

## New Zealand Economic and Financial Forecasts

| Economic Growth Forecasts        | March years |      |       |       | Calendar years |       |       |       |
|----------------------------------|-------------|------|-------|-------|----------------|-------|-------|-------|
|                                  | 2008        | 2009 | 2010f | 2011f | 2008           | 2009e | 2010f | 2011f |
| % change                         |             |      |       |       |                |       |       |       |
| GDP (Production) ann avg         | 2.9         | -1.4 | -0.1  | 4.2   | -0.1           | -1.4  | 3.7   | 4.3   |
| Employment                       | -0.3        | 0.7  | -0.9  | 1.7   | 0.9            | -2.4  | 1.1   | 2.1   |
| Unemployment Rate % s.a.         | 3.8         | 5.0  | 7.1   | 6.1   | 4.7            | 7.3   | 6.4   | 5.3   |
| CPI                              | 3.4         | 3.0  | 2.3   | 2.8   | 3.4            | 2.0   | 2.7   | 2.8   |
| Current Account Balance % of GDP | -7.8        | -7.9 | -2.1  | -4.9  | -8.7           | -2.1  | -4.7  | -5.1  |

| Financial Forecasts | Mar-10 | Jun-10 | Sep-10 | Dec-10 | Mar-11 | Jun-11 | Sep-11 |
|---------------------|--------|--------|--------|--------|--------|--------|--------|
| Cash                | 2.50   | 3.00   | 3.50   | 4.00   | 4.50   | 5.00   | 5.50   |
| 90 Day bill         | 2.90   | 3.40   | 4.00   | 4.50   | 5.00   | 5.50   | 6.00   |
| 2 Year Swap         | 4.60   | 4.90   | 5.20   | 5.50   | 5.80   | 6.30   | 6.10   |
| 5 Year Swap         | 5.60   | 5.70   | 5.90   | 6.10   | 6.25   | 6.40   | 6.55   |
| 10 Year Bond        | 5.90   | 6.00   | 6.00   | 6.10   | 6.20   | 6.30   | 6.30   |
| NZD/USD             | 0.68   | 0.68   | 0.74   | 0.79   | 0.78   | 0.75   | 0.72   |
| NZD/AUD             | 0.79   | 0.80   | 0.82   | 0.83   | 0.84   | 0.83   | 0.84   |
| NZD/JPY             | 59.8   | 61.9   | 71.0   | 79.0   | 82.7   | 81.8   | 80.6   |
| NZD/EUR             | 0.49   | 0.50   | 0.53   | 0.55   | 0.53   | 0.51   | 0.49   |
| NZD/GBP             | 0.43   | 0.42   | 0.44   | 0.46   | 0.43   | 0.40   | 0.38   |
| TWI                 | 63.0   | 63.6   | 68.2   | 71.9   | 71.3   | 69.0   | 67.0   |