

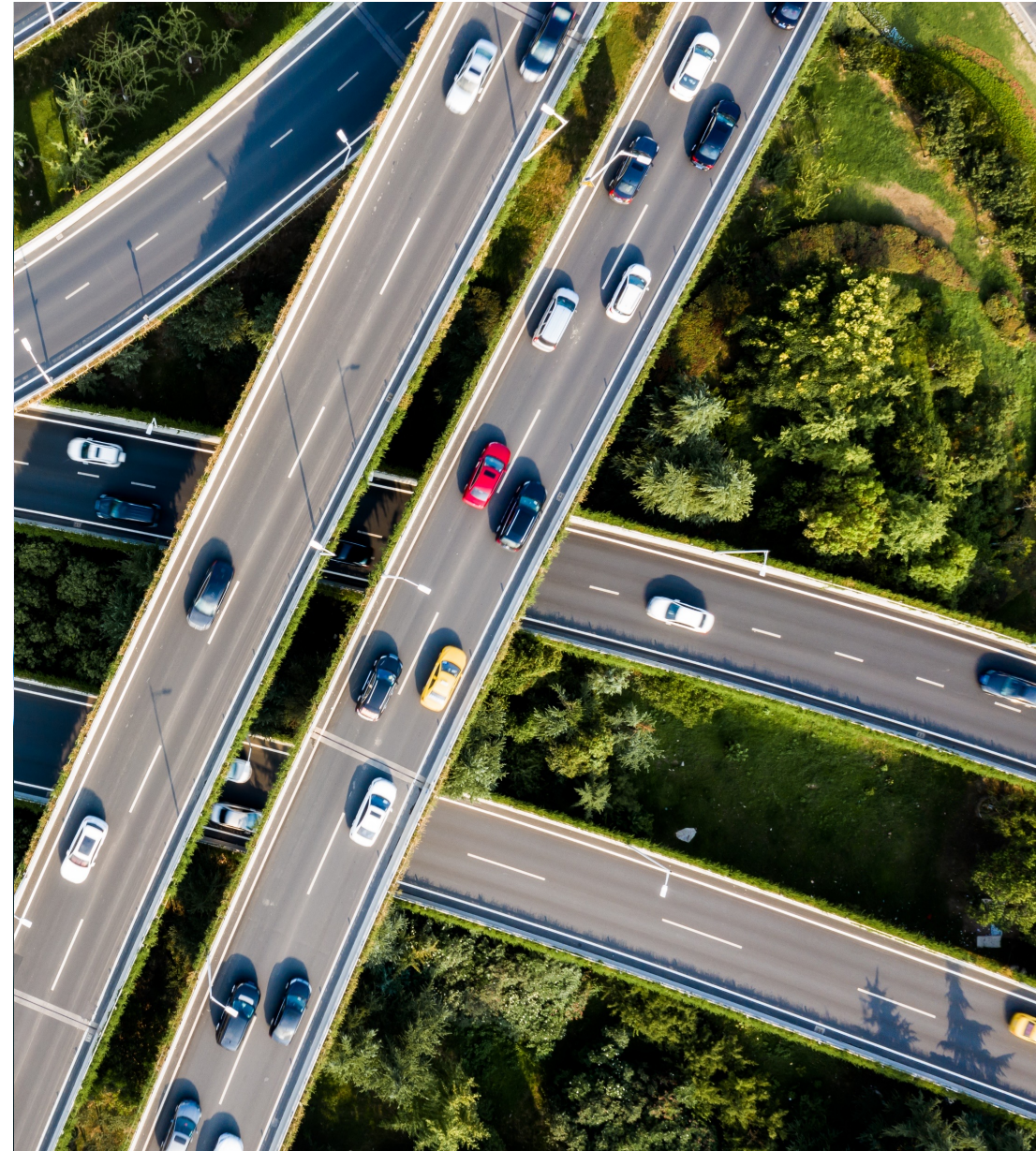


# Slamming on the brakes

**Stephen Toplis**  
December 2022

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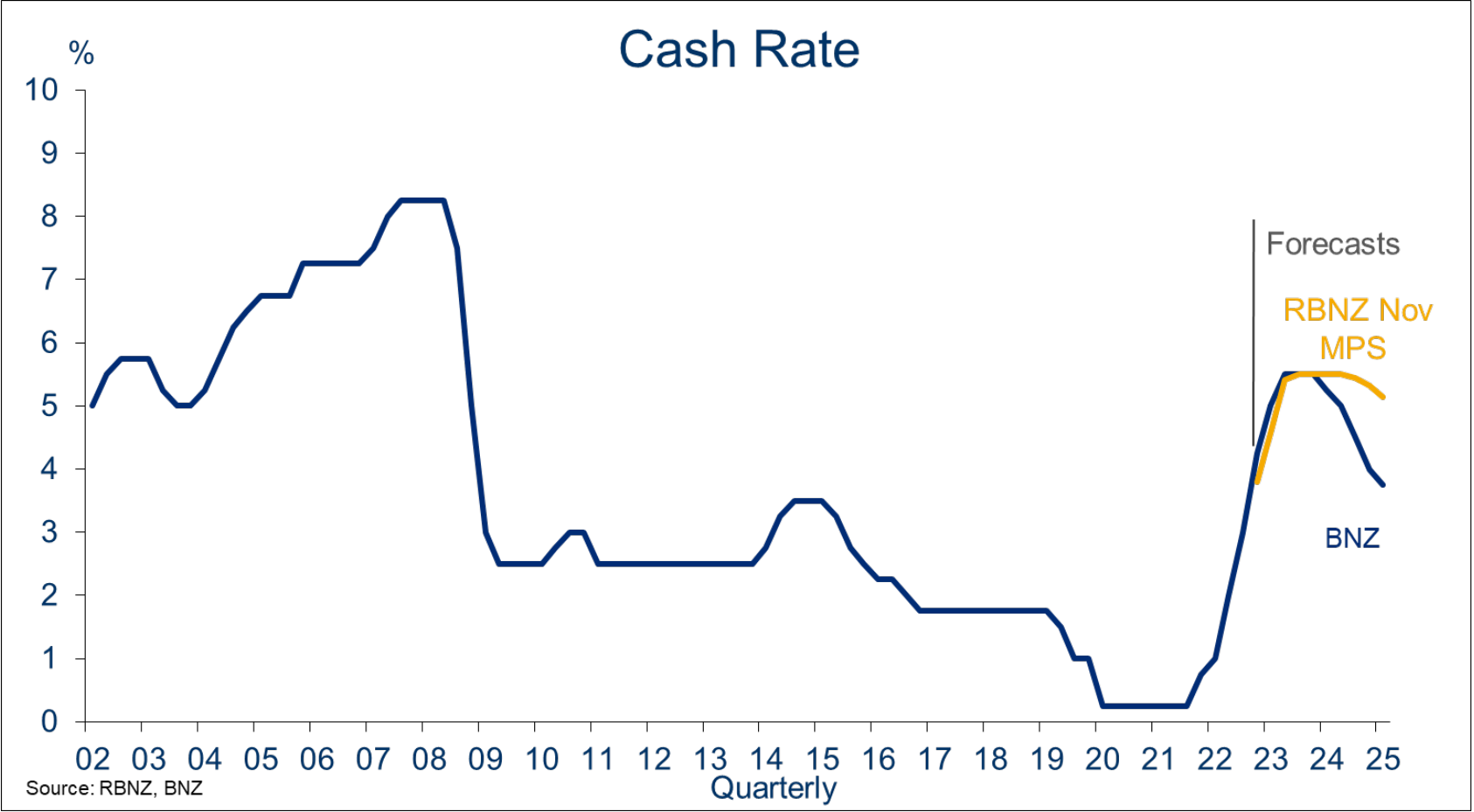


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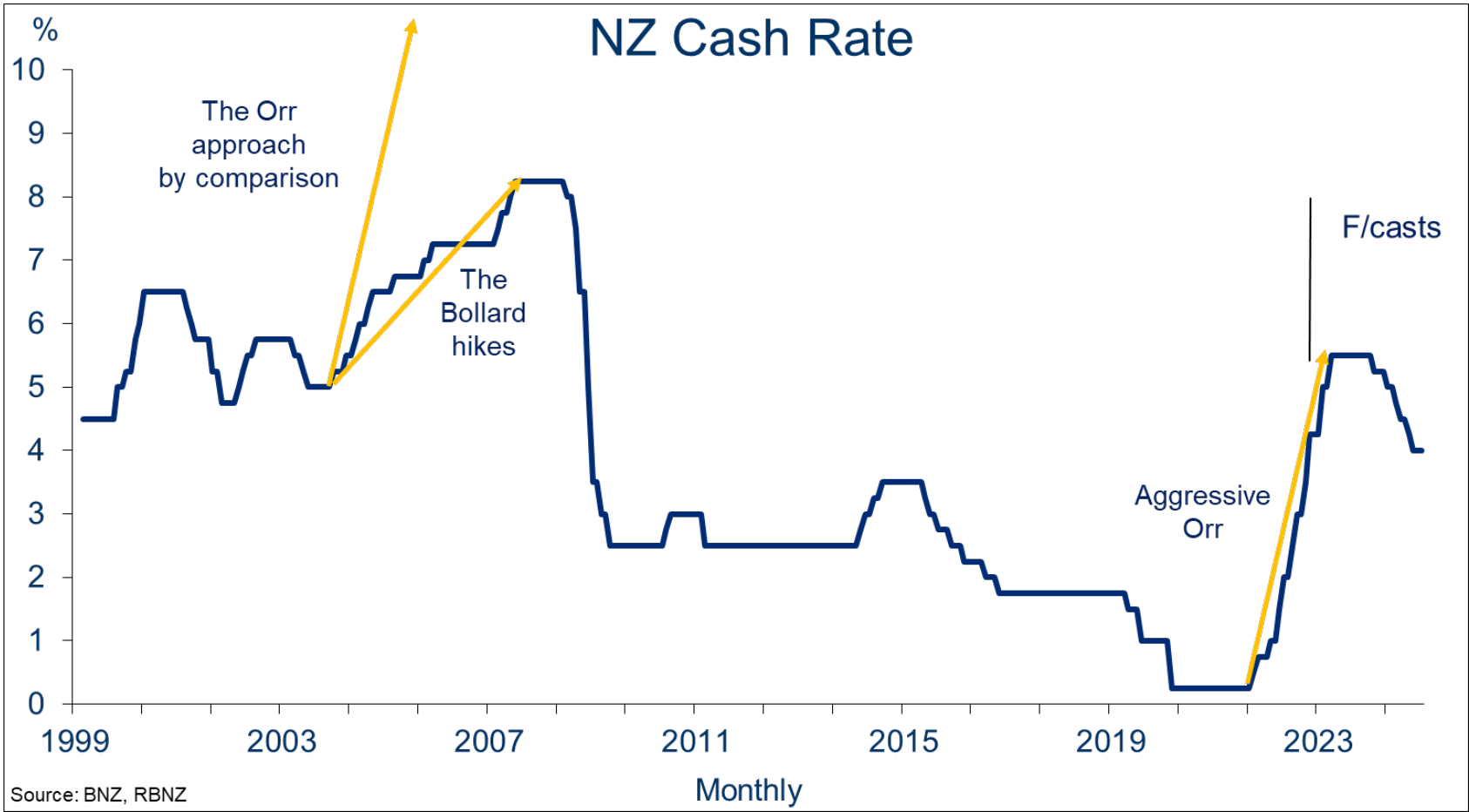
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# RBNZ in panic mode

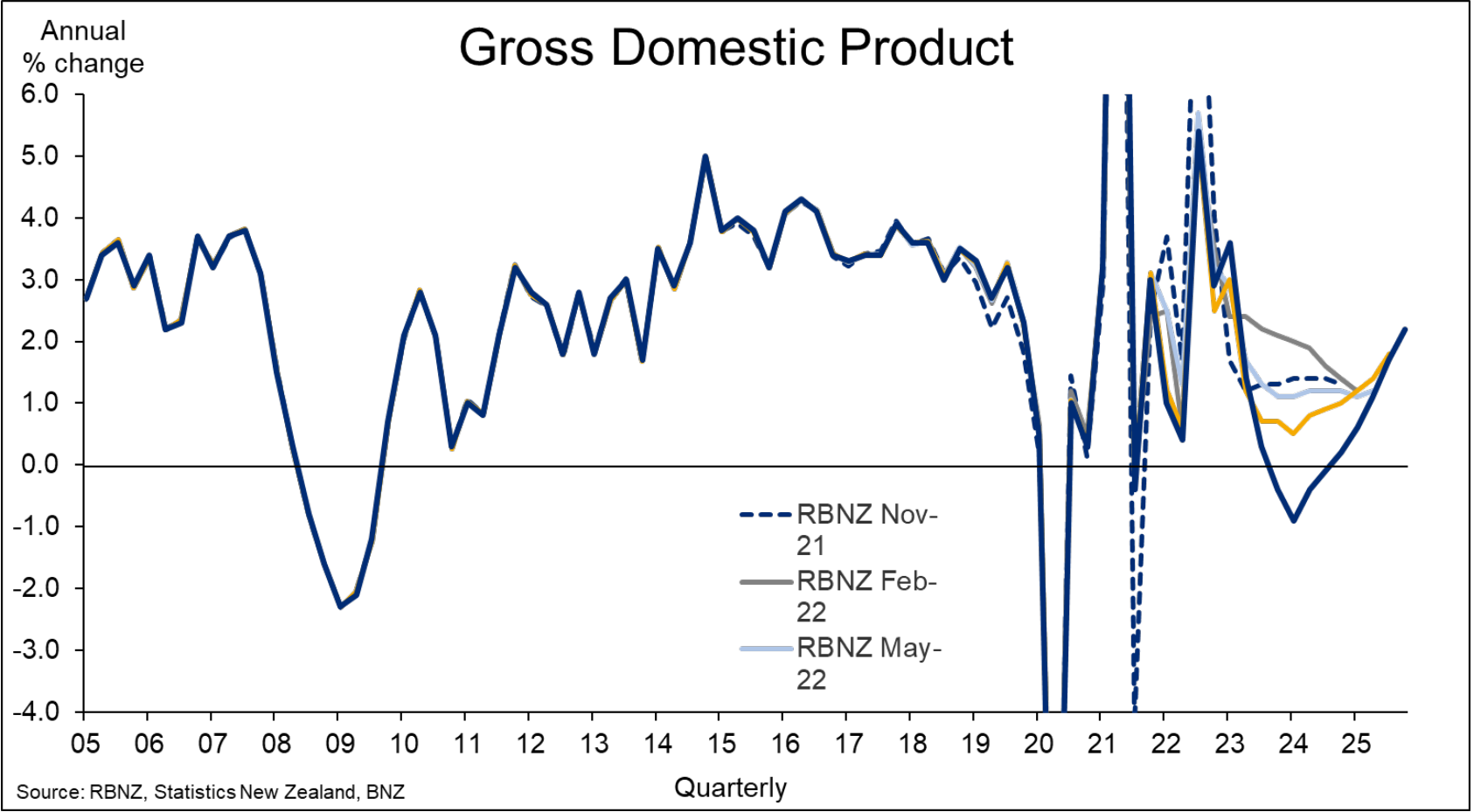


# This is going to hurt

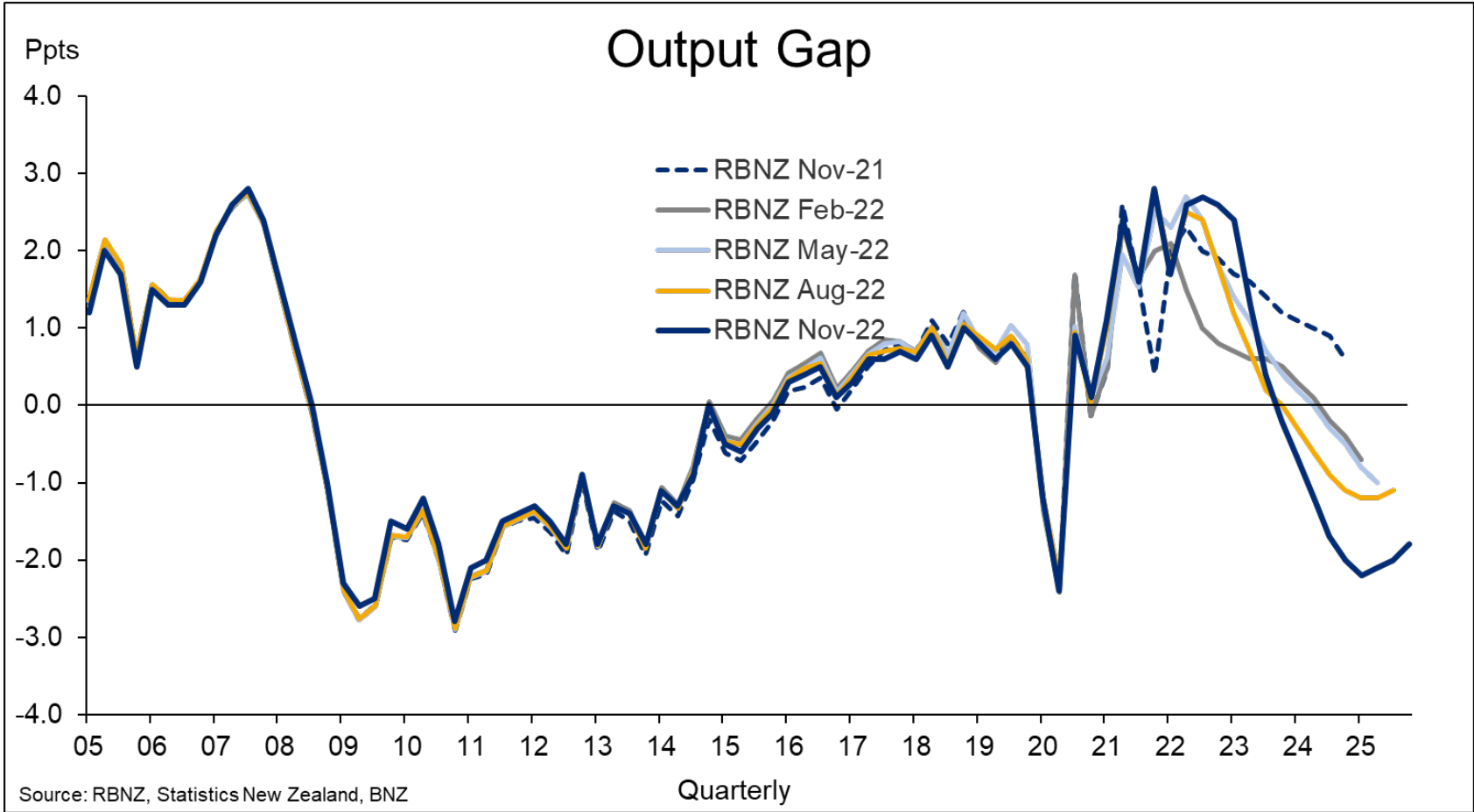


Source: BNZ, RBNZ

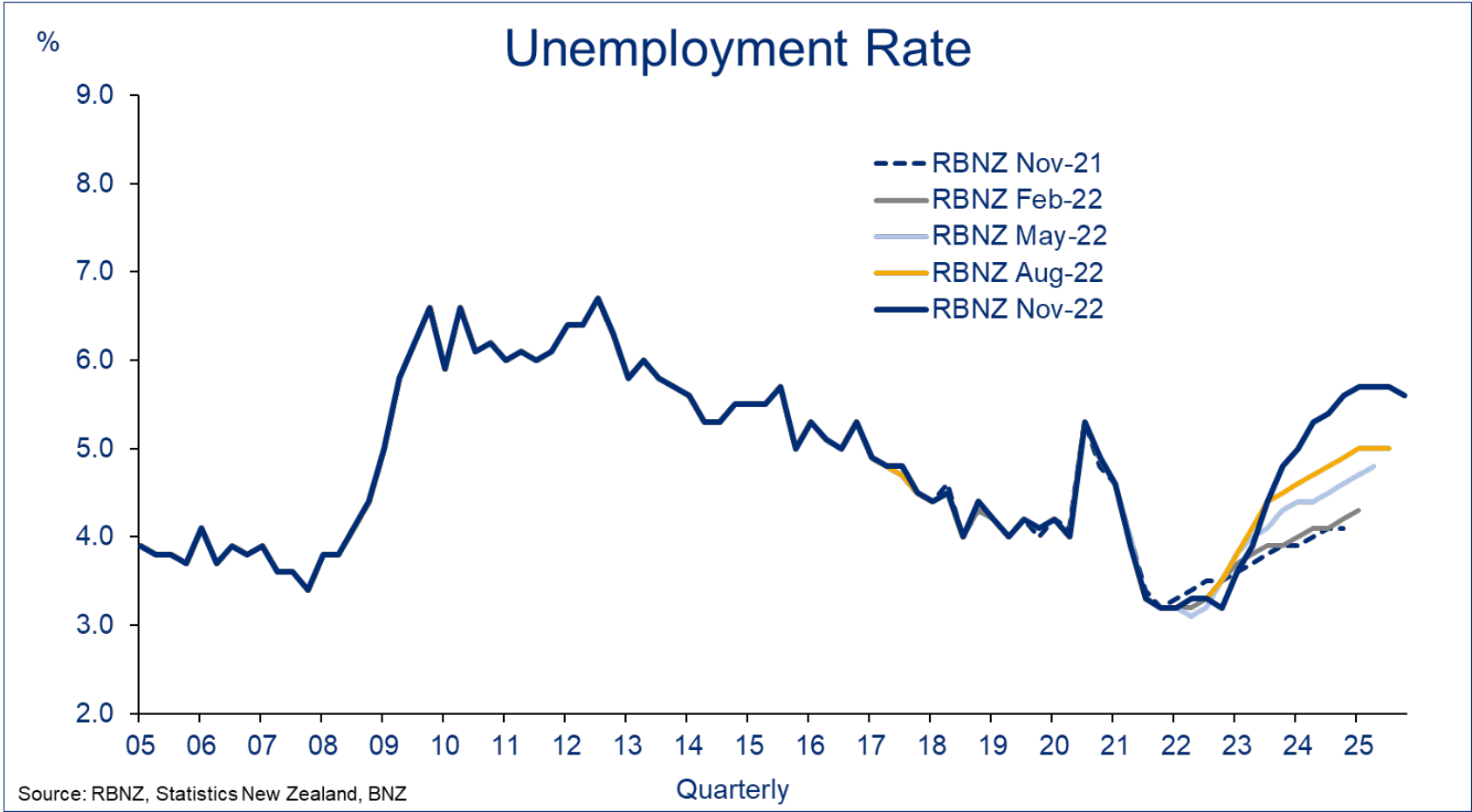
# Finally accepting a recession



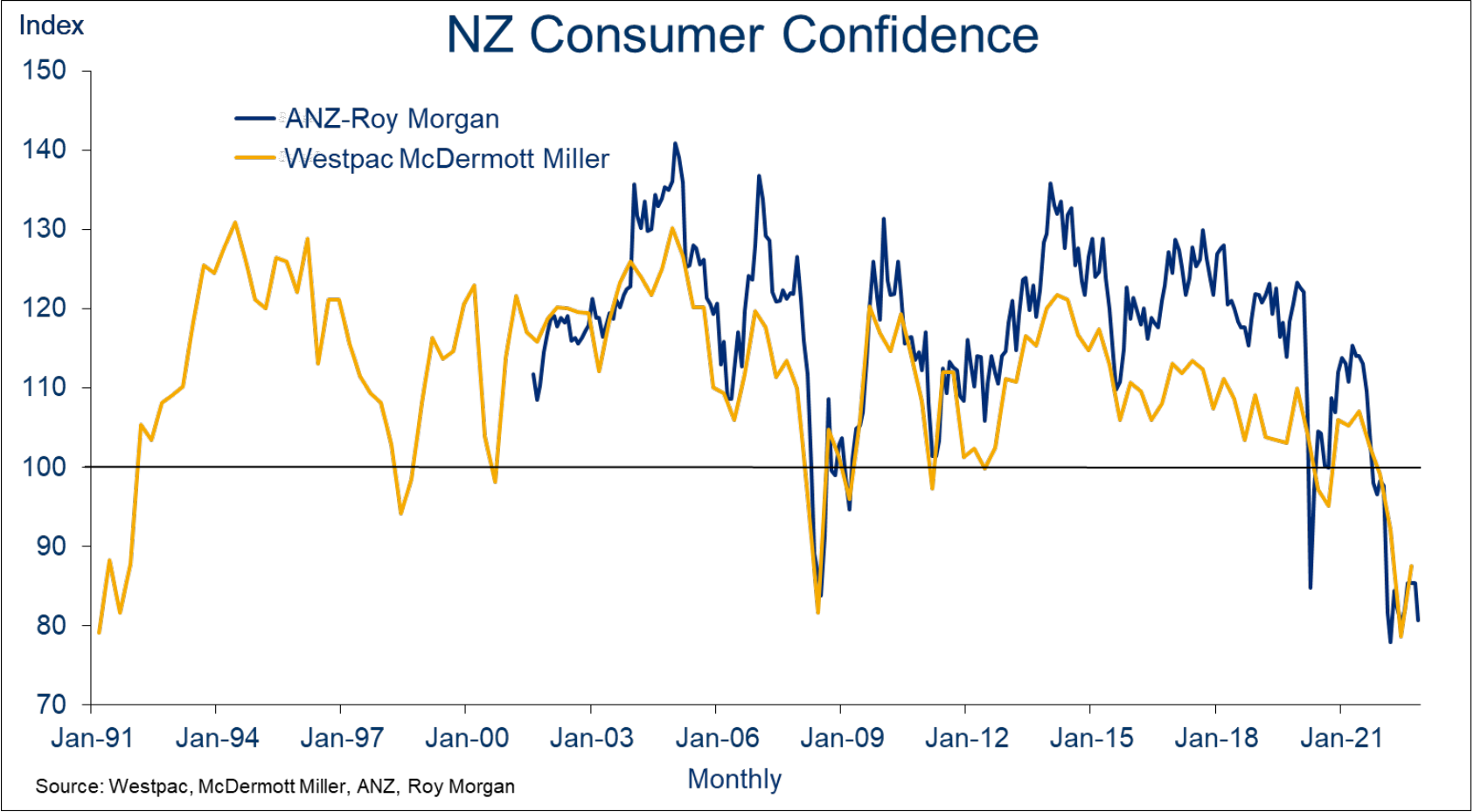
# A mass of spare capacity



# And significant unemployment

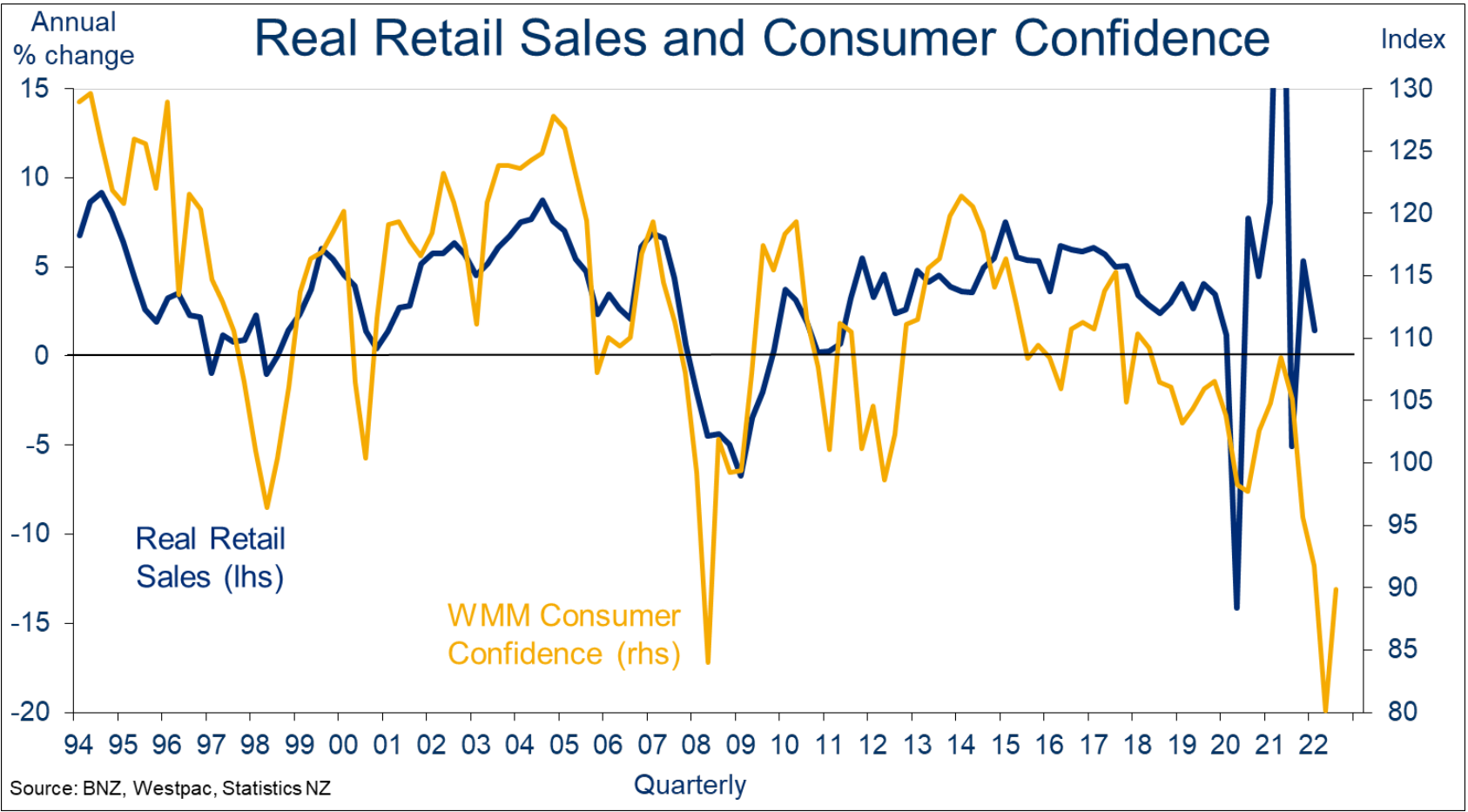


# RBNZ Still looking backward





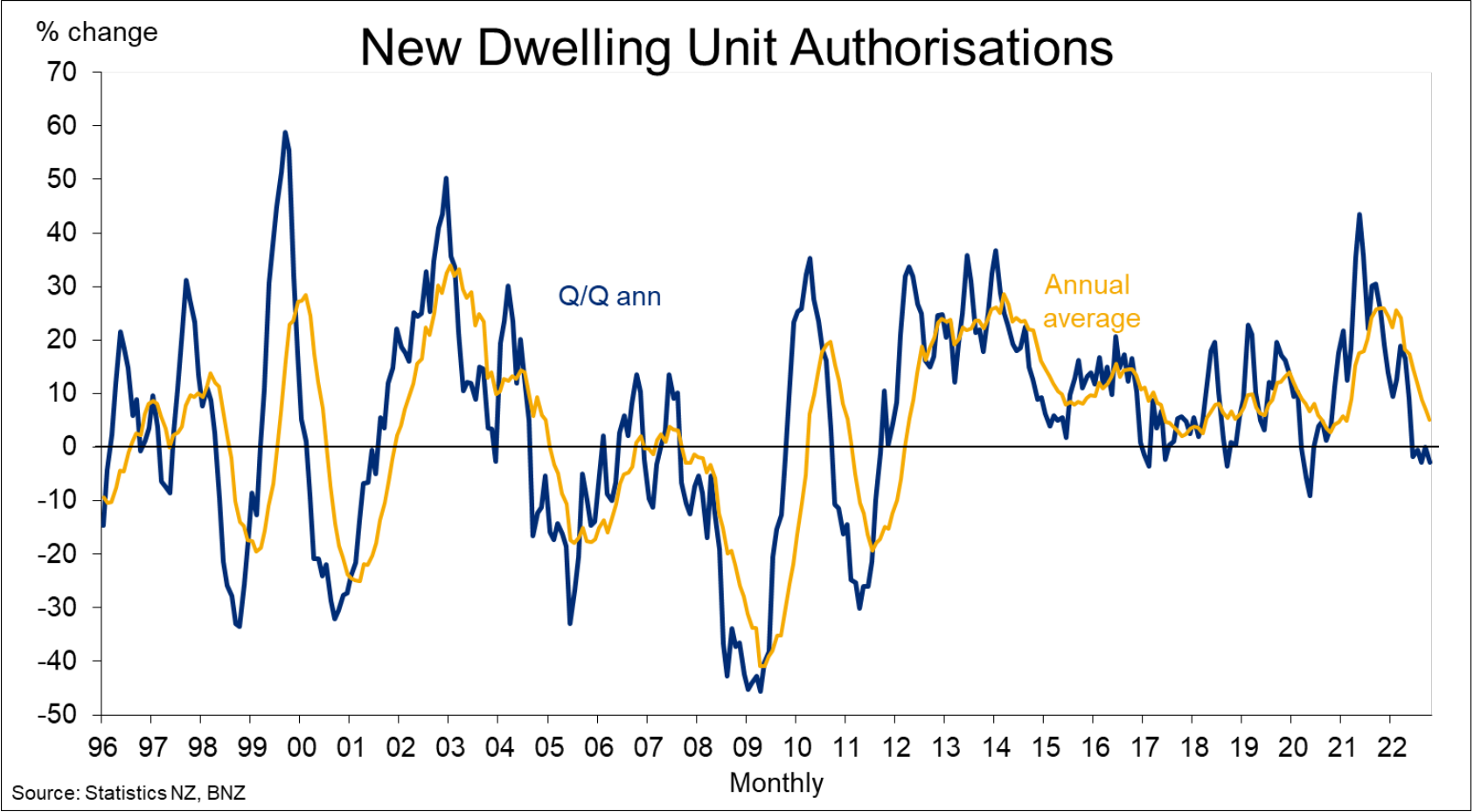
# Ignore at your peril



# RBNZ still looking backward

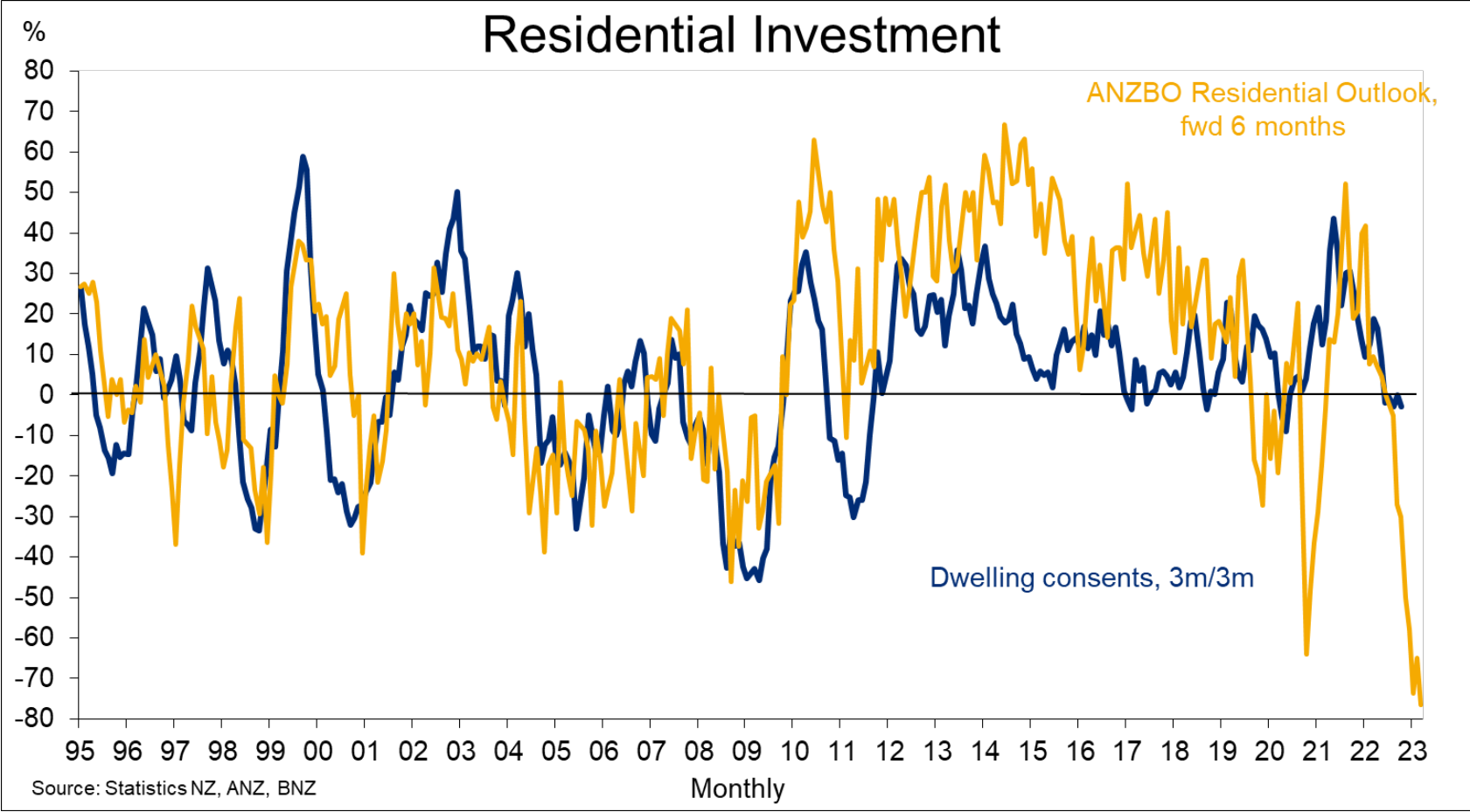


# Dwelling correction begins

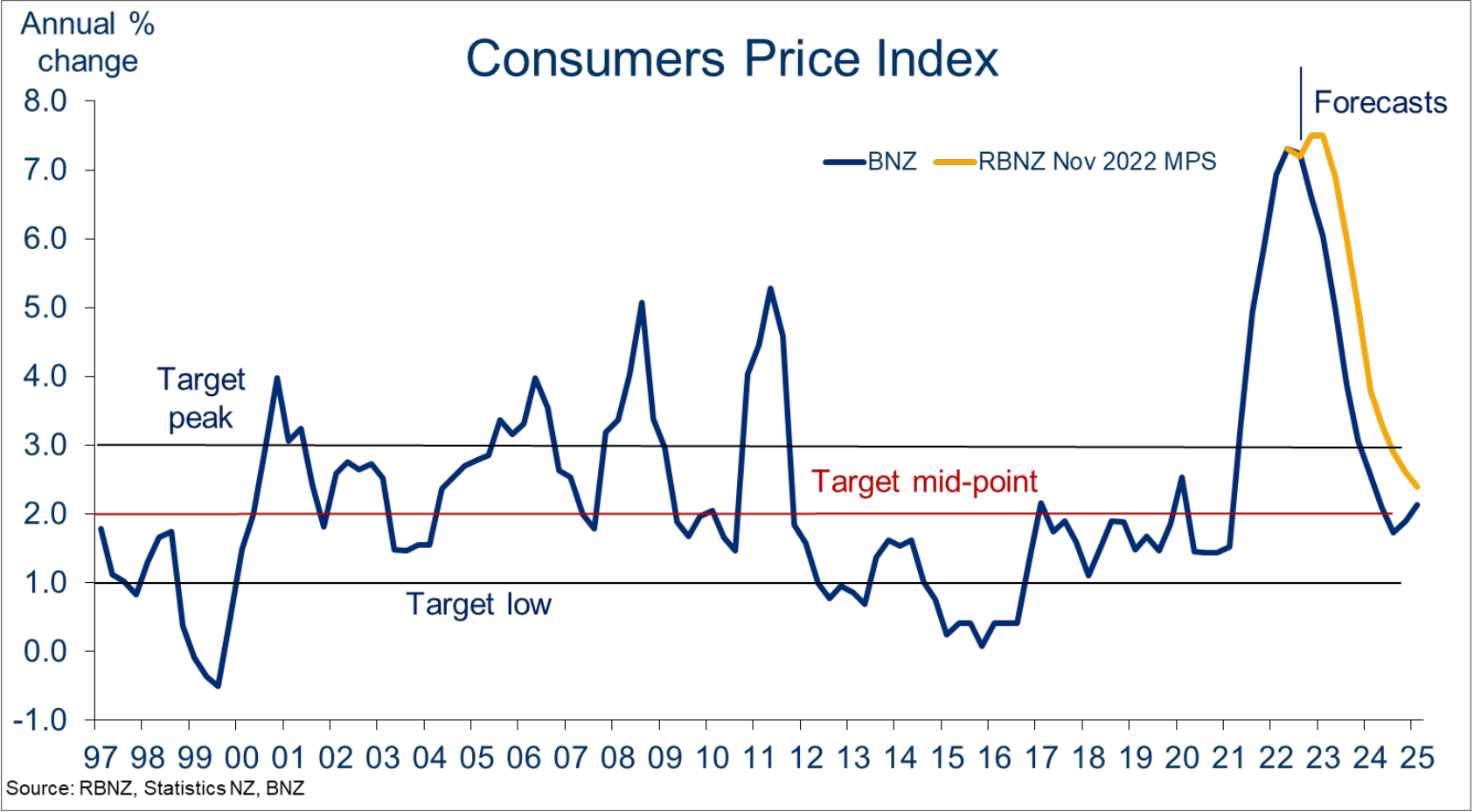


Source: Statistics NZ, BNZ

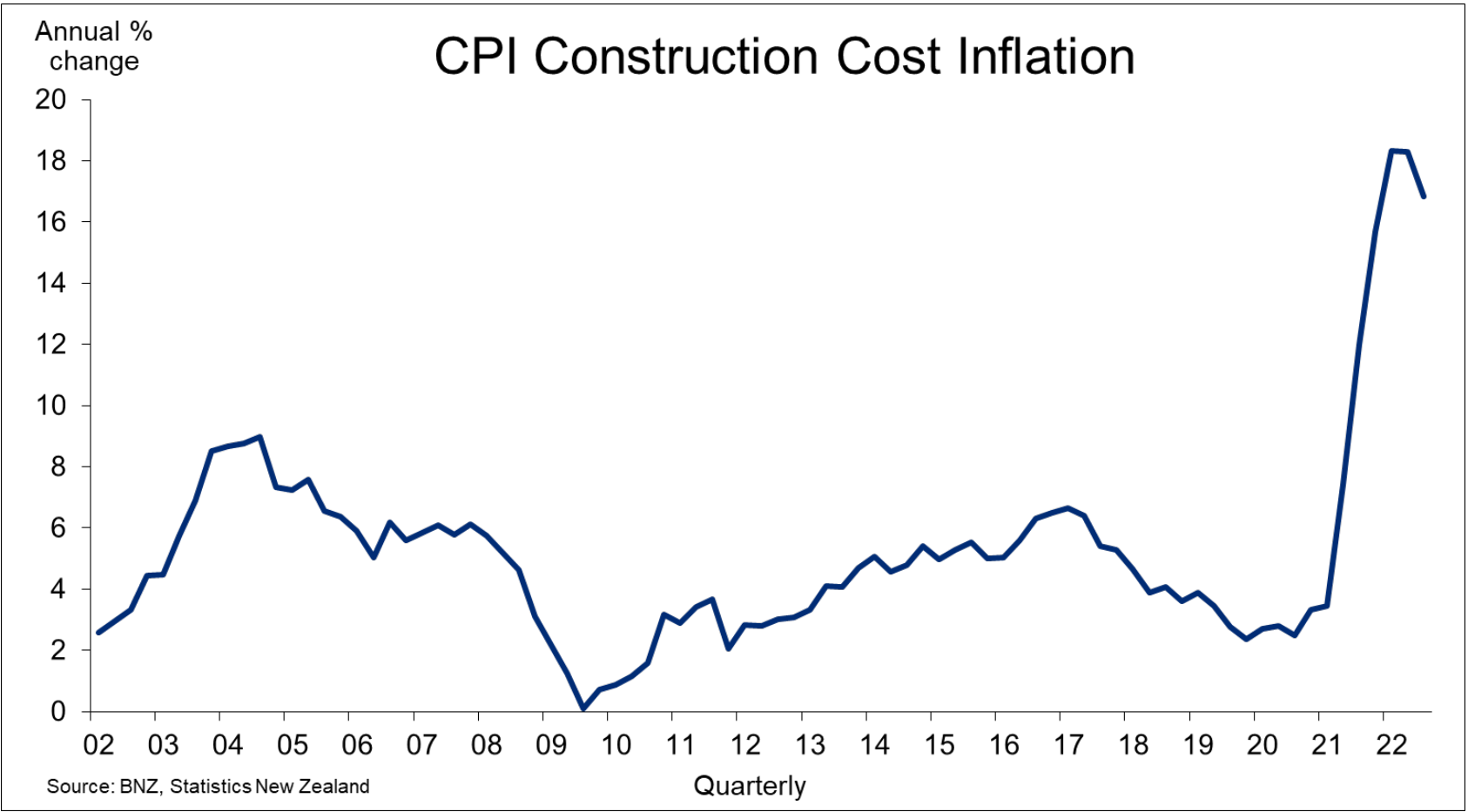
# More to come



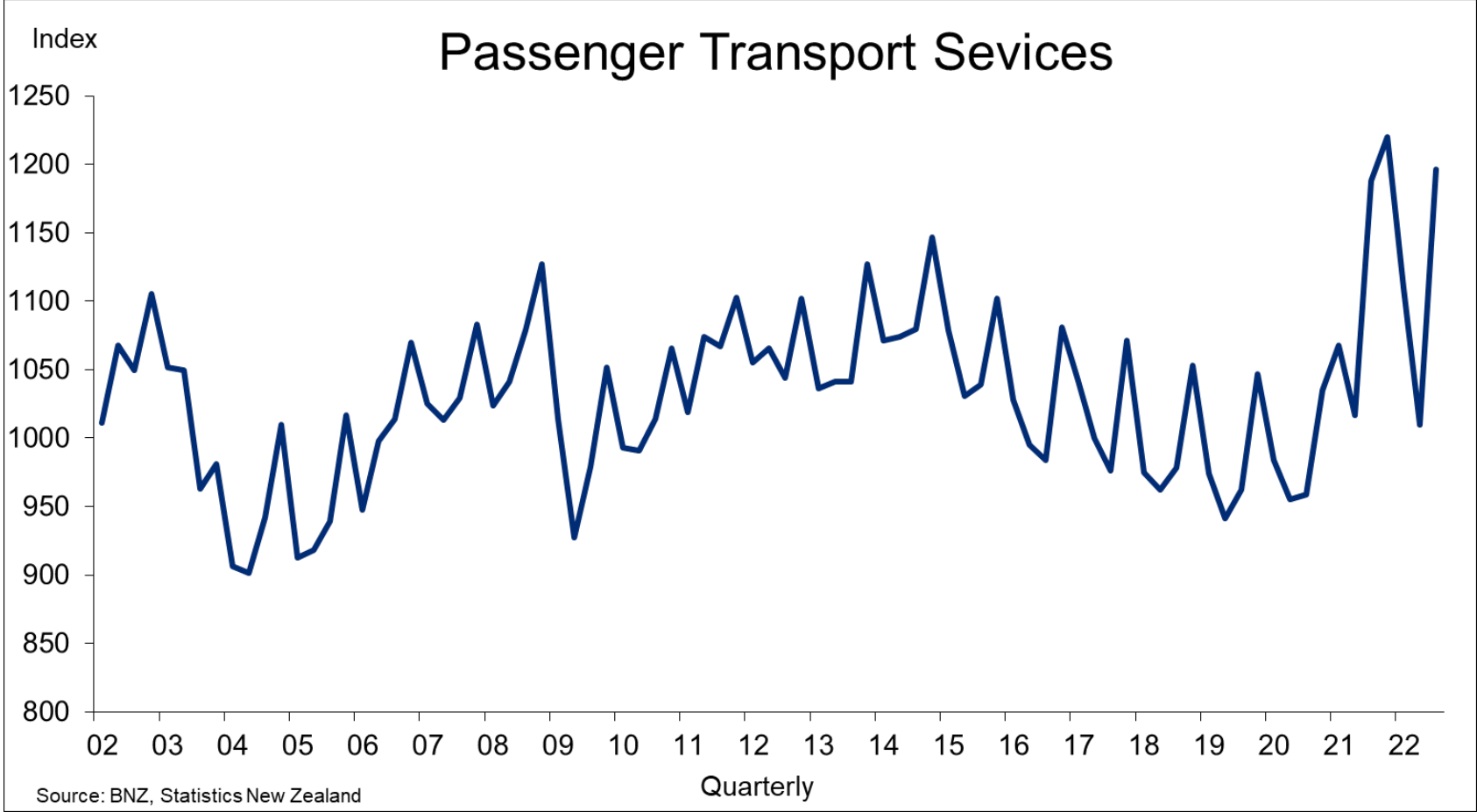
# Near term inflation problematic



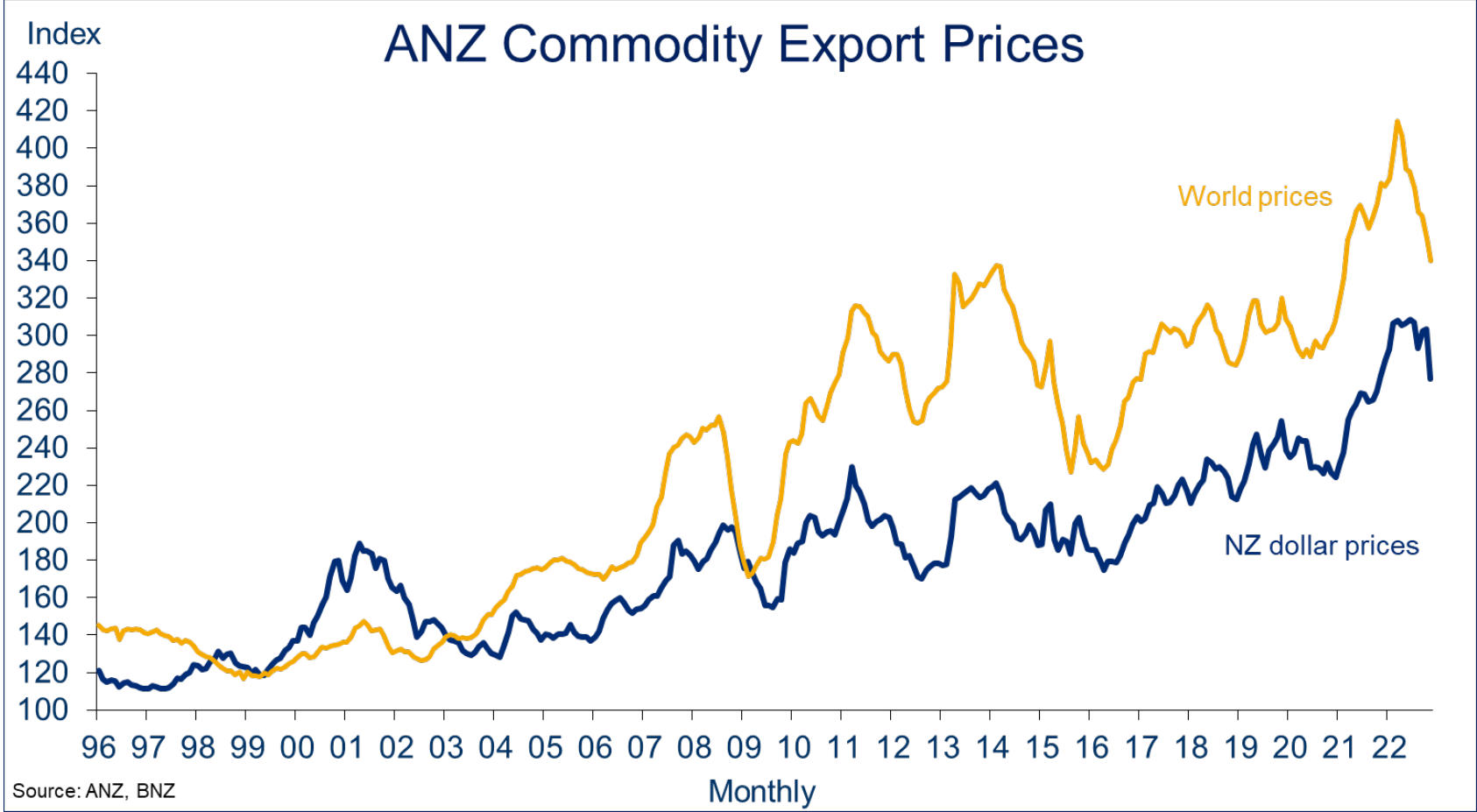
# But construction costs peaking



# Air fares impermanent

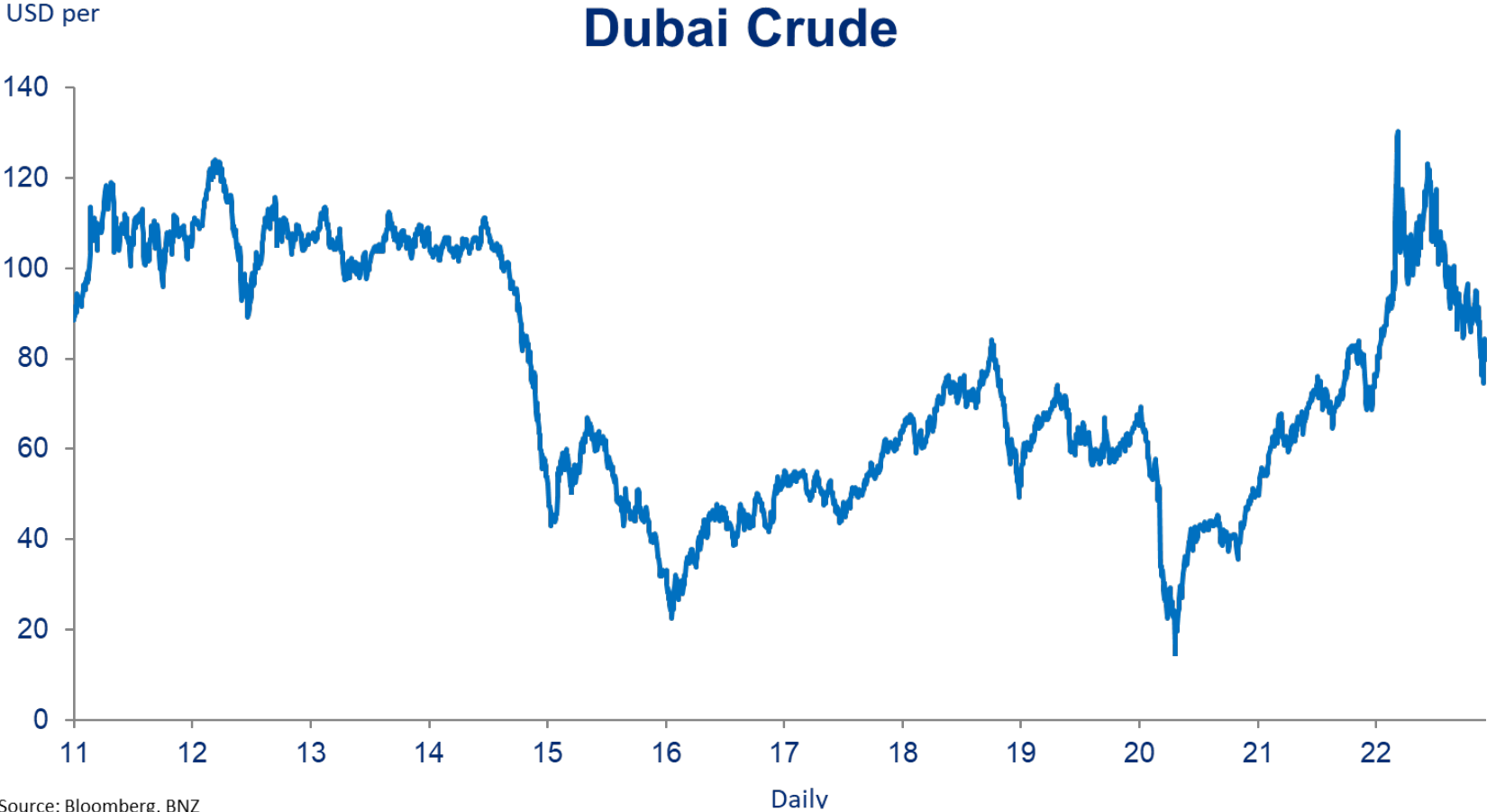


# Commodity prices falling





# Oil notably so



Source: Bloomberg, BNZ

# And the NZD is so much stronger

