

PRESS RELEASE

Links: [Infographic](#) [NBB.Stat](#) [General information](#)

Monthly business survey – June 2022

Business confidence weakens in June

- **The 3.6 point drop is the biggest recorded since September last year. The drop in confidence is evident in the four main branches of activity surveyed, although a bit less marked in construction and trade.**

Confidence levels vary between the different branches of activity in the manufacturing industry, with some of them – such as the wood processing industry, the plastics as well as paper and board sectors – benefiting from renewed optimism. Overall, all underlying components of the indicator are down sharply, with the exception of employment forecasts, which had already been revised downwards last month and have not got much worse this month.

The loss of confidence in the business-related services sector can be explained by a less favourable assessment of the level of business activity combined with a downward revision of forecasts for general market demand. However, company managers have barely adjusted their assessment of the expected course of their own business activity over the next few months. The information technology services branch has been particularly badly affected by the erosion of confidence.

Entrepreneurs in the building industry were rather more reserved about recent trends in order books and demand forecasts. Their assessment of the current level of total order books has dipped a little, while changes in equipment used have been judged more favourably.

Lastly, the renewed deterioration of the business climate in the trade sector is attributable to a marked dip in projections for both demand and orders placed with suppliers. Forecasts for employment have improved very marginally.

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

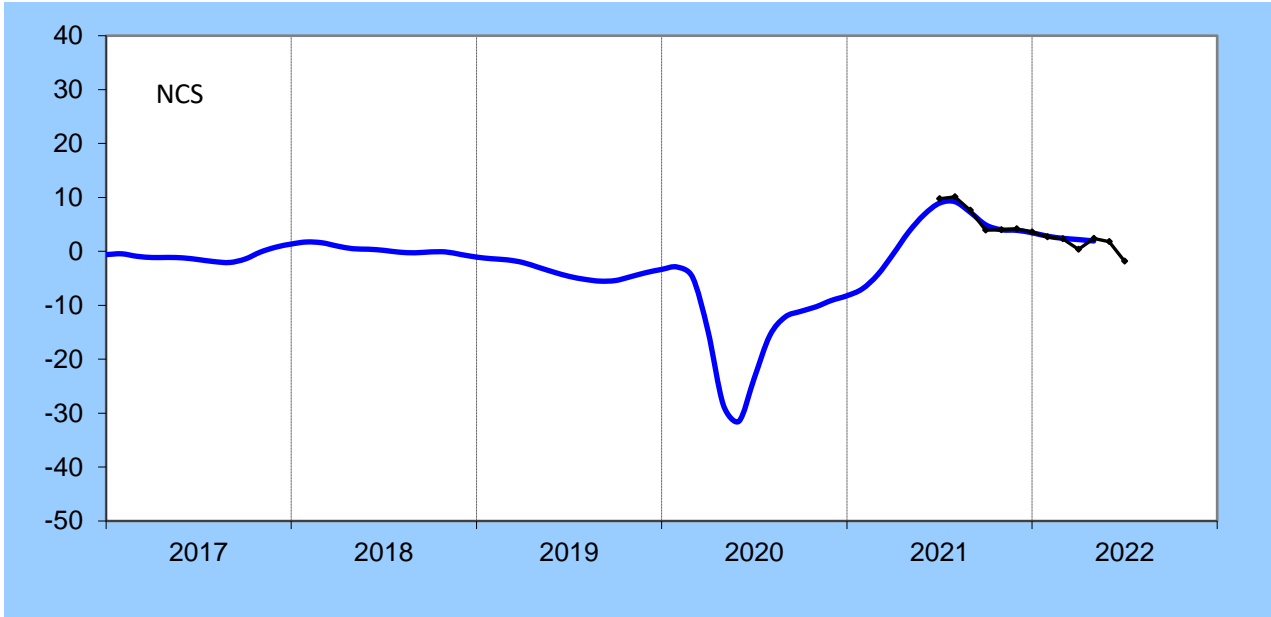
Business survey indicators

	Gross synthetic curve			Smoothed synthetic curve ¹
	May 2022	June 2022	Variation in points	Variation in Points
Manufacturing industry	1.0	-3.0	-4.0	-0.6
Business-related services	12.4	8.5	-3.9	-0.7
Building industry	-2.0	-4.1	-2.1	0.0
Trade	-7.9	-10.7	-2.8	-0.8
Overall synthetic curve	1.8	-1.8	-3.6	-0.3

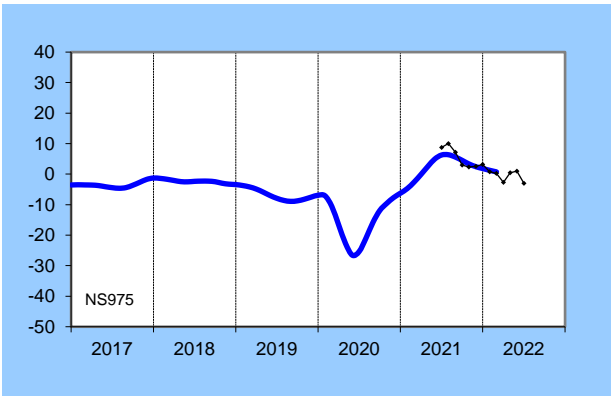
¹ The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the branches of activity. This implies that the overall smoothed indicator reflects recent developments more closely than the smoothed indicators per branch.

Source: NBB.

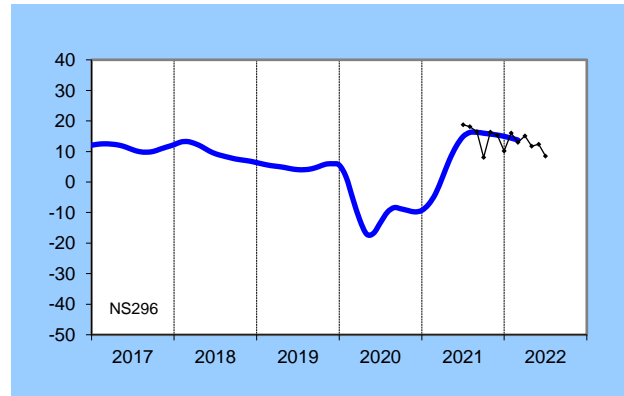
OVERALL SYNTHETIC CURVE



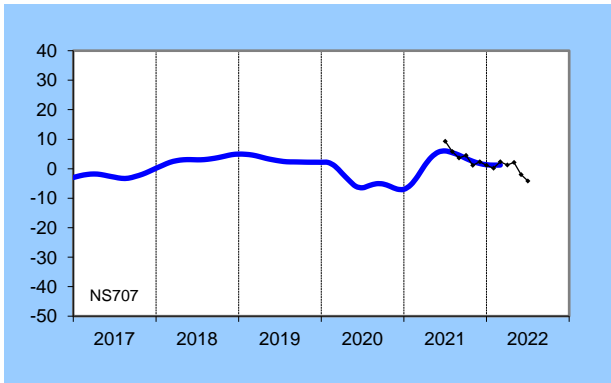
MANUFACTURING INDUSTRY



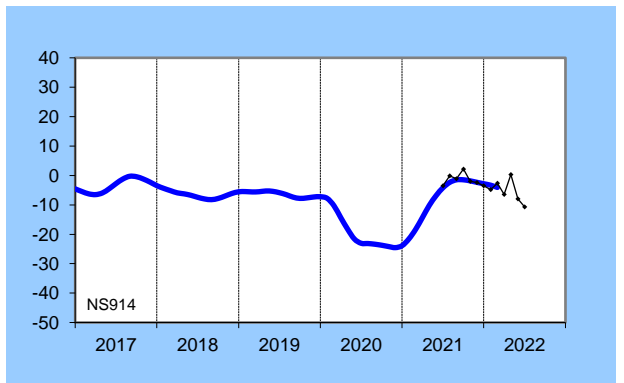
BUSINESS-RELATED SERVICES



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	2022				2022			
				Mar	Apr	May	Jun	Jan	Feb	Mar	Apr
Overall synthetic curve	-36.1	+10.1	-5.2	+0.4	+2.4	+1.8	-1.8	+2.8	+2.4	+2.2	+1.9
Manufacturing industry curve	-36.0	+10.0	-8.6	-2.7	+0.5	+1.0	-3.0	+1.3	+0.7	.	.
Assessment of total order books	-57.7	+10.0	-19.4	-10.6	-3.9	-0.3	-5.2	-5.9	-6.8	.	.
Assessment of level of stocks ³	-19.0	+25.0	+4.7	+8.0	+2.4	+1.9	+7.9	-2.2	-0.8	.	.
Employment expectations	-41.4	+11.5	-7.4	+5.5	+9.3	+5.4	+4.6	+4.4	+4.8	.	.
Demand expectations	-37.9	+15.0	-3.1	+2.3	-1.1	+0.6	-3.5	+4.0	+3.2	.	.
Business-related services curve	-62.1	+34.0	+9.3	+15.1	+11.7	+12.4	+8.5	+14.4	+13.7	.	.
Assessment of activity	-71.6	+20.0	-6.4	+2.6	+1.6	+2.1	-3.3	-6.5	-3.6	.	.
Activity expectations	-70.7	+47.0	+21.5	+22.8	+19.2	+18.8	+19.3	+26.6	+24.9	.	.
Market demand expectations	-59.9	+44.0	+13.0	+20.0	+14.3	+16.3	+9.4	+21.9	+19.6	.	.
Building industry curve	-24.3	+24.3	-3.3	+1.2	+2.1	-2.0	-4.1	+1.2	+1.2	.	.
Trend in orders	-30.1	+33.0	-0.1	+8.3	+7.4	+3.5	-2.3	+4.8	+5.9	.	.
Trend in equipment	-38.4	+24.0	+1.7	+4.6	+3.2	+1.8	+4.4	+1.2	+2.1	.	.
Assessment of order books	-50.0	+30.0	-15.0	-1.8	+7.0	+2.7	+2.1	+2.4	+1.6	.	.
Demand expectations	-26.0	+18.0	+0.0	-6.1	-9.0	-15.9	-20.8	-1.6	-3.6	.	.
Trade curve	-41.8	+16.0	-3.3	-6.5	+0.3	-7.9	-10.7	-3.3	-4.1	.	.
Employment expectations	-33.0	+18.0	+1.1	+2.1	+4.9	+3.1	+3.8	+3.0	+2.9	.	.
Demand expectations	-56.0	+29.0	-2.6	-8.9	-2.0	-15.6	-18.9	-2.1	-3.5	.	.
Intentions of placing orders	-40.1	+15.0	-8.4	-12.6	-2.0	-11.3	-17.0	-11.9	-11.7	.	.

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	Mar	Apr	May	Jun	Jan	Feb	Mar	Apr
Manufacturing industry											
Trend in production rate	- 53.0	+ 20.0	- 1.0	+ 6.8	+ 2.0	+ 3.1	- 2.5	+ 1.4	+ 1.9	.	.
Trend in domestic orders	- 48.7	+ 16.0	- 7.4	+ 1.9	+ 1.7	- 7.8	- 2.4	- 2.8	- 2.4	.	.
Trend in export orders	- 56.3	+ 30.0	- 2.4	+ 2.3	+ 2.1	- 5.3	- 1.9	+ 0.5	+ 0.3	.	.
Assessment of export order books	- 61.0	+ 10.0	- 20.3	- 14.5	- 7.5	- 8.6	- 9.7	- 2.0	- 4.1	.	.
Trend in prices	- 21.0	+ 34.3	- 0.3	+ 25.9	+ 33.5	+ 32.8	+ 27.4	+ 27.6	+ 29.2	.	.
Price expectations	- 24.0	+ 54.2	+ 3.4	+ 47.2	+ 54.2	+ 44.5	+ 35.1	+ 38.6	+ 40.7	.	.
Production capacity											
(in percentage of the total production capacity) Source: quarterly production capacity survey	70.1	84.6	79.6	-	81.8	-	-				
Business-related services											
Trend in activity	- 73.0	+ 37.0	+ 9.4	+ 19.8	+ 20.1	+ 6.8	+ 19.6	+ 16.7	+ 17.8	.	.
Trend in employment	- 49.4	+ 34.0	+ 6.4	+ 11.7	+ 28.8	+ 8.7	+ 8.3	+ 10.4	+ 11.3	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.3	+ 34.1	+ 30.1	+ 34.1	+ 35.0	+ 35.6	+ 35.2	.	.
Trend in prices	- 15.8	+ 24.3	+ 1.9	+ 15.1	+ 19.3	+ 16.1	+ 11.6	+ 13.7	+ 15.0	.	.
Price expectations	- 13.0	+ 36.1	+ 7.0	+ 27.3	+ 27.1	+ 34.4	+ 30.3	+ 27.3	+ 27.3	.	.
Building industry											
Trend in activity	- 66.6	+ 34.7	- 1.8	+ 6.0	+ 7.6	+ 1.1	+ 1.8	+ 4.4	+ 5.0	.	.
Trend in employment	- 27.0	+ 22.0	- 3.2	+ 1.2	+ 6.4	+ 1.7	+ 7.5	+ 2.6	+ 3.0	.	.
Employment expectations	- 31.0	+ 30.0	+ 0.7	+ 10.7	+ 11.6	+ 11.9	+ 8.2	+ 15.0	+ 13.7	.	.
Trend in prices	- 27.1	+ 52.8	- 3.4	+ 40.0	+ 44.0	+ 51.6	+ 52.8	+ 33.8	+ 36.1	.	.
Price expectations	- 20.6	+ 64.0	+ 2.2	+ 52.9	+ 54.7	+ 62.3	+ 64.0	+ 49.3	+ 51.3	.	.
Trade											
Trend in sales	- 50.1	+ 43.0	- 1.9	- 11.5	+ 0.1	- 2.0	- 1.4	- 4.4	- 2.3	.	.
Assessment of sales	- 50.0	+ 28.0	- 8.5	- 10.5	- 4.0	- 6.7	- 12.1	- 1.6	- 1.8	.	.
Assessment of level of stocks ³	- 17.1	+ 38.1	+ 11.4	- 8.6	- 17.1	- 10.4	- 12.0	- 5.6	- 7.1	.	.
Trend in prices	- 23.5	+ 48.6	- 1.2	+ 28.1	+ 30.9	+ 43.1	+ 48.6	+ 27.1	+ 28.9	.	.
Price expectations	- 14.2	+ 69.5	+ 5.7	+ 59.8	+ 64.0	+ 69.5	+ 58.7	+ 46.9	+ 53.0	.	.

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.