



NAB Monthly Business Survey Apr-26

Price pressures accelerate sharply

NAB Economics and Markets Research

Summary

Since the initial impact of the Middle East conflict measures of costs and price growth in the business survey have continued to accelerate. Purchase cost growth (in quarterly terms) lifted sharply to 4.5% in April, outpacing final product price growth at 1.8%. Pressure on margins is increasing as purchase cost growth is more than 1ppt higher than prices in all industries. In manufacturing and construction margin pressure is more extreme, with purchase cost growth 3.4ppt and 3.8ppt higher than price growth, respectively. Business confidence rose 5pts to -24 index points in April. Business conditions fell 3pts in April and has now fully unwound gains seen over 2025. Conditions are at their second lowest level since 2020, signalling the prospect of slower economic activity in coming quarters. The survey suggests that rising prices and pressure on margins are beginning to affect activity and investment measures, as forward orders, capex, cashflow and employment have all fallen noticeably in recent months and are sitting well below their respective long-run averages. The ease of accessing credit is deteriorating, suggesting some tightening of financial conditions for Australian business. In summary, the April survey highlights the challenges of the energy price shock for business: cost pressures rise while the outlook for demand softens.

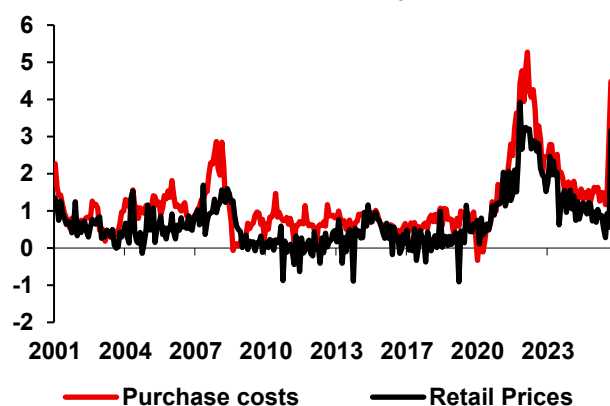
Survey Details

- **Business confidence** rose 5pts to -24 index points driven by partial recoveries in retail, construction and recreation & personal services. In trend terms confidence is strongly negative across all industries and regions, a distinct change from the March survey.
- **Business conditions** fell for the fourth consecutive month, down 3pts to +3 index points and now sits well below its long-run average. The employment indicator fell below its long-run average, falling to 1 index point. Profitability was flat, while trading fell 4pts to 7 index points.
- **By industry**, conditions fell in most industries, although small rises were seen in manufacturing and retail. In trend terms conditions remain positive in all industries except manufacturing and are strongest in finance, property & business services and mining.
- **By State**, conditions rose 12pts in Victoria but fell across all other regions. However, in trend terms Victoria remained the only state with business conditions in negative territory.
- **Capacity utilisation** fell to 82.5% and despite sitting at its lowest level since July 2025 remained well above its long-run average. **Forward orders** fell a further 4pts in April to be down 11pts since February and is well below its long-run average. **Capex** fell 8pts, its largest one month fall in the post-covid period.
- **Purchase cost growth** rose further to 4.5% in quarterly equivalent terms, three times its February level. **Labour cost growth** rose marginally to 1.7%. **Product price growth** rose to 1.8% while retail price growth jumped to 3.2%, a multi-year high.

Table 1: Key Monthly Business Survey Statistics

	Feb-26	Mar-26	Apr-26
Net balance			
Business confidence	-2	-29	-24
Business conditions	6	6	3
Trading	12	11	7
Profitability	4	0	0
Employment	3	6	1
Forward Orders	6	-1	-5
Capex	12	12	4
Stocks	5	7	4
Exports	0	-1	-2
% change at quarterly rate			
Labour costs	1.6	1.5	1.7
Purchase costs	1.5	2.9	4.5
Final products prices	0.7	1.1	1.8
Retail prices	0.9	0.6	3.2
Percent			
Capacity utilisation rate	82.9	83.0	82.5

Chart 1: Price and Cost Growth (Qtrly, SA)



All data seasonally adjusted and subject to revision. Survey conducted from 23 to 30 April, covering around 299 businesses across the non-farm business sector. **Next release date: 9 June 2026.**

Business Conditions and Confidence

Chart 2: Business Conditions, SA (Net Balance)

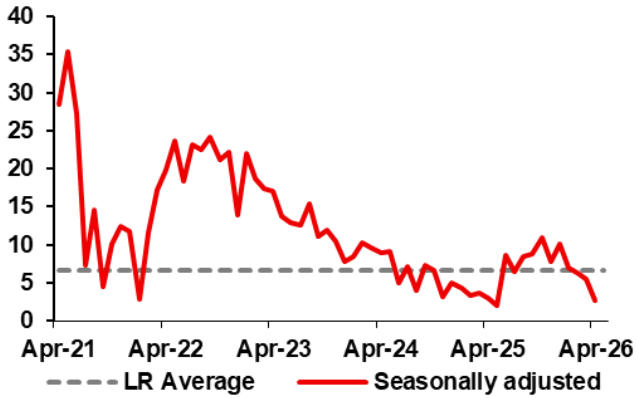


Chart 3: Components of Conditions, SA (Net Balance)

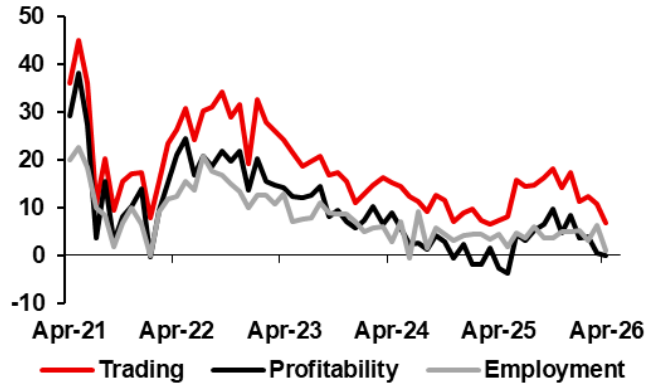


Chart 4: Business Confidence, SA (Net Balance)

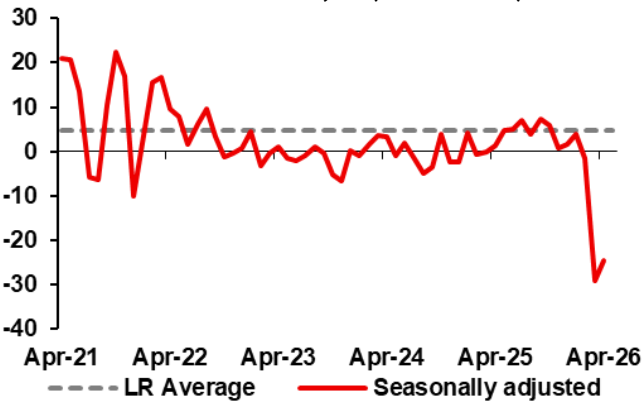


Chart 5: Conditions & Confidence, Trend (Net Balance)

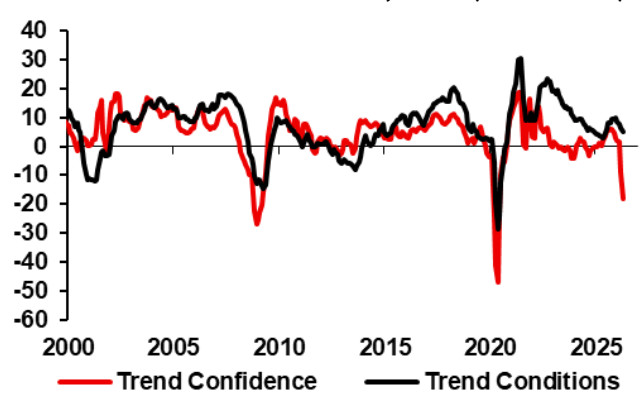


Chart 6: Conditions & Confidence by Industry, Trend (Net Balance)

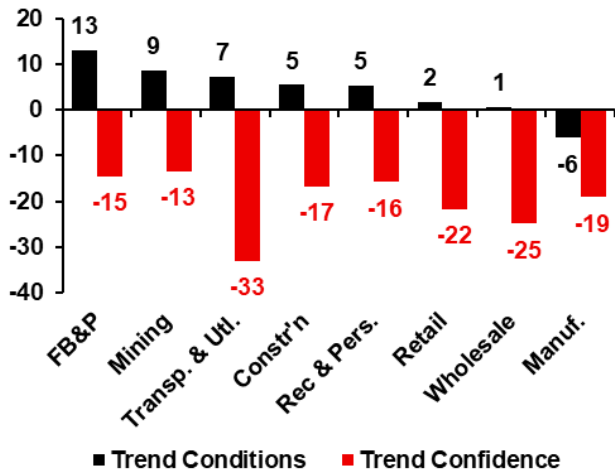
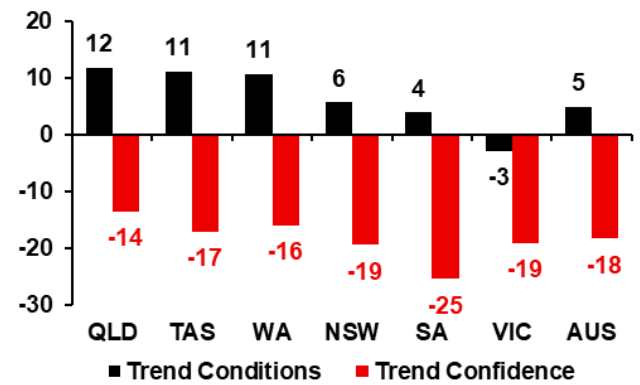


Chart 7: Conditions & Confidence by State, Trend (Net Balance)



Leading Indicators and Other Key Measures

Chart 8: Forward Orders, SA (Net Balance)

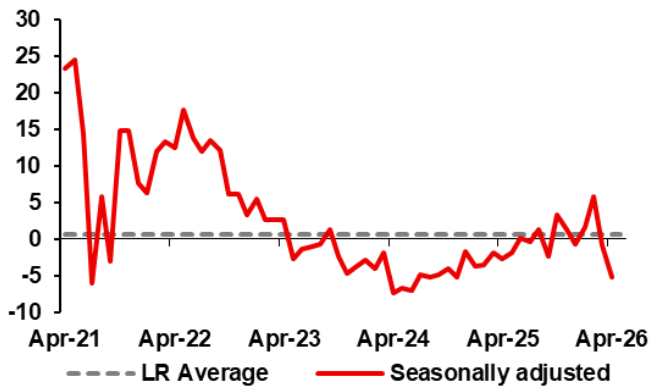


Chart 9: Fwd. Orders by Industry, Trend (Net Balance)

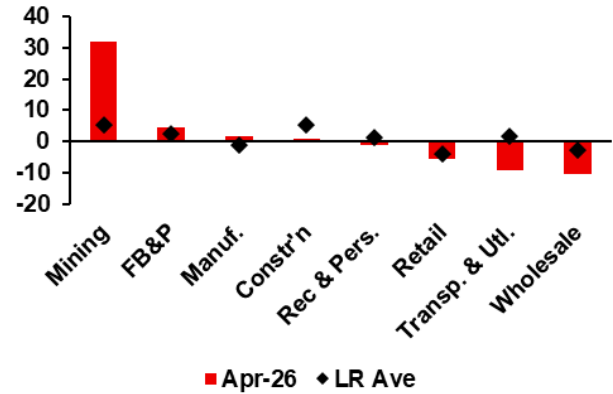


Chart 10: Capacity Utilisation, SA (%)

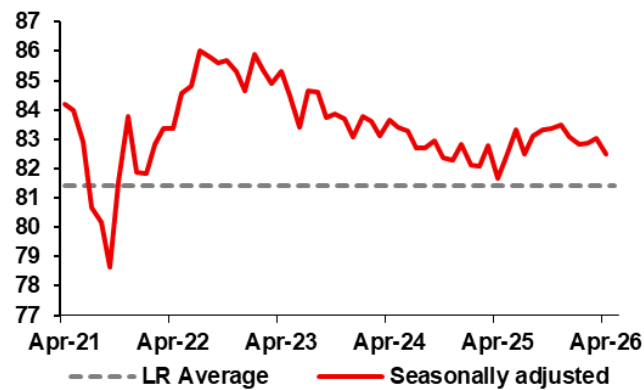


Chart 11: Capacity Util. by Industry, Trend

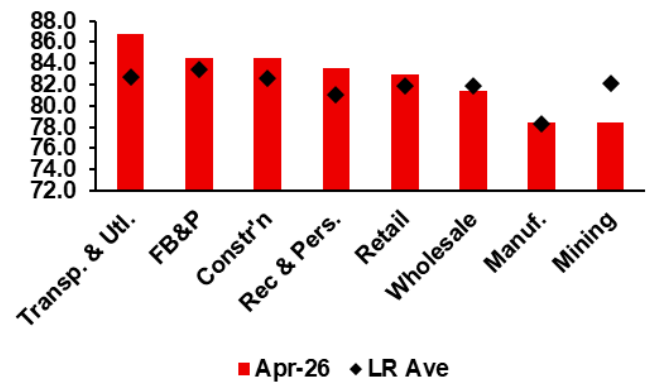


Chart 12: Capital Expenditure, SA (Net Balance)

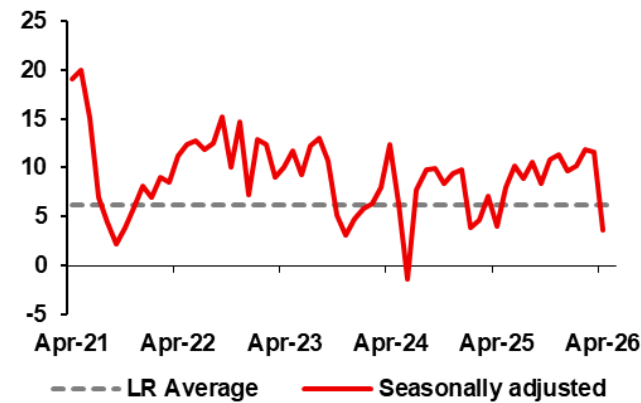


Chart 13: Exports & Stocks, SA (Net Balance)

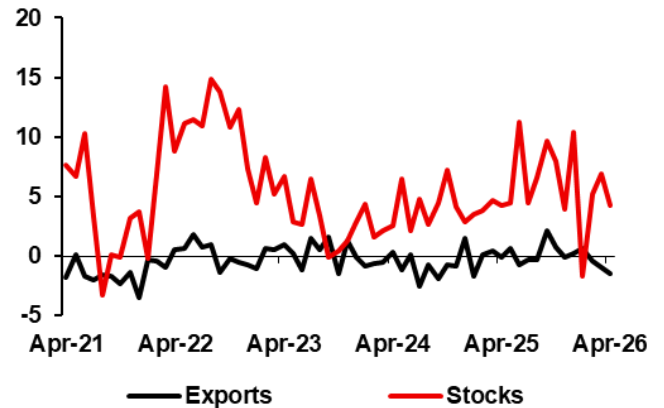


Chart 14: Change in Borrowing Conditions, Trend (% of Firms Requiring Borrowing)

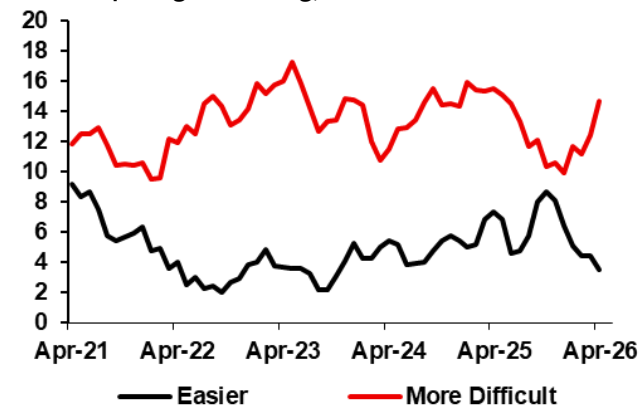
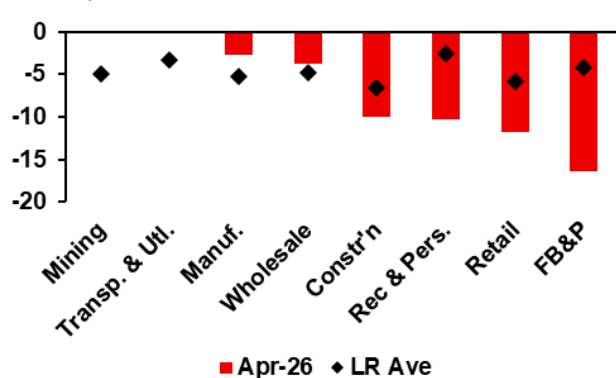


Chart 15: Borrowing Conditions by Industry (Net Balance)



Employment, Wages and Prices

Chart 16: Employment, SA (Net Balance)

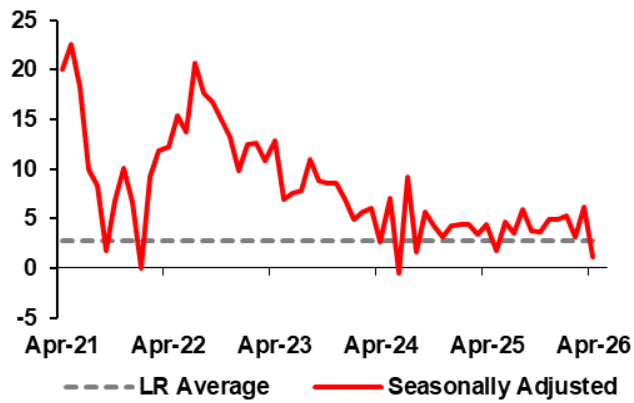


Chart 17: Employment, Selected Industries, Trend

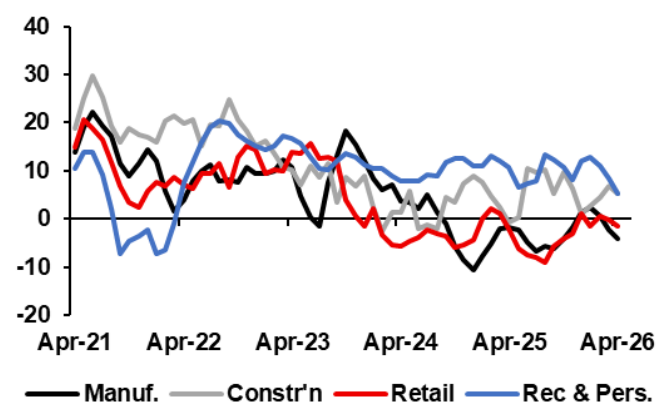


Chart 18: Cost Growth, SA (% Qtly Eq.)

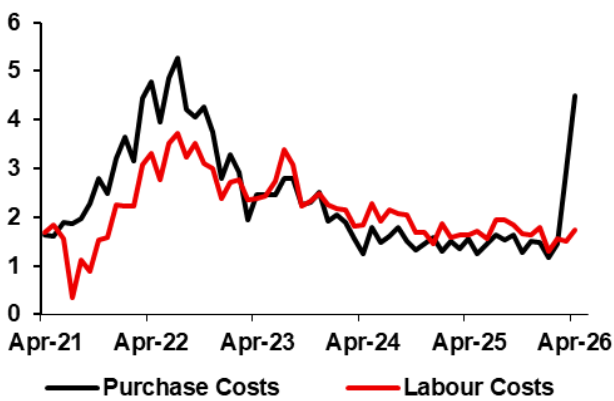


Chart 19: Labour Costs, Selected Industries, Trend (%)

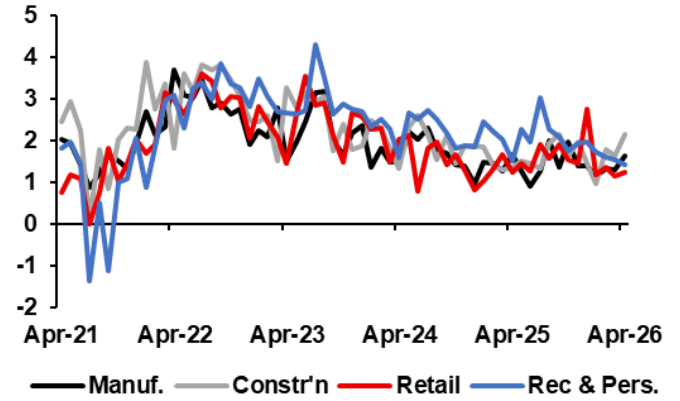


Chart 20: Output Price Growth, SA (% Qtly Eq.)

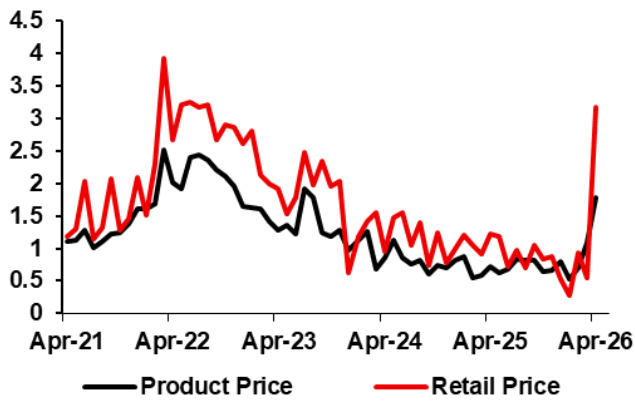
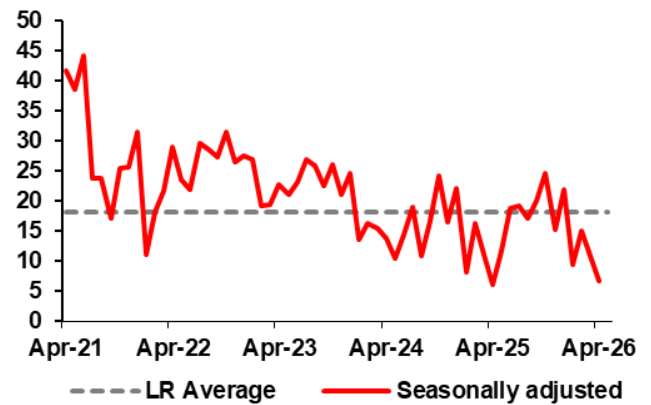


Chart 21: Cash Flow, SA (Net Balance)



Conditions and Confidence by State and Industry

Chart 22: Conditions by State (Net Balance, Trend)

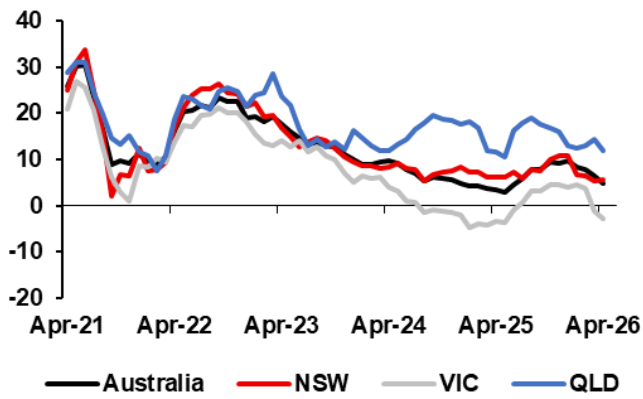


Chart 23: Conditions by State (Net Balance, Trend)

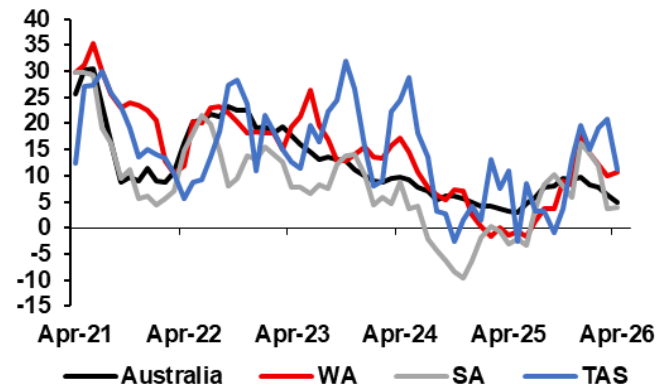


Chart 24: Confidence by State (Net Balance, Trend)

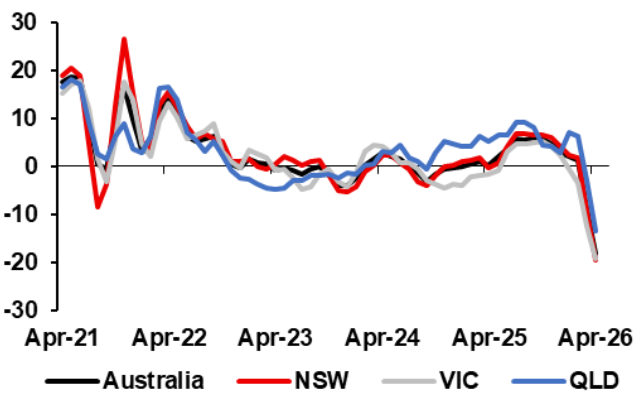


Chart 25: Confidence by State (Net Balance, Trend)

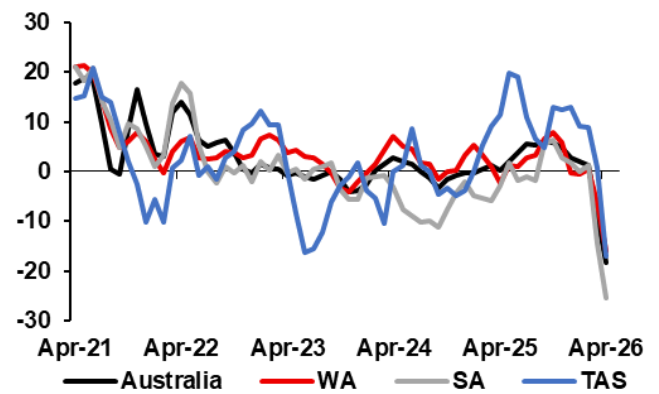


Chart 26: Conditions by Industry (Net Balance, Trend)

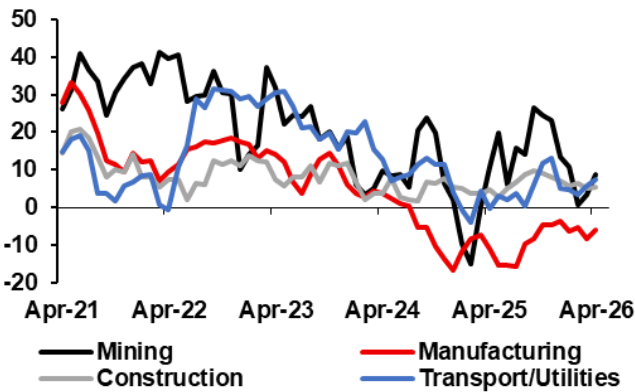


Chart 27: Conditions by Industry (Net Balance, Trend)

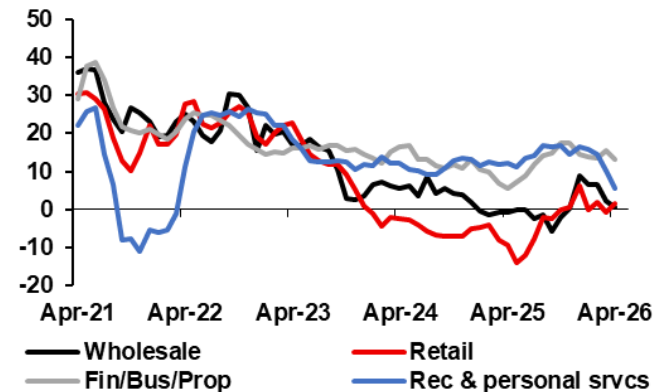


Chart 28: Confidence by Industry (Net Balance, Trend)

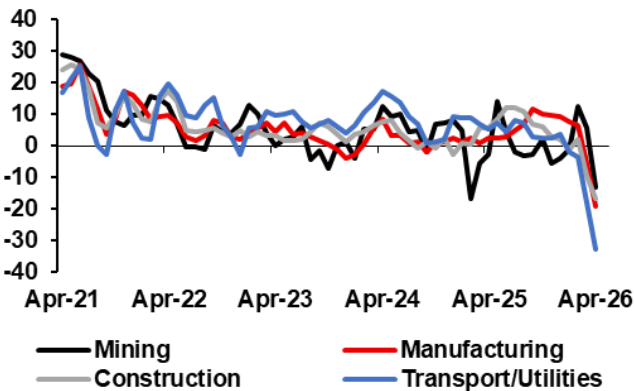
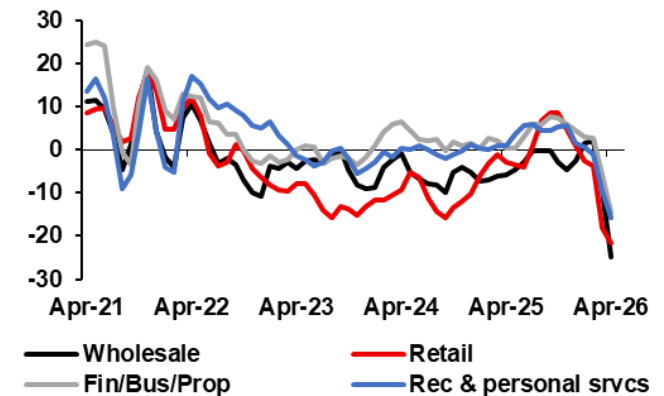


Chart 29: Confidence by Industry (Net Balance, Trend)



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Appendix: list of series available to subscribers[^]

Monthly Business Survey*

Business Confidence	Net balance
Business Conditions	Net balance
Trading Conditions	Net balance
Profitability	Net balance
Employment	Net balance
Forward Orders	Net balance
Stocks	Net balance
Exports	Net balance
Capital Expenditure (Capex)	Net balance
Cash Flow	Net balance
Labour Costs	% change at quarterly rate
Purchase Costs	% change at quarterly rate
Final Prices	% change at quarterly rate
Capacity Utilisation	Per cent
Borrowing Demand & Conditions	%; net balance

All series available on an industry basis for:

Mining
 Manufacturing
 Construction
 Retail trade
 Wholesale trade
 Transport / Utilities
 Finance / Property / Business Services
 Recreation / Personal Services

All available on a state basis for:

New South Wales
 Victoria
 Queensland
 WA
 SA/NT
 Tasmania

*All data available in original, seasonally adjusted and trend terms.

Quarterly Business Survey*

The Quarterly NAB Business Survey provides a more in-depth probe into the conditions facing Australian business than the monthly survey, and also examines additional information about how firms perceive the outlook for their industries.

Business Confidence

Business Conditions (current, next 3 mth, next 12 mth)

Trading conditions (current, next 3 mth, next 12 mth)

Profitability (current, next 3 mth, next 12 mth)

Employment (current, next 3 mth, next 12 mth)

Forward orders (current, next 3 mth)

Stocks (current, next 3 mth)

Export orders (current, next 3 mth)

Capital expenditure (current, next 3 mth, next 12 mth, fiscal year)

Required rate of return on investment

Cash flow

Labour costs (current, next 3 mth)

Purchase costs (current, next 3 mth)

Final prices (current, next 3 mth)

Capacity Utilisation

Borrowing index (current, next 3 mth)

Borrowing demand (current, next 3 mth)

Constraints on output (demand, labour, materials, premises & plant, finance/working capital)

Constraints on profit (capital, demand, high AUD, low AUD, interest rates, labour, tax, wages, energy costs, other)

Constraint on employment (demand, confidence, cashflow, suitable labour, high wages, government policy, labour not at full capacity, other, don't know)

All series available on an industry basis for:

Mining (sub-groups: Mining Extraction, Mining Services)

Manufacturing (sub-groups: food beverage & tobacco, textile clothing footwear & leather, wood & paper product, printing publishing & recorded media, petroleum coal chemical & associated products, non-metallic mineral product, metal product, machinery & equipment, other)

Construction (sub-groups: Residential Building, Non-residential Building, Other Construction, Construction Services)

Retail trade (sub-groups: Food, Personal & Household Goods, Motor Vehicle Retailing & Services, Other Retail)

Wholesale trade

Transport / Utilities

Finance / Property / Business Services (sub-groups: Finance, Insurance, Services to Finance & Insurance, Property Services, Business Services)

Recreation / Personal Services (Sub-groups: Motion picture, Radio & Television Services, Libraries Museums & the Arts), Sports & Recreation, Personal Services, Accommodation Cafes & Restaurants, Health Services, Education, Other Services)

All series available on a state basis for:

New South Wales

Victoria

Queensland,

WA

SA/NT

Tasmania

Margins (current, next 3 mth)

Overheads (current, next 3 mth)

Productivity growth

Number of employees

Hours worked

Gross Sales

Output/sales growth (current fiscal year)

Average earnings (current fiscal year)

Short term interest rate

Exporters hedged FX exposure (%)

Importers hedged FX exposure (%)

Months hedged (exporters)

Months hedged (importers)

Favourable hedge position (% of exporters)

Favourable hedge position (% of importers)

Affected vs not affected by AUD

Response to AUD (downsized, reduced, overheads, hedging, import substitution, focus on domestic market, other, don't know)

Driver of trading conditions (demand, wages/jobs, house prices, rates, exchange rate, tax/govt policy, seasonal, finance/working capital, company specific, other)

What will improve confidence (lower rates, more suitable labour, easier funding, government policy, higher demand, higher AUD, lower AUD, easier compliance, other)

*Data available in original, seasonally adjusted and trend terms.