August 25, 2015

Confidence of entrepreneurs decreased slightly m-o-m, confidence of consumers did not change

Business cycle survey – August 2015

Overall confidence in domestic economy decreased slightly in August. The composite confidence indicator (economic sentiment indicator) decreased slightly by 0.4 points m-o-m. Confidence of entrepreneurs decreased slightly by 0.5 points, compared to July. Among entrepreneurs confidence increased in selected services; in construction did not change; in industry and in trade decreased. Consumer confidence indicator did not change, m-o-m. Composite confidence indicator, entrepreneurs confidence indicator and consumer confidence indicator are higher, compared to August 2014.

In **industry***,* in August, confidence decreased by 2.3 points. The assessment of current overall economic situation of the respondents increased. The assessment of current total demand decreased slightly, the assessment of foreign demand almost unchanged. According to respondents, stocks of finished goods almost unchanged. For the next three months, respondents expect almost no changes in the development of production activity and in the employment. Expectations of general economic situation development for the next three as well as six months decreased, compared to July. All in all, confidence in industry is higher, y-o-y.

In August, confidence in **construction** did not change. 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 July. Respondents expect for the next three months almost no changes in the development of construction activity and in the employment. Expectations of the economic situation development for the next three as well as six months decreased. Overall, confidence in construction is higher, y-o-y.

In August, confidence in **trade** decreased by 1.7 points, m-o-m. The assessment of current economic situation of the respondents almost unchanged, m-o-m. The stocks almost unchanged too. Expectations of the economic situation development for the next three as well as six months decreased slightly, compared to July. Overall, confidence in trade is higher, y-o-y.

In selected **services** (incl. banking sector)*,* in August, confidence increased by 2 points. The assessment of current economic situation of the respondents almost unchanged, m-o-m. The assessment of demand in August almost unchanged too, its expectations for the next three months increased slightly. Expectations of total economic situation development for the next three months increased, for the next six months increased slightly, compared to July. All in all, confidence in selected services is higher, y-o-y.

In August, consumer confidence indicator did not change, m-o-m, and it is still higher y-o-y. The survey taken among consumers in August indicates that consumers are for the next twelve months equally afraid of a decrease in the overall economic situation. Worries about their financial standing as well as worries about rise in the unemployment almost unchanged, m-o-m. The share of respondents intending to save money did not change, compared to July. The respondents concern about rises in prices increased slightly.

Notes:

Responsible manager: Juraj Lojka, director

Contact person: Jiří Obst, tel. +420274054116, e-mail: jiri.obst@czso.cz

Data source: CZSO business survey, GfK Czech consumer survey

 Business and Consumers Surveys are co-financed by grant agreements of the European Commission DG ECFIN

End of data collection: August 18, 2015

Related publication: 070008-15 Business Cycle Survey in Enterprises of Industry, Construction, Trade and Selected Services (<https://www.czso.cz/csu/czso/business-cycle-surveys>)

Next News Release: September 24, 2015

This press release was not edited for language.

Annex:

Table 1 Confidence Indicators – basic indices

Table 2 Balances of Confidence Indicators

Graph 1.1 Seasonally Adjusted Confidence Indicators (2008 – 2015)

Graph 1.2 Seasonally Adjusted Confidence Indicators (1998 – 2015)

Graph 2 Seasonally Adjusted Confidence Indicators in Industry, Construction, Trade, and in Selected Services

Graph 3 Economic Sentiment Indicators – international comparison