ANZ Research

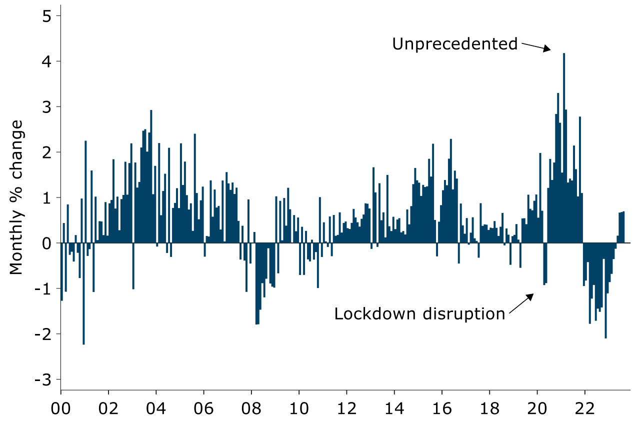
September 2023

New Zealand Property Focus

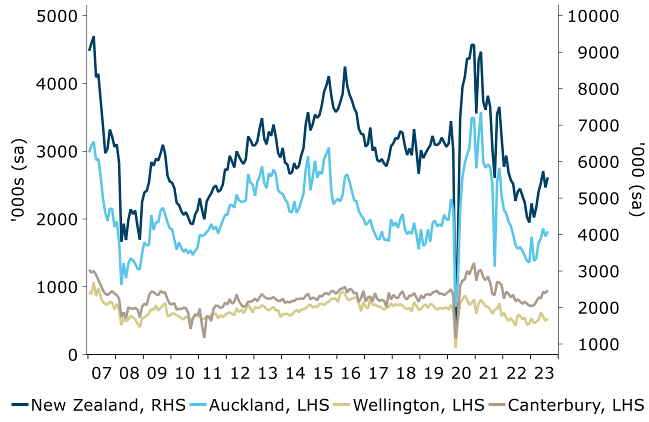
Going up

At a glance

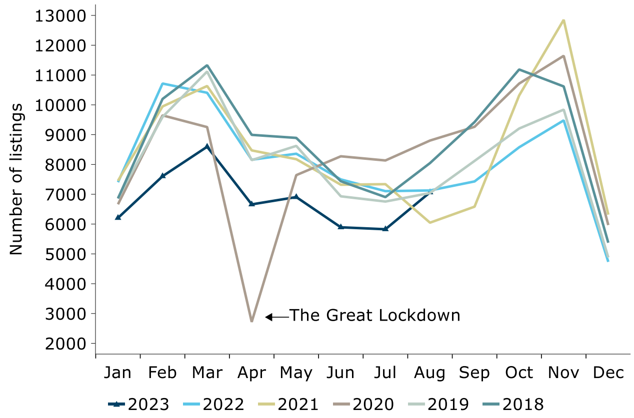
House prices are now marching upwards again…



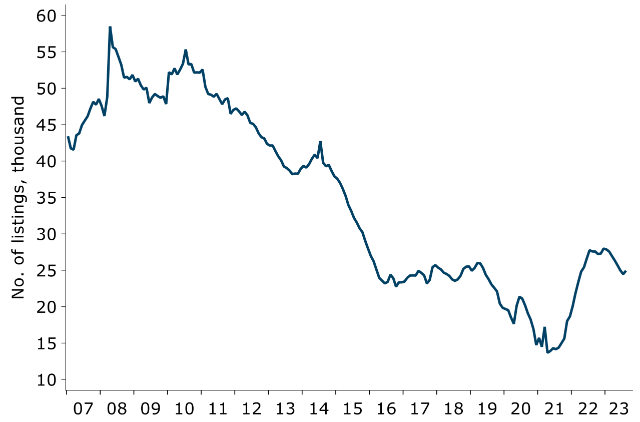
…as sales continue to recover



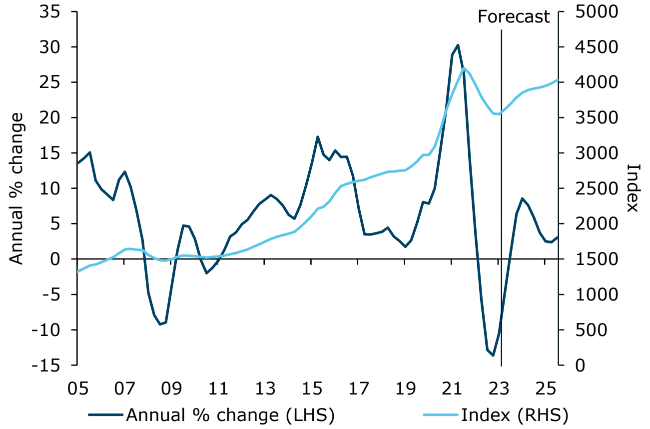
New listings are picking up as confidence returns…



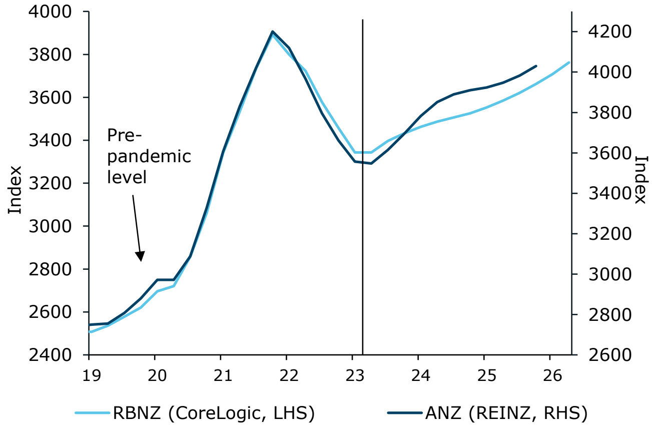
…but inventories have ticked up (noise or signal?)



We've revised up our house price forecast …



…but the RBNZ may need to raise rates higher to contain them.



Source: REINZ, RBNZ, realestate.co.nz, Macrobond, ANZ Research

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Summary

Our monthly *Property Focus* publication provides an independent appraisal of recent developments in the residential property market.

Property Focus

The house price cycle has clearly turned, with prices marching upwards over the past few months. Indicators of market tightness are still far from 'hot' (days to sell are still above their long-run average and house sales are still weak relative to history) but things are certainly heating up. Indeed, all turnarounds must start from somewhere and there are plenty of green shoots to be found in the August REINZ data. In each of the last three months the house price index has risen 0.7% m/m, which is over 8% annualised. Close to 100,000 net migrants have entered New Zealand over the last year, and that demand for housing is not being matched by supply, adding pressure to both rents and house prices. See the Property Focus section.

Forecast Update: Going up

We've revised our near-term house price forecast upwards and now see prices lifting around 4% (previously 3%) over the second half of this year, with house prices rising at around their current pace until autumn next year. Underpinning recent momentum, first-home buyers appear to have re-entered the market after a long hiatus. We don't think recent levels of house price growth will be sustained over the second half of next year, as unemployment rises while interest rates remain high. Our outlook is for annual house price inflation to come in around 5% over 2024, then moderate to around 3% in 2025. If upside housing pressures result in upside CPI inflation pressures, the RBNZ is likely to respond with hikes, stopping the housing upswing in its tracks. Be careful what you wish for. See our Forecast Update.

Mortgage Borrowing Strategy

Mortgage rates are little changed this month, with the 1-5 year rates across the four main banks up between 0.05% and 0.09%pts. Apart from a tiny blip up at the 6-mth point, the mortgage curve remains inverted, and it is cheaper to fix for longer. That will suit those who believe the RBNZ could either hike again or leave the OCR on hold 'up here' at 5.5% for some time, but it won't suit those fixing for shorter periods in hope that the RBNZ might cut soon. On that score, we are still forecasting one more OCR hike, mindful of the still-strong domestic inflationary backdrop, super-strong net migration and recovering house prices. There are risks to our view (soft Chinese demand for our exports is an obvious one), but the domestic economy isn't cooling as quickly as the RBNZ needs it to and we still think the OCR will go higher. For us, that's enough to make it worth considering fixing for longer rather than shorter. Long-term fixed rates are already lower and thus provide immediate benefits, whereas fixing for shorter will only end up being cheaper if mortgage rates start to fall, as our breakevens show. See our Mortgage Borrowing Strategy.

Property Focus

Summary

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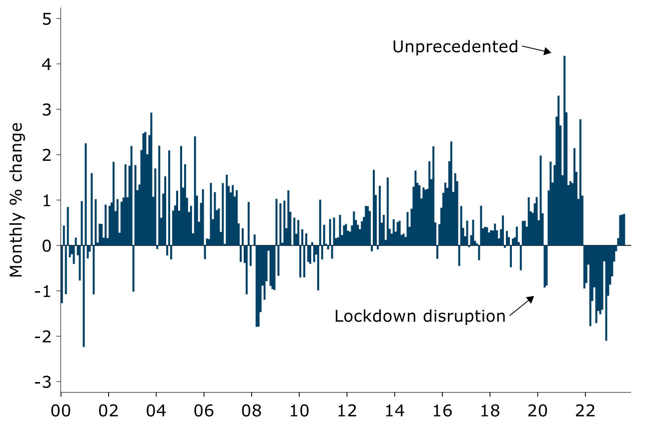
House prices have been rising since May

At the national level, the REINZ House Price Index (HPI) lifted 0.7% m/m in August (seasonally adjusted by ANZ), marking three months of seasonally adjusted growth at 0.7% (figure 1). If house prices grew at 0.7% m/m for a year, that would be an 8.7% annual gain. However, given prices fell around 16% between November 2021 and April 2023, for some homeowners this would just be making up lost ground.

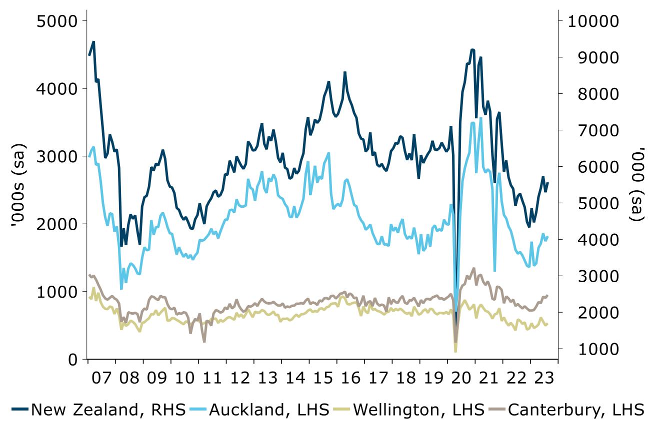
Figure 1. Monthly house price inflation



Source: REINZ, Macrobond, ANZ Research

House sales were also higher in August (after seasonal adjustment, figure 2), resuming their recent uptrend. House sales tend to lead prices by around three months or so, suggesting this churn has the potential to give prices a little more momentum in the near term. However, relative to history, it would be a stretch to call the housing market 'hot' right now. But the trajectory sure suggests it's not just the weather that's poised to heat up from here.

Figure 2. House sales

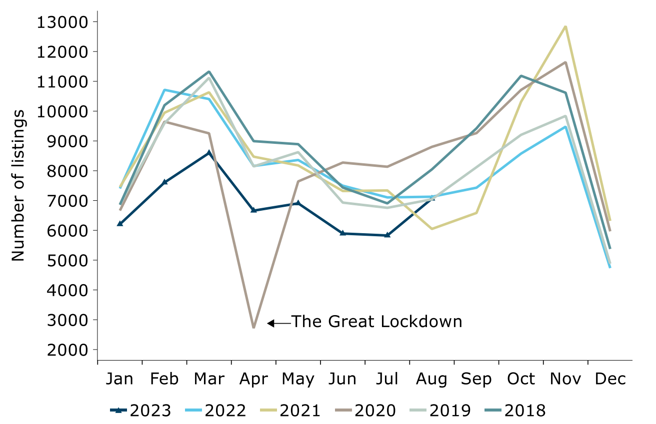


Source: REINZ, Macrobond, ANZ Research

New listings are also starting to lift (figure 3) as homeowners become more optimistic that they will be able to sell at an acceptable price as we enter the usual seasonal uplift in housing activity during the warmer months.

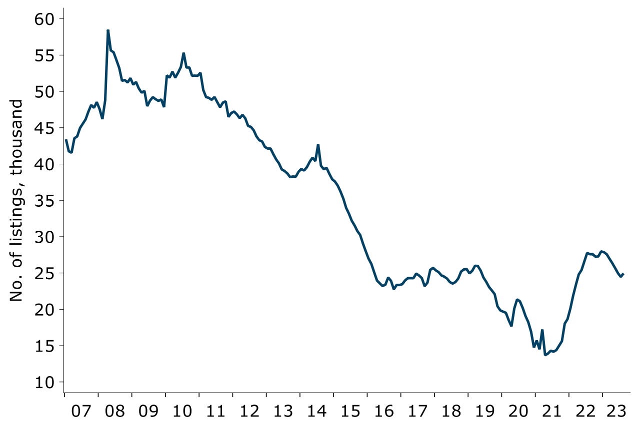
In August we saw a small uptick in the number of properties available for sale (figure 4, over page). In large part, this has been caused by higher new listings that have not yet sold. However, the small monthly decline in sales in July (which wasn't outside typical month-on-month volatility) has contributed too. It's possible that both speculation and uncertainty related to the election are influencing sales and new listings at present. How speculation versus inertia are netting out is highly uncertain, but these data could get very interesting once the election result (and outlook for housing policy over the next three years at least) is known. Volatility certainly wouldn't surprise over the next few months.

Figure 3. New listings



Source: REINZ, Macrobond, ANZ Research

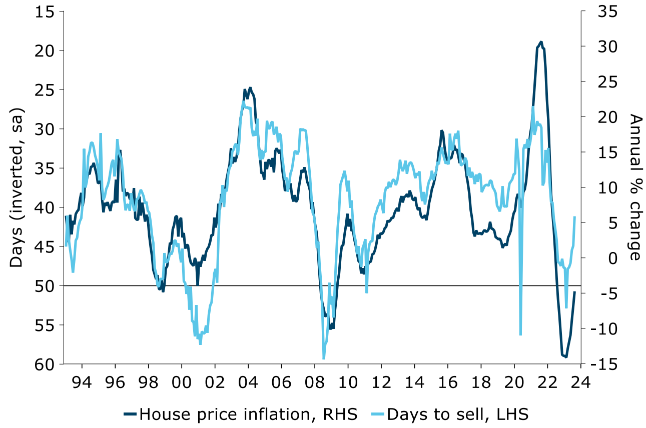
Figure 4. Number of properties available for sale



Source: Realestate.co.nz, Macrobond, ANZ Research

Meanwhile, the number of days it is taking for properties to sell fell to 41 in August and was only a couple of days shy of its historical average of 39. If this trajectory persists, we'll be calling the market 'tight' before 2023 is done and dusted.

Figure 5. Days to sell and house price inflation



Source: REINZ, Macrobond, ANZ Research

Where are all the migrants living?

Higher-than-expected net migration inflows help square the circle somewhat when it comes to stronger-than-expected housing momentum in the context of a cooling economy and higher mortgage rates. New Zealand's net migration is currently near 100,000 per annum, a decent-sized city by New Zealand standards, and all of those people need a place to live – either in their own home or by renting someone else's.

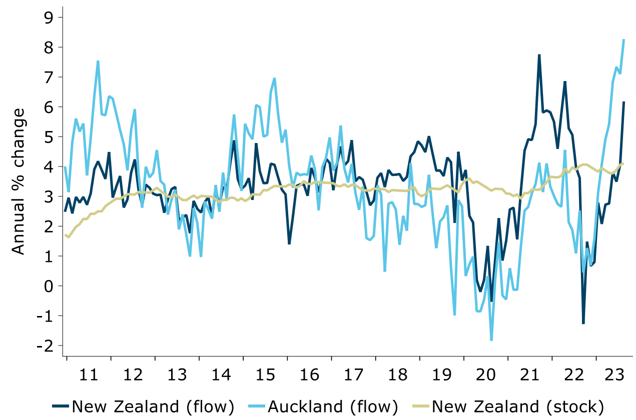
While the net migration impulse (ie the change in monthly net inflows) is off its peak recorded in March, the level is still very elevated, and is expected to remain above its long-term average well into next year.

Figure 6. Population growth and house price inflation

Source: Stats NZ, REINZ, Macrobond, ANZ Research

The impacts of migration on housing tend to start first with rents, which can indirectly impact investor demand for houses, and subsequently house prices (as migrants eventually look to buy). The composition of the migration cycle matters too. Recent rents data (figure 7) suggest this dynamic is playing out.

Figure 7. Rent inflation

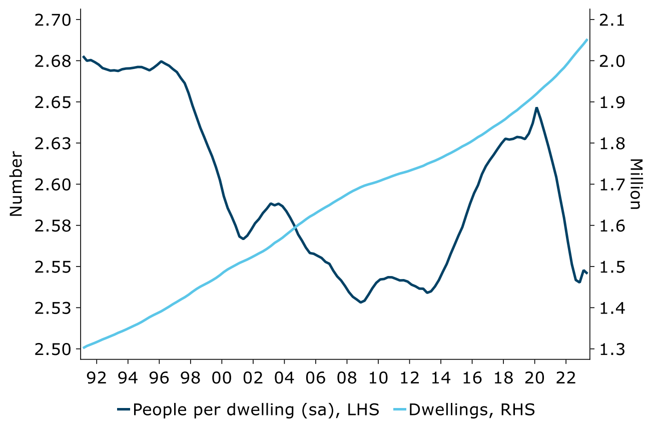


Source: RBNZ, Macrobond, ANZ Research

Rent increases are especially large in Auckland, which matches usual New Zealand migration patterns, where more migrants tend to come to our largest city. In this cycle, this is likely to be more pronounced because the Government has linked work visa eligibility to median wages, and wages in Auckland are higher than wages elsewhere in the country. Since the whole country has the same wage threshold for migrants regardless of regional income disparities, more migrants are likely to come to Auckland compared to the rest of New Zealand and there is likely to be stronger upward pressure on rents and house prices on the isthmus.

Housing supply is somewhat fluid for 'normal' levels of migration – new migrants are able to move into existing vacant homes, builders are able to adapt to incremental increases in immigration, and price signals are able to ease acute housing pressure in one market (eg Auckland, or three-bedroom homes) via spill-overs into others, easing bottlenecks temporarily. But the recent surge in migration is enormous, so it remains to be seen whether this plays out in the usual way for house prices.

Figure 8. People per dwelling



Source: Stats NZ, Macrobond, ANZ Research

There have been more vacant homes than usual recently as new builds completed during 2021 and 2022 haven't sold due to depressed house prices. Some homes are vacant, and on average each home has fewer people in it than pre-pandemic (figure 8). This will provide some additional buffer before the housing market experiences the full effect of the abruptly higher population.

The RBNZ spent several pages in the August MPS outlining the historical effects of migration on the housing market, labour supply and hence inflation. They noted that "Previous research has shown that net immigration tends to put upward pressure on inflation" and that "It is possible that the net inflationary impact of migration is less than it was because of the tight labour market". As always, the size and timeframes for these effects are highly uncertain, but all else equal, if this exceptional level of migration does cause the housing market to run away due to a lack of housing supply, the RBNZ is likely to need to hike the OCR further than our 5.75% forecast.

Housing market indicators for August 2023 (based on REINZ data seasonally adjusted by ANZ Research)

	Median house price			House price index		Sales		Average days to sell
	Level	Annual % change	3-mth % change	Annual % change	3-mth % change	# of monthly sales	Monthly % change	
Northland	$710,487	3.8	0.8	-8.8	0.7	150	+3%	60
Auckland	$1,007,824	-8.3	1.5	-5.3	1.8	1,818	+4%	41
Waikato	$744,040	-5.5	0.9	-9.3	-0.7	531	+5%	47
Bay of Plenty	$791,735	-14.0	0.1	-4.4	2.4	329	-11%	53
Gisborne	$683,959	15.1	3.1	-5.8	0.7	34	+10%	44
Hawke's Bay	$680,166	-4.8	-0.9	-5.8	0.7	169	+1%	48
Manawatu-Whanganui	$545,025	-5.1	1.8	-6.0	1.2	252	+15%	49
Taranaki	$565,078	-12.5	0.7	-5.7	-0.6	133	+2%	46
Wellington	$786,944	-2.9	1.6	-5.3	2.0	531	+7%	37
Tasman, Nelson & Marlborough	$746,524	-0.8	0.6			184	+22%	51
Canterbury	$669,768	0.7	1.0	-1.6	1.1	949	+5%	34
Otago	$613,403	-13.1	0.5	3.9	3.0	314	+8%	47
West Coast	$333,438	-3.7	1.3	-6.0	-0.4	34	-15%	44
Southland	$447,832	2.0	0.0	1.4	2.4	123	+24%	40
New Zealand	**$780,073**	**-4.0**	**0.8**	**-4.7**	**1.4**	**5,569**	**+5%**	**41**

Forecast Update: Going up

Summary

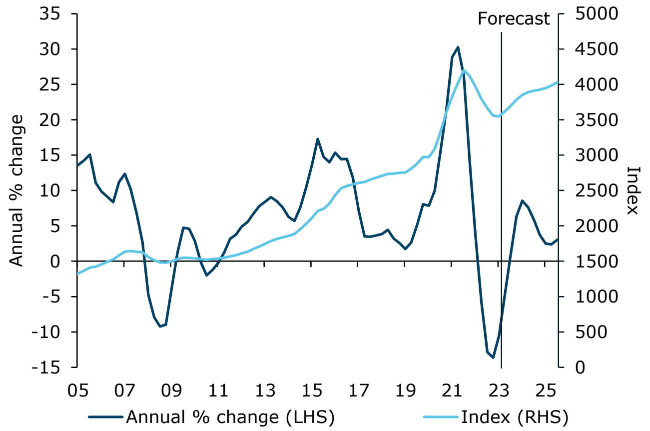
We've revised our near-term house price forecast upwards and now see prices lifting around 4% (previously 3%) over the second half of this year, with house prices rising at around their current pace until autumn next year. Underpinning recent momentum, first-home buyers appear to have re-entered the market after a long hiatus. We don't think recent levels of house price growth will be sustained over the second half of next year, as unemployment rises while interest rates remain high. Our outlook is for annual house price inflation to come in around 5% over 2024, then moderate to around 3% in 2025. If upside housing pressures result in upside CPI inflation pressures, the RBNZ is likely to respond with hikes, stopping the housing upswing in its tracks. Be careful what you wish for.

Moving on up

House prices have been moving higher at a steady pace, rising 0.7% in each of the last three months. Annualised, that's a solid 8.7% p.a. While each of these monthly rises have only been slightly above our expectations, collectively, they show that the housing market has more momentum than we previously thought.

We've revised our near-term house price forecast upwards and now see prices lifting around 4% (previously 3%) over the second half of this year, with house prices rising at around their current pace until autumn next year. Applying our forecast for growth in the national house price index to the median sale price implies the median home selling for approximately $812,000 by Christmas, up from $780,000 currently.

Figure 1. ANZ house price forecast

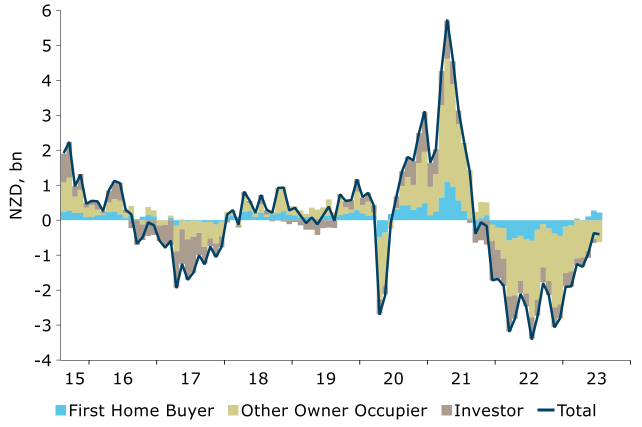


Source: REINZ, ANZ Research

First-home buyers are back

Underpinning recent momentum, first-home buyers appear to have re-entered the market after a long hiatus. They, along with investors, tend to be the buyers that move the market near turning points.

Figure 2. Composition of the annual change in total lending



Source: RBNZ, Macrobond, ANZ Research

First-home buyers tend to be income-rich and asset-poor. They tend to be younger and have well-paying jobs, but likely found the deposit required to purchase a house got ever more out of reach during the house price bubble of 2021. While house prices have been falling, these prospective buyers have been growing their deposits and may have been holding off buying in case house prices fell further.

Now that house prices are 14.5% below their peaks, the deposit first-home buyers require is looking more attainable. For example, a home that was worth $700,000 in November 2021 will only sell on average for about $600,000 today, meaning that at an 80% loan-to-value ratio, the prospective buyer's required deposit has shrunk from $140,000 to $120,000.

But there are also many first-home buyers whose incomes are not able to service a 7% mortgage rate, even if they have the necessary deposit. On the hypothetical $600,000 house from earlier, this mortgage would require $2,800 per month in interest payments with an 80% LVR. This is double the $1,400 per month in interest payments needed in November to purchase a $700,000 house when mortgage rates were around 3%. In a nutshell, the constraint on first-home buyers entering the market has switched from deposit size to servicing cost as house prices have fallen and mortgage rates have risen.

Forecast Update: Going up

It's unlikely to last

We don't think recent levels of house price growth will be sustained over the second half of next year. We expect some of the house price growth will be caused by positive sentiment (aka animal spirits), which has been characterised recently as 'fear of missing out' (FOMO) or 'fear of over paying' (FOOP). With the market clearly have rounded the corner, FOMO could make a comeback. If so, we doubt it would last, given upside interest rate risks, and unemployment expected to rise. Our outlook is for annual house price inflation to come in around 5% over 2024, then moderate to around 3% in 2025.

Once mortgage rates begin to subside, we expect house price growth to return to its long-run average of around 6% y/y. However, it should be noted that any forecast that far into the future is a best guess and should be interpreted as indicative only.

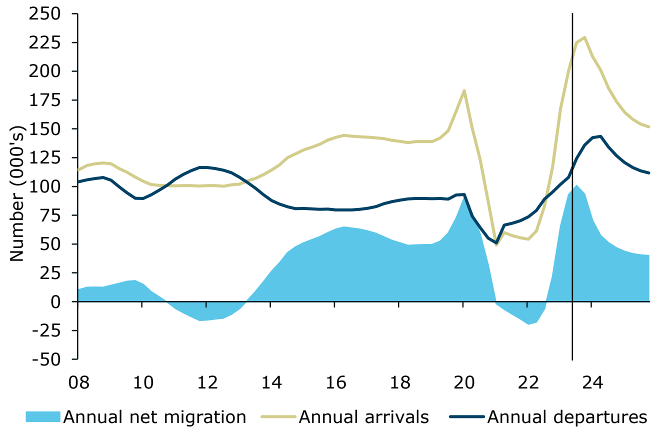
Risks to our outlook

House price forecasts should always be acknowledged as highly uncertain, particularly beyond the near term. The market is known for its big swings, and significant tail-end risks remain (ie things that could happen, but in our opinion are not the most likely thing to occur). Right now, we see three broad categories of risk to our outlook:

Election uncertainty: A loosening in housing policy on the other side of the election poses upside risk to our forecast. We have assumed that current government policy settings remain in place for the foreseeable future (which is the same approach both the RBNZ and NZ Treasury take). But some party policies have the potential to push house prices higher than otherwise (all else equal), such as reintroducing interest deductibility for investors, changes in land-use settings or allowing foreign buyers to purchase homes. It's entirely possible that market participants may even be speculating on these policies, and that could already be impacting the market.

Migration: The recent migration cycle has been extreme, caused in part by the border closure and in-part by the overheated domestic economy, with firms desperate for labour. We've made a slight upwards revision to our migration forecast, but still expect the current migration burst to slow as pent-up demand subsides. However, there remains considerable uncertainty on how quickly this takes place. If migration cools more quickly than we expect, for example, house price momentum may soften faster.

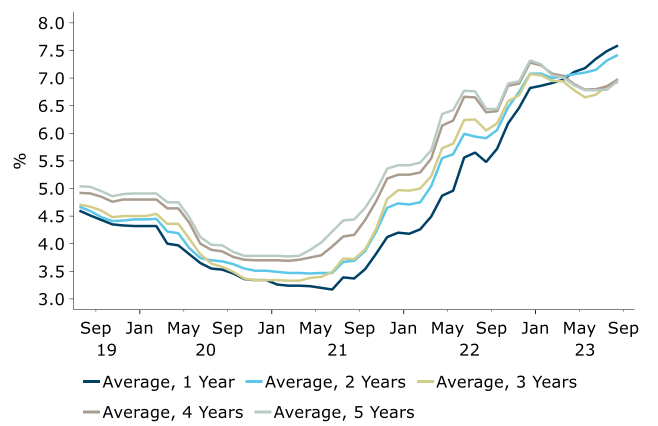
Figure 3. ANZ migration forecast



Source: Stats NZ, ANZ Research

Mortgage rates: This economic cycle has been rapid. The RBNZ has had to work overtime to ease inflationary pressures through raising interest rises. Mortgage rates have risen over 5%pts in the last two years or so.

Figure 4. Average standard mortgage rates



Source: RBNZ, Macrobond, ANZ Research

If the economy fails to slow sufficiently to cool core inflation, the RBNZ may be forced to respond with a higher OCR than anyone is currently forecasting. And this would be expected to put the brakes on the housing market pronto.

Alternatively, if the labour weakens significantly more than expected based on the monetary tightening already in the tin, forced house sales may pick up just as prospective homeowners may find they don't have the income security to enter the market or to upgrade their existing home.

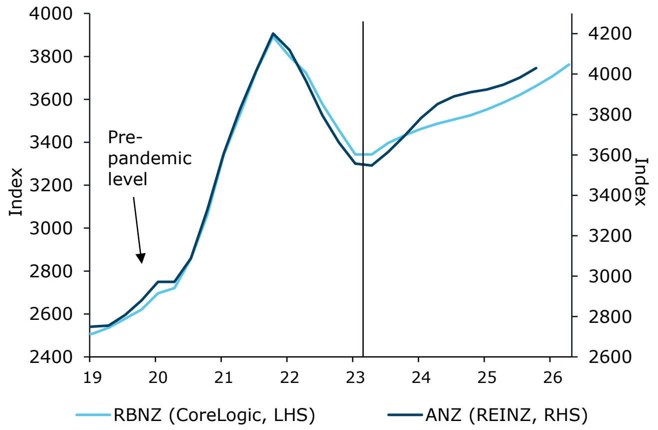
Hikes beyond 5.75% OCR?

Our forecast is more aggressive on the house price outlook than the RBNZ and we already expect one more hike than they indicated in their August MPS. If our outlook materialises, it risks pump-priming economic activity. This would occur in two ways:

1. New homeowners buy durable goods, such as washing machines, couches, beds, and fridges, to furnish their homes. All this buying supports retailers and manufacturers, enabling them to continue to raise prices.

2. Higher house prices make the maths easier for residential developers since they can restore/expand their margins. This increases demand for building materials and labour, increasing construction costs in the CPI and causing broader pricing pressures as wages earned in the construction sector are spent elsewhere in the economy.

Figure 5. ANZ vs RBNZ house price forecasts



Source: RBNZ, Macrobond, ANZ Research

However, the lags from house prices to inflation are uncertain and vary through time. There remains a trade-off for the RBNZ and it's no easy choice. React too early and risk hiking into an already cooling economy, needlessly sacrificing jobs. React too late and risk the housing market spiralling away further, embedding high inflation expectations and requiring even more hikes to drain inflation from the system. And all this is before looking at all the other things going on in the economy.

But at the end of the day, when it comes to the medium-term housing outlook the feedback loop between CPI inflation and house prices should be considered. That is, if upside housing pressures result in upside CPI inflation pressures, the RBNZ is likely to respond with hikes, stopping the housing upswing in its tracks. Be careful what you wish for.

Mortgage borrowing strategy

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Summary

Mortgage rates are little changed this month, with the 1-5 year rates across the four main banks up between 0.05% and 0.09%pts. Apart from a tiny blip up at the 6-mth point, the mortgage curve remains inverted, and it is cheaper to fix for longer. That will suit those who believe the RBNZ could either hike again or leave the OCR on hold 'up here' at 5.5% for some time, but it won't suit those fixing for shorter periods in hope that the RBNZ might cut soon. On that score, we are still forecasting one more OCR hike, mindful of the still-strong domestic inflationary backdrop, super-strong net migration and recovering house prices. There are risks to our view (soft Chinese demand for our exports is an obvious one), but the domestic economy isn't cooling as quickly as the RBNZ needs it to and we still think the OCR will go higher. For us, that's enough to make it worth considering fixing for longer rather than shorter. Long-term fixed rates are already lower and thus provide immediate benefits, whereas fixing for shorter will only end up being cheaper if mortgage rates start to fall, as our breakevens show.

Mortgage rates are little changed this month, with no change seen to the floating rate (on average across the main banks) and only small increases seen in 1-5-year rates. That's left the broad choices faced by borrowers much the same as last month: pay more now to fix for a shorter period and cross your fingers that the RBNZ cuts soon, or pay less to fix for longer, knowing that you're 'set' if rates rise, but acknowledging that you're locked in at a high-ish rate late in the cycle and won't benefit as quickly if rates come down. It's not an easy choice, but if, like us, you do think the RBNZ might hike again, you might be more inclined to fix for longer. As with last month, the main advantage of lower long-term rates now is that they don't come with the proviso that rates need to fall for it to be cheaper over the long run, as fixing for a shorter term does.

One of the ironies for borrowers is that at this juncture, it is not least the outlook for house prices themselves that poses upside risks to interest rates. People tend to feel richer when house prices rise, which in turn, fuels consumer demand. But house price gains don't come in the form of cash. Instead they represent a wealth gain, which might be something that you can cash in on if you're an investor, but it won't pay the mortgage of any house that you actually live in. And because house prices are on the RBNZ's radar, to the extent that it may inform your borrowing strategy, they should be on yours too, even if you're an owner occupier and can't 'cashflow' the gains. In what follows, we crunch the numbers on breakevens, as we think this is a useful way to compare strategies.

As an example, let's compare fixing for 1 year versus fixing for 2 or 3 years, noting that if you fix for 1 year, you'll need to roll that fix when it matures. As our table shows, the 1yr rate needs to fall from its current rate of 7.29% to 6.61% in a year's time (and then fall to 6.30% in 2 years' time) for back-to-back 1-year fixes to be cheaper than fixing for 2 years at 6.95% (or 3 years at 6.73%). That might happen, but it's a reasonably aggressive assumption, and it's a steeper assumed decline than we are projecting (page 11).

Given the choices available, fixing for 2 or 3 years may represent a 'happy middle ground' for borrowers. Fixing for 6 months or 1 year will cost more but will prove to be the right choice if the OCR does come down. But there's no guarantee that it will. On the other hand, fixing for 4 or 5 years may feel like too long given how deep into the cycle we already are (the RBNZ started hiking in October 2021), and given the level of mortgage rates compared to historic averages (rather than in 2021, when they were at extraordinary and possibly never-to-be-seen-again low levels). Consider a mix of terms, a good way to hedge your bets.

Although averages blur differences between the different banks, of note, if we were to plot figure 1 using the cheapest rate on offer for each term, it'd look reasonably similar and wouldn't change our analysis in a meaningful way. If anything, given that the cheapest 4 and 5-year rates are further below their respective averages than 1, 2 and 3-year rates, repeating the analysis using the cheapest rate would only emphasise the value on offer in longer-term rates.

Figure 1. Carded special mortgage rates^

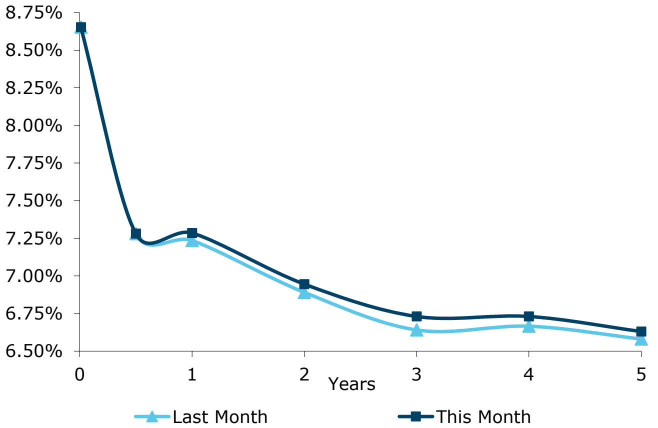

Table 1. Special Mortgage Rates

		Breakevens for 20%+ equity borrowers			
Term	Current	in 6mths	in 1yr	in 18mths	in 2 yrs
Floating	8.65%				
6 months	7.28%	7.29%	6.50%	6.71%	6.41%
1 year	7.29%	6.89%	6.61%	6.56%	6.30%
2 years	6.95%	6.73%	6.45%	6.51%	6.52%
3 years	6.73%	6.64%	6.55%	6.51%	6.42%
4 years	6.73%	6.61%	6.47%		
5 years	6.63%	#Average of "big four" banks			

^ Average of carded rates from ANZ, ASB, BNZ and Westpac.

Source: interest.co.nz, ANZ Research.

Key forecasts

Weekly mortgage repayments table (based on 30-year term)

Mortgage Size ($000)	Mortgage Rate (%)													
	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50	7.75	8.00	8.25	8.50	8.75
200	262	269	277	284	292	299	307	315	323	330	338	347	355	363
250	327	336	346	355	364	374	384	393	403	413	423	433	443	454
300	393	404	415	426	437	449	460	472	484	496	508	520	532	544
350	458	471	484	497	510	524	537	551	564	578	592	606	621	635
400	524	538	553	568	583	598	614	629	645	661	677	693	709	726
450	589	606	622	639	656	673	690	708	726	744	762	780	798	816
500	655	673	691	710	729	748	767	787	806	826	846	866	887	907
550	720	740	760	781	802	823	844	865	887	909	931	953	975	998
600	786	807	830	852	875	897	921	944	968	991	1,015	1,040	1,064	1,089
650	851	875	899	923	947	972	997	1,023	1,048	1,074	1,100	1,126	1,153	1,179
700	917	942	968	994	1,020	1,047	1,074	1,101	1,129	1,157	1,185	1,213	1,241	1,270
750	982	1,009	1,037	1,065	1,093	1,122	1,151	1,180	1,209	1,239	1,269	1,299	1,330	1,361
800	1,048	1,077	1,106	1,136	1,166	1,197	1,227	1,259	1,290	1,322	1,354	1,386	1,419	1,452
850	1,113	1,144	1,175	1,207	1,239	1,271	1,304	1,337	1,371	1,404	1,438	1,473	1,507	1,542
900	1,178	1,211	1,244	1,278	1,312	1,346	1,381	1,416	1,451	1,487	1,523	1,559	1,596	1,633
950	1,244	1,278	1,313	1,349	1,385	1,421	1,458	1,495	1,532	1,570	1,608	1,646	1,685	1,724
1000	1,309	1,346	1,383	1,420	1,458	1,496	1,534	1,573	1,613	1,652	1,692	1,733	1,773	1,814

Mortgage rate projections (historic rates are special rates; projections based on ANZ's wholesale rate forecasts)

	Actual			Projections						
Interest rates	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Floating Mortgage Rate	7.8	8.0	8.5	8.7	8.9	8.9	8.9	8.9	8.7	8.4
1-Yr Fixed Mortgage Rate	6.4	6.5	6.9	7.3	7.3	7.2	7.0	6.9	6.8	6.7
2-Yr Fixed Mortgage Rate	6.6	6.5	6.5	7.0	7.0	6.8	6.6	6.5	6.4	6.3
3-Yr Fixed Mortgage Rate	6.7	6.6	6.3	6.7	6.8	6.7	6.5	6.5	6.3	6.2
5-Yr Fixed Mortgage Rate	6.8	6.6	6.3	6.6	6.7	6.6	6.6	6.6	6.3	6.3

Source: RBNZ, ANZ Research

Economic forecasts

	Actual			Forecasts						
Economic indicators	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
GDP (Annual % Chg)	2.4	2.2	1.8	0.6	1.5	1.4	0.6	0.6	0.6	1.1
CPI Inflation (Annual % Chg)	7.2	6.7	6.0	6.0	5.3	4.9	4.4	3.1	2.7	2.3
Unemployment Rate (%)	3.4	3.4	3.6	3.9	4.2	4.6	4.7	4.8	4.9	5.1
House Prices (Quarter % Chg)	-3.5	-2.9	-0.3	1.9	2.2	2.4	1.8	1.0	0.5	0.3
House Prices (Annual % Chg)	-12.8	-13.6	-10.6	-4.8	0.9	6.3	8.6	7.6	5.8	3.7

Interest rates	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Official Cash Rate	4.25	4.75	4.75	5.50	5.75	5.75	5.75	5.75	5.50	5.50
90-Day Bank Bill Rate	4.65	5.23	5.71	5.77	5.95	6.00	5.93	5.78	5.68	5.68
10-Year Bond	4.47	4.20	4.62	5.10	5.25	5.25	5.25	5.25	5.00	5.00

Source: ANZ Research, Statistics NZ, RBNZ, REINZ

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