



## PRESS RELEASE

### BUSINESS SENTIMENT INDEX (BSI) FOR BRUNEI DARUSSALAM FOR FEBRUARY 2025

---

1. Brunei Darussalam Central Bank (BDCB) today published Brunei Darussalam's Business Sentiment Index (BSI) for February 2025. The index is based on surveys conducted on around 500 micro, small, medium, and large businesses from 11 economic sectors in Brunei Darussalam, across all districts.
2. The monthly index is designed to measure the level of business confidence/sentiment in the country covering various aspects including current and future business conditions, investment, employment of workers, as well as costs of running the businesses. With its forward-looking approach, the BSI could serve as a leading macroeconomic indicator for the country.

3. The BSI and sub-indices can be interpreted as below:

BSI value	Interpretation
Above 50	Expansion / Optimism compared to the previous month
50	Similar / No change compared to the previous month
Below 50	Contraction / Less optimism compared to the previous month

4. The main headline index, Current Business Conditions sub-index, stood at 50.0 in February 2025, reflecting mixed sentiments across sectors. Most responses indicated neutral sentiments, with businesses reporting that they were maintaining a similar level of activities to January 2025 while continuing their ongoing projects. Meanwhile, optimistic sentiments were driven by increased sales related to preparations for upcoming festivities and new projects boosting performance in some sectors. However, pessimistic sentiments were also prevalent due to several factors such as February being a shorter working month, delayed payments from clients, project delays, adverse weather conditions, and reduced business activities following the Chinese New Year and bonus period. The one-month (1M) ahead index rose to 50.3, signalling optimism fuelled by Ramadhan and Hari Raya Aidilfitri festivities, which were expected to drive higher demand, sales, and overall, more activity across various sectors. While some businesses anticipated a slowdown in operations during Ramadhan, the overall sentiment remains positive with new projects and promotional activities that are expected to contribute to improving business performances in March 2025.
5. The Investment sub-index stood at 50.0, with businesses maintaining investment levels for February 2025. This sub-index rose slightly to 50.1 for both one month (1M) ahead and three months (3M) ahead. For the current month, many businesses reported no significant changes in investment levels. This is in line with the neutral sentiments on business conditions as many cited that they were focusing on

ongoing projects. However, for the next month, several businesses indicated plans to increase their level of investments due to upcoming projects, restocking inventory for the festive season, and preparing for new product launches. Looking three months ahead, the investment level is anticipated to rise as businesses expect to start new projects, implement business expansion plans, and purchase additional equipment or machinery.

6. The Employment sub-index was at 50.6 for the current month and 50.3 for one month (1M) ahead, showing that businesses were actively recruiting to meet operational demands and support future growth, especially for medium and large companies. For the current month, several businesses across different sectors such as Oil & Gas Related, Health & Education, and Other Private Services reported hiring new employees to meet the manpower needs of ongoing projects and expansion plans, as well as for the purposes of enhancing efficiency and supporting new phases of operations. Looking ahead, employment levels are expected to rise further as businesses prepare for new projects and increased demand during the festive season. Sectors such as Wholesale & Retail Trade are planning to hire part-time staff in anticipation of the expected surge in business activities.
7. The Costs sub-index for the current month and one month (1M) ahead were both recorded at 49.8. For the current month, many businesses reported lower costs due to cost-cutting measures, reduced operational activities, and lower wages from employee resignations or contract completions. Looking ahead, the anticipated decrease in costs for some companies is largely attributed to expectations of reduced operating hours during the Ramadhan month. A few other businesses also planned to minimise spending on raw materials and maintenance, further contributing to the anticipated cost reductions.

BSI February 2025	
Current Business Conditions	50.0
1M Ahead Business Conditions	50.3
Current Investment	50.0
1M Ahead Investment	50.1
3M Ahead Investment	50.1
Current Employment	50.6
1M Ahead Employment	50.3
Current Costs	49.8
1M Ahead Costs	49.8

Note: 1M – one month, 3M – three months

8. In terms of economic sectors, only one out of 11 sectors, i.e. Wholesale & Retail Trade, signalled optimism regarding business conditions in February 2025, with an index of 50.1, driven by increased sales due to preparations for Ramadhan and Hari Raya Aidilfitri celebrations. Conversely, five sectors expressed pessimistic sentiments: the Other Private Services sector faced a slowdown due to seasonal factors, reduced customer activity, and operational challenges; the Agriculture, Forestry, Fisheries & Livestock sector grappled with challenges such as lower demand post-Chinese New Year festivities, adverse weather, and labour shortages; the Construction sector saw reduced activity due to weather disruptions and project completions; the Health & Education sector, particularly health services, experienced a dip due to the shorter month and holidays; whereas the Transport & Communication sector slowed due to

fewer long-distance travel and shipments. The remaining sectors, namely Finance & Insurance, Oil & Gas Related, Real Estate & Ownership of Dwellings, Manufacturing, and Hotels & Restaurants, recorded similar sentiments compared to the previous month.

Current Business Conditions February 2025 by Sector	
Wholesale & Retail Trade	50.1
Finance & Insurance	50.0
Oil and Gas Related	50.0
Real Estate & Ownership of Dwellings	50.0
Manufacturing	50.0
Hotels & Restaurants	50.0
Other Private Services	49.9
Agriculture, Forestry, Fisheries & Livestock	49.9
Construction	49.8
Health & Education	49.5
Transport & Communication	49.2

9. In terms of business size, micro, medium, and large businesses displayed sentiments consistent with the previous month, citing stable operations, ongoing projects, and no significant changes in business activities. However, small businesses expressed pessimism, primarily due to factors such as fewer operational days in February 2025, adverse weather conditions affecting productivity, and a decline in customer demand following the Chinese New Year festivities.

Current Business Conditions February 2025 by Size	
Micro	50.0
Small	49.8
Medium	50.0
Large	50.0

10. The time-series charts for the BSI and its sub-indices since August 2020 can be found in ANNEX 1. For more information on the BSI, members of the public can refer to the technical notes on the methodology and statistics on the BDCB website at [www.bdcg.gov.bn](http://www.bdcg.gov.bn) and follow updates on the BSI through future press releases and BDCB's Instagram account @centralbank.brunei.

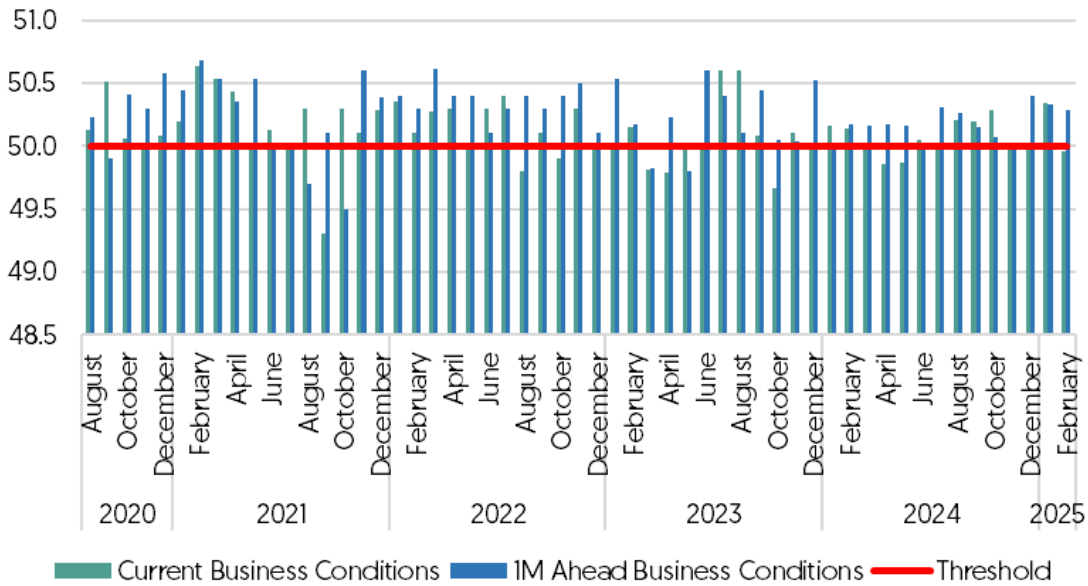
Brunei Darussalam Central Bank

Date: 16 Syawal 1446H / 15 May 2025M

Ref: BDCB/COMMS/3

**ANNEX 1**

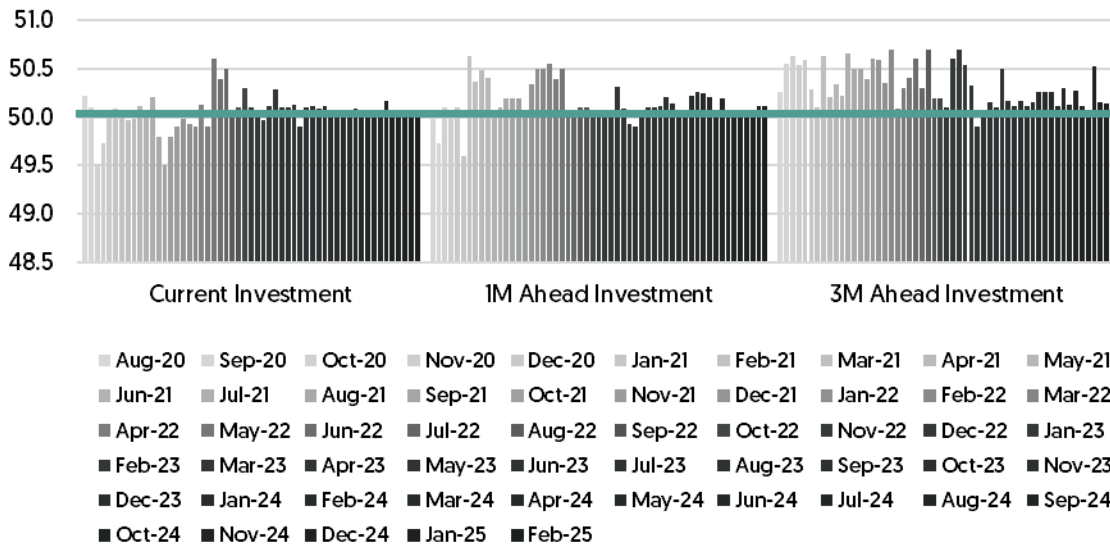
**Business Conditions**



*Note: For 1M Ahead Business Conditions, the result compares expected business conditions in the month ahead compared to the current month.*

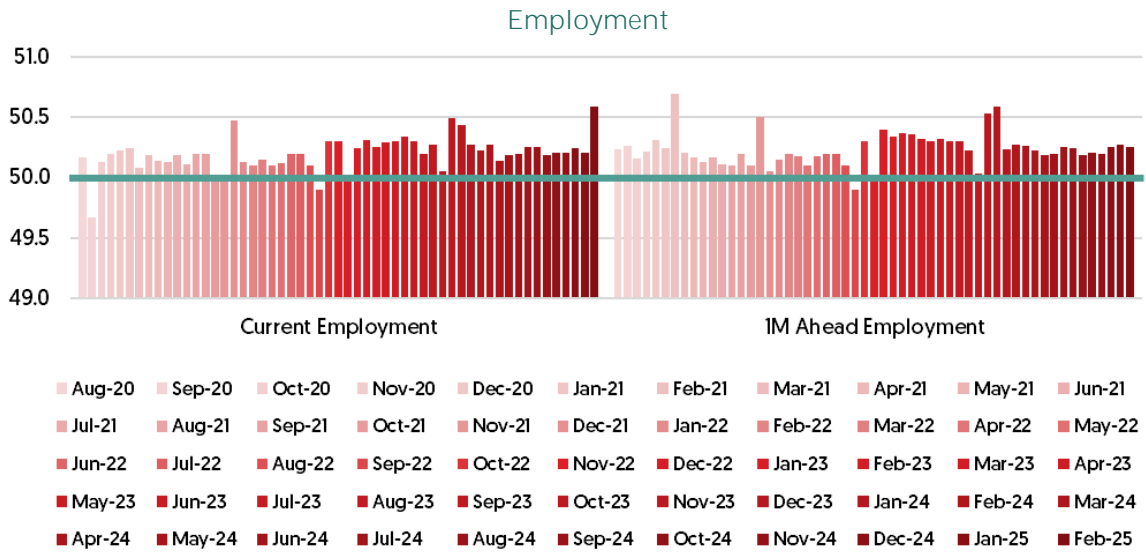
*For Business Conditions sub-index, above 50 indicates expansion/optimism compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates contraction / less optimism compared to the previous month.*

**Investments**



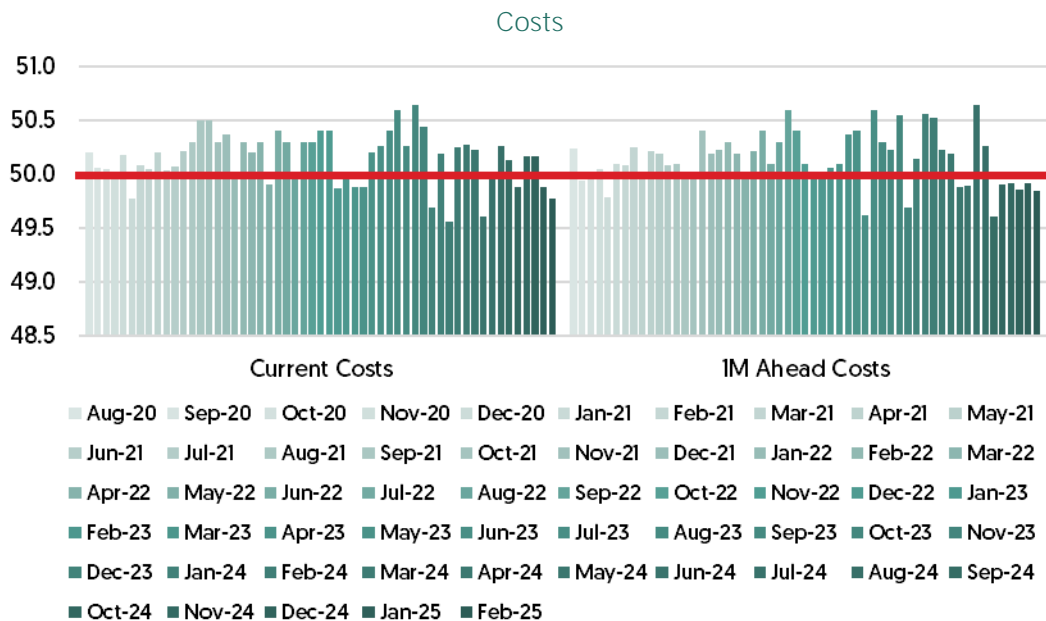
*Note: For 1M Ahead Investments, the result compares expected investment in the next month compared to the current month while for the 3M Ahead Investment, the result compares expected investments 3 months ahead compared to the current month.*

For Investments sub-index, above 50 indicates increased investment compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates reduced investment compared to the previous month.



Note: For 1M Ahead Employment, the result compares expected employment in the next month compared to the current month.

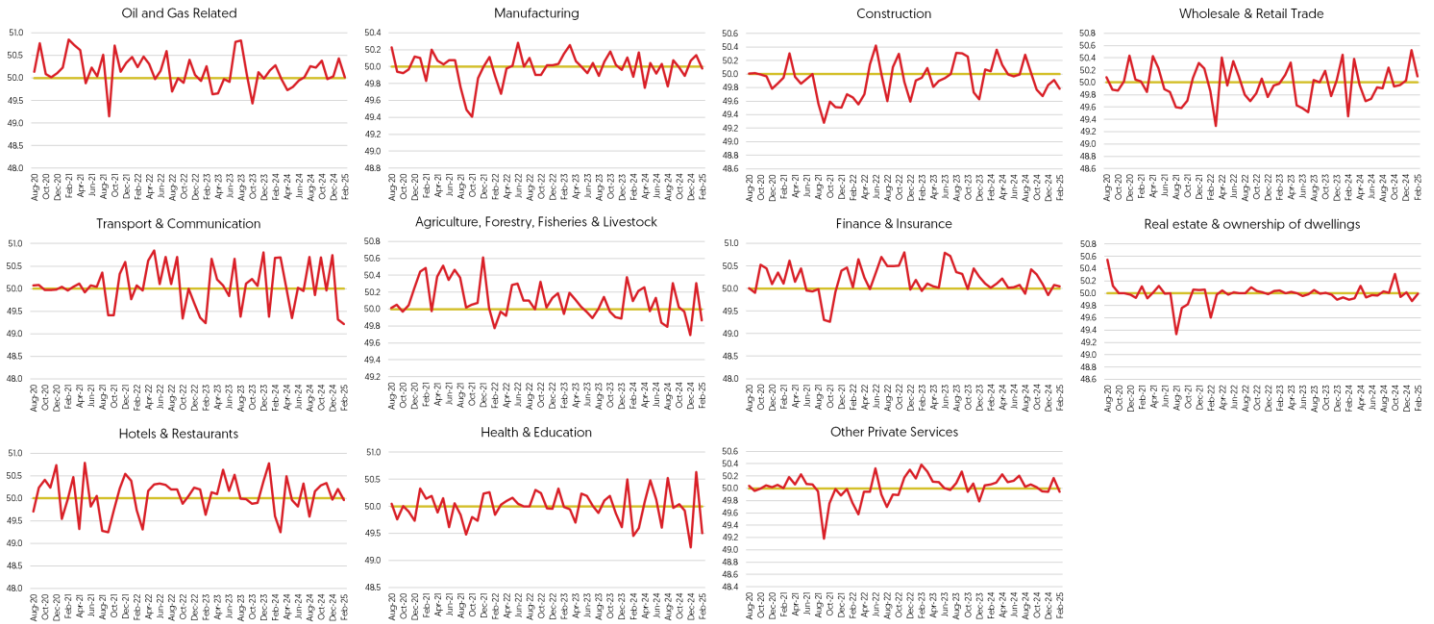
For Employment sub-index, above 50 indicates more new hires compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates a reduction in employee headcount compared to the previous month.



Note: For 1M Ahead Costs, the result compares expected costs in the next month compared to the current month.

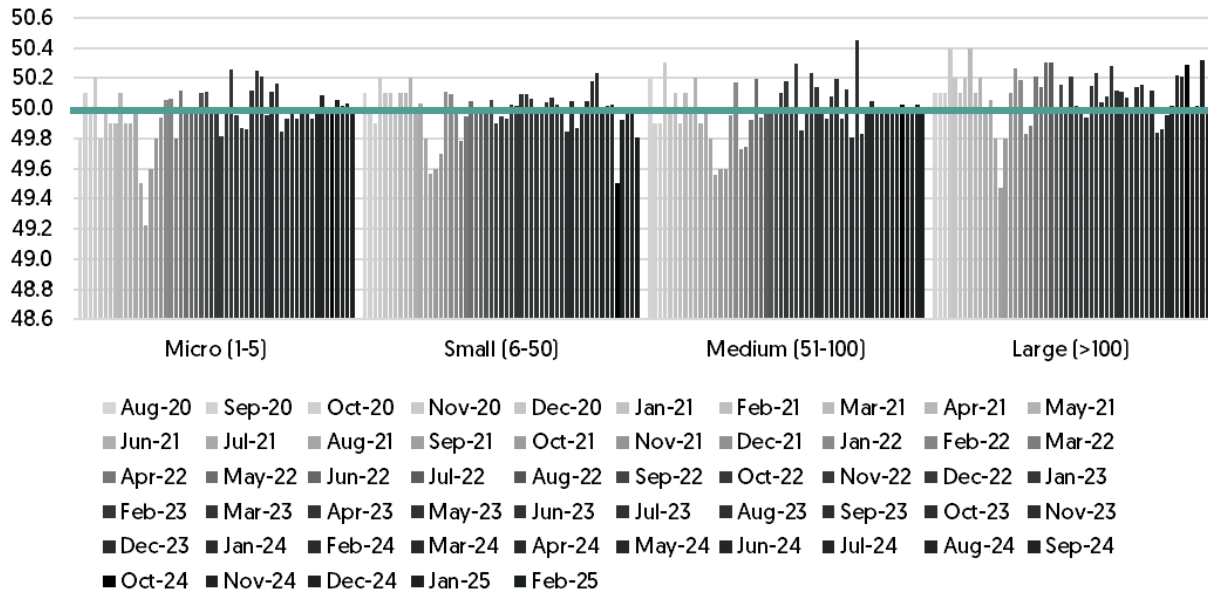
For Costs sub-index, above 50 indicates an increase in costs, and conversely for below 50. Index at 50 indicates costs were more or less the same in the current month compared to the previous month.

### Sectoral BSI – August 2020 to February 2025



Note: An index above 50 indicates expansion/optimism compared to the previous month. Index at 50 indicates no change compared to the previous month while below 50 indicates contraction / less optimism compared to the previous month.

### Sentiment by Business Size



Note: An index above 50 indicates expansion/optimism compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates contraction / less optimism compared to the previous month.