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Commerce  
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# Business Confidence Index Survey

Wave 28

(conducted during Oct-Nov 2025)

The **First Port of Call** for  
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## Survey Highlights

The Overseas Investors Chamber of Commerce and Industry (OICCI) has released the results of the Business Confidence Index (BCI) Survey Wave 28, conducted throughout Pakistan from October to November 2025. The previous survey, BCI Wave 27, was conducted during March to April 2025.

### Key Findings: State of Business Confidence

- The Business Confidence Index (BCI) for Pakistan in Wave 28 reflects a continued and notable upward trend, registering a positive score of 22 percent. This marks an improvement of 11 points compared to the previous wave.
- The recovery is most pronounced in the Services sector with confidence rising to 34%, marking the highest sectoral score since 2017.
- The retail sector also demonstrated progress, of 15-point increase, while the manufacturing sector recorded only a modest one percent increase.
- respondents foresee a positive impact from macroeconomic conditions. However, the anticipated challenges that can impact the business negatively are higher taxation, diminishing demands from the consumers and reduced profit margins.
- Business confidence among OICCI members randomly included in the survey also reported a healthy 10 percent increase, from 17 percent in the previous wave to 27 percent in the current Wave 28.

OICCI's BCI Survey, conducted since 2010 twice a year, incorporates comprehensive feedback from frontline business stakeholders on the business environment and opportunities impacting their respective operations. The survey covers the environment at regional, national, sectorial, and business entity levels over the past six months (P6M) and the anticipated business and investment environment for the next six months (N6M).

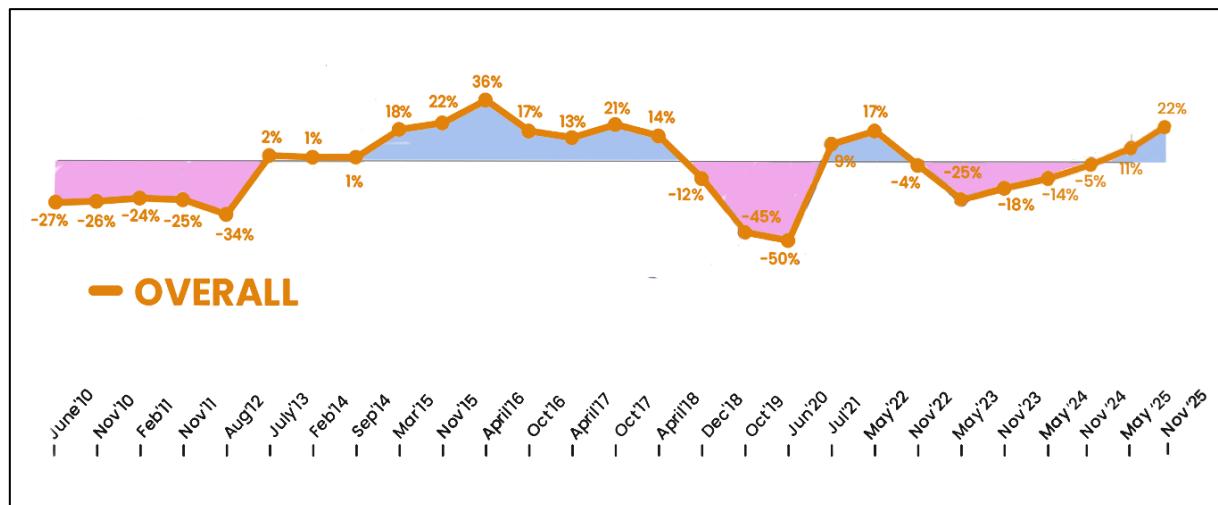
The survey, conducted face-to-face across the country, includes participants representing almost 80 percent of the GDP. Greater weight is given to business stakeholders in key centers such as Karachi, Lahore, Islamabad, and Faisalabad.

According to BCI Wave 28, overall business confidence in Pakistan has improved, rising to a positive 22 percent from 11 percent in the previous wave. This recovery is largely driven by optimism surrounding macroeconomic stability and a more stable dollar exchange rate, along with expectations of improved business conditions over the next six months.

The survey sample comprised of 44 percent respondents from the Manufacturing Sector, 33 percent from the Services Sector, and 23 percent from the Retail/Wholesale Sector. The services sector showed the highest improvement, followed by the retail sector, while the manufacturing sector recorded only a modest 1 percent increase since the last wave. The services sector index rose by 24-points, from a positive 10 percent in Wave 27 to 34 percent in Wave 28, marking the highest sectoral score since 2017. The retail sector also demonstrated notable progress, improving from a positive 2 percent in the previous wave to 17 percent in Wave 28, reflecting a 15-point increase.

*The survey was conducted by an internationally renowned pollster for the OICCI.*

*Business Confidence Score – Profile since inception in June 2010*



## Key Factors Impacting the BCI Wave 28:

The main driver behind the rise in business confidence during Wave 28, according to respondents, is the positive outlook for business conditions over the past six months and next six months. This wave also recorded notable shifts across several key indicators, as outlined below:

- Global Business Situation in the P6M: 19% (10% in Wave 28 vs -9% in Wave 27)
- Global Business Situation in the N6M: 24% (45% in Wave 28 vs 21% in Wave 27)
- Expansion of Business in the N6M: 15% (41% in Wave 28 vs 26% in Wave 27)
- Capital Investment in the N6M: 16% (12% in Wave 28 vs -4% in Wave 27)

The Business Confidence Index (BCI) for metropolitan cities (Karachi, Lahore, Islamabad, and Faisalabad) collectively improved by 9 percent points in Wave 28, rising to 23 percent from 14 percent in the previous wave. This improvement is primarily driven by more positive expectations regarding the Global, Industry, and Company business outlook in the next six months.

For Non-Metro cities (Peshawar, Quetta, Rawalpindi, Multan, Sialkot, and Sukkur) the BCI reached 19 percent in Wave 28, reflecting a significant 22-point improvement compared to Wave 27. Overall, the uplift in the business confidence index across these cities is attributed to more optimistic expectations for the global, City, and Company business situation in the next six months.

Given below is a brief list of key factors highlighted by the survey respondents:

### Survey Respondents who are Optimistic/Positive

- 54 percent of respondents expressed positive sentiments on Pakistan's business situation over the next six months, which shows an improvement of 9-points as compared to 45 percent in wave 27.
- 37 percent of respondents expressed optimism for the past six months, up from 34 percent in Wave 27.
- Key factors driving this positive sentiment include economic growth, improved government policies, investment climate, and security situation.

| Factors for Increase  |       |   |  |       |  |
|---|-------|---|--|-------|--|
| Past Six Months   |       |   | Next Six Months                                    |       |  |
| Wave 27   | Ranks | Wave 28   | Wave 27  | Ranks | Wave 28  |
| Improved law-and-order situation                            | 1     | Improved law-and-order situation                            | Increase in Business due to Global Peace Situation | 1     | Increase in Business due to Global Peace Situation |
| Economic growth   | 2     | Investment Climate (Foreign investment in the country)      | Increase in Global Market                          | 2     | Economic Growth                                    |
| Better Government policies                                  | 3     | Economic growth   | Decline in Oil Prices                              | 3     | Better Government Policies                         |
| Investment Climate (Foreign investment in the country)      | 4     | Better Government policies                                  | Economic Growth                                    | 4     | Increase in Global Market                          |
| Energy Situation (Adequate supply of Gas, Electricity etc.) | 5     | International Perception of Pakistan                        | Better Government Policies                         | 5     | Decline in Oil Prices                              |
| International Perception of Pakistan                        | 6     | Energy Situation (Adequate supply of Gas, Electricity etc.) | Improvement In Law & Order Situation               | 6     | Improvement In local governance & Policies         |

## Survey Respondents who were Pessimistic/Negative

- 46 percent of respondents expressed a negative outlook on Pakistan's business situation over the past six months, down from 53 percent in Wave 27.
- For the next six months, 22 percent of respondents forecast a negative outlook, an improvement from 27 percent recorded in Wave 27.
- In order of priority, the survey respondents' primary concerns related to expected high inflation and rising fuel prices, political instability, poor government policies and depreciation of the Pak rupee.

| Factors for Decline                       |       |   |                                  |       |   |
|---|-------|---|----------------------------------|-------|---|
| Past Six Months                           |       |   | Next Six Months                  |       |   |
| Wave 27                                   | Ranks | Wave 28                                   | Wave 27                          | Ranks | Wave 28                                   |
| Political Instability                     | 1     | Fuel Prices                               | Political Instability            | 1     | High Inflation                            |
| Pak Rupee Devaluation                     | 2     | Political Instability                     | High Inflation                   | 2     | Political Instability                     |
| Energy Situation/High Electricity Cost    | 3     | High Inflation                            | Pak Rupee Devaluation            | 3     | Ineffective Commercial and Trade Policies |
| Ineffective Commercial and Trade Policies | 4     | Ineffective Commercial and Trade Policies | Unstable Security Situation      | 4     | Increase in Fuel Prices                   |
| Fuel Prices                               | 5     | Energy Situation/High Electricity Cost    | Increase in Fuel Prices          | 5     | Inconsistent Government Policies          |
| High Inflation                            | 6     | Pak Rupee Devaluation                     | Inconsistent Government Policies | 6     | Pak Rupee Devaluation                     |

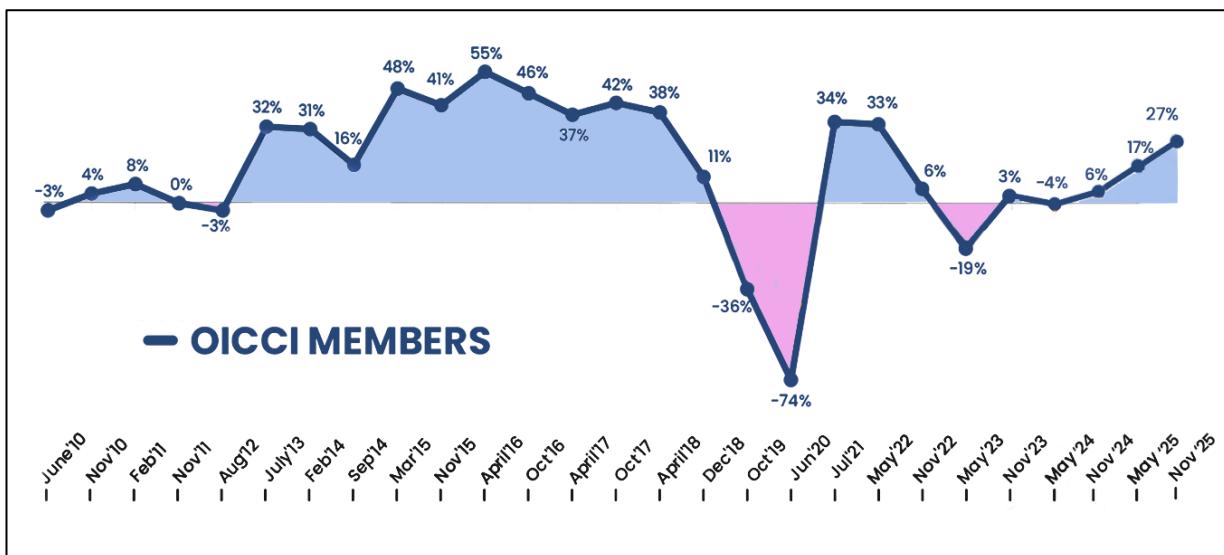
## BCI OF OICCI MEMBERS (Foreign Investors):

The BCI of a limited number of OICCI members, randomly participated as part of the survey, significantly increased to positive 27 percent in Wave 28 from positive 17 percent in the previous wave, showing an improvement of 10-points. This improvement is mainly attributed to:

- Global business situation in the N6M improved to 49% from 21%: (28%)

- City business situation in the N6M improved to 37% from 21%: **(16%)**
- Company business situation in the N6M improved to 46% from 29%: **(17%)**
- Return on investment in the N6M improved to 39% from 22%: **(17%)**

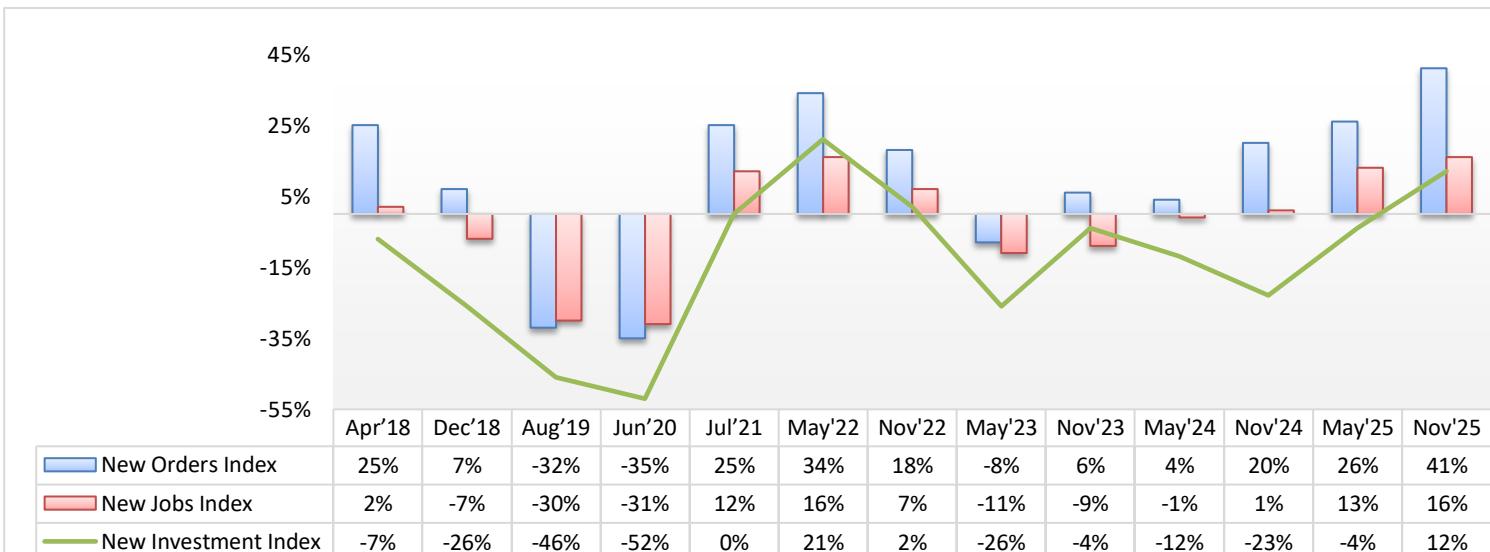
Overall, OICCI members' business confidence is still better than non-members.



## Future Business Outlook

### New Orders, Investment and Jobs Indices

Business confidence improved in Wave 28, with positive expectations reflected across all indexes and strong recoveries reported across major sectors. Job prospects, expansion plans, and investment expectations all showed notable gains, particularly within the Services sector. The Manufacturing sector remained relatively stable, though it continued to display caution regarding future expansion plans, while the Retail/Wholesale sector presented mixed expectations.



**Expansion (New Orders):** The New Orders Index improved significantly in Wave 28, rising to 41 percent from 26 percent in Wave 27. This shows growing optimism among businesses by 15-points. The Retail/Wholesale sector showed the highest improvement of 27 points in its future expansion plans, rising from 14 percent to 41 percent. This trend was followed by the services sector, which recorded an increase of 24 points, rising from

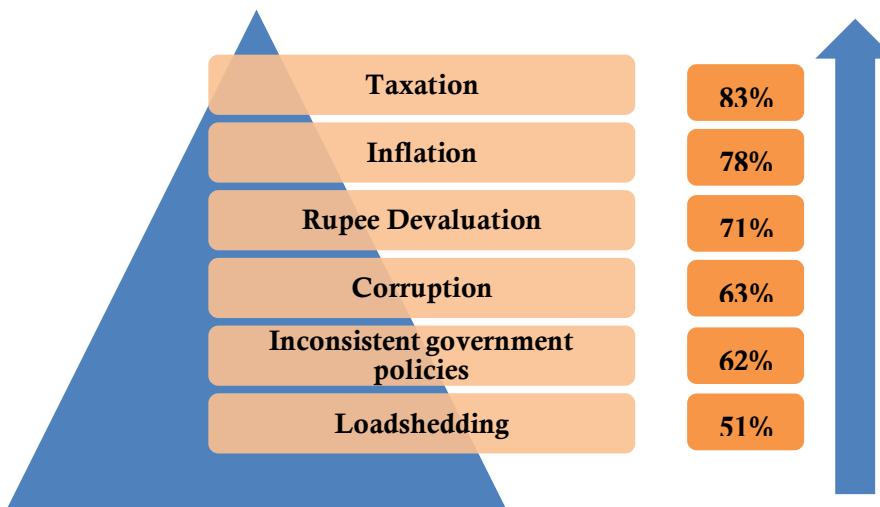
23 percent to 47 percent in Wave 28, in contrast to Wave 27 where it experienced a decline of 7-points. Meanwhile, the manufacturing sector showed only a modest increase of 1 point, inching up from 36 percent to 37 percent.

**New Jobs/Employment Opportunities:** Employment opportunities are expected to improve in the coming months. The New Jobs Index also saw a rise to 16 percent in Wave 28, up from 13 percent in Wave 27. The services sector showed a strong recovery of 21 points, with job expectations rising from 8 percent to 29 percent in Wave 28. Meanwhile, the Retail/Wholesale sector remained stable, maintaining its hiring plans at 8 percent, reflecting a slight decline of 1 point. The manufacturing sector also remained cautious, showing a 4-point decline in hiring expectations, falling from 20 percent in the previous wave to 16 percent in Wave 28.

**New Investment:** Positive changes across all three sectors have boosted investors' confidence and moved the New Investment Index to a positive trajectory, showing an improvement by 16 points, from a negative 4 percent in Wave 27 to a positive 12 percent in Wave 28. The services sector experienced a strong rebound, rising to a positive 20 percent from a negative 10 percent, followed by the manufacturing sector, which also showed signs of recovery with a 21-point increase. In contrast, the Retail/Wholesale sector remained pessimistic, declining by 6 points to a negative 13 percent from a negative 7 percent, opposite to the previous wave, where it recorded a strong rebound of 20 points.

## Key Threats to Business Growth

Looking ahead, respondents highlighted the following key threats in order of priority. The top two concerns remain unchanged from the previous wave, indicating ongoing challenges in these areas.



## Technology & Innovation

In this wave, a new section on Technology & Innovation was added to assess organisations' progress in digital transformation and automation over the past 6–12 months. Respondents were asked about their adoption of Generative AI tools (e.g., ChatGPT, Copilot) and its impact on headcount, revenue, profitability, and efficiency, both in the past year and expected in the next 12 months. The section also captured views on trust in AI-driven processes and whether AI should be systematically integrated across manufacturing, services, and other business areas.

- A significant number of OICCI members have introduced innovations in their systems with 43% adopting generative AI and 81% expecting it to take over key functions, while non-members remain reluctant.
- Respondents have also automated their systems by prioritizing cloud migration, infrastructure upgrades, analytics, and cybersecurity to drive change and remain competitive. Whereas non-OICCI members are reluctant to adopt AI in their systems with only a few implementing AI in their business.
- Many companies believe that generative AI is a great tool for improving efficiency in their operations and consider it to be reliable. The key areas where AI is expected to be implemented in the next 3 years are technology platforms, business processes and making enhancements in the workforce and their skills.

## About OICCI

The OICCI is the collective voice of over 200 major foreign investors in Pakistan, from more than 30 countries. OICCI members contribute over one-third of Pakistan's total tax revenue and are involved in 13 key sectors of the economy. They facilitate the transfer of technology and skills and employ a significant number of people. OICCI members continue to invest in Pakistan and in the past ten years have invested over \$23 bn in expanding their footprint in Pakistan. Over 25 percent of OICCI member companies are listed on the Pakistan Stock Exchange, and many are associates of Global Fortune 500 companies. OICCI members also engage in corporate social responsibility activities benefiting over 45 million persons from underprivileged communities.