

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

The Census and Statistics Department (C&SD) released today (December 9) the results of the Monthly Survey on Business Situation of Small and Medium-sized Enterprises (SMEs) for November 2022.

The current diffusion index (DI) on business receipts amongst SMEs decreased from 45.5 in October 2022 in the contractionary zone to 44.0 in November 2022, whereas the one-month's ahead (i.e. December 2022) outlook DI on business receipts was 48.4. Analysed by sector, the current DIs on business receipts for many surveyed sectors dropped by varying degrees in November 2022 as compared with previous month, particularly for the restaurants (from 47.6 to 44.0) and business services (from 48.8 to 45.7).

The current DI on new orders for the import and export trades decreased from 47.2 in October 2022 to 44.9 in November 2022, whereas the outlook DI on new orders in one month's time (i.e. December 2022) was 47.7.

## Commentary

A Government spokesman said that overall business sentiment among SMEs remained generally soft. The current diffusion index on business receipts for SMEs declined slightly in November, though mixed performance was seen for different sectors. The expected business situation in one month's time showed improvement.

Looking forward, the spokesman pointed out that the deteriorating global economic outlook and tightened financial conditions will continue to dampen business sentiment. Nonetheless, relaxed epidemic-related measures and the Consumption Voucher Scheme should render support to consumption-related businesses. It remains vital for the community to work together with the Government to contain the epidemic.

## 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 around 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](http://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](mailto:sme-survey@censtatd.gov.hk)).