

2018-12-19

PRESS RELEASE

Links:

[NBB.Stat](#)

[General information](#)

Monthly business survey – December 2018

Business leaders' confidence weakens in December

- **Entrepreneurs' confidence continues to fluctuate. Thus, after rising in November, the business barometer dropped in December**
- **In contrast to the previous month, the business climate deteriorated in all branches of activity except trade, where the indicator remains much the same as in November**

In business services, all components of the indicator have declined. Thus, entrepreneurs took a more negative view of their current and future activities, and also expect to see a slight contraction in general market demand.

In construction, the downturn in activity following three consecutive improvements is due to a reduction in order books, with firms also taking a more negative view of order levels. Demand is likewise forecast to decline.

In manufacturing industry, too, assessments of the current situation in terms of both total order books and stock levels have deteriorated, as have expectations about demand.

The very slight increase in trade, consolidating last month's significant improvement, is due to a new upward revision of the outlook for demand and employment.

The smoothed overall synthetic curve, which indicates the underlying trend in activity, is stabilising.

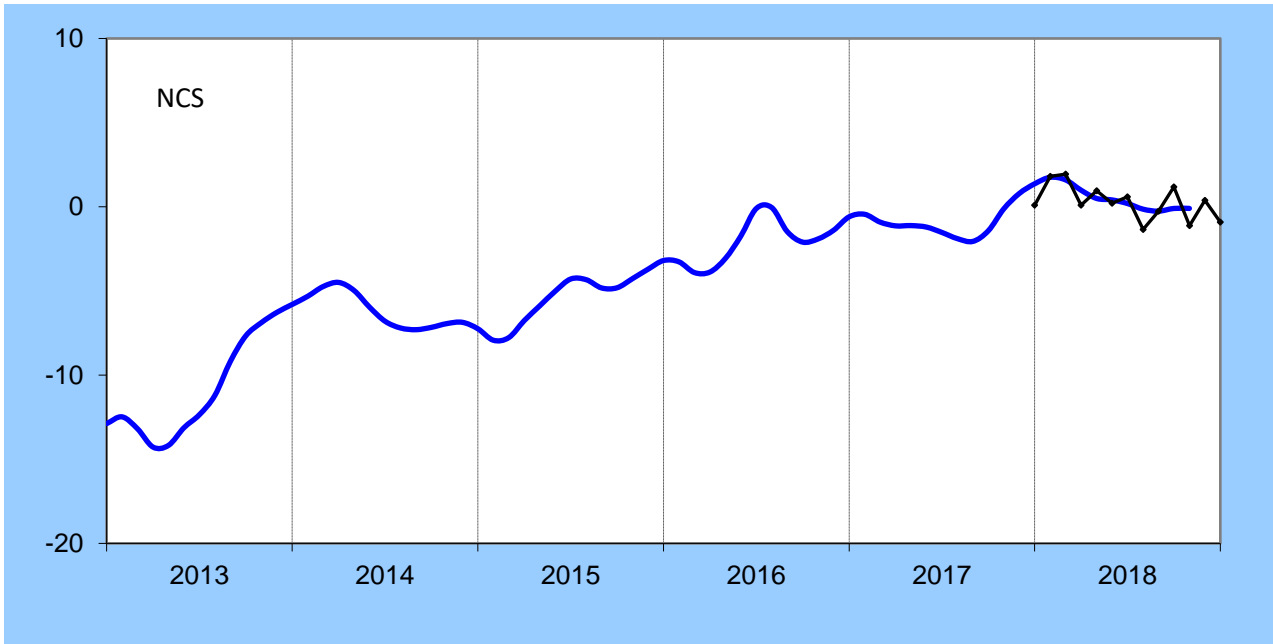
Business survey indicators

	Gross synthetic curve			Smoothed synthetic curve ¹
	November	December	Variation in	Variation in
	2018	2018	points	points
Manufacturing industry	-3.0	-4.0	-1.0	0.0
Business-related services	8.9	6.6	-2.3	-0.6
Building industry	6.7	4.6	-2.1	0.3
Trade	0.2	0.6	0.4	-0.2
Overall synthetic curve	0.4	-0.9	-1.3	0.0

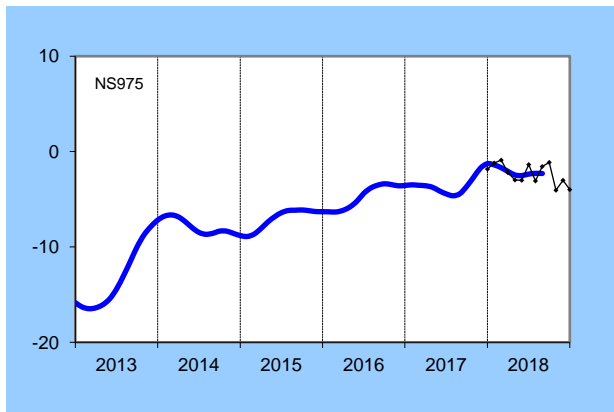
¹ The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the branches of activity.

Source: NBB.

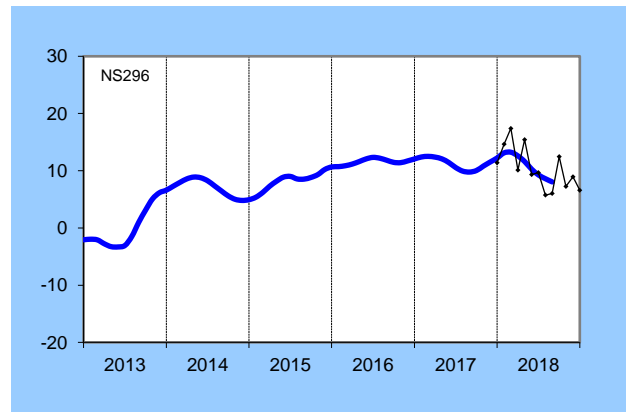
OVERALL SYNTHETIC CURVE



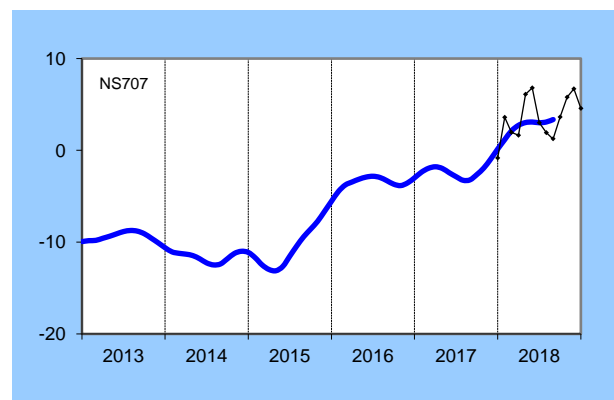
MANUFACTURING INDUSTRY



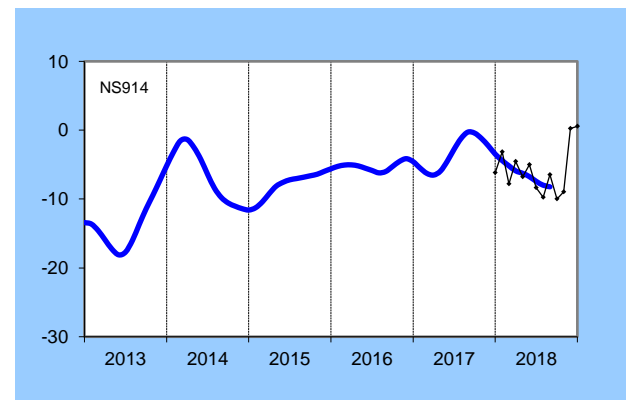
BUSINESS-RELATED SERVICES



BUILDING INDUSTRY



TRADE



— 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"(-).	1980-2018 ¹			Adjusted series				Smoothed series			
				2018				2018			
	Min.	Max.	Avg.	Sept.	Oct.	Nov.	Dec.	July	Aug.	Sept.	Oct.
Overall synthetic curve	- 31.8	+ 9.2	- 7.1	+ 1.2	- 1.1	+ 0.4	- 0.9	- 0.1	- 0.3	- 0.1	- 0.1
Manufacturing industry curve	- 34.3	+ 6.0	- 10.1	- 1.1	- 4.0	- 3.0	- 4.0	- 2.3	- 2.3	.	.
Assessment of total order books	- 56.0	+ 10.0	- 21.3	- 6.8	- 15.9	- 9.9	- 12.3	- 8.7	- 8.9	.	.
Assessment of level of stocks ²	- 12.9	+ 25.0	+ 6.0	- 3.5	+ 0.6	+ 1.3	+ 1.8	- 0.1	+ 0.0	.	.
Employment expectations	- 36.0	+ 8.0	- 8.5	- 4.3	- 2.2	- 2.5	- 0.9	- 3.2	- 3.1	.	.
Demand expectations	- 37.0	+ 15.0	- 4.8	+ 3.0	+ 2.5	+ 1.6	- 0.9	+ 2.9	+ 2.8	.	.
Business-related services curve	- 41.7	+ 34.0	+ 10.6	+ 12.5	+ 7.3	+ 8.9	+ 6.6	+ 8.6	+ 8.0	.	.
Assessment of activity	- 54.4	+ 20.0	- 4.5	+ 6.4	- 3.7	+ 2.5	- 1.0	+ 1.7	+ 1.7	.	.
Activity expectations	- 32.0	+ 51.7	+ 23.1	+ 21.4	+ 14.6	+ 13.5	+ 10.7	+ 15.3	+ 14.7	.	.
Market demand expectations	- 43.0	+ 45.0	+ 14.3	+ 9.6	+ 10.9	+ 10.8	+ 9.9	+ 9.2	+ 9.2	.	.
Building industry curve	- 39.0	+ 24.3	- 7.2	+ 3.6	+ 5.8	+ 6.7	+ 4.6	+ 3.1	+ 3.4	.	.
Trend in orders	- 52.0	+ 40.0	- 4.4	+ 11.5	+ 10.6	+ 12.0	+ 9.2	+ 8.2	+ 8.9	.	.
Trend in equipment	- 19.4	+ 24.0	+ 1.8	+ 1.5	+ 3.7	+ 6.2	+ 7.0	+ 2.1	+ 2.0	.	.
Assessment of order books	- 74.0	+ 30.0	- 23.1	- 0.7	+ 4.7	+ 3.5	- 1.5	- 0.5	- 0.4	.	.
Demand expectations	- 39.0	+ 21.0	- 3.1	+ 2.2	+ 4.3	+ 5.1	+ 3.5	+ 3.3	+ 3.1	.	.
Trade curve	- 28.6	+ 16.0	- 2.1	- 10.0	- 9.0	+ 0.2	+ 0.6	- 8.0	- 8.2	.	.
Employment expectations	- 18.4	+ 18.0	+ 1.8	- 7.1	- 5.3	+ 4.0	+ 5.0	- 4.2	- 4.2	.	.
Demand expectations	- 40.0	+ 29.0	+ 0.0	- 9.5	- 11.2	- 1.1	+ 1.0	- 6.1	- 6.0	.	.
Intentions of placing orders	- 39.0	+ 15.0	- 7.2	- 13.5	- 10.3	- 2.1	- 4.4	- 12.8	- 12.9	.	.

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

² 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"(-).	1980-2018 ¹			Adjusted series				Smoothed series			
				2018				2018			
	Min.	Max.	Avg.	Sept.	Oct.	Nov.	Dec.	July	Aug.	Sept.	Oct.
Manufacturing industry											
Trend in production rate	- 33.0	+ 20.0	- 0.8	+ 4.8	- 3.6	+ 9.7	- 0.8	+ 0.5	+ 1.6	.	.
Trend in domestic orders	- 35.0	+ 16.0	- 7.7	+ 1.3	- 1.2	+ 2.6	- 4.0	- 3.4	- 1.3	.	.
Trend in export orders	- 44.0	+ 30.0	- 2.5	+ 9.3	- 3.4	+ 11.3	- 7.2	+ 3.0	+ 5.1	.	.
Assessment of export order books	- 61.0	+ 10.0	- 22.7	- 11.4	- 15.1	- 11.2	- 12.1	- 11.6	- 11.8	.	.
Trend in prices	- 21.0	+ 24.0	+ 1.1	+ 5.4	+ 10.2	+ 4.5	+ 1.5	+ 6.2	+ 5.6	.	.
Price expectations	- 24.0	+ 43.0	+ 6.8	+ 10.1	+ 10.5	+ 6.9	+ 0.3	+ 8.9	+ 9.4	.	.
Production capacity											
(in percentage of the total production capacity)	70.1	84.6	79.0	-	80.4	-	-				
Source: quarterly production capacity survey											
Business-related services											
Trend in activity	- 38.0	+ 37.0	+ 10.1	+ 10.7	- 7.4	+ 21.5	+ 24.6	+ 2.7	+ 3.9	.	.
Trend in employment	- 49.4	+ 34.0	+ 7.2	+ 11.4	+ 14.2	+ 15.0	+ 25.1	+ 9.6	+ 10.3	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.7	+ 10.1	+ 12.2	+ 14.5	+ 12.9	+ 15.3	+ 14.4	.	.
Trend in prices	- 15.8	+ 12.0	+ 1.9	+ 4.8	+ 4.2	+ 8.8	+ 7.2	+ 5.3	+ 5.4	.	.
Price expectations	- 13.0	+ 30.0	+ 6.7	+ 13.4	+ 15.7	+ 14.9	+ 17.6	+ 14.0	+ 14.5	.	.
Building industry											
Trend in activity	- 44.0	+ 34.7	- 4.5	+ 5.9	+ 4.8	+ 10.6	+ 3.8	+ 6.0	+ 6.1	.	.
Trend in employment	- 38.0	+ 22.0	- 5.3	+ 2.7	- 2.9	- 3.8	+ 12.3	+ 2.9	+ 2.0	.	.
Employment expectations	- 50.0	+ 30.0	- 5.0	+ 11.2	+ 11.1	+ 15.6	+ 7.3	+ 11.1	+ 11.1	.	.
Trend in prices	- 27.1	+ 32.0	- 2.0	+ 1.6	+ 6.7	+ 6.9	+ 7.1	+ 5.7	+ 5.9	.	.
Price expectations	- 20.6	+ 46.0	+ 5.1	+ 6.0	+ 6.7	+ 7.1	+ 8.5	+ 8.1	+ 7.5	.	.
Trade											
Trend in sales	- 47.9	+ 43.0	- 0.1	+ 6.6	- 43.9	+ 5.3	+ 7.2	- 11.4	- 8.7	.	.
Assessment of sales	- 41.6	+ 28.0	- 9.0	+ 1.1	- 41.6	- 9.5	+ 0.4	- 11.8	- 9.9	.	.
Assessment of level of stocks ²	- 12.9	+ 32.0	+ 12.1	+ 6.4	+ 11.4	+ 13.0	+ 8.6	+ 14.7	+ 14.0	.	.
Trend in prices	- 20.0	+ 50.0	+ 1.9	+ 2.8	+ 8.5	+ 5.2	- 17.0	+ 5.7	+ 5.2	.	.
Price expectations	- 11.0	+ 66.2	+ 11.4	+ 0.2	+ 8.3	+ 4.7	+ 4.2	+ 8.2	+ 7.4	.	.

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

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