

# Helping the Waikato through COVID-19

## Economic Radar

As at 13 May 2020

As announced earlier this week, the country is to shift to Alert Level 2 on Thursday 14 May 2020.

Te Waka, with the support of Waikato Regional Council Economists Blair Keenan and Sarah MacKay, continues to collate data to gauge what is happening in the Waikato economy.

Charts in this week's Radar show minor improvements since last week, detailed in this report. As the country and Waikato region shift to Alert Level 2 we expect to see significant change.

As previously mentioned, we will continue to expand our monitoring and measures as we scan for signs of trouble, stabilisation, or sparks of life.

### Note:

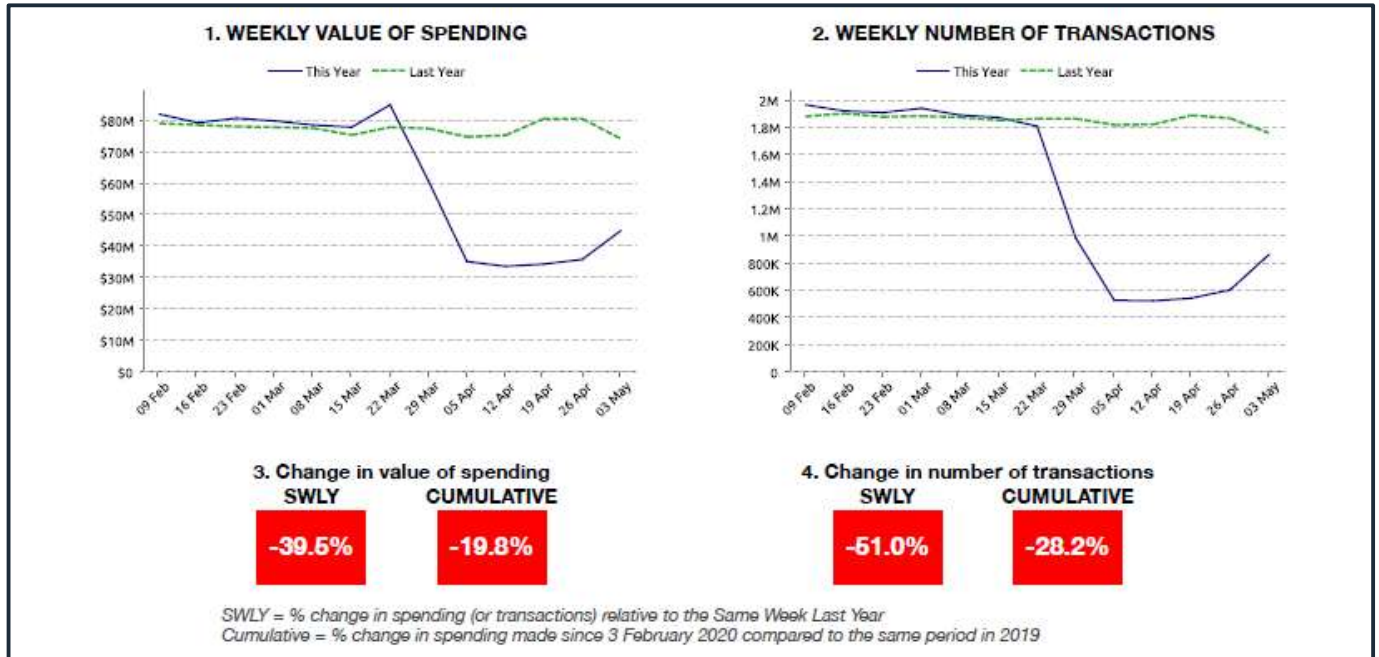
The following report has been compiled to share the Waikato region's COVID-19 recovery progress. In all instances, sources are listed to ensure access to data can be found. Information in this report will be updated weekly, with new measures added either by request or as additional information comes to hand.

District level data can be obtained for some of the information contained in this report, please connect with us directly to learn more on this. Te Waka wishes to continue to progress conversations on the streamlining of obtaining this data with our ED community and business.

To provide feedback or find out more on the below information please contact:

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### Waikato Weekly Card Transactions – Week Ending May 3



#### 5. WEEKLY SPENDING CHANGE BY CATEGORY

	SWLY		Cumulative	
	\$	#	\$	#
Food, liquor & pharmacies	+13.6%	-24.4%	+13.4%	-11.4%
Hospitality & Accommodation	-65.1%	-71.3%	-42.8%	-44.0%
Fuel & Automotive	-52.2%	-45.7%	-29.9%	-27.6%
Clothing, Footwear & Dept. Stores	-96.6%	-98.5%	-52.0%	-51.8%
Home & Recreational Retailing	-75.5%	-85.1%	-34.3%	-37.3%
All other	-86.2%	-91.1%	-45.7%	-45.5%
<b>TOTAL</b>	<b>-39.5%</b>	<b>-51.0%</b>	<b>-19.8%</b>	<b>-28.2%</b>

#### 6. WEEKLY SPEND AND TRANSACTION CHANGES

Week Ending	SWLY		Cumulative	
	\$	#	\$	#
09-Feb	+3.7%	+4.5%	+3.7%	+4.5%
16-Feb	+0.9%	+0.9%	+2.3%	+2.7%
23-Feb	+3.4%	+1.7%	+2.7%	+2.4%
01-Mar	+2.6%	+3.1%	+2.6%	+2.5%
08-Mar	+1.3%	+0.8%	+2.4%	+2.2%
15-Mar	+3.3%	+1.1%	+2.5%	+2.0%
22-Mar	+9.1%	-2.9%	+3.5%	+1.3%
29-Mar	-21.6%	-47.1%	+0.3%	-4.7%
05-Apr	-53.1%	-71.0%	-5.4%	-11.9%
12-Apr	-55.4%	-71.3%	-10.3%	-17.7%
19-Apr	-57.5%	-71.3%	-14.7%	-22.6%
26-Apr	-55.6%	-67.7%	-18.3%	-26.4%
03-May	-39.5%	-51.0%	-19.8%	-28.2%

#### 7. CHANGE BY ORIGIN OF CARDHOLDER

	SWLY		Cumulative	
	\$	#	\$	#
INTERNATIONAL	-67.6%	-70.0%	-23.5%	-24.0%
NZ CARDS	-38.8%	-50.7%	-19.7%	-28.3%

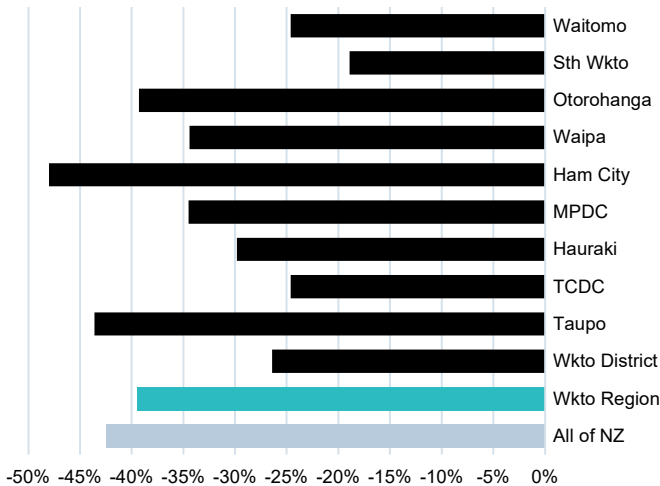
#### 8. WEEKLY VALUE OF SPENDING - ALL OF NZ

	SWLY		Cumulative	
	\$	#	\$	#
New Zealand	-42.5%	-54.9%	-20.1%	-29.3%

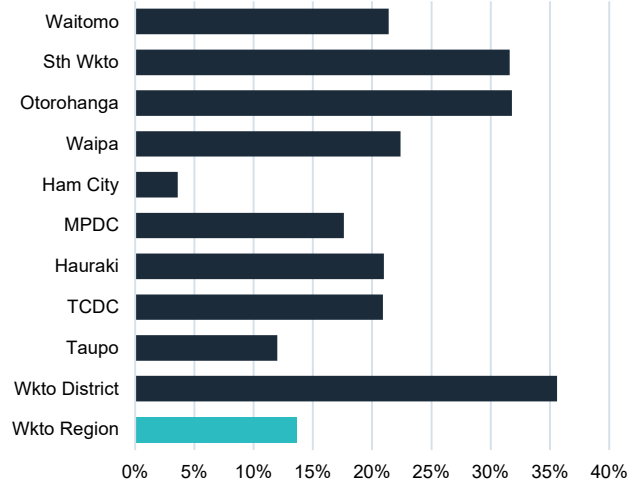
Notes to graphics on the previous page:

- “Cumulative” measures represent change in spending / volume of transactions since 3 February, relative to the same period last year.
- “SWLY” measures represent change in spending / volume of transactions relative to the same week last year.

**Spending relative to same week as last year**



**Food, liquor & pharmacies**



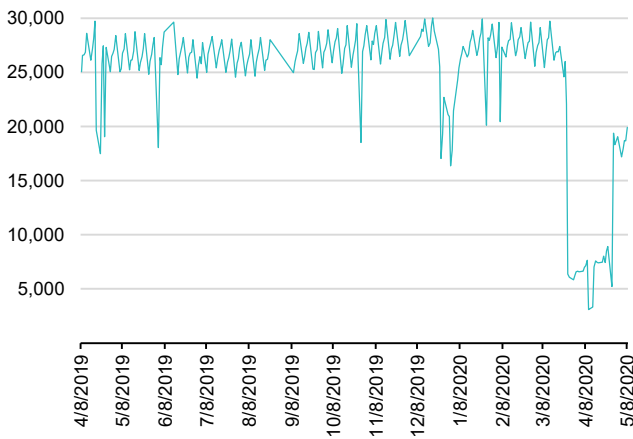
Source: Marketview using Paymark data.

The charts above present changes to the level of spending for the week ended May 3, compared to the corresponding week last year. Total spending continues to be down on last year – Hamilton City being the worst affected district, down 48%. Food, liquor & pharmacies is the one category where level of spending is above last years’ level across all districts.

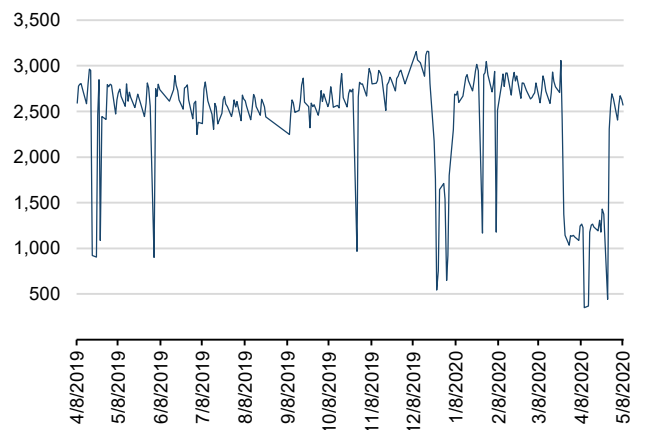
**Traffic Data**

The charts below summarise Hamilton’s daily light and heavy vehicle count over the last 12 months, data collected from Greenwood St. Both have bounced back since restrictions have started to ease. Heavy traffic is close to ‘normal’ levels. Light traffic remain lower, but the test will be next week, once Alert Level 2 is in full effect.

**Hamilton daily light vehicle count**



**Hamilton daily heavy vehicle count**

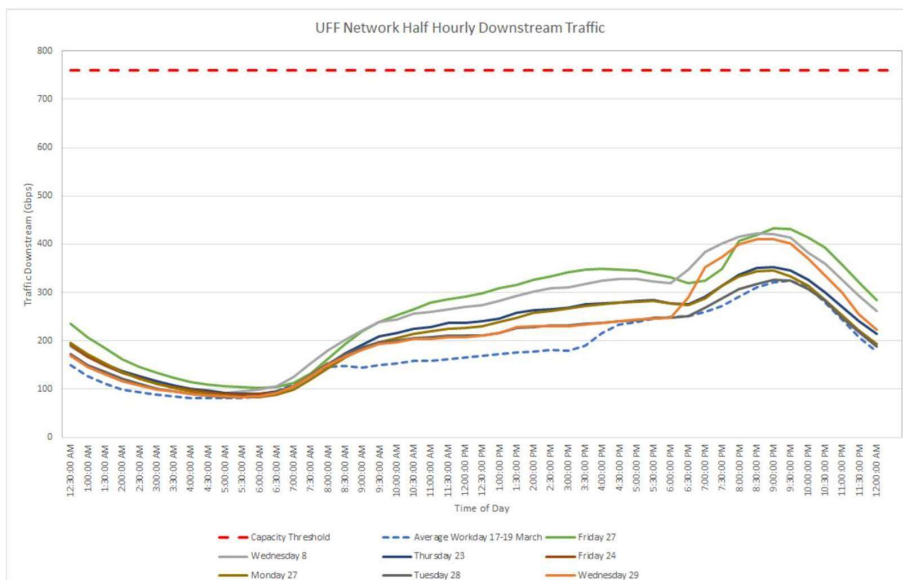


Source: [www.nzta.govt.nz](http://www.nzta.govt.nz)

## Data Usage

As a one off snapshot of data use, the below shows comparative data on Ultra Fast Fibres gigabit use. The network experienced a significant spike in data usage under Alert Level 4. Generally, a 35% average lift in demand (measured in gigabits per second or Gbps). This was consistent with expectations given people’s dependence on broadband connectivity in this digital age, exacerbated by being at home 24/7. Customers soon discovered the true value of fibre broadband as an essential service as they began to work, learn, play, be entertained and stay connected with others from home.

The usage impact chart below demonstrates the usage:



If you consider the hashed blue line in the chart – this is the “normal usage” which reflects the week before lockdown. The normal daily trend dips below 100Gbps in the pre-dawn hours when even the gamers are grabbing some sleep and sharply rises 7-8am as people wake up and check e-mail or browse for overnight news, steadily increasing through the day before reaching its peak (330Gbps) between 8-10pm at night when everyone is either streaming TV/movies or gaming online. Compare that to, for example, the grey or the green lines representing Friday and a Wednesday during Level 4 lockdown, and you can see the material increase throughout the day. At the peak on the Friday we hit 430Gbps.

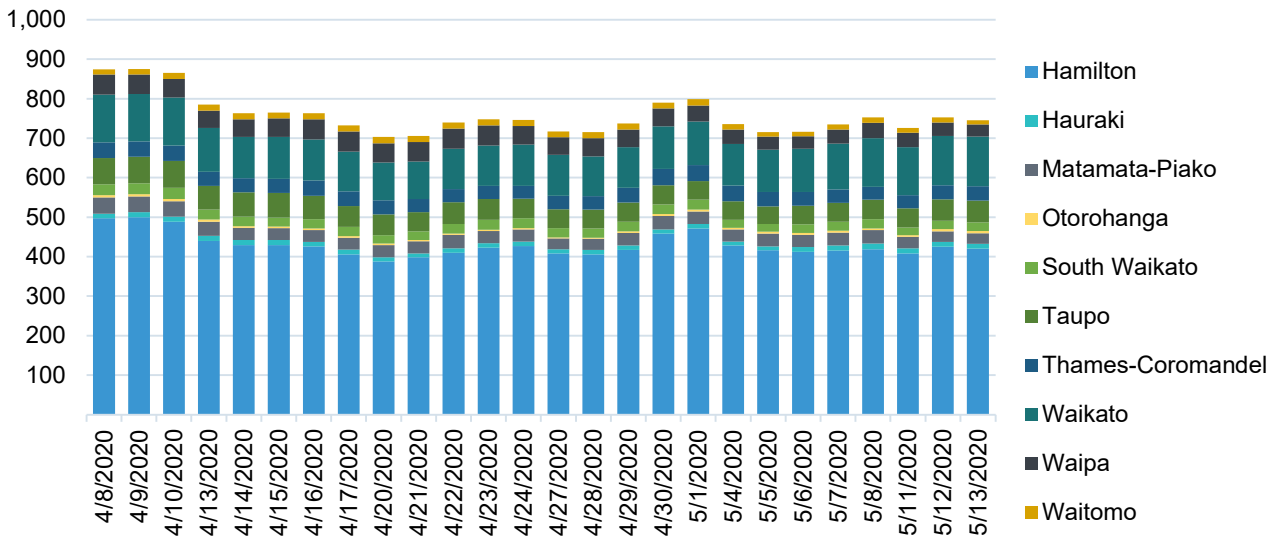
If you then look to the top of the chart you can see the red hatched line which is the theoretical capacity at around 770Gbps throughput – this indicates that there is almost double the capacity available should we ever need it. Ultra Fast Fibre will invest in the network to increase that again if we ever get within 30% of that. We note that Ultra Fast Fibre is not a regional indicator, and that for many communities in the Waikato access to Fibre and online capability is a barrier to business and community activity.

Employment

Job Ads

The chart below summarises the number of Trade Me jobs advertised on a daily basis since the beginning of April 2020.

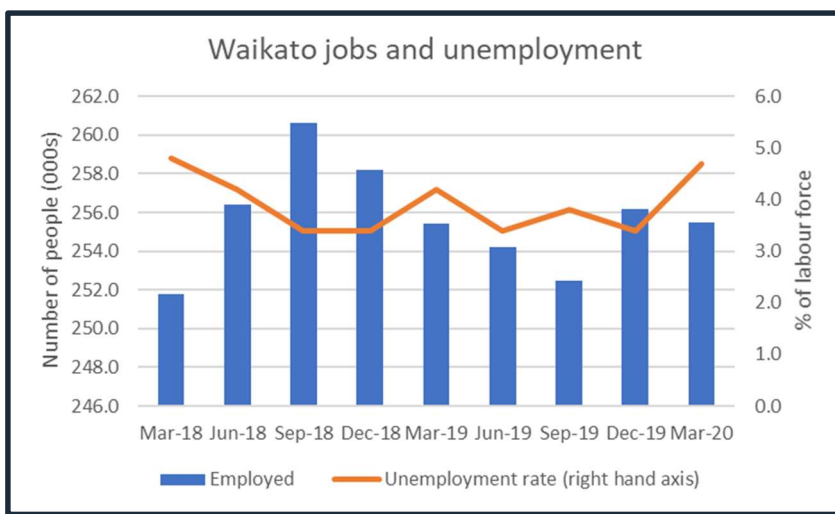
Daily Job Ads on Trade Me



Source: [www.trademe.co.nz](http://www.trademe.co.nz)

### Household Labour Force Survey

Official labour market statistics for the March quarter out two weeks ago showed a slight fall in the number of jobs, and a significant tick up in the unemployment rate. Considering the lockdown only began at the very end of this quarter, it is likely that this weakening will get much worse over the next quarter.

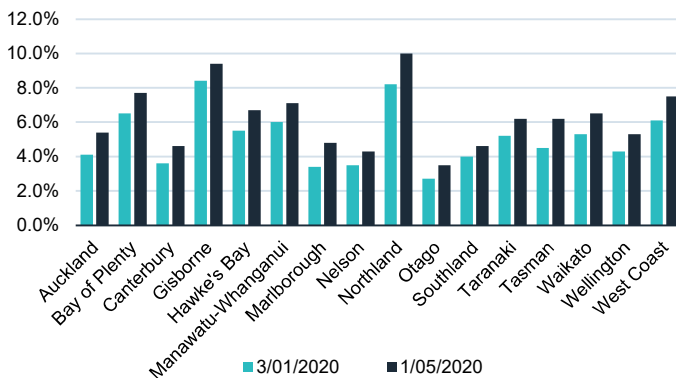


Source: [www.stats.govt.nz/](http://www.stats.govt.nz/)

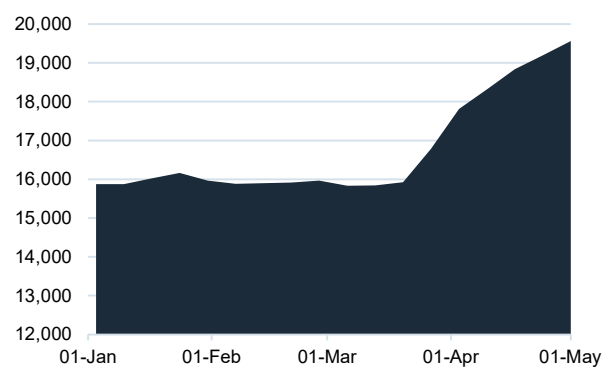
### Jobseeker Support

The number of recipients of the Jobseeker Support has risen by 3,500, or 36% since the start of 2020, slightly less than the 41% increase for New Zealand as a whole. This means that 6.5% of the working age population is now receiving Jobseeker support (compared with 5.3% at the start of the year). This is higher than the 5.8% of the national working age population now in receipt of Jobseeker Support.

#### Share of working-age population

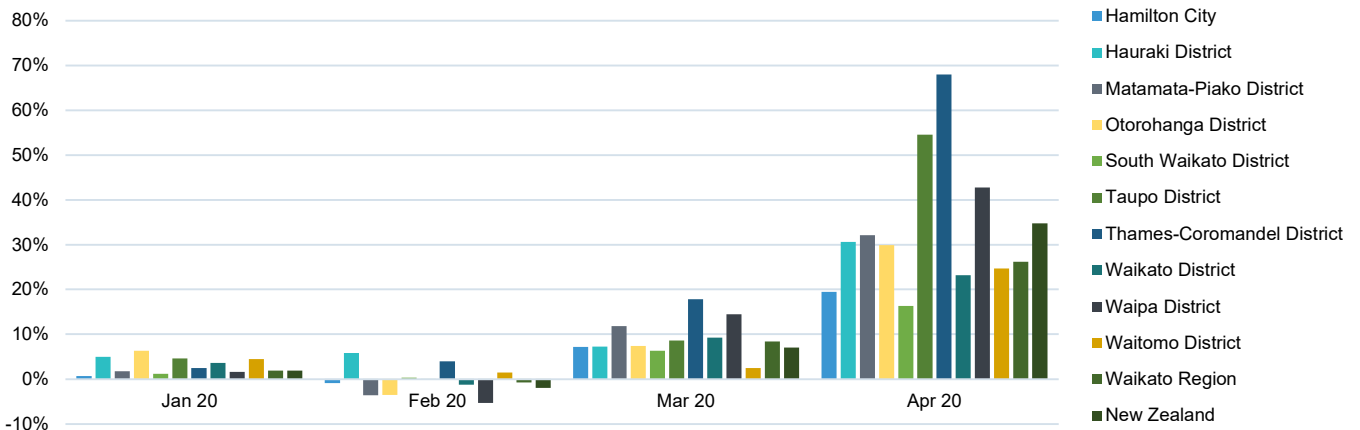


#### # of Jobseeker Support recipients



The chart below summaries monthly % change in Job Seeker support. The month of April clearly showing a significant increase on March levels across all districts. The Thames-Coromandel area experienced the largest increase over this period with April levels 68% higher than March.

**Increase in Jobseeker Support**



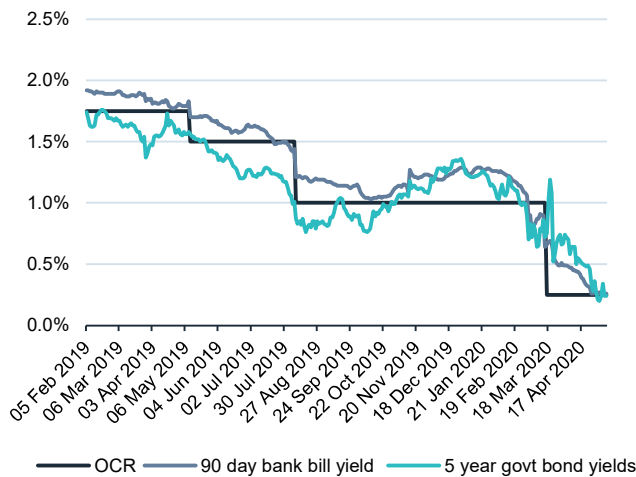
Source: [www.msd.govt.nz](http://www.msd.govt.nz)

Please note: the numbers used to create the chart above reflect Work Ready Jobseekers only.

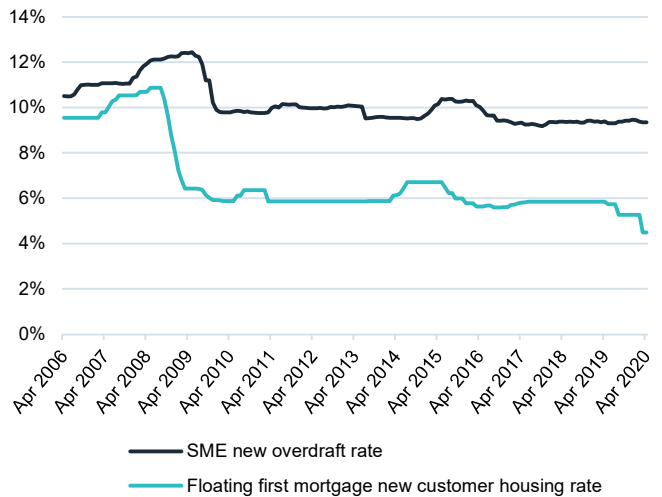
The charts below summarise wholesale and retail interest rates using data published by the Reserve Bank of New Zealand.

Wholesale interest rates have continued their decline – the Official Cash Rate (OCR) currently at 0.25%. The “SME new overdraft rate” has remained relatively flat while the “floating first mortgage new customer housing rate” has decreased over the last year to 4.5%, as at the end of April 2020.

### Wholesale interest rates



### Retail interest rates



Source: <https://www.rbnz.govt.nz/>

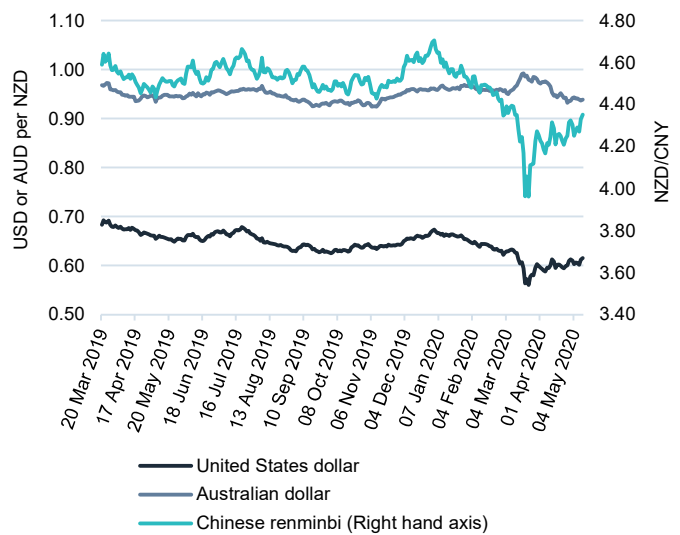
### Exchange Rates

The New Zealand dollar continues to trade in a range against its main trading partners currencies.

**NZD exchange rate**



**NZD exchange rate**

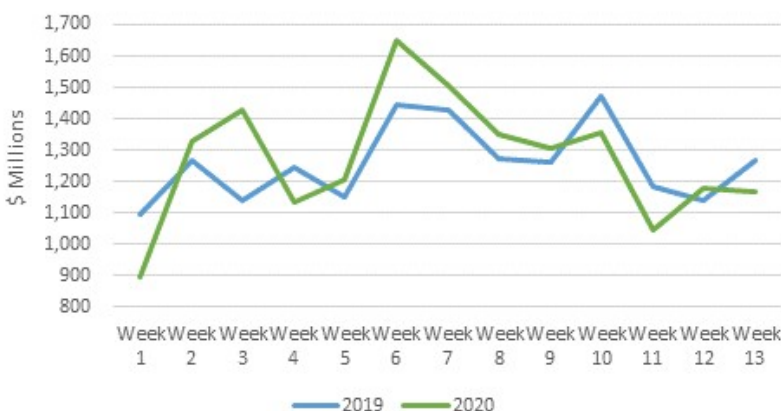


Source: <https://www.rbnz.govt.nz/>

**Trade**

New Zealand’s merchandise exports continued to hold up into the first week of May. While they were down 8 percent on the same week in 2019, it is worth noting that 2019 was a particularly strong year. The cumulative value of exports since the start of February is about the same in 2020 as it was in 2019, and significantly higher than the average over the past 5 years.

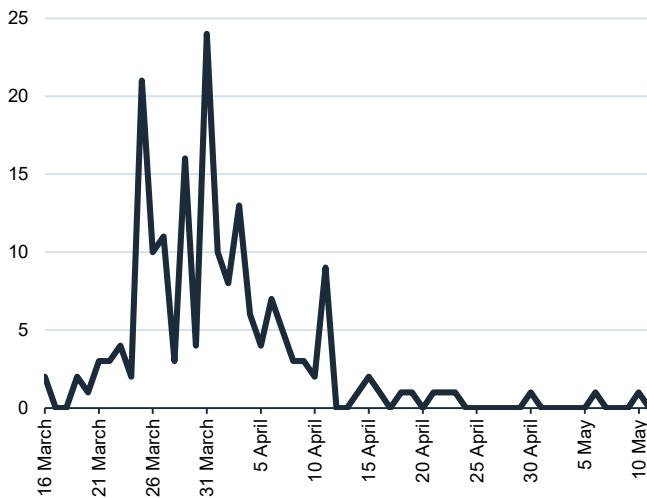
Weekly exports from early February to 6 May



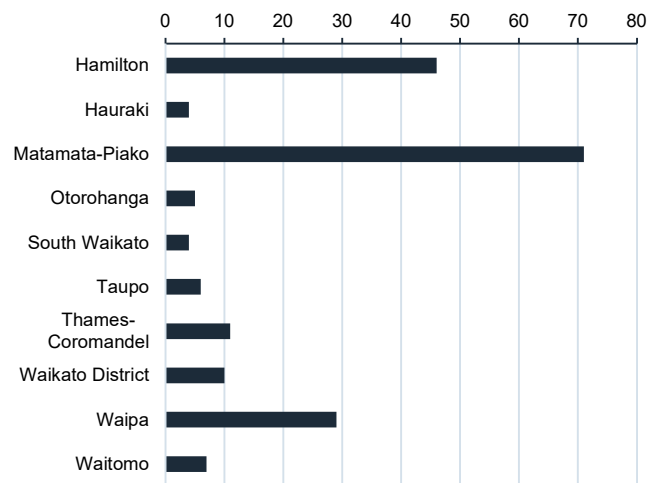
**COVID-19 in the Waikato as at 11 May 2020**

The Waikato DHB has 188 confirmed and probable cases as at 11 May 2020 – 11 active cases, 176 recovered, and one deceased.

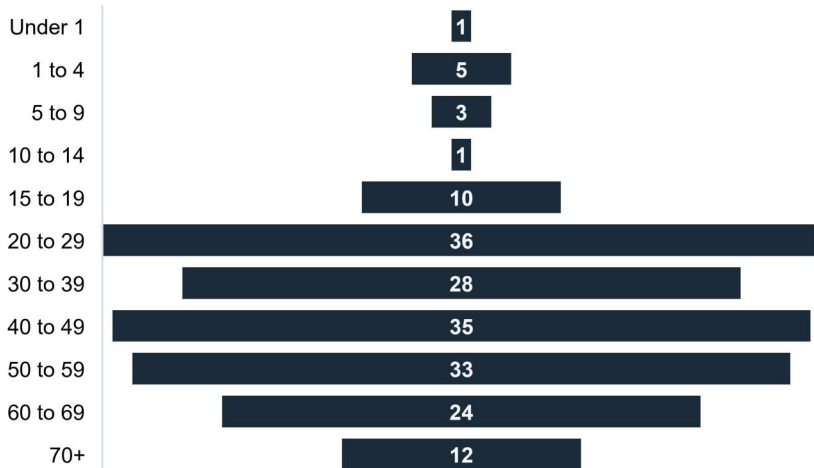
### Cases confirmed and probable per day



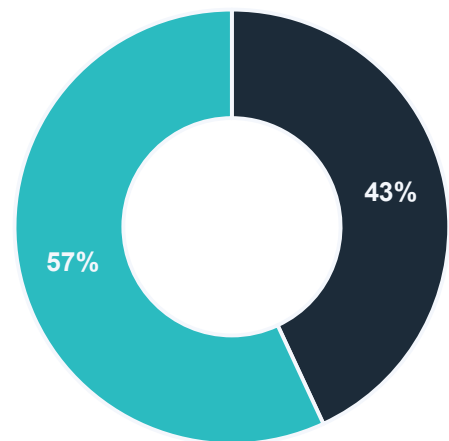
### Cases by Territorial Authority



### Cases confirmed and probable by age



### Female and Male cases



Source: <https://www.health.govt.nz/> and <https://waikatodhb.health.nz> and <https://covid19.bopdhb.govt.nz/>