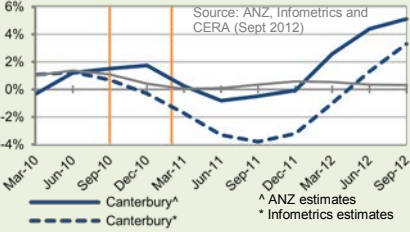


## Output and trading activity

### OUTPUT

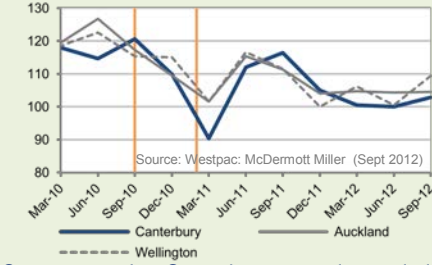
Estimates of regional economic activity, annual average percentage change



Economic growth remains very strong. The latest NZIER Quarterly Survey of Business Opinion found that Canterbury firms are more optimistic about the business situation in New Zealand than firms in the rest of the country, as they have been since late 2011.

### CONSUMER SPENDING

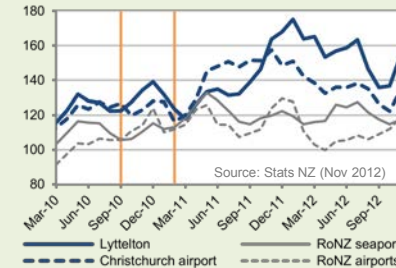
Consumer confidence index – scores above 100 show more optimism than pessimism



Consumers in Canterbury remain optimistic although slightly less so than consumers in Auckland and Wellington. The December 2012 volume of Paymark transactions in Canterbury was up 6.4% from December 2011, the largest increase of all regions in NZ.

### INTERNATIONAL TRADE

Trade index – three-month rolling averages of free on board values for merchandise trade of imports and exports where 2007 = 100

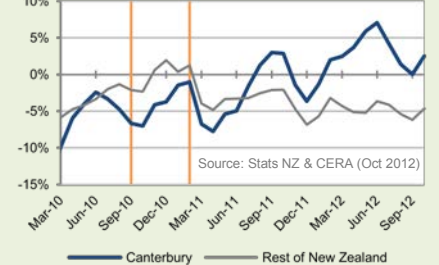


Trading volumes remain strong and rising for both Lyttelton seaport and Christchurch International Airport (which was voted the International Airport of the Year in the Travel Digest Travel Industry Awards at the end of 2012).

## Key sectors

### AGRICULTURE

Slaughter of livestock graded for export, excluding game - annual average percentage change of livestock weight

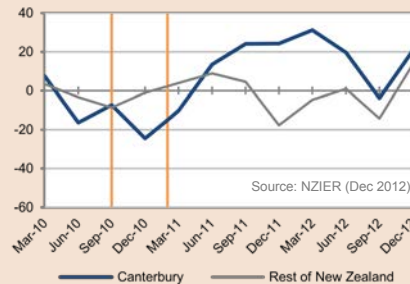


The key agriculture indicators have not changed this month. A recent international business report by Grant Thornton suggests that strength in the agriculture sector is one of the key reasons why an estimated 70% of South Island businesses expect revenues to increase this year.

## Key sectors

### MANUFACTURING

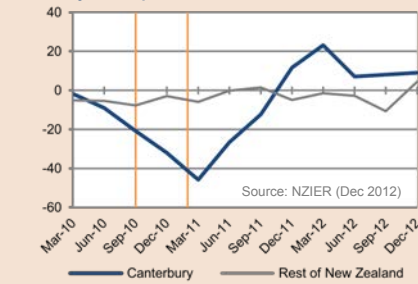
Domestic trading activity for manufacturers and builders - net percentage of firms that reported trading activity went up in the last three months



The latest NZIER Quarterly Survey of Business Opinion continues to indicate that Canterbury manufacturers are growing faster than manufacturers in the rest of the country.

### SERVICES

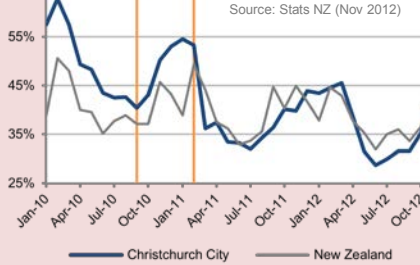
Domestic trading activity for firms in the services sector - net percentage of firms that reported trading activity went up in the last three months



The Canterbury services sector continues to improve despite taking a post-earthquake dip. Just as for manufacturers, the latest NZIER Quarterly Survey results are promising and indicate growth in the services sector.

### TOURISM

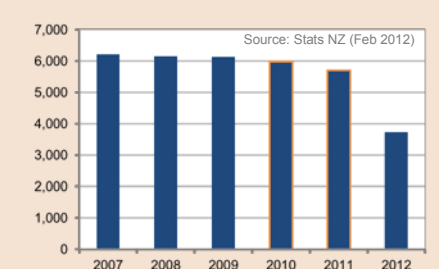
International guest nights as a percentage of total guest nights



The proportion of international guest nights in Christchurch City has fallen markedly since the earthquakes. However, a positive sign is that arrivals from Australia (a market hit particularly badly by the earthquakes) are rising.

### CENTRAL CHRISTCHURCH

Business units within the Christchurch CBD

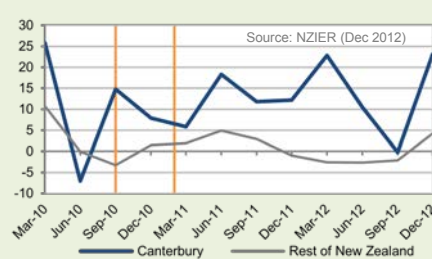


Despite the decline in business units post-earthquakes, major events are beginning to return to the CBD including the 2013 World Buskers Festival which attracted around 300,000 people to the 10-day event.

## Rebuilding and Confidence

### INVESTMENT

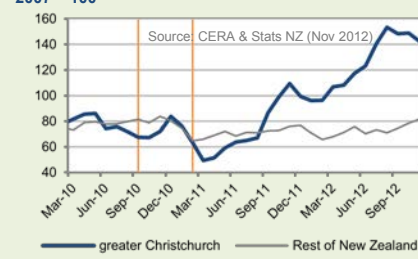
Plant and machinery investment intentions - net percentage of firms who expect that more new investment approvals over the next 12 months than in the last 12 months



Investment sentiment in Canterbury remains positive. The latest NZIER quarterly survey indicates that Canterbury firms are more likely to invest in plant, machinery and new buildings than firms in the rest of the country.

### CONSTRUCTION

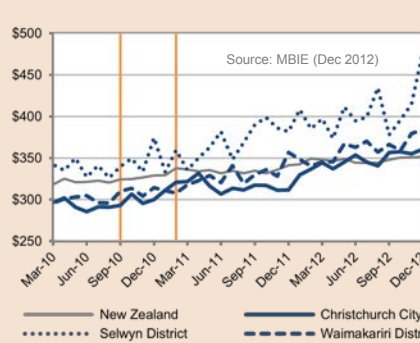
CERA's Index of Building Consents – three-month rolling averages of residential and non-residential building consents for new buildings and alterations, indexed where 2007 = 100



Construction activity continues to accelerate. Between September 2010 and November 2012, 5,800 building consents for new residential buildings totalling more than \$1.5 billion had been issued in greater Christchurch.

### HOUSING

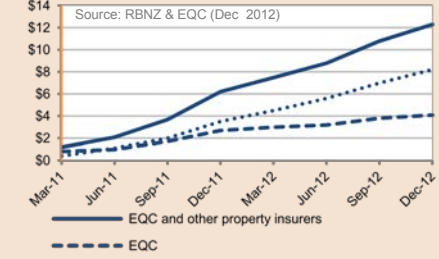
Average weekly rent



The housing market continues to warrant close monitoring as indicators such as rental costs rise.

### INSURANCE

Cumulative insurance payments paid out by the Earthquake Commission (EQC) and other property insurers - \$ billions, excluding GST

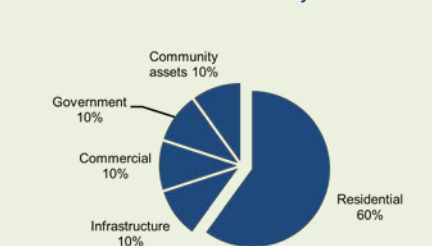


Insurance claims continue to be settled. As at 31 December 2012, the EQC had paid \$4.1 billion in property claims since the earthquakes.

## Rebuilding and confidence

### TOTAL SPEND

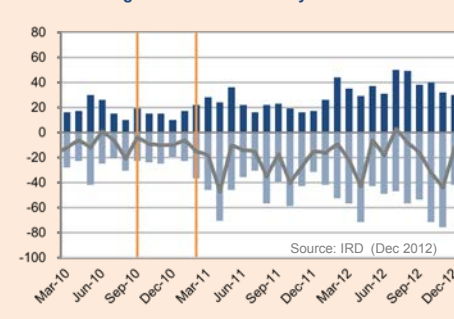
Estimated share of total cost of recovery



The key indicators relating to the total spend of the recovery have not changed.

### BUSINESS ENVIRONMENT

Business migration from Canterbury

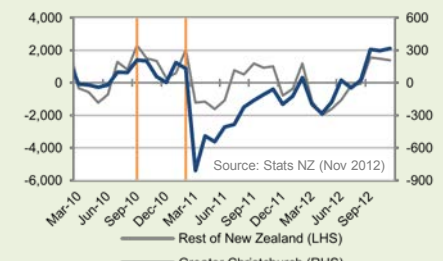


During 2012, 441 businesses arrived into Canterbury from other parts of New Zealand while 666 departed. Over the same period 5,816 new businesses were registered in Canterbury while only 2,298 ceased.

## Labour market

### POPULATION

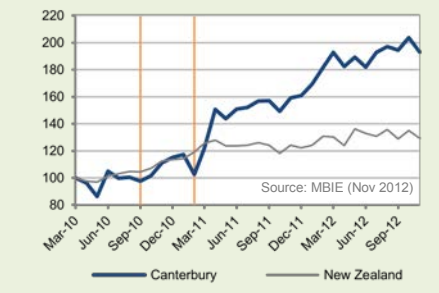
Net permanent and long-term international migration into greater Christchurch



Net permanent and long-term international migration into greater Christchurch was 316 in November last year, compared with -57 in November 2011. IRD data of internal migration within NZ suggests that increasing numbers of NZ registered taxpayers are moving into Canterbury as well.

### EMPLOYMENT

Skilled vacancies index of jobs advertised online - seasonally adjusted, March 2010 = 100



The number of skilled vacancies advertised in Canterbury has grown by 98% since September 2010 compared with a national growth rate of 24% (as at November 2012). The number of full-time jobs in Canterbury rose 3% in the year to September 2012.