

## Mission Statement

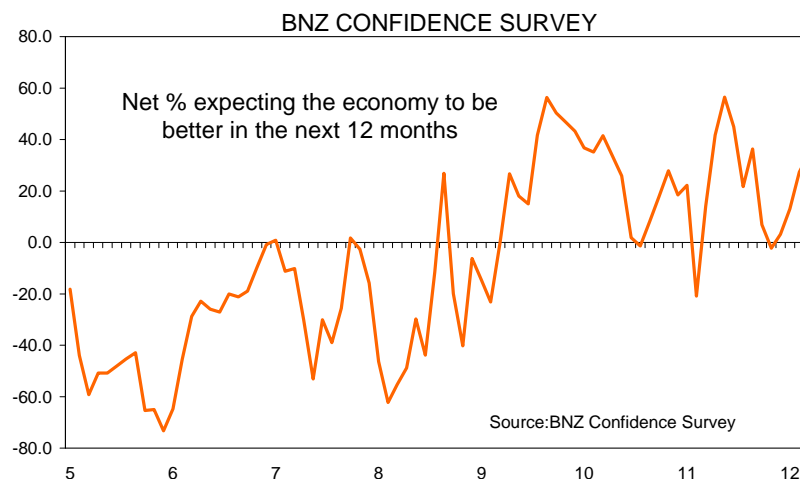
To help Kiwi businesspeople and householders make informed financial decisions by discussing the economy in a language they can understand.

The results here come from a monthly survey of near 26,000 Weekly Overview readers. To receive the Weekly Overview each Thursday night please click here.

[http://feedback.bnz.co.nz/forms/Fx-l8ploskSGWqjN\\_7WOAw](http://feedback.bnz.co.nz/forms/Fx-l8ploskSGWqjN_7WOAw)

## Sentiment Up Again

Business sentiment has increased yet again in our latest BNZ Confidence Survey and at a net 34% positive from 27% last month is suggestive of good growth in the NZ economy in the near future. Accountants are reporting improving times for their clients, residential real estate continues to improve, and manufacturers are more upbeat than pessimistic. However farmers are cautious about next season's returns, the Christchurch rebuild is still patchy, and retailers are still cautious.



Over the over the past three years there has been a clear irregular saw-tooth pattern in our survey reflecting periods of optimism about growth being followed by high caution more often than not associated with concerns about the debt crisis offshore. The same optimism followed by dashed hopes pattern has also been seen overseas. Currently, worries are rising again about Europe centred around Spain and Italy so it would not be surprising if we were to soon see some easing in sentiment.

Nevertheless, the results in our survey are consistent with improving NZ economic activity.

For individual industries responses can broadly be summarised as follows.

### Accountancy

Quite positive comments overall.

### Advertising & Marketing, Media

Astoundingly mixed. Many very positive, many very negative.

### Agriculture

Things expected to be tighter next season and a feeling that this will constrain spending for the moment.

# BNZ CONFIDENCE SURVEY

## Architecture

Getting busier.

## Construction

Not firing yet. Christchurch uncertainty continues.

## Forestry/Manufacturing/Sawmilling

Reasonable levels of activity it seems.

## Hospitality/Entertainment

Slow

## Legal

More positive than negative comments regarding conveyancing activity.

## Manufacturing

Comments have a positive tone.

## Property Management

Rents rising, accommodation decreasingly available.

## Real Estate – Residential

Busy with stock shortages but buyers still often quite hesitant.

## Retail

Tough trading still.

## Tourism and Travel/Accommodation

Still very challenging.

Survey Date	Better %	Same %	Worse %	Net %	# of respondents	# of comments
3 February 2011	43.3	35.6	21.1	22.2	540	401
3 March	22.4	34.4	43.2	-20.8	456	349
7 April	44.3	25.6	30.1	14.1	418	321
5 May	57.3	27.1	15.6	41.7	314	240
3 June	65.2	26.1	8.7	56.5	379	300
8 July	59.3	26.5	14.2	45.0	351	257
4 August	44.6	32.4	23.0	21.7	383	279
5 September	52.5	31.3	16.2	36.3	531	361
6 October	35.0	36.8	28.1	6.9	391	296
5 November	31.6	34.6	33.8	-2.2	272	207
1 December	32.6	38.0	29.4	3.2	439	331
2 February 2012	36.6	39.8	23.6	13.0	399	300
5 March	47.0	33.2	19.7	27.3	355	251
4 April	49.9	34.6	15.6	34.3	405	283

Full historical data at <http://tonyalexander.co.nz/bnz-confidence-survey/>

# BNZ CONFIDENCE SURVEY

## INDUSTRY COMMENTS SUBMITTED BY RESPONDENTS

**NOTE: THESE ARE NOT OUR COMMENTS BUT THOSE SUBMITTED BY RESPONDENTS TO OUR MONTHLY SURVEY.**

We exclude comments which don't say anything about current business conditions in an industry and are instead mainly rants and raves. Also those with comments that are chopped off or indecipherable, contain appalling grammar or are in capital letters are left out.

### Accountancy

- Accountancy Practice for (mostly) Film and Television Clients - the film and television clients are confident and busy and happy, fashion struggling, hospitality difficult, tradespeople struggling with either intermittent work or slow payers and bad debts...
- Still pretty flat in contract accounting at the higher end but improving in the middle and lower levels.
- Accounting and advisory. Busiest I have seen in years, good quality project work coming through too. On the downside, some clients still a bit slow to pay and recruitment is a nightmare.
- Chartered Accountant - a lot more interest in residential property investment. Other businesses generally reporting work is a patchy and not a lot of profit.
- Its been a busy time for accountants like us - last minute stuff for tail end Charlie clients, also we are working with a number of clients whose top line is consistently coming in 10% down on budget, with tightening gross margins and no real improvement in sight. Fingers crossed I would say.
- New projects coming from Rural area (Chartered Accounting Firm)
- Accountancy Christchurch Reasonably consistent, and looking to grow a bit this year, off the back of all the newly self employed construction growth
- Accountant Auckland- Steady work flow, clients slow paying, not much new client activity.
- Accounting: some clients okay some definitely worse
- Accounting - very busy with lots of activity

### Advertising & Marketing, Media

- Great. We provided marketing technology solutions. Delivers better marketing results for a company at a reduced cost.
- Media/Advertising - It's a tough market with many large advertisers off to a slow start to the year. However, I have confidence this will pick up leading up to end of June financial years.
- In Advertising it is very, very quiet - and having been in this industry for over 20 years I can not remember it ever being as quiet as this.
- We're in the brand building and marketing business. I have seen an upturn in the number of new clients looking to start something from scratch - be it an e-commerce website, a new shop or restaurant venture etc. Clients seem to be looking ahead but still keeping a close eye on their marketing spend. Providing good value is the key.
- Media and Advertising: advertising revenues still down on same period of 2011, in some cases 30%. Motoring and car advertising is one of the few bright points, up on 2011 figures.
- Marketing agency - New business opportunities are scarce and existing clients are very risk adverse not willing to invest money into new things. Existing budgets are being reduced and a lot of the companies who are our clients are currently undergoing restructures adding to the uncertainty ahead.
- Things are busy for us currently and we are booking in large projects for the second half of the year already so things are looking very good. We are in Christchurch and work in the Advertising Industry.
- Media - some signs of improvement in later part of Q1.

### Agriculture

- Dairy industry, has been a great season and the payout is still looking reasonable. Farmers in general are wary of next season's payout prospects, but given this season's and last season's payout we are better prepared for whatever is coming.
- Agriculture - grain and seeds. It has been a harvest from hell, but quality and quantity has remained good, despite the wet conditions. For the first time this year I feel the economy might be on the up. Have converted some floating debt to fixed (in February) at good rates. New grain drier beckons !
- Dairy Industry - looking at short sharp drop in payout which should recover in 12-24 months, but will no doubt cause farmers to close their chequebooks even tighter

# BNZ CONFIDENCE SURVEY

- Farming. Things looking a bit unsteady. TAF lots uncertainty around that. Commodity prices falling. Differently pulled back on spending and been a lot more careful.
- Dairy farming.. Slightly tighter next season - demand for product may be similar to this season but bigger concern is the ongoing high NZ dollar
- Sheep and beef; The outlook for lamb has deteriorated far greater than most predicted. A lot of summer traders will be lucky to make a profit.
- Farming, The sharp drop in schedules in recent months is a worry, are they going to crawl back up over winter?
- Agriculture here in Mid-Canterbury has had a very good year although poor weather over the harvest hindered timely reaping - but did not significantly reduce yield and quality. so as a district we look forward to a bright year ahead despite downward corrections to commodity prices
- Dairy. Good payout left from last season to help us through. Payout next season will be less. Uncertainty over how DRA and TAF will affect payout and our future in many ways. It will have a bigger effect than any uncertainty on world markets

## **Agriculture Servicing**

- I am in the veterinary industry, mixed practice (companion and production animals). Things have been increasingly tight the last couple of years, the trickle through seems to have taken some time to get to us. But we all 'feel' very positive about what is around the corner.
- Rural Valuation – Otago. Little market activity apparent since Christmas. Part due to extended due diligence processes now taking much more time for sales to complete. Also a lack of new farm listings due to current comparatively high levels of farm income, most owners seem happy to stay put and enjoy the ride. Work flow steady!
- Agricultural machinery spare parts. The business has just completed a record year.
- Suppliers to dairy industry; all good
- Veterinary Services & Supplies The rural sector (Dairy, Sheep & Beef, Deer) has had a little of the gloss taken off it lately with commodity prices pulling back a tad and the store market being still quite strong taking margin off the finishing traders. However, the agricultural sector is still way ahead of a few years ago, and for the vast majority of farmers in positive territory. This is reflected in farmers positive attitudes. There are considerable opportunities in this sector for performance improvement - most are not quick runs on the board - more longer term investment (eg reproduction performance of flocks/herds). The domestic sector (pets and companion animals) is more reflective of disposable incomes, and this is much tighter - reflected in higher expectations for less outlay! So overall positive, but still a cautious overview to the future.

## **Architecture**

- Architect, one man band in Rotorua, steady demand at the moment, better than it has been for the last 3 years
- Architecture. better. more inquiry, some progressing to real projects.
- Architecture: bursts of activity and then nothing. Still very patchy but we are still here and getting a feed
- Architecture. Very busy in Christchurch (seeking staff). Busy in Queenstown. Slow in Wellington. Very slow in Auckland (losing / relocating staff).

## **Business/Management Consulting and Broking**

- Market Research - Things are moving along, and I've got enough work to keep me busy, so no complaints. Have noticed that my clients are taking longer to pay me though!
- Business Advisory - Project work increasing

## **Construction**

- Commercial Construction, heavy Industry-Maintenance & New Build. Expect only marginal improvement. Current signs are very poor-little investment, reduced Govt expenditure.
- Civil Construction (Piling). Have been very busy since before Christmas and still pricing a lot of work. Frustrated by lack of progress at Christchurch.
- In Christchurch the huge difficulty in securing insurance for new builds is strangling progress. Construction, not-for-profit.
- Civil Construction - improving slowly, not there yet.

# BNZ CONFIDENCE SURVEY

- Residential Construction Auckland - on site workload the lowest in memory and no improvement likely for some months. New enquiries were good but have dipped again last month. Land availability holding up median section prices which isn't helping nor is negative migration
- Construction industry, things started well but have slowed down end of March not a lot to look forward to:
- Construction sales : still very quiet.
- It's getting tighter. Less big spending projects to tender for. Looks like it will be this way for more than just the next 12 months. We look forward to the start of the Christchurch rebuild.
- Provincial commercial/industrial construction -very flat with what little work out there being bid below cost.
- Commercial construction. Market still very competitive. Some clients are wanting to take advantage of current construction costs before they start escalating as Christchurch rebuild ramps up.
- Light commercial construction. Very good work in progress, forward positive quotes. positive air out there.

## Construction Related

- We are in the building and finance sector with a focus on Canterbury. unfortunately the tardiness of the CBD rebuild is now giving rise to a growing stream of funds exiting the region. the pace of this exodus is increasing as it becomes obvious that the removal of broken buildings is simply not occurring with any degree of urgency. As a consequence many are now of the belief that the CBD will take years if ever to recover. This has affected confidence and I am afraid that decisions by businesses to remain in Canterbury has waned considerably. The Council and those at the helm of this dysfunctional process of removal and remediation will only see the results of this debacle when it is too late and the lights are finally switched off.
- In the building/trade industry - work is constant but people not prepared to spend much money and larger jobs are being 'postponed' until customers feel more secure about their long term financial stability/security
- Painting Industry. We are very busy and have work booked up for the next 3 months. A mixture of residential and commercial. Manawatu region.
- Supplier to Building Industry- Things have been picking up since returning from the Xmas break. Home renovations are increasing in number and new house sales are occurring in some areas of the country. The Auckland house shortage and the Christchurch rebuild will be huge for our industry over the next 5 years.
- Central Otago garage door company. Very busy but still struggling to gain margin. Looking to add staff but cost too high so continuing to work long hours to survive. May have to bite the bullet soon as its been years rather than months under these conditions. Stress level high.
- Sub-Contractor - Construction Industry. Still reduced volumes of quoting compared to several years ago but much better than 12 months ago. Slow and steady improvements to margins. Large focus on debt repayment and reduced overheads. Back employing staff.
- Construction, (Plumber/Drainlayer). Trading still rubbish but more enquiry.
- Local Government - Consenting. Slowly picking up but not expected to take of
- All time low for enquiry. portable building hire
- Building Industry - supplier / manufacturer - although people keep talking about things being more positive it is not transpiring into permits and work. Same story of low margins and low volumes.

## Education

- Education - ok
- Education industry is good at the moment
- Tertiary Education. Demand for Overseas places subdued post earthquake and demographics affecting local demand. Steady state with no dramatic increase in enrolments. Young males including white males a problem attracting into further education.
- Education - getting a lot of calls at the moment.
- Tertiary - more settled allocation of funds. More growth in offshore earnings through international students returning to Christchurch and growth across tertiary providers.

## Engineering

- Water infrastructure - civil engineering. Quiet, slow, dead because local govt has stopped investing in 3 waters infrastructure. Roads ok, because the govt provides a subsidy through NZTA. Not about to change unless we find another way to pay for infrastructure.
- We are in the Engineering Supplies business, things very flat still. Expecting much of a muchness this year.

# BNZ CONFIDENCE SURVEY

## Finance

- Looking very positive in Banking and Financing
- Banking - seeing a general increasing trend of home loans from first home buyers. However this is slightly offset by aggressive competition between lenders in terms on interest rates, fee waivers and large contributions to legal fees etc. Lending looks positive but to sustain this lenders need deposits which are thin on the ground at the moment and thus also subject to aggressive pricing all round as most of the banks have deposit drives to cope with increased lending and increased regulatory requirements.
- Property Finance. Banks are lending again. Reasonable competition (so margins are not high). Deal volume is still low but quality is good.
- Banking, flat across retail and business lending
- Finance Canterbury, pretty quiet, little demand, no insurance makes progress for most impossible, any new insurance that is around has huge excesses and is unaffordable.

## Forestry/Manufacturing/Sawmilling

- Timber products. Busy, quiet but steady at a 10% lower level
- Forestry. Demand & price for export logs is still firm Log processing activity in the NZ domestic market has picked up driven by increased housing construction in USA and the start of the residential rebuild in Christchurch
- Large Outdoor Timber and Pole Manufacture. We have busy thanks to flood repairs and also some contracts for large industrial buildings and council initiated city upgrades
- Timber Export - The continued high NZ\$ makes processing of timber products more and more difficult in New Zealand as we have to compete in Asia, a world wide open market place, with products for similar applications from Canada, America, South America, Scandinavia and Russia.
- Wood Processing - Equipment Supply Level of enquiries in increasing, but customer base has got smaller ! Everyone has long term expansion plans, but are holding back for as long as they can / dare.

## Health and Fitness

- More people not paying at time of service-healthcare
- health sector; private provider to public health sector. increasing incidence of individuals abandoning private insurance on basis premium costs are unsustainable and taking their chances that public sector can more efficiently provide for their future elective health needs.
- In private healthcare we are starting to see a bit of the pent up demand starting to come through but still a small lift over last year, 1-2%.

## Horticulture

- Kiwi Fruit - the mood is more optimistic - replacement gold varieties that are more tolerant to psal - exchange rates/ market returns are still a concern
- The market has gone flat in March after a good start in January and February in retail horticulture and it's hard to know why.
- Glass house tomatoes South Island. Our costs keep going up and returns stay the same. Main cost increases EST and Coal for heating.
- Kiwifruit. We have a pathway forward now with a more P.S.A. resistant cultivar but there will be no income for a lot of us for a year or two

## Hospitality/Entertainment

- Slowing down - hospitality
- Restaurant industry is going down, raw materials and rent too expensive. cannot put prices too high. People want specials on everything. too hard to survive
- Hospitality has been very quiet for a while
- Hospitality ... Great Corporate bookings looking forward
- Decline slowing - growth pockets in new products - gambling
- Things are looking very tight with more companies in the hospitality industry closing their doors due to tightening of spending on part of the consumer.

## Information Technology/Telecommunications

- Information Technology - strong last quarter in sales. Good prospects going forward.



# BNZ CONFIDENCE SURVEY

- Information technology - business is good, we have grown nearly 300% in the last 18 months.
- It is getting really difficult to get computer development work.
- IT - lots of projects on, but only so much money to deliver them.
- In the telecommunications industry, I think things are going to look better from a level playing field, further progression with UFB and more industry wide partnership, such as the mobile payment services announced.
- IT - software and consulting services. Things picking up and on-hold projects now being reviewed and some moving forward.
- IT services. Better
- I.T. things have picked up in the last year, but feel there is a meltdown on the horizon
- Telco: Much the same, customer are looking to innovate and add value using the same budget, this is squeezing margins.
- It- Quieter than normal

## Insurance

- Insurance Brokers. Business appears to be moving along in a positive direction.
- Financial Services - Insurance. Positive start to business and strategic planning for the year. Optimism and morale seem to be improving in the industry. The future will focus heavily on cost minimisation in order for insurance to remain as affordable as possible.
- Insurance -good for people cover bad for fire and general prices/affordability and expect a drop in the number of insured dwellings etc.
- Aviation Insurance - very competitive despite the high GA aircraft accident rate in NZ and fewer new aircraft being purchased.

## Legal

- Legal. The January flurry of conveyancing seems to have died. Commercial not looking exciting. Family Law trucking along quite well.
- Provincial Legal. Property transactions up in volume but not price. Other work steady but not growing.
- Legal. Humming along - conveyancing definitely picking up.
- Legal - quiet however steady with a business as usual type attitude.
- Law Have seen some good growth in the first quarter this year, but now seems to have died off somewhat. Maybe just an Easter blip
- Suburban legal - Auckland, March was busy for people wanting to do end of financial year work. Hopefully the pick up will continue.
- Law firm CHCH - still busy
- Very busy with conveyancing - residential and rural. Provincial legal.

## Manufacturing

- Metal products manufacturing for domestic market. Still not sure if the momentum from late last year is going to continue, but are tracking marginally ahead so far. Slow paying debtors have increased, so hoping not to get caught with bad debts. Cautiously positive.
- Manufacturing in Christchurch Plenty of incoming orders to keep us busy
- We are reliant on R&D and machinery upgrades to stay afloat because our main income, which arises with machinery manufacturers, is as low as its ever been.
- Furniture Manufacturing - Quoting is up 200% and sales are steady.
- Food Processing Concern over reducing demand from Australia, NZ market flat.
- Chemical manufacturing for the hardware, automotive and composites industries. Exports to Australian hardware are performing strongly. Domestic demand is weaker and the composites industry here (fibreglass resins etc) is very weak. The marine industry doing particularly badly, both here and in Aus.
- Food manufacturing - as an industry, food producers have been forced to become a lot more efficient with raw products in the last couple of years. Benefits are being seen now as the spending habits of people on foodstuffs improves.
- Food Manufacturing: local market seems to be holding up but offshore is volatile
- Paint manufacturer .... like last month I will say it will be better because it can't get any worse (even though it did in March)
- Manufacturing - slow getting orders in. Cash flow tight
- Very slow if not moribund!! (electronic manufacturing)

# BNZ CONFIDENCE SURVEY

- Manufacturing and wholesale of gifts and souvenirs. No improvement and possibly getting worse. Retailers are reporting customers primarily buy on price only. Many retailers have closed their business as at 31 March.
- Manufacturing: safety helmets for emergency services-generally the emergency services are still well funded, although European countries are obviously pulling back from purchasing even safety equipment for their crews.
- the plastics industry is very patchy, struggling to make money due to erratic ordering patterns. We have to retain staff in quiet times, temps are very expensive as they are generally not as efficient and you need to pay a premium for them.

## Marine

- Marine Industry, we are nervous how shaky many marine businesses are looking, the times ahead are very unstable/unknown, so like many we are looking for opportunity but hunkering down in preparation for a worsening climate.

## Miscellaneous

- Machinery hire. Appears to be sufficient work to go around but no long term prospects out there. The debtors list lengthening again and concern about how many company's will end up in liquidation. There are only a few large contractors remaining in the business which is a concern.
- Pretty dire, major site being closed and moving business to another site in NZ and Australia. Paper conversion is the business and the business is now a JV. While that is good for the company, it is not good for the workers.
- Childcare weak should improve once employment improves.
- Leather making products. things are not looking good as there are not many people spending
- Fire Protection Industry getting tougher.
- Hydraulics sales and service, a lot of tender activity and good strength in service demands so all in all good signals and shaping up for more staff and recourses in the mix going forward.
- Window treatments for homes - Auckland increasing business - BOP weak and CHCH - not really firing - insurance issues are causing huge problems for clients.
- Websites / Online Marketing - strong as ever & strengthening.
- Road construction. Very bad NZTA have cut off funding for anything but large projects

## Printing and Packaging

- Reasonably flat and still almost totally price driven. Printing Industry
- Print: After a dismal January/February March returned to be a reasonable month; but as far as the 1st quarter is concerned it's down overall.
- Commercial Printing. Sales are okay however still tough to achieve acceptable Margins

## Property Development

- Property development, Nelson. Increasing interest from Christchurch buyers, but gaining employment here and distance from family and friends still in CHCH are holding many back. However, they are underpinning an otherwise weak market. Rising interest rates will likely knock this market dead over coming months.
- More inquiries and an apparent interest in new land and development investments particularly urban edge residential. Coastal remains dead as does CBD development.

## Property Management

- As a property investor our Auckland properties are now fully lease but Tauranga still slow and sketchy.
- Property investment: still good deals out there. Rents look set to rise further.
- (Residential property investment). Good tenant demand as properties come empty. I am able to increase my rents between \$10 and \$25 per week when I get a new tenant in. It feels like a good time to be providing rental accommodation.
- Residential Property Management - Positive, fewer vacancies, strong demand, higher rents.
- Consultancy steady, more discretionary work appearing. Rental properties fully tenanted, rents being increased- 3 month lag due to reg's. Almost complete lack of good quality reasonably priced vacant property in ChCh.



# BNZ CONFIDENCE SURVEY

- Property investment, Christchurch. Rental demand is as good or better than I've seen in 15 years, No doubt an effect of recent events. I can't see this changing for several years yet.
- Wellington Property Investor - This year we found it difficult to fill our rental properties in Eastern Well City. One was vacant for 4 weeks and in that house we had to reduce the rent from last year. The tenant demand in Feb / March was sluggish. No vacancies now!
- Property Manager North Shore Auckland. Rents have been climbing this year with generally 5% to 10% resets of tenancies. We have shortage of affordable housing under \$500pw if we had the stock we can rent it. Our student accommodation is running at 96% occupancy with 5%increase effective this year. All good and predict further growth.
- Property management and enterprise development: 1.More Govt funded agencies looking for space - we see this as a maximum of 3 years of funding so expect reduced tenancies in 2013/4. We have had an increase in the numbers of commercial tenants but no changes in industrial tenants. 2.Local companies are finding it tough. We are providing free support to them to keep them sustainable and help with their business planning. 3. We are spending more time on risk assessment and management to ensure we can weather most crises.

## Real Estate – Non-residential

- Commercial Real Estate - Lease periods are shorter - rentals are under pressure - trading surpluses are down YOY. General commitment is not evident.
- Commercial Real Estate in Christchurch. The rebuild is underway frustratingly slow but it is gaining momentum and is driving up rents values of commercial and residential properties, albeit those that are occupiable and in more stable land areas. Activity levels are improving slowly
- Retail leasing, still very difficult as retailers lack confidence to invest in growth. Positive sales growth starting to steady which points to a ray of hope.
- Commercial property - things are improving, less incentives for tenants, investments especially retail selling well

## Real Estate – Residential

- Real estate Tauranga. Settled sales up 70% on March 2011!Thank goodness!
- Real Estate - there has been a lot more activity over the last 4 months. Values had shown no sign of increase until the last month - and they have been only very slight.
- Residential real estate Christchurch enquiry picking up, open home attendances better but people are still reluctant to commit. Many still sitting on the fence unsure of whether they really want to stay in Christchurch. One more major aftershock and the place will empty out very quickly.
- Real Estate, buyers still feel they have control. Good numbers through open homes, better auction and tender clearance rates which indicates buyers are happy to compete for properties. No movement on values yet in Rotorua
- Real estate sales (both commercial and residential- two person "boutique" agency) - Having the best run in living memory - long may it continue! Over \$7.5m settled sales in last three months of financial year with another \$2.6m signed up conditionally to kick off this year.
- Real Estate, cautious signs of recovery
- Real Estate in Gisborne saw a lift in sales in March, albeit clearance of mortgagee sales, first home buyers taking advantage of rates, families leaving town etc. At least it was activity which resulted in sales. Is it sustainable? Who knows? Time will tell!
- Residential real estate is strong
- Residential Property Tauranga Clear positive signs of more buyer enquires leading to completed purchasers in particular in under \$400,000 bracket
- Real estate Auckland - The volume of sales is well up on last year. Buyers are competing for properties making it a sellers market.
- We are in Real Estate. We are seeing a gradual improvement month by month when we compare with the last four years.
- Real Estate - Eastern Beaches. Lack of listings very frustrating. Plenty of buyers but lack of stock.
- Real Estate , buyers still very hesitant, market sluggish
- Real Estate. Enquiry is increasing and vendors are becoming more realistic in their expectations. What everyone needs to remember is that when you buy and sell on the same market conditions there is still the opportunity for long-term gain
- Real Estate in Hawkes Bay- a very good March month residential sales wise. Rural still quiet - lifestyle blocks close in ticking over ok. New listings tight.

# BNZ CONFIDENCE SURVEY

- Real Estate. Improving enquiry, more sales, diminishing listing stock, re-appearance of investors (particularly within the last 3 months), increased confidence both within and without the industry.
- Real Estate Johnsonville: Appears to be continuing steadily with good numbers of buyers and properties are coming to the market in reasonable numbers. Talk of Public servant layoffs is having a dampening effect on activity, have had two sales not gone ahead because of this aspect.
- Real estate Wanaka. Good turnover, shortage of stock in the lower price brackets. Prices at the bottom of the market moving higher, but by contrast too much stock in the top end of the market and upper end prices if anything are softer.
- Real Estate North Shore. It is very busy - lots of buyers and multiple offers occurring. On the shore it is a sellers market.
- Residential Real Estate - Hawkes Bay. Patchy with prices flat
- Real Estate - buyers are now realising that they need to make a move if they like a property, as well-priced listings are starting to sell quickly.
- Real Estate - more activity from buyers and vendors and greater confidence in the economy
- Residential Real Estate Hamilton: Still excellent activity from buyers on the ground. A lot of first home buyers to start, however now starting to see natural progression through the market into the upper price ranges. Good listings are still gold and sell in days rather than weeks. Buyers expectations are high, won't buy broken or run down & definitely won't pay too much. Listings are still in short supply as values haven't really moved so many vendors (Since 2006) are not really in a position to sell as yet without taking a likely loss.
- Real Estate: ChCh...More listings please!
- Residential real estate Looking very positive, with strong buyer activity across all price ranges.
- Industry Real Estate....Business is active, especially for those vendors who are realistic with their asking price. however the actual "sell price " is getting to around the same or lower than 4-5 years ago.
- Real Estate - more people buying
- Real Estate - Auckland. Most inner city suburbs within 5kms of the city centre are seeing very strong price growth with median prices now at record high levels, well in excess of the prior 2007 peak. As long as there is a shortage of supply, little new housing being constructed and very low interest rates, prices will continue to escalate. The number of buyers looking for homes versus number of homes available now at a level never seen before in the last 20 years!
- Listings are incredibly slow and causing some concern.

## Recruitment

- Recruitment: Strong job orders in all locations, margins still tight, but revenue above the previous 3 years.
- Recruitment - fairly level
- In Recruitment things have been going well so far this year, not gang buster but steady.
- Recruitment: Strong hiring intentions identified over last 12 months have translated into confirmed business. Severe skills shortages predicted now becoming a reality.
- Recruitment Technology - things are slow. Lots of sitting on hands and decisions being postponed.

## Retail

- Retail - sales on last year at best flat in some category's and behind in many up to 3%.
- My business is a Cards & Gifts business where I create cards & will be creating gifts out of recyclable material. Right now business is quiet but it is soon to pick possibly due to Easter this weekend and Mothers' Day coming up next month May.
- Independent retail in giftware. Very difficult to plan. Sales all over the place. Note that customers pay more with cash than previously. Looking for lower priced or specials. On line sales definitely helping overall picture
- Retail - Increase in interest, still lots of competition which is pushing our prices down but definitely increase.
- Wholesale - import - recreational goods - increased spend happening in Australia, flat line in NZ.
- Vending operation, Very gloomy. Lots of machinery for sale from bargain to extreme as vendors lose sites. Same reasons as last year, Lower staff levels, no overtime, few if any temps, site closures including Receiverships. not happy but ever hopeful.
- Retail bakery. Reasonably tough here in Mt Maunganui. It's like people only have x amount to spend and so if u have a good day one day the next will be weak. By weeks end it all balances out albeit lower than 12 months ago. Makes it very difficult for a fresh food operation like ourselves.
- In general Retail Pharmacy is achieving very modest increases due to increasing prescription numbers but retail sales are stagnate

# BNZ CONFIDENCE SURVEY

- Trading conditions very tough. Many of our retailers are struggling. (wholesaling/importing)
- Shop fitting. Lack of orders right now. This is not unusual at this time of the year in our industry, but the level is lower than in the previous two years.
- Bookseller - General Interest/Academic. Could be better (glass half empty) but on the other hand... At least the overall economy is starting to move
- Wholesale trade - as quiet as I have seen it since 2008. Low activity levels across most sectors.
- Northland Retail - Apparel - Things are dire, never been worse. Annual sales continue to decline while overhead like power and insurance keep increasing. Local people appear to have no discretionary spending left - businesses are closing and the town feels dead. The "opportunity shops" are the only ones doing well. The population is declining as tradesman breadwinners travel to Australia seeking work while some families remain here cash strapped.

## Signage

- Signage A roller coaster ride, orders have almost collapsed and enquiries also but cash flow has been surprisingly good customer confidence is not reflected by actions.
- Sign writing - sharp slow down in enquiries. Not sure what there is to look forward to, what's going to stimulate the economy?

## Tourism and Travel/Accommodation

- West Coast Tourism. A bit hit and miss. Winter looks pretty weak overall.
- Adventure Tourism - very poor. Tourism in general is down with many businesses struggling. Revenue and activity bookings seem to be down far more than what visitor arrivals stats would suggest. This is especially apparent with adventure tourism.
- Local tourism and wedding transport industry. Bleak is all one can say. In the past 12 months to 31 March only 20% of the previous years work has materialised in spite of normal marketing methods continuing. Plenty of enquiries but few eventuate into work.
- Continue to be brilliant! Still 7 days a week, hoping for a day off in May. Cleaning Company, Holiday Homes only, South Island lakeside resort town.
- Tourism. Modest improvement in recent month
- I run a B&B. We had a good summer trade but it doesn't last long and there are few forward bookings
- Poor bookings in Tourism Sector
- Low priced camp accommodation, self service type. Market holding at static levels, rising costs will have to be recovered, so nightly prices will rise which may dampen demand.
- Adventure tourism. More interest and forward bookings than previously but all of these are currently from Australia rather than our mainstay domestic NZ market.

## Transport/Logistics and Storage

- Road Transport. Activities in some locations are showing signs of growth and consistency but the demand across all activities remains sluggish. The industry is not generating sufficient cash surplus yet to confidently embark on long overdue capital replacement programs.
- Road Transport. Going well.
- Road transport. Steady to slight easing

## Vehicles & Automotive

- Motor vehicle hire (car van mini-bus ute 4wd furn tip flatdeck & camera trucks) Mostly hire to film industry. Seems to be picking up.
- Positive and clearly improving. March was a record for new car sales
- Vehicle: About all I can do is give away new or used cars, & even then no guarantee people what with the costs (Fuel, rego etc) associated with vehicles

## Wine

- Wine Distribution. Not good. The major retail players have squeezed margin so the wineries are looking overseas again as markets like India and US pick up. Restaurants have been very quiet generally which of course is a lack of sales. Am slowly turning our rentals properties in short term furnished accommodation and so far have had good success. I (currently) see this as a more viable way to earn a living long term.

# BNZ CONFIDENCE SURVEY

**For further information contact Tony Alexander, Chief Economist, 04 474-6744, [tony.alexander@bnz.co.nz](mailto:tony.alexander@bnz.co.nz)**

The BNZ Confidence Survey is run on the first Thursday of each month. In the Weekly Overview email sent to the over 26,000 non-BNZ email addresses on our database respondents are asked to click on a URL which takes them to a survey site. Respondents are asked if they feel the economy will get Better, Worse or Stay the Same over the next 12 months. Respondents may also make comments on their own industry if they wish. Results are collated over the weekend and released on the following Monday in this publication to media and WO readers.

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