

PRESS RELEASE

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Monthly business survey – October 2024

Tentative recovery in business confidence in October

- **After successive monthly declines since June, the business confidence indicator rose slightly in October.**
- **Business confidence improved in the building industry, trade and business-related services. In the manufacturing industry, however, confidence worsened for the fifth consecutive month.**
- **The manufacturing capacity utilisation rate was virtually stable.**

The strengthening of the business climate in the building industry, together with an increased order book, is mainly due to significantly more optimistic demand expectations.

In trade, business leaders also expressed greater optimism about the expected development of demand and intend to place more orders with suppliers.

In business-related services, where the business climate picked up as well, respondents assess the current level of activity much more negatively but expect it to improve in the next three months. They also believe that general market demand will rise.

The slight fall in the confidence indicator in the manufacturing industry is mainly due to a significantly more unfavourable assessment of total order books. Moreover, business leaders in this sector anticipate a slight drop in demand in the coming three months but are more optimistic about their current stock levels and expectations for employment.

The overall synthetic smoothed curve, which reflects the underlying economic trend, declined further.

Finally, the results of the quarterly survey of manufacturing capacity indicate a virtually stable capacity utilisation rate compared with the previous quarter. The seasonally adjusted capacity utilisation rate was 74.8% in October, compared with 74.2% in July.

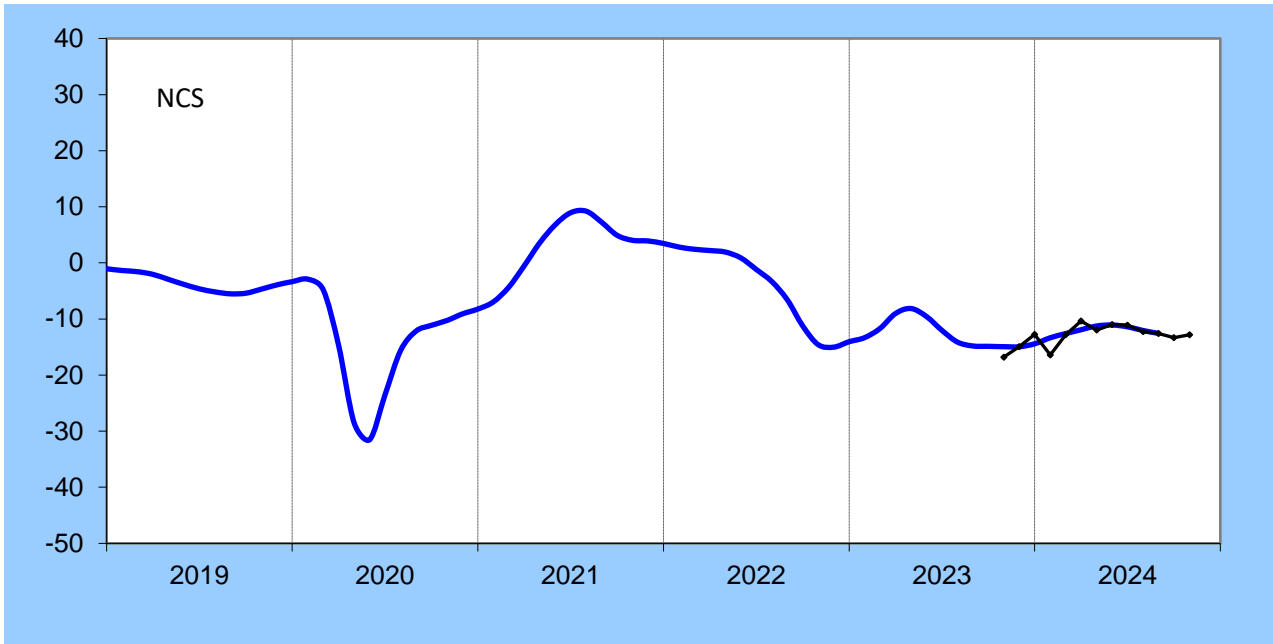
Business survey indicators

	Gross synthetic curve			Smoothed synthetic curve ¹
	September 2024	October 2024	Variation in points	Variation in Points
Manufacturing industry	-17.7	-18.3	-0,6	-0.1
Business-related services	1.9	3.8	1.9	-1.4
Building industry	-11.7	-8.6	3.1	0.1
Trade	-6.9	-4.5	2.4	0.2
Overall synthetic curve	-13.3	-12.8	0.5	-0.5

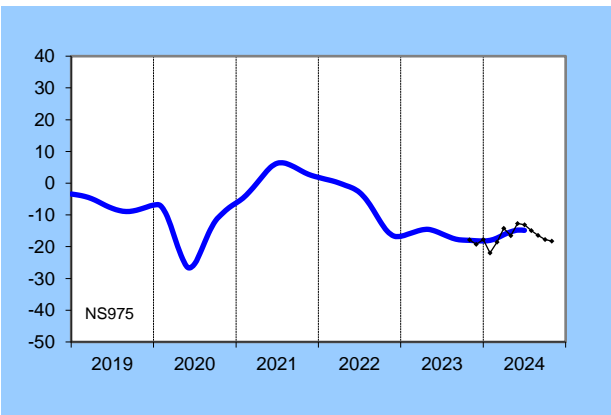
¹ The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the sectors. This implies that the overall smoothed indicator reflects recent developments more closely than the smoothed indicators per sector.

Source: NBB.

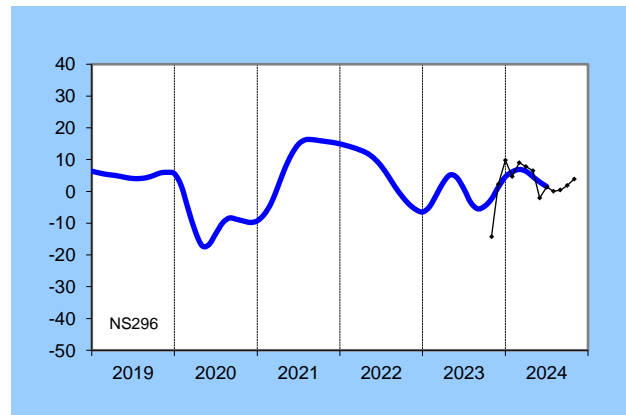
OVERALL SYNTHETIC CURVE



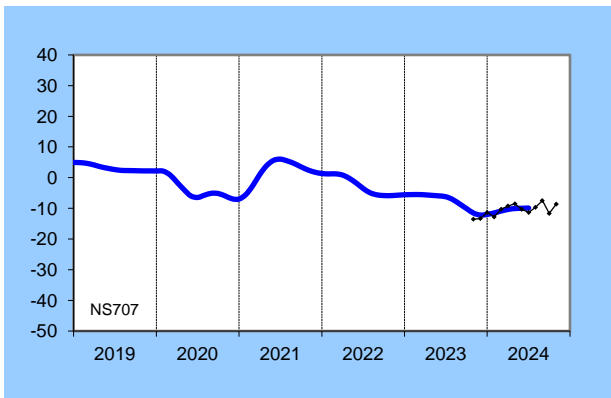
MANUFACTURING INDUSTRY



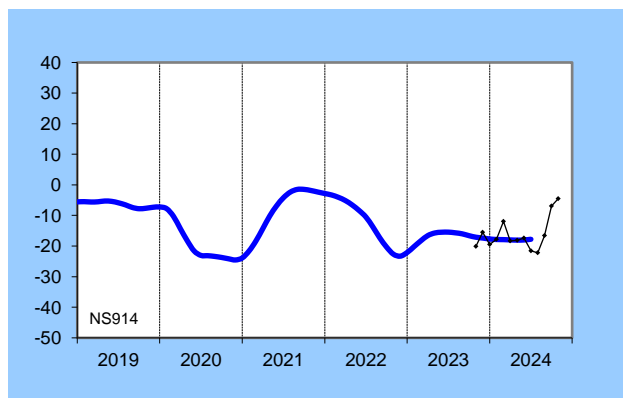
BUSINESS-RELATED SERVICES



BUILDING INDUSTRY



TRADE



— Seasonally adjusted and smoothed series
Source: NBB

◆ Seasonally adjusted series

SYNTHETIC CURVES AND THEIR COMPONENTS

TABLE 1

Seasonally adjusted balances of "positive" answers or "higher than normal"(+) and "negative" answers or "lower than normal"(-).	Since 1990			Adjusted series				Smoothed series			
	Min. ¹	Max. ¹	Avg. ²	2024				2024			
				Jul	Aug	Sep	Oct	May	Jun	Jul	Aug
Overall synthetic curve	-36.1	+10.1	-5.4	-12.3	-12.6	-13.3	-12.8	-11.1	-11.4	-12.1	-12.6
Manufacturing industry curve	-36.0	+10.0	-8.8	-14.9	-16.5	-17.7	-18.3	-14.8	-14.9	.	.
Assessment of total order books	-57.7	+10.0	-19.7	-37.3	-36.4	-37.4	-43.4	-37.6	-37.0	.	.
Assessment of level of stocks ³	-19.0	+25.0	+4.9	+5.3	+3.9	+7.9	+5.6	+1.3	+2.4	.	.
Employment expectations	-41.4	+11.5	-7.2	-6.2	-13.7	-8.5	-6.2	-9.1	-8.2	.	.
Demand expectations	-37.9	+15.0	-3.5	-11.0	-11.9	-17.0	-17.8	-12.7	-12.4	.	.
Business-related services curve	-62.1	+34.0	+8.8	+0.0	+0.4	+1.9	+3.8	+2.9	+1.5	.	.
Assessment of activity	-71.6	+20.0	-6.7	-3.3	-10.0	-12.7	-18.5	-3.5	-4.1	.	.
Activity expectations	-70.7	+47.0	+20.8	+0.9	+10.4	+11.1	+19.6	+9.7	+7.0	.	.
Market demand expectations	-59.9	+44.0	+12.4	+2.4	+0.7	+7.3	+10.4	+4.2	+2.4	.	.
Building industry curve	-24.3	+24.3	-3.5	-9.6	-7.5	-11.7	-8.6	-10.0	-9.9	.	.
Trend in orders	-30.1	+33.0	-0.3	-5.4	-0.5	-9.8	-7.5	-5.9	-6.0	.	.
Trend in equipment	-38.4	+24.0	+1.5	+0.2	+4.7	-2.1	-2.3	-3.5	-2.2	.	.
Assessment of order books	-50.0	+30.0	-14.3	-19.6	-18.2	-16.8	-21.7	-14.6	-16.6	.	.
Demand expectations	-26.0	+18.0	-0.9	-13.8	-15.9	-18.0	-2.8	-15.6	-15.4	.	.
Trade curve	-41.8	+16.0	-4.0	-22.2	-16.6	-6.9	-4.5	-18.0	-17.8	.	.
Employment expectations	-33.0	+18.0	+0.8	-4.3	-9.2	-6.2	-7.5	-6.8	-6.2	.	.
Demand expectations	-56.0	+29.0	-3.6	-30.3	-20.4	-5.0	-0.0	-25.8	-25.7	.	.
Forecasts of orders to suppliers	-40.1	+15.0	-9.1	-32.0	-20.2	-9.6	-5.9	-22.4	-22.1	.	.

¹ Minimum and maximum of each indicator (raw series) from January 1990 to the month under review.

² Average of each indicator (raw series) from January 1990 until end 2023.

³ A positive or negative balance, as the case may be, means that stock levels, according to the assessment of business leaders, are higher or lower, respectively, than normal for the season. When calculating the synthetic curve, the sign of this indicator is therefore reversed.

OTHER BUSINESS SURVEY INDICATORS

TABLE 2

Seasonally adjusted balances of "positive" answers or "higher than normal"(+) and "negative" answers or "lower than normal"(-).	Since 1990			Adjusted series				Smoothed series			
	Min. ¹	Max. ¹	Avg. ²	Jul	Aug	Sep	Oct	May	Jun	Jul	Aug
Manufacturing industry											
Trend in production rate	- 53.0	+ 20.0	- 1.2	- 1.3	- 1.4	- 22.6	- 1.2	- 3.3	- 2.1	.	.
Trend in domestic orders	- 48.7	+ 16.0	- 7.7	- 19.9	- 5.9	- 15.4	- 17.0	- 10.1	- 11.8	.	.
Trend in export orders	- 56.3	+ 30.0	- 2.8	- 3.5	- 3.0	- 26.4	- 16.8	- 6.8	- 4.9	.	.
Assessment of export order books	- 61.0	+ 10.0	- 20.5	- 33.1	- 35.3	- 42.2	- 45.5	- 35.2	- 33.7	.	.
Trend in prices	- 21.0	+ 34.3	+ 0.2	+ 0.6	+ 1.3	- 7.7	+ 0.6	- 3.8	- 3.0	.	.
Price expectations	- 24.0	+ 54.2	+ 4.3	+ 7.3	+ 5.4	+ 3.9	+ 2.3	+ 3.0	+ 4.3	.	.
Production capacity											
(in percentage of the total production capacity)	70.1	84.6	79.5	74.2	-	-	74.8				
Source: quarterly production capacity survey											
Business-related services											
Trend in activity	- 73.0	+ 37.0	+ 9.2	- 2.0	+ 15.7	- 1.8	+ 5.8	+ 7.9	+ 7.5	.	.
Trend in employment	- 49.4	+ 34.0	+ 6.4	- 5.2	- 1.4	+ 12.9	+ 13.9	+ 2.0	+ 2.3	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.8	+ 13.9	+ 11.8	+ 14.2	+ 15.3	+ 16.2	+ 15.2	.	.
Trend in prices	- 15.8	+ 25.6	+ 2.4	+ 6.4	+ 0.8	+ 4.2	+ 4.6	+ 2.7	+ 3.0	.	.
Price expectations	- 13.0	+ 46.9	+ 8.3	+ 11.4	+ 16.9	+ 14.1	+ 15.8	+ 15.0	+ 14.9	.	.
Building industry											
Trend in activity	- 66.6	+ 34.7	- 1.7	+ 0.4	+ 4.3	- 7.8	- 3.5	- 4.9	- 4.7	.	.
Trend in employment	- 27.0	+ 22.0	- 3.0	- 5.2	- 4.1	- 4.6	- 6.6	- 1.0	- 2.5	.	.
Employment expectations	- 31.0	+ 30.0	+ 1.1	- 2.2	- 7.4	- 5.8	- 2.5	- 0.6	- 0.9	.	.
Trend in prices	- 27.1	+ 52.8	- 1.5	- 1.0	- 1.5	- 2.8	- 8.7	- 0.2	- 0.8	.	.
Price expectations	- 20.6	+ 64.0	+ 4.3	- 4.3	+ 1.9	+ 1.8	+ 4.1	+ 4.9	+ 3.6	.	.
Trade											
Trend in sales	- 50.1	+ 43.0	- 1.8	- 27.7	+ 6.2	- 15.7	- 4.8	- 16.8	- 19.0	.	.
Assessment of sales	- 50.0	+ 28.0	- 8.6	- 44.9	- 26.0	- 29.7	- 26.6	- 24.6	- 26.0	.	.
Assessment of level of stocks ³	- 17.1	+ 38.1	+ 11.0	+ 19.8	+ 15.8	+ 20.6	+ 15.3	+ 23.1	+ 21.6	.	.
Trend in prices	- 23.5	+ 55.3	+ 0.6	+ 2.3	+ 9.5	+ 17.8	+ 12.2	+ 1.6	+ 2.7	.	.
Price expectations	- 14.2	+ 69.5	+ 7.8	+ 11.4	+ 12.8	+ 14.8	+ 7.6	+ 12.9	+ 12.6	.	.

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