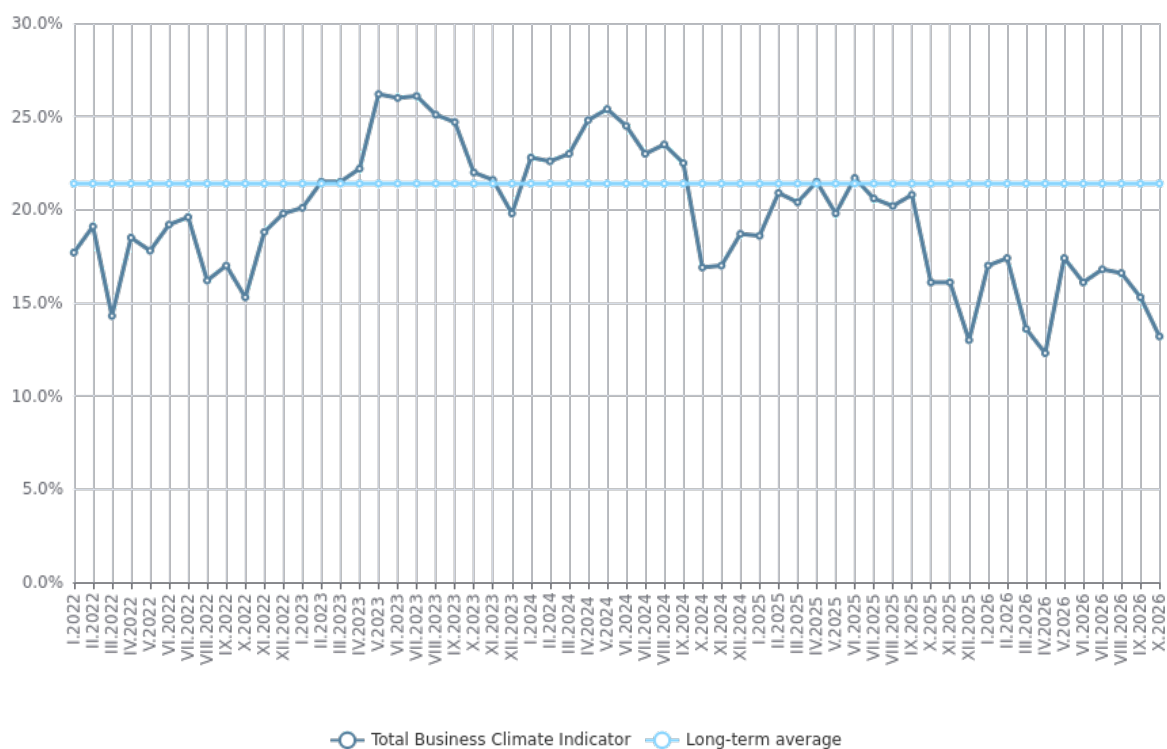




BUSINESS SURVEY IN INDUSTRY, CONSTRUCTION, RETAIL TRADE AND SERVICE SECTOR - OCTOBER 2026

In October 2026, **the total business climate indicator** decreases by 2.1 percentage points in comparison with September (from 15.3% to 13.2%) (Figure 1). A reduction of the indicator is observed in the industry and the service sector, while in the construction preserves approximately its level from the previous month. Only in the retail trade an improvement is reported.

Figure 1. Business climate - total



Industry. The composite indicator 'business climate in industry' decreases by 2.8 percentage points (from 16.9% to 14.1%) (Figure 2) as a result of the unfavourable industrial entrepreneurs' assessments and expectations about the business situation of the enterprises. According to them, the new orders inflow over the last 3 months has decreased, which is also accompanied by decreased expectations about the production activity over the next 3 months (Figure 3).

In October, the average capacity utilization is by 0.4 percentage points below its July level, and it reaches 72.5%.

Figure 2. Business climate in industry

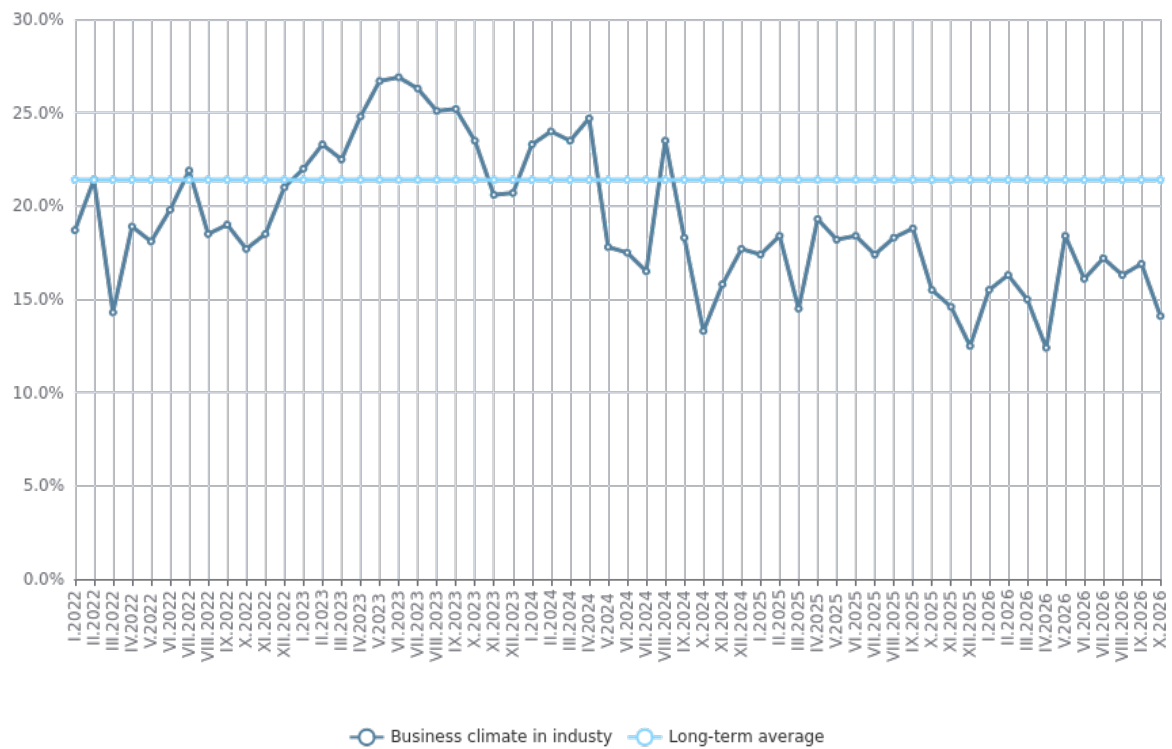
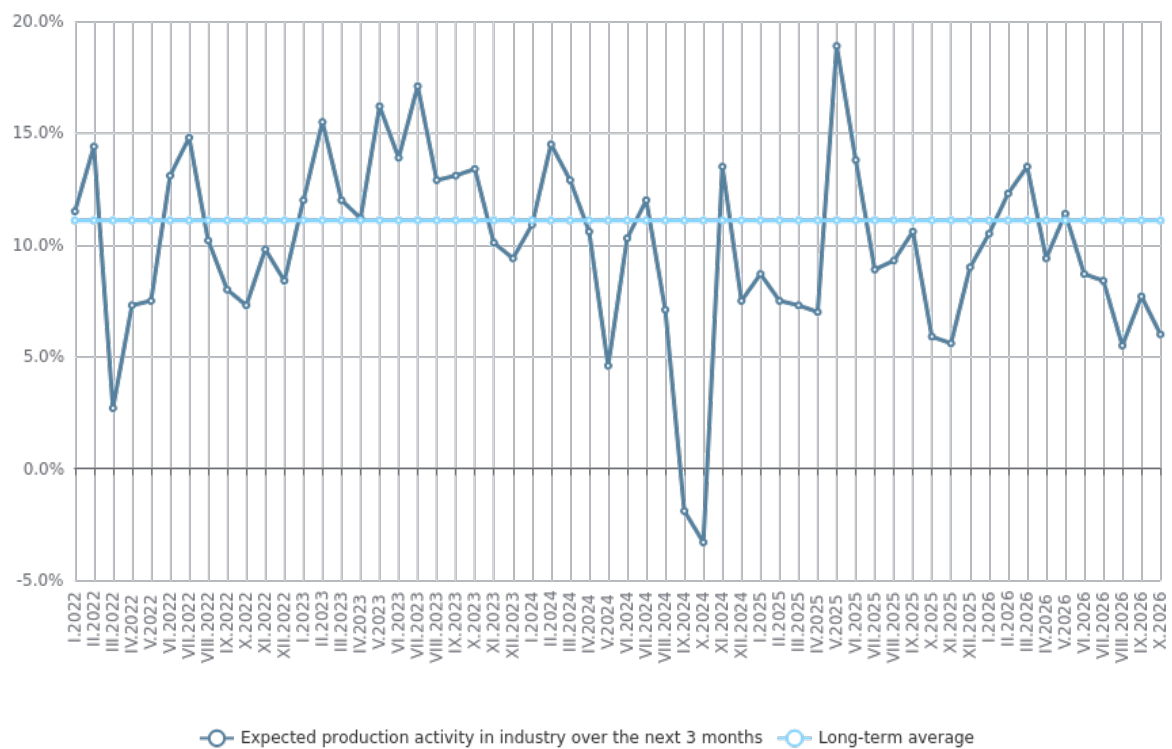


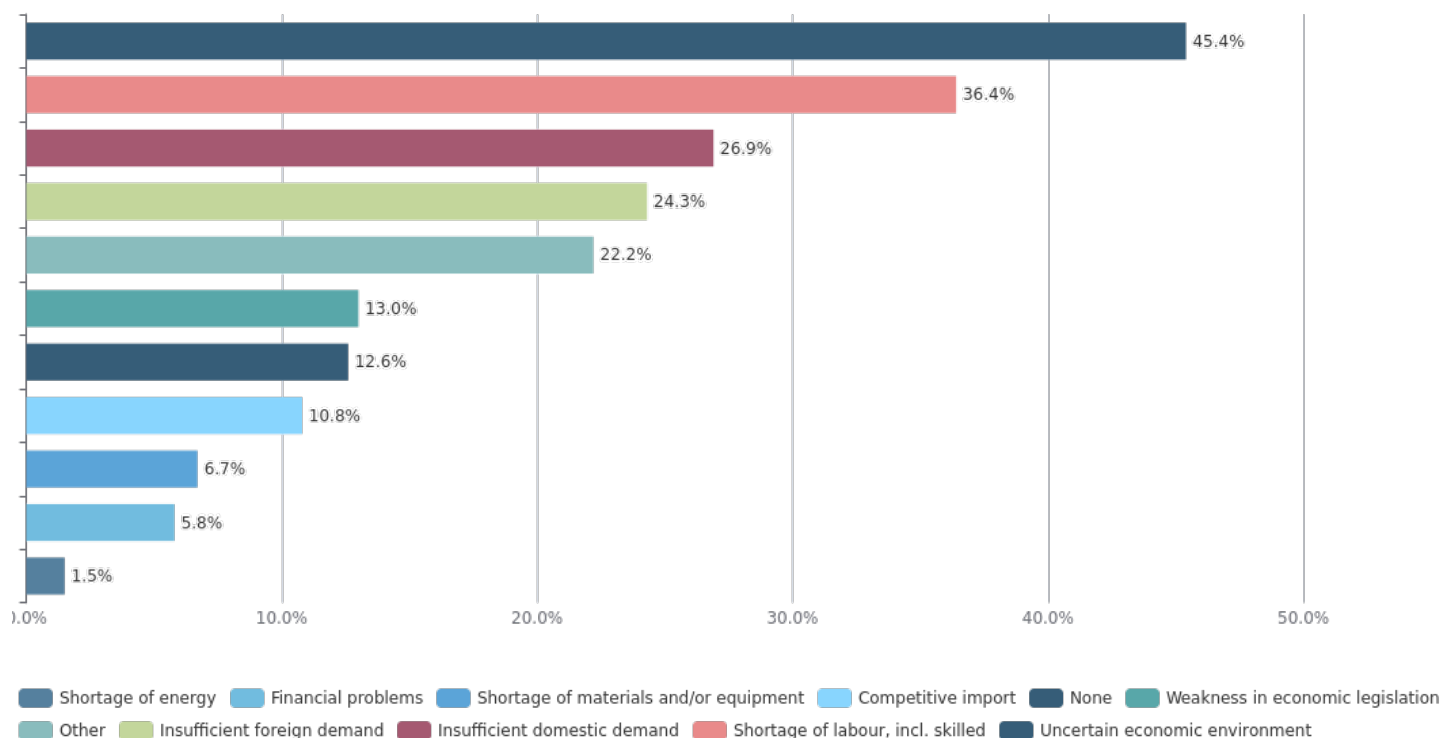
Figure 3. Expected production activity in industry over the next 3 months



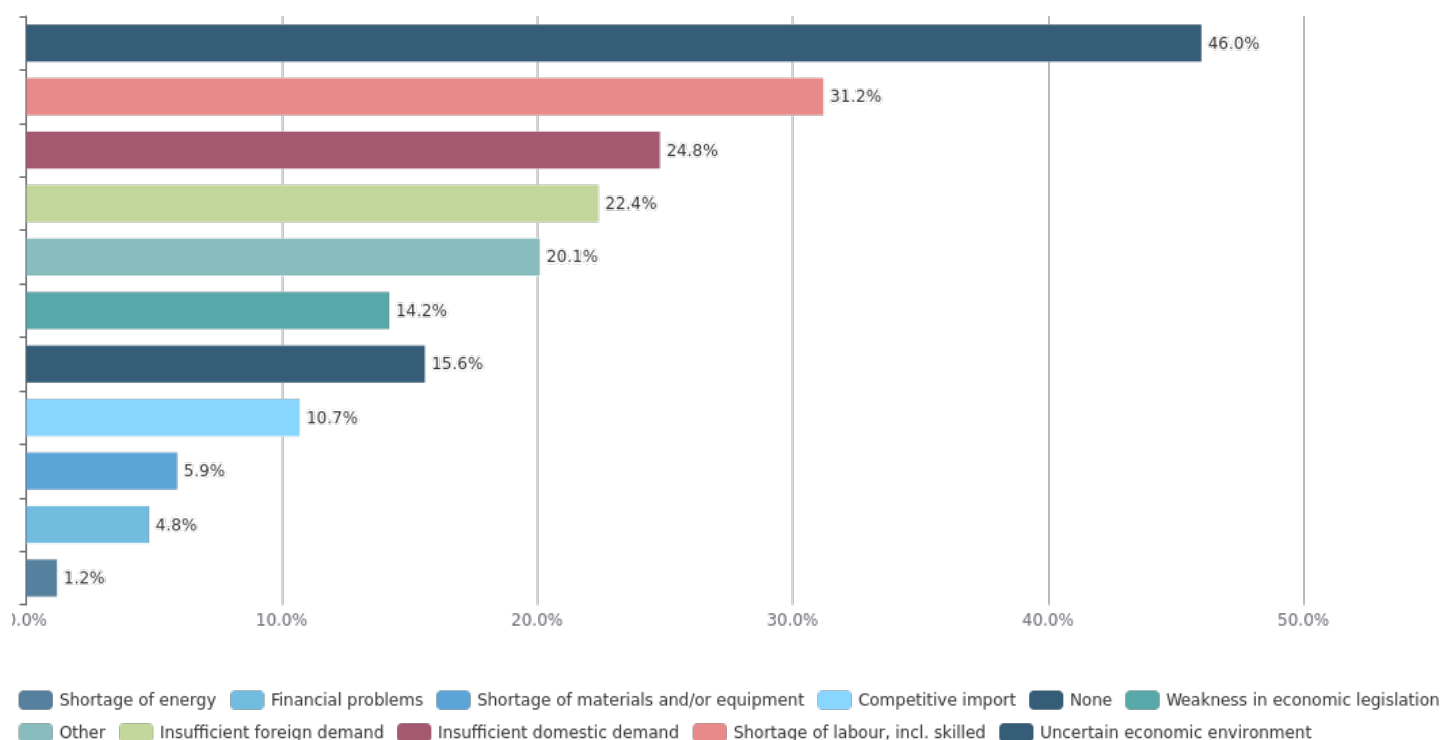
The uncertain economic environment and the shortage of labour continue to be the main problems for the business development, as in the last month an increase of the negative influence of the second factor is observed (Figure 4).

Figure 4. Factors limiting the activity in industry
(Relative share of enterprises)

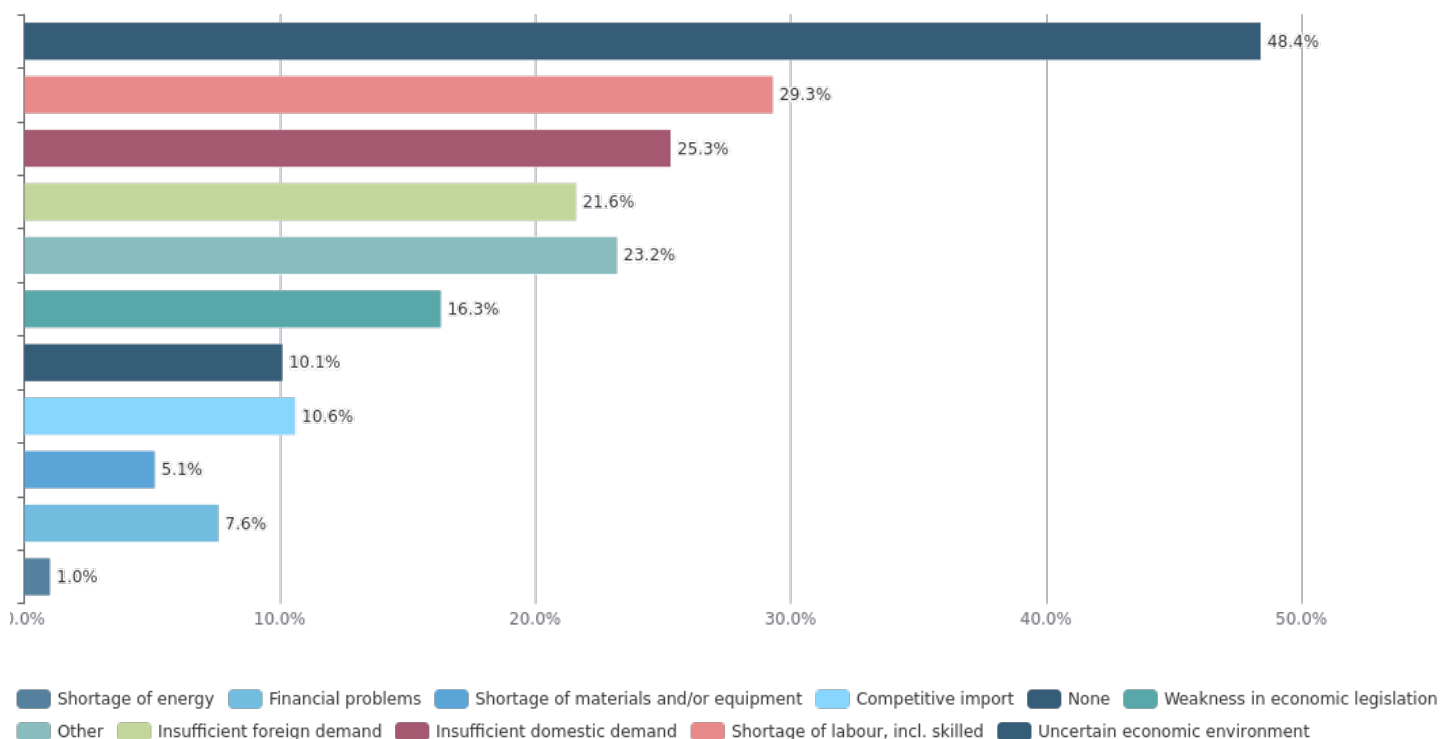
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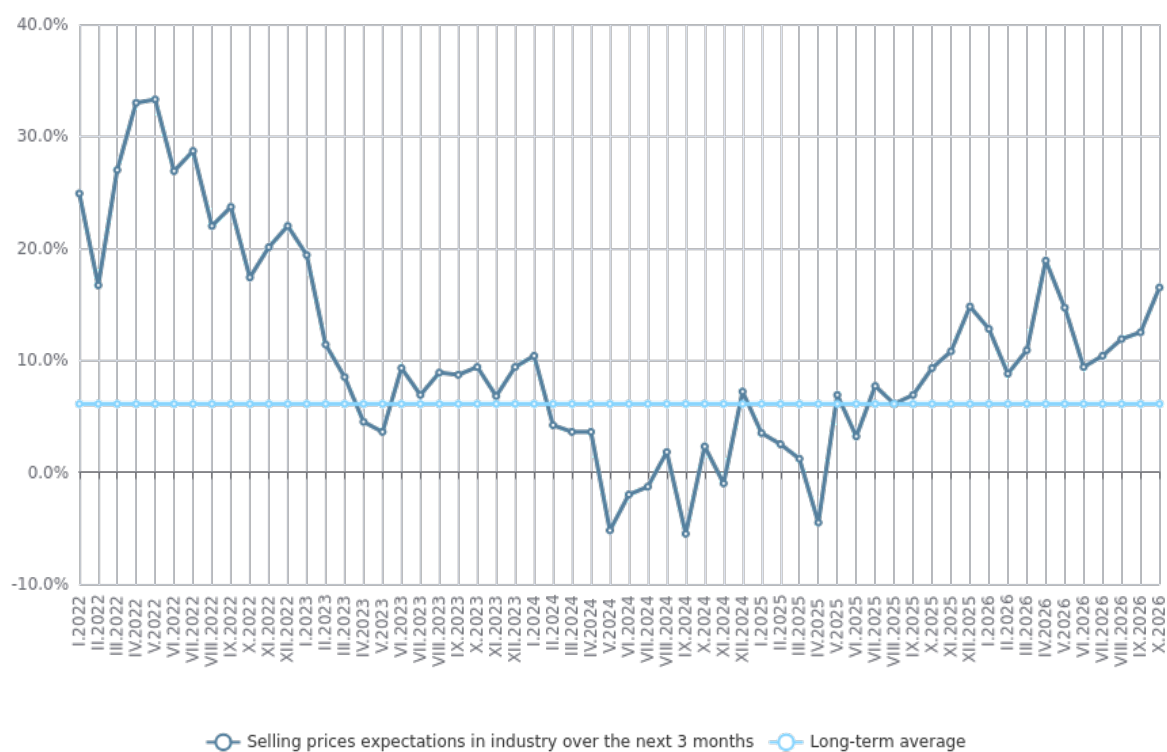


Long-term average



The managers' forecasts regarding the selling prices in the industry over the next 3 months are in a direction of an increase (Figure 5).

Figure 5. Selling prices expectations in industry over the next 3 months



Construction. In October, the composite indicator 'business climate in construction' preserves approximately its September level (from 9.3% to 9.7%) (Figure 6). In the construction entrepreneurs' opinion, in the next half year, a decrease of the new orders is expected, which will also lead to a contraction of the activity in the short-term (Figure 7).

Figure 6. Business climate in construction

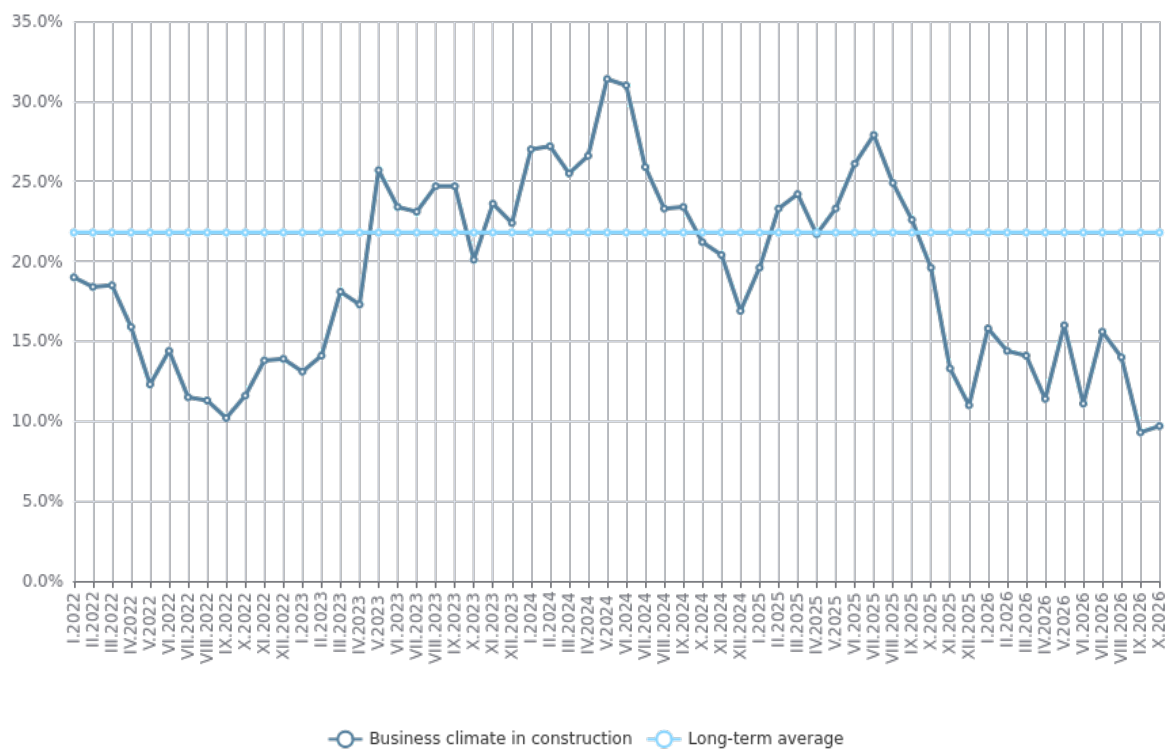
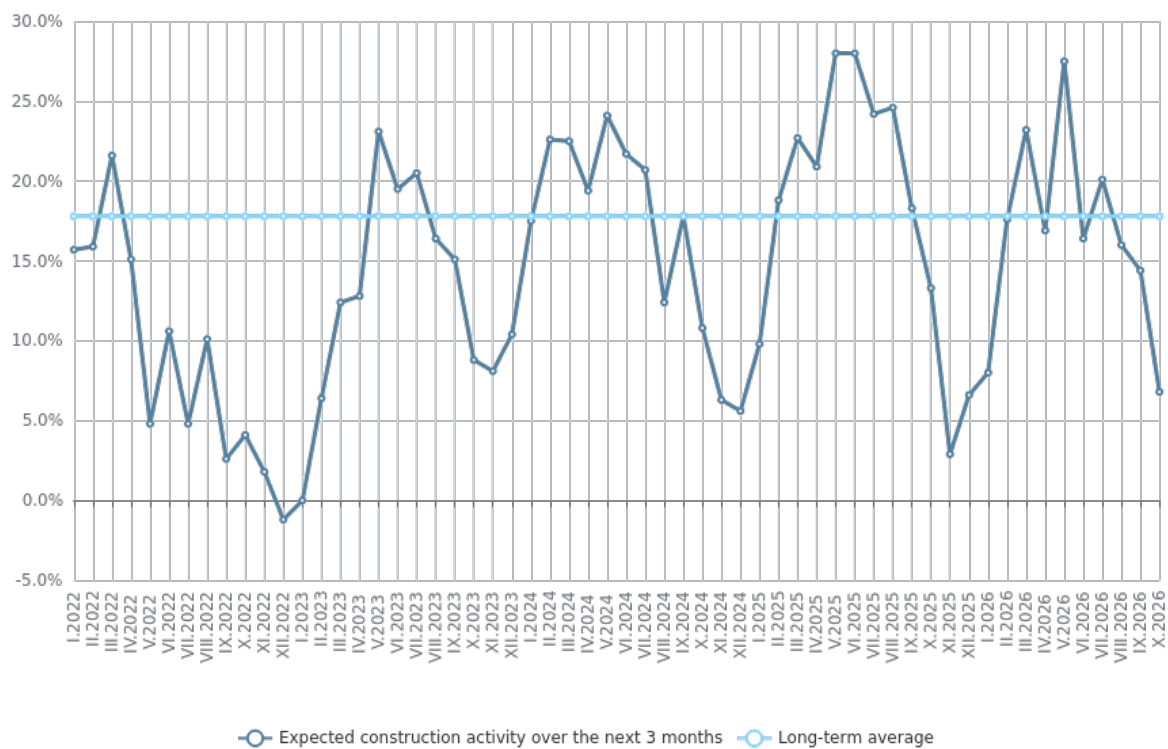


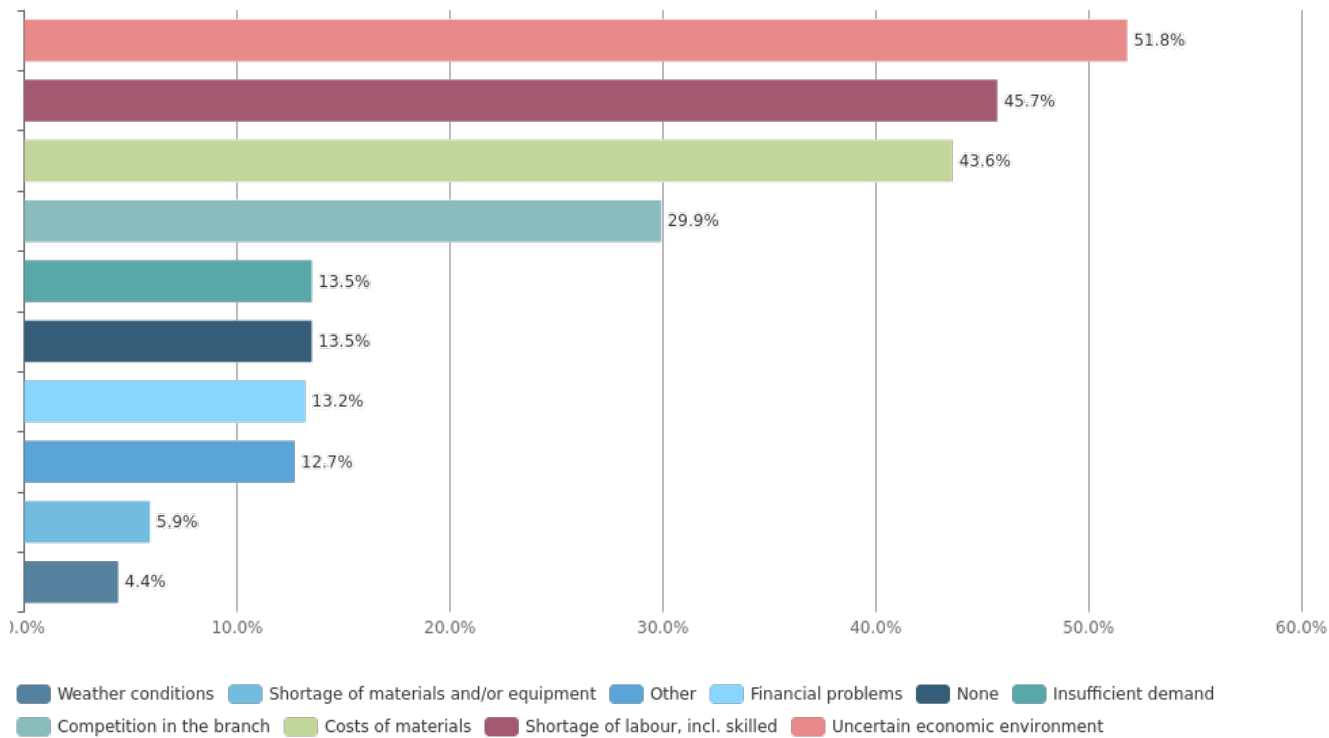
Figure 7. Expected construction activity over the next 3 months



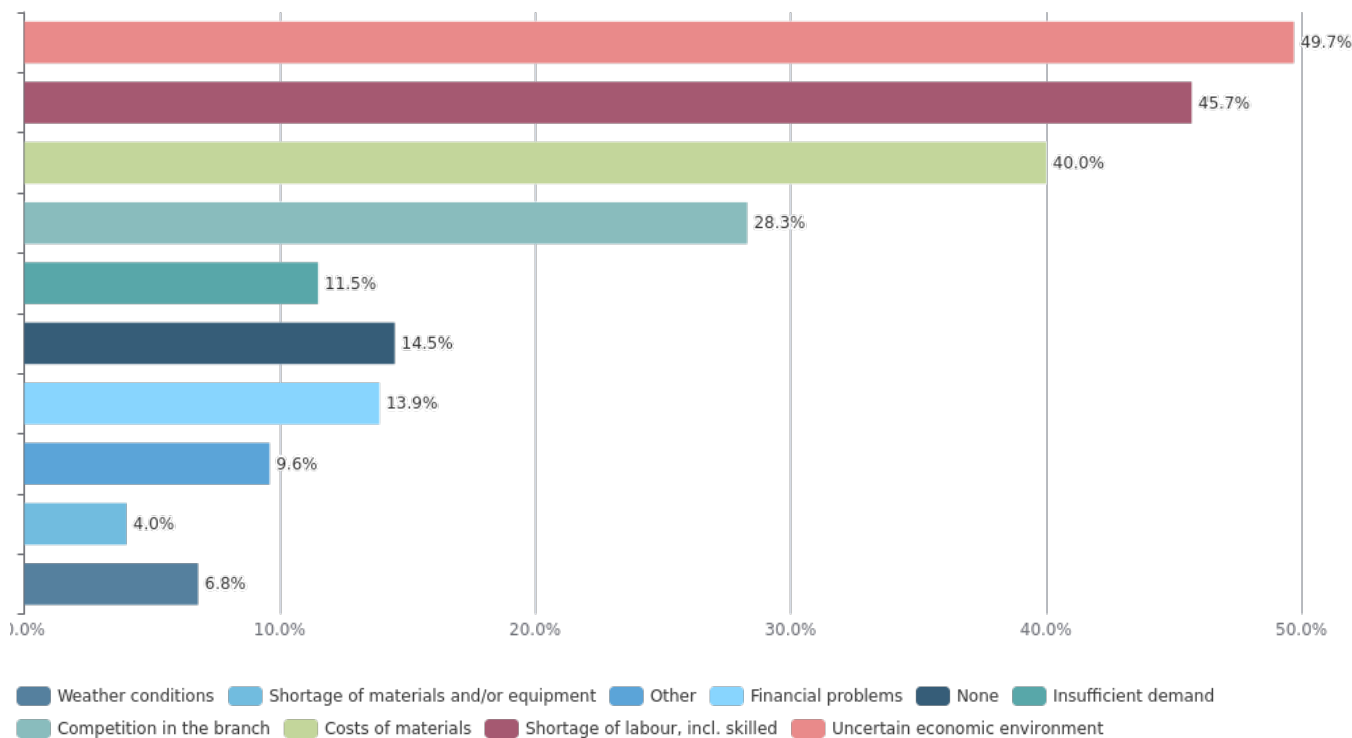
The main factors, limiting the activity in the sector, remain the uncertain economic environment, the shortage of labour and the costs of materials, as compared to September, an increase of the negative impact of the first and the third factor is reported (Figure 8).

Figure 8. Factors limiting the activity in construction
(Relative share of enterprises)

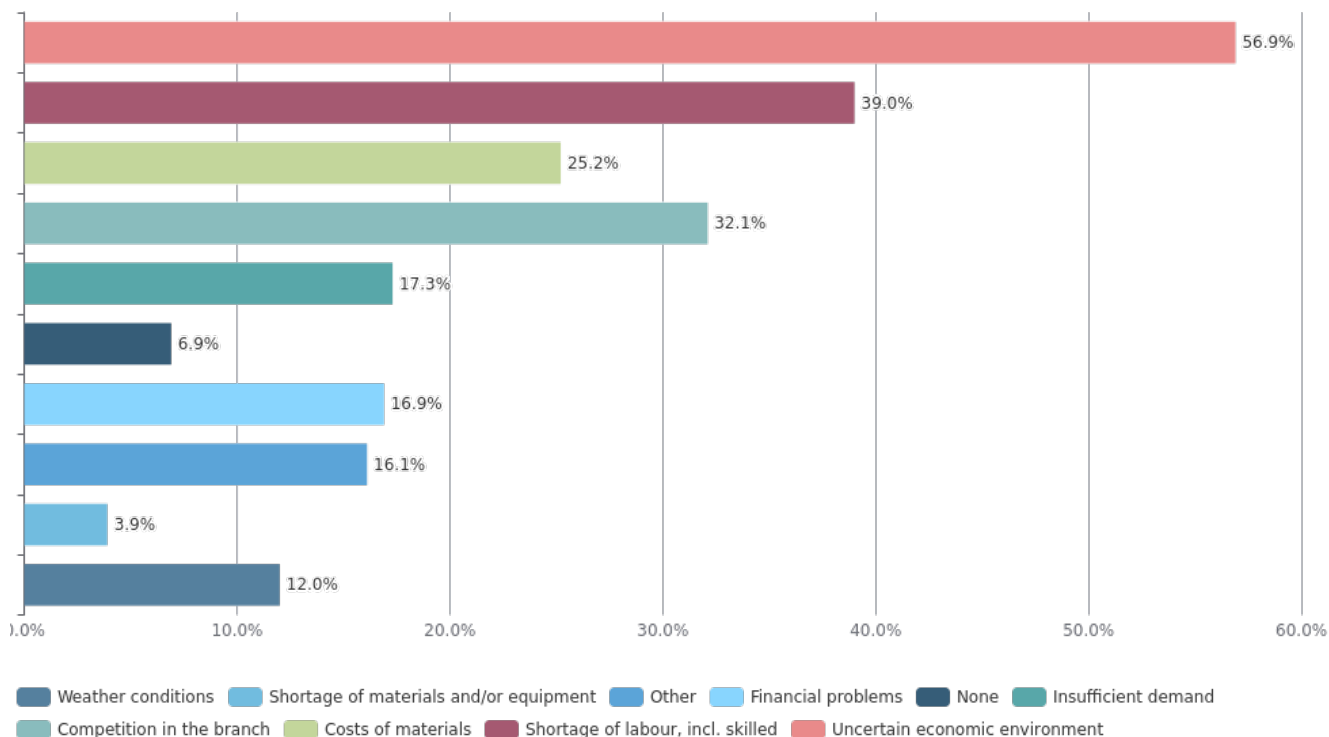
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Long-term average



The majority of the construction entrepreneurs expect the selling prices to remain unchanged over the next 3 months.

Retail trade. The composite indicator 'business climate in retail trade' increases by 1.2 percentage points (from 25.3% to 26.5%) (Figure 9) as a result of the favourable retailers' assessments and expectations about the business situation of the enterprises. Their forecasts about the volume of sales over the next 3 months are also positive (Figure 10).

Figure 9. Business climate in retail trade

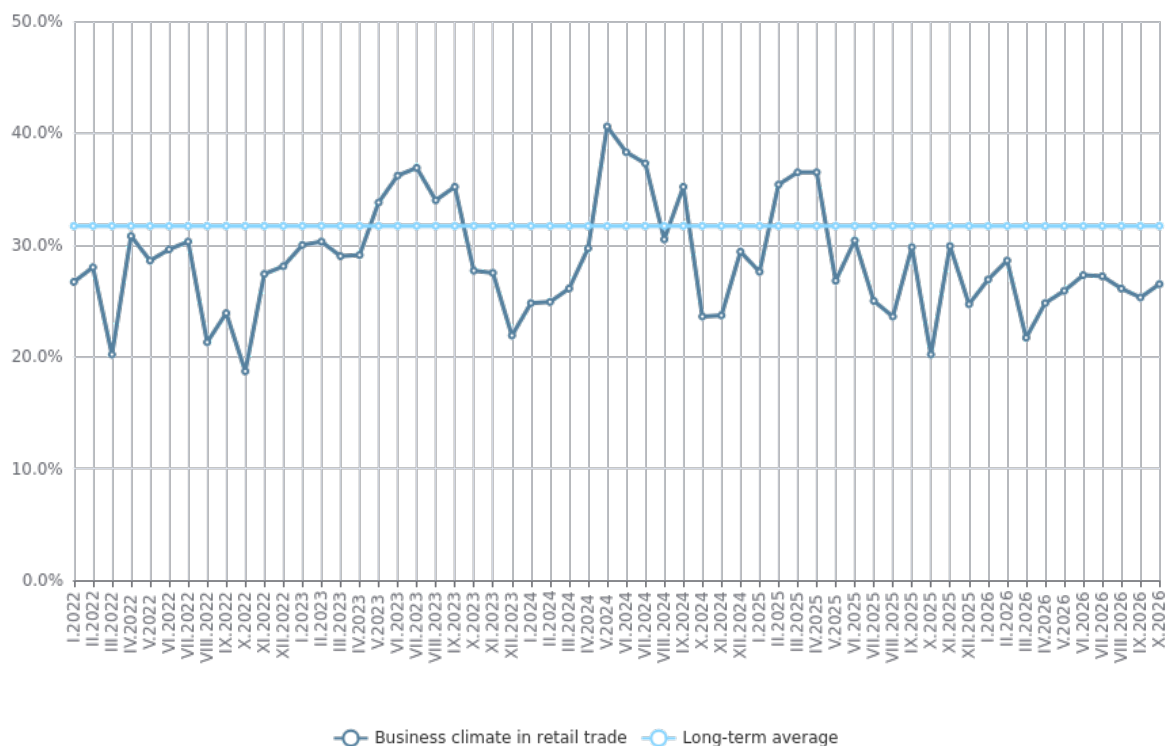
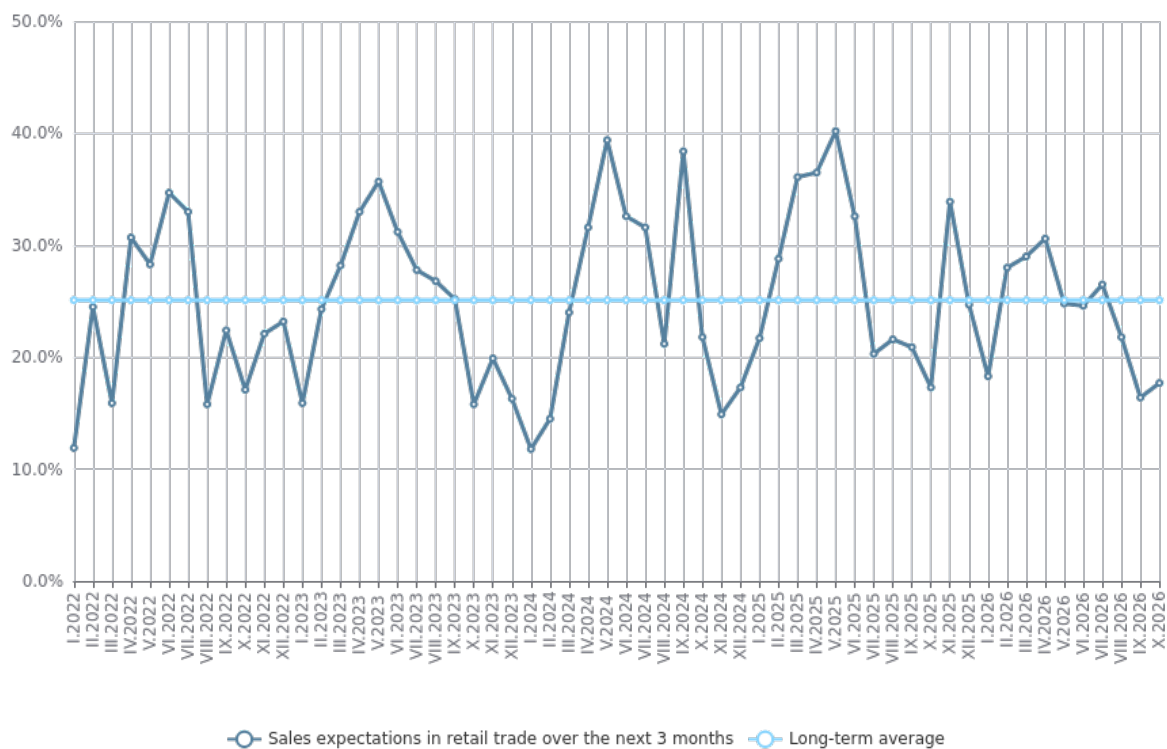


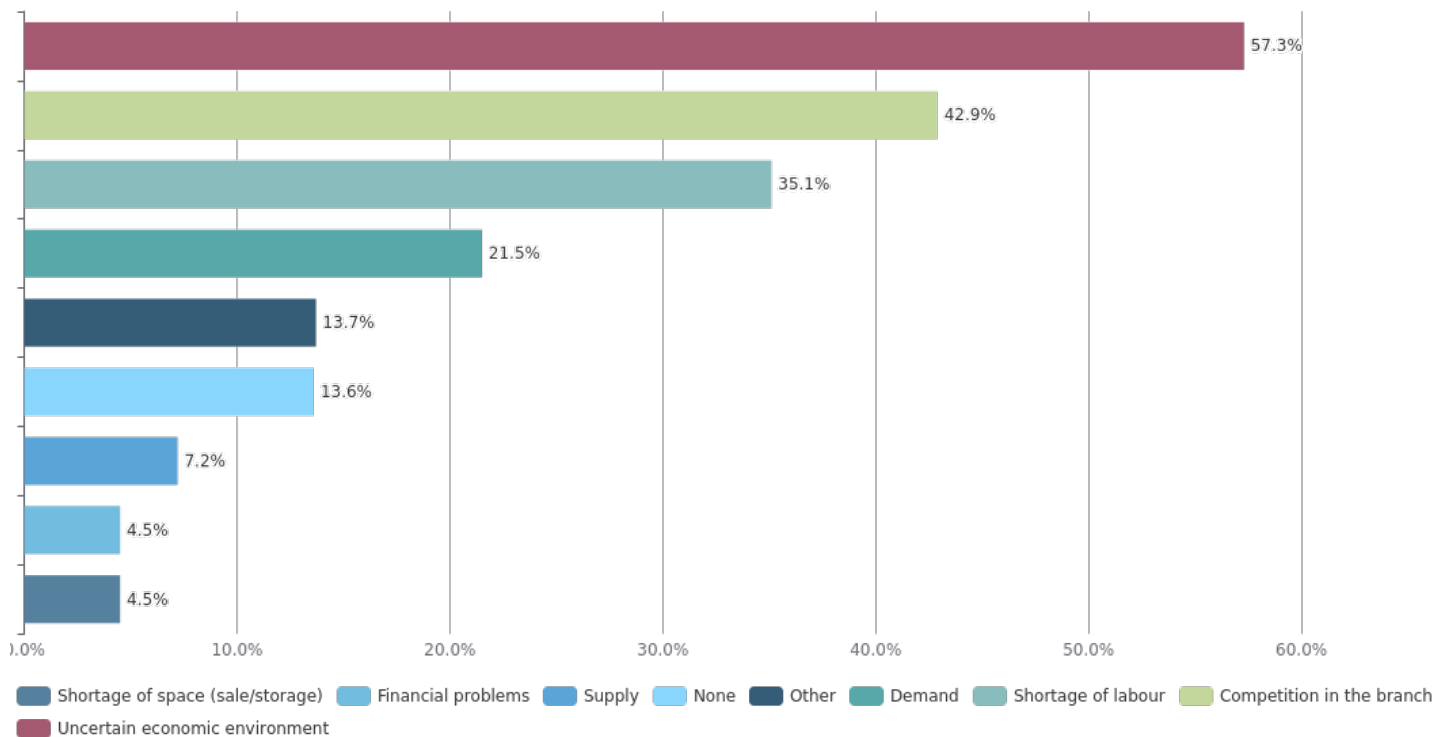
Figure 10. Sales expectations in retail trade over the next 3 months

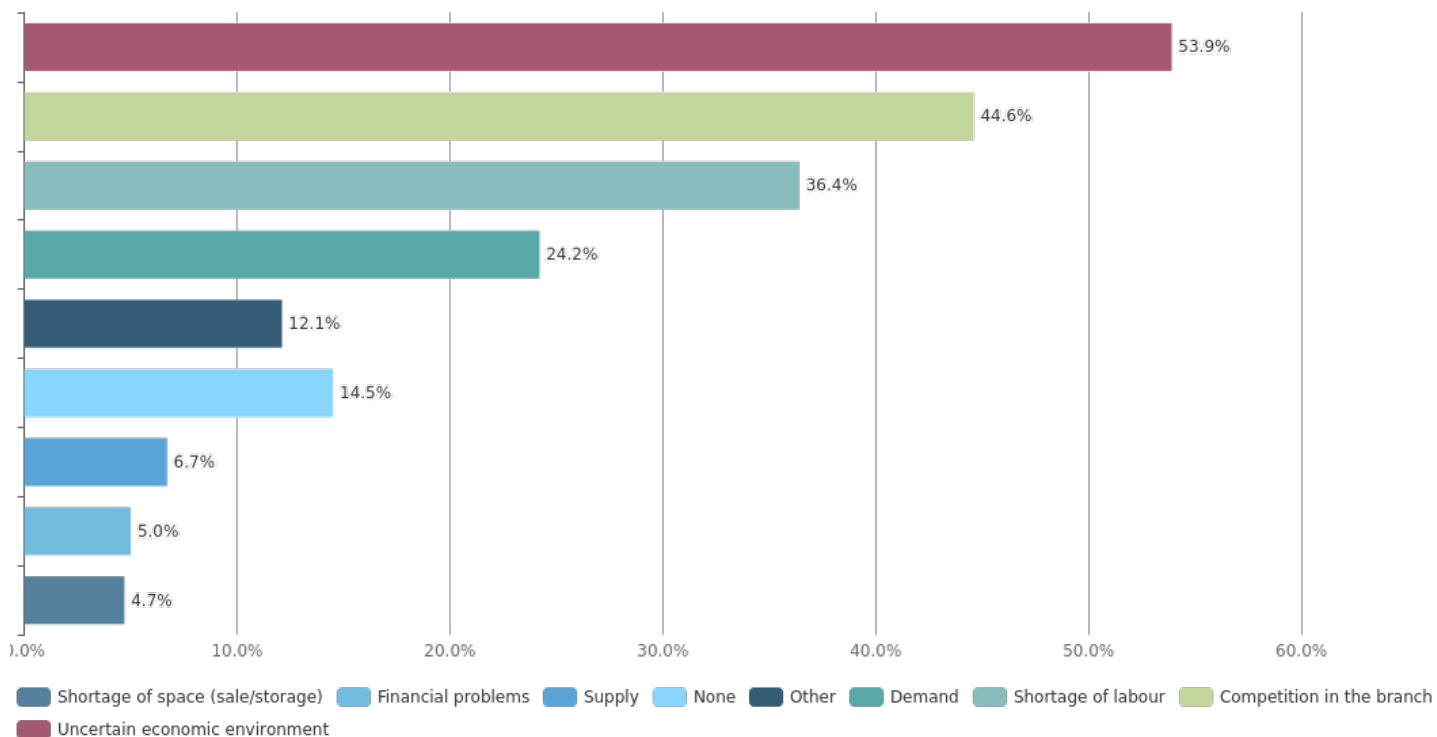


The uncertain economic environment continue to limiting with the most extend the business development, followed by the competition in the branch and the shortage of labour (Figure 11).

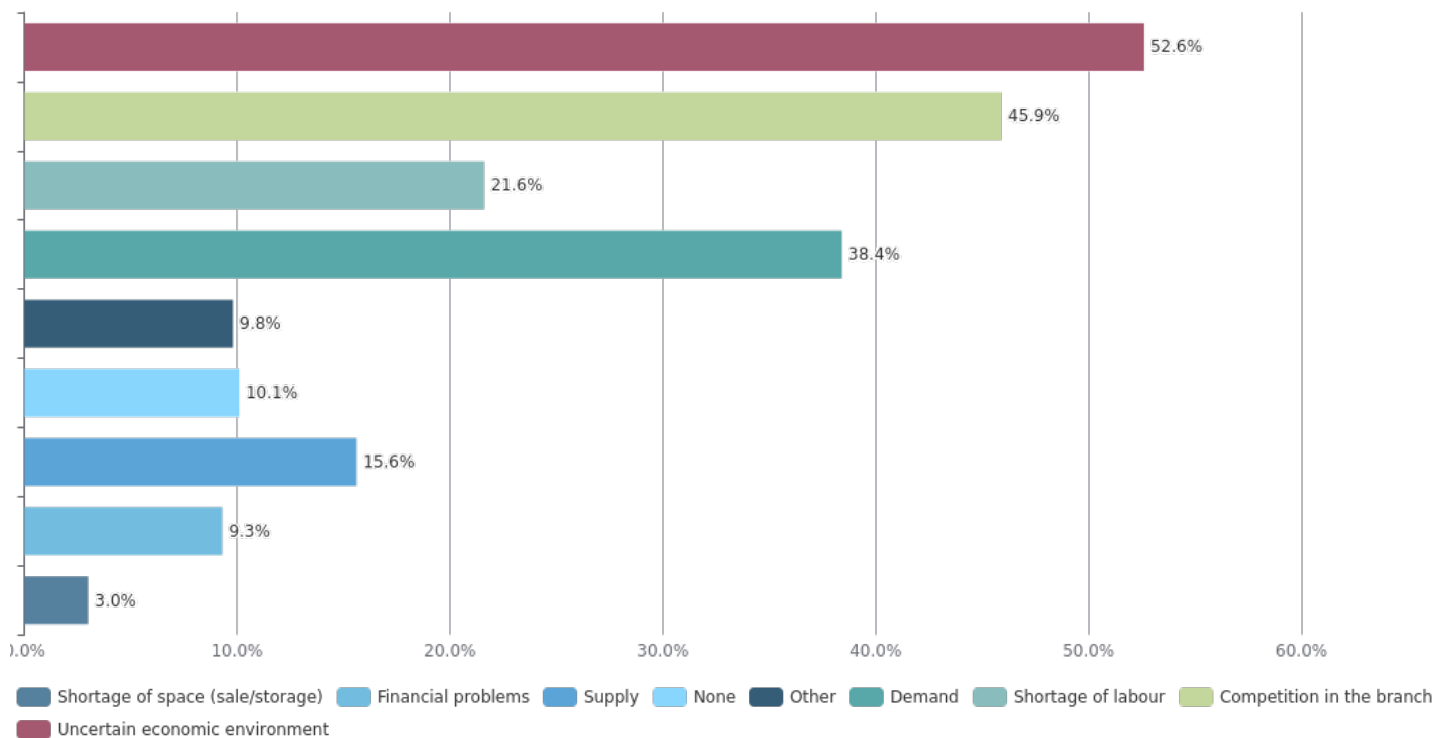
**Figure 11. Factors limiting the activity in retail trade
(Relative share of enterprises)**

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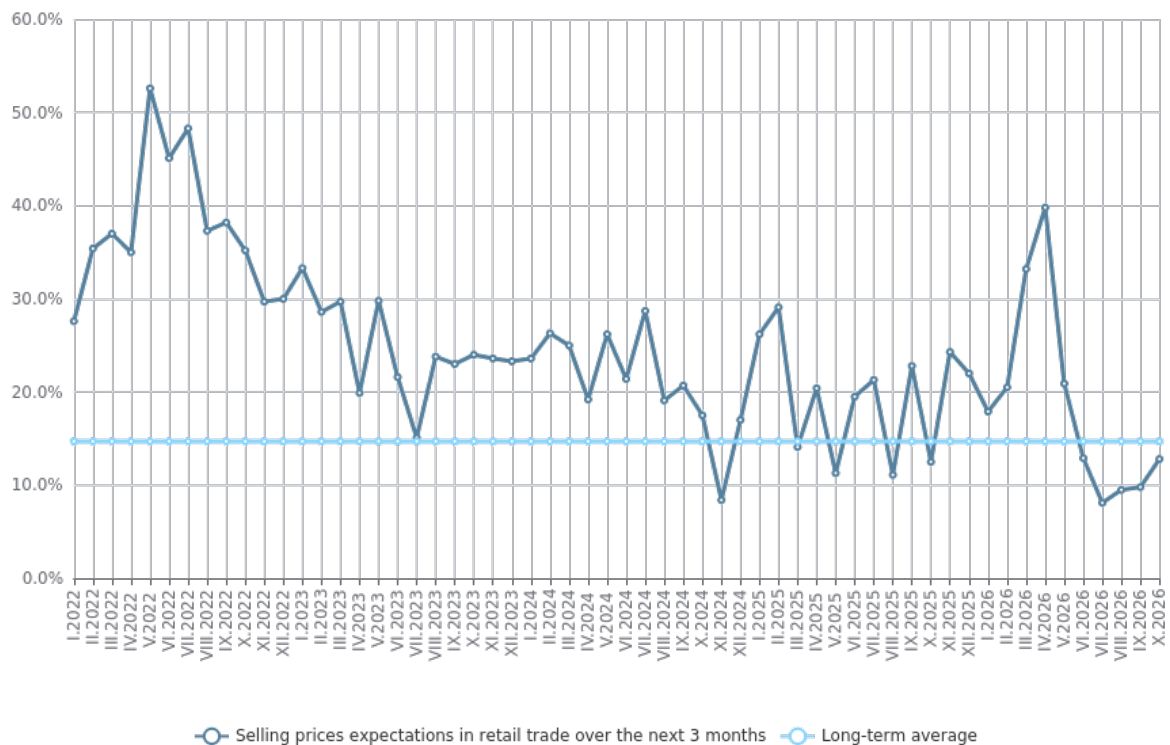


Long-term average



Regarding the selling prices, the retailers foresee an increase over the next 3 months (Figure 12).

Figure 12. Selling prices expectations in retail trade over the next 3 months



Service sector^[1] In October, the composite indicator ‘business climate in the service sector’ drops by 6.9 percentage points (from 8.4% to 1.5%) (Figure 13), which is due to the worsened managers’ assessments and expectations about the business situation of the enterprises. Their opinions about both the present and the expected demand for services are also more reserved (Figure 14).

^[1] Excl. trade.

Figure 13. Business climate in service sector

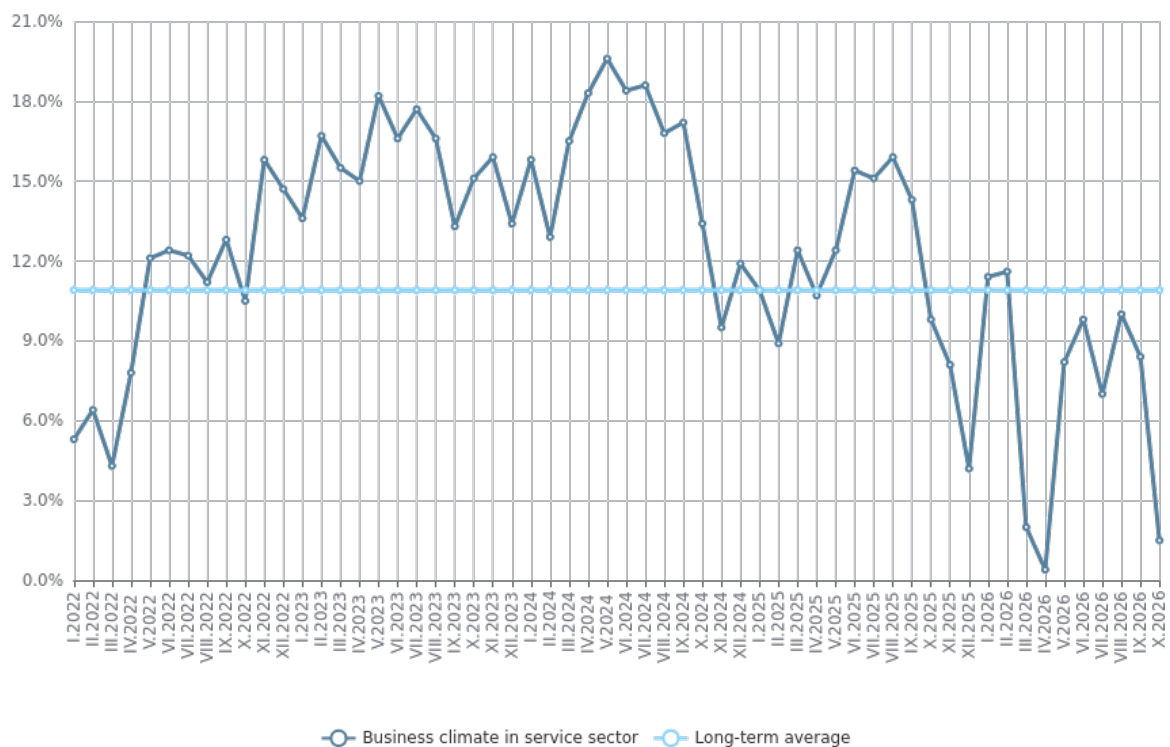
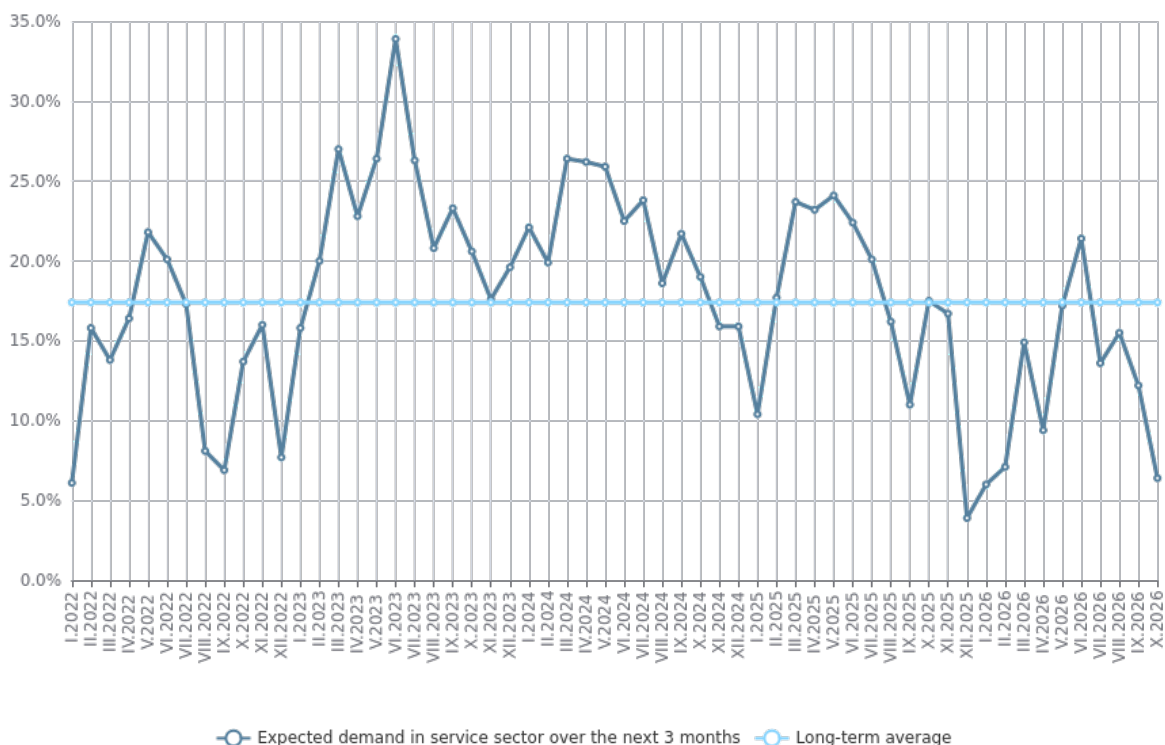


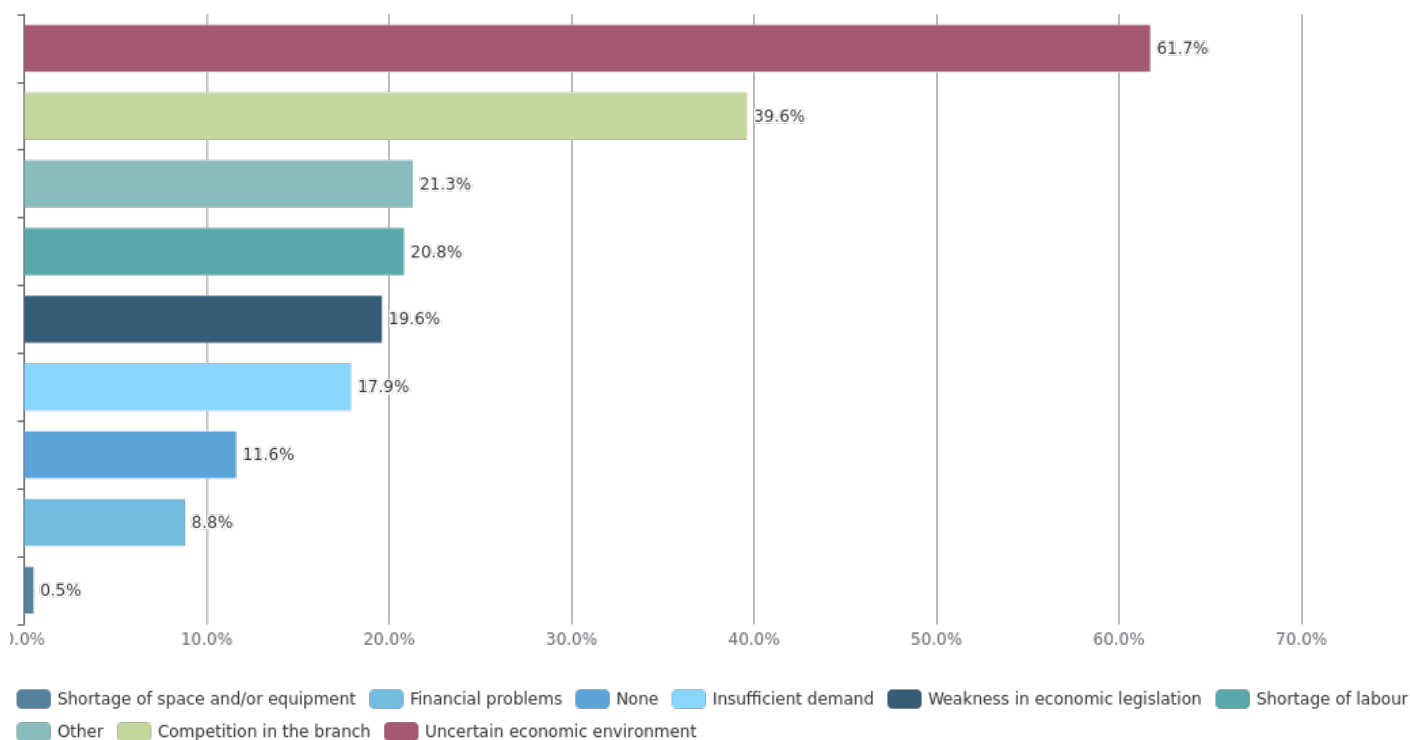
Figure 14. Expected demand in service sector over the next 3 months

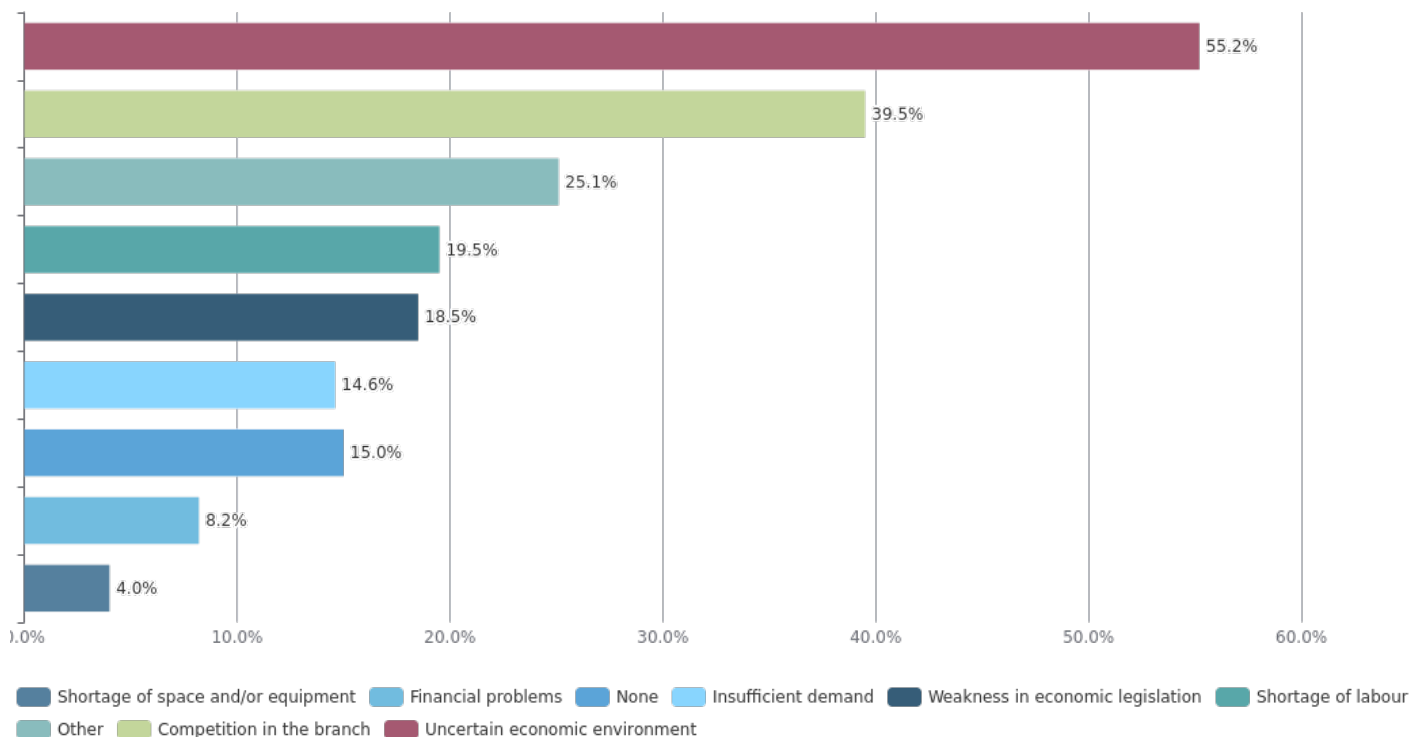


The most serious obstacles for the activity of the enterprises remain the uncertain economic environment and the competition in the branch, as the inquiry registers an increase of the unfavourable impact of the first factor (Figure 15).

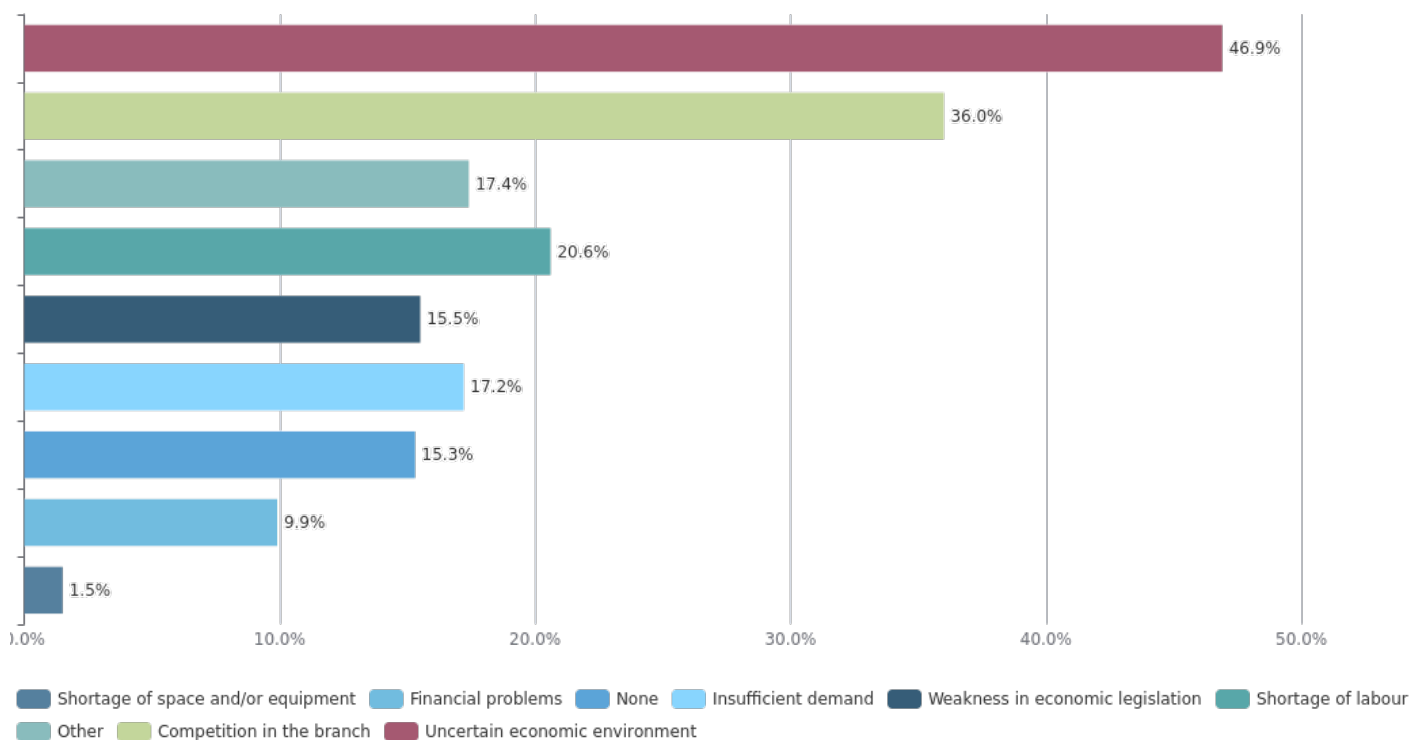
Figure 15. Factors limiting the activity in service sector
(Relative share of enterprises)

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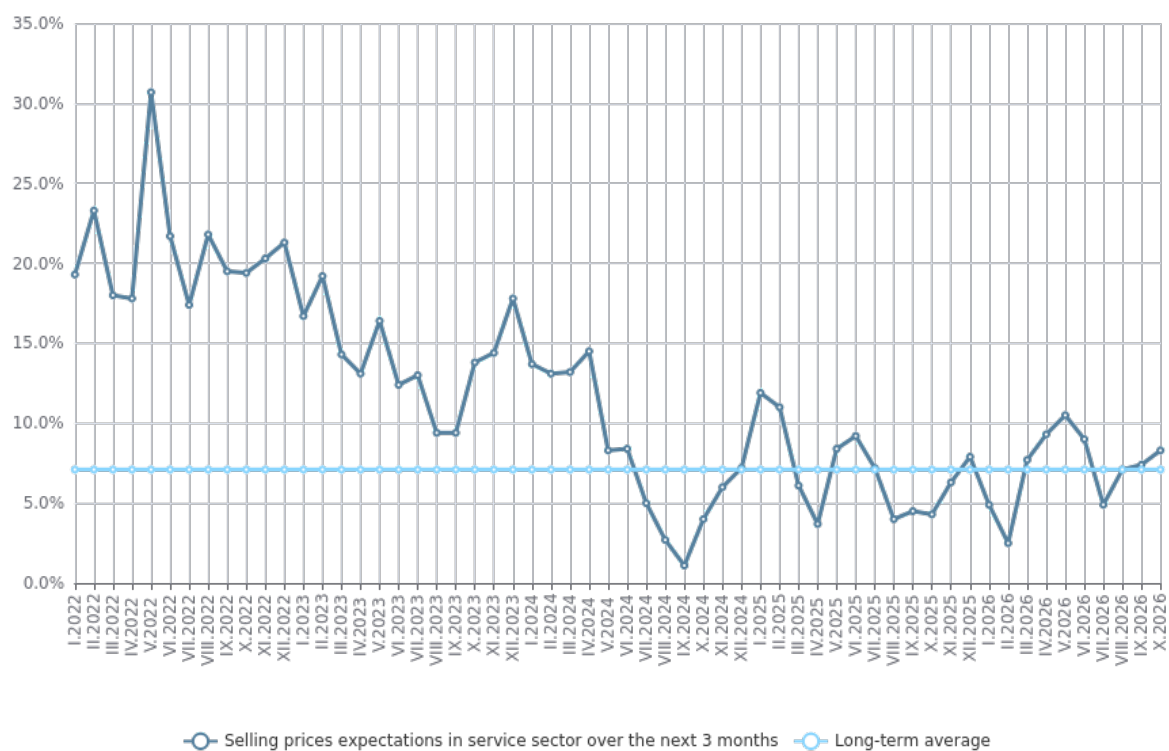


Long-term average



Concerning the selling prices in the service sector, the managers' forecasts are for a certain increase over the next 3 months (Figure 16).

Figure 16. 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.