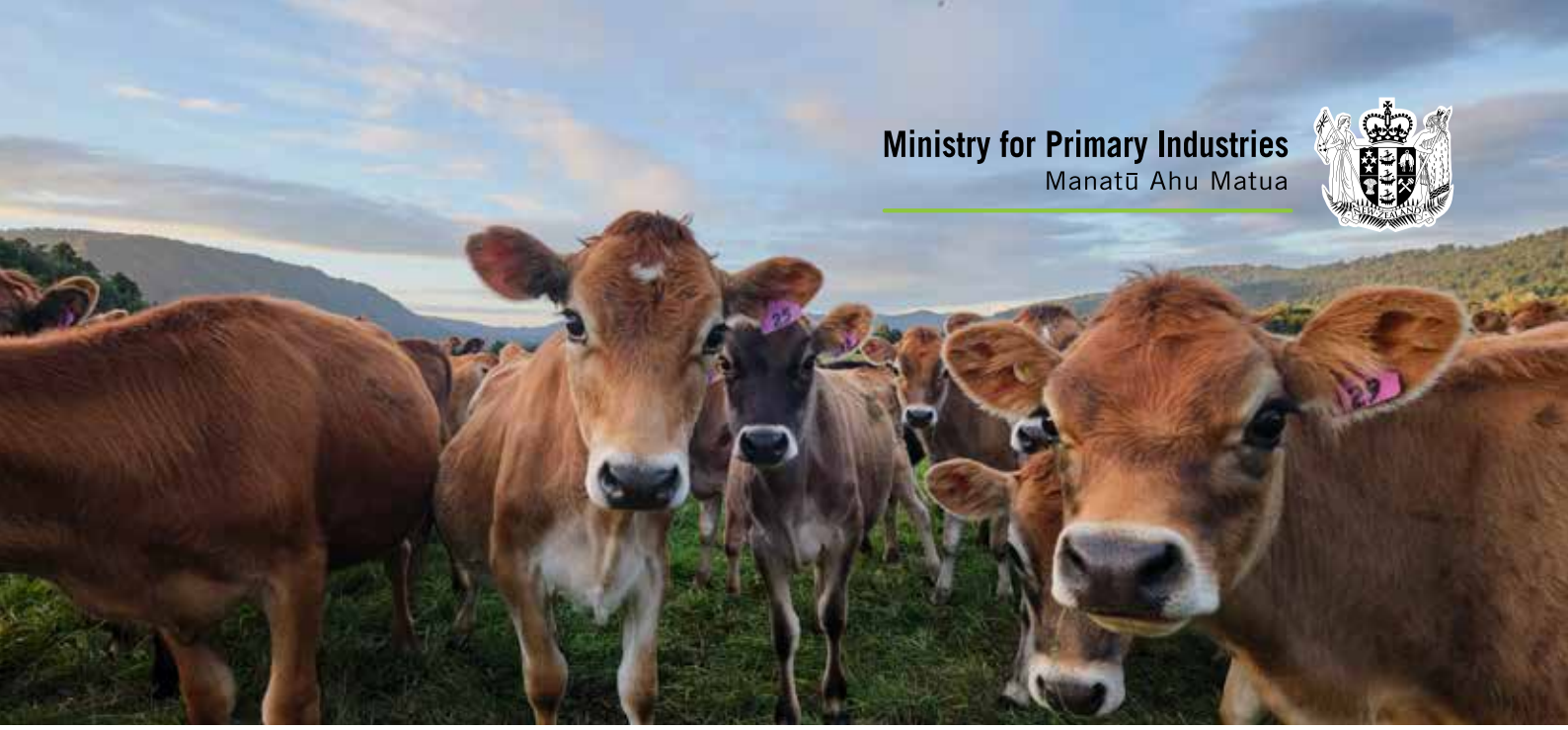

Ministry for Primary Industries
Manatū Ahu Matua

Situation and Outlook for Primary Industries

DECEMBER 2024

Te Kāwanatanga o Aotearoa
New Zealand Government

Acknowledgements

DJ Apparao, Paul Berentson, Kara Brown, Annette Carey, Federico Duranovich, Nicola Giles, Lachlan Grimwade, Selena Henry, Luke Kelman, Koohyar Khatami, Aditya Kusuma, James Laubscher, Laarni Joy Mandap, Roxanne Martin, Nicole McCrossin, Toby Patrick, Claudia Riley, Ingrid van Elst, Wido van Lijf, Mark Wever, Joshua Williams, and Brad Young.

Cover photos:
1. Young dairy cattle. Photo: Kum Seong Wan.
2. Fishing using a long line. Photo: Chris Sisarich.
3. Kiwifruit. Photo: Maria Brzostowska.

Notes

Annual figures are for the year to 30 June unless otherwise noted. Year to 30 June refers to the 12-month period to that date.

Currency figures are in New Zealand dollars unless otherwise noted.

Some totals may not add up due to rounding.

At the time of writing, goods trade statistics for the September 2024 quarter are provisional. Late data and amendments may be included in subsequent Stats NZ data releases.

Some export values for 2021/22 and 2022/23 have been updated due to revisions made by Stats NZ.

MPI welcomes feedback on this publication via **SOPI@mpi.govt.nz.**

Publisher

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PO Box 2526, Wellington 6140, New Zealand
Tel: 0800 00 83 33

This publication is available on the Ministry for Primary Industries website at **http://www.mpi.govt.nz**

Further copies may be requested from **SOPI@mpi.govt.nz**

ISBN No. 978-1-991330-46-8 (print)
ISBN No. 978-1-991330-47-5 (online)

Disclaimer

Contents

Minister's foreword

I am pleased to present the December 2024 edition of the *Situation and Outlook for Primary Industries* (SOPI).

I commend the food and fibre sector's ongoing hard work and commitment to the success of our rural communities and to the wider economy.

This SOPI forecasts food and fibre export revenue to reach $56.9 billion in the year to 30 June 2025, lifting to a record $58.3 billion in the year to 30 June 2026.

The Government has set an ambitious goal of doubling exports by value within the next 10 years, with our food and fibre sector at its heart.

To support the sector's success, we've built steady momentum in cutting red tape and creating the right foundations to help drive the sector forward and rebuild the economy.

Our work to foster new comprehensive and commercially meaningful trade agreements continues at pace. In September, we concluded negotiations on our Comprehensive Economic Partnership Agreement with the United Arab Emirates (UAE), in October, we wrapped up our free trade agreement (FTA) with the Gulf Cooperation Council (GCC), and just last month, we signed the Agreement on Climate Change, Trade and Sustainability (ACCTS).

The UAE agreement was negotiated in just over four months and delivers 98.5 percent tariff elimination on New Zealand exports on entry into force, rising to 99 percent after three years.

The GCC agreement includes provisions that will make doing business easier, with preferential access for our food and fibre sector exporters, streamlined customs procedures, reduced trade barriers, and commitments to level the playing field for Kiwi services businesses entering the market. It also delivers duty-free access for 99 percent of New Zealand's exports over 10 years and, when combined with the UAE agreement, removes tariffs on 51 percent of our exports to the Gulf on day one.

These two agreements secure access in a highly competitive market for beef, lamb, dairy, mānuka honey, fish, and many, many other goods, and contribute towards the ambitious goal of doubling exports by value over 10 years.

In addition, the ACCTS will eliminate tariffs on key sustainable goods and services, including 45 wood and wool products.

This progress follows entry into force of the New Zealand-European Union FTA on 1 May 2024, months earlier than planned. This will realise around $100 million in annual tariff savings for Kiwi exporters along with new quota access for beef, sheep meat, butter, and cheese.

India remains a strategic focus for the Government, and I've visited several times to drive a step-up in our relationship.

We also want to get the most out of our existing trade agreements. In the past year, the Government has successfully eliminated non-tariff barriers worth $733 million, returning significant value to our exporters.

Other work to boost export growth includes a new export plan that provides continued access for New Zealand onions into Indonesia and new access for our blueberries into Korea.

We're also taking steps to maximise the value of dairy export quota administered by New Zealand for the United States (US), the United Kingdom (UK), the European Union (EU), Japan, and the Dominican Republic. This includes changing the way dairy export quota is allocated and unlocking quota for non-bovine animal dairy exporters, such as sheep and goat milk processors, to open up new export opportunities and revenue streams.

Closer to home, the Government has moved swiftly to remove regulations hampering the sector's success. We're rolling out a comprehensive package of changes to drive food and fibre sector growth and productivity. This includes national-level policy directives that impact our farmers and growers.

We're also updating New Zealand's gene technology rules. Gene technology is a powerful tool with the potential to deliver enormous benefits. This will afford New Zealand a range of opportunities, which include creating new high-value, sustainable products.

Timely access to newer and improved crop protection products in New Zealand is also important in maintaining New Zealand's competitiveness. They support productivity, boost our agricultural and horticultural exports, and help protect against pests.

We're reviewing the approval pathway for agricultural and horticultural products, including chemicals, used in New Zealand. This review is looking at improving the process for getting farmers and growers access to the safe, innovative products they need to remain competitive globally.

The Government has made major strides in our efforts to create the long-term foundations for our food and fibre sector to flourish. The sector can be confident knowing the Government is committed to backing its success.

Hon Todd McClay
Minister of Agriculture

Director-General's introduction

Welcome to this *Situation and Outlook for Primary Industries* (SOPI), which provides an update on the export performance of our food and fibre sector.

I'd like to acknowledge the 360,000 people across New Zealand who are delivering vital food and fibre to the world. I'm proud to be part of this important sector.

We're backing the sector to drive New Zealand's economy and prosperity and help deliver the Government's goal of doubling export value within 10 years.

This SOPI reports that food and fibre export revenue is forecast to achieve strong growth, after decreasing last year.

In the year to 30 June 2025, we're expecting export revenue to rise to $56.9 billion, an impressive increase of 7 percent. We're also expecting sustained growth, with export revenue building to a record of $58.3 billion in the year to 30 June 2026.

The global economic environment is showing signs of improvement. Inflation is returning towards target levels, interest rates are declining, which is reducing debt servicing expenditure, global shipping costs have weakened over the last four months and, while still elevated, farm input costs have started to decrease.

Many of these, along with our sector's strong performance, are driving growth in food and fibre sector export revenue.

Export revenue for our high-quality dairy products is expected to lift 10 percent to reach $25.5 billion in the year to 30 June 2025 thanks to higher global dairy prices from tight global supply.

Meat and wool export revenue is expected to lift slightly to $11.4 billion in the year to 30 June 2025 as demand improves and beef supplies tighten globally.

Continued strong demand for our high-quality produce is expected, with horticulture export revenue reaching $8 billion, up an impressive 12 percent in the year to 30 June 2025. Kiwifruit is expected to break through the $3 billion mark for the first time.

Forestry exports are expected to recover, increasing 4 percent in the year to 30 June 2025 to $6 billion, following supply disruptions and slow global demand affecting the previous two years.

Robust demand, tight global supply and high prices continue to benefit our seafood sector, with export revenue expected to lift 3 percent to $2.2 billion in the year to 30 June 2025.

To support growth of our high-quality food and fibre, we're putting more resource and capability into building relationships with our existing and potential trading partners, and our nationwide network of On Farm Support staff is working with farmers and growers to grow their businesses and service international demand.

Our work to drive research, development, and innovation has gathered pace, including tools and technology to reduce on-farm emissions faster, and we continue to show our unrelenting focus on biosecurity including at the border and through our response to the H7N6 bird flu strain detected in Otago.

Food and fibre producers have positioned themselves well to navigate a range of challenges. Their resilience and commitment to producing high-quality food and fibre continues to drive record export revenue and power New Zealand's economy and prosperity.

Our farmers, growers, fishers, foresters and processors should be incredibly proud.

Ray Smith
Director-General
Ministry for Primary Industries

Food and fibre sector in the New Zealand economy

$56.9 billion in export revenue

Forecast, year to 30 June 2025.

81.1% of goods exports

The food and fibre sector accounted for 81.1 percent of New Zealand's goods exports[1] in the year to 30 June 2024. Over the last 10 years, food and fibre exports have grown on average by 3.2 percent per year whereas other goods exports have grown by 1.5 percent.[2]

12.4% of employment

360,000 people were employed in New Zealand's food and fibre sector in the year to 31 March 2023,[3] representing 12.4 percent of the total workforce. Primary production employment is distributed across the country, but processing and commercialisation activities are concentrated in Auckland and other major population centres.

10% of GDP

The food and fibre sector accounted for 10.0 percent of New Zealand's gross domestic product (GDP) in the year to 31 March 2023. This figure presents only the direct contribution to GDP and includes both the production of primary products such as dairy cattle farming and the subsequent processing and commercialisation industries such as dairy product manufacturing.

1 Goods exports excluding re-exports. Food and fibre exports were 56 percent of total exports including goods and services in the year to 30 June 2024.
2 Compound annual growth rate.
3 www.workforceinsights.govt.nz. Most recently available data. Note that a change of methodology means this figure is not comparable to figures reported in SOPI prior to December 2022.

Sector summary

Food and fibre sector export revenue is expected to bounce back by 7 percent to $56.9 billion in the year to 30 June 2025 after bottoming out in 2023/24. The rebound in 2024/25 is expected to be driven by stronger global demand and tighter global supplies for key commodities, including dairy, beef, mutton, and seafood products. Additionally, export revenue for 2024/25 is expected to be supported by higher export volumes of dairy, forestry, seafood, and horticulture products. Despite elevated global uncertainty, food and fibre sector export revenue is expected to increase in 2024/25 as good production conditions, rising commodity prices, and a slightly lower NZD against the USD outweigh global headwinds.

Dairy

Dairy export revenue is forecast to increase 10 percent to $25.5 billion in the year to 30 June 2025. The increase comes off the back of a drop in export revenue in 2023/24. Global dairy prices are expected to be higher in 2024/25 due to tight global supply from key dairy exporting regions such as the US and the EU. Global import demand has also strengthened. Milk production and export volumes are expected to increase due to favourable weather conditions. Higher global dairy prices are likely to result in an increase in the all-company average farmgate milk price to $9.60 per kilogram of milksolids. This higher milk price combined with moderating farm expenses are expected to lift profitability this season.

Meat and wool

Meat and wool export revenue is forecast to increase slightly to $11.4 billion in the year to 30 June 2025 with rising prices offsetting declines in export volumes. Higher prices are being driven by tighter global beef and mutton supplies as well as robust demand from Europe and the US. The sector may not fully capitalise on higher prices due to lower production volumes from a smaller flock, lower lambing rates, and post-drought herd rebuilding. Sheep and beef farm profit is expected to decline in 2024/25 due to lower farmgate revenue and elevated expenses.

Forestry

Forestry export revenue is expected to rebound 4 percent to $6.0 billion in the year to 30 June 2025, recovering from domestic supply-side disruptions and slow global demand over the previous two years. Early signs of increased building activity in China could lead to higher demand for logs and some processed wood products, but overall global demand remains low for wood products. On the supply side, closure of some wood processing plants will lead to lower production capacity in the near term. Uncertainty remains due to the instability of global economic recovery, potential trade barriers, and continued high input costs.

Horticulture

Horticulture export revenue is forecast to increase by 12 percent to $8.0 billion in the year to 30 June 2025. This growth is primarily driven by the kiwifruit industry, attributed to a record 2024 crop and increased production volumes of gold kiwifruit in the 2025 season. Wine export revenue is also projected to recover from a challenging 2023/24, supported by strong consumer demand for New Zealand wine. Apple and pear export revenue is forecast to exceed $1.0 billion, spurred by recovering export volumes after the cyclone-affected 2023 season. Fresh and processed vegetable export revenue is also expected to recover, increasing by 7 percent.

Seafood

Seafood export revenue is forecast to increase 3 percent to reach $2.2 billion in the year to 30 June 2025 driven by continued high prices from sustained demand and tight global supply along with rebounding aquaculture production and export volumes. However, increased competition in the rock lobster export market in China poses downside risks to this forecast. Recent declines in fuel costs have eased margin pressures for fish farmers, fishers, and processors and contribute to the industry's positive outlook.

Arable

Arable export revenue is expected to grow by 4 percent to $360 million in the year to 30 June 2025. This increase builds on a 27 percent lift in revenue in 2023/24 driven by significantly higher vegetable, ryegrass, and clover seed exports. Strong global demand, New Zealand's reputation for high-quality products, and market diversification are driving growth in arable export revenue despite soft domestic demand, and volatile spot markets. Also supporting this forecast is a positive harvest outlook due to no major pest issues and favourable weather conditions.

Processed food and other products

Export revenue for the processed food and other products sector is forecast to increase 1 percent to $3.5 billion in the year to 30 June 2025 driven by modest growth across most production categories, offsetting a decrease in export revenue from inedible oils being exported for use as biofuel feedstock in the US.

Overview

Overview

Table 1: Food and fibre sector export revenue 2020–26
Year to 30 June, NZ$ million

	Actual					Forecast	
Sector	2020	2021	2022	2023	2024	2025	2026
Dairy	20,102	19,055	21,998	26,008	23,231	25,500	25,560
Meat and wool	10,617	10,373	12,310	12,114	11,336	11,390	11,870
Forestry	5,452	6,499	6,578	6,353	5,748	5,980	6,100
Horticulture	6,541	6,579	6,825	7,088	7,116	8,000	8,470
Seafood	1,857	1,789	1,919	2,097	2,141	2,210	2,370
Arable	289	261	252	272	345	360	370
Processed food and other products*	2,988	3,087	3,228	3,493	3,416	3,460	3,570
Total export revenue	**47,846**	**47,642**	**53,110**	**57,425**	**53,333**	**56,890**	**58,310**
Year-on-year % change	**3%**	**0%**	**11%**	**8%**	**–7%**	**7%**	**2%**

* Includes live animals, honey, and processed food.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.
Some values for 2022 and 2023 have been updated due to revisions made by Stats NZ.

Source: Stats NZ and MPI.

Food and fibre sector export revenue is expected to bounce back by 7 percent to $56.9 billion in the year to 30 June 2025, having bottomed out in the year prior. Export revenue dipped 7 percent in 2023/24 as it came off a record high in the previous year driven by a correction in prices of some leading exports. The price correction in 2023/24 also reflected slower global growth, especially in China, our largest market, as well as high global dairy and meat supplies.

The expected lift in export revenue for 2024/25 is primarily driven by rebounding prices on the back of tightening global supplies of key commodities, including dairy, beef, mutton, and seafood products. In addition, higher export volumes of dairy, forestry, seafood, and horticulture products are set to support export revenue growth.

The sector is being supported by improved demand and resulting higher output prices, lower input cost inflation for most expenses, a lower official cash rate (OCR), an easing labour market, and a slightly weaker NZD against the USD. On the other hand, the sector is managing the continued rebuild following Cyclone Gabrielle and Cyclone Hale and has faced drought in both islands and tight energy supply as well as storms and flooding in the lower South Island in late 2024.

Many producers are likely to experience an easing of pressure on margins and profits from higher prices and low input cost inflation. Producers and processors have been navigating higher input costs since 2020 with a 20 percent increase from the September 2021 quarter to the September 2023 quarter. Although the farm expenses price index remained stable between the September 2023 quarter and the September 2024 quarter, farm expenses remain high with insurance premiums experiencing the largest increase. Over the outlook period, a lower OCR is set to reduce loan interest rates, providing relief to farmers and growers. Many producers have likely fixed their interest rates for this season, meaning they might not experience the benefits of the lower rates until early next year.

The long-term outlook for food and fibre exports is positive. Internationally, the sector will be supported by trade missions and continued relationship building in key markets over the forecast period. Domestically, growth is likely to be facilitated by a new gene technology regulator that will enable the development and commercialisation of innovative products through the use of gene technology. In addition, an expected shift to neutral or favourable weather conditions is set to support the dairy, meat, horticulture, and arable sectors.

Food and fibre producers, processors, and exporters continue to successfully navigate an extended period of elevated uncertainty and volatility while producing, marketing, and exporting high-quality goods. Global headwinds include slow economic growth, squeezed discretionary spending, interest and exchange rate uncertainty, extreme weather, and elevated geopolitical tensions. Heightened global volatility and uncertainty are expected over the outlook period. The sector's ability to navigate these challenges demonstrates its resilience and holds it in good stead in the face of future disruption.

Significant shifts in trade policy in major economies, such as the introduction of new tariffs on global imports, could heighten downside risks to the global economy and New Zealand food and fibre sector exports. Extreme weather in major producing nations has the potential to provide both upside and downside to the forecast.

Despite elevated uncertainty, food and fibre sector export revenue is expected to increase in 2024/25 as good production conditions, rising commodity prices, and a slightly lower NZD against the USD outweigh these global headwinds. Looking to 2025/26, food and fibre sector export revenue growth is set to continue, increasing 2 percent to reach a record $58.3 billion.

Macro-economic situation and outlook

The global economy shows resilience

The past four years have tested the resilience of the global economy. A rare pandemic, escalating geopolitical conflicts, and severe weather events have disrupted supply chains, triggered energy and food crises, and led governments to implement extraordinary measures to safeguard lives and livelihoods. While the global economy has shown overall resilience, this success conceals significant disparities in performance across different regions.

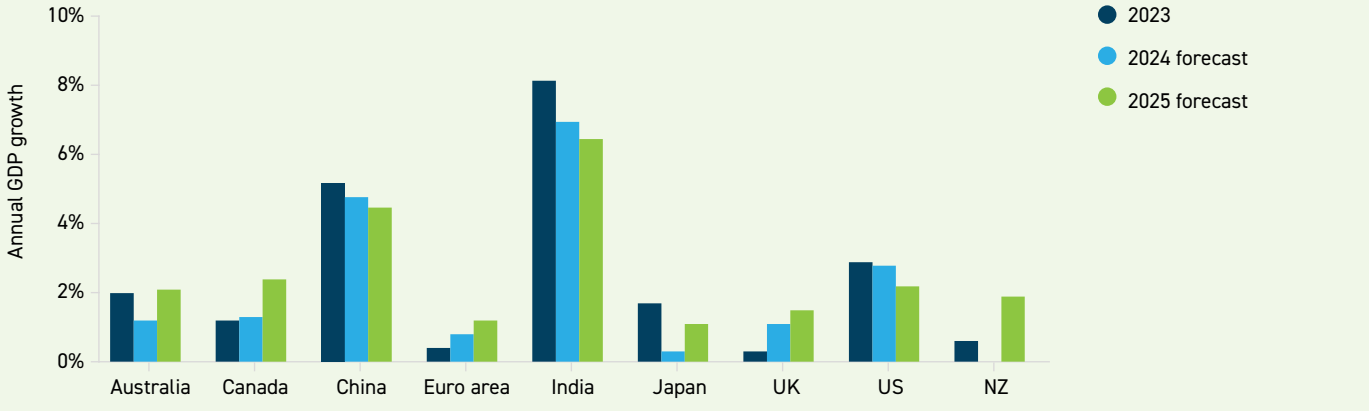
The International Monetary Fund (IMF) expects global economic growth to remain stable at 3.2 percent in both 2024 and 2025 and as disinflation continues (Figure 1). This indicates that a smooth landing is within reach. Growth forecasts for the US have been upgraded, offsetting downgrades to those for other advanced economies, particularly the largest European countries.

In emerging markets and developing economies, disruptions to production and shipping of commodities (such as oil), civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and sub-Saharan Africa. These have been offset by upgrades to the forecast for emerging Asian markets where surging demand for semiconductors and electronics driven by significant investments in artificial intelligence has bolstered growth.

However, uncertainty surrounding the outlook is high, with the balance of risks tilted to the downside. Newly elected governments in 2024 could introduce significant shifts in trade and fiscal policy. Further intensification of geopolitical tensions could weigh on trade and investment. This could affect long-term growth, threaten the resilience of supply chains, and create difficult trade-offs such as pursuing globalisation and cooperation versus prioritising autonomy and national interests.

Figure 1: Global economic growth is expected to remain stable in 2024 and 2025

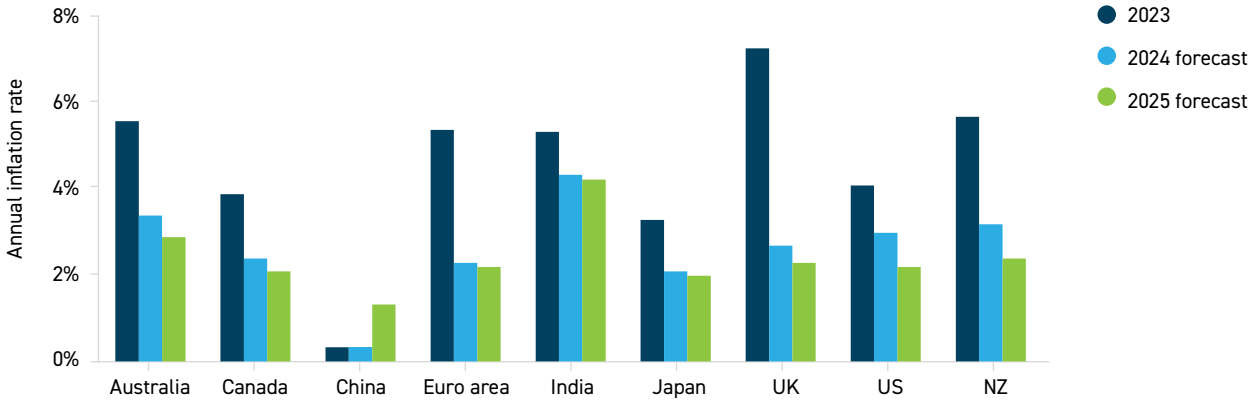
Year to 31 December, annual GDP growth 2023–25, selected countries



Source: IMF, World Economic Outlook, October 2024.

Figure 2: Inflation close to target levels in most countries

Year to 31 December, annual inflation rate, selected countries



Source: OECD Economic Outlook.

Inflation has continued to decline globally

Inflation in many economies reached multi-decade highs in 2022 due to pent-up demand following COVID-19 lockdowns, supply disruptions, policy support during the pandemic, labour shortages, and commodity price spikes. The combination of these factors has led to a material increase in the cost of living in several countries.

The rate of inflation has since peaked in most countries and has now returned at or close to target levels in many economies (Figure 2). Headline inflation continues to decline in most countries partly due to further declines in food price inflation and low or negative energy and goods price inflation.

For example, US consumer price index (CPI) inflation continued to decelerate. In September 2024 the CPI was up only 2.4 percent from a year earlier. Inflation in the eurozone recently fell below the European Central Bank (ECB) 2 percent target. In New Zealand, for the first time since March 2021, annual inflation fell to within the Reserve Bank of New Zealand (RBNZ) target band of 1–3 percent. In most countries, a further slight decline in the rate of inflation is expected in 2025.

Central banks across the world are cutting interest rates

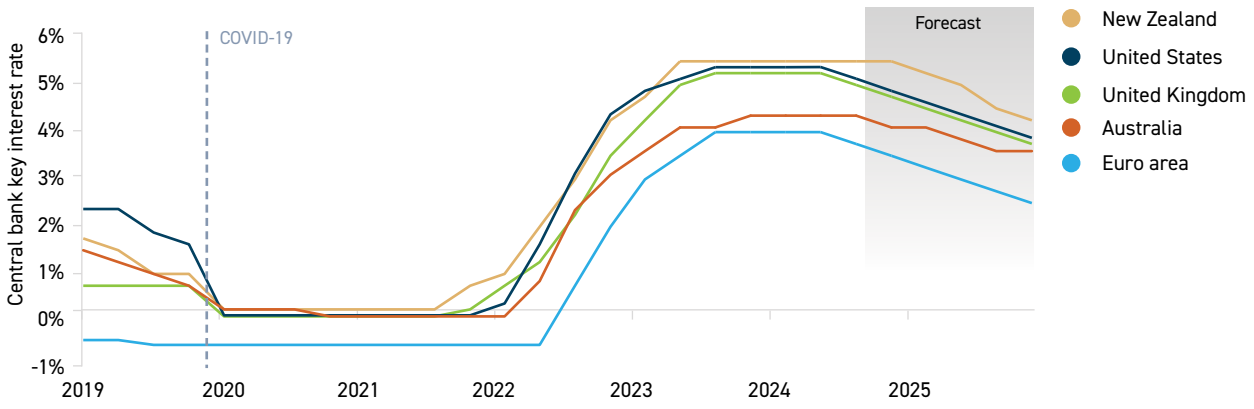
Central banks across the world have shifted from a hawkish stance and are in the process of cutting key interest rates (Figure 3). This is in response to inflation declining and returning closer to target levels as well as a rise in unemployment and weakening economic activity.

In September, the US central bank (Federal Reserve) kicked off an anticipated series of interest rate cuts with a 50 basis point reduction to the 4.75 – 5.00 percent range. This was followed by a cut of 25 basis points on 7 November, signalling a pivot in policy commitment to sustaining a low unemployment rate now that inflation has eased. Similarly in Europe, the ECB implemented its third interest rate cut of the year in October – the first consecutive rate cut in 13 years. This reflects a shift in the ECB's focus from combating inflation to supporting economic growth.

In New Zealand, the RBNZ Monetary Policy Committee agreed to cut the OCR by 50 basis points to 4.75 percent on 9 October 2024, to achieve and maintain low and stable inflation, while seeking to avoid unnecessary instability in output,

Figure 3: Central banks across the world are cutting interest rates

March quarter 2019 to December quarter 2025, central bank key interest rate, selected countries



Source: OECD Economic Outlook.

employment, interest rates, and the exchange rate.

The shift in global and domestic monetary policy indicates a transition from prioritising price stability and inflation control to focusing on economic stimulation and limiting the rise in unemployment levels. For New Zealand's food and fibre sector, this change is likely to boost demand in most export markets, reduce cost pressures – particularly related to debt servicing – and generally enhance producer confidence.

China's economic slowdown affects the global economy

China, the world's second-largest economy, has been hit by several challenges, including a property crisis as well as weak consumer and business confidence. Additionally, declining producer prices and a rise in inflation (although still low) is squeezing the profits of manufacturing businesses within China.

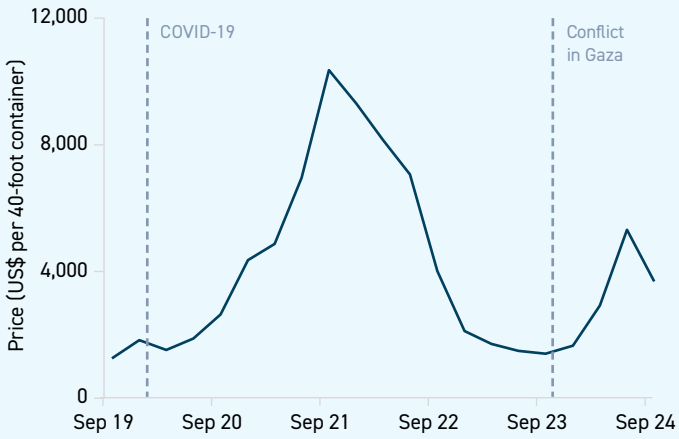
On an annual basis, GDP rose by 4.6 percent in the three months to the end of September according to China's National Bureau of Statistics. It is the second quarter in a row that China's official measure of economic growth has fallen below the 5 percent target.

China's position as a major importer means its sluggish economic and trade performance is likely to have a knock-on effect on the global economy. The effect will be greater on nations and sectors that are more exposed to China's economy and import demand. China accounts for about 33 percent of the food and fibre sectors export revenue. In response to slowing economic activity, China implemented incremental policies to pull the economy back towards the government's growth target. In September 2024, China's central bank unveiled its biggest stimulus package since the pandemic with a focus on lifting homebuyers' confidence amid concerns about persistently declining home prices, timely deliveries of homes by developers, and the status of their own jobs and incomes in a fragile economy. More recently, a $1.4 trillion debt package was unveiled to ease local government financing strains and further stabilise economic growth.

These stimulus packages are likely to have positive spillover effects on the food and fibre sector in the short to medium term by supporting demand.

Figure 4: Global shipping costs have weakened in recent months but remain elevated

Quarterly, world container index, US$ per 40-foot container



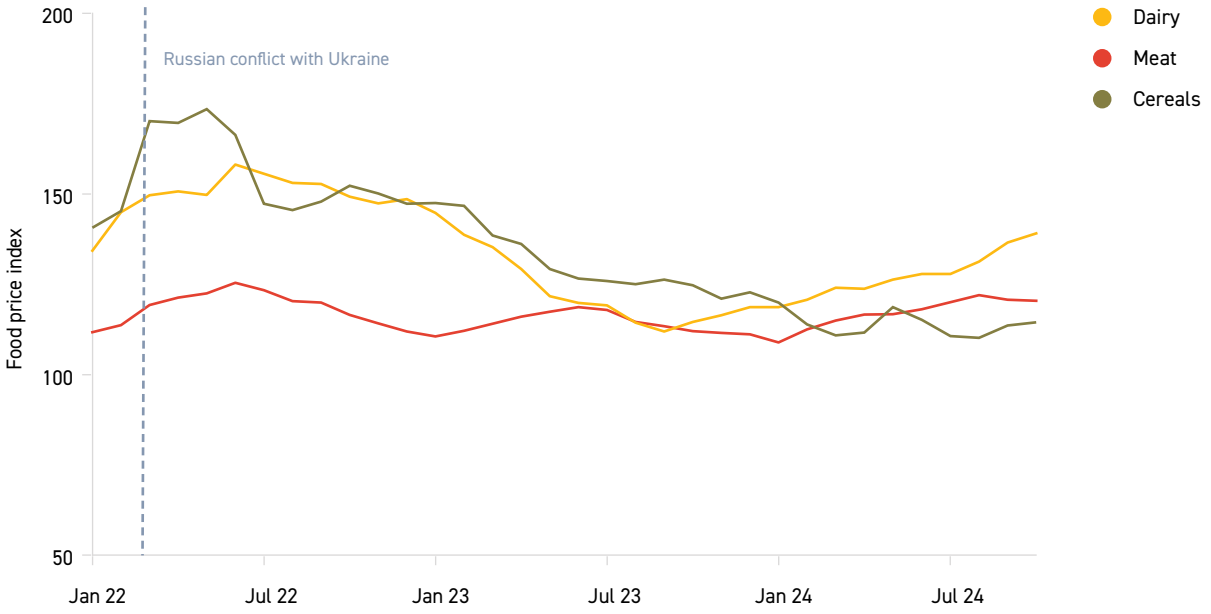
Source: Drewry.

Global shipping costs have weakened over the past three months but remain high

Shipping costs weakened significantly following pandemic disruptions, dropping to an average of US$1,369 per 40-foot container in October 2023 (Figure 4). Since then, shipping costs surged due to tensions in the Red Sea region and drought induced disruptions reducing capacity through the Panama Canal.

More recently, the Drewry World Container Index (WCI) index of US$3,440 per 40-foot container is 42 percent below the levels (US$5,947 per 40-foot container) reached in July this year. More importantly, the WCI is 67 percent below the previous pandemic peak of US$10,377 in September 2021 but 142 percent more than the average 2019 (pre-pandemic) rate of US$1,420. Volatile and elevated shipping costs create heightened supply chain uncertainty for many New Zealand exporters. In the face of this uncertainty, New Zealand exporters will seek to remain agile.

Figure 5: Commodity food prices have steadily increased in recent months
Monthly, food price index: base 100 = 2014–16



Source: FAO.

Commodity food prices have strengthened over recent months

World commodity food prices continue a steady upward trend (Figure 5). The increase in prices over recent months is largely due to a tightening of supply. The United Nations Food and Agriculture Organization (FAO) Food Price Index (FFPI) reached 127.4 points in October 2024, up 2 percent from September 2024 and the highest since April 2023. Prices for most commodities included in the FFPI strengthened. The FAO Dairy Price Index reached 139.1 points in October 2024, up 1.9 percent from September 2024 and 21.4 percent higher than its value a year ago.

In October, the FFPI was 5.5 percent higher than the same month last year but remained 20.5 percent below its peak of 160.2 points, which occurred in March 2022. Commodity food prices surged in March 2022 due to the shock caused to global agriculture markets by Russia's conflict with Ukraine. The conflict reduced food exports from Ukraine and Russia, particularly wheat, maize, and sunflower oil, increasing the price of these commodities.

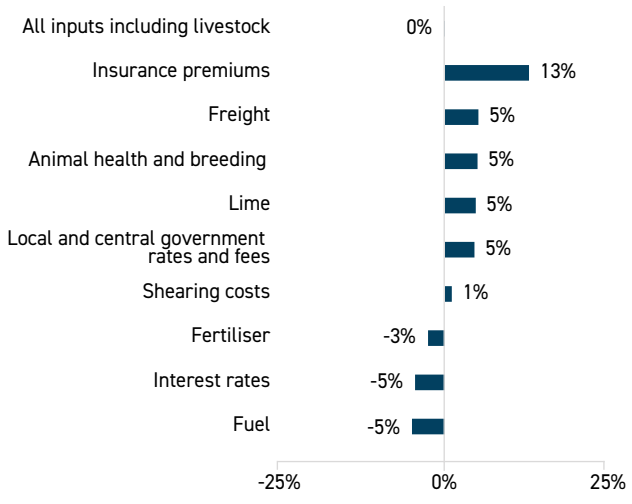
Upside risks to commodity food prices emerge from further trade disruptions in the Black Sea, climate-related shocks to production, and new food export restrictions. Larger-than-expected production represents the most significant downside risk. For instance, a significant increase in maize and soybean output would likely lower the prices of these commodities. This in turn could boost the supply of farm outputs that rely on maize and soybean as inputs, such as dairy and beef in the US, potentially exerting downward pressure on global dairy and meat prices.

New Zealand farm input costs are stable but remain elevated

The New Zealand farm expenses price index decreased by 0.1 percent from the September quarter of 2023 to the September quarter of 2024 (Figure 6). While this decline marks a shift from the steep 15.0 percent increase seen in the 12 months to September 2022 and 4.5 percent increase seen in the 12 months to September 2023, farm expenses remain elevated.

In the 12 months to September 2024, the biggest increases in expenses were seen in insurance premiums, freight, animal

Figure 6: Farm expenses are stable but elevated in 2024
September quarter 2023 compared with September quarter 2024, percentage change in farm expenses price index



Source: Stats NZ and MPI.

health and breeding, lime, and local and central government rates and fees. However, the rise in expenses for some items was offset by a decrease in expenses for others. In particular, fertiliser-related expenses weakened over the past 24 months, decreasing by 2.6 percent and 11.8 percent in the 12 months to September 2024 and 2023 respectively. More importantly, interest rate expenses decreased by 4.5 percent in the 12 months to September 2024. This follows a 34.7 percent and 34.1 percent rise in interest rate expenses in the 12 months to September 2023 and 2022 respectively.

The rise in interest rate expenses was largely a consequence of the RBNZ increasing the OCR to combat inflation. The recent decrease in the OCR has led to a drop in interest rates, offering much-needed relief to farmers and growers whose interest costs are a significant expense, particularly for those with high levels of debt. A reduction in debt servicing costs is likely to improve profitability and boost farmer confidence. Rabobank reports that farmer confidence in the broader agriculture economy has surged, reaching net positive levels for the first time since the fourth quarter of 2021. Among those with a positive outlook, one of the main drivers of optimism was falling interest rates (cited by 31 percent).

However, many farmers have likely already fixed the interest rates on a portion of their debt for this season, meaning they might not experience the benefits of the lower rates until early next year. Still, the expectation of decreased interest expenses is likely to foster a more positive outlook in the farming sector.

Potential trade policy shifts in major economies add downside risk to global economy and trade

The IMF has projected that, if higher tariffs are put on US imports, this is likely to disrupt global trade dynamics, leading to increased inflation, reduced competition, and potential shifts in interest rates. If the US economy weakens as a result, demand for New Zealand exports could decline and have potential spillover effects on New Zealand's other global export markets.

The US is New Zealand's second-largest export market for food and fibre products, accounting for about 12 percent of total export revenue. Significant policy shifts – both by the US and by other countries in response to US measures - would therefore have implications for New Zealand exporters.

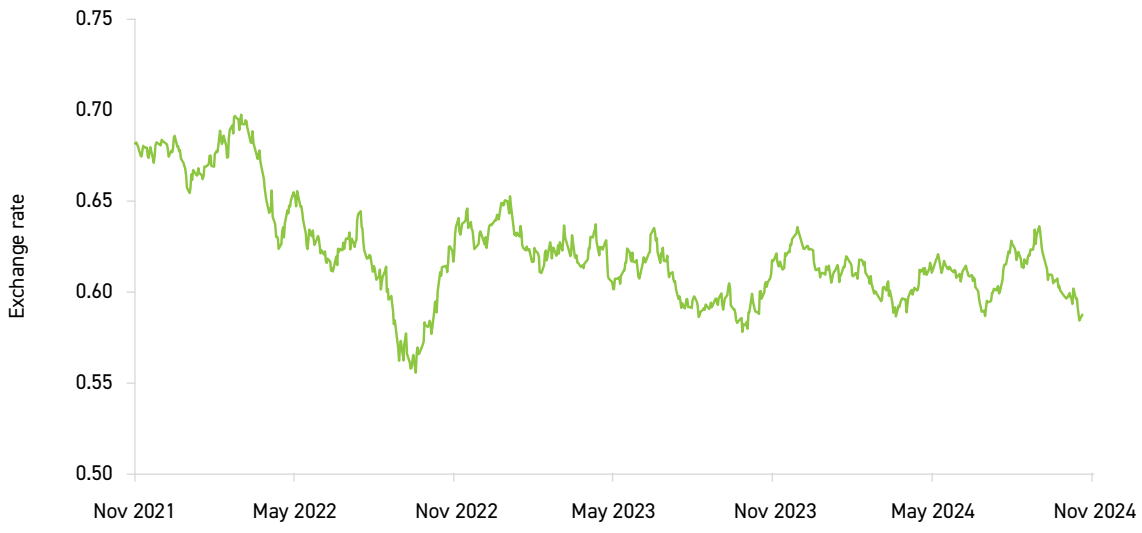
Movements in the NZD against the USD exchange rate can have a material impact on export revenue

New Zealand food and fibre exports in 2023/24 were supported by a weaker NZD against the USD (Figure 7). However, a weak NZD also pushes up prices for imported goods and adds to inflationary pressures.

The average NZD to USD exchange rate over the first three months of this financial year has been 1 percent higher compared with the same time last year. The average exchange rate for the month of October this year was 0.61 while that in October last year was 0.59. The strengthening of the NZD against the USD is largely attributed to the US Federal Reserve taking a more dovish stance and cutting interest rates. However, this strengthening of the NZD has been limited by the RBNZ also taking a similar stance and cutting the OCR. The average exchange rate weakened in November 2024 to 0.59.

The pace at which the US Federal Reserve and RBNZ move is a key factor that can significantly influence the NZD to USD exchange rate, introducing uncertainty. This exchange rate uncertainty is a source of complexity that food and fibre sector exporting businesses must manage, for example, by using exchange risk hedging tools.

Figure 7: NZD to USD exchange rate remains volatile
November 2021–November 2024, NZD to USD exchange rate



Source: RBNZ.

Top 10 export destinations

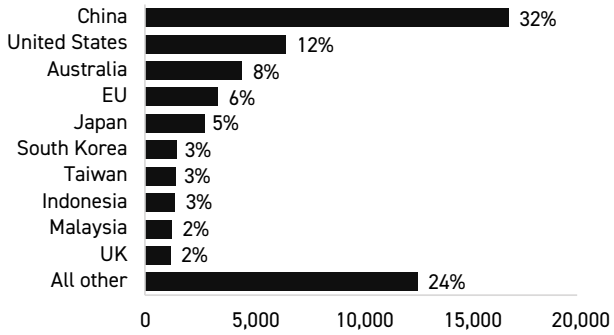
Year to 30 June 2024, NZ$ million

	Product	Export revenue (NZ$ million)	% of total
	Dairy	23,231	44%
	Meat and wool	11,336	21%
	Horticulture	7,116	13%
	Forestry	5,748	11%
	Seafood	2,141	4%
	Arable	345	1%
	Processed food and other products	3,416	6%
	Total	**53,333**	**100%**

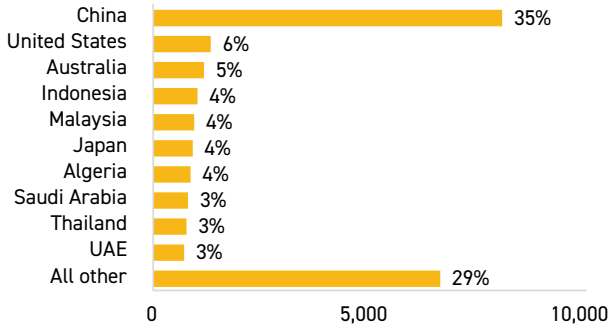
Top export markets

Year to 30 June 2024, NZ$ million and percent

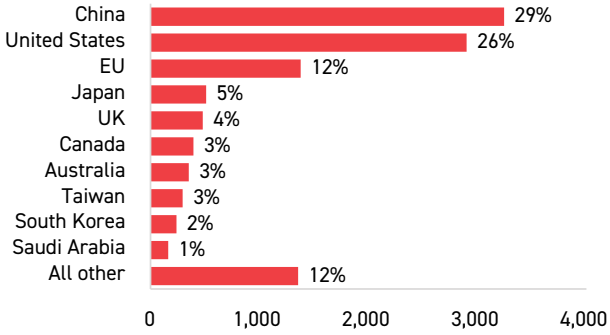
All primary industry exports



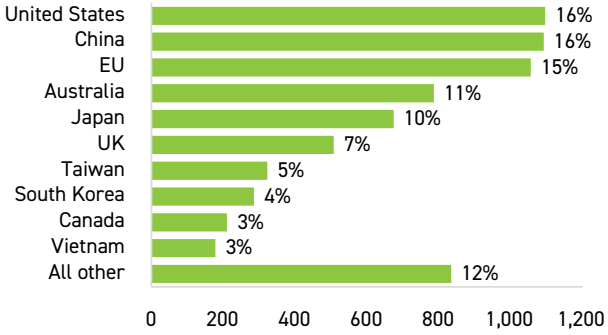
Dairy



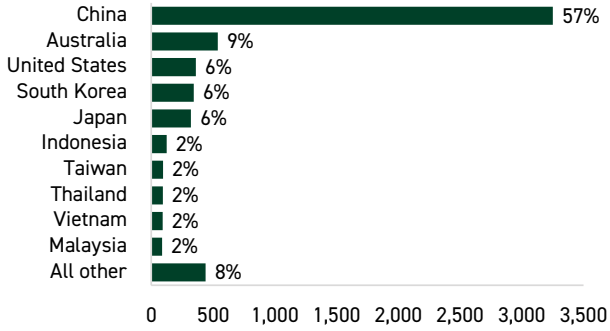
Meat and wool



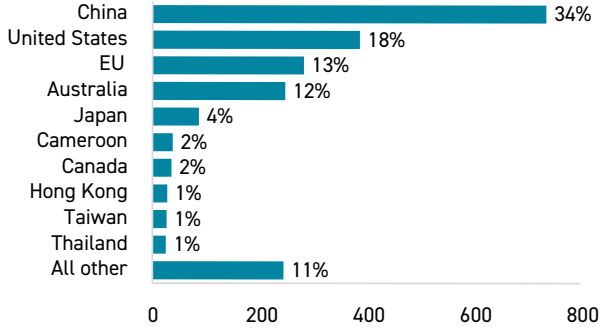
Horticulture



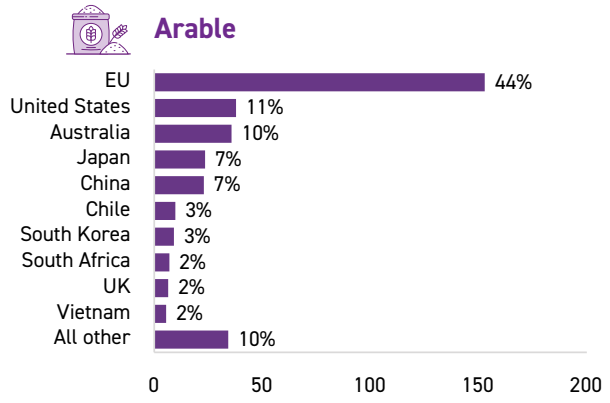
Forestry



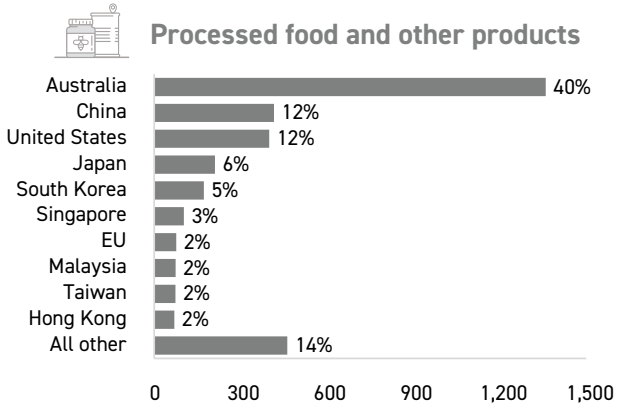
Seafood



Arable



Processed food and other products



Source: Stats NZ.

Climate outlook

Dry conditions prevailed in the past season

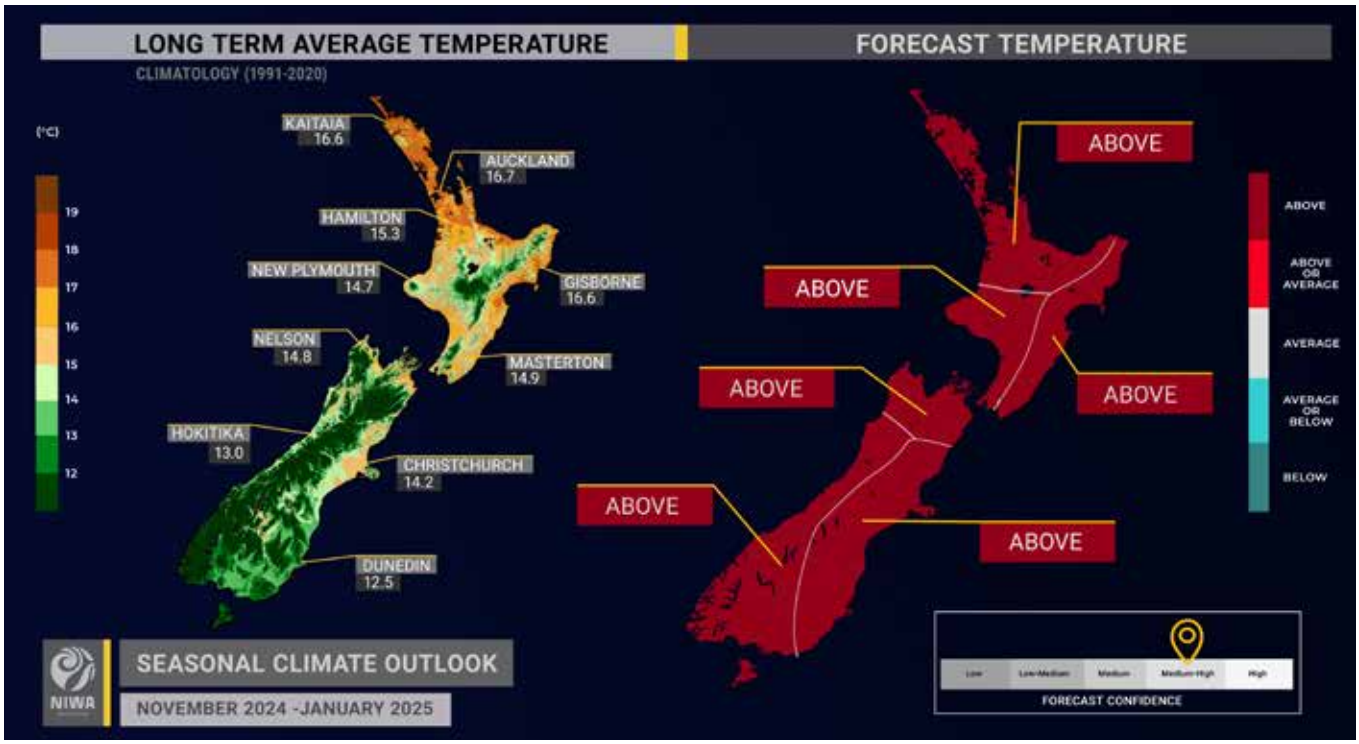
It has been largely warm and dry in the north and east of New Zealand while the southern part of the country has experienced wet conditions throughout the first half of the calendar year. Dry conditions have affected pasture growth and led some farmers to tap into feed reserves and destock, affecting livestock numbers.

Favourable weather conditions are forecast

Spring has been a period of variable weather across the country. Rainfall was above normal or well above normal in parts of the South Island while below normal or well below normal rainfall was recorded in some eastern parts of the country. Hydro lake levels increased considerably in September due to abundant rainfall in the southern and western parts of the South Island. In much of the South Island, the wet spring weather has been challenging for farmers and animals. The Government provided farmers and growers across Southland and parts of Otago with additional support as challenging spring weather conditions were classified a medium-scale adverse event. The targeted support includes additional specialist advice or access to wellbeing help where needed.

NIWA predicts a weak La Niña event is likely to develop by the end of 2024. La Niña events tend to bring moist, rainy conditions to the northeast of the North Island and reduced rainfall to the south and southwest of the South Island. The outlook through to January 2025 indicates more widespread dry conditions than what is normal for La Niña. Rainfall is most likely to be near normal in the east of the North Island and about equally likely to be near normal or below normal for the rest of New Zealand. NIWA forecasts above-average temperatures are likely to prevail across the country (Figure 8). NIWA forecasts this La Niña event is likely to be short-lived and weather conditions will likely remain in neutral territory. The shift to average or better weather conditions is likely to yield increased production, particularly in the dairy and horticulture sectors.

Figure 8: NIWA forecasts above-average temperatures are likely to persist across the country
November 2024–January 2025, seasonal climate outlook



Source: NIWA.

Strong growth
in Māori food and fibre sector

A preview of Te Ōhanga Māori – Māori Economy 2023[1]

Since 2010, Te Ōhanga Māori economy reports have tracked the strong growth in the Māori economy and its contribution to the overall New Zealand economy. The Māori food and fibre sector has made a vital contribution to this ongoing growth. The following is an early preview of Te Ōhanga Māori 2023, presenting provisional data focused on Māori collectives'[2] asset base in agriculture, horticulture, forestry, and fishing industries. Māori collectives are diverse and can include Māori-owned trusts and incorporations, iwi and their commercial arms, and other Māori authorities.

A more complete analysis of the Māori food and fibre sector, which includes the collectives alongside the over 4,000 privately owned Māori agribusinesses and 40,000 food and fibre workforce of Māori descent, will be presented in the full report.[3]

Significant increase in the Māori collectives' asset base

In 2023, Māori collectives operating in the food and fibre sector had an asset base worth $19 billion, up from $14.1 billion in 2018. This is a 35 percent increase. Māori collectives' assets in sheep and beef farming increased by $100 million from $7.1 billion in 2018 to $7.2 billion in 2023. While sheep and beef remained the largest asset class, the biggest growth in the Māori collectives' asset base in 2023 was seen in the horticulture, forestry, and dairy industries.

In 2023, Māori collectives' asset base in the fishing and aquaculture industry was worth $2.3 billion. This asset base includes companies such as Moana New Zealand (profiled on page 23), fishing quota, and a growing stake in New Zealand's aquaculture industry.

Overall, this early data demonstrates the strong ongoing growth in the Māori food and fibre sector and in the wider Māori economy. It also suggests a shift towards higher-value land-use options that generate greater revenue such as horticulture and dairying and growth in forestry, which is reflective of the wider trend across the country.

Source: BERL.

[1] The naming convention is for Te Ōhanga reports to be named after the census date, not the release date.
[2] Māori collectives are collectively owned Māori organisations typically involved in the management of commercial assets on behalf of Māori, hapū, and iwi. Māori collectives may take many forms and include trusts, incorporations, post-settlement governance entities (PSGEs), and iwi commercial arms.
[3] Te Ōhanga Māori 2023 economy report is due to be released early next year. This will expand on and update previous iterations, presenting the economic value, composition, and growth of the Māori economy in New Zealand.

Māori collectives' asset base by industry

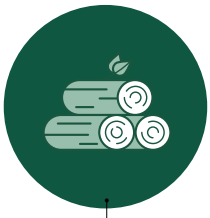
47%

of assets held by Māori collectives in 2023 were in the food and fibre sector

Māori collectives own food and fibre assets across New Zealand. The proportion, relative to total assets, varies from region to region. In 2023 in the Kurahaupō region, 87 percent of assets held by Māori collectives were in the food and fibre sector. Conversely, food and fibre sector assets only accounted for 5 percent of Māori collectives' assets in Tāmaki Makaurau.

Sheep and beef
$7.2 billion

Dairy
$4.4 billion



Forestry
$2.9 billion

Fishing and aquaculture
$2.3 billion

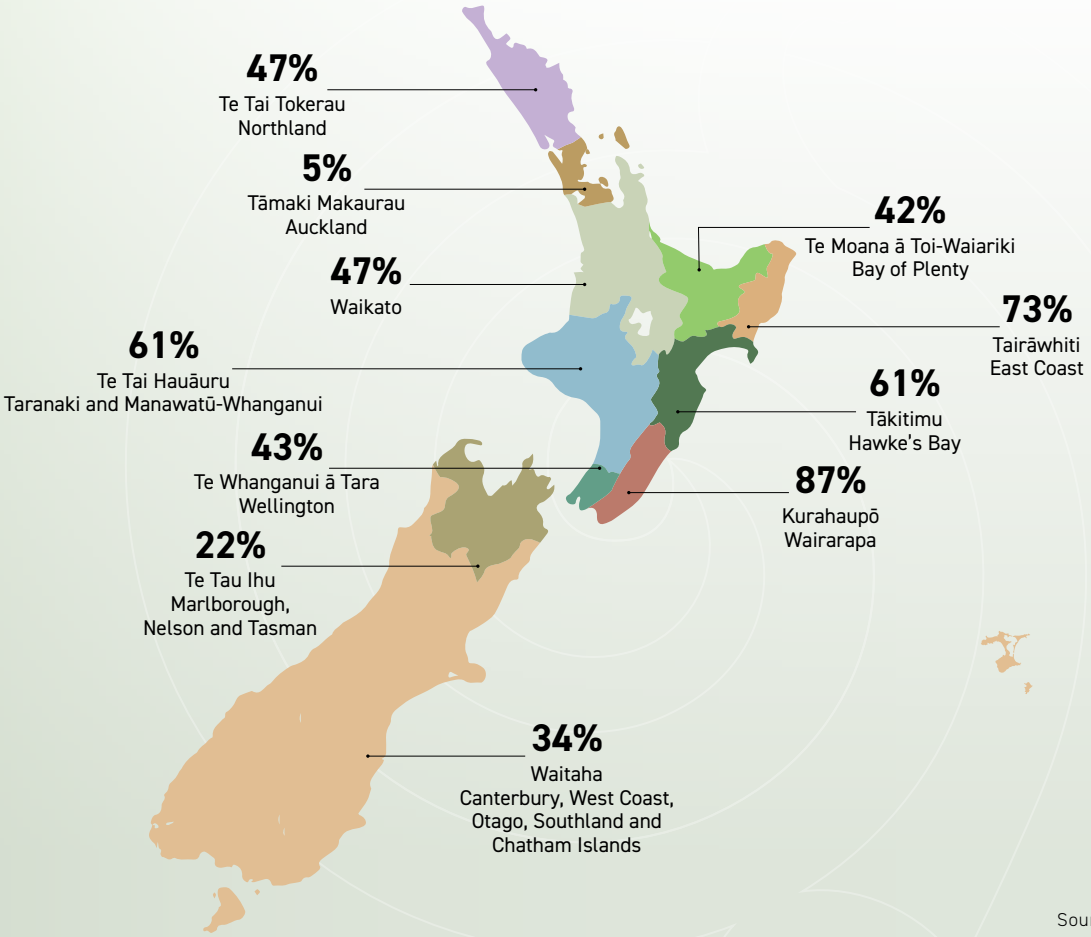
Kiwifruit growing
$1.2 billion

Other horticulture
$0.8 billion

Other agriculture
$0.2 billion

Source: BERL.

Regional spread of Māori collectives' food and fibre sector asset base, 2023



Source: BERL.

He toa takitini – the power of collective ownership

Almost 1 million New Zealanders were of Māori descent at the time of the 2023 Census, the majority of whom will be a member of one or more Māori collectives. Intergenerational assets owned by Māori collectives provide a range of benefits, including an ongoing sense of connection to whakapapa, whenua, and wai.

The following case studies profile Māori food and fibre producers harnessing the power of collective ownership – he toa takitini – to achieve strong economic growth alongside enhancements to environment and community wellbeing.

Wairarapa Moana ki Pouākani win prestigious award

Wairarapa Moana ki Pouākani exemplify excellence in Māori farming and won the 2024 Ahuwhenua Trophy for dairying. As well as transforming their farm land in Pouākani near Mangakino into a highly productive dairy operation over the past 120+ years, they were also a key player in the establishment of Miraka, a Māori-led dairy company that is exporting milk products produced with geothermal energy directly to offshore markets.

Winning the Ahuwhenua Trophy competition provided recognition of the ongoing mahi (work) of Wairarapa Moana ki Pouākani to transform this whenua from scrub to dairy farm with average operating profits of $5,500 per hectare. The award also recognises the contributions that this entity makes to the descendants of Wairarapa Moana ki Pouākani, now numbering around 4,000, and to the wider community. This includes annual distributions to uri (descendants) and support for marae, kura, and educational scholarships.

Source: Ahuwhenua Trophy.

Moana New Zealand to adopt innovative oyster farming technology

Moana New Zealand is the country's largest 100 percent iwi-owned seafood business. It is an intergenerational asset created from the Fisheries Settlement with the Crown.

Moana New Zealand operates inshore fisheries, aquaculture farms, and seafood processing plants, with 50 percent ownership in the Sealord Group and a joint partnership with Port Nicholson Fisheries, one of the country's largest exporters of rock lobster. The annual distributions made by Moana New Zealand to its iwi owners provide vital revenue that supports scholarships, health initiatives, marae upkeep, and community services across the motu (country).

Moana New Zealand is the first fully integrated oyster company in Aotearoa and demonstrates how Māori are leading the way in the oyster industry. Moana New Zealand farms Pacific oysters and works with contract growers in sites from Te Tai Tokerau to Te Tau Ihu, with the majority of this kaimoana destined for high-value export markets. MPI's He Taurikura Māori (Māori Partnerships and Investment) unit is supporting Moana New Zealand to increase the output of its oyster farms, by co-funding the uptake of an innovative technology to be used in its Nelson hatchery that will enable a more consistent supply of oyster spat.

This increased spat supply will enable harvesting 12 months of the year, up from around seven months at present, and contribute to the goal of boosting annual supply to reach 1,650,000 dozen Pacific oysters per annum to market by 2029. This will allow Moana New Zealand to boost exports of kaimoana and to increase benefits to iwi and regional communities.

Source: Moana New Zealand.

Sector briefs

Dairy

Dairy export revenue is forecast to increase 10 percent to $25.5 billion in the year to 30 June 2025. This increase comes off the back of a drop in export revenue in 2023/24. Global dairy prices are expected to be higher in 2024/25. This is due to tight global supply from key dairy exporting regions such as the US and the EU and strengthening global import demand. Domestic milk production and export volumes are expected to increase due to favourable weather conditions. Higher global dairy prices are likely to result in an increase in the all-company average farmgate milk price to $9.60 per kilogram of milksolids (kgMS). This higher milk price combined with moderating farm expenses is expected to increase profitability for this season.

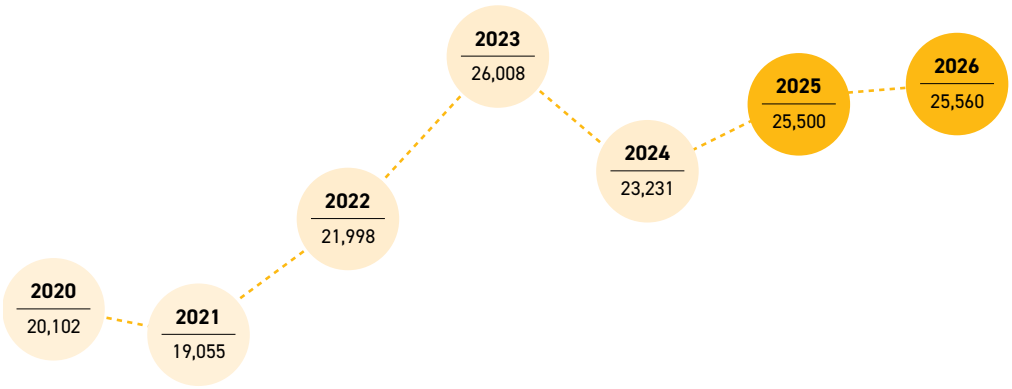


Table 2: Dairy export revenue 2020–26

Year to 30 June, NZ$ million

	Actual					Forecast	
	2020	2021	2022	2023	2024	2025	2026
Whole milk powder	7,555	7,542	8,304	8,274	7,457	8,480	8,320
Butter, anhydrous milk fat, and cream	3,360	2,667	3,519	4,589	4,138	5,070	4,860
Skim milk and butter milk powder	1,787	1,526	1,947	2,673	2,074	2,270	2,320
Casein and protein products	1,996	2,019	2,680	3,320	2,950	2,930	3,030
Cheese	2,072	2,065	2,199	3,039	2,604	2,820	2,920
Infant formula	1,842	1,588	1,435	1,915	1,813	1,660	1,780
Other dairy products*	1,491	1,648	1,914	2,198	2,195	2,280	2,330
Total export revenue	**20,102**	**19,055**	**21,998**	**26,008**	**23,231**	**25,500**	**25,560**
Year-on-year % change	**11%**	**–5%**	**15%**	**18%**	**–11%**	**10%**	**0%**

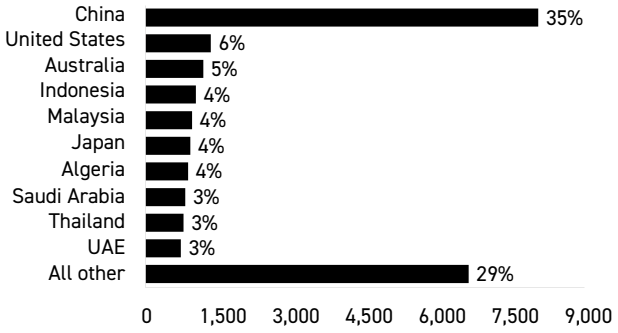
* Includes liquid milk and cream, ultra-high temperature milk, yogurt, and ice-cream.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.

Source: Stats NZ and MPI.

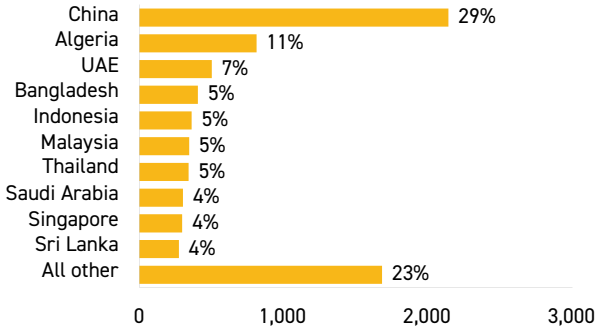
Top dairy export markets

Year to 30 June 2024, NZ$ million and percent

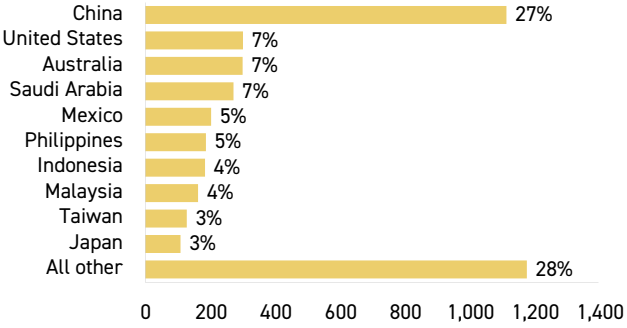
Total dairy products



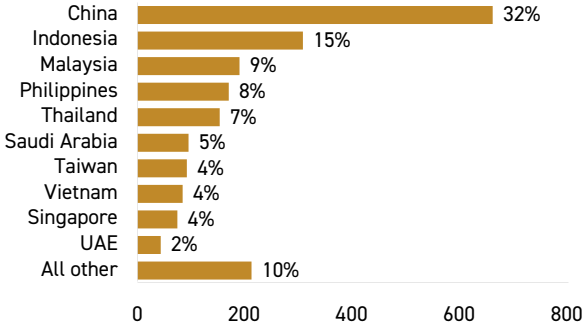
Whole milk powder



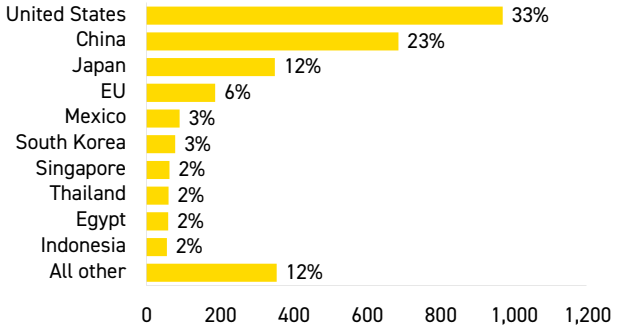
Butter, anhydrous milk fat, and cream



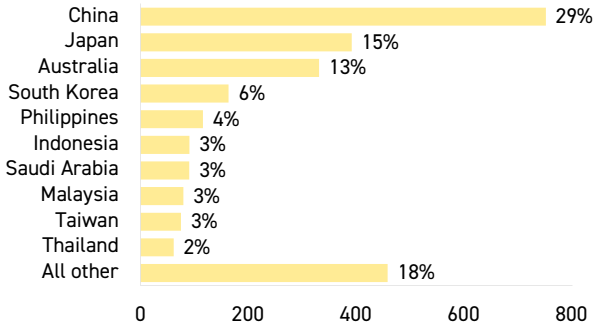
Skim milk and butter milk powder



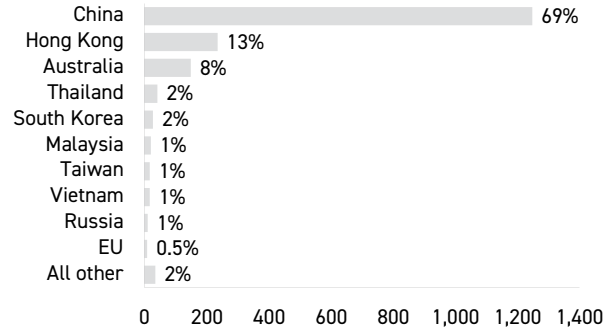
Casein and protein products



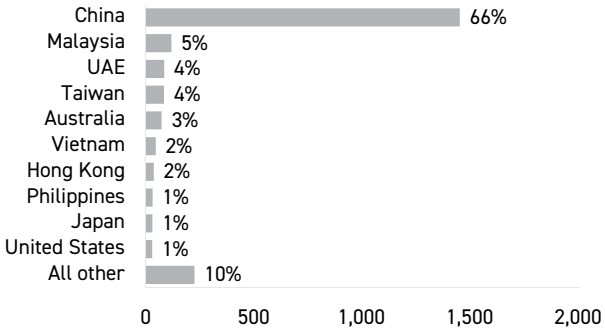
Cheese



Infant formula



Other dairy products



Source: Stats NZ.

New Zealand milk production expected to increase

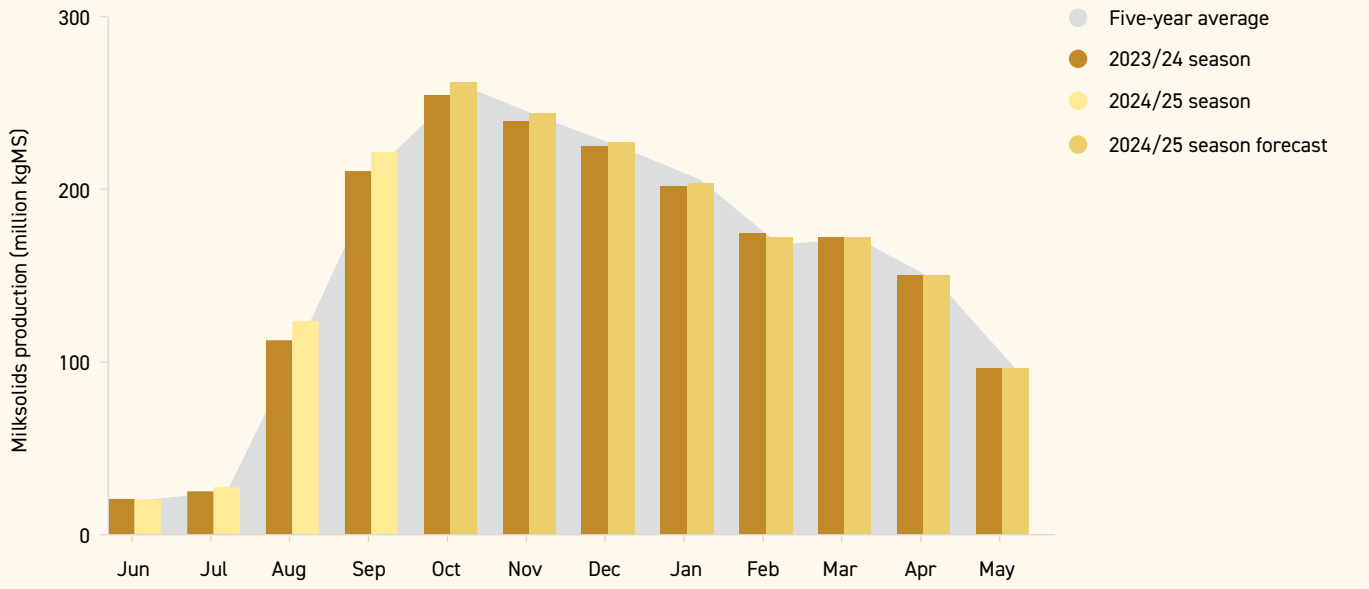
The start to the 2024/25 dairy season has been good with milk production increasing in August and September compared with last year (Figure 9). September's production is the highest for the month since 2020 and brings the season-to-date figure to a 6.5 percent improvement on last year. Supportive pasture growth conditions and earlier calving are the main factors driving this lift in milk production. This is likely to result in an earlier peak in milk production.

Most of New Zealand's dairy-producing regions are performing at or above normal levels, although a wetter start to spring is impacting some regions. Key dairy areas such as Waikato and Canterbury have had a strong start to the season, benefiting from favourable weather that promoted pasture growth. In contrast, milk production in the lower South Island has been impacted by heavy rainfall. In the North Island, Taranaki and Waikato also saw increased rainfall month on month, but pasture damage and stress to cattle are expected to be minimal for the 2024/25 season.

While La Niña has not yet developed, NIWA estimates a little over 50 percent chance of this weather pattern emerging by the end of the year. The La Niña event is likely to be short-lived and weather conditions will likely remain in neutral territory. At the national level, this should support milk production.

The strong start to the season combined with easing of cost pressures, a strong milk price, and the likelihood of good pasture growth conditions are expected to increase milk production by 2 percent in 2024/25 compared with 2023/24.

Figure 9: New Zealand milksolids production forecast to increase in 2024/25 season
Year to 31 May, million kgMS



Source: DairyNZ and MPI.

Dairy export values increased in the September quarter of 2024

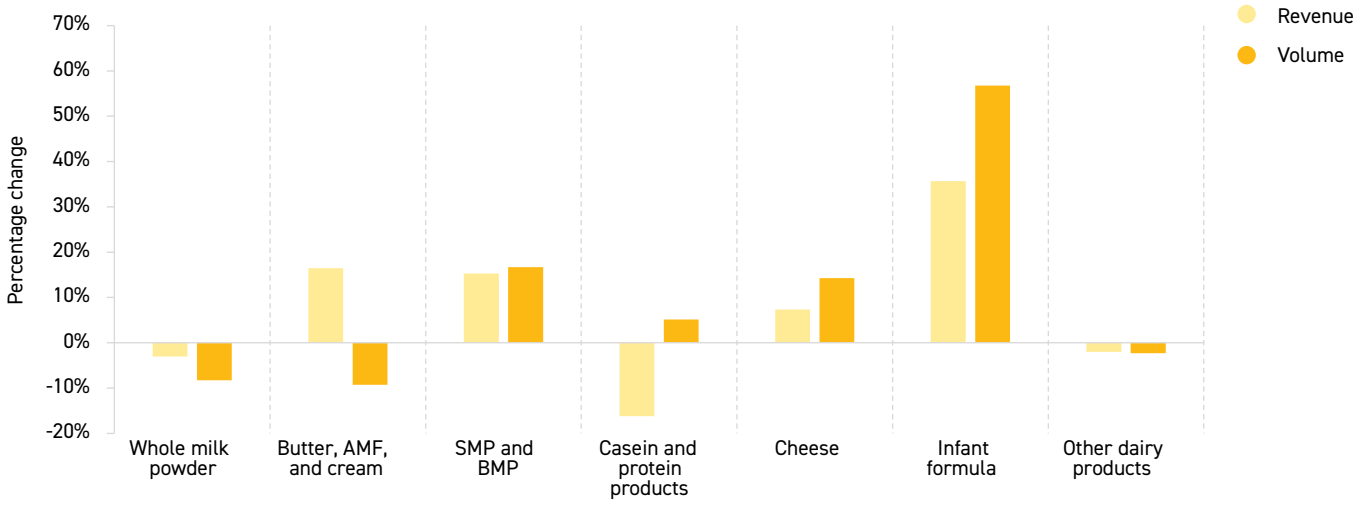
Dairy export revenue has a had a good start to the year, increasing by 4 percent to $4.4 billion in the September 2024 quarter compared with the same quarter last year (Figure 10). Higher product prices were the main driver for the increase in revenue. In particular, butter, anhydrous milk fat (AMF), and cream product prices increased 28 percent, resulting in a 16 percent increase in export revenue. This momentum is forecast to remain firm over the 2024/25 year and is likely to result in export revenue for this product category increasing by 23 percent and reaching a record high of $5.1billion.

Infant formula export revenue increased by 36 percent in the September 2024 quarter compared with the same period in 2023 driven primarily by significantly higher export volumes. Export volumes were particularly weak in the September quarter of 2023, so the increase reflects a return to more typical export levels for this period. However, the growth in export volumes was partially offset by a 13 percent drop in prices. This price decline is largely due to slower economic activity, lower birth rates, and reduced demand from China, which represents around 69 percent of New Zealand's infant formula exports. Additionally, domestic competition in China has intensified, with locally produced infant formula improving in quality and often being more affordable than the leading foreign multinational brands. As a result, many multinational companies have been forced to reduce their prices to maintain sales volumes.

Lower export revenue was recorded for casein and protein products, whole milk powder, and other dairy products. Casein and protein product prices have continued to trend down since peaking at the end of 2022 due to high demand during the COVID-19 pandemic. This partially offset the September quarter increase in export revenue.

Photo: Brad Markham

Figure 10: Dairy export revenue increased for most products in the September quarter of 2024
September quarter 2023 compared with September quarter 2024, change in export revenue and volumes



Source: Stats NZ and MPI.

Global Dairy Trade prices showing strong growth

Dairy prices in the 2024/25 season started 6 percent above the five-year average. Global Dairy Trade auction prices have increased consistently since a 6.9 percent fall in the first auction in July and as of 6 November 2024 are 14 percent higher than the average price in 2023/24 (Figure 11).

The lift in dairy prices is mainly attributed to weak supply from other key dairy exporting regions, specifically the US and EU. Milk production in the US is being impacted by a smaller herd and decreased milk yield per cow due to heat stress.

Global demand remains resilient despite a slowdown in the Chinese economy, New Zealand's largest export market. The weakness in demand from China is being offset by strengthening demand in dairy importing nations in other parts of Asia and Latin America.

Whole milk powder prices experienced a notable increase driven by strong import demand in Asia. Skim milk powder prices also strengthened. This is attributed to limited export availability caused by tight milk supply and strong domestic demand in Western Europe. Additionally, world butter prices steadily increased. The increase was supported by solid import demand along with tight inventories and restricted milk supplies in Western Europe. Similarly, world cheese prices also increased, reflecting strong global import demand and limited exportable supplies in Western Europe where milk production is seasonally lower.

Overall, export revenue is forecast to increase 10 percent to $25.5 billion in 2024/25 and then increase slightly to $25.6 billion in 2025/26. A slowdown in global milk production driven largely by the EU and US should support prices for dairy products. Dairy prices will also be supported by a likely slowdown in domestic milk production in China due to the high cost of Chinese production and a decline in profitability. However, price risks remain elevated as global dairy trade is expected to continue to be affected by geopolitical tensions as well as policy uncertainty.

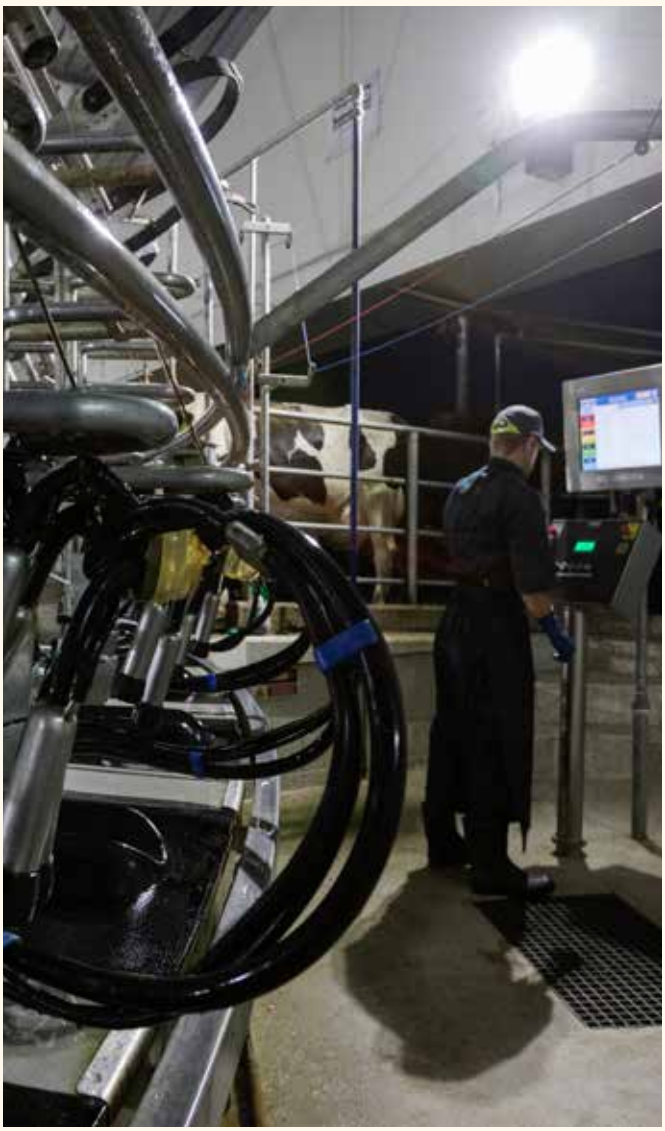
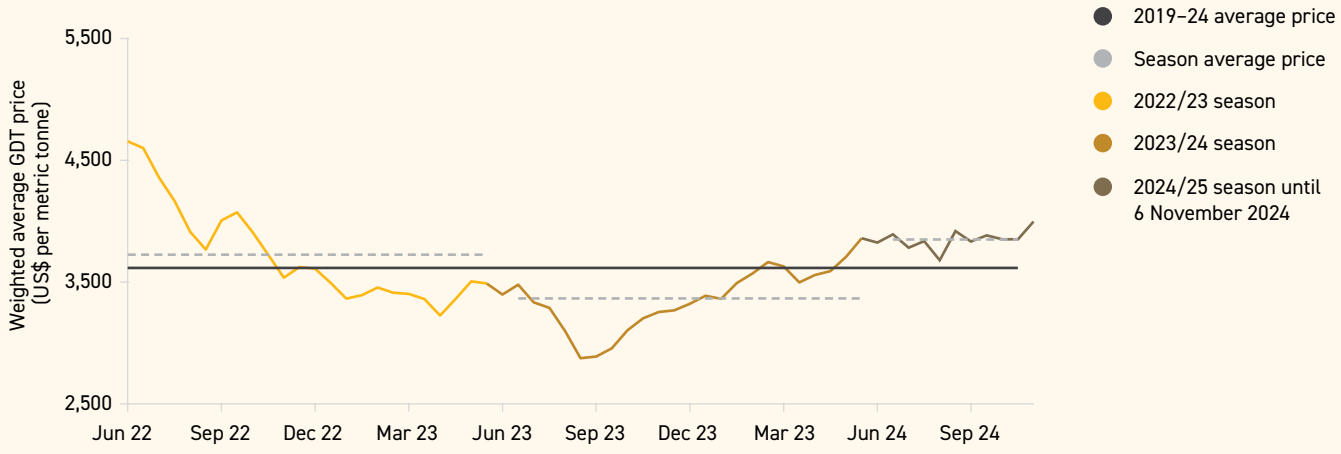


Figure 11: Global Dairy Trade (GDT) auction prices (all products) higher in 2024/25 season
Year to 31 May, weighted average GDT price, US$ per metric tonne



Source: Global Dairy Trade and MPI.

Higher farmgate milk price expected to lift farm profits in the 2024/25 season

The lift in global dairy prices is expected to result in a higher farmgate milk price this season. New Zealand's all-company average milksolids payout for the 2024/25 season is forecast to be a record high $9.60 per kgMS (Figure 12). This is a 22 percent increase from the previous season's milk price of $7.85 per kgMS. A weakening in the prices of key reference commodities such as whole milk powder and butter is likely to result in a decline in farmgate milk price next season to $8.75 per kgMS.

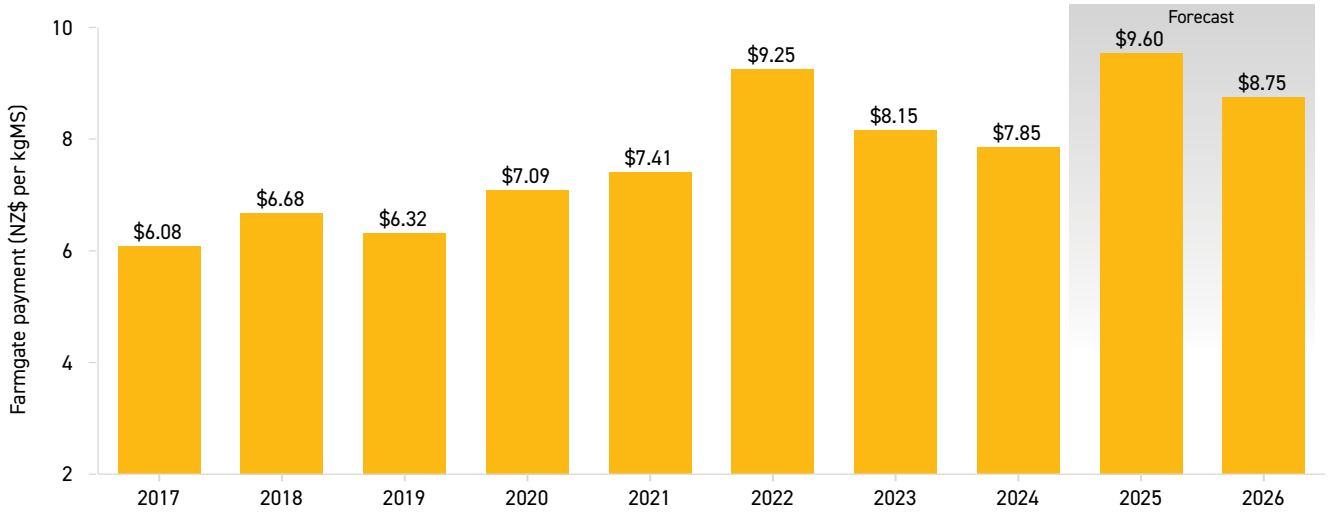
The rise in farmgate milk price this season is boosting farmer confidence and profits as farming businesses are continuing to face elevated input costs. Dairy farm expenses have slightly decreased by 0.2 percent in the 12 months to 30 September 2024. This follows a 4 percent increase in the 12 months to 30 September 2023 and a 17 percent increase in the 12 months to 30 September 2022.

In the 12 months to 30 September 2023, expenses relating to interest rates showed the highest increase, up 35 percent. This followed a 34 percent increase in interest rate expenses in the 12 months to 30 September 2022. Interest expenses are one of the largest expense items for dairy farming businesses, accounting for about 15 percent of total expenses. The lift in interest rate expenses in 2022 and 2023 was largely a consequence of the RBNZ (monetary policy) pushing up the OCR to combat inflation.

With the inflation rate slowing and the RBNZ cutting the OCR, the rise in interest rate-related expenses has eased, decreasing by 4.3 percent in the 12 months to 30 September 2024. With more OCR cuts forecast, short-term and medium-term debt servicing expenses for farmers are also likely to decline. A portion of this season's debt would have already been refixed at higher interest rate levels so a material decline in interest rate expenses is unlikely to come through until early next year.

A decline in interest rate expenses and stable farm expenses is likely to result in a 2 percent decline in the break-even milk price (not including depreciation expenses) to $7.40 per kgMS in 2024/25. The stronger farmgate milk price combined with a lower break-even milk price should support a lift in farm profitability this season.

Figure 12: Farmgate milk price higher in 2024/25 season
Year to 31 May, farmgate payment, NZ$ per kgMS



Farmgate milk price does not include dividend and capital repayments.

Source: DairyNZ and MPI.

Meat and wool

Export revenue is forecast to increase slightly to $11.4 billion in the year to 30 June 2025 with rising prices offsetting declines in export volumes. Higher prices are being driven by tighter global beef and mutton supplies as well as robust demand from Europe and the US. The sector may not be able to fully capitalise on higher prices due to reduced production and export volumes resulting from a smaller flock, lower lambing rates, and post-drought herd rebuilding. Farm profitability is forecast to fall in 2024/25 due to an increase in schedule prices being more than offset by higher expenses and fewer livestock sent for slaughter.

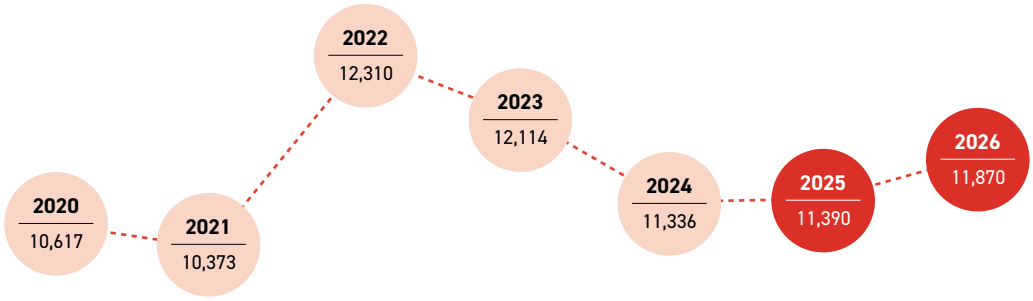


Table 3: Meat and wool export revenue 2020–26

Year to 30 June, NZ$ million

	Actual					Forecast	
Product	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Beef and veal	3,801	3,596	4,581	4,597	4,397	4,480	4,720
Lamb	3,310	3,161	3,600	3,363	3,179	3,040	3,140
Mutton	639	695	703	570	407	410	450
Wool	432	395	437	400	448	470	470
Venison	151	150	170	197	195	200	200
Other meat*	589	612	701	679	691	680	700
Hides and skins	240	202	295	301	272	260	240
Animal co-products	804	824	918	1,032	923	910	960
Animal fats and oils	140	179	281	274	171	230	240
Animal products for feed	408	449	521	589	553	600	650
Carpets and other wool products	103	109	103	113	101	110	100
Total export revenue	**10,617**	**10,373**	**12,310**	**12,114**	**11,336**	**11,390**	**11,870**
Year-on-year % change	**4%**	**–2%**	**19%**	**–2%**	**–6%**	**0%**	**4%**

* Includes edible offal, processed meat, and poultry. Poultry was forecast prior to the recent avian influenza case in Otago and does not reflect any potential impact.

Totals may not add up due to rounding.

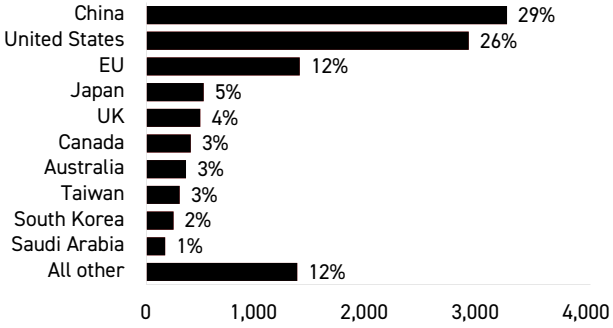
Percentages are rounded to the nearest whole percent.

Source: Stats NZ and MPI.

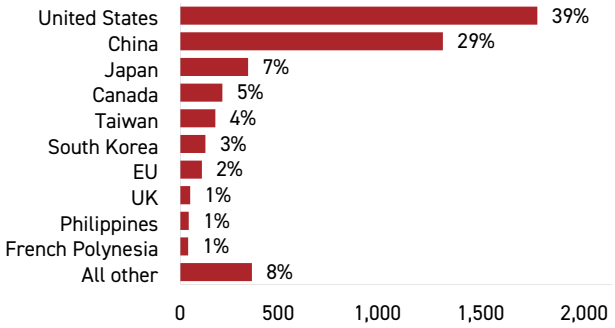
Top meat and wool export markets

Year to 30 June 2024, NZ$ million and percent

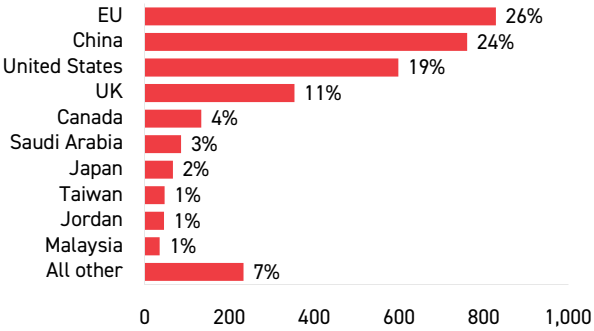
Total meat and wool products



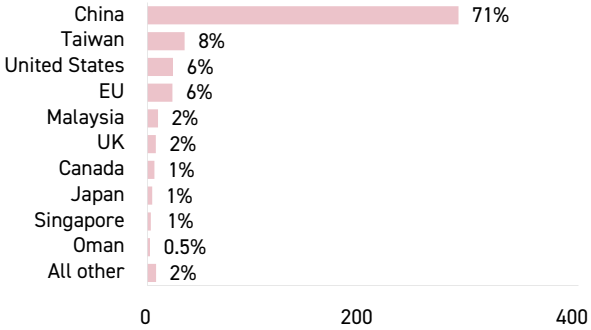
Beef and veal



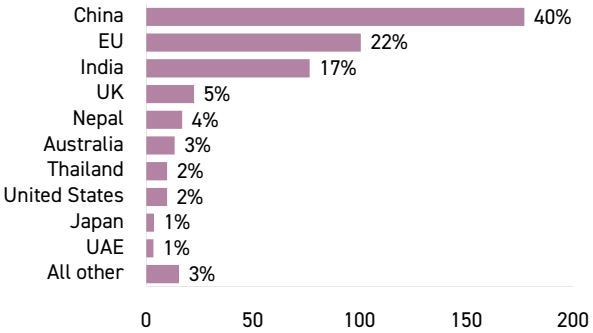
Lamb



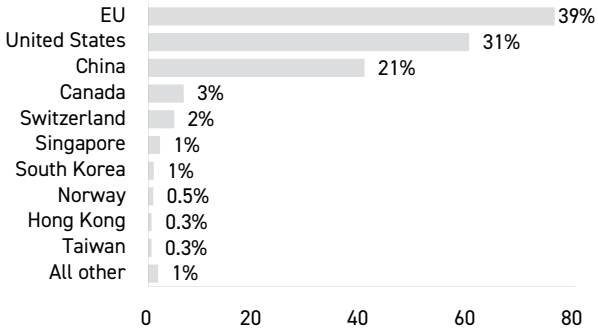
Mutton



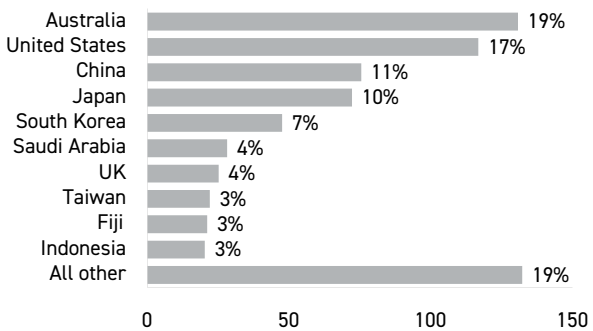
Wool



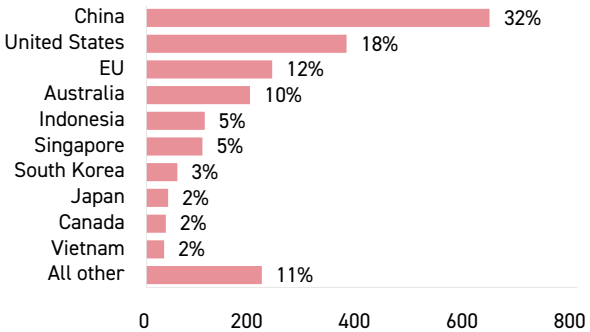
Venison



Other meat



Other animal products*



* Includes animal co-products, animal fats and oils, animal products for feed, carpets and other wool products, and hides, leather, and dressed skins.

Source: Stats NZ.

Prices are expected to lift as demand improves and global beef supplies tighten

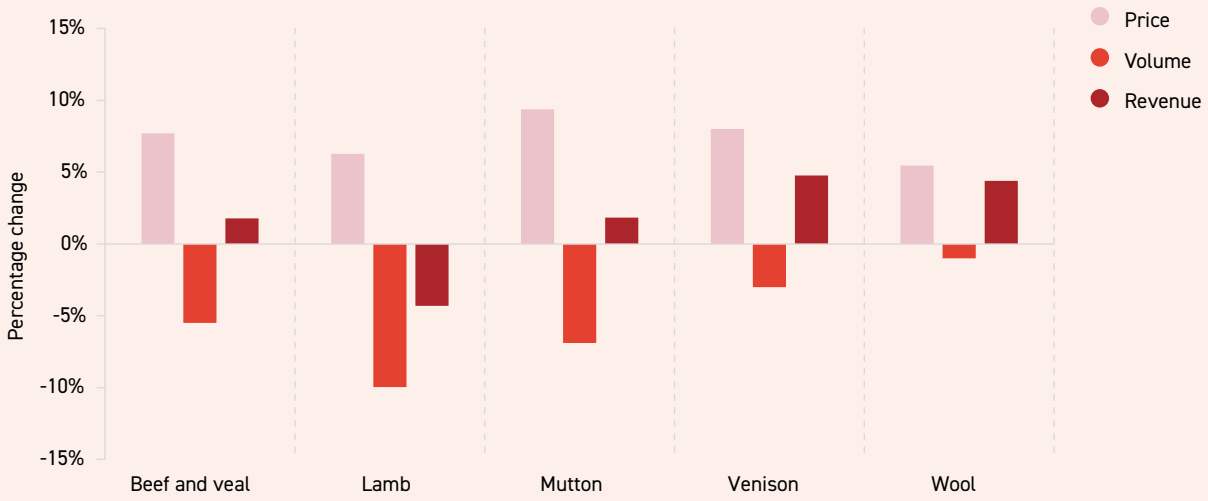
Meat and wool export revenue is forecast to increase slightly to $11.4 billion in 2024/25 as price increases offset volume declines (Figure 13). Prices are expected to lift following correction in beef and sheepmeat prices after a period of elevated global supplies, a slowdown in global growth, and softer import demand in key export markets such as China.

Export prices for beef and sheepmeat are forecast to improve in 2024/25 and over the long run. This is due to anticipated strong demand from Europe and the US (driven by lower domestic production) offsetting softer demand from China (driven by slower economic growth and higher imports from South America).

Global meat dynamics are expected to continue to be affected by geopolitical tensions as well as policy uncertainty. In addition, drought in key exporting countries and ensuing higher production has the potential to dampen global export prices while higher feed grain costs could increase slaughter and production.

Figure 13: Prices are expected to increase while volumes are set to fall

Year to 30 June, 2024 compared with 2025, forecast change in export prices, volumes, and revenue



Source: Stats NZ and MPI.

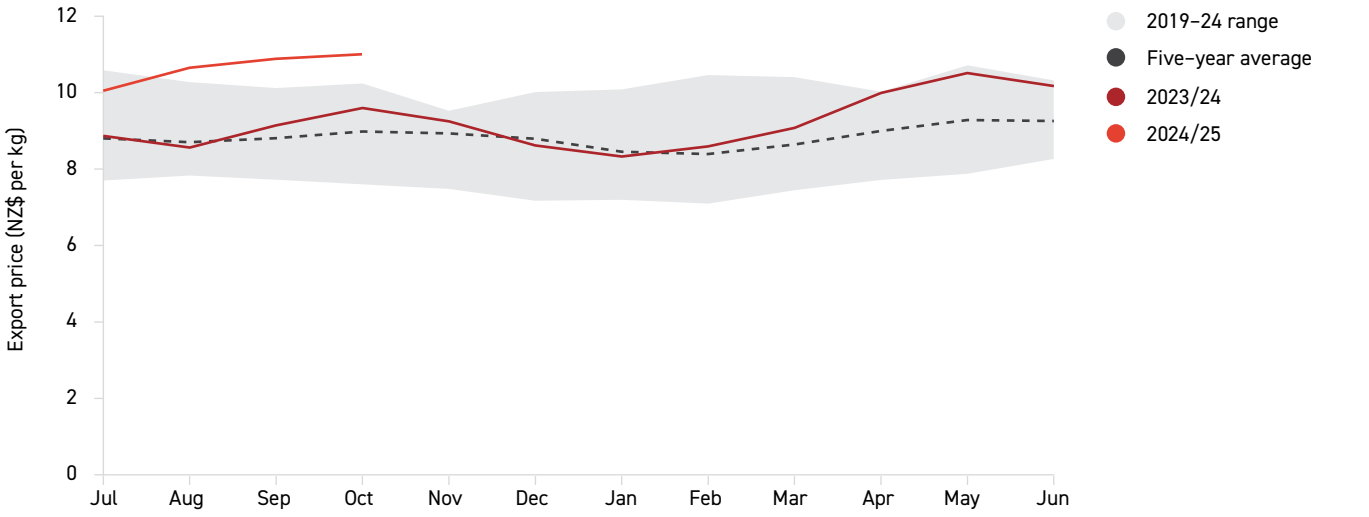
Beef export prices forecast to increase on the back of tightening global supplies

Following a fall in 2023/24, beef and veal export prices are expected to increase 8 percent to $9.30 per kilogram in 2024/25 due to lower global beef supplies and higher demand. Strong demand from the US (Figure 14), especially for manufactured beef, and solid demand from Europe are supporting prices. On the other hand, soft demand from China and higher export volumes from Australia are forecast to limit price increases.

On the supply side, global beef production is expected to tighten due to herd rebuilding and ensuing lower cattle slaughter in Brazil, the US, and Uruguay as well as structural herd decline in the EU and lower production in China (following subdued domestic farmgate prices in 2023/24). On the other hand, Australian and Argentinian beef supplies are forecast to grow in 2024/25 before shifting into a herd rebuild phase the following year.

Despite strong export prices, beef and veal export volumes are forecast to fall 5 percent to 481,000 tonnes in 2024/25 due to favourable weather conditions enabling farmers to rebuild beef herds. The beef herd is expected to have remained flat at

Figure 14: Beef export prices to the US hit record levels
Monthly export prices, NZ$ per kg



Source: Stats NZ and MPI.

3.7 million head as at 30 June 2024. In 2024/25, the beef herd is forecast to expand slightly as farmers continue to shift from sheep to beef cattle.

Growing demand for sheepmeat expected to offset higher global supplies

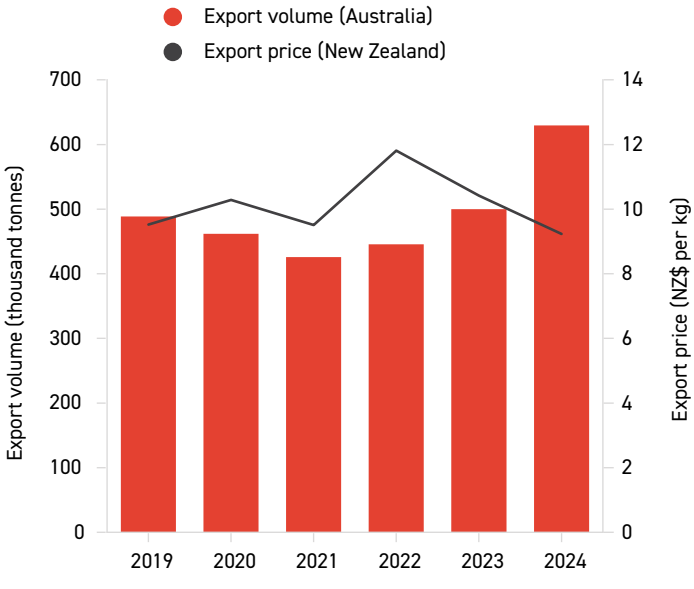
Sheep meat export prices are forecast to increase 6 percent to $10.90 per kilogram for lamb and increase 9 percent to $5.70 per kilogram for mutton in 2024/25 as demand improves and Australian sheepmeat export volume growth slows. Prices are expected to improve following a nosedive in global prices on the back of record Australian sheep meat export volumes in 2022/23 and 2023/24 (Figure 15) in combination with weaker Chinese demand. Prices are forecast to recover as demand improves, Australia's supply growth slows, and domestic production in the US and Europe tightens.

As at 30 June 2024, sheep numbers are estimated to have fallen by 3 percent to 23.6 million head compared with the previous year. While the fall in sheep numbers over recent years has primarily been driven by conversions to other land uses, last year's decline was primarily driven by destocking due to drought. As a result of this downward trend in sheep numbers, mutton export volumes are forecast to fall to 72,000 tonnes.

Lamb export volumes are expected to decrease 10 percent to 280,000 tonnes due to a smaller breeding flock and lower lambing rates in 2024/25. Drought in much of the South Island and the east coast of the North Island reduced the breeding flock and is expected to lead to fewer lambs per breeding ewe/hogget in 2024/25 (spring 2024). In the longer term, lamb production is forecast to remain relatively flat due to higher lambing rates and slightly higher weights offsetting a smaller breeding flock.

Declining export volumes were reflected by the announced closure of the Smithfield sheep meat processing plant in Timaru, Canterbury. The closure is due to a combination of lower sheep numbers, nearby retail expansion, an ageing plant, and sufficient capacity to process livestock at its nearby plants. Sheep usually processed at the Smithfield plant are expected to be processed at nearby plants, reducing disruption to farmers.

Figure 15: Sheepmeat export prices fall amid higher Australian supplies
Year to 30 June, export volumes in thousand tonnes product weight, export prices in NZ$ per kilogram



Source: Global Trade Atlas and MPI.

Venison export prices have been steady

Venison export revenue fell 1 percent in 2023/24 due to a drop in volumes for frozen venison, which accounted for 90 percent of export volume. Market diversification and reduced supply have recently lifted venison schedules, and this upward trend is expected to continue. The September 2024 schedule reached $9.52 per kilogram, up 9 percent on the previous 12 months.

Exporters have expanded and diversified into US retail markets with the support of the North American Retail Accelerator (NARA) project. NARA is a co-investment venture under MPI's Sustainable Food and Fibre Futures fund. The US accounted for 37 percent of export volumes in the nine months to 30 September 2024. Europe will also continue to be a significant market for the industry. Export prices are expected to increase 8 percent to $16.65 per kilogram in 2024/25, driving a slight increase in export revenue.

Rising strong wool prices driving increase in wool exports

In 2023/24, wool export revenue rose to $448 million, its highest level in five years, as volumes rose 20 percent on the previous year. With short supply lifting demand, export revenue is likely to increase a further 4 percent in the year to 30 June 2025.

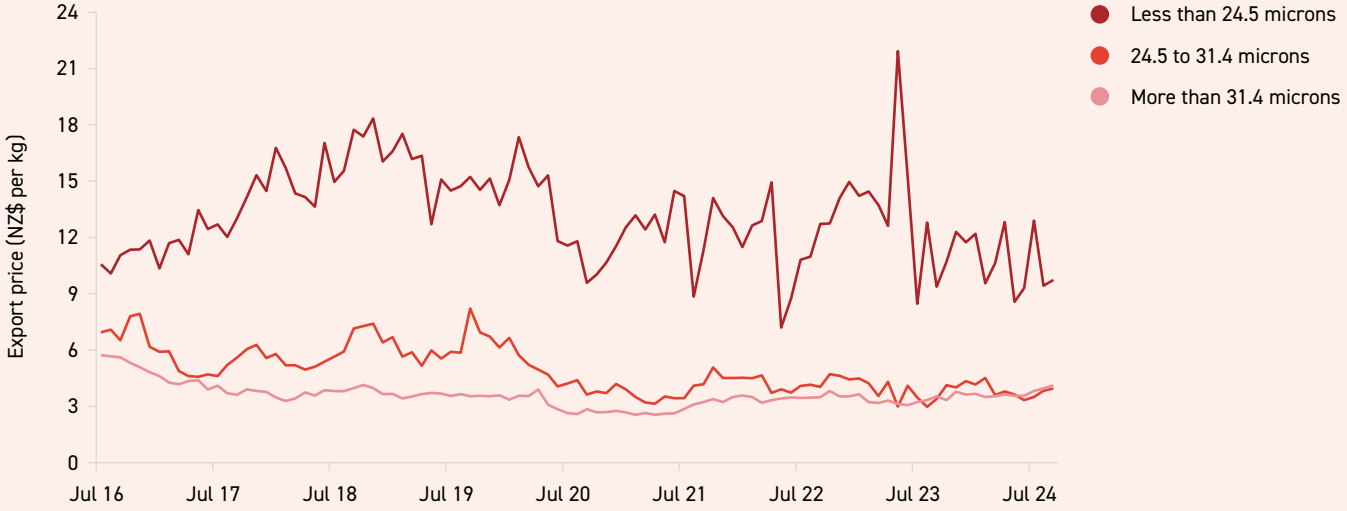
Strong wool export prices reached their highest level in five years and are expected to remain firm (Figure 16). Strong wool accounted for 73 percent of total export volume in 2023/24. Fine and medium wool export prices are also expected to lift slightly in 2024/25.

The Chinese market is likely to remain a challenge as uncertainty persists despite the stimulus boost. India's share of wool exports is rising due to increasing demand, which is helping offset softer demand from China.

Pet food export revenue expected to bounce back

In 2023/24, a 4 percent drop in pet food export revenue drove a fall in animal products for feed export revenue. From a record-high revenue of $332 million in 2022/23, pet food export revenue declined to $319 million as export volumes fell 19 percent. New Zealand's reputation in the premium pet food market has kept export prices firm at $20.23 per kilogram, 18 percent higher than the previous year.

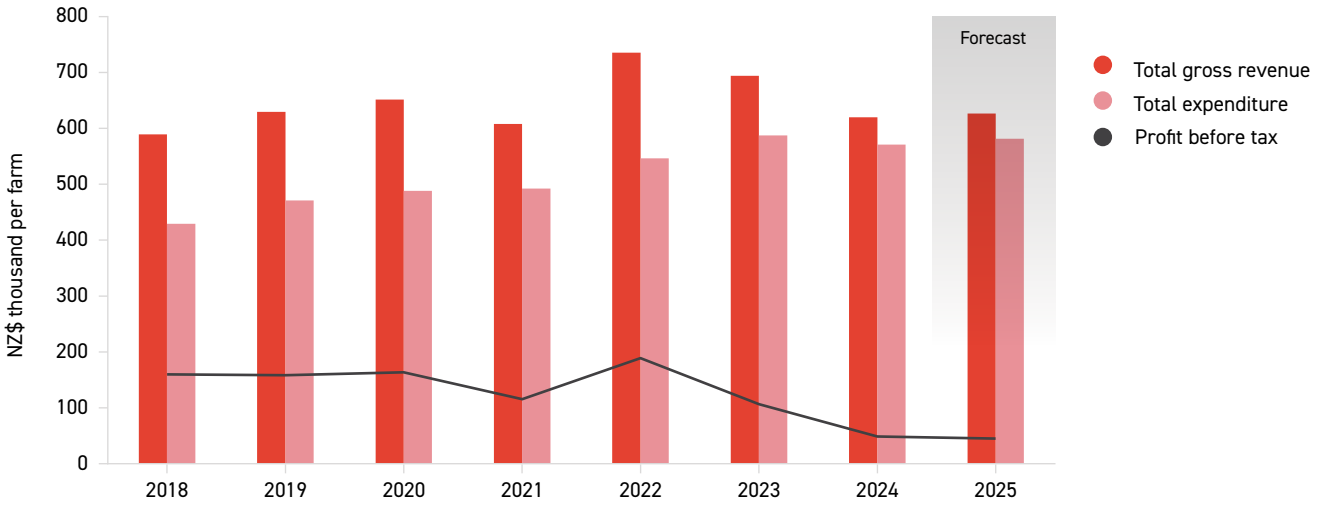
Figure 16: Strong wool export prices rising
Monthly export prices, NZ$ per kg by micron



Source: Stats NZ.

Figure 17: Higher farm expenditure forecast to offset an increase in revenue

Year to 30 June, total gross revenue, total expenditure, and profit before tax in NZ$ thousand per farm



Data for 2024 are provisional.

Source: B+LNZ.

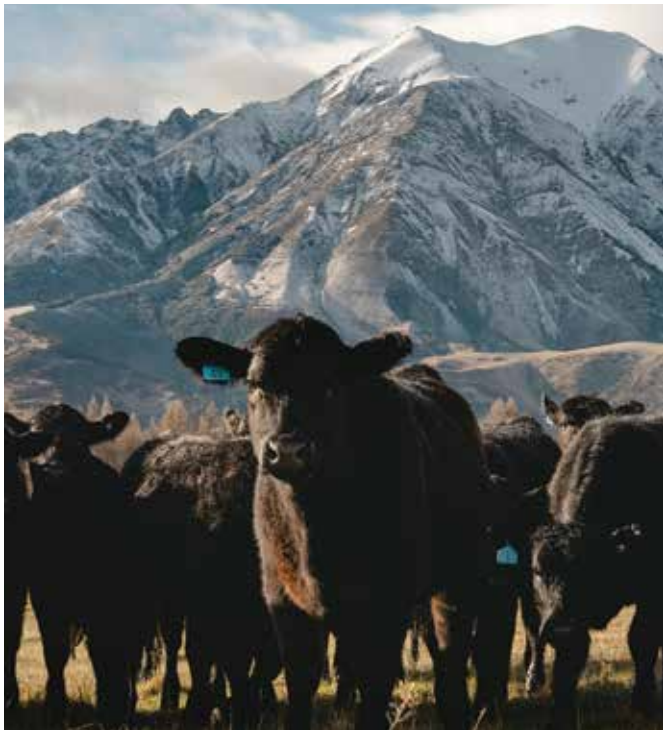
Strong pet food demand in the US offset softer Chinese demand where volumes dropped 42 percent in 2023/24 due to increased competition from the US and Chinese domestic brands. Solid demand from Australia, North America, and other parts of Asia continues to support pet food prices, with an 8 percent jump expected in 2024/25.

Farm profit forecast to fall in 2024/25

Rising input costs and fewer livestock sent for slaughter are forecast to more than offset higher schedule prices in 2024/25. In the following year, farm profitability is likely to improve as schedule prices rise and slaughter volumes stabilise numbers.

Following a 54 percent decline in 2023/24, average farm profit before tax for all classes of sheep and beef farms is forecast to fall a further 7 percent to $45,200 in 2024/25 (Figure 17). Beef and lamb schedule prices are expected to improve while total farm expenditure is expected to increase.

Increased expenditure is expected to be driven by higher regional and district council rates and farmers coming up for fixed-term mortgage renewal. The possibility of faster and deeper OCR cuts provides upside to this forecast and potential relief to farmers. Farmers continue to defer maintenance and other expenditure where possible in response to squeezed profits.



MPI working closely with bird flu-affected farm in Otago

A strain of high pathogenicity avian influenza (HPAI), H7N6, was confirmed in poultry at an egg farm in rural Otago in early December. Biosecurity New Zealand launched an urgent response and moved swiftly to strengthen biosecurity measures. This strain is different to H5N1 that is causing significant impact on poultry and wild birds and mammals overseas. It is also different to the strain detected and eradicated in Australia earlier in 2024. The Ministry for Primary Industries (MPI) suspended certification of live or raw poultry commodities to markets requiring freedom from HPAI, and will work with trade partners to resume trade.

Forestry

Forestry export revenue is expected to rebound 4 percent to $6.0 billion in the year to 30 June 2025, recovering from New Zealand supply-side disruptions and slow global demand that affected the previous two years. Exports in 2023/24 fell 10 percent to a four-year low of $5.7 billion. Early signs of increased activity in China could lead to higher demand for logs and some processed wood products, but global demand remains low for wood products. Closure of some wood processors will lead to lower production capacity in the near term. Uncertainty remains due to the instability of global economic recovery, potential trade barriers, and continued high input costs.

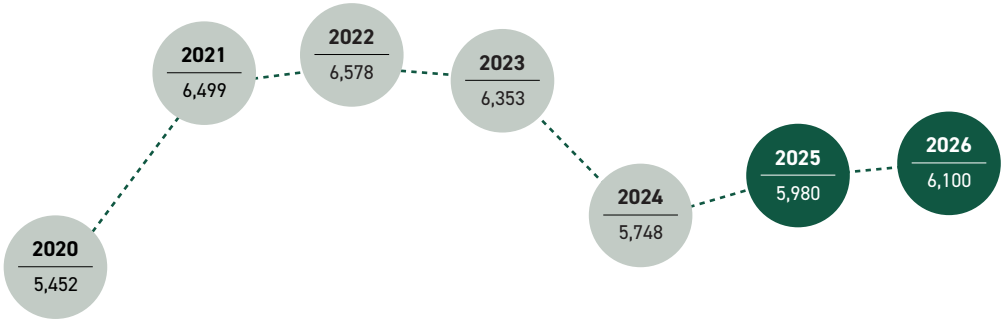


Table 4: Forestry export revenue 2020–26
Year to 30 June, NZ$ million

	Actual					Forecast	
Product	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Logs	2,791	3,830	3,627	3,388	3,225	3,280	3,360
Sawn timber and sleepers	806	900	973	937	885	990	1,040
Pulp	651	669	816	846	629	680	750
Paper and paperboard	492	438	463	433	361	370	280
Panels	434	385	411	463	374	370	380
Woodchips	56	61	62	78	73	80	80
Other forestry products*	222	216	225	208	200	210	210
Total export revenue	**5,452**	**6,499**	**6,578**	**6,353**	**5,748**	**5,980**	**6,100**
Year-on-year % change	**-21%**	**19%**	**1%**	**–3%**	**–9%**	**4%**	**2%**

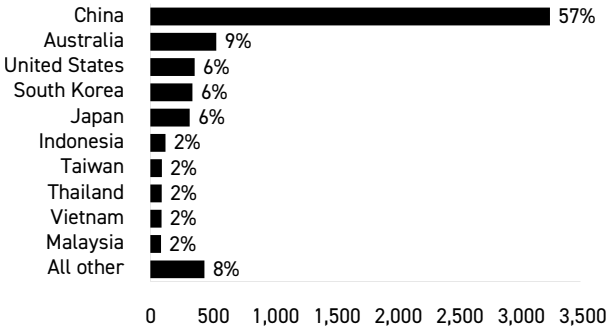
* Includes structural or moulded wood, furniture, and prefabricated buildings.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.

Source: Stats NZ and MPI.

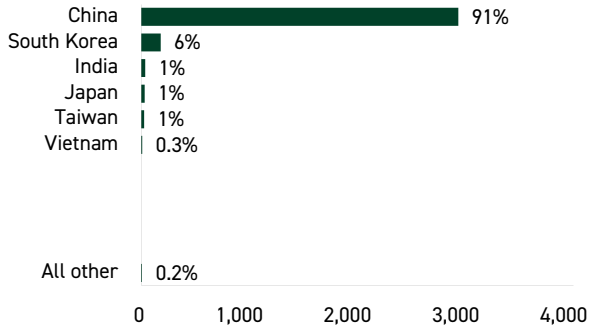
Top forestry export markets

Year to 30 June 2024, NZ$ million and percent

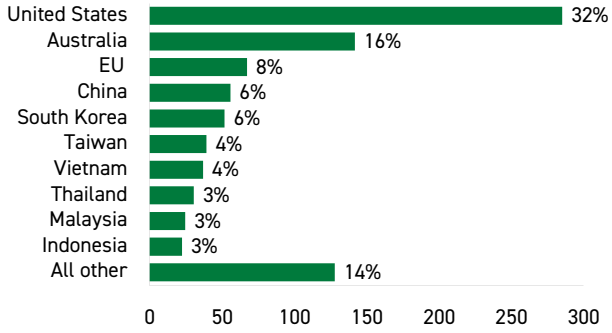
Total forestry



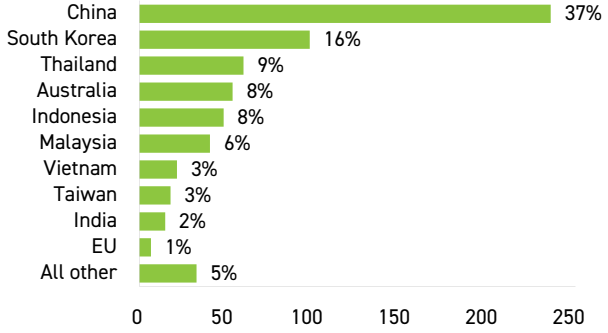
Logs



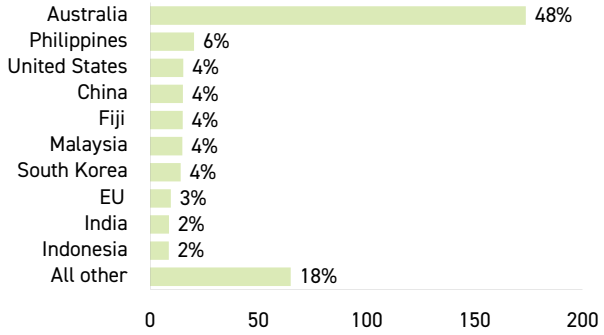
Sawn timber and sleepers



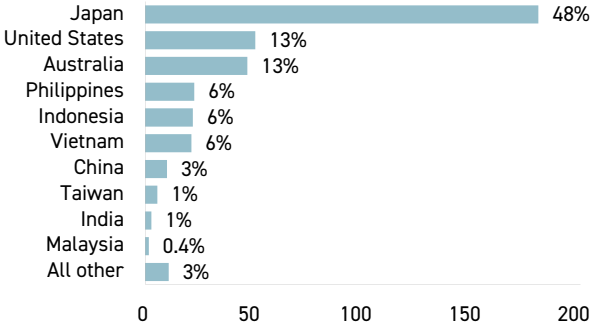
Pulp



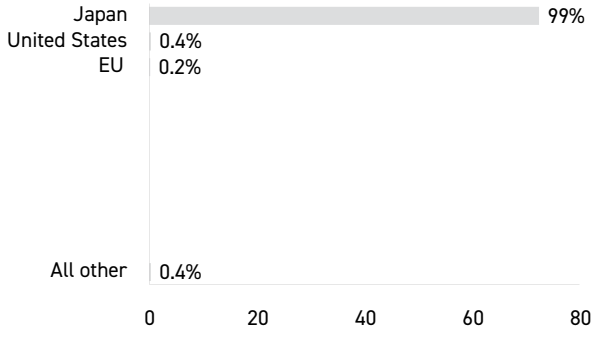
Paper and paperboard



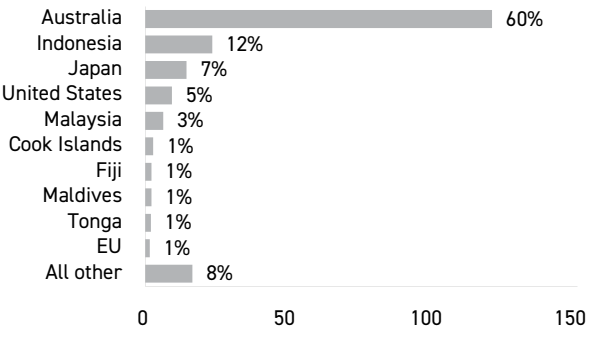
Panels



Woodchips



Other forestry products



Source: Stats NZ.

Log exports show early indications of improvement

Export revenue from logs is forecast to increase 2 percent to $3.3 billion in the year to 30 June 2025 following three years of decline. The final quarter of 2023/24 saw low demand from China as high inventories at ports kept export volumes and prices low, bringing the year to a lower than expected $3.2 billion (Figure 18). Radiata inventories have decreased now from high points in early 2024, with higher offtakes and some strengthening in prices seen in the first quarter of 2024/25 off the back of the June 2024 quarter, which saw the lowest revenue since March 2020.

With 91 percent of log exports going to China in 2023/24, it is hoped the Chinese Government stimulus package will restore some confidence to the building industry there and increase demand. Local governments in China have purchased housing in an attempt to rein in the oversupply following the property slump that started in 2022. The package announced in November 2024 provides for local governments to swap debt for central government debt at cheaper rates, thereby freeing up money for local development and stimulating the local economies. A small growth in housing sales was seen in October following a year-on-year fall of 38 percent.

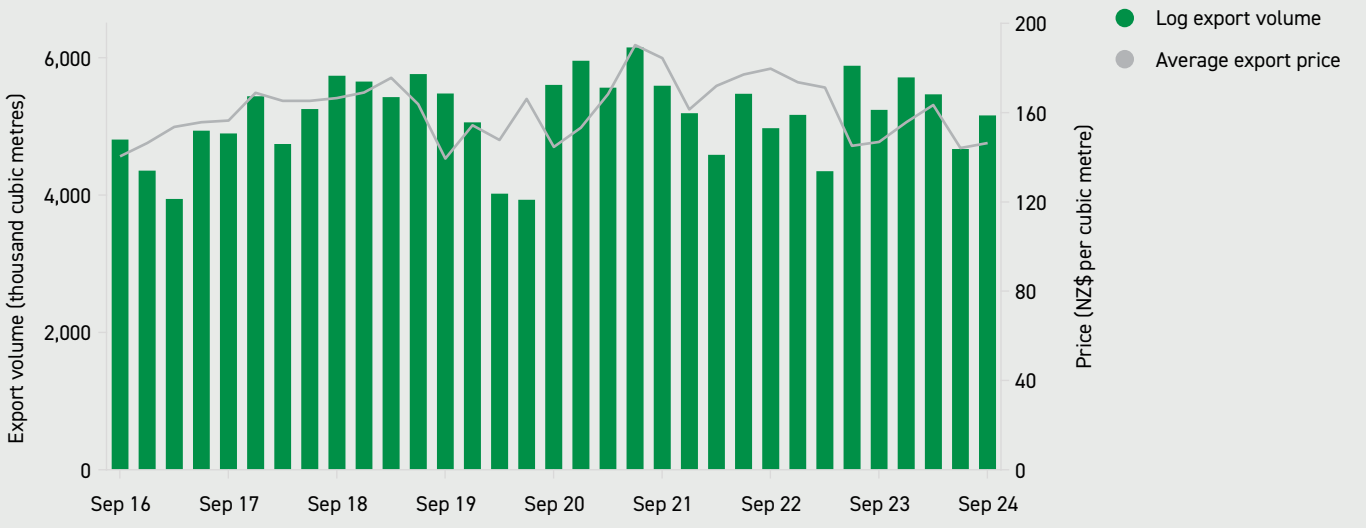
New Zealand log harvest is expected to rise to meet any increases in overseas demand so an increased supply of logs may mean some of the price increases are short-lived.

India, the third-largest market for New Zealand logs behind Korea, is showing potential for increased market diversification. Export volumes to India in the June and September quarters were the highest since December 2020 following new rules that allow fumigation to be undertaken

in India to meet its phytosanitary requirements rather than in New Zealand.

Port costs for log storage, handling, and fumigation are increasing, adding to the factors affecting profitability in New Zealand. On the other hand, bulk shipping rates have remained steady over 2024 after the most recent peak in December 2023. Lower global bulk freight volumes due to low demand for commodities such as iron ore for manufacturing and coal for electricity generation combined with increased shipping capacity coming online should lower bulk rates over the forecast period.

Figure 18: Log export volumes and prices improved in the September 2024 quarter
Quarterly, export volume in thousand cubic metres and export price in NZ$ per cubic metre



Source: Stats NZ and MPI.

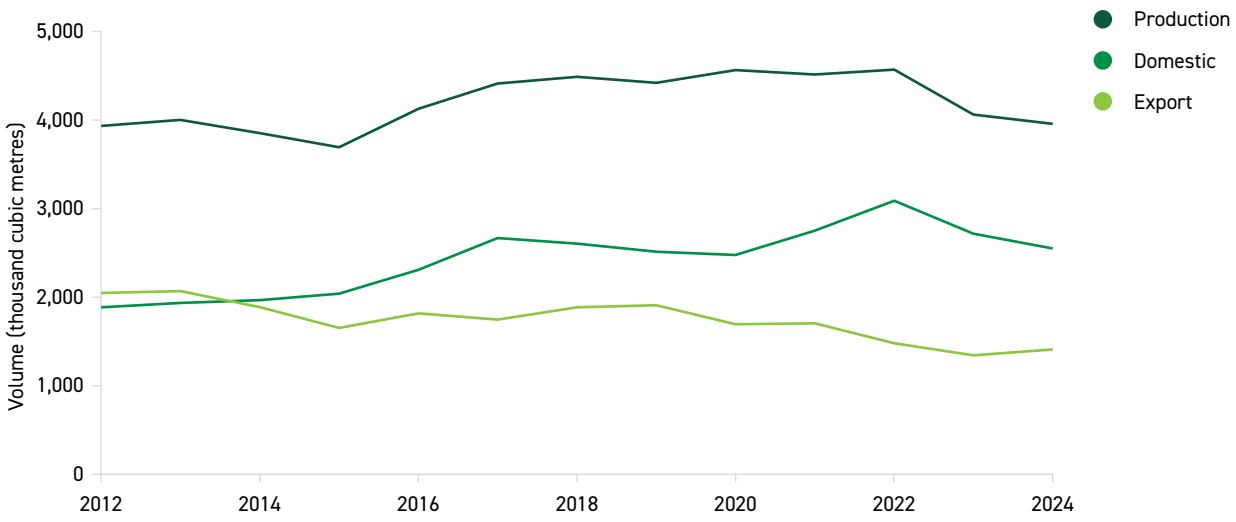
Sawn timber and sleeper production down in 2024

Sawn timber exports were down 6 percent in the year to 30 June 2024. Export volumes have grown strongly since May, particularly lower-priced grades to China and Vietnam that are used primarily for packaging. However, demand in the US, which accounts for 32 percent of revenue, is expected to remain low with increasing inventories and continued low building activity. This could be offset to a degree by a lower exchange rate, lowering the price of New Zealand exports in USD.

Exporters to Europe will have additional time to comply with EU deforestation regulations that require importers to provide information on deforestation involved in the production of products since the start of 2021. While some manufacturers have systems already in place to track inputs from forests, this will be more challenging for others that have complex supply chains, for example, those using residues.

The domestic market could provide some support with reduced mortgage rates supporting new building. New dwelling consents increased 2.6 percent in September month on month but are down 17 percent in the year to 30 September 2024. Domestic sawn timber consumption is estimated to be down 6 percent for the year to 30 June 2024 (Figure 19).

Figure 19: Sawn timber export volumes up but overall production down
Year to 30 June, volume, thousand cubic metres



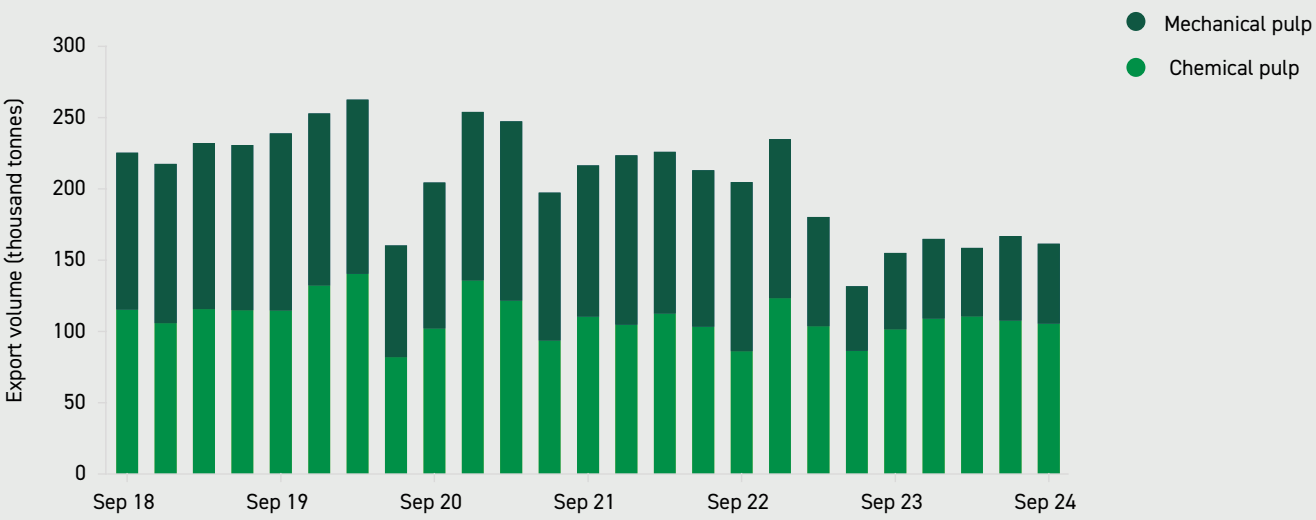
Source: Stats NZ and MPI.

Pulp manufacturers face high energy input costs

A combination of factors has led to a 26 percent fall in pulp export revenue in 2023/24 (Figure 20). Both volumes and prices dropped by 14 percent over the period driven by lower production in New Zealand due to the closure of the Pan Pac mill following Cyclone Gabrielle and weak demand from China. Energy costs in New Zealand have affected profitability, contributing to the closure of the Winstone Pulp International (WPI) processing plant and temporary closures or reduction of operating level in other plants and sawmills. Stats NZ's commercial energy price indexes were 10 percent higher in the June quarter of 2024 over the same quarter in 2023 for electricity and 23 percent higher for natural gas. Due to the integrated nature of wood processing, the reduction in pulp processing capacity can have flow-on effects on sawmills, which produce wood chips as inputs, and volumes going through ports. Lower production over the forecast period from the closure of WPI will be offset to a degree as the Pan Pac mill rebuilds production capacity following shutdown after Cyclone Gabrielle. However, overall mechanical processing capacity is not expected to return to previous levels.

Global inventories of pulp are high and New Zealand exports decreased 27 percent in September 2024. While prices have recovered since early 2024, reduced manufacturing capacity will likely contribute to lower export revenue going forward.

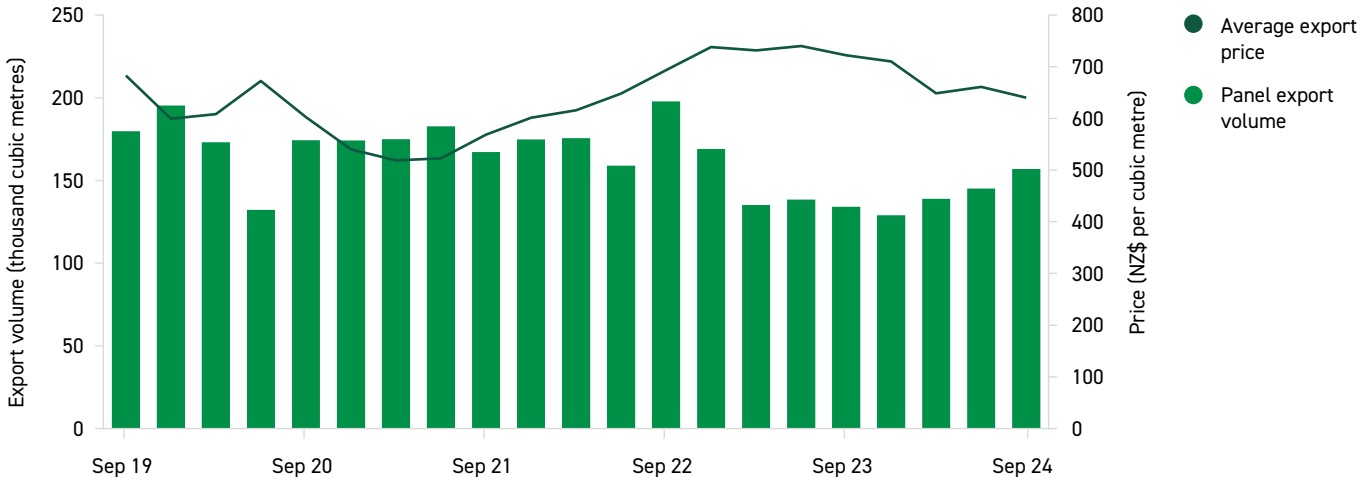
Figure 20: Pulp volumes still affected by Cyclone Gabrielle
Quarterly, export volume, thousand tonnes



Source: Stats NZ and MPI.

Figure 21: Panel export volumes trending up in 2024

Quarterly, export volume in thousand cubic metres and export price in NZ$ per cubic metre



Source: Stats NZ and MPI.

Panel volumes increase but prices flat

Panel export revenue fell 19 percent in the year to 30 June 2024 as prices and volumes continued to fall from a peak in late 2022 following a drop in production due to the closure of an MDF production line in Christchurch at the end of 2022. Panel export revenue has begun to trend up in the last two quarters (March and September) with increases in volumes and prices stabilising (Figure 21). With 50 percent of panel exports going to Japan, prices are forecast to fall in the year to 30 June 2025 due to Japan's low economic growth forecast, a weak yen, and falling manufacturing activity.

Paper and paperboard volumes uncertain with mill closures

Paper and paperboard revenue was down 17 percent to $361 million in 2023/24 after weak demand from Australia and interrupted production at Whakatāne Mill due to the installation of a new paper machine. Volumes and prices have steadily increased over the past four quarters, with revenue in the September 2024 quarter the highest in two years. Coated boxboard volumes have recovered to normal levels with increased production at Whakatāne Mill and demand from Australia. However, the closure of the Oji Fibre Solutions Penrose mill and the proposed closure of the Kinleith Mill paper processing line means paper production volumes are uncertain going forward. With production falling, any recent improvement in export prices is more than offset and revenue is forecast to decline over the forecast period.

Horticulture

Horticulture export revenue is forecast to increase 12 percent to $8.0 billion in the year to 30 June 2025. This growth is primarily driven by a surge in kiwifruit exports attributed to a record 2024 crop and increased production volumes of gold kiwifruit in the 2025 season. Export revenue from wine is forecast to grow by 3 percent driven by robust underlying consumer demand for New Zealand wine. This follows a challenging 2024 during which demand was dampened by excess inventory held by global retailers. Apple and pear export revenue is forecast to reach $1 billion for the first time in the year to 30 June 2025 driven by a recovery in export volumes following the cyclone-affected 2023 crop. Meanwhile, export revenue from fresh and processed vegetables is expected to rebound from a mixed season in 2024.

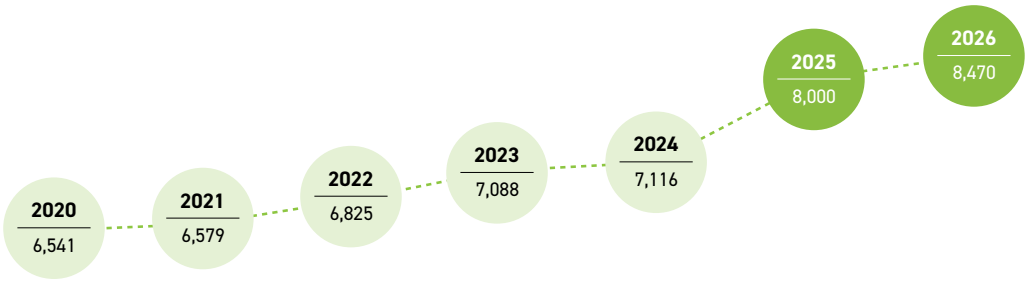


Table 5: Horticulture export revenue 2020–26
Year to 30 June, NZ$ million

	Actual					Forecast	
Product	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Kiwifruit	2,546	2,684	2,898	2,544	2,878	3,470	3,700
Wine	1,906	1,855	1,935	2,392	2,094	2,160	2,270
Apples and pears	883	823	865	892	932	1,040	1,050
Fresh* and processed** vegetables	701	629	622	737	721	770	840
Other horticulture products***	505	588	505	523	492	570	600
Total export revenue	**6,541**	**6,579**	**6,825**	**7,088**	**7,116**	**8,000**	**8,470**
Year-on-year % change	**7%**	**1%**	**4%**	**4%**	**0%**	**12%**	**6%**

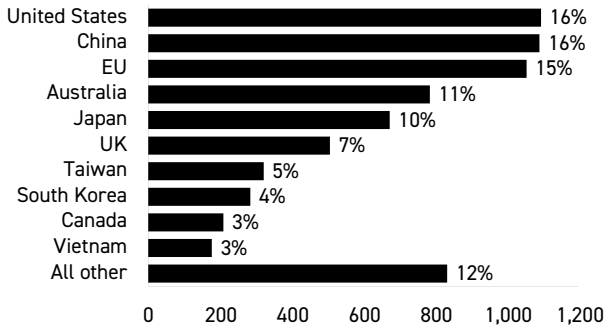
* Includes onions, squash, capsicum, potatoes, and other fresh vegetables.
** Includes frozen vegetables (including frozen potatoes, peas, sweetcorn, etc.), dried vegetables, dry legumes, prepared and/or preserved vegetables, and vegetable juices.
*** Includes other fresh fruits (including avocados, cherries, blueberries, etc.), frozen and processed fruits, fruit juices, nuts, and ornamentals.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.
Kiwifruit revenue for 2024 is an estimate based on Stats NZ and industry data.
Some values for 2022 and 2023 have been updated due to revisions made by Stats NZ.

Source: Stats NZ and MPI.

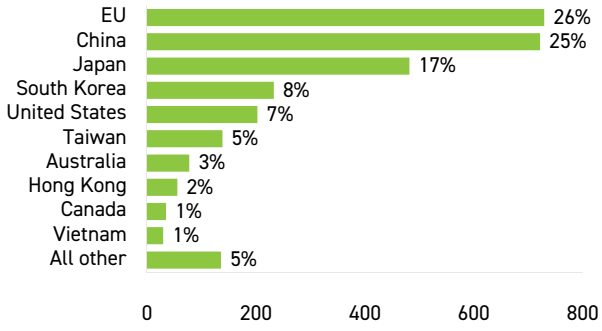
Top horticulture export markets

Year to 30 June 2024, NZ$ million and percent

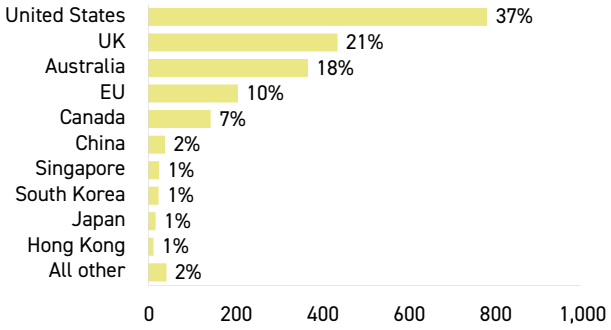
Total horticulture products



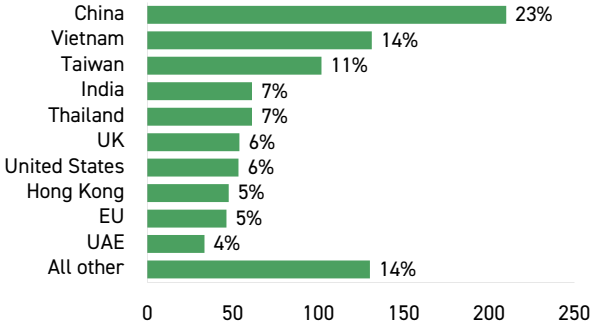
Kiwifruit



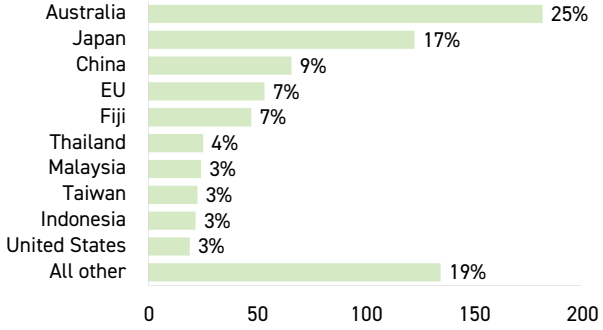
Wine



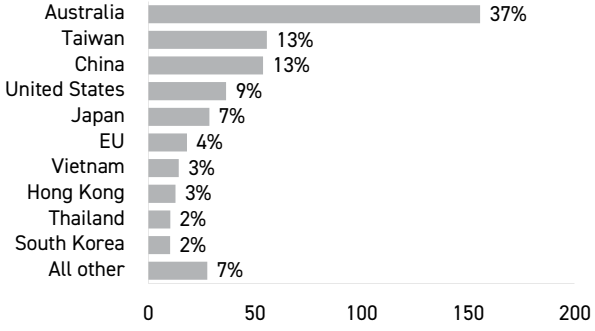
Apples and pears



Fresh and processed vegetables



Other horticulture products



Source: Stats NZ.

Apple and pear production recovering from Cyclone Gabrielle

The 2024 apple and pear export season is near completion with export volumes up 10 percent on the 2023 Cyclone Gabrielle-affected crop. Exports are expected to reach around 342,000 tonnes (19 million cartons) and $970 million in the year to 31 December 2024.

Average fruit size for several varieties was smaller than usual, particularly in Hawke's Bay and Gisborne Tairāwhiti (70 percent of New Zealand's planted area). This was due to cool, wet weather over the period of cell division in late spring 2023 and some compromised tree root systems from two consecutive years of wet soils leading to low late-season fruit growth rates.

Export returns to growers for the 2024 crop are expected to increase for most varieties, assisted by good fruit quality. China was the largest export market taking around 19 percent of exports, a record volume. Exports to the UK increased, with retail bagged fruit offerings providing an outlet for smaller fruit sizes. The tariff-free arrangements under the NZ-UK FTA also assisted. Apple and pear exports to markets in Asia have increased from 50 percent of total exports in 2019 to 68 percent in 2024 year to date (Figure 22).

Growers continue to remove low-performing orchard blocks and rationalise their variety mix towards higher-returning and predominantly IP-protected varieties. Several orchard sales and purchases have occurred, including purchases by overseas investors.

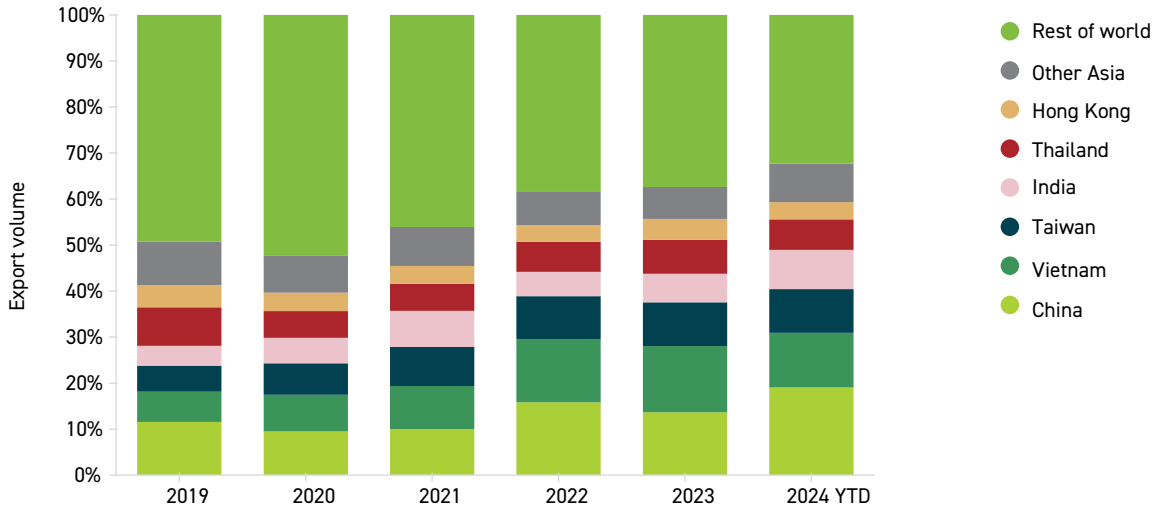
Climatic conditions for pollination and fruit set in spring 2024 (for the 2025 crop) have been mostly favourable with good fruit set reported. Good winter chill followed by dry, warm, sunny weather in September and October resulted in an early, compact flowering and pollination period in Hawke's Bay and Gisborne Tairāwhiti. If warm weather prevails, this will help increase fruit size and an earlier start to harvest, providing opportunities for early season sales.

Total production for the 2025 apple and pear crop is forecast at 535,000 tonnes (up 4 percent) assuming average to favourable climatic conditions from an anticipated return to an El Niño weather system in early 2025. More information will become available via the industry's pre-harvest crop estimate anticipated in early 2025.

The average export price for New Zealand apples and pears in the year to 31 December 2025 is expected to be similar to the prior year despite a larger crop. Influencing factors include an increasing proportion of premium apple varieties in the export mix, a return to average fruit size, and reduced carryover stocks of northern hemisphere fruit with smaller apple crops in 2024 in Europe and the US relative to 2023.

Figure 22: Asian markets are increasingly important for New Zealand apple and pear exports, 2019–24

Year to 31 December, share of export volume



Source: Stats NZ and MPI.

Kiwifruit exports to break through $3 billion barrier

Kiwifruit export revenue is forecast to rise by 38 percent in the 2024/25 season (ending 31 March) to $3.5 billion. The 2024/25 season will mark the first time kiwifruit exports exceed $3 billion (Figure 23).

This year's expected record export revenue follows declines over the previous couple of seasons when the industry faced labour shortages, fruit quality issues, challenging growing conditions, and a reduced crop volume. Favourable growing conditions this season have produced a record crop.

Export volumes are projected to grow by 38 percent year on year, increasing from 141 million trays in 2023/24 to 194 million in 2024/25. Gold kiwifruit exports are expected to rise from 97 million to 128 million trays, an increase of 32 percent, while green kiwifruit exports are forecast to grow from 44 million to 64 million trays, up by 46 percent. The export of red kiwifruit, with its season already complete, reached 1.5 million trays – an increase of over sixfold compared with the previous season.

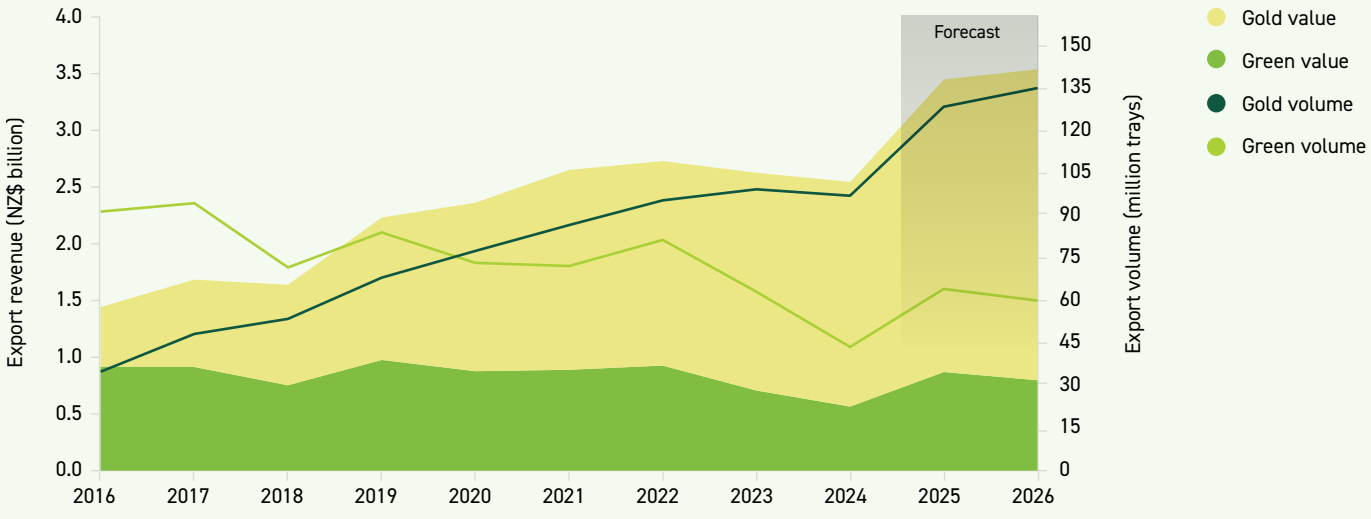
Strong demand, especially in European markets, has supported prices throughout the first two quarters of the 2024/25 season (March through September). Better prices for green kiwifruit in the EU, the industry's primary export market for this category, helped offset slightly lower prices for gold kiwifruit in China, the industry's main export market for this variety.

Export revenue from EU countries rose by over 77 percent year on year in the first two quarters of the 2024/25 season. The strong performance in the EU market has been bolstered by the NZ-EU FTA. Exports to China also increased though at a more moderate pace. Export revenue from China grew by 22 percent year on year in the first two quarters of the season driven by higher sales volumes.

In its early guidance, Zespri forecasts a recovery in per-hectare orchard gate returns (OGRs) for the 2024/25 season with green OGR expected to reach record levels. August projections indicate average OGRs of $83,280 per hectare for green and $154,113 for gold, representing year-on-year increases of 27 percent and 5 percent respectively (Figure 24). With the guidance suggesting per-tray returns for green and gold will fall by 18 percent and 17 percent, the rise in OGR is attributed to improved yields.

Figure 23: Record export revenue expected

Year to 31 March, export revenue in NZ$ billion and export volume in millions of trays

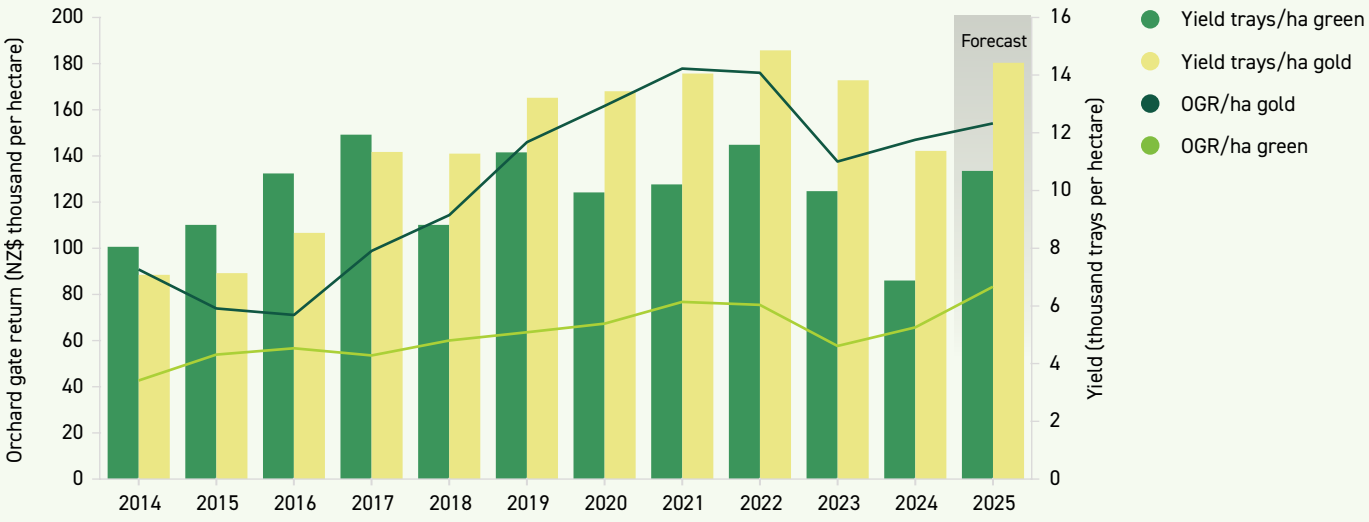


Tray = 3.6 kg.

Source: Stats NZ and MPI.

Figure 24: Higher yields drive a rebound in orchard gate returns

Year to 31 March, orchard gate returns in NZ$ thousand per hectare and yields in thousand trays per hectare



Forecast is based on Zespri OGR forecast at time of writing.
Tray = 3.6 kg.

Source: Zespri and MPI.

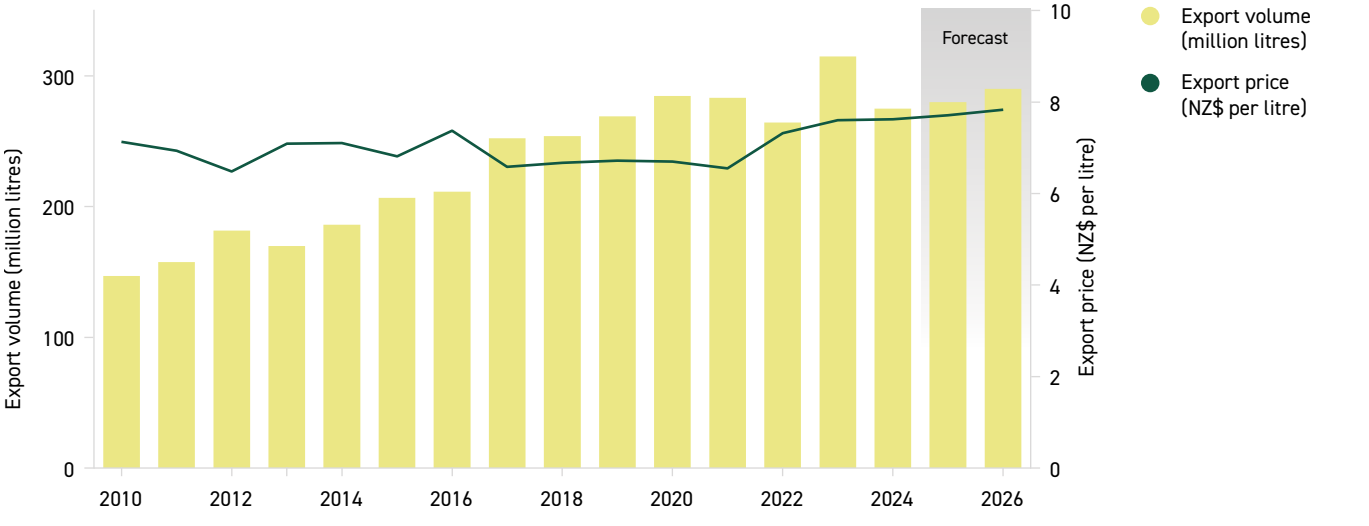
Excess global inventories slow wine exports temporarily

While short-term challenges are constraining export volumes and profitability, the outlook in the medium to long term is positive as underlying consumer demand for New Zealand wine remains strong. New Zealand wine sales continue to grow in key markets despite challenges such as constrained disposable income and changing consumer preferences, which has led to decreased consumer demand for wine globally. Unlike New Zealand wine, consumer sales for most other countries' wine are down in New Zealand's key markets. This strong underlying consumer demand for New Zealand wine is expected to support export revenue, which is forecast to increase 3 percent to $2.2 billion in the year to 30 June 2025.

Wine export revenue fell 13 percent to $2.1 billion in the year to 30 June 2024 as global wine retailers underwent a destocking process. During the COVID-19 pandemic, retailers held higher levels of inventory to build resilience against supply chain disruptions. Now with COVID-19 in the rear-view

Figure 25: Wine export volumes fall as global retailers destock excess inventories

Year to 30 June, export volume in million litres and export price in NZ$ per litre



Source: New Zealand Winegrowers and MPI.

mirror, these global retailers are destocking inventories, causing a short-term reduction in demand for New Zealand wine. This was reflected in wine export volumes falling 13 percent to 275 million litres (Figure 25). Despite this decrease in export volume, a continuation of the strong prices received in the prior season meant that the industry still achieved its second-highest export revenue year.

Export volumes have been much slower through the September quarter than originally anticipated, equalling 63.7 million litres of wine. This is 4.2 million litres less than last season's September quarter and 24.5 million litres less than two seasons ago. It is currently unclear what the main drivers are behind slow export volumes at the start of this season, creating short-term uncertainty for the industry.

This slowdown in export volumes contributes to New Zealand wineries holding high levels of stock. Despite the smaller 2024 vintage, pressure on wineries has not reduced as they are holding more of the 2023 vintage than expected for September. Only in 2014 have there been higher stocks of unsold Sauvignon Blanc from the previous vintage at this point in the year.

Wineries' cash flow has been negatively impacted due to the reduced sales while grape growers' incomes were reduced because of lower yields for the 2024 vintage combined with falling grape prices. All parts of the industry are facing elevated operating costs, further constraining profitability.

Table 6: Grape harvested area, wine prices, volumes, and revenue 2020–26
Year to 30 June

	Actual					Forecast	
	2020	2021	2022	2023	2024	2025	2026
Area harvested (hectares)	39,934	40,949	41,304	41,991	42,519	43,000	43,500
Grape production (thousand tonnes)	457	370	532	501	395	490	496
Wine production (million litres)	337	273	394	371	292	365	370
Export volume (million litres)	285	283	264	315	275	280	290
Export price (NZ$/litre)	6.69	6.55	7.32	7.60	7.62	7.70	7.85
Export revenue (NZ$ million)	**1,906**	**1,855**	**1,935**	**2,392**	**2,094**	**2,160**	**2,270**

Source: MPI, New Zealand Winegrowers, and Stats NZ.

Avocado and vegetable exports expected to recover

Avocados

Avocado export revenue fell 52 percent to $37 million in the year to 30 June 2024, the lowest since 2012/13. Two factors that drove the decrease were the La Niña weather pattern in prior seasons causing fruit quality and quantity issues and reduced export demand from Australia, New Zealand's largest avocado export market.

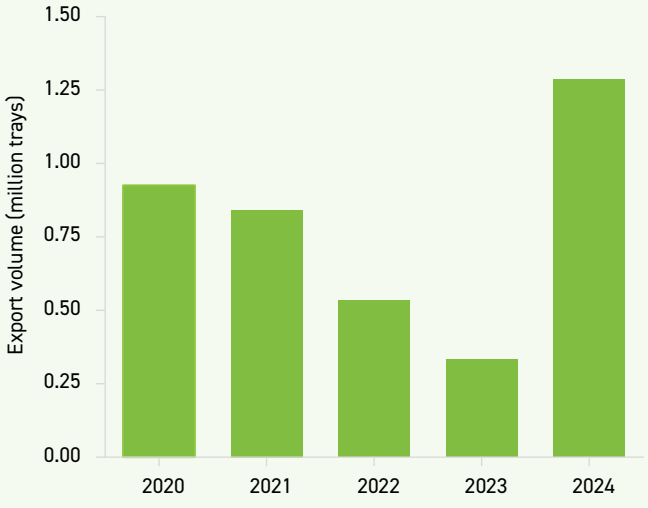
Despite the challenges of last season, there is optimism for the current season with export revenue forecast to grow 147 percent to $91 million in the year to 30 June 2025. Optimal growing conditions consisting of sunshine, stable temperatures, evenly distributed rain, and minimal frosts led to a large, high-quality crop. Export demand for New Zealand avocados has also been good with the industry exporting a record 1.3 million trays in the September 2024 quarter, 39 percent more than the previous best September quarter in 2020 (Figure 26). The September quarter is gaining importance as the industry increases exports outside of Australia to markets such as China, Hong Kong, Japan, Korea, Taiwan, Thailand, and North America, which have an earlier export window for New Zealand avocados. Exporters will continue strengthening relationships with these markets to ensure future growth.

Cherries

Cherry export revenue increased 10 percent to $92 million in the year to 30 June 2024 driven by higher export prices and volumes. Export prices increased 6 percent, reflecting good fruit size and desirable taste compared with the 2022/23 season's low size profile. Increased planted hectares contributed to cherry export volumes increasing 4 percent to 4,407 tonnes.

Figure 26: Record avocado export volumes in 2024 for the September quarter

Quarter to 30 September, export volume, million trays



Tray = 5.5 kg.
Source: Stats NZ and MPI.

Cherry export revenue is forecast to grow 7 percent to $98 million in the year to 30 June 2025. Cherry producers are cautiously optimistic about the coming harvest. High input costs remain a challenge, but overall growing conditions have been good. The season in Hawke's Bay and Marlborough has been favourable with fruit reaching maturity a few weeks early. Central Otago has suffered some variable spring conditions and isolated frost damage that could reduce yields for impacted growers. Maturity in Central Otago is looking slightly later. Chinese New Year, a key date that determines the length of the selling season, is almost two weeks earlier than 2023. The impact this has on export revenue is expected to be offset by an earlier harvest and good fruit quality.

Fresh and processed vegetables

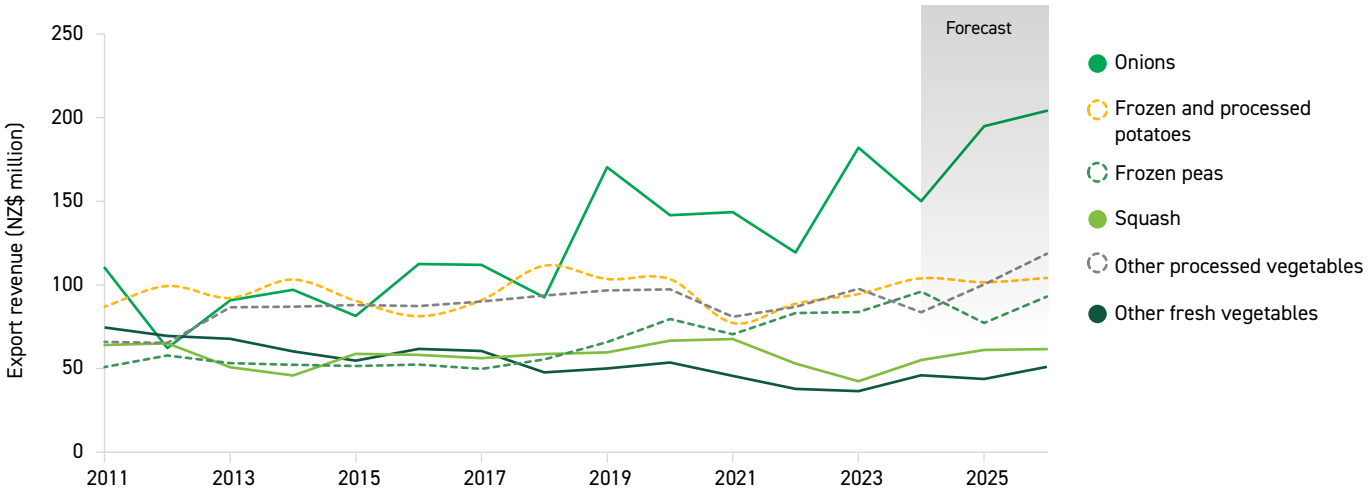
Fresh and processed vegetable export revenue is forecast to rise 7 percent this season, reaching $770 million (Figure 27). Fresh vegetable exports are expected to drive growth, with revenue forecast to rise 17 percent, while processed vegetable exports are expected to remain unchanged. High yields and quality are expected to increase exports of onions, squash, and other fresh vegetables, supported by strong demand, recent trade agreements with key markets (EU, Indonesia, and East and West Asia), and expanded access to China and Vietnam. High inventory levels are expected to keep processed vegetable sales flat and suppress market demand.

Vegetable exports showed a mixed situation last season and saw a slight decline with revenue down 2 percent to $721 million and volumes reaching a record low of 402,000 tonnes in the year to 30 June 2024. This export volume drop was due to a 12 percent decline in frozen and processed vegetable exports as fresh vegetable export volume grew by 6 percent. High prices for frozen and processed vegetables

have partially offset the impact of lower export volumes in this sector. Meanwhile, fresh vegetable revenue fell by 5 percent driven by a 10 percent drop in prices compared with the previous season. The increase in volume wasn't enough to boost revenue as expected.

The vegetable sector remains essential for national food security and nutrition. While fresh vegetable demand is expected to grow steadily, price sensitivity in the domestic market is squeezing margins for processed vegetable producers. Profitability remains tight for all crops due to high input costs and debt servicing despite softened interest rates. Rising labour and energy costs along with local rates continue to impact profitability though fuel prices have eased. Investment in automation and sustainable practices is crucial for competitiveness, but high upfront costs have slowed technology adoption.

Figure 27: Continued growth expected in fresh, frozen, and processed vegetable exports
Year to 30 June, export revenue, NZ$ million



Source: Stats NZ and MPI.

Seafood

Seafood export revenue is forecast to rise 3 percent to $2.2 billion in the year to 30 June 2025 driven by high seafood prices and a rebound in aquaculture volumes. High seafood prices are driven by a continued trend of tight global supply and sustained global demand. Recent declines in fuel costs ease margin pressures for fish farmers, fishers, and processors and contribute to the industry's positive outlook.

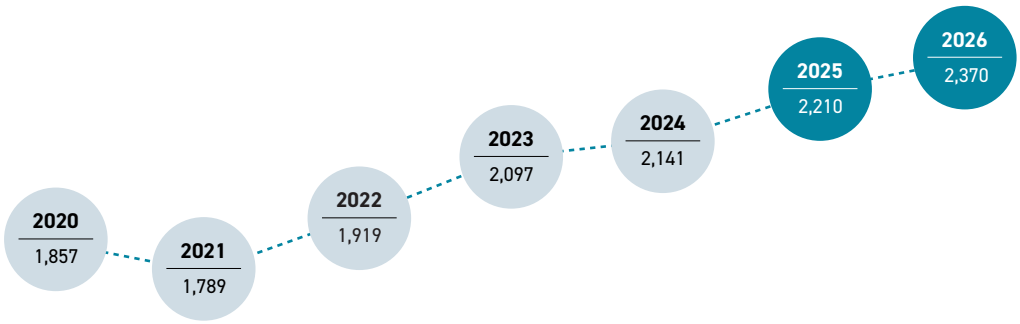


Table 7: Seafood export revenue 2020–26
Year to 30 June, NZ$ million

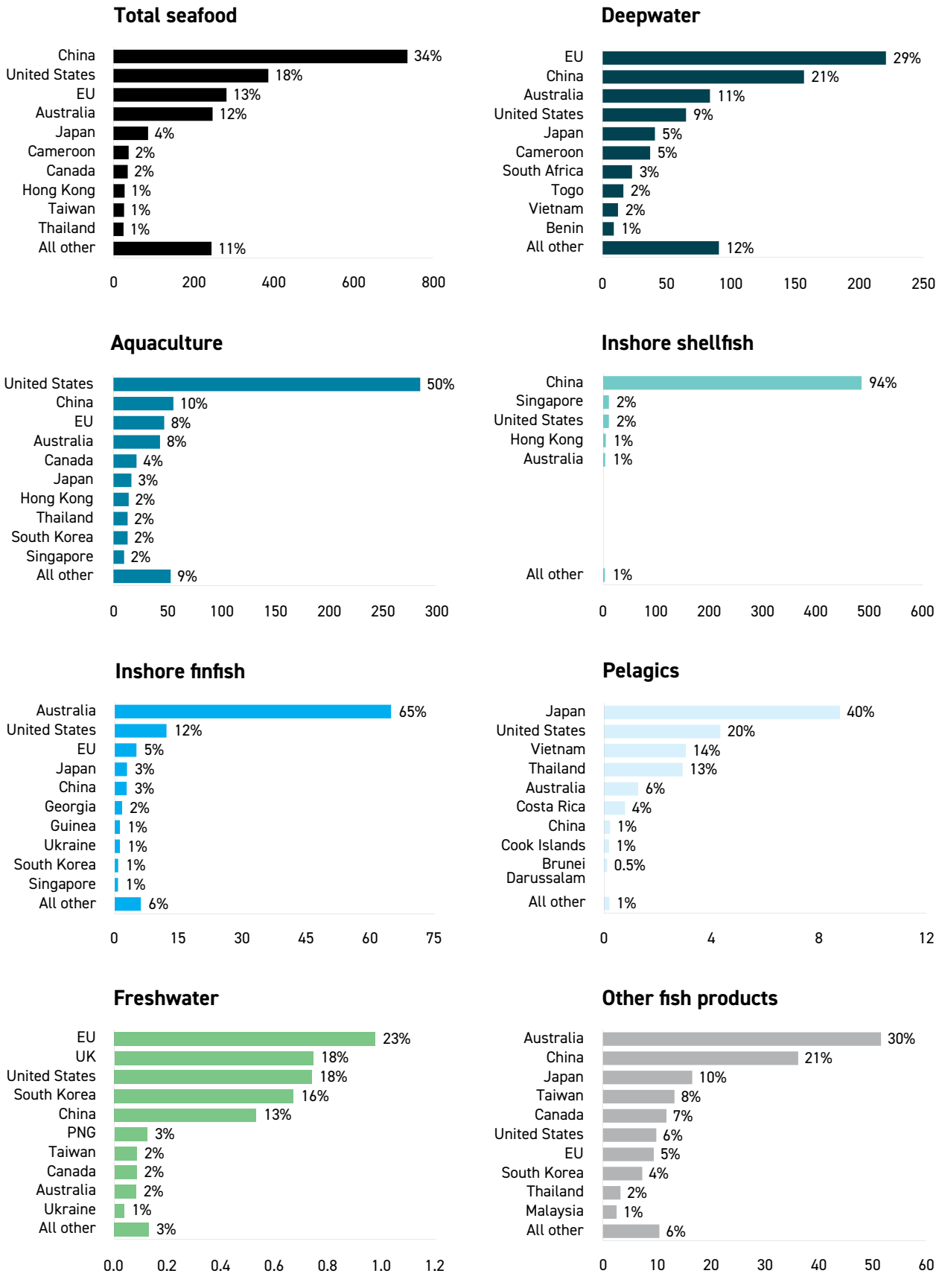
	Actual					Forecast	
Product	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Wild capture	1,399	1,363	1,448	1,569	1,568	1,580	1,680
Aquaculture	458	426	471	528	573	630	690
Total export revenue	**1,857**	**1,789**	**1,919**	**2,097**	**2,141**	**2,210**	**2,370**
Year-on-year % change	**–5%**	**–4%**	**7%**	**9%**	**2%**	**3%**	**7%**

Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.

Source: Stats NZ and MPI.

Top seafood export markets

Year to 30 June 2024, NZ$ million and percent



Source: Stats NZ.

Flexibility drives deepwater performance

Deepwater export revenue increased 3 percent to $759 million in the year to 30 June 2024 driven by rising export volumes. Low squid abundance resulted in increased targeting of lower-priced mackerel, driving export volumes up 3 percent to 149,900 tonnes and decreasing average deepwater export prices by 1 percent to $5.06 per kilogram. As a result, mackerel replaced squid as the fifth most valuable species by export revenue this year. The commercial catch limit for jack mackerel increased in October 2024 by 3,000 tonnes to give fishers more flexibility to adjust their fishing plans amidst uncertain squid stock availability in the unfolding season.

Hoki remains New Zealand's most valuable deepwater fishery. In 2023/24, hoki export revenue increased 4 percent to $251 million driven by a 5 percent rise in export prices, which compensated a 1 percent decline in export volumes due to lower fish catch. During the same period, the EU surpassed China to become the top export destination for hoki, partly supported by the ratification of the NZ-EU FTA in May 2024.

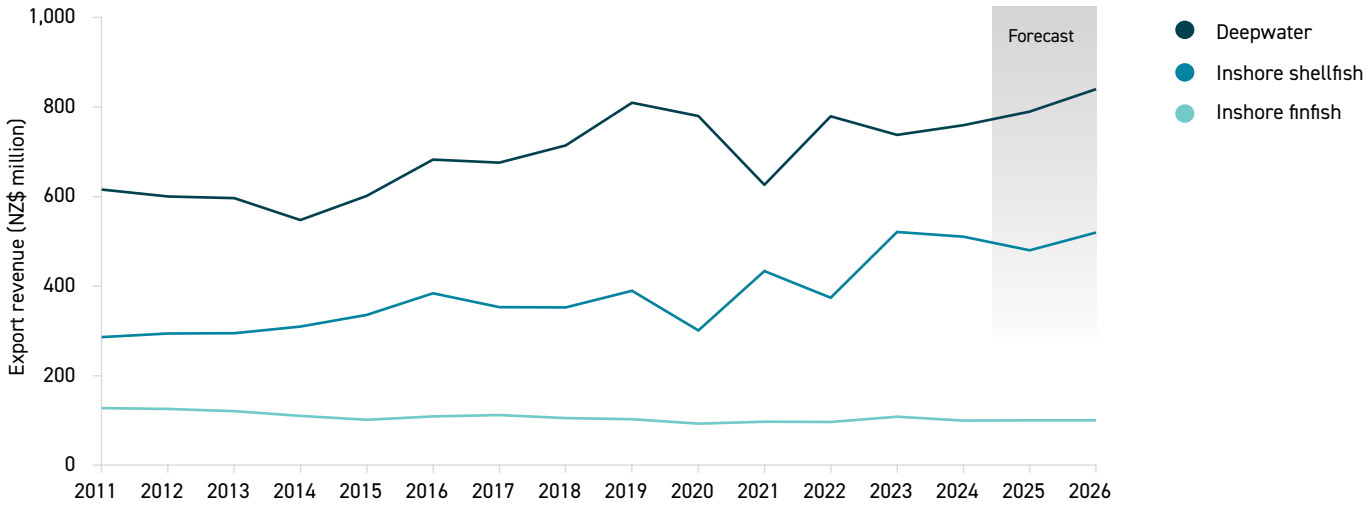
Deepwater export revenue is forecast to increase 4 percent to $790 million in 2024/25 driven by higher export prices due to sustained demand and tight supply (Figure 28). Deepwater export volumes are expected to remain flat with production from deepwater fisheries continuing to be managed within sustainable limits.

Inshore fisheries revenue declines amidst volume reductions and market shifts

Export revenue for inshore fisheries declined 3 percent to $610 million in the year to 30 June 2024 primarily due to a 13 percent reduction in export volumes that more than offset the 12 percent increase in export prices. Reduced demand from Australia and a temporary US ban on New Zealand fish imports contributed to export volume declines across some species, with snapper down 8 percent, kahawai down 20 percent, dogfish down 8 percent, and trevally down 45 percent. The US ban has now been lifted and an increase to commercial catch limits for snapper of around 1,000 tonnes from October 2024 has been implemented. Inshore export prices were driven by high rock lobster and pāua prices due to high demand in the first two quarters of the financial year.

After reaching a peak in the March 2024 quarter, rock lobster export prices to China fell in the June and September quarters, primarily influenced by lower foodservice spending and softened demand. China's recent decision to lift its ban on Australian rock lobster imports by the end of 2024 is expected to apply further downward pressure on New Zealand rock lobster prices. Consequently, inshore shellfish export revenue is forecast to fall 6 percent to $480 million in the year to 30 June 2025 and recover in 2025/26 as the economy of China improves and demand increases. Finfish export revenue is expected to remain flat through to 2025/26.

Figure 28: Deepwater export revenue forecast to increase while inshore is expected to be mixed
Year to 30 June, export revenue, NZ$ million



Source: Stats NZ and MPI.

Aquaculture actively building on past growth

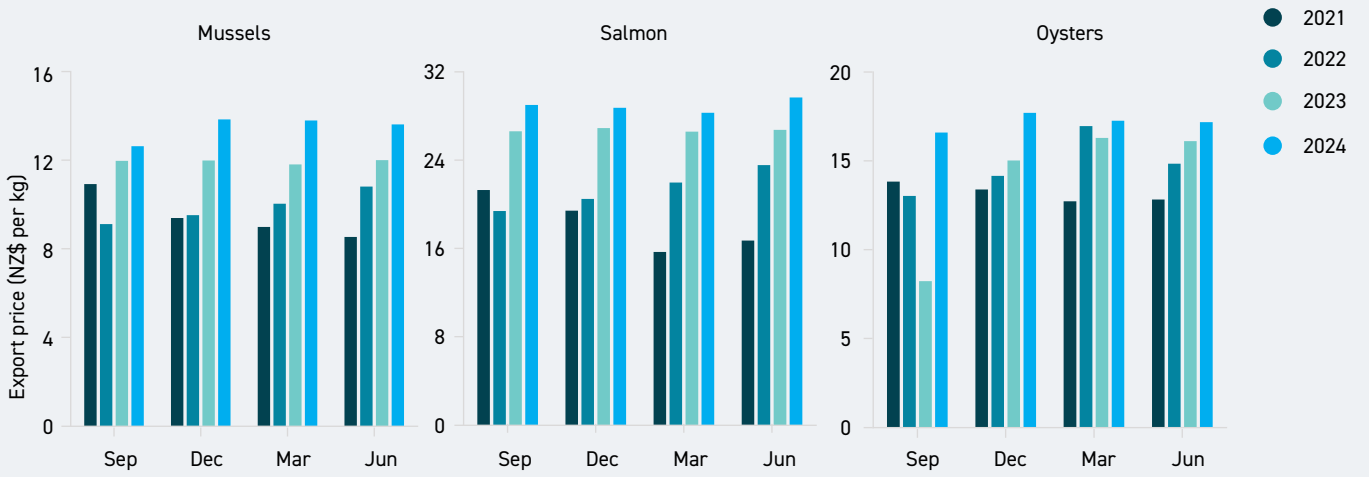
Aquaculture export revenue is forecast to increase 10 percent to $630 million in the year to 30 June 2025 driven by higher export prices and a rebound in export volumes. Export volumes are expected to rise driven by increased salmon production supported by reducing fish farming costs. In 2025/26, prices for salmon are expected to stabilise as global production increases and result in a more balanced supply and demand.

In 2023/24, aquaculture export revenue increased 8 percent to $573 million. This growth was driven by a 14 percent increase in mussel, salmon, and oyster export prices, which more than offset a 5 percent drop in export volumes. Strong demand and tight supply for mussels, salmon, and oysters helped keep prices high (Figure 29). Lower export volumes were largely driven by lower production of mussels, where low spat supply and high spat mortality early in the production cycle contributed to reduced output.

Government and industry are actively addressing mussel production challenges through investments into research as well as mussel hatchery and nursery projects. These initiatives demonstrate government and industry commitment to innovation and collaboration to grow the mussel sector.

A 20-year extension to the coastal permits for all marine farms in New Zealand will increase certainty and investment confidence for the aquaculture industry. Production capacity and resilience for the aquaculture industry would be supported by new farms, land-based hatcheries, and marine spat catching and nursery sites.

Figure 29: Mussels, salmon, and oysters export prices remained high in 2023/24
Year to 30 June, quarterly export prices, NZ$ per kg



Source: Stats NZ and MPI.

Arable

Arable export revenue is expected to grow by 4 percent to $360 million in the year to 30 June 2025. This increase builds on a 27 percent lift in revenue in 2023/24 driven by significantly higher vegetable, ryegrass, and clover seed export volumes. Strong global demand, New Zealand's quality reputation, and market diversification are driving growth in arable export revenue despite soft domestic demand, and volatile spot markets. Also supporting this forecast is a positive harvest outlook due to no major pest issues and favourable weather conditions.

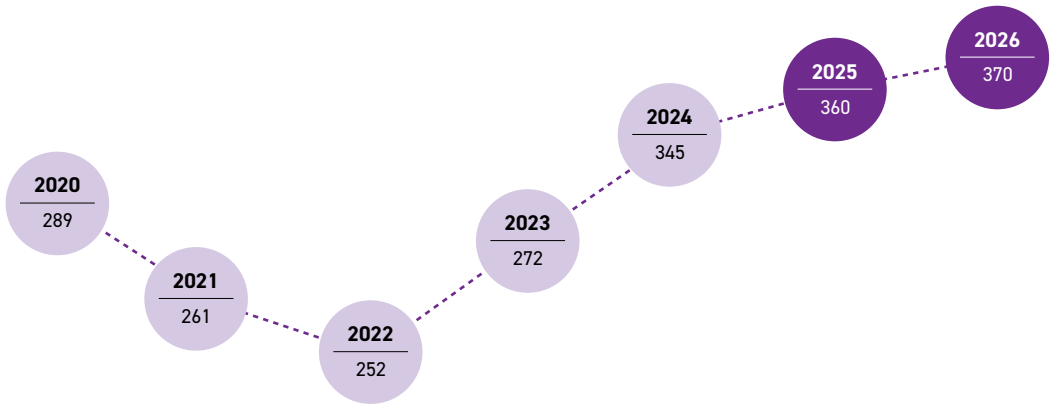


Table 8: Arable export revenue 2020–26
Year to 30 June, NZ$ million

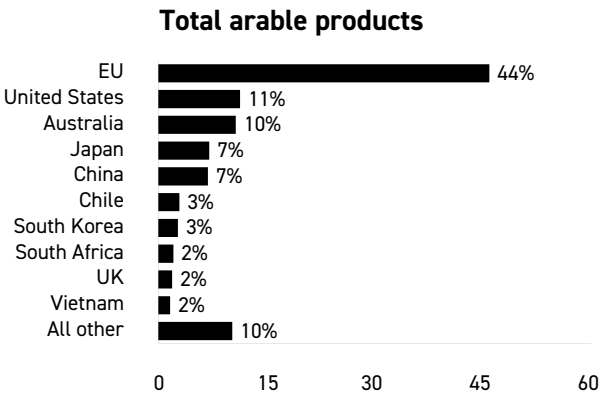
	Actual					Forecast	
Product	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Vegetable seed	112	89	86	102	124	130	130
Ryegrass seed	73	80	80	75	96	95	95
Clover seed	31	26	19	21	40	45	50
Other grains and seeds*	74	66	67	75	85	90	90
Total export revenue	**289**	**261**	**252**	**272**	**345**	**360**	**370**
Year-on-year % change	**22%**	**–10%**	**–4%**	**8%**	**27%**	**4%**	**3%**

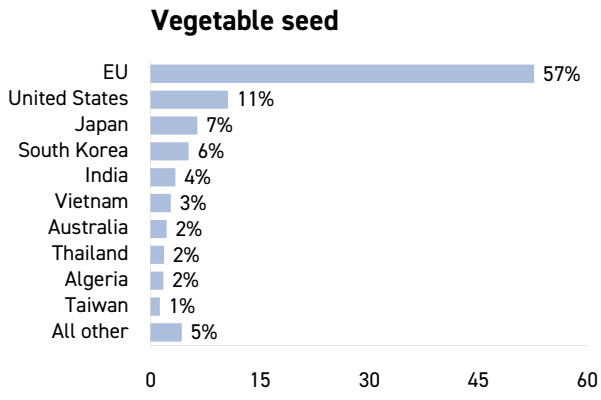
* Includes maize, other grains, and oil seeds.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.

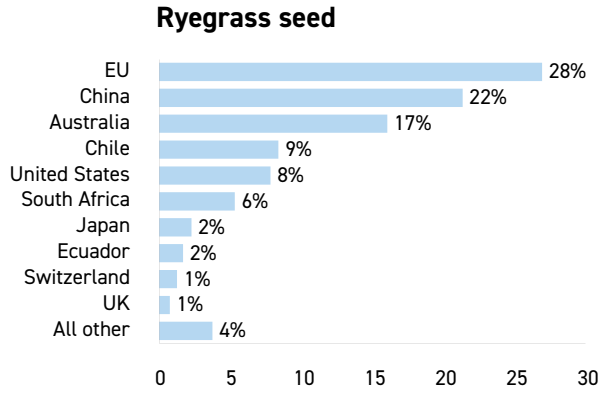
Source: Stats NZ and MPI.

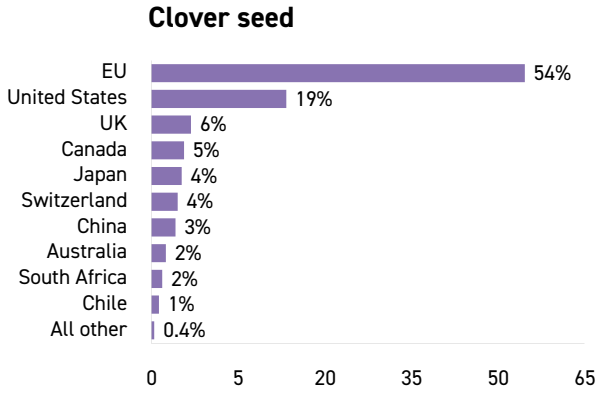
Top arable export markets

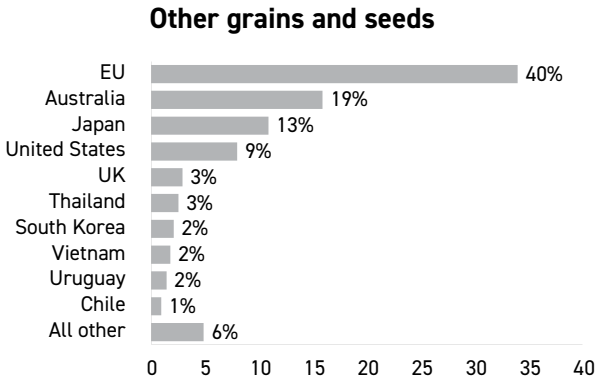
Year to 30 June 2024, NZ$ million and percent











Source: Stats NZ.

Growers' profitability squeezed despite higher prices

New Zealand's arable sector experienced favourable weather in the 2023/24 season, with dry conditions in some pockets in the Mid and South Canterbury having little impact on overall output. The eastern coast of the North Island had a wet spring, which meant late planting of maize and some crops not being planted at all during the 2023/24 season.

Improved practices have resulted in strong yields of key crops such as wheat, barley, and ryegrass, enhancing both domestic consumption and exports. Strong demand from main markets along with a weakened NZD have increased export revenue.

Despite rising exports, high production costs continue to pressure profitability, even with the recent fall in interest rates. Rising energy costs and ongoing infrastructure and logistical challenges remain concerns as high energy costs also strain the drying process, likely impacting maize seed supply. Positive forecasts for the lamb and dairy sectors combined with challenging weather in Australia and the northern hemisphere may benefit the arable outlook. Export volume and revenue are forecast to grow but at a slower rate than last season. Increased supply from Europe and the US in the global market will likely impact export prices for New Zealand and ultimately reduce revenue growth.

Optimistic season outlook despite mixed grain prices and continued high costs

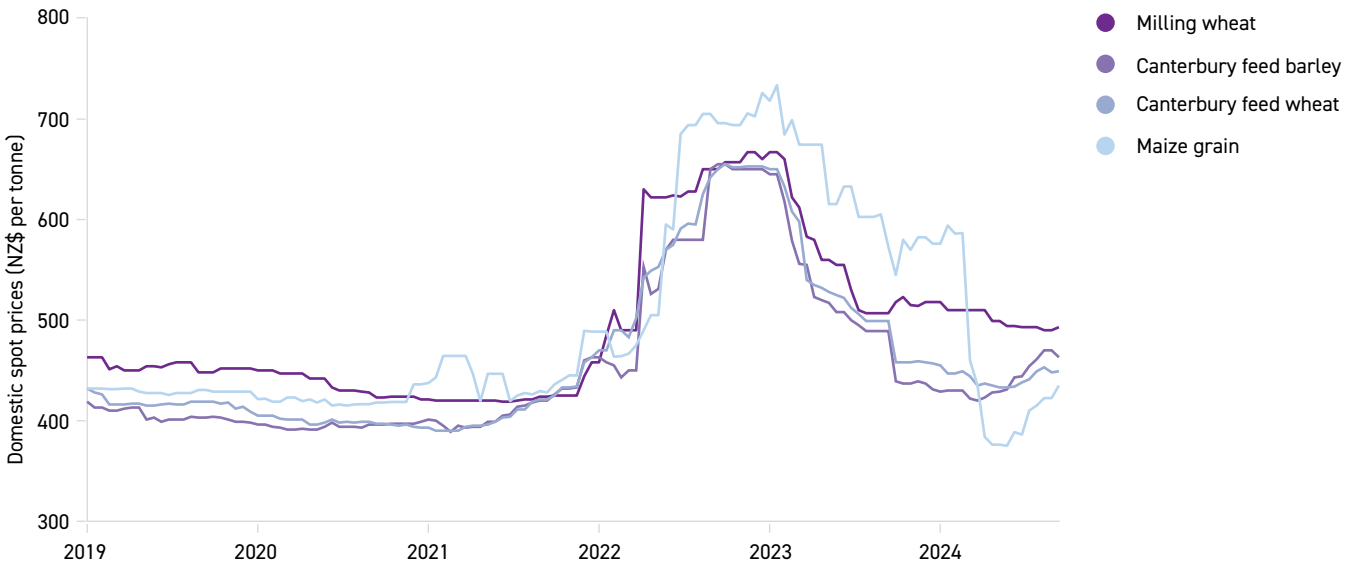
From mid-2023 to October 2024, New Zealand's domestic grain prices varied. Milling wheat prices declined slightly while feed wheat, barley, and maize gradually rose, partly due to higher energy costs for drying amid seed uncertainty (Figure 30). Globally, grain prices were mixed, with US and European trends reflecting reduced Russian exports and poor US winter wheat ratings. Domestically, demand is softening, but the harvest outlook is optimistic with no major pest issues and a neutral to weak La Niña forecast. High energy costs are adding cost pressures despite lower interest rates while stable export demand and easing costs for other inputs partially support profitability amid inflation concerns.

Export revenue forecast to continue growing past record highs

Arable export revenue in the year to 30 June 2024 exceeded forecasts, rising strongly by 27 percent to $345 million. Key contributors included $20 million increases in export revenue for clover seed, ryegrass seed, and vegetable seed. Positive trends from the past two seasons are forecast to continue, supporting a strong outlook for this season and beyond (Figure 31).

After three challenging years, last season's clover seed achieved impressive growth with a 60 percent increase in export volume, boosting revenue by 90 percent. The forecast

Figure 30: Domestic grain prices declined most of the year but are now showing signs of revival
Year to 31 December, domestic spot prices, NZ$ per tonne



Source: NZX Grain and Feed Insight.

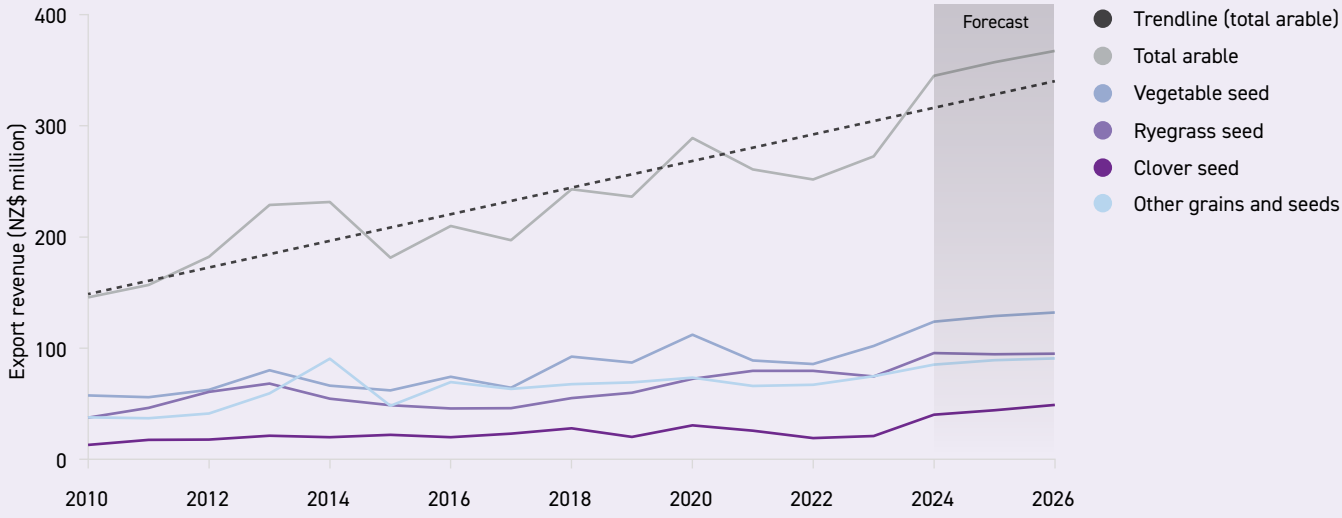
expects another 10 percent revenue growth this season. Ryegrass seed exports also saw a 25 percent rise in volume and a 28 percent increase in revenue after two years of decline. However, the forecast this season is flat. This is expected to continue next season due to persistently high global stock levels.

Vegetable seed exports performed well in 2023/24, showing a solid 16 percent increase in volume and a 21 percent rise in revenue. Vegetable seed export revenue is forecast to rise by 4 percent this season despite a 4 percent drop in volume. Rapeseed and forage seeds, including forage kale, fescue, and cocksfoot, are expected to drive another 5 percent revenue growth for other grains and seeds in 2024/25 following 14 percent export growth last season.

Despite volatile spot markets, growth in arable export revenue is being driven by strong global demand, New Zealand's quality reputation, and market diversification.

Figure 31: Strong growth in arable exports with modest positive forecast ahead

Year to 30 June, export revenue, NZ$ million



Source: Stats NZ and MPI.

Processed food and other products

Total export revenue for processed food and other products is expected to increase by 1 percent to $3.5 billion in the year to 30 June 2025. Export revenue growth is forecast for innovative processed foods, cereal products, soup and condiments, and sugar and confectionery products. However, these increases are expected to be partially offset by a notable decrease in revenue from other products while honey export revenue is forecast to remain largely unchanged compared with 2023/24.

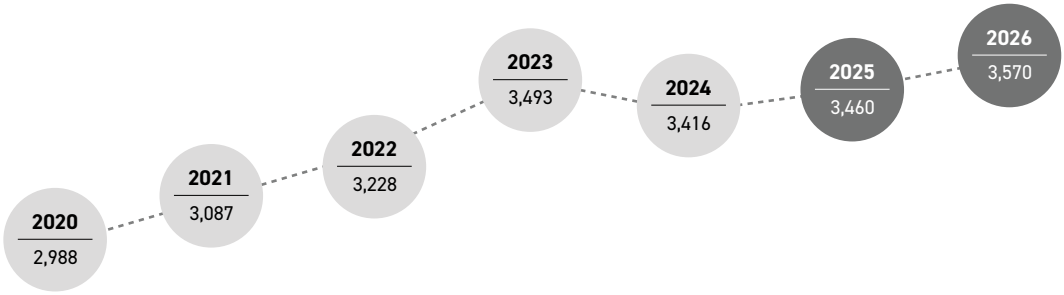


Table 9: Processed food and other products export revenue 2020–26

Year to 30 June, NZ$ million

	Actual					Forecast	
Product	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Other products*	766	716	835	884	1,015	950	1,000
Innovative processed foods	785	652	680	810	865	900	930
Honey	425	481	455	379	419	420	430
Sugar and confectionery products	249	285	312	394	396	410	420
Cereal products	293	286	296	329	323	350	350
Live animals**	273	488	474	486	208	220	230
Soup and condiments	197	180	176	210	190	200	210
Total export revenue	**2,988**	**3,087**	**3,228**	**3,493**	**3,416**	**3,460**	**3,570**
Year-on-year % change	**5%**	**3%**	**5%**	**8%**	**–2%**	**1%**	**3%**

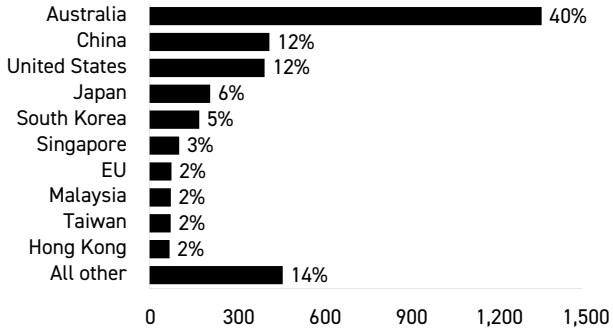
* Includes beverages, vegetable-based dyes, and spices.
** Includes horses, cattle, poultry, goats, and other animals. Live poultry was forecast prior to the recent avian influenza case in Otago and does not reflect any potential impact.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.
Some values for 2023 have been updated due to revisions made by Stats NZ.

Source: Stats NZ and MPI.

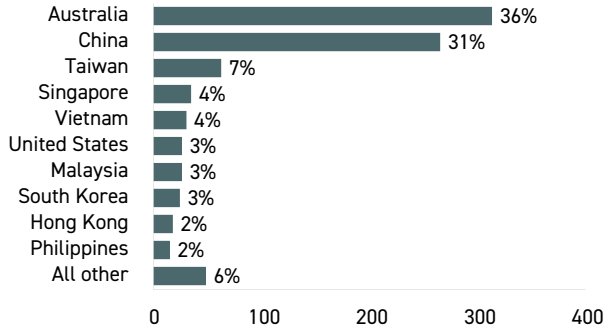
Top processed food and other products export markets

Year to 30 June 2024, NZ$ million and percent

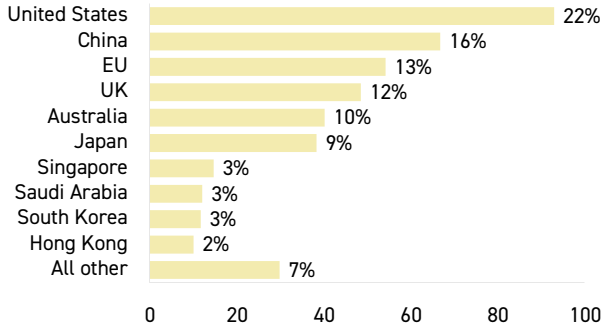
Total processed food and other products



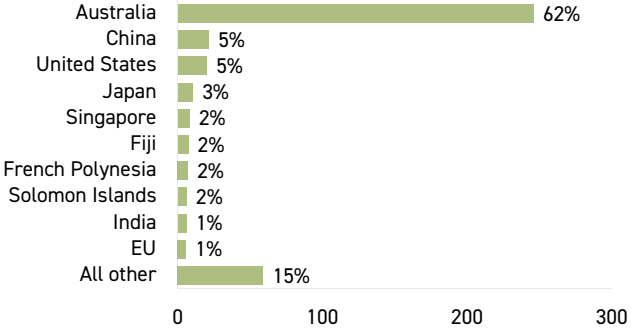
Innovative processed foods



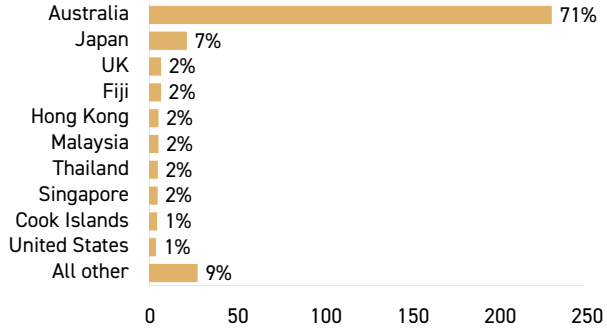
Honey



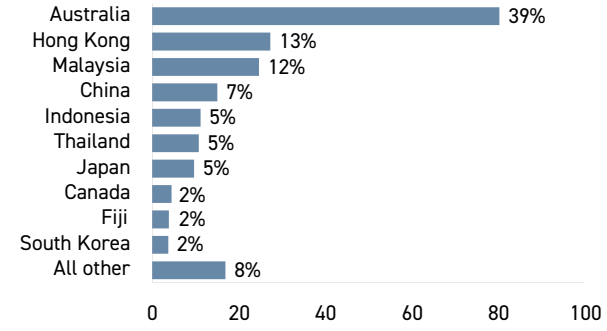
Sugar and confectionery products



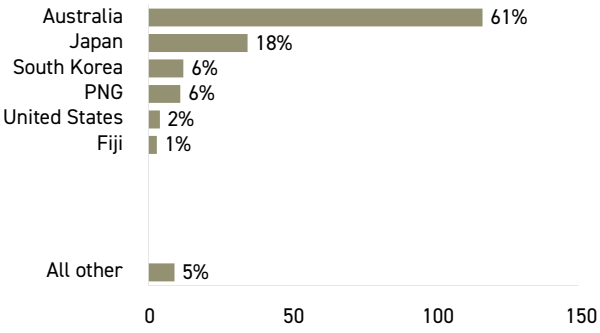
Cereal products



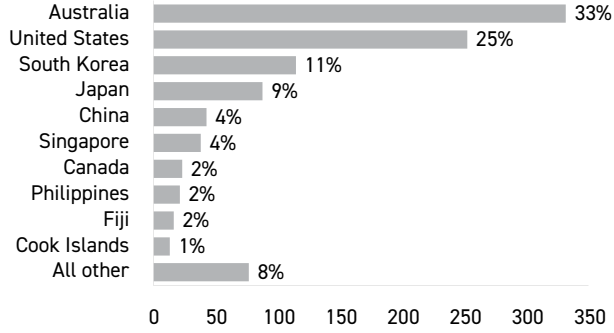
Live animals



Soups and condiments



Other products



Source: Stats NZ.

Honey export revenue forecast to remain stable as lower prices for monofloral mānuka honey are offset by higher export volumes

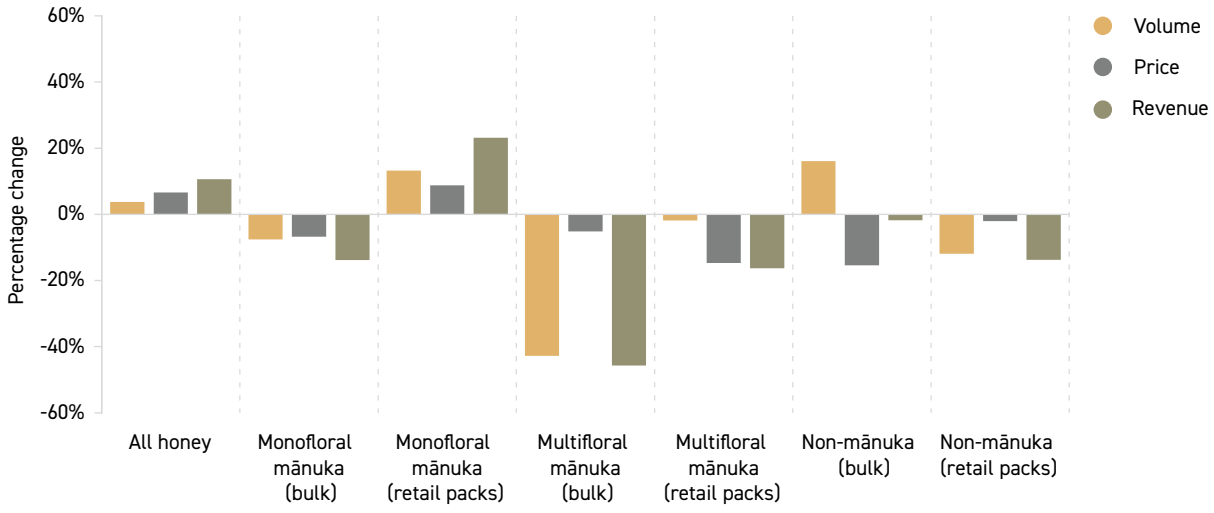
Honey export revenue increased 11 percent to $419 million in the year to 30 June 2024 driven by increases in both export prices and volumes for monofloral mānuka retail pack honey (Figure 32). However, average monofloral mānuka honey prices have already fallen in the year to date. As a result, export revenue is forecast to remain stable at $420 million in the year to 30 June 2025 with the lower prices being offset by higher export volumes for monofloral mānuka honey. Monofloral mānuka honey continues to contribute over 80 percent of the honey sector's export revenue.

Beekeeper, apiary, and colony numbers as at 1 June 2024 show a continuing decline from the previous year, affecting honey production in 2023/24. However, there are still large honey stocks available for export. Export prices vary across markets and varieties. Most notably, due to fluctuations in demand and oversupply, the average price of monofloral mānuka honey across all markets has decreased by 16 percent since the March quarter (Figure 33). However, it is expected that, once production settles at more sustainable levels and inventory levels clear, volatility of farmgate prices will reduce across all honey types and give more certainty to producers over the longer term.

Demand from China for monofloral mānuka honey is relatively low and is expected to remain at lower levels until at least 2026 driven by constrained consumer spending and existing inventories. Demand from Australia was also lower in the first quarter of 2024/25 compared with the same period in 2023/24. However, demand increased from the US, the EU, and the UK in the first quarter and is expected to continue growing.

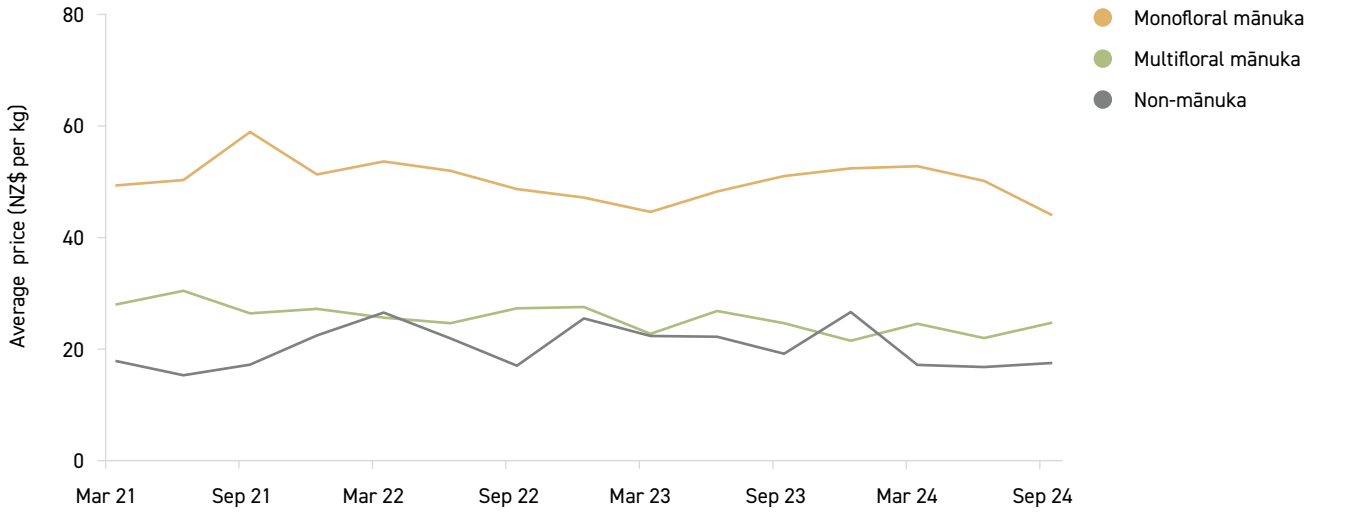
Tariff reductions and easing of global inflation are expected to support future honey exports. The NZ-EU FTA, which came into force in May 2024, removed the 17.3 percent tariff on mānuka honey to the EU and agreed the removal of remaining honey tariffs after three years. Additionally, NZ-UAE FTA negotiations, concluded in September 2024, included the removal of a 5 percent tariff on New Zealand honey.

Figure 32: Prices and volumes up for monofloral mānuka retail packs in 2023/24
Year to 30 June 2023 compared with year to 30 June 2024, percentage change



Source: Stats NZ and MPI.

Figure 33: Monofloral mānuka honey prices have fallen since March 2024
Year to 30 June, average price, NZ$ per kg



Source: Stats NZ and MPI.

Drop in US demand for biofuel feedstock will be offset by steady export growth across most processed food products

In 2023/24, the US energy and transportation sectors were importing large volumes of inedible oils for biofuel feedstock due to concerns over potential supply shortages. This led to record export revenue of $136 million for these oils and other vegetable oil products from New Zealand. Export volumes have fallen closer to previous levels for the 2024/25 year to date, and it is unlikely that exports will pick up again over the forecast period due to a concerted effort in the US to boost biofuel production and to source feedstock from local suppliers as much as possible going forward. As a result, the other products category is forecast to decrease 6 percent to $950 million in 2024/25.

Continued export revenue growth for beverages and flavourings is forecast to take the other products category over $1 billion again in 2025/26, contributing to a 3 percent increase to $3.6 billion for processed food and other products.

Export revenue for innovative processed foods, which includes many health products, dietary supplements, prepared meals, and processed food ingredients, has been steadily growing since 2021/22. An average price increase of 38 percent to China and substantial volume increases to Taiwan and Malaysia contributed to a 7 percent increase in export revenue in 2023/24 to $865 million.

The innovative processed foods category is expected to increase a further 4 percent to $900 million in 2024/25 driven by modest increases in export volume and average price (Figure 34). Demand for health products and ingredients from New Zealand continues to grow in East and Southeast Asia, and export revenue is forecast to continue increasing in 2025/26.

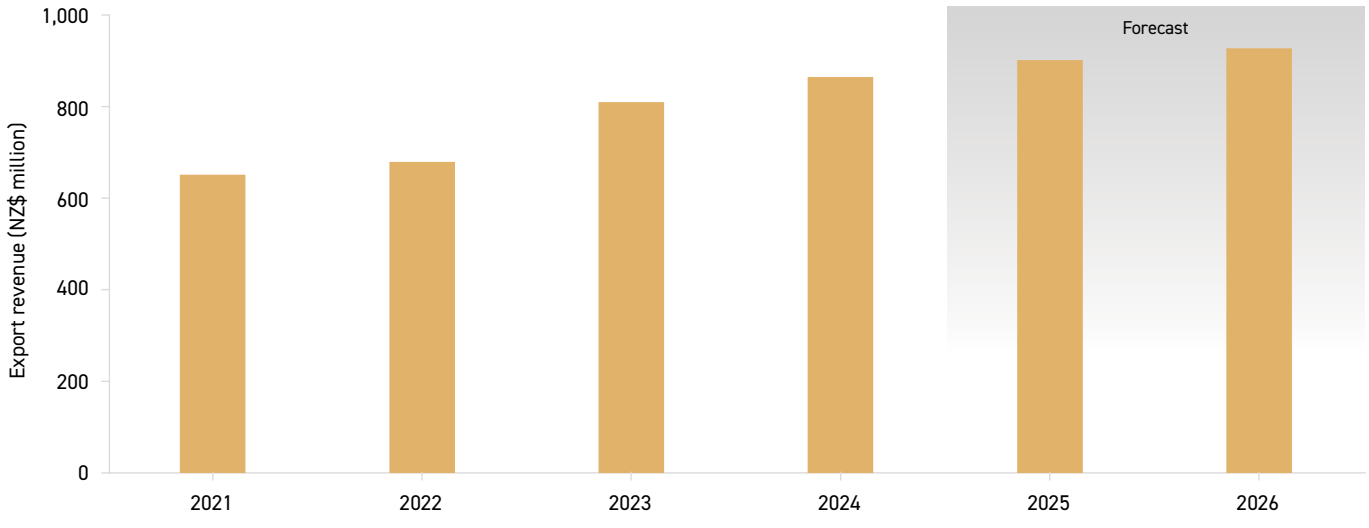
Soup and condiments, sugar and confectionery products, live animals, and cereal products are all forecast to increase in export revenue in 2024/25. Export revenue from cereal products is forecast to achieve the highest growth of 8 percent driven by continued price elevation and increased volume to Australia.

New Zealand producers should be relatively insulated from global cocoa supply issues

There has been a spike in global cocoa prices in 2024 due to unfavourable weather and crop disease in Africa, which affected cocoa production and disrupted the large cocoa supply chain through Europe. About two-thirds of New Zealand's cocoa supply has been coming from the Asia Pacific region in recent years, with the remaining third coming mainly from Ghana. The steady supply from the Asia Pacific region means that domestic producers reliant on cocoa should be relatively secure or otherwise able to find alternative supplies if necessary.

The inflated prices for cocoa and chocolate haven't affected chocolate export volumes in 2024/25 so far. Export volumes were up 13 percent for the September 2024 quarter compared with the same time last year, leading to record high quarterly revenue of $55 million. The 2024/25 cocoa growing season in Africa is expected to improve, mainly due to more favourable weather conditions, which could help to bring the cocoa price down gradually throughout 2025.

Figure 34: Export revenue from innovative processed foods expected to reach $900 million in 2024/25
Year to 30 June, export revenue, NZ$ million



Source: Stats NZ and MPI.

Artificial intelligence in New Zealand and global food systems

MPI will shortly release recent insights into AI in the food and fibre sector. *Artificial Intelligence: A Snapshort of AI in New Zealand and Global Food Systems* includes insights from food system AI users domestically and internationally and aims to help build the sector's understanding of what AI can do and its future potential and showcases several AI applications already in use.

For example, there are four main types of AI being deployed worldwide:

- **Predictive:** For accurately forecasting what's next – for example, crop health and yields, detecting potential diseases or analysing satellite images, weather data, and soil health data to optimise crop yields and improve harvest quality.
- **Control:** For making smart decisions in sequence – for example, autonomously operated machines that sort fruits, vegetables, and grains based on size, ripeness, colour, and quality to streamline sorting and grading for faster throughput and improved accuracy.
- **Discovery:** For finding hidden patterns and insights – for example, using patterns in data to analyse chemical and molecular structures to predict bioactivity in compounds, or using machine learning models to process extensive databases of natural compounds to find those that may have anti-inflammatory, antioxidant, or other health-enhancing properties.
- **Generative:** For creating new content – for example, writing marketing material or designing a new product.

A key insight from our research and interviews with sector companies is that, while the popular focus is currently on generative AI and large language models, concentrating on these risks missing the bigger and more transformative role of wider AI applications. For most businesses in the global food system, the value will come from predictive, control, and discovery forms of AI, with generative applications playing a lesser role.

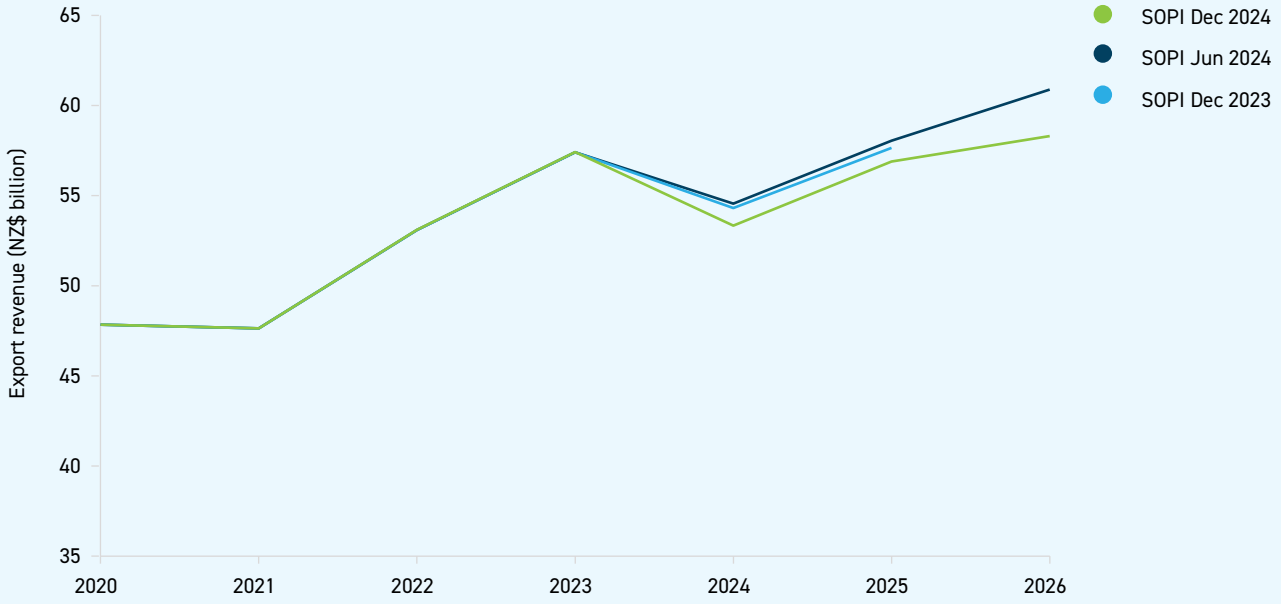
Other insights from our work include company perspectives on New Zealand's readiness for increased AI uptake and some thoughts on how AI is improving food and fibre sector productivity and future implications of this.

Forecast tracking

Export revenue forecast for the year to 30 June 2025 has been revised downwards 2 percent compared with the forecast published in June 2024 (Figure 35), with lower forecast volumes for most sectors.

Figure 35: MPI export revenue forecasts

Year to 30 June, export revenue, NZ$ billion



Source: Stats NZ and MPI.

Table 10: Export forecast comparison 2020–26

Year to 30 June, NZ$ million

		Actual					Forecast	
Sector	Forecast round	2020	2021	2022	2023	2024	2025	2026
Dairy	Dec 2024	20,102	19,055	21,998	26,008	23,231	25,500	25,560
	Jun 2024	20,102	19,055	21,998	26,008	24,160	25,750	27,110
	Difference	0%	0%	0%	0%	–4%	–1%	–6%
Meat and wool	Dec 2024	10,617	10,373	12,310	12,114	11,336	11,390	11,870
	Jun 2024	10,617	10,373	12,310	12,114	11,450	11,770	12,200
	Difference	0%	0%	0%	0%	–1%	–3%	–3%
Forestry	Dec 2024	5,452	6,499	6,578	6,353	5,748	5,980	6,100
	Jun 2024	5,452	6,499	6,578	6,353	5,880	6,170	6,390
	Difference	0%	0%	0%	0%	–2%	–3%	–5%
Horticulture	Dec 2024	6,541	6,579	6,825	7,088	7,116	8,000	8,470
	Jun 2024	6,541	6,579	6,815	7,066	7,110	8,020	8,630
	Difference	0%	0%	0%	0%	0%	0%	–2%
Seafood	Dec 2024	1,857	1,789	1,919	2,097	2,141	2,210	2,370
	Jun 2024	1,857	1,789	1,919	2,097	2,200	2,490	2,590
	Difference	0%	0%	0%	0%	–3%	–11%	–8%
Arable	Dec 2024	289	261	252	272	345	360	370
	Jun 2024	289	261	252	272	310	310	310
	Difference	0%	0%	0%	0%	11%	16%	19%
Processed food and other products*	Dec 2024	2,988	3,087	3,228	3,493	3,416	3,460	3,570
	Jun 2024	2,988	3,087	3,228	3,491	3,450	3,550	3,650
	Difference	0%	0%	0%	0%	–1%	–3%	–2%
Total exports	**Dec 2024**	**47,846**	**47,642**	**53,110**	**57,425**	**53,333**	**56,890**	**58,310**
	Jun 2024	**47,846**	**47,642**	**53,100**	**57,402**	**54,560**	**58,050**	**60,890**
	Difference	**0%**	**0%**	**0%**	**0%**	**–2%**	**–2%**	**–4%**

* Includes live animals, honey, and processed food.
Totals may not add up due to rounding.
Percentages are rounded to the nearest whole percent.
Some values for 2022 and 2023 have been updated due to revisions made by Stats NZ.

Source: Stats NZ and MPI.

Economic Intelligence Unit online resources

More primary industry data can be found on the MPI website: **www.mpi.govt.nz/EIU**

Market Insights

Reports that provide insights into consumer preferences and purchasing behaviour as well as in-depth research into the channels that supply them.

Situation and Outlook for Primary Industries

The latest update and underlying data for our outlook on the food and fibre sector plus access to previous SOPI reports.

Farm Monitoring

Data and reports on farm-level production, expenditure, and profit trends of individual primary industry sectors.

Data

A range of publicly available data covering primary industry production and trade.