

## ACT Liquidity Confidence Barometer

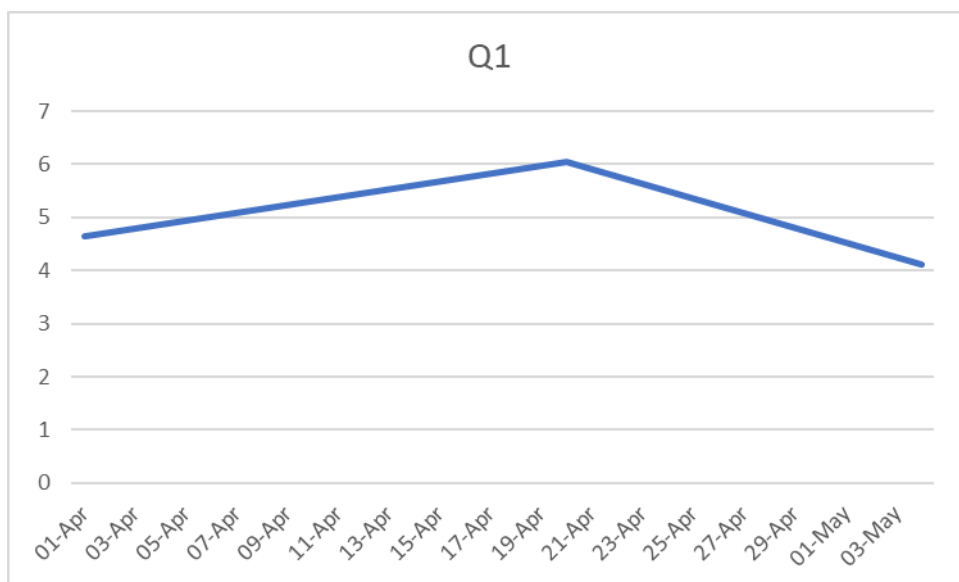
The Government has launched a number of financing programmes in response to the COVID19 pandemic, and over time made them more accessible. Has this worked? Do treasurers feel any better about the prospects for their business in the short and medium term?

Our regular liquidity temperature check is meant to identify how confident treasurers feel about their business. In the initial stages with only a relatively small number of respondents it is difficult to draw too many conclusions, but we believe trends will become clearer as the weeks progress. Also, we recognise that different sectors have particular stresses.

### Initial findings

We have used information from the first survey we ran at the start of April to establish a baseline. We have applied weightings to the different responses to get a score out of 10 (with 10 being 100% of responses being positive towards the questions being asked). We have supplemented this with the conversations we continue to have with treasurers.

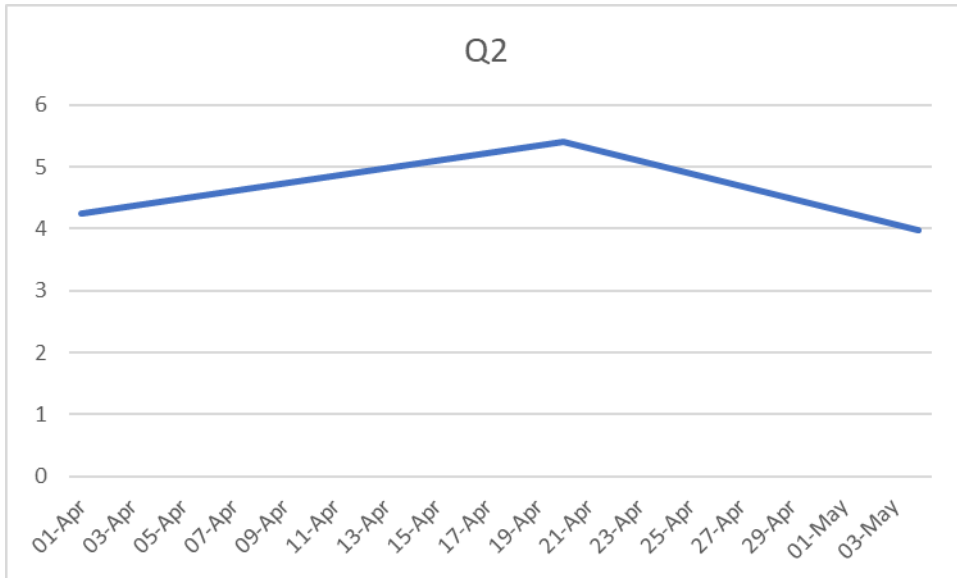
**Q1** Rate your confidence over liquidity for your business this week, compared to last week?



1. A worrying decrease from last week but hopefully just a short-term blip.
2. Our conversations with treasurers tells a slightly different story with many of them feeling more bullish about their financial position.

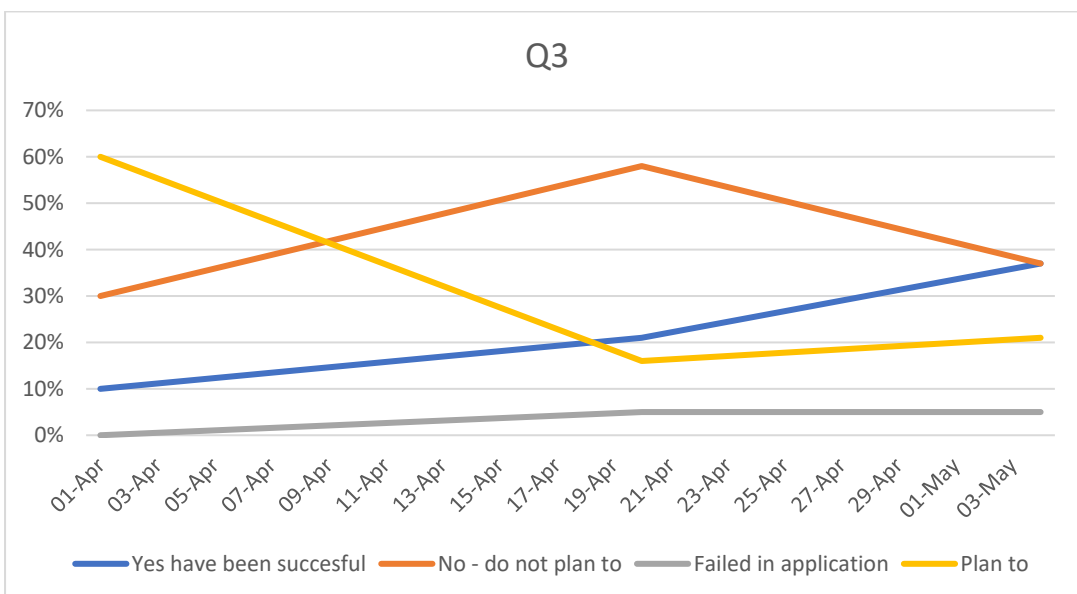
**Q2** Rate your confidence over the financial sustainability of your supply chain this week, compared to last week?





1. Again a worrying decrease from last week but hopefully just a short-term blip.
2. Whilst many treasurers tell us they have better insights across their supply chain, significant uncertainty remains – especially for those with longer supply chains. As countries and companies start to look at restarting, mapping these changes are becoming complicated and this may be part of the reason behind the drop in confidence

**Q3 Have you accessed any of the Government’s ‘COVID-19’ finance schemes since 1 March 2020?**



1. There is a steady increase in the number of companies that have accessed the various schemes. This reflects the changes by the government in eligibility as well as the time it can take to access the schemes. One treasurer told us it took her three weeks just to establish her eligibility.
2. A decreasing number of participants do not plan to participate in the schemes and we hear that boards are keen to apply – just in case additional funding later in the year is required.