

# ICEI<sup>®</sup> BUSINESS CONFIDENCE INDEX

ECONOMIC INDICATORS **CNI**



## Pessimism towards the Brazilian economy removes confidence from the industry from a positive level in July

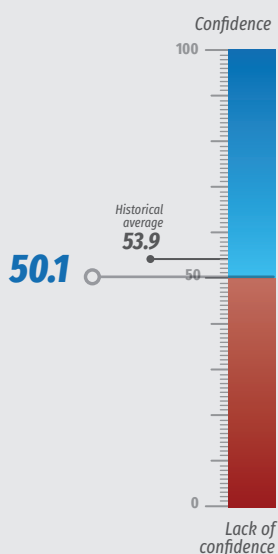
In July 2024, the Industrial Entrepreneur Confidence Index (ICEI) recorded a drop of 1.3 points, falling from 51.4 points to 50.1 points.

The drop in the index from a level above the dividing line of 50 points to a level practically

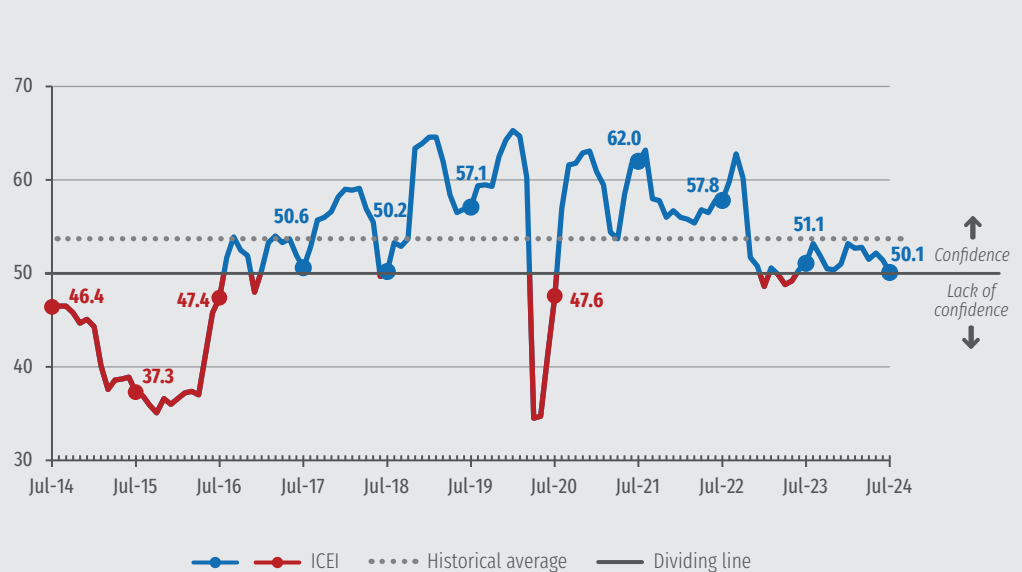
on the dividing line, indicates the transition from a state of confidence to a neutral state, that is, the industrial sector ceases to demonstrate confidence, but also does not demonstrate a lack of it.

The level of 50.1 points is the lowest confidence index recorded by the industry since May 2023, when an ICEI of 49.2 points was recorded.

ICEI  
Diffusion index\*



Historic Series  
Diffusion index\*



\*The index ranges from 0 to 100. A score above 50 points indicates entrepreneurs' confidence. The further above 50 points, the greater and more widespread is the confidence. A score below 50 points indicates a lack of confidence among entrepreneurs. The further below 50 points, the greater and more widespread is the lack of confidence.

## Components of the ICEI

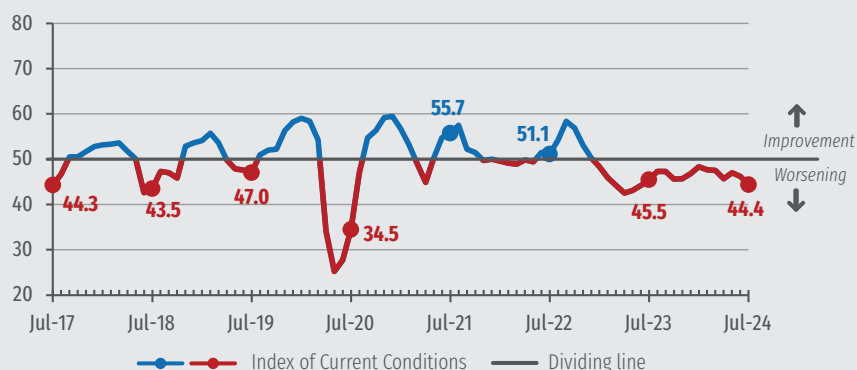
The greater pessimism of entrepreneurs towards the Brazilian economy weighed on the July result.

The current conditions index fell 1.8 points to 44.4 points. The index that portrays the evaluation of current conditions relative to the company fell 0.7 points, while the index relative to the Brazilian economy fell four points, a quite significant drop for a single month. Thus, the perception of entrepreneurs is that the current conditions for the Brazilian economy are much worse now compared to the previous six months, especially for the Brazilian economy, and, to a lesser extent, for the companies.

The expectations index also fell, with a drop of 1.1 points to 52.9 points. The index that reflects expectations relative to the Brazilian economy fell 2.9 points, a drop also significant for a single month. Thus, there is a deterioration of the industry's expectations for the next six months of the Brazilian economy. However, the expectation of entrepreneurs remains quite positive regarding the performance of their own companies in the next six months.

### Index of Current Conditions

Diffusion index\*



\*The Index ranges from 0 to 100. A score above 50 indicates that conditions are better than in the last six months and a score below 50 indicate that conditions are worse.

### Expectation Index

Diffusion index\*



\*The Index ranges from 0 to 100. A score above 50 points indicates positive expectations. A score above 50 indicates a pessimistic expectation.

## ICEI and its components

Diffusion indices\*

	JUL 23	JUN 24	JUL 24
<b>ICEI</b>	51.1	51.4	<b>50.1</b>
Current conditions (compared to the last six months):	45.5	46.2	<b>44.4</b>
Brazilian economy	41.4	41.6	<b>37.6</b>
Company	47.5	48.5	<b>47.8</b>
Expectations (for the next six months):	53.9	54.0	<b>52.9</b>
Brazilian economy	48.2	47.1	<b>44.2</b>
Company	56.7	57.4	<b>57.2</b>

\*Indices range from 0 to 100. A score above 50 points indicates confident entrepreneurs, improved current conditions, or optimistic expectations. A score below 50 indicates entrepreneurs' lack of confidence, worsening current conditions, or pessimistic expectations.



### Technical specifications

#### Sample profile

1,271 companies: 495 small, 490 medium and 286 large.

#### Collection period

1 to 5 July 2024.

Document completed on July 8, 2024.



### Learn More

For further information on previous issues, methodology, and historical series, please visit: [www.cni.com.br/e\\_icei](http://www.cni.com.br/e_icei)

**ICEI® - BUSINESS CONFIDENCE INDEX** | English version of "ICEI - Índice de Confiança do Empresário Industrial, Julho 2024" | Published monthly by CNI - National Confederation of Industry | [www.cni.com.br](http://www.cni.com.br) | Board of Industrial Development - DDI | Director: Rafael Lucchesi Ramacciotti | Superintendency of Economy - ECON | Superintendent: Mário Sérgio Carraro Telles | Economic Analysis Unit - GAE | Manager: Marcelo Souza Azevedo | Analysis: Danilo Cristian da Silva Sousa | Statistics Management - GEST | Manager: Edson Velloso | Team: Brenda Ribeiro | Dissemination Coordination - CDIV | Coordinator: Carla Gadelha | Graphic Design: Simone Marcia Broch

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