

# Jersey Business Tendency Survey

March 2014

Statistics Unit: [www.gov.je/statistics](http://www.gov.je/statistics)

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## Summary

In March 2014

- the **headline all-sector Business Activity Indicator was 0 percentage points (pp)**, implying that the proportion of businesses in Jersey reporting an increase in business activity compared with three months previously was at the same level as the proportion reporting a decrease;
  - a quarter (25%) of businesses reported an increase in business activity in the latest quarter, a similar proportion (25%) reported a decrease; half of all businesses reported 'no change';
  - the all-sector Business Activity Indicator was essentially unchanged from the neutral level of the previous quarter;
- for the **Finance sector** most indicators were at a similar level to those of the previous quarter;
  - New Business and Future Business Activity were both strongly positive, both indicators recording their highest levels to date;
  - Business Activity and Business Optimism remained at similarly positive levels to those seen in the previous two quarters, and considerably higher than twelve months ago;
  - Profitability, Capacity Utilisation and Future Employment remained positive and were also significantly higher than twelve months ago;
- for the **non-finance** sectors overall:
  - most indicators were essentially unchanged on the previous quarter;
  - eight of the ten indicators were significantly improved compared with twelve months ago; Business Optimism, Future Employment and Future Business Activity were the most improved;
  - the Future Employment indicator was positive for the first time;
- for the **Construction** sector, Future Employment was positive for the first time in more than four years and Employment was at its least negative level for more than three years; Business Optimism recorded its most positive level for more than four years; in contrast, the Input Costs indicator declined, implying that input costs had risen further;
- for the **Wholesale & retail** sector, the New Business indicator improved in the latest quarter, returning to a neutral level similar to that of six months ago, whilst Capacity Utilisation recorded its least negative level for more than two years. In contrast, Business Optimism declined compared with the previous two quarters.

## Introduction

The Jersey Business Tendency Survey (BTS) was launched in September 2009 in order to provide qualitative information about the Island's economy in a timely manner. The survey enables a set of ten indicators to be produced; the headline indicator is that of Business Activity.

Responses to the survey are used to calculate weighted net balances (WNB), defined as the difference between the proportion of businesses reporting seeing an increase in a particular measure compared to three months earlier and the proportion of businesses seeing a decrease.

Appendix 1 presents the WNB for each indicator for the current quarter; Appendix 2 presents the back series of WNBs since the survey was introduced. A copy of the survey form is contained in Appendix 3.

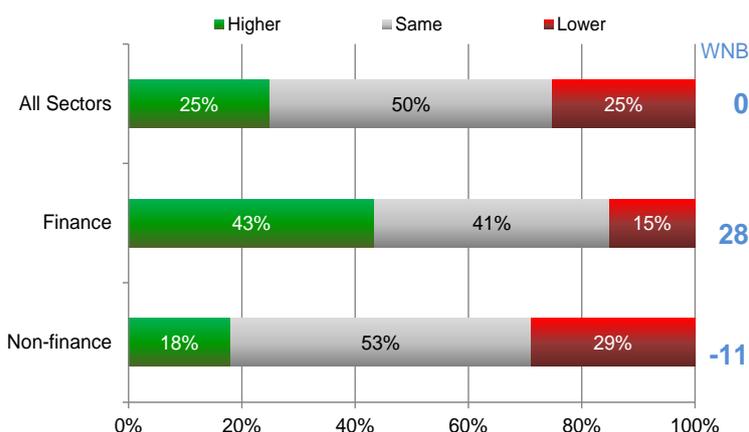
*It should be emphasised that the Business Activity Indicator, and the other “current” indicators, represent a qualitative expression of the relative position of economic performance between the current point in time and that of three months previously rather than an absolute measure of performance. The two “future” indicators represent a qualitative expression of expected changes over the next three months.*

## Section 1: Business Activity

The **Business Activity Indicator** represents a measure of the total amount of work undertaken by businesses operating in Jersey. Such activity will have specific definitions relevant to each sector of business and may be considered as, for example, turnover, number of products produced, gross income or chargeable hours.

**Figure 1.1 – Business Activity Indicator**

March 2014 compared with the situation three months previously



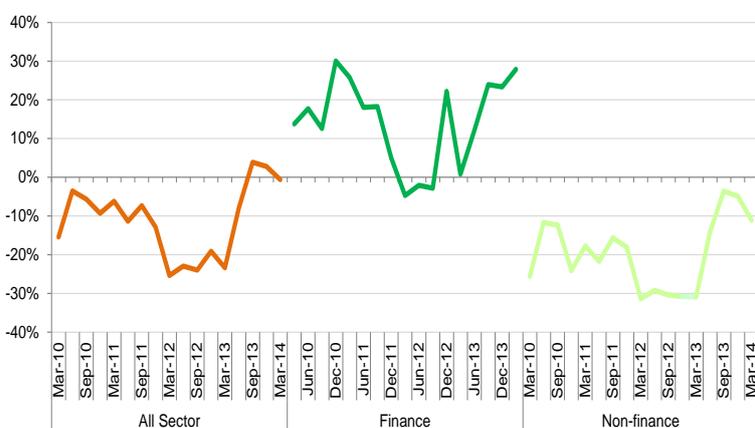
The all-sector Business Activity Indicator in March 2014 was essentially unchanged (down by 3 pp) from the neutral level recorded in the previous quarter (December 2013).

The non-finance sectors, overall, were more negative in terms of Business Activity than the Finance sector.

Two-fifths of businesses in the Finance (41%) and about half (53%) of businesses in the non-finance sectors reported no change in Business Activity over the latest three months.

**Figure 1.2 – Business Activity Indicator: time series**

March 2010 – March 2014



The Business Activity indicators for the Finance and non-finance sectors were essentially unchanged (up by 5 pp and down by 6 pp, respectively) compared with the previous quarter.

In the latest quarter, the Business Activity indicator for the Finance sector remained at a strongly positive level, similar to that in each of the previous two quarters. For the non-finance sectors the indicator declined slightly in the latest quarter but remained significantly improved compared with twelve months previously (March 2013).

## Section 2: Business Optimism Indicator

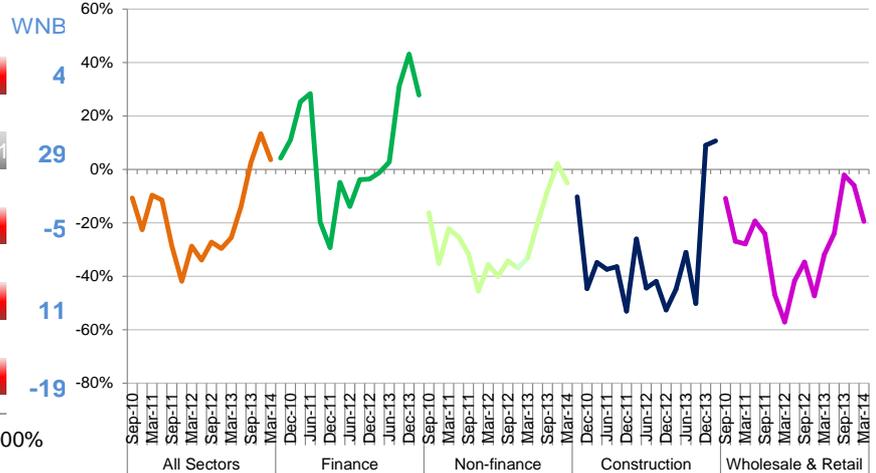
Business Optimism declined slightly in the latest quarter for both the Finance and the Wholesale and retail sectors, but for each sector remained significantly higher than twelve months earlier. For the Construction sector, the Business Optimism indicator remained positive and in the latest quarter recorded its highest level since the survey was introduced more than four years ago.

**Figure 2.1 Business Optimism**

Mar 2014 compared with the situation three months previously



**Figure 2.2 Business Optimism**

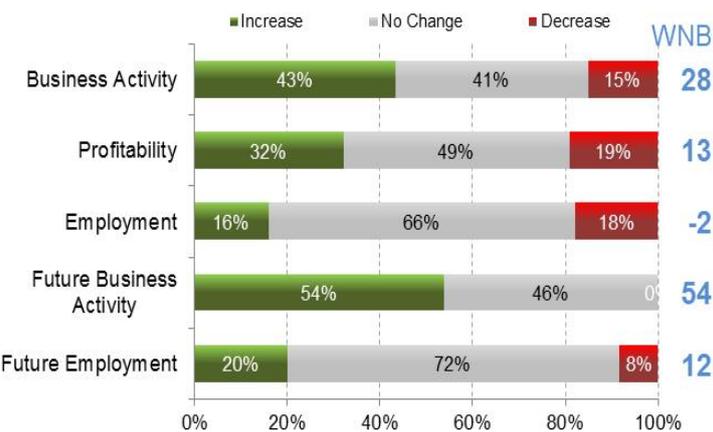


## Section 3: Finance

In the latest quarter, the New Business indicator for the Finance sector was strongly positive, increasing further from the significantly positive level recorded in the previous quarter (see Appendix 2), and the Future Business Activity recorded its highest level to date.

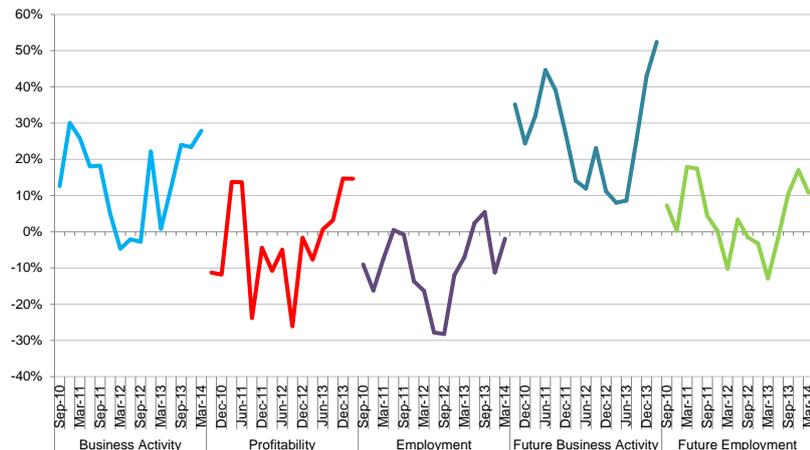
**Figure 3.1 – Finance Sector Indicators**

Mar 2014 compared with the situation three months previously



**Figure 3.2 – Finance Sector Indicators**

March 2010 – March 2014



Most other indicators for the Finance sector were relatively unchanged on the previous quarter, including Profitability which remained positive. In contrast, the Input Costs indicator declined in the latest quarter to a similarly negative level as recorded six months ago (implying costs increased recently); Business Optimism also declined slightly but remained significantly higher than twelve months ago.

Two-thirds of businesses in the Finance sector reported Employment levels as being unchanged compared with the previous quarter; almost three-quarters of businesses anticipated no change in short-term Future Employment.

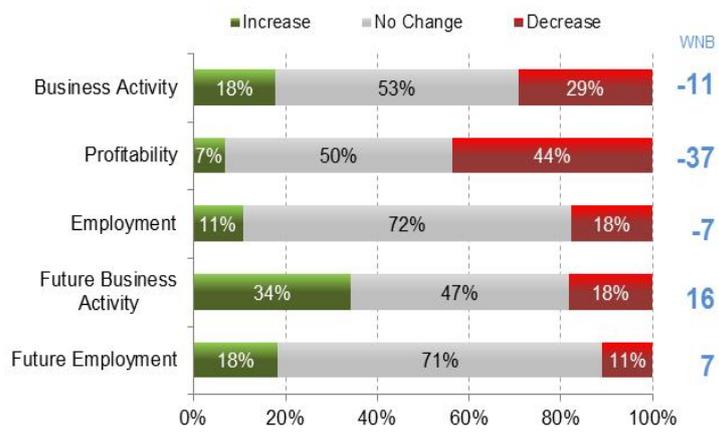
Smaller finance companies (having fewer than 50 full-time equivalent employees, FTEs) were more positive than the larger companies for Employment, Future Employment, Business Activity and Profitability. Larger finance companies were more positive for New Business.

**Section 4: Non-finance**

For the non-finance sectors, overall, most indicators were essentially unchanged on the previous quarter.

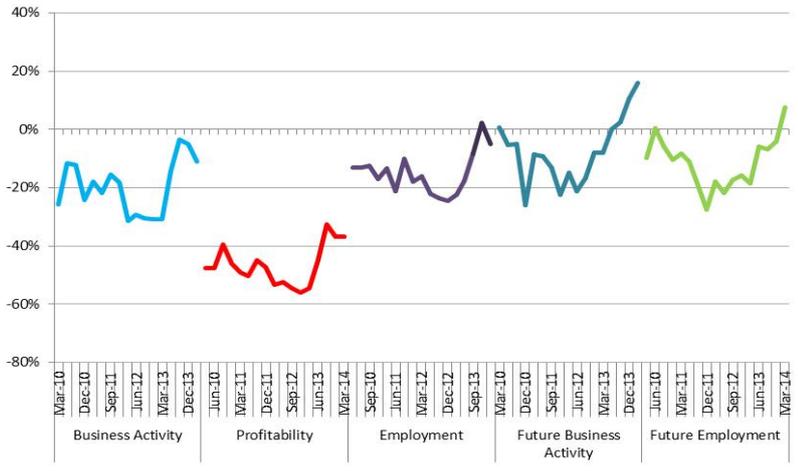
**Figure 4.1 Non-finance sector indicators**

Mar 2014 compared with the situation three months previously



**Figure 4.2 Non-finance sector indicators**

March 2010 – March 2014



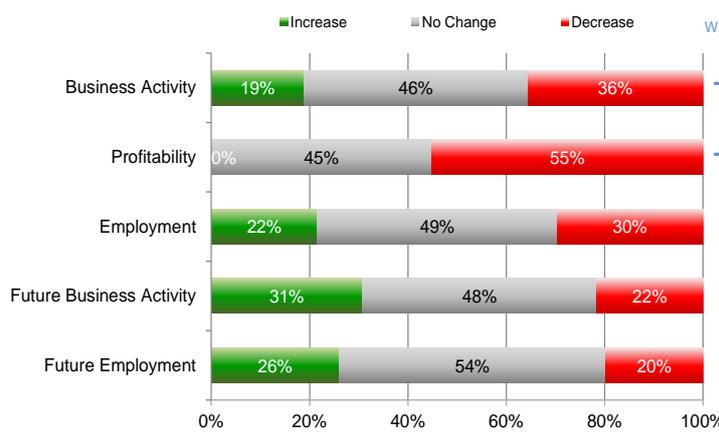
Eight of the ten indicators were significantly improved compared with twelve months ago; Business Optimism, Future Employment and Future Business Activity were the most improved.

In the latest quarter, the Future Employment indicator was positive for the first time and at its highest level recorded to date.

**Section 5: Construction sector**

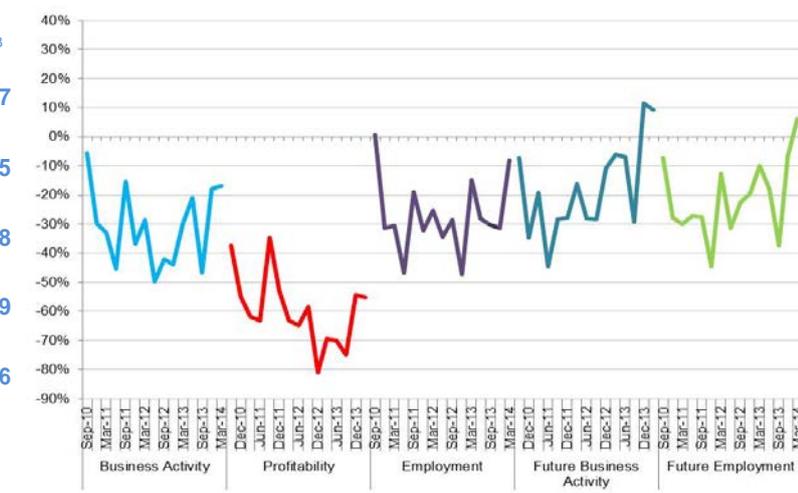
**Figure 5.1 Construction sector indicators**

Mar 2014 compared with the situation three months previously



**Figure 5.2 Construction sector indicators**

March 2010 – March 2014



Three of the ten indicators for the **Construction** sector saw significant improvement in the latest quarter, the remainder were essentially unchanged. Employment and Product Prices recorded the greatest improvements and were both at their least negative levels since September 2010 and December 2011, respectively, whilst Future Employment was positive for the first time in more than four years.

In contrast, the Input Costs indicator declined (implying that input costs had increased) and recorded its most negative level in three years.

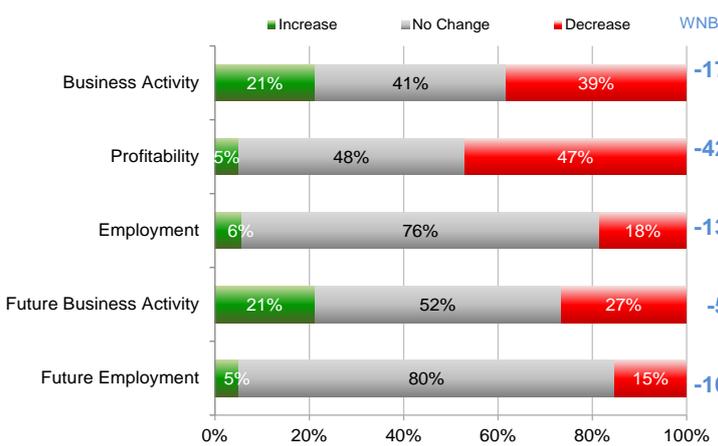
## Section 6: Wholesale and retail sector

The majority of indicators for the **Wholesale & retail** sector were essentially unchanged from the previous quarter. Around four-fifths of businesses in the sector reported no change in Employment over the quarter and anticipated no change in short-term Future Employment.

Capacity Utilisation (up by 34 pp) and New Business (up by 15 pp) recorded significant improvements in the latest quarter. In contrast, Business Optimism (down by 13 pp) declined in the latest quarter but remained significantly higher than twelve months ago.

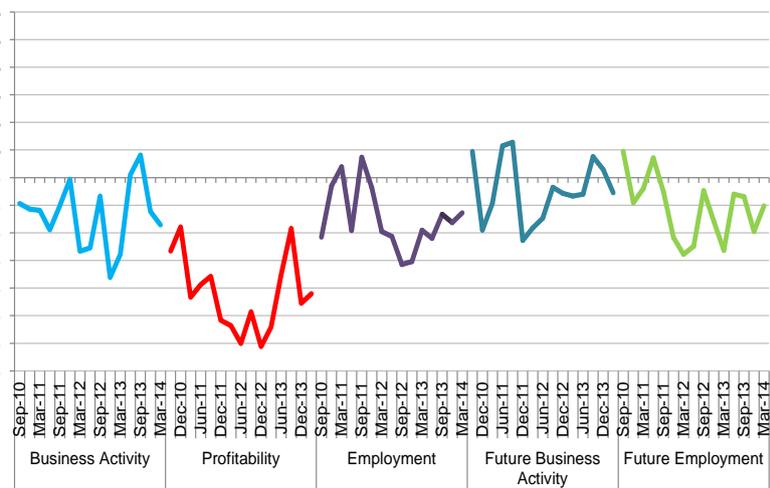
**Figure 6.1 Wholesale & Retail sector indicators**

Mar 2014 compared with the situation three months previously



**Figure 6.2 Wholesale & Retail sector**

March 2010 – March 2014



Compared with twelve months previously (March 2013) seven of the ten indicators for the sector were significantly improved, with Capacity Utilisation and New Business being the most improved.

## 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 to three months previously** and also for their **expectations for the next three months**.

The March 2014 round of the survey ran in the first four weeks of March. A copy of the questionnaire is included in Appendix 3.

Each indicator derived from the survey responses is calculated as a net balance that is the difference between the percentage of respondents answering *higher* or *increase* compared with the percentage answering *lower* or *decrease*. Responses are weighted according to the sampling probability and size of workforce of each business. Hence, each indicator constitutes a **weighted net balance (WNB)**.

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 and ranges from  $\pm 2$  to  $\pm 3$  pp.

2. **Seasonal effects:**

Businesses are asked to exclude normal seasonal fluctuations from their responses.

3. **Stratified sample:**

To design a representative sample of Jersey's businesses, a random sampling approach was invoked, stratified by business size (employment on a full-time equivalent, FTE, basis) and type of activity (SIC sector). Size-dependent sampling probabilities were applied, businesses with more than 50 FTE employees having a sampling probability of 1. The sample will be reviewed twice yearly to incorporate new or expanding businesses, in order that the sample remains representative of Jersey's economy.

4. **Response:**

Around 510 firms were sent a survey questionnaire for this survey; some 340 completed questionnaires were returned, constituting an overall response rate of 66%. The respondents accounted for two-fifths (41%) of total private sector employment.

5. **Weighting:**

The response data collected were analysed by calculating a weighted net balance. 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.

**March 2014 WNB indicators: all sectors, Finance, non-finance, Construction and Wholesale & retail; percentage points.**

Indicator	ALL SECTORS		FINANCE		NON-FINANCE		CONSTRUCTION		WHOLESALE & RETAIL		OTHER NON-FINANCE	
	WNB	No change*	WNB	No change*	WNB	No change*	WNB	No change*	WNB	No change*	WNB	No change*
<b>Business Activity</b>	<b>0</b>	<b>50</b>	<b>28</b>	<b>41</b>	<b>-11</b>	<b>53</b>	<b>-17</b>	<b>46</b>	<b>-16</b>	<b>41</b>	<b>-8</b>	<b>58</b>
New Business	7	47	51	40	-11	50	-18	37	-3	40	-11	56
Capacity Utilisation	-8	67	8	87	-14	59	-23	59	-10	47	-13	63
Input costs	-42	52	-24	65	-48	47	-56	39	-46	54	-47	47
Product prices	4	79	4	88	4	75	-4	84	9	58	5	78
Profitability	-23	50	13	49	-37	50	-55	45	-42	48	-31	51
Employment	-5	71	-2	66	-7	72	-8	49	-13	76	-5	76
Business optimism	4	57	29	69	-5	53	11	46	-19	54	-5	54
Future business activity	26	47	54	46	16	47	9	48	-5	52	24	46
Future employment	9	72	12	72	7	71	6	54	-10	80	13	72

**March 2014 WNB indicators: Finance & non-finance by size of business \*\*: percentage points.**

Indicator	Large: FINANCE		Small: FINANCE		Large: NON-FINANCE		Small: NON-FINANCE	
	WNB	No change*	WNB	No change*	WNB	No change*	WNB	No change*
<b>Business Activity</b>	<b>21</b>	<b>40%</b>	<b>49</b>	<b>43%</b>	<b>15</b>	<b>54%</b>	<b>-22</b>	<b>52%</b>
New Business	52	42%	42	39%	13	57%	-21	47%
Capacity Utilisation	4	93%	17	71%	3	58%	-21	60%
Input costs	-23	61%	-29	71%	-43	51%	-51	45%
Product prices	3	89%	7	85%	12	73%	1	76%
Profitability	8	46%	34	55%	-23	59%	-43	45%
Employment	-15	72%	39	44%	8	71%	-13	72%
Business optimism	26	72%	34	62%	9	60%	-11	49%
Future business activity	53	47%	50	50%	24	53%	13	45%
Future employment	2	76%	36	59%	14	72%	5	70%

\* Weighted percentage of respondents who replied "same".

\*\* Large firms are defined as having more than 50 FTEs; small firms defined as having 50 or fewer FTEs.

**WNB Indicators**

**All Sectors**

Indicator	Mar 2010	June 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012	June 2012	Sept 2012	Dec 2012	Mar 2013	June 2013	Sept 2013	Dec 2013	Mar 2014
<b>Business Activity</b>	<b>-15</b>	<b>-4</b>	<b>-6</b>	<b>-9</b>	<b>-6</b>	<b>-11</b>	<b>-7</b>	<b>-13</b>	<b>-25</b>	<b>-23</b>	<b>-24</b>	<b>-19</b>	<b>-23</b>	<b>-8</b>	<b>4</b>	<b>3</b>	<b>0</b>
New Business	-13	-9	-3	-3	0	-9	-16	-17	-22	-26	-20	-17	-14	-14	3	5	7
Capacity Utilisation	-21	-10	-11	-12	-17	-17	-20	-18	-19	-34	-30	-24	-29	-17	-12	-13	-8
Input costs	-35	-44	-42	-39	-52	-52	-53	-43	-38	-42	-44	-32	-40	-39	-38	-29	-42
Product prices	-6	0	-1	-6	2	2	1	1	-1	-6	-5	-16	-3	-8	-7	-3	4
Profitability	-41	-39	-32	-37	-32	-34	-40	-38	-43	-41	-48	-44	-43	-33	-23	-23	-23
Employment	-15	-14	-12	-17	-12	-16	-8	-17	-16	-23	-25	-22	-19	-12	-5	-12	-5
Business optimism	-15	-11	-11	-23	-10	-11	-29	-42	-29	-34	-27	-30	-26	-14	3	13	4
Future business activity	8	5	6	-12	2	5	0	-11	-8	-13	-7	-4	-4	2	9	19	26
Future employment	-8	2	-2	-7	-1	-4	-13	-21	-16	-16	-14	-13	-17	-5	-2	2	9

**Finance**

Indicator	Mar 2010	June 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012	June 2012	Sept 2012	Dec 2012	Mar 2013	June 2013	Sept 2013	Dec 2013	Mar 2014
<b>Business Activity</b>	<b>14</b>	<b>18</b>	<b>13</b>	<b>30</b>	<b>26</b>	<b>18</b>	<b>18</b>	<b>5</b>	<b>-5</b>	<b>-2</b>	<b>-3</b>	<b>22</b>	<b>1</b>	<b>12</b>	<b>24</b>	<b>23</b>	<b>28</b>
New Business	25	15	12	36	35	19	-5	11	15	6	-6	25	24	-3	36	28	51
Capacity Utilisation	-5	-1	-4	-6	-7	6	-7	3	2	-11	1	2	-8	11	9	11	8
Input costs	-13	-19	-14	-7	-13	-25	-29	-17	-5	-21	-26	-4	-9	-14	-28	-2	-24
Product prices	-15	2	6	-7	4	-3	-5	5	0	6	1	-5	4	-2	-6	0	4
Profitability	-21	-15	-11	-12	14	14	-24	-4	-11	-5	-26	-2	-8	1	3	15	13
Employment	-19	-17	-9	-16	-7	0	-1	-14	-16	-28	-28	-12	-7	2	5	-11	-2
Business optimism	20	17	4	11	25	28	-20	-29	-5	-14	-4	-4	-1	3	31	43	29
Future business activity	29	30	35	24	32	45	39	27	14	12	23	11	8	9	25	43	54
Future employment	-1	5	7	0	18	17	4	0	-10	3	-2	-3	-13	-2	10	17	12

## Non-Finance

Indicator	Mar 2010	June 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012	June 2012	Sept 2012	Dec 2012	March 2013	June 2013	Sept 2013	Dec 2013	Mar 2014
<b>Business Activity</b>	-26	-12	-12	-24	-18	-22	-16	-18	-31	-29	-30	-31	-31	-14	-4	-5	-11
New Business	-27	-19	-9	-18	-13	-20	-19	-24	-33	-36	-25	-29	-27	-18	-10	-5	-11
Capacity Utilisation	-27	-14	-14	-14	-21	-25	-24	-25	-26	-41	-39	-31	-36	-26	-20	-23	-14
Input costs	-43	-54	-52	-51	-66	-61	-61	-51	-47	-49	-49	-49	-50	-47	-42	-41	-48
Product prices	-3	0	-3	-6	2	4	3	-1	-2	-10	-7	-19	-5	-10	-7	-5	4
Profitability	-48	-48	-39	-46	-49	-50	-45	-47	-53	-52	-55	-56	-55	-45	-33	-37	-37
Employment	-13	-13	-12	-17	-13	-21	-10	-18	-16	-22	-24	-25	-22	-17	-8	-12	-7
Business optimism	-26	-21	-16	-35	-22	-25	-32	-46	-36	-40	-34	-37	-33	-20	-8	2	-5
Future business activity	1	-5	-5	-26	-9	-9	-13	-22	-15	-21	-17	-8	-8	0	2	11	16
Future employment	-10	0	-6	-10	-8	-11	-19	-28	-18	-22	-17	-16	-18	-6	-7	-4	7

## Construction

Indicator	Mar 2010	June 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012	June 2012	Sept 2012	Dec 2012	Mar 2013	June 2013	Sept 2013	Dec 2013	Mar 2014
<b>Business Activity</b>	-15	4	-6	-30	-33	-45	-15	-37	-29	-50	-42	-44	-30	-21	-47	-18	-17
New Business	-31	-1	-2	-25	-24	-46	-17	-52	-35	-50	-38	-39	-19	-16	-41	-13	-18
Capacity Utilisation	-14	9	-12	-27	-28	-42	-22	-28	-29	-56	-58	-57	-40	-45	-47	-28	-23
Input costs	-34	-64	-64	-43	-63	-39	-46	-37	-22	-18	-33	-36	-46	-38	-38	-37	-56
Product prices	-12	-15	-2	-12	-20	-10	-16	-6	-27	-37	-37	-43	-23	-29	-27	-20	-4
Profitability	-39	-42	-37	-55	-62	-63	-35	-53	-63	-65	-59	-81	-70	-70	-75	-54	-55
Employment	1	0	1	-31	-30	-47	-19	-32	-25	-34	-29	-47	-15	-28	-30	-31	-8
Business optimism	-22	-8	-10	-45	-35	-37	-36	-53	-26	-44	-42	-53	-45	-31	-50	9	11
Future business activity	1	5	-7	-35	-19	-45	-28	-28	-16	-28	-28	-11	-6	-7	-29	11	9
Future employment	-1	-3	-7	-28	-30	-27	-28	-45	-13	-31	-23	-20	-10	-18	-37	-7	6

### Wholesale & retail

Indicator	Mar 2010	June 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012	June 2012	Sept 2012	Dec 2012	Mar 2013	June 2013	Sept 2013	Dec 2013	Mar 2014
<b>Business Activity</b>	-36	-8	-9	-11	-12	-19	-10	-1	-27	-25	-7	-36	-28	1	8	-12	-16
New Business	-47	-22	-25	-3	-24	-19	-19	3	-26	-39	0	-36	-35	-11	-1	-18	-3
Capacity Utilisation	-44	-35	-28	-15	-22	-19	-16	-1	-19	-50	-44	-48	-45	-37	-37	-44	-10
Input costs	-48	-46	-45	-45	-63	-49	-57	-67	-47	-50	-45	-41	-50	-38	-36	-37	-46
Product prices	6	16	3	1	17	14	25	7	7	7	5	-12	-14	-7	-1	0	9
Profitability	-52	-42	-27	-18	-43	-39	-36	-52	-54	-60	-49	-61	-54	-35	-18	-45	-42
Employment	-9	-12	-22	-3	4	-19	7	-4	-20	-21	-31	-30	-19	-22	-13	-16	-13
Business optimism	-47	-21	-11	-27	-28	-19	-24	-47	-57	-42	-35	-47	-32	-24	-2	-6	-19
Future business activity	-3	1	9	-19	-9	11	13	-23	-18	-15	-3	-6	-7	-6	8	3	-5
Future employment	-7	-1	10	-9	-4	7	-5	-22	-28	-25	-5	-16	-26	-6	-7	-20	-10

### Other non-finance

Indicator	Mar 2010	June 2010	Sept 2010	Dec 2010	Mar 2011	June 2011	Sept 2011	Dec 2011	Mar 2012	June 2012	Sept 2012	Dec 2012	Mar 2013	June 2013	Sept 2013	Dec 2013	Mar 2014
<b>Business Activity</b>	-26	-18	-16	-27	-13	-14	-18	-18	-34	-25	-35	-24	-32	-18	5	1	-8
New Business	-20	-23	-7	-21	-3	-10	-20	-24	-35	-31	-29	-23	-26	-20	-4	1	-11
Capacity Utilisation	-26	-15	-9	-9	-17	-20	-28	-32	-27	-33	-32	-17	-31	-17	-6	-15	-13
Input costs	-44	-53	-49	-55	-69	-73	-68	-50	-55	-57	-56	-40	-51	-53	-46	-44	-47
Product prices	-2	-1	-6	-6	5	5	1	-2	3	-9	-2	-12	5	-6	-3	-2	5
Profitability	-49	-51	-44	-53	-45	-50	-53	-44	-50	-46	-55	-46	-50	-42	-25	-29	-31
Employment	-19	-17	-15	-17	-13	-13	-13	-18	-12	-19	-19	-15	-26	-13	0	-6	-5
Business optimism	-22	-25	-20	-35	-14	-23	-33	-42	-31	-38	-32	-28	-30	-16	2	3	-5
Future business activity	2	-11	-9	-26	-3	-3	-17	-20	-13	-22	-18	-7	-9	5	10	13	24
Future employment	-13	2	-11	-5	0	-11	-21	-24	-16	-18	-20	-15	-18	-3	2	1	13

BTSRef:

# Business Tendency Survey – March 2014

**BEFORE COMPLETING THE SURVEY PLEASE READ THE ATTACHED GUIDANCE NOTES**

Company Name:

Contact Details:

**If the contact details have changed please update details:**

Name:.....Tel number:..... Email:.....

The survey is to be **completed by the Chief Executive or Managing Director** and all answers should refer to the local Jersey-based unit of your organisation, not the performance of the international operations of your organisation outside the Island. The basis for answers should be consistent from one survey quarter to the next.

## Current situation

Please **compare the current trading situation** for your organisation to **three months ago**; **excluding normal seasonal fluctuations** e.g. *current trading situation is higher (the same or lower) than three months ago when seasonal fluctuations are excluded.*

**Note:** If it is not practical to compare the current trading situation for your organisation with that of three months ago then please compare it with that of one year ago and make a note of this in the exceptional circumstances below. **(see guidance notes)**

Please tick one option only when answering the following questions regarding your organisation:

1. **Level of business activity / output:** Gross income, chargeable hours worked or turnover. **(see note 1)**

1  Higher      2  Same      3  Lower      4  N/A

2. **Incoming new business / new orders:** New business 'won' or placed with your organisation. **(see note 2)**

1  Higher      2  Same      3  Lower      4  N/A

3. **Level of capacity utilisation:** Current business activity relative to 'normal capacity' (e.g. 'above capacity' means busier and longer hours worked than normal). **(see note 3)**

1  Above capacity      2  Normal capacity      3  Below capacity      4  N/A

4. **Average costs that you pay for inputs:** Prices paid for supplies, purchases, wages and salaries etc. **(see note 4)**

1  Higher      2  Same      3  Lower      4  N/A

5. **Average prices that you charge for your products:** Prices charged per item or unit of time on average. **(see note 5)**

1  Higher      2  Same      3  Lower      4  N/A

6. **Profitability:** Total profits earned on all activities of your organisation. (see note 6)

Higher       Same       Lower       N/A

7. **Employment:** Number of employees employed. (see note 7)

Higher       Same       Lower       N/A

8. **Business optimism:** Optimism about the overall business situation in your sector, Miscellaneous business activities. (see note 8)

Increase       Same       Decrease       N/A

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## Future expectations

Please **compare your expectations** for your organisation over **the next three months** to the current situation; **excluding normal seasonal fluctuations** e.g. *the next quarter will be higher (the same or lower) than the current quarter, excluding seasonal fluctuations.*

9. **Level of business activity / output:** Gross income, chargeable hours worked or turnover. (see note 1)

Increase       No change       Decrease       N/A

10. **Employment:** Number of employees employed. (see note 7)

Increase       No change       Decrease       N/A

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## Credit: Availability and Affordability

For your organisation, please **compare the current situation** with that **three months ago** and with that **twelve months ago**; e.g. *current situation is higher (the same or lower) than three months ago (see Note 9).*

11. **Affordability of existing credit:** Current loans, overdrafts, credit cards.

Compared to 3 months ago:     More affordable     No change     Less affordable     Don't know

Compared to 12 months ago:     More affordable     No change     Less affordable     Don't know

12. **Has your organisation applied for new credit in the last 3 months? Or in the last 12 months?**

Yes – in the last 3 months       Yes – in the last 12 months       No

**13. Availability of new credit:** ease of obtaining new loans, overdrafts, credit cards.

Compared to 3 months ago:    <sub>1</sub>  Increase                      <sub>2</sub>  Same                      <sub>3</sub>  Decrease                      <sub>4</sub>  Don't know

Compared to 12 months ago:    <sub>1</sub>  Increase                      <sub>2</sub>  Same                      <sub>3</sub>  Decrease                      <sub>4</sub>  Don't know

**14. Affordability of new credit:** How affordable are new loans, overdrafts, credit cards.

Compared to 3 months ago:    <sub>1</sub>  More affordable    <sub>2</sub>  No change                      <sub>3</sub>  Less affordable    <sub>4</sub>  Don't know

Compared to 12 months ago:    <sub>1</sub>  More affordable    <sub>2</sub>  No change                      <sub>3</sub>  Less affordable    <sub>4</sub>  Don't know

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### Exceptional circumstances

Please list any recent exceptional circumstances such as business re-structuring, mergers or changes in accounting practices and what impact these circumstances have had on the answers provided.

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.....

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Would you like to receive a copy of the **quarterly report** via email? Yes / No

Would you like to receive the **next quarterly Business Tendency Survey questionnaire** via email? Yes / No

Please provide a contact email address:.....

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***The information contained in each survey will be treated with the strictest confidence and will only be used to produce aggregate measures.***

**Please contact Andreia Gomes (Tel: 01534-440417 Email: a.gomes@gov.je) if you have any questions relating to the survey or are unable to submit the completed form**

**Thank you for your time.**

## GUIDELINES ON COMPLETING THE SURVEY

Please try to **exclude normal seasonal variations** from your responses. For example, activity in hotels is typically higher in the summer than in spring, so do not tick 'higher' *unless* business activity is higher than three months ago *excluding* normal seasonal variations.

If it is not practical to compare the *current* trading situation for your organisation with that of three months ago (e.g. where there may be strong seasonal activities such as in Agriculture or Hospitality) then please compare the current trading situation with that of one year ago. Also use the same annual comparison for the future expectations of your organisation.

- Level of business activity / output:** This is the total amount of work undertaken by your 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 your 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.
- Incoming new business / new orders:** This is the amount of new business placed with your organisation. This may include any new clients, new orders or contracts from existing clients or any new contracts.
- Level of capacity utilisation:** This is your current business activity relative to 'normal capacity'. Please tick 'above capacity' if your current business activity is above its normal capacity (e.g. because your organisation is busier than normal or staff are working longer hours than normal). Please tick 'below capacity' if your current business activity is below its normal capacity (e.g. because your organisation is quieter than normal or staff are working shorter hours than normal).
- Average cost of inputs:** This is the average cost for all inputs used by your organisation. Inputs include supplies obtained, stocks/materials bought in and costs of employees, including wages, salaries and pension costs paid by your organisation. Please try to give a weighted average of costs. For example, if employment costs are the largest share, give them the largest weighting (i.e. importance) when answering the question.
- Average prices that you charge for your 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 your organisation offers various services/products then please try to give a weighted average. For example, if one service accounts for most of your sales and its prices have increased then give it the largest weighting (i.e. importance) when answering the question by indicating that prices have risen on average.
- Profitability:** This is the total profits earned on all activities of your organisation. If your organisation does not calculate profits over the most recent three months, please try to estimate how your profitability has changed, taking into account changes in turnover, changes in input costs and changes in mark-ups/spreads over input costs.
- Employment:** This is the number of employees employed on average. Please count two part-time employees as equivalent to one full-time employee. For example, if two part-time employees resigned and one full-time employee was taken on, please count this as no net change and tick 'same'. Ignore seasonal or temporary hirings.
- Business optimism:** This refers to your confidence or optimism about the overall business situation in your sector generally. Unlike the previous questions, it is *not* about what is actually happening to *your organisation* at present, but asks about your opinions for your *sector generally*.
- Credit (availability and affordability):** This refers to credit from banking and non-banking sources. Please include the re-financing of existing credit under existing credit (question 11) and not under new credit (questions 13 and 14).