

MALDIVES MONETARY AUTHORITY

QUARTERLY BUSINESS SURVEY

FIRST QUARTER 2022

VOLUME 10 ISSUE 1



mma.gov.mv

About the survey

The Quarterly Business Survey is carried out by the MMA with the aim of obtaining a quick assessment of current business trends and expected future economic activity.

The respondents of the business survey are senior managers or top management of businesses who have an overall view of the business situation. The questions cover the views of the senior management (for the past quarter and expectation for the next quarter) on the direction of change in various business variables such as sales, output, prices, capacity utilisation and employment which are useful for analysing and predicting economic activity. The qualitative response for these questions takes the form of either increase, decrease or no change.

The business survey for the fourth quarter of 2021 was carried out from 24 March 2022 to 12 April 2022. Survey forms were sent electronically to 191 large enterprises in the tourism; construction; wholesale and retail trade; and transport and communication sectors. The survey sample is taken from a list of companies (based on revenue) provided by the Maldives Inland Revenue Authority (MIRA). A total of 134 enterprises responded during the survey period which represents an overall response rate of 70%.

The qualitative responses to the survey are converted to quantitative numbers by subtracting the percentage of respondents reporting an increase from the percentage of respondents reporting a decrease. All responses are weighted based on their relative size (using revenue) within their respective sector. Care should be taken when interpreting the results of individual sectors since constraints in sample selection may limit the representativeness of certain industries within each sector.

The MMA would like to thank all the parties who contributed to the survey, especially the survey respondents and MIRA.

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Highlights

- According to the Quarterly Business Survey carried out by the MMA from 24 March 2022 to 12 April 2022, businesses in all the sectors in the survey reported an expansion in activity in Q1-2022.
- Employment levels increased significantly in Q1-2022 for businesses in the wholesale and retail trade sector and the construction sector, while there was a moderation in the pace of hiring growth for businesses in the tourism sector and the transport and communication sector.
- Reflecting the end of the peak season of the tourism sector, businesses in the tourism sector turned pessimistic about future activity in Q2-2022, as indicated by the marked decline in expected total revenue and resort booking indices which posted negative readings. Similarly, businesses in the transport and communication also turned pessimistic about future activity in Q2-2022. Conversely, businesses in the construction sector indicated increased optimism for the future level of activity and orders received in Q2-2022. Meanwhile, businesses in the wholesale and retail sector became less optimistic about future business activity in Q2-2022.
- In Q1-2022, input prices rose significantly for businesses in the construction sector and transport and communication sector. Similarly, the cost of sales increased for the wholesale and retail trade sector, while there was a moderation in the pace of increase in input prices for the tourism sector. Prices charged on average increased for businesses in all the sectors, except for the wholesale and retail trade sector, with the tourism sector and the transport and communication sector registering the largest increases. As for the wholesale and retail trade sector, the average selling price continued to decline, but the pace of decline moderated compared to Q4-2021. Looking ahead, in Q2-2022, input prices are expected to continue increasing for businesses in the transport and communication sector, the construction sector and the tourism sector. Cost of sales in the wholesale and retail sector are expected to decline. Meanwhile, businesses in all the sectors, except for the tourism sector, anticipate their selling prices to increase in Q2-2022.
- The financial situation of the businesses improved for all the sectors, except for the construction sector, where the index for the financial situation of the company continued to remain below zero during Q1-2022. Going forward, businesses in the construction sector and the wholesale and retail trade sector expect their financial situation to improve in Q2-2022. However, businesses in the tourism sector and the transport and communication sector expect their financial situation to worsen in Q2-2022, with the former registering a significant decline.
- While access to credit remained tight for businesses in all the sectors, except for the tourism sector, it registered slight improvements relative to Q4-2021. Going forward, businesses in all the sectors anticipate their credit conditions to remain tight in Q2-2022 as well, although businesses in the construction sector and the transport and communication sector expect an improvement in their credit conditions relative to Q4-2021.

¹ The Quarterly Business Survey is carried out by the MMA with the aim of obtaining a quick assessment of current business trends and expected future economic activity. In Q1-2022 survey forms were sent to 191 large enterprises in the construction; tourism; wholesale and retail trade; and transport and communication sectors. The survey sample is taken from a list of companies provided by the Maldives Inland Revenue Authority (MIRA). A total of 134 enterprises responded during the survey period which represents an overall response rate of 70%.

Tourism

Current situation

Activity in the tourism sector continued to expand in Q1-2022 as reported by the tourism businesses responding to the survey. The seasonally unadjusted² indices for both total revenue and resort bookings remained high with the total revenue index remaining unchanged at 100 points, with all the businesses reporting an increase in revenue, while the resort bookings index slightly declined 9 points to 91 during Q1-2022, with 94 percent of businesses reporting an increase in resort bookings.

The employment index remained elevated but dropped 13 points to 73 during the quarter. Meanwhile, the wages and other labour costs per employee index rose 4 points to 60 during Q1-2022—60 businesses reported an increase and zero businesses reported a decline in wages and other labour costs.

The input prices index continued to remain high, although the index decreased 4 points to 78 during the quarter, with 89 percent of businesses reporting that their input prices increased and 11 percent of businesses reporting a decrease.

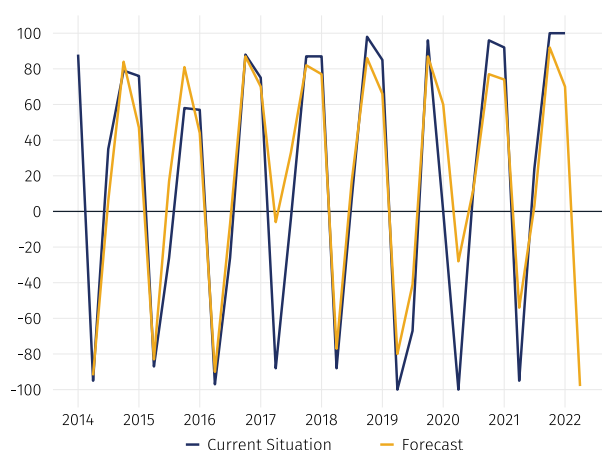
Meanwhile, the average room rate index continued its increasing trend and rose 6 points to 100, with all businesses reporting an increase in average room rates. The capital expenditure index marginally declined 1 point to 43 in Q1-2022.

Expectations for the next quarter

Going forward, the outlook of tourism businesses regarding future business activity for Q2-2022 turned pessimistic, as indicated by the plunge in both the expected total revenue index and the expected resort bookings index to -98 and -92, from 70 to 54, respectively in Q1-2022.

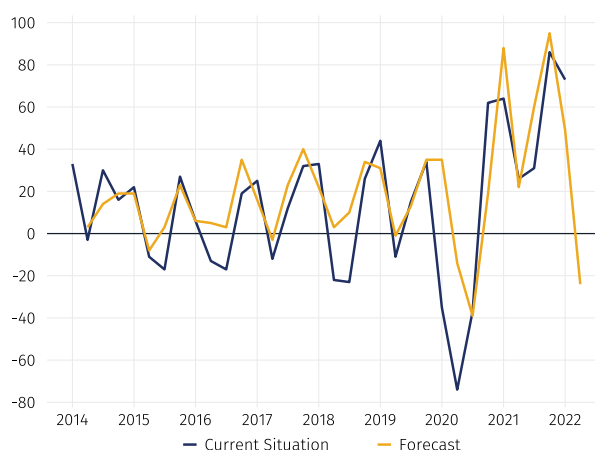
In line with these developments, the expected average room rate index plunged to -98 in Q1-2022, with 99 percent of businesses expecting average room rates to decrease. Similarly, the expected indices for employment, wages and other labour costs, the financial situation of the company and the overall business situation also fell into the negative territory, although input prices and capital expenditure are expected to continue to increase in Q2-2022.

Figure 1: Total Revenue, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

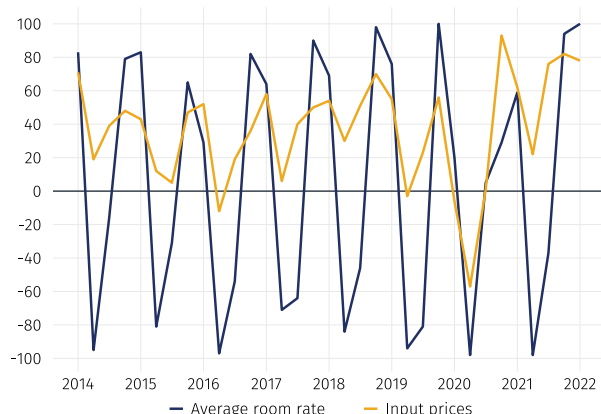
Figure 2: Number of Employees, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

² Tourism activity in the Maldives is subjected to a high level of seasonality (although in recent years this has lessened due to changing market composition of the industry), with tourist arrivals peaking during December to March, while the lowest number of arrivals are recorded during May to July which is traditionally considered as the off-peak season of the industry. Since the responses for the tourism sector in the quarterly business survey are not seasonally adjusted, care should be taken when interpreting quarterly changes as this would reflect effects of both the underlying changes and seasonal effects.

Figure 3: Current Situation of Average Room Rate and Input prices, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 4: Factors Limiting Business Expansion
(percentage of respondents)

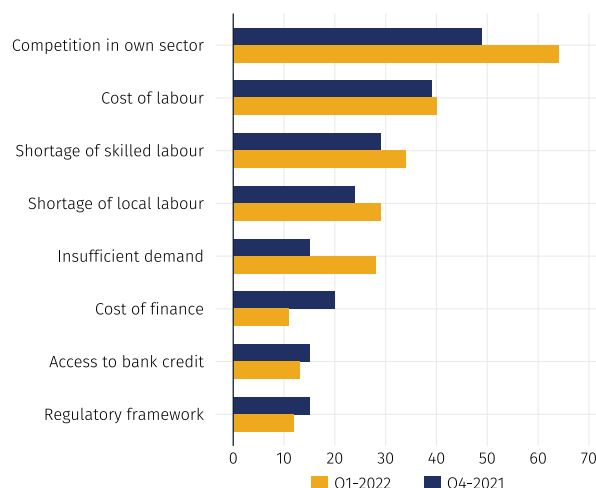


Table 1: Tourism Sector

Views on the Direction of Change in Business Indicators

Current Situation (Q1-2022 vs. Q4-2021)

Indicator	Q4-2021	Q1-2022	Change	Percentage of Respondents Reporting		
	Index	Index		Increase/ Better/Ease	No change	Decrease/ Worse/Tight
Total revenue	100	100	0	100	0	0
Resort bookings	100	91	-9	94	3	3
Number of employees	86	73	-13	73	27	0
Average room rate	94	100	6	100	0	0
Wages and other labour costs per employee	56	60	4	60	40	0
Input prices	82	78	-4	89	0	11
Capital expenditure	44	43	-1	53	37	10
Access to credit	-13	2	15	8	86	6
Financial situation of the company	95	61	-34	61	39	0
Overall business situation	94	89	-5	89	11	0
Occupancy rate	100	93	-7	94	5	1

Expectations (Q2-2022 vs. Q1-2022)

Indicator	Q4-2021	Q1-2022	Change	Percentage of Respondents Reporting		
	Index	Index		Increase/ Better/Ease	No change	Decrease/ Worse/Tight
Total revenue	70	-98	-168	1	0	99
Resort bookings	54	-92	-146	1	6	93
Number of employees	49	-24	-73	0	76	24
Average room rate	82	-98	-180	1	0	99
Wages and other labour costs per employee	84	-23	-107	4	69	27
Input prices	78	3	-75	49	5	46
Capital expenditure	25	28	3	43	42	15
Access to credit	-13	-4	9	5	86	9
Financial situation of the company	78	-8	-86	5	82	13
Overall business situation	60	-46	-106	5	44	51
Occupancy rate	49	-98	-147	1	0	99

NOTES:

(1) Index is calculated as the percentage of respondents indicating a positive result (increase/better/ease) minus the percentage of respondents indicating a negative result (decrease/worse/tight).

(2) Responses are weighted based on the size (total revenue) of the business.

(3) Data are not seasonally adjusted.

(4) Survey results are based on responses received from March 24, 2022 to April 12, 2022.

Special Questions

1. What was your initial forecast for Russian tourists to your resort/hotel as a percent of total bookings for 2022?

	Percent
	20

2. Has the Russia-Ukraine conflict negatively impacted your revenue and bookings in Q1-2022 (i.e January-March 2022)

	Percent
Yes	72
No	24

2a. What percentage of your business's revenue was lost from the Russian market in Q1-2022, compared with the forecast for the same period?

	Percent
Less than 10%	34
10% to 25%	34
25% to 50%	6
More than 50%	0

2b. What percentage of your resort bookings was cancelled from the Russian market in Q1-2022, compared with the forecast for the same period?

	Percent
Less than 10%	26
10% to 25%	42
25% to 50%	4
More than 50%	2

3. What percentage of expected decline in revenue from the Russian market in 2022 due to the Russia-Ukraine conflict, compared with the initial forecast for 2022?

	Percent
Less than 10%	44
10% to 25%	36
25% to 50%	10
More than 50%	4

4. What percentage of expected decline in bookings from the Russian market in 2022 due to the Russia-Ukraine conflict, compared with the initial forecast for 2022?

	Percent
Less than 10%	48
10% to 25%	28
25% to 50%	8
More than 50%	6

NOTES:

- (1) Survey results are based on responses received from March 24, 2022 to April, 12, 2022.
- (2) 45 tourism businesses out of 64 responded to the special questions.
- (3) Companies who responded 'yes' to question 2 was required to fill out questions '2a' and '2b'

Construction

Current situation

Activity in the construction sector expanded as reported by the construction businesses responding to the survey. After turning negative in Q4-2021, the volume of construction activity index recorded a positive reading in Q1-2022, increasing 52 points to 46. Fifty-one percent of businesses reported an increase in the volume of construction activity, while 44 percent of businesses reported no change. Meanwhile, the volume of orders received index rose 21 points to 23 in Q1-2022.

The employment index turned positive and surged 79 points to 32 during Q1-2022. Meanwhile, wages and other labour costs per employee also turned positive in tandem, increasing 46 points to 39.

The input prices index strengthened 31 points to 85 in Q1-2022, with 85 percent of businesses reporting an increase in input prices and 15 percent of businesses reporting no change. The prices charged index dropped 13 points to 32, with 34 percent of businesses reporting an increase in prices charged and 64 percent of businesses reporting no change.

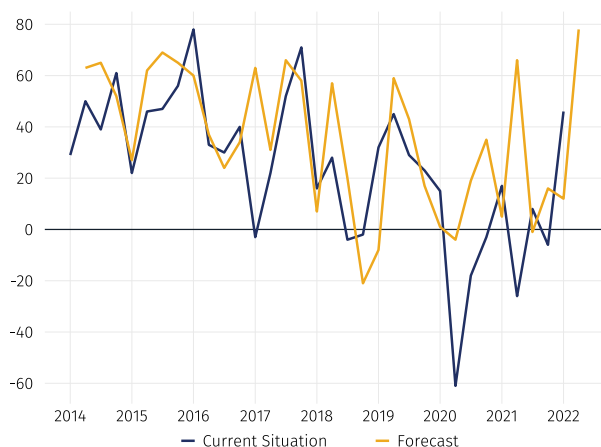
Expectations for the next quarter

Looking ahead, businesses in the construction sector continued to remain optimistic about future construction activity in Q2-2022, as indicated by the significant expansion in key business variables. For example, the expected volume of construction activity index strengthened 66 points to 78 in Q1-2022, while the expected volume of orders index gained 45 points to 53 in Q1-2022. Employment levels are also expected to rebound with the expected employees index increasing 85 points to 60 in Q1-2022.

Businesses anticipate input prices to remain high in Q2-2022 as indicated by the expected input prices index which remained unchanged at 60. The expected prices charged on average index also remained elevated and rose 4 points to 51. Meanwhile, the expected index for capital expenditure declined 8 points to 27 in Q1-2022, with 37 percent of businesses expecting an increase in capital expenditure and 53 percent of businesses expecting no change in capital expenditure.

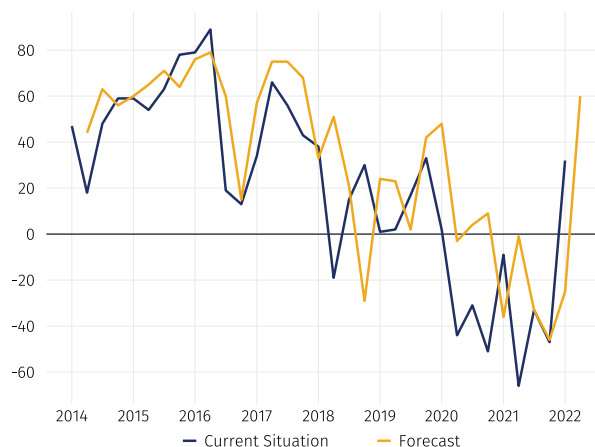
Both the expected indices for the financial situation of the company and the overall business situation turned positive and improved markedly, with the former increasing 65 points to 45 and the latter gaining 58 points to 54.

Figure 5: Volume of Construction Activity, 2014 - 2022
(index, not seasonally adjusted)



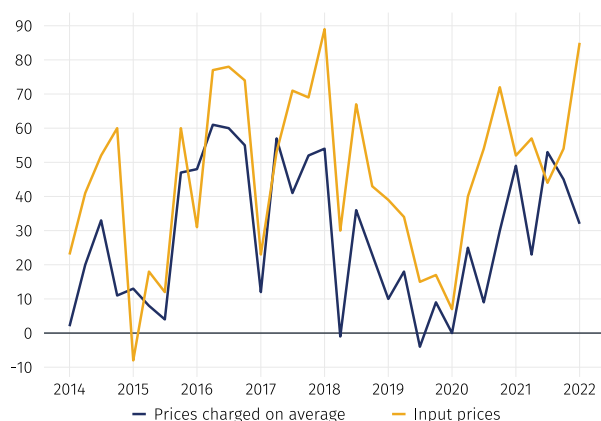
Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 6: Number of employees, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 7: Current Situation of Prices Charged on Average and Input prices, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 8: Factors Limiting Business Expansion
(percentage of respondents)

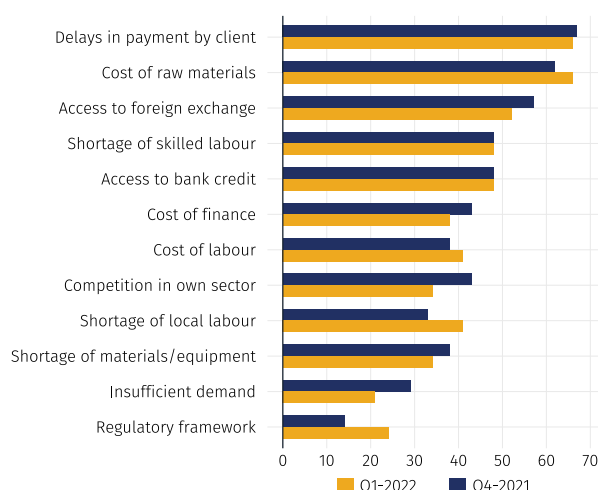


Table 2: Construction Sector

Views on the Direction of Change in Business Indicators

Current Situation (Q1-2022 vs. Q4-2021)

Current Situation (Q1-2022 vs. Q1-2021)						
Indicator	Q4-2021	Q1-2022	Change	Percentage of Respondents Reporting		
	Index	Index		Increase/ Better/Ease	No change	Decrease/ Worse/Tight
Volume of construction activity	-6	46	52	51	44	5
Volume of orders (contracts) received	2	23	21	42	39	19
Number of employees	-47	32	79	47	38	15
Prices charged on average	45	32	-13	34	64	2
Wages and other labour costs per employee	-7	39	46	42	55	3
Input prices	54	85	31	85	15	0
Capital expenditure	27	62	35	62	38	0
Access to credit	-67	-49	18	1	49	50
Financial situation of the company	-39	-6	33	6	82	12
Overall business situation	1	28	27	44	40	16
Capacity utilization	-3	35	38	36	63	1

Expectations (Q2-2022 vs. Q1-2022)

Expectations (Q4 2021 vs Q1 2022)						
	Q4-2021	Q1-2022		Percentage of Respondents Reporting		
Indicator	Index	Index	Change	Increase/ Better/Ease	No change	Decrease/ Worse/Tight
Volume of construction activity	12	78	66	79	20	1
Volume of orders (contracts) received	8	53	45	55	43	2
Number of employees	-25	60	85	70	20	10
Prices charged on average	47	51	4	51	49	0
Wages and other labour costs per employee	-3	41	44	41	59	0
Input prices	60	60	0	60	40	0
Capital expenditure	35	27	-8	37	53	10
Access to credit	-64	-29	35	1	69	30
Financial situation of the company	-20	45	65	49	47	4
Overall business situation	-4	54	58	68	18	14
Capacity utilization	1	46	45	46	54	0

NOTES:

- (1) Index is calculated as the percentage of respondents indicating a positive result (increase/better/ease) minus the percentage of respondents indicating a negative result (decrease/worse/tight).
- (2) Responses are weighted based on the size (total revenue) of the business.
- (3) Data are not seasonally adjusted.
- (4) Survey results are based on responses received from March 24, 2022 to April 12, 2022.

Special Questions

1. What was the annual percentage change in your business's wages, input prices and selling prices in 2021 and what is the expectation for 2022?

	Wages	Input prices(excluding wages)	Selling Prices
	Percent	Percent	Percent
2021	4	8	9
2022	5	13	6

2. If business costs (including wages) are increasing, to what extent are you passing the higher costs on to customers in the form of price increases?

	Percent
None	24
Some	41
Most	24
All	10

3. If business costs (including wages) are increasing, what are the top three factors driving the price increases? (Please select up to 3 choices)

	Percent
Global supply chain disruptions / port	45
Delays Freight / Shipping Costs	76
Materials Prices	79
Wages and other labour costs	41
Oil / Energy prices	28
Exchange rate	28
Other	0

4. How was your business been affected by the ongoing supply chain disruptions (such as port delays, freight/shipping costs)?

	Percent
Severely	45
No Change	14
Mild to moderate	41

NOTES:

(1) Survey results are based on responses received from March 24, 2022 to April, 12, 2022.

(2) 29 construction businesses out of 36 responded to the special questions.

Wholesale and Retail Trade

Current situation

Wholesale and retail trade sector continued to expand in Q1-2022, as reported by the wholesale and retail businesses responding to the survey. The volume of sales index remained elevated despite decreasing 13 points to 69 during Q1-2022. Meanwhile, the index for the volume of orders placed with suppliers strengthened and rose 7 points to 89 during the quarter.

Employment levels significantly improved as suggested by the number of employees index, which turned positive, increasing 84 points to 65 in Q1-2022. Accordingly, the wages and other labour costs per employee also rose 11 points to 61 during the quarter, with 62 percent of businesses reporting an increase and 37 of businesses reporting no change.

The cost of sales index continued to remain elevated, however, the average selling price index remained negative. The cost of sales index gained 16 points to 79, with 82 percent of businesses reporting an increase. Meanwhile the average selling price index climbed 16 points to -4, with 40 percent of businesses reporting a decrease in their selling price and 36 percent of businesses reporting an increase. The financial situation of the company index continued to improve and climbed 19 points to 73, while the overall business situation marginally declined 1 point to 73 during the quarter.

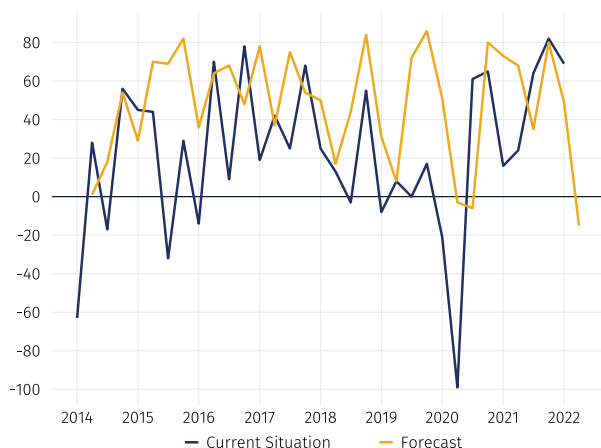
Expectations for the next quarter

Going forward, the expectations of the businesses in the wholesale and retail sector for Q2-2022 turned less optimistic, as indicated by the expected decline in the volume of sales, although a number of key activity indicators for the sector recorded positive readings. The expected volume of sales index plunged 64 points to -15 in Q1-2022. However, the index for the expected volume of orders placed with suppliers rose 17 points to 60. Meanwhile, the expected employees index continued to strengthen and remained elevated, gaining 22 points to 71 during Q1-2022. Similarly, the expected wages and other labour costs per employee also rose in tandem and increased 30 points to 49.

The expected cost of sales index turned negative and declined 37 points to -9, while the expected average selling price index continued to remain high and rose 24 points to 68 during Q1-2022.

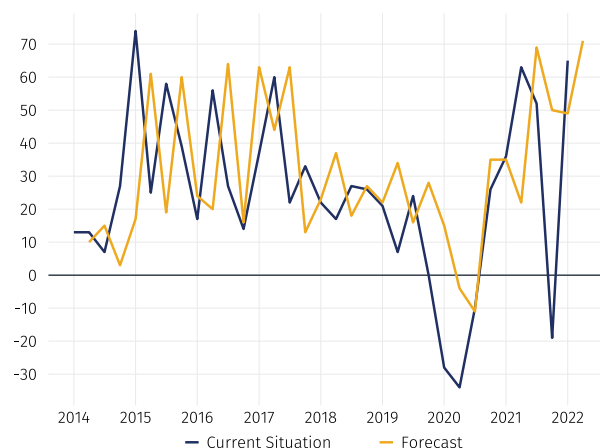
Access to credit is expected to remain tight in Q2-2022, but the expected index for access to credit became less negative (from -11 to -8). Businesses expect the financial situation of the company and the overall business situation to further improve in Q2-2022.

Figure 9: Volume of Sales, 2014 - 2022
(index, not seasonally adjusted)



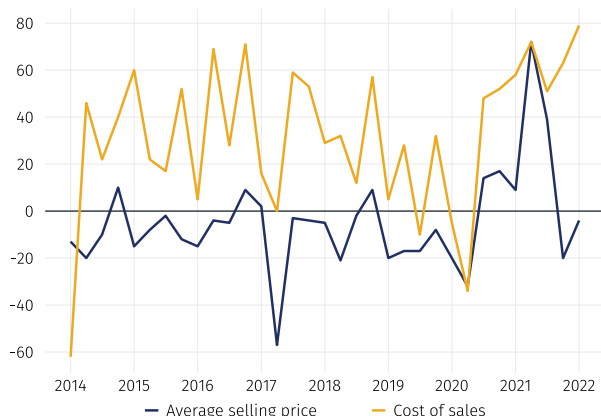
Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 10: Number of Employees, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 11: Current Situation of Average Selling Price and Cost of Sales, 2014 - 2022
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 12: Factors Limiting Business Expansion
(percentage of respondents)

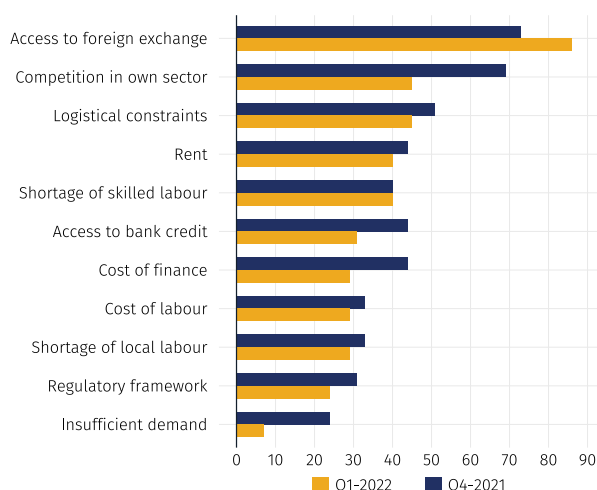


Table 3: Wholesale and Retail Trade Sector

Views on the Direction of Change in Business Indicators

Current Situation (Q1-2022 vs. Q4-2021)

Indicator	Q4-2021	Q1-2022	Percentage of Respondents Reporting		
	Index	Index	Change	Increase/ Better/Ease	Decrease/ Worse/Tight
Total volume of sales	82	69	-13	83	14
Volume of orders placed with suppliers	82	89	7	90	1
Volume of stock	66	71	5	78	7
Number of employees	-19	65	84	66	1
Average selling price	-20	-4	16	36	40
Wages and other labour costs per employee	50	61	11	62	1
Cost of sales	63	79	16	82	3
Capital expenditure	52	-47	-99	12	59
Access to credit	-11	-8	3	5	13
Financial situation of the company	54	73	19	74	1
Overall business situation	74	73	-1	74	1

Expectations (Q2-2022 vs. Q1-2022)

Indicator	Q4-2021	Q1-2022	Percentage of Respondents Reporting		
	Index	Index	Change	Increase/ Better/Ease	Decrease/ Worse/Tight
Total volume of sales	49	-15	-64	36	51
Volume of orders placed with suppliers	43	60	17	70	10
Volume of stock	58	47	-11	62	15
Number of employees	49	71	22	71	0
Average selling price	44	68	24	73	5
Wages and other labour costs per employee	19	49	30	49	0
Cost of sales	28	-9	-37	37	46
Capital expenditure	57	64	7	65	1
Access to credit	-11	-8	3	5	13
Financial situation of the company	55	77	22	79	2
Overall business situation	77	81	4	84	3

NOTES:

- (1) Index is calculated as the percentage of respondents indicating a positive result (increase/better/ease) minus the percentage of respondents indicating a negative result (decrease/worse/tight).
- (2) Responses are weighted based on the size (total revenue) of the business.
- (3) Data are not seasonally adjusted.
- (4) Survey results are based on responses received from March 24, 2022 to April 12, 2022.

Special Questions

1. What was the annual percentage change in your business's wages, input prices and selling prices in 2021 and what is the expectation for 2022?

	Wages	Input prices(excluding wages)	Selling Prices
	Percent	Percent	Percent
2021	6	9	7
2022	7	11	10

2. If business costs (including wages) are increasing, to what extent are you passing the higher costs on to customers in the form of price increases?

	Percent
None	17
Some	71
Most	5
All	2

3. If business costs (including wages) are increasing, what are the top three factors driving the price increases? (Please select up to 3 choices)

	Percent
Global supply chain disruptions / port	62
Delays Freight / Shipping Costs	76
Materials Prices	74
Wages and other labour costs	17
Oil / Energy prices	17
Exchange rate	36
Other	0

4. How was your business been affected by the ongoing supply chain disruptions (such as port delays, freight/shipping costs)?

	Percent
Severely	43
No Change	14
Mild to moderate	33

NOTES:

(1) Survey results are based on responses received from March 24, 2022 to April, 12, 2022.

(2) 40 wholesale and retail trade businesses out of 69 responded to the special questions.

Transport and Communication

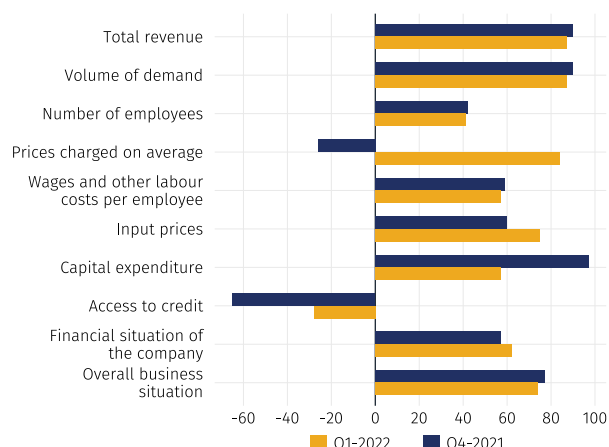
Current situation

Transport and communication sector activity continued to expand in Q1-2022, although at a slightly moderated pace, as reported by the transport and communication businesses responding to the survey. In Q1-2022, both the indices for total revenue and volume of demand remained elevated, although declining 3 points to 87.

Employment levels remained relatively unchanged in Q1-2022, with the number of employees index declining slightly to 41 from 42. Similarly, the wages and other labour costs per employee index declined 2 points to 57 during the quarter.

The input prices index continued its increasing trend and gained 15 points to 75 in Q1-2022, indicating upward price pressures. Meanwhile, the prices charged on average index turned positive, and surged to 84 from -26. Eighty-four percent of businesses reported an increase in their average selling price and 16 percent of businesses reported no change. Businesses reported that the financial situation of the company continued to improve, as suggested by the increase in the respective index to 62 in Q1-2022 from 57 in Q4-2021. However, the overall business situation declined 3 points, albeit remaining elevated at 74.

Figure 13: Current Situation of Business Indicators
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

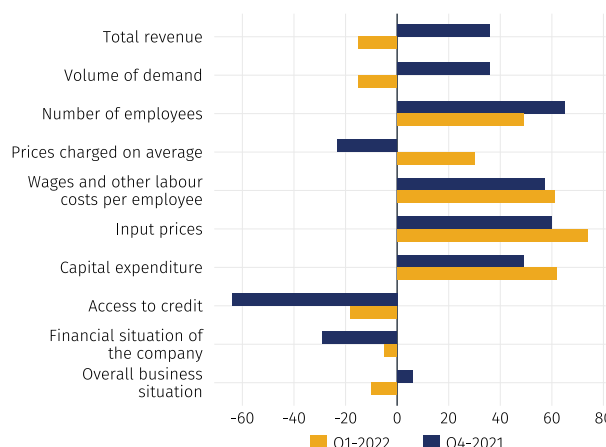
Expectations for the next quarter

Businesses in the transport and communication sector turned pessimistic about future business activity for Q2-2022, as indicated by the decline in expected total revenue and volume of demand. Both the expected total revenue index and the expected volume of demand index turned negative and declined 51 points to -15 in Q1-2022. The expected employment index continued to remain positive, although it declined 16 points to 49 in Q1-2022. Meanwhile, the expected wages and other labour costs per employee index rose 4 points to 61.

The expected input prices index continued to remain elevated and increased 14 points to 74 in Q1-2022. Meanwhile, the expected prices charged on average index turned positive and surged 53 points to 30.

Access to credit is expected to continue remaining tight in Q2-2022 and businesses expect the financial situation of the company to remain worse, with the respective index increasing 24 points to -5. Businesses expect their overall businesses situation to worsen, with the respective index declining from 6 in Q4-2021 to -10 in Q1-2022.

Figure 14: Expectations of Business Indicators
(index, not seasonally adjusted)



Note: Index is calculated as the percentage of respondents indicating an increase minus the percentage of respondents indicating a decrease.

Figure 15: Factors Limiting Business Expansion
(percentage of respondents)

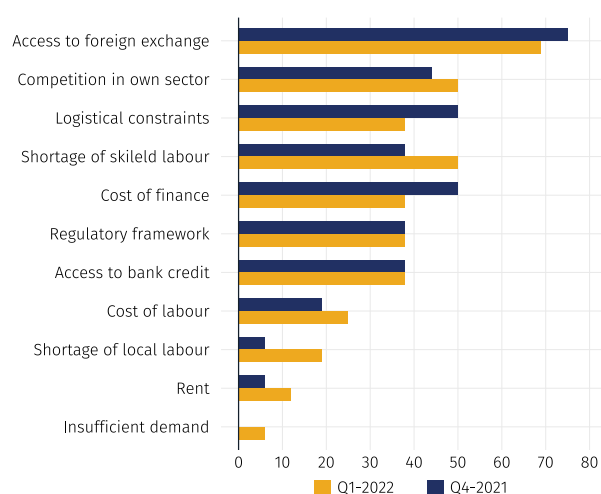


Table 4: Transport and Communication Sector
Views on the Direction of Change in Business Indicators
Current Situation (Q1-2022 vs. Q4-2021)

Indicator	Q4-2021	Q1-2022	Change	Percentage of Respondents Reporting		
	Index	Index		Increase/ Better/Ease	No change	Decrease/ Worse/Tight
Total revenue	90	87	-3	93	1	6
Volume of demand	90	87	-3	93	1	6
Number of employees	42	41	-1	43	55	2
Prices charged on average	-26	84	110	84	16	0
Wages and other labour costs per employee	59	57	-2	57	43	0
Input prices	60	75	15	75	25	0
Capital expenditure	97	57	-40	74	9	17
Access to credit	-65	-28	37	1	70	29
Financial situation of the company	57	62	5	66	30	4
Overall business situation	77	74	-3	77	20	3

Expectations (Q2-2022 vs. Q1-2022)

Indicator	Q4-2021	Q1-2022	Change	Percentage of Respondents Reporting		
	Index	Index		Increase/ Better/Ease	No change	Decrease/ Worse/Tight
Total revenue	36	-15	-51	40	5	55
Volume of demand	36	-15	-51	40	5	55
Number of employees	65	49	-16	49	51	0
Prices charged on average	-23	30	53	30	70	0
Wages and other labour costs per employee	57	61	4	61	39	0
Input prices	60	74	14	74	26	0
Capital expenditure	49	62	13	79	4	17
Access to credit	-64	-18	46	1	80	19
Financial situation of the company	-29	-5	24	38	19	43
Overall business situation	6	-10	-16	32	26	42

NOTES:

- (1) Index is calculated as the percentage of respondents indicating a positive result (increase/better/ease) minus the percentage of respondents indicating a negative result (decrease/worse/tight).
- (2) Responses are weighted based on the size (total revenue) of the business.
- (3) Data are not seasonally adjusted.
- (4) Survey results are based on responses received from March 24, 2022 to April 12, 2022.

Special Questions

1. What was the annual percentage change in your business's wages, input prices and selling prices in 2021 and what is the expectation for 2022?

	Wages	Input prices(excluding wages)	Selling Prices
	Percent	Percent	Percent
2021	8	10	2
2022	10	14	9

2. If business costs (including wages) are increasing, to what extent are you passing the higher costs on to customers in the form of price increases?

	Percent
None	56
Some	38
Most	0
All	0

3. If business costs (including wages) are increasing, what are the top three factors driving the price increases? (Please select up to 3 choices)

	Percent
Global supply chain disruptions / port	25
Delays Freight / Shipping Costs	75
Materials Prices	50
Wages and other labour costs	25
Oil / Energy prices	31
Exchange rate	38
Other	0

4. How was your business been affected by the ongoing supply chain disruptions (such as port delays, freight/shipping costs)?

	Percent
Severely	44
No Change	6
Mild to moderate	44

NOTES:

(1) Survey results are based on responses received from March 24, 2022 to April, 12, 2022.

(2) 16 transport and communication businesses out of 22 responded to the special questions.

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