



30<sup>th</sup> October 2023  
BUSINESS AND CONSUMER SURVEYS  
October 2023

## CONSUMER CONFIDENCE AND ECONOMIC CLIMATE INDICATORS DECREASE AGAIN

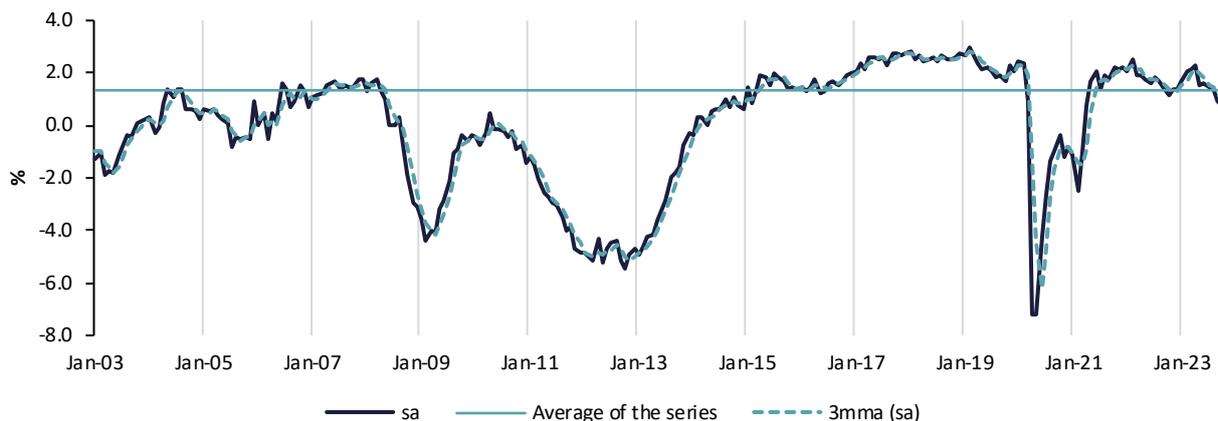
The Consumer confidence indicator decreased between August and October<sup>1</sup>, after registering in July the maximum value since February 2022. The balance of Consumer opinions on the past evolution of prices increased significantly in October, after declining in the previous five months.

The economic climate indicator<sup>2</sup> decreased between July and October, slightly in the last month. Confidence indicators decreased in the Manufacturing Industry, Construction and Public Works and Services, having increased in Trade. In the former case, the confidence indicator decreased in the Consumer Goods and Intermediate Goods groups, having increased in the Investment Goods group, reversing the significant reduction observed in the previous month in the Motor Vehicle Manufacture subgroup.

The entrepreneurs' expectations regarding the future evolution of selling prices decreased in all sectors surveyed, most intensely in the Manufacturing Industry.

According to information collected about the evolution of investment in the context of the business survey for the manufacturing industry (page 9 of this press release), 55.1% of firms foresee that investment will stabilize in 2024 compared to 2023, while 31.9% foresee an increase and 13.0% a decrease.

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



<sup>1</sup> The collection period (see final notes) of the consumer survey occurred from 01 to 18 of October (working days), in the case of the consumer survey, and from 01 to 24 of October 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 decreased between August and October, after reaching in July the highest value since February of 2022. The evolution of the indicator in the last month resulted from the negative contribution of opinions on the past evolution of households' financial situation and of expectations on the future evolution of the country's economic situation and of households' financial situation. In the opposite direction, expectations on the future evolution of major purchases by households contributed positively.

The balance of perspectives regarding the future evolution of the country's economic situation decreased between July and October, suspending the upward trajectory observed since November of 2022, and after reaching in June the maximum value since February 2022.

The balance of expectations about household's future financial situation decreased in the last three months, interrupting the ascending path initiated in November of 2022.

The balance of opinions on the past evolution of the price level increased significantly in October, following the decreases of the previous five months. The balance of perspectives on future price developments increased considerably between August and October, after reaching in July the lowest value recorded since February 2021, following the markedly downward trajectory observed since April 2022.

Figure 2. Consumer confidence indicator

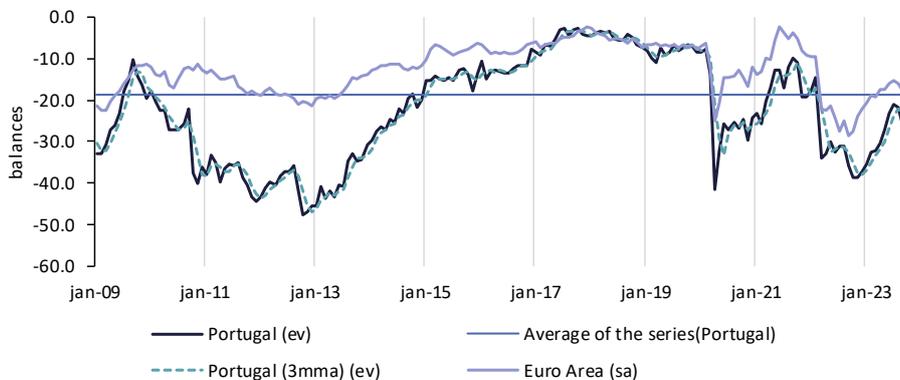


Figure 3. Opinions and expectations about household's financial situation





## Manufacturing Industry Survey

The Manufacturing Industry confidence indicator decreased in October, after having increased in the previous month, resuming the downward path verified between April and August. The behaviour of the indicator reflected the negative contributions of the opinions on the evolution of the overall order books in the last three months and the opinions on the current stocks of finished products, while the firm's production perspectives over the next three months contributed positively.

The indicator decreased in the groups of Consumer Goods and Intermediate Goods, having increased intensely in Investment Goods, reflecting the recovery observed in the Motor Vehicle Manufacture subgroup.

The balance of opinions on current overall order books decreased in October, contrary to the increase in September. Opinions regarding domestic order books, deteriorated in October, after having recovered in August and September. Opinions on export order books, on the other hand, deteriorated in the last four months.

The balance of opinions on the evolution of sale prices decreased in October, after having increased in August and September. This balance decreased in Consumer Goods and Intermediate Goods, having increased in Investment Goods.

Figure 4. Manufacturing industry confidence indicator

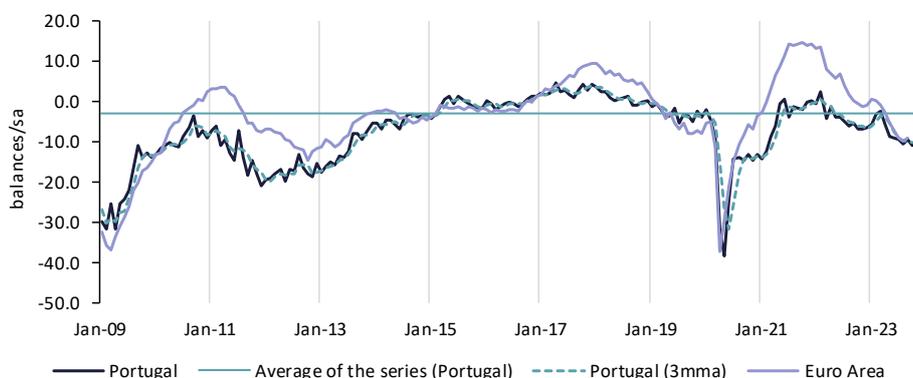


Figure 5. Opinions on current overall order books





## Construction and Public Works Survey

The confidence indicator of Construction and Public Works decreased in October, after increasing in September. The decrease in the last month reflected the negative contribution of the balance of opinions on current order books, since the perspectives on employment have increased.

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

The balance of opinions on the firm's activity in the last three months increased in October, after decreasing in August and September.

The balance of perspectives regarding the selling prices charged by the firm in the next three months decreased in October, after increasing in August and September, attaining the minimum since April 2021.

Among the main factors limiting activity indicated by firms, the shortage of labour force continued to be the main obstacle to activity, although there was in the last two months a decrease in the percentage of firms that mentioned it. It should be mentioned that this percentage attained a new maximum of the series in August.

Figure 6. Construction and Public Works confidence indicator

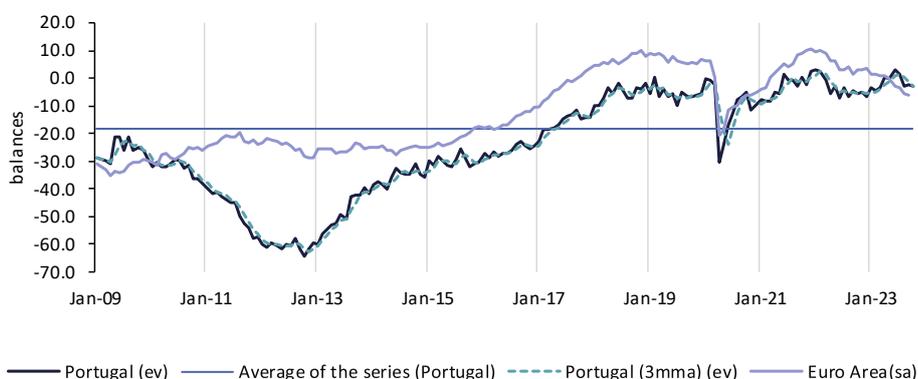
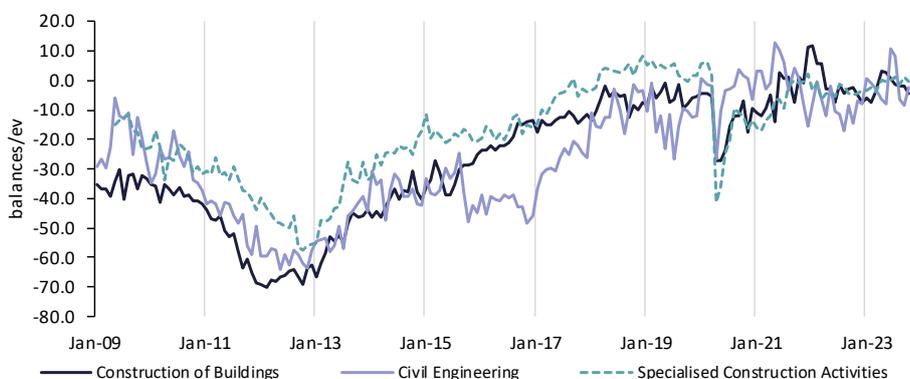


Figure 7. Construction and Public Works confidence indicators by NACE divisions





## Trade Survey

The trade confidence indicator increased in October, after decreasing in the previous two months, interrupting the downward movement that began in March. The evolution of the indicator in the last month resulted from the positive contribution of assessments on the current volume of stocks and the expectations on the firm's activity over the next three months, with opinions on the volume of sales contributing negatively. In October, the confidence indicator increased in Retail Trade and decreased in Wholesale Trade.

The balance of opinions on the volume of sales decreased between July and October, extending the downward path initiated in March. In turn, the perspectives for activity improved in October, after worsening in September.

The balance of opinions on selling prices evolution decreased in September and October, after the significant increase observed in August. The balance of price expectations over the next three months decreased in October, after increasing in August and, slightly, in September.

Figure 8. Trade confidence indicator

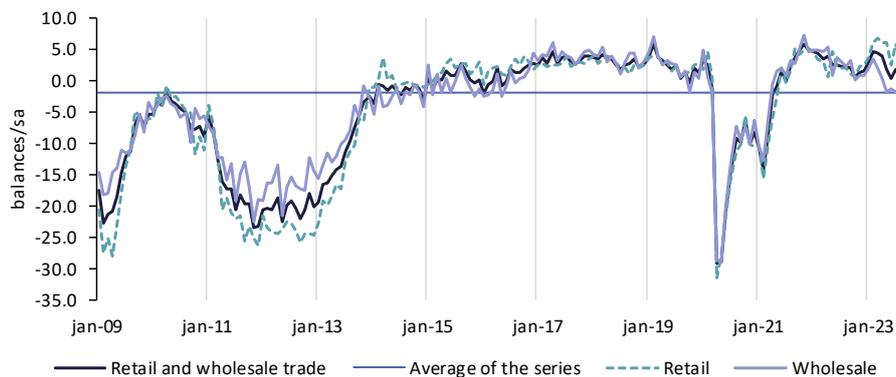
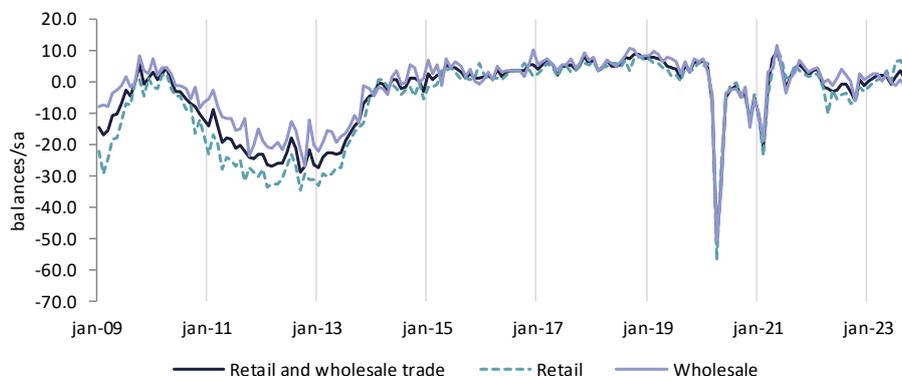


Figure 9. Perspectives on business activity (sales) over the next three months





## Services Survey

The Services' confidence indicator decreased between July and October, most significantly in August, prolonging the downward trajectory that began in May 2023 and reaching the lowest value since April 2021. The indicator's behaviour resulted from the negative contributions of the evolution of the order books and the opinions on the evolution of the business situation, while the perspectives on the evolution of demand contributed positively.

In October, the confidence indicator decreased in six of the eight sections of Services, with emphasis on the sections of Information and communication activities and Arts, entertainment and recreation activities.

The balance of perspectives on the evolution of demand increased in September and October, after decreasing in the previous month.

The balance of expectations for prices of services decreased in October, after having increased between July and September.

Figure 10. Services confidence indicator

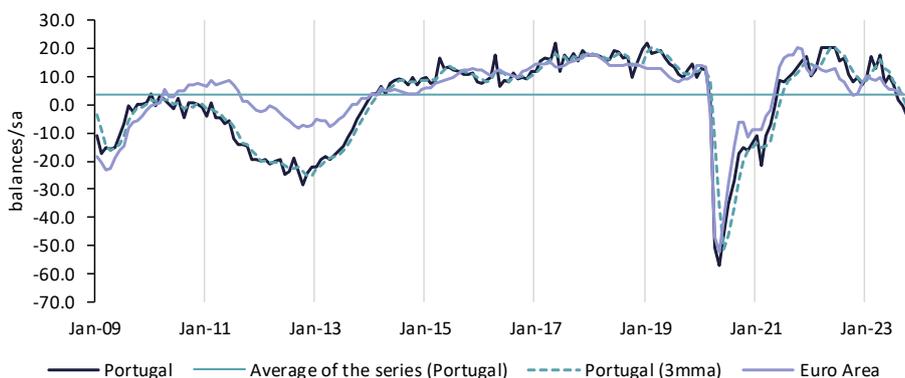
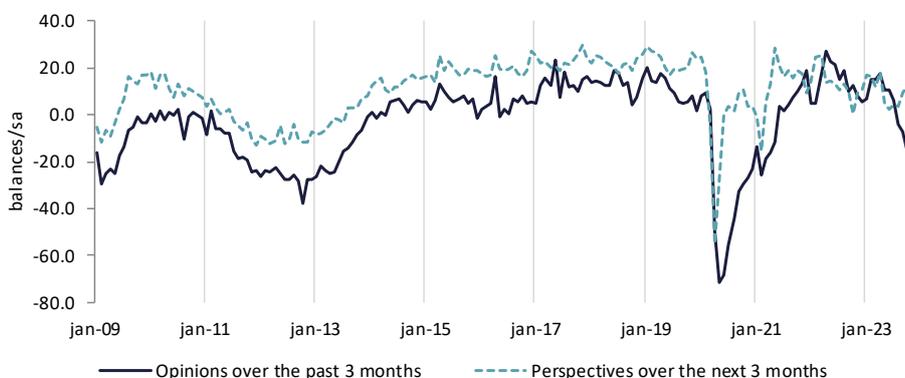


Figure 11. Opinions and perspectives on the evolution of demand (order books)





## Monthly series of Consumer and Business Surveys

Table 1. Confidence and climate economic indicators

	Unit	Minimum		Maximum		2022			2023									
		Value	Date	Value	Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Confidence indicator</b>																		
Consumers	bal/ev	-47.8	Oct-12	-0.1	Sep-97	-38.6	-38.7	-37.1	-35.4	-32.5	-32.3	-30.2	-27.0	-23.2	-20.9	-21.6	-26.1	-27.7
Manufacturing industry	bal/sa	-38.5	May-20	19.4	Mar-87	-6.8	-6.6	-6.4	-5.5	-3.0	-2.4	-5.6	-8.5	-9.0	-9.3	-10.5	-9.4	-10.8
Construction and public works	bal/ev	-64.5	Oct-12	25.6	Sep-97	-5.8	-5.3	-6.4	-3.6	-4.5	-3.6	0.4	-0.5	2.9	1.4	-2.8	-2.5	-2.9
Trade	bal/sa	-29.3	Apr-20	11.7	Jun-98	0.6	1.4	1.6	3.1	4.8	4.5	4.0	1.8	0.3	1.7	0.9	-2.3	-1.6
Services	bal/sa	-57.2	May-20	29.5	Jun-01	8.0	9.8	7.0	9.5	17.2	13.1	17.5	7.5	10.1	6.9	1.9	-0.3	-4.0
<b>Economic climate indicator</b>																		
	%/sa	-7.2	May-20	5.5	Apr-98	1.2	1.4	1.4	1.7	2.1	2.1	2.3	1.6	1.6	1.5	1.4	0.9	0.8

Table 2. Monthly series of Consumer Survey

	Uni.	Mínimo		Máximo		2022			2023									
		Valor	Data	Valor	Data	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Indicador de confiança (a+b+c+d)/4</b>																		
Situação económica do país nos próximos 12 meses (c)	sre/ve	-47.8	Oct-12	-0.1	Sep-97	-38.6	-38.7	-37.1	-35.4	-32.5	-32.3	-30.2	-27.0	-23.2	-20.9	-21.6	-26.1	-27.7
Situação financeira do agregado familiar nos últimos 12 meses (a)	sre/ve	-72.7	Apr-20	16.6	Jun-17	-60.2	-59.4	-52.4	-50.3	-41.8	-45.1	-38.0	-31.6	-24.3	-24.4	-25.3	-32.2	-35.2
Situação financeira do agregado familiar nos próximos 12 meses (b)	sre/ve	-43.5	Mar-13	0.5	Aug-99	-32.2	-33.8	-32.3	-32.6	-30.6	-31.5	-31.3	-26.8	-25.6	-23.9	-21.6	-23.5	-27.3
Realização de compras importantes nos próximos 12 meses (d)	sre/ve	-35.6	Oct-12	8.6	Feb-99	-28.0	-27.2	-23.8	-23.7	-19.1	-19.2	-16.8	-12.5	-9.1	-6.5	-9.6	-10.7	-13.0
Realização de compras importantes nos próximos 12 meses (d)	sre/ve	-51.6	Apr-20	-6.4	Sep-97	-34.0	-34.2	-39.8	-34.8	-38.3	-33.7	-34.6	-36.9	-34.0	-28.8	-30.1	-37.9	-35.2
<b>Situação económica do país nos últimos 12 meses</b>																		
Realização de compras importantes nos últimos 12 meses	sre/vcs	-77.1	Oct-12	20.1	Oct-17	-76.1	-76.5	-73.5	-75.1	-69.0	-71.6	-67.5	-60.5	-51.9	-50.2	-53.6	-58.3	-64.3
Poupança no momento atual	sre/ve	-88.1	Dec-08	-14.5	Sep-97	-80.5	-78.2	-80.7	-80.7	-81.0	-79.6	-79.2	-81.6	-78.1	-77.2	-76.8	-79.6	-80.7
Poupança nos próximos 12 meses	sre/ve	-55.1	Nov-22	-0.2	Sep-97	-49.8	-55.1	-54.4	-51.9	-52.9	-54.1	-53.9	-52.5	-47.4	-49.0	-48.8	-50.0	-52.1
Desemprego próximos 12 meses	sre/ve	-43.4	Nov-22	0.9	Oct-97	-41.0	-43.4	-42.6	-34.8	-38.3	-39.6	-39.6	-37.8	-35.5	-31.9	-33.4	-33.5	-34.3
Preços nos últimos 12 meses	sre/ve	-20.0	Jun-17	85.5	Feb-09	34.6	42.8	38.0	36.1	33.1	31.5	26.2	24.6	16.9	17.1	23.0	30.8	30.1
Preços próximos 12 meses	sre/ve	-14.6	Sep-09	87.0	Oct-22	87.0	86.2	83.9	85.3	83.4	83.9	84.3	73.5	68.0	66.3	64.0	60.1	69.9
Preços próximos 12 meses	sre/vcs	-7.6	Dec-15	81.3	Mar-22	51.7	41.7	33.3	27.2	27.9	22.6	12.5	13.4	7.3	7.0	14.7	16.4	20.2

Table 3. Monthly series of Manufacturing Industry Survey

	Unit	Minimum		Maximum		2022			2023									
		Value	Date	Value	Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Confidence Indicator (a+b-c)/3</b>																		
Consumer goods	bal/sa	-38.5	May-20	19.4	Mar-87	-6.8	-6.6	-6.4	-5.5	-3.0	-2.4	-5.6	-8.5	-9.0	-9.3	-10.5	-9.4	-10.8
Investment goods	bal/ev	-27.2	Apr-20	12.6	Jan-99	-2.8	-4.5	-6.3	-5.2	-3.2	-4.5	-4.3	-6.6	-7.7	-6.6	-9.1	-5.9	-9.9
Intermediate goods	bal/sa	-36.0	Apr-20	24.3	Feb-07	-3.5	-3.5	-2.2	-2.5	1.2	-1.2	-2.9	-0.9	-1.7	-1.9	-0.1	-10.8	0.8
<b>Current overall order books (a)</b>																		
Consumer goods	bal/ev	-50.6	May-20	17.6	Jan-95	-12.8	-11.5	-9.6	-6.7	-5.3	-0.9	-8.3	-11.7	-11.8	-13.7	-14.7	-11.9	-17.8
Investment goods	bal/ev	-70.2	May-20	14.6	Mar-98	-15.5	-16.0	-14.8	-15.0	-12.3	-14.7	-14.7	-19.3	-17.7	-18.3	-19.5	-19.2	-22.7
Intermediate goods	bal/ev	-60.9	May-20	6.1	Dec-17	-9.7	-10.8	-7.7	-15.3	-11.8	-12.9	-14.5	-18.1	-14.4	-15.1	-18.5	-17.3	-21.9
<b>Production over next 3 months (b)</b>																		
Consumer goods	bal/ev	-84.0	May-20	33.8	Jan-08	-11.8	-8.4	-8.2	-10.0	-7.4	-12.8	-11.8	-9.1	-11.1	-9.3	-8.2	-10.5	-10.8
Investment goods	bal/ev	-72.4	Jun-20	33.8	Mar-98	-21.5	-23.4	-23.1	-17.0	-15.0	-17.0	-16.2	-24.5	-22.9	-24.4	-25.1	-24.2	-28.4
Intermediate goods	bal/sa	-52.7	Apr-20	34.8	Feb-87	-1.5	0.4	0.4	2.5	4.7	12.4	3.3	0.7	-1.9	-4.1	-3.1	-2.6	-2.5
Consumer goods	bal/sa	-48.5	Apr-20	39.5	Aug-98	1.4	0.4	-5.3	3.3	1.6	6.1	8.2	4.7	0.2	1.2	-2.7	4.2	-0.4
Investment goods	bal/ev	-44.9	Feb-09	50.6	Aug-00	3.4	-0.7	4.6	5.4	7.8	6.8	3.0	8.2	8.4	1.3	11.1	-19.1	15.1
Intermediate goods	bal/sa	-59.8	Apr-20	32.6	Jan-97	-10.6	-4.6	-0.4	1.9	4.4	21.3	-1.6	-1.2	-3.7	-8.1	-5.4	-2.4	-15.6
<b>Current stock finished products (c)</b>																		
Consumer goods	bal/ev	-17.6	Jan-08	22.5	Jun-93	3.4	4.4	5.0	4.1	1.5	4.8	5.4	6.8	7.5	5.4	9.0	6.3	7.2
Investment goods	bal/ev	-11.5	Jan-10	22.3	Aug-07	0.1	3.2	5.8	3.5	-0.6	6.6	6.6	6.5	8.8	5.8	6.0	4.7	7.4
Intermediate goods	bal/ev	-37.9	Jan-09	22.4	Jun-10	2.2	1.5	2.9	2.9	-3.3	-2.5	-0.2	1.8	2.4	-2.2	3.2	2.6	1.8
<b>Firm's employment next 3 months</b>																		
Selling prices next 3 months	bal/sa	-30.8	Jan-08	36.5	May-20	6.4	6.6	5.4	5.1	5.4	7.0	7.2	9.3	8.7	8.4	13.5	9.0	9.3
Consumer goods	bal/ev	-28.4	Apr-20	13.0	Sep-17	2.1	11.6	11.2	4.9	5.1	6.3	5.5	2.7	3.9	2.3	3.4	1.2	1.0
Investment goods	bal/sa	-24.7	Apr-20	44.5	Apr-22	28.9	22.2	18.2	13.8	10.2	6.5	4.1	-2.3	-3.0	-3.3	1.5	5.7	2.7



Table 4. Monthly series of Construction and Public Works Survey

	Unit	Minimum		Maximum		2022			2023									
		Value	Date	Value	Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Confidence Indicator (a+b)/2</b>	bal/ev	-64.5	Oct-12	25.6	Sep-97	-5.8	-5.3	-6.4	-3.6	-4.5	-3.6	0.4	-0.5	2.9	1.4	-2.8	-2.5	-2.9
Construction of buildings	bal/ev	-70.2	Feb-12	26.4	Sep-97	-2.6	-4.8	-7.5	-5.8	-7.5	-3.8	3.4	2.7	0.9	-1.3	-2.1	-2.0	-4.6
Civil engineering	bal/ev	-64.3	May-12	16.7	Jul-97	-14.4	-7.1	-8.1	0.8	-0.8	-2.7	-6.3	-8.0	10.9	8.1	-6.3	-8.2	-2.4
Specialised construction activities	bal/ev	-57.7	Oct-12	8.2	Dec-18	-4.7	-4.6	-3.4	-3.1	-2.1	-4.1	0.4	-0.5	0.4	1.4	-1.5	1.1	-0.1
<b>Current overall order books (a)</b>	bal/ev	-77.5	Oct-12	23.3	Sep-97	-13.5	-11.2	-14.1	-9.6	-14.6	-13.1	-10.2	-8.7	-3.7	-5.7	-8.7	-7.8	-9.8
Construction of buildings	bal/ev	-85.6	Oct-12	22.1	Sep-97	-7.8	-10.1	-13.6	-10.0	-17.5	-10.8	-5.2	-4.3	-4.3	-7.8	-8.1	-6.2	-7.0
Civil engineering	bal/ev	-71.5	Jul-12	12.1	Jul-97	-31.8	-13.2	-21.5	-12.0	-11.4	-16.2	-23.9	-21.1	4.4	-3.7	-14.3	-23.5	-27.0
Specialised construction activities	bal/ev	-73.3	Oct-12	2.1	Jul-19	-9.1	-11.5	-9.3	-7.1	-12.3	-14.7	-8.1	-7.6	-8.6	-3.4	-5.4	1.0	-2.1
<b>Employment next 3 months (b)</b>	bal/ev	-51.8	Jan-12	35.9	Jun-97	1.8	0.7	1.2	2.4	5.7	5.8	11.0	7.8	9.4	8.5	3.1	2.8	4.0
Construction of buildings	bal/ev	-59.0	Jan-12	37.6	Jun-97	2.6	0.5	-1.4	-1.7	2.6	3.2	12.1	9.6	6.1	5.1	4.0	2.1	-2.3
Civil engineering	bal/ev	-61.7	May-12	31.2	Jul-01	3.0	-1.0	5.3	13.6	9.7	10.7	11.3	5.0	17.4	19.8	1.6	7.0	22.2
Specialised construction activities	bal/ev	-43.6	Dec-12	16.3	Dec-18	-0.3	2.3	2.4	0.9	8.0	6.6	8.9	6.7	9.4	6.1	2.5	1.1	1.8
<b>Activity past 3 months</b>	bal/ev	-65.5	Apr-12	26.7	May-98	4.3	-0.3	-0.1	4.8	4.1	0.3	3.6	1.9	1.8	9.9	6.4	3.9	5.5
<b>Selling prices next 3 months</b>	bal/ev	-29.3	Aug-12	43.0	Jun-22	39.8	39.7	31.3	33.5	30.2	29.1	26.7	16.6	14.2	14.2	14.5	15.6	14.1

Table 5. Monthly series of Trade Survey

	Unit	Minimum		Maximum		2022			2023									
		Value	Date	Value	Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Confidence indicator (a+b-c)/3</b>	bal/sa	-29.3	Apr-20	11.7	Jun-98	0.6	1.4	1.6	3.1	4.8	4.5	4.0	1.8	0.3	1.7	0.9	-2.3	-1.6
Wholesale	bal/sa	-29.0	May-20	13.1	Apr-98	0.2	0.8	0.8	2.1	3.4	2.1	0.4	-1.7	-1.2	-1.6	-1.9	-5.6	-6.3
Retail	bal/sa	-31.6	Apr-20	13.1	Jul-98	0.7	2.3	2.4	3.8	6.1	6.9	6.1	6.1	2.7	5.9	3.8	1.3	3.1
<b>Business activity past 3 months (a)</b>	bal/sa	-56.4	Jun-20	16.4	Feb-89	6.2	1.7	6.2	10.4	12.8	12.4	12.3	7.5	7.8	7.6	3.8	-2.8	-5.0
Wholesale	bal/sa	-58.0	Jun-20	19.3	Feb-89	11.0	4.3	6.8	11.2	12.0	8.9	7.6	0.1	6.2	3.8	0.6	-7.3	-12.8
Retail	bal/sa	-58.5	Aug-12	19.2	Apr-99	0.7	0.6	5.1	9.6	13.6	16.3	16.3	14.3	10.5	11.4	6.8	2.4	2.7
<b>Business activity next 3 months (b)</b>	bal/sa	-51.9	Apr-20	40.2	Oct-89	-6.1	0.9	-1.3	0.4	1.5	2.3	2.4	2.0	-0.6	1.5	3.6	1.2	2.8
Wholesale	bal/sa	-50.9	Apr-20	49.6	Oct-89	-6.0	2.6	0.7	1.8	2.8	2.8	0.3	2.5	-0.4	-1.3	0.6	-1.8	-1.5
Retail	bal/sa	-56.7	Apr-20	40.8	Jul-94	-6.4	-1.4	-3.0	-1.4	-0.1	1.0	1.1	3.8	0.3	6.6	7.1	4.4	7.0
<b>Current volume of stocks (c)</b>	bal/ev	-14.9	Feb-13	26.4	Jul-90	-1.6	-1.5	0.0	1.7	-0.1	1.1	2.8	3.9	6.3	3.9	4.8	5.4	2.7
Wholesale	bal/ev	-15.3	Oct-12	28.2	Jul-90	4.5	4.5	5.2	6.7	4.6	5.6	6.5	7.8	9.6	7.5	7.0	7.6	4.7
Retail	bal/ev	-17.5	Feb-13	32.6	Jul-89	-7.8	-7.6	-5.2	-3.3	-4.8	-3.5	-0.9	-0.3	2.8	0.2	2.5	3.1	0.6
<b>Orders next 3 months</b>	bal/sa	-45.2	Apr-20	20.4	Aug-98	-6.0	-3.4	-3.4	-2.8	-3.5	-0.9	-1.0	-3.4	-4.5	-5.3	-2.5	-5.7	-4.9
<b>Employment next 3 months</b>	bal/ev	-29.2	Oct-12	22.8	Sep-97	0.8	0.1	0.7	0.1	0.1	3.1	1.4	4.8	4.1	4.4	0.8	0.8	0.0
<b>Selling prices past month</b>	bal/sa	-11.7	Apr-09	41.5	Apr-22	38.6	31.4	26.5	23.8	23.1	20.4	18.1	4.4	8.0	4.5	11.1	7.4	6.4
<b>Selling prices next 3 months</b>	bal/sa	-11.8	Jul-03	41.6	Mar-22	38.4	32.5	27.8	26.0	25.1	20.5	17.3	10.1	7.5	7.1	10.0	10.2	7.6

Table 6. Monthly series of Services Survey

	Unit	Minimum		Maximum		2022			2023									
		Value	Date	Value	Date	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Confidence indicator (a+b+c)/3</b>	bal/sa	-57.2	May-20	29.5	Jun-01	8.0	9.8	7.0	9.5	17.2	13.1	17.5	7.5	10.1	6.9	1.9	-0.3	-4.0
<b>Business activity past 3 months (a)</b>	bal/sa	-72.4	May-20	33.4	Jun-01	11.4	11.8	4.8	4.9	20.4	12.6	16.3	6.7	16.8	10.4	6.2	-2.9	-9.0
<b>Demand next 3 months (b)</b>	bal/sa	-55.2	Apr-20	34.6	Jan-02	0.2	9.3	10.3	17.1	16.1	11.7	18.3	5.0	2.5	4.2	3.7	9.5	12.5
<b>Demand past 3 months (c)</b>	bal/sa	-71.7	May-20	29.1	Apr-01	12.3	8.2	5.8	6.5	15.2	15.1	17.8	10.9	10.9	6.2	-4.3	-7.4	-15.5
<b>Employment next 3 months</b>	bal/sa	-29.7	Apr-20	19.4	Aug-19	6.7	7.9	2.2	9.0	7.3	5.7	7.5	3.8	-1.2	-0.8	9.0	3.7	6.5
<b>Selling prices next 3 months</b>	bal/sa	-23.5	Apr-20	24.4	Mar-22	16.7	18.2	19.5	19.6	18.7	18.5	16.8	8.5	5.3	6.0	8.0	10.9	10.3



Box – Results of bi-annual qualitative questions on investment

Manufacturing Industry Survey

Considering the opinions related with the evolution of investment in 2023 for the manufacturing industry, 47.1% of firms considered that investment stabilized when compared with 2022, while 38.8% of firms reported an increase from the previous year and 14.2% a decrease. For 2024, 55.1% of firms foresee that investment will stabilize from the current year, while 31.9% foresee an increase and 13.0% a decrease.

By groupings in the Manufacturing Industry, for both years considered, most firms in the Consumer Goods group and Investment Goods group consider that investment will stabilize, while in the Intermediate Goods group 44.7% of the firms consider that investment increased in 2023 while for 2024 most firms reported that investment will stabilize.

Table 7. Evolution of investment made/planned (%)

MANUFACTURING INDUSTRY	YEAR	INCREASE	REMAIN UNCHANGED	DECREASE	BALANCE
Consumer Goods	2023	29.1	55.7	15.2	13.9
	2024	16.3	69.5	14.2	2.0
Investment Goods	2023	40.8	48.4	10.8	29.9
	2024	41.6	51.4	7.0	34.6
Intermediate Goods	2023	44.7	40.4	14.9	29.9
	2024	38.8	46.5	14.7	24.1
<b>TOTAL</b>	<b>2023</b>	<b>38.8</b>	<b>47.1</b>	<b>14.2</b>	<b>24.6</b>
	<b>2024</b>	<b>31.9</b>	<b>55.1</b>	<b>13.0</b>	<b>18.9</b>

Regarding the investment structure, replacement investment is preponderant for 2023 and 2024 (34.9% and 29.7% of total investment in the Manufacturing Industry, respectively for both years considered), followed by investment to streamline production (26.4% and 27.9%, in the same order). Considering the investment structure in the three groupings, replacement investment is also the most relevant destiny of investment for both years considered for Consumer Goods, being the most relevant in 2023 for Investment Goods and Intermediate Goods. For 2024, investment in extension of production capacity is predominant in Investment Goods and streamline production is the most relevant for Intermediate Goods.

Table 8. Structure of investment (%)

MANUFACTURING INDUSTRY	YEAR	REPLACEMENT OF WORN-OUT PLANT OR EQUIPMENT	EXTENSION OF PRODUCTION CAPACITY	INVESTMENT DESIGNED TO STREAMLINE PROCESSES	OTHER INVESTMENTS
Consumer Goods	2023	38.3	19.1	26.5	16.1
	2024	32.3	23.2	26.5	17.9
Investment Goods	2023	32.7	29.4	24.2	13.7
	2024	27.2	31.3	26.8	14.7
Intermediate Goods	2023	33.4	18.7	27.3	20.6
	2024	28.9	18.4	29.3	23.4
<b>TOTAL</b>	<b>2023</b>	<b>34.9</b>	<b>21.0</b>	<b>26.4</b>	<b>17.7</b>
	<b>2024</b>	<b>29.7</b>	<b>22.6</b>	<b>27.9</b>	<b>19.9</b>



Table 9. Main factors stimulating investment (%)

MANUFACTURING INDUSTRY	YEAR	DEMAND	FINANCIAL CONDITIONS	TECHNICAL FACTORS	OTHER FACTORS
Consumer Goods	2023	57.6	22.4	54.1	30.9
	2024	57.8	25.2	56.8	26.3
Investment Goods	2023	71.4	29.8	66.6	17.5
	2024	69.5	27.4	69.9	22.9
Intermediate Goods	2023	60.0	21.8	48.8	45.4
	2024	56.1	21.5	50.4	46.7
<b>TOTAL</b>	<b>2023</b>	<b>61.5</b>	<b>23.6</b>	<b>54.1</b>	<b>35.0</b>
	<b>2024</b>	<b>59.3</b>	<b>23.9</b>	<b>56.4</b>	<b>35.2</b>

For 2023 and 2024, demand is the most mentioned as stimulating investment, followed by technical factors in both years for the total of the Manufacturing Industry. By groupings, in the Investment Goods group, technical factors are the most stimulating factor of investment in 2024, followed by demand.

### Services Survey

Considering the opinions regarding the evolution of investment on the firms inquired by the services' survey, 62.4% of the firms consider that investment has stabilized in 2023 compared to 2022, while 26.1% of the firms reported an increase compared to the previous year and 11.5% a decrease. For 2024, 68.3% of firms believe that investment will stabilize compared to the current year, 17.3% of firms believe that investment will increase and 14.5% believe that it will decrease. Also, for 2023 and 2024, most firms consider that investment will stabilize in all sections.

Table 10. Evolution of investment made/planned (%)

SERVICES	YEAR	INCREASE	REMAIN UNCHANGED	DECREASE	BALANCE
Transportation and storage (Section H)	2023	30.0	60.9	9.1	20.9
	2024	23.1	69.4	7.6	15.5
Accommodation and food service activities (Section I)	2023	26.1	67.1	6.8	19.3
	2024	18.5	73.4	8.1	10.4
Information and communication (Section J)	2023	27.7	55.0	17.4	10.3
	2024	20.1	68.2	11.7	8.5
Real estate activities (Section L)	2023	9.9	76.6	13.5	-3.5
	2024	6.0	80.5	13.5	-7.4
Professional, scientific and technical activities (Section M)	2023	41.0	50.7	8.3	32.6
	2024	14.8	53.9	31.3	-16.5
Administrative and support service activities (Section N)	2023	20.5	65.3	14.2	6.3
	2024	21.7	69.3	9.0	12.6
Arts, entertainment and recreation (Section R)	2023	19.7	69.2	11.0	8.7
	2024	28.6	55.4	16.0	12.6
Other service activities (Section S)	2023	11.5	77.1	11.4	0.1
	2024	19.0	71.3	9.7	9.2
<b>TOTAL</b>	<b>2023</b>	<b>32.1</b>	<b>57.4</b>	<b>10.5</b>	<b>21.7</b>
	<b>2024</b>	<b>25.6</b>	<b>63.7</b>	<b>10.7</b>	<b>14.8</b>



Regarding the investment structure, replacement investment assumes preponderance for 2023 and 2024 (46.6% and 42.7% of total investment respectively for the two years considered), followed by investment on extension of capacity in 2023 (24.8%) and investment to streamline processes (24.2%) for 2024.

Replacement investment is the most relevant as the main destination of investment in all sections for 2023. For 2024, investment in capacity extension is the most relevant in the Accommodation and food service activities section, followed by investment to streamline processes, as opposed to the other sections, in which replacement investment is the most predominant.

Table 11. Structure of investment

SERVICES	YEAR	REPLACEMENT OF WORN-OUT BUILDINGS, EQUIPMENT AND IT	EXTENSION OF CAPACITY	INVESTMENT DESIGNED TO STREAMLINE PROCESSES	OTHER INVESTMENTS
Transportation and storage (Section H)	2023	50.1	26.1	13.1	10.7
	2024	47.1	22.0	15.2	15.8
Accommodation and food service activities (Section I)	2023	34.0	27.3	22.2	16.6
	2024	27.2	29.2	27.7	15.9
Information and communication (Section J)	2023	38.9	21.7	25.6	13.8
	2024	35.6	25.0	25.2	14.2
Real estate activities (Section L)	2023	50.1	36.3	10.4	3.2
	2024	45.6	23.4	29.0	2.0
Professional, scientific and technical activities (Section M)	2023	57.7	12.6	19.6	10.1
	2024	53.9	11.7	24.0	10.4
Administrative and support service activities (Section N)	2023	40.8	27.1	23.7	8.4
	2024	36.0	27.8	27.5	8.7
Arts, entertainment and recreation (Section R)	2023	52.1	27.2	14.4	6.4
	2024	51.0	24.5	15.4	9.1
Other service activities (Section S)	2023	34.7	24.9	19.5	21.0
	2024	43.9	27.7	25.9	2.5
<b>TOTAL</b>	<b>2023</b>	<b>42.1</b>	<b>20.2</b>	<b>23.7</b>	<b>14.0</b>
	<b>2024</b>	<b>38.8</b>	<b>23.9</b>	<b>24.7</b>	<b>12.5</b>

Demand is the most mentioned stimulating factor of investment by firms (56.3% and 56.0% in 2023 and 2024, respectively), followed by technical factors in both years (41.4% and 40.8%). This behaviour is observed in six of the eight sections of Services, since in the Real estate activities, for both years analysed, technical factors are preponderant, followed by demand.



Table 12. Main factors stimulating investment

SERVICES	YEAR	DEMAND	FINANCIAL CONDITIONS	TECHNICAL FACTORS	OTHER FACTORS
Transportation and storage (Section H)	2023	56.5	30.6	41.1	31.6
	2024	58.4	28.1	39.3	26.8
Accommodation and food service activities (Section I)	2023	57.0	23.9	29.3	34.0
	2024	59.0	31.9	35.0	36.6
Information and communication (Section J)	2023	73.0	32.8	67.2	35.3
	2024	74.4	34.9	68.3	33.7
Real estate activities (Section L)	2023	61.0	67.7	39.9	34.9
	2024	56.3	74.7	37.4	38.7
Professional, scientific and technical activities (Section M)	2023	36.1	27.7	33.5	40.9
	2024	38.3	30.3	30.5	41.3
Administrative and support service activities (Section N)	2023	57.2	31.6	39.2	23.7
	2024	52.3	32.3	38.6	26.8
Arts, entertainment and recreation(Section R)	2023	65.1	42.3	32.6	24.9
	2024	60.7	38.9	28.3	18.7
Other service activities(Section S)	2023	58.9	33.5	17.2	23.4
	2024	62.1	30.4	24.0	19.8
<b>TOTAL</b>	<b>2023</b>	<b>59.9</b>	<b>29.3</b>	<b>44.5</b>	<b>25.4</b>
	<b>2024</b>	<b>60.3</b>	<b>28.5</b>	<b>47.7</b>	<b>21.9</b>



## 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.

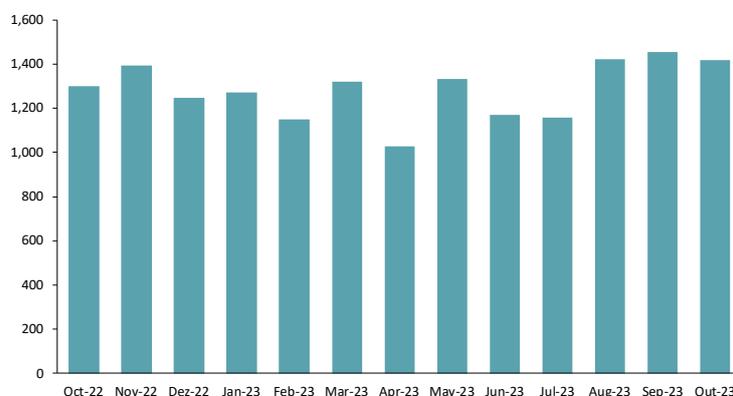


## INFORMATION ON DATA COLLECTION

In the results obtained from business and consumer surveys for the collection of October 2023, the data collecting period occurred from 01 to 18 in the case of the consumer survey, with 1420 responses obtained (telephone interviews) and from 01 to 24 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 12. Consumer Survey - Number of responses by data collection's months



The response and weighted response rates for business surveys were:

Table 13. Response and weighted response rates

Business Surveys	Response Rate				Weighted Response Rate <sup>(2)</sup>			
	2022 <sup>(1)</sup>	August 2023	September 2023	October 2023	2022 <sup>(1)</sup>	August 2023	September 2023	October 2023
Manufacturing Industry	79.0%	76.6%	81.0%	80.3%	92.3%	90.0%	92.1%	91.1%
Construction and Public Works	71.7%	72.5%	76.1%	77.1%	87.8%	85.6%	88.7%	89.1%
Trade	76.6%	77.8%	80.3%	81.3%	93.5%	92.1%	93.4%	93.7%
Services	76.8%	78.2%	79.8%	79.8%	91.8%	77.8%	91.6%	94.8%

<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 13. Manufacturing Industry Survey - Number of responses by data collection's months

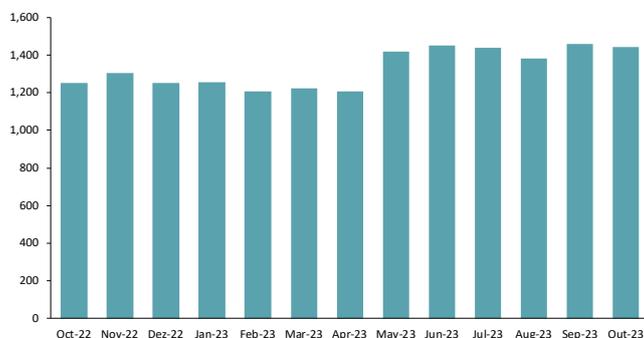


Figure 14. Construction and Public Works - Number of responses by data collection's months

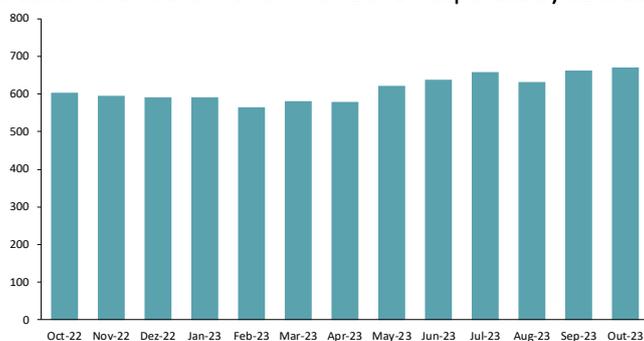


Figure 15. Trade Survey - Number of responses by data collection's months

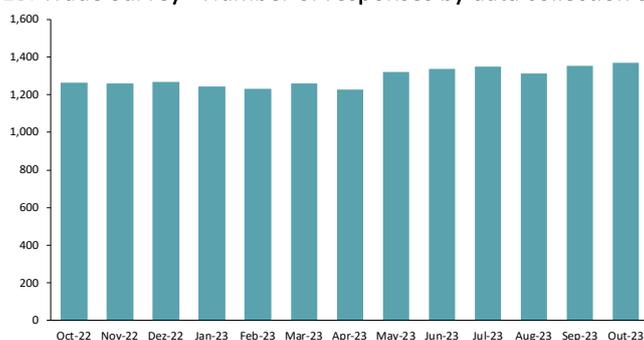
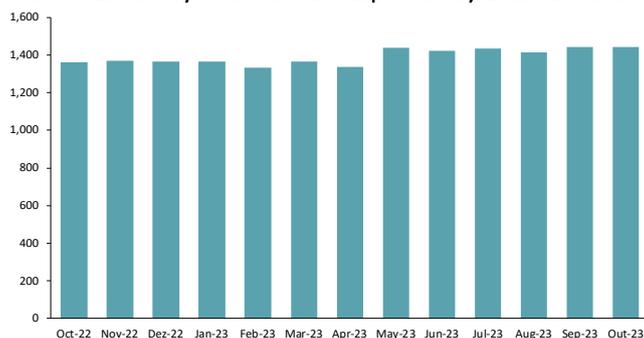


Figure 16. Services Survey - Number of responses by data collection's months





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) as the economic variable, is as follows:

**Table 14. 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
	2021
Manufacturing Industry	14.3%
Construction and Public Works	4.6%
Trade	12.7%
Services	36.7%

## 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 – November 28<sup>th</sup> 2023

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