

Summary for the Business Tendency Survey in September 2023

Business activity indicator

- the headline **all-sector business activity** indicator was **neutral**, at +1 percentage point (pp); this means the proportion of businesses that reported an increase was 1 pp higher than those that reported a decrease
 - the business activity indicator was moderately positive for the finance sector (+15 pp) and neutral for the non-finance sector (-4 pp)

Current indicators

- **one** of the **eight current indicators** was **extremely negative** (input costs), **one indicator** was **strongly negative** (profitability), while **one indicator** was **strongly positive** (product prices). The other five current indicators were neutral
 - for the finance sector, there was one extremely negative indicator (input costs), and there were six positive indicators: two strongly positive and four moderately positive whilst the other indicator was neutral (profitability)
 - for the non-finance sector, one of the eight current indicators was extremely negative (input costs), one was strongly negative (profitability), and two were moderately negative (new business and business optimism); in contrast, one indicator was strongly positive (product prices) and the other three were neutral
- the **overall** picture was **essentially the same** as last quarter; the only notable change was a moderate decrease in the business activity indicator

Outlook for next quarter – the three months to December 2023

- the outlook for **future business activity** was **moderately positive** (+20 pp)
 - the indicator balance was strongly positive for finance (+47 pp) and neutral for non-finance (+8 pp)
- the overall **future employment** outlook was **moderately positive** (+14 pp)
 - the indicator was strongly positive for finance (+46 pp) and neutral for non-finance (+1 pp)
- the overall **future input costs** outlook was **extremely negative** (-61 pp)
 - the indicator was strongly negative for finance (-34 pp) and extremely negative for non-finance (-72 pp)
- the overall **future product prices** outlook was **strongly positive** (+34 pp)
 - the indicator was moderately positive for finance (+20 pp) and strongly positive for non-finance (+39 pp)

Introduction

The Jersey Business Tendency Survey (BTS) aims to provide qualitative quarterly information about the Island's economy in a timely manner.

The survey provides a set of twelve qualitative indicators. There are:

- **eight current indicators:** these are measures of current performance relative to that of three months previously (rather than absolute measures of performance)
- **four future indicators:** these measures anticipate changes over the next three months

Detailed definitions of the indicators are provided in the [glossary](#).

For each indicator a net balance is calculated, defined as the difference between the proportion of businesses reporting an increase in a particular measure and the proportion reporting a decrease¹.

In response to the COVID-19 pandemic and associated economic consequences, additional questions were included in the survey from June 2020 to December 2022. The questions have now been removed from the survey in line with the Government of Jersey's de-escalation of COVID-19 measures. For previous reports which include specific COVID-19 questions please see www.gov.je/BTS.

In this round of the survey, in response to the economic situation and the cost of living, additional questions on future input costs and future product prices have been added for the second time, allowing a comparison to be made to the previous quarter.

¹ Note that figures in this report are rounded independently; therefore, an indicator's balance may differ by up to one percentage point from the difference between stated percentages.

Section 1: Current situation

Business activity

The headline indicator is business activity, which is a measure of the total amount of work undertaken by businesses operating in Jersey. The type of business activity will be specific to each sector of business; for example, turnover, number of products produced, or chargeable hours. Detailed definitions for this indicator and others can be found in the [glossary](#).

In September 2023, the all-sector business activity indicator was neutral, with a value of +1 percentage point (pp). An increase in business activity was reported by 24% of businesses, compared with 22% that reported a decline; the difference in the unrounded figures results in a net balance of +1 pp, which provides the value of the indicator. The remaining 54% of companies reported that business activity was unchanged; see [Figure 1.1](#).

Figure 1.1 – Business activity, September 2023

Compared with situation three months previously

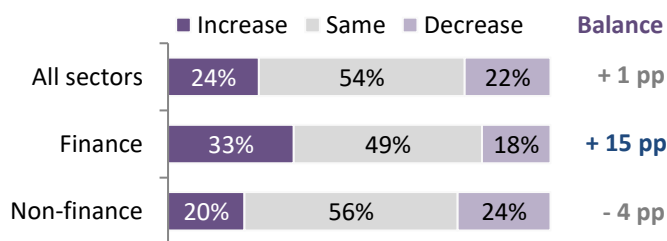
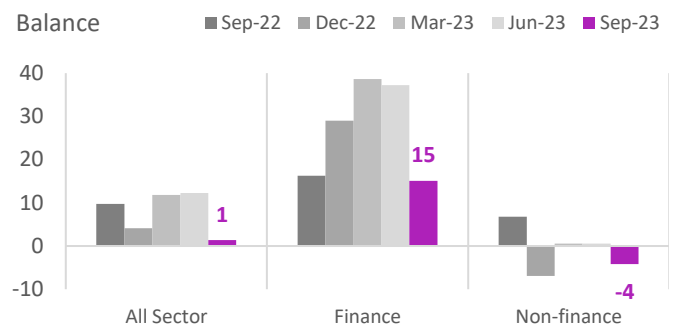


Figure 1.2 – Business activity

September 2022 – September 2023 (percentage points)



The overall business activity indicator saw a moderate decrease of 11 pp from the previous quarter, when the balance was +12 pp; see [Figure 1.2](#).

The finance sector saw a moderate decrease of 22 pp in business activity, whilst the non-finance sector indicator was essentially unchanged (down 5 pp).

Within the non-finance sector, the business activity indicator was:

- strongly negative in wholesale and retail (-27 pp)
- moderately negative in construction (-24 pp)
- essentially unchanged in hotels, restaurants, and bars (0 pp)
- moderately positive in other-non finance (+12 pp)

Since June, there was a strong quarterly decrease in wholesale and retail (down 41 pp) whilst there was a strong positive quarterly increase in hotels, restaurants, and bars (up 30 pp). There was essentially no quarterly change for construction or other non-finance (both up 1 pp).

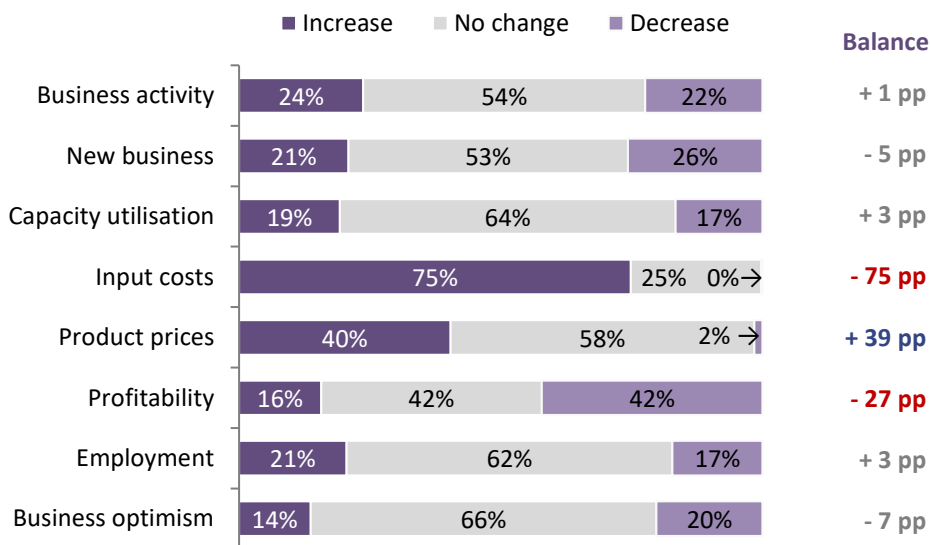
See the [appendix](#) for further sectoral breakdown.

Current indicators

In September 2023, one of the eight all-sector indicators relating to the current situation was extremely negative, one was strongly negative, one was strongly positive, and the other five were neutral; see [Figure 2.1](#). A positive net balance indicates that a greater proportion of companies reported increases than decreases, and conversely for a negative balance, while an indicator is reported on if it has a balance of at least ± 10 pp.

The input costs indicator had an extremely negative balance of -75 pp, and the profitability indicator had a strongly negative balance of -27 pp. The product prices indicator had a strongly positive balance of +39 pp. The other current indicators – business activity, new business, capacity utilisation, employment, and business optimism – were neutral, indicated by a balance between ± 10 pp.

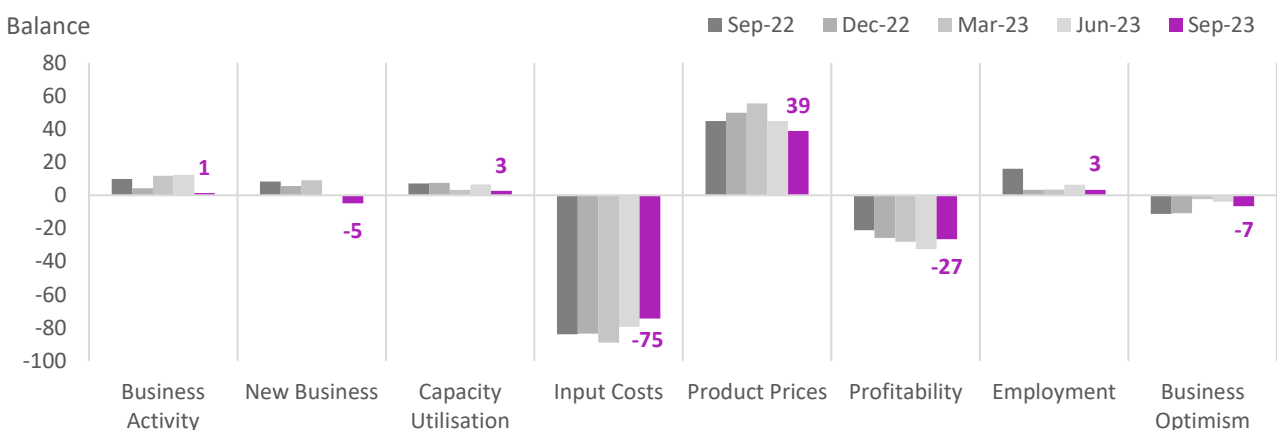
Figure 2.1 – All-sector indicators, comparing current situation (September 2023) to three months previously



The summary balance of positive and negative current indicators² was -1, which was slightly lower than the previous quarter when the balance was 0. This summary balance was at a similar level to the previous three-year mean of -1.2.

Figure 2.2 – All-sector current indicators

September 2022 – September 2023



² This is the difference between the number of positive indicators (one) minus the number of negative indicators (two).

[Figure 2.2](#) shows the eight current indicators for September 2023 against those of the previous four quarters. There was one notable quarterly change, a moderate decrease in business activity (down 11 pp).

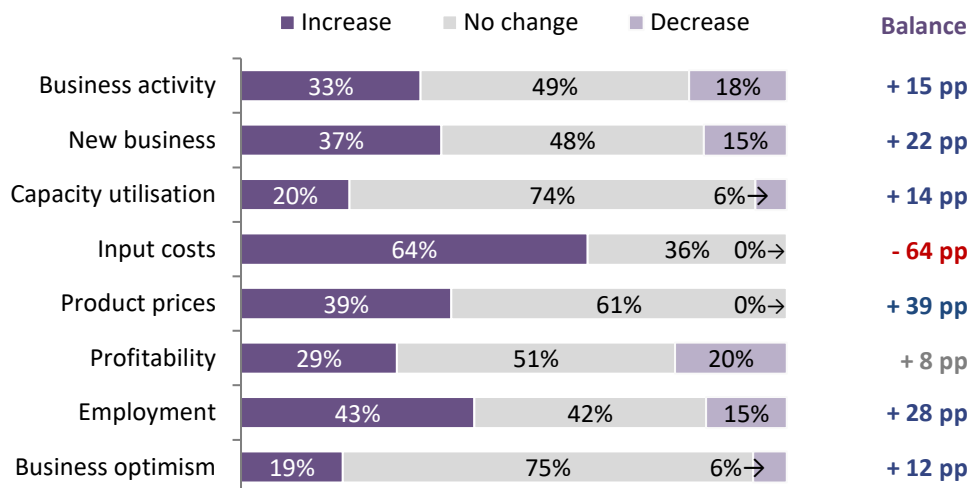
Compared to the balances a year before, two indicators changed notably, with new business and employment both seeing a moderate decrease of 13 pp.

Only one indicator was notably different to its previous three-year mean, with the input costs indicator moderately lower by 11 pp. The rest of the indicators were essentially unchanged.

Finance sector

In September 2023 the finance sector had six positive indicators, one negative indicator and one neutral indicator; see [Figure 3.1](#).

Figure 3.1 – Finance sector indicators, comparing current situation (September 2023) to three months previously



The summary balance of positive and negative current indicators was +5, slightly up from +4 for the previous quarter, and slightly higher than the previous three-year mean for the finance sector (+3.8).

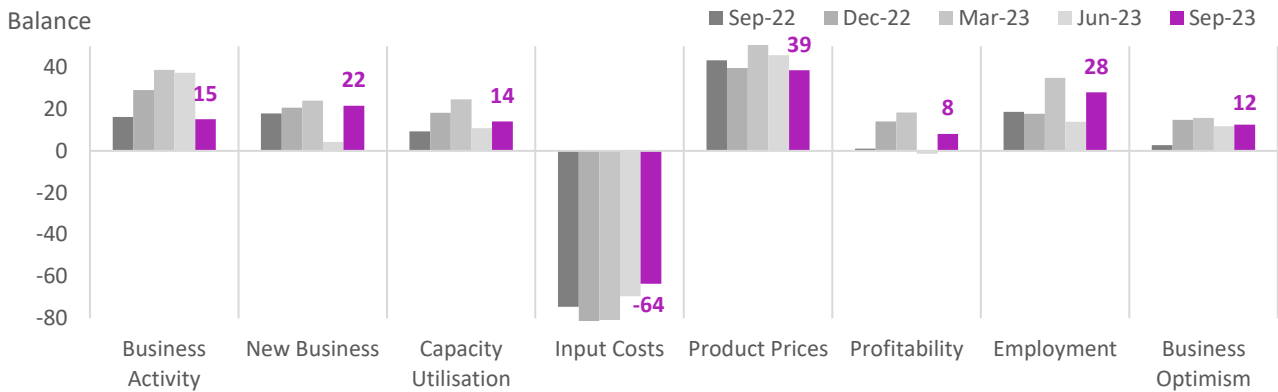
[Figure 3.2](#) illustrates that there were three notable changes since the previous quarter, with two moderate increases in the balance of new business (up 18 pp) and employment (up 14 pp) alongside a moderate decrease in the balance of business activity (down 22 pp). The balances of the other five indicators were essentially unchanged from the previous quarter.

Compared to September 2022, there was only one notable annual change as the input costs balance saw a moderate increase of 11 pp. The other seven indicators were essentially unchanged on an annual basis.

In September 2023 two of the eight current indicators for finance were moderately different from their previous three-year mean. The product prices indicator was moderately above its three-year mean by 16 pp, whereas the input costs indicator was moderately below its three-year mean by 15 pp. The other six current indicators were at a similar level to their previous three-year means.

Figure 3.2 – Finance sector current indicators

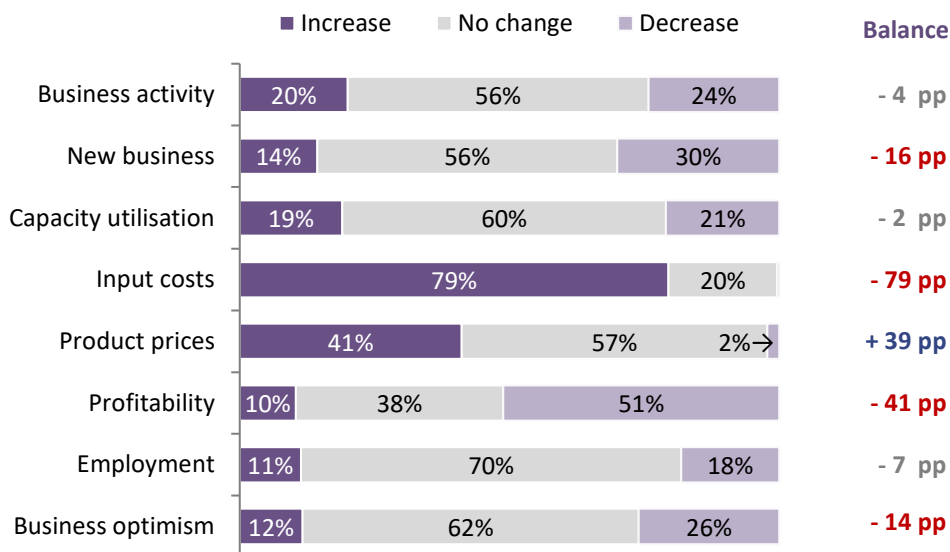
September 2022 – September 2023



Non-finance sector

For the non-finance sector in September 2023, four current indicators were negative, one current indicator was positive, and the other three current indicators were neutral; see [Figure 4.1](#).

Figure 4.1 – Non-finance sector indicators, comparing current situation (September 2023) to three months previously



The summary balance of positive and negative current indicators was -3, slightly lower than the previous quarter (-2) and slightly below the three-year mean for the period up to September 2023 for the non-finance sector (-2.4).

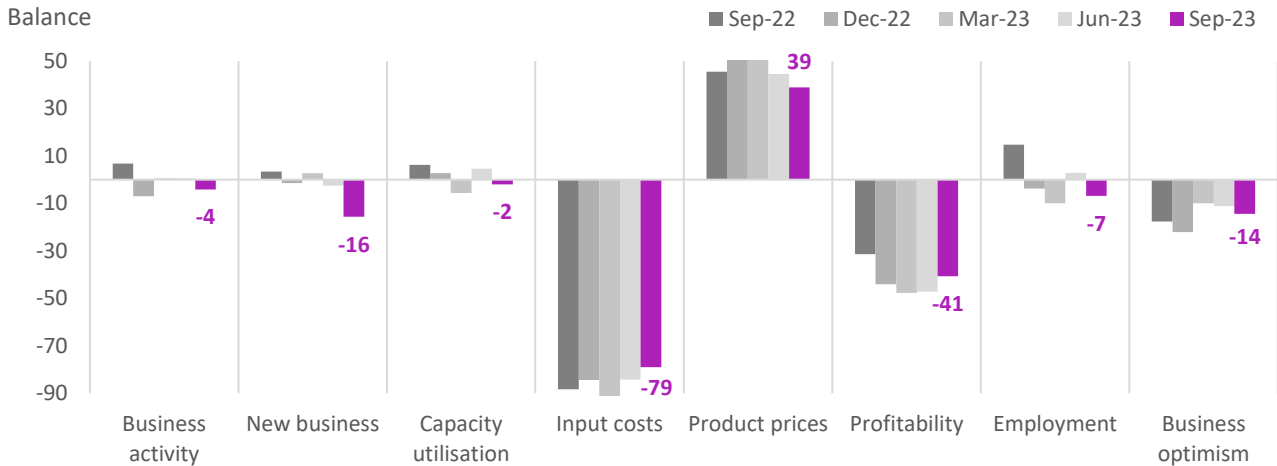
The input costs indicator was extremely negative (-79 pp), profitability was strongly negative (-41 pp), and new business and business optimism were moderately negative (-16 pp and -14 pp respectively). In contrast the product prices indicator was strongly positive (+39 pp), and the remaining three current indicators were neutral.

All the non-finance sub-sectors (hotels, restaurants, and bars, construction, wholesale and retail, and other non-finance) were extremely negative in one indicator: input costs. The product prices indicator was extremely positive in one of the sub-sectors, wholesale and retail (+55 pp), whilst being strongly positive in the other three. The profitability indicator was strongly negative in most non-finance sub-sectors, with the exception being hotels, restaurants, and bars where it was extremely negative (-59 pp).

For the non-finance sector overall, there were two notable quarterly changes, which were moderate decreases in new business and employment (down 14 pp and 10 pp respectively). The other six indicators were essentially unchanged on a quarterly basis; see [Figure 4.2](#). See the [appendix](#) for detailed breakdowns by size and sector.

Figure 4.2 – Non-finance sector current indicators

September 2022 – September 2023



Compared to a year ago, there were moderate decreases in four indicators for the non-finance sector. These annual decreases were in employment (down 22 pp), new business (down 19 pp), business activity (down 11 pp) and profitability (down 10 pp). The other four indicators were essentially unchanged on an annual basis. One indicator, new business, was moderately below its previous three-year mean by 14 pp. The balances of the other seven indicators were similar to their previous three-year means.

Hotels, restaurants, and bars saw a strong quarterly increase in business activity (up 30 pp) and moderate quarterly increases in four current indicators: business optimism (up 19 pp), profitability (up 18 pp), input costs (up 15 pp) and capacity utilisation (up 12 pp). The remaining three indicators were essentially unchanged. Compared to a year ago, six indicators were more negative. The balances for new business and profitability both saw a strong annual decrease of 28 pp, whilst there were moderate decreases in business activity (down 19 pp), capacity utilisation and product prices (both down 15 pp), and employment (down 13 pp) compared to September 2022. There was a moderate increase in the input cost indicators (up 12 pp) and business optimism was essentially unchanged on an annual basis. In September 2023, four indicators were moderately above their previous three-year means: capacity utilisation, employment, business activity, and the product prices indicator (higher by 23 pp, 18 pp, 17 pp, and 13 pp respectively). In contrast, new business was moderately below its three-year mean by 10 pp, and the remaining three indicators were at similar levels to their averages.

The construction sector had five quarterly changes, with strong decreases in capacity utilisation (down 30 pp) and employment (down 26 pp), and a moderate decrease in product prices (down 10 pp); in contrast there was a strong increase in the input costs balance (up 27 pp) and a moderate increase in profitability (up 10 pp). Compared to one-year ago, seven indicators have seen a decrease. There was an extreme decrease in the employment indicator (down 56 pp), and strong decreases in capacity utilisation (down 43 pp), business activity (down 33 pp), business optimism (down 32 pp), profitability (down 31 pp) and new business (down 26 pp). There was also a moderate decrease in product prices by 13 pp. The only indicator to not see an annual decrease was the input costs indicator, which had a strong annual increase of 36 pp. Four indicators were strongly below their previous three-year means: employment (39 pp lower), new business and capacity utilisation (both 26 pp lower), and business optimism (25 pp lower). Business activity was moderately below its three-year mean (23 pp lower), while the input costs indicator was moderately above (20 pp higher). The other two current indicators, product prices and profitability, had balances similar to their previous three-year means.

The wholesale and retail sector indicators showed two strong negative quarterly decreases, with business activity down by 41 pp and new business down by 26 pp. There were also three moderately negative decreases in the indicators for capacity utilisation, employment, and input costs (down by 16 pp, 13 pp, and 11 pp respectively). The other three indicators were essentially unchanged from June 2023. Compared to September 2022, there was a strong annual decrease in both the product prices and new business indicators (both down 25 pp), and moderate annual decreases in business activity, employment, and capacity utilisation (down 23 pp, 18 pp and 15 pp respectively). Conversely, there was a strong increase in business optimism which was 38 pp higher than one-year ago. In September 2023, two indicators were strongly below their previous three-year means; business activity was 32 pp lower and new business was 29 pp lower. The input costs (16 pp lower) and profitability indicators (12 pp lower) were moderately below their previous three-year average, whilst the other four indicators were essentially at the same level as their means.

For the other non-finance sector there was only one indicator with a notable quarterly change: the new business indicator saw a moderate decrease of 11 pp. Compared to a year ago, the employment and new business balances both saw a moderate decrease of 15 pp and 10 pp respectively. There was essentially no change on an annual basis in any of the other six current indicators. Although five of the eight current indicators stood at a similar level to their previous three-year mean, business activity and capacity utilisation were moderately above their average figure (14 pp and 10 pp above respectively), whereas in contrast input costs was 15 pp below its previous three-year mean.

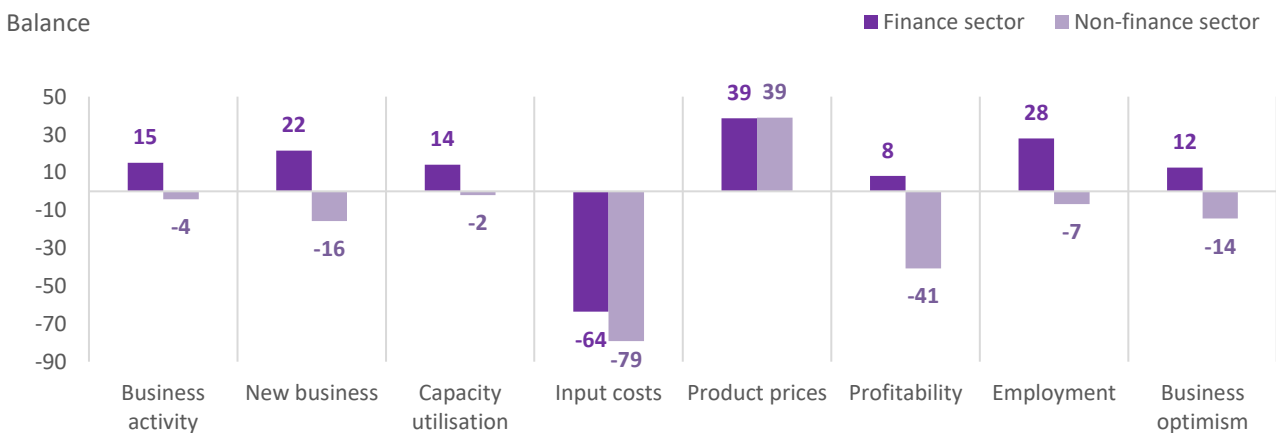
Comparison of finance and non-finance sectors

The finance sector was at least 10 pp more positive than the non-finance sector in seven of the eight current indicators, and the sectors were at the same level for the other indicator (product prices were both at 39 pp). This gave a net balance of +7 indicators where the finance sector was more positive; see [Figure 5.1](#). This is higher than the balance of +5 indicators in June 2023, and slightly higher than the previous three-year mean balance of +5.8.

In September 2023, four current finance sector indicators (profitability, new business, employment, and business optimism) were strongly above the balance for the non-finance sector (by at least 25 pp) and three were moderately above (business activity, capacity utilisation, and input costs).

Figure 5.1 – Finance and non-finance sector indicators (net balances, percentage points)

September 2023



Section 2: Future indicators

Future business activity

The outlook for all-sector future business activity over the next three months (to December 2023) was moderately positive (+20 pp). Increases in business activity were expected by around a third (32%) of businesses, compared to 12% that expected decreases, while over half (57%) expected no change; see [Figure 6.1](#).

Figure 6.1 – Future business activity

Expectations for next three months (September 2023)

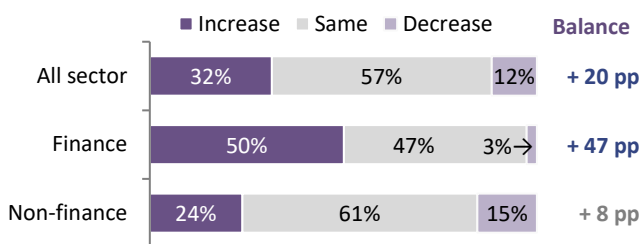
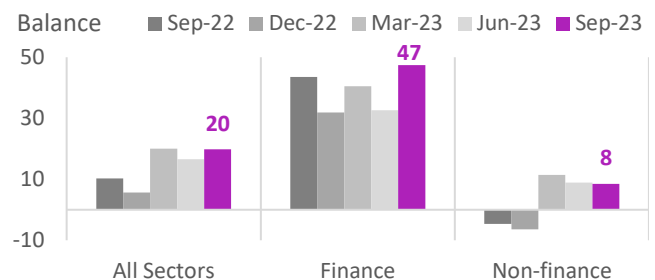


Figure 6.2 – Future business activity

September 2022 – September 2023 (percentage points)



The future business activity indicator was strongly positive for the finance sector (+47 pp) and neutral for the non-finance sector (+8 pp). In the finance sector half (50%) of businesses expected an increase, compared to a quarter (24%) of businesses in the non-finance sector. Only 3% of businesses in the finance sector expected a decrease, compared to 15% of non-finance businesses.

Within the non-finance sub-sectors, the future business activity indicator was:

- strongly negative for hotels, restaurants, and bars (-30 pp)
- neutral for construction (0 pp)
- neutral for wholesale and retail (+6 pp)
- moderately positive for other non-finance (+23 pp)

The overall future business activity indicator was essentially unchanged since the previous quarter; see [Figure 6.2](#). The balance in September 2023 had moderately increased by 10 pp from one-year previously. The indicator was at a similar level to its previous three-year mean.

The future business activity indicator for the finance sector had moderately increased by 14 pp from the previous quarter, although this value was essentially unchanged from one-year ago. This indicator was also moderately higher than the previous three-year mean by 15 pp.

The non-finance sector balance in the latest quarter was also essentially unchanged from its balance last quarter in June 2023, and its three-year mean. However, there was a moderate increase on its balance from September 2022 by 13 pp.

Within the non-finance sector, the indicator for construction increased moderately from its value last quarter, up 18 pp, however it saw a moderate decrease from its value 12 months ago, down 21 pp. It was essentially the same its previous three-year mean.

The wholesale and retail sector balance in the latest quarter was unchanged from its balance of the last quarter in June 2023 and was essentially the same as its previous three-year mean. However, the level in September 2023 saw a strong annual increase of 33 pp from its value twelve months ago.

For hotels, restaurants, and bars, the balance strongly decreased from its June 2023 value (down 33 pp). The indicator was moderately below its level in September 2022 (down 22 pp) and its previous three-year mean (below by 23 pp).

For other non-finance the balance was at essentially the same level as the last quarter but was strongly above its balance last year (above by 25 pp) and moderately higher than its previous three-year mean (above by 16 pp). See the [appendix](#) for a sectoral breakdown.

Future employment

The outlook for all-sector future employment over the next three months (to December 2023) was moderately positive (+14 pp). An increase in employment was expected by around a quarter (24%) of businesses, compared to 11% that expected a decrease, while almost two-thirds (65%) expected no change; see [Figure 7.1](#). The finance sector was strongly positive (+46 pp), with half (50%) of all businesses expecting an increase in employment, and 4% expecting a decrease. The non-finance sector was neutral (+1 pp): 14% of businesses expected to increase employment, compared with 13% that expected employment to decrease, while almost three-quarters (73%) expected employment to stay the same.

Figure 7.1 – Future employment

Expectations for next three months (from September 2023)

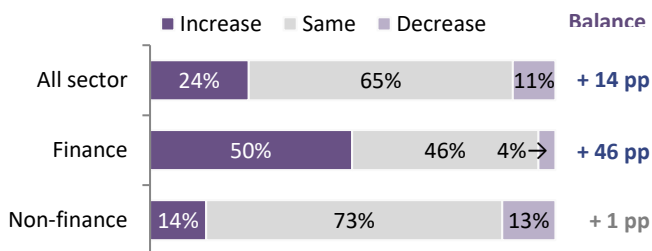
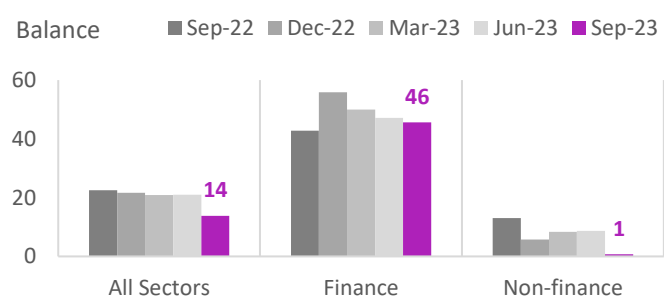


Figure 7.2 – Future employment

September 2022 – September 2023 (percentage points)



The overall indicator for the all-sector future employment indicator was at essentially the same level as in June 2023 (down 7 pp); see [Figure 7.2](#). This was also the case in both the finance sector (down 1 pp) and the non-finance sector (down 8 pp).

On an annual basis, the finance sector was essentially unchanged (up 3 pp) and there was a moderate annual decrease for the non-finance sector (down by 12 pp). This contributed to the overall balance being essentially unchanged on an annual basis.

In the current quarter, the future employment indicator was moderately below its previous three-year mean for the non-finance sector (lower by 10 pp) and essentially at the same level for the finance sector (above by 9 pp). This resulted in the all-sector balance being essentially the same as its previous three-year mean (lower by 4 pp).

Within the non-finance sector, future employment in construction was moderately negative (-14 pp), however there was a moderate increase of 17 pp from the previous quarter. The balance this quarter was a strong annual decrease from September 2022 (down 41 pp). This also meant that the indicator was strongly below its three-year mean (27 pp below).

The wholesale and retail balance was neutral (-2 pp) which was essentially unchanged from the previous quarter. The indicator saw a moderate annual decrease of 12 pp, and the value was also 12 pp below its previous three-year mean.

The hotel, restaurants, and bars indicator was moderately negative (-17 pp), representing a moderate decrease in the balance since the previous quarter (down 18 pp). Although the annual balance was essentially unchanged, the value was moderately below the previous three-year mean for this area, at 16 pp lower.

Other non-finance was moderately positive in regard to future employment with a +11 pp balance, which represents a moderate decrease since the previous quarter (down 13 pp). The balance in September 2023 was essentially unchanged from one-year ago and was a similar balance to its previous three-year mean.

See the [appendix](#) for a detailed breakdown by size and sector.

Future input costs

For the second quarter, new questions were asked to businesses on their future expectations for input costs and product prices over the next three months.

The all-sector future input costs indicator had an extremely negative balance of -61 pp, with 62% of businesses expecting input costs to increase over the next three months and 1% expecting input costs to decrease. The remaining 38% expected input costs to remain the same, see [Figure 8.1](#). This was a moderate increase of 19 pp compared with the balance of the previous quarter.

For the finance sector, the overall balance was -34 pp, with 36% of businesses expecting input costs to increase and 1% expecting input costs to decrease. The remaining 63% expected no change. This was a strongly positive change from the previous quarter, with the balance increasing by 44 pp.

The non-finance sector had a balance of -72 pp, with 72% expecting an increase and 1% expecting costs to decrease with 27% expecting no change. There was essentially no change from June 2022, with the balance increasing by 9 pp.

Within the non-finance sector, the balance was extremely negative for hotels, restaurants, and bars (-96 pp), wholesale and retail (-74 pp) and other non-finance (-73 pp). All of these remained essentially unchanged from June 2023. The balance for construction was strongly negative (-39 pp), but this was a strong increase of 43 pp from the previous quarter.

Future product prices

The all-sector future product prices indicator was strongly positive (+34 pp), with 36% of businesses expecting product prices to increase in the next three months compared to 2% that expected prices to decrease. The remaining 62% expected no change in input product prices, see [Figure 8.2](#). This value remained essentially unchanged from the previous quarter.

In the finance sector, whilst three-quarters (75%) anticipated no change, 22% of businesses expected product prices to increase, compared with 2% of firms that expected prices to decrease, resulting in a moderately positive balance of +20 pp. This was essentially unchanged from the previous quarter.

The balance for the non-finance sector was strongly positive (+39 pp), with 41% of companies expecting prices to increase and 2% expecting prices to decrease. Over half (56%) expected future product prices to remain the same. The balance saw a moderate decrease of 11 pp since June 2023.

Within the non-finance sector, the balance was extremely positive for both hotels, restaurants, and bars (+63 pp) and wholesale and retail (+56 pp), and strongly positive for construction and other non-finance (both +27 pp). Although these balances were essentially unchanged from the previous quarter for hotels, restaurants, and bars, and wholesale and retail, there was a moderate decrease in construction (down 19 pp) and other non-finance (down 15 pp).

Figure 8.1 – Future input costs

Expectations for next three months (September 2023)

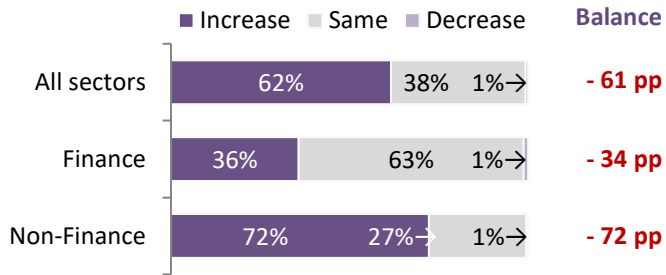
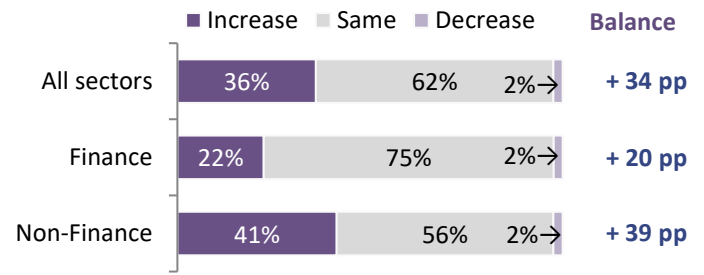


Figure 8.2 – Future product prices

Expectations for next three months (September 2023)



Notes

The Business Tendency Survey samples private sector businesses in Jersey. The survey asks the Chief Executive or Managing Director of sampled businesses for their opinions on the current situation of their business compared with three months previously, and for their expectations for the next three months.

Each indicator derived from the survey responses is calculated as a weighted net balance, see below.

The survey is run in the last month of each quarter. In June and December, additional questions are asked of the finance sector to gauge their expectations for future employment, profits and business development.

- 1. Net balance:** Net balances are used to summarise respondents' answers to the multiple-choice questions of the Business Tendency Survey. The net balance is obtained by taking the difference between the weighted percentages of respondents giving positive (such as "increase" or "higher") and negative responses (such as "decrease" or "lower"). The net balance is given as a difference measured in percentage points (pp). The statistical uncertainty on each net balance (expressed as a 95% confidence interval) depends on the effective (weighted) numbers of respondents to each question. For overall indicators covering the whole of the private sector, the 95% confidence interval ranges from ± 5 to ± 15 pp depending upon responses to the specific indicator. The net balance and individual percentages are rounded independently, and therefore the percentages may not sum to the balance.
- 2. Seasonal effects:** Businesses are asked to exclude normal seasonal fluctuations from their responses. When it is not practical to compare the current trading situation with that of three months ago, businesses are asked to compare with one year ago.
- 3. Stratified sample:** To design a representative sample of Jersey's businesses, a random sampling approach was used, stratified by business size (employment on a full-time equivalent [FTE] basis) and type of activity ([UK SIC 2007 sector](#)). Size-dependent sampling probabilities were applied, and businesses with more than 50 FTE employees were given a sampling probability of one. The sample is reviewed twice yearly to incorporate new businesses and changes in staffing, in order that the sample remains representative of Jersey's economy.
- 4. Response:** Around 540 firms were sent a survey questionnaire for this survey; around 290 completed questionnaires were returned, constituting an overall response rate of 55%. The respondents accounted for 33% of total private sector employment in the Island.
- 5. Weighting:** The response data collected are weighted before they are analysed. Each reporting business was assigned two weights: a sampling probability weight and a size weight (FTE workforce). The sampling weight adjusts for the different likelihoods of different sized businesses being included in the sample; an effect of the sampling methodology used. The size weight ensures that companies contribute to each indicator in proportion to the size of their workforce. In publications prior to June 2019, the finance annex was weighted by company size only. The annex is now weighted by company size and sampling probability, as in the rest of the report.
- 6. Descriptors:** To aid in interpreting the result, balances and changes of specific magnitudes are described using the terminology set out below.
 - Positive/negative: ± 10 pp or more
 - Extremely positive/negative: ± 50 pp or more
 - Strongly positive/negative: $\pm 25-49$ pp
 - Moderately positive/negative: $\pm 10-24$ pp
 - Neutral / essentially unchanged: $\pm 0-9$ pp

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Statistics Jersey

18 October 2023

Glossary

- 1. Level of business activity / output:** This is the total amount of work undertaken by an organisation. Business activity can be thought of as gross income, chargeable hours worked, turnover or the number of products produced. The measure of business activity used depends on the nature of an organisation. For example, a legal firm may use the number of chargeable hours worked. A bank may decide to use values of fees, commission and premium income.
- 2. Incoming new business / new orders:** This is the amount of new business placed with an organisation. This may include any new clients, new orders or contracts from existing clients or any new contracts.
- 3. Level of capacity utilisation:** This is the current business activity relative to 'normal capacity'. 'Above capacity' indicates that a business is above its normal capacity, for example because an organisation is busier than normal or staff are working longer hours than normal. Similarly, 'below capacity' indicates the current business activity is below its normal capacity, for example because an organisation is quieter than normal or staff are working shorter hours than normal.
- 4. Average cost of inputs:** This is the average cost for all inputs used by an organisation. Inputs include supplies obtained, stocks/materials bought in and costs of employees, including wages, salaries and pension costs paid by an organisation. We ask businesses to try to give a weighted average of costs. For example, if employment costs are the largest share, they should be given the largest weighting (i.e. importance) when answering the question.
- 5. Average prices charged for products:** This is the price charged per item or per unit of time on average. For example, a legal firm will know how much they charge an hour. However, if an organisation offers various services/products, we ask them to try to give a weighted average. For example, if one service accounts for most sales and its prices have increased, then it should be given the largest weighting (i.e. importance) when answering the question, indicating that prices have risen on average.
- 6. Profitability:** This is the total profits earned on all activities of an organisation. If an organisation does not calculate profits over the most recent three months, we ask them to try to estimate how their profitability has changed, taking into account changes in turnover, changes in input costs and changes in mark-ups/spreads over input costs.
- 7. Employment:** This is the number of employees employed on average. Two part-time employees are equivalent to one full-time employee. For example, if two part-time employees resigned and one full-time employee was taken on, we ask organisations to count this as no net change (so employment was the 'same'). We ask organisations to ignore seasonal or temporary hirings.
- 8. Business optimism:** This refers to confidence or optimism about the overall business situation in an organisations' industry generally. Unlike the previous questions, it is not about what is actually happening to an organisation at present, but asks about their opinions for their sector generally.

Appendix

September 2023 – Net balances of indicators (percentage points) and percentage of responders reporting ‘no change’ All sectors; finance; non-finance; construction; hotels, restaurants, and bars; wholesale and retail; and other non-finance

Indicator	All sectors		Finance		Non-finance		Construction		Hotels, restaurants and bars		Wholesale and retail		Other non-finance	
	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change	Net balance	No change
Business Activity	1	54	15	49	-4	56	-24	54	0	66	-27	47	12	57
New Business	-5	53	22	48	-16	56	-27	53	-24	54	-24	49	-4	60
Capacity Utilisation	3	64	14	74	-2	60	-24	51	-8	77	-10	53	10	61
Input costs	-75	25	-64	36	-79	20	-56	39	-83	17	-86	14	-82	18
Product prices	39	58	39	61	39	57	38	58	49	40	55	44	28	68
Profitability	-27	42	8	51	-41	38	-48	46	-59	29	-47	37	-30	40
Employment	3	62	28	42	-7	70	-43	50	-1	82	-3	82	1	68
Business optimism	-7	66	12	75	-14	62	-22	62	-29	52	-8	63	-11	65
Future business activity	20	57	47	47	8	61	0	64	-30	51	6	65	23	60
Future employment	14	65	46	46	1	73	-14	69	-17	73	-2	79	11	71
Future input costs	-61	38	-34	63	-72	27	-39	53	-96	4	-74	26	-73	27
Future product prices	34	62	20	75	39	56	27	61	63	31	56	44	27	69

September 2023 – Net balances of indicators (percentage points) and percentage of respondents reporting ‘no change’
All sectors, finance, and non-finance sectors by size of business*

Indicator	All sectors				Finance				Non-finance			
	Large		Small		Large		Small		Large		Small	
	Net balance	No change*	Net balance	No change*	Net balance	No change*	Net balance	No change*	Net balance	No change*	Net balance	No change*
Business Activity	3	45	0	62	21	38	0	77	-11	50	0	59
New Business	-1	50	-9	57	26	46	10	53	-22	53	-12	57
Capacity Utilisation	-1	63	6	65	9	80	26	61	-9	50	2	66
Input costs	-71	29	-78	21	-59	41	-74	26	-80	20	-78	20
Product prices	42	56	36	60	37	63	42	58	46	51	35	60
Profitability	-20	37	-32	47	18	44	-16	70	-50	32	-35	42
Employment	11	63	-4	62	33	48	14	28	-6	74	-7	68
Business optimism	-1	70	-12	62	17	76	1	73	-15	66	-14	60
Future business activity	36	48	6	65	61	37	13	73	16	56	4	63
Future employment	21	56	7	74	47	44	42	52	1	65	1	78
Future input costs	-52	46	-69	30	-21	76	-70	30	-77	23	-69	30
Future product prices	34	61	33	62	14	79	36	64	49	47	33	62

* Large companies are defined as having more than 50 FTEs and small companies are defined as having 50 or fewer FTEs.

Indicators – net balances (percentage points)

All sectors

Indicator	2019				2020				2021				2022				2023			
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	
Business Activity	13	16	3	6	-11	-62	-8	-15	-21	20	9	3	8	20	10	4	12	12	1	
New Business	8	3	3	9	-13	-58	-14	-13	-8	18	7	9	7	17	8	6	9	0	-5	
Capacity Utilisation	1	3	3	1	-11	-40	-12	-17	-13	2	12	9	5	10	7	7	3	7	3	
Input costs	-48	-42	-50	-52	-40	-9	-24	-19	-37	-57	-65	-70	-74	-84	-84	-84	-89	-80	-75	
Product prices	27	21	16	15	10	-3	-3	-5	9	20	22	26	45	51	45	50	56	45	39	
Profitability	-11	-5	-19	-14	-29	-70	-33	-33	-38	-11	-13	-25	-25	-24	-21	-26	-28	-32	-27	
Employment	10	4	4	-2	-4	-34	-15	-2	1	4	8	2	0	8	16	3	3	6	3	
Business optimism	1	-4	-5	4	-30	-51	-23	-9	3	16	12	-3	-4	1	-11	-11	-2	-4	-7	
Future business activity	25	13	-2	16	-23	-14	-4	-2	20	29	10	10	25	18	10	6	20	17	20	
Future employment	7	3	12	2	2	-7	-3	7	23	31*		20	25	27	22	22	21	21	14	
Future input costs																			-80	-61
Future product prices																			42	34

* revised

Finance

Indicator	2019				2020				2021				2022				2023			
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	
Business Activity	39	33	7	17	17	-21	-1	17	-12	43	13	19	24	25	16	29	39	37	15	
New Business	28	1	7	29	11	-36	-12	10	14	40	18	34	18	19	18	21	24	4	22	
Capacity Utilisation	13	7	7	8	5	13	6	11	15	22	18	14	16	13	9	18	25	11	14	
Input costs	-21	-19	-43	-43	-32	-6	-5	4	-27	-33	-37	-46	-57	-75	-75	-82	-81	-69	-64	
Product prices	24	3	2	7	-5	1	-13	-11	9	7	9	13	30	42	43	40	58	46	39	
Profitability	16	11	-12	2	-19	-36	-21	-11	-5	32	16	10	2	3	1	14	18	-1	8	
Employment	35	20	4	18	1	-7	-1	15	19	18	22	27	18	21	19	18	35	14	28	
Business optimism	15	1	-9	9	-27	-35	-24	17	24	38	36	26	2	16	3	15	16	12	12	
Future business activity	39	28	14	38	-21	-32	13	34	19	38	29	39	36	30	44	32	41	33	47	
Future employment	17	18	41	16	16	8	13	31	34	49		49	25	43	43	56	50	47	46	
Future input costs																			-78	-34
Future product prices																			26	20

Non-finance

Indicator	2019				2020				2021				2022				2023			
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	
Business Activity	1	8	2	0	-24	-80	-11	-28	-25	11	7	-3	2	17	7	-7	1	1	-4	
New Business	-1	4	1	-2	-24	-68	-15	-22	-18	9	2	1	2	16	3	-1	3	-2	-16	
Capacity Utilisation	-4	1	1	-2	-19	-64	-20	-27	-25	-6	9	8	1	9	6	3	-6	5	-2	
Input costs	-60	-51	-53	-57	-44	-10	-32	-29	-42	-66	-76	-79	-82	-88	-88	-84	-92	-84	-79	
Product prices	28	29	22	19	17	-6	1	-2	9	25	28	30	51	55	45	54	54	45	39	
Profitability	-23	-13	-22	-22	-34	-85	-38	-42	-51	-28	-25	-37	-36	-36	-31	-44	-48	-47	-41	
Employment	-2	-3	3	-12	-7	-46	-20	-8	-7	-2	2	-7	-9	2	15	-4	-10	3	-7	
Business optimism	-6	-6	-3	1	-31	-58	-23	-20	-6	7	2	-13	-6	-6	-18	-22	-10	-11	-14	
Future business activity	19	6	-9	5	-23	-6	-11	-16	20	25	2	0	20	12	-5	-6	11	9	8	
Future employment	3	-4	-2	-6	-5	-13	-10	-3	18	20*	12*	10	25	20	13	6	8	9	1	
Future input costs																			-81	-72
Future product prices																			50	39

* revised

Construction

Indicator	2019				2020				2021				2022				2023			
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Mar	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	
Business Activity	-8	-10	3	-8	-13	-92	-3	-24	-18	19	-9	-4	25	19	9	4	-6	-25	-24	
New Business	-6	19	9	-7	-13	-82	-11	-21	-17	7	-10	3	27	25	-1	8	0	-27	-27	
Capacity Utilisation	21	7	3	4	-7	-83	-22	-25	-15	13	-3	9	20	15	19	15	-5	6	-24	
Input costs	-54	-77	-69	-56	-52	3	-39	-44	-60	-73	-75	-84	-93	-93	-92	-90	-85	-83	-56	
Product prices	3	38	25	14	15	-10	12	0	22	31	43	41	33	65	51	39	27	48	38	
Profitability	-25	-25	-37	-27	-33	-92	-40	-52	-57	-25	-40	-62	-39	-26	-17	-33	-44	-58	-48	
Employment	-2	-10	8	-5	4	-47	-16	-1	2	-6	-22	14	12	-4	13	5	-32	-17	-43	
Business optimism	-11	9	34	13	-2	-74	-14	-9	15	23	5	20	10	3	10	-4	1	-18	-22	
Future business activity	-1	-1	12	6	5	-34	1	-7	3	33	1	-2	36	33	21	4	3	-18	0	
Future employment	-2	3	16	9	13	-21	13	4	19	30	0	26	33	25	27	16	-3	-31	-14	
Future input costs																			-82	-39
Future product prices																			46	27

Hotels, restaurants, and bars

Indicator	2019				2020				2021				2022				2023			
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Mar	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	
Business Activity	-27	-23	-4	-7	-42	-100	-44	-98	-72	-15	40	-14	11	28	19	-23	-4	-30	0	
New Business	-20	-27	-10	-18	-45	-100	-50	-84	-51	-7	30	-22	16	33	4	-19	-4	-16	-24	
Capacity Utilisation	-24	-28	-5	-12	-44	-87	-65	-80	-78	-40	14	-20	-29	3	7	-30	-35	-20	-8	
Input costs	-83	-75	-68	-72	-47	20	-38	-13	-20	-84	-92	-88	-83	-100	-95	-89	-93	-98	-83	
Product prices	58	38	35	47	8	-36	-22	-36	-16	57	49	33	55	53	64	68	69	58	49	
Profitability	-39	-15	-31	-39	-62	-100	-85	-94	-83	-63	-29	-48	-11	-35	-31	-62	-56	-77	-59	
Employment	-19	-12	-13	-14	-25	-85	-44	-43	-45	-27	-4	-33	-21	11	12	-17	-12	-5	-1	
Business optimism	-8	-12	-16	-10	-78	-89	-80	-94	-16	-18	13	-27	-9	-3	-30	-39	-11	-48	-29	
Future business activity	25	5	-41	-5	-49	-62	-71	-79	44	23	-22	-4	25	21	-8	-37	23	3	-30	
Future employment	22	-15	-36	-10	-35	-42	-63	-38	37	7	-9*	-2	34	9	-12	-19	39	1	-17	
Future input costs																			-100	-96
Future product prices																			67	63

* revised

Wholesale and retail

Indicator	2019				2020				2021				2022				2023			
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	
Business Activity	14	16	9	-3	-29	-79	21	-8	-23	17	-3	-13	16	33	-4	-3	12	14	-27	
New Business	7	3	3	-1	-29	-62	14	28	-6	18	-9	-13	-4	13	1	3	20	2	-24	
Capacity Utilisation	-15	10	26	0	-24	-68	-19	-5	-23	1	-8	0	-8	14	5	13	6	6	-10	
Input costs	-65	-51	-23	-68	-48	-10	-20	-35	-45	-62	-79	-80	-85	-89	-87	-89	-98	-75	-86	
Product prices	22	29	8	29	22	3	3	6	20	24	20	54	71	77	80	76	77	52	55	
Profitability	-13	-23	-12	-31	-48	-76	0	-10	-37	-17	-16	-14	-58	-49	-40	-61	-59	-52	-47	
Employment	-1	-7	5	5	-4	-41	-14	11	16	4	29	-18	1	-5	15	-9	-10	10	-3	
Business optimism	-15	-16	6	-5	-21	-45	3	-2	21	16	4	-33	-12	-10	-46	-40	-42	-2	-8	
Future business activity	25	6	6	-1	-21	16	-6	19	39	29	19	16	13	3	-27	-6	-1	6	6	
Future employment	-3	3	14	-2	-2	-11	-9	1	18	11	33*	21	15	10	10	12	-6	7	-2	
Future input costs																			-72	-74
Future product prices																			62	56

* revised

Other non-finance – private sector excluding finance and legal activities, construction and quarrying, hotels restaurants and bars, and wholesale and retail

Indicator	2019				2020				2021				2022				2023		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	8	19	0	5	-17	-49	-14	-19	-17	12	6	4	-12	3	7	-7	-1	11	12
New Business	4	10	2	4	-17	-48	-14	-24	-12	10	4	10	-8	7	6	-2	-4	7	-4
Capacity Utilisation	0	5	-8	-2	-11	-22	-6	-25	-18	-7	19	17	3	5	2	3	-1	10	10
Input costs	-52	-37	-57	-48	-40	-15	-31	-26	-40	-62	-71	-74	-76	-82	-85	-77	-93	-85	-82
Product prices	28	24	23	7	20	0	5	2	7	16	20	17	49	39	22	41	46	37	28
Profitability	-21	-3	-19	-11	-18	-62	-37	-39	-45	-25	-23	-32	-33	-32	-33	-31	-39	-34	-30
Employment	4	4	8	-20	-5	-23	-17	-9	-8	2	-1	-5	-16	6	16	-1	0	8	1
Business optimism	1	-3	-13	5	-25	-43	-17	-11	-19	5	-3	-15	-9	-8	-9	-14	5	-2	-11
Future business activity	20	9	-10	10	-20	-10	3	-18	14	22	2	-3	17	6	-2	1	18	20	23
Future employment	2	-6	0	-9	1	1	-2	2	12	22*	12*	2	25	26	19	6	9	24	11
Future input costs																		-78	-73
Future product prices																		42	27

* revised

For comparability with past reports, the previously used definition of “other non-finance” is included below.

Other non-finance and hotels, restaurants and bars – private sector excluding finance and legal activities, construction and quarrying, and wholesale and retail

Indicator	2019				2020				2021				2022				2023		
	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept	Dec	Mar	Jun	Sept
Business Activity	-1	9	-1	2	-24	-78	-21	-36	-28	8	14	1	-8	9	10	-12	-2	2	9
New Business	-2	1	-1	-1	-25	-67	-23	-37	-20	7	9	3	-5	14	5	-6	-4	2	-10
Capacity Utilisation	-6	-3	-7	-4	-23	-59	-20	-35	-29	-13	18	9	-2	4	3	-6	-11	4	6
Input costs	-60	-46	-60	-54	-43	-13	-33	-23	-36	-66	-76	-77	-77	-86	-88	-81	-93	-87	-82
Product prices	36	27	27	17	17	-7	-1	-6	3	23	27	21	50	43	34	49	53	41	33
Profitability	-26	-6	-22	-18	-29	-86	-48	-51	-53	-32	-25	-35	-29	-33	-32	-40	-44	-43	-37
Employment	-2	0	2	-19	-10	-47	-23	-16	-15	-3	-2	-11	-17	7	15	-4	-4	5	0
Business optimism	-1	-5	-14	1	-40	-58	-32	-28	-19	1	1	-17	-9	-7	-15	-21	0	-12	-15
Future business activity	22	8	-19	6	-29	-6	-15	-30	19	22	-3	-3	18	9	-4	-10	19	16	11
Future employment	6	-8	-10	-9	-9	-12	-16	-6	17	18*	7*	1	26	22	10	-1	18	19	5
Future input costs																		-83	-78
Future product prices																		47	36

* revised

Past reports are available online at www.gov.je/BTS Data tables for the above and earlier years are available online at opendata.gov.je/dataset/business-tendency-survey