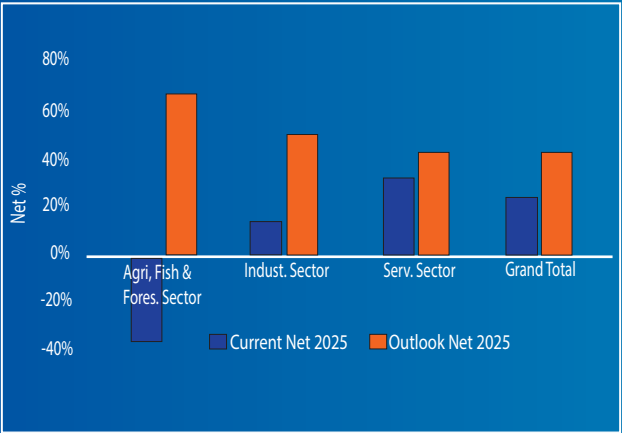


SNAPSHOT Business Expectation Survey (BES), September 2025 Current Development and Outlook



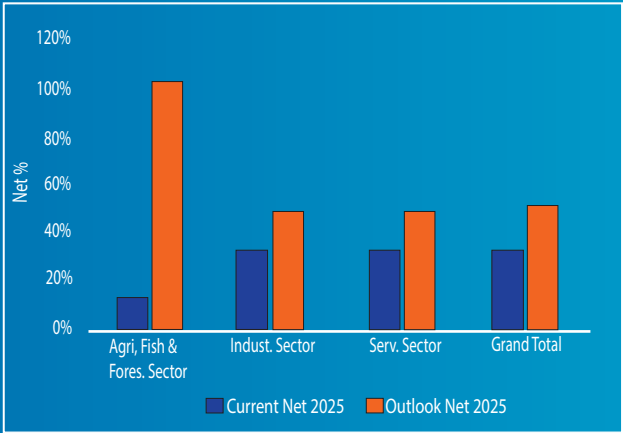
Growth - Business Performance



Overall, business sentiment for the current period was mildly positive. This balance reflects negative sentiments in the agriculture sector, contrasted by moderately positive performances in both the industry and services sectors. The outlook for all three sectors indicates anticipated growth. Therefore, businesses are optimistic about positive expansion across these sectors, provided there are no disruptions from cyclones or earthquakes.



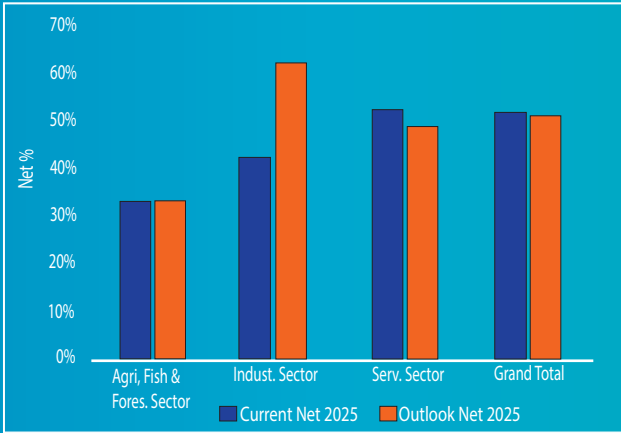
Sales



Sales development in 2025 shows positive growth across all sectors, as businesses gradually recover from the earthquake. Similarly, the outlook reflects this trend, with all sectors expected to experience continued sales growth driven by strong consumer demand and a supportive workforce.

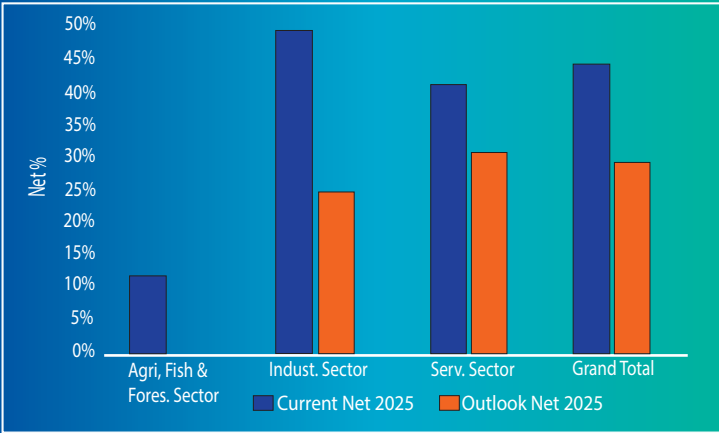


Investment



Business perspectives on overall investments for current developments and the short to medium-term outlook remain very positive, with a modestly improved sentiment. Across all sectors, companies reported increased investment activity and expressed a somewhat more optimistic outlook for the near to mid-term future. This growing confidence reflects a strong willingness among businesses to invest further in enhancing the quality of their services.

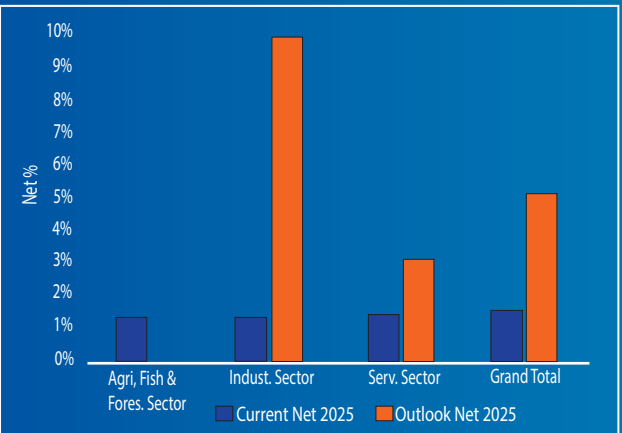
Price



Sentiments on current development in 2025 indicate some increases in price level in all sectors. Outlook development in 2025 shows a no change in price level in agriculture sector and a high price maintained for industry and service sector.



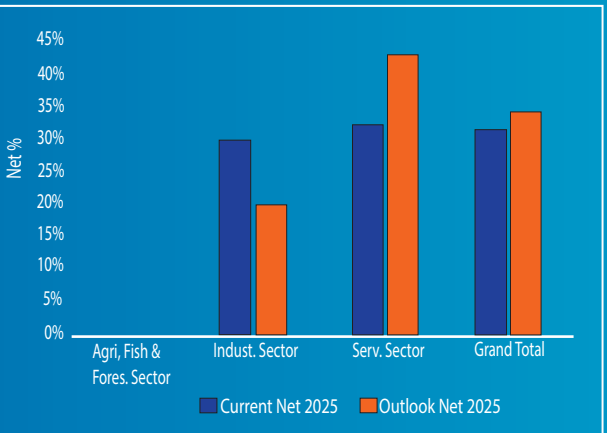
Exports



Sentiments on overall exports level over the current period in 2025 shows no change in export level for all three sectors. On the outlook there are positive sentiments in the industry and services sector for export level whereas in agriculture sector there is no change.



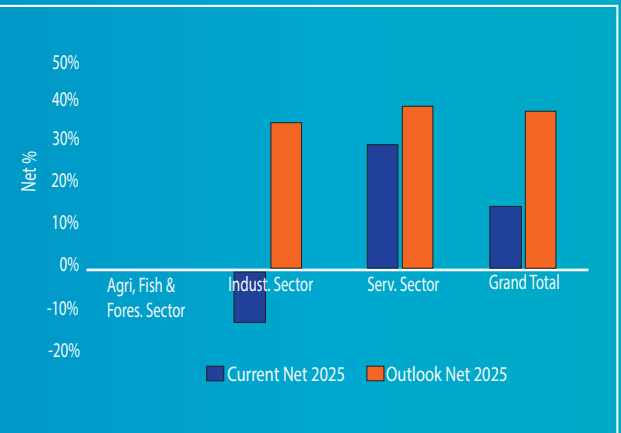
Imports



Business expectations for imports are currently positive in both industry and services sectors, driven by strong demand and population growth. Looking ahead, import growth in the industry sector is expected to slow slightly but remain positive, while the services sector anticipates continued strong growth in imports. The agriculture sector shows no expected change, with neutral sentiment on future imports.



Employment Level



Current development in 2025 in agriculture sector shows no change in staff level while in industry sector shows a negative sentiment, suggesting therefore some reduction in staff level whereas in services sector staff level shows a positive level in 2025. Outlook development shows a no change in 2025 in staff level within agriculture sector while industry and services sector shows a positive change in the staff level in 2025.

Key Explanatory Note

- The Net % is explained as:
 - 0 to 50% defines businesses that have a positive performance on growth
 - 0% define businesses that have no change in performance growth
 - 0 to -50% define businesses with a negative growth
- The Constraints and Attributors:
 - The Attributors to growth are selected by taking the Top 6 of reasons that businesses have chosen.
 - The constraints to growth are selected by taking the Top 6 of reasons that businesses have chosen.
- The survey series is bi-annual, that is March and September.

Opportunities

- Robust domestic consumption- from supportive customer base and workforce (Local & Foreign)
- Ease of access to business location
- Increasing use of social media platforms to boost sales
- Supportive government policies
- Favorable trade policies
- Low number of competitors in professional, scientific and technical sub-sector

Challenges

- Rising operating and overhead costs
- Natural disasters / hazards
- Rising transportation cost
- Poor access to infrastructure
- Domestic labor shortages
- Price pressures

Survey Disclaimer:

The BES Snapshot provides the views of the respondents and does not in any way represent the view of the Reserve Bank of Vanuatu. As such, the RBV cannot be held liable for any actions taken base on the responses provided in this survey snapshot.