

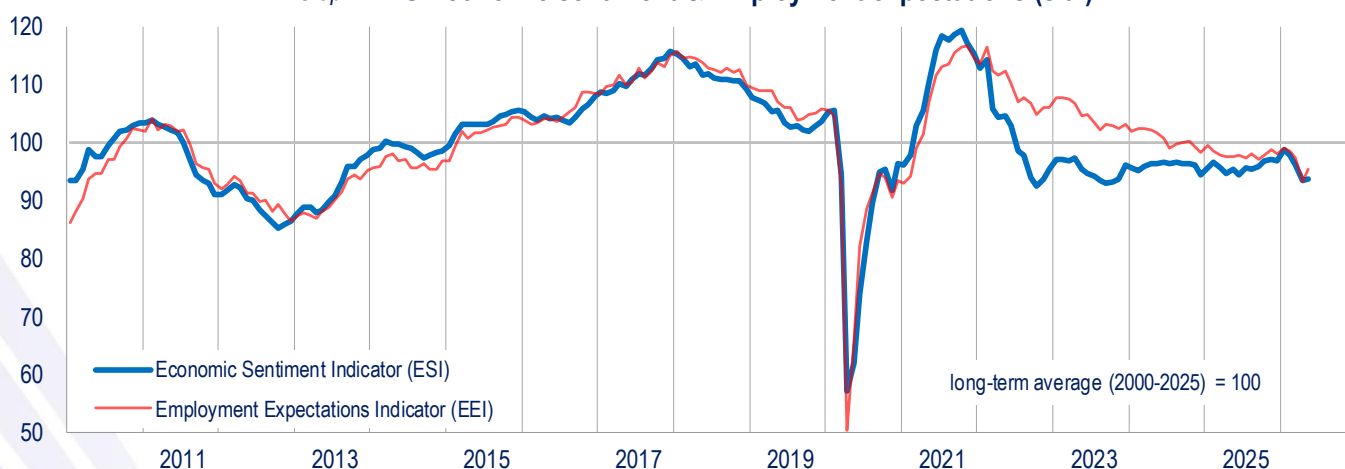
## Business and consumer survey results for May 2026

# Economic Sentiment broadly stable in the EU and the euro area; Employment Expectations pick up

In May 2026, the *Economic Sentiment Indicator* (ESI) moved broadly sideways in both the EU and the euro area (+0.3 points in both areas, to 93.7 in the EU and 93.5 in the EA).<sup>1</sup> The *Employment Expectations Indicator* (EEI) picked up compared to April (EU: +2.1 points to 95.4; euro area: +2.8 points to 94.7). Both indicators continue to score well below their long-term averages of 100.

## EU developments

Graph 1: EU Economic sentiment & Employment expectations (s.a.)

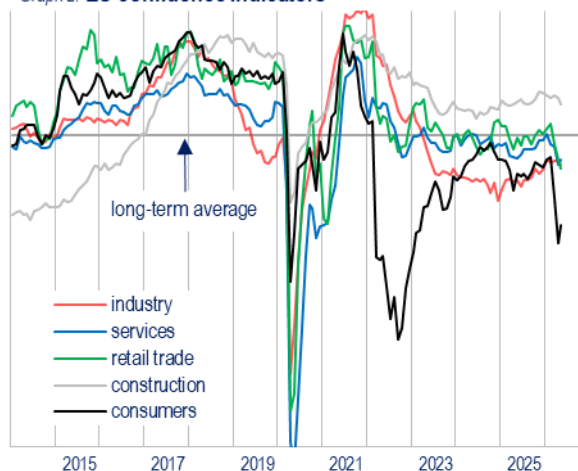


source: European Commission services

The broadly stable ESI for the EU resulted from a partial rebound in confidence in services and among consumers, which was mostly offset by declines in industry, retail trade and construction. Among the largest EU economies, the ESI improved in Germany (+1.0), France and Poland (+0.9), while it remained broadly stable in Italy (+0.1) and Spain (-0.1), and decreased in the Netherlands (-0.9).

**Industry confidence** declined slightly in May (-0.5), due to a continued deterioration in managers' *production expectations* and a worsened assessment of the *current level of stocks of finished products*, which were partially offset by an improved assessment of *current order books*. With respect to the questions not included in the confidence indicator, managers' views on changes in *past production* deteriorated markedly, while their evaluation of *export order books* remained broadly stable. **Services confidence** rebounded partially (+0.8) after April's steep losses, thanks to pickups in managers' assessments of the *past business situation* and their *expectations for future demand*, while their assessment of *past demand* declined further. **Consumer confidence** also showed a slight rebound (+1.7). Following April's sharp losses, consumers became less pessimistic about their *household's future financial situation*, their *intentions to make major purchases over the next 12 months* and the *future general*

Graph 2: EU confidence indicators<sup>2</sup>

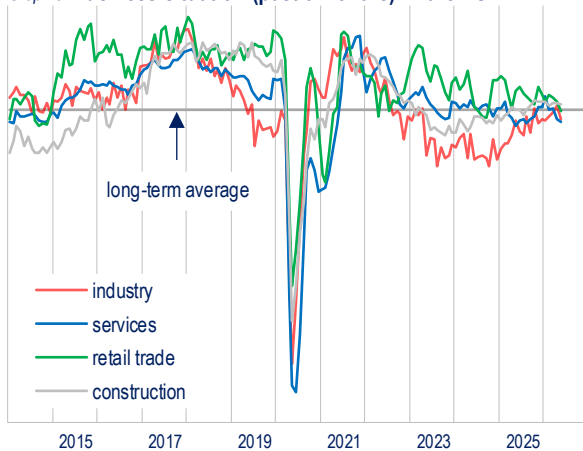


<sup>1</sup> Past survey data were revised due to seasonal adjustment and revisions of French business survey data for the previous month. Moreover, Poland's historical consumer survey time series were revised following a change in the provider of Polish consumer survey data. This has an impact also on the EU aggregate. Finally, as from May, the business surveys in Malta and the publication of survey results for Estonia are temporarily suspended due to changes in partner institutes.

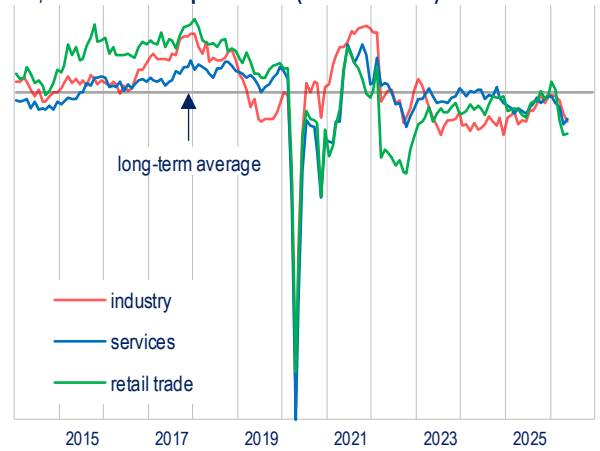
<sup>2</sup> The graph presents standardised series to correct for differences in means and standard deviations.

*economic situation* in their respective country, while their assessment of their *past financial situation* remained largely unchanged. **Retail trade confidence** continued to decline (-1.0), due to marked worsening in retailers' assessments of the *volume of stocks* and of changes in their *past business situation*, while their *business expectations for the next 3 months* stabilised. **Construction confidence** also decreased further in May (-1.2) due to builders' worsening assessment of both the level of *order books* and, to a lesser extent, *employment expectations*.

Graph 3: Business situation (past 3 months) in the EU<sup>2</sup>

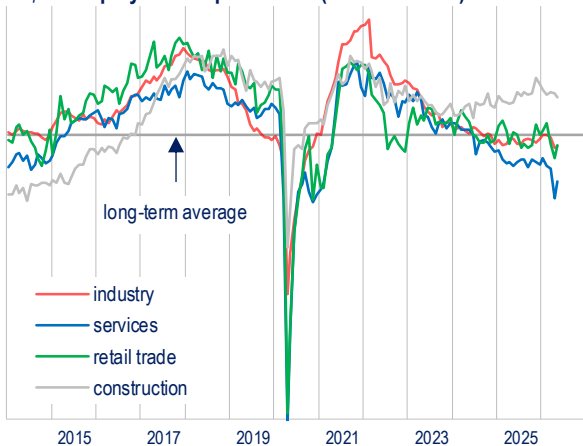


Graph 4: Business expectations (next 3 months) in the EU<sup>2</sup>

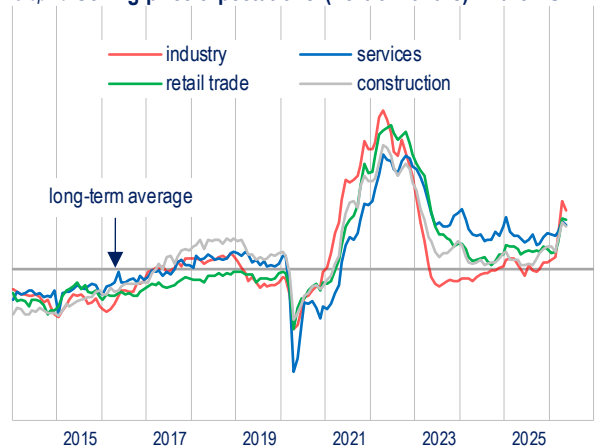


The **Employment Expectations Indicator** picked up in May (+2.1 to 95.4), continuing however to score below the long-term average. The improvement was driven by enhanced employment plans reported by managers in the services and retail trade sectors, which were only marginally offset by a slight decline reported in construction. Meanwhile, employment expectations held steady in industry. Consumers' unemployment expectations, which are not included in the headline indicator, worsened further in May. The EU **Labour Hoarding Indicator** edged down (-0.3 points to 10.5) after the marked increase of April, remaining above its long-term average of 9.7.<sup>3</sup>

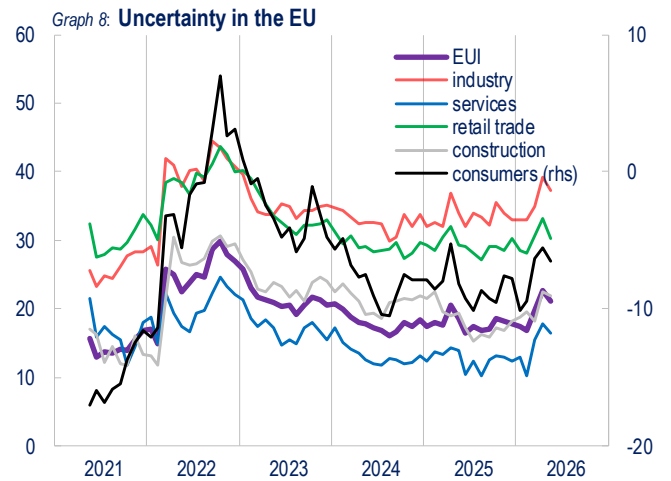
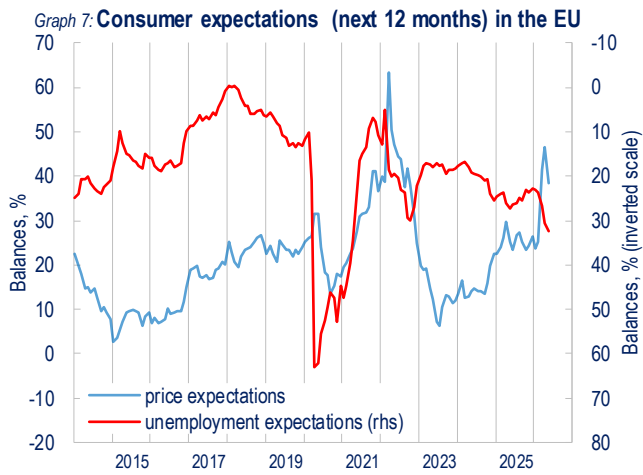
Graph 5: Employment expectations (next 3 months) in the EU<sup>2</sup>



Graph 6: Selling price expectations (next 3 months) in the EU<sup>2</sup>



<sup>3</sup> The LHI measures the percentage of managers expecting their firm's output to decrease, but employment to remain stable or increase. See the special topic of the [2023-Q2 EBCI](#) for background, and section 3.6.9 of the [BCS User Guide](#) for methodological details. Detailed LHI results per sector and country are available for download in the [time series section](#) of the BCS website.



Managers' **selling price expectations** eased across all business sectors in May, interrupting the steep upward trend seen in the recent two months. However, selling price expectations remain well above their long-term averages in all sectors. Consumers' *price expectations* for the next twelve months sagged but remained markedly above their February level. Consumers' perceptions of price developments over the past twelve months edged up slightly further. Both price expectations and perceptions remain elevated.

The **Economic Uncertainty Indicator** (EUI) decreased (-1.6 points to 21.1). Uncertainty among managers about their future business situation eased in all business sectors. Consumers' uncertainty about their future financial situation also declined in May.

*Data collection period: 1 to 21 May.*

Annex tables displaying results for the ESI, EEI, confidence indicators and individual survey questions for the past 12 months (as well as historical min, max and averages) are available [here](#).

## Methods and definitions

The Commission's harmonised Business and Consumer Survey (BCS) programme, managed by the Directorate-General for Economic and Financial Affairs (DG ECFIN), was set up in 1961, and its scope has since expanded considerably in terms of both countries and sectors covered. Five surveys are conducted on a monthly basis in the following areas: manufacturing industry, construction, consumers, retail trade, and services. Some additional questions are asked on a quarterly basis in the January, April, July and October surveys in industry, services, and among consumers. In addition, questions on manufacturing and services companies' investment plans are included twice a year (April and November). The surveys are conducted by national institutes in the Member States and the candidate countries based on harmonized questionnaires and a common timetable.

The data of the surveys is processed by DG ECFIN's Unit Economic situation, forecasts, business and consumer surveys (A3), Sector Business and consumer surveys and short-term forecast.

The **confidence indicators** are produced to reflect overall perceptions and expectations at the individual sector level in a one-dimensional index. For each of the five surveyed sectors, they are calculated as the simple arithmetic average of the (seasonally adjusted) balances of answers to specific questions chosen from the full set of questions in each individual survey.

The **Economic Sentiment Indicator (ESI)** is a composite indicator combining judgements and attitudes of businesses (in industry, construction, retail trade, services) and consumers by means of a weighted aggregation of standardised input series.

The **Employment Expectations Indicator** is constructed as a weighted average of the employment expectations of managers in four surveyed business sectors (i.e. industry, services, retail trade and construction).

More information on methods and definitions can be found in the [methodological guidelines](#) section of the [BCS website](#). All press releases can be found [here](#). Detailed data results of all surveys are freely available for download in the BCS [time series](#) section of the website.

You can also contact DG ECFIN at the following address: [ECFIN-BCS-MAIL@ec.europa.eu](mailto:ECFIN-BCS-MAIL@ec.europa.eu)

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<b>Upcoming releases:</b>	Flash Consumer Confidence Indicator	22 June 2026
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