

# WALES

## OVERALL INDEX SCORE



Wales was one of only two regions to register a decline in the SME Health Check Index in Q3. Between the second and third quarters the Index score fell by 4.8 points to 47.8 – the lowest level since the SME Health Check Index began in 2014. The value of Welsh SMEs’ outstanding loan and overdraft balances fell by £90 million between Q2 2018 and Q2 2019, pushing down the score for the lending indicator to 48. This suggests that many businesses in Wales are cautious to commit to hard capital investments, given the climate of uncertainty that persists in the UK. This unease is also reflected in the confidence indicator, which fell by 46 points to 33 in the third quarter of 2019. The results of the SME Health Check Index suggest that the revival of economic activity in the UK was not felt as strongly in Wales. The number of people in employment in Wales fell by 1.6% in the year to Q3 – the steepest rate of decline in the country. Meanwhile, the share of Welsh SMEs that reported an increase in revenues over the past three months dropped to a four-year low.

## INDICATOR SCORES

- Business Costs**  
**65 (1↑)**
- GDP**  
**57 (20↑)**
- Capacity**  
**100 (42↑)**
- Lending**  
**48 (16↓)**
- Confidence**  
**33 (46↓)**
- Net business creation**  
**16 (4↑)**
- Employment**  
**15 (25↓)**
- Revenue**  
**48 (19↓)**

Denotes change from Q2 2019  
 ↑ Up | ↓ Down | – No change

