Business Tendency Survey
November 2024

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In November 2024, **the Retail Confidence Index (RCI) stood at 17.6%, which represented a decrease of 0.2 percentage points (pp) compared to the previous month (RCI October 2024: 17.8%).** The lower retail confidence was explained by a reduction of 4.7 pp in expectations of the economic situation for the next semester and an increase of 2.0 pp in stock levels. On the other hand, the perception of the current economic situation of the business or company increased by 5.8 pp. Compared to the same month of the previous year, the RCI increased by 5.3 pp (RCI November 2023: 12.3%).

Meanwhile, **the Industrial Confidence Index (ICI) stood at -2.8% for November 2024, showing a reduction of 2.4 pp compared to the previous month (ICI October 2024: -0.4%).** The negative monthly variation in industrial confidence in November was explained by a fall of 12.0 pp in expectations of production for the next quarter. In contrast, the stock level decreased by 2.4 pp, and the current order volume increased by 2.3 pp. Compared to November of the previous year, the ICI increased by 4.3 pp (ICI November 2023: -7.1%).

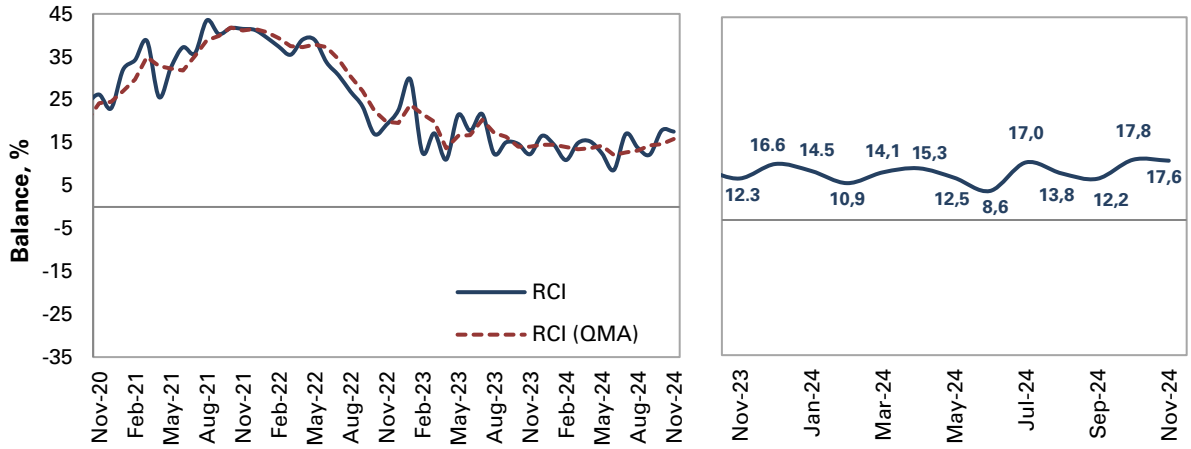
Regarding the **quarterly module**, the utilization of installed capacity in the industry for November was 76.5%, increasing by 1.9 pp compared to August 2024. Likewise, regarding the economic and sociopolitical conditions for investment, in November, the perception of businesses improved regarding economic conditions (12.9 pp) and sociopolitical conditions (13.5 pp) compared to August 2024.

Meanwhile, there was an improvement in the perception of the current economic situation in the construction sector compared to the third quarter of 2024. In contrast, the perception of the pace of construction activity and expectations for construction in the next quarter showed a decrease during this period compared to the previous quarter.

Retail Confidence Index – RCI

In November 2024, the Retail Confidence Index (RCI) stood at 17.6%, which represented a decrease of 0.2 pp compared to the previous month (17.8%). Additionally, the RCI showed an increase of 5.3 pp compared to November of the year 2023 (12.3%). Meanwhile, the 3-month moving average was 15.9%, representing an increase of 1.3 pp compared to the same indicator for October 2024 (14.6%) and an increase of 1.9 pp compared to the same indicator in November 2023 (14.0%).

Graph 1. Retail Confidence Index (RCI)



Source: Business Tendency Survey (BTS) – Fedesarrollo.
*QMA: 3 Month moving average.

The RCI includes three components: the perception of the current economic situation of the business or company, the stock level, and expectations of the economic situation for the next semester. Results for November 2023, October 2024, and November 2024 are shown in Table 1.

Table 1. Evolution of Retail Confidence Index Components

Component (Balance, %)	2023	2024	
	November	October	November
Business current economic situation	30,7	29,0	34,8
Level of stocks	8,4	1,0	3,0
Expectations about the economic situation for the next semester	14,6	25,5	20,8
Retail Confidence Index - RCI	**12,3**	**17,8**	**17,6**

Source: Business Tendency Survey (BTS) – Fedesarrollo.

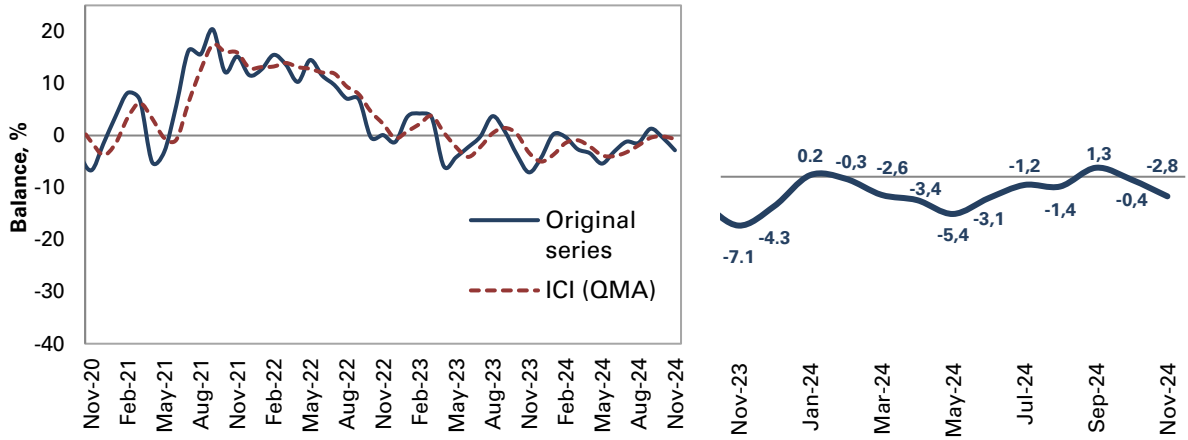
The lower confidence of retailers in November 2024 compared to the previous month was due to a reduction of 4.7 pp in expectations of the economic situation for the next semester and an increase of 2.0 pp in stock levels. Meanwhile, the perception of the current economic situation of the business or company increased by 5.8 pp. On an annual basis, the greater confidence of retailers was explained by a 6.2 pp increase in

expectations of the economic situation for the next semester, a reduction of 5.4 pp in stock levels, and a 4.1 pp increase in the perception of the current economic situation of the business or company.

Industrial Confidence Index – ICI

The Industrial Confidence Index (ICI) stood at -2.8% in November 2024. The ICI showed a reduction of 2.4 pp compared to the previous month (ICI October 2024: -0.4%) and an increase of 4.3 pp compared to the same month in 2023 (ICI November 2023: -7.1%) (Graph 2). Meanwhile, the 3-month moving average stood at -0.7%, which represented a decrease of 0.5 pp compared to the same indicator for October 2024 (-0.2%) and an increase of 2.6 pp compared to the same indicator for November 2023 (-3.3%).

Graph 2. Industrial Confidence Index (ICI)



Source: Business Tendency Survey (BTS) – Fedesarrollo.

*QMA: 3 Month moving average.

The ICI consists of three components: **stock level, current order volume, and expectations of production for the next quarter.** Results for November 2023, October 2024, and November 2024 are shown in Table 2.

Table 2. Evolution of Industrial Confidence Index Components

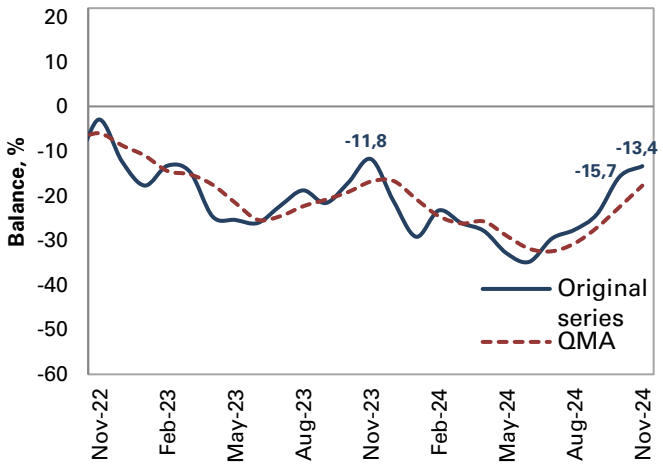
Component (Balance, %)	2023	2024	
	October	September	October
Level of stocks	3,7	0,0	-2,4
Current volume of orders	-11,8	-15,7	-13,4
Production expectations for the next quarter	-5,7	14,4	2,4
Industrial Confidence Index – ICI	**-7,1**	**-0,4**	**-2,8**

Source: Business Tendency Survey (BTS) – Fedesarrollo.

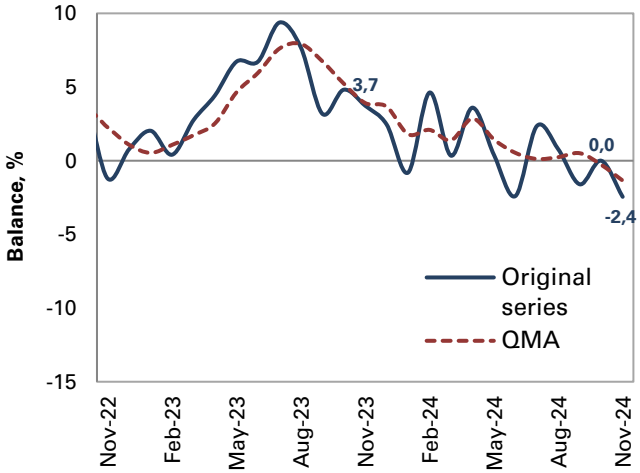
The negative monthly variation in industrial confidence in November was explained by a decrease of 12.0 pp in expectations of production for the next quarter. Meanwhile, the stock level showed a reduction of 2.4 pp, and the current order volume increased by 2.3 pp. On an annual basis, the increase in industrial confidence was explained by an 8.1 pp increase in expectations of production for the next quarter and a 6.1 pp decrease in stock levels. In contrast, the current order volume decreased by 1.6 pp compared to November 2023.

Graph 3. Industrial Confidence Index Components

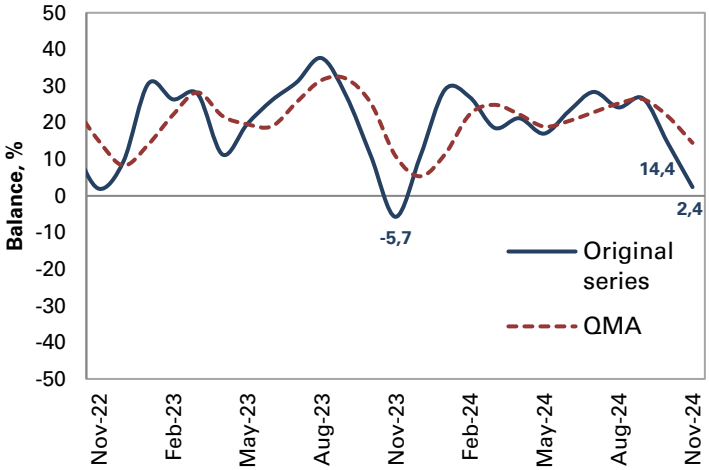
A. Current volume of orders



B. Level of stocks



C. Production expectations for the next trimester

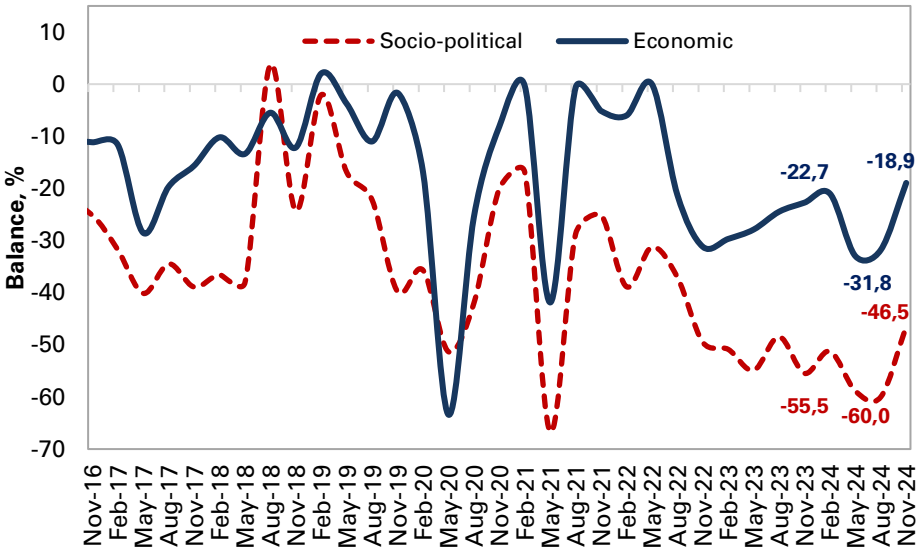


Source: Business Tendency Survey (BTS) – Fedesarrollo.
*QMA: 3 Month moving average.

Quarterly Module:
Economic and Socio-political Conditions for Investment

In November 2024, the industrial sector's balance on the favorability of economic conditions for investment stood at -18.9%, representing an improvement of 12.9 pp compared to the August 2024 measurement (-31.8%) and 3.8 pp compared to November 2023 (-22.7%) (Graph 4). The results show that 33.7% of respondents consider the current economic conditions unfavorable (vs. 44.2% in the previous measurement). Meanwhile, 14.7% of business owners consider the current conditions favorable (vs. 12.3% in the previous measurement), while 51.6% state they are neutral (vs. 43.5% in the previous measurement).

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



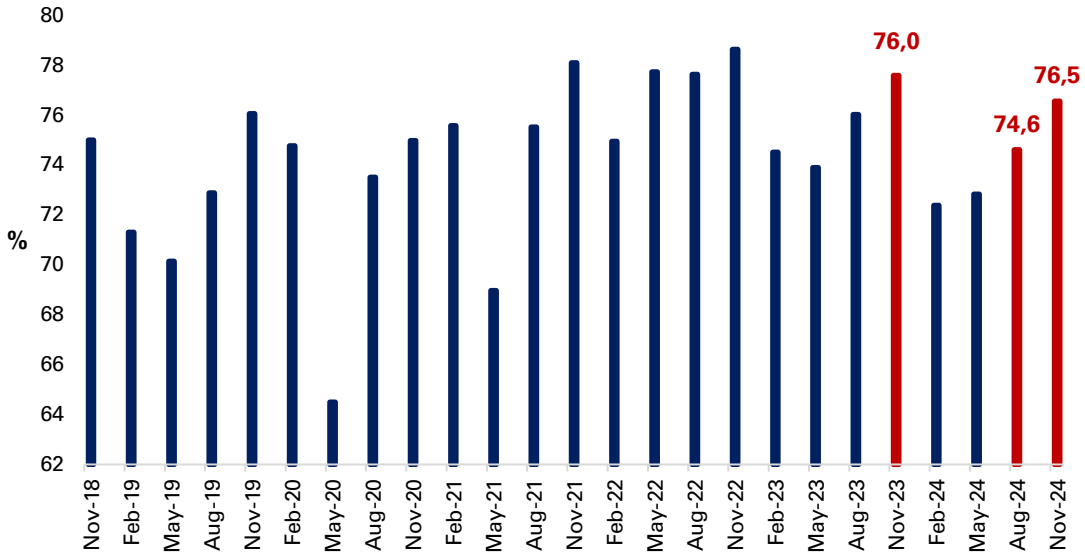
Source: Business Tendency Survey (BTS) – Fedesarrollo

Meanwhile, the balance on the favorability of sociopolitical conditions for investment stood at -46.5% in November, reflecting an improvement of 13.5 pp compared to the previous quarter (-60.0% in August 2024) and 9.0 pp compared to the same quarter of the previous year (-55.5% in November 2023). The results show that only 6.7% of respondents consider sociopolitical conditions favorable (vs. 3.8% in the previous measurement). Likewise, 53.2% of business owners consider current sociopolitical conditions unfavorable (vs. 63.8% in August 2024), while the remaining 40.1% state they are neutral (vs. 32.4% in the previous measurement).

Industry Installed Capacity Utilization

In November, the utilization of installed capacity (UIC) in the industry stood at 76.5%. From this result, UIC increased by 1.9 pp compared to the August 2024 measurement (74.6%) and decreased by 1.1 pp compared to November 2023 (77.6%) (Graph 5).

Graph 5. Utilization of installed capacity in the industry



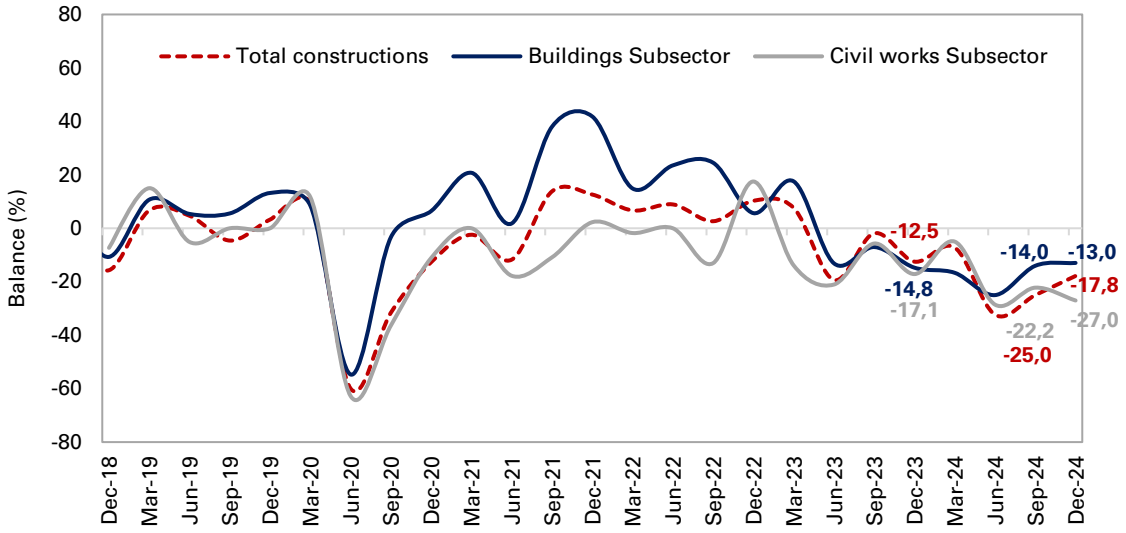
Note: The series of utilization of installed capacity was revised backwards.
Source: Business Tendency Survey (BTS) – Fedesarrollo

Quarterly Construction Survey[1]

In the fourth quarter of 2024 measurement, the balance of the current economic situation for companies in the construction sector stood at -17.8%, representing an increase of 7.2 pp compared to the previous quarter (-25.0%) and a decrease of 5.3 pp compared to the same period in 2023 (-12.5%). Meanwhile, the balance for the building subsector was -13.0%, increasing by 1.0 pp compared to the previous quarter (-14.0%) and 1.8 pp compared to the same quarter in 2023 (-14.8%). In contrast, the balance for the civil works subsector stood at -27.0%, representing a decrease of 4.8 pp compared to the previous quarter (-22.2%) and 9.9 pp compared to the same quarter of the previous year (-17.1%) (Graph 6).

[1] 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.

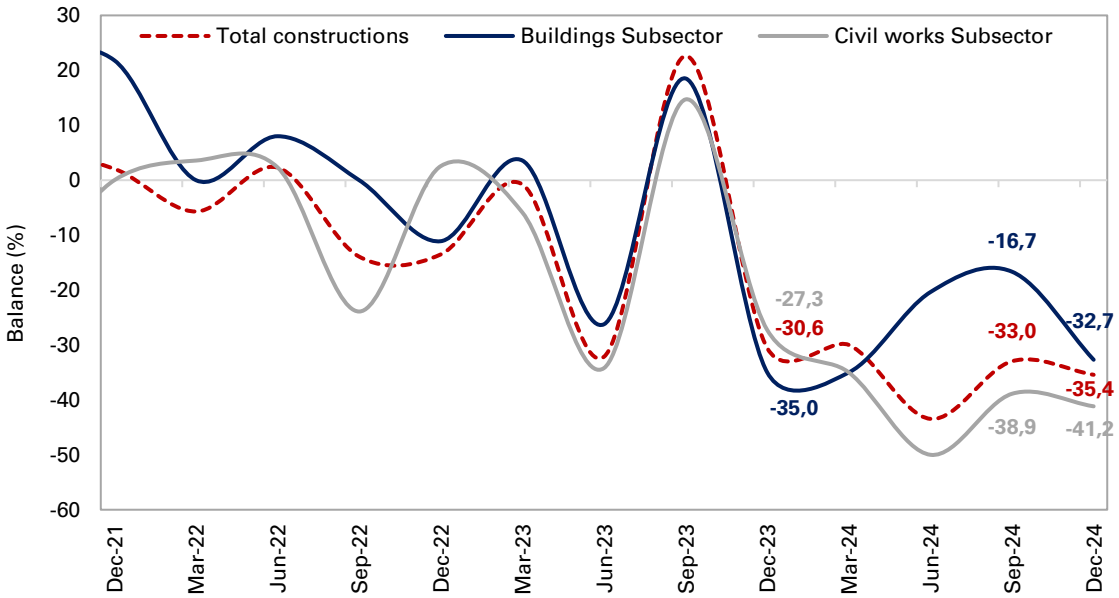
Graph 6. Current situation of companies in the construction sector



Source: Quarterly Construction Survey - Fedesarrollo.

The construction pace indicator stood at -35.4%, showing a decrease of 2.4 pp compared to the previous quarter (-33.0%) and 4.8 pp compared to the fourth quarter of 2023 (-30.6%). Similarly, a similar trend was observed for the building subsector, which recorded a balance of -32.7%, representing a reduction of 16.0 pp compared to the previous quarter (-16.7%) and an increase of 2.3 pp compared to the same quarter of the previous year (-35.0%). Regarding the civil works subsector, the perception of its pace recorded a balance of -41.2%, decreasing by 2.3 pp compared to the previous quarter (-38.9%) and 13.9 pp compared to the same quarter of 2023 (-27.3%) (Graph 7).

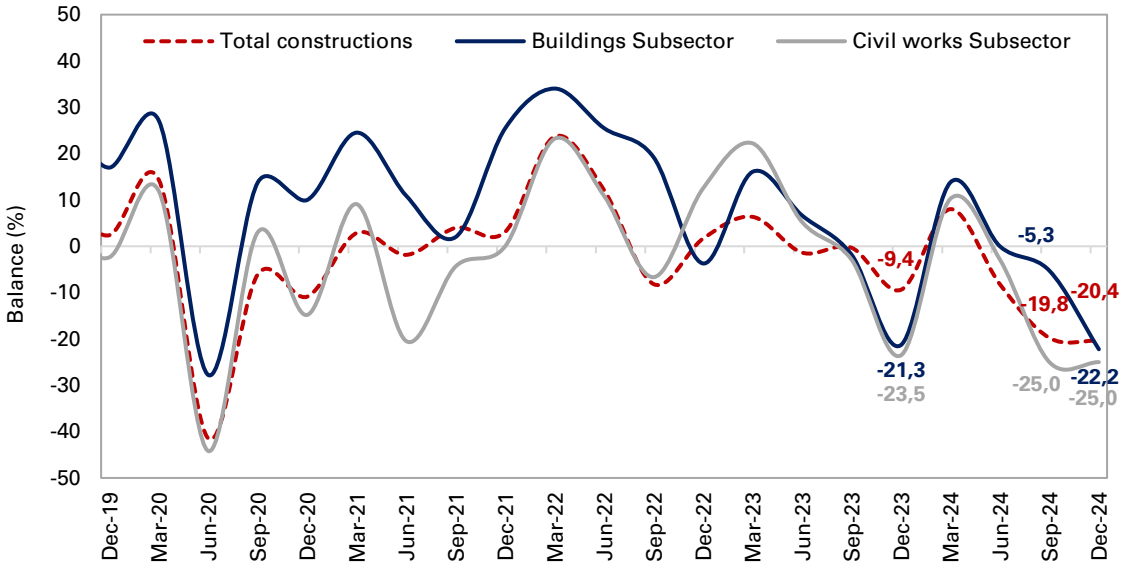
Graph 7. Construction rate compared to the previous year



Source: Quarterly Construction Survey - Fedesarrollo.

The balance of construction expectations for the next quarter stood at -20.4%, showing a drop of 0.6 pp compared to the previous quarter (-19.8%) and 11.0 pp compared to the same quarter of 2023 (-9.4%). Meanwhile, in the building subsector, expectations recorded a balance of -22.2%, representing a decrease of 16.9 pp compared to the previous quarter (-5.3%) and a decrease of 0.9 pp compared to the same quarter of the previous year (-21.3%). As for the civil works subsector, expectations recorded a balance of -25.0%, remaining unchanged compared to the previous quarter (-25.0%) and decreasing by 1.5 pp compared to the same quarter of the previous year (-23.5%) (Graph 8).

Graph 8. Construction expectations for the next quarter



Source: Quarterly Construction Survey - Fedesarrollo.

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

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