

Commodities Weekly

For the week ending Friday 26th July



Kiwifruit export values take a June breather

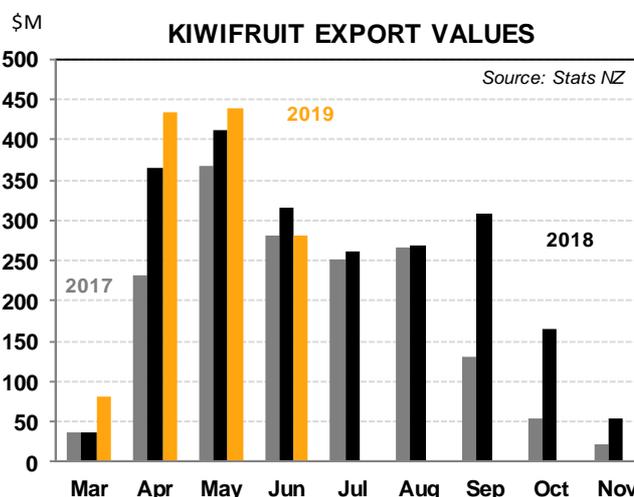
Despite a more modest June, export values remain on a record pace this season

After a red hot start to the season, kiwifruit export values slowed over June. Export values for the month were \$280m, down \$34.4m or 10.9% from June 2018.

Lower kiwifruit export volumes over the month accounted for all the slowdown. Total (green and gold) June volumes dipped 18% compared to June 2018 levels. On the other hand, export prices remain healthy, with June prices 3.2% and 7.0%, higher than June 2018, for gold and green, respectively.

Looking at the season to date, export values continue to track at a record pace. In the four months to date, export values are running 9.7% ahead of the same period a year ago.

Using the reported crop estimates and assuming that the lift in export prices to date holds over the remainder of the season, we anticipate total export values are likely to reach about \$2.25bn by season end. This would represent a \$60m or circa 3% lift on last season.



Week ending 26 July

The ASB Commodity Price Index was mixed last week. In NZD terms, the Index rose 1.2%. However, in USD terms the Index posted a 0.7% decline.

A weaker NZD/USD underpinned the Index gain in NZD terms. Over the week, the NZD fell against most major currencies and on the other side of the equation, the USD strengthened on solid US economic data.

By commodity, sheep/beef, forestry and fruit prices all fell in USD terms. Meanwhile, dairy prices bucked the trend, rising 0.3% over the week.

ASB New Zealand Commodity Price Indices As at Friday 26th July 2019

	Index*	Week%	Year%**
Total NZD	105.8	1.2%	2.4%
Total SDR	100.4	-0.3%	1.8%
Total USD	99.6	-0.7%	-0.2%
Dairy USD	99.6	0.3%	6.2%
Sheep/beef USD	105.1	-1.0%	-1.6%
Forestry USD	88.1	-1.9%	-13.2%
Fruit USD	105.0	-1.9%	2.3%
NZD/USD	0.6636	-1.9%	-2.5%

* For all indices 2017 average = 100

** Percentage change since same week last year

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