

**PRESS RELEASE**

No. 21 of January 28, 2015

Trends in the evolution of the economic activity in the period January - March 2015

**For the correct interpretation of results, kindly see the “Methodological Notes”
on page 2 of the press release**

General trends

According to January 2015 opinions of the companies' managers, for the period January – March 2015, compared to the three previous months, **a relative stability in the services and industry, a moderate decrease in retail sector and a decrease in construction are forecast** according to the balance indicator.

The balance indicator indicates the perception of respondents over the dynamics of a phenomenon, but should NOT be interpreted with the intensity of increase or decrease in the statistical indicator value.

Evolutions	Manufacturing		Construction		Retail trade		Services	
	Dec. 2014- Feb. 2015	Jan.-March 2015	Dec. 2014- Feb. 2015	Jan.-March 2015	Dec. 2014- Feb. 2015	Jan.-March 2015	Dec. 2014- Feb. 2015	Jan.-March 2015
Economic situation	→▲	→	→▲	→▲	→	→▲	→	→
Number of employees	→	→	→▲	→▲	→▼	→▼	→	→▲
Prices	→	→	→	→	→	→	→	→

Manufacturing

Relative stability trend of the activity

Within the January 2015 business tendency survey, managers from manufacturing forecast a relative stability of the production volume (balance +2%) for the next three months.

As to the production estimation, for some of the activities an increase is forecast as follows: manufacture of other means of transportation (balance +19%), manufacture of road means of transportation, of trailers and semitrailers and manufacture of basic pharmaceutical products and of pharmaceutical preparations (balance +18%).

Industrial products prices will register a relative stability in the next three months (balance +3%).

Regarding the number of employees, relative stability is forecast, the balance being -1% per total manufacturing.

Construction

Decrease trend of the activity

According to January 2015 estimations, there will be a decrease in the production volume of the construction activity for the next three months (balance -22%). Managers also estimate a decrease in the number of employees (balance -20%) and in the stock of contracts and orders (balance -17%).

Regarding the prices of construction works, a relative stability is forecast (balance -3%).

Retail trade

Moderate decrease trend of the activity

In the retail trade sector, managers estimated a moderate decrease trend of the economic activity for the next three months (balance -8%).

For the next three months, employers forecast a moderate growth in the number of employees (balance +8%). The volume of orders placed by the trade units to the suppliers of goods will register a moderate decrease (balance -9%).

For the next period, the managers of trade companies estimate a relative stability of retail selling prices (balance -1%).

Services

Relative stability trend of the activity

According to January 2015 estimations, the demand of services (turnover) will have a relative stability in the next three months (balance +1%).

In the services sector, a moderate decrease in the number of employees is forecast (balance -6%).

According to the managers' opinion, the selling or invoice prices of provisions will have a trend of relative stability (balance -1%).

Methodological Notes

The results presented in this press release were obtained from the **business tendency surveys**, based on the estimations of the companies' managers regarding the evolution trends of economic activity. Business tendency surveys are **qualitative** surveys, whose purpose is to analyze the evolution trend of short and medium term economic indicators. These surveys are complementary to quantitative statistical surveys, they differ by method and use. Specificity of business tendency surveys is that instead of exact figures, the response is an assessment of respondent against the level "over normal/ normal/ under normal", in case of **level** questions, or such as: "increased/ the same/ decreased" or "will grow/ the same/ will decrease", in case of questions indicating **an evolution over time** of a phenomenon.

Received responses (managers of enterprises in the sample of statistical survey choose only one response alternative for this type of questions) are later processed, while final result is obtained as a percentage **business tendency balance**, obtained as difference between percentage of those who chose the positive alternative of the phenomenon and percentage of those who indicated the negative alternative.

The following thresholds for interpreting the balances were set up:

up to $\pm 5\%$ relative stability;

from $\pm 6\%$ to $\pm 15\%$ moderate growth and moderate decrease, respectively;

from $\pm 16\%$ to $\pm 40\%$ growth and decrease, respectively;

over $\pm 40\%$ robust growth and robust decrease, respectively.

The balance indicators are calculated based on the data processed and aggregated according to **CANE Rev 2**.

The surveys were carried out based on samples representative for manufacturing (2029 economic units), construction (1573), retail trade (2099) and services (2520). The size of samples was set up to insure the maximum admitted estimation error of $\pm 5\%$ at the level of total sector.

The simple random stratified survey was used and the stratification variables are the main activity and the size of the enterprise.

The business tendency surveys are carried out in co-financing, with the contribution of the European Commission - DGECFIN (Brussels).

The next press release will be issued on February 27, 2015.