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PRESS RELEASE

## Local Companies' Fairly Optimistic of General Business Condition - *Dun & Bradstreet Singapore Business Optimism Index*

Singapore, 27 July 2009 – Local companies are fairly optimistic of the general business condition despite the economy downturn, as shown in Dun & Bradstreet (D&B)'s Business Optimism Index (BOI), launching on 28<sup>th</sup> July this month.

Dun & Bradstreet's latest Business Optimism Index shows that more local companies are fairly optimistic of the general business condition despite the economy downturn, expecting a rise in volume of sales, net profit, selling price, and employment in Q3 2009 compared to Q2 2009.

Dr. Chan Siew Pang, Acting Head for Business Analytics in Singapore Institute of Management (SIM), helps to analyse the data collected from the survey and compiles the Business Optimism Index results, commented that although it may take time to recover from the global recession, widely recognised as "unprecedented in the post-World War II period", the local companies are fairly optimistic of the general business condition, as reflected in the latest Business Optimism Survey.

55% of the companies surveyed anticipate their sales volume to rise. With an improved sentiment in sales, 52% of the companies anticipate a rise in their net profit for Q3 2009. 44% of the companies anticipate a rise in selling price in Q3 2009 and 56% of the companies are confident to keep their current employees during this tough time. In manufacturing sector, 41% anticipated an improvement in their order book position in Q3 2009.

Commenting on the overall findings of the BOI, Yun Kok Siong CEO of Dun & Bradstreet Singapore, said, "The outlook for the 3<sup>rd</sup> quarter is forecast to be better compared to the previous quarter. In general, the sentiment within the business community is that the worse may be over. According to the BOI survey, demand levels in Singapore economy are expected to increase which will have a positive influence on the profitability of business units across all sectors. Gradual turnaround for the GDP is expected in the third quarter."

This is a significant reflection on the current outlook of the economy.

For a better understanding of the latest Business Optimism Index results, I have attached the analysis report compiled by Dr. Chan for your perusal.

The D&B Business Optimism Index (BOI) is a measure of business confidence in the economy. Released quarterly, it is based on a business sentiment survey that is designed to capture business expectations and is one of the most effective ways to track how the business community perceives the business environment, and where they think it is moving.

D&B's introduction of this index in Singapore will surely add significant value to the business community. The BOI has proven to be successful as a leading indicator of business activity which is widely accepted in international and regional markets.

### About the Survey

D&B Singapore conducts latest Business Expectations Surveys every quarter. Each quarter, 200 business owners and senior executives representing major industry sectors across Singapore are asked



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if they expect increases, decreases or no changes in their upcoming quarterly Sales, Profits, Employment, New Orders, Inventories and Selling Prices.

Note: The index figures used in the survey represent the net percentage of survey respondents expecting higher sales, profits, etc., compared with the same quarter of the previous year. The indices are calculated by subtracting the percentage of respondents expecting decreases from the percentage expecting increases.

**About Dr. Chan Siew Pang**

Dr. Chan Siew Pang has extensive experience as a Statistician with Economic Development Board, Ministry of Home Affairs to name a few. Holding a PhD in Industrial & Systems Engineering and Hons Degree in Statistics, Dr. Chan has keen interest in Applications of predictive analytics in business, economics, engineering and medicine.

**About D&B**

D&B (NYSE: DNB) is the world's leading provider of business-to-business credit, marketing and purchasing information and receivables management services. D&B manages the world's most valuable commercial database with information on more than 145 million companies.

Information is gathered in over 200 countries, in 95 languages or dialects, covering 186 monetary currencies. The database is refreshed more than one million times daily as part of D&B's commitment to provide accurate, comprehensive information for its customers around the world.