



28 January 2021  
BUSINESS AND CONSUMER SURVEYS  
January 2021

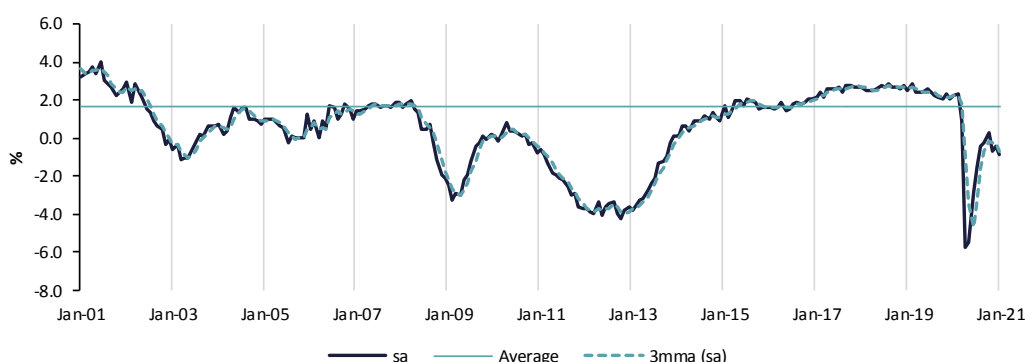
## CONSUMER CONFIDENCE INDICATOR INCREASES AND ECONOMIC CLIMATE INDICATOR DECREASES

In January<sup>1</sup>, the Consumer confidence indicator<sup>2</sup> increased although less markedly than in the previous month, contrary to the decrease observed in November.

The economic climate indicator<sup>3</sup> decreased in January, in contrast to the increase observed in the previous month, interrupting the recovery profile observed between May and October. In January, confidence indicators decreased in Manufacturing Industry and in Trade, while in Construction and Public Works and in Services recorded increases.

Despite the circumstances determined by the pandemic COVID-19, Statistics Portugal calls for the best collaboration by companies, families and public entities in responding to Statistics Portugal's data requests. The quality of official statistics, particularly its ability to identify the impacts of the pandemic COVID-19, crucially depends on this collaboration, which Statistics Portugal thanks in advance.

Figure 1. Economic climate indicator  
- Manufacturing Industry, Construction and Public Works, Trade and Services-



<sup>1</sup> The collection period (see final notes) of the consumer survey occurred from 04 to 15 January (working days), in the case of the consumer survey, and from 01 to 22 January in the case of business surveys.

<sup>2</sup> This analysis is based on series of monthly effective values and not on moving averages, as was usual (see box at the end of the press release).

<sup>3</sup> The economic climate indicator summarizes the balances of business surveys' questions.



## Consumer Survey

The consumer confidence indicator increased in December and January, less markedly in the last month, contrary to the decrease observed in November. This evolution was due to the positive contribution of the perspectives regarding the future evolution of the country's economic situation and of the expectations on spending money on major purchases. The expectations about household's financial situation presented a nil contribution, while opinions regarding the past evolution about the household's financial situation registered a negative contribution.

The balance of perspectives regarding the future evolution of the country's economic situation increased in the last two months, significantly in December.

The expectations about household's financial situation increased in December and stabilized in January, after decreasing in November.

Figure 2. Consumer confidence indicator

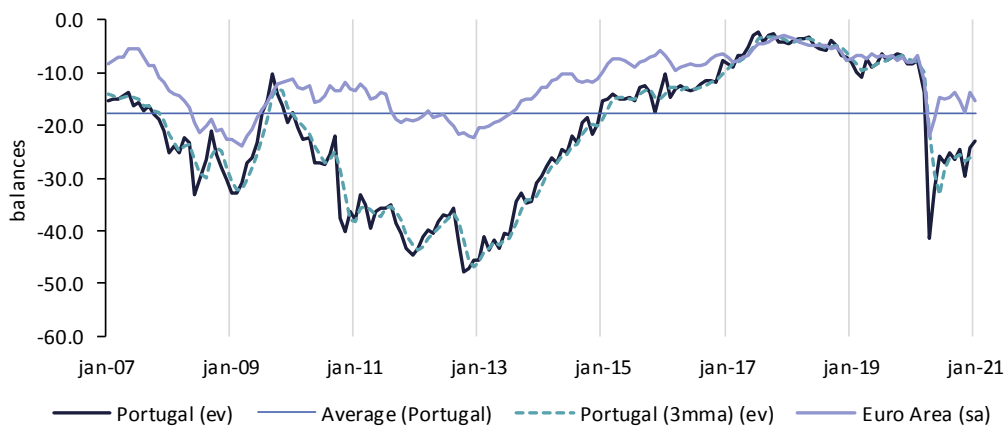
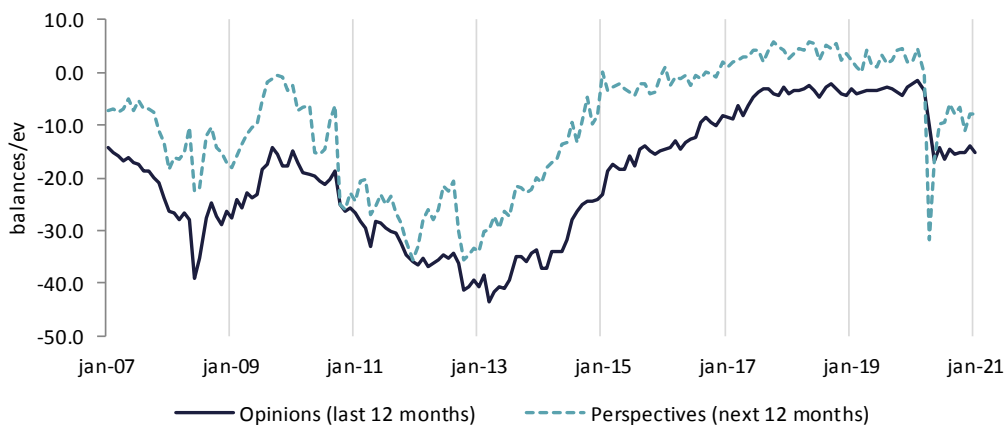


Figure 3. Opinions and expectations about household's financial situation





## Manufacturing Industry Survey

The Manufacturing Industry confidence indicator decreased in January, after increasing in the previous month, interrupting the recovery profile observed between June and August. The behaviour of the indicator reflected the expressive negative contributions of the firm's production perspectives over the next three months, since the opinions on the evolution of the overall order books in the last three months and the opinions on the current stock of finished products contributed positively.

The indicator decreased in the groups of Consumer Goods and of Intermediate Goods, while in the group of Investment Goods recorded an increase.

The balance of opinions on current overall order books increased in the past eight months, extending the upward movement started in June. Opinions regarding domestic order books, considering firms with production oriented to the domestic market, recovered between June and January. Likewise, the opinions of export order books, considering firms with production oriented to the foreign market, also recovered between June and January.

Figure 4. Manufacturing industry confidence indicator

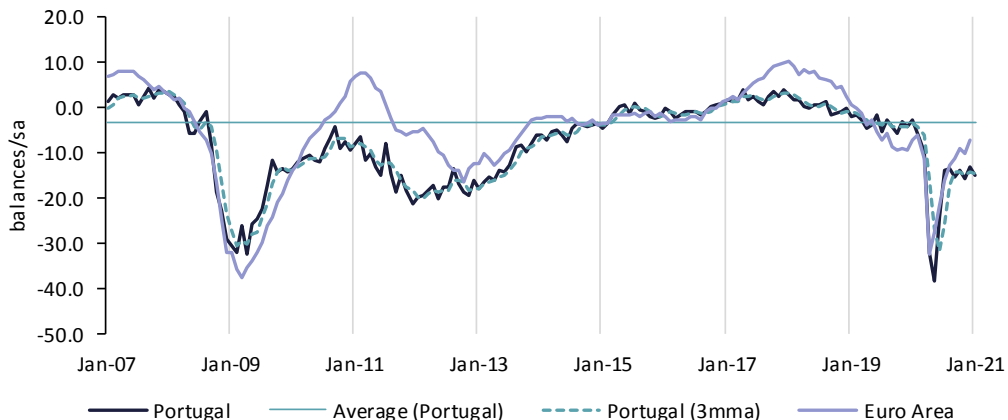
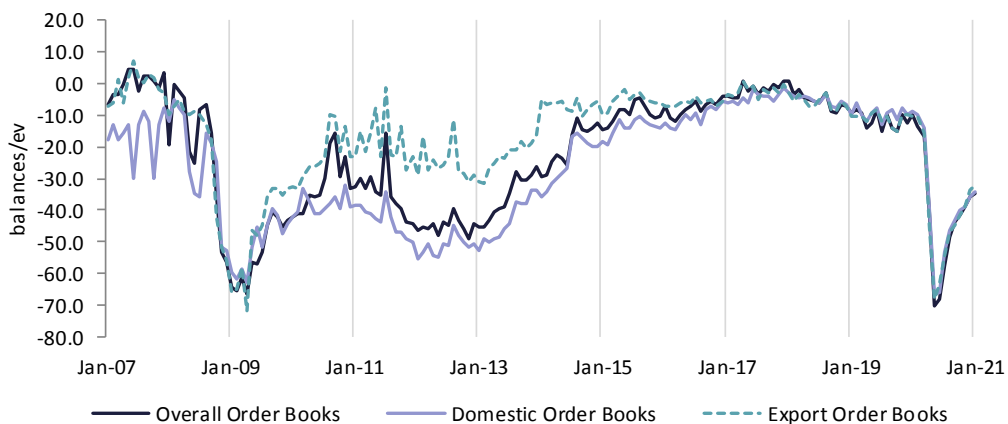


Figure 5. Opinions on current overall order books





## Construction and Public Works Survey

The Construction and Public Works confidence indicator increased in the last two months, after interrupting in November the recovery path started in May. The recovery of the indicator reflected the positive contribution of both components, balance of opinions on current order books and perspectives on employment, more expressive in the former case.

In January, the indicator registered a significant increase in the Civil Engineering division, and decreased in Construction of Buildings and Specialized Construction Activities divisions.

The balance of opinions on current order books increased in the last two months, after decreasing significantly in November, extending the recovery profile observed between June and October.

Figure 6. Construction and Public Works confidence indicator

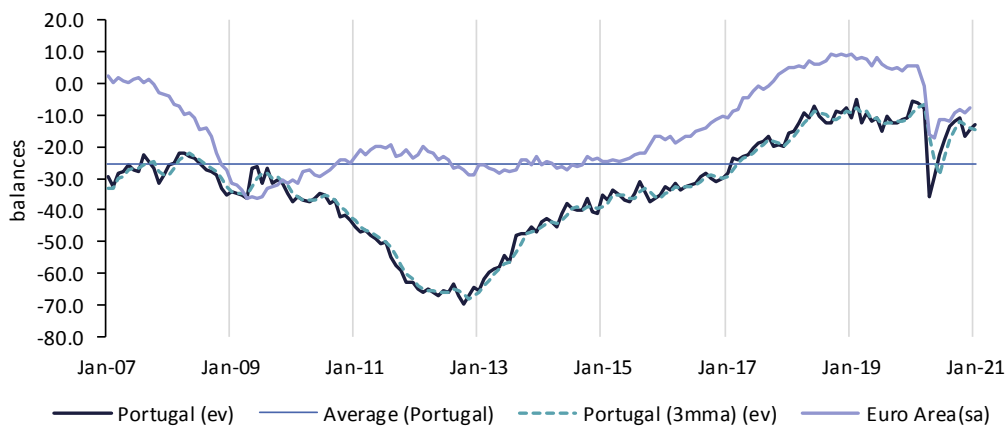
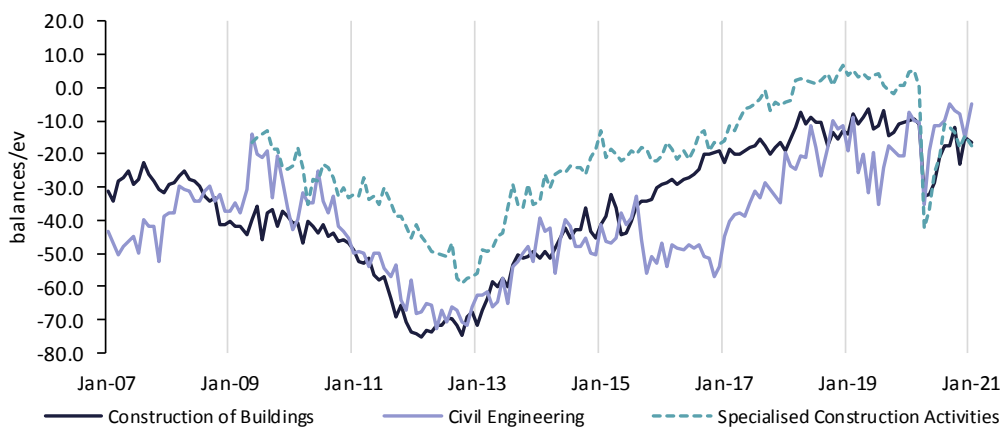


Figure 7. Construction and Public Works confidence indicators by NACE divisions





## Trade Survey

The Trade confidence indicator decreased in January, after increasing slightly in December. This evolution reflected the strong negative contributions of the perspectives of the firm's activity over the next three months and the opinions on the volume of sales, particularly in the former case, with opinions on current volume of stocks contributed positively.

By subsector, the confidence indicator decreased in Wholesale Trade and in Retail Trade.

The balance of perspectives of the firm's activity over the next three months decreased sharply in January, practically offsetting the increase registered in December.

Figure 8. Trade confidence indicator

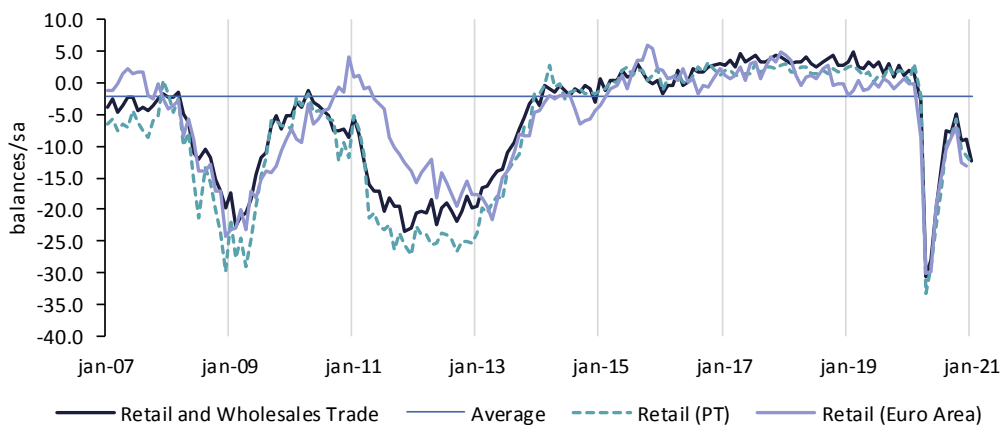
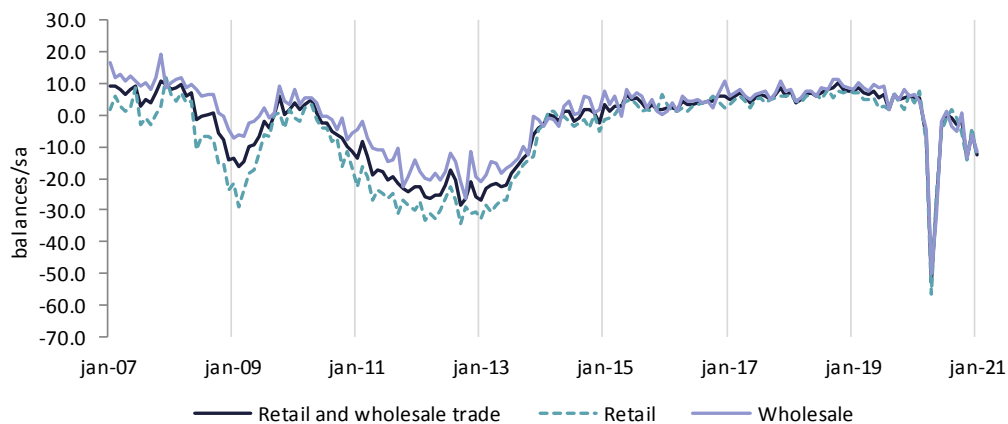


Figure 9. Perspectives on business activity (sales) over the next three months





## Services Survey

The Services' confidence indicator increased in January, after the reduction observed in the previous two months that interrupted the recovery profile started in June. The behaviour of the indicator in the last month resulted from the positive contribution of the opinions on the evolution of the order books, since the perspectives on the evolution of the order books and on the evolution of the business situation contributed negatively.

In January, the confidence indicators increased in four of the eight sections, with emphasis on the sections of Professional, Scientific and Technical Activities and Other Services Activities. On contrary, the confidence indicators of the sections of Arts, Entertainment and Recreation Activities and Administrative and Support Service Activities presented significant declines.

The balance of perspectives on the evolution of demand decreased in the last three months, more intense in November, in contrast to the increases registered in September and October.

Figure 10. Services confidence indicator

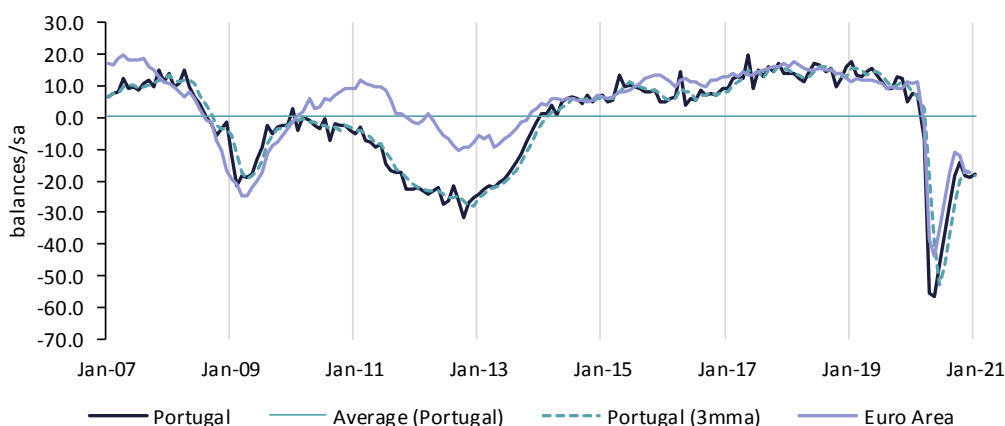
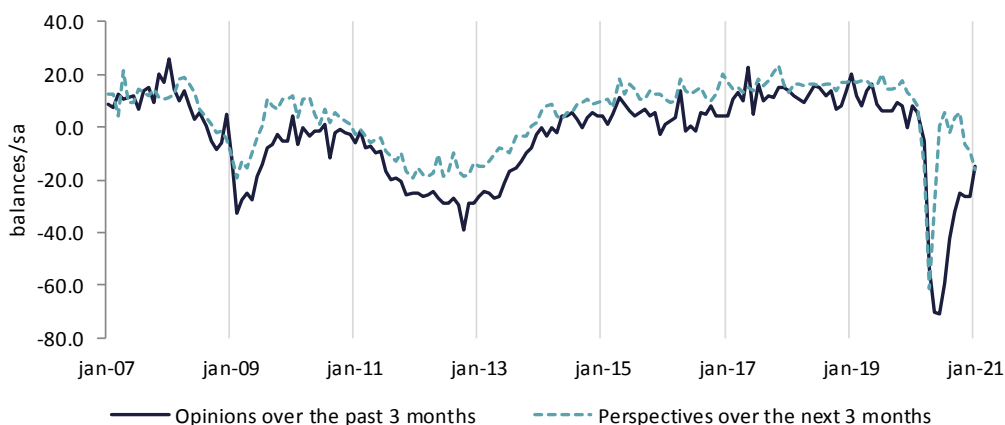


Figure 11. Opinions and perspectives on the evolution of demand (order books)





Monthly series of Consumer and Business Surveys

Figure 12. Confidence and climate economic indicators

	Unit	Minimum		Maximum		2020												2021
		Value	Date	Value	Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<b>Confidence indicator</b>																		
Consumers	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-8.4	-7.6	-13.7	-41.6	-32.1	-25.7	-27.1	-25.3	-26.6	-24.6	-29.6	-24.3	-23.1
Manufacturing industry	bal/sa	-38.5	May-20	19.0	Mar-87	-2.8	-5.7	-9.8	-32.1	-38.5	-24.4	-14.0	-13.6	-15.3	-14.0	-15.7	-13.3	-15.1
Construction and public works	bal/ev	-69.9	Oct-12	20.2	Sep-97	-5.5	-5.9	-7.9	-35.8	-29.2	-22.4	-17.9	-13.4	-12.0	-10.7	-16.8	-14.7	-13.0
Trade	bal/sa	-30.6	Apr-20	11.9	Jun-98	2.1	1.4	-2.9	-30.6	-28.1	-20.1	-13.7	-7.5	-7.9	-4.8	-9.2	-8.9	-12.2
Services	bal/sa	-56.8	May-20	26.7	Jun-01	7.4	7.2	-6.5	-55.3	-56.8	-46.5	-37.2	-27.5	-18.3	-14.2	-18.4	-19.0	-17.6
<b>Economic climate indicator</b>	%/sa	-5.8	Apr-20	5.2	Apr-98	2.3	2.4	0.9	-5.8	-5.5	-2.8	-1.5	-0.4	-0.2	0.3	-0.7	-0.4	-0.9

Figure 13. Monthly series of Consumer Survey

	Unit	Minimum		Maximum		2020												2021
		Value	Date	Value	Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<b>Confidence indicator (a+b+c+d)/4</b>	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-8.4	-7.6	-13.7	-41.6	-32.1	-25.7	-27.1	-25.3	-26.6	-24.6	-29.6	-24.3	-23.1
General economic situation in the country over the next 12 months (c)	bal/ev	-72.7	Apr-20	16.6	Jun-17	-6.8	-6.7	-23.0	-72.7	-53.4	-41.3	-47.3	-44.3	-50.0	-43.0	-55.4	-40.3	-35.4
Financial situation of the households over the last 12 months (a)	bal/ev	-43.5	Mar-13	0.5	Aug-99	-2.2	-1.4	-3.4	-10.2	-16.8	-14.2	-16.6	-14.5	-15.5	-15.3	-15.1	-14.1	-15.3
Financial situation of the households over the next 12 months (b)	bal/ev	-35.6	Oct-12	8.6	Feb-99	1.9	4.6	-0.3	-31.8	-16.4	-9.8	-9.4	-6.0	-8.0	-6.6	-10.9	-7.9	-7.9
Major purchases over the next 12 months (d)	bal/ev	-51.6	Apr-20	-6.4	Sep-97	-26.5	-26.8	-28.2	-51.6	-41.9	-37.5	-35.1	-36.2	-32.9	-33.5	-37.2	-35.1	-34.0
<b>General economic situation in the country over the last 12 months</b>	bal/sa	-77.0	Oct-12	20.7	Oct-17	-5.0	-4.9	-11.0	-15.7	-52.2	-58.3	-62.5	-64.4	-67.4	-68.0	-70.1	-72.5	-72.9
<b>Major purchases over the last 12 months</b>	bal/sa	-87.9	Dec-08	9.9	Apr-21	-34.5	-32.2	-41.2	-83.0	-79.9	-75.4	-75.4	-75.8	-75.8	-75.7	-77.0	-78.4	-73.9
<b>Current savings</b>	bal/ev	-53.7	Feb-08	12.4	Apr-21	-19.8	-16.6	-21.4	-40.1	-43.6	-41.9	-32.5	-34.8	-36.5	-30.0	-33.8	-31.0	-27.3
<b>Savings over the next 12 months</b>	bal/ev	-42.6	Nov-12	16.6	Apr-21	-14.5	-18.1	-18.9	-39.1	-34.9	-27.5	-21.0	-25.5	-24.0	-24.7	-25.0	-21.3	-20.2
<b>Unemployment next 12 months</b>	bal/ev	-20.0	Jun-17	85.5	Feb-09	0.4	6.5	13.5	79.3	74.9	65.3	67.5	63.4	67.3	62.4	71.7	60.3	57.3
<b>Prices over the last 12 months</b>	bal/ev	-14.6	Sep-09	79.2	May-08	8.0	6.0	5.3	7.2	6.7	8.2	8.6	6.0	7.8	7.4	2.2	3.0	0.5
<b>Prices over the next 12 months</b>	bal/sa	-6.7	Jul-09	62.8	Sep-11	13.5	11.0	18.4	43.6	30.9	24.4	25.4	20.5	19.4	16.9	12.7	8.4	-2.2

Figure 14. Monthly series of Manufacturing Industry Survey

	Unit	Minimum		Maximum		2020												2021
		Value	Date	Value	Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<b>Confidence Indicator (a+b-c)/3</b>	bal/sa	-38.5	May-20	19.0	Mar-87	-2.8	-5.7	-9.8	-32.1	-38.5	-24.4	-14.0	-13.6	-15.3	-14.0	-15.7	-13.3	-15.1
Consumer goods	bal/sa	-28.1	Apr-20	12.5	Jan-99	-0.6	-4.9	-10.1	-28.1	-23.0	-19.0	-14.2	-12.7	-12.7	-12.4	-15.6	-13.2	-16.2
Investment goods	bal/ev	-35.5	Apr-20	24.8	Feb-07	1.8	0.0	-8.3	-35.5	-29.0	-23.7	-15.3	-18.9	-6.8	-9.7	-12.0	-8.3	-6.8
Intermediate goods	bal/sa	-56.8	May-20	26.7	Jun-01	7.4	7.2	-6.5	-55.3	-56.8	-46.5	-37.2	-27.5	-18.3	-14.2	-18.4	-19.0	-17.6
<b>Current overall order books (a)</b>	bal/ev	-70.2	May-20	14.6	Mar-98	-9.6	-13.7	-16.9	-40.8	-70.2	-68.4	-57.7	-48.8	-43.9	-41.4	-38.8	-36.0	-34.8
Consumer goods	bal/ev	-60.6	May-20	6.5	Dec-17	-7.5	-13.7	-15.7	-43.1	-60.6	-56.2	-44.2	-36.3	-36.1	-32.8	-36.2	-31.1	-31.9
Investment goods	bal/ev	-81.8	May-20	36.1	Jan-08	-1.3	-5.7	-13.7	-62.7	-81.8	-73.3	-57.0	-54.1	-22.3	-24.5	-19.7	-12.9	-17.6
Intermediate goods	bal/ev	-74.8	Jun-20	31.4	Mar-98	-13.8	-16.3	-18.7	-32.2	-72.7	-74.8	-66.7	-55.3	-56.3	-52.6	-46.9	-46.9	-42.4
<b>Production over next 3 months (b)</b>	bal/sa	-53.6	Apr-20	34.0	Feb-87	3.7	-0.4	-9.5	-53.6	-26.2	13.9	16.2	12.9	-0.3	2.3	-5.0	-0.3	-10.3
Consumer goods	bal/sa	-49.3	Apr-20	40.1	Aug-98	8.3	-0.6	-14.7	-49.3	-9.5	0.5	2.9	-0.7	-4.0	-1.0	-8.1	-1.8	-19.3
Investment goods	bal/ev	-46.4	Feb-09	49.0	Aug-00	8.0	6.4	-7.7	-40.4	0.0	5.9	8.1	-2.4	3.0	-4.5	-16.9	-13.2	-4.9
Intermediate goods	bal/sa	-60.0	Apr-20	30.4	Jan-97	-0.5	-2.8	-6.5	-60.0	-44.9	25.1	28.7	27.8	0.7	5.7	-0.3	3.9	-5.7
<b>Current stock finished products (c)</b>	bal/ev	-16.9	Jan-08	23.2	Jun-93	2.5	3.2	3.1	1.8	19.2	18.8	0.5	5.0	1.7	2.8	3.3	3.6	0.2
Consumer goods	bal/ev	-9.3	Jan-10	24.6	Aug-07	2.5	0.3	0.0	-8.1	-1.0	1.3	1.3	1.0	-2.1	3.6	2.5	6.6	-2.8
Investment goods	bal/ev	-38.8	Jan-09	21.5	Jun-10	1.3	0.7	3.5	3.5	5.3	3.6	-2.9	0.0	1.3	0.0	-0.5	-1.3	-2.2
Intermediate goods	bal/ev	-30.2	Jan-08	37.1	May-20	2.9	5.8	5.0	7.6	37.1	35.3	1.0	9.3	4.2	3.3	5.1	3.2	2.9
<b>Firm's employment next 3 months</b>	bal/ev	-32.5	Apr-20	8.8	Sep-17	4.0	3.1	-1.6	-32.5	-10.1	-7.7	-2.5	-1.8	-1.5	0.0	-3.5	0.4	-1.2
<b>Selling prices next 3 months</b>	bal/sa	-27.2	Apr-20	32.1	Oct-90	-3.6	-3.2	-4.4	-27.2	-24.1	7.7	8.4	10.6	-3.4	-0.9	0.4	0.1	4.3



Figure 15. Monthly series of Construction and Public Works Survey

	Unit	Minimum		Maximum		2020												2021
		Value	Date	Value	Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<b>Confidence Indicator (a+b)/2</b>	bal/ev	-69.9	Oct-12	20.2	Sep-97	-5.5	-5.9	-7.9	-35.8	-29.2	-22.4	-17.9	-13.4	-12.0	-10.7	-16.8	-14.7	-13.0
Construction of buildings	bal/ev	-75.4	Feb-12	21.1	Sep-97	-9.7	-9.5	-10.9	-32.5	-32.4	-28.7	-21.0	-17.3	-17.4	-12.0	-22.9	-14.8	-16.3
Civil engineering	bal/ev	-72.6	May-12	8.4	Jul-97	-7.6	-9.7	-10.3	-35.1	-19.0	-11.5	-11.3	-10.1	-4.7	-6.7	-7.8	-14.8	-5.0
Specialised construction activities	bal/ev	-59.0	Oct-12	6.9	Dec-18	4.6	5.1	0.3	-42.4	-36.8	-25.7	-21.3	-10.8	-12.0	-13.5	-17.9	-14.6	-17.5
<b>Current overall order books (a)</b>	bal/ev	-82.2	Oct-12	18.6	Sep-97	-16.1	-15.4	-19.8	-41.7	-43.0	-36.1	-32.1	-25.0	-24.7	-23.3	-29.8	-25.9	-23.5
Construction of buildings	bal/ev	-87.0	Oct-12	20.7	Sep-97	-19.8	-18.0	-19.7	-37.4	-43.4	-40.6	-33.5	-29.1	-29.3	-21.5	-31.5	-24.3	-24.6
Civil engineering	bal/ev	-83.6	Jul-12	0.0	Jul-97	-24.5	-24.6	-34.7	-43.0	-35.1	-21.8	-27.5	-22.9	-21.8	-26.5	-30.8	-30.6	-20.5
Specialised construction activities	bal/ev	-71.9	Oct-12	3.5	Jul-19	1.4	0.9	-0.6	-47.2	-52.5	-46.8	-35.7	-20.9	-20.7	-22.1	-25.3	-22.7	-25.4
<b>Employment next 3 months (b)</b>	bal/ev	-57.9	Jan-12	29.9	Jun-97	5.1	3.6	4.0	-29.9	-15.4	-8.8	-3.7	-1.7	0.8	2.0	-3.8	-3.5	-2.4
Construction of buildings	bal/ev	-68.1	Jan-12	28.5	Jun-97	0.4	-1.0	-2.0	-27.5	-21.4	-16.9	-8.4	-5.6	-5.6	-2.4	-14.3	-5.3	-8.0
Civil engineering	bal/ev	-66.2	May-12	26.8	Jul-01	9.3	5.1	1.4	-27.1	-2.9	-1.2	4.9	2.8	12.4	13.1	15.2	1.0	10.5
Specialised construction activities	bal/ev	-47.5	Dec-12	12.4	Dec-18	7.8	9.4	1.2	-37.6	-21.2	-4.6	-6.8	-0.8	-3.4	-4.9	-10.4	-6.5	-9.6
<b>Activity past 3 months</b>	bal/ev	-70.0	Apr-12	22.2	May-98	2.7	1.0	-0.6	-30.4	-45.7	-35.1	-21.2	-18.1	-12.3	-8.1	-8.2	-14.0	-12.2
<b>Selling prices next 3 months</b>	bal/ev	-41.6	Aug-12	12.0	Jan-01	2.1	2.0	-3.0	-14.6	-10.7	-7.0	-6.0	-5.4	-4.2	-3.1	-5.3	-5.4	-3.7

Figure 16. Monthly series of Trade Survey

	Unit	Minimum		Maximum		2020												2021
		Value	Date	Value	Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<b>Confidence indicator (a+b-c)/3</b>	bal/sa	-30.6	Apr-20	11.9	Jun-98	2.1	1.4	-2.9	-30.6	-28.1	-20.1	-13.7	-7.5	-7.9	-4.8	-9.2	-8.9	-12.2
Wholesale	bal/sa	-28.3	Apr-20	14.0	Apr-98	4.0	0.0	-3.1	-28.3	-27.5	-18.2	-11.1	-5.5	-7.5	-4.4	-8.2	-6.2	-11.7
Retail	bal/sa	-33.3	Apr-20	12.3	Jul-98	0.1	3.0	-1.9	-33.3	-28.9	-22.7	-17.2	-10.1	-8.2	-5.7	-10.6	-11.6	-12.7
<b>Business activity past 3 months (a)</b>	bal/sa	-52.9	Jun-20	19.0	Feb-89	5.0	2.7	1.9	-30.8	-49.0	-52.9	-37.4	-19.9	-16.8	-10.2	-14.0	-20.1	-24.4
Wholesale	bal/sa	-53.1	Jun-20	22.8	Feb-89	10.4	0.7	-0.1	-26.0	-45.4	-53.1	-31.7	-13.5	-13.6	-11.0	-11.0	-14.1	-23.7
Retail	bal/sa	-57.9	Aug-12	20.2	Apr-99	-0.3	4.5	5.9	-36.4	-53.6	-53.3	-45.1	-27.9	-20.3	-9.1	-17.4	-26.7	-24.2
<b>Business activity next 3 months (b)</b>	bal/sa	-53.1	Apr-20	40.9	Oct-89	5.5	5.4	-6.7	-53.1	-28.5	-3.4	0.3	-0.9	-3.2	-1.7	-13.6	-5.5	-12.4
Wholesale	bal/sa	-50.0	Apr-20	50.4	Oct-89	6.7	4.2	-4.5	-50.0	-31.6	-1.9	1.1	-3.4	-5.2	0.7	-13.4	-6.1	-11.6
Retail	bal/sa	-56.6	Apr-20	41.2	Jul-94	3.8	7.4	-9.1	-56.6	-24.8	-5.0	-0.6	2.0	-0.7	-5.8	-14.2	-4.3	-13.8
<b>Current volume of stocks (c)</b>	bal/ev	-12.2	Feb-13	29.1	Jul-90	4.2	4.0	3.8	8.1	6.8	4.2	4.2	1.8	3.6	2.5	0.1	0.9	-0.2
Wholesale	bal/ev	-13.9	Oct-12	29.6	Jul-90	5.1	4.9	4.8	8.9	5.4	-0.5	2.7	-0.4	3.6	2.9	0.2	-1.6	-0.3
Retail	bal/ev	-13.7	Feb-13	36.5	Jul-89	3.3	2.8	2.6	7.1	8.3	9.6	6.0	4.3	3.7	2.1	0.1	3.9	0.0
<b>Orders next 3 months</b>	bal/sa	-45.4	Apr-20	19.6	Aug-98	-0.6	4.2	-7.7	-45.4	-39.4	-18.6	-13.2	-7.9	-10.9	-10.1	-16.1	-11.6	-15.3
<b>Employment next 3 months</b>	bal/ev	-29.7	Oct-12	22.2	Sep-97	-1.0	3.4	-0.2	-14.5	-7.7	-3.3	-5.1	-3.3	-4.4	-0.9	-5.5	-5.9	-6.0
<b>Selling prices past 3 months</b>	bal/sa	-15.3	Apr-09	22.9	Sep-90	2.4	-0.4	-1.5	-13.4	-11.2	-3.1	-4.2	-1.7	-1.4	-1.7	-4.0	0.2	-1.4
<b>Selling prices next 3 months</b>	bal/sa	-15.0	Jul-03	17.2	Oct-04	3.1	4.7	1.0	-11.8	-8.4	-0.6	-1.3	-0.8	-0.1	2.7	-2.1	2.5	0.6

Figure 17. Monthly series of Services Survey

	Unit	Minimum		Maximum		2020												2021
		Value	Date	Value	Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
<b>Confidence indicator (a+b+c)/3</b>	bal/sa	-56.8	May-20	26.7	Jun-01	7.4	7.2	-6.5	-55.3	-56.8	-46.5	-37.2	-27.5	-18.3	-14.2	-18.4	-19.0	-17.6
<b>Business activity past 3 months (a)</b>	bal/sa	-70.3	May-20	33.0	Jun-01	3.3	7.8	0.9	-50.5	-70.3	-69.1	-58.2	-38.1	-26.5	-23.2	-21.9	-21.5	-21.9
<b>Demand next 3 months (b)</b>	bal/sa	-61.6	Apr-20	28.0	Jun-06	11.0	8.3	-14.9	-61.6	-30.2	0.4	5.8	-2.3	3.7	5.4	-6.7	-9.3	-15.9
<b>Demand past 3 months (c)</b>	bal/sa	-70.8	Jun-20	27.7	Apr-01	8.0	5.4	-5.6	-53.9	-70.1	-70.8	-59.2	-42.1	-31.9	-24.8	-26.6	-26.1	-15.0
<b>Employment next 3 months</b>	bal/sa	-34.3	Apr-20	16.2	Aug-19	9.2	9.5	4.2	-34.3	-16.3	-13.3	-11.8	1.1	-4.9	-5.3	-9.0	-11.1	-10.6





## METHODOLOGICAL NOTE

The Business and Consumer Qualitative Surveys published by Statistics Portugal are developed in the framework of the harmonized EU Business and Consumer Surveys Programme of the European Commission (EC) DG-ECFIN (Directorate-General for Economic and Financial Affairs) and are financially supported in the framework of the agreement signed between these two institutions. The questionnaires are harmonized among the European countries, as well as the respective confidence indicators' methodology. The surveys' results are sent to the EC in effective values, and, therefore, the seasonally adjusted values published by the EC are computed by this entity and presented without using three months moving averages. The seasonal adjustment method used by the EC is available on the user guide, accessible in:

[http://ec.europa.eu/economy\\_finance/db\\_indicators/surveys/documents/bcs\\_user\\_guide\\_en.pdf](http://ec.europa.eu/economy_finance/db_indicators/surveys/documents/bcs_user_guide_en.pdf)

The seasonal adjustment uses the X13-Arima method (combination of moving averages process and auto-regressive integrated moving average models) developed in the JDemetra<sup>4</sup>, software provided by Eurostat. This application relies on the use of probabilistic models to correct seasonal effects from the original series. The seasonal treatment is updated for monthly and quarterly series in January, for consumer survey, and in May, for business surveys, which might result on a revision of the series previously published.

The use of moving averages smoothes out the series by removing the irregular movements, allowing the detection of the short-term trends. Since the average is not centered (the information is used to analyze the evolution of the last month) there is a small lag compared with the trend that is supposed to detect. In order to compare the difference between original and moving average series, the graphical representation of the confidence indicators presents both types of series.

The balances of the questions are the difference between the positive and negative answers, that is  $\text{Balance} = \% \text{answer}(+) - \% \text{answer}(-)$ . In the Consumer Survey, there are questions with more than one option of positive/negative answer. In these cases, to the most positive/negative answers is given the weight 1 and to the others the weight 0.5, that is  $\text{Balance} = [\% \text{answer}(++) * 1 + \% \text{answer}(+) * 0.5] - [\% \text{answer}(--) * 1 + \% \text{answer}(-) * 0.5]$ . The percentage of answers that correspond to "equal" is not considered.

The analysis of this press release is based on monthly series of effective values (raw or seasonally adjusted data), which allows for a clearer identification of very short-term movements, particularly relevant in the context of worsening impacts of the COVID-19 pandemic. The monthly series in three-months moving average (3mma) and the quarterly series in two-quarters moving averages (2qma) are available in the excel file that supports this press release.

<sup>4</sup> JDemetra+ is available for download at [https://ec.europa.eu/eurostat/cros/content/software-jdemetra\\_en](https://ec.europa.eu/eurostat/cros/content/software-jdemetra_en).



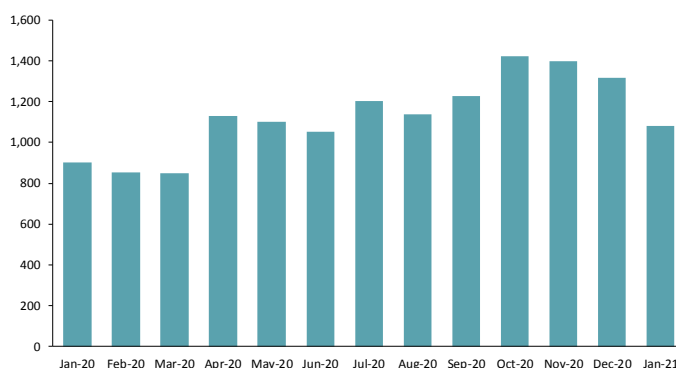
## INFORMATION ON DATA COLLECTION

In the results obtained from business and consumer surveys for the collection of January 2021, the data collecting period occurred from 04 to 15 January in the case of the consumer survey (telephone interviews) and from 01 to 22 January for business surveys ([Webing](#)).

In the case of the data collection from the consumer survey (1081 responses obtained), approximately 88.0% of the total interviews were obtained until January 12 (the day before the announcement of the general lockdown). In the case of firms, the cumulative percentages of responses obtained until January 12 for each survey were as follows: Manufacturing Industry: 77.8%; Construction: 86.2%; Trade: 84.3% and Services: 83.9%.

The distribution of the number of responses by data collection's months to the consumer is presented in the next figure.

Figure 18. Consumer Survey - Number of responses by data collection's months



In the context of the COVID-19 pandemic, the response and weighted response rates for business surveys observed in April 2020, and in particular in May, were lower than the usual pattern, with a greater impact on services survey rates.

Figure 19. Response and weighted response rates

Business Surveys	Response Rate				Weighted Response Rate <sup>(2)</sup>			
	2020 <sup>(1)</sup>	November 2020	December 2020	January 2021	2020 <sup>(1)</sup>	November 2020	December 2020	January 2021
Manufacturing Industry	86.0%	87.6%	86.4%	82.0%	93.0%	94.9%	93.8%	91.2%
Construction and Public Works	83.9%	85.2%	82.6%	82.6%	84.7%	89.9%	85.5%	84.4%
Trade	87.2%	87.1%	86.5%	85.2%	93.9%	94.7%	93.9%	91.3%
Services	84.2%	84.7%	83.3%	82.9%	92.4%	94.3%	92.4%	92.1%

<sup>(1)</sup> Annual average.

<sup>(2)</sup> Corresponds to the ratio between the turnover of the firms that answered to the survey and the turnover of all the firms in the sample.

The following graphs show the distribution of the number of responses by data collection's months to the business surveys.



Figure 20. Manufacturing Industry Survey - Number of responses by data collection's months

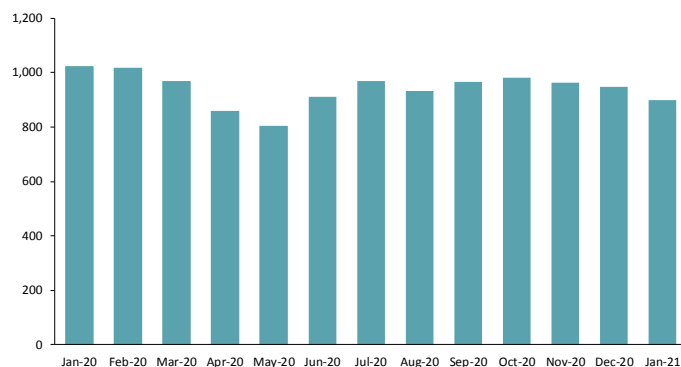


Figure 21. Construction and Public Works - Number of responses by data collection's months

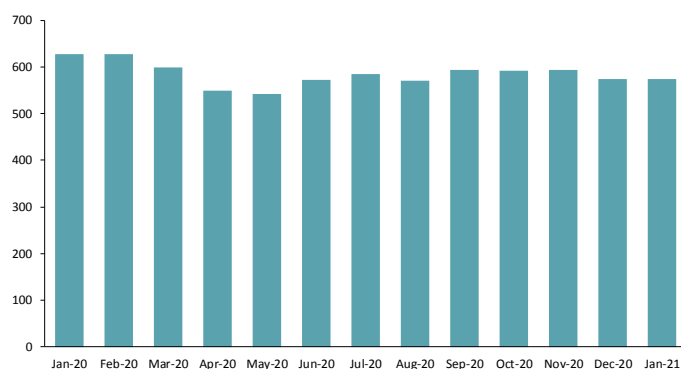


Figure 22. Trade Survey - Number of responses by data collection's months

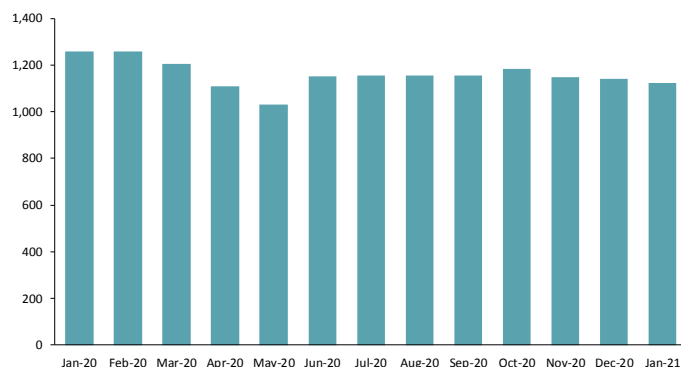
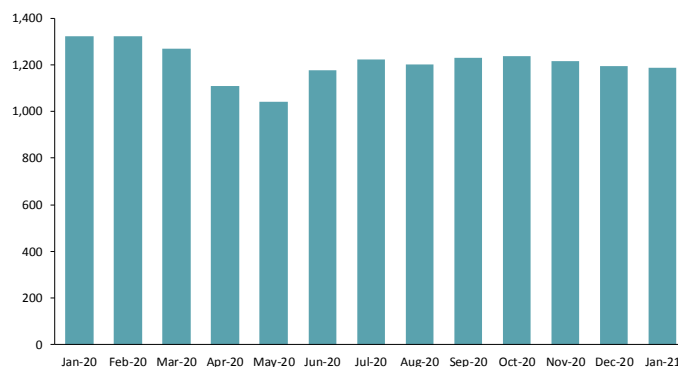




Figure 23. Services Survey - Number of responses by data collection's months



It should also be noted that the representativeness of the branches of activity covered by Business Surveys, considering the Gross Added Value (GVA) at current prices (Final Annual National Accounts 2018) as the economic variable, is as follows:

Figure 24. Weight of the GVA of the branches

Qualitative Business Surveys	Weight of the GVA of the branches of each survey in the total GVA of the economy
Manufacturing Industry	14.2%
Construction and Public Works	4.2%
Trade	13.3%
Services	37.4%

## ECONOMIC CLIMATE INDICATOR

Synthetic Indicator estimated using balances of questions from the Manufacturing Industry, Trade, Construction and Public Works and Services Surveys. The method for this indicator uses the factor analysis and the estimated series (the common component) is calibrated using the GDP change rates. The questions that integrate the indicator are:

### Qualitative Manufacturing Industry survey

- How has your production developed over the past 3 months? It has... 1. + increased; 2. = remained unchanged; 3. - decreased.
- Do you consider your current overall order books to be...? 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. - not sufficient (below normal).
- Do you consider your current export order books to be...? 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. - not sufficient (below normal).
- How do you expect your production to develop over the next 3 months? It will... 1. + increase; 2. = remain unchanged; 3. - decrease. (seasonally adjusted)



### Qualitative Trade survey

- How has (have) your business activity (sales) developed over the past 3 months? It has... (They have...) 1. + improved (increased); 2. = remained unchanged; 3. - deteriorated (decreased). (seasonally adjusted)
- How do you expect your orders placed with suppliers to change over the next 3 months? They will... 1. + increase; 2. = remain unchanged; 3. - decrease. (seasonally adjusted)
- Your business activity is currently...: 1. + more than sufficient; 2. = sufficient; 3. - not sufficient.
- How do you expect your business activity (sales) to change over the next 3 months? It (They) will... 1. + improve (increase); 2. = remain unchanged 3. - deteriorate (decrease). (seasonally adjusted)

### Qualitative Construction and Public Works survey

- How has your building activity developed over the past 3 months? It has...; 1. + increased; 2. = remained unchanged; 3. - decreased.
- Do you consider your current overall order books to be...?: 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. - not sufficient (below normal).
- How do you expect your firm's total employment to change over the next 3 months? It will...; 1. + increase; 2. = remain unchanged; 3. - decrease.

### Qualitative Services survey

- How has your business situation developed over the past 3 months? It has... 1. + improved; 2. = remained unchanged; 3. - deteriorated. (seasonally adjusted)
- How has demand (turnover) for your company's services changed over the past 3 months? It has... 1. + increased; 2. = remained unchanged; 3. - decreased. (seasonally adjusted)
- How do you expect the demand (turnover) for your company's services to change over the next 3 months? It will...1. + increase; 2. = remain unchanged; 3. - decrease. (seasonally adjusted)

## SECTORIAL CONFIDENCE INDICATORS

The confidence indicators (CI) are the result of the arithmetic average of balance of the following questions:

### Manufacturing Industry confidence indicator

- Do you consider your current overall order books to be...? 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. - not sufficient (below normal).
- How do you expect your production to develop over the next 3 months? It will... 1. + increase; 2. = remain unchanged; 3. - decrease.
- [Inverted Sign] Do you consider your current stock of finished products to be...? 1. + too large (above normal); 2. = adequate (normal for the season); 3. - too small (below normal).

### Trade confidence indicator

- How has (have) your business activity (sales) developed over the past 3 months? It has... (They have...) 1. + improved (increased); 2. = remained unchanged; 3. - deteriorated (decreased).
- How do you expect your business activity (sales) to change over the next 3 months? It (They) will... 1. + improve (increase); 2. = remain unchanged 3. - deteriorate (decrease).
- [Inverted Sign] Do you consider the volume of stock you currently hold to be...? 1. + too large (above normal); 2. = adequate (normal for the season); 3. - too small (below normal).



#### Construction and Public Works confidence indicator

- Do you consider your current overall order books to be...?: 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. - not sufficient (below normal).
- How do you expect your firm's total employment to change over the next 3 months? It will...; 1. + increase; 2. = remain unchanged; 3. - decrease.

#### Services confidence indicator

- How has your business situation developed over the past 3 months? It has... 1. + improved; 2. = remained unchanged; 3. - deteriorated.
- How has demand (turnover) for your company's services changed over the past 3 months? It has... 1. + increased; 2. = remained unchanged; 3. - decreased.
- How do you expect the demand (turnover) for your company's services to change over the next 3 months? It will... 1. + increase; 2. = remain unchanged; 3. - decrease.

### CONSUMER CONFIDENCE INDICATOR

The consumer confidence indicator results of the arithmetic average of the balances of the following questions:

- How has the financial situation of your household changed over the last 12 months? It has...1. ++ got a lot better; 2. + got a little better; 3.= stayed the same; 4.- got a little worse; 5. -- got a lot worse; 6. N don't know.
- How do you expect the financial position of your household to change over the next 12 months? It will...1. ++ get a lot better; 2. + get a little better; 3.= stay the same; 4.- get a little worse; 5. -- get a lot worse; 6. N don't know.
- How do you expect the general economic situation in this country to develop over the next 12 months? It will... 1. ++ get a lot better; 2. + get a little better; 3.= stay the same; 4.- get a little worse; 5. -- get a lot worse; 6. N don't know.
- Compared to the past 12 months, do you expect to spend more or less money on major purchases (furniture, electrical/electronic devices, etc.) over the next 12 months? I will spend...1. ++much more; 2. + a little more; 3.- a little less; 4. -- much less; 5. N don't know.

### ABBREVIATIONS

**Bal:** Balances correspond to weighted difference between the percentages of positive and negative responses.

**EV:** Effective Values.

**SA:** Seasonally Adjusted values.

**3MMA:** Three-Months Moving Average.

**2QMA:** Two-Quarters Moving Average

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Next monthly press release - February 25, 2021

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