

BUSINESS CLIMATE SURVEY
RESTAURANTS & SIMILAR ESTABLISHMENTS AND RETAIL TRADE

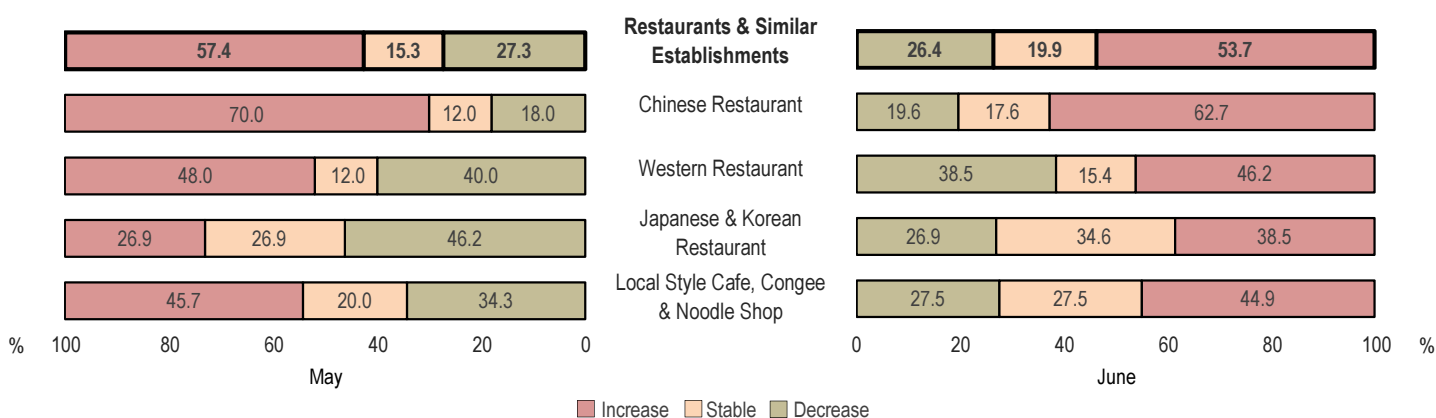
June 2021

- The proportion of interviewed restaurants & similar establishments reporting a year-on-year rise in receipts in June 2021 dropped by 4 percentage points from May to 54%, while the corresponding proportion for the interviewed retailers (81%) went up by 4 percentage points. The Business Performance Index was higher than 50 for both restaurants & similar establishments (63.6) and retail trade (83.6), implying that the business of these two industries in June fared better compared to the same month last year.
- As regards the business expectations for July, there were 50% of the interviewed restaurants & similar establishments expecting their receipts to increase month-on-month, while the corresponding proportion for the interviewed retailers was 62%. The Business Outlook Index was higher than 50 for both restaurants & similar establishments (63.8) and retail trade (74.2), indicating that the respondents from both industries predicted a better business outlook in July than in June.

Restaurants & Similar Establishments

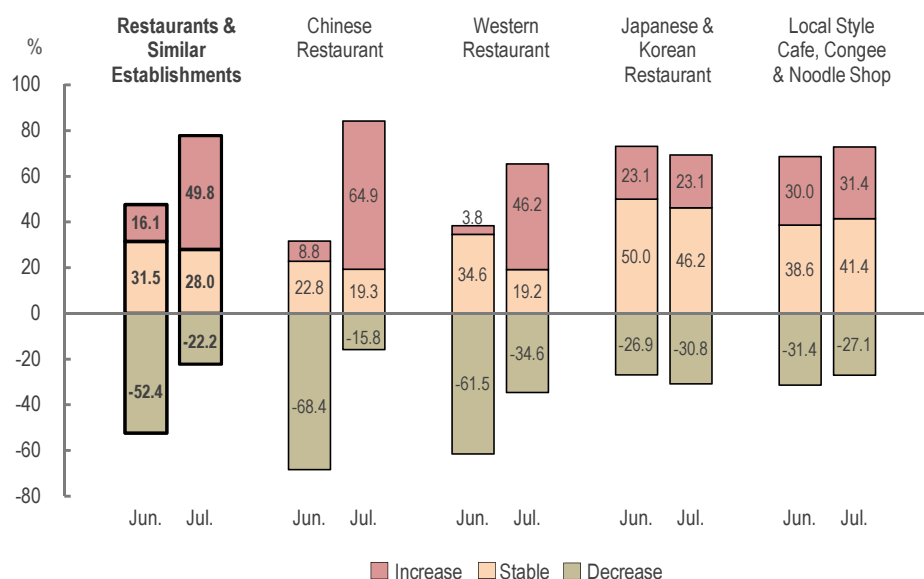
Restaurants' Perceptions of Year-on-year Changes in Receipts

Among the interviewed restaurants & similar establishments, the proportion of Chinese Restaurants (63%) recording a year-on-year rise in receipts in June went down by 7 percentage points from May, while the corresponding share of Japanese & Korean Restaurants (39%) rose by 12 percentage points.



Business Expectations

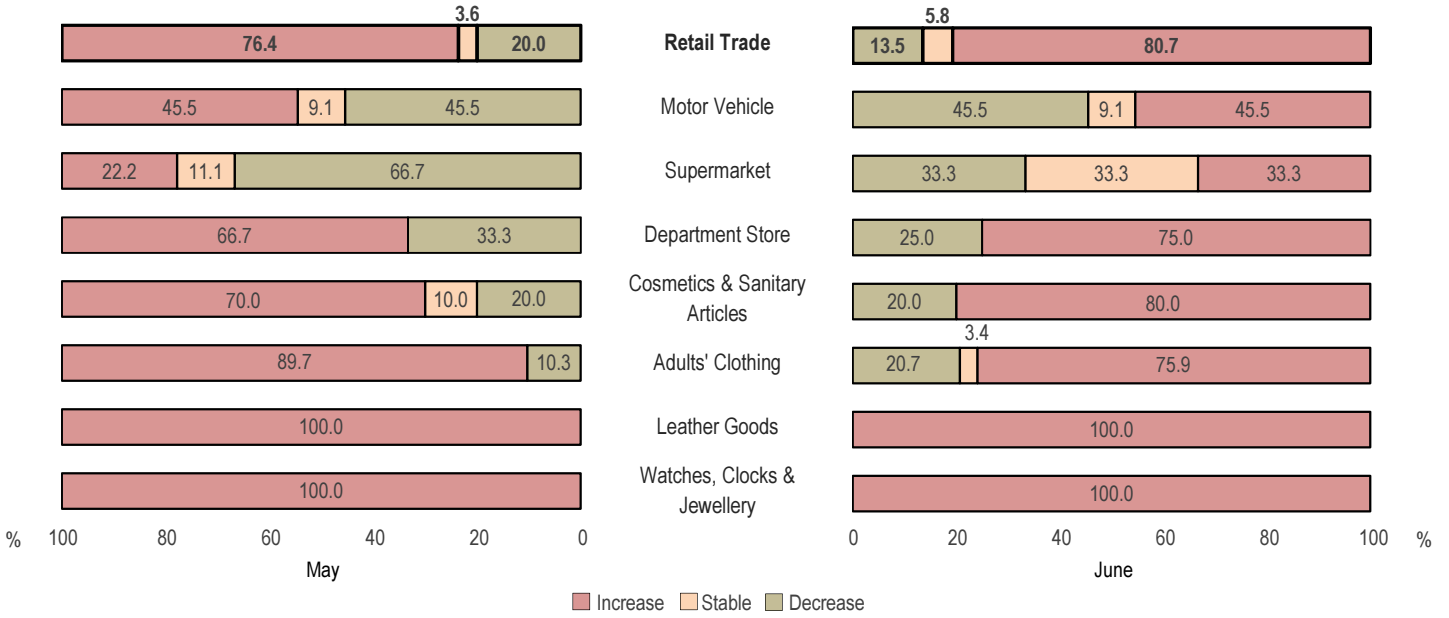
As regards the business expectations for July, 50% of the interviewed restaurants & similar establishments anticipated a month-on-month increase in receipts, a growth of 34 percentage points from June.



Retail Trade

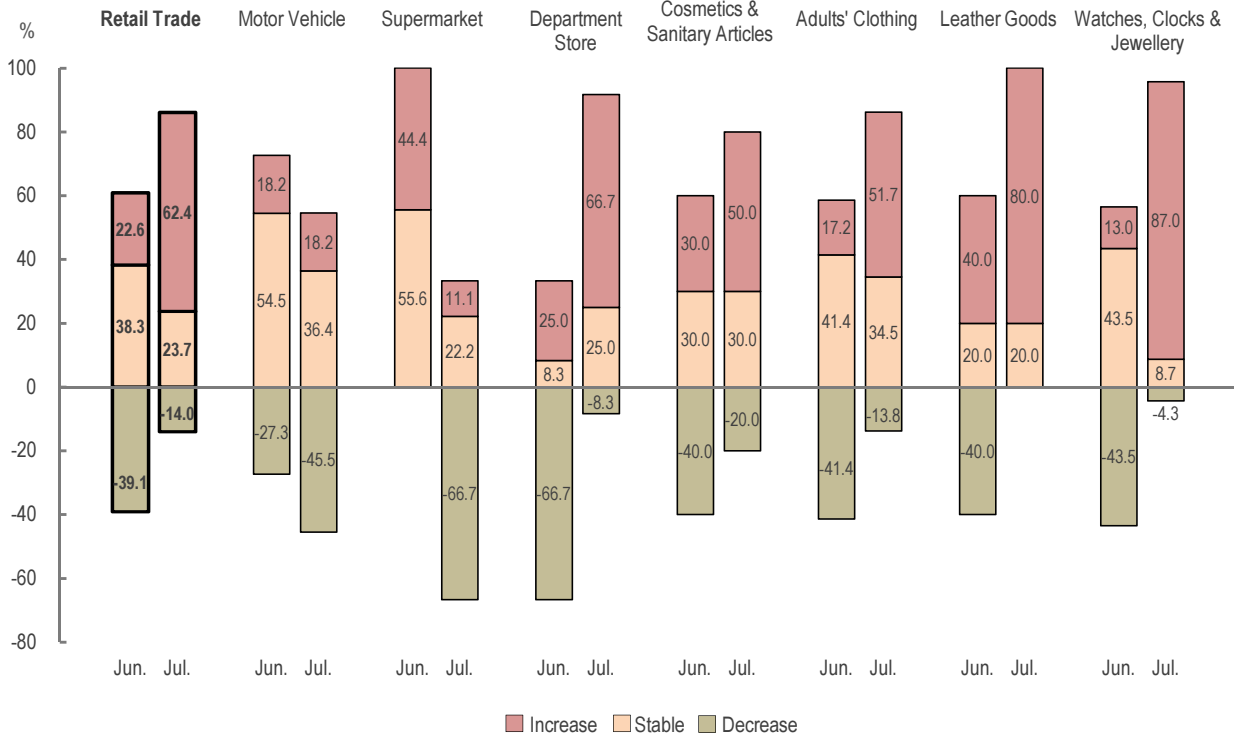
Retailers' Perceptions of Year-on-year Changes in Sales

All of the interviewed retailers of Leather Goods and Watches, Clocks & Jewellery registered a year-on-year sales increase as in May. The corresponding shares of Supermarkets (33%) and Cosmetics & Sanitary Articles Retailers (80%) grew by 11 percentage points and 10 percentage points from May respectively, whereas the share of Adults' Clothing Retailers (76%) dropped by 14 percentage points.



Business Expectations

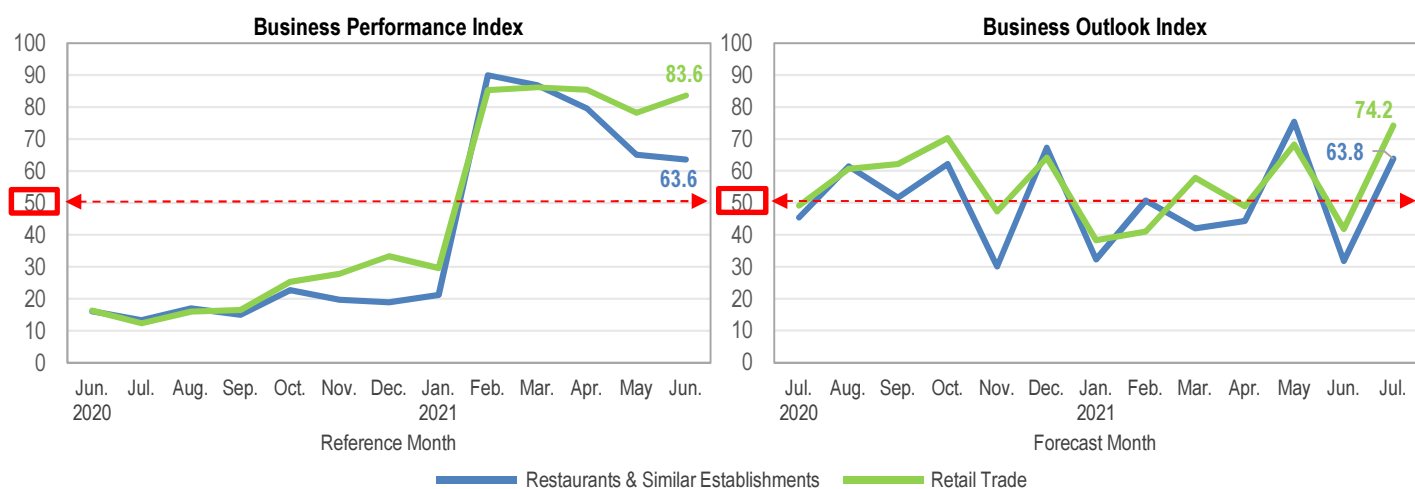
In terms of the business expectations for July, 62% of the interviewed retailers expected their sales to increase month-on-month, which represented a rise of 40 percentage points from the preceding month.



Business Performance Index (BPI) and Business Outlook Index (BOI)

The BPI was higher than 50 for both restaurants & similar establishments (63.6) and retail trade (83.6), which implied that the business of these two industries in June fared better compared to the same month last year.

As regards the BOI that reflects the business expectations, the index values were higher than 50 for both restaurants & similar establishments (63.8) and retail trade (74.2), indicating that the respondents from both industries predicted a better business outlook in July than in June.



Methodology, Scope and Coverage

The sample of the Business Climate Survey on Restaurants & Similar Establishments and Retail Trade comprises 229 restaurants & similar establishments and 161 retailers, which accounted for 53.5% and 70.6% of the respective industry's receipts in 2019. The Survey results were not extrapolated and only reflect the assessment of the business performance and expectations of the sample restaurants and retailers.

The BPI and the BOI are compiled based on the results of the Business Climate Survey on Restaurants & Similar Establishments and Retail Trade. The overall indices and the proportion of establishments for the two industries are obtained from the weighted averages of the respective indicators for the sub-industries, and the weights applied are based on the results of the Survey on Restaurants & Similar Establishments for 2019 and the Survey on Wholesale and Retail Trade for 2019.

The BPI measures the business performance of an industry by comparing receipts of the interviewed establishments in the reference month with their receipts in the same month of the previous year; meanwhile, the BOI evaluates the business expectations of an industry based on the change in receipts in the coming month anticipated by the interviewed establishments as against their receipts in the reference month. The values of both indices range between 0 and 100; an index value above 50 implies that the industry has better business performance in the reference month or higher business expectations for the coming month as against the month of comparison, whereas an index value below 50 indicates the opposite.

Symbols & Note

% Percentage

Percentages may not add up to 100% due to rounding.

Remarks

Results presented in this report were not extrapolated and only reflect the business performance and expectations of the sampling units. In order to achieve timeliness of the results, restaurants and retailers may not get hold of the actual sales figures at the time of data collection.

Owing to the above stated limitations, the Survey results only serve as a reference on the business trends of the surveyed industries. Hence, it is recommended to take into account other relevant data when evaluating the overall business performance of these industries.



For addition information:
<http://www.dsec.gov.mo/e/icrc.aspx>