

Guyana Business Outlook Survey 2003

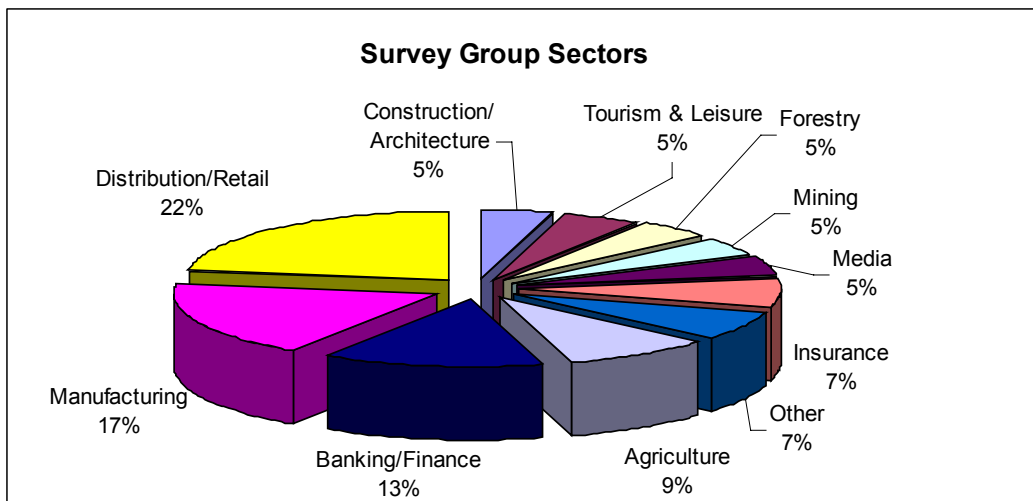
Part I: About the Survey Group

The Guyana Business Outlook Survey has been an annual exercise conducted by Ram & McRae for the past nine years.

While this Survey was not designed to produce statistically valid findings, it contains responses from a wide cross section of the business community. We hope that the results, our analysis and comments will serve as a useful tool as businesses and policy makers plan their strategies for 2003.

This year's Survey elicited thirty-eight responses or 40% from a total of ninety-five questionnaires circulated. This year's response rate was the lowest for many years and we are aware that some companies to which questionnaires were sent subsequently went into receivership.

This year's group represented companies from a diverse range of sectors and industries including distribution/ retail 26%, manufacturing 21%, banking and finance 16%, agriculture 11%, insurance 8%, media, mining, forestry, tourism and leisure and construction and architecture (all 5% each) and aviation, security and IT services (all 3% each). Other respondents were individually the electric utility company, a shipping company and a cargo handling/transportation company. The sector distribution of respondents is similar to that of the 2001 Survey. **Note: some companies are involved in more than one sector.**



Of the thirty-five companies which provided information on their level of turnover, 15 (39%) have turnover in excess of one billion, three (8%) are within the \$700-\$1000Mn and \$600-\$700Mn ranges respectively, two each (5%) between \$500-\$600Mn and \$400-\$500Mn respectively. Ten companies are below the \$400Mn range with four companies (11%) falling in the \$200-\$400Mn range.

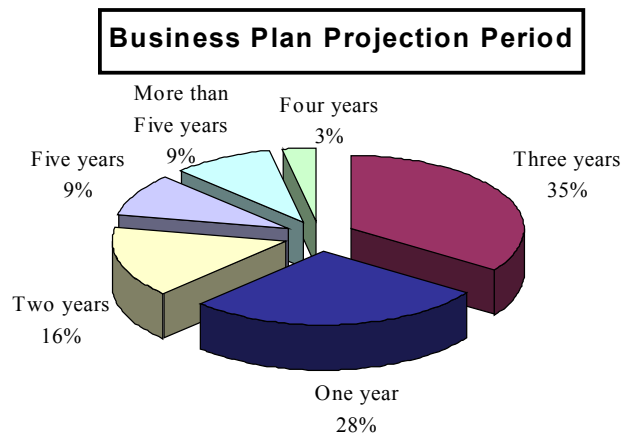
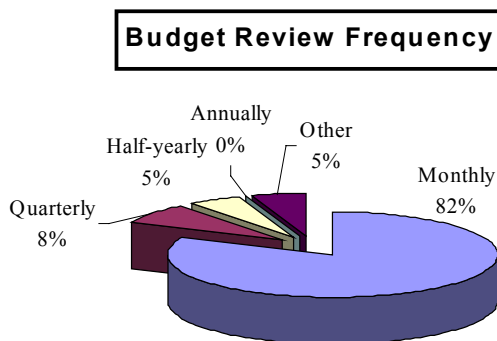
One third of the survey group are involved in domestic sales while two-thirds are involved in different levels exports to a number of markets. This is a stark comparison with the survey groups in 2000 and 2001 in which the situation was the opposite.

Surprisingly fifty-three percent (53%) of the respondent companies consider that they experience little or no competition from foreign-sourced products, twenty-six percent (26%) are subject to a great deal of competition while 18% are subject to a fair amount of competition. This reflects a slightly different position from the previous's year's Survey in which 55% of the respondents indicated that they were subject to a great deal of competition from foreign products while 43% experienced little or no competition.

Most of the respondents (37%) have workforces of between 101-250 staff. Seven companies each (18%) have between 51-100 and 251-500 employees respectively. Only 5 (13%) companies have less than fifty (50) workers, while 3 companies have between 501-1000 and 2 companies above 1000 workers. .



Forty-eight percent (48%) of respondents reported changes in their workforces. 10% had increases averaging 6.5% while 19% had decreases averaging 26%. 70% of the respondents did not provide ranges for increases or decreases in workforces.



In terms of planning, all respondents review performance against their budgets. Eighty-two percent (82%) do this on a monthly basis, 7% quarterly, 5% half-yearly and 2% bi-monthly. Seventy-nine percent (79%) of these companies claim that they operate with a formal business plan with 11 companies (34%) preparing projections for a three-year

period, 9 (28%) for a one year period 5 (15%) for a two-year period, 3 each for five years and more than 5 years respectively and one for four years.

This Report is available to the business community and politicians as well as members of the general public. Copies are available from our Office on Waterloo Street or may be accessed from our website <http://www.ramandmrae.com>.