**Auckland Economic Update – August 2017**

Data is the latest available as at the start of the month and is for the Auckland region unless otherwise stated.

**Real GDP Growth**

- **+4.0% (AKL)**
- **+2.3% (RONZ)**

**Real retail sales growth**

- **+5.8% (AKL)**
- **+3.3% (RONZ)**

**Net migration**

- 35,665 (RONZ)
- 36,650 (AKL)

**Tourism – Guest nights**

- 7,432,000 (Auckland)
- 31,379,000 (RONZ)

**House sales and prices**

- **$850,500**
- **24,294**

**New building consents**

- **10,364**
- **$1,780m**

**Employment and unemployment**

- **+7.3% (AEG)**
- **5.0% (UR)**

**Confidence indicators**

- **Consumer 113.5**
- **Business 15.4%**

**Sources:**

All data is from Statistics New Zealand unless otherwise stated below:

1. Infometrics, Quarterly Economic Monitor. Recent GDP estimates are subject to revisions.
2. Real Estate Institute of New Zealand.
3. Westpac McDermott Miller. Values over 100 indicate more optimists than pessimists.
4. New Zealand Institute of Economic Research, Quarterly Survey of Business Opinion. Measures the net percentage of firms that believe the general business situation will improve in the next six months.

[** All historical $ converted to latest quarter equivalent $ using quarterly price index, so may differ from previous updates.

[**] Historical HLFS data to March 2016 rebased August 2016 by SNZ, but not fully compatible with June 2016 onwards.

Disclaimer - The information in this document is given in good faith and has been obtained from sources believed to be reliable and accurate at the date of preparation, but its accuracy, correctness and completeness cannot be guaranteed.
In Auckland, real GDP for the year ended March 2017 was 4.0% higher than for the year ended March 2016; in the rest of New Zealand, the annual average growth was 2.3%.

Real GDP refers to GDP in constant 2010 dollars, to remove inflation.

[NOTE: Latest and historical real GDP figures are modelled estimates, and subject to revision by the supplier.]


In Auckland, real retail sales[^1] for the year ended March 2017 were 5.8% higher than for the year ended March 2016; in the rest of New Zealand, the annual average growth was 3.3%.

[^1] Real retail sales have been calculated by converting previous quarter's dollars to the latest quarter’s equivalent dollars using the quarterly consumer price index (CPI), to remove inflation.

Source: Statistics NZ, Retail Sales (quarterly); Statistics NZ, CPI (quarterly); Auckland Council, calculations.

In Auckland, net migration for the year ended June 2017 was 36,650; in the rest of New Zealand, the figure was 35,655.

Net migration is arrivals minus departures, and here refers to international migration only (not between regions within New Zealand), and by permanent and long-term (PLT) migrants only (people arriving or departing for 12 months or more). This data includes returning New Zealand citizens who have been away for more than 12 months. “Rest of NZ” here includes “NZ region not specified”, which is a relatively large component; some of these will be migrating to/from Auckland, but have not here been included in the Auckland figures.

Source: Statistics NZ, International Travel And Migration Data (monthly).

In Auckland, tourism guest nights for the year ended May 2017 totalled 7,432,000; in the rest of New Zealand, the figure was 31,379,000.

Tourism guest nights here refers to both international and domestic tourists, but only when staying in short-term commercial accommodation covered by the Statistics NZ survey, such as hotels, motels, backpacker hostels, or holiday parks. It excludes private homes or parts thereof rented out typically via third party websites.

In Auckland, the total number of houses sold in the year ended June 2017 was 24,294. The median (not average) sale price of houses sold in Auckland in the month (not year) of June 2017 was $850,500. NOTE: From April 2017, REINZ2 revised “Auckland” to match Statistics NZ regions; all backdata has been revised to match.

The data here covers only “houses” that actually sold during the period. “Houses” here includes all dwelling types (eg apartments and flats), not just free-standing houses, but excludes sales of undeveloped land. “Price” here is actual sale price31 (not just listed).

[*] Prior months “real” prices are here calculated by inflating previous quarters’ dollars to the latest quarter’s equivalent dollars using the quarterly consumer price index (CPI). REINZ also revise backdata each month.

[2] Source: Real Estate Institute of New Zealand (REINZ), Housing Facts (monthly – by subscription) and from website; Statistics NZ, CPI (quarterly); Auckland Council, calculations.

In Auckland, the total number of new dwellings consented in the year ended June 2017 was 10,364. The real value43 of new non-residential buildings consented in Auckland in the year ended June 2017 was $1,780 million.

Projects consented are not necessarily commenced or completed. Consents here are for new projects only, (excludes alterations and additions), and the data takes no account of whether a previous building had been demolished there.

In March 2017 Statistics NZ revised September 2016 monthly dwellings result (affected annual totals to December 2016).

In Auckland, the number of people employed in the quarter (not year) ended March 2017 was 7.3% higher than in the March 2016 quarter. The unemployment rate in Auckland in the quarter (not year) ended March 2017 was 5.0%.

Both datasets are from a survey (HLFS) so are subject to error margins. Respondents define their own employment status. The survey covers all people aged 15+, so includes school pupils 15+ and people over 65, who might have - or be actively seeking - a job. Historical HLFS data to March 2016 was rebased in August 2016 by Statistics NZ, but is still not fully compatible with data from June 2016 onwards.


In Auckland, the Westpac McDermott Miller Consumer Confidence Index (CCI) for the June 2017 quarter (not year) was 113.5. The NZIER QSBO in Auckland for the June 2017 quarter (not year) showed a net 15.4% of businesses expecting an improvement of the general business situation over the next three months.

For the CCI, a score of greater than 100 shows more optimism than pessimism. The QSBO calculates a net figure as (% of businesses expecting an improvement) minus (% expecting a worsening). QSBO data used here is not the seasonally adjusted version.


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