# BNZ Weekly Overview

13 September 2012

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### Mission Statement

To help Kiwi businesspeople and householders make informed financial decisions by discussing the economy and its implications in a language they can understand.


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The Weekly Overview is written by Tony Alexander. The views expressed are my own and do not purport to represent the views of the BNZ. To receive the Weekly Overview each Thursday night please click here.
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## Some Thoughts On US Debt

There have been a number of developments with regard to the external trading environment facing our valuable exporting sector this week and not many of them fall on the positive side. First up we have the United States employment numbers for August which were weaker than expected. That hits us not just because of the implied slightly slower than hoped for rate of growth in the US economy but because of the increased probability of extra money printing by the Federal Reserve. More money means a weaker greenback – hence the main cause of strength in the NZF/USD exchange rate. This is how their pain becomes our pain – shared.

Second we have seen the usual run of monthly data come out of China over the weekend and the numbers show an economy slowing down more than earlier thought. That means the risk of some downward pressure on commodity prices (though predicting such prices is an exercise guaranteed to leave one eating bitterness at some point). However, with almost half of our exports to China consisting of dairy products and wood things are not so bad. That is because bad weather in many parts of the world has pushed dairy prices up in the past one and a half months, and what looks to be a stimulatory policy focussed on construction (sounds good for wood) is being rolled out.

The main risk from China's bad data comes from the clear caution which it will inject to NZ's business sector, plus the reinforcement of worries in Australia that growth projections have got ahead of themselves.

In Europe the news has actually been okay this week with the German Constitutional Court saying it is okay for Germany to contribute to the new bailout fund, and the ECB saying "Sure, why not?" with regard to buying the bonds of the bad countries.

So maybe the world looks less munted than a week ago. But in the words of K in the first Men in Black movie "There's always an alien battle cruiser or a Korilian death ray or an intergalactic plague about to wipe out life on this planet."

Annihilation is always a possibility in other words and if you understand that then you can start to put into context and judge somewhat more realistically the commentary and forecasts of those proselytising doom.

For instance, think of the huge United States Federal Debt which now stands at $16tn http://www.usdebtclock.org/ which is more than 100% of annual GDP. The staggeringly large amount is spoken about in terms of a $51,000 burden for every citizen in the United States which risks economic destitution, absence of growth, and an ending of the American Dream. That is a dream of individual freedom to work, marry, get educated, own property and vote, rule of law, stable government, and spreading of American values to everyone out there.

But what does it really mean that debt is so large? Does it alter the key characteristics which have made the United States so strong?

- A strong education system? Only if the teachers go unpaid and people lose income so cannot pay university fees.
- Abundant innovative human talent. Only if people's freedom is suppressed so the talented flee.
- Deep capital markets. Only if hefty regulation is imposed.
- A meritocratic business system. Only if advancement becomes more probable and profitable through unnoticed corruption – and that requires a weakening of checks and balances and the rule of law though independent courts. That seems highly unlikely.
- Rich resources. They remain abundant on US territory or in protected countries.
- A united people. Americans share a set of founding values enshrined in a jealously guarded Constitution.
- Top level science and technology. US universities rank very highly and both the US government and companies devote considerable resources to long term research and development, applied and theoretical analysis.
- Military superiority. No challengers exist for this half of the 21st century.
- Strong soft power. Many people outside American want what the Americans want, want to do what they do, therefore accept what the US does (with some huge exceptions which help define the likes of ourselves as a people). In contrast to this American Dream, no-one has a Chinese Dream of environmental degradation, unconquerable corruption, suppression of the individual for benefit of society and abandonment of entire strata of people.
- An absence of doorstep geopolitical tension. Canada and Mexico pose no huge issues.
- Well developed stable political system.

Huge debt has an impact to the extent that it imposes a debt servicing burden for which higher (growth sapping) taxes may be required. Low interest rates are largely taking care of that problem however for now.

The real bogeyman of huge debt is that which is affecting and will affect Europe for a long time – the risk that not just new debt but existing debt may not be able to be sold to investors. What happens in other words if investors want their money back? The high debt creates a vulnerability to outside forces and that is where the real issue lies to the US – a loss of sovereignty issue which is increasingly causing angst in European countries who see outsiders increasingly pulling levers which affect their economies and societies.

The issue then is whether there is a high probability that in the near future the policy options of the US Federal Government will be constrained by outsiders using their debt lever.

While there will definitely be debt wobbles in coming years, the chances of investors abandoning investments in the freest, strongest, and proven dynamic economy/society on the planet are slim, if for no other reason than that the alternatives look poor. Consider the Chinese. Is it likely that they will fail to reinvest the $1tn they have invested in US debt? No because news of such a sell-off would cause the US dollar to plunge, the value in Yuan of China's holdings would plummet, and criticism of the investment decisions of China's financial managers would soar in the Chinese blogosphere. Plunging asset values would become a strong source of discontent, anger, and therefore disharmony in China – and therefore it will not happen because China's society is "influenced" by Beijing through avoidance and quick suppression of disharmonious developments.

Interestingly, just this week the Pentagon released a report concluding that China's security holdings do not represent a threat to the US. http://www.bloomberg.com/news/2012-09-11/china-s-u-s-debt-holdings-aren-t-threat-pentagon-says.html One of their comments is "A Chinese move to "suddenly and significantly"

reduce its Treasury holdings "would fundamentally change the international finance and business community's perception of China as a reliable and respected economic and financial partner,"

Much of the US Federal Government is held by domestic investors. Will they abandon their holdings? Definitely not. No other debt market is as liquid or deep and the alternatives on offer – debt of European or Asian governments are not attractive.

Will oil producing countries sell their holdings? No. They would also have nowhere else to safely place their funds which would not lead to huge market turbulence. Generally there is also a demand by foreign central banks and corporations to hold some form of US government debt as a perceived safe haven for savings with currency of denomination matching in most instances the currency in which they expect to eventually be making payments.

So the chances are that holders of US government debt will remain willing to hold the assets – but there is a clear risk that such willingness will decline and interest rates will rise. Such a rise would blow-out debt servicing costs and force either higher taxes or reduced Federal spending. That is the key problem with the high US debt – a problem which will only get worse as budget deficits continue and as an eventually aging population brings increasing numbers of people looking to cash in their debt certificates for spendable cash.

But these are long term problems and for the moment the US does not face a strong threat from its high debt. But the clock is ticking and the incoming President will need to quickly craft a deficit reduction package of more intelligent shape than the automatic 4% of GDP fiscal contraction which will come on January 1 2013 if nothing changes.

Speaking of debt holders cashing in their certificates. That is the stage Japan has reached. Government debt is about 225% of GDP, owed almost entirely internally to household savers. As they look to cash up, spend, then die Japan's taxable base will be shrinking at the same time as old-age costs are rising and debt is being redeemed. And the chances are by the looks of it that deflation will continue as well. Where the money is going to come from to repay elderly folk is anyone's guess and it seems highly likely that spending cutbacks will be needed very soon.

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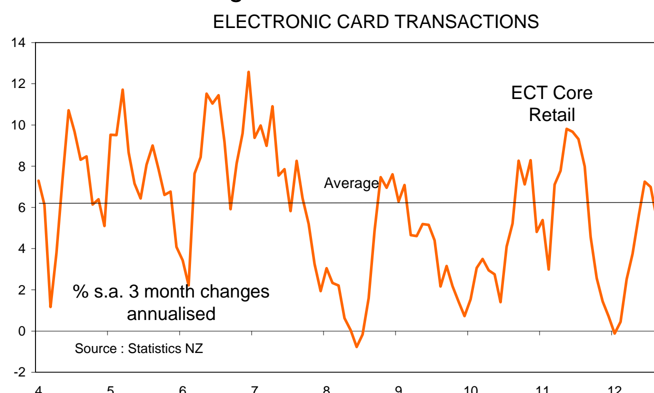
On the data front for NZ this week we saw the release of weaker than expected data on the manufacturing sector which followed last week's slightly less than hoped for growth in construction during the June quarter. But the monthly Electronic Card Transaction data came in much stronger than expected with total spending rising a seasonally adjusted 2.4% in August after falling 1.3% in July. Yes, these numbers go all over the place – so we do two things.

First we look at the core measure of retail spending which excludes motor vehicles and fuel principally, then we smooth things over a three month period. Doing that we see that in the three months to August core retail spending rose at an annualised pace of 5.4% compared with 7% in the three months to July and 5.6% three months earlier. These numbers tell us that spending is growing at an acceptable place though going hither and thither on a month to month basis. This is good then.



# INTEREST RATES

The main item of news relevant to where interest rates are going to go in New Zealand in the near future was this morning's review of the official cash rate by the Reserve Bank and their release of an updated set of economic forecasts. As had been near universally expected the cash rate was left unchanged at 2.5% and again largely as expected the RB indicated that they don't reckon they will be changing the rate for quite some time. Here is why.

"New Zealand's trading partner outlook remains weak. Several euro-area economies are in recession and Chinese growth has slowed. The risk of significant deterioration in the euro area persists."

Taking the high NZD into account they now don't project raising the cash rate until the end of 2013 as opposed to the middle of next year. Their next step will be to change that date into 2014 as I've long picked. There are simply too many deep risks overseas, the Kiwi dollar faces upward pressure because it is one means by which the pain in the rest of the world is spread to us, and because domestically, much as we are distracted by a rising housing market, our economy is struggling.

So there have been no interesting movements in swap rates or bill yields this week and that is the way things may stay for quite some time but with a few bumps up and down as developments mainly occur in Europe.

**FINANCIAL MARKETS DATA**

| | This week | Week ago | 4 wks ago | 3 months ago | Yr ago | 10 yr average |
|---|---|---|---|---|---|---|
| Official Cash Rate | 2.50% | 2.50 | 2.50 | 2.50 | 2.50 | 5.4 |
| 90-day bank bill | 2.66% | 2.66 | 2.68 | 2.77 | 2.70 | 5.7 |
| 1 year swap | 2.67% | 2.61 | 2.70 | 2.58 | 3.12 | 5.8 |
| 3 year swap | 2.93% | 2.82 | 2.98 | 2.83 | 3.68 | 6.1 |
| 5 year swap | 3.24% | 3.13 | 3.32 | 3.18 | 4.22 | 6.3 |

## Personal Investment Choices – A One-off Commentary

There are two phrases I remember well from the late-1970s when at high school in Christchurch I started studying economics and the Great Depression. "Its your money they're after" and "Where are the customers' yachts" The first refers to the simple fact that behind the friendly smiles, the lovely pictures of happy retired couples walking along beaches with grandchildren and little dog in tow, the beautiful graphs showing rising returns, and the glossy brochures meant to impress lies the very simple fact that the people paying for those ads just want one thing – your money.

The second refers to the fact that much as the beauties of investing in the sharemarket are repeatedly highlighted by dealers in shares, the investors don't often end up rolling in enough dosh that they can buy their own yachts – the yacht owners are the brokers.

I mention these thoughts because we have this year re-entered the investing part of our national cycle. This is the phase where we become more aware of the positive payoff from restraining our spending and putting money aside for the future. It is a good idea. As we start thinking this way with help from the likes of official campaigns – such as the just completed 'Money Week" - the sellers of investments notice that their market is growing, so they start advertising.

This advertising comes either in the form of actual advertisements, (happy faces), or releases of research showing how one can earn superior returns by choosing their product. Now let me state something right up front. Having spent a quarter of a century as an economist in this little country I feel I can safely say that one of the most sensitive groups in the country is investment sellers. I have been lobbied in the past to both not point out full details of what they are selling, and to join with them selling what they have. For instance just

two weeks ago I was invited to take part in a webinar for a company in the property sector. Their interest is in selling investment properties or property vehicles of some type. I declined.

With house prices now rising firmly as people accept that there is a shortage (as I have been writing about for four years), and as they take on board the message of the need to save, and as the marketers of properties and property investment methods get more active, getting one's foot on the property ladder becomes a matter of moment for the young, the low income earners, and those looking to simply grow some capital.

Investing in property is fine, it has served me and mine well, and I think it is a good way to build one's personal wealth. But investing in property is not for everyone and unfortunately as this cycle grinds on we will yet again see people who "should not" be investing in property once more gearing themselves up – not because they are greedy, but because they will be told they are missing out on something and that it is easy to participate – which it is. But what always happens in asset cycles is that assessment of risk goes out the window.

By that I don't mean just the risk of one's asset losing value or failing to produce a hoped for income stream. I mean one's personal ability to tolerate and understand risk. When things start going bad do you have the ability to understand why, have you experienced such a thing before, will you know what to do to correct the situation, will you expose your lack of knowledge and worry by speaking with other people, will you have the guts to cut your losses, do you understand that when markets are falling liquidity (ability to sell) can disappear? Will you ultimately become willing to accept a certain large loss in order to sleep at night not worrying about losing more?

Do you understand that if a promoter is offering rent guaranteed for the first two years that you are paying for it in the start-up price? Do you understand that unless you buy a wide spread of properties from all around the country, long term graphs showing projected returns based on historical experience are worthless?

My point is this. I personally like property investment, especially with the simple fundamentals supporting prices such as rising building codes, an unwillingness of us Kiwis to open up large new tracts of development land, councils lumping fees onto developers, rising construction costs, and an existing shortage of stock in some (not all) parts of the country. But property investment is not suitable for your 65 year old widowed aunt who lives in a mortgage free house, survives on superannuation, and who has $50,000 in the bank for emergencies. It is not optimal for her to gear her house back up again to try and boost her income – or to be sucked into thinking she needs to build more wealth to pass onto her nieces and nephews. The younger generation are quite able to look after themselves.

Property investment suits many people, but not all. Which brings me to what prompted me to start pumping out these words as I sit on an airplane flying to Fiji to give a talk. (I love Fiji time. Whereas in New Zealand travelling, preparation, speaking then travelling back from giving a talk might take half a day, for Fiji it always takes three! No exceptions). On the front page of the business section of the revamped NZ Herald (it is looking good so far) of Wednesday this week was the headline "Research pumps shares" and sub-line "Study finds 40-year return on stocks more than twice that of property".

It was amazing, I felt this wave of history wash over me with images of newspapers past flashing before my eyes – from 1986, 1993, 2003 and so on. The wonders of shares. I saw again in my mind the graph of the Dow Jones Industrials Index from 1926 looking like a beautiful straight line rising to the right to infinity and beyond. The glory, the glory. So I read the article, and for perhaps the first time ever found that it was not biased, not pumping shares, and instead raised some extremely useful points which to anyone reading it would have left them with a good understanding of two things.

First that calculation of returns is not as straightforward as headline numbers might suggest. Second, those who promote their services in share trading just like those who promote their services in property investment, sometimes get skimpy with their analysis as they load up on assumptions. In particular the article noted this. From a starting point in 1971 an investment in shares in New Zealand would have returned

an average 11.2% per annum while an investment in property would have returned 9.2%. Sounds like a no-brainer right?

Not really. You see the calculation for the return on shares was based on the NZSX50. This index covers only big companies and immediately excludes failures (they drop out of the index) while capturing the rising winners. The calculation for returns on housing covered every house in the country, including those out the back of Ekatahuna (lovely place, don't get there often enough). The measures are not comparable.

But then it gets worse. The share index measure includes dividends. The property measure excludes rents. That is just unprofessional. And then there is the final nail in the coffin for this long running comparison. When you and I invest in property we almost always gear up. We borrow money so that our $10,000 investment in 1971 is actually boosted to something like $50,000. But hardly anyone ever borrows (or is lent) money on shares, so there is no multiplier effect in play.

None of what I have written is meant to imply that investing in shares is a bad thing. Personally I have done okay out of such investing just as I have out of housing. (Whereas I lost everything put into a forestry investment.) All I want to do is get across a very simple message. For the next three years the NZ public is going to be increasingly bombarded yet again with a message of needing to save and as house prices at least rise people will once again assume such rises continue, put risk assessment to the side, and gear themselves up without thinking adequately about the assumptions behind the calculations they will be presented with, and without understanding their own risk tolerance.

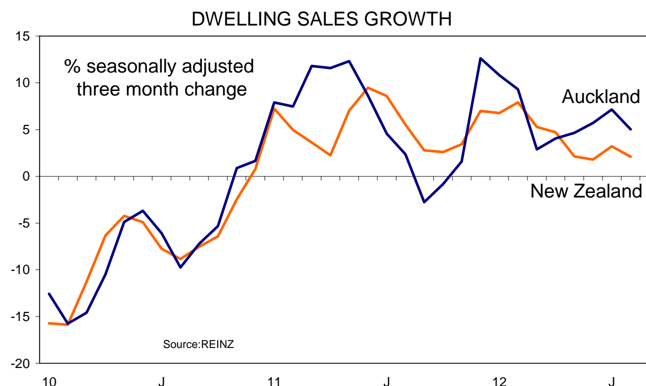
My message is simply be careful, invest wisely with an eye toward diversification, invest only in what you understand, and think about how quickly you can cash in your investment if you need to (think shares versus housing versus a dairy equity scheme). And for those of us with above average knowledge of these things we have a duty to keep an eye on our less sophisticated friends and relatives and make sure they don't think they should jump on a bandwagon just because it seems to be rolling and they feel they are missing out on something. I am firmly of the view that it is the fear of missing out rather than greed which drives us to investments which are not optimal for us.

# HOUSING MARKET UPDATE

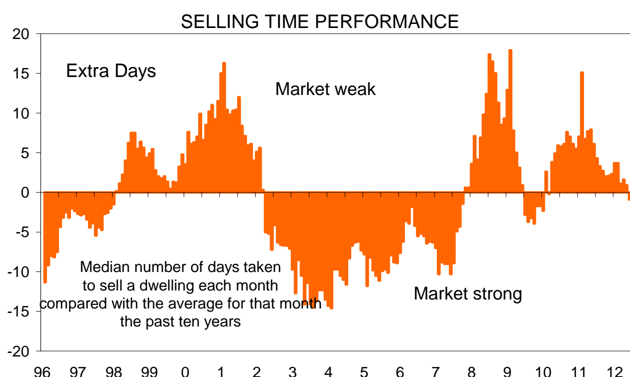
- **To view the most recent results of our monthly BNZ-REINZ Residential Market Survey click here.** http://tonyalexander.co.nz/bnz-reinz-survey/
- **I also write a monthly column on the residential property market in NZ Property Investor magazine available at your bookshop or newsagent.**

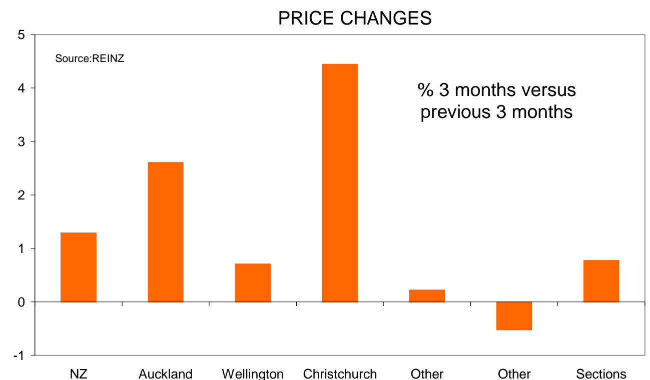
## Housing Rising – Nothing New There

The REINZ reported this week that in August there were 6,035 dwellings sold around New Zealand. That was a 16% rise from a year earlier which takes the annual total to 70,065. That represents a 22% rise from sales in the year to August 2011 and is the highest annual sales total since April 2008.




On average in August it took 35 days to sell a dwelling which was 0.7 days shorter than average and merely tells us that properties are not sitting on the market for a long period of time and that as yet buyers are not snapping homes up on average as soon as they come onto the market.




With regard to price things continue upward with the stratified median dwelling sales price rising 1.3% in August to a record high of $385,000 which is up 5.6% from a year ago and 1.1% above the November 2007 peak. In Auckland prices have risen by 2.6% in the past three months, 11.5% in the past year, and are 7.3% above the pre-2008 peak. Wellington prices have risen by 0.7% in the past three months, 0.4% the past year, and are 4% below the pre-2008 peak. Christchurch prices have risen by 4.4% in the past three months, 9.3% in the past year, and are 4.7% ahead of pre-2008 levels.

This morning I released the results of my monthly survey along with REINZ of over 10,000 licensed real estate agents around New Zealand. The results show a market in good heart, but not everywhere. You can read the results here. http://tonyalexander.co.nz/wp-content/uploads/2012/09/Survey-September-13.pdf

# MAJOR OFFSHORE ISSUES

## Europe

**Europe has had a good week – that is one reason why the NZ dollar has risen.**

The first major piece of news out of Europe this week was the decision by the European Central Bank to launch its Outright Monetary Transactions programme. Under this programme the ECB will purchase unlimited quantities of bonds maturing between one and three years issued by governments who have formally requested aid from Europe's bailout fund. The purchases will be sterilized which means no money printing as other assets will be sold to soak up the injected cash.

The second major piece of news was the two expected beneficiaries of these actions saying they do not like the idea of the ECB imposing economic policy changes and fiscal policy control in exchange for them buying bonds. Plus the German Bundesbank, politicians across the spectrum and citizens expressed outrage at the bastardisation of the ECB's original mandate to protect the Euro and not to finance government deficits. In other words – the ECB plan is not the end game for this crisis and it is certain that in coming months we will see renewed volatility and crises of various magnitude and duration.

One such hot spot is likely to be France where the new Socialist President has so far raised taxes and boosted spending and now moves to getting the recalcitrant French budget deficit down to 3% of GDP from 5.2% last year. But doing that involves a programme of spending cuts which might add up to €33bn. Angst is already rising among the French – but then that usually happens on Mondays, Tuesdays, etc. – and then they hit the streets et font leur manifestations. (Demonstrate).

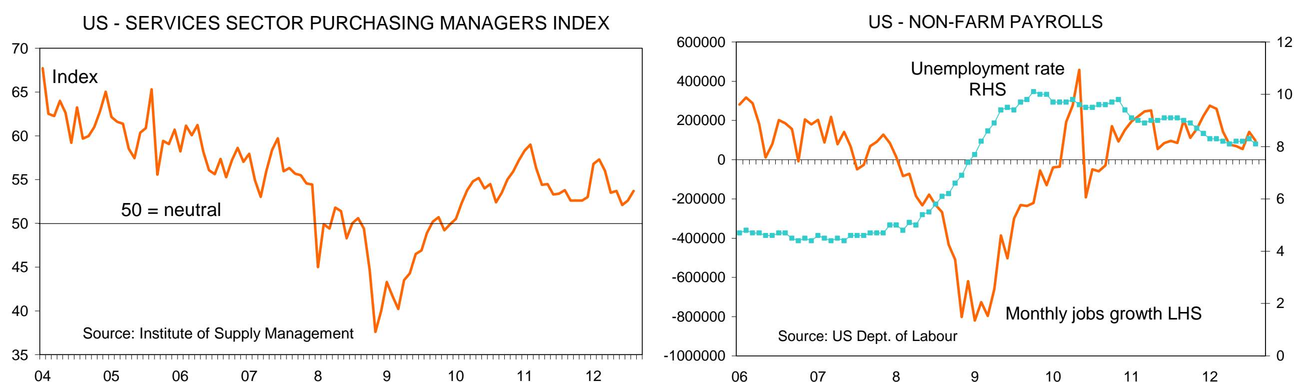
France is in many regards a key sign of what is wrong in Europe. Smaller economies like Greece are forced to radically reform their economies because they are up shite creek. Bigger ones like France are not there yet – so are busy working on getting there by re-regulating their economies until they too hit the end point of investor tolerance as the Mediterranean countries have. Already the ratio of government spending to GDP is 56% in France. If government largesse was so good they would not be in their current position. Imagine what France will look like if the Greeks leave the Euro and factory owners shift production down there to benefit from extra-cheap wages. Speaking of which, industrial production in Greece in July was down 5% from a year earlier. Manufacturing output was down 7.8%.

As many now say, solving this will take a generation. And by the time that happens Europe will be thoroughly eclipsed by a much stronger Asia and an American economy rejuvenated by the development and application of new technologies made possible by a strong individualist philosophy and role as the world's cultural leader.

But all is not lost. The intensity and duration of the funding crises which will come along in the next few years will be muted by the soon to be created European Stability Mechanism – a fund of €600bn which will replace the current temporary fund. The German Constitutional Court last night ruled that it is not illegal for the German government to contribute its €190bn to the fund. Hence there will be some extra support now for the next countries needing funding for times when private investors get the heeby geebies and dump or refuse to buy at low interest rates their debt.

## United States

The week started positively with regard to data in the US with the ISM services index doing the opposite to the earlier released manufacturing index and coming in better than expected. But the story for the past three years of muted recovery in the US economy has been of good data being immediately followed by bad. To whit, on Friday night we learnt that employment in the US in August rose by 96,000 which was less than the expected 130,000. In addition the July and June numbers for employment were revised downward by 41,000.




So now the markets wait to see how the Federal Reserve will ease monetary policy.

## China

You can find my China page on Facebook at http://www.facebook.com/TonyAlexanderNZ I have set up this page specifically for discussing the NZ-China relationship and as a tool for disseminating information and furthering my own still inadequate knowledge.

Two weeks ago in Sydney I attended the Australia-China Business Week conference organised by the Australian Business Forum. One of the speakers at the forum was BRIC expert David Thomas of 'Think Global". I have met David a number of times including in January this year in Hong Kong where he was taking a delegation of Australian businesspeople to the annual Asian Financial Forum. David and I have chatted and agreed that it would be a good idea to open the delegation to any New Zealanders who may want to go as well. Therefore, if you are interested in a four day trip to Hong Kong to learn about the latest financial developments in China principally but also other parts of Asia, and to take a day trip to Shenzhen then click on the link here to find out more.
http://eepurl.com/pjZ0b

With regard to things I've written about China this week we have the following.

A look at the dispute over the Diaoyu/Senkaku Islands.
http://tonyalexander.co.nz/wp-content/uploads/2012/09/Comment-Sept12.pdf

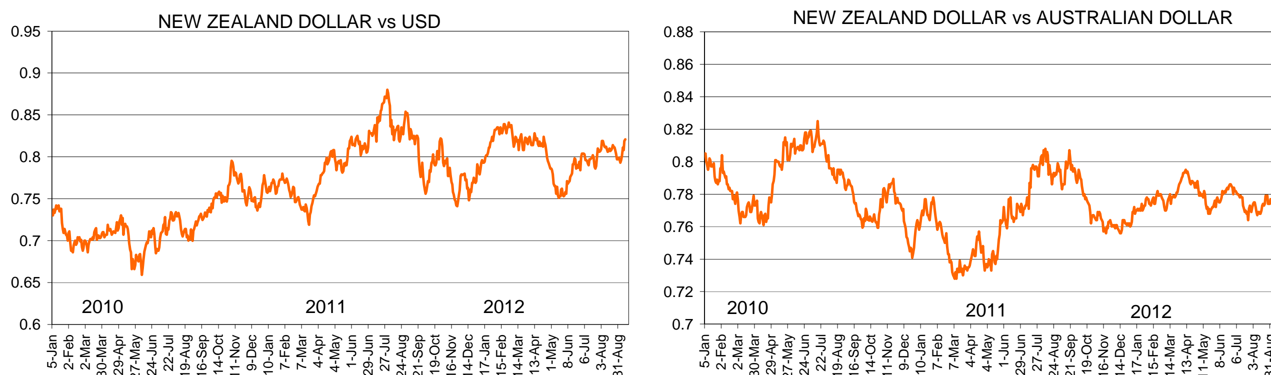
Could it be that just 23% of Chinese are appreciably better off since Reform and Opening started? Some terribly rough calculations open to challenge.
http://tonyalexander.co.nz/wp-content/uploads/2012/09/Comment-Sept10.pdf

# Exchange Rates

| Exchange Rates | This Week | Week ago | 4 wks ago | 3 Mths ago | Yr ago | 10 yr average |
|---|---|---|---|---|---|---|
| NZD/USD | 0.821 | 0.796 | 0.812 | 0.776 | 0.822 | 0.67 |
| NZD/AUD | 0.784 | 0.778 | 0.769 | 0.782 | 0.794 | 0.85 |
| NZD/JPY | 63.900 | 62.400 | 63.600 | 61.700 | 63.5 | 69.6 |
| NZD/GBP | 0.510 | 0.500 | 0.518 | 0.499 | 0.518 | 0.388 |
| NZD/EUR | 0.636 | 0.632 | 0.661 | 0.621 | 0.601 | 0.52 |
| NZDCNY | 5.195 | 5.055 | 5.162 | 4.944 | 5.264 | 4.99 |
| USD/JPY | 77.832 | 78.392 | 78.325 | 79.510 | 77.251 | 105.7 |
| USD/GBP | 1.610 | 1.592 | 1.568 | 1.555 | 1.587 | 1.72 |
| USD/EUR | 1.291 | 1.259 | 1.228 | 1.250 | 1.368 | 1.28 |
| AUD/USD | 1.05 | 1.02 | 1.06 | 0.99 | 1.04 | 0.788 |
| USD/RMB | 6.3275 | 6.3507 | 6.3577 | 6.3716 | 6.404 | 7.56 |

## Kiwi At Four At A Half Month High

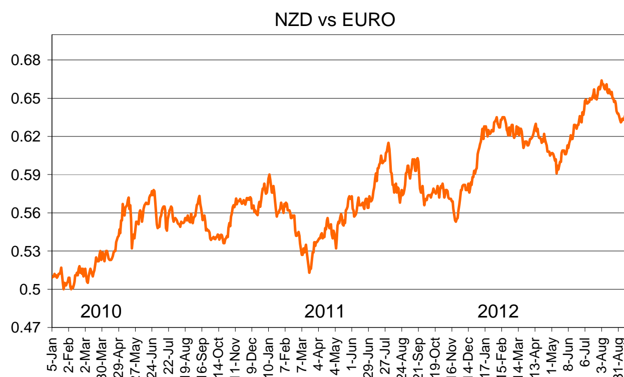
The Kiwi dollar has risen this week as investors have embraced a tad more risk in response to the ECB indicating they will purchase short-dated bonds on the secondary market, the ruling of the German Constitutional Court in favour of Germany contributing to the new bailout fund, and expectations of more money printing in the United States following last Friday's poor employment data. We've also been dragged up slightly by the AUD rising with support from news that the Chinese may be looking at investing in Queensland state government bonds – meaning buying AUDs.

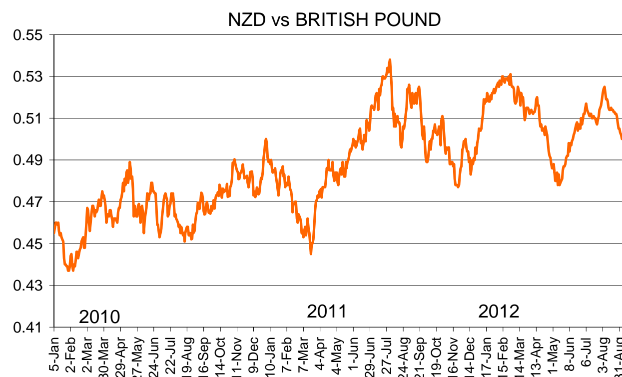



This has happened in spite of the Reserve Bank this morning indicating that don't plan raising the official cash rate until late-2013. Could they cut it? Only if things get a lot worse overseas given that the last thing our housing market needs is another shot in the arm from low financing costs.

The NZD's two and a half cent rise against the USD has not been matched against other currencies because of the weakness in the USD noted above with funds flowing back into the Euro in response to developments there.

Where we go from here depends upon the same factors we have long pointed out. If Europe looks better the NZD goes higher. If Europe looks worse the NZD goes lower. It is impossible to forecast which sentiment change will come next. The risk though is that in a world where our fundamentals look quite good compared with many others that the NZD remains strong and generally goes higher.




## Key Forecasts

| Dec. year | | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|
| GDP | annual average chg | 1.4 | 2.0-3.0% | 2.0 – 2.5 | 1.0 – 2.0 |
| CPI | on year ago | 1.8 | 1.8 | 2.2 - 2.9 | 2.5 – 3.5 |
| Official Cash rate | end year | 2.5 | 2.5 | 2.5 – 2.75 | 2.75 – 4.0 |
| Employment | on year ago | 1.6 | 1.0 – 1.5 | 1.0 – 2.0 | 0.5 – 1.5 |
| Unemployment Rate | end year | 6.4 | 6.0 – 6.5 | 5.5 – 6.0 | 5.0 – 5.6 |

The Weekly Overview is written by Tony Alexander, Chief Economist at the Bank of New Zealand. The publication is sent to 27,000 subscribers each week and is one of a stable of regular releases which include the

- monthly Growing With China publication, http://tonyalexander.co.nz/topics/china/
- monthly BNZ Confidence Survey, http://tonyalexander.co.nz/topics/surveys/bnz-confidence-survey/ and the
- monthly BNZ-REINZ Residential Market Survey. http://tonyalexander.co.nz/topics/surveys/bnz-reinz-survey/ This latter survey provides information from a survey of over 10,000 licensed real estate agents on the current state of the residential property market in New Zealand.
- He has also written a weekly newspaper column since 1998, search www.stuff.co.nz
- produces a monthly column for the NZ Property Investor magazine, http://www.propertyinvestor.co.nz/ and
- writes a monthly column for the NZ China Trade Association. http://www.nzcta.co.nz/
- Most of these publications plus research into impediments to NZ's economic growth are available on his website. www.tonyalexander.co.nz
- Discussion of New Zealand's relationship with China can be found here. www.facebook.com/TonyAlexanderNZ

Tony Alexander has been Chief Economist at the BNZ since 1994 and apart from publications and advising management spends considerable time on the road around New Zealand making presentations and speaking with the media. He travels to the UK and Europe twice a year to assess economic conditions and present at numerous functions, has five children, tramps, and his partner Dr Sarah Farquhar runs the early childhood education network www.childforum.com

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