

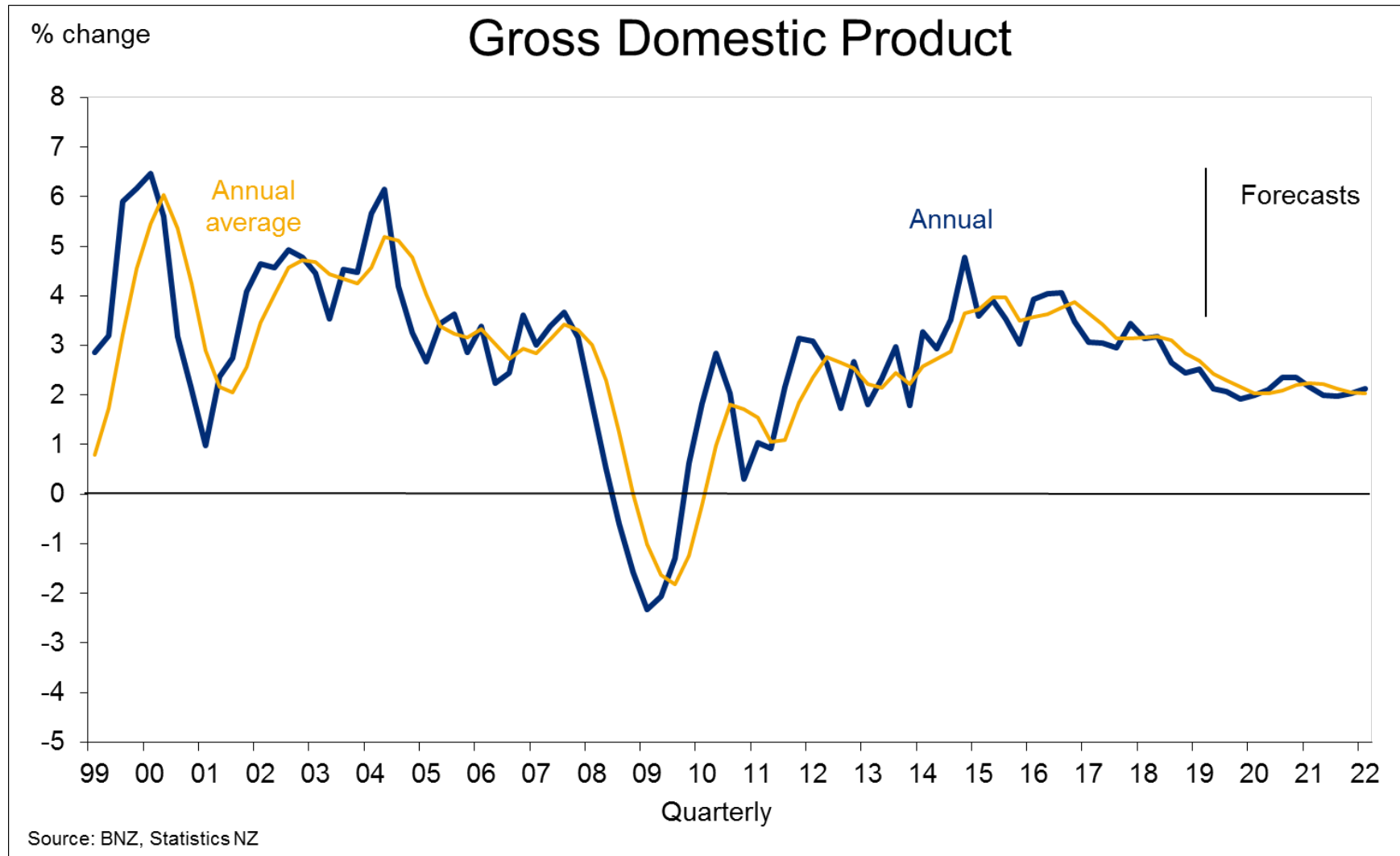
# NZ: Under Pressure

STEPHEN TOPLIS – HEAD OF RESEARCH

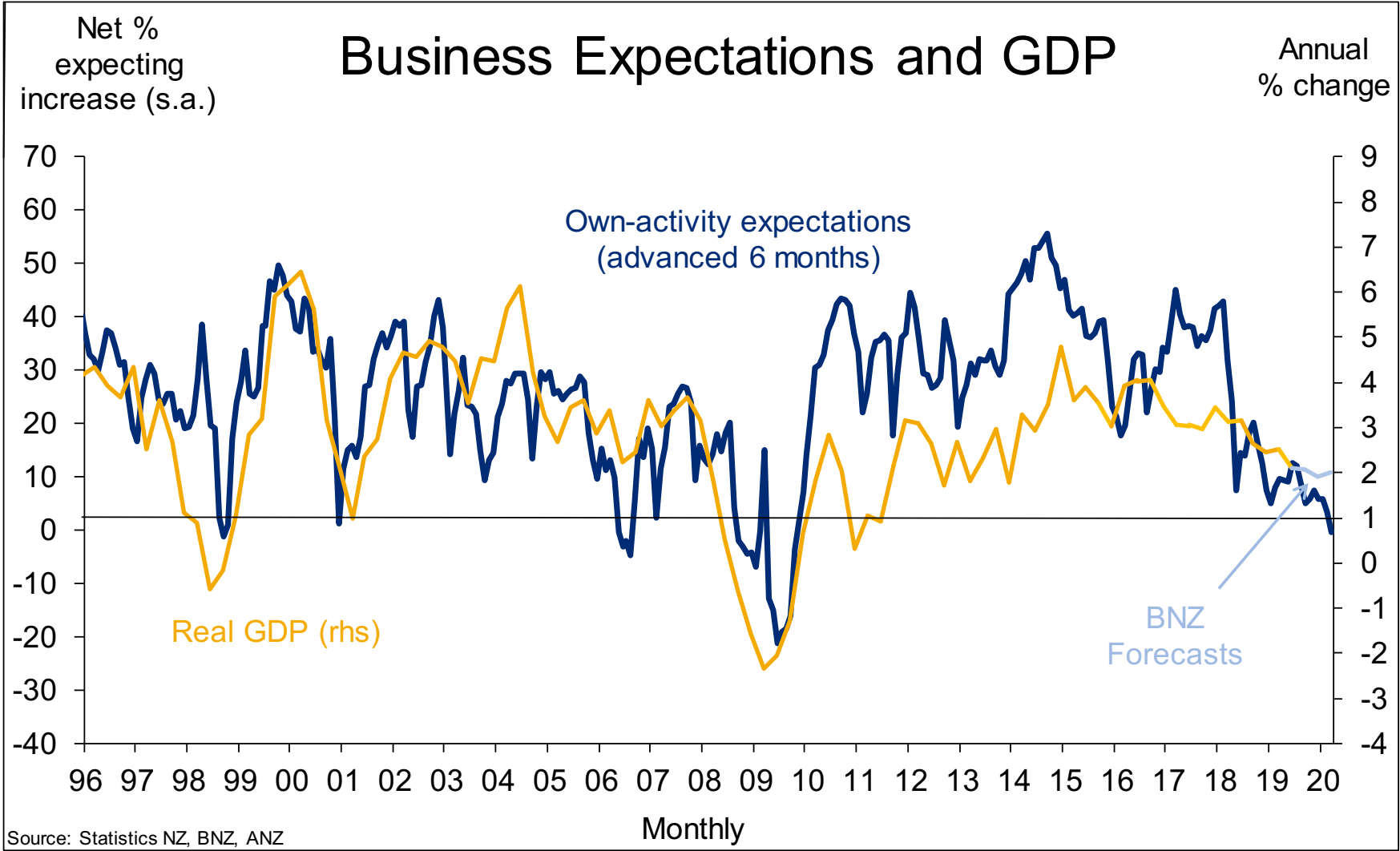
October 2019



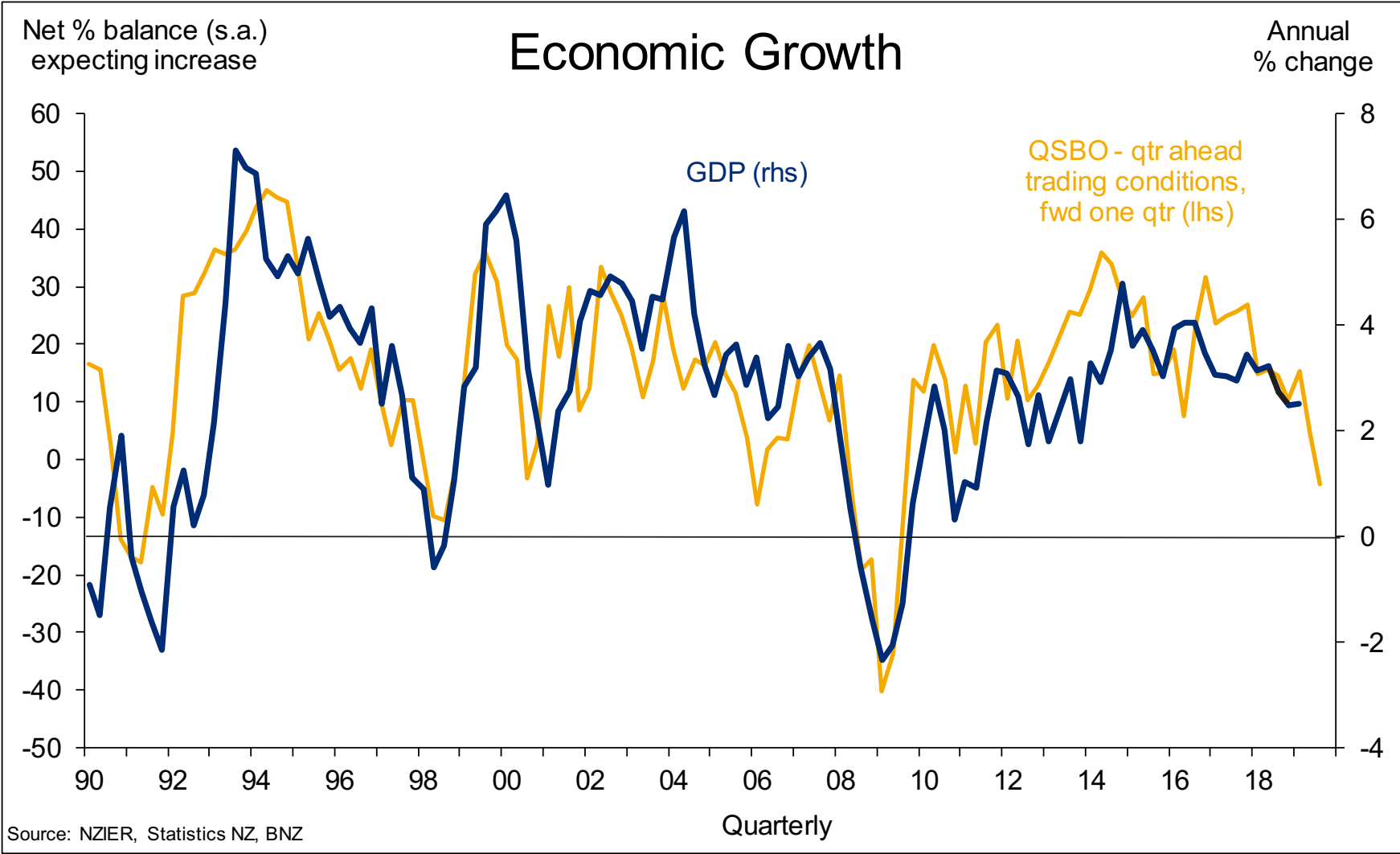
# Growth Moderates



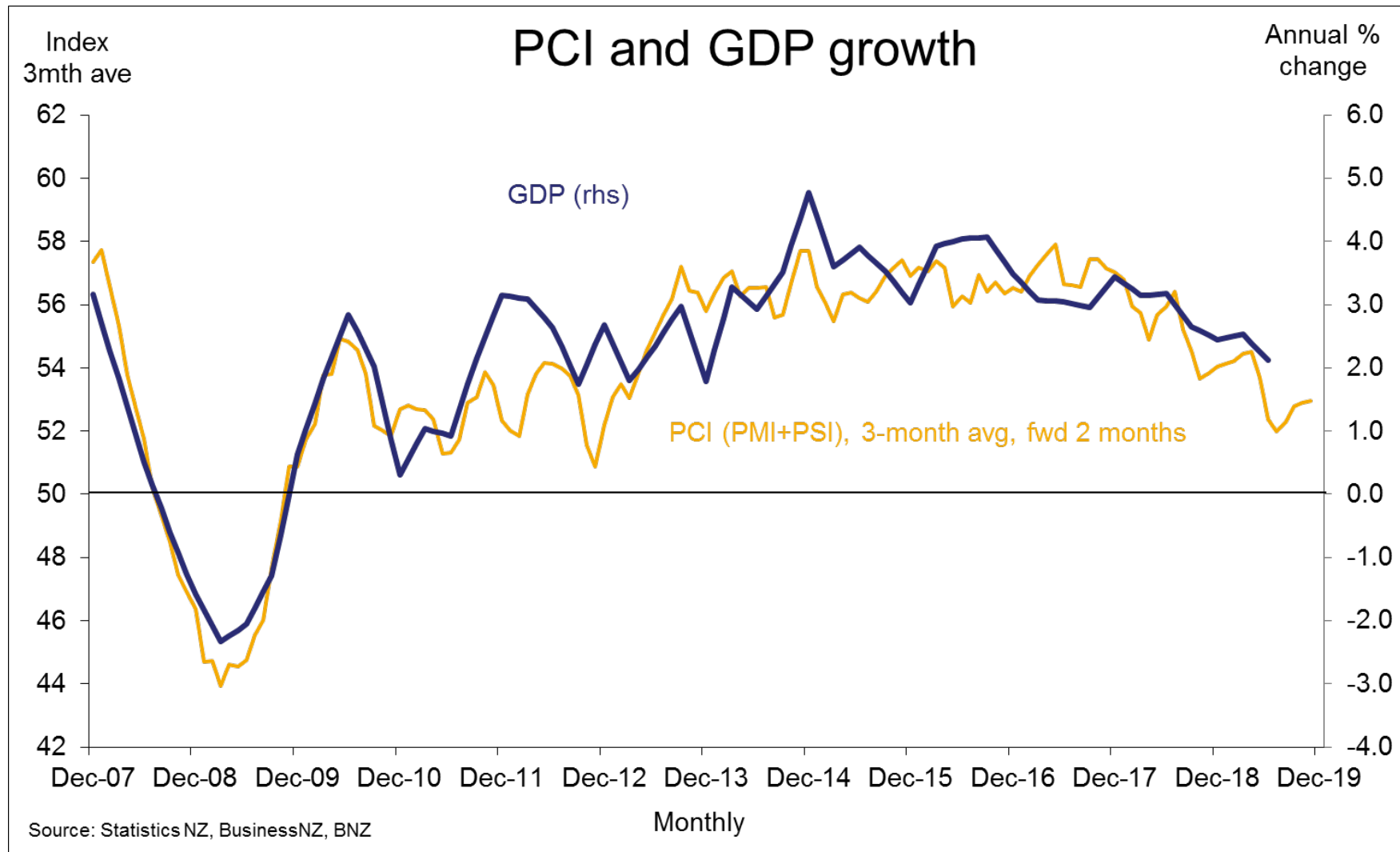
# Leading Indicators Turning Sour



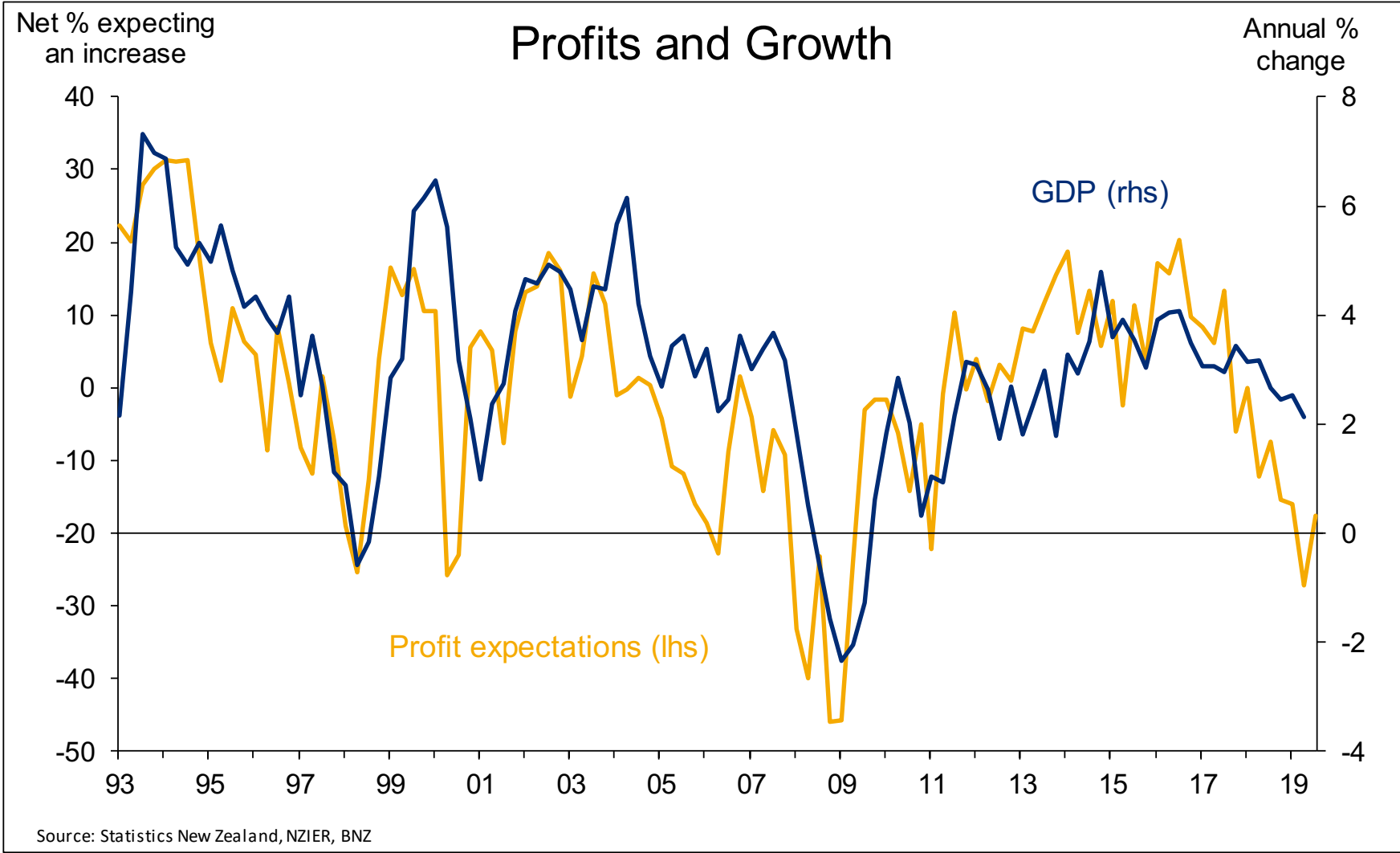
# Leading Indicators Turning Sour



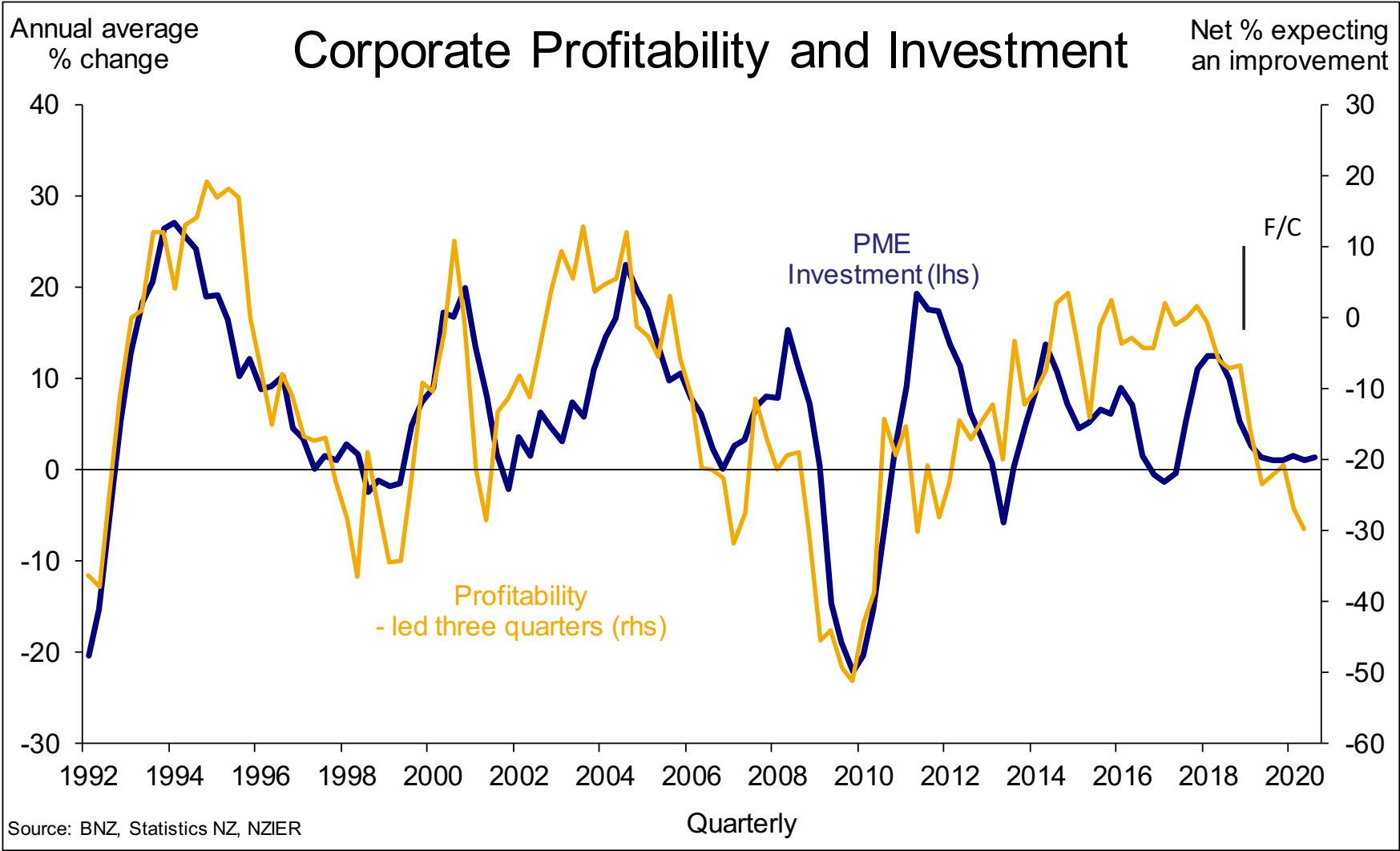
# Leading Indicators Turning Sour



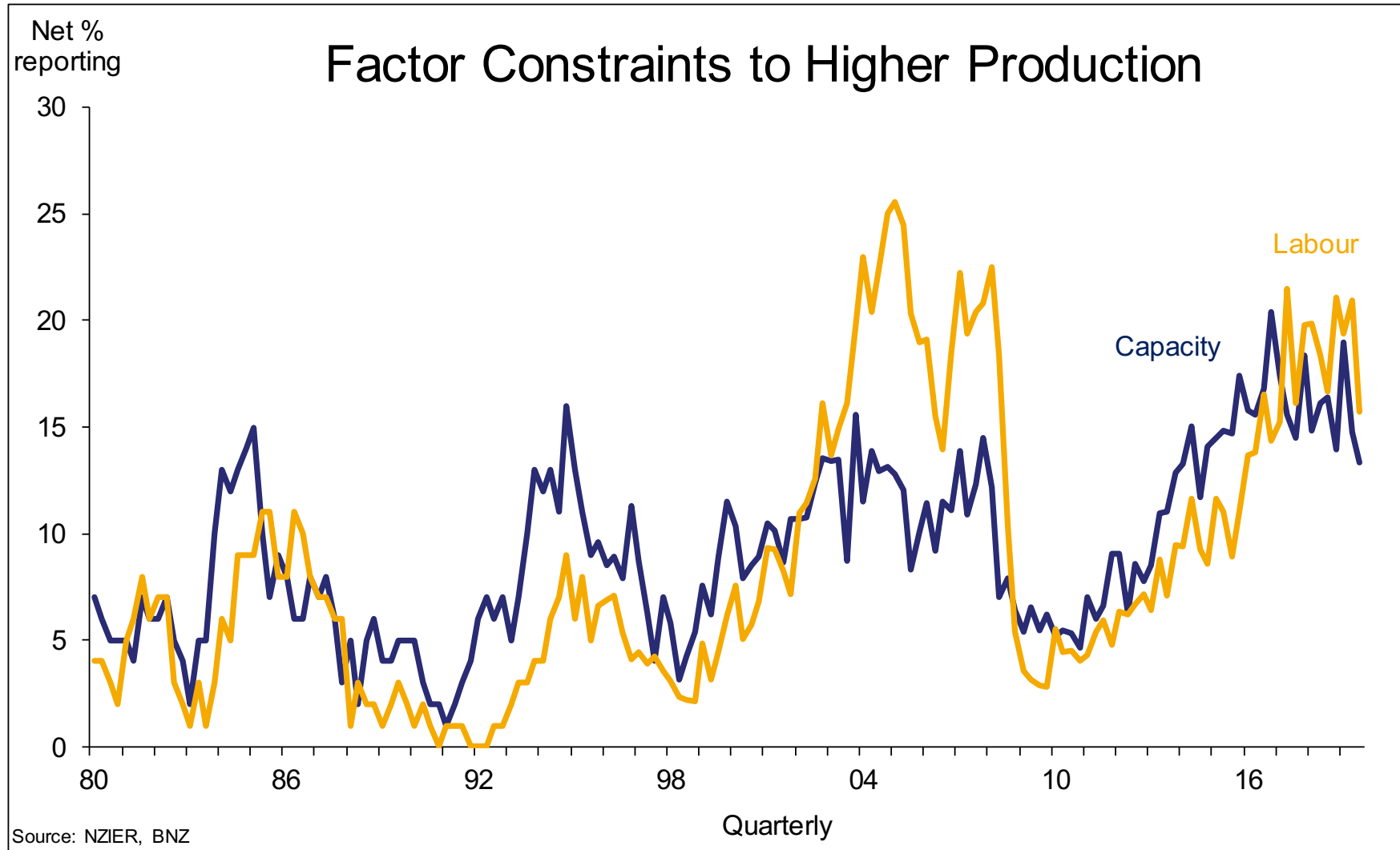
# Indicators Turning Sour



# Business Investment Pressured

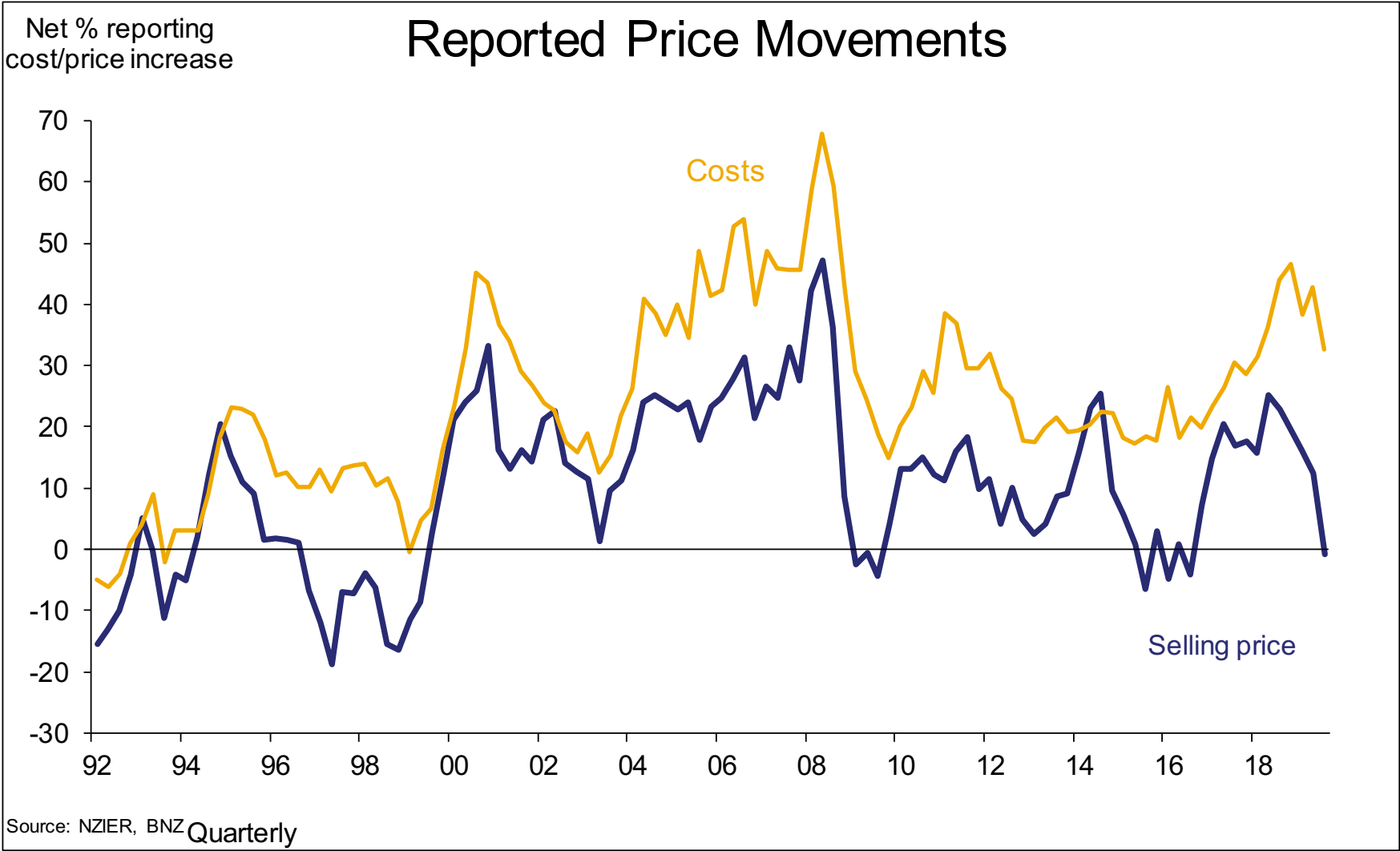


# Capacity Constraints Restrictive

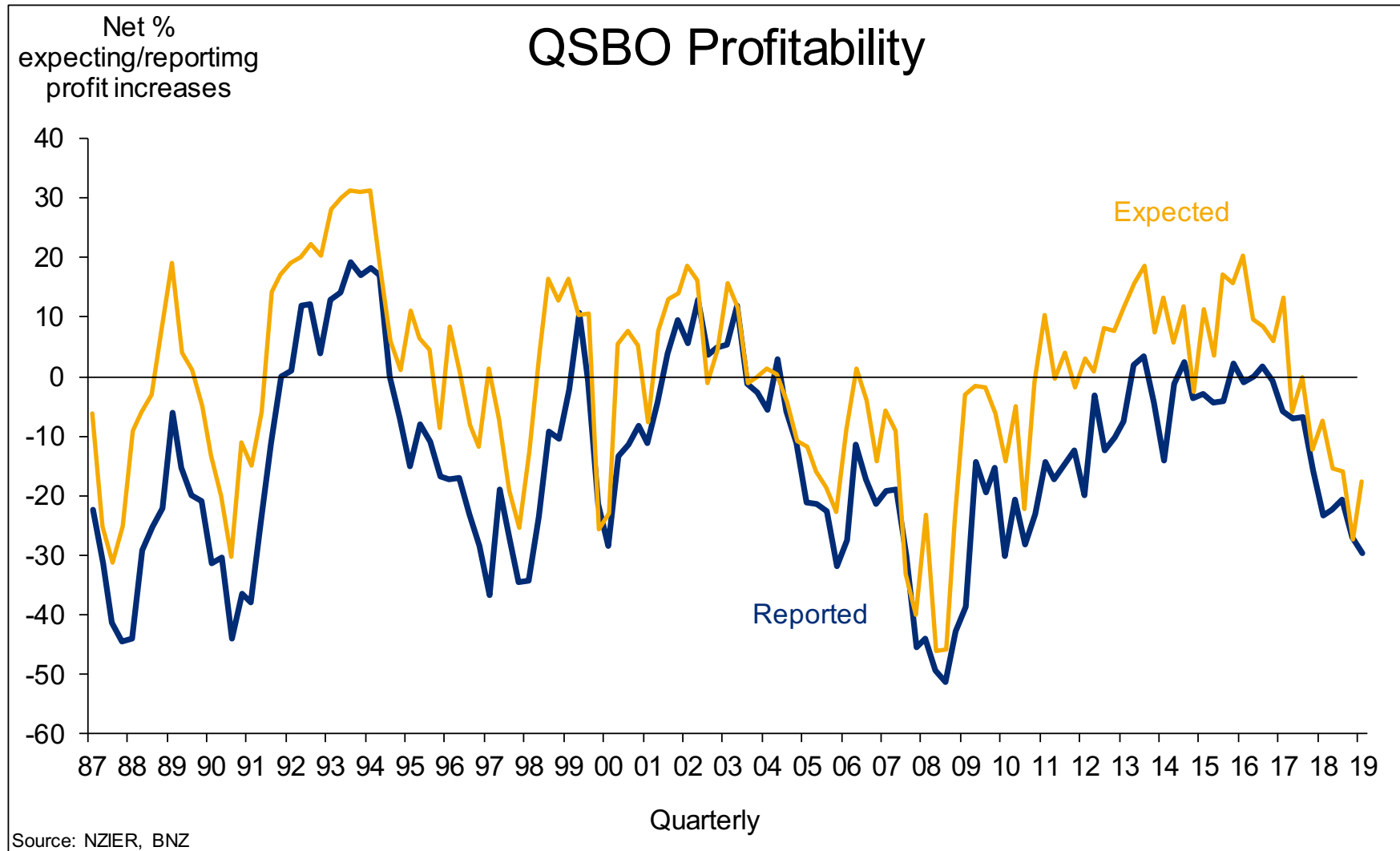




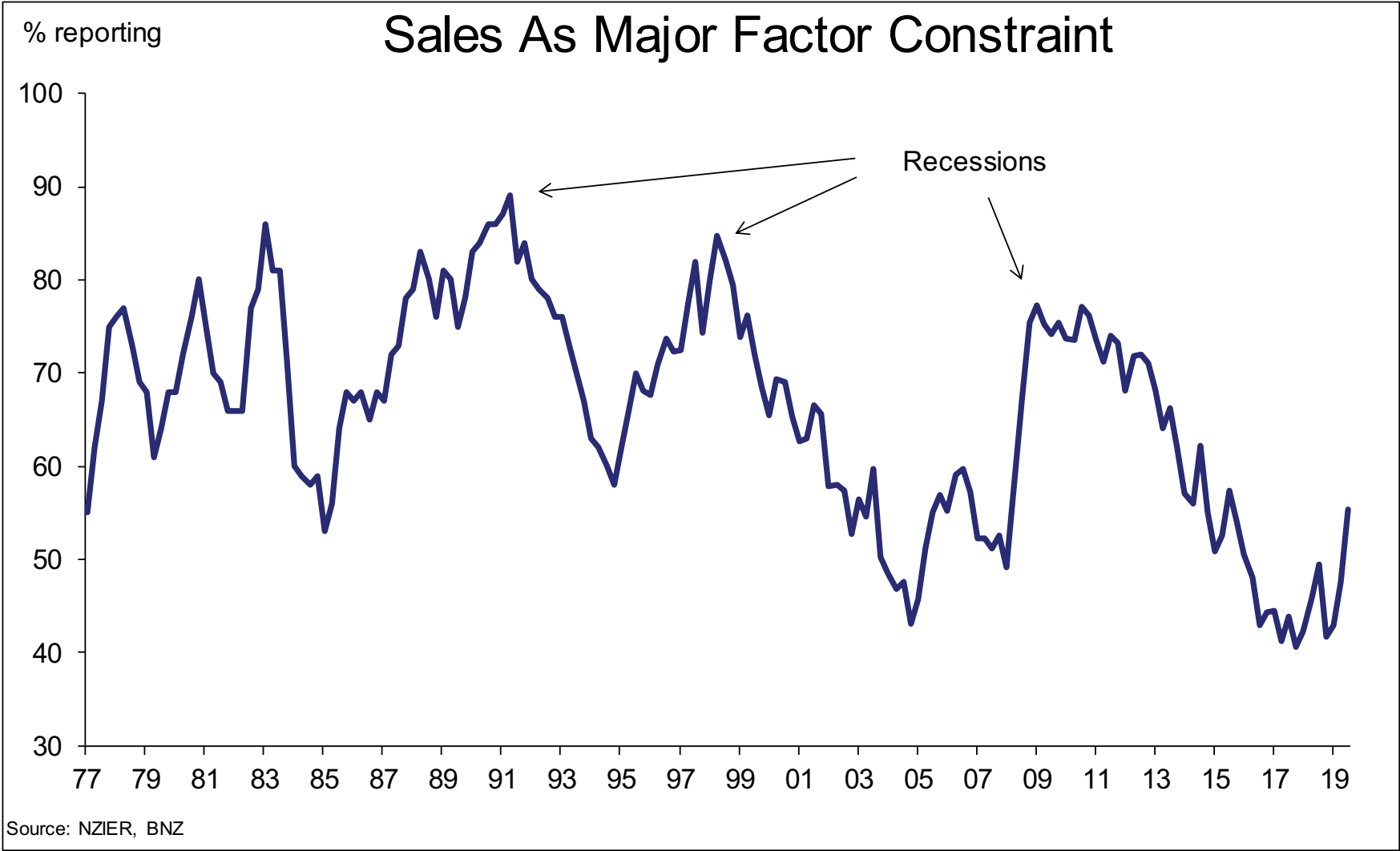
# Pushing Costs Higher



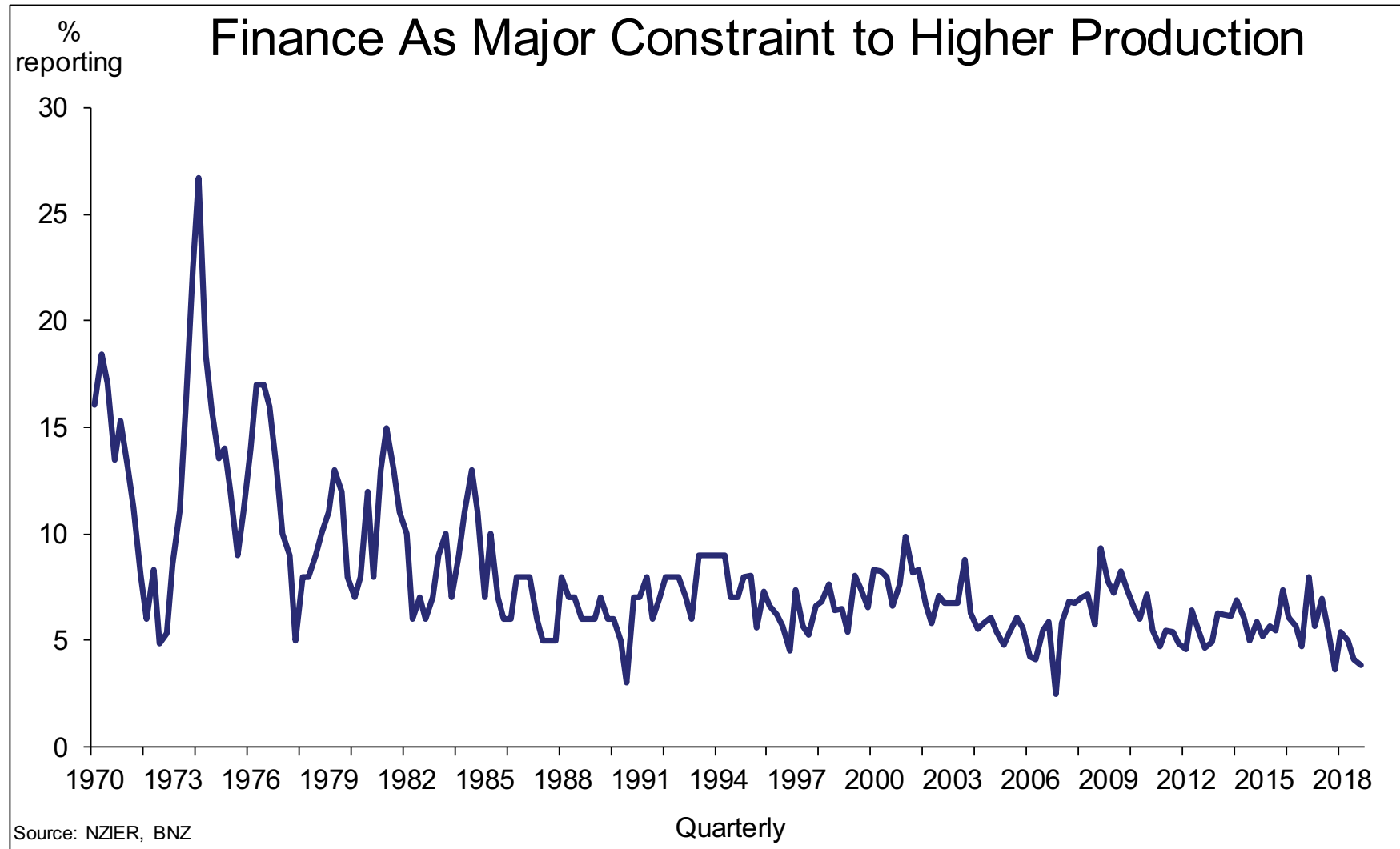
# Causing Tumbling Profits



# Demand Now Deteriorating Too



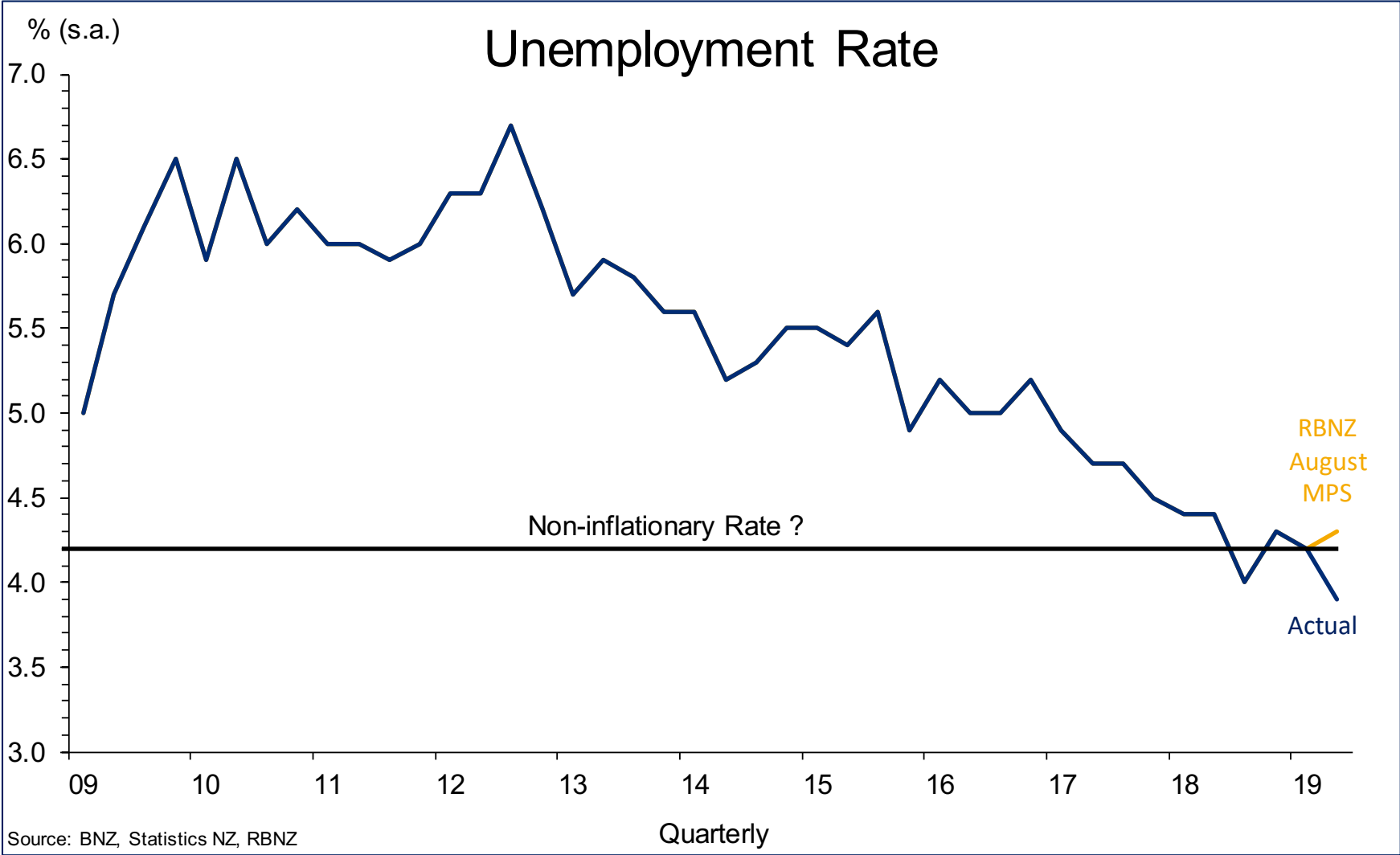
# Funding Not An Issue YET



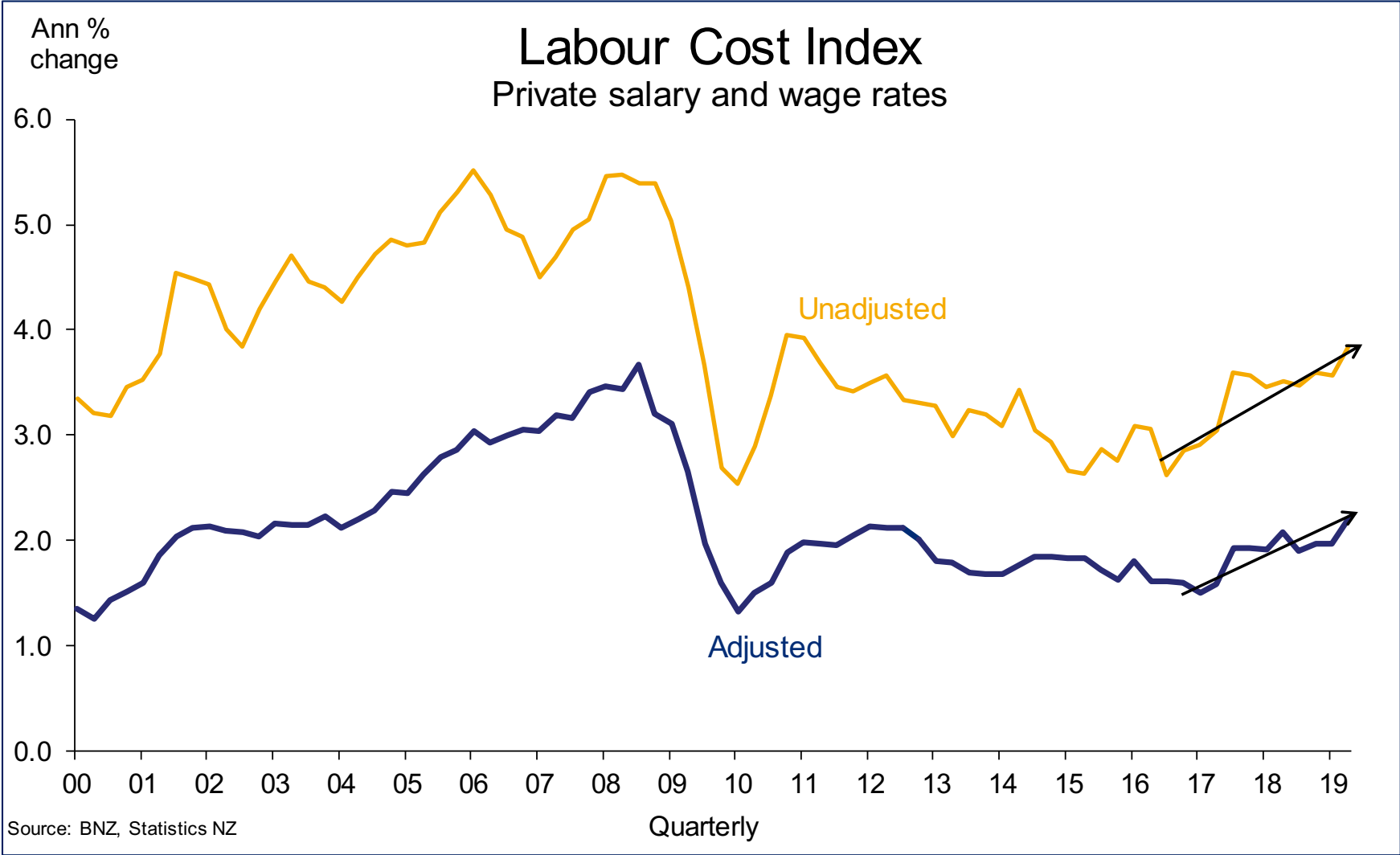
# RBNZ's Focus

- Maximum sustainable employment
- Inflation at 2.0%
- Success on both counts
- Currency not an issue
- But growth appears to be

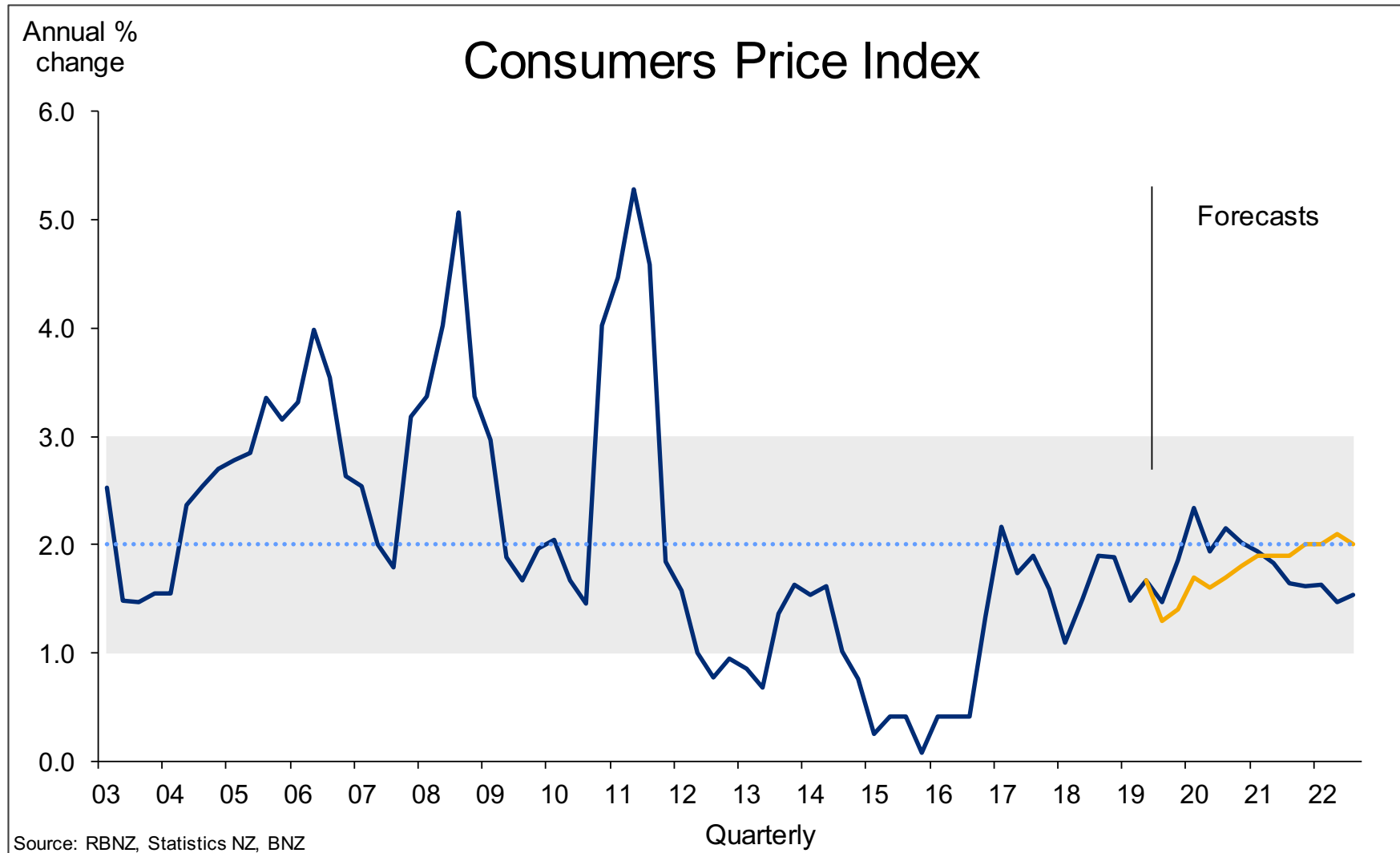
# Unemployment Hits Cyclical Low



# Labour Costs Pushing Higher

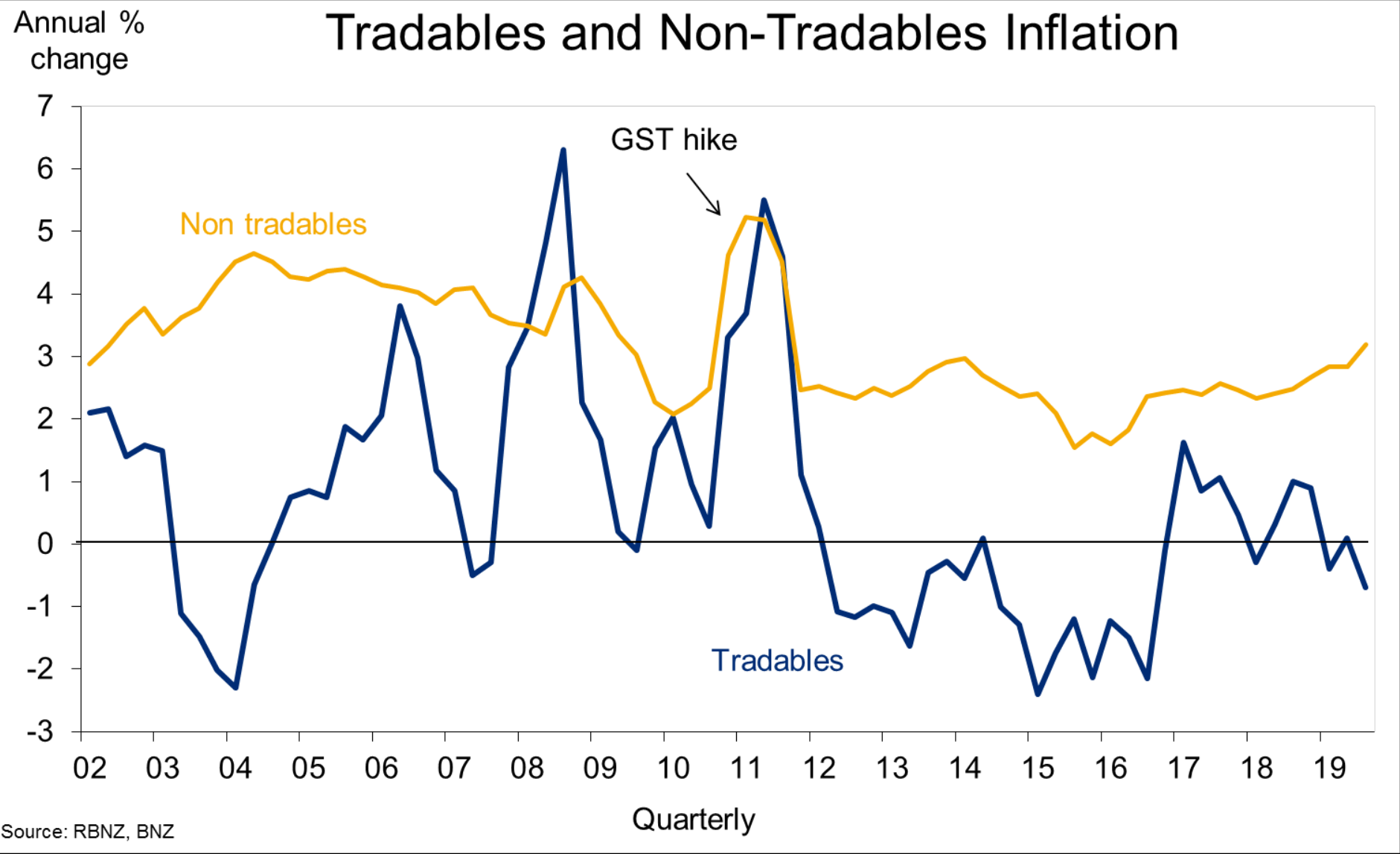


# CPI Inflation Near Target

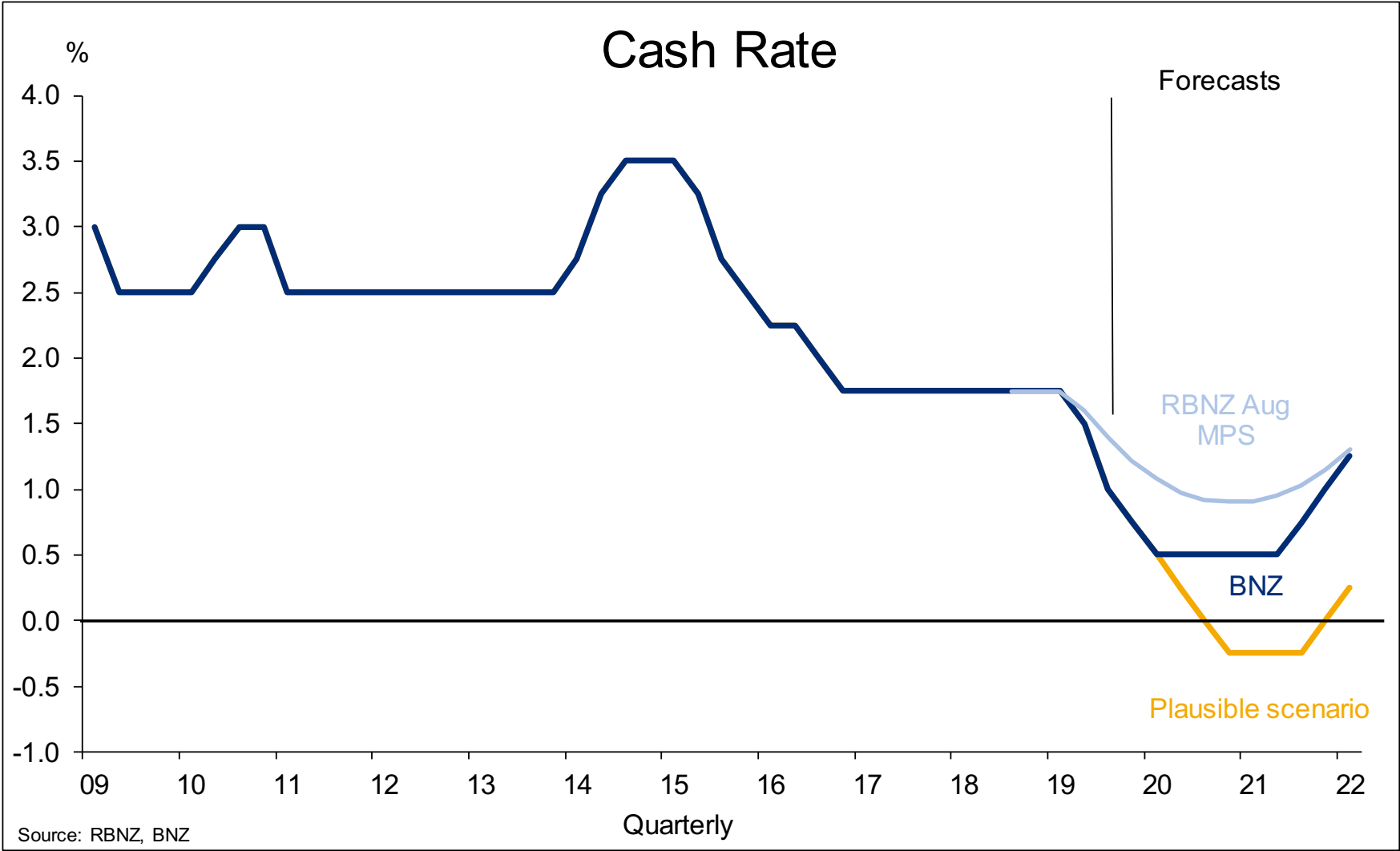




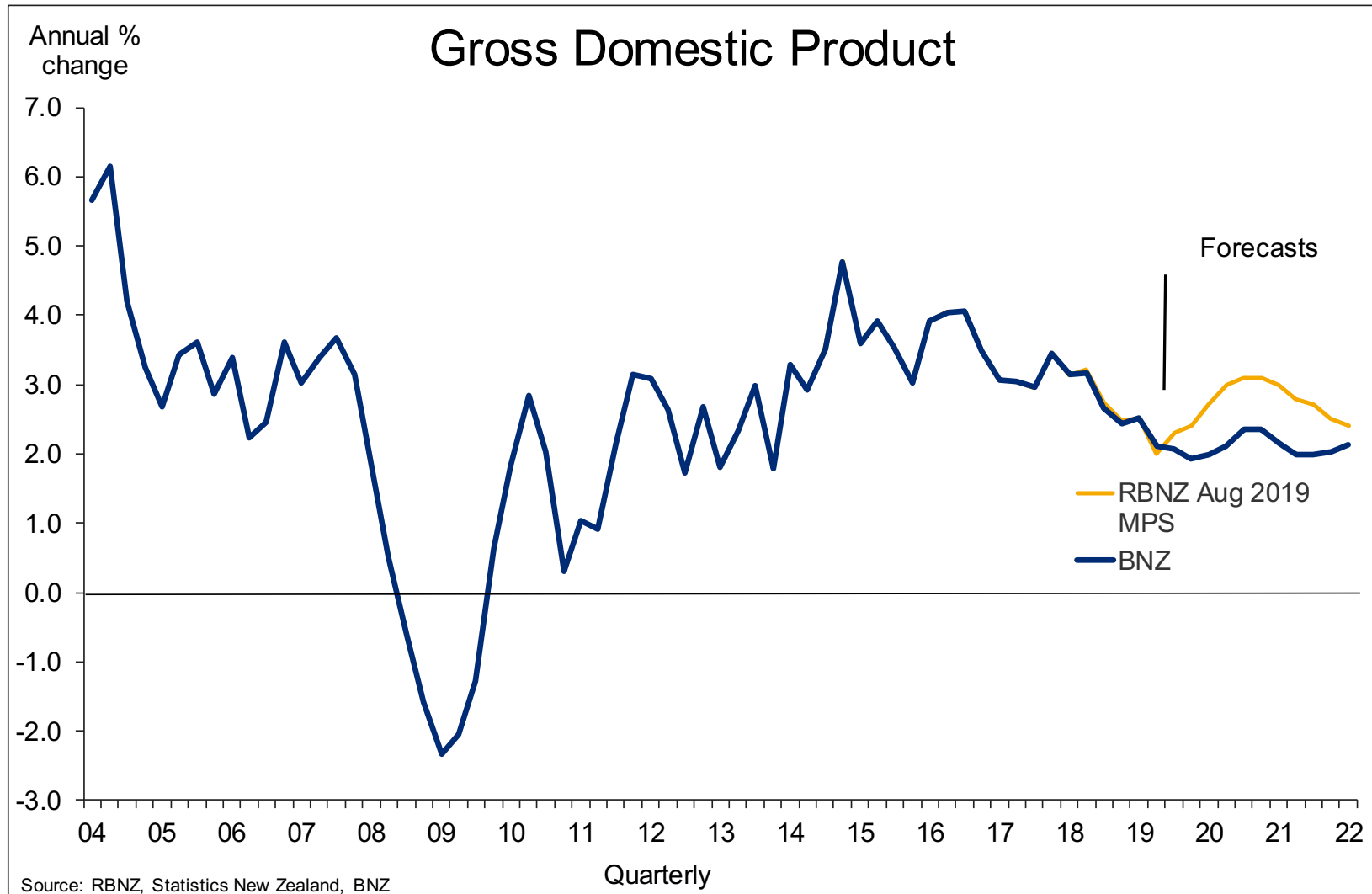
# Non-Tradables Soars



# RBNZ Activist



# As growth stumbles



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