

Business and consumer survey results for May 2021

## Economic Sentiment and Employment Expectations increased further in the EU and the euro area

In May 2021, the *Economic Sentiment Indicator* (ESI) increased again strongly, gaining 4.0 points in both the EU and the EA compared to April.<sup>1</sup> At 113.9 (EU) / 114.5 (EA) points, the ESI scores markedly above its long-term average and pre-pandemic level, close to its December 2017 peak. The Employment Expectations Indicator (EEI) also saw an additional strong increase (+2.4 points to 110.3 in the EU and +2.9 points to 110.1 in the euro area),<sup>2</sup> bringing it further above its long-term average in both areas.

### EU developments

Graph 1: EU Economic sentiment & Employment expectations (s.a.)

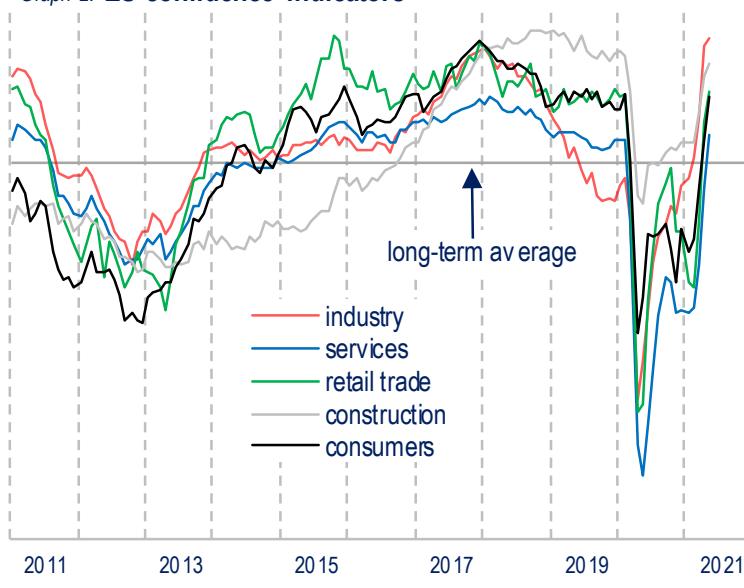


In the EU, the ESI's increase was driven by improving confidence in the services sector, but all other surveyed business sectors (i.e. industry, retail trade, construction) and consumers recorded an improvement. The ESI is well above its long-term average, and rose markedly in all of the six largest EU economies, mostly so in Italy (+11.0), followed by Poland (+5.1), France (+5.0), the Netherlands (+3.2), Germany (+2.8) and Spain (+2.3).

**Industry confidence** increased for the sixth month in a row (+0.9) and reached a new all-time high. The improvement resulted from very positive developments in managers' assessments of the *current level of overall order books* and, to a lesser extent, the *stocks of finished products*, partially offset by a decrease in their *production expectations* (which reached an all-time high in April). Of the questions not entering the confidence indicator, managers' appraisals of *past production* and, especially, *export order books* improved.

**Services confidence** posted the third

Graph 2: EU confidence indicators<sup>3</sup>

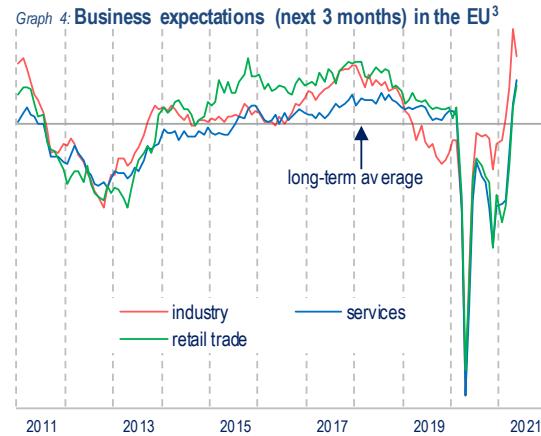
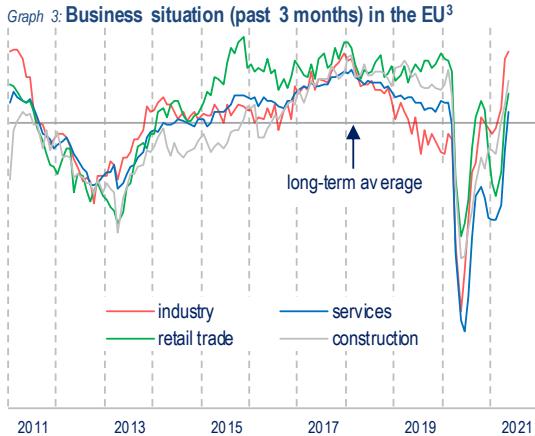


<sup>1</sup> Business confidence indices for France were revised compared to the April press release, the net effect being a slight upward revision of the ESI for April by 0.2 points to 109.9 in the EU and 110.5 in the euro area. Furthermore, May data for Malta for industry, services and retail trade are missing.

<sup>2</sup> The Employment Expectations Indicator for the euro area was revised slightly upward, by 0.1 points to 107.2, compared to the April press release.

<sup>3</sup> The graph presents standardised series to correct for differences in means and standard deviations.

significant improvement in a row (+8.8), exceeding its long-term average for the first time since March last year. Managers expressed more positive views on the *past business situation* and *past demand*, and were more optimistic on *demand expectations*. **Consumer confidence** increased for the fourth time in a row (+3.0), driven by an improvement in all its components (i.e. views on their *household's past and future financial situation*, their *expectations of the general economic situation in their country*, and their *intentions to make major purchases*). **Retail trade confidence** rose for the third time in a row (+2.8), reflecting managers' improved assessments of the *past and expected business situation*, while their assessment of the adequacy of the *volume of stocks* slightly worsened. **Construction confidence** improved (+1.9), as managers posted better appraisals of the *level of order books* and more optimistic *employment expectations*. Finally, **financial services confidence** (not included in the ESI) increased strongly in May (+9.5), thanks to manager's more positive appraisals of the *past business situation*, *past demand* and *demand expectations*.



The further increase in the **Employment Expectations Indicator** (EEI) in May (+2.4) was driven by more optimistic employment plans in all surveyed business sectors, i.e. industry, services, retail trade and construction. In line with the upbeat employment results, consumers' unemployment expectations, which are not included in the EEI, receded further.

**Selling price expectations** saw the third month of marked and uniform increases across all surveyed business sectors, i.e. industry, services, retail trade and construction, reaching an all-time high in industry. Although not as strongly as in the business sectors, consumer price expectations increased further for the fifth month in a row.

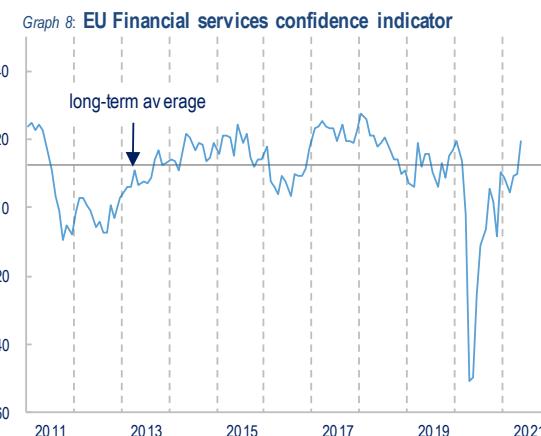
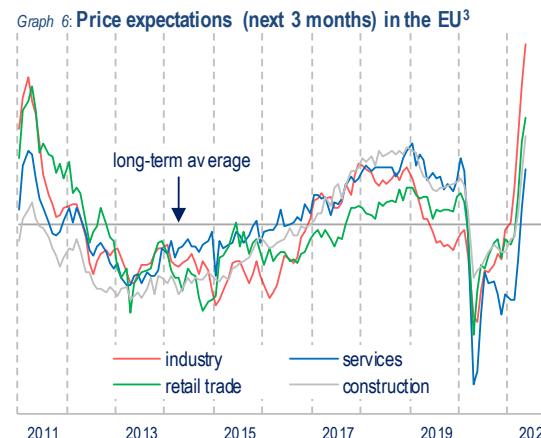
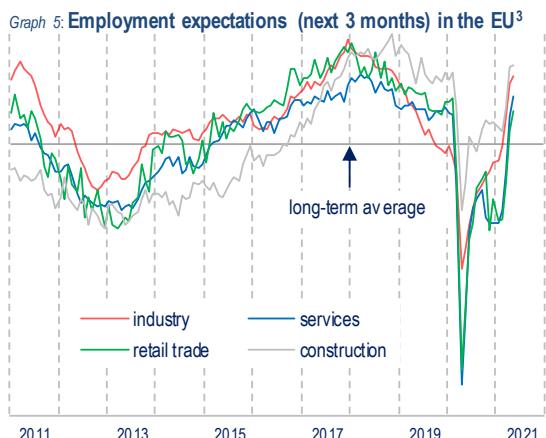


















TABLE 3 (continued) : Monthly survey of services (s.a.)

	Since 2000 (*)				2020								2021					
	Min.		Ave.	Max.		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
	Date	Value		Date	Value													
SELLING-PRICE EXPECTATIONS (Question 6)	EU	04-20	-10.6	4.0	12-07	14.4	-4.1	-0.4	-1.3	-1.1	-2.3	-4.2	-2.4	-2.8	-2.9	0.8	5.6	9.2
	EA	04-20	-9.8	3.9	12-07	14.1	-3.8	0.0	-1.0	-0.9	-2.1	-4.0	-2.0	-3.1	-3.2	1.0	5.2	9.4
	BE	01-10	-13.8	7.4	07-08	28.8	2.9	5.6	2.7	4.1	2.5	3.8	5.8	-1.5	4.7	9.0	11.1	9.9
	BG	01-11	-11.9	5.5	07-04	37.5	-4.5	-2.6	-2.5	-1.8	-0.7	-3.8	-4.3	-3.6	-0.4	-1.3	1.7	1.6
	CZ	05-20	-12.6	4.3	01-04	23.6	-3.1	-4.2	0.7	4.1	-5.1	-7.7	-2.3	3.2	5.1	-4.0	8.3	7.7
	DK	04-20	-18.7	0.4	12-10	16.2	-7.5	-6.1	-6.0	-5.0	-6.3	-9.0	-6.3	-5.7	-6.5	-7.2	0.9	-0.4
	DE	04-03	-8.5	12.1	01-19	26.3	6.0	10.0	10.3	8.5	7.5	5.5	8.0	5.8	5.9	13.8	14.7	21.2
	EE	03-09	-31.5	8.2	01-18	26.8	-23.2	-13.4	-5.9	-9.9	-5.8	-7.9	-6.4	-5.6	-4.8	-3.9	13.9	21.7
	IE	08-09	-51.0	1.5	11-18	29.9	-7.7	2.6	7.1	-0.4	-4.2	-2.8	4.9	-0.6	8.4	5.4	19.3	21.9
	EL	09-12	-40.2	-4.7	06-06	24.2	-32.6	-19.3	-12.3	-14.1	-18.4	-22.4	-22.4	-15.4	-12.4	-16.7	-5.7	-10.5
	ES	05-20	-19.0	2.5	09-04	20.3	-5.5	-2.6	-13.9	-8.7	-7.2	-9.7	-8.3	-7.9	-11.2	-5.6	0.6	3.3
	FR	07-09	-21.0	-3.4	12-00	7.1	-12.1	-7.9	-7.3	-6.6	-11.1	-13.5	-10.1	-10.8	-12.6	-9.7	-5.6	0.7
	HR	04-20	-19.8	0.0	07-08	25.4	-7.7	-10.4	-1.3	-4.1	-3.0	-7.9	-5.7	-3.5	-3.5	1.4	-1.6	7.4
	IT	04-13	-15.6	-0.7	05-04	17.7	-7.3	-5.6	-6.1	-4.5	-4.4	-5.5	-5.5	-4.6	-5.6	-4.3	-2.9	2.9
	CY	04-13	-38.9	0.3	06-03	72.7	-18.1	-15.2	-10.0	-6.9	-13.7	-6.0	-8.7	-4.0	-18.3	-10.0	-1.0	6.6
	LV	12-09	-31.1	5.3	12-07	35.8	-9.5	-7.3	-4.3	-4.5	-4.5	-6.3	-3.7	-7.1	-6.2	-3.4	4.0	3.1
	LT	06-09	-23.0	1.5	08-06	20.8	-0.3	-1.1	0.3	1.8	0.2	1.8	2.1	4.0	6.1	6.6	10.0	7.9
	LU	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
	HU	02-09	-8.5	7.4	09-06	28.0	10.7	11.5	12.6	11.6	12.0	12.7	10.4	8.3	21.7	14.0	19.5	26.7
	MT	11-16	-45.0	2.5	11-18	39.0	-12.7	-17.6	-16.5	-4.5	-10.3	-12.0	-8.6	-11.3	-6.9	-8.0	18.5	:
	NL	08-09	-5.5	8.9	01-07	30.7	4.2	5.0	4.4	3.1	2.5	1.0	2.1	-0.1	3.1	4.4	10.5	11.7
	AT	05-09	-10.3	9.5	11-07	30.4	-4.4	2.7	2.8	0.6	3.8	-5.7	-2.7	-1.5	-1.5	6.6	14.4	18.9
	PL	04-20	-16.1	1.1	04-08	16.8	-7.6	-3.8	-1.7	-1.9	-1.1	-4.5	-2.0	-1.6	-0.1	1.2	9.1	8.0
	PT	04-20	-21.8	-0.8	11-05	13.7	-14.5	-7.9	-6.7	-5.3	-4.6	-7.7	-8.1	-10.4	-15.0	-7.6	-0.6	1.7
	RO	02-21	-13.8	10.5	04-04	54.5	-12.2	-10.4	-10.4	-1.9	-12.8	-13.3	-12.3	-2.6	-13.8	-4.0	1.2	5.0
	SI	02-10	-16.4	1.5	01-08	23.1	-9.7	-3.2	-2.5	-1.0	1.5	-1.3	-1.2	-1.1	-4.7	1.1	1.4	6.3
	SK	12-10	-17.5	10.6	07-02	68.9	8.2	10.4	5.5	5.2	19.6	-4.6	-9.3	-7.3	3.1	-0.2	20.1	4.5
	FI	07-04	-25.1	8.1	01-08	40.7	-8.3	0.1	-4.1	-7.0	-12.4	-0.5	-3.7	-3.7	-2.4	-3.3	8.7	6.5
	SE	05-20	-23.3	8.4	11-07	32.4	-6.2	-0.2	-6.8	-7.3	-3.9	-5.5	-8.6	-1.8	-2.5	1.6	12.6	9.9

(\*) Minimum, maximum and averages are calculated over the period of availability which is not necessarily as from 01/2000.

(a) The indicator is the arithmetic average of the balances (%) for the questions on business situation and recent and expected evolution of demand.













TABLE 5 (continued) : Monthly survey of retail trade (s.a.)

	Since 2000 (*)				2020						2021							
	Min.		Ave.	Max.		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
	Date	Value		Date	Value													
SELLING-PRICE EXPECTATIONS (Question 6)	EU	08-09	-6.0	6.5	11-07	22.3	1.8	1.5	2.9	4.3	4.8	2.7	4.6	4.1	5.2	9.5	15.4	18.0
	EA	03-09	-8.7	5.8	11-07	21.7	0.1	-0.6	0.8	2.7	3.2	1.4	3.3	2.8	3.9	8.2	14.1	17.6
	BE	12-20	-15.2	6.3	04-11	26.4	5.0	-2.7	0.3	5.6	10.0	-13.4	-15.2	1.5	7.3	13.3	15.3	15.8
	BG	11-09	-9.2	9.9	07-08	45.8	0.5	3.0	-0.1	2.5	0.9	0.1	0.2	1.3	3.5	6.9	9.2	15.8
	CZ	01-15	-11.9	5.1	08-20	27.6	18.7	22.7	27.6	21.0	15.4	15.7	19.2	14.5	22.0	24.1	26.3	18.0
	DK	04-20	-16.4	-0.4	02-11	24.2	-7.6	-3.1	-1.8	-1.7	-0.4	-0.4	-2.8	-5.5	-8.1	-4.8	4.4	3.5
	DE	04-20	-9.6	10.9	11-06	38.6	-1.3	-2.5	5.5	8.8	10.9	12.0	18.6	11.5	11.9	16.9	25.2	33.8
	EE	03-09	-35.9	28.7	05-21	55.5	14.3	25.0	27.3	22.8	21.3	18.9	13.1	15.2	22.2	27.8	43.1	55.5
	IE	07-09	-51.4	8.6	05-21	54.5	11.3	7.5	9.1	8.9	9.3	8.1	24.5	12.8	32.2	39.9	30.9	54.5
	EL	06-12	-35.2	-0.2	05-08	33.6	-9.4	0.6	5.1	-1.0	0.2	4.9	5.6	0.1	-0.8	0.4	13.8	28.8
	ES	02-09	-18.6	4.4	01-05	28.7	-3.1	-4.9	-6.7	-4.2	-5.8	-8.8	-5.0	-2.7	-6.4	-0.9	12.4	16.4
	FR	03-09	-29.4	-2.7	11-07	14.0	-2.0	-2.9	-0.4	-0.4	0.0	-4.9	-5.7	0.3	-1.6	1.3	1.8	5.3
	HR	04-20	-16.9	1.3	06-08	31.6	-0.1	-9.3	0.8	-0.6	-5.3	-0.9	3.2	-3.3	-2.2	-1.4	5.2	13.3
	IT	08-05	-14.5	6.9	06-08	33.1	2.1	2.3	-5.2	-1.1	-2.8	-1.6	-3.6	-3.1	0.1	4.2	8.0	3.4
	CY	04-13	-27.7	3.9	07-08	34.3	0.2	1.9	3.1	5.3	2.0	1.4	4.3	0.9	-3.3	2.6	-0.5	8.5
	LV	01-10	-22.5	19.2	05-04	55.7	9.0	10.8	6.7	6.7	3.7	0.8	3.1	2.7	4.3	13.0	23.0	26.5
	LT	07-09	-46.5	8.0	04-11	61.7	2.6	2.1	1.2	3.3	2.9	3.8	1.5	0.3	2.8	7.4	8.1	11.3
	LU	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	
	HU	03-10	3.6	32.4	06-00	80.8	25.8	20.6	23.2	27.3	34.7	28.5	28.9	29.1	36.6	38.9	50.4	55.4
	MT	02-19	-32.9	6.4	03-21	46.3	24.8	-6.1	26.9	18.2	28.8	27.1	22.9	45.0	45.3	46.3	-3.3	:
	NL	11-10	-18.7	5.4	10-12	26.2	4.9	2.9	-0.4	1.3	-0.2	-1.2	-1.8	-6.0	-1.2	-0.3	6.9	8.6
	AT	09-09	-1.0	14.0	02-08	34.1	13.7	17.0	12.7	12.3	20.7	10.9	6.1	5.4	21.7	31.3	33.4	25.1
	PL	07-02	-7.0	14.2	03-09	39.4	14.6	14.5	16.6	14.8	12.7	9.4	12.7	17.5	15.1	19.5	24.4	23.9
	PT	07-03	-21.5	3.3	07-05	25.3	-2.3	-1.8	-2.5	-3.7	-2.0	-2.6	-0.2	-1.1	-2.1	-0.7	2.1	5.3
	RO	01-16	-14.9	24.2	10-04	56.0	25.0	26.6	22.1	16.8	14.2	11.5	13.0	15.2	9.8	25.8	26.2	24.4
	SI	03-09	-32.6	9.1	02-08	40.2	23.2	8.1	2.3	9.9	11.5	8.1	5.4	-6.5	-13.7	8.4	-8.5	19.4
	SK	07-09	-36.9	15.6	11-02	73.9	0.2	9.4	13.3	9.2	7.8	3.8	3.1	8.1	7.0	16.6	12.5	40.8
	FI	03-15	-48.9	4.2	07-11	59.6	-2.9	0.7	2.8	-0.5	-5.8	2.3	5.9	1.7	0.8	1.8	21.0	14.5
	SE	07-05	-10.3	14.7	11-18	38.8	8.1	13.2	18.4	15.7	21.1	13.2	17.3	11.0	15.3	15.7	25.8	18.2

(\*) Minimum, maximum and averages are calculated over the period of availability which is not necessarily as from 01/2000.

(a) The indicator is the arithmetic average of the balances (%) for the present and the future business situation, and for stocks – with inverted sign.





TABLE 7: Monthly survey of financial services sector <sup>(a)</sup>

	Since 04/2006				2020								2021																		
	Min.		Ave.	Max.		Jun				Jul		Aug		Sep		Oct		Nov		Dec		Jan		Feb		Mar		Apr		May	
	Date	Value		Date	Value	25.4	-11.0	-6.5	5.4	1.7	-8.7	10.2	8.8	4.3	9.5	10.0	19.5														
FINANCIAL SERVICES	EU	04-20	-51.1	12.6	04-06	43.3	-25.4	-11.0	-6.5	5.4	1.7	-8.7	10.2	8.8	4.3	9.5	10.0	19.5													
CONFIDENCE INDICATOR <sup>(b)</sup>	EA	04-20	-51.9	11.2	04-06	42.6	-22.8	-8.6	-4.8	6.7	3.3	-7.6	11.9	11.1	5.4	11.2	11.4	21.0													
ASSESSMENT OF BUSINESS SITUATION	EU	05-20	-63.4	9.8	04-06	38.6	-38.1	-22.2	-9.8	1.3	1.1	-6.8	6.2	8.9	0.3	4.2	9.1	16.0													
OVER THE PAST 3 MONTHS <sup>(c)</sup>	EA	05-20	-62.4	8.7	04-06	39.6	-35.6	-18.9	-7.0	3.2	3.2	-5.2	8.1	11.9	1.6	5.5	10.1	16.9													
EVOLUTION OF DEMAND	EU	05-20	-51.6	11.7	04-06	41.6	-34.4	-20.5	-12.2	3.0	4.5	-2.3	14.8	13.1	5.1	8.0	6.9	17.5													
OVER THE PAST 3 MONTHS <sup>(c)</sup>	EA	05-20	-50.8	10.6	04-06	40.3	-31.8	-17.2	-10.1	5.2	7.1	-0.7	18.2	17.0	6.9	10.0	8.6	19.1													
EVOLUTION OF DEMAND EXPECTED	EU	04-20	-61.6	16.2	04-06	49.5	-3.8	9.7	2.5	12.1	-0.4	-16.9	9.7	4.4	7.5	16.3	14.0	25.0													
OVER THE NEXT 3 MONTHS <sup>(c)</sup>	EA	04-20	-61.5	14.2	04-06	47.8	-1.2	10.3	2.6	11.8	-0.3	-16.8	9.5	4.4	7.8	17.9	15.4	27.1													
EVOLUTION OF EMPLOYMENT	EU	02-09	-11.2	5.6	01-07	23.3	-6.4	-5.1	-6.6	-3.5	-3.5	-4.1	2.7	0.7	-1.1	7.7	2.4	8.9													
OVER THE PAST 3 MONTHS	EA	03-13	-12.4	3.9	09-08	25.7	-5.5	-4.6	-5.9	-1.8	-3.7	-3.3	4.9	2.2	-0.6	9.1	1.9	10.3													
EVOLUTION OF EMPLOYMENT	EU	04-20	-26.6	7.2	04-06	30.0	-7.7	-2.2	-1.3	3.8	-4.6	-14.8	-0.1	10.5	2.8	5.4	9.4	10.4													
EXPECTED OVER THE NEXT 3 MONTHS	EA	04-20	-26.6	4.9	04-06	29.5	-6.7	-1.7	-0.9	4.9	-4.4	-14.8	0.8	11.8	4.0	5.7	10.4	11.7													

(a) Data are not seasonally adjusted.

(b) The confidence indicator is the arithmetic average of the balances (%) for the questions on business situation and past and expected evolution of demand.

(c) Component of the confidence indicator.

## Methods and definitions

The Commission's harmonised Business and Consumer Survey (BCS) programme, managed by the Directorate-General for Economic and Financial Affairs (DG ECFIN), was set up in 1961, and its scope has since expanded considerably in terms of both countries and sectors covered. Six surveys are conducted on a monthly basis in the following areas: manufacturing industry, construction, consumers, retail trade, services, and financial services. Some additional questions are asked on a quarterly basis in the January, April, July and October surveys in industry, construction, services, financial services and among consumers. In addition, questions on manufacturing companies' investment plans are included twice a year (April and November). The surveys are conducted by national institutes in the Member States and the candidate countries based on harmonized questionnaires and a common timetable.

The data of the surveys is processed by DG ECFIN's Unit Economic situation, forecasts, business and consumer surveys (A3), Sector Business and consumer surveys and short-term forecast.

The **confidence indicators** are produced to reflect overall perceptions and expectations at the individual sector level in a one-dimensional index. For each of the six surveyed sectors, they are calculated as the simple arithmetic average of the (seasonally adjusted) balances of answers to specific questions chosen from the full set of questions in each individual survey.

The **Economic Sentiment Indicator (ESI)** is a composite indicator combining judgements and attitudes of businesses (in industry, construction, retail trade, services) and consumers by means of a weighted aggregation of standardised input series.

The **Employment Expectations Indicator** is constructed as a weighted average of the employment expectations of managers in four surveyed business sectors (i.e. industry, services, retail trade and construction).

More information on methods and definitions can be found in the [methodological guidelines](#) section of the [BCS website](#). All press releases can be found [here](#). Detailed data results of all surveys are freely available for download in the BCS [time series](#) section of the website.

You can also contact DG ECFIN at the following address: [ECFIN-BCS-MAIL@ec.europa.eu](mailto:ECFIN-BCS-MAIL@ec.europa.eu)

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**Upcoming releases:** Flash Consumer Confidence Indicator 22 June 2021  
 Full Business and Consumer Survey Results (incl. ESI, EEI, sectoral CIs) 29 June 2021