



Overall business
confidence

51%



Monthly
change

+1 points



Trading
prospects

57%



Economic
Optimism

45%

Business confidence remains steady

- Economic optimism at 10-month high
- Business confidence rose one point in June, further offsetting April's 10-point fall
- Hiring intentions increase for the second month in a row
- Manufacturing and retail firms both saw 12-point increases

Business confidence saw a small rise in June, up one point to 51%, according to the latest Lloyds Business Barometer. This follows the 11-point rise seen in May, offsetting April's 10-point decline. This rise was driven by economic optimism reaching a 10-month high (up one-point) following the 16-point increase seen in May.

Hiring Intentions Strengthen

Businesses' hiring intentions for the next 12 months increased for the second consecutive month with 60% of firms expecting higher staffing levels in the coming year. Just 15% anticipate a reduction in employee numbers, pushing the net balance up five points to 45%.

Wage growth expectations also rose for the second month in a row, with 36% forecasting average pay increases of 3% or more, a four-month high.

Price Pressures Ease Slightly

Businesses price expectations declined again in June, by two-points to 61%, following the five-point fall in May. This has left pricing expectations at a three-month low, although from a long-term perspective this level of pricing expectations is still high and above the long term average of 44%.

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Hann-Ju Ho, Senior Economist, Lloyds Commercial Banking, said:

“Business confidence has continued its positive momentum, following the significant gains we saw in May.

“In particular, the sustained rise in hiring intentions suggests that while firms do still face challenges, they may be starting to look beyond short-term staffing needs and preparing for future growth.”

Sector Highlights

Business confidence in the manufacturing and retail sectors saw significant gains this month, with 12-point rises in both sectors to 52%. For manufacturing, this demonstrates an 11-month high.

Construction and services however saw decreases in confidence, with falls by five points and four points respectively.

Regional Insights

While confidence in the regions and nations remains above the long-term average (29%), only half saw a rise in confidence in June. Wales saw significant gains, up 31 points and London also saw a large increase of 11 points. Other regions saw more marginal gains, including East of England, South West, North West and South East. Confidence fell in the remaining regions, with the West Midlands falling the most with a decrease of 20 points.

Paul Kempster, Managing Director for Commercial Banking Coverage, Lloyds Business & Commercial said:

“June's figures for UK businesses shows a sustained picture of growth and opportunity. Overall, while there have been some fluctuations, it's encouraging to see all regions and nations well above the long-term average.

“As business confidence continues, we are committed to supporting businesses with a range of financial services to help them achieve their growth ambitions.”

Ends

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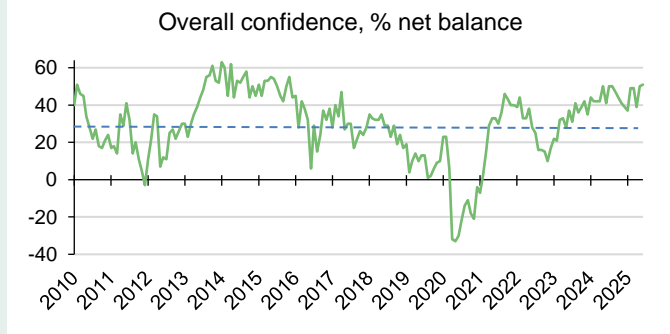
Notes to Editors

- The fieldwork for the Lloyds Bank Business Barometer was conducted during **2–16 June** by BVA BDRC.
- The survey covers the online responses of a sample of 1,200 UK companies each month from all industry sectors, regions and firm sizes with annual turnover above £250,000.
- The results are re-weighted to match proportions by sector, region and size of the total business population, as published by the Department for Business, Energy and Industrial Strategy and the Office for National Statistics.
- Net balances are calculated by deducting the percentage of negative responses from the percentage of positive responses.
- Prior to January 2018, the fieldwork was based on telephone responses of 200-300 companies with annual turnover above £1 million.

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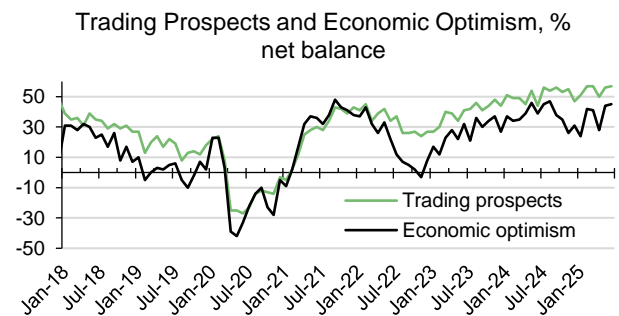
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Chart 1: Highest for over nine years



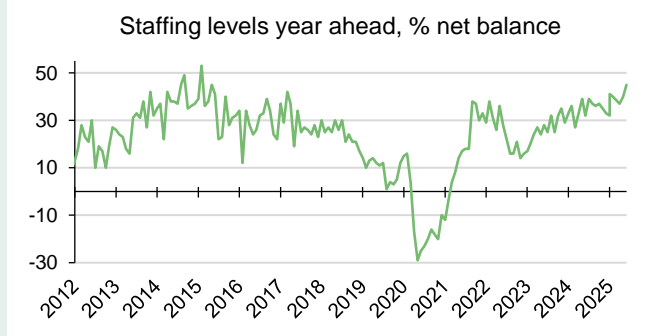
Source: Lloyds Bank Business Barometer (June 2025), BVA BDRC

Chart 2: Trading prospects at three-month high



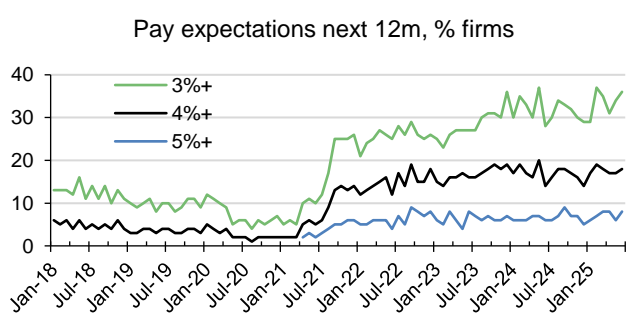
Source: Lloyds Bank Business Barometer (June 2025), BVA BDRC

Chart 3: Optimism in workforce projections



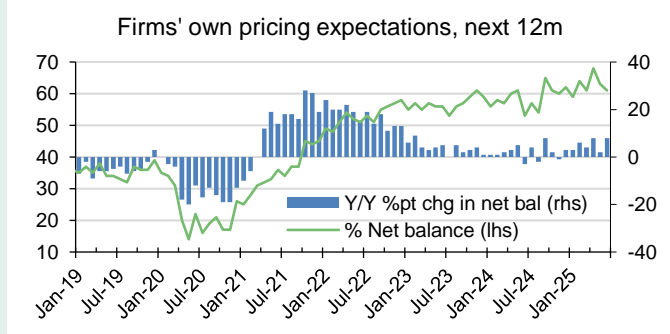
Source: Lloyds Bank Business Barometer (June 2025), BVA BDRC

Chart 4: Steady trend with recent uptick



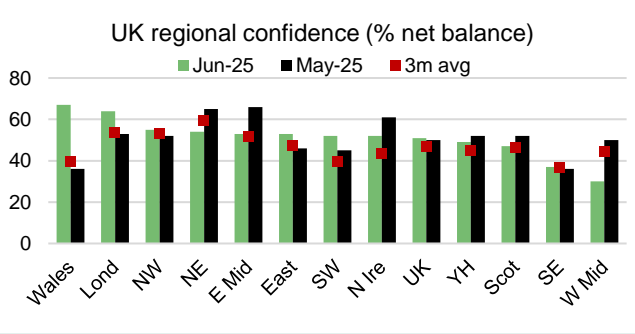
Source: Lloyds Bank Business Barometer (June 2025), BVA BDRC

Chart 5: Price rise expectations remain broad-based



Source: Lloyds Bank Business Barometer (June 2025), BVA BDRC

Chart 6: Mixed regional trends

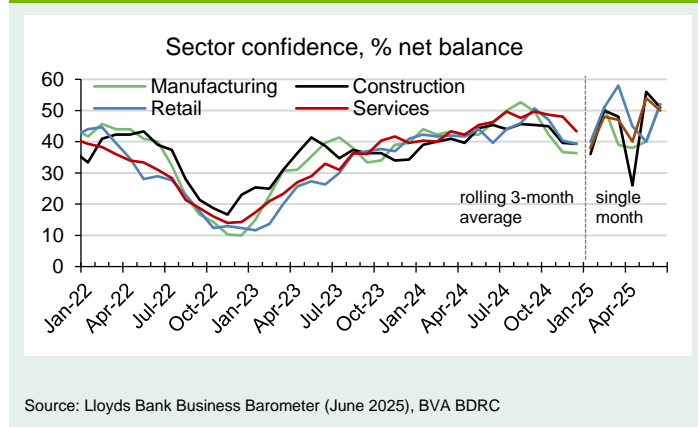


Source: Lloyds Bank Business Barometer (June 2025), BVA BDRC

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Chart 7: Confidence converges in the sectors



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