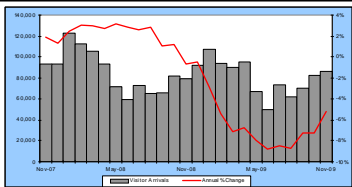


## Rotorua Visitor Arrivals



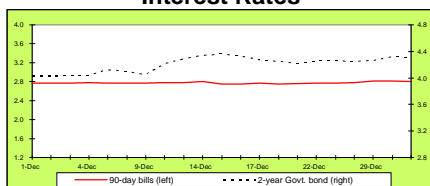
Source: Statistics New Zealand – Commercial Accommodation Monitor

There is a seasonal pattern in guest arrivals to Rotorua's commercial accommodation premises where peaks occur in the summer months and troughs in the winter months. The estimated number of guest arrivals to Rotorua's commercial accommodation premises increased from 82,346 in October 2009 to 86,636 in November 2009. When compared with the same period of the previous year this was a 9.6% increase over the 79,043 guest arrivals recorded for November 2008. For the year ending November 2009 there were 1.0 million guest arrivals to Rotorua commercial accommodation premises - a 5.2% decrease over the same period of the previous year.

Full report available at: <http://www.rotoruanz.com/downloads/pdfs/RTIF.pdf>

## National Monitor

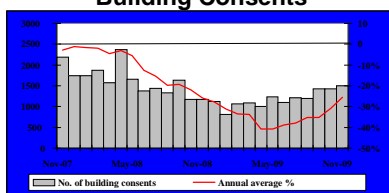
### Interest Rates



Source: Reserve Bank of New Zealand

The New Zealand short-term wholesale interest rate market showed little movement in December 2009, although the yield for two-year government bonds steadily increased over the month. By the end of 2009, the 90-day bill rate stood at 2.80%.

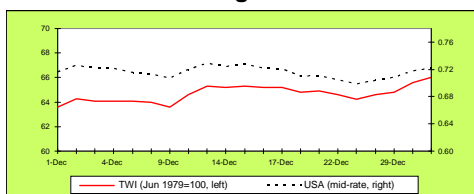
### Building Consents



Source: Dept of Statistics Building Surveys and Vitals Section

There was a total of 1,500 new building consents with a combined value of around \$428.4 million issued for residential buildings in New Zealand during November 2009. This was the first time that the number of consents issued reached a 1,500 benchmark since October 2008. The annual average growth rate in the number of new building consents issued for residential dwellings in New Zealand was negative 25.5% for the year ended November 2009.

### Exchange Rates

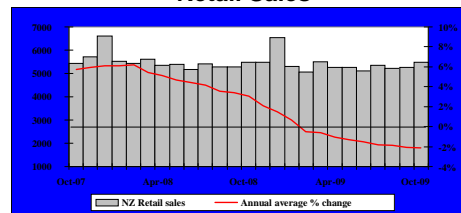


Source: Reserve Bank of New Zealand

New Zealand's exchange rates fluctuated in December 2009, impacted by slower than expected GDP growth and the trade surplus results. By the end of the month, NZ\$1.00 traded against \$US0.72 and the Trade-Weighted Index (TWI) stood at 66.0 points.

## National Monitor

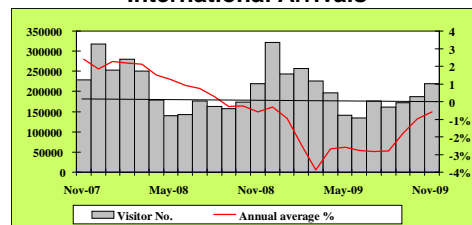
### Retail Sales



Source: Statistics New Zealand

The total nominal value of New Zealand's retail sales reached \$5,467.4 million during October 2009. Although this was the highest level recorded over the past seven months, it was nevertheless slightly less than the \$5,477.9 million of sales recorded in October 2008. The annual average growth rate in the total nominal value of New Zealand's retail sales was negative 2.1% for the year ended October 2009.

### International Arrivals



Source: Statistics New Zealand

There was a total of 219,939 international visitors arrivals to New Zealand during November 2009. This was an increase from the 187,372 visitors recorded in October 2009 and slightly greater than the 219,313 visitors recorded in November 2008. The annual average growth rate in the number of international visitor arrivals to New Zealand was negative 0.6% for the year ended November 2009.

## SUMMARY AND COMMENTARY

While both business and consumer confidence softened in December 2009 they still remained at high levels. The National Bank's (NB) Business Outlook Survey showed a net 39% of firms expected general economic conditions to improve in 12 months' time, down from a net 43% who felt optimistic in the NB's previous survey. Firms' expectations about their own level of activity in 12 months' time increased by three percentage points from November 2009's level, with a net 37% expecting an increase in their activity. As the economy starts to gain momentum there will be upward pressure on prices. Firms' intentions regarding increasing their prices over the coming year increased by three percentage from November 2009's level to reach a net 18%.

The Westpac McDermott Consumer Confidence Index stood at 116.9 points as at the December 2009 quarter (>100 indicates optimists outnumber pessimists). Despite falling from the 120.3 points surveyed as at the September 2009 quarter, the level of confidence remained solid and well above the long-term average. A net 14.4% expected the economy to improve in the coming year, while a net 19.6% thought they would be financially better off in 2010.

Disclaimer: "Strictly Business" is produced monthly by APR Consultants for Rotorua District Council. Although the monitor incorporates the most recent information available, many of the figures are provisional. Accordingly, no liability can be accepted for the accuracy of the material contained herein. Businesses and individuals are advised to seek professional advice before making major business decisions. Any decisions based on the information

A plan by the Rotorua Chamber of Commerce to unite the business community has won it two places in the finals of the Vero Excellence in Business Support Awards.

The Chamber is a finalist in the BDO Regional North Island as well as the BDO Not-for-Profit category of the awards.

The Vero Excellence in Business Support Awards are held annually to celebrate the best on offer to business in New Zealand. The Awards are sponsored by Vero and BDO, and are a key event leading up to the annual Bizzzone Business Expo, New Zealand's largest event for business. The winners will be announced at a Black Tie Gala Dinner in the Auckland Town Hall on 20 May.

The Rotorua Chamber of Commerce is the principal business support agency for Rotorua. It provides advocacy, support services and networking in its plan for a better business environment in Rotorua including holding its own Business Excellence Awards and Choices for Employers Programme.

It provides a range of business capability development including resources, networking opportunities, business related information, market intelligence, support to exporters, signposting to other information and support agencies, and retail promotion. The Chamber also encourages social and business cohesiveness by working to build a united business community with links between business and governing agencies. The Rotorua Chamber is part of an extensive network of Chamber offices throughout New Zealand facilitating business opportunities and capabilities as well as providing a strong voice to express business opinion.

Roger Bell, Chief Executive of Vero Insurance, the Foundation Sponsor of the Vero Excellence in Business Support awards, says, "It is inspiring to see the impressive range of finalists that demonstrate international levels of best practice in their businesses and quality support as a key part of their business. This year there has been a resounding 163 nominations and entries which shows the growing commitment of New Zealand's business support organisations to excellence."

The 37 finalists were selected by The New Zealand Business Excellence Foundation which provides an independent and robust evaluation process for the awards' 10 categories.

"Excellent business support assists New Zealand businesses to build capability and capacity and in doing so they become more competitive and sustainable," says Mike Watson, chief executive of the [New Zealand Business Excellence Foundation](http://www.rotchamber.co.nz).

Ends

See [www.bizzzone.com/awards](http://www.bizzzone.com/awards) or [www.rotchamber.co.nz](http://www.rotchamber.co.nz)

#### ENDS

Please contact Jane Parlane on 021 912 631 or [janeparlane@xtra.co.nz](mailto:janeparlane@xtra.co.nz) for further information.

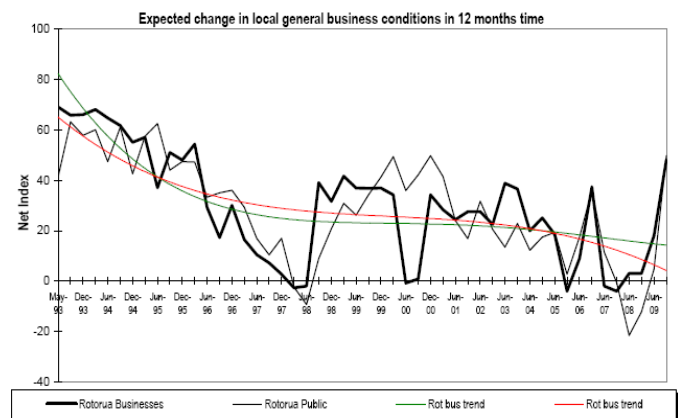
According to the latest 6 monthly business confidence survey undertaken by APR consulting, the local confidence indexes are showing signs of increasing confidence, with most of the indexes continuing to climb.

On a positive note,

- Rotorua businesses and households expect local general business conditions to increase. This was the same trend for Rotorua economic activity.
- Personal income levels are expected to increase
- Profits for business are also expected to increase.
- Businesses are planning to invest more into their businesses and keep promotion at December 2009 levels.

On the negative side,

- Rotorua residents expect prices to increase and interest rates to rise.
- Rotorua households expect local unemployment to increase while Rotorua businesses expect levels to remain at December 2009 levels.
- Businesses involved in exporting reported an expectation of increasing export levels.
- Residential construction businesses expected increasing volumes of construction.
- Non residential construction businesses reported an expectation that their levels of construction would remain at December 2009 levels.



Source: APR consulting 6 monthly survey

Rotorua businesses and households predicted that local general business conditions will increase from December 2009 levels over the 12 months to December 2010.

For the full report visit:

<http://www.rotorua-business.com/publications.asp>