



NEW ZEALAND  
FOREIGN AFFAIRS & TRADE  
Manatū Aorere

22 JULY 2025

# Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

# Trade and economic updates

## Global

### Shocks to global trade impact Least Developed Countries

The July 2025 edition of the UN Department of Economic and Social Affairs [World Economic Situation and Prospects](#) briefing warns that US tariff increases (some already six times higher than early 2025 rates) pose a serious risk to Least Developed Countries (LDCs), particularly those nearing graduation from LDC status. According to the UN, these shocks threaten trade-dependent economies by undermining export competitiveness, investment certainty, and progress toward development goals; and countries like Cambodia and Bangladesh could see exports to the US fall by over 75% if additional tariffs proceed as planned. Broader global impacts include slower growth, investment delays, exchange rate instability, and heightened debt vulnerabilities. The report urges stronger multilateral support, market diversification, and enhanced transition strategies to cushion the effects and preserve development gains.

### UNCTAD Global Trade Update

The United Nations Conference on Trade and Development (UNCTAD)'s [Global Trade Update July 2025](#) reports a modest 1% decline in global goods trade in the second quarter of 2025, reflecting softening demand in advanced economies and persistent geopolitical tensions. In contrast, global services trade continued to expand, growing by 1.5%, with strength in travel and digitally delivered services. Regionally, trade contracted most in North America and Europe, while South-South trade remained comparatively stable. Sectorally, trade in electronics, textiles, and chemicals declined, whereas vehicles and pharmaceuticals experienced gains. Looking ahead, global trade is expected to remain subdued amid weak investment, elevated interest rates, and policy uncertainty, though easing inflation and resilient services offer some upside. For New Zealand and the wider Pacific, the report notes that demand for Pacific exports remained stable, particularly in primary goods, and that the continued recovery in global travel services may support tourism-dependent economies in the region.

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# New Zealand

## Exporting food and fibre products overseas?

The Ministry for Primary Industries' Exporter Help team supports new and established New Zealand exporters with advice and ongoing support on regulation and certifications. We make it easier to understand exporting requirements so you can reach more markets overseas and grow your sales with confidence. Contact us for free expert advice on exporting requirements. Contact: 0800 674 490 or visit: [mpi.govt.nz/exporterhelp](https://mpi.govt.nz/exporterhelp)



## Sending or taking food to the Pacific Islands?

Are you sending or taking food from New Zealand to the Pacific Islands?

There are rules that you need to follow if you are sending or taking animal products, including meat, honey and milk products. This includes food for personal use or gifts.

You can find the Ministry for Primary Industries (MPI) guide for 'Sending food to the Pacific Islands' in English, Cook Islands Māori, Samoan, and Tongan.

Find out what you need to do here [👉 Sending food overseas from New Zealand](#)

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# North Asia

## **South Korea forms task force to build industrial complexes powered by 100% renewable energy**

On 16 July, South Korea launched a government-led task force to develop RE100 industrial complexes—zones powered entirely by renewable energy. Spearheaded by the Ministry of Trade, Industry and Energy, the initiative aims to address regional energy imbalances and support companies committed to the global RE100 campaign, which advocates for 100% renewable electricity. The task force will coordinate with local governments and energy providers to identify suitable sites and infrastructure, particularly in regions with high renewable energy potential like South Jeolla Province. This move reflects South Korea's broader push toward carbon neutrality and sustainable industrial development.

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# Southeast Asia

## **US announces trade deal with Indonesia**

On 17 July, President Donald Trump announced that a tariff agreement between the US and Indonesia had been reached. Tariffs imposed on Indonesian goods would be reduced from 32% to 19%, while tariffs on US goods would be removed entirely. As part of the agreement, Indonesia also committed to buying \$15 billion worth of US energy products (e.g. crude oil), \$4.5 billion worth of American agricultural products, and 50 Boeing jets. Indonesia is the latest country to reach a tariff agreement with the US following similar deals with the UK and Viet Nam. No official statement has been released, and reports indicate that officials continue to work through the details.

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# Americas

## **CPTPP Canada dairy quota dispute resolved**

Canada and New Zealand have resolved a long running dairy dispute under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). New Zealand initiated formal dispute settlement proceedings in respect of restrictive access to the Canadian market for dairy exports under the CPTPP in 2022. A dispute panel found in New Zealand's favour however Canada failed to fully comply with the panel's ruling. New Zealand threatened further action last year including the imposition of retaliatory tariffs against Canadian exporters. Under the agreement, Canada has committed to making commercially meaningful changes to the way it administers its dairy quotas under CPTPP, including faster and more efficient access to quotas for New Zealand exporters, reallocation of underused quotas, and penalties for importers who misuse quotas.

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# 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](http://www.mfat.govt.nz/market-reports)

If you would like to request a topic for reporting please email [exports@mfat.net](mailto:exports@mfat.net)

To get email alerts when new reports are published, go to our [subscription page](#).

To learn more about exporting to this market, New Zealand Trade & Enterprise's comprehensive [market guides](#) cover export regulations, business culture, market-entry strategies and more.

## To contact the Export Helpdesk

email [exports@mfat.net](mailto:exports@mfat.net)

call 0800 824 605

visit [Tradebarriers.govt.nz](http://Tradebarriers.govt.nz)

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