



Institute for Public Policy Research



The *IJG* Business Climate Index 2008



Introduction

- What is a BCI
- The *IJG/IPPR* BCI
- Composition
- Actual Figures & Trends
- Conclusion



What is a BCI

- A composite figure/index
- Perception/opinion based (“what business people feel”)
- Market-related (“what business people experience”)
- Gauge business environment
- Tracking macro-economic environment



The *IJG/IPPR* BCI

- Consists of 13 unweighted sub-indices
- Based on market related economic indicators
- Relevant and likely to impact on the domestic business environment



Composition

- National Consumer Price Index (NCPI)
- Unweighted exchange rate of the Namibia dollar against the US dollar and the euro
- Deflated average price of beef and mutton
- Deflated average price of white fish
- Deflated average metal price
- Unweighted average of selected OECD leading composite indicator - diamond price (demand)
- Total number of vehicle sales
- Real value of building plans passed
- The NSX local index
- Total number of business registrations
- Real private sector (businesses and individuals) credit extension
- Prime lending rate
- Average deflated price of international crude oil



Sub-Indices

- Investment Index
- Consumption Index
- Export Index
- Coincident Indicator
- Leading Indicator

Composition cont....

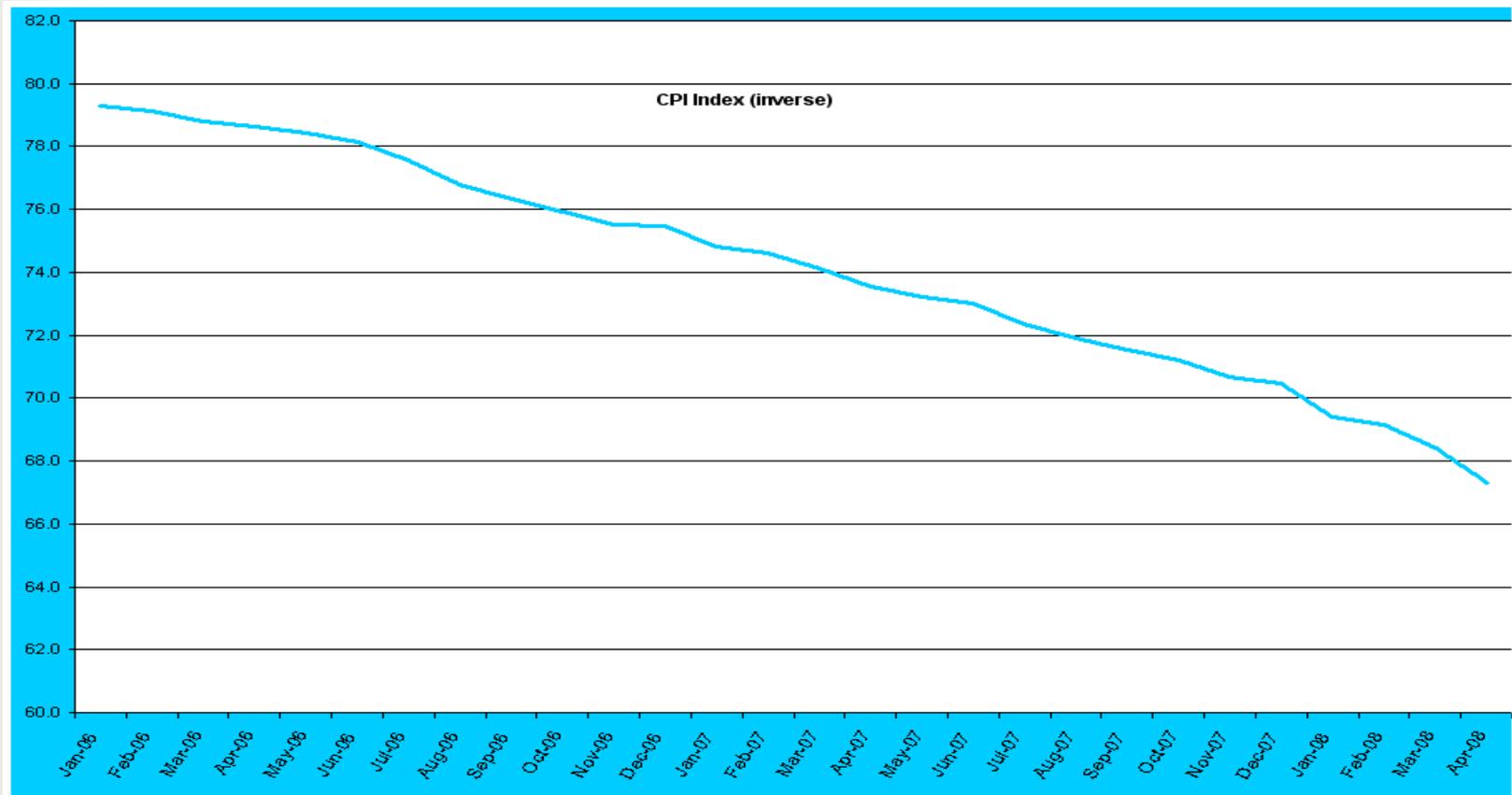
	BCI	II	CSI	EI	LI	CDI
National Consumer Price Index (NCPI)	X		X			X
N\$/US\$	X		X			X
N\$/Euro	X			X		X
Deflated average price of beef and mutton	X			X		X
Deflated average price of white fish	X			X		X
Deflated average metal prices (spot)	X			X		X
Deflated average metal prices (future)	X			X	X	
Unweighted average of selected OECD leading composite indicators	X			X		X
Passenger vehicle sales	X		X			X
Commercial vehicle sales	X	X			X	
Real value of building plans passed	X	X				X
The NSX local index	X	X			X	
CC registrations	X	X				X
Company registrations	X	X				X
Defensive names registrations	X	X			X	
Real credit extension (individuals)	X		X			X
Real credit extension (businesses)	X	X				X
Prime lending rate	X	X	X		X	
Oil price spot	X		X			X
Oil price future	X	X			X	



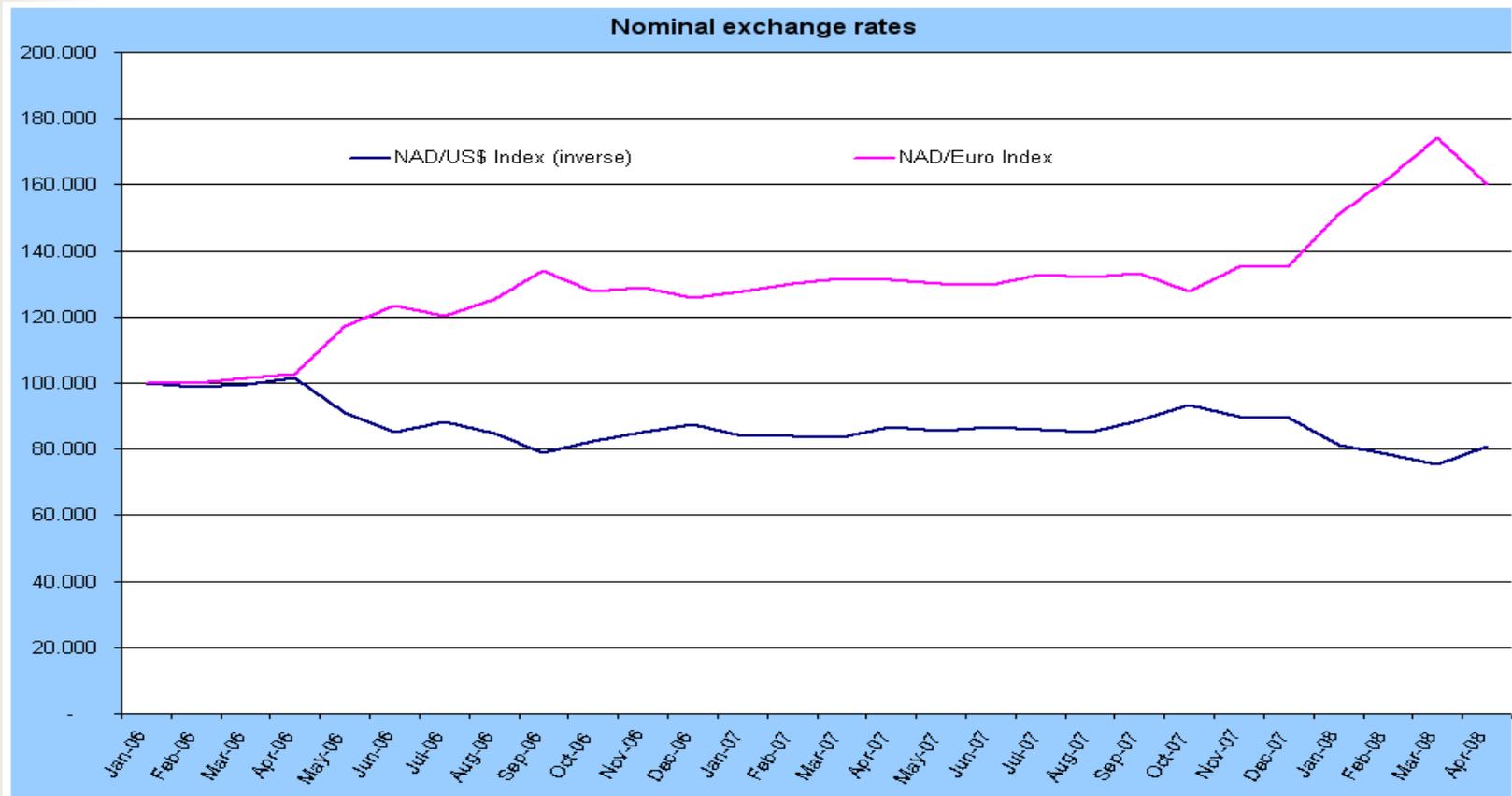
Actual figures and trends

- Note:
 - Downward sloping -negative impact
 - Upward sloping -positive impact

National Consumer Price Index



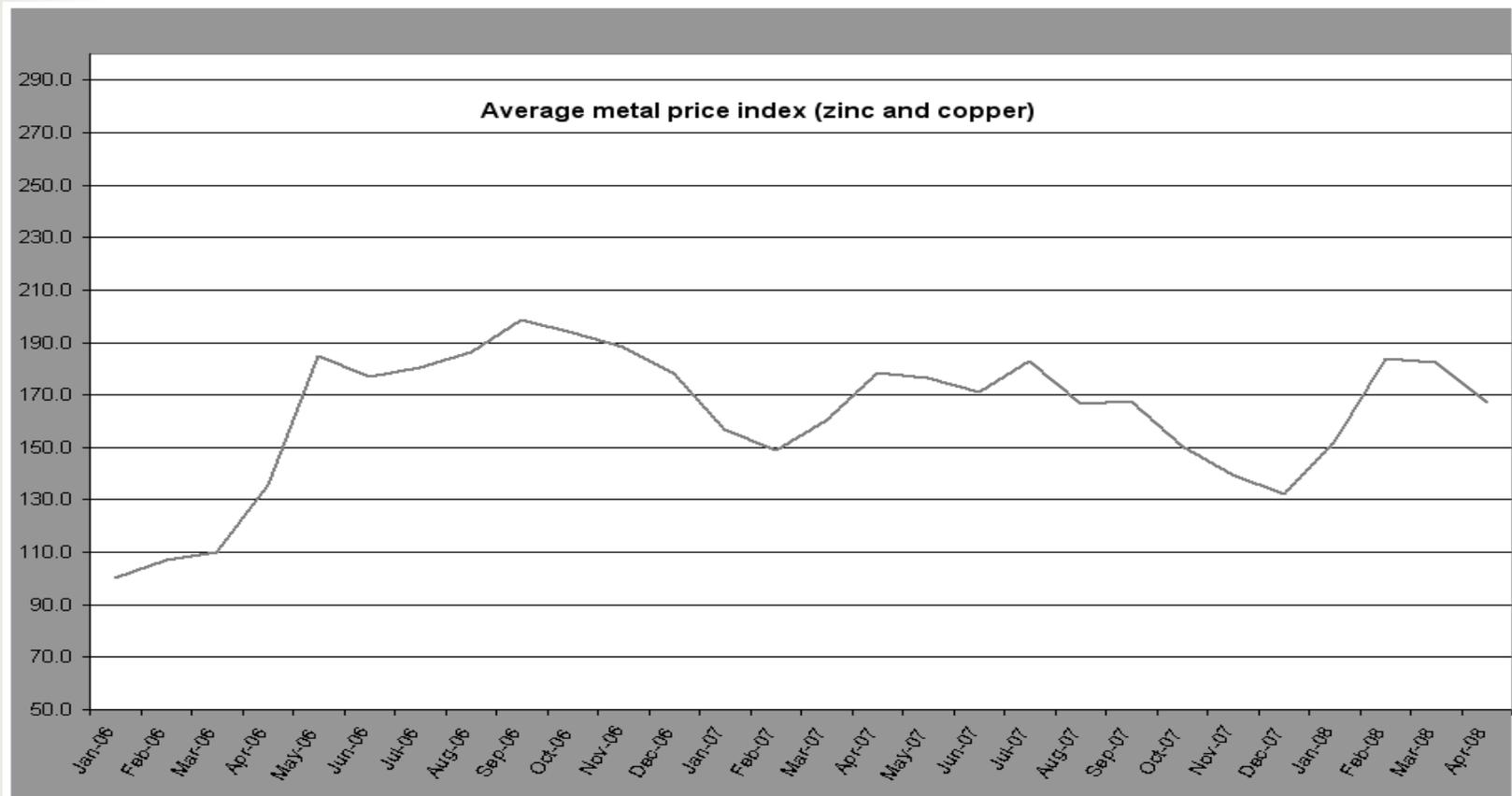
Exchange rates



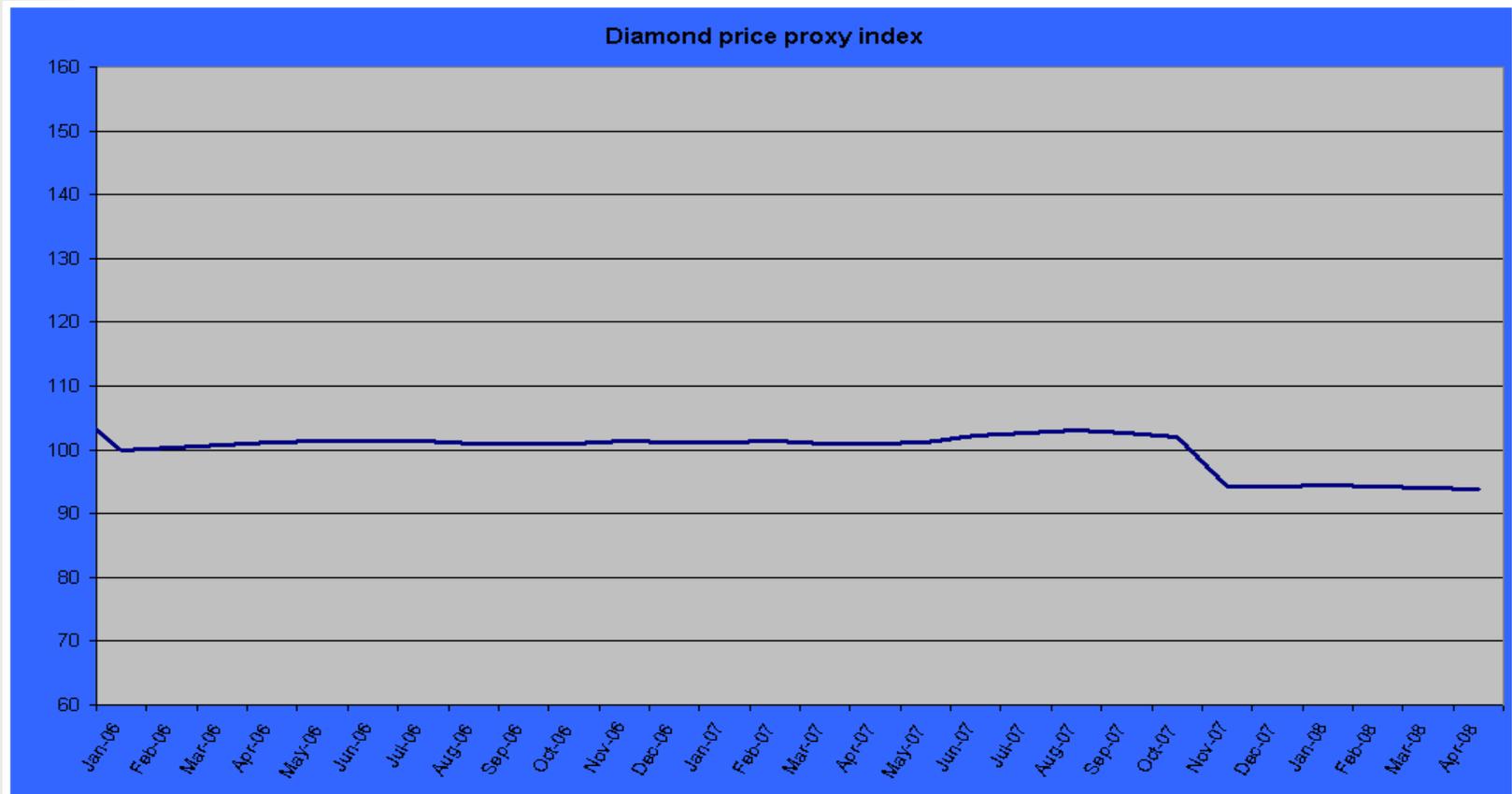
Beef and mutton prices



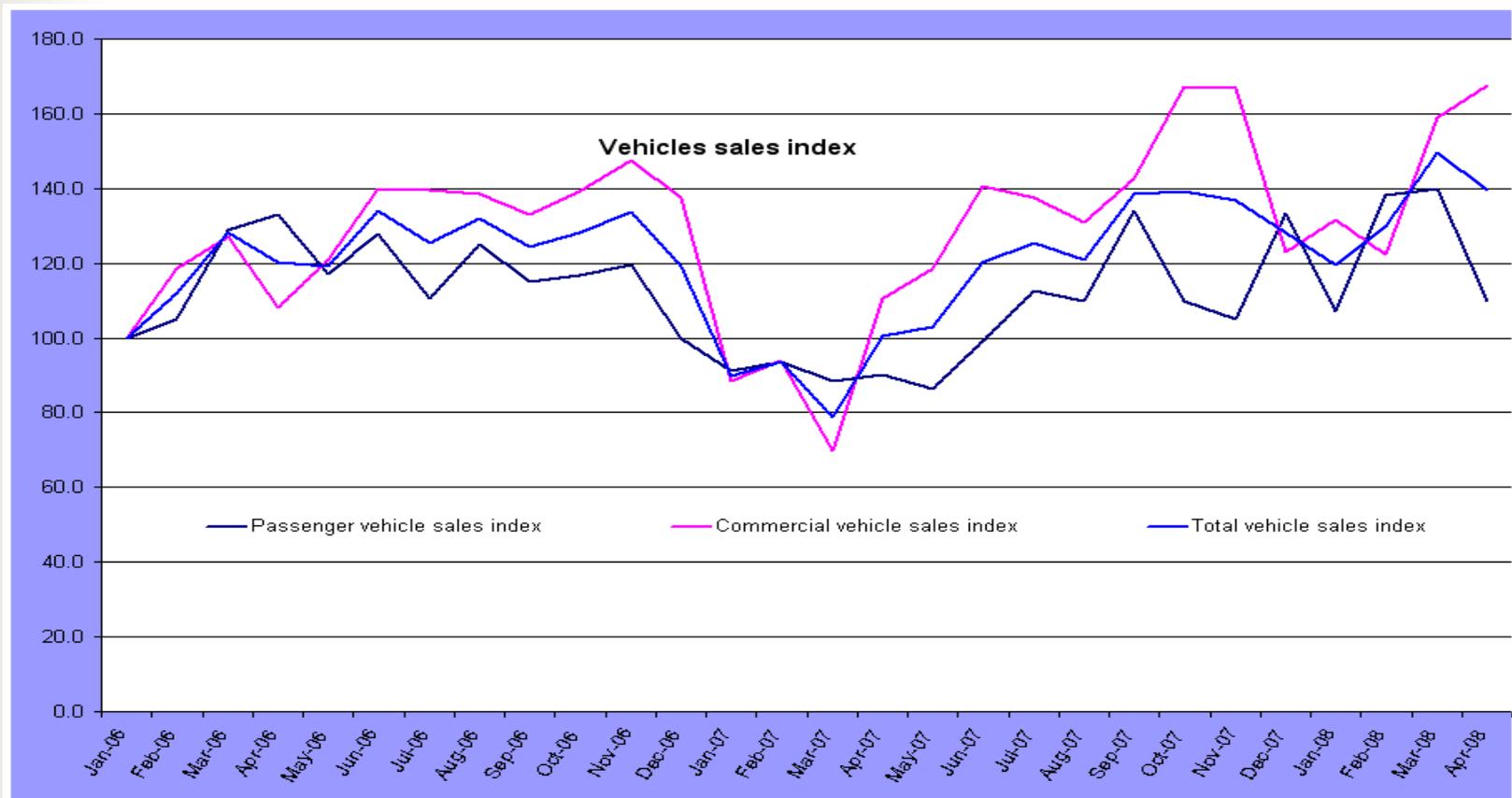
Metal prices



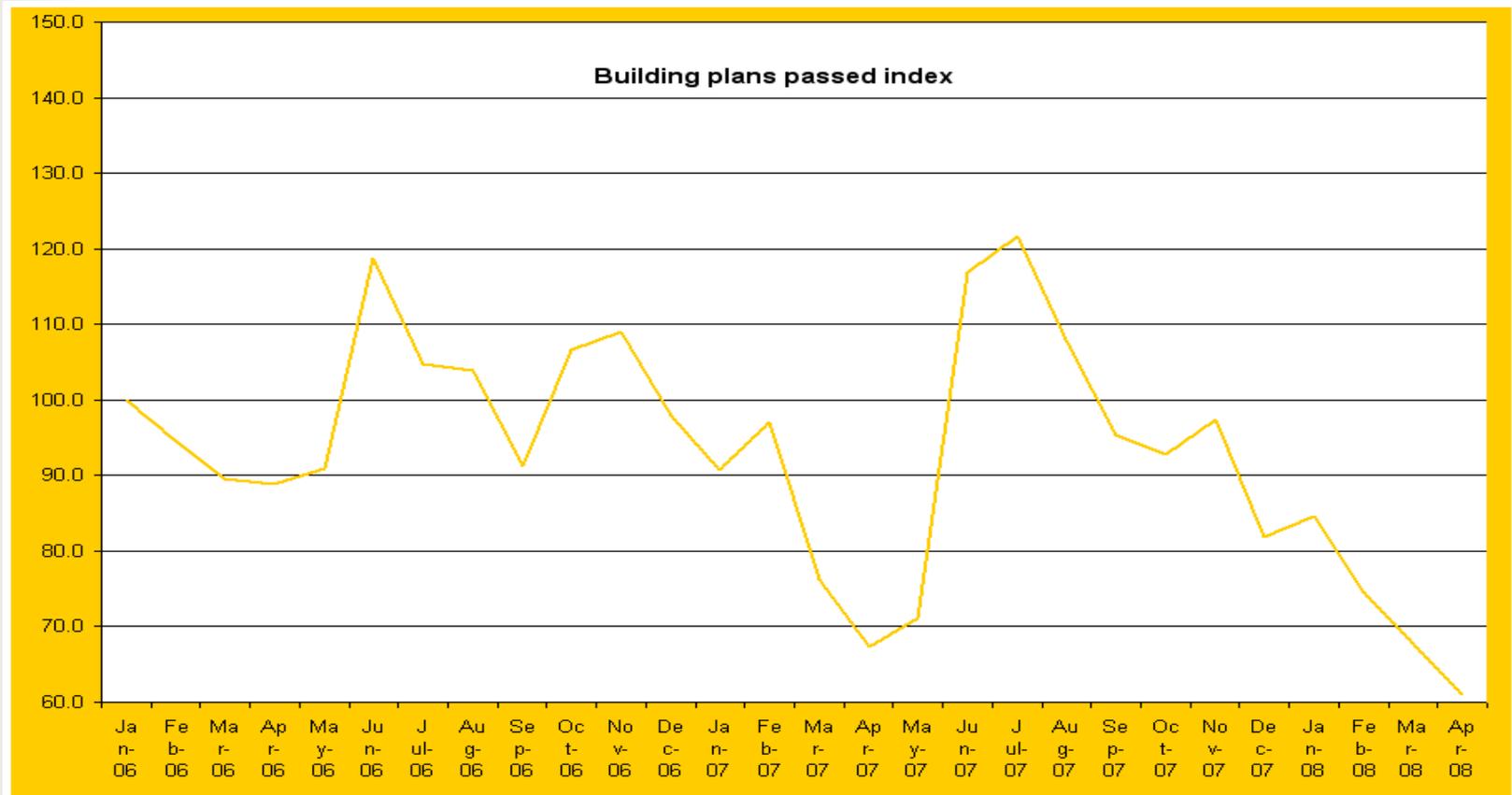
OECD Leading indicators



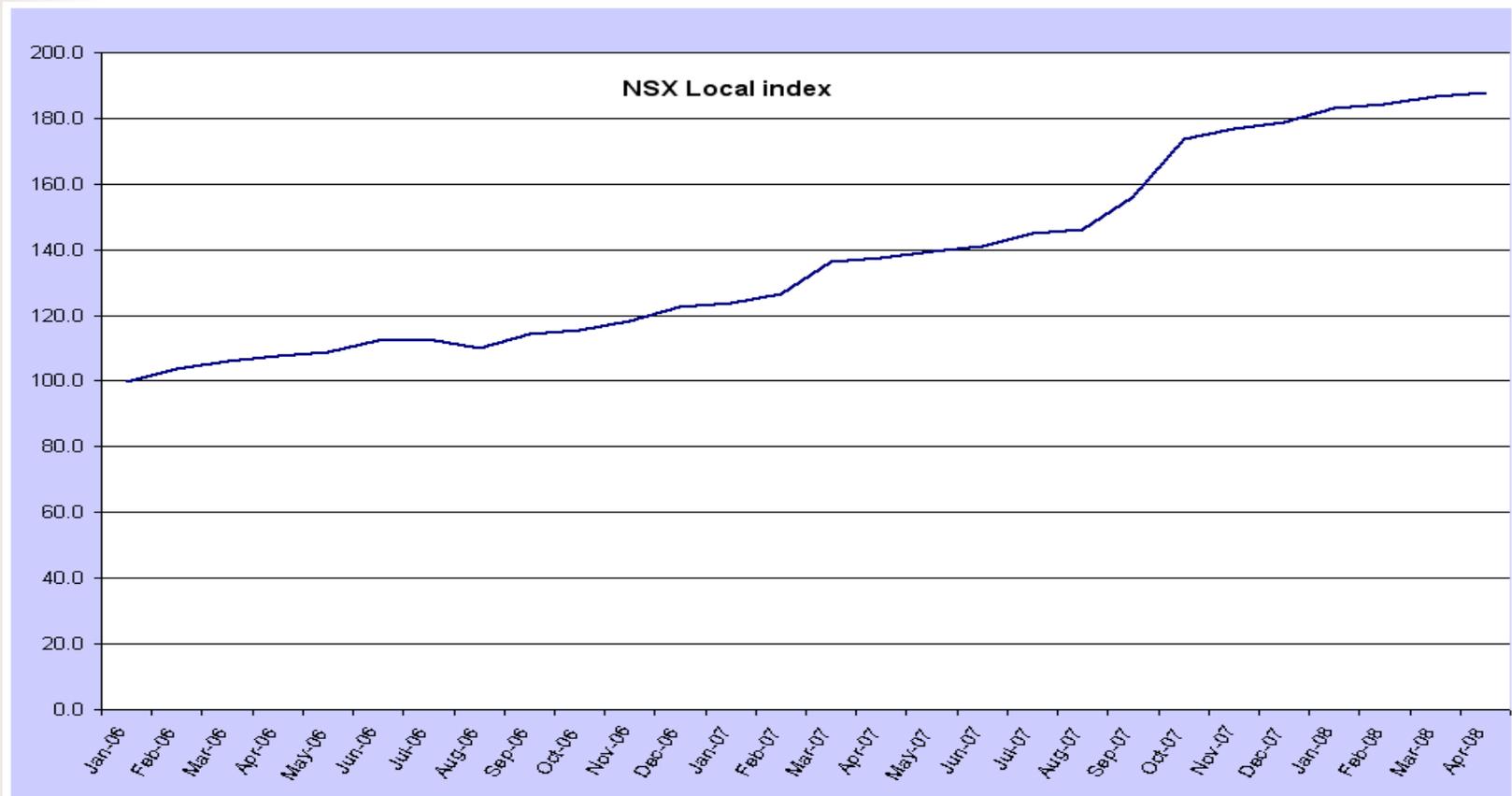
Vehicle sales



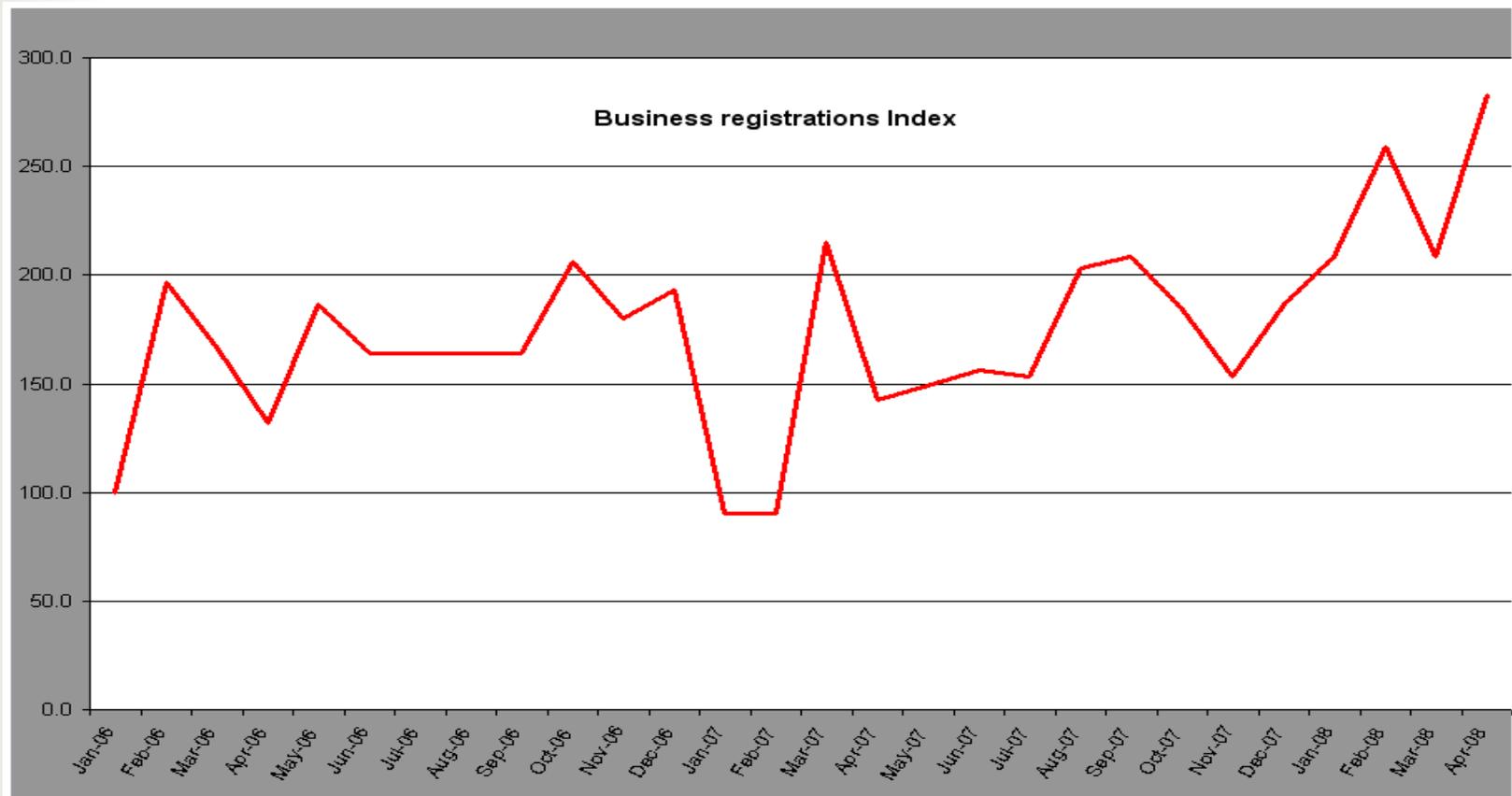
Building plans



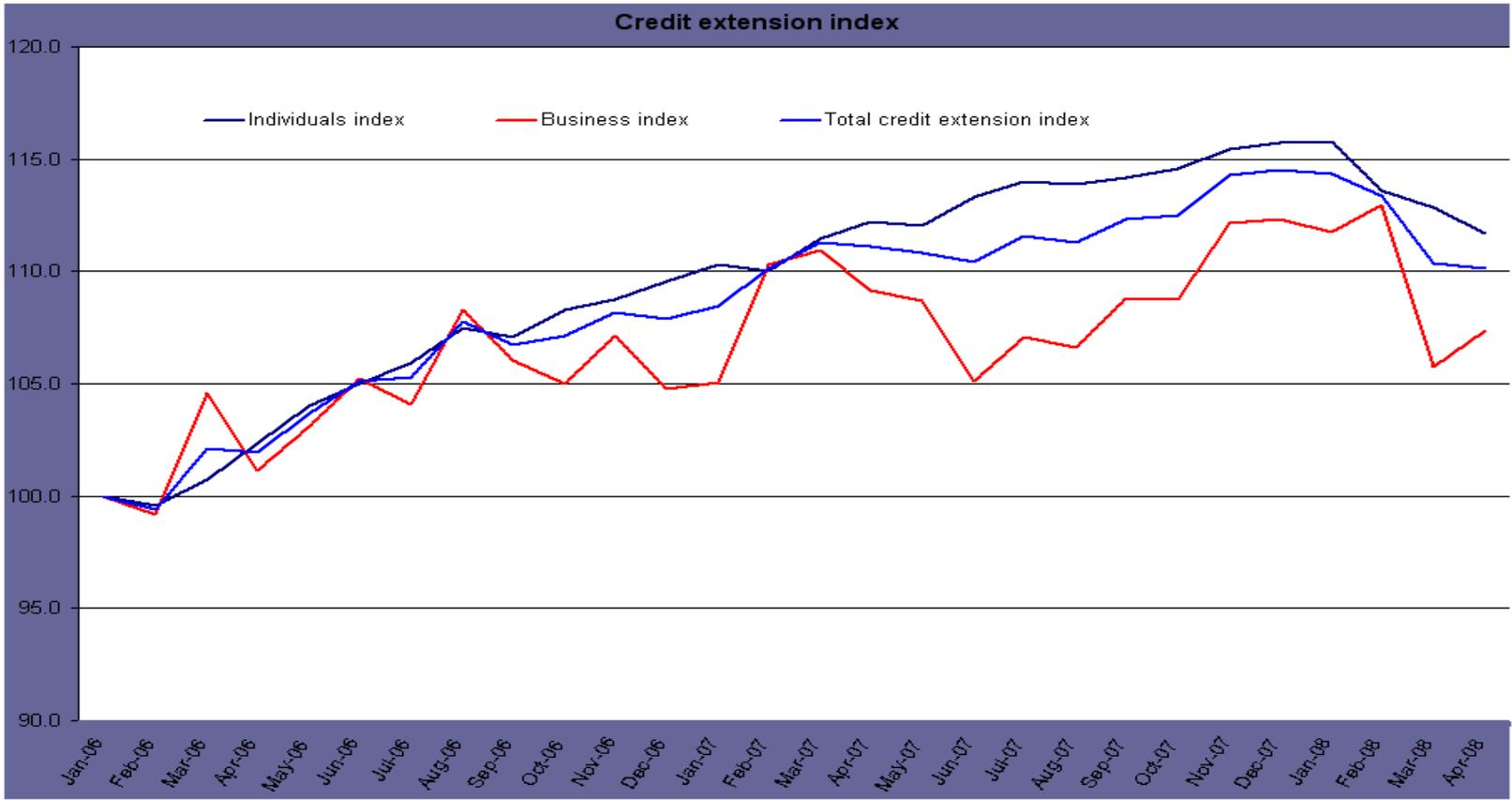
NSX local index



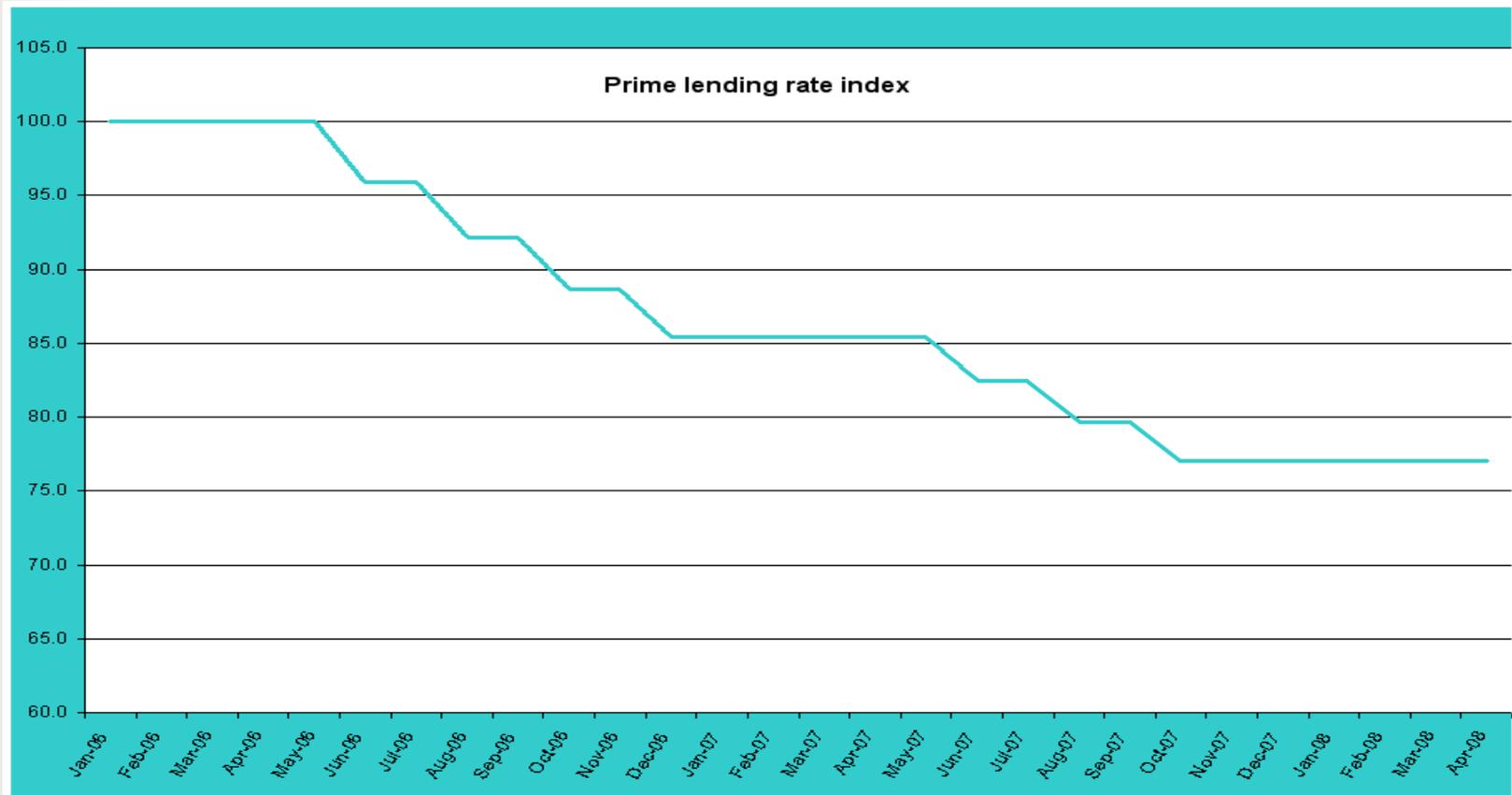
Business registrations



Credit extension



Prime lending rate

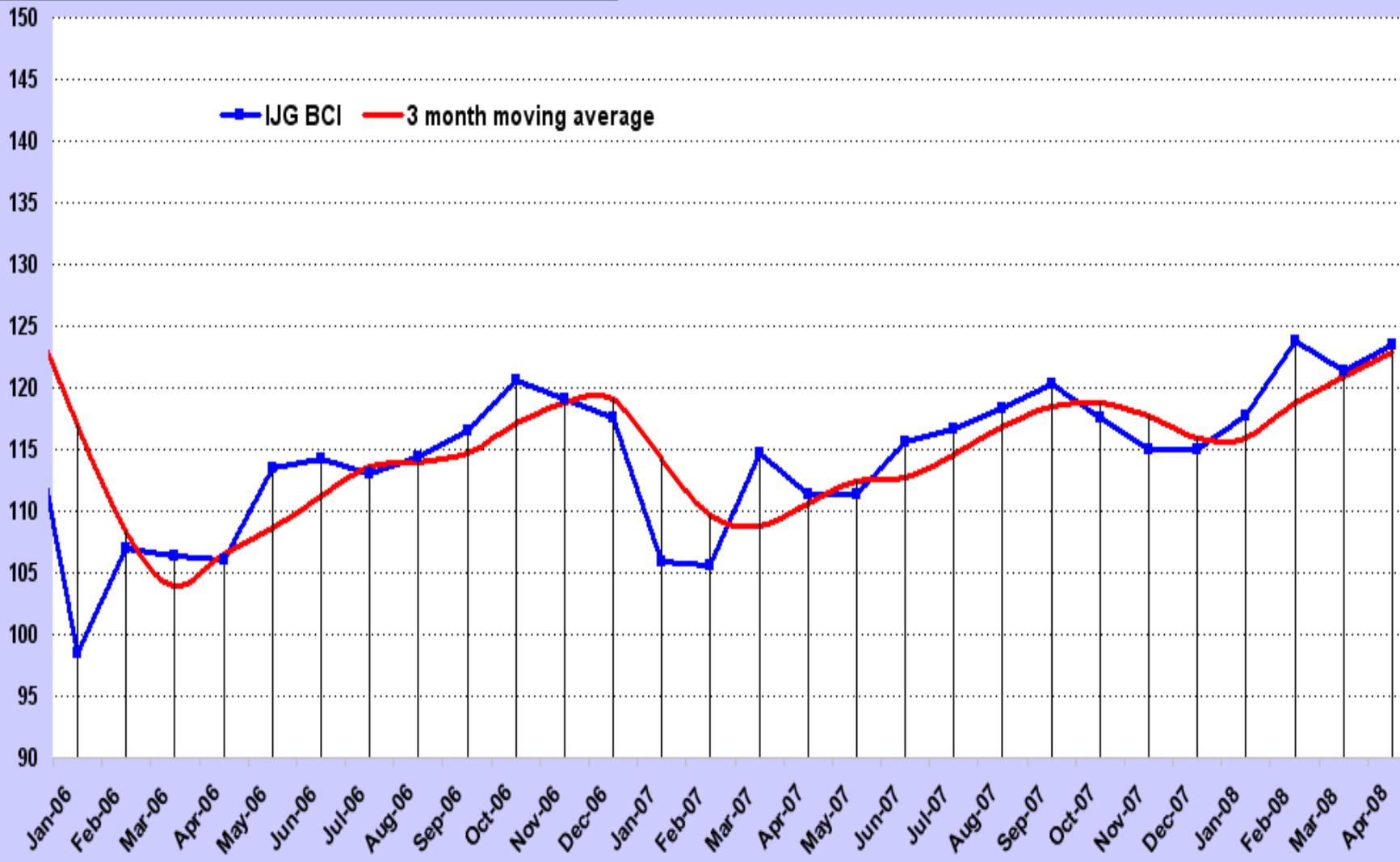


Oil prices



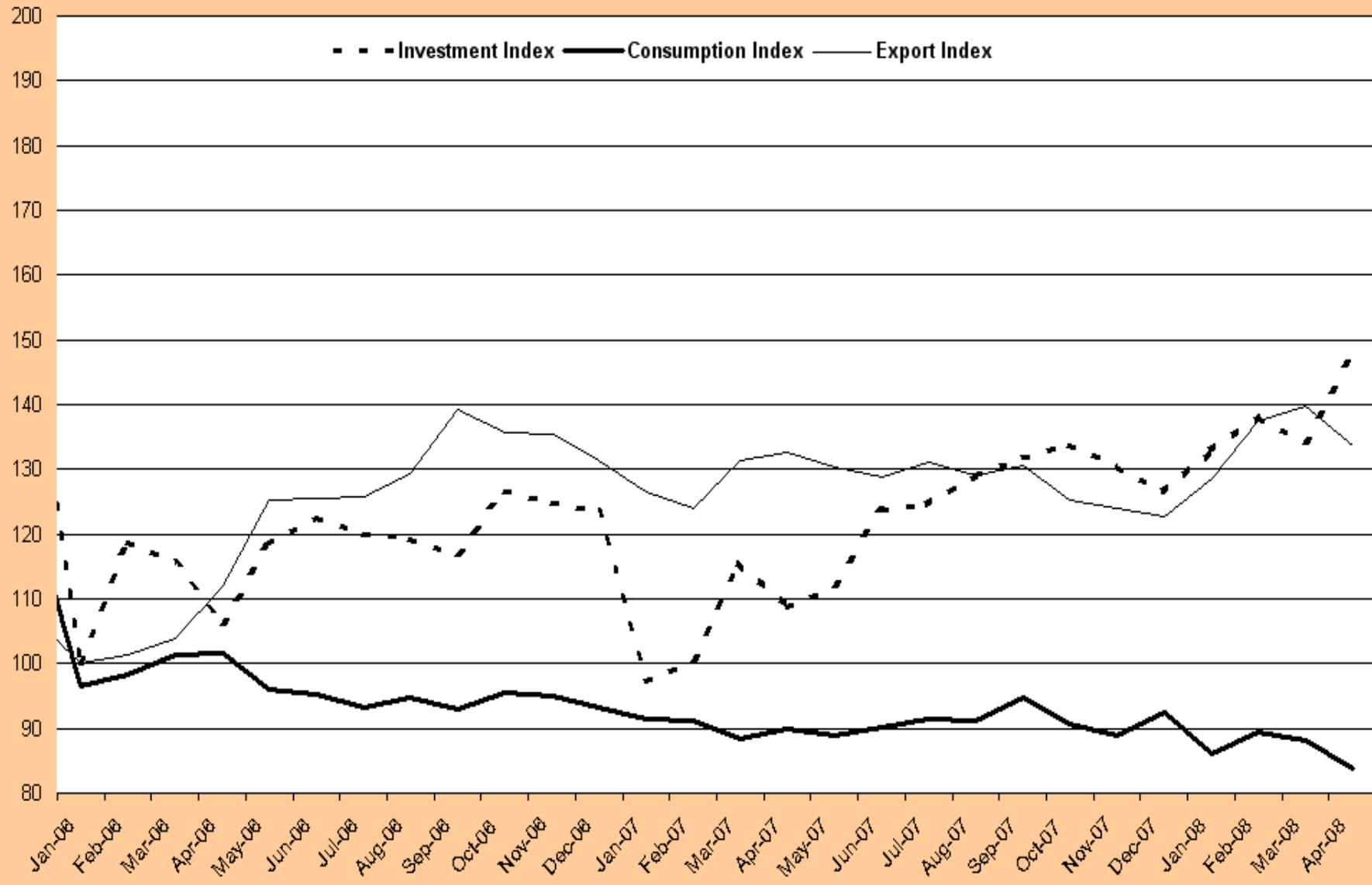
IJG Business Climate Index, April 2008

Produced by the Institute for Public Policy Research



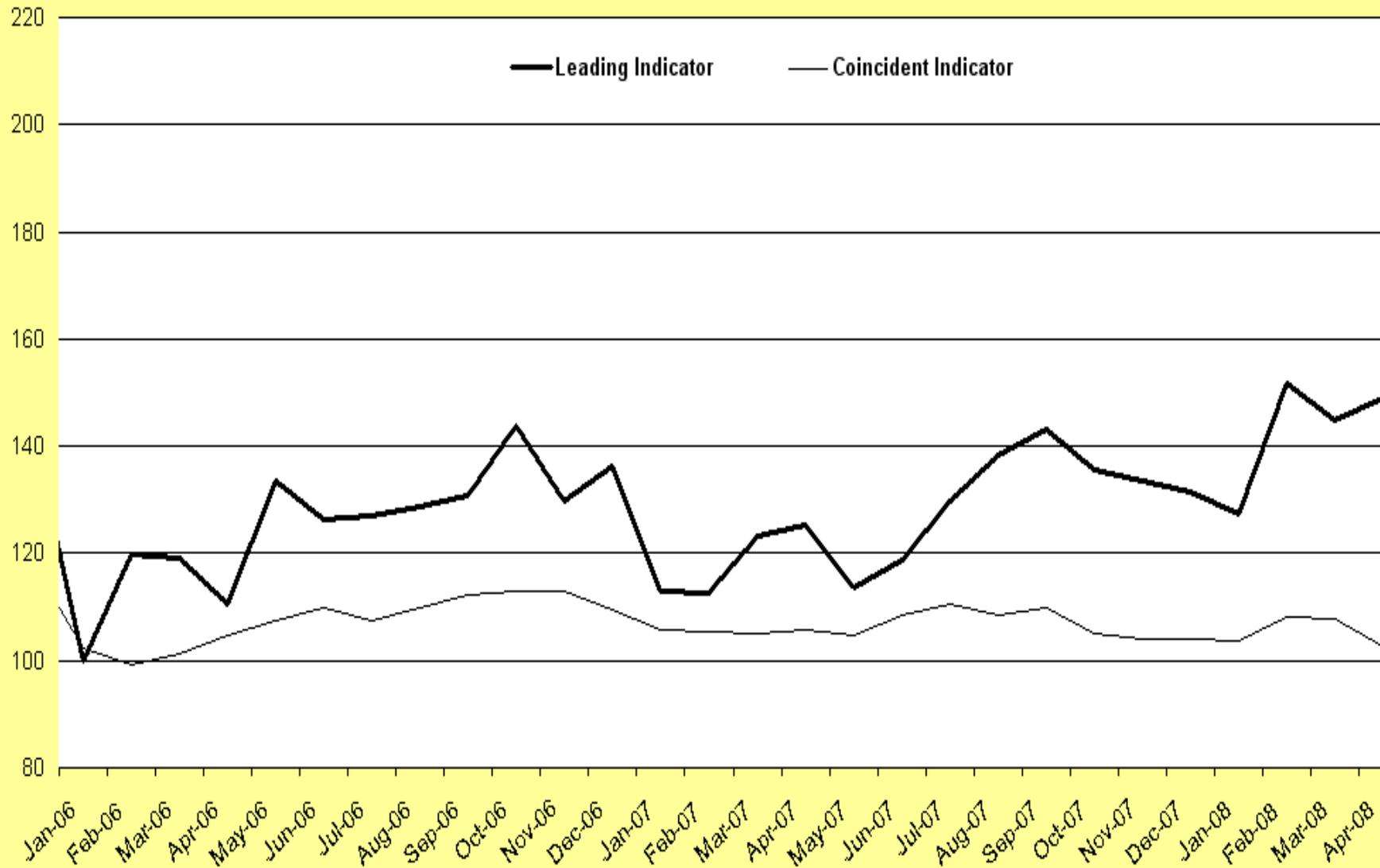


IJG Business Climate Index Sub-Indices
produced by the Institute for Public Policy Research





IJG Business Climate Index Sub-Indices
produced by the Institute for Public Policy Research





Conclusion and way forward

- Business environment generally positive
 - Investment & exports
 - Consumers!!!!
- Revision
 - Data
 - Adopt weighted index