

PRESS RELEASE

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Monthly business survey – March 2022

Limited loss of business confidence

- **The current context does not seem to be weighing too heavily on confidence in the business world. The decline in the business barometer that began last December has gained momentum, although still only moderate.**
- **The sharpest loss of confidence was seen in the trade sector, which had enjoyed some improvement in February, as well as the manufacturing industry. Morale among company bosses seems to be less affected in the building industry and it has even picked up in business-related services.**

In the trade sector, all components making up the indicator have deteriorated, but the sharp drop in business confidence is to a very large extent attributable to the steadily worsening outlook for demand. The decline in the indicator is particularly pronounced in retailing of furniture and electronic appliances.

In the manufacturing industry, the only thing that has improved is assessment of order books. Demand forecasts have been revised downwards but it was mainly on the subject of current levels of stocks of end products that entrepreneurs expressed a less favourable opinion. The chemicals industry is where the indicator has fallen back the most.

The slight contraction of the business barometer in the building industry stems principally from a more negative view of order book levels and less optimistic demand forecasts. Conversely, company managers have pointed up an increase in equipment used compared with last month.

Lastly, those operating in business-related services seem to be hesitant from one month to the next, alternating between a loss and renewal of optimism. It is an upturn in business confidence that has been recorded this month, especially as regards assessment of current activity and forecasts for general market demand. By contrast, company bosses working in this sector are expecting their own business activity to weaken.

The overall smoothed synthetic curve, which reflects the underlying cyclical trend, has fallen back marginally.

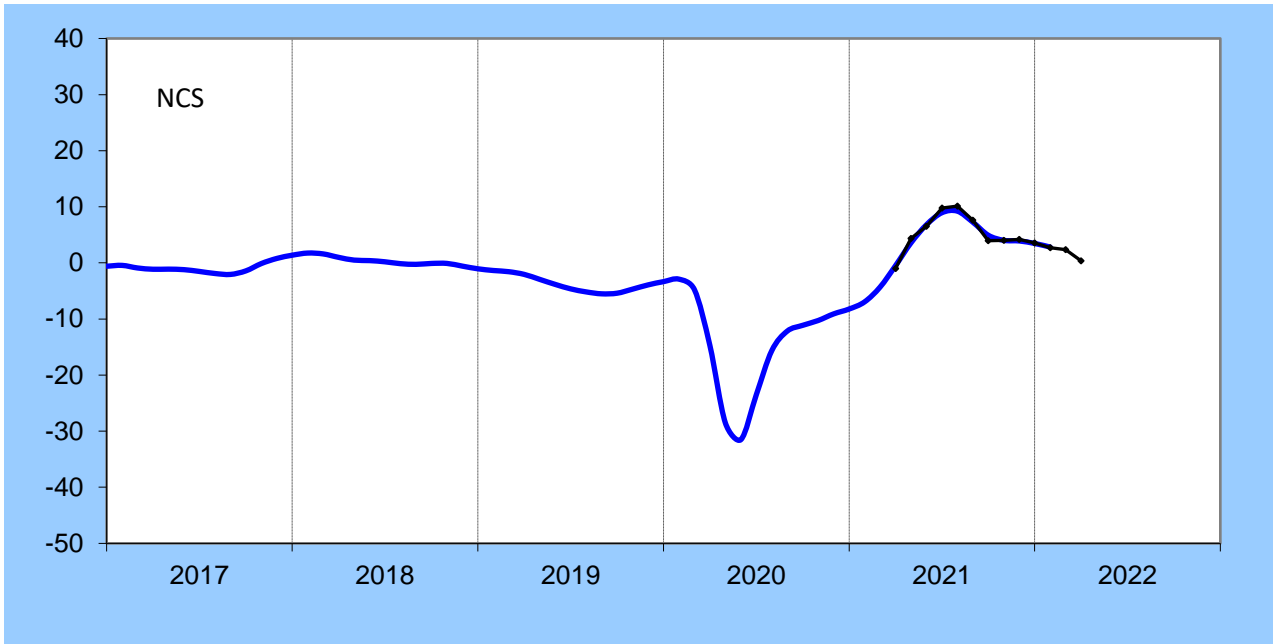
Business survey indicators

	Gross synthetic curve			Smoothed synthetic curve ¹
	February 2022	March 2022	Variation in points	Variation in Points
Manufacturing industry	0.3	-2.7	-3.0	-0.9
Business-related services	13.0	15.1	2.1	-0.3
Building industry	2.3	1.2	-1.1	-0.7
Trade	-2.6	-6.5	-3.9	-0.5
Overall synthetic curve	2.3	0.4	-1.9	-0.7

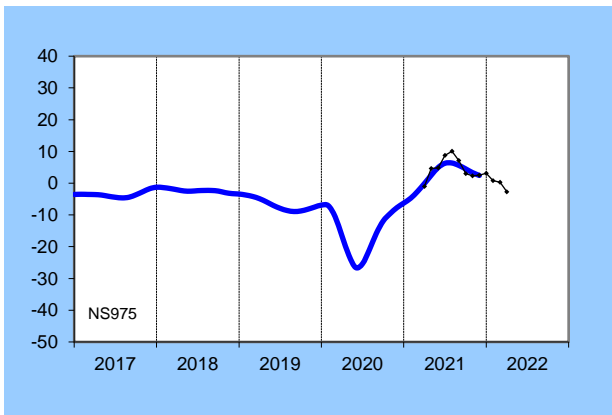
¹ The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the branches of activity. This implies that the overall smoothed indicator reflects recent developments more closely than the smoothed indicators per branch.

Source: NBB.

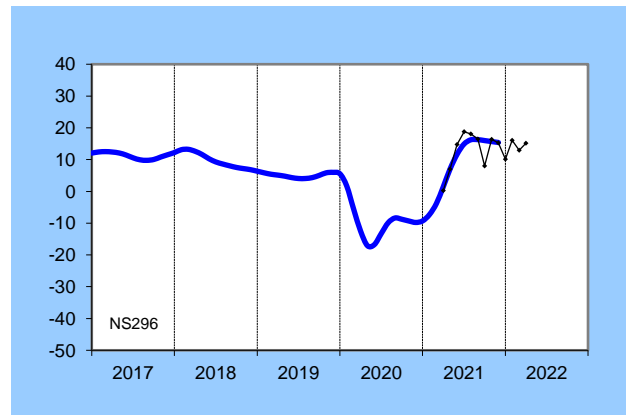
OVERALL SYNTHETIC CURVE



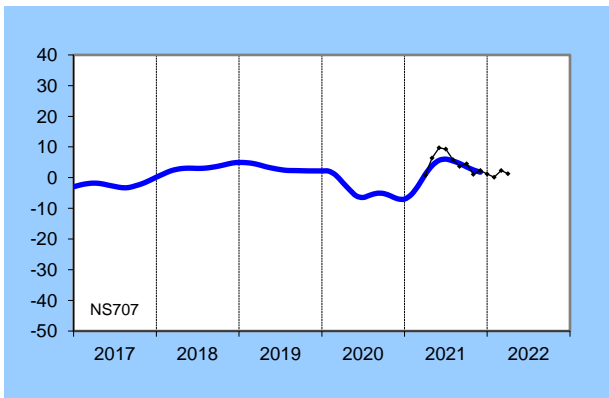
MANUFACTURING INDUSTRY



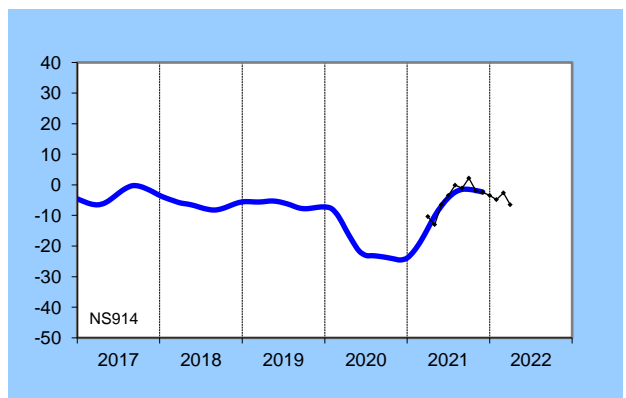
BUSINESS-RELATED SERVICES



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"(-).	Since 1990			Adjusted series				Smoothed series			
	Min. ¹	Max. ¹	Avg. ²	Dec	Jan	Feb	Mar	Oct	Nov	Dec	Jan
Overall synthetic curve	-36.1	+10.1	-5.2	+3.6	+2.7	+2.3	+0.4	+4.0	+3.9	+3.5	+2.8
Manufacturing industry curve	-36.0	+10.0	-8.6	+3.1	+0.8	+0.3	-2.7	+3.3	+2.4	.	.
Assessment of total order books	-57.7	+10.0	-19.4	-3.1	-7.6	-12.0	-10.6	-1.9	-3.1	.	.
Assessment of level of stocks ³	-19.0	+25.0	+4.7	-10.8	-3.8	-1.5	+8.0	-4.3	-3.6	.	.
Employment expectations	-41.4	+11.5	-7.4	+1.5	+2.5	+6.9	+5.5	+4.8	+3.9	.	.
Demand expectations	-37.9	+15.0	-3.1	+3.4	+4.4	+4.6	+2.3	+5.3	+4.8	.	.
Business-related services curve	-62.1	+34.0	+9.3	+10.2	+16.1	+13.0	+15.1	+15.7	+15.4	.	.
Assessment of activity	-71.6	+20.0	-6.4	-11.5	-12.9	-4.0	+2.6	-8.2	-9.0	.	.
Activity expectations	-70.7	+47.0	+21.5	+19.1	+31.9	+29.7	+22.8	+26.1	+27.1	.	.
Market demand expectations	-59.9	+44.0	+13.0	+22.9	+29.3	+13.2	+20.0	+25.6	+24.5	.	.
Building industry curve	-24.3	+24.3	-3.3	+1.2	+0.2	+2.3	+1.2	+2.5	+1.8	.	.
Trend in orders	-30.1	+33.0	-0.1	-2.2	+2.9	+9.0	+8.3	+5.1	+3.8	.	.
Trend in equipment	-38.4	+24.0	+1.7	-2.6	-0.9	+3.9	+4.6	+0.8	+0.3	.	.
Assessment of order books	-50.0	+30.0	-15.0	+5.1	-2.2	+0.9	-1.8	+3.7	+3.9	.	.
Demand expectations	-26.0	+18.0	+0.0	+4.4	+0.9	-4.5	-6.1	+3.2	+2.1	.	.
Trade curve	-41.8	+16.0	-3.3	-3.5	-4.8	-2.6	-6.5	-1.8	-2.3	.	.
Employment expectations	-33.0	+18.0	+1.1	+2.2	+3.5	+2.6	+2.1	+4.2	+3.9	.	.
Demand expectations	-56.0	+29.0	-2.6	-0.7	-3.7	-0.3	-8.9	+1.5	-0.3	.	.
Intentions of placing orders	-40.1	+15.0	-8.4	-11.9	-14.3	-10.1	-12.6	-9.8	-10.7	.	.

¹ Minimum and maximum of each indicator (raw series) from January 1990 to the month under review.

² Average of each indicator (raw series) from January 1990 until end 2021.

³ 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"(-).	Since 1990			Adjusted series				Smoothed series			
	Min. ¹	Max. ¹	Avg. ²	Dec	Jan	Feb	Mar	Oct	Nov	Dec	Jan
Manufacturing industry											
Trend in production rate	- 53.0	+ 20.0	- 1.0	- 0.5	+ 1.8	+ 2.3	+ 6.8	+ 0.5	+ 0.6	.	.
Trend in domestic orders	- 48.7	+ 16.0	- 7.4	+ 0.4	- 11.1	- 3.4	+ 1.9	- 4.1	- 4.1	.	.
Trend in export orders	- 56.3	+ 30.0	- 2.4	+ 3.8	+ 0.2	- 9.9	+ 2.3	+ 0.4	- 0.2	.	.
Assessment of export order books	- 61.0	+ 10.0	- 20.3	+ 0.5	+ 0.5	- 5.1	- 14.5	- 0.3	- 0.0	.	.
Trend in prices	- 21.0	+ 34.3	- 0.3	+ 26.9	+ 17.2	+ 34.3	+ 25.9	+ 25.6	+ 26.4	.	.
Price expectations	- 24.0	+ 47.2	+ 3.4	+ 37.1	+ 34.5	+ 38.9	+ 47.2	+ 34.4	+ 35.4	.	.
Production capacity											
(in percentage of the total production capacity) Source: quarterly production capacity survey	70.1	84.6	79.6	-	78.5	-	-				
Business-related services											
Trend in activity	- 73.0	+ 37.0	+ 9.4	+ 3.5	+ 21.1	+ 14.7	+ 19.8	+ 15.2	+ 14.8	.	.
Trend in employment	- 49.4	+ 34.0	+ 6.4	+ 14.9	+ 3.5	+ 11.3	+ 11.7	+ 6.5	+ 7.2	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.3	+ 36.4	+ 34.8	+ 39.3	+ 34.1	+ 36.3	+ 36.3	.	.
Trend in prices	- 15.8	+ 24.3	+ 1.9	+ 7.7	+ 14.6	+ 24.3	+ 15.1	+ 8.2	+ 10.1	.	.
Price expectations	- 13.0	+ 36.1	+ 7.0	+ 36.1	+ 30.9	+ 23.4	+ 27.3	+ 22.8	+ 25.0	.	.
Building industry											
Trend in activity	- 66.6	+ 34.7	- 1.8	+ 3.4	+ 1.7	+ 16.5	+ 6.0	+ 4.1	+ 3.6	.	.
Trend in employment	- 27.0	+ 22.0	- 3.2	- 2.2	+ 7.0	+ 3.4	+ 1.2	+ 1.1	+ 1.5	.	.
Employment expectations	- 31.0	+ 30.0	+ 0.7	+ 18.2	+ 12.7	+ 16.3	+ 10.7	+ 17.9	+ 17.3	.	.
Trend in prices	- 27.1	+ 40.0	- 3.4	+ 32.6	+ 31.7	+ 32.9	+ 40.0	+ 32.6	+ 32.7	.	.
Price expectations	- 20.6	+ 52.9	+ 2.2	+ 45.4	+ 49.2	+ 52.4	+ 52.9	+ 45.0	+ 45.9	.	.
Trade											
Trend in sales	- 50.1	+ 43.0	- 1.9	+ 8.4	- 4.5	+ 14.3	- 11.5	- 12.7	- 11.2	.	.
Assessment of sales	- 50.0	+ 28.0	- 8.5	+ 1.0	+ 0.1	+ 3.4	- 10.5	- 12.9	- 8.6	.	.
Assessment of level of stocks ³	- 12.9	+ 38.1	+ 11.4	- 3.6	- 2.0	- 8.7	- 8.6	- 2.7	- 3.4	.	.
Trend in prices	- 23.5	+ 34.9	- 1.2	+ 24.4	+ 20.8	+ 32.9	+ 28.1	+ 21.6	+ 24.2	.	.
Price expectations	- 14.2	+ 59.8	+ 5.7	+ 45.7	+ 36.1	+ 58.6	+ 59.8	+ 32.2	+ 35.5	.	.

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