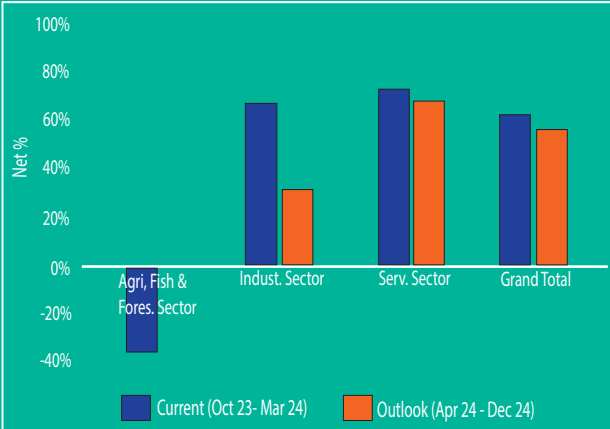


SNAPSHOT Business Expectation Survey (BES), February 2024 Current Development and Outlook



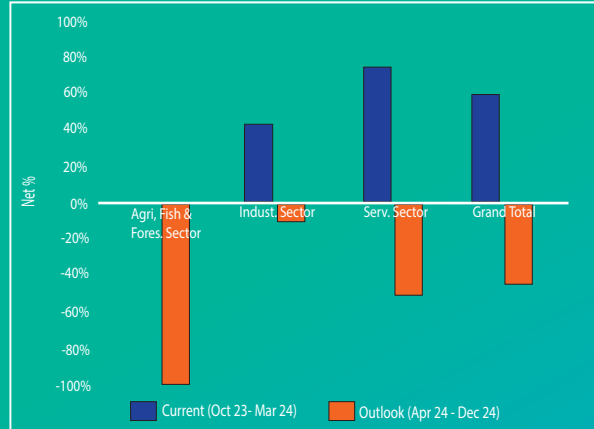
Growth - Business Performance



The overall sentiments on growth in business performance for the current development were very positive, with a slightly lower positive expectation for the remaining of 2024. This was mainly attributed to positive sentiments from the industry and services sectors. The sentiments from agriculture sector were negative for the current period and with a similar outlook for the sector.



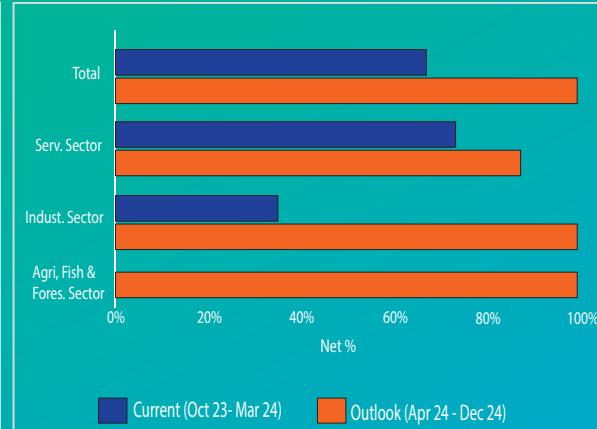
Sales



Sentiments on sales were moderately positive during the current period, with a moderately negative expectation for the remaining of the year. This was mainly attributable to the industry and services sectors and to all sectors for the current period, and to all sectors for the negative outlook.

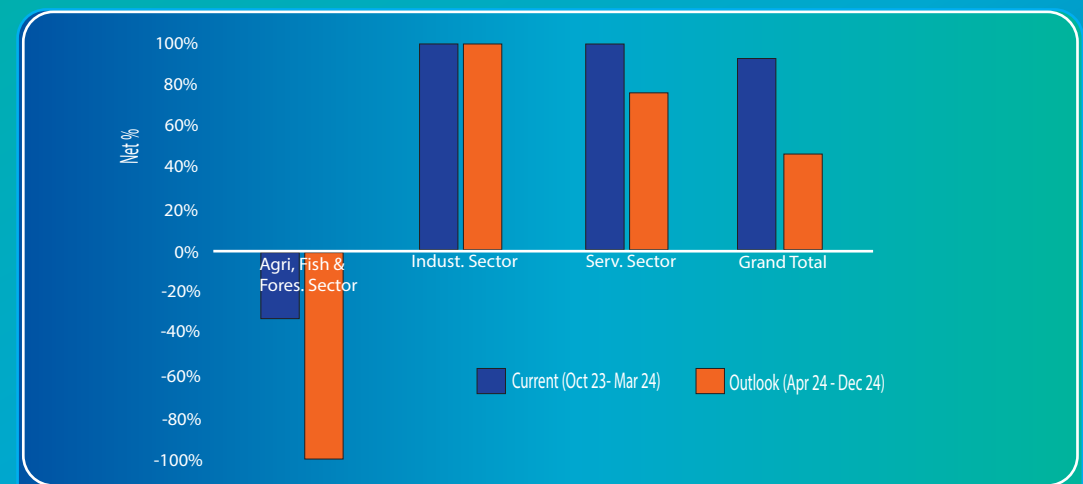


Investment



All businesses anticipate accumulation in their capital investments from the current period, up to the first quarter of 2024. Most businesses are expecting to invest more in the nine months ahead that is from March to December 2024.

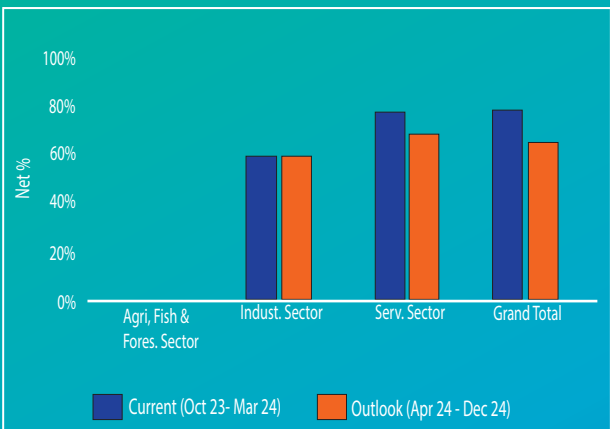
Price



Businesses in both the services and industry sectors have indicated high prices charged on their goods and services in the current period, while businesses in the agriculture sector have confirmed stable prices. The outlook remains on the upside where businesses in all sectors have perceived increasing prices, led by the services sector, followed by industry sector. However, price improvements were anticipated in the agriculture sector for the remaining of the year.



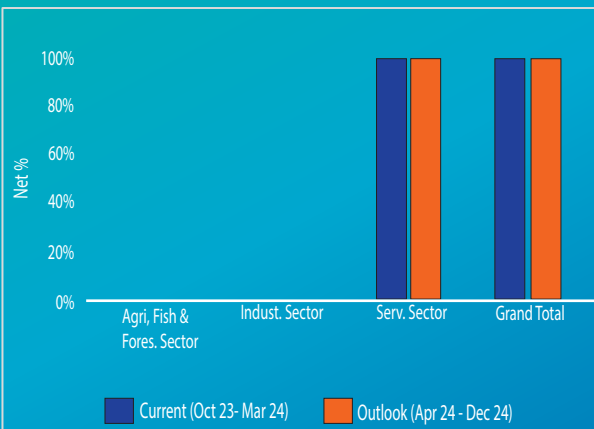
Exports



The businesses sentiments on the overall exports were positive according to the industry and services sectors, while for the outlook the expectaitons were slightly lower. These are linked to recovery in tourists' related sectors.



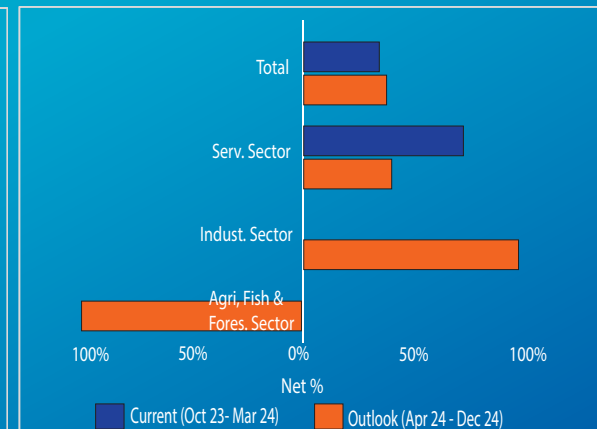
Imports



During the current period, majority of imports were driven by the services sector, in particular wholesale and retail businesses, hardware wholesaler, motor vehicle sale & rental, repair and transportation and storage. The outlook also portrayed services sector businesses perceiving higher imports, while industry and agriculture business expected imports to maintain status quo as current trend.



Employment Level



During the current period, businesses in the services sector recorded significant increases in employment levels. However, the industry sector reported a significant decrease, while employment levels in the agriculture sector remain stable. The industry and the services sectors were very positive, anticipating higher employemnt level, while the agriculture sector expected to maintain status quo over the remaining months of 2024.

Key Explanatory Note

- The Net % is explained as:
 - 0 to 50% defines businesses that have a positive performance on growth
 - 0% define businesses that have no change in performance growth
 - 0 to -50% define businesses with a negative growth
- The Constraints and Attributors:
 - The Attributors to growth are selected by taking the Top 6 of reasons that businesses have chosen.
 - The constraints to growth are selected by taking the Top 6 of reasons that businesses have chosen.
- The survey series is bi-annual, that is March and September.

Attributes to Growth



Robust domestic consumption- from supportive customer base and workforce



Ease of access to business location



Increasing use of social media platforms to boost sales



Regular inflows of private remittances



Supportive government policies



Expansion in business investment

Constraints to Growth



Declining real consumption



Limited access to finance



Increasing market competition



Rising operating and overhead costs



Natural disasters / hazards



Limited access to production materials

Survey Disclaimer:

The BES Snapshot provides the views of the respondents and does not in any way represent the view of the Reserve Bank of Vanuatu. As such, the RBV cannot be held liable for any actions taken base on the responses provided in this survey snapshot.