

# New Zealand Weekly Data Wrap

11 August 2023



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](#).

## Forecast updates

Recent ANZ NZ Forecast Updates can be found [here](#).

- [NZ Forecast Update: milk price revised down further](#)
- [NZ Forecast Update: the much-needed adjustment](#)
- [NZ Forecast Update: milk price forecasts trimmed further](#)
- [NZ Property Focus: On the floor, ready to floor it?](#)

Our other recent publications are on [page 2](#).

## What's the view?

- GDP transitioning from acute supply constraints to a softening demand pulse.
- Labour market still tight, but expected to cool.
- Inflation way above target and looking sticky.
- OCR on hold at 5.50% until November 2023, then higher.

Our forecasts are on [page 4](#).

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

## Key risks to our view



Global growth and financial market risks persist, as markets debate the rates outlook.



Soaring net migration could see rents and house prices start to rise more quickly.



Booming migration plus fiscal stimulus could see demand hold up for longer.



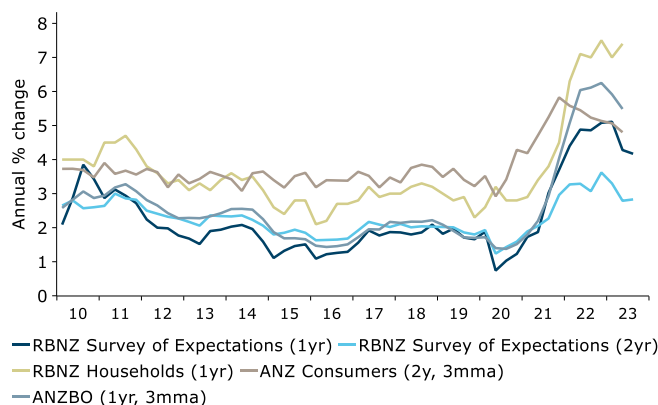
NZ's large external imbalances could see the market impose a more abrupt adjustment path.

## What to expect when they're expecting

Inflation expectations can be a key driver of inflation, so central banks get nervous when they're misbehaving. Higher inflation expectations can flow into wage- and price-setting behaviour, creating a problematic feedback loop. Keeping expectations anchored at the 2% target is a crucial component of the RBNZ's monetary policy. Expectations are also important insofar as they feed into the RBNZ's estimation of the neutral interest rate. All else equal, lower short-term inflation expectations will mean a lower estimated neutral OCR and hence more confidence for the RBNZ that the OCR is restrictive.

The RBNZ's latest Survey of Expectations released this week showed gradual progress. Aside from a surprising tick up in the 2-year ahead measure from 2.79% to 2.83%, expectations fell across the curve. 1-year ahead inflation expectations fell 11bp to 4.17%, while the 5-year and 10-year ahead measures declined slightly to be 2.25% and 2.22% respectively, still above the 2% midpoint of the target band. While the Survey of Expectations is more of a consensus forecast than an expectations measure, with a sample size of just 30, it nonetheless receives a lot of attention.

Figure 1. Inflation expectations



Source: ANZ, RBNZ, Macrobond, ANZ Research

Other measures of inflation expectations such as in our own [Business Outlook](#) and [Consumer Confidence](#) surveys have been trending down in recent months, but remain higher than the RBNZ's survey of professional forecasters. In fact, 2-year ahead consumer inflation expectations jumped from 4.3% to 4.7% in July, coinciding with the end of fuel excise and other transport subsidies. In the RBNZ's own survey of households, inflation expectations have not yet budged from a peak north of 7%.

Consumers expectations are likely heavily influenced by components most salient to household budgets, such as food and fuel prices, the prices that they see week after week. With food price inflation still rising at near 10%y/y, and a worrying upward trend in global oil prices, there are risks that consumer inflation expectations prove stubborn. The longer the labour market remains tight, the more likely consumer expectations are to matter through the transmission via wages, given the greater negotiating power wielded by employees.

For now, the RBNZ can take some comfort in the gradual downtrend in inflation expectations in recent months. That said, measures remain well in excess of target and more progress will be needed for the RBNZ to be confident that rates are sufficiently restrictive.



## Looking ahead



### NZ Insights and Analysis

ANZ produces a range of in-depth insights.

- NZ Economic Outlook: waiting on the last domino
- NZ Property Focus: running start
- NZ ETS: Change of price and volumes settings
- NZ Agri Focus: winter chill
- NZ Property Focus: On the floor, ready to floor it?
- NZ Insight: divergence across the Tasman, recession for NZ but not for Oz
- NZ Economic Outlook: moving parts
- NZ Insight: Inflation rotation
- NZ Insight: inflationary risks from Gabrielle
- NZ Insight: RBA/RBNZ policy divergence back in the spotlight



### NZ Economic News

View latest data and policy releases

- NZ GDP: Cyclone nudges NZ into recession
- NZ REINZ housing data: going up
- RBNZ MPR Review: nothing to see here
- NZ CPI Review: Not a good news day after all
- NZ labour market: relatives and absolutes
- NZ Budget 2023 brings the bonds

Click here for more.



### 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: June 2023

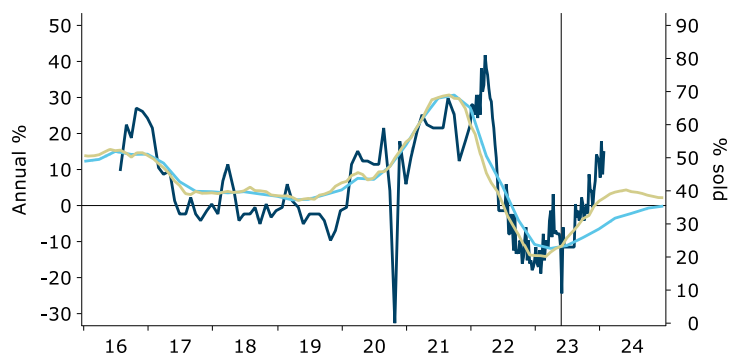
### Hold on

Next week is all about the RBNZ's August Monetary Policy Statement (MPS). **We expect** the RBNZ will keep the OCR unchanged at 5.50%, and reiterate their "watch, worry and wait" stance.

While we continue to expect that the RBNZ will hike again, as we have long said, the dataflow is unlikely to nudge the RBNZ off their on-hold perch until November at the earliest. Since the July Monetary Policy Review (MPR):

- The **housing market** has continued to rebound, with house prices now clearly rising. The RBNZ had previously forecast house prices to fall until the middle of 2024, and while the RBNZ uses the CoreLogic measure, which slightly lags the REINZ index that we follow, the trajectory has clearly turned well in advance of their last estimate. With the RBNZ due to publish an updated set of forecasts in the next week's MPS, it will need to revise up its house price forecasts and decide whether to lift its consumption and residential investment forecasts on the back of it.
- **Non-tradables inflation** surprised on the upside, printing at 6.6% y/y, 0.3ppts higher than the RBNZ's forecast. Core measures continue to highlight a worrying persistence in inflation, with no clear downtrend evident, and the RBNZ's own Sectoral Factor Model has been unchanged at 5.8% since Q4 2022.
- The **labour market** remained tight in Q2, as continued labour supply growth (bolstered by both net migration inflows and yet another increase in labour force participation) offset strong employment growth. The unemployment rate rose slightly more than the RBNZ's expectation to 3.6%, but the real test for the RBNZ will come later in the year, given their expectation of a rapid loosening in the labour market from here.
- **Dairy prices** have continued to fall – **we've revised down** our 2022/23 payout estimate from \$7.75kg/MS at the time of the May MPS to \$7.15kg/MS now. Lower incomes for farmers will have implications for the broader economy through reduced consumption and investment.

Figure 2. House price forecasts vs Barfoot & Thompson auction clearance rate



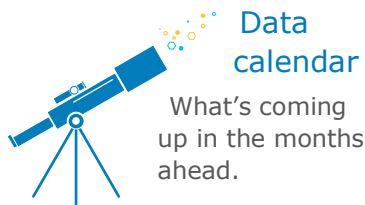
— Barfoot & Thompson Akld auction clearance rate, adv. 6 months, RHS  
 — RBNZ house price forecast (Corelogic), LHS  
 — ANZ house price forecast (REINZ), LHS

Source: Corelogic, REINZ, B&T, interest.co.nz, Macrobond, ANZ Research

All up, data since July has been mixed, and overall not strong enough to prompt the RBNZ to deviate from its current strategy; it's a high hurdle to recommence tightening. Upside risks to demand and inflation have not gone away, though a weakening external sector does provide some offset. The August MPS will include the RBNZ's latest forecasts, which will be important for interpreting how the RBNZ judge the evolving risks. **We continue to see those risks as warranting further action from the RBNZ** eventually, but we fully expect to wait a little longer for our case to be made. There's plenty of uncertainty for the RBNZ to wade through in the meantime.



## Financial markets update



Date	Data/event
Mon 14 Aug (10:30am)	Performance Services Index – Jul
Mon 14 Aug (10:45am)	Net Migration – Jun
Tue 15 Aug (09:00am)	REINZ Housing Data - Jul
Wed 16 Aug (early am)	GlobalDairyTrade auction
Wed 16 Aug (2:00pm)	<b>RBNZ MPS</b>
Mon 21 Aug (10:45am)	Merchandise Trade – Jul
Wed 23 Aug (10:45am)	Retail Trade – Q2
Thu 24 Aug (10:00am)	<a href="#">ANZ Truckometer – Jul</a>
Thu 31 Aug (1:00pm)	<a href="#">ANZ Business Outlook – Aug</a>
Thu 31 Aug (3:00pm)	RBNZ Sectoral Lending – Jul
Fri 1 Sep (10:00am)	<a href="#">ANZ-RM Consumer Confidence – Aug</a>
Mon 4 Sep (10:45am)	Terms of Trade – Q2
Tue 5 Sep (1:00pm)	<a href="#">ANZ Commodity Price Index – Aug</a>
Wed 6 Sep (early am)	GlobalDairyTrade auction
Wed 6 Sep (10:45am)	Building Work Put in Place – Q2
Thu 7 Sep (10:45am)	Economic Survey of Manufacturing – Q2
Tue 12 Sep (10:45am)	Electronic Card Transactions – Aug
Tue 12 Sep (10:45am)	Net Migration – Jul
Tue 12 Sep (tbc)	PREFU
Wed 13 Sep (10:45am)	Food Price Index – Aug
Wed 13 Sep (10:45am)	Rental Price Index – Aug
Fri 15 Sep (10:30am)	BusinessNZ Manuf PMI – Aug
Mon 18 Sep (10:30am)	Performance Services Index – Aug
Wed 20 Sep (early am)	GlobalDairyTrade auction
Wed 20 Sep (10:45am)	Current Account – Q2
Thu 21 Sep (10:45am)	<b>GDP – Q2</b>
Fri 22 Sep (10:45am)	Merchandise Trade – Aug

### Interest rate markets

Global bond yields slipped earlier this week following last Friday's softer US payrolls data, but they are on the rise again. The bellwether US 10-year Treasury bond yield hasn't reclaimed last week's high, but it is succumbing to concerns about deteriorating fiscals, increased issuance, and prospects for more quantitative tightening globally. We think it's too soon to call an end to the bond rout and expect higher long-term yields and steeper (less inverted) yield curves over coming months. [We expect the RBNZ to pause next week](#), and don't expect a significant market reaction. But we do see scope for markets to continue 'pricing out' cuts priced in over late 2024.

### FX markets

The NZD is teetering just above 0.60 as the week draws to a close, having been sidelined by persistent USD strength. Our forecasts still call for mild gradual appreciation over 2023. However, this expectation is predicated on the expectation that markets would gravitate back to fair value (which we see at around 0.65), and the risks are skewed toward that not happening, especially if FX markets continue to take a 'Goldilocks' view of the US' ability to tame inflation without causing a recession, which is the current vibe. In the near term, a break of 0.60 would put the June low of 0.5985 in focus, and beyond that, the 2022 low of 0.5512.

### Key data summary

**Electronic Card Transactions – July.** Retail spending was flat in July, while total spending fell 0.9% m/m, driven by spending on fuel.

**RBNZ Inflation Expectations – Q3.** 1-year ahead expectations declined from 4.28% to 4.17%, while 2-year ahead expectations ticked higher from 2.79% to 2.83%.

**Manufacturing PMI – July.** The PMI fell 1.1 points to 46.3 in July, suggesting the moderating trend remains firmly in place.

**Food Prices – July.** Food prices fell 0.5% m/m, much weaker than expected. Fruit and vegetable prices fell 4.1% m/m, going against usual seasonal patterns – finally some correction from supply-driven disruption seen earlier this year.

**Rental Price Index – July.** The stock measure of rents rose 0.4% m/m, stronger than expected. We expect upward pressure on rents stemming from population growth to continue across the second half of the year.

### The week ahead

**Performance Services Index – July (Monday 14 August, 10:30am).** The PSI fell 3.0pts to 50.1 in June, which may signal the services industry slipping into contraction in July.

**REINZ House Prices – July (Tuesday 15 August, 9:00am).** Prices were off the floor with a running start in June, bolstered by some temporary factors. See our latest [Property Focus](#).

**Net Migration - May (Monday 14 August, 10:45am).** We expect net migration inflows slowed in May as departures continue to rise while arrivals ease.

**GlobalDairyTrade auction (Wednesday 16 August, early am).** Dairy markets continue to weaken with futures prices indicating we are likely to see prices fall by a further 2% at the next dairy auction.

**RBNZ Monetary Policy Statement – August (Wednesday 16 August, 2:00pm).** Likely aiming to be a quiet affair. See our [Preview](#).



## Key forecasts and rates

	Actual			Forecast (end month)					
	Jun-23	Jul-23	Today	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
<b>FX rates</b>									
NZD/USD	0.613	0.620	0.601	0.620	0.630	0.650	0.650	0.650	0.650
NZD/AUD	0.921	0.925	0.923	0.912	0.900	0.903	0.890	0.890	0.890
NZD/EUR	0.561	0.562	0.548	0.554	0.553	0.560	0.551	0.542	0.542
NZD/JPY	88.5	88.2	87.1	85.6	85.1	85.8	83.2	81.9	80.6
NZD/GBP	0.482	0.482	0.475	0.484	0.485	0.492	0.485	0.478	0.478
NZ\$ TWI	70.9	71.4	70.1	70.1	69.9	71.2	70.5	70.0	69.8
<b>Interest rates</b>									
NZ OCR	5.50	5.50	5.50	5.50	5.75	5.75	5.75	5.75	5.50
NZ 90 day bill	5.71	5.60	5.64	5.79	5.90	5.87	5.85	5.68	5.43
NZ 2-yr swap	5.47	5.45	5.51	5.57	5.67	5.52	5.38	5.18	5.02
NZ 10-yr bond	4.62	4.60	4.81	4.85	5.00	4.85	4.75	4.75	4.75

### Economic forecasts

	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
GDP (% qoq)	-0.1	<b>0.4</b>	<b>-0.1</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>
GDP (% yoy)	2.2	<b>1.1</b>	<b>-0.5</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.4</b>	<b>0.9</b>	<b>1.3</b>
CPI (% qoq)	1.2	1.1	<b>2.1</b>	<b>0.8</b>	<b>0.8</b>	<b>0.6</b>	<b>0.9</b>	<b>0.4</b>	<b>0.6</b>
CPI (% yoy)	6.7	6.0	<b>6.0</b>	<b>5.3</b>	<b>4.9</b>	<b>4.4</b>	<b>3.1</b>	<b>2.7</b>	<b>2.3</b>
Employment (% qoq)	1.1	1.0	<b>0.2</b>	<b>0.0</b>	<b>-0.2</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>0.3</b>
Employment (% yoy)	2.9	4.0	<b>2.9</b>	<b>2.3</b>	<b>1.0</b>	<b>0.1</b>	<b>0.1</b>	<b>0.3</b>	<b>0.8</b>
Unemployment Rate (% sa)	3.4	3.6	<b>3.9</b>	<b>4.2</b>	<b>4.6</b>	<b>4.7</b>	<b>4.8</b>	<b>4.9</b>	<b>5.1</b>

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

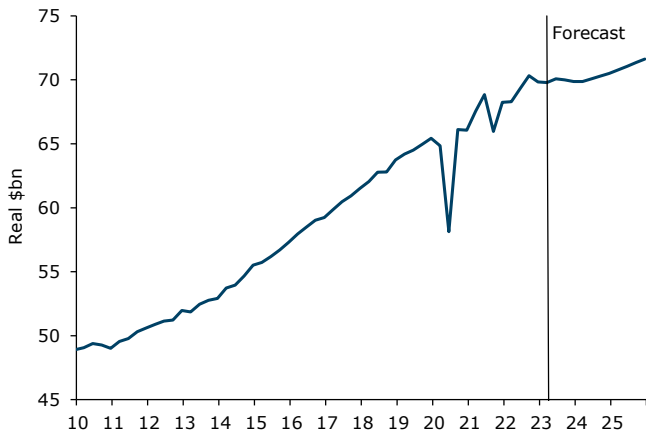


Figure 4. CPI inflation components

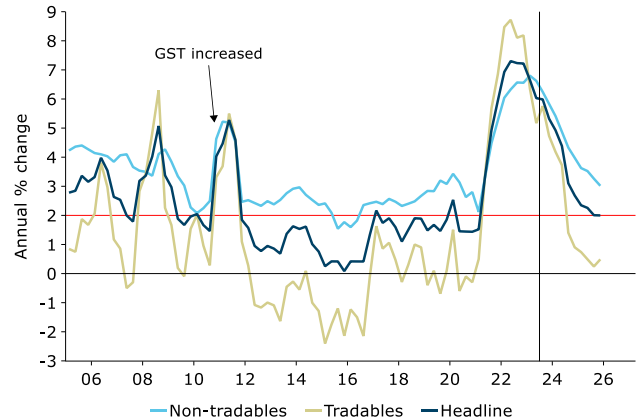


Figure 5. OCR forecast

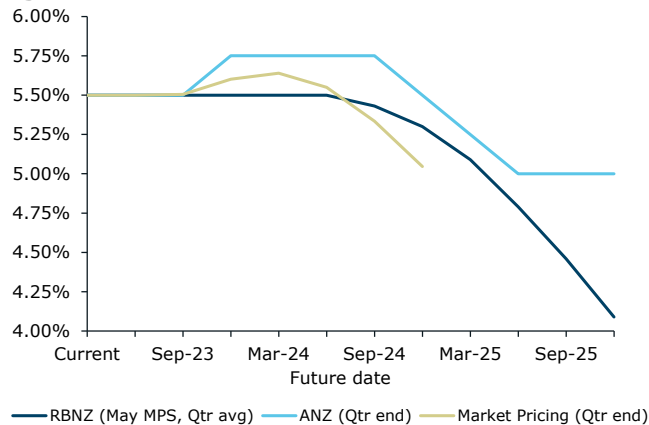
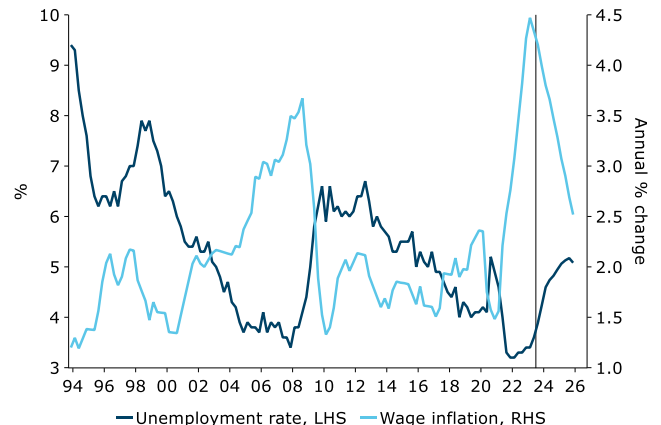


Figure 6. Unemployment and wage inflation



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 Twitter  
[@sharon\\_zollner](#)

Telephone: +64 9 357 4094  
Email: [sharon.zollner@anz.com](mailto:sharon.zollner@anz.com)

General enquiries:  
[research@anz.com](mailto: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](mailto: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](mailto:susan.kilsby@anz.com)



**Miles Workman**  
Senior Economist

Macroeconomic forecast co-ordinator, fiscal policy, economic risk assessment and credit developments.

Telephone: +64 21 661 792  
Email: [miles.workman@anz.com](mailto:miles.workman@anz.com)



**Henry Russell**  
Economist

Macroeconomic forecasting, economic developments, labour market dynamics, inflation and monetary policy.

Telephone: +64 21 629 553  
Email: [henry.russell@anz.com](mailto:henry.russell@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](mailto:kyle.uerata@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](mailto:natalie.denne@anz.com)

# Important notice

---

Last updated: 18 April 2023

**The opinions and research contained in this document (which may be 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) intended to be general in nature and do not take into account your financial situation or goals.**

This document may be restricted by law in certain jurisdictions. Persons who receive this document must inform themselves about and 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 this document 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 contained within 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, ANZ Group does not represent or warrant the accuracy or completeness of the information, except with respect to information concerning ANZ Group. 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.

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. Past performance is not necessarily an indicator of future performance. 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. Please note, 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.

**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).

# Important notice

**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.

**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](http://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.