

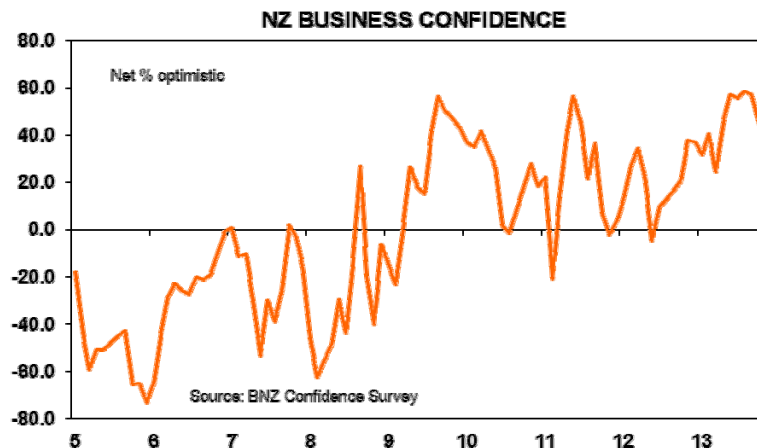
## Mission Statement

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 Eases Slightly

Our monthly survey of Weekly Overview readers attracted 458 responses this month with the main outcome being a net 45% feeling optimistic about the state of the NZ economy in a year's time. This is a strong result suggestive of firm economic growth though it is down slightly from readings which have been very close to a net 57% optimistic since late in May.



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

### Accountancy

Busy but still ongoing problems getting clients to pay their bills.

### Advertising & Marketing, Media

Mild upturn.

### Agricultural Services

Firm because of strong dairying.

### Construction and Construction Related

Workloads increasing.

### Engineering

Tougher than in recent months.

### Forestry/Timber

More pessimism than for most of this year so far.

# BNZ CONFIDENCE SURVEY

## Horticulture

Some optimism.

## Information Technology/Telecommunications

Seems good, often hard to read this very diverse sector.

## Legal

No noticeable trend.

## Manufacturing

Generally good.

## Property Development

Clearly increasing activity.

## Property Management/Investment

Rents still only rising marginally.

## Real Estate – Non-residential

Very diverse range of comments, hard to discern a trend though perhaps things moving for the better outside Wellington.

## Real Estate – Residential

A few more listings appearing but stocks still low. Buyers generally in abundance but often reluctant to purchase through not having been able to view enough properties.

## Recruitment

Busy

## Retail/Wholesale

Sales seem to be improving but experiences are very diverse.

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
26 August	64.4	28.0	7.6	56.9	582	430
25 September	55.5	34.1	10.5	45.0	458	350

# BNZ CONFIDENCE SURVEY

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

A net 6% of our 458 respondents feel personally happy that house prices are rising. This is the lowest result since May and the second monthly decline in a row. But it is still true that more people are happy about house prices going up than are unhappy.

%	September	August	July	June	May
Happy	34	38	42	36	29
Indifferent	38	34	34	35	42
Unhappy	28	27	24	29	29
<b>Net % Happy</b>	<b>6</b>	<b>11</b>	<b>17</b>	<b>7</b>	<b>0</b>

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

There appears to be a lingering effect from the recent problems involving the dairy sector and product sales in China. A net 26% of respondents only feel relaxed about our economic relationship with China, down from 28% last month and well below the steady 44% reading in place before the milk issue arose.

%	September	August	July	June	May
Relaxed	52	56	64	64	66
Indifferent	21	16	15	16	13
Concerned	27	28	21	20	21
<b>Net % Relaxed</b>	<b>26</b>	<b>28</b>	<b>44</b>	<b>44</b>	<b>44</b>

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

There is still no sign that businesses are planning to boost their debt levels. This month only a gross 20% of respondents say that they are thinking about borrowing more money. This is the lowest result since we introduced this question in May.

%	September	August	July	June	May
Yes	20	25	21	27	28
No	80	75	79	73	72

## 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. Cash flow slower than last year. Some clients struggling, some going ahead slowly
- Chartered Accountant- Auckland No real change evident, but seems clients are more relaxed.
- Accounting - Flat out, definitely clients on the move and more start-ups etc.
- In accountancy business, clients still struggling to get back to levels of profit 4 years ago
- Accountant. Client demand on the rise but debtors list increasing. Having to be tougher on clients for paying their accountancy bill on time. Noticing more clients arranging tax instalments with IRD

# BNZ CONFIDENCE SURVEY

because of decreased turnover in their business but they say they are working harder and longer hours?

- Chartered Accountant - very busy over the last few months. Now work is slower coming in. Profitability for clients seems to be similar to last year.
- After looking a little livelier in August, contact accounting has gone flat again.
- Accountancy - positive, clients are earning more money which creates more opportunities
- Chartered Accountancy - steady. Similar results to last year at this stage. Collections have improved but not without some hard work. Clients like certainty so our practice of pricing services up front has had some very good benefits.

## **Advertising & Marketing, Media**

- Advertising & Marketing, it's been flat for most of the year but just getting a bit of a lift now. Others I have spoken to in our industry report the same.
- Advertising - slow gradual improvement. Clients still reluctant to invest in bigger ticket items.
- Media is looking ok
- The film and TV industry is pretty quiet at the moment. Ironically as soon as the NZ dollar increased in value, we lost almost all our international productions.
- Advertising - Budgets still very tight or non-existent, only a few organized clients booking.
- Holding our own, working harder to maintain same position - advertising sales
- Media - seems to be more jobs advertised and not so much talk of restructuring
- Advertising - busy with more work to come but all budgets under pressure

## **Agriculture**

- Agriculture - Dairy in NZ going full steam and positive. Australian agriculture very tough still
- Excellent Dairy farming
- Agriculture - Grain and seeds - Very good spring continues although cooler the last couple of weeks. Most crops are looking good at this stage. Prices have improved a bit lately.

## **Agricultural Services**

- Agribusiness consulting-demand is quite buoyant and there are more opportunities available than we have the people to take them on. However it is difficult to find potential employees with the right skills and experience.
- Supplier to the dairy industry; confidence continues to bubble along
- Importer/Wholesaler. Looking bright in the Dairy and Oil & Gas sectors. Rest ordinary, very!
- Rural Consultancy. Payout increase from Fonterra will be well received by farmers, albeit hopefully used to reduce mortgages by most.
- Milking and pumping ;economy is slow moving for our product

## **Business Consulting**

- Business consulting and mentoring. Reasonably busy
- Business Consultancy & Taxation – steady

## **Civil Construction**

- Infrastructure - very good
- Infrastructure: Work slowing down, less projects in the pipeline
- Civil Construction in Chch looks good

## **Construction**

- Shed building-steady progress
- Good construction
- It is not looking that good in the building industry in Picton.
- Commercial Construction Wellington. Plenty of seismic work
- Commercial Construction. Good levels of enquiry and activity.
- Construction consultant. Steady

# BNZ CONFIDENCE SURVEY

- Construction - Looking up
- Too much work( high end building). Can't keep up!
- Home refurbishment business. Business has been great, home owners happy to spend while they see their wealth increase by way of capital gains.
- Construction: workload & opportunities are increasing
- It has been an up and down sort of year with many different types of delays. However I believe the worst is behind us and our forward order book is certainly filling up. ( Construction )
- Construction (reinforcing steel fabricator and supplier - Auckland). Workload increasing but margins still low because of competition. Expecting a build-up of work leading up to Christmas and into 2014.
- Construction Industry / Christchurch: It seems like there is finally some positive movement in our industry locally after a lot of procrastination
- Construction - Client side in Christchurch - Very busy, anticipate resource & cost escalation to be big issues in near future

## Construction Related

- Construction related retail in Wellington. Pockets of activity but generally very tight. We have given up on an upturn any time soon and let two staff go in the last month, very hard to do as they were good people and good workers. I have people knocking on the door several times a week looking for work, generally they seem worth employing but I have no confidence about the future here. The savings in wages are purely going against debt.
- Construction business involved in the Canterbury rebuild which is gaining momentum. Extremely busy year to date and will only get busier.
- Challenging in the Electrical Wholesaling industry.
- Home renovation - improving conditions in all most area's with more people "committing"
- Construction related. Market seems to be softening which is not what we would normally expect in this pre-Xmas period.
- Design & Construction; Steady, steady, steady. Slow continual flow of jobs, but as a team we could be busier.
- Architect in residential housing: slowdown in the 3rd quarter
- Residential Renovation - Wage material increases eroding any increase in margin.
- Architect, very busy, seem to have enough work to keep me going for about a year
- Residential Building Industry supplies - buoyant.
- Wholesale distribution Chch. Apart from firms directly involved in EQ/rebuild, things are tight for many businesses.
- Industrial Electrical & automation. The NZ make is slow and so is the international, but signs of improvement in O/seas markets
- Specialist construction products - we are finding a sudden drop off in merchant business, which is slowly picking up again, albeit we have been temporarily buoyed from the home show with B2C.
- Electrical Contracting- Very busy and buoyant at moment. Expect a lot of upcoming work with Fonterra revised payout as we service a lot of farmers. Short staffed.
- Architect . Generally we are quite busy no doubt there is variation of work load between practice. But generally it must be busy as it is hard to recruit talent with the right level of training and experience.
- Electrical Installations and repairs (Rural) e.g. irrigation pumps and cow sheds etc.). We are flat out and have just put on two more apprentices and one electrician

## Education

- Education numbers are down jobs are tight
- Polytechnic - still difficult, with students being employed directly from school and tougher funding criteria from central government.
- Things are certainly tighter with the reduction of MOE funding to ECE services and we have lost significant ground to continue with the teacher training grants also having been removed. Parents struggling with fee payments at times but all in all we have managed to maintain a quality

# BNZ CONFIDENCE SURVEY

environment for all stakeholders. Less money available for expansion and also general wants and needs.

- Education – training. Major government clients are returning or spending much more. Our optimism is growing.
- Education - business as usual, but longer term, big changes coming

## Energy

- Energy. Good. A lot of work on & consistent for next 5 years plus.
- Oil Industry – challenging
- Very busy ahead of several large projects coming up. (Oil and Gas Taranaki)

## Engineering

- Engineering Manufacturing. Workload is light and very patchy, other engineers are in the same boat. We service many different industries so we are buffered, as they are not all quiet at the same time. Very much a case of wait and see.
- Heavy civil engineering, infrastructure. Capital equipment. Looks encouraging for work volume in the med term. But Margin still tough to get and very competitive.
- Pretty good in Engineering Sales industry
- Engineering - Toolmaking. Someone has turned the tap closer to the off position. Most unusual for this time of the year. We would traditionally be ramping up strongly through this period however it is very flat. This does not bode well for the first quarter in 2014 as this is generally the quiet time which you hope to cover with work picked up over the October/November period.

## Finance

- Very competitive, more 2nd tier finance coming into the market
- Looks pretty challenging with the LVR restrictions in the banking industry. We run a finance advisory business
- Finance and Banking - based in Christchurch. People are good at placing concrete, digging driveways and other re-build things but they now need to be getting a whole better at collecting money, controlling spend and managing their fleet and CAPEX. If their debtors delay payment, it could really hurt them. Profit does not mean you can sleep at night - cash does that, collect what is owed to you. (Ed note, usually I exclude such stuff, but one thing coming up is going to be poor management by the many companies springing up in ChCh and the collapse of many once the boom ends. Been there, seen that.)
- Brokering - concerned about the impact of lowering LVR's.
- Funds Management: Fund inflows continue at a decent pace, so revenues improving, although pressure on fee level remains downward. Costs are variable, some are rising. Time spent meeting Anti-Money Laundering legislation requirements is considerable.
- Management and Finance contracting/consulting sector quite slow.
- I am a Mortgage Broker in a central North Island city. Since the RBNZ LVR Speed Limits were mooted, first home buyers have "disappeared". Discussions with Real Estate Agents and Principals have confirmed that from their experiences more recently as well. The ASB withdrawal of all loan pre-approvals over 80% has not been received well by those affected.
- Financial Services – steady
- Equity cash and derivative trading - shares topy, entry levels hard to find, taking profits off the table. High div yields mean positive carry so happy to be patient.

## Forestry/Timber

- Wood Processing - really poor. Activity/volumes will probably improve however input costs are rising faster than prices and the exchange rate NZ-Aust has moved 8-9c in the last few months (bad for exporters). Margins have deteriorated a lot in the last year.
- Forestry - log harvesting and sales. Little change over past 3 months. The strengthening NZ\$ is however a concern that will affect future returns.
- Wood processing - very poor

# BNZ CONFIDENCE SURVEY

- Timber Packaging. Good steady growth occurring

## Food Manufacturing

- Food Manufacturer and Marketer. Local market sales flat lining. Margins stable. Export sales struggling to maintain last year's sales.
- Export of Food & Beverage. New start-up. Opportunities looking good, but taking a while to cultivate an order.
- Exporting Foodstuffs - China focus. Dreadful. We are trying to work on strengthening other markets asap.
- Food Manufacturing. Local and Aus markets are hard work to keep things moving. Dairy products, not just Infant Formula and milk powder, into China are still badly affected by the Fonterra saga as are other NZ-made food products to a lesser degree; elsewhere in Asia the impact is influenced by each country's regulatory response to the affair.

## Health

- Fitness and Weight Loss Industry. Competition remains high and growth potential is marginal.
- Healthcare has been very busy and most practices in area struggling to provide care on the day acutely. Making the A&Ms very busy
- Pharmacy- very tight, retail very slow, Government contract still a big unknown? Unsettled.
- Health. The winter was not good for business; too mild, too steady. People seem to be content to look after themselves at home where they either get better, or end up worse and in hospital. The GP misses out on his fees. Next year will be different.
- Tentative – healthcare
- Medical- great , recruitment is better, thought gen y with a certificate are hard to fathom. Positive feeling from patients and apart from the Americas cup things looking great
- Optometry - the overseas and online competition in the market is making difficult for NZ owned and operated practices, so things are pretty slow at the moment.
- Up & down(healthcare )

## Horticulture

- Kiwifruit, looking better than 12 months ago.
- Horticulture: Good, showing higher turnover and profit than we budgeted for.
- Citrus: Prices better, volumes are low, maybe due to last season's drought.
- Horticulture industry - markets buoyant, but exchange rate a concern for exports to key markets.
- All good and looking forward to the upcoming fruit season. Happy to see on going free trade negotiations.

## Hospitality

- Hospitality - Canterbury: Many events but smaller crowds making fixed costs more important in the gain equation.
- Hospitality. Both bars and restaurants. The golden run for bars and restaurants that stayed open after the ChCh earthquakes is over. Many new places opening with new operators and the others who rebuilt post quakes. Many more in planning due to open next 24 months will mean great over supply and tricky times for operators. There will be a number of casualties in this very competitive industry in these unusual circumstances
- Hospitality Commercial Catering Equipment Supply. A definite pick up in customer confidence extending to increased sales.
- As a supplier to the Hospitality Industry we see the industry beginning its usual summer upturn in business and although it has been a more positive year to date than recent years, growth is still muted and finance controls are tight.
- Hospitality - slower than usual for this time of year perhaps reflecting the trend of people saving more and going out less.

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## Information Technology/Telecommunications

- Telecommunications Slow and steady, maintenance contracts hard to sell but clients still want on demand service, i.e. benefits of a contract without paying. such as priority service, quick answers to questions, escalations to overseas suppliers.
- IT.... not as buoyant and certainly not foiling as well as we were a few weeks ago.
- ICT- busy but high expectations from large customers of significant operational improvements being delivered from projects where pricing has become very aggressive. Lower margins for ICT services.
- IT for financial services - things are looking rosy.
- IT (Software and Consulting) - very good.
- I T industry-steady with confirmed sales supporting us to the end of the year.
- IT - Wellington business on the rise, but very slowly. Incredible amount of bureaucracy around Government procurement. Auckland more responsive and "can do".
- Technology Provider; We are seeing increased business both in products and services - although there is pressure on product margins the service delivery aspect is growing with more business opportunities happening all the time. I believe we are seeing confidence in the market place to invest in business infrastructure which translates into growth and confidence in the economy
- Not many IT management jobs on the market for the dying city as Prime Minister puts it. Lots of redundancies and people are afraid to move around
- IT services is being disadvantaged by the slow and costly implementation of high speed fibre optic cabling throughout the country. Political shenanigans are not helping New Zealand meet the high speed roll out requirements being demanded.

## Insurance

- Insurance broking whilst busy, however as a result of continuing increased costs, clients are facing resistance accordingly. Regretfully there are few alternative options for some risks currently which may eventuate in more self-insurance.

## Legal

- Much more positive in terms of workflow, though client pricing pressure remains acute and in-house counsel teams continue to undertake much of the work which used to be briefed out to law firms pre-GFC (law).
- Still busy - law firm
- Legal services, quiet
- Legal industry - we are taking advantage of opportunities that are being presented to us.
- Legal - slowed down at this point
- Legal - patchy still investors out there buying properties, otherwise quite quiet
- Law - Conveyancing is going well.
- Legal - patchy - busy but no idea how long it will continue for ...
- Legal - we are noticing increased activity in business purchases and in the rural sector in particular
- Legal Services - looking up, plenty of work.
- Provincial Legal services - still quiet; little residential sales activity, rural community still suffering a hangover from the drought.
- Patchy. There is no certainty of workflow-legal

## Manufacturing

- Manufacturing. Confidence is still wobbly. August was our best month for 2 years then September orders have slowed again
- Sales are very positive with growth month on month - manufacturing B2B
- Local manufacturing - still fairly lumpy, although customers begrudgingly accepting our price rises.
- Manufacturing - Looking up
- Manufacturing. Orders have picked up a little in past few months but still plenty of unused capacity.
- Manufacturing (Coatings)-soft environment with little growth from the ever extended CHCH rebuild.



# BNZ CONFIDENCE SURVEY

- The plastics/ plastics tool making scene is still in the doldrums with many still opting to take a chance to buy from China. There is no end in sight for this sector except where there is IP involved, or short run highly technical components that the client needs in a short time frame.
- Manufacturing and Service. New products still very patchy, some months just not enough work available for manufacturing. Service - generally running to budget, OK not booming
- Clothing Manufacturer. Increasing costs and a strengthening NZD make it increasingly difficult to maintain sales locally and stay profitable. Then add Australian retailers being nervous about their future and it is a very challenging environment.
- Importer and manufacturer of furniture feeling much better as more positives are being shown by our retailers over the past 4-5 months and we expect this to continue :)
- Manufacturing. Not flash. Let's hope the additional by Fonterra helps
- We are in Pallet Manufacturing supplying most of the large building product producers. September has seen a definite lift. Also in FMG products and warehousing.
- Has picked up in the engineering - machinery manufacture with some customers Capex spending and others carrying out maintenance. Still not overconfident on how long will last as the phone has quietened down again. Otago region
- Manufacturing for domestic market. Feeling a little more solid demand from most customers. Will need to take the opportunity to increase prices if this holds up. Running at a loss to just break even depending on how each month goes.
- Supplier of materials and components to the Manufacturing market. The manufacturing sector seems to have slowed over the past 6 weeks which is a combination of work moving offshore to Asia and certainly short term a focus on the Americas cup. The slowdown has been quite acute in Auckland but not so much in BOP or Waikato where the dairy industry is driving activity.

## Marine

- Marine electronics & Satellite COMms. Steady is the best description
- Marine industry, end of last season 2013 was the best season we have had for 6 years, all the signs are that this season will be much better. Have had the best winter trading for 8 years, inquiry rate and sales are all up, cheers.
- In the marine industry. Orders have been good in the last quarter.

## Miscellaneous

- Security. Unchanged from previously, sometimes busy and sometimes quiet.
- Slowly seeing more expenditure on capital products. With the dollar a little lower than the highs of a few months ago, manufacturers and producers more open to spending and we saw some confidence return.
- Franchise industry, home services - still having some issues sourcing buyers with adequate finance
- I'm a musician and this is the worse year we have had over the last 5 or 6 years. Bars have stopped having bands and corporates are being tight as to whether they are going to have bands and when they do want to pay less. To put it into context we are a band with a reasonable presence in the market. In 2010 and 2011 we made close to 80k. In 2012 we made 50k and this year we will be lucky to make 30k. Many other well-known bands are also struggling this year
- Utilities customer churn continues at historic levels, flat growth, and warmer winter lower than usual consumption over winter months favourable for consumers
- Professional Services. Good level of activity but Debtors level increasing - an indication that money is still a bit tight.
- Not good -very slow in all areas. Shipping repairs
- Excellent. Best winter to date and forward bookings are rolling in for summer. Cleaning Company, Holiday Homes only
- Government procurement reform (All of Government contract for Consulting Services) will effectively force me to close my Wellington consultancy. I'll probably move to Australia.
- Wholesaler of Safety Products. Business is going OK we are 18% up on year to date.

# BNZ CONFIDENCE SURVEY

## Printing and Packaging

- Flexible packaging is still tight on margins but volumes are increasing slowly. More projects to quote on.
- Looking positive in our industry - cardboard print & packaging

## Property Development

- Subdivision Development. Section demand is increasing, sales higher than any time in the last 5 years.
- Property Investment and Development. Progress is steady but the red tape and compliance cost are out of hand and slowly choking the industry.
- Local govt. RMA consenting Wanganui District Council. Increased levels of Subdivision applications and LIM requests are clear indications of increasing levels of development and property transaction activity . The last two months have seen increased levels of interest in potential development sites and site requirements for expansion of existing businesses. At least two acquisitions of sites and buildings for significant re-development schemes have been completed in recent weeks.
- Property Development Dunedin - increasing activity

## Property Management/Investment

- Property Manager North Shore Auckland rents are flat and in some cases falling by 5% looking forward to spring pick up. Still not feeling the surge that should be here with the immigration stats turning around but think that with that & the new LVR bank requirements we will see very good next 12 month rental growth
- Property Management: Lower North Island. We are finding that tenants are staying for longer in rental properties and there is not as much movement as there was 3 to 4 years ago. The average length of a tenancy used to be approximately 12 months and this has now extended to 18 months. Rents in most regions have slowly increased over the last 12 months but not by anything that significant.
- Rental Property - Palmerston North, residential and commercial are very slow.
- Property Management and Business Development - Demand for property variable, but overall picture stable. Lots of interest in setting up new business as a result of changes at MSD and their push to get people working.
- Property Investment Auckland - good capital gains are very positive but expenses on the rise with building insurance costs up 20 - 50 % and rising interest rates the biggest concern. Will be looking to increase rents where possible over the next 6 months to help recover some of the increased costs.
- Property Investment, Christchurch, it's all ok. Queenstown it's not ok.
- Property Management - Wellington: rents moving slightly up, but still flat here in the Capital. Auckland and Christchurch do not represent what's happening in the rest of the country. Listings are fewer, tenants are fewer, but summer is coming. Business is solid and steady, but we are waiting for things to start improving."
- Property investor Wgtn-Hard work making a buck but it is possible.
- Property development - few green shoots appearing that might need a watering can.

## Real Estate – Non-residential

- Commercial Property busy but enquiry level is very low.
- Commercial Property - very positive sentiment coming from tenants with several considering and/or undergoing expansion plans. The industrial market leads the way and speculative builds are becoming more common.
- Quality enquiry dropped off to near 0 for Commercial/Industrial Leasing and Sales over the last 4 weeks. The phones appear to be dead across our office. And even Retail investment properties seem to be struggling to find interest.
- Property Consultancy industry- the govt crackdown on departmental spending has seen a marked down turn in this area of consultancy work. Corporate sector and local authorities still providing a good supply of work.
- Commercial Property - static rentals with strong incentives to tenants still around. Purchasers mainly owner occupiers. Vacancy levels decreasing slowly.

# BNZ CONFIDENCE SURVEY

- Commercial Real Estate - steady. Good outlook for good quality and high performing assets. Poor quality or location, poor outlook.
- Real estate... retail is really struggling in Auckland
- Commercial Real Estate. Flight to quality continues with a shortage of supply of these assets.
- Commercial property development: more work compared to a year ago, still less than before the GFC.

## Real Estate – Residential

- Real Estate. In last 2 weeks we have had a surge of listings for our office which is a result of doing a lot of appraisals. Rentals have also been good for the last two months.
- Real estate - Central North Island. Our market is still relatively quiet. House prices are not rising as there are not enough sales to push them up. There are good listings coming through in time for our traditionally busier summer months.
- Residential Real Estate Napier: There is a serious lack of listings! Calls for appraisals are down as is walk in the door buyers. It is hard work out there.
- Real Estate: There continues to be a huge shortage of stock with desperate buyers fighting it out to buy a home or investment.
- Real Estate on the Coromandel had been steady over the winter months up on this time last year. Some very good stock coming onto the market in all price ranges
- Real Estate (Wanaka), buyer inquiry is steady. Listings are still short with properties moving albeit with an average sell time of 80-90 days.
- Real Estate sales, Hawkes Bay. Still short of listings, not short of buyers but they are often in a state of inertia, have not seen enough properties to do comparisons before making a decision to commit.
- Real estate North Shore - appears to have slowed over last few weeks. Wondering if it is partly influenced by America's Cup as listings seem on increase now.
- Real estate ,,,,prices flat, stock levels low.
- Queenstown Real Estate. Good surge of new listings have come to the market. Strong buyer activity under \$750k.
- We have sold houses and had a lot more interest in houses and sections, finally looking like things are starting to look positive here in Paihia. Prices have only moved a little But there is very little stock left in the average family home or cheaper markets below \$450,000. also we have suddenly had a lot of interest from people from Auckland and Bay of Plenty looking at retirement housing.
- Real Estate industry. Lack of listings still driving prices up in our area. Buyers frustrated from missing out in multi-offer situations
- Real Estate Nelson - Interesting blip of activity in the lower price range, as first home buyers scramble to get on the property ladder before LVR's and Interest rate movements exclude many. Higher priced properties (500k+) and sections sales are still sluggish at best. Definitely a two speed market at the moment.
- Residential Real estate Tauranga. First home buyers switch turned off this week with Reserve Bank restrictions having big effect. Open home numbers slowed noticeably. Prices certainly no rising. Slight increase in stock numbers.
- Sole Proprietor Auctioneer/Valuer/Broker. Things have never looked better!
- Property is currently looking good, Auckland needs more houses.
- Real Estate - some reluctance from buyers being noticed and many vendors have missed the listing boat.
- Real Estate - Nelson. Good market, prices firm, listing levels still low.
- Real Estate West Auckland - the reduction in the frenzy buying behaviour we saw in auctions from June to August. Still good numbers at open homes compared to outstanding numbers in the period mentioned above. Listings still in short supply. Interest levels now determined by location and the better the location the more interest. Overall still a very good market.
- Real Estate, Auckland. Demand still high & some surprising prices being achieved.
- Real estate: Strong market is continuing - more listings would be good.
- Real Estate - supply outstrips demand. Waiting to see what effect LVR restrictions are going to have.

# BNZ CONFIDENCE SURVEY

- Real Estate Johnsonville: Picking up with more listings coming to the market. Advising buyers good time to buy prior to Reserve Banks new rules. Good numbers of enquiries checking property available.
- Wellington Real Estate: Flat market all around and has been for a while, nothing to suggest a positive change anytime soon - unless spring stimulates the market here. PS: LVR's rules not helping.
- Real estate. Sales are plentiful but stock is low
- Real Estate. We are having no problem selling houses, we just need more on the market for sale.
- Real estate - LVR already having impact on prices. Think we may have seen peak of market.
- Real estate. Auckland. prices are rising, but need more volume of sales.
- Coastal Real Estate - volumes of sales increasing. Buyer confidence up. Activity increasing across all price brackets rather than just under \$500,000 bracket as has been the case in recent months. Trend slowly moving in Sellers favour.
- Real estate in Manukau - the market is very buoyant with excellent sales activity
- Real Estate - Auckland - the LVR rules have had price pressure consequences that would have been unintended by the Reserve Bank - buyers with less than 20% deposits are in a total frenzy to purchase before they run out of time. House prices have surged upwards as a result - even suburbs like Avondale and Te Atatu now regularly seeing sales above \$800,000 - the ripple has spread a few more kms further out.
- Valuation jobs are getting slowing down.
- Real Estate (Whangarei) small surge in activity in the last month with 1st home buyers getting themselves into homes, no noticeable increase in prices, however some higher priced properties are starting to move (\$500k+) which will push the median up, volume still pretty static, don't expect much change until we get some more manufacturing here.
- Real Estate - supply and demand still an issue in Auckland and Christchurch and continuing to push up prices.
- Real estate. Our market is increasing in volume of sales and prices.

## Recruitment

- Executive Search. Things are looking good.
- Recruitment- Busy
- Recruitment - very competitive with margins tight
- HR Consultancy: Public Sector very tight and hunkering down. Too early at this stage to say that next year's election is influencing decisions but clearly 5 years of austerity and fixed baselines are having an increased effect. Private Sector and Not For Profit - open for business but with a focus on value
- Recruitment. A quiet July and August has turned into a busy September.

## Retail/Wholesale

- Positive for retail selling to Farmers
- Terrible we sell into appliance retail and most are complaining that things are in the doldrums
- Clothing Manufacturing & Retailing - Challenging. Retail is flat & prices are rising out of China
- Retail: little to no growth presently, but seeing more positive prospects near the end of the year.
- Import Export Agents (product Brokers) dealing in consumer products. In the last survey I reported a strong start to the financial year. This past two months have been only steady and we have not seen growth in indent sales we expected. The reasons we are given is that sales at retail are holding but not meeting budgeted increases and therefore overstocks. Closer attention to SOH means orders are getting pushed out. We see the next 2-3 months just meeting our targets but not exceeding them.
- Distributor Consumer goods. Some retailers are struggling, offshore consumer internet purchases growing, and affecting domestic retail. Local competition keen, businesses looking to reduce overheads, as margins are inadequate. Outlook stable.

# BNZ CONFIDENCE SURVEY

- Importing and distributing to the retail sector. Despite ra ra comments in the press regarding retail trading, shop floor comment is that it is very 'hard' and slow, with potential customers watching spending.
- Very competitive, sales are up and down depending on promotions running each week. Customers seem to be special shopping and doing their produce/grocery shop where the best specials are
- Furniture Retail. Sales up relatively strongly year on year but we find the market still patchy. Consumer confidence seems to be up and I sense that the stronger housing market has been the tipping point giving buyers the confidence to go out and spend some of the funds that 4 years of low interest rates coupled with higher savings rates has allowed them to accumulate.
- Retail furniture and giftware - regional stores. Margins very tight. Customers cautious with discretionary spending. Hoping that Christmas sales will give us a boost
- Wholesale & Distribution. Stable, nothing really changing.
- Books & Stationery retail. As we evolve for our customers demand shifts we are firming up.
- Retail is really hard!!!!
- Retail is still tough in consumer electronics and I expect this to continue in the next 12 months.
- Retail (small home entertainment specialist) - After three strong months (Jun to Aug) September has been very quiet. Often competing with the big chain stores and their perceived deals.
- Consumer dairy products. Rising commodity prices are squeezing margins when absorbed and killing demand when passed on; no easy answer. Time to go to the other end of the supply chain and start milking cows.
- Musical Retail . Sales down. Worse it has been for many years.
- Retail Liquor - definite slowdown in mainstream and budget end of market, sense that the average person in the street has less discretionary dollars to spend as wages haven't grown at same rate as costs

## Signage

- Signwriting - busy at present. But chasing people for money, seems harder to get it out of them than usual. That's not a good sign.
- Signage Christchurch. With no real signs of increased building activity turnover is static at best, cash flow still OK but new orders slow and quotes only actioned at last minute. The failures of insurance & EQC are changing attitudes and decisions making with trust being a casualty.

## Tourism and Travel/Accommodation

- Aviation remains very challenging
- Accommodation pretty much full with quality immigrants and holiday makers.
- Tourism Industry is looking positive particularly around the Cycle Trails in our region. Mainly domestic cyclists although they are bringing overseas visitors and family through as well
- Aviation. Things are stable.
- Tourism, bookings steady
- Low cost camp accommodation, demand staying stable but at higher levels that 2 to 3 years ago.
- Long haul travel Europe. Busy.
- In tourism things are still tight and everyone is looking for discounts. It is still challenging for premium product providers.
- Tourism, lots of opportunity out there some operators are cutting prices but there is no need can stick to good yield and get it, loose some work but no money in that work

## Transport/Logistics and Storage

- Transport. Very competitive with smaller customers getting pushed out by bigger transporters as not much margin handling smaller volumes i.e. time taken to handle product etc.
- Road Transport. There are some indications of demand for service improving. Activity associated with dairying is consistent and will continue to increase. Capital investment has direction now with certainty on configuration at 50 tonnes.
- Cold Store Warehousing and Distribution. Steady.
- Transport Servicing Industry: Less activity at present than there was through the winter.

# BNZ CONFIDENCE SURVEY

- Port sector - looking at increased cargo throughput over next 12 months.
- Logistics - lots of changes and lots of opportunities, outlook strong but providers will need to be innovative
- Transport. Income difficult to grow. Expenses increasing, compliance costs on going. All in all a difficult time.
- We are in the transport cartage business, things are pretty good at present, there have been a lot of changes re truck configurations and so forth which have had a slight negative affect on margin, otherwise generally steady as she goes.
- Freight – flat
- Transportation - looking better after a fairly bad period

## Vehicles/Automotive

- Tyre retailing was not good this winter but should pick up from now going into summer.
- Automotive parts sales. Market has been quiet this last 3 months
- We have a panel beating and spray painting business in Wellington. We are extremely busy right now and have been for several months. We have 9 employees including my husband and myself. Others out there though in the same industry as us in the greater Wellington area have been struggling to get work.

## Wine

- Grapes pricing good. Wine Distribution, plugging along.
- Dry goods supplier to wine industry - industry seems in better health than previous years with improved debtors and growing sales
- Wine industry – positive

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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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