

BNZ Confidence Survey

ISSN 2253-3648

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 our quarterly survey of 12,000 Weekly Overview readers. To receive the Overview and Survey results click [here](#).

Business Sentiment Strong

Our quarterly BNZ Confidence Survey of 14,000 Weekly Overview recipients elicited over 570 responses this time around, the vast majority of which were positive. Respondents report difficulties sourcing staff, but little upward pressure on costs or selling prices outside of construction. That sector is growing very strongly benefitting a wide range of businesses all over the country. Demand for commercial property space is strong with falling vacancies and yields, while in residential real estate listings shortages continue near everywhere.

The strengthened loan to valuation requirements (40% minimum deposit for investors) are having an impact but some investors are pooling resources and sourcing second tier financing to get around the rule. Rents are slowly rising and tenant demand is firm. In farming dairying remains weak but with feelings that the worst has passed. Horticulture is strong as is tourism where capacity issues are becoming more important.

All up some good results spread over 18 or so pages. Enjoy.

With regard to specific sectors the following broad comments can be made.

Accountancy

All operators very busy it seems. Not a single sign of despondency or growing client difficulties. A good indicator of the business sector being in good heart, especially SMEs.

Advertising and Marketing

Generally negative comments this quarter. Seems like businesses are cutting costs in this area.

Civil Construction/Infrastructure

Strong activity levels but very difficult to find staff.

Construction

Booming activity levels, lengthening lead times, shortages of resources including staff, rising costs, yet some concerns about whether some consented projects will actually get built. A sector experiencing capacity strains.

Construction Related

Very busy servicing the construction sector. Electrical, joinery, concreting, plastering etc.

Education

Export education remains strong, more early childcare centres keep opening, some weakness in overall tertiary student numbers and increasing reliance upon foreign students.

BNZ CONFIDENCE SURVEY

Energy

Lots of competition in the electricity sector, rising business for fuel distribution in Auckland, oil sector depressed.

Engineering

Very strong with staff shortages apart from engineering servicing the dairy sector. Margin compression evident.

Farming

Sheep farming generally cautious to weak, beef okay, dairy depressed but adjusting to lower returns and seeing some light at the end of the tunnel.

Farm Servicing

Strong for businesses servicing horticulture but generally weak elsewhere.

Financial Services

In financial planning people are searching for yield and struggling to find it. Lending activity firm with positive outlook, though some evidence of housing LVR rules reducing credit growth.

Forestry

All comments use the word "strong".

Horticulture

Good for Kiwifruit, flowers, grapes, vegetables. Overall a strong sector, unsure regarding avocados.

ICT – Information Communications Technology

The sector looks to be in good heart with strong demand for a wide range of services. Staff shortages.

Insurance

Competition seems very strong but hard to get a feel for whether demand is firm or weak going by the wide range of responses.

Legal

No change in activity levels evident. This is useful because in the past we have noted that changes observed by this sector can give a leading indication of changes in the overall economy. This survey's results are in line with those for the other professionals sector, accountancy. Both suggest continued firm NZ economic growth lies ahead.

Manufacturing

Some pressure on exports from the NZD (we suspect the NZD/AUD and NZD/GBP rates rather than NZD against the greenback – Ed. note)

Property Development

Strong demand for sections, properties selling off the plan, construction costs rising strongly, hard to get contractors and finding land to develop difficult.

Property Management/Investment

Rents generally rising but slowly (seems to have always been that way since the 1980s – Ed note). Evidence of new LVR rules causing investors to back off.

Property – Non-residential/Commercial

Yields falling, strong tenant demand, low vacancies.

Recruitment

Very busy but hard to find good candidates.

BNZ CONFIDENCE SURVEY

Residential Real Estate

Listings generally very hard to find around the country, multiple offers normal, some investors getting around 40% LVR rule by pooling their finances and getting second tier lenders but overall the LVR rules are having a dampening effect. In Auckland fewer houses selling at auctions

Retail

Firm but not booming sales, customers more price focussed,

Tourism

Very strong activity but lack of capacity.

Transport and Storage

Weak for rural freight but apart from that everything else very firm including aviation.

Vehicles

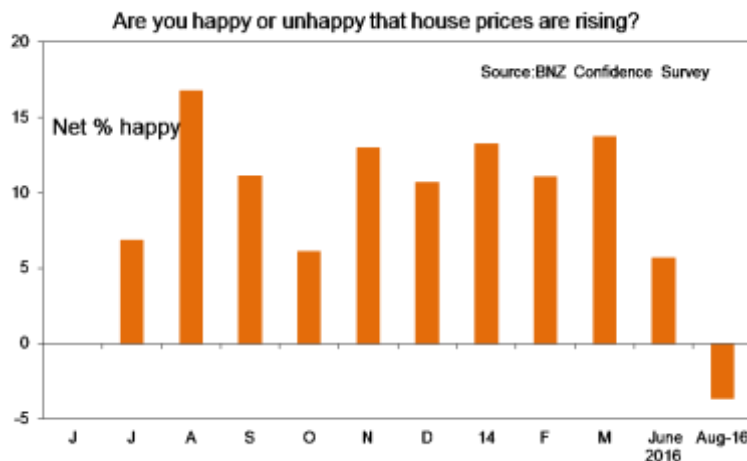
Almost all comments positive.

Wine

Not many comments but those received not really all that positive. Hard to get a feel for how things are truly tracking.

We also asked again this quarter if people feel Happy, Unhappy, or Indifferent that house prices are rising. Of the 541 people answering this question 186 said they were Unhappy – 34%, 166 said they were Happy – 31%, and 189 or 35% were Indifferent. So one can say that most people are not unhappy that house prices are rising – which is why politicians tread very carefully (generally) when they talk about what they would like to see house prices doing.

Note however that the trend in this measure is downward and that this is the first time we have had more people unhappy than happy about house prices rising since we first asked this question in June 2013. We did not ask the question in 2015.



INDUSTRY COMMENTS SUBMITTED BY RESPONDENTS

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

Accountancy

- Chartered Accountancy. Work steady, cash flow a little slow (farming clients) some small glimmers of returning confidence with improving dairy auction levels, but only one or two swallows so far.
- Accountancy Central Auckland, our Practice continues to grow steadily, taking on our next contractor next week... IRD getting their money in so much more quickly and efficiently, overdue taxes don't languish any longer... we are able to give advice more often now that mechanics of record keeping looked after more by computers...
- Accountancy - public practise - Auckland CBD - confidently plodding along
- Chartered Accountant (Regions) - Busy time of year. Plenty of enquiry from new clients. Enquiry seems to be price and service driven. New technologies are making our processes more efficient. Good prospects for well managed and progressive CA firms. A lot of our trade clients are very busy - however margins still seem to be tight for construction trades in the regions. Hopefully increasing regional house values will enable more sustainable margins to be charged.
- Chartered Accountants - Steady
- Accountancy and Business Advice. plenty of work going on. Taupo is feeling buoyant with good occupancy from travellers and house prices lifting. Builders have more work than they can cope with and dairy farmers are hoping the lift in GDT auction prices is not a false spring.
- Accounting, Christchurch, seems to be steady for us, overall client growth has subdued and more consolidation than growth for clients at the moment.
- Chartered Accounting - Extremely buoyant, even accounting for this being the traditionally busiest time of the year.
- Accounting cautiously optimistic. Some businesses still going backwards.
- Chartered accounting, Nelson: very busy with normal workflows boosted by lots of growth-oriented work across wide range of sectors. Migration into region continues to be strong with Kiwi repats remaining a big chunk of advisory work in this area.
- Small Chartered Accountant Auckland, Very busy with compliance, Businesses are struggling especially with Landlords pumping rent. Retail is quiet.
- Chartered accountancy. We are very busy with project work.
- Accountancy. Very busy Clients wanting more done
- Accounting and finance good
- Fairly buoyant, but need to chase work rather than it just arriving. Accounting services, Auckland

Advertising and Marketing

- Media: Someone took the bung out of the barrel, flushed the genie out of the lamp, sent a rocket to the moon and it missed... last seen outside the belt (way).
- Media. Tough
- Good, increased confidence in market, we're experiencing good growth. Industry we're in is promotional marketing
- TV - we are not as much affected by disruptive technologies yet. Small market, small number of broadcasters.

Business Consultancy and Services

- Business consulting in Auckland is vibrant
- Very busy- consulting Canterbury
- Market research - growing industry - increasing appetite for companies to use research companies
- I am a Business Broker in Tauranga. I have noticed a definite slow down in enquiry for businesses across all industries. A small sector of businesses always remains popular say up to \$250,000. Conservative approaches from Accountants and Banks evident during due diligence processes.

BNZ CONFIDENCE SURVEY

Civil Construction/Infrastructure

- Infrastructure Construction Industry. Work bank strong and good opportunities for the future.
- Infrastructure construction Manawatu. Steady but difficult to recruit skilled staff in all categories from professional engineers, tradesmen, operators and site staff.
- Good, Infrastructure, NZ Wide
- Civil engineering and construction - booming in Auckland.
- Civil Infrastructure, Canterbury. Things are steady but there are resourcing issues recruiting and retaining qualified technical staff.
- infrastructure development. Very good

Construction

- Extremely busy. Construction. Auckland & Tauranga.
- Pumping! Construction - nationally
- Property and construction AKL. Still booming, more work than sufficient and trained resource which is impacting company growth.
- Commercial construction - Good.
- Construction. Busy as
- Non-residential Construction, strong but suggest resources are at optimum and investment development showing signs of slowing.
- Construction. We are busy but feel we are heading into uncertain times ahead
- Construction. Still strong but feels like there is a soft underbelly to it. Standalone construction is slowing compared to high density in Auckland. Election year is likely to bring more uncertainty. High consent numbers do not necessarily reflect high sales. The predominance of high density construction means that a lot of dwellings are consented prior to being sold - and may never be built.
- Construction - Auckland. Busy, all trades stretched.
- Building Consents - New Plymouth District, steady with lots of new housing being constructed. Also in residential property investment, rental returns doing well but unable to expand portfolio due to 40% deposit over entire lending.
- Construction. Robust
- We are competing in the Auckland market medium commercial construction. We are very busy building. Open tendering is less negotiated contracts are more.
- Busy - Construction -CHCH
- Auckland Construction - A mess. Huge demand, soaring wage costs and stifling council bureaucracy.
- Construction, Canterbury. Lots of opportunities around but margins are declining, opposite to what you would typically expect. I think the industry is concerned that there will be a fall off of earthquake recovery work and there is a mad scramble to fill your books with orders while you can.
- Construction industry (Auckland) - very buoyant for the forthcoming year. Huge pressure on personnel workload and finding good staff. However, other parts of the world are just as strong so it's hard to get good new blood into the industry. Strangely though, with all the work out there, the professionals keep under-cutting each other, which is mad. Margins keep dropping due to under pricing and salary inflation. The only winners are the developers.
- Building & Construction Industry - No other word than- booming
- Building industry seemingly almost booming but not sure if it will last very long at this stage
- Housing Construction Auckland/North Shore. Have good current workload and future prospects being discussed with owners. Owners becoming a bit concerned about long lead times due to seeming skill shortages. Some are moving to less skilled parties and risking potential consequences
- Wellington property construction prices going ballistic. Labour shortages proving to be at the core of the problem.
- Waikato Commercial & Residential Construction. Buoyant with plenty of work ahead.
- Building & Civil Construction – Wairarapa. Most companies are busy and have a good forward work load

BNZ CONFIDENCE SURVEY

- Building – Commercial. Work and forward orders continue to be strong, however concerned that rising costs may cause cancellation of prospective work.
- Chch builder, ok
- Construction project management in Gisborne. Very positive with two years work ahead.

Construction Related

- Electronic Security. Things are very strong on the back of construction activity. Main issue is qualified staff.
- Plumbing and drain laying in the Waikato. We are extremely busy with lot of forward work. Hard to find good trades people though
- Steady. Environmental consulting mainly to developers
- I am in the building supply industry, Things are very good at present and future work looks strong.
- Compliance accountancy. Very buoyant with record new client growth mainly sole trader labour only contractors associated with the building industry
- Qwn/Dunedin/Invercargill - Electrical Contracting - a lot of activity in these areas and good for business - there is a slow down coming for Invercargill market due to flow on effects of Dairy Downturn. Christchurch - Very busy in Commercial Electrical Contracting
- Interior Design. Canterbury. Things are steady but note more competition in my industry than ever. However as ChCh born and bred I still only rely on word of mouth and repeat business. Still no need to advertise. ChCh is a fairly small place in my industry.
- Architectural, Engineering, Environmental Services and Project Management Consultancy. Based in Auckland, Hamilton and Christchurch but with business nationwide. Business is very buoyant at present with high levels of activity and good profitability. Growth is happening but is constrained by the availability of resources.
- Renovation and it is booming
- Christchurch Painting and Plastering Contractor. Things are very slow at the moment. Prices are being squeezed due to lack of work being released. Big worry about Main Contractors going bust.
- Construction (consultancy) in Auckland. Crazy busy and showing no signs of let up.
- Concrete construction BOP steady
- I am in the building industry as a supplier to the merchant channel. Things are good with a nice steady increase continuing with the outlook for much the same if anything we may see an increase in the coming months as housing projects and apartments come off the drawing boards and through consenting. GHB's report good volumes with most regions around the country saying land restraints is holding up new builds
- Architecture, Commercial - Very busy, difficult getting good staff, cost of building going up too fast will eventually kill the golden goose.
- Tool sales, trade and retail. engineering taken a hit from the energy sector slow down, but building booming.
- Ready mix concrete & builders supplies. Business is strong.
- Joinery, Nelson. Steady work flow coming in, but still a shortage of new skilled tradespeople
- Building & Construction materials supply. Volumes strong particularly in Golden Triangle Auckland, Tauranga, Hamilton. Prices and margins still remain tight.
- Auckland and Queenstown plumbing. Extremely busy challenging to find good staff one left to go out on their own.
- Nationwide Machinery importer & distributor to Contracting, Infrastructure, Quarrying and Hire industries. Outlook for the next 5 to 10 years looks strong - still a very competitive market though.
- Electrical service contracting. Christchurch. Steady but starting to decline

Education

- I am in child care both in Hamilton and Auckland - we provide care in low socioeconomic areas and demand is strong - however with no government funding increases over the past 6 years things are becoming harder as we need to make our money stretch further than before. Staff want pay increases and resources are becoming more expensive and so is land- thus rents are rising yet our income is stagnant.

BNZ CONFIDENCE SURVEY

- Education (State Integrated School - Tauranga) - very positive with increased enrolments partly with Auckland drift
- Education – Auckland. Steady. Awaiting the enrolment levels for International students. It might be impacted by the exchange rate. Debtor levels are low, reflecting steady cash flows in the business and retirees world.
- Fine. Steady as she goes. English language education Queenstown.
- Things are a little slow at the moment, but not far from the usual. Industry: Music education. Region: Auckland
- Adult education in Canterbury We can only speak for ourselves. Business is steady and we expect it to continue that way till the seasonal trough in December/January. We are moderately optimistic about growth and demand next year.
- Tertiary education, Canterbury. ... Struggling with non-STEM course enrolments... large increases with a push for more in STEM areas.
- Seems to be rising slightly. I'm an Economics teacher in a private school which has only international- mostly Chinese- students. the marketing guy just told me he has no reason to expect the next intake- July- to be at a different level to previous intakes. Year on year we've been rising a bit. In Auckland
- Education, busy
- The training industry is buoyant on the back of the Health and Safety in the Workplace Act 2015.
- Higher education industry. Okay, no noticeable difference.
- Tertiary Education Wellington - tough - tight funding conditions, falling domestic numbers due to improving employment conditions, all tertiary institutions becoming increasingly dependent on growth in international students which is becoming increasingly competitive.
- Early childhood, Auckland - competitive with so many new centres being put in place by investors.
- Teacher, Auckland. Things are okay - pretty steady. I think the future is looking good.
- English second language teaching (ESL). Auckland. Buoyant and busy. Plenty of students, lots of work, teacher shortage

Energy

- Oil Industry, totally depressed with no jobs, Taranaki
- Electricity: very competitive. Results of big players are mixed this year, but they have all slimmed down and scaled back plans to build new power stations. Uncertainty around Tiwai is easing somewhat, demand growth has returned (excepting the very warm winter of course), so confidence is starting to build. Gas: lack of explorations success, low oil prices and sale of Shell NZ are all placing dampener on sentiment.
- Petrochemical/fuel distribution - Auckland region. Business picking up, second biggest month in history for July 2016 even though it is typically the quieter period. Expecting the months will dramatically increase in activity leading up to Christmas.
- Power/Utilities - Retail competition growing with small players entering the market. Demand and pricing firming very slowly.
- Wellington, energy sector. Going fine. Efficiencies needed & IT a good way to facilitate that for the business.
- Electricity industry, Wellington, some growth but threat of disruption from batteries and solar is looming which is impacting some business investment decisions. Generally positive outlook though, however.

Engineering

- Consulting engineer sme, Canterbury. Plenty of work in our field.
- Precision Engineering. Locally - busy (mainly building related). Exports - patchy and slow
- We are in the North Otago region, running a workshop. It is still up and down, a lot quieter than a year ago. Still hard to find qualified staff.
- Consulting Structural Engineers. Very busy turning work away. Looks busy for some time ahead
- Auckland. Consulting Engineering Busy. Although House prices are rising, we are not seeing a rise in fees.

BNZ CONFIDENCE SURVEY

- Auckland, - Consulting Engineering. We are very busy, company is still growing in size. Many apartments and house units.
- Engineering, Dunedin. Market still tight but looking brighter leading up to Christmas but not what it has been the last couple of years.
- Auckland engineering consultancy. Flat out, limited by not being able to get enough staff, cost of living pressures mean people can't move to Akld even from overseas. Cost of employment going up significantly but fee revenue yet to increase so margin pressures remain
- Things are busy in the engineering industry in Christchurch.
- Steady. National Civil Eng consultancy.
- Industry: Hydraulics, Infrastructure, Engineering, agriculture. Going really well. Lots of opportunities. Getting good qualified staff is the big issue.
- Mediocre. Engineering, Auckland
- Engineering/manufacturing - Southland. Very quiet at the moment due to the dairy downturn but reasonably confident things will improve as the dairy industry stabilises and finds its new level.
- Engineering, Christchurch. Busy
- Consulting engineering - strong and busy. Watercare lack of capex spend is affecting some otherwise ok

Farming

- Dairy farming Manawatu. Been very wet on farm so tough at the moment. Signs of positivity on pricing front but maintenance etc. has been deferred for a while now so cash flow will need to improve quickly to minimalise further effects on farm. Looking to exit at season end with land use change.
- Dairy Farming: Still depressing in negative cash flows for at least another year.
- Dairy, starting to see price lift
- Dairy, Sth Canterbury. Last yr was the worst financially of my farming career, however we have adjusted the business to cope with the volatility which we didn't see coming 2 years ago.
- Dairy, South Waikato. Not happy at all but hopeful things will improve within 6mths
- Manawatu sheep beef- beef good sheep looking average. Overall average.
- Dairy Farming South Westland ; Getting on with Spring on the farm and quietly confident it (the Payout) couldn't possibly get worse!
- Dairy Farming Waikato. Low Pasture Covers. Hardest Winter/spring in Living Memory. No Cash. Apart from that life is great.
- Sheep & Beef Farming Southland. Outlook not looking good for prices, beef a little more positive
- Sheep farming with lack of spring growth yet, prices well be down, so not a cherry picture
- Gloomy...North Canterbury sheep farming...ongoing drought ..prospect of poor lamb prices.
- Dairy industry. Slight improvement but income still below cost of production once you add bank debit
- Farming - Grain and seeds: Fairly average currently. Seeds still firm (if you can get a contract), but grain has seen some much reduced pricing, especially the free market. It will take a while the situation to improve, but interest rates are low and fertilizer prices have also eased.
- Farming. Dismissal. Low lamb prices and drought (North Canterbury).
- Farming. Canterbury. Everyone just getting on with business. some positivity about the future.

Farm Servicing

- Working in rural HR, things are obviously tight and farmers with unhelpful staff are having to deal with them on top of managing difficult budgets.
- Animal Health - Doing it tough, the bottom line is being cut as the top line turnover has declined. Farmers not inclined to chase that extra production by spending a bit extra. Current tight cash flow is holding back productivity on many farms. There are lessons being learnt by not paying for prevention and risking a visit to the ambulance at the bottom of the cliff. Thankfully its been a kind winter.
- Southland - Dairy Farm Servicing - busy at present due to Cowsheds starting new season of milking Taranaki rural. Bit quiet at the moment which is seasonal but probably overlaid with the current dairy and energy sector downturns.

BNZ CONFIDENCE SURVEY

- Our industry supplies mainly rural customers and since April sales have been lower than previous years
- Very Slow here in the Taranaki selling Farm Machinery - good to see milk solids price increase - hopeful will build confidence in the consumer
- Providers of cap ex and consumables to the dairy industry: immediate enquiry for cap ex since the price of milk powder began rising beginning of August. Lift in consumables too. Farmers are beginning to show first signs of a smile that the industry has turned the corner. Interesting to see the price of powder has risen by another \$US300 in the three days post last Wednesday's GDT.
- The agricultural machinery market is still very subdued as it has been for the last 18 months. We were starting to see increased activity prior to calving and hope that it comes back in September. As a manufacturer we are struggling to compete against imports due to the dollar and are spending large amounts on updating designs to stay ahead of the competition. A huge effort is going into diversifying away from reliance on ag. At this stage we are focusing on civil in particular steel reinforcing for stabilized earth walls
- Canterbury Rural Real Estate ...Slower with sales of economic units but Steady in the lifestyle sector.
- Dairy Processor - Despite recent GDT price rises the industry is still facing significant headwinds due to international oversupply and NZD strength/USD weakness. Value Add markets also very difficult with China demand growth at a standstill and significant low cost competition, from Europe in particular.
- Farm Machinery South Island, some confidence coming back, but tough market with cash strapped farmers wanting to buy equipment with rusty metal as part payments challenging our stock control.
- Agricultural based company supplying Grain Storage and Handling equipment. Based in Canterbury but servicing the whole country. We have seen a 40% slow down in business, while this sound a lot it is coming of a very high, high so if you take that into account probably 18 - 22% down in reality. Next year not looking too different at the moment.
- Things are looking up, with milk prices increasing, easing farmer pressure. Working with a dairy processor.
- Dairy consultancy, Southland. Finely balanced, good cost control, nervous about milk price but quietly confident
- Dairying services and forestry (summer logging). Dairying - ok, a bit more confidence. Forestry - concerned about how prices for logs will change as year draws to a close (recently falling)
- Farm equipment sales. Mixed Bag. Booming in horticultural equipment but very quiet in any dairy related equipment.
- Agricultural chemical supply. Reasonably positive. Forecasting real growth as well as displacement growth.
- Wood Protection supply. Niche player, very strong

Financial Services

- Financial Planning Industry. Industry is stable at the current time although here in Taranaki, people are still hurting (farming, oil/gas, engineering)
- Financial Planning? Investment - Taranaki/Manawatu/Auckland - low bank rates driving new clients to seek higher yield and focus on their longer term planning. Difficulty in finding qualified staff.
- Business finance, NZ wide. Debtor days slowing a little but overall growth is good.
- Financial Service, Auckland. Business is going well, actually we are growing.
- Finance industry - Canterbury region - things are reasonably buoyant at this time
- Fund management good in terms of fund flow, very bad in terms of quality investment opportunities
- Financial Services - Loan and Risk. Loan performance still strong (even in July/ August), however, there is a sense that many are borrowing to their limit - \$234B is a lot of debt for NZ to owe on homes...Risk performance strong also, many Kiwis still exposed to Personal risks, point, yet continue to cover General 'stuff' (house, car, contents) - Personal risk still a big opportunity for years to come
- (Finance industry). High demand and highly confident customers.

BNZ CONFIDENCE SURVEY

- Can see the slow down pace, one hand is the retail end, may be due to the limit of LVR and seasonal change, more supplies in the market: the other hand, due to the capital cap from the bank end. Business segment: Property Finance (Auckland and Hamilton)
- Finance Industry - Mostly equipment finance to small & medium enterprises - steady flow of business, more than last year.
- Financial Services - Business and Personal Insurance - Investment. Becoming more buoyant as confidence returns to farming sector. Increasing levels of new business. Positive indicators looking forward. New business volumes still lagging 2014 levels that we experienced prior to slow down in dairying. Expect to be back to previous levels by end of 2017. Investment steady with increasing levels of inquiry. All in all looking positive.
- Things are looking good for the industry. I am in the Finance industry
- Nervous but cautious optimism short to medium term. Concerned medium to longer term. Financial Planner. Christchurch
- Financial Advice. Clients proactively seeking the risk assessed opportunity for higher returns than that of Bank Deposits with the assistance of Authorised Financial Advisers. Optimistic, particularly for direct equities that offer attractive dividends. Happy to also place funds offshore at current exchange rates in quality funds and equities, to purchase investments with expectations of gains should overseas currencies strengthen as a possible additional benefit
- Mortgage adviser in South Auckland and Franklin district. Fairly buoyant, but have to concede that business through this year is about 75% of what it was a year ago. Reserve Bank LVR changes have slowed the market down. Property price increases seeing some resistance from buyers. Not enough property available at the right price. Potential sellers scared of selling without a new home to move to within their budget. Hence a lot more cautiousness being evidenced and some deciding the time is not right to buy now (they believe they have missed the boat).
- Mortgage Adviser. Auckland. Pretty quiet at the moment - a noticeable difference post LVR restrictions, possibly time of year, less housing stock on offer? Busy however with small top ups for cosmetic property upgrades.
- Finance / Accounting, Wellington- good from the point of view that activity is happening and there are jobs coming up however there will be a lot of interest in these roles so demand for roles is strong. Employers can pick and choose.
- Debt collection Auckland: Deal with customers all over NZ. Generally good recovery percentages, debtors able to settle or pay in full.

Food

- New opportunities are coming in the Food Manufacturing Sector, business is growing. We are based in Auckland but serve whole country.
- Exporter of dairy based nutritional formulations. As I approach retirement I am not pushing to expand my business. So things are continuing satisfactorily as in the past but potentially could be better
- Exporting Food and Beverage. Things are tight. Not as buoyant as they were. Interest from China is still well down on previous years unless it is something they really want.
- I am on the web market selling mainly dairy products to Asian countries. The strong currency reduced my orders compare with 2 years ago when the NZ\$ was weaker than today. The outlook if my business isn't promising shall the NZ\$ keep on strong.

Forestry

- Forestry. Very strong. Log shortages very evident
- Forestry. Export and domestic log markets are strong, NZD pricing is solid
- Forest industry. Central north island. Local demand for sawn timber remains firm with strong housing starts throughout the country. Export prices for logs have softened making log supply a bit better for domestic mills. Lifting house prices is driving more new home construction and this in turn is increasing local demand for wood products. Good for forest owners and local processors
- Forest and wood production is strong at present driven by continued firm export demand for our softwood logs in China and unprecedented domestic for lumber for housing.

BNZ CONFIDENCE SURVEY

Government

- Wellington - Quasi Government. Things are a bit shaky. A lot of restructuring and uncertainty around jobs and future positions.
- Local Government is a dire place to be at the moment. Issues such as housing, water quality, sea level rise, high rates are pressing and not easily solved. Increasingly Central Government points the finger of blame at Local Government but fails to acknowledge it's the legislation they developed that prevents councils from being more agile and responsive on critical issues like housing.
- Local Government. Due to the proposed amendments it is a time of uncertainty in terms of the future configuration of Local Government. Apart from this our communities are thriving with economic conditions providing some cause to be optimistic and Central Government and Regional Government investment in the prosperity of the regions.
- Public service - business as usual

Health

- Healthcare - Steady increase in services provided as the population starts to age and pressure comes on DHB's to provide more.
- Medical device- less spending generally by hospitals.
- Healthcare IT, Global Market. Currently a struggle with state of current global economies and the political issues that have been arising. Looking to the long term for growth.
- Private healthcare volumes are solid, house prices starting to impact on ability to attract right staff to Auckland - they get paid as much to live an work 1,2 hrs down the road.
- Chiropractic. ChCh. Near the same volume as last year, so approx. 25% down from before EQ sept 10
- Medicine. Ok. But lacking funding for access to advanced technologies and medical therapies

Horticulture

- Great. I'm in the kiwifruit industry and things are going very nicely. 2015 was a record crop. 2016 was down on 2015 but another excellent crop. I put new structures in last year so all R&M has been done. Shame gold license is so expensive.
- Kiwifruit - Bay of Plenty. Gold – excellent. Green - big crop to market - will be a challenge. Overall Good
- Horticulture - Vegetable exports, grown across NZ. Coming off a good year. Has been tough planting conditions with the rain but last patch of sunshine helped. Going into tougher market conditions and currency a real problem and challenge to profitability.
- Horticulture, grapes – good, flowers - good
- Kiwifruit. Will be a late season with the warm winter. Winter prune done and canopy is looking good.
- Horticulture – Northland. There are increasing problems facing the industry in spite of the high prices in the avocado sector last season
- Kiwifruit industry going well with record exports. Gold export prices holding up well green prices slipping. Allocation of new gold licences to green growers for conversion to gold slowing down due to increase in greenfield developments.

Hospitality

- Supplier of Catering Equipment and Kitchenware to the hospitality industry. Positive attitude prevails in our sector which is pushing sales up. The busy Holiday Christmas period is shaping up well.
- Hospitality Restaurant and takeaway Mt Maunganui. Good trading. Year to date up 10% on same period last year.

ICT – Information Communications Technology

- IT consulting in Wellington. Industry looks to be steady with a reasonable amount of government work in the pipeline
- I am in IT, and in Auckland. It sounds stable though still not at par salary-wise with house price rise, which is understandable looking at the rapid growth Auckland property market has experienced since 2011.

BNZ CONFIDENCE SURVEY

- Telecommunications - we have seen a lot more customers (corporate) started to open their wallets and would like to spend more money with us, - there is an ever growing demand for the bigger, better, faster services (broadband uptake), - more service providers popping every few months (great for us as a support provider)
- Large pipeline with no forecast of this slowing. IT Professional Services industry specialising in cloud solutions
- Working is increasing, but rates being paid are decreasing. We are a commercial communications and MATV cabling company
- ELV Cabling. Very busy. Auckland
- IT - Wellington CBD. Good demand coming through from Govt and private sector, bespoke development has dropped off yet digital transformation and consulting running hot
- Print and IT services. Auckland exporting abroad. We are busier than ever.
- Tech Industry. Things are good and progressing well
- Industry: IT. High demand for business and technical skills (dependent on skill set) within Business Transformation/ change programmes.
- Industry: ICT for financial services. State: Plenty of opportunities, but hard to find good staff.
- Linux vendor. Slightly optimistic
- Technology IT software – Auckland. Really good.
- It - software development. Constant work coming through the
- Information Technology - software development. Good, lots of projects on.
- IT sales and service. Things are slow, commercial rents are going up due to property prices going up. Prices are not going up . Costs are same
- Telecommunications. Competitive , but we are booming
- IT - ERP and Consulting. Very good, getting more opportunities than we can handle, seeing a lot of business confidence with companies prepared to invest in new/upgrading ERP.

Insurance

- Insurance - Results have come in for the Australian based insurers with flat growth but steady profits. All are focusing on cutting costs. Commercial market rates are historically low with plenty of capacity but the feeling is that the current rates can't be sustained.
- I work in the Commercial insurance industry in Hawkes Bay. Things are very competitive with some insurers dropping prices significantly to compete. This is obviously good for purchasers but will only end in tears for the insurers as profitability sinks.
- Commercial Insurance, Auckland: Very competitive market conditions with falling premiums due to increased capital & new entrants to market
- Actuarial services. Things have been picking up and have been consulting in Singapore and Malaysia. More discussion on aging populations and how that will impact insurance companies, health care etc. and how to pay for this growing trend in 2020.
- Exciting with very few insurance professionals understanding the captive insurance concept. Our area extends throughout NZ, Australia and the South Pacific.
- Neutral - Insurance Industry Taranaki
- Insurance Wairarapa. Very quiet at present
- Nelson - Assurance Services - industry is currently slow.
- Domestic and commercial general insurance - Auckland and north especially - highly competitive, broad ranging options available, results somewhat chequered with insurers taking or about to take remedial action to correct poorer performing portfolios typically property or motor oriented.

Legal

- Legal - Central Auckland. Conveyancing is quieter than usual but other work is taking up the slack.
- Northland Legal - very active property market driving business. Busy.
- Legal services. Pricing needs to be competitive. Going well but patchy at times,. Hesitant re future strength
- Steady - Legal
- Legal. Boom times. Hard to cope with the work.

BNZ CONFIDENCE SURVEY

- Steady (Legal, Auckland)
- Continues to be very strong. Legal - Rotorua
- Positive, plenty of work available and business confidence generally seems positive. Nelson region. Legal profession

Manufacturing

- Paint manufacturer - boom times continue with double digit growth over prior periods in both DIY (homeowners) and trade (buoyed by high levels of building activity)
- Design, manufacture and sales of Electronic Motor Control Equipment. 95% export globally. NZD level is adversely impacting margins. Budgeted growth not being realised. Decision making regarding major projects delayed.
- Not bad. Swings and roundabouts, and the prospect of growth in new areas. Manufacturing/ Communications equipment accessories/ Auckland.
- Clothing Manufacturing Industry, Canterbury. Domestic sales are very soft and have been for some years. Exports are under pressure from the very high NZ\$ (UK Pound & Euro). The Tourist outlook is extremely positive and will help the NZ Made Manufacturing industry through. Overall positive.
- Slightly softer since mid July, but positive. Textiles. Throughout NZ
- Equipment manufacture and export. Things have gone strangely quiet after a good start to the year.
- Metal Manufacturing (chemical plants, HSNO tanks), Bay of Plenty. Very strong at the moment - clients spending money on upgrades to create efficiencies and also compliance for HSNO requirements and H&S requirements.
- Manufacturing. Wellington. Exchange rates make it tougher than it needs to be.
- Good. export going well. Domestic economy still tough. Hawkes Bays, manufacture Natural Health Products
- Manufacturing / Wanganui. Business sales remain good. attracting staff with the right skill set in the provinces is a challenge.
- We are in the manufacturing business relating to the building industry, and we have never been this busy. We are in the Manawatu region. So I hope it continues.
- Busy. Labour short, electrical wiring, contract manufacturing Auckland
- Manufacturing -Auckland – Mattresses. The category remains buoyant .

Misc.

- Things are Patchy with varying workloads but in general a little quiet. Hydraulics South Island
- Auckland Region: Corporate and Insurance Fraud Investigation. This is an unusual one, but is (I think) nonetheless, an interesting commentary on the state of the economy. I have been investigating fraud in this sector for 25years+. I have seen the economy's tides rise and fall. Fraud increases in hard times. I have never seen fraud fall so much as has happened in the past 2 years. People are so busy making money, or at least surviving, where an insured fraud might otherwise be their only escape, that they are all too busy to try it. An unusual, but in my profession, a true barometer of the state of the economy.
- National business, Not for Profit, Continuing to grow. Increasing prices will directly effect pressure on wages which will increase our costs.
- Wellington / Photography. Slightly better
- High growth SaaS (software as a service) companies. Amazing. Valuations are down but the companies are great
- Industry - Food Processing and machine innovation. Sth Auckland. We are experiencing very strong growth and future looks good over next 12 - 18 months
- Growth is great. My industry caters for security within a corporate environment
- Not for Profit Charitable Trust- Difficulties in finding good investment opportunities offering realistic returns
- It's tougher as we are a not for profit
- Slightly above average at present. In principle, quite promising, but the dark cloud is the US election, and the likely end of TPP, and difficulty with the US in exporting following that. I am in the scientific

BNZ CONFIDENCE SURVEY

sector, and one of my projects, special skin gels from marine products, looks good from an export point of view. Trying to finance the project is also difficult. Region - Wellington.

- Professional services -- offshore & domestic -- generally very quiet and rising NZD starting to hurt
- Earthquake recovery Chch - still busy with increasing remedial issues from earlier completed work
- Social housing sector. Nelson region. Outlook is poor - demand is growing fast and our ability to service it is nil now that Government has ceased all capital grant funding to the sector.
- In retirement and living from the returns of a Superannuation scheme plus Government Pension. Poor investment returns means that we do not have the financial freedom we expected in retirement but are positive that the situation will improve later next year.
- Recreational hunting and fishing - Waikato region. Sales down.
- Computer repairs, Auckland the same as usual
- Visual FX Industry. Wellington. Things are going along very well at present. We have worked lined up well into next year. Always pretty busy but trying to keep the hours manageable
- Seems all good. Busy. Cleaning Company - helping food manufacturing and processing companies meet their hygiene audits. Auckland. Waikato
- Conservation. Very unhappy because the resourcing is far short of the needs.
- Making shades awnings and covers...normal quiet period with more work being quoted and things in Taupo looking good for the future ...central trim Taupo
- Marine Services Industry, countrywide. It has been quite static over the last year and we do not expect much growth in the upcoming year. Our growth depends on sourcing work from overseas.
- We sell machinery that we make in NZ. We import some of the components and assemble it here in NZ before exporting over 75% of it to countries including AU, UK, USA

Printing and Packaging

- Printing, Auckland. Steady as she goes.
- Medium size commercial printing. The market remains reasonably steady and very competitive,
- Flexible Packaging picking up in NZ and AUS with weaker dollar against US. Capital being spent and developments lifting, especially in AUS.

Property Development

- Steady consent numbers in P.Nth, a lot of commercial development projects underway at the moment.
- Land Subdivision, Manawatu. Council very slow in processing permits. Strong interest in available sections
- Property development and construction in Hamilton & Cambridge. Sales are still strong, off-the-plans. Existing property is taking longer to sell. Prices are still rising and land is in short supply. Nothing new really.
- We are a local government urban development agency in Auckland. Although there are a lot of planning currently going on to progress some of our projects, we are unsure whether demand for housing will sustain once we begin implementation. I believe we are still on wait-and-see mode.
- Auckland Property Development. Construction cost increases unlike any other time in the past 3-4 years. Expectation of a slow down / stagnation in residential house prices overall. Concern over 'where to from here?'
- Property Development. Industry is still positive about future growth. Opportunities are limited due to large number of investors and land bankers in the market taking away development opportunities. Becoming increasingly more difficult to secure contractors, and to secure them at build rates that make any development feasible.
- Professional Services (Land Surveying and Civil Engineering), mainly specialising in land development in the Tauranga Area. The most buoyant in my working life (30yrs) with great projects in the pipeline for the next 2+ years.
- Finance - residential developers struggling to sell upmarket spec houses in ChCh with some having to take real haircuts to sell. In the commercial sector, oversupply of office space evident.
- Very busy; property and land development focus Auckland
- Residential property investment. House price rises strong in provincial North Island. Rents steady.

BNZ CONFIDENCE SURVEY

- Land Development and Construction, Christchurch - Steady pipeline of work for next 6-12 months, very competitive marketplace
- Land Development, Auckland. Extremely busy with resources scarce to complete the work, concern over lack of skilled staff.

Property Management/Investment

- Property Manager North Shore of Auckland, tenant enquiry is strong and we are achieving 3-5% rental increases. Not a lot of churn. A few more Owners putting their properties on the market. New business average.
- Property Management Auckland: Slightly quicker than normal seasonal drop in number of rentals available. Rents steady.
- Residential Property Investment Industry. Much activity at the moment with strong demand. Lack of good supply
- Residential rentals. Good supply of tenants and rents slowly increasing. I was able to put up rents in Northland & Waikato, as well as Auckland. Costs are increasing though and it's hard to get tradesmen.
- Christchurch rental house market. Things seem to be quite flat and not as easy to find new suitable tenants as in the past. I have had particular trouble in the last 2 months, but it may be the time of the year as well. I used to get 6 or more parties interested in our well-maintained and well located places but lately very few, and some who didn't even keep appointments. Colleagues report lowering rents by as much as 10% - back to 2012/3 levels.
- Commercial leasing. Going good. House rentals. rents increasing. Good. Auckland, Kumeu/Huapai/Keri Keri
- Residential property investment primarily in Auckland. Am a buy and hold investor and while the industry is going strong currently, I am sitting tight, consolidating and waiting as I think the market will start to flatten out and fall back in late/Oct 2017/early 2018. But currently it's going gang-busters given the perennial shortage of supply in relation to demand.
- Residential Property Investment - Wellington. Prices still strong but investors thinning due to LVR restrictions.
- Auckland residential rental investment - all rentals full and rents firm. Happy it is like this

Property – Non-residential/Commercial

- Commercial Property Management in Nelson. Very good at the moment apart from the odd National Tenant failure (Dick Smith) becoming less tolerant of tough tenants as we know there is a better one around the corner.
- Commercial property Auckland. The market is very good at the moment but I feel we are at the top of the cycle & more difficult times ahead within the next 12 month.
- Real Estate Commercial Property Investment. Nervous - there is an amount of panic in the purchase of property where the yields are being driven extremely low and will inevitably lead to 'stressed sales' with a lot of 'mums & dads' investors taking a bath.
- Commercial Property Industry Auckland CBD- After a short sabbatical offshore I notice that things have slowed dramatically
- Industrial and commercial sector NZ wide, providing professional valuation services. Very busy with clients prepared to wait 4-6 weeks for our services. Busy climate expected to continue to end of 2016.
- Commercial property sector very strong with yields still decreasing. Strong demand for a vacant retail unit we are currently renting.
- Commercial Property Valuation. Tauranga. Extremely busy with a very buoyant market driving down yields.
- Commercial property investment. The best I have seen in 30 years. Low vacancies/rent increases/yields contracting/interest rates at 50 year low.
- Commercial property manager. NI but heavy weighting towards Auckland. Positive outlook. Plenty of money out there looking for yield. Quality Industrial is difficult to find and competitive.

BNZ CONFIDENCE SURVEY

- Commercial property rental in Akl CBD. Market steady but not as buoyant as expected. 1 vacancy still to be filled in rooms.
- Industrial Real Estate Sales and Leasing. The music has stopped in the game of industrial musical chairs around Auckland Airport, there is simply no land available for sale. The price jumped by circa \$100 per square metre over the last year however there is simply no land remaining for sale. Leasing: There are several new and older buildings available for lease (mainly from institutional landlords) however with super low interest rates many businesses would prefer to buy. Most vendors are holding onto their buildings with little or no pressure to sell (even those with vacant buildings). Due to the extreme lack of purchasable industrial property medium and smaller vendors are accepting off market purchase offers before fully considering an auction or other competitive marketing campaign even though the price would likely be higher.

Property Valuation

- Still going well, but have been overseas for a month. Still market strong. Residential property valuation, Auckland

Recruitment

- Executive recruitment- flat out
- Recruitment - I have plenty of roles on the go that I am looking to fill, but the lack of volume and quality (especially) of the candidates is quite probably the worst I have experienced in 20 years of recruitment.
- Growing, Executive Search
- Recruitment. Canterbury. Some employment uncertainty in civil and commercial construction despite apparent boom.
- Permanent Recruitment -Off the charts crazy busy with huge pressure to locate quality hires.

Residential Real Estate

- Real Estate Manukau - listings at reasonable levels, enquiry up, sales up, market prospects excellent for next 12 months.
- Real Estate Rodney District. Nothing changed, very few properties getting listed.
- Auckland Central - Real Estate - Residential. Slow down continuing in the \$2m plus housing. Under \$2m activity solid.
- Things are good in my industry, real-estate sales
- Auckland real estate, very active market between 1.5m and \$2m. A little more subdued in the \$2.5m+ market.
- We have had a quiet two weeks where it seemed people were holding back but in the last week we seemed to have gained a but more momentum. Real estate Auckland south.
- Real Estate Palmerston North. Market remains buoyant with a lack of listings the predominant issue here. Multiple offers to the fore. Rental Division also busy
- Real Estate Auckland - very flat and uncertain if the very low volumes will continue. Buyers have no urgency. Big change in the market dynamics from a year ago
- Real Estate - Royal Oak Auckland. Lack of listing frustrating buyers who are good to go across all price brackets.
- Residential Property Management, Napier. Shortage of rental properties due to a combination of Landlords selling on a favourable property market, and an increase in migration to the Bay creating a higher demand. The only plus has been for Landlords who have held their property as the rents have gone up.
- Great, things are humming in Wellington. House prices are rising and should hit an annual rise 20%+ by end of the year. Multi flat properties are still going well in Wellington Central, the 60% LVR rules are being curtailed by 2nd tier lending and investors investing in groups. There's no stopping it.
- Home Loan Finance Wellington -market has slowed down a bit after recent RBNZ LVR restrictions for investors. Also no doubt affected by the current shortage of house listings.

BNZ CONFIDENCE SURVEY

- We sell off plan apartments in Auckland. Market has slowed we believe due to RBNZ 40% investor rule. Not because investors are our target market, but because any changes affect sentiment as some buyers think this rule may reduce competition and prices in the near future
- Real estate - Residential - Hawkes Bay - Hastings District. Strong demand but acute listing shortages. We need more stock to sell! Also beware: make sure you choose an agent who will properly market your home to create a competitive environment to ensure that you get 'the best deal' (not just list and undersell to the first buyer, within days of listing).
- Residential Valuation in Auckland - Steady work
- Property, section prices weakening other areas strong.
- Real Estate east Auckland. A definite & quantifiable drop in houses for sale, very low attendees at open homes and very poor results houses sold on Auction Day. Houses still selling post auction if priced to sell. Some vendors & agents are still pushing for higher prices. Buyers are showing more restraint. House prices may appear to be dropping - most likely just levelling off and are more predictable
- Residential Real Estate, Central Auckland. Busy with new listings though still not as many as we need. Buyer numbers are definitely down but better quality buyers coming through open homes - not as many lookers. Prices holding firm, still the occasional wow price.
- No change from last three years, difficult to get listings but easy to sell, a lot less listings recently but a little less competitors fellow agents) as well.
- A bit slow as the 40% deposit slowed the investment market
- Real Estate in Auckland. Listings still hard to secure. Prices appear to have settled and some vendor expectation still high but having to be realistic afterwards. Still plenty of buyers though first home buyers still aren't in market due to LVR restrictions
- Residential real estate Christchurch, low stock numbers certainly constrained activity over winter, the spring/summer lift in activity will certainly be welcome.
- Real Estate. Inquiry is down. Prices still rising. Enquiry over 60 listings are 40% of same time last year.
- Real estate, Very busy
- Real Estate in Auckland... lack of listings and a owner expectations are always looking higher. This is a month by month outlook with prices.
- Real Estate - Auckland North Shore: Listings starting to flow through now, but the proposed changes to the investor LVR have already taken effect and dampened the market, Asian buyers struggling to get funds out of China and the local banks excluding overseas income earned relating to lending has quietened down the Asian market a little too. Reminds me of October last year when the market took a 'breather' then bounced back again early this year.
- Residential property - the LVR restrictions seemed to initially make people stop and think, however after the rate announcement things have picked up again. Houses we are selling are not selling as fast as they were this time last year, however are still selling reasonably quickly and for good prices
- OK, fluctuating a bit but pretty much same as last year. That is buoyant but cautious....marketing (mainly Real Estate) Auckland. To explain, housing companies and developers are very short term thinkers in marketing, so tend to stop promoting and advertising as houses now "sell themselves" very dodgy thinking. we are 100% internet based.
- Auckland Central real estate. Buyer enquiry slipping slightly, prices no longer increasing strongly - rather more sedately.
- Nelson - property market booming, but very low on listings. Thank goodness I am not in buying mode now, just watching my properties finally (after nearly 10 years) paying back all the effort we have put into them as landlords.
- Real estate residential sales Tauranga. House prices may have peaked with open homes not so busy in the last 3weeks and out of town investors fewer than before the latest restrictions. However a lack of stock still a problem.
- Real Estate - not as heated as it was a year ago. Fewer numbers through open homes but still quality buyers about. Increase in enquiries about Unitary Plan impact on property price.
- Real Estate. Far North. Plenty of buyers but lower stock level so volume down on two months ago.

BNZ CONFIDENCE SURVEY

- The Wellington residential property industry is humming along with low turnover rates and corresponding high occupancy rates with rents rising between 5-10% in the last 12 months depending on time when vacancy occurs. Costs are stabilising and incomes are rising. The risks are government/Reserve Bank knee jerk reactions to housing price rises, supply & demand factors and property speculation and P -contamination non-existent standards.
- Residential Real Estate - Auckland, North Shore. There is a seasonal shortage of listings however this may improve after the arrival of Spring. Buyer interest remains steady although prices seem to be plateauing.
- Property Valuation / Nelson. A very buoyant property market with plenty of activity and clear evidence of increasing prices. Declining yields are evident for investment property on the back of stable low interest rates.
- Real Estate Agent, Feilding, Manawatu. Listings are short. Demand is relatively high, and values have finally risen moderately (not strongly) over the last year. Real estate residential sales. Richmond, Tasman District. Listings very tight at the moment but can see plenty of business coming for the spring so confident all is well. Prices going up but perhaps not as active as the 2002 market, the last time we had a rapid rise in house prices.
- Residential Real Estate - Napier/Hastings. Listings in very short supply, strong buyer interest across most price ranges. We had no growth for such a long time it is pleasing to see we are finally getting some. Hence my tick on Happy below.
- Portable accommodation(cabins) demand strong right through winter with very high occupancy rates.
- More difficult with the additional LVR restrictions
- Cabin rentals. Very buoyant.
- Residential valuations in Auckland: business as usual.
- Real Estate Epsom. Slowing a bit since the 40% deposit for investors has been implemented
- Real Estate Auckland. They are not rising in most places...in fact slipping away fast under million dollars Auck Wide....You will see Aug stats soon.
- South Auckland real estate. Listings scarce, buyers reluctant to commit particularly at the cheaper end of the market, auctions not as effective as 6 months ago.
- Real estate Auckland, slowing down a little due to increased restrictions on bank lending.
- Real Estate. Tauranga. More listings coming in and the crazed buying is over and spreading further out to outer regions.
- Real Estate Northshore. A challenging industry. Winter is upon us and listings are hard to come by. Vendors selling have very high expectations and with the market slowing, a lot of properties are not selling and vendors then withdrawing from the market. Lots of work with no reward
- Valuer. Property Industry. Very busy, run off our feet. Cannot get professional staff. Have to look off shore.
- Great. Property in Rotorua is my industry
- Real Estate Salesperson in South Auckland going well for established, but not for others.

Retail

- Audio Visual rental, sales and installation. 20% up on last year. Finding customers willing to pay to do things properly without cutting too many corners. Reminds me a bit of late 2007, but we have a better eye on our margins this time.
- We have had a very good winter in the sports footwear industry. Currently running 20% above budget for the year.
- We are in the furniture supply industry, and sales are not easy as consumers continually seek lower prices, and less importance is placed upon quality. This is a no win situation for everyone!
- Clothing wholesale action sports industry. Very strong like 2005-2006
- Wholesale Gardening products and mail order. Based in Palmerston North but servicing all NZ. Its spring so busy and winter was not so bad this year in turnover as well.
- Retail - butcher shop southland. Quiet at the moment but come September will pick up again. We are happy where we are at having only owned the business for 9 months

BNZ CONFIDENCE SURVEY

- Queenstown - Retail and Rental Investments - Just flying high. Very busy and optimistic about the future outlook.
- Service station industry N.I - Fuel Margins & Shop sales are still relatively strong. Wages are still fairly low, minimum plus a little bit. South Island independent oil companies are building unmanned sites and undercutting others. Will lead to better pricing for motorists but sites will close and leave people out of work who are unskilled. This may venture into the N.I which could have a big impact on the above.
- Clothing retail. Things are very flat in Wellington. There seem to be a lack of foot traffic and money. Too many big business have left Wellington.
- Electrical distribution industry in Hamilton. Bubbling along very nicely with lots of new houses & associated reticulation
- Retail - nationwide. We have a product range that is not weather specific so the exceptionally mild winter has not impacted us. Sales continue to be strong although competitive
- Slow growth - retail - Auckland
- Importer Wholesaler. Current positive feel in this sector
- Soft furnishings, curtain manufacture and interior design. Things are pretty quiet at the moment here in Wellington, we usually go through peaks and troughs and although we are ticking over it is not as busy as usual.
- Down in retail trade. Foot traffic down 30% from last year. This is the feedback from our customers doing the shows / events around the country.
- Trade is slightly better than 2015 and consumers are willing to spend but really shopping around before making a decision
- FMCG - Still strong growth in organics, but more competition entering in natural and organic variants
- I am a buyer & seller of second-hand antiques, and to be honest have noticed a 'marked' downturn particularly in buyers buying these items. Unless originally bought for very little in the first instance then the chance of selling at a fair & reasonable profit is lost. Not good in this field at all.
- Consumer Electronics industry is in relatively good shape and I would suggest retail spending is good at present.
however temper that with the possible influx of new overseas predominantly Chinese brands that could drive sales decline in dollar terms
- Retail - challenging
- Been a slower period this past 12 weeks, esp. front half of August when we would usually be seeing a bit of a pick up in activity. Trade for June, July, August has been flat and has been hard work for every \$. Retail in Dunedin.
- Audio Visual display is going well mostly among older retiree's
- Retail Pharmacy Wellington. Both prescriptions and retail are strong at the moment
- IT Distribution. Sales of PC strong
- FMCG manufacturer, Auckland. It is okay. the difficult part would be price increase and heavy promotion support, both squeezing the profit out of manufacturers.

Signage

- I am in the corporate signage industry and there is enough work to go around. Speaking to our peers it seems there is not enough workers / contractors to go around. Things are steady
- Signwriting. Pretty steady. Marlborough.
- Signage Christchurch - Turnover and inquiries have dropped dramatically with no apparent reason although cash flow is OK. Seems to be an underlying unease but outward confidence.

Tourism

- Accommodation in Wanaka, Business is going very good!
- Motels in Golden Bay. Slow
- Tourism. Confidence levels are high right across the tourism industry after two very strong growth years. The challenge is no longer "lack of demand" - now it is "lack of capacity". Associated with this is increased pressure on public infrastructure. NZ needs to be careful that quality standards remain high as numbers continue to grow. Tourism NZ has been attempting to grow the

BNZ CONFIDENCE SURVEY

shoulder/low seasons however stats show that although these seasons are growing, they are not growing proportionally faster than the peak.

- Very strong trading. Tourism Industry. Local Government.
- Tourism Industry is buoyant in all regions for our retail stores
- Accommodation Industry, Central Otago. Occupancy and prices are up on last year
- Tourism trending slower with increase in NZ\$
- Accommodation - (medium/high end) (90+% of guests are typically overseas-based) -- advance bookings for the coming season are slightly ahead of last year's record season, so we're bracing ourselves for another welcomed 'onslaught'.
- Tourism - very good, occupancy rates over winter have been 70% + and it feels as though the quiet season wasn't so quiet and is already over. Solid bookings coming through already for summer. Great tourism Canterbury
- Accommodation - Taupo - After very weak June/July now seeing strong bookings for August onwards with room rate increases over last year (after many years of stagnation).
- Very good for us in tourism accommodation. Coromandel.
- Ponsonby Auckland Travel Industry sales are steady with some margins increasing very slightly as some airlines try to regain market share via retailers.
- Tourism Queenstown - strong growth at the moment
- Corporate Travel Industry, live in Wellington. We are busy at the moment, not crazily so, but busy.
- Queenstown, tourism transport. Very busy. Lots of opposition, but not much competition! Snow not as good as our best seasons' but still very good. town not big enough for numbers of residents, visitors and especially motor vehicles.
- Aviation trans Tasman. Buoyant passenger numbers on the Tasman currently. Strong demand ex Australia to Queenstown. Noticeable NZ tourism marketing in Aussie also.

Transport and Storage

- Auckland International Freight services, down one month and up the next so we are cautiously optimistic in a frothy NZ environment that seems very exposed to the coming global crash?
- Aviation. Generally activity was well below average through the winter. Most operators are hoping for a strong summer season supported by strong tourist numbers. Yet to be seen if that will occur but it is expected.
- The general aviation industry within the Tauranga region remains strong, most likely from people with more disposable income. Demand for flight training, charter flights and other aviation activity has slumped slightly over the end of July and throughout August, but most likely due to the winter months and less than ideal weather. Over summer I expect aviation to pick up especially over summer.
- Auckland, import/export local cartage from containers to parcels. The commercial product for imports is very busy and the consumables is already starting to pick up this month, generally the busy season starts mid September so the signs appear to be very good at this stage. As always, good staff are hard to come by. The new HSWA (health and safety) has been interesting, compliance is costly but I think once each company gets their head around it, it will be a very good thing for everyone. Our growth from this time last year has been around the 7-9% (volume wise) with existing clients and they are generally feeling positive also.
- We sell new & used heavy road transport equipment [trucks & trailers] and demand for units to cart general freight is low but anything that is associated with the construction industry [works & civil] such as tip trucks & trailers etc. is in high demand. Steady inquiry on equipment associated with the logging / forestry sector and waste collection.
- Road Transport. The various sectors of this industry are experiencing variable financial outcomes. General freight is inconsistent with rural areas experiencing limited demand. Log transport is satisfactory with export tonnages experiencing strong demand. Seasonal activity will increase over the next quarter.
- Airline Industry. Going very well at the moment, but I understand that next year's results, there will be a downturn, due to competition etc.
- Very positive. Region: international. Industry: aviation

BNZ CONFIDENCE SURVEY

- Steady, which is okay for winter months. Private Hire passenger transport and local taxi business in North Rodney.
- Very upbeat and doing well. I am a senior Airline Pilot Instructor with based in Auckland.

Vehicles

- Car Sales Napier good
- Motor vehicle industry - has been good in the earlier part of 2016 but has slowed down significantly in the last 1-2 months.
- Personal transport vehicles. Auckland, Waikato, Bay of Plenty. Strong growth. Optimistic especially amongst 45+ age group.
- New Vehicle and parts sales. Business is good. Growing sales and revenue.
- Car retailer - North Shore Auckland . Strong enquiry across most market segments with less procrastination in making a decision. Overall revenue up 15 % on last year
- Automotive Industry Auckland - positive outlook next 12 months. Sales very good looking to hire extra staff

Wine

- Hawkes Bay Winery. Typically quiet being winter, but especially quiet due to water issues in Havelock North
- Wine/Hakes bay. Domestic market difficult. Exports static
- National grape/wine production. Strong competition, extensive discounting and possible signs of oversupply on some varietals. Export margins under pressure as a consequence of cross rates on FX. Tourism and hospitality buoyant.

For further information contact Tony Alexander, Chief Economist, tony.alexander@bnz.co.nz , 09 924-9314

The BNZ Confidence Survey is run quarterly. Email recipients are asked to click on a URL which takes them to a survey site. Respondents are asked for comments on their own industry. Results are collated and released within a week of the survey being sent out. .

This publication has been provided for general information only. Although every effort has been made to ensure this publication is accurate the contents should not be relied upon or used as a basis for entering into any products described in this publication. BNZ strongly recommends that readers seek independent legal/financial advice prior to acting in relation to any of the matters discussed in this publication. Neither the Bank of New Zealand nor any person involved in this publication accepts any liability for any loss or damage whatsoever which may directly or indirectly result from any advice, opinion, information, representation or omission, whether negligent or otherwise, contained in this publication.