



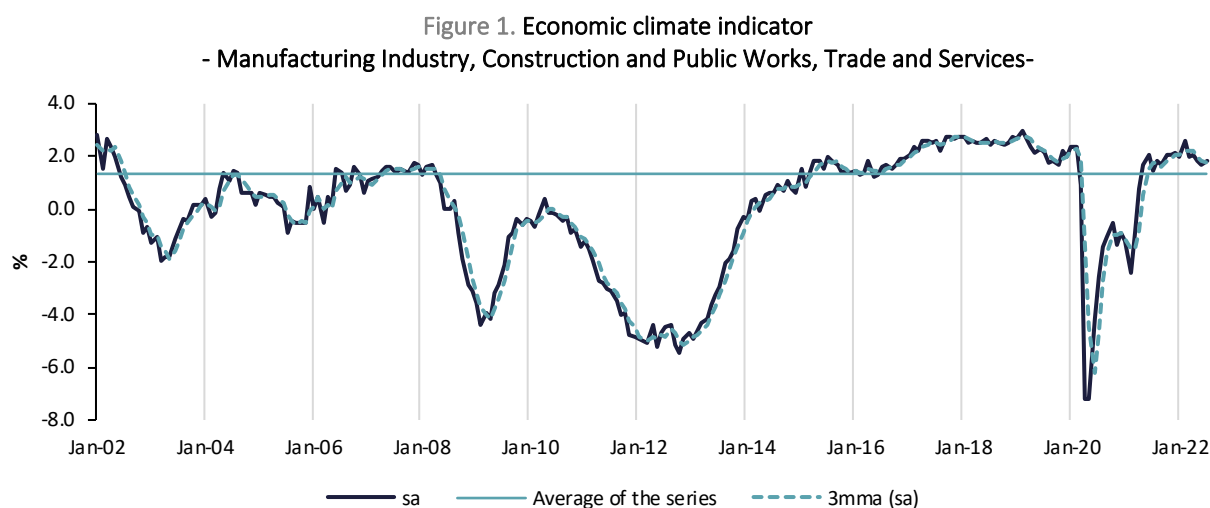
28 July 2022  
BUSINESS AND CONSUMER SURVEYS  
July 2022

## CONSUMER CONFIDENCE AND ECONOMIC CLIMATE INDICATORS INCREASE

The Consumer confidence indicator increased in July<sup>1</sup>, following the decrease of the previous month, remaining at a relatively stable level since the second largest decline of the series registered in March, being only surpassed by the decline of April 2020, when the pandemic began. The balance of Consumer opinions on the past evolution of the price level increased in the last ten months, extending the markedly ascending trajectory initiated in March of 2021 and reaching the series' maximum value.

The economic climate indicator<sup>2</sup> increased in July, after decreasing in May and June, remaining at a lower level than that observed in February, when it reached the maximum since March 2019. In Construction and Public Works, there was a significant increase in the confidence indicator, with the indicators decreasing in Manufacturing Industry, Trade and Services, moderately in the first two cases.

The entrepreneurs' expectations regarding the future evolution of selling prices decreased in all sectors, after having registering maximums in June in Construction and Public Works, in April in Manufacturing Industry and Services and in March in Trade.



<sup>1</sup> The collection period (see final notes) of the consumer survey occurred from 01 to 15 of July (working days), in the case of the consumer survey, and from 01 to 22 of July in the case of business surveys.

<sup>2</sup> The economic climate indicator summarizes the balances of business surveys' questions.



## Consumer Survey

The Consumer confidence indicator increased in July, following the decreases of the previous month, remaining at a relatively stable level since the second largest decline of the series registered in March, being only surpassed by the decline of April 2020, when the pandemic began. The evolution observed in July was mainly due to the positive contribution of the perspectives on the future evolution of households' spending on major purchases, with expectations on the country's economic situation also registering a positive contribution. In the opposite direction, opinions and expectations regarding households' financial situation contributed negatively.

The balance of perspectives regarding the future evolution of the country's economic situation increased in July, after decreasing in June.

The balance of expectations about household's future financial situation declined in the last two months, following the increases observed in April and May and the second largest decline of the series registered in March.

The balance of opinions on the past evolution of the price level increased in the last ten months, prolonging the markedly ascending trajectory initiated in March of 2021 and reaching the series' maximum value. The balance of expectations regarding the future evolution of the price level decreased in July, resuming the descending trajectory observed after registering in March the largest increase and the maximum value of the series initiated in September of 1997.

Figure 2. Consumer confidence indicator

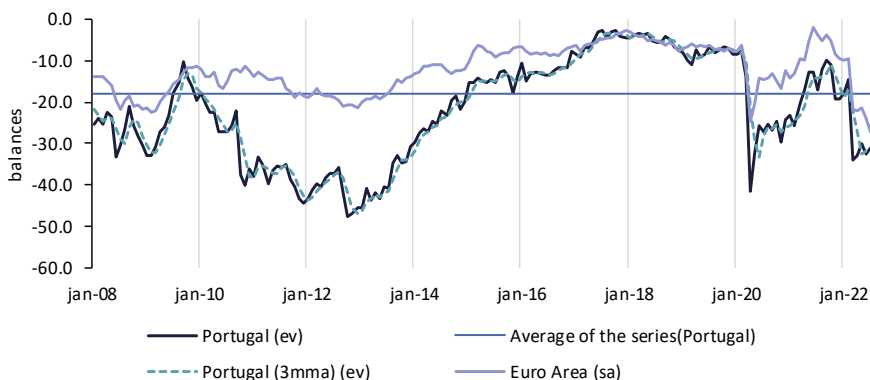
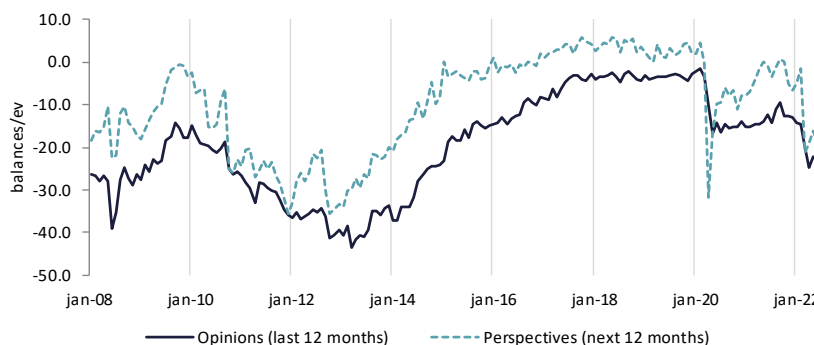


Figure 3. Opinions and expectations about household's financial situation





## Manufacturing Industry Survey

The Manufacturing Industry confidence indicator decreased in July, contrary to the increase observed in June. The behaviour of the indicator reflected the negative contribution of the opinions on the current stocks of finished products, the opinions on the evolution of the overall order books in the last three months presented a null contribution and the firm's production perspectives over the next three months presented a positive contribution. The indicator decreased in all groups, Consumer Goods, Investment Goods, and Intermediate Goods, significantly in the latter case.

The balance of opinions on current overall order books stabilized in June and July, after decreasing in the previous month. Opinions regarding domestic order books, considering firms with production oriented to the domestic market, improved in July, after deteriorating in May and June. Opinions on export order books, considering firms with production oriented to the foreign market, also improved in July, after stabilizing in previous month.

The balance of opinions on the evolution of sale prices decreased in the last three months, after reaching in April a new maximum of the series that began in January 1987. This balance decreased in July in all groups: Consumer Goods, Investment Goods and Intermediate Goods.

Figure 4. Manufacturing industry confidence indicator

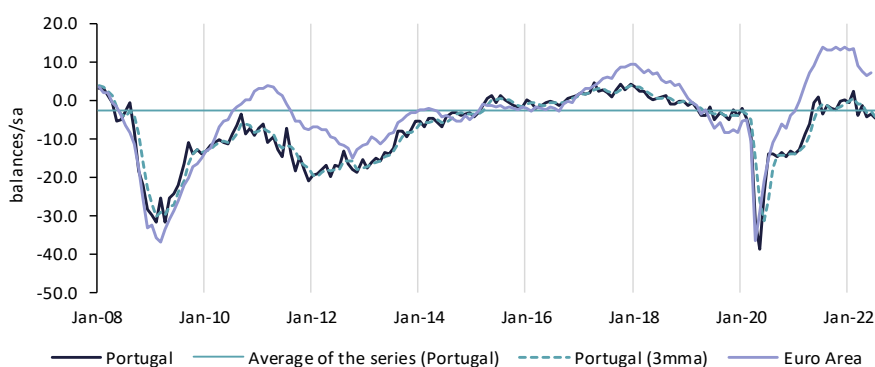
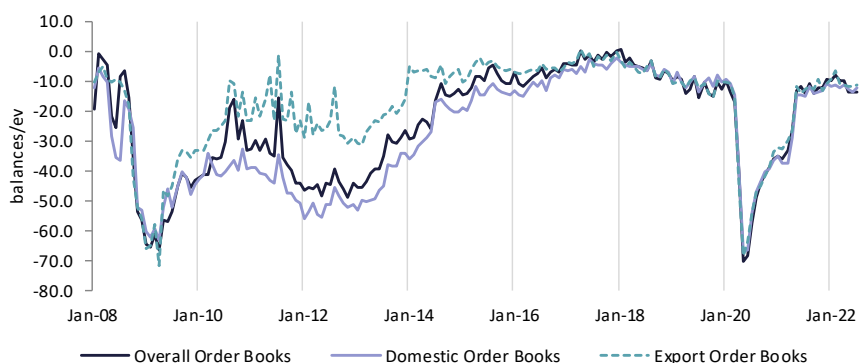


Figure 5. Opinions on current overall order books





## Construction and Public Works Survey

The confidence indicator of Construction and Public Works increased significantly in July, interrupting the downward movement started in February. The increase of the indicator in the last month reflected the positive contribution of both components, balance of opinions on current order books and perspectives on employment, more intense in the latter case.

The confidence indicator increased in the divisions of Construction of Buildings and Specialized Construction Activities, particularly in the former case, and decreased in the division of Civil Engineering.

The balance of opinions on the firm's activity increased in July, after having decreased in the previous six months.

The balance of perspectives regarding the selling prices charged by the firm in the next three months decreased, after reaching in June the maximum value of the series.

Figure 6. Construction and Public Works confidence indicator

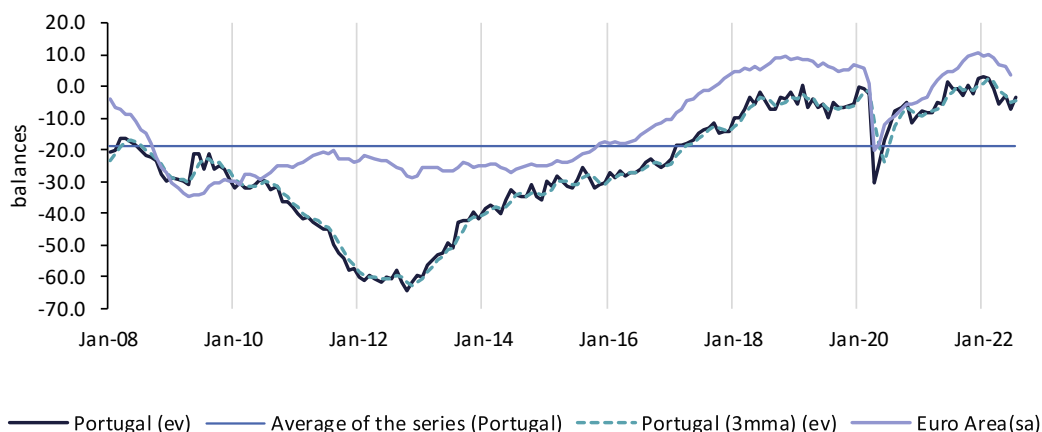
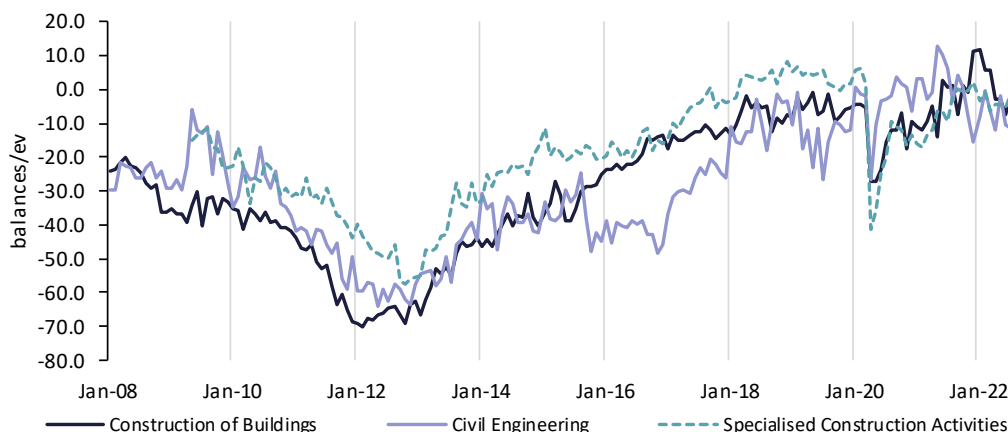


Figure 7. Construction and Public Works confidence indicators by NACE divisions





## Trade Survey

The trade confidence indicator decreased in July, after having increased in the previous month. The evolution of the last month reflected the negative contributions of the opinions on the volume of sales and on the current volume of stocks, while the expectations on the firm's activity over the next three months contributed positively. In July, the confidence indicator decreased in Wholesale Trade and Retail Trade.

The balance of opinions on the volume of sales decreased in July, contrary to the increase registered in the previous month, after reaching in April the maximum value since June 2000. In turn, the perspectives of firm activity recovered in June and July, after deteriorating between March and May.

The balance of opinions on selling prices evolution compared to the previous month decreased in July, contrary to the increase observed in June, remaining at a level below the maximum of the series reached in April. The balance of price expectations over the next three months also decreased in July, after increasing in June, drifting away from the series maximum reached in March.

Figure 8. Trade confidence indicator

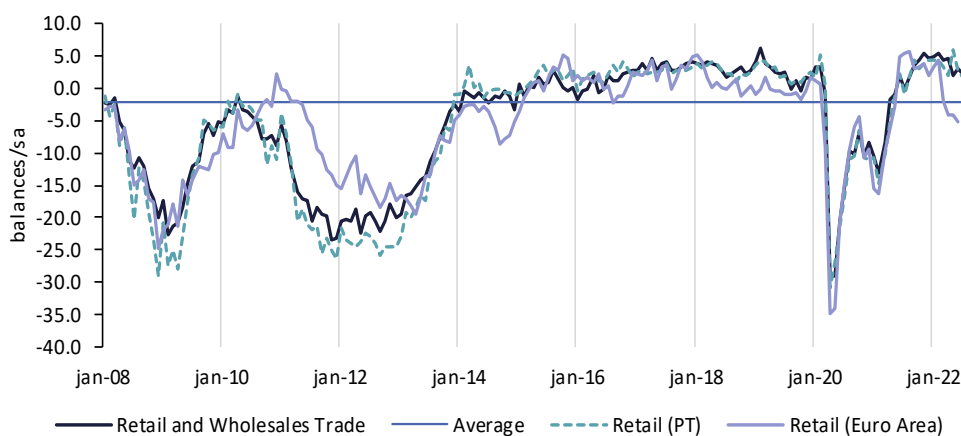
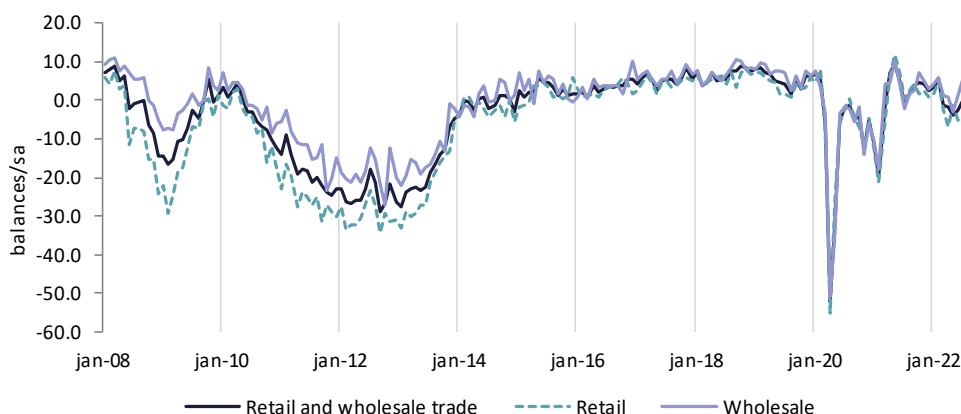


Figure 9. Perspectives on business activity (sales) over the next three months





## Services Survey

The Services' confidence indicator decreased in July, after increasing in the previous month. The indicator's behaviour resulted from the negative contribution of all components, opinions on the evolution of the order books, opinions on the evolution of the business situation and perspectives on the evolution of demand, significantly in the first two cases.

The balance of perspectives on the evolution of demand decreased in the last two months, after stabilizing in May.

The balance of expectations for prices of services decreased in July, after increasing in June, remaining at a level below the series maximum recorded in April, following the sharp upward movement observed since May 2020

Figure 10. Services confidence indicator

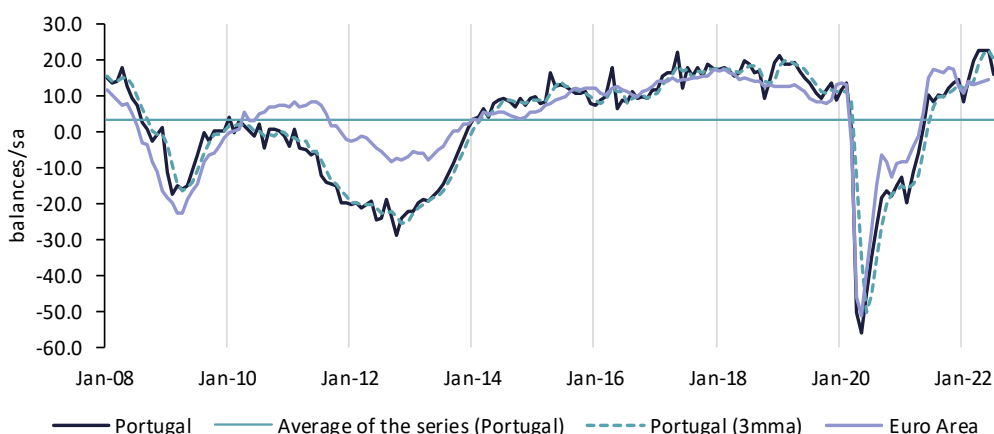
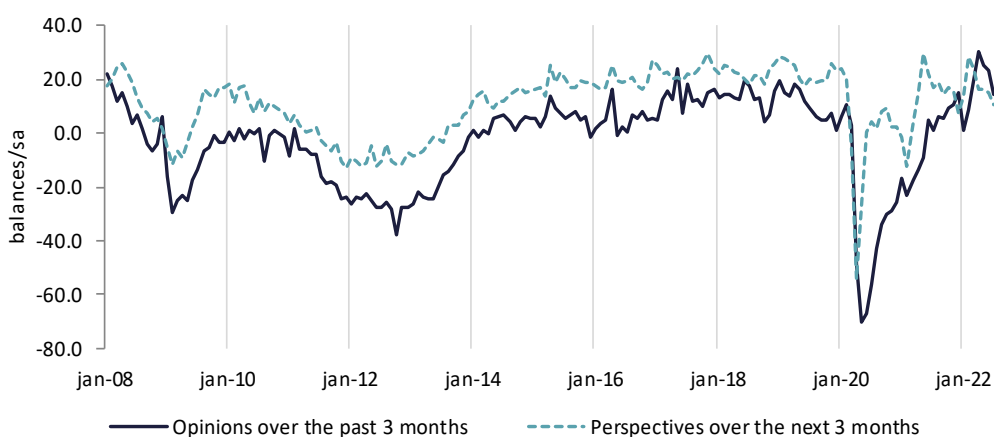


Figure 11. Opinions and perspectives on the evolution of demand (order books)





## Monthly series of Consumer and Business Surveys

Figure 12. Confidence and climate economic indicators

	Unit	Minimum		Maximum		2021						2022						
		Value	Date	Value	Date	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Confidence indicator</b>																		
Consumers	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-17.0	-11.9	-9.9	-11.0	-19.2	-19.2	-17.7	-14.5	-34.1	-32.9	-30.1	-32.5	-31.1
Manufacturing industry	bal/sa	-38.6	May-20	19.4	Mar-87	-3.3	-1.4	-2.1	-2.3	-0.2	0.1	-0.6	2.5	-3.9	-1.1	-4.1	-3.6	-4.5
Construction and public works	bal/ev	-64.5	Oct-12	25.6	Sep-97	-0.9	-0.6	-2.7	0.5	-2.3	2.5	3.0	2.4	-0.5	-5.4	-2.9	-7.4	-3.5
Trade	bal/sa	-29.1	Apr-20	11.7	Jun-98	0.0	1.7	3.4	4.3	5.5	4.6	4.9	5.5	4.4	4.6	2.0	3.1	2.3
Services	bal/sa	-56.0	May-20	29.5	Jun-01	8.5	10.5	9.9	12.0	13.8	14.4	8.3	14.7	19.8	22.7	22.6	22.7	16.1
<b>Economic climate indicator</b>	%/sa	-7.2	Apr-20	5.5	Apr-98	1.4	1.9	1.7	2.0	2.0	2.2	2.0	2.6	2.0	2.0	1.8	1.7	1.9

Figure 13. Monthly series of Consumer Survey

	Unit	Minimum		Maximum		2021						2022						
		Value	Date	Value	Date	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Confidence indicator (a+b+c+d)/4</b>	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-17.0	-11.9	-9.9	-11.0	-19.2	-19.2	-17.7	-14.5	-34.1	-32.9	-30.1	-32.5	-31.1
General economic situation in the country over the next 12 months (c)	bal/ev	-72.7	Apr-20	16.6	Jun-17	-21.7	-6.9	-1.3	-3.8	-30.9	-25.2	-22.4	-12.0	-60.1	-53.1	-45.6	-50.2	-49.1
Financial situation of the households over the last 12 months (a)	bal/ev	-43.5	Mar-13	0.5	Aug-99	-14.3	-11.0	-9.6	-12.6	-12.7	-12.9	-14.3	-14.6	-20.0	-24.7	-22.2	-23.3	-27.5
Financial situation of the households over the next 12 months (b)	bal/ev	-35.6	Oct-12	8.6	Feb-99	-3.3	-1.2	0.9	0.1	-4.9	-6.5	-5.1	-1.7	-21.4	-19.0	-16.0	-18.8	-19.3
Major purchases over the next 12 months (d)	bal/ev	-51.6	Apr-20	-6.4	Sep-97	-28.7	-28.6	-29.4	-27.6	-28.1	-32.2	-28.9	-29.6	-35.1	-34.8	-36.5	-37.6	-28.4
<b>General economic situation in the country over the last 12 months</b>	bal/sa	-77.1	Oct-12	19.9	Oct-17	-56.0	-50.8	-41.9	-45.6	-49.2	-50.5	-51.0	-39.8	-52.0	-60.0	-61.9	-63.2	-64.3
<b>Major purchases over the last 12 months</b>	bal/sa	-88.0	Dec-08	-14.5	Sep-97	-68.0	-67.4	-63.7	-62.0	-62.7	-63.0	-60.6	-55.4	-67.2	-72.9	-71.6	-76.1	-72.2
<b>Current savings</b>	bal/ev	-53.7	Feb-08	-0.2	Sep-97	-29.5	-27.6	-25.0	-27.4	-32.0	-35.9	-32.0	-31.8	-42.3	-47.0	-46.0	-45.8	-45.7
<b>Savings over the next 12 months</b>	bal/ev	-42.6	Nov-12	0.9	Oct-97	-16.6	-16.4	-17.7	-17.0	-20.8	-22.3	-17.4	-22.2	-33.2	-34.5	-36.0	-33.9	-35.4
<b>Unemployment next 12 months</b>	bal/ev	-20.0	Jun-17	85.5	Feb-09	35.3	19.4	8.4	6.7	18.5	20.4	16.7	4.6	26.7	30.4	24.0	24.0	21.4
<b>Prices over the last 12 months</b>	bal/ev	-14.6	Sep-09	83.1	Jul-22	32.6	26.4	26.4	39.5	47.5	47.6	54.1	59.9	61.8	74.7	76.8	79.2	83.1

Figure 14. Monthly series of Manufacturing Industry Survey

	Unit	Minimum		Maximum		2021						2022						
		Value	Date	Value	Date	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Confidence Indicator (a+b-c)/3</b>	bal/sa	-38.6	May-20	19.4	Mar-87	-3.3	-1.4	-2.1	-2.3	-0.2	0.1	-0.6	2.5	-3.9	-1.1	-4.1	-3.6	-4.5
Consumer goods	bal/sa	-27.0	Apr-20	12.6	Jan-99	-6.6	-5.7	-4.0	-6.4	-1.3	-0.5	-2.4	1.9	-3.0	-0.9	-0.6	-0.8	-1.0
Investment goods	bal/ev	-36.0	Apr-20	24.3	Feb-07	-12.6	-3.1	-9.5	-4.6	-8.4	-5.9	-0.7	1.6	-8.2	-7.0	-8.1	-6.0	-6.1
Intermediate goods	bal/sa	-50.3	May-20	17.6	Jan-95	3.8	4.2	1.9	0.5	2.2	2.0	0.9	2.5	-1.5	1.8	-1.9	-3.7	-5.9
<b>Current overall order books (a)</b>	bal/ev	-70.2	May-20	14.6	Mar-98	-14.2	-10.8	-13.9	-12.1	-11.9	-9.3	-9.7	-7.9	-9.6	-9.6	-13.4	-13.4	-13.4
Consumer goods	bal/ev	-60.9	May-20	6.1	Dec-17	-20.7	-18.9	-15.6	-15.0	-10.7	-8.1	-11.4	-8.4	-8.8	-10.9	-10.3	-9.4	-8.7
Investment goods	bal/ev	-84.0	May-20	33.8	Jan-08	-24.2	-17.2	-28.3	-19.8	-23.7	-19.6	-15.4	-13.5	-15.3	-18.1	-25.2	-19.8	-22.3
Intermediate goods	bal/ev	-72.4	Jun-20	33.8	Mar-98	-4.5	-1.7	-5.7	-6.3	-7.1	-5.2	-5.8	-4.9	-7.5	-4.7	-10.1	-13.4	-12.7
<b>Production over next 3 months (b)</b>	bal/sa	-52.3	Apr-20	34.8	Feb-87	8.0	6.6	8.9	8.1	9.9	11.1	9.3	13.5	-1.5	6.3	0.6	3.3	3.5
Consumer goods	bal/sa	-47.8	Apr-20	39.5	Aug-98	6.8	7.1	6.8	5.0	7.6	6.9	5.0	13.6	0.6	8.8	10.2	7.5	8.0
Investment goods	bal/ev	-44.9	Feb-09	50.6	Aug-00	6.8	8.6	0.8	3.7	-5.3	8.9	16.1	17.3	-6.5	0.5	-0.1	3.9	7.0
Intermediate goods	bal/sa	-58.6	Apr-20	32.6	Jan-97	10.7	9.9	11.8	8.8	12.0	11.2	9.7	9.1	2.5	7.9	1.9	2.3	-0.4
<b>Current stock finished products (c)</b>	bal/ev	-17.6	Jan-08	22.5	Jun-93	3.9	-0.1	1.4	3.0	-1.3	1.6	1.4	-1.8	0.7	0.0	-0.6	0.6	3.5
Consumer goods	bal/ev	-11.5	Jan-10	22.3	Aug-07	5.9	5.4	3.1	9.1	0.9	0.3	1.0	-0.4	0.9	0.7	1.9	0.6	2.3
Investment goods	bal/ev	-37.9	Jan-09	22.4	Jun-10	20.2	0.7	0.9	-2.2	-3.8	7.1	2.6	-0.9	2.8	3.5	-0.9	1.9	2.9
Intermediate goods	bal/ev	-30.8	Jan-08	36.5	May-20	-5.4	-4.4	0.4	1.0	-1.8	-0.1	1.1	-3.4	-0.5	-2.3	-2.3	-0.1	4.7
<b>Firm's employment next 3 months</b>	bal/ev	-28.4	Apr-20	13.0	Sep-17	7.3	7.1	-1.4	6.6	8.1	8.2	8.8	8.8	6.7	6.2	6.8	4.8	5.9
<b>Selling prices next 3 months</b>	bal/sa	-25.4	Apr-20	42.5	Apr-22	20.8	19.6	22.6	25.9	29.0	32.2	31.2	26.4	39.5	42.5	34.2	29.7	24.1





Figure 15. Monthly series of Construction and Public Works Survey

	Unit	Minimum		Maximum		2021						2022						
		Value	Date	Value	Date	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Confidence Indicator (a+b)/2</b>	bal/ev	-64.5	Oct-12	25.6	Sep-97	-0.9	-0.6	-2.7	0.5	-2.3	2.5	3.0	2.4	-0.5	-5.4	-2.9	-7.4	-3.5
Construction of buildings	bal/ev	-70.2	Feb-12	26.4	Sep-97	0.8	1.4	-7.3	1.3	-1.0	11.1	11.9	5.6	5.8	-3.1	-2.7	-7.3	-1.3
Civil engineering	bal/ev	-64.3	May-12	16.7	Jul-97	6.5	-3.6	4.1	0.7	-8.0	-15.6	-7.8	-0.2	-6.5	-11.8	-1.6	-10.4	-11.4
Specialised construction activities	bal/ev	-57.7	Oct-12	8.2	Dec-18	-9.3	-1.7	-0.1	-1.0	-0.1	1.9	-3.4	-1.0	-6.5	-4.3	-4.2	-5.2	-1.2
<b>Current overall order books (a)</b>	bal/ev	-77.5	Oct-12	23.3	Sep-97	-12.9	-11.2	-14.5	-7.9	-11.8	-7.6	-8.1	-9.3	-13.0	-16.7	-13.3	-16.6	-13.7
Construction of buildings	bal/ev	-85.6	Oct-12	22.1	Sep-97	-12.5	-2.2	-16.0	-6.0	-8.9	3.6	2.7	-5.0	-6.5	-11.9	-10.0	-11.8	-10.3
Civil engineering	bal/ev	-71.5	Jul-12	12.1	Jul-97	-7.4	-29.4	-15.0	-8.5	-20.0	-32.5	-23.2	-10.6	-21.6	-27.8	-17.4	-28.8	-30.1
Specialised construction activities	bal/ev	-73.3	Oct-12	2.1	Jul-19	-17.7	-12.6	-11.7	-10.6	-10.3	-7.4	-14.7	-15.4	-17.3	-16.2	-15.7	-15.3	-6.9
<b>Employment next 3 months (b)</b>	bal/ev	-51.8	Jan-12	35.9	Jun-97	11.1	10.0	9.2	8.9	7.2	12.6	14.2	14.0	12.0	5.9	7.6	1.8	6.7
Construction of buildings	bal/ev	-59.0	Jan-12	37.6	Jun-97	14.1	5.0	1.4	8.7	7.0	18.7	21.0	16.1	18.0	5.7	4.7	-2.8	7.8
Civil engineering	bal/ev	-61.7	May-12	31.2	Jul-01	20.4	22.1	23.2	10.0	3.9	1.2	7.5	10.1	8.6	4.2	14.1	8.1	7.3
Specialised construction activities	bal/ev	-43.6	Dec-12	16.3	Dec-18	-0.9	9.1	11.5	8.5	10.1	11.3	7.9	13.4	4.3	7.6	7.4	4.8	4.4
<b>Activity past 3 months</b>	bal/ev	-65.5	Apr-12	26.7	May-98	3.9	4.1	0.6	0.8	-2.6	10.7	5.7	4.5	3.8	3.2	2.8	-0.7	3.6
<b>Selling prices next 3 months</b>	bal/ev	-29.3	Aug-12	43.0	Jun-22	24.1	23.2	26.1	28.8	36.9	35.9	33.8	35.4	42.4	41.9	40.0	43.0	39.2

Figure 16. Monthly series of Trade Survey

	Unit	Minimum		Maximum		2021						2022						
		Value	Date	Value	Date	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Confidence indicator (a+b-c)/3</b>	bal/sa	-29.1	Apr-20	11.7	Jun-98	0.0	1.7	3.4	4.3	5.5	4.6	4.9	5.5	4.4	4.6	2.0	3.1	2.3
Wholesale	bal/sa	-29.5	May-20	13.1	Apr-98	0.9	2.5	2.6	5.3	6.5	4.3	5.2	5.9	5.5	5.8	-0.2	3.9	3.0
Retail	bal/sa	-31.0	Apr-20	13.1	Jul-98	-0.8	1.8	4.3	3.1	4.0	4.5	4.3	4.5	3.3	1.9	6.1	2.8	1.7
<b>Business activity past 3 months (a)</b>	bal/sa	-55.3	Jun-20	16.4	Feb-89	-0.7	2.5	1.7	3.6	5.3	5.1	4.4	6.7	8.9	12.1	4.8	8.1	4.1
Wholesale	bal/sa	-57.5	Jun-20	19.3	Feb-89	3.4	6.3	3.8	7.9	11.8	8.3	9.5	11.8	14.6	16.7	2.4	11.2	6.8
Retail	bal/sa	-58.5	Aug-12	19.2	Apr-99	-5.4	1.2	0.0	-1.3	-1.5	1.3	-0.3	0.1	2.4	5.7	9.4	5.3	1.3
<b>Business activity next 3 months (b)</b>	bal/sa	-52.1	Apr-20	40.2	Oct-89	-1.4	1.8	3.7	4.5	4.3	2.3	3.4	5.4	-1.2	-1.8	-3.9	-2.6	-0.2
Wholesale	bal/sa	-51.0	Apr-20	49.6	Oct-89	-2.4	1.6	2.6	7.0	5.1	3.0	4.1	5.7	1.1	0.7	-2.9	1.1	5.3
Retail	bal/sa	-55.1	Apr-20	40.8	Jul-94	0.3	2.4	4.3	1.9	2.4	0.7	1.5	5.2	-2.4	-7.0	-1.5	-5.2	-4.9
<b>Current volume of stocks (c)</b>	bal/ev	-14.9	Feb-13	26.4	Jul-90	-2.1	-0.7	-4.9	-4.9	-6.9	-6.5	-6.8	-4.2	-5.4	-3.5	-5.2	-3.8	-2.8
Wholesale	bal/ev	-15.3	Oct-12	28.2	Jul-90	-1.6	0.5	-1.3	-1.0	-2.7	-1.6	-1.9	-0.3	-0.9	0.1	0.0	0.6	3.0
Retail	bal/ev	-17.5	Feb-13	32.6	Jul-89	-2.6	-1.8	-8.5	-8.7	-11.0	-11.3	-11.7	-8.2	-9.9	-7.0	-10.3	-8.3	-8.7
<b>Orders next 3 months</b>	bal/sa	-45.2	Apr-20	20.4	Aug-98	-3.5	-0.9	-2.8	0.3	1.3	-1.5	-1.7	1.5	-0.5	-4.3	-2.3	-7.2	-2.4
<b>Employment next 3 months</b>	bal/ev	-29.2	Oct-12	22.8	Sep-97	3.2	-0.6	-0.5	-0.1	0.0	-1.3	1.4	3.5	0.1	1.6	3.2	1.8	4.0
<b>Selling prices past month</b>	bal/sa	-11.7	Apr-09	41.0	Apr-22	16.7	15.6	12.7	21.1	25.6	21.6	20.0	28.0	39.1	41.0	35.1	38.4	31.0
<b>Selling prices next 3 months</b>	bal/sa	-11.8	Jul-03	41.2	Mar-22	14.1	13.4	15.6	18.7	24.1	22.7	24.1	27.7	41.2	38.8	34.2	37.1	29.8

Figure 17. Monthly series of Services Survey

	Unit	Minimum		Maximum		2021						2022						
		Value	Date	Value	Date	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Confidence indicator (a+b+c)/3</b>	bal/sa	-56.0	May-20	29.5	Jun-01	8.5	10.5	9.9	12.0	13.8	14.4	8.3	14.7	19.8	22.7	22.6	22.7	16.1
<b>Business activity past 3 months (a)</b>	bal/sa	-70.8	May-20	33.4	Jun-01	7.5	6.9	9.8	9.9	15.3	20.4	10.1	7.3	16.3	21.6	26.4	29.7	23.2
<b>Demand next 3 months (b)</b>	bal/sa	-54.3	Apr-20	34.6	Jan-02	17.0	18.7	14.2	16.8	15.5	7.7	13.8	28.4	23.9	16.2	16.2	15.1	10.7
<b>Demand past 3 months (c)</b>	bal/sa	-70.3	May-20	30.3	Apr-22	1.2	5.8	5.8	9.4	10.5	15.2	1.0	8.4	19.3	30.3	25.1	23.2	14.5
<b>Employment next 3 months</b>	bal/sa	-29.4	Apr-20	19.8	Aug-19	8.1	6.6	3.6	13.6	10.0	7.8	10.1	13.2	14.2	12.7	11.8	14.3	7.4
<b>Selling prices next 3 months</b>	bal/sa	-23.4	Apr-20	25.0	Apr-22	3.4	5.3	5.0	7.8	12.7	14.1	15.3	18.5	24.2	25.0	19.8	23.8	20.4





## 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. The seasonal adjustment method used by the EC is available on the user guide, accessible in:

[https://ec.europa.eu/info/files/user-guide-joint-harmonised-eu-programme-business-and-consumer-surveys\\_en](https://ec.europa.eu/info/files/user-guide-joint-harmonised-eu-programme-business-and-consumer-surveys_en)

The seasonal adjustment uses the X13-Arima method (combination of moving averages process and auto-regressive integrated moving average models) developed in the JDemetra+, 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  $\text{Balance} = \text{\%answer(+)} - \text{\%answer(-)}$ . 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  $\text{Balance} = [\text{\%answer(++)} * 1 + \text{\%answer(+)} * 0.5] - [\text{\%answer(--)} * 1 + \text{\%answer(-)} * 0.5]$ . 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.

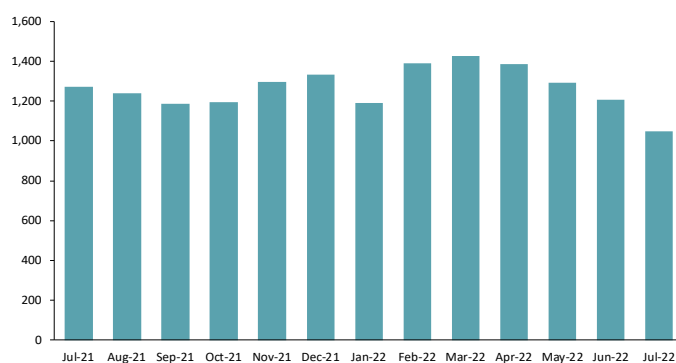


## INFORMATION ON DATA COLLECTION

In the results obtained from business and consumer surveys for the collection of July 2022, the data collecting period occurred from 01 to 15 in the case of the consumer survey, with 1047 responses obtained (telephone interviews) and from 01 to 22 for business surveys ([Webing](#)).

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



The response and weighted response rates for business surveys were:

Figure 19. Response and weighted response rates

Business Surveys	Response Rate				Weighted Response Rate <sup>(2)</sup>			
	2021 <sup>(1)</sup>	May 2022	June 2022	July 2022	2021 <sup>(1)</sup>	May 2022	June 2022	July 2022
Manufacturing Industry	77.6%	74.7%	79.3%	78.2%	83.1%	91.2%	93.0%	92.9%
Construction and Public Works	66.2%	67.1%	71.9%	69.0%	83.1%	79.0%	91.3%	88.8%
Trade	73.2%	75.4%	78.4%	75.8%	93.1%	93.3%	94.0%	92.2%
Services	73.7%	73.2%	77.1%	75.1%	80.9%	82.6%	93.5%	94.7%

<sup>(1)</sup> Annual average.

<sup>(2)</sup> 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

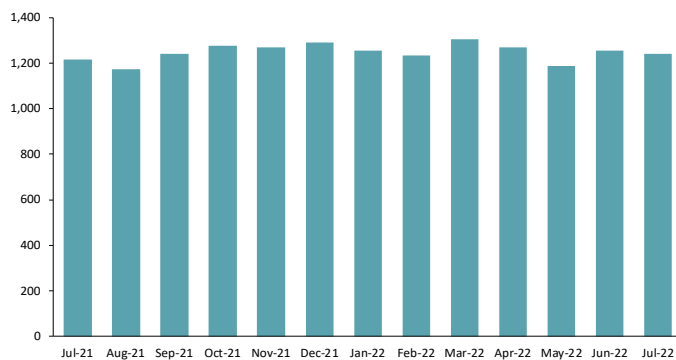


Figure 21. Construction and Public Works - Number of responses by data collection's months

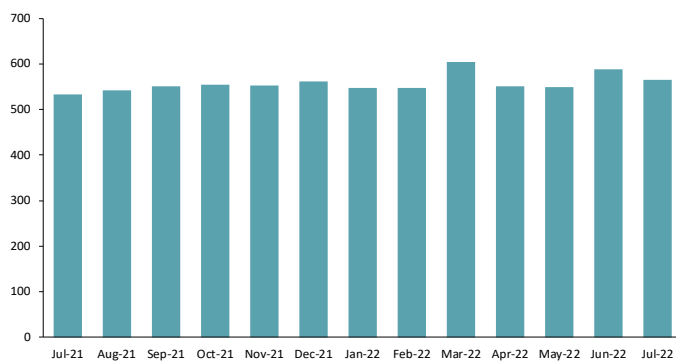


Figure 22. Trade Survey - Number of responses by data collection's months

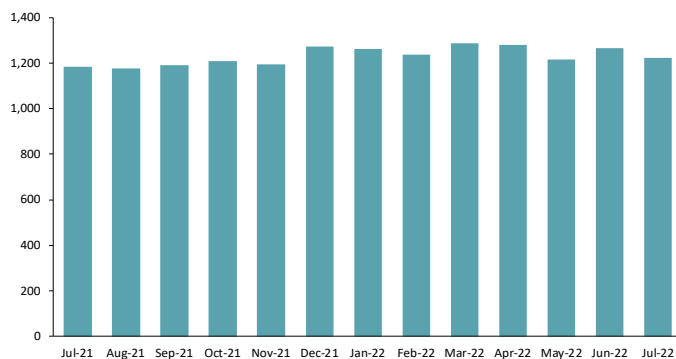
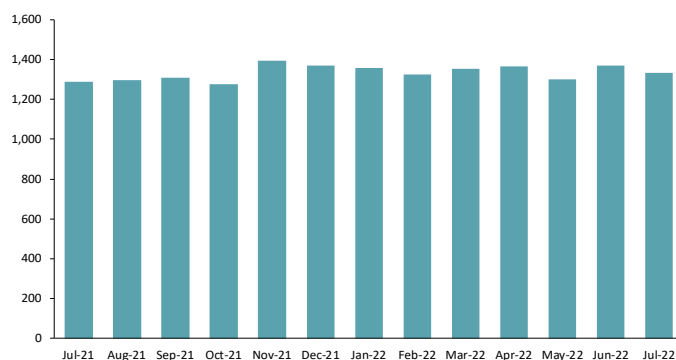




Figure 23. Services Survey - Number of responses by data collection's months



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 2019) 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	13.7%
Construction and Public Works	4.4%
Trade	13.1%
Services	38.1%

## 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 change rates. 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).
- 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

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Next monthly press release August 30<sup>th</sup>, 2022

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