

Business Confidence Survey-January 2025

(This survey was conducted from January 1 to 14, 2025, with a total of 526 respondents. The numbers presented are diffusion Indices (DI*) except for Figure 5, where average capacity utilization is reported)

Though staying in the positive zone, business confidence slightly moderated in the current wave on account of services sector.

Figure 1: Business Confidence

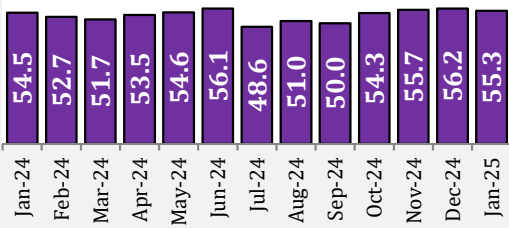


Figure 2: Views on Current and Expected

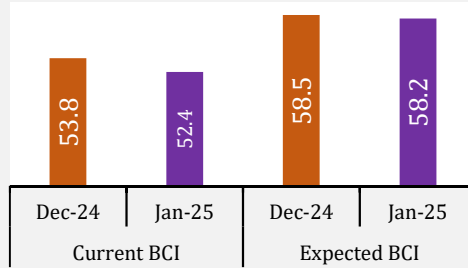


Figure 3: Sector Wise Business Confidence



Purchasing managers report an improvement in economic activity, however, capacity utilization levels witnessed slight dip in the current wave.

Figure 4: Purchasing Managers Views

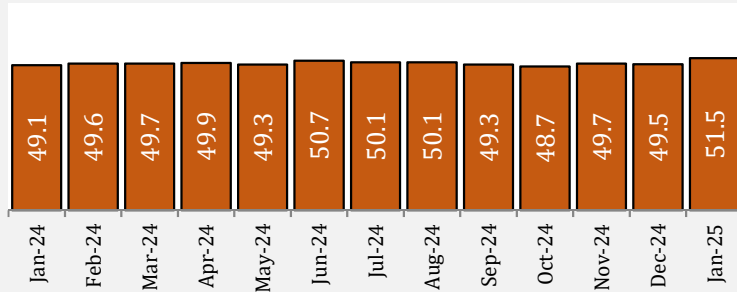
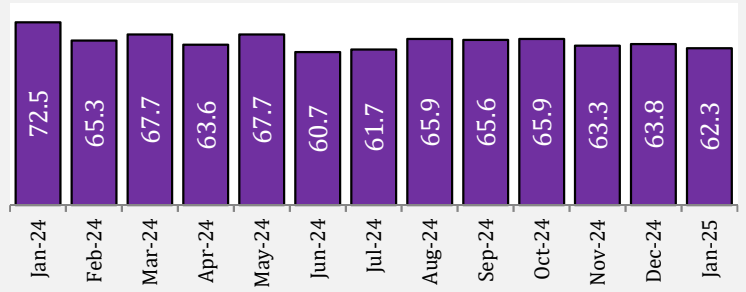


Figure 5: Average Current Capacity Utilization of Manufacturing (%)



Inflation expectations indicate a moderate uptick, with both services and industries anticipating higher input and selling prices over the next six months.

Figure 6: Views on Inflation Expectation

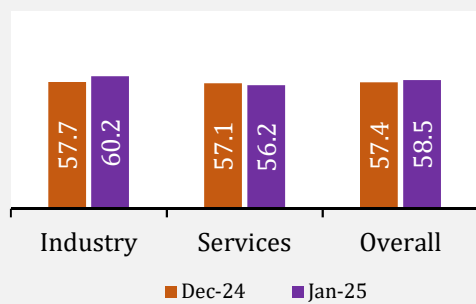


Figure 7: Expectation of Input Prices

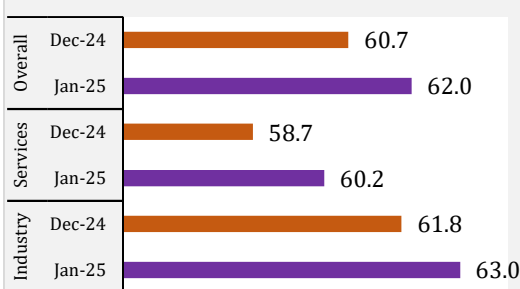
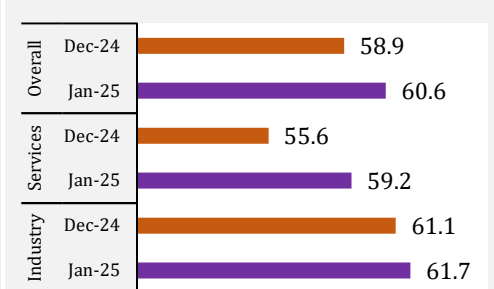


Figure 8: Expectation of Selling Prices



Industry reports a significant rise in current employment, with a stable outlook for the next six months. In contrast, the services sector shows slightly subdued current and expected employment outlook.

Figure 9: Current Employment

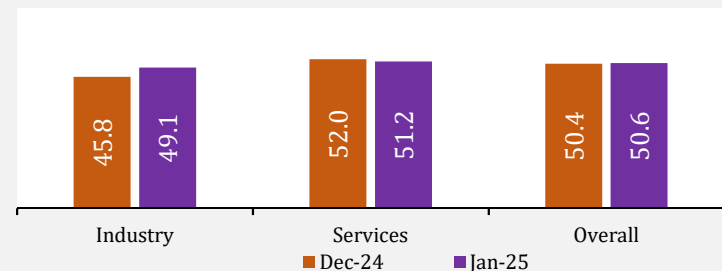
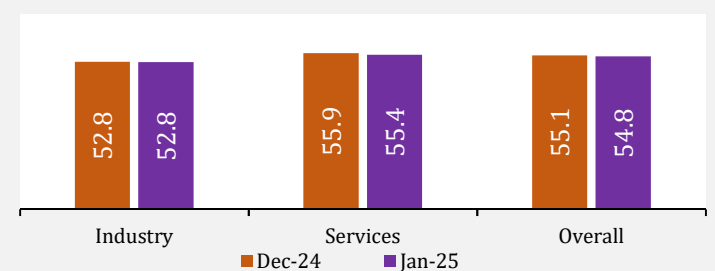


Figure 10: Expected Employment



*DI 50 indicates that positive/ increasing views are more than negative/ declining views. DI = 50 indicates that positive/ increasing views and negative/ declining views are equal. DI < 50 indicates that positive/ increasing views are less than negative/ declining views. Both current and expected variables are assessed over the past or next six months.

Note: For more details of the survey, visit SBP website <https://www.sbp.org.pk/research/BCS.asp>