

# BNZ – BUSINESSNZ PERFORMANCE OF SERVICES INDEX

## Momentum maintained

16 Feb 2026

**50.9**

January

**-0.8**

Monthly Change

**Expansion**

Slower rate

The services sector in New Zealand remained in expansion for the first month of 2026, according to the BNZ – BusinessNZ Performance of Services Index (PSI).

The PSI for January was 50.9 (A PSI reading above 50.0 indicates that the service sector is generally expanding; below 50.0 that it is declining). This was 0.8 points lower than December and below the average of 52.8 over the history of the survey.

BusinessNZ's CEO, Katherine Rich said that despite the January result showing a lower level of activity than December, at least the sector remains on the right side of the ledger after such a lengthy period of contraction. Two of the five sub-index values were in expansion for January, with *Activity/Sales* (54.2) leading the way, followed by *New Orders/Business* (51.8). *Stocks/Inventories* (49.7) fell back into contraction, while *Employment* (49.1) dropped further compared to December.

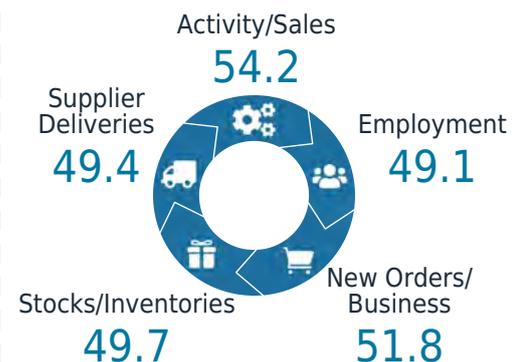
The proportion of negative comments for January was 58.7%, which was up from December (50.4%) and November (52.9%). Negative comments received showed the services sector still reporting low confidence, with Christmas-New Year holidays and seasonal shutdowns leading to fewer enquiries and a prolonged post-holiday slowdown. These effects were compounded by high living and operating costs.

BNZ's Senior Economist Doug Steel said that "the big question to end 2025 was whether the economy may be turning. Data since then has given us confidence that recent positive momentum can be sustained. The economy is growing".

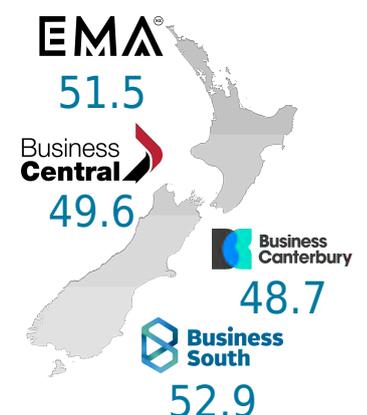


**Katherine Rich**  
CEO, BusinessNZ

### Main Indices



### Regional Results



[VIEW THE TIME SERIES DATA](#)



## Services Landscape

### Question answered

The big question to end 2025 was whether the economy may be turning. Data since then has given us confidence that recent positive momentum can be sustained.

[Read more](#)

### Consistent with our outlook

Wherever you look it is clear that the economy is gaining momentum. This includes surveys (QSBO, ANZ Business Outlook), partial indicators (residential consents, employment growth) and coincident indicators (PMI, PSI).

[Read more](#)

### What about potential?

The question has now shifted from 'will there be growth?', to 'what is potential growth?'. We are carefully monitoring the point at which the growth the economy is seeing turns into inflationary pressure.

[Read more](#)

### Activity improving

Looking at the PSI details, all five subcomponents appear to be trending higher. The PSI activity/sales index was the strongest at 54.2 in January.

[Read more](#)



Doug Steel  
Senior Economist, BNZ

[VIEW FULL BNZ SERVICES SNAPSHOT](#)

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### Sponsor Statement

BNZ is delighted to be associated with the Performance of Services Index (PSI) 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 service sector.

[View Website](#)

# PSI Time Series Table

The results are seasonally adjusted.

National Indices	Jan 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
BNZ - BusinessNZ PSI	49.2	48.3	48.7	47.4	51.7	50.9
Activity/Sales	52.3	47.9	48.8	46.4	52.5	54.2
Employment	47.1	47.8	48.7	46.6	49.6	49.1
New Orders/Business	49.4	49.7	49.5	49.7	52.7	51.8
Stocks/Inventories	49.3	50.3	47.8	47.8	52.0	49.7
Supplier Deliveries	47.3	46.5	49.5	48.9	49.8	49.4

[VIEW THE TIME SERIES DATA](#)

## BNZ - BusinessNZ PSI Time Series

January 2019 - January 2026

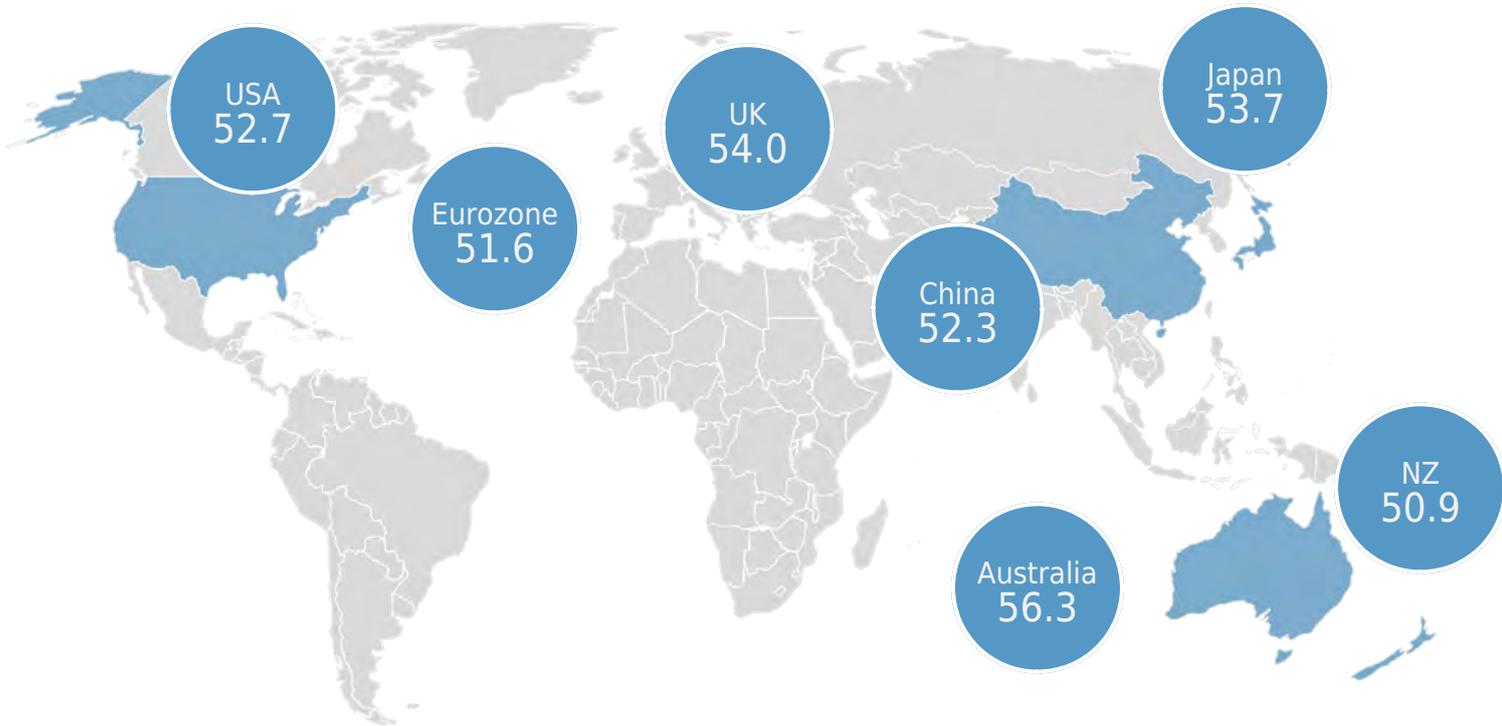


# International Results

J.P. Morgan Global Manufacturing PSI™

05 Feb 2026

## 52.7



# BNZ – BUSINESSNZ PERFORMANCE OF COMPOSITE INDEX

**51.4**

GDP-Weighted Index

**52.5**

Free-Weighted Index

The seasonally adjusted BNZ – BusinessNZ Performance of Composite Index or PCI (which combines the PMI and PSI) showed both indices remaining in expansion for January.

The January GDP-Weighted Index stood at 51.4, while the Free-Weighted Index was 52.5.

## BNZ - BusinessNZ PCI Time Series

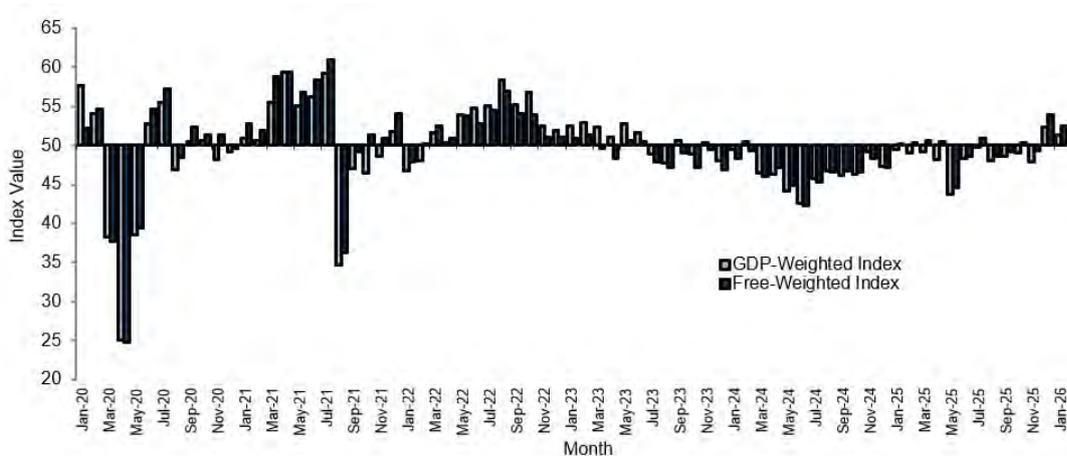
The results are seasonally adjusted.

National Indices	Jan 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
GDP-Weighted Index	49.4	48.5	49.1	47.9	52.3	51.4
Free-Weighted Index	50.1	49.1	50.1	49.3	53.9	52.5

[VIEW THE TIME SERIES DATA](#)

## BNZ - BusinessNZ PCI Time Series

January 2020 – January 2026



## About the PSI

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

## About the PCI

The BNZ - BusinessNZ Performance of Composite Index (PCI) takes into account results from both the Performance of Manufacturing Index (PMI) and the Performance of Services Index (PSI). Combined results are shown in two ways:

- **GDP-Weighted Index:** Apportions the weight of the manufacturing and services index within the economy to produce an overall result.
- **Free-Weighted Index:** Combines data from both indexes to produce an overall result. Both time series for the PCI are then seasonally adjusted.

### Media Comment

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## Our Contributors

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



# Research Services Landscape

16 February 2026

## Question answered

The big question to end 2025 was whether the economy may be turning. Data since then has given us confidence that recent positive momentum can be sustained. The economy is growing. When one or two leading indicators imply things are going well, tread with caution. When nearly every indicator is saying the same story, then you can't ignore it. This includes the PSI which was broadly stable at 50.9 in January. That isn't strong, but it is the first time since mid-2023 that the PSI has posted two consecutive months above the breakeven 50 mark.

## Consistent with our outlook

Wherever you look it is clear that the economy is gaining momentum. This includes surveys (QSBO, ANZ Business Outlook), partial indicators (residential consents, employment growth) and coincident indicators (PMI, PSI). The service sector is not expanding as rapidly as manufacturing, with the PMI robust at 55.2 in January. Combined, the PMI/PSI activity indicator is consistent with our forecasts for GDP growth ahead.

## What about potential?

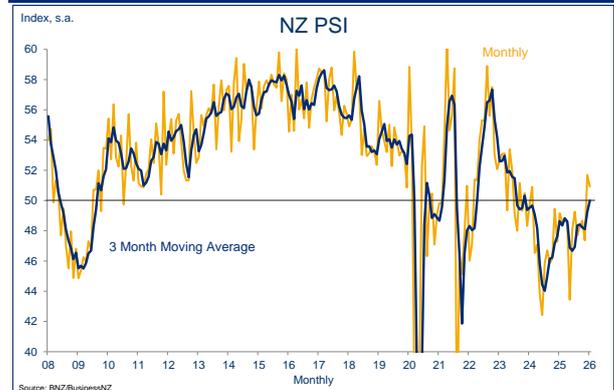
The question has now shifted from 'will there be growth?', to 'what is potential growth?'. We are carefully monitoring the point at which the growth the economy is seeing turns into inflationary pressure. Headline inflation is already a touch above the RBNZ's 1 – 3% target range and this is occurring at a time when the economy is coming out of a deep recession. Potential growth appears to be quite low. We are forecasting annual inflation to decline from here, but the pace of easing could slow if economic activity outpaces potential growth.

## Activity improving

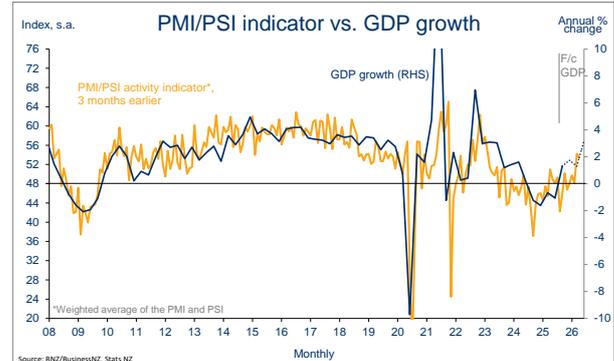
Looking at the PSI details, all five subcomponents appear to be trending higher. The PSI activity/sales index was the strongest at 54.2 in January. Service sector activity has been buoyed by a recent lift in international tourism, with short-term visitor arrivals 7.0% above year earlier levels in December. Tourism numbers are expected to continue to improve in line with the ongoing expansion in airline capacity. While the PSI new orders/business index is well below its historical average, at 51.8 it still suggests demand is growing.

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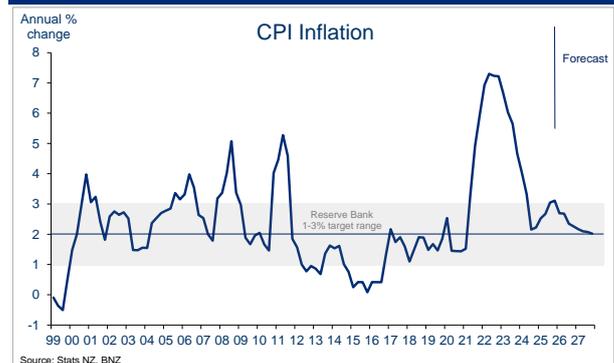
### In the right direction



### Supportive of growth



### Easing expected



### Trending up, off a low base



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