

News release

Global survey finds Indonesia's business optimism ranks number 1 amongst 37 economies

Net percentage of businesses
optimistic in the economic outlook

	Indonesia	98
	India	93
	Philippines	84
	Malta	82
	New Zealand	76
	Australia	75
	Netherlands	68
	Ireland	66
	Nigeria	60
	Georgia	52
	Sweden	50
	Canada	50
	Germany	50
	Brazil	45
	United States	43
	Poland	32
	Mainland China	30
	Argentina	26
	Italy	26
	Finland	24
	Botswana	24
	United Kingdom	21
	Spain	20
	Thailand	18
	Mexico	14
	Turkey	10
	South Africa	10
	Russia	6
	Lithuania	4
	Estonia	-2
	France	-5
	Armenia	-8
	Malaysia	-12
	Latvia	-22
	Singapore	-28
	Greece	-34
	Japan	-37

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Grant Thornton's International Business Report (IBR), a quarterly global business survey of 37 economies finds business optimism in Indonesia ranks number 1 globally, at 98%. The IBR also reveals that business optimism in Indonesia for the next 12 months not just sit on top, but also improved the most among all economies, moving up 38 percentage points (pp) in the 3rd quarter of 2016. In contrast, optimism in the Asia Pacific region as a whole slipped 1pp (28pp in Q2 to 27pp in Q3) while global economy only went up 1pp (32pp in Q2 to 33pp in Q3).

The survey showed that the rise in business optimism is made evident in the investment in plant and machinery (increase of 22pp) and investment in new building (increase of 10pp).

The climate of investment in Indonesia is now more attractive since President Joko Widodo (Jokowi) implemented series of deregulation policy packages, ranging from lowering the cost of energy to industry, to open in a more international investment sector, to reducing the time of loading and unloading of goods in major ports, and other deregulation moves.

"We believe that the economic packages issued by President Jokowi have given the most contribution to boost Indonesia's business optimism. IBR also reveals that Indonesian business leaders said they will implement three important things: improve sales force effectiveness, expand the business domestically, and increase the investment in marketing to achieve sustainable growth in the next twelve months," said Johanna Gani, Managing Partner of Grant Thornton Indonesia.

"While the optimism in Asia Pacific is travelling in different direction this quarter, we should be thankful that our optimism is on the rise. But let's not just stop here. Both government and business leaders should continue to work hand in hand with the hope that the Indonesian economy in the next quarter or even in 2017 will keep its confidence and more investors will come to Indonesia," Johanna Gani remarks.

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Notes to editors

The Grant Thornton International Business Report (IBR), launched in 1992 initially in nine European countries, now provides insight into the views and expectations of more than 10,000 businesses per year across 37 economies. More information: www.grantthornton.global

Questionnaires are translated into local languages with each participating country having the option to ask a small number of country specific questions in addition to the core questionnaire. Fieldwork is undertaken on a quarterly basis, primarily by telephone. IBR is a survey of both listed and privately held businesses. The data for this release are drawn from interviews with more than 2,600 chief executive officers, managing directors, chairmen or other senior executives from all industry sectors conducted in July to September 2016.

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