

## PRESS RELEASE

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### Monthly business survey – January 2023

## Business sentiment holds steady in January

- **The business climate improved in both the business-related services sector and the manufacturing industry but worsened in the building industry and the trade sector.**
- **The production capacity utilisation rate contracted for the third consecutive quarter.**

In the manufacturing industry, an upward revision of the demand and employment outlooks was almost offset by a markedly more pessimistic assessment of overall order positions and, to a lesser extent, stock levels.

In the building industry, all indicators declined, but the demand outlook, in particular, deteriorated significantly.

Last month's recovery of confidence in the business-related services sector continued this month. While business leaders expressed more negative views on their current and future activity levels, this was more than made up for by a significantly improved outlook on general market demand.

In the trade sector, business leaders believe that orders from suppliers will decline sharply; however, they are optimistic about the expected trend in demand.

The overall smoothed synthetic curve, which reflects the underlying economic trend, continues to decline.

Finally, the results of the quarterly survey on production capacity in the manufacturing industry point to a continuation of the decline in the capacity utilisation rate first noted in July of last year: seasonally adjusted capacity utilisation fell from 76.2% in October 2022 to 75.3% in January 2023.

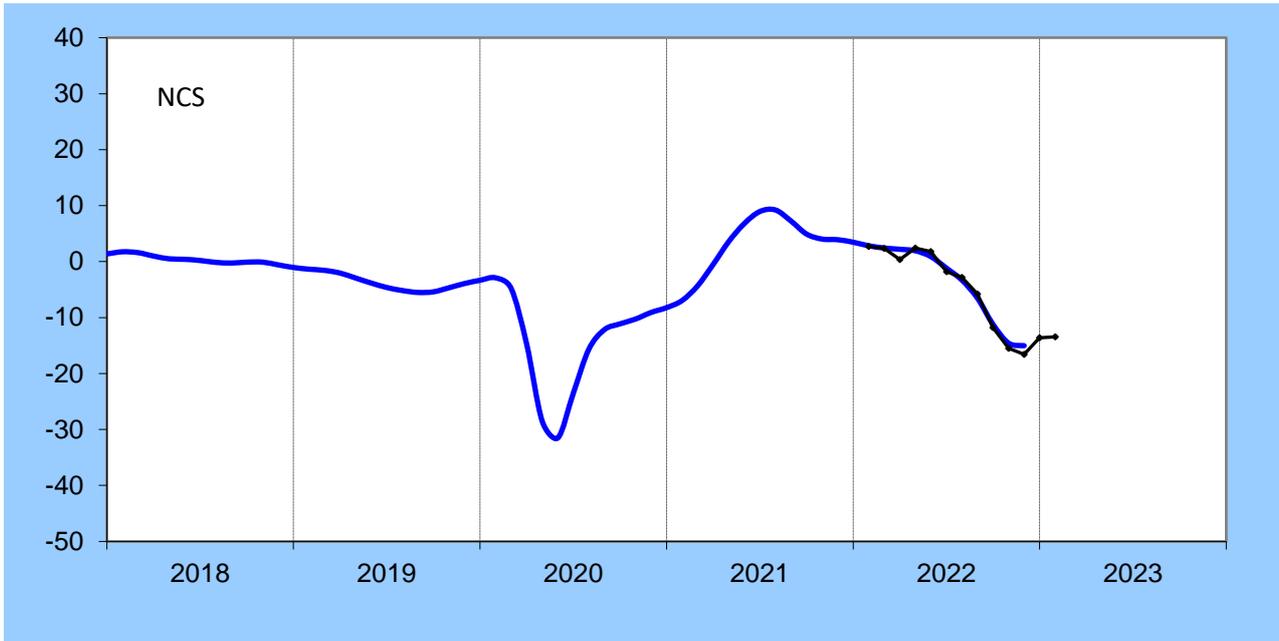
### Business survey indicators

	Gross synthetic curve			Smoothed synthetic curve <sup>1</sup>
	December 2022	January 2023	Variation in points	Variation in Points
Manufacturing industry	-17.1	-16.7	0.4	-3.6
Business-related services	-8.0	-6.1	1.9	-3.0
Building industry	-4.3	-6.6	-2.3	-0.2
Trade	-13.3	-14.2	-0.9	-3.0
<b>Overall synthetic curve</b>	<b>-13.6</b>	<b>-13.5</b>	<b>0.1</b>	<b>-0.4</b>

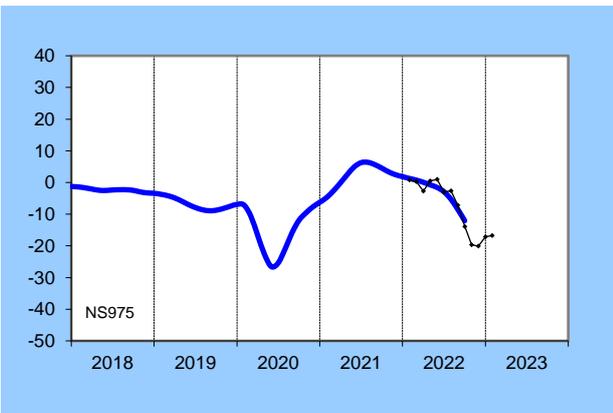
<sup>1</sup> The smoothed curve has a two-month delay for the overall synthetic curve and a four-month delay for the branches of activity. This implies that the overall smoothed indicator reflects recent developments more closely than the smoothed indicators per branch.

Source: NBB.

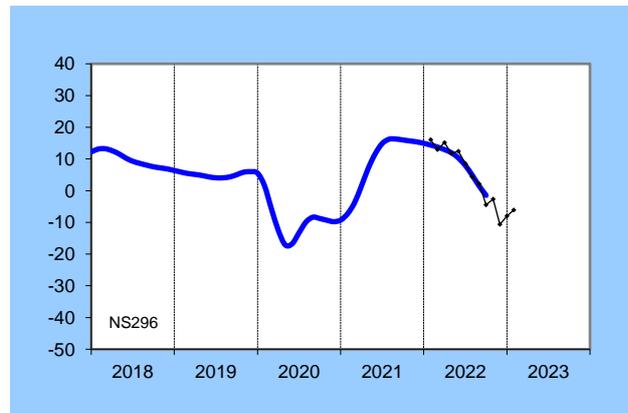
### OVERALL SYNTHETIC CURVE



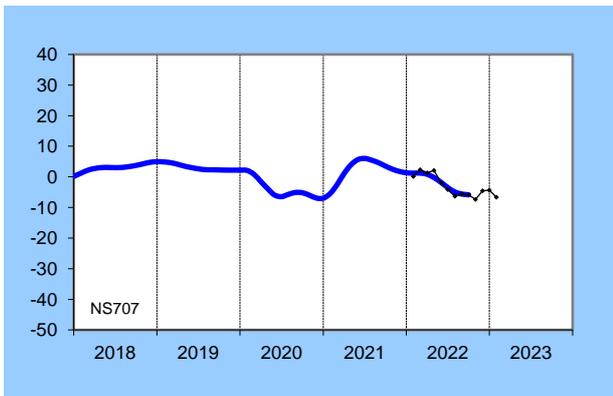
MANUFACTURING INDUSTRY



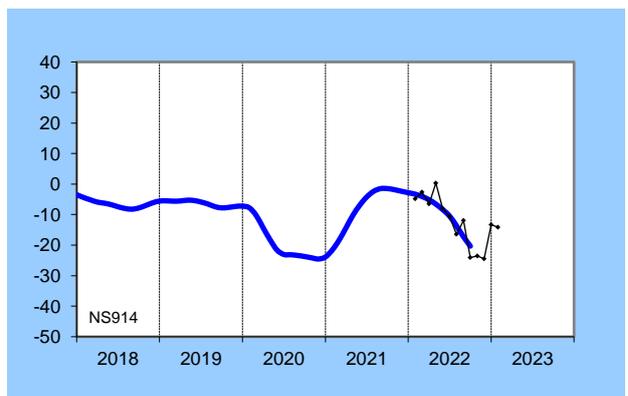
BUSINESS-RELATED SERVICES



BUILDING INDUSTRY



TRADE



— Seasonally adjusted and smoothed series  
Source: NBB

◆ Seasonally adjusted series

## SYNTHETIC CURVES AND THEIR COMPONENTS

TABLE 1

Seasonally adjusted balances of "positive" answers or "higher than normal"(+) and "negative" answers or "lower than normal"(-).	Since 1990			Adjusted series				Smoothed series			
	Min. <sup>1</sup>	Max. <sup>1</sup>	Avg. <sup>2</sup>	Oct	Nov	Dec	Jan	2022			
								Aug	Sep	Oct	Nov
<b>Overall synthetic curve</b>	-36.1	+10.1	-5.2	-15.5	-16.6	-13.6	-13.5	-6.6	-11.2	-14.6	-15.0
<b>Manufacturing industry curve</b>	-36.0	+10.0	-8.6	-19.7	-20.1	-17.1	-16.7	-8.5	-12.1	.	.
Assessment of total order books	-57.7	+10.0	-19.2	-25.2	-29.7	-27.3	-33.9	-14.5	-19.9	.	.
Assessment of level of stocks <sup>3</sup>	-19.0	+25.0	+4.7	+17.9	+18.8	+14.0	+14.8	+9.4	+11.4	.	.
Employment expectations	-41.4	+11.5	-7.1	-15.5	-14.3	-8.9	-8.2	-0.8	-4.0	.	.
Demand expectations	-37.9	+15.0	-3.2	-20.2	-17.5	-18.4	-10.0	-9.2	-12.8	.	.
<b>Business-related services curve</b>	-62.1	+34.0	+9.2	-2.7	-10.7	-8.0	-6.1	+1.5	-1.5	.	.
Assessment of activity	-71.6	+20.0	-6.4	-4.3	-15.7	-9.1	-11.3	-6.7	-7.9	.	.
Activity expectations	-70.7	+47.0	+21.2	+4.0	-5.6	-3.3	-4.0	+8.9	+4.6	.	.
Market demand expectations	-59.9	+44.0	+12.7	-7.7	-10.6	-11.6	-2.9	+3.4	-0.8	.	.
<b>Building industry curve</b>	-24.3	+24.3	-3.3	-7.4	-4.6	-4.3	-6.6	-5.6	-5.8	.	.
Trend in orders	-30.1	+33.0	-0.1	-4.6	+1.0	+1.4	+0.1	-4.2	-3.9	.	.
Trend in equipment	-38.4	+24.0	+1.6	-3.6	-1.3	+1.9	-1.1	-1.5	-2.0	.	.
Assessment of order books	-50.0	+30.0	-14.5	-1.3	-1.0	-1.8	-3.1	+1.7	+0.6	.	.
Demand expectations	-26.0	+18.0	-0.4	-19.9	-17.1	-18.7	-22.3	-19.2	-19.1	.	.
<b>Trade curve</b>	-41.8	+16.0	-3.6	-23.5	-24.5	-13.3	-14.2	-17.3	-20.3	.	.
Employment expectations	-33.0	+18.0	+1.1	-1.5	-8.4	-11.7	-12.6	-0.4	-2.6	.	.
Demand expectations	-56.0	+29.0	-3.1	-37.3	-34.8	-17.4	-6.8	-27.5	-31.9	.	.
Intentions of placing orders	-40.1	+15.0	-8.7	-31.9	-30.2	-10.9	-23.1	-23.5	-26.7	.	.

<sup>1</sup> Minimum and maximum of each indicator (raw series) from January 1990 to the month under review.

<sup>2</sup> Average of each indicator (raw series) from January 1990 until end 2022.

<sup>3</sup> A positive, respectively negative balance, means that stocks, according to the assessment of entrepreneurs, are higher, respectively lower than normal for the season. When synthetic curves are calculated, the sign of this indicator is therefore reversed.

## OTHER BUSINESS SURVEY INDICATORS

TABLE 2

Seasonally adjusted balances of "positive" answers or "higher than normal"(+) and "negative" answers or "lower than normal"(-).	Since 1990			Adjusted series				Smoothed series			
	Min. <sup>1</sup>	Max. <sup>1</sup>	Avg. <sup>2</sup>	2022 - 2023	2022			2022			
				Oct	Nov	Dec	Jan	Aug	Sep	Oct	Nov
<b>Manufacturing industry</b>											
Trend in production rate	- 53.0	+ 20.0	- 1.1	- 14.5	- 7.2	+ 0.1	- 7.5	- 7.4	- 8.2	.	.
Trend in domestic orders	- 48.7	+ 16.0	- 7.4	- 18.6	- 17.0	+ 1.3	- 13.2	- 11.8	- 13.6	.	.
Trend in export orders	- 56.3	+ 30.0	- 2.6	- 23.8	- 15.2	- 5.0	- 8.2	- 9.2	- 10.6	.	.
Assessment of export order books	- 61.0	+ 10.0	- 20.1	- 25.1	- 26.1	- 28.2	- 33.9	- 16.1	- 20.4	.	.
Trend in prices	- 21.0	+ 34.3	+ 0.3	+ 12.7	+ 10.7	+ 8.1	+ 2.5	+ 18.5	+ 15.4	.	.
Price expectations	- 24.0	+ 54.2	+ 4.4	+ 25.6	+ 28.5	+ 30.4	+ 17.0	+ 30.8	+ 29.4	.	.
<b>Production capacity</b>											
(in percentage of the total production capacity)	70.1	84.6	79.6	76.2	-	-	75.3				
Source: quarterly production capacity survey											
<b>Business-related services</b>											
Trend in activity	- 73.0	+ 37.0	+ 9.4	+ 6.2	- 20.7	+ 21.0	+ 2.3	+ 9.3	+ 7.6	.	.
Trend in employment	- 49.4	+ 34.0	+ 6.5	- 14.9	- 7.3	+ 12.5	+ 5.6	+ 8.1	+ 7.9	.	.
Employment expectations	- 35.0	+ 48.0	+ 17.8	+ 24.4	+ 16.8	+ 22.6	+ 26.1	+ 27.2	+ 25.7	.	.
Trend in prices	- 15.8	+ 24.3	+ 2.3	+ 13.5	+ 10.0	+ 6.9	+ 5.3	+ 12.7	+ 11.9	.	.
Price expectations	- 13.0	+ 46.9	+ 7.9	+ 36.9	+ 46.9	+ 39.1	+ 36.9	+ 32.5	+ 34.1	.	.
<b>Building industry</b>											
Trend in activity	- 66.6	+ 34.7	- 1.7	- 5.5	+ 4.9	+ 3.5	+ 2.1	+ 1.1	+ 1.4	.	.
Trend in employment	- 27.0	+ 22.0	- 3.1	- 1.1	+ 2.7	+ 0.8	+ 2.6	+ 1.4	+ 1.2	.	.
Employment expectations	- 31.0	+ 30.0	+ 1.0	+ 6.4	+ 7.8	+ 10.7	+ 4.5	+ 8.1	+ 8.0	.	.
Trend in prices	- 27.1	+ 52.8	- 2.0	+ 39.4	+ 37.9	+ 39.5	+ 38.8	+ 40.2	+ 39.4	.	.
Price expectations	- 20.6	+ 64.0	+ 3.8	+ 58.1	+ 53.7	+ 57.8	+ 49.7	+ 52.5	+ 52.6	.	.
<b>Trade</b>											
Trend in sales	- 50.1	+ 43.0	- 2.0	+ 6.7	- 5.8	- 8.0	+ 5.8	- 3.2	- 2.9	.	.
Assessment of sales	- 50.0	+ 28.0	- 8.6	- 6.2	- 17.9	- 10.0	- 5.9	- 14.2	- 13.9	.	.
Assessment of level of stocks <sup>3</sup>	- 17.1	+ 38.1	+ 10.9	- 3.9	+ 5.9	+ 6.3	+ 11.1	- 5.6	- 3.1	.	.
Trend in prices	- 23.5	+ 55.3	+ 0.1	+ 47.0	+ 55.3	+ 38.6	+ 40.0	+ 42.7	+ 42.9	.	.
Price expectations	- 14.2	+ 69.5	+ 7.3	+ 60.4	+ 57.6	+ 48.8	+ 50.6	+ 58.7	+ 57.1	.	.

<sup>1</sup> Minimum and maximum of each indicator (raw series) from January 1990 to the month under review.

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