

CONSTRUCTION INDUSTRY SURVEY

ECONOMIC INDICATORS **CNI**

CBIC **CNI** Brazilian National Confederation of Industry

Business Confidence Decreases in December

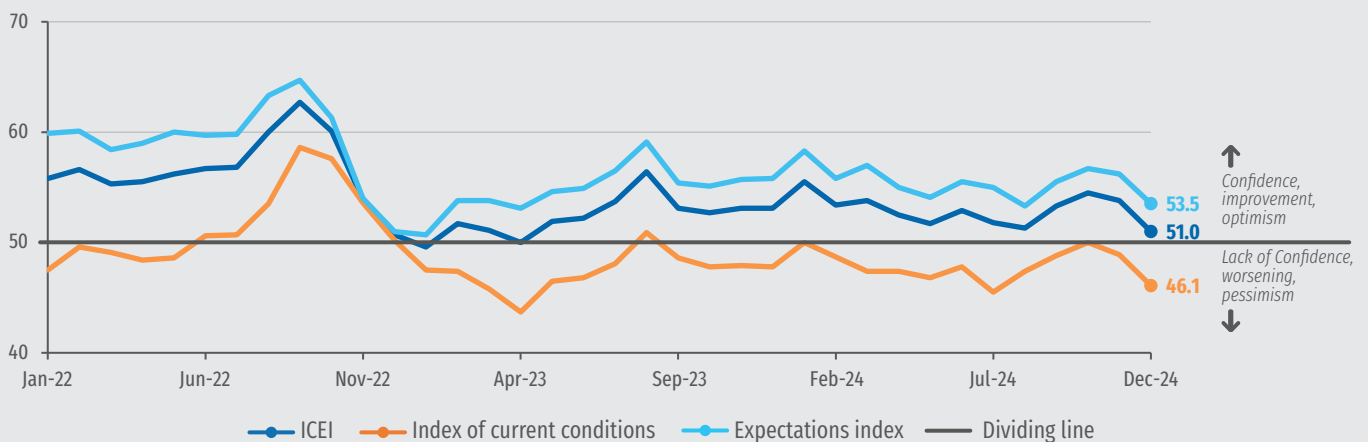
In November 2024, both employment and activity level in the construction industry declined. However, the entrepreneurs' assessment of the sector's performance for the month was better than that observed in previous years of the survey.

Although it declined for the month, the sector's utilization of operational capacity remains at an elevated level (67%), in line with the activity performance in November.

In this context, there was a moderation of business confidence in the sector in December 2024. The Construction Industry Business Confidence Index (ICEI) declined for the month, given the worsening assessment of entrepreneurs about current conditions and a worsening of expectations, which became negative for the Brazilian economy.

Regarding the company, expectations became more positive. The expectation indices for activity level, new development and services, number of employees, and purchases of input and raw materials for the next six months increased.

Index of current conditions, Expectations index and Construction ICEI
Index (0 to 100 points)*



*The index ranges from 0 to 100. A score above 50 points indicates entrepreneurs' confidence, improved current conditions or optimistic expectations. A score below 50 points indicates a lack of confidence among entrepreneurs, worse current conditions or pessimistic expectations. The further away from 50 points, the greater and more widespread is the perception.

PERFORMANCE OF THE CONSTRUCTION INDUSTRY IN NOVEMBER 2024

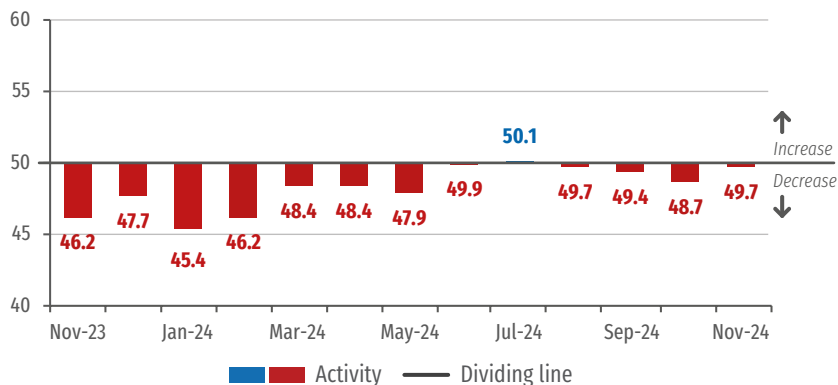
Employment and activity indices reveal better than usual performance for the period

The construction industry activity level evolution index was 49.7 points in November 2024. For the month, the index is 2.8 points above the average value for November, indicating a better than usual assessment of the level of activity for the month by the sector's entrepreneurs.

In November, the number of employees evolution index was 47.8 points. For the month, the index is 2.5 points above the historical average for November, signaling better employment performance in the sector than that usual for the month.

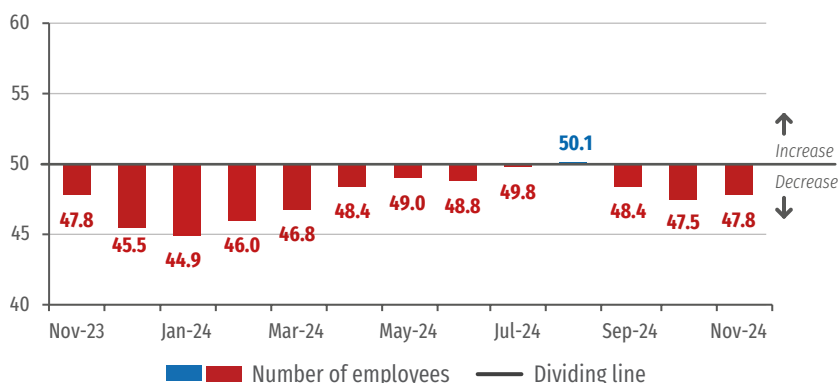
Activity level evolution

Diffusion indices (0 to 100 points)*



Number of employees evolution

Diffusion indices (0 to 100 points)*



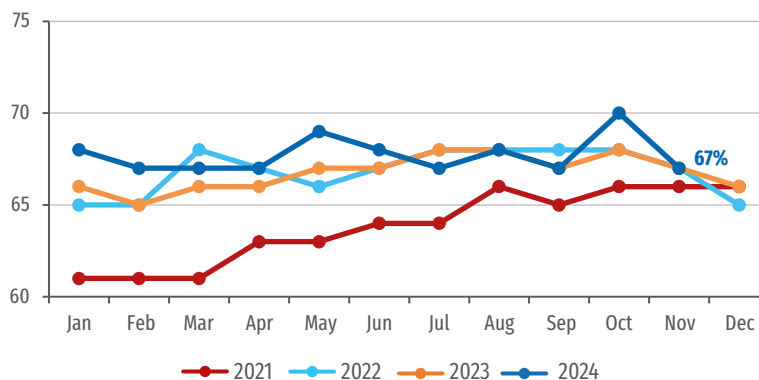
*Values above 50 indicate an increase in activity or employment compared to the previous month. Values below 50 points indicate a decrease in activity or employment compared to the previous month. The further away from 50 points, the greater and more widespread is the variation.

Utilization of Operational Capacity Declines in November

Utilization of Operational Capacity (UCO) was 67% in November 2024, after declining 3 p.p. (percentage points) compared to October. Even with the decline, the UCO remains at an elevated level, 3 percentage points above the historical average for November in the series, which is 64%.

Utilization of Operational Capacity

Percentage (%)



CONSTRUCTION INDUSTRY BUSINESS CONFIDENCE INDEX IN NOVEMBER 2024

Business confidence declines in December

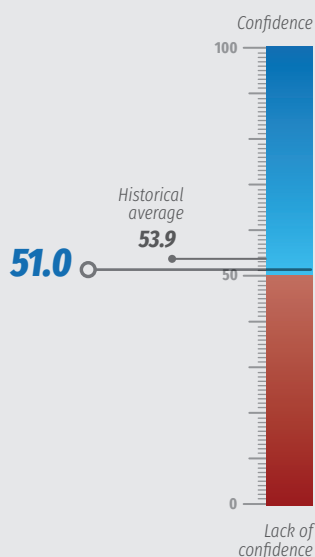
The Construction Industry Business Confidence Index (ICEI) reached 51.0 points in December 2024, after declining 2.8 points compared to November. As it approaches the dividing line of 50 points, the index reveals a reduction in business confidence for the month.

The decline of the construction ICEI in December is the result of the worsening assessment of the sector's entrepreneurs about current conditions and expectations for the month.

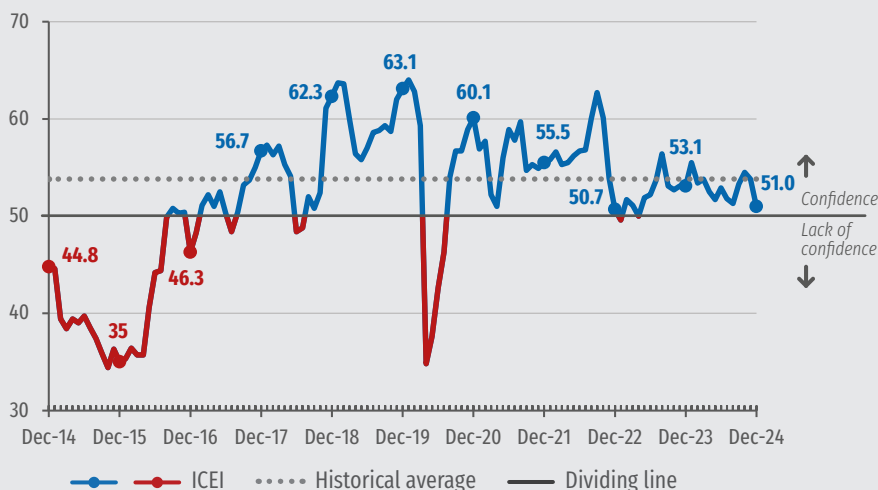
The current conditions index, which declined 2.8 points compared to November, reached 46.1 points in December 2024. As it moves away from the 50-point line, the month's index reveals that the business owners' assessment of current conditions has become more negative from November to December. The business owners' assessment of their companies' conditions became negative, while the assessment of the Brazilian economy was even more negative.

The expectations index, which declined 2.7 points compared to November, reached 53.5 points in December, revealing a reduction in business owners' optimism for the upcoming months. The business owners' assessment of their companies' conditions was less positive, while the assessment of the Brazilian economy became negative.

Construction ICEI
Index (0 to 100 points)*



Historical Series
Index (0 to 100 points)*



*Values above 50 points indicate business confidence and the higher above 50 points, the greater and more widespread is the confidence. Values below 50 points indicate a lack of business confidence and the lower below 50 points, the greater and more widespread is the lack of confidence.

CONSTRUCTION INDUSTRY EXPECTATIONS IN DECEMBER 2024

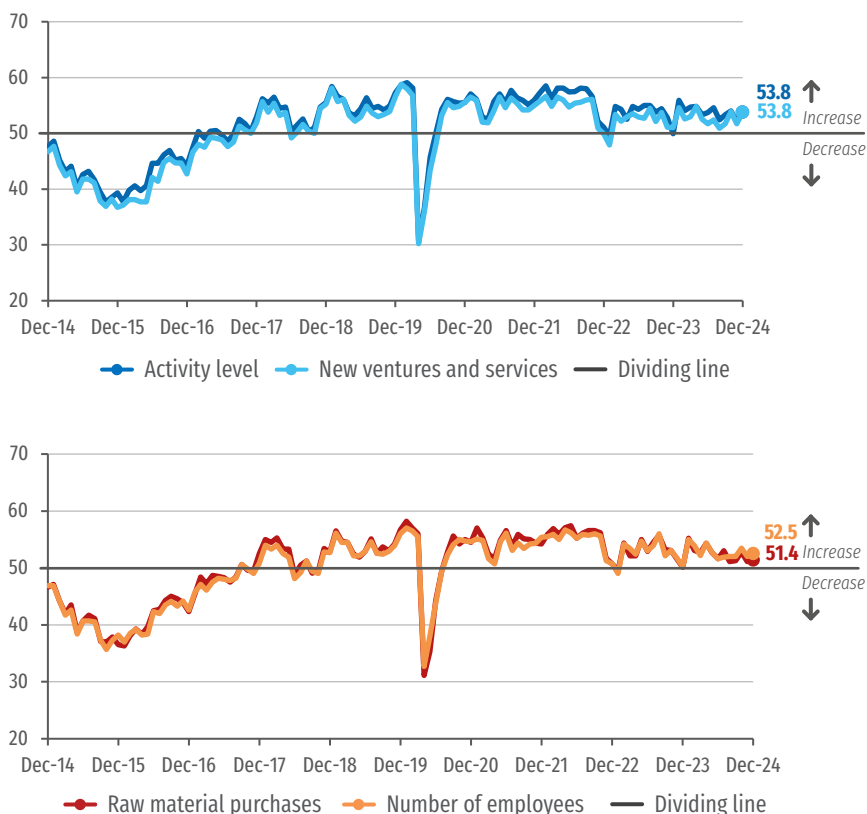
Optimism advances in December

In December 2024, all the construction industry expectation indices grew. The advance of these indices from November to December reveals an expansion of increase expectation for the activity level, new developments and services, number of employees and purchase of input and raw materials for the upcoming months.

The activity level expectation index, which was 53.8 points in December 2024, advanced 1.8 points compared to November; the new developments and services expectation index advanced 2.1 points, to 53.8 points; the number of employees expectation index advanced 0.5 points, to 52.5 points for the month; and the purchases of input and raw materials expectation index advanced 0.3 points, to 51.4 points.

Expectations indices

Indices (0 to 100 points)*



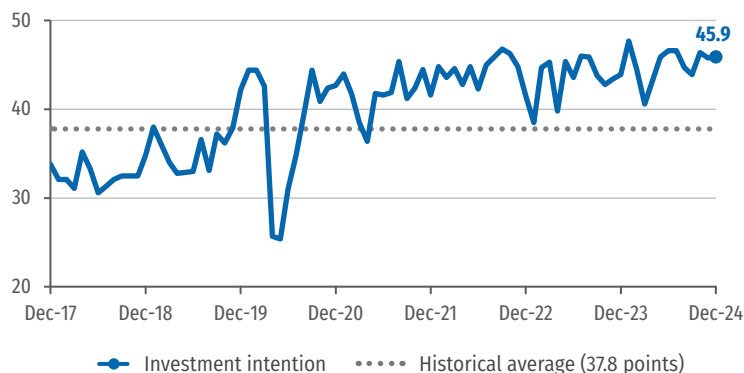
**Values above 50 points indicate an expectation of growth. Values below 50 points indicate an expectation of decline. The further away from 50 points, the greater and more widespread is the expected variation.

Investment Intention Remains Stable in December

The construction industry investment intention index was 45.9 points in December 2024. Compared to November, the index remained virtually unchanged, with a variation of only 0.1 point. For the month, the index is 8.1 points above the series' historical average, which is 37.8 points.

Investment intentions

Index (0 to 100 points)*



*The higher the index, the greater the industry's propensity to invest.

RESULTS

Construction industry performance

	CAPACITY UTILIZATION (%) ¹			ACTIVITY LEVEL VARIATION INDEX ²			EFFECTIVE ACTIVITY LEVEL INDEX COMPARED TO USUAL LEVELS ³			NUMBER OF EMPLOYEES VARIATION INDEX ²		
	Nov-23	Oct-24	Nov-24	Nov-23	Oct-24	Nov-24	Nov-23	Oct-24	Nov-24	Nov-23	Oct-24	Nov-24
SURVEY	67	70	67	46.2	48.7	49.7	45.0	45.1	46.5	47.8	47.5	47.8
Small	60	62	63	45.9	47.4	45.1	43.8	43.5	43.4	47.0	45.8	44.3
Medium	67	67	65	46.2	46.5	46.9	43.5	44.9	44.2	47.5	46.7	48.0
Large	70	74	70	46.3	50.4	52.9	46.3	45.8	48.9	48.3	48.5	48.9

Expectations of the construction industry

	EXPECTATION INDICES ⁴												INDEX OF INTENTION TO INVEST ⁵		
	ACTIVITY LEVEL			NEW ENTERPRISES AND SERVICES			INPUT AND RAW MATERIAL PURCHASE			NUMBER OF EMPLOYEES					
	Dec-23	Nov-24	Dec-24	Dec-23	Nov-24	Dec-24	Dec-23	Nov-24	Dec-24	Dec-23	Nov-24	Dec-24	Dec-23	Nov-24	Dec-24
SURVEY	49.9	52.0	53.8	51.0	51.7	53.8	50.1	51.1	51.4	50.2	52.0	52.5	43.9	45.8	45.9
Small	49.2	48.6	50.2	48.1	48.2	50.0	48.7	49.0	49.8	49.6	48.4	50.2	38.7	40.0	43.0
Medium	51.3	49.7	51.6	52.2	49.5	52.6	51.3	49.0	51.1	51.4	50.5	51.3	39.9	44.4	41.2
Large	49.3	54.6	56.3	51.3	54.2	55.9	50.0	53.1	52.2	49.7	54.2	54.0	48.0	48.8	49.6

Construction Industry Business Confidence Index and its components

	ICEI – CONSTRUCTION ⁶			INDEX OF CURRENT CONDITIONS ⁷			EXPECTATIONS INDEX ⁸		
	Dec-23	Nov-24	Dec-24	Dec-23	Nov-24	Dec-24	Dec-23	Nov-24	Dec-24
SURVEY	53.1	53.8	51.0	47.8	48.9	46.1	55.8	56.2	53.5
Small	53.6	51.9	50.0	47.0	47.6	46.2	56.9	54.1	51.9
Medium	52.9	52.2	50.7	47.3	46.5	45.7	55.7	55.0	53.2
Large	53.1	55.4	51.6	48.4	50.8	46.2	55.4	57.7	54.3

1 - The indicator varies within the range from 0% to 100%. The series started in January 2012.

2 - The indicator varies within the range from 0 to 100. Values above 50 show an increase.

3 - The indicator varies within the range from 0 to 100. Values above 50 show higher activity than usual.

4 - The indicator varies within the range from 0 to 100. A score above 50 points indicates positive expectations.

5 - The indicator varies within the range from 0 to 100. The higher the value, the greater the intention to invest.

6 - The ICEI – Construction varies within the range from 0 to 100. A score above 50 points indicates the entrepreneur is confident.

7 - The indicator varies within the range from 0 to 100. A score above 50 points indicates a better status when compared to the last six months.

8 - The indicator varies within the range from 0 to 100. A score above 50 points indicates optimistic expectations for the next six months.



Technical specifications

Sample profile

327 companies: 122 small, 137 medium and 68 large.

Collection period

2 to 11 December 2024.

Document completed on December 18, 2024.



Learn More

For further information on sectorial and regional results, previous issues, methodology and historical series, please visit: www.cni.com.br/e_sondconst



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