

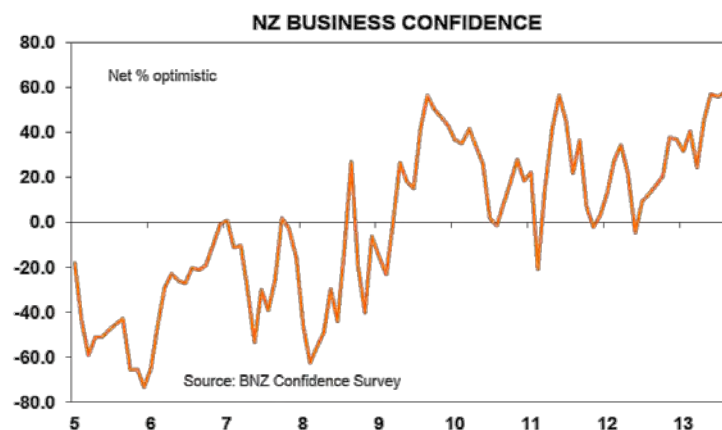
## Mission Statement

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 over 28,000 Weekly Overview readers. To receive the Weekly Overview each Thursday night please click [here](#).

## Confidence Hits A Record High

Our monthly survey elicited 763 responses last week and a record net 59% of respondees expect that the NZ economy will be in better shape in a year's time than it is now. This result is consistent with other less up to date measures showing very positive business sentiment. Some of those other surveys also show high levels of business investment and employment intentions. Our survey does not directly gather such information but instead we give respondees the opportunity to tell us how things are in their particular sector.



In that regard the comments have been over-whelmingly positive this month with some key themes being worsening shortages of labour and a still deepening shortage of residential real estate listings.

### Accountancy

Upward trend in activity underway for many but not widespread enough to say the SME sector is into boom times.

### Advertising & Marketing, Media

Activity widely seen as picking up.

### Agriculture and Agricultural Services

Dairying good. Servicing slowly picking up but more an attitude of anticipation of higher farmer spending than an actual rise of any great magnitude as yet.

### Civil Construction

Improving with an anticipation of labour shortages.

### Construction

Busy to getting busy with staff shortages already appearing. Canterbury and Auckland especially strong.

# BNZ CONFIDENCE SURVEY

## **Energy**

Increasing activity levels.

## **Engineering**

Strong activity.

## **Finance**

Credit demand appears to be picking up but caution still prevails.

## **Hospitality**

Improvement underway.

## **Information Technology/Telecommunications**

The sector appears to be in very good health.

## **Legal**

Steady to improving activity levels.

## **Manufacturing**

Mixed comments as usual but with a good smattering of respondees noting improving activity levels. Some worries about the NZD/AUD exchange rate.

## **Printing and Packaging**

Costs rising, activity slowly edging upward.

## **Property Development**

More positive comments than for a long time.

## **Property Management/Investment**

Improving activity levels and slowly rising rents.

## **Real Estate – Non-residential**

Signs of improving confidence.

## **Residential Real Estate**

Evidence of the listings shortage worsening with comments that people are not selling either until they buy or because they fear not being able to find what they want. Prices still rising though few actual comments about price movements – more the supply situation. “Each listing gained is a guaranteed pay check.”

## **Recruitment**

Very strong with candidate shortages appearing.

## **Retail/Wholesale**

Still evident that consumers are seen as keeping wallets reasonably tightly closed.

## **Tourism and Travel/Accommodation**

Highly variable. Some lift in offshore travel and some operators seeing more foreign visitors but many seeing also no change.

## **Transport/Logistics and Storage**

Like Printing and Packaging this sector can give an indication of changing activity levels which may not be evident from other sources. Comments are generally positive though in terms of activity slowly improving rather than taking off.

# BNZ CONFIDENCE SURVEY

## Vehicles/Automotive

Car sales appear strong.

## Wine

Positive sentiment expressed by and large.

Survey Date	Better %	Same %	Worse %	Net %	# of respondents	# of comments
3 August	38.6	35.5	25.9	12.7	324	214
6 September	43.0	30.5	26.5	16.6	302	206
5 October	42.7	34.9	22.4	20.3	241	168
2 November	52.3	33.3	14.4	37.8	333	207
7 December	51.9	33.0	15.0	36.9	233	174
7 February 2013	51.2	29.1	19.7	31.5	203	150
7 March	53.9	32.8	13.3	40.6	180	144
28 March	45.0	34.6	20.4	24.6	211	135
26 April	56.7	32.0	11.3	45.3	203	128
31 May	66.7	23.7	9.7	57.0	93	70
26 June	64.6	26.3	9.0	55.6	642	345
29 July	65.7	27.1	7.2	58.5	763	551

## Do you personally feel happy or unhappy that house prices are rising?

While policy-makers and buyers fret about house prices rising the bulk of people on average appear increasingly happy with the situation. A net 17% of the 763 respondents in our survey say that they are happy that house prices are rising. Just 24% are unhappy and the net happiness rating is up from 7% in June and zero in May. The results suggest that electoral support for radical policies aimed at curbing house price rises could be minimal.

%	July	June	May
Happy	42	36	29
Indifferent	34	35	42
Unhappy	24	29	29
<b>Net % Happy</b>	<b>17</b>	<b>7</b>	<b>0</b>

## Are you relaxed or concerned about New Zealand's rising economic relationship with China?

It is quite interesting to see that for three surveys in a row now the net percent of people feeling relaxed about our growing economic relationship with China has sat at 44%.

%	July	June	May
Relaxed	64	64	66
Indifferent	15	16	13
Concerned	21	20	21
<b>Net % Relaxed</b>	<b>44</b>	<b>44</b>	<b>44</b>

# BNZ CONFIDENCE SURVEY

## Are you thinking about borrowing more money for your business in the next three months?

While growth in the economy appears to be picking up and the Reserve Bank are laying the groundwork for a tightening of monetary policy, our survey shows that credit demand as such is not shooting upward. The gross proportion of our 763 respondents who say that they are thinking about borrowing more money for their business in the next three months has fallen to 21% from 27% in June and 28% in May.

## 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. Some improvement in temperament, not always reflected in clients figures
- Not much work for over 60's in the accounting field and hard to secure a job in that field when near retirement in a small town.
- Accounting – steady
- Chartered Accounting - busy with a much more positive outlook. Debt collection has improved.
- Busy on compilation work, and starting to see some other work coming in.
- Accounting steady
- Accounting/Tax - very slow, with very little transactional work
- Accounting, tax and compliance. There are cost pressures and payment is slow.
- Business Advisory/Chartered Accounting - Christchurch - Doing well with substantial growth in consulting work this year. Notice more property developments in the pipeline, equity stakes in fast growth businesses being considered and recruitment of key staff from overseas to key positions in business locally to expand. On the alternative side of things, for many established businesses that are not in construction and lasted post EQ... the mini boom appears over with more competitors having re-established or entered their markets. Restaurants etc. Cash flow generally has improved locally from earlier in the year.
- Accountancy - fairly stable after a shaky few years(literally) and a time to consolidate. The building boom has not generated flow on business yet for us but it may do once it gets started.
- Accountancy. Film and Television. Times a little difficult for my film and television clients with our high dollar and the fierce competition from other cities worldwide to attract projects. Our amazing country is fantastic to bring films/television series/commercials to - tell the world about it! We here in the office are as busy as ever.
- Professional Services - Have recently returned from overseas and have notice things are starting to pick up. However the retail sector within Invercargill is struggling and will continue to struggle. There is a lot of empty shops on the main street.
- In broad terms, systemically challenging ( professional services firm).
- Chartered Accounting - more "walk up" work and busier than normal for time of year. Clients generally upbeat although still tough times for those in retail and hospitality sectors. Property sector warming and primary industries buoyant across the board. Definite sunshine on the near horizon.
- Accounting. Good. Continuing the slow upward trend of the past few years.
- Accounting – flat
- Accounting, busy as ever, costs are rising quickly though
- Small Chartered Accountant- Very busy on compliance. Looking for a part time staff member is being more difficult than anticipated. Clients a little slower paying right now.

# BNZ CONFIDENCE SURVEY

- Chartered Accounting, public practice, a great deal of downward pressure on fees as work dries up for a lot of our clients..
- Contract accounting is supposed to be looking up - agencies are saying it is but I am personally not seeing it.
- Accounting - There is a lot of uncertainty at the moment, but mainly from a shake-up in software vendors & reporting regulations. I have stopped taking on new clients as I have hit capacity, and I am waiting to see what happens in the next 12 months or so before expanding again, so I don't have to double up on down time with training.
- Steady , accounting practice
- Accountant, Steady at present still not a lot of new business coming through.
- Accounting - outlook strong
- Chartered accounting and business advisory services More activity in recent months but outlook a little uncertain until effects of the drought are fully understood late in the year. Retail patchy and construction subdued. Good operators making excellent progress.

## Advertising & Marketing, Media

- Strong (TV Advertising)
- Marketing, still pretty tight, clients have lots of debt and very cautious
- Advertising/Marketing. Complex. The growth in ecommerce and web based activity is accelerating as we all knew it would. The media delivery and channel fragmentation is accelerating with UFB set to change the world.....again. margins are falling and the jobs more complex than ever before.
- Our industry is Design, Marketing and Brand Management specifically in the tourism sector. Clients seem more confident. There are some exciting new projects on the board and customers are back into long-term planning mode which is always a good sign.
- Creative Agency. Marketing & Corporate Communications. Off-shore business opportunities exceeds capacity; but to remain competitive against agencies in USA, Europe and South Africa we're limited to how much we can push up our rates. Domestic business clients remain slow to pay, and are not commissioning ambitious projects.
- Public relations - starting to pick up
- Advertising - companies are prepared to invest - but increasingly in highly accountable/analytical areas like online digital display advertising where a \$10,000 budget is affordable and goes a long way.
- Flat – advertising
- Advertising- looking good. Market is tightening and costs are rising so all positive that advertisers are back in the market.
- Specifically 'below-the-line' Marketing & Advertising - positive, in general, corporate companies spending more on advertising than the last 2-3 years. Still very price driven and competitive, buyers/consumers in general a lot more savvy.
- Advertising Far more positive than same time last year. In context of 'this economy' things looks good.
- Design & Advertising - slow start to the year , picking up currently

## Agriculture

- In the honey industry prospects are good, solid business and sales, increasing in our business at about 15% per year. Interest in Asia is at an all-time high, strong out of China, in saying that have not secured an order and exported there yet. Reason, waiting for the right partner. We would need to expand our beekeeping operation as we almost sell all our honey every year if we exported to China.
- My husband and I are retired dairy farmers. We still have money loaned to the owners of our precious dairy farm. We are optimistic about this industry as we dairied for thirty years before our retirement 7 years ago. In this time we saw highs and lows but the industry has been well managed and we believe will always pay a good return for investments. We are sorry to see young farmers purchasing large dairy farms and forfeiting family time to make their business work. We believe a balance between business and life style is essential and being actively involved in the farm work is also necessary for a happy life. Smaller farms, lower stocking rates run by family units with less debt

# BNZ CONFIDENCE SURVEY

was a wonderful way to go in our opinion. This has left us with a good retirement income with the opportunity to help our children in a moderate way.

- Waikato dairy farm. We have recovered surprisingly well from last summer's drought. New season is off to a great start.
- Dairy Great
- Dairy Farming - good for the rest of this season.
- Dairy - good, just announced \$7.40 payout for farmers. Plus I have used the Fonterra GMP fixed at \$7 to help manage risk, locked in a few key costs and things are looking good.
- Dairy - will be volatile but the next year-two looks good.
- Farming...commodity prices are rising so happy with that.
- Agriculture - Grain & Seeds. Improving climate conditions since June and firming grain prices indicate positive season ahead.

## Agricultural Services

- Agribusiness -- things are looking positive
- Suppliers to the dairy industry. Dairy farmers are confident.
- Farm bike sales and service. Still hard work with everything steady.
- Export of raw materials (sterile blood serum) to pharmaceutical companies. Demand is exceeding supply
- Pretty Good. Mild winter. Orders coming in. Agricultural supplier
- Agricultural Consultancy. Optimistic on the whole. Indicative product prices look good and farmers are looking round to spending on maintenance again-particularly fertiliser.
- Tanning industry. Drought has caused a paucity of raw material thus pushing prices up. This coupled with exchange rate has made buyers reluctant
- Agribusiness consulting : Generally business is quite buoyant, although being a small firm, the winning of a significant contract can change the outlook from subdued to optimistic.
- Veterinary industry. Closely related to agricultural industry. Having come through very tough last 10 months with drought and low prices things are looking a lot better.
- Increased confidence in the dairy and Ag sector with better weather conditions. Tractor and machine dealership.
- I am a rural real estate agent, things are looking very promising for spring sales, good quality listings are coming forward early and very strong inquiry from outside the region, October / November is set for some good sale result I believe with a lift of 5% of property values with good location and infrastructure
- The dairy industry is strong so we are good . Compliance costs rising in almost every area of production.
- Rural Engineering Consultancy: Good winter growth will ease impact of last year's drought. New season shaping up well, especially with Fonterra's 50 cent rise.
- Farm machinery sales & servicing. Good enquiry. Spring weather will play a big part in customer buying decisions.

## Business Brokering

- Very good with sales continuing at high levels. Also more sales of general businesses rather than just cafes, restaurants, dairies etc. Business Broking

## Business Consulting

- Public Relations consultancy Wellington: everyone is cautious about undertaking larger projects but keen to not lose momentum. Therefore, business is happening, but budgets are constrained
- Research - picking up.
- Market research - Has been a quiet few months, but have work is starting to come back in now.
- Personal development - not all that good, companies are holding onto millions of dollars out of fear.
- Business consultancy - Business strategy, performance and organizational improvement. Still a little fragile. Short- rather than long-term focus. Missing opportunities to position for future.
- Business Coaching - increasing yet again. A great year!

# BNZ CONFIDENCE SURVEY

- Economic consulting. OK as this is traditionally our busiest time of the year.

## Civil Construction

- In civil construction, specifically roading related, business volume is increasing
- Auckland infrastructure - anecdotal evidence of suppliers increasing prices due to volume of work coming out of ChCh
- Civil Contracting South Canterbury - reasonable forward workload prospects at this typically quieter time of the year.
- Civil Engineering. Work opportunities improving in Auckland, not picking up fast enough in Christchurch and some signs of better times ahead in other parts of NZ
- Infrastructure services - looking up across the board as a result of Christchurch expenditure, and the general phase of the economic cycle. I am predicting good growth in our industry for the next 2 years. The skills shortage will be a constraint.
- Very good - Civil Infrastructure and land development (Construction)
- Civil Engineering - great in the main centres, poor elsewhere.
- Local Government: Infrastructure. Still significant fiscal constraint with little or no capital investment.
- Civil Engineering construction work looking good. Will pick up over summer.

## Construction

- Consenting has slowed down but infrastructural spend is continuing on track. Local Authority
- Construction Industry. More stability, and continuing growth over next 5 years.
- Construction in Southland. Still low margins and people crossing over to work they would not normally do so a lot more competitive due to lack of projects
- Construction - Still patchy but picking up. Looks like the consolidation is starting to come to fruition, margins still relatively low
- Commercial Construction. Getting busier as ChCh rebuild gains momentum.
- Building trade Gisborne a very tight winter even the old guard squealing. A lot of plans over my desk to price quietly optimistic that spring we be the start of a better year
- Building industry in Canterbury, Going crazy. But we make hay Whilst sun shines!
- Construction - Not too good.
- Christchurch Rebuild - Busy
- Construction - Larger projects coming through, general uplift although still gradual increase in volume
- Construction Industry, very very busy
- Spec Residential Construction - Wellington. Slowly strengthening market, sales a little slower but improving on last year. Mostly Asian clients with 50:50 local: off-shore funded. Off shore investors have options and regardless of ownership, to date all builds are occupied. At present we get chosen as an investment locale, but that might not be forever.
- Building industry is very quiet
- Residential Construction. Staff are in short supply which shows there must be a large amount of work about. We have renovations and new builds on the go and a good amount of work being quoted as well
- Construction - gaining momentum
- I am in the Construction industry in ChCh and things are definitely looking up. We are pricing a considerable amount of work in the commercial sector.
- Construction. Buoyant, especially Auckland
- Construction industry: Things are looking positive especially in the Canterbury region
- Construction - much better
- The Construction industry is looking positive with a number go large infrastructure projects in progress or in the pipeline.
- Construction. Busy but not fully stretched. Still waiting for the rebuild to kick into gear here in Christchurch.

# BNZ CONFIDENCE SURVEY

## Construction Related

- Still fragile, but a slight improvement overall. Construction related.
- Building Industry - manufacturer / supplier - although work load is up it still is not as solid as it needs to be, more consistency would be good.
- Electrical Industry. E.g. irrigation pump and dairy shed wiring etc. Never been busier. We need more electricians, but can't find any decent ones, so are flat out training our own.
- Aluminium Joinery plus Double Glazing Wellington - Very busy and had to bring on more staff. Very hard to find skilled staff but we are lucky in this area as a family run business so not run like a large corporate. Still competitive but we have the lowest overheads in the industry so always have the best pricing for our customers + quality job
- Powder coating - slightly slower than normal
- Ready Mix Concrete been a steady year so far out look very good
- Building Supplies. Things are very strong especially for the time of the year & good lead up work to follow on with. Nice to have good work across the board New Residential, House Alterations & Farm Buildings
- Roller Shutter Doors and Grilles. New construction related products are still very hit and miss due to low demand from the construction industry and determined by price and not quality or delivery. Service Sector in this field is generally holding up better with better margins and self-generated links.
- Timber joinery things seem to be very busy for us over the last few months and the number of plans coming over my desk for pricing hasn't slackened off, so I think it will be a busy run up to Christmas and beyond
- I am an architect in the residential building sector. Business is slowly picking up, from a near standstill for the last 5 years. I am concerned there are not enough good tradespeople to support a sustained rise, especially builders, plumbers, painters.
- Construction (related) We are experiencing increased sales this financial year. The Christchurch rebuild is definitely underway and Auckland seems to be finally picking up. Short to medium term prospects look good.
- Residential Renovation - Volume and demand stabilising, wages rising as trade shortage (builders in particular) becomes apparent this in turn making it difficult to drive profit off recessionary lows.
- Construction related industry. Definitely more activity and forward work especially in domestic area. Retail less optimistic.
- While it is still rather tight there seems to be more opportunities emerging. Infrastructure delivery industry.
- Electrical contractor. Things are flowing along as normal with ups and downs associated with contracting , maybe slightly more activity but still competitive , no charge out rate increases but more talk about this happening
- Building industry Business definitely picked up and more on horizon, 30% ahead of last year
- Subcontractor construction. Clients looking to lock in prices for 2014 is boosting forward orders to near record levels. Short term open tender market still competitive with very little margin to be made on this work.
- Work flow has improved but our costs and input is up so customer need to pay more for our service (architectural)
- Scaffolding. Demand continues to exceed ability to supply on time.

## Education

- Early Childhood Education, funding tight and enrolments low - very difficult business to be in.
- English Language Industry. There is finally some promise of right to work on student visa which will give us a level playing field with competitor nations. 10 years too late but may finally give us a hand.
- Tertiary Education is being lifted for high performing institutions and funding is usually relaxed going into an election year. Welfare reforms are also lifting the sector as more people are 'encouraged' to improve their life.
- Tertiary Polytechnic Education - difficult, low unemployment means less students. Employers approaching students and recruiting directly from school.
- Education (post-grad) Domestic - not great. International students - emphasis shifting to India.



# BNZ CONFIDENCE SURVEY

- Teaching - Little movement therefore hard to progress to the next level, but otherwise stable.
- Adult education. Clients (large organisations) are returning but the pattern is inconsistent
- The Early Childhood / Education sector overall continues to face uncertainty due to funding and other changes. We are continuing to see stagnation in income against rapidly rising costs. We are worried about being able to stay afloat.
- Education: stagnant. declining spending is leading to declining morale and lower training and development.
- Tertiary education: students struggling to afford fees. This has slowed our growth as a new college but making us more imaginative in our marketing.

## Energy

- The outlook in the energy sector, is rather positive with plenty of forward works for the foreseeable future. While a number of renewable energy projects have been put on the back burner during recent times, a lack of skilled professionals within the sector, generally means that there is more works than most can handle.
- Oil industry – competitive
- Lots of exploration and near field development in offshore Taranaki oil & gas. Expected to build over coming 12 months.
- Distributed renewable energy generation - very flat because government will not support development
- Oil and gas excellent lots of growth and upward wages
- Electricity generation Price outlook flat for the medium term
- Patchy based on actual results. Busy on quotations so future looks promising. Supplier of Industrial equipment to all industry. Oil & Gas and Dairy looking strongest.

## Engineering

- We are a consulting Civil and Structural Engineering company of 12 staff. Things are looking ok but only just, we could do with more work and we have to fight hard for the work we do get.
- Architecture and Engineering. Things are a lot stronger with all sections busy, good prospects in hand and the opportunity for growth. It is still generally price competitive although not as fiercely competitive as over the past three or four years.
- Engineering - manufacturing, very tight market with low demand and no bright horizon yet.
- We are consulting engineers and surveyors with work in both the infrastructure and land development sectors. We have more work than we can deal with at present and have tripled staff numbers in the last 9 months. Significant opportunities are presenting themselves on a weekly basis and the market appears to be accelerating rapidly in the land development space particularly.

## Finance

- Financial Services - Very strong credit quality people borrowing well within their means. Lack of housing stock has meant our market steady but not overflowing with opportunity
- Finance Broking Very very active and good.
- I am a Mortgage Broker in a provincial North Island location. My colleagues and I have noticed a definite "pull back" in the loan approvals from all the lenders in the higher LVR space. Lending volumes and client enquiries have "tailed off" and First Home Buyers especially reliant on Kiwisaver and Housing NZ First Home Buyers Subsidies for their deposits will likely withdraw from the housing market.
- Financial services - Looking very good. Investor confidence has returned. Rural clients more confident about current season payout. Will have a positive flow on to service industries.
- Business is steady - Financial Planning
- Mortgage brokering(lending industry) as a business our turnover for year end March 2013 was only 5% less than the Year before so not a bad result. I am finding it hard to predict the current and following year.

# BNZ CONFIDENCE SURVEY

- Small Business Banking,. Loads more confidence and willingness to borrow. 2013 financials are starting to trickle in and on the whole are looking much better. I'm looking forward to a good 12 months!
- Finance. Auckland and Christchurch are active - it's taking a long time for this confidence to reach the provinces
- Funds management. Good prospects - many companies seeking capital - not all of whom are equipped for global market
- I am a financier for a private merchant bank, we are a little busier than last year but not a lot. Since the GFC, my personal income from commission sharing has halved!
- Financial services - compliance costs/AML implementation are the major concern at the moment.
- Banking - Homes Loans - Pretty flat at the moment which may be due to winter downturn and also recent Wellington storms and earthquakes.
- Finance- BOP-increased enquiry for farm purchases
- Banking industry - still extremely competitive
- Wealth and Advisory-looking strong!
- Mortgage market has slowed during course of school holidays but still high levels of enquiry. I believe market is levelling off.
- Steady as she goes – Finance
- Debt Collection: Money is still tight but settlements are more likely than 1 year ago. Some industries performing better than others. Retail still struggling with new debt accruing. Increase in construction helping associated subbies to get more regular business.
- Mortgages - busy! but wonder how proposed LVR restrictions will affect business
- Seeing strong growth for debt collection from both NZ and Australian clients (debt collection company)

## Fishing

- Fishing industry still fairly tight with the ever fluctuating greenback.

## Forestry/Timber

- Timber Industry- construction in Auckland is definitely lifting volume demand. Margins still tight.
- Sawmilling Canty: Demand increasing again after slowdown during April /May. Costs rising, margins thin.

## Food Manufacturing

- Ice cream and export. Ice Cream, good in the niche I am in and export opportunities have taken over the previous focus on local growth.
- Food Industry- Exports - see a bright future, not spectacular but confident of acquiring sustainable growth for our products- especially in Asia
- Food Wholesale.. Fairly reasonable.
- Food Manufacturer, Distributor and Marketer. Sales in line with last year but with better margins. Export opportunities opening up.
- Food Manufacturing - under extreme pressure from FMCG to reduce prices viz-a viz importing.
- Food Industry - so so

## Government

- Public Sector: Seeing cost cutting still, low morale and extensive pressure on administration and back office. This is in turn leading to delays for payments and contract negotiations for service providers.

## Health

- Healthcare. Gloomy
- Very tight. Health care.
- Healthcare - still lots of change in line with Pharmac / HBL - but I am optimistic about the areas of our business which are not directly affected by this.

# BNZ CONFIDENCE SURVEY

- Chinese Medicine quiet over winter but slowly picking up again.
- Healthcare - We have had our best year ever (14 years in business) and the busiest forward bookings at this stage of the year.
- Healthy - health
- Chiropractic- we are still well below our average from the EQ
- Steady, although the earthquakes here (Wellington) have had a curious effect. An increase in work relating to stress and depression; yet short-term cancellations from those not wanting to be in the CBD> Counselling and Clinical Psychology
- Healthcare-always steady, lots of volume with cold and flu season on us. Some cannot pay on the day but still getting care
- Dentistry - very slow at present. Slower than prior years during this time of the year.
- Medical: distribution - slightly soft
- Health and Fitness Industry. Gymnasiums in Tauranga are highly competitive, but outlook is for continued growth.

## Horticulture

- Horticulture Grapes are great and peonies are great

## Hospitality

- Hospitality ..... Busier than last year, for this time of year... Big bookings for summer already.
- Canterbury - Hospitality - strong activity levels but at a lower volume than prior to 10/11 earthquakes.
- Gambling - still seeing squeeze on discretionary incomes. Flat revenue outlook means costs have to be contained further.
- Hospitality Kitchenware and Equipment Supply. A noticeable improvement confidence to buy capital equipment. The lead up to Christmas looks good.
- Events Sector - major event contracts continue to be bid on and won by local and national governments.
- Trading at similar levels to last year. (Hospitality)
- We are a software provider to the Hospitality Industry. The general trend in that industry looks to be slow growth on the back of improved economic forecasts and actual performance. We are seeing increased enquiry for products, partly as technology changes and partly because business are looking at upgrading.
- Hospitality - Stayed same over past 12 months. Better than 12 months prior
- Hospitality & Entertainment, Christchurch. With the rebuild picking up, a renewed sense of optimism. Seeing increased head counts, still not to pre earthquake days but better than they were one year ago.

## Information Technology/Telecommunications

- IT - OS Rollouts very busy this year due to Microsoft product cycle.
- IT Sales and Service - very good for us at the moment. high quality service standards are our key point of difference
- Computer IT - Great, more customers upgrading their software/hardware, lots of very creative local software being developed for a broad spectrum of industries.
- IT, great
- Software development - high demand for good staff, inflating salaries. Our company is in a growth phase
- Outlook for IT and Telecommunication sector looks great.
- Telecommunications. Technology is improving, becoming more accessible (UFB and 4G) Healthy Competition
- Telecommunications - Things looking good.
- Information Technology. Was quiet but getting busy now.
- I'm in the IT industry and after a long lull, things are actually starting to look up in terms of work and businesses wanting productive IT solutions.

# BNZ CONFIDENCE SURVEY

- There is a quiet economic revolution going on in the IT Sector. The reality is beginning to catch up with the rhetoric. Witness some of the successful high growth web and cloud based businesses that are beginning to have an international impact. Artrage with 12 million downloads at \$50 a pop and Unleashed Software, on the coat tails of Xero, generating significant revenue in inventory management as just two examples. Other evidence is the strong support for innovation centres in their various guises. Great stuff is happening in the ether out there but producing real revenue for NZers.
- In IT, times are still difficult.
- Software development. Spasmodic, but ok.
- Software for the financial services industry. Things are picking up with some of our projects in other countries, business as usual with our NZ clients.
- IT - Consulting and Software. Looking up, a lot of big projects on the go, biggest pipeline in 5 years.
- IT. Import/Distribution average. Service side picking up.
- Very good – IT
- Telco is all good
- Telecommunications. Slow - with price pressure to match other suppliers
- Information Technology: Very buoyant with strong sales pipeline. There is a lot of activity both with Government and enterprise sales. Government is taking IT security very seriously and a shortage of people resources is starting to show up in this space.

## Insurance

- Actuarial. Clients want more data and greater analysis. People are paying for trend analysis and looking at opportunities longer term. Still some slowing in OZ, but opportunities in Malaysia and Indonesia starting to take hold.
- Insurance - Premiums still pretty tight, competition robust for premium dollars
- Demand and volumes increasing, increasing premiums. (Motor Insurance)
- Business is challenging but profitable in the fire and general insurance broking field.

## Landscaping

- Landscape architectural business - steady flow of work a number of new bids coming through, but market still remains tight. Would be good to see CERA make some decisions on moving forward with detail design of the Christchurch precincts.
- We have a small landscaping business 3 employees + contractors as required . This winter have been busy with plenty of good quality work. We are seeing people invest in landscaping their properties (decks, fences, retaining walls) probably due to recognition of adding value to real estate. Most of our work is in Auckland central suburbs , definitely busier than previous years and see this not letting up especially going into warmer weather.

## Legal

- Legal - Things are steady, but not stellar, and there are no signs of a major uplift on the horizon.
- Law firm CHCH - still busy
- Law: We have enjoyed a good work flow for at least the last 2 years, and shows no sign of falling off.
- Legal. Increasing demand for services.
- Legal Services. Appears to be more activity for farmers /more purchasers than sellers in the dairy sector. Banks keen to support new lending with sharp rates
- Legal Services, stagnant
- Law - some busy areas, but high-end commercial work remains patchy.
- Small property law practise in small provincial lower North Island. Extremely quiet.
- Taranaki, Legal. Maybe activity( farming in particular) has turned the corner. Last two financial years have been the worst during the GFC.
- Legal- steady.
- Law - Litigation very busy
- Legal More commercial activity

# BNZ CONFIDENCE SURVEY

- Good - commercial legal practice. Good work volumes although clients still cleaning up rubbish from last 5 years. Have increased staff numbers to cope with increased volumes of business.
- Law – good
- Legal - frantic - but not much beyond the tip of my nose. That said it seems to keep on coming ...
- Provincial legal services - conveyancing and commercial still slow; the effect of the drought is keeping everyone cautious. No sign of any housing boom here.
- Legal. I deal with a number of small firms in Wellington. Conveyancing is patchy. The number of deceased estates seems to have slowed. Domestic violence remains busy.

## Machinery Rental

- Machinery rental. North Island busy, South not so busy.
- Equipment Hire - steadily lifting in Auckland & Christchurch. The rest of the country is flat (but at least not going backwards).

## Manufacturing

- FMCG manufacture & sales: things look tough with no improvement on the horizon. Margins are low, sales are sluggish, costs have already been cut .. not good.
- Manufacturing is going quite strongly at present and looking to continue.
- The Plastics industry is in the doldrums with the drought affecting the dairy industry. this industry has shrunk by 25% over the last 2 years with imports. People are closing doors as a result of old machinery not being replaced because of lack of sufficient profit to sustain the companies. I personally am trying to get into high end engineering plastics that are more difficult to import parts for.
- We are seeing increased activity and more confidence giving rise to strong rebound, the reason to say we expect the next 12 months to be better is that we have had a very poor first 4-5 months of 2013. (manufacturing)
- Agri Manufacturing. Locally doing well but our export health is aligned with the Japanese Yen and a 40% movement is hard to absorb.
- Food Manufacturing. Local market still a battle, export overall not looking too bad with some slowing in China possible.
- Manufacturing - NZ Based. Steady but slow sales, lead times are short.
- Manufacturing: Not flash. Most of our customers are down 15 to 20% so far this year. Our exports are in much the same situation.
- Metal manufacturing - slightly more optimistic. Clients are large national and international corporates and they've held off releasing projects for past 6 months. Starting to see some movement now.
- Manufacturing customers are feeling the effect of the Australian slow down with falling exports to Aus giving rise to less demand.
- Manufacturer/ supplier to the building industry.....bathroom ware. Appears to be on a slight but steady increase.....however still impacted by cheap imported product from China that is being installed by the quick turnover developers (no guarantees of course)
- Electronic manufacturing/control systems: Very strong.
- Manufacturing timber building products: lift in volume in NZ, but prices not rising despite higher input costs. Australia soft and the rising cross rate is going to cause some pain.
- Manufacturing Consultancy and Property Investment. Everything is pretty positive, especially as NZ economy as a whole improves. Will continue to improve as long as we keep away from daft govt policies.
- Furniture Manufacturing Showing a slight improvement and now some work coming through relative to Christchurch earthquake reinstatements.
- Manufacturing for the new kitchen industry is going well, this year well above last that was a record.
- Manufacturing. Slow growth. NZ market has seen some lift in past 2 months. However Australian orders have slowed so net is slow improvement
- Sheet metal manufacturing - things improving as we increase prices to reclaim margins lost over the last few years.

# BNZ CONFIDENCE SURVEY

- Specialist industrial Clothing manufacture. Confident of a greater market share, and increased exports.
- We're in designing and manufacturing GPS systems and business has been slowing over the past couple of years with no sign of abating.
- Manufacturing- looking good especially Dairy
- Manufacturing/engineering very quiet in ChCh, all the visiting reps reporting it's quiet. Every sale is hard won.
- Semiconductor manufacturing (export). In general has been very soft for some time and likely to continue for the medium term. The high \$NZ is continuing to hurt us. However, for our product whether we grow sales is not so much a matter of economics but more whether we can meet technical challenges.
- Pallet manufacturing. Signs are fairly positive in particular around building manufacturing suppliers. months. Customers whom export product on pallets are slow.
- Manufacturing, we have grown consistently over last 3 years and current financial year is looking to continue this trend with a 10% growth for the 1st quarter Vs. last year. End of last financial year was highly variable so forecasting is difficult.

## Marine

- Marine - we are chasing hard for the business we are getting. it feels better than this time last year.
- Steady. (marine electronics and Satellite communications)

## Miscellaneous

- Timber Cleaning and Restoration, very busy, weather helping, on for bumper year.
- Insect and odour control, Declining market, too much competition especially from Asian sector.
- Commercial Cleaning & Hygiene - tough market price wise as competitors win business with unsustainable pricing. Fortunately best practice corporate's still seeking out cleaning providers that offer full compliance's especially around Health & Safety
- Commercial Embroidery. We are very busy. Have taken on staff to help with workload. Things are up for us right now. We are a business that is 2.5 years old, and has grown by around 20% year on year since starting. Not sure if this is representative of industry, but for us it is very busy and getting busier.
- Facilities maintenance - continuing to see a steady increase, council assets are not getting younger.
- Lifestyle Block Property Maintenance. We feel we are through the worst of it and that our business is very stable. Have decided to take our own Lifestyle Block in Tasman off the market and stay, fixing our large mortgage for five years at 6.25%.
- Very competitive, in the Copier industry everyone's scrambling for business and consumers are having too much choice, thus basing their final decision mainly on price.
- Refrigeration & Air Conditioning. it has been up and down. Not much Building work happening in Palmerston North and also clients are not spending money on new gear just patching up what they have,.
- Busy - but tapering off. (Wholesale nursery industry) Very seasonal business, with the peak months in June/July.
- Professional Trustee Company - Increased publicity on the industry and a move to Accountants and Lawyers for Trustees. Declining area of business
- Employment relations consultancy - steady stream of work, companies are restructuring for efficiency rather than purely cost driven, employers unwilling to accept poor performance/misconduct and willing to act. Expect business to grow by targeted 20% this financial year.
- Utilities: though not rosy, not gloom & doom as well
- Journalism - looking increasingly rocky
- Vending. Things are unbelievably quiet.
- Excellent in every aspect. Cleaning Company, Short Term (Holiday Homes) only
- Interior Design - things are picking up nicely!
- Good (science)
- Financial industry in Cayman Islands, all is fine

# BNZ CONFIDENCE SURVEY

- Wholesaling machinery, consumables & accessories. Patchy. Behind last year at this time
- BPO Industry - There is substantial growth currently in this industry as Australian companies pull back from places like India and are looking for better service levels but at lower cost than Australia based outsourcers. NZ has a 25% cost saving versus Australia but at the same service level. (Ed. Note – no idea what BPO stands for).
- Good - parallel import

## Printing and Packaging

- Commercial Printing, steady.
- Flexible Packaging demand continues to be steady to strong albeit that margins are still tight. New projects being offered.
- Wood packaging-Slowing picking up in line with increases in construction activity.
- Printing Industry;. Customers are still only buying in smaller quantities. Here in Southland everyone is still waiting on an announcement from NZAS as to whether it will continue or not. Hopefully a positive decision sooner rather than later would lift and improve the local economy.
- Printing - very competitive, some businesses doing very well, and others struggling.
- Printing - getting extremely competitive, with customers demanding lower pricing and longer credit terms whilst all suppliers appear to want to increase their prices , on top of all this high Aussie dollar starting to hurt.

## Property Development

- Property development is seeing some gradual improvement in sentiment.
- Land development, Wellington - a definite change for the better - varying levels of interest are translating into action with more land development in all forms occurring.
- Plenty of work in residential property development, engineering and earthworks before building. Hawke's Bay region.
- Land Development (Surveying) work in Tauranga remains steady but not spectacular. Difficult to assess whether or not to take on additional staff.
- Land development. Section sales still not good but building houses on them appears a good way to move them.
- Land Development- lifestyle blocks, Auckland. Very quiet since April.
- Pretty Rosy - Property Development
- Residential and Lifestyle Real Estate - Northland. Have had a busy selling three months with plenty of buyers making decisions to buy and sellers letting their properties go. Prices have not risen and many properties that have been on the market for some time have now sold as vendors can see the market is not likely to rise anytime soon. We are now short of listings which indirectly may help prices increase. Last couple of weeks have been slower.
- Property Development Dunedin – cautious

## Property Management/Investment

- Real Estate (investor, North Shore) - rents are flat but capital growth is rising appreciably. We are about to sell one of our rental properties on TradeMe and have had over 1000 views in one day. The property is pitched at first-home-buyers and we suspect the interest is in part due to first-home-buyers with pre-approvals with expiry dates getting on with buying before the LVR restrictions kick in.
- Property Management. Looking good. Thanks for asking.
- Body Corporate Management: Industry is very active here in Auckland, property owners positive, developers are hosting working lunches again.
- Property Investment Auckland - Have been able to obtain some reasonable rent increases over the past 12 months on re-lets or increasing rents on existing tenancies. Around 4 - 5% per property on average but some relets in the vicinity of 8 - 10% with some extra money spent on renovation.
- The residential rental industry is firm to strong. (We have 6 rental properties.)
- Property Management North Shore of Auckland, things are on the turn with house listings dropping and immigration turning around. Looks like we will be in for strong rental growth for next year as the market slowly responds to lack of housing stock.
- Excellent, we are property investors involved in replacing lost buildings in Christchurch.

# BNZ CONFIDENCE SURVEY

- Property Consultancy - increasing activity.
- Residential Property Investment Auckland & Northland. Steady. Lower yield as house prices increase. Rates, insurance and gst on maintenance lower margins further.
- Property rentals. Good
- Property - non-domestic Increased complexity, growing demand for (investment) property, acceptance of lower initial cash returns where tenant strength perceived & term certain good. Seismic risks/concerns reducing liquidity for affected property. Non-revenue producing property heavily discounted by market Vacancies continuing to increase overall.
- In the rental housing market we are in a period of good occupancy and returns.

## Real Estate – Non-residential

- Commercial Real Estate Investment - Low yields driven by lack of supply and overseas money.
- Things are getting better with more activity and enquiry from potential tenants. Retail leasing.
- Commercial property Christchurch. Good head of steam with the rebuild. Should last 10 years. plenty of planning challenges but overall great for Canterbury. Rural community also positive
- Commercial property, Auckland CBD: great. Good demand for Queen Street retail space, especially from overseas retailers.
- Commercial Property Development. Signs of increasing confidence from perspective tenants, as a result of their businesses doing better i.e. flow on effect. Costs are still at the forefront of any transaction however.
- Commercial property valuation wellington - good levels of work – busy
- Expecting a firming of rents & yields over next 12 mths (Commercial Property Valuation)
- Commercial property industry - still very busy but tentative signs of a possible slowdown ahead given rising interest rates on the horizon.
- I am in Commercial Real Estate, Auckland. It is better than last year but it is hard work with only a few buyers willing to pay the low yields needed to get vendors to sell. I do not see that changing soon.
- In the last month I have experienced a major increase in quality mid to larger lease enquiry. Almost no one is building on Spec. This has caused a shortage in respect to filling A grade tenant requirements. The design build process can be too cumbersome for some corporates, and therefore a decision to renew leases in second grade space is a common occurrence.
- Things are looking reasonably positive in the commercial property market sector
- Property Industry Still relatively quiet in the Wellington Region. Shortage of quality tenants for showroom industrial space. general feeling that things are getting better but very slowly.
- Commercial Property Management. Still quite a lot of employment opportunities

## Real Estate – Residential

- Real Estate. Demand still exceeding supply. Some crazy prices still being paid.
- Real Estate - Central Auckland. Very good but desperate for more listings, simply cannot get enough properties on the market. Only adds to pressure on prices.
- Valuation: Very positive, looking for more staff. Replacement Insurance valuations gaining momentum but also strong demand for residential valuations and also in the rural sector.
- Real Estate Napier as with most in the business we are sadly lacking in listings, they are in short supply, we have buyers!!
- Real Estate. Up in the Far North it is very flat and very hard - hardest in my 15 years of Real Estate.
- Real Estate is very good but there is a shortage of listings and also of available rental properties. Brilliant seller's market as we achieve top prices for vendors. Everyone out there seems more positive and confident
- Real Estate Generally busy. Properties selling well. The market in Wanaka is still very much a discretionary spend. I would describe the market as steady and nothing like what we hear the Auckland market is like.
- Residential Real Estate - Auckland. Critical shortage of listings. Buyers paying over the top just to secure a property. This is fabulous for us when we get listings and great for vendors providing they have secured another property or are moving out of Auckland.



# BNZ CONFIDENCE SURVEY

- Real estate Taupo coming off a satisfactory if unspectacular Winter trading season, with prices steady but volumes reduced. Listing stock much sought after, usual story.. well priced well-presented sells straight away. Commercial/ industrial showing signs of life...only four weeks till Spring and what day is Christmas?
- Listings are slow, people are reluctant to sell. Real Estate
- I am A real estate sales person working in west Auckland. The market is very much a seller's market with multiple offers for each property. The major problem is the shortage of properties available to sell. This is my 26th year as a real estate sales person and this is easily the strongest market I have experienced.
- Residential real estate sales, east Auckland - still a major shortage of listings. Some crazy prices being achieved (or are they so crazy? - time will tell).
- Hamilton Residential Real Estate. Still going strong. Demand outstripping supply still, for all good property across the board. Sales slowing due to not enough houses to sell. New stock to the market not keeping pace with demand at present. Some price on market houses selling in just days. Snooze you lose. Auctions becoming the major marketing focus to slow things down and obtain a better price in competition.
- Residential real estate sales. Listings low. Wellington market is slower than a lot of the country.
- Real Estate - Buyers Agency. Lots of buyers out there right now looking for deals/cash flow.
- Real Estate Auckland, Eastern Suburbs. Have been very short of listings, just starting to get a few now. People won't list as nothing to buy
- Property Valuation. Extremely busy. Media coverage on insurance has resulted in more building valuations being requested for insurance purposes. Increase also in development.
- Since the major earthquake in Wellington first home buyers are having difficulty with obtaining insurance and therefore unable to get mortgage finance. I had one young couple who had gone unconditional and paid their deposit on the Friday and then on the Monday were unable to get insurance. Fortunately this couple have now been able to resolve the matter but I have other buyers still trying to get insurance.
- Real Estate BOP. Steady enquiry for well-priced stock but not enough of it.
- Real Estate in the Eastern Bay of Plenty. Activity in winter is typically quieter and the past month has been no different in the residential although the rural has had good activity and enquiry. New listings are slow coming through but we traditionally look to Spring to see an increase in this area and we hope that increase in activity is just around the corner.
- Real Estate Johnsonville: Quietish at present with School Holidays just finished, couple of earthquakes has got people thinking, insurance confusion re those in process of buying and settling plus some companies talking about suspending insurance for next month has had negative effect in the minds of possible purchasers, listings possibly coming to the market more freely, good numbers of buyers around but are treading very carefully regarding previous comments.
- Real estate industry - high demand for property to purchase in Auckland and more building work taking place, for new homes and renovations to existing homes
- Christchurch property market continues to see a shortage of listings. Auction room activity is vigorous with multiple bidders on most offerings. Prices continue to firm.
- Real Estate- slow, don't believe there is a lift in HB as reported
- Real Estate. There is a shortage of property on the market and house prices are still way too high for the actual cost to build ratio. A high percentage of sales in the East Auckland and Manukau region are now being sold to Chinese or Indian purchasers.
- Real Estate is looking very good.
- Property Valuer - very busy, clients demanding higher figures for both residential and commercial/industrial properties, which are not supported by last week's sales. Market conditions feel like 2007 when all reason and economic sense disappeared on expectations of continually rising prices so we are waiting for this bubble to burst, but how long will it take.
- Real Estate. Steady
- Real Estate Industry - Very buoyant market however we are finding a serious shortage of available stock to sell.

# BNZ CONFIDENCE SURVEY

- Real Estate North Shore have sold all my listings. Vendors are reluctant to sell as they fear they will not be able to find or afford a replacement home so are staying where they are
- Real Estate is stalled without affordable finance product to assist first home buyers.
- Real Estate. Properties hard to find resulting in multiple offers on some properties and vendors achieving sales in excess of asking price. Sales volume still steady.
- Real Estate - Harcourts Motueka (Tasman ( District) Bottom end of the market - sadly now \$300k- is crazy hot with national buyers competing with locals and downsizers fighting it out with first home buyers and investors. Each listing gained is a guaranteed pay check.
- Real Estate (Nelson) - Lifestyle properties are taking longer to sell. Demand from overseas buyers has decreased and the recent upward movement in petrol prices has also had a negative impact on lifestyle property demand.
- Real Estate - Shortage of trades people delaying projects.
- Real Estate Res- Sales steady. Rents holding except higher priced properties are reducing. C&I Strong buyer demand and leasing is steady
- Residential Real Estate, Invercargill: new listings have slowed, monthly sales down slightly, otherwise steady.
- Real estate: Buoyant but listings tight.
- Slow sales in some areas others hot, little supply, strong demand still, prices rising slowly - RE Motueka
- Residential property sales. Very short of listings. It's a seller's market. Positive future.
- Housing market is still very tight from supply perspective which put pressure on listing numbers.
- Real estate BOP things moving along nicely
- Real estate...in the Hamilton market, though listings are short I believe we are well placed for sales in excess of 300 res. properties a month by agents come spring ..
- Real Estate – Queenstown. Tight on listing - excellent buyers activity
- Residential Real Estate Auckland Eastern Suburbs - massive demand, massive supply shortage - do the sums.
- Real estate: Market seems to be returning towards a "normal" market with buyers being more choosy and less willing to commit. Plenty of lookers but slightly less actual buyers. Very short of listings at present.
- Real Estate - such a shortage of listings, but the buyers are also becoming resistant - right stock, right price.
- I am in the real estate industry and recently began launching Auckland off-plan apartment projects to our offshore investor buyers. There is strong demand from off-shore buyers for well-positioned Auckland residential property. We expect to see good sales to offshore buyers over the coming 12 months or more.
- The real estate industry is healthy, just not enough listings during the winter however it is starting to get busy again now.
- Real Estate Agent - definitely seller's market. Prices some houses are going for surprise us. Feels out of control in central Auckland suburbs.
- Real estate. The horse has already bolted regarding Auckland property prices. Now the market is full of speculators in for a fast buck
- Real Estate - Auckland - market is strong which is causing a significant shortage of property on our books. In many cases prices being paid are higher than expected.
- Housing - enquiry and sales strong. This is being reflected in well-priced housing selling within 45 days with many properties being attracting multi-offers. We are now experiencing a shortage of property which is reflected with multi-offers. Approx. 10% of multi-offers are attracting a "premium" price.
- Real Estate. People seem very optimistic (sellers of course) Buyers (not 1st home) are realistic about having to pay the market price to secure an investment property. People seem optimistic.
- Real Estate - Auckland It's the seller's market and more often than not the vendor is getting far more than what the house is worth and more so through auctions.

# BNZ CONFIDENCE SURVEY

## Recruitment

- Recruitment - very positive
- Immigration looking positive after a few tough years
- Recruitment.. Employers are listing vacancies, The percentage is up from last year's listing this time last year.
- Good - Retirement Industry is strong
- Recruitment - Accounting and Banking - we are finally seeing more consistency across that particular market now after some very patchy few months the year before. Very confident about things going forward, it's not just a case of where are the good candidates??!
- Recruitment: observing more credit control than past times, temping is steady if not rising, permanent/contract is a battle - suspect the change to winz policies will increase the number of part time people wanting our help.
- Things are looking good. Executive Search
- Recruitment - business continues to be good but; serious candidate shortages have moved from a looming problem to a serious issue that is here now. Plans to import the skills needed are being frustrated by the removal of several skills categories from NZ Immigration's essential skills lists.
- In Recruitment. Things are lumpy, but not all bad. Clients taking a long time to make decisions and as a consequence are starting to lose good people. I think a lot of employers think that good candidates are an inexhaustible supply. They are wrong. Talent is getting harder to locate. Expect the year to be consistently lumpy
- We're in recruitment - things are picking up and employers seem more buoyant, which is a great thing.
- We are in recruitment. Candidates are now once again receiving multiple offers of employment so the availability of exceptional candidates is starting to dry up. We are advising our clients that they now need to speed up their hiring process and decision making process so that they don't miss out on the best candidates to their competitors.
- Recruitment. The general word is that the recruitment market is "lumpy".

## Retail/Wholesale

- Solar retail - notable rising consumer interest levels
- Importer agent sourcing and selling consumer goods on a FOB basis to mainly xxx. We are looking at a record month and our average weekly income is increasing YTD"
- Stationary - people generally tight pocketed
- Retail Food Industry, steady but very competitive, margins under fire.
- Retail giftware regional location. A boost from our winter sales campaign but sales fairly depressed with spend down and reduced discretionary funds for most customers. Competition from low value \$2 shops concerning as more and more of these open with range of low quality imports but that the way the market is going. Customers want to buy good quality kiwi made goods but cost is a problem
- Very quiet in retail (take away food) but improving in our dairy farm business
- Wholesaler to Beauty salons. Seems to be a secondary recession accentuating the winter slowdown
- Apparel Wholesale. Similar lows to last year, retailers running down inventory, sinking lids on buying, early July sales, less cash available for new summer styles, tight consumers
- Food import & distribution. Market looks okay. We are forecasting to grow 10+% at the same margins being achieved now. Supermarket customers are also optimistic
- Retail - flat at best
- Book retailing is tough up against GST free internet offers and large multinationals.
- Consumer electronics.. Tough & very competitive.
- Retail management-Flooring/Apparel/Footwear/Gifts/Furniture. We expect a steady improvement in the next 12 months after 3 years of struggle and re-organisation.
- In the Toy Industry the market size is estimated to be about 80% of 2007 levels. Still a big degree of consumer resistance at retail, despite retailers promoting more actively than in past years. Consumers generally are buying down by value and actual spending is less..
- Ok,steady. Appliances
- We have the largest ever backlog (twice as high) in the factory. Shop fittings

# BNZ CONFIDENCE SURVEY

- Retail garden centres are doing well with the fine weather and there is a noticeable upturn in the Auckland economy.
- Souvenir retail is struggling and forecast to continue this way
- Retail (shopping centre) - difficult trading with more people shopping on-line. Large format stores don't help with them constantly being in sale, customers are constantly looking for a bargain regardless of quality and customer care.
- Retail White ware. Business is up 22% on first quarter last year. Lots of forward orders. Specifiers are telling us that their order books are full.
- Wholesale/Trade - picking up .Have noticed greater activity levels in the last few months; amount of our quoting has increased.
- Retail home electronics (small specialist store): Sales are steady, with May/June/July showing pleasing increases. Significant changes amongst wholesale supply companies in our industry are slightly unsettling.
- Retail. Been a bit more difficult than past years, but, looks to be slowly improving, with customers more positive.
- We are a health supplements importer/distributor/wholesaler and retailer (web) - and business is booming!! Because the products are fantastic!
- Bicycle accessories wholesale - tough trading for many of our customers (retailers) just now, we expect a few to go under before the year end.
- I am in retail and have noticed that people still seem reluctant to spend
- Now some signs of improvement, but along way to go before we can be confident. Industry is fashion/underwear apparel.
- Hairdressing. Good and improving.
- While seasonal trends reduce through put and dictate a general tightening of overheads, overall growth is 6% above YAGO. Traditional Liquor.
- Construction related retail in Wellington. After a great April, ok May and average June everything has stopped in July. Forward work looks the very low for the foreseeable future.
- General Merchandise / Toys Business is flat, we are over indexing based on our competitors performance, however we have the busiest trading period ahead of us.
- Flooring Wholesaler - things are looking good with building growth in both Christchurch and Auckland picking up now.
- Professional Sound Equipment - Wholesale and rental - FLAT

## Security

- Security industry in Christchurch: new business has slowed a little. No new business coming from the rebuild!! Focusing on servicing existing clients to maintain cash flow.
- Commercial and Industrial Security. There are increased opportunities compared with a few months ago though margins remain low.

## Signage

- Signage Christchurch. The turnover & cash flow roller coaster trundles on in total darkness with no clue as to real direction, lots of noise but no clear signal, customers report the same and like us are more in survival mode whilst continuing to plan for a better future and spending when funds allow on the key aspects of growth.

## Tourism and Travel/Accommodation

- Accommodation. Ok
- Aviation. Skilled labour is becoming increasingly difficult to source (Pilots and Engineers)
- Depends on the demographic of the customers we serve and there are two readily identifiable. Our older customers either retired or close to retirement look to be holding off their purchases which is a negative change for us whereas the slightly younger sector ( those still working or managing their own business or still with dependent children) seem to be more actively booking or inquiring. There has also been a slowdown in our bookings from Australia but an increase at least in inquiries from

# BNZ CONFIDENCE SURVEY

the USA. We are a NZ summer season only adventure tourism business( 4x4s and motorcycles ) operating throughout the South Island"

- Aviation industry - Quite good.
- Tourism: early signs are that NZ regional tourism is picking up, particularly the international sector (e.g. Europe is up on last year for forward bookings)
- Tourism getting more inquiries with lower dollar
- Accommodation - not good - bookings are down and traders and sales man are not coming as often as used to be - too many vacant business in the city.
- Camper van and Motor Home sales and conversions. Market is down on 4 years ago and still flat. Hawkes Bay
- (Passenger/freight). Flat
- Outbound travel.....numbers keep improving. Next 12 months we are likely to see an increase of approximately 3% in passenger numbers. Spending per passenger is also up.
- Just holding in the Tourism industry, lots of Kiwi's here in Wanaka for holidays, very quiet today
- Tourist Business- Country Hotel in South Westland- Very quiet School Holidays with almost no overseas or domestic travellers. Local trade holding up with some renewed confidence from those involved in Dairy Farming. Roll on Spring and the Whitebait season!!
- We are in the tourist accommodation ( hotel ) in Christchurch. All O K at the moment But Christchurch is in a Hell of a mess and the tourist industry will take years to get back to what it was.
- Low cost large scale camp accommodation. Demand continues to improve. Organisations are seeking lower cost facilities. Viability difficult due to significant cost increases in service facilities.
- Overseas travel (long-haul). Very good at the moment
- Short term furnished accommodation booming, holiday makers, visiting family, quality immigrants, relocaters. All good stuff.
- Outdoor recreation. Price of fuel is severely restricting things.

## Transport/Logistics and Storage

- Transport. Volumes are better than at the same time last year for us. Not everyone so lucky. Price-based competition is relentless, with rail leading prices down.
- International Freight Forwarding. Volumes recovering but intense competition present. US dollar and crude are things to watch.
- Property and logistics in particularly 3rd party warehousing is showing steady growth which I think is a good barometer and indicator for our economy.
- Our storage occupancy in sites in NZ are increasing slowly but still increasing and yields are also increasing - good times ahead.
- Freight Forwarding. very competitive as we fight over a shrinking traditional importing market share
- Logistics - transport/ warehousing/3PL. Steady, with some positives indicators occurring over the last 3mths.
- Seasonally subdued (transport - furniture moving)
- Cold Store Warehousing. Very Busy. Customers are selling and moving products domestically and to export at a very steady rate.
- Transport - good lots of projects
- I work at (not for) the Port of Tauranga as a Supervisor. We are so busy. Export Logs are going through the roof and containers are not slowing down either.
- Warehousing seems steady although we have seen a lot of 3rd party warehousing develop in the last 12 months. Customers whom export product on pallets are slow.
- Storage ( Nelson ) has been consistently busy since winter last year People from Christchurch (earthquake) plus the flooring in Richmond in April have helped , But in general people are on the move, moving house, Building , going over easy , we have plans in place to expand this year and next . It's good !

# BNZ CONFIDENCE SURVEY

## Vehicles/Automotive

- Franchised motor vehicle dealership. Trucking along pretty well, we are having the best start to our financial year for 5 years. We don't want to get too bullish, but are quietly confident. Eastern Bay of Plenty
- Vehicle volumes back to pre '09 financial years; only smaller units, smaller prices, smaller margins.
- servicing & part volumes good. The outlook for us is great !!"
- Heavy vehicle servicing industry; we have been busier than ever, and see no reason why this would change for the worse for quite some time.
- Used Motor Dealer HB sales have been steady, about the same as last year. Pricing is very competitive and stock must be good. Do the basic's right.
- Motorcycle sales & Service Canterbury mainly farming. I feel there is slight increase in dairy farming confidence. Farmers are still being very careful though.
- Ok. Customers looking to cut business import costs. In a very competitive oil supplier market. Car servicing is busy as their customers look for saving car repair costs.
- Very average (Motorcycle sales Retailing)
- Engine reconditioning slow
- Automotive. Very competitive. Definitely not easy sailing.
- Commercial Audio Its tough and very competitive but jobs are there
- Automotive retail. New vehicle sales remain buoyant some erosion of margin, used vehicle sales no growth in volume or margin

## Wine

- Wine: more pressure from cheap wines and rising cost of production
- Improving significantly (wine industry)
- I am involved in the wine industry and I believe that it is showing signs of a healthy recovery.
- Wine industry. Expectation of rise in grapes prices. Sticking to traditional markets for selling.
- Business as usual - hard work! (wine industry)

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The BNZ Confidence Survey is run on the last Thursday (was first up to March 2013) of each month. In the Weekly Overview email sent to the over 28,000 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 or Tuesday (depending on how busy I am) in this publication to media and WO readers.

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