

**BUSINESS TENDENCY SURVEY  
SERVICES SECTOR  
4<sup>th</sup> QUARTER 2025 REPORT**

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**List of Acronyms**

BCI	Business Confidence Index
BTS	Business Tendency Survey
pp	percentage points

## Executive Summary

This report presents results of the 4<sup>th</sup> Quarter 2025 Business Tendency Survey (BTS) for *Construction, Transportation and Storage, Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycles, Financial & Insurance Activities, Accommodation and Food Services* Sectors. The results presented are based on views of senior executives. Indicators produced from the BTS are key in monitoring the current business situation and short-term developments in the mentioned sectors. A key indicator derived from the survey is the Confidence Index. Positive values of the indicator reflect optimism towards the business conditions while negative values imply pessimism and zero reflects perception of no change in business situation.

A decline in the Confidence Index was recorded in all sectors except *Financial & Insurance Activities* Sector, which stood at **28.2**, a gain of **25.4** points from the previous quarter. The confidence indices for *Transportation & Storage (-5.2)* and *Accommodation & Food Services (-6.9)* dropped into the negative, losing **18** points and **23.6** points, respectively. The *Wholesale & Retail Trade* and *Construction* Sectors remained in the negative, with indices of **-7.9** and **-33.3**, respectively.

**Insufficient demand** was the primary constraint to business expansion in the *Financial & Insurance Activities* Sector, while **Competition** was the major constraint cited by the other four sectors.

## 1 Introduction

This report presents results of the 4<sup>th</sup> Quarter 2025 Business Tendency Survey (BTS) for the following services sectors:

- a) Construction
- b) Transportation and Storage
- c) Wholesale and Retail Trade: Repair of Motor Vehicles and Motorcycles
- d) Financial and Insurance Activities
- e) Accommodation and Food Services

The results presented are based on views of senior executives and relate to the general business situation, financial situation, access to credit, technical capacity, employment, selling prices, volume of orders and main constraints to business expansion. Indicators produced from the BTS are key in monitoring the current business situation and short-term developments in the sectors.

Key indicators derived from the survey comprise the Business Confidence Index (BCI) and Balance of Opinion or Net Balance. The Business Confidence Index is compiled using an average of the balances of opinion on questions relating to current business situation, current level of total order books, current level of stock, employment, and business situation in the next three months. Positive values reflect optimism towards the business conditions, negative values imply pessimism, and zero reflects perception of no change in business situation.

Balance of opinion is the difference between the proportion of positive responses and that of negative responses. Values of the indicator range from -100, when all responses are negative to +100, when all responses are positive.

The BTS was conducted on **398** establishments from which the response rate was **58.0** percent. The survey was guided by the United Nations Handbook on Economic Tendency Surveys as well as the Organization for Economic Co-operation and Development (OECD) Handbook on Business Tendency Surveys.

## 2 Survey Findings

### 2.1 Business Climate

Overall, the business climate for 4<sup>th</sup> quarter 2025 was perceived as satisfactory by **51.2** percent of all respondents and as good by **23.6** percent. **(Figure 2.1)**

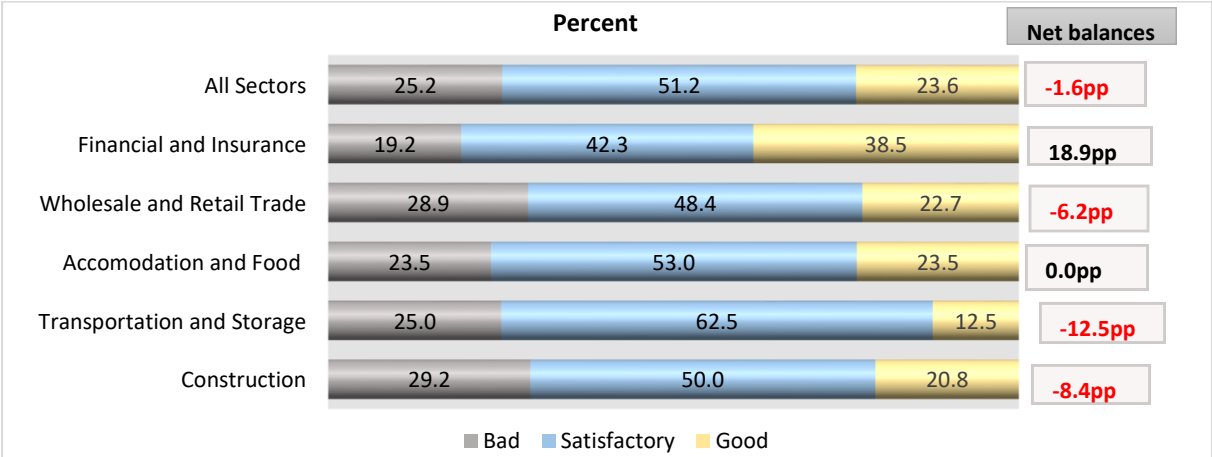


Figure 2.1: Opinion towards Business Climate, 4<sup>th</sup> Quarter 2025

### 2.2 Financial Situation

The overall net balance of opinion towards the current financial situation was **-9.9** percentage points (31.7% bad and 21.8% good), with all sectors recording negative net balances, except for *Financial & Insurance* Activities Sector. The proportion of respondents viewing their financial situation as good ranged from **12.5** percent in the *Transportation & Storage* Sector to **34.6** percent in *Financial & Insurance* Activities Sector. **(Figure 2.2)**

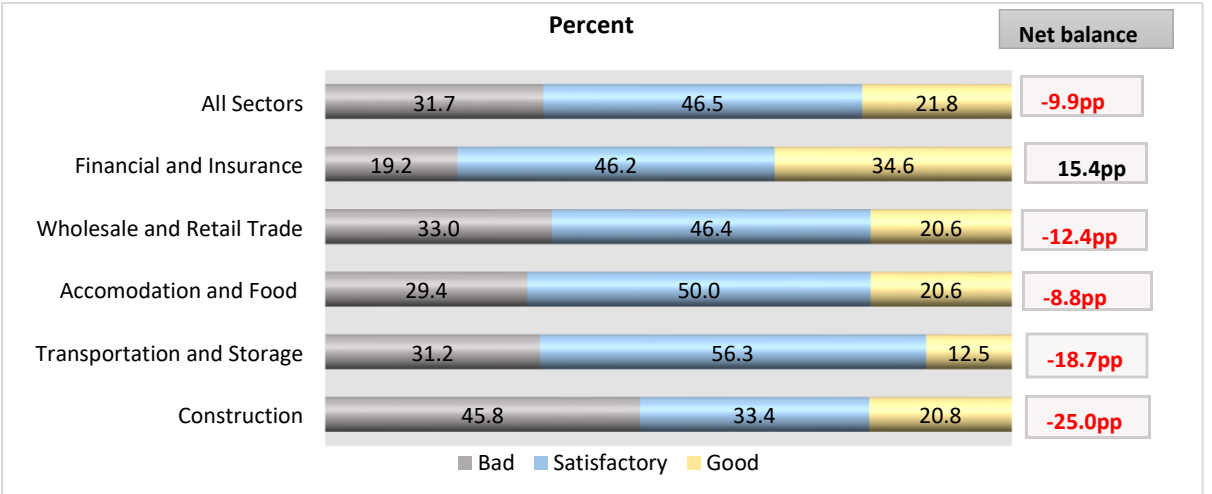


Figure 2.2: Opinion towards the Current Financial Situation, 4<sup>th</sup> Quarter 2025

**2.3 Level of Stocks for Wholesale and Retail Trade Sector**

Excluding normal seasonal variations, **60.8** percent of respondents in the *Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles* Sector considered their 4<sup>th</sup> quarter 2025 current stock levels to be *adequate*, while **5.2** percent regarded the levels as above normal, **Figure 2.3**

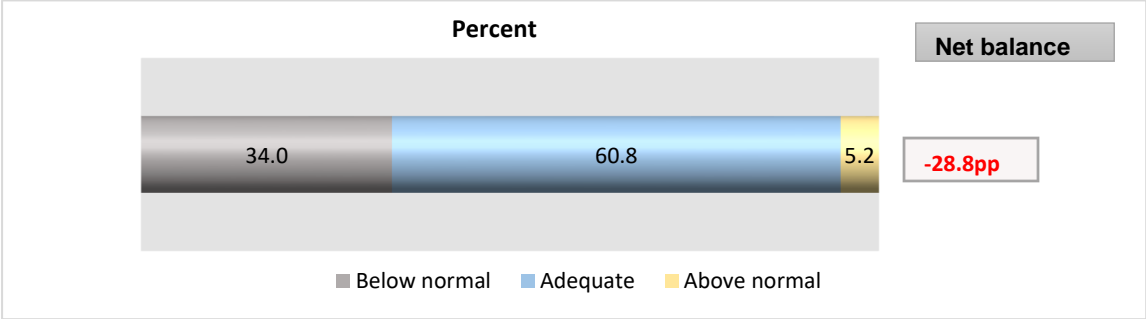


Figure 2.3: Opinion towards Current Level Stocks (Volume) for Wholesale & Retail Sector, 4<sup>th</sup> Quarter 2025

**2.4 Level of Total Order Books in Construction Sector**

Excluding normal seasonal variations, **45.8** percent of respondents in the *Construction* Sector, considered their companies' level of total order books to be normal for the quarter under review, **Figure 2.4.**

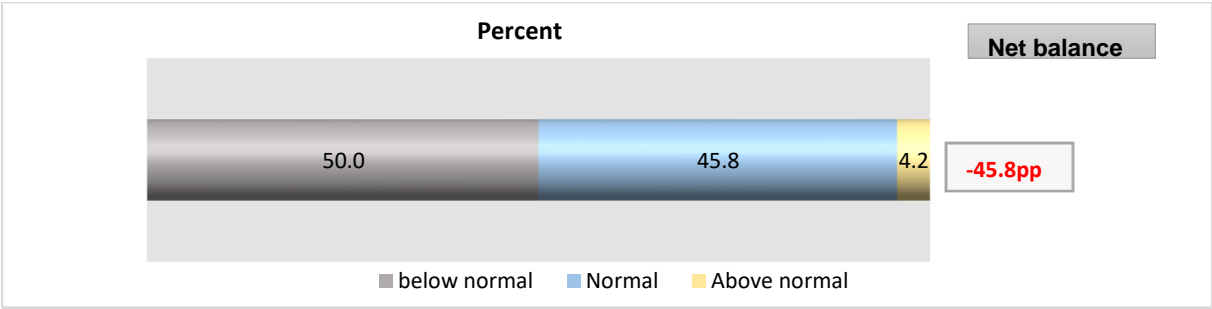


Figure 2.4: Opinion towards Current Level of Total Order Books for Construction Sector, 4<sup>th</sup> Quarter 2025

**2.5 Access to Bank Credit**

An overall negative net balance of opinion (**-13.6 pp**) was recorded for access to bank credit as **35.5** percent of respondents considered access to bank credit as *difficult* and **21.9** percent as *easy*. *Financial & Insurance* and *Transportation & Storage*, were the only sectors that had

none of the respondents reporting “difficult” on access to credit for the quarter under review.

**(Figure 2.5)**

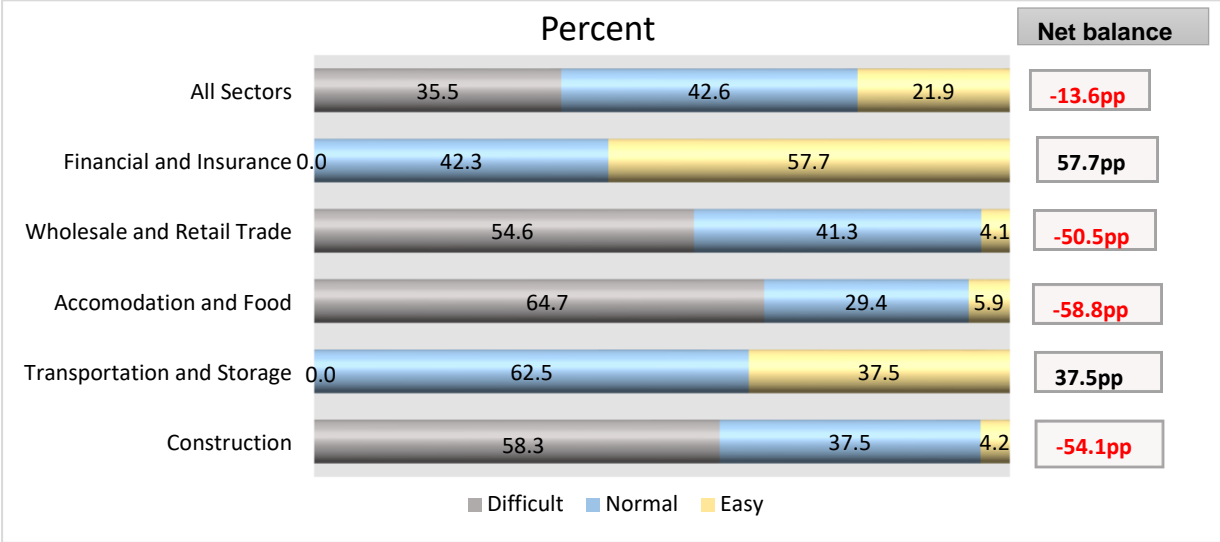


Figure 2.5: Opinion towards Access to Credit, 4<sup>th</sup> Quarter 2025

**2.6 Technical Capacity for Construction Sector**

Excluding normal seasonal variations, **50.0** percent of respondents in the *Construction* Sector considered their companies' technical capacity as *sufficient* when considering expected demand in the next 12 months, **Figure 2.6**.

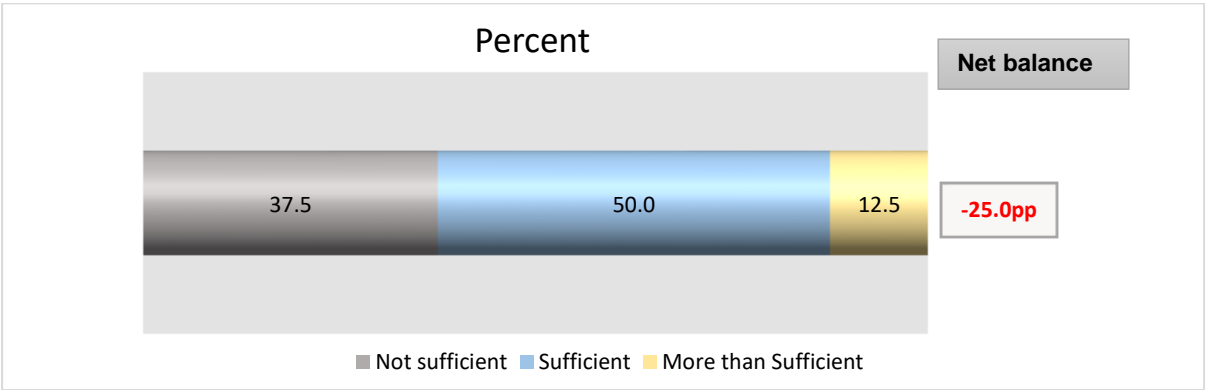


Figure 2.6: Opinion towards Technical Capacity for Construction Sector, 4<sup>th</sup> Quarter 2025

**2.7 Volume of Demand**

A positive net balance of opinion (**30.8** percentage points) was realized in the *Financial & Insurance* Sector, as **46.2** percent of respondents viewed the volume of demand as having gone up while **15.4** percent viewed it as having gone down, **Figure 2.7**.

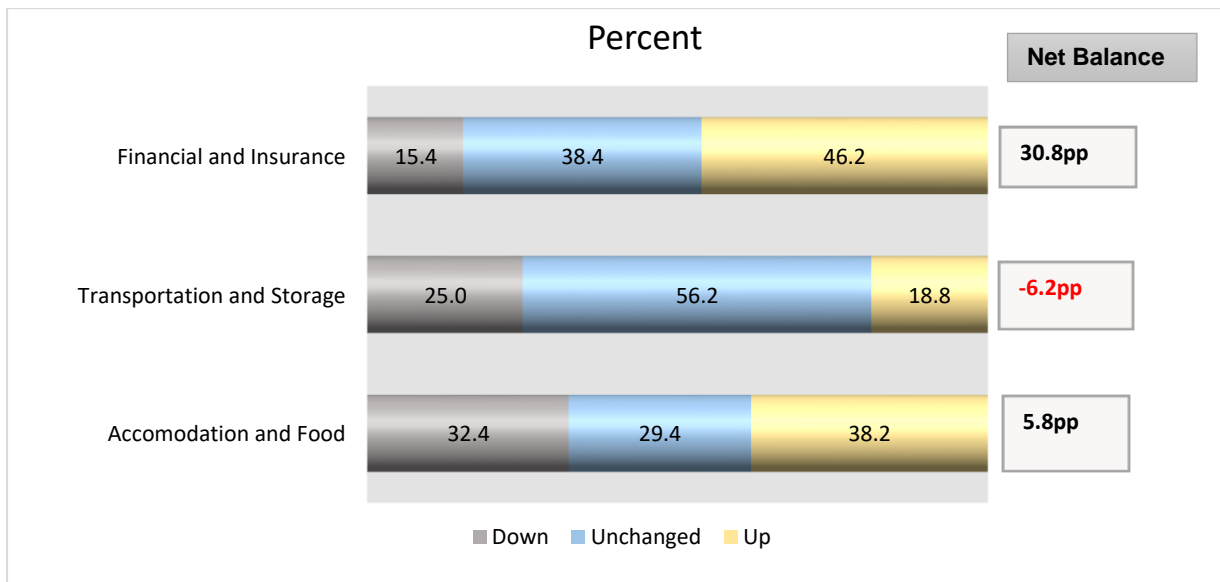


Figure 2.7: Volume of Demand for 4<sup>th</sup> Quarter 2025, against 3<sup>rd</sup> Quarter 2025

## 2.8 Volume of Business Activity in the Construction Sector

In the *Construction* Sector, **45.8** percent of the respondents perceived the volume of business activity as having remained *unchanged* during 4<sup>th</sup> quarter 2025 compared to the preceding quarter, **Figure 2.8**.

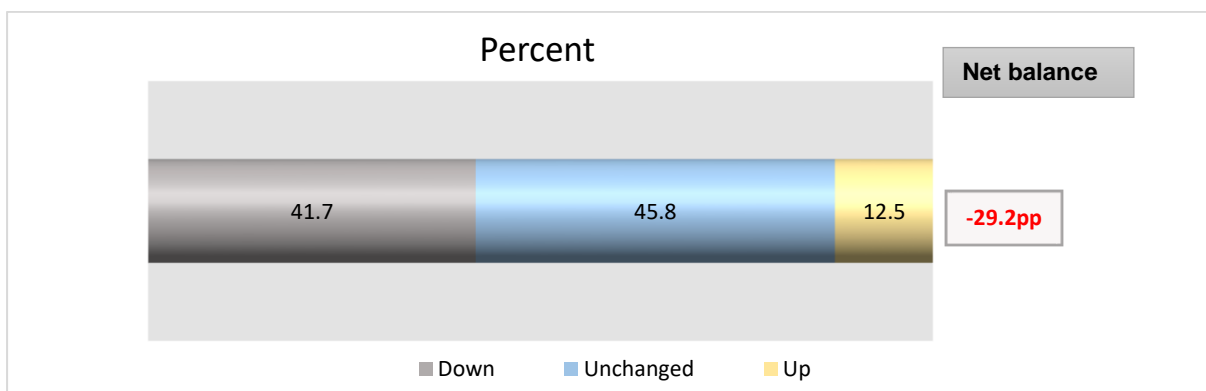


Figure 2.8: Volume of Business Activity for 4<sup>th</sup> Quarter 2025, against 3<sup>rd</sup> Quarter 2025

## 2.9 Number of Persons Employed

Overall, **65.4** percent of respondents indicated that employment levels remained *unchanged* during the quarter under review. The sectoral proportions on this sentiment ranged from **37.5** percent in the *Construction* Sector, to **78.2** percent in the *Transportation & Storage* Sector. (**Figure 2.9**).

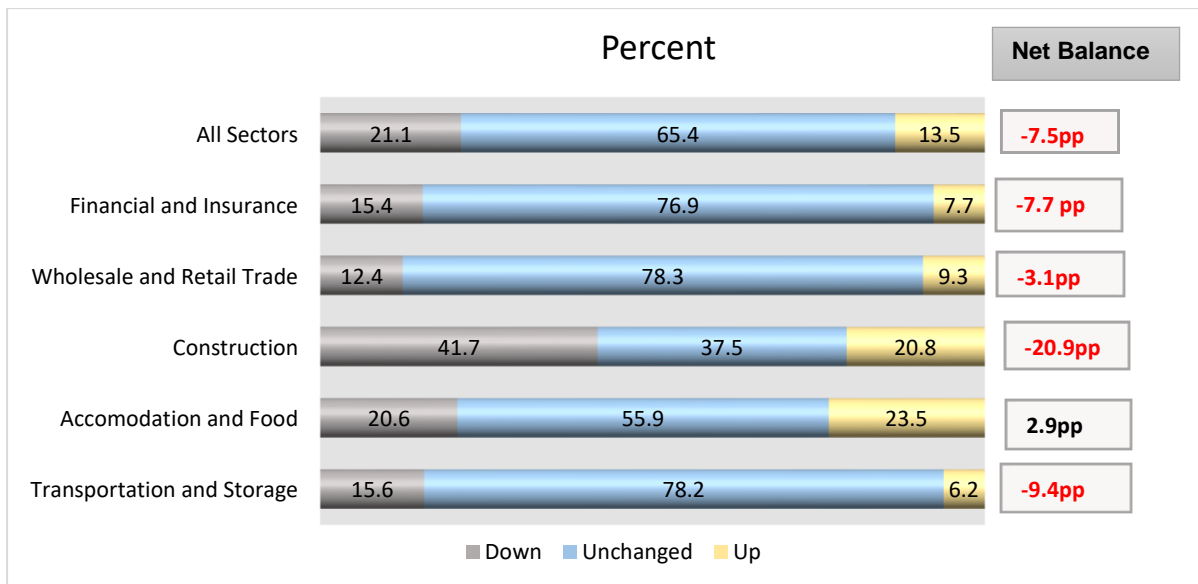


Figure 2.9: Opinions on Changes in Persons Employed in 4<sup>th</sup> Quarter 2025, compared to 3<sup>rd</sup> Quarter 2025

## 2.10 Average Selling Price in the Wholesale and Retail Trade Sector

The majority (**74.3%**) of respondents in the *Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles* Sector, viewed the average selling prices as having *remained stable* in the 4<sup>th</sup> quarter 2025 compared to the preceding quarter, **Figure 2.10**.

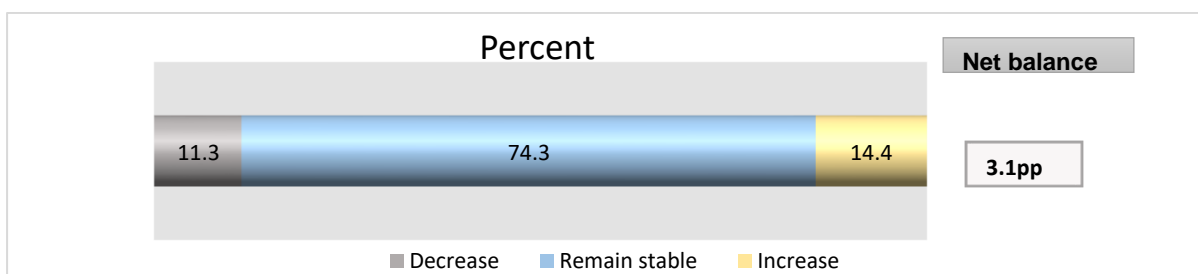


Figure 2.10: Comparison of Average selling price in Wholesale and Retail Trade Sector for 4<sup>th</sup> Quarter 2025, against 3<sup>rd</sup> Quarter 2025

## 2.11 Competition in the Wholesale and Retail Trade Sector

In the *Wholesale & Retail Trade, Repair of Motor Vehicles and Motorcycles* Sector, **36.1** percent of respondents indicated that competition had *increased* in 4<sup>th</sup> quarter 2025 when compared to the previous quarter, **Figure 2.11**.

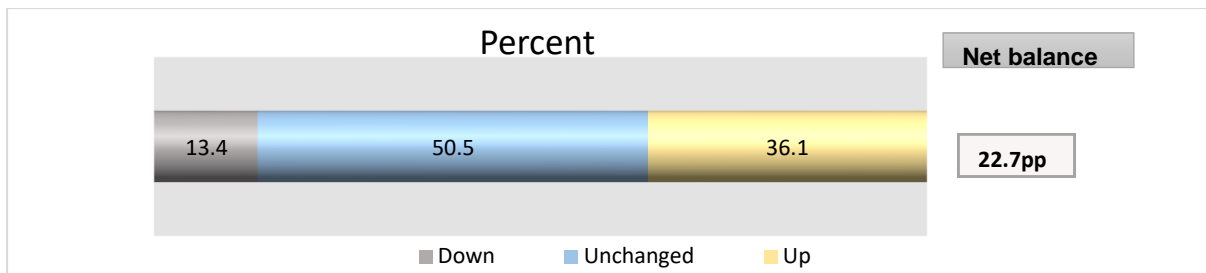


Figure 2.11: Competition in the Wholesale and Retail Trade Sector, 4<sup>th</sup> Quarter 2025

### 2.12 Expected Future Business Situation

A positive overall net balance of opinion of **9.8** percentage points was recorded on expected future business situation, with **35.0** percent of respondents anticipating an *improvement* during the 1<sup>st</sup> quarter of 2026, and **25.3** percent expecting a *worse* situation, when compared to 4<sup>th</sup> quarter 2025. (Figure 2.12)

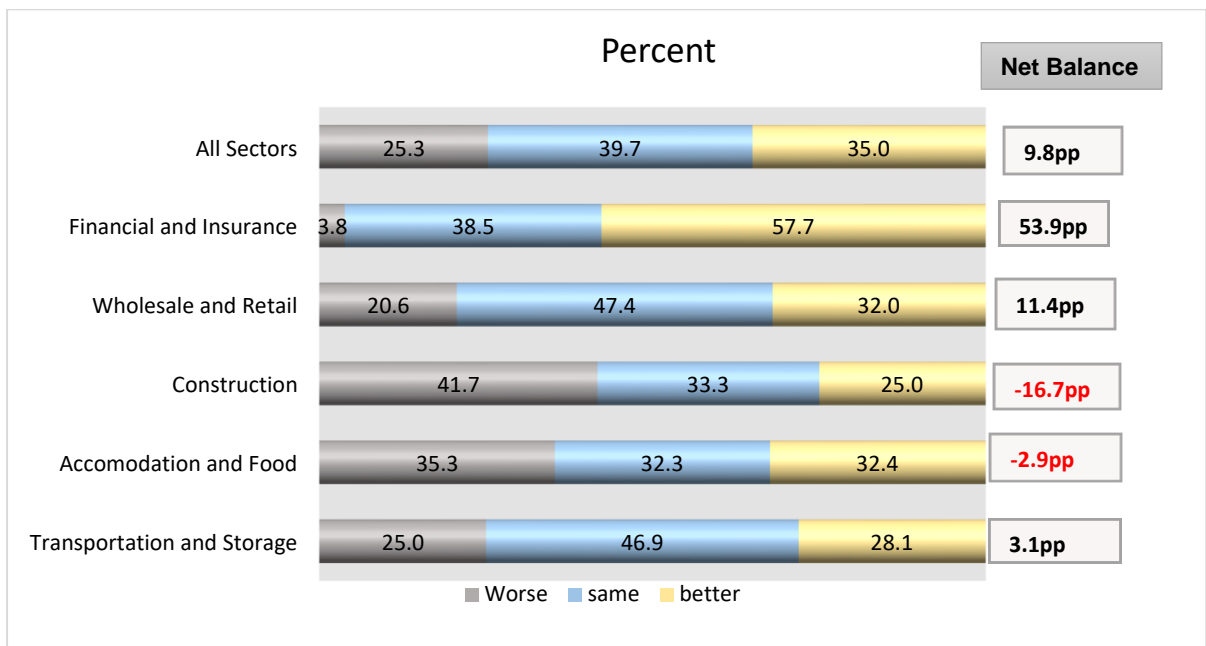


Figure 2.12: Expectations towards business situation during 1<sup>st</sup> quarter 2026 (Jan-Mar 2026)

### 2.13 Expected Employment Level

Overall, **62.2** percent of respondents anticipated employee numbers to remain *unchanged* during 1<sup>st</sup> quarter 2026. The proportion of respondents anticipating an increase in the number of employees was below **31.0** percent in all sectors. (Figure 2.13).

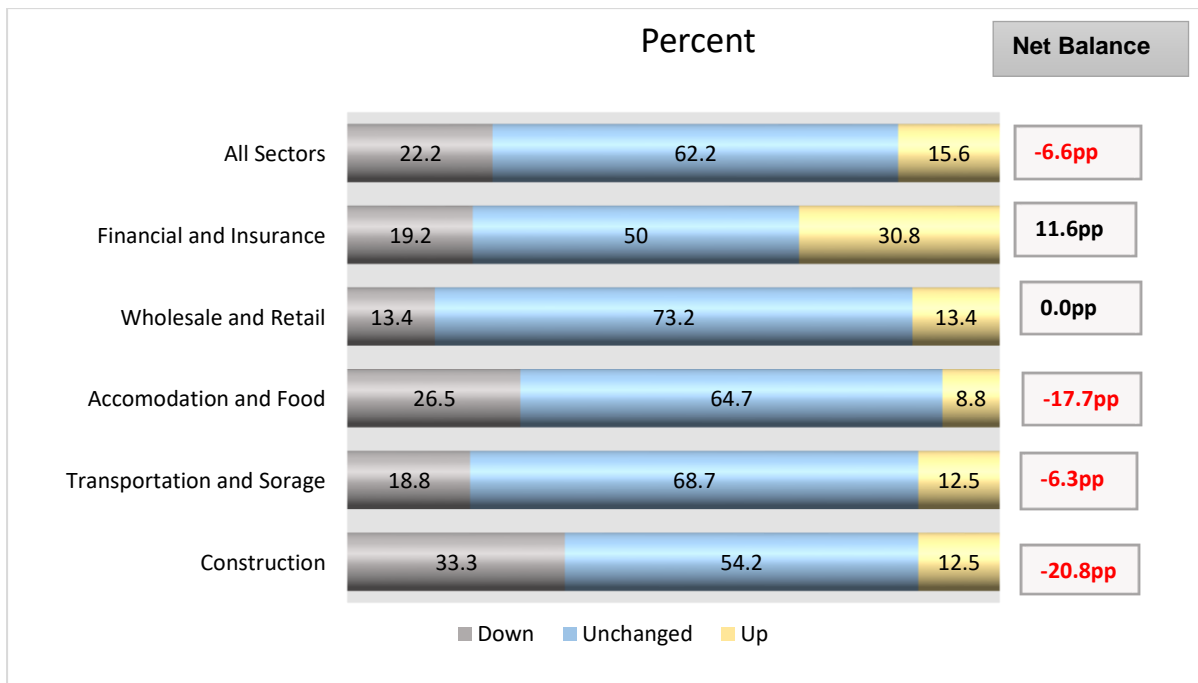


Figure 2.13: Expectations towards employment level during 1<sup>st</sup> quarter 2026 (Jan-Mar 2026)

## 2.14 Expectation towards Volume of Demand

An overall negative net balance of opinion towards volume of demand (**-3.9pp**) was recorded in three sectors namely *Financial & Insurance*, *Transportation & Storage Services* and *Accommodation & Food Services*. Excluding seasonal changes, the proportion of respondents who expected the volume of demand to increase during 1<sup>st</sup> quarter 2026, were **50.0** percent for *Financial & Insurance*, **18.8** percent in *Transportation & Storage Services* and **8.8** percent for *Accommodation & Food Services* Sector. (Figure 2.14)

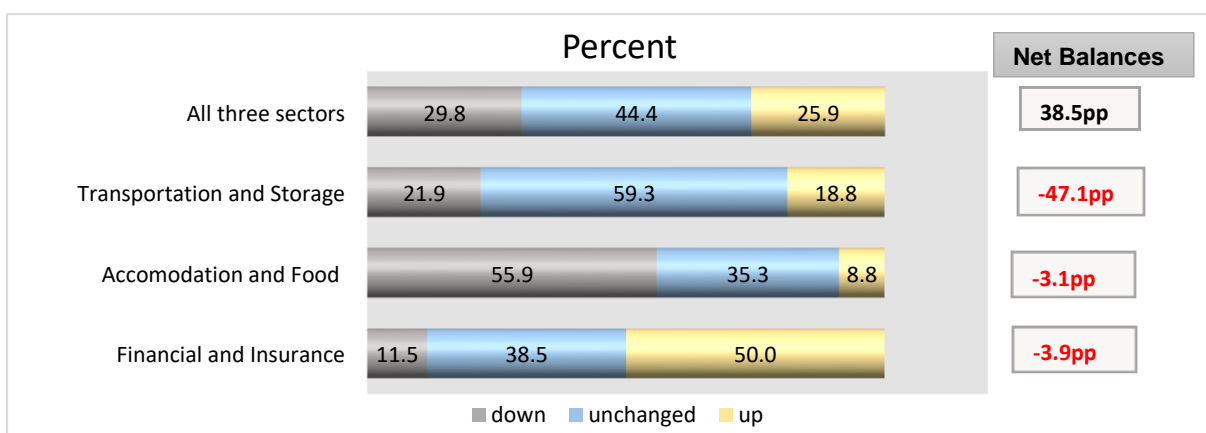


Figure 2.14: Expectations towards volume of demand during 1<sup>st</sup> quarter 2026 (Jan-Mar 2026)

**2.15 Expectation towards Orders Placed with Suppliers: Wholesale and Retail Trade Sector**

Regarding expectations toward orders placed with suppliers, **22.7** percent of respondents in the *Wholesale & Retail Trade, Repair of Motor Vehicles and Motorcycles* Sector, anticipated an increase during 1<sup>st</sup> quarter 2026, while **30.9** percent expected a decline, **Figure 2.15**.

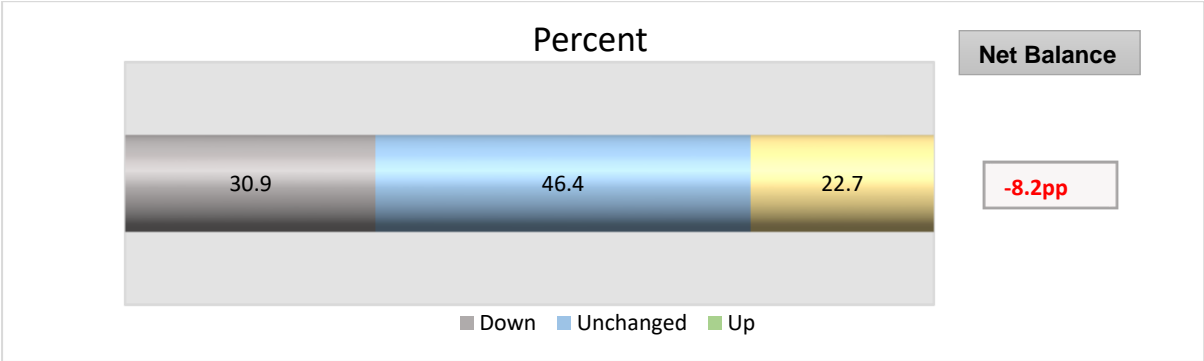


Figure 2.15: Expectations towards orders placed by suppliers during 1<sup>st</sup> quarter 2026 (Jan-Mar 2026)

**2.16 Expectations towards Volume of Orders (Contracts) in Construction Sector**

Excluding normal seasonal changes, **25.0** percent of respondents in the *Construction* Sector, expected the volume of orders or contracts for their establishments to remain *unchanged* during 1<sup>st</sup> quarter 2026. (**Figure 2.16**)

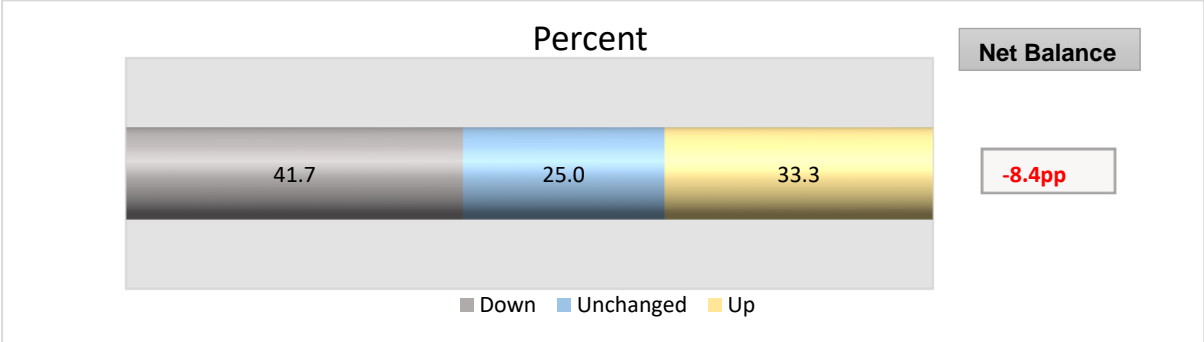


Figure 2.16: Expectations towards orders placed by suppliers during 1<sup>st</sup> quarter 2026 (Construction Sector)

**2.17 Expectations towards Average Selling Price**

**Sixty-seven** percent of respondents in the *Wholesale & Retail Trade: Repair of Motor Vehicles and Motorcycles* Sector and **50.0** percent in *Construction* Sector, anticipated their average selling prices to remain *unchanged* during the 1<sup>st</sup> quarter of 2026. **Figure 2.17**.

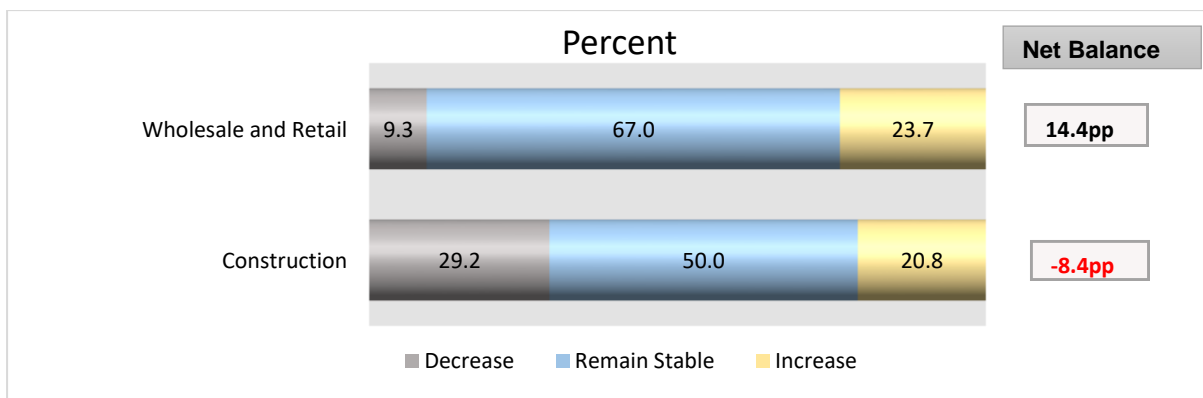


Figure 2.17: Expectations towards Average Selling Price during 1<sup>st</sup> Quarter 2026 (Wholesale & Retail Trade and Construction Sectors)

## 2.18 Confidence Indices<sup>1</sup>

A decline in the Confidence Index was recorded in all sectors except *Financial & Insurance Activities Sector*, which stood at **28.2**, a gain of **25.4** points from the previous quarter. The confidence indices for *Transportation & Storage (-5.2)* and *Accommodation & Food Services (-6.9)* dropped into the negative, losing **18** points and **23.6** points, respectively. *The Wholesale & Retail Trade and Construction Sectors* remained in the negative, with indices of **-7.9** and **-33.3**, respectively. (Figure 2.18).

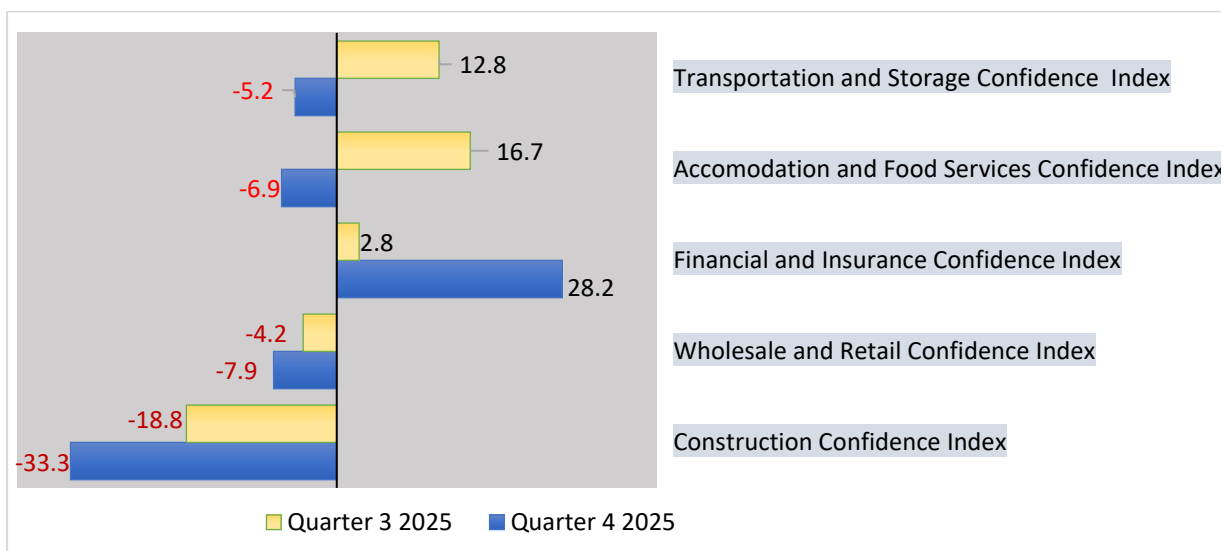


Figure 2.18: Confidence Indices for the Various Sectors

<sup>1</sup> Confidence indices were compiled using average of the balances of opinion for questions relating to; present business situation, business situation in the next three months; the present level of total order books and employment in next three months (Construction confidence index); employment in next three months, present business situation and the business situation in the next three months (Other services Confidence indices). Positive values of the index reflect optimism towards the business situation while negative values imply pessimism. A value of zero implies same situation expected in the next quarter as prevailed in the previous quarter

## **2.19 Constraints to Business Expansion**

**Insufficient demand** was the primary constraint to business expansion in the Financial & Insurance sector, while **Competition** was the major constraint for the other four sectors.