

Builderscrack | DATA

Trade Demand Index

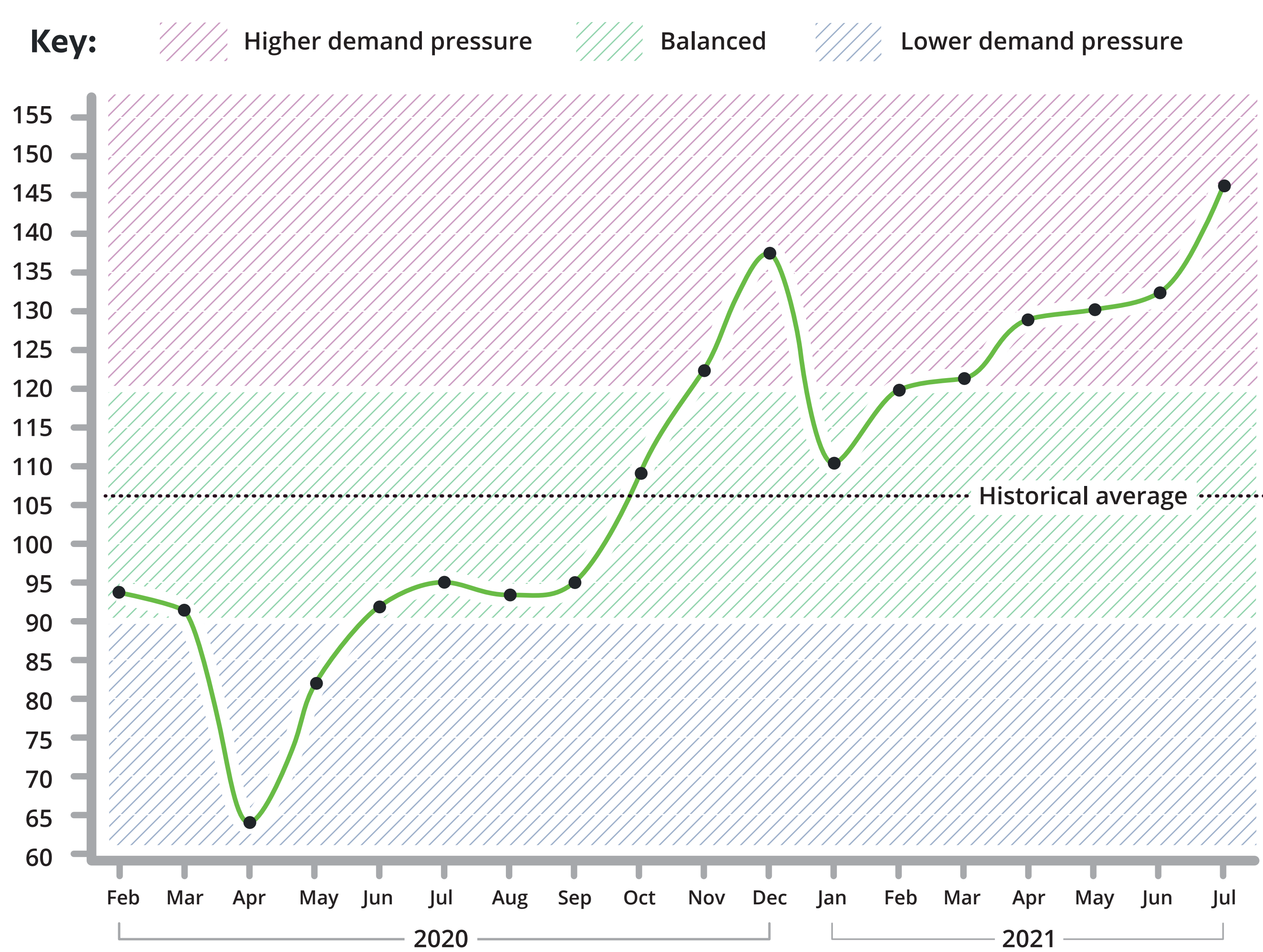
July demand pressure was up sharply as the construction boom continued, though lockdown has put activity on pause.

It will become clearer over the following weeks how this current outbreak will affect the trades sector. If it can be contained, based on data from the first lockdown, our expectation is that activity will bounce back and the boom will resume.

Wage subsidies and resurgence payments will act as stimulus while people again focus on their homes throughout lockdown and beyond.

About this index:

Using Builderscrack's deep, long running data-set, our Trade Demand Index aggregates a variety of data-points into a representative measure of demand on the trades sector across time.



Index Version 1.2
(Source: builderscrack.co.nz)

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Movers and Shakers:

Top 20 Trades

We've used our Trade Demand Index to create a Movers and Shakers chart that shows the pressure on individual trades from month to month. Trades listed higher in the chart are under more pressure according to our data across 8000+ jobs per month.

July saw Bricklayers top the chart across New Zealand, with a shortage of Handymen in Wellington lifting its overall rank. With the disruption of the current lockdown combined with the typically busy time of year, we expect to see work deferred rather than cancelled, likely pushing pressure up across the board in spring.

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

(Source: builderscrack.co.nz)

Kiwi bank. Demand is resilient

“The Kiwi economy is locked down, but not out. Businesses have adapted, balance sheets are stronger, and Govt policy is tried and tested. We hope the current lockdown is again successful, and demand will just be deferred, not destroyed. We have strong momentum in the economy.”

(Source: Kiwibank)

Key Takeaways

- Last lockdown showed us that homeowners actively chose to improve their homes
- Once the restrictions relax, activity will rebound and spending will catch up
- The deferred demand will likely adjust to seasonal jobs that are outside the home

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