ANZ Research

ANZ-Roy Morgan NZ Consumer Confidence

29 August 2025

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The next issue of the ANZ-Roy Morgan Consumer Confidence is scheduled for release on 26 September 2025 at 10am.

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Feeling low

Key points

- ANZ-Roy Morgan Consumer Confidence fell 3 points to 92 in August, its lowest level in 10 months.
- The proportion of households thinking it's a good time to buy a major household item (the best retail indicator) fell 4 points to -12.
- Inflation expectations fell 0.3pts to 4.8%.

Figure 1. ANZ-Roy Morgan Consumer Confidence

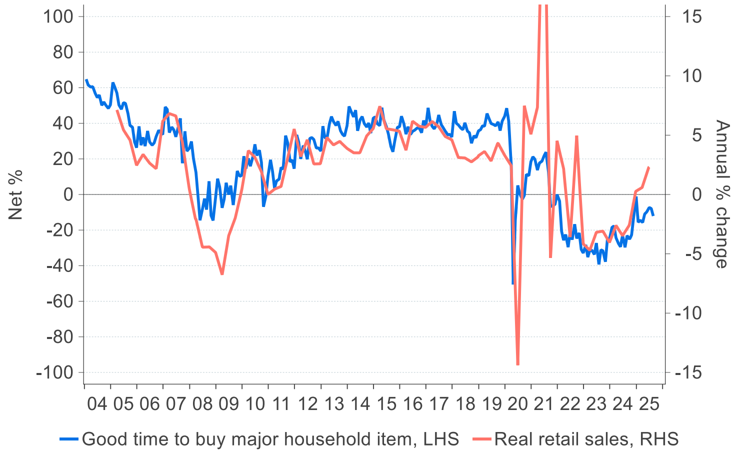
Source: Roy Morgan, Macrobond, ANZ Research

Turning to the detail:

- The future conditions index made up of forward-looking questions fell 2 points to 98.8. The current conditions index fell 3 points to 81.8.
- Perceptions of current personal financial situations fell another 3 points to -24%, the weakest level since October 2023.
- A net 13% of respondents expect to be better off this time next year, up 2 points.
- A net 12% think it's a bad time to buy a major household item, down 4% and not a good sign for retailers.
- Perceptions regarding the economic outlook over the next 12 months fell 4 points to -20%. The 5-year-ahead measure also fell 4 points, to +3.
- House price inflation expectations were steady at 3.5%.
- Two-year-ahead CPI inflation expectations eased from 5.1% to 4.8%.
- For charts see page 4.

Not only did overall consumer confidence fall 3 points in August; the net proportion thinking it's a good time to buy a major household item fell 4 points and remains negative. The retail sales data for Q2 surprised to the upside, but the consumer survey data suggests that in the bigger picture, the retail sector will continue to find the going tough for now (figure 2).

Figure 2. Good time to buy versus real retail sales



Source: Stats NZ, Roy Morgan, Macrobond, ANZ Research

Household inflation expectations eased from 5.1% to 4.8%.

The weekly data did show a lift late in the month after the RBNZ's dovish 25bp cut, lifting back to where it was early in the month after a fall the previous week. But it would be brave to call it anything more than weekly volatility when slicing the data that finely.

The view

Consumers are facing a number of headwinds currently, as the Reserve Bank outlined in its Monetary Policy Statement last week:

- Employment has been falling.
- Wage growth is declining (as confirmed by our Business Outlook survey yesterday).
- Real house prices have been falling – not bad news for everyone by any means, but housing dominates household wealth.
- Savings buffers from the COVID era have been eroded.
- Inflation on necessities has meant less money left over for discretionary spending.
- Population growth is low – not a headwind for consumers at the individual level, but shops will be feeling it.

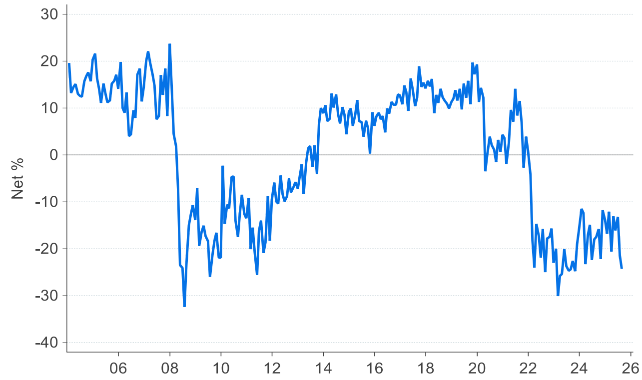
That's a lot, and it's been outweighing the positive impetus from falling real interest rates. But in good news for households, the RBNZ has now pivoted to being more focused on medium-term downside risks for inflation, rather than the near-term upside risks. The upshot is, barring any unwelcome upward surprises to inflation, the RBNZ will do whatever is needed with the Official Cash Rate to ensure this economy gets back on its feet. It won't happen overnight, but it will happen.

Tables and charts

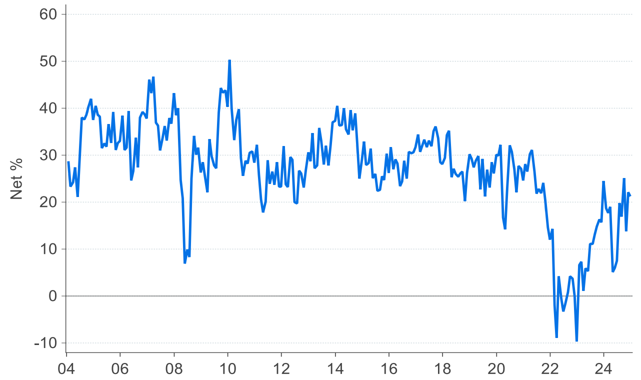
Survey Summary	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25
No. of Interviews	1,001	1,001	1,000	1,000	1,000	1,002	1,001	1,007
Q1. Would you say you and your family are better off financially or worse off than you were at this time last year?								
Better Off	23	26	24	26	24	26	23	22
Worse Off	39	38	44	39	40	39	44	46
Net Balance	**-17**	**-12**	**-21**	**-13**	**-16**	**-13**	**-21**	**-24**
Q2. This time next year do you and your family expect to be better off financially or worse off than you are now?								
Better Off	44	44	42	44	37	43	39	39
Worse Off	22	24	26	22	25	23	27	26
Net Balance	**23**	**21**	**16**	**23**	**12**	**20**	**11**	**13**
Q3. Thinking of economic conditions in New Zealand as a whole, in the next 12 months, do you expect we'll have good times financially, bad times or some good and some bad?								
Good Times	21	22	19	21	19	21	22	19
Bad Times	36	37	39	37	40	34	37	39
Net Balance	**-15**	**-16**	**-20**	**-16**	**-20**	**-13**	**-16**	**-20**
Q4. Looking ahead, what would you say is more likely: that in New Zealand as a whole we'll have continuous good times during the next five years or so, we'll have bad times, or some good and some bad?								
Good Times	26	25	25	31	23	26	27	26
Bad Times	21	21	20	22	25	19	20	23
Net Balance	**5**	**5**	**6**	**9**	**-1**	**7**	**7**	**3**
Q5. Generally, do you think now is a good time, or a bad time, for people to buy major household items?								
Good Time to Buy	30	28	29	33	34	34	34	33
Bad Time to Buy	45	42	44	44	43	41	42	45
Net Balance	**-16**	**-15**	**-16**	**-11**	**-10**	**-7**	**-8**	**-12**
Q6. During the next 2 years do you think that prices in general will go up, go down, or stay where they are now? And if up, what is the expected percentage per year?								
Go Up	74	76	74	78	81	77	81	78
Go Down	5.9	4.8	6.2	4.1	4.3	4.4	3.7	4.0
Expectation (%)	**3.9**	**4.0**	**4.2**	**4.7**	**4.6**	**4.9**	**5.1**	**4.8**
Q7. Specifically thinking about the price of houses during the next 2 years, do you think that the price of houses in general will go up, go down, or stay where they are now? And if up, what is the expected percentage per year?								
Go Up	60	62	63	63	61	62	58	54
Go Down	11.6	15.4	11.7	12.8	10.9	11.4	12.3	12.7
Expectation (%)	**3.1**	**3.2**	**3.4**	**3.4**	**3.6**	**3.6**	**2.9**	**3.0**
ANZ Roy Morgan Consumer Confidence Rating (100 plus the unweighted average of the net balances of Q1-5)								
Overall Index	**96.0**	**96.6**	**93.2**	**98.3**	**92.9**	**98.8**	**94.7**	**92.0**
Current Conditions	83.8	86.7	81.9	88.0	87.1	89.8	85.4	81.8
Future Conditions	104.2	103.2	100.7	105.2	96.9	104.8	100.9	98.8

Tables and charts

Q1. Better off past year



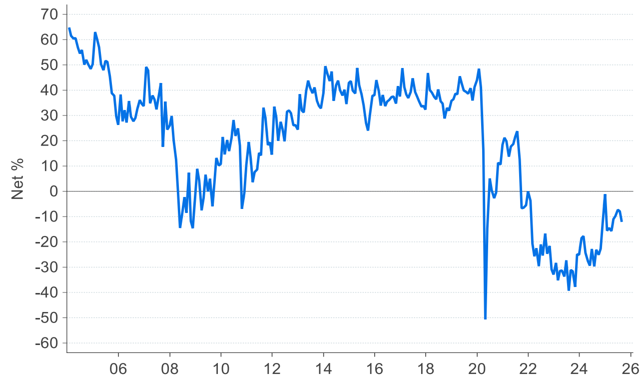
Q2. Better off next year



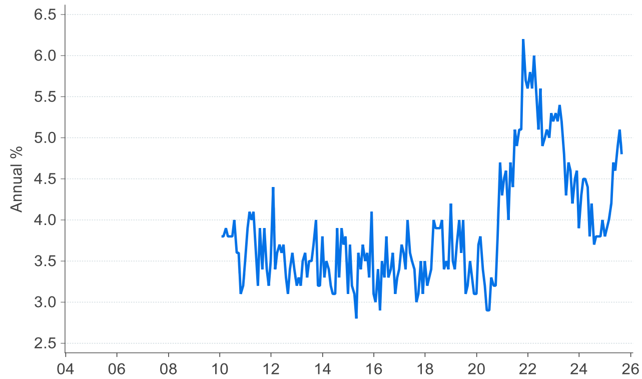
Q3. NZ economy 12 months' time

Q4. Outlook 5 years ahead

Q5. Buy major household item

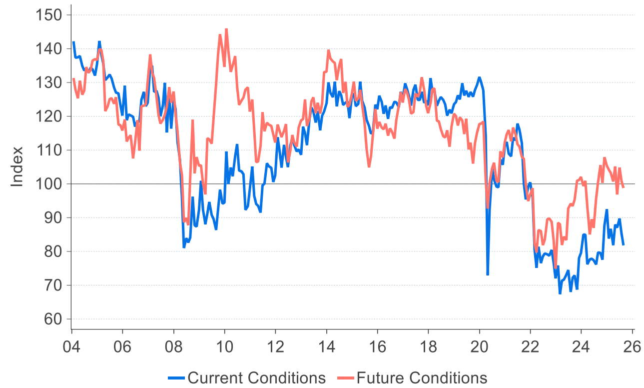


Q6. Inflation expectations



Q7. House price inflation expectations

Current vs future conditions



Source: Roy Morgan, Macrobond, ANZ Research

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