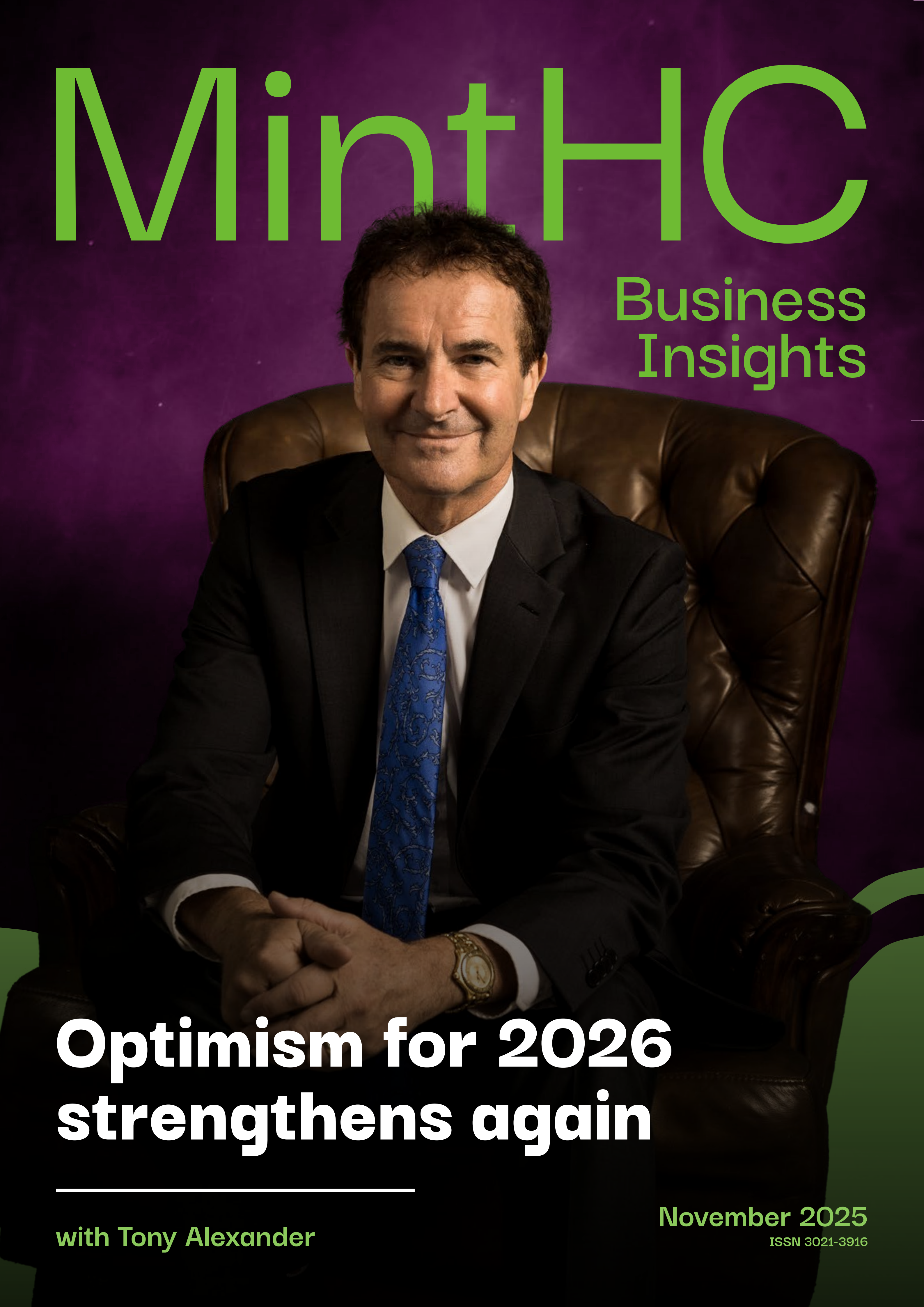
MintHC
Business Insights
Optimism for 2026 strengthens again
with Tony Alexander
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Optimism for 2026 strengthens again

My Aim

To help Kiwis make better decisions for their businesses, investments, home purchases, and people by writing about the economy in an easy-to-understand manner.

Each month I send an invitation to people on my Tony's View subscribers list inviting recipients to give insights into what is happening in their business sectors at the moment. 276 people replied from a wide variety of sectors this month. The aim is to gain real time insights into what is happening in various sectors with respondents choosing whether to focus on customer flows, pricing and cost pressures, expansion plans, and so on – whatever they consider to be the most important developments.

Key results from this month's survey include the following

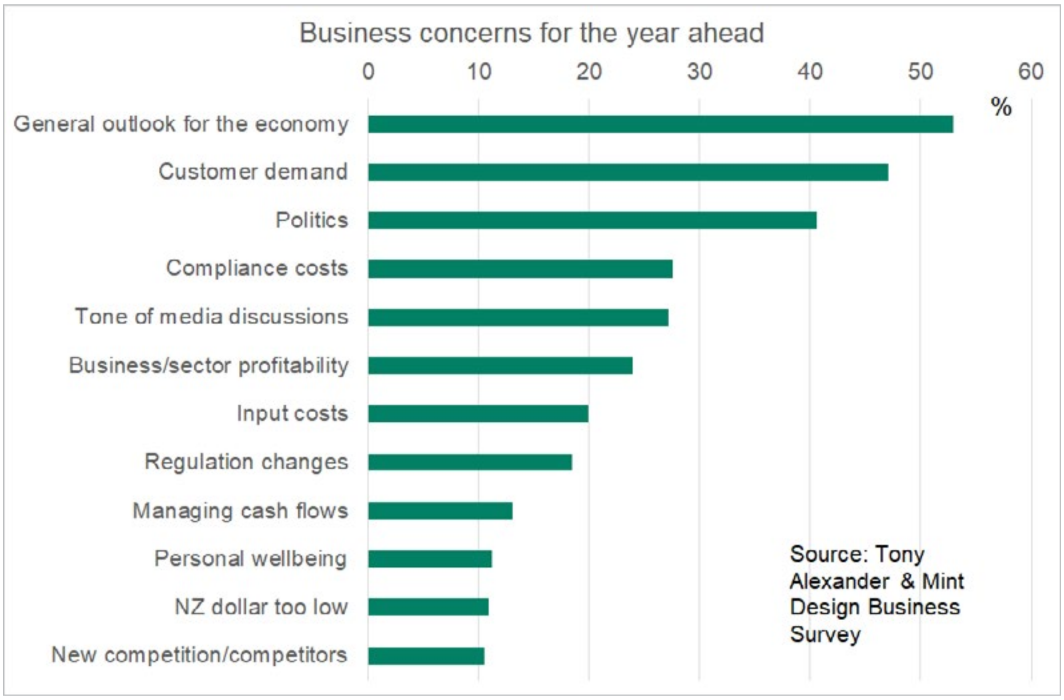
- Concerns are growing about the low level of the Kiwi dollar.
- There are widespread expectations that 2026 will be better, but at the moment signs of improvement are still not able to be described as "strong".
- Businesses plan spending more on advertising along with staff recruitment and remuneration. Investment intentions are also firming.

Tony Alexander
Independent Economist

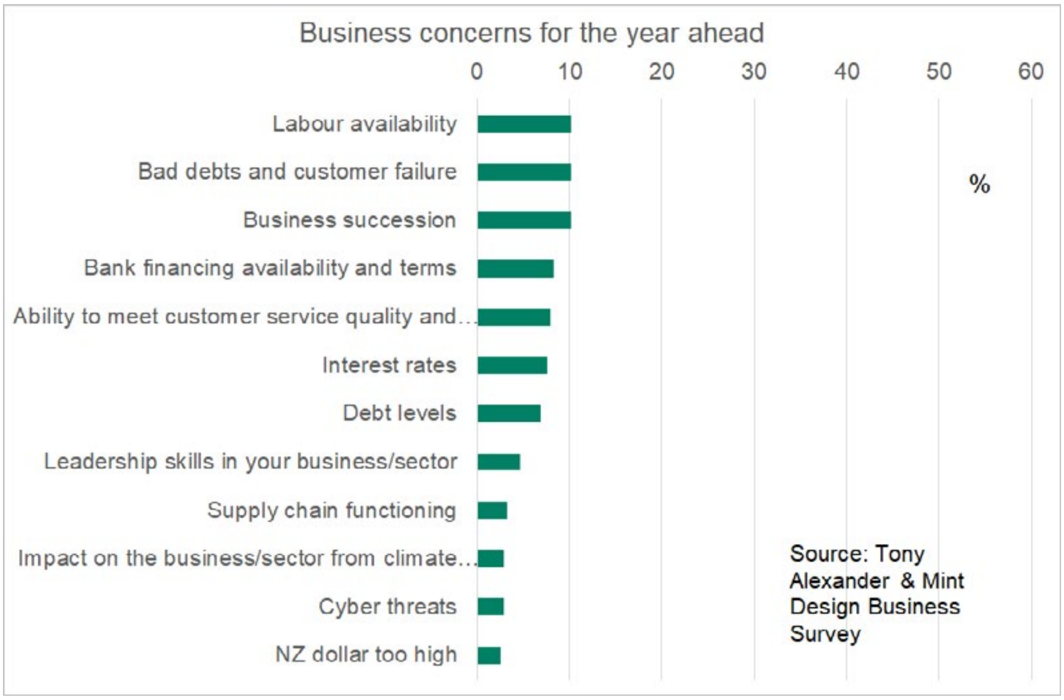
What concerns you most for the year ahead?

We ask businesses to choose the things which concern them most about the year ahead. They can choose more than one area of concern. The following two graphs show the most common and then least common areas of concern cited by business in this month's survey.

The three top ranking areas of concern for Kiwi businesses are again the general outlook for the economy, customer demand, and politics. The Kiwi dollar being too low has entered our graph of the top areas of concern for the first time ever.

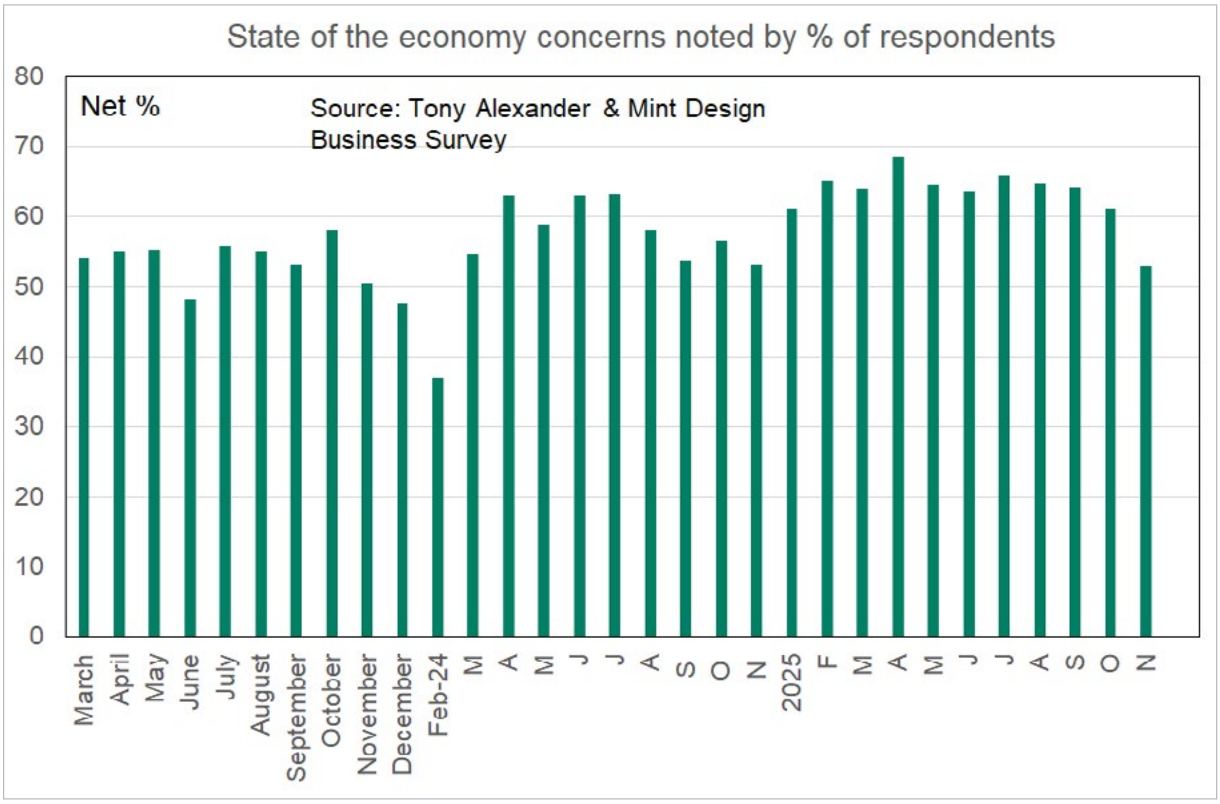


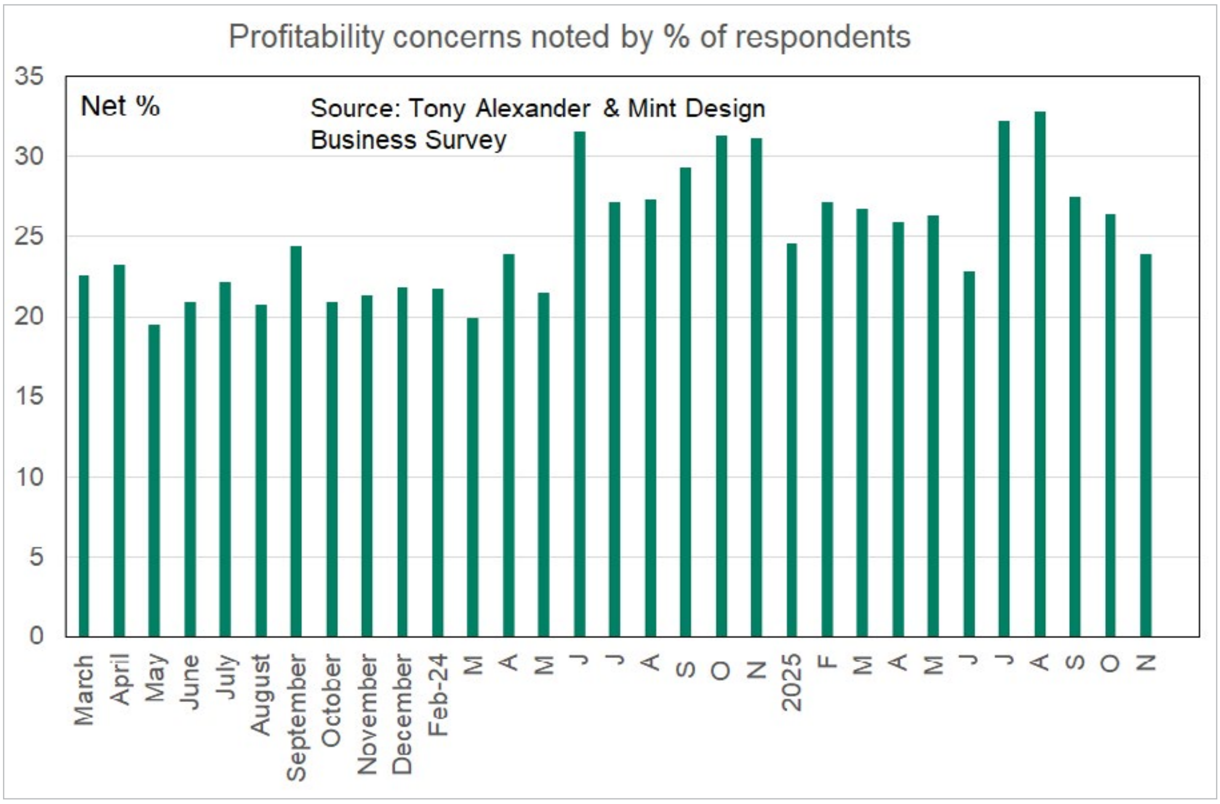
As has been the case for a long time now, few businesses say they are concerned about climate change, the NZ dollar being too high, or cyber threats.



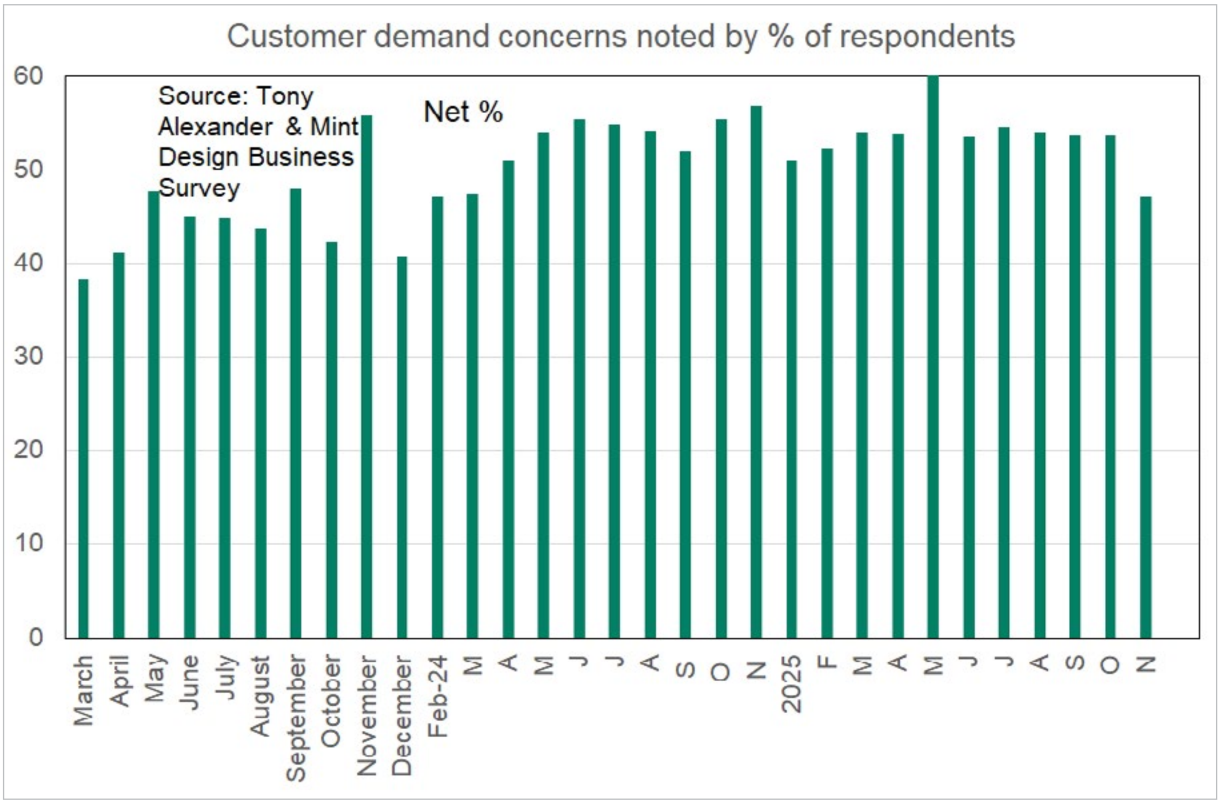
These next graphs look at changes in a selection of areas of concern for businesses since our survey started in March 2023.

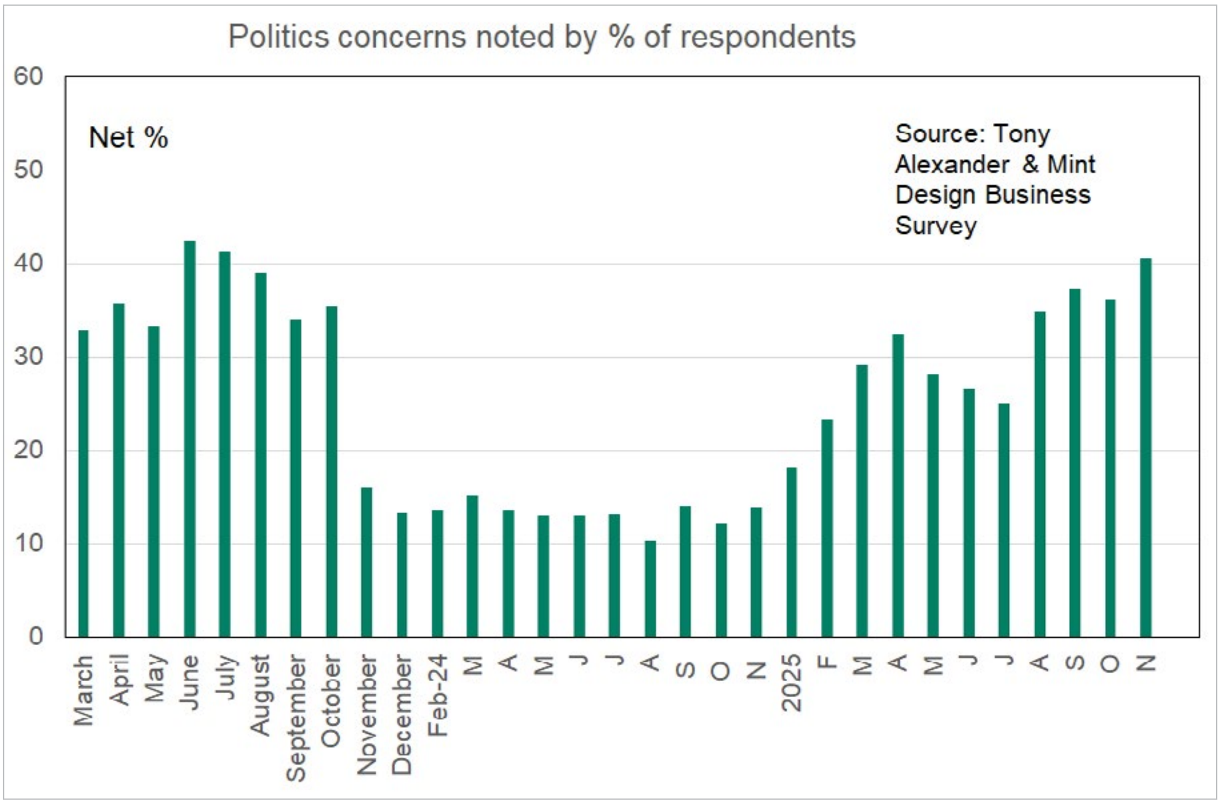
The proportion of businesses saying they are concerned about the state of the economy has fallen back to the reading of this time last year. Worries about one's business profitability have also eased slightly.



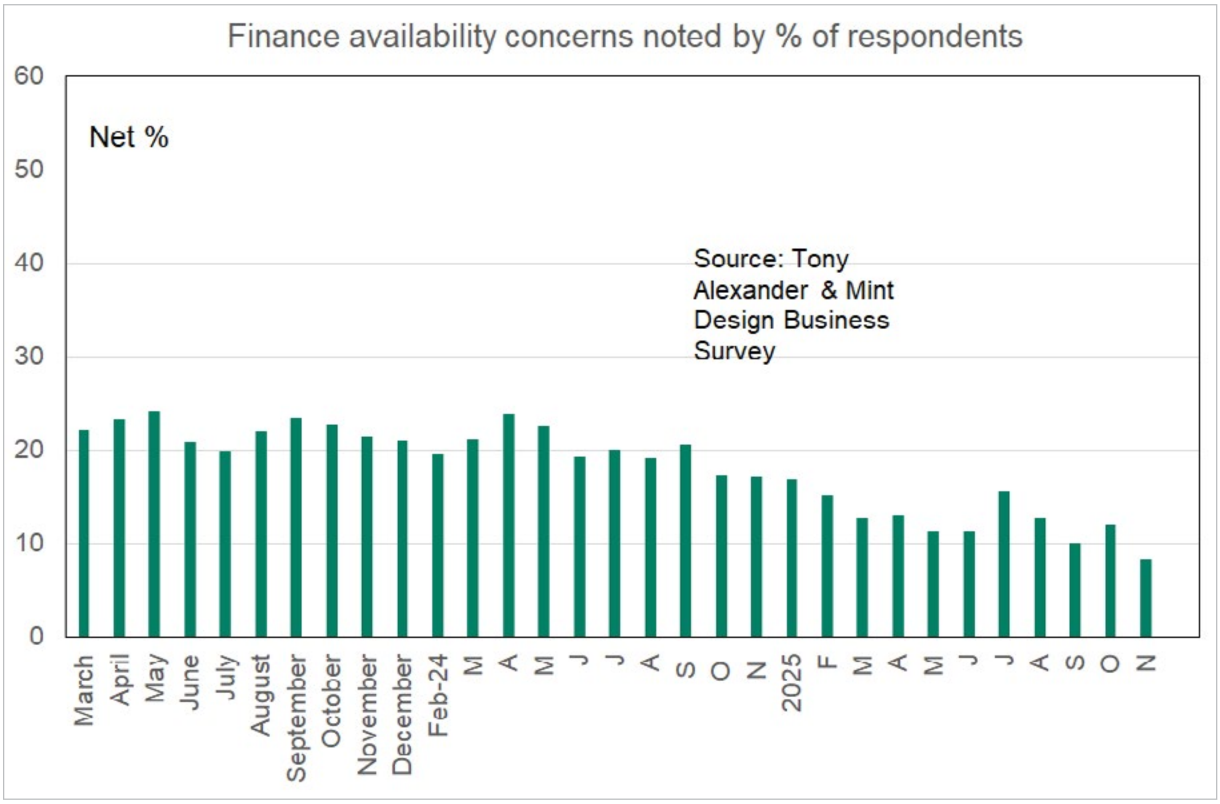


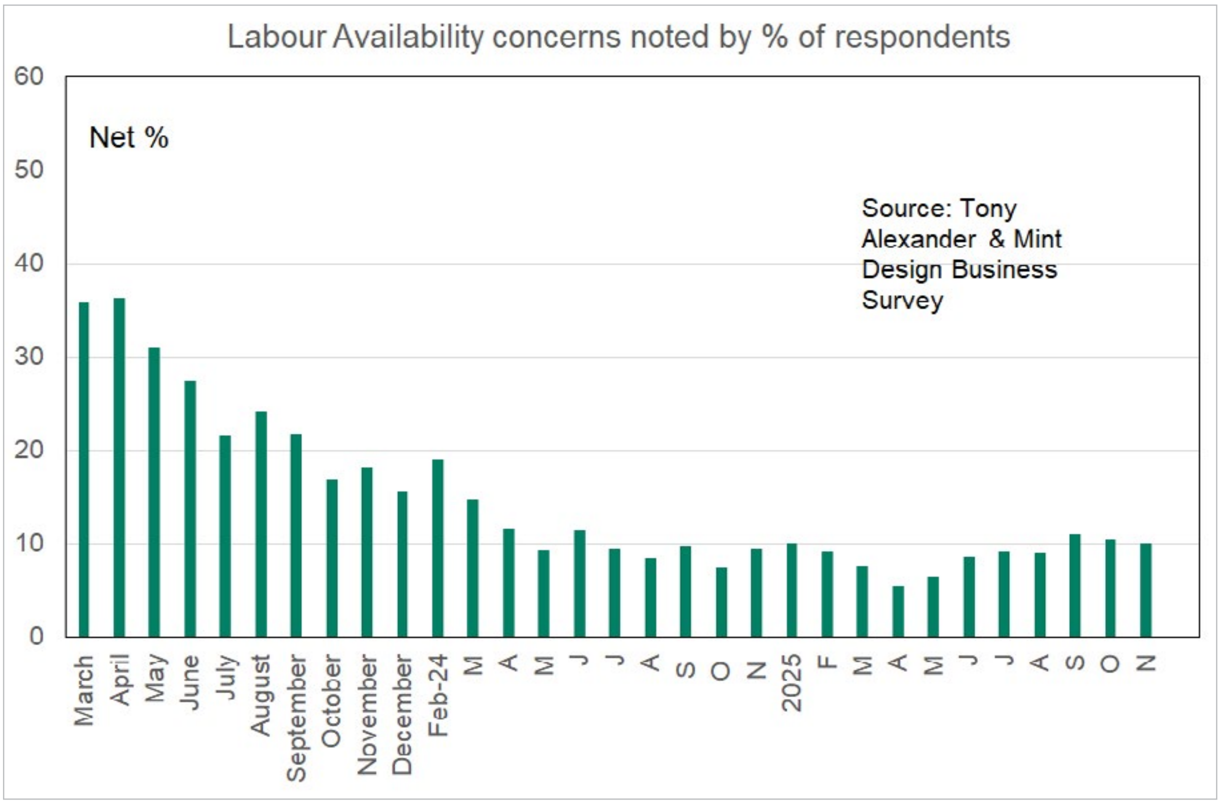
Similarly, worries about the level of customer demand have eased slightly this month. But concerns about politics remain elevated and have increased this past month. Interestingly however, this has not been matched by a rise in expressions of concern about politics in the comments section below.



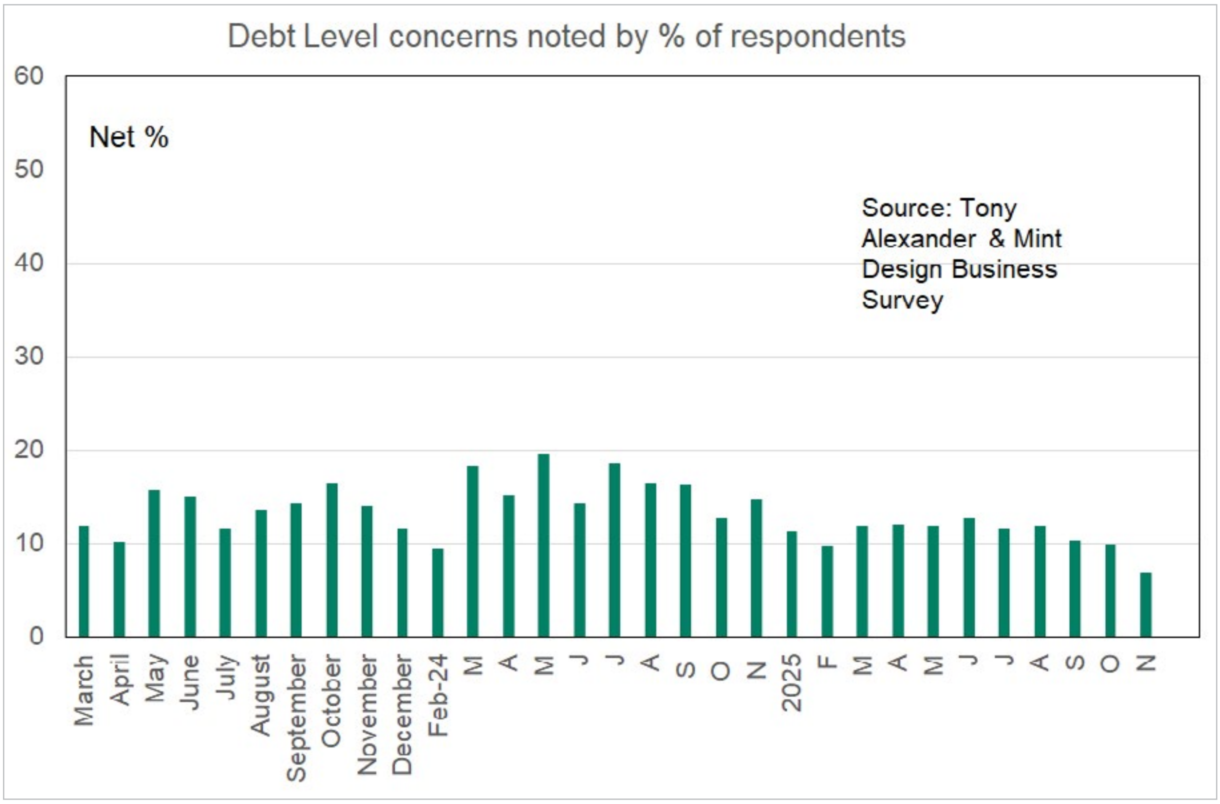


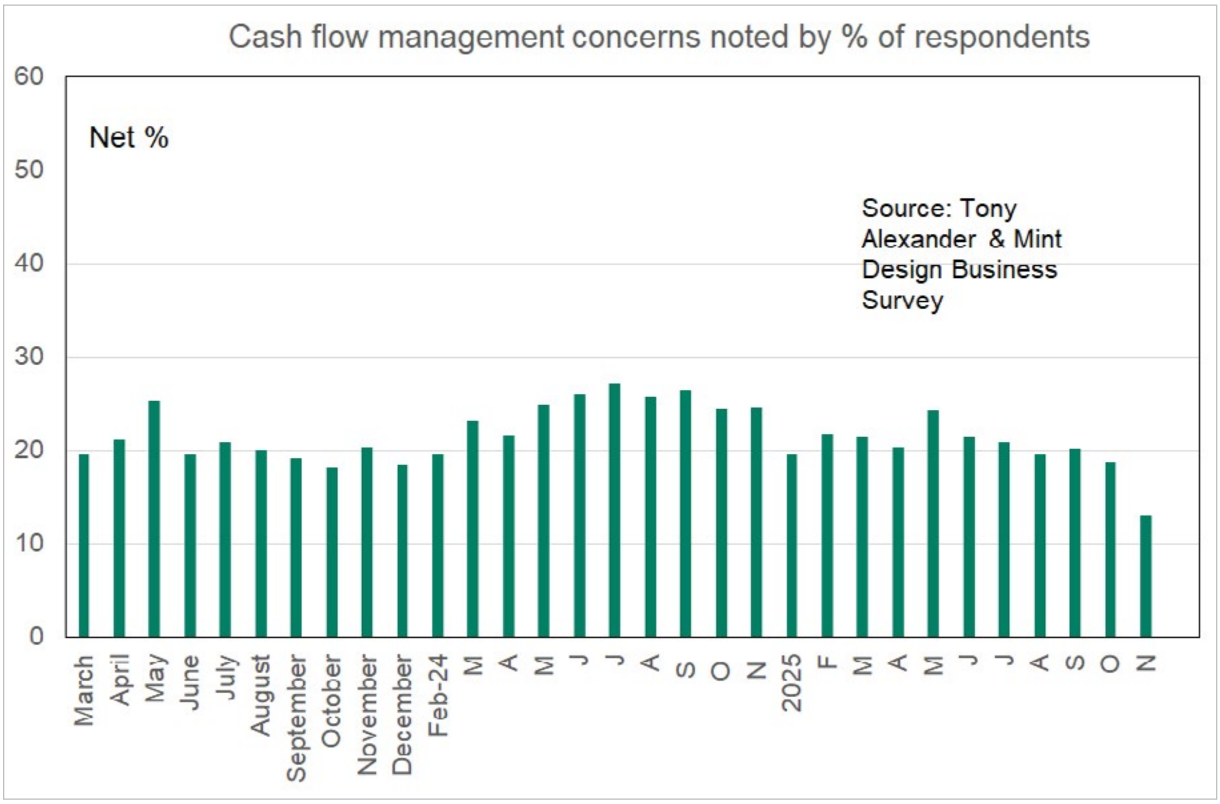
Businesses feel that finance is reasonably well available. And labour is also not yet becoming a source of particular restraint.



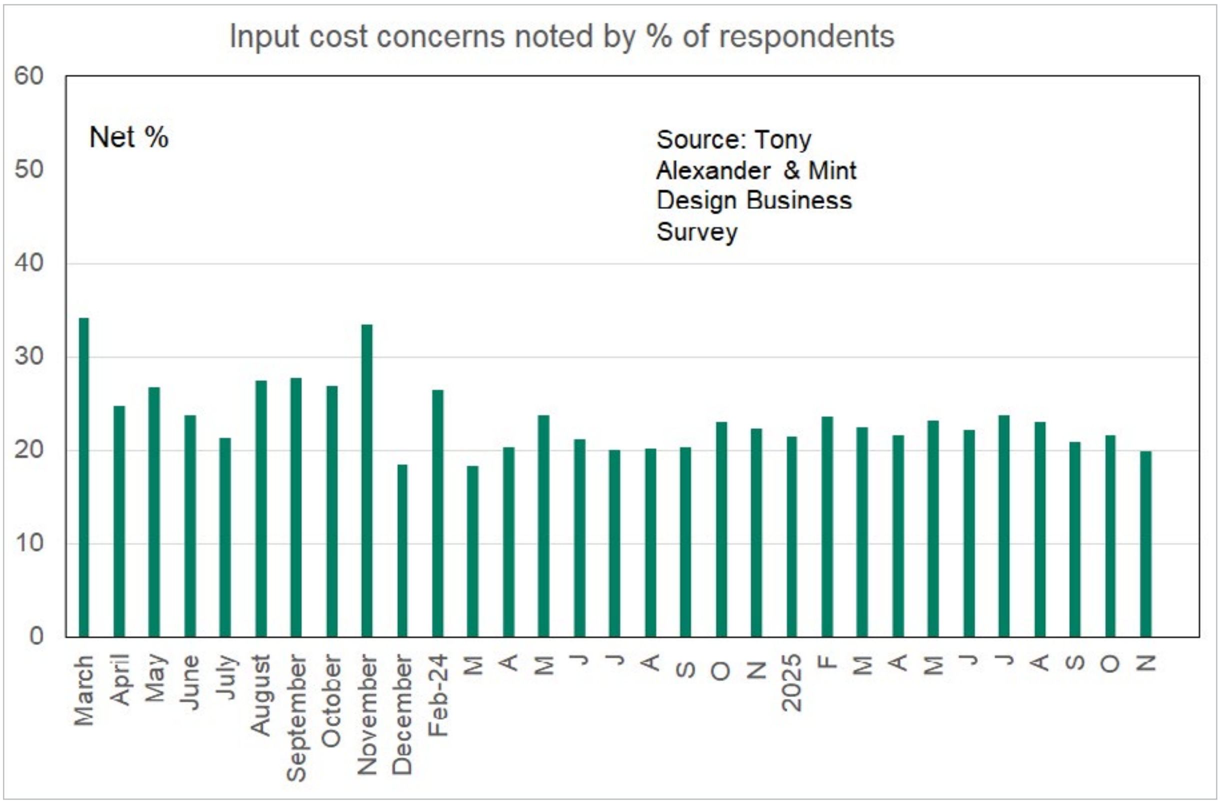


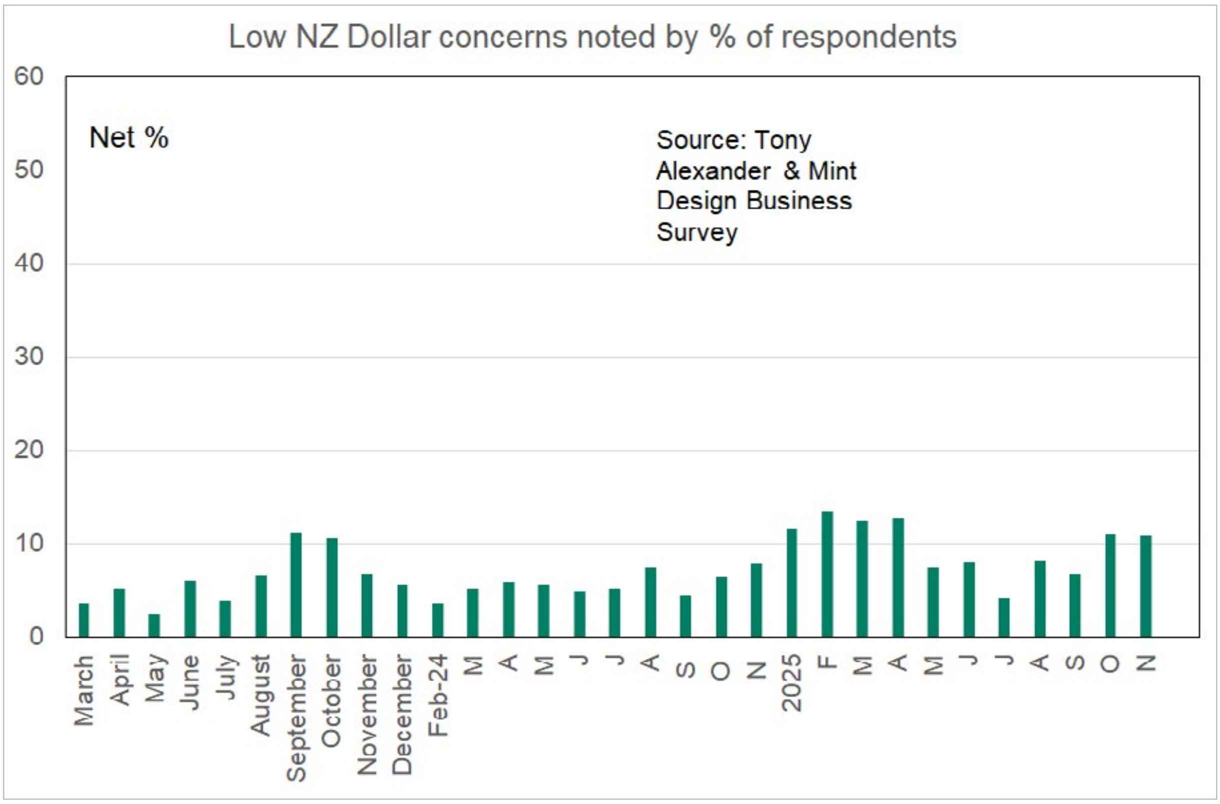
Concerns about debt levels have fallen away this month as have worries about management of one's cash flows.





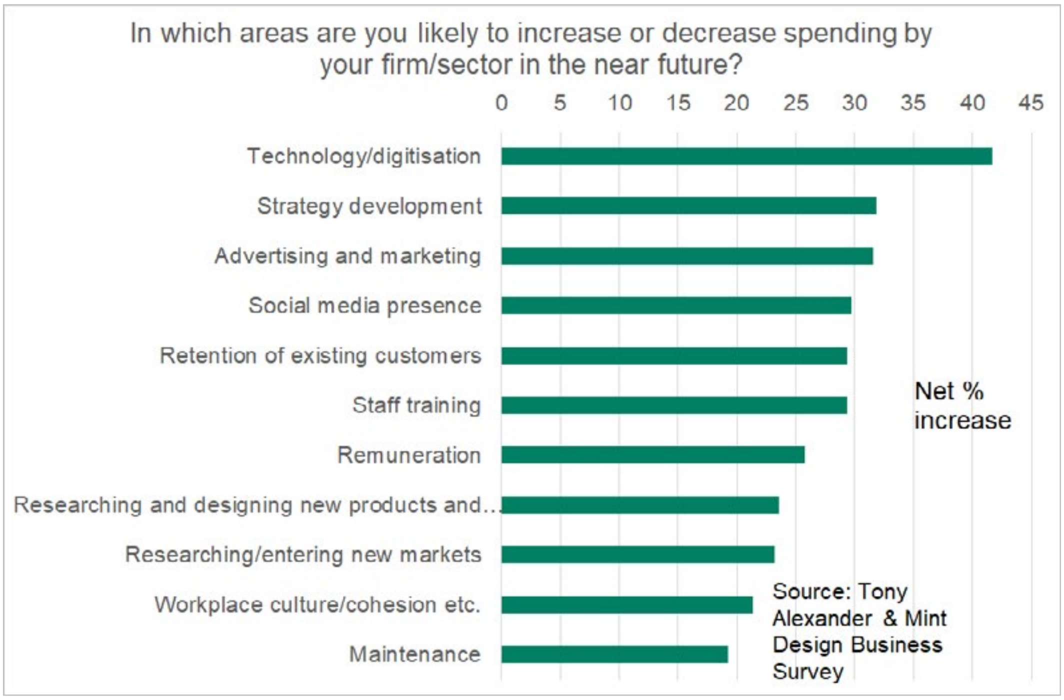
For the moment there is a very small downward drift in the proportion of businesses concerned about their input costs. This does however stand in contrast to the rise in concerns that the Kiwi dollar is too low. A low currency can increase the costs of imported inputs.



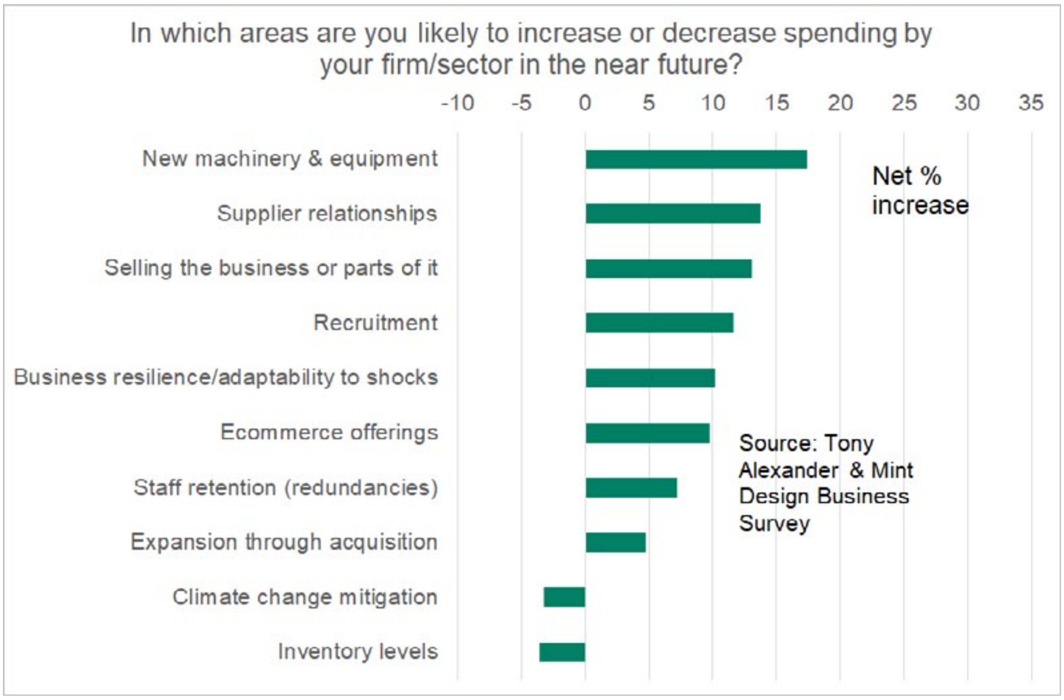


In which areas are you likely to increase or decrease spending by your firm/sector in the near future?

Our second main question is addressed at identifying where businesses are going to allocate their scarce funds in the coming year. As above, we split the results across two graphs starting with areas where most businesses plan greater allocation of resources. The top area of spending intentions is technology (AI included in this group almost certainly), followed by strategy development and then advertising and marketing.

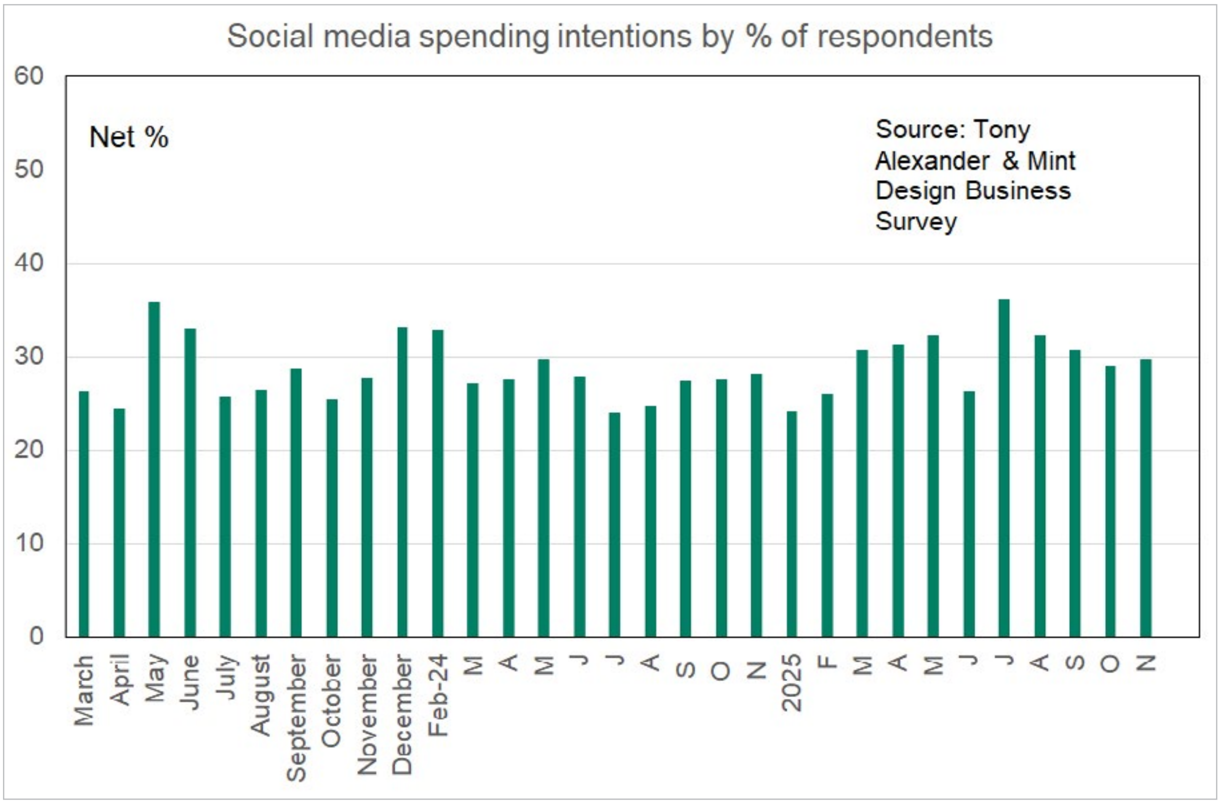


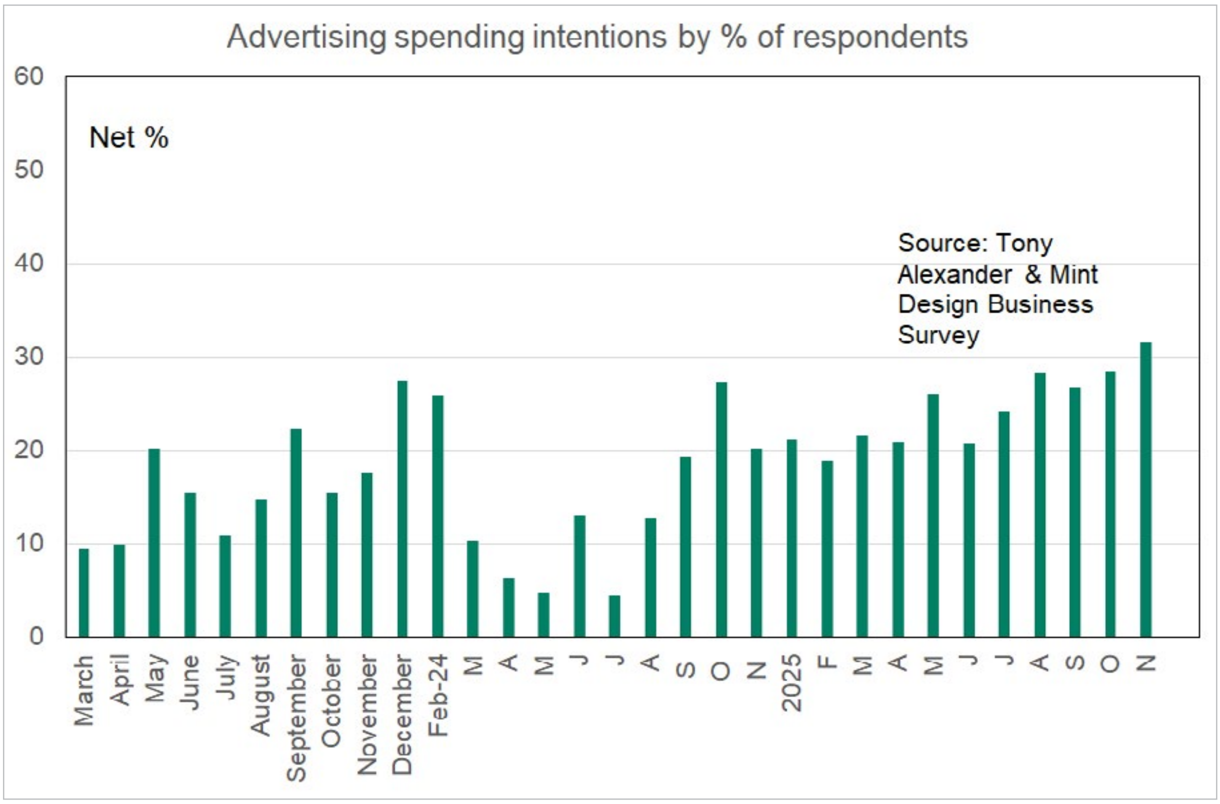
Businesses still intend cutting their inventory levels and spending on climate change issues.



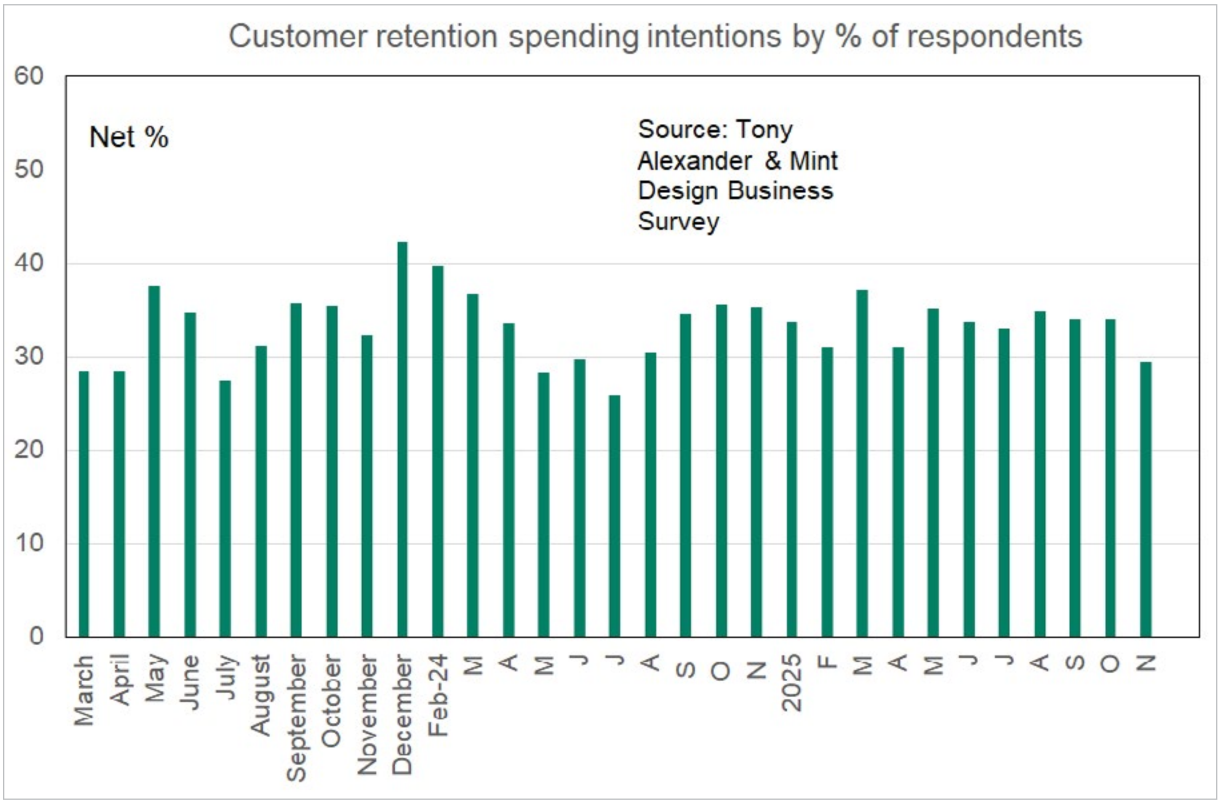
These next graphs look at how planned areas of spending change have been tracking since our survey started in March 2023.

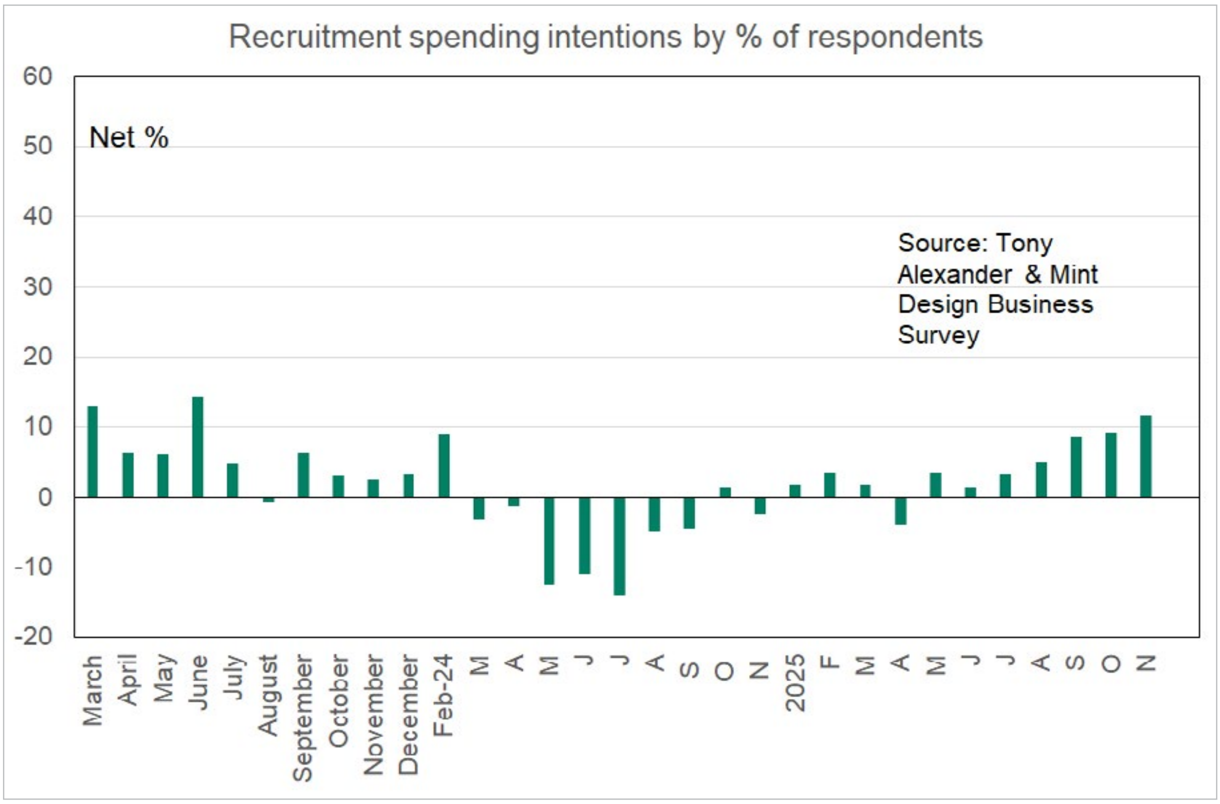
Social media spending intentions have eased slightly in recent months. But plans for spending on advertising are trending firmly upward. Firms would be unlikely to be reporting this if they did not expect a return of customers to the market in greater numbers in the near future.



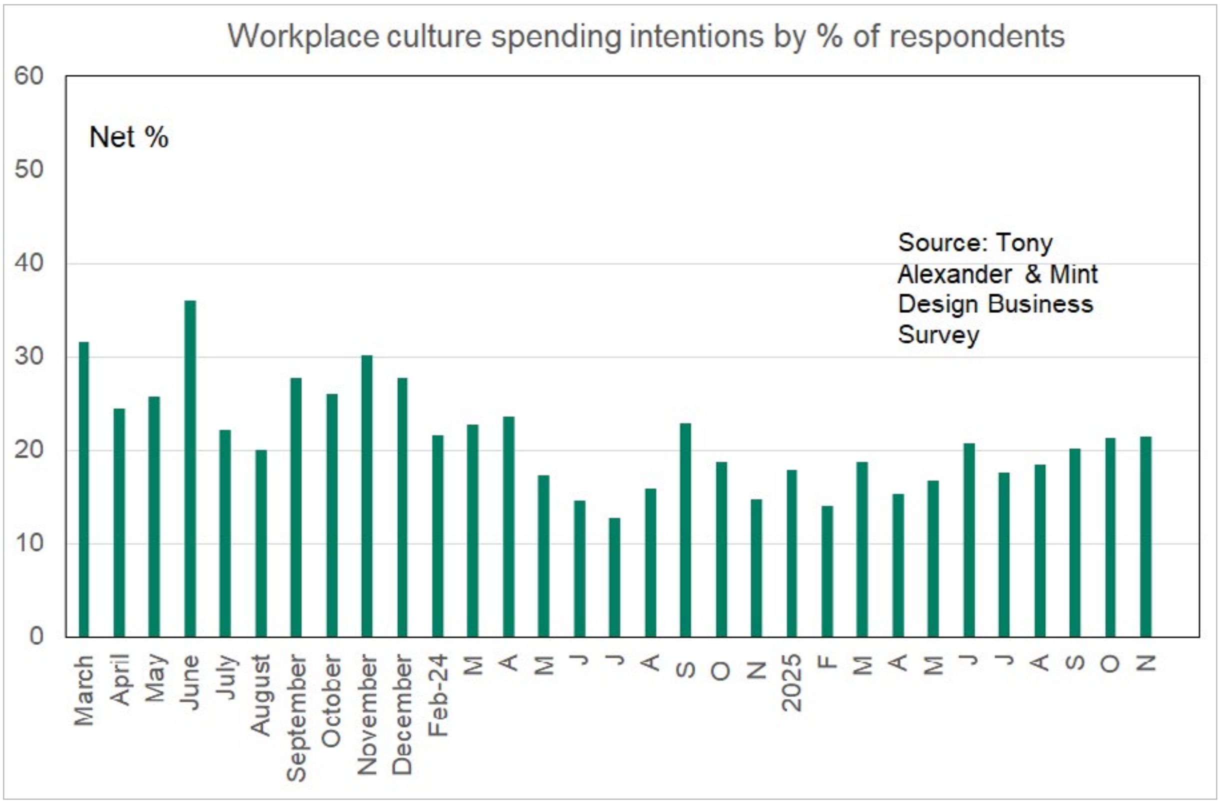


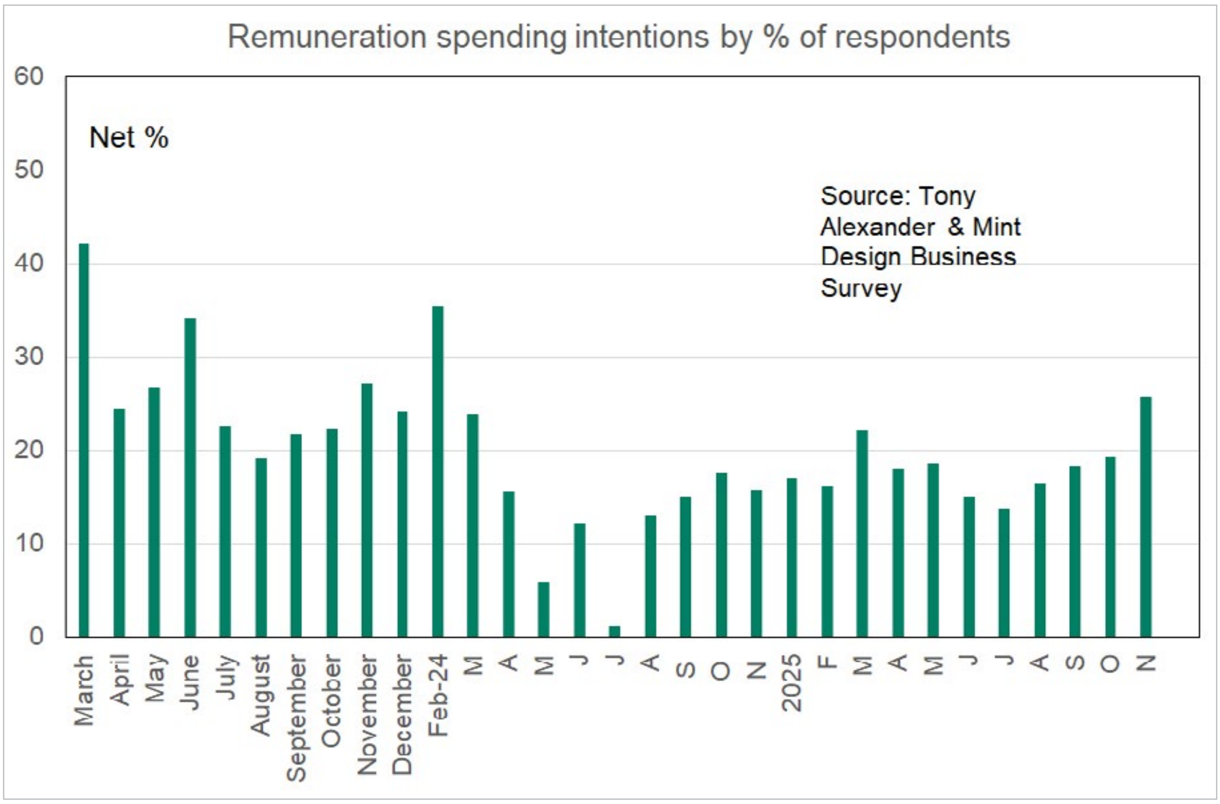
Perhaps this anticipation of higher customer flows for 2026 explains the slight decrease in focus on retaining existing customers. But there is an increasing focus on spending for recruitment. Higher customer flows will require higher staff numbers and businesses are preparing for this change.



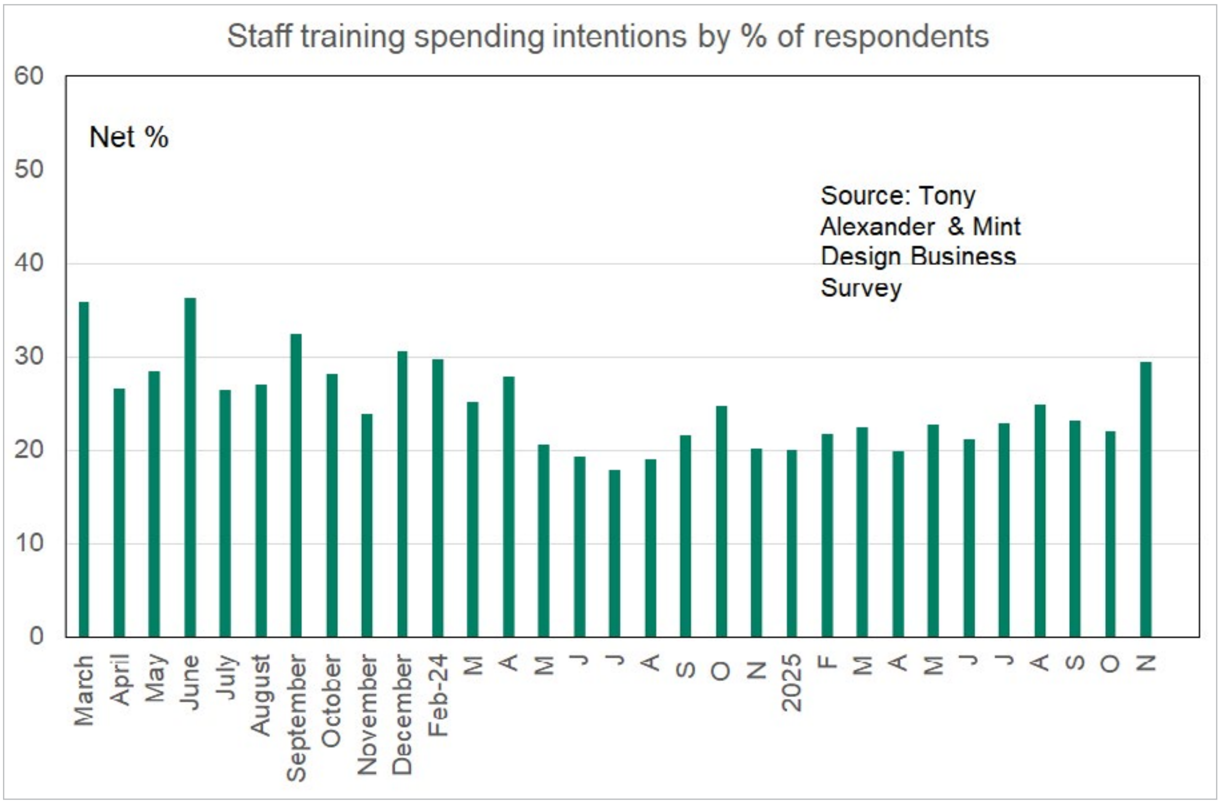


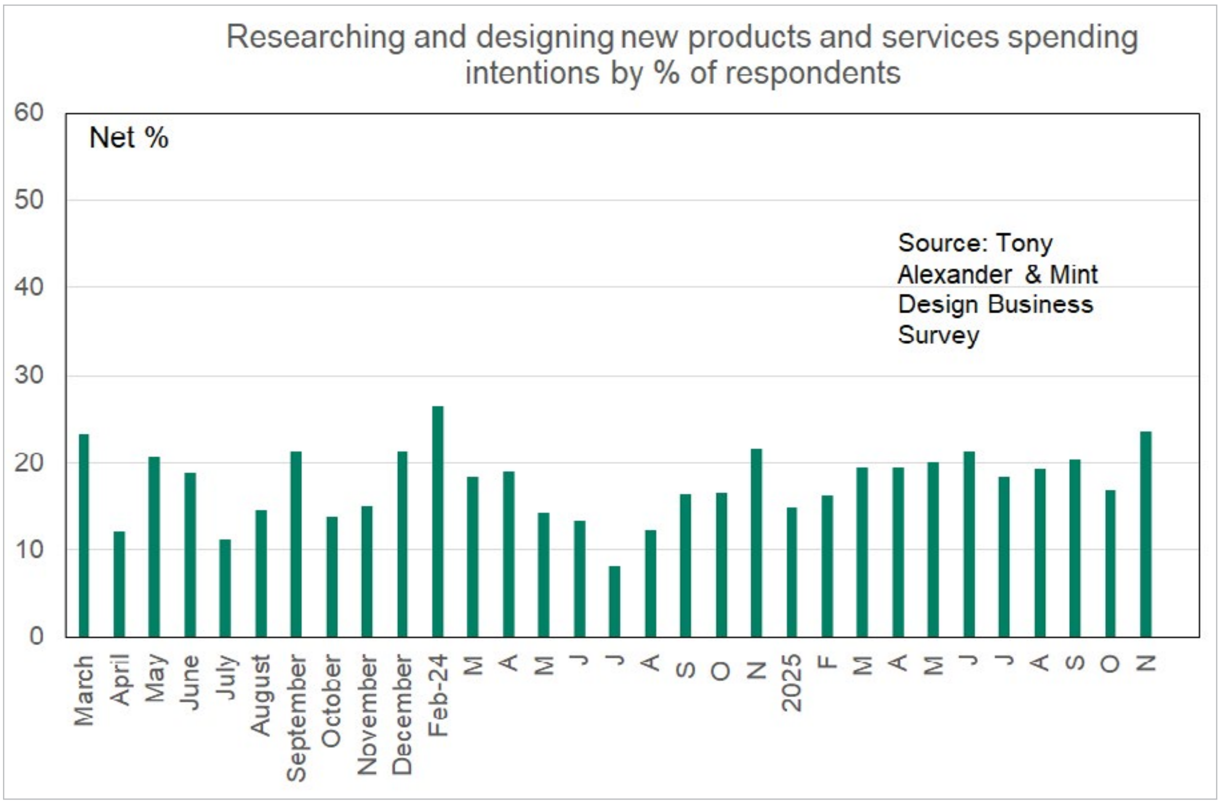
This may also explain the upward trend in plans for spending on issues of workplace culture. Of substantial interest amongst our labour market readings however is the jump in plans for spending on remuneration of employees.



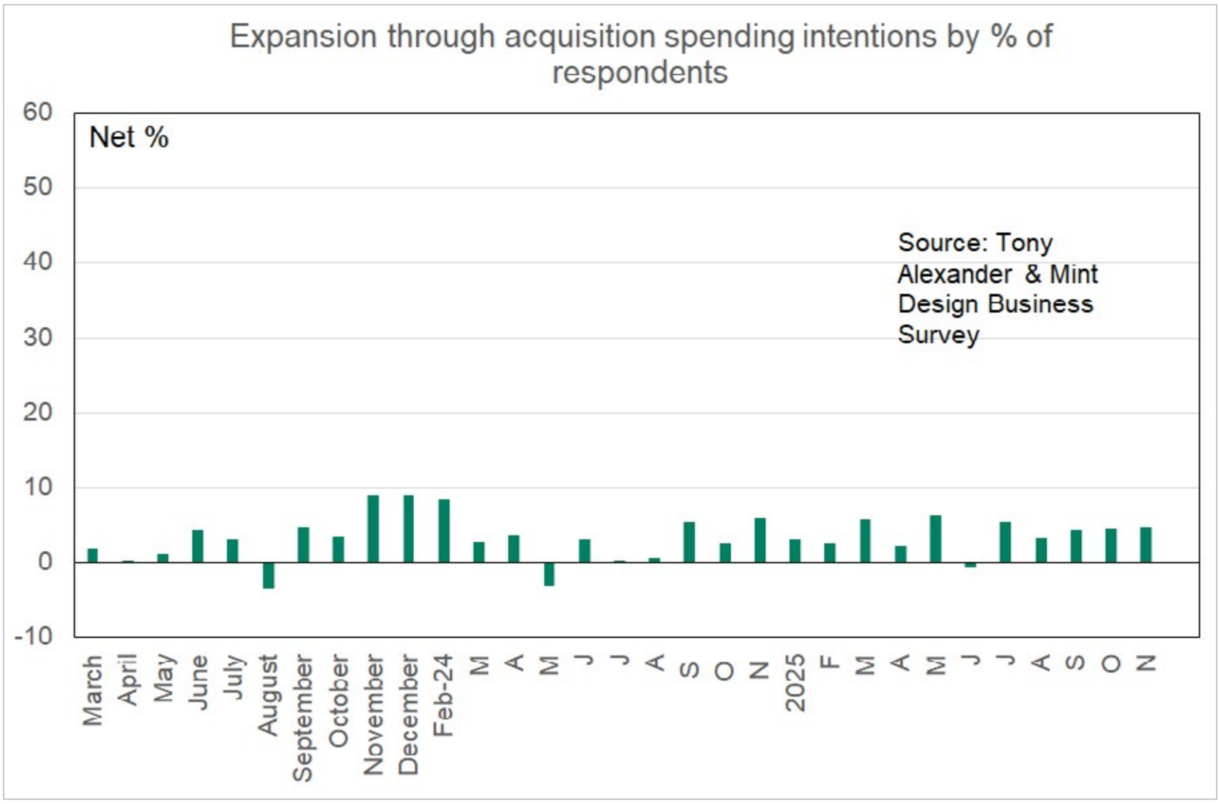


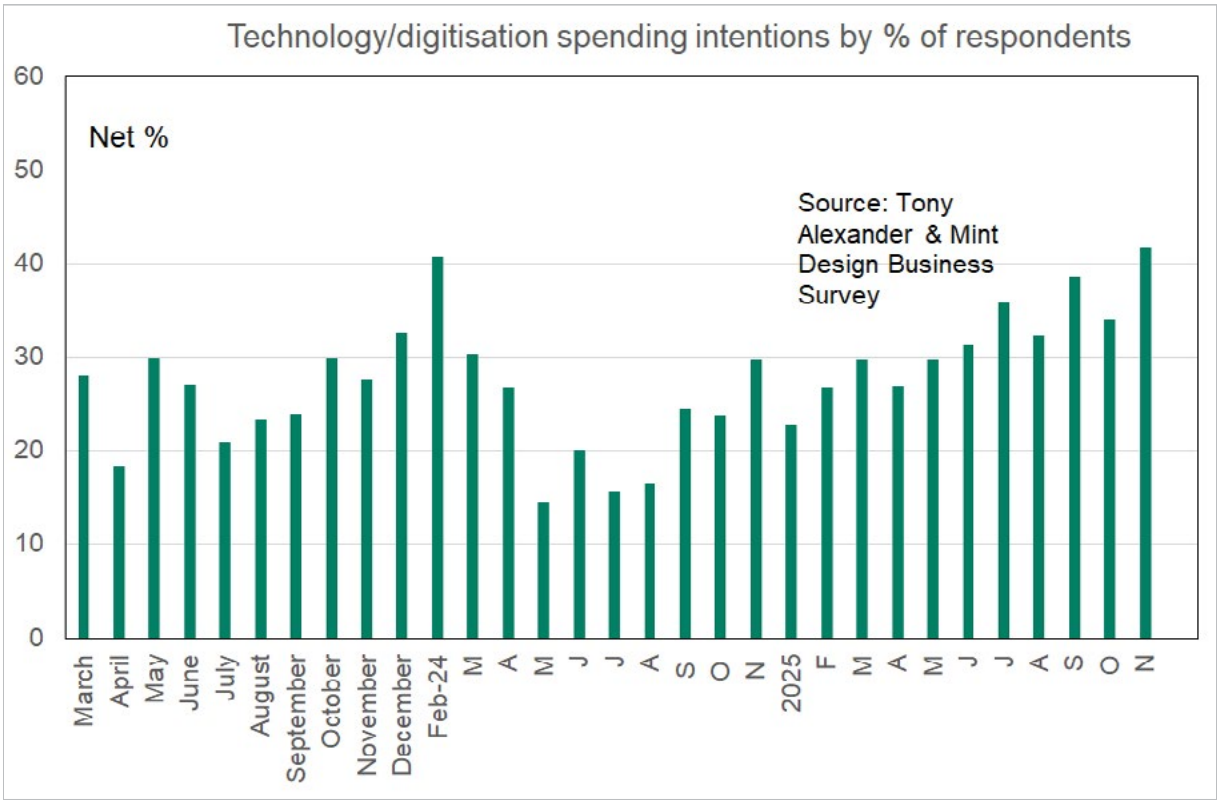
Staff training is also being boosted. Anticipation of better cashflows may explain the upward trend in intentions of spending on product development.



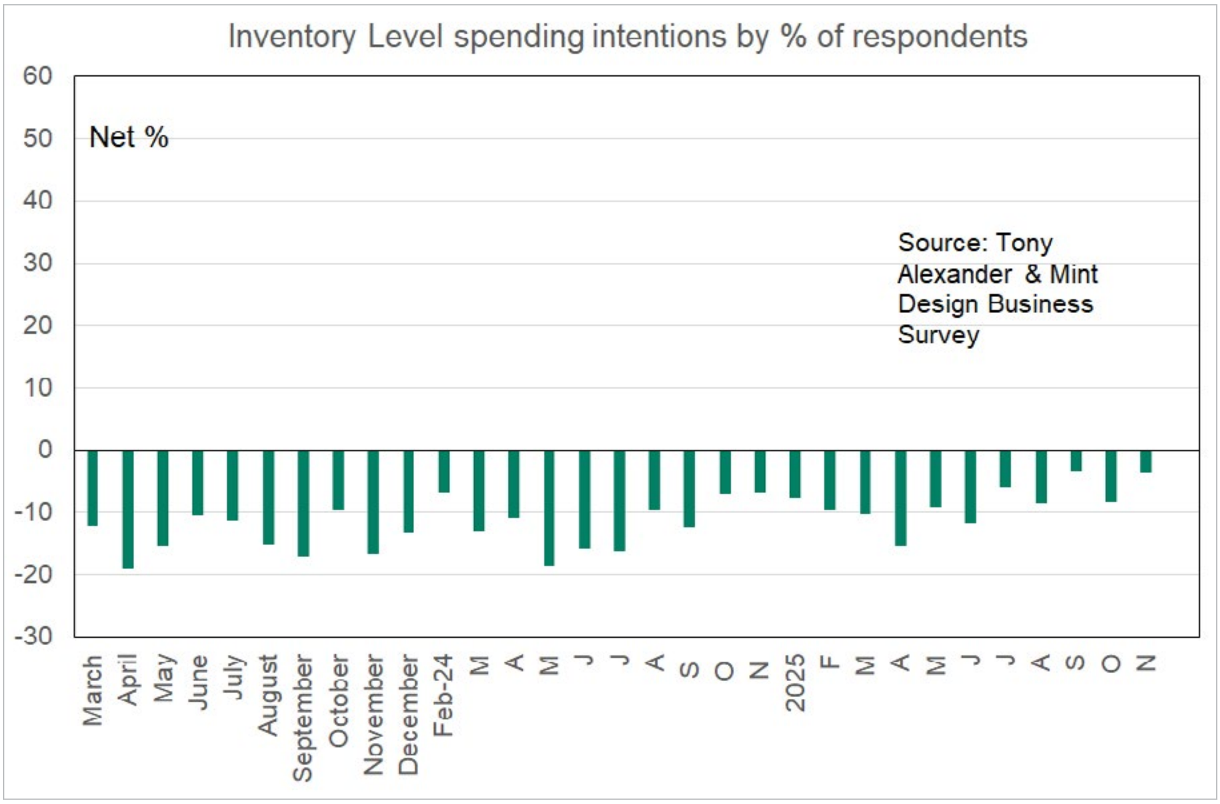


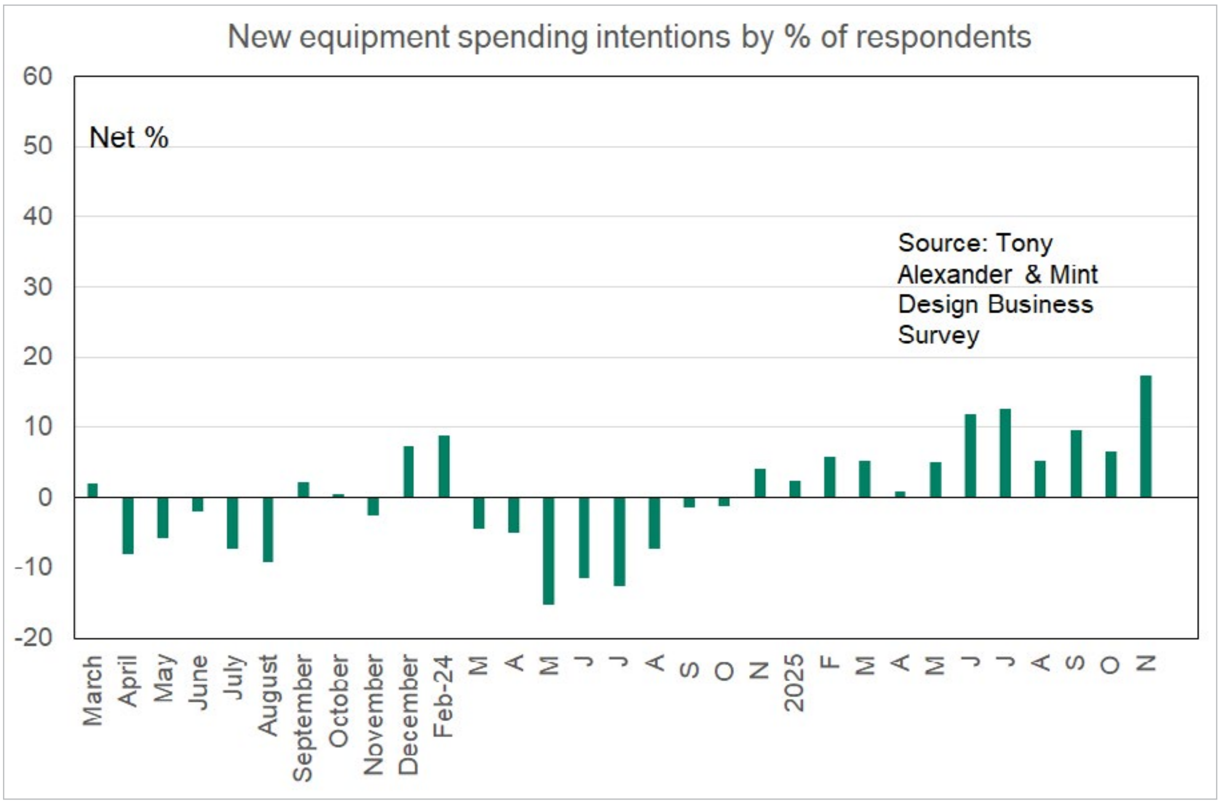
Expanding via acquisition is not a particular area of focus. But investing in technology most definitely is.





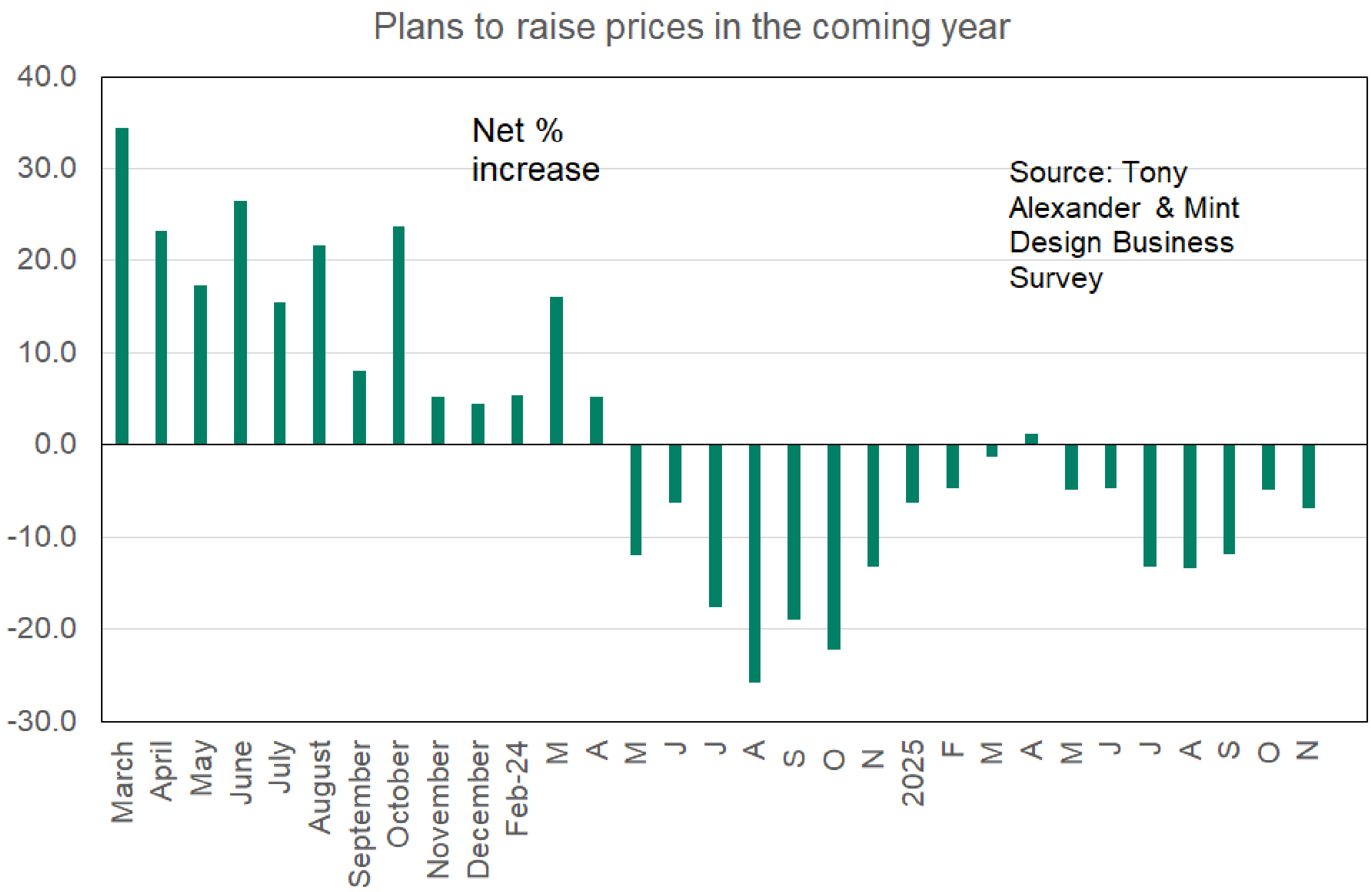
Finally, while plans for inventory levels remain negative, intentions of expanding spending on capital items are rising quite firmly.





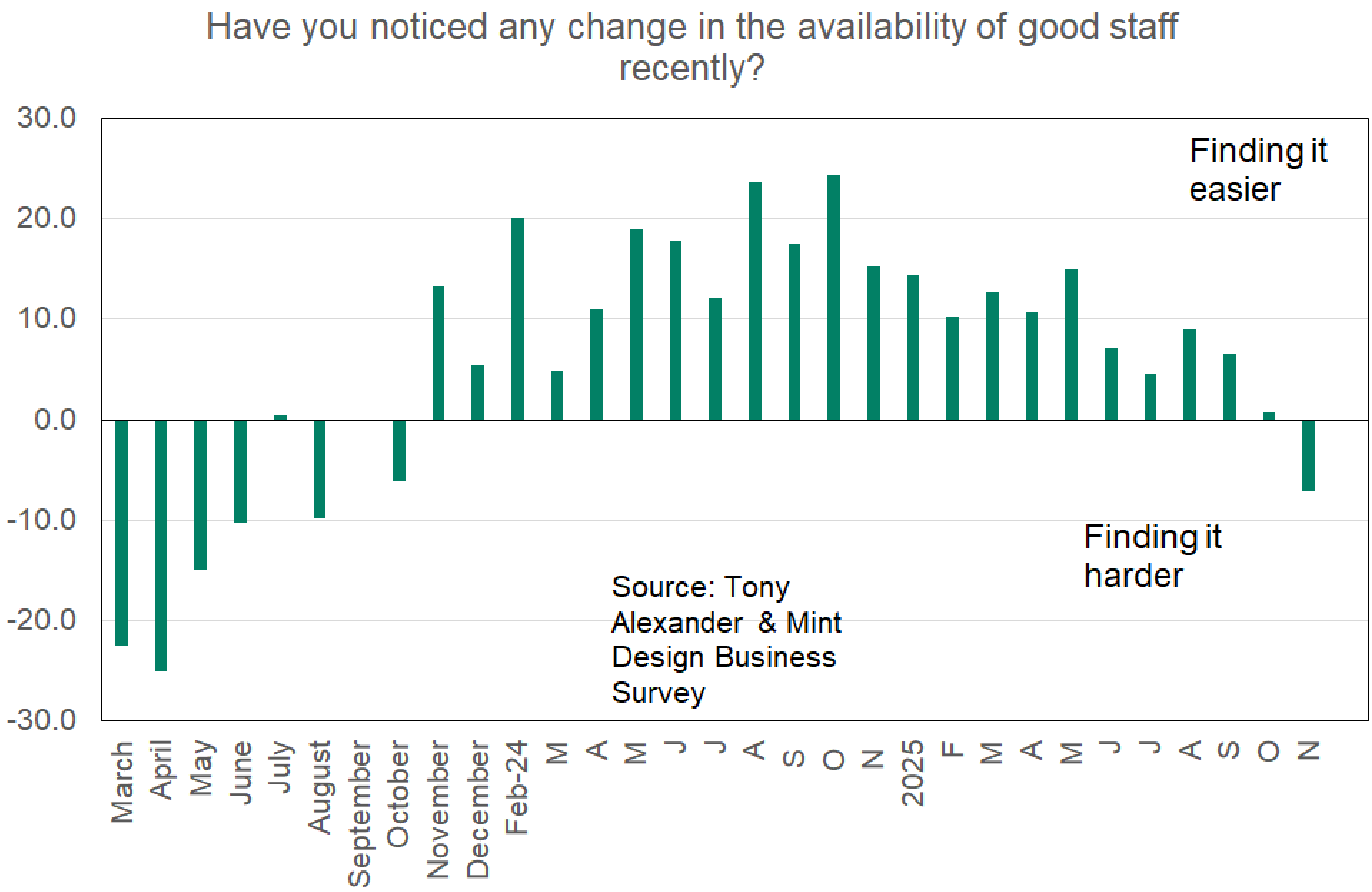
Are you planning on increasing your prices for any of your products or services this year?

A net 7% of businesses have reported that they do not plan raising their selling prices over the coming 12 months. This is essentially the same as the net 5% of last month and tells us that for the moment businesses do not necessarily plan to move at their earliest possible opportunity to restore operating margins.



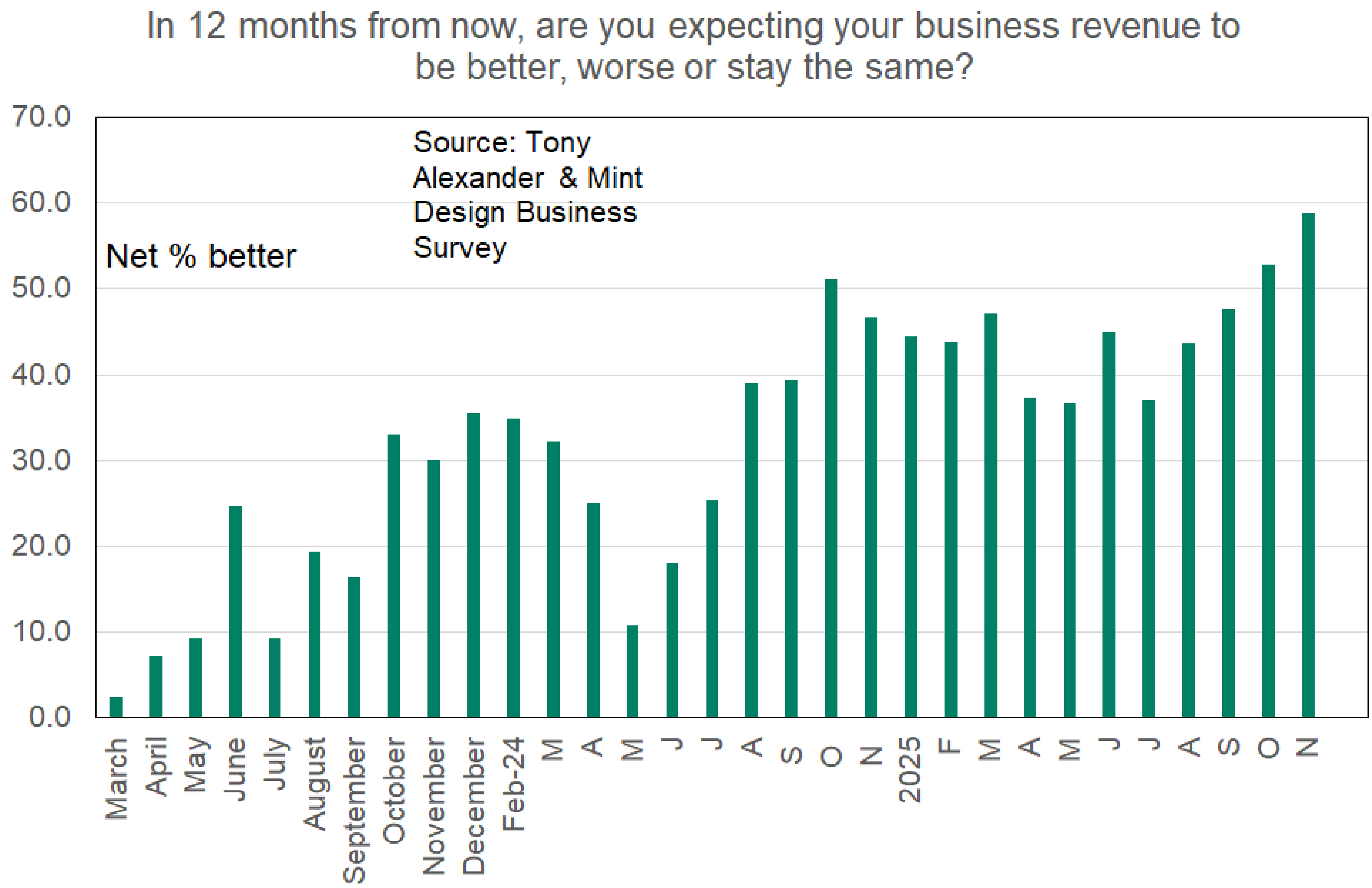
Have you noticed any change in the availability of good staff recently?

For the first time since October 2023 there are more firms (net 7%) reporting that staff are hard to find than say they are readily available. This is one of a growing list of indicators telling us that the employment market in New Zealand is turning and with a hint from this measure that problems acquiring and keeping staff could appear quite early in the economic recovery in 2026.



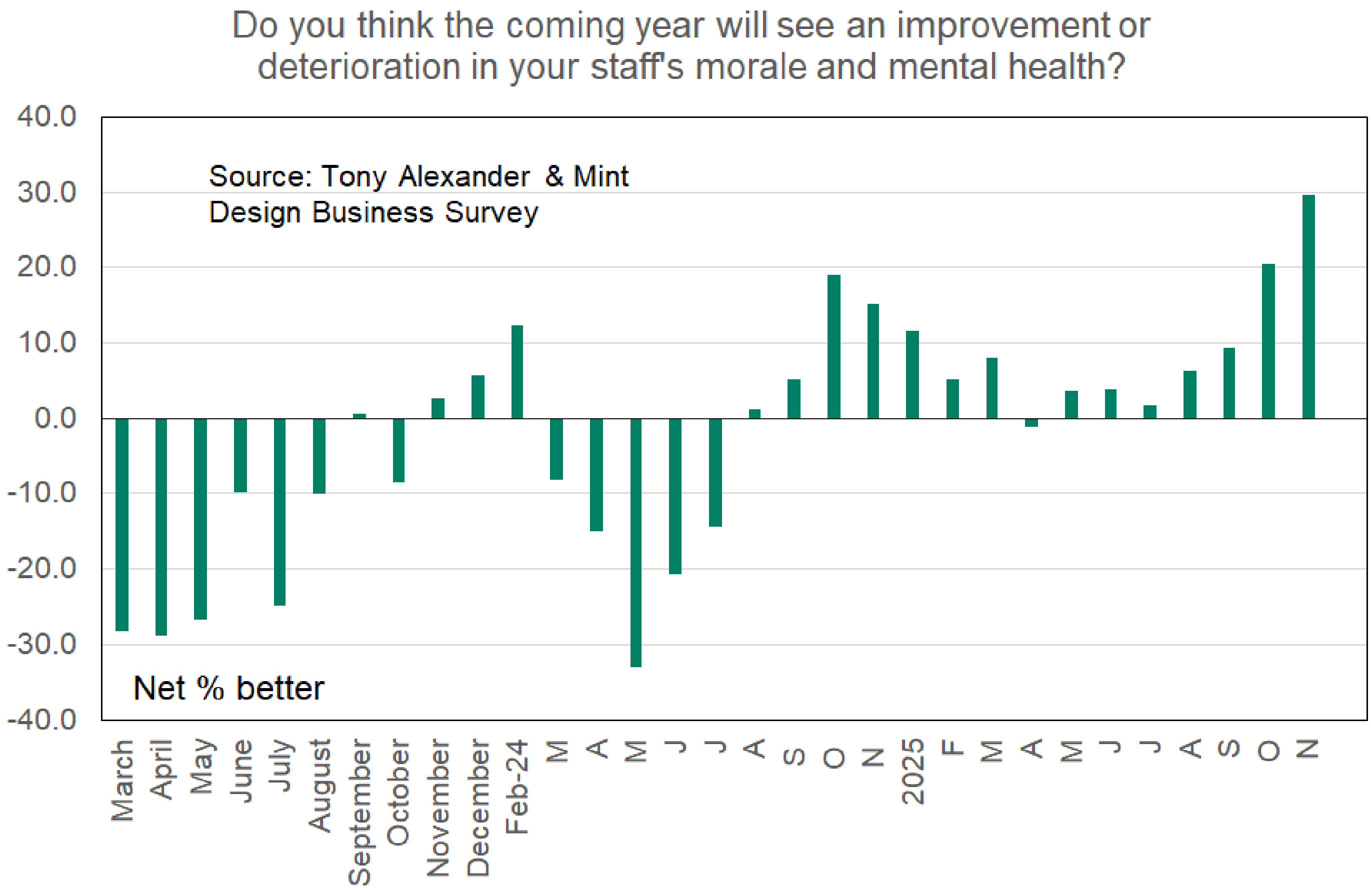
In 12 months from now, are you expecting your business revenue to be better, worse or stay the same?

A strong net 59% of firms from 53% last month have reported that they expect their revenues to rise over the coming year. This is the strongest result in the two and a half years that our survey has been running. Surely this time the lift in expectations heading into summer will prove justified!



Do you think the coming year will see an improvement or deterioration in your staff's morale and mental health?

Commensurate with their expectations that the labour market will shift more in favour of employees amidst strengthening business conditions, a net 30% of our respondents expect improving staff morale in the coming year.



Respondent Insights

Following are most of the comments submitted by survey respondents, grouped by the industry they allocated themselves to from a list of over 30 sectors. These are the tidied up comments of the respondents.

Main points which we are able to glean from these responses include the following.

- Things are still weak currently but there are widespread and solid signs of improvement coming along. However, concerns exist about capacity availability to handle the growth with a resulting risk of rapid cost escalations once the resource scramble gets going.
- One or two comments about difficulties finding staff are beginning to appear.

Accounting & business advisory services incl. business broking

- It is very difficult to find qualified accountants who are suitable for our practice who have experience in chartered accountants' offices. Clients are still slow to pay.
- Increases of receiverships and liquidations
- Pretty much business as usual.
- City really depressed after a large number of job cuts and half the city streets covered in road cones. All the young ones heading off overseas. Businesses struggling; lots of tax refunds this year as taxable profit down in FY25. Local businesses getting squeezed out by Australian owned businesses. Need a major reset otherwise will end up being a broke retirement village. Heading offshore to look for new opportunities.
- A majority of our client businesses are growing more confident that the economy will improve in 2026 bringing more customer demand which will result in better profitability.
- IRD chasing up debts & outstanding returns.
- Wrestling with AI and how to use effectively and safely and long term impacts.
- A relatively strong end to this FY, but despite some more positive noises, the pipeline is far from certain across next FY (business consultancy).
- Management Consultancy – Finally seeing some movement, many more inquiries coming though in the final quarter.

Advertising & marketing

- Real estate clients are positive so are happy to invest in business profiling.
- Business customers are feeling more optimistic and are starting to spend more on marketing after several years of hibernation, particularly in the building and home construction sector.
- Some clients appear less grumpy and others appear more positive. Early encouraging signs that this will translate into greater marketing spend.
- Australian retailer dominance and alliances.

Banking and Finance

- Bit tough, working hard to maintain current levels
- There are definite indications that "things are starting to move". Businesses are looking to make investments that they have been delaying / deferring due to uncertainty.
- Soft demand
- Treading water and getting shop in order to leverage the slow improvement in the economy.

Cafes, bars, and restaurants

- We can't contain or mitigate our input costs with the kiwi dollar also impacting import costs for ingredients.
- Business is improving. October was our best month this year and while November started off slightly slower, we've just had our best week since forever (it seems). We'll keep on doing what we doing, ignoring the politics, and see through the next three years, till the lease ends.
- Availability of quality employees is drying up, especially in the tourist areas. Restrictive visa conditions won't be good.
- Inconsistent patronage, increased COGS, increased compliance costs, dwindling margins. Restaurants in Auckland are not in good shape. Who knows what will happen in 2026. Mighty sick of these last 5 years in NZ. Australia anyone?

Civil construction/infrastructure

- After a year and a half of central government stopping infrastructure projects or cancelling funding and not committing to or planning new projects, there is now a mad rush to push through planning and commence construction. This has resulted in not only a huge peak and demand (which leads to a higher cost) but the lack of pipeline previously for projects meant skilled staff left for overseas and won't be rushing back, as well as creating a skills and knowledge gap in the industry. This has a compounding effect on cost. Absolute dumb policy and lack of vision is costing NZ inc dearly. While the govt has now commenced pushing projects out into the market, the size and scale of these "mega" projects mean the small/medium size business (that are left in NZ) cannot gear up or attract staff with the skills to not only man the projects, but compete with the international consultancies and contractors. Again, this has a compounding impact on the economy (imho) in that the extra expensive cost of these projects (as a result of the reasons stated earlier) mean that only a small proportion of the revenue created by these projects stay in NZ, the profit certainly goes offshore.

- Stabilising workforce as we absorb pressures likely to arise through increasing workload
- Noticeable increase in client work incoming driven by water industry structural changes kicking in.

Commercial construction

- Government and council costs rising with no discernible benefit – in fact a decline in the quality and level of services they provide. Insurance cost increases are getting out of hand and lack of decent competition is creating a monopoly for the large providers
- No significant projects.
- In electrical it appears there is a 'race to zero' where migrant labour and cheap imported products are delivering very low prices and very poor quality work
- Encouraging signs but takes a long time to result in increased revenue.

Commercial real estate

- Frustration, lack of confidence
- Gradual improvement in the economy with lower interest rates and more consumer dollars available for discretionary spending.
- Availability of skilled NZ born staff very hard to find – Aussy seems to be a magnet for them. More reliance on skilled immigrants many of which are very good workers. Everything still price driven in Commercial/Residential subcontract space despite tender documents wanting H&S, Environmental, and other feel good settings that all cost business's significant investment, which end users don't give a toss about – just want cheapest price at end of day!
- General improvement in enquiry coming in across most asset classes from tenants, owner occupiers and investors looking for well tenanted commercial investment property.

Education and training

- Education & Training – enquires are well up on just a few months ago.
- It is beginning to boom again.
- Exodus of young overseas cuts back on enrolments in higher education. Reliance on overseas students to keep the books in profit.
- The School sector is overloaded with curriculum changes and dysfunctional assessment standards. The Early childhood sector is underpaid
- Brown out – stage before burn out. Disengaged in education with Governments rapid rate of change.
- With the outcome of the election now uncertain, it makes some forward thinking decisions a little less likely in terms of investment & acquisition – Early Childhood sector.
- Childcare – Increase in parents needing to increase their hours to afford to live, therefore needing more childcare.

Engineering

- Confidence in the construction sector is improving. Government is starting to spend money, but they need to spend significantly more to have any impact. The problem is the sector has contracted over 10% so as soon as the tap gets turned on, we are going to have rampant price increases, especially with labour costs.
- Demand improving but still lumpy.
- Concern about the election cycle derailing the economic recovery. Labour/Greens are economically illiterate and a major concern which reduces business confidence.

Entertainment

- From our large network we are hearing mixed feedback from people. Some saying business is starting to pick up, others talking about having to make layoffs in early 2026. Global risks are still heightened, and people have concerns about the upcoming elections. Most understand we still have a long ride ahead with glimpses of sunshine along the way. Most have woken up to the fact that this time the housing market is not going to save the NZ economy.
- General economic climate is dire and while I hope to see things getting better if things don't improve soon, it will be very bad for our industry and our business. Wage increases have squeezed our margins and combined with low demand it's having a very negative impact.
- Film – I can see a pipeline of work which has been absent for most of 2025.
- Arts and recreation – Lack of good staff, with people leaving for Aus. I see younger generation coming into my gym during the day and openly saying they have taken a mental health day off, or sick day. It does concern me that this is normal in the workplace with larger organisations. Finding staff who have a great work ethic or a real understanding of how business works is getting harder. I do feel things are getting better and the business will improve over the coming 12 months.

Farming & farming services

- Agricultural Contracting – Good outlook with a lot of work ahead of us. Just able to keep up at present. If it keeps going like this, we will need to invest in increasing our capacity to continue to deliver.
- Rising input costs
- Dairy sector confidence slipping and general lack of confidence.
- Primary industry profitability is stronger, and I expect the general economy to improve on the back of this – as long as compliance requirements do not kill subsequent innovation!
- My wife and I are kiwifruit orchardists. We are seeing strong confidence in the sector for both Gold and Green. Consumer demand is strong, orchard gate returns are equally strong and costs, by and large, are stable.

- Forestry – Continuing erosion of integrity and confidence with Carbon/ETS policy settings = lower carbon $ Prices going forward.
- Horticulture – Smaller operators are leaving the industry – under 5ha is tough.
- Horticulture – Growing level of confidence that demand will remain constant or improve, and that input costs have stabilised.
- Horticulture – Kiwifruit, Low NZ dollar looking after exporters for now. Future returns concerning with multiple major economies shaky combined with recent inflation in NZ
- Financial advice/wealth management
- Starting to see the light at the end of the tunnel and hopefully we are at the turning point for the economy

Health

- Loss of purchasing power noticeably still bites.
- Haven't really seen the green shoots yet.
- In government, always trying to do more with less
- Lack of consumer confidence to invest in the long term benefits of our offerings.

Information technology

- The green shoots are there but still some levels of hesitancy. General belief that 2026 will be better but enormous range in opinions in terms of how much better.
- More large transformations coming through from clients, more willingness to spend the money to do things properly. Still caution in some areas. Still lots of candidates applying for open roles to meet demand but hard to find quality individuals particularly, with our firm's current remuneration levels.
- Continuing reduction in Government spend on maintaining or expanding digital services and support
- Its turning around and the economy is improving – good signs ahead.
- Everyone is getting on the AI band wagon. We're trying to develop services for helping our clients in this area, although hard to break through the clutter of people doing cold-outreach pushing AI services
- Everyone's outgoings are increasing except their wages, so they are very much "Do I have to replace it now or can I get a little longer out of it"
- Delayed IT projects trying to resume.
- Customer demand stabilised, rather normal now. Less competition/people moved to Oz. Demand from government still low.

Insurance

- Soft market continuing (due to the absence of large costly weather events) resulting in lower insurance premiums as competitors' lower prices to gain customers.
- The large increases in house insurance seen over the previous year or so have now spilled over into medical insurance with premium increases well north of 20%. One provider has added part charges to some of its policies for existing customers as well as new ones. Most customers are grudgingly accepting the increase albeit that many will increase their excesses.

Legal

- Frustration over stalled demand for housing, potential for continuous increasing by Local Authority of the Rates crippling business owners and property owners.

Manufacturing (all categories)

- Significant increase in the number of projects coming through for quoting, which should result in revenue next year.
- Dead market, great opportunity to take shelf space from static suppliers.
- Strong forward sales due to higher Fonterra dairy payout and capital return from sale of Brands.
- Increased imports, consumers moving to the lower end of the market.
- Things are definitely on the up! Pipeline full, big corporates and govt finally committing to capex again
- A lot of last minute ordering and wanting it yesterday which we thought might happen due to Christmas shutdown dates plus holding off for as long as they can but November a better month. This time of year, historically is busier with lead times out and taking on temp staff. Going into December / Jan 2026 still looking light at this stage
- Low NZ dollar still keeping pressure on base costs. Export market to USA 75% down in past 12 months. Competitors struggling and some have closed doors.
- Christmas rush has started which is positive and our customers are feeling more positive about the coming year. A lot more customers are paying last day of month instead of 20th which impacts cashflow.
- Muted demand but green shoots are appearing
- The hoped for recovery in consumer demand of the last 2 years (budget for it each year and then fail) better turn up next year or it feels like could be strike 3 and you're out for a few more.
- There has been a marked improvement in morale in the construction and transport industries we mostly work in. Customers are reporting more work and jobs coming in 2026, and we are already seeing the effect of this now which is good. We need a continuation of common sense government to carry out common sense projects in the country that actually help the economy.
- Input costs and consumer preparedness to pay could suppress demand, perhaps not in 2026 but thereafter if the recovery is fragile.

- Bottom tier customers 50% have stopped spending, mid tier customers 30% minimising spending, top tier customers 20% maintaining expenditure.
- Christchurch is pumping. Can definitely feel the buzz down here and internal migration is now having a positive impact on the area.
- Lack of demand and low margins on product
- 3 good months in a row! Is it a trend?
- In the manufacturing and retail space. Still not seeing much of a lift in customer demand/sales. Things are looking better than they have for the past 6 months but really hoping the next couple of months comes with a seasonal lift. Due to huge drop in revenue over the past year cash flow is becoming a real issue.

Miscellaneous

- Biotech – Lack of customers
- Drone washing buildings and infrastructure – Developing a compelling competitive advantage that enables a premium price to be accepted.
- Electrical contractor – Generally quiet.
- Home Service Franchise Sales and Support – People are starting to open their wallets, carefully
- Landscaping and grounds maintenance – Very slowly customer demand is increasing.
- Panel Provider for Market Research – Tough competition
- Plant and equipment supply and install – Hesitancy of customers to spend capex. Over regulation by inexperienced and poorly trained government and local governments staff
- Plumbing, Drainage and Gas fitting – More customers are actually accepting their estimates as they feel ok to spend money. Its been a tough year getting estimates over the line, most people are just waiting. Have spent a vast amount of time working on estimates for clients which have been rejected or postponed. Hoping for a turn around in 2026 with more people going ahead with their projects.
- Residential house painter – Business is bumping along the bottom
- Resource Management Consultancy – You sense there is optimism in the air, and the work the Government has been doing will see some results, however there is an overhang of bad debt and vulnerability. We have relied on lifting property values for economic wellbeing. That has stalled, gone backwards and some are going to have to pay!

Mortgage broking/advisory

- Huge demand
- Compliance and regulatory requirements continue to be a burden and excessive. Also the need is there for banks to increase their level of commission remuneration to advisers who continue to take on a greater proportion of clients' administration needs without any reimbursement for this work by the banks

Motor vehicle sales/parts

- Mechanic – Customer spend is down, leading to several local shops (and I believe many others nationally) shutting down. I need to be the last man standing.
- Very static with no upsurge seen yet.
- Lower demand, soft market.
- Market competition with new entrants trying to establish themselves. Probably short term challenges, but current regardless. We are seeing more general enquiry and customer willingness to spend
- It is tough for small businesses.
- Implementation of AI.

Property valuation

- Lower interest rates are increasing housing sales volume – all positive!
- Steady demand with difficulties in finding suitably qualified staff, whilst improving/digitising our back office processes.
- Improving real estate. A sudden jump of properties being sold this month.

Recruitment

- Engineering recruitment. Things were picking up a few months ago but the "pause" button got pushed again (outside of Civil). Not sure what 2026 will bring now as an election year always poo-poos any momentum (yippee). Good candidates still hard to pry away from their current employers.
- Real lack of quality candidates.
- People are starting to talk more confidently about 2026.

Residential construction incl. section development

- Busy and getting busier.
- Residential construction still slower, commercial/civil more active in our area.
- Construction still very slow, interest rates haven't made any difference yet
- There has been a slight increase in new houses after the last few years being more alterations and extensions to existing houses. Usually indicates that things are starting to pick up, slowly.
- More confidence in the middle class to take on projects.
- Not seeing the new housing plans. Lots of additions to price.
- Longer waits for council approvals.
- Seeing this pick up, and this time it feels real. Let's just hope it manifests and we're celebrating in 6 months' time!
- Have heard the fix is 26 for residential new builds and initial outlook regarding customer interest confirms the same. Bring on 2026.
- More positive signs emerging – demand for cranage increasing.

- Very small increase in public confidence.
- An uplift in the number of potential clients at show homes.
- Still not seeing new house plans, but have a lot of renovation work, lack of ready subdivisions.
- We have a design and build company – Drawn out construction contract signing, hard to get clients across the line & new clients into Design are still at a trickle, normally November December would be very active
- Land Surveyor – Land Development – I predict the implementation of Plan Change 120 will put a 'handbrake' on development in Auckland for 24 months while people wait to see what properties get rezoned. Aside from the above, enquiry level has picked up slightly which is good; still hard to make the numbers work & turn a profit for our clients.
- Property Development – There is a huge issue going on in the media misleading the public. Construction and development are not improving. Construction firms and in particular infrastructure providers are laying off staff by the 100's, there is no pipeline of works on the horizon and anyone pretending different isn't being truthful. Some big jobs for a small number of firms but 90% won't see any meaningful work loads for at least 18 months.

Residential real estate

- This has been the worst year in my 20+ year real estate career. The only way is up.
- More properties are on the market. Buyers have a lot of choice.
- As interest rates ease it will be more helpful to buyers to enter the market. There will be an oversupply of listings from January/February 2026 as owners always consider their next move over Christmas / New Year period.
- In our part of the country real estate is positive for all (Sellers, Buyers, Agents, Lawyers and all housing related services)
- Not a lot of home buyers around. Certain properties sit on the market for awhile, while others are gone in 2 weeks. Depends on the style and pricing. People prefer brick/ permanent material cladding rather than weatherboard.
- No enquires for a short term rental after 8 weeks. Pre Covid couldn't keep up.
- Real estate will flat line even with interest rates for borrowing decreasing. Too many people are uncertain about their employment future to want to sell and repurchase and take on more debt
- Getting listings i.e. product to sell
- Real estate as a business is being changed by AI and it is gathering momentum
- Purchaser caution and uncertainty. They are still just dipping their toes in and not committing.
- Govt changes and changing legislation is single biggest risk – makes us conservative/ batten down hatches.

Residential rentals/Investment

- Banks more favourable but finding suitable tenants is a real concern particularly at existing rental levels.
- No sign of green shoots in Wellington.
- Low numbers of immigrants and high numbers of people leaving NZ for better job opportunities is impacting on rental markets.
- Multiple flat investment properties are extremely hard to sell due to the Labour party; they have ruined that sector of the market with the threat of taking away mortgage interest deductions. Rents are down in Wellington. Trying to lease out a commercial shop has been very slow going. Better confidence starting to flow through overall though with interest rates dropping. Student rental market in Wellington is picking up for the first time in 3 years.
- Difficulties facing consumers equals hard to find good tenants
- Staff burnout high. Very focused on getting through to Christmas and a much needed break.
- Gradually improving confidence in the property sector as interest rates ease lower.
- Possibility of a Labour government is biggest concern with return of interest (and potentially opex) non-deduction. Almost certainly would sell up in that case even though have low LVR and several properties paid off now. Hard to see when properties that can be developed would ever be profitable given the contributions gouging by Auckland Council, Watercare and Vector, and high cost of construction. Cashing up and leaving NZ is looking most appealing. Rather have fun doing basic jobs travelling around the world earlier than originally planned.
- Fewer investors and fewer tenants.
- We have had a noticeable upturn in demand since the start of Nov.
- A very unsettling time in this country. We seem to be imploding in many areas, making it a less desirable place to live.
- Student property is doing very well, given the surge in tertiary education sector enrolments.
- Climate change affecting tourism – a poor ski season affected us. House prices, rezoning, treatment of flood prone areas,
- A bit more optimism going into the new year but still a lot of caution.

Retailing

- Hoping that Christmas brings an increase in customers and retail spending as retailers have had a difficult run over the past few years!
- Customers not spending as cost of living and uncertainty of the future. Talk now occurring around election next year which will only further slow down willingness to spend as customers adopt a wait and see mindset.
- Government action against our sector leading to increased cost pressures.

- Very strong price competition, everyone is competing hard (aggressive marketing and price reductions) for every sale.
- Lack of customer demand
- Finally some material “green shoots”. Customer sentiment is improving along with sales volume – small but real. NZ dollar is about to hurt us all at 56c vs $US and will lead to price increases/inflation if sustained at this level.
- We are fortunate to be in a growing part of the South Island
- We are doing ok – I think the regions are doing better than the big cities. I don’t see a big uplift in the coming year, but I don’t see a drop either. Hopefully the Fonterra distribution (from the part-sale) flows through the economy in the coming 12-18 months.
- Customers still taking time to consider high valued products, although customer inquiries have increased slightly. Operating costs are impacting profitability with substantial increases with rates, electricity and compliance costs.

Shipping, transport, storage & distribution

- Customers still experiencing fluctuations in demand and finding most are rebuilding inventory levels up but not to the pre covid levels still
- Customers comparing costs – more competitive market. Selections made on $ as opposed to best fit.
- increased activity
- A tough logistics environment with low demand, spare capacity and increasing costs like port charges.
- More short term storage customers that are moving/ changing homes.

Tourism & accommodation

- Depressed demand in travel and accommodation by private individuals
- We have both International and domestic clients. International clients growing and appreciate quality and a great service, domestic very flat and looking for the “cheap” option at every turn and don’t value a quality product or service. They still want it all however!
- Lack of housing

Wholesale

- Demand remains consistent but still at lower levels of demand. Weak NZD is driving cost of imports up, hence price rises.

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