



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

10 FEBRUARY 2026

Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

Trade and economic updates

Global

Global Trade Downturn Eases as 2026 Begins

Data from the **S&P Global Market Intelligence Purchasing Managers' Index (PMI)** shows that the global trade downturn **has eased off at the start of 2026**, after many months of weaker export demand. According to the PMI New Export Orders Index, the pace of deterioration in global trade flows eased, suggesting that businesses and supply chains may be adjusting to earlier shocks and tariff-related disruptions, which could lead to sustainable trade momentum this year. Although trade conditions remain fragile and uneven across regions, this early-year easing offers an important signal that global commerce may be finding firmer footing after sustained pressure through late 2025.

[Read more here.](#)

Australia

Trans-Tasman Standards Agreement to Boost Business Competitiveness

New Zealand and Australia have signed a new trans-Tasman standards agreement that will help local businesses operate across both markets by reducing costs, aligning regulatory requirements, and improving product quality and safety. The agreement between Standards New Zealand and Standards Australia enables joint development of standards and harmonises frameworks in areas such as data management, artificial intelligence, and cybersecurity. [Read the press release here](#)

Australia's Trade Surplus with China Falls

Australia's trade surplus with China has fallen to its lowest level since 2018, reflecting weaker Chinese demand for key Australian exports and a sharp rise in imports of low-cost manufactured goods from China. Exports of iron ore, coal, and other commodities to China fell by about 2% over the past year, as China's property slowdown reduced the price and demand for steel, even as shipment volumes held up. At the same time, imports from China surged, particularly electric vehicles, electronics, and online retail goods, pushing the value of Chinese imports to a record level. [Read more here.](#)

Europe

New Zealand and Germany Reaffirm Joint Cooperation

New Zealand and Germany have reaffirmed their **close strategic partnership**, emphasising shared commitments to an **open, rules-based global trading system** and resilient, diversified supply chains. In a Joint Statement released on 3 February by Germany Federal Foreign Minister Johann Wadephul and New Zealand Minister of Foreign Affairs Winston Peters during Wadephul's visit to New Zealand, both noted that the **European Union-New Zealand Free Trade Agreement** is exceeding expectations in boosting trade and shared prosperity, underlining how deepening economic ties with major partners supports New Zealand's export ambitions and integration into global markets. The statement also highlighted discussions on upgrading the **New Zealand-Germany Double Taxation Agreement**, to facilitate bilateral investment and commercial activity. Germany's long-term engagement with Pacific resilience initiatives was welcomed as part of broader cooperation that ties economic stability and regional security together. [Read the Joint Statement here](#).

North America

United States and India Advance Interim Trade Framework

On 6 February, [the United States and India released a Joint Statement](#) on a 'Framework for an Interim Agreement regarding reciprocal and mutually beneficial trade (Interim Agreement)'. The interim trade framework has been described as a key step toward a broader bilateral trade agreement expected to be finalised this year. Under the deal, the U.S. will drop its 'reciprocal' tariff on Indian goods from 25% to 18%, and India will reduce or eliminate tariffs on a range of U.S. products, with plans to purchase \$500 billion of U.S. goods over five years. Negotiators are working to finalise a fuller pact for signature by March.

President Trump also issued a separate [Executive Order](#) stating that India had committed to stop directly or indirectly importing Russian oil and directing that the 25% additional tariff levied on Indian goods since August 2025 be removed from 7 February as a result. However, the Executive Order makes clear that the US will continue to monitor whether India resumes imports from Russia, and that President Trump may reimpose tariffs in future.

North Asia

Japan announces 2026 dairy import quota level

On 30 January 2026, Japan's Ministry of Agriculture, Forestry and Fisheries announced that the import quota for dairy products in 2026 will be set at 137,000 tonnes in raw milk equivalent. This represents the minimum quantity Japan will allow for international imports. Butter, primarily for commercial use, was allocated 8,000 to approximately 10,000 tonnes, while skimmed milk powder, facing sluggish demand, was set at 750 tonnes or less under the Japan-US Trade Agreement.

Japan has internationally committed to providing import opportunities equivalent to 137,000 tonnes of raw milk under its low-tariff dairy import quota, known as Current Access (CA). The government determines the allocation of quotas by product. Whey is capped at 4,500 tonnes, while butter oil is set at 140 tonnes. Unused quotas will be transferred to butter. Quantities are reviewed annually in May and September. Additional quotas may be added depending on future production trend. [Read the press release here.](#)

Middle East

New Zealand-UAE Partnership Strengthens Advanced Tech and Economic Growth

New Zealand has entered a **scientific and technological partnership with the United Arab Emirates** that aims to enhance advanced engineering and climate modelling capabilities to support **high-value job creation and economic growth**. The collaboration, through the Antarctic Science Platform and a memorandum with Khalifa University, will deliver tools for improved climate risk forecasting and autonomous systems development, technologies with broad applications across marine industries, environmental monitoring, and aerospace. [Read the press release here.](#)

Africa

Kenya International Investment Conference (KIICO) 2026: A Transformational Platform for Growth

Kenya is gearing up to host the 4th Kenya International Investment Conference (KIICO) 2026, a three-day flagship event designed to unlock more than USD 2 billion in investment deals and drive the country's economic transformation. Scheduled for

25-27 March in Nairobi, the conference will bring together global investors, policymakers, business leaders, and development partners to showcase high-impact opportunities in priority sectors such as agriculture, manufacturing, renewable energy, information and communications technology, economic zones, textiles and apparel, and mining. KIICO 2026 is timed to coincide with the 2nd COMESA (Common Market for Eastern and Southern Africa) Investment Forum and the Africa Green Industrialisation Initiative Forum, reinforcing Kenya's role as a regional trade and investment gateway while boosting regional value chains. [Read more here.](#)

External links

The following links may provide useful information to businesses:

- [NZTE's website](#) and [myNZTE](#) provide a range of insights and tools available to support New Zealand exporters.
- The Treasury releases a [weekly economic update](#) every Friday. Stats NZ has published a [data portal](#) with near real-time economic indicators.
- MBIE publishes a [sector reports series](#) which provides regularly updated reports on all industry sectors that make up the New Zealand economy. These include official economic data and the challenges and opportunities that face New Zealand's industry sectors.
- [Business.govt.nz](#) provides tools and advice from across government to save small businesses' time and help make the business a success.
- MFAT has created a [tariff finder](#) which is designed to help goods exporters and importers maximise benefits from New Zealand's Free Trade Agreements and compare tariffs in 136 other markets.
- The all of government [Trade Barriers](#) website can be used to register any trade barriers experienced or issues exporting to an offshore market. Queries can be sent via the website or through the MFAT Exporter Helpline 0800 824 605. Enquiries will be sent to the government agency best placed to answer.
- Tatauranga Aotearoa Stats NZ provides official data on the value of New Zealand's exports and imports of both goods and services, by commodity type via the [New Zealand Trade Dashboard](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

More info

More reports

View full list of market reports from MFAT at www.mfat.govt.nz/market-reports

If you would like to request a topic for reporting please email exports@mfat.govt.nz

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