December 27, 2019

Overall confidence in economy increased slightly m-o-m

Business cycle survey – December 2019

The composite confidence indicator (economic sentiment indicator), that is stated by basic indices, increased slightly by 0.5 percentage points to 93.8, m-o-m. Business confidence increased very slightly by 0.1 points to 91.6 compared to November. Consumer confidence indicator increased by 2.8 points to 104.8, m-o-m. Composite confidence indicator, business confidence indicator and consumer confidence indicator are lower, compared to December 2018.

In **industry***,* in December, confidence indicator increased by 1.8 points to 88.7. The assessment of current total and foreign demand almost unchanged m-o-m. According to respondents, stocks of finished goods decreased slightly. The assessment of overall economic situation of the respondents did not change. For the next three months, respondents expect an increase in the development of production activity and almost no changes in the employment. Expectations of total economic situation development for the next three months decreased slightly, for the next six months almost unchanged, m-o-m. Overall, confidence in industry is lower, y-o-y.

In December, confidence in **construction** increased by 2.1 points to 105.9. The assessment of total demand for construction work almost unchanged. The assessment of current economic situation of the respondents almost unchanged too, m-o-m. For the next three months, respondents expect an increase in the development of construction activity and in the employment, too. Expectations of general economic situation development for the next three months increased, for the next six months almost unchanged, compared to November. Finally, confidence in construction is at the same value, y-o-y.

In **trade**, in December, confidence indicator decreased by 3.4 points to 92.6. The assessment of overall economic situation of the respondents decreased m-o-m. The stocks increased slightly. Expectations of total economic situation development for the next three months almost unchanged, for the next six months increased. Finally, confidence in trade is lower, y-o-y.

In December, in selected **services** (incl. banking sector)*,* confidence decreased by 1.5 points to 92.7. The assessment of current economic situation of the respondents almost unchanged compared to November. In December, the assessment of demand decreased slightly; its expectation for the next three months almost unchanged. Expectations of total economic situation development for the next three months decreased slightly, for the next six months did not change. Overall, confidence in selected services is lower, y-o-y.

In December, consumer confidence indicator increased by 2.8 points to 104.8, m-o-m. The survey taken among consumers in December indicates that consumers are for the next twelve months an equally afraid of a decrease in the overall economic situation. Worries about their financial standing decreased, compared to November. The share of respondents intending to save money increased. Worries about rise in the unemployment increased, m-o-m. The respondents concern about rises in prices decreased. Overall, consumer confidence indicator is lower, y-o-y.

Notes:

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Data source: CZSO business survey, GfK Czech consumer survey

End of data collection: December 17, 2019

Next News Release: January 24, 2020

This press release wasn´t edited for language.

Annex:

Table 1 Confidence Indicators – basic indices

Table 2 Balances of Confidence Indicators

Graph Confidence indicators – base indices, seasonally adjusted (2008–2019)

Graph Confidence indicators – base indices, seasonally adjusted (1998–2019)

Graph Confidence Indicators for industry, construction, trade, and in selected services – baes indices, seasonally adjusted (2006–2019)

Graph Balances of seasonally adjusted confidence indicators for industry, construction, trade, and in selected services (2006–2019)

Graph Economic Sentiment Indicators – international comparison, seasonally adjusted



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