



PRESS RELEASE

BUSINESS SENTIMENT INDEX (BSI) FOR BRUNEI DARUSSALAM FOR JULY 2026

1. Brunei Darussalam Central Bank (BDCB) today published Brunei Darussalam's Business Sentiment Index (BSI) for July 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 constrained the index to a narrow range of 49.0 to 51.0. Following the revision, the methodology now allows the BSI to fully utilise the 0.0 to 100.0 scale. In addition, instead of defining neutrality at a fixed value of 50.0, values between 45.0 and 55.0 are now considered neutral. 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 have been recalculated using the revised methodology and published in the Statistical Bulletin available on the BDCB website.
5. The BSI and sub-indices can be interpreted as below:

BSI value	Interpretation
Above 55	Expansion / Optimism compared to the previous month
45 – 55	Similar / No change compared to the previous month
Below 45	Contraction / Pessimism compared to the previous month

6. The headline index, the **Current Business Conditions sub-index**, stood at 59.9 in July 2026, indicating that businesses generally expected conditions to improve in July compared to the previous month. This optimism was driven by expectations of increased project activities, stronger customer orders, and higher production. Several businesses also anticipated a boost in sales and business activity tied to 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 80th birthday celebrations. Nonetheless, optimism was partially tempered by a softer sales outlook among some businesses reporting slower sales amid cautious consumer spending, while others anticipated delays in project approvals and awards. Looking ahead, the one-month (1M) ahead sub-index stood at 45.1, falling within the neutral threshold and indicating that businesses generally expect conditions to remain stable in August 2026. While some businesses foresee improved activity from new projects, higher orders, and increased production, this optimism is offset by concerns over softer demand during the school holiday period, continued weakness in consumer spending, and the easing of festive activities observed in July 2026.

7. The **Investment sub-indices** continued to indicate optimistic sentiment, with the current month at 75.9, the 1M ahead index at 77.7, and the three-month (3M) ahead index at 76.2. Positive sentiment in the current month was mainly driven by capital expenditures related to business expansion, purchases of machinery and equipment, technology upgrades, and ongoing infrastructure development. Looking ahead, businesses expected investment spending to remain robust over the coming months, supported by ongoing project implementation, planned business expansion, and infrastructure development initiatives across several sectors.
8. The **Employment sub-index** stood at 49.4 for the current month, while the 1M ahead index stood at 52.7, indicating broadly stable employment conditions. Several businesses reported undertaking recruitment efforts to support ongoing projects, business expansion plans, and operational requirements. However, these increases were largely offset by staff resignations, retirements, contract completions, and workforce adjustments reported by other businesses. Looking ahead, while some businesses plan to increase hiring in the near term, most anticipate little change in their overall workforce.
9. The **Costs sub-index** stood at 32.3 for the current month, indicating that businesses expected lower operating costs in July 2026 compared to the previous month. The lower cost outlook was mainly attributed to reduced staffing expenses and material purchases, and the normalisation of expenditures following key events and activities in previous months. Looking ahead, the 1M ahead sub-index increased to 59.0, indicating that businesses expect operating costs to rise slightly in August 2026. This was mainly associated with higher project-related expenditures, material purchases, and rising logistics costs.

BSI July 2026	
Current Business Conditions	59.9
1M Ahead Business Conditions	45.1
Current Investment	75.9
1M Ahead Investment	77.7
3M Ahead Investment	76.2
Current Employment	49.4
1M Ahead Employment	52.7
Current Costs	32.3
1M Ahead Costs	59.0

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

10. In terms of **economic sectors**:

	Sector	Index	Factors
Optimistic Sentiment	Oil and Gas Related	64.4	Anticipated increases in production following the completion of maintenance and turnaround activities, alongside continued project progress, higher revenue and stronger sales volumes.
	Transport & Communication	62.8	Ongoing projects, together with anticipated higher demand for data streaming during the FIFA World Cup tournament and bus transportation during His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations.
	Hotels & Restaurants	61.2	Promotional activities during His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations were expected to support higher revenue and stronger business performance.
	Wholesale & Retail Trade	58.9	While most businesses anticipated stable conditions and some foresaw lower business activity, increased sales associated with His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations were expected to support stronger business performance.
	Finance & Insurance	56.5	Improved profitability, supported by higher income and business activity.
	Manufacturing	56.3	Increased activity associated with His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations and ongoing projects supported some businesses. However, most businesses expected stable conditions, while others foresaw limited business opportunities amid slower market activity.
No Change	Construction	53.3	Ongoing and newly secured projects were expected to support business activity. While most businesses anticipated routine operations, some foresaw limited opportunities for new projects.
	Real Estate & Ownership of Dwellings	49.8	Most businesses expected stable market activity, although some anticipated slower business conditions.

	Health & Education	45.9	Most businesses anticipated stable operations and regular activities, although some expected weaker business performance.
Pessimistic Sentiment	Agriculture, Forestry, Fisheries & Livestock	40.3	Most businesses anticipated stable operating conditions. However, some expected quieter periods due to slower market activity.
	Other Private Services	39.4	The completion of projects and slower market activity, particularly among businesses awaiting new contracts. However, most businesses continued to expect stable conditions.

11. In terms of **business size**:

	Size	Index	Factors
Optimistic Sentiment	Large	61.6	Increased production and higher project-related revenue, alongside heightened demand from the FIFA World Cup tournament and His Majesty The Sultan and Yang Di-Pertuan of Brunei Darussalam's birthday celebrations.
No Change	Medium	46.9	Most businesses maintained stable operations and regular activities, although some experienced slower market activity.
	Micro	46.6	
Pessimistic Sentiment	Small	36.4	Increased competition and weaker consumer demand weighed on business performance, although some businesses continued to report stable operating conditions.

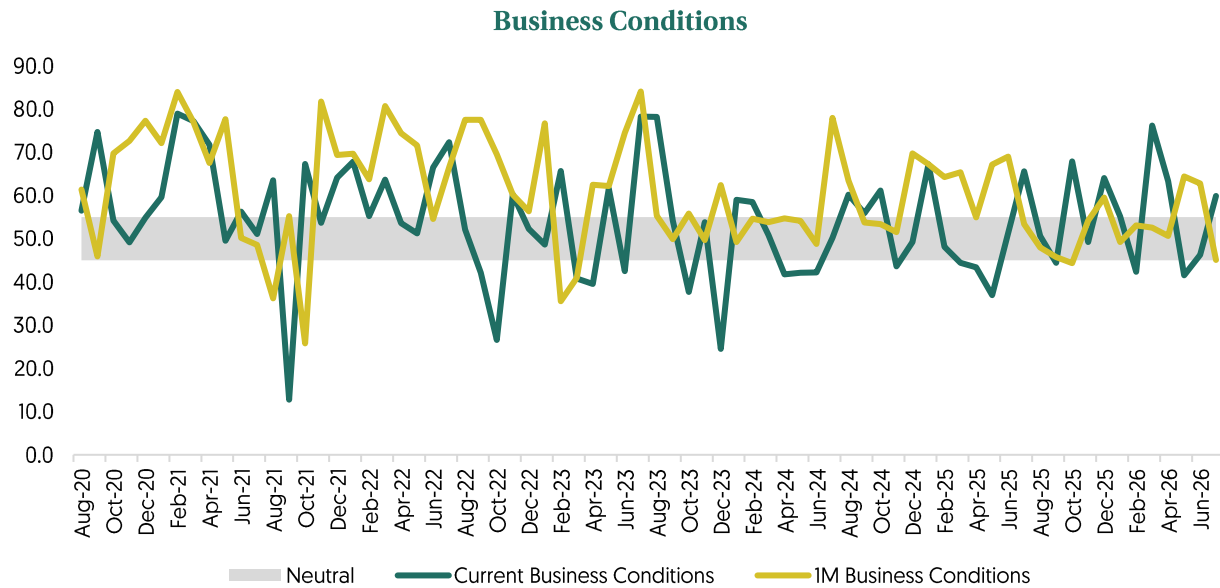
12. The time-series charts for the BSI and its sub-indices since August 2020 are provided in **ANNEX 1**. For more information on the BSI, members of the public can refer to the technical notes on the methodology and statistics on the BDCB website at www.bdcg.gov.bn and follow updates on the BSI through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

Brunei Darussalam Central Bank

Date: Rabiulawal 1448H / September 2026M

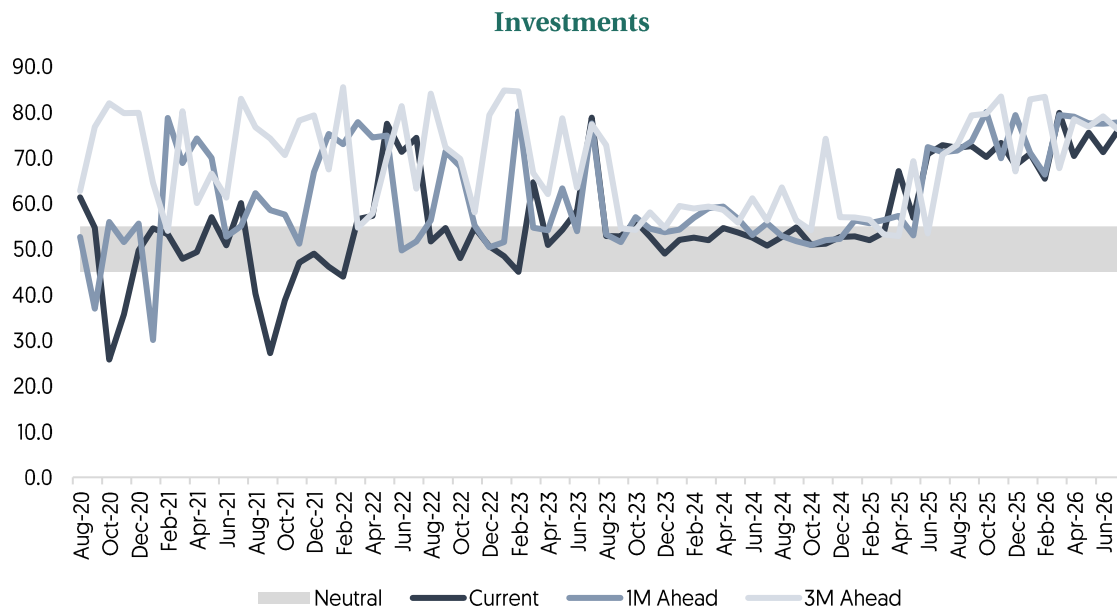
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ANNEX 1



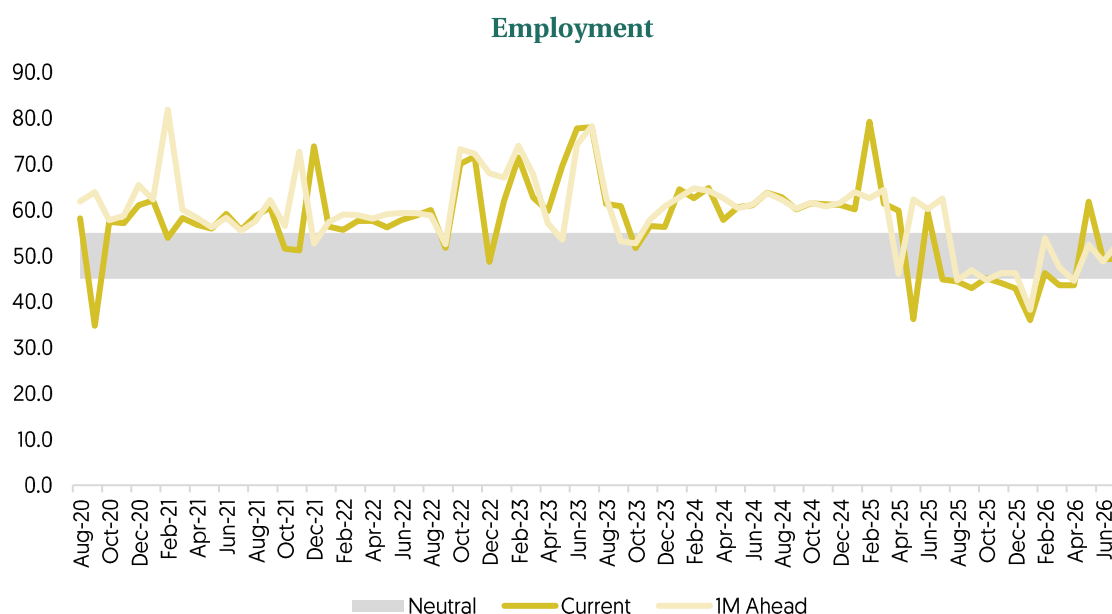
Note: For 1M Ahead Business Conditions, the result compares expected business conditions in the month ahead compared to the current month.

For Business Conditions sub-index, above 55 indicates expansion/optimism compared to the previous month. Index within the range of 45 – 55 indicates similar/no change compared to the previous month while below 45 indicates contraction / less optimism compared to the previous month.



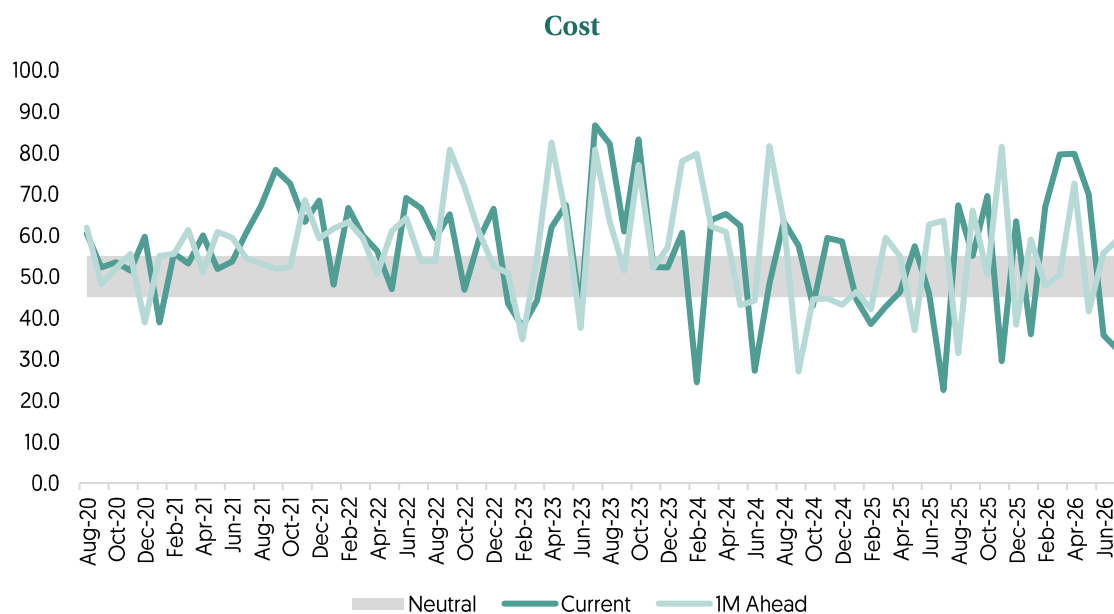
Note: For 1M Ahead Investments, the result compares expected investment in the next month compared to the current month while for the 3M Ahead Investment, the result compares expected investments 3 months ahead compared to the current month.

For Investments sub-index, above 55 indicates increased investment compared to the previous month. Index within the range of 45 – 55 indicates similar/no change compared to the previous month while below 45 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 55 indicates more new hires compared to the previous month. Index within the range of 45 – 55 indicates similar/no change compared to the previous month while below 45 indicates a reduction in employee headcount compared to the previous month.



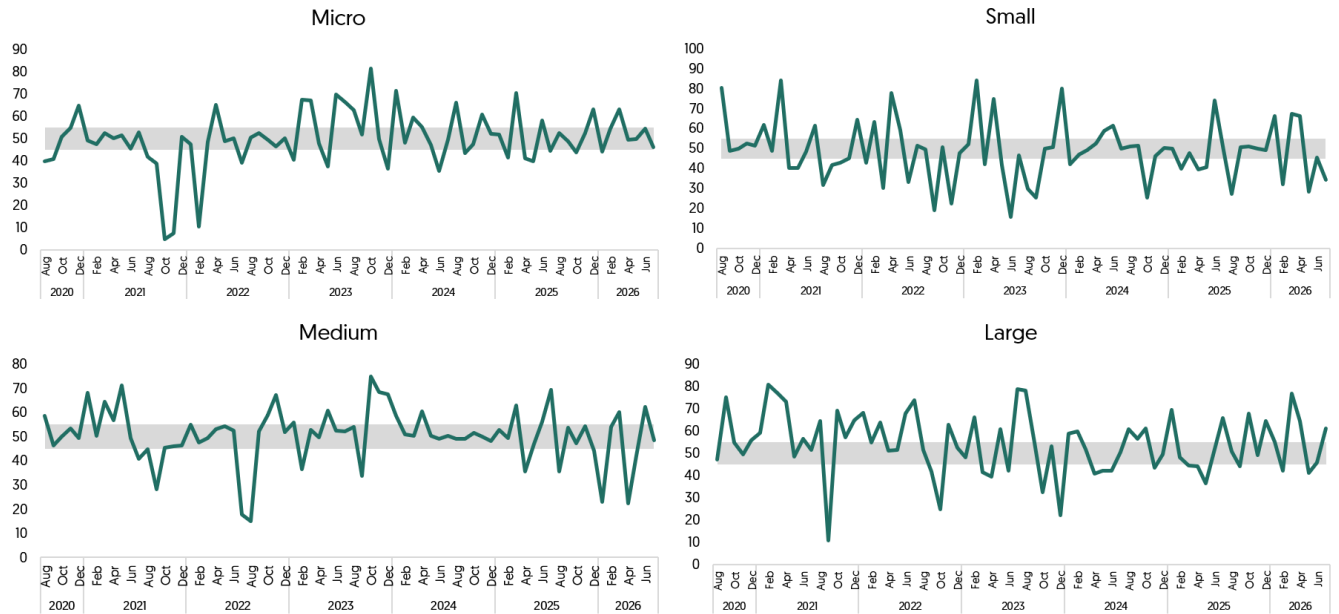
For Costs sub-index, above 55 indicates an increase in costs, and conversely for below 45. Index within the 45 – 55 range indicates costs were more or less the same in the current month compared to the previous month.

The figure displays 12 line charts, each representing a different economic sector. Each chart plots the Index of Consumer Sentiment (Y-axis) against time (X-axis, from August 2020 to June 2026). The charts are arranged in a 4x3 grid. Each chart features a green line representing the index value and a grey shaded area representing the confidence interval. The sectors are:

- Agriculture, Forestry, Fisheries & Livestock:** The index fluctuates between approximately 40 and 80, with a confidence interval around 45-55.
- Construction:** The index shows significant volatility, ranging from about 15 to 75, with a confidence interval around 40-50.
- Finance & Insurance:** The index fluctuates between approximately 30 and 90, with a confidence interval around 45-55.
- Hotels & Restaurants:** The index shows high volatility, ranging from about 10 to 90, with a confidence interval around 45-55.
- Manufacturing:** The index fluctuates between approximately 20 and 70, with a confidence interval around 45-55.
- Oil and Gas Related:** The index shows high volatility, ranging from about 10 to 90, with a confidence interval around 45-55.
- Real Estate & Ownership of Dwellings:** The index starts high (around 80) and generally declines, with a confidence interval around 45-55.
- Transport & Communication:** The index fluctuates between approximately 10 and 90, with a confidence interval around 45-55.
- Wholesale & Retail Trade:** The index fluctuates between approximately 20 and 80, with a confidence interval around 45-55.
- Health & Education:** The index fluctuates between approximately 10 and 90, with a confidence interval around 45-55.
- Other Private Services:** The index fluctuates between approximately 10 and 80, with a confidence interval around 45-55.

Note: An index above 55 indicates expansion/optimism compared to the previous month. Index within the range of 45 – 55 indicates no change compared to the previous month while below 45 indicates contraction / less optimism compared to the previous month.

Sentiment by Business Size



Note: An index above 55 indicates expansion/optimism compared to the previous month. Index within the range of 45 – 55 indicates similar/no change compared to the previous month while below 45 indicates contraction / less optimism compared to the previous month.