

Overview of the Timaru District

Quarterly Report September 2015



The Timaru economy continued to experience growth over the year to September 2015, with Infometrics provisional estimates showing the production-based GDP was 1.9% higher than in the year to September 2014.

Consents for non-residential building have surged 53% over the last year, with a strong increase in consents for industrial and commercial building. Residential building consents fell 8.4% over the year ended September 2015. Nevertheless, annual consents remain elevated at levels not seen prior to the start of 2014.

Guest nights are extremely strong with 9.2% growth, nationally tourism has now overtaken dairy as New Zealand's number one export earner.

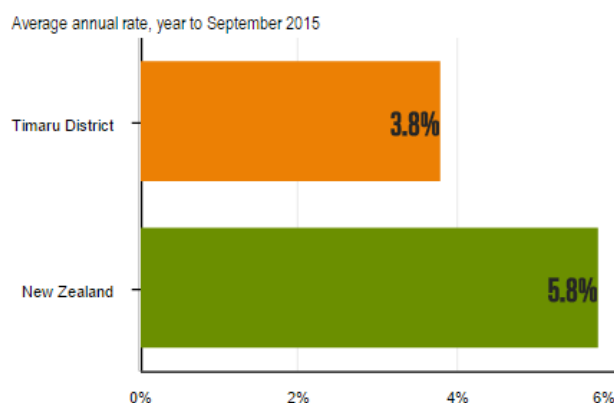
Despite the lower dairy payouts the overall economy is demonstrating the importance of diversification and remains in a strong position.

Indicator	Timaru District	Canterbury Region	New Zealand
<i>Annual average % change</i>			
Gross domestic product	↑ 1.9%	↑ 2.9%	↑ 2.8%
Traffic flow	↑ 1.9%	↑ 2.7%	↑ 4.0%
Residential consents	↓ -8.4%	↑ 2.0%	↑ 8.5%
Non-residential consents	↑ 53%	↑ 32%	↑ 15%
House prices*	↑ 9.7%	↑ 3.0%	↑ 13%
House sales	↑ 1.5%	↑ 7.3%	↑ 21%
Guest nights	↑ 9.2%	↑ 6.7%	↑ 5.2%
Retail trade*	↓ -2.2%	↑ 2.8%	↑ 2.8%
Car registrations	↑ 5.9%	↑ 11%	↑ 12%
Commercial vehicle registrations	↑ 6.9%	↑ 0.6%	↑ 7.3%
Job Seekers	↓ -2.7%	↓ -8.2%	↓ -3.2%
<i>Level</i>			
Unemployment rate	3.8%	3.5%	5.8%
International net migration	241	6,800	61,232

* Annual percentage change (latest quarter compared to a year earlier)

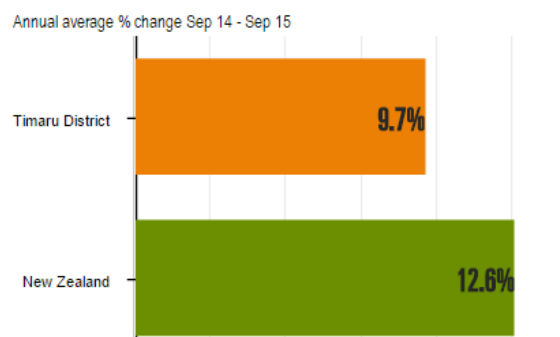
Unemployment in the Timaru District

- The annual average unemployment rate in the Timaru District was 3.8% in September 2015, up from 3.5% a year earlier.
- The unemployment rate in the Timaru District was lower than New Zealand, where the unemployment rate averaged 5.8% over the year to September 2015.



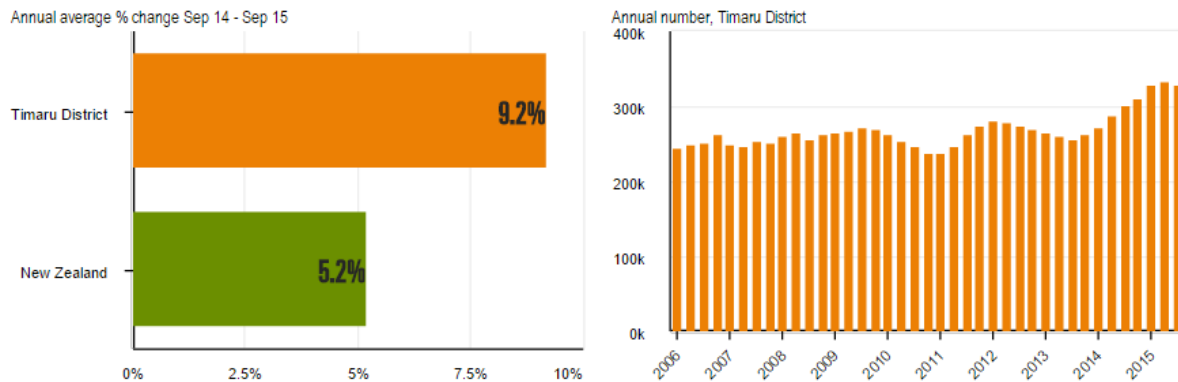
House Prices in the Timaru District

- The median house price in the Timaru District was up 9.7% in September 2015 compared with a year earlier. Growth underperformed relative to New Zealand, where house prices increased by 13%.
- The median house price was \$280,081 in the Timaru District in the September 2015 Quarter. This compares with \$508,175 in New Zealand.



Guest Nights in the Timaru District

- Total guest nights in the Timaru District increased by 9.2% to the year to September 2015. This compares with an increase of 5.2% in New Zealand.
- Visitors stayed a total of 330,121 nights in the Timaru District during the year to September 2015, which was up from 302,302 a year ago.



Notes

- Regional level unemployment rates are sourced from Statistics New Zealand's Household Labour Force Survey. Trends in the number of Jobseekers at TA level are used to break down regional unemployment rates to TA level. To reduce volatility the unemployment rate is presented as an average for the last four quarters.
- The number of house sales is sourced from REINZ. The indicator measures the number of house sales at the point when the sale becomes unconditional. The unconditional date is the date when all the terms of an agreement have been satisfied and the sale and purchase can proceed to settlement.
- The number of guest nights is sourced from Statistics New Zealand's Accommodation Survey. A guest night is equivalent to one guest spending one night at an establishment. For example, a motel with 15 guests spending two nights would report that they had provided 30 guest nights.