

ICEI® BUSINESS CONFIDENCE INDEX

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

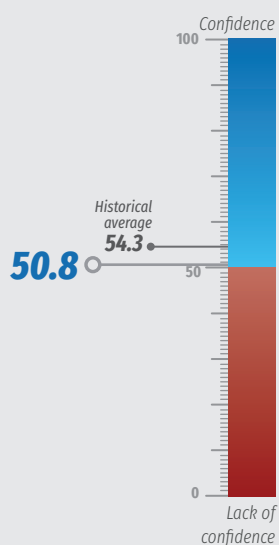
Industry confidence drops for the third consecutive month

The Business Confidence Index (ICEI) dropped for the third consecutive month, reaching 50.8 points in December 2022. The new drop places the index very close to 50 points, the dividing line that separates entrepreneurs' confidence from the lack of confidence.

The ICEI shows that entrepreneurs continue confident, yet the December 2022 confidence level is the lowest in 2022 and the lowest since July 2020, the last time the index was below 50 points.

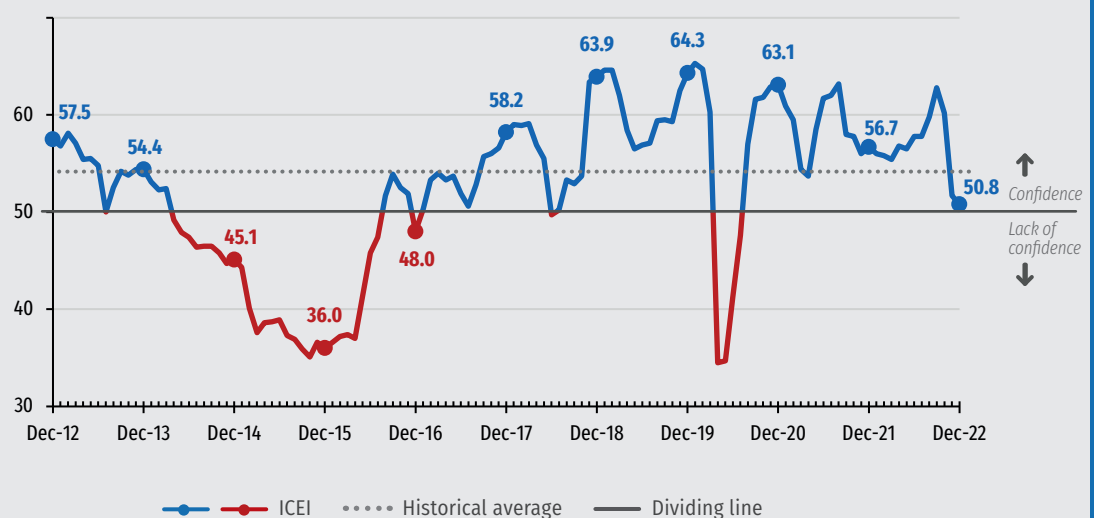
ICEI

Diffusion index*



Historic Series

Diffusion index*



*The index ranges from 0 to 100. Figures above 50 points show entrepreneurs' confidence. The further above 50 points, the greater and more widespread the confidence. Figures below 50 points show a lack of confidence of the entrepreneur. The further below 50 points, the greater and more widespread is the lack of confidence.

ICEI components

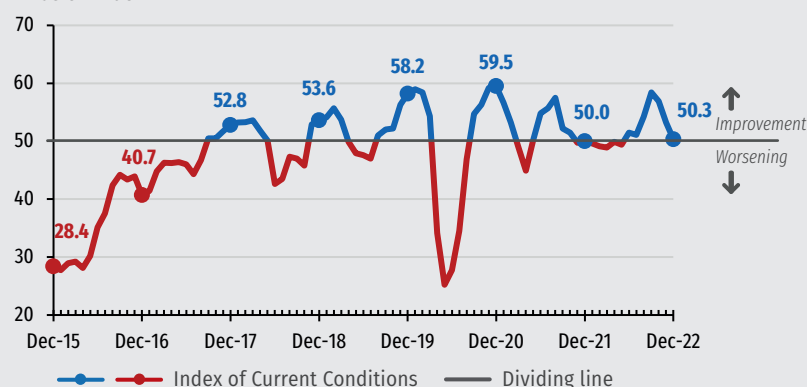
The Current Conditions Index dropped 2.9 points in December, standing at 50.3 points. By remaining above 50 points, the index indicates that entrepreneurs notice an improvement in the current conditions of the Brazilian economy and companies compared to the previous six months. However, according to the entrepreneurs' assessment, the perception of improvement is weaker and less disseminated than in November.

It is noteworthy that the current conditions index of the Brazilian economy decreased from 52.9 points in November 2022 to 48.4 points in December 2022. This result shows an inversion in the entrepreneurs' perception of the current economic conditions. The assessment is now of worsening conditions for the Brazilian economy, while in November, the perception was still of improvement. Regarding for the company's current conditions, the index decreased by 2.2 points to 51.2 points.

The Expectations Index remained at 51.0 points. While expectations for the Brazilian economy decreased to 44.8 points, revealing pessimism, expectations for their own company increased 0.5 point, ending the year at 54.1 points. The index shows that entrepreneurs have slightly more optimistic expectations about their companies for the next six months.

Index of Current Conditions

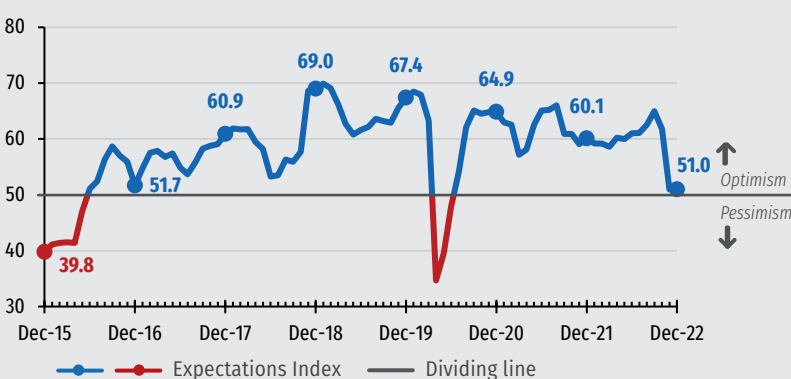
Diffusion index*



*The Index ranges from 0 to 100. Figures above 50 indicate that conditions are better than in the last six months, and figures below 50 indicate that conditions are worse.

Expectation Index

Diffusion Index*



*The Index ranges from 0 to 100. Figures above 50 show a positive expectation. Figures above 50 show a pessimistic expectation.

ICEI and its components

Diffusion indices*

| | DEC 21 | NOV 22 | DEC 22 |
|---|--------|--------|-------------|
| ICEI | 56.7 | 51.7 | 50.8 |
| Current conditions (compared to the last 6 months): | 50.0 | 53.2 | 50.3 |
| Brazilian economy | 45.3 | 52.9 | 48.4 |
| Company | 52.4 | 53.4 | 51.2 |
| Expectations (for the next six months): | 60.1 | 51.0 | 51.0 |
| Brazilian economy | 55.3 | 45.9 | 44.8 |
| Company | 62.5 | 53.6 | 54.1 |

*Indices range from 0 to 100. Figures above 50 points indicate confident entrepreneurs, improvement in current conditions or optimistic expectations. Figures below 50 indicate lack of entrepreneur confidence, worsening in current conditions or pessimistic expectations.



Technical specifications

Sample profile

1,455 companies: 559 small, 545 medium, and 351 large.

Collection period

1 to 7 December 2022

Document completed on December 8, 2022.



Learn More

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



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Customer Service - Phone: +55 (61) 3317-9992 email: sac@cni.com.br

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