September 25, 2017

Overall confidence in economy increased slightly m-o-m

Business cycle survey – September 2017

Overall confidence in domestic economy increased slightly in September. The composite confidence indicator (economic sentiment indicator), that is stated by basic indices, increased slightly by 0.4 points to 99.1 m-o-m. Confidence of entrepreneurs increased slightly too by 0.2 points to 97.0 compared to August. Consumer confidence indicator increased by 1.3 points to 109.2, m-o-m. Composite confidence indicator, entrepreneurs confidence indicator and consumer confidence indicator are higher, compared to September 2016.

In **industry***,* in September, confidence indicator increased slightly by 0.3 points to 97.1. The assessment of current overall economic situation of the respondents decreased m-o-m. The assessment of current total and foreign demand did not change. According to respondents, stocks of finished goods almost unchanged. For the next three months, respondents expect a slight increase in the development of production activity and in the employment too. Expectations of general economic situation development for the next three as well as six months is lower. All in all, confidence in industry is at the same value, compared to the previous year.

In **construction**, in September, confidence increased by 1.5 points to 85.3. The assessment of current economic situation of the respondents increased m-o-m. The assessment of total demand for construction work increased too, compared to August. Respondents expect for the next three months almost no changes 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 decreased. Overall, confidence in construction is higher, y-o-y.

In September, confidence in **trade** decreased by 2.9 points to 99.8. The assessment of current overall economic situation of the respondents decreased m-o-m. The stocks did not change. Expectations of the economic situation development for the next three as well as six months decreased, compared to August. Overall, confidence in trade is higher, y-o-y.

In selected **services** (incl. banking sector)*,* in September, confidence increased slightly by 0.5 points to 97.9. The assessment of current economic situation of the respondents did not change compared to August. In September, the assessment of demand increased, its expectations for the next three months did not change. Expectations of total economic situation development for the next three months did not change, for the next six months decreased. All in all, confidence in selected services is higher, y-o-y.

In September, consumer confidence indicator increased by 1.3 points to 109.2, m-o-m, and it is still higher, y-o-y. The survey taken among consumers in September indicates that consumers are for the next twelve months a little less afraid of a decrease in the overall economic situation. Worries about their financial standing almost unchanged, compared to August. The share of respondents intending to save money almost unchanged too. Worries about rise in the unemployment decreased slightly, m-o-m. The respondents concern about rises in prices increased.

Notes:

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Related publication: 070006-17 Business Cycle Survey in Enterprises of Industry, Construction, Trade and Selected Services (<https://www.czso.cz/csu/czso/business-cycle-surveys>)

Next News Release: October 24, 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