

Business Confidence Survey - January 2026

(This survey was conducted during January 1-16, 2026, with a total of 464 respondents. The number presented are diffusion Indices (DI*) except for Figures 1 & 8)

Businesses' inflation expectations have softened overtime - currently at their lowest level

Fig 1: Inflation Expectations
(percent, 5% trimmed mean)

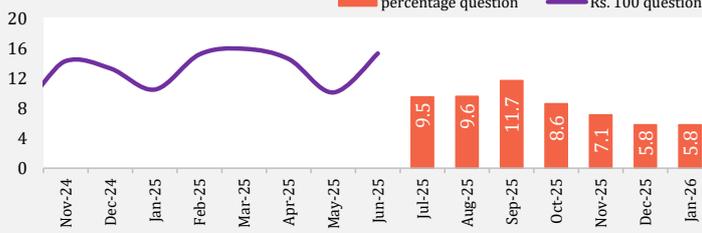
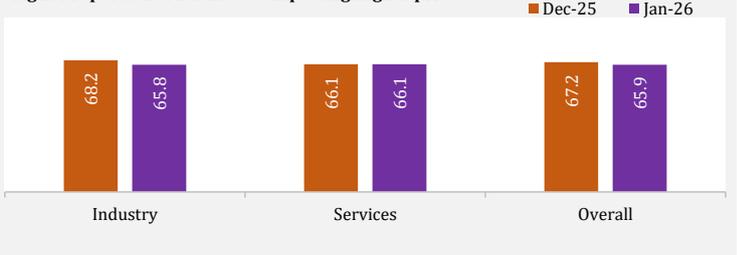


Fig 2: Proportion of Businesses Expecting Higher prices



Current and expected business confidence depicted an increase in current wave

Fig 3: Business Confidence Index (BCI)

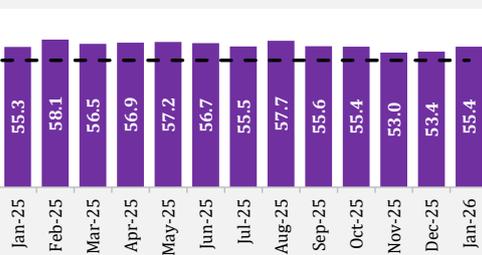


Fig 4: Current and Expected BCI



Fig 5: Sector-wise BCI



PMI recorded a broad-based increase in January 2026

Fig 6: Purchasing Managers Index (PMI)

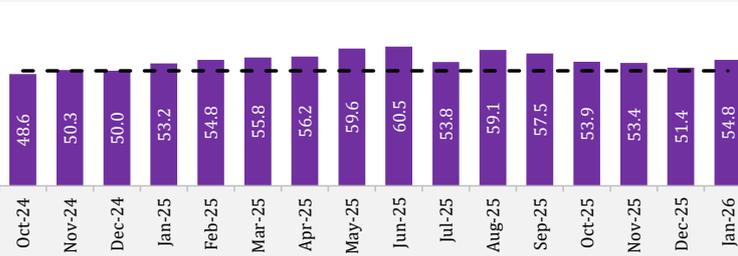


Fig 7: Components of PMI



Capacity Utilization is hovering around long-term average while Employment perspective remained above 50 threshold

Fig 8: Average Capacity Utilization (Manufacturing, %)

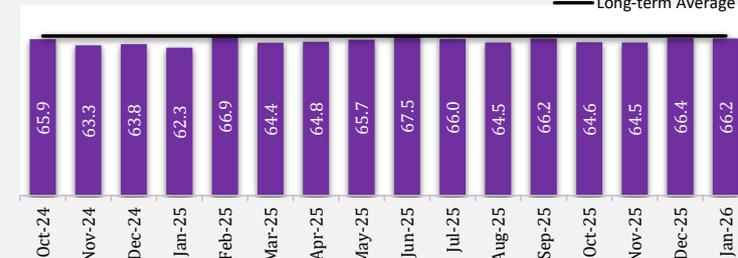
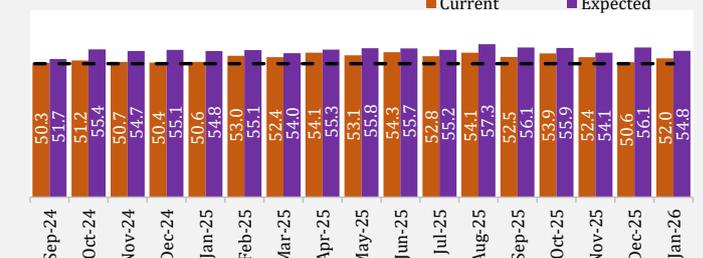


Fig 9: Employment Perspective



**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 (shown by dash line). 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 except Figures 1, 2 which are based on 12- month period.

Note: For more details of the survey, visit SBP website