

## NEWS RELEASE

May 25, 2026

### **Overall confidence in the economy decreased** **Additional information to NR Business cycle survey – May 2026**

The composite confidence indicator (economic sentiment indicator), expressed as a basic index, decreased by 1.6 points m-o-m in May to 99.7, reflecting the same development in both of its components. The business confidence indicator fell by 1.4 points to 99.0 and the consumer confidence indicator decreased by 2.6 points to 103.4. Compared with May last year, the composite indicator and the business confidence indicator are at lower levels, while the consumer confidence indicator is higher.

In **industrial** sector, business confidence in the economy decreased again m-o-m. The confidence indicator fell by 2.6 points to 94.5. The share of businesses negatively assessing their current *overall demand* increased slightly m-o-m. In May, for the first time since January this year, the share of respondents expecting a slowdown in *the pace of growth in production* activity over the next three months prevailed. The level of *finished goods inventories* remained approximately at the April level. Following the increase in April, the share of businesses expecting an increase in the prices of their products remained unchanged. In y-o-y terms, confidence in industry remained at the same level.

In **construction** sector, business confidence in the economy increased compared to April. The confidence indicator rose by 2.4 points to 117.9. The share of respondents negatively assessing *their current demand* for construction work decreased m-o-m. The proportion of construction firms expecting an increase in the *current number of employees* over the next three months remained unchanged. Following the significant increase in April, the share of businesses expecting an increase in *construction prices* over the next three months decreased slightly, but still remains well above average. Compared with the same period last year, confidence in construction is higher.

In **trade** sector, business confidence in the economy decreased m-o-m. The confidence indicator fell by 2.2 points to 92.8. In the May survey, the share of businesses that reported an improvement in their *overall economic* situation over the past three months decreased significantly. The proportion of respondents expecting an improvement in *their economic situation* over the next three months increased slightly m-o-m. The level of inventories also increased slightly. The share of businesses expecting an increase in *selling prices* over the next three months remained almost unchanged. Compared with May last year, confidence in trade is lower.

In **selected service** sectors (including the financial sector), business confidence in the economy decreased slightly compared to April. The confidence indicator fell by 0.5 points to 102.4. The share of businesses in selected services positively assessing their *current economic* situation increased slightly. Compared to the previous month, the proportion of respondents positively evaluating their *current demand* for services remained almost unchanged. The share of firms expecting an increase in *demand over the* next three months decreased. M-o-m, the share of

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businesses expecting an increase in *prices of offered* services over the next three months also decreased. Compared with the same period last year, confidence in selected service sectors is lower.

**Consumer** confidence in the economy decreased m-o-m. The confidence indicator fell by 2.6 points to 103.4. Following the significant increase in April, the share of consumers expecting a deterioration in the *overall economic situation* in Czechia over the next twelve months remained almost unchanged. The proportion of respondents assessing their *current financial situation* as worse than in the previous twelve months increased, while the share of households expecting an improvement in *their financial situation* over the next twelve months decreased slightly m-o-m. The number of respondents not planning to *make major purchases* over the next twelve months increased compared to April. Concerns about rising prices remained almost unchanged m-o-m, but following the significant increase in April, they remain at a high level. Concerns about further increases in *unemployment* also remained almost unchanged. Despite this, consumer confidence still remains higher than in the same month last year.

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### Notes:

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#### Detailed time series of balances and basic indices of confidence indicators:

[https://csu.gov.cz/produkty/kpr\\_ts](https://csu.gov.cz/produkty/kpr_ts)

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