RBNZ MPS starting-point surprise chart pack

25 August 2026

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Contact
Miles Workman for more details.

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Less tradable inflation, but also less spare capacity

Key points:

- Data outturns have been mixed relative to the RBNZ's May MPS forecasts.
- Quarterly Q1 GDP growth (production measure) was slightly weaker than the May forecast.
- The Q2 CPI came in slightly weaker than forecast, reflecting softer tradable inflation. Non-tradable inflation was in line with the RBNZ's forecast.
- The unemployment rate was higher than the RBNZ's forecast in Q2, but employment was too, and wage growth was slightly stronger.
- The NZD Dubai oil price has remained below the RBNZ's assumption.
- The NZD TWI has held close to forecast.
- Our suite of output gap measures suggests there is slightly less spare capacity than implied by the RBNZ's May forecast.
- Our suite of Taylor rules (using our Q3 forecasts) suggests an OCR of 2.75% at the end of Q3 is appropriate.
- At the time of writing, the market is assigning more than a 90% probability to a 25bp hike in September, with two hikes fully priced by year-end.

Figure 1. RBNZ OCR forecast vs market pricing (quarter average)

Source: RBNZ, ICAP, Bloomberg, Macrobond, ANZ Research

This chart pack illustrates how key data has evolved relative to the RBNZ's last published forecasts. Nuance matters and it can never be a full picture of what's changed. Sometimes starting point surprises matter hugely; sometimes they are very much overshadowed by other developments (including unforecastable changes in RBNZ modelling assumptions). This document focuses on the data themselves. For our full take on what they mean, and how we think the RBNZ may be interpreting them, you'll need to wait for our Preview later today.

GDP

Figure 1. Production GDP (q/q)

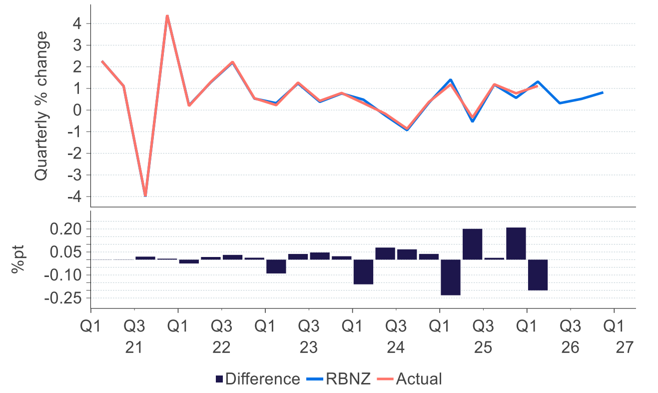


Figure 2. Production GDP (level)

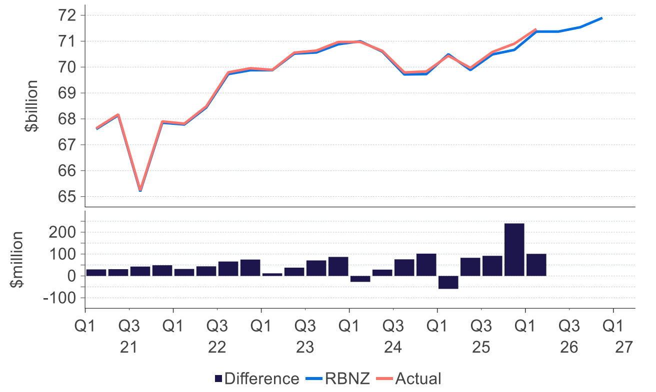


Figure 3. Real expenditure GDP (q/q)

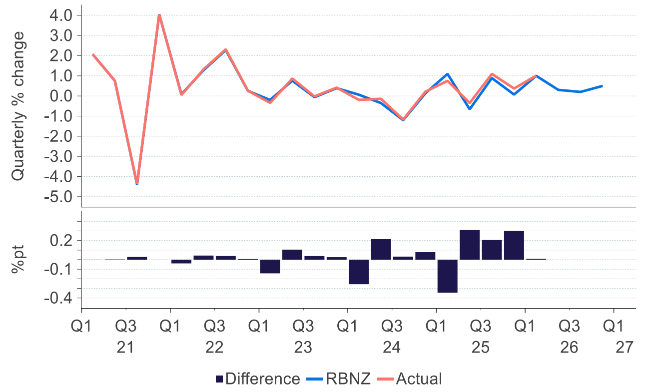


Figure 4. Real expenditure GDP (level)

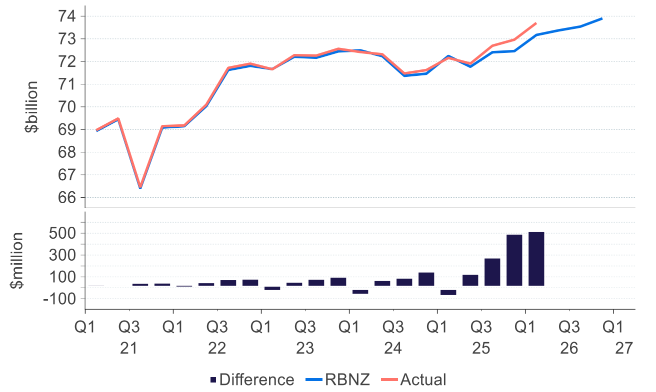


Figure 5. Real private consumption (q/q)

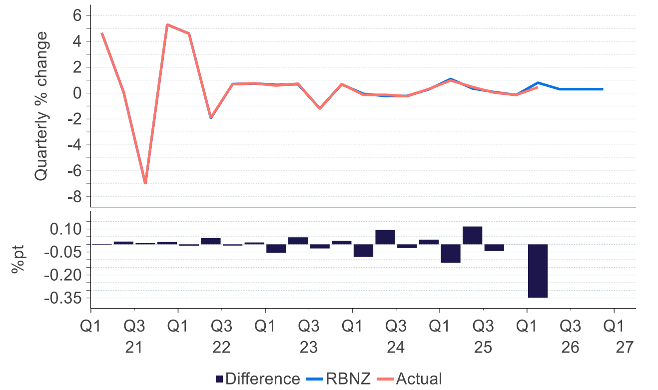


Figure 6. Real private consumption (level)

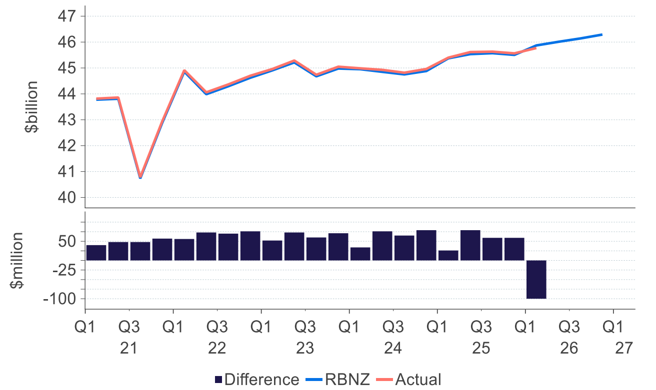


Figure 7. Real residential investment (q/q)

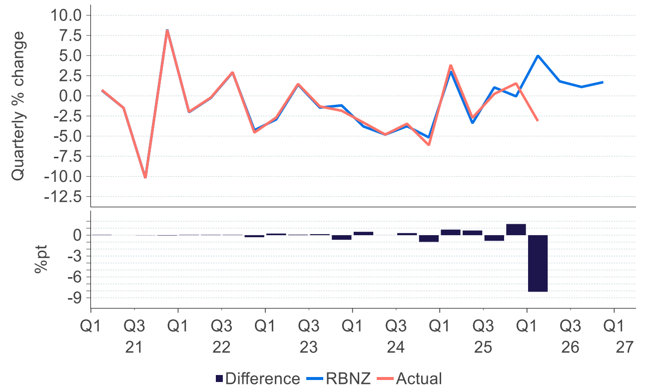
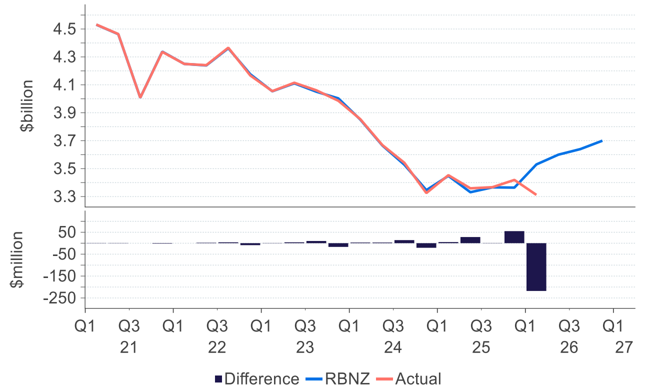


Figure 8. Real residential investment (level)



Source: Stats NZ, RBNZ, Macrobond, ANZ Research

GDP

Figure 9. Real total exports (q/q)

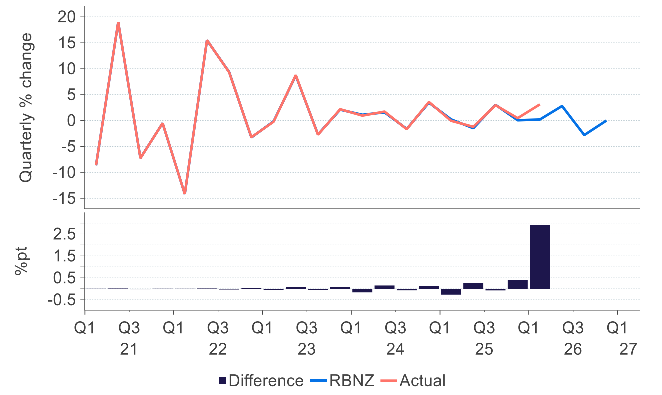


Figure 10. Real total exports (level)

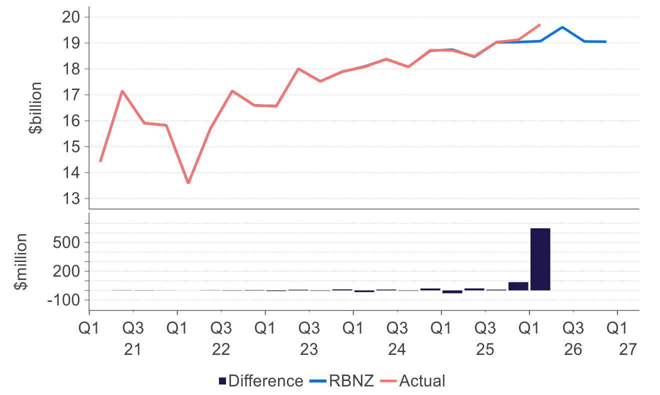


Figure 11. Real total imports (q/q)

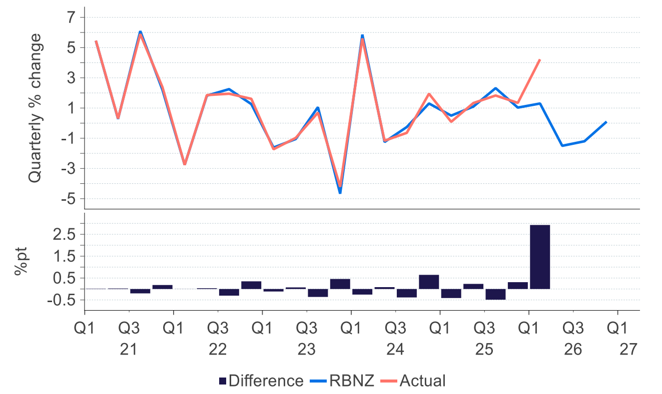


Figure 12. Real total imports (level)

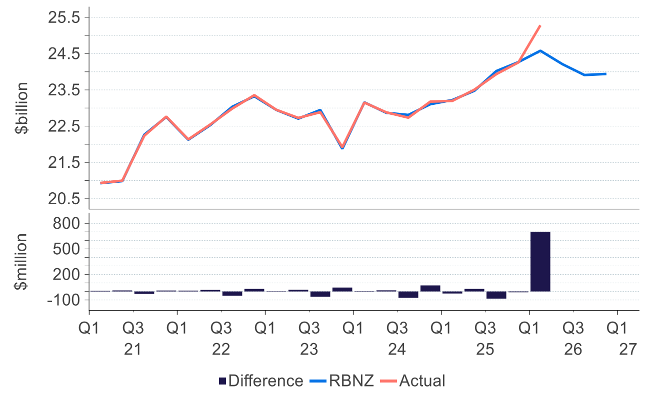


Figure 13. Changes in inventories (level)

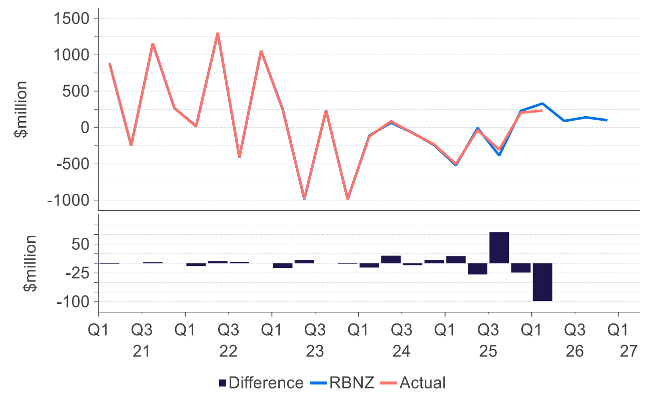
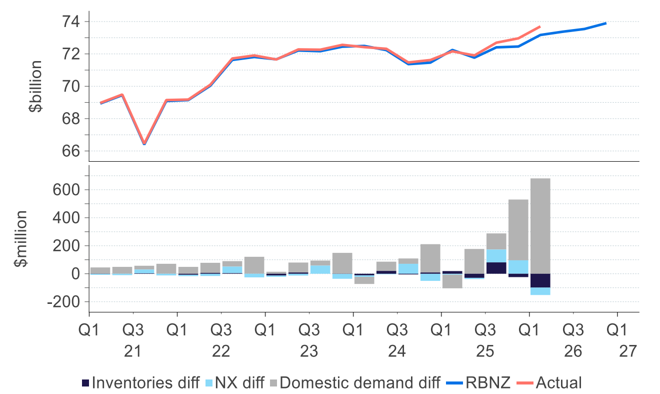


Figure 14. GDP high level breakdown



Source: Stats NZ, RBNZ, Macrobond, ANZ Research

CPI

Figure 15. Headline CPI inflation (q/q)

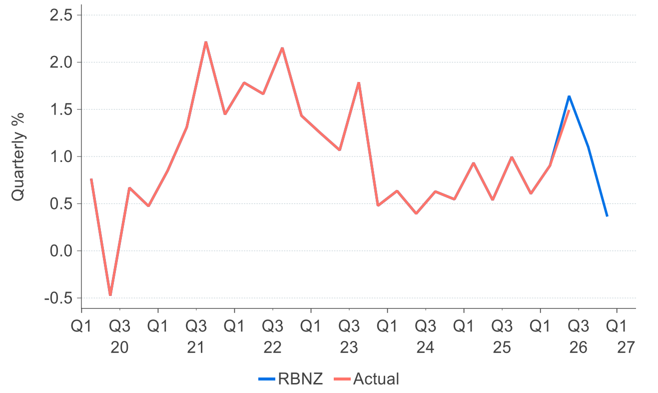


Figure 16. Headline CPI inflation (y/y)

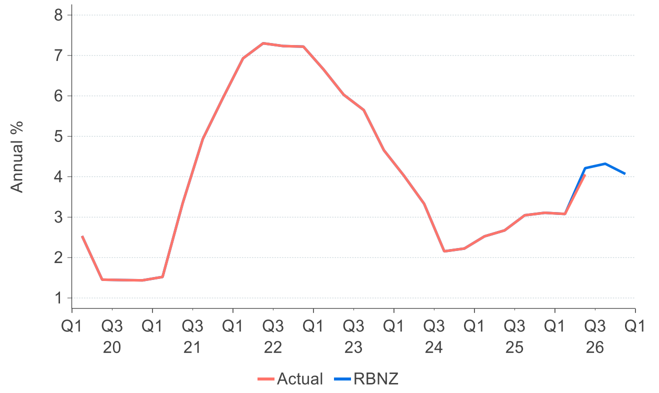


Figure 17. Tradables CPI inflation (q/q)

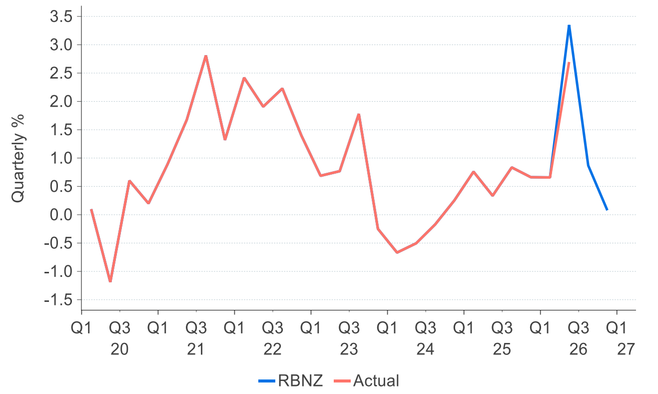


Figure 18. Tradables CPI inflation (y/y)

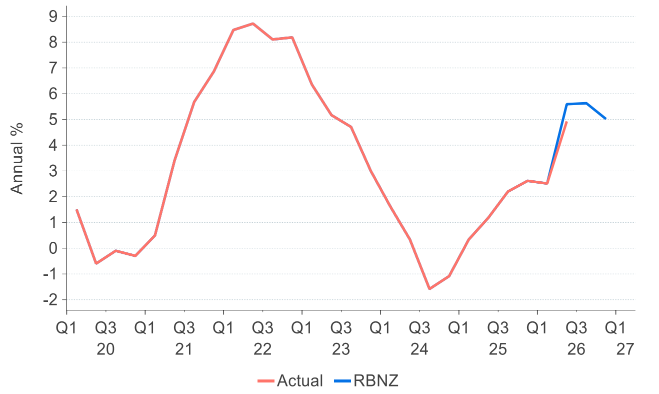


Figure 19. Non-tradables CPI inflation (q/q)

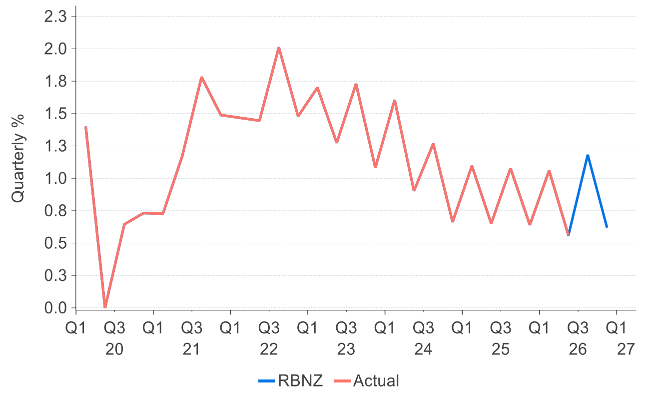
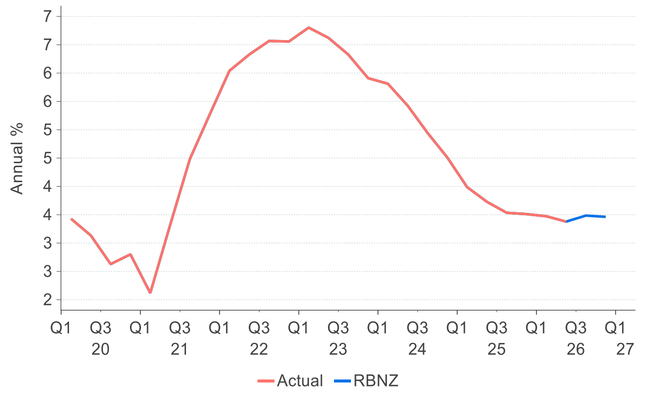


Figure 20. Non-tradables CPI inflation (y/y)



Source: Stats NZ, RBNZ, Macrobond, ANZ Research

Labour market

Figure 21. Unemployment rate

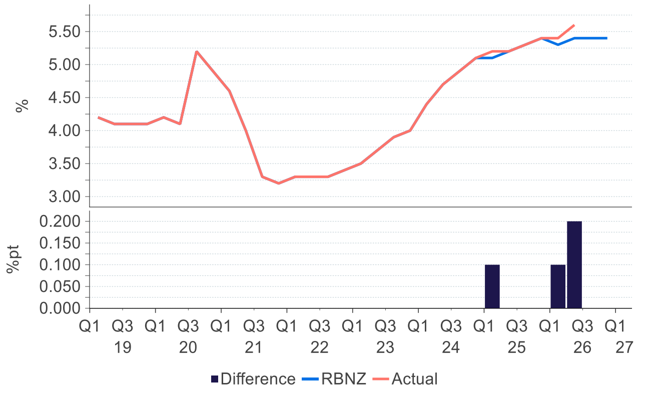


Figure 22. Participation rate

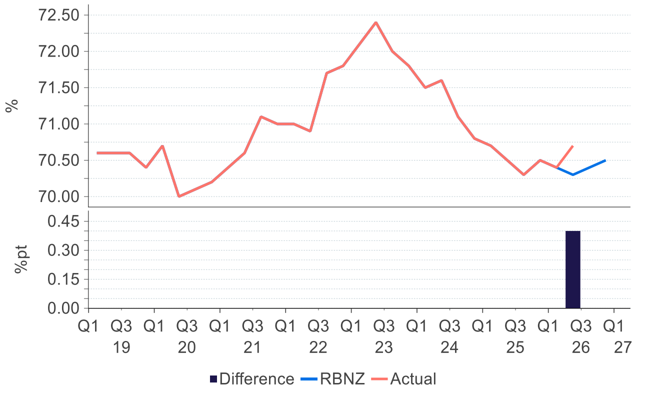


Figure 23. Employment (q/q)

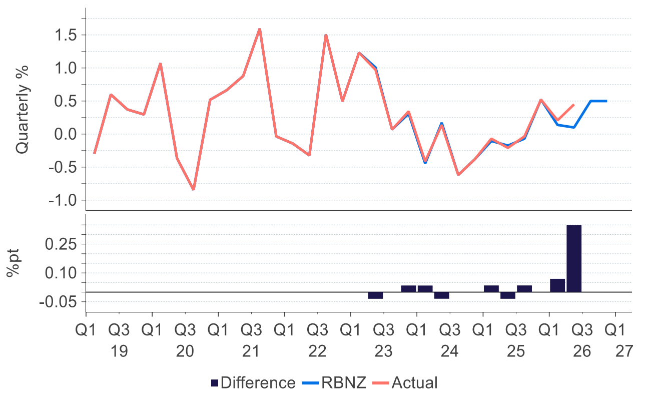


Figure 24. Employment (y/y)

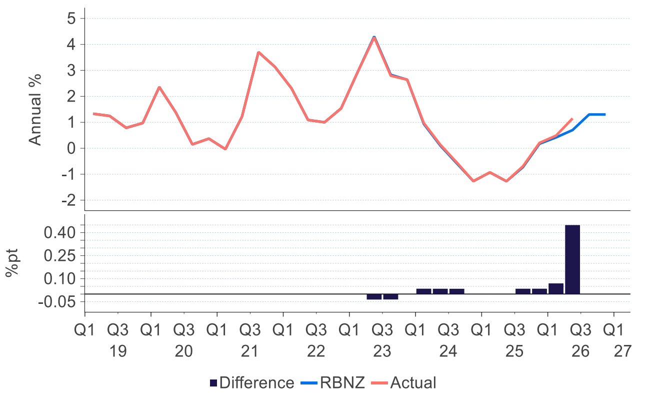


Figure 25. Labour force (level)

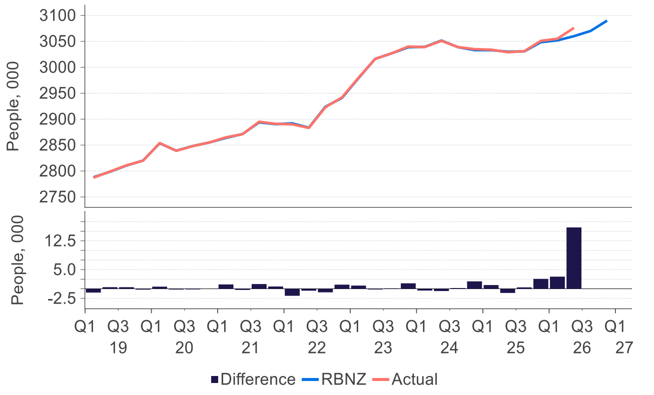


Figure 26. Working age population (level)

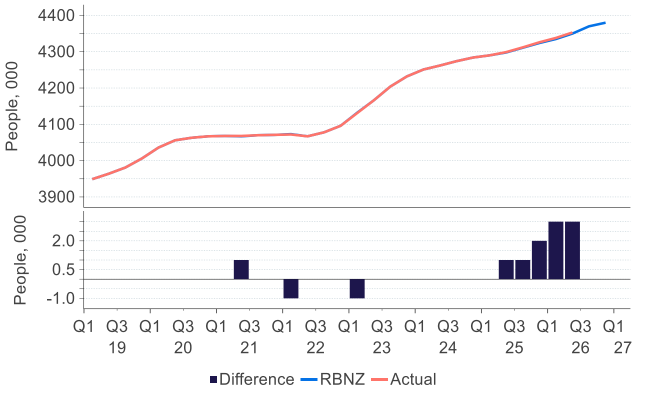


Figure 27. Employment rate

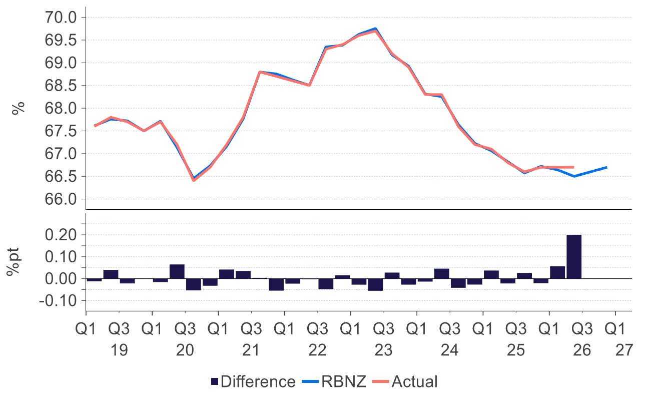
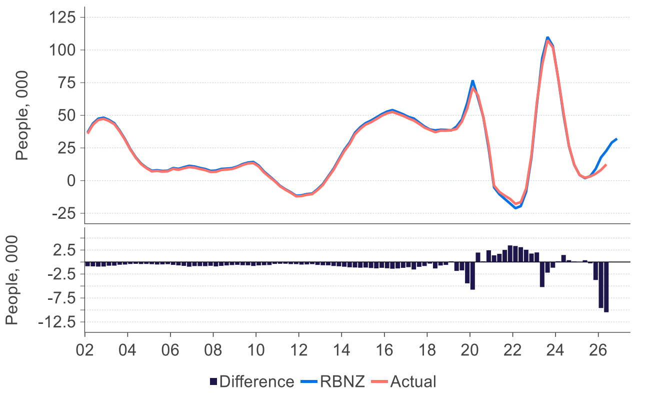


Figure 28. Annual net migration (working age)



Source: Stats NZ, RBNZ, Macrobond, ANZ Research

Labour market

Source: Stats NZ, RBNZ, Macrobond, ANZ Research

Figure 29. Labour cost index (q/q)

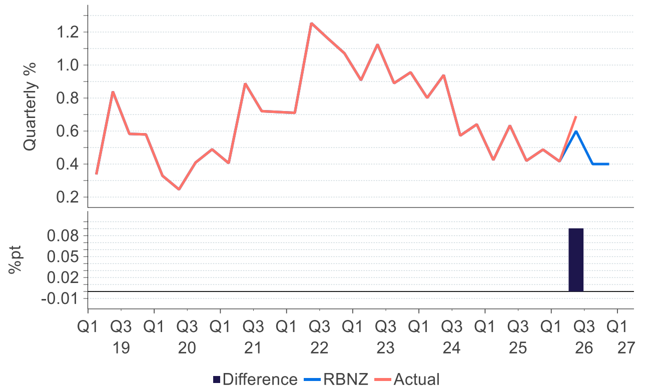


Figure 30. Labour cost index (y/y)

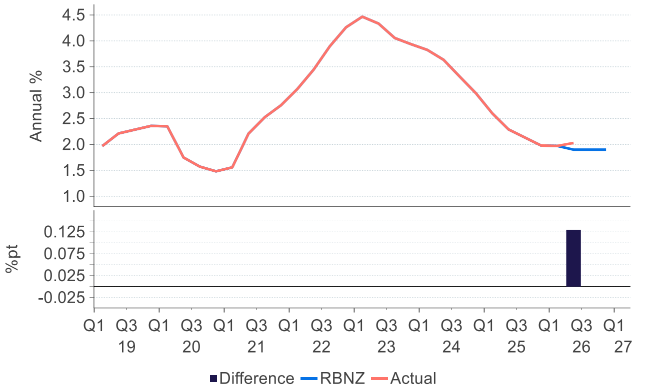


Figure 31. Average hourly earnings (q/q)

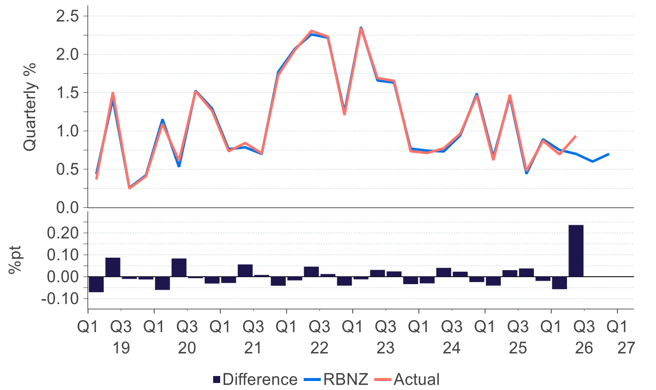
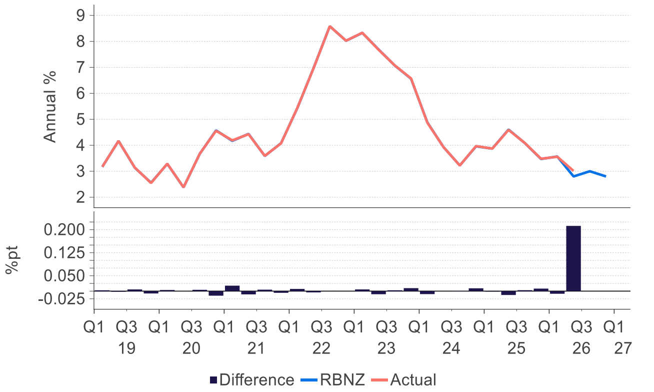


Figure 32. Average hourly earnings (y/y)



External sector and housing

Figure 33. TWI (level, quarter average)

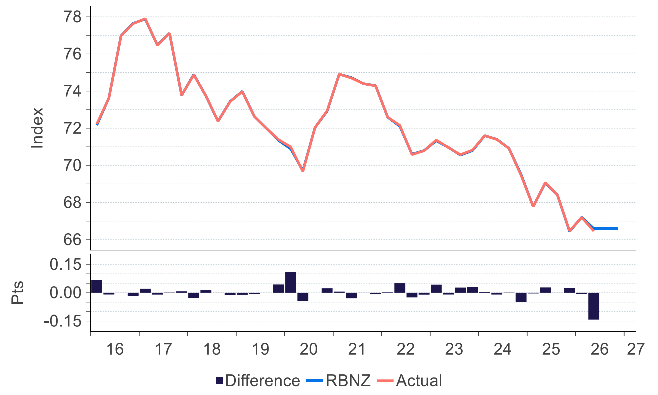


Figure 34. TWI (quarter average vs daily actuals)

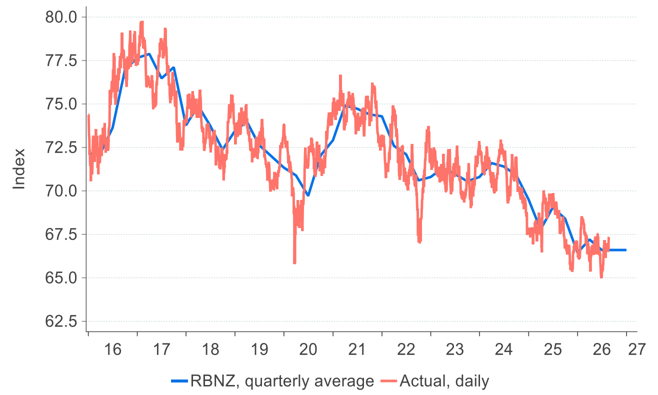


Figure 35. Export prices (level, SNA basis, world price)

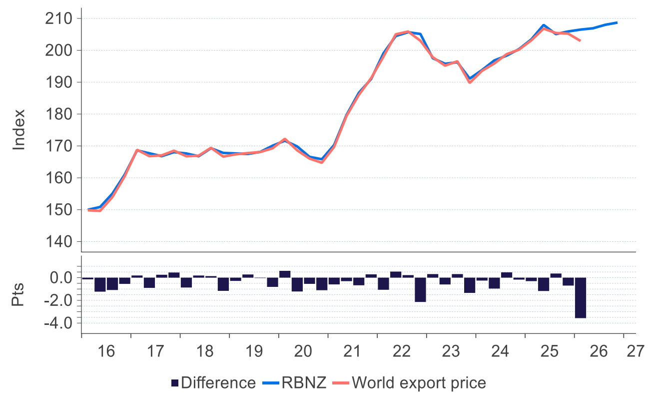


Figure 36. Import prices (level, SNA basis, world price)

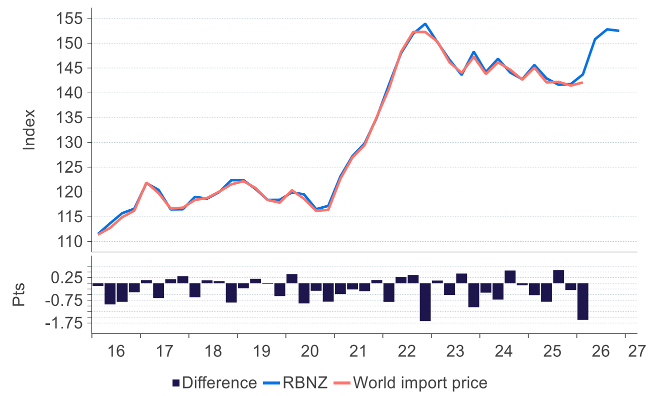


Figure 37. Terms of trade (level, SNA basis, world price)

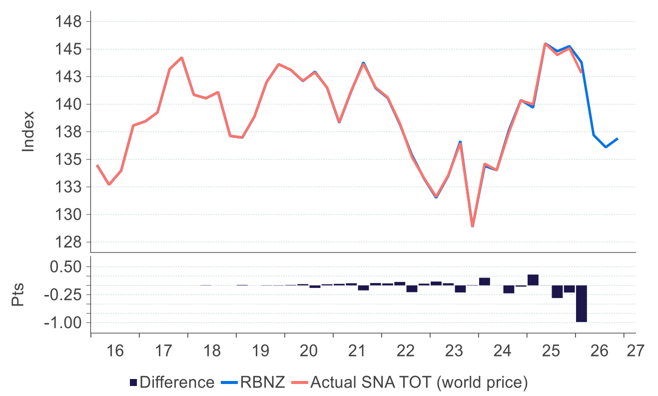


Figure 38. Dubai oil price

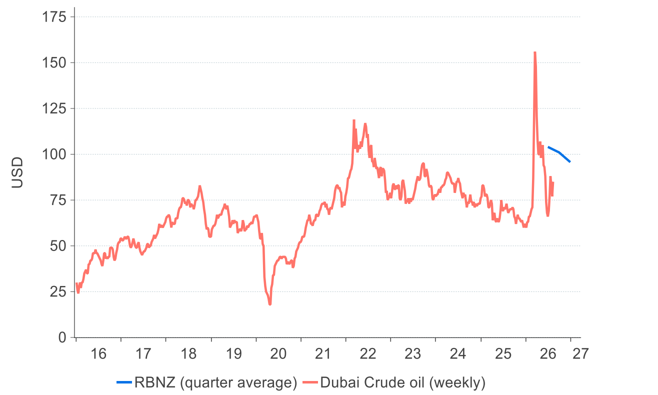


Figure 39. House price index (level)

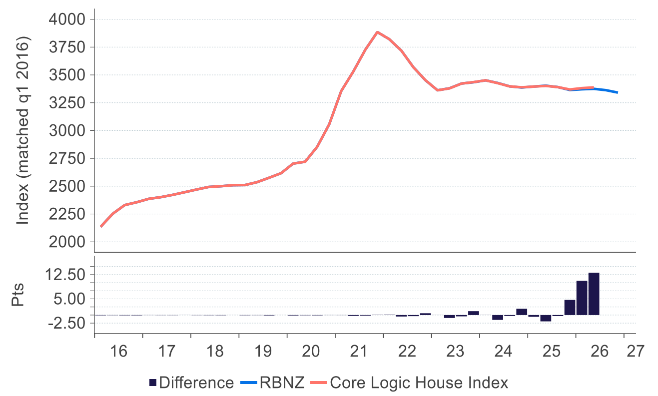
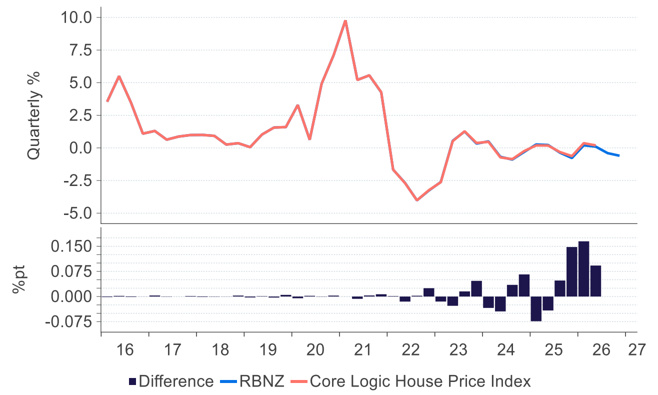


Figure 40. House price index (q/q)



Source: Stats NZ, RBNZ, MBIE, CoreLogic NZ, Macrobond, ANZ Research

Capacity indicators and Taylor Rules

Figure 41. Labour market capacity suite mean vs RBNZ output gap

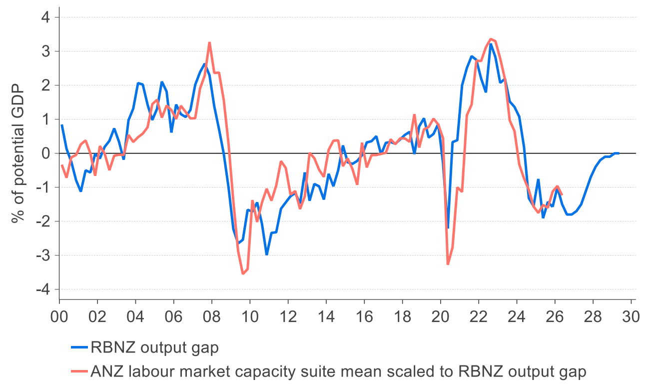


Figure 42. Labour plus capacity as limiting factors vs RBNZ output gap

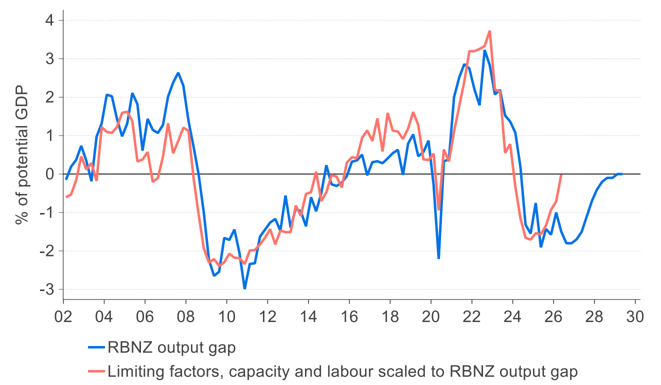


Figure 43. DTA (current less future) vs RBNZ output gap

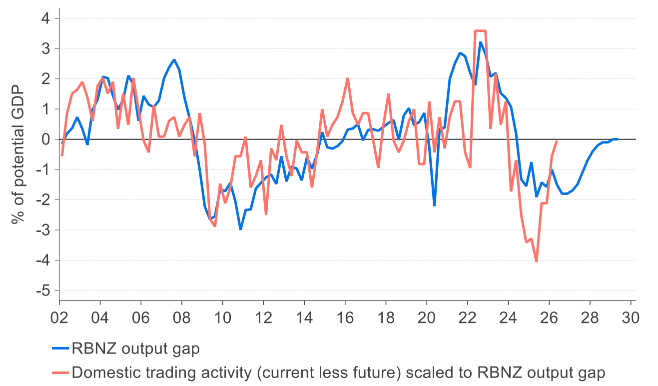


Figure 44. Core investment gap vs RBNZ output gap

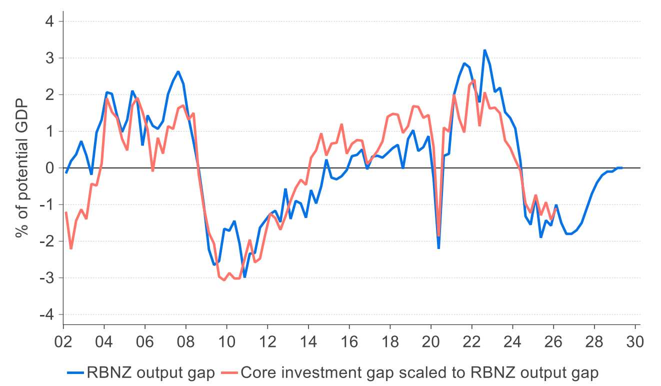


Figure 45. Inertial headline inflation Taylor Rule*

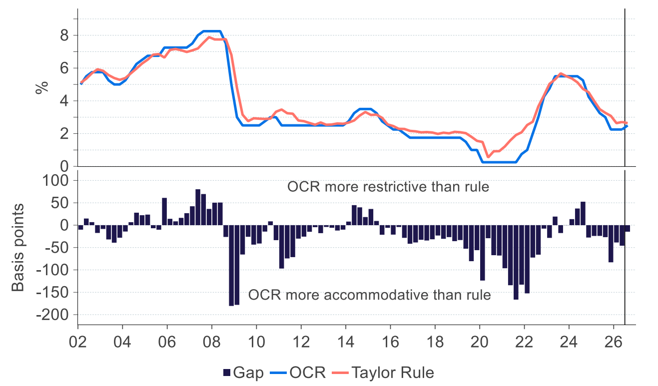


Figure 46. Inertial Sectoral Factor Model Taylor Rule*

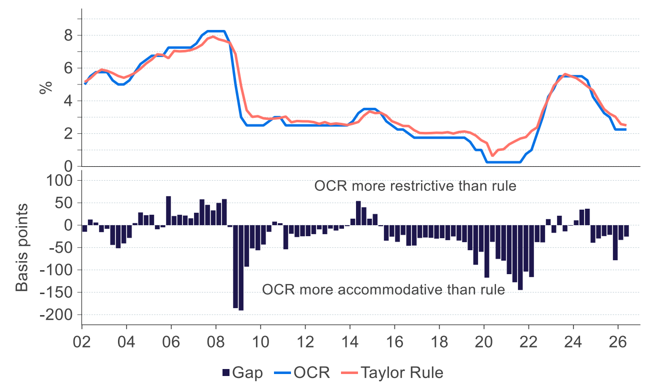


Figure 47. Inertial inflation expectations (1-year) Taylor Rule*

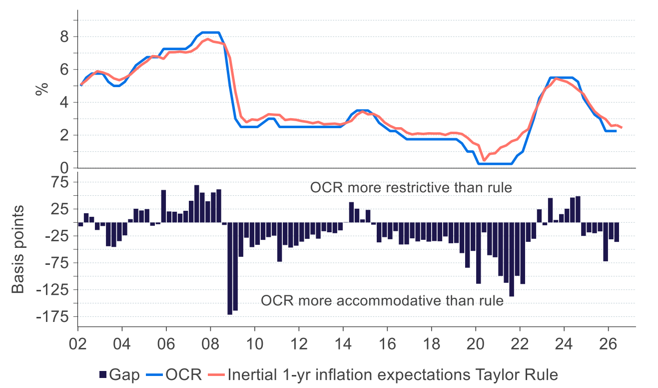
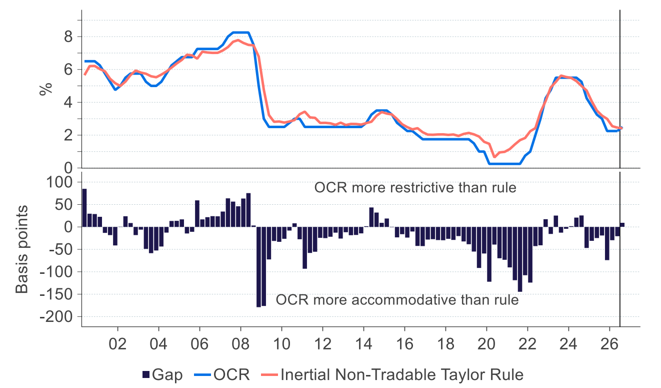


Figure 48. Inertial non-tradable Taylor Rule*



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

* Using ANZ quarter ahead forecasts and last published RBNZ output gap and neutral OCR.

See this note for more discussion of these and other Taylor Rules.

Meet the team

We welcome your questions and feedback. Click here for more information about our team.

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