



**Business
Canterbury**
Our Chamber of Commerce

Quarterly Canterbury Business Survey

August 2024 | In field: 15 August - 23 August

The latest Quarterly Canterbury Business Survey shows renewed optimism about the economy following the first interest rate cut in four and a half years.

This is a significant improvement in expectations for both the Canterbury economy and individual business performance, where 53% of businesses expect a more robust Canterbury economy over the next year, up from 26% last quarter.

There are also early indications that the recent drops in inflation and interest rates are positively impacting the business operating environment. For the first time, the proportion of businesses experiencing significant impacts from rising costs has decreased, dropping to 36%.

However, the latest OCR announcement hasn't led to increased expectations for investment and recruitment, but they have remained steady. This indicates that while businesses feel more optimistic, they are not yet ready to commit to growth fully.

Productivity and growth continue to be a developing concern for businesses in the survey, with the percentage of businesses expressing concern increasing from 22% last year to 38% this August.

The top issues highlighted by businesses in this survey are (in order): consumer confidence and demand, inflation and rising interest rates, and consumer confidence and demand.

53%

Expect the Canterbury economy to be stronger in 12 months.

36%

Still experiencing significant impacts from rising costs

57%

Identified consumer confidence and demand as a top three concern for their business.

Top Issues

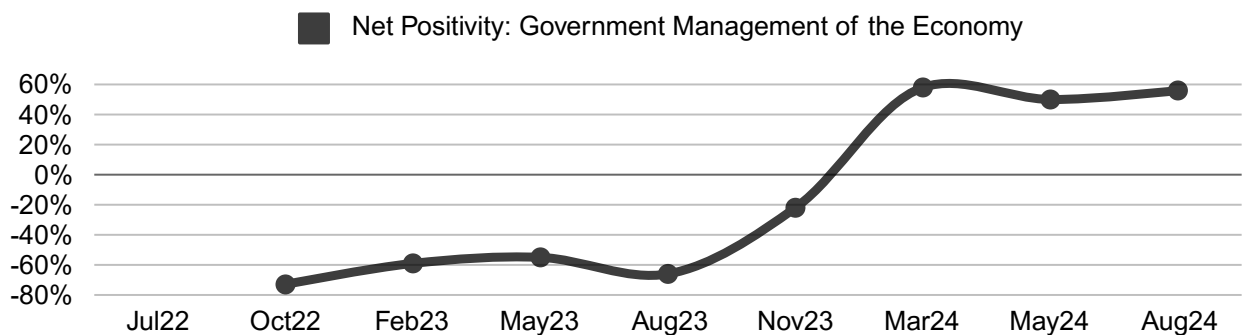
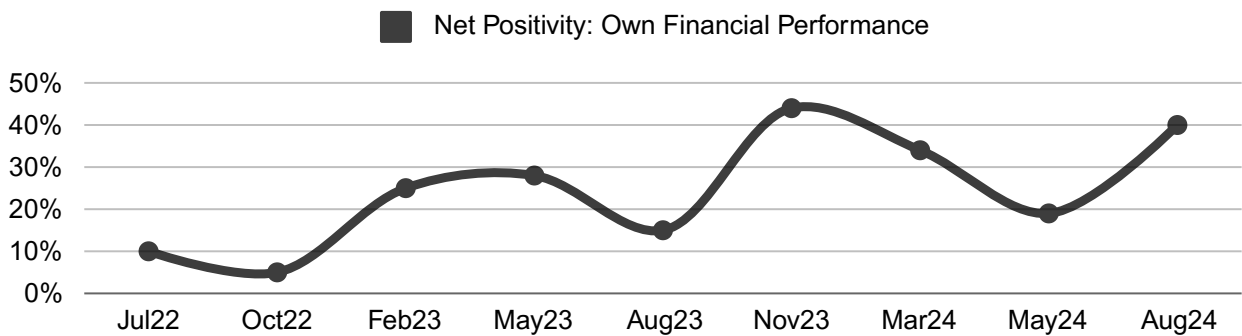
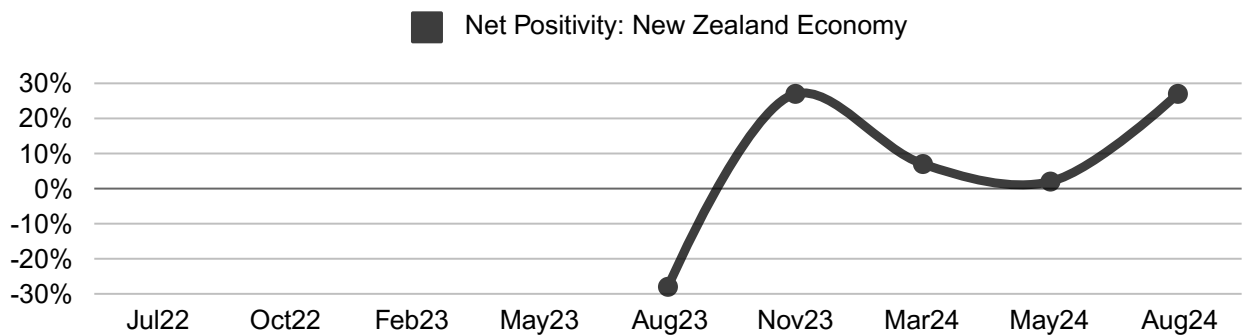
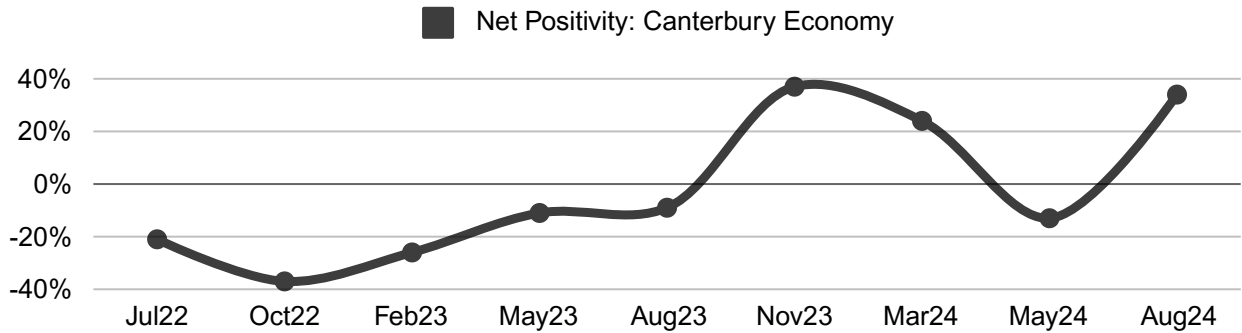
57%

Expect stronger financial performance over the next 12 months.

1. Consumer confidence and demand
2. Inflationary pressure and interest rates
3. Productivity and growth
4. Cashflow and accounts receivable/payable
5. Compliance costs

Business confidence: net positivity scores

To calculate a net positivity score, we subtract the percentage of negative responses from the percentage of positive responses. A higher net positivity score indicates a more positive overall sentiment, while a lower score suggests a more negative sentiment.



Top issues

In every survey, we ask respondents to select the three biggest concerns for them. The graph below shows the proportion of respondents who listed one of the following four issues among their top three concerns.

