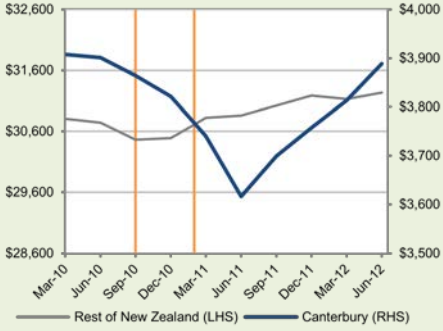


Output and Trading Activity

OUTPUT

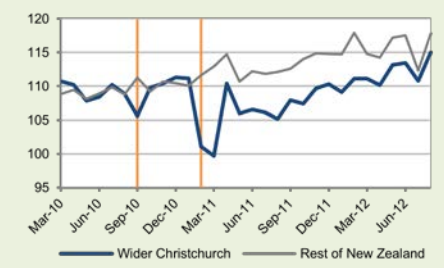
Infometrics estimate of real gross domestic product seasonally adjusted in 1995/96 prices, \$millions



Recent gross domestic product estimates showed ongoing positive growth. The Canterbury region is a key factor behind the latest improvements in national output levels.

CONSUMER SPENDING

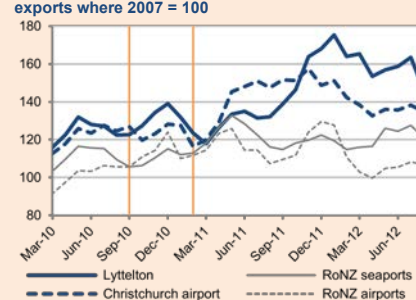
Electronic card transactions on the Paymark network - seasonally adjusted and indexed where 2007 = 100



Consumer spending continues to lift in the region. The most recent Statistics NZ estimates suggest that total retail trade activity in Christchurch city increased by 2.1% in the June 2012 quarter, compared with the March 2012 quarter, well above the national growth of 1.1% over the same period.

INTERNATIONAL TRADE

Trade index - three month rolling averages of free on board values for merchandise trade of imports and exports where 2007 = 100

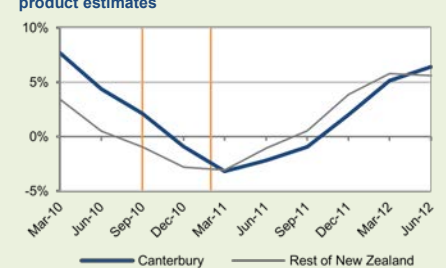


Exports and imports have taken a slight dip, primarily in the exports going through the port of Lyttelton. The Lyttelton Port Company announced a forecast 17% reduction in its 30 June 2013 coal volumes.

Key Sectors

AGRICULTURE

Growth of agriculture, forestry and fishing - annual average percentage growth of real gross domestic product estimates

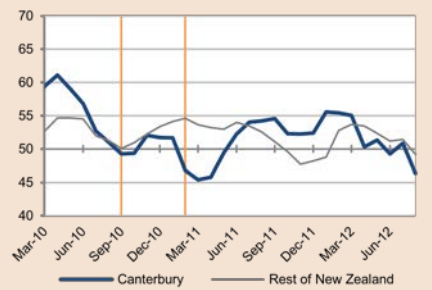


The latest Infometrics estimate for agriculture, forestry and fishing output for the quarter to June 2012 suggests that for the first time since the February earthquake, regional growth in this sector has been greater than for the rest of the country (measured in annual average terms).

Key Sectors

MANUFACTURING

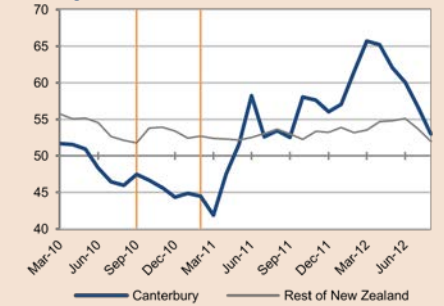
Performance of Manufacturing Index - three month rolling averages



Latest data from the Business New Zealand Performance of Manufacturing Index further supports the concern that the Canterbury manufacturing sector may be contracting slightly due to exchange rate pressures.

SERVICES

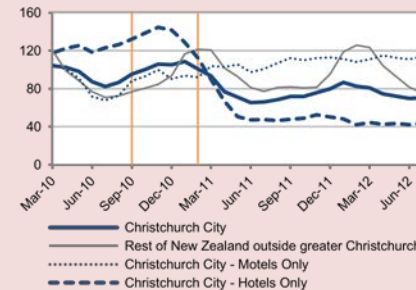
Performance of Service Index - three month rolling averages



The pace of growth in the Canterbury services industry is slowing. The remaining indicators for the services sector have not changed.

TOURISM

Domestic guest nights - three month rolling averages and indexed where 2007 = 100



International guest nights remain low and accommodation capacity has halved. As one important step to addressing this, Christchurch and Canterbury Tourism recently launched the Canterbury Reimagined Campaign, which aims to attract Australian visitors back to the region.

CHRISTCHURCH CENTRAL

CERA commissioned survey of 400 business people, 500 Christchurch residents and 750 New Zealand residents

99% of Christchurch business people
95% of Christchurch residents, and
88% of New Zealand residents
are aware of Christchurch Central Recovery Plan

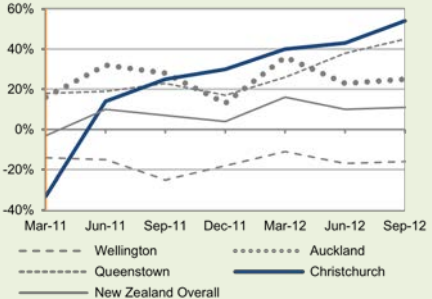
74% of Christchurch businesspeople
56% of Christchurch residents, and
52% of New Zealanders
support the Christchurch Central Recovery Plan

\$28 million worth of building consents were issued for the area within the four avenues in the month of August. At the same time, employers continue to return (or commit to return) to the area and support the Christchurch Central Recovery Plan.

Rebuilding and Confidence

INVESTMENT

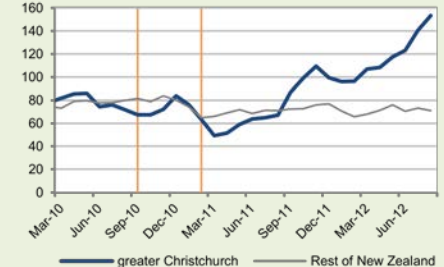
Commercial property investor confidence



The investment sector remains very positive. Christchurch continues to be the most confident city in the country, as it has been since September last year. In fact, confidence levels increased in Christchurch by more than any other city over the last period.

CONSTRUCTION

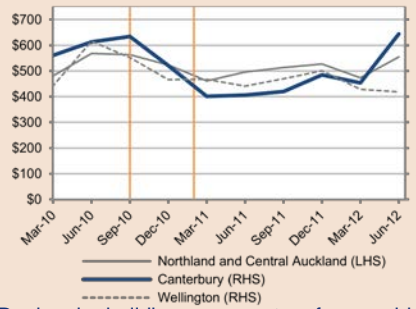
CERA's Index of Building Consents - three month rolling averages of residential and non-residential building consents for new buildings and alterations, indexed where 2007 = 100



A new indicator - CERA's Index of Building Consents - illustrates that regional building consents in greater Christchurch are increasing significantly and at a rate that is well above the rest of the country.

HOUSING

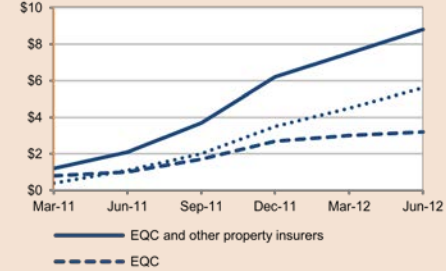
Building activity of residential buildings - \$ millions



Regional building consents for residential dwellings in Canterbury have picked up pace. At the same time, residential building activity is rising. However, further indicators suggest that the housing sector is tight and the pace of recovery continues to warrant careful monitoring.

INSURANCE

Estimated cumulative insurance payments paid out by the Earthquake Commission (EQC) and other property insurers - \$ billions

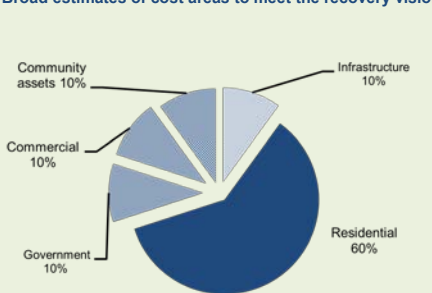


Statistics NZ has revised its estimates of total international reinsurance claims to \$17.9 billion. Nearly 30% (\$5.1 billion) of these claims have been settled.

Rebuilding and Confidence

TOTAL SPEND

Broad estimates of cost areas to meet the recovery vision



CERA estimates that the total cost of meeting the recovery vision will be around \$30 billion (NZD).

BUSINESS ENVIRONMENT

Registrations and cessations of businesses in Canterbury

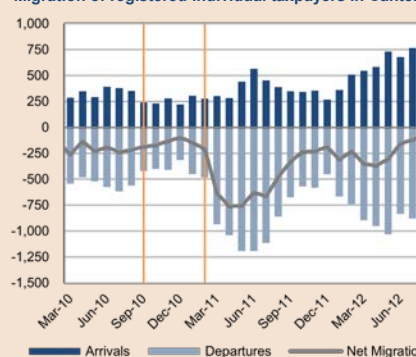


The positive business creation environment continues. Business cessations for August were less than July and continue to be outpaced by registrations of new businesses. Meanwhile, business migration figures have a similarly positive trajectory.

Labour Market

POPULATION

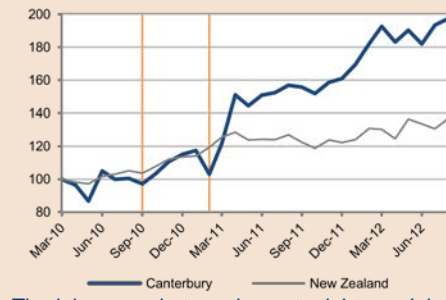
Migration of registered individual taxpayers in Canterbury



Population metrics continue to improve. August saw the smallest numbers of net outward migration since January 2010.

EMPLOYMENT

Skilled vacancies index of jobs advertised online - seasonally adjusted, March 2010 = 100s



The labour market continues to tighten. Jobs advertised in Canterbury rose 25.8% in the 12 months to August this year, compared with 1.6% in Auckland. Within Canterbury, construction and engineering jobs advertised rose 75.4% over the same period.