

# CONFIDENCE INDICATOR HITS 0.7pc

Positive expectation due to improvement in services and industry sectors

S. BIRRUNTHA  
KUALA LUMPUR  
bt@nst.com.my

**B**USINESSES are anticipating an improved operating environment in the third quarter with a positive confidence indicator of 0.7 per cent, compared to a decline of 3.1 per cent in the second quarter.

According to the Statistics Department, the positive business expectation is bolstered by the services and industry sectors.

It said the business outlook for the services sector remained good with a confidence indicator of 6.1 per cent, compared to 3.9 per cent in the previous quarter.

Sentiments within the industry sector returned to a positive trajectory at 1.3 per cent, compared to -2.1 per cent in the preceding quarter.

"The better perception in the industry sector is backed by two sub-sectors, namely agriculture and mining, both of which are

anticipating favourable business conditions in the reference quarter," it said.

On the other hand, the department said the construction sector anticipated negative business condition with a confidence indicator of 26.9 per cent in the third quarter.

The wholesale and retail trade sector also remained pessimistic, although the confidence indicator improved to -1.5 per cent from -10.2 per cent in the second quarter.

Looking ahead to business sentiment for the six months ending December, the department said it remained upbeat, albeit at a lower net balance of 13.9 per cent from 14.9 per cent previously.

It added that the positive outlook was across all sectors, indicating improved business conditions in the period.

"The services and industry sectors anticipate a favourable business situation in the next six months with a net balance of 27 and 9.7 per cent, respectively."