

Helping the Waikato through COVID-19

Economic Radar

As at 29 April 2020

As this week we move to Alert Level 3 with new rules and responsibilities for Health and Safety, Te Waka, with the support of Waikato Regional Council Economist Blair Keenan, continues to collate data to gauge what is happening in the Waikato economy.

Charts in this week's Radar show small movements in some of our data. This week we showcase more of our regional versus national statistics. Our aim remains to next week showcase District level data on Jobseeker Support and Wage Subsidy applications in partnership with MSD.

As we progress our journey we will continue to scan for signs of trouble, stabilisation, or sparks of life.

Note:

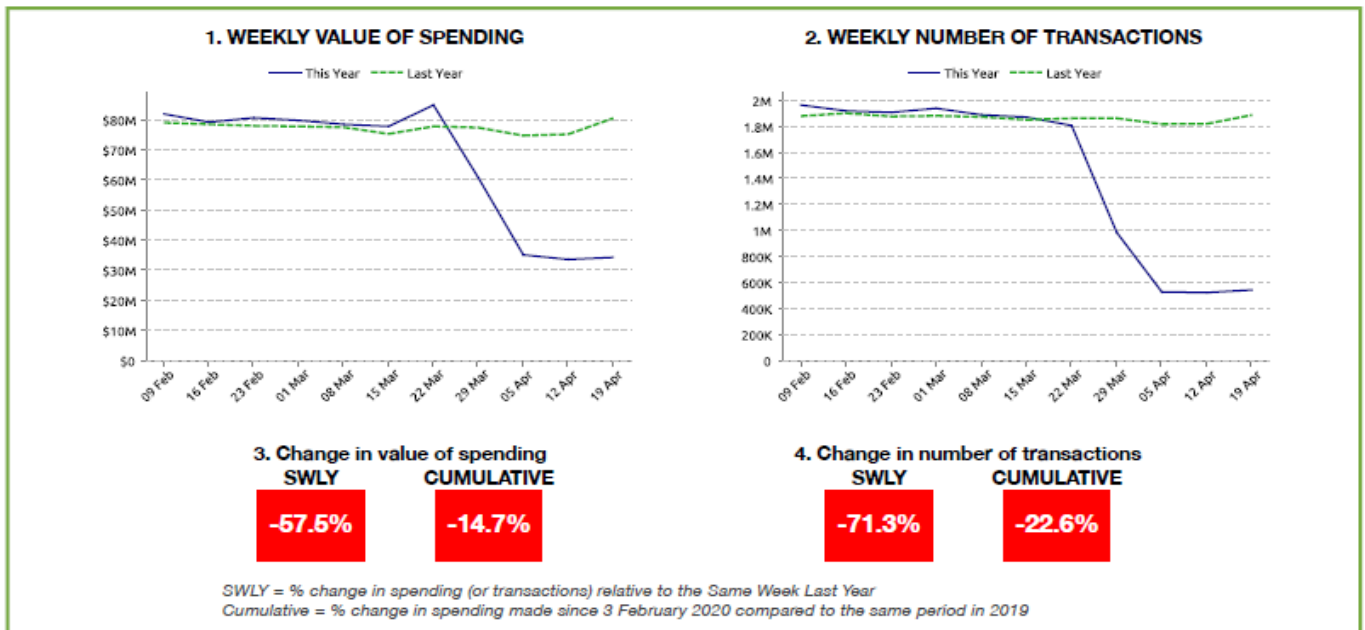
The following report has been compiled to share the Waikato region's COVID-19 recovery progress. In all instances, sources are listed to ensure access to data can be found. Information in this report will be updated weekly, with new measures added either by request or as additional information comes to hand.

District level data can be obtained for some of the information contained in this report. Te Waka wishes to continue to progress conversations on the streamlining of obtaining this data with our ED community and business.

To provide feedback or find out more on the below information please contact:

Michelle Hollands michelle.hollands@tewaka.nz

Waikato Weekly Card Transactions



5. WEEKLY SPENDING CHANGE BY CATEGORY				
	SWLY		Cumulative	
	\$	#	\$	#
Food, liquor & pharmacies	+3.0%	-40.6%	+14.0%	-8.4%
Hospitality & Accommodation	-99.2%	-99.4%	-35.4%	-36.7%
Fuel & Automotive	-76.6%	-72.2%	-24.6%	-23.1%
Clothing, Footwear & Dept. Stores	-99.4%	-99.8%	-41.6%	-41.9%
Home & Recreational Retailing	-97.7%	-99.5%	-24.0%	-26.5%
All other	-97.6%	-96.8%	-37.9%	-36.1%
TOTAL	-57.5%	-71.3%	-14.7%	-22.6%

6. WEEKLY SPEND AND TRANSACTION CHANGES				
Week Ending	SWLY		Cumulative	
	\$	#	\$	#
09-Feb	+3.7%	+4.5%	+3.7%	+4.5%
16-Feb	+0.9%	+0.9%	+2.3%	+2.7%
23-Feb	+3.4%	+1.7%	+2.7%	+2.4%
01-Mar	+2.6%	+3.1%	+2.6%	+2.5%
08-Mar	+1.3%	+0.8%	+2.4%	+2.2%
15-Mar	+3.3%	+1.1%	+2.5%	+2.0%
22-Mar	+9.1%	-2.9%	+3.5%	+1.3%
29-Mar	-21.6%	-47.1%	+0.3%	-4.7%
05-Apr	-53.1%	-71.0%	-5.4%	-11.9%
12-Apr	-55.4%	-71.3%	-10.3%	-17.7%
19-Apr	-57.5%	-71.3%	-14.7%	-22.6%

7. CHANGE BY ORIGIN OF CARDHOLDER				
	SWLY		Cumulative	
	\$	#	\$	#
INTERNATIONAL	-83.5%	-87.9%	-17.2%	-17.4%
NZ CARDS	-56.5%	-70.9%	-14.6%	-22.8%

8. WEEKLY VALUE OF SPENDING - ALL OF NZ				
	SWLY		Cumulative	
	\$	#	\$	#
New Zealand	-55.4%	-70.4%	-15.0%	-23.6%

Notes:

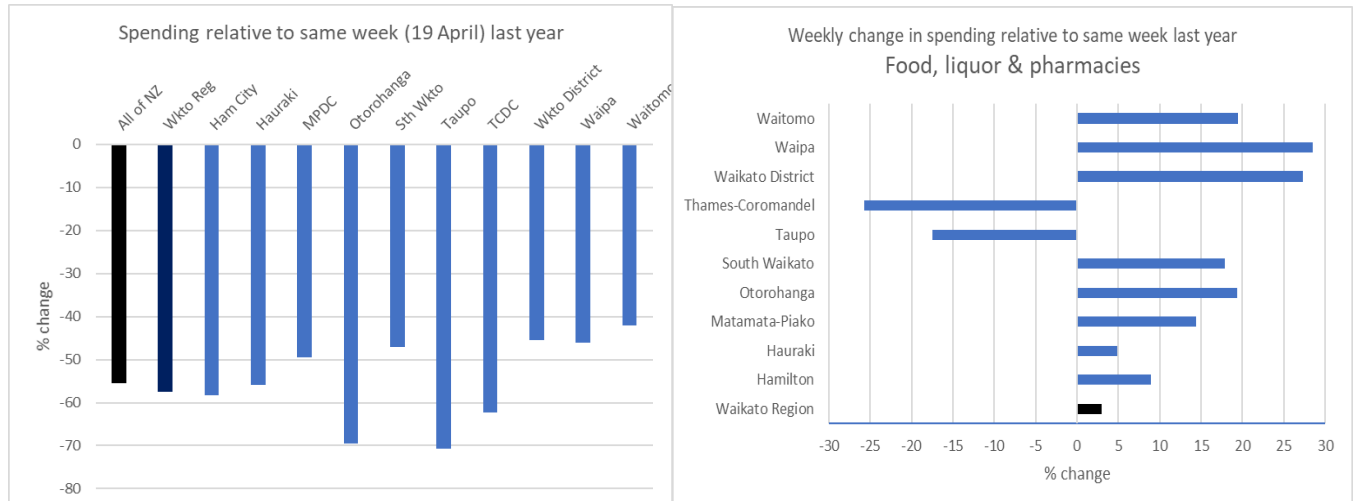
Charts 1 and 2 – value of spending/volume of transactions at merchants in the Waikato Region for the 7 days ending on the date shown

Tables 3 and 4 – highlight the percentage change in total spending/transactions compared to the same week last year and the cumulative total spending/transactions since 3 February 2020

Table 5 – change spending/transactions breakdown by key category within the Waikato region

Table 7 – change in spending/transactions within the Waikato region, by origin of cardholders

Table 8 – change in spending/transactions for Marketview's national sample



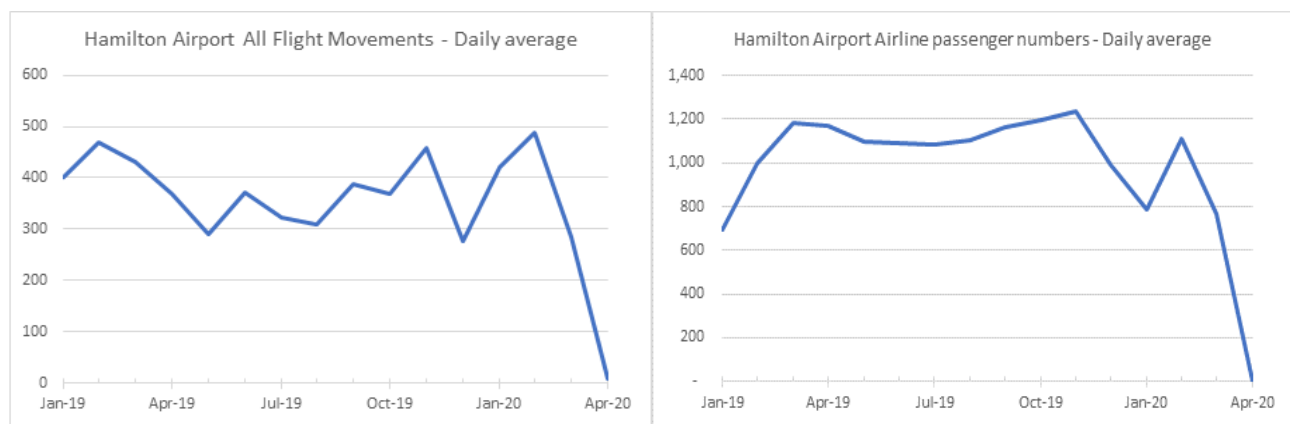
While most districts have seen increased spending, compared with last year, in just one category – food, liquor and pharmacies – the tourism districts of Taupo and Thames Coromandel experienced decreases in all categories of spending.

Source: Marketview using Paymark data

Waikato Travel Indicators

Flight Data

With Hamilton Airport closed, the skies above our main city are very quiet. The last commercial passenger flight was on 2 April. Level 3 will see more activity on the airfield from this week, but still a significant drop on previous activity.

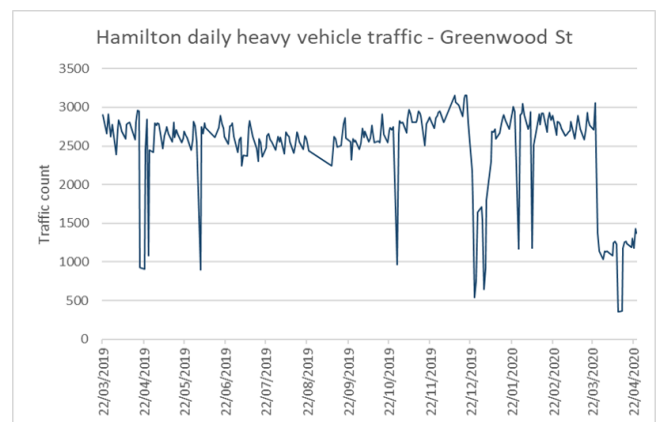
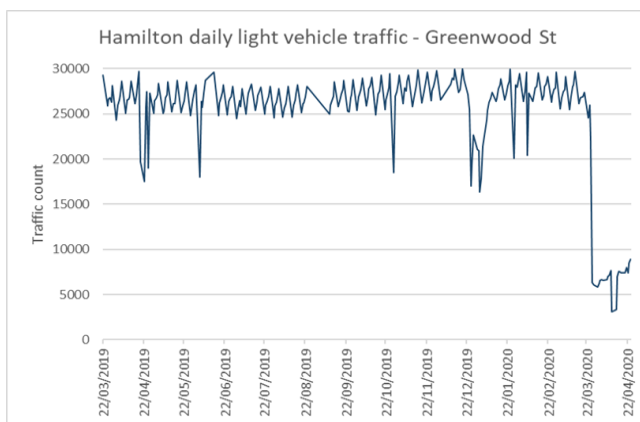


Source: Hamilton Airport

Traffic Data

Over Tuesday to Friday last week, Hamilton had a 11.7 percent increase in light traffic and a 7.3 percent increase for heavy traffic, when compared with the same days the previous week. The other four main cities saw increases in traffic too.

Compared with last year, Hamilton traffic was down 63.1 percent. This is the lowest decrease of the five main cities, with the others experiencing between 68 and 75.7 percent decrease.

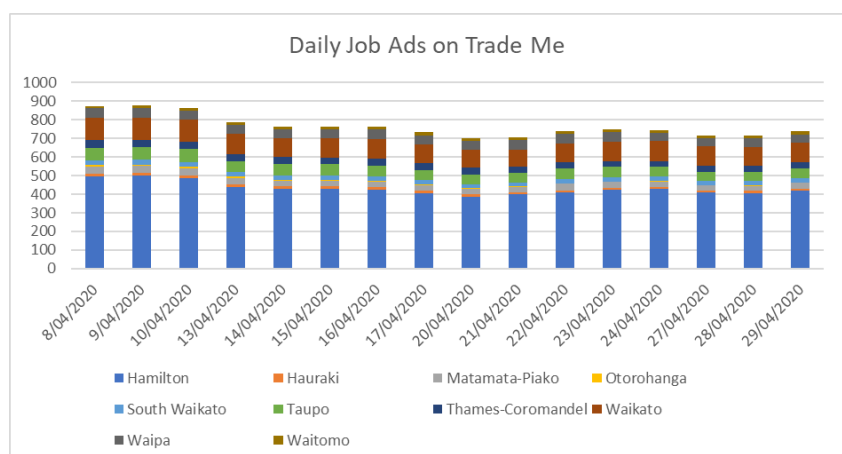


Source: <https://www.nzta.govt.nz/about-us/coronavirus-disease-covid-19-services-update/weekly-traffic-count-information/>

Employment

Job Ads

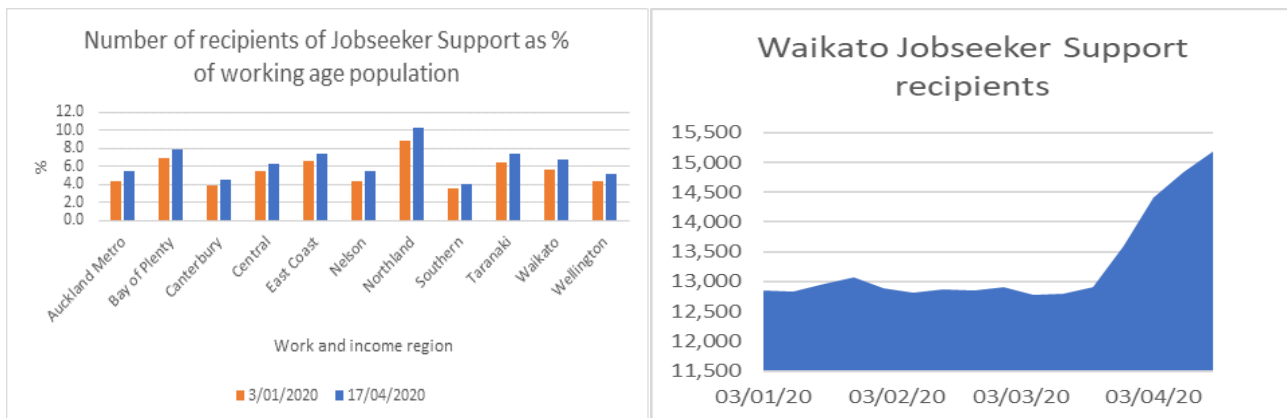
Since we began collecting daily data on job advertising on Trade Me three weeks ago, the number of ads has fallen by 15-20 percent for the Waikato region. After reaching a low of 703 a week ago (April 20th), there seems to have been a levelling off in the trend.



Source: www.trademe.co.nz

Jobseeker Support

The number of recipients of Jobseeker Support began climbing rapidly as we went into lockdown in late March rising from less than 13,000 in the Waikato to more than 15,000 by 17 April. The increases mirror the trends across the country.



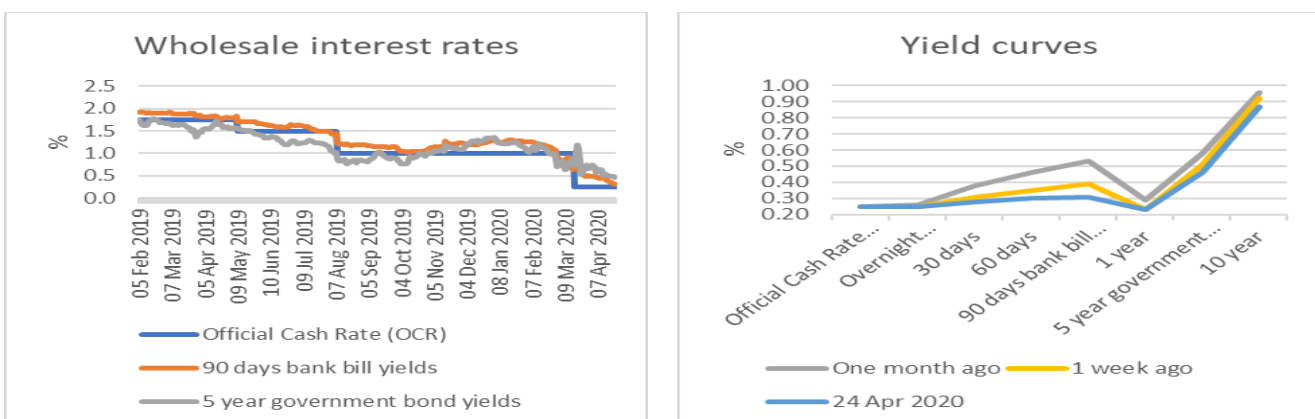
Note: The MSD Waikato region includes Thames-Coromandel, Matamata-Piako, Hauraki, Waikato District, Hamilton City and Waipa. Waitomo and Otorohanga are part of the MSD Taranaki region, and Taupo and South Waikato are part of MSD Bay of Plenty region.

Source: www.msd.govt.nz

Financial Indicators

Interest Rates

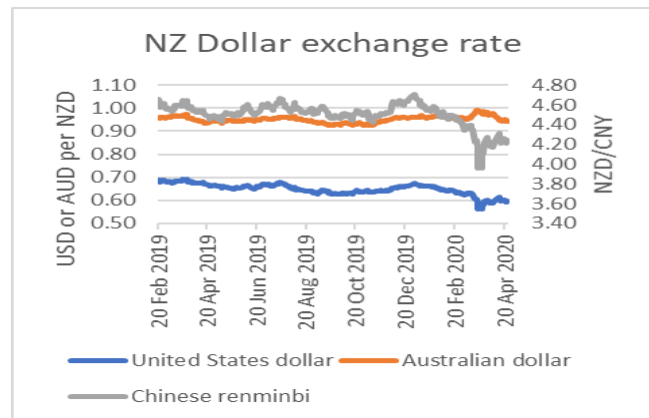
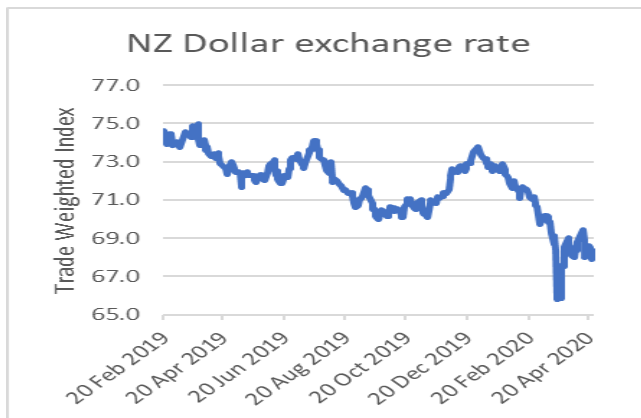
Interest rates remain subdued, with bills and bonds continuing to trend downwards and the yield curve continuing to flatten. Westpac economists are now predicting that the Official Cash Rate may be cut to below zero (-0.5%) by the end of 2020, despite earlier insistence by the Reserve Bank that it would keep the OCR at 0.25% for a year.



Source: <https://www.rbnz.govt.nz/>

Exchange Rates

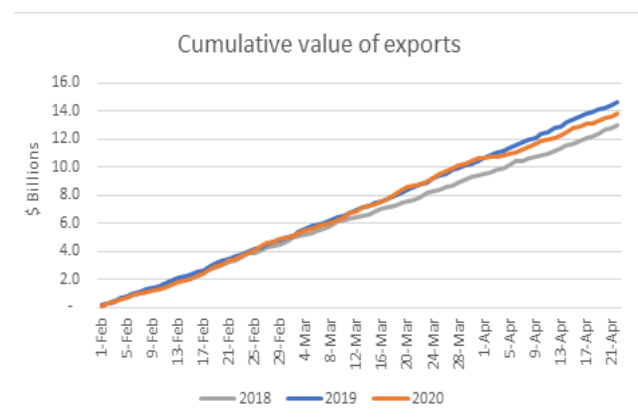
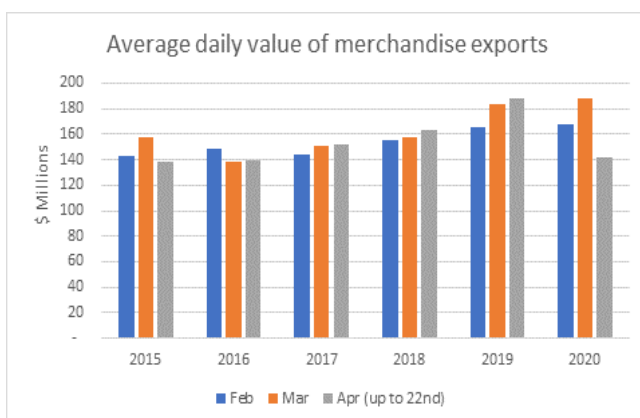
After coming off its lows in the second half of March (as we went into lockdown), the New Zealand dollar has traded in a range against the US and Chinese currencies, but continues to ease lower against the Australian dollar.



Source: <https://www.rbnz.govt.nz/>

Trade

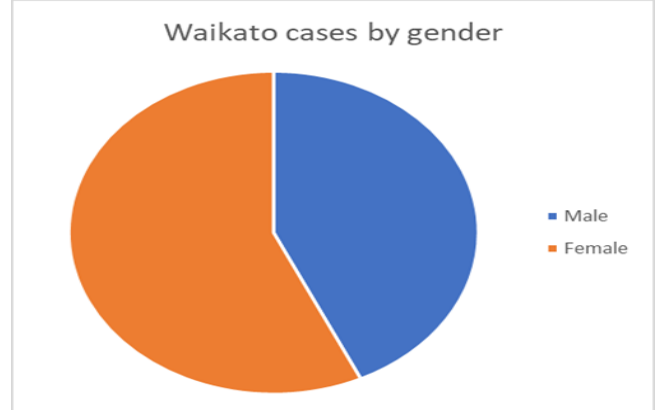
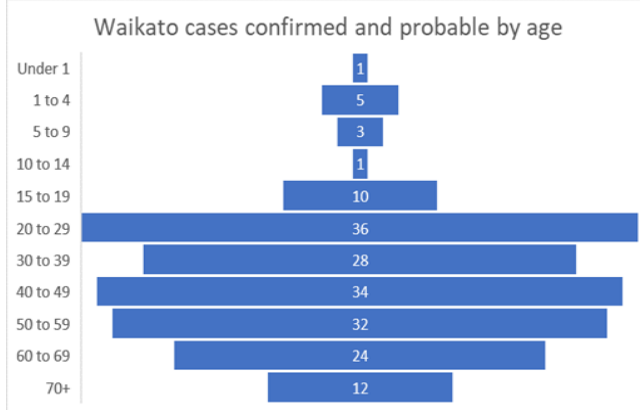
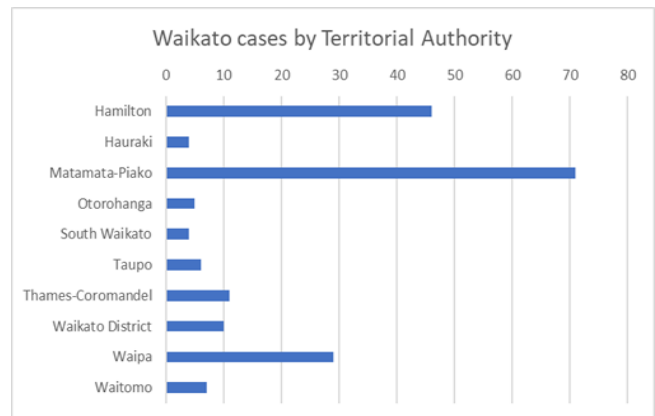
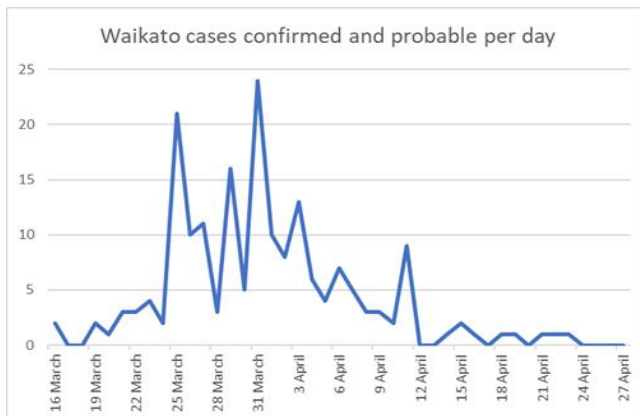
After holding up well in March, provisional export data suggests a sharp drop in the first part of April. Total exports from February to April 22nd, at \$13.8 billion were 6 percent lower than the same period in 2019. This, in large part, reflects a 25 percent drop in exports in the first three weeks of April compared to the same period last year, including a fall in the key Waikato export industries of dairy and meat products (noting that milk volumes will be declining as farms dry off for the winter). Together, dairy and meat explain about half the fall in exports in recent weeks.



Source: <https://www.stats.govt.nz/>

COVID-19 in the Waikato as at 28 April 2020

The Waikato DHB has had 186 confirmed and probable cases – 43 active cases, 142 recovered, and one deceased.



Source: <https://www.health.govt.nz/> and <https://waikatodhb.health.nz> and <https://covid19.bopdhb.govt.nz/>