

# Hutt Valley Business Confidence | Sept 2024

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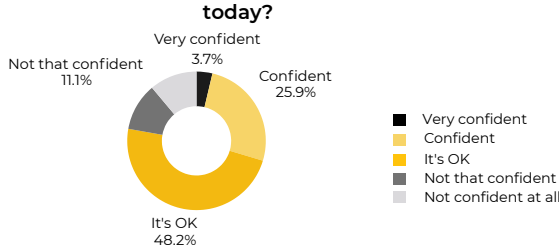


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## Half of Hutt Valley Businesses Feel Just 'OK' About Their Future

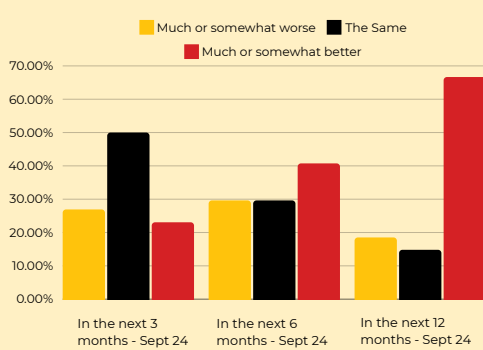
How do you generally feel about the outlook for your business today?



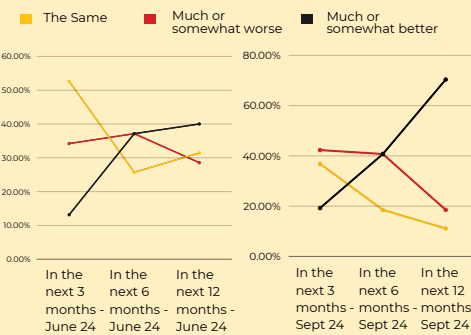
Businesses in the Hutt Valley reveal mixed sentiments regarding the business outlook. Only a small portion of respondents, 3.7%, feel very confident about their business's future, while 25.93% are confident. The majority, 48.15%, describe their outlook as OK, indicating a neutral or cautious perspective. On the other hand, a combined 22.22% are either not that confident (11.1%) or not confident at all (11.1%), reflecting significant concerns for some businesses.

## Hutt Valley Businesses See Hope on the Horizon for 2025

How do you expect the general business conditions to be in 'Your Business' over the next 12 months?



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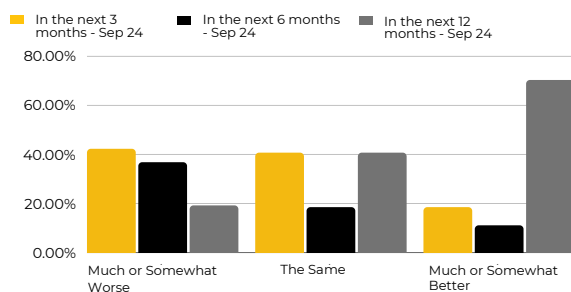


Expectations for New Zealand's business conditions are evolving. In June 2024, many respondents expressed concern about near-term declines, with 34.21% anticipating worsening conditions in the next 3 months and 37.14% in the next 6 months. Looking beyond the immediate future, they had a more optimistic outlook, with 40% of respondents believing that conditions will improve over the next 12 months.

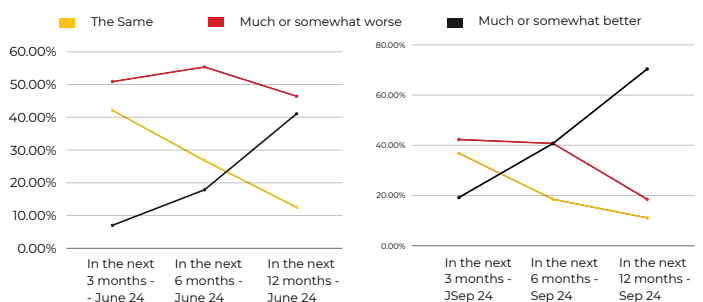
By September 2024, the sentiment shifts notably. The proportion of those expecting deterioration in the next 3 months drops to 26.92%, and 23.07% foresee an upswing. This growing optimism is further reflected in the longer-term outlook, with 40.74% and 66.66% of respondents expecting much or somewhat better conditions in the 6- and 12-month horizons, respectively.

## Long-Term Confidence Builds for NZ Despite Short-Term Challenges

How do you expect the general business conditions to be in 'NZ' over the next 12 months?



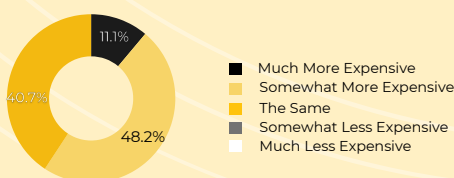
How do you expect the general conditions to be in 'NZ' over the next 12 months? (Jun 24 - Sept 24)



There are shifting expectations for New Zealand's business conditions over the next 12 months. In June 2024, many respondents anticipated short-term declines, with 50.88% predicting deterioration in the next 3 months and 55.35% in the next 6 months. However, optimism emerges by the 12-month mark, as 41.07% foresee improvement. By September 2024, while 42.31% still expect worsening conditions in the next 3 months, 19.23% anticipate better outcomes. Over the next 6 months, 40.74% expect improved conditions, rising to 70.37% over the next year, indicating increasing confidence in long-term recovery.

## Business Costs Expected to Keep Rising

What do you expect the cost of doing business will be for 'Your Business' over the next 6 months?



In September 2024, businesses anticipate an increase in operating costs over the next six months. Specifically, 11.11% expect costs to be much more expensive, while 48.15% foresee them being somewhat more expensive. Conversely, 40.74% believe costs will remain the same, with no respondents expecting any decrease in expenses. This data indicates a general expectation of rising costs for businesses in the near term.

## Positive Hiring Trends in Hutt Valley, But Future Talent Shortages Anticipated

Businesses who have NO need for new recruitment has increased by over 14% to 84.6% between June 24 and September 24. This is a direct reflection of the current confidence in business as well as their current performance. Whilst the expectation for a need for a recruitment in 12 months' time is higher than currently at 40.7%, this is 9.3% lower than it was in June 24. There is an ongoing downward trend for the need for staff with a drop of 26% for those businesses who expect to recruit staff in 12 months in 1 year.

Are you experiencing issues with filling staff vacancies in your business?

