

10 January 2013

Business Confidence Indicators First quarter of 2013

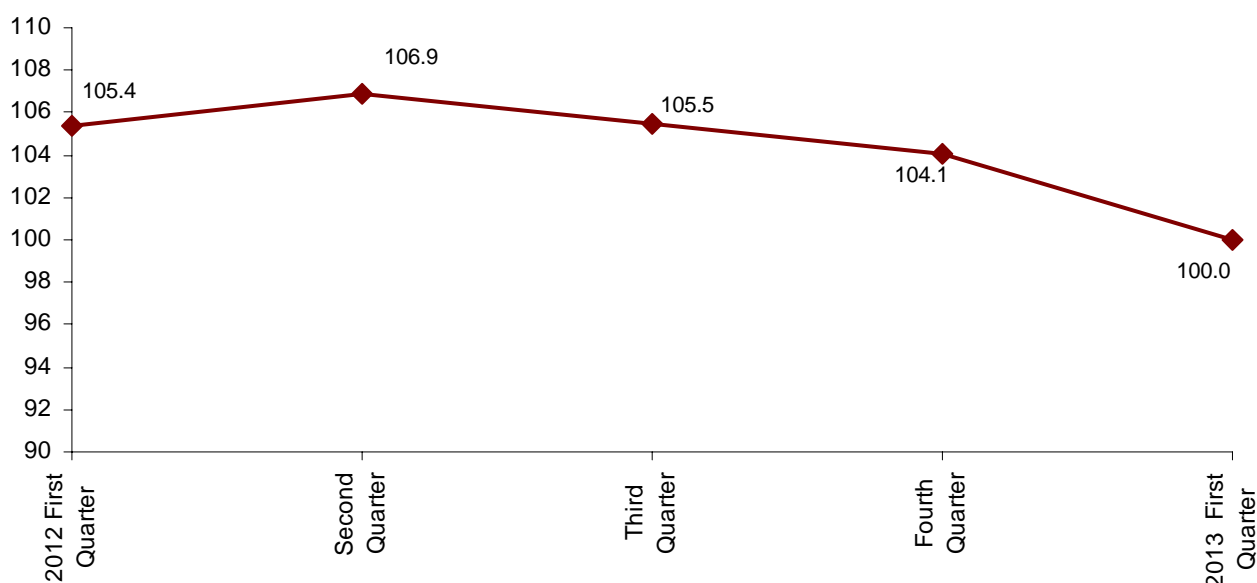
The Harmonised Business Confidence Index (HBCI) registers a drop of 4.1 points, as compared with the fourth quarter of 2012.

5.8% of business establishments are optimistic regarding the future performance of their business in the first quarter of 2013

Evolution of the Harmonised Business Confidence Index (HBCI)

The Harmonised Business Confidence Index¹ (HBCI) registers a drop of 4.1 points, as compared with the fourth quarter of 2012, showing a new drop in the confidence by businesspersons.

Evolution of the Harmonised Business Confidence Index (HBCI)



¹ In the first quarter of 2013 is beginning to deliver results by Autonomous Community. For this reason it has exceeded the HBCI, considering the first quarter of 2013 as index reference and rescaling back data published in 2012.

Opinions regarding the coming quarter (Expectations)

5.8% of establishments believed that the performance of their business during the first quarter of the year would be favourable, whereas 55.9% believed that it would be unfavourable. The remaining 38.3% believed that it would be normal.

The difference between the percentages of favourable and unfavourable responses, known as the *Balance of Expectations*, stood at –50.1 points for Spain as a whole, as compared with –43.9 of previous quarter.

Opinions regarding the coming quarter (Expectations)

Period	Favorable (%) (optimistic)	Normal (%)	Unfavorable (%) (pessimistic)	Balance (optimistic - pessimistic)
2012 First Quarter	6.3	43.9	49.8	-43.5
Second Quarter	8.4	48.7	42.9	-34.5
Third Quarter	7.3	45.5	47.2	-39.9
Fourth Quarter	6.2	43.7	50.1	-43.9
2013 First Quarter	5.8	38.3	55.9	-50.1

Opinions regarding the last quarter (Situation)

In terms of the responses regarding the last quarter, 6.9% of the establishments expressed a favourable opinion regarding the past performance of their business in the fourth quarter of 2012. In turn, 53.6% had an unfavourable opinion.

The difference between these percentages of favourable and unfavourable responses referring to the last quarter, known as the *Situation Balance*, stood at –46.7 points, thereby getting worse the *Expectations* previously expressed for that fourth quarter, which stood at –43.9 points.

Opinions regarding the last quarter (Situation)

Period	Favorable (%) (optimistic)	Normal (%)	Unfavorable (%) (pessimistic)	Balance (optimistic - pessimistic)
2012 First Quarter	8.9	45.4	45.7	-36.8
Second Quarter	6.7	45.1	48.2	-41.5
Third Quarter	7.1	45.5	47.4	-40.3
Fourth Quarter	7.3	44.9	47.8	-40.5
2013 First Quarter	6.9	39.5	53.6	-46.7

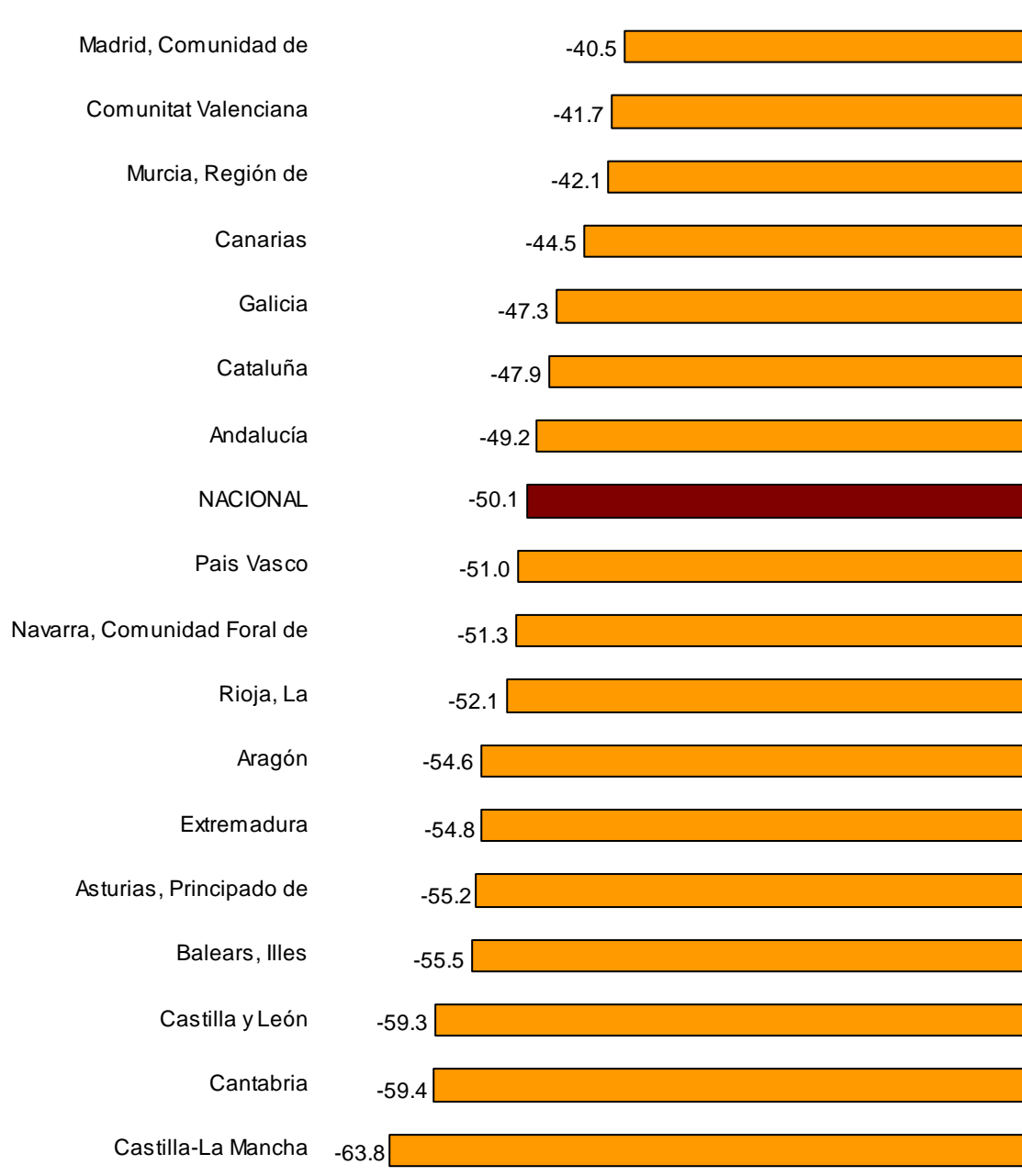
Results by Autonomous Community. Balance of Expectations.

By Autonomous Community, Comunidad de Madrid (–40,5 points), Comunitat Valenciana (–41,7) and Región de Murcia (–42,1) presented the lowest negative balances of expectation.

In turn, the establishments in Castilla-La Mancha (–63,8), Cantabria (–59,4) and Castilla y León (–59,3), had the lowest confidence in expectations in the first quarter of 2013.

Expectations: First Quarter 2013

National balance and by Autonomous Community



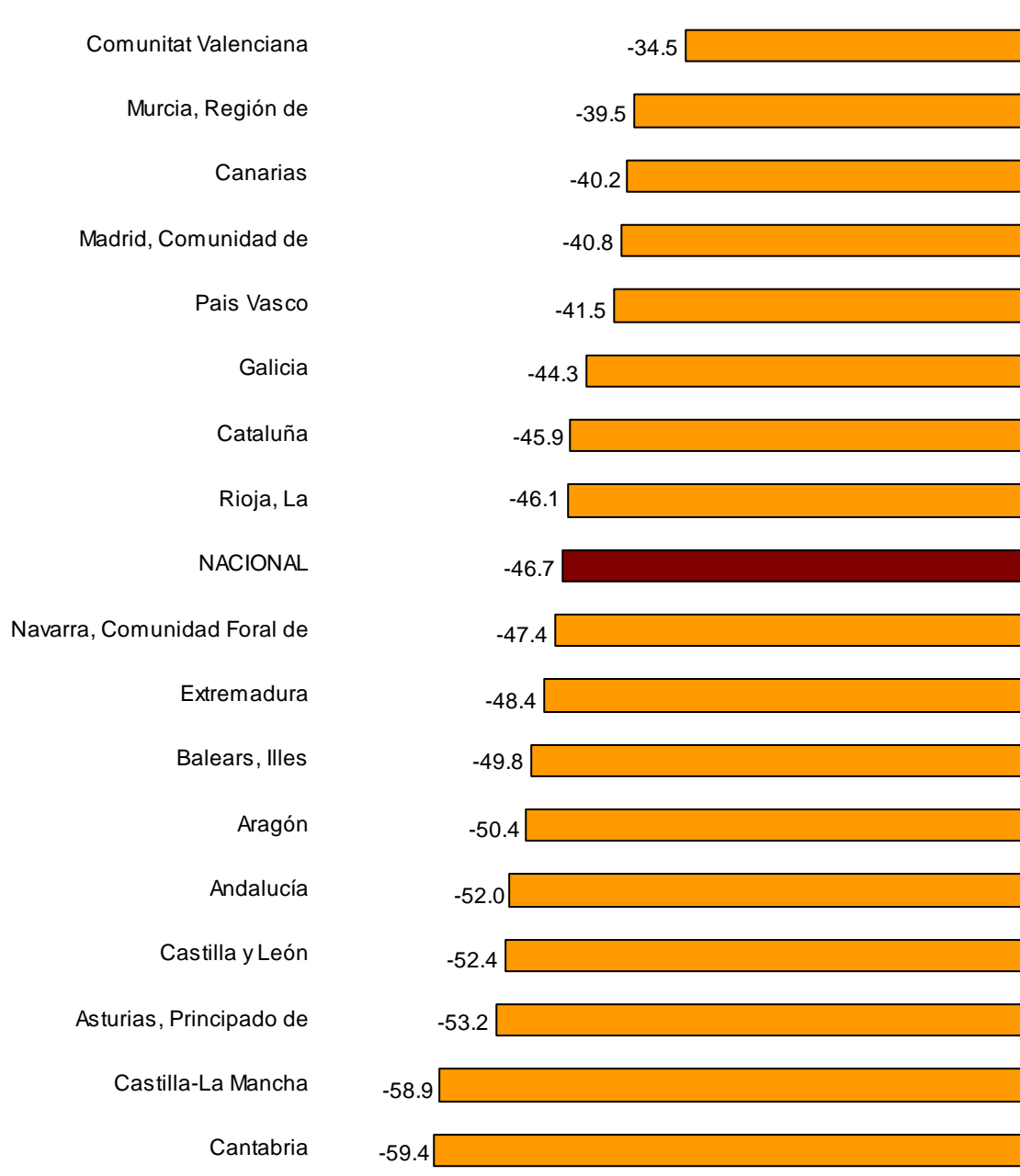
Results by Autonomous Community. Situation Balance.

By Autonomous Community, Comunidad Valenciana (–34,5 points), Región de Murcia (–39,5) and Canarias (–40,2) presented the lowest negative situation balance.

In turn, the establishments in Cantabria (–59,4), Castilla-La Mancha (–58,9) and Principado de Asturias (–53,2), had the highest unfavourable responses referring to the last quarter of 2012.

Situation: Fourth Quarter 2012

National balance and by Autonomous Community



Opinions regarding the quarter beginning (Expectations)

	Favorable (%) (optimistic)	Normal (%)	Unfavorable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	5.8	38.3	55.9	-50.1
Andalucía	7.7	35.4	56.9	-49.2
Aragón	2.9	39.6	57.5	-54.6
Asturias, Principado de	5.7	33.4	60.9	-55.2
Balears, Illes	3.7	37.1	59.2	-55.5
Canarias	7.6	40.3	52.1	-44.5
Cantabria	3.3	34.0	62.7	-59.4
Castilla y León	4.5	31.7	63.8	-59.3
Castilla-La Mancha	4.9	26.4	68.7	-63.8
Cataluña	6.2	39.7	54.1	-47.9
Comunitat Valenciana	7.3	43.7	49.0	-41.7
Extremadura	5.3	34.6	60.1	-54.8
Galicia	5.2	42.3	52.5	-47.3
Madrid, Comunidad de	6.6	46.3	47.1	-40.5
Murcia, Región de	7.4	43.1	49.5	-42.1
Navarra, Comunidad Foral de	6.4	35.9	57.7	-51.3
País Vasco	5.8	37.4	56.8	-51.0
Rioja, La	6.1	35.7	58.2	-52.1

Opinions regarding the quarter ending (Situation)

	Favorable (%) (optimistic)	Normal (%)	Unfavorable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	6.9	39.5	53.6	-46.7
Andalucía	7.0	34.0	59.0	-52.0
Aragón	5.0	39.6	55.4	-50.4
Asturias, Principado de	5.3	36.2	58.5	-53.2
Balears, Illes	4.9	40.4	54.7	-49.8
Canarias	9.1	41.6	49.3	-40.2
Cantabria	4.4	31.8	63.8	-59.4
Castilla y León	6.6	34.4	59.0	-52.4
Castilla-La Mancha	4.5	32.1	63.4	-58.9
Cataluña	7.1	39.9	53.0	-45.9
Comunitat Valenciana	10.8	43.9	45.3	-34.5
Extremadura	7.4	36.8	55.8	-48.4
Galicia	5.2	45.3	49.5	-44.3
Madrid, Comunidad de	6.4	46.4	47.2	-40.8
Murcia, Región de	10.3	39.9	49.8	-39.5
Navarra, Comunidad Foral de	7.4	37.8	54.8	-47.4
País Vasco	7.2	44.1	48.7	-41.5
Rioja, La	7.8	38.3	53.9	-46.1

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 7,694 establishments, whose opinions began to be collected for the first quarter of 2012. 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.