

Business Confidence Indicators (BCI)
Fourth quarter of 2019

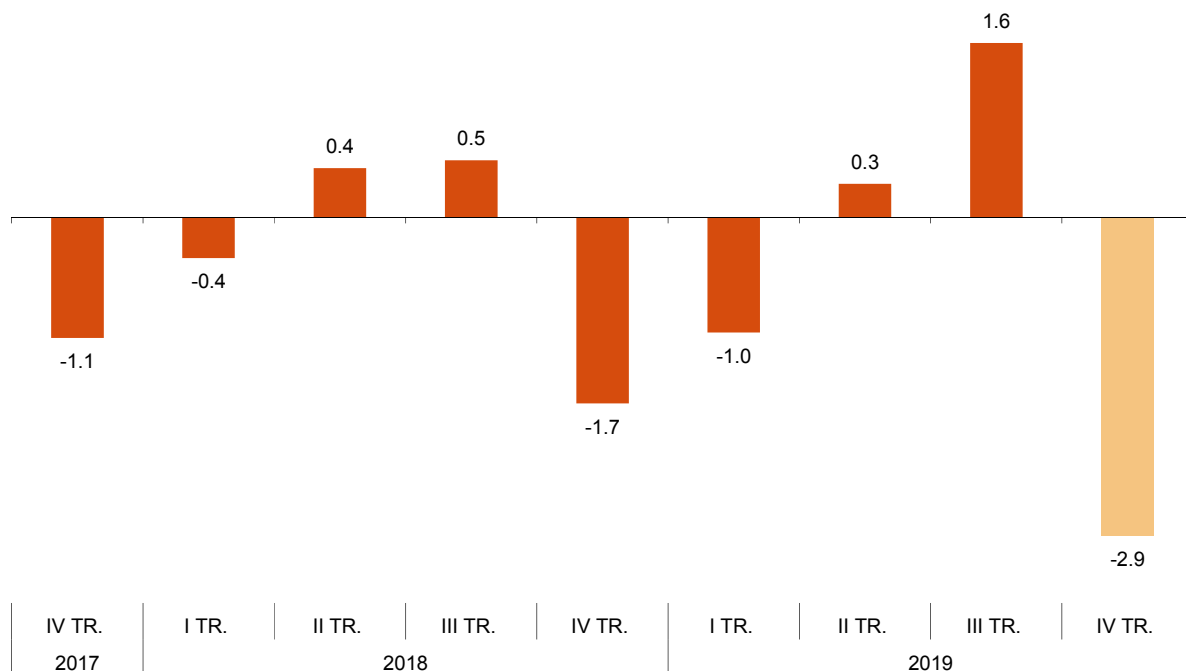
The Harmonized Business Confidence Index (HBCI) decreases 2.9% in the fourth quarter of 2019 as compared with the third quarter

16.7% of business establishments foresee a favourable quarter and 19.4% are pessimistic about the performance of their business

Evolution of the Harmonized Business Confidence Index

The Harmonized Business Confidence Index (HBCI) decreases by 2.9% in the fourth quarter of 2019 as compared with the third quarter.

Harmonized Business Confidence Index
Fourth Quarter 2019. Quarterly rate



Opinions regarding the coming quarter (Expectations)

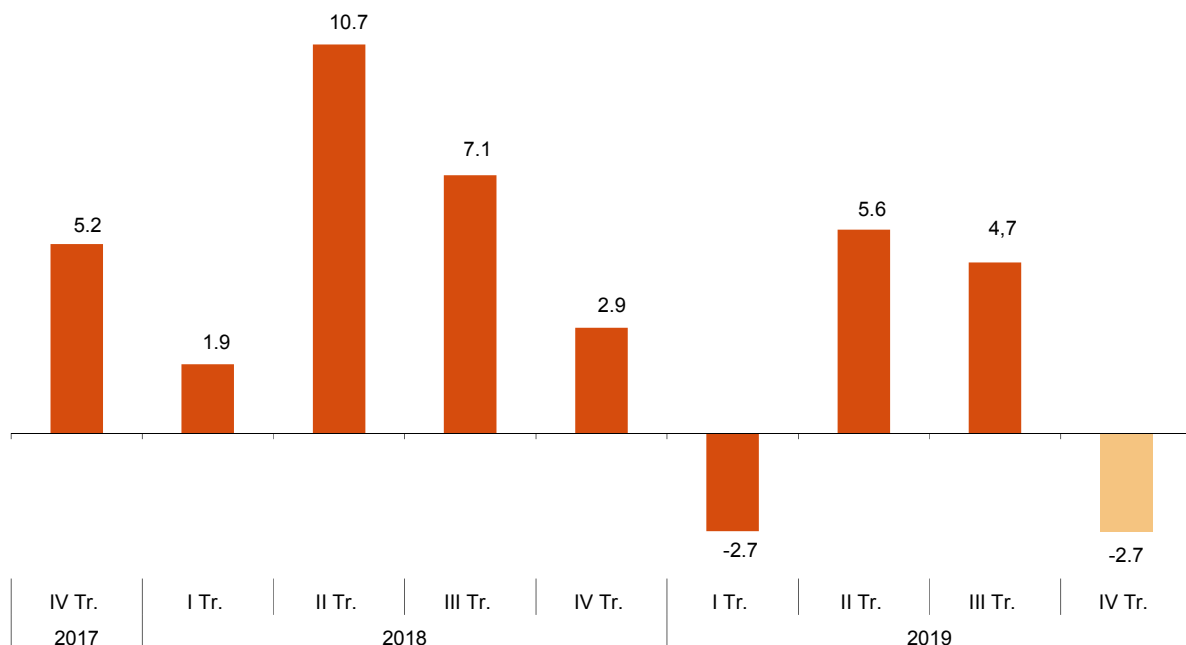
16.7% of business establishments managers considered that the performance of their business during the fourth quarter of 2019 would be favourable, while 19.4% thought it would be unfavourable. The remaining 63.9% thought that it would be normal.

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 4.7 in the previous quarter.

Opinions regarding the coming quarter (Expectations)

Year / Trimester	Favourable (%) (optimistic)	Normal (%)	Unfavoruable (%) (pessimistic)	Balance (optimistic - pessimistic)
2017 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
III	21.4	61.9	16.7	4.7
IV	16.7	63.9	19.4	-2.7

Evolution of the Expectations Balance Fourth Quarter 2019



Opinions regarding the ending quarter (Situation)

19.0% of business establishments managers expressed a favourable opinion regarding the performance of their business in the third quarter of 2019. In turn, 18.8% 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 0.2 points. This figure worsens Expectations previously expressed for that quarter, which stood at 4.7 points.

Opinions regarding the ending quarter (Situation)

Year / Trimester	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
2017 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
III	20.9	62.7	16.4	4.5
IV	19.0	62.2	18.8	0.2

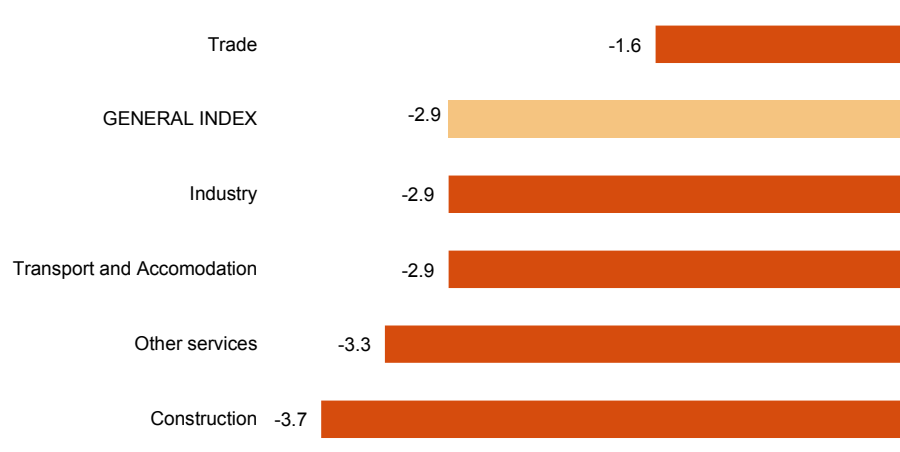
Evolution of the Situation Balance Fourth Quarter 2019



Harmonized Business Confidence Index by activity sector

The five sectors analyzed reduced confidence with respect to the previous quarter. *Construction* (-3.7%) registered the greatest decrease. On the other hand, *Trade* (-1.6%) registered the lowest decrease.

General Index and by activity sector Fourth Quarter 2019. Quarterly rate



Harmonized Business Confidence Index by size of establishments

The five sizes of establishments analyzed presented a decrease in confidence, as compared with the previous quarter. *From 10 to 49 employees* (-3.4%) registered the greatest decrease. On the other hand, *More than 1000 employees* (-1.0%) the smallest decrease.

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

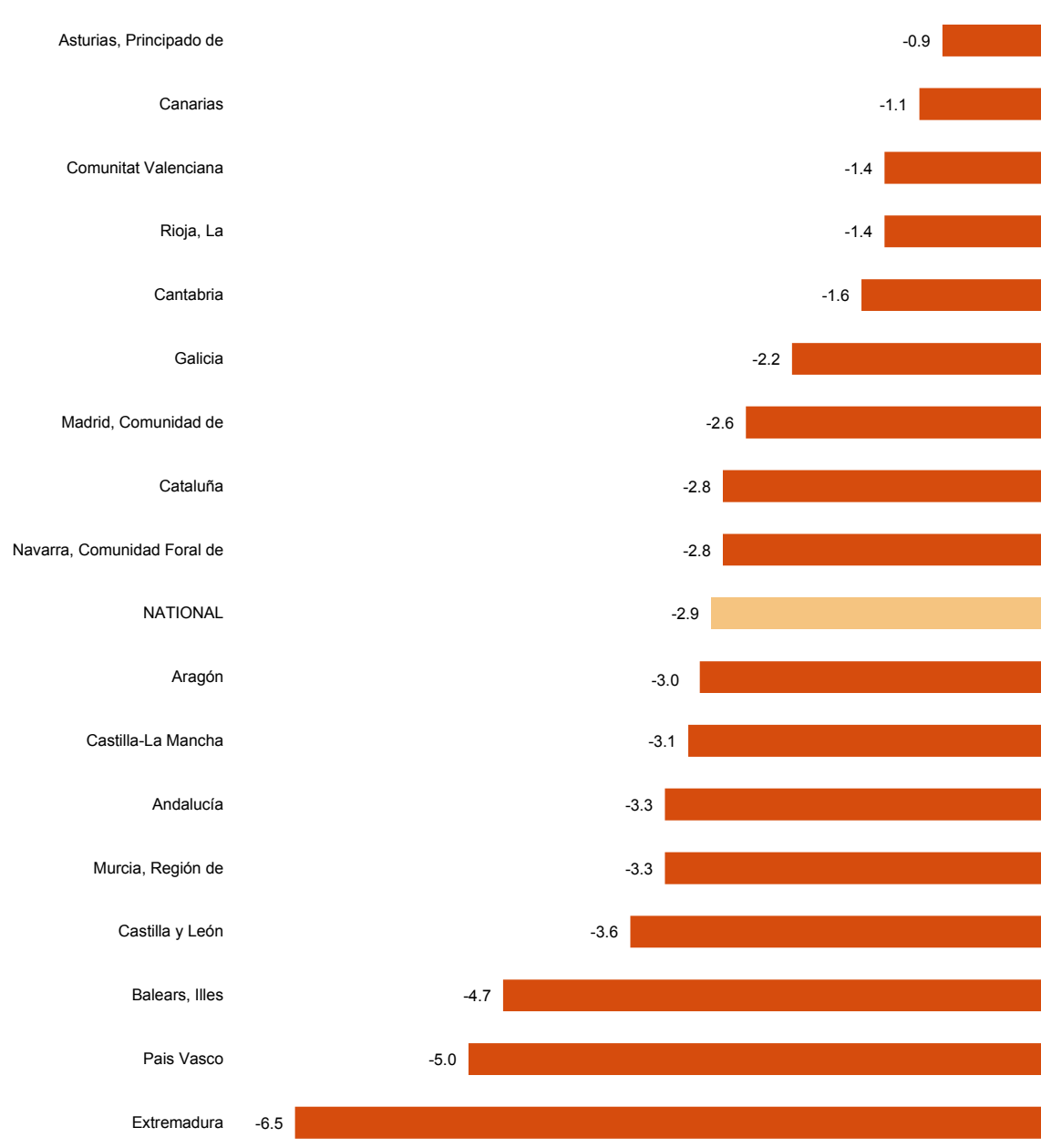


Harmonized Business Confidence Index. Results by Autonomous Communities

Business confidence decreased in the fourth quarter of 2019 as compared with previous quarter in all the autonomous communities.

The largest decreases were recorded in Extremadura (-6.5%), País Vasco (-5.0%) e Illes Balears (-4.7%).

National index and by Autonomous Communities Fourth 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 establishment managers have about their situation.

The BCI survey collects opinions from establishment 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 standardized methodological report at:

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

Más información en **INEbase** – www.ine.es/en Twitter: **@es_ine** Todas las notas de prensa en: www.ine.es/en/prensa/prensa_en.htm

Press office: Telephone numbers: (+34) 91 583 93 63 /94 08 — gprensa@ine.es

Information Area: Telephone numbers: (+34) 91 583 91 00 – www.ine.es/infoine/?L=

Business Confidence Indicators Fourth quarter of 2019

1. Harmonized Business Confidence Index by sectors

Year / Trimester	TOTAL	Industry	Construction	Trade	Transport and accomodation	Other Services
2017 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
III	135.0	127.2	147.8	136.5	143.3	131.7
IV	131.1	123.5	142.3	134.3	139.1	127.4

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 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
III	135.0	138.5	139.2	131.1	125.1	119.1
IV	131.1	134.4	134.5	127.4	121.6	117.9

3. Harmonized Business Confidence Index by Autonomous Communities

Year / Trimester	NATIONAL	Andalucía	Aragón	Asturias, Principado de	Balears, Illes	Canarias
2017 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
III	135.0	135.3	135.3	134.3	139.4	122.6
IV	131.1	130.8	131.2	133.1	132.8	121.2

Year / Trimester	Cantabria	Castilla y León	Castilla- La Mancha	Cataluña	Comunitat Valenciana	Extremadura
2017 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
III	145.2	140.2	146.0	138.2	128.2	141.3
IV	142.9	135.1	141.5	134.3	126.4	132.1

Year / Trimester	Galicia	Madrid, Comunidad de	Murcia, Región de	Navarra, Comunidad Foral	País Vasco	Rioja, La
2017 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
III	131.9	129.7	128.0	137.4	137.2	131.8
IV	129.0	126.3	123.8	133.5	130.3	130.0

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	16.7	63.9	19.4	-2.7
Industry	17.6	62.8	19.6	-2.0
Construction	16.5	63.1	20.4	-3.9
Trade	16.1	62.4	21.5	-5.4
Transport and accommodation	17.3	60.4	22.3	-5.0
Other services	16.6	66.8	16.6	0.0

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	16.7	63.9	19.4	-2.7
Less than 10 wage earners	12.6	62.4	25.0	-12.4
From 10 to 49 wage earners	18.4	63.9	17.7	0.7
From 50 to 199 wage earners	21.5	62.2	16.3	5.2
From 200 to 999 wage earners	19.4	66.3	14.3	5.1
Over 1000 wage earners	19.6	72.0	8.4	11.2

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	16.7	63.9	19.4	-2.7
Andalucía	15.2	64.9	19.9	-4.7
Aragón	17.5	60.9	21.6	-4.1
Asturias, Principado de	12.6	66.2	21.2	-8.6
Balears, Illes	10.8	63.6	25.6	-14.8
Canarias	16.4	56.3	27.3	-10.9
Cantabria	15.9	62.7	21.4	-5.5
Castilla y León	13.8	60.2	26.0	-12.2
Castilla- La Mancha	17.1	61.6	21.3	-4.2
Cataluña	19.9	65.2	14.9	5.0
Comunitat Valenciana	20.8	62.9	16.3	4.5
Extremadura	15.5	64.6	19.9	-4.4
Galicia	13.8	67.1	19.1	-5.3
Madrid, Comunidad de	18.4	66.2	15.4	3.0
Murcia, Región de	17.4	62.9	19.7	-2.3
Navarra, Comunidad Foral de	17.3	62.8	19.9	-2.6
País Vasco	19.6	64.5	15.9	3.7
Rioja, La	14.4	65.8	19.8	-5.4

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	19.0	62.2	18.8	0.2
Industry	20.4	59.7	19.9	0.5
Construction	18.7	63.5	17.8	0.9
Trade	16.2	61.1	22.7	-6.5
Transport and accommodation	24.8	58.3	16.9	7.9
Other services	17.7	65.3	17.0	0.7

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	19.0	62.2	18.8	0.2
Less than 10 wage earners	16.4	60.2	23.4	-7.0
From 10 to 49 wage earners	21.2	61.7	17.1	4.1
From 50 to 199 wage earners	22.5	60.6	16.9	5.6
From 200 to 999 wage earners	18.9	67.3	13.8	5.1
Over 1000 wage earners	17.7	71.3	11.0	6.7

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	19.0	62.2	18.8	0.2
Andalucía	16.3	63.0	20.7	-4.4
Aragón	16.3	58.4	25.3	-9.0
Asturias, Principado de	17.4	62.1	20.5	-3.1
Balears, Illes	23.2	60.2	16.6	6.6
Canarias	17.7	57.6	24.7	-7.0
Cantabria	26.2	55.1	18.7	7.5
Castilla y León	19.5	62.9	17.6	1.9
Castilla- La Mancha	14.8	67.1	18.1	-3.3
Cataluña	21.1	64.1	14.8	6.3
Comunitat Valenciana	22.2	60.3	17.5	4.7
Extremadura	15.5	65.3	19.2	-3.7
Galicia	19.3	64.5	16.2	3.1
Madrid, Comunidad de	17.5	64.5	18.0	-0.5
Murcia, Región de	18.6	59.4	22.0	-3.4
Navarra, Comunidad Foral de	21.2	62.5	16.3	4.9
País Vasco	19.0	58.9	22.1	-3.1
Rioja, La	16.9	63.8	19.3	-2.4

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)	9.1	75.4	15.5	-6.4
Price level	4.8	86.6	8.6	-3.8

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)	14.5	72.6	12.9	1.6
Price level	5.3	86.1	8.6	-3.3