** – up 8.6 percent (\$192 million) to \$2.4 billion.
- **Australia** – up 1.2 percent (\$24 million) to \$2.1 billion.
- **European Union (EU)** – up 8.3 percent (\$106 million) to \$1.4 billion.

Quarterly imports rise 9.2 percent

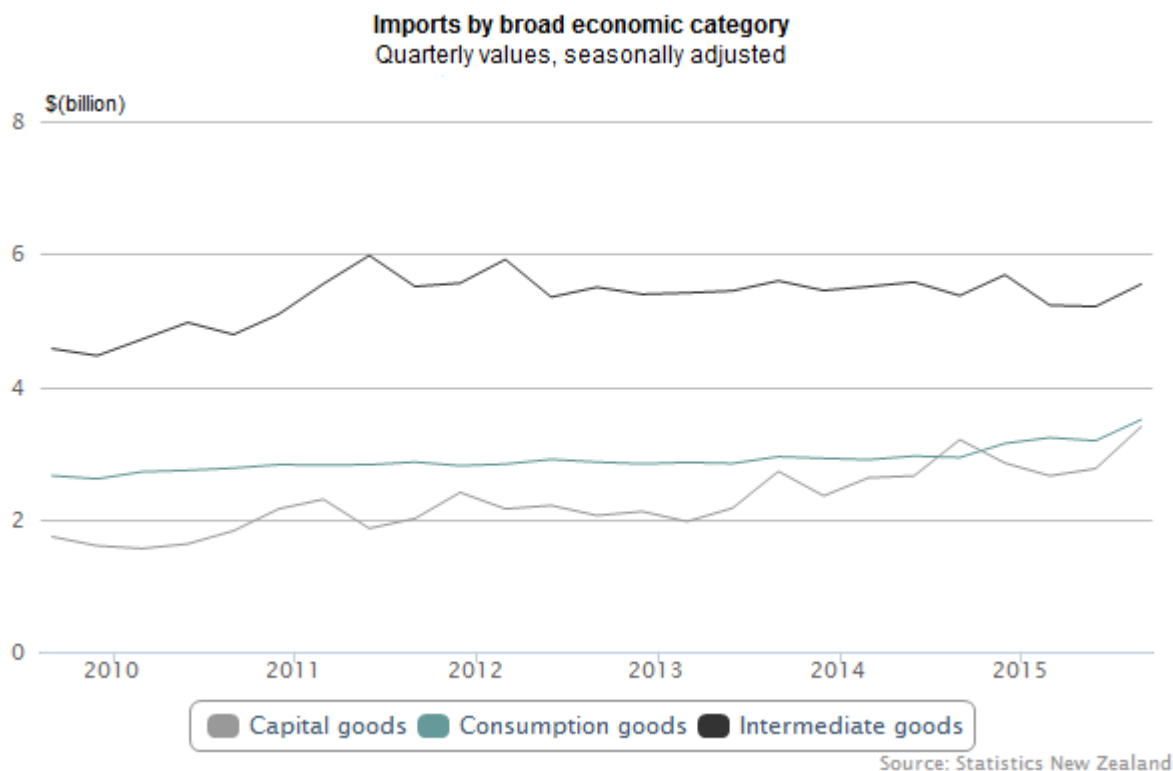
The seasonally adjusted value of imported goods rose 9.2 percent (\$1.2 billion) to \$13.9 billion in the September 2015 quarter. This followed a 1.1 percent (\$136 million) rise in the June 2015 quarter.

Excluding large import items, the seasonally adjusted value of imported goods was \$13.4 billion in the September 2015 quarter.



Capital goods lead the rise in quarterly imports

All three broad economic categories (capital goods, intermediate goods, and consumption goods) rose in value in the September 2015 quarter.



Capital goods (not seasonally adjusted) rose 23 percent (\$633 million) in the September 2015 quarter. This follows a 4.0 percent rise in the June 2015 quarter. The movement for the September 2015 quarter was influenced by aircraft imports in the July and August months.

Machinery and plant increased 10 percent (\$205 million), led by laptops and mobile phones.

Intermediate goods rose 6.5 percent (\$338 million) in the September 2015 quarter, following a decrease of 0.3 percent (\$16 million) in the June 2015 quarter. Processed industrial supplies led the rise, up 6.6 percent (\$171 million). Parts and accessories of capital goods rose 6.5 percent (\$72 million).

Consumption goods rose 10 percent (\$320 million) in the September 2015 quarter. Semi-durable consumer goods (such as clothing) led the rise, up 13 percent (\$115 million).

In other categories of goods:

- **passenger motor cars** decreased 0.3 percent (\$2.9 million) in the September 2015 quarter, following a 1.2 percent fall in the June 2015 quarter.
- **petrol and avgas**, which is not seasonally adjusted, decreased 26 percent (\$99 million), following a 67 percent increase in the June 2015 quarter.

China top source of quarterly imports

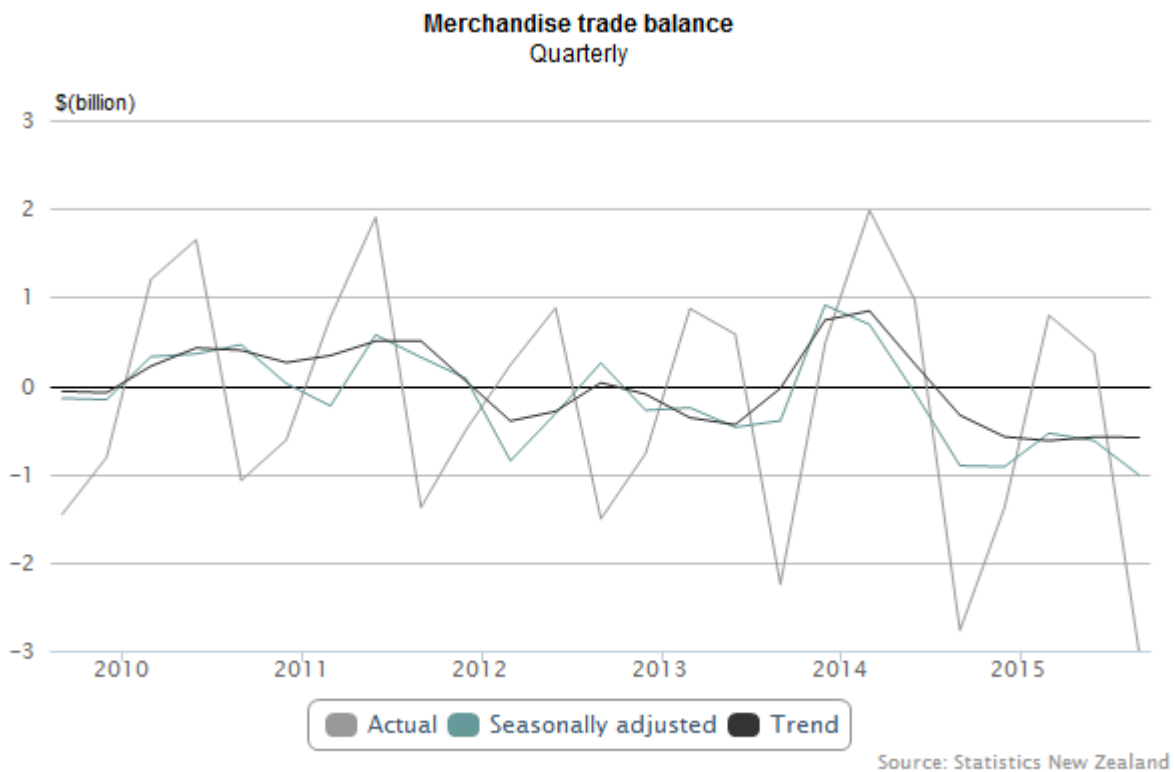
Seasonally adjusted exports and imports series for the European Union, China, and Australia are available on [Infoshare](#).

In the September 2015 quarter, compared with the June 2015 quarter, the top import sources (ranked by total annual imports) for New Zealand were:

- **China** – up 10 percent (\$243 million) to \$2.7 billion.
- **European Union (EU)** – up 4.6 percent (\$108 million) to \$2.3 billion.
- **Australia** – up 2.0 percent (\$31 million) to \$1.6 billion.

Trade deficit in the September 2015 quarter

In the September 2015 quarter, the seasonally adjusted trade deficit was \$1.0 billion, equivalent to 7.9 percent of exports. In the June 2015 quarter, the deficit was \$620 million. Excluding large import items, such as aircraft, the trade deficit was \$558 million in the September 2015 quarter.



Monthly exports rise 2.0 percent

In September 2015, goods exports were valued at \$3.7 billion, up \$73 million (2.0 percent) from September 2014.

Meat and edible offal leads rise in exports

Meat and edible offal (New Zealand's second-largest export commodity group) rose \$108 million (33 percent) to \$438 million in September 2015. Frozen beef led the rise, up \$77 million (69 percent). The rise in total meat exports was due to higher prices, with the quantity up 20 percent.

The 2014/15 beef export season (October to September) ended on a new high of \$3.2 billion, up \$922 million (41 percent), compared with the 2013/14 season. Over half of all beef exports went to the United States (\$1.7 billion), up \$637 million (63 percent), with quantity up 21 percent to 228,814 tonnes.

Milk powder, butter, and cheese (New Zealand's largest export commodity group) fell \$174 million (22 percent) to \$622 million. The quantity exported in September 2015 was down 6.7 percent, compared with September 2014.

The fall in milk powder, butter, and cheese exports for September 2015 was led by whole milk powder, down \$106 million (32 percent). The quantity of whole milk powder exported fell 11 percent, compared with September 2014.

Milk powder, butter, and cheese exports to China fell \$48 million (30 percent). Exports to other countries also fell, including the United States, Netherlands, Malaysia, and Saudi Arabia.

Other key changes in commodity group export values, for September 2015:

- **Crude oil** fell \$87 million (56 percent).
- **Logs, wood, and wood articles** rose \$56 million (23 percent).

Frozen beef to US leads rise in exports

The monthly movements for New Zealand's top export destinations (ranked by total annual exports) for September 2015 compared with September 2014 were:

1. **Australia** – down \$70 million (8.7 percent), due to crude oil (down \$90 million). This fall was partially offset by a rise in non-monetary gold (up \$21 million).
2. **China** – up \$7.5 million (1.3 percent), led by frozen beef (up \$23 million) and other commodities such as hides, skins, and leather (up \$16 million). This rise partially offset a fall in whole milk powder (down \$53 million).
3. **United States** – up \$103 million (33 percent), led by frozen beef (up \$27 million) and logs (up \$11 million).
4. **European Union (EU)** – up \$17 million (4.1 percent), over a range of commodities, including wine and wool.
5. **Japan** – up \$33 million (15 percent), led by fuel wood (up \$13 million) and kiwifruit (up \$13 million).

Monthly imports fall 1.3 percent

In September 2015, imported goods were valued at \$4.9 billion, down \$64 million (1.3 percent) from September 2014. Excluding large import items in September 2014, such as aircraft, imports in September 2015 increased \$368 million (8.1 percent) and were the highest-ever monthly value.

Capital goods lead the fall in imports

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

Capital goods fell \$229 million (17 percent), with transport equipment down \$337 million (55 percent), led by a reduction in aircraft imports. The fall in capital goods was partly offset by a rise in machinery and plant equipment, up \$108 million (15 percent), led by mobile phones.

Consumption goods rose \$203 million (18 percent), led by non-durable goods (such as cigarettes), up \$56 million (20 percent) and semi-durable goods (such as video games), up \$52 million (16 percent).

Intermediate goods rose \$140 million (7.3 percent), led by processed industrial supplies (including fertilisers), up \$140 million (15 percent).

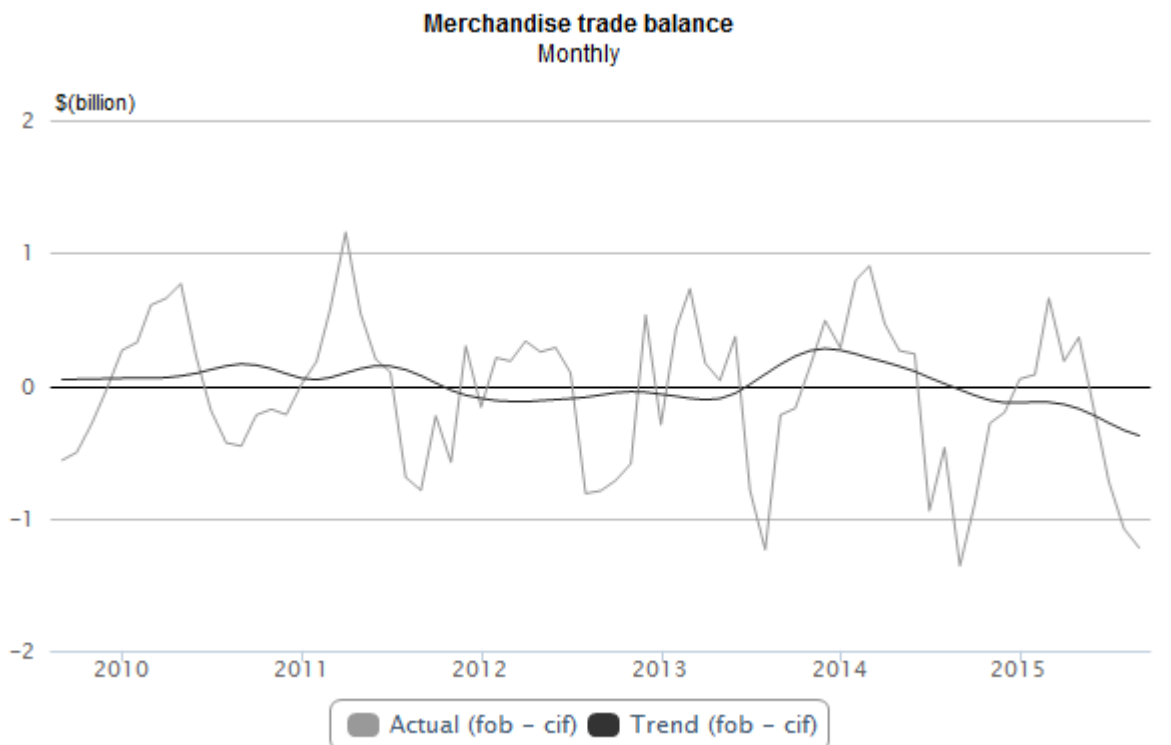
In other categories of goods:

- **passenger motor cars** fell \$41 million (11 percent)
- **petrol and avgas** fell \$139 million (75 percent).

Trade deficit of \$1.2 billion in September 2015

In September 2015, the trade deficit was \$1.2 billion (33 percent of exports). The average deficit over the previous five September months was 21 percent of exports.

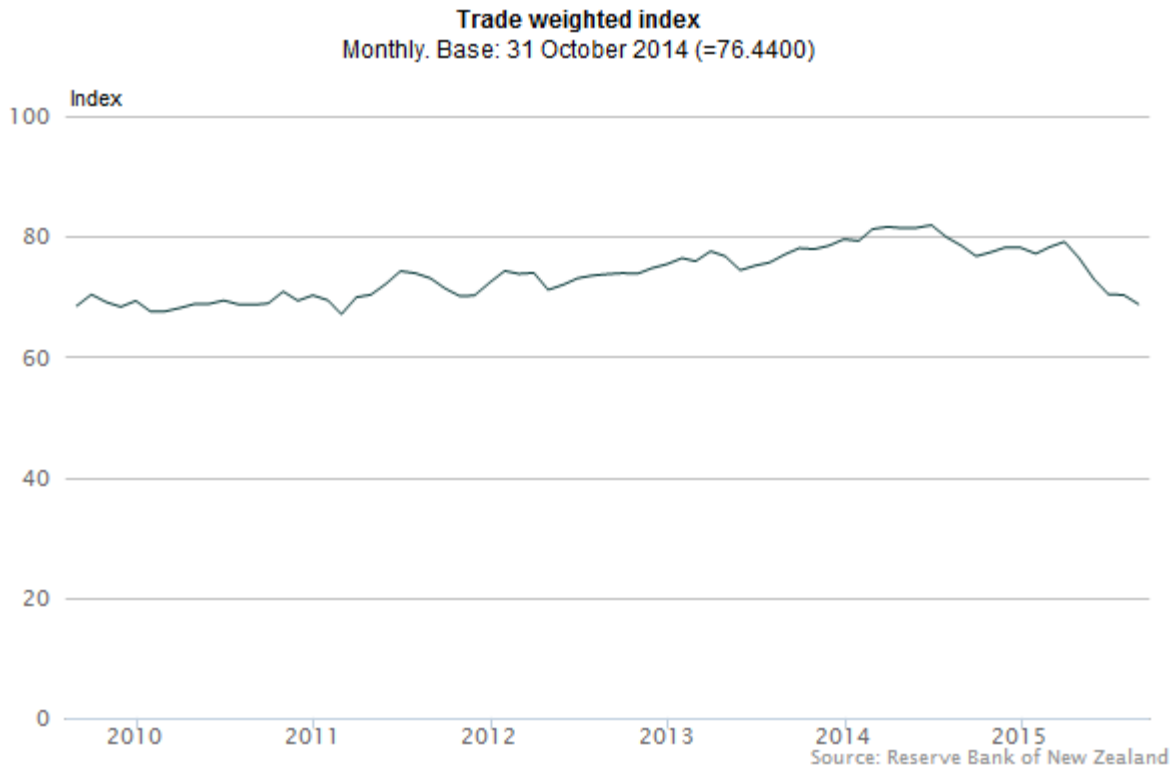
For the year ended September 2015, the annual trade deficit was \$3.2 billion (6.6 percent of exports).



Exchange rate movements

According to the Reserve Bank's trade weighted index (TWI), the New Zealand dollar was 2.2 percent lower in September 2015 than in August 2015, and 12.4 percent lower than in September 2014.

The TWI fell 8.4 percent in the September 2015 quarter, compared with the June 2015 quarter. The TWI was 12.8 percent lower in the September 2015 quarter than in the same quarter in 2014.



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: September 2015 – data collection methodology](#) details the methodology used for this release and revisions to provisional values published in our previous release.

[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: September 2015 – tables](#) (Excel, 21 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](#).

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