



## PRESS RELEASE

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### Trends in the evolution of economic activity during May – July 2010

For a correct interpretation of the results, kindly consult „Methodological notes” on page 2 of the press release

#### General trends

According to May 2010 opinions of the companies' managers, during May – July 2010, as compared to the three previous months, a **relative stability of activity in manufacturing, construction and services** and a **moderate fall in retail** is forecast.

Evolutions	Manufacturing		Construction		Retail		Services	
	April 10 - June 10	May 10- July 10	April 10- June 10	May 10- July 10	April 10- June 10	May 10- July 10	April 10- June 10	May 10- July 10
Economic situation	→	→	→	→	→	→	→	→
Number of employees	→	→	→	→	→	→	→	→
Prices	→	→	→	→	→	→	→	→

#### Manufacturing

*Trend of relative stability of activity*

In the short term survey of May 2010, manufacturing managers forecast for the next three months a relative stability of production volume (short term balance +5%).

Regarding the number of employees, a fall is estimated, short term balance being -17% per total manufacturing (-23% for very big enterprises, with 500 employees and over).

Some activities will register a downward trend much more accentuated than per total: metallurgy; other transport means and cocking products and products from crude petroleum processing (short term balances -48%, -46% and respectively -43%).

For prices of industrial products, a moderate growth is forecast in the next three months (short term balance +6%).

#### Construction

*Trend of relative stability of activity*

According to May 2010 estimations, construction activity will register for the next three months, a relative stability both of production volume (short term balance +3%), and of contracts and orders' stock (short term balance -3%).

Managers estimate a moderate fall of employees' number (short term balance -7%), this trend being especially given by small enterprises, with less than 50 employees.

Regarding prices of construction works, it is forecast a relative stability (short term balance +3%).

## Retail

### *Trend of moderate fall of activity*

Retail sector managers estimated in May 2010 a moderate fall of economic activity for the next three months (short term balance -8%).

Total volume of goods' sales will register a trend of relative stability (short term balance -1%).

Volume of orders addressed by trade units to the suppliers of goods will register a relative stability (short term balance -5%).

Employers foresee for the next three months a moderate fall of employees' number in this sector (short term balance -7%).

Managers of trade companies estimate that retail selling prices will rise (short term balance +27%).

## Services

### *Trend of relative stability of activity*

According to May 2010 estimations, demand of services (turnover) will register a relative stability (short term balance -5%).

Sector of services also estimates for the next three months, a stability in the number of employees (short term balance -3%). This trend is especially given by big enterprises (250-499 employees).

According to the managers' opinion, selling and invoice prices of provisions will have a trend of relative stability (short term balance -3%).

## Methodological notes

Results presented in this press release were obtained from **short term surveys**, following the estimations of the companies' managers regarding the evolution trends of economic activity.

Short term surveys are **qualitative surveys**, whose purpose is to analyze the evolution trend of short and medium term economic indicators. These surveys are complementary to quantitative statistical surveys, being different by method and use. Specificity of short term surveys is that instead of exact figures the usual reply is an appreciation of respondent on the level "over normal/ normal/ under normal", in case of questions of **level**, or: "increased/ the same/ decreased" or "will grow,/ the same/ will fall", in case of questions indicating an **evolution over time** of a phenomenon.

Replies received (managers of companies in the sample surveyed choose only one alternative of reply for this type of questions) are then processed and final result is obtained as a **short term percentage balance**, obtained as difference between percentage of those who chose positive alternative of phenomenon and percentage of those who indicated negative alternative.

**Consequently, short term balance indicates perception of respondents on the dynamics of a phenomenon, but it should not be interpreted as intensity of growth or fall of a statistical indicator.**

**The following thresholds of interpretation for the short term balances were set up:**

**until  $\pm 5\%$  relative stability;**

**from  $\pm 6\%$  to  $\pm 15\%$  moderate growth, respectively moderate fall;**

**from  $\pm 16\%$  to  $\pm 40\%$  growth, respectively fall;**

**over  $\pm 40\%$  accentuated growth, respectively accentuated fall.**

Short term balances are calculated based on data processed and aggregated according to **CANE**

### **Rev2.**

Surveys were carried out based on samples representative in the field of manufacturing (2151 economic units), construction (1671), retail (2110) and services (2546). Size of samples was set up so that maximum admitted estimation error should be  $\pm 5\%$  at level of total sector.

Simple random stratified survey was used and stratification variables are main activity and Enterprise size.

Short term surveys are carried out in cofinancing with the contribution of European Commission - DGECFIN (Brussels).

*The next press release will be issued on June, 28, 2010*