



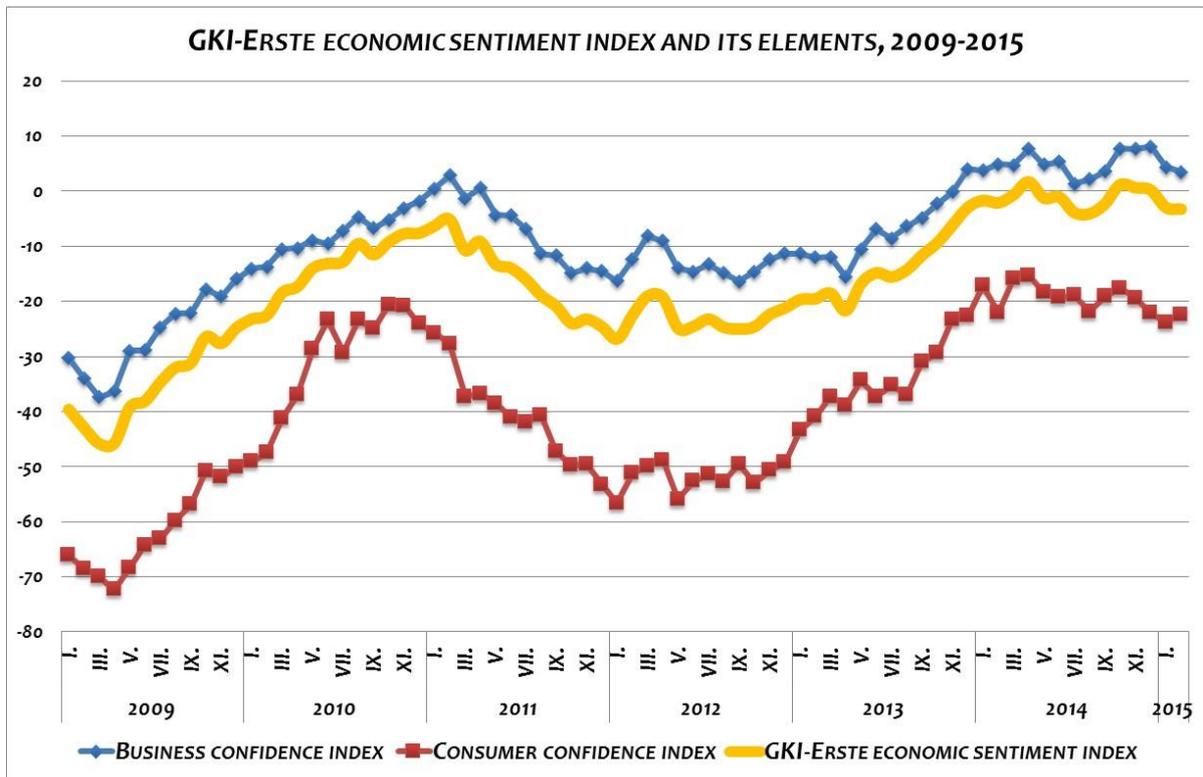
## GKI-ERSTE ECONOMIC SENTIMENT INDEX DID NOT CHANGE IN FEBRUARY

In February the GKI-Erste economic sentiment index adjusted for seasonal effects remained unchanged, reflecting a relatively optimistic mood. According to the empirical survey conducted by GKI ([www.gki.hu](http://www.gki.hu)) with the support of the EU, expectations declined slightly in the business sector, whereas they improved a bit among consumers compared to January.

In February in the **business sphere** industrial and commercial expectations improved minimally, whereas expectations in services and especially in construction were less favourable than in the previous month. The **industrial** confidence index adjusted slightly after its drop in January. The assessment of production, stocks and incoming orders (including export orders) of the last period improved slightly. Production prospects, however, became gloomier again. The **construction** confidence index has been declining for the fourth month, falling to its lowest point in the last fifteen months in February. The assessment of production in the preceding three-month remained unchanged, whereas that of orders got worse slightly. The **trade** confidence index rose somewhat after a decline in January, remaining within the relatively narrow band in which it had been fluctuating in the past period of more than a year. The assessment of sales positions declined slightly, whereas that of stocks and expected orders improved somewhat. The **services** confidence index fell in February, too. Although global assessment of the business picked up, that of turnover for the past period and for the next one became worse.

The **intentions of employment** strengthened slightly in industry, whereas they dropped markedly in construction, and decreased in trade and services as well. The fear of unemployment of households eased slightly. **Intentions to raise prices** in industry remained unchanged and they decreased in trade and services. In construction the share of firms expecting price reductions exceeded those anticipating price rises; however, the vast majority of respondents expected stable prices in this sector. The inflationary expectations of consumers continued to ease. After a fall in January, the assessment of the **perspectives of the Hungarian economy** improved markedly in all sectors. However, with the exception of the service sector, those expecting worsening were in slight majority. The opinion of households on this issue was only slightly more optimistic.

Following a three-month drop, **GKI's consumer confidence index** increased slightly in February. The assessment of consumers' own financial position turned slightly better, the prospects of their saving capacity much better for the next 12 months compared with the previous ones. Households considered the possibility of purchasing high-value durables stagnating.



### EXPLANATION TO THE METHODOLOGY:

In line with the methodology used by the EU, GKI surveys the expectations of industry, trade, construction, services and households in the calculation of its business confidence index. GKI-Erste economic sentiment index is the weighted average of the consumer confidence index and the business confidence index.

The business confidence index is calculated from the responses of enterprises in industry, trade, construction and services given to questions concerning the state of business and expectations of turnover and employment. (As far as services are concerned, similarly to the practice of the EU, companies of the financial and public sectors have not been included in the surveys yet.) GKI publishes seasonally adjusted data by using appropriate mathematical methods to filter out the discrepancies caused by seasonal effects (e.g., differences in weather conditions between winter and summer, increased demand before Christmas, lower output because of summer vacations).

The consumer confidence index is calculated from responses given to questions concerning the expected financial position of households, the expected economic and unemployment situation of the country, and the prospects for saving.

## GKI-ERSTE ECONOMIC SENTIMENT INDEX AND ITS ELEMENTS, 2009-2015

Year	Month	Business confidence index	Consumer confidence index	GKI-Erste economic sentiment index
2009.	I.	-30.3	-66.1	-39.6
	II.	-33.9	-68.5	-42.9
	III.	-37.4	-70	-45.8
	IV.	-36.3	-72.3	-45.7
	V.	-29	-68.3	-39.2
	VI.	-28.9	-64.3	-38.1
	VII.	-24.7	-63.1	-34.7
	VIII.	-22.2	-59.8	-32
	IX.	-22.1	-56.9	-31.2
	X.	-17.8	-50.8	-26.4
	XI.	-19.1	-51.9	-27.6
	XII.	-15.9	-50.1	-24.8
2010.	I.	-14.1	-49.1	-23.2
	II.	-13.7	-47.5	-22.5
	III.	-10.5	-41.2	-18.4
	IV.	-10.3	-37	-17.3
	V.	-8.9	-28.7	-14
	VI.	-9.5	-23.4	-13.1
	VII.	-7.1	-29.3	-12.8
	VIII.	-4.7	-23.4	-9.5
	IX.	-6.7	-25	-11.5
	X.	-5.2	-20.6	-9.2
	XI.	-3.1	-20.8	-7.7
	XII.	-1.8	-24.1	-7.6
2011.	I.	0.5	-25.8	-6.3
	II.	2.9	-27.7	-5.1
	III.	-1.3	-37.3	-10.7
	IV.	0.6	-36.8	-9.1
	V.	-4.3	-38.5	-13.2
	VI.	-4.4	-41	-13.9
	VII.	-6.9	-42	-16
	VIII.	-11.3	-40.7	-18.9
	IX.	-11.7	-47.2	-20.9
	X.	-14.9	-49.8	-24
	XI.	-14	-49.5	-23.2
	XII.	-14.5	-53.3	-24.6
2012.	I.	-16.3	-56.6	-26.8
	II.	-12.4	-51.2	-22.5
	III.	-8.1	-49.9	-19
	IV.	-9	-48.8	-19.3
	V.	-14	-55.9	-24.9
	VI.	-14.6	-52.6	-24.5
	VII.	-13.3	-51.4	-23.2
	VIII.	-14.9	-52.7	-24.7
	IX.	-16.4	-49.5	-25
	X.	-14.6	-53	-24.6
	XI.	-12.4	-50.7	-22.4
	XII.	-11.3	-49.3	-21.2

Year	Month	Business confidence index	Consumer confidence index	GKI-Erste economic sentiment index
2013.	I.	-11.3	-43.4	-19.6
	II.	-12.0	-40.9	-19.5
	III.	-11.9	-37.3	-18.5
	IV.	-15.6	-38.9	-21.7
	V.	-10.5	-34.4	-16.7
	VI.	-6.9	-37.3	-14.8
	VII.	-8.6	-35.3	-15.5
	VIII.	-6.3	-36.9	-14.3
	IX.	-4.8	-31.0	-11.6
	X.	-2.3	-29.4	-9.3
	XI.	-0.1	-23.3	-6.1
	XII.	4.0	-22.7	-2.9
2014.	I.	3.8	-17.2	-1.7
	II.	4.9	-22.0	-2.1
	III.	4.7	-15.9	-0.7
	IV.	7.7	-15.3	1.7
	V.	4.8	-18.4	-1.2
	VI.	5.4	-19.3	-1.0
	VII.	1.4	-18.9	-3.9
	VIII.	2.2	-21.9	-4.1
	IX.	3.6	-19.1	-2.3
	X.	7.8	-17.6	1.2
	XI.	7.7	-19.4	0.7
	XII.	8.1	-22.1	0.2
2015.	I.	4.4	-23.8	-2.9
	II.	3.5	-22.4	-3.2

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