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On the up

Summary

- The ANZ Truckometer indexes rose in April. The Heavy Traffic rose 3.6% m/m while the Light Traffic lifted 0.2% m/m.
- While the Light Traffic Index suggests a broad loss of momentum, and in particular unimpressive growth in Q2 and Q3, there are signs growth in traffic may be finding a floor.
- The close timing of Easter and ANZAC day may have affected the Truckometer this month. However, this is going to be true of the majority of monthly economic indicators.

Figure 1. ANZ Heavy Traffic Index and GDP

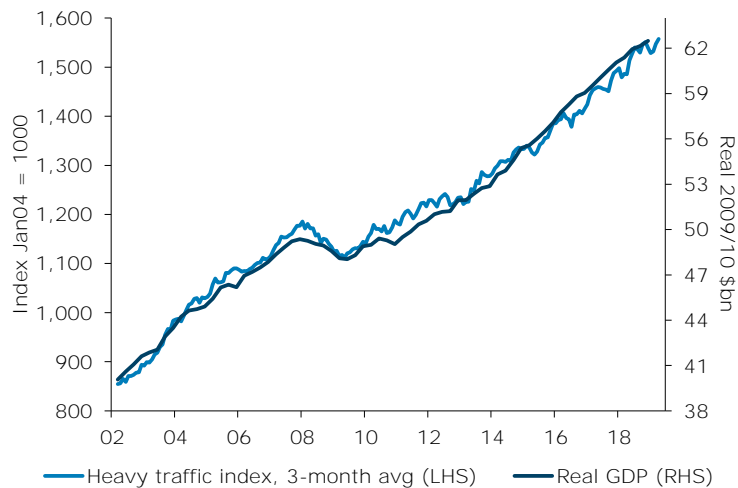
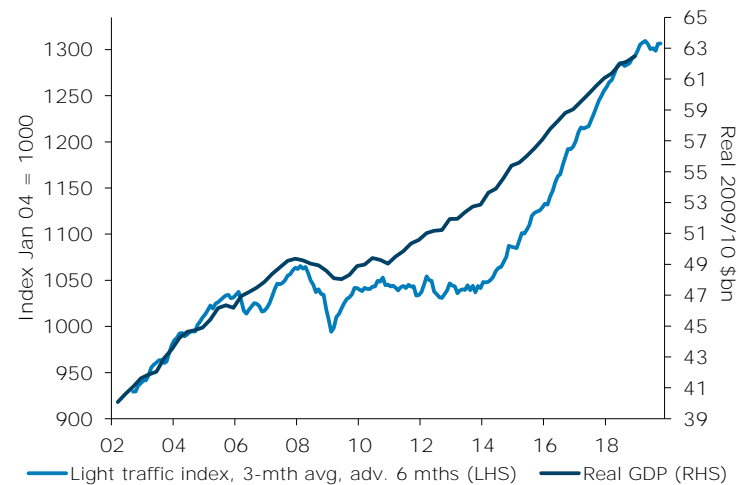
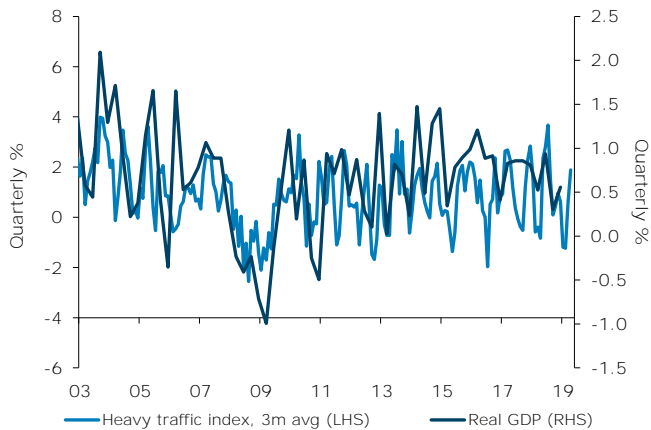


Figure 2. ANZ Light Traffic Index and GDP



Source: ANZ Research, Statistics NZ

Figure 3. Heavy Traffic Index and quarterly GDP growth



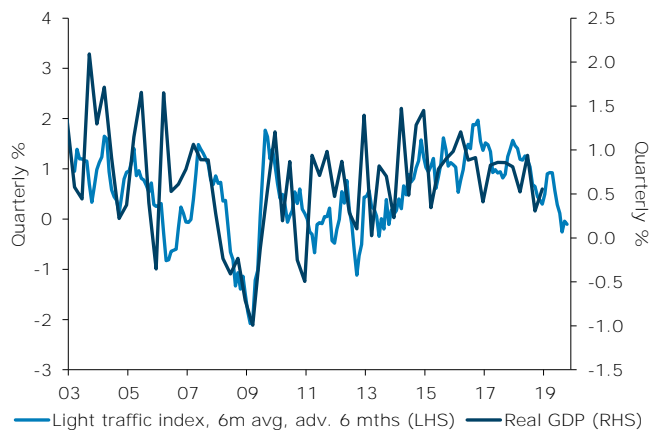
The ANZ Heavy Traffic Index suggests a continuation of pretty modest growth in Q1 but Q2 is off to a stronger start.

Figure 4. Heavy Traffic Index and annual GDP growth



Annual growth in the Heavy Traffic Index is not sending any strong signals about the trend in GDP growth, but has rebounded.

Figure 5. ANZ Light Traffic Index (adv. 6 months) and quarterly GDP growth



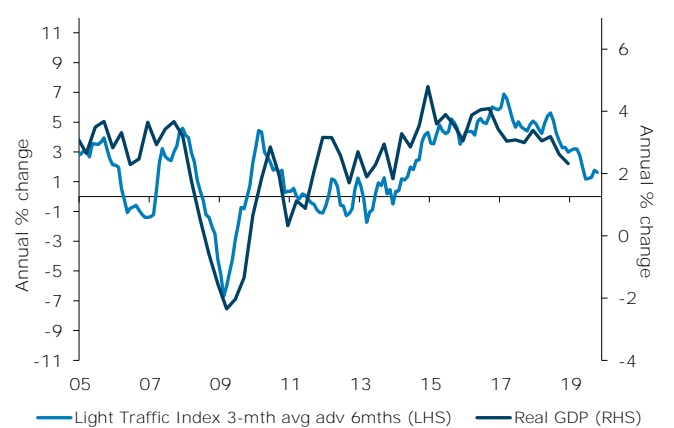
The Light Traffic Index gives a six-month lead on the direction of the economy.

It has also picked quarterly GDP growth pretty well over the past year. It is a bit more optimistic about Q1 growth than the Heavy Traffic Index is, but beyond that is suggesting disappointing quarterly GDP growth in Q2 and Q3.

However, it has stabilised in the last couple of months.

Source: ANZ, NZ Transport Agency, Statistics NZ

Figure 6. ANZ Light Traffic Index (adv. 6 months) and annual GDP growth



Annual growth in the Light Traffic Index has stabilised in recent months, suggesting the decline in annual GDP growth may soon have run its course.



Tables and charts

Appendix

After adjusting for seasonality, traffic flows lifted on all of the 11 roads in the Heavy Traffic Index in April, and on 8 of the 10 roads in the Light Traffic Index.

	Light Traffic Index			Heavy Traffic Index		
	Index Jan 04 = 1000	Monthly % chg	Annual % chg, 3m avg	Index Jan 04 = 1000	Monthly % chg	Annual % chg, 3m avg
Apr-18	1285	-0.4	3.3	1497	0.1	2.0
May-18	1298	1.0	3.3	1548	3.5	3.7
Jun-18	1296	-0.1	3.0	1539	-0.6	4.8
Jul-18	1302	0.5	3.1	1533	-0.4	5.8
Aug-18	1318	1.3	3.2	1537	0.3	5.6
Sep-18	1302	-1.2	3.2	1519	-1.2	5.4
Oct-18	1307	0.4	2.8	1585	4.4	5.0
Nov-18	1308	0.1	1.9	1549	-2.3	4.2
Dec-18	1286	-1.7	1.2	1483	-4.3	3.1
Jan-19	1311	2.0	1.2	1554	4.8	2.0
Feb-19	1300	-0.8	1.3	1559	0.3	3.6
Mar-19	1309	0.7	1.8	1529	-1.9	4.1
Apr-19	1311	0.2	1.6	1584	3.6	4.8

Figure 7. ANZ Light Traffic Index: raw vs. seasonally adjusted

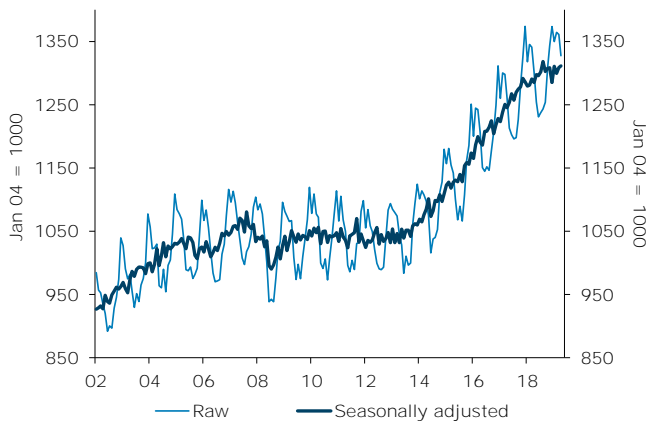
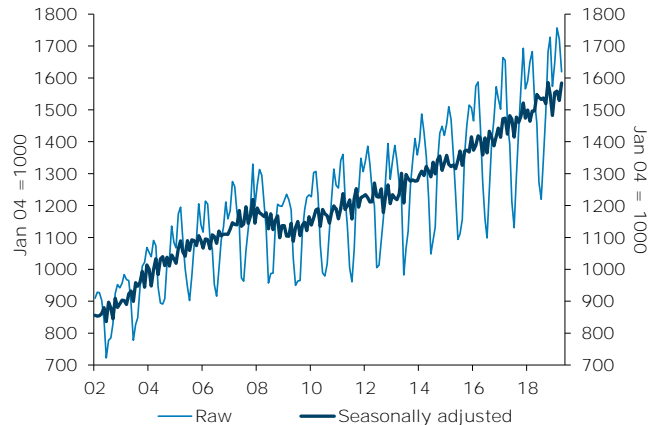


Figure 8. ANZ Heavy Traffic Index: raw vs. seasonally adjusted



Source: ANZ, NZ Transport Agency

Technical notes on the ANZ Truckometer were included in the initial release on 10 April 2012 and are available on the ANZ website or on request. The indexes' data history (subject to revision) is also available.



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