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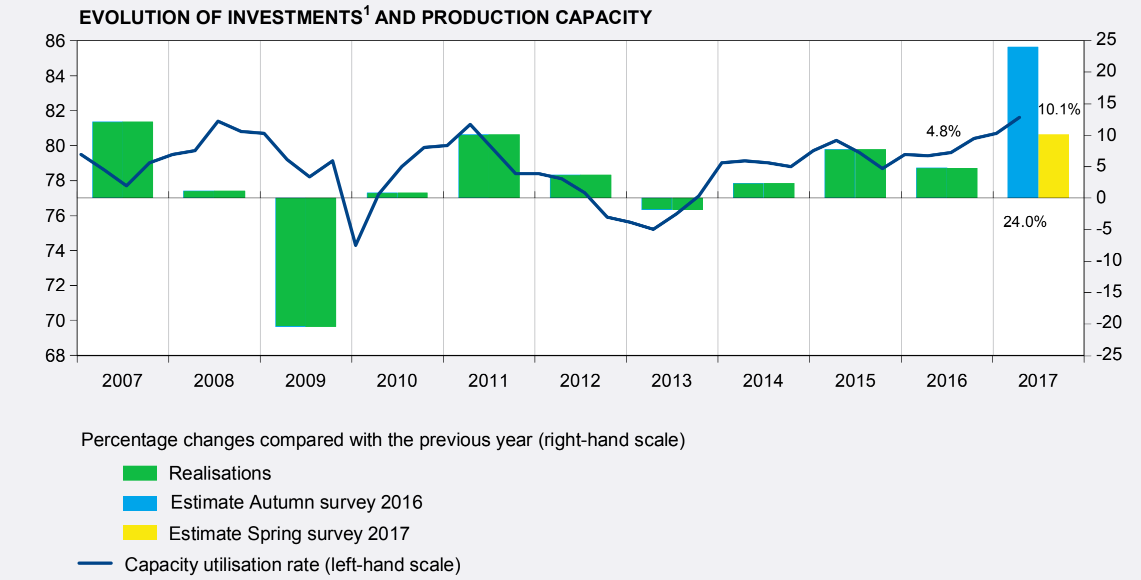
PRESS RELEASE

Results of the spring 2017 survey of investment in the manufacturing industry



[1] Source: NBB - bi-annual survey, percentages of variation in current prices of the investments (except for leasing).

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

According to the results of the spring 2017 survey, fixed capital investment – expressed at current prices – is estimated to have risen by 4.8% in 2016, buoyed up by the motor vehicle, petrochemicals, paper and board, chemicals and plastics industries. Broken down by company size, the results are contrasting. Investment seems to have risen mainly in medium-sized firms (with 50 to 249 employees), while it seems to have fallen in smaller firms (with less than 50 employees) and large enterprises (employing between 250 and 499 workers).

For the year 2017, investment is forecast to grow by about 10.1%. This estimate is nevertheless more than twice as small as that put forward in the autumn 2016 survey, when a 24 % increase was predicted. The expected rise in business investment in 2017 should be interpreted in the frame of the continued recovery of production capacity rates, above its long-term average. Investment is forecast to accelerate in the vast majority of sectors surveyed, and especially in the chemicals, technology, paper and board, and food industries. However, investment is expected to taper off considerably in the petrochemicals, textiles and glass industries. The expansion of investment in 2017 should affect all company size categories, and more particularly firms with less than 50 workers, where it will very probably be concentrated on projects postponed in 2016. With regard to export ratios, investment should mainly pick up in companies exposed the most to foreign markets (with an export share of more than 60 %).