

Spending slows as consumers and merchants faced knocks in September

AUCKLAND, 5 October 2026 – Consumer spending continued to run below year-ago levels in August and September, as consumers coped with rising petrol prices, rising interest rates and bad weather.

Figures released today by Paymark show consumer spending processed through all Core Retail merchants in Paymark's payments network during September 2026 reached \$3.572B, which is down -1.3% on September 2025 following adjustments for merchants coming and going from the network.

This followed a weak month in August, when spending of \$3.700B was down -1.8% on August 2025

Paymark's Chief Sales Officer, Bruce Proffit, says consumers faced at least three tough knocks over September that may have contributed to the slower spending.

"Firstly, petrol prices started rising again in July and jumped sharply in mid-September. Spending through Paymark at fuel outlets was running 35% ahead of year ago levels in the week ending 30 September, largely due to higher prices but also due to more transactions," says Proffit.

"Secondly, interest rates have also risen over the last three months, due both to tighter New Zealand monetary policy and to higher international long-term interest rates.

"And thirdly, in the last weekend of the month, the weather turned cold, wet and windy across much of the country, which tends to keep shoppers at home."

Proffit says the net effect on consumers can be clearly seen by comparing the year-on-year spending at non-food retailers in the first week of July with how spending was tracking year-on-year in the last week of September.

"In the first seven days of July 2026, non-food spending went from being +0.9% above year ago levels to being -7.1% below year ago levels in the final seven days of September," says Proffit.

(In Paymark's figures, non-food spending is measured by taking overall Core Retail spending and subtracting spending at Grocery and Liquor stores, hotels, bars, cafés and restaurants.)

"This shows New Zealand in 2026 is off to a slower start to the usual end-of-year surge as we approach the pre-Christmas shopping season."

Regionally, the annual growth rates for Core Retail spending through Paymark's payments network in September 2026 were highest in Gisborne (+3.1%) and Hawke's Bay (+2.8%).

The largest spending declines – in percentage terms – were seen in Marlborough (-9.7%), West Coast (-3.3%) and Bay of Plenty (-2.2%).

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PAYMARK All Cards underlying* spending for CORE RETAIL merchants for September 2026		
Region	Value transactions \$millions	Underlying value* Annual % change on 2025
Auckland/Northland	1,326	-1.7%
Waikato	298	-1.2%
BOP	242	-2.2%
Gisborne	33	3.1%
Taranaki	82	-1.6%
Hawke's Bay	130	2.8%
Whanganui	52	1.1%
Palmerston North	113	1.1%
Wairarapa	40	-1.1%
Wellington	305	-2.4%
Nelson	72	-0.6%
Marlborough	42	-9.7%
West Coast	25	-3.3%
Canterbury	439	-1.0%
South Canterbury	59	0.3%
Otago	225	-1.6%
Southland	85	0.2%
New Zealand	3,572	-1.3%

Figure 1: All Cards NZ underlying* spending through Paymark in September 2026 for core retail merchants (* Underlying excludes large clients moving to or from Paymark)

PAYMARK All Cards underlying* spending for CORE RETAIL merchants for August 2026		
Region	Value transactions \$millions	Underlying value* Annual % change on 2025
Auckland/Northland	1,380	-2.2%
Waikato	309	-0.7%
BOP	244	-3.7%
Gisborne	33	0.7%
Taranaki	85	-4.3%
Hawke's Bay	131	0.1%
Whanganui	53	0.1%
Palmerston North	117	-0.9%
Wairarapa	41	-3.4%
Wellington	318	-1.9%
Nelson	73	-2.3%
Marlborough	43	-7.3%
West Coast	25	-2.8%

Canterbury	454	-0.1%
South Canterbury	61	-0.2%
Otago	242	-1.9%
Southland	88	-1.4%
New Zealand	3,700	-1.8%

Figure 2: All Cards NZ underlying* spending through Paymark in August 2026 for core retail merchants (* Underlying excludes large clients moving to or from Paymark)

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ABOUT CUSCAL PAYMARK

Cuscal Paymark has long been a leader in local payments, since we launched EFTPOS in 1989. We've been an important part of New Zealand's growth as an economy, providing a trusted service for almost every Kiwi consumer. Today we sit at the heart of Aotearoa's payments infrastructure with products being built using open banking technology and providing retailers with easy access to data about their own customers' habits. Our platform lets tech start-ups and banking giants come together to provide better service to businesses and consumers. As New Zealand's leading payments innovator, we specialise in payment solutions, that help businesses grow – in-store, online and via mobile. We provide digital payments solutions for New Zealand businesses who need safe and secure payments, in turn giving Kiwi shoppers seamless payment options.

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