BWA INSOLVENCY

Quarterly Market Report - Q2 2026

Insolvencies hold steady as pressure shifts between sectors

Insolvency activity held broadly steady through the second quarter of 2026. Total insolvencies reached 760 cases, up marginally from 755 in Q1 and 3% higher than the 738 recorded in the same quarter last year. While the headline number has changed little, the underlying story is one of pressure shifting between industries rather than disappearing altogether.

> ***"News can change an economy overnight, and revert just as quickly. Shortages are undoubtedly impactful, but the real cause of change is the perception of what the future may bring."***
>
> Bryan Williams, BWA Insolvency

Liquidations remain the dominant form of insolvency, rising from 709 to 722 cases over the quarter and up 6.2% year-on-year. Receiverships fell from 35 to 30, and voluntary administrations from 11 to eight. Measured against Q2 2025, receiverships have almost halved, down 44%, while voluntary administrations have doubled from a small base of four.

Two forces are shaping this quarter. The first is perception. If there was ever any doubt that news influences, the current political unrest shows, with unwavering clarity, how attitudes shift when current affairs bring the potential for shortages to the fore. When the powers of the world flex their muscles, the news reports translate into consequences and markets respond as industries are affected.

The speed at which this happens is frightening. News can change an economy overnight when it is perceived that a supply line, fuel being the obvious example, will be strangled by events. Fortunately, things revert just as quickly.

The second force is structural and it is the more consequential of the two. Geopolitical volatility will continue as views of how the world should operate become more pronounced. These events will play on markets and cause turbulence. The bigger shift is the fundamental change taking place across the global economy, and that momentum is unlikely to be slowed by short-term disruption.

NZ Insolvencies **Quarterly Comparison**
Q1 2026 vs Q2 2026

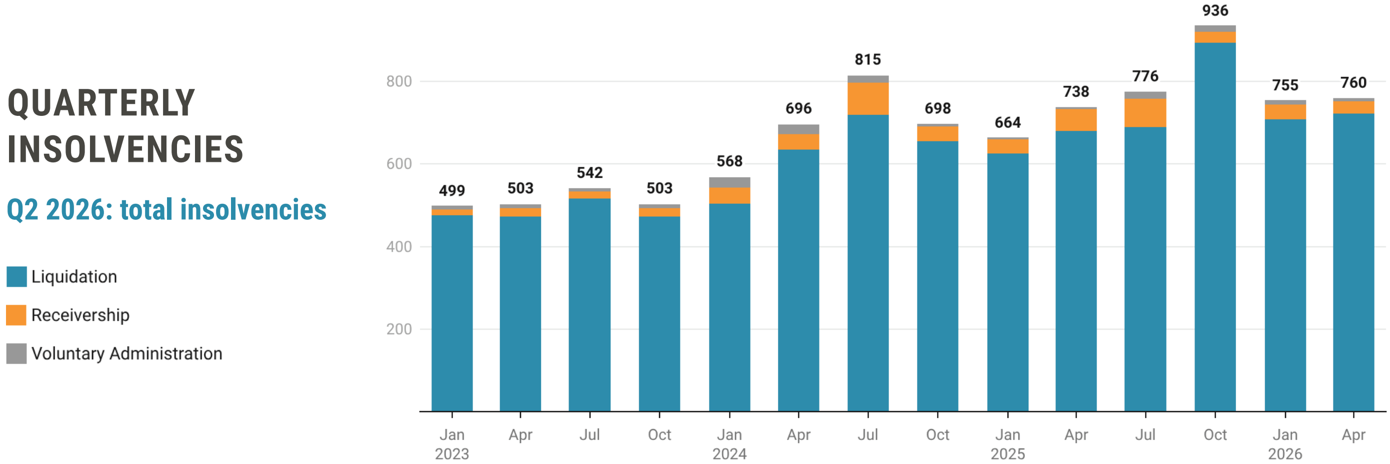
	Jan–Mar 2026	Apr–Jun 2026	+/-
LIQUIDATIONS	709	722	↑ 1.8%
RECEIVERSHIPS	35	30	↓ 14.3%
VOLUNTARY ADMINISTRATIONS	11	8	↓ 27.3%
TOTAL INSOLVENCIES	**755**	**760**	**↑ 0.7%**

NZ Insolvencies **Yearly Comparison**
Q2 2025 vs Q2 2026

	Apr–Jun 2025	Apr–Jun 2026	+/-
LIQUIDATIONS	680	722	↑ 6.2%
RECEIVERSHIPS	54	30	↓ 44.4%
VOLUNTARY ADMINISTRATIONS	4	8	↑ 100%
TOTAL INSOLVENCIES	**738**	**760**	**↑ 3.0%**

QUARTERLY INSOLVENCIES

Q2 2026: total insolvencies



INDUSTRY SPOTLIGHT: **RETAIL TRADE**

While the national total barely moved, activity within individual industries was pronounced. Retail trade recorded the sharpest increase among high-volume sectors, rising from 39 insolvencies in Q1 to 68 in Q2, a rise of almost 75%.

That increase points to sustained pressure on consumer-facing businesses as households remain cautious with discretionary spending. Retailers continue to contend with weaker sales volumes, elevated operating costs and intense competition for a limited pool of consumer dollars. Business Services insolvencies also climbed, from 74 to 87 cases.

Several traditionally high-volume sectors moved the other way. Construction insolvencies fell from 207 to 169, property and real estate from 76 to 62, and transport and delivery from 42 to 30. Despite that reduction, construction remains the largest single contributor to insolvency activity by volume, still working through tight margins, subdued project pipelines and several years of elevated costs and financing constraints.

Consumer demand should lift as spring arrives, assisted by the modest election-year sweeteners that are all but inevitable, and Christmas will change the fortunes of some. Despite notions of a brave new world ahead, the near-term picture for many businesses will remain difficult.

For companies carrying heavy debt, or an outstanding obligation to Inland Revenue, conditions are unlikely to improve. For many, balance sheet gearing is so far out of kilter that conducting business is like trying to front-wheel-drive a penny-farthing up Baldwin Street. Those businesses are far better off seeking help early, while restructuring remains a viable option.

ANNUAL INSOLVENCIES BY INDUSTRY

2020 2021 2022 2023 2024 2025 2026

	2020	2021	2022	2023	2024	2025	2026
Accommodation	11	13	12	17	32	21	10
Agriculture	44	64	46	66	77	80	34
Business services	169	153	175	187	274	283	161
Construction	273	275	384	508	707	780	376
Finance and Insurance	101	59	105	89	123	120	50
Food and Beverage	169	118	141	155	230	359	182
Manufacturing	91	77	100	112	155	196	85
Medical and Care	40	20	24	69	46	44	17
Personal services	15	30	23	50	63	93	42
Property and Real Estate	162	177	166	214	309	306	138
Repair and Maintenance	32	33	28	35	57	87	33
Retail trade	123	99	102	162	166	228	107
Security	8	16	6	14	24	19	18
Sports and Recreation	11	5	20	11	21	16	26
Tourism	34	18	26	21	27	27	8
Transport and Delivery	76	71	57	73	142	179	72
Wholesale trade	85	60	50	78	124	100	61

Economic Outlook

A key driver of the current backdrop is inflation. There is a broad-based sense of recovery running through the economy, and that kind of recovery tends to create inflationary pressure. It is unlikely to become problematic until early next year.

Political aspirants campaign in poetry and govern in prose. With an election in November and a fiscal deficit still to correct, shades of austerity can be expected once the campaigning is done. The counterweight will be the need to ensure the labour market does not worsen. Businesses planning the next twelve months would do well to assume both pressures apply at once: creeping costs and limited appetite to cushion them.

Looking Ahead

Drivers such as artificial intelligence, digital currencies and private investment are reshaping how economies operate and where growth is occurring. These shifts are creating new opportunities, but they are also raising the bar for businesses that want to remain competitive. Those that adapt will be well positioned to grow. Those that don't risk being left behind.

For New Zealand businesses, this is the more important story. The geopolitical uncertainty of recent quarters has certainly created challenges, but it is unlikely to define the future. The bigger issue is the long-term transformation taking place across industries and markets. Businesses that navigate the coming years successfully will be those that treat adaptation as an ongoing part of running a company, not something reserved for times of crisis, and that seek advice early enough for meaningful options to remain available.

Note: Insolvency figures are provisional when first published and are revised as later filings are matched and records verified. Figures in this release supersede those published in earlier reports and are current as at 15th July 2026.

The information in this document is collated from our own internal investigations. This activity builds upon the core statistical information made available by the Registrar of Companies. The objective of this report is to provide colour to past events and to predict a reasoned outlook.