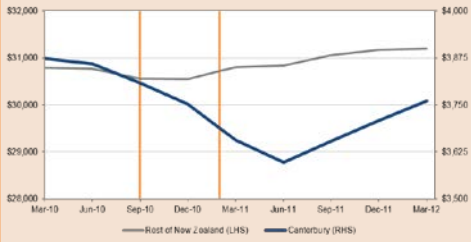


## Output and Trading Activity

### OUTPUT

Infometrics estimate of real gross domestic product - seasonally adjusted in 1995/96 prices, \$millions



Gross economic activity remains strong and picking up, while business confidence and capacity utilisation is higher in Canterbury than the rest of the country. National Bank estimates suggest that the Canterbury economy grew by more than 4% in the year up to June (measured in average annual terms), recovering the loss in the previous year.

### CONSUMER SPENDING

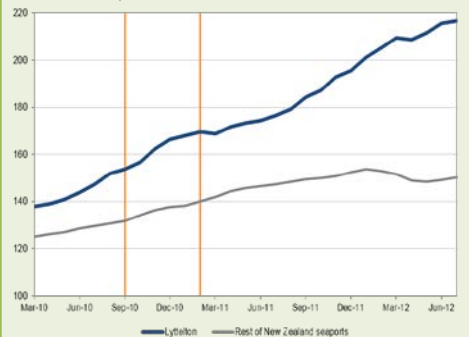
Electronic card transactions on the Paymark network - seasonally adjusted indexed where 2007 = 100



Consumer spending continues to improve, particularly in the retail trade sector. However, the performance of accommodation and food services continues to be weak. These sectors remain badly affected by the earthquakes and are yet to rebound.

### INTERNATIONAL TRADE

Lyttelton port exports - annual averages of free on board value, indexed where 2006 = 100

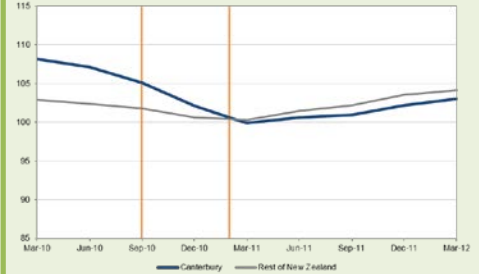


Lyttelton Port trading activity remains robust and steadily growing. Meanwhile, activity at Christchurch Airport is similarly positive and increasing.

## Key Sectors

### AGRICULTURE

Gross production in the agricultural sector in real terms, indexed using annual averages where June 2004 = 100



The agriculture sector remains competitive and robust. Fonterra's \$500 million (NZD) investment in building two milk-powder driers that will be able to process 6.6 million litres of milk a day is well underway and encourages a promising outlook for the region.

## Key Sectors

### MANUFACTURING

Performance of Manufacturing Index - three month rolling averages



The performance of manufacturing indicators in recent months is weaker than expected and there are suggestions that the industry may be slightly contracting. Employment figures in this sector also remain muted.

### SERVICES

Performance of Service Index - three month rolling averages



While above national trends, the rate of expansion of the Canterbury services sector may be declining. This is likely due to the weak performance of specific sectors, including international education and tourism.

### TOURISM

International guest nights - twelve month rolling averages and indexed where 2007 = 100



Regional occupancy rates remain above national trends but this is largely driven by motels in Christchurch and Waimakariri. At the same time, international guest nights and hotel capacity have fallen significantly. Nevertheless, some green shoots are emerging, such as the reopening of the central city Ibis Christchurch with 155 rooms, lifting hotel capacity by 18% to 985 rooms.

### CHRISTCHURCH CENTRAL

CERA commissioned survey of 400 business people, 500 Christchurch residents and 750 New Zealand residents

**99%** of Christchurch business people  
**95%** of Christchurch residents, and  
**88%** of New Zealand residents  
**are aware of Christchurch Central Recovery Plan**

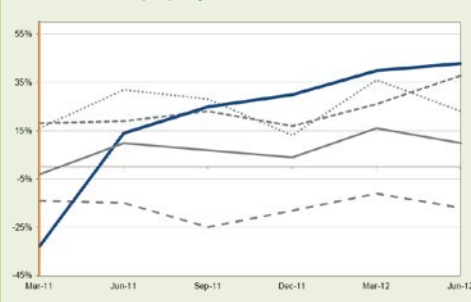
**74%** of Christchurch businesspeople  
**56%** of Christchurch residents, and  
**52%** of New Zealanders  
**support the Plan**

Increasing numbers of employers are returning or committing to return to the central city.

## Rebuilding and Confidence

### INVESTMENT

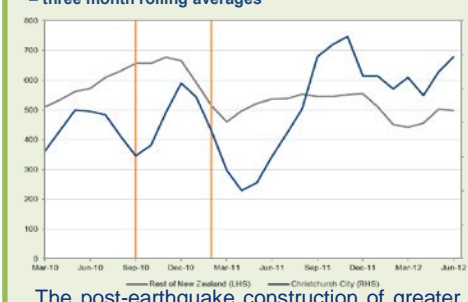
Commercial property investor confidence



The investment indicators for Canterbury have not changed from the previous month when investment intentions of firms and commercial property investors were reported to be above national trends.

### CONSTRUCTION

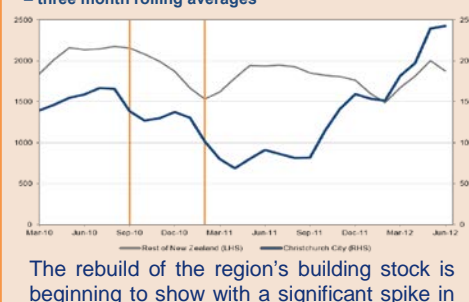
Number of non-residential building consents for alterations - three month rolling averages



The post-earthquake construction of greater Christchurch is well underway and gaining a head of steam. There has been a significant increase in consents for non-residential alterations, particularly in Christchurch City, with consents for new buildings following suit, albeit slightly lagged.

### HOUSING

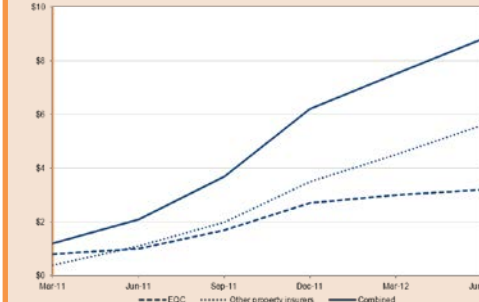
Number of residential building consents for alterations - three month rolling averages



The rebuild of the region's building stock is beginning to show with a significant spike in the number and value of consents for house alterations in Christchurch City and for new dwellings in Waimakariri and Selwyn. Meanwhile, the time that it takes to sell a house in Canterbury remains significantly less than the rest of the country.

### INSURANCE

Estimated cumulative insurance payments paid out by the Earthquake Commission (EQC) and other property insurers (\$ billions)

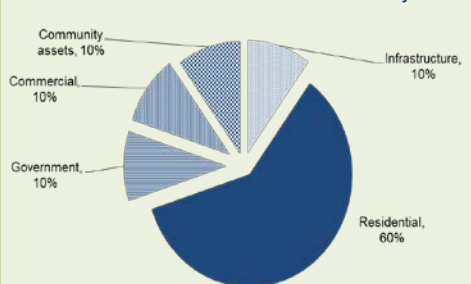


Substantial insurance claims have been paid out to date and considerable funds continue to flow in from offshore in the form of international reinsurance payments.

## Rebuilding and Confidence

### TOTAL SPEND

Broad estimates of cost areas to meet the recovery vision



CERA and Treasury are in the process of developing detailed metrics in this area. At this stage, CERA estimates that the total cost of meeting the recovery vision will be around \$30 billion (NZD).

### BUSINESS ENVIRONMENT

Migration of registered business



The Canterbury business environment is positive. In July, more businesses migrated into the region than left and more businesses were registered than ceased. In fact, the net migration of businesses into the region was the largest of any month since January 2010.

## Labour Market

### POPULATION

Migration of registered individual taxpayers



Population indicators continue to improve with increasing amounts of registered taxpayers moving to the region and improved international migration numbers.

### EMPLOYMENT

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



The amount of jobs advertised is rising rapidly and has significantly departed from national trends, even for sectors outside the construction field. However, unemployment has increased, driven by a significant increase in female unemployment.