

New Zealand Weekly Data Wrap

10 November 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 Property Focus: going up
- NZ Forecast Update: milk price revised down further
- NZ Forecast Update: the much-needed adjustment
- NZ Forecast Update: milk price forecasts trimmed further

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 now cooling.
- Inflation way above target and looking sticky.
- OCR on hold at 5.50% until February 2024, 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, with China in focus.



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.

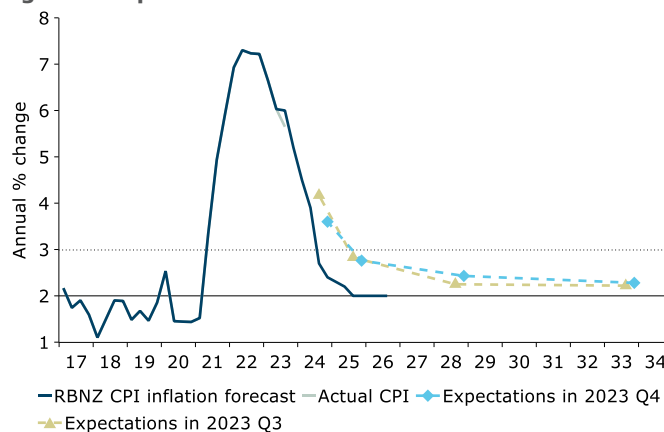


NZ's large external imbalances could see the market impose a more abrupt adjustment path.

Not so fast

This week's RBNZ survey of inflation expectations showed progress, but they remain well above where they need to be. The 1-year-ahead measure fell from 4.17% to 3.60% and the 2-year-ahead measure fell from 2.83% to 2.76%. These remain much higher than the RBNZ's own August forecasts, which had inflation at 2.4% in 1 year and 2.0% in 2 years. Businesses and professional forecasters think it'll take about a year longer to get inflation back under 3%, implying four years of inflation above the target band (figure 1). We don't expect these data will have a significant impact on the RBNZ's decision-making.

Figure 1. Expected inflation remains well above RBNZ's forecasts



Source: Stats NZ, RBNZ, Macrobond, ANZ Research

The mean 5-year-ahead annual inflation expectation was 2.43%, up from last quarter's 2.25%. The mean 10-year-ahead annual inflation expectation increased to 2.28% from 2.22%. Surveyed businesses and professional forecasters see inflation settling in the top half of the 1-3% target band in the medium term. Close enough is good enough perhaps, but unlike the near-term measures, long-term expectations are creeping higher. The RBNZ views these as something of a credibility check. If long-term inflation expectations get stuck above the 2% target midpoint, the RBNZ's job will be made more difficult.

The PMI data was out this morning, and made for grim reading. The index fell for the fifth month in a row, from 45.1 to 42.5 (seasonally adjusted). Aside from lockdowns, this is the lowest reading since the Global Financial Crisis. Every sub-index fell, including production, new orders, employment and deliveries. It certainly makes sense that manufacturers are experiencing tougher times, given their exposure to construction and the primary sector, both of which are under pressure currently. However, the result does stand in contrast to the relative optimism evident in the Business Outlook survey manufacturing responses. The difference is likely due to the different framing of the questions: the PMI asks about the last month, while the ANZBO questions are forward looking, mostly asking about a year ahead. The relatively new "experienced activity" question in the ANZBO matches the PMI more closely.

This week we released our flagship [Quarterly Economic Outlook](#) (QEO). Overall, we see the economy muddling through, with some unders and overs, and certainly winners and losers as the big forces (monetary, fiscal, global and demographic) that are buffeting the economy play out. But unfortunately, whether more medicine via another OCR hike is needed to bring it about or not, it'll likely feel like hard yards overall. One of the risks we touched on in the QEO was for an El Nino induced drought this summer, a theme we flesh out further over the page.



Looking ahead



NZ Insights and Analysis

ANZ produces a range of in-depth insights.

- NZ Economic Outlook: ups and downs
- NZ Property Focus: new faces, not many new places
- NZ Insight: macro impacts in New Zealand from an increase in global term rates
- NZ Insight: finding external balance
- NZ Insight: post-election macroeconomic musings
- NZ Agri Focus: regaining ground
- NZ Property Focus: going up
- NZ Property Focus: regional revelations
- NZ Economic Outlook: waiting on the last domino
- NZ ETS: Change of price and volumes settings



NZ Economic News

View latest data and policy releases

- NZ GDP: what recession ... but one looming?
- NZ REINZ housing data: on ice
- RBNZ MPR Review: a more sustained period of time
- NZ CPI and OCR call change: progress buys time
- NZ labour market: the ship has turned
- NZ PREFU 2023: more debt, more bonds, more deficits

Click [here](#) for more.



ANZ Proprietary data

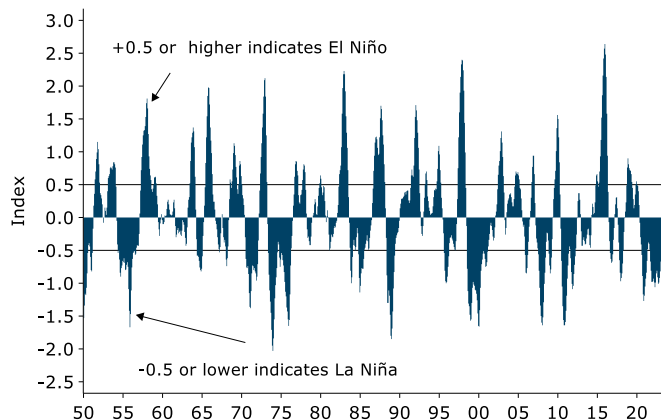
Check out our latest releases below.

- ANZ Business Outlook
- ANZ-Roy Morgan Consumer Confidence
- ANZ Truckometer
- ANZ Commodity Price Index
- ANZ NZ Merchant and Card Spending: September 2023

El Niño – local and global risks

All major global weather agencies have formally announced the onset of El Niño (figure 2). The US Government’s National Oceanic and Atmospheric Administration declared the event in June, and the Australian Bureau of Meteorology and NIWA confirmed it in September. This weather pattern will likely persist till March 2024 and then weaken into New Zealand’s winter.

Figure 2. Global El Niño and La Niña



Source: NOAA, Macrobond, ANZ Research

The current El Niño cycle is expected to be one of the strongest NZ has experienced, raising the risk of summer drought conditions, depressing milk volumes but bolstering meat production in the near term as farmers destock.

A drought this summer could have a larger-than-usual economic impact given farmers are already under pressure from soft returns at a time of intense cost pressures. The combination of weaker production and prices could be a very nasty mix for the rural sector and the economy more broadly. It’s not just the growth outlook. New Zealand’s current account deficit remains far too wide, and near-term disruption would push us further off the course necessary to achieve a [sustainable external position](#).

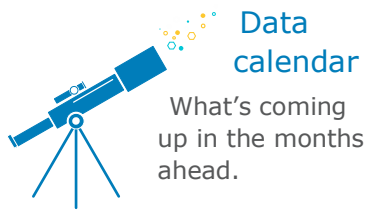
El Niño causes hot, dry weather in Asia, Australia and New Zealand, while bringing above-average rainfall to South and North America. So while it benefits American crops like soybean, corn and wheat, in Australia, India and Southeast Asia, crops such as rice, wheat, palm oil, cocoa and sugar suffer.

Though the impact on overall global agricultural output is mixed, in the Asia-Pacific productivity losses and production risks are imminent. The extent of losses will depend on the intensity and duration of the event, but droughts have made meaningful dents in New Zealand’s exporter incomes and GDP over the years, and do seem have an unfortunate tendency to coincide with other significant economic challenges (1998, 2008).

Higher prices could provide some offset for producers. However, ANZ’s global commodity analysts don’t expect global food price indexes to rise materially, with solid harvests in Argentina, Brazil and the US to make up for output losses in Asia and Australasia. While higher prices would benefit New Zealand exporters and help rebalance our very wonky external accounts, contained global food inflation will at least help to keep New Zealand food prices for imported pantry staples contained (imported food has roughly a 4% CPI weight). Overall, El Niño is likely to be a net disinflationary event in New Zealand via its impact on exporter incomes and spending, but the severity of the weather outcomes and thus the overall impact are very uncertain. Economists exist to make weather forecasters look good, the old joke goes, but there will be a fair bit of luck at play in how the season pans out.



Financial markets update



Date	Data/event
Mon 13 Nov (10:30am)	Performance Services Index – Oct
Tue 14 Nov (10:45am)	Selected Price Indexes – Oct
Wed 15 Nov (09:00am)	REINZ Housing Data – Oct
Wed 15 Nov (10:45am)	Electronic Card Transactions – Oct
Wed 15 Nov (10:45am)	Net Migration – Sep
Tue 21 Nov (10:45am)	Merchandise Trade – Oct
Wed 22 Nov (early am)	GlobalDairyTrade auction
Fri 24 Nov (10:00am)	ANZ Truckometer – Oct
Fri 24 Nov (10:45am)	Retail Trade – Q3
Wed 29 Nov (2:00pm)	RBNZ MPS
Thu 30 Nov (10:45am)	Building Permits – Oct
Thu 30 Nov (1:00pm)	ANZ Business Outlook – Nov
Thu 30 Nov (3:00pm)	RBNZ Sectoral Lending – Oct
Fri 1 Dec (10:00am)	ANZ-RM Consumer Confidence – Nov
Mon 4 Dec (10:45am)	Terms of Trade – Q3
Tue 5 Dec (10:45am)	Volume of All Buildings – Q3
Tue 5 Dec (1:00pm)	ANZ Commodity Price Index – Nov
Wed 6 Dec (early am)	GlobalDairyTrade auction
Fri 8 Dec (10:45am)	Economic Survey of Manufacturing – Q3
Tue 12 Dec (10:45am)	Electronic Card Transactions – Nov
Tue 12 Dec (10:45am)	Net Migration – Oct
Wed 13 Dec (10:45am)	Current Account – Q3
Wed 13 Dec (10:45am)	Selected Price Indexes – Nov
Thu 14 Dec (10:45am)	GDP – Q3
Fri 15 Dec (10:30am)	BusinessNZ Manuf PMI – Nov
Mon 18 Dec (10:30am)	Performance Services Index – Nov
Mon 18 Dec (10:00am)	ANZ Truckometer – Nov

Interest rate markets

Swap rates and bond yields are lower across the board this week, having been fuelled by the extended drop in US bond yields. This followed last week's Fed meeting, which markets viewed as a pivot, and softer than expected (but still somewhat resilient) US payroll data. But volatility has returned, with US bond yields sharply higher this morning following a soft US 30yr bond auction, and comments by Powell noting that he isn't confident that policy is sufficiently restrictive yet, repeating comments last week that markets ignored. And that's the vibe – markets reading it one way and central banks more cautious, which speaks to disappointment ahead as markets price in cuts, only for central banks to push back, and that cycle repeating itself, as we have seen in past cycles. Even if it is easier now to say that rates have peaked, that doesn't mean they'll continue to press lower and lower. In our view, we're more likely to enter a period of heightened volatility, as typically seen soon after earlier turning points.

FX markets

The Kiwi has had a wild week, briefly breaking above 0.60 in the wake of US payroll data last Friday night, only to succumb to bouts of consolidation and volatility this week. FX markets remain USD-centric, with today's NZD slump in the wake of the spike in bond yields following the soft US bond auction a reminder of the influence of US bond yields. With these lower but not collapsing, it's hard to write the USD off just yet, especially as we enter a summer of RBNZ policy stability, and domestic themes in hibernation.

Key data summary

ANZ Commodity Price Index – October. Strong increases in dairy and horticulture prices pushed the ANZ [World Commodity Price Index](#) up 2.9% in October.

GlobalDairyTrade auction. The overall GDT Price Index dropped 0.7% led down by a 2.7% fall in whole milk powder (WMP) pricing.

RBNZ Inflation Expectations – Q4. Progress, but still too high.

Manufacturing PMI – October. Fell another 2.6pts to a grim 42.5.

The week ahead

Performance Services Index – October (Monday 13 November, 10:30am). Expecting this to stay around 50, neither expanding nor contracting meaningfully.

Selected Price Indexes – October (Tuesday 14 November, 10:45am). Next week marks the introduction of new monthly price indexes from Stats NZ. In addition to food and rents, indexes for alcohol and tobacco, accommodation services, airfares, and fuel will be released. Together, these data cover 44% of the CPI basket. We've pencilled in a 0.6% m/m fall in food prices and a 0.4% m/m increase in the stock measure of rents.

REINZ House Prices – October (Wednesday 15 November, 9:00am). We are expecting a 0.7% s.a. rise. Downside risk to the housing market from election uncertainty persists in October's release.

Electronic Card Transactions – October (Wednesday 15 November, 10:45am). We've pencilled in a 0.7% m/m fall.

Net Migration – September (Wednesday 15 November, 10:45am). We are expecting migration to remain strong and are keeping an eye out for further upwards revisions.



Key forecasts and rates

	Actual			Forecast (end month)					
	Sep-23	Oct-23	Today	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
FX rates									
NZD/USD	0.600	0.585	0.590	0.590	0.610	0.610	0.620	0.630	0.630
NZD/AUD	0.932	0.919	0.926	0.908	0.897	0.897	0.886	0.875	0.875
NZD/EUR	0.567	0.549	0.553	0.541	0.550	0.540	0.544	0.543	0.543
NZD/JPY	89.6	88.2	89.2	85.6	85.4	83.0	81.8	80.6	80.6
NZD/GBP	0.492	0.480	0.482	0.465	0.473	0.462	0.463	0.463	0.463
NZ\$ TWI	71.5	69.6	69.9	68.7	69.8	69.1	69.4	69.5	69.4
Interest rates									
NZ OCR	5.50	5.50	5.50	5.50	5.75	5.75	5.75	5.50	5.25
NZ 90 day bill	5.74	5.64	5.62	5.83	6.07	6.10	5.93	5.82	5.57
NZ 2-yr swap	5.72	5.58	5.33	5.68	5.64	5.48	5.35	5.25	5.17
NZ 10-yr bond	5.31	5.55	5.12	5.70	5.75	5.65	5.50	5.35	5.25

Economic forecasts

	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
GDP (% qoq)	0.9	0.3	0.3	0.2	0.1	0.2	0.3	0.4	0.5
GDP (% yoy)	1.8	0.6	1.5	1.7	0.9	0.8	0.8	1.0	1.4
CPI (% qoq)	1.1	1.8	0.9	0.7	0.7	0.9	0.4	0.4	0.6
CPI (% yoy)	6.0	5.6	5.1	4.5	4.1	3.2	2.8	2.5	2.4
Employment (% qoq)	1.0	-0.2	-0.2	-0.3	-0.1	0.1	0.1	0.2	0.2
Employment (% yoy)	4.1	2.4	1.6	0.3	-0.8	-0.5	-0.2	0.3	0.6
Unemployment Rate (% sa)	3.6	3.9	4.3	4.7	4.9	5.0	5.1	5.2	5.3

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

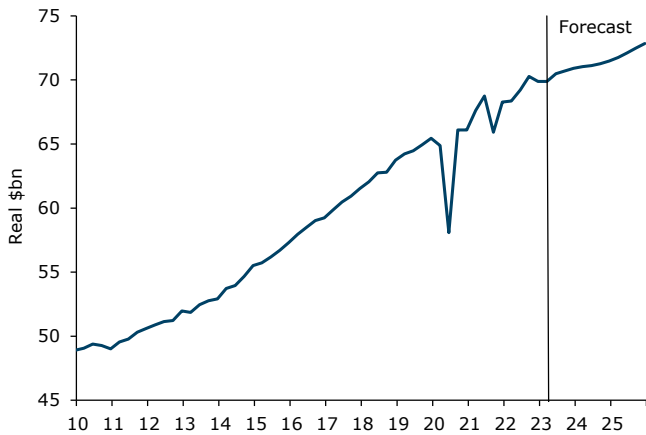
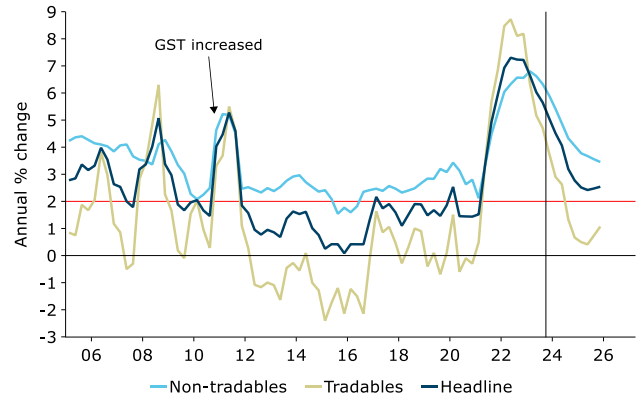
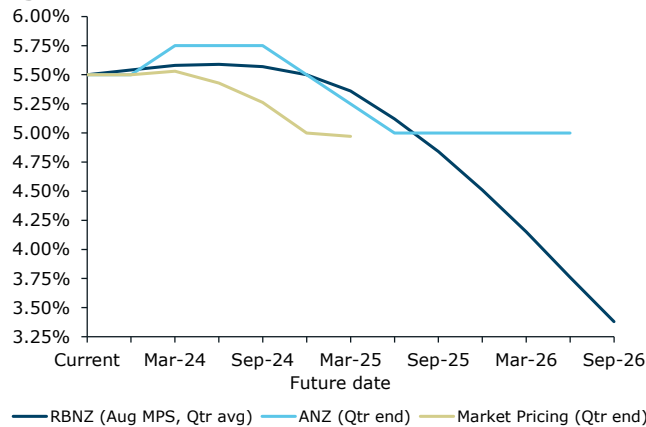


Figure 4. CPI inflation components



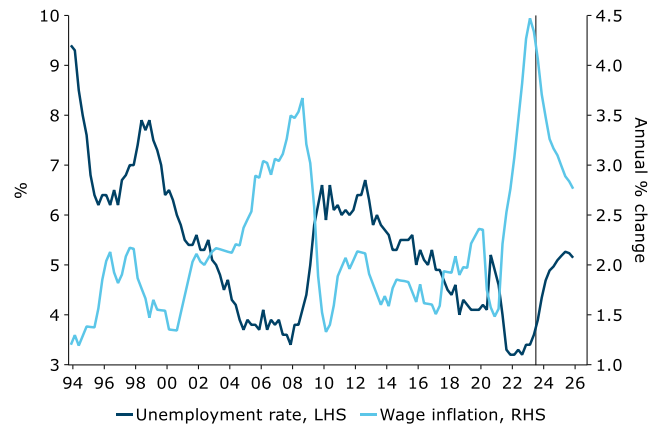
Source: Stats NZ, Macrobond, ANZ Research

Figure 5. OCR forecast



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

Figure 6. Unemployment and wage inflation





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 X
@sharon_zollner

Telephone: +64 9 357 4094
Email: sharon.zollner@anz.com

General enquiries:
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



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



Miles Workman
Senior Economist

Macroeconomic forecast co-ordinator, economic developments, GDP and activity dynamics, fiscal and monetary policy.

Telephone: +64 21 661 792
Email: 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



Andre Castaing
Economist

Macroeconomic forecasting, economic developments, housing and monetary policy.

Telephone: +64 21 199 8718
Email: andre.castaing@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



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

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) 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.