CONSUMER CONFIDENCE AND ECONOMIC CLIMATE INDICATORS
EXCEED LEVELS OF THE BEGINNING OF PANDEMIC

The Consumer confidence indicator[1] increased significantly in the last three months[2], reaching the maximum value since February 2020 (results of the last survey not affected by the evolution of the pandemic).

The economic climate indicator[3] also increased considerably between March and May, exceeding the level observed at the beginning of the pandemic (March 2020). In May, confidence indicators increased in all sectors considered, Manufacturing Industry, Construction and Public Works, Trade and Services. Only the services confidence indicator has not yet surpassed the March 2020 level.

Figure 1. Economic climate indicator
- Manufacturing Industry, Construction and Public Works, Trade and Services-

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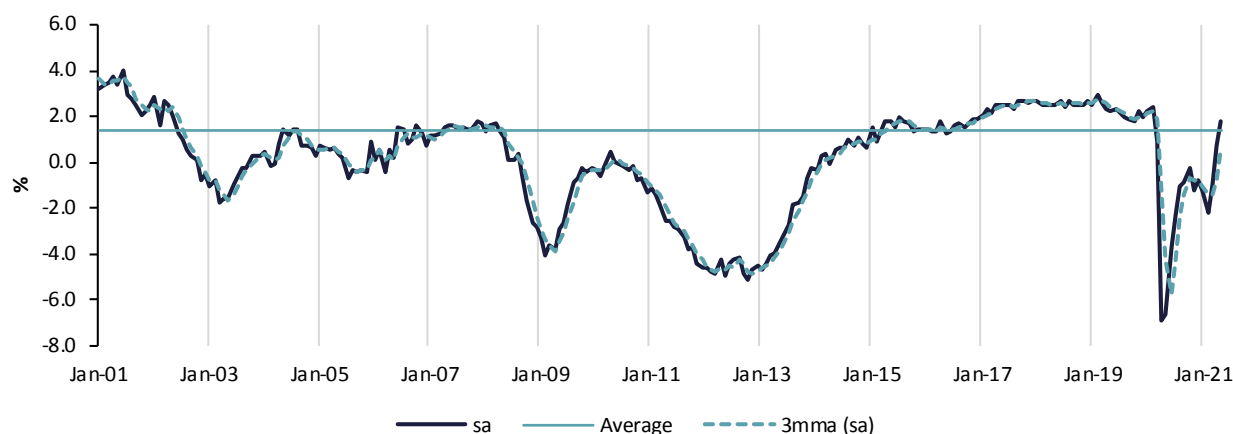
[1] This analysis is based on series of monthly effective values and not on moving averages, as was usual (see box at the end of the press release).

[2] The collection period (see final notes) of the consumer survey occurred from 03 to 16 of May (working days), in the case of the consumer survey, and from 01 to 24 of May in the case of business surveys.

[3] The economic climate indicator summarizes the balances of business surveys' questions.

Consumer Survey

The consumer confidence indicator increased significantly between March and May, reaching its highest value since the last survey not affected by the pandemic in February of 2020. This evolution was mostly due to the positive contribution of the perspectives regarding the future evolution of the country's economic situation. The remaining components, expectations on the future evolution of household's financial situation and of spending money on major purchases, and opinions about the past evolution of household's financial situation also contributed positively, although slightly in the two latter components.

The balance of perspectives regarding the future evolution of the country's economic situation increased markedly between March and May, getting close to the values observed in the first two months of 2020, before the beginning of the pandemic. The expectations about household's financial situation improved in the last four months, reaching its highest value since February of 2020.
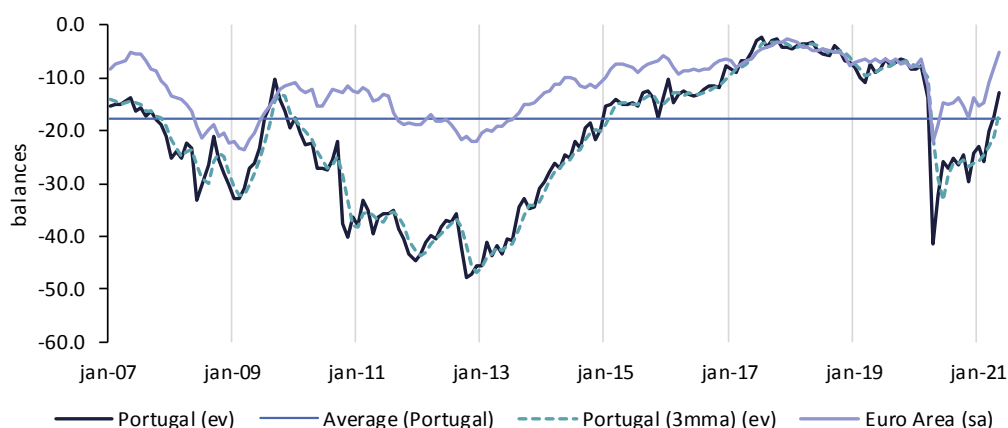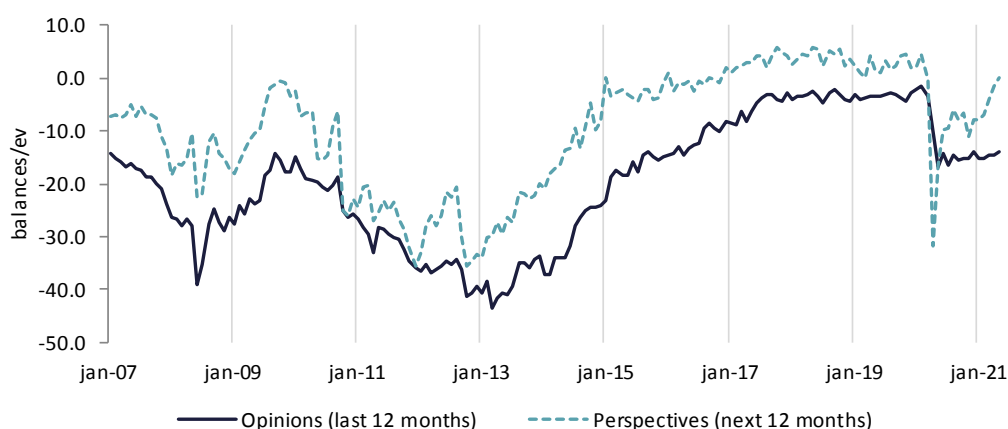
Figure 2. **Consumer confidence indicator**

Figure 3. **Opinions and expectations about household's financial situation**

Manufacturing Industry Survey

The Manufacturing Industry confidence indicator increased significantly in May, reaching the maximum since March 2018. The behaviour of the indicator reflected the positive contributions of all components, the opinions on the evolution of the overall order books in the last three months, the firm's production perspectives over the next three months and the opinions on the current stocks of finished products, more intense in the first case.

The indicator increased in all groups of goods, Intermediate Goods, Investment Goods and Consumer Goods.

The balance of opinions on current overall order books increased between March and May, reinforcing the upward movement initiated in June. Opinions regarding domestic order books, considering firms with production oriented to the domestic market, recovered significantly in the last two months, exceeding the level observed at the beginning of the pandemic (March 2020). Likewise, the opinions of export order books, considering firms with production oriented to the foreign market, recovered between March and May, also exceeding the level observed in March 2020.

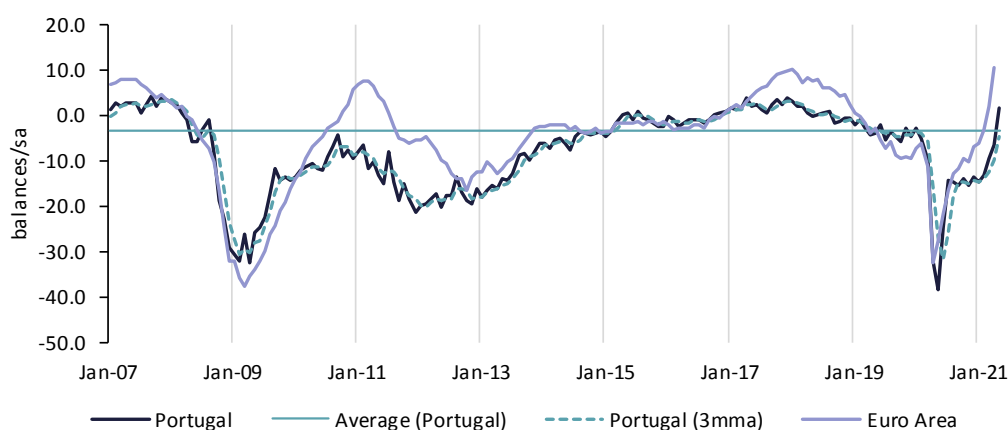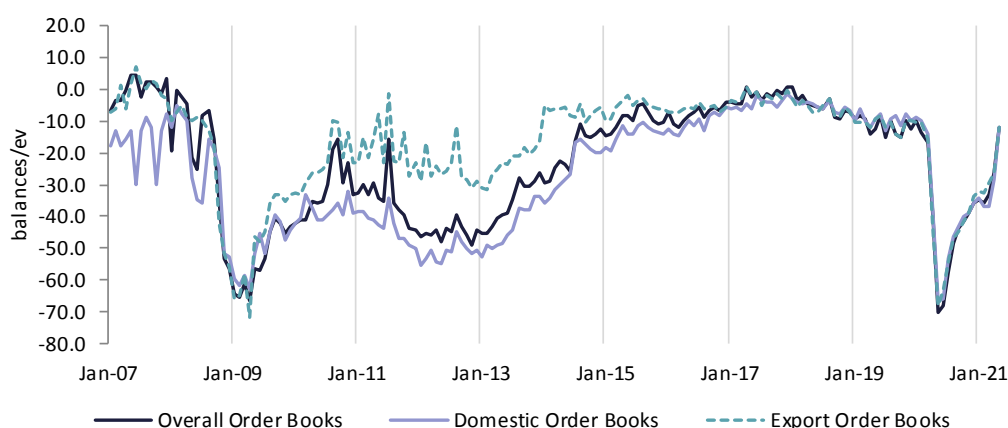Figure 4. **Manufacturing industry confidence indicator**

Figure 5. **Opinions on current overall order books**

BUSINESS AND CONSUMER SURVEYS – May 2021

Construction and Public Works Survey

The Construction and Public Works confidence indicator increased in April and May, after stabilizing in March, reaching the maximum since January 2020. The recovery in the last month reflected the positive contribution of both components, balance of opinions on current order books and perspectives on employment, with this last component reaching the maximum since January 2002.

The confidence indicator increased in the three divisions, Construction of Buildings, Specialized Construction Activities and Civil Engineering, more intensely in the former two cases. The balance of opinions on the firm's activity increased significantly between March and May, approaching its levels prior to the pandemic.

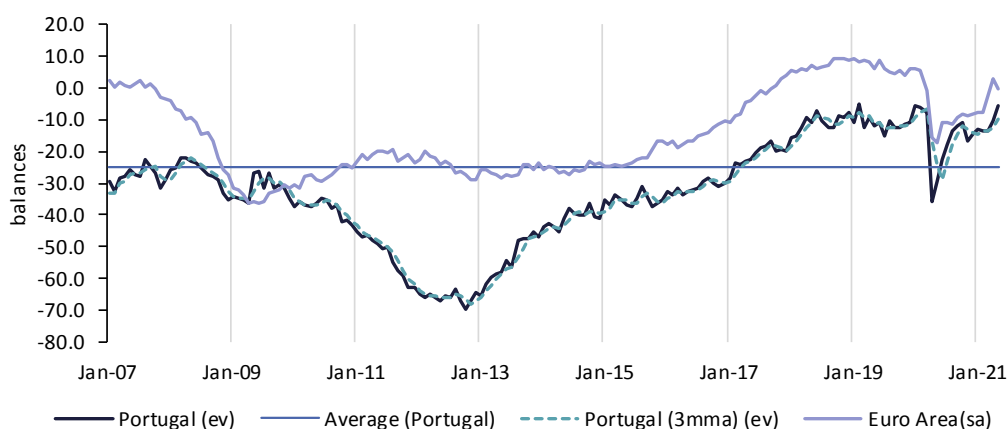Figure 6. **Construction and Public Works confidence indicator**

Figure 7. **Construction and Public Works confidence indicators by NACE divisions**
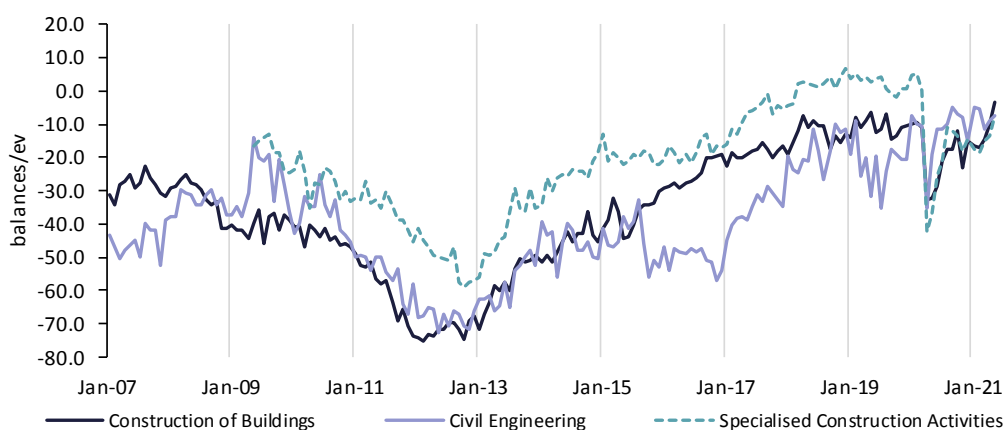
Trade Survey

The Trade confidence indicator increased between March and May, after decreasing in the first two months of the year, exceeding the level observed in March 2020. This evolution reflected the positive contribution of the perspectives of the firm's activity over the next three months and, more sharply, of the opinions on the volume of sales, while the opinions on current volume of stocks contributed negatively.

The balance of perspectives of the firm's activity over the next three months increased in May, less intensely when compared with the previous two months, attaining the maximum value since February 2020.

By subsector, the confidence indicator increased in Wholesale Trade in May, attaining the maximum since January 2020, having also increased in Retail Trade, approaching the level observed in March 2020.

Figure 8. **Trade confidence indicator**
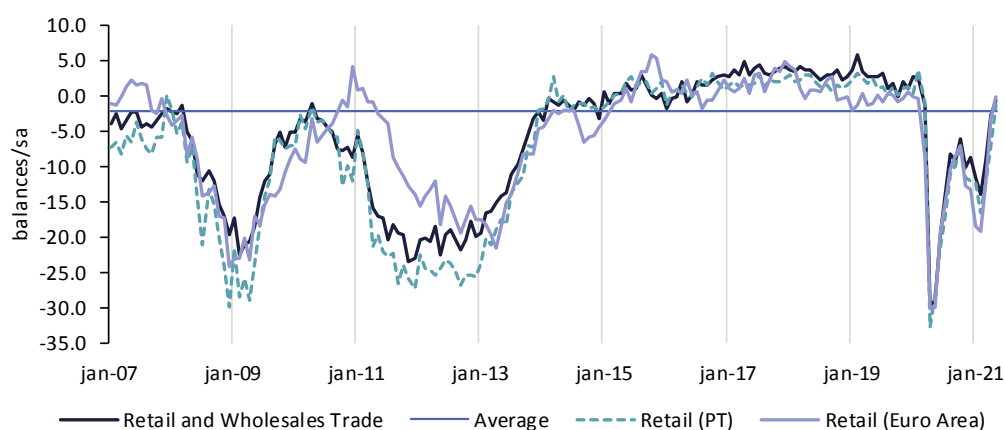
Figure 9. **Perspectives on business activity (sales) over the next three months**
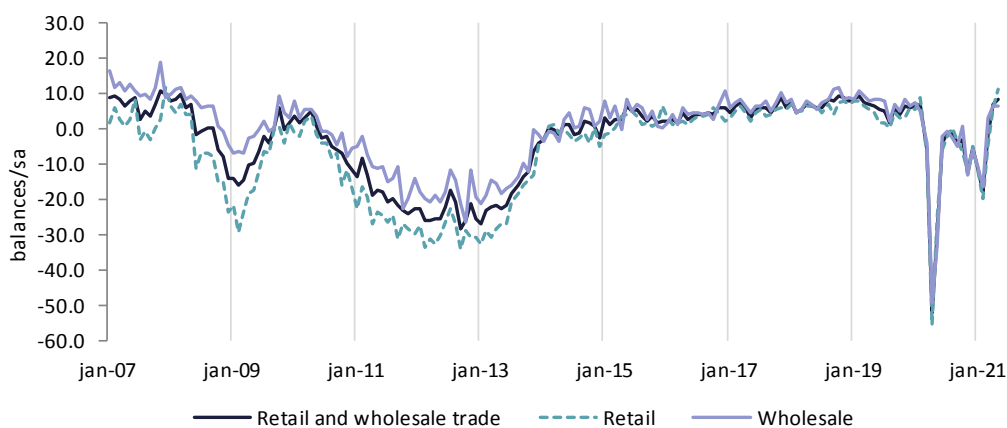
Services Survey

The Services' confidence indicator increased significantly in the last trees months, extending the upward profile started in June 2020, but remaining at a lower level than that observed in the pre-pandemic period. The behaviour of the indicator resulted from the positive contribution of all components, perspectives on the evolution of the order books on the evolution of the business situation and the opinions on the evolution of the order books, expressively in the former two cases.

In May, the confidence indicators increased in six of the eight sections, with emphasis on the sections of Accommodation and food service activities; Transport and storage activities and accommodation and Information and communication activities.

The balance of perspectives on the evolution of demand increased intensely between March and May, after decreasing between January and February.

Figure 10. **Services confidence indicator**

Figure 11. **Opinions and perspectives on the evolution of demand (order books)**

Figure 12. Confidence and climate economic indicators

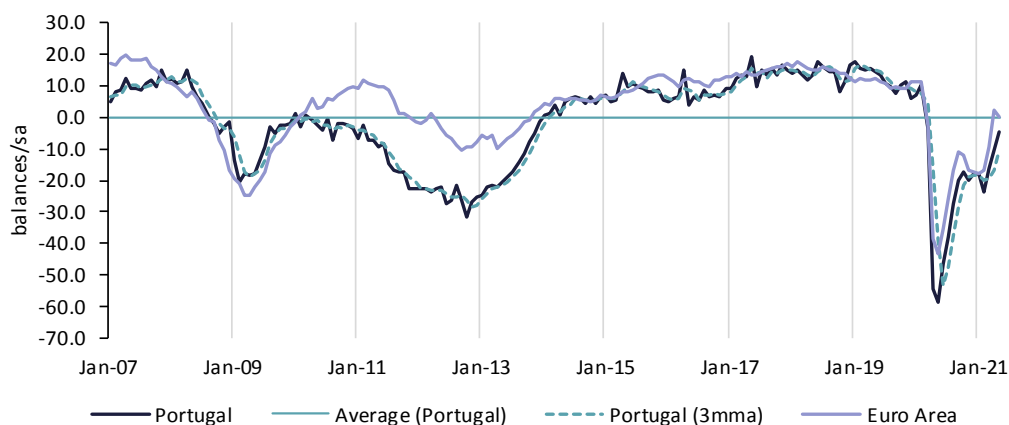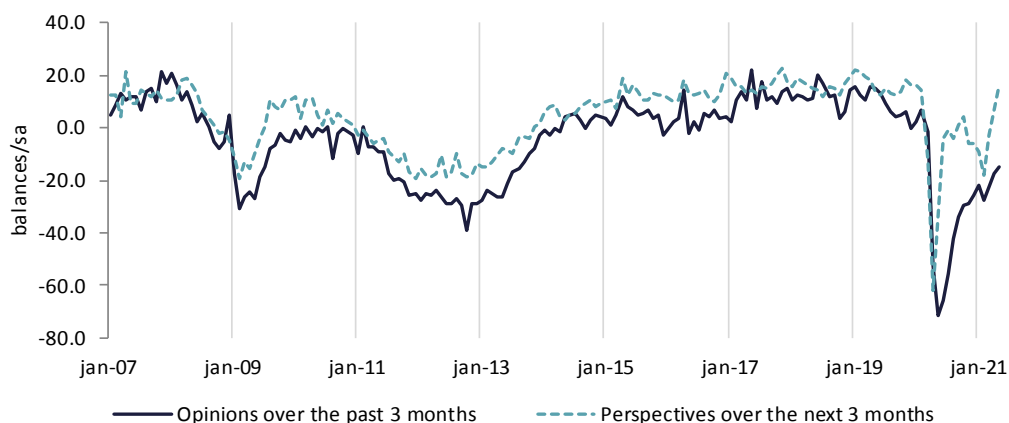|	Unit	Minimum		Maximum		2020								2021				
		Value	Date	Value	Date	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Confidence indicator																		
Consumers	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-32.1	-25.7	-27.1	-25.3	-26.6	-24.6	-29.6	-24.3	-23.1	-25.8	-20.2	-17.1	-12.8
Manufacturing industry	bal/sa	-38.5	May-20	19.0	Mar-87	-38.5	-24.5	-14.3	-14.5	-15.5	-14.0	-15.4	-13.6	-14.7	-13.1	-9.5	-6.5	1.7
Construction and public works	bal/ev	-69.9	Oct-12	20.2	Sep-97	-29.2	-22.4	-17.9	-13.4	-12.0	-10.7	-16.8	-14.7	-13.0	-13.6	-13.6	-10.6	-5.6
Trade	bal/sa	-29.8	Apr-20	11.9	Jun-98	-28.9	-19.8	-14.0	-8.3	-9.3	-6.1	-10.1	-8.7	-11.4	-14.0	-9.1	-2.7	-0.6
Services	bal/sa	-58.7	May-20	26.7	Jun-01	-58.7	-46.5	-38.1	-27.2	-19.9	-17.1	-19.7	-17.8	-17.7	-23.8	-16.2	-10.3	-4.4
Economic climate indicator	%/sa	-6.9	Apr-20	5.4	Apr-98	-6.7	-3.7	-2.3	-1.0	-0.9	-0.3	-1.2	-0.8	-1.2	-2.2	-0.9	0.8	1.8

Figure 13. Monthly series of Consumer Survey

	Unit	Minimum		Maximum		2020								2021				
		Value	Date	Value	Date	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Confidence indicator (a+b+c+d)/4	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-32.1	-25.7	-27.1	-25.3	-26.6	-24.6	-29.6	-24.3	-23.1	-25.8	-20.2	-17.1	-12.8
General economic situation in the country over the next 12 months (c)	bal/ev	-72.7	Apr-20	16.6	Jun-17	-53.4	-41.3	-47.3	-44.3	-50.0	-43.0	-55.4	-40.3	-35.4	-44.2	-29.3	-22.9	-8.0
Financial situation of the households over the last 12 months (a)	bal/ev	-43.5	Mar-13	0.5	Aug-99	-16.8	-14.2	-16.6	-14.5	-15.5	-15.3	-15.1	-14.1	-15.3	-15.3	-14.5	-14.5	-14.1
Financial situation of the households over the next 12 months (b)	bal/ev	-35.6	Oct-12	8.6	Feb-99	-16.4	-9.8	-9.4	-6.0	-8.0	-6.6	-10.9	-7.9	-7.9	-7.0	-4.0	-1.6	0.1
Major purchases over the next 12 months (d)	bal/ev	-51.6	Apr-20	-6.4	Sep-97	-41.9	-37.5	-35.1	-36.2	-32.9	-33.5	-37.2	-35.1	-34.0	-36.6	-32.9	-29.4	-29.3
General economic situation in the country over the last 12 months	bal/sa	-77.0	Oct-12	20.7	Oct-17	-52.2	-58.3	-62.5	-64.4	-67.4	-68.0	-70.1	-72.5	-72.9	-75.1	-71.7	-71.0	-64.6
Major purchases over the last 12 months	bal/sa	-87.9	Dec-08	-14.5	Sep-97	-79.9	-75.4	-75.4	-75.8	-75.8	-75.7	-77.0	-78.4	-73.9	-70.4	-71.0	-67.0	-65.3
Current savings	bal/ev	-53.7	Feb-08	-0.2	Sep-97	-43.6	-41.9	-32.5	-34.8	-36.5	-30.0	-33.8	-31.0	-27.3	-30.1	-27.8	-23.9	-29.4
Savings over the next 12 months	bal/ev	-42.6	Nov-12	0.9	Oct-97	-34.9	-27.5	-21.0	-25.5	-24.0	-24.7	-25.0	-21.3	-20.2	-22.6	-19.6	-17.7	-16.6
Unemployment next 12 months	bal/ev	-20.0	Jun-17	85.5	Feb-09	74.9	65.3	67.5	63.4	67.3	62.4	71.7	60.3	57.3	65.0	51.0	41.1	21.1
Prices over the last 12 months	bal/ev	-14.6	Sep-09	79.2	May-08	6.7	8.2	8.6	6.0	7.8	7.4	2.2	3.0	0.5	-2.5	2.6	9.5	15.9
Prices over the next 12 months	bal/sa	-6.7	Jul-09	62.8	Sep-11	30.9	24.4	25.4	20.5	19.4	16.9	12.7	8.4	-2.2	2.6	6.8	10.8	11.8

Figure 14. Monthly series of Manufacturing Industry Survey

	Unit	Minimum		Maximum		2020								2021				
		Value	Date	Value	Date	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Confidence Indicator (a+b-c)/3	bal/sa	-38.5	May-20	19.0	Mar-87	-38.5	-24.5	-14.3	-14.5	-15.5	-14.0	-15.4	-13.6	-14.7	-13.1	-9.5	-6.5	1.7
Consumer goods	bal/ev	-27.6	Apr-20	12.6	Jan-99	-22.2	-19.8	-14.3	-13.2	-13.0	-12.8	-15.7	-14.0	-15.8	-15.5	-7.3	-6.4	-4.3
Investment goods	bal/ev	-35.5	Apr-20	24.8	Feb-07	-29.0	-23.7	-15.3	-18.9	-6.8	-9.7	-12.0	-8.3	-6.8	-6.9	-5.9	-5.5	-4.4
Intermediate goods	bal/ev	-51.6	May-20	16.0	Jan-95	-51.6	-27.8	-13.5	-13.4	-20.1	-17.0	-17.1	-15.8	-16.4	-13.9	-11.4	-7.0	8.6
Current overall order books (a)	bal/ev	-70.2	May-20	14.6	Mar-98	-70.2	-68.4	-57.7	-48.8	-43.9	-41.4	-38.8	-36.0	-34.8	-36.1	-33.2	-26.4	-12.0
Consumer goods	bal/ev	-60.6	May-20	6.5	Dec-17	-60.6	-56.2	-44.2	-36.3	-36.1	-32.8	-36.2	-31.1	-31.9	-37.5	-35.0	-26.1	-22.7
Investment goods	bal/ev	-81.8	May-20	36.1	Jan-08	-81.8	-73.3	-57.0	-54.1	-22.3	-24.5	-19.7	-12.9	-17.6	-19.5	-18.6	-18.3	-20.0
Intermediate goods	bal/ev	-74.8	Jun-20	31.4	Mar-98	-72.7	-74.8	-66.7	-55.3	-56.3	-52.6	-46.9	-46.9	-42.4	-40.6	-36.9	-29.3	-2.3
Production over next 3 months (b)	bal/sa	-53.1	Apr-20	34.0	Feb-87	-26.2	13.7	15.2	10.4	-0.9	2.1	-4.0	-1.2	-9.1	-2.2	3.2	7.5	17.2
Consumer goods	bal/sa	-47.8	Apr-20	40.1	Aug-98	-7.0	-1.8	2.6	-2.2	-4.9	-2.1	-8.4	-4.4	-18.2	-6.1	10.8	6.9	14.0
Investment goods	bal/ev	-46.4	Feb-09	49.0	Aug-00	0.0	5.9	8.1	-2.4	3.0	-4.5	-16.9	-13.2	-4.9	-1.9	-1.3	2.9	3.5
Intermediate goods	bal/sa	-60.8	Apr-20	30.7	Jan-97	-45.1	26.6	27.2	24.5	0.3	4.8	0.7	2.7	-3.9	-0.9	1.7	9.3	26.6
Current stock finished products (c)	bal/ev	-16.9	Jan-08	23.2	Jun-93	19.2	18.8	0.5	5.0	1.7	2.8	3.3	3.6	0.2	1.0	-1.6	0.7	0.1
Consumer goods	bal/ev	-9.3	Jan-10	24.6	Aug-07	-1.0	1.3	1.3	1.0	-2.1	3.6	2.5	6.6	-2.8	2.9	-2.3	-0.1	4.2
Investment goods	bal/ev	-38.8	Jan-09	21.5	Jun-10	5.3	3.6	-2.9	0.0	1.3	0.0	-0.5	-1.3	-2.2	-0.6	-2.3	1.1	-3.4
Intermediate goods	bal/sa	-30.2	Jan-08	37.1	May-20	37.1	35.3	1.0	9.3	4.2	3.3	5.1	3.2	2.9	0.2	-0.9	1.0	-1.5
Firm's employment next 3 months	bal/ev	-32.5	Apr-20	8.8	Sep-17	-10.1	-7.7	-2.5	-1.8	-1.5	0.0	-3.5	0.4	-1.2	2.1	2.8	1.7	1.9
Selling prices next 3 months	bal/sa	-28.6	Apr-20	32.1	Oct-90	-24.8	7.1	8.2	9.9	-2.1	-0.1	2.0	0.8	4.6	8.1	11.5	13.0	17.2

Figure 15. Monthly series of Construction and Public Works Survey

	Unit	Minimum Value	Minimum Date	Maximum Value	Maximum Date	2020 May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021 Jan	Feb	Mar	Apr	May
Confidence Indicator (a+b)/2	bal/ev	-69.9	Oct-12	20.2	Sep-97	-29.2	-22.4	-17.9	-13.4	-12.0	-10.7	-16.8	-14.7	-13.0	-13.6	-13.6	-10.6	-5.6
Construction of buildings	bal/ev	-75.4	Feb-12	21.1	Sep-97	-32.4	-28.7	-21.0	-17.3	-17.4	-12.0	-22.9	-14.8	-16.3	-17.1	-14.6	-10.2	-3.2
Civil engineering	bal/ev	-72.6	May-12	8.4	Jul-97	-19.0	-11.5	-11.3	-10.1	-4.7	-6.7	-7.8	-14.8	-5.0	-5.2	-11.2	-9.0	-7.3
Specialised construction activities	bal/ev	-59.0	Oct-12	6.9	Dec-18	-36.8	-25.7	-21.3	-10.8	-12.0	-13.5	-17.9	-14.6	-17.5	-18.5	-14.9	-13.3	-7.4
Current overall order books (a)	bal/ev	-82.2	Oct-12	18.6	Sep-97	-43.0	-36.1	-32.1	-25.0	-24.7	-23.3	-29.8	-25.9	-23.5	-25.7	-27.6	-25.5	-18.1
Construction of buildings	bal/ev	-87.0	Oct-12	20.7	Sep-97	-43.4	-40.6	-33.5	-29.1	-29.3	-21.5	-31.5	-24.3	-24.6	-24.5	-24.0	-20.3	-10.0
Civil engineering	bal/ev	-83.6	Jul-12	0.0	Jul-97	-35.1	-21.8	-27.5	-22.9	-21.8	-26.5	-30.8	-30.6	-20.5	-21.7	-33.1	-32.6	-30.1
Specialised construction activities	bal/ev	-71.9	Oct-12	3.5	Jul-19	-52.5	-46.8	-35.7	-20.9	-20.7	-22.1	-25.3	-22.7	-25.4	-32.9	-26.7	-25.1	-16.4
Employment next 3 months (b)	bal/ev	-57.9	Jan-12	29.9	Jun-97	-15.4	-8.8	-3.7	-1.7	0.8	2.0	-3.8	-3.5	-2.4	-1.5	0.5	4.3	7.0
Construction of buildings	bal/ev	-68.1	Jan-12	28.5	Jun-97	-21.4	-16.9	-8.4	-5.6	-5.6	-2.4	-14.3	-5.3	-8.0	-9.6	-5.1	-0.1	3.6
Civil engineering	bal/ev	-66.2	May-12	26.8	Jul-01	-2.9	-1.2	4.9	2.8	12.4	13.1	15.2	1.0	10.5	11.2	10.7	14.6	15.5
Specialised construction activities	bal/ev	-47.5	Dec-12	12.4	Dec-18	-21.2	-4.6	-6.8	-0.8	-3.4	-4.9	-10.4	-6.5	-9.6	-4.0	-3.1	-1.6	1.7
Activity past 3 months	bal/ev	-70.0	Apr-12	22.2	May-98	-45.7	-35.1	-21.2	-18.1	-12.3	-8.1	-8.2	-14.0	-12.2	-17.8	-13.1	-6.7	-3.0
Selling prices next 3 months	bal/ev	-41.6	Aug-12	12.0	Jan-01	-10.7	-7.0	-6.0	-5.4	-4.2	-3.1	-5.3	-5.4	-3.7	-3.4	-1.9	-0.7	9.2

Figure 16. Monthly series of Trade Survey

	Unit	Minimum Value	Minimum Date	Maximum Value	Maximum Date	2020 May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021 Jan	Feb	Mar	Apr	May
Confidence indicator (a+b-c)/3	bal/sa	-29.8	Apr-20	11.9	Jun-98	-28.9	-19.8	-14.0	-8.3	-9.3	-6.1	-10.1	-8.7	-11.4	-14.0	-6.3	-2.7	-0.6
Wholesale	bal/sa	-28.3	Apr-20	14.0	Apr-98	-27.6	-17.3	-11.2	-5.9	-8.7	-5.4	-9.3	-6.4	-11.0	-12.6	-6.3	-0.6	2.2
Retail	bal/sa	-32.7	Apr-20	12.3	Jul-98	-28.0	-21.7	-17.0	-11.0	-9.9	-7.0	-11.5	-12.1	-12.3	-16.5	-12.3	-6.9	-1.3
Business activity past 3 months (a)	bal/sa	-51.5	Jun-20	19.0	Feb-89	-49.7	-51.5	-36.6	-22.2	-20.1	-12.7	-17.5	-19.9	-23.4	-24.8	-24.1	-16.6	-10.2
Wholesale	bal/sa	-50.0	Jun-20	22.8	Feb-89	-44.0	-50.0	-30.2	-15.4	-17.3	-14.0	-14.4	-15.0	-22.9	-22.8	-22.3	-13.5	-1.9
Retail	bal/sa	-57.6	Aug-12	20.1	Apr-99	-50.2	-49.7	-43.3	-28.9	-22.3	-12.5	-22.1	-27.5	-25.0	-29.5	-28.4	-24.8	-12.7
Business activity next 3 months (b)	bal/sa	-52.3	Apr-20	40.8	Oct-89	-30.1	-3.8	-1.2	-0.9	-4.0	-2.9	-12.5	-5.4	-11.0	-18.0	-1.6	6.8	8.5
Wholesale	bal/sa	-49.4	Apr-20	50.4	Oct-89	-33.4	-2.3	-0.7	-2.7	-5.1	0.8	-13.3	-6.0	-10.6	-16.4	3.1	6.3	6.6
Retail	bal/sa	-55.5	Apr-20	41.2	Jul-94	-25.5	-5.7	-1.9	0.1	-3.6	-6.2	-12.3	-4.9	-11.7	-19.9	-4.6	6.2	11.2
Current volume of stocks (c)	bal/ev	-12.2	Feb-13	29.1	Jul-90	6.8	4.2	4.2	1.8	3.6	2.5	0.1	0.9	-0.2	-0.8	1.6	-1.8	0.1
Wholesale	bal/ev	-13.9	Oct-12	29.6	Jul-90	5.4	-0.5	2.7	-0.4	3.6	2.9	0.2	-1.6	-0.3	-1.6	-0.3	-5.3	-1.9
Retail	bal/ev	-13.7	Feb-13	36.5	Jul-89	8.3	9.6	6.0	4.3	3.7	2.1	0.1	3.9	0.0	0.2	3.7	2.1	2.4
Orders next 3 months	bal/sa	-46.2	Apr-20	19.6	Aug-98	-38.8	-20.9	-15.7	-9.1	-11.7	-10.0	-14.9	-11.1	-13.5	-20.6	-11.7	-1.7	4.0
Employment next 3 months	bal/sa	-29.7	Oct-12	22.2	Sep-97	-7.7	-3.3	-5.1	-3.3	-4.4	-0.9	-5.5	-5.9	-6.0	-4.7	-2.4	-1.9	0.8
Selling prices past 3 months	bal/sa	-15.2	Jun-12	23.0	Sep-90	-11.0	-2.8	-3.6	-2.3	-1.4	-1.8	-3.5	-0.8	-1.8	0.5	5.6	3.4	7.8
Selling prices next 3 months	bal/sa	-15.0	Jul-03	17.2	Oct-04	-8.6	-1.0	-1.2	-1.2	0.5	2.5	-1.5	2.2	1.2	0.6	6.0	4.3	8.9

Figure 17. Monthly series of Services Survey

	Unit	Minimum Value	Minimum Date	Maximum Value	Maximum Date	2020 May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021 Jan	Feb	Mar	Apr	May
Confidence indicator (a+b+c)/3	bal/sa	-58.7	May-20	26.7	Jun-01	-58.7	-46.5	-38.1	-27.2	-19.9	-17.1	-19.7	-17.8	-17.7	-23.8	-16.2	-10.3	-4.4
Business activity past 3 months (a)	bal/sa	-71.4	May-20	33.0	Jun-01	-71.4	-70.3	-57.7	-35.6	-27.0	-25.6	-24.1	-21.7	-21.9	-25.7	-23.4	-20.4	-14.9
Demand next 3 months (b)	bal/sa	-61.7	Apr-20	28.0	Jun-06	-33.4	-3.8	-0.8	-3.7	1.2	4.0	-5.9	-5.7	-9.5	-17.8	-3.0	7.0	16.3
Demand past 3 months (c)	bal/sa	-71.2	May-20	27.8	Apr-01	-71.2	-65.5	-55.8	-42.3	-33.9	-29.6	-29.2	-26.0	-21.8	-27.9	-22.2	-17.6	-14.7
Employment next 3 months	bal/sa	-34.1	Apr-20	14.6	Aug-19	-18.0	-14.5	-12.3	-0.9	-5.7	-5.7	-7.8	-9.2	-9.1	-13.3	-3.5	-1.3	2.0

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METHODOLOGICAL NOTE

The Business and Consumer Qualitative Surveys published by Statistics Portugal are developed in the framework of the harmonized EU Business and Consumer Surveys Programme of the European Commission (EC) DG-ECFIN (Directorate-General for Economic and Financial Affairs) and are financially supported in the framework of the agreement signed between these two institutions. The questionnaires are harmonized among the European countries, as well as the respective confidence indicators' methodology. The surveys' results are sent to the EC in effective values, and, therefore, the seasonally adjusted values published by the EC are computed by this entity and presented without using three months moving averages. The seasonal adjustment method used by the EC is available on the user guide, accessible in:

http://ec.europa.eu/economy_finance/db_indicators/surveys/documents/bcs_user_guide_en.pdf

The seasonal adjustment uses the X13-Arima method (combination of moving averages process and auto-regressive integrated moving average models) developed in the JDemetra+[4], software provided by Eurostat. This application relies on the use of probabilistic models to correct seasonal effects from the original series. The seasonal treatment is updated for monthly and quarterly series in January, for consumer survey, and in May, for business surveys, which might result on a revision of the series previously published.

The use of moving averages smoothes out the series by removing the irregular movements, allowing the detection of the short-term trends. Since the average is not centered (the information is used to analyze the evolution of the last month) there is a small lag compared with the trend that is supposed to detect. In order to compare the difference between original and moving average series, the graphical representation of the confidence indicators presents both types of series.

The balances of the questions are the difference between the positive and negative answers, that is Balance = %answer(+) - %answer(-). In the Consumer Survey, there are questions with more than one option of positive/negative answer. In these cases, to the most positive/negative answers is given the weight 1 and to the others the weight 0.5, that is Balance = [%answer (++)*1+ %answer (+)*0.5] - [%answer (--)*1 +%answer (-)*0.5]. The percentage of answers that correspond to "equal" is not considered.

The analysis of this press release is based on monthly series of effective values (raw or seasonally adjusted data), which allows for a clearer identification of very short-term movements, particularly relevant in the context of worsening impacts of the COVID-19 pandemic. The monthly series in three-months moving average (3mma) and the quarterly series in two-quarters moving averages (2qma) are available in the excel file that supports this press release.

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[4] JDemetra+ is available for download at https://ec.europa.eu/eurostat/cros/content/software-jdemetra_en.

INFORMATION ON DATA COLLECTION

In the results obtained from business and consumer surveys for the collection of May 2021, the data collecting period occurred from 03 to 16 May in the case of the consumer survey, with 1302 responses obtained (telephone interviews) and from 01 to 24 May for business surveys (Webinq).

The distribution of the number of responses by data collection's months to the consumer is presented in the next figure.

Figure 18. **Consumer Survey - Number of responses by data collection's months**
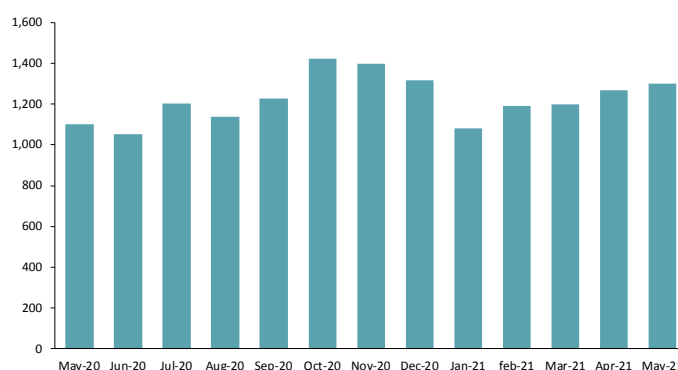
In the context of the COVID-19 pandemic, the response and weighted response rates for business surveys observed in April 2020, and in particular in May, were lower than the usual pattern, with a greater impact on services survey rates.

Figure 19. **Response and weighted response rates**

Business Surveys	Response Rate				Weighted Response Rate [2]			
	2020[1]	March 2021	April 2021	May 2021	2020[1]	March 2021	April 2021	May 2021
Manufacturing Industry	86.0%	86.0%	85.3%	87.8%	93.0%	91.9%	90.5%	94.0%
Construction and Public Works	83.9%	85.7%	82.2%	86.1%	84.7%	90.9%	86.3%	91.1%
Trade	87.2%	87.1%	85.8%	88.6%	93.9%	93.9%	92.0%	96.5%
Services	84.2%	82.5%	81.9%	84.3%	92.4%	84.1%	84.1%	83.3%

[1] Annual average.
[2] Corresponds to the ratio between the turnover of the firms that answered to the survey and the turnover of all the firms in the sample.

The following graphs show the distribution of the number of responses by data collection's months to the business surveys.

Figure 20. Manufacturing Industry Survey - Number of responses by data collection's months
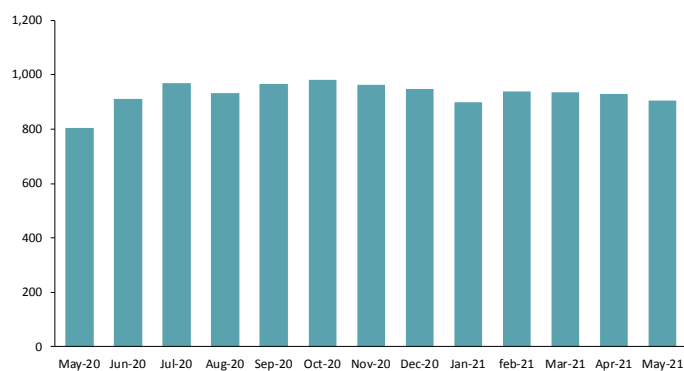

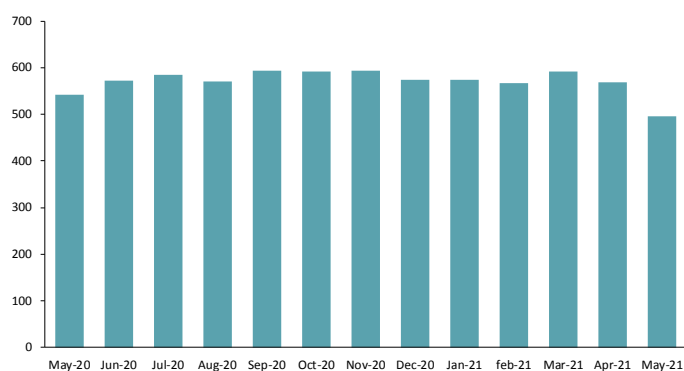Figure 21. Construction and Public Works - Number of responses by data collection's months

Figure 22. Trade Survey - Number of responses by data collection's months
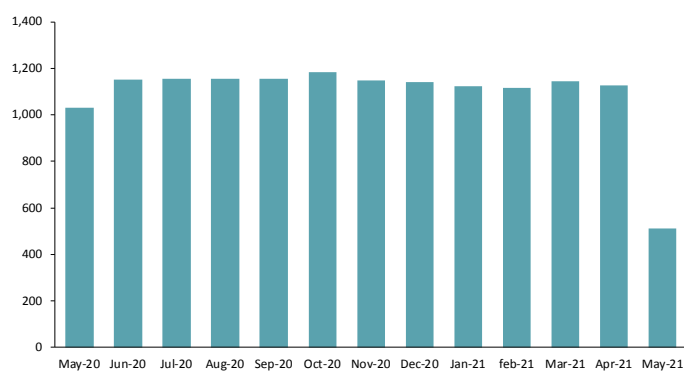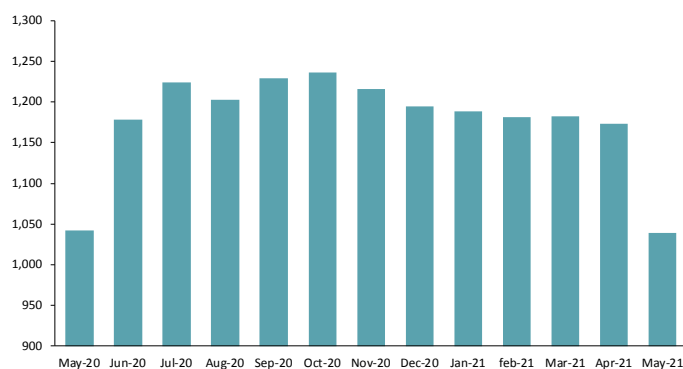
Figure 23. Services Survey - Number of responses by data collection's months

It should also be noted that the representativeness of the branches of activity covered by Business Surveys, considering the Gross Added Value (GVA) at current prices (Final Annual National Accounts 2018) as the economic variable, is as follows:

Figure 24. Weight of the GVA of the branches

Qualitative Business Surveys	Weight of the GVA of the branches of each survey in the total GVA of the economy
Manufacturing Industry	14.2%
Construction and Public Works	4.2%
Trade	13.3%
Services	37.4%

ECONOMIC CLIMATE INDICATOR

Synthetic Indicator estimated using balances of questions from the Manufacturing Industry, Trade, Construction and Public Works and Services Surveys. The method for this indicator uses the factor analysis and the estimated series (the common component) is calibrated using the GDP rates of change.

It should be noted that this indicator was revised in this press release reflecting the updating of the seasonal adjustment models of the components and the incorporation of GDP data for 2020 in the calibration performed.

The questions that integrate the indicator are:

Qualitative Manufacturing Industry survey

- How has your production developed over the past 3 months? It has… 1. + increased; 2. = remained unchanged; 3. - decreased.
- Do you consider your current overall order books to be…? 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. – not sufficient (below normal).

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- Do you consider your current export order books to be…? 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. – not sufficient (below normal).
- How do you expect your production to develop over the next 3 months? It will… 1. + increase; 2. = remain unchanged; 3. - decrease. (seasonally adjusted)

Qualitative Trade survey

- How has (have) your business activity (sales) developed over the past 3 months? It has… (They have…) 1. + improved (increased); 2. = remained unchanged; 3. - deteriorated (decreased). (seasonally adjusted)
- How do you expect your orders placed with suppliers to change over the next 3 months? They will… 1. + increase; 2. = remain unchanged; 3. - decrease. (seasonally adjusted)
- Your business activity is currently…: 1. + more than sufficient; 2. = sufficient; 3. - not sufficient.
- How do you expect your business activity (sales) to change over the next 3 months? It (They) will… 1. + improve (increase); 2. = remain unchanged 3. – deteriorate (decrease). (seasonally adjusted)

Qualitative Construction and Public Works survey

- How has your building activity developed over the past 3 months? It has…; 1. + increased; 2. = remained unchanged; 3. - decreased.
- Do you consider your current overall order books to be…?: 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. – not sufficient (below normal).
- How do you expect your firm's total employment to change over the next 3 months? It will…; 1. + increase; 2. = remain unchanged; 3. - decrease.

Qualitative Services survey

- How has your business situation developed over the past 3 months? It has… 1. + improved; 2. = remained unchanged; 3. - deteriorated. (seasonally adjusted)
- How has demand (turnover) for your company's services changed over the past 3 months? It has… 1. + increased; 2. = remained unchanged; 3. - decreased. (seasonally adjusted)
- How do you expect the demand (turnover) for your company's services to change over the next 3 months? It will…1. + increase; 2. = remain unchanged; 3. – decrease. (seasonally adjusted)

SECTORIAL CONFIDENCE INDICATORS

The confidence indicators (CI) are the result of the arithmetic average of balance of the following questions:

Manufacturing Industry confidence indicator

- Do you consider your current overall order books to be…? 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. – not sufficient (below normal).
- How do you expect your production to develop over the next 3 months? It will… 1. + increase; 2. = remain unchanged; 3. - decrease.
- [Inverted Sign] Do you consider your current stock of finished products to be…? 1. + too large (above normal); 2. = adequate (normal for the season); 3. – too small (below normal).

Trade confidence indicator

- How has (have) your business activity (sales) developed over the past 3 months? It has… (They have…) 1. + improved (increased); 2. = remained unchanged; 3. – deteriorated (decreased).
- How do you expect your business activity (sales) to change over the next 3 months? It (They) will… 1. + improve (increase); 2. = remain unchanged 3. – deteriorate (decrease).
- [Inverted Sign] Do you consider the volume of stock you currently hold to be…? 1. + too large (above normal); 2. = adequate (normal for the season); 3. – too small (below normal).

Construction and Public Works confidence indicator

- Do you consider your current overall order books to be…?: 1. + more than sufficient (above normal); 2. = sufficient (normal for the season); 3. – not sufficient (below normal).
- How do you expect your firm's total employment to change over the next 3 months? It will…; 1. + increase; 2. = remain unchanged; 3. - decrease.

Services confidence indicator

- How has your business situation developed over the past 3 months? It has… 1. + improved; 2. = remained unchanged; 3. - deteriorated.
- How has demand (turnover) for your company's services changed over the past 3 months? It has… 1. + increased; 2. = remained unchanged; 3. - decreased.
- How do you expect the demand (turnover) for your company's services to change over the next 3 months? It will… 1. + increase; 2. = remain unchanged; 3. – decrease.

CONSUMER CONFIDENCE INDICATOR

The consumer confidence indicator results of the arithmetic average of the balances of the following questions:

- How has the financial situation of your household changed over the last 12 months? It has…1. + + got a lot better; 2. + got a little better; 3.= stayed the same; 4.– got a little worse; 5. – – got a lot worse; 6. N don't know.
- How do you expect the financial position of your household to change over the next 12 months? It will…1. + + get a lot better; 2. + get a little better; 3.= stay the same; 4.– get a little worse; 5. – – get a lot worse; 6. N don't know.
- How do you expect the general economic situation in this country to develop over the next 12 months? It will… 1. + + get a lot better; 2. + get a little better; 3.= stay the same; 4.– get a little worse; 5. – – get a lot worse; 6. N don't know.
- Compared to the past 12 months, do you expect to spend more or less money on major purchases (furniture, electrical/electronic devices, etc.) over the next 12 months? I will spend…1. + +much more; 2. + a little more; 3.– a little less; 4. – – much less; 5. N don't know.

ABBREVIATIONS

Bal: Balances correspond to weighted difference between the percentages of positive and negative responses.

EV: Effective Values.

SA: Seasonally Adjusted values.

3MMA: Three-Months Moving Average.

2QMA: Two-Quarters Moving Average

Next monthly press release – June 29th, 2021