



Q2 expectations slip as optimism fades

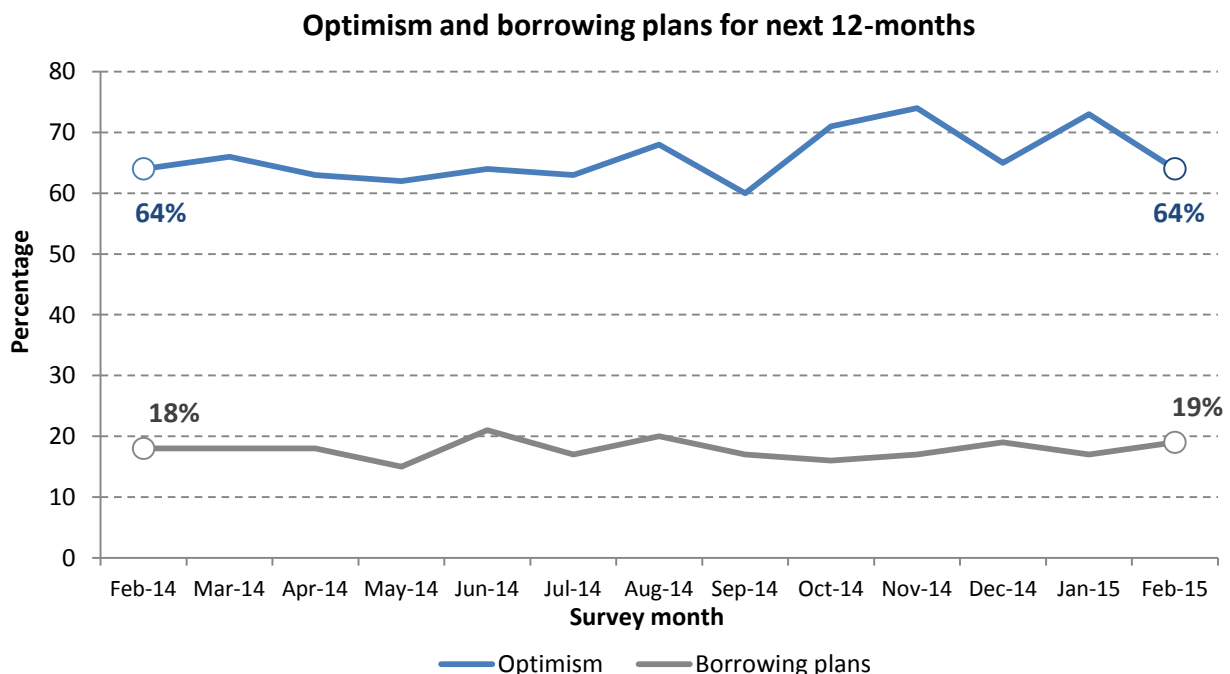
Borrowing and investment intentions stall

Despite earlier indications that the business sector would take steady steps forward this year, the latest survey of Australian firms reveals that expectations and levels of optimism have returned to 2014 levels.

According to Dun & Bradstreet’s *Business Expectations Survey*, the percentage of businesses that are more optimistic about growth in the next 12-months has fallen to the same level measured a year earlier. After lifting through the December quarter and reaching 73 per cent in January, 64 per cent of businesses are now more positive about growth in 2015 compared to last year.

Despite last month’s interest rate cut, Dun & Bradstreet has also revealed little movement in the number of businesses that plan to access new finance or credit to grow their operations. Of the businesses surveyed, 19 per cent plan to seek new credit in the June quarter, flat from the 18 per cent measured at the same time last year.

The soft optimism and borrowing outlook is matched by concerns from businesses that demand will remain weak in the near-term. According to Dun & Bradstreet, businesses consider a lack of demand for their products as the biggest barrier to growth this year (20 per cent), ahead of other issues including online selling by competitors (12 per cent), skilled labour (11 per cent), operating costs (11 per cent) and access to funding (8 per cent).

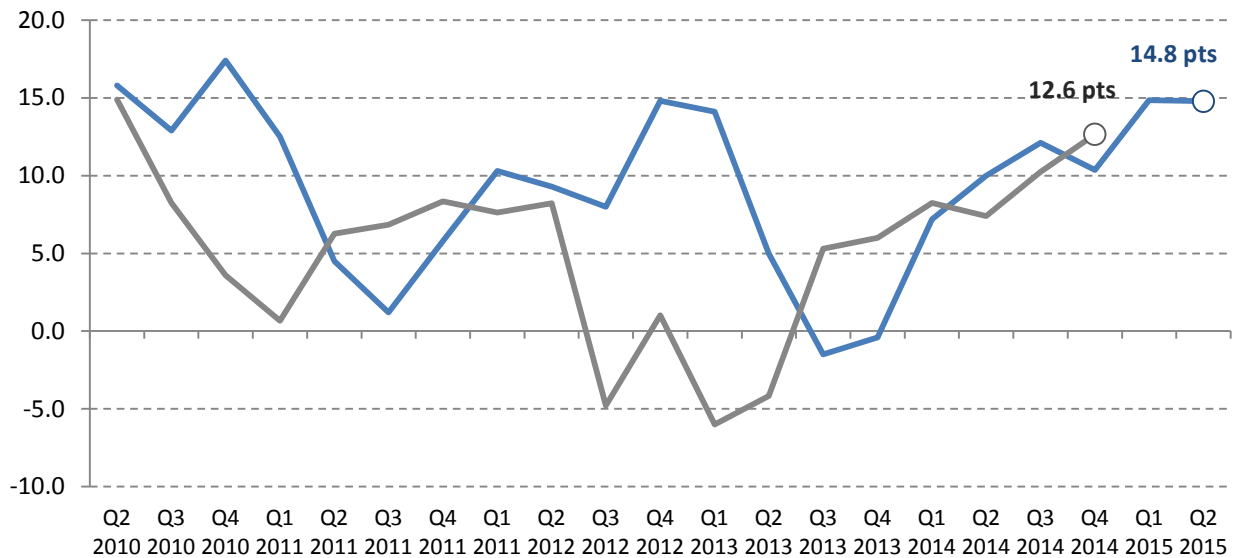


The subdued sentiment evident in the *Business Expectations Survey* extends through to investment plans and follows analysis from the Australian Bureau of Statistics showing that capital expenditure declined 2.2 per cent in the final quarter of last year.

Dun & Bradstreet’s Capital Investment Index for the June quarter has eased to 14.8 points from 14.9 points three months earlier. Twenty-two per cent of businesses plan to increase their level of investment in Q2 2015, while seven per cent will reduce their spending and 70 per cent will maintain the same investment levels as last year.



Capital investment index: Expectations vs Actual performance



According to Gareth Jones, CEO of Dun & Bradstreet in Australia and New Zealand, in the absence of sustained positive news on the economy, business sentiment has stalled.

“The relatively upbeat mood that was evident among a number of sectors at the end of last year and into January appears to have faded,” said Mr Jones.

“Taking a simple net-balance view, businesses are being exposed to more negative economic news than positive, which is undermining confidence and influencing near-term expectations.

“Despite the dips, these latest forecasts are more closely aligned with the actual performance being reported by businesses which suggests that we are seeing a cooling of expectations to more realistic levels.

“And while it appears less-and-less likely that 2015 will deliver a breakout in business performance, there remains a clear – albeit slow – upward trend in the business outlook,” added Mr Jones.

Businesses wary of the economy’s health following last month’s rate cut, falling wages growth, weak consumer confidence and rising unemployment, have also pulled back their expectations for sales, profits and employment.

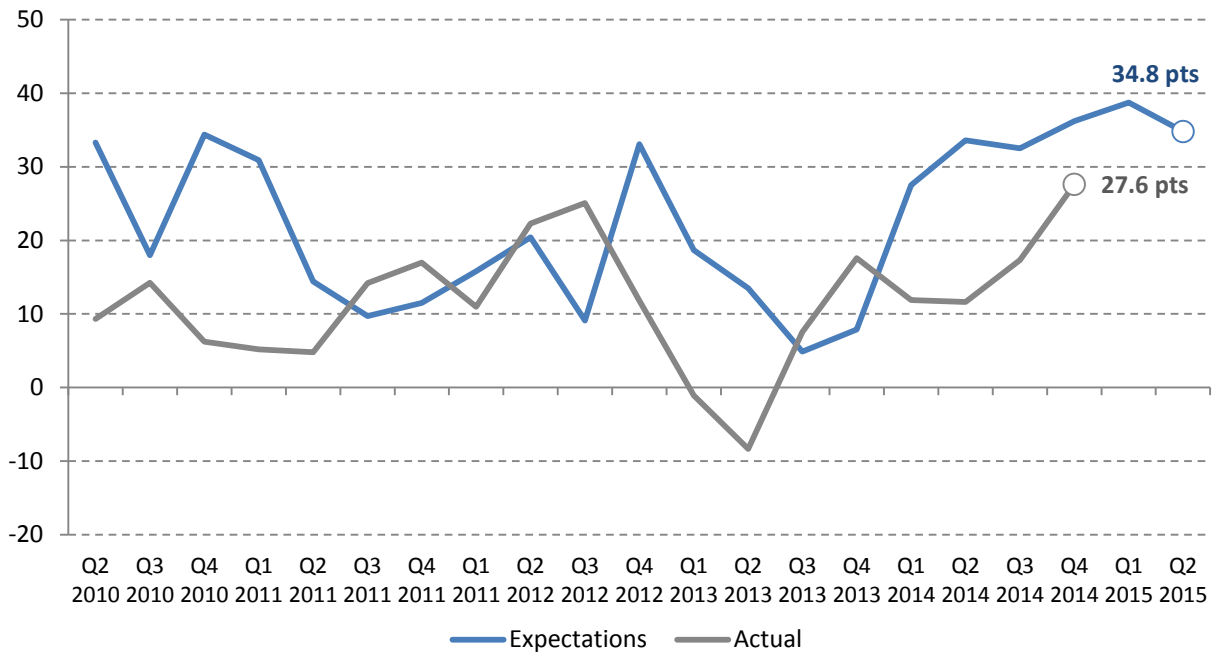
After rising across the past two quarters, Dun & Bradstreet’s Sales Expectations Index has dropped to 34.8 points for the June quarter, down from 38.7 points in the prior quarter and flat against a reading of 33.6 points last year. Forty-eight per cent of businesses now anticipate higher sales in the next three months, while 13 per cent expect a decline and 39 per cent no change.

Despite shaky consumer confidence, businesses in the services sector are the most upbeat about sales, with 56 per cent expecting a lift in trade during the June quarter, while just nine per cent anticipate a contraction. At 47.0 points, the Sales Expectations Index for the services sector is 12.2 points above the all-industry index, and up on the 39.3 points measured for the sector last quarter.



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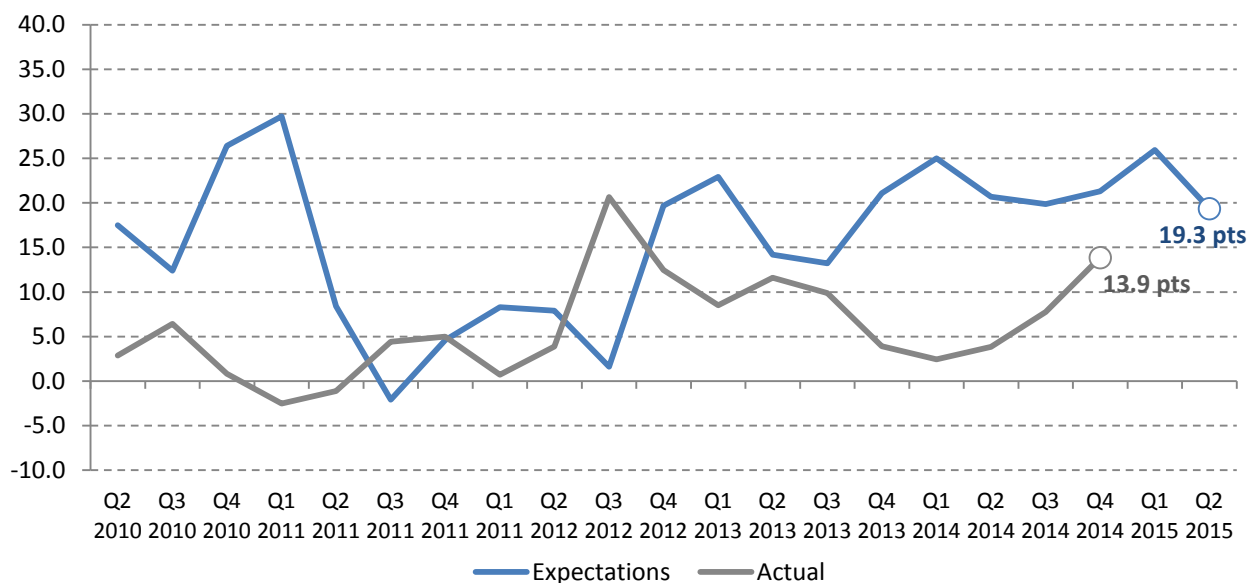
Sales index: Expectations vs Actual performance



The outlook for earnings has also fallen, with the Profits Expectations Index dipping from 25.9 points to 19.3 points quarter-on-quarter, and from 20.7 points a year earlier. Thirty-seven per cent of businesses surveyed now anticipate a lift in earnings during the June quarter, while 18 per cent expect to see their profits fall compared to the year before.

The fall in expectations is most pronounced among wholesalers, with 17 per cent expecting lower earnings next quarter against the 30 per cent that anticipate an increase. At 12.8 points the sector's Profits Expectations Index is at its lowest level since Q3 2012 and down from 16.8 points last quarter and 12.9 points last year.

Profits index: Expectations vs Actual performance



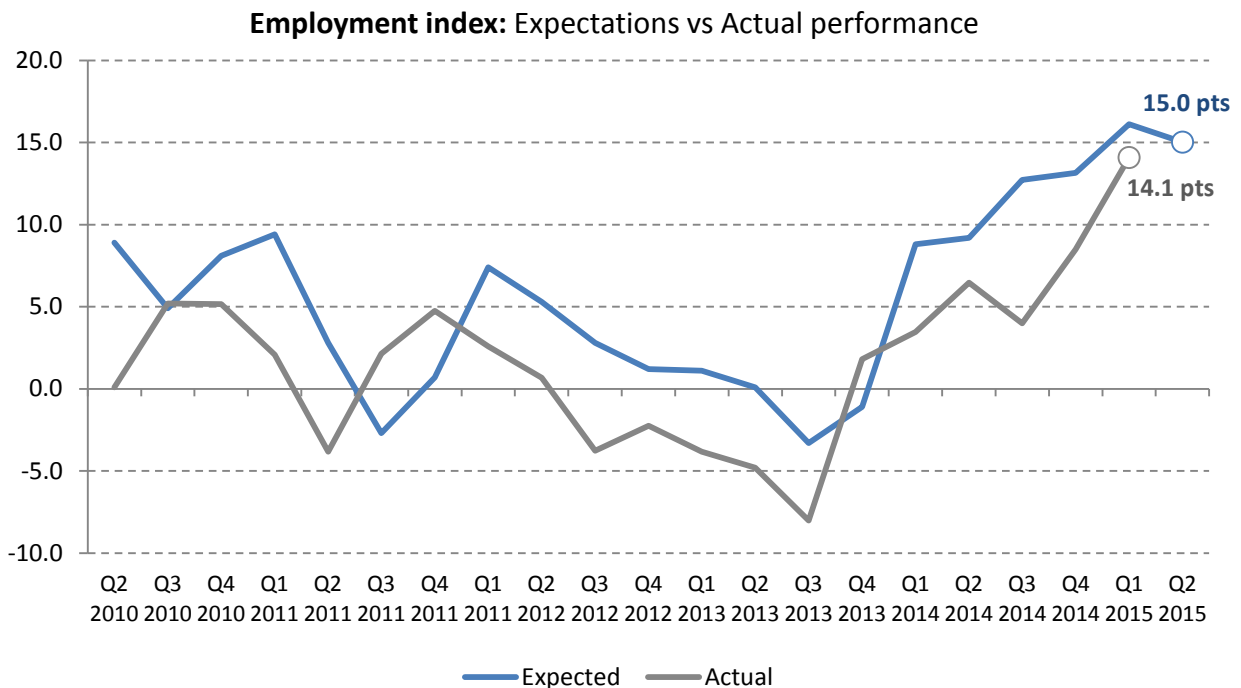
Meanwhile, after reporting a surprising jump in employment intentions last month, businesses have cooled on near-term hiring plans.



MEDIA RELEASE

With 27 per cent of firms planning to add new staff in the June quarter compared to 12 per cent that will cut their numbers, the Employment Expectations Index is 15.0 points, down from 16.1 points for the March quarter, although it remains stronger than the 9.2 points recorded at the same time last year.

Hiring expectations are weakest among retailers, with 21 per cent planning to employ new staff in the second quarter, while 10 per cent will reduce employment. At 11.8 points the Employment Expectations Index among retailers has fallen from 15.3 points last quarter.



According to Stephen Koukoulas, Economic Advisor to Dun & Bradstreet, the survey findings reflect the trajectory of the economy this year.

“All aspects of business expectations have tilted lower over the past quarter, a trend that is consistent with the subdued nature of economic growth early in 2015.

“The turn lower has been particularly obvious in expected sales and profitability which suggests economic growth will remain below trend during the first half.

“The previously positive readings for expected employment and levels of capital expenditure also appear to have topped out, although at this stage the quarterly falls are marginal.

“With expectations for a much-needed, sustained upswing in business investment and employment having stalled, it is likely that the RBA will need to provide further monetary policy stimulus in the near term,” Mr Koukoulas added.

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The latest D&B *Business Expectations Survey* shows:

Expectations index for the June quarter 2015

- The **employment** expectations index has fallen to 15.0 points from 16.1 points in the previous quarter, and up from 9.2 points a year ago.
- The **sales** index has dropped to 34.8 points, down from 38.7 points in the previous quarter and up marginally from 33.6 points a year earlier.
- **Profits** expectations for the quarter are down, with the index at 19.3 points compared to 25.9 points last quarter and 20.7 points last year.
- Plans for **capital investment** have eased to 14.8 points from 14.9 points last quarter, and up from 10.0 points a year earlier.
- The **selling prices** index has dropped off to 25.4 points from 26.3 points, although is above last year's level of 24.2 points.

Issues expected to influence operations in the June quarter 2015

- 64 per cent of businesses are **more optimistic** about growth in the next 12 months compared to 2014, while 27 per cent is less optimistic. Nine per cent is undecided.
- **Cash flow** (29 per cent) is identified as the issue most likely to influence business operations in the next quarter, followed by the **level of the Australian dollar** (23 per cent).
- 20 per cent of businesses see **weak demand for their products and services** as their biggest barrier to growth in the year ahead, while 12 per cent consider the **online selling of competitors** as the next likely obstacle.
- 34 per cent of businesses reported having a customer or supplier that became **insolvent**, or was otherwise unable to pay them in the past year.
- 44 per cent of businesses would choose to miss payments to **trade suppliers** if unable to pay all their bills on time, followed by a **credit card** (20 per cent).
- 33 per cent of businesses expect no impact from the current level of the **Australian dollar**, while 25 per cent expect a positive impact and 37 per cent a negative impact. Five per cent is undecided.
- 19 per cent of businesses intend to seek **finance** or **new credit** in the quarter ahead to help their business grow, while 74 per cent will not. Seven per cent is undecided.

Actual results reported for the December quarter 2014

- **Actual employment** reported is up to 14.1 points compared to 8.5 points last quarter and 3.5 points last year.
- **Sales** activity lifted compared to the previous quarter, from 17.3 points to 27.6 points, and is up on last year's level of 17.6 points.
- The **actual profits** index lifted to 13.9 points from 7.8 points last quarter and 3.9 points last year.
- **Capital investment** activity edged up from 10.2 points to 12.6 points quarter-on-quarter, and up from 6.0 points last year.
- **Selling prices** were raised in the last quarter, with the index up to 19.4 points from 16.9 points, and up slightly from 14.9 points last year.

About Dun & Bradstreet

Established in 1887, Dun & Bradstreet is Australia and New Zealand's longest established credit information bureau. Backed by its extensive financial database, D&B helps businesses to make informed credit decisions, and consumers to access personal credit information.

D&B works across the entire credit lifecycle to deliver data-driven solutions in sales and marketing, credit reporting and debt management. Through analysis of financial and behavioural information, D&B also provides current and predictive assessments of the economy, business conditions and credit activity.

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About the survey

Each month business owners and senior executives representing the manufacturing; wholesale; retail; construction; transport, communications and utilities; finance, insurance and real estate; and services sectors across Australia are asked if they expect increases, decreases or no changes in their upcoming quarterly sales, profits, employment, capital investment 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 month D&B asks a sample of executives if they expect an increase, decrease or no change in their quarter-ahead sales, profits, employees, capital investment 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 preliminary indexes for the latest quarters are based on approximately 800 responses obtained during January 2014 and February 2015.

Charts and tables

It is 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 five to nine in the *D&B 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 7 to 11.

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Sales outlook

(Quarterly Net Index) (Down from 38.7 to 34.8)

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

Expectations

The June quarter 2015 sales expectations index is 34.8 points, down from 38.7 points in the previous quarter and up from 33.6 points in the year prior.

The index is now 21 points above its 10-year average of 13.75 points.

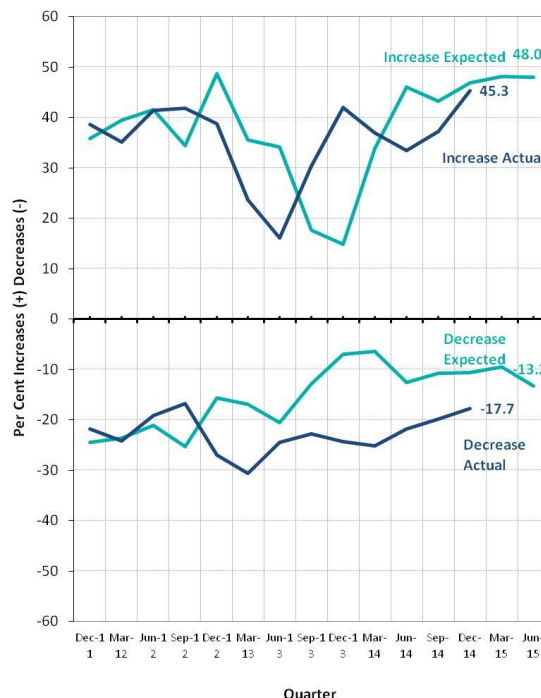
48.0 per cent of businesses expect an increase in their sales, while 13.2 per cent forecast a decrease, compared to the same time last year.

Actual performance

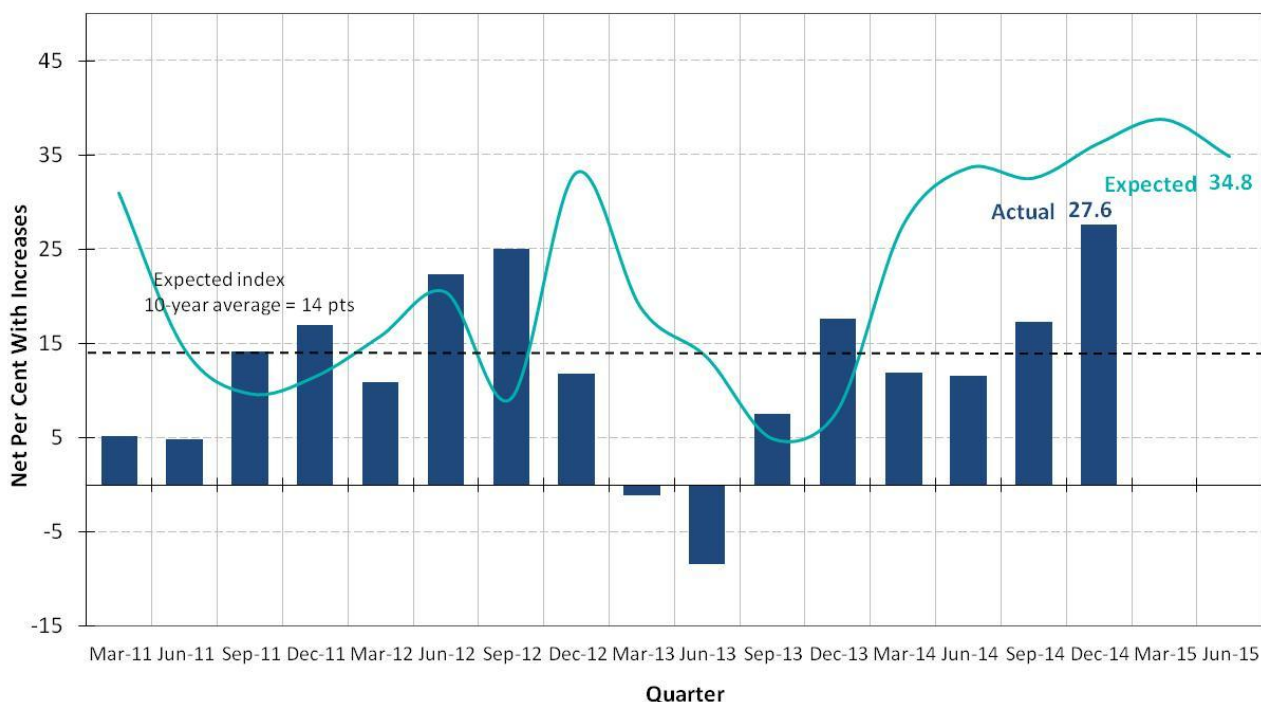
The actual sales index for the fourth quarter of 2014 is 27.6 points, an increase from 17.3 points in the previous quarter and 17.6 points a year earlier.

45.3 per cent of firms reported increased sales in the December quarter and 17.7 per cent had decreased sales compared to the previous year.

Sales: D&B Indexes
Component Responses



Sales: D&B Index Mar Qtr 2011 to Jun Qtr 2015



Profits outlook

(Quarterly Net Index) (Down from 25.9 to 19.3)

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

Expectations

The outlook for profits in the June 2015 quarter is an index of 19.3 points, down from 25.9 points in the previous quarter and 20.7 points last year.

The outlook for profits is 11.9 points above the 10-year average index of 7.4.

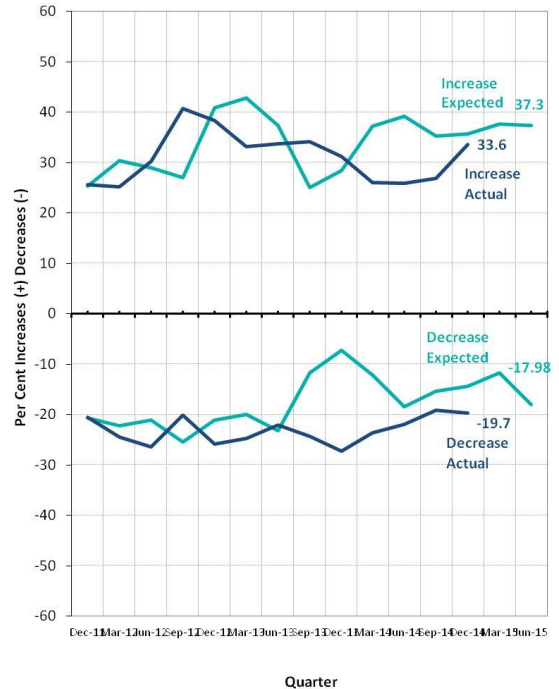
37.3 per cent of businesses expect an increase in their profits during the quarter ahead, while 17.9 per cent forecast a decrease, compared to last year.

Actual performance

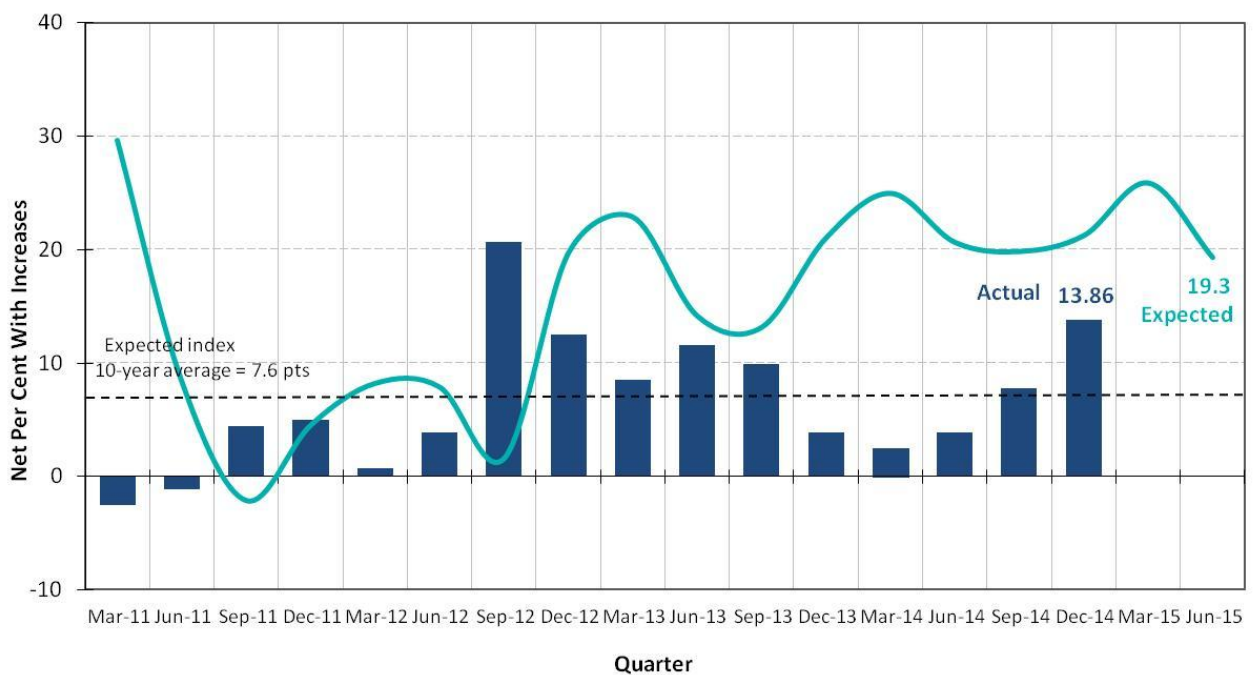
The actual profits index for the December 2014 quarter is 13.9 points, up from 7.8 points in the previous quarter and 3.9 points recorded a year earlier.

33.6 per cent of businesses increased their profits, while 19.7 per cent experienced a decrease.

Profits: D&B Indexes
Component Responses



Profits: D&B Index Mar Qtr 2011 to Jun Qtr 2015



Employment outlook

(Quarterly Net Index) (Down from 16.1 to 15.0)

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

Expectations

The employment outlook for the June quarter 2015 has dropped to 15.0 points, down from 16.1 points in the previous quarter and 8.8 points a year earlier.

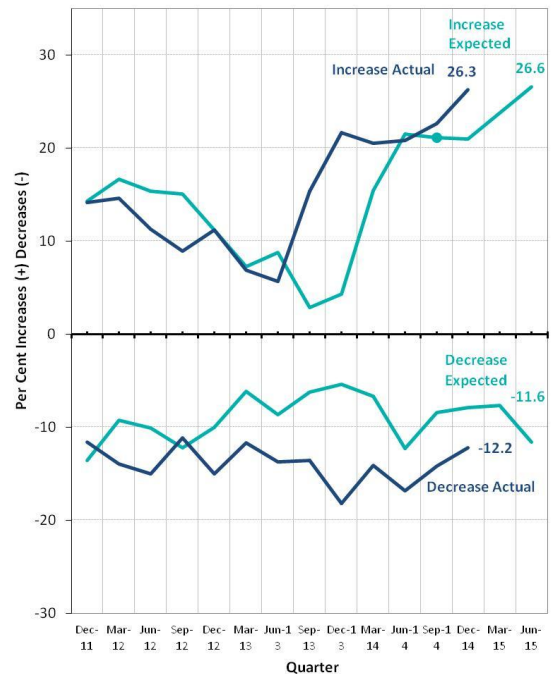
26.6 per cent of executives expect to employ more staff than compared to year ago, while 11.6 per cent expect to decrease their staff numbers.

Actual performance

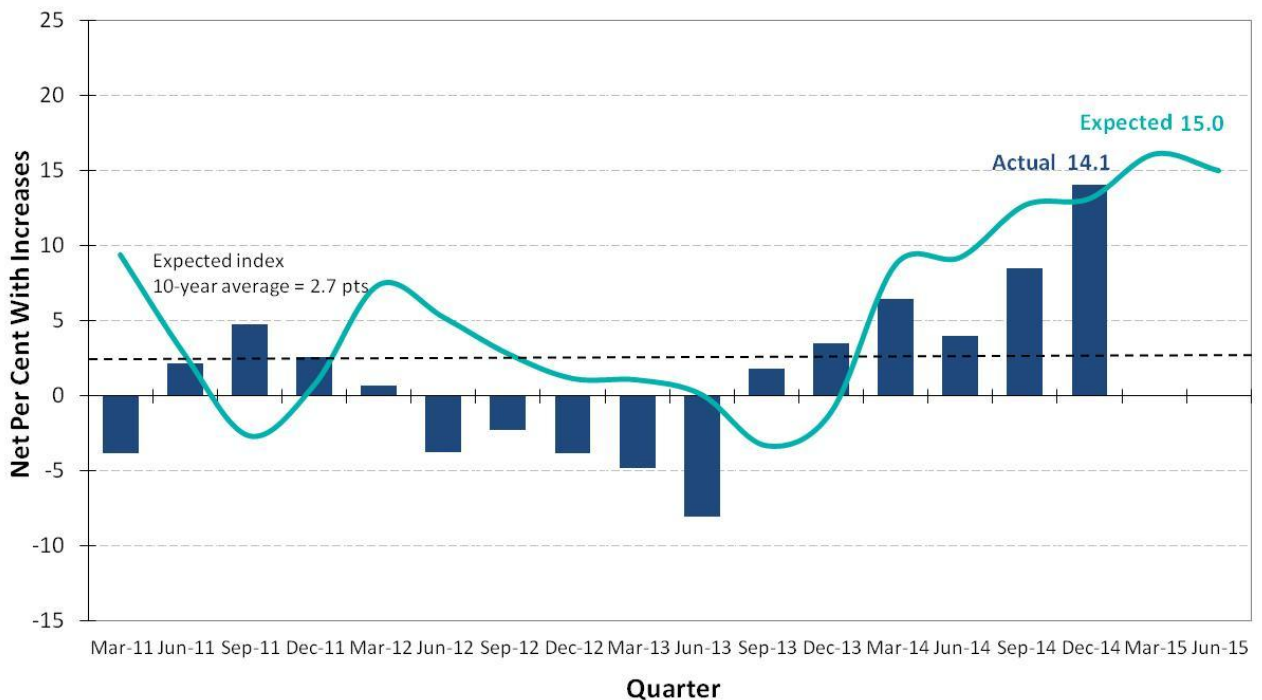
In the December quarter 2014, 26.3 per cent of businesses hired new staff, compared to the 12.2 per cent that reduced their employment levels.

At 14.1 points, the actual employment index is up from 8.5 points last quarter and 3.5 points last year.

Employees: D&B Indexes
Component Responses



Employment: D&B index Mar Qtr 2011 to Jun Qtr 2015



Capital Investment outlook

(Quarterly Net Index)(Down 14.9 to 14.8)

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

Expectations

The capital investment outlook for the June quarter 2015 is 14.8 points, down from 14.8 points last year.

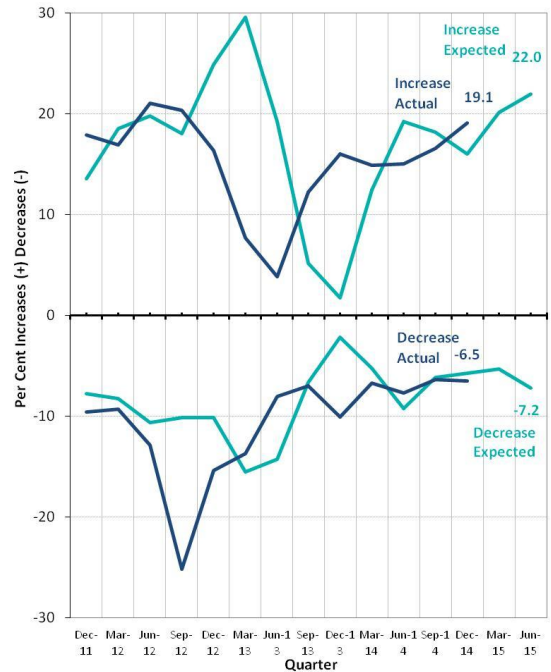
22 per cent of businesses expect an increase in their investment level, while 7.2 per cent forecast a decrease compared with a year earlier.

Actual performance

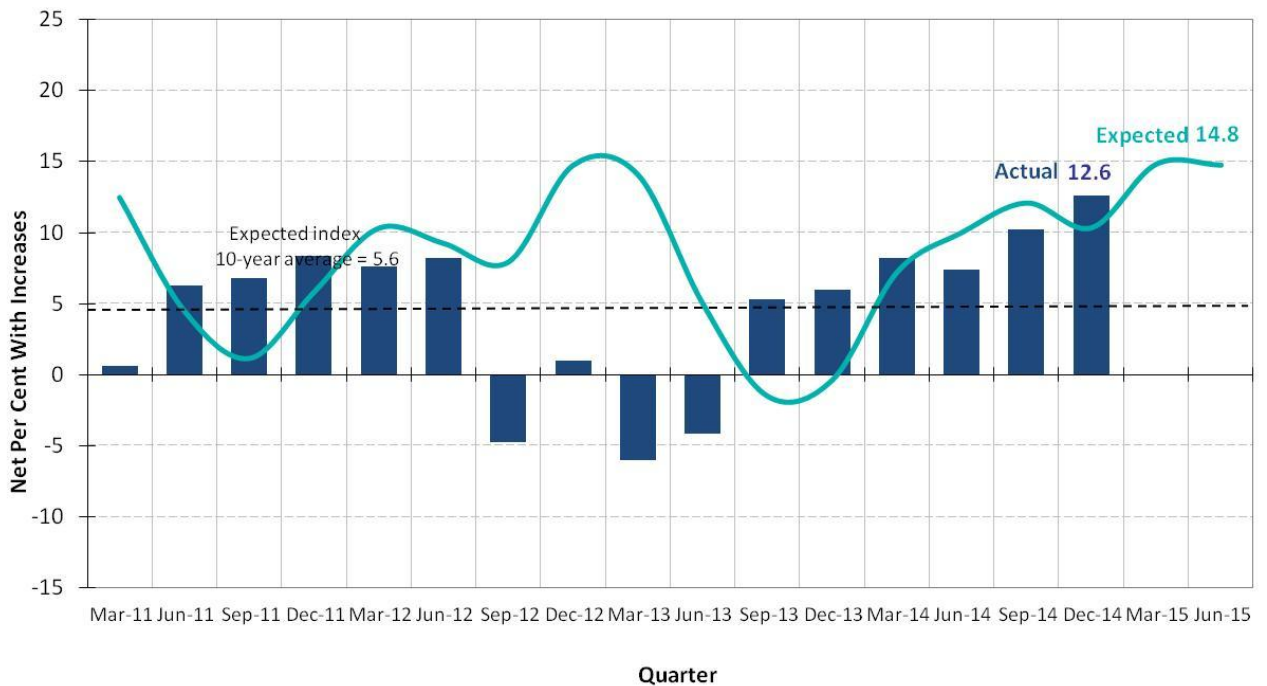
For the December quarter 2014, the actual index for investment is 12.6 points.

19.1 per cent of firms increased their capital investment in the December quarter while 6.5 per cent decreased capital spending.

Capital Investment: D&B Indexes
Component Responses



Capital Investment: D&B Index Mar Qtr 2011 to Jun Qtr 2015



Selling Prices outlook

(Quarterly Net Index) (Down from 26.3 to 25.4)

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

Expectations

The selling prices expectations index for the June quarter 2015 is 25.4 points, down from 26.3 points in the previous quarter and up from 24.2 points a year earlier.

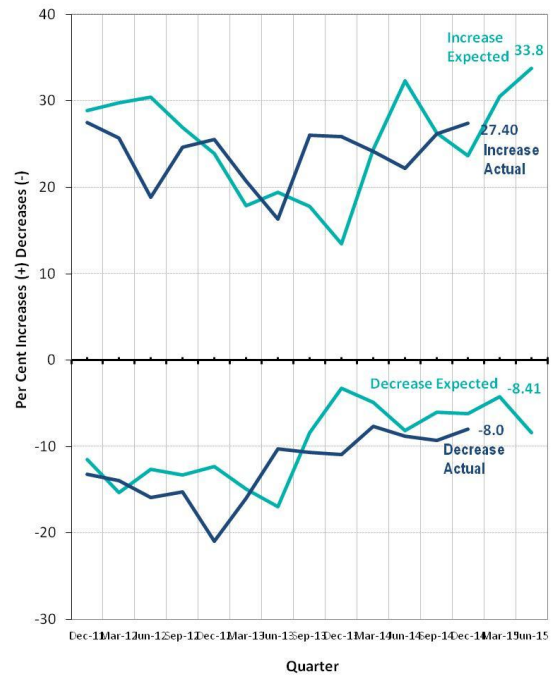
The proportion of firms expecting to have higher selling prices in the quarter ahead is 33.8 per cent, with 8.4 per cent expecting to have lower prices.

Actual performance

At 19.4 points, the actual prices index for the December 2014 quarter is up from 16.9 points last year and 14.9 points in the previous quarter.

27.4 per cent of businesses increased the level of their selling prices, while 8.0 per cent had decreased, compared to the same time the previous year.

Selling Prices: D&B Indexes
Component Responses



Selling Prices: D&B Index Mar Qtr 2011 to Jun Qtr 2015



D&B Survey Quarterly Indexes

Expected – Quarter Ahead: Net per cent of businesses expecting increases minus decreases

QUARTER	Sep 2013	Dec 2013	Mar 2014	Jun 2014	Sep 2014	Dec 2014	Mar 2015	Jun 2015
Sales	4.9	7.9	27.5	33.6	32.5	36.2	38.7	34.8
Profits	13.2	21.1	25.0	20.7	19.9	21.3	25.9	19.3
Employees	-3.3	-1.1	8.8	9.2	12.7	13.2	16.1	15.0
Capital Investment	-1.5	-0.4	7.2	10.0	12.1	10.4	14.9	14.8
Selling Prices	9.4	10.2	19.5	24.1	20.3	17.5	26.3	25.4

Actual – Quarter Behind: Net per cent of businesses reporting increases minus decreases

QUARTER	Mar 2013	June 2013	Sep 2013	Dec 2013	Mar 2014	June 2014	Sep 2014	Dec 2015
Sales	-1.1	-8.3	7.5	17.6	11.9	11.6	17.3	27.6
Profits	8.5	11.6	9.9	3.9	2.4	3.8	7.8	13.9
Employees	-4.8	-8	1.8	3.5	6.5	4.0	8.5	14.1
Capital Investment	-6.0	-4.2	5.3	6.0	8.2	7.4	10.2	12.6
Selling Prices	4.8	6.1	15.3	14.9	16.5	13.4	16.9	19.4

Survey Months	Jul- Sep 2013	Oct- Dec 2013	Jan- Mar 2014	Apr- June 2014	July- Sep 2014	Oct- Dec 2014	Jan- Feb 2015
Number of Responses	1230	1228	1261	1222	1223	1226	816

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

Final indexes: June quarter 2015 (Expected) and December quarter 2014 (Actual) findings are based on the 816 responses obtained during January and February 2015.

Expected – Quarter Ahead: Net per cent of businesses expecting increases minus decreases

QUARTER	Dec 2013	Mar 2014	Jun 2014	Sep 2014	Dec 2014	Mar 2015	Jun 2015
Sales Expectations							
Manufacturers:	23.5	41.8	41.8	39.5	30.9	34.3	38.0
Wholesalers:	29.1	28.9	28.9	44.9	41.7	42.6	25.7
Retailers:	34.7	23.7	23.7	20.9	27.1	37.5	34.5
Construction:	26.9	31.9	31.9	25.8	29.1	34.6	29.9
Transport, Communication, Utilities:	23.8	32.6	32.6	27.3	41.8	37.9	24.5
Finance, Insurance, Real Estate:	30.7	44.9	44.9	36.5	39.7	40.6	39.8
Services:	23.6	31.3	31.3	24.0	43.4	39.3	47.0
All Industries	27.5	33.6	33.6	32.5	36.2	38.7	34.8
Profits Expectations							
Manufacturers:	15.8	21.2	21.3	21.2	14.0	26.7	25.3
Wholesalers:	13.9	21.4	12.9	28.1	15.5	16.8	12.8
Retailers:	8.7	21.0	7.7	1.3	13.7	22.7	16.3
Construction:	24.0	30.1	13.0	19.5	14.2	27.8	16.2
Transport, Communication, Utilities:	35.6	23.7	30.7	16.7	22.3	21.7	16.6
Finance, Insurance, Real Estate:	21.5	27.6	37.9	26.2	38.9	33.3	27.6
Services:	27.0	30.0	21.2	26.2	33.6	28.3	24.4
All Industries	21.1	25.0	20.7	19.9	21.3	25.9	19.3
Employees Expectations							
Manufacturers:	-6.7	6.0	7.3	11.1	2.9	10.6	19.6
Wholesalers:	-4.9	5.0	11.0	11.9	10.5	10.3	14.7
Retailers:	1.7	3.9	1.5	3.6	9.1	15.3	11.8
Construction:	-2.2	9.1	5.7	16.2	13.4	21.5	22.0
Transport, Communication, Utilities:	4.3	8.2	9.0	8.9	11.7	16.0	8.4
Finance, Insurance, Real Estate:	-2.2	16.8	19.7	16.9	18.2	19.1	24.3
Services:	0.6	12.4	10.5	20.4	28.6	16.2	32.3
All Industries	-1.1	8.8	9.2	12.7	13.2	16.1	15.0

Expected – Quarter Ahead: Net per cent of businesses expecting increases minus decreases

QUARTER	Dec 2013	Mar 2014	Jun 2014	Sep 2014	Dec 2014	Mar 2015	Jun 2015
Capital Investment Expectations							
Manufacturers	1.2	8.2	11.4	13.1	9.2	15.7	15.6
Wholesalers	-2.3	9.5	11.7	18.1	10.6	13.2	3.7
Retailers	1.1	1.5	-1.2	8.6	1.9	13.9	14.6
Construction	-2.3	4.8	7.8	8.8	7.6	10.9	14.0
Transport, Communication, Utilities	-0.3	6.8	17.0	15.1	9.0	17.7	13.2
Finance, Insurance, Real Estate	-2.4	11.4	17.1	14.2	17.1	20.5	15.8
Services	1.9	8.4	6.5	6.9	16.4	11.5	13.0
All Industries	-0.4	7.2	10.0	12.1	10.4	14.9	14.8
Selling Prices Expectations							
Manufacturers	14.9	17.5	27.6	24.1	15.9	26.7	29.0
Wholesalers	10.3	25.1	23.5	26.5	14.9	38.9	46.3
Retailers	-3.1	11.9	27.4	25.5	15.5	27.9	35.2
Construction	20.1	23.5	26.5	17.2	19.2	25.3	30.7
Transport, Communication, Utilities	12.3	17.3	19.9	13.4	20.9	24.4	10.7
Finance, Insurance, Real Estate	13.1	20.8	23.7	12.3	17.5	25.5	5.6
Services	6.6	20.3	20.4	23.0	12.6	17.8	16.4
All Industries	10.2	19.5	24.1	20.3	17.5	26.3	25.4

Actual – Quarter Behind: Net per cent of businesses reporting increases minus decreases

QUARTER	Jun 2013	Sep 2013	Dec 2013	Mar 2014	Jun 2014	Sep 2014	Dec 2014
Sales Actual							
Manufacturers	-20.1	-2.4	9.6	7.4	9.2	7.7	36.9
Wholesalers	-16.3	19.0	12.2	12.6	12.9	11.2	30.6
Retailers	-11.3	5.0	15.7	-10.7	-1.5	21.4	33.4
Construction	-12.4	0.8	18.8	8.6	-1.7	19.5	32.7
Transport, Communication, Utilities	-6.8	12.5	26.4	13.5	20.2	18.8	5.9
Finance, Insurance, Real Estate	5.1	18.3	37.1	27.9	19.4	23.6	39.8
Services	-4.0	-0.5	3.3	24.0	22.9	19.0	14.0
All Industries	-8.3	7.5	17.6	11.9	11.6	17.3	27.6
Profits Actual							
Manufacturers	-0.8	3.6	-1.8	-6.3	-1.7	2.0	18.8
Wholesalers	2.3	12.3	-6.4	3.5	-2.7	0.1	14.7
Retailers	8.7	4.3	4.7	-11.0	-11.8	6.7	16.7
Construction	4.6	13.7	-2.4	1.0	-12.1	6.3	16.3
Transport, Communication, Utilities	27.2	14.9	11.7	2.5	17.6	11.0	1.8
Finance, Insurance, Real Estate	17.8	15.9	22.5	17.0	23.3	19.9	28.9
Services	15.2	4.3	-0.8	10.4	14.2	8.4	-2
All Industries	11.6	9.9	3.9	2.5	3.8	7.8	13.8
Employees Actual							
Manufacturers	-13.2	-5.2	-8.5	0.7	4.8	-1.1	16.7
Wholesalers	-3.3	-0.5	6.1	4.0	2.1	6.7	12.2
Retailers	-5.9	-4.2	3.5	-1.7	-8.6	6.8	17.0
Construction	-16.4	-2.2	-0.8	7.3	-1.5	15.4	18.6
Transport, Communication, Utilities	-1.7	7.2	9.7	9.6	5.6	10.5	7.6
Finance, Insurance, Real Estate	-3.1	12.0	10.1	17.4	10.5	13.6	19.4
Services	-11.3	5.5	4.3	7.9	14.9	7.6	7.0
All Industries	-8	1.8	3.5	6.5	4.0	8.5	14.1

Actual – Quarter Behind: Net per cent of businesses reporting increases minus decreases

QUARTER	Jun 2013	Sep 2013	Dec 2013	Mar 2014	Jun 2014	Sep 2014	Dec 2014
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Capital Investment Actual

Manufacturers	-5.5	5.2	3.4	8.0	14.0	4.1	14.1
Wholesalers	-5.7	8.9	3.7	7.0	8.0	8.5	15.3
Retailers	-5.4	0.6	3.9	1.3	0.8	8.2	19.9
Construction	0.2	6.4	7.2	11.5	-0.5	8.1	8.3
Transport, Communication, Utilities	-2.1	5.5	12.8	10.1	7.3	11.2	12.7
Finance, Insurance, Real Estate	-3.1	5.2	9.7	10.2	11.1	22.2	12.2
Services	-8.4	5.4	1.4	9.7	11.1	9.4	6.0
All Industries	-4.2	5.3	6.0	8.2	7.4	10.2	12.6

Selling Prices Actual

Manufacturers	10	18.1	12.2	6.5	18.4	13.9	27.2
Wholesalers	13.2	15.7	11.5	26.3	14.5	20.6	17.8
Retailers	-20	3.5	19.3	20.8	6.1	13.0	28.0
Construction	10.2	25.9	11.8	13.2	7.4	16.5	22.7
Transport, Communication, Utilities	7.5	17.6	15.5	14.4	16.4	19.1	16.6
Finance, Insurance, Real Estate	14.5	19.2	21.5	14.6	17.6	19.8	11.7
Services	12.5	7.4	12.9	19.7	13.3	15.7	11.8
All Industries	6.1	15.3	14.9	16.5	13.4	16.9	19.4

D&B Supplementary Questions

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

<i>(February 2015)</i>	Interest rates	Fuel prices	Cash flow	Wages & salary growth	Level of Australian dollar	Access to credit	Don't know	Total
All Firms	9.58	6.39	28.50	10.07	23.34	4.67	17.44	407 100%
Manufacturers	3.45	3.45	32.76	10.34	32.76	5.17	12.07	100%
Wholesale	1.72	3.45	24.14	1.72	44.83	3.45	20.69	100%
Retail	6.78	1.69	25.42	6.78	33.90	6.78	18.64	100%
Construction	15.5	1.72	32.76	12.07	5.17	5.17	27.56	100%
Transport etc	1.72	25.86	24.14	17.24	17.24	0.0	13.79	100%
Finance etc	29.3	1.72	22.41	5.17	17.24	10.34	13.79	100%
Services	8.62	6.90	37.93	17.24	12.07	1.72	15.52	100%

<i>(January 2015)</i>	Interest rates	Fuel prices	Cash flow	Wages & salary growth	Level of Australian dollar	Access to credit	Don't know	Total
All Firms	10.02	8.31	23.47	10.02	22.98	6.11	19.07	409 100%
Manufacturers	1.7	3.45	27.59	10.3	43.10	1.72	12.07	100%
Wholesale	3.45	6.9	17.2	5.17	53.45	0	13.79	100%
Retail	6.9	10.3	27.6	10.34	31.03	3.45	10.34	100%
Construction	20.7	1.72	29.31	8.62	8.62	15.52	15.52	100%
Transport etc	3.3	26.67	23.33	11.7	6.67	5.0	23.3	100%
Finance etc	24.14	1.72	17.24	5.17	10.34	12.07	29.31	100%
Services	10.17	6.78	22.03	18.64	8.47	5.08	28.81	100%

<i>(December 2014)</i>	Interest rates	Fuel prices	Cash flow	Wages & salary growth	Level of Australian dollar	Access to credit	Don't know	Total
All Firms	9.29	5.38	26.16	10.02	21.03	6.60	21.52	409 100%
Manufacturers	0	1.72	20.69	12.07	32.76	8.62	24.14	100%
Wholesale	5.17	0	31.03	8.62	31.03	1.72	22.41	100%
Retail	11.86	3.39	23.73	16.95	25.42	5.08	13.56	100%
Construction	15.52	3.45	31.03	13.79	10.34	8.62	17.24	100%
Transport etc	5.17	20.69	24.14	3.45	17.24	6.90	22.41	100%
Finance etc	22.03	3.39	20.34	5.08	8.47	8.47	32.20	100%
Services	5.08	5.08	32.20	10.17	22.03	6.78	18.64	100%

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

<i>(February 2015)</i>	Yes	No	Not sure/don't know	Total
All Firms	18.92	74.45	6.63	407 100%
Manufacturers	18.97	68.87	12.07	100%
Wholesale	12.07	82.76	5.17	100%
Retail	23.73	71.19	5.08	100%
Construction	25.86	68.97	5.17	100%
Transport etc	15.52	75.86	8.62	100%
Finance etc	18.97	77.59	3.45	100%
Services	17.24	75.86	6.90	100%

<i>(January 2015)</i>	Yes	No	Not sure/don't know	Total
All Firms	17.36	71.64	11.00	409 100%
Manufacturers	20.7	65.5	13.8	100%
Wholesale	8.62	82.76	8.62	100%
Retail	15.52	79.3	5.17	100%
Construction	15.52	74.14	10.34	100%
Transport etc	23.3	58.3	18.33	100%
Finance etc	13.79	74.14	12.07	100%
Services	23.73	67.8	8.47	100%

<i>(December 2014)</i>	Yes	No	Not sure/don't know	Total
All Firms	18.58	72.13	9.29	409 100%
Manufacturers	12.07	79.31	8.62	100%
Wholesale	15.52	74.14	10.34	100%
Retail	22.03	64.41	13.56	100%
Construction	20.69	74.14	5.14	100%
Transport etc	27.59	58.62	13.79	100%
Finance etc	22.03	69.49	8.47	100%
Services	10.17	84.75	5.08	100%

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

<i>(February 2015)</i>	Access/ shortage of skilled labour	Access/ shortage of funding	Weak demand for products	Unpaid invoices	Online selling by competi tors	Utilities and operating costs	Don't see any major barrier	Not sure/ don't know	Total
All Firms	11.1	7.62	19.90	2.95	12.04	11.06	25.31	10.07	407 100%
Manufacturers	18.9	8.62	13.79	3.45	8.62	24.14	13.79	8.62	100%
Wholesale	8.62	8.62	18.97	5.17	17.24	3.45	31.03	6.90	100%
Retail	6.78	3.39	23.73	3.39	15.25	3.39	32.20	11.86	100%
Construction	18.9	6.90	13.79	3.45	5.17	8.62	25.86	17.24	100%
Transport etc	12.1	3.45	24.14	3.45	8.62	10.34	25.86	12.07	100%
Finance etc	8.62	6.9	22.41	0.0	13.79	10.34	25.86	12.07	100%
Services	3.45	15.52	22.41	1.72	15.52	17.24	22.41	1.72	100%

<i>(January 2015)</i>	Access/ shortage of skilled labour	Access/ shortage of funding	Weak demand for products	Unpaid invoices	Online selling by competi tors	Utilities and operating costs	Don't see any major barrier	Not sure/ don't know	Total
All Firms	10.2	8.07	16.6	2.4	10.27	9.29	33.9	9.05	409 100%
Manufacturers	8.62	10.3	22.41	0	1.7	18.9	29.3	8.6	100%
Wholesale	5.17	5.17	12.07	6.9	12.07	6.9	39.66	12.07	100%
Retail	12.1	1.72	8.62	1.72	18.9	12.1	39.6	5.17	100%
Construction	6.90	12.1	18.97	1.72	5.17	6.90	41.38	6.90	100%
Transport etc	18.3	8.33	16.7	3.33	8.33	11.7	23.33	10.00	100%
Finance etc	8.62	6.90	20.69	1.72	13.79	5.17	27.59	15.52	100%
Services	11.8	11.8	16.9	1.69	11.8	3.39	37.29	5.08	100%

<i>(Dec 2014)</i>	Access/ shortage of skilled labour	Access/ shortage of funding	Slow growth in demand for products	Unpaid invoices	Online selling by competi tors	Utilities and operating costs	Don't see any major barrier	Not sure/ don't know	Total
All Firms	10.7	10.02	19.07	4.16	14.91	17.85	23.23		409 100%
Manufacturers	6.9	6.9	20.7	10.34	12.07	29.31	13.79		100%
Wholesale	10.3	8.62	15.52	1.72	25.86	18.97	18.97		100%
Retail	11.8	8.47	11.8	1.69	27.12	11.8	27.12		100%
Construction	17.2	5.17	24.6	10.34	3.45	18.97	17.24		100%
Transport etc	6.90	10.34	18.97	1.72	20.69	15.52	25.86		100%
Finance etc	6.7	13.56	15.25	0	8.47	15.25	40.68		100%
Services	15.2	16.9	23.73	3.39	6.78	15.25	18.64		100%

Thinking about the quarter ahead, will the current level of the Australian dollar have a positive or negative impact on your business?

<i>(February 2015)</i>	Positive impact	No impact	Negative impact	Not sure/ don't know	Total
All Firms	24.82	32.92	36.6	5.65	407 100%
Manufacturers	25.86	31.03	31.0	12.07	100%
Wholesale	22.41	6.90	67.2	3.45	100%
Retail	28.81	11.86	55.9	3.93	100%
Construction	20.69	60.34	17.2	1.72	100%
Transport etc	34.48	29.31	31.0	5.17	100%
Finance etc	18.97	43.10	29.3	8.62	100%
Services	22.41	48.28	24.1	5.17	100%

<i>(January 2015)</i>	Positive impact	No impact	Negative impact	Not sure/ don't know	Total
All Firms	20.05	39.36	31.7	8.80	409 100%
Manufacturers	27.6	17.24	43.1	12.07	100%
Wholesale	12.07	15.52	63.7	8.62	100%
Retail	22.4	34.48	37.9	5.17	100%
Construction	17.24	53.45	20.7	8.62	100%
Transport etc	13.33	51.67	21.6	13.4	100%
Finance etc	31.03	39.66	22.4	6.90	100%
Services	16.95	62.71	13.5	6.78	100%

<i>(Dec 2014)</i>	Significant positive impact	Small positive impact	No impact	Small negative impact	Significant negative impact	Not sure/ don't know	Total
All Firms	4.65	18.34	40.83	17.85	7.33	11.00	409 100%
Manufacturers	6.9	32.76	25.86	20.69	6.90	6.90	100%
Wholesale	5.17	22.41	29.31	17.24	15.5	10.34	100%
Retail	3.39	15.25	25.42	25.42	10.2	20.34	100%
Construction	0.0	15.52	55.17	13.79	1.72	13.79	100%
Transport etc	8.62	8.62	44.83	15.52	8.62	13.79	100%
Finance etc	0	20.34	54.25	13.5	5.08	6.78	100%
Services	8.47	13.56	50.9	18.64	3.39	5.08	100%

Have any of your customers or suppliers become insolvent during 2013 or been otherwise unable to pay you?

(February 2015)

	Yes	No	Not sure/don't know	Total
All Firms	34.24	63.79	1.97	407 100%
Manufacturers	32.76	60.34	6.90	100%
Wholesale	46.55	50.0	3.45	100%
Retail	42.37	57.63	0.0	100%
Construction	29.31	67.24	3.45	100%
Transport etc	36.21	63.79	0.0	100%
Finance etc	24.56	75.44	0.0	100%
Services	27.59	72.41	0.0	100%

(January 2015)

	Yes	No	Not sure/don't know	Total
All Firms	37.75	57.60	4.66	409 100%
Manufacturers	37.93	56.90	5.17	100%
Wholesale	48.28	48.28	3.45	100%
Retail	48.28	48.28	3.45	100%
Construction	27.59	68.97	3.45	100%
Transport etc	40.0	55.0	5.0	100%
Finance etc	28.07	63.16	8.77	100%
Services	33.90	62.71	3.39	100%

(Dec 2014)

	Yes	No	Not sure/don't know	Total
All Firms	35.45	60.4	4.16	409 100%
Manufacturers	41.38	53.45	5.17	100%
Wholesale	46.55	48.28	5.17	100%
Retail	47.46	49.15	3.39	100%
Construction	24.14	74.14	1.72	100%
Transport etc	34.48	62.07	3.45	100%
Finance etc	33.90	59.32	6.78	100%
Services	20.34	76.27	3.39	100%

Are you generally more optimistic about business growth this year compared to 2014?

<i>(February 2015)</i>	Yes	No	Not sure/don't know	Total
All Firms	63.95	27.16	8.89	407 100%
Manufacturers	79.31	17.24	3.45	100%
Wholesale	55.17	34.48	10.34	100%
Retail	55.93	32.20	11.86	100%
Construction	62.50	26.79	10.71	100%
Transport etc	63.79	25.86	10.34	100%
Finance etc	65.52	29.31	5.17	100%
Services	65.52	24.14	10.34	100%

<i>(January 2015)</i>	Yes	No	Not sure/don't know	Total
All Firms	72.62	20.5	6.85	409 100%
Manufacturers	72.4	20.7	6.90	100%
Wholesale	72.4	25.9	1.7	100%
Retail	74.1	22.4	3.45	100%
Construction	81.03	12.07	6.90	100%
Transport etc	53.3	31.7	15.0	100%
Finance etc	81.03	13.79	5.17	100%
Services	74.58	16.95	8.47	100%

<i>(Dec 2014)</i>	Yes	No	Not sure/don't know	Total
All Firms	65.52	24.14	10.34	409 100%
Manufacturers	63.79	25.86	10.34	100%
Wholesale	50.0	31.03	18.97	100%
Retail	59.65	35.09	5.26	100%
Construction	74.14	18.97	6.90	100%
Transport etc	70.69	15.52	13.79	100%
Finance etc	70.69	20.69	8.62	100%
Services	69.49	22.03	8.47	100%

If you find yourself unable to pay all of your bills, which of the following would you choose to pay late/miss?

<i>(January 2015)</i>	Phone	Internet	Utilities	Suppliers	Rent/m ortgage	Business loan/ overdraft	Business credit card		Total
All Firms	6.23	2.56	9.16	44.32	8.42	9.52	19.78		409 100%
Manufacturers	2.50	2.50	10.0	65.0	10.0	5.0	5.0		100%
Wholesale	7.32	0	12.2	46.34	12.2	9.76	12.20		100%
Retail	7.50	2.50	10.0	55.0	5.0	15.0	5.0		100%
Construction	10.8	0	5.4	40.54	8.11	8.11	27.03		100%
Transport etc	6.25	3.13	6.25	37.50	6.25	9.38	31.25		100%
Finance etc	5.13	0.0	12.8	25.64	12.82	7.69	35.90		100%
Services	4.55	9.09	6.82	38.64	4.55	11.36	25.0		100%

<i>(Dec 2014)</i>	Phone	Internet	Utilities	Suppliers	Rent/m ortgage	Business loan/ overdraft	Business credit card	Not sure/ don't know	Total
All Firms	5.70	4.39	9.65	35.09	5.70	11.40	28.07		409 100%
Manufacturers	8.82	2.94	2.94	52.94	2.94	5.88	23.53		100%
Wholesale	6.06	6.06	9.09	45.45	6.06	6.06	21.21		100%
Retail	3.13	0	15.63	40.63	6.25	15.63	18.75		100%
Construction	3.23	0	9.68	48.39	3.23	19.35	16.13		100%
Transport etc	0.0	11.11	11.11	33.33	3.70	7.41	33.33		100%
Finance etc	6.25	0	12.5	12.5	9.38	21.88	37.50		100%
Services	10.2	10.2	7.69	15.4	7.69	5.13	43.59		100%

<i>(Nov 2014)</i>	Phone	Internet	Utilities	Suppliers	Rent/m ortgage	Business loan/ overdraft	Business credit card	Not sure/ don't know	Total
All Firms									408 100%
Manufacturers	5.0	5.0	7.50	50.0	5.0	5.0	22.50	0	100%
Wholesale	6.90	0	10.34	67.93	3.45	10.34	31.03	0	100%
Retail	12.1	3.03	6.06	33.33	15.15	0.0	30.30	0	100%
Construction	2.86	8.57	14.29	20.0	5.71	20.0	28.57	0	100%
Transport etc	14.7	8.82	11.8	29.41	2.9	0	32.35	0	100%
Finance etc	6.25	9.38	12.5	18.75	6.25	3.13	43.75	0	100%
Services	18.7	3.13	6.25	25.0	3.13	9.38	34.38	0	100%