

Investment Survey  
April 2012

**Perspectives of an intense decrease of the business investment in 2012.**

Accordingly with the opinions expressed in the April 2012 Investment Survey (with an inquiring period between the 1<sup>st</sup> April and the 28<sup>th</sup> June 2012), the entrepreneurial investment is expected to decrease 16.7% in 2012 in nominal terms. The results of the same survey point to a change rate of -15.8% in 2011.

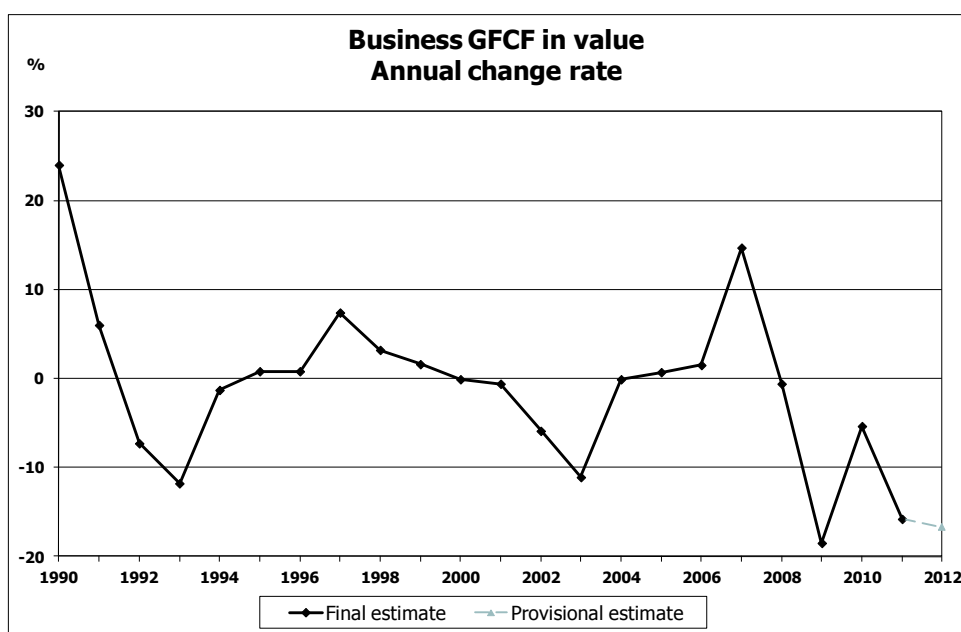
Among the investment objectives, from 2011 to 2012, the results of the survey point to an increase in the relative weight of the replacement investment and a decrease in the relative weight of the investment on the extension of the production capacity and on rationalization and restructuring.

Both in 2011 and 2012, the deterioration of the sales perspectives, followed by the uncertainty on the yield of the investments continue to be the most mentioned limitative factors for business investment. The first was more important in 2012 when compared to 2011 and its higher relative weight was mainly compensated by a decrease of the percentage of firms that refer the interest rate level as the main limitative factor.

The results from the April 2012 Investment Survey (with an inquiring period between the 1<sup>st</sup> April and the 28<sup>th</sup> June 2012) point to a 15.8% decrease of the entrepreneurial Gross Fixed Capital Formation in nominal terms in 2011. Comparing with the investment expectations obtained in the previous survey (occurred between the 1<sup>st</sup> October 2011 and the 20<sup>th</sup> January 2012), there was an upward revision of the entrepreneurial investment change rate for 2011 (1.2 p.p.). Considering the firms size by number of workers, all the groups contributed negatively to the reduction of investment in 2011, especially the 1<sup>st</sup> (employing 49 or less workers) and the 4<sup>th</sup> (employing 500 or more workers), with change rates of -31.2% and -14.6% and with contributions of -7.5 p.p. and -6.0 p.p., respectively.

For 2012, the survey points to a nominal decrease of the enterprises' investment of 16.7%, which compares with the first estimate for this year, -17.0%. The negative change rate for 2012 reflects the evolution of investment in all groups, but mainly the 1<sup>st</sup> and 4<sup>th</sup> groups, with contributions of -5.7 p.p. and -7.3 p.p. (changes rates of -29.3% and -17.5%), respectively.

Accordingly with the results of the present survey, the more negative change rate of investment in 2012, compared with the rate observed in 2011 (-0.9 p.p.), reflects the evolution of investment in firms of the 3<sup>rd</sup> (employing 250 to 499 workers) and 4<sup>th</sup> groups, that shifted from change rates of -6.0% and -14.6% in 2011 to -18.5% and -17.5% in 2012 (contribution of -1.6 p.p. and -1.3 p.p.), respectively.



The percentage corresponds to the last available estimate for each year. For 2011 and 2012, the change rate corresponds to the entrepreneurial perspectives.

## STRUCTURE, CHANGE AND DIFFUSION OF INVESTMENT

NACE-Rev.2	STRUCTURE (a)			CHANGE (b)		DIFFUSION (c)		
	2010	2011	2012	2011	2012	2010	2011	2012
Mining and quarrying (Section B)	1,2	1,3	1,4	-6,7	-13,8	86,4	86,4	63,6
Manufacturing (Section C)	26,1	24,3	22,0	-21,5	-24,4	91,7	83,9	77,6
Electricity, gas, steam and air conditioning supply (Section D)	8,6	11,9	13,8	16,5	-2,9	88,5	88,5	84,6
Water supply; sewerage, waste management and remediation activities (Section E)	4,8	6,8	7,7	18,2	-5,8	95,2	90,5	86,9
Construction (Section F)	7,8	7,0	7,0	-24,1	-17,3	88,4	72,8	63,9
Wholesale and retail trade; repair of motor vehicles and motorcycles (Section G)	13,4	12,1	9,8	-24,5	-32,3	89,9	80,1	66,1
Transportation and storage (Section H)	12,7	12,0	10,7	-20,7	-25,8	93,1	85,4	80,6
Accommodation and food service activities (Section I)	1,4	1,2	1,0	-28,1	-30,4	93,7	84,8	70,9
Information and communication (Section J)	11,6	11,7	12,0	-15,1	-14,7	92,3	85,4	79,2
Financial and insurance activities (Section K)	3,8	3,8	4,8	-15,1	4,1	84,3	79,8	75,3
Real estate activities (Section L)	0,1	0,2	0,2	11,6	18,1	65,4	57,7	46,2
Professional, scientific and technical activities (Section M)	1,3	1,1	1,4	-26,8	7,7	88,5	79,9	76,3
Administrative and support service activities (Section N)	7,2	6,7	8,3	-21,1	2,0	87,3	71,7	65,8
<b>TOTAL</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>-15,8</b>	<b>-16,7</b>	<b>90,6</b>	<b>81,8</b>	<b>74,6</b>

(a) Percentual investment distribution by NACE sections

(b) Year-on-year change rate, nominal (%)

(c) Percentage of firms with investments or expecting to invest

**Next report will be released on January 2013.**

For further information, please consult the website of INE.

### Technical note:

The Investment Survey was based on a sample of 3688 firms with more than 4 workers, that belong to the activities of NACE revision 2 (divisions 05 to 82) and that have a yearly turnover of, at least, €125.000. The firms with 200 or more workers were exhaustively surveyed.

The survey was conducted between the 1<sup>st</sup> April and the 28<sup>th</sup> June 2012 and the global response rate was 79.1%.

Considering the number of workers as the stratification/extrapolation variable, these firms represent 87.3% of the sample.