

CHAPTER IV
RESULT AND DISCUSSION

A. Trade Intensity Index Analysis

1. Trade Intensity Index Analysis ASEAN-5 to Australia

From Table 4.1 we can see that the value of Trade Intensity Index (TII) of ASEAN-5 to Australia 2014-2016 almost all have value more than one ($TII > 1$) which shows the intensity of exports by ASEAN-5 countries to Australia above the average level of other countries to export to Australia, but only Philippines of the ASEAN-5 which has a TII score of less than one ($TII < 1$) indicating that the export intensity below the average of other countries exporting to Australia.

Table 4.1
Trade Intensity Index (TII) ASEAN-5 to Australia, 2004-2016

Year	TII _{jk} Indonesia - Australia	TII _{jk} Malaysia - Australia	TII _{jk} Singapore - Australia	TII _{jk} Thailand - Australia	TII _{jk} Philippines - Australia
2016	1.82	2.79	2.33	3.93	0.71
2015	2.12	3.09	2.85	3.92	0.66
2014	2.17	3.31	2.91	3.15	1.03
2013	1.77	3	2.83	3.34	0.68
2012	1.81	2.9	2.93	2.98	0.52
2011	1.83	2.41	2.61	2.33	0.53
2010	1.91	2.66	2.53	3.4	0.48
2009	2.23	2.88	3.13	4.49	0.61
2008	2.52	3.09	3.53	3.78	0.81
2007	2.87	3.25	3.65	3.61	1.01
2006	2.65	2.74	3.69	3.23	0.99
2005	2.49	3.25	3.56	2.75	1.06
2004	2.75	3.43	3.48	2.67	1.27

Source: UN-COMTRADE, Author Estimation

Singapore in 2004 was ranked first among ASEAN-5 countries with a TII score of 3.48. Malaysia was ranked second with TII value of 1.46 followed by Indonesia with TII value of 2.75 and Thailand with TII value of 2.67. Philippines is ranked last with a TII value of 1.27.

In 2010 Thailand was ranked first among ASEAN-5 countries with a TII value of 3.40 for Australia. Malaysia still ranks second with TII value of 2.66 then Singapore with TII value of 2.53 then Indonesia with TII value of 1.91 (Indonesia has not enacted AANZFTA) and the last Philippines rated with TII value of 0.48.

In 2016 Thailand is still the first rank with a TII value of 3.93. Malaysia is also ranked second with a TII value of 2.79. Singapore was ranked third with a TII score of 2.33. Indonesia is ranked fourth with TII value of 1.82 then Philippines remains ranked last with a value of TII of 0.71 with other ASEAN-5 countries.

Trade Intensity Index (TII) of Indonesia, Malaysia, Singapore and Philippines to Australia always declined from 2004 to 2016 when in 2010 the ASEAN Australia New Zealand Free Trade Area (AANZFTA) came into effect. Only Thailand has increased TII value in 2010 and 2016.

This is a negative trend after the implementation of AANZFTA can occur because in the same year that in 2010 ASEAN countries imposed a free trade area agreement with several other countries such as ASEAN-China Free Trade Area (ACFTA), ASEAN-Korea Free Trade Area (AKFTA), and ASEAN-India Free Trade Area (AIFTA) so that ASEAN

countries also seek to increase exports to China, South Korea and India in 2010. While only Indonesia among the ASEAN-5 countries started to implement AANZFTA in 2012, but the value of TII Indonesia continues to decline after the introduction of AANZFTA.

2. Trade Intensity Index Analysis ASEAN-5 to New Zealand

Table 4.2
Trade Intensity Index (TII) ASEAN-5 to New Zealand, 2004-2016

Year	TIIjk Indonesia - New Zealand	TIIjk Malaysia - New Zealand	TIIjk Singapore - New Zealand	TIIjk Thailand - New Zealand	TIIjk Philippines - New Zealand
2016	1.17	1.78	2.03	3.04	0.41
2015	1.36	2.42	2.34	2.9	0.37
2014	1.22	3.04	2.42	2.42	0.91
2013	1.21	2.86	2.16	2.4	0.41
2012	1.12	2.48	2.46	2.15	0.45
2011	0.87	2.07	2.48	1.79	0.44
2010	1.22	2.28	2.36	1.99	0.31
2009	1.48	1.69	2.48	1.75	0.37
2008	2.03	2.75	2.93	2.14	0.52
2007	1.61	2.15	2.63	2.04	1.14
2006	1.68	2.23	2.72	2.15	0.6
2005	1.5	1.78	2.37	2.21	0.44
2004	1.16	1.57	2.12	1.52	0.43

Source: UN-COMTRADE, Author Estimation

From Table 4.2 it can be seen that the value of Trade Intensity Index (TII) of ASEAN to New Zealand in 2004-2016 all has a value more than one ($TII > 1$) which shows the export intensity of ASEAN-5 countries to New Zealand above the average level of other countries doing export to New Zealand except Philippines. This indicates that the intensity of Philippines

export to New Zealand is below the average level of other countries exporting.

In 2010 after the AANZFTA (except Indonesia) export value of TII exports of ASEAN-5 countries to New Zealand increased except with Philippines. In 2004 Singapore was ranked first among ASEAN-5 countries with a TII score of 2.12. Malaysia ranked second with TII value of 1.57 followed by Thailand with TII value of 1.52 then Indonesia with TII value of 1.15. Philippines is rated last TII less than 1 ($TII < 1$) with a TII value of 0.43.

Singapore in 2010 is still ranked first among ASEAN-5 countries with a TII value of 2.36. Malaysia is second with a TII value of 2.28. Thailand is ranked third with a TII value of 1.99 followed by Indonesia with a TII value of 1.22 and the last rated is a philippine with a TII value of 0.31. In 2010, the value of export intensity of ASEAN-5 countries almost increased after the implementation of AANZFTA (except Indonesia). But only Philippines has decreased in 2010.

Thailand 2016 has increased significantly by ranks first with a TII value of 3.04. Singapore ranks second with a TII score of 2.03. Malaysia ranked third with a TII score of 1.78 followed by Indonesia ranked fourth with a TII value of 1.17 and the last Philippines with a TII value of 0.41.

The value of Trade Intensity Index (TII) Malaysia and Thailand to New Zealand always increased export to the New Zealand, Indonesia and Singapore have decreased export to the New Zealand but still shows more

than one TII Value ($TII > 1$), except for Philippines which still shows less than one TII value ($TII < 1$). From the results of TII, it can be seen that AANZFTA gives positive results for some ASEAN-5 countries.

3. Trade Intensity Index Analysis Australia to ASEAN-5

Table 4.3
Trade Intensity Index (TII) Australia - ASEAN-5, 2004-2016

Year	Tiijk Australia - Indonesia	Tiijk Australia - Malaysia	Tiijk Australia - Singapore	Tiijk Australia - Thailand	Tiijk Australia - Philippines
2016	2.26	1.52	1.02	1.01	2.09
2015	2.13	1.47	1.26	1.32	1.70
2014	1.98	1.79	1.43	1.57	1.82
2013	1.69	1.44	0.94	1.52	1.71
2012	1.83	1.62	1.27	1.54	2.52
2011	1.83	1.36	1.07	2.04	2.21
2010	1.86	1.19	0.90	1.95	1.59
2009	2.22	1.25	1.24	1.74	1.90
2008	2.20	1.42	1.28	2.15	2.13
2007	2.77	1.45	1.10	2.33	1.77
2006	3.18	1.28	1.22	2.38	1.51
2005	3.08	1.30	1.26	2.74	1.50
2004	3.47	1.47	1.26	2.44	1.91

Source: UN-COMTRADE, Author Estimation

From Table 4.3 we can see that Australia Trade Intensity Index (TII) value to Indonesia became Australia largest importing country of 3.47 in 2004, followed by Thailand with a TII value of 2.44 in 2004, then the intensity of Australian exports to Philippines with a TII value of 1.91 in 2004, and the intensity of Australia exports to Malaysia with a TII value of 1.47. While the intensity of Australia exports to Singapore became the smallest in 2004 of 1.26. The value of TII Australia to the ASEAN countries-5 in 2004 all have values above one ($TII > 1$). This indicates that

the intensity of exports carried out by Australia to the ASEAN-5 countries has been above the average level of other countries exporting to the ASEAN-5 countries (Indonesia, Malaysia, Singapore, Thailand, Philippines).

In 2010 after enacting AANZFTA (except Indonesia) the value of TII of Australian exports to the ASEAN-5 countries actually resulted in a decline, but still has a TII value above one ($TII > 1$) except Singapore. The value of the TII of Australia to Singapore experienced a significant change from 1.26 in 2004 to 0.90 means that TII is less than one ($TII < 1$), it shows that the intensity of Australian exports to Singapore in 2010 has been below the average other countries export to Singapore. While the intensity of exports made by Australia to Malaysia decreased from 1.47 in 2004 to 1.19 in 2010 although the TII score is still above the average level ($TII > 1$). Australia export intensity to Thailand decreased from 2.44 in 2004 to 1.95 in 2010 although the TII score is still above the average level ($TII > 1$). The intensity of exports made by Australia to the Philippines also decreased from 1.91 in 2004 to 1.59 in 2010 although the TII score is still above the average level ($TII > 1$). In the case of the intensity of Australian exports to Indonesia in 2010 that still have not imposed AANZFTA also decreased from 3.47 in 2004 to 1.86 although the TII score is still above the average level ($TII > 1$).

In 2016 or after six years of AANZFTA (except Indonesia only 4 years), the value of TII Australia to ASEAN-5 is all improving again from

2010 except Thailand In the case of the intensity of Australian exports to Indonesia increased in 2016 with the value of TII rising from 1.86 in 2010 to 2.26 in 2016. The intensity of Australian exports to Malaysia increased in 2016 with the value of TII rising from 1.19 in 2010 to 1.52 in 2016. The intensity of Australian exports to Singapore has increased in 2016 with the value of TII rising from 0.90 in 2010 to 1.02 in 2016. The intensity of Australian exports to the Philippines has increased in 2016 with the value of TII rising from 1.59 in 2010 to 2.09 in 2016. While only the intensity of Australia exports to Thailand declined in 2016 with TII rising from 1.95 in 2010 to 1.01 in 2016.

This is inversely related to what happened to the value of TII ASEAN-5 to Australia where the value of TII has a negative trend because from the TII analysis results it can be seen that AANZFTA still give positive results for the intensity of Australian exports to the ASEAN-5 countries even though the value TII Australia decreased after AANZFTA was applied when compared before AANZFTA was applied. While in the case of ASEAN-5 countries to Australia give negative results for the export intensity of ASEAN-5 countries to Australia.

4. Trade Intensity Index Analysis New Zealand to ASEAN-5

Table 4.4
Trade Intensity Index (TII) New Zealand - ASEAN-5, 2004-2016

Year	Tiijk New Zealand - Indonesia	Tiijk New Zealand - Malaysia	Tiijk New Zealand - Singapore	Tiijk New Zealand - Thailand	Tiijk New Zealand - Philippines
2016	0.87	0.84	0.33	0.52	2.70
2015	1.02	0.77	0.41	0.67	2.85
2014	1.00	0.61	0.38	0.68	2.39
2013	1.48	0.99	0.58	1.05	4.09
2012	1.82	1.43	0.73	1.29	4.84
2011	1.42	0.93	0.81	1.44	3.56
2010	2.04	1.35	0.81	1.46	4.89
2009	2.85	2.16	1.18	2.08	7.64
2008	2.55	1.86	1.04	2.00	5.75
2007	3.22	2.15	1.42	2.76	6.21
2006	4.08	2.71	1.64	3.41	6.98
2005	3.11	2.19	1.54	3.22	5.12
2004	3.76	1.95	1.76	3.63	4.95

Source: UN-COMTRADE, Author Estimation

From table 4.4 From Table 4.1 we can see that the value of New Zealand Trade Intensity Index (TII) to the Philippines became the largest importer of New Zealand at 4.95 in 2004, followed by Indonesia with TII value of 3.76 in 2004, then the intensity of New Zealand exports to Thailand with a TII value of 3.63 in 2004, and the intensity of New Zealand exports to Malaysia with a TII value of 1.95. While the intensity of New Zealand exports to Singapore became the smallest in 2004 of 1.76. The value of TII New Zealand to the ASEAN countries-5 in 2004 all have values above one (TII>1). This indicates that the intensity of exports made by New Zealand

to the ASEAN-5 countries has been above the average level of other countries exporting to the ASEAN-5 countries (Indonesia, Malaysia, Singapore, Thailand, Philippines).

In 2010 after enacting AANZFTA (except Indonesia) the value of TII of New Zealand exports to the ASEAN-5 countries actually resulted in a decline, but still has a TII score above one ($TII > 1$) except Singapore. The value of TII New Zealand to Singapore experienced a significant change from 1.76 in 2004 to 0.81 means that TII value is less than one ($TII < 1$), it shows that the intensity of New Zealand exports to Singapore in 2010 has been below average other countries export to Singapore. While the intensity of exports by New Zealand to Malaysia decreased from 1.95 in 2004 to 1.35 in 2010 although the TII score is still above the average level ($TII > 1$). The intensity of exports by New Zealand to Thailand decreased from 3.63 in 2004 to 1.46 in 2010 although the TII score is still above the average level ($TII > 1$). The intensity of exports by New Zealand to the Philippines also decreased from 4.95 in 2004 to 4.89 in 2010 although the TII score is still above the average level ($TII > 1$). In the case of the intensity of New Zealand exports to Indonesia in 2010 that still have not applied AANZFTA also decreased from 3.76 in 2004 to 2.04 although the TII score is still above the average level ($TII > 1$).

In 2016 or after six years of AANZFTA (except for Indonesia only four years), the value of the New Zealand TII to ASEAN-5 all decreased from 2010 to 2016. In the case of New Zealand export intensity to Indonesia

declines in the TII value of 2016 from 2.04 in 2010 to 0.87 in 2016. New Zealand export intensity to Malaysia has decreased in the value of TII in 2016 from 1.35 in 2010 to 0.84 in 2016. New Zealand export intensity to Singapore has decreased at the TII value of 2016 from 0.81 in 2010 to 0.33 in 2016. New Zealand export intensity to Thailand has decreased in the value of TII in 2016 from 1.46 in 2010 to 0.52 in 2016. The intensity of exports New Zealand to the Philippines has decreased in the TII value of 2016 from 4.89 in 2010 to 2.07 in 2016.

From the analysis of TII, it can be seen that AANZFTA still gives negative results for the intensity of New Zealand exports to the ASEAN-5 countries. This shows that the implementation of AANZFTA experienced by AANZFTA member countries is different. Australia had a positive effect after enacting of AANZFTA, while New Zealand had a negative impact after enacting AANZFTA.

B. Constant Market Share (CMS) Analysis

1. Constant Market Share (CMS) Analysis ASEAN-5 in Australia

In table 4.3 Indicates that the case of Indonesia, Malaysia, and Thailand the effects that sustain export Indonesia, Malaysia, and Thailand to Australia years 2004-2010 only World Trade Effect (WTE). While the Commodity Composition Effect (CCE) and Competitiveness Effect (CME) into the weakness of Indonesia, Malaysia, and Thailand in the bilateral trade to Australia.

Positive signs (+) on the World Trade Effect (WTE) show Indonesia, Malaysia and Thailand exports increase to Australia due to the increase in world demand, means that Indonesia, Malaysia, and Thailand have succeeded in following the world export trend to Australia. The negative sign (-) on the effect shows that Indonesia, Malaysia, and Thailand exports to Australia are not concentrated in commodity groups with relatively fast market growth. The negative sign (-) on the Competitiveness Effect (CME) shows that Indonesia, Malaysia, and Thailand export commodities do not have competitive with similar commodities from other countries in Australia market. In the case of Indonesia, Malaysia, and Thailand, World Trade Effect (WTE) is a major boost to trade with Australia.

Table 4.3
Constant Market Share (CMS) ASEAN-5 to Australia 2004-2016
(in million US Dollar \$)

Result	Australia							
	World Trade Effect		Commodity Composition Effect		Competitiveness Effect		Actual Change	
	rX_{ij1}		$\{(ri - r)X_{ijk1}\}$		$\{X_{ijk2} - X_{ijk1} - riX_{ijk1}\}$		$Xi2 - Xi1$	
Years	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016
IDN	12,345,454,741.87	8,385,483,623.47	-1,158,182,830.27	3,202,399,395.55	-9,402,789,202.54	-3,952,370,173.75	19,543,352,445.00	31,031,794,148.00
MYS	21,424,117,532.92	13,894,795,431.07	-8,802,814,937.18	5,312,540,845.42	-16,021,130,039.42	-5,705,204,308.78	36,574,647,782.00	57,327,137,856.00
SGP	38,773,053,740.93	25,013,431,785.06	20,817,023,102.94	9,996,920,937.62	-28,498,610,728.93	-10,870,380,605.06	68,256,338,761.00	99,001,358,260.00
THA	16,829,543,562.64	-244,717,605.75	-3,904,909,006.97	1,061,938,766.15	-11,457,866,352.14	9,526,227,114.47	34,691,539,827.00	64,970,566,561.00
PHL	621,325,831.40	638,107,793.28	-286,541,226.48	-129,348,023.86	-167,912,528.57	-179,112,929.85	3,202,217,120.00	3,212,964,044.00

Result	Australia							
	World Trade Effect		Commodity Composition Effect		Competitiveness Effect		Actual Change	
	rX_{ij1}		$\{(ri - r)X_{ijk1}\}$		$\{X_{ijk2} - X_{ijk1} - riX_{ijk1}\}$		$Xi2 - Xi1$	
Years	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016
INA	+	+	-	+	-	-	+	+
MYS	+	+	-	+	-	-	+	+
SGP	+	+	+	+	-	-	+	+
THA	+	-	-	+	-	+	+	+
PHL	+	+	-	-	-	-	+	+

Source: UN-COMTRADE, Author Estimation

In the case of Singapore which sustains Singapore main export to Australia in 2004-2010 is World Trade Effect (WTE) and commodity composition effect. While the Competitiveness Effect (CME) becomes Singapore weakness in bilateral trade to Australia. Positive signs (+) on the World Trade Effect (WTE) show Singapore increased exports to Australia due to the increase in world demand means Singapore has successfully followed the world export trend to Australia. A positive sign on the Commodity Composition Effect (CCE) shows Singapore exports to Australia have been concentrated in commodity groups with relatively fast market growth. While the negative sign (-) on the Competitiveness Effect (CME) shows Singapore export commodities do not have competitive with similar commodities from other countries in Australia market. In the case of Singapore World Trade Effect (WTE) became a major buffer of trade with Australia.

In the case of Philippines, there is no effect that sustains the export of Philippines to Australia in 2004-2010. the overall World Trade Effect (WTE), commodity composition effect, and the Competitiveness Effect (CME) do not show that there is an effect affecting exports.

The calculation results for the 2010-2016 period give different results from the calculation of the previous period. In the results of this calculation, some of the ASEAN-5 countries have the same pattern of results that is the World Trade Effect (WTE) except Thailand and

Commodity Composition Effect (CCE) except Philippines to export excellence ASEAN-5 countries to Australia. While the Competitiveness Effect (CME) became the weakness of the exports of ASEAN-5 countries to Australia except Thailand. Positive signs (+) on the World Trade Effect (WTE) show Indonesia, Malaysia, Singapore, and Philippines exports to Australia are due to the increase in world demand means that Indonesia, Malaysia, Singapore and Philippines have successfully followed the world export trend to Australia. Positive signs (+) on the Commodity Composition Effect (CCE) show that Indonesia, Malaysia, Singapore and Thailand exports to Australia have been concentrated in commodity groups with relatively fast market growth. A positive sign (+) on the Competitiveness Effect (CME) shows Thailand export commodities have competitive with similar commodities from other countries in Australia market.

Changes in negative (-) to positive (+) sign on Commodity Composition Effect (CCE) experienced by the ASEAN-5 countries after the enactment of AANZFTA may occur before the free trade agreement is applied, the right export commodities for the Australia market are difficult to enter Australia due to trade barriers such as tariff and quota or vice versa.

A consistent negative sign (-) on the Competitiveness Effect (CME) of Indonesia, Malaysia, Singapore, and Philippines from 2004-2016 occurred because products from Indonesia, Malaysia, Singapore and Philippines were not competing with other countries in the Australia market. The low price of local Australia products makes commodities from outside

Australia that enter the Australia market will compete in quality because of the difficulty of competing prices with local products. A negative sign changes to positive Thailand Competitiveness Effect (CME) after the enactment of AANZFTA show that Thailand has more competitive than the quality of other countries in the Australia market.

2. Constant Market Share (CMS) Analysis ASEAN-5 In New Zealand

Based on table 4.4 that all ASEAN-5 countries the effect of sustaining the export of ASEAN-5 countries to New Zealand in 2004-2010 is only the World Trade Effect (WTE). While the Commodity Composition Effect (CCE) and the Competitiveness Effect (CME) became the weakness of ASEAN-5 countries in bilateral trade to New Zealand. Positive signs (+) on the World Trade Effect (WTE) show the increasing export of ASEAN-5 countries to New Zealand due to the increase in world demand means that ASEAN-5 countries successfully follow the world export trend to New Zealand. Negative sign (-) on the Commodity Composition Effect (CCE) points to the export of ASEAN-5 countries to New Zealand is not concentrated in commodity groups with relatively fast market growth. Negative sign (-) on the Competitiveness Effect (CME) shows export commodities ASEAN-5 countries do not have competitive with similar commodities from other countries in New Zealand market.

Table 4.4
Constant Market Share (CMS) ASEAN-5 to New Zealand 2004-2016
(in million US Dollar \$)

Result	New Zealand							
	World Trade Effect		Commodity Composition Effect		Competitiveness Effect		Actual Change	
	rX_{ij1}		$\{(ri - r)X_{ijk1}\}$		$\{X_{ijk2} - X_{ijk1} - riX_{ijk1}\}$		$X_{i2} - X_{i1}$	
Year	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016
IDN	1,617,489,780.22	235,515,431.05	-52,157,505.58	990,009,224.36	-1,278,085,814.05	185,286,177.67	2,223,595,225.00	2,945,611,261.00
MYS	4,412,686,797.03	2,820,229,018.18	-660,489,862.12	1,705,322,481.67	-3,744,183,701.87	-1,729,491,987.75	4,458,526,418.00	7,635,159,213.00
SGP	5,111,138,770.21	3,337,370,690.55	-2,858,048,504.13	113,497,384.33	-3,718,849,031.55	-1,463,872,284.84	9,300,056,246.00	13,114,488,840.00
THA	2,473,955,239.36	967,500,849.30	-2,431,408,892.41	-12,526,469.29	-1,929,084,813.70	21,467,400.84	3,598,507,042.00	6,922,777,751.00
PHL	152,585,606.86	290,677,712.87	-1,214,619,945.58	88,467,095.03	-98,805,521.03	-236,675,699.87	361,150,104.00	378,014,091.00

Result	New Zealand							
	World Trade Effect		Commodity Composition Effect		Competitiveness Effect		Actual Change	
	rX_{ij1}		$\{(ri - r)X_{ijk1}\}$		$\{X_{ijk2} - X_{ijk1} - riX_{ijk1}\}$		$X_{i2} - X_{i1}$	
Year	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016	2004-2010	2010-2016
IDN	+	+	-	+	-	+	+	+
MYS	+	+	-	+	-	-	+	+
SGP	+	+	-	+	-	-	+	+
THA	+	+	-	-	-	+	+	+
PHL	+	+	-	+	-	-	+	+

Source: UN-COMTRADE, Author Estimation

The results of the 2010-2016 period after the implementation of AANZFTA in 2010 gave different results from the calculation of the previous period. In this calculation, ASEAN-5 countries have a different pattern of results on each effect. In the case of Malaysia, Singapore, and Philippines the effects which sustains the export of these three countries to New Zealand in 2010-2016 is the World Trade Effect (WTE) and commodity composition effect. While the Competitiveness Effect (CME) is still a weakness of Malaysia, Singapore and Philippines in bilateral trade to New Zealand. a positive sign on the World Trade Effect (WTE) showing Malaysia, Singapore and Philippines exports to New Zealand due to increased world demand means Malaysia, Singapore and Philippines managed to follow the trend of world exports to New Zealand. Changes in positive signs (+) on Commodity Composition Effect (CCE) point to Malaysian, Singaporean and Philippines exports to New Zealand have concentrated on commodity groups with relatively fast market growth after AANZFTA can occur because before free trade agreements are in place, the right export commodity for the New Zealand market is difficult to enter to New Zealand due to trade barriers such as tariffs and quota limits. While negative sign (-) on the Competitiveness Effect (CME) still shows the export commodities Malaysia, Singapore, and Philippines do not have competitive with similar commodities from other countries in New Zealand market.

The case of Indonesia became the only ASEAN-5 countries that experienced a significant increase to all effects after the enactment of AANZFTA. The effects that sustain Indonesia exports to New Zealand in 2010-2016 are the World Trade Effect (WTE), Commodity Composition Effect (CCE) and the Competitiveness Effect (CME) in bilateral trade to New Zealand. Consistent positive sign the World Trade Effect (WTE) show Indonesia exports increasing due to the increase in world demand means that Indonesia successfully followed the world export trend to New Zealand. Positive signs (+) on the Commodity Composition Effect (CCE) aimed Indonesia exports to New Zealand have concentrated on commodity groups with relatively fast market growth. A positive sign on the competitive effect shows Indonesia export commodities have more competitive than similar commodities from other countries in New Zealand market.

In the case of Thailand, the effect that sustains Thailand exports to New Zealand in 2010-2016 is only the World Trade Effect (WTE) and the competitiveness effect. While the Commodity Composition Effect (CCE) became Thailand weakness in bilateral trade to New Zealand. Positive signs (+) on the World Trade Effect (WTE) show that Thailand exports to New Zealand increase due to the increase in world demand means that Thailand managed to follow the trend of world exports to New Zealand. A positive sign of the effect shows Thailand export commodities have more competitive than similar commodities from other countries in the New Zealand market. Meanwhile, negative sign (-) on the Commodity

Composition Effect (CCE) showed that Thailand exports to New Zealand are not concentrated in commodity groups with relatively fast market growth.