



THE MALTA CHAMBER

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Malta Business Confidence expected to follow USA and UK positive increase in coming months

“The closure of establishments at short notice and the increase in restrictions in mid-March shocked the system and dealt a blow to short-term business confidence,” said Ms Marisa Xuereb, President of The Malta Chamber of Commerce, Enterprise and Industry during a webinar held in collaboration with Vistage Malta.

“What is clear is that business confidence is fragile and knee-jerk actions taken with minimal consultation have significant negative impact. Yet medium to long-term business confidence is more promising. Positivity comes from businesses’ ability to exploit the opportunities of the new norm, including hybrid work setups and of course the vaccination rollout. It is therefore imperative that those sectors of the economy that have limited scope for remote working by the very nature of their operations, such as manufacturing, are prioritised in terms of vaccine rollout, to provide some much needed uplift in morale and safeguard productivity,” explained Xuereb.

“The results of the Q2 index show that our businesses are less buoyant about economic growth than they were in Q1 of this year, possibly attributed to the delays in kickstarting economic activities across many sectors, combined with an element of ‘fatigue’. Overall however, businesses wish for even more clarity on timelines for travel, international trade, incentives for investment and continued support for talent retention, the latter being a main concern for most businesses,” said Mr Nathan Farrugia, Managing Director of Vistage Malta.

Addressing attendees during the webinar, Mr Joe Galvin, Chief Research Officer at Vistage Worldwide Inc. noted that “The surge in optimism in the US and UK is driven by the belief that an end is in sight for the pandemic. Vaccines are driving that confidence as those verticals that thrived in the pandemic continue to be strong while those that suffered most like travel, leisure and hospitality are just beginning their recovery. Malta, like many other parts of the world, trails the US/UK in vaccine rates. As Europe and others close that gap, a resurgence fueled by pent-up demand for travel will be the catalyst for the next growth wave.”

The ‘An expert eye towards the future’ webinar was the second in a series of webinars organised by The Malta Chamber and Vistage Malta, in an effort to present the quarterly Confidence Index Survey Results.

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