



BANCA D'ITALIA
EUROSISTEMA

XXIX BUSINESS OUTLOOK SURVEY - 2021
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 cooperation 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.

Notice

General information

Bank of Italy codes (to be entered by B.I. branch):

Branch code **A1** Firm code **A2**

Province in which the firm is located **PROV**

Tax code **CODF**


Name of firm **A3**

Legal status **A9N**

Legend: 1 = SRL; 2 = SPA; 3 = SAPA; 4 = Soc. Coop.; 5 = SAS; 6 = SNC; 7 = other.

Istat economic activity - Ateco2007 (first 5 figures) **A4C**

Istat (Italian National Statistical Institute): see ISTAT. Classificazione delle attività economiche. Metodi e norme 2007.

Are the administrative headquarters and the registered office located in the same province? (Yes/No) **PROVU**  Province of the registered office

Average payroll employment in 2020 **A5M**

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 2021 * **A6**

- 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 (<i>used in production process for longer than one year</i>)		
2	intermediate goods (<i>part of other goods/services</i>)		
3	consumer goods (<i>directly for consumption</i>)		
SERVICE FIRMS			
4	business services		
5	household services		
6	general government services		

Investments

1 Compared with the LEVEL PLANNED AT THE END OF 2020, nominal expenditure on (tangible and intangible) fixed investment in the current year will be*:

P1NN

- 1 Lower by more than -50%
- 2 Lower by between -50% and -10.1%
- 3 Lower by between -10.1% and -3.1%
- 4 Stable between -3% and 3%
- 5 Higher by between 3% and 10%
- 6 Higher by between 10.1% and 50%
- 7 Higher by more 50%
- 9 Do not know, do not wish to answer

* The responses "Lower by more than -50%" and "Higher by more than +50%" 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 | | P148A |
| B change in expected production costs: level and uncertainty | | P148B |
| C change in regulations (taxes and tax deductions for investment, financial contributions , etc.) | | P148C |
| D change in self-financing and in availability, cost and conditions of financing | | P148D |
| E change in the range of products/services or production processes adopted by the firm | | P148E |
| F factors relating to the firm's internal organization not related to product/process changes | | P148F |
| G uncertainty due to economic or political factors | | 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 2021 compared with that in 2020?*

P3NN

- 1 Lower by more than -50%
- 2 Lower by between -50% and -10.1%
- 3 Lower by between -10% and -3.1%
- 4 Stable between -3% and 3%
- 5 Higher by between 3.1% and 10%
- 6 Higher by between 10.1% and 50%
- 7 Higher by more than 50%
- 9 Do not know, do not wish to answer

* The responses "Lower by more than -50%" and "Higher by more than +50%" 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 2022 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 (cells AA or AB) or negatively (cells BA or BB); 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.

Firms' funding and liquidity

6 Considering just bank loans, indicate the trend of your demand excluding seasonal fluctuations in the first semester 2021 compared with the second semester 2020 (consider the amount desired, independently of how much actually granted by banks):	<input type="text"/> P32A
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Legend: 1 = large contraction; 2 = moderate contraction; 3 = basically no change; 4 = moderate increase; 5 = large increase; 6 = 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 2021? (indicate at most two factors as most important)		
A change in funding requirement for fixed investment	<input type="text"/>	P33AA
B change in funding requirement for working capital	<input type="text"/>	P33BA
C change in funding requirement for debt restructuring	<input type="text"/>	P33CA
D change in self-financing capacity	<input type="text"/>	P33DA
E change in other forms of borrowing (non-bank credit, bond issues, etc.)	<input type="text"/>	P33EA
F other (please specify)	<input type="text"/>	P33FA

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 2020 compared with the second half 2019?

A general conditions	<input type="text"/>	P34AA
B specific aspects:		
B.1 interest rates	<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.

9 Please indicate the change in the level of financial debt, net equity and indebtedness that you expect for your firm between end-2021 and end-2020

A Financial debt	<input type="text"/>	P151A
B Net equity	<input type="text"/>	P151B
C Indebtedness (ratio of financial debt to net equity)	<input type="text"/>	P151C

Legend: 1 = significant contraction; 2 = moderate contraction; 3 = overall stability; 4 = moderate increase; 5 = significant increase; 9 = do not know/do not wish to answer.

10 Since the start of the pandemic, have you activated a debt moratorium (ex lege or private)?

<p>1 no</p> <p>2 yes and it has not yet expired</p> <p>3 yes, it has expired but we have asked for an extension</p> <p>4 yes, it has expired and we have resumed paying the installments/debt regularly</p> <p>5 yes, it has expired and we have resumed paying the installments/debt with partial regularity</p> <p>6 yes, it has expired but we are still not able to resume paying the installments</p> <p>9 do not know, no answer</p>	<input type="text"/>	P162
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(Please answer ONLY if you answered 4 or 5 to the previous question)

11 What is the primary tool you are using for payments?

<p>1 self-funding</p> <p>2 liquidity stocks</p> <p>3 capital contributions</p> <p>4 reduction in other outflows (e.g. personnel costs or investments)</p> <p>5 recourse to additional financing</p> <p>6 other</p> <p>9 do not know, no answer</p>	<input type="text"/>	P163
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12 How has the level of your liquid assets (cash and deposits) changed as of today compared to December 2020? . . . **P164**

- 1 decreased
- 2 remained substantially unchanged
- 3 increased
- 8 not applicable (the company does not hold liquid resources, because liquidity is managed by the group to which the company belongs)
- 9 do not know, no answer

(Answer ONLY IF you answered other than "not applicable" to the previous question)

13 How do you assess the level of liquid assets relative to your operational needs (including the repayment of loan installments) through the end of the year? **P165**

- 1 poor or insufficient
- 2 barely sufficient
- 3 more than sufficient
- 4 abundant
- 9 do not know, no answer

14 Consider the loans from financial intermediaries obtained by your firm since the start of the pandemic. Has any of these remained unused and set aside in deposits? **P175**

- 1 no
- 2 yes, less than 20%
- 3 yes, between 20 and 40%
- 4 yes, over 40%
- 5 I have not taken out new loans
- 9 do not know, no answer

(Answer ONLY IF you answered 2, 3 or 4 to the previous question)

15 For what main reason? **P176**

- 1 postponement of investment expenditure
- 2 eduction in current expenditure
- 3 extension of payment deadlines (e.g. as a result of recourse to moratoria or agreements with suppliers)
- 4 precautionary savings to meet unplanned future requirements
- 5 advantageous borrowing terms other
- 6 other
- 9 do not know, no answer

Workforce

16 How will the average size of the workforce in 2021 compare with that in 2020? **P12**

- 1 much smaller (more than 5%)
- 2 a little smaller (between -5 and -1,1%)
- 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

17 The trend of hours worked in the first three quarters of 2021 compared with the first three quarters 2020 will be: **P141**

18 ... and six months compared with now, it will be: **P142**

Legend: 1 = much smaller (more than 5%); 2 = a little smaller (between -5 and -1,1%); 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.

On an average day, what share of staff used/will use remote work*...

19 in the first three quarters of 2021? **P166**

20 in six months' time (assuming no mobility restrictions and low virus circulation)? **P167**

Legenda: 1 = null (0%); 2 = less than 5%; 3 = between 5 and 10%; 4 = between 10.1 and 20%; 5 = between 20.1 and 50%; 6 = greater than 50%; 9 = don't know, won't answer.

* If, for example, in a company with 100 employees, every day 20 employees used remote work (understood as agile working, smart working, teleworking or remote working), answer number 4 would be given, because every day, on average, the share of the total employees who used remote working has been 20 percent, regardless of whether remote work has been used on a rotating basis by all employees, only by some, or always by the same employees.

21 In 2021 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) **P61A**

B procedure for layoffs **P61B**

Legend: 1 = no; 2 = yes; 8 = not applicable (e.g. company cannot apply); 9 = don't know, no answer.

1. 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.
2. 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.
3. 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.
4. 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

22 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 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

23 What change is expected in Q1-Q3 2021 compared with Q1-Q3 2020?

P23ANN

P23BNN

24 ... overall in 2021 compared to 2019 (pre-pandemic)?

P168

25 ... and in 6 months, compared with now, will be:

P149ANN

P149BNN

Legend: 1 = Lower by more than -30%; 2 = Lower by between -30% and -15.1%; 3 = Lower by between -15% and -4.1%; 4 = Lower by between -4% and -1.6%; 5 = Stable between -1.5% and +1.5%; 6 = Higher by between +1.6% and 4%; 7 = Higher by between +4.1% and 30%; 8 = Higher by more than +30%; 9 = Do not know, do not wish to answer.

26 Does your company use a production organization based on just-in-time? (This term means an organization of the productive process that involves the supply of the input of production exactly in the moment in which they are required, in order to reduce the costs connected to the accumulation of inventories

P169

- 1 no
- 2 yes, for a minority of cases
- 3 yes, for the majority of trials
- 9 do not know, no answer

Supply of production inputs

27 In the first nine months of 2021, has your company's business experienced any problems with the supply of raw materials and/or intermediate goods?(No/Yes) P170

(Answer ONLY IF you answered Yes to the previous question)

28 To what extent did the following factors contribute to the procurement difficulties experienced?

A unavailability of semiconductors or other electronic components P171A

B unavailability of other raw materials/intermediate goods P171B

Please specify the unavailable asset P171BSPE

C increase in the cost of certain raw materials/intermediate goods P171C

D delays in supplier processing times. P171D

E increased transport or logistics costs P171E

F delays caused by other transport or logistical problems (e.g. port closures) P171F

G other factors P171G

Legenda: 1 = not at all relevant; 2 = not very relevant; 3 = fairly relevant; 4 = very relevant; 9 = don't know, no answer.

29 What were the main effects of the above procurement difficulties on your company's business?

(Indicate the top two factors in order of importance)

first effect	<input type="text"/> P172A	second effect	<input type="text"/> P172B
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- 1 increase in sales prices of their goods/services
- 2 reduction of the profit margins
- 3 increase in the delivery times of their goods/services
- 4 reduction or suspension of production activity
- 5 remodeling of the suppliers from which the company acquires raw materials/intermediate goods
- 6 other (specify below)
- 9 do not know, no answer

please specify other effect P172SPE

30 Is your company's activity still hampered by problems with the supply of raw materials/intermediate goods? P173

- 1 no
- 2 yes, but we believe they will be resolved by the first quarter of 2022
- 3 yes, and we believe they will continue beyond the first quarter of 2022
- 4 yes, but we do not know how long they will last
- 9 do not know, no answer

Interchange of services

31 Did your company import or export services in 2020*?	No/Yes	(only if you answered "yes"): From/to which countries? (1)
imported services	<input type="text"/> P174AA	<input type="text"/> P174AB
exported services	<input type="text"/> P174BA	<input type="text"/> P174BB

(1) **Legend:** 1 = EU countries only; 2 = non-EU countries only; 3 = both EU and non-EU countries; 9 = don't know, no answer.

* **Consider:** maintenance and repair services; expenses/revenues for the use of intellectual property (patents, trademarks, copyrights, franchising); telecommunication services (fixed and mobile telephony, TV, fax, internet, e-mail, etc.); IT services (patents, trademarks, copyrights, franchising); information services (fixed and mobile telephony, TV, fax, internet, e-mail, etc.); computer services (hardware, software, data processing); information services (press agency); research and development services; professional and management consulting services; legal, accounting and public relations services; advertising, market research and public opinion polling; architectural and engineering services; waste processing and de-pollution; operating leasing; technical services, commercial and other business services.
Exclude services related to tourism (hotels, B&Bs, restaurants, museums, business travel, etc.) and international transport (planes, trains, ferries, cruises).

Assessment of the questionnaire

Date of interview (DD/MM/YYYY) DATA

How do you assess the effort required to fill in this questionnaire? P30

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

Comments:

Thank you for participating