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PRESS RELEASE

Provisional results of the autumn 2009 survey of investment in manufacturing industry

Twice a year, the National Bank of Belgium conducts a survey of investment by firms in the manufacturing industry in the strict sense (i.e. excluding construction firms and those in the "electricity, gas and water" branch). Data from the national accounts show that the manufacturing industry accounted for 17.8 p.c. of total business investment in 2008.

According to the provisional results of the autumn 2009 survey, investment in fixed capital goods in the manufacturing industry, expressed in current prices, is estimated to have dropped by 22 p.c. in 2009, the most negative result since the autumn survey back in 1993.

In the spring 2009 survey, firms had already anticipated an 11.8 p.c. drop in their investment. Forecasts for the current year have therefore been revised downwards. Although this trend can be observed in virtually all the main branches of activity, it is nevertheless more marked in the food, metal manufactures, iron and steel, and chemicals sectors. On the other hand, some industries, including manufacture of furniture and woodworking, report a smaller decline in their investment in 2009 compared with the findings of last spring's survey.

The investment situation should, however, improve next year. According to the forecasts compiled under the current survey, investment spending in the manufacturing industry would rise by as much as 13.2 p.c. in 2010. The biggest increases are most likely to be expected in iron and steel, chemicals and the motor vehicle sector. By contrast, investment is predicted to continue to fall in a few industries, notably in the paper and publishing sector.