

BNZ – BUSINESSNZ PERFORMANCE OF MANUFACTURING INDEX

Still expanding, but war clouds the outlook

10 Apr, 2026

53.2

March

-1.6

Monthly Change

Expanding

Slower Rate

According to the latest BNZ - BusinessNZ Performance of Manufacturing Index (PMI), New Zealand's manufacturing sector was expanding in March, albeit at a slower rate than previously.

The seasonally adjusted PMI for March was 53.2 (a reading above 50.0 indicates that manufacturing as a whole is expanding, below 50.0 that it is contracting). This was down from 54.8 in February and 55.0 in January, but still above the long-term average of 52.5.

BusinessNZ's Director of Advocacy, Catherine Beard said: "It is gratifying to see that the manufacturing sector is still expanding but, at the same time, it is concerning to note that the proportion of businesses commenting negatively about their situation increased to 62.0%, from 44.5% in February." The comments showed that the war in Iran, and its wider consequences, are weighing heavily on the minds of the respondents.

Despite the downturn in confidence, the New Orders sub-index was the strongest, at 55.8. The weakest was Deliveries of Raw Materials, at 50.0. The sub-index for Production was 53.8, the sub-index for Employment was 51.4, and the sub-index for Stocks of Finished Products was 54.0.

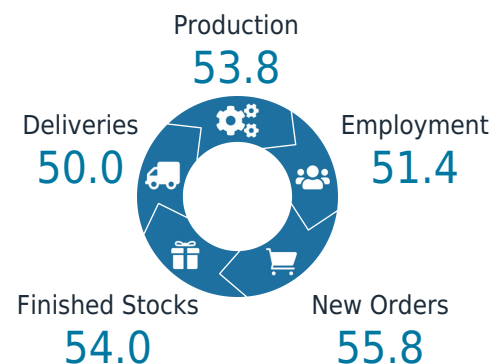
BNZ's Senior Economist Doug Steel said that "The PMI result supports our view that economic growth was reasonable in the first quarter of the year, even though material headwinds had accumulated by quarter's end."

[VIEW THE TIME SERIES DATA](#)

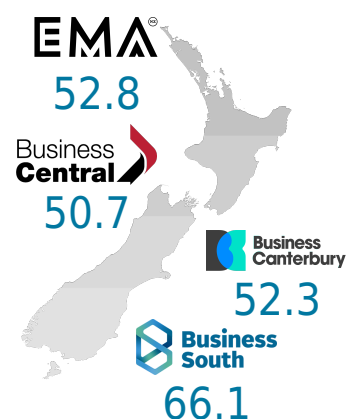


Catherine Beard
Director, Advocacy
BusinessNZ

Main Indices



Regional Results





Manufacturing Snapshot

Too soon?

The PMI remains at a healthy level. While it is no longer trending higher, it hasn't been unduly hit by the fuel price surge and the uncertainty of war. At least not yet.

[Read more](#)

Stocking up

There is evidence of some temporary PMI support from spending being brought forward and businesses stockpiling. Stocks of finished products index jumped up to 54.0 in March, its highest level in a year.

[Read more](#)

Weaker sentiment

Although the activity indicators held up reasonably well, the proportion of positive comments in the survey tumbled from 55.5% to 38.0% in March.

[Read more](#)

Supply-driven oil price shock

The current surge in commodity prices is from a supply shock. This raises the prospect that currently rising prices are more likely to dampen manufacturing activity and economic growth, both in New Zealand and abroad.

[Read more](#)



Doug Steel
Senior Economist, BNZ

[VIEW FULL BNZ MANUFACTURING SNAPSHOT](#)

Sponsor Statement

BNZ is delighted to be associated with the Performance of Manufacturing Index (PMI) and BusinessNZ. This association brings together the significant experience of leading business advocacy body BusinessNZ, and business finance specialist BNZ. We look forward to continuing our association with BusinessNZ and associated regional organisations, and to playing our part in the ongoing development of the New Zealand manufacturing sector.

[View Website](#)

PMI Time Series Table

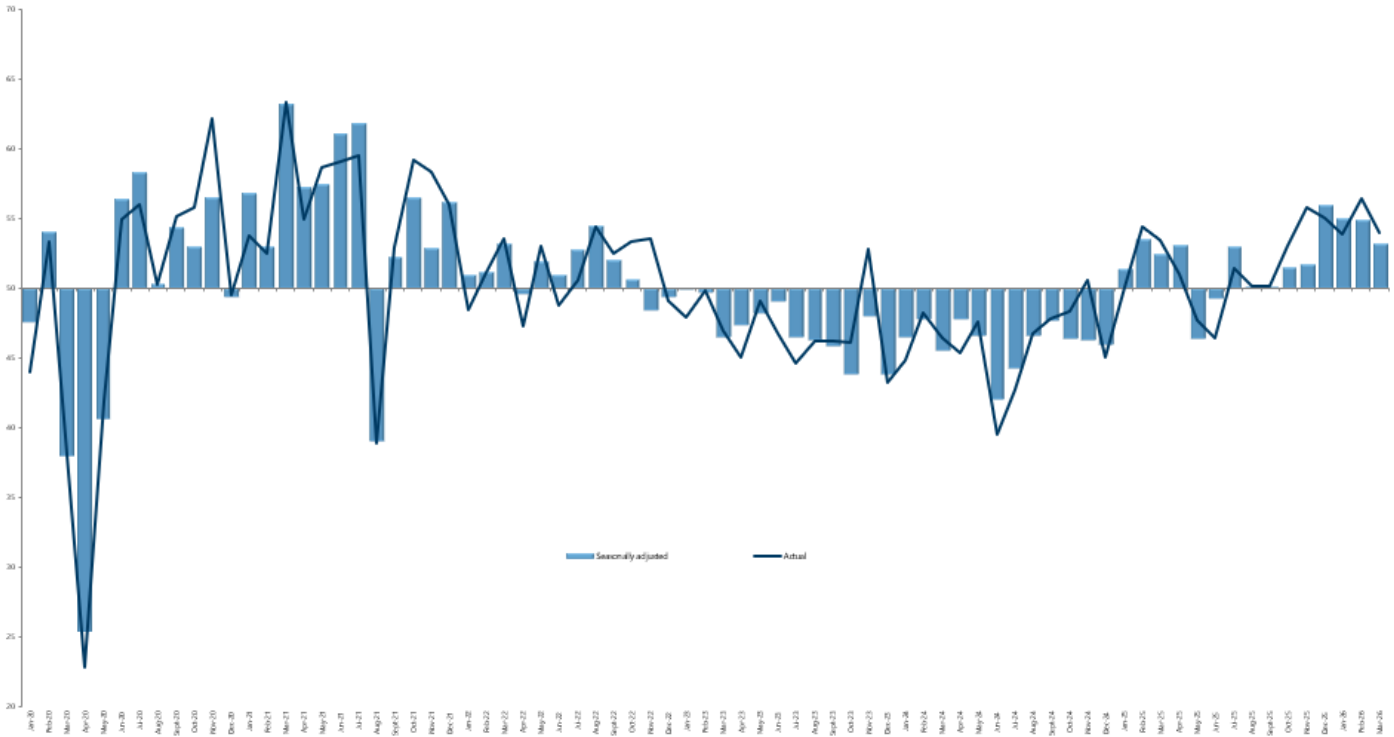
The results are seasonally adjusted.

| National Indices | Mar 2025 | Nov 2025 | Dec 2025 | Jan 2026 | Feb 2026 | Mar 2026 |
|----------------------|----------|----------|----------|----------|----------|----------|
| BNZ - BusinessNZ PMI | 52.6 | 51.9 | 56.0 | 55.0 | 54.8 | 53.2 |
| Production | 53.2 | 53.4 | 57.4 | 56.3 | 56.3 | 53.8 |
| Employment | 54.4 | 52.6 | 53.6 | 52.5 | 50.3 | 51.4 |
| New Orders | 50.3 | 52.7 | 60.0 | 56.4 | 57.2 | 55.8 |
| Finished Stocks | 54.0 | 50.8 | 50.5 | 51.1 | 51.3 | 54.0 |
| Deliveries | 54.4 | 49.5 | 56.1 | 53.0 | 50.7 | 50.0 |

[VIEW THE TIME SERIES DATA](#)

BNZ - BusinessNZ PMI Time Series

January 2020 - March 2026

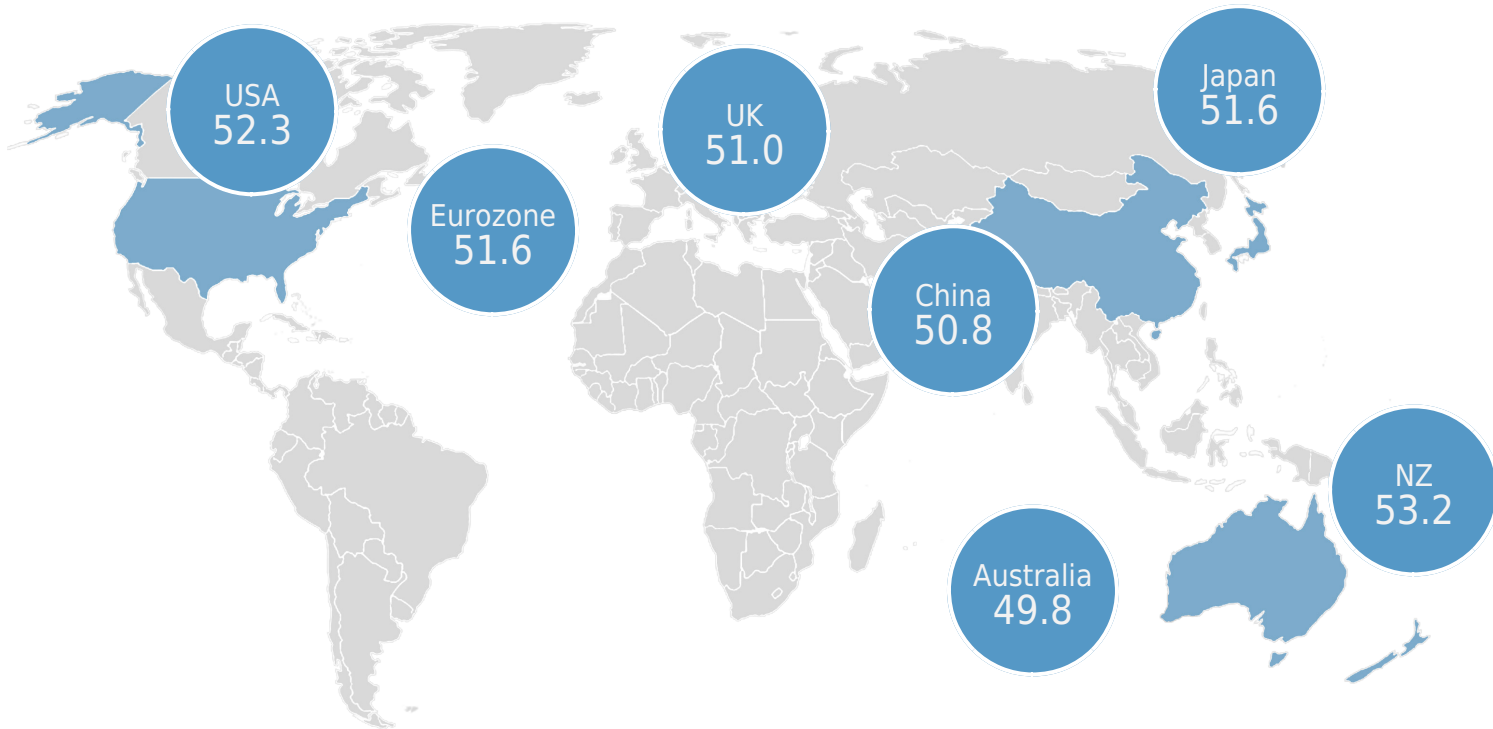


International Results

J.P. Morgan Global Manufacturing PMI™

01 Apr 2026

51.3



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



Manufacturing Snapshot

10 April 2026

Too soon?

The PMI eased slightly to 53.2 in March but remains at a healthy level. It is a survey of outcomes instead of expectations, and as such it provides a timely insight into the current state of the manufacturing sector. While the PMI is no longer trending higher, it hasn't been unduly hit by the fuel price surge and uncertainty of war. At least not yet. It might simply be a case of too soon, but its resilience in March is notable. The PMI result supports our view that economic growth was reasonable in the first quarter of the year, even though material headwinds had accumulated by quarter's end.

Stocking up

There is evidence of some temporary PMI support from spending being brought forward and businesses stockpiling. Indeed, the stocks of finished products index jumped up to 54.0 in March, its highest level in a year. At the other end of the spectrum, the deliveries of raw materials index slipped to 50.0 to be the only PMI subcomponent below its long run average. It is consistent with reported challenges to secure some manufacturing inputs. These will be worth monitoring ahead.

Weaker sentiment

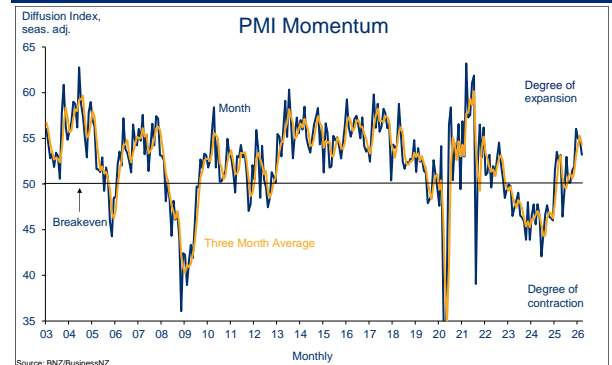
The balance of positive and negative comments reflects the sharp change in sentiment in the PMI, even though the activity indicators held up reasonably well. The proportion of positive comments in the survey tumbled from 55.5% to 38.0% in March. While the PMI only eased a touch, the drop in positive comments suggests the energy price shock is front of mind for many. It is consistent with the significant declines in business and consumer confidence in March. This is yet to materially dampen demand, with continued strength in the new orders index at 55.8.

Supply-driven oil price shock

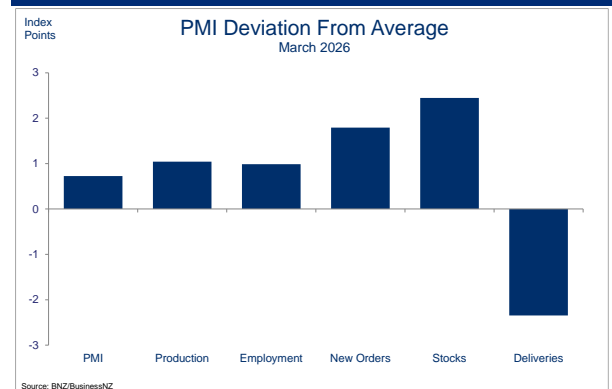
It remains very difficult to gauge how the conflict in the Middle East will all end up. Global manufacturing activity tends to rise and fall with global commodity prices. This likely reflects both being influenced by changes in demand. However, the current surge in commodity prices is not demand induced, but from a supply shock. This raises the prospect that currently rising prices are more likely to dampen manufacturing activity and economic growth, both in New Zealand and abroad.

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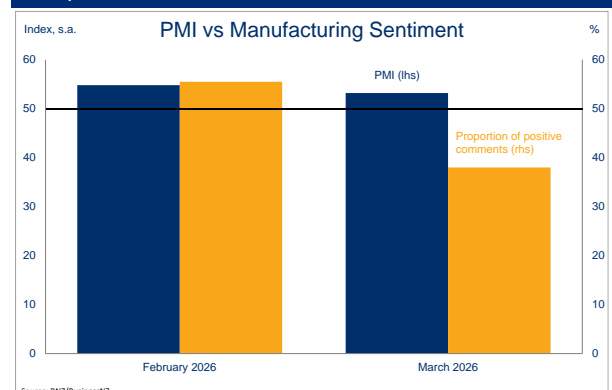
Healthy



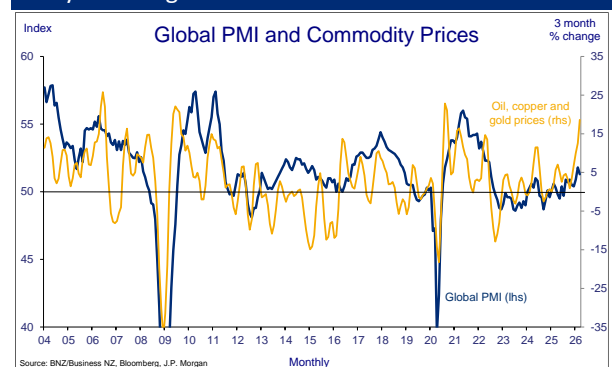
Deliveries of raw materials soft



Less positive



Likely to diverge



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