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Import values decline to 2005 levels

Seasonally adjusted merchandise imports have declined to \$9.5 billion, a level similar to the December 2005 quarter, Statistics New Zealand said today. The seasonally adjusted value of imports fell 8.1 percent in the September 2009 quarter, following falls of 13.2 percent and 3.4 percent in the March and June 2009 quarters, respectively. The fall in imports in the September 2009 quarter was led by capital goods, down 27.2 percent (\$621 million), which are now at the lowest level since the September 2003 quarter. Capital goods fell from a high level in the June 2009 quarter, which included the large one-off importation of aircraft valued at \$571 million.

The seasonally adjusted value of merchandise exports fell 6.8 percent in the September 2009 quarter to \$9.4 billion. This is the third consecutive quarterly decrease, and follows a 5.5 percent decrease in the June quarter. This recent fall in export values is from the highest level ever, recorded in the December 2008 quarter.

The decline in seasonally adjusted exports for the September 2009 quarter was widespread, with 9 of the top 10 export commodity groupings recording falls. Meat and edible offal recorded the largest decrease, mainly due to a decrease in the quantities exported. Milk powder, butter, and cheese also recorded a decrease, despite quantities increasing.

The seasonally adjusted merchandise trade balance for the September 2009 quarter was a deficit of \$104 million (1.1 percent of exports), following similarly small deficits in the March and June 2009 quarters. Prior to the March 2009 quarter, trade deficits of less than 5 percent of exports had not been seen since the first half of 2002.

In the month of September 2009, merchandise imports were valued at \$3.2 billion, down \$1.2 billion (26.6 percent) from September 2008. Excluding large one-off imports, they have now fallen by 19 percent or more for each of the last six months. Merchandise exports were valued at \$2.8 billion in September 2009, down \$347 million (10.9 percent) from September 2008, the fourth consecutive monthly fall in exports compared with the same month of the previous year.

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