



PRESS RELEASE

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

1. Brunei Darussalam Central Bank (BDCB) today published Brunei Darussalam's Business Sentiment Index (BSI) for July 2025. The index is based on surveys conducted on about 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, stood at 50.3 in July 2025. Although this indicates an expansion, survey results revealed an uneven business landscape across different sizes and sectors. Widespread optimism in July was generally attributed to events associated with His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah ibni Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien, Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebration, along with projects from newly awarded contracts and tenders. This optimism was held back by concerns from micro, small, and medium enterprises (MSMEs), who faced challenges such as financial pressures, uncertainty about the availability of new projects, weaker consumer demand, and a general seasonal slowdown in some sectors. The one-month (1M) ahead index eased to 50.1, reflecting sentiment that is mixed yet leaning slightly optimistic. This is driven by a range of factors, including the upcoming August school holidays, which are expected to benefit some sectors, as well as convocations, promotional campaigns, new product launches, and anticipated project rollouts that are expected to boost business activity.
5. The Investment sub-index stood at 50.5 for the current month, 50.4 for one month (1M) ahead, and 50.4 for three months (3M) ahead. Sustaining the trend seen in previous months, businesses continued to report increased investment levels in relation to ongoing and upcoming projects, as well as facility expansions, renovations, and infrastructure development. However, this optimism was contributed

mainly by large companies, while other businesses cited generally unchanged investment levels amid market uncertainties.

6. The Employment sub-index stood at 49.9 for the current month and 50.2 one month (1M) ahead. While the current month sub-index indicates a general expectation of lower employee headcount in July 2025, this was primarily driven by the Oil & Gas Related sector's efforts to achieve leaner operations and the end of contracts for foreign employees. In contrast, other sectors expected to hire more in line with upcoming projects or to maintain their overall employee headcount. Looking ahead, the recruitment outlook remains relatively positive, with businesses citing the ongoing need for additional manpower to support new projects and replace staff who are resigning.
7. The Costs sub-index was 49.5 for the current month and 50.3 for one month ahead. The drop in the current month sub-index was largely influenced by businesses in the Oil & Gas Related sector, citing lower operating expenses following cost optimisation and the completion of maintenance activities in June 2025. On the other hand, several firms across other sectors predominantly reported higher operational costs due to increased business activity, higher employee-related expenses such as additional medical insurance, and higher raw material costs. Similarly, these reasons were also cited for higher operational costs in the month ahead, including higher salary expenses due to the expected increase in headcount in August 2025, as well as additional scheduled maintenance activities for the Oil & Gas Related sector.

BSI July 2025	
Current Business Conditions	50.3
1M Ahead Business Conditions	50.1
Current Investment	50.5
1M Ahead Investment	50.4
3M Ahead Investment	50.4
Current Employment	49.9
1M Ahead Employment	50.2
Current Costs	49.5
1M Ahead Costs	50.3

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

8. In terms of economic sectors:

	Sector	Index	Due to
Optimistic Sentiment	Health & Education	50.6	Post-school holiday recovery with increased business activities compared to the previous month.
	Transport & Communication	50.5	Higher demand for long-haul travel is entering its peak period, along with an increase in projects among smaller businesses.

	Oil & Gas Related	50.4	Post-maintenance recovery with expectations of higher production levels in July 2025.
	Hotels & Restaurants	50.3	His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations and associated events.
	Other Private Services	50.1	Expectation of being awarded new projects and carrying out promotional activities. However, some also shared challenges related to cash flow and a slowdown in clients' activity .
	Agriculture, Forestry, Fisheries & Livestock	50.1	Increased production and recovering demand. However, a few businesses also expressed concerns related to seasonal challenges.
	Finance & Insurance	50.1	Insurance companies' expectations of higher demand for their products following the enforcement of new mandatory insurance policies ¹ .
No Change	Manufacturing	50.0	Positive developments from event-related opportunities, new project awards, and increased production capacity were offset by weaker consumer demand.
Less Optimistic Sentiment	Construction	49.9	Limited project availability and financial pressures led to workforce reductions. On the other hand, some medium and small businesses expressed optimism due to new project acquisitions.
	Real Estate & Ownership of Dwellings	49.9	Slower market conditions and technical issues raised by businesses, despite the sector generally reporting stability.

¹ In force as of 1 July 2025, phase 1 of the Medical Insurance Policy for Permanent Residents and Immigration Pass Holders aims to ensure that all Immigration Pass holders, employers, and Permanent Residents under the specified categories have sufficient insurance coverage for medical treatment while residing or working in Brunei Darussalam. Source: <https://www.labour.gov.bn/SitePages/Revision%20and%20Implementation%20of%20a%20Medical%20Insurance%20Policy.aspx>

	Wholesale & Retail Trade	49.8	Expectations of muted consumer activity following the post-holiday period.
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9. In terms of business size:

	Size	Index	Due to
Optimistic Sentiment	Medium	50.1	Increased business activity generated by His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations, operational improvements, and the successful acquisition of new projects and contracts.
	Large	50.3	
No change	Micro	50.0	Balance of positive factors, such as opportunities related to His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations and new project awards, against negative pressures from subdued demand and operational disruptions.
	Small	50.0	

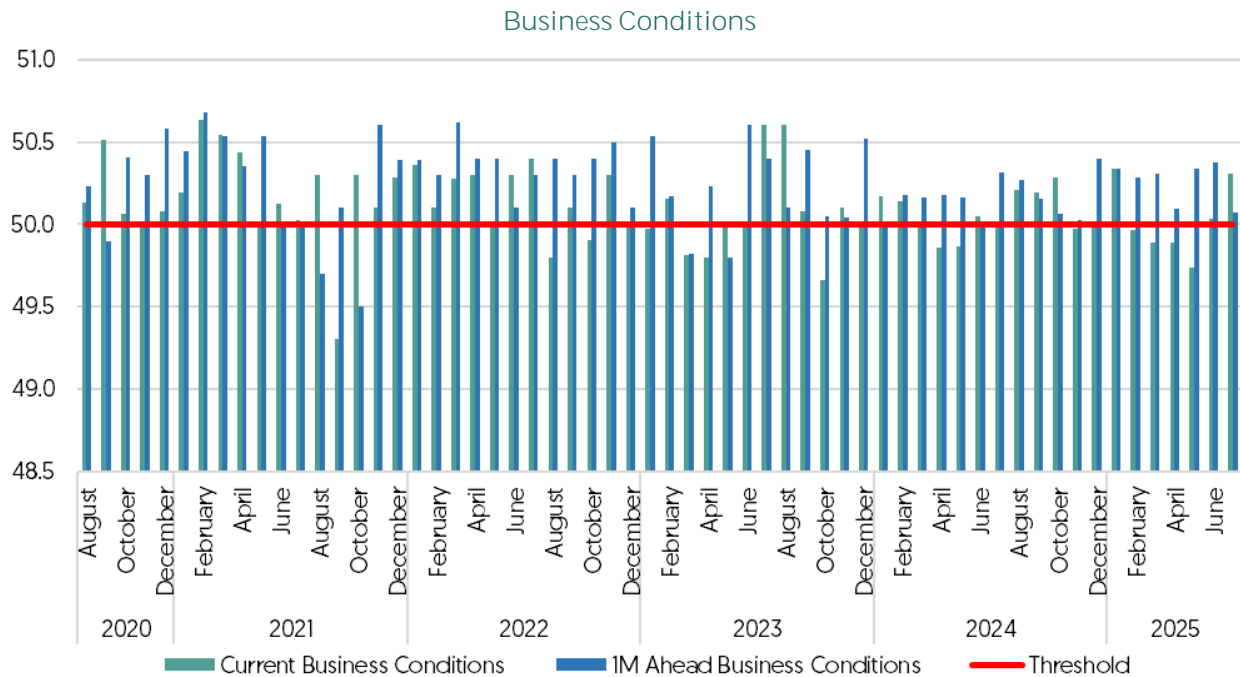
10. The time-series charts for the BSI and its sub-indices since August 2020 can be found in ANNEX 1. For more information on the BSI, members of the public can refer to the technical notes on the methodology and statistics on the BDCB website at www.bdcg.gov.bn and follow updates on the BSI through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

Brunei Darussalam Central Bank

Date: 10 Rabiulawal 1447H / 3 September 2025M

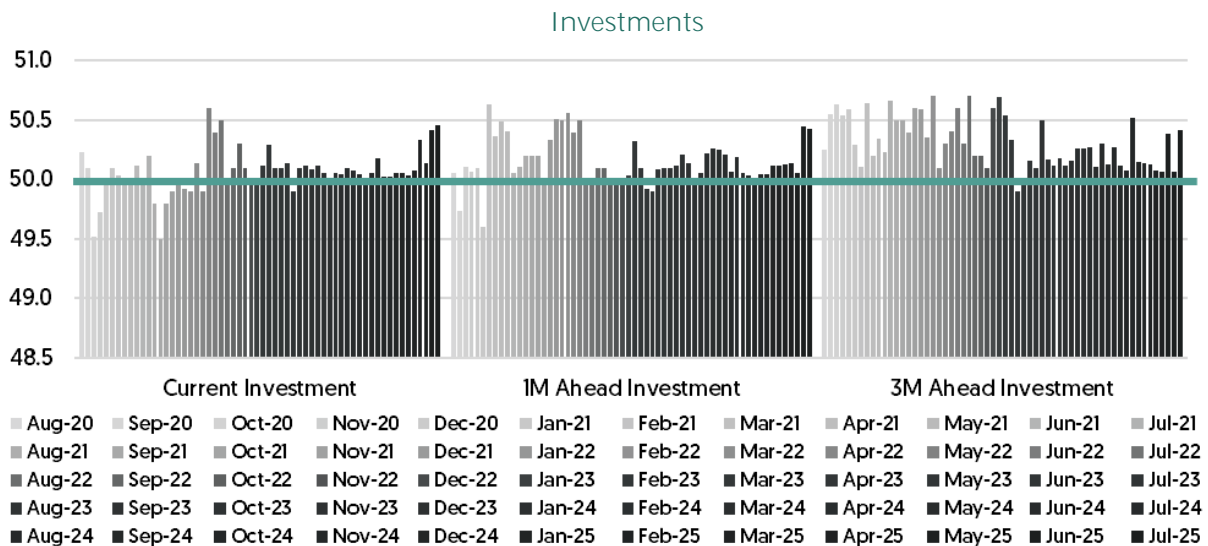
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ANNEX 1



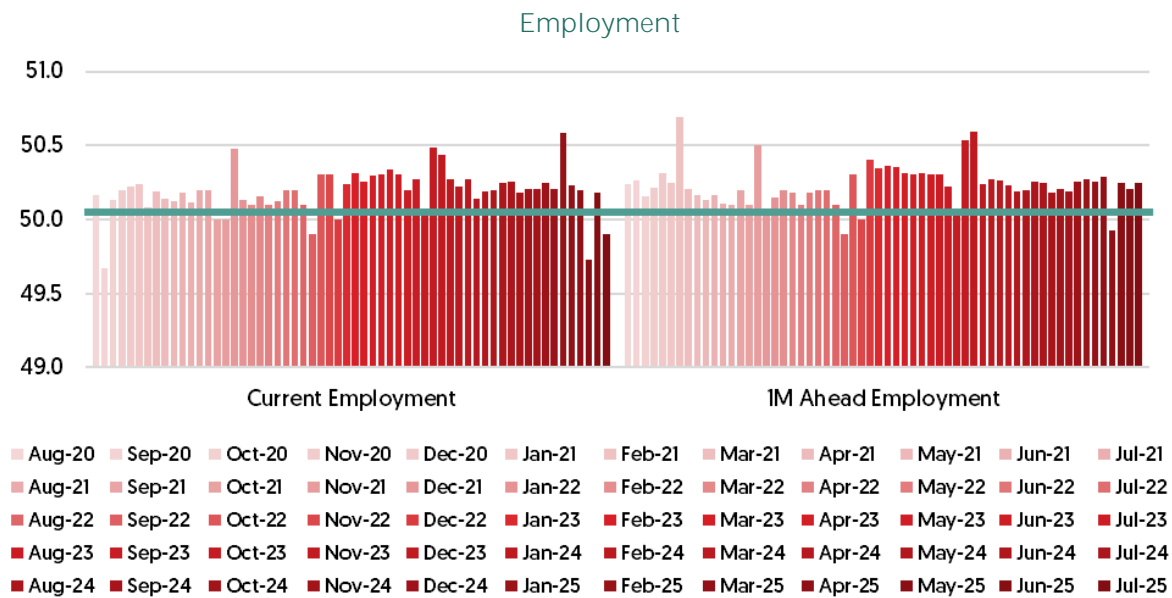
Note: For 1M Ahead Business Conditions, the result compares expected business conditions in the month ahead compared to the current month.

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.



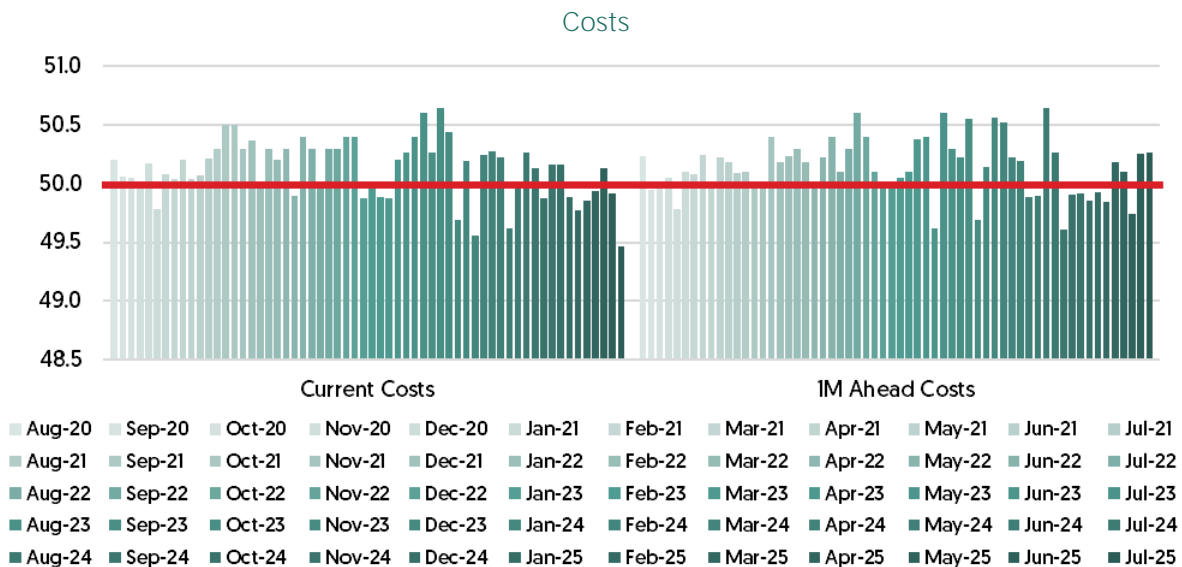
Note: For 1M Ahead Investments, the result compares expected investment in the next month compared to the current month while for the 3M Ahead Investment, the result compares expected investments 3 months ahead compared to the current month.

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.



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

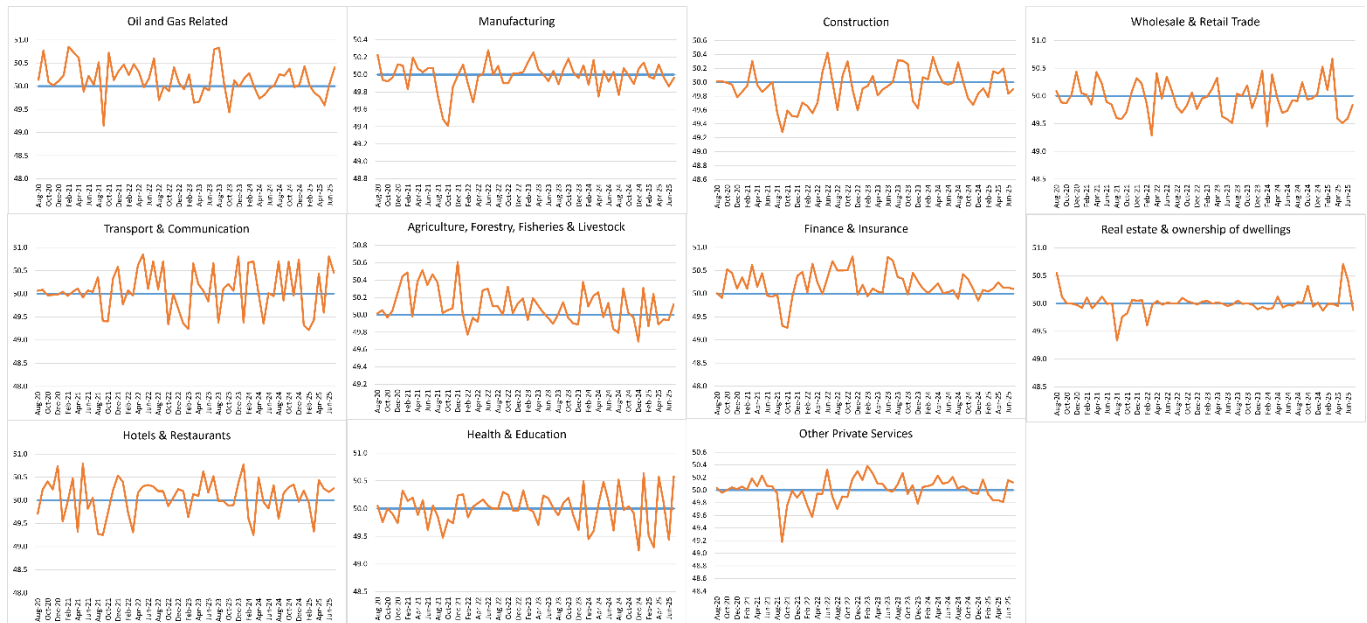
For Employment sub-index, above 50 indicates more new hires compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates a reduction in employee headcount compared to the previous month.



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

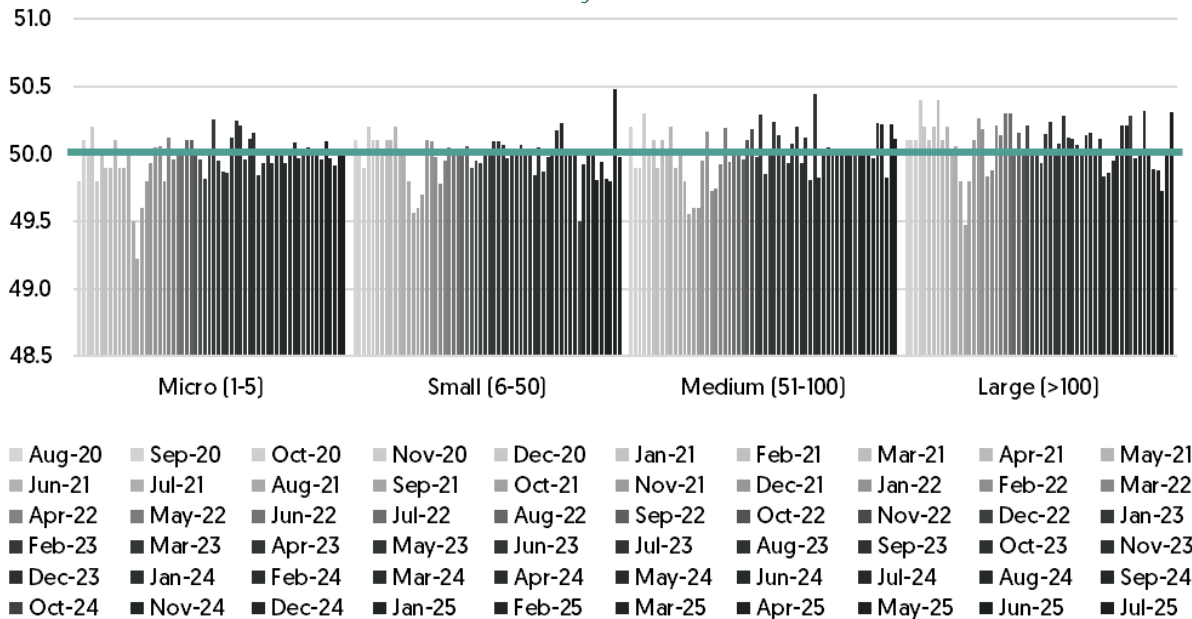
For Costs sub-index, above 50 indicates an increase in costs, and conversely for below 50. Index at 50 indicates costs were more or less the same in the current month compared to the previous month.

Sectoral BSI – August 2020 to July 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.