



Statistics Netherlands

Press release

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Producer confidence jumps up

Producer confidence, the sentiment indicator for the manufacturing industry, recovered strongly in July 2002, to reach a value of 1.5. In June it was still as low as -2.9. Statistics Netherlands business sentiment survey further shows that expectations of manufacturers for production in the months August to October have also improved. The order books position was a fraction better in July than in June. Manufacturers' opinions on the orders have also improved. In spite of this optimism, on balance twelve percent of manufacturers expect to have to cut back staff in the coming three months.

Strong increase in producer confidence

The confidence of manufacturing companies rose by 4.4 points from -2.9 in June to +1.5 in July. This is the largest increase since December 1993. It remains to be seen whether the increase will continue in the coming months. In the first quarter of this year confidence also increased, only to be followed by nearly as large a decrease again in the second quarter.

Consumer goods industry more optimistic

The improvement in confidence was boosted by the better production prospects for the period August-October, mainly for manufacturers of consumer goods, who expect a strong increase in this period. But producers of semi-manufactured products, too, expect to improve production in this period. Expectations have hardly changed in the sector producing investment goods. In spite of disappointing domestic investment, companies in the investment goods sector have been optimistic about expected production for a number of months now.

Opinion on order books slightly improved

Although received orders were slightly lower in July than in the previous month, this decrease was smaller than usual at this time of year. The order position of the Dutch manufacturing industry rose by 0.1 percent point to 93.4. Manufacturers in all sectors were more positive about their order positions.

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