



Results of the IEER SME Outlook Survey

January 2013

Summary in English

Budapest, February 2013

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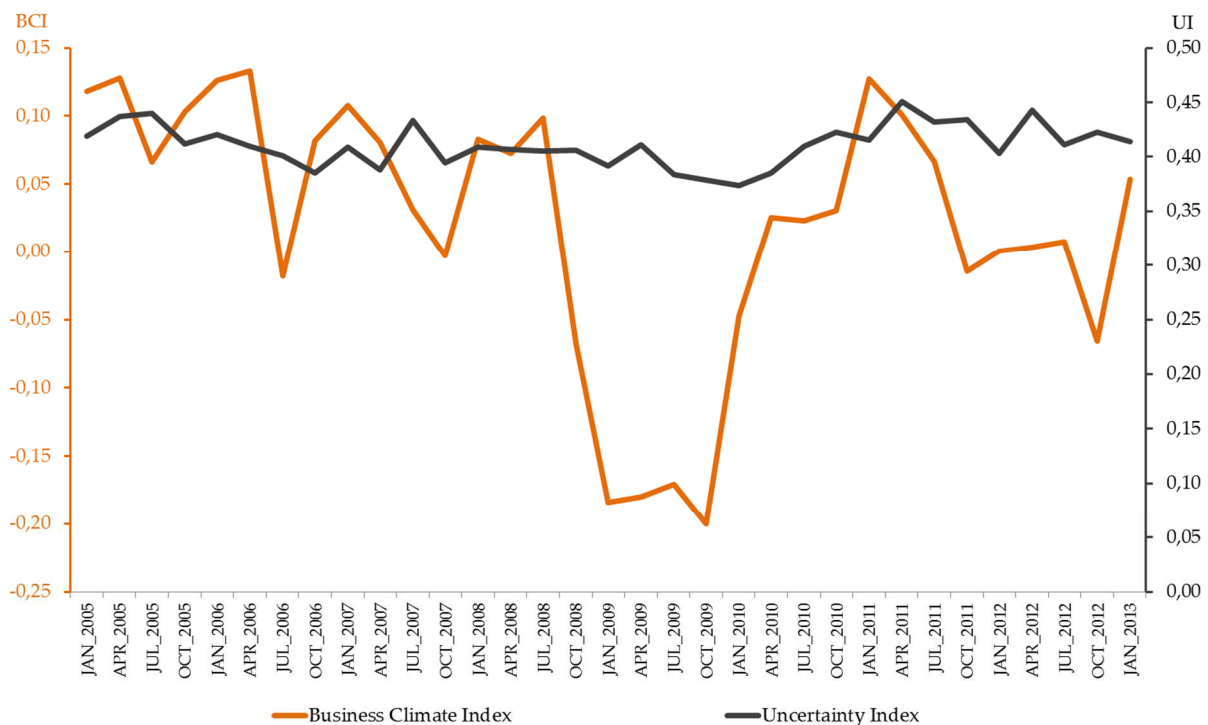
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1. SME Outlook Business Climate Index and Uncertainty Index

The results of the January 2013 IEER SME Outlook business climate survey reveal more favourable economic conditions compared to the previous quarter. The SME Outlook Business Climate Index (BCI) increased from -6.6 to 5.4 percentage points, which is the highest value since July 2011. Regarding the Uncertainty Index stagnation can be observed, which means that there is no change in the perception of the SMEs about their current and expected business situation. The Uncertainty Index is at a current level of 41 percentage points, which is almost the same as the value measured in the preceding quarter (it was 42 percentage points in October 2013) (see Figure 1.1.)

In sum, we can assess that after a significant decline in the previous quarter the value of the Business Climate Index considerably increased in the fourth quarter of 2012.

Figure 1.1. Quarterly developments in the SME Outlook Business Climate Index and SME Outlook Uncertainty Index

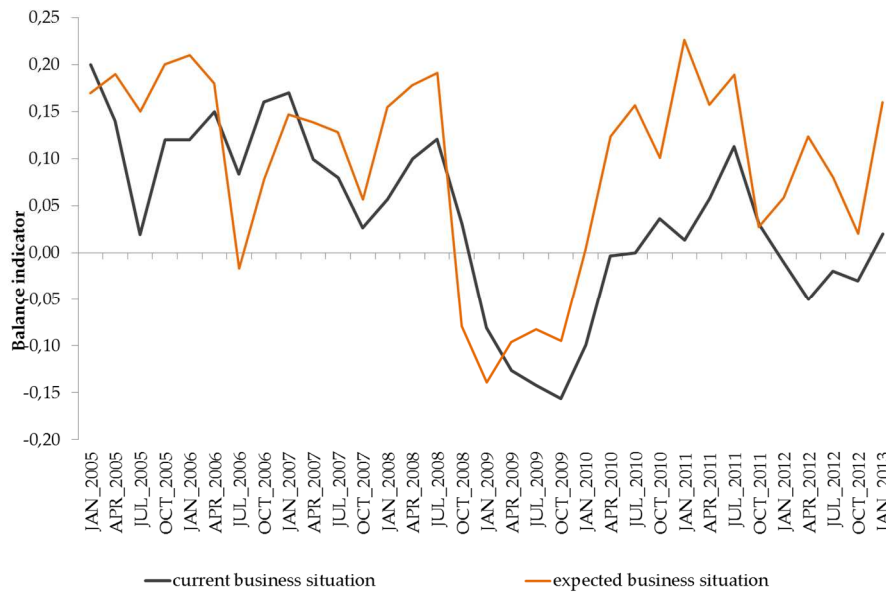


Source: IEER 2013

We can conclude that the increase of the IEER SME Outlook Business Climate Index compared to the previous quarter is due to the growth of all elementary indicators. The greatest increase has occurred in the case of the expected investment activity (37 percentage points), the expected production levels (19 percentage points), and the expected profitability (15 percentage points) compared to the previous quarter (see Appendix 1-6).

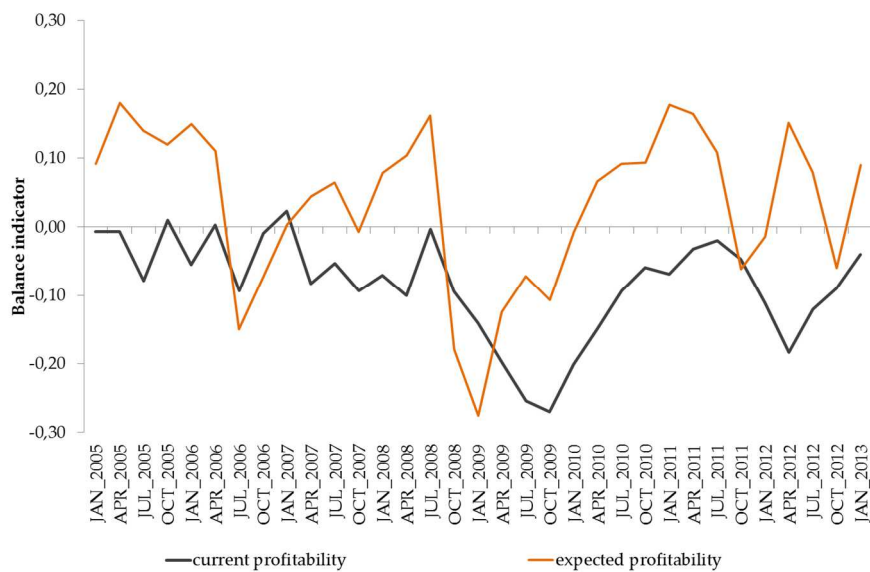
Appendix

A1: Current and expected business situation



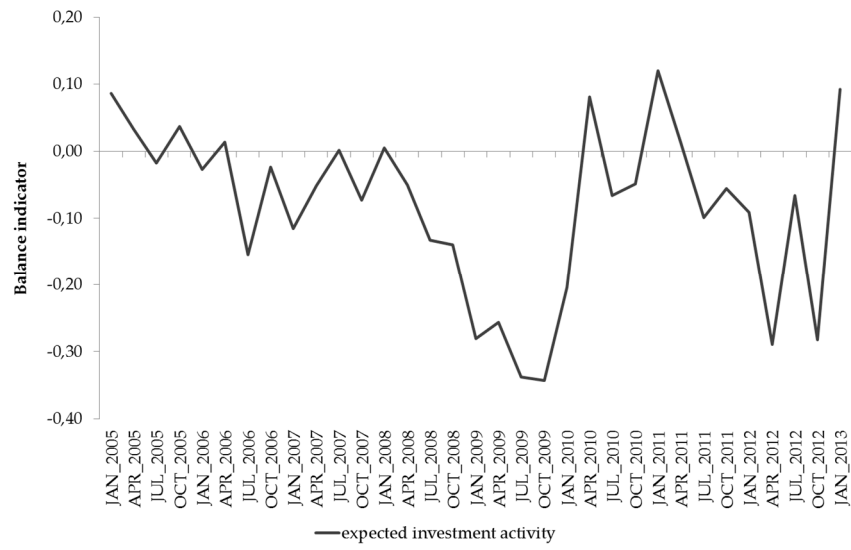
Source: IEER 2013

A2: Current and expected profitability



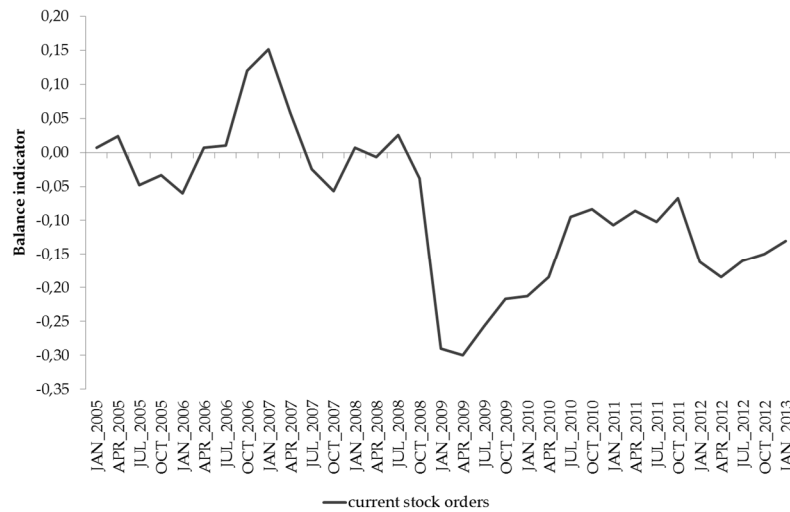
Source: IEER 2013

A3: Expected investments



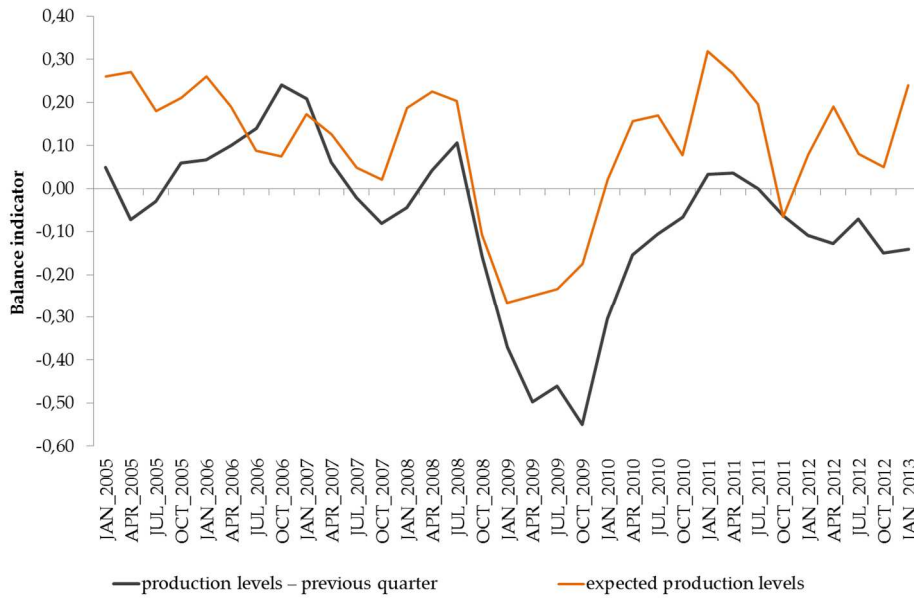
Source: IEER 2013

A4: Current stock orders



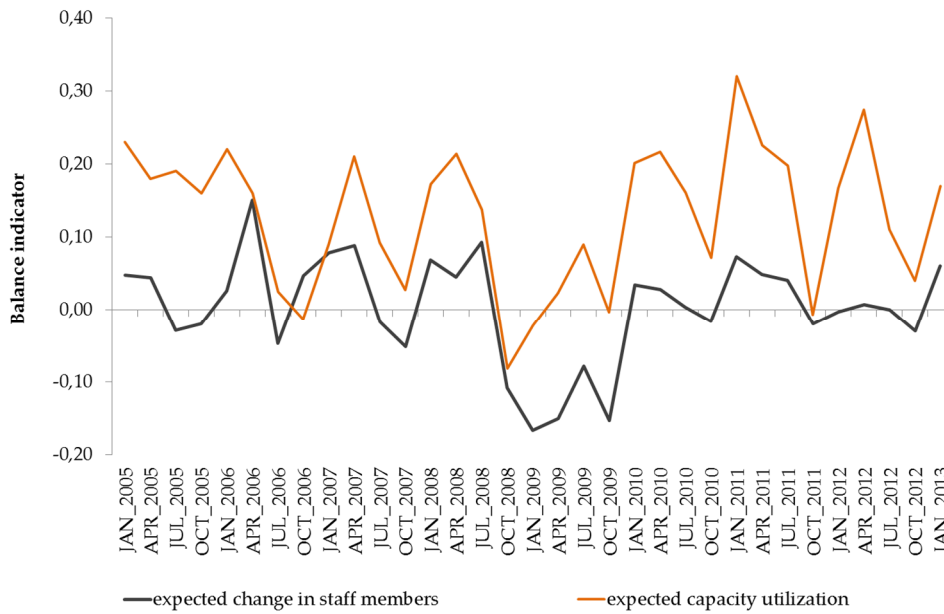
Source: IEER 2013

A5: Current and expected production levels



Source: IEER 2013

A6: Expected change in staff members and capacity utilization



Source: IEER 2013

A7: Distribution of firms by size in the waves of the SME Outlook Business Climate Survey, Jan 2005 – Jan 2013, pcs

	Number of staff members			Total
	20-49 people	50-99 people	100-249 people	
JAN_2005	102	85	114	301
APR_2005	103	84	113	300
JUL_2005	105	88	119	312
OCT_2005	107	90	114	311
JAN_2006	105	88	117	310
APR_2006	106	88	118	312
JUL_2006	103	84	114	301
OCT_2006	210	57	36	303
JAN_2007	102	87	112	301
APR_2007	102	84	116	302
JUL_2007	102	84	114	300
OCT_2007	101	85	115	301
JAN_2008	101	84	114	299
APR_2008	102	84	114	300
JUL_2008	102	84	114	300
OCT_2008	102	84	114	300
JAN_2009	103	80	118	301
APR_2009	102	84	114	300
JUL_2009	103	85	116	304
OCT_2009	101	84	114	299
JAN_2010	106	84	113	303
APR_2010	89	96	105	290
JUL_2010	97	90	116	303
OCT_2010	101	87	116	304
JAN_2011	100	88	117	305
APR_2011	99	89	124	312
JUL_2011	99	87	115	301
OCT_2011	98	87	114	299
JAN_2012	97	88	114	299
APR_2012	99	87	114	300
JUL_2012	99	88	115	302
OCT_2012	99	87	114	300
JAN_2013	97	89	113	299
Total	3444	2820	3710	9974

Source: IEER 2013

**A8: Distribution of firms by sectors in the waves of the SME Outlook
Business Climate Survey, Jan 2005 – Jan 2013, pcs**

	Sector				Total
	Processing industry	Building industry	Commerce	Business services	
JAN_2005	136	44	82	39	301
APR_2005	134	44	83	39	300
JUL_2005	139	48	84	41	312
OCT_2005	138	47	85	41	311
JAN_2006	138	46	85	41	310
APR_2006	138	47	85	42	312
JUL_2006	135	44	82	40	301
OCT_2006	129	39	81	54	303
JAN_2007	134	47	82	38	301
APR_2007	135	44	82	41	302
JUL_2007	135	44	82	39	300
OCT_2007	135	45	83	38	301
JAN_2008	135	44	81	39	299
APR_2008	135	44	82	39	300
JUL_2008	135	44	82	39	300
OCT_2008	135	44	82	39	300
JAN_2009	135	43	82	41	301
APR_2009	135	44	82	39	300
JUL_2009	138	44	83	39	304
OCT_2009	134	45	82	38	299
JAN_2010	136	43	85	39	303
APR_2010	134	45	75	35	289
JUL_2010	145	43	80	35	303
OCT_2010	141	48	76	38	303
JAN_2011	140	45	77	43	305
APR_2011	145	51	80	36	312
JUL_2011	139	47	75	40	301
OCT_2011	137	47	75	40	299
JAN_2012	141	47	73	38	299
APR_2012	135	45	81	39	300
JUL_2012	137	45	81	39	302
OCT_2012	135	45	81	39	300
JAN_2013	134	45	81	39	299
Total	4507	1487	2672	1306	9972

Source: IEER 2013

Annex

The formula of the SME Outlook Business Climate Index (BCI)

$BCI = 0.1 \cdot raj_ + 0.1 \cdot uhj_ + 0.1 \cdot vjj_ + 0.1 \cdot tszm_ + 0.1 \cdot lvv_ + 0.1 \cdot uhv_ + 0.1 \cdot vjv_ + 0.1 \cdot cue_ + 0.1 \cdot tszv_ + 0.1 \cdot bv v_$, where:

- RAJ_: current stock orders
- UHJ_: current business situation
- VJJ_: current profitability
- TSZM_: production levels – previous quarter
- LVV_: expected change in staff members
- UHV_: expected business situation
- VJV_: expected profitability
- CUE_: expected capacity utilization
- TSZV_: expected production levels
- BVV_: expected investment activity

The formula of the SME Outlook Quarterly Uncertainty Index (UI)

UI = the variance of the BCI