Business Tendency Survey
May 2026

FEDESARROLLO
Centro de Investigación Económica y Social

In May 2026, **the Retail Confidence Index (RCI) stood at 20.5%, representing a decrease of 1.3 pp relative to the previous month (April 2026 RCI: 21.8%)**. Lower retail confidence was explained by a 7.5 pp decline in perceptions regarding the current economic situation of the company or business, partially offset by a 2.5 pp increase in expectations for the economic situation over the next six months and a 1.0 pp reduction in stock levels. Compared to the same month of the previous year, the RCI decreased by 0.5 pp (May 2025 RCI: 21.0%).

Meanwhile, **the Industrial Confidence Index (ICI) stood at -2.9% in May 2026, showing a decrease of 1.0 pp relative to the previous month (April 2026 ICI: -1.9%)**. The negative monthly variation in industrial confidence in May was explained by a 4.2 pp increase in stock levels and a 2.1 pp decline in production expectations for the next quarter, partially offset by a 3.1 pp increase in current order volume. Compared to the same month in 2025, the ICI decreased by 9.0 pp (May 2025 ICI: 6.1%).

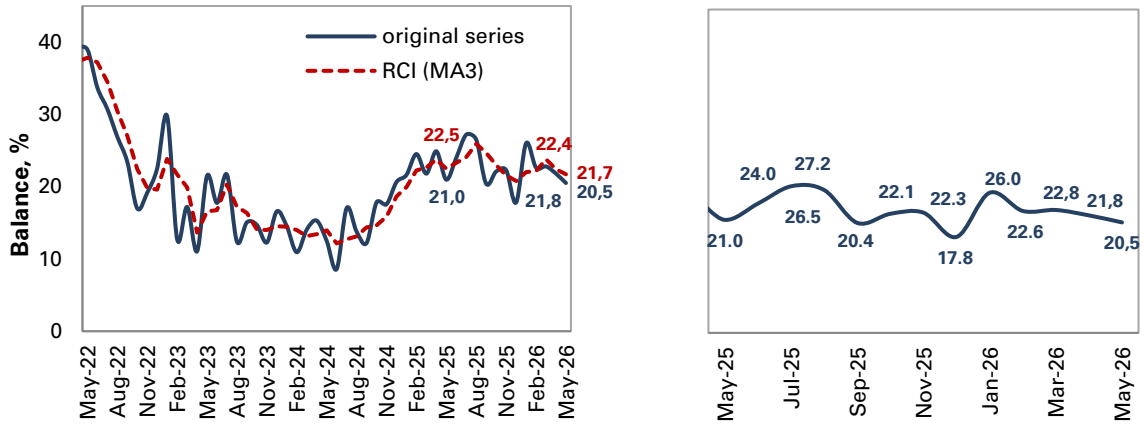
Regarding the **quarterly module**, **capacity utilization in the industrial sector** stood at 72.3% in May, reflecting an increase of 1.4 pp relative to February 2026. Likewise, perceptions of **economic and sociopolitical conditions** for investment improved for both indicators in May, with an increase of 2.2 pp in economic conditions and 3.3 pp in sociopolitical conditions compared to February 2026.

In contrast, there was a deterioration in perceptions regarding the current economic situation of the **construction sector** and in **construction expectations for the next quarter**, while perceptions of the **sector's pace** improved relative to the previous quarter.

Retail Confidence Index – RCI

In May 2026, the Retail Confidence Index (RCI) stood at 20.5%, representing a decrease of 1.3 pp relative to the previous month (21.8%). Additionally, the RCI decreased by 0.5 pp compared to May 2025 (21.0%). Meanwhile, the three-month moving average stood at 21.7%, representing a decrease of 0.7 pp relative to the same indicator in April 2026 (22.4%) and a decline of 0.8 pp compared to the May 2025 figure (22.5%).

Figure 1. Retail Confidence Index (RCI)



Source: Business Tendency Survey (BTS) – Fedesarrollo.
*MA3: 3-month moving average.

The RCI consists of three components: **the perception of the current economic situation of the company or business, the stock level**, and **expectations for the economic situation over the next six months**. The results for May 2025, April 2026, and May 2026 are presented in Table 1.

Table 1. Evolution of the components of the Retail Confidence Index (ICCO)

Component (Balance, %)	2025	2026	
	May	April	May
Business current economic situation	35.0	39.8	32.3
Stock level	5.9	5.0	4.0
Expectations of the economic situation for the next semester	33.8	30.7	33.2
Commercial Confidence Index – ICCO	**21.0**	**21.8**	**20.5**

Source: Business Tendency Survey (BTS) – Fedesarrollo.

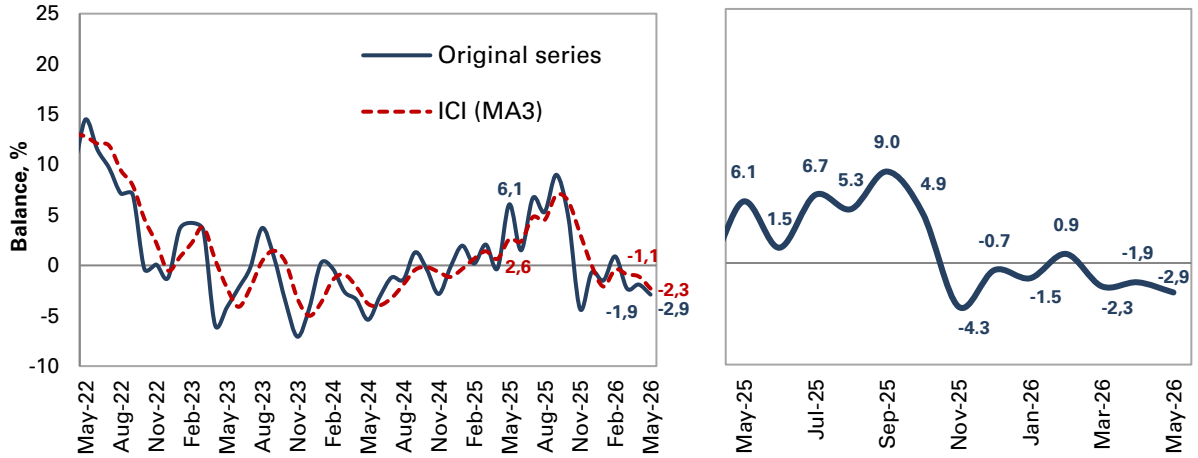
On a monthly basis, lower retail confidence was explained by a 7.5 pp decline in perceptions regarding the current economic situation of the company or business, partially offset by a 2.5 pp increase in expectations for the economic situation over the next six months and a 1.0 pp reduction in stock levels. On an annual basis, the decline in retail confidence was explained by a 2.7 pp decrease in perceptions regarding the current economic situation of the company or business and a 0.6 pp decline in

expectations for the economic situation over the next six months, partially offset by a 1.9 pp reduction in stock levels.

Industrial Confidence Index – ICI

The Industrial Confidence Index (ICI) stood at -2.9% in May 2026. As a result, the ICI decreased by 1.0 pp relative to the previous month (April 2026 ICI: -1.9%) and by 9.0 pp compared to May 2025 (May 2025 ICI: 6.1%). Meanwhile, the three-month moving average stood at -2.3%, representing a decline of 1.2 pp relative to the same indicator in April 2026 (-1.1%) and of 4.9 pp compared to the same indicator in May 2025 (2.6%).

Figure 2. Industrial Confidence Index (ICI)



Source: Business Tendency Survey (BTS) – Fedesarrollo.
*MA3: 3-month moving average.

The ICI is composed of three components: **stock level, current volume of orders,** and **production expectations for the next quarter**. The results for May 2025, April 2026, and May 2026 are presented in Table 2.

Table 2. Evolution of the components of the Industrial Confidence Index (ICI)

Component (Balance, %)	2025	2026	
	April	March	April
Level of stocks	-5.2	-2.5	1.7
Current Order Volume	-17.3	-27.7	-24.6
Production expectations for the next quarter	30.3	19.6	17.5
Industrial Confidence Index – ICI	**6.1**	**-1.9**	**-2.9**

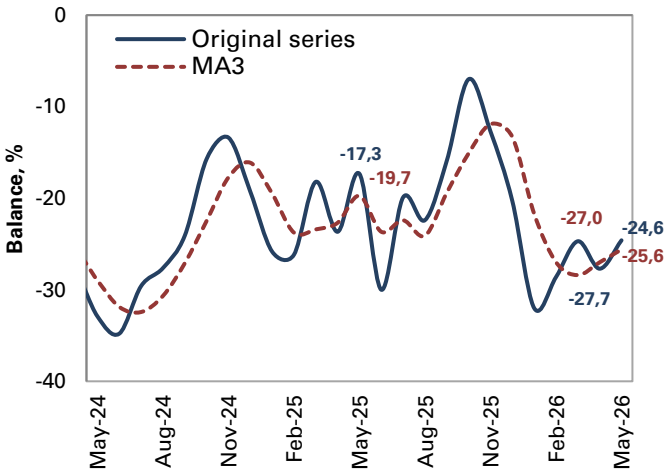
Source: Business Tendency Survey (BTS) – Fedesarrollo.

The negative monthly variation in industrial confidence in May was explained by a 4.2 pp increase in stock levels and a 2.1 pp decline in production expectations for the next quarter, partially offset by a 3.1 pp increase in current order volume. On an annual basis,

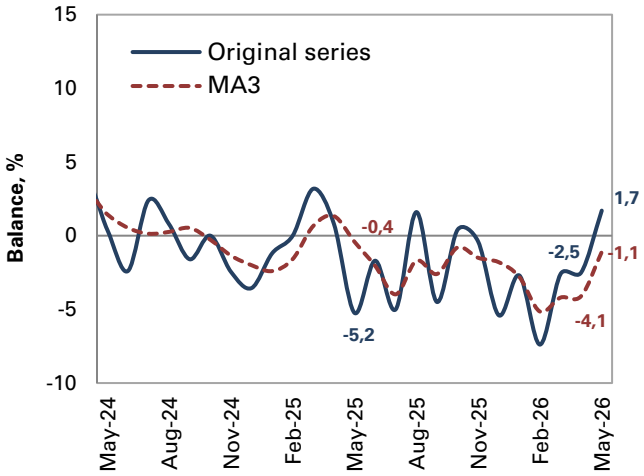
the decline in industrial confidence was explained by a 12.8 pp decrease in production expectations for the next quarter and a 7.3 pp decline in current order volume, while stock levels increased by 6.9 pp.

Figure 3. Components of the Industrial Confidence Index (ICI)

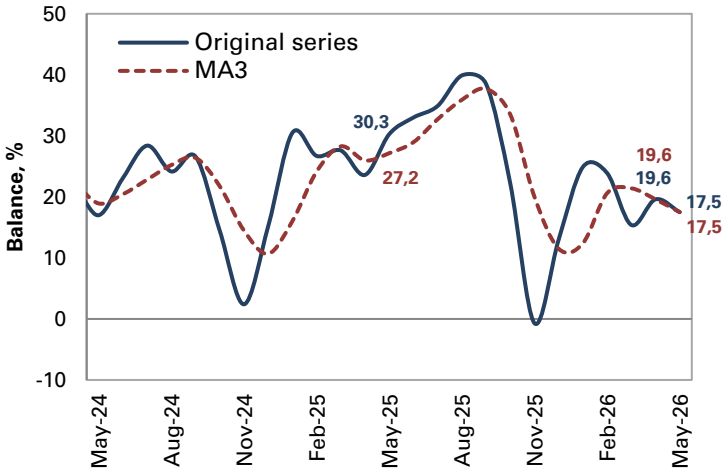
A. Current Order Volume



B. Level of stocks



C. Production expectations for the next quarter



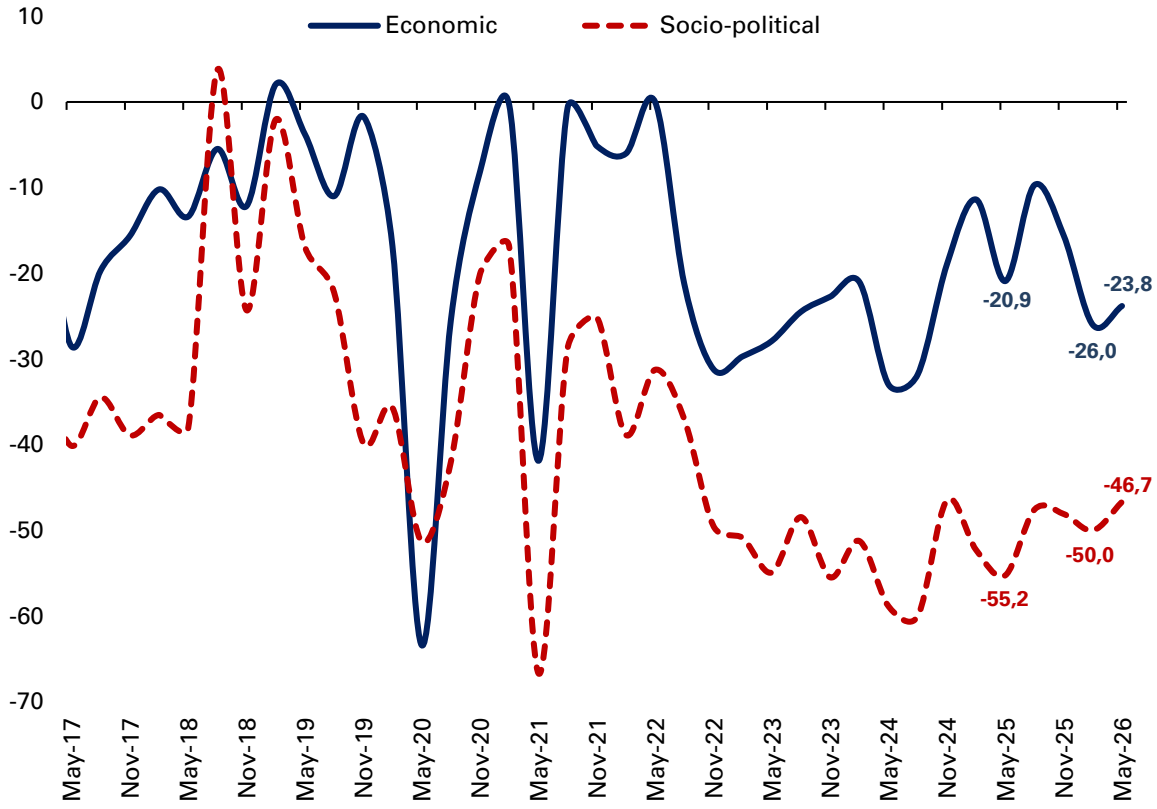
Source: Business Tendency Survey (BTS) – Fedesarrollo.
*MA3: 3-month moving average.

Quarterly Module:

Economic and Socio-political Conditions for Investment[1]

In May 2026, the industrial sector balance regarding the favorability of **economic conditions** for investment stood at -23.8%, representing an improvement of 2.2 pp relative to the February 2026 reading (-26.0%) and a deterioration of 2.9 pp compared to May 2025 (-20.9%). The results show that 36.4% of respondents consider current economic conditions to be unfavorable (vs. 41.6% in the previous reading). Meanwhile, 12.6% of business leaders consider current conditions to be favorable (vs. 15.5% in the previous reading), while 51.0% state that conditions are neutral (vs. 42.9% in the previous reading).

Figure 4. Favorability of Current Economic and Socio-political Conditions for Investment



Source: Business Tendency Survey (BTS) – Fedesarrollo

Meanwhile, the balance regarding the favorability of **sociopolitical conditions** for investment stood at -46.7% in May, reflecting an improvement of 3.3 pp relative to the previous quarter (-50.0% in February 2026) and of 8.5 pp compared to the same quarter of the previous year (-55.2% in May 2025). The results show that only 4.9% of respondents consider sociopolitical conditions to be favorable (vs. 9.3% in the previous

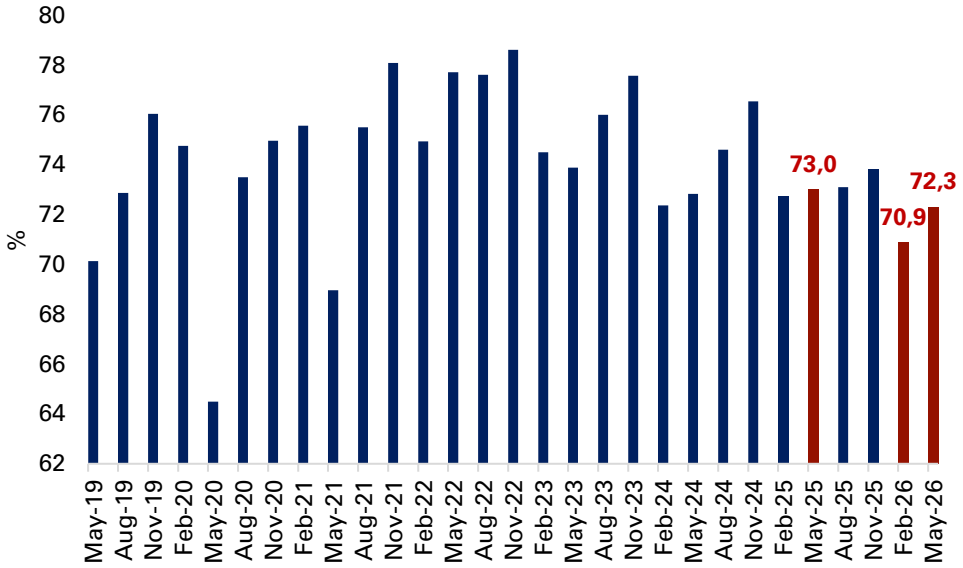
[1] The Business Opinion Survey includes a special module that asks industrial firms about their perceptions of economic and sociopolitical conditions for investment in the sector, as well as capacity utilization.

reading). Likewise, 51.6% of business leaders consider current conditions to be unfavorable (vs. 59.2% in the previous reading), while the remaining 43.5% state that conditions are neutral (vs. 31.5% in the previous reading).

Industry Installed Capacity Utilization

In May 2026, capacity utilization (UCI) in the industrial sector stood at 72.3%. With this result, UCI increased by 1.4 pp relative to the February 2026 reading (70.9%) and declined by 0.7 pp compared to May 2025 (73.0%) (Figure 5).

Figure 5. Utilization of installed capacity in the industry



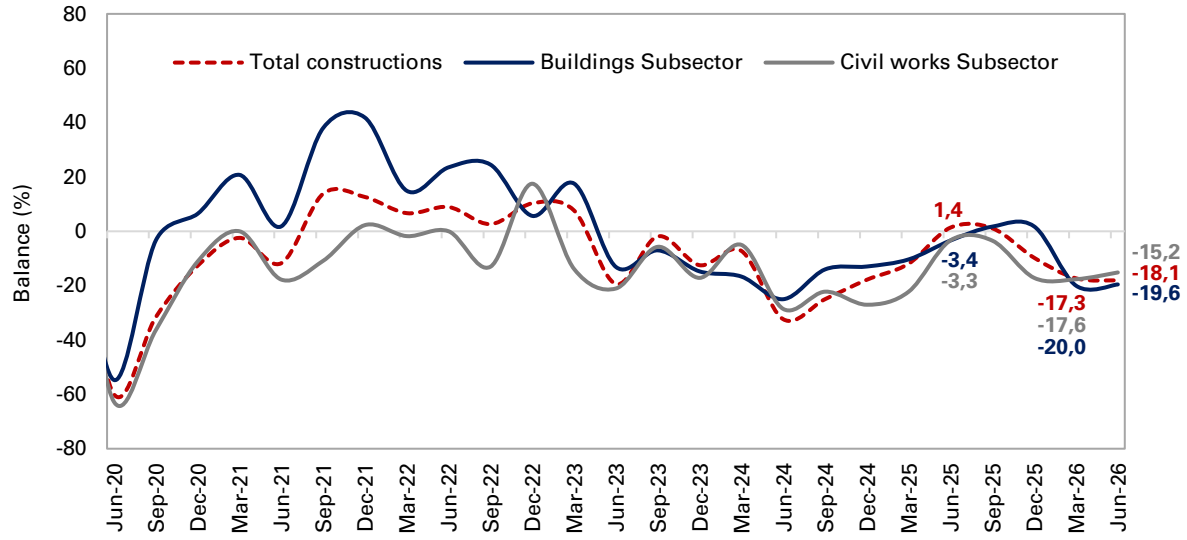
Note: The series of utilization of installed capacity was revised backwards.
Source: Business Tendency Survey (BTS) – Fedesarrollo

Quarterly Construction Survey[2]

In the second quarter of 2026, the balance of the current economic situation of companies in the **construction sector** stood at -18.1%, equivalent to a decline of 0.8 pp relative to the previous quarter (-17.3%) and of 19.5 pp compared to the same period in 2025 (1.4%). Meanwhile, the balance for the **building construction subsector** stood at -19.6%, increasing by 0.4 pp relative to the previous quarter (-20.0%) and decreasing by 16.2 pp compared to the same quarter of 2025 (-3.4%). As for the **civil works subsector**, the balance of perceptions regarding the current economic situation stood at -15.2%, representing an increase of 2.4 pp relative to the previous quarter (-17.6%) as well as a decline of 11.9 pp compared to the same quarter of the previous year (-3.3%) (Figure 6).

[2] On a quarterly basis, Fedesarrollo conducts a survey focused on businessmen in the construction sector, to know their perception of the current economic situation and their expectations for the future.

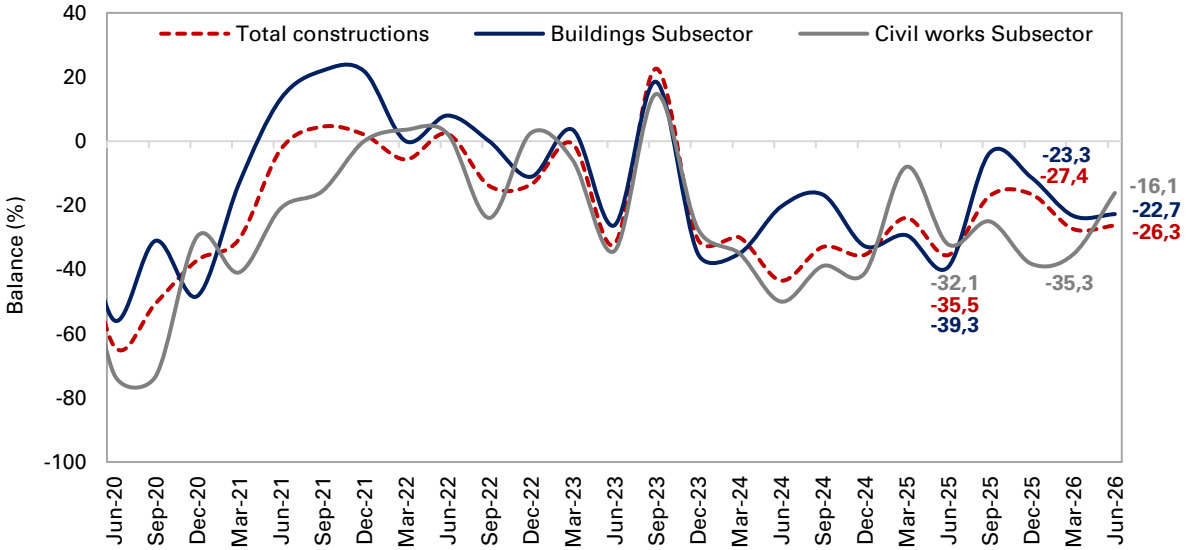
Figure 6. Current situation of companies in the construction sector



Source: Quarterly Construction Survey - Fedesarrollo.

The construction pace indicator stood at -26.3%, showing an increase of 1.1 pp relative to the previous quarter (-27.4%) and of 9.2 pp compared to the second quarter of 2025 (-35.5%). Likewise, the **building construction subsector** recorded a balance of -22.7%, representing an increase of 0.6 pp relative to the previous quarter (-23.3%) and of 16.6 pp compared to the same quarter of the previous year (-39.3%). Regarding the **civil works subsector**, perceptions of its construction pace recorded a balance of -16.1%, increasing by 19.2 pp relative to the previous quarter (-35.3%) and by 16.0 pp compared to the same quarter of 2025 (-32.1%) (Figure 7).

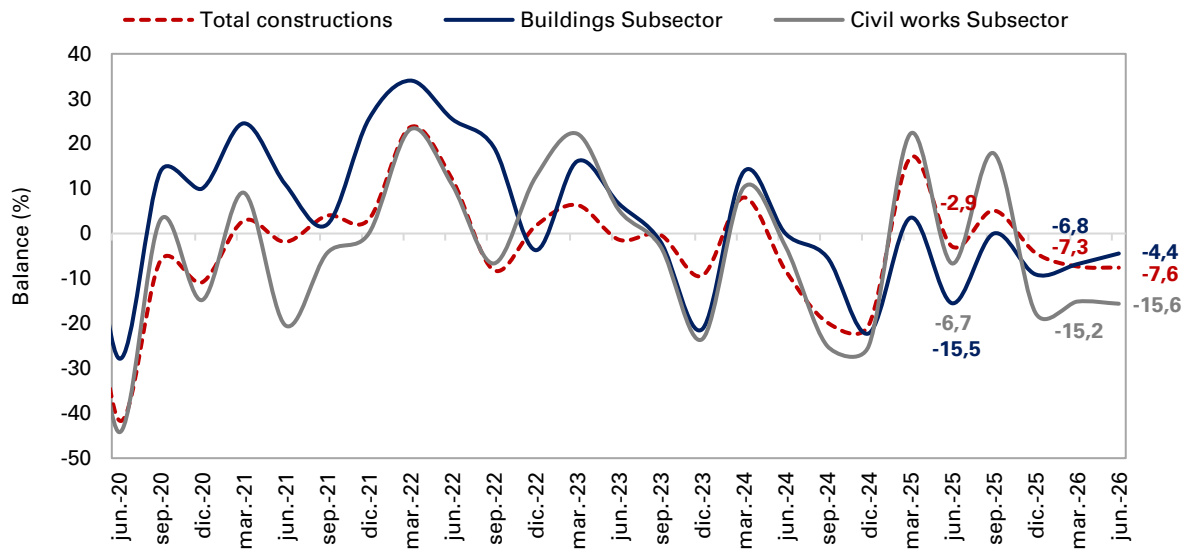
Figure 7. Construction rate compared to the previous year



Source: Quarterly Construction Survey - Fedesarrollo.

The balance of construction expectations for the next quarter stood at -7.6%, showing a decline of 0.3 pp relative to the previous quarter (-7.3%) and of 4.7 pp compared to the same quarter of 2025 (-2.9%). Meanwhile, in the **building construction subsector**, expectations recorded a balance of -4.4%, representing an increase of 2.4 pp relative to the previous quarter (-6.8%) and of 11.1 pp compared to the same quarter of the previous year (-15.5%). As for the **civil works subsector**, expectations recorded a balance of -15.6%, representing a decline of 0.4 pp relative to the previous quarter (-15.2%) and of 8.9 pp compared to the same quarter of the previous year (-6.7%) (Figure 8).

Figure 8. Construction expectations for the next quarter



Source: Quarterly Construction Survey - Fedesarrollo.

FEDESARROLLO
Centro de Investigación Económica y Social

Contact us if you would like to access results disaggregated by region, industry sector, and other survey questions

+57 1 3259777 ext. 340
comercial@fedesarrollo.org.co

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Comments to **Manuela Franco Lopera**: mfranco@fedesarrollo.org.co