



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

8 JULY 2025

Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

Trade and economic updates

Domestic

New Zealand hosts NTB Workshop at the AANZFTA JC

On 25 June, New Zealand hosted a workshop on non-tariff barriers (NTBs) at the ASEAN-Australia-New Zealand Free Trade Agreement Joint Committee (AANZFTA JC). During the workshop officials heard from representatives from industry from Arnotts Group, The Australia New Zealand Chamber of Commerce in the Philippines, KMPG Australia, and the CP Group in Thailand. The workshop highlighted examples of real-world issues businesses encounter and the steps that can be taken by officials to address these including better harmonisation of standards and regulations across AANZFTA economies.

Exporters that are experiencing NTBs are encouraged to report the issues they encounter to the all-of-government [Trade Barriers](#) website. 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.

New Zealand Institute of Economic Research releases its Quarterly Survey of Business Opinion

The New Zealand Institute of Economic Research (NZIER) released its [Quarterly Survey of Business Opinion](#) on 1 July. The survey shows an improvement in business confidence with a net 27% of firms optimistic about general economic conditions in the June quarter, up from 23% in the March quarter. However, there is a divergence between firms experiencing weak demand and firms expecting a recovery in demand. Of the sectors surveyed, construction was the least upbeat, while retail and services were more positive. Meanwhile, despite soft export demand in the manufacturing sector, confidence has lifted due to profitability improvements in the June quarter, driven by an easing of cost pressures and increased pricing power.

North Asia

South Korean banks intensify global push to attract foreign investment

South Korean banks are stepping up efforts to attract foreign direct investment (FDI) by expanding their global presence, offering specialized services for international investors, and leveraging digital innovation. Institutions like KB Kookmin, Shinhan, Hana, and Woori

are hosting overseas investor relations events and enhancing multilingual support to make Korea's financial market more accessible. These moves align with government initiatives aimed at boosting FDI and improving the country's investment climate, especially following a period of political stabilization. The banks are also integrating fintech solutions to streamline investment processes, signalling a coordinated push to position South Korea as a prime destination for global capital.

Prime Minister visits China

In June, the Prime Minister visited China for a packed three-day programme in Shanghai and Beijing, accompanied by Ministers Upston and Mitchell, 28 business leaders, media and Te Kapa Haka o Ngati Whakaue. In Beijing, Prime Minister Luxon met senior Chinese leaders, including President Xi, Premier Li and Chairman Zhao and in Shanghai, the Prime Minister met Party Secretary Chen.

Over one billion dollars in new B2B and G2G agreements were announced or signed. Highlights included new "grass fed" promotions in dairy and meat, the launch of a new global "Find Your 100%" tourism campaign, the recognition of New Zealand as Country of Honour at the China Annual Conference and Expo for International Education, and the resumption of New Zealand cosmetic exports to China via general trade.

China imposes retaliatory ban on European Medical Firms

In June the European Union announced that it would not be making purchases from Chinese companies that totalled more than 5 million Euros in value. Last week, China responded by announcing the banning of European companies selling medical devices from Government procurement contracts that total more than 45 million Yuan or USD6.28 million.

South and South East Asia

Malaysia expands sales and services tax on imported fruit

From 1 July, Malaysia will implement an expansion of its existing sales and services tax (SST). Under the expanded SST a 5% sales tax has been imposed on "imported" fruit, while fruit grown domestically is exempt. Imported apples and oranges will be exempt from the SST, however there will not be exemptions for other imported fruit. New Zealand exported NZD37.27 million in fruit and nuts to Malaysia in the year end December 2024.

Viet Nam – US Trade Deal

On 2 July President Trump announced on Truth Social a “deal” with Viet Nam. This would be the second such deal, after the one with the UK, that the US has negotiated ahead of the 90-day pause on higher reciprocal tariffs ending on 9 July. In his announcement President Trump said that Vietnamese goods imported into the US would incur a 20% tariff. This is a significant decrease from the originally proposed 46% rate that was announced on 2 April by President Trump. However, goods that are deemed to have been transhipped through Viet Nam will pay a 40% tariff. President Trump also said that Viet Nam will remove all tariffs on imports from the US. A statement from Viet Nam welcomed reaching consensus on a “fair and balanced reciprocal trade agreement framework” but the statement does not mention specific tariff rates.

Viet Nam’s exports to the US have seen strong year-on-year increases rising from below USD50 billion to around USD150 billion in 2024.

Indonesia’s Deputy Minister of Trade visits New Zealand

During a visit to New Zealand from 30 June to 3 July, Indonesian Deputy Minister of Trade Dyah Roro Esti Widya Putri reaffirmed both countries aim to double bilateral trade to USD3.6 billion by 2029, up from USD1.9 billion in 2024, as part of a broader effort to deepen bilateral ties. The Vice Minister also reaffirmed Indonesia's commitment to completing the ratification process of the AANZFTA Second Protocol in the third quarter of 2025 and the accession process to the Organization for Economic Co-operation and Development (OECD) by 2027.

Americas

President Trump signs the One Big Beautiful Bill

President Trump signed the “One Big Beautiful Bill” into law at a ceremony on 4 July (US time). The Bill extends tax cuts that President Trump approved in his first term in 2017 along with creating new ones and boosts funding for immigration enforcement and defence. Some of the loss in revenue due to the tax cuts are set to be covered by revoking tax credits for clean energy and by cutting Medicaid and health insurance for low-income Americans. The Committee for Responsible Federal Budget, a think tank, estimates the measures in the Bill would add between USD\$3-4 trillion to US public debt over the next 10 years, when including interest payments, and push debt to 126% of GDP by 2034. Following a G7 meeting, the US removed section 899 from the Bill, which would have introduced a retaliatory tax regime targeting what the US defines as “unfair foreign taxes” and will now work towards a multilateral solution in the OECD.

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.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

call 0800 824 605

visit Tradebarriers.govt.nz

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