

2010-05-26

## PRESS RELEASE

Links:

[BelgoStat On-line](#)

[General information](#)

### Monthly business survey - May 2010

#### BUSINESS CONFIDENCE DETERIORATES IN MAY

The National Bank of Belgium's overall synthetic curve fell back during the month of May, for the first time since the low point it hit in March 2009.

The business climate deteriorated in the manufacturing industry and, to a lesser extent, in the business-related services and trade sectors. On the other hand, the business situation firmed up somewhat in the building industry for the fourth month in a row.

In manufacturing, the entrepreneurs gave an unfavourable opinion on each of the four questions used in the indicator, namely assessments of total order books, of the level of stocks and expectations for employment and demand.

In the business-related services, the pessimism among entrepreneurs was also reflected in the replies to all the questions covered by the indicator, and especially in the assessment of their activity.

The loss of confidence was also widespread in the trade sector.

The slight improvement seen in the building industry can be attributed to a higher utilisation of the equipment as well as a more favourable assessment of total order books.

The smoothed overall synthetic curve, which reflects the trend in activity, nevertheless remains on an upward path.

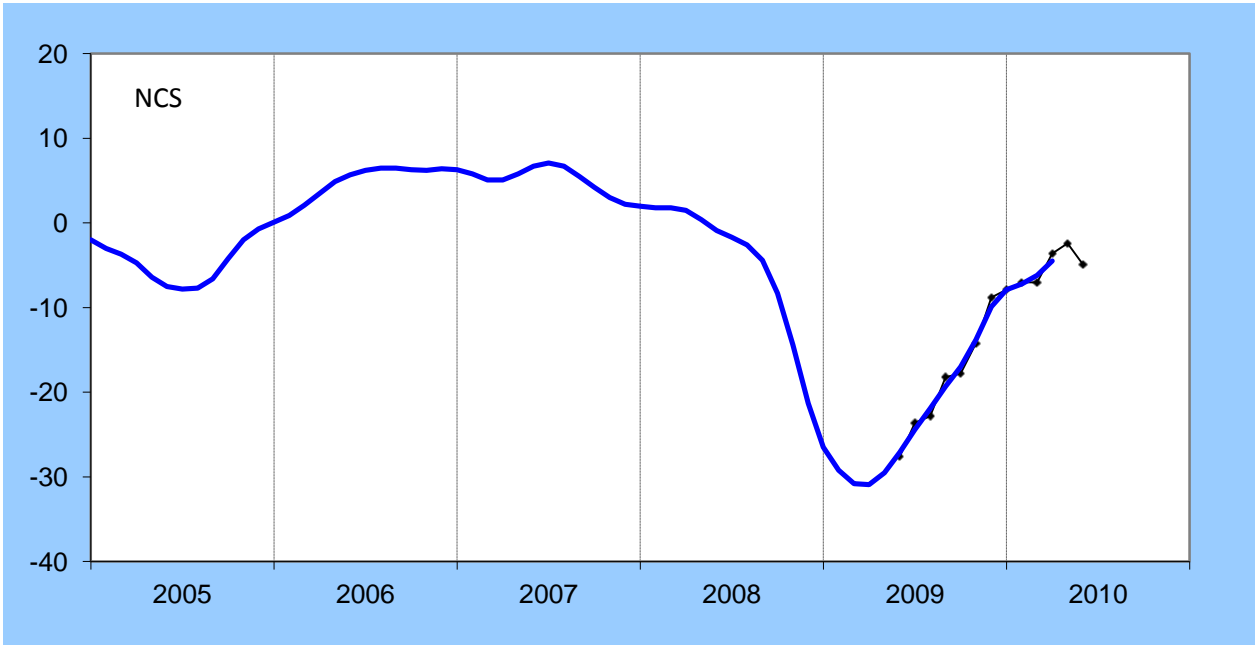
#### *Business survey indicators*

	Gross synthetic curve			Smoothed synthetic curve <sup>1</sup>
	April 2010	May 2010	variation in points	variation in points
Manufacturing industry	-4.5	-7.8	-3.3	1.3
Building industry	-7.0	-6.5	0.5	0.4
Trade	1.5	-0.1	-1.6	2.6
Business-related services	9.7	7.9	-1.8	4.0
<b>Overall synthetic curve</b>	<b>-2.4</b>	<b>-4.9</b>	<b>-2.5</b>	<b>1.7</b>

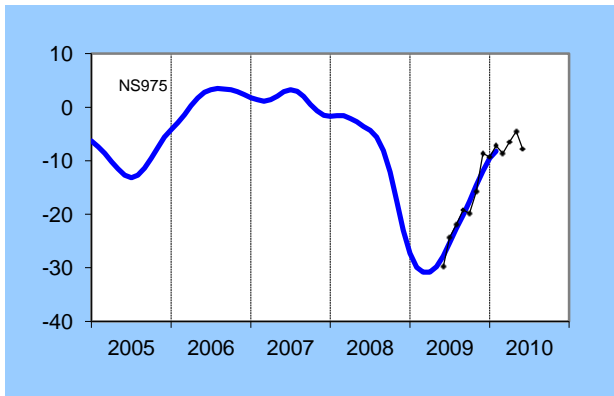
<sup>1</sup> The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the branches of activity.

Source: NBB.

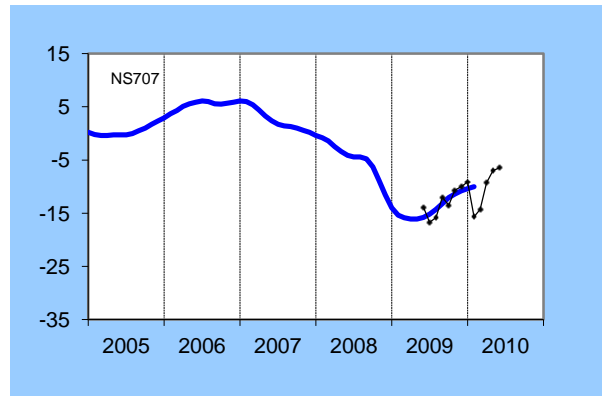
OVERALL SYNTHETIC CURVE



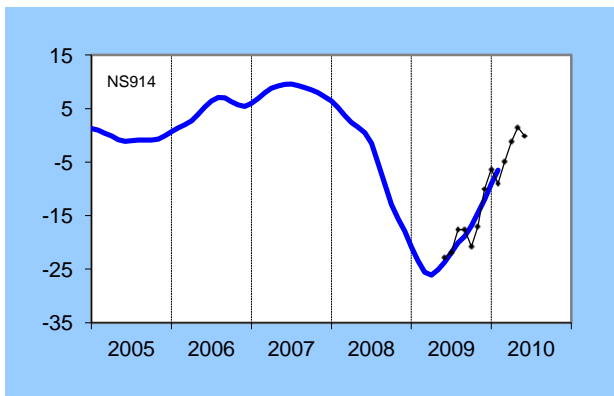
MANUFACTURING INDUSTRY



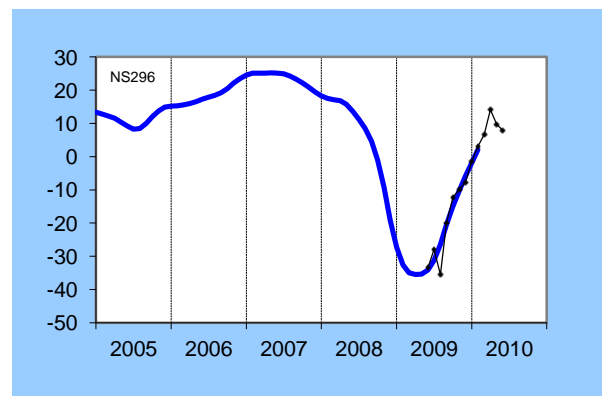
BUILDING INDUSTRY



TRADE



BUSINESS-RELATED SERVICES



— Seasonally adjusted and smoothed series  
 Source: NBB

◆◆ Seasonally adjusted series

## SYNTHETIC CURVES AND THEIR COMPONENTS

TABLE 1

Seasonally adjusted balances of "positive" answers or "higher than normal"(+) and "negative" answers or "lower than normal"(-).	1980-2010 <sup>1</sup>			Adjusted series				Smoothed series			
	Min.	Max.	Avg.	2010				2009 Dec.	2010		March
				Feb.	March	April	May		Jan.	Feb.	
<b>Overall synthetic curve</b>	- 31.8	+ 9.2	- 7.8	- 7.0	- 3.6	- 2.4	- 4.9	- 7.9	- 7.2	- 6.2	- 4.5
<b>Manufacturing industry curve</b>	- 34.3	+ 6.0	- 11.0	- 8.6	- 6.5	- 4.5	- 7.8	- 9.5	- 8.2	.	.
Assessment of total order books	- 56.0	+ 10.0	- 21.9	- 33.9	- 31.0	- 25.8	- 31.2	- 35.5	- 34.4	.	.
Assessment of level of stocks <sup>2</sup>	+ 25.0	- 12.9	+ 7.2	- 9.6	- 9.9	- 8.0	- 5.0	- 9.4	- 9.8	.	.
Employment expectations	- 36.0	+ 8.0	- 9.3	- 5.2	- 1.3	+ 0.4	- 3.7	- 7.2	- 5.5	.	.
Demand expectations	- 37.0	+ 15.0	- 5.5	- 5.0	- 3.5	- 0.5	- 1.4	- 5.8	- 3.9	.	.
<b>Trade curve</b>	- 28.6	+ 16.0	- 0.9	- 4.9	- 1.2	+ 1.5	- 0.1	- 9.1	- 6.5	.	.
Employment expectations	- 18.4	+ 18.0	+ 2.7	- 6.3	+ 7.6	+ 2.8	+ 1.5	- 4.5	- 3.7	.	.
Demand expectations	- 40.0	+ 29.0	+ 2.2	0.0	- 2.2	+ 3.6	- 0.1	- 7.6	- 3.3	.	.
Intentions of placing orders	- 39.0	+ 15.0	- 6.2	- 8.5	- 9.0	- 2.0	- 1.6	- 12.9	- 10.6	.	.
<b>Building industry curve</b>	- 39.0	+ 24.3	- 7.6	- 14.3	- 9.3	- 7.0	- 6.5	- 10.4	- 10.0	.	.
Trend in orders	- 52.0	+ 40.0	- 5.6	- 6.7	- 2.7	+ 5.8	+ 4.2	- 2.0	- 2.3	.	.
Trend in equipment	- 19.4	+ 24.0	+ 3.0	- 19.4	- 8.7	- 4.1	- 2.4	- 8.3	- 8.5	.	.
Assessment of order books	- 74.0	+ 30.0	- 25.4	- 27.6	- 23.3	- 25.2	- 22.8	- 26.2	- 26.1	.	.
Demand expectations	- 39.0	+ 21.0	- 2.5	- 3.6	- 2.3	- 4.4	- 5.0	- 6.9	- 6.1	.	.
<b>Business-related services curve</b>	- 41.7	+ 34.0	+ 12.4	+ 6.7	+ 14.1	+ 9.7	+ 7.9	- 1.9	+ 2.1	.	.
Assessment of activity	- 54.4	+ 20.0	- 4.4	- 15.3	- 15.4	- 9.5	- 14.1	- 28.3	- 22.9	.	.
Activity expectations	- 32.0	+ 47.0	+ 25.3	+ 14.6	+ 28.3	+ 17.4	+ 17.6	+ 12.4	+ 14.4	.	.
General demand expectations	- 43.0	+ 44.0	+ 16.3	+ 20.9	+ 29.4	+ 21.1	+ 20.2	+ 10.3	+ 14.8	.	.

<sup>1</sup> Minimum, maximum and average values of each indicator (adjusted series) since January 1980.

<sup>2</sup> A positive, respectively negative balance, means that stocks, according to the assessment of entrepreneurs, are higher, respectively lower than normal for the season. When synthetic curves are calculated, the sign of this indicator is therefore reversed.

## OTHER BUSINESS SURVEY INDICATORS

TABLE 2

Seasonally adjusted balances of "positive" answers or "higher than normal"(+) and "negative" answers or "lower than normal"(-).	1980-2010 <sup>1</sup>			Adjusted series				Smoothed series			
	Min.	Max.	Avg.	2010				2009		2010	
				Feb.	March	April	May	Dec.	Jan.	Feb.	March
<b>Manufacturing industry</b>											
Trend in production rate	- 33.0	+ 20.0	- 1.0	+ 4.5	+ 7.6	+ 13.2	- 5.6	5.5	6.1	.	.
Trend in domestic orders	- 35.0	+ 16.0	- 7.9	- 4.6	- 8.1	+ 3.9	- 1.8	-8.0	-7.0	.	.
Trend in export orders	- 44.0	+ 30.0	- 3.1	- 1.0	+ 9.8	+ 17.0	+ 7.1	-0.5	2.3	.	.
Assessment of export order books	- 61.0	+ 10.0	- 23.8	- 33.3	- 33.1	- 30.0	- 29.5	-35.3	-34.2	.	.
Trend in prices	- 21.0	+ 24.0	+ 1.4	- 1.7	- 6.2	+ 6.5	+ 8.0	-6.6	-4.6	.	.
Price expectations	- 24.0	+ 43.0	+ 7.6	- 6.2	+ 1.5	+ 12.4	+ 11.0	-6.9	-5.7	.	.
<b>Production capacity</b> (in percentage of the total production capacity)	70.1	84.6	78.9	-	-	77.2	-				
Source: quarterly production capacity survey											
<b>Trade</b>											
Trend in sales	- 46.0	+ 37.0	+ 0.8	- 1.4	- 3.9	+ 9.6	- 20.5	- 4.0	- 2.3	.	.
Assessment of sales	- 41.0	+ 28.0	- 8.1	+ 1.2	- 4.1	+ 0.1	- 10.8	- 6.6	- 3.9	.	.
Assessment of level of stocks <sup>2</sup>	+ 33.0	- 3.0	+ 13.3	- 0.4	+ 1.9	+ 6.1	+ 6.2	+ 3.0	+ 2.5	.	.
Trend in prices	- 20.0	+ 51.0	+ 4.1	- 3.4	- 1.7	+ 3.1	- 3.9	- 4.2	- 3.1	.	.
Price expectations	- 11.0	+ 66.2	+ 12.4	- 5.1	+ 0.9	+ 4.3	+ 0.7	- 2.4	- 1.4	.	.
<b>Building industry</b>											
Trend in activity	- 44.0	+ 32.0	- 5.7	- 24.4	- 13.7	+ 11.1	+ 0.6	- 9.0	- 10.9	.	.
Trend in employment	- 38.0	+ 22.0	- 5.2	- 12.0	- 16.9	- 10.1	- 9.7	- 11.7	- 11.8	.	.
Employment expectations	- 50.0	+ 30.0	- 5.7	- 7.0	- 6.3	- 6.1	- 4.7	- 9.8	- 8.4	.	.
Trend in prices	- 22.8	+ 32.0	- 0.1	- 22.8	- 17.4	- 9.4	- 8.8	- 19.2	- 18.8	.	.
Price expectations	- 20.6	+ 46.0	+ 7.5	- 8.2	- 2.1	- 3.2	- 1.4	- 14.2	- 11.7	.	.
<b>Business-related services</b>											
Trend in activity	- 38.0	+ 37.0	+ 11.6	- 0.4	+ 8.9	+ 19.9	+ 6.6	- 1.7	+ 0.9	.	.
Trend in employment	- 49.4	+ 34.0	+ 7.3	- 10.2	- 6.2	- 2.3	- 5.1	- 15.8	- 11.9	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.7	+ 9.6	+ 19.4	+ 14.6	+ 18.6	+ 1.4	+ 6.3	.	.
Trend in prices	- 15.8	+ 12.0	+ 1.7	- 12.0	+ 2.4	+ 7.2	+ 0.3	- 8.1	- 6.6	.	.
Price expectations	- 13.0	+ 30.0	+ 5.7	- 3.2	+ 10.1	+ 6.7	+ 7.8	- 8.5	- 6.0	.	.

<sup>1</sup> Minimum, maximum and average values of each indicator (adjusted series) since January 1980.

<sup>2</sup> A positive, respectively negative balance, means that stocks, according to the assessment of entrepreneurs, are higher, respectively lower than normal for the season.