

Business Confidence Indicators (BCI)
Third quarter of 2013

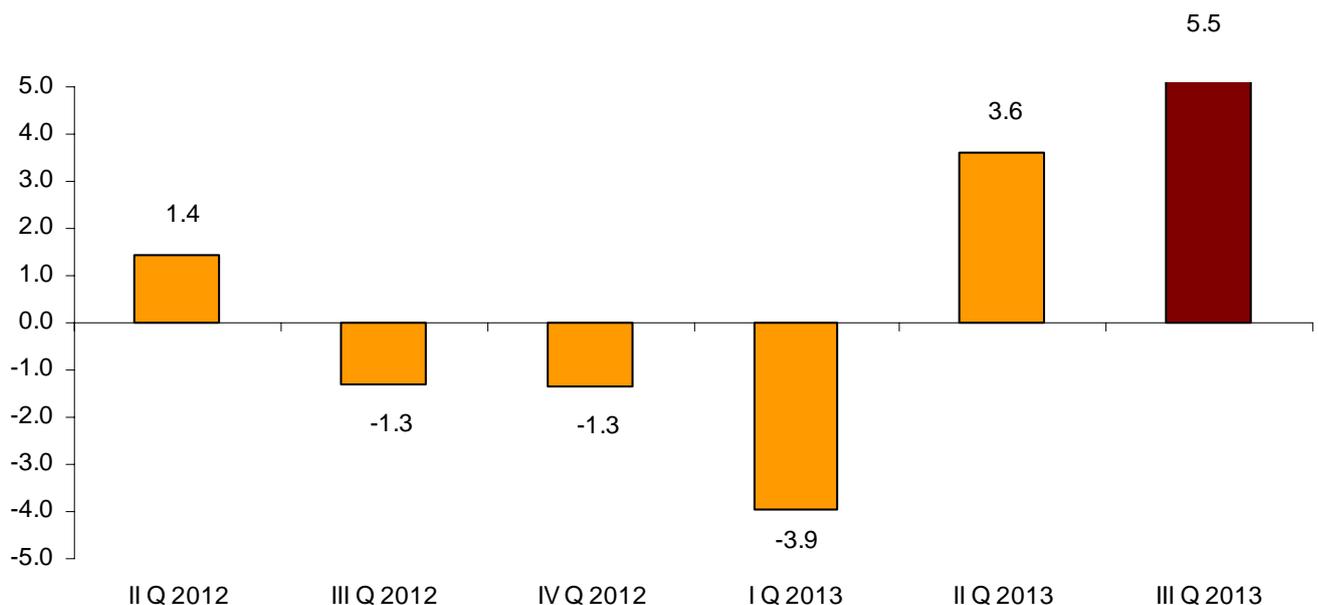
The Harmonised Business Confidence Index (HBCI) registers a rise of 5.5%, as compared with the second quarter

10.9% of the business establishments are optimists about the performance of their business during the third quarter, as compared with 8.3% of the previous quarter

Evolution of the Harmonised Business Confidence Index. HBCI

In the third quarter of 2013, the Harmonised Business Confidence Index (HBCI) registered a rise of 5.5%, as compared with the second quarter, showing an increase in the business confidence.

Harmonised Business Confidence Index (HBCI)
Quarter-on-quarter rate



Opinions regarding the coming quarter (Expectations)

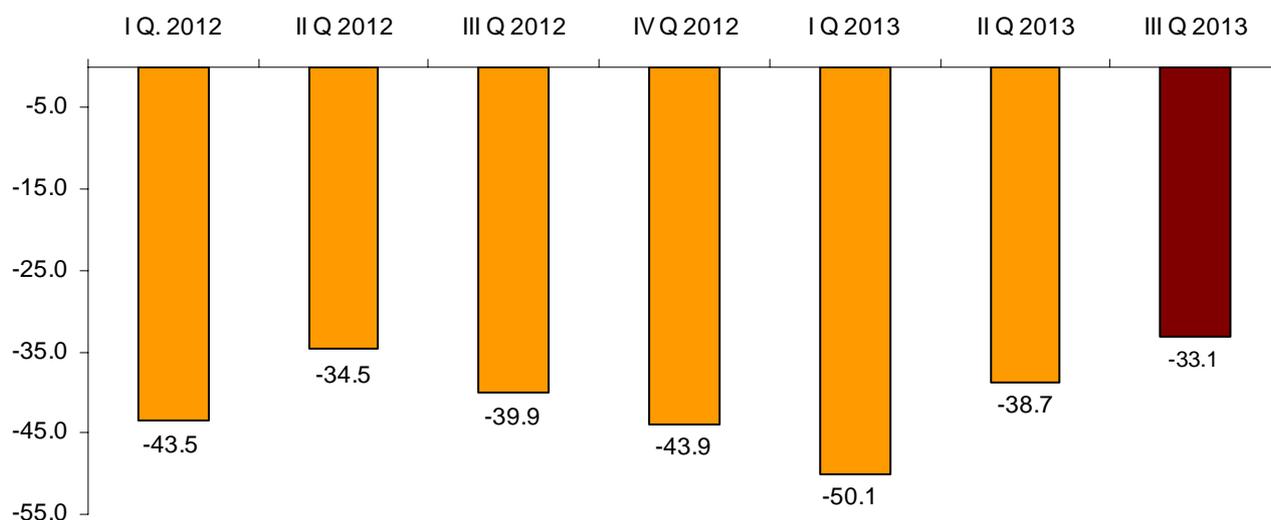
10.9% of the establishments' managers considered that the performance of their business during the third quarter of 2013 would be favourable, whereas 44.0% considered that it would be unfavourable. The remaining 45.1% considered that it would be normal.

The difference between the percentages of favourable and unfavourable responses, known as *Expectations Balance*, stood at -33.1 points for Spain as a whole, as compared with -38.7 of the previous quarter.

Opinions regarding the coming quarter (Expectations)

Period	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
2012 I Quarter	6.3	43.9	49.8	-43.5
I Quarter	8.4	48.7	42.9	-34.5
I Quarter	7.3	45.5	47.2	-39.9
I Quarter	6.2	43.7	50.1	-43.9
2013 II Quarter	5.9	38.1	56.0	-50.1
II Quarter	8.3	44.7	47.0	-38.7
II Quarter	10.9	45.1	44.0	-33.1

Evolution of the Expectations Balance



Opinions regarding the last quarter (Situation)

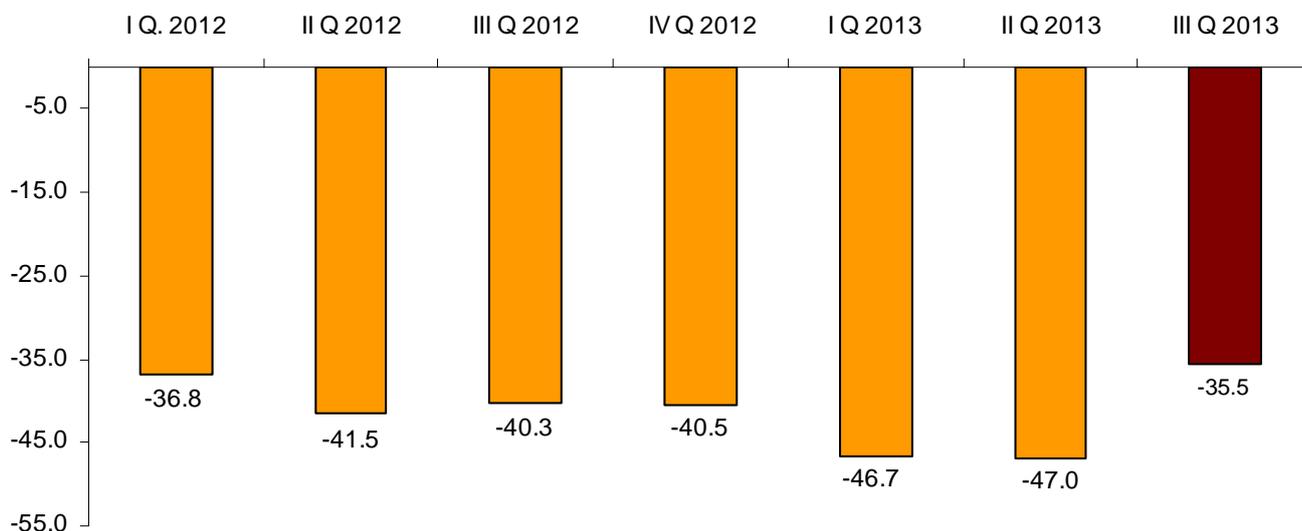
9.4% of the establishments' managers expressed a favourable opinion regarding the performance of their business in the second quarter of 2013. In turn, 44.9% had an unfavourable opinion.

The difference between these percentages of favourable and unfavourable responses referring to the last quarter, known as *Situation Balance*, stood at -35.5 points, thereby improving the *Expectations* previously expressed for that second quarter, which stood at -38.7 points.

Opinions regarding the last quarter (Situation)

Period	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
2012 I Quarter	8.9	45.4	45.7	-36.8
I Quarter	6.7	45.1	48.2	-41.5
I Quarter	7.1	45.5	47.4	-40.3
I Quarter	7.3	44.9	47.8	-40.5
2013 II Quarter	6.9	39.5	53.6	-46.7
II Quarter	6.1	40.8	53.1	-47.0
II Quarter	9.4	45.7	44.9	-35.5

Evolution of the Situation Balance



Harmonised Business Confidence Index by activity sector

The five activity sectors analysed presented an improvement on the confidence, as compared with the second quarter of 2013. *Transport and accommodation* registered the greatest increase, with a rise of 8.3%.

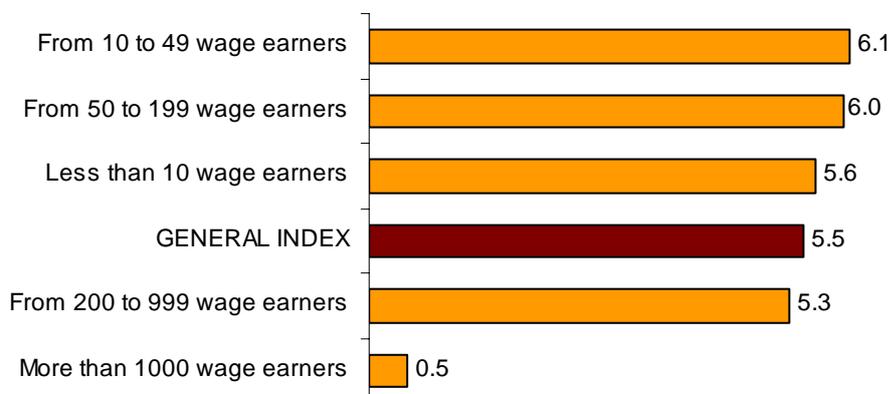
Quarter-on-quarter rate of the HBCI General index and by activity sectors



Harmonised Business Confidence Index by size of the establishments

The five activity sectors analysed presented an improvement, as compared with the second quarter of 2013. The greatest rise was registered in establishments with 10 to 49 wage earners (6.1%).

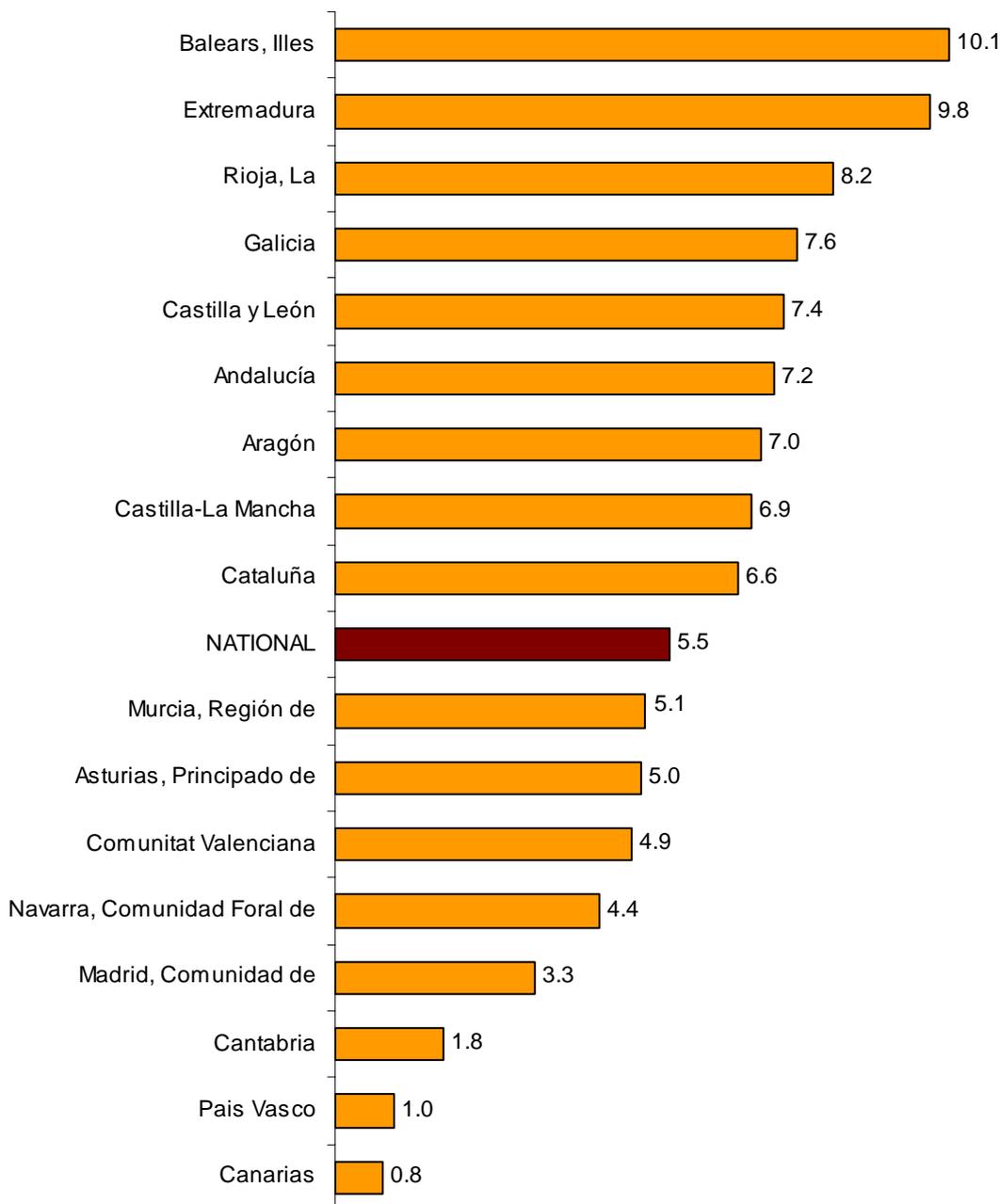
Quarter-on-quarter rate of the HBCI General index and by size of the establishments



Harmonised Business Confidence Index. Results by Autonomous Community

The Business Confidence Index improved in all the Autonomous Communities, as compared with the second quarter of 2013. Illes Balears (10.1%), Extremadura (9.8%) and La Rioja (8.2%) registered the greatest increases. In turn, Canarias (0.8%), País Vasco (1.0%) and Cantabria (1.8%) registered the slightest increases.

Quarter-on-quarter rate of HBCI General Index and by Autonomous Community



Methodological note

The survey on which the BCIs are based is the first opinion poll conducted by the INE, and it is prepared based on a representative sample of establishments, whose opinions began to be collected for the first quarter of 2012.

The methodology of the survey enables the integration of the analogous data compiled by the statistics services of the Autonomous Communities. Once their consistency is checked, so they can be incorporated in the general process of the survey according to the appropriate agreements for this purpose.

The data from Andalucía, Illes Balears, Canarias, Castilla y León and Cataluña were integrated during the first quarter of 2013. The data from La Rioja did so by the third quarter 2013.

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

The BCIs gather the opinions of the establishment managers regarding the performance of their business for each last quarter, and regarding their expectations for each coming quarter. The methodology is based on the Japanese **TANKAN** index. In other words, there are no weightings or elevations according to the characteristics of the establishments, as the opinion of each respondent carries the same weight.

The BCIs are compiled and published quarterly. They consider three different indicators, both on a national level and by Autonomous Community (in the latter case, the data will be available as of the year 2013). These three indicators are based on this question from the questionnaire:

1. How would you assess the performance of the business in your establishment?

	Favourable	Normal	Unfavourable
1. In the quarter that is ending?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. In the quarter that is commencing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The **Harmonised Expectation Indicator** (known as the **Expectations**) includes the difference or balance between the percentages of favourable and unfavourable responses with regard to the coming quarter. It can fluctuate between -100 (all of the respondents are pessimistic - that is, they have marked the *Unfavourable* box - regarding the coming quarter) and +100 (all of the respondents are optimistic - that is, they have marked the *Favourable* box-).

An intuitive interpretation thereof is simple and direct. If the *Expectations* are positive, the optimists exceed the pessimists with regard to the coming quarter.

In turn, the **Harmonised Situation Indicator** (known as the **Situation**) is the difference or balance between the percentages of favourable and unfavourable responses with regard to the quarter that is ending.

The **Harmonised Business Confidence Index** (HBCI) is built using the *Situation* and the *Expectations*. The base for this index is the first quarter of 2012, and the value of that first quarter is therefore equal to 100.

Business Confidence Indicators Third quarter of 2013

Provisional data

9 July 2013

1. Harmonized Business Confidence Index by sectors

Period	TOTAL	Industry	Construction	Trade	Transport and accommodation	Other Services
2013 I Quarter	100.0	100.0	100.0	100.0	100.0	100.0
II Quarter	103.6	102.7	102.0	103.3	106.7	103.5
III Quarter	109.3	109.4	105.9	111.1	115.6	107.0

2. Harmonized Business Confidence Index by size

Period	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
2013 I Quarter	100.0	100.0	100.0	100.0	100.0	100.0
II Quarter	103.6	104.6	103.7	103.0	101.7	101.3
III Quarter	109.3	110.5	110.0	109.2	107.1	101.8

3. Harmonized Business Confidence Index by Autonomous Communities

Period	NATIONAL	Andalucía	Aragón	Asturias, Principado de	Balears, Illes	Canarias
2013 I Quarter	100.0	100.0	100.0	100.0	100.0	100.0
II Quarter	103.6	105.2	103.0	105.2	111.8	103.1
III Quarter	109.3	112.8	110.2	110.5	123.1	103.9

Period	Cantabria	Castilla y León	Castilla- La Mancha	Cataluña	Comunitat Valenciana	Extremadura
2013 I Quarter	100.0	100.0	100.0	100.0	100.0	100.0
II Quarter	106.7	103.2	106.5	105.6	100.7	96.2
III Quarter	108.6	110.8	113.8	112.6	105.6	105.6

Period	Galicia	Madrid, Comunidad de	Murcia, Región de	Navarra, Comunidad Foral	País Vasco	Rioja, La
2013 I Quarter	100.0	100.0	100.0	100.0	100.0	100.0
II Quarter	98.9	103.2	102.1	105.6	104.4	102.4
III Quarter	106.4	106.6	107.3	110.2	105.4	110.8

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	10.9	45.1	44.0	-33.1
Industry	14.8	46.4	38.8	-24.0
Construction	5.8	34.8	59.4	-53.6
Trade	10.4	42.8	46.8	-36.4
Transport and accommodation	15.7	41.6	42.7	-27.0
Other services	9.2	50.1	40.7	-31.5

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	10.9	45.1	44.0	-33.1
Less than 10 wage earners	9.9	38.9	51.2	-41.3
From 10 to 49 wage earners	10.2	45.9	43.9	-33.7
From 50 to 199 wage earners	14.7	47.1	38.2	-23.5
From 200 to 999 wage earners	12.4	55.5	32.1	-19.7
Over 1000 wage earners	10.6	59.8	29.6	-19.0

6. Opinions regarding the coming quarter (Expectations) by Autonomous Communities

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	10.9	45.1	44.0	-33.1
Andalucía	14.6	41.8	43.6	-29.0
Aragón	7.6	46.4	46.0	-38.4
Asturias, Principado de	10.9	43.0	46.1	-35.2
Balears, Illes	17.2	49.6	33.2	-16.0
Canarias	12.0	44.7	43.3	-31.3
Cantabria	7.0	42.2	50.8	-43.8
Castilla y León	11.8	39.5	48.7	-36.9
Castilla- La Mancha	9.5	38.0	52.5	-43.0
Cataluña	13.2	46.4	40.4	-27.2
Comunitat Valenciana	11.1	47.3	41.6	-30.5
Extremadura	10.8	38.9	50.3	-39.5
Galicia	9.6	47.4	43.0	-33.4
Madrid, Comunidad de	9.0	51.6	39.4	-30.4
Murcia, Región de	10.3	49.3	40.4	-30.1
Navarra, Comunidad Foral de	12.7	41.8	45.5	-32.8
País Vasco	9.4	43.7	46.9	-37.5
Rioja, La	9.2	47.5	43.3	-34.1

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	9.4	45.7	44.9	-35.5
Industry	13.9	49.3	36.8	-22.9
Construction	5.8	37.5	56.7	-50.9
Trade	7.7	42.1	50.2	-42.5
Transport and accommodation	9.0	43.8	47.2	-38.2
Other services	9.4	49.3	41.3	-31.9

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	9.4	45.7	44.9	-35.5
Less than 10 wage earners	6.8	40.6	52.6	-45.8
From 10 to 49 wage earners	9.6	45.5	44.9	-35.3
From 50 to 199 wage earners	14.3	47.1	38.6	-24.3
From 200 to 999 wage earners	12.6	55.7	31.7	-19.1
Over 1000 wage earners	9.4	60.9	29.7	-20.3

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	9.4	45.7	44.9	-35.5
Andalucía	11.1	43.8	45.1	-34.0
Aragón	6.9	49.8	43.3	-36.4
Asturias, Principado de	5.6	46.4	48.0	-42.4
Balears, Illes	13.8	51.1	35.1	-21.3
Canarias	8.7	41.7	49.6	-40.9
Cantabria	4.3	40.5	55.2	-50.9
Castilla y León	8.3	39.8	51.9	-43.6
Castilla- La Mancha	9.5	39.6	50.9	-41.4
Cataluña	13.2	45.7	41.1	-27.9
Comunitat Valenciana	12.6	47.3	40.1	-27.5
Extremadura	5.7	41.6	52.7	-47.0
Galicia	7.9	45.8	46.3	-38.4
Madrid, Comunidad de	8.7	52.7	38.6	-29.9
Murcia, Región de	10.6	50.7	38.7	-28.1
Navarra, Comunidad Foral de	10.8	43.1	46.1	-35.3
País Vasco	8.3	44.8	46.9	-38.6
Rioja, La	10.4	47.7	41.9	-31.5