



Media Release

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Business mind-set: Moving out of survival mode

ANZ is seeing encouraging signs of increased activity in the mid-range business sector as New Zealand emerges out of the recession, ANZ Managing Director, Commercial New Zealand, Graham Turley said today.

"We will be very interested to see if this is reflected in business plans as owners respond to the ANZ Privately Owned Business Barometer that is open to respondents until 12 March.

"The survey, now in its fourth year, targets owners of private businesses with annual turnover of between \$5 million and \$150 million and explores their views on economic activity and plans for growth.

"Last year's survey showed business owners were doing the hard-yards to make sure their business survived the downturn.

"With many looking for an export-led recovery, this year's survey also investigates the issues accompanying international expansion.

"We are definitely seeing businesses move out of survival mode and while they are not rushing into decisions, our experience on the ground is that they are growing more confident about investment and growth plans.

"Data-wise there is a much improved level of business confidence in February and consumer confidence remains at an elevated level. Both suggest that New Zealand's economic recovery remains on track, but there are still question marks over the pace of the recovery. Weak credit growth domestically and globally, pressure on some countries to pay off their sovereign debt and structural changes suggest there may still be a bumpy ride ahead.

"So although there is still a question over whether high consumer confidence will convert to growth, our ANZ commercial banking experts are seeing signs of increased investment and interest in productive assets."

"ANZ certainly has funding available for businesses with good fundamentals and solid business characteristics. If there is any silver lining to the recession, it's that owners of companies that got through were the ones who understood the basics of their business, had access to the facts, were adaptable and could act quickly if they had to.

"Keeping up those practices will enable owners with growth plans to take up the opportunities as the world comes out of the downturn," Mr Turley said.

To take part in the 2010 ANZ Privately-Owned Business Barometer go to www.anzbarometer.co.nz

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