



## PRESS RELEASE

### BUSINESS SENTIMENT INDEX (BSI) FOR BRUNEI DARUSSALAM FOR MARCH 2026

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1. Brunei Darussalam Central Bank (BDCB) today published Brunei Darussalam's Business Sentiment Index (BSI) for March 2026. The index is based on monthly surveys of approximately 500 micro, small, medium, and large businesses across 11 economic sectors in all districts of Brunei Darussalam.
2. The BSI measures 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. Since its launch in August 2020, BDCB has undertaken a review of the BSI methodology to enhance the robustness, consistency and analytical value of the index. While the BSI was expressed on a scale of 0 to 100 under the previous methodology, the calculation formula constrained the index to a narrow range of 49.0 to 51.0. Following the revision, the new methodology now allows the BSI to fully utilise the 0.0 to 100.0 scale, while maintaining 50.0 as the neutral threshold. This enhancement improves the index's sensitivity and interpretability, enabling clearer identification of shifts in sentiment.
4. This revision does not affect the economic interpretation of past results, as the underlying sentiment captured by the index remains unchanged. To ensure consistency and comparability over time, historical BSI data has been recalculated using the revised methodology and published in the Statistical Bulletin available on the BDCB website.
5. The BSI and sub-indices are 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 / Pessimism compared to the previous month

6. The main headline index, Current Business Conditions sub-index, stood at 76.2 in March 2026, rebounding strongly from 42.4 in February 2026, indicating overall improvement in business sentiment. This was driven largely by higher sales and customer activity, seasonal festive spending and longer working hours compared to the previous month. However, some of this optimism was partly offset by pessimism among those who experienced slower activity due to project delays, as well as rising costs associated with logistical disruptions and higher input prices. The one month ahead (1M) index stood at

52.6, signalling slight optimism in business conditions in April 2026. Businesses expect the resumption of normal activities and a gradual pickup in demand to support business conditions. Nevertheless, the outlook remains conservative, as some businesses anticipate a post-festive slowdown, leading to weaker optimism than the previous month.

7. The Investment sub-index showed positive momentum, with the current month index at 79.9 and the 1M ahead index at 79.4, indicating strong near-term investment expectations. Businesses reported plans to increase investment to support ongoing projects, routine capital upgrades and inventory replenishment. Meanwhile, the three-month (3M) investment index eased to 67.8, suggesting investment growth may continue at a more measured pace, supported by new project commencements, planned business expansions, refurbishment works, and facility improvements.
8. The Employment sub-index stood at 43.6 for the current month and 47.5 for the 1M ahead index, reflecting subdued employment sentiment. Most businesses reported maintaining their existing headcount, while a smaller number indicated workforce reductions due to natural attrition or the completion of contracts and projects.
9. The Costs sub-index stood at 79.5 for the current month, indicating that business operating costs remain elevated compared to the previous month. Businesses attributed the increase mainly to higher spending on materials, overtime payments, festive-related expenses, and rising logistics and input costs. Several respondents also cited higher freight costs and raw material prices linked to global developments, including tensions in the West Asia. The 1M ahead costs sub-index moderated to 50.4, suggesting cost pressures are expected to ease slightly. While some businesses still anticipate higher input prices and increased operational activities, many expect costs to normalise following the festive periods.

BSI March 2026	
<b>Current Business Conditions</b>	<b>76.2</b>
1M Ahead Business Conditions	52.6
Current Investment	79.9
1M Ahead Investment	79.4
3M Ahead Investment	67.8
Current Employment	43.6
1M Ahead Employment	47.5
Current Costs	79.5
1M Ahead Costs	50.4

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

10. In terms of economic sectors:

	Sector	Index	Factors
Optimistic Sentiment	Oil and Gas Related	87.9	Improved weather conditions enabled offshore operations to resume, while longer working days supported higher operational capacity.  In addition, West Asia tensions are expected to tighten regional crude supply, supporting higher product prices and margins.
	Transport & Communication	70.6	The peak Ramadhan period contributed to higher delivery volumes and customer orders, with the Eid season and school holidays further supporting demand for travel and communication services.
	Agriculture, Forestry, Fisheries & Livestock	69.4	Higher food demand during the festive season, the resumption of operations, and favourable weather conditions supported production and crop yields.
	Other private services	67.3	Higher demand for tourism, laundry, photography services, and vehicle inspection services, alongside the normalisation of operations after February and the securing of new projects.
	Wholesale & Retail Trade	66.9	Increased consumer spending on clothing, food, cosmetics, and home furnishings was supported by festive promotions and the normalisation of working days following February being a shorter month.
	Construction	65.0	New project awards, incoming invoice payments, and improved post-monsoon weather conditions enabling outdoor/offshore work to resume.
	Real Estate & Ownership of Dwellings	54.0	Increased customer footfall and sales activity associated with Ramadhan fairs and Eid preparations, alongside incoming rental payments and new deal closures.
	Manufacturing	52.5	Higher demand for tailored clothing, food products, and home improvement-related activities, together with the normalisation of working days after February and the commencement of new projects.

	Finance & Insurance	52.0	Longer working days contributed to an increase in business activity, while insurance renewals and internal initiatives supported improved performance among some businesses.
Pessimistic Sentiment	Hotels & Restaurants	36.5	Lower hotel occupancy rates and reduced dine-in activity during Ramadhan period weighed on business performance.
	Health & Education	17.5	Fewer patients and reduced business activities.

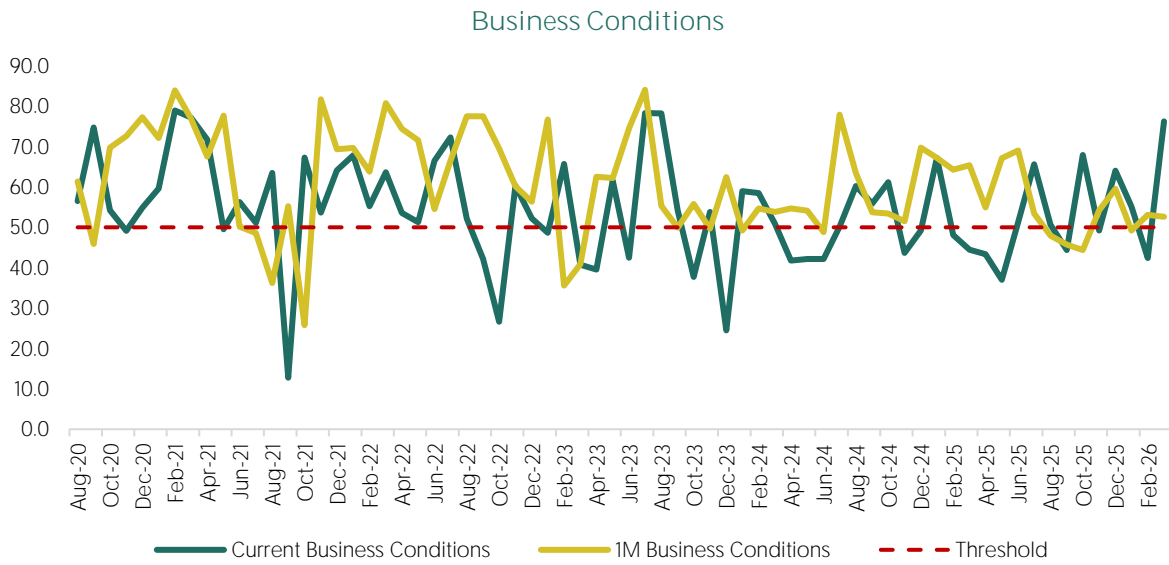
11. In terms of business size:

	Size	Index	Factors
Optimistic Sentiment	Large	76.6	Boost in consumer demand during the festive season, the normalisation of business activities following <b>February's shorter</b> month, improved post-monsoon weather conditions supporting the resumption of offshore activities, and higher oil prices contributed to stronger performance, particularly among businesses in the Oil & Gas and other related sectors.
	Small	67.4	Increased consumer demand for clothing, food, and home maintenance services, alongside incoming invoice payments and new project awards.
	Micro	63.0	Festive-related spending on clothing, cosmetics, food, and home repairs, plus the award of new projects.
	Medium	60.1	Higher spending on retail, furniture, and home renovation, supported by festive promotions and the normalisation of working days following February.

12. The time-series charts for the BSI and its sub-indices since August 2020 are provided 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](http://www.bdc.gov.bn) and follow updates on the BSI through future press releases and BDCB's Instagram account @centralbank.brunei.

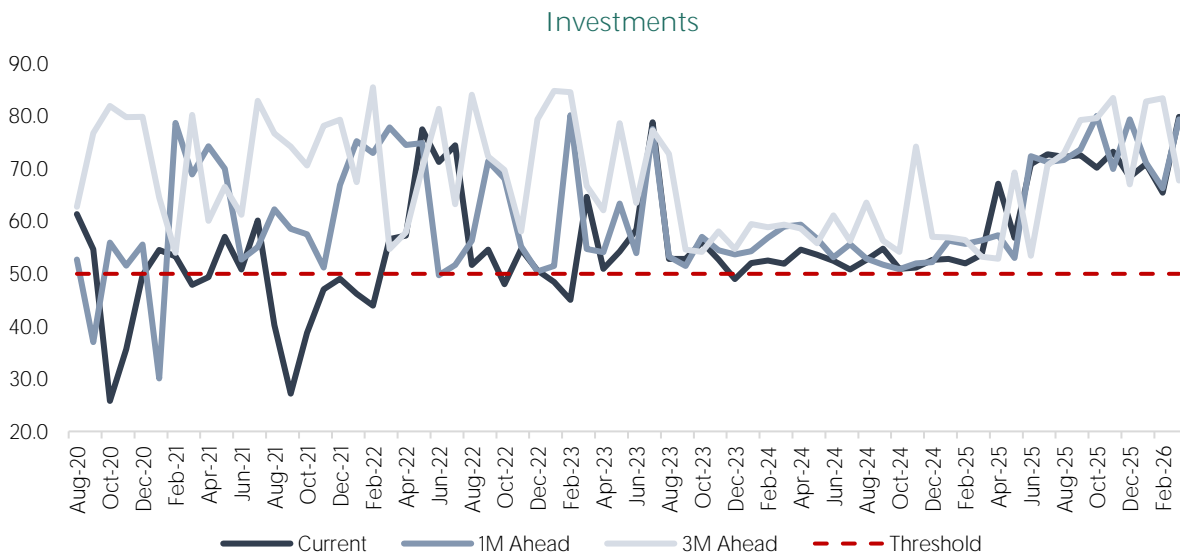
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**ANNEX 1**



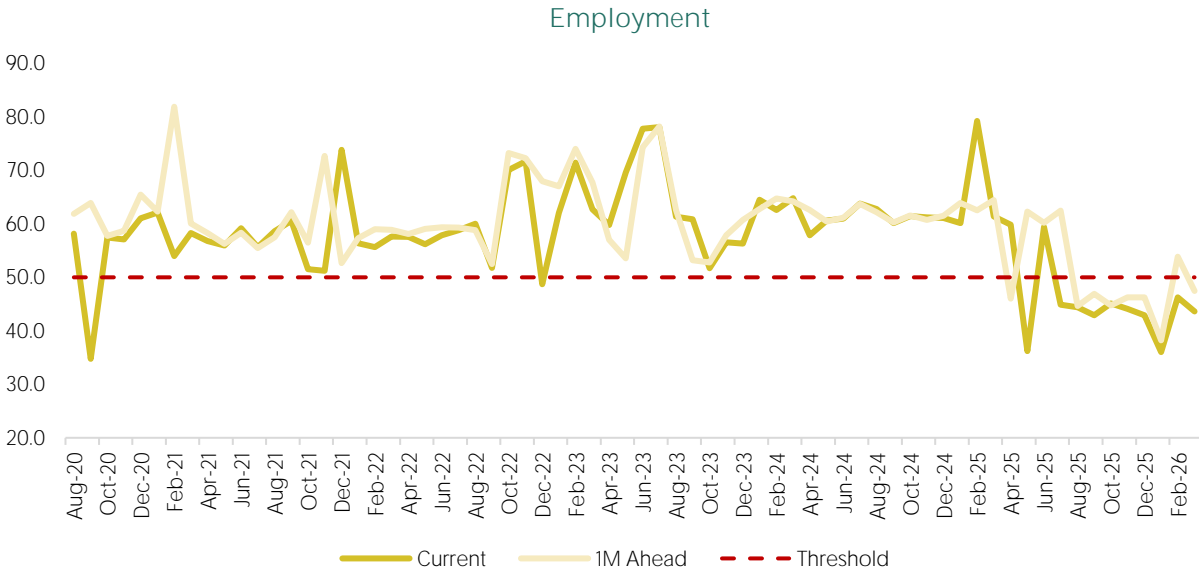
*Note: For 1M Ahead Business Conditions, the result compares expected business conditions in the month ahead compared to the current month.*

*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.*

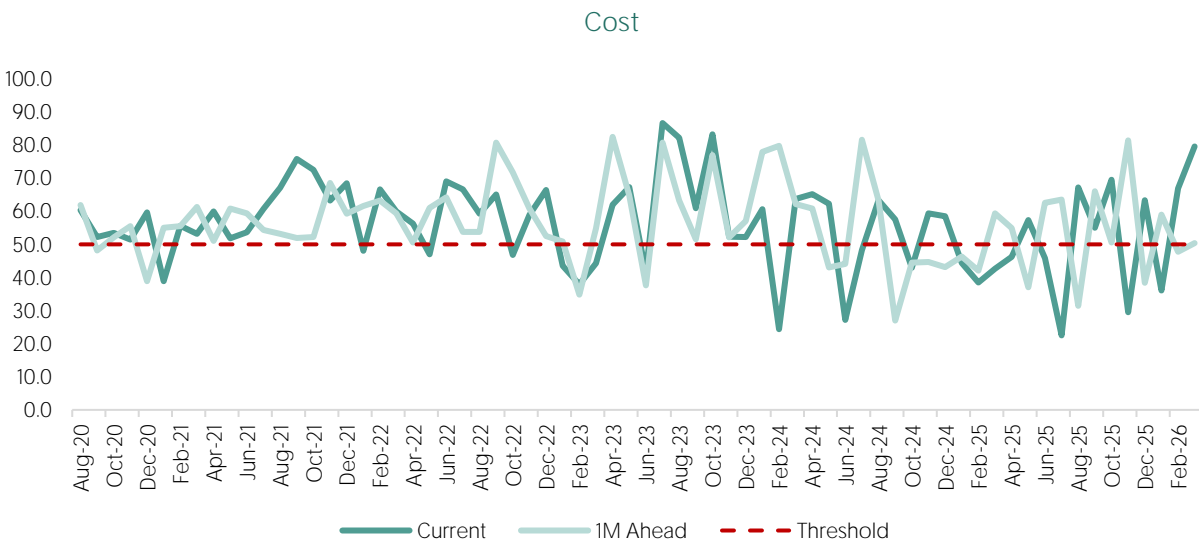


*Note: For 1M Ahead Investments, the result compares expected investment in the next month compared to the current month while for the 3M Ahead Investment, the result compares expected investments 3 months ahead compared to the current month.*

*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.*

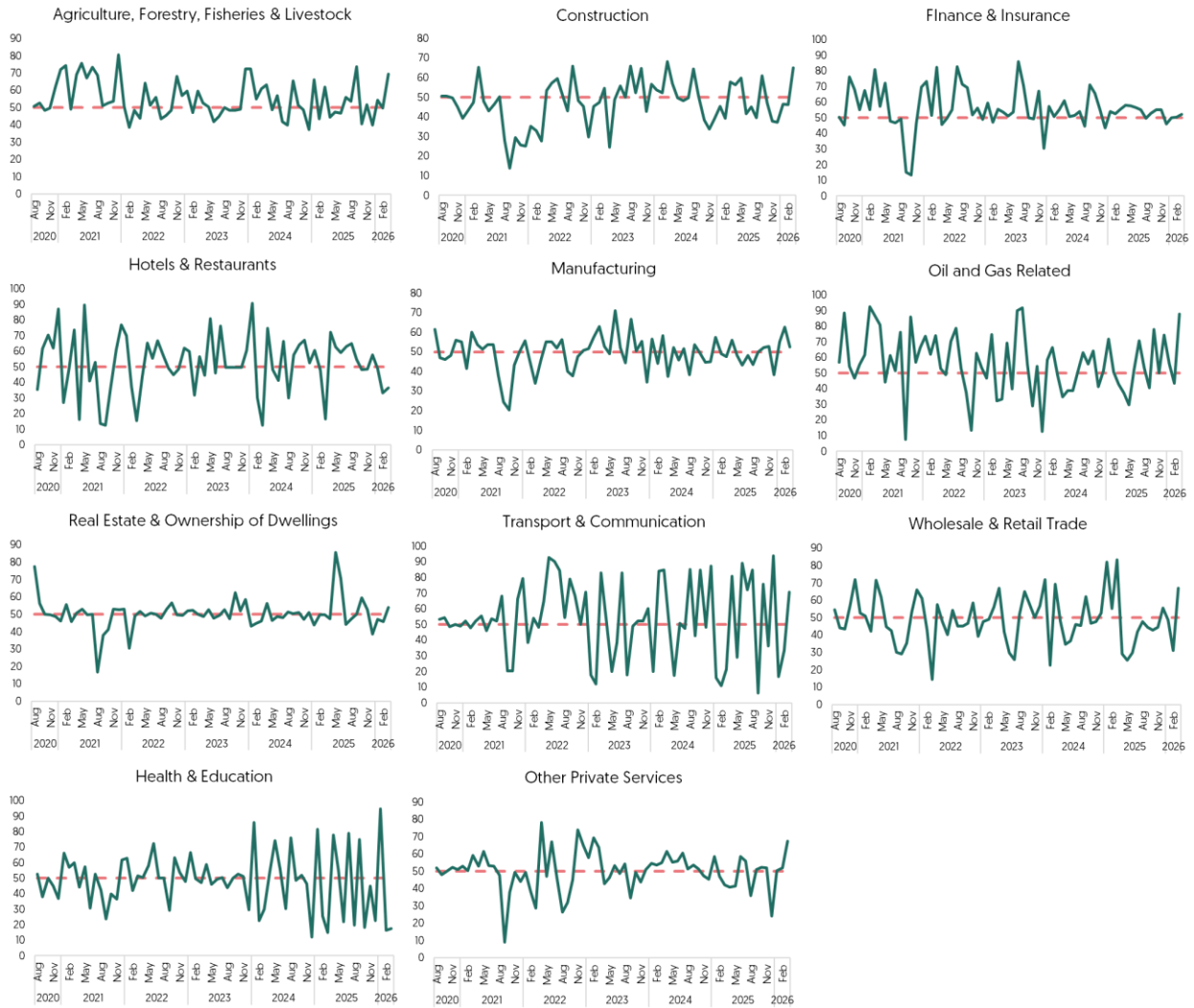


*Note: For 1M Ahead Employment, the result compares expected employment in the next month compared to the current month.*  
*For Employment sub-index, above 50 indicates more new hires compared to the previous month. Index at 50 indicates similar/no change compared to the previous month while below 50 indicates a reduction in employee headcount compared to the previous month.*



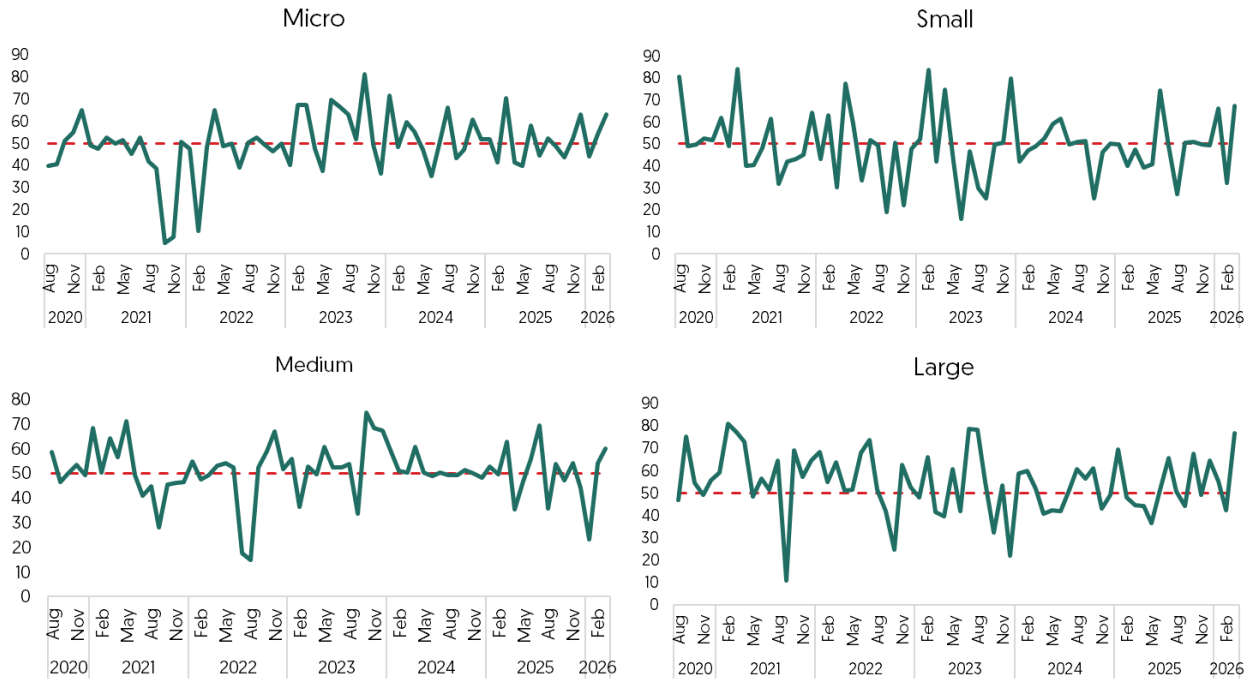
*Note: For 1M Ahead Costs, the result compares expected costs in the next month compared to the current month.*  
*For Costs sub-index, above 50 indicates an increase in costs, and conversely for below 50. Index at 50 indicates costs were more or less the same in the current month compared to the previous month.*

## Sectoral BSI – August 2020 to March 2026



*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.*