BANCA D'ITALIA
EUROSISTEMA

Statistics

Business Outlook Survey of Industrial and Service Firms

6 November 2026

Main results

The assessments of firms with 20 or more employees point to an acceleration in sales at current prices in the first nine months of 2026, partly owing to the stronger growth in selling prices. In manufacturing, responses indicating growth have once again prevailed over reports of a contraction. The outlook for turnover remains favourable, on both the domestic and foreign markets, despite the sharp deterioration in the assessments of firms in the energy sector. Higher energy input prices have pushed up the purchasing costs of goods and services and lowered profit margins, but the vast majority of firms continue to expect to close the year with a profit.

Firms' assessments of developments in hours worked remained positive, recording an improvement in industry and remaining more favourable in services. They expect headcount employment to increase in 2026 as a whole.

Demand for bank loans remained virtually unchanged compared with the previous half-year, while the improvement in credit access conditions faded. Three out of four firms said that their liquidity was more than sufficient to cover operational needs.

Most firms confirmed the investment plans for 2026 that they had drawn up in 2025; among those that did not, upward revisions prevailed in services, while downward revisions were slightly more frequent in industry. Internal organizational factors were the main reason for revising plans. Firms expect capital accumulation to grow further in 2027.

Construction output has continued to expand in 2026, though at a significantly slower pace; the share of firms reporting a positive impact of the NRRP has declined. Expectations for 2027 point to a slowdown in output.

Main trends as reported by firms (1)
(percentage shares)

	2025		2026	
	Negative	Positive	Negative	Positive
Non-construction industry and non-financial services				
Change in turnover (2)	24.1	42.6	19.8	46.0
Change in expected turnover (3)	12.9	37.8	12.7	38.2
Discrepancy between actual and planned investment	15.6	17.8	13.8	18.4
Change in headcount (4)	15.8	34.8	18.5	31.6
Profit or loss for the year (5)	10.7	79.9	8.7	81.4
Construction				
Change in output (4)	16.1	40.2	21.0	33.0
Change in headcount (4)	10.6	34.3	13.6	29.2
Profit or loss for the year (5)	3.5	87.5	4.3	87.8

(1) Weighted by the number of workers. – (2) First nine months of the year compared with the same period a year earlier. – (3) Forecast six months ahead. – (4) For the year as a whole compared with the previous year. – (5) Firms reporting a loss or profit for the year.

Business Outlook Survey of Industrial and Service Firms[1]

Non-construction industry and non-financial private services

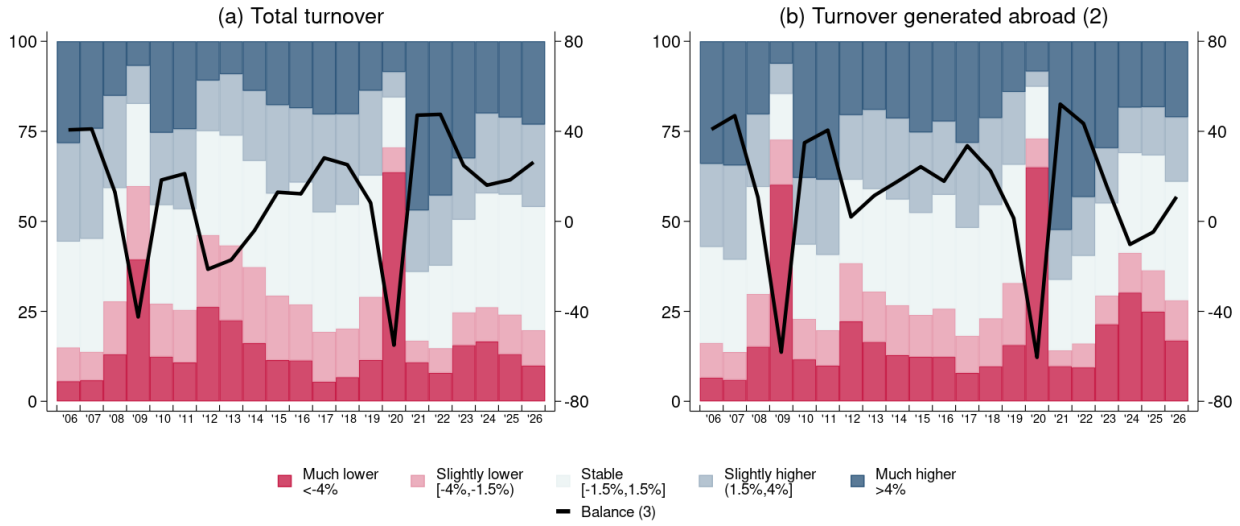
Assessments of sales at current prices improve

The balance between the share of firms that reported an increase in nominal turnover in the first nine months of 2026 and those that saw a reduction rose to 26 percentage points (from 18 in the previous survey; Figure 1.a), reaching its highest value since 2022, partly as a result of the stronger growth in selling prices. By sector, the balance remained high in services (34 percentage points) and turned positive in manufacturing (11 percentage points, from -4), mainly on account of more favourable assessments in the chemical and metalworking sectors. The textile sector remains the only one with a negative balance (-8 percentage points), despite a partial improvement in assessments. Sales assessments have improved across all size classes, and particularly so among firms in the North-West (+19 percentage points in the balance compared with the previous survey), thus bringing them into line with those of firms operating in the rest of Italy.

The balance between assessments of an increase and those of a decrease in foreign turnover continued to expand, from 2 to 12 percentage points. The improvement affected above all industry excluding construction, where the balance turned positive again (11 percentage points, from -5); in the energy and textile sectors, assessments remained negative, albeit less so than in the previous survey.

Figure 1

Year-on-year changes in turnover in the first nine months of the year (1)
(non-construction industry and services; per cent)



(1) The bars indicate the share of firms by change in turnover – (2) The chart refers to exporting firms in industry excluding construction – (3) The line indicates the balance between assessments of an increase and those of a decrease; right-hand scale. Data weighted by the number of workers.

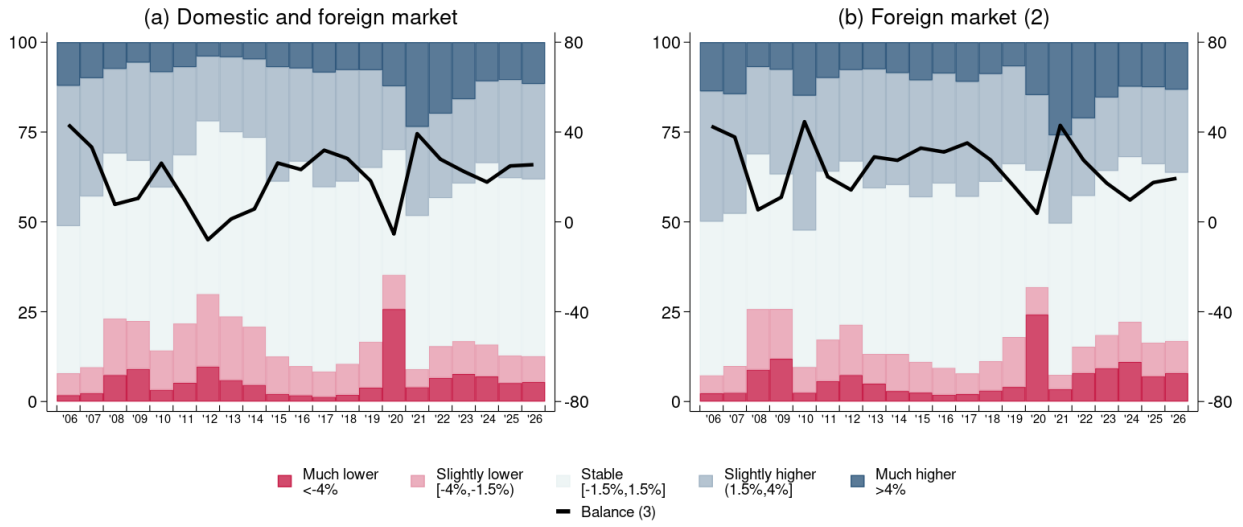
[1] This report was prepared by Lorenzo De Masi, Marco Bottone, Elena Mattevi, Lucia Modugno and Matteo Mongardini. The survey was conducted by Banca d'Italia's branches from 14 September to 8 October 2026.
The data are used exclusively for the purpose of economic analysis and have been processed in aggregate form. We would like to thank all the firms that agreed to take part in the survey.
The shares referred to in the text are weighted by the number of workers.
The statistical appendix and methodological note are available on the following webpages:
https://www.bancaditalia.it/pubblicazioni/sondaggio-imprese/2026-sondaggio-imprese/dati_2026_eng.zip?language_id=1
https://www.bancaditalia.it/pubblicazioni/metodi-e-fonti-note/metodi-note-2017/en-metodologia_sondaggio_impr_industr_serv.pdf

The outlook for turnover and profitability remains positive overall

Expectations for sales at current prices over the next six months remained positive overall, in line with those expressed a year earlier: 38 per cent of firms expect turnover to grow, while 13 per cent anticipate a reduction (Figure 2.a). Foreign sales expectations also remained positive and showed a slight increase (Figure 2.b). By contrast, the outlook for turnover in the energy sector, while still positive, declined considerably, whereas that for sales abroad turned markedly negative (-22 percentage points, from -1). The share of firms expecting to close the year with a profit remained high and broadly stable, while the share of those anticipating a loss shrank slightly.

Figure 2

Turnover forecast six months ahead (1)
(non-construction industry and services; per cent)



(1) The bars indicate the share of firms by change in turnover. – (2) The chart refers to exporting firms in industry excluding construction. – (3) The line indicates the balance between assessments of an increase and those of a decrease; right-hand scale. Data weighted by the number of workers.

Higher energy prices affect production costs and profit margins negatively

Some 84 per cent of firms reported an increase in the purchasing costs of goods and services over the year, driven by rising energy prices, especially in the energy sector and in the chemical, rubber and plastic sector. Profit margins fell for 67 per cent of firms, dropping significantly for 71 per cent of this group; the contraction was more widespread among firms with at least 500 employees. More than two thirds of firms consider at least one input in the petroleum products and natural gas categories to be indispensable for their operations. Petroleum products are especially important in the energy and service sectors, while natural gas is crucial in manufacturing. For firms that are more reliant on these energy sources, particularly petroleum products, input cost pressures were more intense, whereas those that do not depend on either source reported a smaller contraction in profit margins.

Competitive pressure from China increases

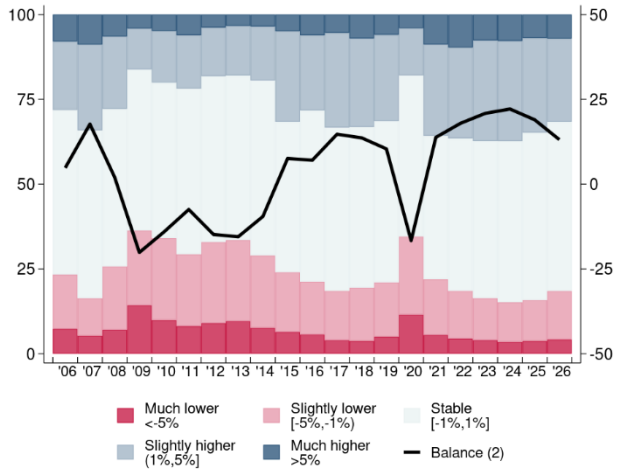
One fourth of firms reported having purchased inputs produced in China between early 2025 and the time of the survey, with a higher share among those with at least 200 employees. Among the most commonly cited reasons are the cost competitiveness of Chinese products (reported by 81 per cent of firms), product-specific characteristics (58 per cent), and distribution-related factors, such as delivery times and pre- and after-sales support (37 per cent). Firms' assessments point to an increase in the competitive pressure exerted by Chinese products both in the Italian and foreign markets, especially those outside the EU. Firms have primarily adopted, or intend to adopt, differentiation strategies to deal with it, based on product quality and innovation, brand recognition and customer relationships, alongside measures aimed at containing production costs.

Figure 3

Employment is expected to continue to grow, though more slowly

Firms' assessments of developments in hours worked in the first nine months of 2026 remained positive: The share of firms reporting an increase was again larger than the share of those reporting a decrease and the balance is unchanged from 2025 (12 percentage points). The balance remained higher in services (15 percentage points), while it doubled in industry (8 percentage points), driven above all by the energy and metalworking sectors. Two thirds of firms anticipate hours worked to hold stable for the next six months; the balance between expectations of an increase and those of a decrease fell to 9 percentage points. Overall, firms expect an increase in the number of persons employed in 2026 (Figure 3). Almost half of the respondents did not experience any difficulties in recruiting workers; among those that did, the vast majority struggled to find highly skilled staff.

Year-on-year change in headcount for the current year (1)
(percentage shares)



(1) The bars indicate the share of firms by change in headcount. – (2) The line indicates the balance between assessments of an increase and those of a decrease; right-hand scale. Data weighted by the number of workers.

Demand for bank loans and credit access conditions are stable

For two thirds of firms, the demand for bank loans remained unchanged in the first half of 2026 compared with the previous six months; a similar share expects it to hold stable in the current half-year as well. The balance between reports of increasing and decreasing loan demand narrowed to 2 percentage points in the first half of 2026 and is expected to decline to broadly zero in the second half. The demand for loans was mainly supported by the need to finance fixed investment and working capital; over the next six months, internal financing is also expected to play a more significant role. Credit access conditions remained stable for 77 per cent of firms, though the positive balance between assessments of an improvement and those of a deterioration shrank across all size classes, mainly owing to interest rate developments. Expectations for the next half of the year continue to point predominantly to stability. Three out of four firms assessed their liquidity position as at least more than adequate for operational needs, in line with the findings of the previous two years; the share of firms considering it insufficient was again limited, although it was higher among small firms. Finally, firms expect their financial position to strengthen, with an increase in equity capital and a slight reduction in the level of debt.

Firms largely confirm their investment plans for 2026 …

More than two thirds of firms confirmed the investments planned at the end of 2025 for 2026 (Figure 4.a); the investment plans were revised mainly upwards in the service sector, while downward revisions were slightly more frequent in industry. The capital accumulation plans were revised primarily because of internal organizational factors, cited as the chief reason by 41 per cent of firms. Among the firms that scaled back their plans, changes in demand expectations also played a role, while the restructuring of production processes and product diversification were important factors for the firms that revised them upwards. By contrast, geopolitical developments and international trade policies were cited less frequently.

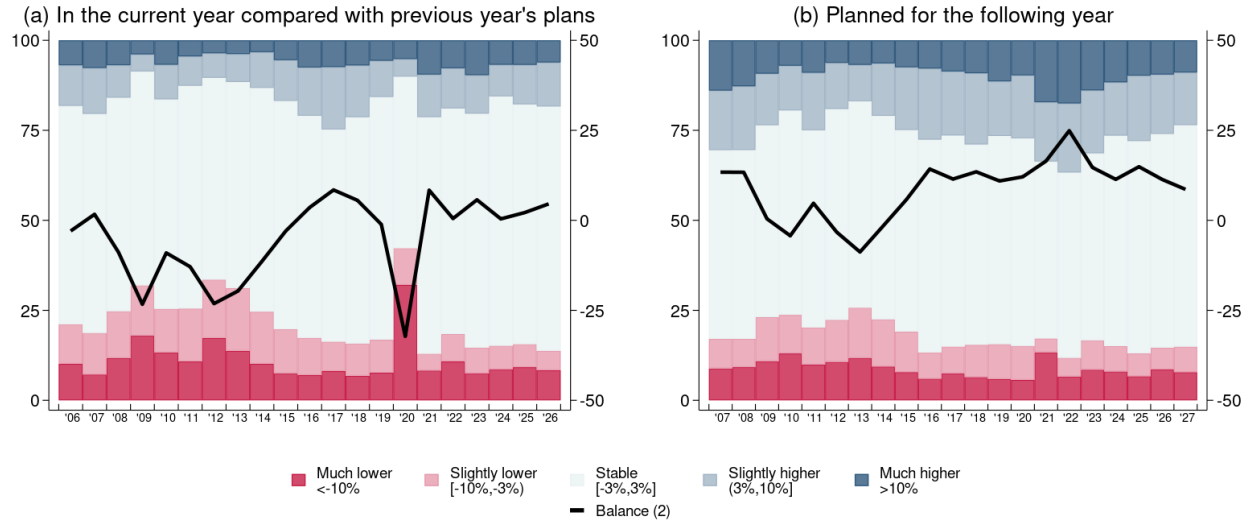
… and expect to expand them in 2027

According to firms, investment expenditure will continue to grow in 2027: while 62 per cent of them point to stability, the balance between firms expecting an expansion and those anticipating a contraction is 9 percentage points (down from 11 in the previous survey; Figure 4.b). By sector, the balance doubled in manufacturing (standing at 10 percentage points), mainly on account of the metalworking and textile sectors, while it worsened in services (from 15 to 7 percentage points). The outlook is positive across all size classes, though less so among firms with at least 500 employees.

Figure 4

Change in investment (1)

(non-construction industry and services; per cent)



(1) The bars indicate the share of firms by change in investment. – (2) The line indicates the balance between assessments of an increase and those of a decrease; right-hand scale. Data weighted by the number of workers.

Construction firms

Construction output slows in 2026 ... The balance between construction firms reporting an increase in output in 2026 and those reporting a reduction remained positive (12 percentage points; Figure 5.a), despite having halved compared with 2025. Similarly, assessments of construction activity in public works deteriorated: the balance narrowed to 13 percentage points (from 24) and the share of firms indicating that the NRRP had a positive impact on public procurement fell to 34 per cent (from 46 per cent in the previous survey). With regard to residential construction output, the balance remained barely positive, as in 2025. By geographic area, the deterioration was greater among construction firms in the North: in the North-East, the balance turned negative for both total and residential output (-5 and -8 percentage points respectively). Some 90 per cent of firms expect to close the year with a profit, a slightly higher share than that observed in recent years.

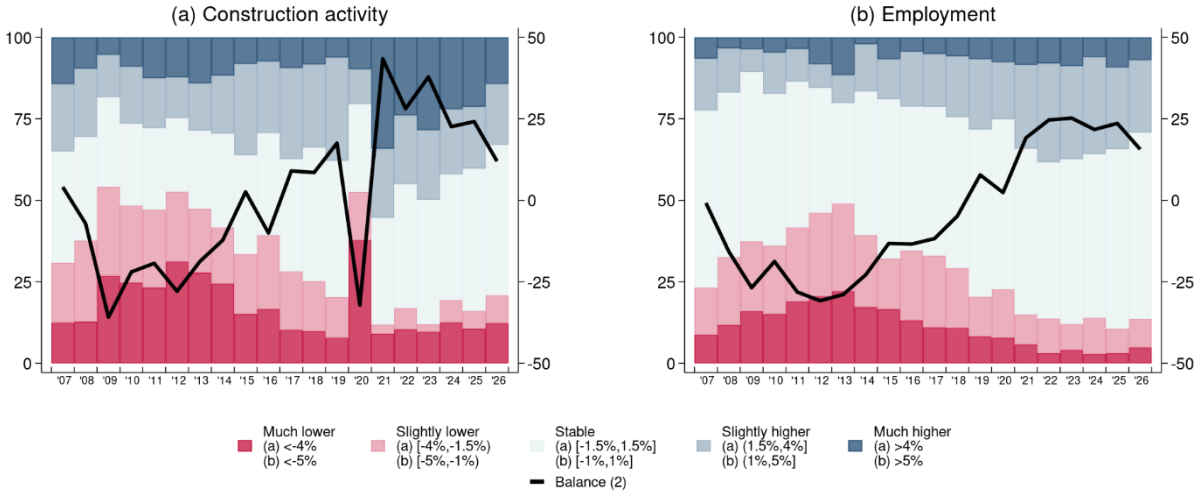
… as do employment and debt The employment balance remained positive overall, though it fell to 16 percentage points, from 24 points a year earlier (Figure 5.b). Two thirds of firms reported difficulties in recruiting workers, especially for highly skilled positions.

In the first half of 2026, demand for bank loans returned to growth: the balance between assessments of an increase and those of a decrease widened to 6 percentage points, from zero in the previous survey. Borrowing conditions remained favourable overall, although the positive balance of assessments narrowed considerably, primarily reflecting fewer reports of an improvement and more responses indicating that conditions were stable.

Output expectations for 2027 remained broadly positive, though slightly less so. The weaker outlook for the public works component was only partly offset by stronger expectations for residential construction.

Figure 5

Change in output and headcount (1)
(*construction, percentage shares*)



(1) The bars indicate the share of firms by change in output (a) and in headcount (b). – (2) The line indicates the balance between assessments of an increase and those of a decrease; right-hand scale. Data weighted by the number of workers.

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