



BUSINESS TENDENCY STATISTICS, FIRST QUARTER 2025



FORECAST OF BUSINESS PERFORMANCE FOR THE FIRST QUARTER 2025

Businesses are expecting a favourable business environment in the first quarter of 2025, underpinned by a positive confidence indicator of +3.2 per cent, as opposed to +4.8 per cent in the previous quarter (Exhibit I).



Services, Construction and Industry are the three sectors that anticipate better business conditions in the first quarter of 2025. The business confidence for Services sector remains on a positive region, with the confidence indicator increasing to +13.5 per cent as against +13.1 per cent in the last quarter. Simultaneously, sentiments within Construction sector upturn to a positive trajectory by posting +12.5 per cent as against +10.0 per cent in the fourth quarter of 2024. Meanwhile, Industry sector continues to be optimistic about the business performance, with a confidence indicator of +0.2 per cent for the corresponding quarter as compared to +1.2 per cent in the fourth quarter of 2024. However, businesses within the Wholesale and Retail Trade sector expect pessimistic business outlook, with a confidence indicator of +8.1 per cent in the first quarter of 2025 as opposed to +5.5 per cent in the last quarter. Nonetheless, Retail Trade sub-sector maintains a positive course by recording +4.1 per cent as compared to +11.9 per cent recorded previously (Exhibit II).



Expectations of Gross Revenue and Number of Employees

A total of 30.1 per cent of respondents expect their gross revenue to rise in the first quarter of 2025, while 27.6 per cent expect it to drop, resulting in a net balance of +2.5 per cent. Also, 42.4 per cent of respondents predict a standstill in their gross revenue.

In terms of employment, 69.2 per cent of businesses are expecting to retain their staff throughout the first quarter of 2025. Approximately 21.1 per cent of respondents anticipate to hire more, while 9.7 per cent expect to reduce their personnel, resulting in a net balance of +11.4 per cent for the reference quarter (Exhibit III).



EXPECTATIONS OF BUSINESS PERFORMANCE IN JANUARY TO JUNE 2025

Looking ahead, the business outlook for the first half of 2025 remains upbeat despite moderating, with a net balance of +11.9 per cent as against +13.8 per cent recorded previously, with all sectors registering positively except the Wholesale and Retail Trade showing neutral opinion. Sentiments among the Services sector for the period of January until June 2025 remain positive with a net balance of +27.5 per cent, the same as the previous quarter. Construction sector also foresees an optimistic business outlook with a net balance of +12.5 per cent from +16.0 per cent for the same period. Concurrently, the Industry sector anticipates a favourable business condition with a net balance of +6.8 per cent as against +4.3 per cent

previously. Meanwhile, Wholesale and Retail Trade sector shows a neutral confidence regarding the business expectation for the next six months, influenced by the mixed perceptions within the Wholesale and Retail Trade sub-sectors (Exhibit IV).



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