

Prepared by the Economic Division at the Ministry of Foreign Affairs and Trade

Headlines

- Former Chancellor Rishi Sunak has emerged as the new leader of the Conservative Party and, following an audience with King Charles III, the UK's new Prime Minister. In his brief initial remarks Sunak warned of 'profound' economic challenges ahead, specifically that of economic stability. Sunak also delayed the fiscal statement originally expected on 31 October, to 17 November. This will now come out alongside the full forecast from the Office for Budget Responsibility.
- The Ministry of Foreign Affairs and Trade (MFAT) is hosting a series of events in November, for **New Zealand businesses to learn more about the NZ-UK FTA** and to engage with experts. Attendees will also hear from New Zealand businesses active in the UK, and from New Zealand's Trade Commissioner for the United Kingdom and Ireland, Nick Swallow, returning to New Zealand for these events. Presentations will be followed by time for Q&A and discussion. Events will take place in Dunedin (14 November), Christchurch (15 November), Auckland (17 November), and Wellington (18 November). Please register [here](#).

Regional Updates

Domestic Updates:

- The Fisheries Amendment Bill that passed its final reading last week aims to strengthen and modernise the management of New Zealand's fisheries. The Bill introduces a more graduated offences and penalty regime. This means that penalties on commercial fishers will be more proportionate and appropriate to the size of an offence.

Australia and the Pacific:

- Australia Treasurer Chalmers delivered Labor's first Budget in nine years last week. The Treasurer has highlighted three core priorities for his inaugural budget: to provide some cost-of-living relief that provides an economic dividend; to cut back on wasteful spending; and to shore up the economy by addressing labour shortages and supply chain issues.
- Australian inflation increased 1.8 percent over the September quarter and a 7.3 percent increase over the year to September. According to the Australian Bureau of Statistics this was largely driven by elevated freight costs, supply constraints, and strong consumer demand.

Europe:

- **Enthusiastic support for swift ratification of the NZ-EU FTA was the prevailing view of the European Parliament's International Trade Committee's visit to Wellington in September.** Delegation leader and Committee Chair, Bernd Lange, referred to the EU's deal with New Zealand as a "gold standard" agreement, emphasising the significance of its trade and sustainability provisions.
-

Asia:

- The 20th National Congress of the Communist Party of China (CPC) concluded on 22 October, announcing the membership of the 205-strong new CPC Central Committee. President Xi Jinping has been confirmed in his third term as General Secretary.
- **China reported GDP growth of 3.9 percent in the third quarter year-on-year.** This was above analyst predictions of 3.3 percent but below China's full year target of 5.5 percent. Data for September showed weak import of goods and retail sales, reflecting subdued domestic demand.
- Officials met in Viet Nam for the final round of ASEAN, Australia, New Zealand Free Trade Agreement (AANZFTA) upgrade negotiations the week of 10 October. The upgrade aims to ensure AANZFTA - one of New Zealand's most important FTAs – remains relevant to modern business practice. We are aiming for conclusion of negotiations by the end of 2022, with the upgrade to enter into force in 2023.

Americas:

- On 6 October Mexico's Economic Secretary, Tatiana Clouthier, unexpectedly resigned. A number of other key officials were subsequently asked to step down – including those working on issues of direct relevance to New Zealand including CPTPP and the Pacific Alliance.
- The Bank of Canada announced a 50 basis point increase to its policy rate, raising it to 3.75 percent. The bank forecast that growth is expected to stall at the end of 2022 and the first half of 2023 as the effects of higher interest rates spread.

Market reports released this week

- The previous global economic round-up can be found [here](#).
- [EU delegation supports swift ratification of NZ-EU FTA – October 2022](#)
- [Agrivoltaic farming gets a boost in Germany– October 2022](#)

Feedback

We welcome feedback from New Zealand exporters on this report and invite requests for reporting from New Zealand's [network of Embassies and High Commissions](#). If you would like to subscribe to this weekly update, you can sign up [here](#) or email us at exports@mfat.net.

External links

The following links may provide useful information to businesses:

- [NZTE](#) has a website focused on providing COVID-19 information for exporters. They've also launched [myNZTE](#), an interactive digital portal of insights and tools available to all New Zealand exporters. NZTE also provide comprehensive [market guides](#) which cover export regulations, business culture, market-entry strategies and more.
 - 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.
- Tauranga 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 \(shinyapps.io\)](#). This interactive dashboard is updated every quarter and allows for filtering by country and by commodity type.

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 contact the Export Helpdesk

Email exports@mfat.net

Call 0800 824 605

Visit Tradebarriers.govt.nz

Disclaimer

This information released in this report aligns with the provisions of the Official Information Act 1982. The opinions and analysis expressed in this report are the author's own and do not necessarily reflect the views or official policy position of the New Zealand Government. The Ministry of Foreign Affairs and Trade and the New Zealand Government take no responsibility for the accuracy of this report.