NEW ZEALAND ECONOMICS
CENTRAL NEW ZEALAND EARTHQUAKES

17 November 2016

CONTRIBUTORS

Cameron Bagrie
Chief Economist
Telephone: +64 4 802 2212
E-mail: cameron.bagrie@anz.com

Philip Borkin
Senior Economist
Telephone: +64 9 357 4065
E-mail: philip.borkin@anz.com

SOME QUICK THOUGHTS

The recent large earthquakes centred at the top of the South Island have caused considerable damage and disruption. Our thoughts are with all those affected. At this stage, assessing the economic impact of the quakes with any degree of accuracy is challenging. This note offers some quick thoughts.

BOTTOM LINE

- **The extent of damage and the costs involved remain up in the air.** While just speculation at this stage, the general consensus looks to be "in the billions". Estimates could easily increase (we think they will) as the damage to key infrastructure is assessed, with aftershocks continuing and questions being asked about some Wellington CBD buildings.
- **With the economy already operating at or near capacity, this is a vastly different backdrop than during the Christchurch quakes.** The economy is now in a full-blown expansion as opposed to a recovery; the latter is easier to snuff out with negative shocks. Finding the necessary resources will present challenges for the reconstruction effort; in a capacity-constrained economy the "boost" from a rebuild becomes negligible as you are merely shuffling resources around. There will be inflation consequences but the one-off impact can be looked through. Quality buildings will attract more of a premium and lower-tier properties will be shunned.
- **The near-term hit to GDP is also uncertain, but looks modest across the aggregate economy.** We are likely to see a small dent in activity over the next quarter or two, and while there will be the obvious boost once the rebuild gets underway, it will need to be absorbed by reallocating resources. The event is negative overall; capital stock has been destroyed and will need to be rebuilt. That's not productivity enhancing for the existing base.
- **A solid growth and yield backdrop will continue to support the NZD. However, the risk premium associated with NZD will need to rise and this will dent the attractiveness of carry (though not completely undermine it).** We do not expect recent NZD softness to extend too far.
- **The Government has the capacity to absorb rebuild costs, either directly or indirectly through the EQC** (for residential damage). We expect larger cash deficits and a slightly higher debt profile but we are talking about a margin-of-excellence tweak. At present, net debt is only 25% of GDP and cash deficits are less than 1% of GDP. The EQC has access to $4.7b in reinsurance protection (less the deductible). Rebuild requirements in a capacity-constrained environment will lengthen the tail of public sector investment. Talk of a possible credit rating upgrade (which had been speculated by some) can be put to bed. Rebuild demands will tap any cash that was available for election sweeteners.
- **Some key longer-term strategic questions should be raised** surrounding where investment should be made given earthquake risks, key transport links and the public/private ownership of assets.
- **It will be the small things** (e.g. shifts in inter-regional migration flows, business continuity plans, fallout across the insurance sector, the length and extent of disruption to roading and rail infrastructure) **that are hard to ascertain but critical to understand.** At present we are flying blind.

CENTRAL NEW ZEALAND EARTHQUAKES

KEY POINTS

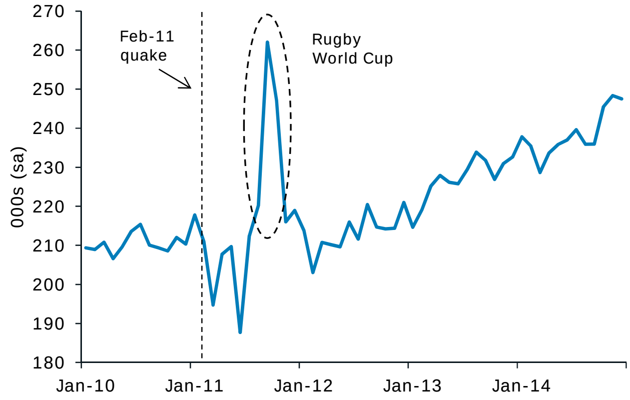
It is likely to be some time before the full extent of damage is known. Aftershocks are continuing (large in some cases), so it is quite possible that early estimates of damage will be ramped up. In fact, historical experience (Båth's Law) would suggest a high chance of an aftershock of magnitude above 6.5 and as the Christchurch quakes showed, this is unlikely to be in the same location as the initial event.

But at this stage, the majority of damage seems to be to horizontal infrastructure (roading and rail etc), although damage to some commercial buildings in the Wellington CBD is a major unknown. Residential damage seems to be relatively moderate, largely because the quake epicentre was in a low-density area, which is a big difference to the 2010/11 Canterbury quakes.

The key influence on the hit to near-term growth looks to be centred on the disruption to transport and freight links. Significant disruptions to road and rail linkages between the top of the South Island and Christchurch have been seen. Wellington Port has also been damaged. How quickly those links can be restored or alternatives found will have a key influence on activity levels and supply chains. Increased use of coastal shipping has been mooted, but will take time to implement both from a logistics and capacity point of view.

The tourism sector will be dented, but only modestly. It will clearly impact North Canterbury severely, but should boost neighbouring regions such as the West Coast as visitors redirect their travels. There was little noticeable long-term impact on total visitor arrivals from the Canterbury earthquakes (although the Canterbury tourism sector itself is yet to fully recover). While arrivals initially fell after the 2010/11 quakes, it is hard to determine whether this was the direct result of the quakes or due to timing factors related to the Rugby World Cup (RWC) later in the year. It is possible that visitor arrivals would have fallen over this period anyway as visitors delayed travel in order to coincide with the RWC.

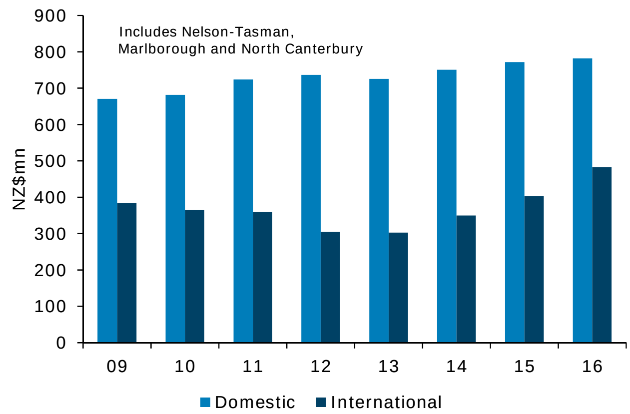
FIGURE 1: INTERNATIONAL VISITOR ARRIVALS



Source: ANZ, Statistics NZ

However, the impact on Kaikoura and North Canterbury will be massive. We are heading into summer, with retailing, hospitality and tourism particularly key for the region's economy. In the year to September, international tourists spent an estimated $72m in the Kaikoura district directly. Domestic tourists spent an additional $48m. The figures are $482m and $782m respectively when looking at international and domestic tourist spending for the North Canterbury, Marlborough and Nelson-Tasman regions more broadly. Given roading damage, it is difficult to see any degree of normality returning to the region within a year. The roading damage appears extremely difficult to fix. The Government has already signalled its intention for a financial support package for businesses in the region.

FIGURE 2: TOURIST SPENDING IN NORTHERN SOUTH ISLAND REGIONS



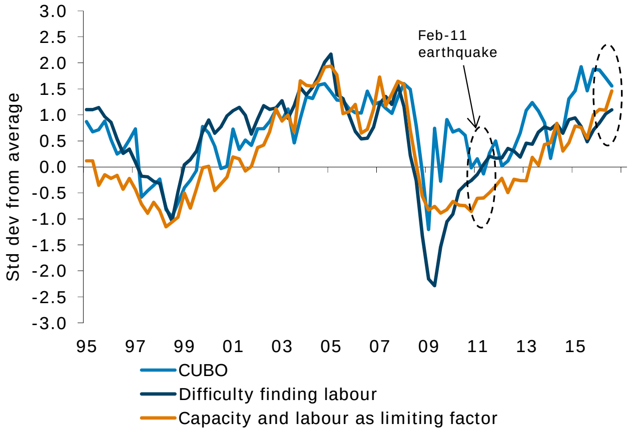
Source: ANZ, MBIE

Migration inflows may slow. They did after the Canterbury quakes (at least initially). However, it is hard to see them falling back significantly, particularly as the demand for labour resources is only going to intensify. More interesting will be internal migration patterns. Wellington had started to see a real 'Auckland relocation factor' given Auckland housing affordability issues. That will likely slow (or reverse?).

The construction sector will obviously receive an additional boost. That will be from direct rebuild work but also an ongoing push for earthquake strengthening work in other regions. Quality buildings will attract a price and rental premium, while lower quality buildings will be shunned.

However, with the construction sector already capacity constrained, there will be limits to how quickly activity can be ramped up further, if at all. Firms are already saying that labour is extremely difficult to find. That was not the case in 2011 – to the same extent at least. We had also felt that as the Canterbury rebuild matured, resources would head north to assist with pressures in the likes of Auckland. That will be more restricted now. **We are therefore hesitant to upgrade our medium-term growth forecasts on account of the rebuild effort given these capacity constraints. The additional boost will require resources to be shifted from elsewhere.**

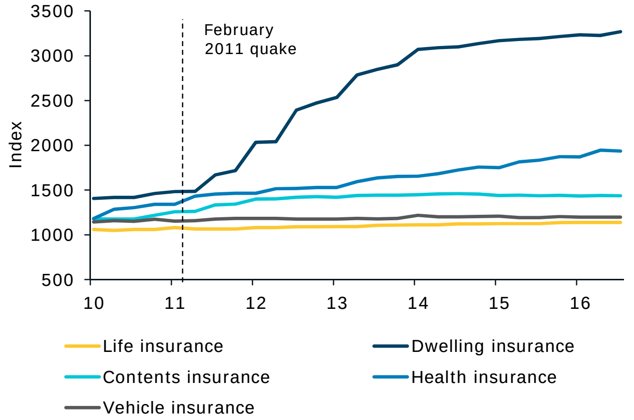
FIGURE 3: INDICATORS OF RESOURCE AND CAPACITY PRESSURES



Source: ANZ, NZIER

The inflationary consequences look likely to be modest, but will be in only one direction. Insurance premiums will head only one way as New Zealand once again gets reassessed across the global re-insurance market. Dwelling insurance premiums more than doubled after the Canterbury quakes and further gains are likely. We wonder whether some in high-risk areas will even be able to access private sector insurance going forward. Anecdotally, we are hearing that there is now a seven-day stand-down period for any new insurance policies, as insurers take an ultra-cautious approach.

FIGURE 4: INSURANCE PREMIUMS



Source: ANZ, Statistics NZ

Construction cost and wage pressures will only intensify as the rebuild effort gets underway and pressures in the transport space may also result in cost and price increases. The RBNZ has the ability to look through these effects (and will do so), but the economy is operating at full capacity now; it wasn't during the Christchurch quakes. That matters.

The Government has plenty of capacity to absorb the costs involved. To the extent that the damage largely centres on infrastructure, the bill will be footed mainly by the Government. For any residential damage, costs will be met first and foremost by the EQC, which in its 2015/16 Annual Report stated that it had access to $4.7bn in reinsurance monies (less the deductible). It also has an explicit guarantee from the Crown to meet any payments if it is unable to do so (which is possible, given the reduced reserves in the National Disaster Fund). And with the fiscal accounts back in surplus and net debt relatively low at around 25% of GDP, we see few issues with the Government funding repair costs by running larger cash deficits (currently less than 1% of GDP) and higher levels of debt. The accounts have been buoyed by the stronger economy, with tax revenue already running close to $800m ahead of Budget forecasts. This solid fiscal starting point reinforces the importance of having money put away for that inevitable rainy day, which has been a key part of the Government's strategy. That said, talk of a credit rating upgrade (speculated by some) can be put to bed.

The real issue is whether the quake alters some of the Government's priorities going forward. Certainly the mooted tax cuts for 2017 look unlikely to be delivered and the Government will now have less headroom for a pre-election lolly scramble in the 2017 Budget. Capital plans will certainly need to be prioritised, especially in a capacity-constrained economy, and some of it will need to be strategic given the damage to State Highway 1 and the associated railway line. Some hard questions will need to be asked about the viability of current routes and where investment should be made given the obvious earthquake risks.

The market is not reading too much into it at this stage, with the **NZD and bond markets having taken it well.** We think this is broadly appropriate. While it is a dampening influence on the solid New Zealand story, it is really a margin-of-excellence tweak.

The shine was already coming off the NZD with the upward movement in global rates denting carry, and it is not surprising that an event such as an earthquake has dented it further. The risk premium associated with the NZD will rise. It is unlikely to be a game changer and define a new trend, but is likely to take the NZD lower. That said, we do not expect recent NZD softness to extend too far given still-solid economic credentials.

We do not buy into the view that this increases the odds of additional monetary policy easing as was seen after the Christchurch quakes. That would require a significant hit to confidence and activity, which we do not envisage at this stage. Unlike back in 2010/11, the economy is currently in a full-blown expansion as opposed to a recovery. In fact, the economy had actually fallen back into recession in late 2010 and so an argument about whether easing would have been delivered irrespective of the quake can certainly be made. But the economic context is important, as when an economy is recording strong momentum, it has a great deal more resilience to cope with negative shocks.

IMPORTANT NOTICE

The distribution of this document or streaming of this video broadcast (as applicable, "publication") may be restricted by law in certain jurisdictions. Persons who receive this publication must inform themselves about and observe all relevant restrictions.

1. Disclaimer for all jurisdictions, where content is authored by ANZ Research:
Except if otherwise specified in section 2 below, this document is issued and distributed in your country/region by Australia and New Zealand Banking Group Limited (ABN11 005 357 522) ("ANZ"), on the basis that it is only for the information of the specified recipient or permitted user of the relevant website (collectively, "recipient"). This document is confidential and may not be reproduced, distributed or published by any recipient for any purpose. It is general information and has been prepared without taking into account the objectives, financial situation or needs of any person. Nothing in this document is intended to be an offer to sell, or a solicitation of an offer to buy, any product, security, instrument or investment, to effect any transaction or to conclude any legal act of any kind. If, despite the foregoing, any services or products referred to in this document are deemed to be offered in the jurisdiction in which this document is received or accessed, no such service or product is intended for nor available to persons resident in that jurisdiction if it would be contradictory to local law or regulation. Such local laws, regulations and other limitations always apply with non-exclusive jurisdiction of local courts. Certain financial products may be subject to mandatory clearing, regulatory reporting and/or other related obligations. These obligations may vary by jurisdiction and be subject to frequent amendment. Before making an investment decision, recipients should seek independent financial, legal, tax and other relevant advice having regard to their particular circumstances.

The views and recommendations expressed in this publication are the author's. They are based on information known by the author and on sources which the author believes to be reliable, but may involve material elements of subjective judgement and analysis. Unless specifically stated otherwise: they are current on the date of this publication and are subject to change without notice; and, all price information is indicative only. Any of the views and recommendations which comprise estimates, forecasts or other projections, are subject to significant uncertainties and contingencies that cannot reasonably be anticipated. On this basis, such views and recommendations may not always be achieved or prove to be correct. Indications of past performance in this publication will not necessarily be repeated in the future. No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided. Additionally, this publication may contain 'forward looking statements'. Actual events or results or actual performance may differ materially from those reflected or contemplated in such forward looking statements. All investments entail a risk and may result in both profits and losses. Foreign currency rates of exchange may adversely affect the value, price or income of any products or services described in this publication. The products and services described in this publication are not suitable for all investors, and transacting in these products or services may be considered risky. ANZ and its related bodies corporate and affiliates, and the officers, employees, contractors and agents of each of them (including the author) ("Affiliates"), do not make any representation as to the accuracy, completeness or currency of the views or recommendations expressed in this publication. Neither ANZ nor its Affiliates accept any responsibility to inform you of any matter that subsequently comes to their notice, which may affect the accuracy, completeness or currency of the information in this publication.

Except as required by law, and only to the extent so required: neither ANZ nor its Affiliates warrant or guarantee the performance of any of the products or services described in this publication or any return on any associated investment; and, ANZ and its Affiliates expressly disclaim 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 publication.

If this publication has been distributed by electronic transmission, such as e-mail, then such transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. ANZ and its Affiliates do not accept any Liability as a result of electronic transmission of this publication.

ANZ and its Affiliates may have an interest in the subject matter of this publication as follows:

- They may receive fees from customers for dealing in the products or services described in this publication, and their staff and introducers of business may share in such fees or receive a bonus that may be influenced by total sales.
- They or their customers may have or have had interests or long or short positions in the products or services described in this publication, and may at any time make purchases and/or sales in them as principal or agent.
- They may act or have acted as market-maker in products described in this publication.

ANZ and its Affiliates may rely on information barriers and other arrangements to control the flow of information contained in one or more business areas within ANZ or within its Affiliates into other business areas of ANZ or of its Affiliates. This document is published in accordance with ANZ's policies on Conflicts of Interest and Information Barriers.

Please contact your ANZ point of contact with any questions about this publication including for further information on these disclosures of interest.

2. Country/region specific information:
Australia. This publication is distributed in Australia by ANZ. ANZ holds an Australian Financial Services licence no. 234527. A copy of ANZ's Financial Services Guide is available at http://www.anz.com/documents/AU/aboutANZ/FinancialServicesGuide.pdf and is available upon request from your ANZ point of contact. If trading strategies or recommendations are included in this publication, they are solely for the information of 'wholesale clients' (as defined in section 761G of the Corporations Act 2001 *Cth*). Persons who receive this publication must inform themselves about and observe all relevant restrictions.

Brazil. This publication is distributed in Brazil by ANZ on a cross border basis and only following request by the recipient. No securities are being offered or sold in Brazil under this publication, and no securities have been and will not be registered with the Securities Commission – CVM.

Brunei. Japan. Kuwait. Malaysia. Switzerland. Taiwan. This publication is distributed in each of Brunei, Japan, Kuwait, Malaysia, Switzerland and Taiwan by ANZ on a cross-border basis.

Cambodia. APS222 Disclosure. The recipient acknowledges that although ANZ Royal Bank (Cambodia) Ltd. is a subsidiary of ANZ, it is a separate entity to ANZ and the obligations of ANZ Royal Bank (Cambodia) Ltd. do not constitute deposits or other liabilities of ANZ and ANZ is not required to meet the obligations of ANZ Royal Bank (Cambodia) Ltd.

European Economic Area ("EEA"): United Kingdom. ANZ in the United Kingdom is authorised by the Prudential Regulation Authority ("PRA"). Subject to regulation by the Financial Conduct Authority ("FCA") and limited regulation by the PRA. Details about the extent of our regulation by the PRA are available from us on request. This publication is distributed in the United Kingdom by ANZ solely for the information of persons who would come within the 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 PRA and the FCA. **Germany.** This publication is distributed in Germany by the Frankfurt Branch of ANZ solely for the information of its clients. **Other EEA countries.** This publication is distributed in the EEA by ANZ Bank (Europe) Limited ("ANZBEL") which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, to persons who would come within the FCA definition of "eligible counterparty" or "professional client" in other countries in the EEA. This publication is distributed in those countries solely for the information of such persons upon their request. It is not intended for, and must not be distributed to, any person in those countries who would come within the FCA definition of "retail client".

Fiji. For Fiji regulatory purposes, this publication 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 publication.

Hong Kong. This publication 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 publication have not been reviewed by any regulatory authority in Hong Kong. If in doubt about the contents of this publication, you should obtain independent professional advice.

IMPORTANT NOTICE

India. This publication is distributed in India by ANZ on a cross-border basis. If this publication 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. Further copying or duplication of this publication is strictly prohibited.

Myanmar. This publication is intended to be of a general nature as part of customer service and marketing activities provided by ANZ in the course of implementing its functions as a licensed bank. This publication does not take into account your financial situation or goals and is not Securities Investment Advice (as that term is defined in the Myanmar Securities Transaction Law 2013). The contents of this publication have not been reviewed by any regulatory authority in Myanmar. If in doubt about the contents of this publication, you should obtain independent professional advice.

New Zealand. This publication is intended to be of a general nature, does not take into account your financial situation or goals, and is not a personalised adviser service under the Financial Advisers Act 2008.

Oman. This publication has been prepared by ANZ. 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 or Oman's Capital Market Authority. The information contained in this publication 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 by receiving this publication, the person or entity to whom it has been dispatched by ANZ understands, acknowledges and agrees that this publication 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 publication is intended to constitute Omani investment, legal, tax, accounting or other professional advice.

People's Republic of China ("PRC"). Recipients must comply with all applicable laws and regulations of PRC, including any prohibitions on speculative transactions and CNY/CNH arbitrage trading. If and when the material accompanying this document is distributed by Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) ("ANZ") or an affiliate (other than Australia and New Zealand Bank (China) Company Limited ("ANZ C")), 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. Accordingly, 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 C, the following statement and the text below is applicable: This document is distributed by ANZ C in the Mainland of the PRC.

Qatar. This publication 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 publication 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 publication 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 publication are not being, and will not be, offered, issued or sold in Qatar, and this publication 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 publication and distribution of this publication is being made in, and is subject to the laws, regulations and rules of, jurisdictions outside of Qatar and the QFC. Recipients of this publication must abide by this restriction and not distribute this publication in breach of this restriction. This publication 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. This publication is distributed in Singapore by the Singapore branch of 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 Cap. 289 of Singapore). ANZ is licensed in Singapore under the Banking Act Cap. 19 of Singapore and is exempted from holding a financial adviser's licence under Section 23(1)(a) of the Financial Advisers Act Cap. 100 of Singapore. In respect of any matters arising from, or in connection with the distribution of this publication in Singapore, contact your ANZ point of contact.

United Arab Emirates. This publication is distributed in the United Arab Emirates ("UAE") or the Dubai International Financial Centre (as applicable) by ANZ. This publication: does not, and is not intended to constitute an offer of securities anywhere in the UAE; does not constitute, and is not intended to constitute 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 United Arab Emirates, the Emirates Securities and Commodities Authority or the United Arab Emirates Ministry of Economy; does not, and is not intended to constitute an offer of securities within the meaning of the Dubai International Financial Centre Markets Law No. 12 of 2004; and, does not constitute, and is not intended to constitute, a financial promotion, as defined under the Dubai International Financial Centre Regulatory Law No. 1 of 200. ANZ DIFC Branch is regulated by the Dubai Financial Services Authority ("DFSA"). The financial products or services described in this publication are only available to persons who qualify as "Professional Clients" or "Market Counterparty" in accordance with the provisions of the DFSA rules. In addition, ANZ has a representative office ("ANZ Representative Office") in Abu Dhabi regulated by the Central Bank of the United Arab Emirates. ANZ Representative Office is not permitted by the Central Bank of the United Arab Emirates to provide any banking services to clients in the UAE.

United States. ANZ Securities, Inc. ("ANZSI") is a member of the Financial Industry Regulatory Authority ("FINRA") (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). Except where this is an FX- related publication, this publication is distributed in the United States by ANZSI (a wholly owned subsidiary of ANZ), which accepts responsibility for its content. Information on any securities referred to in this publication may be obtained from ANZSI upon request. This publication 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 publication 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 this website or have otherwise received this publication and are a US Person who is an individual: to avoid loss, you should cease to use this website by unsubscribing or should notify the sender and you should not act on the contents of this publication in any way. Non-U.S. Analysts: 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 subject company, public appearances and trading securities held by the analysts. Where this is an FX-related publication, 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). Commodity-related products are not insured by any U.S. governmental agency, and are not guaranteed by ANZ or any of its affiliates. Transacting in these products may involve substantial risks and could result in a significant loss. You should carefully consider whether transacting in commodity-related products is suitable for you in light of your financial condition and investment objectives.

Vietnam. This publication is distributed in Vietnam by ANZ or ANZ Bank (Vietnam) Limited, a subsidiary of ANZ. Please note that the contents of this publication have not been reviewed by any regulatory authority in Vietnam. If you are in any doubt about any of the contents of this publication, you should obtain independent professional advice.

This document has been prepared by ANZ Bank New Zealand Limited, Level 10, 171 Featherston Street, Wellington 6011, New Zealand,
Ph 64 4 802 2212, e-mail nzeconomics@anz.com, http://www.anz.co.nz