

Results of monthly survey on business situation of small and medium-sized enterprises for January 2022

The Census and Statistics Department (C&SD) released today (February 14) the results of the Monthly Survey on Business Situation of Small and Medium-sized Enterprises (SMEs) for January 2022.

The current diffusion index (DI) on business receipts amongst SMEs slipped markedly from 46.0 in December 2021 in the contractionary zone to 37.8 in January 2022, whereas the one-month's ahead (i.e. February 2022) outlook DI on business receipts was 42.9. Analysed by sector, the current DIs on business receipts for all surveyed sectors dropped in January 2022 as compared with previous month, particularly for the restaurants (from 47.8 to 20.0), retail trade (from 43.7 to 31.4) and wholesale trade (from 48.7 to 37.2).

The current DI on new orders for the import and export trades decreased from 46.6 in December 2021 to 44.0 in January 2022, whereas the outlook DI on new orders in one month's time (i.e. February 2022) was 44.9.

Commentary

A government spokesman said that business sentiment among SMEs weakened sharply in January 2022 amid the latest wave of local epidemic. Compared with the preceding month, the sub-indices for all surveyed sectors fell, particularly for the restaurant and retail sectors. Employment situation also softened somewhat.

The spokesman further pointed out that the sharp deterioration in local epidemic of late and the tightened anti-epidemic measures in response will likely further weigh on business sentiment in the near term. Nevertheless, the measures under the Anti-epidemic Fund should provide some relief. It is crucial for the community to work together with the Government to contain the epidemic as soon as possible. The Government will monitor the situation closely.

Further information

The Monthly Survey on Business Situation of Small and Medium-sized Enterprises aims to provide a quick reference, with minimum time lag, for assessing the short-term business situation faced by SMEs. SMEs covered in this survey refer to establishments with fewer than 50 persons engaged. Respondents were asked to exclude seasonal fluctuations in reporting their views. Based on the views collected from the survey, a set of diffusion indices (including current and outlook diffusion indices) is compiled. A reading above 50 indicates that the business condition is generally

favourable, whereas that below 50 indicates otherwise. As for statistics on the business prospects of prominent establishments in Hong Kong, users may refer to the publication entitled "Report on Quarterly Business Tendency Survey" released by the C&SD.

The results of the survey should be interpreted with care. The survey solicits feedback from a panel sample of about 600 SMEs each month and the survey findings are thus subject to sample size constraint. Views collected from the survey refer only to those of respondents on their own establishments rather than those on the respective sectors they are engaged in. Besides, in this type of opinion survey on expected business situation, the views collected in the survey are affected by the events in the community occurring around the time of enumeration, and it is difficult to establish precisely the extent to which respondents' perception of the business situation accords with the underlying trends. For this survey, main bulk of the data were collected in the last week of the reference month.

More detailed statistics are given in the "Report on Monthly Survey on the Business Situation of Small and Medium-sized Enterprises". Users can download the publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1080015&scode=300).

Users who have enquiries about the survey results may contact Industrial Production Statistics Section of the C&SD (Tel: 3903 7246; email: sme-survey@censtatd.gov.hk).