Confidence Tracker

Summer 2018

Figure 1: Confidence, Net %

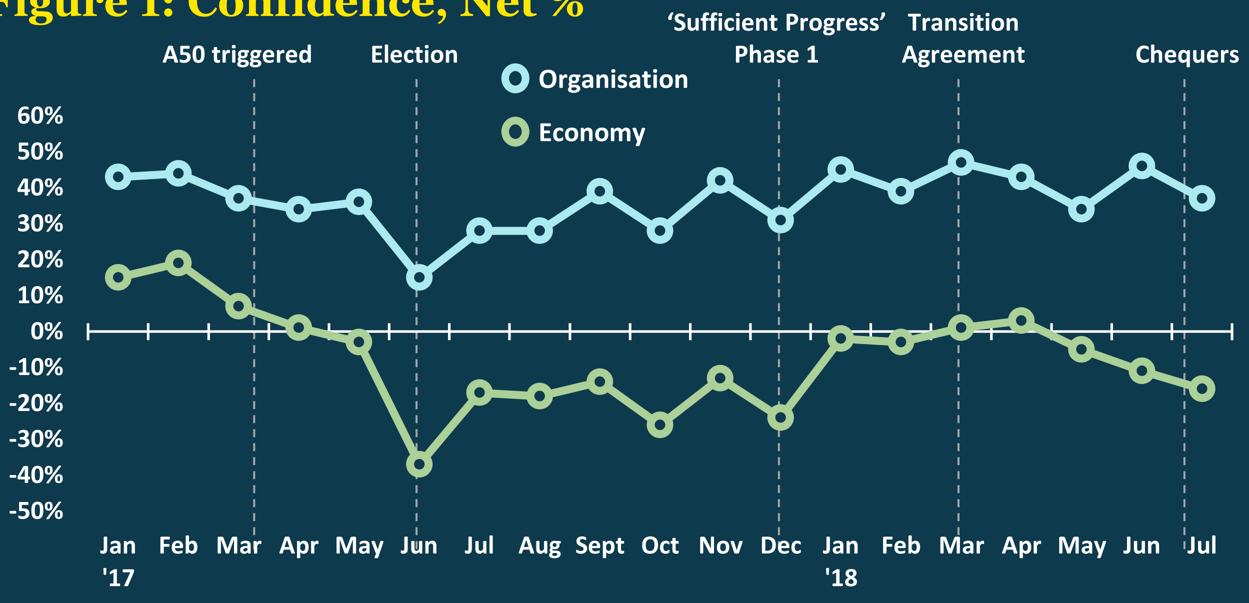

Figure 2: Firm-Level Confidence, July, Net %

	Total	Small	Medium	Large
Economy	-16%	-16%	-9%	-27%
Organisation	37%	34%	48%	34%

In July, business leaders became more pessimistic in their 12-month outlook for the economy (-16%), falling to its lowest in 2018, while confidence in their own firms remained buoyant (37%) [**Fig 1**] Directors in large organisations tended to be more downbeat about the economy than those in small and medium-sized enterprises [**Fig 2**]. Across businesses, the outlook for higher employment (19%) and investment (15%) remained subdued while expectations for revenue growth remained resilient (35%), and many projected costs to remain elevated (51%) in the coming year [**Fig 3**].

Figure 3: Business Expectations, Net %

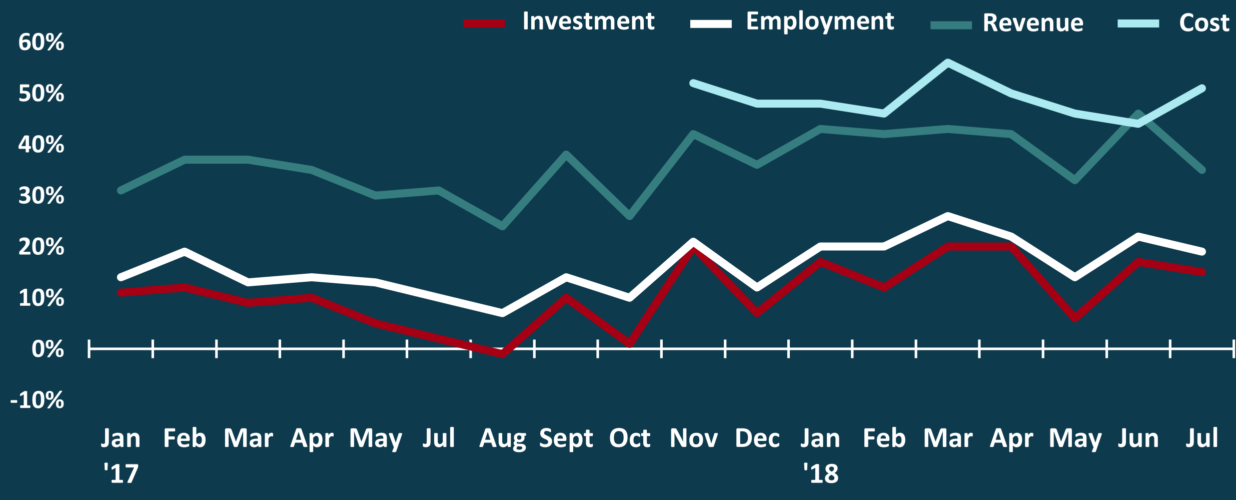

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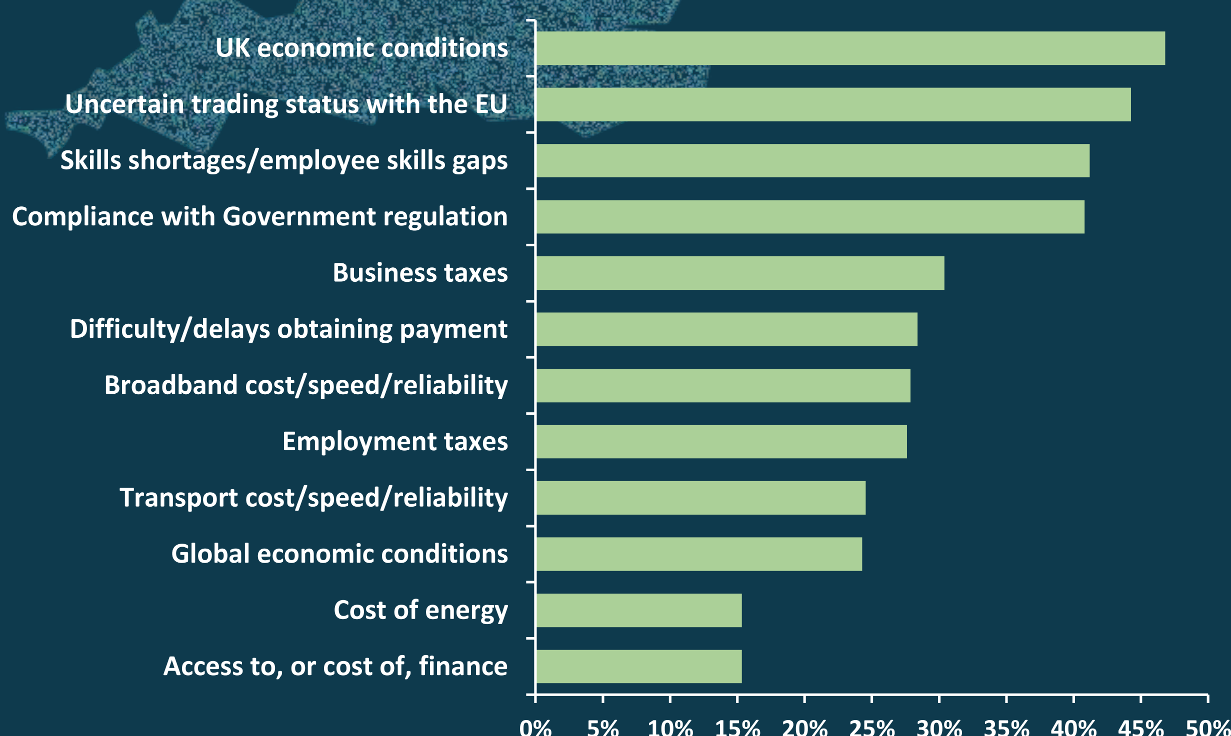
Figure 4: Regional Confidence, July, Net %

9%	East Midlands
5%	North West England
-2%	East of England
-10%	West Midlands
-12%	North East England
-13%	South West England
-15%	Yorkshire & Humberside
-16%	**Total**
-20%	South of England
-24%	London
-42%	Scotland

Amongst the regions and devolved nations, the East Midlands, North West, and East of England remain the most optimistic about the UK economy, while the South of England, London, and Scotland are more pessimistic than the rest of the country [**Fig 4**]. Alongside broader economic conditions (47%), uncertainty around Brexit negotiations (44%), skills shortages (41%) and compliance with Government regulation (41%) were the top concerns for business leaders [**Fig 5**].

Figure 5: Top Business Concerns, July, Total %



Footnotes:

1. Figures 1-4 show a net balance of respondents reporting on the next 12 months. Figure 5 shows total respondents reporting on the current month.
2. In Figure 4 data are suppressed for regions and nations where sample size is insufficient.
3. Data are based on monthly surveys with members. The number of respondents vary between 700-1000.