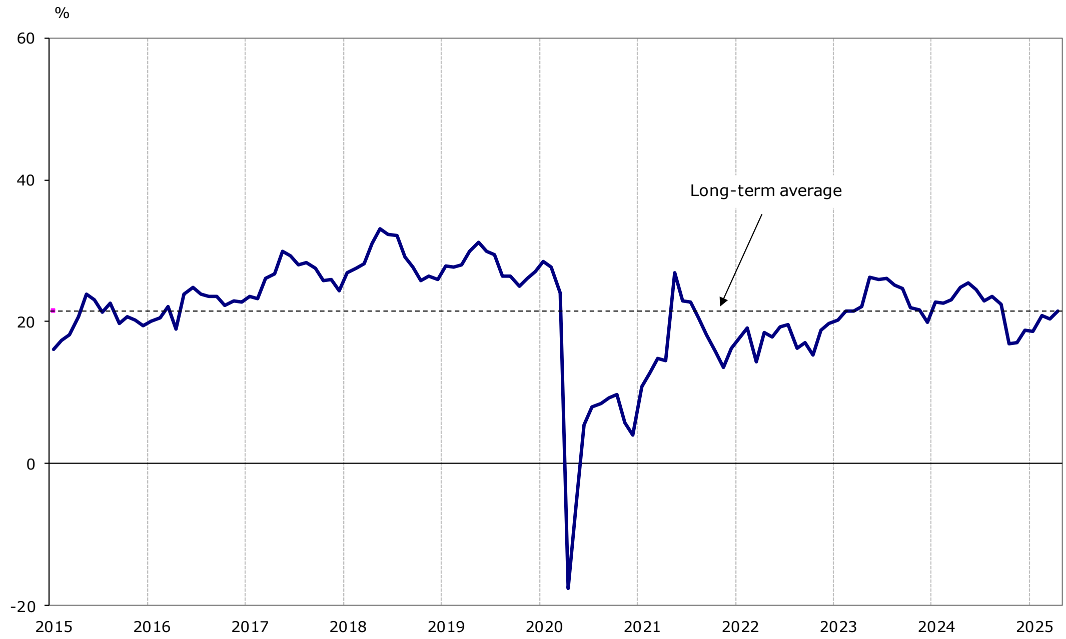
BUSINESS CONJUNCTURE

NSI BUSINESS SURVEYS, APRIL 2025

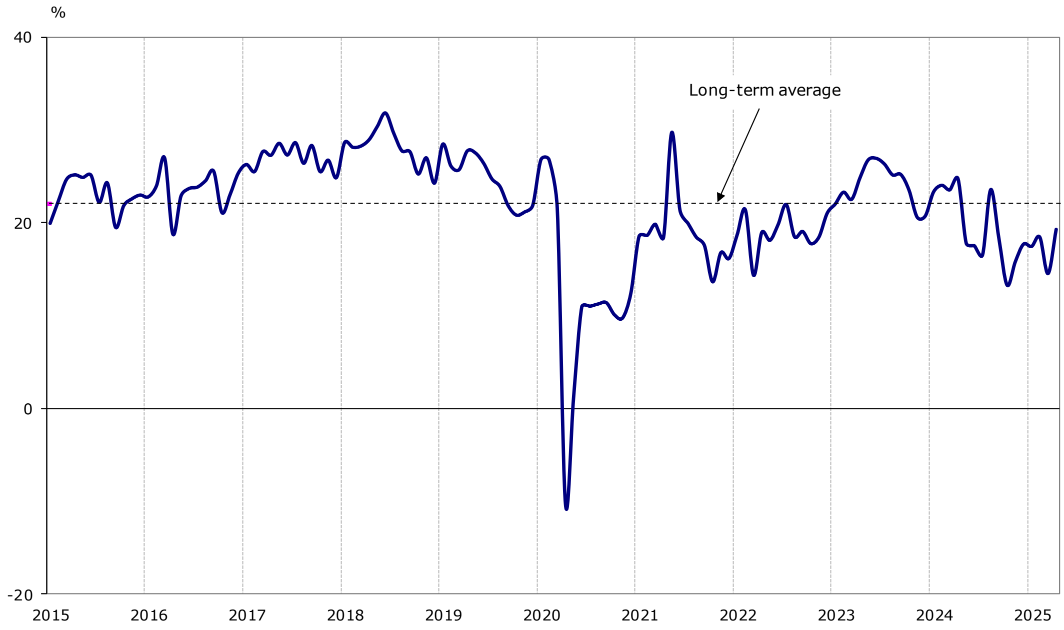
In April 2025, **the total business climate indicator** increases by 1.1 percentage points compared to the previous month (from 20.4% to 21.5%) (Annex, Figure 1). An improvement of the indicator is registered in the industry, while in the construction and service sector, a reduction is observed. Only in the retail trade, the indicator preserves its March level.

Figure 1. Business climate - total



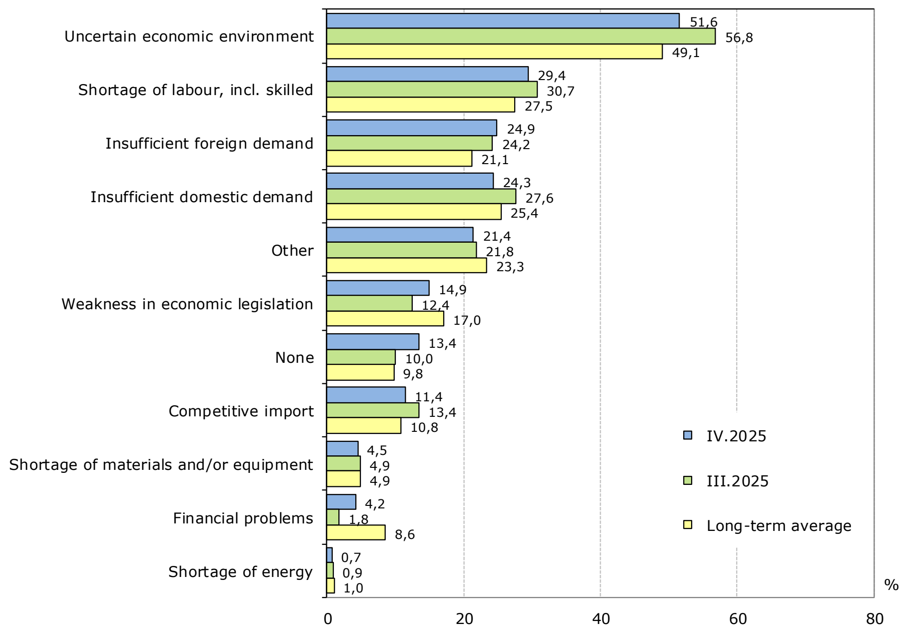
Industry. The composite indicator 'business climate in industry' increases by 4.8 percentage points (from 14.5% to 19.3%) (Figure 2) mainly due to the optimistic industrial entrepreneurs' assessments about the present business situation of the enterprises. In their opinion, the present production activity is favourable, while their forecasts over the next 3 months are more moderate.

Figure 2. Business climate in industry



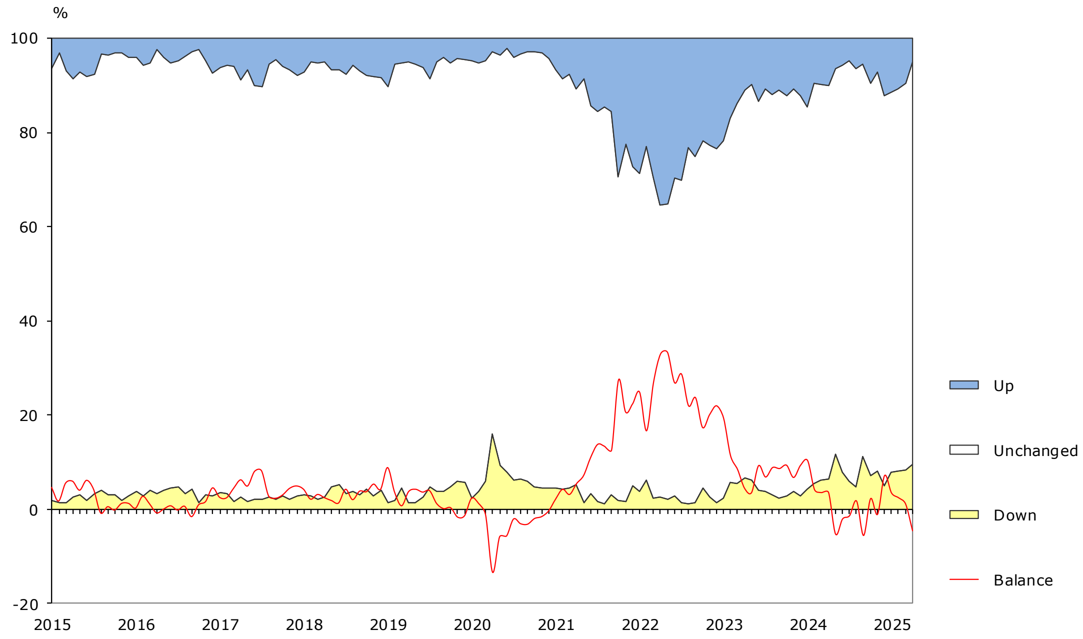
The uncertain economic environment and shortage of labour continue to be the main problems for the business development, as in the last month a decrease of their negative influence is reported (Figure 3).

Figure 3. Factors limiting the activity in industry (Relative share of enterprises)



Regarding the selling prices in the industry, the prevailing part of the managers expect them to preserve their level over the next 3 months (Figure 4).

Figure 4. Selling prices expectations in industry over the next 3 months



Construction. In April, the composite indicator 'business climate in construction' decreases by 2.5 percentage points (from 24.2% to 21.7%) (Figure 5), which is due to the unfavourable construction entrepreneurs' assessments and expectations about the business situation of the enterprises. At the same time, their expectations about the construction activity over the next 3 months are negative (Figure 6).

Figure 5. Business climate in construction

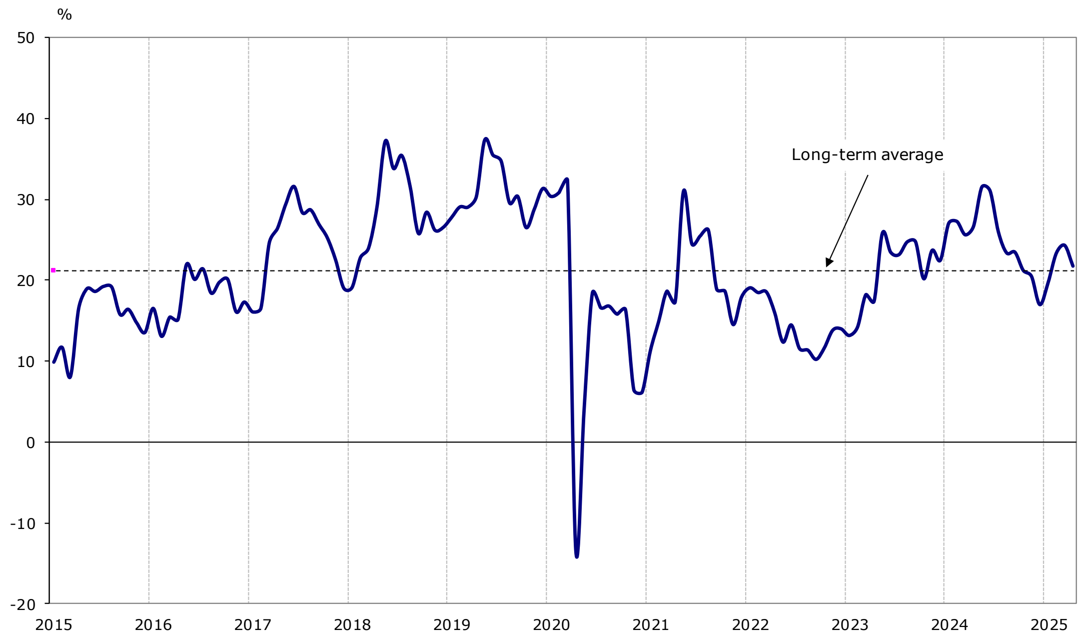
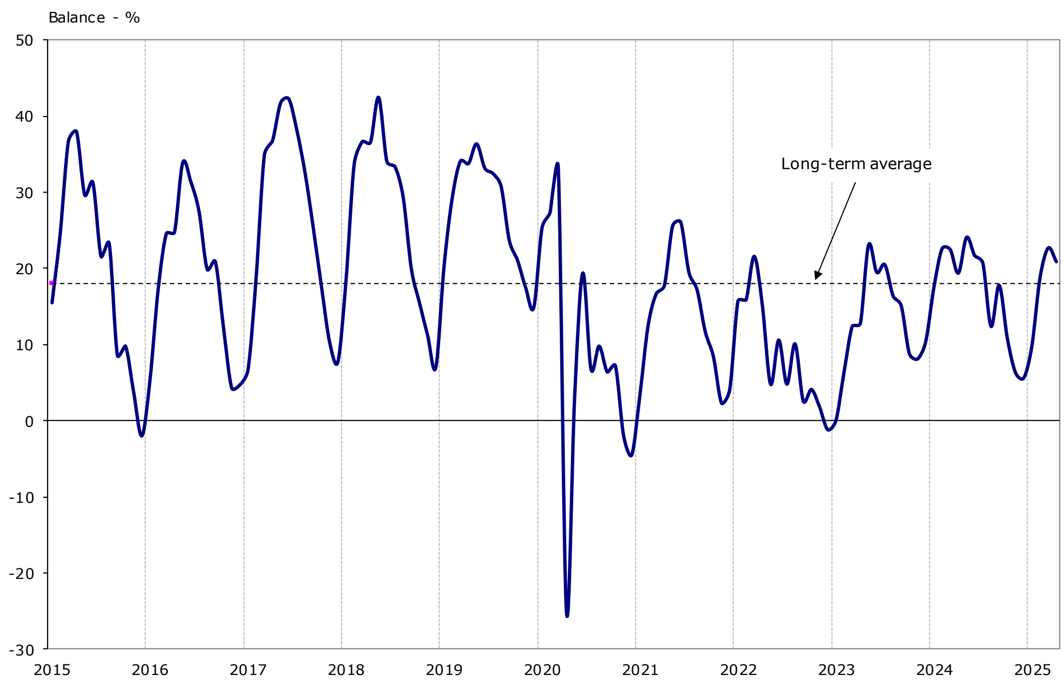
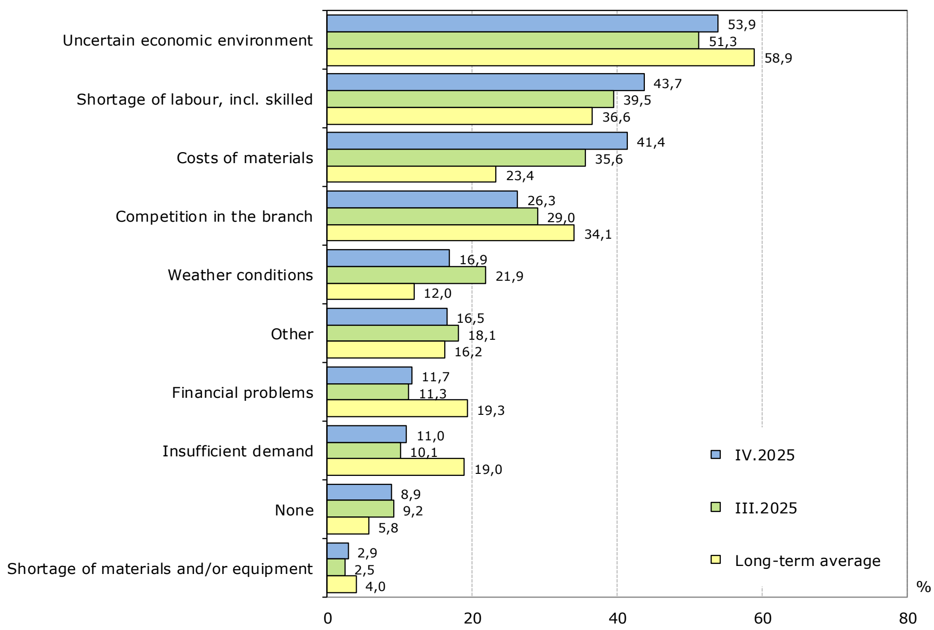


Figure 6. Expected construction activity over the next 3 months



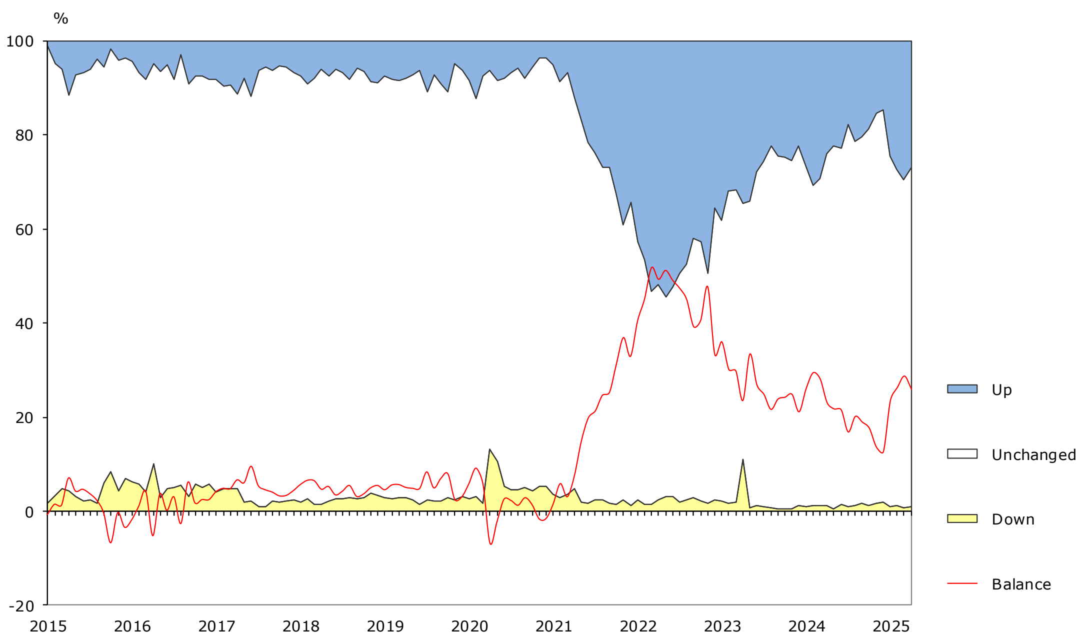
The main factors, limiting the activity of the enterprises remain the uncertain economic environment, shortage of labour and costs of materials, as in comparison with March an increase in their negative impact is observed (Figure 7).

Figure 7. Factors limiting the activity in construction
(Relative share of enterprises)



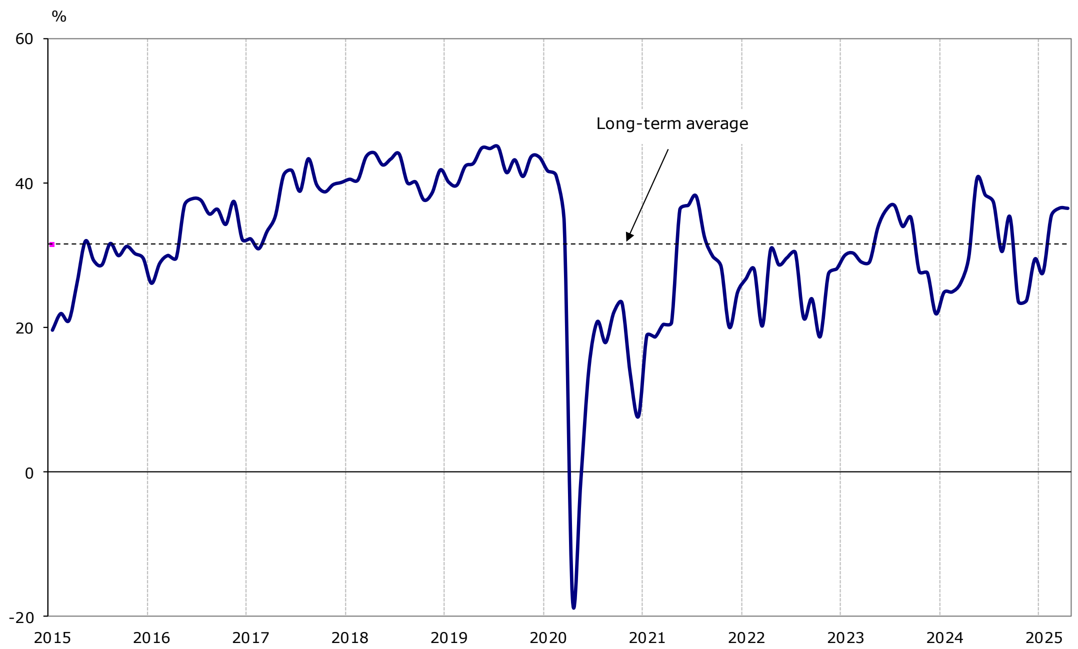
Concerning the selling prices in construction, the majority of the managers foresee them to remain unchanged over the next 3 months (Figure 8).

Figure 8. Selling prices expectations in construction over the next 3 months



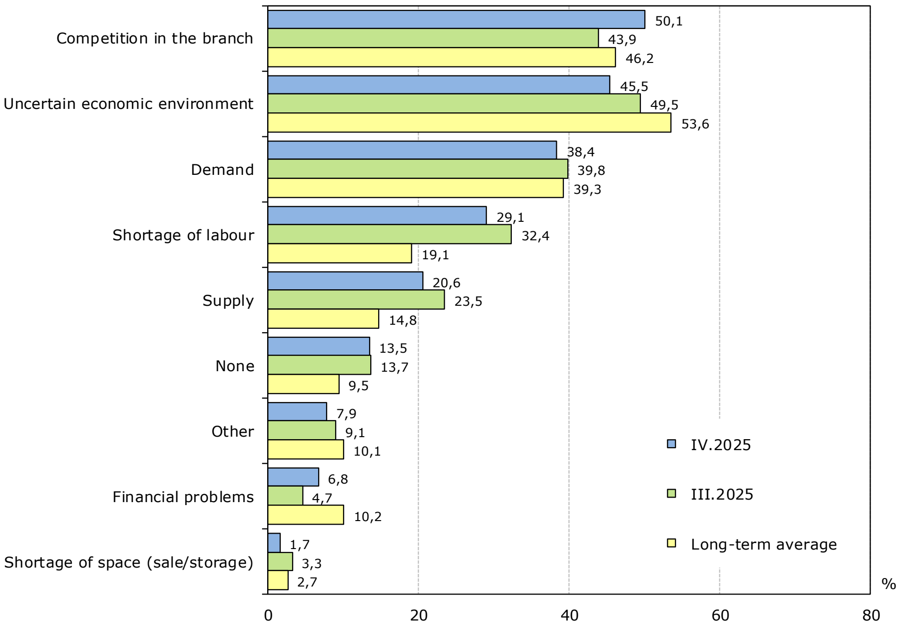
Retail trade. The composite indicator 'business climate in retail trade' remains to its level from the previous month (36.5%) (Figure 9). Their forecasts about the volume of sales and orders placed with suppliers over the next 3 months remain positive, although more reserved compared to the previous month.

Figure 9. Business climate in retail trade



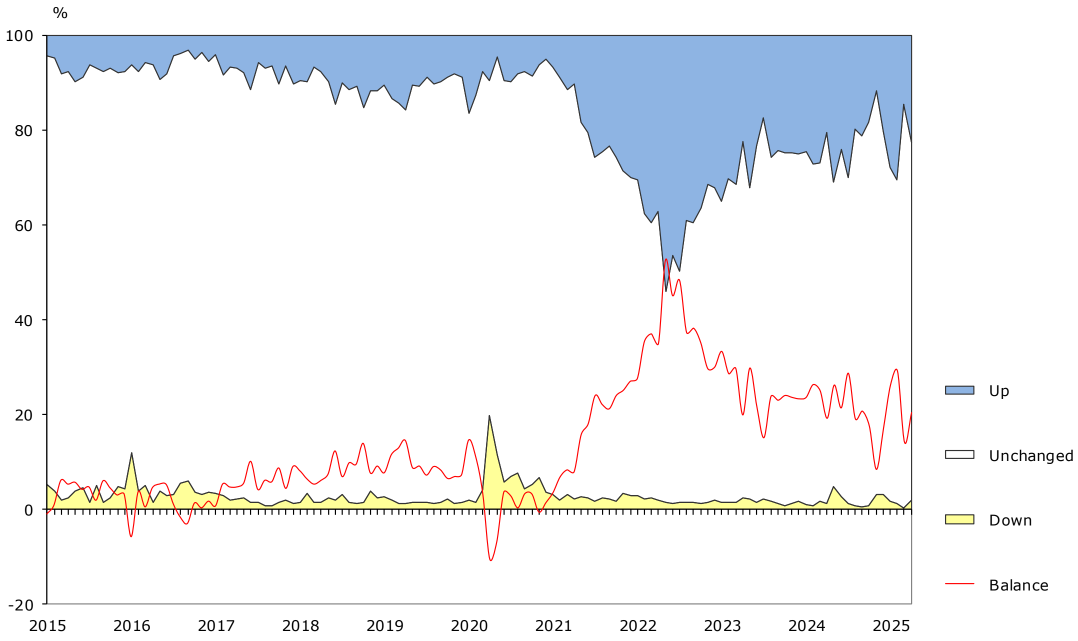
In the last month the negative influence of the factor 'competition in the branch' has increased, which shifts to the second place the difficulties of the enterprises connected with the uncertain economic environment (Figure 10).

Figure 10. Factors limiting the activity in retail trade
(Relative share of enterprises)



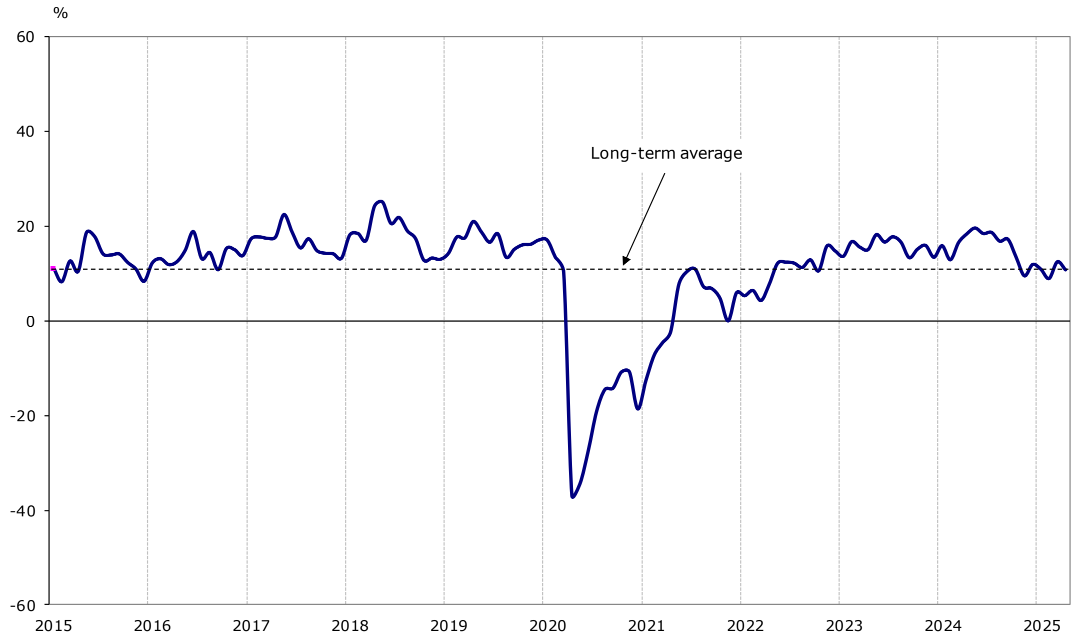
The retailers' expectations concerning the selling prices over the next 3 months are in a direction of an increase (Figure 11).

Figure 11. Selling prices expectations in retail trade
over the next 3 months



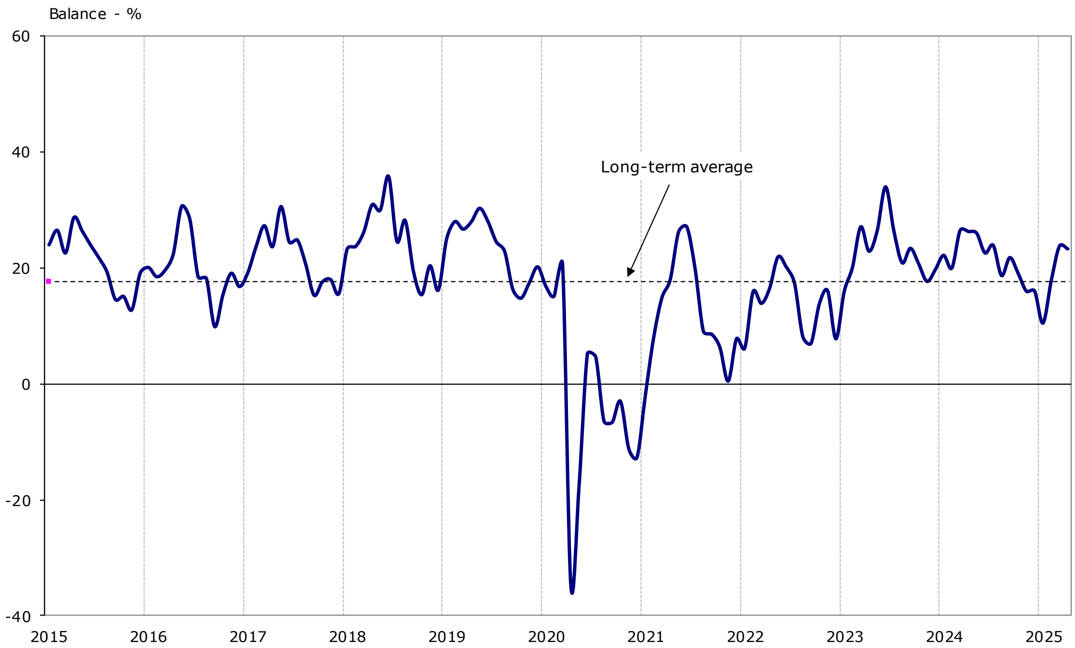
Service sector[1]. In April, the composite indicator 'business climate in service sector' decreases by 1.7 percentage points (from 12.4% to 10.7%) (Figure 12), which is due to the unfavourable managers' assessments about the present business situation of the enterprises. Their opinions about the present and expected demand for services are also reserved (Figure 13).

Figure 12. Business climate in service sector



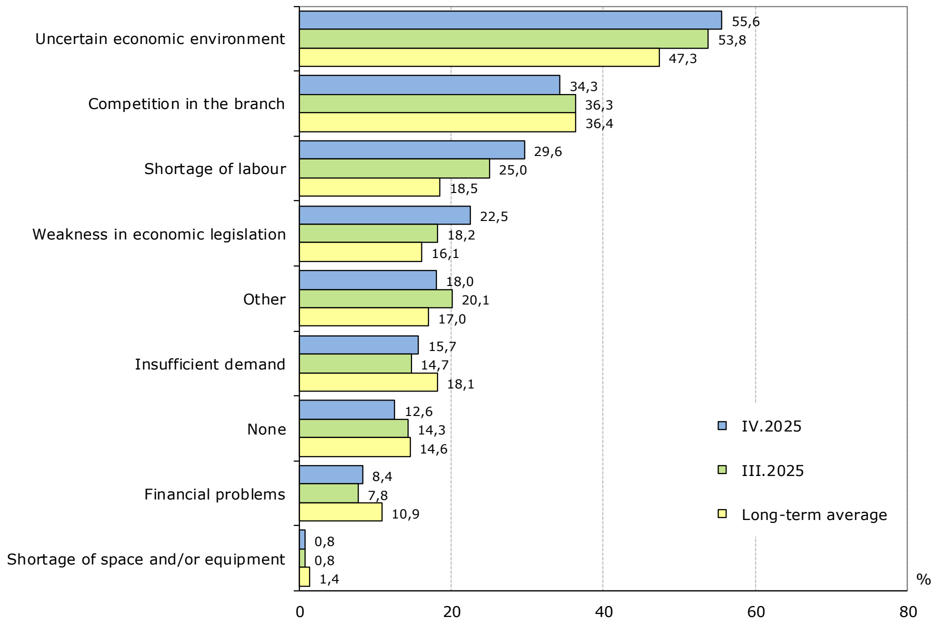
[1] Excl. trade.

Figure 13. Expected demand in service sector over the next 3 months



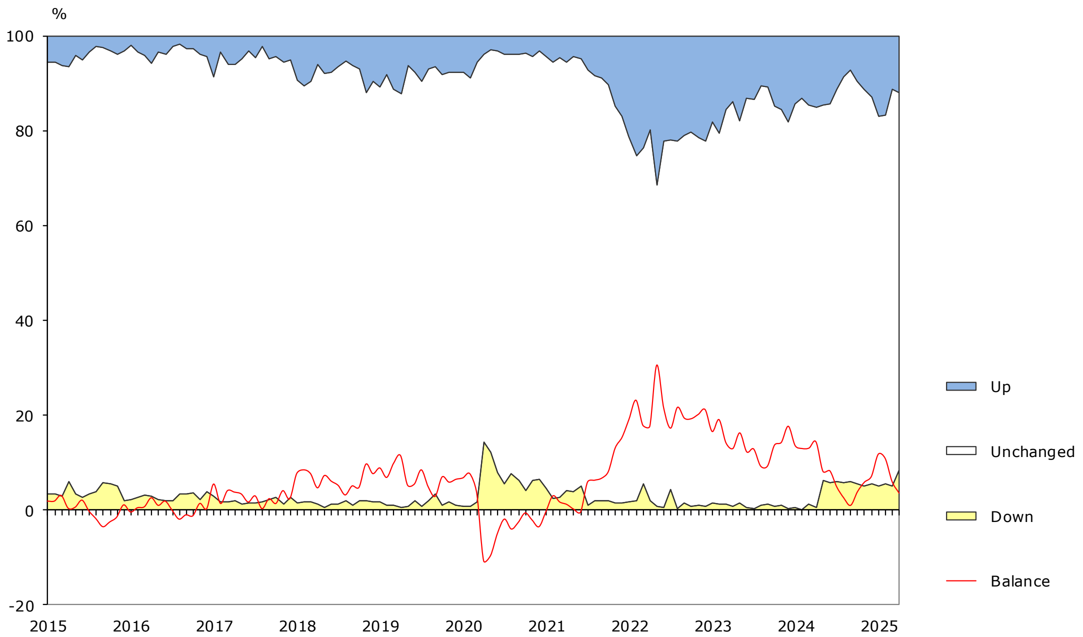
The main factors limiting the activity of the enterprises continue to be the uncertain economic environment and competition in the branch, pointed out respectively by 55.6% and 34.3% of the enterprises (Figure 14).

Figure 14. Factors limiting the activity in service sector (Relative share of enterprises)



The majority of the managers foresee the selling prices in the service sector to remain unchanged over the next 3 months (Figure 15).

Figure 15. Selling prices expectations in service sector over the next 3 months



Methodological notes

The business surveys in the industry, construction, retail trade and in the service sector gather information about the entrepreneurs' opinions about the situation and development of their business.

Since May 2002, all business surveys have been co-financed by NSI and the European Commission ( ) according to agreements signed between these two institutions. NSI has undertaken to conduct the surveys according to the Harmonized EU Programme. Any notice or publication of NSI reflects the author's view, and the Commission is not liable for any use that may be made of the information contained therein.

Since July 2010, NSI has started publishing the business surveys data according to the new Classification of Economic Activities (NACE.BG - 2008) (NACE Rev. 2). All of the time series have been recalculated according to the Classification and are comparable throughout time.

The replies to questions from the inquiries are presented in a three-option ordinal scale of the following type: 'up', 'unchanged', 'down' or 'above normal', 'normal', and 'below normal'. The balances of assessments are calculated as a difference of the relative shares of extreme variants of answers. The 'Business climate indicator' is a geometric mean of balances of assessments of the present business situation and the expected business situation of enterprises in the next 6 months.

The total business climate indicator is a weighted average of four branch business climate indicators in: industry, construction, retail trade and in the service sector. The last indicator of the business climate in the service sector has been included in the total time series since May 2002.