

ICEI[®] BUSINESS CONFIDENCE INDEX

ECONOMIC INDICATORS **CNI**
CNI
Brazilian National Confederation of Industry
THE FUTURE OF INDUSTRY

Confidence departs from its historic low

The Business Confidence Index (ICEI) increased from 34.7 points in May to 41.2 points in June, rising by 6.5 points. As a result, it moved away from its historic low and from the level observed at the height of the 2015-2016 crisis.

The Business Confidence Index in June reflects a still negative perception on

the part of entrepreneurs of current business conditions due to the crisis triggered by the Covid-19 pandemic. The index also reflects entrepreneurs' improved expectations for the next six months.

Expectations are usually reviewed after they drop as sharply as in April, so its upturn should not be interpreted as the beginning of an upward trend. Despite this increase, the index remains below 50 points, meaning that, albeit less sharply, lack of confidence still prevails among entrepreneurs.



*Figures above 50 points indicate business confidence. The further above 50 points, the greater and more widespread is the confidence. Figures below 50 points indicate lack of business confidence. The further below 50 points, the greater and more widespread is the lack of confidence.

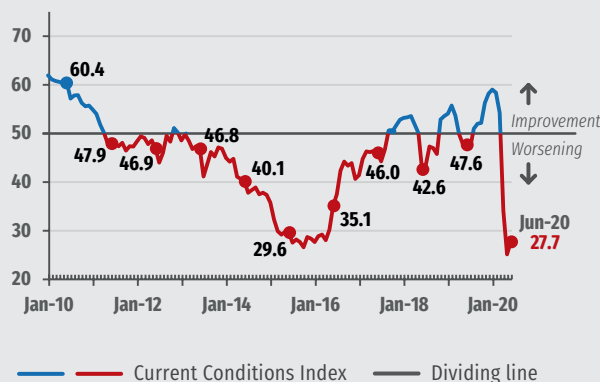
ICEI components

The improvement in business confidence recorded in June is mainly due to improved expectations. The Expectations Index increased by 8.4 points to 47.9 points. The fact that it remains below 50 points shows that entrepreneurs are still pessimistic about the next six months. However, after falling by 28.6 points in April, the index rose by 13.2 points in the last two months, indicating that this pessimism has been partly declining.

The Current Conditions Index remains at 27.7 points, far from the 50-point dividing line. Despite this low level, the index rose by 2.5 points in June, reflecting a less negative perception on the part of industrial entrepreneurs in relation to current conditions.

Current Conditions Index

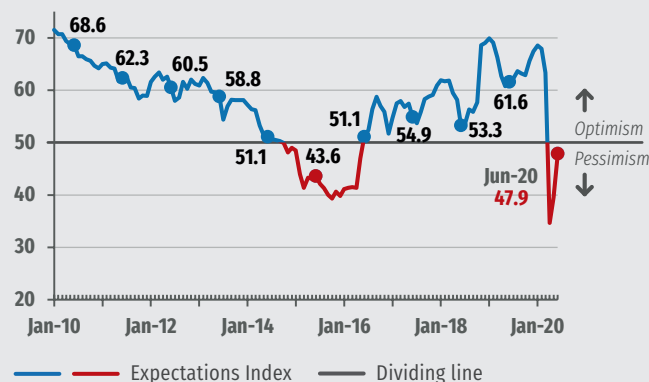
Index (0-100 points)*



* Figures above 50 points indicate a better situation. Figures below 50 points indicate a worse situation. The further from 50 points, the greater and more widespread is the change.

Expectations Index

Index (0-100 points)**



** Figures above 50 points indicate optimistic expectations. Figures below 50 points indicate pessimistic expectations. The further from 50 points, the greater and more widespread is optimism or pessimism.

Summary of results

ICEI components	JUN19	MAY20	JUN20
ICEI	56.9	34.7	41.2
Current conditions (as compared to the last six months) in relation to:	47.6	25.2	27.7
Brazilian economy	44.9	20.0	21.0
Company	49.0	27.9	31.1
Expectations (for the next six months) on:	61.6	39.5	47.9
Brazilian economy	58.7	33.8	42.2
Company	63.0	42.3	50.7

Figures above 50 points indicate business confidence, a better situation or optimistic expectations. Figures below 50 points indicate lack of business confidence, a worse situation or pessimistic expectations.



Technical specifications

Sample profile

1,337 enterprises, including 532 small, 499 medium and 306 large companies.

Data collection period

June 1-5, 2020.

Document closed by June 9, 2020.



Learn more

For more information on the survey, including sectoral and regional results, previous editions, methodology and historical series, visit:

www.cni.com.br/e_icei



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