

Remarkable Business optimism in Botswana's economy

Balance of optimism vs pessimism over next 12 months

	India	97
	Philippines	88
	Mainland China	85
	Singapore	84
	Ireland	82
	Netherlands	81
	South Africa	74
	Hong Kong	69
	Sweden	67
	Argentina	66
	Germany	66
	Mexico	62
	Australia	61
	Canada	60
	Russia	57
	Armenia	57
	Luxembourg	49
	Brazil	47
	EU average	46
	Global average	45
	Spain	43
	UK	43
	Poland	42
	New Zealand	42
	Botswana	41
	Malaysia	38
	Thailand	30
	France	30
	Greece	27
	Italy	21
	US	14
	Turkey	0
	Taiwan	-3
	Japan	-5

Source: Grant Thornton International Business Report (IBR) 2007

Business confidence in the economy of Botswana has increased remarkably from -12% to +41%, taking Botswana on the optimistic plane compared to last year, according to Grant Thornton's 2007 International business report (IBR).

Although below the global average of +45% the business community have turned around to be more positive in their outlook on Botswana's economy.

Jay Ramesh, Managing Partner of Grant Thornton Botswana credits this to the Government's increased focus on the mining sector. He comments: "Over the past year we have seen the establishment of diamond cutting and polishing industries, the shifting part of the activities of the diamond trading centre from London to Botswana and the development of the copper and nickel refining project. These actions are expected to fuel the increase in economic activity.

The focus that the government has placed on "Implementation" in the current years' budget will pave the way for an energetic completion of projects started during prior years'. The increased spending within the economy will assist the local businesses more, especially the citizen entrepreneurial businesses to achieve economic success. It will also aid in increasing the recovery levels of the various loan schemes introduced by the government."

The initial findings from the International Business Report (IBR) from Grant Thornton International published show that medium to large privately held businesses around the world are considerably more optimistic about the prospects for their economies in 2007 - with an optimism/pessimism balance percentage (*see note below) of +45%, up from +39% last year. The survey, which covers the opinions of 7,200 business leaders in 32 countries, represents 81% of global GDP.

The survey has also brought to light the four major emerging economies Brazil, Russia, India and China(BRIC) will now account for over half of the world output, and are expected to represent 44% of the Global GDP by 2050.

Alex MacBeath global leader of privately held business services for Grant Thornton International said: “Businesses are increasingly finding ways of doing business with the fast-expanding boom economies of the BRIC countries. It is no longer just the huge multinationals who are finding ways of taking advantage of the BRIC phenomenon – which has to be good news for the global economy.”

Keep watching the press for more news on various topics covered by the International Business Report.

Notes to the Editors

Grant Thornton International Business Report was conducted amongst medium to large privately held businesses in 32 countries, covering more than 7200 respondents. The research was conducted by Experian Business Strategies Limited and Harris Interactive. In Botswana, research was conducted among 250 public and privately held businesses that employ between 20 & 150 staff.

Grant Thornton Acumen, a member firm of Grant Thornton International has been operational in Botswana rendering services on various accounting and business advisory fields for over 30 years. The firm has participated in the IBR survey for the second year consecutively.