Statistics Poland

NEWS RELEASES

22.07.2020

Business tendency in manufacturing, construction, trade and services – July 2020

Impact of COVID-19 pandemic on business tendency – assessment and expectations (Annex)

-10.5

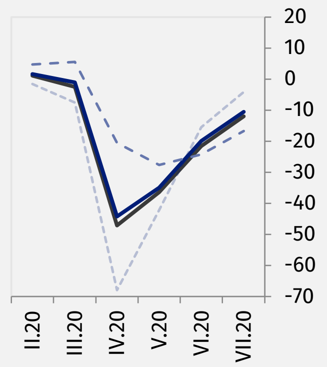
General business climate indicator for manufacturing (NSA)

In July general business climate indicator is less negative than in June in most of presented kinds of activities. In information and communication sector it is even slightly positive, whereas the most pessimistic assessments are reported by companies operating in the field of accommodation and food service activities. Improvement is observed both in assessments ("diagnosis") and expectations ("forecast").

In the current month – answers provided between 1 and 10 July – supplementary set of questions has been added to the survey. This particular set aims to additionally diagnose the impact of COVID-19 pandemic on business tendency.

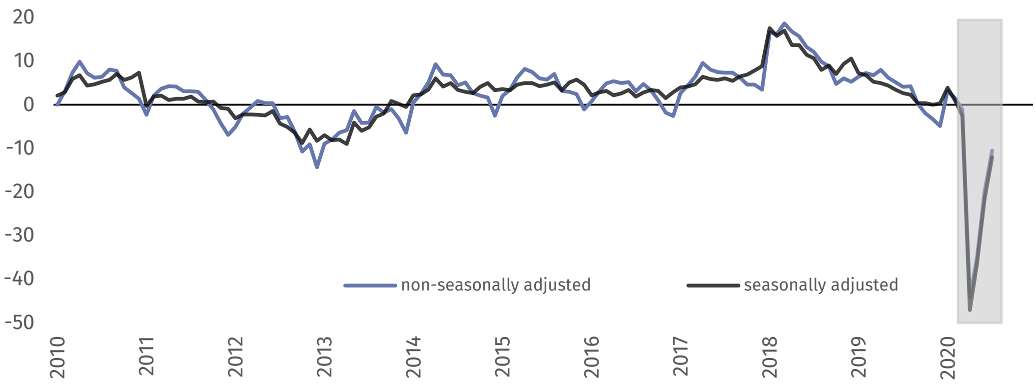
General business climate indicator and its components in the last six months

- seasonally adjusted indicator (SA)
- non-seasonally adjusted indicator (NSA)
- "diagnostic" component (NSA)
- "forecast" component (NSA)



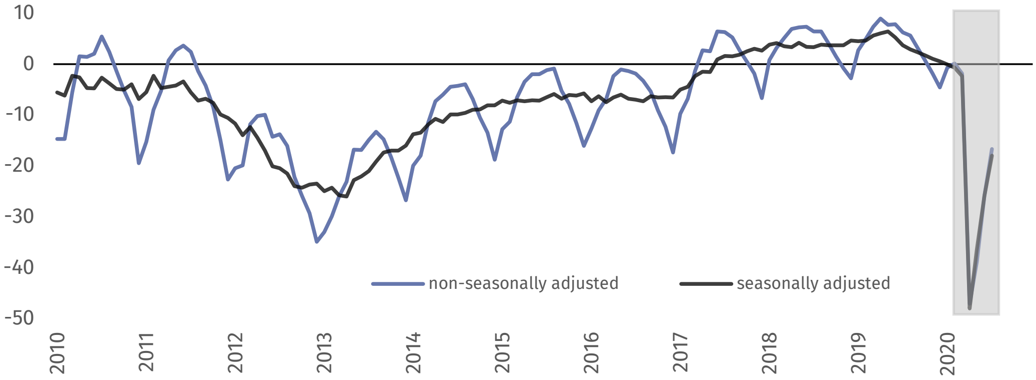
Manufacturing (graph 1)

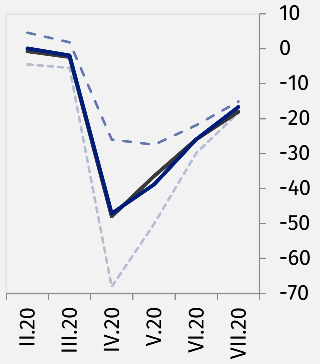
In July general business climate indicator (NSA) takes the value minus 10.5 and it is higher than in June (minus 19.9). The most pessimistic assessments are made by producers of wearing apparel as well as metal and other transportation equipment, whereas the most favourable ones – by manufacturers of furniture, paper and paper products as well as rubber and plastic products.



Construction (graph 2)

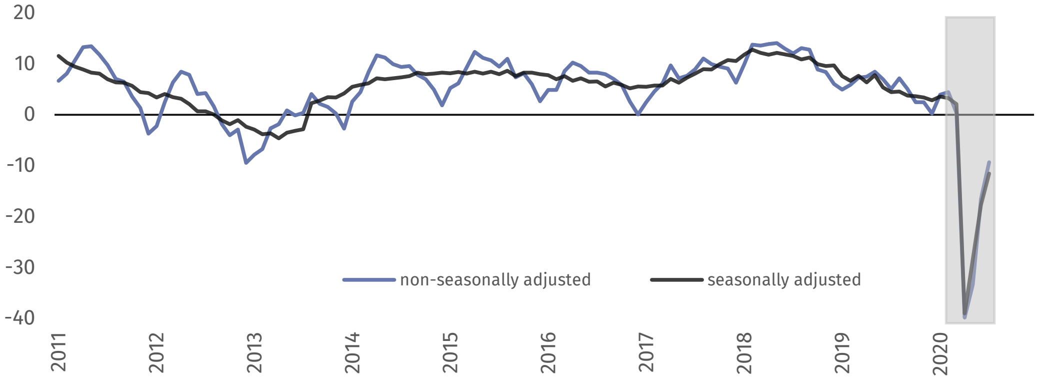
In the current month general business climate indicator (NSA) takes the value minus 16.7 – higher than in June (minus 25.9). The most pessimistic assessments are made by firms employing up to 49 persons, whereas the least pessimistic ones – by companies with 250 or more persons employed.

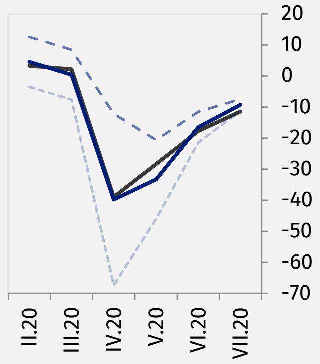




Wholesale trade (graph 3)

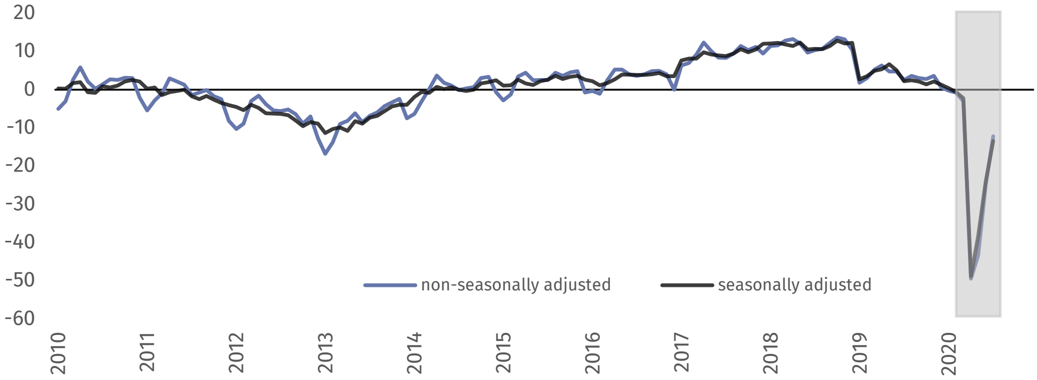
In the current month general business climate indicator (NSA) takes the value minus 9.3 and it is less negative than in June (minus 16.5).

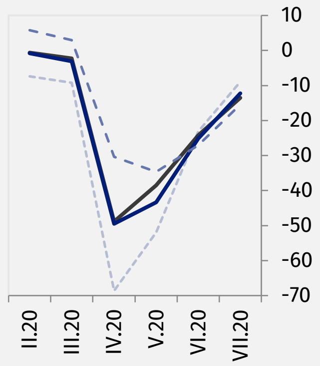




Retail trade (graph 4)

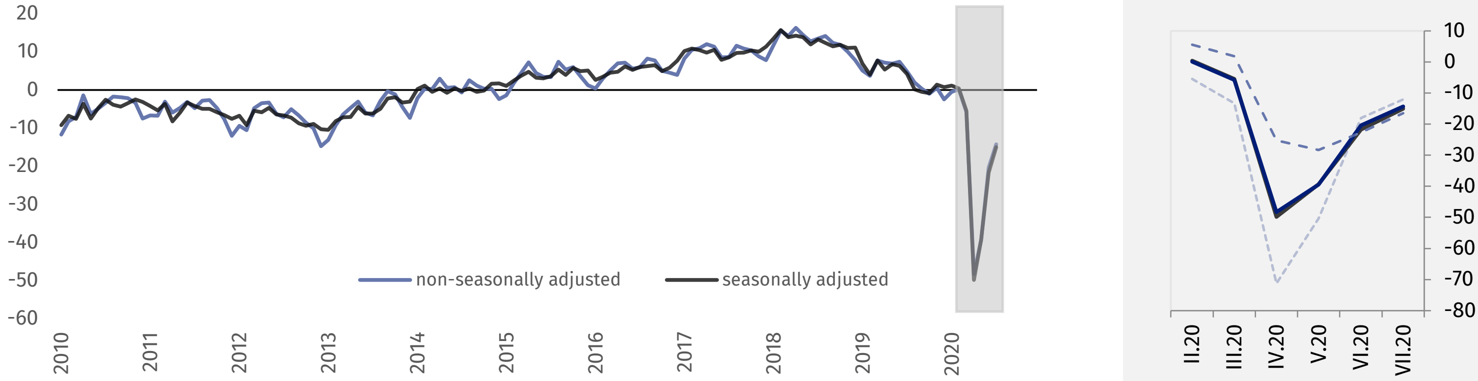
In July general business climate indicator (NSA) takes the value minus 12.2 and it is higher than in June (minus 25.1). Business situation is perceived less negative in all size classes and presented branches. The most pessimistic assessments in this regard are made by firms employing up to 9 persons.





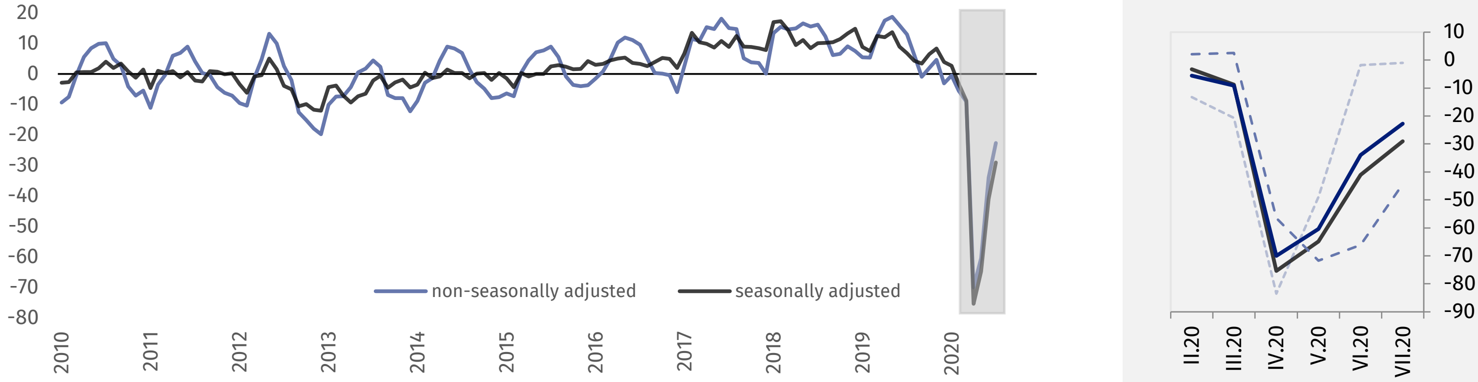
Transportation and storage (graph 5)

In the current month general business climate indicator (NSA) takes the value minus 14.3 and it is higher than in June (minus 20.4).

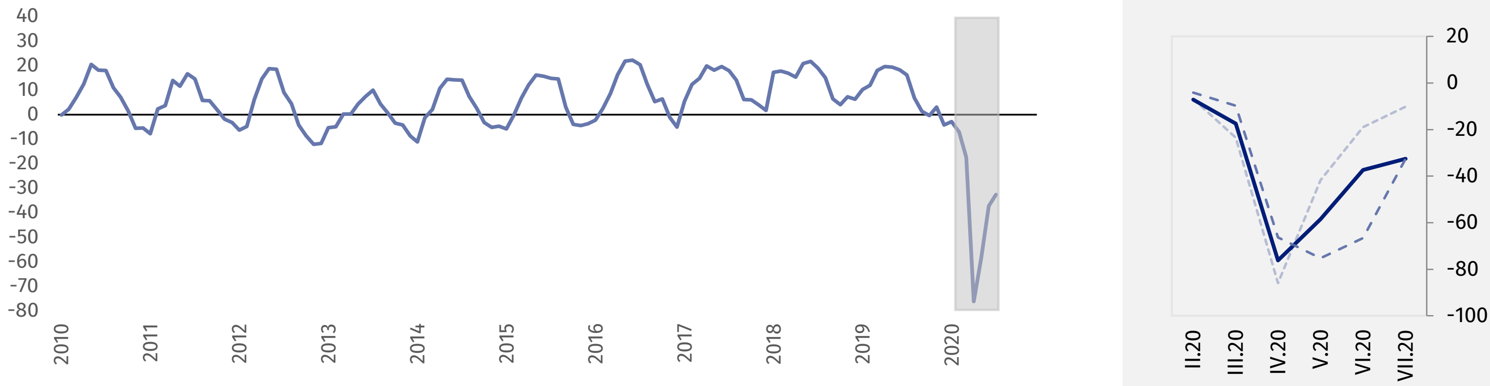


Accommodation and food service activities (graph 6)

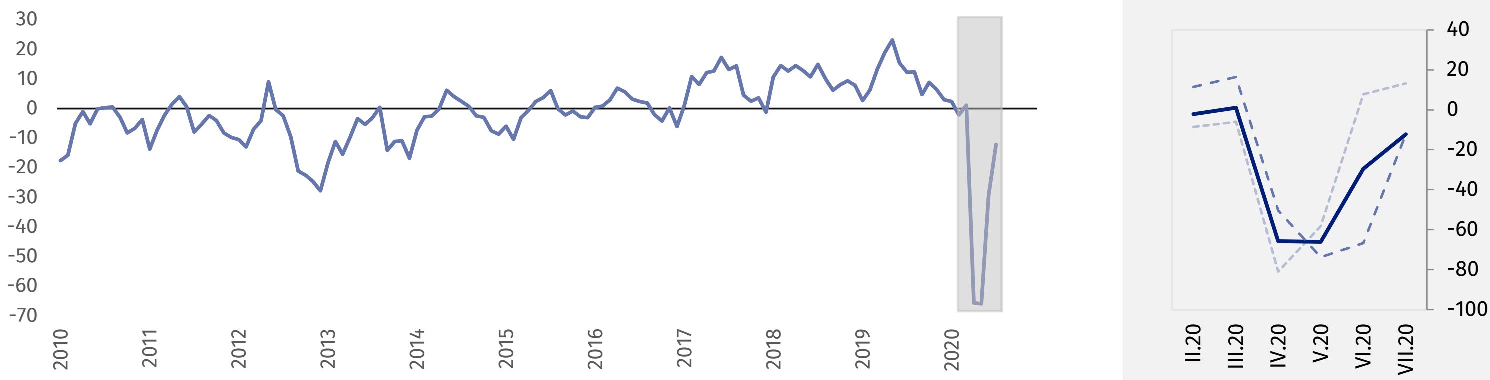
In July general business climate indicator (NSA) takes the value minus 22.7 versus minus 34.0 in June. Entities operating in accommodation assess business tendency more pessimistically (minus 32.6) than the ones of food service activities (minus 12.2).



Accommodation (graph 6a)

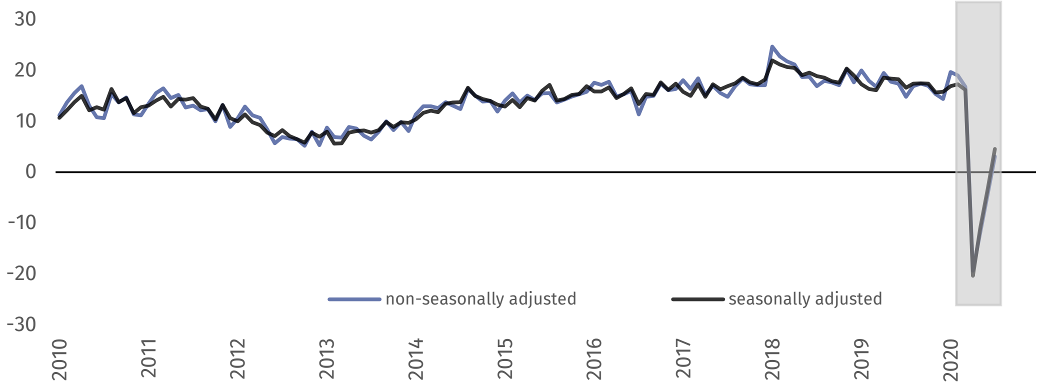


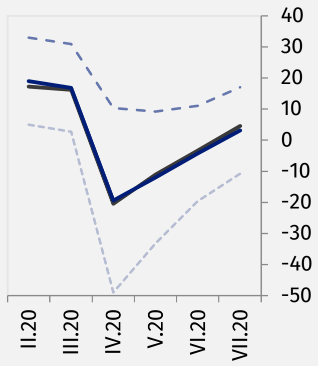
Food service activities (graph 6b)



Information and communication (graph 7)

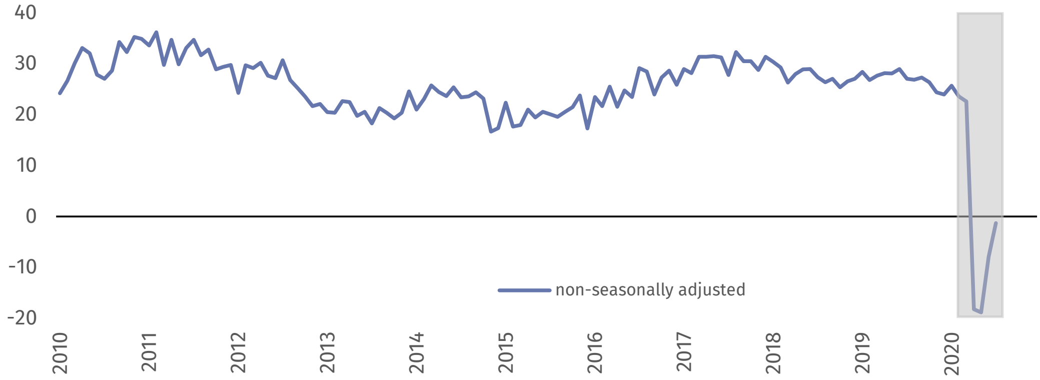
In the current month general business climate indicator (NSA) takes the positive value (plus 3.1) versus negative one in June (minus 4.3). The most pessimistic assessments are made by entities dealing with motion picture, video and television programme production, sound recording and music publishing activities (minus 20.5), whereas the most positive ones are reported by those of television programming and broadcasting activities (plus 17.4).

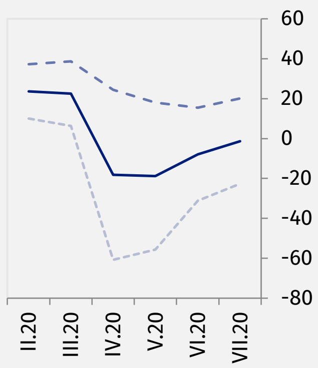




Financial and insurance activities (graph 8)[1]

In July general business climate indicator (NSA) takes the value minus 1.3 – higher than in June (minus 7.9). Entities dealing with financial service activities, except insurance and pension funding formulate more pessimistic opinions (minus 2.8) in this regard than the ones of insurance, reinsurance and pension funding, except compulsory social security (plus 5.1).





[1] Time series does not require to be seasonally adjusted. Non-seasonally adjusted data can be analyzed and interpreted in the same way as seasonally adjusted data.

Table 1. Business climate indicators by kind of activity

	SPECIFICATION	Analogous month of the previous year	Previous month	**Current month**	Long-term average
Manufacturing	seasonally adjusted indicator (SA)	2,7	-21,6	**-12,0**	3,3
	non-seasonally adjusted indicator (NSA)	4,1	-19,9	**-10,5**	3,3
	"diagnostic" component (NSA)	3,8	-24,2	**-16,7**	-0,9
	"forecasting" component (NSA)	4,4	-15,5	**-4,2**	7,5
Construction	seasonally adjusted indicator (SA)	3,7	-25,9	**-18,0**	-1,7
	non-seasonally adjusted indicator (NSA)	6,2	-25,9	**-16,7**	-1,6
	"diagnostic" component (NSA)	6,8	-21,9	**-15,1**	-5,6
	"forecasting" component (NSA)	5,5	-29,8	**-18,3**	2,3
Wholesale trade	seasonally adjusted indicator (SA)	4,5	-17,7	**-11,5**	4,9
	non-seasonally adjusted indicator (NSA)	5,1	-16,5	**-9,3**	4,9
	"diagnostic" component (NSA)	9,4	-11,6	**-7,4**	9,4
	"forecasting" component (NSA)	0,8	-21,4	**-11,1**	0,4
Retail trade	seasonally adjusted indicator (SA)	2,2	-24,2	**-13,5**	-3,9
	non-seasonally adjusted indicator (NSA)	2,5	-25,1	**-12,2**	-3,9
	"diagnostic" component (NSA)	6,1	-27,1	**-15,4**	-3,7
	"forecasting" component (NSA)	-1,2	-23,1	**-8,9**	-4,1
Transportation and storage	seasonally adjusted indicator (SA)	4,2	-21,7	**-15,0**	0,0
	non-seasonally adjusted indicator (NSA)	4,8	-20,4	**-14,3**	0,0
	"diagnostic" component (NSA)	11,1	-22,7	**-16,5**	0,6
	"forecasting" component (NSA)	-1,5	-18,0	**-12,1**	-0,6
Accommodation and food service activities	seasonally adjusted indicator (SA)	6,8	-41,0	**-29,0**	2,0
	non-seasonally adjusted indicator (NSA)	13,0	-34,0	**-22,7**	2,0
	"diagnostic" component (NSA)	7,7	-66,1	**-44,4**	0,1
	"forecasting" component (NSA)	18,2	-1,8	**-1,0**	4,0
Information and communication	seasonally adjusted indicator (SA)	16,6	-3,3	**4,6**	19,3
	non-seasonally adjusted indicator (NSA)	14,8	-4,3	**3,1**	19,4
	"diagnostic" component (NSA)	26,5	11,1	**17,0**	26,1
	"forecasting" component (NSA)	3,1	-19,6	**-10,8**	12,6
Financial and insurance activities	seasonally adjusted indicator (SA)[2]	.	.	**.**	.
	non-seasonally adjusted indicator (NSA)	27,1	-7,9	**-1,3**	28,5
	"diagnostic" component (NSA)	39,5	15,4	**20,2**	34,3
	"forecasting" component (NSA)	14,7	-31,2	**-22,7**	22,6

[2] Time series does not require to be seasonally adjusted. Non-seasonally adjusted data can be analyzed and interpreted in the same way as seasonally adjusted data.

Annex
Impact of COVID-19 pandemic on business tendency – assessments and expectations

Survey was conducted between 1 and 10 July 2020 on a sample of entities operating in manufacturing, construction, trade as well as services. As opposed to regular part of surveys, answers to additional set of questions were provided voluntarily. In questions 1, 2, 6 & 7 structure of answers is presented (percent of respondents' answers to a given variant). In other questions it is average of values given. Data were aggregated according to methodology of aggregation (weighing) which is used by default in regular survey.

Table 2. Survey data on impact of COVID-19 pandemic on business tendency

Questions		Manufacturing	Construction	Wholesale trade	Retail trade	Transportation and storage	Accommodation and food service activities
1. Negative effects of coronavirus pandemic and its impact on your business activity were (in June) and will be (in July):							
June 2020	minor	51,0	52,5	52,2	42,8	40,5	24,2
	serious	37,2	28,8	33,4	41,6	41,6	56,7
	a threat to company's stability	5,7	10,3	6,6	9,6	14,1	18,7
	lack of negative effects	6,1	8,4	7,8	6,0	3,8	0,4
July 2020	minor	52,9	54,8	53,3	47,4	48,2	48,6
	serious	35,6	25,9	32,4	36,4	35,0	36,4
	a threat to company's stability	4,7	9,9	6,0	9,0	13,7	14,6
	lack of negative effects	6,8	9,4	8,3	7,2	3,1	0,4
2. In connection with the duration of coronavirus pandemic and related regulations, have you implemented actions to reduce its negative effects on company? Please, assess their impact on your company's activity (in June as well as expected in July):							
June 2020	yes, the ones affecting activity insignificantly	55,4	57,0	58,9	50,8	46,7	43,3
	yes, the ones affecting strongly	35,0	21,3	25,0	37,7	33,6	47,3
	we have not taken any particular actions	9,6	21,7	16,1	11,5	19,7	9,4
July 2020	yes, the ones affecting activity insignificantly	55,8	56,1	55,9	48,4	49,5	35,0
	yes, the ones affecting strongly	33,3	18,2	24,0	35,5	30,6	52,8
	we are not planning any actions	10,9	25,7	20,1	16,1	19,9	12,2

Table 2. Survey data on impact of COVID-19 pandemic on business tendency (cont.)

Questions		Manufacturing	Construction	Wholesale trade	Retail trade	Transportation and storage	Accommodation and food service activities
3. Please, estimate what is the percentage of your employees (regardless of type of contract: employment contract, civil law agreement, self-employed, interns, agents etc.) who were affected (in June) and will be affected (in July) by each of the following situations:							
June 2020	remote work and similar forms of work	10,5	5,5	24,1	11,5	12,8	4,6
	unplanned absence due to holidays, childcare, looking after family member etc.	6,1	5,9	6,8	7,7	9,4	9,7
	absence of employees resulting from quarantine or other restrictions (e.g. no possibility to commute)	1,6	2,9	0,7	2,3	2,3	3,2
July 2020	remote work and similar forms of work	8,2	4,3	20,8	10,5	11,5	3,1
	unplanned absence due to holidays, childcare, looking after family member etc.	5,0	5,0	5,5	6,4	5,4	8,1
	absence of employees resulting from quarantine or other restrictions (e.g. no possibility to commute)	1,3	2,5	0,6	1,9	1,3	2,4
4. What was (in June) and what will be (in July) an estimated change (in percentage) in orders placed with suppliers made by your company on semi-finished products, raw materials, goods or services etc.?							
June 2020	change	-13,2	-15,2	-10,2	-13,0	-22,7	-26,0
July 2020	change	-12,3	-12,9	-8,8	-13,3	-17,8	-8,0
5. What was (in June) and what will be (in July) an estimated change (in percentage) in orders placed by customers on your company's semi-finished products, raw materials, goods or services etc.?							
June 2020	change	-13,3	-16,1	-10,2	-13,0	-26,5	-25,8
July 2020	change	-13,0	-14,4	-8,8	-11,5	-22,5	-9,9
6. If the current measures as well as restrictions taken by Polish public authorities (but also the ones resulting from actions of other countries, e.g. in the field of border traffic) to combat coronavirus functioning at the time of filling in the questionnaire persisted for a prolonged period, how many months could your enterprise survive?							
	less than a month	1,6	1,6	2,2	2,3	0,2	0,0
	circa 1 month	5,5	13,1	4,7	7,3	4,5	8,4
	2 – 3 months	19,8	31,3	18,6	23,2	26,7	42,6
	4 – 6 months	21,9	19,3	20,1	21,2	23,8	23,8
	more than 6 months	51,2	34,7	54,4	46,0	44,8	25,2
7. Has your company experienced (in June) and is expecting (in July) the occurrence of payment gridlocks or their increase?							
June 2020	yes, minor	47,9	47,5	56,1	39,9	38,8	36,1
	yes, serious	16,4	14,0	14,0	14,1	25,0	23,5
	yes, threatening company's stability	1,7	2,4	1,1	3,7	2,5	4,6
	we have not experienced any	34,0	36,1	28,8	42,3	33,7	35,8
July 2020	yes, minor	47,7	46,8	55,8	38,1	42,9	39,2
	yes, serious	15,8	14,9	13,7	14,7	20,2	24,7
	yes, threatening company's stability	1,3	2,3	1,2	4,1	5,7	5,3
	we do not expect any	35,2	36,0	29,3	43,1	31,2	30,8

Prepared by:
Macroeconomic Studies and Finance Statistics Department
Director Mirosław Błażej
Office: tel. (+48 22) 608 37 73

Issued by:
The Spokesperson for the President of Statistics Poland
Karolina Banaszek
Mobile: (+48) 695 255 011

Press Office
Office: tel. (+48 22) 608 34 91, 608 38 04
e-mail: obslugaprasowa@stat.gov.pl

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