

Business confidence for 2013 at 20 year low Companies prepare for another tough year

Business confidence for 2013 is at the lowest level since 1993, reveals the latest edition of EUROCHAMBRES' Economic Survey (EES), involving over 53,000 European businesses. Companies in two out of three of the 26 participating countries expect 2013 to be worse than 2012.

The enduring nature of the economic downturn is confirmed by predictions for employment, investment and domestic sales, which remain at similar levels to 2012. Export expectations are the most positive. It is clear that businesses do not envisage a swift recovery and the overall sentiment is that 2013 is set to be another tough year.

Key findings:

- **Employment** and **investment** prospects are balanced, with negative forecasts in the Eurozone, while non-Eurozone and non-EU countries expect to hire more staff next year;
- **Turnover** expectations remain positive, with only four countries registering negative expectations;
- **Domestic sales** are set to stabilise for EU countries as a whole, while non-Eurozone countries predict an increase;
- **Export** forecasts remain positive for the vast majority of participants.

Among the Eurozone crisis countries, Portugal's results are positive for most indicators for the first time in the past four years, while Italian businesses expect stabilisation. Spanish businesses remain largely pessimistic.*

Reacting to the results, EUROCHAMBRES' Secretary General Arnaldo Abruzzini said: *"The economy cannot be turned around quickly, but key short-term measures to restore financial market liquidity are achievable, such as effective loan guarantee schemes, wider access to public procurement and tackling the on-going problem of late payments. Beyond this, we must underpin European businesses' export optimism through practical support for intra-EU and third country trade and economic policies that ensure the competitiveness of our goods and services."*

*Given the sheer volatility of the Greek economy, the Union of Hellenic Chambers of Commerce decided not to contribute to the EES this year.

The results of EUROCHAMBRES Economic Survey 2013 can be viewed on an interactive map on www.eurochambres.eu/ees

Further information: Mr Ben Butters, Tel. +32 2 282 08 71, butters@eurochambres.eu
Press contact: Ms Guendalina Cominotti, Tel. +32 2 282 08 66, cominotti@eurochambres.eu
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