



**XXVI BUSINESS OUTLOOK SURVEY - 2019
NON-CONSTRUCTION INDUSTRIAL FIRMS AND SERVICE FIRMS**

Notice. - The purpose of this survey is to collect information on the main economic and financial variables in the industrial sector. Your co-operation is important but not compulsory. The information provided will only be used for research purposes. Firms taking part to the survey will provide a valuable contribution to the analysis of the Italian economy. The data will be handled in order to ensure data safety and confidentiality.

General Information

Bank of Italy codes (to be entered by BI branch):

Branch code.....	<input type="text"/>	A1	Firm code	<input type="text"/>	A2
Province in which the firm is located	<input type="text"/>	PROV			

Date of interview (GG/MM/AAAA).....	<input type="text"/>	Data
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Tax code	<input type="text"/>	CODF
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Name of firm.....	<input type="text"/>	A3
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Legal status.....	<input type="text"/>	A9N
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Legend: 1 = SRL; 2 = SPA; 3 = SAPA; 4 = Soc. Coop.; 5 = SAS; 6 = SNC; 7 = other.

? Istat – Ateco2007 (first 5 figures).....	<input type="text"/>	A4C
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Istat (Italian National Statistical Institute) economic activity: see ISTAT. Classificazione delle attività economiche. Metodi e norme 2007.

Are the administrative headquarters and the registered office located in the same province?	<input type="text"/>	PROVU	→	Province of the registered office	<input type="text"/>	PROVSL
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? Average payroll employment in 2018.....	<input type="text"/>	A5M
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Average payroll employment: Does NOT include temporary workers and workers on collaboration contracts (co.co.co.). Partners and owners should be included if they work for the firm. The total includes workers on fixed-term contracts and redundant workers receiving Wage Supplementation Fund benefits. The information can be obtained as the mean of the average monthly workforce. In the case of temporary and seasonal workers and generally anyone working for only part of the year, the number of workers must be multiplied by the fraction of the year during which they have worked. Workers receiving Wage Supplementation Fund benefits and part-time workers should be regarded as working for the whole of the year.

Share of exports in total sales revenue for 2019 *	<input type="text"/>	A6
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- 1 zero
- 2 less than 1/3
- 3 between 1/3 and 2/3
- 4 more than 2/3
- 9 do not know, no answer

* For service firms, insert the share of sales revenue arising from non-residents in Italy.

MAIN economic purpose of goods and services produced.....

A7

NON-CONSTRUCTION-INDUSTRY FIRMS

- 1 capital goods (used in production processes for longer than one year)
- 2 intermediate goods (*part of other goods/services*)
- 3 consumer goods (*directly for consumption*)

SERVICE FIRMS

- 4 business services
- 5 household services
- 6 general government services

Investments

1 Compared with the LEVEL PLANNED AT THE END OF 2017, nominal expenditure on (tangible and intangible) fixed investment in the current year will be:*..... **P1**

1	much lower (by more than 10%)
2	a little lower (between 3.1% and 10%)
3	practically the same (between -3% and 3 %)
4	a little higher (between 3.1% and 10%)
5	much higher (by more than 10%)
9	do not know, no answer

* The responses "much higher" and "much lower" also apply when, in the two periods compared, investments are zero in one year and higher than zero in the other.

(Please answer this question ONLY IF actual expenditure on investment is likely to differ from that planned)

2 The gap is MAINLY due to: **P147**

1	Exclusively to sales prices being different compared with those expected
2	Exclusively to the actual purchased quantities being different compared with those expected
3	To both sales prices and purchased quantities being different compared with those expected
9	Do not know/do not wish to answer

(Please answer ONLY IF you replied either 2 or 3 to the previous question)

3 Please say whether the difference in quantities purchased (plus or minus) was due to:
(more than one positive answer possible)

A	change in expectations regarding demand	<input type="text"/>	P148A
B	change in expected production costs: level and uncertainty	<input type="text"/>	P148B
C	change in regulations (taxes and tax deductions for investment, financial contributions, etc.).....	<input type="text"/>	P148C
D	change in self-financing and in availability, cost and conditions of financing	<input type="text"/>	P148D
E	change in the range of products/services or production processes adopted by the firm	<input type="text"/>	P148E
F	factors relating to the firm's internal organization not related to product/process changes	<input type="text"/>	P148F
G	uncertainty due to economic or political factors	<input type="text"/>	P148G

Legend: 1 = no; 2 = yes; 9 = do not know/do not wish to answer

4 How does planned nominal expenditure on fixed investment in 2020 compared with that in 2019?*..... **P3**

1	much lower (by more than 10%)
2	slightly lower (between 3.1% and 10%)
3	stable (between -3% and 3 %)
4	slightly higher (between 3.1% and 10%)
5	much higher (by more than 10%)
9	do not know, no answer

* The responses "much higher" and "much lower" also apply when, in the two periods compared, investments are zero in one year and higher than zero in the other.

(Please ONLY answer if you did not answer "do not know, no answer" to the previous question)

5 What factors are affecting your investment plans for 2020, and in what direction? *	A 1 st factor	B 2 nd factor
A Positively (indicate up to two in order of importance)	<input type="text"/> P89AA	<input type="text"/> P89AB
B Negatively (indicate up to two in order of importance)	<input type="text"/> P89BA	<input type="text"/> P89BB
Legend: 1 = a change in borrowing conditions; 2 = an expected change in demand; 3 = a change in the uncertainty attributable to economic or political factors; 4 = an expected change in buying prices; 5 = organization and technical factors; 6 = bureaucracy; 7 = changes to the tax and incentives system; 8 = no factors affects positively or negatively; 9 = do not know, no answer.		
* A certain factor can be indicated only once, in the direction that has affected PREVALENTLY according to your expectations.		

Firm's funding

6 Considering just bank loans, indicate the trend of your demand excluding seasonal fluctuations in the first semester 2019 compared with the second semester 2018 (consider the amount desired, independently of how much actually granted by banks):	<input type="text"/> P32A
Legend: 1 = large contraction; 2 = moderate contraction; 3 = basically no change; 4 = moderate increase; 5 = large increase; 8 = not applicable; 9 = do not know, no answer.	

(Please answer ONLY IF your loan demand changed (answers 1, 2, 4 or 5 to the above))

7 What are the main factors determining changes in your demand for bank loans in the first half 2019? (indicate at most two factors as most important)	
change in funding requirement for fixed investment	<input type="text"/> P33AA
change in funding requirement for stocks and working capital.	<input type="text"/> P33BA
change in funding requirement for debt restructuring	<input type="text"/> P33CA
change in self-financing capacity	<input type="text"/> P33DA
change in other forms of borrowing (non-bank credit, bond issues, etc.)	<input type="text"/> P33EA
Legend: 1 = not relevant; 2 = scarcely relevant; 3 = quite relevant; 4 = very relevant; 9 = do not know, no answer.	

8 How did the firm's overall borrowing conditions change in the first half 2019 compared with the second half 2018?		
A general conditions	<input type="text"/>	P34AA
B specific aspects:		
B.1 livello dei tassi di interesse applicati	<input type="text"/>	P34B1A
B.2 other costs (banking fees, etc....)	<input type="text"/>	P34B2A
B.3 amount of collateral required	<input type="text"/>	P34B3A
B.4 access to new financing	<input type="text"/>	P34B4A
B.5 time necessary to obtain new funds	<input type="text"/>	P34B5A
B.6 complexity of information needed to obtain new funds	<input type="text"/>	P34B6A
B.7 requests of reimbursing previously granted loans beforehand	<input type="text"/>	P34B7A
Legend: 1 = they became worse; 2 = no change; 3 = they became better; 8 = not applicable; 9 = do not know, no answer.		

Workforce

9 How will the average size of the workforce in 2017 compare with that in 2016?	<input type="text"/>	P12
<ul style="list-style-type: none"> 1 much smaller (more than 5%) 2 a little smaller (between 1.1% and 5%) 3 practically the same (between -1% and 1%) 4 a little larger (between 1.1% and 5%) 5 much larger (more than 5%) 9 do not know, no answer 		
10 The trend in hours worked in the first three quarters of 2019 compared with the first three quarters of 2018 will be:	<input type="text"/>	P141
11 ... and in six months compared with now, it will be:	<input type="text"/>	P142
Legend: 1= much smaller (more than 5%); 2 = a little smaller (between -1.1 and -5%); 3 = practically the same (between -1 and 1%); 4 = a little larger (between 1.1 and 5%); 5 = much larger (more than 5%); 9 = do not know, no answer		

12 In 2019 did your firm use any form of wage supplementation or have recourse to the layoff procedure?



(give an answer for each item)

A wage supplementation (ordinary, extraordinary or under a waiver, including solidarity contracts)	<input type="text"/>	P61A
B procedure for layoffs	<input type="text"/>	P61B

Legend: 1 = no; 2 = yes; 8 = not applicable (e.g. firm not eligible to apply); 9 = do not know, no answer.

- Ordinary wage supplementation is for permanent employment blue- and white-collar workers and technicians of industrial firms in general in the event of suspension or reduction of production as a result of company situations arising from:
 - temporary events not attributable to the entrepreneur or the workers;
 - temporary market conditions.
 Wage supplementation can be granted for up to 13 consecutive weeks, renewable for another 13 weeks. In a period of two years no more than 52 weeks of ordinary wage supplementation may be authorized.
- Special wage supplementation is for blue- and white-collar workers and technicians in the event of restructurings, reorganizations, conversions and company crises and in the event of bankruptcy or compulsory liquidation.
- Ordinary and special wage supplementation under a waiver. Recent Government measures have extended the scope for wage supplementation under a waiver of the provisions of Point 1, thus permitting applications by firms:
 - that are not normally eligible for ordinary wage supplementation;
 - that are eligible for ordinary wage supplementation but have reached the relevant time limits;
 - for workers other than those on permanent employment contracts, such as apprentices and temporary employees.
 Similarly, special wage supplementation under a waiver can be used for firms not eligible for special wage supplementation (see Point 2) and for firms which are eligible but which have reached the relevant time limits (3 years in the last 5 years). Indennità di mobilità.
- Layoff procedure. It can be asked by firms with 15 employees or more, provided they:
 - are eligible to special wage supplementation under a waiver;
 - use collective redundancies after workforce reduction, change or closing of their activities.
 The employees eligible are those that are either on permanent contracts since a minimum of one year, or have been already dismissed and enrolled on special lists prepared by the Labor General Directorate, based on lists of employees provided by the
 - companies in crisis.

Result for the year, orders, sales revenue and production

14 What AFTER-TAX result do you expect for the current year? **P19**

- 1 large loss
- 2 modest loss
- 3 breakeven
- 4 modest profit
- 5 large profit
- 9 do not know, no answer

Turning now to sales revenue and orders for the firm's products/services (give an answer for all the three items below)	A Domestic market and exports	(if you export) B Total exports
15 Sales revenue: what change is expected in Q1-Q3 2019 compared with Q1-Q3 2018?	<input type="text"/> P23A	<input type="text"/> P23B
16 ... and in 6 months, compared with now, will be:	<input type="text"/> P149A	<input type="text"/> P149B

Legend: 1 = much lower (less than -4 %); 2 = slightly lower (between -1.6% and -4%); 3 = stable (between -1.5% and 1.5%); 4 = slightly higher (between 1.6% and 4%); 5 = much higher (more than 4%); 8 = not applicable (for column B only); 9 = do not know, no answer.

Recent developments in international trade

16 More than one year ago, the US government started introducing tariffs on imports, mainly those of goods from the Chinese market. How do you think these protectionist measures and the retaliatory measures implemented by the countries concerned have affected or will affect the following activities of your firms? in 2019?	... in 2020?
A investment	<input type="text"/> P143AA	<input type="text"/> P143AB
B sales in EU markets (excluding Italy)	<input type="text"/> P143BA	<input type="text"/> P143BB
C sales in the USA	<input type="text"/> P143CA	<input type="text"/> P143CB
D sales in other non-EU markets	<input type="text"/> P143DA	<input type="text"/> P143DB
Legenda: 1= negative effect; 2= no significant effect; 3= positive effect; 8= not applicable; 9= do not know/do not wish to answer		

17 How significant are, in your firm, fears of an introduction of US tariffs on European imports as well?	<input type="text"/> P144
<ul style="list-style-type: none"> 1 not significant 2 not very significant 3 somewhat significant 4 very significant 8 not applicable 9 do not know/do not wish to answer 	

Cambiamenti climatici

18 Climate change and, more broadly, environmental protection needs can lead to regulatory, the market changes and/or the frequency with which adverse weather phenomena occur. With respect to the following events...	... which of these events affected your firm directly in the last three years? ⁽¹⁾	... how do you rate your firm's exposure to the possible occurrence of these events over the next three years? ⁽²⁾
A significant changes in the regulations concerning greenhouse gas emissions and/or the mandatory adoption of new production technology to reduce this type of emissions	<input type="text"/> P145AA	<input type="text"/> P145AB
B significant changes in the regulations concerning greenhouse gas emissions and/or the mandatory adoption of new production technology to reduce the environmental impact in areas other than greenhouse gas emissions	<input type="text"/> P145BA	<input type="text"/> P145BB
C significant changes in the market structure and in customers' preferences in connection with environmental factors (including the reputational risk linked to them)	<input type="text"/> P145CA	<input type="text"/> P145CB
D the occurrence of exceptional atmospheric events connected with climate change (e.g. landslides or flooding)	<input type="text"/> P145DA	<input type="text"/> P145DB

Legenda: (1) 1 = no; 2 = yes; 9 = do not know/do not wish to answer

(2) 1 = nil or negligible; 2 = modest; 3 = somewhat significant; 4 = high; 9 = do not know/do not wish to answer

19 Did your firm take or plan any measures to deal with the events indicated in points A, B, C? (please consider only measures that were significant, including those taken for other reasons but which had or will have a significant effect on the environmental impact of the firm)	<input type="text"/> P146
<ol style="list-style-type: none"> 1 some measures were taken and we do not plan any further action in the future 2 some measures were taken and more will be implemented in the future 3 no action were taken but some measures were planned for the future 4 no measures were taken and no action is planned for the future 9 do not know/do not wish to answer 	

20 Are your physical assets (plant and machinery, warehouses, stores, offices) currently insured against the risk of landslides or flooding?	<input type="text"/> RI2
<ol style="list-style-type: none"> 1 no, but we do plan to insure them 2 no, and we do not plan to insure them 3 yes 9 do not know/do not wish to answer 	

Assessment of the questionnaire

21 How do you assess the effort required to fill in this questionnaire?

P30

Legend: 1 = modest; 2 = medium; 3 = high; 4 = excessiv.

Comments:

Thank you for participating