TONY'S VIEW

Input to your Strategy for Adapting to Challenges

Feel free to pass on to friends and clients wanting independent economic commentary

ISSN: 2703-2825 Thursday 12 March 2020
To subscribe, email me…tonyalexander5@outlook.com
To enquire about having me in as a speaker, same address.

My Aim

To help Kiwis make better decisions for their businesses, investments, home purchases, and people by writing about the economy in an easy to understand manner.

Recession – But not as you know it

In last week's Tview I noted that some 29% of Kiwi employees have never seen a recession before. However, there's a good chance if you are reading this that recession is nothing new to you. Maybe you remember recessions of the past and you're planning to do the same things you did back then. But be careful. This is not a typical recession and your response needs to take that into account.

We are not being hit by our traditional recession causes.

1. Soaring oil prices
2. Collapsing export prices
3. High mortgage interest rates near 11%
4. A high Kiwi dollar
5. A financial sector crash

Oil prices are falling and, as a net energy importer, this is good for our economy. Our terms of trade just hit a record high. Mortgage rates are the lowest you've ever seen with more falls to come. The NZ dollar is below average. Financial institutions are in good shape and sharemarkets have been long overdue for a 20% correction.

The way in which the Covid-19 outbreak affects our economy is going to be quite different from past downturns, and the period of most intense weakness outside tourism is likely to be quite short-lived.

Many firms in the primary export sector, construction, and manufacturing will be only temporarily affected by the now-reversing shutdown of many factories and distribution centres and networks in China. The pain for the affected firms risks being intense for those who might have just missed out on getting a restocking of imports or whose ship arrived at a Chinese port just as it was closing down.

For these businesses the government response to the virus needs to be temporary and it needs to be varied by each business to reflect their different circumstances. An easing of monetary policy by the Reserve Bank and a general stimulatory fiscal package of higher government spending and/or tax cuts will be of negligible assistance if any.

The situation is different for the tourism sector because this involves physical trade in people and their experiences rather than building products or seafood. Unlike a wall, log or crayfish, individuals can choose whether to undertake a travel activity or not and in the context of a virus outbreak most potential travellers are likely to choose to defer their international tourism, business travel, and personal travel experience for 2020.

Thus, through voluntary choice, as well as bans on people arriving from some countries, the travel industry around the world is about to experience the biggest decline outside a war environment that it has ever seen. A travel depression.

For this sector the government's response here, and the response of authorities overseas, will need to be different in magnitude and timing. But it will be a response with the knowledge that there is nothing the government will be able to do to create an increased willingness of people overseas to travel here during the outbreak. No policy will bring more foreign visitors here, and that includes interest rate cuts, higher government spending, tax cuts, or extra offshore marketing of New Zealand.

All that can be done is to ensure New Zealand's brand is maintained during the virus crisis so that restoration of flows can be restored as quickly as possible once the outbreak's effects end.

Tony's View

A great number of travel-dependent businesses will not survive and there is little point directing assistance at those which cannot continue. For other businesses the incentive is to identify as quickly as possible any core function which needs preserving through to the upturn, and abandoning or putting into hibernation the rest.

How many of the 165,000 people employed directly and indirectly in the international travel sector in NZ will lose their jobs we cannot know.

The following table gives a rough guide to international tourism spending as a proportion of GDP for each NZ region. This is not a contribution to GDP measure as the tourist spending numbers used are not net of inputs and they include GST.

The table just gives us a guide as to which regions of New Zealand will be most affected by the tourism decline. There are a couple of important things to note. The total tourist spending number used of near $17bn over 2019 includes near $4bn of spending by students studying for less than 12 months and most of that study will be in Auckland, with a lot also in Christchurch and Wellington.

In addition, there is another $2bn+ of international air travel included in the numbers and that will also bias upward the numbers for Auckland, Christchurch, and Wellington.

What we can confidently say is that the parts of the country which will take the greatest proportionate economic hit from the coming tourism decline are Otago, the West Coast, Southland, Marlborough, Bay of Plenty (Rotorua), then Waikato.

	% ratio to GDP
Otago	18.1
West Coast	16.4
Canterbury	4.8
Southland	4.8
Marlborough	4.6
Auckland	4.5
Bay of Plenty	3.8
Northland	3.7
Waikato	3.0
Wellington	2.5
Nelson/Tasman	2.3
Hawke's Bay	2.2
Manawatu-Whanganui	1.7
Gisborne	1.7
Taranaki	1.2

Note that some of these most affected regions will to date not have much noticed the decline because so far it has been concentrated in a falloff of Chinese visitors. As the decline spreads to all other source countries all regions will feel the pullback.

In our main urban areas, short of an outbreak causing confinements, most people and businesses won't notice much beyond

- the absence of tourists in some shopping, eating, and recreational locations,
- fewer people in the airports,
- advertised discounts.

But here is an interesting thing to consider. We have all so far focussed on the coming collapse in foreign travel here, and made the obvious comment that operators need to try and encourage Kiwis to holiday domestically. That might seem like a glib and easy thing to say. But it pays to look at the numbers to see that this is a potential survival route for a great number of businesses.

In calendar 2019 almost 4 million foreigners visited us. In the same year we made 3.2 million trips offshore. I have had feedback of a 90% decline in us Kiwis booking offshore holidays. The opportunity to encourage you and I to holiday domestically is huge and that is where I would be allocating a decent part of the government stimulus package for the tourism sector. The payoff could be more than one might first think.

Domestic travel is one obvious potential spending growth area. Another, contrary to what you expect in a downturn, could be electronics. I recall back in the 1970s, before things turned bad for my family in the housing collapse, Mum and Dad discussing a trade-off. Take a family trip to Fiji, or buy a colour TV. They opted for the TV and we got to see Steve Austin running in slow motion in colour.

Cancel Minimum Wage Increase?

Should the government cancel or postpone the rise in the minimum wage in a few weeks' time? No. This would benefit a great number of businesses which will not be much affected by the downturn. Worse though is that it will make more intense the impact on the group of employees which traditionally fares worse than any other in a recession – low skilled and unskilled people on low incomes.

It doesn't make much sense to subsidise all businesses hiring low wage people by taking money away from minimum wage earners – money which they might already have made commitments to use in coming months, perhaps to service Afterpay or such-like funded purchases.

Should GST be Temporarily Cut?

No. Changing the rate is an administrative nightmare for businesses, GST is a very efficient means of funding government activities and it would not be a good idea to open the door to more widespread tinkering with it. The reduction in the cost of consumer goods and services would be minor and in no way targeted toward those most impacted by current events.

Cut Income Tax Rates?

Cuts are coming and I've previously expressed the view that a clever Labour government would promise cuts ahead of this year's election as a means of undercutting National's policy platform. But cutting immediately would, as with a GST change, be much too broad-based a policy response to this current hard-to-define downturn. But they could be timed to accelerate the recovery after it gets underway. In other words, April 1 2021.

Raise Benefit Rates?

No. You'd do that because of a desire to respond to the specific long-term situation of people on benefits and not as a short-term response to a unique situation. After all, once the economy returns to health, you'd be obliged to remove the raise and if a centre-left government did not a centre-right one almost certainly would.

Fiscal assistance from the government needs to focus on buying businesses time until the recovery comes. That means looking at cash inflows and outflows and taking steps to improve things there. Options include delaying tax payments, guaranteeing extra working capital supplied by banks, subsidising wages. A bureaucracy may need to be set up to assess the application for assistance by each business to weed out those minimally affected and just looking for a handout.

Don't Overread Pessimism

The most up to date gauge of business sentiment in New Zealand comes from the ANZ Business Outlook Survey. On Tuesday they released an early compilation of results for this month and it showed the worst level of export expectations ever at a net 22% pessimistic. A net 13% of business have a bad outlook for their own-activity levels which is the worst reading since the GFC. Don't get spooked by these results for three reasons.

1. Since the GFC the relationship between these types of readings and actual economic activity has become less strong.
2. These readings can change very quickly as last year showed us.
3. The readings are likely to be biased downward by the extremely high level of outright confusion as opposed to having an actual bad outlook outside specific sectors.

Frankly, you should ignore any forecast based upon past relationships between changes in business and consumer sentiment readings and actual economic activity.

The Average Person

How will the average person be generally affected by this recession?

Job uncertainty will rise and any sense of job security in the international tourism sector will collapse. Demands for wage rises are likely to be pulled back and employers will generally feel emboldened to push back against wage claims and calls for better conditions.

We will see more stores holding sales, petrol is getting cheaper, mortgage costs will go down, cheap holidays will be on offer, the roads and airports will be less crowded and more safe, carbon emissions will be declining, personal hygiene practices will be improving…

For a great number of people this current downturn will be a net positive, including the fact that the new hygiene and some social distancing protocols will reduce the number of us getting this coming season's "normal" flu.

How Can I Help?

What if you are minimally affected by the outbreak? What if your income stream is secure or minimally impacted, and/or you have seen so many financial market shocks that you can easily look through the wealth effects of this event? Is there something you can do to help those who are affected by the various economic strains of this shock?

- The stalling of construction projects and manufacturing sites through lack of certain imported inputs.
- The loss of customers in eateries, accommodation, and tourist-experience service providers because of the depression about to hit our tourist sector.
- The standing down of logging crews, truck drivers, meat works employees, and staff of exporting firms because of the temporary closure of China's markets and interruption of shipping schedules.
- The general pullback in business hiring, capital spending, and consumer spending as a result of reduced confidence in the immediate economic and operating environment outlook.

Here are some suggestions for individuals who are in a financial position to help, and businesses which find themselves minimally affected by the shock. If you've got your own ideas please send me an email. I've broken assistance down into three broad categories.

Spending
Hiring
Volunteering

Spending

Unless it is manufactured in New Zealand (not just assembled), then buying almost any consumer product will not help our country much. It will yield margin revenue for the retailer, but a lot of the money spent will go to wages of people including transporters offshore, and the owners of those companies.

If you can't identify an NZ-manufactured product you'd best be able to help by purchasing a service because that will be produced locally and virtually all the benefit will go to someone local. Here are some ideas.

- Haircut
- Massage
- Wellness retreat (in the most affected parts of NZ)
- Any tourist activity, especially in the most affected locations. A staycation basically. The foreigners may largely be gone within weeks and that will free up substantial cheap accommodation around New Zealand for you and I.
- Eating out. The desertion of Asian restaurants is not warranted given the absence of any evidence of community spread of the virus in NZ and shifting of the intensity of the outbreak overseas away from China.
- Order goods or services produced by a business located in one of the most affected regions.
- Get your house painted, garden redesigned.

Hiring

With a lag, construction is going to decline in tourist regions. Maybe now is the time to book ahead for the house extension you have been thinking about there, perhaps on your holiday home.

Hardy forestry workers are out of work at the moment. These are the type of people who would be very useful to farmers looking to get some bush work done on their property.

The Ministry of Social Development has apparently set up 16 regional rapid-response teams to assist laid off people find alternative work. They might be the best and cheapest option for finding new staff to take on, even if only for a limited time or for a set limited task.

The majority of businesses in New Zealand are not going to be directly affected by the virus recession. They don't export to China, they're not dependent upon Chinese imports, and they don't mainly service the international tourism sector. The biggest problem for many of these firms these past five years has been inability to grow as planned because of staff shortages. A golden opportunity now presents itself to acquire those staff. Were I one of those unaffected or minimally-affected firms I would be advertising that I am in the market for new employees.

Volunteering

Basically, giving up something to help others. Landlords might volunteer some rent reductions to help tenants affected by layoff or reduced work hours.

Healthcare professionals will be under a lot of stress even if we don't get the virus spreading through communities as is happening in some other countries. They might appreciate some home baking, a voucher to a meal or weekend away to use at some stage. No hugs!

Some Perspective

For your guide, New Zealand last had a recession in the early part of 2010. In the year to February 2010, Statistics NZ data from their Business Demography Statistics tell us that 47,841 new businesses were started up. The year after 46,923 were started.

It is wrong to think that just because an economy undergoes a period when output falls slightly, that everything seizes up. For instance, were our economy to shrink 1% now, that would mean that instead of output (measured as value added) reaching around $323bn this year it would reach near $320bn.

If our unemployment rate rises from the 4% recorded late last year to 5% late next year (the labour market lags the economic cycle), then instead of just over 2.7mn people being in work, 2.67mn may be employed.

If the value of total retail spending in New Zealand falls by 2% as it did during the GFC, then instead of those sales totalling about $101bn this year they will total $99bn.

Why then do recessions seem to hurt so much? Partly because we realise that borrowing money can for a while create an obligation to pay not matched by income arriving. We switch to survival mode and focus mainly on the negatives and inability to see the light at the end of the tunnel. It is uncertainty about when the pain ends which really affects us. Watch for the sudden sentiment turn when people's views coalesce around a timing for when the economic pain reverses.

And with regard to things turning for the better, note that China is closing down some emergency extra hospital space as new infection numbers fall. Factories are reopening. They are also sending a team of Red Cross experts to Italy and have flown over a plane load of masks and sanitising products. China has very well shown the world how to stop an outbreak in its tracks, and hopefully changes in eating habits will greatly reduce the chances of another such outbreak occurring in the first place.

Housing Market

I've four things to note in this section firstly this week.

1. A couple of weeks ago someone mentioned to me that the upturn in the Auckland property market from the middle of 2019 had many driving forces, and while people might place on the list relief that the 2018 foreign buyer ban had not generated a selloff, there is another related factor. Many foreigners have now found how to get around the ban using their countrymen already in New Zealand who hold residency status.

2. I got feedback last week that some people with residency have made the decision to complete the required 183 days in a row living in New Zealand so they can make a purchase.

3. Attendance at Barfoot & Thompson's auctions was apparently very strong last week according to an emailer, both down in Highbrook and on the North Shore, with many Asian people in attendance north of the bridge.

4. There is evidence in the United States of an influx of foreign property buyers seeking to reduce exposure of their capital to sharemarkets. https://www.cnbc.com/2020/03/05/foreign-investors-are-piling-into-this-coronavirus-safe-haven.html

I certainly don't interpret this collection of factors as suggesting a new surge of money from offshore is heading our way (Auckland's way largely). In fact, firmly offsetting any theory that a wave of Chinese money is coming here through back doors is the fact that incomes of businesses in China have been badly damaged by the virus outbreak, the lockdowns, the absence of staff and travel restrictions, and disruption of transport networks.

And unlike during the GFC, the Chinese central government is highly unlikely to initiate a 16% of GDP fiscal stimulus which back then ultimately set the scene for a lot of wealthier people wanting to diversify their growing wealth offshore.

But, unless we see a widespread virus outbreak along the lines of Italy, South Korea or Iran, a short-term "safe-haven" status may be conferred upon our asset markets. The main manifestation may be increased buying by those already here, and some Kiwis who were planning to test their mettle in offshore labour or business markets choosing to stick around a bit longer.

Whatever effect flows from these foreigner and Kiwis-staying factors will however be entirely swamped by changes in our Reserve Bank's monetary policy. Rate cuts matter in housing markets and not only are cuts coming, but any remaining expectations of restraint from interest rate rises in the next couple of years will now be thrown out the window.

Switching now to some longer-term comments. My data here will focus on Auckland. But given the general correlation between the rest of the country and our main city with some variations in timing and magnitude of changes, the conclusion I reach applies everywhere.

Auckland house prices undertook the following rises during the following periods.

1993-96	+80%
2002-07	+95%
2012-16	+95%

Do I think that Auckland prices are going to almost double over either the five year period which started in the middle of 2019, or over the time period I had been expecting an upturn to commence and roll of 2021-26 (but then the RB slashed rates 0.75% and brought the upturn forward)?

No. My view has nothing to do with affordability issues, international rankings of house prices versus incomes, or out of date yield measures. It comes down to an absence of new instalments of the largest of many factors which have produced structural changes in our house prices these past few decades.

Or, in simpler language. Big things which caused house prices to boom over the past 30 or so years won't happen again. They include these factors.

1. Interest rates

The big structural declines of 1992, 2008-09, 2019, and maybe now, won't repeat.

2. Net migration flows

The shift from net flows averaging -14,000 each year in the ten years to 1989 and +29,000 in the past ten years, won't be repeated.

3. Labour force participation rate

Many people entered the labour market in recent years because of strong jobs demand. Now more Baby Boomers will exit the workforce and labour is structurally in short supply. Growth in the number of households in a position to make a purchase will slow.

4. Credit availability

This moved sharply in favour of borrowers during deregulation of the 1980s and in some fits and starts after. Non-bank lenders are expanding at the moment. But further big increases in the ratio of household debt to income (60% in 1992 to 163% now) are not going to happen.

5. Investor surge

Many people started becoming property investors three decades ago as the government delivered the message that we need to build up more assets for retirement. But no such fresh message is appearing, and legislation is moving strongly in favour of tenants. A new structural lift in the number of people seeking property investment is unlikely. But preference for property is still likely to remain strong given concerns about the alternatives.

6. Foreign buyer surge

Foreign buying is banned and although there are ways around the ban or purchasing in eligible projects, no new sizable surge is coming.

7. Weak construction

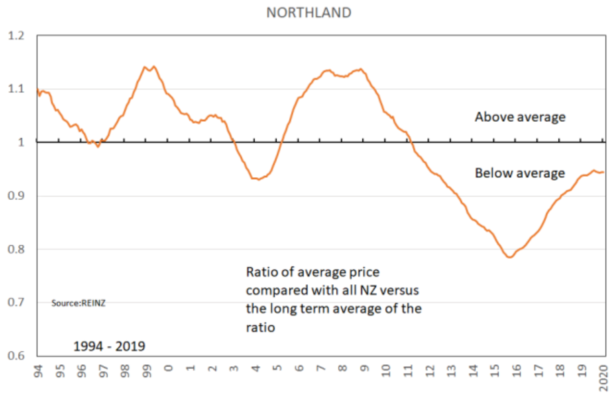
After easing off in the 2000s then falling away to over four-decade lows involving loss of people to the construction sector after the GFC, house production is now well above average. Shortages will slowly ease.

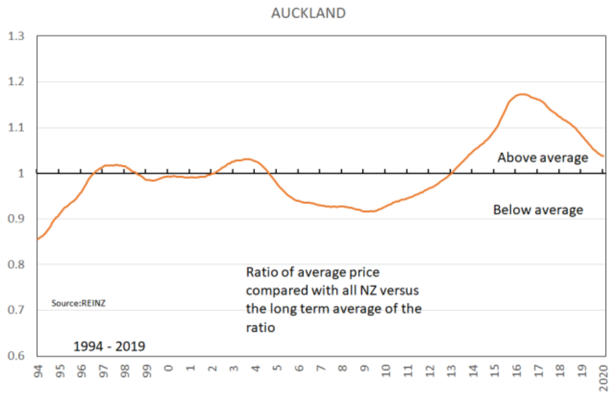
Auckland house prices won't surge near 90% this "cycle". But upside does beckon. What about the regions? They have undergone a number of years of catching up with Auckland. That period will be just about ending now through natural relativities, potential over-building in some locations, and the fact that the Covid-19 hit to tourism will proportionately affect the regions more than the cities.

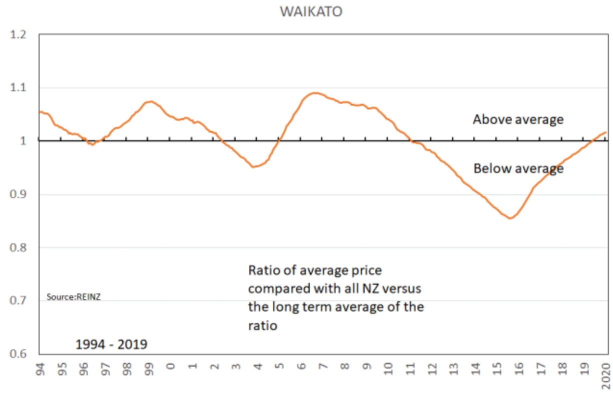
The chances are that in our tourism hotspots we will see falling house prices for a while. I don't as yet have data to hand disaggregated below the regional level so can't draw graphs for the likes of Rotorua and Queenstown.

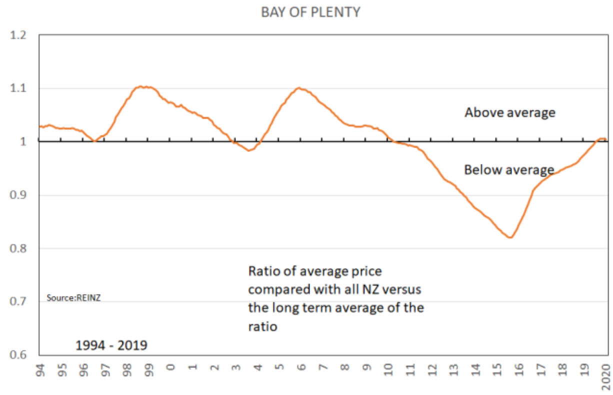
However, the last time I printed my set of graphs showing regional house prices versus national averages was October 24. So here they are updated. What the orange curves show is by how far current average house prices in each region differ from where they usually sit versus the NZ average. So, if an orange line sits 10% above the zero line, that means that region's house prices on average are 10% above where they would sit on average versus NZ. It does not mean actual prices are 10% above the NZ average price.

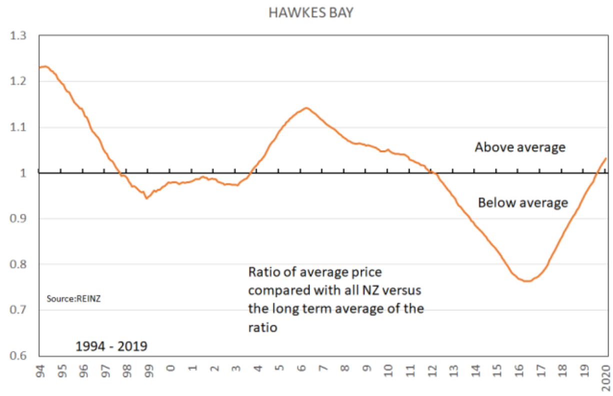
Whether you understand that or not doesn't really matter anyway. All I aim to get across in compiling and publishing the graphs is to indicate whether a region which previously looked under-priced is now no longer in that position. You can then draw from that your own conclusion as to whether there might be additional "easy" upside left or not.

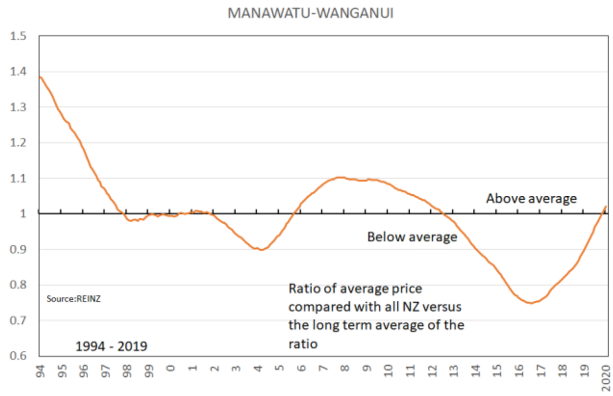


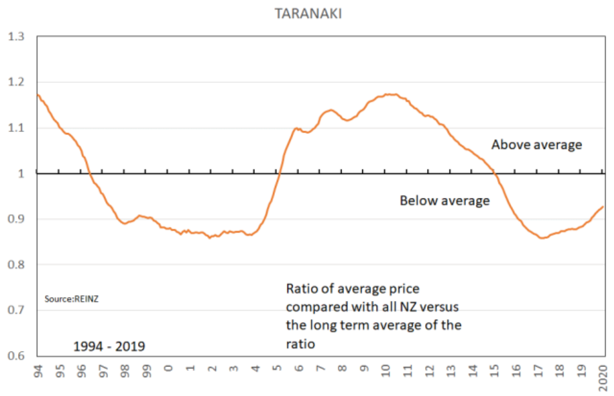


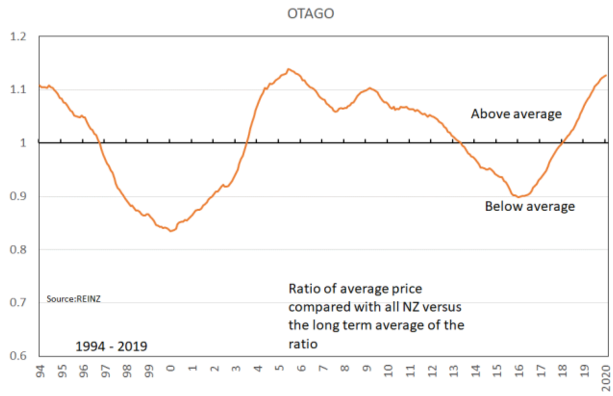


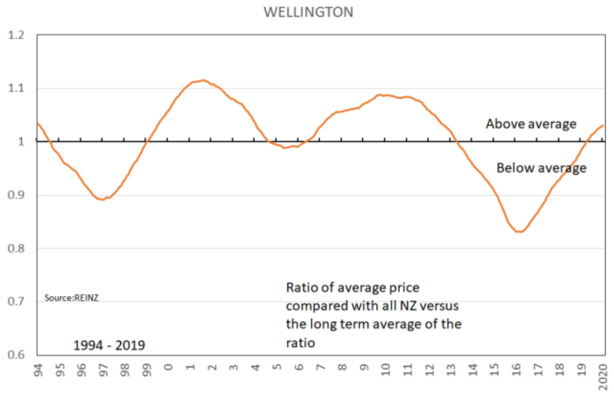


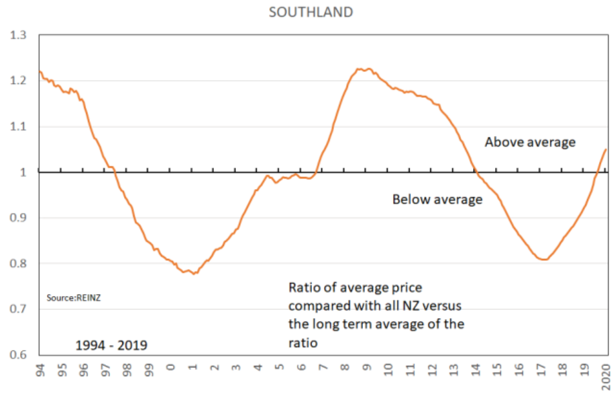


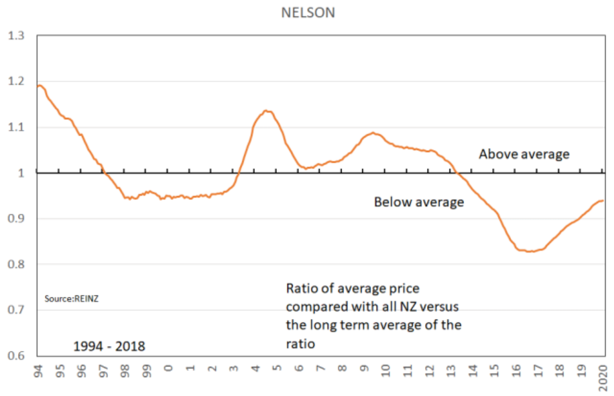


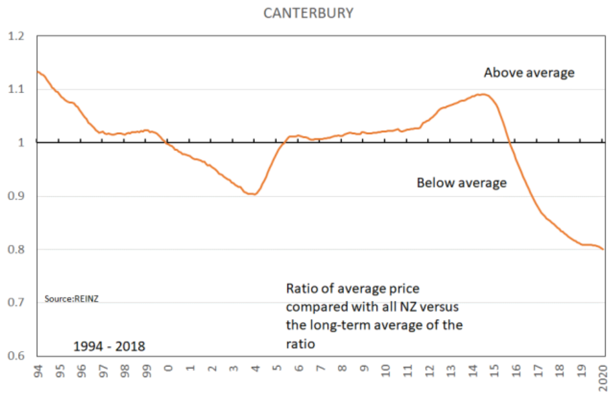












Otago? One was betting against the odds believing that high house price inflation will continue there. Add in Covid-19 and the bet is even riskier. Nelson? Looks less risky. Canterbury? Completely skewed by the earthquake and the building boom afterward so be careful of this measure in such an instance. But I retain a favourable Canterbury outlook based on a catch-up yet to truly happen.

Taranaki and Northland look like they are in a position to better weather the virus storm than many other regions where under-pricing looks to have been erased.

Good luck in your use of these graphs and remember this very important thing if you look at a graph such as this for anything – equities, exchange rates, etc. If it suggests a thing is over-valued 10%, that might only be because it is on its way to being over-valued 50%. You can't tell. Graphs like this aren't about prediction but instead are about buffers.

One day I'll take this analysis deeper. But not for a while. Too many other things are going on even to look at the monthly REINZ data released this morning. Maybe next week for that.

Interest Rates – Will They Rise or Fall?

They will fall and it is just a matter of time. The Reserve Bank will ease monetary policy, most probably at the next regular review of their cash rate on March 25 – two weeks from now. They might move earlier but out of cycle rate cuts in the United States and Canada have failed to prevent sharp declines in share prices, so the incentive to undertake an extraordinary move is low.

The cut will likely be 0.25% and the markets have pulled back from their initial predictions of a 0.5% cut. The banks are likely to pass all of this 0.25% cut through to their floating rates, but the effectiveness dates will be a few weeks down the track.

Fixed rates are going to be cut fairly soon and it is surprising that nothing much has happened yet beyond some tinkering of limited magnitude with long-term rates.

How low might wholesale and mortgage interest rates go? We don't know. It all depends upon the extent of global and local economic weakness which will stem from the virus outbreak. That weakness depends not just on whether the virus outbreaks become more widespread overseas and hits us here, but how you and I and businesses react to it.

These are huge unknown things and piled on top of over 12 years of interest rate predictions being wrong everywhere on the planet, it would be silly to look for any prediction accuracy now. If you are a borrower just be happy that your costs are about to fall yet again. If you're an investor, that's not so good because term deposit rates will be cut slightly. If you're an investor worried about falling share prices, just calm down. Sharemarkets do this every now and then and every long-term graph your advisor has shown you or you have looked up on price movements over the decades contains many episodes such as this one.

The chances are virtually zero in New Zealand that you have borrowed money to invest in shares. If you are retired then your spending from share sales will be distributed over a period of many years beyond this event, and you're probably in a conservative portfolio anyway.

Keep in mind that share prices have rocketed up these past few years and were due for a decent correction. This looks like it.

Unconventional Monetary Policy

Putting interest rates to the side, will the Reserve Bank use unconventional policy tools if the official cash rate gets close to zero, and will such tools work? There is substantial work to be done before such tools might be used and there is little point diving deep into detail yet to emerge, especially considering this key point.

Such tools are aimed at making money more available. But if banks don't want to lend it and people don't want to borrow it, all that can happen is spare funds generally end up pushing up asset prices. This is what has happened in the United States in the years immediately after the GFC. And after years of money printing there is little evidence of any return by Japan and the Eurozone to higher sustained growth paths.

CHOOSING YOUR FIXED MORTGAGE RATE TERM

Some banks have cut their fixed rates for three years and beyond. But Kiwis only rarely fix for these terms, and only when they are lower than the short-term rates. This only happens when monetary policy is being tightened, not loosened. So, the rate cuts will be of interest to very, very few people.

When fixing a mortgage rate term most people take whichever rate is the lowest. So, each week I shall calculate what rates would have to be in the future to make this option better than some alternatives. Note, there are far, far more alternatives than calculated here. And always remember, it is worth paying a premium for rate certainty over a longer period of time. It's also worth using a broker to get the best deal. Broker use is far higher in Australia than New Zealand but we will probably catch up.

Current minimum fixed rates across the main banks. *

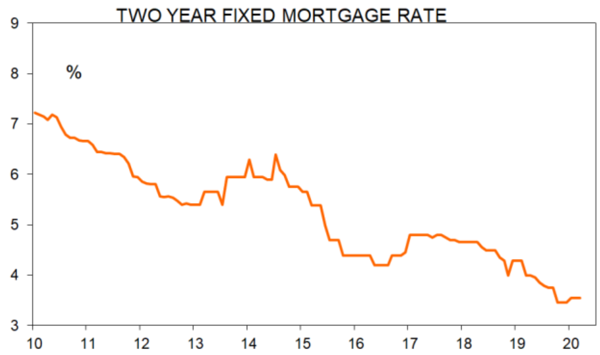
1 year	3.39%	
2 years	3.55%	
3 years	3.69%	down 0.2%
4 years	3.79%	down 0.2%
5 years	3.89%	down 0.2%

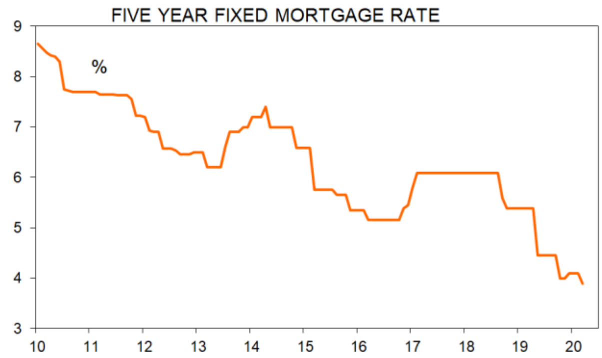
I can fix 1 year at 3.39%.

Is this better than fixing 2 years?	Yes, if in 1 year the 1-year rate is below 3.71%.
Is this better than fixing 3 years?	Yes, if in 1 year the 2-year rate is below 3.84%.
Is this better than fixing 4 years?	Yes, if in 1 year the 3-year rate is below 3.92%
Is this better than fixing 5 years?	Yes, if in 1 year the 4-year rate is below 4.02%.

Looking at where things are headed regarding the economy and inflation, I would personally be hard-pressed to believe that in one year's time when a 3.39% fixed rate matures the two-year rate will be above 3.84%, the three-year rate above 3.92%, and the four-year rate above 4.02%. My personal preference would be to fix one year. But as no bank has yet cut that rate to reflect a 0.4% fall in funding costs these past six weeks, I'd sit tight waiting for a decent cut to emerge. Maybe a prod from the PM, Finance Minister, or RB Governor would help. See the graphs in the following section showing banks enjoying a blowout in fixed rate margins in their favour.

*Minimum 20% deposit, owner occupiers, 6 largest lenders.
Compounding is minor so is ignored.

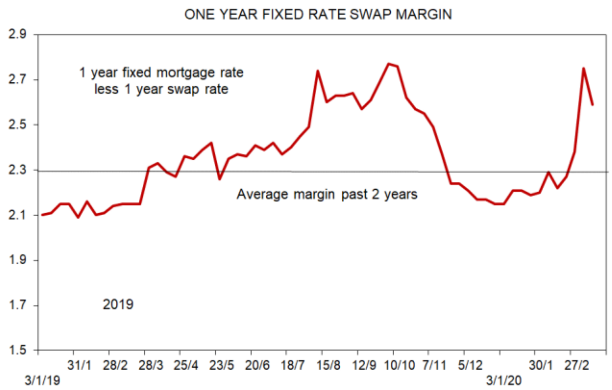


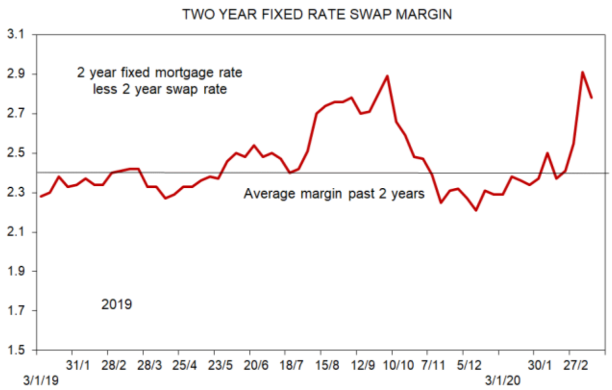


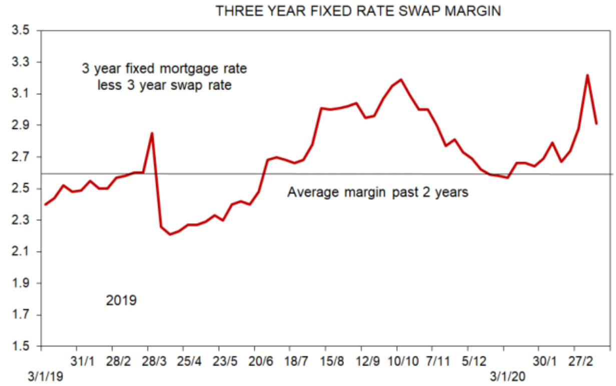
IS A FIXED RATE CHANGE IMMINENT?

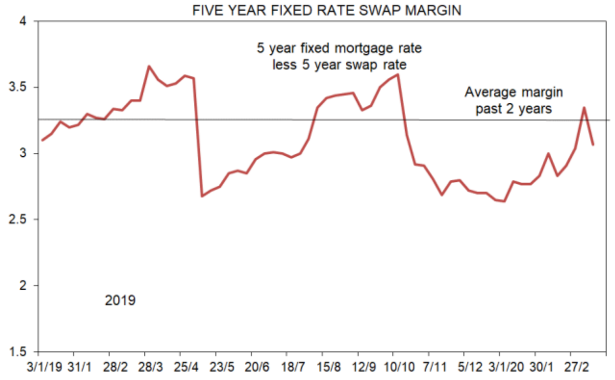
Fixed mortgage rates three years and beyond have been cut, but apart from the five-year term, margins remain above average. Banks look like they are still making above average profits on especially the 1-2 year rates most people are fixing at. They may be waiting for the official nod from the Reserve Bank via a cash rate cut on March 25.

You can form your own opinion as to whether banks might be about to raise or lower their fixed rates by looking at the following graphs. They compare published fixed rates with the most frequently changing component of the total cost of funds – the swap rate. Note that there are other funding costs which will not be captured here, but they change infrequently. But be warned. There is no real forecasting insight delivered by a thing (equity, exchange rate etc.) moving further from some concept of fair value or average. If a thing is 10% above trend, it might simply be on its way to being 40% above trend. For good bank rate comparisons access www.interest.co.nz









Are You Seeing Something I'm Not?

Don't be afraid to flick me an email at tonyalexander5@outlook.com if you reckon I'm missing something happening in the economy, or you've got experience or insight into some of the developments underway which you'd like to share.

Online - It's A Family Thing

For your guide, in my family it is not just myself communicating and informing people principally online and working from home.

My wife Dr Sarah Alexander manages the network of early education and care services around the country (www.ChildForum.com) and the website for parent ratings and reviews of children's services (www.myece.org.nz).

My daughter Lilia Alexander (finalist in the Youth category for Wellingtonian of the Year 2019) owns and runs Social Media based Wellington – LIVE (160,000 followers)
https://www.facebook.com/WellingtonLIVENZ/
"…the largest go-to social media-based updates and news platform for the Wellington region…" Wellington – LIVE offers advertising options for local events and businesses. Email: info@wellington.live

This publication is written by Tony Alexander, independent economist. You can contact me via LinkedIn or email tonyalexander5@outlook.com

DETAILED GRAPHS ENLARGED

None this week.