Press Release

12 April 2019

Business Confidence Indicators (BCI)
Second quarter of 2019

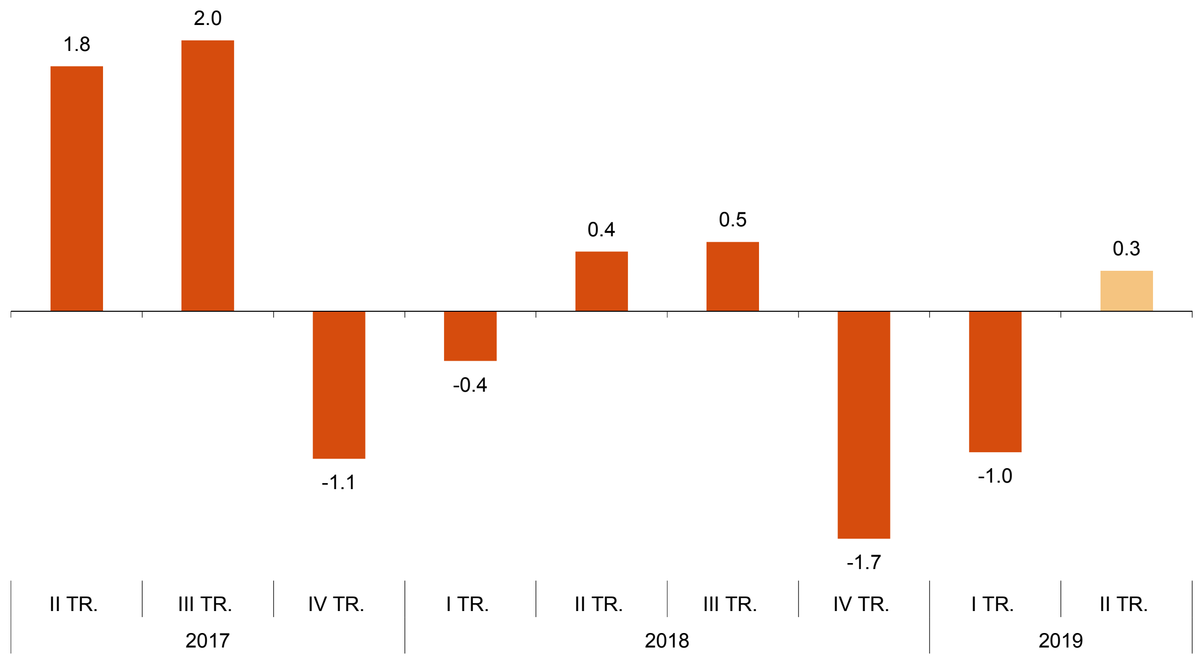
The Harmonised Business Confidence Index (HBCI) increases by 0.3% in the second quarter of 2019 as compared with the first quarter

20.8% of business establishments foresee a favourable quarter and 15.2% are pessimistic about the performance of their business

Evolution of the Harmonised Business Confidence Index

The Harmonised Business Confidence Index (HBCI) increases by 0.3% in the second quarter of 2019 as compared with the first quarter.

Harmonised Business Confidence Index
Second Quarter 2019. Quarterly rate



Opinions regarding the coming quarter (Expectations)

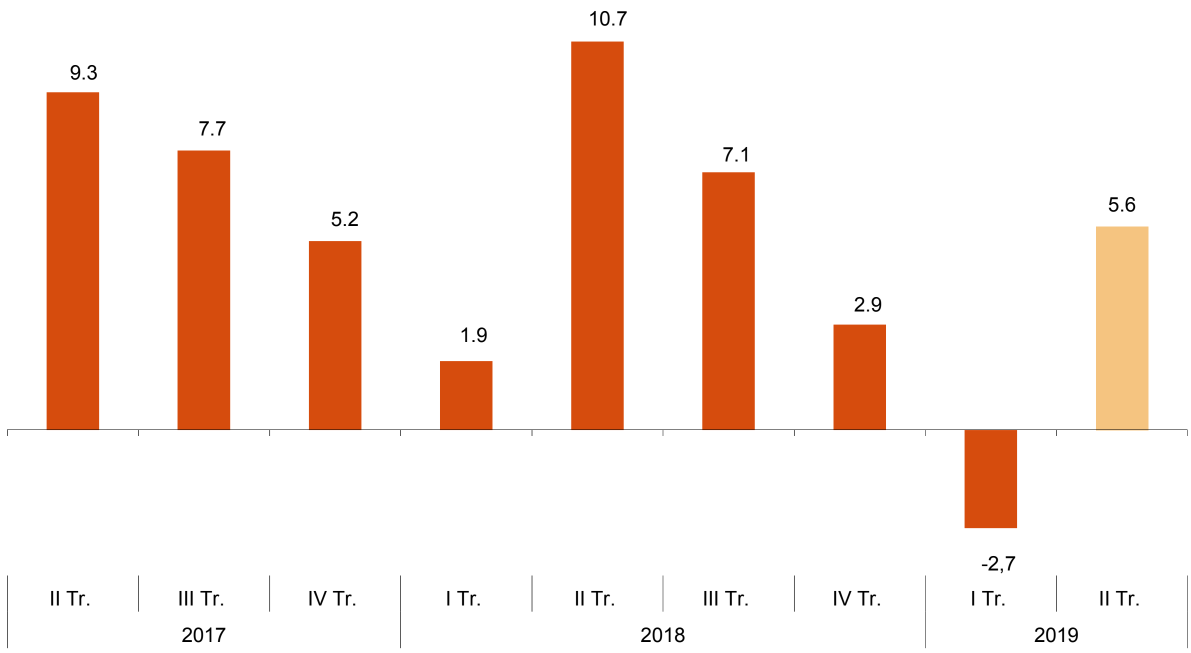
20.8% of business establishments managers considered that the performance of their business durint the second quarter of 2019 would be favourable, while 15.2% thought it would be unfavoruable. The remaining 64.0% thought that it would be normal.

The difference between the percentage of favourable and unfavourable responses, know a Expectations Balance, stood at 5.6 points for Spains as a whole, as compared with the −2.7 in the previous quarter.

Opinions regarding the coming quarter (Expectations)

Year / Trimester	Favourable (%) (optimistic)	Normal (%)	Unfavorable (%) (pessimistic)	Balance (optimistic - pessimistic)
2017 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
II	20.8	64.0	15.2	5.6

Evolution of the Expectations Balancedel Saldo de Expectativas
Second Quarter 2019



Opinions regarding the ending quarter (Situation)

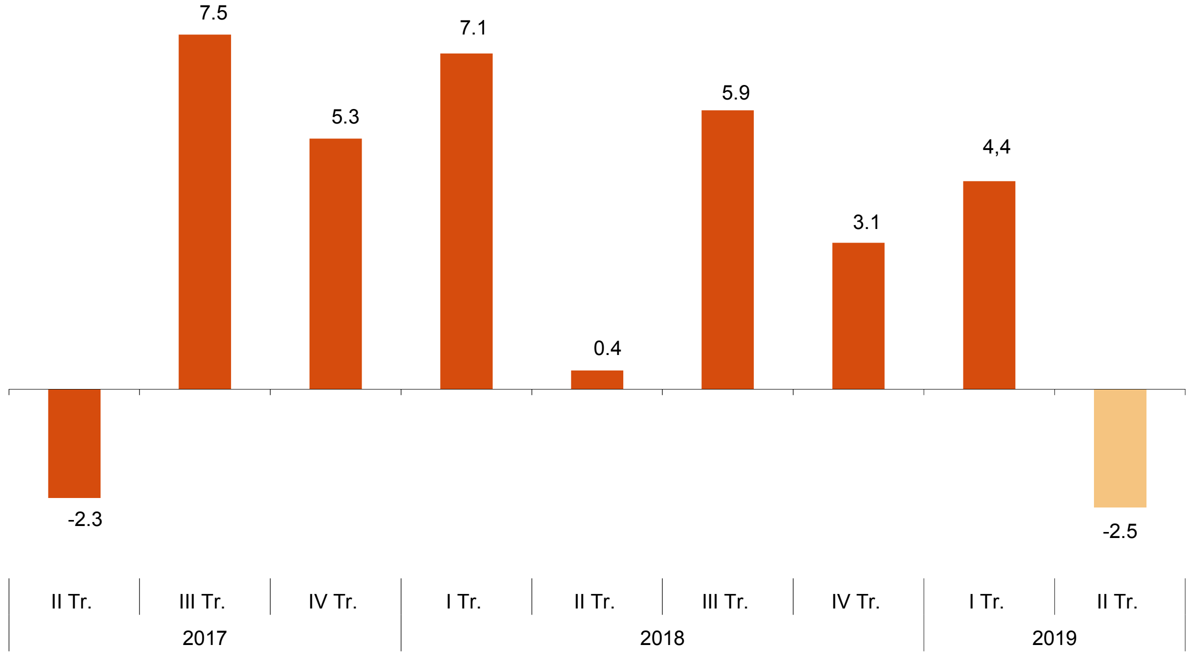
17.3% of business establishments managers expressed a favourable opinion regarding the performance of their business in the first quarter 2019. In turn, 19.8% had an unfavourable opinion.

The difference between the percentage of favoruable and unfavourable respondes referring to the ending quarter, known as *Situation Balance*, stood at −2.5 points. This figure worsens Expectations previously expressed for that quarte, which stood at −2.7 points.

Opinions regarding the ending quarter (Situation)

Año / Trimestre		Favorables (%) (optimistas)	Normales (%)	Desfavorables (%) (pesimistas)	Saldo (optimistas - pesimistas)
2017	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
	II	17.3	62.9	19.8	-2.5

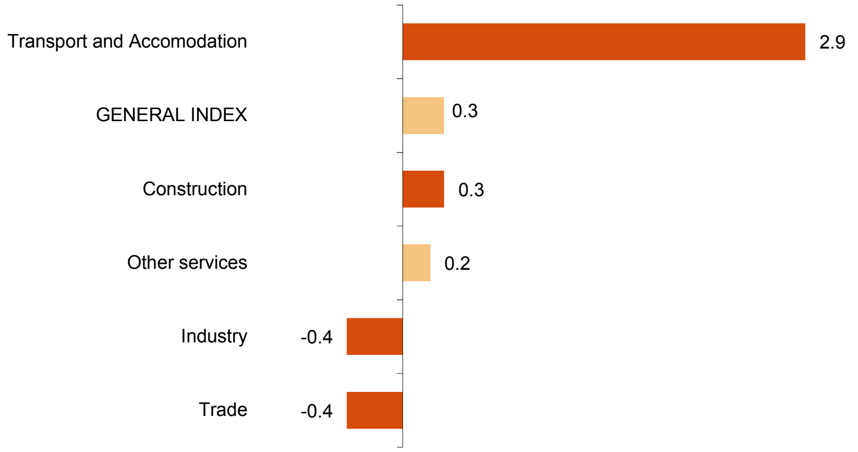
Evolution of the Situation Balance
Second Quarter 2019



Harmonised Business Confidence Index by activiy sector

Three out of the five sector analysed increased confiance with respect to the previous quarter. *Transport and Accomodation* (2.9%) registered the greatest increases. On the other hand, *Trade* and Industry (both with −0.4%) registered the greatest decreases.

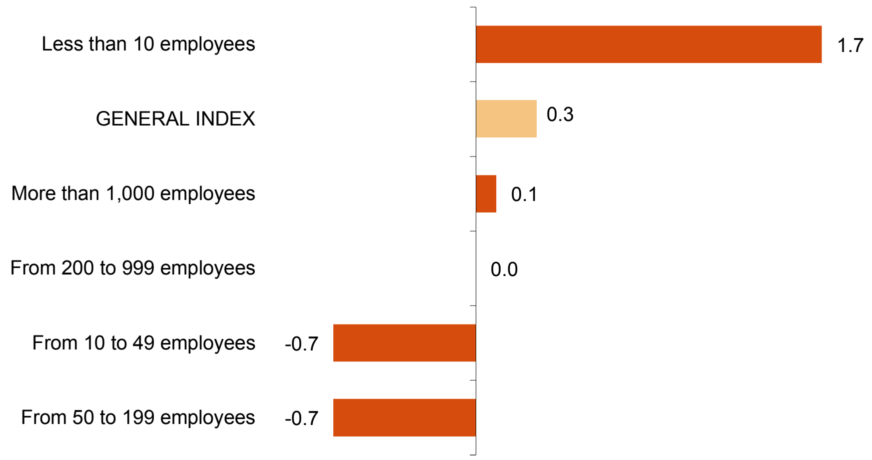
General Index and by activity sector
Second Quarter 2019. Quarterly ratel



Harmonised Business Confidence Index by size of establishments

Two out of the the five sizes of establishments analysed presented a decrease in confidence, as compared with the previous quarter. *Less than 10 employees* (1.7%) registered the largest increase. On the other hand, *From 50 to 199 employees* and *From 10 to 49 employees* (both with −0.7%) registered the only decrease.

General index and by size of establishment
Second Quarter 2019. Quarterly rate l

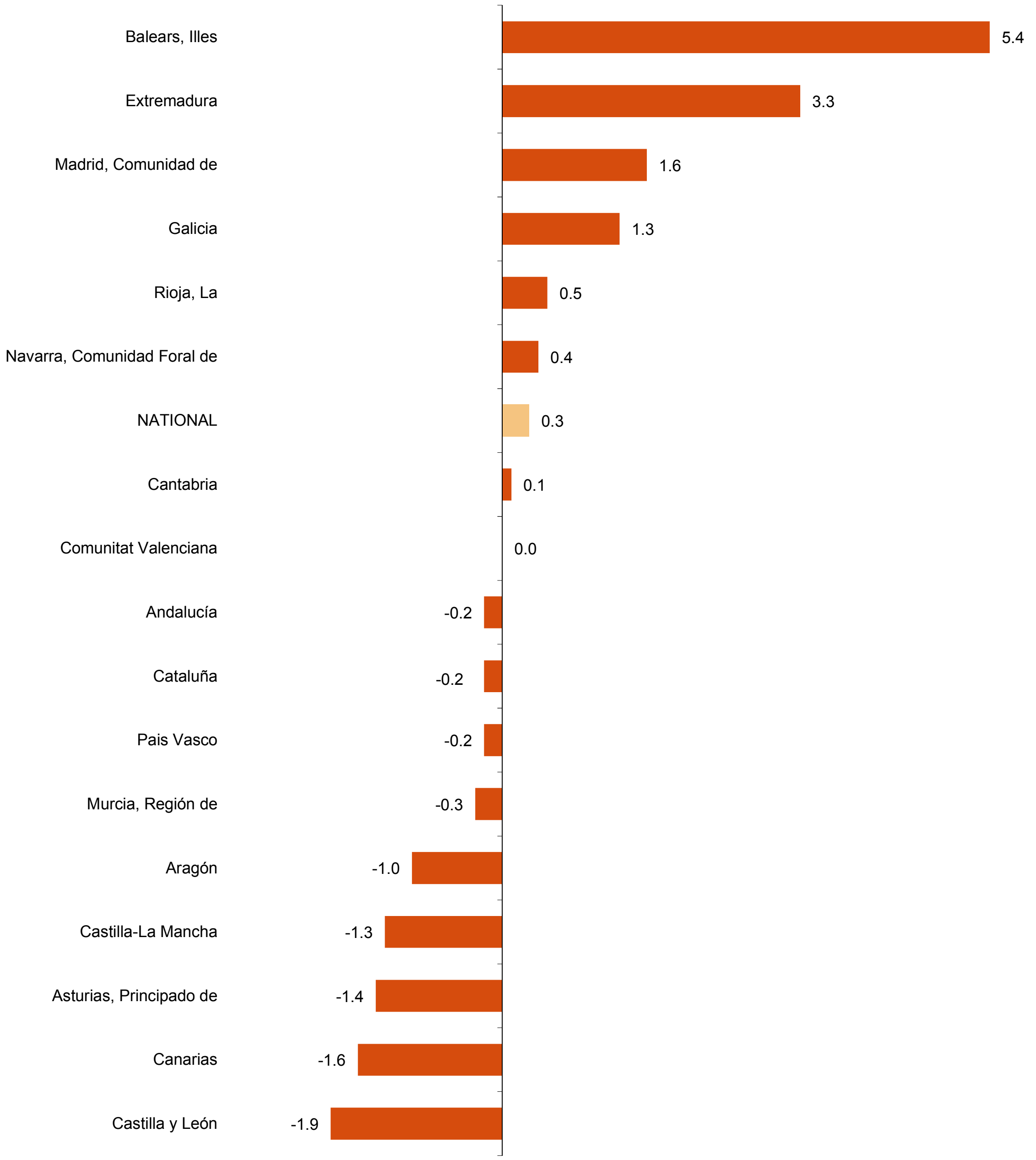


Harmonised Business Confidence Index. Results by Autonomous Communities

Business confidence decreased in the second quarter of 2019 as compared with previous quarter in nine autonomous communities and increased in seven.

The largest increases were recorded in Illes Balears (5.4%), Extremadura (3.3%) y Comunidad de Madrid (1.6%). The largest decreases were recorded in Castilla y León (−1.9), Canarias (−1.6%) and Principado de Asturias (−1.4%).

National index and by Autonomous Communities
Second Quarter 2019. Quarterly rate



Review and update of data

The data published today are final and will not be suject to further revisión. There have benn 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 establishment managers have about their situation.

The BCI survey collects opinions from establishment managers regarding the perfomance 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 the can be incorporated into the general process of the survey. There are currently agreements signed to this effect with Andalucia, 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 simple 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 questionary by establishment managers themselves using one of the following methods: internet (IRIA system), e-mail, fax, telephone or by postal mail.

For more information yo can Access the methodology at:

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

And the standardise methdological report at:

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

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Business Confidence Indicators
Second quarter of 2019

1. Harmonized Business Confidence Index by sectors

Year / Trimester	TOTAL	Industry	Construction	Trade	Transport and accomodation	Other Services
2017 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
II	132.9	125.7	146.8	134.3	138.8	130.0

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 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
II	132.9	136.5	136.0	129.2	123.6	121.6

3. Harmonized Business Confidence Index by Autonomous Communities

Year / Trimester	NATIONAL	Andalucía	Aragón	Asturias, Principado de	Balears, Illes	Canarias
2017 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
II	132.9	131.7	134.9	131.7	137.9	123.4

Year / Trimester	Cantabria	Castilla y León	Castilla-La Mancha	Cataluña	Comunitat Valenciana	Extremadura
2017 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
II	139.5	133.7	142.1	137.1	126.9	136.8

Year / Trimester	Galicia	Madrid, Comunidad de	Murcia, Región de	Navarra, Comunidad Foral	País Vasco	Rioja, La
2017 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
II	128.7	130.4	128.2	135.4	132.0	130.8

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	20.8	64.0	15.2	5.6
Industry	20.4	64.5	15.1	5.3
Construction	22.3	62.2	15.5	6.8
Trade	18.6	63.7	17.7	0.9
Transport and accommodation	24.7	57.4	17.9	6.8
Other services	20.3	67.1	12.6	7.7

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	20.8	64.0	15.2	5.6
Less than 10 wage earners	18.4	62.1	19.5	-1.1
From 10 to 49 wage earners	21.4	65.2	13.4	8.0
From 50 to 199 wage earners	24.6	62.7	12.7	11.9
From 200 to 999 wage earners	21.0	67.4	11.6	9.4
Over 1000 wage earners	24.2	69.0	6.8	17.4

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	20.8	64.0	15.2	5.6
Andalucía	19.0	62.2	18.8	0.2
Aragón	21.0	60.7	18.3	2.7
Asturias, Principado de	17.0	65.7	17.3	-0.3
Balears, Illes	22.8	65.0	12.2	10.6
Canarias	15.1	63.5	21.4	-6.3
Cantabria	20.8	60.7	18.5	2.3
Castilla y León	16.3	64.7	19.0	-2.7
Castilla- La Mancha	18.6	63.8	17.6	1.0
Cataluña	24.7	65.4	9.9	14.8
Comunitat Valenciana	24.1	60.6	15.3	8.8
Extremadura	27.3	57.1	15.6	11.7
Galicia	16.3	70.1	13.6	2.7
Madrid, Comunidad de	22.1	65.1	12.8	9.3
Murcia, Región de	22.4	63.4	14.2	8.2
Navarra, Comunidad Foral de	22.5	63.0	14.5	8.0
País Vasco	20.0	66.1	13.9	6.1
Rioja, La	16.4	68.1	15.5	0.9

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	17.3	62.9	19.8	-2.5
Industry	19.6	61.2	19.2	0.4
Construction	20.8	61.2	18.0	2.8
Trade	13.1	61.4	25.5	-12.4
Transport and accommodation	17.1	61.0	21.9	-4.8
Other services	17.7	65.9	16.4	1.3

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	17.3	62.9	19.8	-2.5
Less than 10 wage earners	13.8	60.0	26.2	-12.4
From 10 to 49 wage earners	18.9	63.5	17.6	1.3
From 50 to 199 wage earners	20.6	63.5	15.9	4.7
From 200 to 999 wage earners	19.6	68.3	12.1	7.5
Over 1000 wage earners	22.5	68.4	9.1	13.4

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	17.3	62.9	19.8	-2.5
Andalucía	15.7	62.1	22.2	-6.5
Aragón	17.1	61.0	21.9	-4.8
Asturias, Principado de	10.2	64.3	25.5	-15.3
Balears, Illes	15.7	64.5	19.8	-4.1
Canarias	17.6	60.2	22.2	-4.6
Cantabria	16.2	57.8	26.0	-9.8
Castilla y León	14.1	60.1	25.8	-11.7
Castilla- La Mancha	14.6	64.0	21.4	-6.8
Cataluña	20.3	64.5	15.2	5.1
Comunitat Valenciana	21.9	58.4	19.7	2.2
Extremadura	17.5	59.5	23.0	-5.5
Galicia	12.1	70.1	17.8	-5.7
Madrid, Comunidad de	21.3	63.7	15.0	6.3
Murcia, Región de	18.0	64.0	18.0	0.0
Navarra, Comunidad Foral de	18.2	63.6	18.2	0.0
País Vasco	18.2	63.3	18.5	-0.3
Rioja, La	14.7	64.3	21.0	-6.3

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

Economic variables	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
Employment (hired personnel)	11.5	79.3	9.2	2.3
Price level	6.3	87.1	6.6	-0.3

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

Economic variables	It increased	It remained the same	It decreased	Balance (increase - decrease)
Employment (hired personnel)	10.8	75.7	13.5	-2.7
Price level	10.3	80.5	9.2	1.1