



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

11 AUGUST 2025

Weekly Global Economic Report

MARKET INTELLIGENCE REPORT

Trade and economic updates

Global

World food prices at two-year high on rising meat and edible oils

- The Food and Agriculture Organization of the United Nations reported that global food prices climbed to their highest level in two years during July. The increase was driven by strong demand for meat and higher prices for edible oils, with gains partly offset by declines in cereals and dairy products. The organisation's food price index, which tracks a basket of internationally traded food commodities, suggests that global inflationary pressures in the food sector may persist into the second half of the year. [Read more here.](#)

Maersk boosts profit outlook as container demand defies trade fears

- Global shipping company A.P. Moller Maersk has raised its full year profit forecast after stronger than expected demand for container transport in the second quarter. The firm reported that cargo volumes and freight rates have remained more resilient than anticipated despite uncertainty in the global trade environment. Maersk said that continued strength in key shipping lanes, particularly in Asia and Europe, is supporting earnings and offsetting some of the challenges in the global economy.
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Americas

Brazil seeks WTO consultations over US tariffs

- On 30 July the Trump administration released an [Executive Order](#) (EO) that, on 6 August, imposed an additional 40% tariff on Brazil under the National Emergency Declaration & International Emergency Economic Powers Act (IEEPA), on top of the existing 10% reciprocal tariff imposed earlier this year. This has brought Brazil's total tariff rate to 50% - in addition to the US's standard MFN tariffs.
- On 6 August Brazil's foreign ministry (known as 'Itamaraty') announced in a [press release](#) that Brazil had requested consultations with the United States (US) under the dispute settlement mechanism of the World Trade Organization. According to the press release, "the request challenges tariff measures imposed through Executive Orders", and "by imposing these measures, the United States is blatantly violating core commitments undertaken within the WTO framework".

British Petroleum announces oil and gas discovery offshore Brazil

- On 4 August British Petroleum announced an oil and gas discovery at the

Bumerangue prospect in the deep-water offshore Brazil. In a [statement](#), the firm's Executive Vice President for Production and Operations, Gordon Birrell, noted that the discovery was "bp's largest in 25 years".

North Asia

Korea sets out to boost growth in strategic industries through expanded tax incentives

- Korea is set to expand tax incentives to boost growth in strategic industries such as artificial intelligence (AI), next-generation mobility, and transportation, as part of the President Lee Jae Myung administration's first tax reform plan. The government will classify data centres as industrial facilities to encourage corporate investment in AI and add five AI-based technologies to its strategic asset list. While aiming to foster innovation and long-term sustainability, the plan also seeks to restore declining tax revenues.
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South and Southeast Asia

Malaysia and the US reach tariff agreement

- The United States officially reduced its tariff on Malaysian exports from 25% to 19%, effective 1 August 2025. Key export sectors such as semiconductors and pharmaceuticals remain exempt from tariffs, while awaiting the outcomes of section 232 investigations, and Malaysia preserved its core policy domains, including excise duties, import licensing, and foreign equity caps. As part of the deal, Malaysia agreed to over \$240 billion in purchases from the U.S., including a \$19 billion Boeing aircraft order and annual LNG imports by Petronas.

US imposes 50% tariff on India

- On 6 August 2025, President Trump issued an [executive order](#) imposing an additional 25% tariff on India over its purchases of Russian oil. The move raises the total tariff on Indian imports to 50% - among the highest rates imposed by the US - and affecting nearly US\$87 billion worth of goods including electronics, pharmaceuticals, textiles, and gems. In response, India's foreign ministry issued a [statement](#) describing the tariff as "unfair, unjustified, and unreasonable". The new rate will come into effect on 27 August.
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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

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