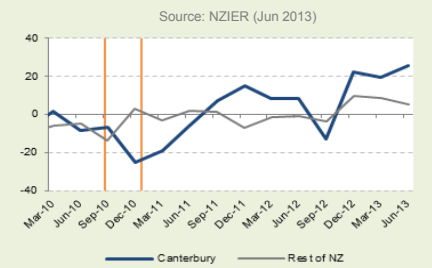


Output and trading activity

OUTPUT

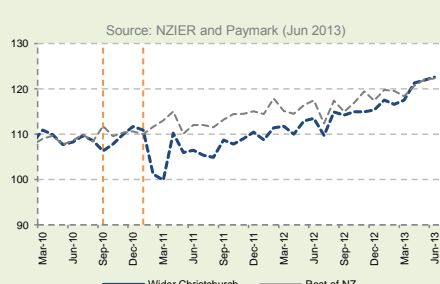
Domestic trading activity - net percentage of firms reporting that trading activity went up in the last three months



Output in Canterbury continues to grow at a faster rate than the rest of New Zealand. A net 26% of Canterbury firms reported an increase in trading activity over the last three months compared with a net 5% across the rest of the country in the last NZIER Quarterly Survey of Business Opinion.

CONSUMER SPENDING

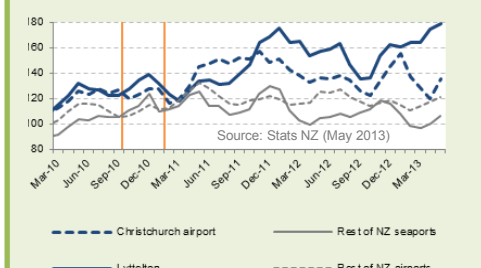
Electronic card transactions on the Paymark network - seasonally adjusted and indexed where average 2007 = 100



The value of transactions going through the Paymark network in Canterbury increased 8.1% in the year to June 2013. This was the highest growth of any region in the country and higher than the national rate of 4.6%.

INTERNATIONAL TRADE

Trade index - three-month rolling averages of free on board values for merchandise trade of imports and exports where average 2007 = 100

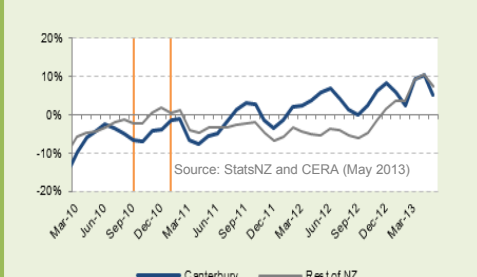


Trading volumes coming through Christchurch airport are improving, with imports increasing 44% in the year to May 2013. Growth continues in Lyttelton port as well with imports rising 28% over the same period.

Key sectors

AGRICULTURE

Slaughter of livestock graded for export, excluding game - annual average percentage change of livestock weight, measured monthly

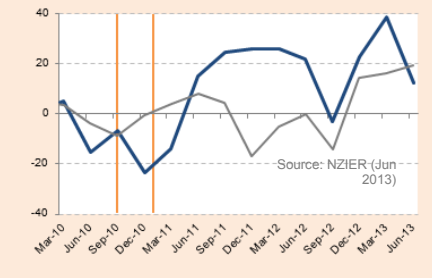


The agricultural sector remains strong. Synlait Milk is launching an initial public offer on 23 July of \$75 million in new capital and a secondary offer of \$38.7 million.

Key sectors

MANUFACTURING

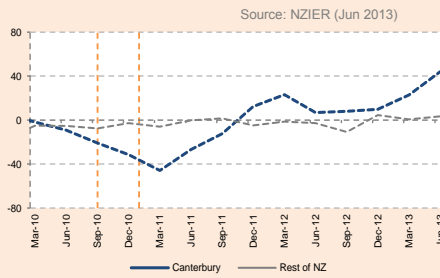
Domestic trading activity for manufacturers and builders - net percentage of firms that reported that trading activity went up in the last three months



A net 13% of Canterbury manufacturing and building firms reported an increase in their trading activity over the last three months compared with a net 20% in the rest of New Zealand. This is the first time that Canterbury firms have fallen below the rest of New Zealand level since March 2011.

SERVICES

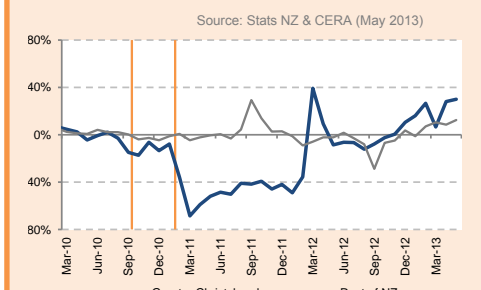
Domestic trading activity for service firms - net percentage of firms that reported that trading activity went up in the last three months



A net 44% of Canterbury services firms reported an increase in trading activity over the last three months compared with a net 3% of firms in the rest of New Zealand. This is a very strong result and provides a positive outlook for the industry, despite challenges remaining.

TOURISM

International guest nights - percentage change from the same month of the previous year



International guest nights in greater Christchurch increased 30% in May compared with May 2012. This compares with an increase of 13% for the rest of New Zealand over the same period. The Latimer Hotel is opening soon, and the Novotel is expected to open in August.

CENTRAL CHRISTCHURCH

Cafes and restaurants reopened and opened in the central city since February 2011

closed	reopened	New premises established
343	60	12

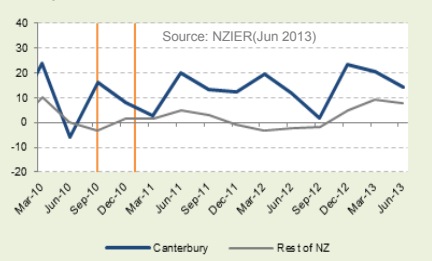
Source: CCC (May 2013)

Arrow International has signed a memorandum of understanding with China State Construction Engineering Corp., which is China's largest construction company and the second largest construction company in the world. They have announced an intention to bid for CBD anchor projects.

Rebuilding and confidence

INVESTMENT

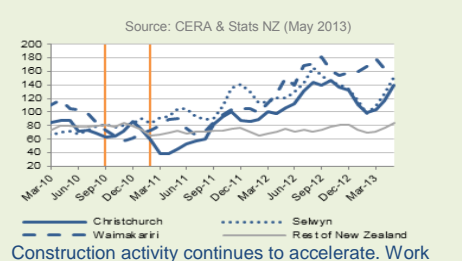
Plant and machinery investment intentions - net percentage of firms that expect that new investment approvals will be greater over the next twelve months compared with the last



A net 14% of Canterbury firms expect to increase their investment in plant and machinery over the next twelve months compared with a net 8% across the rest of the country. Intentions have fallen slightly from the December 2012 quarter, however, they are still higher than the rest of New Zealand.

CONSTRUCTION

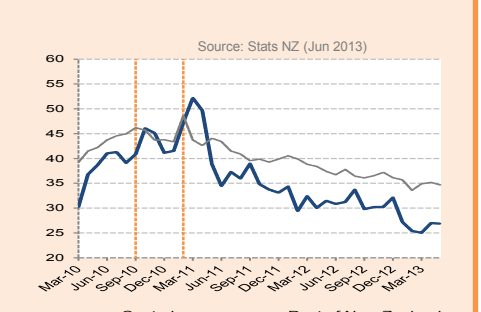
CERA's Index of Building Consents - three-month rolling averages of residential and non-residential building consents for new buildings and alterations, indexed where 2007 = 100



Construction activity continues to accelerate. Work place safety has become increasingly important, with the Canterbury Rebuild Safety Charter recently signed by 39 leaders in the rebuild and endorsed by 10 others. Insurance companies, construction companies and government organisations have signed the Charter which aims to prevent any deaths or serious accidents during the rebuild.

HOUSING

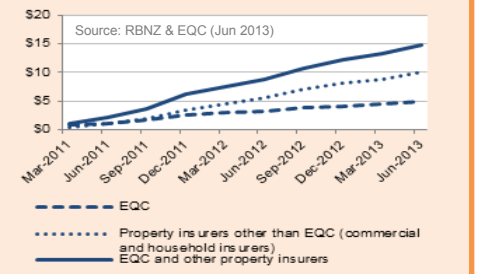
Days to sell a house - seasonally adjusted



Pressure on the housing stock is persisting and housing turnover is rising. It typically takes about 26 days to sell a house in Canterbury (seasonally adjusted) compared with 34 in the rest of the country.

INSURANCE

Cumulative insurance payments paid out by the Earthquake Commission (EQC) and other property insurers - \$ billions, excluding GST

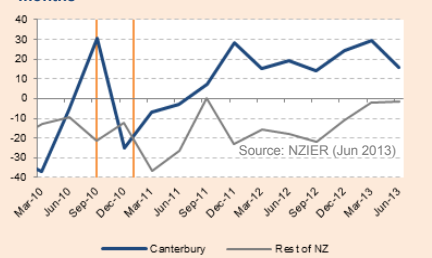


EQC and other property insurers had paid \$14.9 billion in relation to the Canterbury earthquakes by the end of June this year.

Rebuilding and confidence

SPENDING AND PRICES

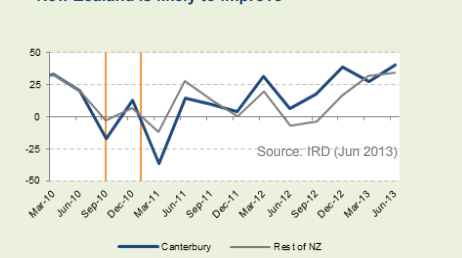
Building prices - Net percentage of building firms reporting that they raised prices in the past three months



A net 16% of Canterbury building firms report that they raised prices in the past three months, compared with a net -2% in the rest of New Zealand. Canterbury firms have reported that they raised prices every quarter since June 2011.

BUSINESS ENVIRONMENT

General business situation - net percentage of firms that consider that the general business situation in New Zealand is likely to improve

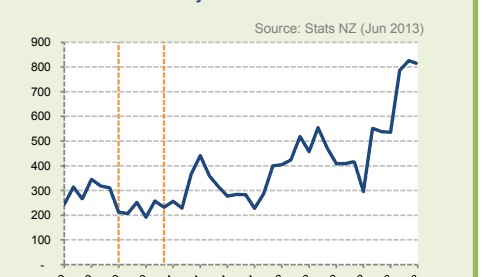


A net 40% of Canterbury firms consider that the general business situation in New Zealand is likely to improve compared with a net 35% in the rest of New Zealand. Apart from March 2013, Canterbury firms have been more optimistic than firms in the rest of the country every quarter since September 2011.

Labour market

POPULATION

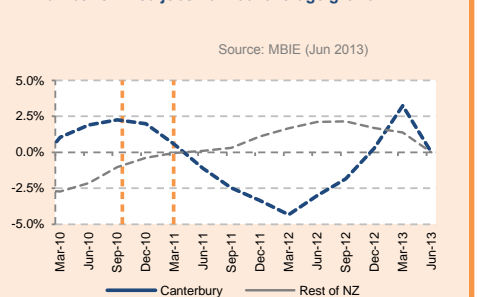
Registered taxpayers moving from elsewhere in New Zealand to Canterbury each month



June saw the highest number of registered taxpayers move into Canterbury since before 2010. Compared with June 2012, the number of taxpayers moving to the region has increased 83%.

EMPLOYMENT

Number of filled jobs - annual average growth



The number of jobs in Canterbury continues to increase rapidly. MBIE forecasts that this will continue with Canterbury and Auckland accounting for nearly half of the employment growth in the country over the next three years.