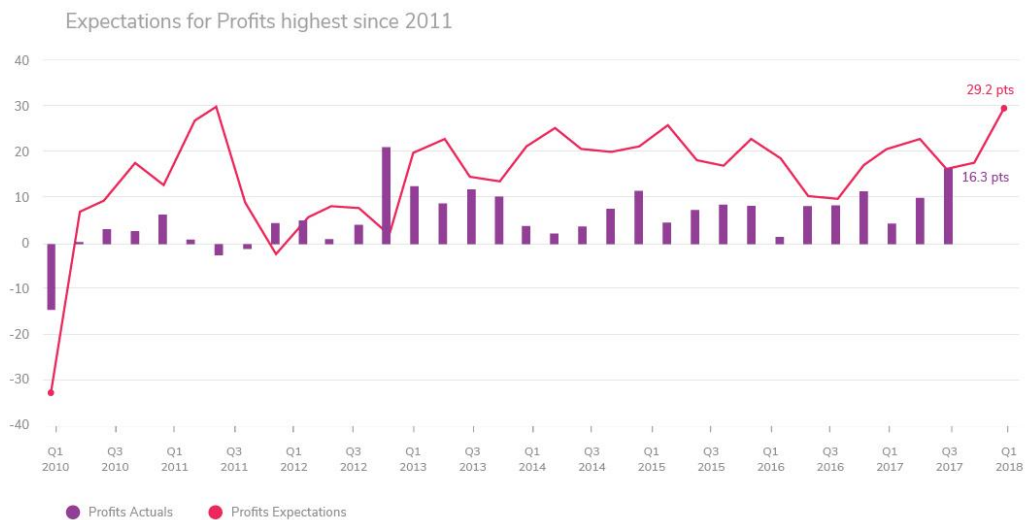


Media release

Business profits expectations highest in seven years

5 December 2017 – Business profits expectations for 2018 are the highest they’ve been since 2011, with companies set to boost employee numbers in the first quarter on the back of the positive outlook, according to illion’s latest Business Expectations Survey.

Data from the survey indicated businesses operating in the Finance, Insurance and Real estate sector had the highest profit expectations approaching the new year, followed by the Transport, Communications and Utilities sector.



The survey shows that overall, the Business Expectations Index is up 25.7 percent on the same period last year and the actual performance of businesses across all sectors is at a 13 year high.

Stephen Koukoulas, illion Economic Adviser, said there were a number of factors driving the positive outlook for 2018. “Corporate profits are getting a boost from lower costs, which are being driven by record low interest rates and on-going low wages growth – which is all occurring at a time of solid gains in the ASX”, he said.

illion CEO Simon Bligh said the profit outlook indicated the underlying foundation of Australia’s corporate landscape remains strong. “The data shows that businesses across a variety of industries are set to close out the year on a confident note,” he said.

“This bodes well for the beginning of 2018, which, judging by the latest Business Expectations results, is set to be an active year for business growth.”

For more information on the illion Business Expectations Survey see <http://dnb.com.au/news-and-research.html#.WiDykoVOIhc>

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About the illion Australian Business Expectations Survey

Methodology behind the Australian Business Expectations Survey: Each month, illion asks a sample of executives if they expect an increase, decrease or no change in their quarter-ahead sales, profits, employees, capital investment and selling prices compared with the same quarter a year ago. The executives are also asked for actual changes over the twelve months to the latest completed quarter.

In this issue, the final indexes for the latest quarter are based on approximately 800 responses obtained during October and November 2017.