

Business Expectations Survey ¹

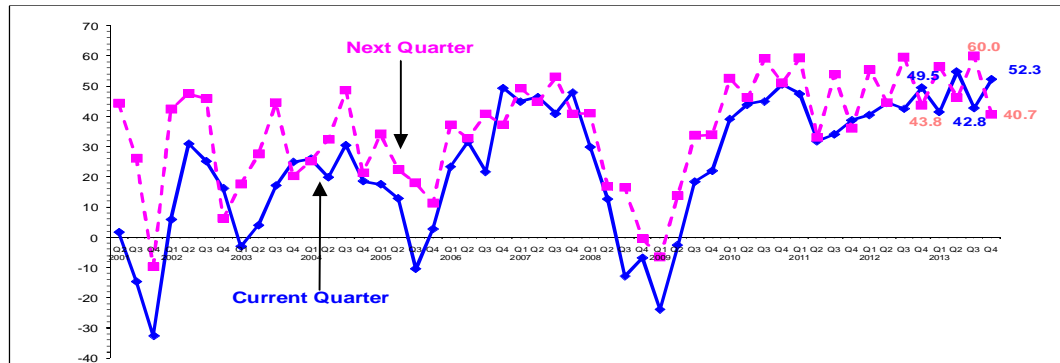
Fourth Quarter 2013

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Business Confidence Continues to Rise in Q4 2013 On Stronger Domestic Demand

Overall Business Outlook on the Macroeconomy

Overall Business Confidence Index
Q2 2001 – Q4 2013



Business confidence continues to be bullish in Q4 2013.

Businesses' outlook on the economy was buoyant in Q4 2013, with the overall confidence index (CI)² rising to 52.3 percent from 42.8 percent in Q3 2013. This quarter-on-quarter uptick in the CI in Q4 2013 indicates that more businesses are optimistic about the country's economic prospects compared to that of the previous quarter. Respondents cited the following factors for their more optimistic outlook: (a) expected increase in consumer demand during the Christmas and main palay harvest seasons; (b) sustained increase in orders and projects leading to higher volume of production; (c) expansion of businesses and new product lines; and (d) continued demand for construction projects (public and private), augmented by rehabilitation efforts from the recent earthquake in Bohol. The favorable macroeconomic conditions in the country, particularly low inflation and interest rates, a strong peso, higher foreign investment inflows and the steady stream of overseas Filipinos' (OFs) remittances also boosted business confidence in the current quarter. This is despite looming concerns over the pork barrel issue, US government shutdown last October and the impact of natural calamities.³

The sentiment of businesses in the Philippines mirrored the more favorable sentiment in Hong Kong SAR, India, Singapore, New Zealand and the United Kingdom but was in contrast to the weaker outlook of businesses in the US and Germany.

¹ The Business Expectations Survey (BES) is a quarterly survey of firms drawn at random from the Securities and Exchange Commission's Top 7,000 Corporations in 2010. Results of the BES provide advance indication of the direction of the change in the overall business activity in the economy and in the various measures of companies' operations as well as in selected economic indicators.

² The CI is computed as the percentage of firms that answered in the affirmative less the percentage of firms that answered in the negative with respect to their views on a given indicator. A positive CI indicates a favorable view, except for the inflation rate and the peso-borrowing rate, where a positive CI indicates the opposite.

³ The BES Q4 2013 was conducted from 1 October to 11 November 2013. However, the effects of Typhoon Yolanda, which happened last 8 November 2013 and affected Regions IV to X and CARAGA, were not reflected in the BES Q4 2013 results since survey responses received from 8 to 11 November came from NCR and Region IV only. In their responses, however, respondents mentioned the Bohol earthquake, which occurred last 15 October 2013 and affected the Central Visayas.



For the next quarter (Q1 2014), business outlook turned less optimistic, with the next quarter CI declining to 40.7 percent from an all-time high of 60 percent registered in the last survey. The lower CI suggests that the optimists continued to outnumber the pessimists for the next quarter but the number of respondents with favorable views declined relative to those who said otherwise. Respondents attributed their less sanguine outlook to the seasonal slack in demand after the holiday season and the political noise brought about by the pork barrel issue. Uncertainties in the global economy, particularly emanating from the US (i.e., impact of anticipated exit from quantitative easing by the US Federal Reserve (US Fed), risk of a possible government shutdown in February 2014, and sluggish market recovery) as well as Euro markets contributed to respondents' lower optimism.

Business sentiments in the NCR and AONCR improve in Q4 2013. Tracking the national trend, the sentiment of businesses in both the National Capital Region (NCR) and Areas Outside the NCR (AONCR) was more upbeat in Q4 2013 but lower for Q1 2014.

Sifting further the responses of firms in AONCR⁴ showed a mixed yet broadly positive outlook across regions in the current and next quarters. For Q4 2013, business outlook was upbeat in Regions I (Ilocos), III (Central Luzon), V (Bicol), VI (Iloilo), VII (Cebu), and XII (SOCCSKARGEN). Meanwhile, the sentiment of firms in Region IV (Southern Tagalog) and XI (Davao), while remaining positive, was less optimistic due to the slack in production of electronics and low supply of raw materials for activated carbon, respectively. The outlook in Region IX turned pessimistic on account of the unstable peace and order situation in Zamboanga City.⁵

For the quarter ahead (Q1 2014), business confidence was also mixed across regions. On the one hand, businesses in Regions I, V, VI, VII, XI and XII were less optimistic similar to the national trend. On the other hand, expectations of continued inflows of investments, resumption of regular manufacturing activities after the holiday season (e.g., garments, automotive, electronics) in Regions III and IV as well as the expected rebound of businesses with the resolution of the Zamboanga City crisis in Region IX lifted business sentiments in these regions.

Importers' optimism rises in Q4 2013. Importers and dual-activity firms were more bullish in Q4 2013 on account of the expected increase in consumer demand during the Christmas season, continuous business expansion and new product launches as well as stable macroeconomic conditions. However, both importers and dual-activity firms turned less optimistic for Q1 2014 due to the usual slack in demand after the holidays.

Meanwhile, exporters' sentiments were steady in Q4 2013, but turned more upbeat for Q1 2014 given the seasonal increase in production (e.g., automotive parts, electronics, and agricultural produce such as abaca and bananas).

Firms across employment size turn more upbeat in Q4 2013. As with the national trend, firms across employment size were more upbeat in their outlook for Q4 2013 as seasonal demand is expected to pick up, spurred by the more favorable conditions of the domestic economy.⁶ For Q1 2014, the outlook of all firms turned less favorable. Large-sized firms are the most optimistic for both the current and next quarters.

⁴ The survey covered all 17 regions of the Philippines. (For the list of regions and the distribution of top 7,000 corporations by region, please see Annexes A and B).

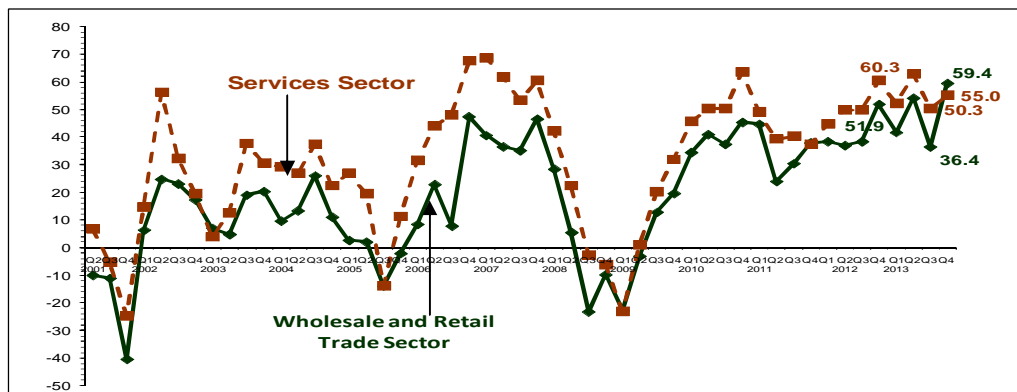
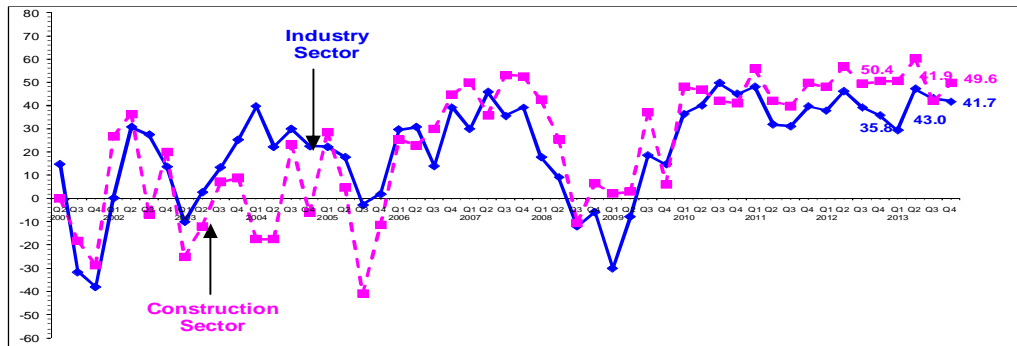
⁵ The Zamboanga City crisis began on 9 September 2013 when a faction of the Moro National Liberation Front (MNLF) entered the city and occupied four barangays leading to the displacement of more than 100,000 people. The crisis ended on 28 September 2013 when the government declared the end of military operations in Zamboanga City.

⁶ Small firms have less than 100 employees; medium firms, 100-499 employees; large firms have over 500 employees.



Sectoral Outlook

Current Quarter Business Outlook Index by Sector
Q2 2001 – Q4 2013



Business confidence is favorable across sectors in Q4 2013.

Across sectors, the outlook of businesses was broadly upbeat in Q4 2013. Business confidence in the wholesale and retail trade, services and construction sectors improved while that in the industry sector remained positive albeit lower compared to that of the previous quarter. For the next quarter (Q1 2014), business confidence turned less optimistic across sectors.

The wholesale and retail trade sector was the most bullish during the quarter, with the confidence index reaching a record-high at 59.4 percent since the start of the nationwide survey in Q4 2006. Respondents' views were driven by expectations of generally more robust demand during the Christmas season. Consumption is anticipated to be propped up by a favorable business environment (e.g., lower interest rates and a stronger exchange rate) and the steady inflows of OF remittances. Likewise, business expansion and product improvement are expected to boost sales in the fourth quarter.

The services sector likewise was more upbeat in the current quarter. Among its sub-sectors, hotels and restaurants posted a record-high confidence index since Q1 2008 in anticipation of brisker business during the holiday season. Financial services remained buoyant as well, with respondents attributing their optimism to an increase in demand for credit by Overseas Filipino Workers (OFWs) and Business Process Outsourcing (BPOs). Other factors cited were stable macroeconomic fundamentals and the expected rise in investments following the investment-grade credit ratings for the Philippines.

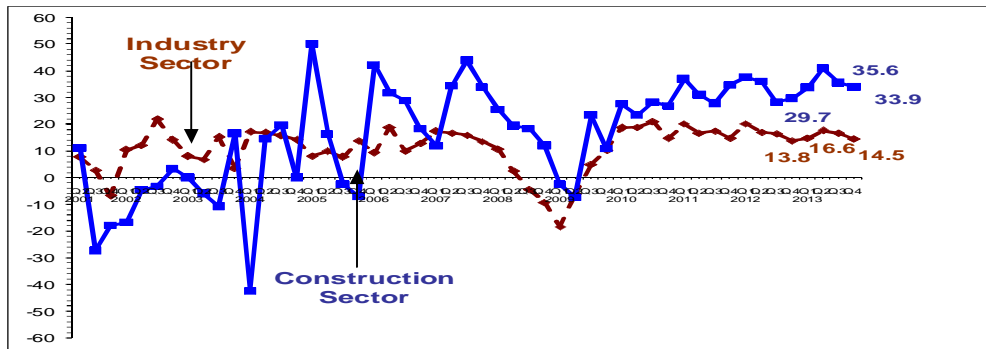


Construction firms' outlook edged higher relative to that of a quarter ago as respondent firms continued to expect the acceleration of construction activities in the last quarter of the year.

Meanwhile, the outlook of industry firms (which includes agriculture, forestry and fishing, manufacturing, electricity gas and water, and mining and quarrying) in the current quarter was less sanguine. In particular, mining and quarrying firms cited volatile metal prices in the global market while agriculture, forestry and fishing firms mentioned the impact of past typhoons and the end of the fishing season as reasons for the decline in their outlook.

Business Confidence on Own Operations

Current Quarter Business Confidence Index by Sector
Q2 2001 – Q4 2013



Businesses are less optimistic about their own operations. With respect to the outlook on their own operations during the current quarter, businesses across sectors were less optimistic due largely to the anticipated lower volume of business activity in the next quarter.⁷

⁷ Business outlook on own operations is computed as the combination of indices for the current quarter (i.e., total order book, volume of stocks, business conditions) and the next quarter (i.e., volume of business activity, number of employees, business conditions).



Average capacity utilization remains steady. The average capacity utilization for the current quarter remained broadly steady at 75.2 percent from 74.9 percent registered a quarter ago, indicating sustained volume of business activity in the current quarter.

Access to Credit and Financial Conditions⁸

Firms expect easier access to credit and less tight financial conditions. Firms were of the view that their liquidity requirements could be met through available credit as more respondents continued to report easy access to credit compared to those that said otherwise. Meanwhile, firms that expected tighter financial conditions continued to outnumber those that said otherwise but the number that said so declined relative to that in the previous quarter. A number of respondents indicated that their financial conditions were affected by problems in the collection of accounts receivables.

Volume of Business Activity

Business activity improves in Q4 2013 but turns less sanguine in Q1 2014. Providing support to the favorable overall business confidence was the more positive outlook of responding firms on the volume of business activity and total orders in Q4 2013. Looking ahead to Q1 2014, the outlook on the volume of business activity turned less upbeat relative to a quarter ago, consistent with the expected slack in demand after the Christmas season.

Employment and Expansion Plans

Employment outlook continues to be favorable. Another indicator providing support to expectations of sustained growth is the employment outlook index for the next quarter, which remained positive although lower at 23.6 percent from 31.7 percent last quarter. By sector, the employment outlook of the construction sector was broadly steady for Q1 2014, while that of the services, industry, wholesale and retail trade sectors declined.

The number of firms with expansion plans declines. In line with the less buoyant business sentiment of the industry sector for the next quarter, the percentage of businesses with expansion plans declined to 30.5 percent (from 32.1 percent). Across sub-sectors, mining, quarrying and electricity, gas and water recorded the most robust expansion plans but agriculture, fishery, forestry and manufacturing sub-sectors pulled down the overall expansion outlook of the industry sector.

⁸ Financial conditions refer to the firm's general cash position, taking into account the level of cash and other cash items and repayments terms on loans. On the other hand, access to credit refers to the environment external to the firm, such as the availability of credit from the banking system and other financial institutions.



Business Constraints

Domestic competition and weak demand are the major risks to business. The major business constraints identified by respondents in Q4 2013 were domestic competition (cited by about three-fifths of the total number of respondents) and insufficient demand (leading to low sales volume). However, the percentage of businesses that identified the above-mentioned constraints continued to show a declining trend. The easing of these business constraints could indicate that business conditions are improving.

Expectations on Key Economic Indicators⁹

Inflation is expected to settle at around 2.9 percent in Q4 2013 and 3 percent in Q1 2014. Respondents who expected inflation to go up continued to outnumber those that held the opposite view in the current and next quarters but the number that said so declined compared to the previous quarter. Businesses expected that the rate of increase in commodity prices are likely to remain well anchored at 2.9 percent in Q4 2013 and 3 percent in Q1 2014 (lower than 3.2 percent and 3.3 percent, respectively, in the previous quarter's survey results). This is consistent with inflation expectations based on forecast surveys of the private sector economists by the BSP and by Consensus Economics, indicating that inflation expectations continue to be benign and within the 3 to 5 percent target range in 2013-2014. Meanwhile, stronger inflationary pressures could emanate from increases in oil prices and strong liquidity growth.

Expectations on the exchange rate and interest rates are mixed. More respondents expected the peso to appreciate in Q4 2013 and Q1 2014. Expectations of the peso's sustained appreciation could be due to the anticipated strong inflows of overseas Filipinos' remittances, postponed tapering of the US Fed's quantitative easing and recent credit rating upgrade by Moody's.¹⁰ Meanwhile, interest rates were expected to decline in the current quarter as respondents that expected lower interest rates continued to outnumber those that said otherwise. For the next quarter, more respondents expected interest rates to increase.

⁹ The expectations on key economic indicators are expressed in terms of confidence indices (CIs), which are computed as the percentage of firms that answered "up" less the percentage of firms that answered "down" with respect to their views on a given economic key indicator. A positive CI indicates a favorable view, except for the inflation rate and the peso-borrowing rate, where a positive CI indicates the opposite.

¹⁰ The rating on Philippine government debt was raised one level to Baa3 by Moody's Investors Service on 3 October 2013, completing the nation's ascent to investment grade status.



About the Survey

Survey response rate is 83.1 percent. The Q4 2013 BES was conducted during the period 1 October - 11 November 2013. There were 1,550 firms surveyed nationwide. Respondents were drawn from the Securities and Exchange Commission's Top 7,000 Corporations in 2010, consisting of: 603 companies in NCR and 947 firms in AONCR, covering all 17 regions nationwide. The survey response rate for this quarter was steady at 83.1 percent (from 83.4 percent in the previous quarter). The response rate was lower for NCR at 80.4 percent (from 82.2 percent in the previous quarter) but higher for AONCR at 84.8 percent (from 84.1 percent in Q3 2013).

A breakdown of responses by type of business showed that 24.2 percent were importers, 7.1 percent were exporters, and 18.1 percent were both importers and exporters. About 50.6 percent of the respondents were neither importers nor exporters, or did not specify their firm type.

The BES uses the stratified random sampling design covering corporations from the SEC's Top 7,000 Corporations (ranked based on gross revenues) as sampling units. The top 7,000 corporations are subdivided into 192 strata classified by region—NCR and Areas Outside NCR (the other 15 regions of the country)¹¹—and by industry sub-groups, namely: (a) Group 1: Industry, which consists of manufacturing, mining and quarrying, electricity, gas and water, and agriculture, fishery and forestry; (b) Group II: Construction; (c) Group III: Services, which consists of financial intermediation, real estate, renting and business activities, hotels and restaurants, transport, storage and communications and community, social and personal services; and (d) Group IV: Wholesale and Retail Trade. Beginning Q1 2012, industry classification of companies shifted from the 1994 Philippine Standard Industrial Classification (PSIC) to the 2000 PSIC.

¹¹ In the sampling design, Regions 4A and 4B were combined into one region.



Annexes: Business Expectations Survey (BES) Report Q4 2013
Annex A. Distribution of Top 7000 Corporations by Region: 2010^a
Population

SECTOR/SUB-SECTOR	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9	Region 10	Region 11	Region 12	CARAGA	ARMM	CAR	NCR
Agriculture	0	0	5	8	1	6	4	0	5	5	36	10	1	0	0	34
Business	1	2	21	35	1	1	22	0	1	0	8	3	0	0	0	487
Community	6	1	14	27	0	9	8	0	1	2	5	1	0	1	0	152
Construction	0	1	22	32	8	4	24	3	2	0	4	1	1	0	0	211
EGW	4	1	18	11	0	3	16	0	0	0	2	0	0	0	0	41
Finance	0	2	7	11	1	4	17	0	1	1	16	2	2	0	0	363
Hotels	6	0	11	8	3	7	13	1	0	0	8	0	0	0	0	134
Manufacturing	4	4	163	572	7	10	108	9	4	7	40	8	0	3	3	869
Mining	0	0	0	4	0	0	3	0	0	0	2	0	1	0	0	40
Real Estate	0	0	11	39	1	3	15	0	1	1	7	2	0	0	0	233
Trade	19	14	206	265	43	62	137	15	22	13	96	20	0	1	0	1539
Transportation	1	0	22	27	1	2	15	0	3	0	16	2	0	0	0	251
Services Sector	14	5	86	147	7	26	90	1	7	4	60	10	2	1	0	1620
Industry Sector	8	5	186	595	8	19	131	9	9	12	80	18	2	3	4	984
Grand Total	41	25	500	1039	66	111	382	28	40	29	240	49	5	5	4	4354

Number of Samples

SECTOR/SUB-SECTOR	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9	Region 10	Region 11	Region 12	CARAGA	ARMM	CAR	NCR
Agriculture	0	0	2	5	1	6	3	0	5	4	15	10	1	0	0	9
Business	1	2	5	5	1	1	8	0	1	0	4	2	0	1	0	52
Community	6	1	3	5	0	9	4	0	1	2	2	1	0	1	0	31
Construction	0	1	8	6	8	4	7	3	1	0	2	1	1	0	0	68
EGW	4	1	4	4	0	3	3	0	0	0	1	0	0	0	1	22
Finance	0	2	2	2	1	4	5	0	1	1	5	2	2	0	0	65
Hotels	6	0	4	2	3	7	5	1	0	0	3	0	0	0	0	28
Manufacturing	4	4	39	104	7	10	46	9	2	3	18	6	0	5	3	75
Mining	0	0	0	2	0	0	2	0	0	0	1	0	1	0	0	18
Real Estate	0	0	3	4	1	3	7	0	1	0	2	1	0	1	0	57
Trade	19	14	61	47	36	62	48	15	21	11	28	2	0	1	0	129
Transportation	1	0	6	6	1	2	8	0	3	0	7	20	0	0	0	49
Services Sector	14	5	23	24	7	26	37	1	7	3	23	26	2	3	0	282
Industry Sector	8	5	45	115	8	19	54	9	7	7	35	16	2	5	4	124
GRAND TOTAL	41	25	137	192	59	111	146	28	36	21	88	45	5	9	4	603

^a The latest available listing from the Securities and Exchange Commission

Annex B. Regions and Provinces of the Philippines

Regions	Provinces
I-Ilocos	Ilocos Norte, Ilocos Sur, La Union and Pangasinan
II-Cagayan Valley	Batanes, Cagayan, Isabela, Nueva Vizcaya and Quirino
III-Central Luzon	Aurora, Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac and Zambales
IV-Southern Tagalog	Cavite, Laguna, Batangas, Marinduque, Occidental Mindoro, Oriental , Mindoro, Palawan, Quezon, Rizal and Romblon
V-Bicol	Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate and Sorsogon
VI-Western Visayas	Aklan, Antique, Capiz, Guimaras, Iloilo and Negros Occidental
VII-Central Visayas	Cebu, Bohol, Negros Oriental and Siquijor
VIII-Eastern Visayas	Biliran, Eastern Samar, Leyte, Northern Samar, Samar and Southern Leyte
IX-Zamboanga Peninsula	Zamboanga del Norte, Zamboanga del Sur, Zamboanga Sibugay, Isabela City and Zamboanga City
X-Northern Mindanao	Bukidnon, Camiguin, Lanao del Norte, Misamis Occidental and Misamis Oriental
XI-Davao	Compostela Valley, Davao del Norte, Davao del Sur and Davao Oriental
XII-SOCCSKARGEN	Cotabato, Sultan Kudarat, South Cotabato and Sarangani
Cordillera Administrative Region (CAR)	Abra, Apayao, Benguet, Ifugao, Kalinga and Mountain Province
Autonomous Region of Muslim Mindanao (ARMM)	Basilan (excluding Isabela City), Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi
Caraga	Agusan del Norte, Agusan Del Sur, Dinagat Islands, Surigao del Norte and Surigao del Sur
National Capital Region (NCR) ¹	Caloocan, Las Piñas, Makati, Malabon, Mandaluyong, Manila, Marikina, Muntinlupa, Navotas, Parañaque, Pasay, Pasig, Pateros, Quezon City, San Juan, Taguig and Valenzuela

¹ NCR is composed of 16 highly-urbanized cities and one municipality (Pateros).

BUSINESS EXPECTATIONS SURVEY *
2001 - 2013

	2007				2008				2009				2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Overall Business Outlook on the Macroeconomy																												
Confidence Index: All Sectors																												
Current Quarter	44.9	46.4	40.9	48.0	29.9	12.6	-12.9	-6.8	-23.9	-2.6	18.4	22.0	39.1	43.9	45.0	50.6	47.5	31.8	34.1	38.7	40.5	44.5	42.5	49.5	41.5	54.9	42.8	52.3
NCR	53.0	53.1	44.9	55.1	34.0	11.4	-16.1	-9.6	-25.4	-3.6	20.3	24.2	42.4	50.1	51.6	55.7	54.4	35.2	38.4	38.5	46.1	49.3	48.9	54.5	45.6	60.6	49.9	58.7
AONCR	30.6	34.6	34.0	35.6	21.4	15.2	-6.2	-1.0	-21.1	-0.9	15.0	18.0	33.8	34.0	34.2	42.4	35.7	26.1	26.6	39.1	31.1	36.4	31.9	41.1	34.5	45.1	30.7	41.5
Next Quarter	49.4	44.7	53.0	40.9	41.0	16.6	16.6	-0.5	-6.5	13.7	33.7	34.0	52.6	46.3	59.2	51.0	59.4	33.0	53.9	36.1	55.4	44.6	59.6	43.8	56.4	46.2	60.0	40.7
NCR	53.3	48.2	57.1	44.6	42.2	12.4	17.6	-4.7	-9.6	14.7	35.0	37.3	57.2	51.4	63.1	54.9	62.3	35.6	55.0	37.5	59.0	48.1	64.5	47.7	60.9	47.8	68.3	42.3
AONCR	42.2	37.2	44.8	33.7	37.6	24.7	14.8	8.1	-0.7	11.9	30.9	27.7	44.6	37.2	52.0	44.4	53.6	28.1	51.4	32.9	48.1	37.9	50.3	36.6	48.8	43.4	45.8	38.1
2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter																												
Industry Sector	30.0	45.7	35.6	39.2	17.7	9.1	-11.9	-5.8	-30.1	-7.6	18.8	14.7	36.4	40.1	49.6	44.9	48.1	31.9	31.1	39.6	37.8	46.2	39.2	35.8	29.4	47.1	43.0	41.7
Construction Sector	50.0	35.9	53.1	52.5	42.4	25.5	-10.5	6.6	2.2	3.0	37.3	6.1	48.0	46.9	41.9	41.0	55.8	41.9	39.7	49.7	47.9	56.9	49.4	50.4	50.5	60.2	41.9	49.6
Wholesale and Retail Trade	40.6	36.5	35.1	46.5	28.3	5.4	-23.2	-9.8	-22.8	-3.1	12.8	19.5	34.4	40.9	37.4	45.3	44.6	23.9	30.4	37.8	38.4	36.9	38.3	51.9	41.7	54.1	36.4	59.4
Services Sector	68.5	61.6	53.3	60.3	42.1	22.4	-2.8	-6.3	-23.2	1.0	20.2	31.9	45.5	50.3	50.3	63.4	48.9	39.3	40.2	37.3	44.7	49.9	49.7	60.3	52.0	62.7	50.3	55.0
of which:																												
Financial Intermediation	90.8	74.3	61.3	71.0	60.5	-6.5	-28.9	-46.6	-44.1	-6.2	29.7	47.7	68.2	72.2	77.1	83.6	74.5	45.0	51.7	32.0	58.8	56.7	77.3	75.5	81.3	89.4	61.0	76.7
Hotels and Restaurants	86.4	39.7	59.7	92.2	50.1	29.9	9.8	40.2	-18.5	14.1	23.0	49.9	35.6	45.7	41.7	62.3	57.2	37.9	33.3	66.4	47.7	45.8	0.0	64.2	41.8	58.9	37.4	79.6
Business Activities	60.8	53.8	54.1	59.3	22.8	28.3	2.2	-10.2	-39.3	-9.0	11.9	16.3	47.5	49.2	47.7	72.8	41.0	42.8	40.3	33.8	35.6	55.0	49.9	51.9	43.7	64.7	43.0	44.8
Real Estate	59.0	76.2	54.8	69.4	46.5	36.1	6.7	5.3	-14.2	-18.1	-4.7	10.3	43.6	44.7	51.9	53.1	44.9	36.2	36.1	38.3	54.0	45.0	49.1	68.5	64.4	68.6	60.4	56.3
Community and Social Services	44.9	37.4	54.3	30.7	48.1	16.3	0.2	-21.3	9.8	7.0	27.7	31.4	40.9	44.6	40.7	46.5	41.1	34.7	45.3	21.6	35.5	43.4	56.0	42.5	36.4	46.5	49.3	34.3
Transportation	67.0	69.6	38.1	46.7	42.5	30.1	-1.6	14.7	-13.8	16.0	30.5	41.2	27.4	39.4	34.8	46.5	35.9	32.9	29.4	43.2	38.5	43.7	38.8	58.1	34.4	33.2	47.6	43.8
3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter																												
Industry Sector	46.5	39.3	41.4	32.3	32.5	16.8	6.6	-1.3	-10.4	10.4	27.1	26.3	50.5	44.8	55.5	51.3	57.9	34.9	47.9	26.1	52.8	41.0	49.2	34.4	53.8	39.7	48.2	31.7
Construction Sector	39.9	59.0	63.8	54.0	54.3	30.6	29.5	9.1	2.8	20.0	27.7	43.0	47.9	44.4	51.3	54.1	65.2	38.7	55.2	48.3	55.1	55.6	52.9	48.2	43.9	56.2	58.5	56.3
Wholesale and Retail Trade	43.6	35.7	51.6	36.1	35.2	8.4	16.4	-5.1	-10.0	10.3	32.4	32.3	50.9	41.8	57.3	44.3	58.4	24.1	54.0	42.2	56.0	44.0	66.6	44.3	57.1	40.2	66.9	41.5
Services Sector	62.1	60.7	68.1	55.8	54.2	23.6	25.2	3.9	-1.8	18.2	41.0	40.3	57.3	53.0	65.9	58.2	60.8	40.6	59.2	36.3	57.2	47.3	62.7	51.8	60.1	58.1	63.7	46.3
of which:																												
Financial Intermediation	75.4	73.0	79.5	73.3	57.0	14.4	7.9	-22.1	-22.0	19.6	52.8	70.9	71.8	74.9	88.3	76.8	72.8	46.5	68.8	45.3	57.8	61.8	73.2	66.8	75.2	83.8	73.2	58.7
Hotels and Restaurants	56.8	28.5	81.2	28.2	64.0	1.9	73.6	20.6	12.5	17.9	51.3	62.6	56.8	41.7	72.0	62.3	62.9	24.8	77.1	29.3	53.1	31.9	72.3	49.5	52.6	54.8	74.1	59.9
Business Activities	68.6	67.7	64.9	63.8	49.4	31.7	25.0	4.0	-11.4	6.0	30.6	36.6	66.7	57.6	66.9	52.7	63.1	39.1	53.7	29.0	64.9	43.5	55.4	39.9	47.9	55.9	60.6	38.8
Real Estate	55.1	73.8	71.6	67.4	49.2	31.7	15.8	11.8	-11.3	8.9	8.7	33.9	43.6	50.0	50.5	56.3	49.3	47.7	55.7	43.7	65.9	51.8	73.4	66.6	71.0	52.3	68.7	51.2
Community and Social Services	52.0	42.9	54.3	32.3	58.4	27.4	10.1	2.8	3.3	19.9	21.1	21.2	50.6	45.2	53.6	45.0	58.1	42.9	41.3	23.5	43.3	49.6	41.5	44.0	51.0	45.7	38.3	31.4
Transportation	52.4	52.2	58.8	42.6	55.1	22.0	32.7	14.7	15.0	31.0	60.1	29.8	42.5	35.1	58.8	55.2	53.5	37.0	64.1	44.5	46.7	38.6	60.9	46.1	62.3	45.4	63.4	41.6
4. Business Confidence Index on Own Operations by Sector																												
Industry Sector	17.4	16.8	15.9	13.5	10.8	2.5	-4.4	-9.3	-18.3	-6.1	4.9	10.3	18.7	18.8	20.9	14.7	20.1	16.7	17.6	14.9	20.3	17.0	16.5	13.8	14.8	17.6	16.6	14.5
Construction Sector	11.9	34.3	43.8	33.8	25.6	19.5	18.4	12.0	-2.6	-7.4	23.4	10.9	27.6	23.5	28.2	26.8	36.9	31.0	27.8	34.6	37.6	36.0	28.3	29.7	33.7	40.9	35.6	33.9
Wholesale and Retail Trade	13.9	3.9	16.8	7.2	12.2	-1.6	-4.1	-8.1	-9.0	-1.9	13.7	3.9	17.2	13.5	20.1	16.5	18.6	3.0	19.6	11.5	18.7	10.7	21.2	16.7	21.5	15.3	19.3	11.5
Services Sector	42.2	43.8	43.5	45.1	35.0	22.0	18.8	3.9	-8.0	3.7	21.8	24.0	36.8	38.2	44.6	45.3	38.3	32.1	36.2	29.7	38.9	39.9	47.0	42.0	38.1	43.9	44.9	39.8
Financial Intermediation	53.3	56.3	53.5	59.9	46.4	40.3	8.9	-14.1	-6.0	14.3	31.5	48.9	59.4	59.7	63.6	65.2	55.1	48.1	56.4	40.8	53.4	48.3	67.2	57.6	61.0	66.1	57.0	57.7
Hotels and Restaurants	34.8	40.5	35.1	52.9	38.9	23.1	46.6	32.7	-0.2	19.9	33.8	37.0	29.2	25.0	43.9	39.4	37.8	18.4	41.0	35.4	36.3	25.9	42.6	50.1	26.8	31.8	45.1	47.3
Business Activities	47.1	48.3	54.7	46.0	31.2	15.5	16.7	0.5	-26.0	-5.4	18.2	18.8	34.0	43.5	49.0	49.8	39.8	36.3	33.8	35.6	39.5	47.8	47.5	32.1	31.9	42.3	46.5	35.2
Real Estate	28.2	49.7	49.7	41.2	29.9	34.8	22.1	3.3	-4.0	-3.3	12.4	17.2	32.1	31.6	39.9	40.3	29.1	30.3	31.5	30.6	35.1	37.7	44.6	44.9	40.7	47.3	51.0	43.0
Community and Social Services	36.4	34.2	31.8	35.7	31.5	14.1	11.1	-1.6	-6.8	-12.1	17.5	4.1	30.4	26.0	29.5	31.4	20.1	25.2	17.3	11.9	23.0	32.0	26.3	34.2	29.9	43.0	27.8	22.9
Transportation	41.4	25.9	23.8	32.3	33.2	19.5	17.6	15.1	1.6	8.6	21.7	20.6	29.4	27.3	31.0	32.8	36.7	18.8	29.4	14.2	35.1	31.2	39.8	37.6	29.6	23.0	32.8	29.0
5. Business Outlook index on Own Operations: Current Quarter																												
Volume of Business Activity Index	22.6	35.7	27.3	39.3	15.8	16.2	-1.5	-0.3	-26.3	1.7	15.9	22.0	24.6	35.6	34.9	42.8	23.8	24.1	29.5	37.1	22.5	36.7	38.9	40.8	25.1	43.5	38.7	43.8
Volume of Total Order Book Index	17.1	27.7	22.9	31.2	8.0	13.7	-3.1	-1.4	-27.3	-1.2	14.5	16.8	19.5	30.5	30.2	37.7	19.3	21.5	25.8	33.1	17.6	31.4	31.0	33.9	20.0	37.2	32.8	38.0
Credit Access Index	10.1	9.0	10.4	7.3	6.6	3.0	-1.6	-7.4	-12.8	-7.2	-0.8	0.1	5.4	9.2	10.1	10.0	11.3	6.1	10.3	8.9	9.6	13.4	14.8	16.9	16.0	18.1	15.8	16.8
Financial Condition	-8.8	-11.0	-5.1	-7.8	-11.6	-17.8	-29.1	-29.9	-32.9	-26.8	-17.4	-15.5	-7.9	-5.0	-2.6	-1.1	-3.6	-10.8	-6.9	-6.8	-2.9	-0.9	-1.9	2.4	-1.5	1.3	-1.9	-0.5
Average Capacity Utilization (in percent)	73.7	75.5	76.1	75.4	76.2	76.5	74.8	72.8	71.5	69.2	68.8	69.8	72.0	74.1	74.7	74.1	75.3	75.1	76.1	74.5	74.8	76.2	74.4	74.1	73.0	74.0	74.9	75.2
6. Business Outlook Index on Own Operations: Next Quarter																												
Volume of Business Activity Index	48.1	40.4	49.5	34.0	44.1	25.3	24.8	1.6	2.1	14.2	36.2	27.9	54.3	46.6	59.2	45.8	53.5	33.6	51.6	32.5	54.7	46.1	56.3	39.7	51.1	45.2	55.7	36.8
Employment Outlook Index	16.6	17.3	21.1	16.6	21.7	11.4	8.3	-1.4	-8.2	-6.4	9.4	8.7	22.0	19.9	24.0	21.1	23.0	14.5	23.2	16.8								

**BUSINESS EXPECTATIONS SURVEY
2001 - 2013**

	2007				2008				2009				2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
7. Companies with Expansion Plans (in percent of total respondents): Next Quarter																												
All Industry Sector	27.2	31.1	28.7	33.7	37.8	23.1	25.0	30.4	17.8	16.0	17.4	23.7	19.9	25.0	27.0	25.7	33.9	24.7	26.6	27.0	28.8	29.1	27.8	28.9	29.6	28.7	32.1	30.5
Mining Quarrying	66.7	42.9	42.9	52.4	41.9	26.2	45.1	27.0	31.6	9.2	13.0	38.5	33.2	36.7	45.0	34.7	47.3	41.8	62.6	41.1	47.3	35.2	49.7	41.0	40.0	45.0	42.3	55.0
Manufacturing	23.7	28.1	27.1	32.0	37.8	22.3	23.7	29.5	15.7	14.6	15.3	20.3	18.8	24.1	25.4	24.7	32.5	24.2	24.9	24.9	27.9	28.6	27.2	28.0	28.4	27.5	31.2	29.2
Electricity, Gas and Water	48.5	54.0	42.8	33.5	39.0	45.4	37.0	59.2	34.6	30.5	36.6	44.3	10.5	16.7	28.2	20.4	38.5	23.8	34.4	41.0	32.2	31.3	26.2	38.2	42.3	40.2	35.3	38.7
Agriculture, Fishery and Forestry	62.2	64.0	42.4	59.6	35.0	21.3	30.6	28.0	32.5	30.0	37.4	54.6	37.4	39.7	43.4	41.6	45.3	24.3	31.7	41.9	31.5	31.7	30.1	29.7	33.3	30.1	40.3	33.9
8. Business Constraints (in percent to total respondents): Current Quarter																												
High Interest Rate	23.0	23.6	23.7	21.3	22.1	23.7	29.8	29.5	26.9	24.1	24.4	20.5	21.2	20.5	20.9	17.4	19.8	19.9	20.1	19.8	14.6	13.8	10.8	9.9	8.7	8.1	7.4	7.3
Unclear Economic Laws	27.6	27.2	24.5	27.1	25.9	27.1	27.1	25.7	25.1	23.3	21.7	14.2	13.0	13.0	20.9	18.7	21.2	21.6	21.9	24.2	18.5	17.8	18.1	15.8	13.4	14.1	13.8	11.6
Lack of Equipment	17.1	17.9	16.0	19.4	16.3	16.0	15.6	17.7	16.6	15.5	17.3	15.5	16.4	17.5	17.9	15.1	16.1	16.0	17.3	16.7	10.9	10.2	9.9	7.7	11.1	7.0	7.7	6.8
Insufficient Demand	51.6	49.8	46.8	46.3	44.1	46.7	49.6	51.9	54.8	59.0	54.2	53.4	46.1	44.4	43.6	39.2	42.2	44.0	43.7	44.4	36.5	36.5	36.5	34.5	32.0	33.5	35.7	34.9
Access to Credit	19.1	19.6	18.9	20.1	16.9	17.0	17.5	20.5	20.9	19.3	19.3	19.2	18.5	16.6	17.7	16.7	17.8	18.4	18.6	18.6	11.7	10.5	9.4	8.2	9.4	8.5	6.8	6.2
Financial Problems	27.2	26.0	24.7	23.6	26.4	23.4	25.3	27.9	30.1	29.9	26.4	26.8	28.1	25.8	27.3	22.9	22.6	24.4	21.7	22.9	16.9	15.9	13.2	11.6	16.1	12.8	10.9	10.6
Competition	62.6	66.0	62.2	63.0	57.9	60.4	58.6	61.1	59.4	62.0	61.8	63.4	64.4	64.5	65.8	66.6	68.8	65.5	68.1	66.4	60.6	62.9	60.7	61.3	60.0	59.8	59.6	58.5
Labor Problems	20.3	18.6	19.7	20.1	19.4	19.3	20.8	20.2	20.6	18.8	19.0	17.6	18.1	19.4	18.9	17.0	19.3	21.6	20.4	18.5	13.4	12.5	11.8	11.0	13.7	11.4	10.7	8.6
Lack of Materials Input	22.3	20.1	19.0	20.6	19.7	19.4	19.8	19.6	18.5	16.5	18.5	18.1	16.7	18.8	18.9	15.9	18.4	19.1	19.0	18.4	12.4	12.5	11.2	9.4	8.1	8.9	9.4	8.4
Others	17.4	16.8	17.5	20.7	20.8	20.4	19.9	23.5	20.4	18.6	18.8	24.2	18.6	19.2	18.0	19.0	21.1	23.6	22.2	25.7	23.0	25.3	22.9	22.5	21.0	22.4	22.3	23.4
None	5.4	6.9	7.9	6.5	7.4	5.8	5.4	4.9	5.7	5.4	6.5	6.7	6.0	5.9	8.2	8.6	6.0	7.9	5.7	7.5	8.0	7.6	9.3	9.1	13.2	11.8	8.2	8.2
9. Business Expectations Index on Selected Economic Indicators: Current Quarter																												
P/\$ Exchange Rate	31.1	34.3	35.0	44.8	39.9	0.9	-19.0	-21.5	-12.0	-10.2	-4.2	18.7	6.4	14.6	14.2	35.3	15.0	19.4	29.3	14.9	11.7	19.3	29.8	32.0	35.1	16.9	-2.4	12.3
Inflation Rate	-13.9	-5.1	-2.3	6.3	14.4	47.9	61.5	43.0	14.0	14.1	4.4	28.2	23.3	20.9	9.5	2.4	21.3	38.7	32.1	28.3	16.8	15.4	5.4	3.3	1.1	10.4	22.8	25.0
Peso Borrowing Rate	-23.5	-15.4	-3.2	-9.6	-15.9	13.5	37.8	29.7	6.9	1.9	-2.7	2.6	5.5	3.1	4.4	-5.4	4.0	13.9	11.1	5.7	-2.1	1.1	-4.5	-11.1	-10.8	-14.4	-3.0	-0.9
Inflation Rate Expectations (in %)																										3.3	3.2	2.9
10. Business Expectations Index on Selected Economic Indicators: Next Quarter																												
P/\$ Exchange Rate	11.2	21.9	37.9	34.8	29.0	-0.3	-3.4	-19.5	-13.2	-11.6	4.1	4.2	4.7	6.7	24.7	20.8	14.1	16.3	31.5	9.8	12.8	16.0	26.7	17.4	26.5	18.0	14.6	10.9
Inflation Rate	4.1	5.5	9.5	3.0	17.3	42.3	48.8	25.2	12.2	15.0	15.7	25.1	22.6	18.6	12.3	6.5	23.5	34.8	29.2	18.2	14.1	18.3	11.5	5.2	9.0	15.3	22.5	18.0
Peso Borrowing Rate	-4.9	-2.3	3.2	-3.2	-8.3	15.9	32.3	23.0	7.3	4.6	5.8	12.8	15.5	10.2	8.8	2.3	11.7	16.5	12.8	7.0	1.1	4.8	-0.8	-5.0	-4.6	-4.8	2.4	5.7
Inflation Rate Expectations (in %)																										3.3	3.3	3.0
11. Percentage Distribution of Respondent Firms by Employment Size																												
Small (<100)	33.9	34.2	33.7	32.9	35.6	36.4	35.9	36.2	41.6	41.6	39.9	39.9	41.2	40.8	40.2	40.8	39.2	40.0	39.3	37.0	36.1	34.2	34.0	34.3	36.3	36.8	34.4	34.2
Medium (100-<500)	37.1	33.2	35.0	34.6	35.8	34.9	32.7	32.9	33.5	33.3	32.9	34.5	34.7	35.6	34.9	34.2	34.8	35.1	36.4	36.2	35.8	37.4	36.1	38.4	35.6	36.2	38.5	35.7
Large (500 & up)	17.0	18.0	20.1	19.6	16.1	14.6	16.8	17.7	13.6	13.7	13.9	14.1	13.2	13.6	14.4	14.9	15.1	13.8	13.5	15.0	15.5	16.1	17.4	13.6	16.8	17.4	16.8	18.5
No Response	12.0	14.7	11.2	13.0	12.5	14.1	14.7	13.1	11.3	11.4	13.3	11.6	11.0	10.0	10.4	10.1	10.8	11.0	10.8	11.8	12.7	12.3	12.5	13.7	11.2	9.6	10.3	11.6

	2007				2008				2009				2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
12. Distribution of Respondent Firms by Sector																												
All Sectors	765	757	732	772	864	891	928	936	1062	1094	1059	1046	1215	1225	1219	1225	1275	1307	1244	1235	1248	1264	1175	1183	1247	1290	1294	1288
Industry	287	279	292	281	327	321	344	327	323	338	321	325	325	341	335	348	376	378	366	359	384	375	338	353	380	400	401	386
Mining Quarrying	6	6	6.0	5	7	9	8	8	12	12	11	10	11	16	20	18	17	19	16	17	19	17	16	17	17	20	19	20
Manufacturing	250	244	255.0	246	273	267	282	269	260	275	255	266	253	259	242	262	280	273	265	257	280	273	246	253	282	297	297	289
Electricity, Gas and Water	14	14	11.0	12	15	16	17	15	19	19	23	22	21	23	28	25	27	30	27	29	37	34	31	34	35	37	36	34
Agriculture, Fishery and Forestry	17	15	20.0	18	32	29	37	35	32	32	32	27	40	43	45	43	52	56	58	56	48	51	45	49	46	46	49	43
Construction	22	20	20	22	33	40	37	50	53	58	51	53	61	73	65	70	75	88	71	79	74	86	85	84	87	83	84	87
Wholesale and Retail Trade	265	262	237	270	279	297	317	323	374	377	377	358	428	416	424	415	428	429	405	388	421	415	387	372	405	408	407	423
Services	191	196	183	199	225	233	230	236	312	321	310	310	401	395	395	392	396	412	402	409	369	388	365	374	375	399	402	392
Financial Intermediation	48	48	46	50	51	50	52	54	64	62	59	62	69	81	77	81	76	84	85	84	80	81	72	72	72	83	80	80
Hotels and Restaurants	17	16	13	15	18	19	21	19	32	32	35	30	50	53	51	54	62	63	59	62	48	47	52	49	54	54	52	48
Business Activities	45	38	34	41	52	55	54	55	65	69	76	69	83	79	78	76	69	75	69	68	75	78	70	67	71	73	73	70
Real Estate and Renting	29	30	29	28	35	37	33	34	43	45	35	42	70	60	62	61	64	62	61	70	51	60	50	61	57	67	70	65
Community and Social Services	24	26	24	25	32	32	32	29	34	35	30	32	60	56	64	60	60	62	63	61	54	55	58	58	58	59	60	60
Transportation	28	38	37	40	37	40	38	45	74	78	75	75	69	66	63	60	65	66	65	64	61	67	63	67	63	63	67	69
A quarterly survey conducted by the Department of Economic Statistics Nov 22, 2013 4:31:47 PM																					Bangko Sentral ng Pilipinas Manila, Philippines www.bsp.gov.ph							



* From 2001 to 2003, survey respondents came from a random sample of firms in SEC's Top 5000 Corporations in the Philippines which are located in the NCR. Beginning Q4 2003, the survey was expanded to include those areas which are located outside NCR specifically Regions I, VII & XI. Finally in Q4 2006, the BES was further expanded to become a nationwide survey of firms in the top 5000 corporations.

Note: Unless otherwise stated, all numbers are in diffusion indices, i.e., Confidence Index (CI) is computed as the percentage of firms that answered in affirmative less the percentage of firms that answered in affirmative less the percentage of firms that answered in the negative with respect to their views on a given indicator.

Business Expectations Survey

Business Outlook Index on the Macroeconomy

by Type of Business	Current Quarter																											
	2007				2008				2009				2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Importer	39.5	49.4	47.5	45.1	36.8	15.6	-17.4	0.7	-26.1	-6.7	10.9	15.2	43.2	37.4	38.7	53.2	50.3	36.5	39.6	47.8	44.0	47.9	44.4	52.0	39.7	55.2	33.8	50.0
Exporter	24.4	37.5	4.2	24.2	3.5	8.6	-6.8	3.3	-39.8	-6.1	7.2	13.6	33.7	46.6	43.2	24.2	45.3	36.0	26.1	17.1	19.1	37.2	12.7	22.4	26.9	35.2	31.0	31.5
Both (Import and Exporter)	38.9	50.0	41.5	36.8	9.3	0.7	-5.4	-4.1	-24.7	-8.4	21.8	20.8	37.1	52.4	48.8	40.7	42.5	26.3	32.0	24.8	30.6	39.1	38.5	26.2	30.7	46.7	41.8	45.5
Neither Importer nor Exporter	49.0	45.9	40.4	54.4	35.7	16.4	-20.3	-12.7	-16.2	2.9	23.0	29.3	42.5	40.6	39.7	56.6	40.5	29.7	28.1	33.9	39.3	43.3	40.1	56.3	45.5	54.7	39.6	51.0

Number of Respondents

by Type of Business	Current Quarter																											
	2007				2008				2009				2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Importer	81	87	99	111	125	122	109	138	119	119	110	105	162	147	150	156	181	189	169	157	218	211	187	175	189	192	195	312
Exporter	41	40	48	66	85	81	88	92	83	82	83	81	89	88	88	95	86	86	69	76	68	94	71	76	93	91	84	92
Both (Import and Exporter)	90	86	106	117	140	141	147	145	162	178	156	159	175	166	168	177	179	171	175	161	206	202	195	191	215	227	232	533
Neither Importer nor Exporter	194	209	245	228	328	329	340	316	451	413	387	379	595	584	612	553	592	644	584	552	534	589	596	629	650	570	671	537
Not Specified	359	335	234	250	186	218	244	245	247	302	323	322	194	240	201	244	237	217	247	289	222	168	126	112	100	210	112	114
Total	765	757	732	772	864	891	928	936	1062	1094	1059	1046	1215	1225	1219	1225	1275	1307	1244	1235	1248	1264	1175	1183	1247	1290	1294	1288

Business Outlook Index on the Macroeconomy

by Size of Employment	Current Quarter																											
	2007				2008				2009				2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Small (<100)	41.7	43.2	33.6	43.2	29.2	10.5	-19.2	-5.9	-19.0	-4.8	16.8	16.3	32.8	31.7	34.5	43.4	37.8	27.5	30.4	33.0	32.7	36.4	34.6	46.6	35.8	44.4	33.3	42.5
Medium (100-<500)	41.5	37.8	42.2	45.8	22.0	16.4	-5.6	6.8	-19.9	3.6	19.5	23.8	40.0	45.3	41.8	55.6	44.6	29.2	29.0	38.7	37.1	44.4	41.5	46.9	41.0	52.9	41.0	51.3
Large (500 & up)	42.3	54.4	39.5	53.0	30.9	15.4	-5.1	-20.5	-29.2	2.0	20.4	32.7	50.6	53.3	59.1	61.0	56.0	43.1	40.5	39.5	47.2	53.6	45.4	52.8	49.5	66.5	46.8	55.2

Number of Respondents

by Size of Employment	Current Quarter																												
	2007				2008				2009				2010				2011				2012				2013				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Small (<100)	259	259	247	254	308	324	333	339	442	455	423	417	500	499	490	500	500	500	523	484	457	450	427	399	406	453	475	445	438
Medium (100-<500)	284	251	256	267	309	311	303	308	356	364	348	361	420	437	426	419	444	459	451	447	447	455	424	454	444	467	498	462	
Large (500 & up)	130	136	147	151	139	130	156	166	144	150	147	147	160	167	176	182	193	181	168	185	193	196	205	161	210	224	218	241	
Not Specified	92	111	82	100	108	126	136	123	120	125	141	121	135	122	127	124	138	144	141	146	158	186	147	162	140	124	133	147	
Total	765	757	732	772	864	891	928	936	1062	1094	1059	1046	1215	1225	1219	1225	1275	1307	1244	1235	1248	1264	1175	1183	1247	1290	1294	1288	

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Business Expectations Survey

Business Outlook Index on the Macroeconomy																												
by Type of Business																												
Next Quarter																												
2007				2008				2009				2010				2011				2012				2013				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Importer	40.7	44.8	59.6	43.2	50.4	9.8	26.6	0.0	-9.2	16.8	43.6	31.4	50.0	46.3	55.3	49.4	62.4	39.2	55.0	42.7	56.0	46.9	62.0	44.0	52.9	39.1	56.4	38.5
Exporter	39.0	37.5	6.3	31.8	22.4	33.3	6.8	8.7	-10.8	6.1	6.0	19.8	57.3	60.2	44.3	31.6	55.8	48.8	34.8	27.6	42.6	44.7	39.4	25.0	44.1	47.3	29.8	38.0
Both (Import and Exporter)	51.1	44.2	42.5	37.6	19.6	13.7	14.5	10.1	-7.4	9.0	33.3	35.2	50.3	54.8	60.1	49.7	62.0	36.3	50.9	32.9	54.9	45.5	50.3	35.1	54.4	48.9	41.8	37.3
Neither Importer nor Exporter	50.0	41.1	58.4	46.5	49.7	20.4	11.5	-0.6	1.1	14.5	44.4	35.1	52.4	39.7	62.1	53.7	56.1	27.8	58.6	42.6	52.2	39.4	60.4	47.4	54.9	49.6	61.1	43.2

Number of Respondents																												
by Type of Business																												
Percent to Total																												
2007				2008				2009				2010				2011				2012				2013				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Importer	10.6	11.5	13.5	14.4	14.5	13.7	11.7	14.7	11.2	10.9	10.4	10.0	13.3	13.3	12.3	12.7	14.2	14.5	13.6	12.7	17.5	16.7	15.9	14.8	15.2	14.9	15.1	24.2
Exporter	5.4	5.3	6.6	8.5	9.8	9.1	9.5	9.8	7.8	7.5	7.8	7.7	7.3	7.3	7.2	7.8	6.7	6.6	5.5	6.2	5.4	7.4	6.0	6.4	7.5	7.1	6.5	7.1
Both (Import and Exporter)	11.8	11.4	14.5	15.2	16.2	15.8	15.8	15.5	15.3	16.3	14.7	15.2	14.4	14.4	13.8	14.4	14.0	13.1	14.1	13.0	16.5	16.0	16.6	16.1	17.2	17.6	17.9	18.1
Neither Importer nor Exporter	25.4	27.6	33.5	29.5	38.0	36.9	36.6	33.8	42.5	37.8	36.5	36.2	49.0	49.0	50.2	45.1	46.4	49.3	46.9	44.7	42.8	46.6	50.7	53.2	52.1	44.2	51.9	41.7
Not Specified	46.9	44.3	32.0	32.4	21.5	24.5	26.3	26.2	23.3	27.6	30.5	30.8	16.0	16.0	16.5	19.9	18.6	16.6	19.9	23.4	17.8	13.3	10.7	9.5	8.0	16.3	8.7	8.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Business Outlook Index on the Macroeconomy																												
by Size of Employment																												
Next Quarter																												
2007				2008				2009				2010				2011				2012				2013				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Small (<100)	51.7	43.2	53.8	43.2	39.9	17.3	14.1	-2.1	1.6	19.1	34.3	30.5	46.4	40.5	55.3	50.4	53.0	29.8	53.3	39.4	46.9	39.3	56.1	42.9	45.0	42.5	54.2	41.1
Medium (100-500)	44.4	43.8	48.8	40.7	39.2	24.1	15.2	8.8	-7.9	14.3	37.9	32.4	51.4	44.6	57.0	53.2	58.8	31.4	56.5	40.5	53.7	41.8	55.2	41.6	56.5	46.5	54.4	37.7
Large (500 & up)	50.0	43.4	55.1	44.4	46.0	29.2	18.6	-3.0	-4.2	5.3	32.7	40.8	57.5	56.3	69.9	50.0	69.4	41.4	56.5	38.4	59.1	53.6	62.4	49.7	66.7	57.1	55.0	51.0

Number of Respondents																												
by Size of Employment																												
Percent to Total																												
2007				2008				2009				2010				2011				2012				2013				
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Small (<100)	33.9	34.2	33.7	32.9	35.6	36.4	35.9	36.2	41.6	41.6	39.9	39.9	41.2	41.2	40.2	40.8	39.2	40.0	38.9	37.0	36.1	33.8	34.0	34.3	36.3	36.8	34.4	34.0
Medium (100-500)	37.1	33.2	35.0	34.6	35.8	34.9	32.7	32.9	33.5	33.3	32.9	34.5	34.6	34.6	34.9	34.2	34.8	35.1	36.3	36.2	35.8	36.0	36.1	38.4	35.6	36.2	38.5	35.9
Large (500 & up)	17.0	18.0	20.1	19.6	16.1	14.6	16.8	17.7	13.6	13.7	13.9	14.1	13.2	13.2	14.4	14.9	15.1	13.8	13.5	15.0	15.5	15.5	17.4	13.6	16.8	17.4	16.8	18.7
Not Specified	12.0	14.7	11.2	13.0	12.5	14.1	14.7	13.1	11.3	11.4	13.3	11.6	11.1	11.1	10.4	10.1	10.8	11.0	11.3	11.8	12.7	14.7	12.5	13.7	11.2	9.6	10.3	11.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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