

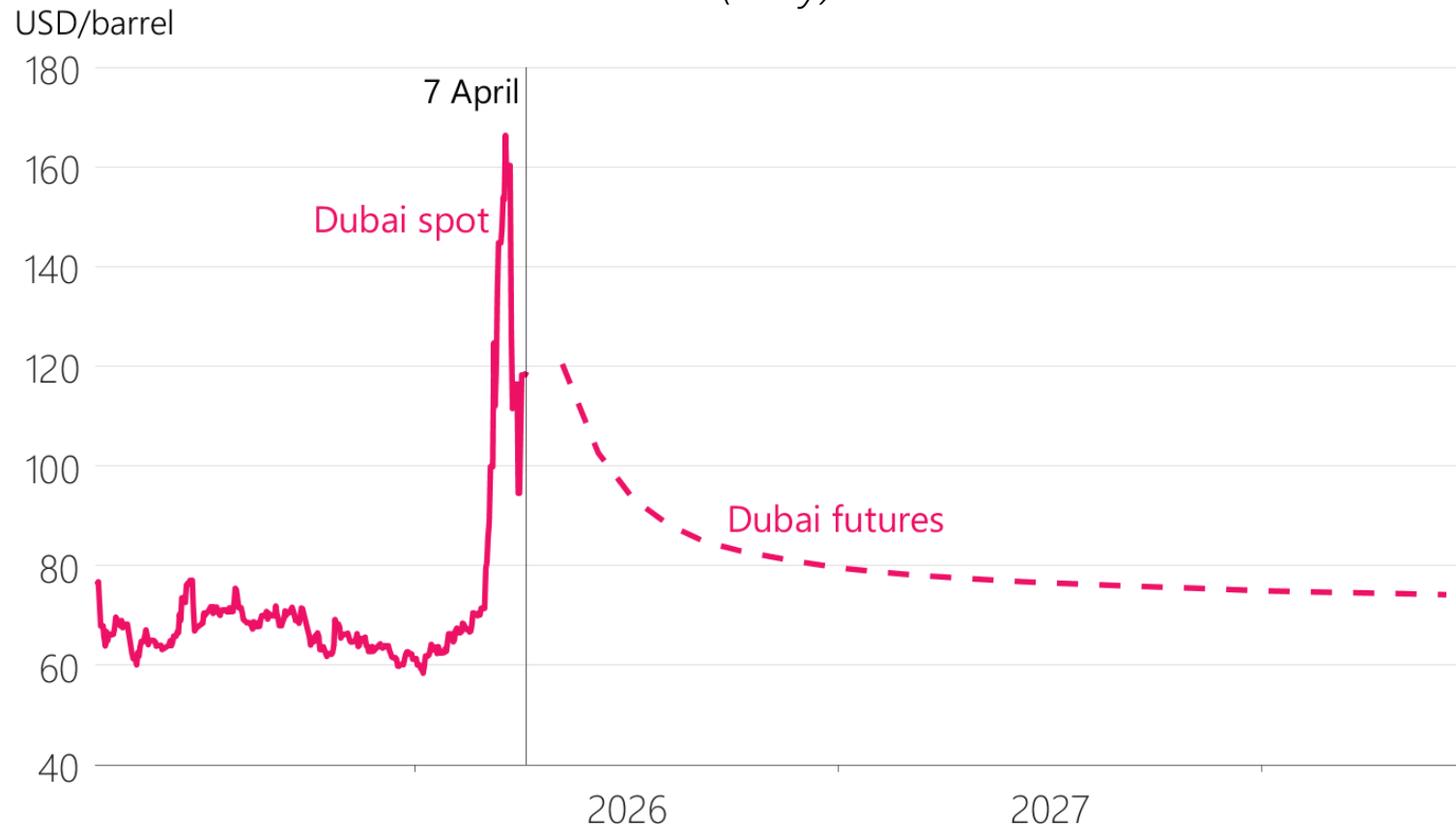
The Inflation Outlook

Monetary Policy Review, April 2026

This presentation represents the view of the Monetary Policy Committee (MPC),
not of any individual member.

Conflict in the middle east is leading to significant supply-side disruption in the global economy

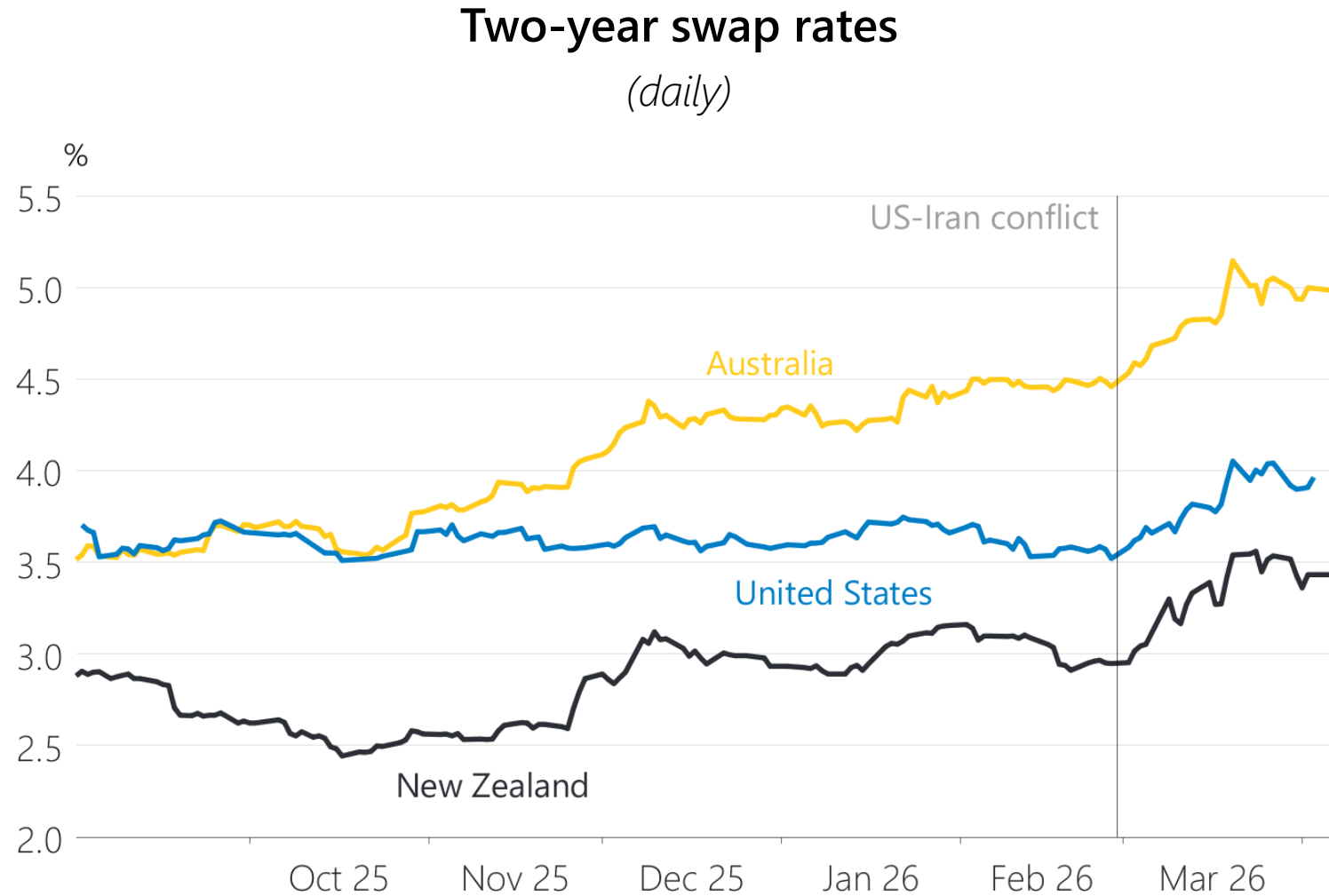
Dubai oil prices *(daily)*



Source: Bloomberg, LSEG.



Financial conditions have tightened here and abroad

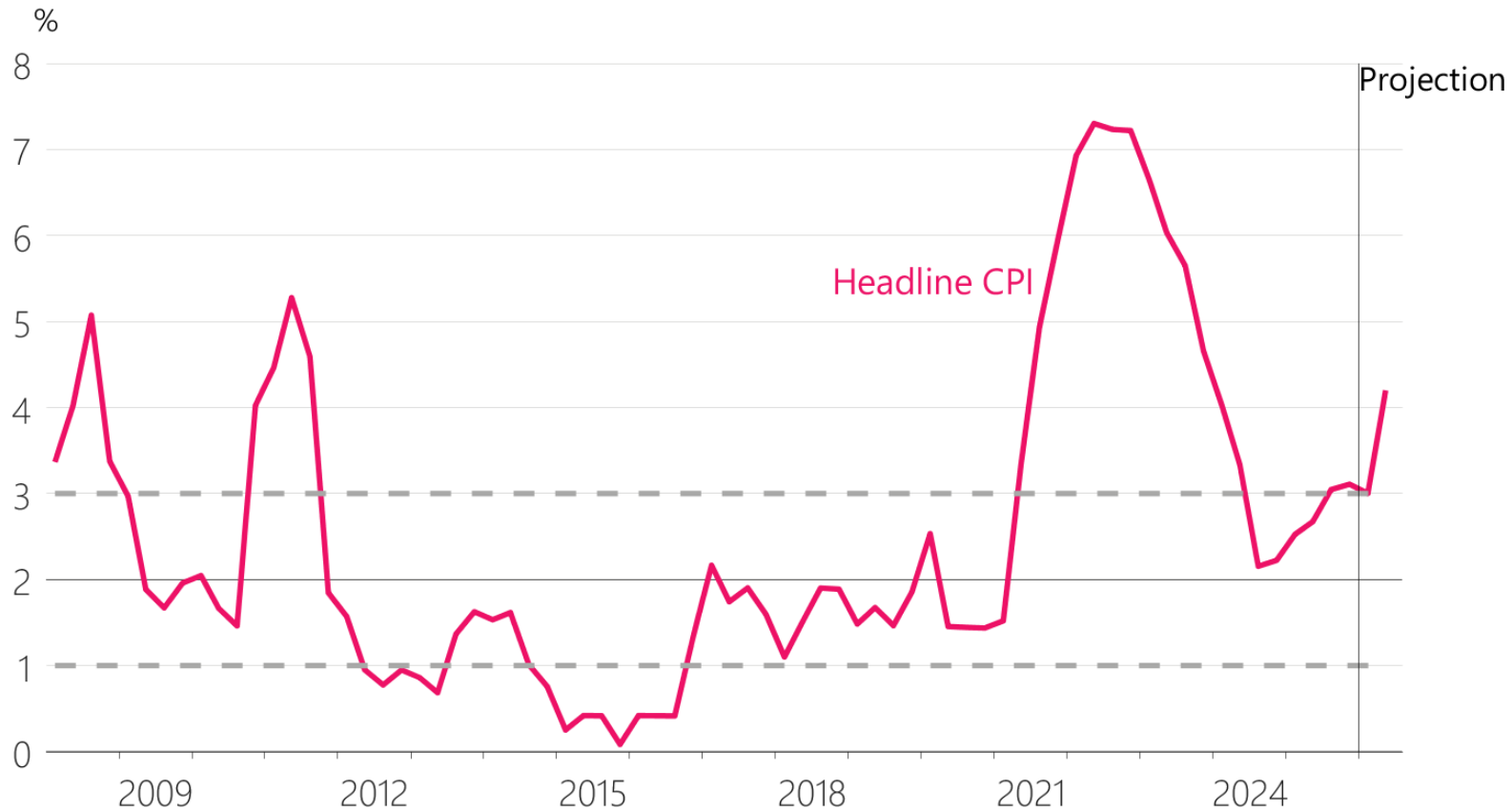


Source: Bloomberg.



Inflation will increase in the near term

Headline inflation *(annual)*

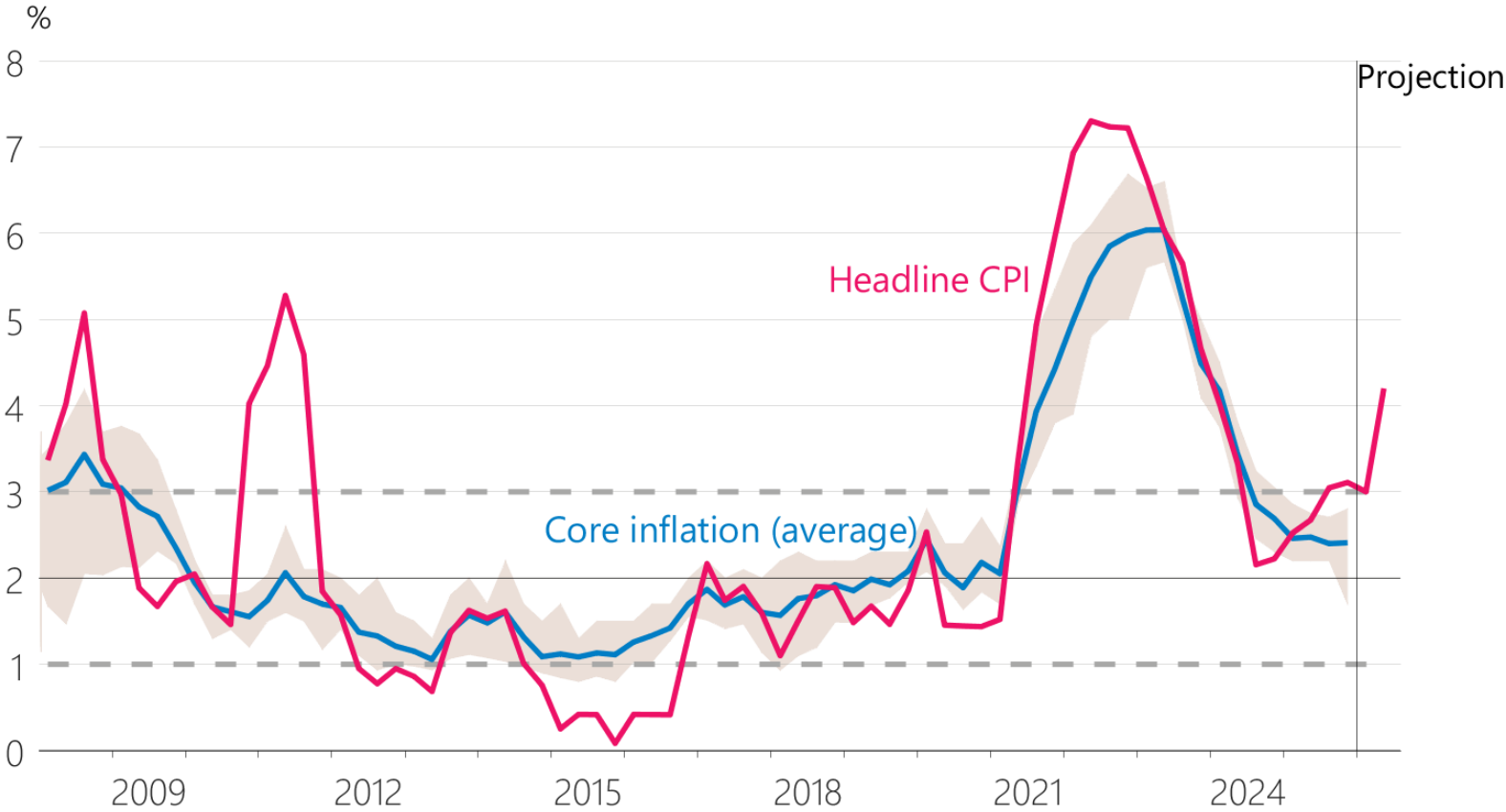


Source: Stats NZ, RBNZ estimates.



Our focus is on underlying core inflation

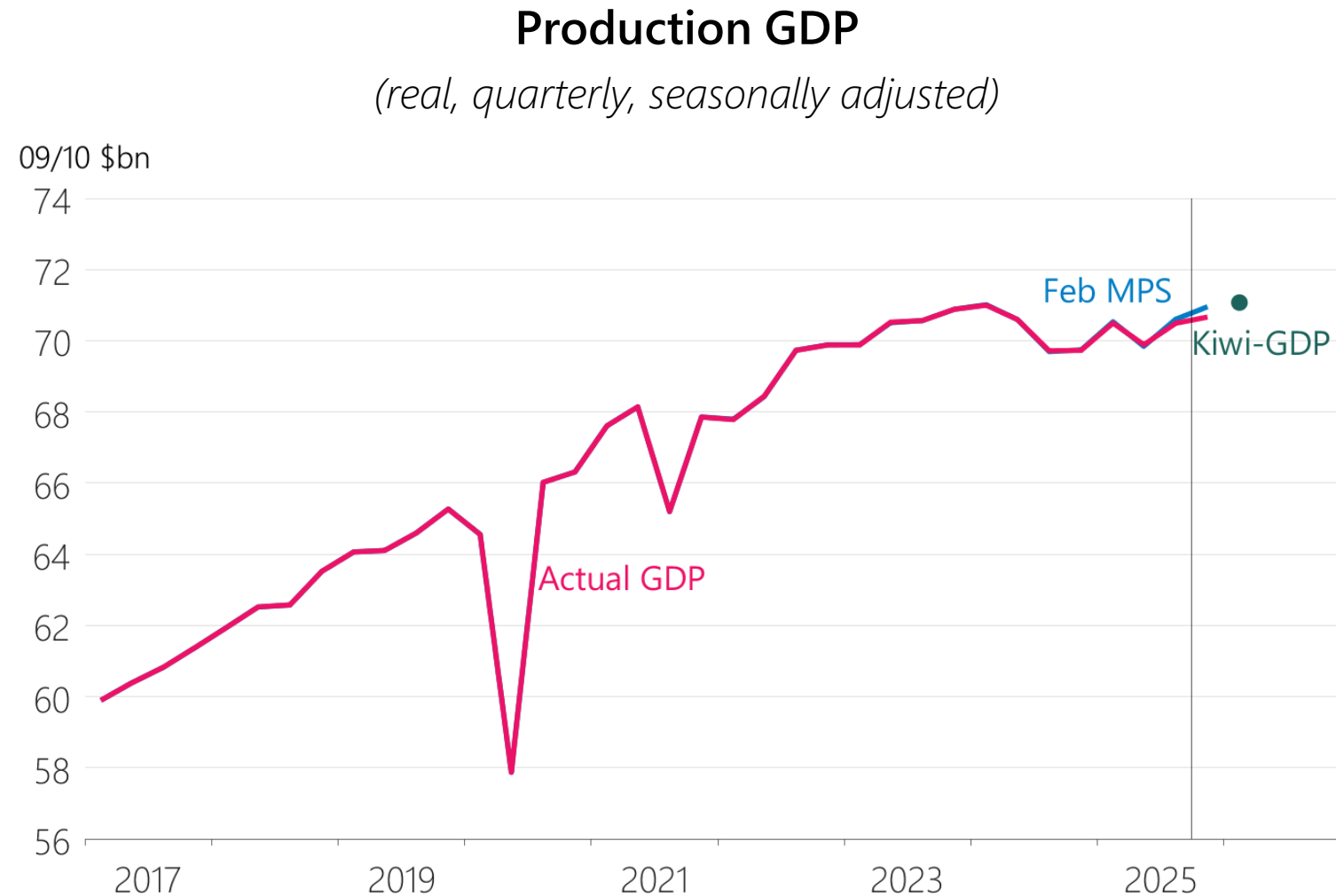
Headline and core inflation *(annual)*



Source: Stats NZ, RBNZ estimates.



Economic growth is expected to weaken in the near term



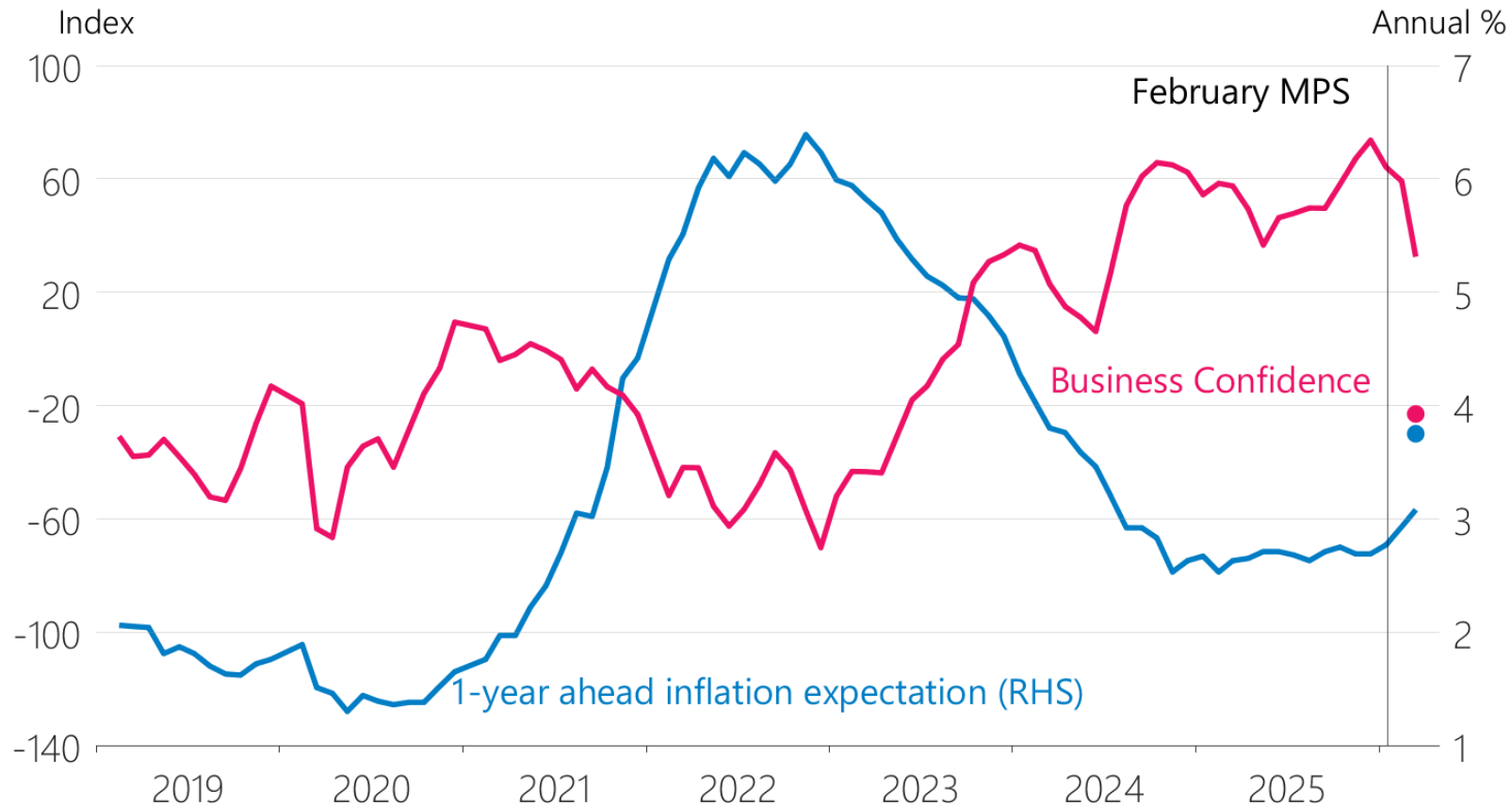
Source: Stats NZ, RBNZ estimates.



Economic growth is expected to weaken in the near term

ANZBO business inflation expectations and business confidence

(annual, year ahead and monthly)



Note: Dots represent survey data collected during the final week of March.

Source: ANZ.



The Official Cash Rate held at 2.25%

- Near-term inflation will be higher and the recovery will be weaker.
- Medium-term inflation pressures depend on how weaker demand in the economy counterbalances higher costs.
- The Committee will act decisively to return inflation to the 2 percent target midpoint over the medium-term.





Reserve Bank
of New Zealand
Te Pūtea Matua