

## ANZ NZ Truckometer

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The next issue of the ANZ *Truckometer* is scheduled for release on 12 May at 10am.

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## Anything but BAU

### Summary

- The Light Traffic Index fell 29.3% m/m in March, while the Heavy Traffic fell 8.0% m/m. The month included nearly a full week of Level 4 lockdown.
- April data will be even weaker as it features more weeks of lockdown.
- The relationship between light traffic and output is unlikely to hold over this unusual period of disruption, but there should still be a relationship between heavy traffic and production.

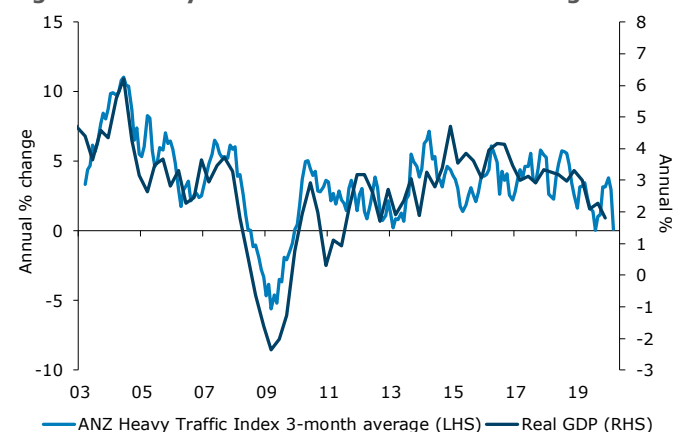
The two ANZ Truckometer indexes reflect economic activity. The Light Traffic Index gives an indication of where GDP growth is headed in six months' time, while the Heavy Traffic Index is real-time.

However, we find ourselves in highly unusual times, and the relationship between traffic and GDP growth will not hold. This is particularly true of light (car) traffic, with people only allowed to drive for essential purposes. The relationship between heavy traffic and GDP is likely to be more robust through this period.

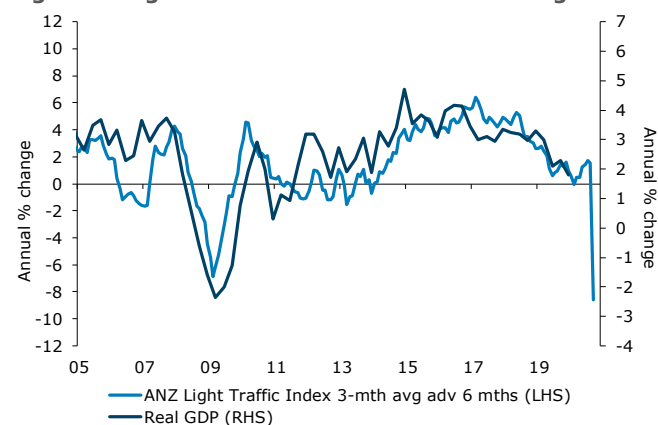
In March the Light Traffic Index fell 29% and the Heavy Traffic Index fell 8%. The monthly data included a full week of lockdown and a period of reduced travel activity before that. The Heavy Traffic data suggests a sharp drop in quarterly GDP growth in Q1 – our forecast is for GDP to fall 0.8% q/q, with the big lockdown hit coming in Q2.

We will continue to pay close attention to traffic data as a timely indicator of both production (heavy traffic) and on how New Zealanders are changing their behaviour in response to the COVID-19 threat (light traffic).

**Figure 1. Heavy Traffic Index and annual GDP growth**



**Figure 2. Light Traffic Index and annual GDP growth**



Source: ANZ Research, Statistics NZ

See further charts and tables over



## Tables and charts

After adjusting for seasonality, traffic flows fell on all of the 11 roads in the Heavy Traffic Index in March, and also on all 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
Mar-19	1281	1.4	1.5	1552	-0.6	3.2
Apr-19	1274	-0.5	1.3	1576	1.6	3.5
May-19	1283	0.7	1.6	1587	0.7	2.5
Jun-19	1257	-2.0	1.0	1553	-2.2	1.7
Jul-19	1274	1.4	0.6	1588	2.3	1.4
Aug-19	1278	0.3	-0.1	1532	-3.5	0.0
Sep-19	1275	-0.3	0.5	1584	3.4	1.0
Oct-19	1277	0.2	0.5	1627	2.7	1.2
Nov-19	1288	0.9	1.3	1603	-1.5	3.2
Dec-19	1259	-2.2	1.4	1561	-2.6	3.2
Jan-20	1295	2.9	1.7	1635	4.7	3.8
Feb-20	1285	-0.8	1.6	1583	-3.2	3.0
Mar-20	908	-29.3	-8.6	1456	-8.0	0.1

Figure 3. ANZ Heavy Traffic Index and GDP

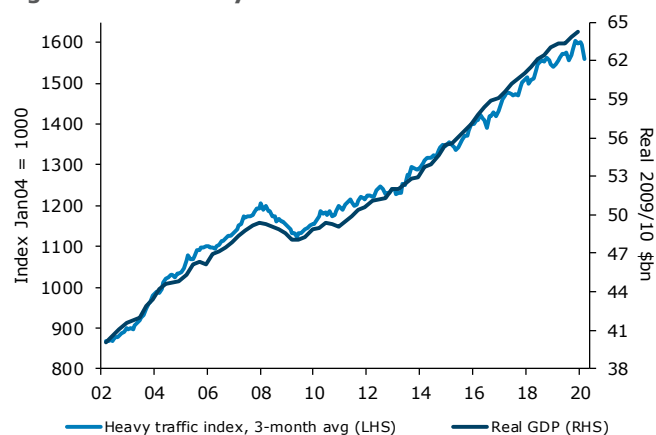


Figure 4. ANZ Light Traffic Index and GDP

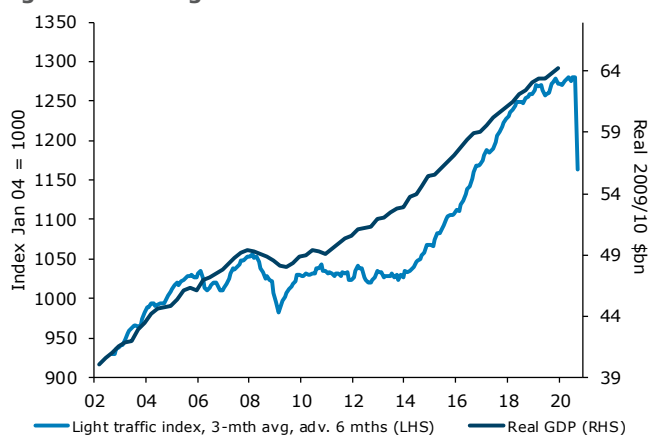


Figure 5. ANZ Heavy Traffic Index: raw vs. seas. adj.

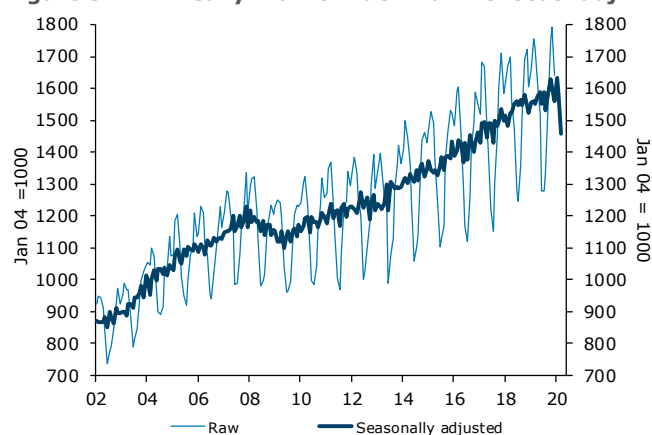
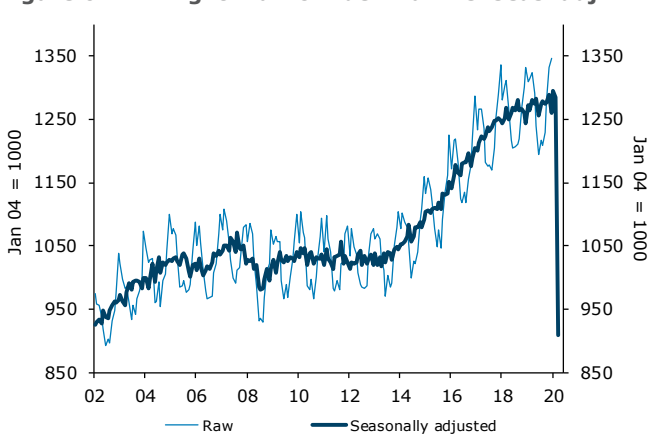


Figure 6. ANZ Light Traffic Index: raw vs. seas. adj.



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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