

# CONFIDENCE SURVEY

Westpac McDermott Miller Consumer Confidence, June quarter 2026.

17 June 2026



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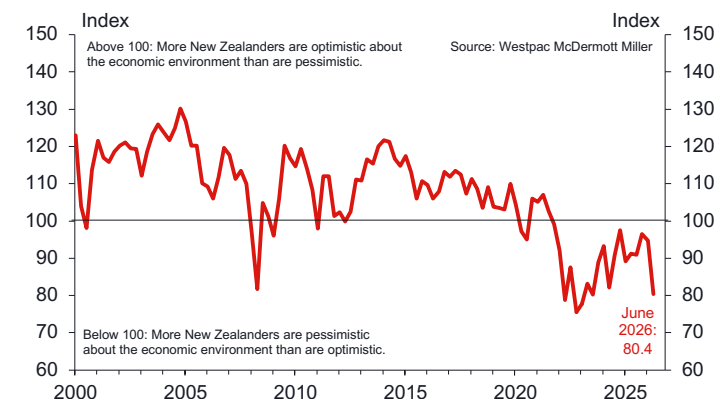


# SUMMARY

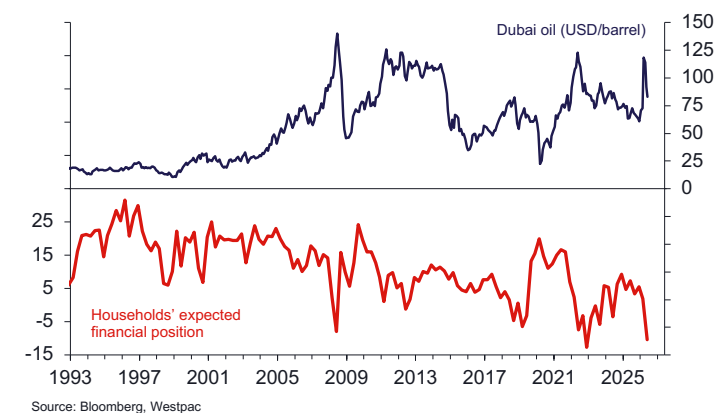
## Confidence has fallen, but could there be some relief on the horizon?

- Consumer confidence fell sharply over the past few months as the impacts from the war in the Middle East have rippled across the global economy through to wallets here in New Zealand. Our Westpac-McDermott Miller Consumer Confidence Index dropped 14.3 points in the June quarter to just 80.4. That's the lowest level since 2023 (a level below 100 indicates that there are more households who are pessimistic about economic conditions than those who are optimistic).
- In the wake of the Middle East conflict, fuel and other living costs have been pushing higher. There has also been related upwards pressure on borrowing costs and growing concerns about the outlook for economic activity. All of that has been a drag on household spending in recent months.
- However, our latest survey was conducted in the first two weeks of June. And since surveying was completed, we've finally seen some more positive news emerging on the global stage. Earlier this week President Trump announced that an agreement has been reached to extend the ceasefire with Iran and open the Strait of Hormuz. Assuming the agreement holds, disruptions to oil markets, global shipping and supply chains will take time to ease. However, oil prices have already started to drop back and, if this continues, it could pave the way for a recovery in confidence and firming in economic activity through the back part of the year.

## Consumer Confidence



## Oil prices and households' expected financial position



# CONSUMER CONFIDENCE INDICES

## Nationwide

	Jun-26	Mar-26	Change	Average (past ten years)
Consumer Confidence Index	80.4	94.7	-14.3	98.3
Present Conditions Index	73.5	87.9	-14.4	94.2
Expected Conditions Index	85.0	99.2	-14.2	101.0
Current financial situation	-34.9	-23.8	-11.1	-13.2
Expected financial situation	-10.4	1.9	-12.3	4.8
1-year economic outlook	-32.0	-11.6	-20.4	-10.3
5-year economic outlook	-2.4	7.3	-9.7	8.6
'Good time to buy'	-18.2	-0.5	-17.7	1.7

## Consumer confidence by region

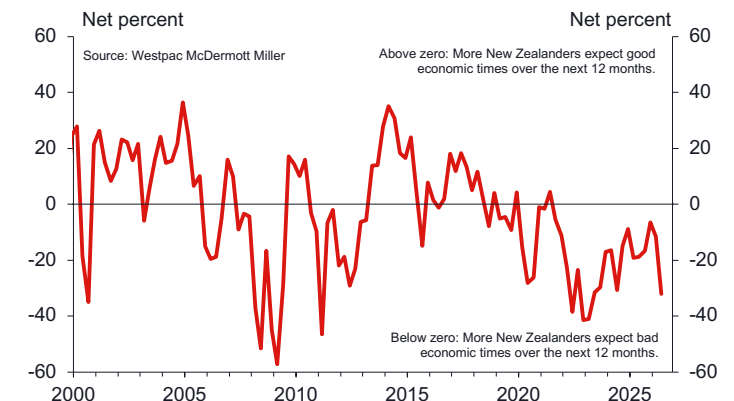
	Jun-26	Mar-26	Average (past ten years)
Northland	79.8	93.6	95.6
Auckland	83.8	100.7	99.5
Waikato	77.3	95.4	96.7
Bay of Plenty	78.6	95.4	97.9
Gisborne/Hawke's Bay	79.9	100.8	97.5
Taranaki/Manawatu-Whanganui	80.8	84.9	95.2
Wellington	74.2	88.2	98.9
Nelson/Marlborough/West Coast	79.9	91.3	95.1
Canterbury	83.2	90.6	96.6
Otago	73.0	93.3	95.7
Southland	80.4	86.8	94.9
<b>Nationwide</b>	<b>80.4</b>	<b>94.7</b>	<b>98.3</b>

# HOUSEHOLD FINANCES

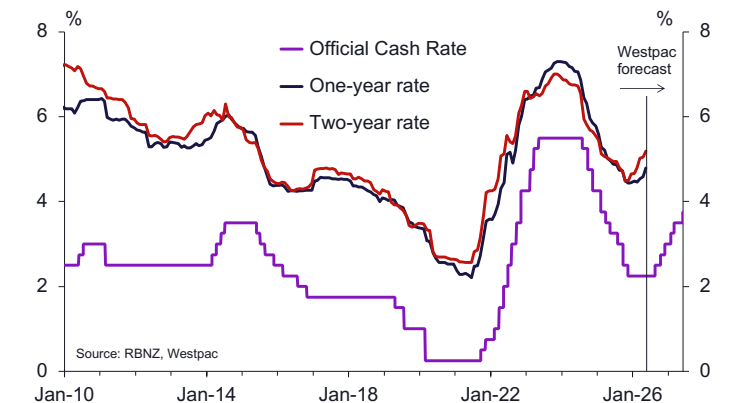
## Mind on my money and my money on my mind.

- Concerns about financial pressures have spiked in recent months. Living costs have skyrocketed for many households, with particularly large increases in the cost of essentials like petrol and electricity. Adding to those concerns has been a rise in borrowing costs, with mortgage rates pushing higher again in recent weeks.
- Against that backdrop, there are now more households who expect that their financial position will deteriorate over the coming year than those who expect it will improve.
- And households aren't just concerned about their own finances. They've also become much more pessimistic about the outlook for economic activity more generally. A net 32% of households now expect economic conditions will weaken over the coming year. That's the most pessimistic result in three years.
- The drop in confidence has been seen across all age groups, but has been more pronounced among those aged under-50.
- Confidence is also down across all income brackets. The largest falls have been seen among those households earning between \$70,000 and \$100,000 per annum. Many households in this income bracket will have mortgages, and the rise in borrowing costs in recent months will be adding to the concerns about pressures on their finances.

## Do you expect good or bad economic times over the next 12 months?



## Mortgage rates and the Official Cash Rate

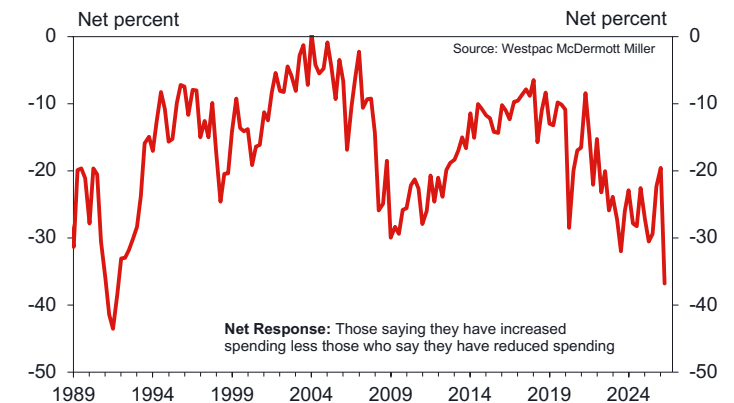


# SPENDING APPETITES

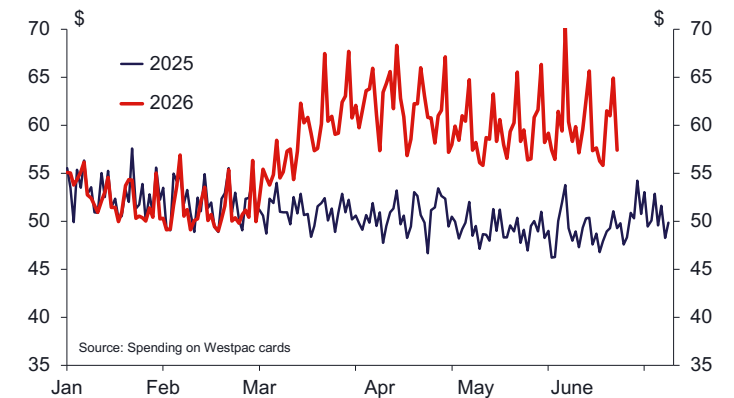
## Focus on the basics.

- With a sharp rise in living costs, households have become much more cautious about their discretionary spending.
- A net 38% of households told us they've cut back their spending on dining out and other entertainment activities. That's the weakest result since 1991, and echoes the reports of tough trading conditions from many hospitality operators in recent months. However, spending on dining out and hospitality is strongly influenced by changes in the cost of essentials like fuel. And with petrol prices dropping back again recently, we could see hospitality spending picking up again over the coming months.
- Households have also told us that they're more cautious about making a major purchase for the home. Despite that, spending on furnishings and other household durables has actually held up in recent months. With households spending less on international travel and holidays, some of those funds have likely been used for other purchases, like furnishings.

Changes in spending dining out and other entertainment activities



Average fuel spend per transaction

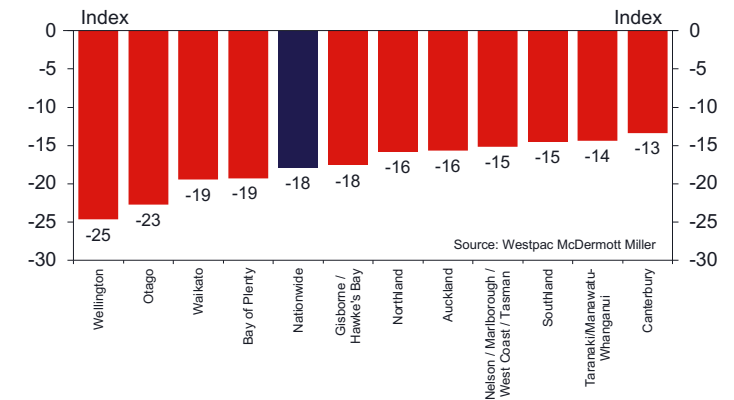


# REGIONAL CONFIDENCE

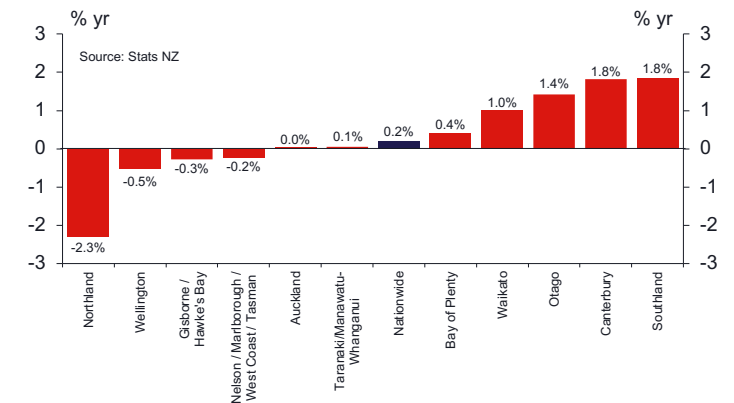
## Confidence down across the country.

- Wellington remains the most pessimistic part of the country. In addition to the rise in living costs, the Capital is continuing to see softness in its jobs market. Announced public sector job losses will also be a concern for many in the region. Businesses we've spoken to in Wellington recently have reported weak trading conditions.
- However, Wellington isn't alone. Confidence has fallen right across the country, with the rise in living costs being felt by all households.
- Confidence has fallen especially sharply in Otago. While strong export commodity prices are still helping to support economic conditions in the region, the outlook for international tourism and hospitality exports has darkened in recent months. That's a particular concern for those in Queenstown, with a number of operators reporting a drop in bookings.
- Confidence has held up a bit better in Canterbury, with the continued strength in the dairying sector helping to insulate the region from the financial headwinds that have been slamming into the economy. However, even here confidence has taken a sizeable knock.

Consumer confidence by region (difference from historic average)



Employment growth by region (year to April)



# TECHNICAL DETAILS

## Survey description.

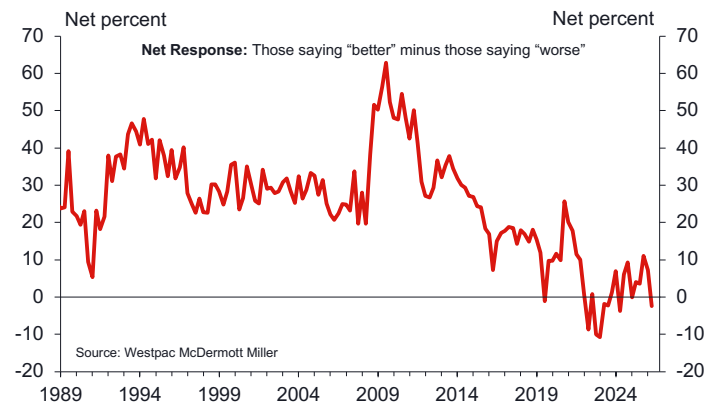
The Westpac-McDermott Miller Consumer Confidence Index summarises the net balance of optimistic/pessimistic responses to five questions: how households' financial situation has changed over the past year; whether now is a good time to buy a major household item; how households expect their financial situation to change over the coming year; and near term and longer-term prospects for the New Zealand economy as a whole.

The first two of these questions are summarised in the Present Conditions Index, and the last three are summarised in the Expected Conditions Index. An index number over 100 indicates that optimists outnumber pessimists, though the series may be above or below 100 on average. The survey also includes questions on respondents' spending on entertainment and eating out, and on what they would do with a \$10,000 windfall.

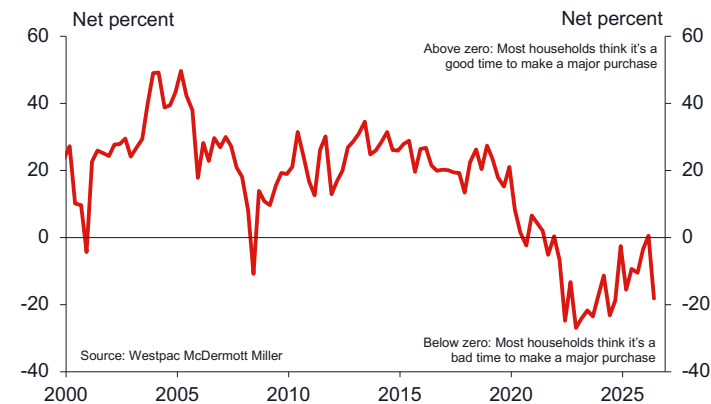
Survey interviews were conducted over the period 1-12 June 2026. The sample size was 1,550.

## Summary charts.

**Do you expect good or bad economic times over the next five years?**



**Is this a good or bad time to buy a major household item?**



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