



PARLIAMENTARY LIBRARY
Te Pātaka Rangahau a Te Whare Pāremata

MONTHLY ECONOMIC REVIEW

December 2014

(Latest data as at 5 December)

Parliamentary Library Research Paper

A Overview

Recent trend

	2012/13	2013/14	
Economic Growth	2.2%	3.5%	Annual average GDP Growth (June year)
Unemployment	6.1%	5.4%	Unemployment Rate (September quarter)
Inflation	1.4%	1.0%	Annual Inflation Rate (September year)
Current Account Deficit	\$7.9b	\$5.8b	Current Account Deficit (June year)
Interest Rates	2.66%	3.67%	90 Day Bank Bills (November month)

Latest data and events

International dairy prices continue to fall, with the latest Fonterra *Global Dairy Trade* auction results reporting a further 1.1 percent fall in prices (on a trade weighted index basis). Dairy prices are now 50 percent lower than their peak in early February. Fonterra has stated that in order to keep their forecast payout at \$5.30 per kilogram of milk solids, the average price for whole milk powder needs to recover to around US\$3,500 per tonne by next March. In the latest auction, the average whole milk powder price was US\$2,229 per tonne.

Annual net immigration continues to rise, reaching 47,684 in the year ended October 2014, an increase of 30,194 from a year earlier. Approximately half of the increase was due to a reduction in the number of permanent and long-term departures, and the other half was due to an increase in the number of permanent and long-term arrivals. The net number of people leaving to live in Australia fell by 18,182 during the year to 5,311, predominantly due to a reduction in the number of permanent and long term departures to Australia.

Oil prices have fallen over recent months, resulting in lower petrol prices. The Brent Oil price at the time of writing was US\$69.26 per barrel, down from US\$115 per barrel in June. Despite the fall in oil prices, the Organization of the Petroleum Exporting Countries (OPEC) decided in November to keep production at current levels. The price of 91-unleaded petrol in New Zealand was \$2.03 per litre in early December, compared with \$2.12 in the September quarter.

All 14 regions recorded a rise in economic activity in the September quarter according to the *ANZ Regional Trends* publication. Growth in the Otago region expanded by 2.2 percent in the quarter, while at the other end of the spectrum, economic activity in the Bay of Plenty region expanded by 0.4 percent in the quarter.

Outlook

Annual economic growth is forecast to have either peaked or be near peak, and is expected to moderate over the coming year. The ASB Bank has forecast that annual growth will peak at 3.7 percent at the end of 2014, while the NZIER has forecast the annual growth rate to slow to three percent in the year ended March 2015. Inflation pressures remain well contained, with further tightening in the official cash rate expected to occur in the second half of 2015 or early 2016. Confidence survey results are consistent with further employment growth, with the unemployment rate easing steadily as a result.

Topic of the month: Deflation in the Organisation for Economic Co-operation and Development (OECD)

B Economic Growth

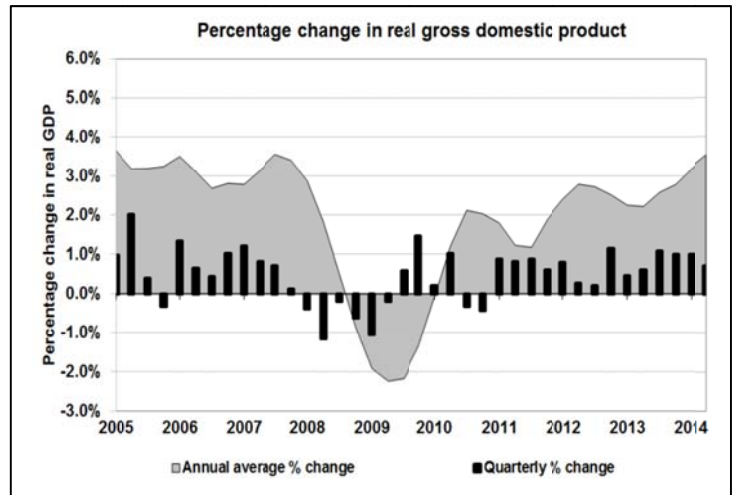
Background

A country's gross domestic product (GDP) is a measure of economic activity during a set period of time, normally reported on a quarterly and an annual basis. It is the sum of money values of all final goods and services produced in an economy over a set period. The primary indicator used for tracking economic performance over time is known as real gross domestic product, or real GDP. Real GDP is gross domestic product adjusted for changes in prices. New Zealand's official gross domestic product figures are sourced from Statistics New Zealand.

Gross domestic product

Gross domestic product expanded by 3.5 percent over the year to the June 2014 quarter. This was the highest annual growth rate since the year ended in the September 2007 quarter. Over the year, investment in residential buildings rose by 18.1 percent, while construction sector activity increased by 11.7 percent.

Over the June quarter, the economy grew by 0.7 percent, driven by increased value-added output from the business services sector (up 4.2 percent). The construction sector expanded by 2.2 percent in the quarter. In contrast, activity in the agriculture, forestry and fishing sector along with the mining sector contracted in the quarter, as did the export of goods and services.



Other data

ANZ *Regional Trends* reported that all 14 regions recorded an increase in economic activity in the September quarter. An increase in activity ranged from 0.4 percent in the Bay of Plenty region to 2.2 percent in the Otago region. The South Island continued to expand by a greater degree than the North Island (1.3 percent and 1.1 percent respectively).

The value of building work put in place in the September quarter was \$4,013 million, up 22.2 percent on a year earlier. The value of residential building work (including alterations and additions) totalled \$2,472 million in the quarter. The volume of residential building work may have peaked, with declines in the volume of work undertaken in each of the last two quarters (in seasonally adjusted terms).

In October, both the *BNZ Business New Zealand Performance of Services Index* and the *Performance of Manufacturing Index* (PMI) remained at levels consistent with an expansion in activity. The PMI has increased over each of the last five months, while the services index fell slightly in October.

Outlook

Economic activity has been forecast to moderate over the next year. December's *NZIER Quarterly Predictions* has forecast the economy to expand by 0.1 percent in the September quarter, and by 3.4 percent over the year to the September quarter. Annual average economic growth of three percent is forecast for the year ended March 2015. *NZIER Consensus Forecasts* predict growth of 3.3 percent for the March 2015 year.

Year ended March 2014	Nominal GDP
Gross Domestic Product	\$231,038 million
GDP per capita	\$51,798

Source: Statistics New Zealand.

ANZ Business Outlook Survey	Oct-14	Oct-14
Net % expecting an improvement in business conditions in 12 months' time	26.5	31.5
Net % expecting an improvement in their own firm's activity in 12 months' time	37.8	41.7

Source: ANZ Bank, Business Outlook survey.

GDP growth (%)	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14
Annual (year-on-year)	2.2	2.6	2.8	3.2	3.5
Quarterly (seasonally adjusted)	0.6	1.1	1.0	1.0	0.7

Source: Statistics New Zealand.

Next Release: *Gross Domestic Product: September 2014 quarter.*

Date: 18 December 2014

C Employment and Unemployment

Background

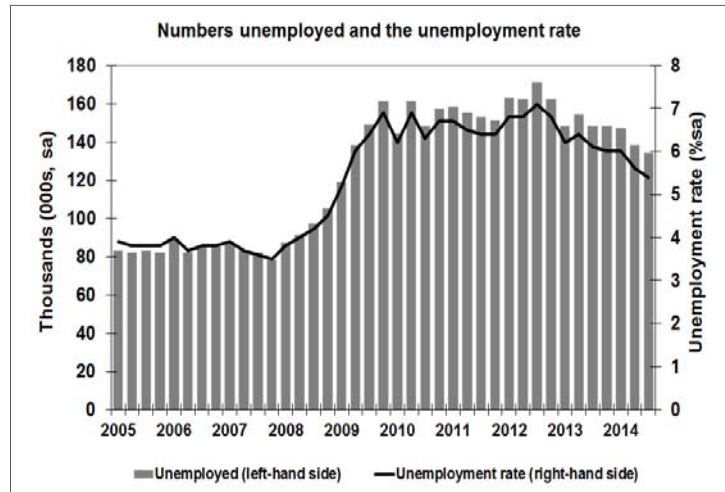
The unemployment rate measures the number of people unemployed as a proportion of those in the labour force. The labour force is the number of people of working age (15 years and over) who are working for wages or a salary, working for a family business, or who are unemployed and seeking work. In New Zealand, the official unemployment rate is sourced from Statistics New Zealand's quarterly Household Labour Force Survey.

Employment and unemployment

In the September 2014 quarter, the unemployment rate was 5.4 percent, with 134,000 people unemployed. This is the lowest unemployment rate since March 2009. The unemployment rate for males was 4.6 percent while the rate for females was 6.3 percent. During the quarter, the number of those unemployed fell by 2.8 percent.

Employment outcomes for most ethnic groups have improved. While the figures are not seasonally adjusted, on an annual basis the unemployment rate for Pacific peoples was four percentage points lower than one year ago (11.7 percent) with the rate for Pacific women down 6.2 percentage points.

Actual and usual hours worked per week increased by 3.3 percent and 3.4 percent respectively over the year.



Salary and wage rates (including overtime) increased 1.6 percent in the year to September 2014. Private sector rates increased 1.9 percent following an increase of 1.8 percent in the year to the June 2014 quarter. Public sector growth of one percent came from increases in local government (up 1.9 percent) and central government (up one percent). This is the lowest annual increase for central government since the year to the March 1995 quarter.

Other data

Job advertisements fell 0.3 percent in October according to the ANZ *Job Ads* survey, with internet advertising falling 0.1 percent and newspaper ads falling 1.5 percent. The Ministry of Business, Innovation and Employment's (MBIE's) *Jobs Online* reported a 0.2 percent fall in online vacancies for skilled jobs, with all vacancies rising by 0.6 percent in October. Over the year to October, skilled job vacancies increased in most industry groups with the biggest increases in hospitality and tourism (up 21.4 percent) and construction and engineering (up 16.1 percent).

Outlook

MBIE's *Short-term employment forecasts: 2014-2017* predict employment growth of 2.4 percent for the year to March 2015 and 2.2 percent in the year to March 2016. The unemployment rate is forecast to ease gradually over the next couple of years. NZIER's *Quarterly Predictions* forecast an unemployment rate of 5.2 percent in the year to March 2015 and five percent in the year to March 2016.

ANZ Business Outlook Survey	Oct-14	Nov-14
Net % expecting to increase employment in their business in 12 months*	19.4	20.1
Net % expecting the unemployment rate to rise in 12 months*	-22.8	-27.5

*equal to the % of respondents expecting an increase minus the % expecting a decrease. Source: ANZ Bank

Quarter	Sep-13	Sep-14
Average ordinary time weekly earnings for FTEs (pre-tax) (\$)	\$1,050.05	\$1,068.77
Labour Cost Index - % change in salary and wage rates (including overtime) from the same quarter of the previous year	+1.7	+1.6

Source: Statistics New Zealand.

Household Labour Force Survey	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14
Unemployment Rate (seasonally adjusted, %)	6.1	6.0	6.0	5.6	5.4
Employment Growth (annual, %)*	2.5	3.0	3.7	3.7	3.2

*change since the same quarter of the previous year based on seasonally adjusted data. Source: Statistics New Zealand.

Next Release: *Household Labour Force Survey: December 2014 quarter. Date: 4 February 2015*

D Inflation

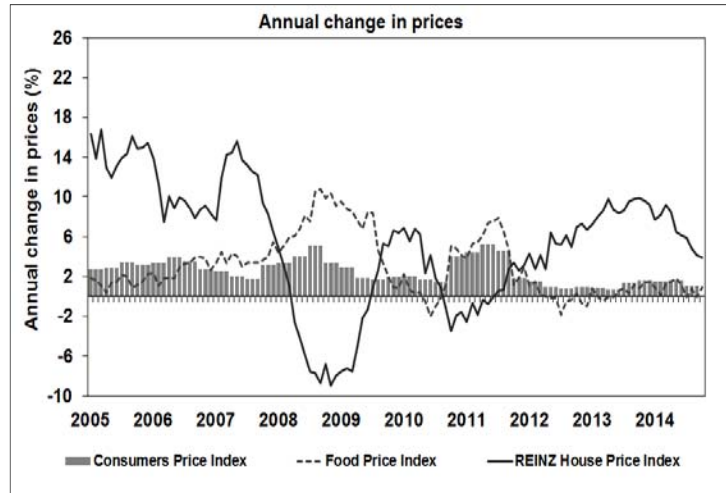
Background

Inflation is the change in prices of goods and services over a certain period of time. The official rate of consumer inflation is measured by Statistics New Zealand's Consumers Price Index (CPI). The CPI tracks the price of a basket of household goods and services over time.

Consumers Price Index

Annual inflation was one percent in the year ended in the September 2014 quarter, at the lower end of the Reserve Bank's medium term inflation target band of 1 – 3 percent. Annual inflation in the non-tradable sector was 2.5 percent over the year, while the tradable sector recorded deflation of one percent (i.e. a drop in prices).

The price of cigarettes and tobacco rose by 11.6 percent over the year, reflecting an increase in the tobacco and tobacco products excise duties from 1 January. Housing rental costs rose by 2.2 percent over the year, with rental costs in Canterbury rising by 4.7 percent. Costs associated with new housing rose by 4.8 nationally (up 5.9 percent in Canterbury and 5.7 percent in Auckland).



Audio-visual and computing equipment prices fell by 9.8 percent over the year, due to lower prices for consumer electronic goods. Vegetable prices were 6.1 percent lower than a year earlier, thought to be due to a milder winter. Petrol prices were 1.8 percent lower, with the price of 91-unleaded petrol averaging \$2.12 per litre in the September quarter.

Other data

Inflation rate expectations have been falling in recent surveys. The latest *Survey of expectations* undertaken on behalf of the Reserve Bank showed that expectations of inflation in one year's time fell from 1.96 percent to 1.59 percent; while expectations of inflation in two years time fell from 2.23 percent to 2.06 percent. Firms expectations of inflation in 12 months time also fell in the *ANZ Business Outlook* survey from 2.48 percent in the October survey to 2.14 percent in the November survey. Other survey results show that household inflation expectations have also fallen.

Outlook

There are few inflationary pressures in the economy at present. Annual inflation of 1.1 percent (ASB Bank) or 1.3 percent (Westpac Bank and NZIER) has been forecast for the year ended March 2015. The Reserve Bank in its September *Monetary Policy Statement* has forecast the annual rate of inflation to rise gradually to 2.2 percent in the year ended September 2017.

Annual Percentage Change (%)	Oct-14	Nov-14
Quotable Value – Residential property values*	5.9	5.1
REINZ Stratified Median Housing Price Index**	3.9	n/a
Food Price Index**	0.9	n/a

*change since the same three months ended in the month of the previous year
 **change since the same month of the previous year. Sources: Quotable Value; REINZ; Statistics New Zealand

ANZ Business Outlook Survey	Oct-14	Nov-14
Net % of respondents expecting to increase prices in 3 months' time*	24.2	20.2
Inflation expected in 12 months' time	2.48	2.14

*equal to the % of respondents expecting an increase minus the % expecting a decrease. Source: ANZ Bank.

Inflation (%)	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14
Consumers Price Index - Annual	1.4	1.6	1.5	1.6	1.0
<i>Tradables inflation</i>	-0.5	-0.3	-0.6	0.1	-1.0
<i>Non-tradables inflation</i>	2.8	2.9	3.0	2.7	2.5
CPI - quarterly	0.9	0.1	0.3	0.3	0.3

Source: Statistics New Zealand.

Next Release: *Consumers Price Index: December 2014 quarter. Date: 21 January 2015*

Background

The balance of payments is the record of the receipts and payments between a country's residents and the rest of the world, over a given period. The current account is that part of a country's balance of payments which embraces its transactions of goods, services, primary income (i.e. international income), and secondary income (i.e. current transfers such as foreign aid). A "balance of payments deficit" refers to a deficit of the current account.

Current account deficit

New Zealand's annual current account deficit was \$5,798 million in the year ended June 2014, equivalent to 2.5 percent of gross domestic product. Surpluses in the goods and services balances were outweighed by deficits in the primary income and secondary income balances of the current account.

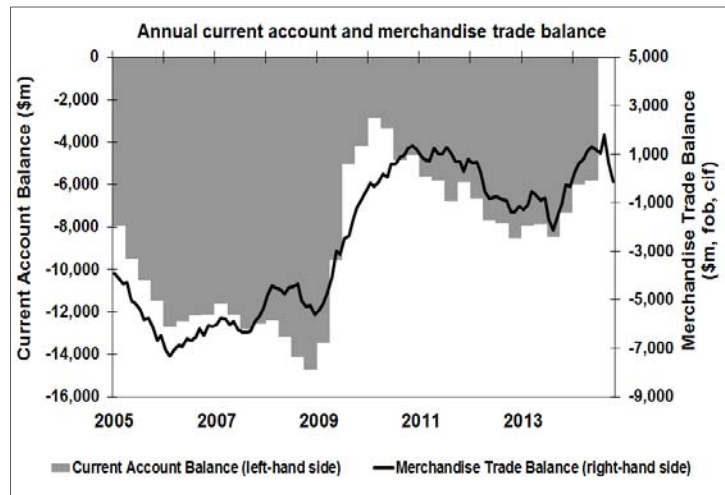
Other data

New Zealand's terms of trade fell 4.4 percent in the September 2014 quarter, as export prices fell to a larger degree than import prices. During the quarter, export prices fell by 4.5 percent (mainly due to lower dairy product prices), while import prices fell by 0.1 percent. Electrical machinery and apparatus prices fell by 5.4 percent, due to lower prices for electrical goods such as cell phones, televisions, and cameras.

The *ANZ Commodity Price Index* fell 1.6 percent in November, due to lower milk powder prices. It was not all bad news, as aluminium prices rose by five percent, and kiwifruit prices rose by two percent. On an annual basis, the index was 12.4 percent lower than a year earlier, or after taking into account movements in the New Zealand dollar, 8.7 percent lower.

Outlook

Lower international dairy prices, and increasing demand for imports (partially due to the high New Zealand dollar), along with improving returns on foreign investment in New Zealand will result in the current account deficit growing. The NZIER has forecast a deficit of \$8,041 million in the year ended March 2015 (-3.4 percent of GDP). *NZIER Consensus Forecasts* has a higher deficit figure of \$11,400 million for the year ended March 2015, while ASB Bank has forecast a deficit of \$13,400 million (-5.8 percent of GDP) in their November *Quarterly Economic Forecasts*.



Annual Change (%)	Oct-14	Nov-14
World Commodities Prices*	-11.3	-12.4
NZ\$ Commodities Prices*	-6.8	-8.7
Overseas Visitors**	5.1	n/a

*change since the same month of the previous year. **change since the previous year-end. Sources: Statistics New Zealand; ANZ.

Balances (\$m)	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Oct-14
Quarterly Current Account (seasonally adjusted)	-2,108	-2,428	-851	-617	-1,983	n/a
Annual Current Account	-7,893	-8,475	-7,349	-6,004	-5,798	n/a
Goods	205	-363	1,207	2,680	3,220	n/a
Services	1,056	1,045	1,075	1,268	1,377	n/a
Primary income (i.e. investment income)	-8,670	-8,679	-9,200	-9,517	-9,971	n/a
Secondary income (i.e. current transfers)	-484	-478	-430	-435	-424	n/a
Net international investment position (as at date)	-149,726	-147,676	-145,571	-151,048	-149,681	n/a
Annual Merchandise Trade Balance (fob-cif)*	-819	-1,559	-317	798	1,189	-107

* CIF – Cost of goods imported, including insurance and freight to New Zealand. FOB – Free on board, the value of goods at New Zealand ports before export. Source: Statistics New Zealand.

Next Release: *Balance of Payments: September 2014 quarter.* **Date:** 17 December 2014

Background

The trade weighted index (TWI) is an index of the New Zealand dollar's value against a basket of five overseas currencies, where each currency is weighted by a combination of the size of the associated country's trade with New Zealand (including the Euro group of countries) and their gross domestic product. The official cash rate (OCR) is the interest rate that applies to overnight borrowing and lending between banks and the Reserve Bank. It is currently a key operational feature of monetary policy in New Zealand. The NZX 50 is the main share index of the New Zealand Exchange. It tracks changes in the share prices of the top 50 publicly listed companies by free float market capitalisation on the NZX market. It is a gross index, so it includes the payout of dividends in its calculation.

Recent trends & data

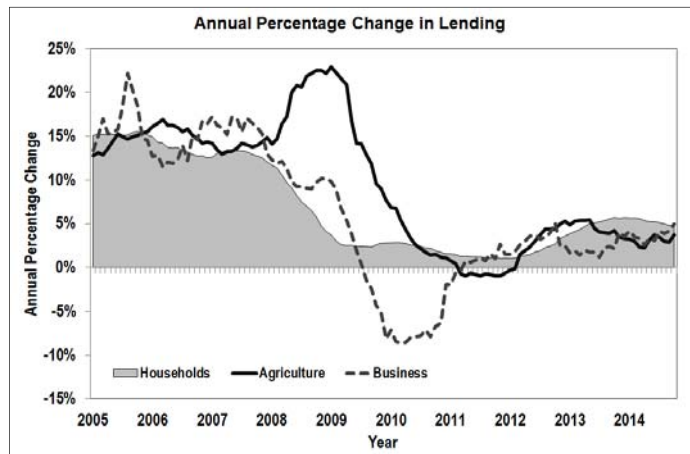
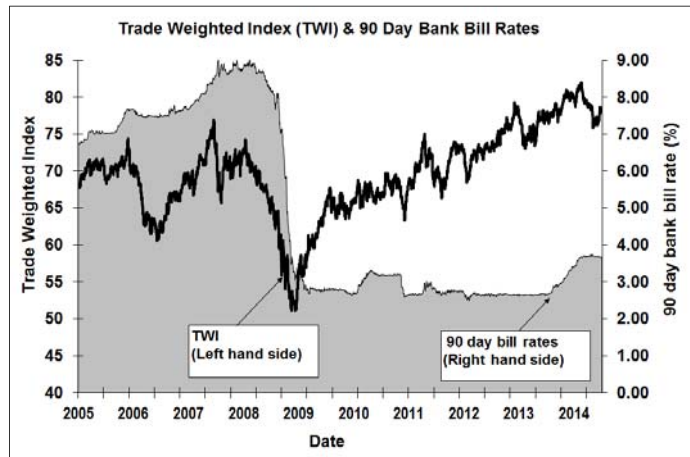
New Zealand's trade weighted index exchange rate averaged 77.69 index points in November, up 1.5 percent from the previous month (with the New Zealand dollar rising by 7.1 percent against the Japanese yen). The Reserve Bank has announced that from 11 December it will change the way it calculates the trade weighted index exchange rate. From this date, the number of currencies included in the calculation of the TWI will increase from five to 17.

The official cash rate has been held steady at 3.5 percent since July 2014. This followed four tightening phases earlier in 2014 of 25 basis points each. The 90-day bank bill rate averaged 3.67 percent in November, marginally lower than the previous month. Longer term government bond yields also fell slightly (on the secondary market), with an average 5-year bond yield of 3.89 percent in November, and an average 10-year government bond yield of 4.03 percent.

Lending to the agriculture sector rose by 3.7 percent over the year to October 2014, while lending to the business sector rose by 4.9 percent. Household lending has been expanding by 0.3 – 0.4 percent on a monthly basis over recent months (on a seasonally adjusted basis).

Outlook

It is expected that the Reserve Bank will not recommence tightening monetary policy until the second half of 2015 at the earliest. The Bank continues to believe that the exchange rate remains "unjustified and unsustainable". The NZIER has forecast the 90-day bank bill rate to average 3.7 percent in the December 2014 quarter, rising to 4.1 percent in the December 2015 quarter.



Core Crown borrowing as at	30-Sep-14 (\$m)	30-Sep-14 (%GDP)
Gross sovereign-issued debt *	85,209	37.2
Net core Crown debt **	62,634	27.3

*Excluding Reserve Bank settlement cash and Reserve Bank bills.

** Excluding NZ Super Fund and other advances. Source: The Treasury.

Monthly averages	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
90 Day Bank Bill rate	3.67	3.69	3.71	3.68	3.67
10 Year Government Bond yields (secondary market)	4.37	4.20	4.19	4.04	4.03
Effective mortgage rate	5.86	5.94	5.96	5.97	n/a
Business lending rate	5.86	5.94	6.00	6.00	n/a
Trade Weighted Index (TWI) exchange rate	80.93	79.25	78.35	76.57	77.69
NZX 50 index	5146	5123	5229	5251	5463

Sources: Reserve Bank; NZX.

Next Official Cash Rate (OCR) decision: 11 December 2014

Background

New Zealand's economic growth rate, unemployment rate and central bank interest rates are compared with our main OECD trading partners. The first table below illustrates the seasonally adjusted quarterly growth rates in economic activity. The second table below shows the harmonised unemployment rate in each OECD country/area, while the third shows the main central bank interest rates for various countries (and currency group in the case of the Euro), along with the date and direction of the latest movement for each.

Economic growth

Economic activity in the OECD area expanded by 0.5 percent in the September 2014 quarter, up from 0.4 percent growth in the June quarter. The Japanese economy has re-entered a technical recession, with contractions in economic output in each of the last two quarters. While the United Kingdom and the United States have experienced solid economic growth, activity within the Euro zone remains subdued (with Italy also in a technical recession).

The latest OECD *Economic Outlook* has forecast modest economic growth, with GDP rising by 1.8 percent in 2014 for the OECD area, rising to 2.3 percent in 2015. New Zealand's economy has been forecast by the OECD to grow by 3.2 percent and 3.0 percent respectively over the same years. The OECD General Secretary noted that there was a risk of economic stagnation in the euro zone, which could drag down global growth.

Unemployment

The harmonised unemployment rate for the OECD area remained at 7.3 percent in September. The employment rate for the United States, at 5.8 percent, is at its lowest level since 2008. The youth unemployment rate (15 – 24 years) within the OECD area was 15.1 percent in September, and remains extremely high in Spain, Greece and Italy.

Central banks

The People's Bank of China reduced its benchmark lending rate by 40 basis points to 5.6 percent in late November. The lending rate was last reduced in July 2012. The annual rate of economic growth in China, at 7.3 percent between the September 2013 and 2014 quarters, has been below the target growth rate of 7.5 percent. It is thought that the Bank reduced interest rates in response to falling prices (as falling prices places upward pressure on real interest rates).

The Reserve Bank of Australia left its cash rate on hold at 2.5 percent in early December, with the Bank expecting economic growth to be below trend over the next several quarters. As a result, monetary policy remains accommodative. While the Australian dollar has declined, the Bank believes that it remains overvalued, "a lower exchange rate is likely to be needed to achieve balanced growth in the economy".

Quarterly economic growth rates (%)			
Country*	Mar-14	Jun-14	Sep-14
Australia	1.0	0.5	0.3
Japan	1.6	-1.9	-0.4
NEW ZEALAND	1.0	0.7	n/a
United Kingdom	0.7	0.9	0.7
United States	-0.5	1.1	1.0
Euro area	0.3	0.1	0.2
OECD Total	0.3	0.4	0.5
China	1.5	2.0	1.9

Notes: * Seasonally adjusted growth rate from the previous quarter.
Source: OECD.

Harmonised unemployment rates (%)			
Country	Aug-14	Sep-14	Oct-14
Australia	6.1	6.2	6.2
Japan	3.5	3.6	n/a
NEW ZEALAND	n/a	5.4 (qtr)	n/a
United Kingdom	6.0 (Jul)	n/a	n/a
United States	6.1	5.9	5.8
OECD Total	7.3	7.3	n/a

Sources: OECD; Australian Bureau of Statistics.

Central Bank interest rates (as at 5 December 2014)				
Central Bank	Key Rate	Interest Rate (%)	Effective from	Direction (Basis points)
Australia	Cash Rate	2.50	7-August-13	-25
China	Benchmark lending rate	5.60	22-Nov-14	-40
European Central Bank	Main Refinance Rate	0.05	10-Sep-14	-10
Japan	Uncollateralized overnight rate	0.00 - 0.10	5-Oct-10	-10
NEW ZEALAND	Official Cash Rate	3.50	24-Jul-14	+25
United Kingdom	Bank Rate	0.50	5-Mar-09	-50
United States	Federal Funds Rate	0.00 – 0.25	16-Dec-08	-75

Source: Central Bank interest rates as at the date stated.

Deflation in the Organisation for Economic Co-operation and Development (OECD)

Annual inflation in most developed countries is currently low, with a number of OECD countries experiencing deflation. Deflation is when the price of goods and services fall, and as a result the annual inflation rate falls below zero. With deflation, households tend to reduce spending on goods and services as they believe that prices will fall further in the future. This leads to firms paring back on production and investment plans, which has a flow-on negative impact on the economy and employment. With deflation, real interest rates rise as real interest rates are calculated by subtracting the inflation rate from the nominal interest rate (the rate quoted in loan and deposit agreements). When the inflation rate is negative, real interest rates are higher than nominal interest rates.

Consumer prices in the OECD area rose by 1.7 percent over the year to October 2014. Lower crude oil prices resulted in energy prices falling by 0.3 percent, placing downward pressure on overall inflation. According to OECD data, nine of the 34 OECD member countries are experiencing deflation, and three further countries experienced zero inflation over the last year.

Annual inflation in the Euro area was 0.4 percent over the year (based on harmonised index of consumer prices, HICP). Price stability within the Euro area is defined as having an annual inflation rate of below two percent. The European Central Bank (ECB) targets an annual inflation rate close to two percent over the medium term. The Bank's main refinancing rate (equivalent to our official cash rate) is at the low level of 0.05 percent, so the bank is unable to reduce interest rates further to promote economic activity, and through that, higher inflation. Therefore, the ECB has commenced a form of quantitative easing – purchasing covered bonds and asset-back securities. It is hoped that these measures will support economic growth and result in inflation rising to levels closer to the two percent target rate. Mario Draghi, President of the ECB, has not ruled out using additional measures “*should it become necessary to further address risks of too prolonged a period of low inflation*”.

While the annual inflation rate in Japan is 2.9 percent, it has experienced periods of deflation and there are concerns that the country could re-enter a period of deflation. The current annual inflation rate was influenced by a rise in the retail sales tax rate from 1 April this year. Excluding the retail sales tax rise, it is estimated that annual inflation was 0.9 percent in the year ended October 2014. Japan's central bank has an annual inflation rate target of two percent, which it is still hoping to meet next year. As central bank interest rates in Japan are also at a low level (0.1 percent), leaving no room for further monetary easing, the Bank is hoping to achieve higher inflation by increasing the money supply through a quantitative easing programme.

New Zealand's annual inflation rate was one percent in the year ended in the September quarter. The Reserve Bank is mandated to keep annual inflation within 1 – 3 percent on average over the medium term, while targeting future inflation near the two percent midpoint. With the official cash rate at 3.5 percent, the Reserve Bank has room to reduce interest rates if it thought that inflation was going to drop below the lower target band for a significant period.

Grant Cleland and Emma Doherty
 Research Services Analyst – Economics
 Economics, Society and Infrastructure Team.
 Parliamentary Library

Country	Year ended	Annual inflation
Greece *	Oct-14	-1.7%
Poland	Oct-14	-0.5%
Hungary	Oct-14	-0.4%
Israel	Oct-14	-0.3%
Estonia *	Oct-14	-0.3%
Slovenia *	Oct-14	-0.1%
Spain *	Oct-14	-0.1%
Sweden	Oct-14	-0.1%
Belgium *	Nov-14	-0.1%
Portugal *	Oct-14	0.0%
Slovak Republic	Oct-14	0.0%
Switzerland	Oct-14	0.0%
Euro Area (HICP)	Oct-14	+0.4%
NEW ZEALAND	Sep-14	+1.0%

Note: * - Member of the Euro zone.



This work is licensed under the Creative Commons Attribution 3.0 New Zealand licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Parliamentary Library and abide by the other licence terms. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/nz/>.