



## Survey of Business Confidence

“The business sentiment among the non-oil businesses in Oman continue increasing during the second half of 2010, although industrial differences seem to widen.”

The Directorate General Economic Statistics of Ministry of National Economy is a key institution in the Omani Statistical System. It collects, compiles and publishes data on various subject areas to guide policymakers, businesses and individuals in their economic and financial decisions.

For more information on the Confidence Survey, please contact the Ministry at:

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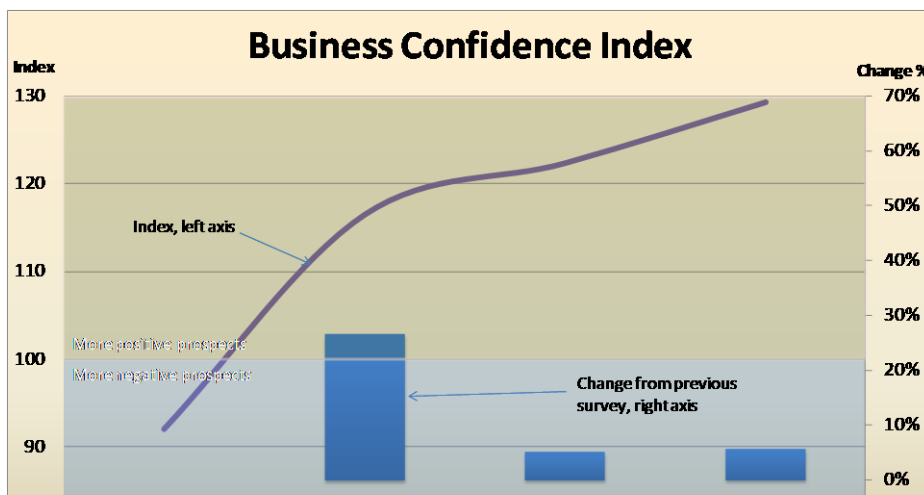
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### MAIN FINDINGS

- Based on the survey of **fourth quarter of 2010** the **Business Confidence Index** increases further to **129** from 122 (6%) in second quarter of 2010 and from 116 (11%) a year ago, indicating continuing improved future outlook for Oman business sector.
- The **Banking and Transport industry** indices at **142** and **140**, respectively, were the highest among all industries, increasing 12% and 1%. Meanwhile, the **Hospitality Industry** at **132**, represented by the top 4 and 5 star hotels in the Sultanate, indicated the biggest increase in the index, 35%.
- **The Retail & Wholesale Trade** has increased the most since the first survey of Q2 2009 from 86 to 139, or 62%.
- **Manufacturing and Construction industries** at **120** and **118** were the only ones to break from the positive upward trend for the two years, registering slightly less optimistic outlook than during the previous survey (**122** and **120**, respectively) mainly due to decreased, though still significantly positive, **Employment prospects**.
- For the first time **Inflation outlook**, measuring companies own product and service portfolios' recent and future pricing prospects, indicates an aggregate positive result (103) despite that the **Banking and Finance** sector increasingly expects their service prices to decline.

“The Business Confidence Index tracks the difference between the positive and negative replies. The latest survey shows the share of positive answers to increase from 35 to 40% and the negative replies to drop from 13 to just 10%. Half of replies remain neutral, reflecting that the majority of businesses report or expect no change for better or worse.”



## TABLES AND CHARTS

Table 1. Survey of Business Confidence, by Industry

CONFIDENCE SURVEY Industry \ Time	2009		2010		Changes from	
	Q2	Q4	Q2	Q4	Previous	Year ago
Manufacturing Industries	99	108	122	120	-2%	11%
Construction Industry	74	112	120	118	-1%	6%
Retail & Wholesale Trade	86	115	128	139	8%	20%
Banking and Finance	118	139	127	142	12%	2%
Hospitality Industry	..	..	97	132	35%	..
Transport Industry	..	..	138	140	1%	..
<b>ALL INDUSTRIES</b>	<b>92</b>	<b>116</b>	<b>122</b>	<b>129</b>	<b>6%</b>	<b>11%</b>

Table 2. Survey of Business Confidence, by Business Area

CONFIDENCE SURVEY Area \ Time	2009		2010		Changes from	
	Q2	Q4	Q2	Q4	Previous	Year ago
General Conditions	105	131	142	152	6%	16%
Order Books	63	70	64	71	11%	1%
Investment Plans	85	120	118	129	9%	8%
Employment Prospects	105	127	132	134	1%	6%
Inflation Outlook	73	91	94	103	9%	13%
<b>ALL AREAS</b>	<b>92</b>	<b>116</b>	<b>122</b>	<b>129</b>	<b>6%</b>	<b>11%</b>

Charts 1 - 4. Survey of Business Confidence, summary results

