

---

2014-06-26

## **PRESS RELEASE**

---

### **Results of the Spring 2014 survey of investment in the manufacturing industry**

The National Bank of Belgium conducts a twice-yearly survey of investment by firms in the manufacturing industry considered in the strict sense (i.e. excluding construction firms and those in the "electricity, gas and water" branch).

According to the findings from the Spring 2014 survey, fixed capital investment - expressed at current prices - is estimated to have declined by 1.9 % in 2013. The decline was reflected in most of the branches of activity interviewed, in particular in the technology industry, the iron and steel industry, the food industry, the plastics industry, the glass-making industry, the ceramic industry, the paper processing industry, the printing industry and the manufacture of ready-made textile articles and knitted goods. The contraction of investment is believed to have occurred especially in small and medium-sized enterprises. On the other hand, in 2013 investment increased in the chemical industry, petroleum refining, textiles (excluding ready-made textile articles and knitted goods), woodworking, the manufacture of paper, the concrete-products industry and the manufacture of non-ferrous metals.

The subdued investment dynamics in 2013 are also due to the rather low capacity utilisation, which was, however, gradually boosted during 2013, but only reached the long-term average level of 78.8 % (as of 1980) in the last quarter.

For 2014, investment is expected to increase by at least 20 %. In the November 2013 survey, firms had yet assumed that their investment would increase by 9.2 % in 2014. Consequently, the still provisional outlook for the present calendar year was significantly revised upwards, despite a faltering business cycle and contrary to the usual proceedings in the Spring survey. Almost all sectors report a boost of investment in 2014. The growth is expected by all firm size categories, yet would be most pronounced in firms with more than 500 employees. However, the magnitude of the reported increase must be confirmed in the next surveys.