

**Business and Consumer Surveys**

**May 2011**

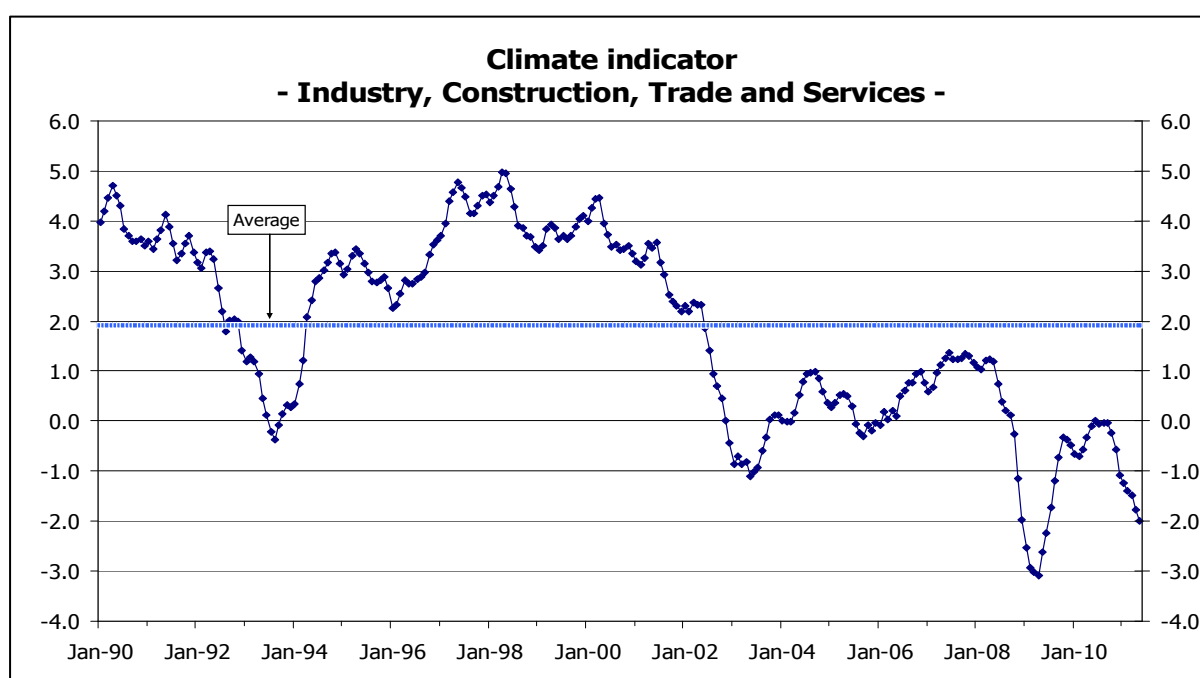
**The economic climate and the Consumer confidence indicators decrease again in May**

The economic climate indicator maintained in May the strong downward path started in July, attaining the lowest value since June 2009. All the sectors' confidence indicators decreased in the reference month.

The Consumer confidence indicator diminished in April and May, after the recovery observed in the two previous months.

In Manufacturing Industry<sup>1</sup> the confidence indicator decreased in May, resuming the downward path started in October. The evolution observed in the reference month was due to the negative contribution of the opinions on global demand and on the stocks of finished goods, stronger in the second case, whereas the production perspectives contributed positively. The Trade's confidence indicator strongly diminished in April and May, intensifying the negative movement started in July. In the last two months, this indicator declined in both subsectors, Retail and Wholesale Trade, stronger in the first case. In Construction and Public Works the confidence indicator maintained the negative trend observed since June 2008, attaining a new minimum for the series started in 1997. In May, this behaviour was driven by the reduction registered in both components, opinions on the order books' evolution and employment perspectives, more significant in the last case. The Services' confidence indicator decreased in May, resuming the downward path begun in June 2010. In the reference month, this evolution resulted from the reduction of the balances of all components, opinions on the order books' evolution, demand perspectives and opinions on the business activity, stronger in the first case.

The decrease of the Consumer confidence indicator observed in May was driven by the negative contribution of all components, except the savings perspectives. In the reference month, the perspectives on the evolution of the household's financial situation and on the country's economic situation presented the most relevant negative contributions. Considering the respective monthly values, without using three months moving averages, the Consumer confidence indicator increased in May, after attaining in the previous month the minimum of the series (also registered in February 2009).



<sup>1</sup> Unless stated otherwise, the analysis in this press release refers to three-month moving averages.

**Confidence indicators and their underlying series (3mma; balances; wide range)**

	First Period	Average Value	Standard Deviation	Minimum Value	Date	Maximum Value	Date
<b>1 Manufacturing Industry - confidence indicator (2+3-4)/3 (a) (c)</b>	Jan-87	-4.0	9.1	-34.6	Feb-09	15.7	May-87
2 Demand/Order books (a) (c)	Jan-87	-16.9	16.1	-34.6	Apr-09	9.6	Jun-87
3 Production expectations over the next 3 months (a) (c)	Jan-87	7.6	9.7	-31.5	Feb-09	29.4	Apr-87
4 Stocks of finished goods (a)	Jan-87	2.6	5.2	-10.2	Sep-87	20.5	Jul-93
<b>5 Services - confidence indicator (5+7+8)/3 (a) (c)</b>	Apr-01	-4.0	8.3	-24.9	Apr-09	18.8	Apr-01
6 Assessment of the business situation over the past 3 months** (a) (c)	Apr-01	-8.1	9.9	-23.2	Jun-09	22.4	Apr-01
7 Demand perspectives over the next 3 months (a) (c)	Apr-01	2.3	7.2	-20.6	Apr-09	15.4	Jul-01
8 Demand/Order books over the past 3 months (a) (c)	Apr-01	-6.1	10.4	-33.1	Apr-09	20.5	Apr-01
<b>9 Trade - confidence indicator (12+15-18)/3 (a) (c)</b>	Jan-89	-0.7	7.3	-21.4	Apr-09	11.0	Jun-98
10 -Wholesale (a) (c)	Jan-89	-0.3	7.0	-17.4	Mar-09	11.3	May-97
11 -Retail trade (a) (c)	Jan-89	-0.9	8.3	-26.4	Apr-09	12.2	Jan-99
12 Sales over the past 3 months (a) (c)	Jan-89	-5.4	12.6	-42.5	Apr-09	14.3	Jun-98
13 - Wholesale (a) (c)	Jan-89	-6.5	12.5	-39.5	Apr-09	14.2	Apr-89
14 - Retail trade (a) (c)	Jan-89	-4.4	13.2	-46.3	Apr-09	19.3	Apr-99
15 Expected business situation over the next 3 months*** (a) (c)	Jan-89	13.1	12.8	-18.3	May-11	31.4	Dec-89
16 - Wholesale (a) (c)	Jan-89	13.8	11.2	-12.2	May-11	34.6	Dec-89
17 - Retail trade (a) (c)	Jan-89	13.1	15.8	-26.4	Mar-09	36.7	Sep-94
18 Volume of Stocks (a) (c)	Jan-89	9.8	6.1	-5.3	Apr-10	25.9	Aug-90
19 - Wholesale (a) (c)	Jan-89	8.2	6.1	-6.7	Feb-10	26.1	Aug-90
20 - Retail trade (a) (c)	Jan-89	11.5	6.9	-7.4	Mar-11	25.9	Sep-89
<b>21 Construction and Public Works - confidence indicator (22+23)/2 (a) (c)</b>	Apr-97	-23.6	18.0	-52.6	May-11	16.1	Nov-97
22 Current order books (a)	Apr-97	-38.6	20.9	-65.7	Mar-11	9.7	Nov-97
23 Employment perspectives over the next 3 months (a) (c)	Apr-97	-8.7	15.8	-39.6	May-11	23.7	Aug-97
<b>24 Consumers - Confidence indicator (25+26-27+28)/4 (b)</b>	Sep-97	-26.4	12.5	-51.0	Mar-09	-5.5	Nov-97
25 Financial situation of the Households over the next 12 months (b)	Sep-97	-9.6	8.8	-30.9	Dec-10	4.5	Apr-99
26 General economic situation in the country over the next 12 months (b)	Sep-97	-27.5	15.2	-63.6	Jan-11	-0.9	Oct-97
27 Unemployment over the next 12 months (b)	Sep-97	40.7	18.2	8.7	Aug-00	79.8	Mar-09
28 Savings over the next 12 months (b)	Sep-97	-27.8	11.0	-46.5	Apr-11	-3.3	Nov-97
<b>29 Economic climate indicator ****</b>	Jan-89	1.9	2.0	-3.1	Apr-09	5.1	Jan-89

	May-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11
<b>1 Manufacturing Industry - confidence indicator (2+3-4)/3 (a) (c)</b>	-13.5	-12.2	-12.4	-12.2	-12.4	-12.2	-13.8
2 Demand/Order books (a) (c)	-44.0	-33.3	-35.5	-39.0	-39.4	-37.8	-38.8
3 Production expectations over the next 3 months (a) (c)	1.9	-3.4	-3.6	-2.7	-3.1	-2.5	-1.4
4 Stocks of finished goods(a)	-1.6	-0.1	-1.9	-4.9	-5.3	-3.7	1.1
<b>5 Services - confidence indicator (5+7+8)/3 (a) (c)</b>	-6.8	-10.7	-12.2	-11.0	-11.6	-11.5	-13.6
6 Assessment of the business situation over the past 3 months** (a) (c)	-17.5	-17.8	-17.5	-16.2	-15.8	-15.8	-17.5
7 Demand perspectives over the next 3 months (a) (c)	3.2	-4.6	-5.7	-5.0	-6.4	-8.5	-10.5
8 Demand/Order books over the past 3 months (a) (c)	-6.1	-9.8	-13.4	-11.9	-12.7	-10.3	-12.7
<b>9 Trade - confidence indicator (12+15-18)/3 (a) (c)</b>	-2.1	-8.5	-7.7	-8.1	-8.8	-11.7	-14.3
10 -Wholesale (a) (c)	-2.9	-6.2	-7.1	-7.9	-9.8	-11.0	-13.2
11 -Retail trade (a) (c)	-1.1	-10.8	-8.5	-8.3	-7.8	-12.3	-15.1
12 Sales over the past 3 months (a) (c)	-10.9	-16.5	-14.3	-14.9	-16.7	-23.8	-28.5
13 - Wholesale (a) (c)	-13.3	-15.3	-17.1	-20.3	-23.8	-26.1	-29.3
14 - Retail trade (a) (c)	-7.6	-17.2	-11.8	-9.8	-9.9	-21.2	-26.8
15 Expected business situation over the next 3 months*** (a) (c)	1.1	-12.7	-13.8	-14.1	-14.6	-16.2	-18.3
16 - Wholesale (a) (c)	1.9	-8.9	-9.8	-7.7	-8.0	-9.5	-12.2
17 - Retail trade (a) (c)	0.2	-16.9	-18.0	-20.0	-21.0	-22.7	-24.4
18 Volume of Stocks (a) (c)	-3.4	-3.6	-5.0	-4.6	-4.9	-4.8	-3.9
19 - Wholesale (a) (c)	-2.6	-5.6	-5.8	-4.2	-2.5	-2.6	-1.9
20 - Retail trade (a) (c)	-4.3	-1.6	-4.3	-5.0	-7.4	-7.0	-6.0
<b>21 Construction and Public Works - confidence indicator (22+23)/2 (a) (c)</b>	-41.8	-45.6	-46.6	-48.2	-49.9	-51.1	-52.6
22 Current order books (a)	-63.5	-61.2	-63.5	-64.7	-65.7	-64.6	-65.5
23 Employment perspectives over the next 3 months (a) (c)	-20.1	-30.0	-29.6	-31.7	-34.0	-37.6	-39.6
<b>24 Consumers - Confidence indicator (25+26-27+28)/4 (b)</b>	-38.3	-50.2	-50.6	-49.1	-48.4	-49.5	-50.3
25 Financial situation of the Households over the next 12 months (b)	-15.6	-30.9	-30.7	-28.9	-28.0	-28.8	-30.5
26 General economic situation over the next 12 months (b)	-42.6	-62.1	-63.6	-60.2	-60.1	-61.7	-63.3
27 Unemployment over the next 12 months (b)	54.6	62.3	63.3	62.1	60.6	60.9	61.9
28 Savings over the next 12 months (b)	-40.5	-45.4	-45.0	-45.1	-44.9	-46.5	-45.5
<b>29 Economic climate indicator****</b>	-0.1	-1.1	-1.2	-1.4	-1.5	-1.8	-2.0

\* Series average since its beginning till the current observation.

\*\* In May 2003 a break in the series occurred, until that moment the reference period was the month under review and afterwards it refers to the past 3 months.

\*\*\* In May 2003 a break in the series occurred, until that moment the question referred to the next 6 months.

\*\*\*\* From September 2004 onwards Services sector was included, besides industry, trade and construction.

(a) Data after April 2009 is computed using a new sample. Back data was rebased.

(b) Data after April 2008 is computed using a new sample. Back data was rebased.

(c) Seasonal adjusted series.