May 24, 2018

Confidence of entrepreneurs decreased, consumer optimism reached a new high

Business cycle survey – May 2018

Overall confidence in economy decreased. The composite confidence indicator (economic sentiment indicator), that is stated by basic indices, decreased by 0.9 points to 99.2 m-o-m. Confidence of entrepreneurs decreased by 1.4 points to 96.2 compared to April. Consumer confidence indicator increased by 1.3 points to 113.8, m-o-m. Composite confidence indicator, entrepreneurs confidence indicator and consumer confidence indicator are higher, compared to May 2017.

In **industry***,* in May, confidence indicator decreased by 2.1 points to 95.0. The assessment of current overall economic situation of the respondents decreased slightly m-o-m. The assessment of current total and foreign demand almost unchanged. According to respondents, stocks of finished goods did not change. For the next three months, respondents expect a decrease in the development of production activity and almost no changes in the employment. Expectations of general economic situation development for the next three as well as six months almost decreased, m-o-m. All in all, confidence in industry is higher, y-o-y.

In **construction**, in May, confidence decreased slightly by 0.5 points to 96.6. 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 April. Respondents expect for the next three months no changes 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 decreased, compared to the previous month. Overall, confidence in construction is higher, y-o-y.

In May, confidence in **trade** decreased by 2.5 points to 98.1. The assessment of overall economic situation of the respondents decreased m-o-m. The stocks decreased slightly. Expectations of the economic situation development for the next three months as well as six months did not change. Overall, confidence in trade is the same as in the previous month.

In selected **services** (incl. banking sector)*,* in May, confidence decreased slightly by 0.5 points to 97.2. The assessment of current economic situation of the respondents almost unchanged compared to April. In May, the assessment of demand decreased, its expectations for the next three months almost unchanged. Expectations of total economic situation development for the next three months almost unchanged, for the next six months increased. All in all, confidence in selected services is lower, y-o-y.

In May, consumer confidence indicator increased by 1.3 points to 113.8, m-o-m. The survey taken among consumers in May indicates that consumers are for the next twelve months slightly less afraid of a decrease in the overall economic situation. Worries about their financial standing almost unchanged, compared to April. Worries about rise in the unemployment decreased slightly, m-o-m. The share of respondents intending to save money did not change. The respondents concern about rises in prices almost unchanged. Overall, consumer confidence indicator is higher, y-o-y.

Notes:

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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 (2008–2018)

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

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