

Economic ramifications of the Middle East conflict

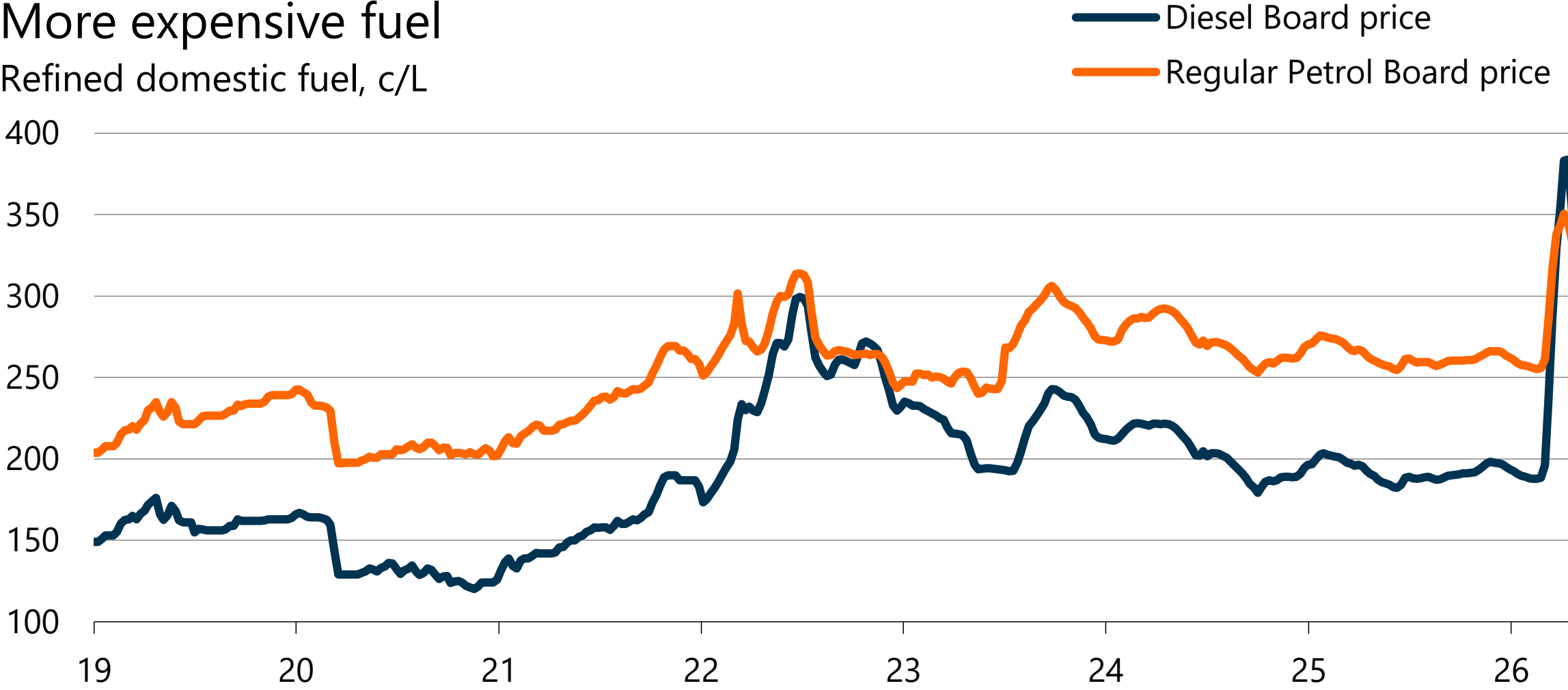
New Plymouth District Council

Brad Olsen (Chief Executive and Principal Economist)

6 May 2026

More expensive fuel

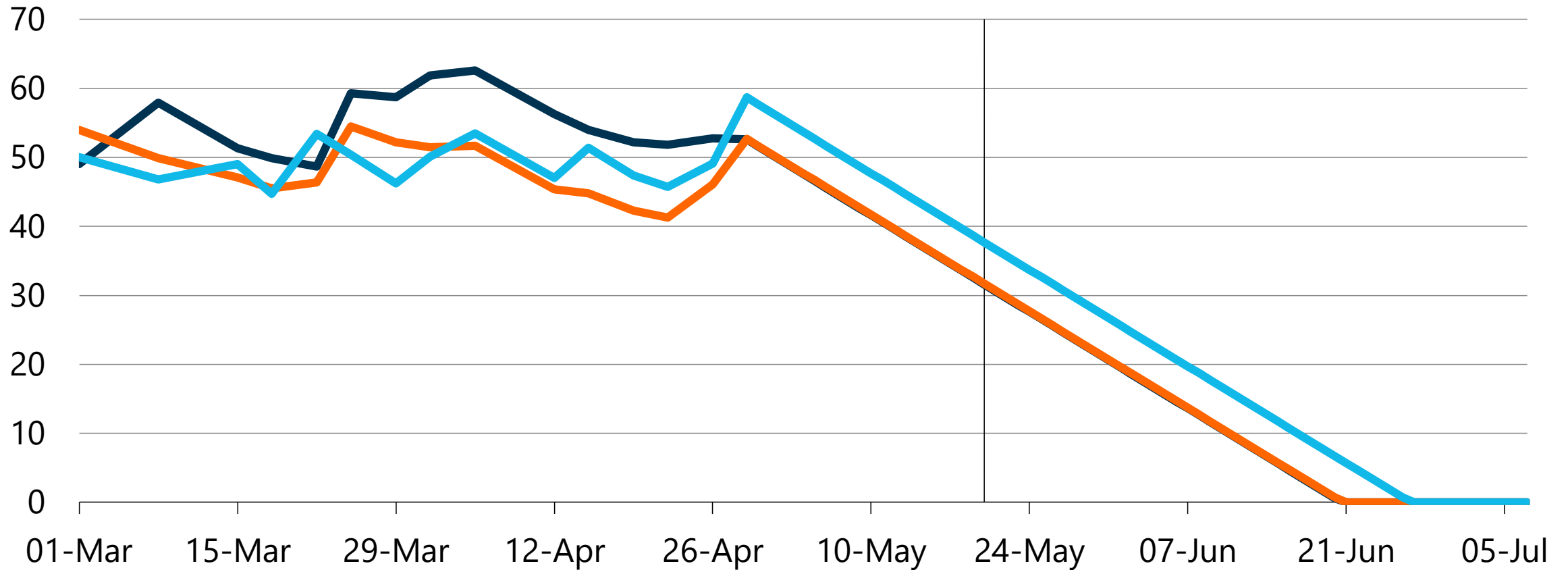
Refined domestic fuel, c/L



Monitoring fuel levels over time

Fuel stock, total in-country and on-water, drawdown of days of cover

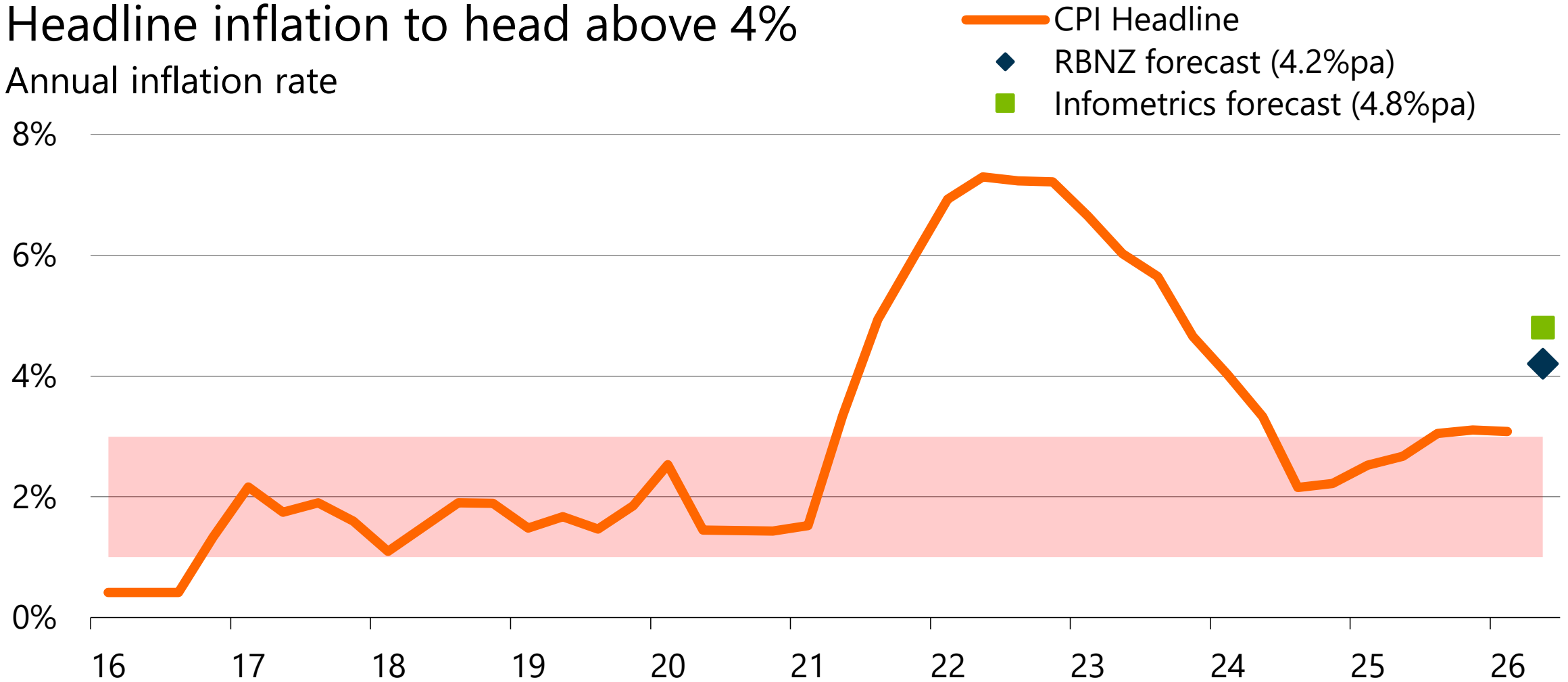
- Petrol
- Diesel
- Jet fuel



Inflation risk clear

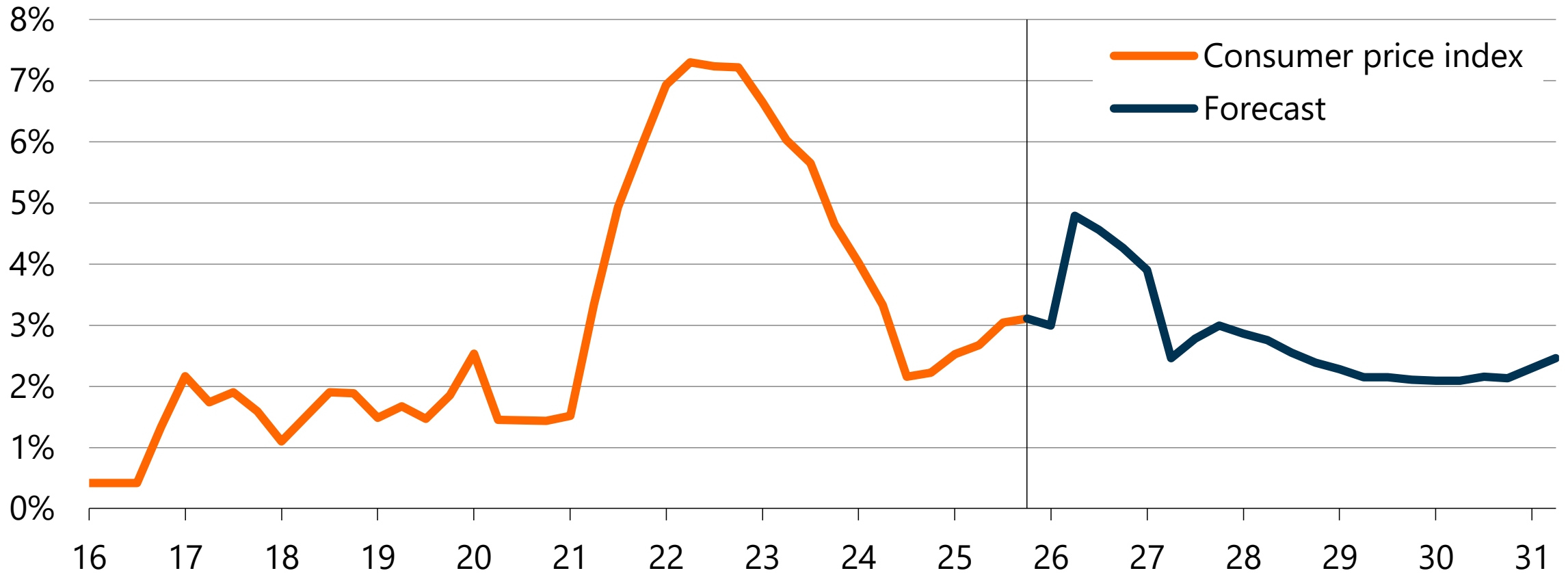
Headline inflation to head above 4%

Annual inflation rate



Weak demand conditions can't prevent higher inflation

Annual % changes, Consumers Price Index

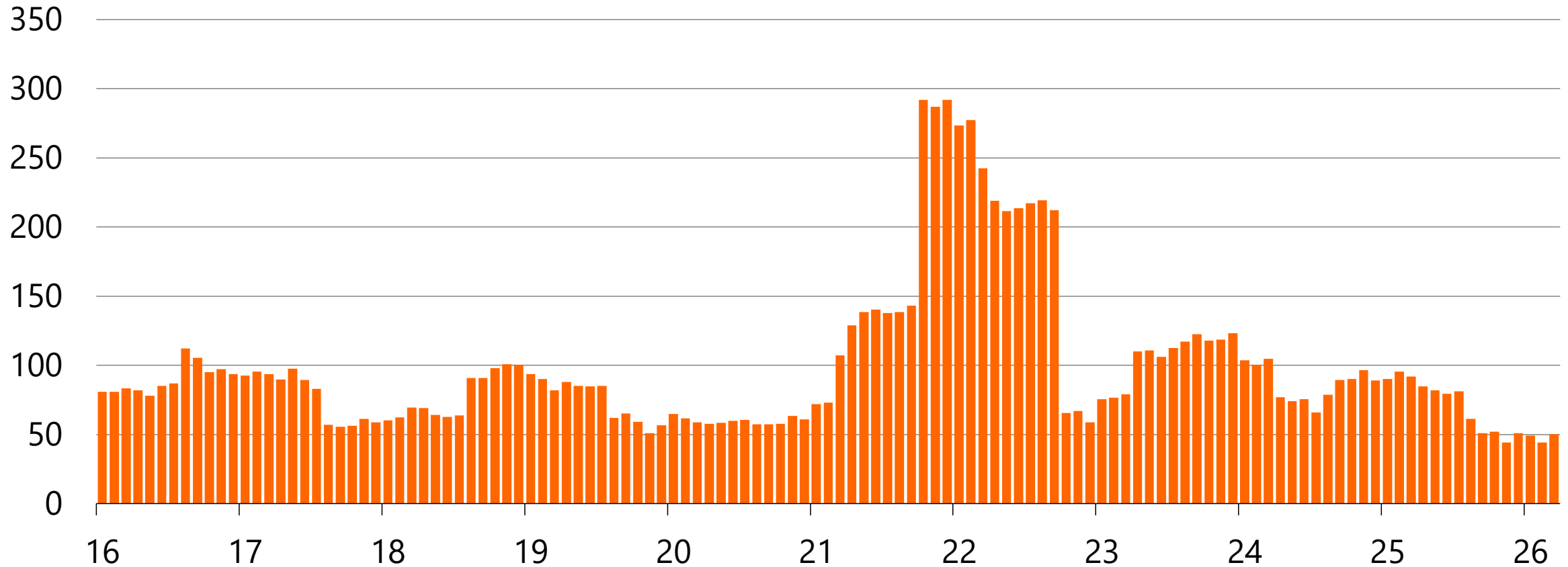


The local economy

Investment appetite contained locally

\$m, annual running totals, non-res consent values

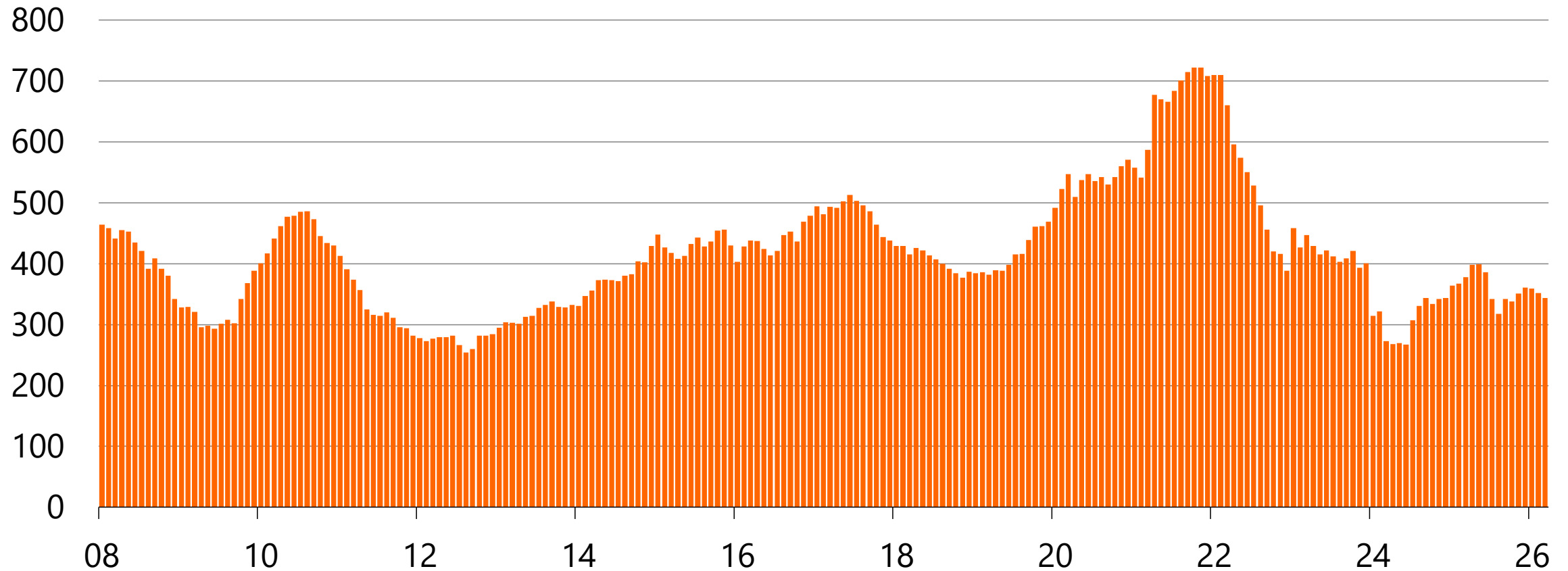
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Local building intentions lower, down 9.0%pa

Annual running total, residential consents

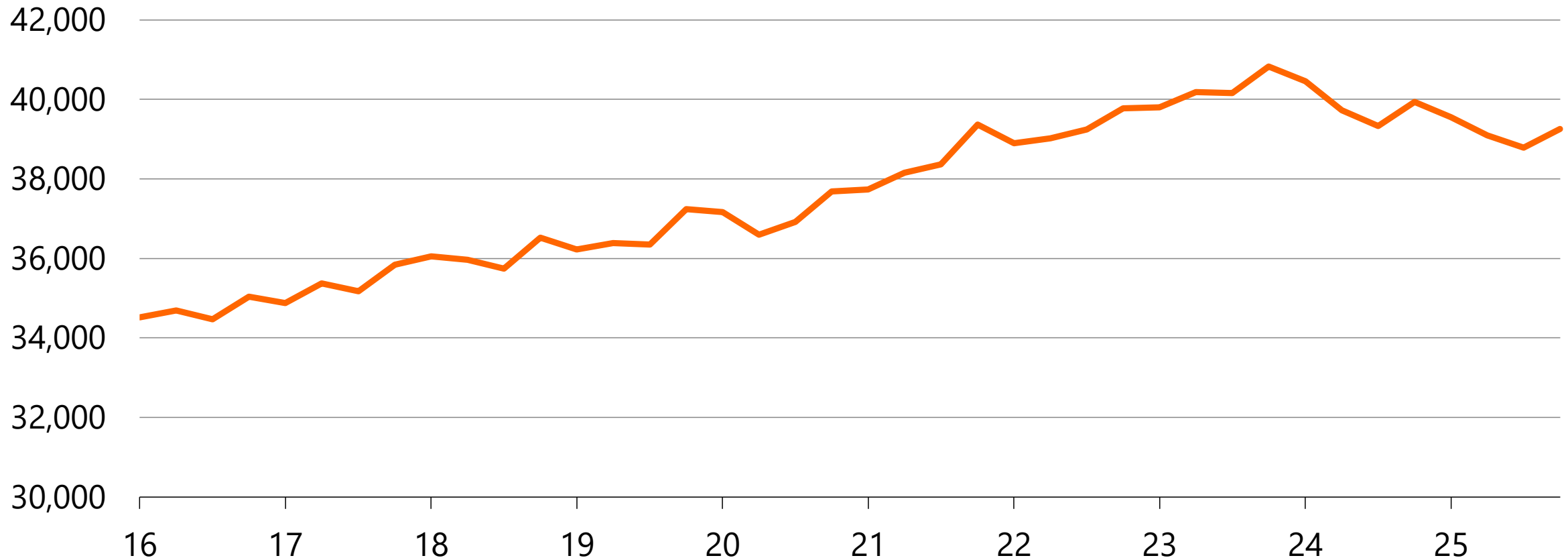
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Employment down 1.7%pa at the end of 2025

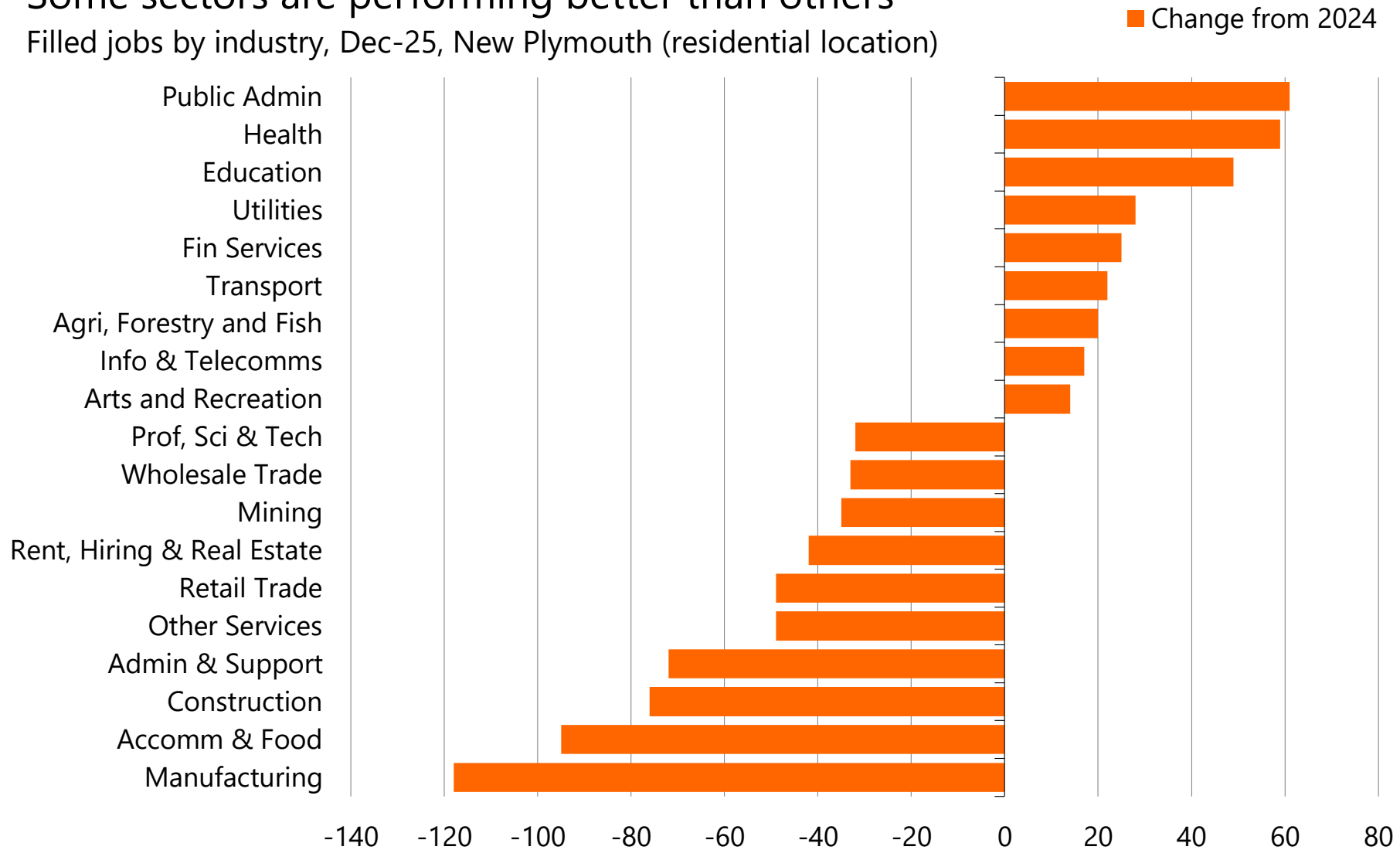
Quarterly filled jobs, by residential address

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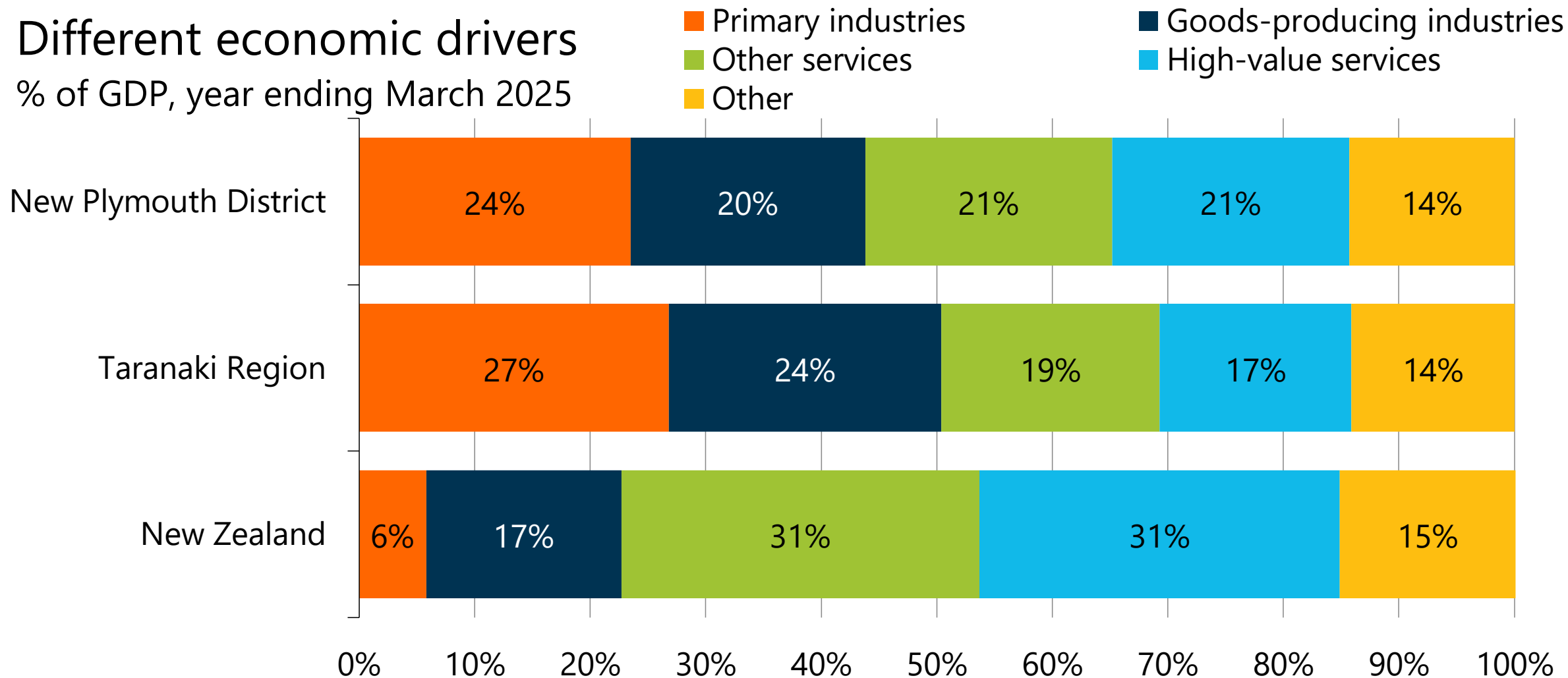
Some sectors are performing better than others

Filled jobs by industry, Dec-25, New Plymouth (residential location)



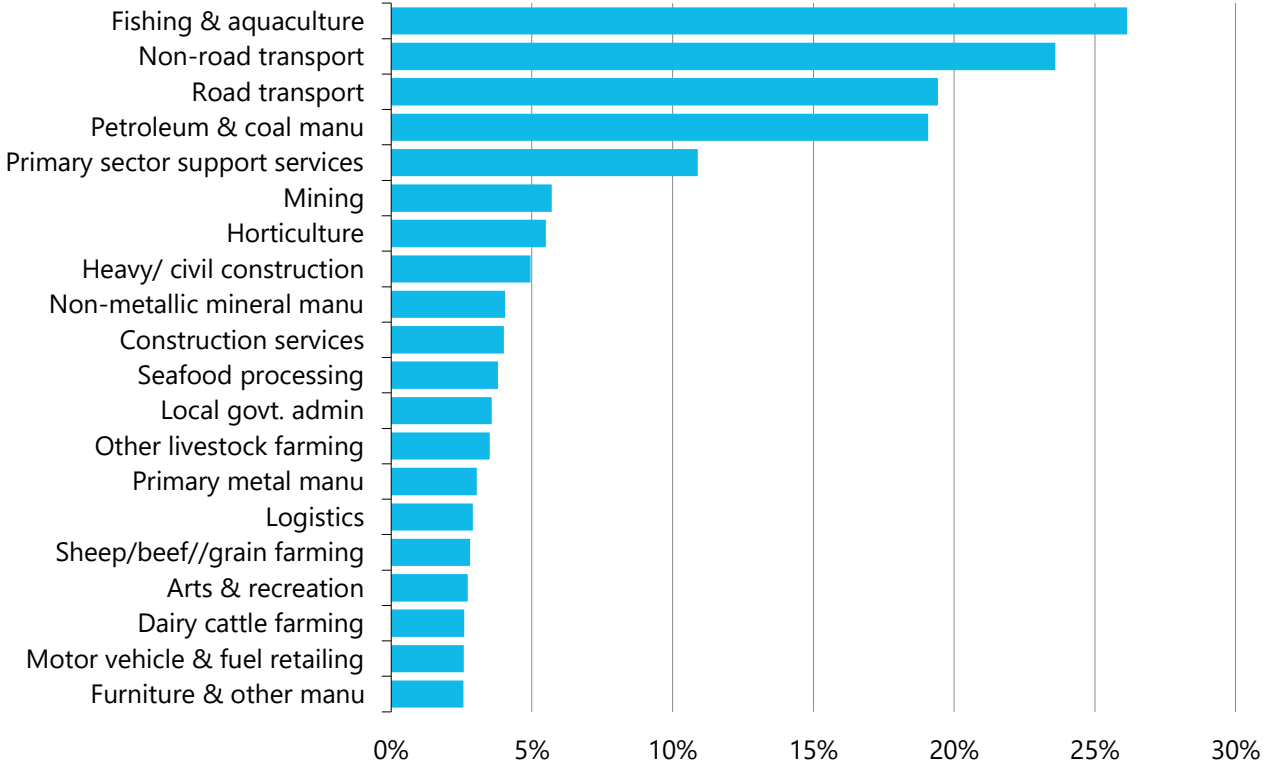
Different economic drivers

% of GDP, year ending March 2025



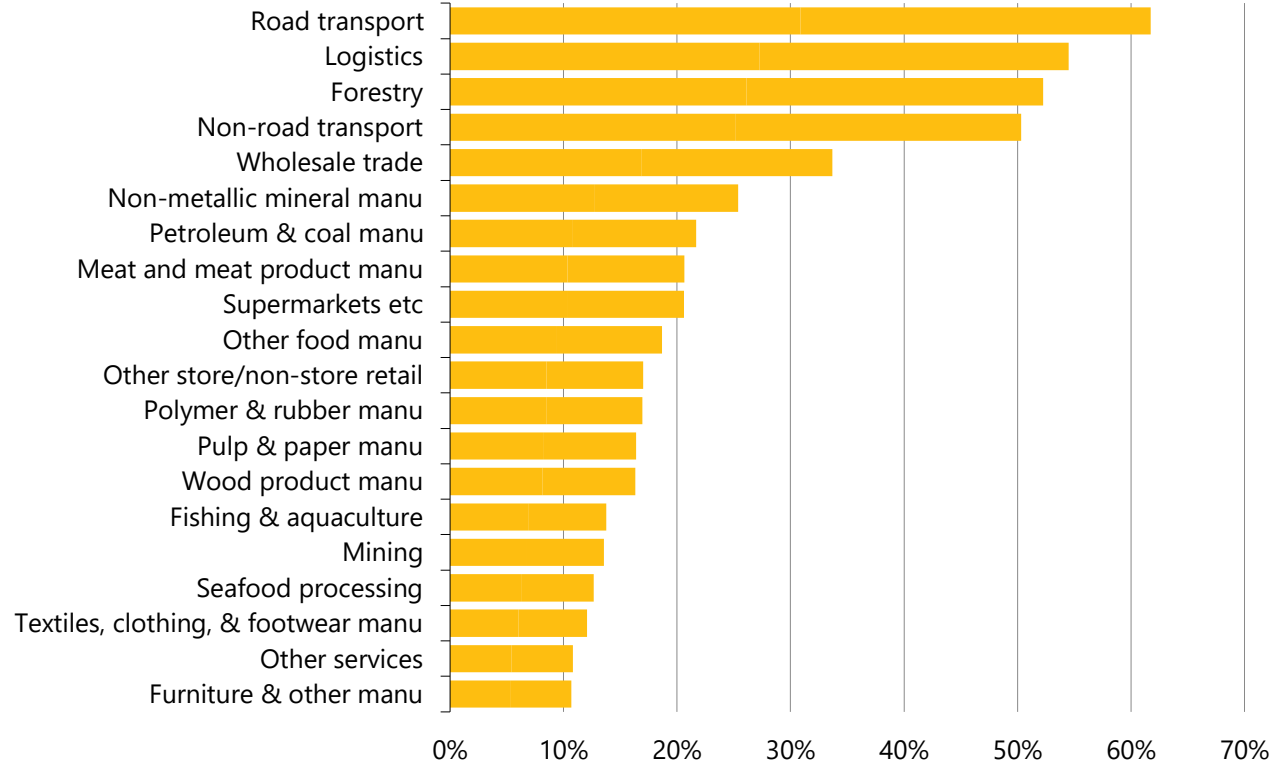
Some operations much more exposed to fuel prices

Oil-based fuels, % of non-wage operating costs, by industry, top 20



Some operations much more exposed to transport

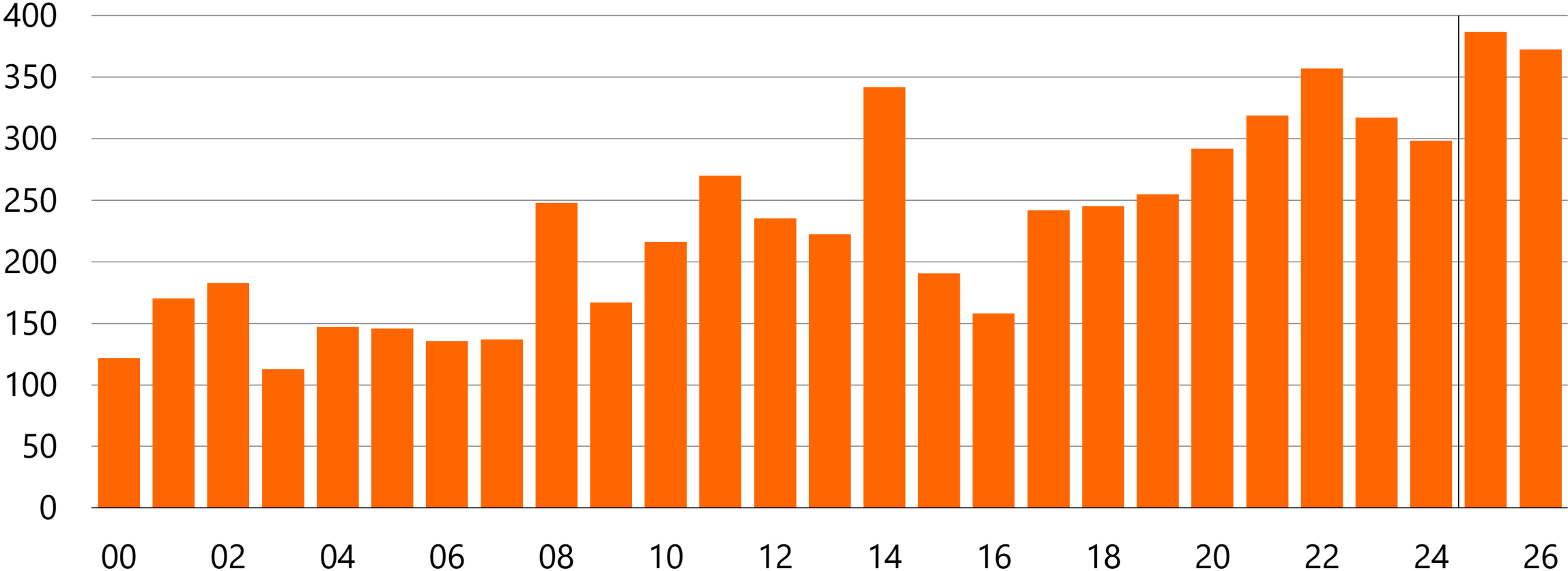
Transport and storage, % of non-wage operating costs, by industry, top 20



Back-to-back pay-outs of over \$370m

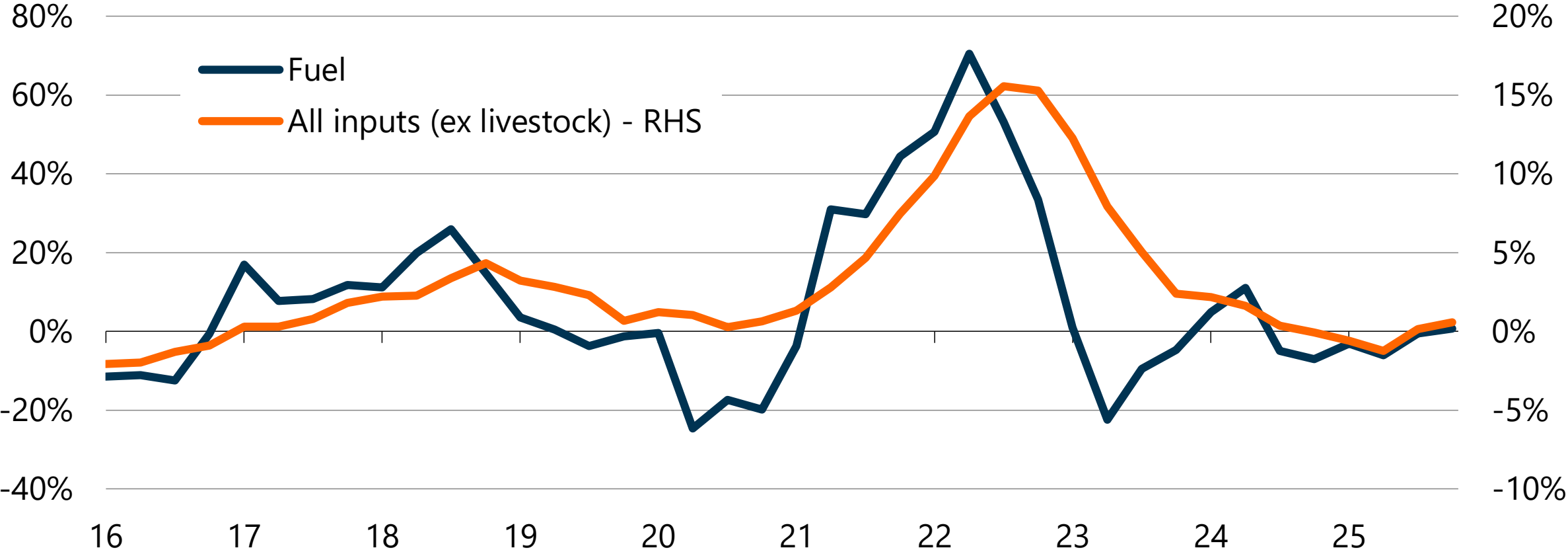
Estimated milk price pay-out, \$m

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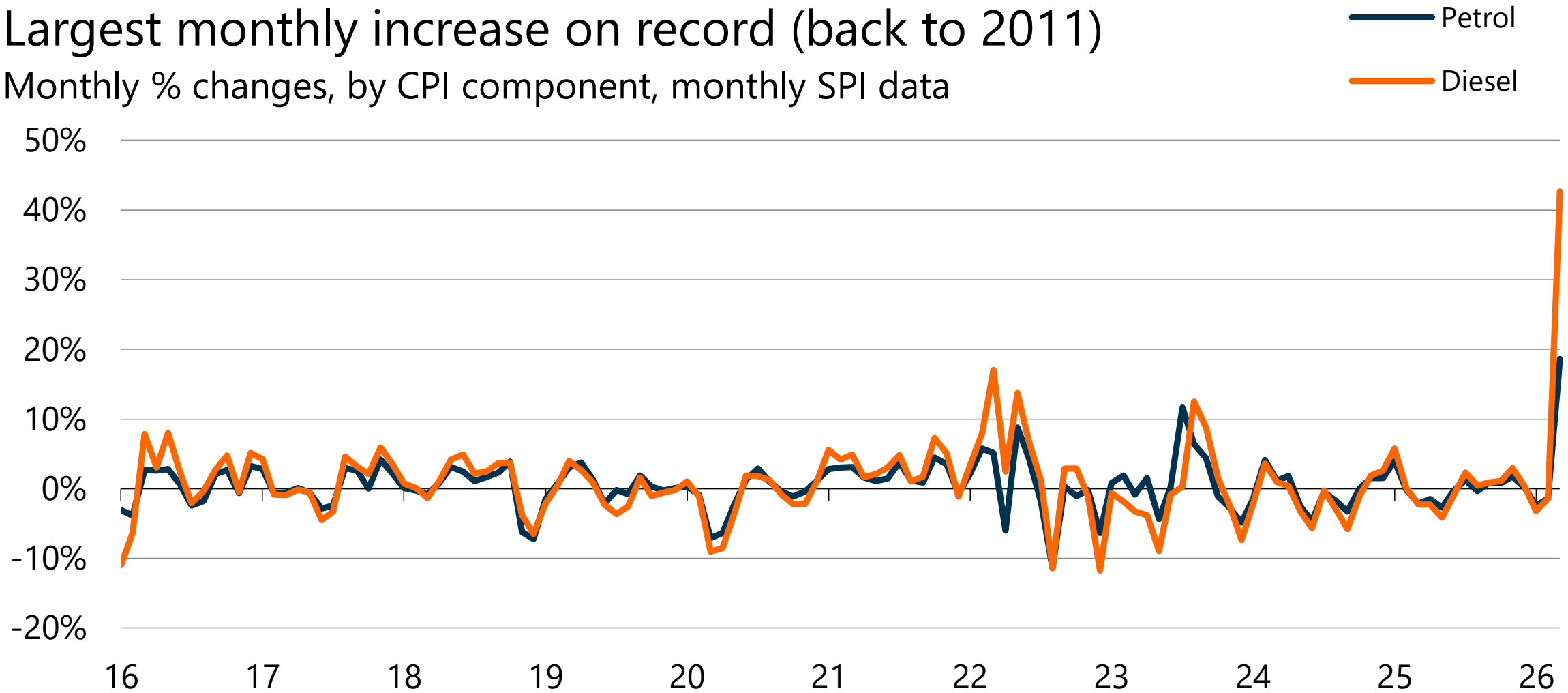
Primary sector costs set to be under pressure

On-farm costs, annual % changes



Largest monthly increase on record (back to 2011)

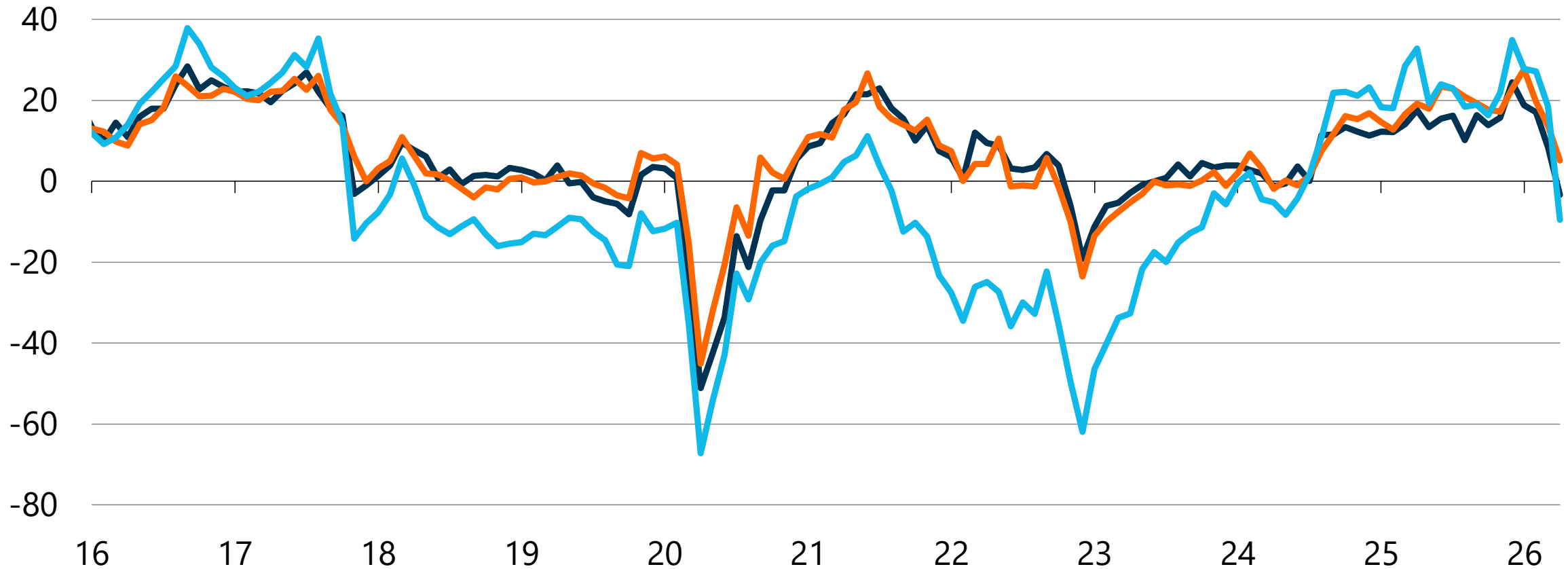
Monthly % changes, by CPI component, monthly SPI data



Employment, investment, profit intentions falls

ANZ Business Outlook, net % of firms, seas. adj.

- Employment Intentions
- Investment Intentions
- Profit Expectations



**Uncertainty is the only
certainty these days**

Further Questions?

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