

Monday, 4 May 2026

Roy Morgan Business Confidence plummeted 14.2pts to a new record low of only 76.5 in April as the conflict in the Middle East continued without resolution

In April 2026 Roy Morgan Business Confidence plummeted 14.2pts to a new record low of 76.5 and has now fallen by 28.5pts so far during 2026.

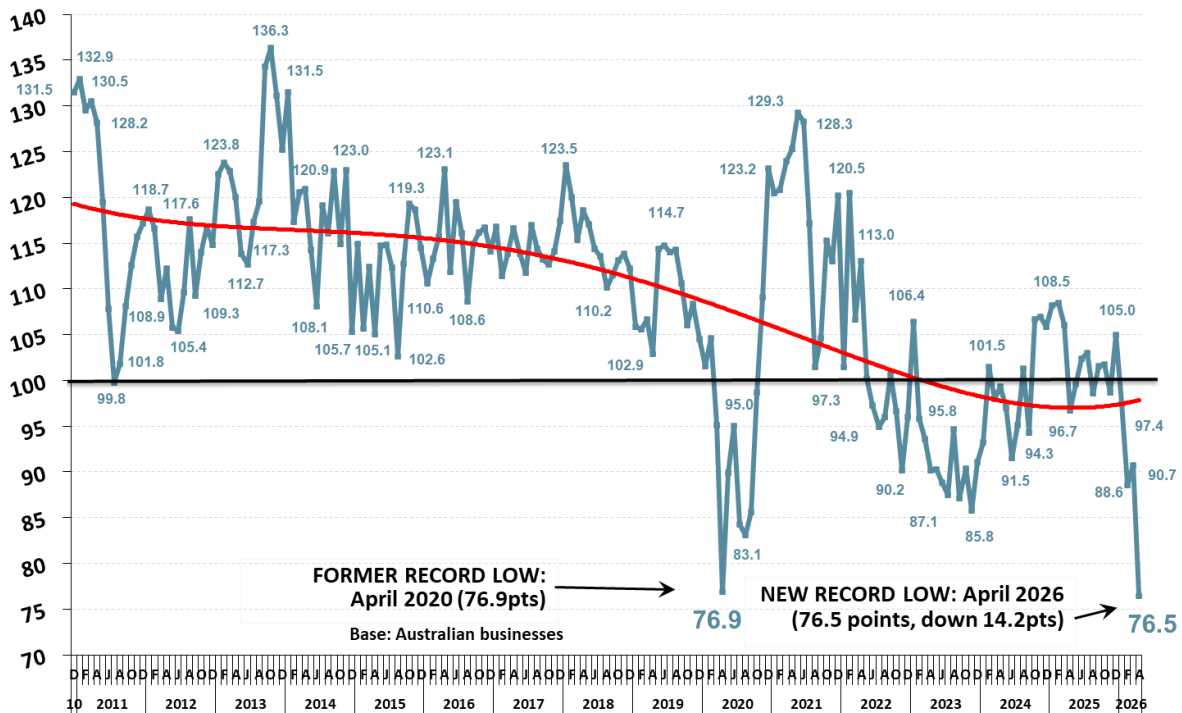
This result is 0.4pts below the previous record low reached during the first full month of pandemic lockdowns six years ago in April 2020 (76.9). Driving the fall in Roy Morgan Business Confidence in April were big falls in sentiment regarding the next 12 months and next five years.

The net proportion of businesses expecting 'good times' for the economy over the next year plunged a large 26.7% points with a majority of 61.3% (up 13.5% points) now expecting 'bad times' and only 37.2% (down 13.2% points) expecting 'good times'.

The net proportion of businesses expecting 'good times' for the economy over the next five years plunged 15.5% points with a large majority of 73.4% (up 7% points) of businesses expecting 'bad times' for the economy over the next five years and only 18.7% (down 8.5% points) expecting 'good times'.

In addition, the net proportion of businesses expecting to be 'better off financially' this time next year dropped by 11.4% points – but is the only index still in positive territory. Now 32.6% (down 3% points) of businesses expect to be 'better off financially' this time next year and 29.6% (up 8.4% points) expect to be 'worse off'.

Roy Morgan Monthly Business Confidence -- Australia



Source: Roy Morgan Business Single Source, Dec 2010-Apr 2026. Average monthly sample over the last 12 months = 1,192.

Business Confidence drops below the neutral level of 100 in all six States for the first time since November 2023 in April 2026

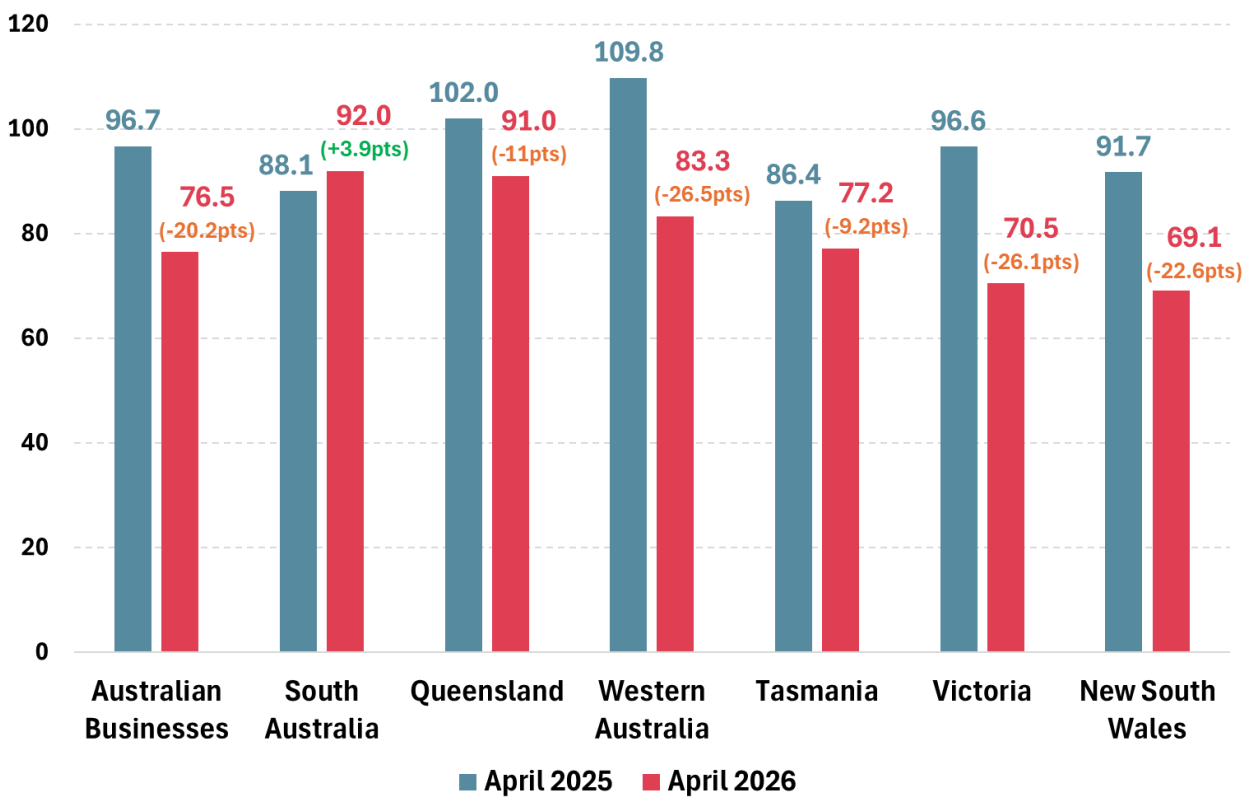
Year-on-year Business Confidence was down significantly (down 20.2 points from a year ago to 76.5).

All six States now have Business Confidence below the neutral level of 100, and in only one State - South Australia – has Business Confidence increased from a year ago, up 3.9pts to 92.0. South Australia now has the highest Business Confidence of any State – although still in negative territory. This result is not surprising given the landslide re-election victory for popular Labor Premier Peter Malinauskas and the ALP Government winning 34/47 seats (72.3%) at the election in late March.

Business Confidence in all other States was down on a year ago. Queensland dropped 11pts from a year ago to 91.0, and down by 26.5pts to 83.3 in Western Australia – the largest decline of any State.

In Tasmania, Business Confidence fell 9.2pts from a year ago to 77.2, in Victoria was down by 26.1pts to just 70.5, and in New South Wales was down by 22.6pts to only 69.1 – the lowest of any State.

Business Confidence by State in April 2025 vs April 2026



Source: Roy Morgan Business Single Source, April 2025, n=1,549, April 2026, n=1,368. **Base:** Australian businesses. *Tasmanian Business Confidence is measured over two months: March & April 2025 cf. March & April 2026.

Mining, Electricity, Gas, Water & Waste Services, Rental, Hiring & Real Estate Services, Education & Training and Accommodation & Food Services are the most confident industries during the three months to April 2026

Over the last three months there were only two industries with Business Confidence in positive territory above 100 – Mining, which increased 24.3pts to 132.1 is by far the most confident industry and the only industry to have higher Business Confidence than a year ago.

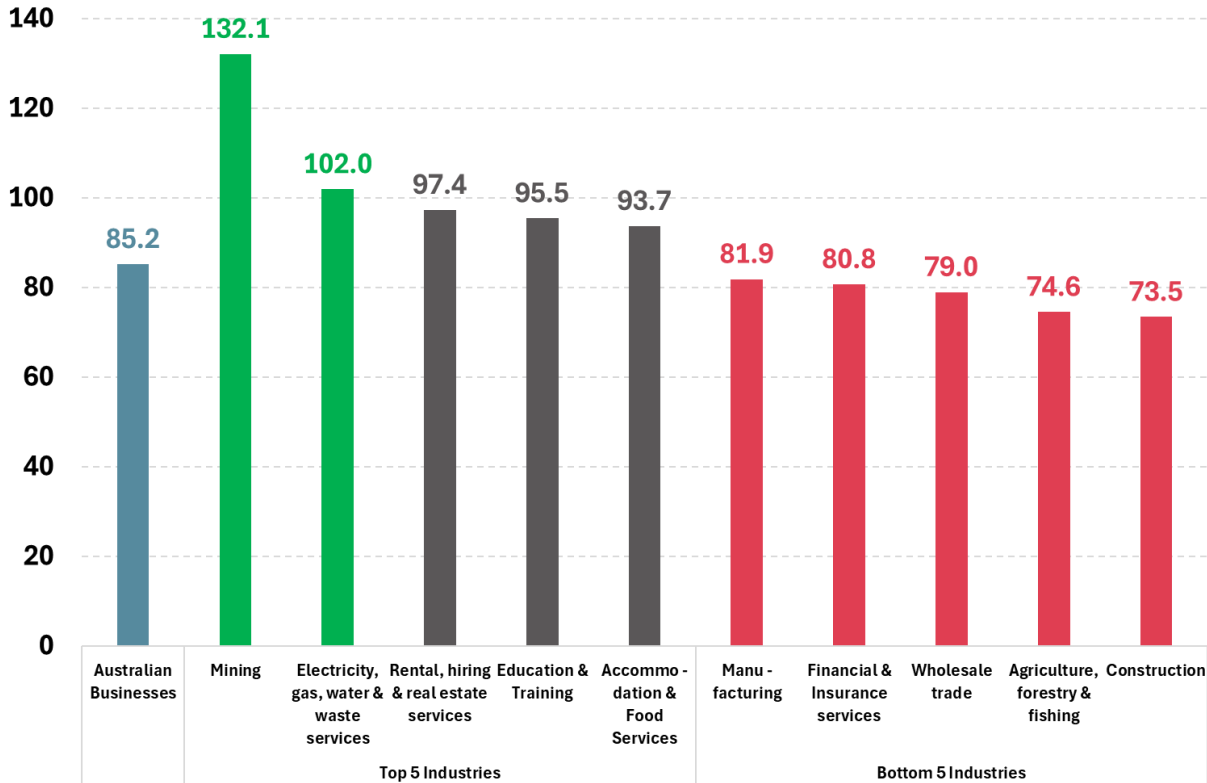
The other industry in positive territory with Business Confidence above the neutral level of 100 is Electricity, Gas, Water & Waste Services on 102.0, but down 31.5pts from a year ago.

Other industries with Business Confidence just below the neutral level of 100 include Rental, Hiring & Real Estate Services on 97.4, down 12.8pts on a year ago, Education & Training on 95.5, down 26.2pts on a year ago, and Accommodation & Food Services on 93.7, down 24.6pts on a year ago.

There were only three industries with Business Confidence below 80 during the last three months including Wholesale Trade on 79.0, down 11.9pts, Agriculture, Forestry & Fishing on 74.6, down 6pts on a year ago, and Construction on only 73.5, down 25.7pts on a year ago.

Agriculture, Forestry & Fishing has had low Business Confidence for an extended period now with an average of only 80.1 over the last three years – clearly the lowest of any industry.

Business Confidence for Top 5 and Bottom 5 Industries in February – April 2026



Source: Roy Morgan Business Single Source, February – April 2026, n=3,475. **Base:** Australian businesses.

Note: In the chart above, green bars represent Business Confidence in positive territory above the national average, red bars represent Business Confidence well below the national average and below the neutral level of 100 while the dark grey bar represents Business Confidence below the neutral level of 100 but still above the national average.

Business Confidence plunged 14.2 points to a record low of 76.5 in April as businesses lost confidence about the performance of the Australian economy going forward:

- In April, under a quarter of businesses, 24% (down 1.3ppts), said their **business is 'better off financially than a year ago**, while 44% (up 5.9ppts), said the business is 'worse off';
- Businesses' net views on their prospects for the next year deteriorated in April with under a third, 32.6% (down 3ppts) expecting the **business will be 'better off financially this time next year**, while over a quarter, 29.6% (up 8.4ppts), expect the business will be 'worse off' (**the highest figure for this indicator since September 2023**);
- Confidence regarding the performance of the **Australian economy over the next year** dropped significantly with only 37.2% (down 13.2ppts) expecting 'good times', while a clear majority of 61.3% (up 13.5ppts) expect 'bad times' – **a net negative movement of a massive 26.7ppts**;
- Businesses' views on the long-term future of the **Australian economy over the next five years** plunged in April with just 18.7% (down 8.5ppts) expecting 'good times' over the next five years (**a record low figure for this indicator**) compared to a majority of 73.4% (up 7ppts) expecting 'bad times' (**a record high figure for this indicator**);
- Net sentiment on whether now is a **'good or bad time to invest in growing the business'** dropped for a sixth straight month in April with just 28.3% (down 3.3ppts) saying the next 12 months will be a **'good time to invest'** in growing the business (**a record low figure for this indicator**) while 50% (up 6.9ppts) say the next 12 months will be a **'bad time to invest'**.



Michele Levine, CEO of Roy Morgan, says Business Confidence plummeted to a record low in April, down 14.2pts to 76.5, and is now down a massive 28.5pts so far this year:

“Roy Morgan Business Confidence plunged 14.2pts to a record low of only 76.5 in April, just below the previous record low of 76.9 reached in April 2020 at the start of the COVID-19 pandemic.

“The sharp decline in Business Confidence so far this year has seen the index fall by 28.5pts since December 2025 with all five underlying sub-indices plunging over the last few months.

“The primary driver of the plunge in confidence has been businesses’ views on the performance of the Australian economy over the next five years – down by a net 26.7ppts in April alone, and down by a net 40.3ppts since December.

“Now just 37.2% of businesses expect ‘good times’ for the Australian economy over the next year – down 13.2ppts from a month ago, and down 19.8ppts from December 2025, and a rising majority of 61.3% expect ‘bad times’, up 13.5ppts from a month ago, and up 20.5ppts from December.

“The plunge in confidence began before the US and Israel attacked Iran at the end of February, but the falls have intensified since then as worries about energy prices and inflation have increased, and the Reserve Bank has already raised interest rates twice this year so far.

“Since the conflict in the Middle East began, [ANZ-Roy Morgan Consumer Confidence has hit an all-time record low of only 58.8 in late March](#), and the same week, ANZ-Roy Morgan Inflation Expectations hit a record high of 7.3%.

“On a State-by-State basis Business Confidence was below the neutral level of 100 in all six States, but is now highest in South Australia at 92.0 – and the only State to have higher Business Confidence than a year ago following the re-election of popular South Australian Premier Peter Malinauskas and the ALP Government in late March winning 34/47 seats – over 70% of all seats.

“Business Confidence even lower in all other States including Queensland (91.0), Western Australia (83.3), Tasmania (77.2), Victoria (70.5), and lowest of all in New South Wales (69.1).

“At an industry level, there are now only two industries (out of 18) with Business Confidence in positive territory above the neutral level of 100. By far the most confident industry over the last three months is the Mining industry on 132.1 – over 35 points above the national average. Also confident is the Electricity, Gas, Water & Waste Services industry on 102.0.

“At the other end of the scale are several industries with low Business Confidence below 80 including Wholesale Trade (79.0), Agriculture, Forestry & Fishing (74.6), and Construction (73.5).

“Confidence in the Agriculture, Forestry & Fishing industry has been at a sustained low level for the last three years and averaged only 80.1 – clearly the lowest average of any industry over this extended period.”

The latest Roy Morgan Business Confidence results for April are based on 1,368 detailed interviews with a cross-section of Australian businesses from each State and Territory. Detailed findings are available to purchase on a monthly or annual subscription as part of the [Roy Morgan Business Confidence Report](#).

For comments or more information please contact:

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To learn more about Roy Morgan’s [Business Confidence](#), [Consumer Confidence](#) and [Inflation Expectations](#) data call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com.

About Roy Morgan

Roy Morgan is Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 80 years' experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
1,000	±3.0	±2.7	±1.9	±1.3
5,000	±1.4	±1.2	±0.8	±0.6
50,000	±0.4	±0.4	±0.3	±0.2