

DEPARTMENT OF ECONOMIC STATISTICS

Monetary and Economics Sector
Bangko Sentral ng Pilipinas



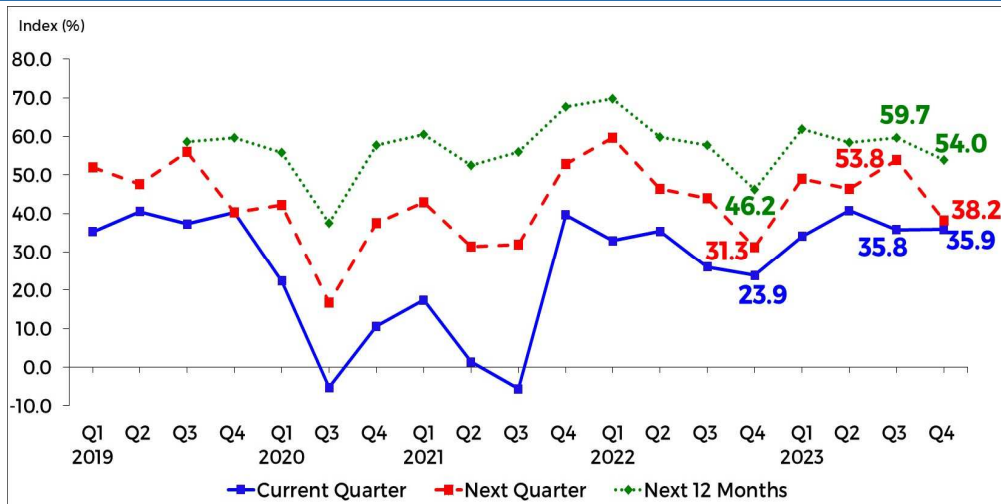
BUSINESS EXPECTATIONS SURVEY REPORT

4th Quarter 2023



Q4 2023 BUSINESS EXPECTATIONS SURVEY

OVERALL BUSINESS OUTLOOK INDEX



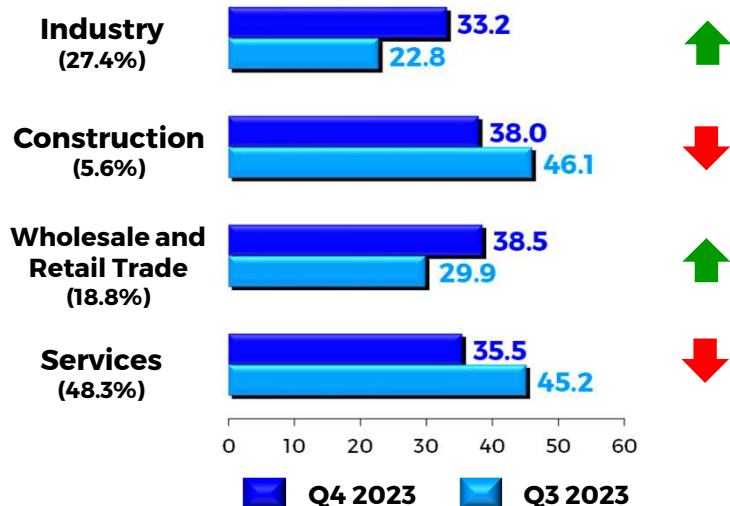
Respondents attributed their continued optimism for Q4 2023 to:

- Increase in demand for goods and services during the Christmas season
- Sustained economic recovery to pre-pandemic levels
- Expansions in the utilities, trade, financial, and hotels and restaurant sub-sectors
- New products and services
- Brisker consumer spending

BUSINESS OUTLOOK INDEX

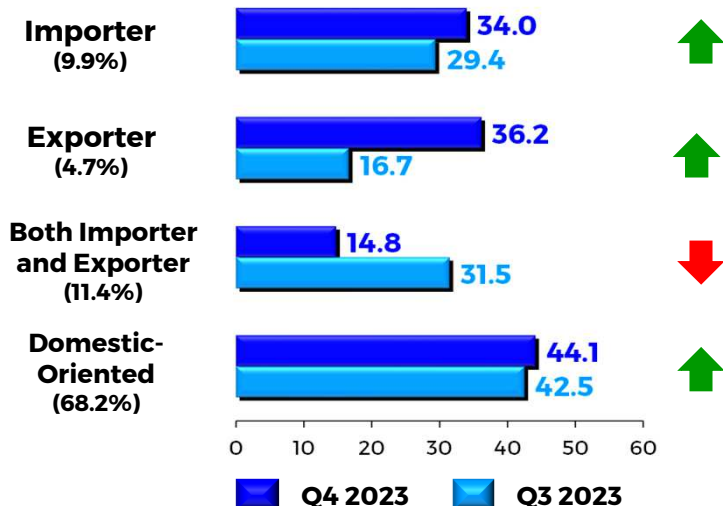
BY SECTOR

% Share of Respondents

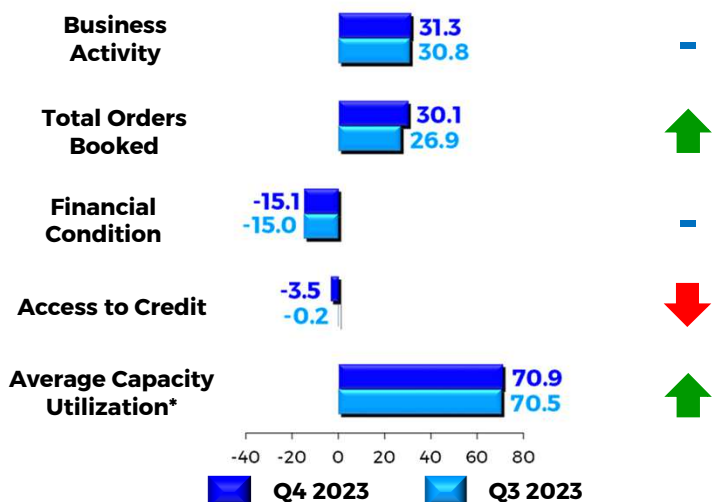


BY TYPE OF TRADING GROUP

% Share of Respondents



SENTIMENT INDICATORS



* Starting with the Q3 2023 BES report, respondent firms that reported 0% capacity utilization are included in the computation of the average capacity utilization (ACU) of the industry and construction sectors for the reference quarter. This is in line with the PSA Board Resolution No. 13, Series of 2020, wherein the computation of the ACU rate in the Monthly Integrated Survey of Selected Industries (MISSI) takes into account the impact of establishments that are temporarily closed (i.e., with zero capacity utilization rate).

ECONOMIC INDICATORS

Indicator	Period	Current Quarter	Next Quarter	Next 12 Months
Inflation Rate	Q4 2023	49.6	24.7	14.9
	Q3 2023	8.8	13.2	-0.6
Peso Borrowing Rate	Q4 2023	25.2	17.5	14.1
	Q3 2023	18.1	16.8	16.3
Exchange Rate (₱/US\$)	Q4 2023	-7.4	-5.4	4.7
	Q3 2023	10.4	14.7	12.5
Employment Rate	Q4 2023	N.A.	19.3	29.3
	Q3 2023	N.A.	20.1	32.3

Based on the Diffusion Index (DI) of the reference period:

- +/- Inflation Rate - more respondents expect that inflation may increase/decrease
- +/- Peso Borrowing Rate - more respondents expect that the peso borrowing rate may increase/decrease
- +/- Exchange Rate - more respondents expect that the peso may appreciate/depreciate against the US dollar
- +/- Employment Rate - more respondents expect that the number of their employees may increase/decrease

SURVEY RESPONSE RATES:

Philippines: 65.1%

NCR: 61.9%

AONCR: 66.9%

Legend: ▲ Up ▼ Down — Steady (for diffusion indices with less than 1 percent absolute difference) as compared with the previous survey round

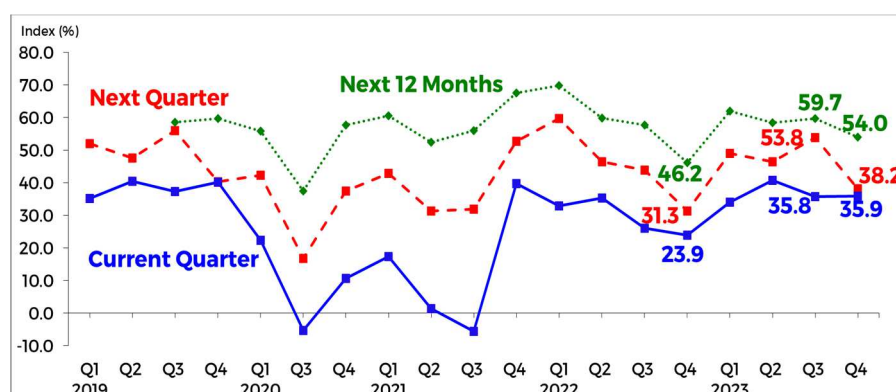
BUSINESS EXPECTATIONS SURVEY¹

Fourth Quarter 2023

Business Confidence Stays Upbeat in Q4 2023 Less Buoyant for Q1 2024 and the Next 12 Months

Overall Business Outlook on the Macroeconomy

Overall Business Confidence Index (CI)
Q1 2019 – Q4 2023



The outlook of businesses stays upbeat in Q4 2023...

The business sentiment in the Philippines remained upbeat in Q4 2023 as the overall confidence index (CI) stood at 35.9 percent, up slightly from 35.8 percent in Q3 2023. This is reflective of the increase in the percentage of optimists, which was barely offset by the increase in the percentage of pessimists (see Table 1).²

¹ The Business Expectations Survey (BES) is a quarterly survey of firms drawn at random from the list of Top 7,000 Corporations ranked based on total assets in 2016-2017 from the Bureau van Dijk database. Results of the BES provide advance indication of the direction of the change in overall business activity in the economy and in the various measures of companies' operations as well as in selected economic indicators. The Q2 2023 BES was conducted during the period 5 October to 14 November 2023.

² The business confidence index (CI) is computed as the percentage of firms that answered in the affirmative less the percentage of firms that answered in the negative with regard to their views on the overall business outlook.

Generally, the overall business CI for the country is computed by summing up the products of 1) the weights of the two (2) geographic areas, *i.e.*, *National Capital Region (NCR)* and *Areas Outside the National Capital Region (AONCR)*, and 2) their respective CIs, *i.e.*, *the NCR CI and AONCR CI*. The weights of the geographic areas are computed by dividing the number of firms in the NCR and AONCR by the total population of firms used in the survey, *i.e.*, *BES Total Firms*. The National Capital Region (NCR) is composed of 16 highly urbanized cities and 1 municipality, while Areas Outside the National Capital Region (AONCR) is composed of 16 regions outside the NCR.

The geographic area CI, *e.g.*, *NCR CI*, is computed by summing up the products of 1) the weights of the four (4) economic sectors in a geographic area and 2) their respective CIs. The weights of the economic sectors in a geographic area are computed by dividing the number of firms in a specific geographic area and economic sector, *e.g.*, *NCR Industry Sector firms*, by the total population of firms in a geographic area, *e.g.*, *NCR Total Firms*. The four (4) economic sectors are as follows:

1. **Industry Sector** is composed of Manufacturing, Mining and Quarrying, Electricity, Gas and Water, and Agriculture, Fishery and Forestry Sub-sectors
2. **Construction Sector** is made up of firms engaged in general construction and specialized construction activities for buildings and civil engineering works
3. **Services Sector** is composed of Financial Intermediation, Real Estate, Renting and Business Activities, Hotels and Restaurants, Transport, Storage and Communications and Community, Social and Personal Services Sub-sectors
4. **Wholesale and Retail Trade Sector** is made up of businesses engaged in wholesale and retail sale (*i.e.*, *sale without transformation*) of any type of goods and the rendering services incidental to the sale of these goods.

Similarly, the economic sector CI is generated by summing up the products of 1) the economic sub-sector weights in a geographic area and 2) their respective sub-sector CIs. The weights of the economic sub-sectors in a geographic area are computed by dividing the number of firms in a specific geographic area, economic sector and economic sub-sector, *e.g.*, *NCR Industry Sector Manufacturing firms*, by the total population of firms in a geographic area and economic sector, *e.g.*, *NCR Industry Sector Total firms*.

Classification: GENERAL



The current quarter's CI stayed positive due to the optimistic firms' expectations of: (a) an increase in demand for goods and services during the Christmas season, (b) sustained economic recovery to pre-pandemic levels, (c) business expansions in the utilities, trade, financial, and hotels and restaurant sub-sectors, (d) development and launch of new products and services, and (e) brisker consumer spending on the back of higher remittances and inbound holiday travelers, including Overseas Filipino Workers (OFWs).³ However, the current quarter's CI was tempered by concerns of pessimistic firms over: (a) the negative economic impact of the ongoing conflicts in Gaza and Ukraine, (b) elevated inflation, and (c) higher interest rates.⁴

The business outlook of the country's top trading partners was mixed. On one hand, an improvement in the CI was noted in some countries, with businesses in Hong Kong and India posting a more optimistic outlook, while those in the euro area, South Korea, and Taiwan showing less pessimistic expectations. On the other hand, firms in the United States and Vietnam recorded a more pessimistic outlook while those in Australia, China, and Thailand reversed to a pessimistic sentiment.⁵

*...but less buoyant
for Q1 2024...*

Meanwhile, the country's business confidence for Q1 2024 was less optimistic as the overall CI fell to 38.2 percent from 53.8 percent a quarter ago (see Table 1). The firms' less upbeat outlook for the next quarter stemmed from their expectations of: (a) a decline in consumer spending typically following the holiday season, (b) adverse effects of the Israel-Hamas conflict on supply chains, (c) high inflation, and (d) rising interest rates.⁶

*...and the next
12 months.*

For the next 12 months, business confidence was similarly less buoyant as the overall CI decreased to 54 percent from 59.7 percent in the previous quarter (see Table 1).⁷ The firms' less favorable outlook for the next 12 months was attributed primarily to their concerns about the: (a) negative effects of the Israel-Hamas and Ukraine-Russia conflicts on the economy, including higher oil prices, (b) lower demand for goods and services, (c) higher prices of basic goods, (d) increasing interest rates, and (e) higher costs of production and raw materials.⁸

³ New products and services include software, agricultural machineries and its maintenance services, low-cost housing, telecommunications equipment, loan products, business service activities.

⁴ The Philippine economy may be affected by the Israel-Hamas conflict via lower remittances if it spreads across the Middle East. (<https://bit.ly/47H5cyS>)

⁵ Refers to top trading partners of the Philippines, each accounting for at least 1 percent share of the country's total merchandise trade for the past five years (2018-2022). Hong Kong has quarterly business confidence index. Meanwhile, Australia, China, euro area, South Korea, Taiwan, Thailand, the United States of America and Vietnam record their business confidence index on a monthly basis. For cross-country assessment of the business sentiment, the latest CI level is compared with the CI level of the previous reference period as posted in <https://tradingeconomics.com/>.

⁶ The impact of the Israel-Hamas conflict may be felt on a global scale if more countries in the Middle East are drawn in. (<https://bit.ly/47lgcT0>).

⁷ Beginning with the Q3 2019 BES, the questionnaire has been enhanced to include questions on the 12-month outlook of businesses on the macroeconomy, business activity, employment, and expectations on selected economic indicators.

⁸ Lower demand is expected for goods such as packaging materials, auto parts, poultry products, and other consumer goods. Meanwhile, the demand for construction, college education and real estate services is also expected to decline.



Overall Business Outlook Index by Area Q1 2021 – Q4 2023



The outlook of NCR and AONCR firms on the economy generally mirrors the national trend for all periods.

Consistent with the national trend, the overall business outlook in both the National Capital Region (NCR) and Areas Outside the NCR (AONCR) was less buoyant for the next quarter and the next 12 months. For the current quarter, the confidence of the firms located in the AONCR was more upbeat, while that of businesses in NCR was less optimistic (see Table 1).⁹

Business confidence in most regions outside the NCR is more optimistic for Q4 2023,...

For the current quarter, the business outlook across all regions outside the NCR was generally upbeat, except in Regions I, VII and XII, where sentiment was less optimistic. In particular, the CIs of Regions II, III, IV, V, VI, VIII, IX, X, and XI were higher compared to the previous quarter's survey results. Firms in the said regions cited the following reasons behind their more buoyant outlook for the current quarter: (a) stronger consumer demand during the holidays, (b) sustained post-pandemic economic recovery, (c) business expansions in the trade and financial services industries, (d) launch of new products, and (e) easing inflation. The CIs of firms in Regions I, VII and XII, by contrast, were lower, owing to firms' anticipation of: (a) lower school enrollment turnout, (b) slowdown in business activities due to fewer working days towards the end of the year, and (c) adverse effects of the ongoing international conflicts.

...generally less upbeat for Q1 2024...

For the next quarter, the CIs across all regions outside the NCR were less positive, except in Region IV, where CI was more positive. Looking closely at the regional level, firms in Regions I, II, III, V, VI, VII, VIII, IX, X, XI, and XII were less optimistic for the next quarter due to their concerns on: (a) the negative impact of the Israel-Hamas conflict on the economy, (b) higher inflation, and (c) lower consumer spending after the holiday season. Meanwhile, firms in Region IV were more optimistic due to their expectations of higher rate of school enrollment, and demand for loan products.

⁹ The survey covered all 16 regions of the Philippines. (For the list of regions and the distribution of around 7,000 top corporations by region, please see Annexes A and B).



...and largely less buoyant for the next 12 months.

For the next 12 months, the outlook of firms in regions outside the NCR was generally less optimistic, except in Regions IX and XI, where business sentiment was more upbeat. Firms in all other regions attributed their less buoyant optimism to the: (a) likely adverse impact of the ongoing conflict in Gaza on the domestic economy, and (b) anticipated moderation in sales and income. Meanwhile, the outlook of firms in Regions IX and XI were more upbeat due to expected higher demand for loan products, agrichemicals, tuna for export, tourism, and local infrastructure projects.

Outlook across all types of trading firms is generally more upbeat for Q4 2023, ...

Across all types of trading firms (i.e., exporter, importer, dual-activity, and domestic-oriented), business confidence was mostly more optimistic for Q4 2023 (see Table 15).¹⁰ The business sentiment of domestic-oriented firms, exporters, and importers was more favorable, while that of the dual-activity firms was less buoyant. Firms, in general, cited the seasonal upturn in the demand for goods and services and increased business activity as the main reasons for their more optimistic outlook in the current quarter. Dual-activity firms, meanwhile, attributed their less upbeat sentiment to possible decline in sales and consumer demand due to high inflation and interest rates.

...but largely less optimistic for the near term.

For Q1 2024, business outlook was less buoyant across all types of trading groups, except for exporters, which registered a more upbeat business sentiment. Similarly, for the next 12 months, business outlook was less favorable across all types of trading firms, except for dual-activity firms, which recorded a more optimistic outlook (see Tables 19 and 23).

Outlook across all sizes of firms is generally more favorable for Q4 2023 but mostly less optimistic for the near term.

The business outlook for the current quarter of medium- and large-sized firms was more upbeat while that of small sized-firms was less buoyant. For Q1 2024, business outlook across all employment size categories was less optimistic. Similarly, the sentiment of businesses for the next 12 months was largely less upbeat as the CIs of small- and large-sized firms declined while that of the medium-sized firms edged higher from the previous quarter's survey results (see Tables 17, 21, and 24).¹¹

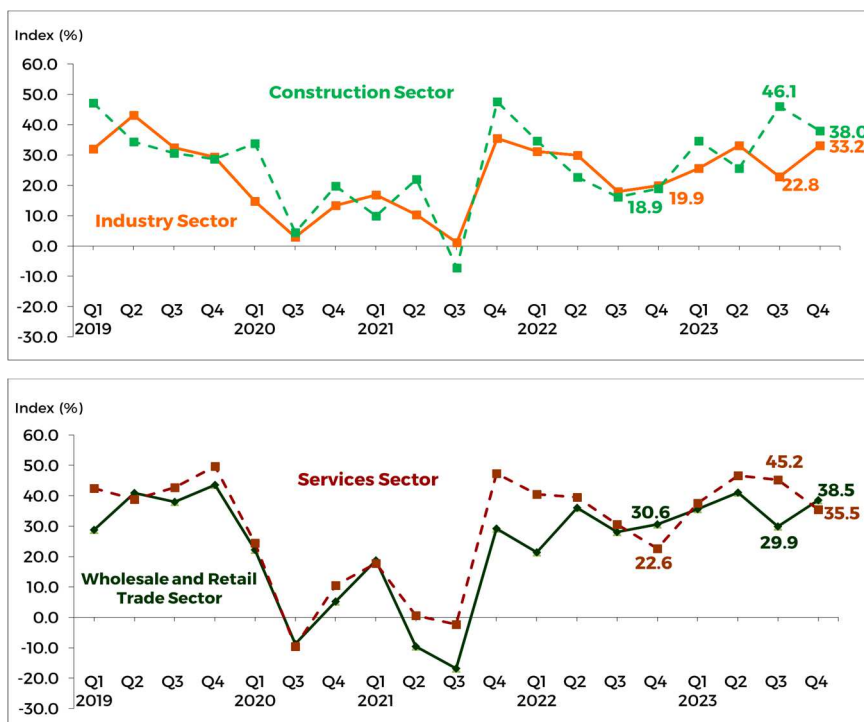
¹⁰ Dual-activity firms refer to companies who engage in both importing and exporting.

¹¹ Small-sized firms have 1-99 employees, medium-sized firms, 100-499 employees, large-sized firms have 500 or more employees.



❖ Sectoral Outlook

Current Quarter Business Outlook Index by Sector Q1 2019 – Q4 2023



Business sentiment across all sectors remains optimistic for Q4 2023...

For Q4 2023, the positive CIs of the industry, wholesale and retail trade, construction and services sectors reflected continued optimism in the said sectors (see Table 2). In particular, optimism in the industry and wholesale and retail trade sectors improved but weakened in the construction and services sectors.

The outlook of the industry and wholesale and retail trade sectors was more optimistic as firms anticipated: (a) stronger demand for their products and services during the holiday season, and (b) improved productivity and business activity due to the continued post-pandemic recovery. Meanwhile, the services and construction sectors cited the following as reasons for their less upbeat outlook: (a) lack of new clients and projects, (b) possible oil price hikes due to the ongoing Israel-Hamas and Ukraine-Russian conflicts, and (c) elevated inflation and interest rates.

...and largely less upbeat for the near term.

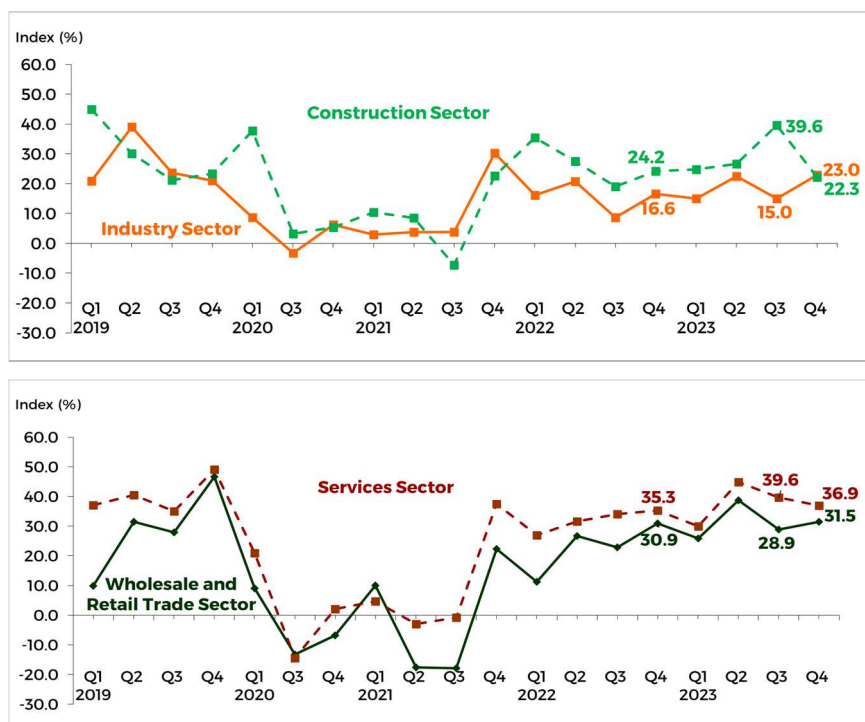
The business sentiment for Q1 2024 was less optimistic across all sectors, except the construction sector, which sustained a favorable outlook. The less upbeat sentiment of the industry, services, and wholesale and retail trade sectors were attributed to the: (a) decline in post-holiday consumer spending, (b) likely increase in fuel prices owing to geopolitical conflicts in the Middle East and Eastern Europe, (c) persistently-high inflation, and (d) rising interest rates. Meanwhile, the construction firms' more upbeat outlook for the said period stemmed from their anticipation of further improvement in the business climate and more construction projects.



In line with the national trend, the outlook of businesses across all sectors was less favorable for the next 12 months. The weakened optimism among firms across all sectors was due to their expectations of (a) continued increase in prices of basic commodities, (b) potential rise in fuel prices due to the ongoing conflict in the Middle East, and (c) moderation in demand for goods and services (see Table 4).

❖ Business Outlook on Own Operations

**Current Quarter Business Activity Index by Sector
Q1 2019 - Q4 2023**



Firms' outlook on their business operations is mostly more buoyant for Q4 2023.

For the current quarter, the outlook of firms on their own operations across sectors, based on their outlook on volume of business activity and total orders booked, was generally more optimistic. In particular, the increase in the volume of business activity CIs of firms in the industry and wholesale and retail trade sectors offset the lower CIs of businesses in the construction and services sectors. Further, the increase in the CIs pertaining to volume of total orders booked of the industry, services, and wholesale and retail trade sectors outweighed the decline in the CI of the construction sector for Q4 2023.

In contrast to the current quarter readings, a less favorable outlook on the volume of business activity was recorded for Q1 2024 across all sectors. Similarly, a less optimistic outlook for the volume of business activity was observed for the next 12 months as the less buoyant outlook of firms in the wholesale and retail trade and services sectors outweighed the more favorable outlook of firms in the industry and construction sectors (see Tables 5-7).



❖ Average Capacity Utilization¹²

Capacity utilization of industry and construction firms inches higher in Q4 2023. The average capacity utilization in the industry and construction sectors for Q4 2023 increased slightly to 70.9 percent from 70.5 percent in Q3 2023 (see Table 5). In particular, the average capacity utilization of the industry sector for Q4 2023 increased marginally to 69.7 percent (from 69.3 percent in Q3 2023).

❖ Financial Condition and Access to Credit¹³

Firms expect financial conditions and access to credit to be tight in Q4 2023. For Q4 2023, the cash or liquidity positions of firms may remain tight as the financial condition index stayed negative at around -15 percent. Moreover, businesses anticipated that their access to credit to be tighter for Q4 2023 as its corresponding index became more negative at -3.5 percent from -0.2 percent in the previous quarter. This means that the number of firms that expect tight access to credit increased and continued to outnumber those that said otherwise, during the current quarter (see Table 5). This is consistent with the results of the Q3 2023 Senior Bank Loan Officers' Survey (SLOS), which indicated that banks foresee an overall net tightening of credit standards for enterprises in Q4 2023.¹⁴

¹² For the BES average capacity utilization, firms in the industry and construction sectors were sampled. This differs from the sampling methodology of the MISSI, where a sample of only large manufacturing firms was used. Starting with the Q2 2023 BES report, respondent firms that reported 0% capacity utilization are included in the computation of the average capacity utilization (ACU) of the industry and construction sectors for the reference quarter. This is in line with the PSA Board Resolution No. 13, Series of 2020, wherein the computation of the ACU rate in the Monthly Integrated Survey of Selected Industries (MISSI) takes into account the impact of establishments that are temporarily closed (i.e., with zero capacity utilization rate).

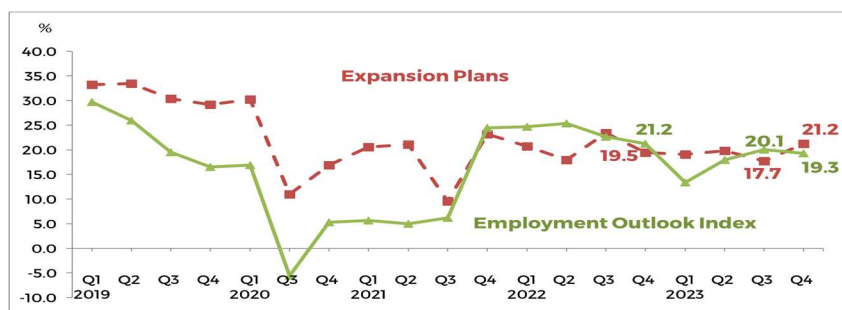
¹³ Financial conditions refer to the firm's general cash position considering the level of cash and other cash items and repayment terms on loans. Access to credit refers to the environment external to the firm, such as the availability of credit in the banking system and other financial institutions.

¹⁴ Results of the Q3 2023 Senior Bank Loan Officers' Survey (SLOS) showed that banks anticipate generally maintained loan standards for firms for Q4 2023 based on the mode of the responses while banks expect net tightening of credit standards for enterprises based on the diffusion index (DI) approach for the same period due to the following factors: (1) deterioration of borrowers' profiles, (2) decline in profitability of banks' portfolios, and (3) banks' reduced tolerance for risk. (<https://bit.ly/3fjsVil>)



❖ Employment and Expansion Plans

Next Quarter Employment Outlook and Expansion Plans Q1 2019 – Q4 2023



For Q1 2024, the employment outlook index stays positive and the percentage of firms with expansion plans increases.

The employment outlook index for Q1 2024 and the next 12 months stays positive at 19.3 percent and 29.3 percent, albeit lower than 20.1 percent and 32.3 percent in the Q3 2023 survey results, respectively. The positive, although lower readings in the Q4 2023 survey round suggest that firms may continue to hire more workers for the said periods but to a lesser degree compared with the previous quarter's survey results (see Tables 6 and 7).

Meanwhile, the percentage of businesses in the industry sector with expansion plans increased to 21.2 percent and 25.7 percent for Q1 2024 and the next 12 months (from 17.7 percent and 24.1 percent in the previous quarter's survey results), respectively. The increase in the percentage of firms with expansion plans for the next quarter was driven by the higher percentage of firms in the manufacturing sub-sector with expansion plans, which outweighed the decline in the percentage of firms with expansion plans in the electricity, gas and water, agriculture, fishery and forestry, and mining and quarrying sub-sectors. Likewise, the increase in the percentage of industry firms with expansion plans for the next 12 months emanated from the increase in the percentage of firms with expansion plans in the manufacturing sub-sector, which together with the slightly higher percentage of firms with expansion plans in the mining and quarrying sub-sector, outweighed the decrease in the percentage of firms with expansion plans from the electricity, gas and water, and the agriculture, fishery and forestry sub-sectors (see Tables 8 and 9).

❖ Business Constraints

Domestic competition, insufficient demand and high interest rates are the major risks cited by businesses.

The major business risks for Q4 2023 as identified by the respondents were (1) stiff domestic competition (55.7 percent of respondents), (2) insufficient demand (35.2 percent), and (3) high interest rates (25.5 percent). Meanwhile, COVID-19 is no longer viewed as a significant limiting factor to business activity (see Table 10).¹⁵

¹⁵ The number of firms that cited COVID-19 as a limiting factor to their business activity had declined considerably to 9 in Q4 2023 (from 394 in Q3 2020), which accounted for only 0.89 percent (less than 1 percent) of the total number of BES respondents during the said quarter.



❖ Expectations on Key Economic Indicators ¹⁶

<i>Businesses expect a weaker peso, and higher inflation and interest rates in Q4 2023 and Q1 2024.</i>	<p>Businesses expect that the peso may depreciate against the U.S. dollar in Q4 2023 and Q1 2024 but may appreciate in the next 12 months. Meanwhile, firms expect that the inflation and the peso borrowing rates may rise for all reference periods.</p> <p>Further, firms expect that inflation may remain above the upper end of the National Government's 2–4 percent inflation target range for 2023-2024. In particular, businesses expect that the inflation rate for Q4 2023, Q1 2024, and the next 12 months may average at 6.4 percent, 6.3 percent, and 6.2 percent, respectively. Meanwhile, firms are anticipating that the peso-dollar rate for Q4 2023, Q1 2024, and the next 12 months may average at Php56.20/US\$1, Php56.25/US\$1, and Php56.24/US\$1, respectively (see Tables 11-13).</p>
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About the Survey

<i>Survey response rate is 65.1 percent.</i>	<p>The Q4 2023 BES was conducted during the period 5 October – 14 November 2023.¹⁷ There were 1,548 firms surveyed nationwide, consisting of 583 companies in the NCR and 965 firms in AONCR, covering all 16 regions nationwide. Samples were drawn through stratified random sampling from the Bureau van Dijk (BvD) database of Top 7,000 Corporations ranked based on total assets in 2016-2017.¹⁸</p>
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The nationwide survey response rate for this quarter was slightly higher at 65.1 percent (from 64.9 percent in Q3 2023). The response rate was lower for the NCR at 61.9 percent (from 63.8 percent) but higher for AONCR at 66.9 percent (from 65.5 percent).

A breakdown of responses by type of business showed that 68.2 percent were domestic-oriented firms, 11.4 percent were both importers and exporters, 9.9 percent were importers, and 4.7 percent were exporters. The remaining 5.8 percent of the respondents did not specify their firm type (see Table 20).¹⁹

By size of employment, the survey showed that 43.7 percent of respondents were small-sized firms, 33.6 percent were medium-sized, and 13 percent were large firms. The rest of the respondents either did not specify the number of their employees or indicated that their company does not have any employee (see Table 22).

¹⁶ 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 key economic 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.

¹⁷ Approval for the conduct of the Q1 2023-Q4 2025 BES was issued on 29 December 2022 through PSA Approval Nos. BSP-2256-01 to 04 corresponding to the four (4) BES questionnaire versions for firms in the following sectors: (1) Industry, (2) Construction, (3) Services and (4) Wholesale and Retail Trade.

¹⁸ The combined list of top corporations was subdivided into 192 strata classified by region—NCR and AONCR (the other 15 regions of the country)—and by industry sub-group, namely: (a) Group I: 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 2009 PSIC.

¹⁹ Details may not add up to 100 percent due to rounding.

Annex A. Distribution of Top 7000 Corporations Ranked According to their 2016-2017 Total Assets from the Bureau van Dijk Database of Corporations by Region**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	BARMM	CAR	NCR	Philippines
Agriculture		1	5	14		8	5	1	3	3	26	7	1	1		11	86
Business	5	7	31	38			14			1	4					640	740
Community	4	4	25	54	2	2	5	1	4	2	2	2	1		1	126	235
Construction	2		38	60	9	1	4	3	2		7	2	1			248	377
EGW	4		8	11	1	1	8				2				1	41	77
Finance	2	10	30	57	5	8	28	3	1	5	8	5	1		1	502	666
Hotels and Restaurants	3	1	12	11	2	4	13		1	1	8	2			4	118	180
Manufacturing	3	3	139	428	7	5	69	6	1	8	27	10		1		734	1441
Mining			3	7			3						4			65	82
Real Estate	3	3	34	94	9	7	35	3	3	4	18	3				624	840
Trade	11	4	141	160	19	18	67	4	18	6	62	19	1	2	1	1288	1821
Transportation	1		27	48	6	1	12		1	1	10	2				286	395
Services Sector	18	25	159	302	24	22	107	7	10	14	50	14	2		6	2296	3056
Industry Sector	7	4	155	460	8	14	85	7	4	11	55	17	5	2	1	851	1686
Grand Total	38	33	493	982	60	55	263	21	34	31	174	52	9	4	8	4683	6940

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	BARMM	CAR	NCR	Philippines
Agriculture		1	4	11		8	2	1	3	3	17	7	1	1		11	70
Business	5	7	13	13			11			1	3					73	126
Community	4	4	16	24	2	2	5	1	4	2	2	2	1		1	15	85
Construction	2		15	16	9	1	2	3	2		4	2	1			34	91
EGW	4		6	9	1	1	8				2				1	22	54
Finance	2	10	17	23	5	8	20	3	1	5	6	5	1		1	60	167
Hotels and Restaurants	3	1	10	8	2	4	10		1	1	5	2			4	20	71
Manufacturing	3	3	22	55	7	5	19	6	1	8	19	10		1		77	236
Mining			3	6			3						4			18	34
Real Estate	3	3	21	17	9	7	16	3	3	4	10	3				76	175
Trade	11	4	19	20	19	18	25	4	18	6	28	19	1	2	1	143	338
Transportation	1		17	20	6	1	9		1	1	9	2				34	101
Services Sector	18	25	94	105	24	22	71	7	10	14	35	14	2		6	278	725
Industry Sector	7	4	35	81	8	14	32	7	4	11	38	17	5	2	1	128	394
GRAND TOTAL	38	33	163	222	60	55	130	21	34	31	105	52	9	4	8	583	1548

Annex B. Regions, Provinces and Highly Urbanized Cities 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, Zambales, Angeles City and Olongapo City
IV-Southern Tagalog	Cavite, Laguna, Batangas, Marinduque, Occidental Mindoro, Oriental Mindoro, Palawan, Quezon, Rizal, Romblon, Lucena City and Puerto Princesa City
V-Bicol	Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate and Sorsogon
VI-Western Visayas	Aklan, Antique, Capiz, Guimaras, Negros Occidental, Bacolod City and Iloilo City
VII-Central Visayas	Bohol, Cebu, Negros Oriental, Siquijor, Cebu City, Lapu-Lapu City and Mandaue City
VIII-Eastern Visayas	Biliran, Eastern Samar, Leyte, Northern Samar, Samar, Southern Leyte and Tacloban City
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, Misamis Oriental, Cagayan De Oro City and Iligan City
XI-Davao	Davao de Oro, Davao del Norte, Davao del Sur, Davao Occidental, Davao Oriental and Davao City
XII-SOCCSKARGEN	Cotabato, Sultan Kudarat, South Cotabato, Sarangani and General Santos City
Cordillera Administrative Region (CAR)	Abra, Apayao, Benguet, Ifugao, Kalinga, Mountain Province and Baguio City
Bangsamoro Autonomous Region of Muslim Mindanao (BARMM)	Basilan (excluding Isabela City), Lanao del Sur, Maguindanao del Norte, Maguindanao del Sur, Sulu and Tawi-Tawi
Caraga	Agusan del Norte, Agusan Del Sur, Dinagat Islands, Surigao del Norte, Surigao del Sur and Butuan City
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
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	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	35.2	40.5	37.3	40.2	22.3	-5.3	10.6	17.4	1.4	-5.6	39.7	32.9	35.4	26.1	23.9	34.0	40.8	35.8	35.9
NCR	37.1	40.6	40.4	42.2	23.2	-6.9	13.2	20.1	-0.8	-7.9	43.7	35.8	38.2	27.9	21.5	36.0	41.9	38.2	36.5
AONCR	32.0	40.3	31.9	36.8	20.4	-1.6	5.0	11.4	6.4	-0.6	30.6	26.8	29.5	22.4	28.7	29.9	38.5	30.9	34.5
Next Quarter	52.0	47.6	56.1	40.3	42.3	16.8	37.4	42.8	31.4	31.9	52.8	59.7	46.4	43.9	31.3	49.0	46.4	53.8	38.2
NCR	52.2	49.9	58.7	41.2	43.9	15.5	39.7	43.7	32.7	33.0	54.4	63.5	49.3	43.9	28.2	49.3	49.0	56.0	37.2
AONCR	51.6	43.6	51.3	38.8	38.7	19.6	32.5	40.8	28.3	29.5	49.3	52.0	40.5	43.9	37.8	48.3	41.0	49.5	40.3
Next 12 Months¹			58.6	59.6	55.8	37.5	57.7	60.5	52.5	56.0	67.6	69.8	59.9	57.7	46.2	61.9	58.5	59.7	54.0
NCR			59.9	61.6	57.8	38.7	59.3	63.3	55.2	57.1	68.6	71.7	64.1	60.6	45.1	62.8	60.0	61.9	55.2
AONCR			56.2	56.2	51.5	34.9	54.3	54.3	46.2	53.3	65.4	65.7	51.1	51.5	48.5	60.2	55.3	55.1	51.4
2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter																			
Industry Sector	32.0	43.1	32.5	29.4	14.8	2.9	13.3	16.8	10.3	1.2	35.4	31.2	29.9	18.0	19.9	25.6	33.2	22.8	33.2
Mining and Quarrying	30.7	38.9	26.9	14.1	6.1	15.6	-1.9	24.1	16.8	5.1	33.8	57.1	37.0	10.1	-15.7	25.9	41.9	41.6	37.3
Manufacturing	33.0	45.1	32.0	29.8	16.1	2.7	14.7	17.4	9.6	-0.8	32.8	30.3	29.9	18.2	21.8	24.8	30.6	21.6	31.5
Electricity, Gas and Water	32.1	37.8	34.2	36.1	28.0	3.5	24.3	20.9	18.2	29.0	70.8	18.4	19.8	0.6	20.2	35.5	65.5	32.7	56.1
Agriculture, Fishery and Forestry	14.7	16.2	43.0	24.4	-12.4	-7.2	-4.8	-6.6	9.3	4.8	49.2	32.5	32.6	38.4	21.7	29.2	36.6	16.3	36.6
Construction Sector	47.2	34.3	30.6	28.7	33.8	4.5	19.7	9.9	22.0	-7.2	47.5	34.7	22.6	16.2	18.9	34.7	25.6	46.1	38.0
Wholesale and Retail Trade	28.8	40.9	38.0	43.5	22.3	-8.7	5.2	18.7	-9.5	-16.9	29.2	21.4	36.1	28.1	30.6	35.6	41.1	29.9	38.5
Services Sector	42.5	38.9	42.7	49.8	24.5	-9.6	10.6	17.8	0.6	-2.4	47.4	40.5	39.5	30.5	22.6	37.6	46.7	45.2	35.5
Financial Intermediation	56.6	56.1	62.6	59.6	33.2	-5.7	7.9	28.6	4.6	8.1	62.9	51.4	39.1	25.7	11.6	40.4	51.2	47.6	36.1
Hotels and Restaurants	21.9	39.8	9.7	85.2	21.0	-9.3	14.3	-5.6	-5.4	-32.8	58.5	21.8	53.8	62.6	56.7	45.5	46.5	62.0	75.9
Business Activities	32.1	43.2	38.0	31.8	23.1	-4.7	15.7	18.0	10.9	5.0	57.8	37.3	42.6	30.5	23.3	34.5	50.6	39.1	33.4
Real Estate	36.6	22.0	39.8	47.6	28.0	-5.1	18.8	14.7	-11.0	-6.9	27.5	46.7	41.0	26.6	25.2	46.0	40.5	50.4	33.7
Community and Social Services	60.2	32.0	66.3	37.9	18.4	-19.9	-12.8	13.8	-20.9	-16.3	17.7	23.3	39.7	63.9	37.2	66.2	64.2	72.8	30.9
Transportation	52.4	29.0	35.5	60.2	10.7	-28.4	0.8	18.0	13.1	-3.0	54.4	33.4	25.0	13.4	11.2	0.5	34.2	17.4	26.3
3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter																			
Industry Sector	50.2	45.0	46.9	36.5	35.6	13.5	30.8	40.5	31.0	33.6	49.1	52.1	37.7	27.1	23.0	42.1	31.0	44.8	35.1
Mining and Quarrying	52.3	37.5	8.5	31.7	12.2	14.3	31.5	51.7	29.0	12.4	55.8	54.3	41.7	-5.2	-6.0	62.4	52.2	61.4	56.1
Manufacturing	49.9	45.5	47.4	39.2	38.6	13.1	30.0	40.7	31.3	33.8	47.1	52.5	38.5	28.2	24.3	41.5	28.7	43.4	33.7
Electricity, Gas and Water	52.8	45.9	53.5	17.1	32.7	38.1	46.8	43.2	40.0	62.8	70.8	60.4	23.6	31.6	24.0	49.1	50.9	53.8	49.0
Agriculture, Fishery and Forestry	50.6	39.7	55.3	14.8	9.8	-5.1	27.4	20.3	18.3	23.6	55.6	34.9	34.2	34.4	27.9	25.7	29.8	43.5	25.1
Construction Sector	54.6	43.8	35.4	41.8	53.8	14.2	58.3	29.5	30.1	31.6	68.6	66.4	55.4	36.4	37.9	49.4	29.6	53.4	53.7
Wholesale and Retail Trade	52.6	47.5	65.5	35.7	40.9	19.3	30.3	51.5	30.0	31.8	43.2	56.6	47.9	46.8	34.3	51.0	52.0	55.8	37.9
Services Sector	52.5	51.0	59.6	48.4	44.7	17.6	41.4	40.5	32.6	31.1	58.7	65.0	49.2	52.4	33.2	51.6	53.6	57.7	38.2
Financial Intermediation	68.0	62.4	71.1	57.6	57.1	18.9	55.1	47.8	31.7	39.3	65.5	77.3	59.3	49.3	22.6	56.1	61.9	60.7	40.7
Hotels and Restaurants	44.9	35.8	88.1	53.7	49.1	42.2	39.2	29.6	47.3	29.1	72.1	54.7	38.0	92.9	65.1	44.4	57.2	83.2	63.7
Business Activities	56.1	52.5	56.5	43.1	43.1	22.3	39.9	35.7	31.7	31.2	63.2	59.1	49.0	52.5	29.8	45.3	43.2	51.4	42.1
Real Estate	41.5	46.7	55.8	36.2	43.7	14.1	39.3	41.9	29.4	26.4	40.8	59.0	32.2	43.2	34.1	54.3	57.0	60.1	33.8
Community and Social Services	39.3	56.0	25.8	39.2	57.7	-3.7	34.0	32.4	35.7	24.6	48.1	65.7	68.2	62.6	61.1	69.3	68.8	58.7	35.1
Transportation	48.6	44.0	56.9	61.2	19.4	15.4	30.8	44.3	33.8	31.1	75.2	72.5	62.2	52.4	25.4	42.6	41.5	47.4	26.3

**BUSINESS EXPECTATIONS SURVEY
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	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
4. Business Outlook Index on the Macroeconomy by Sector: Next 12 Months¹																			
Industry Sector			51.7	55.0	49.0	30.9	49.3	57.6	56.2	58.4	60.3	60.0	48.9	47.8	43.7	55.2	47.7	50.9	49.1
Mining and Quarrying			39.9	38.7	42.6	46.7	51.9	69.0	45.8	70.0	65.9	71.4	58.9	52.6	23.0	50.0	42.4	58.4	55.2
Manufacturing			51.8	57.6	50.9	29.4	49.1	57.2	57.5	56.6	58.3	59.8	49.2	47.6	46.3	55.7	48.0	51.5	49.8
Electricity, Gas and Water			53.6	42.9	46.3	43.3	64.3	79.3	61.8	81.9	85.4	65.0	37.6	47.4	33.1	56.6	57.3	61.5	62.0
Agriculture, Fishery and Forestry			55.6	32.0	23.8	28.7	35.2	29.6	38.7	54.2	64.6	47.5	43.0	47.6	28.5	49.3	39.8	23.7	20.2
Construction Sector			54.0	52.6	63.0	46.2	70.0	45.6	50.7	66.8	75.3	77.4	58.9	61.8	52.6	54.4	45.2	59.8	59.2
Wholesale and Retail Trade			62.2	60.7	56.7	43.2	55.7	65.0	46.2	47.7	66.6	68.2	56.7	57.8	44.4	64.2	64.5	59.3	54.5
Services Sector			62.5	64.6	57.8	36.4	61.4	61.2	54.4	58.4	71.3	75.1	68.0	62.5	48.0	65.2	62.4	64.8	55.7
Financial Intermediation			70.5	74.3	67.9	44.6	75.2	69.0	64.5	59.6	78.0	86.7	76.0	59.0	41.0	68.3	73.2	68.5	59.3
Hotels and Restaurants			48.3	63.8	77.2	65.4	57.9	42.2	45.5	44.9	67.4	58.8	74.0	95.3	53.3	75.8	92.6	76.7	72.0
Business Activities			61.3	56.9	51.9	34.3	57.1	57.0	55.3	65.0	76.6	71.8	62.9	66.4	53.4	56.8	49.8	62.8	61.8
Real Estate			73.0	60.4	46.9	29.0	53.3	62.6	50.4	53.5	52.6	72.0	59.4	56.8	48.1	64.7	59.9	67.7	39.8
Community and Social Services			63.0	63.5	72.8	38.7	62.7	58.5	62.0	63.6	77.9	81.5	72.0	70.5	50.6	86.5	77.9	79.1	73.4
Transportation			52.1	71.8	56.7	27.8	63.0	63.1	43.5	56.4	85.7	72.5	77.1	53.7	45.5	59.3	50.4	42.3	54.3
5. Business Outlook index on Own Operations: Current Quarter																			
Volume of Business Activity Index	24.0	36.4	28.4	38.1	16.4	-10.1	1.2	6.0	-4.6	-4.6	30.9	20.7	27.5	24.2	29.0	25.0	36.8	30.8	31.3
Industry Sector	20.9	39.0	23.6	21.0	8.7	-3.2	6.2	2.9	3.7	3.8	30.3	16.2	20.8	8.7	16.6	15.1	22.5	15.0	23.0
Mining and Quarrying	7.3	24.9	8.5	-18.3	8.3	17.6	-14.8	-1.8	25.5	26.7	27.6	40.2	33.9	12.6	-21.7	15.4	29.9	29.4	21.4
Manufacturing	22.4	40.6	23.9	22.1	8.3	-5.3	6.7	3.0	0.8	1.3	29.1	14.9	18.3	7.6	18.3	13.3	19.9	13.7	21.7
Electricity, Gas and Water	22.9	35.1	22.3	27.0	22.0	11.7	22.8	10.6	12.7	33.8	47.4	18.0	46.6	1.9	37.7	33.7	59.8	32.7	47.2
Agriculture, Fishery and Forestry	0.7	23.8	29.3	18.7	3.3	-3.6	4.8	-1.7	25.1	-5.2	38.1	12.5	27.6	30.0	5.3	27.3	24.6	6.7	22.9
Construction Sector	45.0	30.2	21.1	23.3	37.7	3.2	5.4	10.4	8.6	-7.2	22.6	35.5	27.5	19.1	24.2	24.8	26.6	39.6	22.3
Wholesale and Retail Trade	9.9	31.4	27.9	46.6	9.0	-13.2	-6.9	10.0	-17.6	-17.9	22.3	11.2	26.7	22.9	30.9	25.8	38.6	28.9	31.5
Services Sector	37.1	40.6	35.0	49.1	20.9	-14.5	2.1	4.7	-3.0	-0.8	37.5	27.0	31.6	34.1	35.3	30.0	44.9	39.6	36.9
Financial Intermediation	41.9	61.5	54.9	68.0	33.7	-0.2	7.3	20.7	2.5	10.6	51.6	42.0	26.7	31.6	32.3	39.1	49.6	42.9	42.5
Hotels and Restaurants	6.0	11.8	1.4	78.9	30.3	-37.6	1.6	-18.3	-21.9	-35.0	58.5	0.0	60.1	58.3	62.6	14.1	48.8	46.2	72.0
Business Activities	35.6	53.8	39.0	31.9	17.7	-9.4	7.9	6.1	10.2	14.3	35.1	33.6	39.6	36.2	37.7	25.7	48.4	37.2	33.6
Real Estate	42.0	40.5	31.0	41.3	23.3	-14.8	5.2	1.9	-15.7	-14.6	27.5	20.5	33.6	20.1	31.6	33.0	40.4	42.5	31.8
Community and Social Services	50.1	18.9	52.2	16.3	16.8	-26.0	-20.7	-5.5	-18.3	-19.9	4.5	13.8	8.8	63.9	39.0	59.4	46.7	61.2	30.9
Transportation	39.1	16.9	16.3	66.5	-1.3	-30.4	-10.3	-3.5	5.5	5.5	48.2	21.8	20.8	35.4	29.2	5.8	36.9	16.7	31.7
Volume of Total Order Book Index	20.7	33.8	27.1	34.4	14.2	-11.6	-2.8	2.2	-5.5	-7.3	26.8	18.5	27.7	23.4	26.4	23.4	32.7	26.9	30.1
Industry Sector	21.7	42.6	25.2	20.8	14.9	-0.9	5.1	2.3	3.6	-1.0	27.5	19.2	18.6	12.5	15.4	18.3	19.8	15.0	26.1
Mining and Quarrying	0.8	19.5	15.1	-18.3	8.3	21.2	-14.8	0.0	25.5	21.5	3.5	45.7	37.5	9.8	-9.7	25.9	32.6	24.4	18.7
Manufacturing	23.2	44.7	25.2	22.2	16.0	-2.4	6.2	2.2	0.8	-4.5	27.5	18.8	16.7	11.7	16.5	17.5	18.0	14.4	27.2
Electricity, Gas and Water	23.3	33.8	23.8	27.6	23.1	2.2	14.9	7.1	3.6	31.4	36.0	-1.4	14.5	4.4	16.2	11.5	33.4	21.2	21.3
Agriculture, Fishery and Forestry	6.8	30.4	33.6	11.3	-6.2	-1.8	-2.4	0.6	31.8	6.8	45.0	17.5	36.2	35.6	20.2	32.2	25.7	9.3	20.5
Construction Sector	38.3	27.2	18.2	24.0	29.6	-7.0	5.4	-3.6	6.7	-7.2	23.7	27.9	27.7	11.0	23.1	22.9	12.7	23.2	18.0
Wholesale and Retail Trade	4.9	28.8	25.5	42.1	5.5	-17.3	-9.0	4.8	-20.7	-16.9	23.1	5.4	33.0	23.5	28.7	23.7	37.5	26.0	28.3
Services Sector	32.4	32.0	32.5	41.7	16.0	-15.1	-5.0	1.4	-2.7	-5.0	29.2	24.8	29.4	30.7	31.6	26.1	39.3	34.5	34.9
Financial Intermediation	33.6	48.6	47.4	59.2	28.5	-2.7	3.9	12.3	2.2	1.1	37.1	37.7	24.9	28.1	27.0	30.5	41.7	36.5	36.1
Hotels and Restaurants	3.4	14.6	4.1	73.4	27.3	-41.6	-9.0	-18.3	-17.4	-29.4	57.4	1.8	60.1	61.4	66.2	17.3	48.8	41.0	72.0
Business Activities	37.2	44.2	39.0	28.0	15.8	-5.6	0.8	6.4	5.6	4.6	29.1	27.6	34.1	34.2	33.0	31.8	47.5	35.2	35.2
Real Estate	39.2	36.4	24.8	31.5	14.7	-16.9	-3.6	-1.2	-9.9	-15.0	19.5	21.6	27.3	19.0	31.6	20.0	31.4	37.8	28.3
Community and Social Services	43.3	11.2	47.3	10.5	5.7	-24.3	-26.5	-9.3	-20.2	-18.1	2.7	12.2	5.0	57.3	32.0	55.2	41.0	56.3	33.4
Transportation	25.7	4.4	17.4	54.9	-1.3	-33.1	-19.7	-6.5	4.8	4.8	38.4	21.8	33.0	24.4	20.6	7.2	31.5	7.2	30.2

**BUSINESS EXPECTATIONS SURVEY
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	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5. Business Outlook index on Own Operations: Current Quarter - continued																			
Credit Access Index	8.2	8.0	7.8	9.8	5.2	-15.5	-12.2	-7.5	-8.2	-11.4	-7.7	-2.9	-0.4	-2.9	-4.2	-3.3	-2.7	-0.2	-3.5
Industry Sector	10.7	11.7	9.8	14.4	2.4	-14.8	-11.1	-11.2	-9.7	-6.1	0.7	-1.5	2.0	-0.7	-6.0	-1.1	-1.3	6.0	0.0
Mining and Quarrying	-6.5	-10.2	-0.6	-7.7	-16.5	-17.8	-9.2	-8.7	-3.3	2.1	8.0	-17.1	-5.2	-13.4	-17.0	-14.2	-10.3	0.0	-16.9
Manufacturing	12.2	13.9	10.5	16.4	4.0	-14.3	-11.0	-11.5	-9.7	-6.3	1.6	-0.2	3.2	0.6	-4.4	0.5	-0.2	7.6	1.2
Electricity, Gas and Water	11.1	4.0	10.4	8.0	6.8	-10.0	-7.4	-6.8	-5.5	-9.2	-6.5	0.5	-6.1	2.2	-4.4	-7.9	1.8	1.9	1.8
Agriculture, Fishery and Forestry	-5.8	-5.0	1.4	-0.2	-10.1	-26.6	-18.3	-14.4	-20.4	-9.7	-18.0	-10.0	-3.3	-13.6	-23.2	-9.1	-13.6	-11.5	-6.6
Construction Sector	2.9	0.6	3.8	5.5	5.7	-14.7	-11.1	6.2	-17.8	-20.7	-12.3	-0.6	6.2	-4.6	3.1	5.0	-2.7	-1.8	0.0
Wholesale and Retail Trade	8.8	6.3	5.4	6.4	8.5	-14.5	-11.4	-4.2	-7.5	-15.4	-8.9	-2.0	2.8	-0.9	-3.9	-3.2	0.9	-1.8	-1.7
Services Sector	6.4	7.9	9.2	9.8	4.8	-16.6	-13.6	-9.0	-6.5	-10.8	-11.0	-4.5	-4.5	-5.1	-4.3	-5.5	-5.7	-2.5	-7.0
Financial Intermediation	-1.8	5.5	10.7	12.6	11.8	-2.2	-1.4	-0.8	0.7	0.3	-8.9	0.1	-4.2	-2.4	-10.9	1.5	-5.0	-3.0	-7.7
Hotels and Restaurants	10.7	11.4	10.3	20.5	3.6	-21.7	-31.0	0.1	7.6	-14.5	-7.8	-0.5	22.7	9.6	-20.4	-2.2	-13.4	-1.1	-6.1
Business Activities	4.7	0.0	-3.7	-2.1	6.7	-18.9	-16.8	-13.8	-18.7	-10.3	-14.3	3.3	-7.4	-2.3	5.3	-15.5	-12.4	-8.8	-5.2
Real Estate	13.0	19.1	23.5	17.3	1.5	-17.3	-11.8	-8.7	-0.4	-9.6	-5.7	-6.5	-10.2	-15.7	-8.1	-7.8	-1.7	-0.4	-5.8
Community and Social Services	18.6	13.0	11.3	12.3	11.3	-13.6	-0.9	-11.9	-10.3	-18.2	-25.1	-21.2	-2.5	-9.7	9.9	25.5	7.0	16.5	-21.3
Transportation	4.6	9.8	16.0	14.1	-7.5	-34.8	-31.5	-16.8	-12.4	-26.8	-12.4	-16.0	-0.6	3.7	-4.3	-13.4	-7.2	-6.5	-3.7
Financial Condition	-7.5	-5.8	-7.0	-5.4	-12.2	-47.0	-43.4	-32.9	-32.1	-33.1	-22.4	-19.1	-18.2	-21.2	-23.5	-18.8	-16.7	-15.0	-15.1
Industry Sector	-8.2	-3.3	-7.0	-5.2	-12.0	-47.1	-42.9	-33.0	-29.5	-31.1	-15.7	-17.4	-16.4	-22.2	-27.4	-23.6	-17.5	-17.3	-18.7
Mining and Quarrying	-26.1	-22.0	-25.5	-28.2	-22.6	-35.9	-24.1	-17.3	-11.7	-7.2	-5.9	-5.6	-16.7	-13.7	-11.0	-17.9	-28.2	-16.8	-23.4
Manufacturing	-6.9	-1.7	-6.0	-3.7	-10.0	-48.6	-44.5	-33.8	-30.5	-32.3	-15.1	-18.3	-16.5	-21.8	-28.0	-24.5	-17.0	-17.0	-18.1
Electricity, Gas and Water	-1.1	1.3	-1.5	-1.9	-15.1	-35.5	-32.9	-32.6	-29.1	-39.2	-21.1	-12.4	-13.9	-34.2	-17.5	-17.2	-9.3	-15.4	-14.1
Agriculture, Fishery and Forestry	-30.1	-25.8	-20.6	-22.3	-34.1	-42.2	-42.8	-36.4	-29.5	-25.5	-32.3	-20.0	-17.0	-25.6	-42.5	-21.7	-23.0	-24.9	-29.5
Construction Sector	-5.1	-16.6	-11.6	-10.9	-13.6	-56.8	-44.6	-44.6	-57.1	-54.4	-33.8	-25.5	-30.0	-40.5	-37.9	-21.7	-22.6	-19.1	-19.1
Wholesale and Retail Trade	-6.7	-7.7	-8.8	-7.8	-13.6	-44.2	-43.2	-22.9	-29.1	-36.1	-24.5	-16.3	-16.4	-14.8	-21.0	-15.6	-18.3	-14.7	-10.6
Services Sector	-8.0	-3.9	-4.2	-1.9	-11.3	-46.7	-43.6	-37.6	-32.3	-29.7	-23.5	-20.9	-18.9	-22.2	-21.0	-17.7	-14.6	-13.5	-15.3
Financial Intermediation	-8.8	-5.0	5.1	0.8	2.5	-20.9	-21.4	-24.9	-14.4	-6.8	-7.7	2.7	-10.2	-15.6	-24.8	-12.6	-14.7	-14.6	-16.4
Hotels and Restaurants	-10.7	0.0	6.0	16.6	-20.4	-65.8	-71.5	-80.3	-61.2	-52.8	-26.8	-54.7	-36.1	-33.4	-33.5	-30.3	-34.0	-12.6	-13.3
Business Activities	-16.7	-15.4	-21.0	-19.2	-19.6	-54.1	-50.0	-41.5	-34.9	-35.2	-28.9	-22.3	-14.3	-21.5	-17.6	-14.9	-17.5	-13.4	-15.4
Real Estate	5.2	12.0	16.7	13.2	-0.7	-41.2	-36.4	-29.9	-27.5	-23.4	-21.7	-20.8	-17.5	-21.1	-15.8	-22.6	-9.1	-12.1	-12.6
Community and Social Services	2.9	4.3	-8.0	-0.9	-19.0	-65.6	-53.4	-58.1	-62.8	-60.0	-54.2	-41.3	-20.5	-22.9	-21.5	-9.4	-8.0	4.4	-14.5
Transportation	-7.8	-3.3	-8.3	1.5	-31.8	-68.1	-65.3	-36.2	-37.2	-43.2	-24.1	-31.8	-36.5	-31.7	-26.2	-20.6	-16.3	-25.9	-19.9
Average Capacity Utilization																			
Industry and Construction Sectors	76.5	75.5	76.1	75.1	74.9	66.2	67.9	70.1	69.6	69.8	70.6	70.2	72.7	72.7	72.1	71.5	71.0	70.5	70.9
Industry Sector	75.7	75.2	75.8	73.9	73.9	67.8	67.7	69.5	69.6	70.0	69.9	69.4	71.8	72.2	71.5	70.0	70.3	69.3	69.7

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
6. Business Outlook Index on Own Operations: Next Quarter																			
Volume of Business Activity Index	52.4	47.2	48.7	31.4	43.4	16.1	29.2	33.6	29.3	24.0	43.7	54.5	43.5	44.4	30.3	49.2	44.1	50.8	33.6
Industry Sector	49.7	40.0	40.8	24.7	43.1	14.3	21.9	31.9	26.2	31.2	43.2	47.9	33.6	20.7	17.6	41.1	28.2	34.4	25.3
Mining and Quarrying	36.0	18.6	-17.6	12.0	24.6	1.9	11.1	53.2	18.7	23.6	35.6	37.2	31.8	-18.1	15.7	40.8	23.3	5.0	-1.8
Manufacturing	51.5	42.4	42.3	25.9	44.9	14.0	22.2	30.8	28.6	29.6	42.2	49.1	35.3	22.4	15.7	42.4	27.4	35.1	26.7
Electricity, Gas and Water	30.3	25.7	43.2	30.7	50.4	27.7	42.3	48.3	5.5	62.1	69.8	62.7	5.5	15.8	40.9	49.1	54.4	59.6	48.5
Agriculture, Fishery and Forestry	49.9	27.5	50.2	3.6	23.5	18.9	7.2	10.1	11.4	37.1	42.9	24.9	32.7	34.4	29.3	11.0	21.5	27.5	6.9
Construction Sector	55.4	49.7	23.5	37.1	59.3	23.2	54.2	23.8	33.7	21.8	52.9	59.4	56.8	37.0	37.9	57.4	43.1	61.6	47.1
Wholesale and Retail Trade	50.9	46.9	56.0	22.6	36.8	15.4	21.6	35.6	26.4	11.8	36.3	54.1	44.0	50.8	24.6	48.9	44.5	51.3	34.2
Services Sector	56.0	53.7	54.2	45.8	44.4	16.2	33.1	34.4	32.2	27.7	47.4	57.7	46.9	54.4	39.7	52.9	52.7	58.3	36.2
Financial Intermediation	74.8	73.9	63.4	46.1	54.1	33.9	53.5	38.3	26.2	38.6	54.4	71.4	52.9	55.5	32.2	62.0	63.5	60.7	39.3
Hotels and Restaurants	44.2	20.7	82.6	43.4	59.8	4.4	26.5	29.6	42.0	6.5	70.9	35.3	50.6	80.9	61.4	37.2	49.8	78.9	52.5
Business Activities	54.5	47.0	50.1	46.3	46.0	18.5	38.1	35.2	35.9	35.6	49.3	58.6	53.4	56.6	43.0	50.7	47.0	59.0	42.5
Real Estate	65.8	69.7	45.3	39.7	38.1	15.2	21.5	29.1	22.1	13.8	29.8	51.2	34.1	45.9	36.1	47.4	50.8	58.5	27.9
Community and Social Services	12.3	56.9	16.2	42.3	61.0	-8.0	22.2	19.5	67.9	21.8	44.5	41.3	56.5	55.9	43.6	67.2	72.4	50.5	45.2
Transportation	55.2	42.1	63.3	53.9	21.6	3.8	22.1	47.7	30.4	35.2	59.0	65.2	43.9	53.7	42.1	51.2	38.7	47.8	23.9
Employment Outlook Index	29.7	26.0	19.6	16.6	16.9	-5.5	5.3	5.7	5.0	6.2	24.5	24.7	25.4	22.7	21.2	13.4	17.9	20.1	19.3
Industry Sector	22.1	18.5	11.8	6.9	14.3	-1.3	2.4	5.0	5.7	6.6	20.1	18.4	16.0	11.3	9.6	12.3	6.1	5.6	12.0
Mining and Quarrying	27.5	14.9	-11.0	-2.8	5.8	-5.4	-1.9	15.4	-6.8	-2.1	11.9	11.3	23.4	-2.5	14.4	14.2	4.9	0.0	8.4
Manufacturing	22.3	19.8	13.1	6.8	15.4	-0.9	2.4	4.3	6.7	6.6	19.7	18.0	15.7	12.3	9.1	12.5	5.6	5.3	11.5
Electricity, Gas and Water	30.3	12.2	13.4	19.3	22.0	6.5	13.4	3.5	-1.8	12.6	41.6	32.3	12.3	9.2	7.8	11.5	21.0	28.8	25.4
Agriculture, Fishery and Forestry	4.4	3.9	1.4	0.0	-3.9	-11.3	-4.3	9.6	9.1	9.4	15.3	20.0	17.3	10.0	15.5	9.1	3.1	-5.2	11.3
Construction Sector	44.8	39.0	5.6	16.1	22.8	3.8	25.0	10.9	9.2	17.1	26.9	48.6	43.9	14.4	26.3	43.6	19.2	28.8	33.7
Wholesale and Retail Trade	24.9	17.8	24.0	14.9	8.6	-7.1	4.4	6.6	-4.1	-4.3	19.4	22.1	23.3	23.9	15.8	21.0	20.3	16.6	19.0
Services Sector	38.7	39.0	25.4	27.7	22.0	-8.6	3.9	4.8	9.7	11.0	29.7	26.6	29.5	29.2	30.2	5.7	22.9	29.1	21.8
Financial Intermediation	52.6	51.6	29.7	38.0	33.2	8.7	18.9	12.6	19.7	27.3	29.6	41.2	28.9	27.1	26.9	14.7	25.1	23.3	19.2
Hotels and Restaurants	32.0	21.1	23.4	28.4	12.7	-29.7	-2.9	-11.3	-5.8	-11.3	21.3	36.5	44.3	59.0	15.6	1.1	48.6	64.1	35.6
Business Activities	45.1	51.8	28.8	22.1	21.6	-6.0	0.7	14.7	14.1	22.9	42.0	33.9	41.0	38.2	41.1	2.0	12.9	28.5	20.2
Real Estate	21.9	28.8	24.8	21.8	19.4	-8.0	-0.1	4.3	7.2	-0.4	22.2	13.8	18.0	16.2	22.3	-2.2	16.9	26.0	16.7
Community and Social Services	33.8	30.2	15.7	24.7	26.4	-26.5	-5.0	-14.6	6.6	-3.6	21.0	26.0	31.0	44.5	25.6	14.1	53.7	43.7	23.9
Transportation	32.3	23.7	20.7	32.5	10.7	-24.3	0.8	-7.7	-2.1	2.6	30.5	10.2	25.0	20.7	41.2	10.9	20.7	21.9	32.5

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
7. Business Outlook Index on Own Operations: Next 12 Months¹																			
Volume of Business Activity Index			57.2	57.7	45.1	16.2	36.5	42.5	40.4	44.0	57.2	55.8	51.5	49.0	49.2	56.6	54.0	52.3	49.5
Industry Sector			46.6	46.6	41.6	19.8	28.3	38.1	43.1	47.5	59.9	47.9	41.3	41.0	33.5	45.7	43.7	45.5	49.6
Mining and Quarrying			17.7	4.9	-6.1	28.2	33.3	46.4	33.9	31.9	37.7	45.5	28.7	10.4	14.4	48.1	27.7	46.2	47.7
Manufacturing			16.1	19.4	-1.0	18.7	26.9	38.7	43.7	47.7	60.8	47.9	42.0	42.9	33.6	45.6	44.3	45.2	50.7
Electricity, Gas and Water			28.4	28.5	18.4	33.8	58.1	51.9	49.1	63.8	75.3	63.1	47.6	41.4	49.3	50.6	61.9	65.4	52.0
Agriculture, Fishery and Forestry			23.5	11.4	-24.6	16.4	19.3	3.1	36.4	42.6	52.9	35.0	36.0	38.0	37.0	40.2	32.5	30.4	31.5
Construction Sector			17.7	17.3	26.0	27.6	47.4	30.0	25.0	45.1	59.6	32.8	42.3	47.4	46.3	47.5	43.6	45.8	46.7
Wholesale and Retail Trade			20.0	33.6	2.7	14.0	37.6	50.0	45.1	35.9	52.5	55.3	47.2	49.5	61.9	56.2	54.4	45.8	42.9
Services Sector			63.9	70.1	49.4	13.5	38.4	41.9	37.9	46.9	58.4	63.2	60.9	53.3	50.5	63.9	60.7	60.7	53.8
Financial Intermediation			83.6	81.6	63.2	33.2	51.9	48.0	47.1	52.9	59.0	76.6	68.3	60.4	60.6	68.8	66.8	61.3	60.3
Hotels and Restaurants			44.3	63.1	58.8	11.4	46.9	15.5	35.7	56.2	77.6	48.8	82.3	74.4	77.2	65.3	86.4	84.0	72.3
Business Activities			61.4	63.7	52.2	19.3	31.7	40.1	46.5	54.1	65.0	68.4	68.8	60.0	54.7	68.3	58.6	54.0	61.1
Real Estate			57.1	54.5	41.6	0.1	30.2	38.3	20.6	40.2	32.0	49.9	50.7	42.3	35.1	49.9	54.1	62.7	42.8
Community and Social Services			67.0	79.3	44.6	-0.9	31.8	34.5	48.3	21.0	68.2	70.4	51.0	63.0	49.4	87.5	74.5	75.7	52.2
Transportation			60.1	82.5	35.3	6.3	44.9	58.4	35.9	48.0	84.0	60.9	50.6	36.6	46.8	61.7	48.6	48.6	44.9
Employment Outlook Index			35.8	34.5	30.8	-2.1	7.8	11.7	14.7	24.3	32.4	28.9	30.7	30.0	29.0	36.4	30.0	32.3	29.3
Industry Sector			24.7	23.1	26.0	2.1	10.4	11.7	13.0	18.1	29.6	20.0	17.8	21.2	10.6	24.8	18.4	15.3	24.3
Mining and Quarrying			15.1	4.9	16.3	1.7	9.3	18.9	-8.6	24.7	19.6	31.2	26.6	15.9	25.3	26.6	2.7	19.5	16.9
Manufacturing			24.4	23.0	26.7	1.9	10.3	12.1	13.8	16.7	30.0	18.8	17.3	21.7	9.1	25.8	18.5	13.8	24.1
Electricity, Gas and Water			35.8	40.2	47.8	12.6	25.5	20.9	29.1	28.3	43.8	39.2	18.4	29.4	31.5	28.0	40.9	51.9	46.2
Agriculture, Fishery and Forestry			22.3	16.6	2.6	-4.4	-1.1	-14.6	6.7	26.1	19.0	12.6	17.3	10.4	2.9	3.7	11.5	4.1	15.7
Construction Sector			28.6	52.7	60.7	11.7	25.4	18.1	15.9	35.2	35.9	30.6	37.4	26.6	33.7	32.7	23.9	32.3	27.6
Wholesale and Retail Trade			36.7	29.6	23.7	-7.0	-1.2	13.1	11.0	21.3	25.0	22.7	27.6	29.4	28.2	39.0	29.3	34.0	30.1
Services Sector			47.0	46.8	32.1	-4.0	8.3	10.1	17.7	28.3	37.9	37.4	38.8	35.6	38.9	41.5	37.5	40.6	31.9
Financial Intermediation			64.3	57.9	46.0	18.0	20.0	21.8	36.1	29.4	32.6	47.9	43.3	34.4	30.7	38.3	40.6	35.2	30.5
Hotels and Restaurants			32.4	37.8	34.7	-36.7	-15.1	-33.9	3.6	20.2	39.2	58.2	68.3	84.0	56.7	75.5	81.5	78.8	63.3
Business Activities			46.8	45.4	31.3	2.6	6.7	19.5	23.9	42.8	43.2	43.8	45.0	46.4	56.7	51.4	38.7	48.7	36.3
Real Estate			35.8	34.4	24.1	-7.3	6.0	8.8	7.3	22.5	27.9	23.4	25.9	26.0	27.2	24.8	24.0	31.2	20.2
Community and Social Services			59.2	58.6	42.5	-23.4	10.5	8.3	19.2	10.9	47.2	35.4	36.0	37.4	57.0	60.4	65.3	61.2	36.8
Transportation			38.5	46.6	19.2	-21.2	5.5	-4.7	1.4	24.2	51.1	27.6	35.1	14.6	25.3	37.8	22.5	25.2	33.4
8. Companies with Expansion Plans (in percent of total respondents): Next Quarter																			
All Industry Sector	33.2	33.5	30.4	29.2	30.2	11.0	16.9	20.6	21.1	9.6	23.2	20.8	17.9	23.4	19.5	19.1	19.8	17.7	21.2
Mining and Quarrying	21.0	22.6	15.7	19.7	22.4	7.1	9.3	17.2	13.6	2.1	10.1	17.1	25.5	26.3	0.0	14.2	15.2	16.8	15.0
Manufacturing	33.2	33.2	30.7	29.8	31.0	9.9	16.9	21.4	21.1	9.2	22.6	19.9	16.5	22.3	19.7	19.4	18.5	15.5	20.5
Electricity, Gas and Water	36.9	40.5	31.4	27.6	25.5	18.9	21.5	20.7	30.9	14.4	43.8	33.2	25.9	37.7	39.7	24.7	44.9	44.2	36.7
Agriculture, Fishery and Forestry	37.6	38.1	33.3	26.1	29.7	27.6	20.2	9.8	18.2	20.3	26.5	27.5	27.6	26.0	16.4	14.5	23.0	31.6	25.2
9. Companies with Expansion Plans (in percent of total respondents): Next 12 Months¹																			
All Industry Sector			37.9	38.1	37.2	20.4	28.0	27.0	27.8	27.3	26.8	25.6	24.4	23.2	22.9	26.0	24.8	24.1	25.7
Mining and Quarrying			28.1	33.1	34.8	12.5	14.8	17.2	25.5	19.6	8.0	22.9	35.4	29.0	7.3	20.4	17.9	21.4	21.5
Manufacturing			37.3	38.3	37.1	19.5	28.4	27.7	27.2	26.8	26.7	24.5	22.2	21.2	22.5	25.3	23.5	21.8	24.7
Electricity, Gas and Water			44.8	36.8	44.2	28.8	32.2	32.9	45.5	41.6	43.8	45.6	46.0	50.0	53.4	45.8	53.0	57.7	46.2
Agriculture, Fishery and Forestry			47.2	38.9	35.6	37.1	31.3	20.0	22.8	28.7	31.7	30.0	31.1	27.2	16.4	23.6	27.2	33.8	27.4

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
10. Business Constraints (in percent to total respondents): Current Quarter																			
High Interest Rate	18.3	17.6	15.3	13.1	16.5	9.8	10.2	10.6	8.6	9.5	10.1	10.1	12.6	18.0	23.9	29.0	27.8	25.5	25.5
Unclear Economic Laws	14.0	12.6	13.4	13.2	11.9	15.4	15.0	16.3	14.8	20.0	18.0	14.6	15.7	13.4	13.5	14.1	11.2	13.7	12.1
Lack of Equipment	4.2	4.6	4.9	5.0	5.6	4.1	4.4	3.9	4.6	4.5	5.2	3.4	3.6	3.6	5.1	4.2	4.7	5.4	5.1
Insufficient Demand	24.2	23.3	25.1	25.0	27.6	46.2	45.6	46.7	44.1	43.8	44.3	40.6	37.1	35.0	31.9	33.0	33.1	32.6	35.2
Access to Credit	4.5	4.7	4.5	5.3	7.2	9.6	8.0	8.8	8.7	9.3	7.8	7.9	7.8	8.1	7.9	9.7	8.0	7.2	8.0
Financial Problems	7.8	7.2	7.2	7.4	10.8	19.2	19.9	17.5	14.9	17.2	15.9	14.5	14.4	13.1	13.4	15.4	13.4	14.7	14.7
Competition	55.6	55.2	53.1	53.4	46.8	34.1	36.7	41.6	38.1	37.9	44.5	44.4	49.4	48.2	48.3	52.6	55.7	58.5	55.7
Labor Problems	13.9	13.4	15.1	15.9	9.4	9.0	10.5	6.5	7.3	8.5	9.7	10.2	10.1	9.3	10.1	10.5	13.4	12.5	11.5
Lack of Materials Input	5.9	6.1	5.5	5.3	7.0	6.8	7.0	9.4	7.9	8.7	10.3	9.3	9.5	10.3	9.5	8.8	9.4	7.2	7.8
Others	24.3	22.2	19.9	23.4	22.7	54.2	46.5	47.5	51.7	41.8	36.7	41.6	40.4	35.4	36.6	29.2	28.2	26.3	26.4
None	8.9	9.4	8.6	8.9	10.2	5.6	4.9	5.1	4.3	7.1	8.5	7.5	9.1	9.6	10.9	10.1	14.1	10.7	9.3
11. Business Expectations Index on Selected Economic Indicators: Current Quarter																			
P/\$ Exchange Rate	13.9	6.5	17.2	21.4	8.1	18.0	15.9	0.1	-8.5	-28.6	-11.0	-19.1	-26.7	-28.7	-25.6	19.9	-5.6	10.4	-7.4
Inflation Rate	-9.8	-5.5	-5.1	0.1	19.7	14.5	14.8	55.1	40.6	50.0	53.9	30.3	65.6	67.7	72.2	42.1	19.6	8.8	49.6
Peso Borrowing Rate	21.9	13.0	-2.5	-2.6	-1.3	-22.7	-13.0	-4.8	0.3	5.8	14.6	10.7	18.0	25.2	25.6	30.2	26.4	18.1	25.2
Inflation Rate Expectations (in %)	5.0	3.9	3.4	2.9	2.9	2.3	2.5	3.6	4.1	3.9	4.2	4.2	4.0	5.6	6.2	7.0	7.2	5.9	6.4
Exchange Rate Expectations (Php: \$1.00)	52.68	52.27	51.76	51.51	50.94	49.79	48.66	48.37	48.41	49.36	50.31	50.87	51.99	55.02	58.14	55.44	55.08	55.22	56.20
12. Business Expectations Index on Selected Economic Indicators: Next Quarter																			
P/\$ Exchange Rate	0.2	-0.3	13.2	-1.6	2.3	10.9	1.5	-11.6	-13.7	-11.8	-5.8	-9.9	-15.9	-14.4	-13.5	11.8	2.4	14.7	-5.4
Inflation Rate	-0.8	2.7	13.7	10.6	22.7	22.4	18.7	43.9	37.7	45.8	30.6	32.1	53.4	44.6	42.9	18.3	9.9	13.2	24.7
Peso Borrowing Rate	11.9	7.3	-0.9	1.4	-1.9	-10.3	1.4	0.8	7.7	11.1	19.9	16.5	22.6	26.0	26.8	25.5	20.5	16.8	17.5
Inflation Rate Expectations (in %)	4.9	4.0	3.5	3.0	3.0	2.4	2.6	3.7	4.2	3.9	4.2	4.2	4.1	5.6	6.1	6.9	7.1	5.9	6.3
Exchange Rate Expectations (Php: \$1.00)	52.75	52.40	51.73	51.66	51.13	49.84	48.87	48.56	48.58	49.49	50.47	50.99	52.17	55.19	58.55	55.36	55.10	55.14	56.25

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
13. Business Expectations Index on Selected Economic Indicators: Next 12 Months¹																			
P/\$ Exchange Rate			0.8	-0.3	8.4	5.3	-2.9	-7.7	-6.4	-10.6	-2.2	4.9	-2.6	-3.4	-2.5	17.2	15.3	12.5	4.7
Inflation Rate			10.6	17.3	26.9	29.6	28.2	32.9	24.6	35.5	28.7	20.7	35.2	15.9	19.2	7.3	2.9	-0.6	14.9
Peso Borrowing Rate			1.9	4.4	6.3	2.7	13.9	13.3	14.1	18.4	26.4	27.9	29.9	25.8	24.8	22.3	19.5	16.3	14.1
Inflation Rate Expectations (in %)			3.6	3.2	3.2	2.5	2.6	3.7	4.1	3.9	4.2	4.2	4.1	5.4	5.9	6.6	6.9	5.7	6.2
Exchange Rate Expectations (Php: \$1.00)			51.85	51.80	51.24	50.13	49.17	48.79	48.69	49.60	50.57	51.02	52.21	54.92	58.27	55.32	54.98	55.09	56.24
14. Distribution of Respondent Firms by Sector																			
All Sectors	1234	1230	1215	1205	1111	982	981	965	998	916	884	800	780	884	916	942	920	1005	1007
Industry	367	371	357	354	281	268	266	259	262	237	220	223	217	227	264	273	261	268	276
Mining and Quarrying	32	34	32	32	30	34	33	28	29	26	24	22	29	23	19	30	24	25	28
Manufacturing	228	225	219	222	159	152	146	148	149	139	129	128	123	126	156	161	150	161	165
Electricity, Gas and Water	52	54	49	46	42	39	43	42	40	29	27	33	32	36	43	39	37	38	39
Agriculture, Fishery and Forestry	55	58	57	54	50	43	44	41	44	43	40	40	33	42	46	43	50	44	44
Construction	92	89	87	89	81	73	73	49	47	49	49	44	47	52	53	57	47	54	56
Wholesale and Retail Trade	347	332	335	333	209	179	174	193	204	180	198	170	154	185	159	183	173	202	189
Services	428	438	436	429	540	462	468	464	485	450	417	363	362	420	440	429	439	481	486
Financial Intermediation	80	81	80	80	148	138	139	141	149	126	117	106	107	116	114	129	137	146	150
Hotels and Restaurants	49	51	55	52	43	30	31	29	32	39	35	30	26	39	39	39	38	47	45
Business Activities	98	102	100	94	100	83	84	85	88	73	64	80	73	87	87	64	69	64	58
Real Estate and Renting	65	67	65	66	114	96	93	95	98	94	92	77	81	93	103	101	98	106	110
Community and Social Services	60	60	58	61	70	64	66	60	61	62	60	35	43	43	47	51	50	58	63
Transportation	76	77	78	76	65	51	55	54	57	56	49	35	32	42	50	45	47	60	60

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 the negative with respect to their views on a given indicator.

¹ Starting Q3 2019, questionnaire was enhanced to include outlook for the next 12 months.

² Starting with the Q2 2023 BES report, respondent firms that reported 0% capacity utilization are included in the computation of the average capacity utilization (ACU) of the industry and construction sectors for the reference quarter. This is in line with the PSA Board Resolution No. 13, Series of 2020, wherein the computation of the ACU rate in the Monthly Integrated Survey of Selected Industries (MISSI) takes into account the impact of establishments that are temporarily closed (i.e., with zero capacity utilization rate). For comparability, the Q1 2023 BES ACU figures were revised to reflect this update.

* Due to the implementation of the Community Quarantine nationwide, the conduct of the Q2 2020 BES was cancelled.

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
15. Business Outlook Index on the Macroeconomy (by Type of Business): Current Quarter																			
Importer	39.6	40.1	38.2	41.7	15.6	-3.2	12.9	26.3	16.7	-1.1	39.3	34.0	47.6	29.0	15.7	37.1	35.4	29.4	34.0
Exporter	38.7	51.4	43.1	23.0	25.8	12.7	20.8	11.1	14.6	7.9	41.9	26.2	30.8	20.5	24.4	19.6	25.0	16.7	36.2
Both (Importer and Exporter)	21.2	39.8	33.2	25.1	16.9	11.3	9.1	28.8	12.3	7.0	39.2	33.3	26.7	33.7	21.7	26.4	38.9	31.5	14.8
Domestic-Oriented	37.2	40.2	35.2	49.1	22.8	-8.1	7.9	11.5	1.9	-3.9	37.4	34.0	35.8	26.7	30.3	37.5	47.7	42.5	44.1
16. Number of Respondents (by Type of Business)																			
Importer	154	147	131	144	109	93	85	95	102	93	89	47	82	93	89	97	96	102	100
Exporter	75	72	72	74	62	55	53	45	48	63	43	42	39	44	45	46	48	48	47
Both (Importer and Exporter)	208	211	205	203	124	106	110	111	106	114	120	87	86	89	106	110	108	108	115
Domestic-Oriented	723	721	719	704	744	679	687	669	687	643	631	515	531	618	623	642	623	689	687
Not Specified	74	79	88	80	72	49	46	45	55	3	1	109	42	40	53	47	45	58	58
Total	1234	1230	1215	1205	1111	982	981	965	998	916	884	800	780	884	916	942	920	1005	1007
17. Business Outlook Index on the Macroeconomy (by Size of Employment): Current Quarter																			
Small (<100)	32.6	35.8	35.0	40.7	26.1	-5.2	5.2	12.5	-0.2	-4.6	33.6	37.5	34.6	29.0	22.2	34.2	37.9	39.2	36.1
Medium (100-<500)	36.1	41.1	33.4	40.4	15.1	-9.6	14.8	17.9	8.2	0.9	39.9	25.1	35.8	25.4	33.2	38.9	47.7	37.1	41.7
Large (500 & up)	37.0	44.9	40.6	44.3	22.8	10.4	17.4	32.5	16.9	-1.6	51.2	43.1	41.2	34.7	31.7	34.7	49.2	42.6	52.7
18. Number of Respondents (by Size of Employment)																			
Small (<100)	368	366	306	329	449	401	401	431	416	436	425	341	341	393	405	421	412	449	440
Medium (100-<500)	466	462	416	438	345	302	344	324	317	321	313	259	268	291	310	314	302	342	338
Large (500 & up)	303	316	278	287	158	135	121	123	142	124	125	116	114	118	126	121	124	129	131
Not Specified ²	97	86	215	151	159	144	115	87	123	35	21	84	57	82	75	86	82	85	98
Total	1234	1230	1215	1205	1111	982	981	965	998	916	884	800	780	884	916	942	920	1005	1007

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
19. Business Outlook Index on the Macroeconomy (by Type of Business): Next Quarter																			
Importer	57.8	49.7	58.8	43.1	37.6	24.7	30.6	50.5	29.4	34.4	56.2	66.0	46.3	39.8	38.2	44.3	43.8	53.9	41.0
Exporter	60.0	55.6	41.7	33.8	50.0	16.4	41.5	51.1	41.7	23.8	58.1	33.3	35.9	25.0	31.1	45.7	25.0	37.5	42.6
Both (Importer and Exporter)	43.3	48.3	37.1	40.4	27.4	25.5	38.2	49.5	41.5	31.6	50.8	52.9	43.0	43.8	35.8	49.1	39.8	47.2	37.4
Domestic-Oriented	53.8	45.5	61.6	40.9	43.0	17.5	37.1	37.8	29.7	31.9	51.3	61.0	46.7	49.2	34.7	50.3	50.6	59.4	42.4
20. Percentage Distribution of Respondent Firms by Type of Business																			
Importer	12.5	12.0	10.8	12.0	9.8	9.5	8.7	9.8	10.2	10.2	10.1	5.9	10.5	10.5	9.7	10.3	10.4	10.1	9.9
Exporter	6.1	5.9	5.9	6.1	5.6	5.6	5.4	4.7	4.8	6.9	4.9	5.3	5.0	5.0	4.9	4.9	5.2	4.8	4.7
Both (Importer and Exporter)	16.9	17.2	16.9	16.8	11.2	10.8	11.2	11.5	10.6	12.4	13.6	10.9	11.0	10.1	11.6	11.7	11.7	10.7	11.4
Domestic-Oriented	58.6	58.6	59.2	58.4	67.0	69.1	70.0	69.3	68.8	70.2	71.4	64.4	68.1	69.9	68.0	68.2	67.7	68.6	68.2
Not Specified	6.0	6.4	7.2	6.6	6.5	5.0	4.7	4.7	5.5	0.3	0.1	13.6	5.4	4.5	5.8	5.0	4.9	5.8	5.8
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
21. Business Outlook Index on the Macroeconomy (by Size of Employment): Next Quarter																			
Small (<100)	55.4	47.8	56.2	40.4	41.6	17.7	36.7	37.8	26.7	27.3	50.4	60.4	43.1	41.2	30.6	46.3	45.9	57.5	41.1
Medium (100-<500)	53.0	47.0	58.2	37.9	40.6	15.9	40.1	43.2	34.1	36.4	52.7	55.6	48.5	53.3	42.6	54.8	49.3	54.4	44.4
Large (500 & up)	50.8	46.5	55.8	43.2	45.6	23.7	44.6	57.7	43.0	36.3	59.2	65.5	48.2	45.8	33.3	52.1	46.0	57.4	41.2
22. Percentage Distribution of Respondent Firms by Size of Employment																			
Small (<100)	29.8	29.8	25.2	27.3	40.4	40.8	40.9	44.7	41.7	47.6	48.1	42.6	43.7	44.5	44.2	44.7	44.8	44.7	43.7
Medium (100-<500)	37.8	37.6	34.2	36.3	31.1	30.8	35.1	33.6	31.8	35.0	35.4	32.4	34.4	32.9	33.8	33.3	32.8	34.0	33.6
Large (500 & up)	24.6	25.7	22.9	23.8	14.2	13.7	12.3	12.7	14.2	13.5	14.1	14.5	14.6	13.3	13.8	12.8	13.5	12.8	13.0
Not Specified ²	7.9	7.0	17.7	12.5	14.3	14.7	11.7	9.0	12.3	3.8	2.4	10.5	7.3	9.3	8.2	9.1	8.9	8.5	9.7
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

**BUSINESS EXPECTATIONS SURVEY
2019 - 2023**

	2019				2020 *			2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
23. Business Outlook Index on the Macroeconomy (by Type of Business): Next 12 Months¹																			
Importer			58.8	57.6	52.3	47.3	58.8	69.5	52.0	57.0	78.7	76.6	62.2	59.1	46.1	56.7	54.2	56.9	49.0
Exporter			48.6	44.6	61.3	47.3	60.4	57.8	45.8	47.6	69.8	42.9	43.6	52.3	37.8	45.7	39.6	50.0	46.8
Both (Importer and Exporter)			48.8	59.6	37.9	38.7	57.3	63.1	58.5	57.9	65.8	66.7	50.0	52.8	50.9	58.2	43.5	53.7	54.8
Domestic-Oriented			64.0	60.2	57.0	37.1	58.1	56.1	51.2	58.0	66.7	74.0	59.9	59.9	48.5	64.3	65.7	64.3	56.6
24. Business Outlook Index on the Macroeconomy (by Size of Employment): Next 12 Months¹																			
Small (<100)			59.5	56.5	54.3	31.7	55.4	57.1	48.1	54.1	67.1	70.1	55.7	57.8	43.5	59.9	59.5	61.2	52.5
Medium (100-<500)			60.1	60.3	57.1	44.4	64.2	60.5	52.7	56.4	67.7	72.6	61.6	62.5	56.8	67.5	63.6	59.6	59.8
Large (500 & up)			58.6	59.2	60.1	46.7	68.6	71.5	67.6	71.8	76.8	75.9	64.0	56.8	50.0	62.0	52.4	65.9	61.8

A quarterly survey conducted by the Department of Economic Statistics.

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¹ Starting Q3 2019, questionnaire was enhanced to include outlook for the next 12 months.

² From Q3 2021, this category also includes respondent firms which reported that they have no employees.

* Due to the implementation of the Community Quarantine nationwide, the conduct of the Q2 2020 BES was cancelled.