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## PRESS RELEASE

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### **Provisional results of the spring 2009 survey of investment in manufacturing industry**

Twice a year, the National Bank of Belgium conducts a survey of investment by enterprises in the manufacturing industry in the strict sense (that is, excluding firms in the construction industry and the “electricity, gas and water” sector). According to the national accounts data, manufacturing industry represented 19.4 p.c. of total business investment in 2007.

The provisional results of the May 2009 survey indicate that investment in fixed capital in the manufacturing industry, expressed at current prices, still recorded a small increase of 1.3 p.c. in 2008. According to the same survey, however, 2009 would bring a steep decline in investment of 11.6 p.c., the worst spring survey result since 1993.

The small increase in investment in 2008 was supported mainly by the chemical sector, while metalworking and technological industry exerted downward pressure on investment. In 2009 almost all sectors are forecast to make substantial cuts in their investment, with the sharpest fall in the textile sector and the “paper and publishing” branch, while only a small decline is likely in the food industry.

In the November 2008 survey, companies were still predicting 3 p.c. investment growth in 2009. With the exception of the food industry, all sectors have made sharp downward adjustments to their investment plans. Although it is usual for investments in the current year to be revised downwards slightly in the spring survey, the scale of the decline nonetheless indicates a very gloomy investment climate in the first half of 2009.