November 24, 2017

In November, consumers trust the economy more than entrepreneurs

Business cycle survey – November 2017

Overall confidence in domestic economy decreased slightly in November. The composite confidence indicator (economic sentiment indicator), that is stated by basic indices, decreased slightly by 0.3 points to 99.0 m-o-m. Confidence of entrepreneurs decreased slightly too by 0.7 points to 96.7 compared to October. Consumer confidence indicator increased by 1.6 points to 110.3, m-o-m. Composite confidence indicator and entrepreneurs confidence indicator are lower, compared to November 2016, but consumer confidence indicator is higher.

In **industry***,* in November, confidence indicator decreased by 1.8 points to 97.5. The assessment of current overall economic situation of the respondents did not change m-o-m. The assessment of current total and foreign demand almost unchanged. According to respondents, stocks of finished goods almost unchanged too. For the next three months, respondents expect a decrease in the development of production activity and a slight decrease in the employment. Expectations of general economic situation development for the next three months decreased, for the next six months almost unchanged. All in all, confidence in industry is lower compared to November 2016.

The survey on **investment activity** in manufacturing industry suggests that for 2018 respondents expect the level of investment should increase by approximately 3 %. It refers predominantly to a renewal of production equipment; and less to an extension of production capacities and introducing new technologies.

In **construction**, in November, confidence increased by 2.6 points to 87.4. The assessment of current economic situation of the respondents almost unchanged m-o-m. The assessment of total demand for construction work almost unchanged too, compared to October. Respondents expect for the next three months an increase in the development of construction activity and in the employment too. Expectations of the economic situation in development for the next three as well as six months increased, compared to October. Overall, confidence in construction is higher, y-o-y.

In November, confidence in **trade** increased slightly by 0.8 points to 101.8. The assessment of current overall economic situation of the respondents did not change m-o-m. The stocks did not change. Expectations of the economic situation development for the next three as well as six months increased slightly, compared to October. Overall, confidence in trade is higher, y-o-y.

In selected **services** (incl. banking sector)*,* in November, confidence did not change and stayed at the same value 96.3. The assessment of current economic situation of the respondents almost unchanged compared to October. In November, the assessment of demand as well as its expectations for the next three months almost unchanged too. Expectations of total economic situation development for the next three as well as six months almost unchanged. All in all, confidence in selected services is lower, y-o-y.

In November, consumer confidence indicator increased by 1.6 points to 110.3, m-o-m. The survey taken among consumers in November indicates that consumers are for the next twelve months a slightly less afraid of a decrease in the overall economic situation. Worries about their financial standing did not change, compared to October. The share of respondents intending to save money increased too. Worries about rise in the unemployment almost unchanged, m-o-m. The respondents concern about rises in prices decreased. Overall, consumer confidence indicator is higher, y-o-y.

Notes:

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Next News Release: December 27, 2017

This press release was not edited for language.

Annex:

Table 1 Confidence Indicators – basic indices

Table 2 Balances of Confidence Indicators

Graph Confidence indicators – base indices, seasonally adjusted (2008–2017)

Graph Confidence indicators – base indices, seasonally adjusted (1998–2017)

Graph Confidence Indicators for industry, construction, trade, and in selected services – baes indices, seasonally adjusted (2006–2017)

Graph Balances of seasonally adjusted confidence indicators for industry, construction, trade, and in selected services (2006–2017)

Graph Economic Sentiment Indicators – international comparison, seasonally adjusted