

Builderscrack | DATA

Trade Demand Index

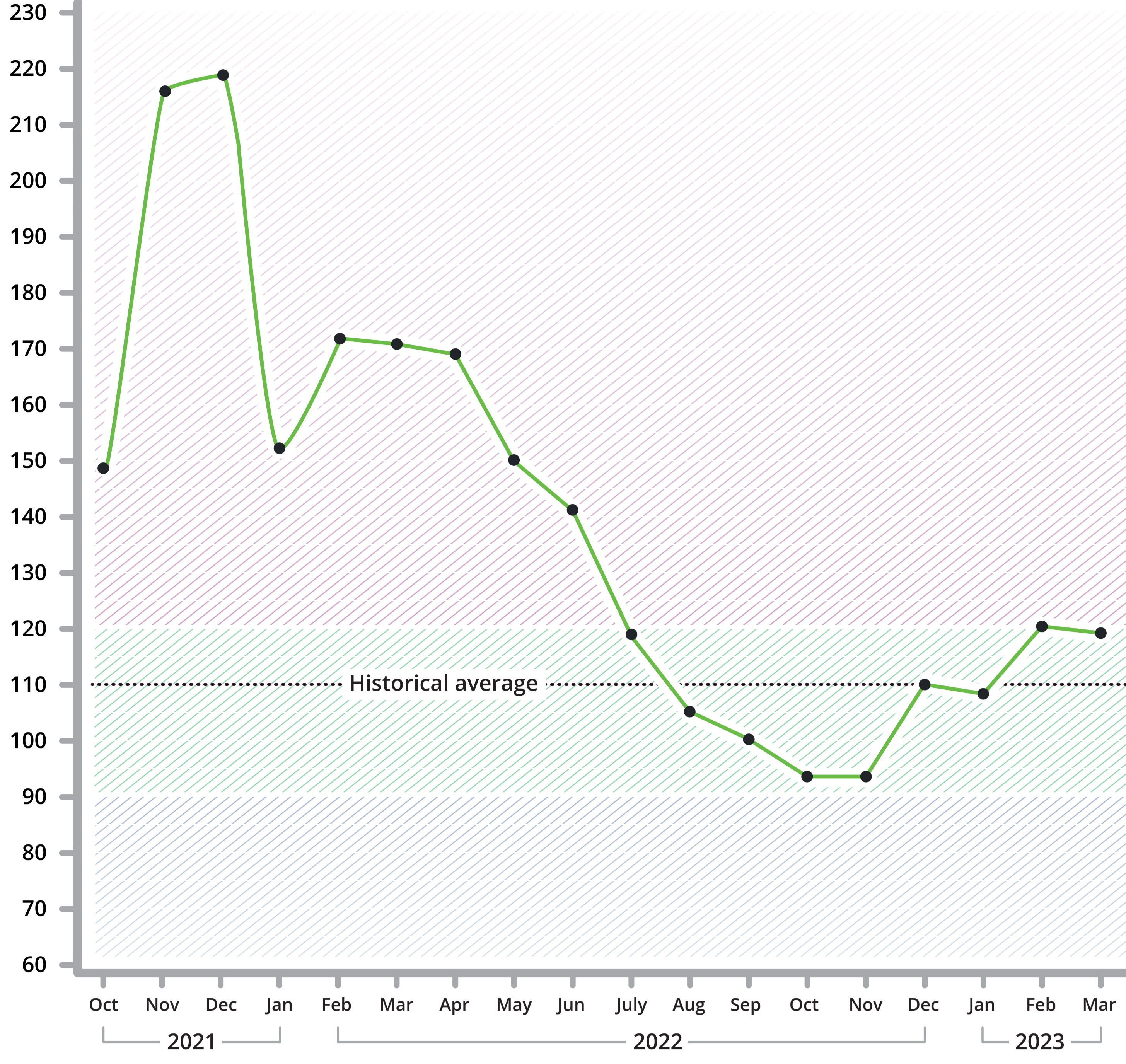
April's index reading held steady at **119**, sitting above the historical average.

Last month we anticipated a slight softening of demand on the back of a seasonal shift, which has played out. Meanwhile, the official cash rate (OCR) was increased to **5.25%** — the highest it's been since 2008.

The Reserve Bank is showing a strong intent to reduce inflation, and with the latest figures showing a small drop to **6.7%**, it's working. The construction sector is sensitive to increased interest rates, however demand is still riding high against the historical average. The weather events and the resulting rebuild across the North Island will hold demand high for some time.

About this index:

Our Trade Demand Index aggregates a variety of Builderscrack data-points into a representative measure of demand on the trades sector.



Builderscrack | DATA

Movers and Shakers: Top 20 Trades

We've seen lots of movement within the Top 20 Trades as we make our way through autumn. This movement is based on a number of indicators: number of jobs posted in each category, average number of chases, conversion rates and more. In the past month, we've seen an increase in pressure for those subscribed to the Cabinetry and Fencing & Gate job categories.

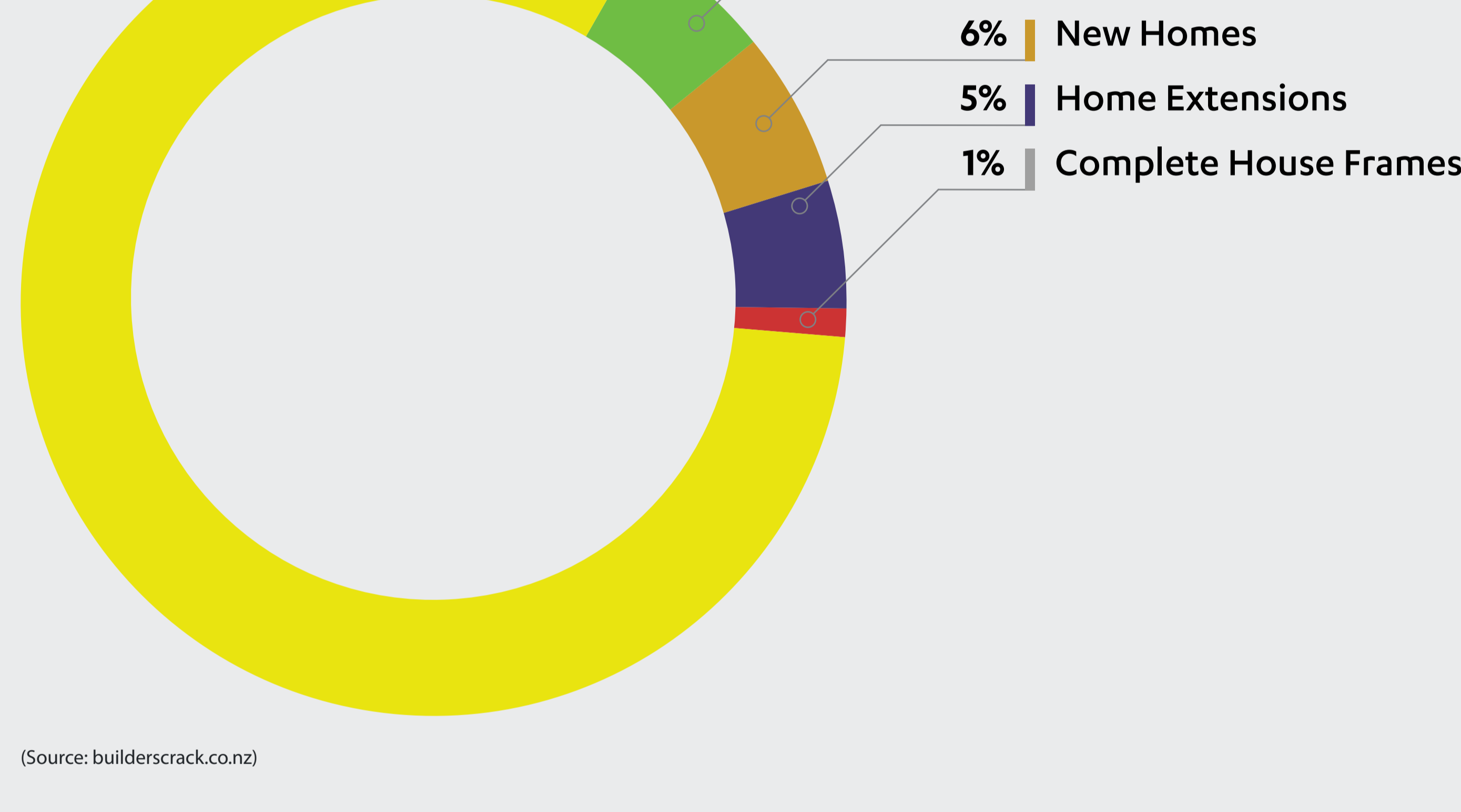
Trade Position	Change	Trade Position	Change
1 Gasfitting	▲ 4	11 Renovating	▲ 3
2 Bricklaying	▼ 1	12 Tiling	▼ 4
3 Cabinetry	▲ 7	13 Landscaping	▲ 2
4 Flooring	▼ 1	14 Fencing & Gates	▲ 5
5 Roofing	▼ 3	15 Plumbing	▼ 2
6 Cladding	▲ 1	16 Building	▼ 4
7 Gardening	▼ 3	17 Painting & Decorating	▲ 1
8 Concreting & Paving	▲ 1	18 Carpentry	▼ 2
9 Handymen Services	▼ 3	19 Excavation	▼ 2
10 Plastering	▲ 1	20 Electrical	— 0

(Source: builderscrack.co.nz)

Builderscrack | DATA

Trade Spotlight: [Building]

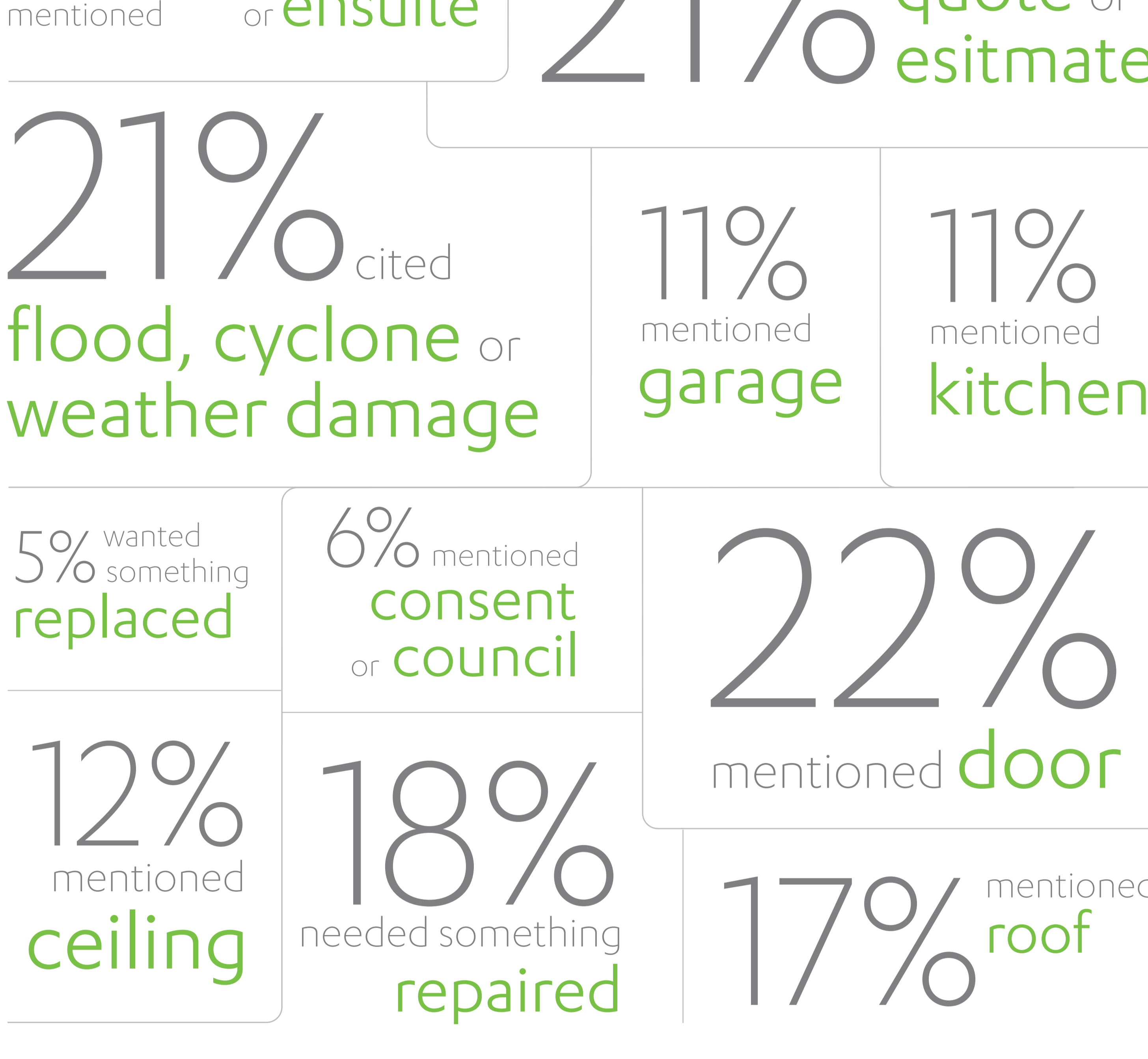
Over the past month, homeowners have been looking to Builders for remediation work in the aftermath of the floods and cyclones. While over 20% of homeowners have mentioned 'flood, cyclone or weather damage' as the reason for their job post, only 5% of them have mentioned insurance claims.



Builderscrack | DATA

Building Insights

These were some of the top trending words in Building job descriptions from the past month.



Real-time insights from the residential construction industry

A recent survey by Tony's View received over 330 responses. Here's some of the key residential construction comments from tradespeople below:

- "Subcontractors are freeing up a little now and easier to find."
- "Staff attitudes and morale are very low. They're getting fed up with working hard and not going forward or being able to save money etc."
- "Staff wellbeing/ culture & clear, open communication will be even more paramount to ride out the next 12-18 months."
- "Still busy but talk of things slowing down."
- "Reduction in customer confidence so they don't spend."
- "Less consistent workload, more ups and downs. With more downward pressure on prices from clients."
- "Homeowners are putting home renovations on the back burner while they wait for interest rates to go back down."

(Source: Mint Business Insights With Tony Alexander, April 2023)

Key Takeaways

- Reduced inflation may improve cash flows impacted by material and fuel prices
- Expect to see more jobs that are related to flood, cyclone or weather damage
- Sentiment indicates a lower confidence in maintaining a full pipeline of work

All content is for information only. Due to the continuation of real-time data, results may vary month to month. Builderscrack does not guarantee the accuracy of the content provided or accept any liability or responsibility for the material and in how it may be interpreted or used.