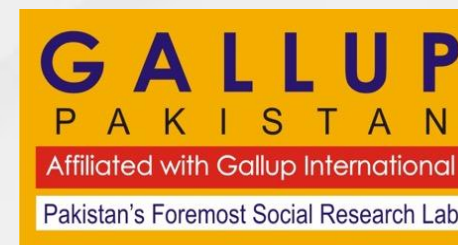


GALLUP PAKISTAN **BUSINESS CONFIDENCE INDEX** **(BCI)**

2nd Quarter 2025 Report
(Findings cover April May June 2025)

**Measuring the sentiments of business community in Pakistan
through a statistically accurate method**





Gallup Pakistan Business Confidence Index (BCI)* – An Introduction

Business Confidence Index is a crucial and globally used indicator for forecasting economic activity as particularly suitable for monitoring short-term changes in the economy.

Why measure? Business activity indicators, if timely available, give policy makers the chance to analyze the current situation & take appropriate policy actions to avert financial and other economic crises.

Business Confidence Index offers opportunity for businesses to contribute directly to the **policy formulation process** by sharing their perceptions of current and future economic and business conditions.

Another use of **Business Confidence Index** is that forward-looking monetary policy requires input on expectations of different agents and stakeholders of the economy.

This survey was conducted with **524 businesses** across Pakistan from 23rd July till 27th July 2025, by Gallup Pakistan, which specialized in data analytics and data creation.

Surveyed firms include manufacturing, services, construction, wholesale and retail trade and financial services sector spread across the country to seek their opinions on production, employment, and economic conditions etc.

This is the 15th report of the recently launched Gallup Pakistan Business Confidence Index

*Business Confidence Survey in Pakistan is produced also by State Bank of Pakistan in collaboration with IBA, Karachi. The reports are available at [State Bank of Pakistan \(sbp.org.pk\)](https://sbp.org.pk). The Gallup Pakistan Business Confidence Survey covers a broader range of the business community, including registered and non-registered businesses, and small, medium, and large enterprises. The SBP survey covers SECP registered businesses (there are approximately 6 million businesses in Pakistan and only 100,000 are registered with the SECP) and prioritizes large businesses from among them. Hence, the results between Gallup Pakistan and SBP surveys might not necessarily match.



GALLUP PAKISTAN BUSINESS CONFIDENCE SURVEYS OVER TIME



QUARTER	TIMELINE	LINK
Q2 2020	April-May-June	Q2 2020 (CLICK HERE)
Q3 2020	July-August-September	Survey not conducted
Q4 2020	October-November-December	Q4 2020 (CLICK HERE)
Q1 2021	January-February-March	Survey not conducted
Q2 2021	April-May-June	Q2 2021 (CLICK HERE)
Q3 2021	July-August-September	Survey not conducted
Q4 2021	October-November-December	Q4 2021 (CLICK HERE)
Q1 2022	January-February-March	Q1 2022 (CLICK HERE)
Q2 2022	April-May-June	Survey not conducted
Q3 2022	July-August-September	Survey not conducted
Q4 2022	October-November-December	Q4 2022 (CLICK HERE)
Q1 2023	January-February-March	Q1 2023 (CLICK HERE)
Q2 2023	April-May-June	Q2 2023 (CLICK HERE)
Q3 2023	July-August-September	Q3 2023 (CLICK HERE)
Q4 2023	October-November-December	Survey not conducted
Q1 2024	January-February-March	Q1 2024 (CLICK HERE)
Q2 2024	April-May-June	Q2 2024 (CLICK HERE)
Q3 2024	July-August-September	Survey not conducted
Q4 2024	October-November-December	Q4 2024 (CLICK HERE)
Q1 2025	January-February-March	Survey not conducted
Q2 2025	April-May-June	RELEASING NOW



WHAT IS COVERED IN THE REPORT

1. Business Confidence Index

Gallup Pakistan Business Confidence Index is composed of three strands



a. **Current Business Conditions Score** – The score represents the net value of the **positive – negative**.

A positive Current Business confidence score means more businesses are confident/positive about current business conditions than those who are **not** confident/positive.



b. **Future Business Condition Score** – The score represents the net value of the **positive-negative**

A positive Future Business Score represents that more businesses are confident/optimistic about the future than those who are **not** confident/optimistic.



c. **Direction of the Country Score** – The score represents the net value of the **positive –negative**

A positive Direction of the country Score represents that more businesses are optimistic about the Direction of the country being Right vs those who think it is **not** right.

2. Other Business Research topics . Each quarter we look at a different set of issues. In this current edition of BCI we explore :

- Extent of Load shedding faced by business community in Pakistan
- Extent of corruption faced by business community in Pakistan
- Whether businesses are hiring or firing employees?
- Perceived performance of current Federal Government.



3 KEY FINDINGS – Q2 2025 REPORT



KEY FINDING 1: The ‘Direction of the Country Score’ has seen a major improvement since Q4 2024 and the index is at -2% which is the border between poor confidence and fair confidence as defined by Gallup. The score is at its highest when past 4 years progress is reviewed. The direction of the country score is highest since Q4 2021 .

KEY FINDING 2: Current Business score (one of the three strands of Gallup BCI) has seen major improvement since Q4 2024. More businesses are saying that things have improved. On Future Business Situation the optimism seems to have plateaued since Q4 2024 and there is only 1% improvement.

Key Findings 3: Overall, all the three strands of Gallup Business Confidence have seen an improvement since Q4 2024, showing there is growing optimism in the business community. Among the three strands, direction of the country continues to be less buoyant, which may be reflective of the overall political situation in the country and less linked with economic management. Similarly future business sentiment seems to have plateaued.

Strand 1: Current Business Situation Score		
• Q2 2025:	20%	↑
• Q4 2024:	10%	
Strand 2: Future Business Situation Score		
• Q2 2025:	22%	↑
• Q4 2024:	21%	
Strand 3: Direction of the Country Score		
• Q2 2025:	-2%	↑
• Q4 2024:	-24%	

Interpretation of the Score

A positive score means more businesses are feeling positive/confident/optimistic

A negative score means more businesses are feeling negative /pessimistic

Legend

+1% to 25% = Fair Confidence
+26 to 75% = Great Confidence
+75% to 100% = Excellent Confidence

-1% to -25% = Poor Confidence
-26 to -75% = Negative Confidence
-75% to -100% = Deep Negative Confidence



Gallup Pakistan Business Confidence Assessment (trend over previous quarters)



Gallup Pakistan Business Confidence Index for	Q4 2022 Score	Q1 2023 Score	Q2 2023 Score	Q3 2023 Score	Q1 2024 Score	Q2 2024 Score	Q4 2024 Score	Q2 2025 Score	Direction Q4 2024 vs. Q2 2025	Assessment for Q2 2025 (this report)
Strand 1 Current Business Situation Score	-31%	-32%	-26%	-1%	6%	-10%	10%	20%	Improvement	Fair Confidence
Strand 2 Future Business Situation Score	-10%	-22%	-20%	22%	4%	-14%	21%	22%	Improvement	Fair Confidence
Strand 3 Direction of the Country Score	-75%	-79%	-77%	-47%	-60%	-64%	-24%	-2%	Improvement	Poor Confidence

LEGEND

+1% to 25% = Fair Confidence
 +26 to 75% = Great Confidence
 +75% to 100% = Excellent Confidence

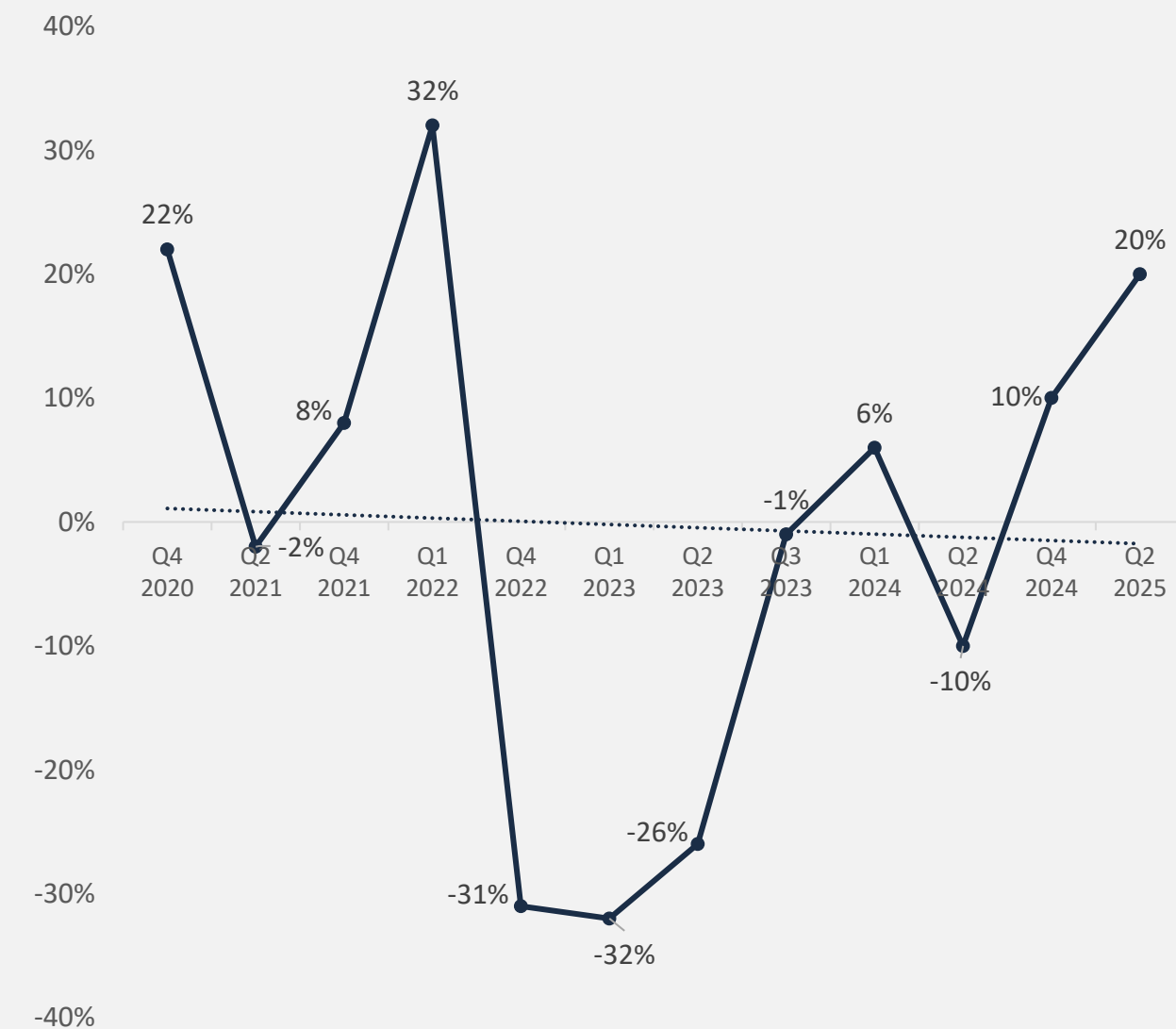
-1% to -25% = Poor Confidence
 -26 to -75% = Negative Confidence
 -75% to -100% = Deep Negative Confidence

Note : Field work in Quarter 3 was not conducted so data is not available. For methodology please visit methodology section towards end of the report

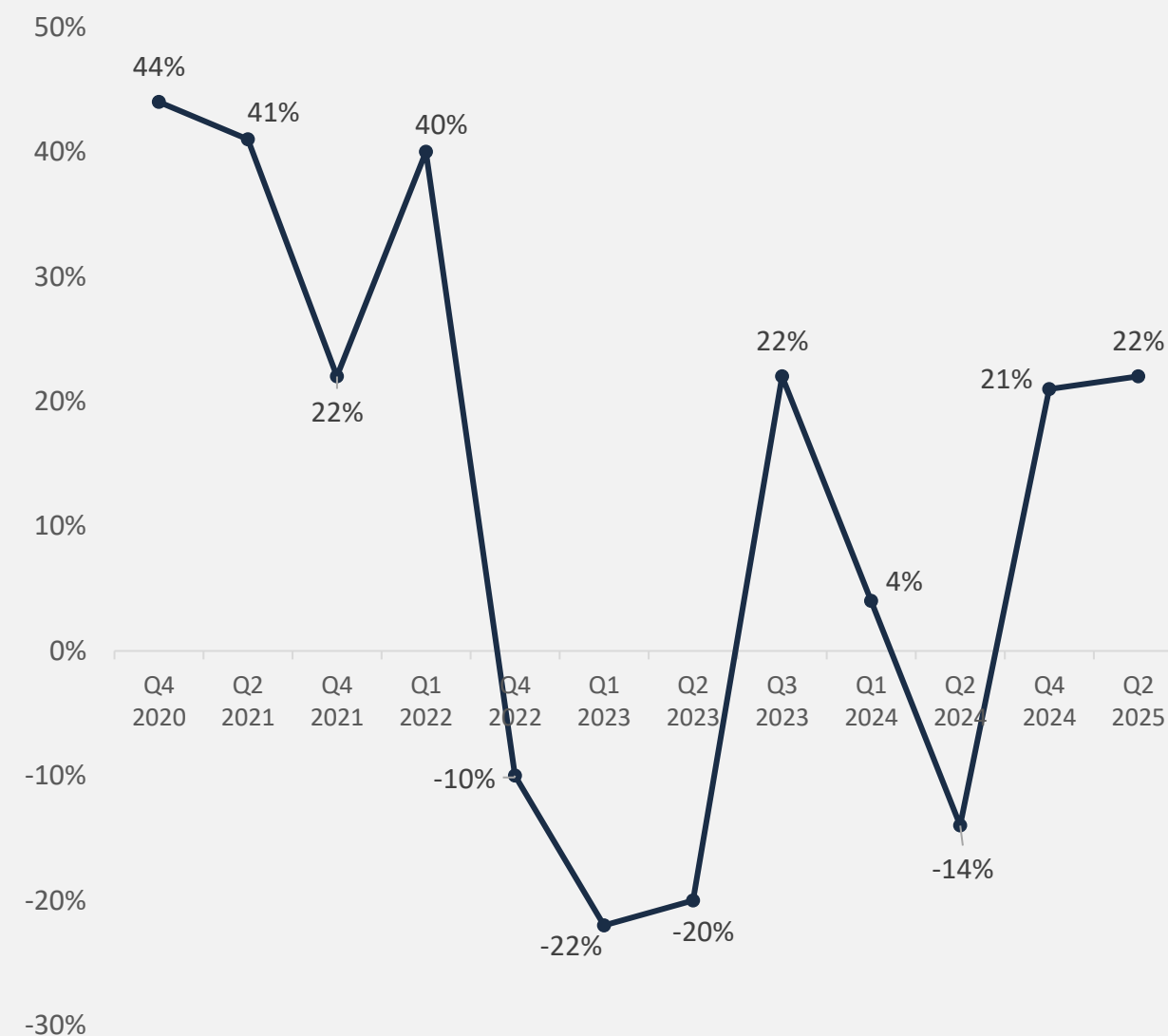
Three strands of Gallup Pakistan Business Confidence Index – SUMMARY SNAPSHOT (2020- 2025)



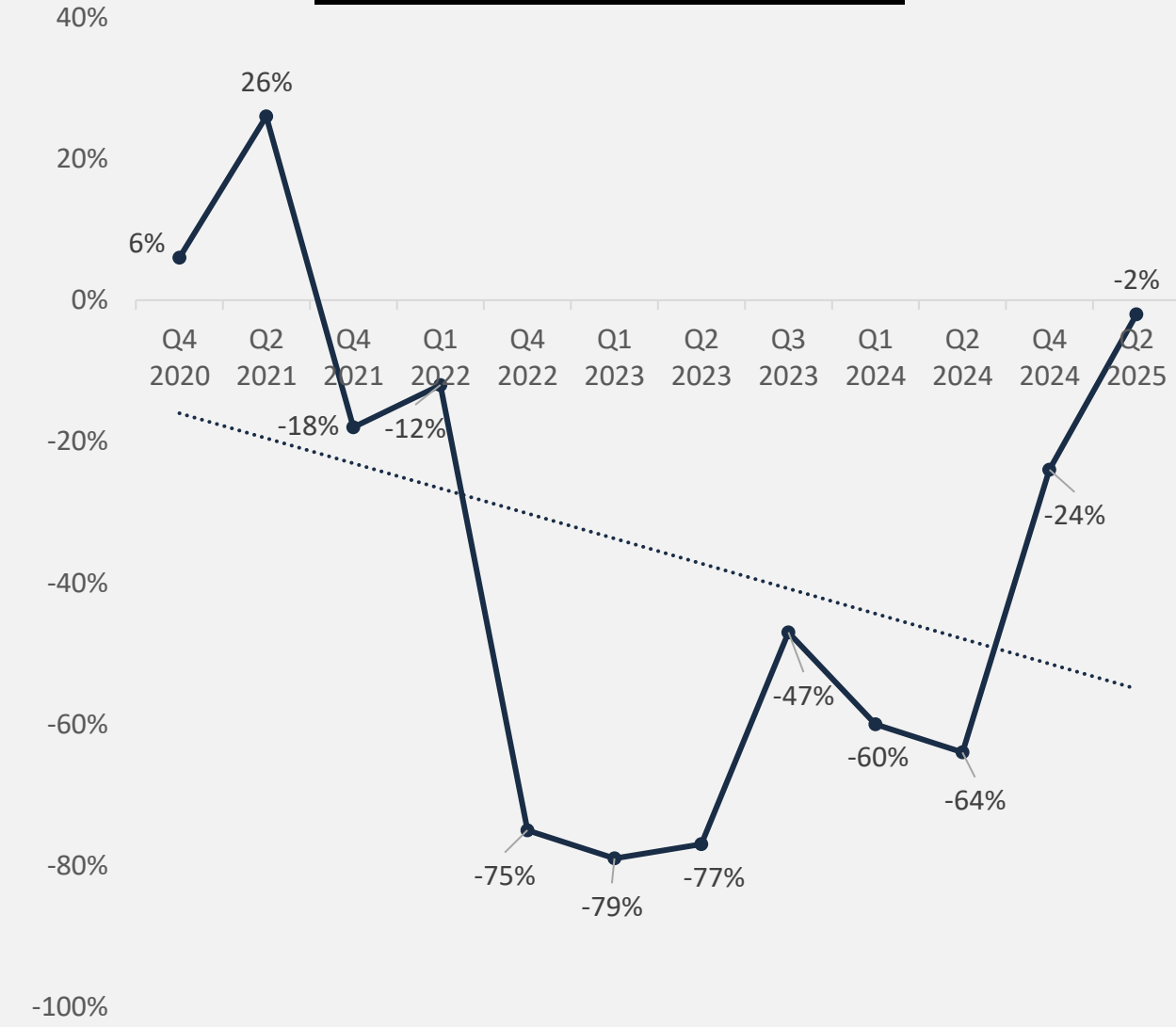
Current Business Situation Score



Future Business Situation Score



Direction of the Country Score



Between Q4 2024 and Q2 2025, there is an overall improvement in all three scores: the current business score, the future business score and the direction of country score.



EXECUTIVE SUMMARY



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EXECUTIVE SUMMARY



Finding 1: 61% Surveyed businesses say their business is doing well these days (either very good or good). There is a 6% improvement since Q4 2024 (about six months ago) when the same question was asked. There is also reduction of around 5% in businesses who rate their current situation as very bad. Manufacturing sector seems to have recovered less than services and trade sector when it comes to rating current business situation.

Finding 2: In Q2 2025, the same percentage of businesses as in Q4 2024 believe their business will be better off in the future.; 61% in Q2 2025 said expectations for the future are positive, while 39% expect things to get worse. The Net Future Business Confidence score has increased by 1% since Q4 2024.

Finding 3: 11% less businesses in Quarter 2 of 2025, as compared to Quarter 4 of 2024, think that the country is heading in the wrong direction. Overall trend for the past few quarters has been consistently negative, however there is some improvement in the current quarter.



EXECUTIVE SUMMARY



Finding 4: Similar to Q4 2024, inflation is the most cited problem in Q2 2025 that 28% of businesses would like the government to solve. The proportion of businesses that want the government to solve/decrease taxation decreased from 15% to 11%.

Finding 5: 53% of businesses surveyed said 'no' loadshedding happened in their establishment on the day of the survey, while 47% said yes. Quarter-to-Quarter reports of load shedding increase: 3% more businesses in Quarter 2 2025 report loadshedding in their business on the day they were surveyed. However, when compared to Q2 of 2024 and Q2 of 2023 , the reported load shedding is lower .

Finding 6: Q2 2025 showed an improvement, as 15% of businesses reported paying a bribe, compared to a higher percentage in Q4 2024 (34%). More traders report having to pay a bribe (20%) than manufacturers (12%) and service providers (13%).

Finding 7: In Q2 2025, less businesses (34%) viewed economic management as worse, while more (46%) believed it has improved. Those rating PMLN government is better than PTI has seen an increase from 24% in Q2 2024 to 46% in Q2 2025. This reflects a positive shift in public perception of the PML-N government's handling of the economy.



SECTION 1:

Gallup Pakistan Business Confidence Index



Gallup Pakistan Business Confidence Index Yardstick

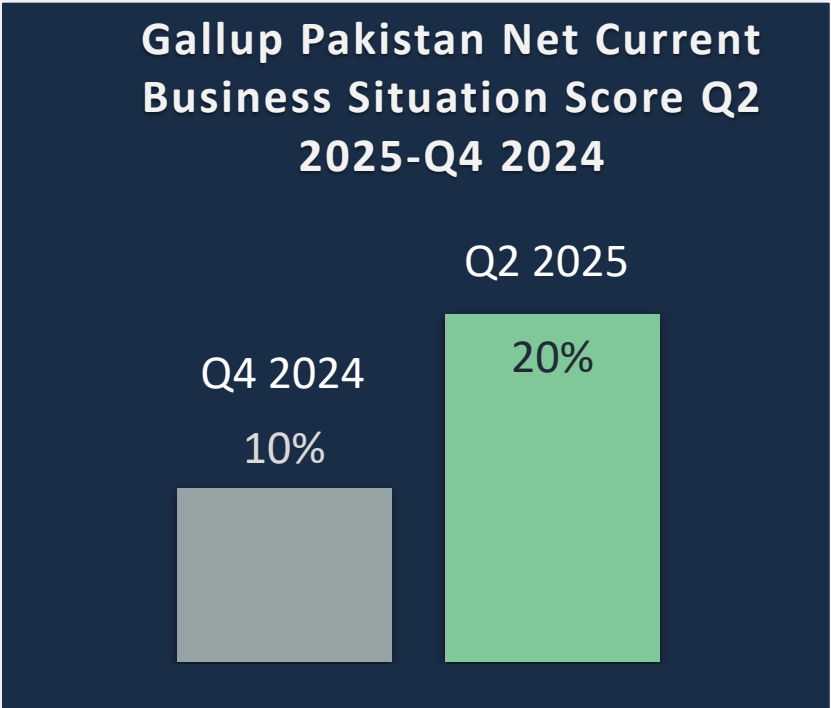
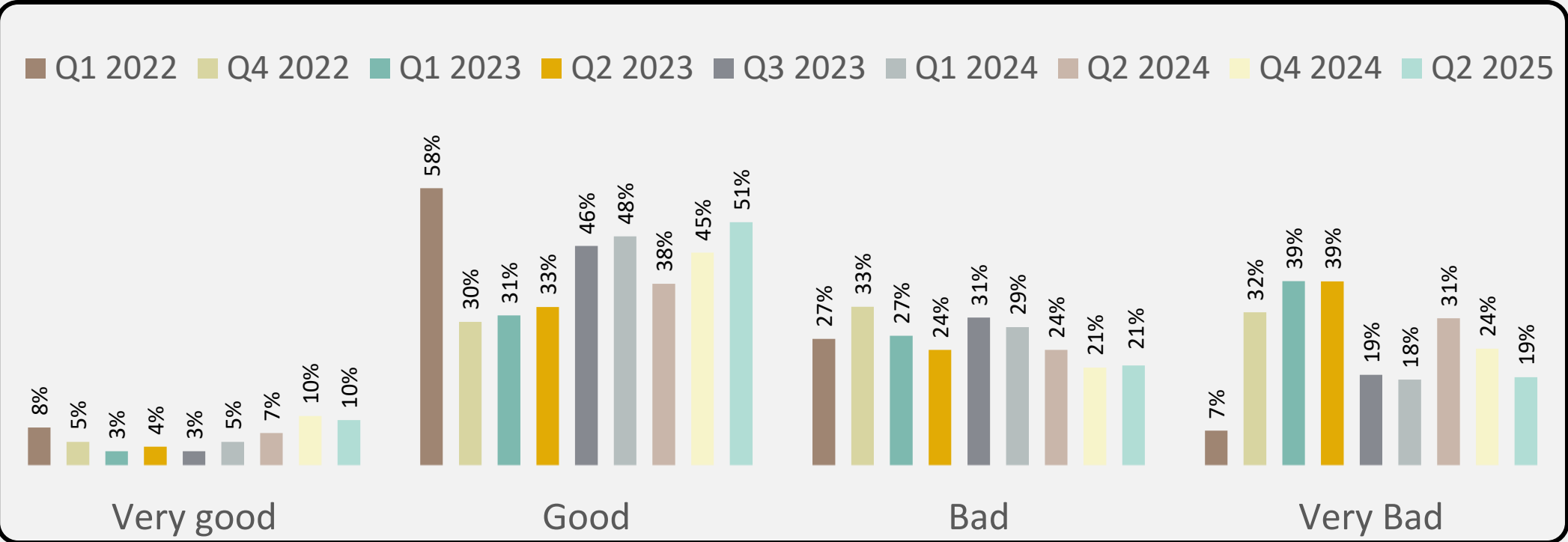
1:

Current Business Conditions Score



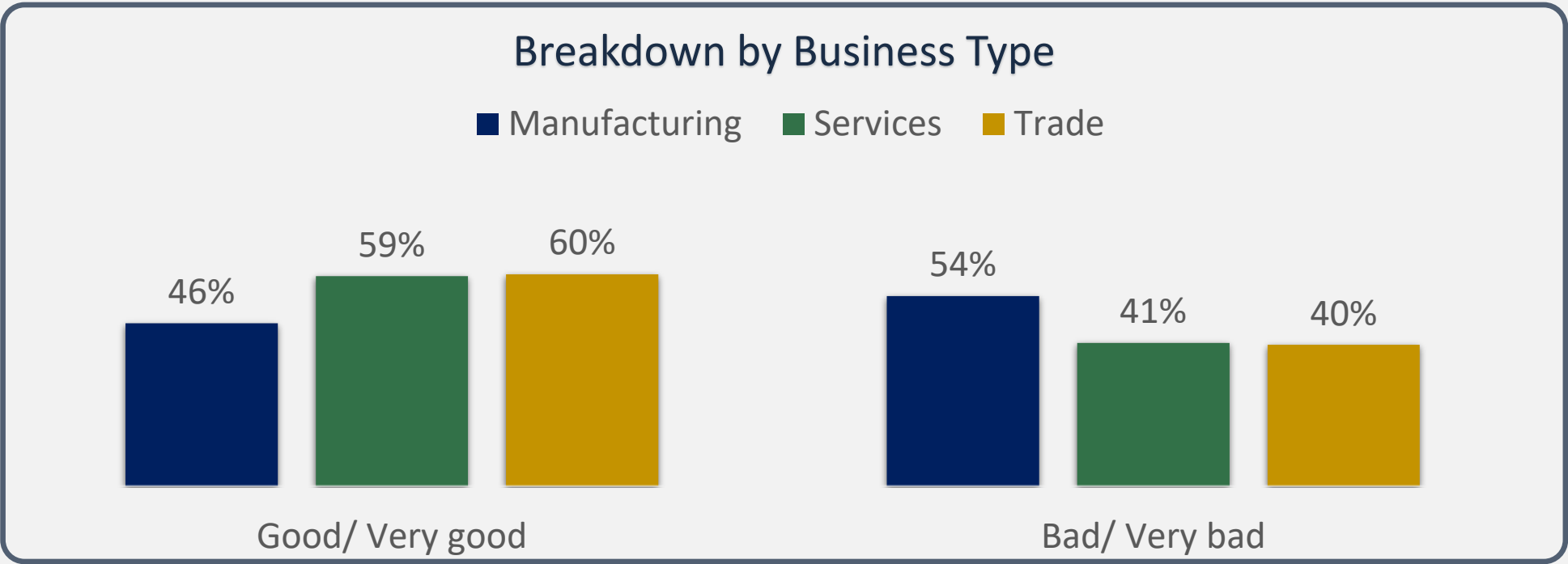
61% Surveyed businesses say their business is doing well these days (either very good or good). There is a 6% improvement since Q4 2024 (about six months ago) when the same question was asked. There is also reduction of around 5% in businesses who rate their current situation as very bad. Manufacturing sector seems to have recovered less than services and trade sector when it comes to rating current business situation.

Question: How well is your business doing nowadays? Would you say it is very good, good, bad, or very bad?



Since Q4 2024, the current business assessment has improved, with a 10% increase in the net proportion of people claiming their business situation to be good.

DISCLAIMER: Error margin for disaggregated results, for example, by business type is significantly higher than overall results so caution should be used in interpreting the results.

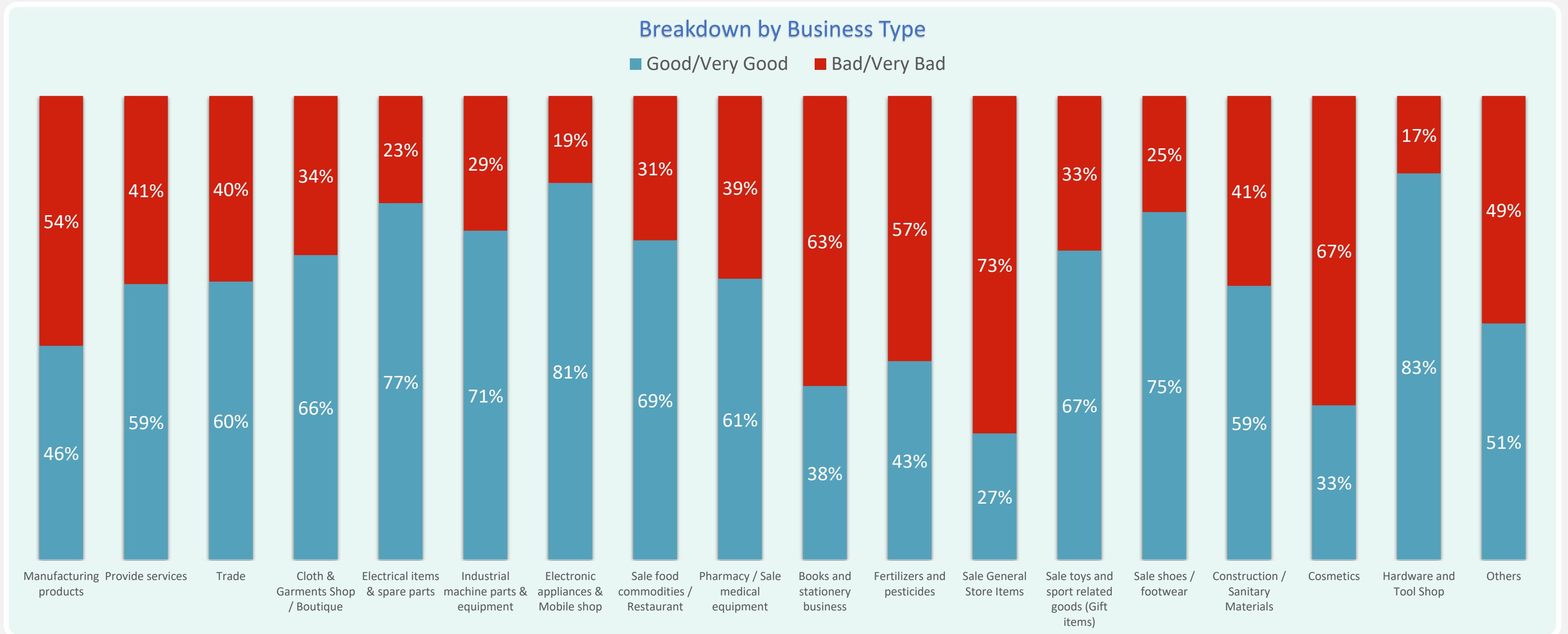


54% of manufacturing businesses and 41% of service businesses reported their current business conditions to be doing badly.



A mix of pessimistic and optimistic expectations for current business conditions characterizes the 2nd quarter of 2025 when it comes to types of businesses surveyed. Optimism ranged from 83% to 27% depending on business types in the country interviewed in this survey.

Question: How well is your business doing nowadays? Would you say it is very good, good, bad, or very bad?



DISCLAIMER: Error margin for disaggregated results, for example, by business type is significantly higher than overall results so caution should be used in interpreting the results.

Source: Gallup Pakistan Business Confidence Survey with N 524 businesses in Pakistan (Report 15, Quarter 2 2025)

Gallup Pakistan Business Confidence Index Yardstick

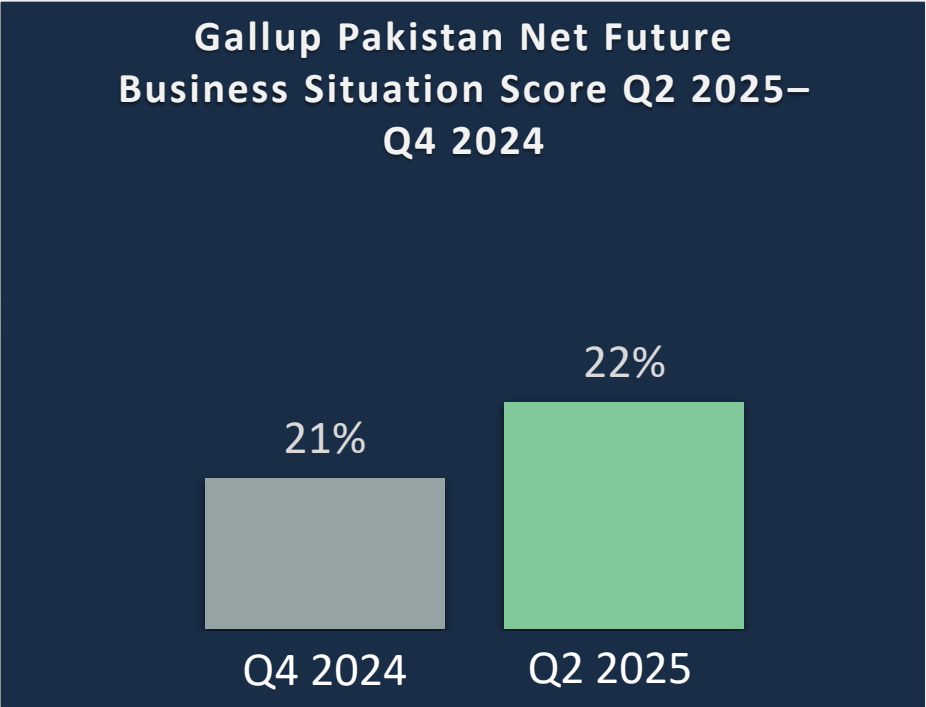
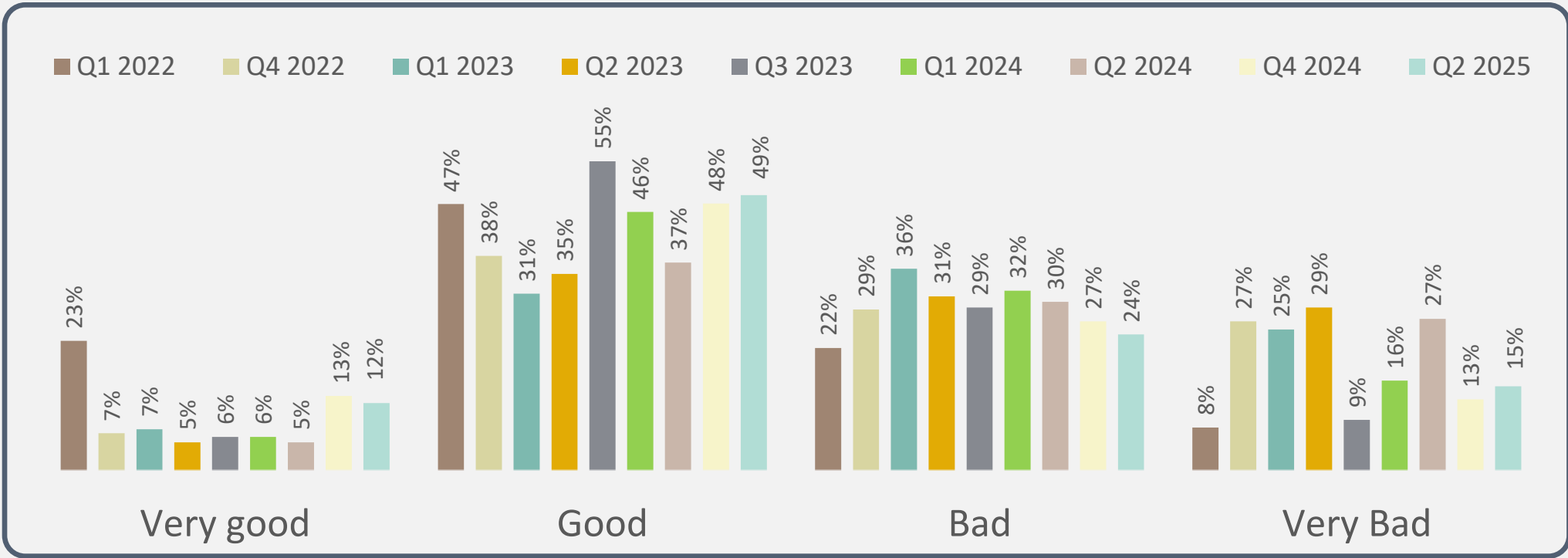
2:

Future Business Conditions Score

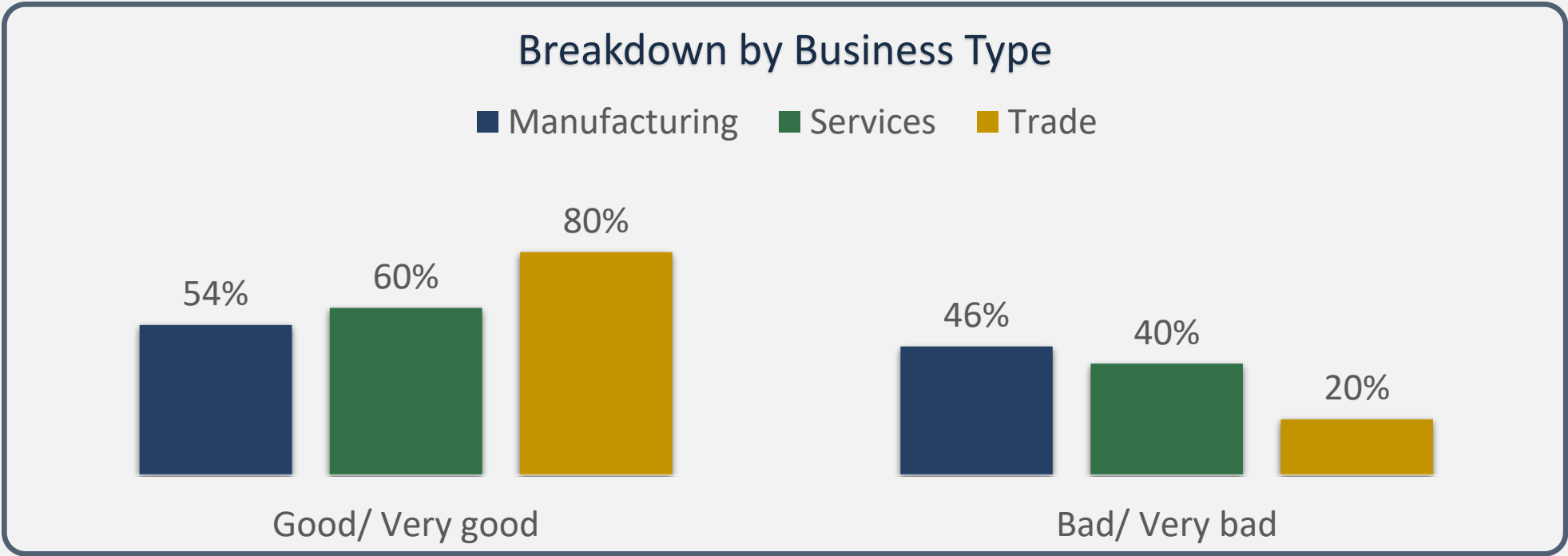


In Q2 2025, the same percentage of businesses as in Q4 2024 believe their business will be better off in the future.; 61% in Q2 2025 said expectations for the future are positive, while 39% expect things to get worse. The Net Future Business Confidence score has increased by 1% since Q4 2024.

Question: What are your expectations for the future of your business compared to the past?



Net Future Business Situation Score has improved by 1% since Q4 2024



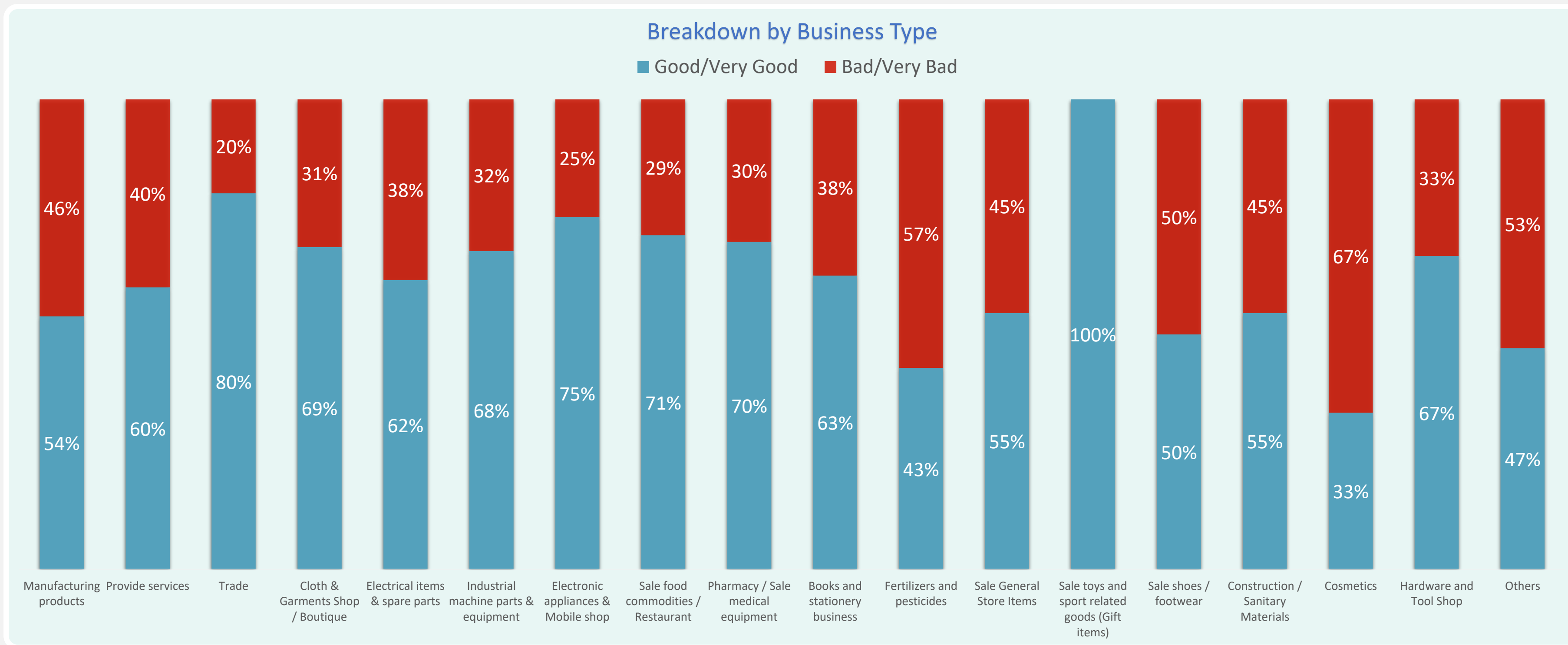
Optimistic outlook for future business prospects dominates the landscape for both service- and trade-oriented businesses

DISCLAIMER: Error margin for disaggregated results, for example, by business type is significantly higher than overall results so caution should be used in interpreting the results.



Overall, across different sectors, business are optimistic that in future their business would improve.

Question: What are your expectations for the future of your business compared to the past?



DISCLAIMER: Error margin for disaggregated results, for example, by business type is significantly higher than overall results so caution should be used in interpreting the results.

Source: Gallup Pakistan Business Confidence Survey with N 524 businesses in Pakistan (Report 15, Quarter 2 2025)

Gallup Pakistan Business Confidence Index Yardstick

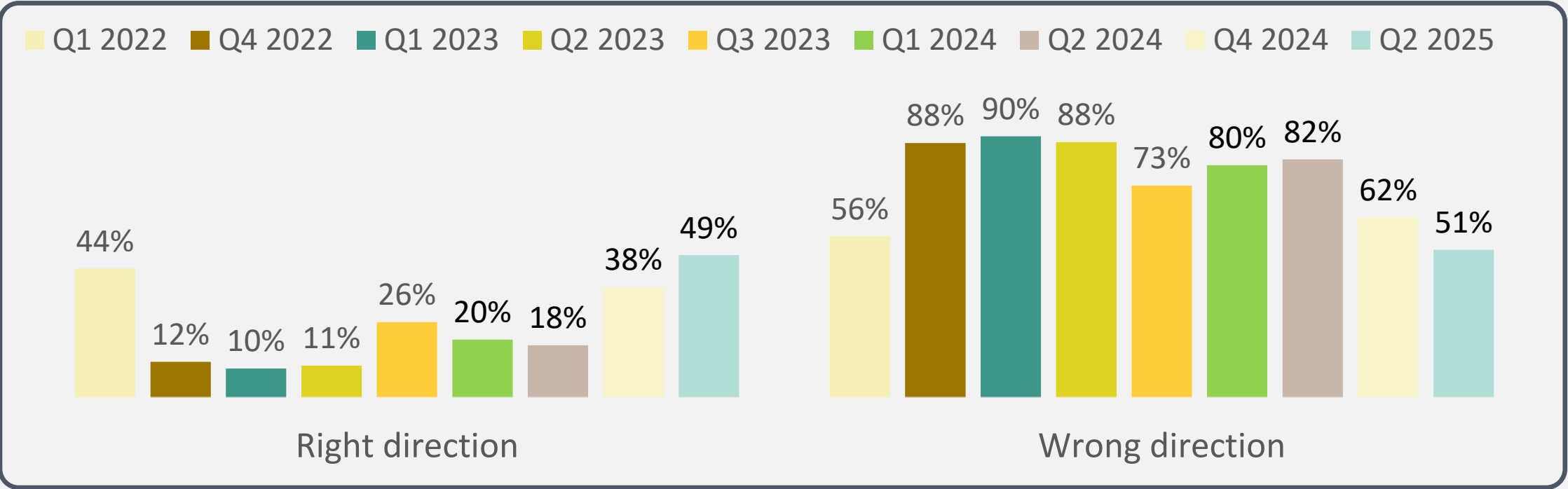
3:

Direction of Country Score

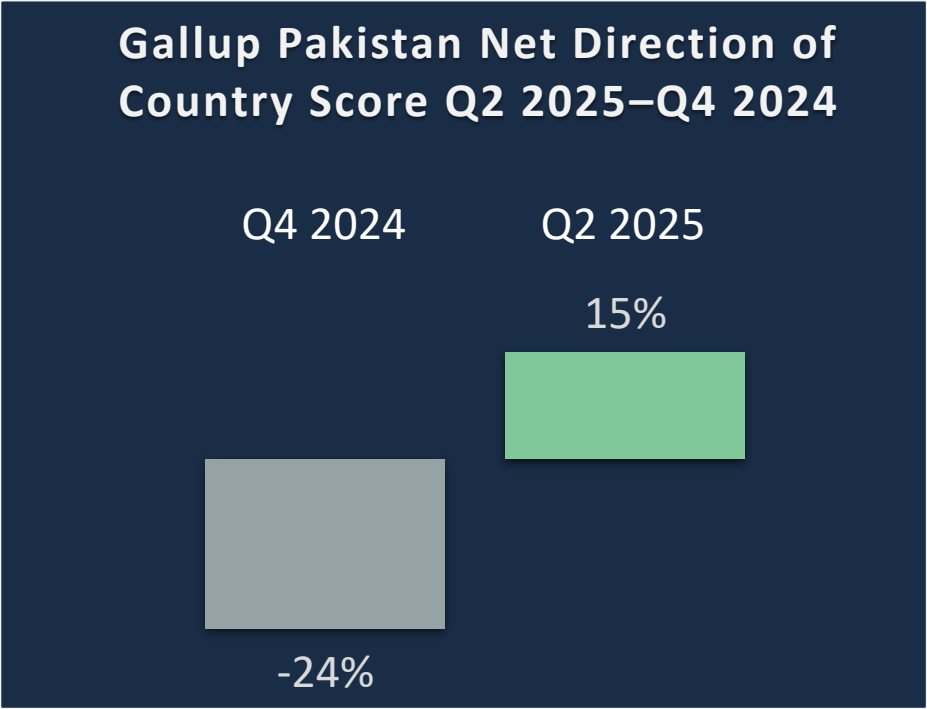


11% less businesses in Quarter 2 of 2025, as compared to Quarter 4 of 2024, think that the country is heading in the wrong direction. Overall trend for the past few quarters has been consistently negative, however there is some improvement in the current quarter.

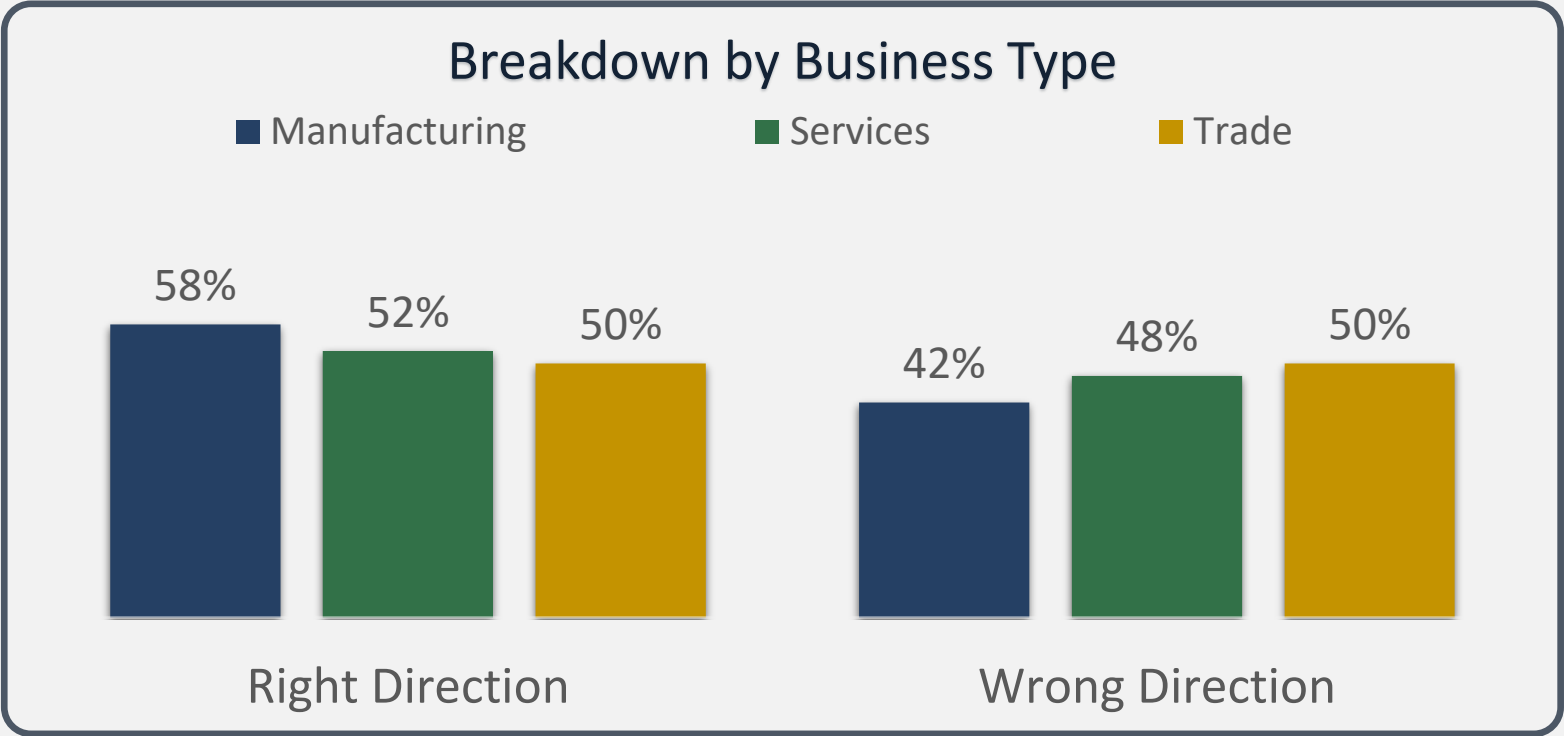
Question: What is your opinion on the direction of the country? Are we headed in the right direction or wrong direction?



Net Direction of Country Score has improved by 39% since Q4 2024



DISCLAIMER: Error margin for disaggregated results, for example, by business type is significantly higher than overall results so caution should be used in interpreting the results.



Manufacturers and service are split in their perceptions of the direction of the country, while trade providers slightly hold a pessimistic outlook



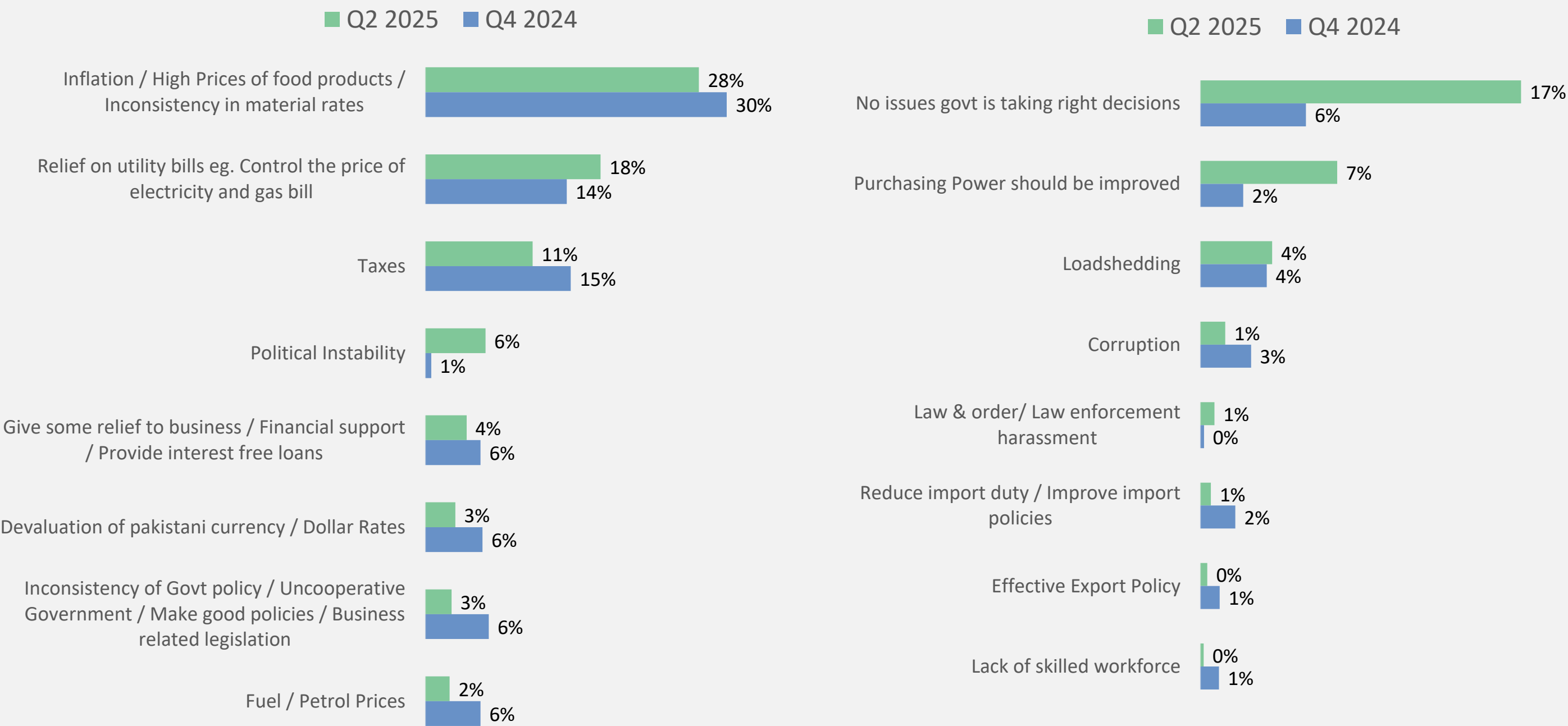
SECTION 4:

Problems Affecting Businesses in Pakistan



Similar to Q4 2024, inflation is the most cited problem in Q2 2025 that 28% of businesses would like the government to solve. The proportion of businesses that want the government to solve/decrease taxation decreased from 15% to 11%.

Question: Which problems affecting your business considerably would you want the government to solve?



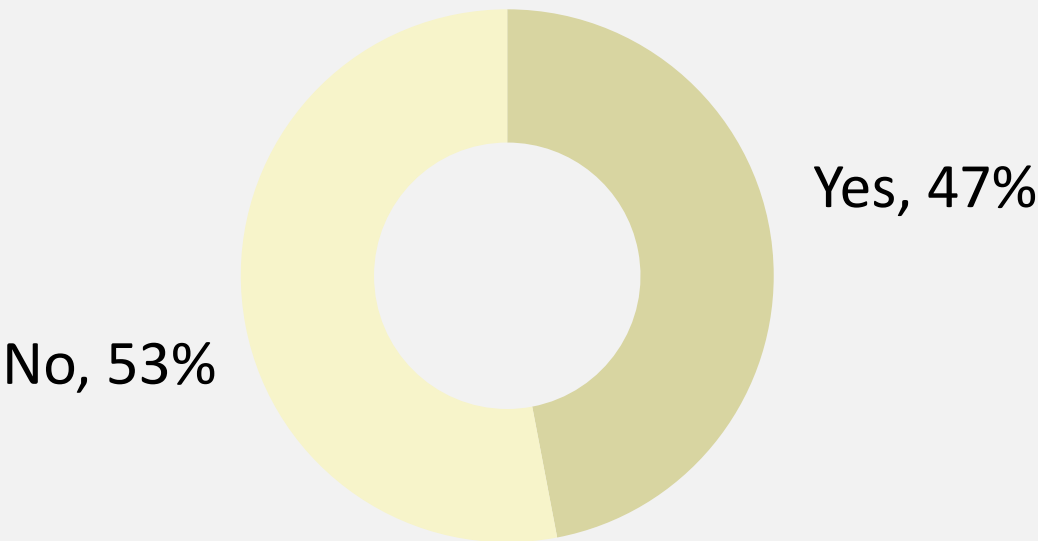
The most common issue businesses wanted the government to solve in Q2 2025 was inflation (28%) and utility bills relief (18%), followed closely by taxes (11%). The proportion of businesses that believed the government is taking the right decisions increased by 11% since Q4 2024.



Topic 2: 53% of businesses surveyed said ‘no’ loadshedding happened in their establishment on the day of the survey, while 47% said yes.
Quarter-to-Quarter reports of load shedding increase: 3% more businesses in Quarter 2 2025 report loadshedding in their business on the day they were surveyed. However, when compared to Q2 of 2024 and Q2 of 2023 , the reported load shedding is lower .

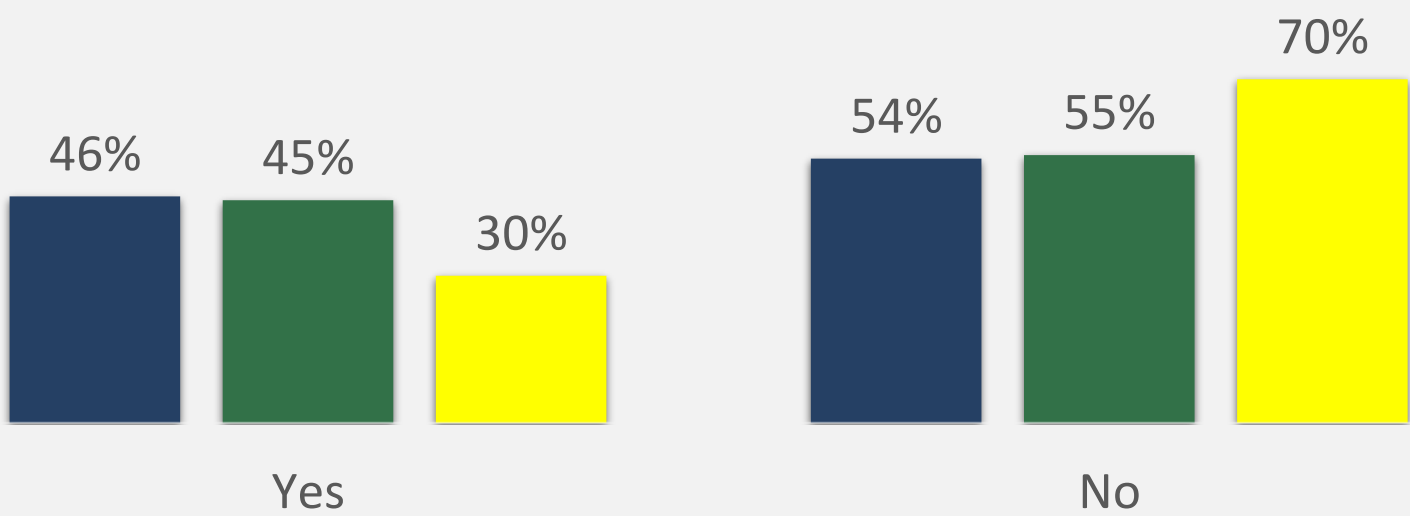
Question: Was there load shedding in your business today?

Overall in current wave



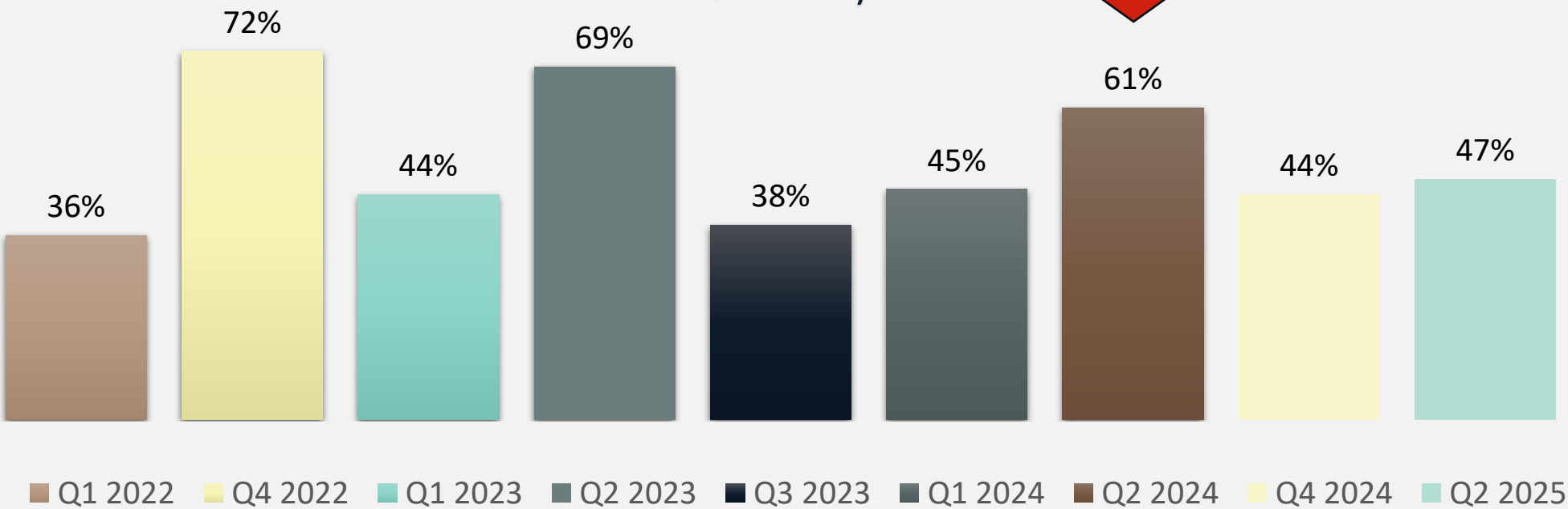
Breakdown by Business Type

■ Manufacturing ■ Services ■ Trade



30% of traders reported experiencing loadshedding in Q2 2025

Trend Analysis



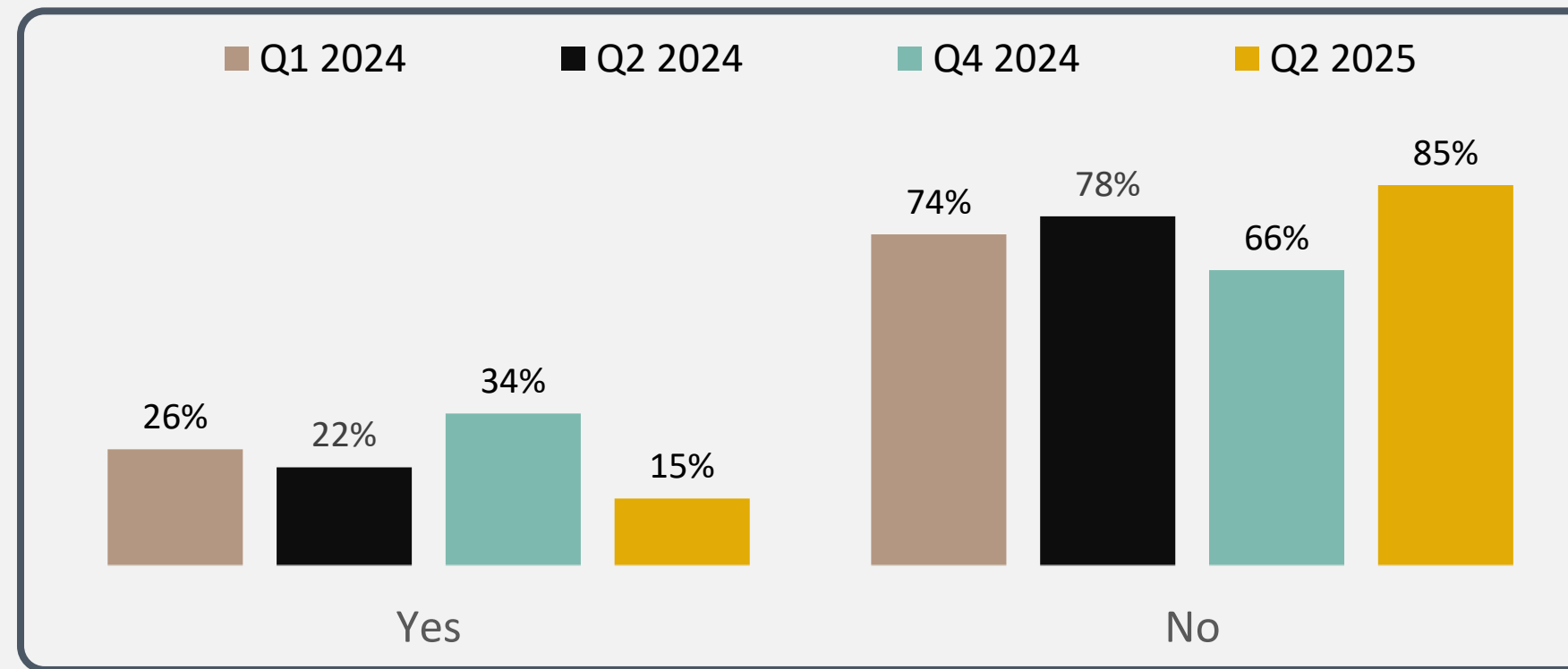
In Q2 2025, the proportion of businesses that experienced load-shedding within a day increase by 3% since Q4 2024.

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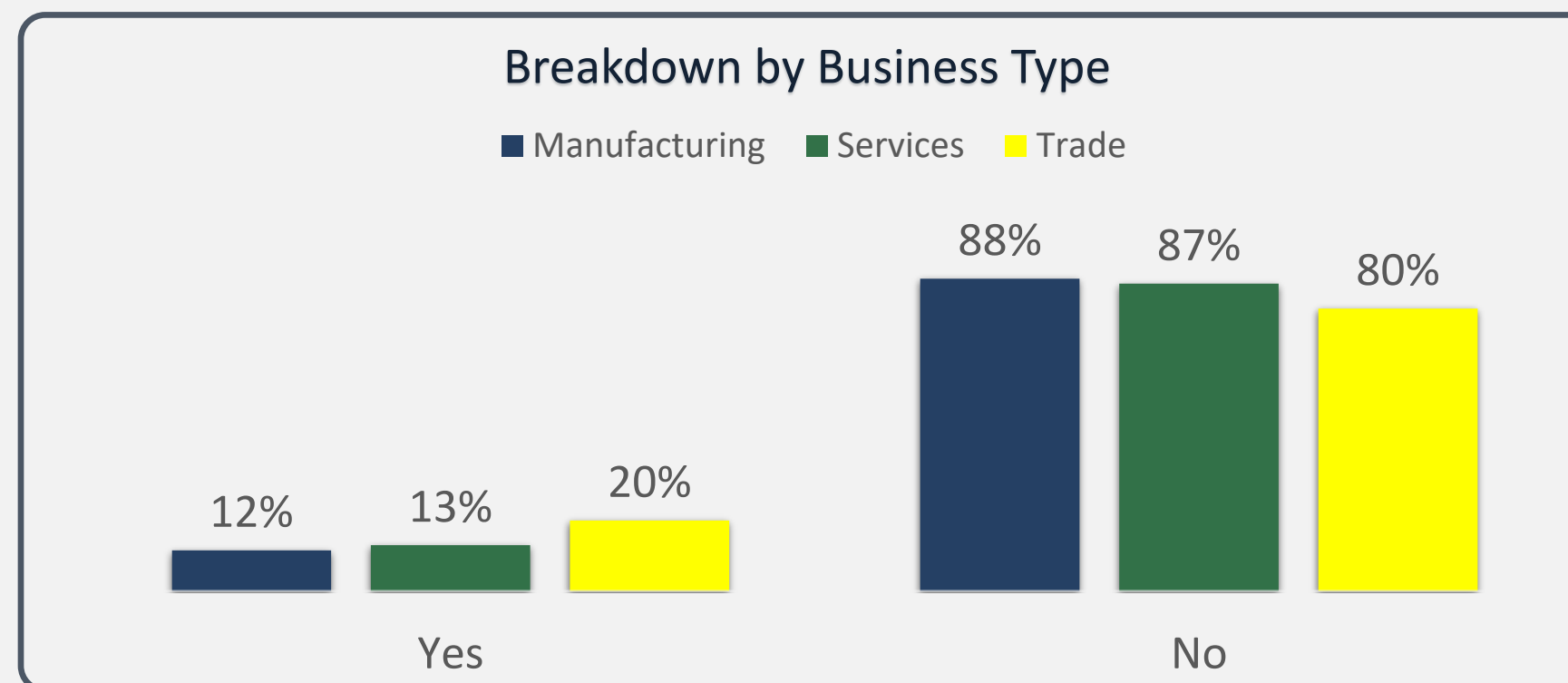
Topic 3: Q2 2025 showed an improvement, as only 15% of businesses reported paying a bribe, compared to a higher percentage in Q4 2024 (34%). More traders report having to pay a bribe (20%) than manufacturers (12%) and service providers (13%).

Question: Did you have to pay bribe to anyone in past six months to run your business?



More traders report having to pay a bribe (20%) than service providers (13%) and manufacturers (12%)

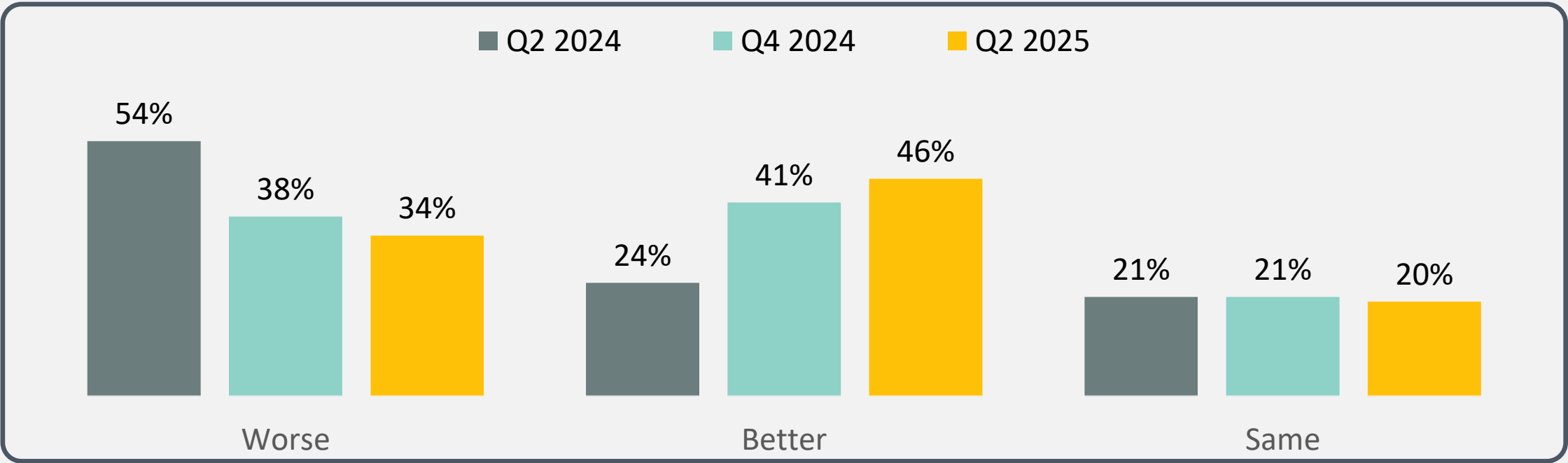
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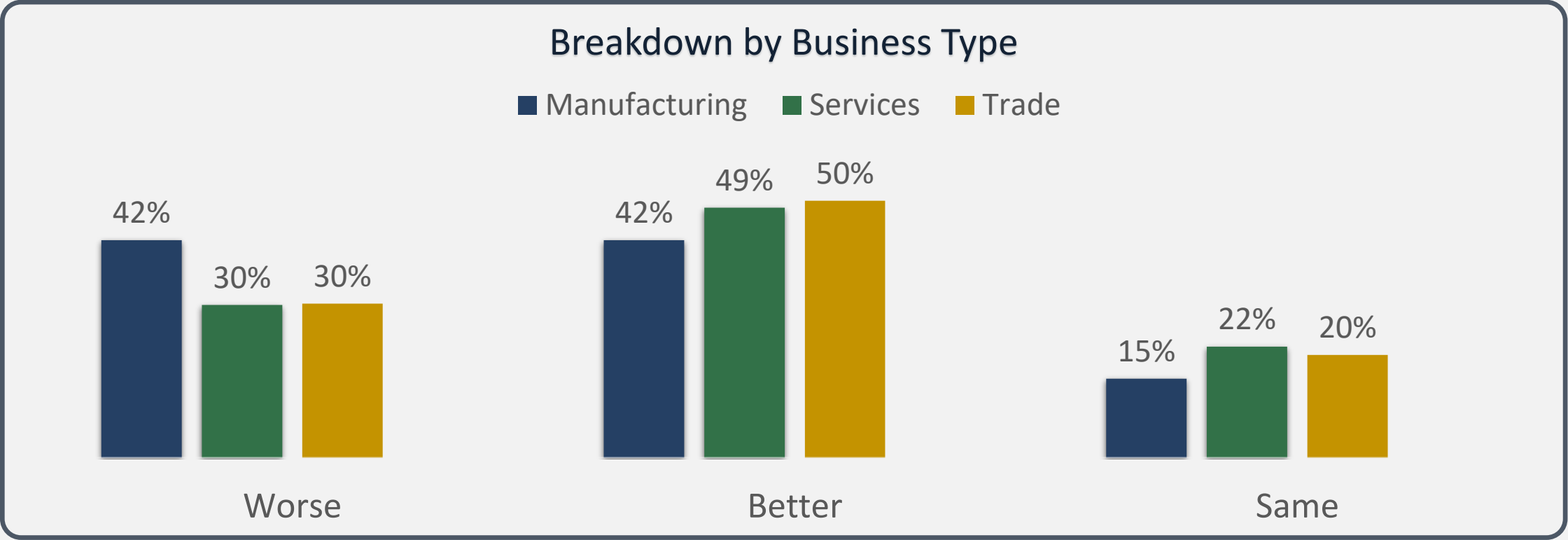
Source: Gallup Pakistan Business Confidence Survey with N 524 businesses in Pakistan (Report 15, Quarter 2 2025)

Topic 4 : In Q2 2025, less businesses (34%) viewed economic management as worse, while more (46%) believed it has improved. Those rating PMLN government is better than PTI has seen an increase from 24% in Q2 2024 to 46% in Q2 2025. This reflects a positive shift in public perception of the PML-N government’s handling of the economy.

Question: Do you think PMLN government is better worse or same as previous government in managing the economy?



34% of the businesses thought that the PMLN government was worse than the previous government in managing the economy.



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Methodology and Sample Profile

GALLUP PAKISTAN BUSINESS CONFIDENCE INDEX IN PAKISTAN



METHODOLOGY DETAILS

Sample Size:

N=524 businesses across Pakistan

Method of Interview:

Phone surveys

Field Dates:

23rd July 2025 - 27th July 2025

Field Agency:

Gallup Pakistan (*established since 1980 and member of Gallup International- www.gallup.com.pk*)

For more information on methodology please write to: amnah.imtiaz@gallup.com.pk

Please note that the figures have been rounded off to the nearest whole for the sake of comprehension.

DISCLAIMER : This is an internally funded study by Gallup Pakistan without relying on an outside source. Although maximum care has been taken but we do not take any responsibility of error or omission. We urge care and precaution in using the statistics reported here. Gallup Pakistan is not responsible for any gain or loss arising out of the use of statistics reported here.

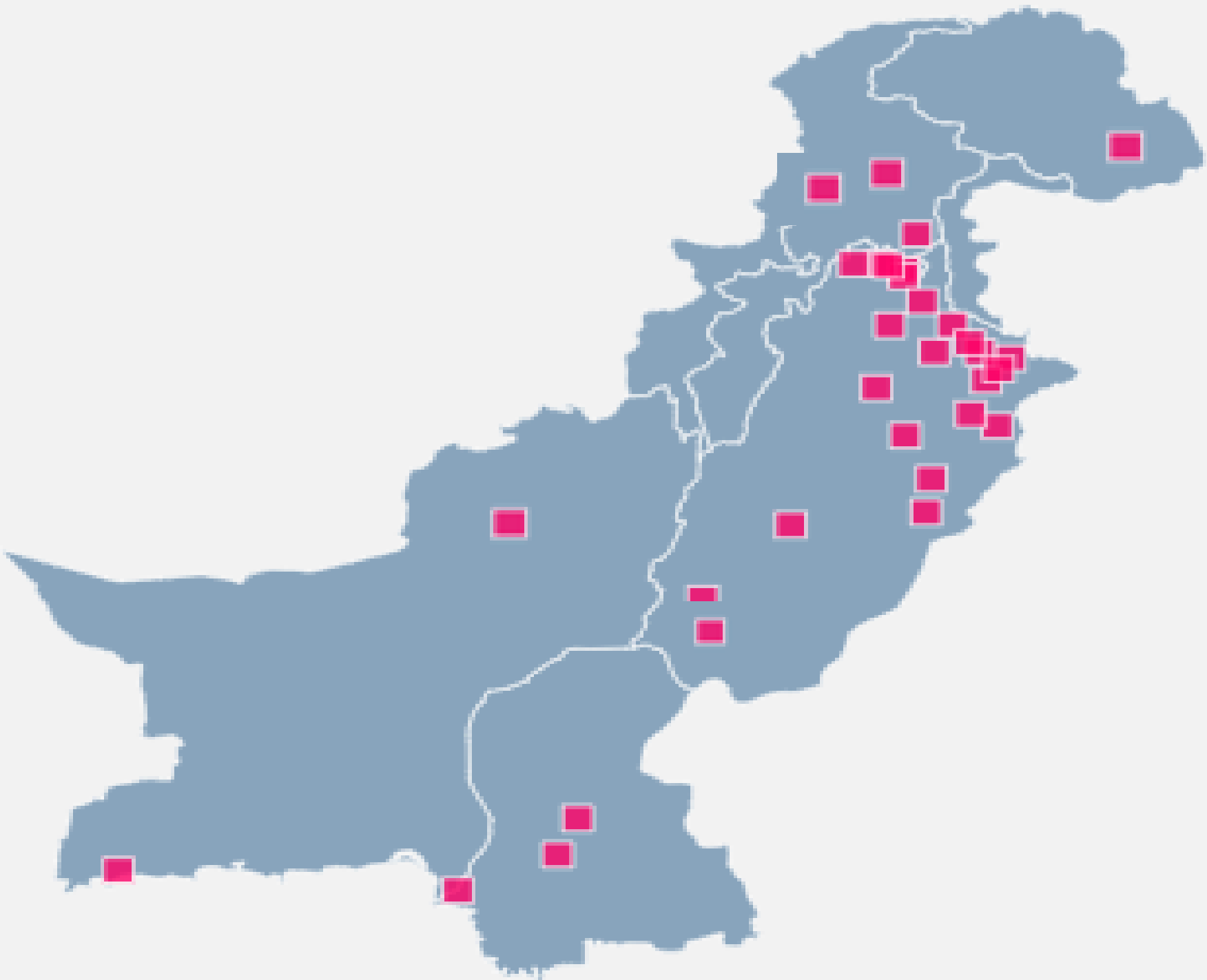
Sample Profile of Businesses which were interviewed

BUSINESS TYPE	Manufacturing	5%
	Services	35%
	Trade	2%
	Others	56%
	No response	2%

METHODOLOGY DETAILS



Districts/Cities Covered in this survey



Rawalpindi	Hafizabad
Islamabad	Multan
Karachi	Sheikhupura
Lahore	Hyderabad
Faisalabad	Peshawar
Sialkot	Khanewal
Gujranwala	Nawabshah
Gujrat	Nowshera
Daska	Charsadda
Sargodha	Muzaffargarh
Mandi Bahauddin	Mansehra
Okara	Sahiwal
Chiniot	Wazirabad
Jhelum	Wah Cantt
Chakwal	Mianwali
Quetta	Vehari
Jhang	Taxila
Bahawalpur	Attock
Mardan	Azad Jammu Kashmir
Abbottabad	Pakpattan
	Rahim Yar Khan
	Layyah

Source: Gallup Pakistan Business Confidence Survey with N 524 businesses in Pakistan (Report 15, Quarter 2 2025)



APPENDIX



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QUESTIONNAIRE



Q1) How well is your business doing nowadays? Would you say it is very good, good, bad, or very bad?

Q2) What are your expectations for the future of your business compared to the past?

Q3) What is your opinion on the direction of the country? Are we headed in the right direction or wrong direction?

Q4) Which problems affecting your business considerably would you want the government to solve?

Q5) Was there load shedding in your business today?

Q6) Did you have to pay bribe to anyone in past six months to run your business?

Q7) Do you think PML-N government is better worse or same as previous government in managing the economy?



FOR MORE INFORMATION, PLEASE CONTACT

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