

Business Confidence Indicators (BCI)
First quarter of 2019

The Harmonised Business Confidence Index (HBCI) decreases 1.0% in the first quarter of 2019 as compared with the fourth quarter of last year

16.6% of business establishments foresee a favourable quarter and 19.3% are pessimistic about the performance of their business

Evolution of the Harmonised Business Confidence Index

The Harmonised Business Confidence Index (HBCI) decreases by 1.0% in the first quarter of 2019 as compared with the fourth quarter of last year.

Harmonised Business Confidence Index
First Quarter 2019. Quarterly rate



Opinions regarding the coming quarter (Expectations)

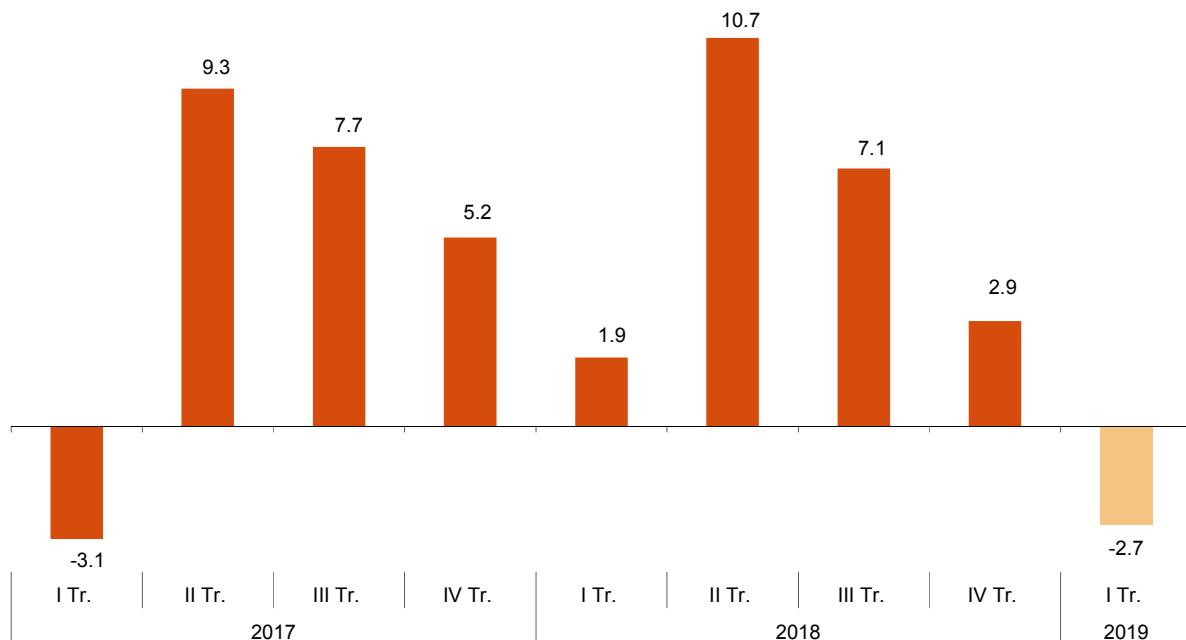
16.6% of business establishments managers considered that the performance of their business during the first quarter of 2019 would be favourable, while 19.3% thought it would be unfavourable. The remaining 64.1% thought that it would be normal.

The difference between the percentage of favourable and unfavourable responses, known as Expectations Balance, stood at -2.7 points for Spain as a whole, as compared with the 2.9 points in the previous quarter.

Opinions regarding the coming quarter (Expectations)

Year / Trimester	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
2017 I	17.0	62.9	20.1	-3.1
II	24.1	61.1	14.8	9.3
III	24.4	58.9	16.7	7.7
IV	21.1	63.0	15.9	5.2
2018 I	19.6	62.7	17.7	1.9
II	23.5	63.7	12.8	10.7
III	22.8	61.5	15.7	7.1
IV	19.0	64.9	16.1	2.9
2019 I	16.6	64.1	19.3	-2.7

Evolution of the Expectations Balance First Quarter 2019



Opinions regarding the ending quarter (Situation)

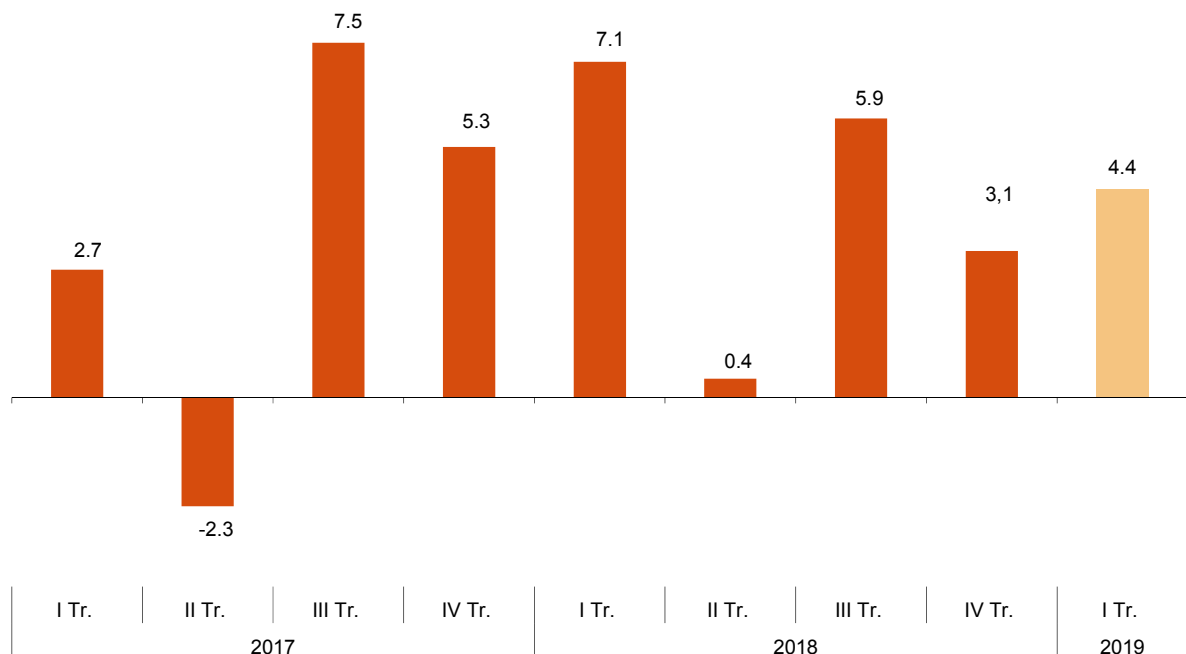
21.6% of business establishments managers expressed a favourable opinion regarding the performance of their business in the fourth quarter 2018. In turn, 17.2% had an unfavourable opinion.

The difference between the percentage of favourable and unfavourable responses referring to the ending quarter, known as *Situation Balance*, stood at 4.4 points. This figure improves the Expectations previously expressed for that quarter, which stood at 2.9 points.

Opinions regarding the ending quarter (Situation)

Año / Trimestre	Favorables (%) (optimistas)	Normales (%)	Desfavorables (%) (pesimistas)	Saldo (optimistas - pesimistas)
2017 I	21.6	59.5	18.9	2.7
II	18.5	60.7	20.8	-2.3
III	23.5	60.5	16.0	7.5
IV	22.4	60.5	17.1	5.3
2018 I	23.9	59.3	16.8	7.1
II	19.5	61.4	19.1	0.4
III	21.7	62.5	15.8	5.9
IV	20.7	61.7	17.6	3.1
2019 I	21.6	61.2	17.2	4.4

Evolution of the Situation Balance First Quarter 2019

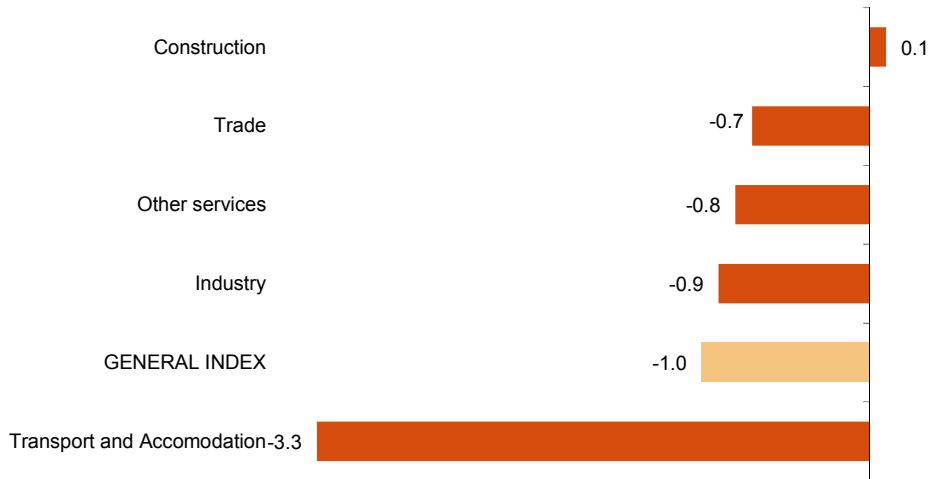


Harmonised Business Confidence Index by activity sector

Four of the five sector analysed reduced confidence with respect to the previous quarter. Transport and Accommodation (-3.3%) registered the greatest decreases. On the other hand, Construction (0.1%) registered the only increase.

General Index and by activity sector

First Quarter 2019. Quarterly rate

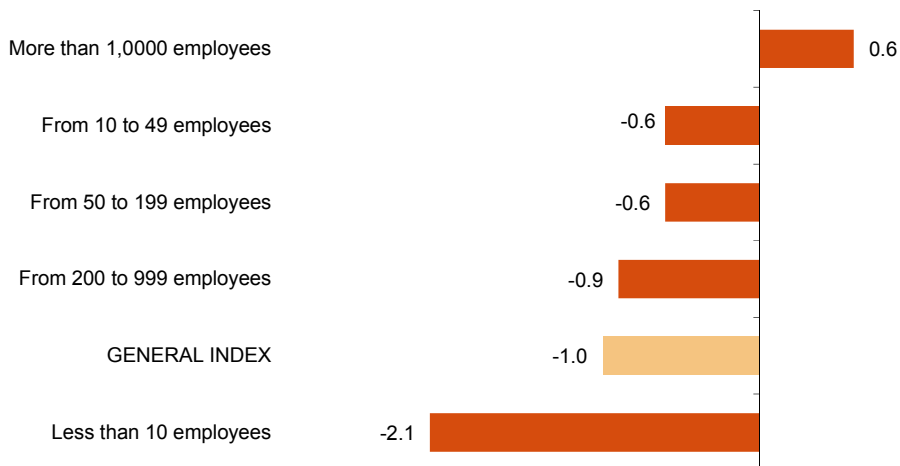


Harmonised Business Confidence Index by size of establishments

Four of the the five sizes of establishments analysed presented a decrease in confidence, as compared with the previous quarter. Less than 10 employees (-2.1%) shows the greatest decrease. On the other hand, More than 1,000 employees (0.6%) registered the only increase.

General index and by size of establishment

First Quarter 2019. Quarterly rate



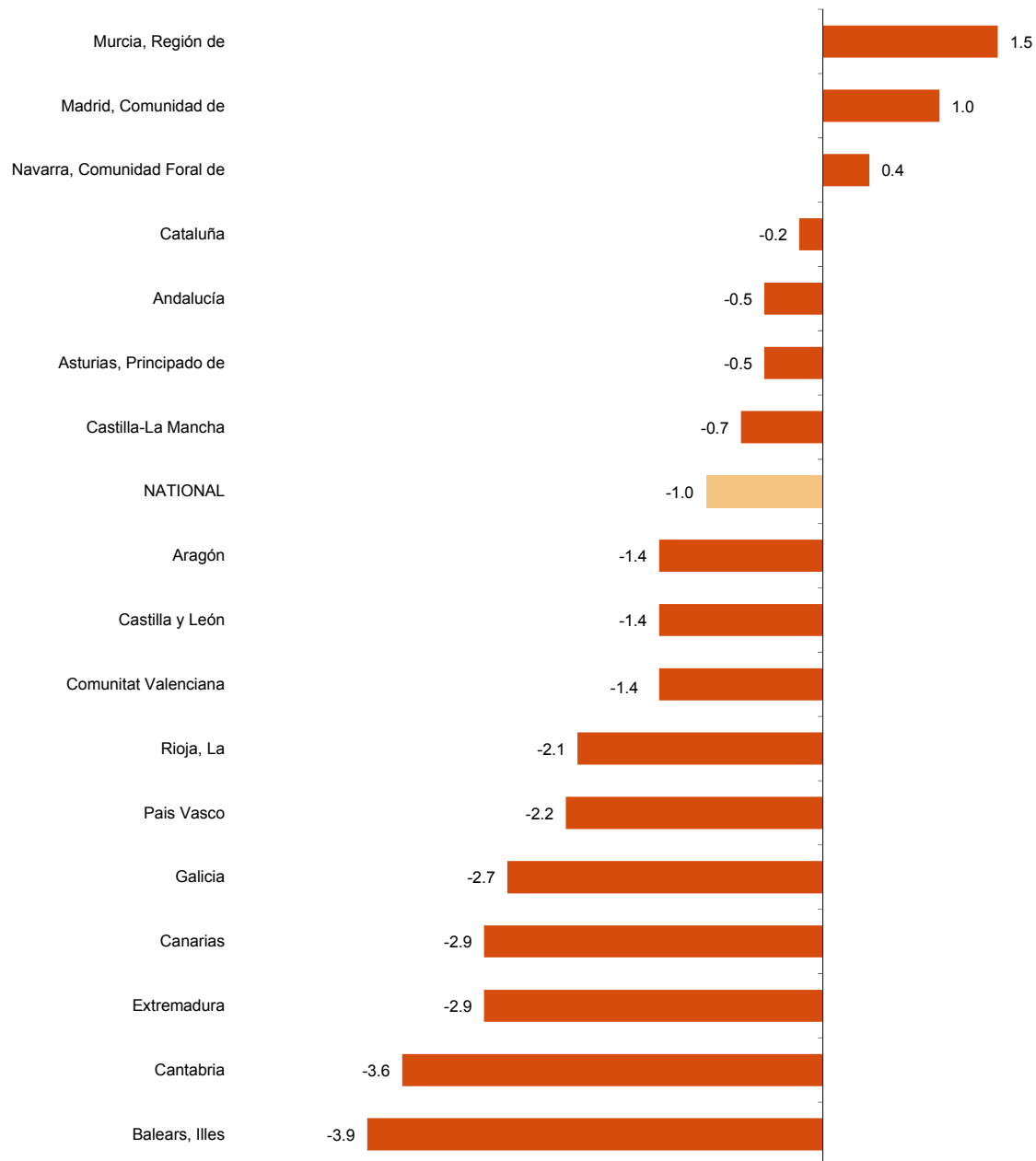
Harmonised Business Confidence Index. Results by Autonomous Communities

Business confidence decreased in the first quarter of 2019 as compared with the previous quarter in 14 autonomous communities and increased in three of them.

The largest decreases were recorded in Illes Balears (-3.9%), Cantabria (-3.6%) and Extremadura (-2.9%). The largest increases were recorded in Región de Murcia (1.5%), Comunidad de Madrid (1.0%) and Comunidad Foral de Navarra (0.4%).

National index and by Autonomous Communities

First Quarter 2019. Quarterly rate



Review and update of data

The data published today are final and will not be subject to further revision. There have been no updates to previous publications. All results are available on INEBase.

Methodological note

The objective of this survey is to find out, at a given time, the vision that establishments managers have about their situation.

The BCI survey collects opinions from establishments managers regarding the performance of their business for each last quarter and on their expectations for each coming quarter.

The methodology is based on the Japanese TANKAN index, that is, there is no weighting or elevation depending on the characteristics of the establishment since the opinion of each informant counts equally

The survey methodology enables the integration of analogous data compiled by the statistics services of the Autonomous Communities, once their consistency is checked so they can be incorporated into the general process of the survey. There are currently agreements signed to this effect with Andalucía, Illes Balears, Canarias, Castilla y León, Cataluña, la Rioja, Extremadura and Comunitat Valenciana.

Type of survey: quarterly continuous survey.

Base period: First quarter of 2013.

Population scope: all establishments whose main activity is included in the following sections of CNAE-2009: B to N (both inclusive, except for division 70), R (only divisions 92 and 93) and S (only divisions 95 and 96).

Geographical scope: the entire national territory.

Sample size: The sample is representative both nationally and by Autonomous Community and is made up of some 8,000 establishments.

Reference period: the reference is quarterly and questions are asked about the quarter ending and about the coming quarter.

Collection method: completion of the questionnaire by establishment managers themselves using one of the following methods: internet (IRIA system), e-mail, fax, telephone or by postal mail.

For more information you can Access the methodology at:

https://www.ine.es/en/metodologia/t37/t3730199_en.pdf

And the standardise methodological report at:

<https://www.ine.es/dynt3/metadatos/es/RespuestaDatos.html?oe=30199>

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Business Confidence Indicators First quarter of 2019

1. Harmonized Business Confidence Index by sectors

Year / Trimester	TOTAL	Industry	Construction	Trade	Transport and accomodation	Other Services
2017 I	131.8	128.2	136.6	137.0	136.7	127.7
II	134.2	129.1	140.7	138.0	141.7	130.2
III	136.9	130.6	144.4	140.9	148.2	132.1
IV	135.4	128.8	143.9	139.2	145.2	130.8
2018 I	134.9	129.4	145.8	138.0	139.7	131.1
II	135.5	130.8	144.9	137.6	141.3	132.1
III	136.2	130.6	147.8	138.0	143.4	132.4
IV	133.9	127.3	146.3	135.8	139.5	130.9
2019 I	132.5	126.2	146.4	134.8	134.9	129.8

2. Harmonized Business Confidence Index by size

2. Harmonized Business Confidence Index by size

Year / Trimester	TOTAL	Less than 10 wage earners	From 10 to 49 wage earners	From 50 to 199 wage earners	From 200 to 999 wage earners	Over 1000 wage earners
2017 I	131.8	132.2	136.9	130.2	125.0	122.4
II	134.2	136.8	137.7	132.2	126.2	121.9
III	136.9	141.0	140.2	134.2	127.0	123.0
IV	135.4	138.0	139.8	133.5	125.9	122.2
2018 I	134.9	135.6	139.9	133.0	127.3	125.8
II	135.5	137.6	139.7	134.2	126.3	123.5
III	136.2	139.4	140.1	133.7	127.1	121.4
IV	133.9	137.1	137.7	130.9	124.7	120.8
2019 I	132.5	134.2	136.9	130.1	123.6	121.5

3. Harmonized Business Confidence Index by Autonomous Communities

Year / Trimester	NATIONAL	Andalucía	Aragón	Asturias, Principado de	Balears, Illes	Canarias
2017 I	131.8	132.0	131.9	129.6	133.6	134.2
II	134.2	133.6	134.8	136.1	141.0	132.8
III	136.9	136.3	137.4	139.2	149.2	132.6
IV	135.4	134.1	134.7	136.3	140.8	136.7
2018 I	134.9	134.4	140.9	135.7	131.5	136.5
II	135.5	135.0	138.5	137.4	142.3	132.1
III	136.2	136.5	138.2	135.8	142.8	128.8
IV	133.9	132.5	138.2	134.3	136.1	129.2
2019 I	132.5	131.9	136.3	133.6	130.8	125.4

Year / Trimester	Cantabria	Castilla y León	Castilla- La Mancha	Cataluña	Comunitat Valenciana	Extremadura
2017 I	134.5	135.3	140.4	138.9	127.2	128.0
II	141.0	137.2	143.9	142.6	126.2	127.6
III	149.5	142.7	146.9	143.8	128.3	137.0
IV	143.5	142.1	145.6	140.6	129.3	138.0
2018 I	142.7	138.2	143.0	137.5	128.1	137.2
II	141.9	139.3	141.7	140.0	131.6	137.9
III	146.0	141.4	147.9	140.5	131.3	140.2
IV	144.6	138.2	145.0	137.7	128.7	136.4
2019 I	139.4	136.3	144.0	137.4	126.9	132.4

Year / Trimester	Galicia	Madrid, Comunidad de	Murcia, Región de	Navarra, Comunidad Foral	País Vasco	Rioja, La
2017 I	129.5	127.3	126.9	130.4	130.9	127.7
II	129.2	128.0	131.7	133.5	133.7	130.7
III	132.4	128.4	128.8	137.7	136.1	132.9
IV	131.2	127.7	129.7	135.6	132.7	131.9
2018 I	129.5	130.5	131.3	135.1	135.0	132.5
II	125.5	129.9	129.6	139.2	136.3	132.6
III	129.2	127.8	131.0	140.5	137.4	131.4
IV	130.6	127.0	126.7	134.4	135.2	132.9
2019 I	127.1	128.3	128.6	134.9	132.2	130.1

4. Opinions regarding the coming quarter (Expectations) by sectors

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	16.6	64.1	19.3	-2.7
Industry	19.2	63.0	17.8	1.4
Construction	18.3	63.7	18.0	0.3
Trade	13.7	63.6	22.7	-9.0
Transport and accommodation	14.4	61.3	24.3	-9.9
Other services	17.4	66.1	16.5	0.9

5. Opinions regarding the coming quarter (Expectations) by size

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	16.6	64.1	19.3	-2.7
Less than 10 wage earners	11.8	62.5	25.7	-13.9
From 10 to 49 wage earners	18.2	65.0	16.8	1.4
From 50 to 199 wage earners	21.3	65.0	13.7	7.6
From 200 to 999 wage earners	22.1	62.5	15.4	6.7
Over 1000 wage earners	19.9	71.7	8.4	11.5

6. Opinions regarding the coming quarter (Expectations)

By Autonomous Communities

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	16.6	64.1	19.3	-2.7
Andalucía	15.9	62.3	21.8	-5.9
Aragón	17.1	62.1	20.8	-3.7
Asturias, Principado de	13.3	63.6	23.1	-9.8
Balears, Illes	13.2	62.2	24.6	-11.4
Canarias	13.9	64.4	21.7	-7.8
Cantabria	14.4	62.8	22.8	-8.4
Castilla y León	14.8	61.8	23.4	-8.6
Castilla- La Mancha	14.7	67.7	17.6	-2.9
Cataluña	22.1	65.3	12.6	9.5
Comunitat Valenciana	19.1	63.6	17.3	1.8
Extremadura	17.5	55.4	27.1	-9.6
Galicia	12.7	66.4	20.9	-8.2
Madrid, Comunidad de	16.9	67.5	15.6	1.3
Murcia, Región de	20.1	62.9	17.0	3.1
Navarra, Comunidad Foral de	19.8	60.0	20.2	-0.4
País Vasco	15.9	67.6	16.5	-0.6
Rioja, La	12.8	66.5	20.7	-7.9

7. Opinions regarding the last quarter (Situation) by sectors

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	21.6	61.2	17.2	4.4
Industry	24.1	57.5	18.4	5.7
Construction	24.9	58.4	16.7	8.2
Trade	18.8	61.0	20.2	-1.4
Transport and accommodation	19.8	61.1	19.1	0.7
Other services	21.6	64.3	14.1	7.5

8. Opinions regarding the last quarter (Situation) by size

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	21.6	61.2	17.2	4.4
Less than 10 wage earners	16.0	61.8	22.2	-6.2
From 10 to 49 wage earners	25.0	60.8	14.2	10.8
From 50 to 199 wage earners	26.7	58.4	14.9	11.8
From 200 to 999 wage earners	24.2	61.7	14.1	10.1
Over 1000 wage earners	26.9	65.1	8.0	18.9

9. Opinions regarding the last quarter (Situation) by Autonomous Communities

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	21.6	61.2	17.2	4.4
Andalucía	19.9	60.4	19.7	0.2
Aragón	22.6	60.6	16.8	5.8
Asturias, Principado de	18.4	62.6	19.0	-0.6
Balears, Illes	17.0	62.8	20.2	-3.2
Canarias	21.8	59.7	18.5	3.3
Cantabria	18.4	63.6	18.0	0.4
Castilla y León	20.4	60.7	18.9	1.5
Castilla- La Mancha	17.6	67.1	15.3	2.3
Cataluña	25.5	60.1	14.4	11.1
Comunitat Valenciana	25.4	58.3	16.3	9.1
Extremadura	24.4	54.0	21.6	2.8
Galicia	18.8	62.7	18.5	0.3
Madrid, Comunidad de	22.8	62.1	15.1	7.7
Murcia, Región de	19.4	67.5	13.1	6.3
Navarra, Comunidad Foral de	24.0	58.9	17.1	6.9
País Vasco	23.6	59.9	16.5	7.1
Rioja, La	19.5	61.6	18.9	0.6

10. Other economic variables. Opinions with regard to the quarter that is beginning

	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
Economic variables				
Employment (hired personnel)	7.6	80.3	12.1	-4.5
Price level	12.1	79.8	8.1	4.0

11. Other economic variables. Opinions with regard to the quarter that has ended

	It increased	It remained the same	It decreased	Balance (increase - decrease)
Economic variables				
Employment (hired personnel)	13.9	73.3	12.8	1.1
Price level	6.3	84.9	8.8	-2.5