



Situation and Outlook for Primary Industries

December
2018

Contents

NOTES

Annual figures are for the year ended June, unless otherwise noted. Currency figures are in New Zealand dollars, unless otherwise noted. Some totals may not add due to rounding.

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Publisher

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This publication is available on the Ministry for Primary Industries website at www.mpi.govt.nz

Further copies may be requested from SOPi@mpi.govt.nz

ISBN No. 978-1-98-857146-1 (online)

Overview	1
Dairy	8
Meat and wool	10
Forestry	12
Horticulture	14
Seafood	18
Arable	20
Other primary sector exports and foods	22

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Overview

A good start to 2019, but potential for volatility on the horizon

New Zealand's primary industry exports are forecast to increase by 3.8 percent for the year ending June 2019 to \$44.3 billion. Overall, the forecast has been increased \$505 million from the previous forecast round, boosted by higher prices in New Zealand dollar (NZD) terms and a positive production outlook so far this season.

This would be the fourth straight year of rising export revenue following the dairy downturn in 2015. Export revenue increased 11.7 percent last year, with higher export revenue across all primary industry sectors.

Horticulture is expected to be the fastest-growing export sector in 2019, driven by both strong consumer demand and good growing conditions for most horticultural crops in the most recent harvests.

Dairy export revenue is now forecast to reach \$17.2 billion in the year ended June 2019, a rise of 3.3 percent compared to the previous year. This rise has been driven by an increase in milk production following a very strong start to the dairy season. While prices are weakening for some key dairy commodities, the impact is offset by growth in higher value products such as infant formula, and a more favourable exchange rate.

Looking out beyond 2019, primary industry exports are forecast to fall slightly to \$44.0 billion for the year ended June 2020. Dairy production and export volumes are forecast to dip slightly, and red meat prices are expected to decline since prices are currently well above long run averages.

Most macroeconomic indicators are positive for the primary industries. The Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) has been ratified, and income growth across New Zealand's main trading partners remains robust.

However, at the time of publication, international markets have begun to experience an increase in volatility. This is particularly the case with respect to the New Zealand dollar (see page 4), but also with a recent fall in dairy commodity prices (page 8) and in equity markets around the world.

The underlying causes of this volatility are complex, but Brexit and the trade dispute between the US and China both highlight the uncertainty under which global markets are currently operating.

While the medium term implications for this volatility are yet to become apparent, the risks to primary industry exports have increased. In addition to market volatility, other potential challenges on the horizon include:

- **Weather:** Despite good pasture conditions this spring, an El Niño weather pattern is developing. While the impacts of each El Niño are different, they generally lead to drier conditions in the North and East of New Zealand.
- **Labour supply:** With unemployment rates currently at low levels and employment demand projected to increase, labour constraints are present not just in the primary industries, but across the New Zealand economy. The challenges created by this issue are often amplified by the seasonal nature of labour demand across the primary sectors. Part of this pressure has been addressed with the recent 15.8 percent increase in the Recognised Seasonal Employer Scheme cap on immigrant workers to 12,850.

Table 1: Primary industries export revenue, 2014–20 (NZ\$ million)

Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Dairy	17,791	14,050	13,289	14,638	16,655	17,200	16,890
Meat & wool	8,162	9,000	9,200	8,355	9,542	9,620	9,520
Forestry	5,199	4,683	5,140	5,482	6,382	6,660	6,590
Horticulture	3,805	4,185	5,000	5,165	5,376	6,020	6,030
Seafood	1,500	1,562	1,768	1,744	1,777	1,890	1,960
Arable	232	181	210	197	243	230	245
Other primary sector exports*	2,002	2,417	2,714	2,638	2,706	2,680	2,800
Total exports	38,692	36,079	37,323	38,219	42,682	44,300	44,035
% Change	+18.0%	-6.8%	+3.4%	+2.4%	+11.7%	+3.8%	-0.6%

Source: StatsNZ and MPI.

* Other Primary Sector Exports and Foods includes live animals, honey, and processed foods.

- **Biosecurity:** Initial results from this spring's bulk milk testing for *Mycoplasma bovis* leaves the Government cautiously optimistic that the disease can be eradicated. As at 22 November, *M. bovis* had been detected on just 3 additional farms as a result of this testing. Nationwide there are 34 active infected properties with a further 49 farms that have been depopulated, cleaned, repopulated and their regulatory controls lifted.
- **Climate change:** Adaptation to climate change is a long term challenge, and an increasing frequency of adverse events has the potential to drive production volatility for the primary industries from season to season.

- **Shifting consumer preferences:** Emerging consumer trends show that some consumers are increasingly concerned with more intangible attributes of the produce they eat, including environmental sustainability and animal welfare standards. See page 6 for one such example. While responding to these changing requirements is likely to impose increased costs and require adaptation for many of our primary sector producers, it can also present opportunities.

With these challenges in mind, enhancing the resilience of the primary industries becomes more important. That means managing risk proactively, having options available should something unexpected happen, and developing the information and skills needed to adapt on the fly.

Weather

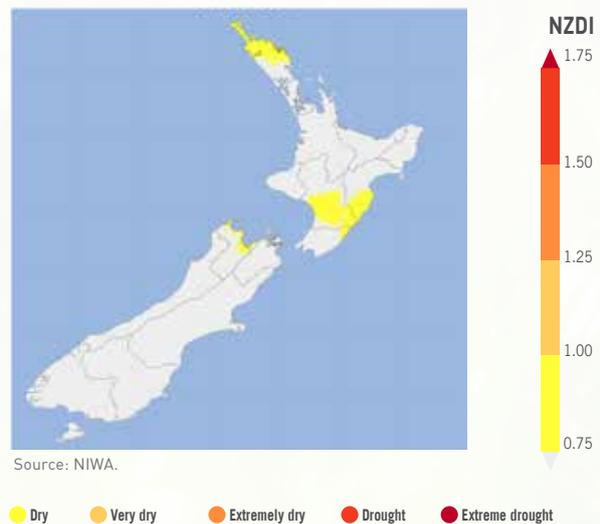
Spring has brought the usual mixed conditions across the country, but generally the second half of spring has been drier than normal for much of New Zealand up until the last two weeks of November. The National Institute of Water and Atmospheric Research (NIWA) forecasts that on average warm conditions are likely to extend through to January 2019, with soil moisture levels expected to be below normal across most areas.

Sea surface temperature patterns have seen NIWA raise the probability of an El Niño weather pattern developing to 94 percent by February 2019. This is expected to bring average or warmer temperatures over the country, with normal or below normal rainfall to most areas apart from the west of the South Island through summer. The non-standard El Niño pattern may even see these conditions extend past the usual December El Niño peak into autumn 2019.

While the chance of El Niño is looking increasingly likely, impacts from this climate factor can vary widely from one event to another. The effect of the 2015/16 El Niño were lessened when a mid-summer northerly wind change brought several rainfall events over much of the country, resulting in a good season for many sectors. Potential effects of El Niño are not limited to New Zealand, and changes in rainfall and temperature would be expected across areas bordering the Pacific, such as Australia and the Americas, affecting primary production there as well.

Dry areas starting to emerge in late spring

New Zealand drought index as at 7 December 2018





Dairy

Dairy export revenue is forecast to rise 3.3 percent to \$17.2 billion for the year ending June 2019. A forecast rise of 3.0 percent in milk production is expected to boost export volumes. While international price declines are forecast for key commodities such as whole milk powder (WMP), butter, and skim milk powder (SMP), this will be partially offset by a forecast weakening of the New Zealand dollar and continued strong prices for higher value dairy exports.



Meat and Wool

The outlook for meat and wool remains positive with strong red meat export and farm gate prices offsetting lower volumes forecast for 2019. Export revenue for the year ending June 2019 is forecast to reach \$9.6 billion, up 0.8 percent from the previous year. Edible offal, processed meat, poultry, and co-products continue to add to the sector's export performance, offset by a weaker outlook for wool, carpets, hides, and skins.



Forestry

The forecast for forestry export revenue in 2019 has been revised upward by \$280 million to \$6.7 billion, supported by a strong first quarter for log and sawn timber exports. Lower log inventories in China and signs of increasing log volumes to other markets are expected to offset the recent flattening in log export prices and support the remainder of the year. Domestically, sawn timber production reached a record 4.5 million cubic metres in the year to June 2018 while production for other forestry products is still trending downwards.



Horticulture

Horticulture export revenue is forecast to rise 12 percent for the year ending June 2019 to \$6.0 billion. Kiwifruit revenue is forecast to rise 21 percent over this period, driven by a large kiwifruit harvest in 2018 and rising kiwifruit prices. Wine revenue is forecast to rise 3.3 percent due to continued strong demand in North America, and apple and pear production and exports are at record levels.



Seafood

Export revenue from seafood is expected to increase to \$1.9 billion for the year to June 2019, up 6.3 percent from 2018. This growth is mostly due to higher prices. Demand from our key markets is expected to continue to increase while only limited growth in volumes is expected, particularly in wild capture fisheries. Growth in aquaculture production is expected to lead to higher export volumes in the future.



Arable

Arable export revenue for the year ending June 2019 is forecast to fall 5.2 percent to \$230 million as the impact of the poor 2018 harvest filters through to export receipts over the remainder of the year. Domestically however, strong prices have supported modest growth in crop planting for grain and cereal farmers.



Other primary sector exports

Export revenue from New Zealand's other primary sector exports and foods is expected to decrease slightly to \$2.7 billion for the year to June 2019, down 1.0 percent from 2018. Increases forecast in exports of honey and other products are expected to be more than offset by decreases in exports of sugar and confectionery, live animals, and innovative processed foods.

Macroeconomic environment

The weakening New Zealand dollar against other currencies provided a welcome boost to export values throughout 2018. However, since November the NZD has undergone a significant and sharp correction (Figure 1). While there doesn't appear to be any singular cause for this unexpected reversal, a more volatile trading environment for currencies and equities may be a side effect of rising geopolitical uncertainty, especially in light of the trade dispute between the US and China and the ongoing Brexit negotiations.

The falling NZD has benefitted exporters, but reversed sharply in November

Figure 1: New Zealand trade-weighted index Jan-Dec 2018



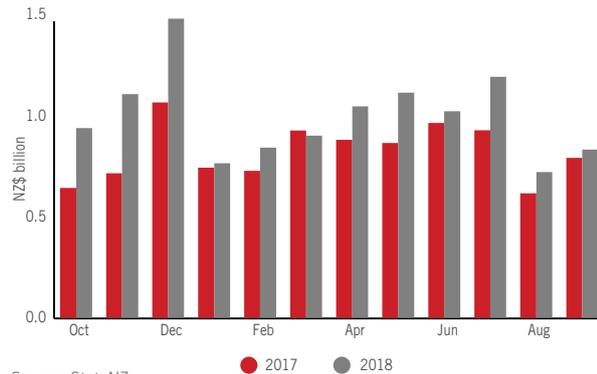
Source: RBNZ.

The outbreaks of African Swine Fever (ASF) in China and Europe continue to spread and have the potential, if not contained, to have a material impact on global protein markets. ASF does not pose a risk to human health, but it results in a high mortality rate for domesticated pigs and is easily spread through food waste and wild hogs. China represents around half of global pork production, and pork makes up around three quarters of Chinese meat consumption. The number of affected farms to date is small relative to the number of pigs in China, but they have been reported in most provinces across the country, indicating the scale of the challenge in containing ASF.

In addition to ASF, there have been some concerns about the Chinese economy in the past several months, including a lower GDP growth forecast by the International Monetary Fund, a falling currency diminishing purchasing power, and the trade dispute with the US. Despite this, Chinese demand for New Zealand's primary industry exports remains robust so far (Figure 2).

Primary industry exports to China continue to rise despite uncertainty

Figure 2: Primary industry export revenue to China, year ended September 2017-18



Source: StatsNZ.

Free trade agreements and Brexit

On 31 October, Australia joined New Zealand, Canada, Japan, Mexico, and Singapore in ratifying the CPTPP, taking the number of confirmed member nations to a majority of six. This multinational deal now represents the world's third largest, in terms of membership GDP, behind only the North American Free Trade Agreement and the European Single Market.

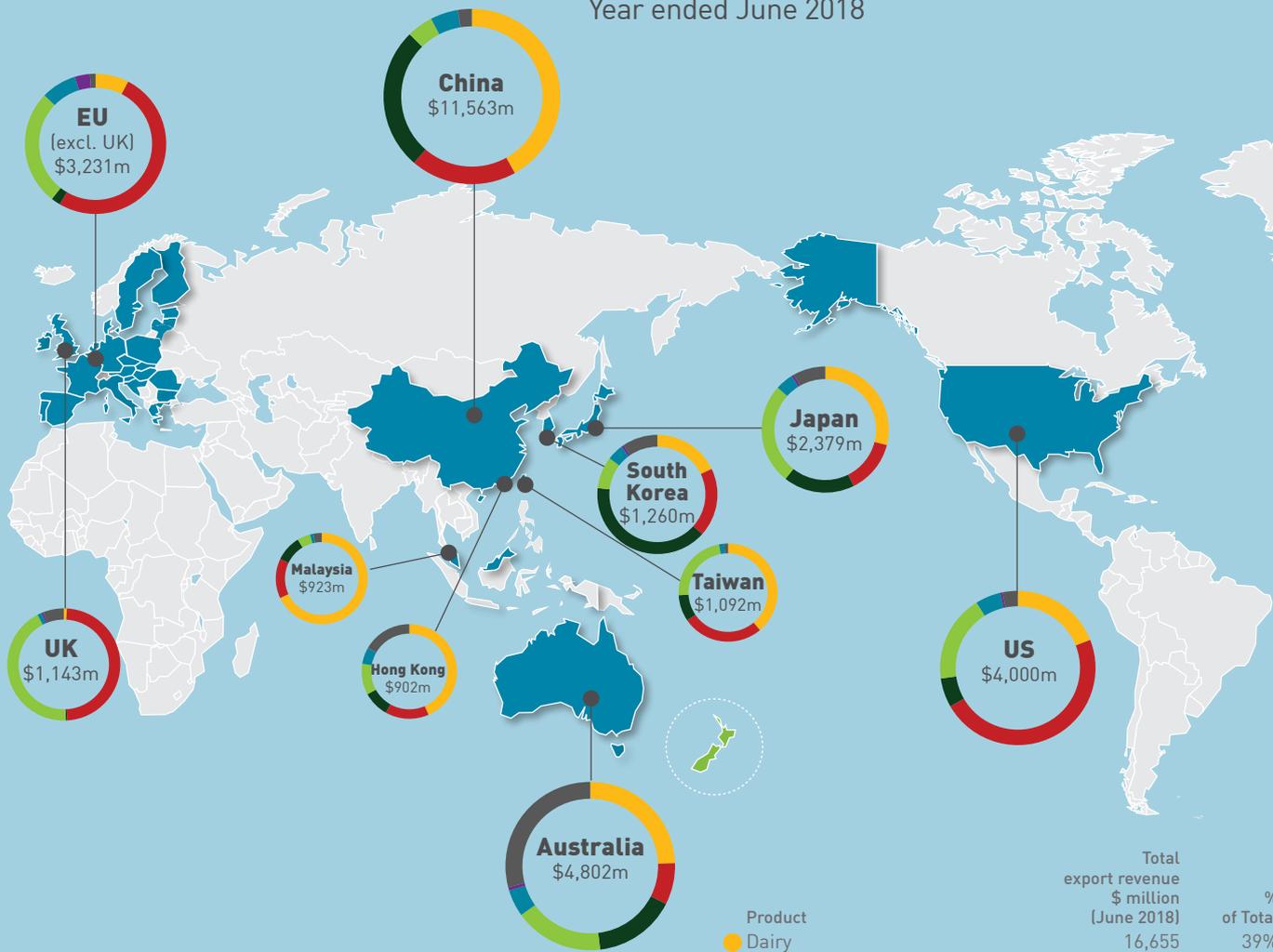
This agreement will come into force on the 30 December, with the expectation that it will provide additional trade opportunities to New Zealand's primary industries. New Zealand's beef exports to Japan could be one of the bigger beneficiaries. Japan is the world's second-largest beef importer and a key destination for New Zealand's premium cuts, both chilled and frozen.

In late March 2019, the United Kingdom (UK) will be leaving the European Union (EU). With the terms of the UK's departure yet to be agreed, this is creating increased uncertainty in global markets, including for agriculture. How quotas will be allocated for New Zealand's lamb exports to the UK and Europe are of particular focus for New Zealand in these negotiations.

New Zealand is currently in the early stages of negotiations of a Free Trade Agreement (FTA) with the EU, while the UK has also expressed interest in undertaking a FTA with New Zealand in the near future. Pursuit of these agreements will continue in the coming years as more certainty is developed around long term UK-EU relationship.

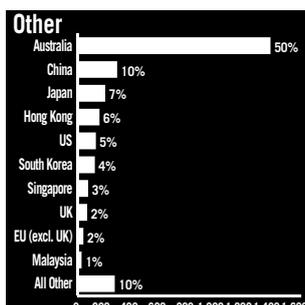
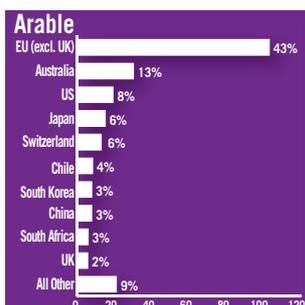
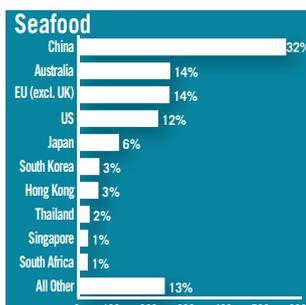
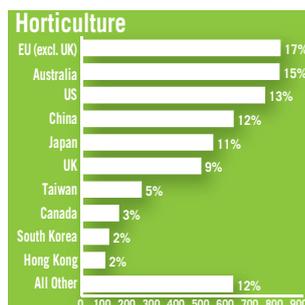
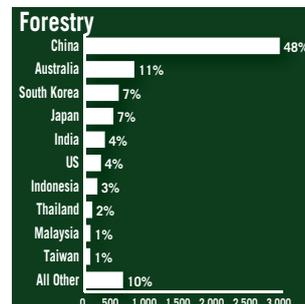
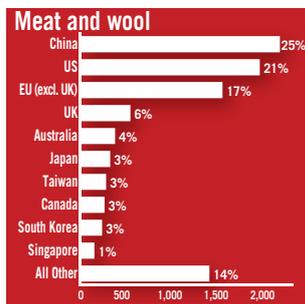
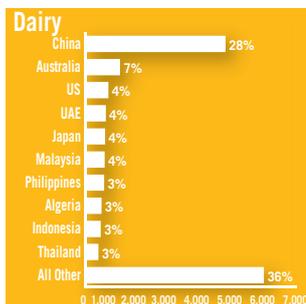
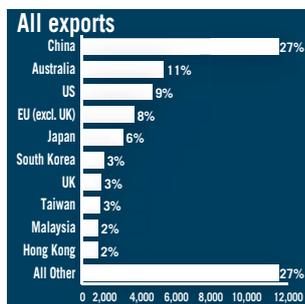
Top 10 export destinations

Year ended June 2018



Product	Total export revenue \$ million (June 2018)	% of Total
Dairy	16,655	39%
Meat and Wool	9,542	22%
Forestry	6,382	15%
Horticulture	5,376	13%
Seafood	1,777	4%
Arable	243	1%
Other primary sector	2,706	6%
Total primary industries	42,682	100%

Top markets (\$NZ millions, year ended June 2018)



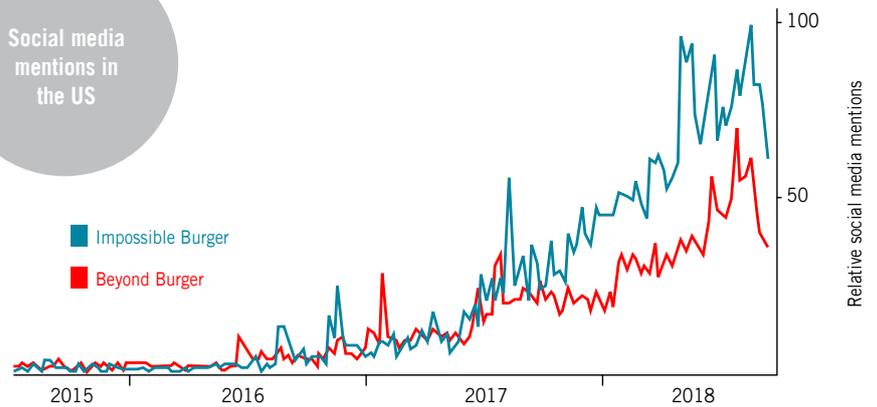
Impossible Burger Follow-Up

Awareness and availability of the Impossible Burger is trending up

In the June 2018 SOPI, the MPI's Economic Intelligence Unit (EIU) provided a snap-shot of its more in-depth findings on the consumer response to alternative proteins.

Since this last update, MPI's EIU has continued to monitor the consumer response to alternative proteins. This has resulted the following insights.

Social media mentions in the US



Reaching More Consumers

Awareness

Increased social media mentions and media stories have driven an increase in awareness of the Impossible burger in California since October 2017.



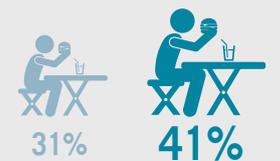
Availability

This increase in the number of restaurants selling Impossible Burgers and awareness combined has led to an increase in the number of consumers who try the burger after hearing about it.



Experimentation

The Impossible Burger is currently limited to restaurants, which limits opportunities for experimentation. Impossible Foods have announced that they will sell through retail outlets in the future.



Funding

Impossible foods continues to accumulate venture capital investment to fund its growth.



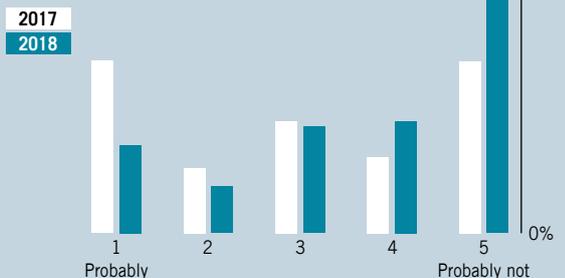
MARKET ACCEPTANCE is limited to socially-conscious consumers

Product functionality (price, taste, experience) has limited uptake of alternative proteins despite awareness growing. Approximately 25 percent of all consumers who have tried the Impossible Burger in New York and California report that they do not like the burger.

What are people saying about meat substitutes?



Do you think you will eat Impossible Burgers regularly?



A large number of early adopters were likely people actively looking for a meat product substitute. As awareness grows this uptake group will represent a smaller proportion of those who try the burger, reducing the uptake rate.

Consumers are primarily drawn to eating plant-based meat substitutes for environmental, animal welfare, and health reasons, and are generally willing to pay a premium.

Why do you consume plant based meat substitutes?



Taste is the most important factor for most meat consumers who purchase meat substitutes.

What factors are important to you when buying meat substitutes?



When the product enters the mainstream it is competing with traditional products on other more functionality-focused drivers:



Price

Taste

Experience

Data collected to date indicates the product does not currently compete on these functional attributes. This has meant the customer base is currently limited to those who are driven by less tangible benefits like sustainability and health.

Key Insights

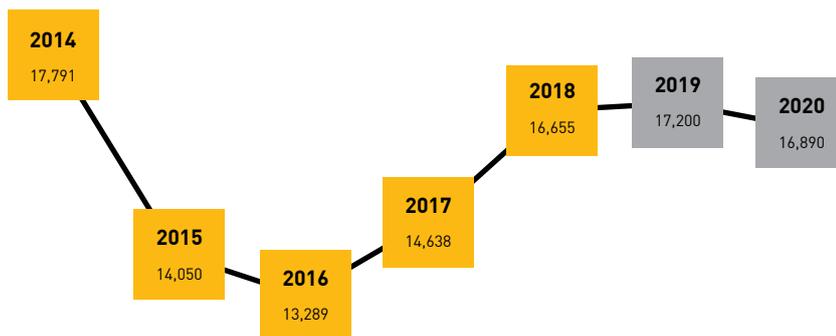
Focusing on the Impossible Burger; awareness has grown, but the uptake rate of “follow-on” consumers is low compared to the early adopters.

Function remains a core issue for all alternative protein producers, with the Impossible Burger still unable to satisfy mainstream consumers in a manner comparable to meat-based equivalent products.

This functionality issue will likely limit the potential for such alternative proteins to disrupt the current traditional meat industry until the product improves.

Dairy

New Zealand's dairy export revenue is forecast to rise 3.3 percent to \$17.2 billion for the year ending June 2019. A forecast rise of 3.0 percent in milk production is expected to boost export volumes. While international price declines are forecast for some key commodities, this will be partially offset by a forecast weakening of the New Zealand dollar and continued strong prices for higher value dairy exports. However, forecast price weakness in key reference commodity products such as whole milk powder (WMP), butter, and skim milk powder (SMP) is still expected to impact New Zealand farmers, with farm-gate milk price pay-outs likely to fall for the 2018/19 season.



- Increased winter milking and favourable weather conditions have contributed to a 6.0 percent increase in milk solids production for the first four months of the dairy season, compared to last year. We are forecasting a 3.0 percent increase in New Zealand's milk solids production for the 2018/19 season, with moderate production growth, through to February, before production returns to levels slightly below the exceptional finish recorded in the previous year (Figure 3).

Milk solids production forecast to increase for first time since 2014/15

Figure 3: New Zealand milk solids production, year ended May 2014-20.



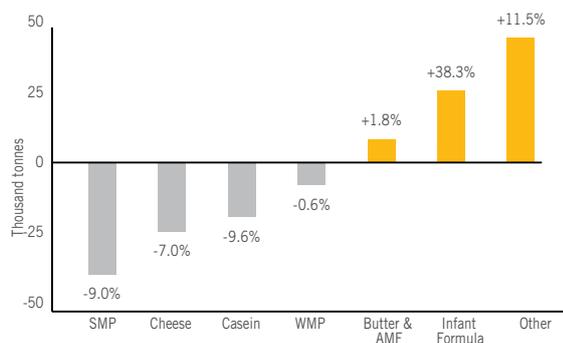
Source: StatsNZ and MPI.

- Downside risks to continued production growth do exist however, including a likely transition towards an El Niño weather pattern in the summer months. The new disincentives introduced for the use of some supplementary feeds will add to the uncertainty if pasture conditions falter in some regions.
- While total dairy exports have increased 10.3 percent to \$16.9 billion for the year ended September 2018, the mix of

products is changing. Increased supply relative to international demand for commodity products such as SMP, cheese, casein and WMP has translated into lower export volumes into key markets in Asia, the Middle East, and the US. However, increasingly these are being substituted for butter and higher value products such as infant formula (Figure 4).

Product mix for dairy exports toward higher value products

Figure 4: Percent change in export volume, year ended September 2017-18.

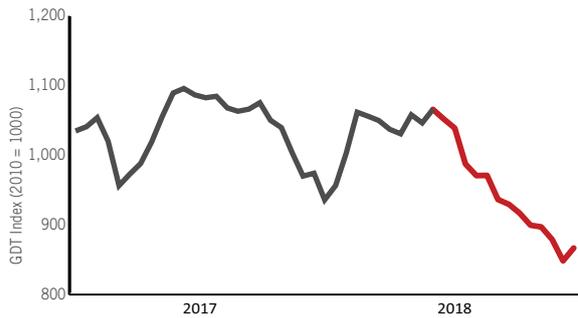


Source: StatsNZ.

- The implications of an increased milk supply from New Zealand has also placed downward pressure on global dairy commodity prices. Against a backdrop of increased milk supply in both Europe and the US, New Zealand's increased production is contributing to a market imbalance with supplies currently exceeding demand. As a result, Global Dairy Trade (GDT) auction WMP powder prices have declined 16.8 percent since the beginning of this dairy season with butter and anhydrous milk fat (AMF) posting falls of 32.9 percent and 23.6 percent, respectively (Figure 5).

GDT index has fallen 17.7 percent since the beginning of the 2018/19 dairy production season

Figure 5: GDT index Jan 2017-Dec 2018 (USD)



Source: Global Dairy Trade.

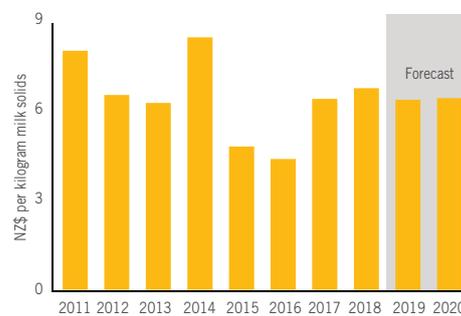
- In the short term, the impact on New Zealand's exporters will be somewhat cushioned by the recent weakening in the New Zealand dollar over the same period, which is forecast to continue for the next few quarters. International prices for butter and WMP from the Oceania region are currently at a discount to EU and US equivalents. Looking to the second half of the next calendar year we expect price stability to return for our exporters, with flat to modest price growth forecast for WMP, SMP, and butter. While demand from New Zealand's largest export partner, China, appears to be holding, there are downside risks appearing, with a lower growth forecast for the Chinese economy over the next year.
- Looking ahead, the opening of Fonterra's Darfield cream cheese plant and a third mozzarella plant at Clondeboy are

expected to help boost cheese exports for the year ending June 2019 by \$125 million to over \$2.0 billion. In addition, strong growth is forecast to continue for infant formula (up 18.5 percent to almost \$1.5 billion) and other high value products, driven by sustained demand growth from China.

- The impact of falling global dairy commodity prices will translate into lower farm-gate milk prices for the upcoming 2018/19 season (Figure 6). Accordingly, we have lowered New Zealand's all company average farm gate milk solids payout forecast for the 2018/19 season downwards to \$6.33 (including dividend). This impact will offset the benefits of increased production for New Zealand dairy farmers' profitability for the coming year.

Farmgate milk solids price outlook revised downwards from previous forecast

Figure 6: New Zealand all company average farmgate milk solids payment (including dividend), year ended May 2011-20



Source: DairyNZ and MPI.

Table 2: Dairy export revenue, 2014-20 (NZ\$ million)

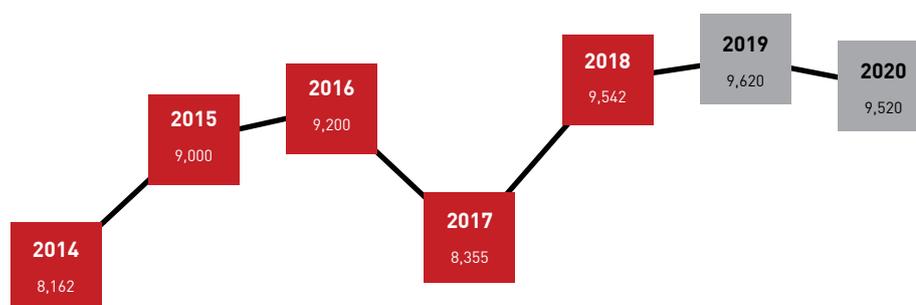
Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Whole milk powder	8,393	5,385	4,609	5,271	5,818	5,930	5,600
Butter, AMF, and cream	2,699	2,219	2,378	2,794	3,812	3,700	3,410
Skim milk & butter milk powder	2,285	1,762	1,347	1,385	1,228	1,330	1,390
Casein & protein products	1,925	2,129	1,834	1,735	1,601	1,560	1,670
Cheese	1,482	1,557	1,720	1,830	1,905	2,030	2,070
Infant formula	401	415	685	778	1,240	1,470	1,510
Other dairy products*	607	582	716	845	1,050	1,190	1,240
Total	17,791	14,050	13,289	14,638	16,655	17,200	16,890
% Change	+35.4%	-21.0%	-5.4%	+10.1%	+13.8%	+3.3%	-1.8%

Source: StatsNZ and MPI.

* Other dairy products include: liquid milk and cream, ultra-high temperature milk, yoghurt, and ice cream.

Meat and Wool

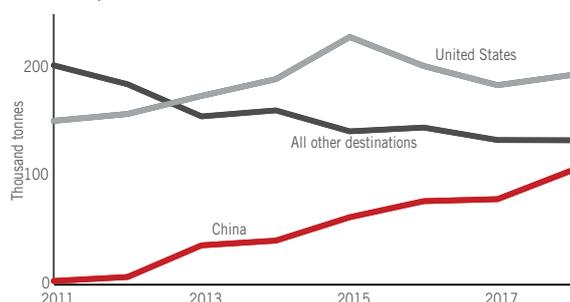
The outlook for meat and wool remains positive with strong red meat export and farmgate prices offsetting lower volumes forecast for 2019. Export revenue for the year ending June 2019 is forecast to reach \$9.6 billion, up 0.8 percent from the previous year. Edible offal, processed meat, poultry, and co-products continue to add to the sector's export performance, offset by a weaker outlook for wool, carpets, hides, and skins.



- A stronger outlook for beef and veal is the main driver behind the higher meat and wool forecast as compared to the previous forecast round. Export prices are now forecast to continue hovering around the \$7.00 per kg mark, with offsetting market influences in play. Dry conditions in Australia and the US have resulted in more cull cows and an increase in lean manufacturing beef supplies. In contrast, strong demand for prime and secondary cuts in important markets including Japan, Taiwan, and China have helped prices for those products remain in positive territory. As shown in Figure 7, China is an increasingly important market for New Zealand beef and veal exports.

China is now the destination for a quarter of beef and veal exports by volume

Figure 7: Beef and veal export volume by destination, year ended September 2011-18



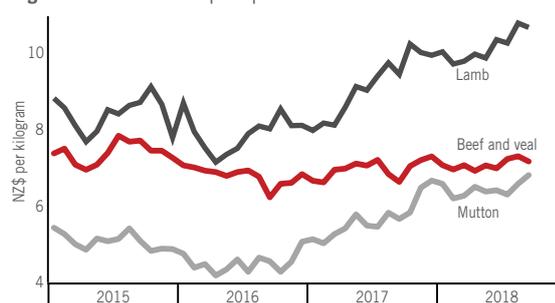
Source: Stats NZ.

- Lamb and mutton export prices continue to strengthen, supported by strong consumer demand and production constraints in New Zealand and overseas (Figure 8). Competing sheep meat supplies from the UK and Australia are expected to be limited for at least this season, if not longer, while those flocks recover from drought. New Zealand lamb and mutton export volumes are also forecast to fall, due to last year's high farmgate prices incentivising increased

sales to meat processors and lowering the number of breeding ewes carried over.

Lamb and mutton export prices strong heading into summer

Figure 8: Red meat export prices 2015-18

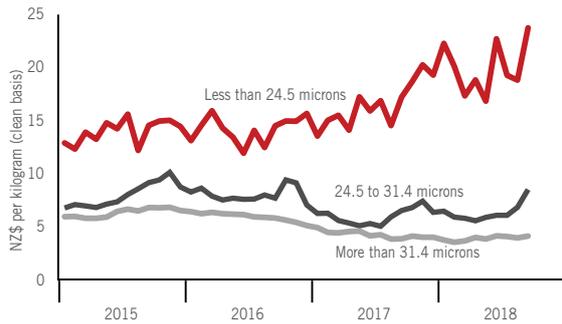


Source: Stats NZ.

- Sheep and beef farm profitability in the current season is forecast to remain above \$200 per hectare for the second consecutive year, according to Beef + Lamb NZ. This forecast is supported by buoyant red meat prices and positive weather so far this year. Lambing rates this spring are reported to be slightly higher than last year's excellent result, but from fewer breeding ewes. One risk on the horizon is the potential for deteriorating pasture conditions this summer if an El Niño develops.
- Coarse wool prices have risen slightly over the past year, but remain low by historical standards. Strong consumer demand and constrained supply from Australia continue to push fine wool prices higher, and now prices for mid-micron wool are starting to increase as well (Figure 9). Hide and skin exports are beset by similar issues as coarse wool; Chinese imports have fallen away with no new sources of demand yet emerging.

Price difference across wool grades greater than ever, and mid-micron prices are starting to rise

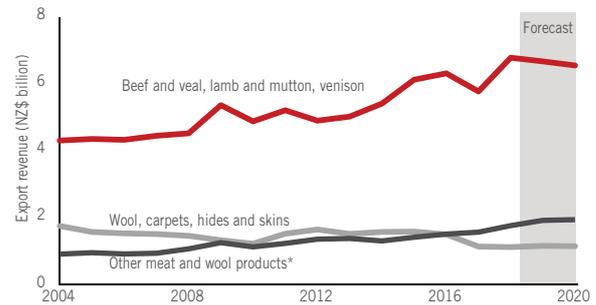
Figure 9: Wool export prices by grade, 2015-18



Source: StatsNZ and MPI.

Other pastoral product exports adding to meat and wool sector performance

Figure 10: Export revenue by broad category, year ended June 2004-20



Source: Stats NZ and MPI.

* Other meat and wool products include by-products, animal products for feed, fats and oils, and other meat.

- As shown in Figure 10, about one third of the meat and wool sector's export revenue comes from products other than red meat, and the drivers here are changing. Export revenue from animal fibres – wool, carpets, hides, and skins – have fallen over an extended period of time but particularly since 2015. In contrast, exports of other meat and wool products – including processed meat, edible offal, petfood, blood products, and velvet – are accounting for an increasing share of the sector's export performance. This disparate group of products are unified by a focus on health and lifestyle, and both of those themes are key drivers in global consumption trends.

Table 3: Meat and wool export revenue 2014-20 (NZ\$ million)

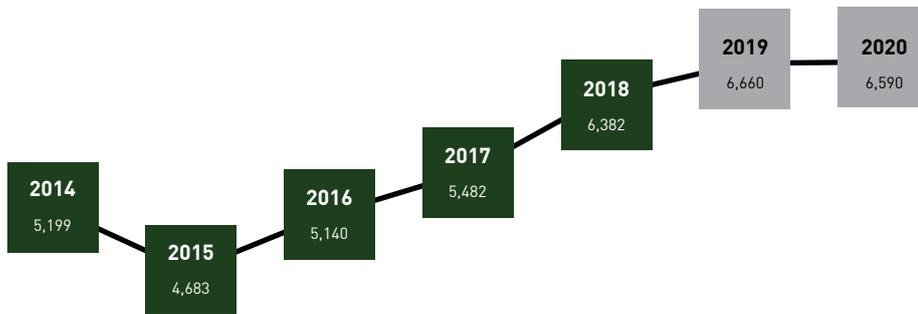
Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Beef & veal	2,199	2,980	3,096	2,706	2,943	2,870	2,860
Lamb	2,485	2,504	2,569	2,441	3,018	3,050	2,960
Mutton	488	418	419	417	575	510	490
Wool	733	805	760	522	543	550	550
Venison	187	174	182	162	196	190	180
Other meat*	438	466	503	513	543	630	640
Hides & Skins	625	570	509	416	396	420	420
Animal by-products	489	578	598	587	700	730	730
Animal fats & oils	130	118	125	156	147	150	150
Animal products for feed	209	216	247	273	332	380	380
Carpets & other wool products	178	172	192	163	148	140	150
Total	8,162	9,000	9,200	8,355	9,542	9,620	9,520
% Change	+4.7%	+10.3%	+2.2%	-9.2%	+14.2%	+0.8%	-1.0%

Source: StatsNZ and MPI.

* Other meat includes: edible offal, processed meat, and poultry.

Forestry

The forecast for forestry export revenue in 2019 has been revised upward by \$280 million to \$6.7 billion, supported by a strong first quarter for log and sawn timber exports. Lower log inventories in China and signs of increasing log volumes to other markets are expected to offset the recent flattening in log export prices and support the remainder of the year. Domestically, sawn timber production reached a record 4.5 million cubic metres in the year to June 2018 while production for other forestry products is still trending downwards.



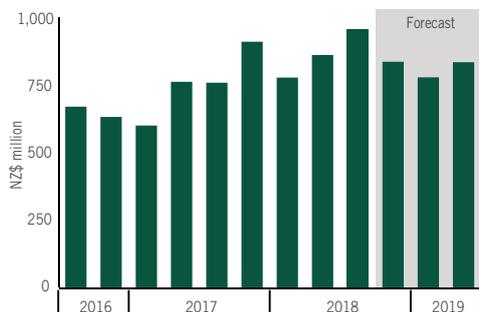
- Total harvest volumes continue to break records, with volumes for the June 2018 quarter (9.0 million cubic metres) estimated to be 5 percent higher than the same quarter last year.
- The 2019 forecast has been revised upwards from \$6.4 billion to \$6.7 billion. One driver of the revision was a strong September quarter which had record high log export volumes and revenue (Figure 11) and sawn timber volumes last seen in 2013. In addition, positive indicators for Chinese demand are expected to keep exports strong for the remainder of the year.
- Volume is driving the increase for log revenue. Prices for export logs grades are staying steady, with only pruned log prices improving.

the past year to \$90 million in the September quarter from a near zero base last year. It is uncertain whether these logs are destined for the Singapore market or some other final destination.

- Sawn timber exports for the September quarter were boosted by higher volumes to traditional markets, with a record level to Indonesia and high volumes to both Saudi Arabia and the US.
- Domestically, log prices have generally risen over the last year, with only utility sawlogs (L1 and L2) showing a decrease in price.
- Sawn timber production continues to climb, with a record 4.5 million cubic metres produced in the year ended June 2018, up 3 percent on the previous year (Figure 12).

Record log export revenue in the September 2018 quarter

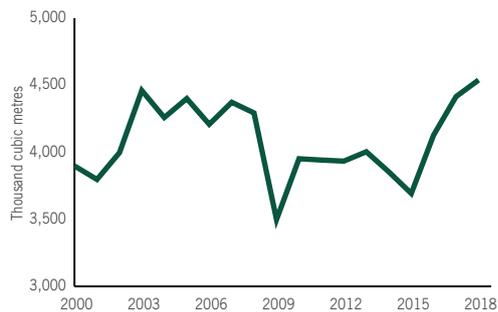
Figure 11: Quarterly log export revenue Sep 2016-Jun 2019



Source: StatsNZ.

Sawn timber production the highest since 2003

Figure 12: Sawn timber production, year ended June 2000-18



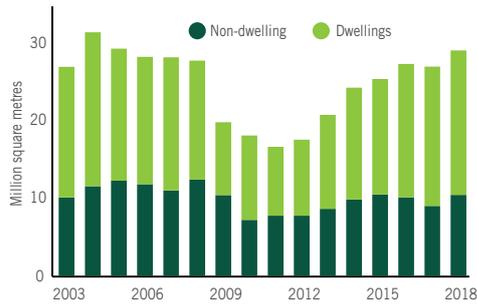
Source: MPI.

- Log inventories at Chinese ports have reduced since March 2018 and are down to levels last seen two years ago. Increases in Chinese construction activity have lifted the offtake rate, which is expected to lead to increased demand for logs.
- The increase for log exports this quarter was primarily driven by improved exports to India, South Korea, and Singapore. Log exports to Singapore have increased significantly over

- An increase in residential (dwelling) building consents (Figure 13) should support the continued recovery in sawn timber production after a drop in consents in the aftermath of the global financial crisis (GFC).

Consented floor area continues to rise following a decrease after the GFC

Figure 13: New Zealand building consents by area, year ended June 2003-18

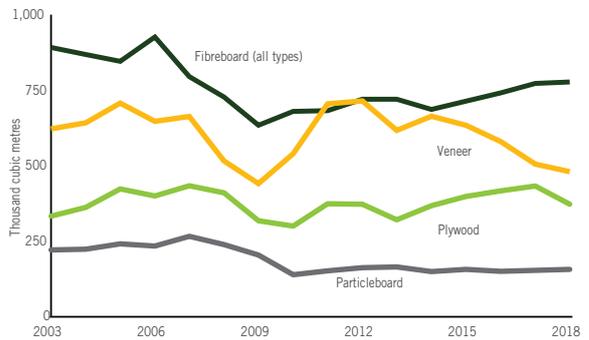


Source: StatsNZ.

- Production of panels, such as plywood and fibreboard, continue to reduce following a drop and small recovery around the GFC (Figure 14). Veneer production has also been more impacted by mill closures than other panel types. Longer term total panel production is likely to increase due to plans for a new 600 thousand cubic metre particle board plant in Kawerau to be online around 2020.
- The usual winter drop-off in domestic production did not happen this year. This may indicate smaller forest owners are investing in infrastructure to support year-round harvesting. This would have supported domestic processing levels. Longer term, forestry still faces challenges due to labour constraints and the need to improve transport links.

Panel production has fluctuated since 2003, with veneer showing most variability since the GFC in part due to mill closures

Figure 14: Domestic panel production volume, year ending June 2003-18



Source: MPI.

Table 4: Forestry export revenue 2014-20 (NZ\$ million)

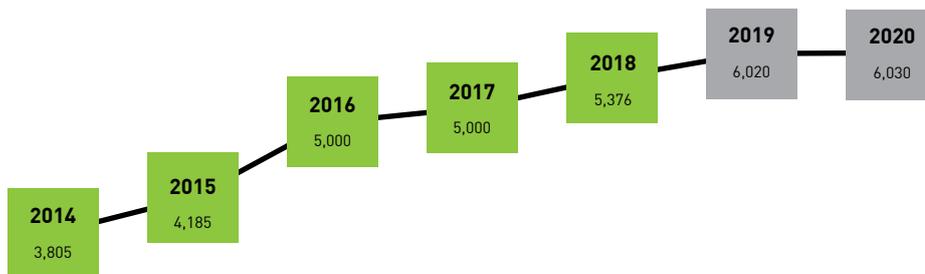
Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Logs	2,541	2,059	2,224	2,687	3,337	3,440	3,420
Sawn timber & sleepers	787	751	860	830	890	930	940
Pulp	606	631	687	655	833	930	880
Paper & paperboard	477	470	518	484	485	510	510
Panels	407	451	512	476	501	510	520
Chips	51	52	64	59	56	60	60
Other forestry products*	331	268	275	290	281	270	260
Total	5,199	4,683	5,140	5,482	6,382	6,660	6,590
% Change	+14.9%	-9.9%	+9.8%	+6.7%	+16.4%	+4.4%	-1.1%

Source: StatsNZ and MPI.

* Other forest products include: structural or moulded wood, furniture, and prefabricated buildings.

Horticulture

Horticulture export revenue is forecast to rise 12 percent for the year ending June 2019 to \$6.0 billion. Kiwifruit revenue is forecast to rise 21 percent over this period, driven by a large kiwifruit harvest in 2018 and rising kiwifruit prices. Wine revenue is forecast to rise 3.3 percent due to continued strong demand in North America, and apple and pear production and exports are at record levels.



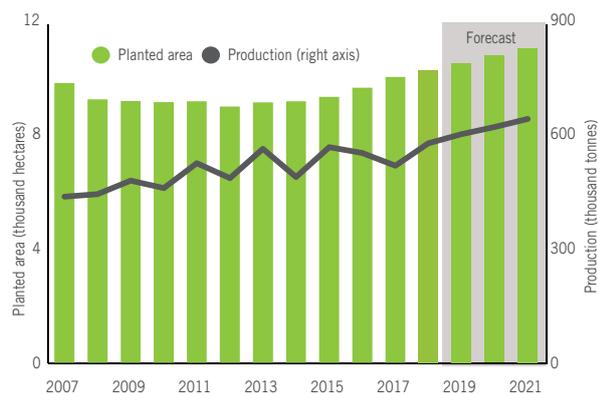
Apple and Pears

- The 2018 apple and pear export season is near completion, with new records being set. Exports are expected to reach 378 thousand tonnes (21 million cartons) and \$780 million for the year ending December 2018, in line with the previous forecast. Strong demand from European and Asian markets have lifted the average export price to a new high of \$37.15 per export carton.
- In the Hawke's Bay region (65 percent of New Zealand's apple and pear orchard area), climatic conditions during pollination and fruit set have been favourable for the 2019 crop. Fruit development is running behind last year (which was an early season) but close to normal timing for the region. Apple and pear exports are forecast to increase in 2019 and beyond due to young trees maturing and the ongoing increase in planted area.
- Orchard replanting and new plantings are expected to continue, with the total planted area forecast to reach 11,000 hectares by 2021 (Figure 15). The high profitability of apple production is attracting new entrants to the industry, such as cropping farmers with suitable land and reliable water supply, and investors.



Planted area forecast to reach 11,000 hectares by 2021

Figure 15: New Zealand apple and pear planted area and production, year ended December 2007-21



Source: New Zealand Apples & Pears Inc. and MPI.

- Price expectations for New Zealand apples and pears in 2019 are influenced by:
 - a reduced apple crop in China from frost damage (down by 25 percent on the prior year);
 - a large apple crop in Europe (up by 35 percent on the prior year); and
 - a slightly lower New Zealand dollar against the US dollar and euro compared with the 2018 exporting season.
- Export price projections show a gradual lift (in New Zealand dollar terms) over the outlook period but at a slower pace than in recent forecasts, based on recent and anticipated trends in variety mix and rising global apple production.

Kiwifruit

- A strong export season continues for kiwifruit, off the back of a bumper harvest earlier in 2018. As at September 2018, export revenue was around 25 percent higher than the same point the previous two years. Export prices are at record levels despite a nearly 25 percent increase in production this year, and export revenue is forecast to rise to \$2.2 billion for the year ended March 2019 (Figure 16).

Record export prices for the 2018 crop despite high volumes

Figure 16: Kiwifruit export volumes and prices, year ended March 2010-19

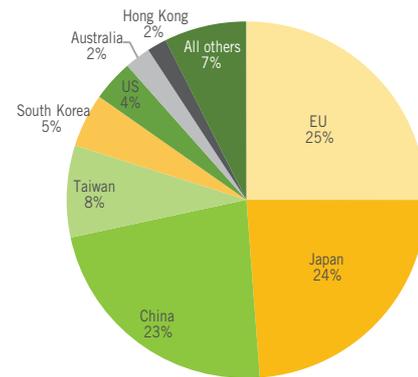


Source: Stats NZ and MPI.

- With Northern Hemisphere kiwifruit beginning to be picked now, New Zealand prices may come under pressure as this fruit enters the market. This pressure should be mitigated to a degree by consumer preference for New Zealand fruit, as demonstrated by the higher consumer ratings on Chinese e-commerce platforms. Long-term risks to New Zealand's market share exist as other countries seek to develop their own kiwifruit varieties to emulate the success of Gold3.
- A positive development is the reduction in tariffs due to Free Trade Agreements. The CPTPP is now ratified, introducing immediate duty-free access to Japan. The 2015 FTA with South Korea is seeing kiwifruit tariffs being phased out from 45 percent in 2014 to zero by 2020, providing an opportunity to expand that market. Japan and South Korea accounted for 21 and 5 percent, respectively, of kiwifruit export revenue in the year ended June 2018.
- The top 3 export markets of China, Japan and the EU account for 72 percent of kiwifruit export revenue (Figure 17). However, several smaller markets have shown significant growth over the last 5 years, mainly in gold varieties (Figure 18).

Most kiwifruit exports go to the three largest destinations

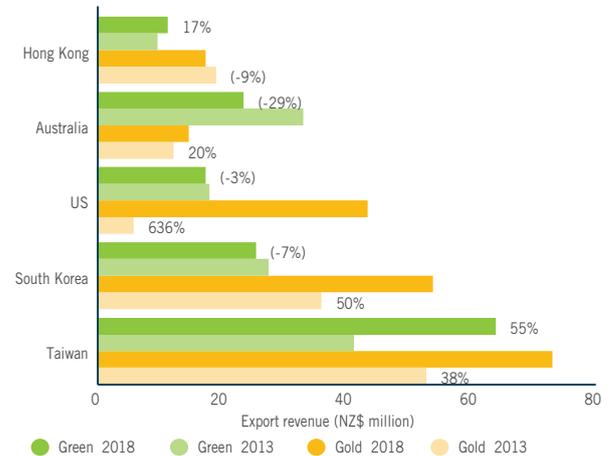
Figure 17: Kiwifruit export revenue by destination, year ended March 2018



Source: Stats NZ.

Smaller markets for kiwifruit growing quickly

Figure 18: Export trends to selected markets, year ended March 2013-18



Source: Stats NZ.

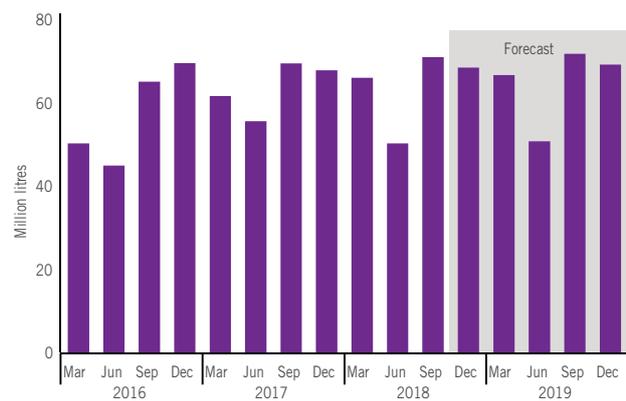


Wine

- Wine exports are forecast to increase 3 percent to \$1.75 billion for the year ended June 2019, driven by strong demand from North America. With the CPTTP entering into force on 30 December 2018, New Zealand wine will now benefit from duty free access into Canada upon entry into force. Wine exports to Canada currently account for 7.6 percent of New Zealand's wine export revenue, and consumer tastes for wine in Canada are comparable to the US, where Marlborough sauvignon blanc has proved popular.
- As seen in Figure 19, volumes exported in the September quarter were the strongest ever, with just over 71 million litres being exported. This quarter is traditionally the strongest for the wine industry, closely followed by December, reflecting inventory build-up in our export markets for the Christmas period. The June quarter has the lowest exports reflecting the constraints on bottling as wineries switch their focus to producing next year's vintage.

Record wine shipments in the September 2019 quarter

Figure 19: Quarterly wine export volume, 2016-19



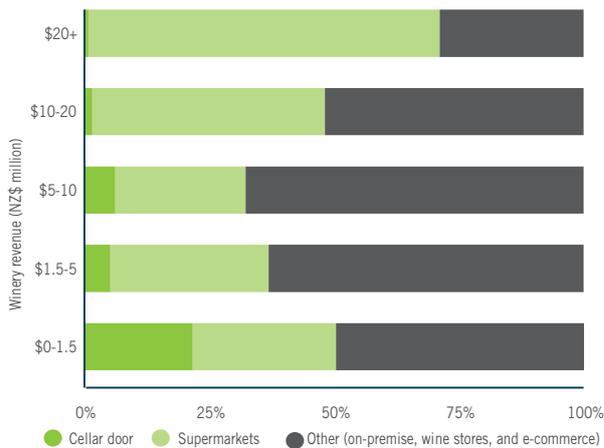
Source: Stats NZ.



- For smaller producers in regions such as Central Otago, Waipara, and Wairarapa, the domestic market represents a larger source of their total revenue. As can be seen from Figure 20, the high margin cellar door revenue represents an important sales channel for these small wine regions. As wineries increase in size, the relative importance of these domestic sales channels shifts from cellar door sales, wine shops, bars, and restaurants increasingly into higher volume avenues such as supermarkets and the export market. This highlights the importance of wine tourism for smaller producers in many of New Zealand's wine growing regions.

Smaller wineries depend more on cellar door sales

Figure 20: Domestic winery sales by channel and size of winery, 2017



Source: Deloitte and ANZ.

Other horticulture

- Cherry export revenue is forecast to increase 25 percent to \$100 million over the next four years. Plans to plant an additional 465 hectares of orchards in Central Otago over the next 4-5 years reflects strong optimism for the profitability of the sector. This would be a significant increase on New Zealand's total cherry orchard area of 726 hectares as at 2017.
- New Zealand's cherry industry remains much smaller than competing growing regions such as Chile, where 25,000 hectares are planted in cherries as of 2016. However, New Zealand's products compare favourably in markets, with 137 percent price premium over Chilean cherries in the Chinese market in 2017.
- Avocado exports are well underway for this season, with the mid-range yields expected, following last season's low-yielding crop. The forecast value for the year ending June 2019 is \$130 million.
- While Australia is the destination for 85 percent of New Zealand's avocado exports on average, newly opened access to China provides additional opportunities. Australian domestic production has increased on average 12 percent per year over the last 4 years, which could start to put pressure on the market for New Zealand fruit, although domestic consumption there has seen similarly strong growth.

Table 5: Horticulture export revenue 2014-20 (NZ\$ million)

Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Kiwifruit	931	1,182	1,673	1,664	1,861	2,250	2,140
Wine	1,323	1,408	1,558	1,661	1,694	1,750	1,800
Apples & pears	547	571	701	701	745	840	850
Fresh & processed vegetables*	606	588	612	614	622	670	660
Other horticulture**	398	436	456	525	455	520	580
Total	3,805	4,185	5,000	5,165	5,376	6,020	6,030
% Change	+7.3%	+10.0%	+19.5%	+3.3%	+4.1%	+12.0%	+0.2%

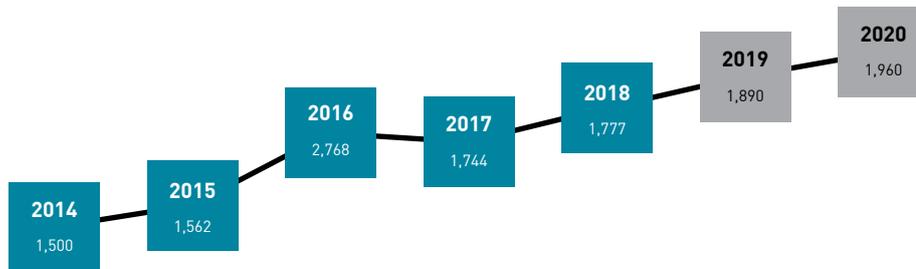
Source: StatsNZ and MPI.

* Fresh vegetable exports include onions, squash, capsicum, potatoes and other fresh vegetables. Processed vegetable exports include frozen vegetables (including frozen potatoes, peas, sweetcorn, etc.), dried vegetables, dry legumes, prepared and/or preserved vegetables, and vegetable juices.

** Other horticulture exports include: other fresh fruit (including avocados, cherries, blueberries, etc.), frozen and processed fruit, fruit juices, nuts and ornamentals.

Seafood

Export revenue from seafood is expected to increase to \$1.9 billion for the year to June 2019, up 6.3 percent from 2018. This growth is mostly due to higher prices. Demand from our key markets is expected to continue to increase while only limited growth in volumes is expected, particularly in wild capture fisheries. Growth in aquaculture production is expected to lead to higher export volumes in the future.



- Seafood export earnings reached \$1.8 billion in the year ended June 2018, up 1.9 percent on the previous year. This was driven by a 4.2 percent increase in prices balanced by a 2.2 percent decrease in export volumes. We expect strong prices and increased aquaculture export volumes to boost export earnings to just under \$2.0 billion by 2020 (Figure 21).
- Wild capture export volumes were down 2.0 percent in the year ended June 2018 due to natural fluctuations in catch volumes. However, a cyclical rebound in export volumes was expected in the year ended June 2019 and the coming years. This will be dampened by a decision by quota owners to shelve (not catch) 20,000 tonnes (22 percent) of West Coast hoki quota as a precautionary measure in the 2018/19 fishing year. Hoki is New Zealand's largest fishery in terms of catch volumes, making up one-third of the total landed weight.

and export volumes declined in the September quarter 2018, raising prices significantly in Europe (43 percent) and US (40 percent) markets (Figure 22).

- As the algal bloom has now disappeared, production and export volumes are expected to rise in the coming quarters, and prices are likely to soften in the short term. The availability of hatchery bred mussel spat and an increase in salmon production is expected to contribute to a further increase in export volumes in the coming years.

Seafood export revenue lifted by strong prices

Figure 21: Seafood export revenue, year ended June 2014-20

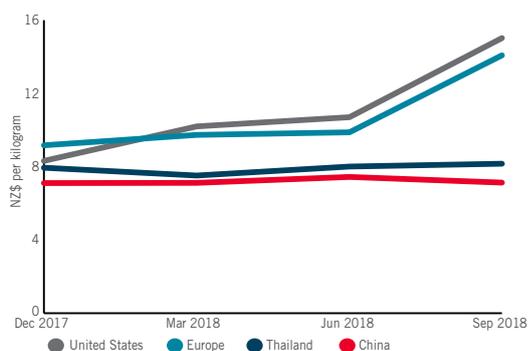


Source: StatsNZ and MPI.

- A large number of mussel farms were closed for harvesting due to a harmful algal bloom in parts of the Marlborough Sounds from May to August 2018. As a result, production

Algal bloom disrupts mussel production, temporarily lifting prices

Figure 22: Mussel export prices by destination, past 4 quarters

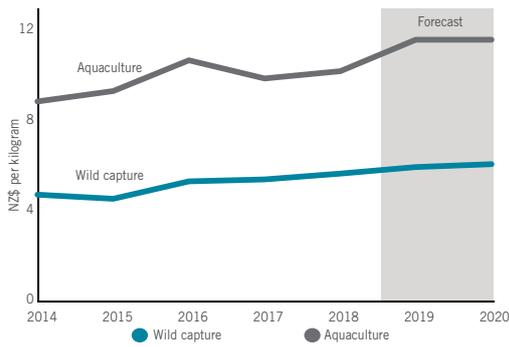


Source: StatsNZ.

- Overall, seafood prices improved by 4.2 percent in the June year 2018 due to a combination of lower supply and higher demand from key markets. Key species that performed well include squid (30 percent up), mackerel (10 percent up), mussels (2 percent up), and rock lobster (2 percent up). Export prices for these products are expected to remain high given the strong demand from our key markets, combined with lower levels of global supply from wild capture fisheries expected in the coming years (Figure 23).

Favourable exchange rates and limited global supply lift prices

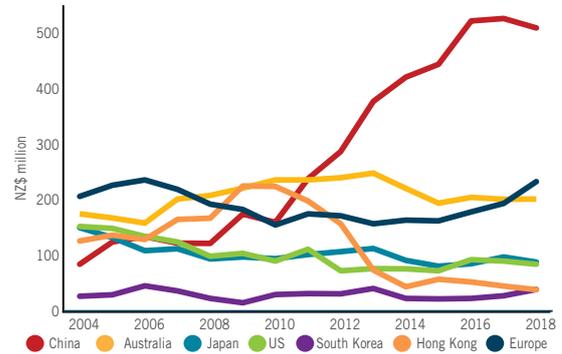
Figure 23: Seafood export prices, year ended June 2014-2020



Source: StatsNZ and MPI.

China remains the top destination for New Zealand seafood exports

Figure 24: Seafood export revenue by destination, year ended 2004-18



Source: StatsNZ and MPI.

- Overall seafood prices are expected to remain high given the increased demand from our key export markets underpinned by their steady economic outlook. Exports to China are continuing to grow significantly while exports to our other main markets (Europe, the United States, Australia and Japan) are showing much slower growth (Figure 24). In addition, there is a limited scope for global supply of wild capture fisheries, along with expected cuts in whitefish quota (particularly cod and haddock in the North Sea and hoki in New Zealand) and a drop in supply of main whitefish species by 2.6 percent in 2019.
- The lower NZD relative to 2017 and 2018 has improved take-home prices for New Zealand exporters. As a result, NZD prices for New Zealand seafood products are expected to improve, particularly in the year ending June 2019.

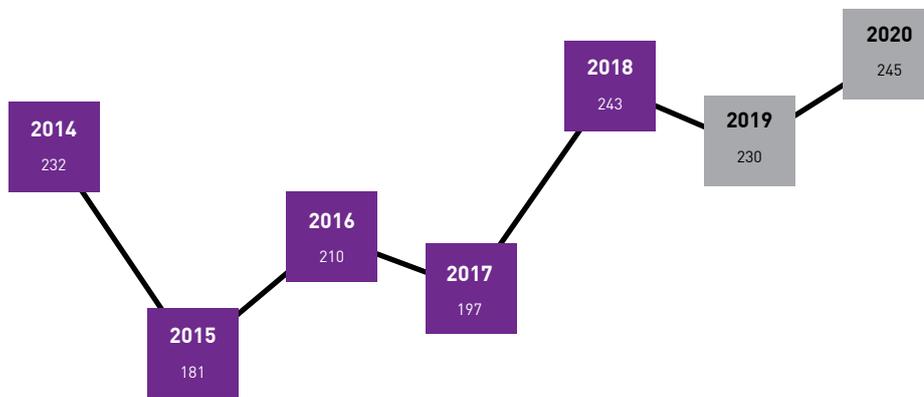
Table 6: Seafood export revenue, 2014–20

	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Wild capture							
Export volume (tonnes)	243,974	269,186	256,604	244,402	239,512	239,300	238,800
Average export price (NZ\$/kg)	4.79	4.61	5.38	5.47	5.73	6.00	6.15
Export revenue (NZ\$ million)	1,168	1,242	1,380	1,338	1,372	1,440	1,470
Aquaculture							
Export volume (tonnes)	37,188	34,112	36,086	40,794	39,462	38,800	42,000
Average export price (NZ\$/kg)	8.94	9.40	10.76	9.95	10.28	11.65	11.70
Export revenue (NZ\$ million)	332	321	388	406	406	450	490
Seafood							
Export volume (tonnes)	281,162	303,298	292,690	285,196	278,974	278,100	280,800
Average export price (NZ\$/kg)	5.34	5.15	6.04	6.11	6.37	6.80	6.98
Export revenue (NZ\$ million)	1,500	1,562	1,768	1,744	1,777	1,890	1,960
% change	-2.9%	+4.1%	+13.2%	-1.4%	+1.9%	+6.3%	+3.7%

Source: StatsNZ and MPI.

Arable

Arable export revenue for the year ending June 2019 is forecast to fall 5.2 percent to \$230 million as the impact of the poor 2018 harvest filters through to export receipts over the remainder of the year. Domestically however, strong prices have supported modest growth in crop planting for grain and cereal farmers.

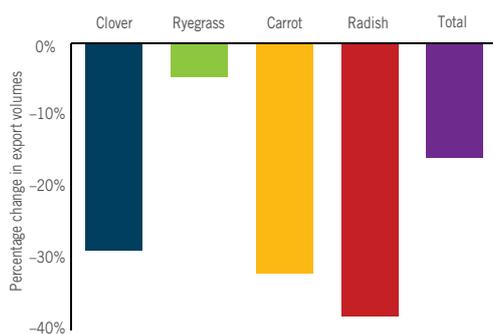


- The poor 2018 harvest is translating into lower export volumes for arable seed producers. Seed exports for the September quarter totalled 9.6 thousand tonnes, 24.3 percent below the previous year. Overall, export volumes are down 15.9 percent over the first three quarters of 2018 compared to the previous year, with carrot seed (down 32.1 percent) radish seed (down 38.1 percent) and clover seeds (down 28.9 percent) among the products most affected (Figure 25).

- Following a 17.2 percent increase the area planted for the 2018 season the growth in the arable area under production has continued. With the completion of spring plantings, the estimated total area sown has risen 1.7 percent to 106.3 thousand hectares. Declines in the area planted for milling wheat and feed barley (down 6.6 percent and 7.0 percent respectively) have been offset by rises in feed wheat and malting barley (up 9.7 percent and 15.7 percent respectively) (Figure 26).

Difficult 2018 growing season has reduced export quantities for seed growers

Figure 25: Change in seed exports (nine months to September 2018 compared to 2017)

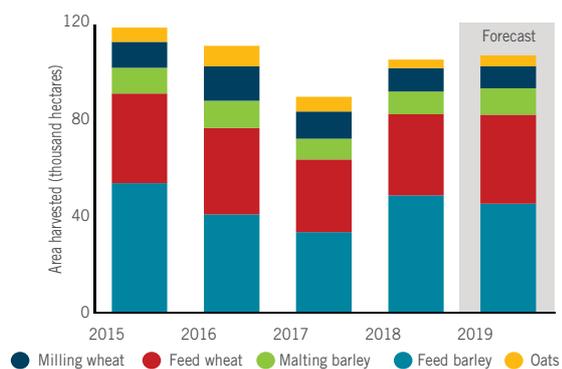


Source: Stats NZ.

- However, strengthening international prices have helped mitigate some of this effect, with export values for the first three quarters of 2018 falling 11.4 percent to \$177 million, compared to the same period as last year.
- For domestic grain and cereal growers relatively stable spring conditions have supported plantings, especially in Canterbury, although there have been reports of autumn/winter-sown crops being drowned out in some regions. In Southland, late season frosts have affected the establishment of some spring-planted crops.

Moderate expansion in arable crop area for the 2019 harvest

Figure 26: Arable crop planting and intentions 2015-19

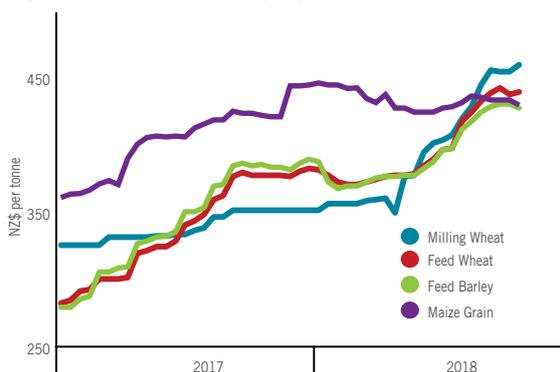


Source: Foundation for Arable Research, AIMI Survey of Cereal Areas and Volumes, 10 October 2018.

- The relative growth in domestic cereal prices experienced over the past year has moderated in recent weeks. Strong pasture growth for the first four months of the dairy season in New Zealand's major dairying regions has reduced immediate demand for supplementary feed, with some weakening in prices for feed wheat and barley appearing in October. Despite this, domestic grain prices still remain strong, supported by high international prices especially from Australia where drought conditions have reduced cereal crop production (Figure 27).

Following a period of sustained growth grain prices have softened in October

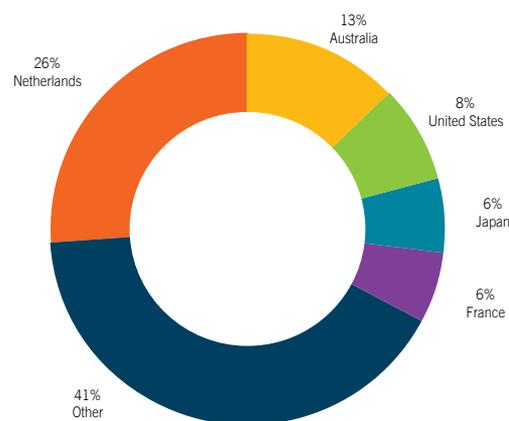
Figure 27: Domestic cereal spot prices 2017-18



Source: NZX.

Netherlands is the key export partner for arable exports

Figure 28: Arable export revenue by destination, year ended June 2018



Source: Stats NZ.

- Consistent and high quality supply is an important competitive advantage for New Zealand’s seed producers. By way of example, New Zealand seed producers’ relationship with Netherlands seed company importers is based on multiplication contracts supported by long term relationships. Representing 26 percent of total exports and 55 percent of vegetable seed exports, the Netherlands is New Zealand’s most important trade partner for arable exports (Figure 28).

- Following a consultation process undertaken by New Zealand Food Safety and the Ministry of Health, regulatory changes have been approved to allow the sale of hulled, non-viable, hemp seeds as a food product. This regulatory change will improve the range of cropping options for arable farmers as well as provide a further avenue for export earnings growth.



Table 7: Arable export revenue 2014-20 (NZ\$ million)

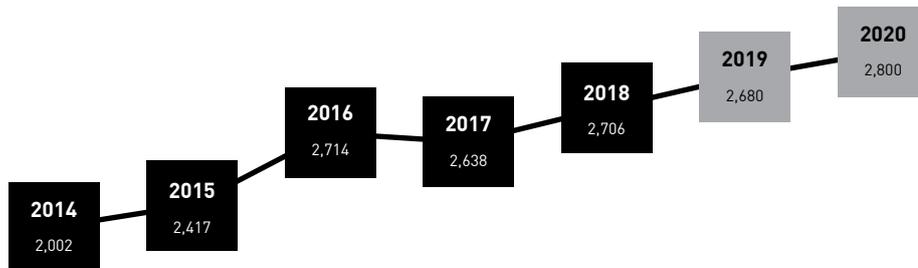
Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Vegetable seed	66	62	74	64	92	90	95
Ryegrass seed	55	49	46	46	55	50	50
Clover/legume seed	20	22	20	23	28	25	30
Other grains and seeds*	91	48	70	63	67	65	70
Total	232	181	210	197	243	230	245
% Change	+1.2%	-21.6%	+15.6%	-6.0%	+23.1%	-5.2%	+6.5%

Source: StatsNZ and MPI.

* Other arable products include: maize, other grains, and oilseeds.

Other

Export revenue from New Zealand's other primary sector exports and foods is expected to decrease slightly to \$2.7 billion for the year to June 2019, down 1.0 percent from 2018. Increases forecast in exports of honey and other products (products such as beverages, tobacco and spices) are expected to be more than offset by decreases in exports of sugar and confectionery, live animals, and innovative processed foods.

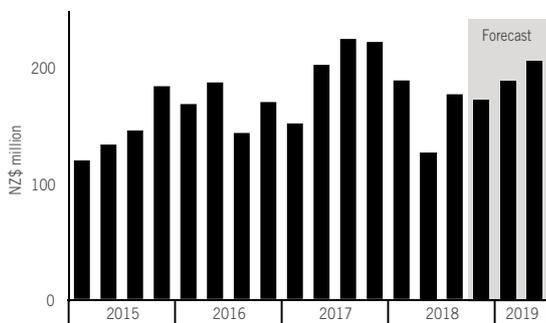


- Export revenue for the other products category is expected to show a small increase, growing to \$640 million for the year to June 2019. Various niche products, soft drinks, and beer are the key product types in this category. While the strong growth seen in 2017 and 2018 in soft drink export revenue does not appear to be continuing into the 2019 year, the outlook for the remaining products in this category continues to remain positive.
- Exports of innovative processed foods, which includes nutritional supplements and prepared meals, have resumed growing after a brief slowdown in the June 2018 quarter (Figure 29). Exports for year ending June 2019 are forecast to reach \$740 million, a similar level to 2018 as demand continues to remain strong for these products.

- The value of live animal exports is now expected to drop 8 percent in 2019 to \$220 million due to fewer cattle being exported than was anticipated earlier in the year. (Figure 30). The value of live poultry exports continues to grow steadily, and live horse exports continue to remain a consistent source of export revenue.

Innovative processed food exports rebound from a low June quarter 2018

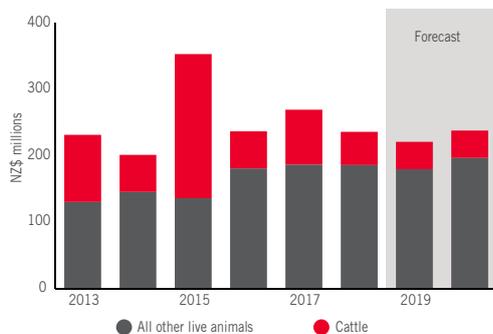
Figure 29: Quarterly value of innovative processed foods export revenue, 2015-19



Source: StatsNZ and MPI.

Cattle account for most of the variability in live animal exports each year

Figure 30: Live animal export revenue, year ended June 2013-20



Source: StatsNZ and MPI.

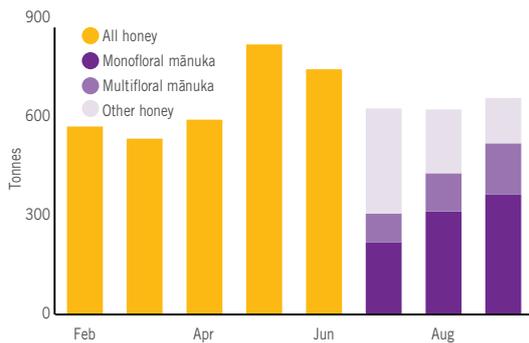
- Growth in the average export price for honey continued into the September quarter 2018, and is expected to continue in future quarters. While the volume of honey exported in the September quarter was a little lower than expected, the annual volume exported for the year to June 2019 is still expected to remain near recent levels of between 8,000 and 8,500 tonnes.
- New Zealand honey production for the year to June 2018 has been estimated at 20,000 tonnes, up 5,200 tonnes from last season. This increase was due to a higher average yield per hive and a significant increase in hive numbers. While most of the country had a better season than in 2016/17,

some regions had poorer honey crops due to constant rain early in the season followed by a particularly hot and dry summer.

- Since the mānuka honey definition was implemented in February 2018, New Zealand has exported over 5 thousand tonnes of honey. Information on the floral type of this honey began being collected from July 2018, and in the three months since then 47 percent (894 tonnes) of the honey exported was monofloral mānuka (Figure 31).

Monofloral mānuka honey is a significant proportion of honey exports each month

Figure 31: Monthly honey export volume by floral type, Feb-Sep 2018

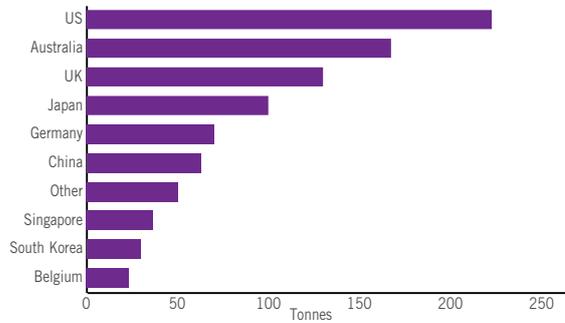


Source: StatsNZ and MPI.

- Monofloral mānuka honey is exported to a broad range of countries, with the United States and Australia being our most important markets for the September 2018 quarter (Figure 32).

Monofloral mānuka honey is exported to a wide range of countries

Figure 32: Key export destinations for monofloral mānuka honey for July, August and September 2018



Source: StatsNZ and MPI.

Table 8: Other primary industry export revenue 2014-20 (NZ\$ million)

Year to 30 June	Actual					Forecast	
	2014	2015	2016	2017	2018	2019	2020
Innovative processed foods	332	471	681	664	759	740	770
Honey	187	233	315	329	348	370	380
Sugar & confectionery	290	293	312	305	263	220	220
Cereal products	255	255	274	285	303	300	300
Live animals	208	370	242	274	241	220	240
Soup & condiments	192	183	187	186	184	190	200
Other products*	537	612	704	594	609	640	690
Total	2,002	2,417	2,714	2,638	2,706	2,680	2,800
% Change	-0.6%	+20.8%	+12.3%	-2.8%	+2.6%	-1.0%	+4.5%

Source: StatsNZ and MPI.

* Other products include: beverages, vegetable-based dyes, and spices.

Forecast tracking

The export forecast of \$44.3 billion for the year ending June 2019 is up \$505 million from the previous forecast round in September 2018. The main drivers for this revision are higher dairy production, a stronger outlook for beef prices, and increased forestry harvest volume.

Higher milk production is the main reason for the dairy forecast being revised upwards by \$180 million. While milk production is expected to rise by 3 percent this season, international prices are decreasing for some key products. This effect is being partially offset by the softer outlook for the New Zealand dollar and continuing strong prices for higher value dairy products.

The meat and wool forecast has been revised upwards by \$200 million mostly due to stronger prices expected for beef and veal in 2019. The price impacts of increasing global supplies of manufacturing beef are being offset by strong demand for prime and secondary cuts in East Asia.

The forestry forecast has been revised upwards by \$280 million due to higher than expected log and sawn timber export volumes and record harvest levels.

Figure 33: MPI export revenue forecasts 2013-20



Source: StatsNZ and MPI.

Table 9: Export forecast comparison, 2014-20 (NZ\$ million)

	Year to 30 June						Forecast	
		2014	2015	2016	2017	2018	2019	2020
Dairy	Dec 2018	17,791	14,050	13,289	14,638	16,655	17,200	16,890
	Sept 2018	17,791	14,050	13,289	14,638	16,667	17,020	17,240
	Difference	-	-	-	-	-11	+180	-350
Meat & wool	Dec 2018	8,162	9,000	9,200	8,355	9,542	9,620	9,520
	Sept 2018	8,162	9,000	9,200	8,355	9,544	9,420	9,280
	Difference	-	-	-	-	-2	+200	+240
Forestry	Dec 2018	5,199	4,683	5,140	5,482	6,382	6,660	6,590
	Sept 2018	5,199	4,683	5,140	5,482	6,400	6,380	6,480
	Difference	-	-	-	-	-18	+280	+110
Horticulture	Dec 2018	3,805	4,185	5,000	5,165	5,376	6,020	6,030
	Sept 2018	3,805	4,185	5,000	5,151	5,376	6,080	6,100
	Difference	-	-	-	+14	-	-60	-70
Seafood	Dec 2018	1,500	1,562	1,768	1,744	1,777	1,890	1,960
	Sept 2018	1,500	1,562	1,768	1,744	1,778	1,930	2,010
	Difference	-	-	-	-	-	-40	-50
Arable	Dec 2018	232	181	210	197	243	230	245
	Sept 2018	232	181	210	197	244	235	250
	Difference	-	-	-	-	-1	-5	-5
Other	Dec 2018	2,002	2,417	2,714	2,638	2,706	2,680	2,800
	Sept 2018	2,001	2,417	2,713	2,635	2,707	2,730	2,780
	Difference	+1	+1	+1	+3	-	-50	+20
Total exports	Dec 2018	38,692	36,079	37,323	38,219	42,682	44,300	44,035
	Sept 2018	38,691	36,078	37,321	38,202	42,714	43,795	44,140
	Difference	+1	+1	+1	+17	-33	+505	-105



Economic Intelligence Unit online resources:

More primary industry data can be found on the MPI website: www.mpi.govt.nz/EIU



Market insights

Reports that provide insights into consumer preferences and purchasing behaviour, as well as in-depth research into the channels that supply them.



Situation and Outlook for Primary Industries

The latest update and underlying data for our outlook on the primary industries, plus access to previous SOPI reports.



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Reports assessing the annual production and financial performance of typical farm or orchard businesses.



Data

A range of publicly available data covering primary industry production and trade.

