

16 April 2020

Business Confidence Indicators (BCI)
Second quarter of 2020

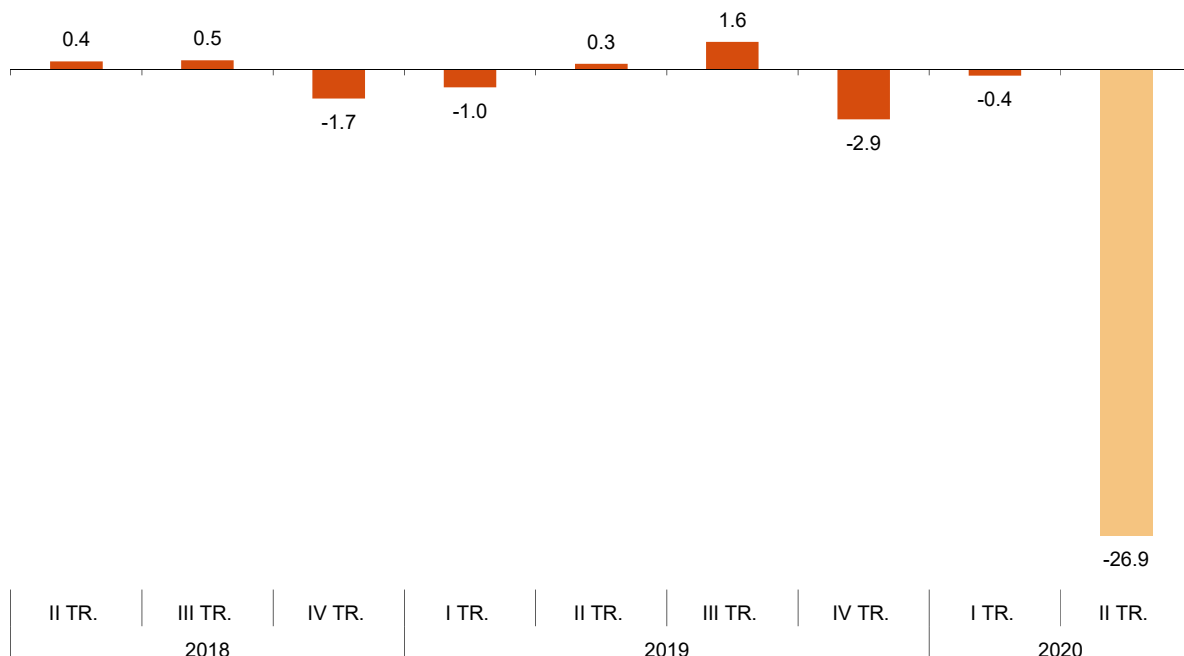
The Harmonized Business Confidence Index (HBCI) decreases 26.9% in the second quarter of 2020 as compared with the first quarter

3.1% of business establishments foresee a favourable quarter and 75.1% are pessimistic about the performance of their business

Evolution of the Harmonized Business Confidence Index

The Harmonized Business Confidence Index (HBCI) decreases by 26.9% in the second quarter of 2020 as compared with the first quarter.

Harmonized Business Confidence Index
Second Quarter 2020. Quarterly rate



Opinions regarding the coming quarter (Expectations)

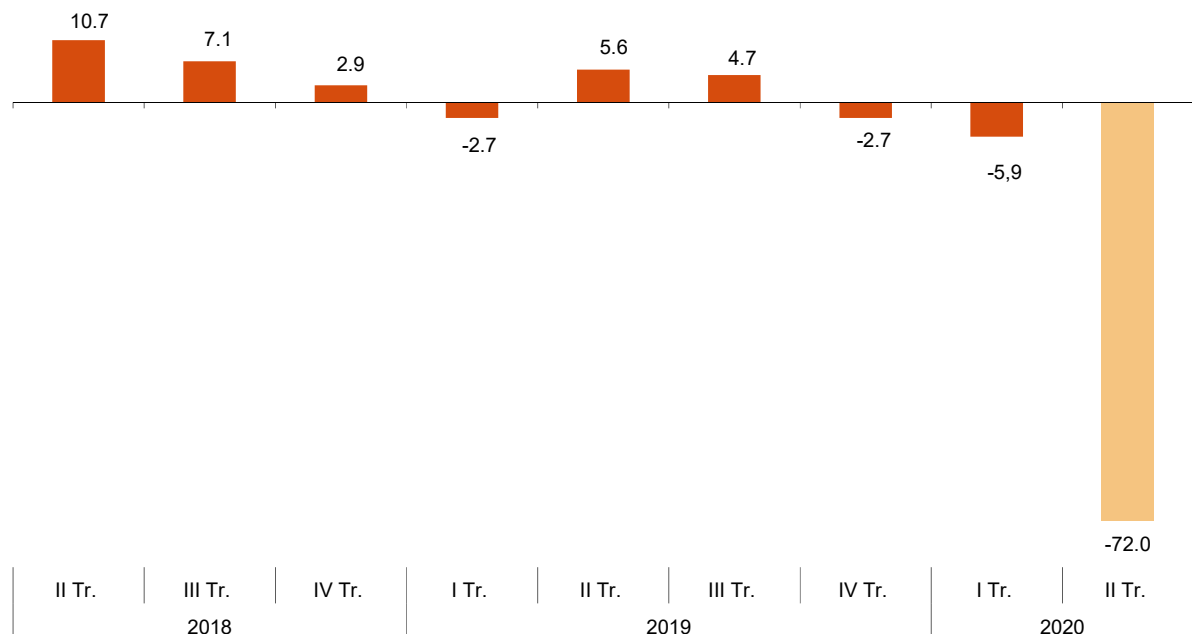
3.1% of business establishments managers considered that the performance of their businesses during the second quarter of 2020 would be favourable, while 75.1% thought it would be unfavourable. The remaining 21.8% thought that it would be normal.

The difference between the percentage of favourable and unfavourable responses, known as Expectations Balance, stood at -72.0 points for Spain as a whole, as compared with the -5.9 in the previous quarter.

Opinions regarding the coming quarter (Expectations)

Year / Quarter	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
2018 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
2020 I	15,2	63,7	21,1	-5,9
II	3,1	21,8	75,1	-72,0

Evolution of the Expectations Balance Second Quarter 2020



Opinions regarding the ending quarter (Situation)

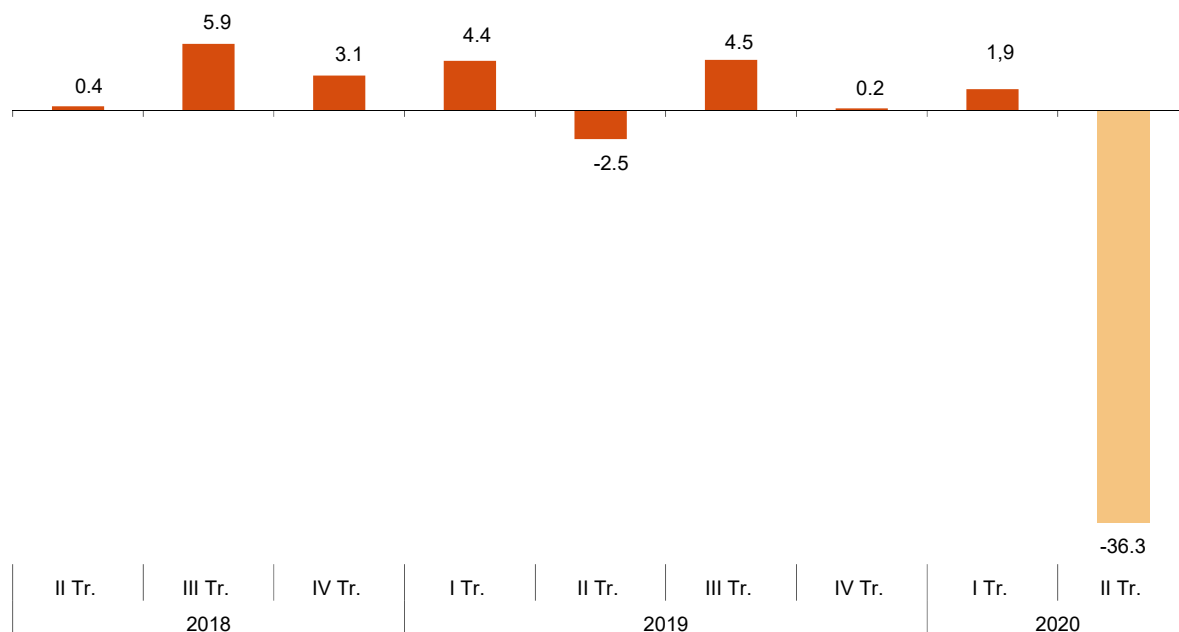
10.2% of business establishment managers expressed a favourable opinion regarding the performance of their businesses in the first quarter of 2020. In turn, 46.5% had an unfavourable opinion.

The difference between the percentage of favourable and unfavourable responses referring to the ending quarter, known as *Situation Balance*, stood at -36.3 points. This figure worsens Expectations previously expressed for that quarter, which stood at -5.9 points.

Opinions regarding the ending quarter (Situation)

Year / Quarter	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
2018 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
2020 I	20,8	60,3	18,9	1,9
II	10,2	43,3	46,5	-36,3

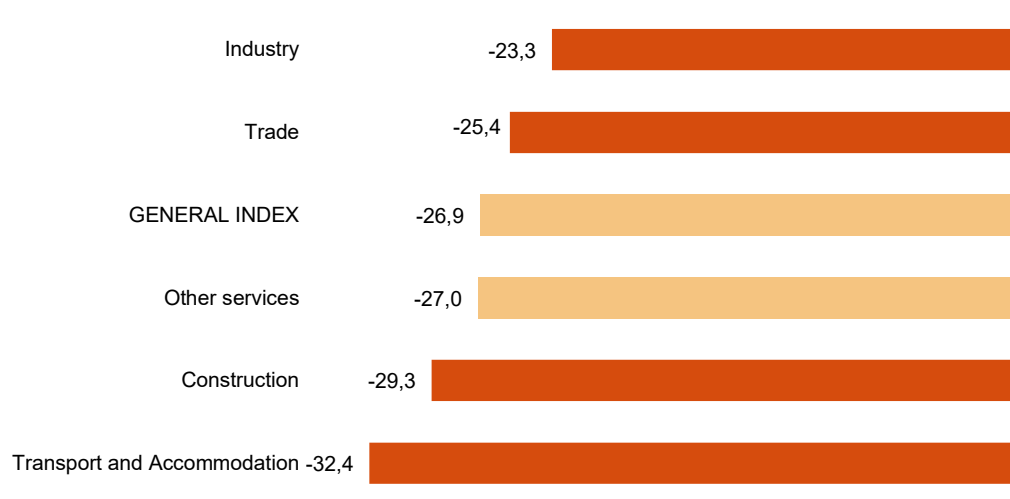
Evolution of the Situation Balance Second Quarter 2020



Harmonized Business Confidence Index by activity sector

The five sectors analyzed reduced confidence with respect to the previous quarter. *Transport and Accommodation* (-32.4%) registered the greatest decrease. On the other hand, *Industry* (-23.3%) registered the lowest decrease.

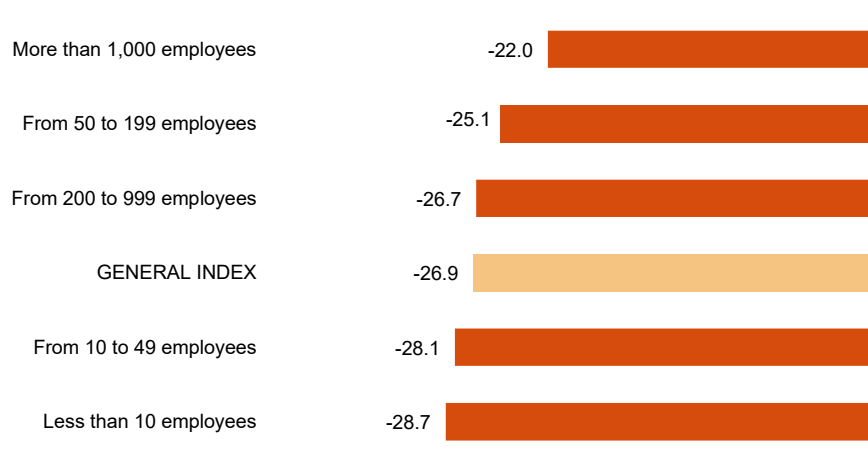
General Index and by activity sector Second Quarter 2020. Quarterly rate



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. *Less than 10 employees* (-28.7%) registered the greatest decrease. On the other hand, *More than 1,000 employees* (-22.0%) registered the smallest decrease.

General index and by size of establishment Second Quarter 2020. Quarterly rate

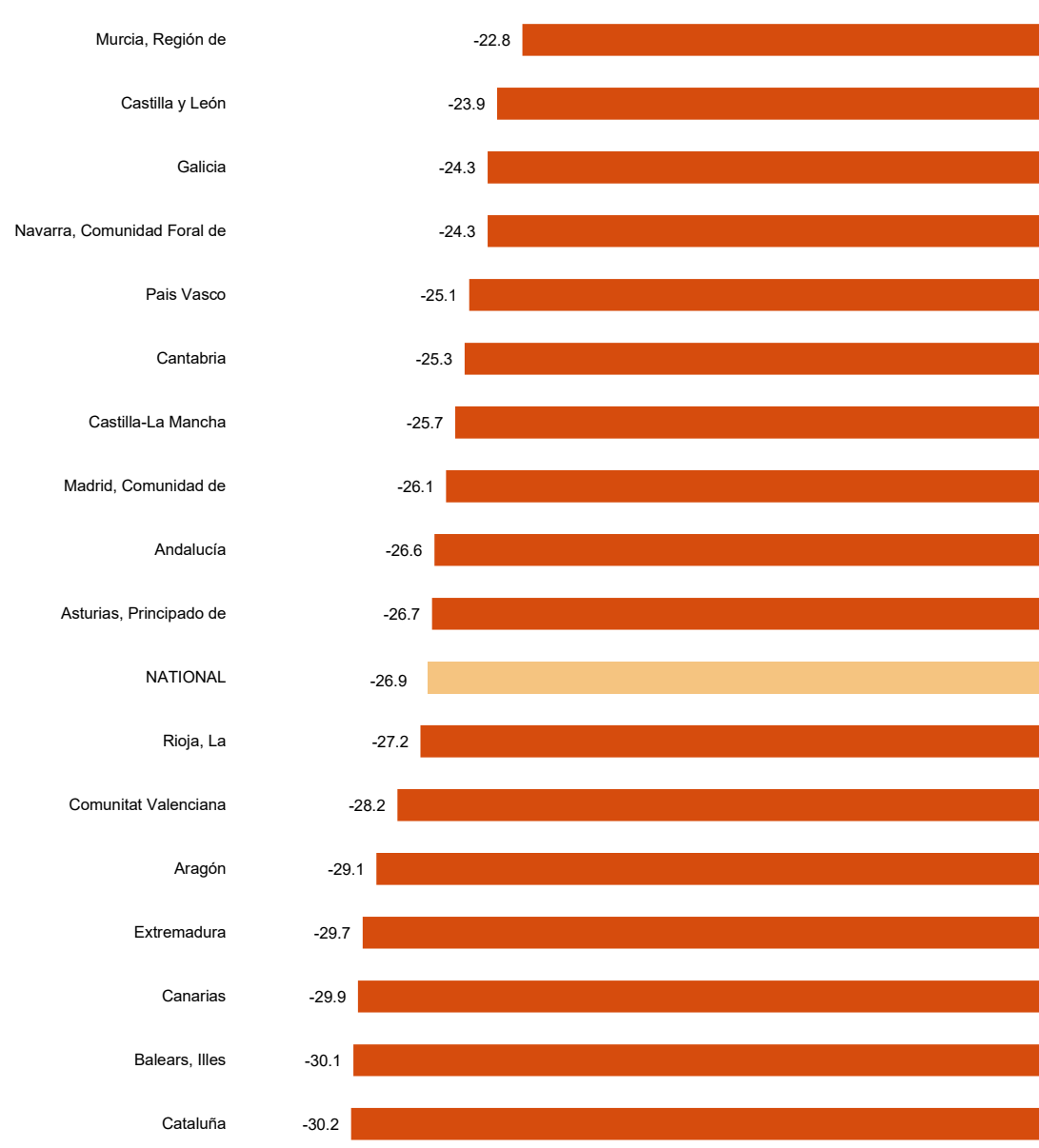


Harmonized Business Confidence Index. Results by Autonomous Communities

Business confidence decreased in the second quarter of 2020 as compared with previous quarter in all the autonomous communities.

The largest decreases were recorded in Cataluña (-30.2%), Illes Balears (-30.1%) and Canarias (-29.9%).

National index and by Autonomous Communities Second Quarter 2020. 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 businesses 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 except Ceuta and Melilla.

Sample size: The sample is representative both nationally and by Autonomous Community and is made up of 8,000 establishments approximately.

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>

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Business Confidence Indicators Second quarter of 2020

1. Harmonized Business Confidence Index by sectors

Year / Quarter	TOTAL	Industry	Construction	Trade	Transport and accommodation	Other Services
2018 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
2020 I	130,6	123,5	142,9	131,3	135,3	128,5
II	95,5	94,7	101,1	98,0	91,5	93,8

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	Over 1000 wage earners
2018 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
2020 I	130,6	131,8	133,3	127,7	123,8	121,2
II	95,5	94,0	95,9	95,6	90,8	94,5

3. Harmonized Business Confidence Index by Autonomous Communities

Year / Quarter	NATIONAL	Andalucía	Aragón	Asturias, Principado de	Balears, Illes	Canarias
2018 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
2020 I	130,6	131,1	134,0	131,9	128,9	122,2
II	95,5	96,2	95,0	96,7	90,1	85,7

Year / Quarter	Cantabria	Castilla y León	Castilla- La Mancha	Cataluña	Comunitat Valenciana	Extremadura
2018 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
2020 I	135,1	131,3	138,7	134,6	125,7	134,4
II	100,9	99,9	103,0	93,9	90,2	94,5

Year / Quarter	Galicia	Madrid, Comunidad de	Murcia, Región de	Navarra, Comunidad Foral	País Vasco	Rioja, La
2018 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
2020 I	128,1	127,3	124,1	133,1	131,4	126,3
II	97,0	94,1	95,8	100,8	98,4	91,9

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	3.1	21.8	75.1	-72.0
Industry	5.2	25.2	69.6	-64.4
Construction	1.3	19.3	79.4	-78.1
Trade	3.6	18.7	77.7	-74.1
Transport and accommodation	1.5	15.6	82.9	-81.4
Other services	2.8	24.8	72.4	-69.6

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	3.1	21,8	75.1	-72,0
Less than 10 employees	1.7	15,2	83.1	-81,4
From 10 to 49 employees	3.1	20,2	76.7	-73,6
From 50 to 199 employees	4.6	25,5	69.9	-65,3
From 200 to 999 employees	4.1	26,7	69.2	-65,1
Over 1000 employees	5.0	41,5	53,5	-48,5

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	3.1	21.8	75.1	-72.0
Andalucía	3.6	21.0	75.4	-71.8
Aragón	1.9	20.8	77.3	-75.4
Asturias, Principado de	2.3	18.2	79.5	-77.2
Balears, Illes	2.2	14.0	83.8	-81.6
Canarias	2.0	15.7	82.3	-80.3
Cantabria	1.7	21.9	76.4	-74.7
Castilla y León	3.5	22.4	74.1	-70.6
Castilla- La Mancha	3.9	22.4	73.7	-69.8
Cataluña	1.8	21.2	77.0	-75.2
Comunitat Valenciana	5.3	17.3	77.4	-72.1
Extremadura	3.9	20.3	75.8	-71.9
Galicia	3.7	24.0	72.3	-68.6
Madrid, Comunidad de	3.4	28.0	68.6	-65.2
Murcia, Región de	3.6	24.4	72.0	-68.4
Navarra, Comunidad Foral de	2.9	26.4	70.7	-67.8
País Vasco	3.1	22.7	74.2	-71.1
Rioja, La	2.9	16.4	80.7	-77.8

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

Activity sectors	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	10.2	43.3	46.5	-36.3
Industry	11.6	49.1	39.3	-27.7
Construction	8.8	45.6	45.6	-36.8
Trade	12.1	35.3	52.6	-40.5
Transport and accommodation	6.2	35.6	58.2	-52.0
Other services	10.1	46.9	43.0	-32.9

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

Size of the establishment	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
TOTAL	10,2	43,3	46,5	-36,3
Less than 10 employees	6,4	36,5	57,1	-50,7
From 10 to 49 employees	11,1	42,6	46,3	-35,2
From 50 to 199 employees	13,6	49,0	37,4	-23,8
From 200 to 999 employees	13,1	47,4	39,5	-26,4
Over 1000 employees	13,0	58,9	28,1	-15,1

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

	Favourable (%) (optimistic)	Normal (%)	Unfavourable (%) (pessimistic)	Balance (optimistic - pessimistic)
NATIONAL	10.2	43.3	46.5	-36.3
Andalucía	11.6	37.8	50.6	-39.0
Aragón	9.2	39.1	51.7	-42.5
Asturias, Principado de	9.1	43.6	47.3	-38.2
Balears, Illes	5.6	37.5	56.9	-51.3
Canarias	7.2	38.0	54.8	-47.6
Cantabria	7.9	44.9	47.2	-39.3
Castilla y León	11.0	38.3	50.7	-39.7
Castilla- La Mancha	8.3	40.0	51.7	-43.4
Cataluña	10.0	45.7	44.3	-34.3
Comunitat Valenciana	13.1	40.4	46.5	-33.4
Extremadura	9.1	35.4	55.5	-46.4
Galicia	12.0	46.3	41.7	-29.7
Madrid, Comunidad de	9.0	48.8	42.2	-33.2
Murcia, Región de	13.5	49.7	36.8	-23.3
Navarra, Comunidad Foral de	7.9	58.5	33.6	-25.7
País Vasco	17.2	42.9	39.9	-22.7
Rioja, La	9.1	39.1	51.8	-42.7

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

	It will increase	It will remain the same	It will decrease	Balance (increase - decrease)
Economic variables				
Employment (hired personnel)	2.6	47.6	49.8	-47.2
Price level	3.9	67.3	28.8	-24.9

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

	It increased	It remained the same	It decreased	Balance (increase - decrease)
Economic variables				
Employment (hired personnel)	7.1	66.0	26.9	-19.8
Price level	6.4	79.3	14.3	-7.9