Westpac New Zealand Limited

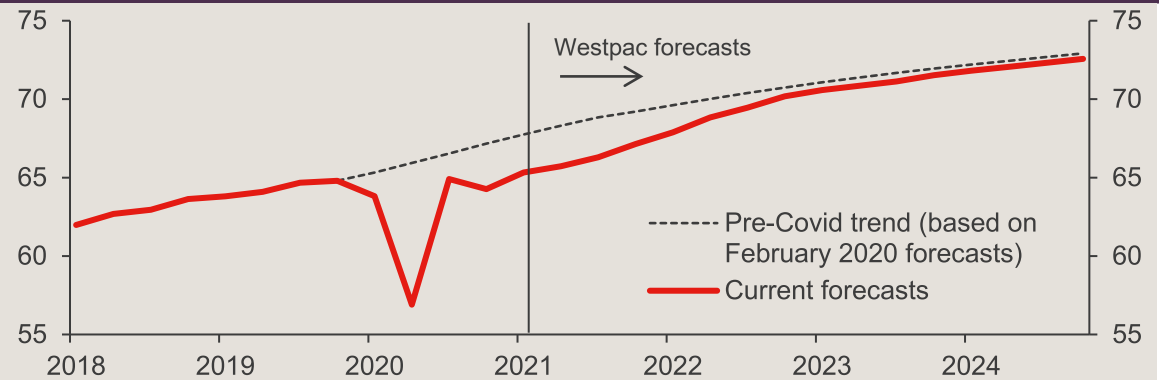
Fixed Income Investor Presentation

July 2021

The New Zealand economy

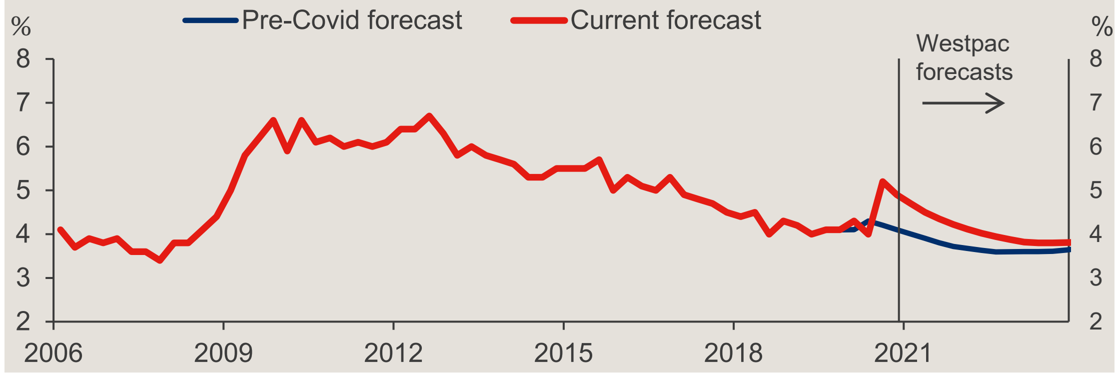
GDP components	Annual average % change			
	2019A	2020A	2021F	2022F
GDP (production)	2.4	-2.9	5.8	4.5
Economic indicators	**Annual % change**			
	2019A	2020A	2021F	2022F
Consumer price index	1.9	1.4	2.2	1.7
Unemployment rate	4.1	4.9	4.2	3.9
House price index	4.6	17.5	20.7	1.1
Financial forecasts	**End of year**			
	2019A	2020A	2021F	2022F
NZD/USD	0.64	0.69	0.74	0.77

GDP (Real, quarterly $bn)



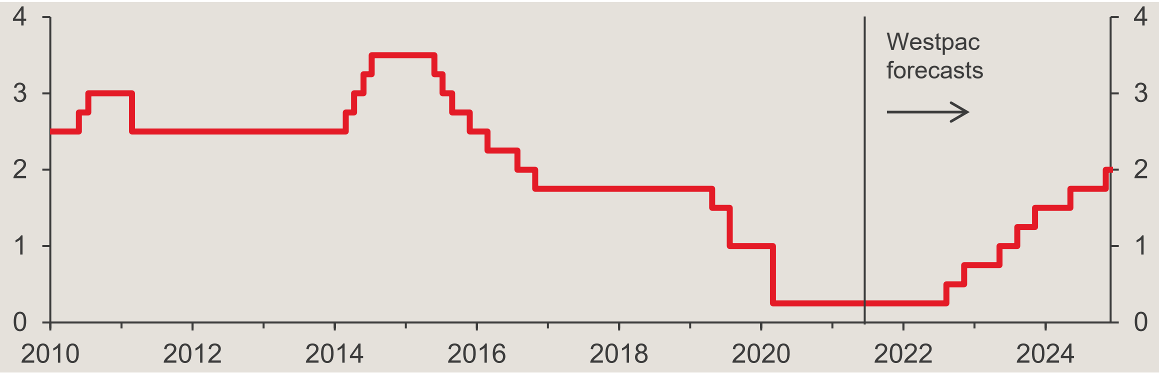
Source: Statistics NZ, Westpac Economics

Unemployment rate



Source: Stats NZ, Westpac Economics

Official Cash Rate (%)



Source: RBNZ, Westpac Economics

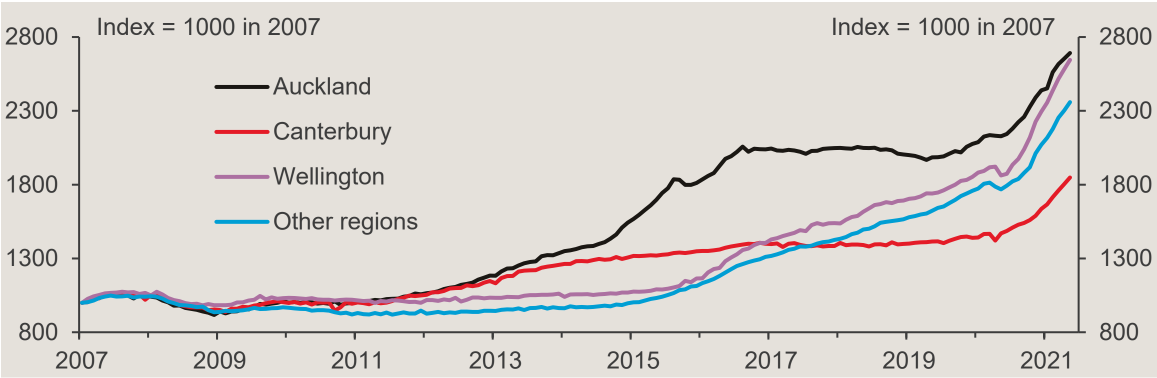
The New Zealand housing market

- The Government has announced a suite of new housing market policies affecting both demand and supply
- The most significant changes relate to the tax treatment of mortgage interest costs
- This will diminish the financial incentives for property investors and tilt housing market conditions more in favour of owner occupiers
- Westpac expects these policy changes will prompt a substantial slowdown in house prices over the remainder of 2021. That follows a period of very strong growth since the economy exited lockdown

The major changes introduced by the Government include:

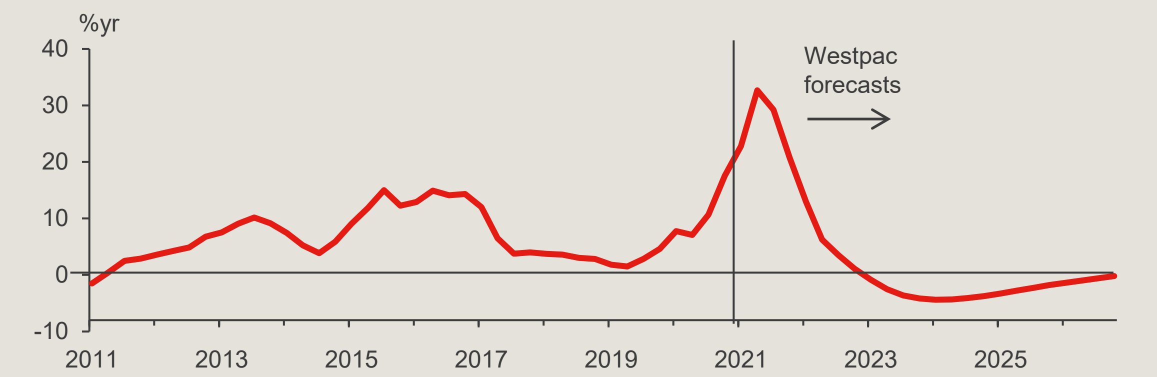
- Removing the ability to offset mortgage costs on residential investment properties against the income earned on those properties.
  - This change will take effect from 1 October 2021 for properties purchased after 27 March 2021 and will be gradually phased in over the next four years for existing property owners
  - The Government is also looking at exceptions for new builds
- The holding period for taxing capital gains on residential investment properties (otherwise known as the 'Bright-line test') has been extended from 5 to 10 years.
  - The holding period remains at 5 years for investors who buy new builds
- A $3.8bn Housing Acceleration Fund is being established to assist with the development of infrastructure (such as pipes and roads) to support new housing.
- Additional financial assistance for first home buyers with changes in First Home Loans and Grants settings, including increases in income caps, as well as changes to regional price caps.

New Zealand dwelling prices by region



Source: REINZ, Westpac

House price inflation forecasts



Source: CoreLogic, Westpac

Westpac New Zealand

Westpac Group

Australia	New Zealand

Institutional Bank

Westpac New Zealand Limited (WNZL)

- Locally incorporated bank, wholly owned but not guaranteed by Westpac Banking Corporation
- Comprises Westpac's consumer, business and institutional banking operations in NZ
- A+ (Stable Outlook) / A1 (Stable Outlook) / AA- (Stable Outlook) by Fitch / Moody's / S&P
- Financial performance disclosed via semi-annual WNZL Disclosure Statement
- Guarantor for WSNZL funding programmes

Westpac Securities NZ Limited (WSNZL)

- A wholly owned subsidiary of WNZL
- Unconditional and irrevocable guarantee of funding programmes from WNZL
- Provides offshore wholesale funding for WNZL through its London branch

BT Funds Management (NZ)

Westpac Life New Zealand Limited

Our focus

Our purpose

Ignite Financial Possibilities

Strategic priorities

Fix	Simplify	Perform
Address outstanding issues	Streamline and focus the business	Sustainable long-term returns

Objectives

Fix

- Deliver Regulatory Outcomes
- Strengthen Risk Management
- Develop to a Mature Risk Culture
- Deliver Remediation Outcomes
- Generate High Quality Data Informing Decision Making and Customer Experience

Simplify

- Modernise Technology
- Optimise Technology
- Deliver 100% Digitally Enabled Journeys
- Westpac Banking Centre and Banking Capability
- Improve Employee Experience

Perform

- Build Performance Culture
- Enhance Financial Disciplines
- Expand Westpac Way of Working
- Focus on Markets & Segments with Greatest Return on Capital
- Attract and Retain Best Talent
- Deliver Compelling Purpose and Brand Framework

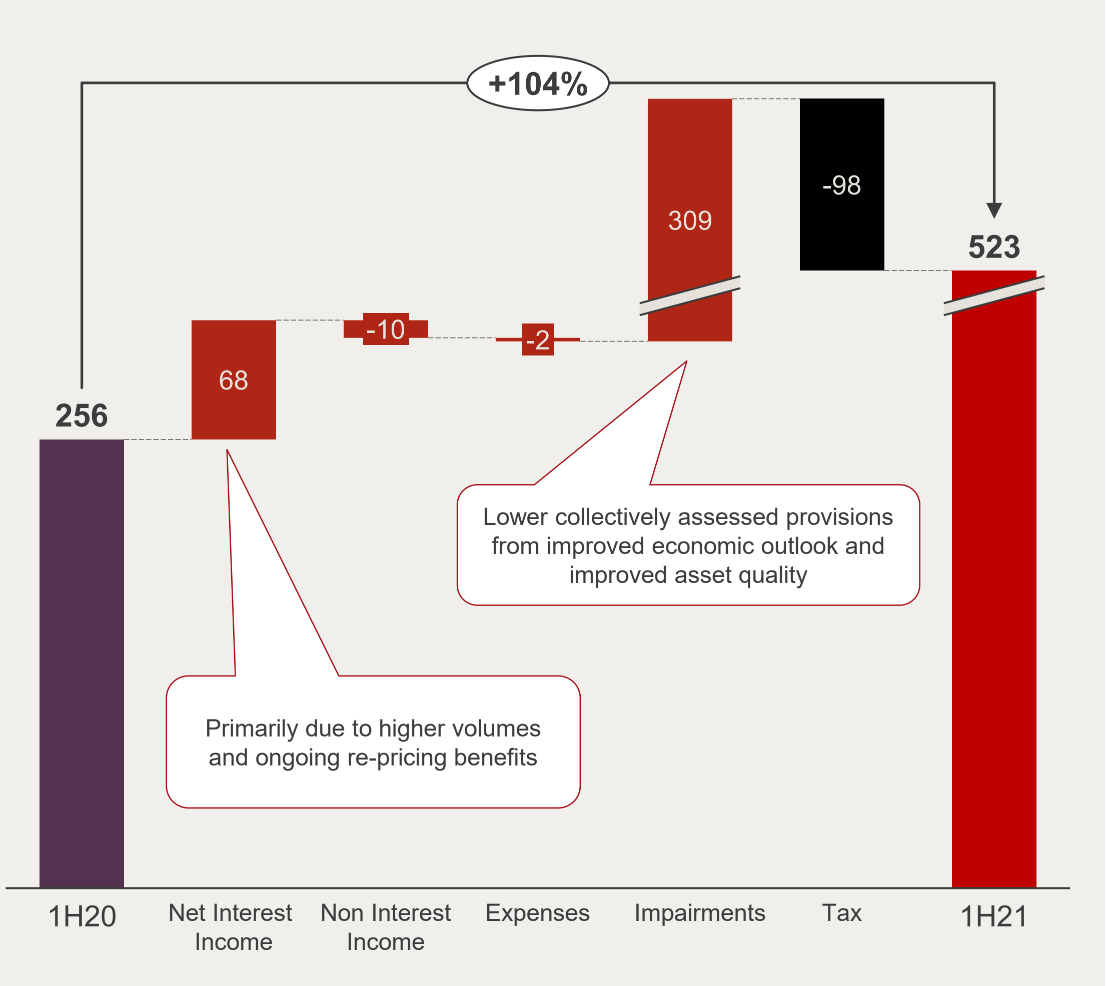
Our sustainability strategy

Sustainability Priorities	What	2025 Targets	Progress and 1H21 Highlights
Manaaki te ao Care for the planet	**We want to support Aotearoa's transition to a resilient, net-zero economy for the benefit of all Kiwis**	• Reduce operational emissions by 30% (vs 2019)[1]. Offset remaining emissions to be carbon neutral • Enable $10b in sustainable Finance[2] • Reduce climate-related financial risks	• Operating emissions reduced by 38% • Enabled $2.25b in sustainable finance • Partnered with app CoGo to help New Zealanders learn about, reduce and offset their carbon footprint • Recognised as New Zealand Sustainability Debt House of the Year (KangaNews 2020 Awards) and won the INFINZ award for Excellence in Institutional Banking for Westpac's role in leading and accelerating sustainable finance • Published Westpac NZ's inaugural Climate Risk Report in line with the recommendations of the Taskforce for Climate-Related Financial Disclosure (TCFD)
Manaaki te tāngata Care for people	**We want to help create thriving local communities and a workforce and society where everyone feels valued**	• Set a cultural diversity in leadership target by 2021 • 1% pre-tax profits invested in communities • $700m in lending to healthy, affordable and social housing[3]	• 0.52% ($3.8m) pre-tax profits invested in communities • $373m in lending to healthy, affordable and social housing • First bank to offer face-to-face sign language interpreters, through partner iSign to customers who are deaf, hard of hearing or speech impaired • Published our second gender pay analysis. Our overall gender pay gap in 2020 is 29.1% vs 30.3% in 2019. This figure compares the pay of the median man and median woman at Westpac NZ, and includes base salary, bonuses, overtime, miscellaneous payments and superannuation
E tipu pūtea ora Grow financial wellbeing	**We want to enable all Kiwis to be financially secure and independent**	• 25,000 people to participate in Westpac-facilitated financial education workshops • Help 15,000 Kiwis who are at risk of financial exploitation & exclusion • Source 25% of supplier spend from local businesses, including those owned by diverse and under-represented groups	• More than 8,000 participants in Westpac-facilitated financial education workshops • MyMahi partnership delivering 226 financial education workshops to secondary school students across New Zealand • Increased online financial education classes. To date more than 1,000 people have participated in online classes (169 in FY20)

1 Environmental year runs 1 July to 30 June. CO2e results include all Westpac business units based in New Zealand.
2 This target comprises (a) $5b for lending to climate change solutions, $700m lending for healthy, affordable and social housing, and other environmental, social, and sustainability-linked lending (building on FY20 exposure), and (b) facilitation of sustainable bonds from 1 October 2020 to 30 September 2025. All lending will meet the eligibility criteria set out in international sustainable finance principals. Our targets are a total commitment, measuring the cumulative flow of capital that will support Aotearoa to become a thriving, inclusive net-zero emissions economy.
3 This is a cumulative target and includes Kiwibuild and shared equity.

1H21 financial performance

Net profit after tax ($m)



Key financial metrics

For the six months ending	Mar-20	Sep-20	Mar-21	Change on Mar-20
Revenue (NZ$m)	1,093	1,025	**1,151**	5%
Net interest margin (%)	1.94	1.80	**1.99**	5 bps
Cost to income (%)	48.0	49.3	**45.8**	(2 ppts)
Customer deposit to loan ratio (%)	79.4	80.7	**81.8**	2 ppts
Stressed exposures to TCE (%)[1]	1.64	1.59	**1.56**	(8 bps)

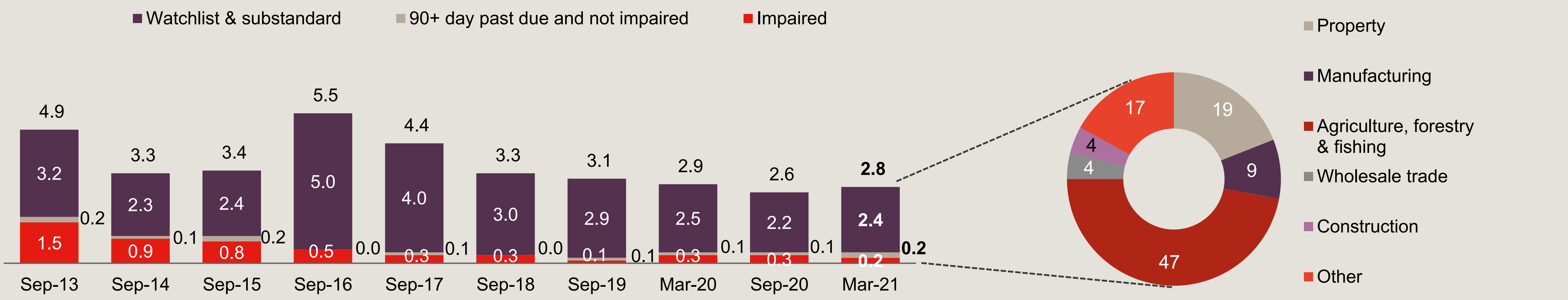
Key operating metrics

For the six months ending	Mar-20	Sep-20	Mar-21	Change on Mar-20
Customers (millions)	1.35	1.34	**1.33**	(1%)
Branches	151	143	**134**	(17)
Consumer NPS	+21	+14	**+16**	Down 5
Business NPS	+1	+7	**-1**	Down 2
Agri NPS	+21	+34	**+34**	Up 13
Service quality – complaints (000s)	9.6	9.5	**9.3**	(3%)

1 TCE is Total Committed Exposure.

Asset quality

Business stressed exposures as a % of business TCE (%)

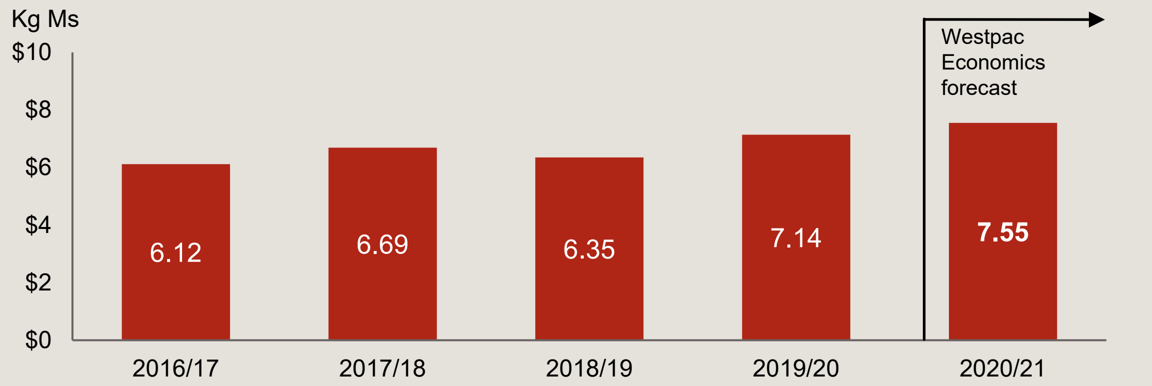


Agribusiness portfolio

	Mar-20	Sep-20	Mar-21
TCE (NZ$bn)	9.6	10.0	**10.1**
Agriculture as a % of total TCE (%)	7.6	7.9	**7.7**
% of portfolio graded as 'stressed'[1] (%)	9.8	8.2	**8.0**
% of portfolio in impaired (%)	0.48	0.48	**0.29**

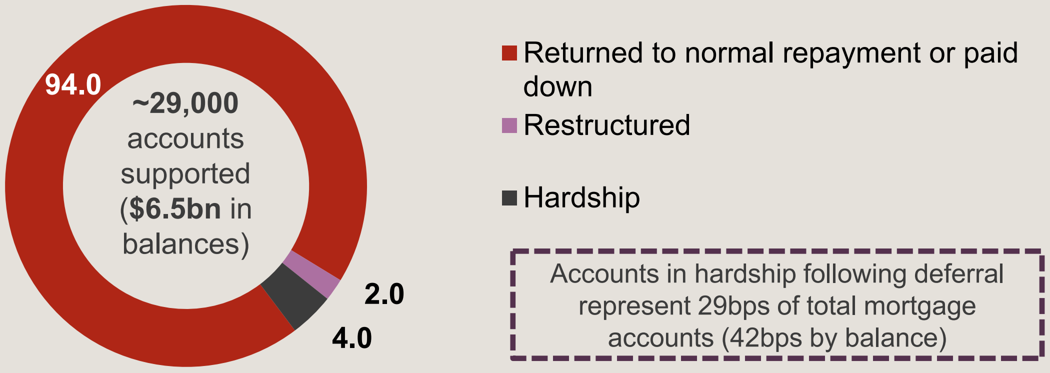
1 Includes impaired exposures.

Milk price (NZ$)



COVID-19: Putting customers first

Total mortgage deferral packages provided (% by balances)

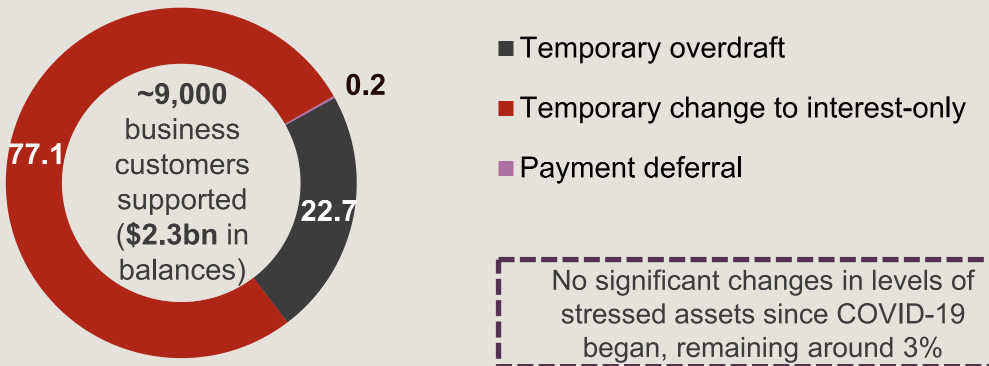


Accounts in hardship following deferral represent 29bps of total mortgage accounts (42bps by balance)

Mortgage deferrals update

- **29k** mortgage accounts supported with **$6.5bn** in balances (~11% of eligible mortgage lending)
- **1.6k** accounts required further assistance (**$0.4bn** in balances)
    - 1k accounts moved into hardship arrangements following the end of the deferral period ($0.2bn in balances)
    - 0.6k accounts had their loans restructured ($0.1bn in balances)
- A very small number of accounts remained in April

Total business support packages provided (% by balances)



No significant changes in levels of stressed assets since COVID-19 began, remaining around 3%

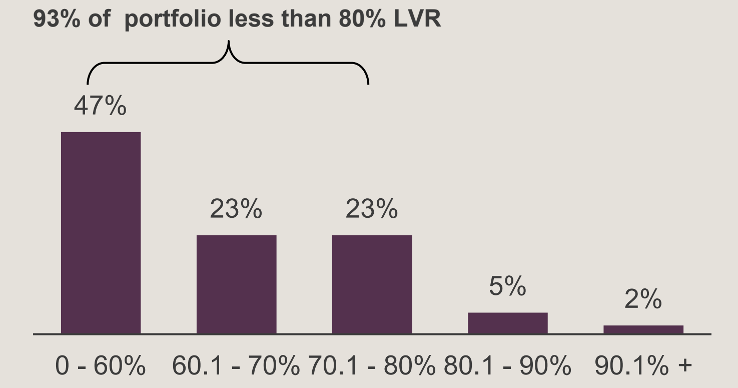
Business support packages update

- **9k** business accounts supported with **$2.3bn** in balances (~9% of eligible business lending balance)
- Support provided included temporary overdrafts, temporary change to interest-only, and deferral packages, with the majority of customers choosing temporary overdrafts or changing to interest-only
- At the end of March 2021 no COVID-19 temporary support packages were outstanding with loans either paid down or returned to normal repayment
- No temporary support packages outstanding at end of March 2021

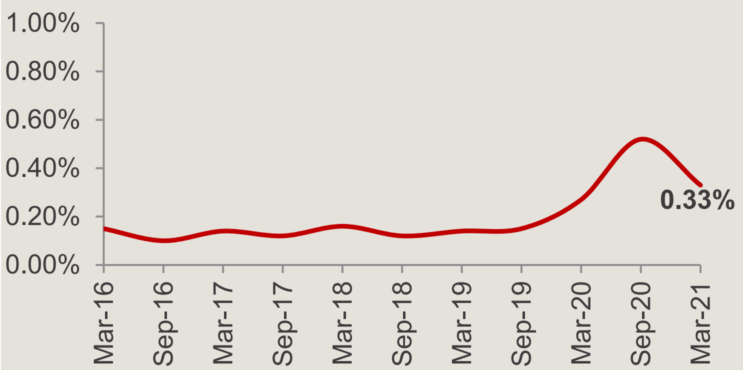
WNZL mortgage portfolio

Mortgage portfolio at 31 March 2021	
Total portfolio	**$58bn**
Fixed / Floating (%)	**86 / 14**
Owner occupied (%)	**71.9**
Investor (%)	**28.1**
Broker introduced (%)	**45.1**
Interest-only (%)	**21.6**
Origination LVR 80-90% (%)	**8.7**
Origination LVR >90%	**2.5**

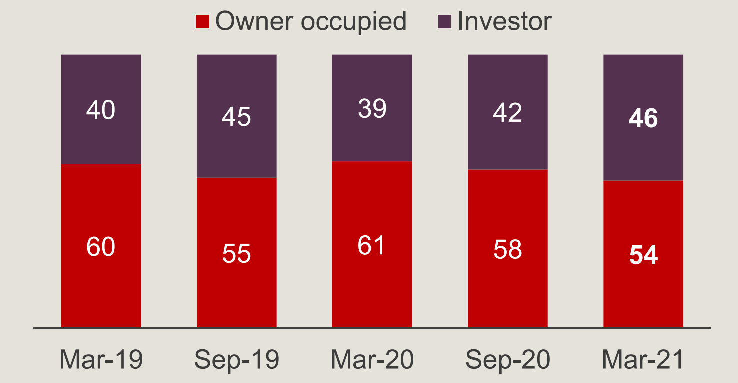
Mortgage portfolio LVR[1] (%) of portfolio



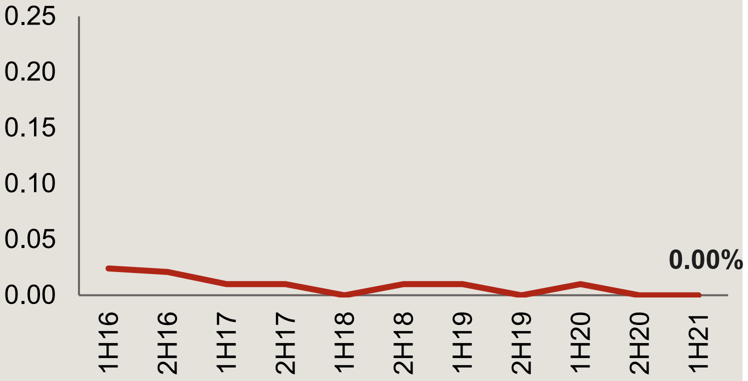
Mortgage 90+ day delinquencies (%)



Monthly new flows[2] (%)



Mortgage loss rates each half (%)

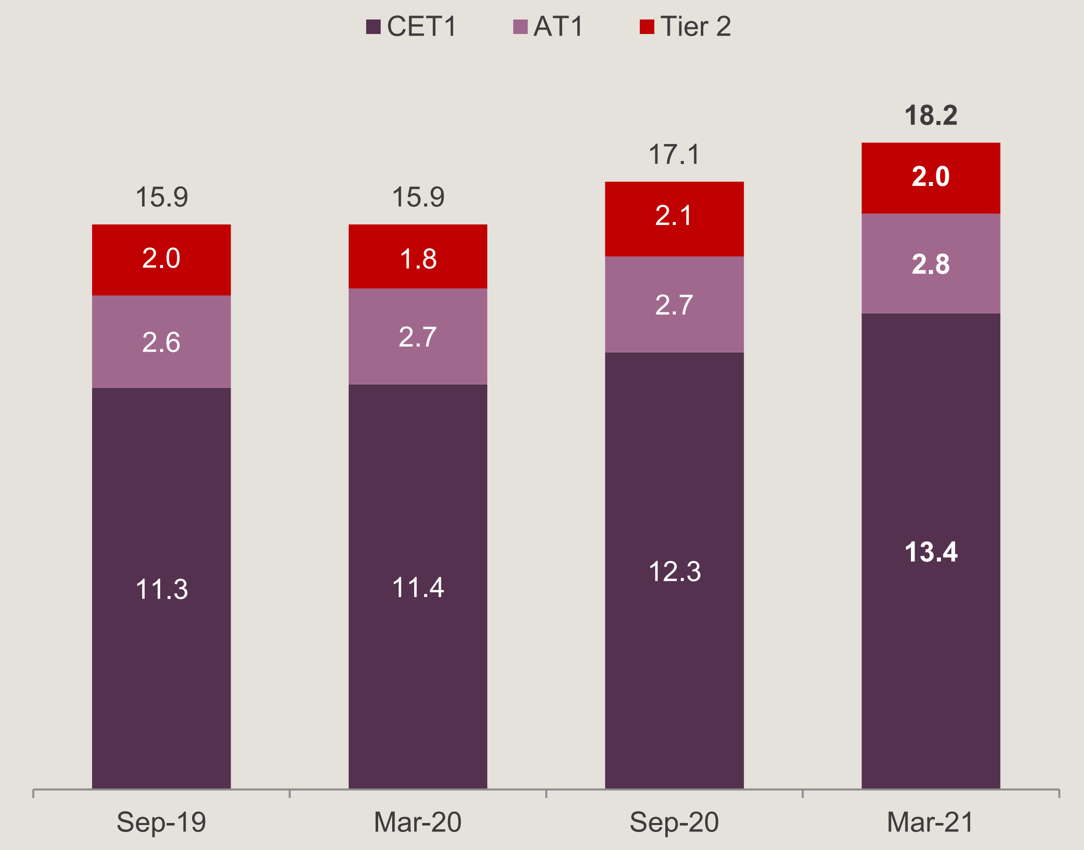


1 LVR based on current loan property value at latest credit event.

2 Investor lending provided for the purchase of, and/or secured by, residential investment property. Residential investment property is property that is not owner-occupied or for the owners exclusive use (such as a holiday house). Owner occupied includes all other residentially secured lending not classified as Investor lending.

Capital position

WNZL regulatory capital ratios (%)



Capital adequacy ratios (RBNZ basis)

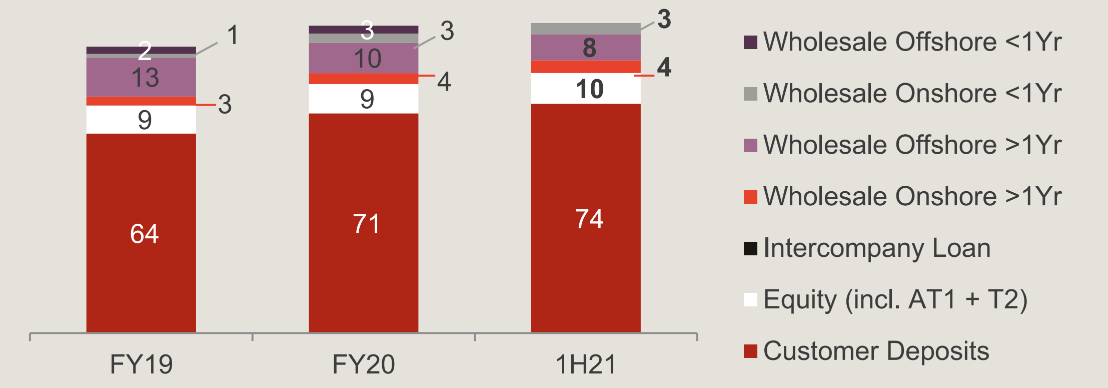
	Current Regulatory Minimum	Mar-21
Common Equity Tier 1 (CET1) Capital (incl. Capital Conservation Buffer (CCB))	7.0%	**13.4%**
Tier One Capital (incl. CCB)	8.5%	**16.2%**
Total Regulatory Capital (incl. CCB)	10.5%	**18.2%**
Buffer	2.5%	**8.9%**

RBNZ regulatory capital proposals

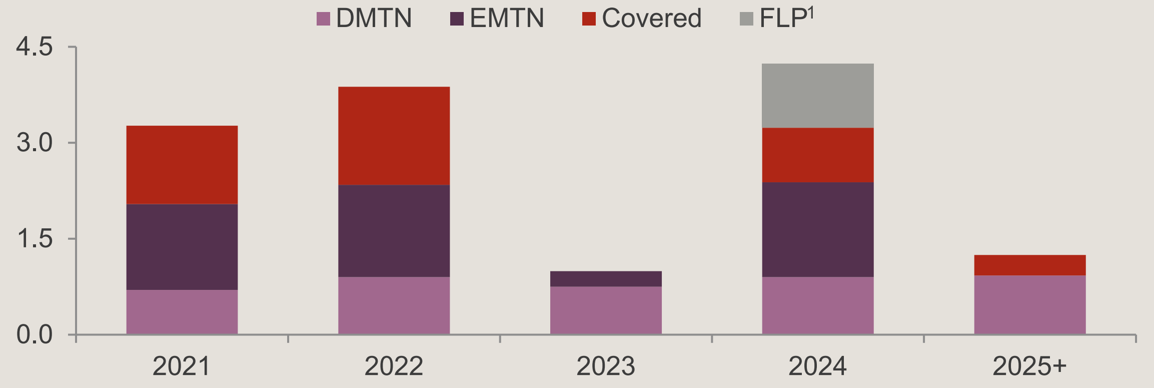
- Increasing total capital requirements from 10.5% of risk weighted assets (RWA) to 18% for systemically important banks
- Setting a Tier 1 capital requirement of 16% of RWA for systemically important banks
- Additional Tier 1 capital (AT1) can comprise no more than 2.5% of the 16% Tier 1 capital requirement
- Eligible Tier 1 capital will comprise common equity and redeemable perpetual preference shares. Existing AT1 instruments will be phased out over a seven-year period
- Maintaining the existing Tier 2 capital requirement of 2% of RWA
- Recalibrating RWA for internal ratings-based banks, such that aggregate RWA will increase to approximately 90% of standardised RWA
- The RBNZ has delayed the start of the proposed changes to 1 July 2022 and banks will be given up to 7 years to comply

Wholesale funding profile

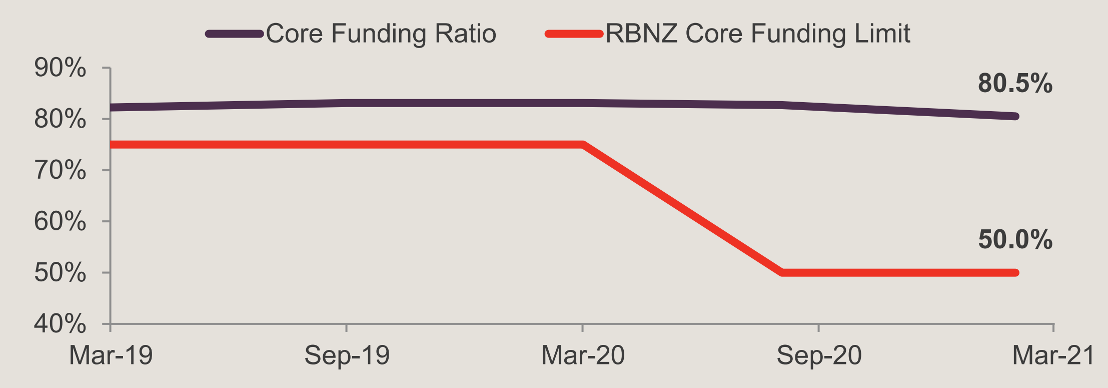
Funding composition (%)



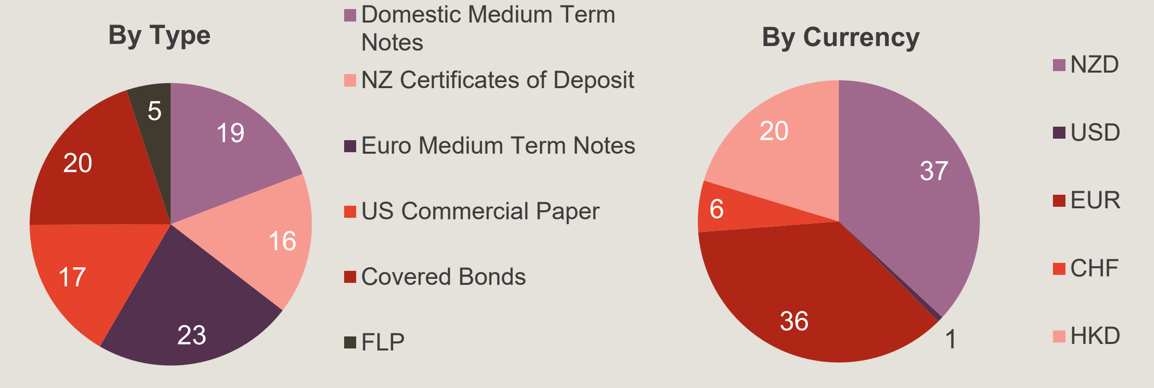
Term maturities by financial year (NZD $bn)



Core Funding Ratio (%)



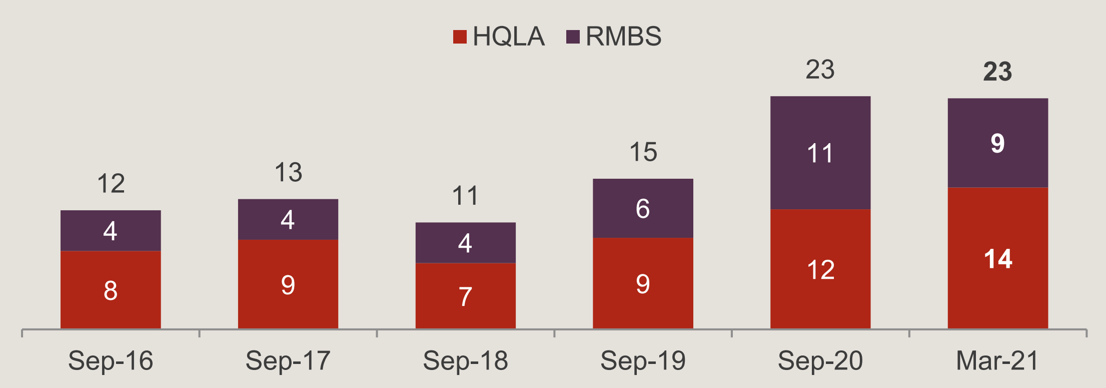
Wholesale funding (%)



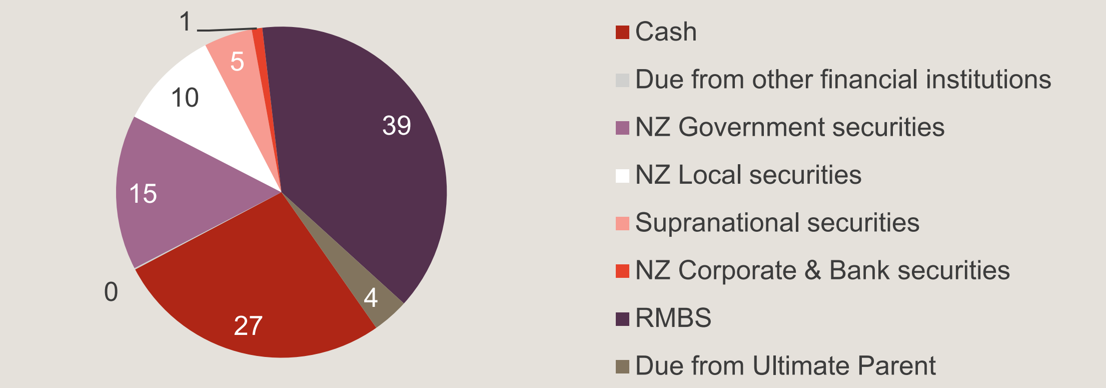
1 The FLP is the RBNZ's Funding for Lending Program. The FLP offers secured term central bank funding to registered banks, with the aim of lowering funding costs to stimulate lending growth across the economy and help reduce interest rates for borrowers. Under the FLP, the RBNZ will offer 3-year funding to eligible institutions. The funding will be structured as floating rate Repurchase Transactions priced at the Official Cash Rate (OCR), each for a term of three years. Participants may access the funding over a 2-year transaction period.

Liquid assets

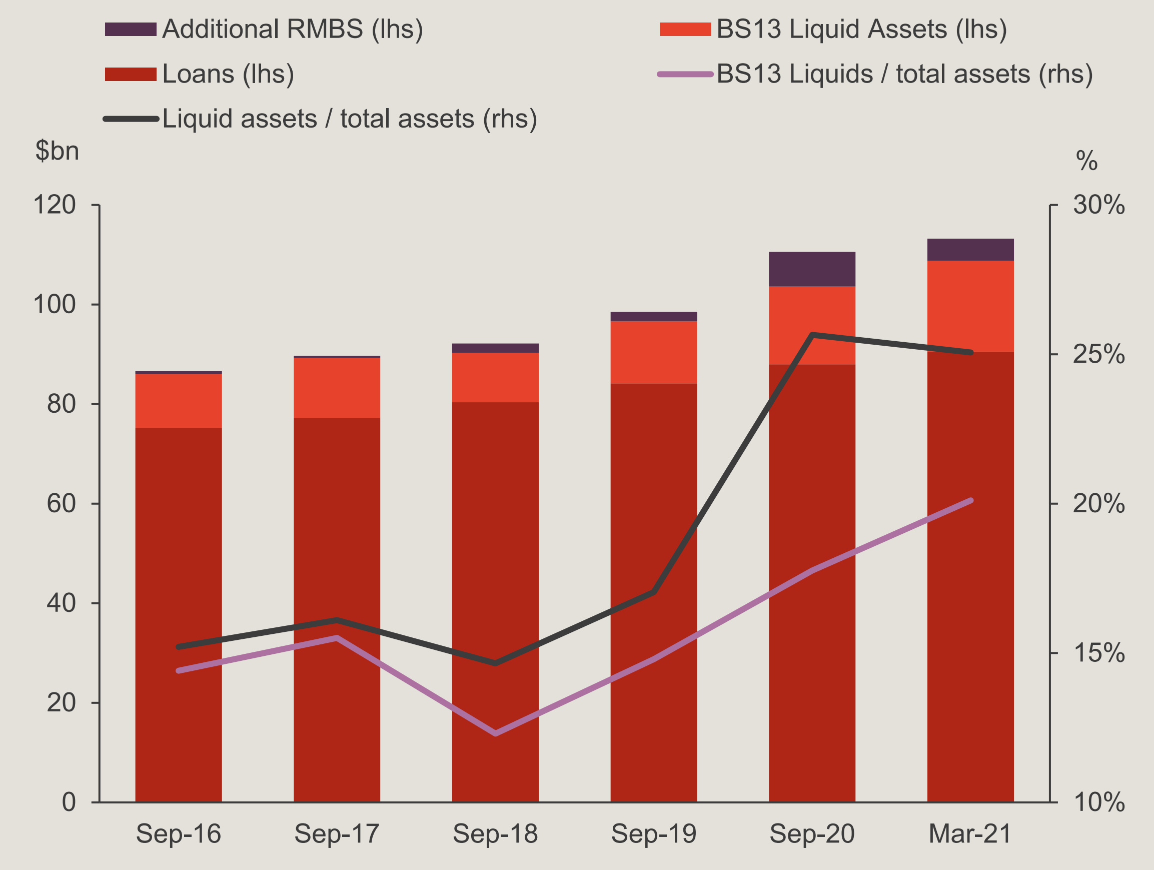
Liquid assets ($bn)



Liquid assets composition (%)



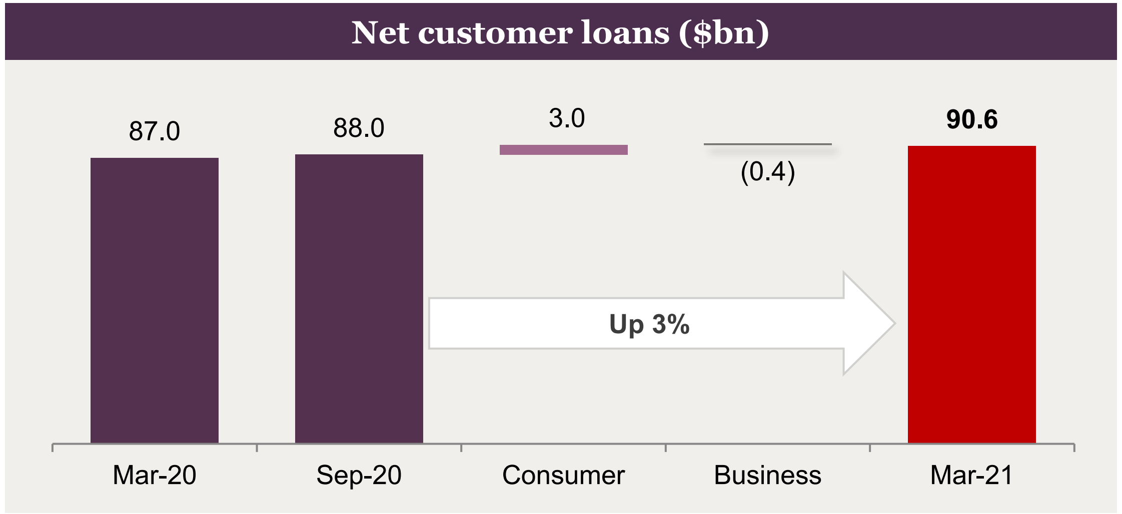
BS13 Liquid Asset position[1]

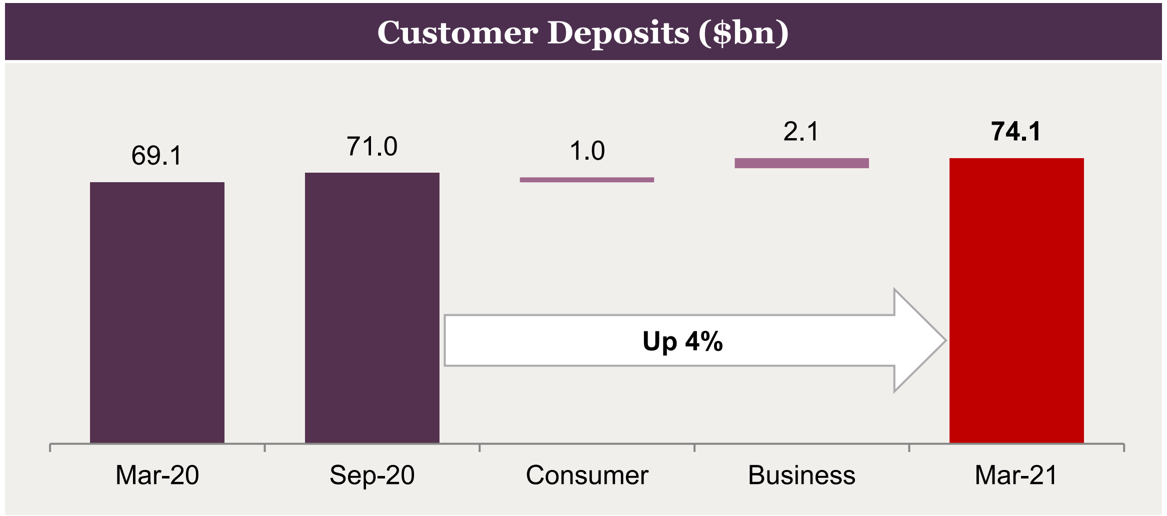


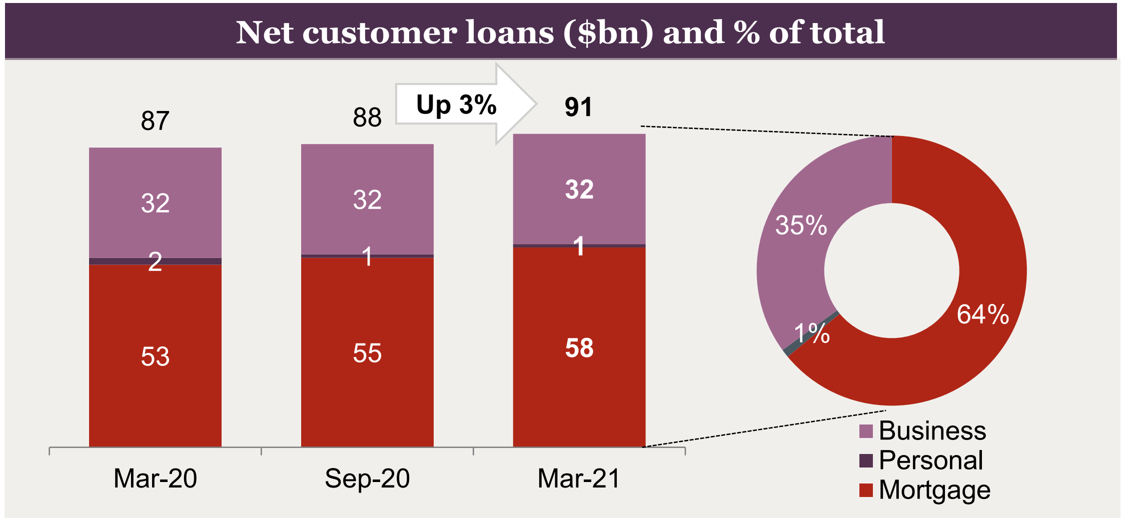
1. Additional RMBS and BS13 liquid assets shown at haircut amounts.

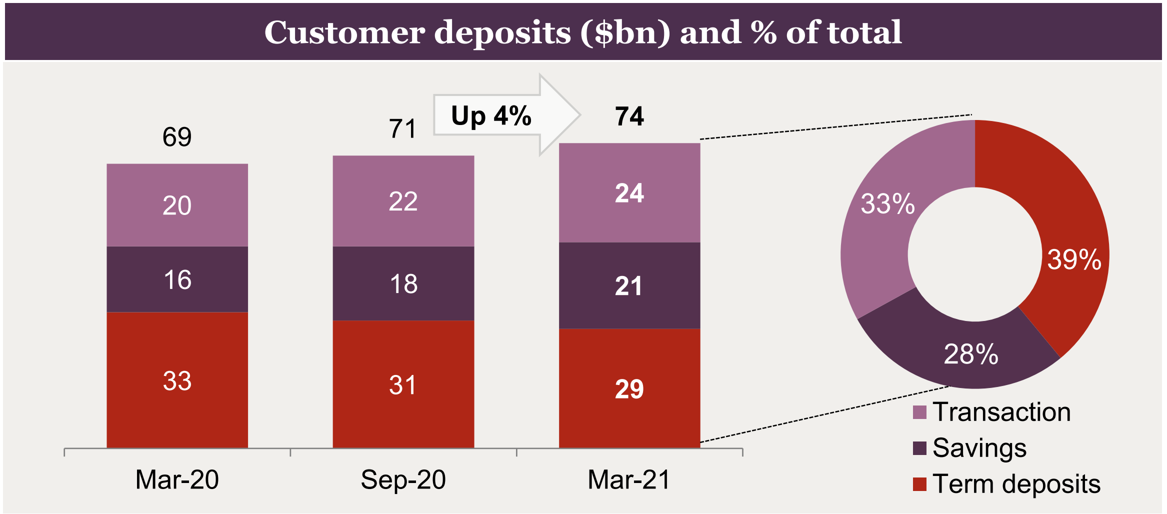
Additional Information

1H21 balance sheet









WNZL lending portfolio

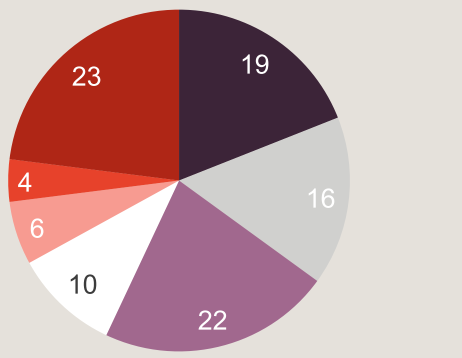
Total committed exposure (TCE)

$bn	Mar-20	Sep-20	Mar-21	%TCE	vs Mar-20	vs Sep-20
Consumer Lending	**70.5**	**72.6**	**75.7**	**58.5%**	**7.4%**	**4.3%**
Home Loans	63.1	65.3	68.6	53.0%	8.7%	5.1%
Credit Cards	4.2	4.1	4.0	3.1%	(4.8%)	(2.4%)
Other Retail	3.2	**3.2**	3.1	2.4%	(3.1%)	(3.1%)
Business Lending	**45.1**	**46.5**	**53.8**	**41.5%**	**19.3%**	**15.7%**
Non-Institutional[1]	24.5	24.7	24.5	18.9%	0.0%	(0.8%)
Institutional	20.6	21.8	29.3	22.6%	42.2%	34.4%
Total committed exposure	**115.6**	**119.1**	**129.5**	**100.0%**	**12.0%**	**8.7%**

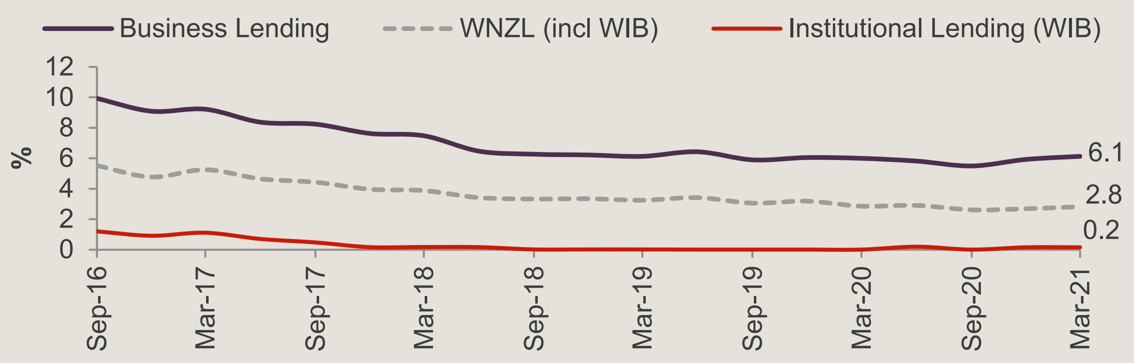
1H21 commentary

- 1H21 loan growth mainly driven by an increase in home loans, given buoyant housing market
- Unsecured consumer portfolios continue to decline, consistent with overall market trends
- Business stressed assets remain low, with many businesses benefitting from the economic recovery

Business TCE by industry (%)



Business stressed exposures as % of Business TCE



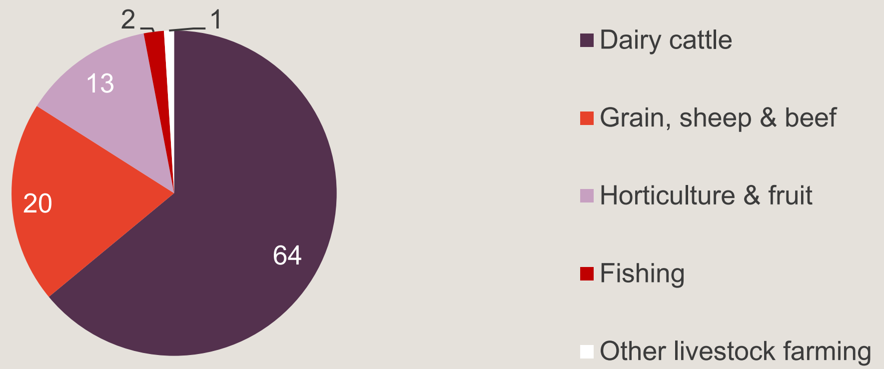
1 Non-institutional includes corporate, property, commercial and agribusiness within commercial.

Agribusiness portfolio

Agribusiness Portfolio

	Mar-20	Sep-20	Mar-21
Total committed exposure (TCE) ($bn)	9.6	10.0	**10.1**
Agriculture as a % of total TCE	7.6	7.9	**7.7**
% of portfolio graded as 'stressed'[1]	9.8	8.2	**8.0**
% of portfolio in impaired	0.48	0.48	**0.29**

Portfolio TCE by sector (%)



Dairy Portfolio

	Mar-20	Sep-20	Mar-21
Total committed exposure (TCE) ($bn)	6.3	6.5	**6.4**
Dairy as a % of total TCE	5.0	5.1	**4.9**
% of portfolio graded as 'stressed'[1]	12.0	10.1	**9.6**
% of portfolio in impaired	0.22	0.21	**0.21**

Highlights

- Dairy farmers continuing to repay debt. Low overall portfolio growth with increases mainly in horticulture, and other farming activities
- Dairy stressed assets reduced in the half - continuing to monitor customers with higher debt levels
- Rural land market remains challenging, although price stability and increased sales activity for smaller dairy farms and support blocks now evident

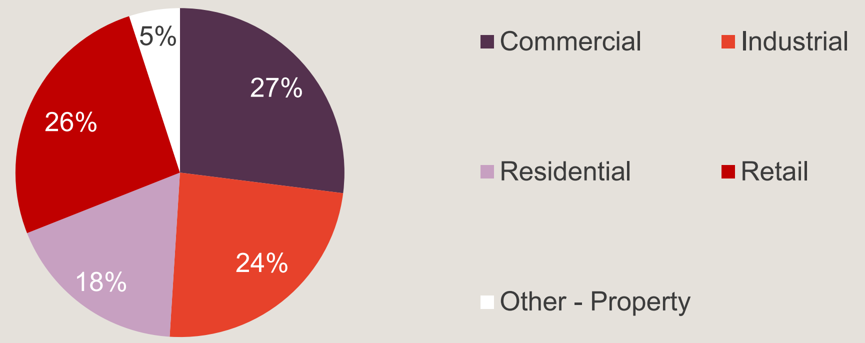
1 Includes impaired exposures

Commercial property portfolio

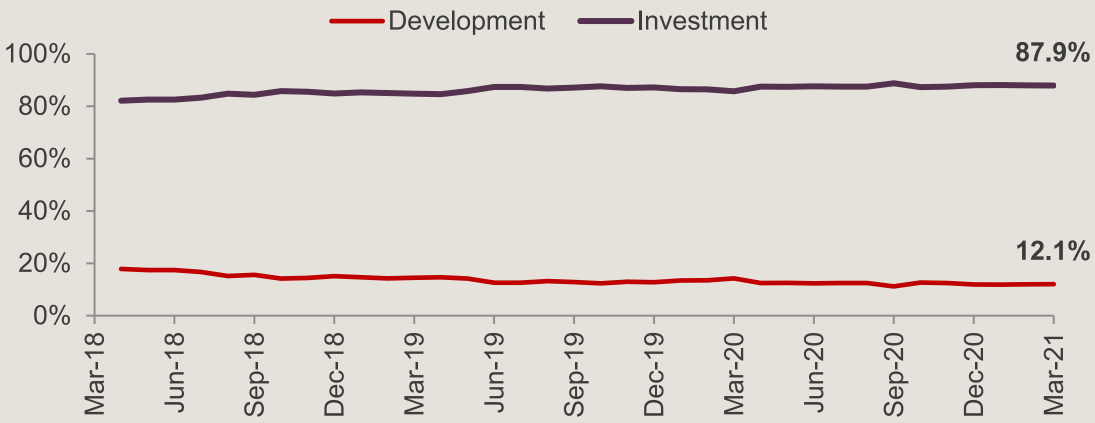
Commercial Property Portfolio

	Mar-20	Sep-20	Mar-21
Total committed exposure (TCE) ($bn)	8.8	8.5	**8.8**
Property as a % of total TCE	7.0	6.6	**6.7**
% of portfolio graded as 'stressed'[1]	2.67	2.96	**3.62**
% of portfolio in impaired	0.12	0.07	**0.07**

Portfolio TCE by sector (%)



Investor/developer split (%)



Highlights

- Portfolio increases mainly in Industrial lending due to strong investor demand
- Development/Investment portfolio mix remains low, reflective of strategy
- Larger developer clients taking a cautious approach given potential softening of house values due to recent tax changes

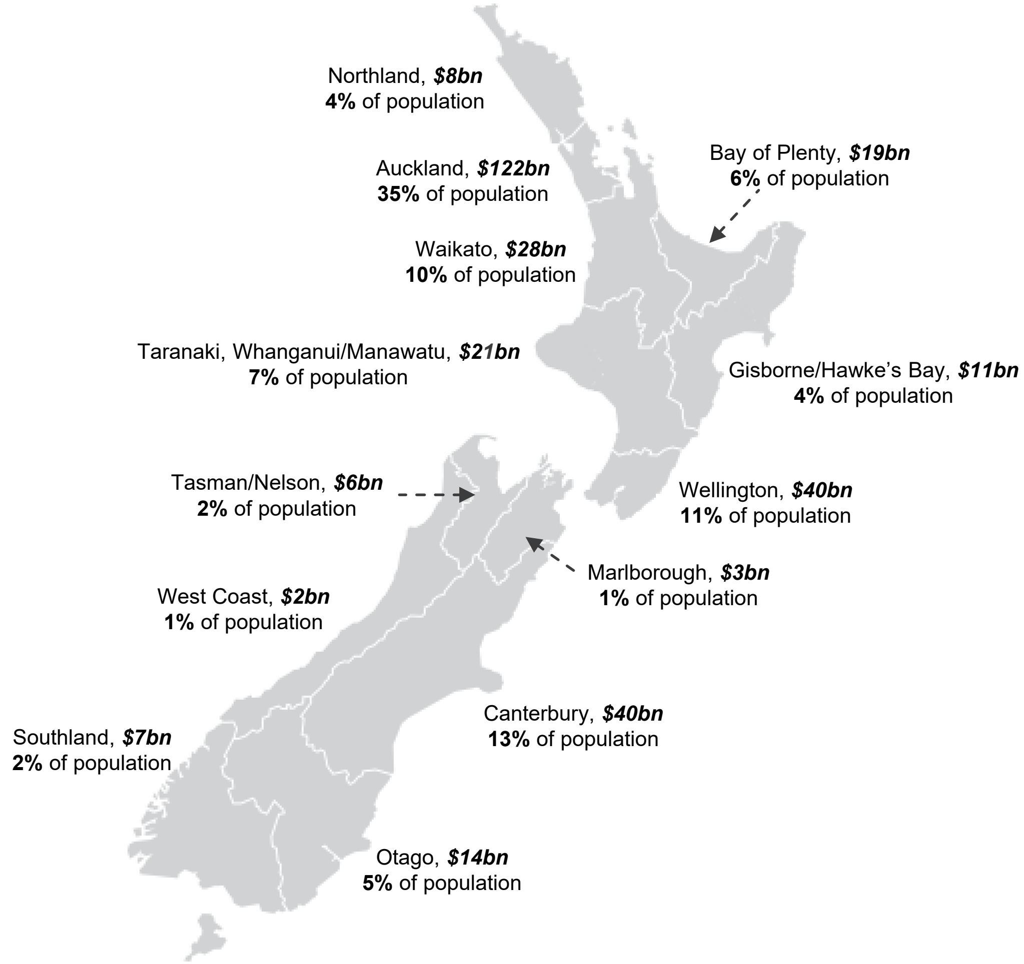
[1] Includes impaired exposures

Westpac Economics Update

Composition of the New Zealand economy

Regional GDP

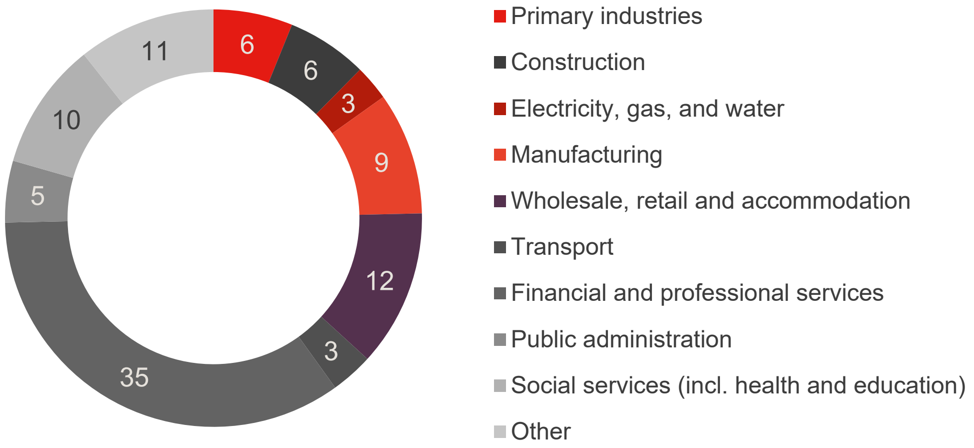
Total nominal GDP 2020: ***$322 bn***



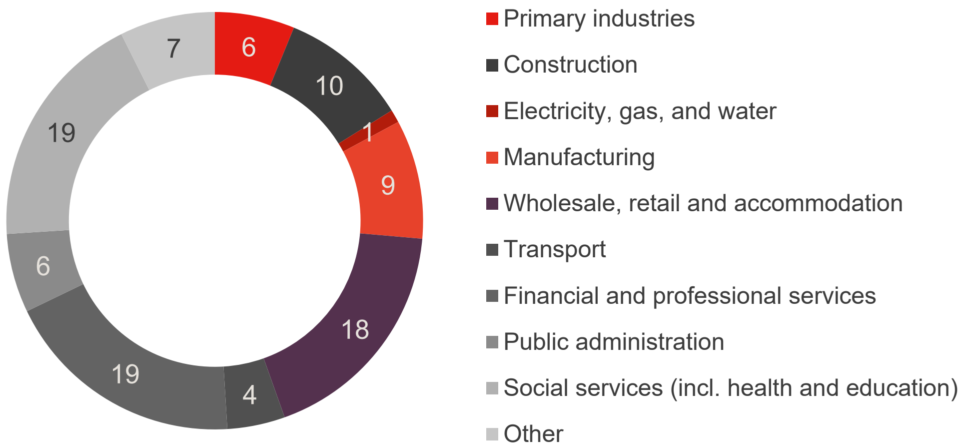
Sources: Stats NZ, Westpac Economics. Nationwide GDP and employment figures are for the year to Dec 2020, regional figure are for the year to March 2020.

NZ output and employment

NZ GDP by sector 2020 (%)



NZ employment by sector 2020 (%)

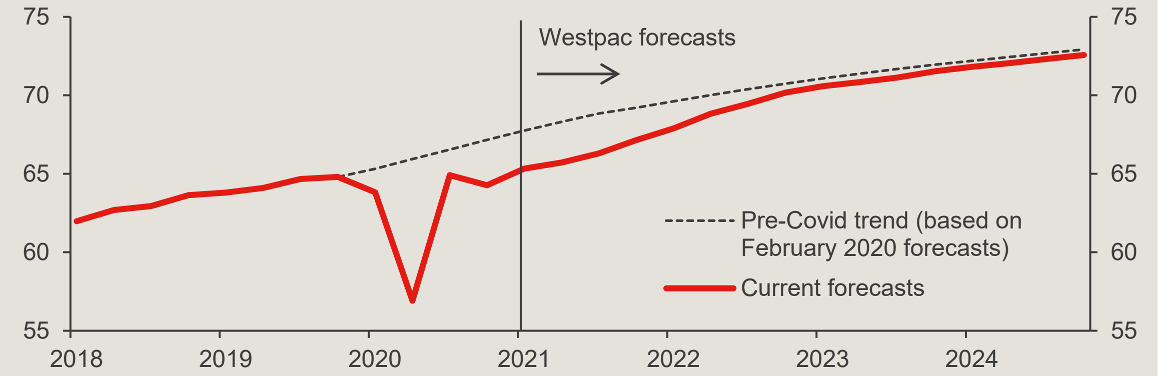


Source: Stats NZ

New Zealand economy

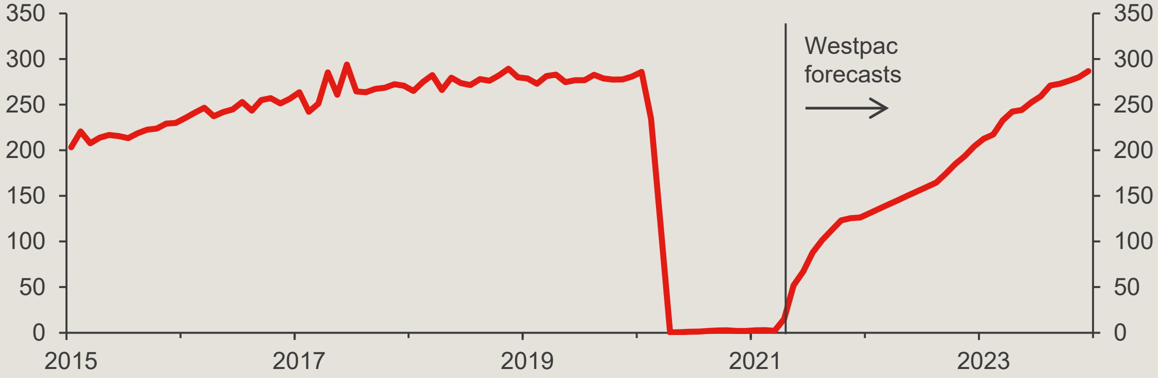
- The New Zealand economy contracted by 2.9% in 2020. However, by the March 2021 quarter it was operating around 1% above its pre-COVID-19 level. That compares favourably to most of New Zealand's peers in the global economy
- Westpac Economics forecasts economic growth of 5.8% in 2021 and 4.5% in 2022
- The outlook remains uneven across sectors:
  - Industries that are closely linked to the international border, like tourism and hospitality, are continuing to struggle. While travel bubbles are being established, ongoing restrictions on travel mean that conditions in travel-related sectors are set to remain challenging for some time
  - In contrast, policy stimulus and the elimination of the virus in New Zealand mean that conditions in domestically focused industries like residential construction have been firmer
  - There has also been strength in commodity export prices, especially for dairy products

GDP (Real, quarterly $bn)



Source: Statistics NZ, Westpac Economics

International visitor arrivals (monthly, thousands)



Source: Stats NZ, Westpac

Housing market and Government policy

- The Government has announced a suite of housing market policies affecting both demand and supply
- The most significant changes relate to the tax treatment of mortgage interest costs. This will diminish the financial incentives for property investors and tilt housing market conditions more in favour of owner-occupiers
- Westpac expects these policy changes will prompt a flattening-off of house prices over the remainder of 2021. That follows a period of very strong growth since the economy exited lockdown

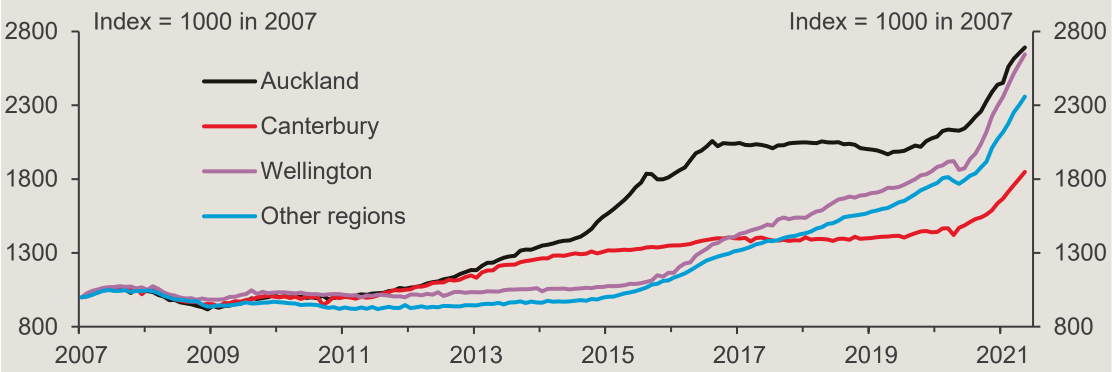
The major changes introduced by the Government include:

- Removing the ability to offset mortgage costs on residential investment properties against the income earned on those properties
  - This change will take effect from 1 October 2021 for properties purchased after 27 March 2021 and will be gradually phased in over the next four years for existing property owners
  - The Government is also looking at exemptions for new builds
- The holding period for taxing capital gains on residential investment properties (otherwise known as the 'Bright-line test') has been extended from 5 to 10 years
  - The holding period remains at 5 years for investors who buy new builds
- A $3.8bn Housing Acceleration Fund is being established to assist with the development of infrastructure (such as pipes and roads) to support new housing

- Leveraged investors currently account for around one-third of sales in markets like Auckland and Wellington. The announced policy changes will reduce the financial incentives for property investors and indicate a drag on house prices.
- Westpac Economics now expects house prices to slow significantly over the remainder of 2021 and early 2022.
- Longer-term interest rates are expected to gradually move higher over the coming years in response to the firming in global activity. As that passes through to domestic borrowing rates, modest falls in house prices of around 3% to 4% per annum are expected from 2023 (as a comparison, prices have risen by more than 25% since the economy exited lockdown).
- A slowdown in the housing market signals associated downside risk for household spending and construction. This reinforces the case for the RBNZ keeping the Official Cash Rate (OCR) at low levels for an extended period.
- Household debt levels have been rising in recent years, with much of that borrowing related to residential property. However, the low level of mortgage interest rates means that the proportion of households' incomes spent on debt servicing has fallen to its lowest level in at least two decades. The labour market has also been more resilient than expected.

Housing market and Government policy (cont.)

New Zealand dwelling prices by region



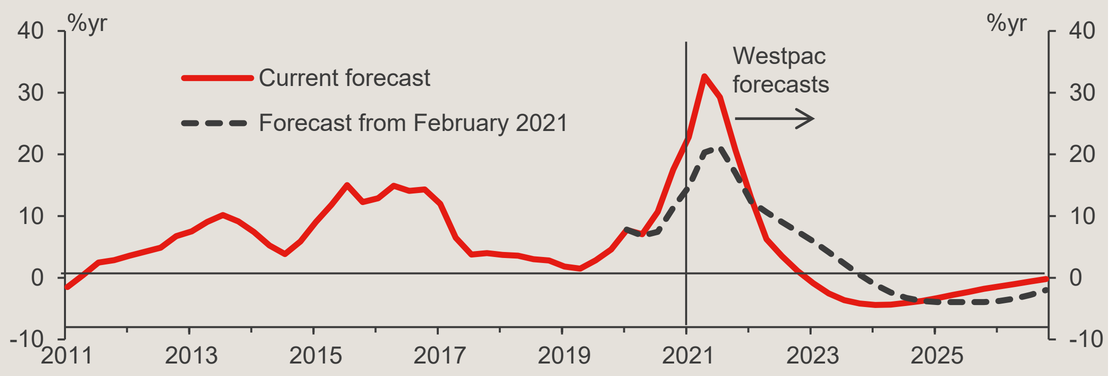
Source: Stats NZ, Westpac

Dwelling prices % change

Region	Pop'n	Last 3 mths (to May-21)	Last 12 mths (May-21)	Last 5 years (to Mar-21)
Auckland	1.7m	Up 5.1%	Up 26.3%	Up 36.3%
Wellington	0.5m	Up 8.5%	Up 41.8%	Up 106.4%
Canterbury	0.6m	Up 7.8%	Up 25.7%	Up 34.7%
Nationwide	5.1m	Up 6.5%	Up 29.8%	Up 57.2%

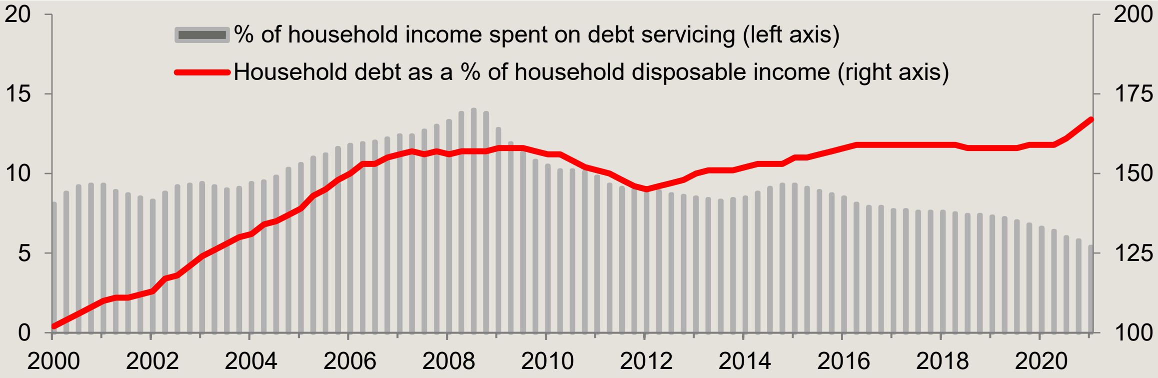
Source: REINZ, Westpac

House price level forecasts



Source: CoreLogic, Westpac

Household debt statistics



Source: RBNZ

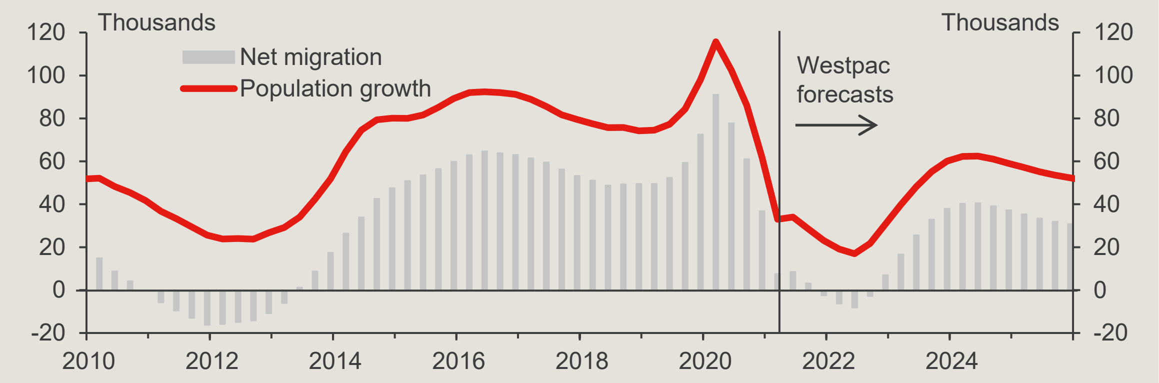
Construction and population growth

- Annual dwelling consent issuance has risen to an all time high, with a strong pipeline of work over the coming year. Much of this will be centred on Auckland, although increases in activity have been widespread
- In recent years population growth has far outpaced home building, and an extended period of rapid home building is needed to address the related shortages
- As the middle of the decade approaches, Westpac Economics expect that the current period of very strong residential building will give way to a period of more moderate activity
  - Migration and population growth are currently very low due to the closure of the borders
  - While we expect migration will pick up following the rollout of vaccines and the reopening of borders, the Government is planning to tighten migration policy, focusing on skilled workers. As a result, net migration is expected to remain well below the levels seen in previous years

Monthly residential building consents

Source: Stats NZ, Westpac

Population growth and net migration (rolling annual totals)

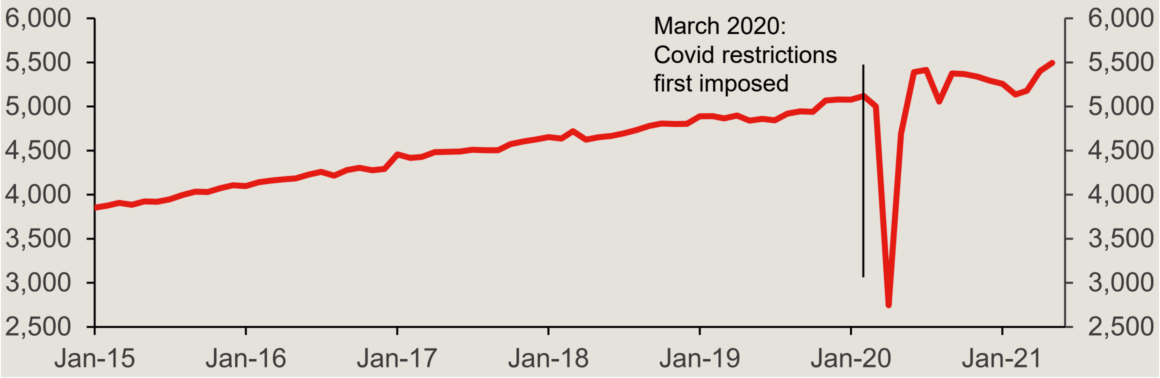


Source: Stats NZ, Westpac

Households and spending

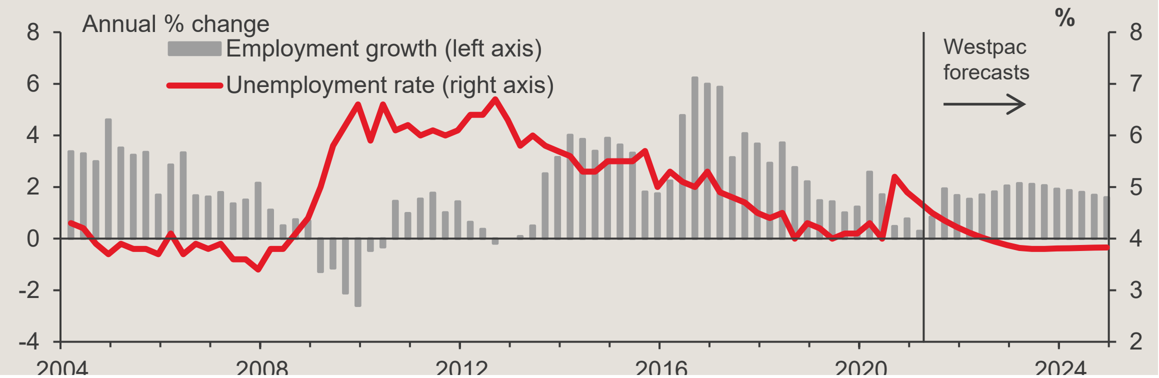
- Retail spending has been resilient and running above the levels seen prior to COVID-19
- However, there has been a change in the composition of spending:
  - Since the outbreak of COVID-19 and the related closure of the border, spending on durable items like household furnishings has been strong
  - That has helped to offset the drag from reduced spending in the hospitality sector
- The labour market has been more resilient than expected
- Unemployment fell for a second quarter in March to 4.7%. With a growing number of businesses reporting that they are planning to take on new staff, it is now looking like unemployment peaked at 5.2% back in September – much lower than forecast at the onset of COVID-19
- Westpac Economics expect unemployment will continue to trend down over the course of this year

Monthly retail spending excl. fuel ($m)



Source: Stats NZ, Westpac

Labour market

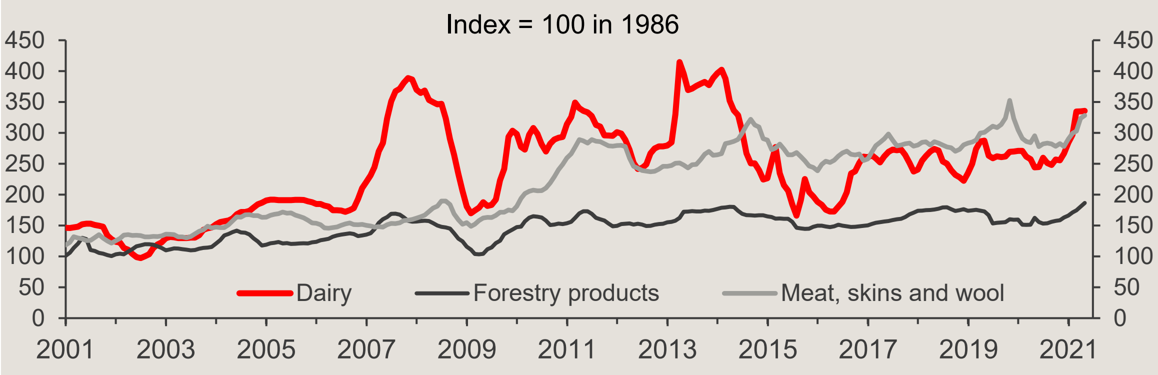


Source: Stats NZ, Westpac

Agriculture

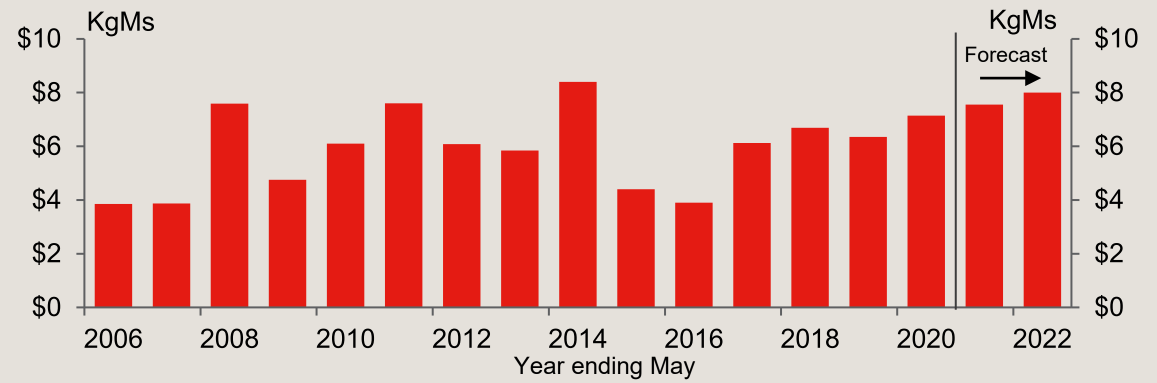
- New Zealand's commodity prices have increased 17% so far this year, and Westpac Economics expect a further lift of around 5% through to the September quarter
- Strong Chinese demand, the firming in the global growth outlook and tight global agricultural supply bodes well for the remainder of 2021
- **Dairy:** Westpac Economics' farmgate milk price forecast for the soon to be completed 2020/21 season is $7.55/kg (following $7.14/kg milk price in 2019/20). For 2021/22, Westpac Economics expect a farmgate milk price of $8.00/kg.
- Farmers continue to repay debt, however the strong outlook for agricultural incomes is prompting more investment activity both on and off farm

NZ commodity price index (World Prices)



Source: ANZ, Westpac Economics

Farmgate Milk Price

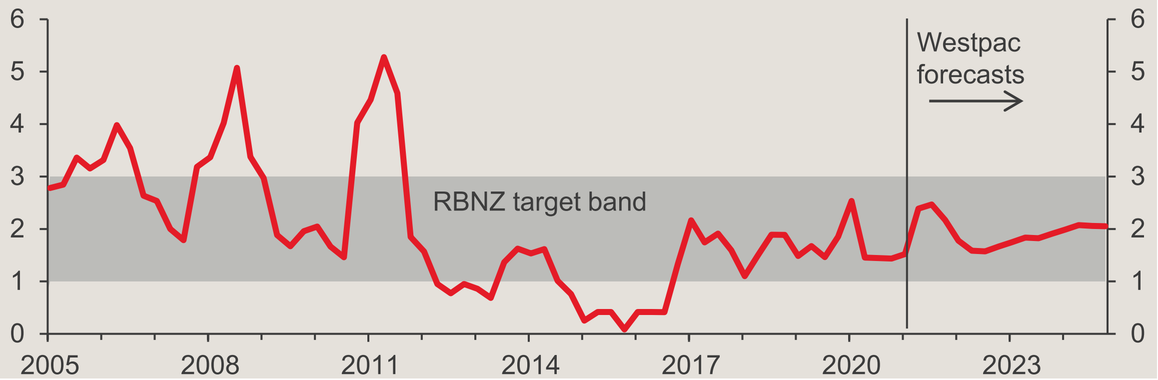


Source: Fonterra, Westpac Economics

Monetary policy

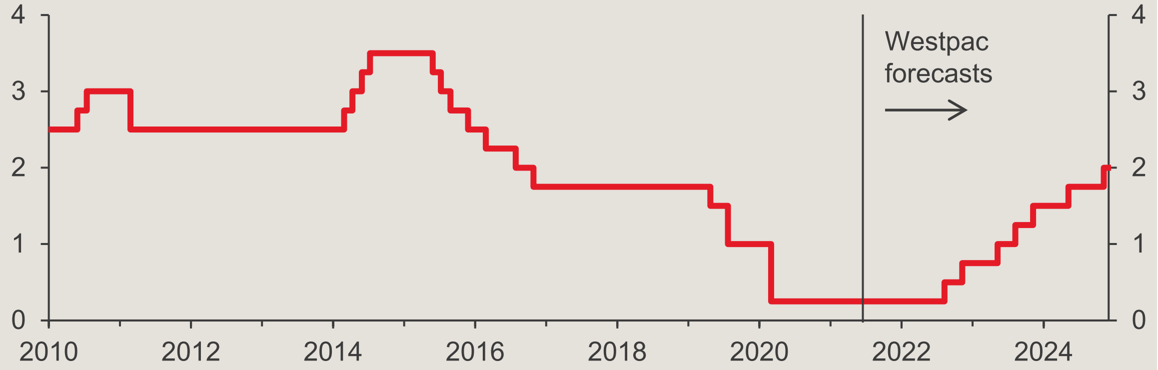
- Inflation has picked up and is forecast to rise to 2.5% this year. However, this rise is expected to be temporary. Inflation is being boosted by base effects following last year's lockdown, as well as by disruptions to global supply chains
- As post-COVID-19 disruptions ease, inflation is forecast to drop back below 2% over 2022. The economy is still grappling with the large hole in demand resulting from the closure of NZ's borders and the loss of international tourism spending. Unemployment is also above pre-COVID-19 levels
- Westpac Economics expects that the Official Cash Rate will remain on hold until August 2022
- However, there is a degree of tightening in monetary conditions already occurring. The RBNZ has already slowed the pace of bond purchases in its Large-Scale Asset Purchase programme. In addition, the Funding for Lending Programme for banks is unlikely to be extended beyond the end of 2022

Inflation (annual %)



Source: Statistics NZ, Westpac Economics

Official Cash Rate



Source: RBNZ, Westpac Economics

Economic forecasts

GDP components	Quarterly % change				Annual average % change			
	Mar-21	Jun-21	Sep-21	Dec-21	2019	2020	2021F	2022F
GDP (production)	1.6	0.6	0.9	1.3	2.4	-2.9	5.8	4.5
Private consumption	5.4	-1.0	2.3	0.7	3.6	-1.9	10.2	2.5
Government consumption	1.6	1.2	1.1	1.1	5.4	6.4	5.9	3.4
Residential investment	2.3	1.3	0.8	0.5	4.9	-4.1	18.3	1.0
Business Investment	8.3	-2.9	1.2	1.6	2.5	-9.0	9.2	6.4
Exports	-8.0	9.2	4.2	3.6	2.3	-11.8	-1.2	11.8
Imports	7.1	5.1	5.6	1.8	2.2	-16.4	20.2	6.0
Economic indicators	**Quarterly % change**				**Annual % change**			
	Mar-21	Jun-21	Sep-21	Dec-21	2019	2020	2021F	2022F
Consumer price index	0.8	0.4	0.7	0.2	1.9	1.4	2.2	1.7
Employment change	0.5	0.3	0.4	0.4	1.2	0.8	1.7	2.1
Unemployment rate	4.7	4.5	4.4	4.2	4.1	4.9	4.2	3.9
Labour cost index (all sectors)	0.4	0.5	0.5	0.5	2.6	1.6	2.0	2.2
Current account balance (% of GDP)	-2.2	-3.3	-4.1	-4.4	-3.3	-0.8	-4.4	-3.4
Terms of trade	0.1	6.2	2.0	-0.8	7.1	-1.6	7.5	-3.0
House price index	8.0	7.0	2.6	1.8	4.6	17.5	20.7	1.1
Financial forecasts	**End of quarter**				**End of year**			
	Mar-21	Jun-21	Sep-21	Dec-21	2019	2020	2021F	2022F
90 day bank bill	0.26	0.35	0.35	0.35	1.17	0.27	0.35	0.85
5 year swap	0.88	1.15	1.30	1.45	1.18	0.31	1.45	2.00
TWI	74.9	74.8	74.0	75.2	71.4	72.9	75.2	76.4
NZD/USD	0.72	0.72	0.72	0.74	0.64	0.69	0.74	0.77

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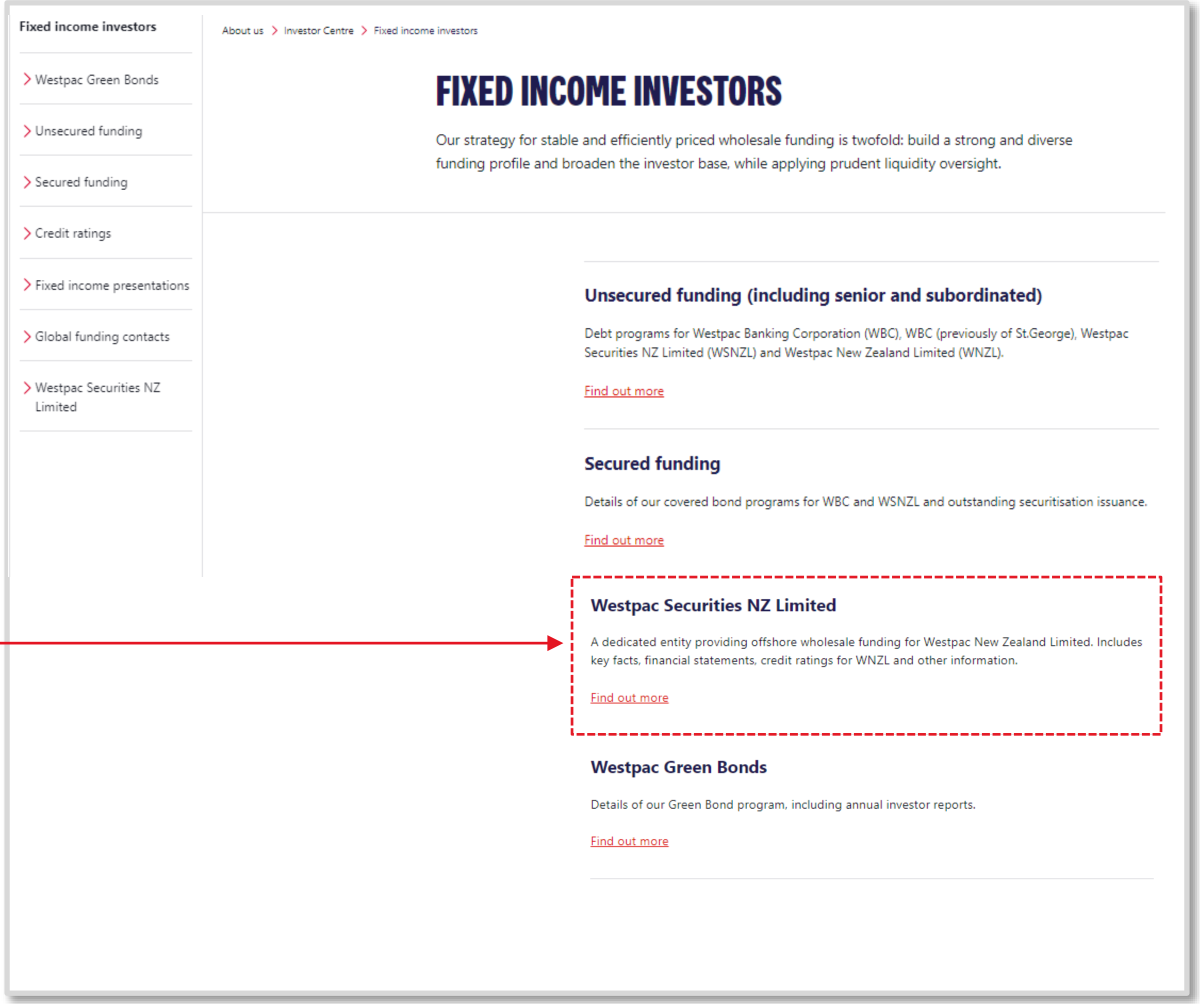

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