



PRESS RELEASE

BUSINESS SENTIMENT INDEX (BSI) FOR BRUNEI DARUSSALAM FOR APRIL 2025

1. Brunei Darussalam Central Bank (BDCB) today published Brunei Darussalam's Business Sentiment Index (BSI) for April 2025. The index is based on surveys conducted on more than 500 micro, small, medium, and large businesses from 11 economic sectors across all districts in Brunei Darussalam.
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 business. 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 was 49.9 in April 2025, indicating that, in general, businesses expected business conditions to worsen compared to the previous month. Pessimistic sentiments stemmed from expectations of lower sales, as significant spending would likely occur before the Eid celebrations, along with concerns that the weaker-than-expected market conditions observed during the Ramadhan month would persist into April. Sector-specific challenges continued to affect sentiment, particularly due to weather-related operational disruptions and external market volatility. However, some sectors expressed optimism, driven by the possibility of a seasonal surge in demand during the festive period and increased activity following the resumption of normal operating hours. The one-month (1M) ahead index edged up to 50.1, reflecting some optimism for May 2025, with some businesses anticipating a rebound in domestic activity in the post-festive season, supported by new projects and some increase in local spending with fewer people expected to travel abroad during the school examination period.
5. The Investment sub-index stood at 50.3 for the current month, and 50.1 for both one month (1M) ahead and three months (3M) ahead. This indicated that businesses generally expected to increase their level of investments in April 2025 and will continue to do so in the near future. For April 2025, businesses expected to invest in system upgrades to improve operational efficiency, purchase new machinery and equipment for upcoming projects, and purchase new furniture for new and existing facilities. Over the

next few months, some businesses plan to engage in expansion projects to boost operational capacity, while others anticipate investments in renovations, new vehicle acquisitions, and mid-year inventory restocking.

6. The Employment sub-index stood at 50.2 for the current month and 49.9 for one month (1M) ahead, showing, in general, more hiring in April 2025 compared to the previous month and a slight reduction for May 2025. The increased hiring in the month was attributed to meeting seasonal demand during the festive period, as well as for business expansion and new projects. The survey responses supported this with several companies citing that they are currently in the process of hiring new employees. However, employment levels are expected to decline in May 2025 due to contract expirations and workforce downsizing in some businesses.
7. The Costs sub-index was 49.9 for the current month and 50.1 for one month ahead. Businesses expected a decrease in costs for April 2025, driven by lower prices of raw materials, lower operational costs for some companies, and reduced overtime claims. For the month ahead, businesses forecasted costs to be higher, given the return to normal operations and the resumption of projects. Other supporting comments include global trade tensions, where global tariff pressures may lead to higher import costs.

BSI April 2025	
Current Business Conditions	49.9
1M Ahead Business Conditions	50.1
Current Investment	50.3
1M Ahead Investment	50.1
3M Ahead Investment	50.1
Current Employment	50.2
1M Ahead Employment	49.9
Current Costs	49.9
1M Ahead Costs	50.1

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

8. In terms of economic sectors, six out of 11 sectors expected optimistic business conditions in April 2025:
 - The Health & Education sector registered the highest optimism, with an index of 50.6, primarily driven by a seasonal surge in demand amid the post-Ramadan normalisation of operations.
 - The Hotels & Restaurants, and Transport & Communication sectors attributed their optimism to a combination of factors, including seasonal promotions, an influx of tourist groups, and increased bookings for venues and catering related to the Eid season and weddings.
 - The Finance & Insurance sector reported slight optimism, driven by increased demand for motor insurance, higher takaful contributions, and anticipated loan drawdowns.
 - Sentiments in the Construction and Manufacturing sectors were slightly optimistic due to expectations of new projects and increased activities.

On the other hand, four sectors expressed pessimistic sentiments:

- The Agriculture, Forestry, Fisheries, & Livestock, as well as the Wholesale & Retail Trade sectors cited slower demand during the festive season.
- The Other Private Services sector expressed challenges regarding higher costs incurred, which affected performance.

- Meanwhile, the Oil & Gas-related sector cited a challenging external environment. The remaining sector, Real Estate & Ownership of Dwellings, held steady with similar sentiments compared to the previous month.

Current Business Conditions April 2025 by Sector	
Health & Education	50.6
Hotels & Restaurants	50.4
Transport & Communication	50.4
Finance & Insurance	50.2
Construction	50.1
Manufacturing	50.1
Real Estate & Ownership of Dwellings	50.0
Agriculture, Forestry, Fisheries & Livestock	49.9
Other Private Services	49.8
Oil & Gas Related	49.8
Wholesale & Retail Trade	49.6

9. In terms of business size, medium-sized businesses reported optimism, driven by increased job orders and more clients. On the other hand, small and large businesses generally felt pessimistic as they expected their businesses to be affected by seasonal challenges. Some businesses also cited increased competition as a factor influencing their performance. Meanwhile, micro-sized businesses expressed similar sentiments in April 2025 as they did in the previous month.

Current Business Conditions April 2025 by Size	
Micro	50.0
Small	49.8
Medium	50.2
Large	49.9

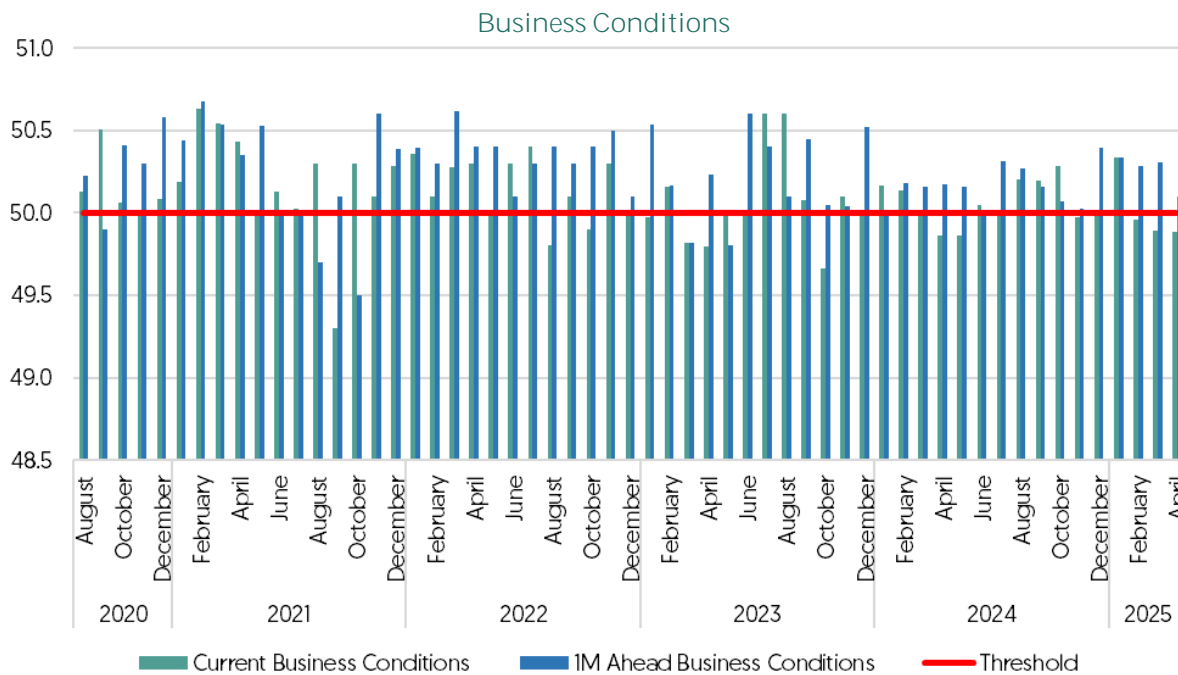
10. The time-series charts for the BSI and its sub-indices since August 2020 can be found in ANNEX 1. For more information on the BSI, members of the public can refer to the technical notes on the methodology and statistics on the BDCB website at www.bdc.gov.bn and follow updates on the BSI through future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

Brunei Darussalam Central Bank

Date: 14 Zulhijjah 1446H / 11 June 2025M

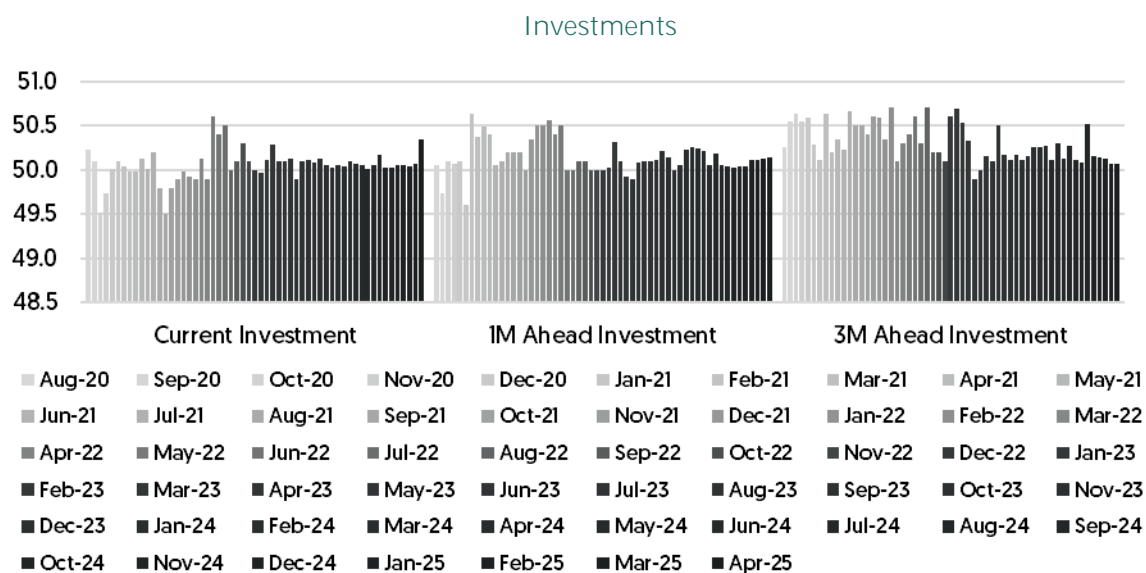
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ANNEX 1



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

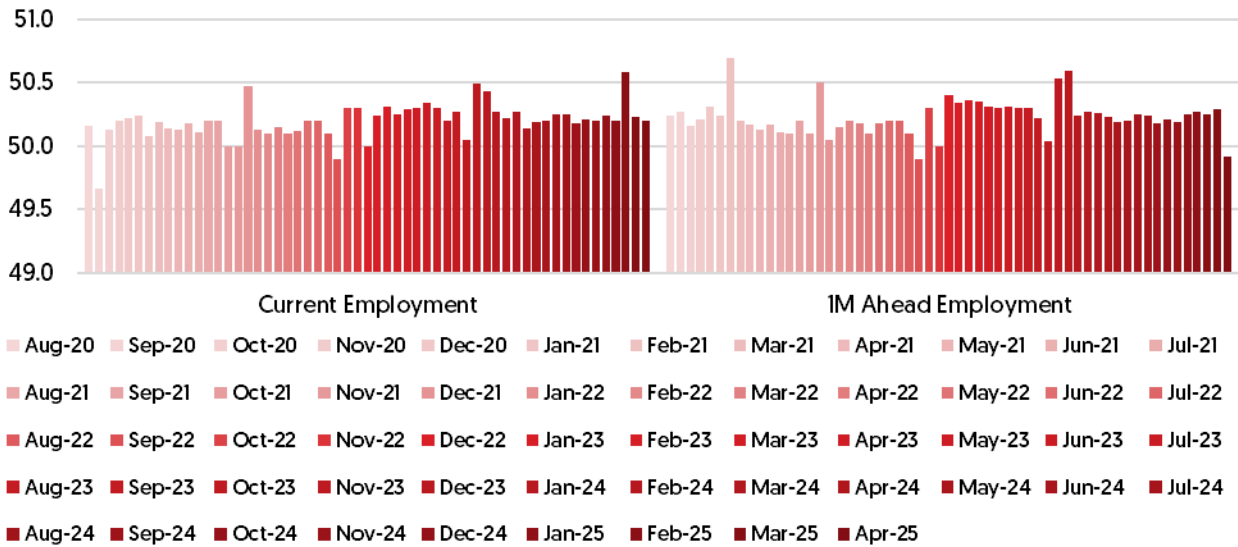
For Business Conditions sub-index, above 50 indicates expansion/optimism compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates contraction / less optimism compared to the previous month.



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.

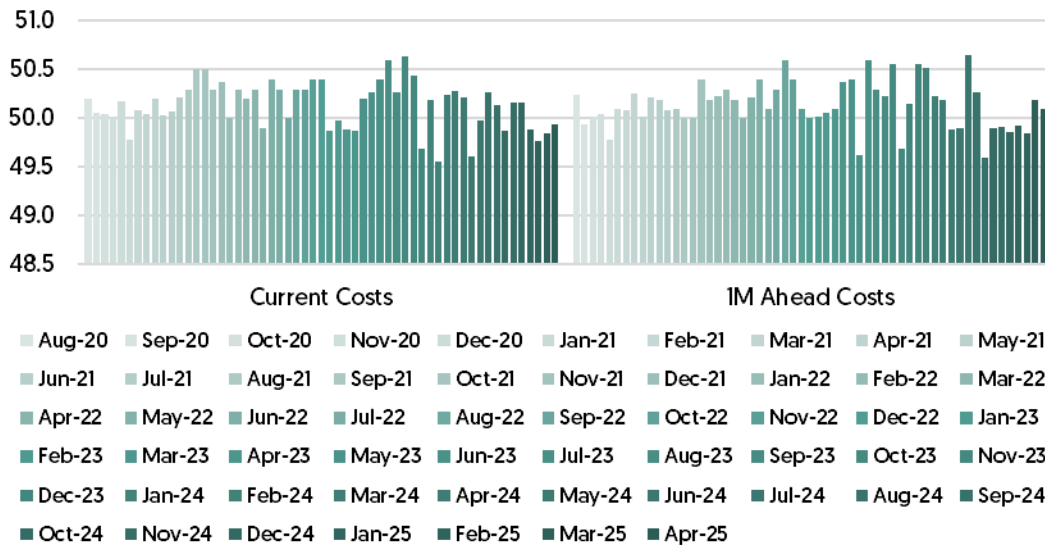
Employment



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.

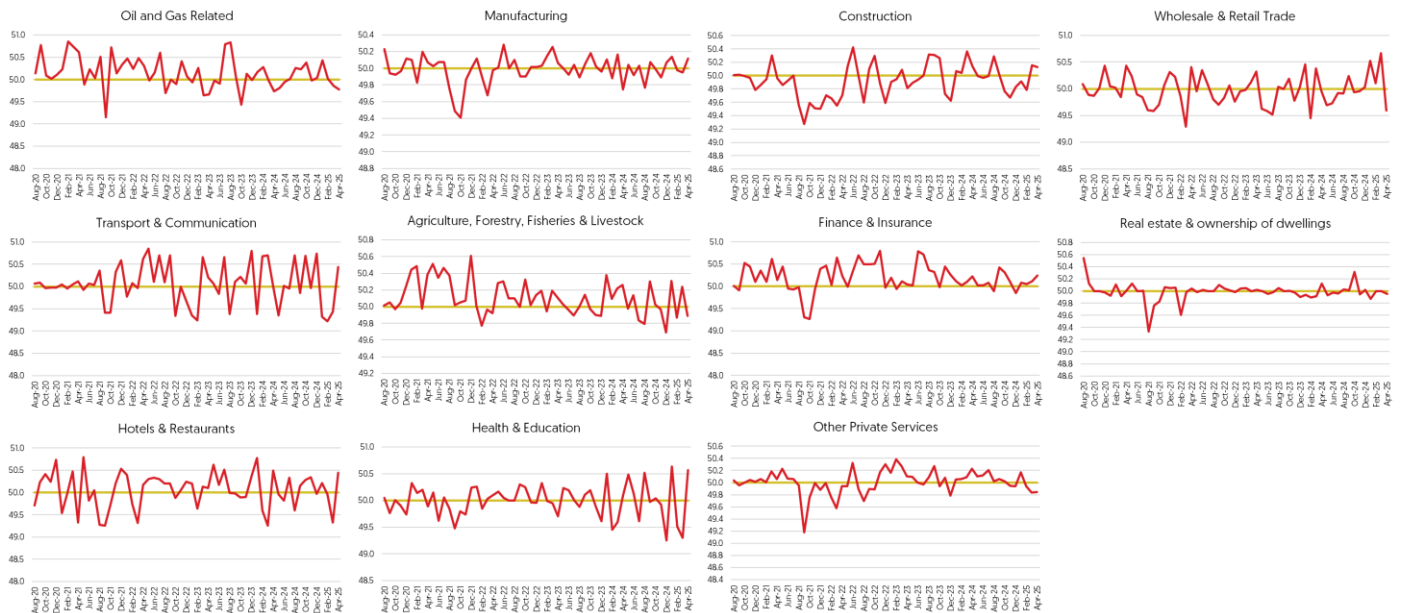
Costs



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

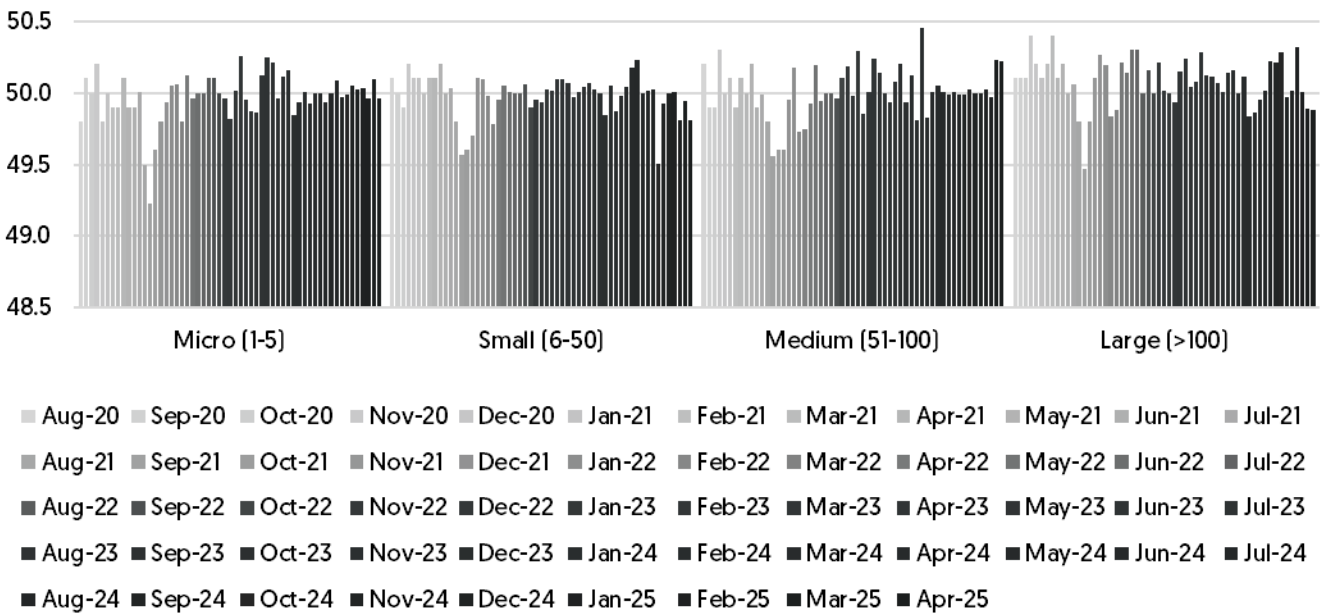
For Costs sub-index, above 50 indicates an increase in costs, and conversely for below 50. Index at 50 indicates costs were more or less the same in the current month compared to the previous month.

Sectoral BSI – August 2020 to April 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.