# BNZ – BUSINESSNZ PERFORMANCE OF MANUFACTURING INDEX

## Down a gear

14 Aug, 2026

| 54.3 | -5.8 | Expanding |
|---|---|---|
| July | Monthly Change | Slower Rate |

According to the latest BNZ - BusinessNZ Performance of Manufacturing Index (PMI), New Zealand's manufacturing sector continued to expand in July, but at a more moderate pace.

The seasonally adjusted PMI for July was 54.3 (where a reading above 50.0 indicates that the manufacturing sector as a whole is expanding, and a reading below 50.0 indicates a contraction). This was down from 60.1 in June but still above 51.5 in May and well clear of the survey's long-term average of 52.5.

BusinessNZ's Director of Advocacy, Catherine Beard said: "After last month's exceptional result, it's not surprising to see some of that momentum ease, but a reading of 54.3 still represents solid expansion for the sector. What's more concerning is the shift in sentiment, with 57% of comments being negative. Respondents continue to point to the conflict in the Middle East, high fuel and raw material costs, and a general reluctance from customers to spend, with a number also citing uncertainty ahead of the election."

The respondent comments showed that cost pressures, from fuel and freight through to raw materials and the ongoing Middle East conflict remain front of mind for many manufacturers, though a fair share pointed to steady order books and stronger export sales as reasons for optimism.

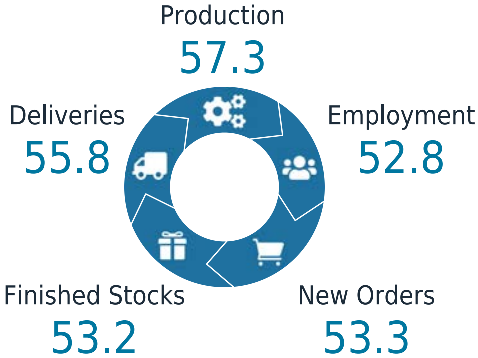
Every sub-index remained in expansion, though all eased from June's remarkable levels. Production was the strongest at 57.3, followed by Deliveries at 55.8. New Orders fell back to 53.3, Finished Stocks eased to 53.2, and Employment was the weakest at 52.8.

BNZ Senior Economist, Doug Steel said "We acknowledge 54.3 is softer than June's staggering result, however, some month-on-month volatility in the PMI is common and not an immediate cause for concern."

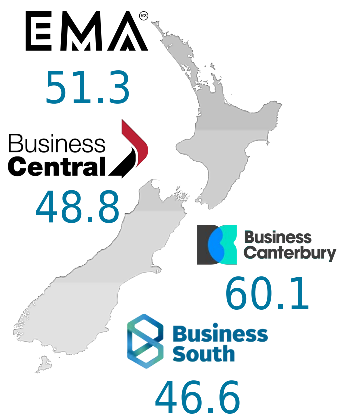
VIEW THE TIME SERIES DATA

Catherine Beard
Director, Advocacy
BusinessNZ

### Main Indices




### Regional Results



# Manufacturing Snapshot

Doug Steel
Senior Economist, BNZ

## Still solid

The Performance of Manufacturing Index (PMI) may have fallen in July, but remains firmly in expansionary territory at 54.3 on a seasonally adjusted basis. This returns the PMI close to its levels at the start of the year, before the onset of conflict in the Middle East and the subsequent oil price uncertainty.

*Read more*

## Some cautionary tone in sentiment

Although the manufacturing sector remained buoyant in July, sentiment contained some cautionary notes.

*Read more*

## Most industries expanding

Most industries continued expanding in July, building on strength from the month prior. Non-metallic mineral production remained below 50 but improved on its June result.

*Read more*

## A positive start to Q3

Overall, July's PMI result paints a positive start to Q3. The data adds to several forward-looking indicators which have suggested economic momentum is building.

*Read more*

**VIEW FULL BNZ MANUFACTURING SNAPSHOT**

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# PMI Time Series Table

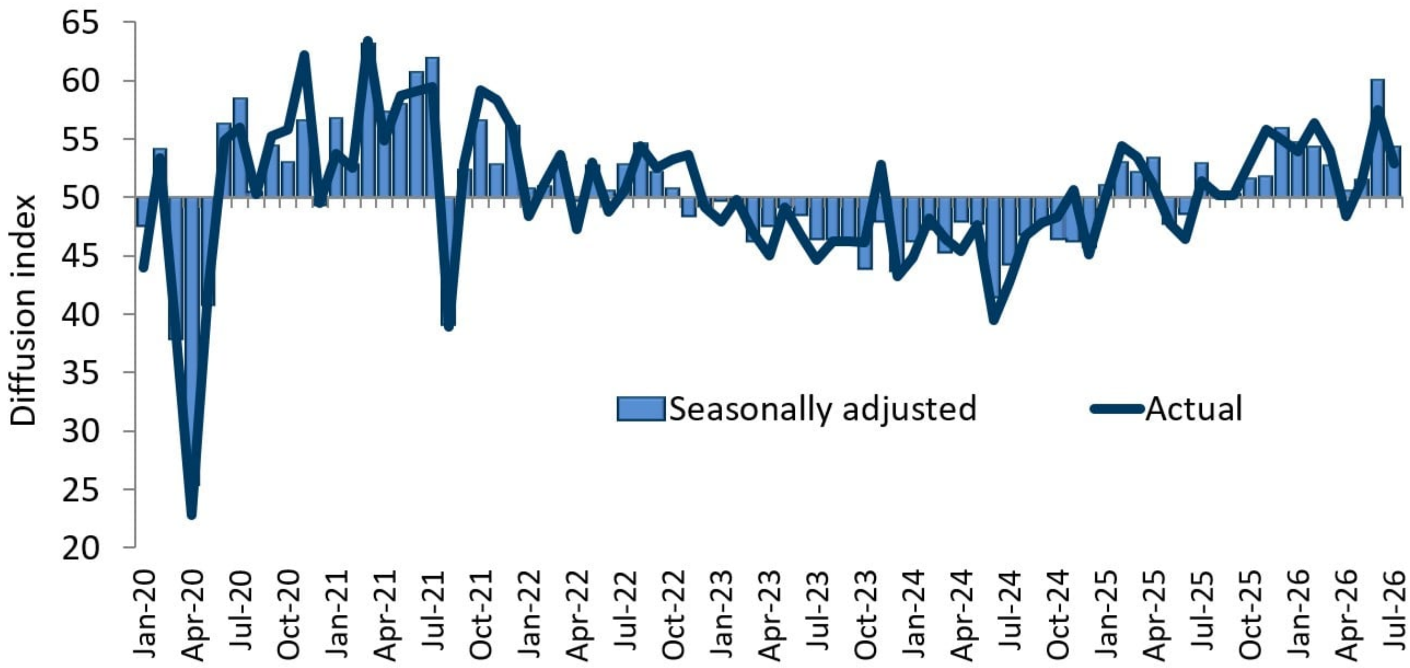
The results are seasonally adjusted.

| National Indicies | July 2025 | Mar 2026 | Apr 2026 | May 2026 | June 2026 | July 2026 |
|---|---|---|---|---|---|---|
| BNZ – BusinessNZ PMI | 52.9 | 52.7 | 50.6 | 51.5 | 60.1 | 54.3 |
| Production | 53.6 | 53.3 | 51.9 | 51.2 | 59.2 | 57.3 |
| Employment | 50.7 | 51.3 | 53.3 | 51.4 | 55.6 | 52.8 |
| New Orders | 54.6 | 55.0 | 46.5 | 52.9 | 64.1 | 53.3 |
| Finished Stocks | 52.1 | 54.2 | 50.9 | 54.2 | 56.9 | 53.2 |
| Deliveries | 52.6 | 49.8 | 47.3 | 53.0 | 57.6 | 55.8 |

VIEW THE TIME SERIES DATA

## BNZ – BusinessNZ PMI Time Series

January 2020 – July 2026

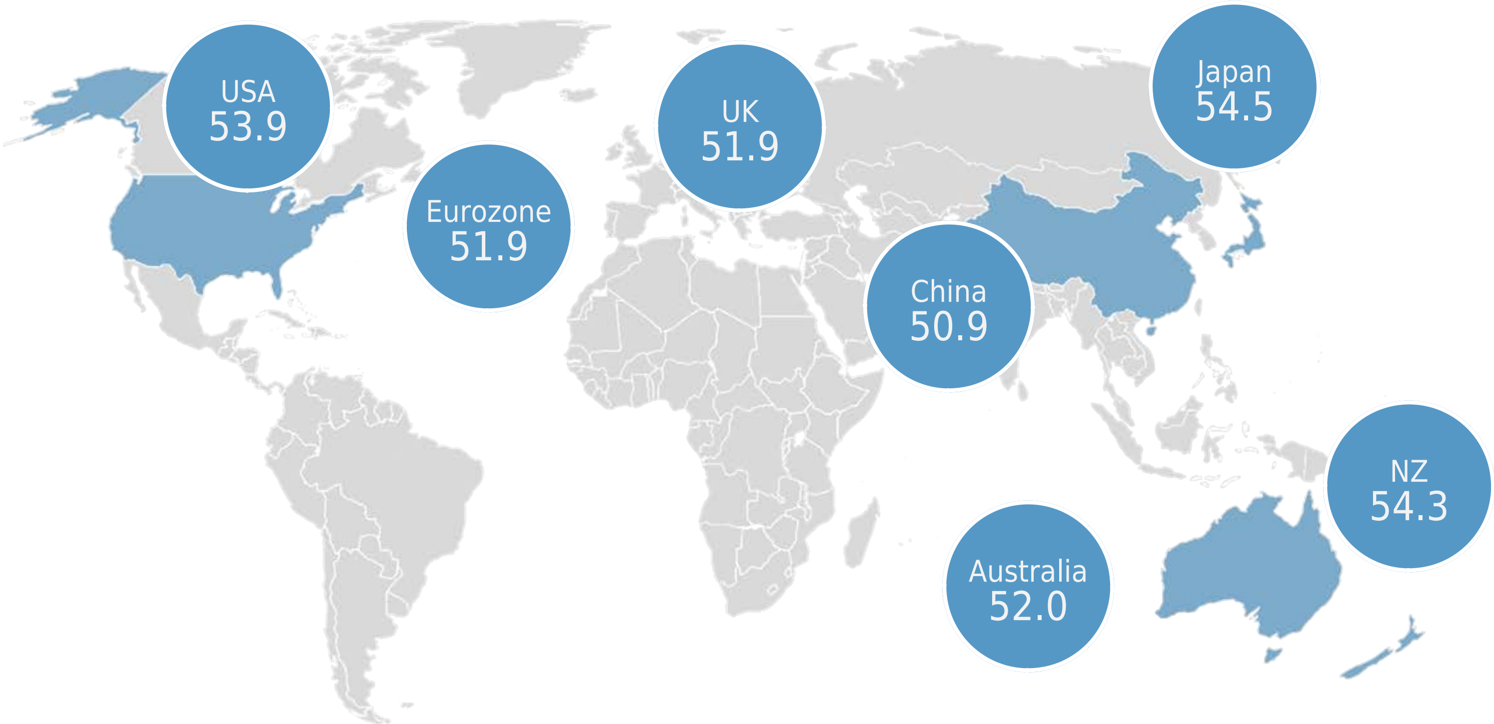


## International Results

J.P. Morgan Global Manufacturing PMI™

03 Aug 2026

**52.1**




## About the PMI

The BNZ – BusinessNZ Performance of Manufacturing Index is a monthly survey of the manufacturing sector providing an early indicator of activity levels. A PMI reading above 50 points indicates manufacturing activity is expanding; below 50 indicates it is contracting. The main PMI and sub-index results are seasonally adjusted.

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## Our Contributors

The BNZ – BusinessNZ PMI contains data obtained through BusinessNZ's regional organisations

Research

# Manufacturing Snapshot

14 August 2026

**Still solid**

The Performance of Manufacturing Index (PMI) may have fallen in July, but remains firmly in expansionary territory at 54.3 on a seasonally adjusted basis. This returns the PMI close to its levels at the start of the year, before the onset of conflict in the Middle East and the subsequent oil price uncertainty. We acknowledge 54.3 is softer than June's staggering result, however, some month-on-month volatility in the PMI is common and not an immediate cause for concern.

In line with the headline figure, all five subcomponents softened over the month but remained above 50, indicating expansion. Production levels were particularly strong at 57.3 following large jumps in new orders over May and June. Employment was the weakest subindex at 52.8. Employment tends to lag other indicators, and this result still points to growth and momentum in the sector.

**Some cautionary tone in sentiment**

Although the manufacturing sector remained buoyant in July, sentiment contained some cautionary notes. Businesses that returned negative commentary cited geopolitical tensions and fuel price volatility as key concerns, while higher raw material costs, inconsistent forward orders, and softer consumer spending serve a reminder of the headwinds facing an otherwise resilient industry.

**Most industries expanding**

Most industries continued expanding in July, building on strength from the month prior. Non-metallic mineral production remained below 50 but improved on its June result. Industries most exposed to consumer spending (namely food, beverages and apparel) moved from expansion to contraction. A likely consequence of disposable incomes becoming squeezed by elevated inflation and fuel prices in recent months.

**A positive start to Q3**

Overall, July's PMI result paints a positive start to Q3. The data adds to several forward-looking indicators which have suggested economic momentum is building. While we have slight negative GDP growth pencilled in for Q2, these data provide further support to the notion of positive growth thereafter.

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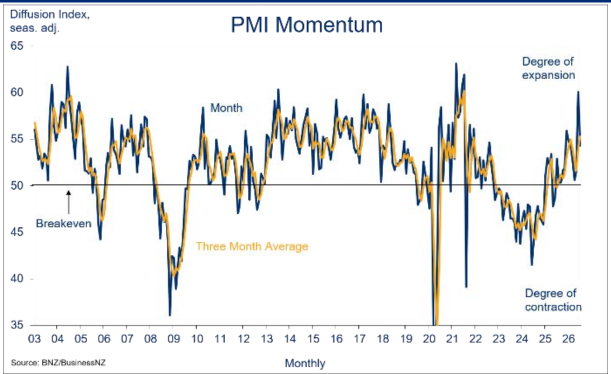
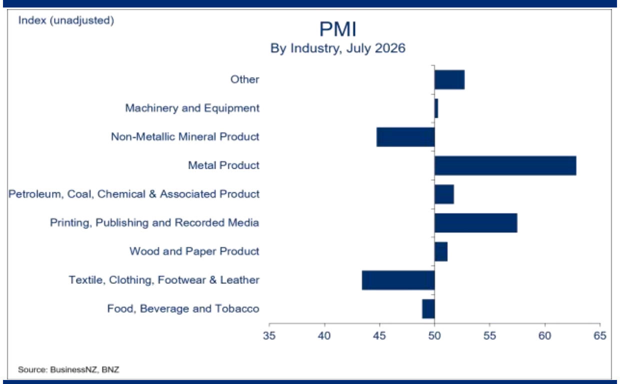
Still expanding

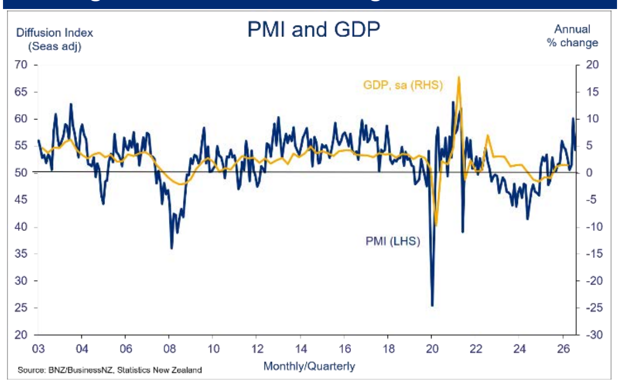



Production pushing ahead


Mostly positive news




More signs of momentum building



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