



# MEDIA RELEASE

Monday 3 September, 2012

## RETAILERS FIX HOPES ON BUMPER CHRISTMAS

Retailers are preparing for a surge in consumer spending over the Christmas period, with sales expectations for the December quarter climbing to a 12-year high and profit expectations now out of negative territory. The retail sector's sales expectations index is 12 points above the national average, a result that comes off the back of a stronger than expected June quarter.

The June quarter sales result, which was significantly better than the prior quarter, has provided a boost to industry confidence however, it coincides with widespread discount campaigns. Price reductions are expected to continue over the Christmas period, with retailers' expectations for selling prices falling to the lowest point in seven years.

To meet the expected Christmas demand businesses are planning to replenish inventories, with the index rising from -8 to 33. Retailers are also expecting to increase staff numbers, with the employment index up seven points to six.

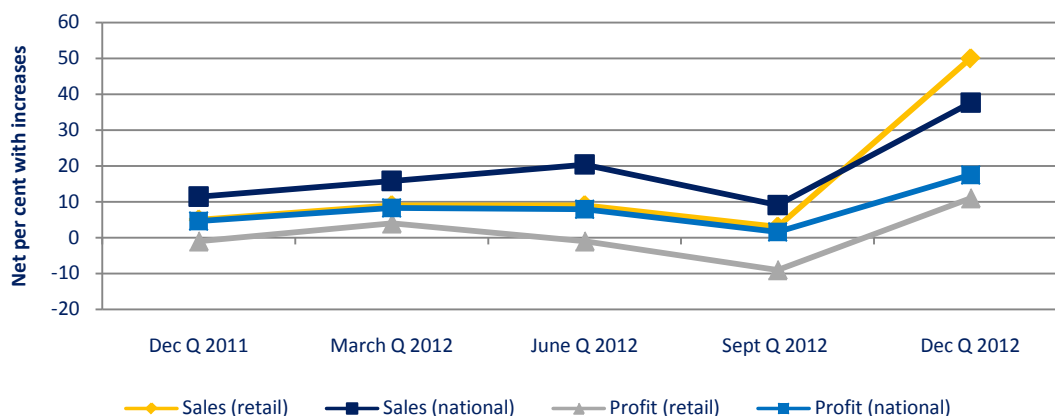
Retailers' expectations for the coming holiday season are substantially more upbeat than the same period last year, when the sales and profit expectations indices were at a conservative 5 and -1 respectively. This compares to a current index of 50 for sales and 11 for profits.

According to Dun & Bradstreet's CEO, Gareth Jones, a solid performance in the June quarter has provided a welcome uplift in sentiment for a sector that's faced a prolonged period of deflated spending.

"The retail sector is being challenged by conservative consumer behaviour, which is forcing discounting and putting pressure on company margins," Mr Jones said.

"The second quarter improvement is undoubtedly a welcome respite and it has raised hopes for a solid performance in the lead up to Christmas. However it is clear retailers have hinged their hopes on a continuation of discount campaigns, with executives indicating they will lower prices in the December quarter."

**Expected Sales and Profits Indices – Retail/National**





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The improvement in retail sector sentiment comes as fewer firms express concern about the exchange rate. The number of retail executives concerned about the impact of the dollar on operations fell from 49 per cent to just over one third (35%) during August. Conversely, the number of firms expecting no impact from the dollar rose 14 percentage points to 41 per cent. The shift reflects recent downward movements in the dollar, which have brought the currency closer to parity.

While retailers recorded the most noticeable improvement in the outlook for the coming quarter, optimism also rose in other sectors. Sales expectations across all industries surveyed climbed to an index of 38 and profits to an index 17. Plans for employment, inventories and capital investment also rose, with the indices reaching six, 26 and ten respectively. The only index which fell was selling prices, dropping five points to nine.

“It’s promising to see an improvement in the outlook across the board and particularly in sectors that have felt the impact of an elevated exchange rate. Solid expectations in key areas, including profits and employment, are a positive sign as we head towards the end of the year and an encouraging shift from an extended period of pessimism,” Mr Jones said.

“However, the uptick in capital investment expectations was slight, indicating that a significant majority of firms remain focused on the short-term.”

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\*D&B Australasia conducted the latest *Business Expectations Survey* in August 2012 involving 400 businesses. Each quarter 1,200 (400 per month) business owners and senior executives representing major industry sectors across Australia are asked if they expect increases, decreases or no changes in their upcoming quarterly Sales, Profits, Employment, Capital Investment, Inventories and Selling Prices.



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## The latest D&B National Business Expectations Survey shows...

### *Outlook for the December quarter 2012*

- Sales expectations are up 29 points to an index of 38, the highest since December quarter 2003 and now 26 points above the 10-year average index of 12;
- Profits expectations are up 15 points to an index of 17, the highest in seven quarters and now 13 points above the 10-year average index;
- Employment expectations are up three points to an index of 6, 5 points above the 10-year average index;
- The inventories index is up 27 points to an index of 26, the highest since June quarter 2000 and now 24 points above the 10-year average index of 2;
- Capital investment expectations are up two points to an index of 10, five points above the average index of the last 10 years;
- The selling prices index is down five points to an index of 9, equal to the lowest since the survey began in 1988 and now 21 points below the 10-year average of 30.

### *Issues expected to influence operations in the December quarter 2012*

- 29 per cent of firms believe fuel prices will have the greatest influence on operations in the quarter ahead – up 12 points in two months;
- 29 per cent of firms expect wages growth to be the primary influence on operations – up 6 percentage points from last month;
- 26 per cent of executives rank interest rates as the primary influence on their business – down two points from last month;
- 11 per cent of firms believe access to credit will be the most important business influence in the quarter ahead – down eight points from last month.

### *Actual results for the June quarter 2012*

- The net sales index is up 11 points; 43 per cent of firms increased sales compared to the June quarter 2011, while 21 per cent experienced lower sales;
- Capital investment has maintained a positive run of 13 consecutive quarters, with a net index of 5. This is down three points on the previous quarter;
- Only 11 per cent of firms increased staff while 15 per cent reduced employee numbers; the net index is down five points on the previous quarter;
- The profits index was down three points to an index of -2, 27 per cent of firms increased profits and 29 per cent recorded lower earnings;
- The selling price index was down 14 points to an index of -2, the first negative index since September quarter 1993; 17 per cent of firms raised prices and 19 per cent decreased prices;
- The Inventories index has risen to an index of 8; 27 per cent of business increased inventories, while 19 per cent less.

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## About the Survey

D&B Australasia conducted the latest Business Expectations Survey in August 2012. Each quarter 1,200 business owners and senior executives representing major industry sectors across Australia are asked if they expect increases, decreases or no changes in their upcoming quarterly Sales, Profits, Employment, Capital Investment, Inventories and Selling Prices. Since its introduction in Australia in 1988, the Survey has proven to be a highly reliable measure of economic performance.

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.

## Methodology

Each quarter D&B asks a sample of executives in manufacturing, wholesale and retail businesses across Australia if they expect an increase, decrease or no change in their quarter-ahead sales, profits, employees, capital investment, inventories and selling prices compared with the same quarter a year ago.

The executives are also asked for actual changes over the twelve months to the latest completed quarter.

The Australian survey began in March 1988 obtaining some 900 responses in the third month of each quarter. Since the middle of 1999, the survey has been conducted monthly, initially with about 300 responses each month. From September 2000, responses have been obtained from 400 executives each month.

From July 2005, to simplify the interpretation of the survey data, the results have been presented as a sequence of preliminary, interim and final indexes. The 400 responses from the first month of each quarter give preliminary estimates of the quarter-ahead expectations and the quarter behind actual indexes. The 400 responses from the second month of the quarter are combined with those from the first month as interim estimates of the indexes based on 800 responses. The 400 responses from the third month are combined with those from the first two months to give the final expectations and actual indexes based on all 1,200 responses obtained during each quarter.

In this issue, the Interim indexes for the latest quarters are based on the 800 responses obtained in July-August 2012.

## Charts & Tables

It is the common practice to present the results of business expectations surveys as indexes showing the net balance of the positive and negative responses. However, this method of aggregating responses loses relevant information about the relative proportions and rates of change of the two (positive and negative) groups.

Accordingly, the detailed charts at the top of pages 5 to 10 in the Dun & Bradstreet National Business Expectations Survey show separately the positive and negative components of each of the various indexes. These charts help provide a better insight into the expectations and performance of Australian business than that shown by movements in the simple aggregation of the positive and negative responses.

The aggregate net balance indexes are shown in the charts at the bottom of pages 4 to 9 and in the tables on pages 10 to 12.

## About D&B

Dun & Bradstreet is the world's leading provider of credit, marketing and purchasing information and receivables management services.

D&B manages the world's most valuable commercial database with information on more than 200 million companies, including 3 million in Australia, and millions of consumers. Information is gathered in 193 countries, in 95 languages or dialects, covering 186 monetary currencies. The database is refreshed more than 1.5 million times daily as part of D&B's commitment to provide accurate, comprehensive information for its more than 150,000 customers.

D&B's data provides insights which improve business decision-making and outcome.



## Sales Outlook

*(Quarterly Net Index) (Up 29 to 38)*

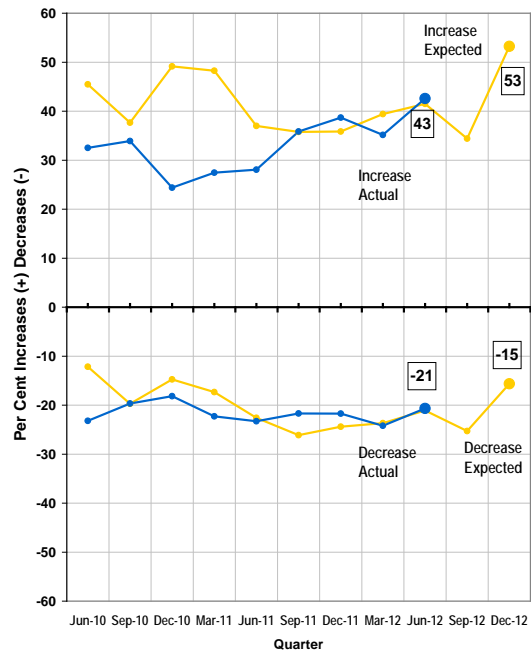
The positive and negative components of the D&B net indexes are shown in the adjacent chart.

The December quarter 2012 sales expectations interim index is 38; up 29 points from September quarter 2012 and **the highest since December quarter 2003. Sales expectations are now 26 points above the 10-year average of 12.**

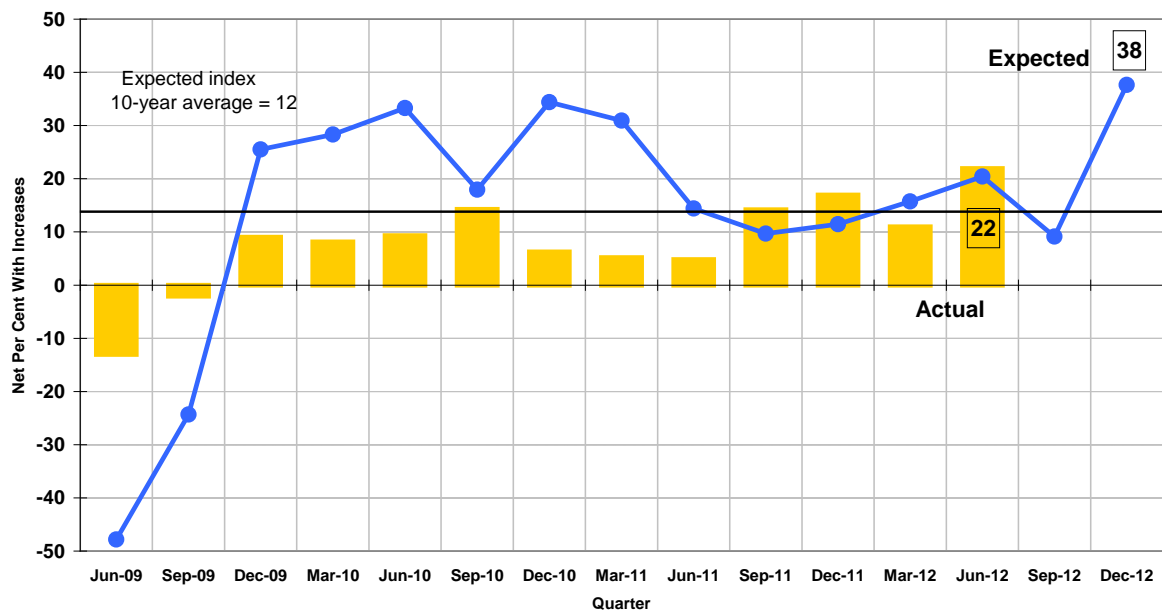
Fifty three per cent expect an increase and 15 per cent a decrease in sales compared with December quarter 2011

**The actual sales index for June quarter 2012 is 22; up 11 points on the March quarter.** Forty three per cent of firms had increased sales and 21 per cent had decreased sales compared with June quarter 2011.

Sales: D&B Indexes  
Component Responses



Sales: D&B Indexes Jun Qtr 2009 to Dec Qtr 2012





## Profits Outlook

*(Quarterly Net Index) (Up 15 to 17)*

The positive and negative components of the D&B net indexes are shown in the adjacent chart.

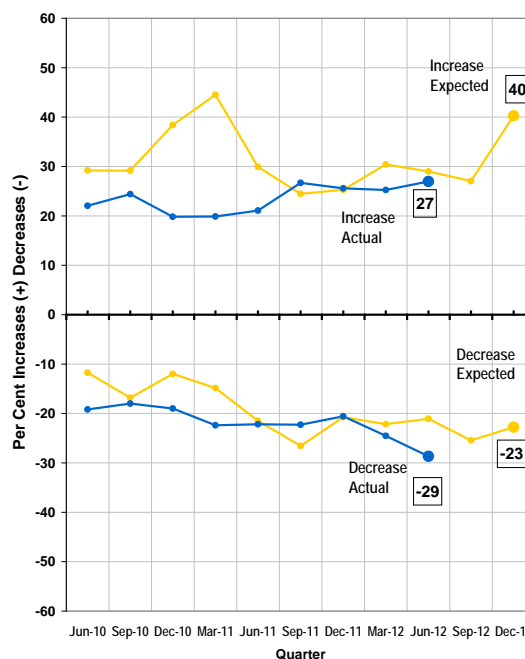
The interim index for the net proportion of executives expecting an increase in profits in December quarter 2012 is 17; **up 15 points on September quarter 2011.**

**The index has risen to its highest level in seven quarters and is 13 points above the 10-year average index of 4.**

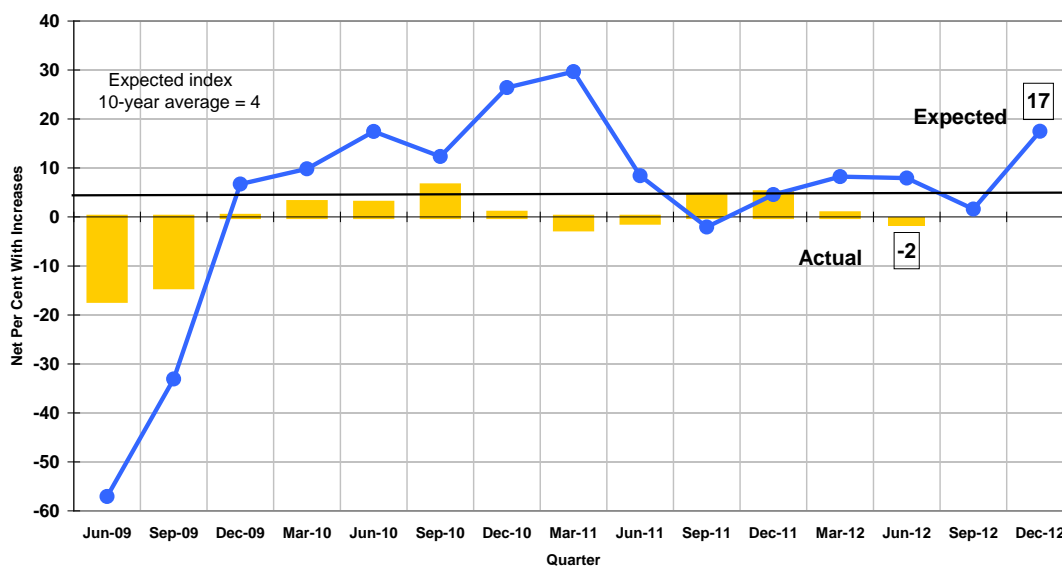
Forty per cent expect an increase and 23 per cent a decrease compared with December quarter 2011.

The actual net profits index for June quarter 2012 is minus two, **down three points on the previous quarter.** Twenty seven per cent had an increase and 29 per cent a decrease in profits compared with June quarter 2011.

Profits: D&B Indexes  
Component Responses



Profits: D&B Indexes Jun Qtr 2009 to Dec Qtr 2012





## Employment Outlook

(Quarterly Net Index) (Up 3 to 6)

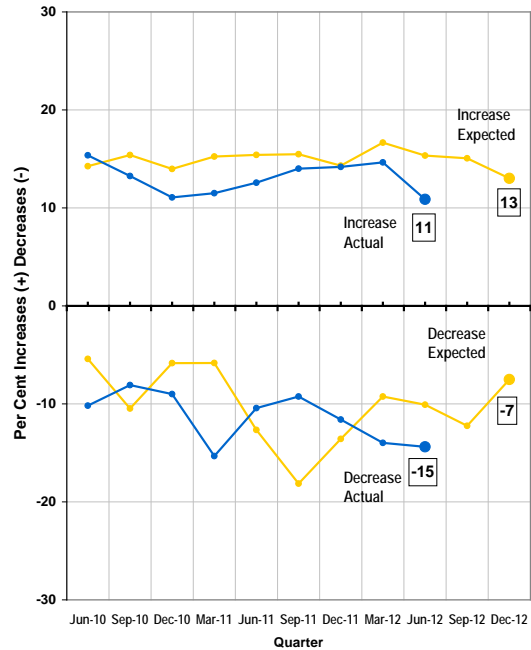
The positive and negative components of the D&B net indexes are shown in the adjacent chart.

The interim index of the employment outlook for December quarter 2012 is 6, up 3 points from the index for September quarter **and now 5 points above the 10-year average index of 1.**

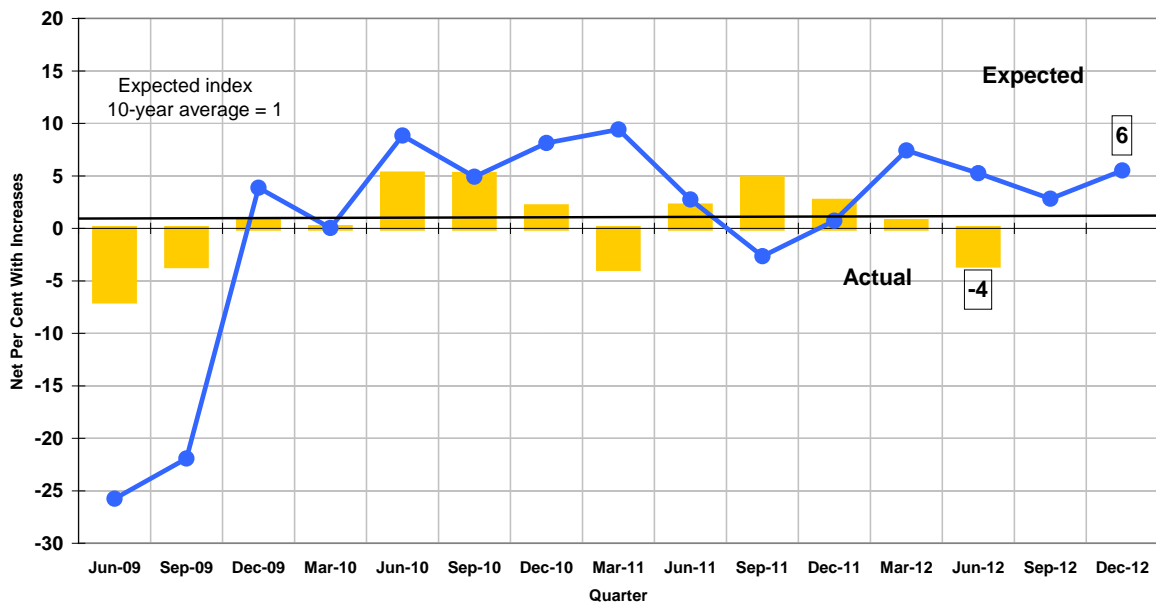
Thirteen per cent of executives now expect to employ more staff than a year ago and seven per cent expect a decrease in staff numbers.

The D&B employees interim actual index for June quarter 2012 is minus four, **down five points on the previous quarter.** Eleven per cent of firms had more staff in June quarter 2012 than a year earlier and 15 per cent of firms had fewer.

Employees: D&B Indexes  
Component Responses



Employees: D&B Indexes Jun Qtr 2009 to Dec Qtr 2012





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## Capital Investment Outlook

*(Quarterly Net Index) (Up 2 to 10)*

The positive and negative components of the D&B indexes are shown in the adjacent chart.

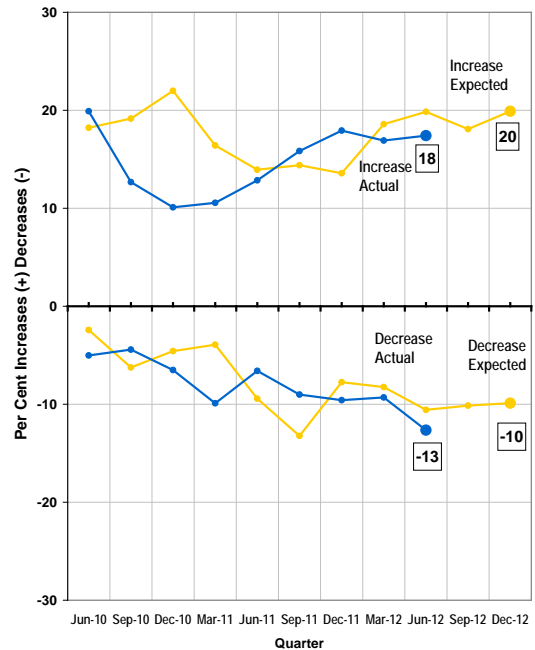
The capital investment outlook for December quarter 2012 is up two points to an interim index of 10.

**The investment outlook is now five points above the ten year average index of 5.** Twenty per cent expect an increase and 10 per cent a decrease in capital investment compared with a year earlier.

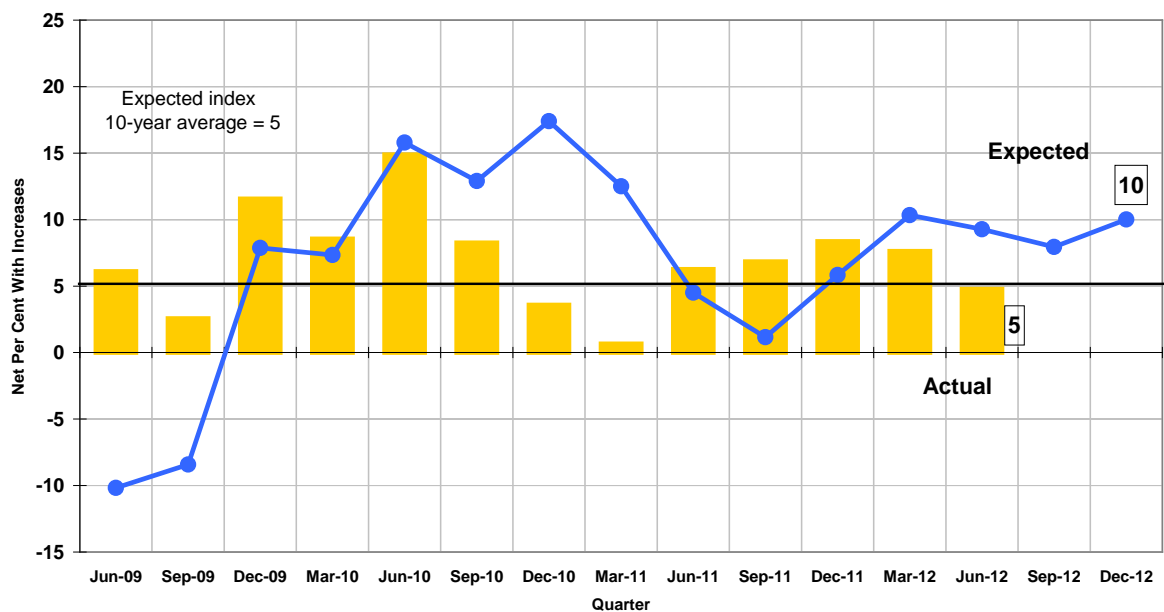
For June quarter 2012 the interim index for actual investment is 5, down three points from the previous quarter.

Eighteen per cent of firms had more capital investment and 13 per cent had less than in June quarter 2011.

Capital Investment: D&B Indexes  
Component Responses



Capital Investment: D&B Indexes Jun Qtr 2009 to Dec Qtr 2012







## Inventory Outlook

*(Quarterly Net Index) (Up 27 to 26)*

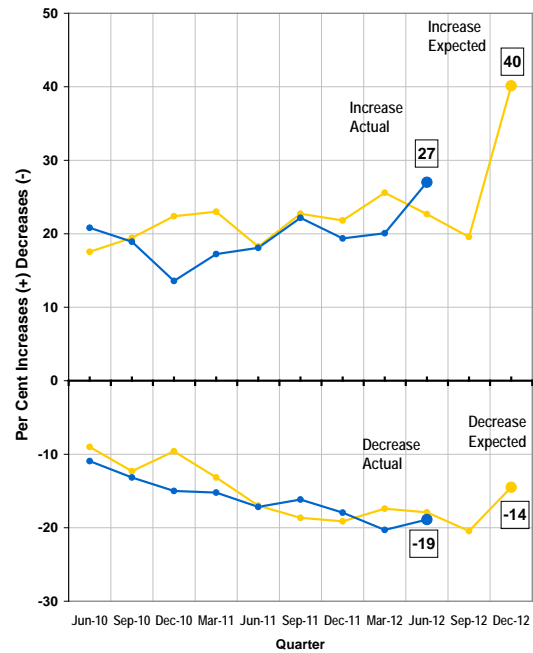
The positive and negative components of the D&B net indexes are shown in the adjacent chart.

The interim outlook for growth in inventories in December quarter 2012 is for an index of 26, up 27 points on the September quarter.

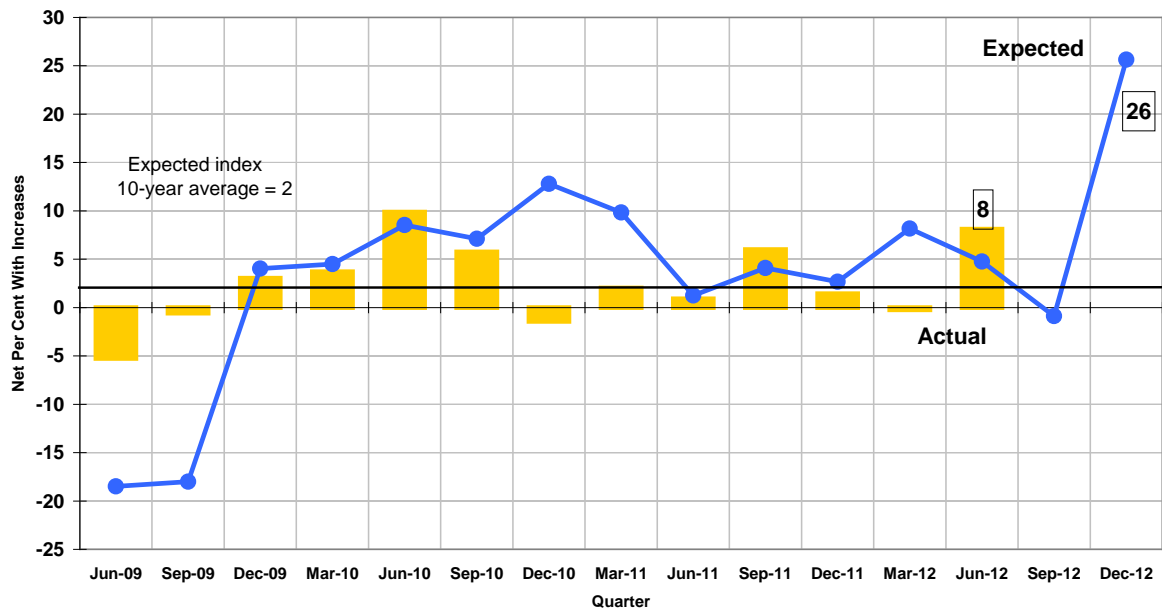
**The latest index is now the highest since June quarter 2000 and is now 24 points above the 10-year average index of 2.** Forty per cent expect to increase and 14 per cent to decrease inventories in December quarter compared with a year earlier.

The interim index of the net proportion of firms with actual increases in inventories for June quarter 2012 is eight, **up eight points on the index for the previous quarter.** Twenty seven per cent had an increase in inventories and 19 per cent a decrease compared with June quarter 2011.

Inventories: D&B Indexes  
Component Responses



Inventories: D&B Indexes Jun Qtr 2009 to Dec Qtr 2012





## Selling Prices Outlook

(Quarterly Net Index) (Down 5 to 9)

The positive and negative components of the D&B net indexes are shown in the adjacent chart.

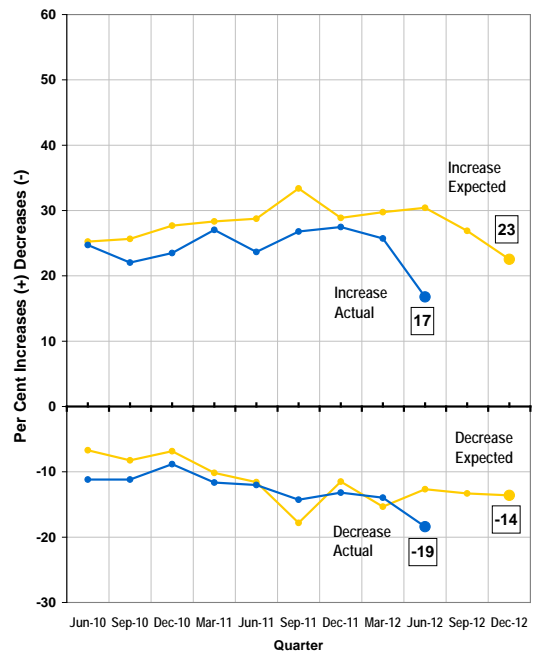
The interim selling prices outlook for September quarter 2012 is down five points to a net index of 9.

**This fall puts the index equal to the lowest recorded since the survey began in 1988. The previous lowest selling prices expected index was 9 for March quarter 2010. It is now 21 points below the 10-year average index of 30.**

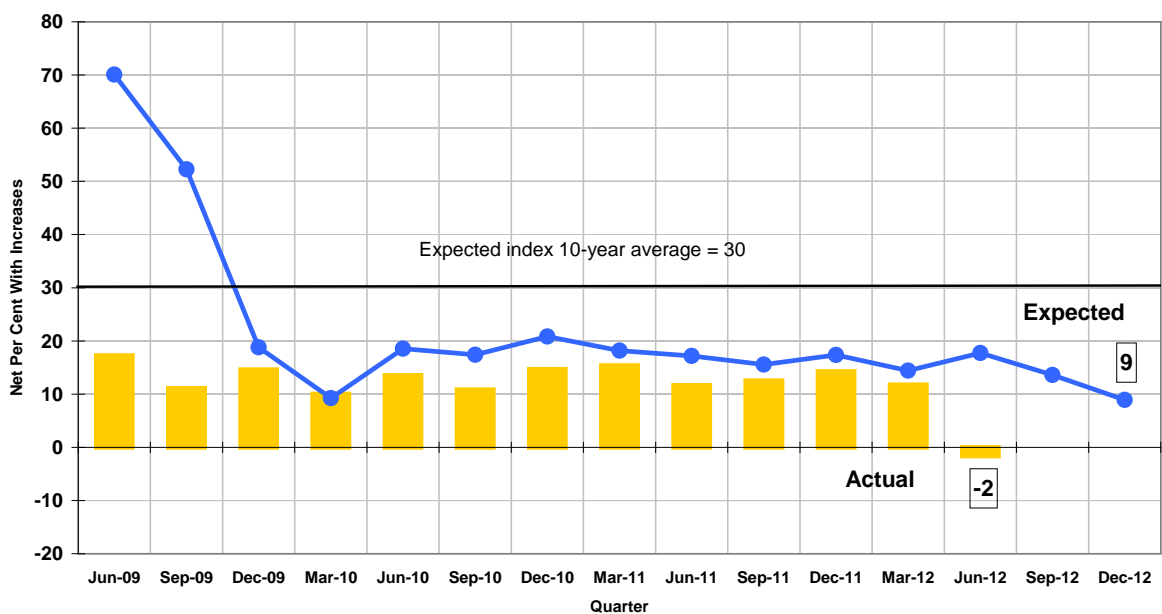
The proportion of firms expecting to have higher selling prices in December quarter 2012 than a year earlier is 23 per cent with 14 per cent expecting to have lower prices.

**At minus two, the interim actual prices index for June quarter 2012 is the first negative actual index since September quarter 1993. Seventeen per cent had increased and 19 per cent had decreased prices compared with June quarter 2011.**

Selling Prices: D&B Indexes  
Component Responses



Selling Prices: D&B Indexes Jun Qtr 2009 to Dec Qtr 2012





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## D&B Survey New Quarterly Indexes

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### Expected: Quarter Ahead: Net per cent with increases

QUARTER	Sep 2011	Dec 2011	Mar 2012	Jun 2012	Sep 2012	Dec 2012 Interim	Change One Quarter	In Four Quarters
Sales	10	11	16	20	9	38	+ 29	+ 27
Profits	- 2	5	8	8	2	17 r	+ 15	+ 12
Employees	- 3	1	7	5	3	6 r	+ 3	+ 5
Capital Investment	1	6	10	9	8	10 r	+ 2	+ 4
Inventories	4	3	8	5	- 1	26 r	+ 27	+ 23
Selling Prices	16	17	14	18	14	9 r	- 5	- 8

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### Actual: Quarter Behind: Net per cent with increases

QUARTER	Mar 2011	Jun 2011	Sep 2011	Dec 2011	Mar 2012	Jun 2012 Interim	Change One Quarter	In Four Quarters
Sales	5	5	14	17	11	22 r	+ 11	+ 17
Profits	- 3	- 1	4	5	1	- 2 r	- 3	- 1
Employees	- 4	2	5	3	1	- 4	- 5	- 6
Capital Investment	1	6	7	8	8	5 r	- 3	- 1
Inventories	2	1	6	1	0	8 r	+ 8	+ 7
Selling Prices	15	12	13	14	12	- 2 r	- 14	- 14

### R Revised

Survey Months	Apr- June 2011	July- Sep 2011	Oct-Dec 2011	Jan-Mar 2012	Apr- June 2012	July- August 2012
Number of Responses	1,202	1,201	1,200	1,200	1,201	800

Quarterly Indexes: Each batch of monthly responses is given an equal weight in the calculation of the new quarterly indexes.

Interim indexes for December quarter 2012 (Expected) and June quarter 2012 (Actual) are now issued based on the 800 responses obtained in July-August 2012.



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**D&B New Quarterly Expectation Indexes for Industry Sectors**

QUARTER	(Survey Months)	Durables Manufacturers	Non-Durables Manufacturers	Wholesalers	Retailers	All Firms
<b>Sales Expectations</b>						
Sep 2011	(04-06/11)	13	7	19	- 1	10
Dec 2011	(07-09/11)	4	19	18	5	11
Mar 2012	(10-12/11)	13	13	28	9	16
Jun 2012	(01-03/12)	19	36	18	9	20
Sep 2012	(04-06/12)	1	20	12	3	9
Dec 2012 R	(07-08/12)	45 r	32 r	27 r	50 r	38
<b>Profits Expectations</b>						
Sep 2011	(04-06/11)	- 2	- 6	2	- 3	- 2
Dec 2011	(07-09/11)	8	6	5	- 1	5
Mar 2012	(10-12/11)	5	10	13	4	8
Jun 2012	(01-03/12)	15	11	6	- 1	8
Sep 2012	(04-06/12)	- 1	9	8	- 9	2
Dec 2012 R	(07-08/12)	19 r	25 r	15 r	11 r	17 r
<b>Employees Expectations</b>						
Sep 2011	(04-06/11)	- 4	- 4	6	- 8	- 3
Dec 2011	(07-09/11)	3	1	4	- 5	1
Mar 2012	(10-12/11)	9	7	7	6	7
Jun 2012	(01-03/12)	5	10	1	4	5
Sep 2012	(04-06/12)	7	0	5	- 1	3
Dec 2012 R	(07-08/12)	9 r	7 r	1	6 r	6 r
<b>Capital Investment Expectations</b>						
Sep 2011	(04-06/11)	- 3	- 2	7	2	1
Dec 2011	(07-09/11)	3	9	3	9	6
Mar 2012	(10-12/11)	8	12	9	12	10
Jun 2012	(01-03/12)	12	17	7	1	9
Sep 2012	(04-06/12)	14	6	11	1	8
Dec 2012 R	(07-08/12)	7	13 r	10 r	11 r	10 r
<b>Inventories Expectations</b>						
Sep 2011	(04-06/11)	- 2	2	9	7	4
Dec 2011	(07-09/11)	- 4	0	8	6	3
Mar 2012	(10-12/11)	8	8	8	8	8
Jun 2012	(01-03/12)	6	7	8	- 2	5
Sep 2012	(04-06/12)	2	2	0	- 8	- 1
Dec 2012 R	(07-08/12)	26 r	23 r	22 r	33 r	26 r
<b>Selling Prices Expectations</b>						
Sep 2011	(04-06/11)	15	18	15	14	16
Dec 2011	(07-09/11)	16	20	16	17	17
Mar 2012	(10-12/11)	16	15	12	14	14
Jun 2012	(01-03/12)	23	22	11	15	18
Sep 2012	(04-06/12)	19	7	16	13	14
Dec 2012 R	(07-08/12)	16 r	5 r	11 r	4 r	9 r

**R Revised**This table now shows the [Interim](#) expectation indexes for December quarter 2012.



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**D&B New Quarterly Actual Indexes for Industry Sectors**

QUARTER	(Survey Months)	Durables Manufacturers	Non-Durables Manufacturers	Wholesalers	Retailers	All Firms
<b>Sales Actual</b>						
Mar 2011	(04-06/11)	8	1	12	- 1	5
Jun 2011	(07-09/11)	- 1	13	10	- 3	5
Sep-2011	(10-12/11)	9	14	20	14	14
Dec 2011	(01-03/12)	21	24	13	9	17
Mar 2012	(04-06/12)	8	22	15	- 2	11
Jun 2012 R	(07-08/12)	22 r	15 r	17	34 r	22 r
<b>Profits Actual</b>						
Mar 2011	(04-06/11)	- 2	- 8	4	- 5	- 3
Jun 2011	(07-09/11)	3	2	1	- 10	- 1
Sep-2011	(10-12/11)	3	5	8	2	4
Dec 2011	(01-03/12)	10	7	7	- 4	5
Mar 2012	(04-06/12)	- 1	3	7	- 7	1
Jun 2012 R	(07-08/12)	- 5 r	4 r	- 1 r	- 4 r	- 2 r
<b>Employees Actual</b>						
Mar 2011	(04-06/11)	0	- 6	0	- 9	- 4
Jun 2011	(07-09/11)	9	1	1	- 2	2
Sep-2011	(10-12/11)	9	4	4	2	5
Dec 2011	(01-03/12)	2	6	0	3	3
Mar 2012	(04-06/12)	1	3	1	- 2	1
Jun 2012 R	(07-08/12)	- 1 r	- 5 r	- 6 r	- 2 r	- 4
<b>Capital Investment Actual</b>						
Mar 2011	(04-06/11)	0	- 1	4	1	1
Jun 2011	(07-09/11)	3	10	6	6	6
Sep-2011	(10-12/11)	5	8	5	9	7
Dec 2011	(01-03/12)	11	16	7	- 1	8
Mar 2012	(04-06/12)	10	9	12	- 1	8
Jun 2012 R	(07-08/12)	8 r	5 r	6 r	0 r	5 r
<b>Inventories Actual</b>						
Mar 2011	(04-06/11)	- 1	0	5	4	2
Jun 2011	(07-09/11)	- 3	- 5	10	1	1
Sep-2011	(10-12/11)	6	6	7	6	6
Dec 2011	(01-03/12)	0	5	4	- 3	1
Mar 2012	(04-06/12)	0	3	5	- 9	0
Jun 2012 R	(07-08/12)	6 r	2	10 r	15 r	8 r
<b>Selling Prices Actual</b>						
Mar 2011	(04-06/11)	17	18	14	13	15
Jun 2011	(07-09/11)	12	17	11	6	12
Sep-2011	(10-12/11)	17	12	11	10	13
Dec 2011	(01-03/12)	15	18	12	12	14
Mar 2012	(04-06/12)	16	7	14	10	12
Jun 2012 R	(07-08/12)	1 r	- 4 r	0 r	- 4	- 2 r

R Revised

This table now shows the [Interim](#) actual indexes for June quarter 2012.



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## D&B Supplementary Questions – August 2012

Includes comparisons with responses to these questions in recent previous surveys.

### 1. Do you plan to increase your cash reserves (available liquid assets) in the next three months?

<i>Question 1 (August 2012)</i>	August 2012 All Firms		Durables Manufacture	Non- Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	16	4	6	5	4	1
Yes, increase cash reserves moderately	70	17	15	23	20	12
No, plan to maintain current cash reserves	171	43	46	34	46	45
No, plan to decrease cash reserves	7	2	-	3	2	2
Not sure/don't know	136	34	33	35	28	40
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Question 1 (July 2012)</i>	July 2012 All Firms		Durables Manufacture	Non- Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	33	8	5	16	8	4
Yes, increase cash reserves moderately	59	15	14	12	16	17
No, plan to maintain current cash reserves	152	38	27	26	60	39
No, plan to decrease cash reserves	30	8	8	12	4	6
Not sure/don't know	126	31	46	34	12	34
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Question 1 (June 2012)</i>	June 2012 All Firms		Durables Manufacture	Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	11	3	1	1	4	5
Yes, increase cash reserves moderately	94	24	22	25	22	25
No, plan to maintain current cash reserves	249	62	66	60	63	60
No, plan to decrease cash reserves	17	4	3	8	4	2
Not sure/don't know	29	7	8	6	7	8
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Question 1 (May 2012)</i>	May 2012 All Firms		Durables Manufacture	Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	35	9	9	7	10	9
Yes, increase cash reserves moderately	65	16	16	22	14	13
No, plan to maintain current cash reserves	256	64	68	56	69	62
No, plan to decrease cash reserves	15	4	4	3	2	6
Not sure/don't know	30	7	3	12	5	10
<b>Total</b>	<b>401</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>Question 1 (April 2012)</i>	April 2012 All Firms		Durables Manufacture	Non- Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	26	7	10	6	6	4
Yes, increase cash reserves moderately	65	16	7	22	21	15
No, plan to maintain current cash reserves	258	65	71	52	62	73
No, plan to decrease cash reserves	17	4	5	8	2	2
Not sure/don't know	34	8	7	12	9	6
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



Decide with Confidence

<i>Question 1 (March 2012)</i>	March 2012 All Firms		Durables Manufacture	Non- Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	29	7	10	10	6	3
Yes, increase cash reserves moderately	71	18	13	20	18	20
No, plan to maintain current cash reserves	257	64	60	62	69	66
No, plan to decrease cash reserves	15	4	4	4	3	4
Not sure/don't know	28	7	13	4	4	7
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 1 (February 2012)</i>	February 2012 All Firms		Durables Manufacture	Non- Durables Manufacture	Wholesale	Retail
Yes, increase cash reserves significantly	29	7	7	9	7	6
Yes, increase cash reserves moderately	74	19	15	18	22	19
No, plan to maintain current cash reserves	244	61	58	62	61	63
No, plan to decrease cash reserves	23	6	6	9	3	5
Not sure/don't know	30	7	14	2	7	7
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 1 All Firms (January 2012 – August 2011)</i>	January 2012	December 2011	November 2011	October 2011	Sep 2011	Aug 2011
Yes, increase cash reserves significantly	8	10	14	15	14	9
Yes, increase cash reserves moderately	23	14	18	22	20	28
No, plan to maintain current cash reserves	58	66	60	56	59	57
No, plan to decrease cash reserves	4	7	7	6	4	5
Not sure/don't know	7	3	<2	1	3	1
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 1 All Firms (July 2011 – February 2011)</i>	July 2011	June 2011	May 2011	April 2011	March 2011	Feb 2011
Yes, increase cash reserves significantly	11	14	12	8	9	13
Yes, increase cash reserves moderately	26	27	25	29	16	29
No, plan to maintain current cash reserves	60	50	55	54	69	52
No, plan to decrease cash reserves	2	4	6	5	3	5
Not sure/don't know	1	4	2	4	2	<2
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

2. Thinking about **the quarter ahead**, which issue do you think will influence the operations of your business the most?

<i>Question 2 (August 2012)</i>	August 2012 All Firms		Durables Manufacture	Non-Durables Manufacture	Wholesale	Retail
Interest rates	103	26	27	23	21	32
Fuel prices	117	29	16	28	38	35
Wages & salary growth	116	29	45	26	26	19
Access to credit	44	11	12	17	9	6
Not sure/don't know	20	5	-	6	6	8
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



Decide with Confidence

<b>Question 2 (July 2012)</b>	<b>July 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Interest rates	111	28	24	33	27	28
Fuel prices	104	26	37	18	23	26
Wages & salary growth	93	23	19	24	26	23
Access to credit	77	19	17	15	24	21
Not sure/don't know	15	4	3	10		2
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 2 (June 2012)</b>	<b>June 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Interest rates	112	28	27	25	24	36
Fuel prices	68	17	21	13	17	17
Wages & salary growth	136	34	35	37	34	30
Access to credit	56	14	12	18	13	13
Not sure/don't know	28	7	5	7	12	4
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 2 All Firms (June 2012 - January 2012)</b>	<b>June 2012</b>	<b>May 2012</b>	<b>April 2012</b>	<b>March 2012</b>	<b>February 2012</b>	<b>January 2012</b>
Interest rates	28	33	32	26.5	33.5	25
Fuel prices	17	17	23	22.0	15.0	20
Wages & salary growth	34	25	22	26.2	24.8	24
Access to credit	14	13	11	11.7	12.5	17
Not sure/don't know	7	12	12	13.5	14.2	13
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 2 All Firms (December 2011 - July 2011)</b>	<b>December 2011</b>	<b>November 2011</b>	<b>October 2011</b>	<b>September 2011</b>	<b>August 2011</b>	<b>July 2011</b>
Interest rates	29	30	27	33	34	32
Fuel prices	15	24	22	19	16	20
Wages & salary growth	27	22	27	21	25	24
Access to credit	15	14	12	12	10	8
Not sure/don't know	14	10	12	15	15	15
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 2 All Firms (June 2011 - January 2011)</b>	<b>June 2011</b>	<b>May 2011</b>	<b>April 2011</b>	<b>March 2011</b>	<b>February 2011</b>	<b>January 2011</b>
Interest rates	27	29	25	23	29	27
Fuel prices	18	20	23	26	15	18
Wages & salary growth	23	23	20	21	23	27
Access to credit	17	19	18	17	16	18
Not sure/don't know	15	9	14	13	17	11
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>





Decide with Confidence

**3. Thinking about your business for the quarter ahead, are you likely to seek finance or credit to help your business grow?**

<i>Question 3 (August 2012)</i>	<b>August 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes	30	8	10	7	8	5
No	348	87	89	90	85	84
Not sure/don't know	22	5	1	3	7	11
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 3 (July 2012)</i>	<b>July 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes	25	6	1	3	17	4
No	338	85	85	79	81	93
Not sure/don't know	37	9	14	18	2	3
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 3 (June 2012)</i>	<b>June 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes	66	16	23	10	13	20
No	279	70	70	74	67	68
Not sure/don't know	55	14	7	16	20	12
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 3 All Firms (June 2012 – January 2012)</i>	<b>June 2012</b>	<b>May 2012</b>	<b>April 2012</b>	<b>March 2012</b>	<b>February 2012</b>	<b>January 2012</b>
Yes	16	17	14	15.5	17	15
No	70	77	76	72.0	71	66
Not sure/don't know	14	6	10	12.5	12	19
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 3 All Firms (December 2011 – July 2011)</i>	<b>December 2011</b>	<b>November 2011</b>	<b>October 2011</b>	<b>September 2011</b>	<b>August 2011</b>	<b>July 2011</b>
Yes	18.5	18	16	18	16	16
No	75.5	77	79	76	81	80
Not sure/don't know	6	5	5	6	3	4
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<i>Question 3 All Firms (June 2011 – January 2011)</i>	<b>June 2011</b>	<b>May 2011</b>	<b>April 2011</b>	<b>March 2011</b>	<b>February 2011</b>	<b>January 2011</b>
Yes	16	17	18	14	18	14
No	78	68	75	82	76	76
Not sure/don't know	6	15	7	4	6	10
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



Decide with Confidence

**4. What do you see as the biggest barrier to growing your business in the year ahead?**

<b>Question 4 (August 2012)</b>	<b>August 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Access to or a shortage of skilled labour	48	12	25	10	9	4
Access to or a shortage of funding	30	8	5	11	7	7
A slow growth in demand for our products	213	53	47	42	56	68
Don't see any major barrier	107	27	22	37	28	20
Not sure/don't know	2	<1	1	-	-	1
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 4 (July 2012)</b>	<b>July 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Access to or a shortage of skilled labour	57	14	17	9	19	12
Access to or a shortage of funding	42	11	9	9	16	8
A slow growth in demand for our products	207	52	41	52	48	66
Don't see any major barrier	89	22	30	30	17	12
Not sure/don't know	5	<2	3	-	-	2
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 4 (June 2012)</b>	<b>June 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Access to or a shortage of skilled labour	68	17	27	11	15	15
Access to or a shortage of funding	62	15	9	21	22	10
A slow growth in demand for our products	216	54	45	57	50	64
Don't see any major barrier	47	12	18	6	13	10
Not sure/don't know	7	2	1	5	-	1
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 4 (May 2012)</b>	<b>May 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Access to or a shortage of skilled labour	66	16	25	19	9	13
Access to or a shortage of funding	49	12	9	20	15	5
A slow growth in demand for our products	207	52	48	44	50	64
Don't see any major barrier	67	17	16	17	20	14
Not sure/don't know	12	3	2	-	6	4
<b>Total</b>	<b>401</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



Decide with Confidence

<b>Question 4 All Firms (May 2012 – December 2011)</b>	<b>May 2012</b>	<b>April 2012</b>	<b>March 2012</b>	<b>February 2012</b>	<b>January 2012</b>	<b>December 2011</b>
Access to or a shortage of skilled labour	16	17	21	16	17	19
Access to or a shortage of funding	12	9	11	11	15	9
A slow growth in demand for our products	52	52	47	52	47	51
Don't see any major barrier	17	17	16	17	17	19
Not sure/don't know	3	5	5	4	4	2
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 4 All Firms (November 2011- June 2011)</b>	<b>November 2011</b>	<b>October 2011</b>	<b>September 2011</b>	<b>August 2011</b>	<b>July 2011</b>	<b>June 2011</b>
Access to or a shortage of skilled labour	16	16.5	15	17	17	19
Access to or a shortage of funding	14	9.5	12	12	8	10
A slow growth in demand for our products	48	55	51	50	56	53
Don't see any major barrier	18	16.5	18	18	16	15
Not sure/don't know	4	3	4	2	3	3
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 4 All Firms (May 2011 – December 2010)</b>	<b>May 2011</b>	<b>April 2011</b>	<b>March 2011</b>	<b>February 2011</b>	<b>January 2011</b>	<b>December 2010</b>
Access to or a shortage of skilled labour	21	15	17	19	20	19
Access to or a shortage of funding	11	12	12	14	16	12
A slow growth in demand for our products	48	48	46	43	36	41
Don't see any major barrier	17	21	23	22	26	24
Not sure/don't know	3	3	2	2	2	4
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**5. In the year ahead do you think online internet selling by your competitors will have an adverse effect on the operations of your business?**

<b>Question 5 (August 2012)</b>	<b>August 2012 All Firms</b>	<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes a large adverse effect	66	17	9	15	33
Yes a small adverse effect	88	22	15	20	29
No adverse affect	243	61	75	64	37



Decide with Confidence

Not sure/don't know	3	<1	1	1	-	1
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Question 5 (July 2012)</b>	<b>July 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes a large adverse effect	113	28	23	31	14	46
Yes a small adverse effect	79	20	20	16	24	19
No adverse affect	204	51	57	52	59	35
Not sure/don't know	4	1	-	1	3	-
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Question 5 (June 2012)</b>	<b>June 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes a large adverse effect	53	13	9	6	17	21
Yes a small adverse effect	74	19	14	14	19	27
No adverse affect	271	68	77	78	64	52
Not sure/don't know	2	<1	-	2	-	-
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Question 5 (May 2012)</b>	<b>May 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
Yes a large adverse effect	64	16	8	18	10	28
Yes a small adverse effect	94	23	16	21	26	30
No adverse affect	235	59	74	61	62	38
Not sure/don't know	8	2	2	-	2	4
<b>Total</b>	<b>401</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Question 3 All Firms (May 2012 – December 2011)</b>	<b>May 2012</b>	<b>April 2012</b>	<b>March 2012</b>	<b>February 2012</b>	<b>January 2012</b>	<b>December 2011</b>
Yes a large adverse effect	16	18	17	13	18	13
Yes a small adverse effect	23	18	22	16	24	21
No adverse affect	59	62	58	67	56	64
Not sure/don't know	2	2	3	4	<3	2
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**6. Thinking about the quarter ahead, will a continued high level of the Australian dollar have a positive or negative impact on your business?**

<b>Question 6 (August 2012)</b>	<b>August 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
A significant positive impact	77	19	24	19	26	8
A small positive impact	60	15	15	16	13	16
No impact	117	29	27	31	17	41
A small negative impact	63	16	20	18	10	15
A significant negative impact	81	20	13	16	33	20
Not sure/don't know	2	<1	1	-	1	-
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Question 6 (July 2012)</b>	<b>July 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
A significant positive impact	124	31	46	29	37	12
A small positive impact	66	17	13	21	20	12
No impact	70	18	10	22	11	27
A small negative impact	57	14	1	13	23	20
A significant negative impact	82	20	30	15	9	29



Decide with Confidence

Not sure/don't know	-	-	-	-	-	-
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 6 (June 2012)</b>	<b>June 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
A significant positive impact	50	13	10	5	24	11
A small positive impact	73	18	23	14	13	23
No impact	136	34	41	32	33	30
A small negative impact	76	19	10	28	17	21
A significant negative impact	64	16	16	21	13	14
Not sure/don't know	1	<1	-	-	-	1
<b>Total</b>	<b>400</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 6 (May 2012)</b>	<b>May 2012 All Firms</b>		<b>Durables Manufacture</b>	<b>Non-Durables Manufacture</b>	<b>Wholesale</b>	<b>Retail</b>
A significant positive impact	66	16	8	15	24	18
A small positive impact	67	17	13	16	22	16
No impact	130	32	39	36	29	26
A small negative impact	68	17	23	14	14	17
A significant negative impact	63	16	16	19	10	18
Not sure/don't know	7	2	1	-	1	5
<b>Total</b>	<b>401</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<b>Question 6 All Firms (April 2012 – July 2011)</b>	<b>April 2012</b>	<b>March 2012</b>	<b>February 2012</b>	<b>January 2012</b>	<b>August 2011</b>	<b>July 2011</b>
A significant positive impact	17	18	17	13	19	19
A small positive impact	19	20	15	25	18	18
No impact	28	35	28	31	37	36
A small negative impact	22	14	24	13	15	17
A significant negative impact	13	12	13	14	10	10
Not sure/don't know	<2	1	4	3	<1	<1
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Question 6 was not asked in the months September to December 2011.

<b>Question 6 All Firms (June 2011 – January 2011)</b>	<b>June 2011</b>	<b>May 2011</b>	<b>April 2011</b>	<b>March 2011</b>	<b>February 2011</b>	<b>January 2011</b>
A significant positive impact	18	15	15	16	21	16
A small positive impact	23	20	24	25	27	29
No impact	33	40	37	33	37	42
A small negative impact	19	17	17	17	12	8
A significant negative impact	6	7	7	9	4	3
Not sure/don't know	<1	1	<1	<1	-	<2
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>