19 October 2023

Business Confidence Indicators (BCI)
Fourth quarter of 2023

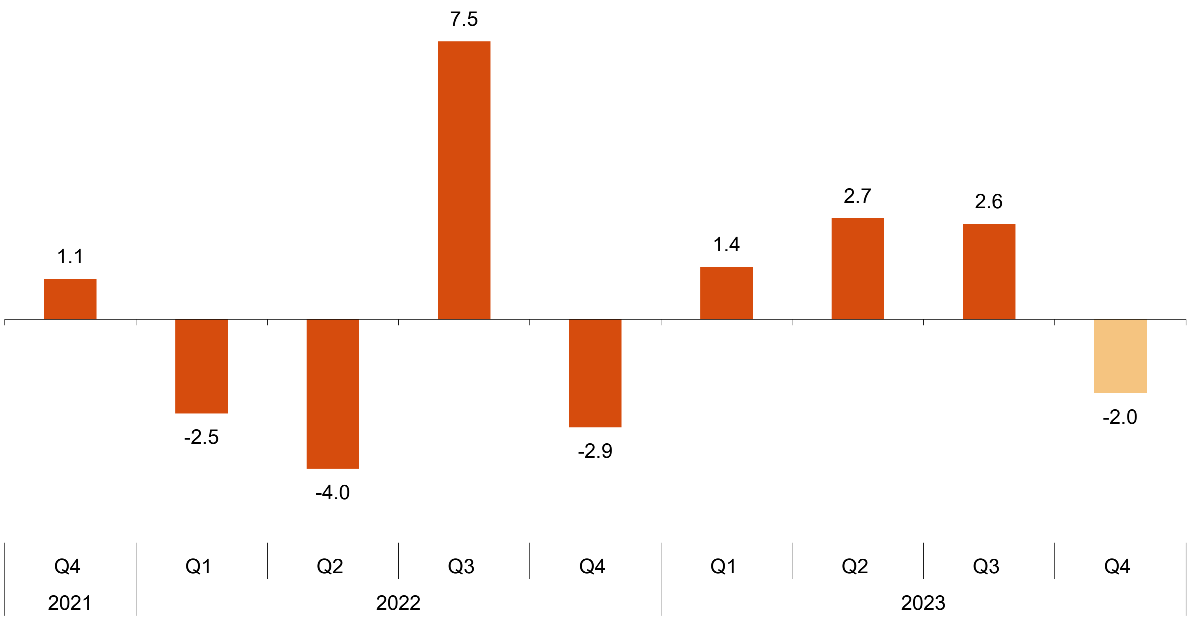
The Harmonised Business Confidence Index (HBCI) decreases 2.0% in the fourth quarter of 2023 as compared with the third quarter

19.2% of business establishments foresee a favourable quarter and 18.9% are pessimistic about the performance of their business

Evolution of the Harmonised Business Confidence Index

The Harmonised Business Confidence Index (HBCI) decreases by 2.0% in the fourth quarter of 2023 as compared with the third quarter.

Harmonised Business Confidence Index
Fourth Quarter 2023. Quarterly rate



Opinions regarding the coming quarter (Expectations)

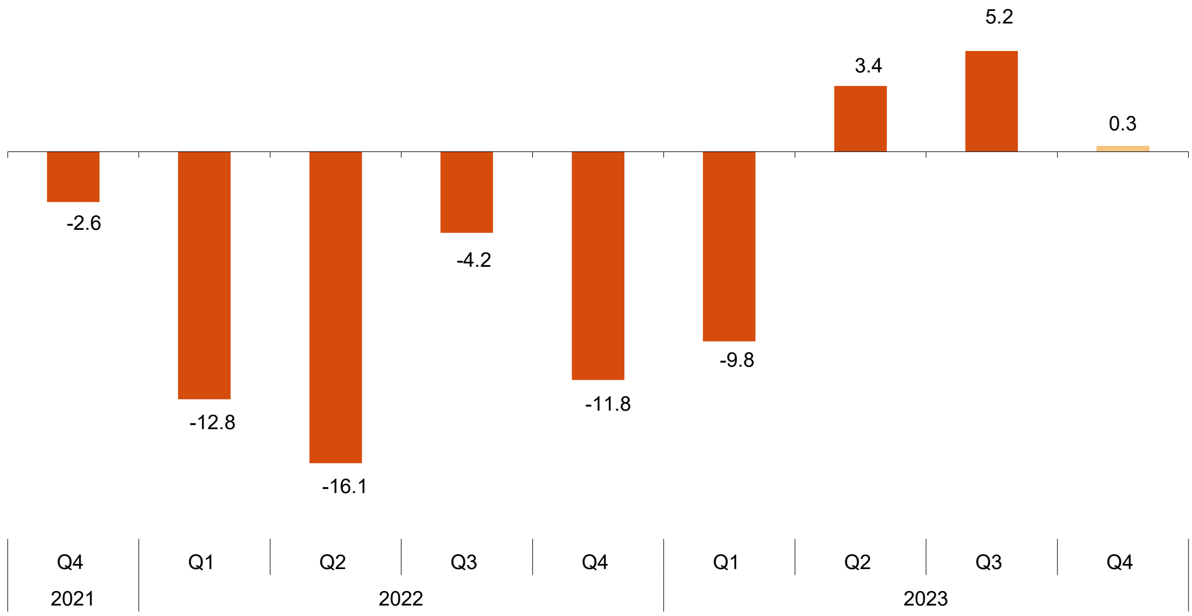
19.2% of business establishments managers considered that the performance of their business durint the fourth quarter of 2023 would be favourable, while 18.9% thought it would be unfavoruable. The remaining 61.9% thought that it would be normal.

The difference between the percentage of favourable and unfavourable responses, know a Expectations Balance, stood at 0.3 points for Spains as a whole, as compared with the 5.2 in the previous quarter.

Opinions regarding the coming quarter (Expectations)

Year / Quarter	Favourable (%) (optimistic)	Normal (%)	Unfavoruable (%) (pessimistic)	Balance (optimistic - pessimistic)
2021 Q4	18.9	59.6	21.5	-2.6
2022 Q1	14.7	57.8	27.5	-12.8
Q2	14.5	54.9	30.6	-16.1
Q3	19.6	56.6	23.8	-4.2
Q4	15.5	57.2	27.3	-11.8
2023 Q1	15.1	60.0	24.9	-9.8
Q2	20.6	62.2	17.2	3.4
Q3	22.2	60.8	17.0	5.2
Q4	19.2	61.9	18.9	0.3

Evolution of the Expectations Balance
Fourth Quarter 2023



Opinions regarding the ending quarter (Situation)

21.3% of business establishments managers expressed a favourable opinion regarding the performance of their business in the third quarter 2023. In turn, 17.7% 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 3.6 points. This figure worsens Expectations previously expressed for that quarte, which stood at 5.2 points.

Opinions regarding the ending quarter (Situation)

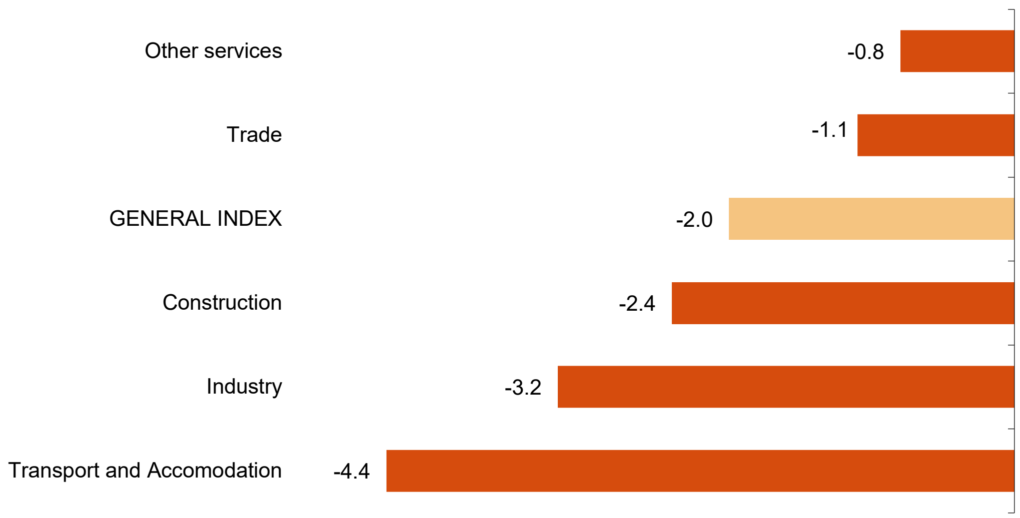
Year / Quarter	Favourable (%) (optimistic)	Normal (%)	Unfavoruable (%) (pessimistic)	Balance (optimistic - pessimistic)
2021 Q4	20.3	57.1	22.6	-2.3
2022 Q1	20.6	56.8	22.6	-2.0
Q2	14.8	56.0	29.2	-14.4
Q3	21.9	57.5	20.6	1.3
Q4	20.1	57.5	22.4	-2.3
2023 Q1	21.1	58.9	20.0	1.1
Q2	19.0	60.5	20.5	-1.5
Q3	22.6	61.7	15.7	6.9
Q4	21.3	61.0	17.7	3.6

Evolution of the Situation Balance
Fourth Quarter 2023

Harmonised Business Confidence Index by activity sector

The five sector analyzed reduced confiance with respect to the previous quarter. *Transport and Accomodation* (−4.4%) registered the greatest decreases. On the other hand, *Other services* (−0.8%) registered the lowest decreases.

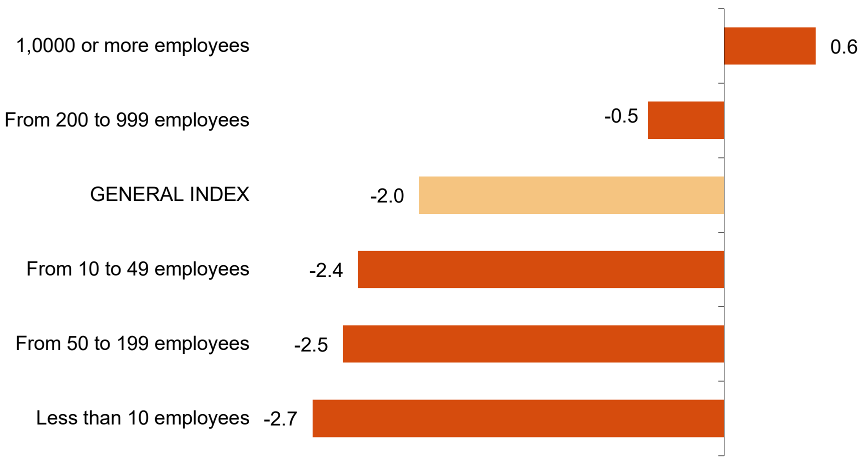
General Index and by activity sector
Fourth Quarter 2023. Quarterly rate



Harmonised Business Confidence Index by size of establishments

Four of the five sizes of establishments analyzed presented a decrease in confidence, as compared with the previous quarter. Less than 10 employees (−2.7%) registered the greatest decrease. On the other hand, 1,0000 or more employees (0.6%) registered the only increase.

General index and by size of establishment
Fourth Quarter 2023. Quarterly rate

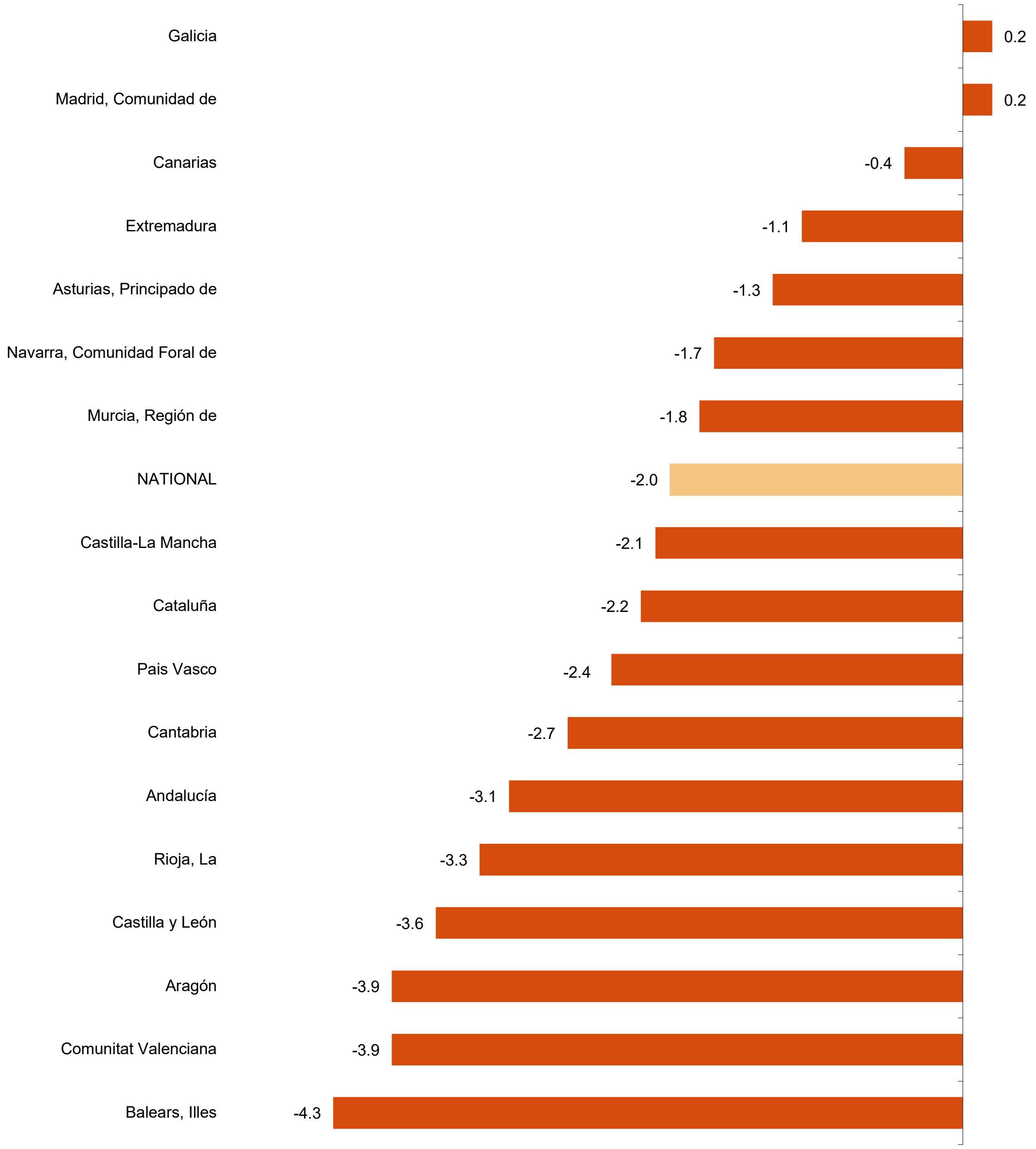


Harmonised Business Confidence Index. Results by Autonomous Communities

Business confidence decreased in the fourth quarter of 2023 as compared with previous quarter in 15 autonomous communities and increased in two.

The largest decreases were recorded in Illes Balears (−4.3%), Comunitat Valenciana and Aragón (−3.9% in both cases). The increases were recorded in Galicia and Comunidad de Madrid (0.2% in both cases).

National index and by Autonomous Communities
Fourth Quarter 2023. Quarterly rate



Employment. Opinions regarding the coming quarter (Expectations)

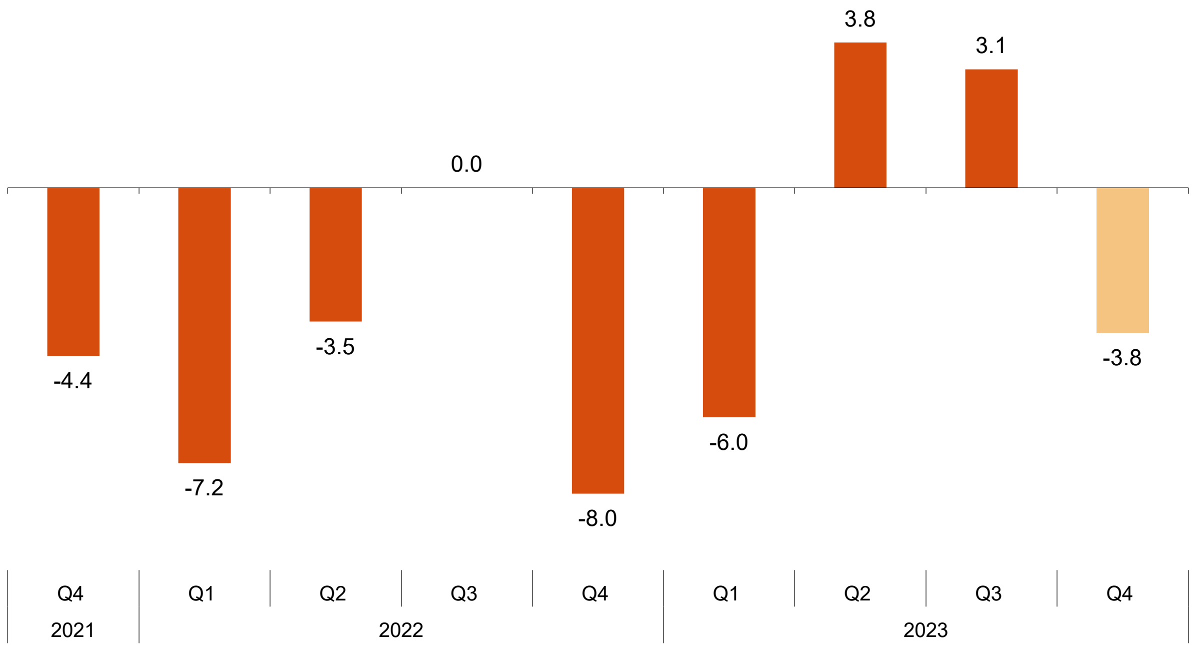
10.2% of business establishments managers consider that employment, referring to personnel hired in their business, will increase in the fourth quarter of 2023, while 14,0% believe that it will decrease. The remaining 75.8% consider that it will remain stable.

The difference between the percentage of favourable and unfavourable responses stands at −3.8 points.

Employment. Opinions regarding the coming quarter (Expectations)

Year / Quarter	Favourable (%) (optimistic)	Normal (%)	Unfavoruable (%) (pessimistic)	Balance (optimistic - pessimistic)
2021 Q4	10.1	75.4	14.5	-4.4
2022 Q1	7.3	78.2	14.5	-7.2
Q2	9.8	76.9	13.3	-3.5
Q3	11.9	76.2	11.9	0.0
Q4	8.6	74.8	16.6	-8.0
2023 Q1	7.6	78.8	13.6	-6.0
Q2	12.4	79.0	8.6	3.8
Q3	12.8	77.5	9.7	3.1
Q4	10.2	75.8	14.0	-3.8

Evolution of the Balance of Employment Expectations
Fourth Quarter 2023.



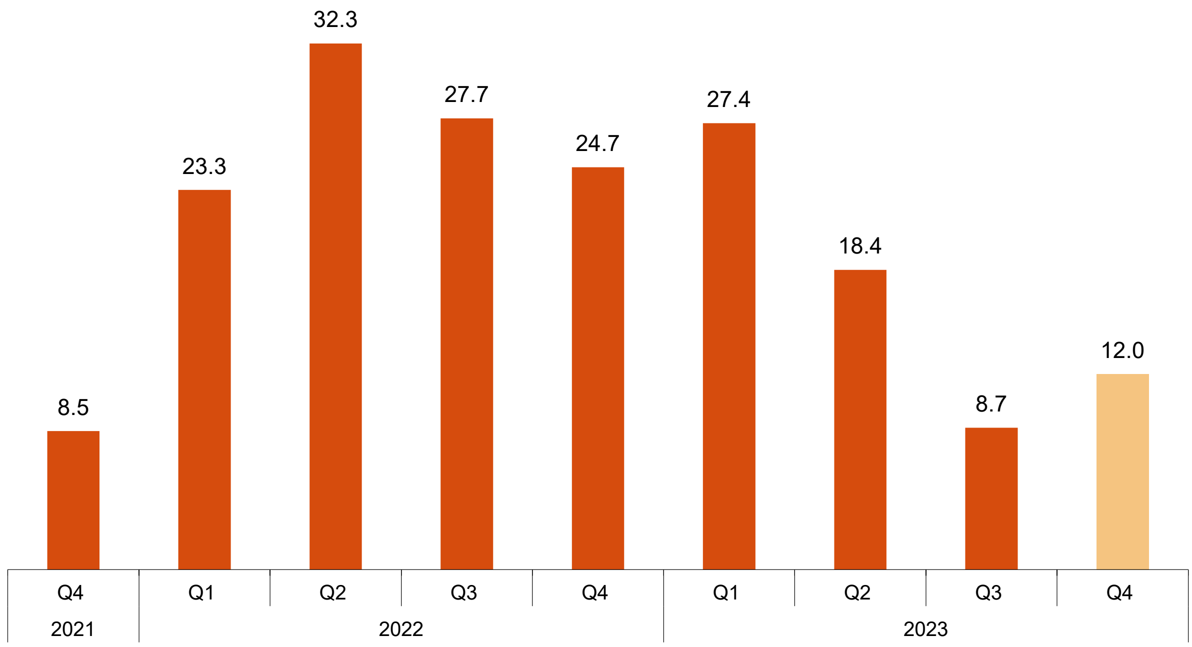
Prices. Opinions regarding the coming quarter (Expectations)

18.0% of business establishments managers foresee that the price level of their business will increase in the fourth quarter of 2023, while 6.0% estimate that it will decrease. The remaining 76.0% consider that it will remain stable.

The balance between the percentage of responses that consider the prices will rise and that of responses that consider that they will fall stands at 12.0 points, above the 8.7 obtained in the previous quarter.

Year / Quarter	Favourable (%) (optimistic)	Normal (%)	Unfavouruable (%) (pessimistic)	Balance (optimistic - pessimistic)
2021 Q4	15.4	77.7	6.9	8.5
2022 Q1	30.1	63.1	6.8	23.3
Q2	37.5	57.3	5.2	32.3
Q3	32.5	62.7	4.8	27.7
Q4	30.9	62.9	6.2	24.7
2023 Q1	33.8	59.8	6.4	27.4
Q2	23.1	72.2	4.7	18.4
Q3	14.2	80.3	5.5	8.7
Q4	18.0	76.0	6.0	12.0

Evolution of the Balance of Price Expectations
Fourth Quarter 2023.



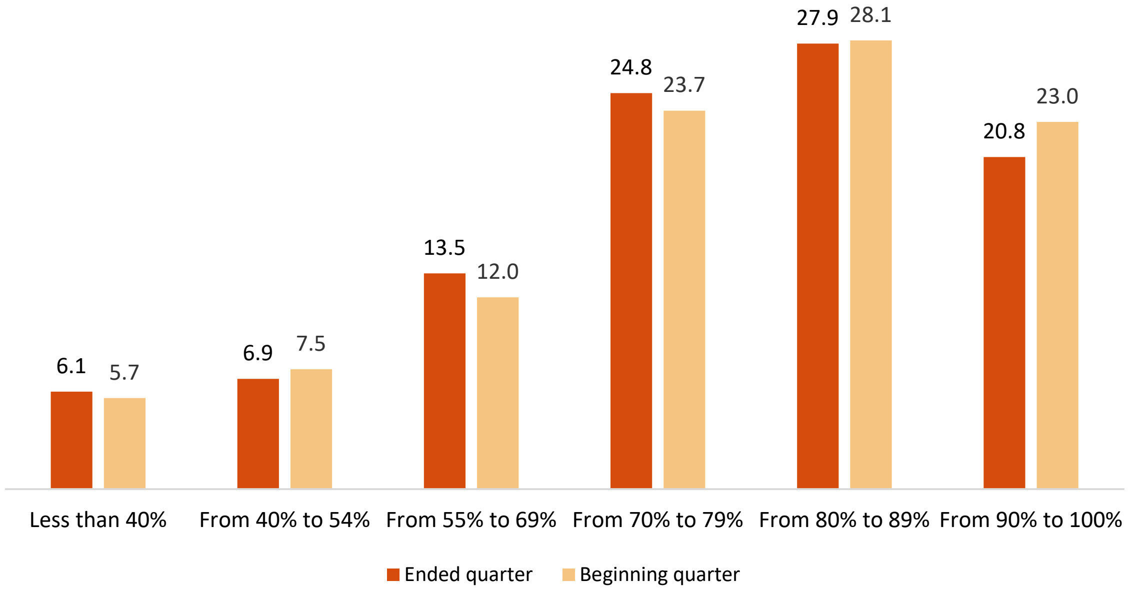
Productive capacity in the *Industry*

5.7% of industrial establishments expect to use less than 40% of their production capacity in the fourth quarter of 2023, compared to 6.1% in the previous quarter. On the other hand, 23.0% of industrial establishments expect to use more than 90% of their production capacity in the beginning of the quarter, compared to the 20.8% declared last quarter.

Utilization of productive capacity in the *Industry*

	Situation Ended quarter	Expectation Beginning quarter
Less than 40%	6.1	5.7
From 40% to 54%	6.9	7.5
From 55% to 69%	13.5	12.0
From 70% to 79%	24.8	23.7
From 80% to 89%	27.9	28.1
From 90% to 100%	20.8	23.0

Situation and Expectations by sections of productive capacity in the *Industry*
Fourth Quarter 2023.



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

INE's statistics are produced according to the European Statistics Code of Practice, that underlies **the politicy and strategy of the institution quality. For further information, take a look at the section** Quality at INE and Code of Practice **at INE Website.**

Business Confidence Indicators
Fourth quarter of 2023

1. Harmonized Business Confidence Index by sectors

Year / Quarter	TOTAL	Industry	Construction	Trade	Transport and accomodation	Other Services
2021 Q4	130.3	123.9	144.4	135.6	131.0	126.4
2022 Q1	127.0	121.9	140.3	131.2	121.9	125.2
Q2	121.9	113.6	132.4	122.3	122.9	122.6
Q3	131.0	121.9	140.4	131.4	138.7	130.1
Q4	127.2	116.0	139.5	128.7	134.7	126.3
2023 Q1	129.0	120.1	142.0	132.1	130.7	127.7
Q2	132.5	123.9	144.5	136.9	138.4	129.2
Q3	135.9	126.5	148.9	139.9	145.4	131.7
Q4	133.2	122.5	145.4	138.4	139.0	130.6

2. Harmonized Business Confidence Index by size

2. Harmonized Business Confidence Index by size

Year / Quarter	TOTAL	Less than 10 wage earners	From 10 to 49 wage earners	From 50 to 199 wage earners	From 200 to 999 wage earners	1,000 or more wage earners
2021 Q4	130.3	133.1	133.1	127.5	122.6	115.7
2022 Q1	127.0	128.0	129.7	123.8	120.7	119.1
Q2	121.9	123.2	123.5	120.3	114.3	114.8
Q3	131.0	132.7	134.5	128.5	121.1	119.8
Q4	127.2	129.6	130.5	124.4	117.6	114.9
2023 Q1	129.0	129.1	134.3	126.0	120.7	118.8
Q2	132.5	135.0	136.4	130.0	121.1	119.2
Q3	135.9	138.1	140.1	132.9	126.4	120.0
Q4	133.2	134.4	136.8	129.6	125.8	120.7

3. Harmonized Business Confidence Index by Autonomous Communities

Year / Quarter	NATIONAL	Andalucía	Aragón	Asturias, Principado de	Balears, Illes	Canarias
2021 Q4	130.3	130.7	131.0	137.8	130.6	123.7
2022 Q1	127.0	126.9	133.7	124.5	122.0	118.6
Q2	121.9	121.9	122.9	122.0	127.9	120.3
Q3	131.0	130.1	130.5	127.1	148.7	128.4
Q4	127.2	126.7	126.8	128.5	136.7	126.6
2023 Q1	129.0	129.1	131.2	128.8	131.3	132.2
Q2	132.5	133.6	137.8	132.4	142.2	131.9
Q3	135.9	137.4	140.7	136.9	145.5	133.3
Q4	133.2	133.1	135.2	135.1	139.3	132.8

Year / Quarter	Cantabria	Castilla y León	Castilla-La Mancha	Cataluña	Comunitat Valenciana	Extremadura
2021 Q4	140.6	137.6	140.6	133.4	126.3	132.3
2022 Q1	135.2	130.0	139.1	131.1	120.5	130.0
Q2	131.4	122.4	130.6	128.3	113.4	118.0
Q3	137.4	135.4	138.3	136.6	124.8	125.1
Q4	139.7	128.2	136.8	131.8	121.7	124.0
2023 Q1	138.5	132.2	137.1	131.4	120.3	125.3
Q2	140.3	136.9	143.8	135.3	123.3	130.0
Q3	147.2	143.7	144.1	136.8	126.8	136.7
Q4	143.2	138.5	141.1	133.8	121.9	135.2

Year / Quarter	Galicia	Madrid, Comunidad de	Murcia, Región de	Navarra, Comunidad Foral	País Vasco	Rioja, La
2021 Q4	124.9	124.1	122.2	130.6	130.2	126.8
2022 Q1	121.3	128.0	119.1	123.3	127.4	122.0
Q2	113.3	121.6	113.8	123.5	122.2	114.8
Q3	127.3	129.3	118.8	130.6	131.0	124.9
Q4	122.1	125.3	117.4	123.3	125.6	122.2
2023 Q1	124.7	128.9	121.3	126.4	132.8	122.0
Q2	128.6	130.7	123.5	129.0	129.8	125.5
Q3	133.1	131.5	125.4	134.7	135.5	131.4
Q4	133.3	131.8	123.1	132.4	132.2	127.0

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	19.2	61.9	18.9	0.3
Industry	19.5	58.2	22.3	-2.8
Construction	18.5	65.0	16.5	2.0
Trade	19.2	59.1	21.7	-2.5
Transport and accommodation	19.7	57.1	23.2	-3.5
Other services	19.2	66.3	14.5	4.7

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	19.2	61.9	18.9	0.3
Less than 10 employees	12.5	62.6	24.9	-12.4
From 10 to 49 employees	21.8	60.4	17.8	4.0
From 50 to 199 employees	24.3	59.6	16.1	8.2
From 200 to 999 employees	25.6	60.7	13.7	11.9
1,000 or more employees	21.4	70.7	7.9	13.5

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	19.2	61.9	18.9	0.3
Andalucía	18.3	60.3	21.4	-3.1
Aragón	19.7	58.3	22.0	-2.3
Asturias, Principado de	16.0	61.6	22.4	-6.4
Balears, Illes	14.3	67.9	17.8	-3.5
Canarias	25.7	57.8	16.5	9.2
Cantabria	17.6	61.9	20.5	-2.9
Castilla y León	17.5	60.1	22.4	-4.9
Castilla- La Mancha	17.9	59.5	22.6	-4.7
Cataluña	19.5	65.0	15.5	4.0
Comunitat Valenciana	19.4	57.8	22.8	-3.4
Extremadura	20.3	59.6	20.1	0.2
Galicia	18.9	64.3	16.8	2.1
Madrid, Comunidad de	22.4	65.3	12.3	10.1
Murcia, Región de	18.5	60.0	21.5	-3.0
Navarra, Comunidad Foral de	18.9	60.1	21.0	-2.1
País Vasco	20.1	64.0	15.9	4.2
Rioja, La	15.5	58.5	26.0	-10.5

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	21.3	61.0	17.7	3.6
Industry	19.1	60.0	20.9	-1.8
Construction	20.1	63.6	16.3	3.8
Trade	24.2	54.3	21.5	2.7
Transport and accommodation	24.9	56.3	18.8	6.1
Other services	19.9	66.3	13.8	6.1

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	21.3	61.0	17.7	3.6
Less than 10 employees	15.7	61.4	22.9	-7.2
From 10 to 49 employees	24.0	59.7	16.3	7.7
From 50 to 199 employees	25.0	59.5	15.5	9.5
From 200 to 999 employees	26.1	60.2	13.7	12.4
1,000 or more employees	23.8	66.7	9.5	14.3

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	21.3	61.0	17.7	3.6
Andalucía	20.5	59.8	19.7	0.8
Aragón	19.3	62.6	18.1	1.2
Asturias, Principado de	20.2	60.0	19.8	0.4
Balears, Illes	27.9	58.5	13.6	14.3
Canarias	28.1	53.3	18.6	9.5
Cantabria	22.2	61.1	16.7	5.5
Castilla y León	23.6	56.9	19.5	4.1
Castilla- La Mancha	17.5	61.0	21.5	-4.0
Cataluña	20.8	64.2	15.0	5.8
Comunitat Valenciana	19.7	58.8	21.5	-1.8
Extremadura	19.6	61.7	18.7	0.9
Galicia	23.1	63.0	13.9	9.2
Madrid, Comunidad de	23.8	62.5	13.7	10.1
Murcia, Región de	16.5	62.0	21.5	-5.0
Navarra, Comunidad Foral de	19.8	61.3	18.9	0.9
País Vasco	21.2	59.9	18.9	2.3
Rioja, La	17.2	59.2	23.6	-6.4

10. Employment. Opinions with regard to the quarter that is beginning by sectors

Activity Sectors	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	10.2	75.8	14.0	-3.8
Industry	10.2	75.6	14.2	-4.0
Construction	10.0	77.0	13.0	-3.0
Trade	9.4	78.5	12.1	-2.7
Transport and accommodation	10.5	69.6	19.9	-9.4
Other services	10.6	76.1	13.3	-2.7

11. Employment. Opinions with regard to the quarter that is beginning by size

Size of the establishment	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	10.2	75.8	14.0	-3.8
Less than 10 employees	4.1	82.6	13.3	-9.2
From 10 to 49 employees	11.0	73.9	15.1	-4.1
From 50 to 199 employees	14.0	68.8	17.2	-3.2
From 200 to 999 employees	18.1	68.7	13.2	4.9
1,000 or more employees	15.4	76.2	8.4	7.0

12. Employment. Opinions with regard to the quarter that has ended by sectors

Activity Sectors	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	14.8	73.1	12.1	2.7
Industry	13.9	73.9	12.2	1.7
Construction	13.0	73.5	13.5	-0.5
Trade	15.3	72.9	11.8	3.5
Transport and accommodation	17.3	70.6	12.1	5.2
Other services	14.8	73.4	11.8	3.0

13. Employment. Opinions with regard to the quarter that has ended by size

Size of the establishment	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	14.8	73.1	12.1	2.7
Less than 10 employees	6.8	82.8	10.4	-3.6
From 10 to 49 employees	16.7	70.6	12.7	4.0
From 50 to 199 employees	20.6	65.3	14.1	6.5
From 200 to 999 employees	22.1	64.1	13.8	8.3
1,000 or more employees	22.1	67.1	10.8	11.3

14. Prices. Opinions with regard to the quarter that is beginning by sectors

Activity Sectors	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	18.0	76.0	6.0	12.0
Industry	15.2	77.0	7.8	7.4
Construction	22.0	72.5	5.5	16.5
Trade	27.6	67.4	5.0	22.6
Transport and accommodatio	18.9	70.9	10.2	8.7
Other services	12.3	83.4	4.3	8.0

15. Prices. Opinions with regard to the quarter that is beginning by size

Size of the establishment	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	18.0	76.0	6.0	12.0
Less than 10 employees	19.8	73.4	6.8	13.0
From 10 to 49 employees	19.0	76.2	4.8	14.2
From 50 to 199 employees	15.9	77.9	6.2	9.7
From 200 to 999 employees	16.8	76.5	6.7	10.1
1,000 or more employees	13.0	82.4	4.6	8.4

16. Prices. Opinions with regard to the quarter that has ended by sectors

Activity Sectors	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	20.8	72.3	6.9	13.9
Industry	17.8	72.9	9.3	8.5
Construction	25.8	68.9	5.3	20.5
Trade	30.2	60.9	8.9	21.3
Transport and accommodatio	24.8	68.5	6.7	18.1
Other services	13.9	81.2	4.9	9.0

17. Prices. Opinions with regard to the quarter that has ended by size

Size of the establishment	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
TOTAL	20.8	72.3	6.9	13.9
Less than 10 employees	23.4	69.6	7.0	16.4
From 10 to 49 employees	22.9	71.4	5.7	17.2
From 50 to 199 employees	19.7	74.8	5.5	14.2
From 200 to 999 employees	16.0	73.7	10.3	5.7
1,000 or more employees	12.1	80.1	7.8	4.3

18. Utilization of productive capacity in industry

	Situation	Expectation
	Ended quarter	Beginning quarter
Less than 40%	6.1	5.7
From 40% to 54%	6.9	7.5
From 55% to 69%	13.5	12.0
From 70% to 79%	24.8	23.7
From 80% to 89%	27.9	28.1
From 90% to 100%	20.8	23.0