March 26, 2018

Confidence of consumers is still high

Business cycle survey – March 2018

Overall confidence in economy decreased slightly. The composite confidence indicator (economic sentiment indicator), that is stated by basic indices, decreased slightly by 0.2 points to 99.7 m-o-m. Confidence of entrepreneurs decreased slightly by 0.5 points to 97.0 compared to February. Consumer confidence indicator increased slightly by 0.8 points to 112.8, m-o-m. Composite confidence indicator, entrepreneurs confidence indicator and consumer confidence indicator are higher, compared to March 2017.

In **industry***,* in March, confidence indicator increased slightly by 0.3 points to 96.8. The assessment of current overall economic situation of the respondents did not change m-o-m. The assessment of current total as well as foreign demand almost unchanged. According to respondents, stocks of finished goods almost unchanged too. For the next three months, respondents expect almost no changes in the development of production activity and an increase in the employment. Expectations of general economic situation development for the next three as well as six months increased slightly, m-o-m. All in all, confidence in industry is higher, y-o-y.

In **construction**, in March, confidence increased by 3.6 points to 97.1. The assessment of current economic situation of the respondents almost unchanged, m-o-m. The assessment of total demand for construction work increased, compared to February. Respondents expect for the next three months almost no changes in the development of construction activity and an increase in the employment. Expectations of general economic situation development for the next three months almost unchanged, for the next six months decreased, compared to the previous month. Overall, confidence in construction is higher, y-o-y.

In March, confidence in **trade** decreased by 2.6 points to 100.6. The assessment of overall economic situation of the respondents decreased m-o-m. The stocks almost unchanged. Expectations of the economic situation development for the next three months decreased slightly, for the next six months almost unchanged, compared to February. Overall, confidence in trade is lower, y-o-y.

In selected **services** (incl. banking sector)*,* in March, confidence decreased by 1.4 points to 96.7. The assessment of current economic situation of the respondents almost unchanged compared to February. In March, the assessment of demand almost unchanged too, but its expectations for the next three months decreased. 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 higher, y-o-y.

In March, consumer confidence indicator increased slightly by 0.8 points to 112.8, m-o-m. The survey taken among consumers in March indicates that consumers are for the next twelve months equally afraid of a decrease in the overall economic situation. Worries about their financial standing decreased slightly, compared to February. Worries about rise in the unemployment almost unchanged, m-o-m. The share of respondents intending to save money almost unchanged too. The respondents concern about rises in prices decreased slightly. Overall, consumer confidence indicator is higher, y-o-y.

Notes:

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Annex:

Table 1 Confidence Indicators – basic indices

Table 2 Balances of Confidence Indicators

Graph Confidence indicators – base indices, seasonally adjusted (2008–2018)

Graph Confidence indicators – base indices, seasonally adjusted (1998–2018)

Graph Confidence Indicators for industry, construction, trade, and in selected services – baes indices, seasonally adjusted (2006–2018)

Graph Balances of seasonally adjusted confidence indicators for industry, construction, trade, and in selected services (2006–2018)

Graph Economic Sentiment Indicators – international comparison, seasonally adjusted