

***Biannual survey on investments in the manufacturing industry
Communication – 15 July 2020***

Suspension of publication of the results of the spring and autumn 2020 surveys and the spring 2021 survey

From the autumn of 2021 the investment survey – which is currently quantitative, with firms being asked about the amount of their investments – will be replaced by a new, qualitative survey in which firms will be asked whether they consider/expect that their investment will increase, decline or remain stable. This new investment survey will also be extended to the service sector.

The new survey forms part of the European programme of business survey harmonisation and is intended to address the structural problems facing all Member States in regard to the current survey.

A systematic discrepancy between the initial forecasts and the amounts ultimately invested means that the survey has little predictive power

While the investment forecasts reported by firms in the survey are a good indicator of the broad investment trend (slowdown, acceleration), the actual figures need to be interpreted with caution. Firms in fact tend to systematically overestimate their investment forecasts for the coming year at the time of the autumn survey in the previous year, before moderating their position in the spring survey of the current year and ultimately – in the autumn survey of the current year - arriving at an estimate very close to the real figure eventually recorded.

One of the suggested reasons for this systematic upward bias in the survey data is that business leaders are tending to say how much they would like to invest, but they are ultimately constrained by external factors over which they have less control or which are harder to anticipate.

A steady decline in the response rate, understandably exacerbated by the COVID-19 crisis

Over the years there has been a steady decline in firms' participation in this survey. In the spring of 2020, that was even more apparent owing to the COVID-19 crisis. Extrapolating the true picture for a branch of activity on the basis of responses from an ever dwindling number of respondents could therefore prove risky, especially if those respondents exhibit atypical behaviour in their answers. The switch to a qualitative survey, less onerous than the current quantitative one, also aims to increase the survey response rate.

Temporary non-publication of the current investment survey's results

In view of the problems identified, the National Bank of Belgium – always concerned to ensure the quality of the statistical information that it circulates – decided to suspend publication of the results of the spring 2020 survey and those of the following two surveys, namely the ones conducted in the autumn of 2020 and the spring of 2021.

Publication will subsequently resume in accordance with the new survey model. The aggregate responses will then be broken down according to the three possibilities (increase, reduction or stabilisation of investment) and retroplotted for the past on the basis of the data from the current quantitative survey.