

2018-03-22

PRESS RELEASE

Links:

[NBB.Stat](#)
[General information](#)
Monthly business survey – March 2018

Business confidence weakens in March

- **After having stabilised in February, the business barometer dropped in March.**
- **The economic climate deteriorated in business-related services in particular, entirely offsetting the improvements recorded in the previous two months.**
- **In the manufacturing industry and in construction, the decline was more moderate. Trade was the only sector to escape the prevailing gloom.**

In the business-related services sector, the loss of confidence showed up in all components of the indicator, though mainly in the forecasts for general market demand, which worsened for the second month in a row.

In the manufacturing industry, the cyclical weakening is attributable to a significant downward revision of employment expectations and, to a lesser extent, to a more negative appraisal of total order books.

The slight drop shown in construction is due to a reduction in order books and to a lower equipment utilisation rate.

In trade, finally, the renewed confidence is the result of more favourable demand expectations together with an important increase in projected orders placed with suppliers.

The smoothed overall synthetic curve, which reflects the underlying cyclical trend, is still pointing slightly upwards.

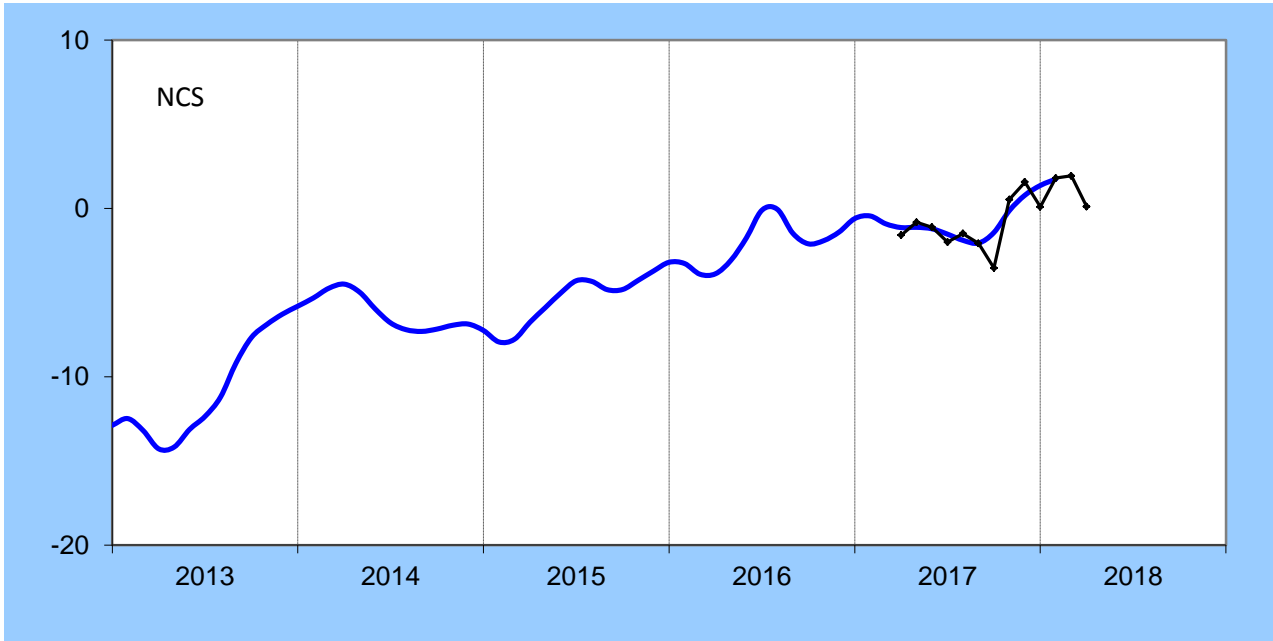
Business survey indicators

	Gross synthetic curve			Smoothed synthetic curve ¹
	February 2018	March 2018	Variation in points	Variation in points
Manufacturing industry	-0.9	-2.2	-1.3	1.0
Business-related services	17.4	10.1	-7.3	0.7
Building industry	2.0	1.6	-0.4	1.0
Trade	-7.8	-4.6	3.2	-1.1
Overall synthetic curve	1.9	0.1	-1.8	0.3

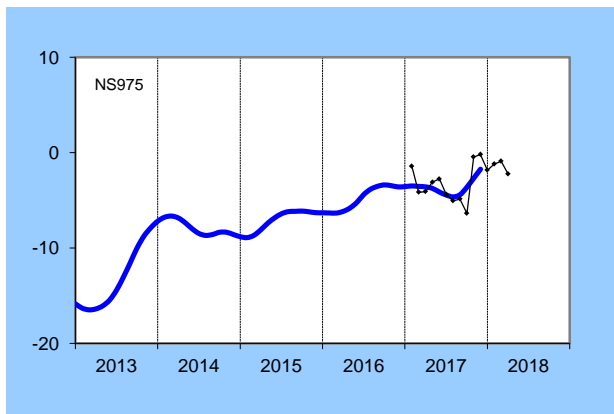
¹ The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the branches of activity.

Source: NBB.

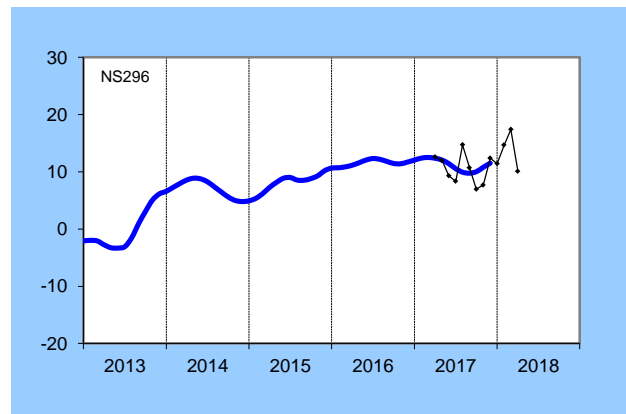
OVERALL SYNTHETIC CURVE



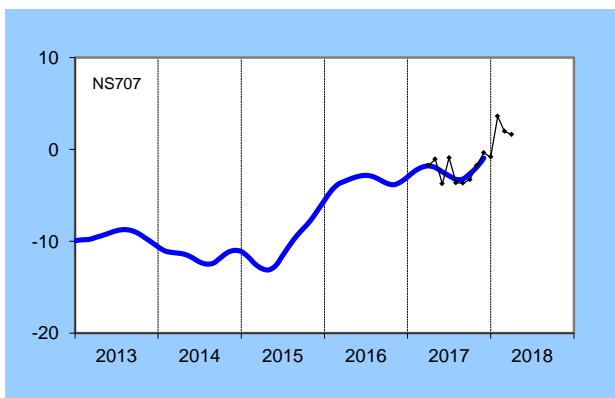
MANUFACTURING INDUSTRY



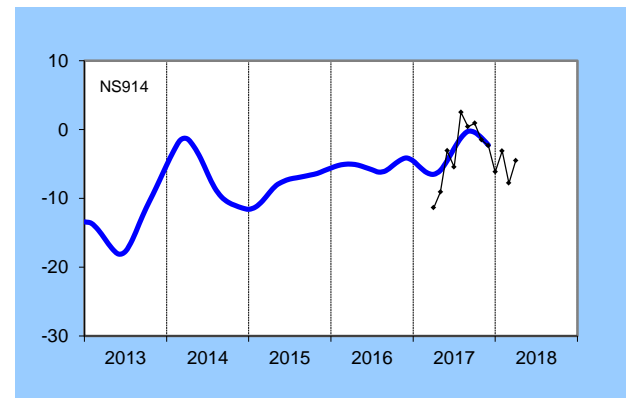
BUSINESS-RELATED SERVICES



BUILDING INDUSTRY



TRADE



Seasonally adjusted and smoothed series

Seasonally adjusted series

Source: NBB

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			
				2017		2018		2017		2018	
	Min.	Max.	Avg.	Dec.	Jan.	Feb.	March	Oct.	Nov.	Dec.	Jan.
Overall synthetic curve	- 31.8	+ 9.2	- 7.3	+ 0.1	+ 1.8	+ 1.9	+ 0.1	- 0.1	+ 0.8	+ 1.4	+ 1.7
Manufacturing industry curve	- 34.3	+ 6.0	- 10.3	- 1.8	- 1.2	- 0.9	- 2.2	- 2.7	- 1.7	.	.
Assessment of total order books	- 56.0	+ 10.0	- 21.5	- 8.5	- 3.6	- 4.4	- 7.0	- 10.4	- 8.8	.	.
Assessment of level of stocks ²	- 12.9	+ 25.0	+ 6.1	+ 3.0	+ 3.2	+ 2.9	- 1.4	+ 3.0	+ 2.9	.	.
Employment expectations	- 36.0	+ 8.0	- 8.6	+ 0.7	- 1.1	+ 1.7	- 6.1	- 0.9	+ 0.3	.	.
Demand expectations	- 37.0	+ 15.0	- 4.9	+ 3.4	+ 3.2	+ 2.1	+ 2.8	+ 3.8	+ 4.0	.	.
Business-related services curve	- 41.7	+ 34.0	+ 10.6	+ 11.4	+ 14.6	+ 17.4	+ 10.1	+ 10.8	+ 11.5	.	.
Assessment of activity	- 54.4	+ 20.0	- 4.7	+ 6.2	- 1.3	+ 4.6	+ 2.0	- 0.8	- 0.3	.	.
Activity expectations	- 32.0	+ 51.7	+ 23.3	+ 12.0	+ 16.5	+ 23.3	+ 17.3	+ 18.2	+ 17.4	.	.
Market demand expectations	- 43.0	+ 45.0	+ 14.4	+ 16.1	+ 28.7	+ 24.3	+ 11.0	+ 12.1	+ 14.1	.	.
Building industry curve	- 39.0	+ 24.3	- 7.4	- 0.8	+ 3.6	+ 2.0	+ 1.6	- 1.9	- 0.9	.	.
Trend in orders	- 52.0	+ 40.0	- 4.7	+ 4.9	+ 4.9	+ 2.9	+ 1.9	+ 1.7	+ 3.1	.	.
Trend in equipment	- 19.4	+ 24.0	+ 1.8	- 0.6	+ 1.4	+ 1.9	+ 0.6	- 0.7	- 0.5	.	.
Assessment of order books	- 74.0	+ 30.0	- 23.6	- 4.0	+ 2.1	- 0.5	+ 0.6	- 6.0	- 4.1	.	.
Demand expectations	- 39.0	+ 21.0	- 3.2	- 3.6	+ 5.9	+ 3.4	+ 3.5	+ 0.2	+ 0.6	.	.
Trade curve	- 28.6	+ 16.0	- 2.0	- 6.2	- 3.1	- 7.8	- 4.6	- 1.2	- 2.3	.	.
Employment expectations	- 18.4	+ 18.0	+ 1.9	- 0.4	- 0.2	- 2.9	- 2.7	+ 1.9	+ 1.1	.	.
Demand expectations	- 40.0	+ 29.0	+ 0.1	- 4.0	- 2.9	- 4.3	- 1.9	- 2.5	- 3.0	.	.
Intentions of placing orders	- 39.0	+ 15.0	- 7.1	- 14.2	- 6.3	- 16.2	- 9.1	- 4.7	- 6.1	.	.

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			
				2017		2018		2017		2018	
	Min.	Max.	Avg.	Dec.	Jan.	Feb.	March	Oct.	Nov.	Dec.	Jan.
Manufacturing industry											
Trend in production rate	- 33.0	+ 20.0	- 0.8	+ 4.1	+ 4.2	+ 5.3	- 10.9	+ 2.2	+ 3.0	.	.
Trend in domestic orders	- 35.0	+ 16.0	- 7.8	- 0.9	- 4.9	- 2.3	- 9.4	- 1.5	- 1.6	.	.
Trend in export orders	- 44.0	+ 30.0	- 2.6	+ 8.2	+ 11.2	+ 18.6	- 1.9	+ 5.5	+ 8.3	.	.
Assessment of export order books	- 61.0	+ 10.0	- 22.9	- 4.6	- 2.0	+ 1.5	- 9.5	- 10.7	- 8.3	.	.
Trend in prices	- 21.0	+ 24.0	+ 1.0	+ 3.8	+ 9.7	+ 9.1	+ 11.4	+ 4.0	+ 5.7	.	.
Price expectations	- 24.0	+ 43.0	+ 6.8	+ 9.4	+ 15.4	+ 10.6	+ 11.4	+ 9.4	+ 10.0	.	.
Production capacity											
(in percentage of the total production capacity)	70.1	84.6	79.0	-	80.7	-	-				
Source: quarterly production capacity survey											
Business-related services											
Trend in activity	- 38.0	+ 37.0	+ 10.1	+ 18.5	- 16.4	+ 28.3	- 0.9	+ 14.3	+ 17.1	.	.
Trend in employment	- 49.4	+ 34.0	+ 7.1	+ 13.4	+ 6.6	+ 12.0	+ 21.0	+ 13.4	+ 13.4	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.8	+ 18.5	+ 28.9	+ 25.1	+ 22.3	+ 21.7	+ 22.2	.	.
Trend in prices	- 15.8	+ 12.0	+ 1.8	+ 7.0	+ 5.8	+ 11.6	+ 9.9	+ 5.4	+ 5.9	.	.
Price expectations	- 13.0	+ 30.0	+ 6.4	+ 27.0	+ 20.8	+ 10.9	+ 6.5	+ 12.2	+ 13.8	.	.
Building industry											
Trend in activity	- 44.0	+ 34.7	- 4.7	+ 5.0	+ 4.2	+ 11.1	- 15.4	+ 0.9	+ 2.0	.	.
Trend in employment	- 38.0	+ 22.0	- 5.4	- 6.5	+ 0.2	- 0.1	- 0.7	- 4.6	- 4.1	.	.
Employment expectations	- 50.0	+ 30.0	- 5.3	+ 8.6	+ 9.3	+ 8.2	+ 8.1	+ 5.8	+ 6.9	.	.
Trend in prices	- 27.1	+ 32.0	- 2.2	- 3.8	+ 4.3	+ 5.2	+ 6.8	- 0.4	+ 0.0	.	.
Price expectations	- 20.6	+ 46.0	+ 5.0	+ 4.6	+ 8.7	+ 7.4	+ 12.9	+ 4.6	+ 5.3	.	.
Trade											
Trend in sales	- 47.9	+ 43.0	+ 0.0	- 8.1	- 8.6	- 7.3	- 16.7	- 10.9	- 9.5	.	.
Assessment of sales	- 41.0	+ 28.0	- 9.0	- 19.8	- 13.9	- 14.9	- 9.5	- 19.6	- 18.7	.	.
Assessment of level of stocks ²	- 12.9	+ 32.0	+ 12.0	+ 8.8	+ 10.1	+ 14.2	+ 10.4	+ 10.0	+ 10.3	.	.
Trend in prices	- 20.0	+ 50.0	+ 1.9	- 2.5	- 2.9	- 0.0	+ 7.1	- 2.8	- 2.6	.	.
Price expectations	- 11.0	+ 66.2	+ 11.4	+ 10.9	+ 7.5	+ 4.2	+ 12.1	+ 11.3	+ 11.3	.	.

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.