

The Equifax logo is a red circle with the word "EQUIFAX" in white, bold, sans-serif capital letters. The background of the entire slide is a scenic photograph of a snow-capped mountain peak, likely Mount Ruapehu, reflected in a calm body of water. The sky is a mix of blue and purple, suggesting dawn or dusk. In the foreground, there are some reeds and grasses. Decorative white dotted patterns are visible in the top right and bottom left corners.

EQUIFAX®

NZ Market Pulse

June 2026 Credit Insights

Economic Overview

GDP

Quarterly	Quarterly	
Q1 2026	Q4 2025	
+0.8%	+0.2%	
		Next update 17 Sep 2026

Official Cash Rate

As at		
27 May 2026		
2.25%		Next update 8 Jul 2026

Consumer Price Index

In the year to		
March 2026		
+3.1%		Unchanged from +3.1% in Dec 2025
		Next update 21 Jul 2026

Consumer Confidence

As at			
May 2026			
86.5	May 2026	80.3	April 2026

Unemployment Rate

March 2026	
Quarter	
5.3%	
Down from 5.4% in Dec 2025 Next update 5 Aug 2026	

Business Confidence

As at		
May 2026		
+10.0		
May 2026	-10.6	Apr 2026

Source: StatsNZ, RBNZ, ANZ-Roy Morgan Consumer Confidence Survey, ANZ Business Outlook survey



Consumer Credit

General Highlights, Credit Demand, and Credit Health



Fuel prices ease and card spending rebounds, but consumer credit recovery remains fragile

Fuel relief remains limited as inflation risk stays elevated #2

May's Selected Price Indexes offered some relief, with petrol and diesel prices easing after sharp increases earlier in the year. However, fuel costs remain materially above year-ago levels, with petrol up 28.7% and diesel up 76.8% annually, keeping transport and household budget pressure elevated.

Food prices also lifted 1.0% in May, led by higher grocery and fresh food costs. While economists now expect June quarter CPI to land slightly below the RBNZ's latest forecast, inflation is still expected to remain well above the target band through mid-year.

GDP release signals firmer early-year momentum#2

The New Zealand economy grew by 0.8% in the March 2026 quarter, with the previous December quarter revised up to 0.5%. The March figure remained below the Reserve Bank's 1% forecast and showed little impact from the Middle East conflict or late-quarter fuel price hikes. Overall economic activity increased across nine of 16 industries. Manufacturing led the overall GDP growth with a 1.9% increase. GDP per capita also rose by 0.5% for the quarter, an improvement from the flat growth seen in December.

Consumer Confidence lifts, but spending remains cautious#1

ANZ-Roy Morgan consumer confidence improved from 80.3 in April to 86.5 in May, recovering some of the sharp fall seen earlier in the year. However, confidence remains well below January levels, suggesting households are still cautious despite the monthly improvement.

The major household purchase indicator also improved to -20, but remains clearly negative. This points to consumers becoming slightly less pessimistic, rather than returning to a strong spending or borrowing mindset.

Card spending rebounds, supported by discretionary categories#2

ANZ card data showed a stronger May result, with spending up 1.8% month-on-month and 4.8% year-on-year. Hospitality, apparel and housing durables all improved, suggesting some discretionary spending recovered after April softness.

However, the rebound appears selective rather than broad-based. Motor vehicles and fuel spending fell as fuel prices eased, while ongoing cost pressures mean households may continue to prioritise essential spending and debt management over new credit commitments.



30DPD+ arrears mostly eased in May, with **Auto Loans** the only nominal monthly uptick

Home Loans 30DPD+ arrears fell by 2bps from the prior month.

With mortgage arrears easing to 0.56%, Home Loans stress continues to look contained. The latest movement suggests secured lending repayment pressure remains relatively stable despite ongoing household cost pressures.

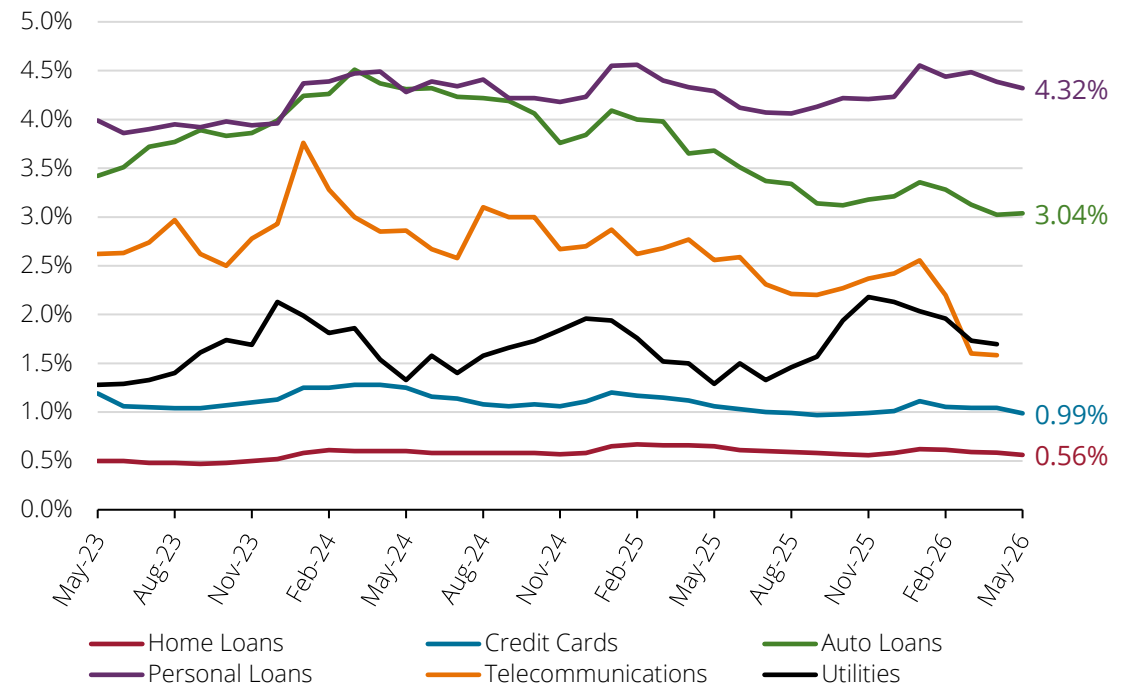
Personal Loans 30DPD+ arrears declined by 6bps in May, easing to 4.32%. Although Personal Loans remain the highest arrears category, the recent monthly improvements point to some near-term moderation in repayment stress after elevated levels earlier in the year.

Credit Cards 30DPD+ arrears fell by 6bps from April, reaching 0.99%. This continued improvement indicates short-term Credit Cards repayment behaviour remains relatively resilient, with arrears still tracking around a manageable level.

Auto Loans 30DPD+ arrears increased slightly by 2bps in May, rising to 3.04%. Despite the small monthly lift, Auto Loans arrears remain well below prior peaks, suggesting the broader improvement trend is still largely intact.

Consumer Credit Arrears Trends (30DPD+)

Percentage of Accounts in Arrears



Source: Equifax NZ



Personal Loans hardship remains elevated as Mortgage stress continue to ease

Hardship Volumes on Bureau

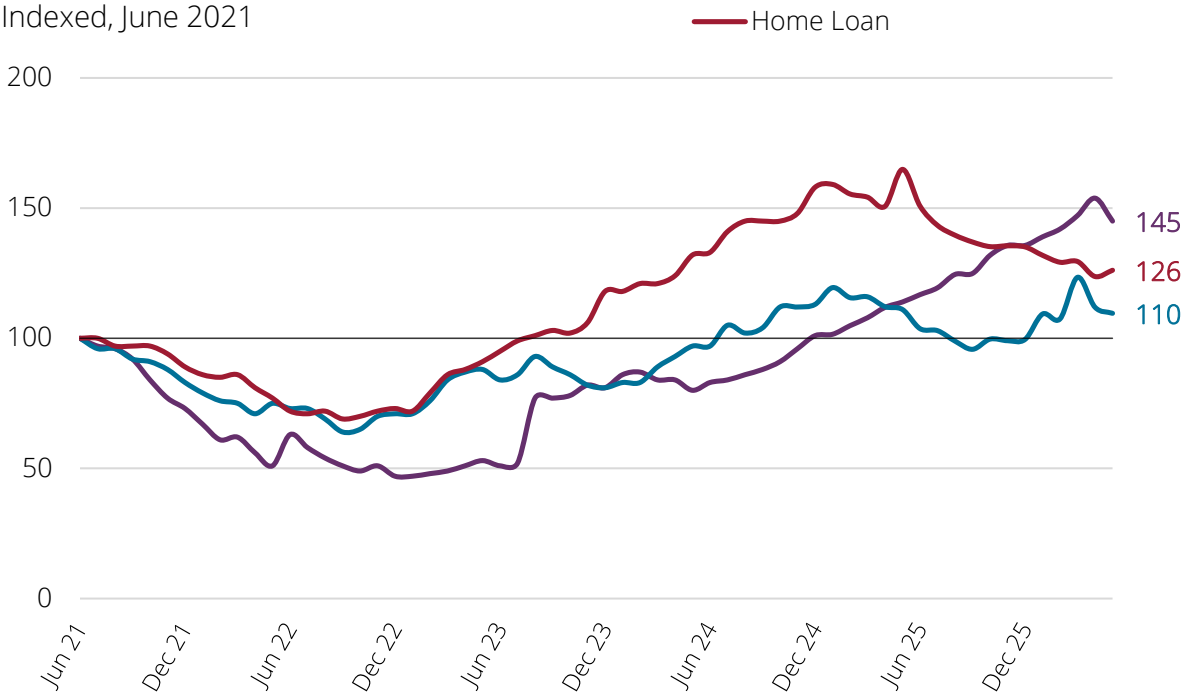
Mortgage hardship increased modestly in May but remained 23.5% below year-ago levels, suggesting stress in secured lending continues to ease despite recent volatility.

Credit Card hardship declined during the month and remained broadly in line with May 2025 levels, indicating no significant deterioration in revolving credit stress.

Personal Loans remain the largest source of consumer hardship. While volumes fell 5.7% month-on-month, they remained 27.3% above last year, highlighting ongoing pressure on unsecured borrowers.

Movement	Personal Loans	Credit Cards	Home Loans
Month-on-Month	-5.7%	-2.1%	+2.0%
Year-on-Year	+27.3%	-1.3%	-23.5%

Hardship Volume Index by Product



Source: Equifax NZ

Home Loans

Demand & Credit Health Insights





An overview of the New Zealand Property Market

Powered by  VALOCITY

Housing Market Commentary

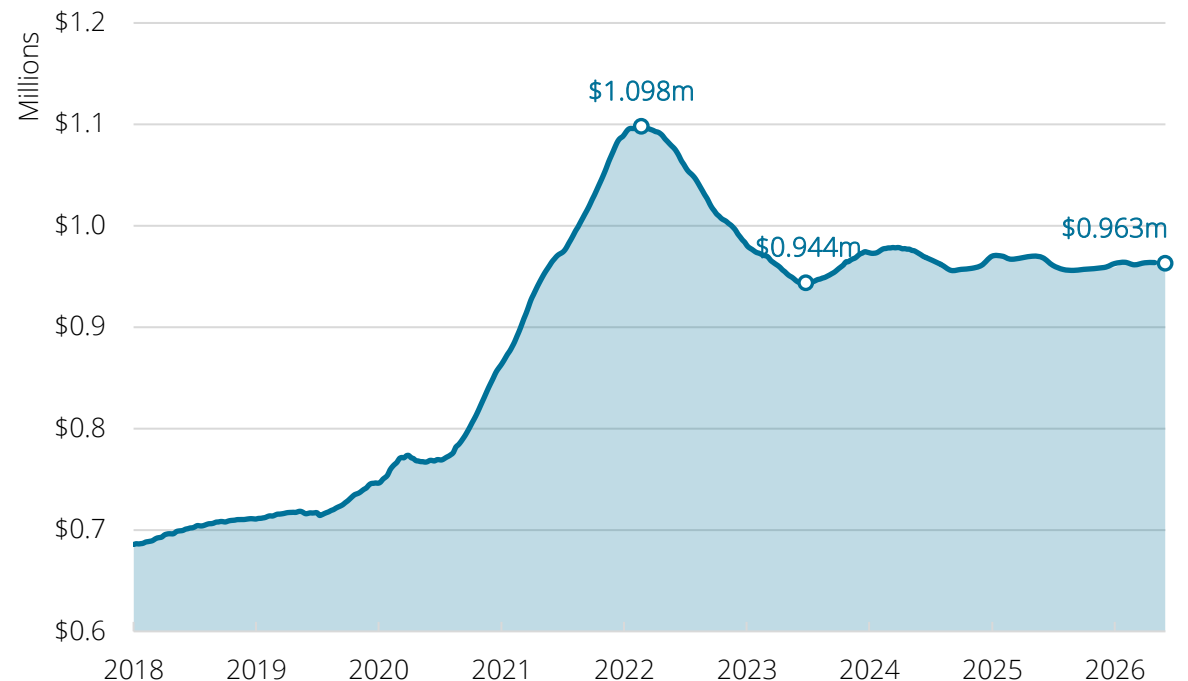
The New Zealand housing market remained broadly stable in May, with the national Valocity Value Index edging down 0.1% from April while remaining no change year-to-date. Elevated housing supply and subdued buyer demand continue to limit price growth, with many purchasers remaining cautious amid ongoing economic uncertainty.

Higher mortgage rates, softer labour market conditions and weaker net migration have reduced purchasing activity across much of the country. While affordability has improved compared to recent years, many households continue to face cost-of-living pressures, limiting their ability to enter the market or upgrade properties.

Looking ahead, market conditions are expected to remain relatively flat through the remainder of 2026, with a more meaningful recovery likely dependent on lower borrowing costs, stronger economic growth and improving consumer confidence.

Valocity Value Index – Nationwide

National Average Property Value



The overview of the New Zealand property market is powered by Valocity Limited (Valocity). This includes the Valocity Value Index (VVI), which is the proprietary intellectual property of Valocity. The VVI is derived from Valocity's Automated Valuation Model (iVal) and represents a modelled average iVal in the location quoted. Valocity commentary may also draw on publicly available information, including (but not limited to) economic indicators and market forecasts from third-party sources. Such information remains with the original source. This material is provided for general market commentary and information purposes only. It does not constitute financial, investment, or professional advice and should not be relied upon as such. Reproduction is not permitted without the prior written permission of Valocity.



An overview of the New Zealand Property Market

Powered by  VALOCITY

A look at property values across the regions

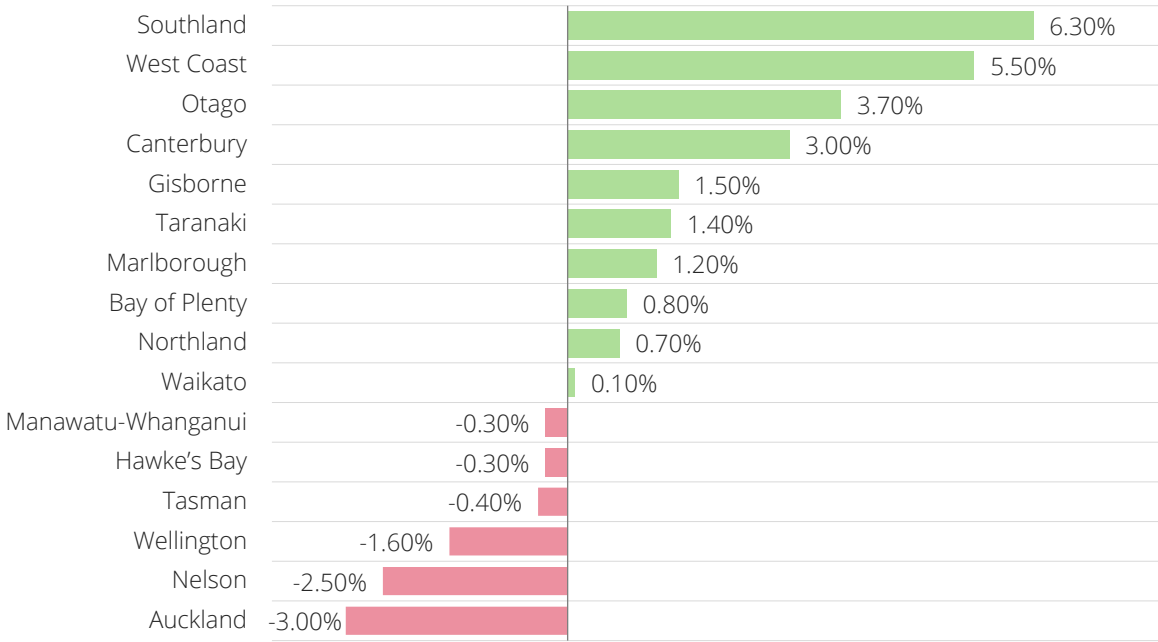
May 2026 data highlights an increasingly uneven housing market, with regional centres continuing to outperform many major urban markets. Southland (+6.3%), the West Coast (+5.5%) and Otago (+3.7%) recorded the strongest annual growth, while Canterbury also remained resilient with values up 3.0% year-on-year.

In contrast, several large metropolitan markets remain under pressure. Auckland recorded the weakest performance at -3.0% YoY, followed by Nelson (-2.5%) and Wellington (-1.6%), reflecting softer demand, elevated housing supply and ongoing affordability constraints.

Elsewhere, growth was generally modest, with Gisborne, Taranaki, Marlborough, Bay of Plenty, Northland and Waikato all posting small annual gains. The divergence between stronger provincial markets and softer urban centres continues to be a key feature of New Zealand’s housing market in 2026.

Year-on-Year Change in Property Values

May-26 vs. May-25; Valocity Value Index

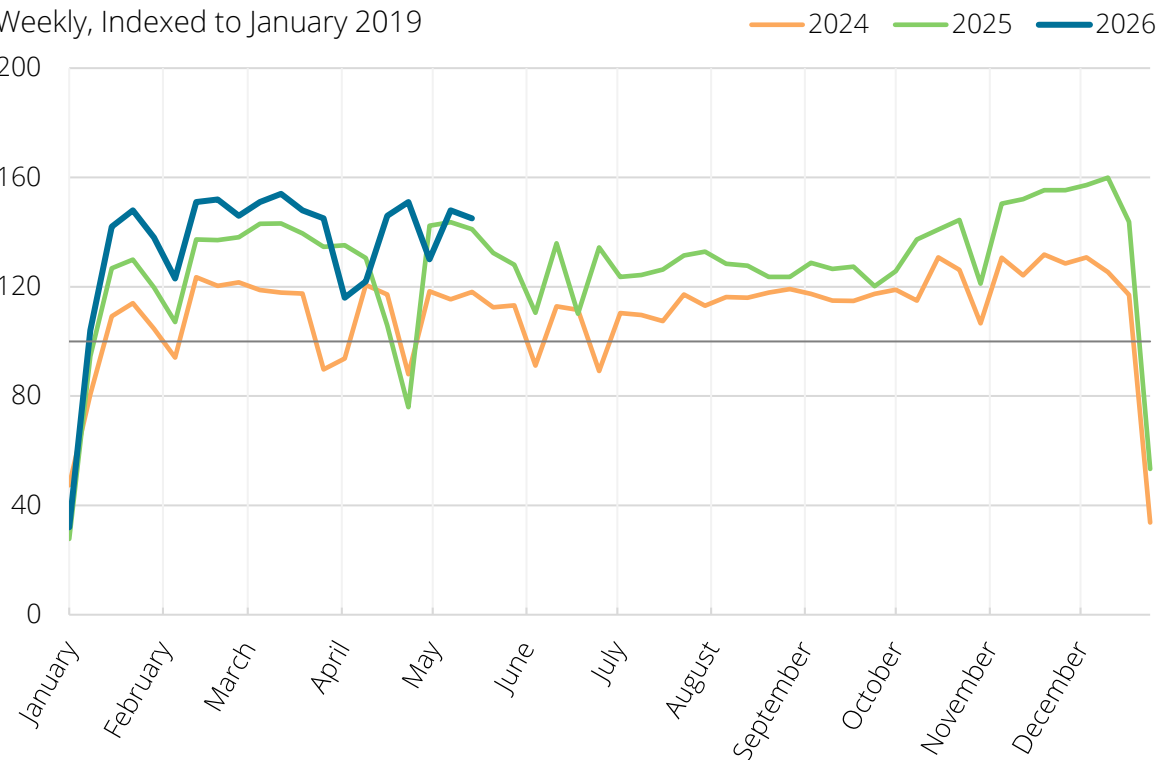


The overview of the New Zealand property market is powered by Valocity Limited (Valocity). This includes the Valocity Value Index (VVI), which is the proprietary intellectual property of Valocity. The VVI is derived from Valocity's Automated Valuation Model (iVal) and represents a modelled average iVal in the location quoted. Valocity commentary may also draw on publicly available information, including (but not limited to) economic indicators and market forecasts from third-party sources. Such information remains with the original source. This material is provided for general market commentary and information purposes only. It does not constitute financial, investment, or professional advice and should not be relied upon as such. Republication is not permitted without the prior written permission of Valocity.



Home Loans demand remains above 2025, though growth momentum continues to moderate

Home Loans – Weekly Enquiry Volume



Source: Equifax NZ

Home Loan enquiry activity remains ahead of last year, with 2026 YTD volumes up 9.7% through Week 20. Demand continues to sit above recent-year levels, although the pace has eased from the stronger momentum seen earlier in the year.

Elevated enquiry levels over the past 18 months have been underpinned by a growing number of people shopping around in search of better offers in a competitive mortgage lending market. The earlier burst has now become more measured as rate-sensitive customers have already switched and people are starting to favour longer fixed rate terms again. Approximately a quarter of new mortgage lending in dollar terms is still for borrowers switching lenders, still elevated but the rate of proportional growth has slowed. #1

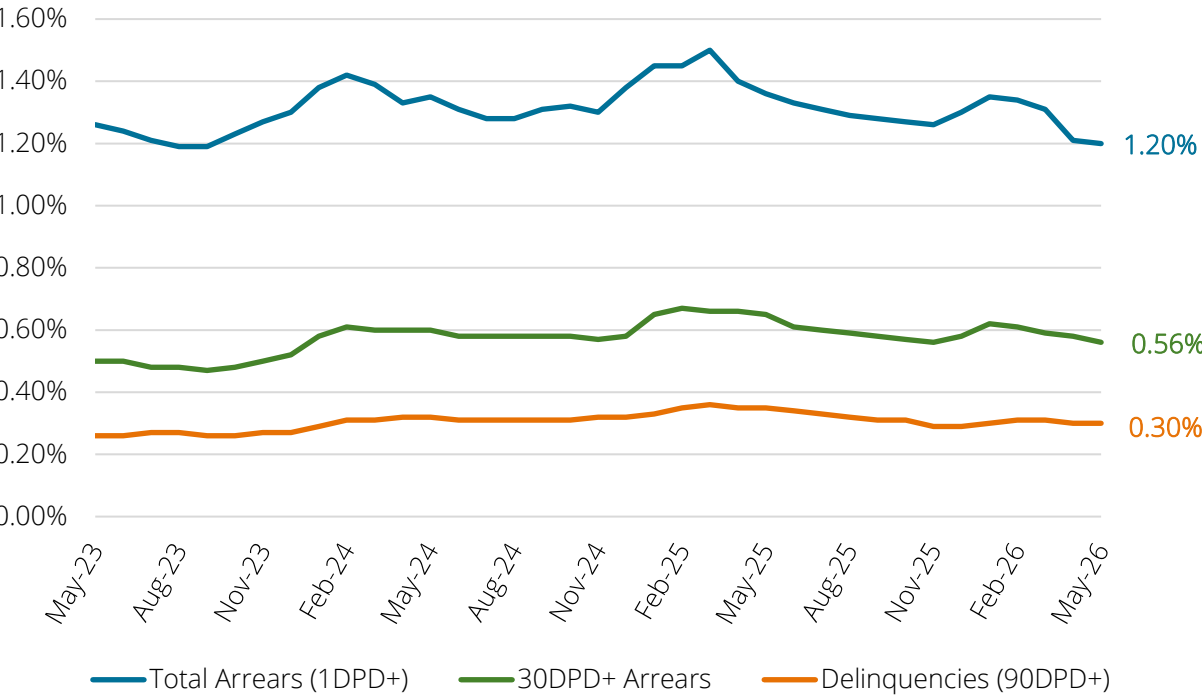
Ongoing cost pressures, including higher fuel and energy costs, continue to weigh on household budgets. With interest rate uncertainty still present, prospective buyers may remain cautious about new commitments, while existing borrowers stay focused on reducing regular repayments. Overall, demand remains elevated but increasingly selective and affordability-sensitive.



Home Loan 30DPD+ arrears continued to improve, with 90DPD+ stress holding steady

Home Loans – Overall Arrears

Percentage of Accounts in Arrears



Source: Equifax NZ

30DPD+ Arrears

Month-on-Month Change: -2bps

Year-on-Year Change: -9bps

30DPD+ arrears reduced again in May, extending the improving trend seen over recent months. With early-stage mortgage stress now sitting 9bps below May 2025, repayment pressure appears to be easing and remains relatively contained.

Delinquent Accounts (90DPD+)

Month-on-Month Change: No Change

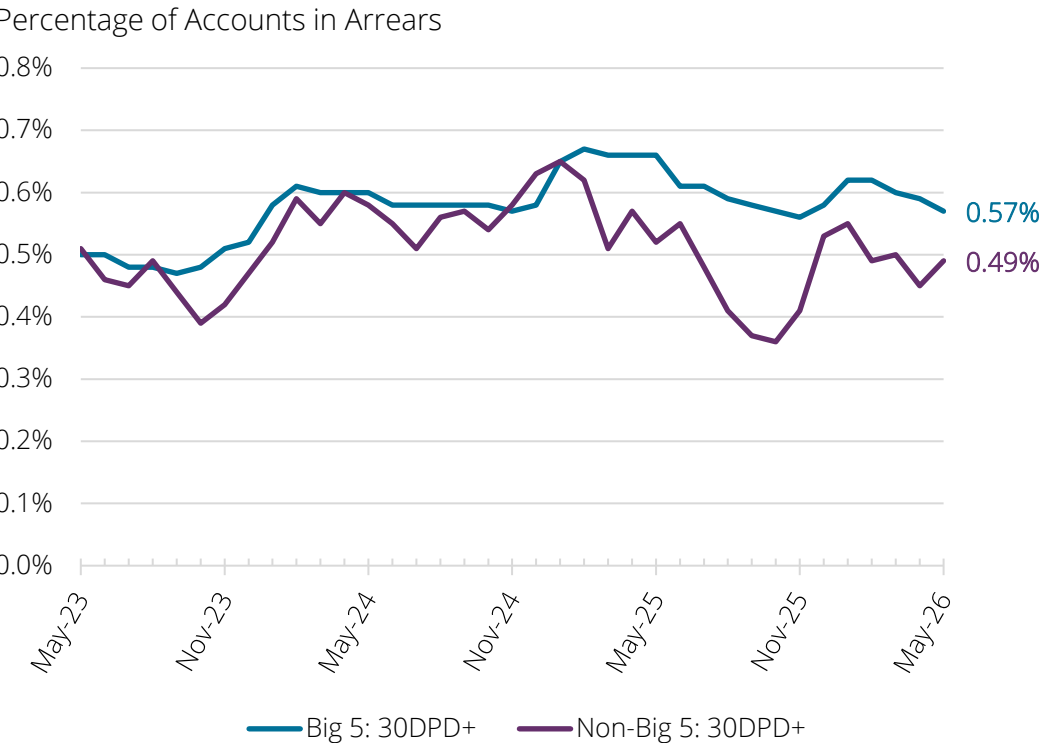
Year-on-Year Change: -5bps

90DPD+ arrears were stable over the month and continued to track below last year's level. This indicates late-stage mortgage stress has not worsened, with delinquency pressure broadly steady despite rising interest rates and ongoing household cost pressures.



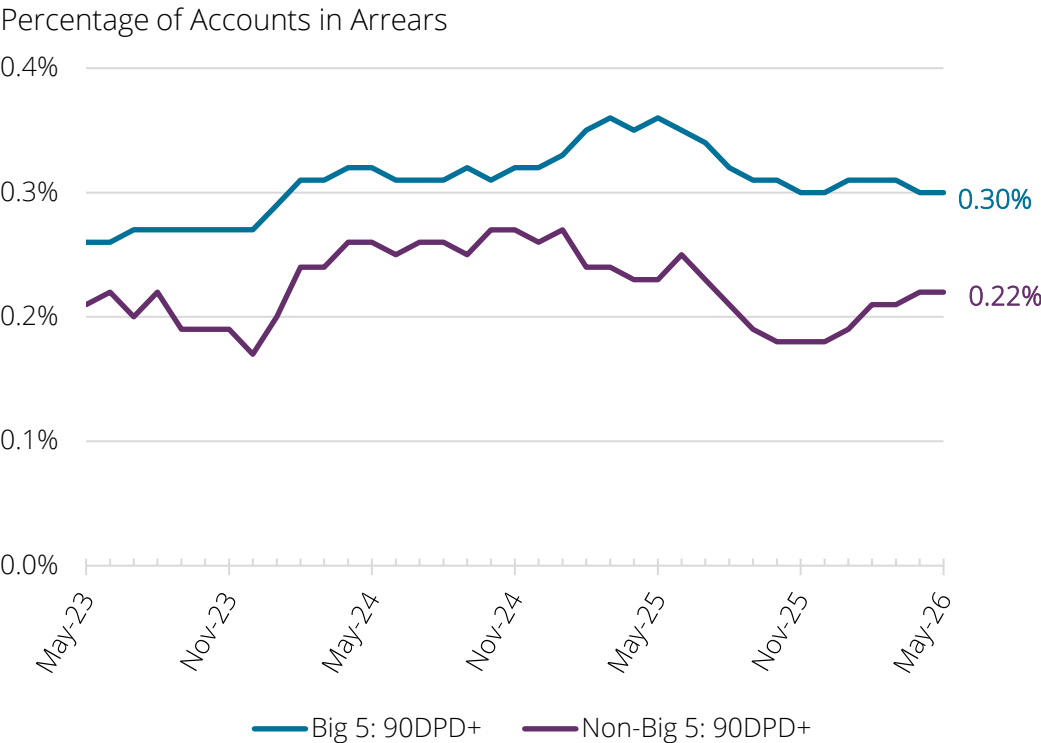
Big 5 arrears remained higher than Non-Big 5 across both the 30DPD+ and 90DPD+ measures

Big 5 vs. Non-Big 5: 30DPD+ Home Loan Arrears



Source: Equifax NZ

Big 5 vs. Non-Big 5: 90DPD+ Home Loan Arrears



Source: Equifax NZ

Personal Loans

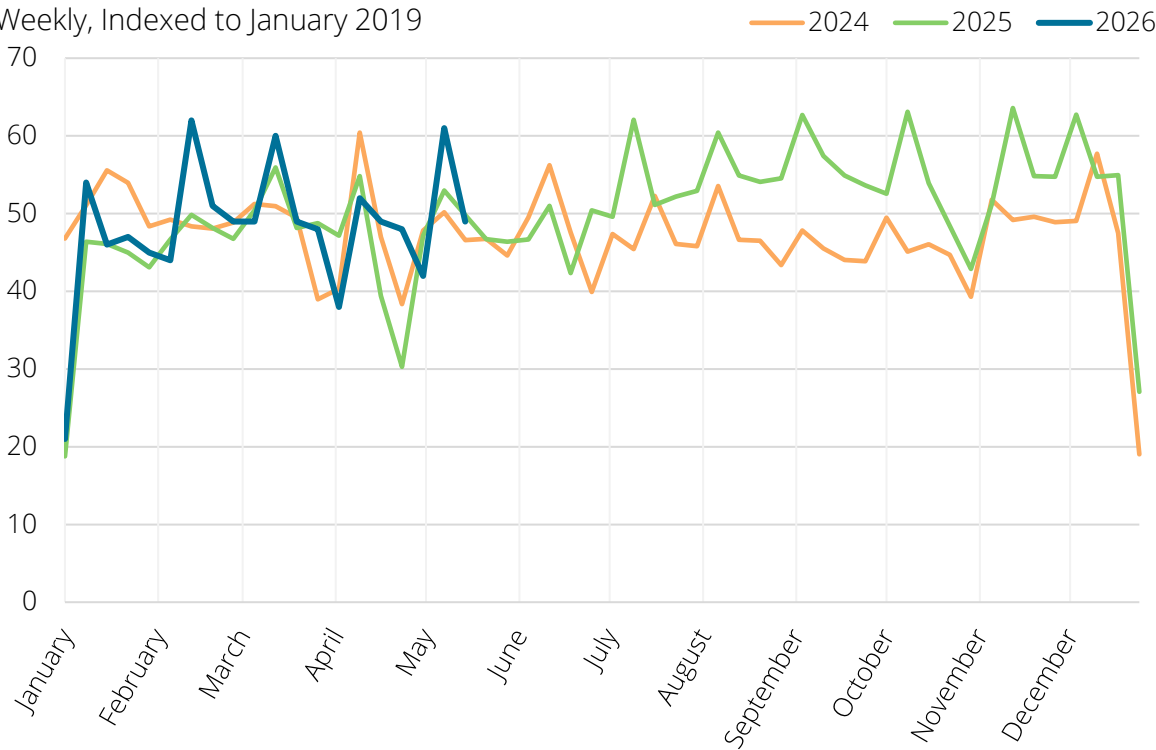
Demand & Credit Health Insights





Personal Loans demand remained ahead of 2025, but recovery was still cautious and confidence-led

Personal Loans – Weekly Enquiry Volume

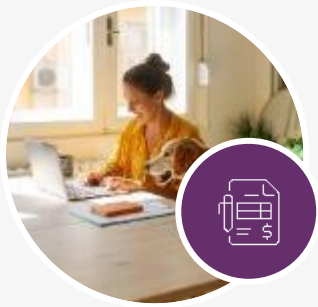


Source: Equifax NZ

Personal Loan enquiry activity remains modestly above last year, with 2026 YTD volumes up 5.6% through Week 20. While weekly movements remain uneven, demand is still tracking ahead of 2025 rather than showing a clear slowdown.

Consumer confidence improved slightly in May but remains fragile with the ANZ-Roy Morgan Index lifting to 86.5, though it is still well below January levels immediately before the Middle East tensions began, while the major household purchase indicator remained negative at -20, suggesting consumers are still cautious toward larger financial commitments.^{#1}

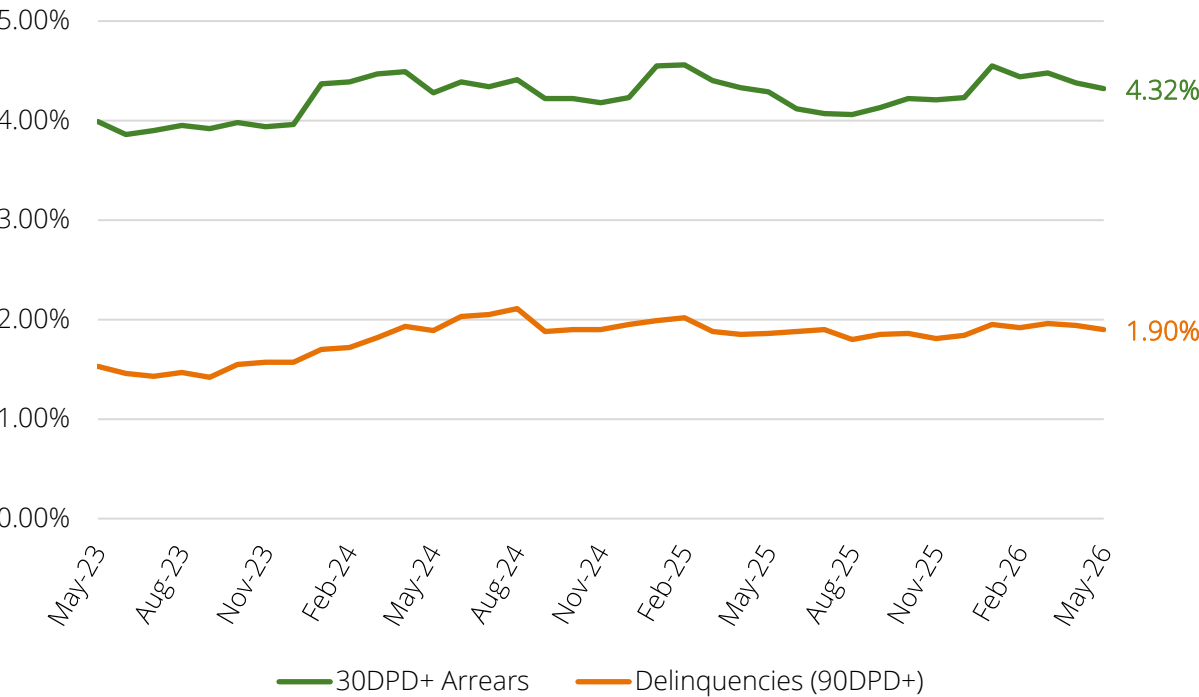
Some enquiry activity will be supported by refinancing and debt consolidation, as borrowers look to manage repayments and household cash flow. However, cost-of-living pressure and renewed interest rate uncertainty remain key headwinds, leaving the recovery in Personal Loan demand cautious and affordability-sensitive.



Personal Loans arrears eased in May, though repayment stress remained above last year

Personal Loans – Overall Arrears

Percentage of Accounts in Arrears



Source: Equifax NZ

30DPD+ Arrears

Month-on-Month Change: -6bps

Year-on-Year Change: +3bps

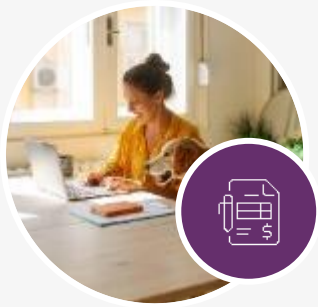
30DPD+ Personal Loans arrears declined in May, easing from the elevated levels seen earlier in the year. However, arrears remain slightly above May 2025, suggesting early-stage repayment pressure has moderated but not fully unwound.

Delinquent Accounts (90DPD+)

Month-on-Month Change: -4bps

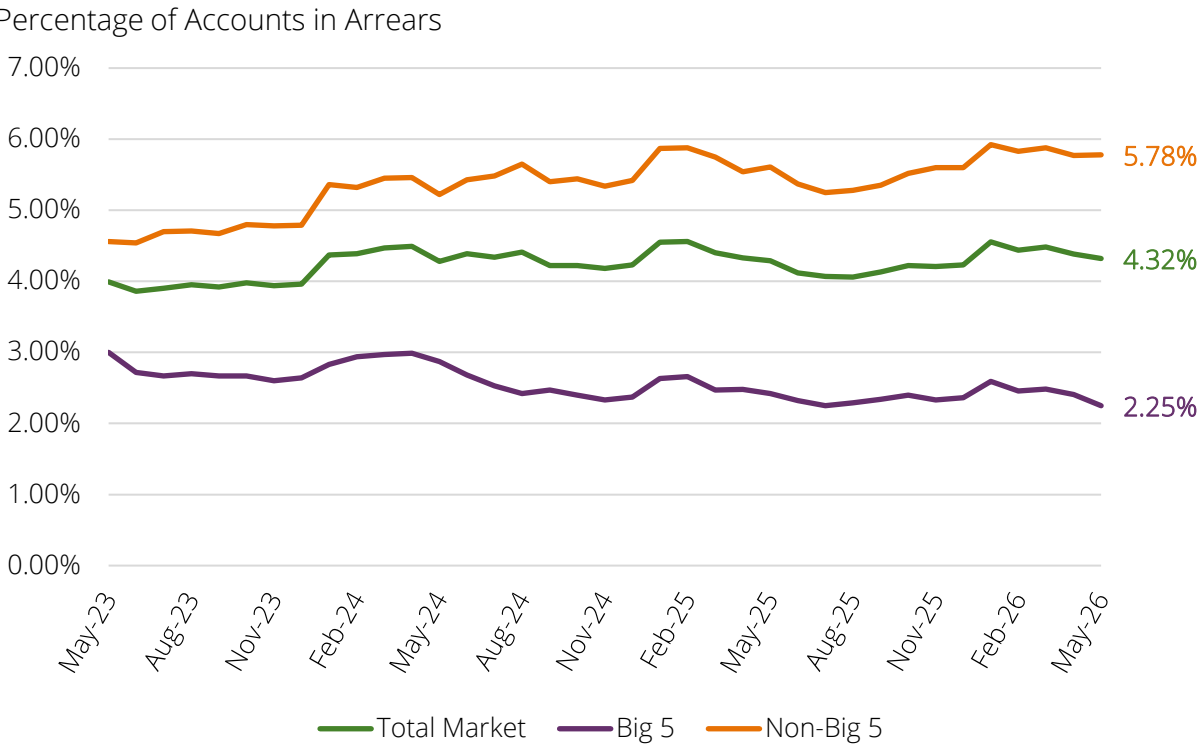
Year-on-Year Change: +3bps

90DPD+ arrears also reduced during the month, indicating some near-term improvement in late-stage stress. Despite this monthly softening, delinquency levels remain above the same period last year, pointing to persistent financial strain among Personal Loans borrowers.



Non-Big 5 Personal Loans arrears remained elevated, while Big 5 stress continues to ease

Personal Loans – 30DPD+ Arrears by Lender Cohort



Source: Equifax NZ

‘Big 5’ 30DPD+ Arrears

Month-on-Month Change: -16bps

Year-on-Year Change: -17bps

Big 5 Personal Loans arrears declined sharply in May and are now sitting below the same period last year. At 2.25%, arrears remain well below the total market level, suggesting repayment stress within major bank portfolios is continuing to improve.

‘Non-Big 5’ 30DPD+ Arrears

Month-on-Month Change: +1bps

Year-on-Year Change: +17bps

Non-Big 5 arrears were broadly flat over the month but remain materially higher than last year. At 5.78%, this cohort continues to sit well above Big 5 lenders, indicating that Personal Loan repayment pressure remains concentrated outside the major banks.

Credit Cards

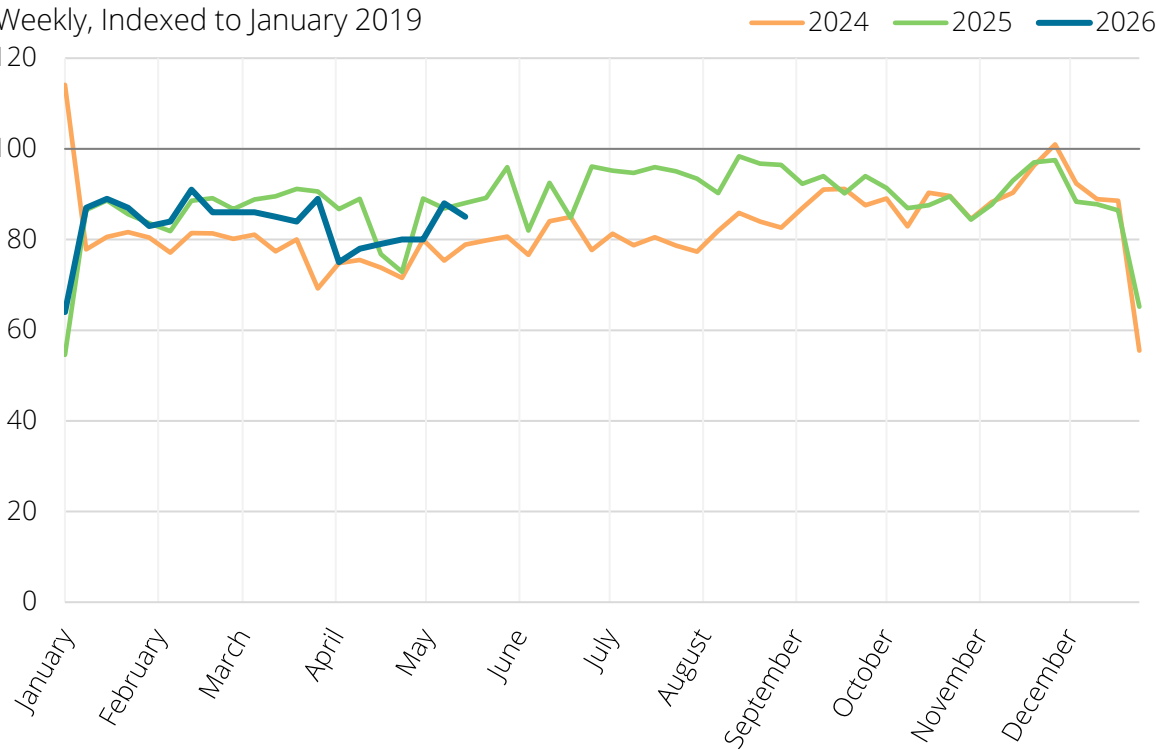
Demand & Credit Health Insights





Credit Cards demand slipped below 2025 as enquiry momentum softens

Credit Cards – Weekly Enquiry Volume



Source: Equifax NZ

Credit Cards enquiry activity is now tracking below last year, with 2026 YTD volumes down 1.7% through Week 20. After a relatively stable start to the year, recent weekly volumes have softened, suggesting earlier momentum has not been sustained.

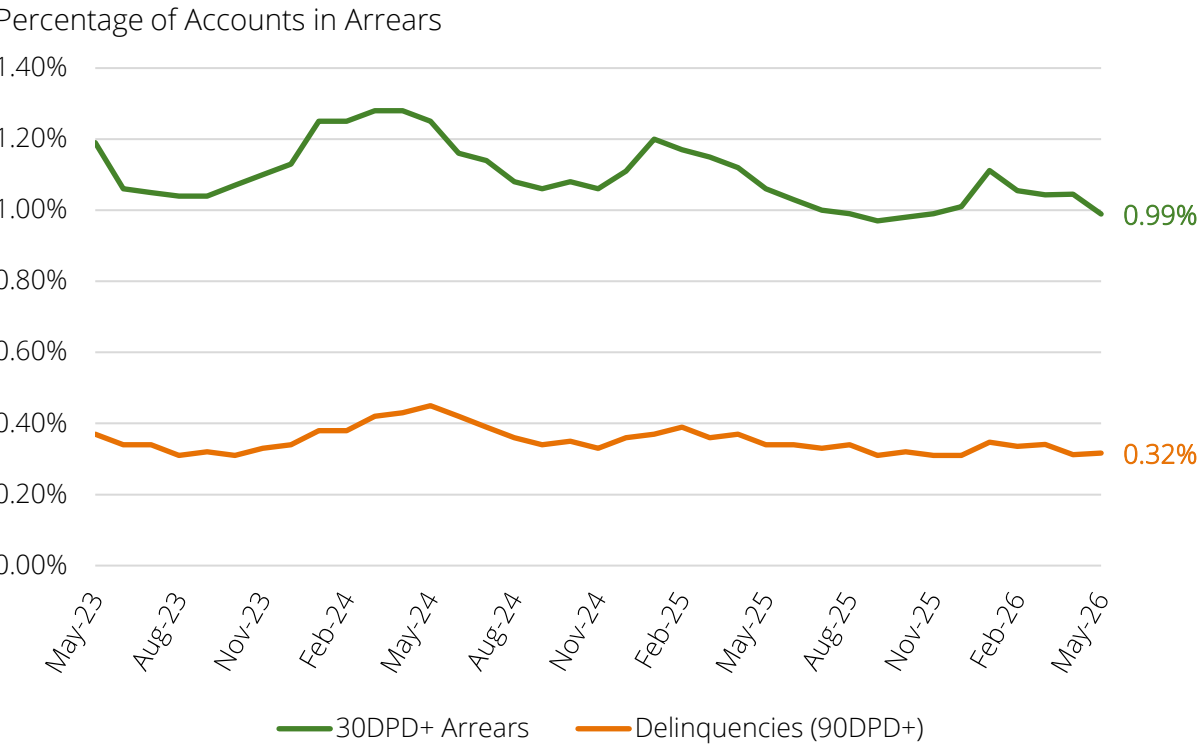
Recent activity appears to reflect selective customer reshuffling rather than a broad increase in new credit appetite. Pricing, rewards and product switching may still be supporting some enquiry volumes, but these factors are no longer enough to keep demand ahead of prior-year levels

Overall, the market remains active, but demand is becoming more cautious and selective. Softer consumer confidence and ongoing household budget pressure are likely weighing on discretionary borrowing appetite, limiting the near-term recovery in Credit Cards demand.



Credit Cards delinquency risk remained limited despite a slight monthly lift in 90DPD+

Credit Cards – Overall Arrears



Source: Equifax NZ

30DPD+ Arrears

Month-on-Month Change: -6bps

Year-on-Year Change: -7bps

30DPD+ Credit Cards arrears fell in May, bringing 30DPD+ arrears down to 0.99%. The continued improvement against May 2025 suggests repayment pressure remains contained, with arrears tracking below prior-year levels.

Delinquent Accounts (90DPD+)

Month-on-Month Change: +1bps

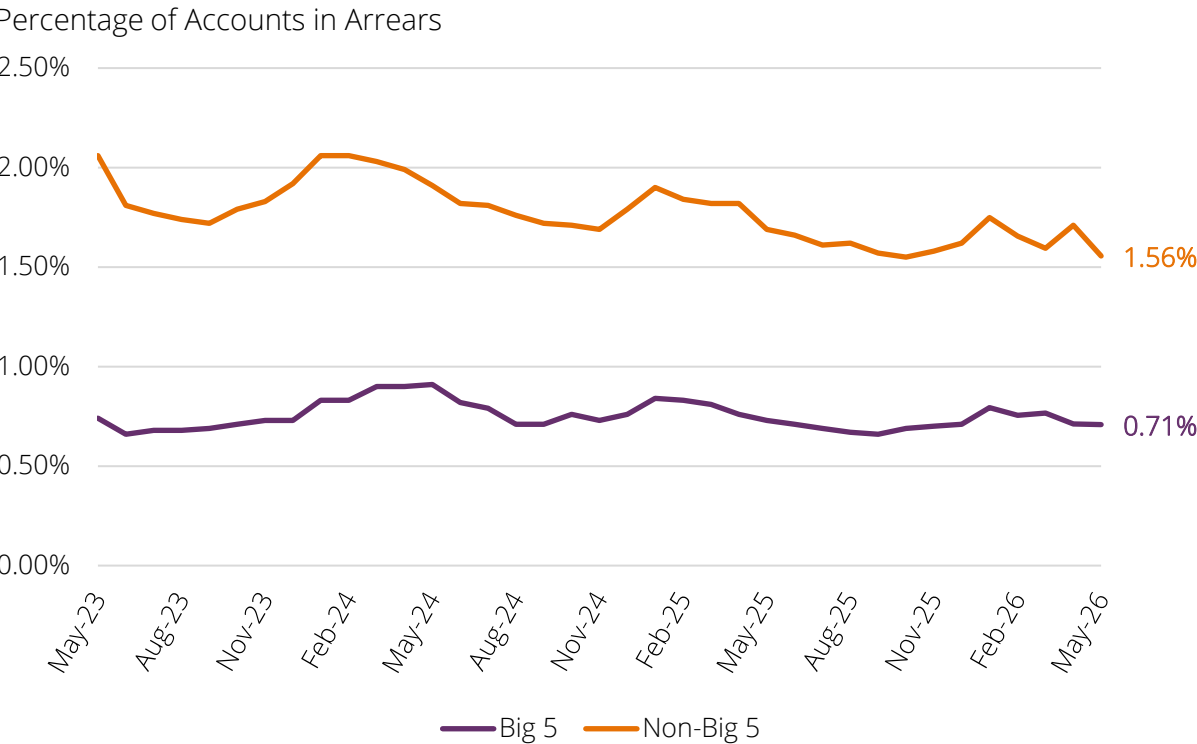
Year-on-Year Change: -2bps

90DPD+ arrears edged up slightly over the month to 0.32% but remained marginally lower than the same period last year. This points to broadly stable late-stage credit stress, with no clear sign of material deterioration in serious delinquency.



Credit Cards **Big 5** arrears improved, but risk remains concentrated outside **major banks**

Credit Cards – 30DPD+ Arrears by Lender Cohort



Source: Equifax NZ

‘Big 5’ Arrears (30DPD+)

Month-on-Month Change: **+0bps**

Year-on-Year Change: **-2bps**

‘Big 5’ Credit Cards arrears were unchanged in May and remain slightly below the same period last year. At 0.71%, arrears continue to sit at a low level, suggesting repayment performance across major bank portfolios remains relatively stable.

‘Non-Big 5’ Arrears (30DPD+)

Month-on-Month Change: **-15bps**

Year-on-Year Change: **-14bps**

‘Non-Big 5’ Credit Cards arrears improved notably in May and are also lower year-on-year. However, at 1.56%, arrears remain more than twice the Big 5 level, indicating repayment pressure is still more concentrated outside the major banks.

Auto Loans

Credit Health Insights

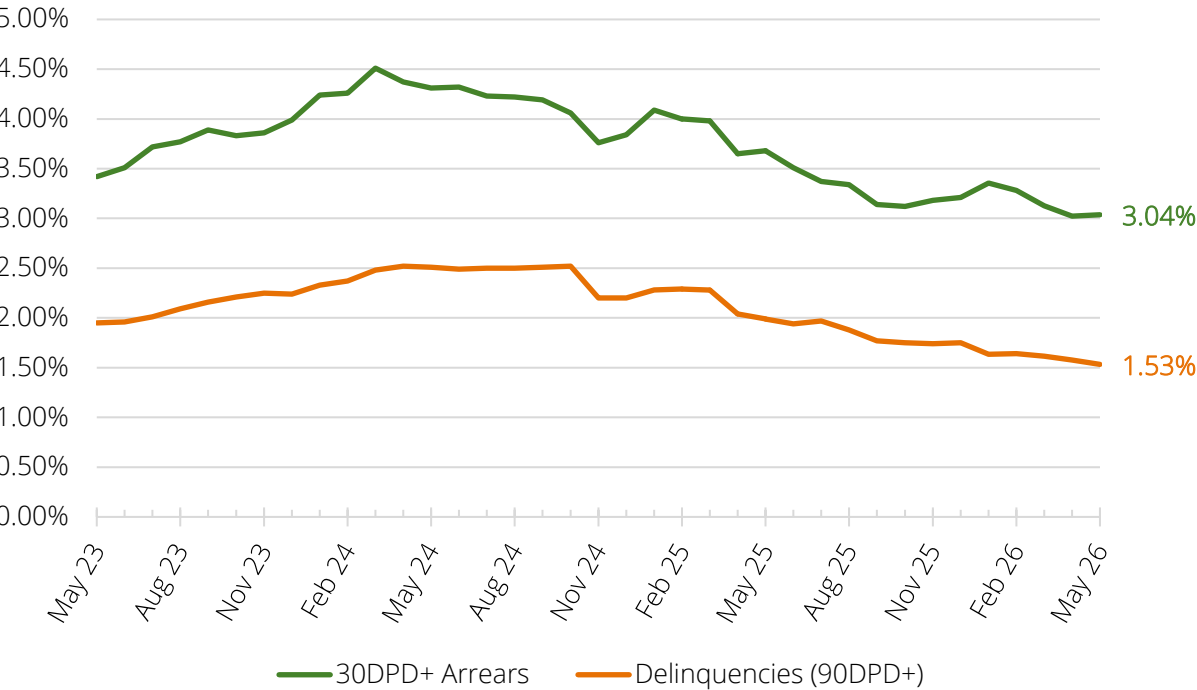




Auto Loans arrears remained well below 2025, despite a small lift in **30DPD+** stress in May

Auto Loans – Overall Arrears

Percentage of Accounts in Arrears



Source: Equifax NZ

30DPD+ Arrears

Month-on-Month Change: **+2bps**

Year-on-Year Change: **-65bps**

30DPD+ Auto Loans arrears edged up slightly in May but remain materially below the same period last year. At 3.04%, early-stage repayment stress is still tracking well down on 2025, suggesting the broader improvement in Auto Loans arrears remains intact.

Delinquent Accounts (90DPD+)

Month-on-Month Change: **-3bps**

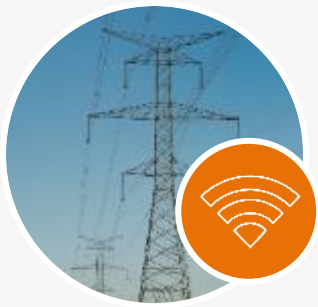
Year-on-Year Change: **-46bps**

90DPD+ arrears eased further in May, falling to 1.53% and remaining well below year-ago levels. This indicates late-stage Auto Loans stress continues to moderate, with serious delinquency showing no clear sign of renewed deterioration.

Utilities & Telco

Credit Health Insights

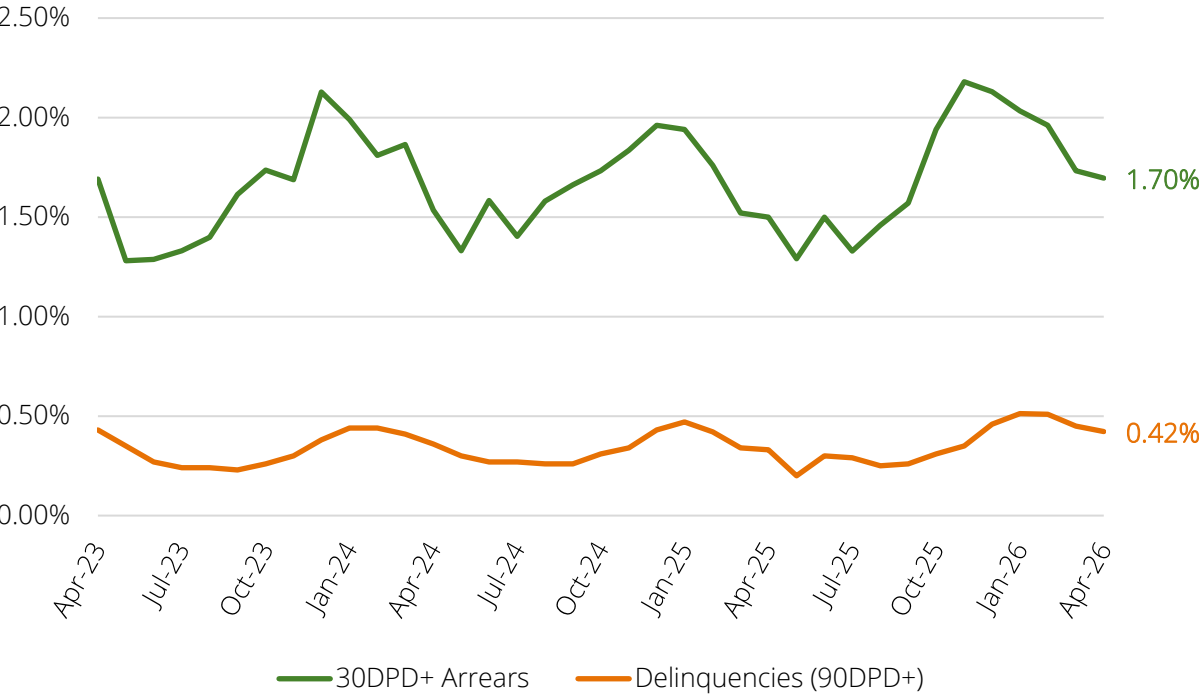




Utility arrears eased in April, but essential-payment stress remains above last year

Utilities – Overall Arrears

Percentage of Accounts in Arrears



Source: Equifax NZ

30DPD+ Arrears

Month-on-Month Change: -4bps

Year-on-Year Change: +20bps

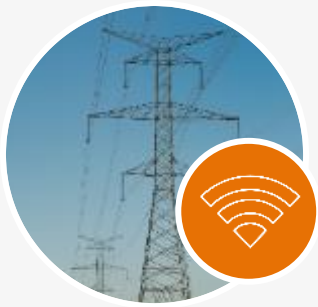
30DPD+ Utility arrears reduced in April, suggesting some easing from the elevated levels seen earlier in the year. However, arrears remain 20bps above April 2025, indicating households are still facing pressure in keeping up with essential service payments.

Delinquent Accounts (90DPD+)

Month-on-Month Change: -3bps

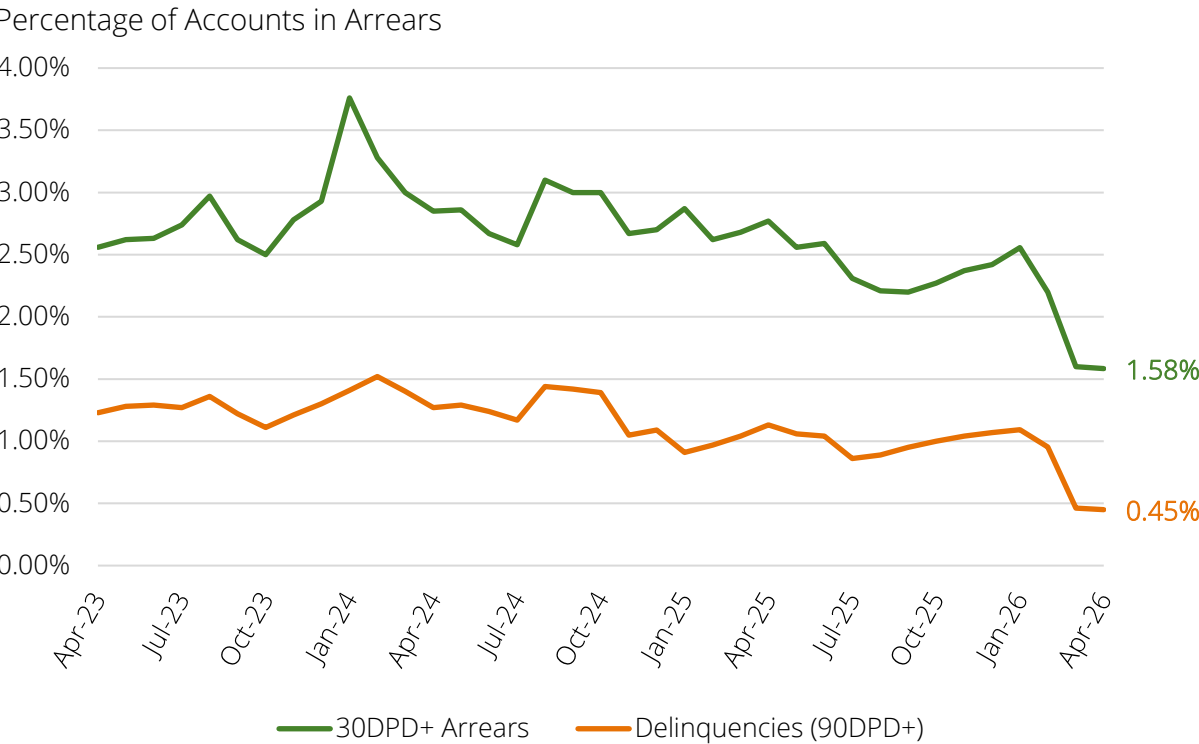
Year-on-Year Change: +10bps

90DPD+ Utility arrears also improved during the month but continued to sit 10bps above prior-year levels. This suggests late-stage repayment stress has moderated slightly, though affordability pressure across essential bills remains persistent.



Telco arrears remain well below last year, reinforcing improved repayment performance

Telecommunications – Overall Arrears



Source: Equifax NZ

30DPD+ Arrears

Month-on-Month Change: -2bps

Year-on-Year Change: -119bps

30DPD+ Telco arrears fell sharply in April, extending the improvement seen across recent months. With arrears now at 1.58% and tracking well below April 2025, early-stage repayment pressure appears to be easing materially across Telco portfolios.

Delinquent Accounts (90DPD+)

Month-on-Month Change: -1dps

Year-on-Year Change: -68bps

90DPD+ arrears also declined in April, with late-stage stress moving lower on both a monthly and annual basis. This suggests serious delinquency remains contained, supporting a stronger overall credit health position for the sector.



Commercial Credit

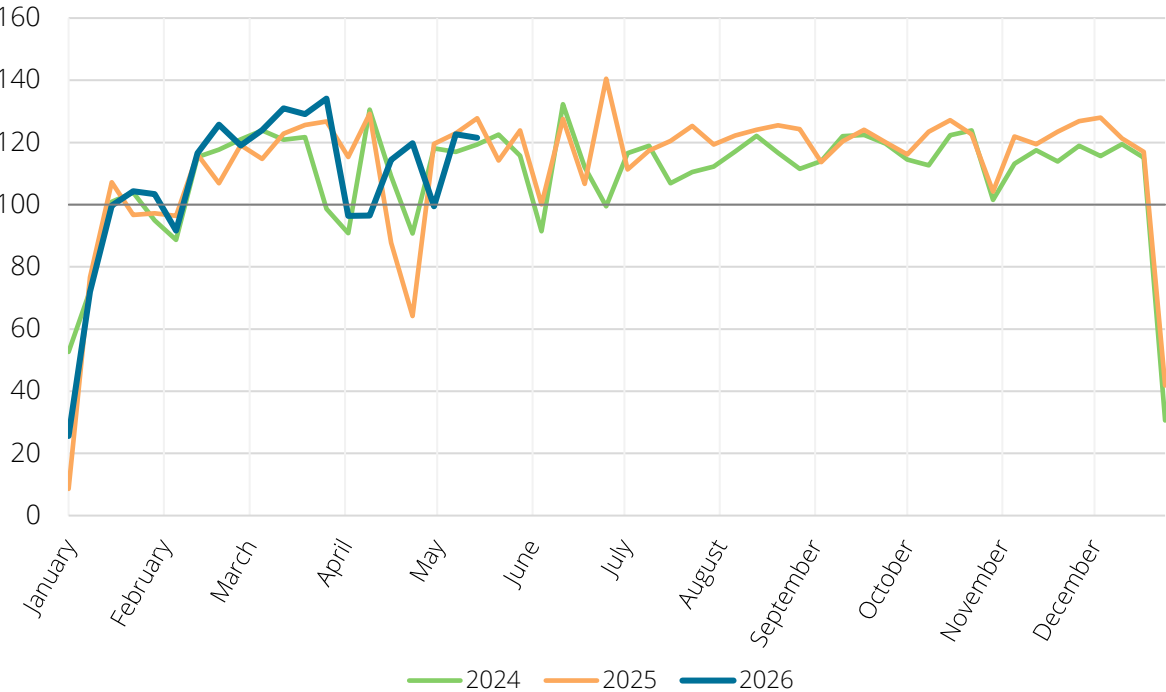
General Highlights and Credit Demand.



Commercial Credit demand recovery gains breadth, with enquiries now tracking above 2025

Commercial Credit Demand – Weekly Enquiry Volume

Indexed Weekly, January 2020



Source: Equifax NZ

Overall Commercial Credit Demand (to Week 20)

2026 Year-to-Date vs Same Period in 2025: **+2.1%**

Commercial enquiry volumes have continued to track above 2025 through the first 20 weeks of 2026, with total demand up 2.1% on the same period last year. This points to a steady recovery in commercial credit appetite, although growth remains moderate rather than signalling a sharp upswing.

At product level, Business Loans (+7.0%) remain the strongest contributor to demand, supported by Trade Credit (+4.7%). Asset Finance (-0.4%) is now broadly in line with prior-year levels, suggesting investment-related demand is stabilising after earlier weakness.

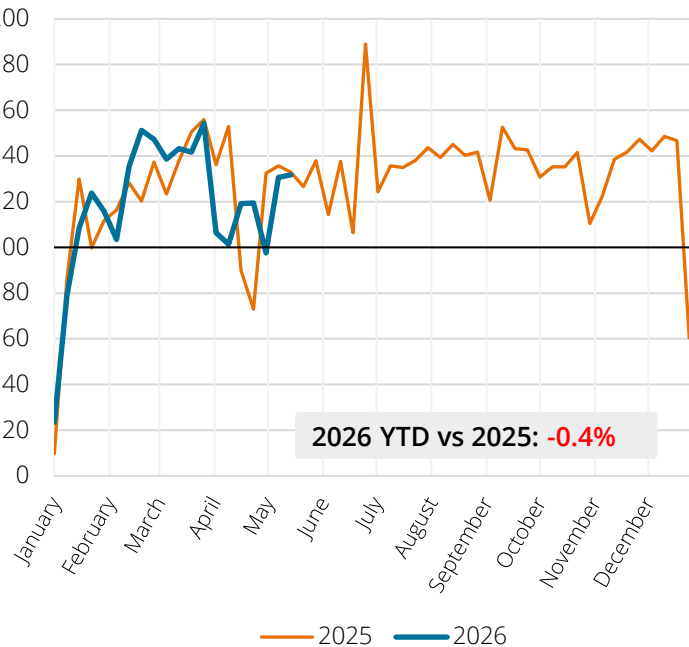
By industry, growth has become more widespread, with Retail Trade (+6.1%) and Professional, Scientific & Tech Services (+4.6%) leading the uplift. Rental, Hiring & Real Estate (-0.7%) remains slightly below last year, but most other key sectors are now tracking positively, suggesting recovery momentum is gradually broadening.



Commercial Credit demand remains resilient, with Business Loans driving enquiry growth across products

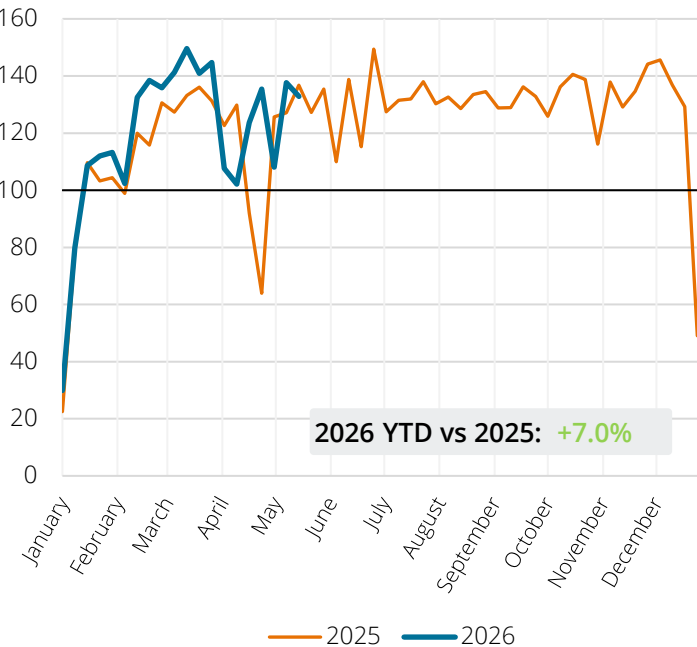
Asset Finance Demand Index

Indexed Weekly, January 2020



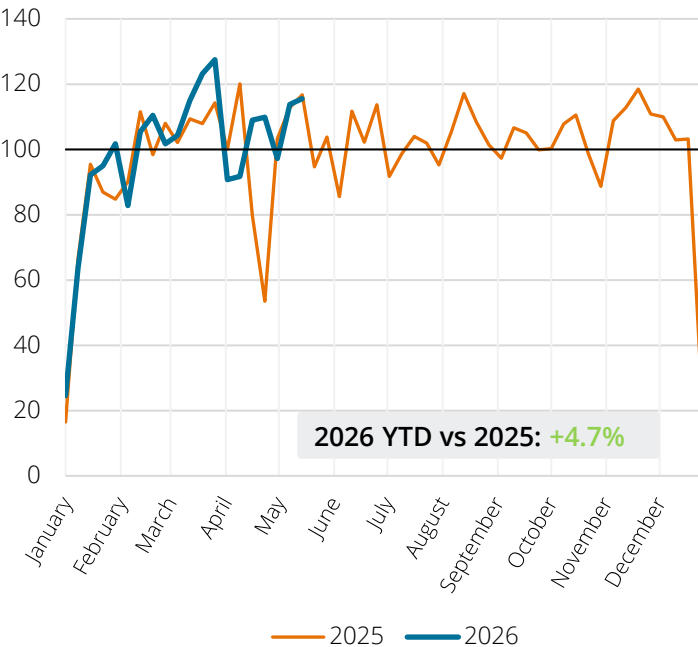
Business Loans Demand Index

Indexed Weekly, January 2020



Trade Credit Demand Index

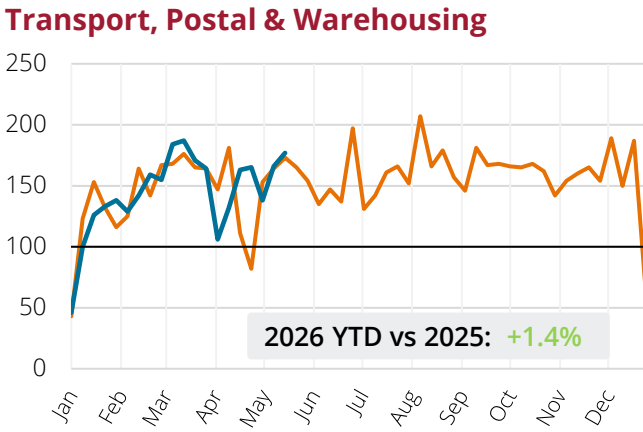
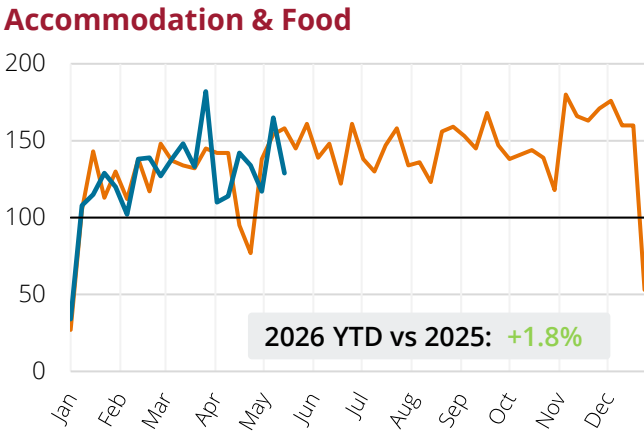
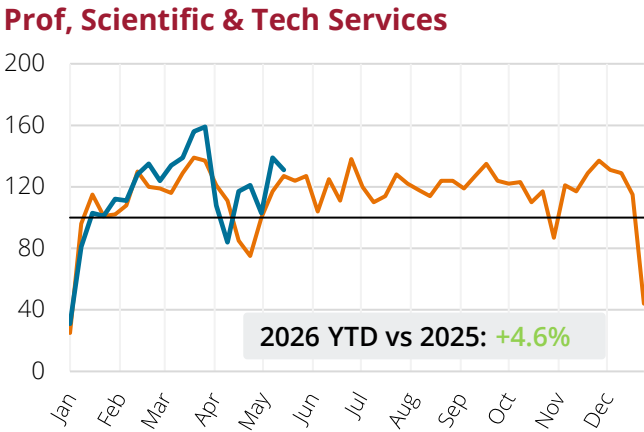
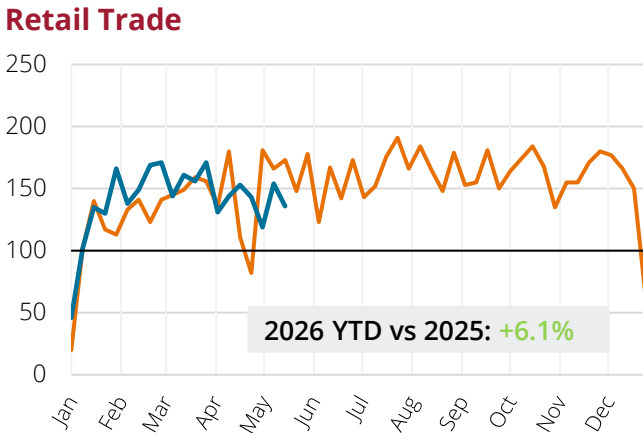
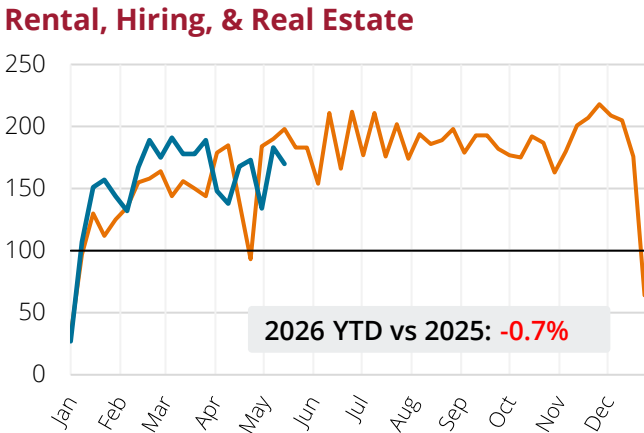
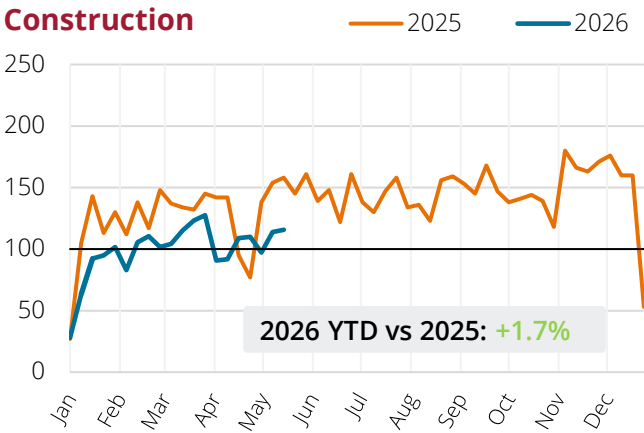
Indexed Weekly, January 2020



Source: Equifax NZ



Retail continues to lead industry credit demand growth while Rental & Real Estate remains subdued



Want to know more?

Contact us to discover more market insights or to harness the power of data to make better decisions.



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[Equifax New Zealand](#)

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