

TARANAKI MINI TRENDS

INTERIM TARANAKI ECONOMIC REPORT

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Snap-Shot of Economic Changes for Taranaki

March Quarter 2007

Number of Births – March Quarter 2007

- 421
- + 8.2% from the March 2006 quarter

Number of Deaths – March Quarter 2007

- 216
- + 24.9% from the March 2006 quarter

Permanent and long term arrivals to Taranaki – March Quarter 2007

- 349
- + 1.7% from the March 2006 quarter

Permanent and long term departures – March Quarter 2007

- 404
- +12.5% from the March 2006 quarter

Taranaki Employment – March Quarter 2007

- 60,400
- +8.6% from the March 2006 quarter

Unemployment rate – March Quarter 2007

- 3.9%
- +8.6% from the March 2006 quarter

Average Hourly Earnings – March Quarter 2007

- \$22.31
- +8.6% from the March 2006 quarter

Average Weekly Income – March Quarter 2007

- \$602
- +6.5% from the March 2006 quarter

Taranaki Retail Sales – March Quarter 2007

- \$360.3m
- +7.4% from the March 2006 quarter

Number of New Residential Consents – Year Ended March 2007

- 603
- +6.5% from year ended March 2006

Value of Non-Residential Consents – Year Ended March 2007

- \$80.1m
- -3.1% from year ended March 2006

Number of Businesses in Taranaki – As at February 2006

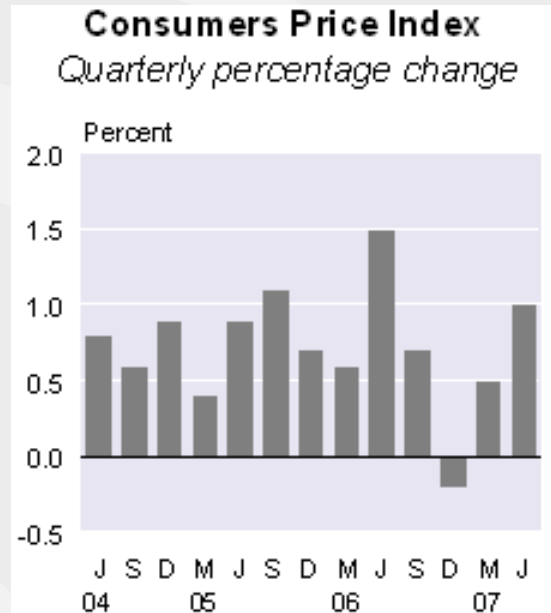
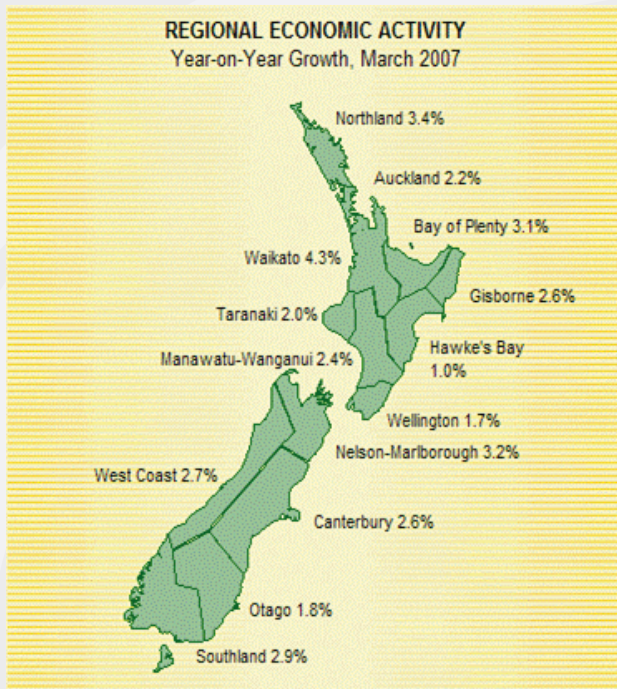
- 8,609
- +4.0% from February 2005

Snap-Shot of Key Economic Factors

Regional Growth

- Following the surge in economic activity in the December quarter, business activity in Taranaki has reduced in the first three months of the year.
- Quarterly percentage change in Taranaki's regional growth for the March quarter was -1.2 percent
- Year on Year growth for Taranaki for the year ended March 2007 is 2.0 percent.

- The 1.2 percent decline in economic activity has pulled the annual economic growth rate down to beneath the national average for the first time in three years.



Real Estate Sales

The following table reflects the median house sales price for Taranaki as reported via REINZ sales for the June 2007 quarter. It also provides comparisons with New Zealand's median sales figures.

The results highlight that:

- The median sales price in June 2007 quarter within the region declined – although this was also experienced nationally.
- Taranaki's median sales price in June was \$82,500 beneath the New Zealand median sales price.

Period	Taranaki 2007	New Zealand 2007
April	275,000	349,000
May	281,000	350,000
June	265,000	347,500

- The following graph displays the median house sales price on a month-by-month basis for Taranaki as well as New Zealand, for the past 12 months.
- It highlights that that media sales prices within the region have increased between July 2006 – March 2007 – however in the past few months, such increases may have eased.

GDP

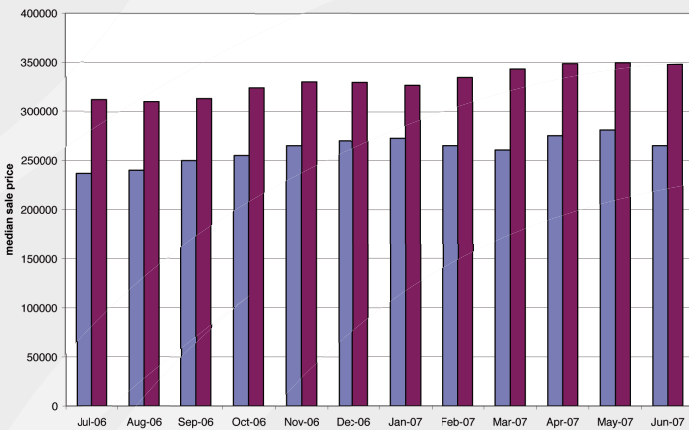
- Economic activity increased 1.0 percent in the March 2007 quarter, following an increase of 0.8 percent in the December 2006 quarter.

CPI

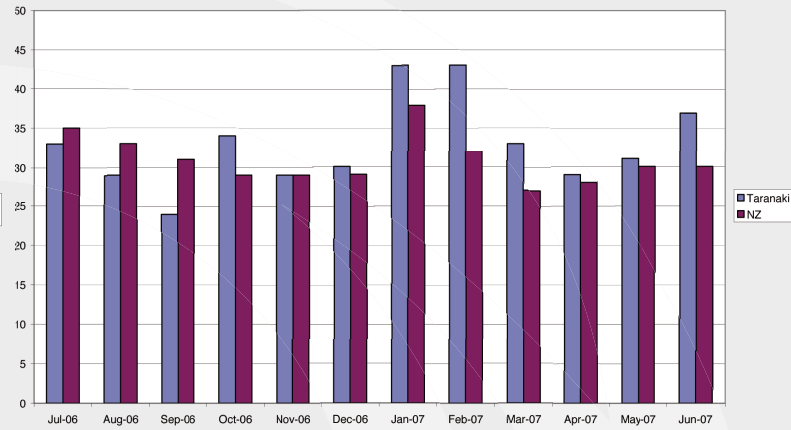
- The Consumers Price Index (CPI) recorded an increase of 1.0 percent in the June 2007 quarter, following an increase of 0.5 percent in the March 2007 quarter and a decrease of 0.2 percent in the December 2006 quarter.
- The most significant individual upward contributions to the movement in the CPI came from price increases for petrol (up 8.0 percent), tomatoes (up 96.6 percent), electricity (up 3.0 percent) and the purchase of new housing (up 1.6 percent).

The most significant individual downward contributions to the movement in the CPI came from lower prices from overseas package holidays (down 9.3 percent) and apples (down 35.2 percent).

Median Sales Price - Taranaki V NZ



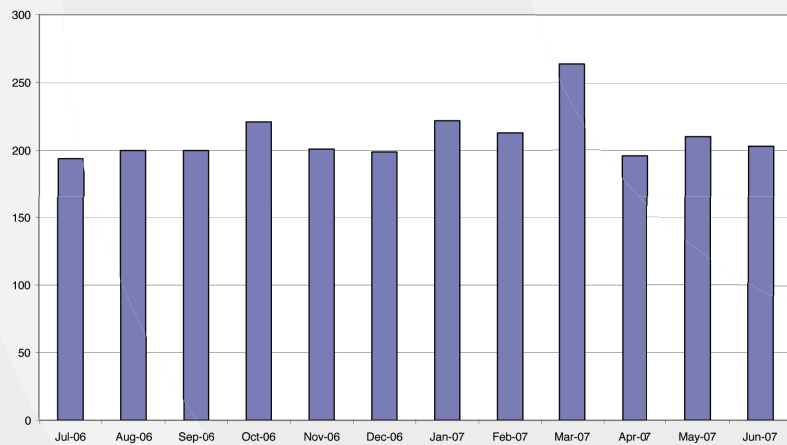
Median Days to Sell



Number of sales:

- The number of house sales declined, both regionally and nationally in the June 2007 quarter
- Real estate sales in the Taranaki region for the June 2007 quarter were down 7.3 percent in number, relative to the March 2007 quarter.
- This compares with a 10.6 percent decline experienced nationally.

Taranaki - Number of House Sales



Time Taken to Sell

- The following graph displays the median number of days for house sales to occur.
- The median number of days to sell in April 2007 was 29 days for the Taranaki region. This increased to 31 in May and 37 days in June 2007.
- The national median number of days to sell a house has remained relatively stable at 28-30 days in the past few months (thus less than Taranaki). However on a broader note, the national trends of the past 6 months show similarities to that experienced regionally.

Visitor Trends

March 2007 Quarter

Room Nights

- Number of room nights sold in commercial accommodation in Taranaki for the March 2007 quarter was 106,094.
- A comparison of room nights sold recorded in the March 2007 quarter for the same period in 2006, shows an increase of 4.7 percent.
- New Zealand room nights sold in the March 2007 quarter, relative to 2006, have increased by 5.6 percent.

Visitor Arrivals

- The number of visitors staying in commercial accommodation who came to Taranaki for the March 2007 quarter totaled 87,660.
- A comparison of visitor numbers with same time last year, shows an increase of 6.4 percent
- In comparison, New Zealand visitors numbers in the March 2007 quarter, relative to same time last year, reflect a 3.1 percent increase.

Occupancy Rates

- The occupancy rate for the March 2007 for Taranaki was 42.2 percent, relative to the national average of 49.6 percent.
- The following chart displays occupancy rates for selected regions.

Occupancy Rates

March 2007 Quarter		
	2007 (%)	Annual Change (%)
Taranaki Reigon	42.2	3.4
Tourism Auckland	62.6	8.4
Destination Lake Taupo	51.7	-0.2
Tourism Rotorua	56.9	1.0
Waikato	42.2	3.0
New Plymouth District	47.3	1.7
Stratford District	32.5	11.3
South Taranaki District	27.2	25.7
Destination Wanganui	42.6	4.2
Palmerston North City	54.7	9.3
Wellington City	71.4	7.7
Christchurch and Canterbury	53.7	3.8
Tourism Southland	50.5	4.9
New Zealand	49.6	5.6

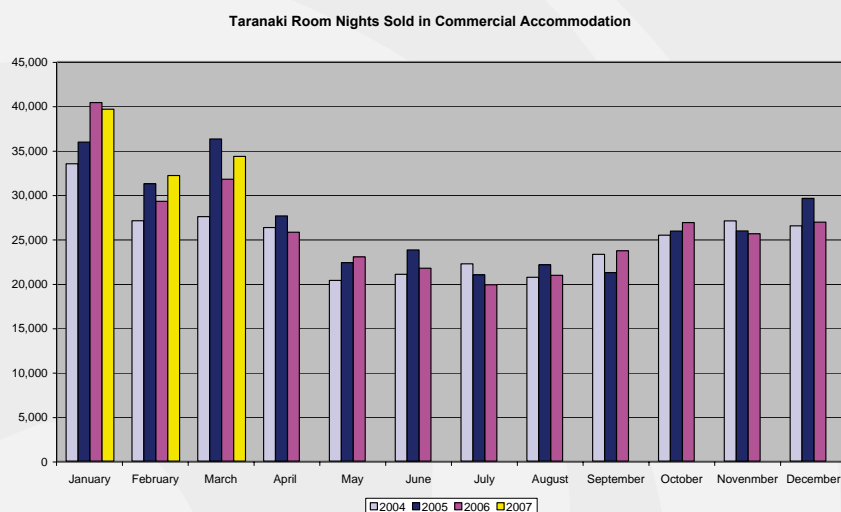
2007 Taranaki Tourism Summary

The following graph highlights the rooms sold for 2004, 2005, 2006 and until March 2007 on a month by month basis.

It indicates that whilst January yielded less rooms sold in 2007 than 2006, it was the second highest January on record.

February 2007 proved a buoyant month – with the 32,151 rooms sold being the highest on record

Guest nights in March lifted in 2006, although they were down compared with on 2005.



Domestic V International

- An estimated 83.4% percent of visitors staying in commercial accommodation in Taranaki are domestic visitors.
- Auckland and Wellington are the main sources of domestic visitors.
- Domestic visitors increased over the quarter relative to 2006 by 22%.
- During this period, visitors from Auckland declined by 3.9% relative to the same period in 2006, however there was an increase in rooms sold from Wellington.
- International visitors to Taranaki increased 11.3 percent during January 2007; 37.9 percent in February and 2.8 percent in March 2007, relative to the equivalent month/s in 2006.
- Taranaki's two key markets, Australia and the UK were the main contributors. Australia increased in January (18.2 percent), February (54.5 percent) and March (0.8 percent) whilst the UK lifted in January (13.7 percent), February (18.8 percent) and March (6.6 percent).

Analysis by Taranaki District – March 2007

New Plymouth District

- There were 85,512 commercial rooms sold in the New Plymouth District to March 2007. This was an increase over the same period in 2006 of 1.7 percent.
- Visitor arrivals for the March 2007 quarter totaled 69,566 for the New Plymouth District. This reflected an increase of 5.4 percent on the previous year.
- The average length of stay for visitors for the March 2007 quarter was 2.28 nights – up 2.8 percent on the same period in 2006.

New Plymouth District	March 2007 Quarter	% Change relative to March 2006
Rooms Sold	85,512	1.7
Visitor Nights	69,566	5.4
Length of Stay	2.28	2.8
Occupancy	47.3%	0.7

*Due to rounding the District summation may vary slightly to regional totals

Stratford District

- There were 8,383 commercial rooms sold in the Stratford District for March 2007. This was an increase over the same period in 2006 of 11.3 percent.
- Visitor arrivals for the March 2007 quarter totaled 7,030 for the Stratford District. This reflected an increase of 5.0 percent.
- The average length for the March quarter for visitors for the March 2007 quarter was 1.87 nights – up 1.2 percent on the same period in 2006.
- Occupancy rates went up 12.9 percent to 32.5 percent.

Stratford District	March 2007 Quarter	% Change relative to March 2006
Guest Nights	8,383	11.3
Visitor Nights	7,030	5.0
Length of Stay	1.87	1.2
Occupancy	32.5%	12.9

South Taranaki District

- There were 12,200 commercial rooms sold in the South of the province for the March 2007 quarter. This was an increase over the same period in 2006 of 25.7 percent.
- Visitor arrivals for the March 2007 quarter totaled 11,064 for South Taranaki. This reflected an increase of 14 percent.
- The average length of stay for the March quarter for visitors for the March 2007 quarter was 2.12 nights – 4.8 percent longer than the same period in 2006.
- Occupancy rates went up 19.9 percent to 27.2 percent.

South Taranaki District	March 2007 Quarter	% Change relative to March 2006
Guest Nights	12,200	25.7
Visitor Nights	11,064	14.1
Length of Stay	2.12	4.8
Occupancy	27.2%	19.9



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