

Business Monitor for November (93 responses 59% exporters)

Comments on November Monitor Data

This month it is particularly important to note: The Monitor records only the number/share of companies, not the size of orders or number of jobs etc.

Summary

- The November Monitor is generally very bullish.
- The share of companies generally reporting improvements or gains continues to increase and for the most part the ratio of firms recording falls continues to shrink.
- We've had a whole year of positive balances round export enquiries.
- Conversion of those prospects into orders has been coming through strongly since September.
- Job vacancies remain high and there's an improvement in availability of finance.
- The share of firms 'investing in all areas' is increasing (60%) and confidence is very positive (+34) with only 1:14 of the firms saying they are less confident this month than they were last month.

Statistical commentary

Enquiries:

- Prospecting remains a strong lead indicator for UK (+28) and for export (+27) business.
- 'Decliners' amongst the respondents this month make up less than 1:10.
- As a result the three-month running average is now well ahead of last year and even up on 2014's performance at this time:
 - 2016 three-month running average balances UK +28 Export +23
 - 2015 three-month running average balances UK -5 Export 0
 - 2014 three-month running average balances UK+22 Export +8

Orders:

- The big improvements recorded over the last two months continued in November, with 'fallers' making up pretty much the same share as in September.
- 'Gainers' strengthened their position with half of all respondents reporting UK orders up and 45% recording increases amongst the exporters producing some of the strongest returns the Monitor has seen. The three-month running averages continue to be well ahead of 2015 and 2014.
 - 2016 three-month running average balances UK +18 Export +29
 - 2015 three-month running average balances UK +9 Export -2
 - 2014 three-month running average balances UK +2 Export -3
- The improvements in the exporters' performance are particularly striking.

Jobs:

- Little or no change on jobs although the three-month running balance is now ahead of last year's (+16 compared with +8).

Investment:

- For the third month in a row there was a big increase in the proportion of firms reporting 'investing in all areas' (now up to 60% of all firms responding this month) so the three-month running average on this measure is 45% compared with 36% for the same period in 2015.

Finance:

- The November returns on access to capital (easier minus more difficult) turned positive both for working (+10) and for investment (+4) capital. The first time they have both been positively in synch since October 2015.

Confidence:

- The big gains made in October were reinforced in November with 'decliners' now only making up 1:14 of all respondents which must reflect a general improvement in outlook for the whole supply chain.
- That doesn't mean that all are benefitting equally, but it probably does mean that we can look forward to a reasonable start for business in 2017.

The Monitor

1 Prospects/enquiries

Month	UP		SAME		DOWN		UP/DOWN Difference	
	UK	Export	UK	Export	UK	Export	UK	Export
January 2012	33	26	49	55	18	19	+15	+7
February	43	33	48	56	9	11	+34	+26
March	42	22	50	68	8	10	+34	+12
April	33	25	46	51	21	24	+12	+1
May	33	24	47	43	20	33	+13	-9
June	25	20	45	54	30	26	-5	-6
July	24	17	52	52	24	31	0	-14
August	29	17	41	43	30	40	-1	-23
September	31	26	45	50	24	24	+7	+2
October	39	23	45	56	16	21	+23	+2
November	31	28	42	48	27	24	+4	+4
January 2013	39	25	43	60	18	15	+21	+10
February	39	38	41	44	20	18	+19	+20
March	27	26	56	61	17	13	+10	+13
April	35	30	46	58	19	12	+16	+18
May	38	26	45	57	16	17	+22	+9
June	29	25	55	67	16	8	+13	+17
July	42	38	44	57	14	5	+28	+33
August	26	9	45	54	29	37	-3	-28
September	53	31	36	54	11	15	+42	+16
October	47	33	41	56	12	11	+35	+21
November	38	28	51	58	11	13	+27	+15
January 2014	51	38	39	53	10	9	+41	+29
February	38	34	53	56	9	10	+29	+24
March	52	38	36	54	12	8	+40	+30
April	46	53	44	39	10	8	+36	+45
May	42	34	41	54	17	12	+25	+22
June	34	24	52	54	14	22	+20	+2
July	35	31	50	50	15	19	+20	+12
August	21	20	50	58	29	22	-8	-2
September	46	37	43	51	11	12	+35	+25
October	37	25	47	46	16	29	+21	-4
November	29	23	53	57	18	20	+9	+3
January 2015	33	28	40	46	27	27	+6	+2
February	32	32	52	48	16	20	+16	+12
March	32	26	47	31	21	43	+11	-17
April	24	25	52	52	24	23	0	+2
May	31	28	40	55	29	17	+2	+11
June	39	29	47	60	14	11	+25	+18
July	35	33	44	48	21	19	+14	+14
August	27	15	37	50	36	35	-9	-20
September	36	22	40	56	24	22	+12	0
October	28	29	38	45	34	26	-6	+2
November	36	29	38	41	26	30	+10	-1
January 2016	41	38	47	45	12	17	+29	+21
February	32	33	46	49	22	18	+10	+15
March	30	27	47	60	23	13	+7	+14
April	45	26	46	65	9	9	+36	+17
May	29	21	50	61	21	18	+8	+3
June	31	34	41	43	28	23	+3	+11
July	21	23	47	55	32	22	-11	+1
August	30	27	53	51	17	22	+13	+5
September	41	38	44	46	15	16	+26	+22
October	41	34	47	52	12	14	+29	+20
November	41	36	46	55	13	9	+28	+27

2 Order intake

Month	UP		SAME		DOWN		UP/DOWN Difference	
	UK	Export	UK	Export	UK	Export	UK	Export
January 2012	42	40	34	44	24	16	+18	+24
February	40	35	35	39	25	26	+15	+9
March	44	35	35	42	21	23	+23	+12
April	24	21	43	43	33	36	-9	-15
May	42	26	37	34	21	40	+21	-14
June	24	24	24	43	52	33	-28	-9
July	30	31	39	38	31	31	-1	0
August	23	10	33	43	44	47	-21	-37
September	31	29	32	29	38	42	-7	-13
October	34	15	47	50	19	35	+15	-20
November	28	35	26	37	47	28	-19	+7
January 2013	44	30	29	38	27	32	+17	-2
February	37	35	23	47	40	18	-3	+17
March	44	37	36	40	20	23	+24	+14
April	45	33	29	38	26	29	+19	+4
May	40	25	32	46	28	29	+12	-4
June	34	35	35	43	31	22	+3	+13
July	38	33	38	43	24	24	+14	+9
August	22	22	32	38	46	40	-24	-18
September	40	28	29	48	31	24	+9	+4
October	48	30	30	45	22	25	+26	+5
November	30	26	46	45	24	28	+6	-2
January 2014	53	40	26	45	21	15	+32	+25
February	33	35	40	37	27	28	+6	+7
March	45	38	33	37	22	25	+23	+13
April	30	39	42	43	28	18	+2	+21
May	42	26	29	49	29	25	+13	+1
June	44	30	36	42	20	28	+24	+2
July	32	32	40	40	28	28	+4	+4
August	25	9	28	46	48	45	-20	-36
September	41	39	35	41	24	20	+17	+19
October	42	30	31	34	27	36	+15	-6
November	27	26	33	40	40	34	-13	-8
January 2015	42	30	21	44	37	26	+5	+4
February	38	35	38	44	24	21	+14	+14
March	33	37	33	38	34	25	-1	+12
April	28	32	34	36	38	32	-10	0
May	35	33	32	33	33	34	+2	-1
June	45	35	25	41	30	24	+15	+11
July	43	25	35	51	22	24	+11	+1
August	20	20	28	36	52	44	-32	-24
September	45	33	27	35	28	32	+17	+1
October	36	29	31	44	33	27	+3	+2
November	33	30	40	35	27	35	+6	-5
January 2016	52	32	23	32	25	36	+27	-4
February	31	25	43	48	26	27	+5	-2
March	39	47	35	35	26	18	+13	+29
April	34	21	27	47	39	32	-5	-11
May	31	28	40	44	29	28	+2	0
June	45	49	30	33	25	18	+20	+31
July	35	30	27	35	38	35	-3	-5
August	35	24	35	32	30	44	+5	-20
September	40	62	31	17	29	21	+11	+41
October	45	41	28	34	27	25	+18	+16
November	50	45	26	40	24	15	+26	+30

3 Jobs in the UK

Month	UP	SAME	DOWN	UP – DOWN
January 2012	29	63	8	+21
February	18	68	14	+4
March	34	62	4	+30
April	35	61	4	+31
May	20	69	11	+9
June	23	64	13	+10
July	34	61	5	+29
August	31	60	9	+22
September	19	71	10	+9
October	22	62	16	+6
November	25	56	19	+6
January 2013	6	81	13	-7
February	24	66	10	+14
March	14	82	4	+10
April	17	75	8	+9
May	18	75	7	+11
June	17	75	8	+9
July	33	60	7	+26
August	20	70	10	+10
September	16	77	7	+9
October	32	66	2	+30
November	15	85	0	+15
January 2014	27	70	3	+24
February	33	61	6	+27
March	23	68	9	+14
April	18	76	6	+12
May	26	72	2	+24
June	38	57	5	+33
July	44	53	3	+41
August	24	67	9	+15
September	34	63	3	+31
October	12	74	14	-2
November	29	59	12	+17
January 2015	44	52	4	+40
February	15	75	10	+5
March	28	67	5	+23
April	28	69	3	+25
May	32	60	8	+24
June	21	72	7	+14
July	22	78	0	+22
August	27	65	8	+19
September	22	68	10	+12
October	15	62	23	-8
November	40	40	20	+20
January 2016	26	65	9	+17
February	22	64	14	+8
March	23	68	9	+14
April	26	65	9	+17
May	40	50	10	+30
June	27	53	20	+7
July	20	62	18	+2
August	31	53	16	+15
September	29	54	17	+12
October	26	61	13	+13
November	26	70	4	+22

4 Investment Activity

Month	Investment stopped	Plans deferred	Developing projects	Investing in all areas	Investing in staff	Other
January 2012	3	14	26	42	9	6
February	4	4	32	45	11	4
March	2	14	39	32	7	6
April	8	12	37	31	8	4
May	4	15	36	30	13	2
June	13	14	29	27	14	3
July	9	13	27	39	5	7
August	3	15	41	23	12	6
September	13	4	46	25	4	8
October	5	13	40	24	13	5
November	17	8	31	29	9	6
January 2013	14	17	41	14	10	4
February	6	6	34	23	25	6
March	2	9	42	33	7	7
April	0	11	33	35	11	10
May	0	5	43	34	9	9
June	6	3	37	37	11	6
July	3	7	33	40	13	4
August	10	3	32	45	7	3
September	0	7	50	36	7	0
October	0	6	47	33	6	8
November	0	6	41	44	6	3
January 2014	5	0	37	47	3	8
February	0	14	33	39	6	8
March	6	6	35	41	6	6
April	6	6	18	46	18	6
May	5	5	28	46	16	0
June	7	3	28	47	9	6
July	6	0	38	44	12	0
August	5	0	47	38	5	5
September	9	0	44	38	3	6
October	16	6	31	25	19	3
November	3	6	18	39	27	6
January 2015	17	4	10	59	7	3
February	8	8	13	38	23	10
March	13	11	18	45	5	8
April	0	8	28	42	17	5
May	11	5	26	40	13	5
June	8	5	33	46	5	3
July	0	6	38	50	6	0
August	5	13	31	36	13	2
September	3	16	29	45	7	0
October	6	9	31	28	23	3
November	5	13	15	36	23	8
January 2016	8	4	34	38	8	8
February	8	14	27	24	19	8
March	8	15	8	50	19	0
April	9	9	17	39	26	0
May	10	15	20	35	20	0
June	0	28	20	27	20	5
July	0	18	26	17	24	15
August	8	8	15	23	46	0
September	3	7	29	35	16	10
October	3	16	24	41	11	5
November	4	4	21	60	7	4

Notes: choice of statements in full:

- | | | |
|------------------------------------|---|---|
| 1. All investment activity stopped | 3. Developing projects but not committing to them | 5. Investing in staff development and training but not capital investment |
| 2. Investment plans deferred | 4. Investing in all areas of the business | 6. Other |

5 Capital Availability

Month	More Difficult		About the same		Easier		Difficult / easier Balance	
	Working	Investment	Working	Investment	Working	Investment	Working	Investment
January 2012	21	27	68	70	11	3	-10	-24
February	10	9	90	91	0	0	-10	-9
March	11	10	83	86	6	4	-5	-6
April	17	13	75	85	8	2	-9	-11
May	17	18	78	78	5	4	-12	-14
June	16	16	80	79	4	5	-12	-11
July	11	7	87	87	2	6	-9	-1
August	9	13	87	87	4	0	-5	-13
September	13	9	81	89	6	2	-7	-7
October	13	8	82	92	5	0	-8	-8
November	14	10	82	84	4	6	-10	-4
January 2013	21	18	75	75	4	7	-17	-11
February	11	11	78	81	11	8	0	-3
March	11	16	84	84	5	0	-6	-16
April	17	15	77	83	6	2	-9	-13
May	5	8	90	92	5	0	0	-8
June	8	6	86	83	6	11	-2	+5
July	3	0	90	93	7	7	+4	+7
August	9	13	82	87	9	0	0	-13
September	7	7	90	84	3	7	-4	0
October	5	5	95	92	0	3	-5	-2
November	6	3	91	91	3	6	-3	+3
January 2014	8	3	73	86	19	11	+11	+8
February	11	6	81	88	8	6	-3	0
March	6	6	82	88	12	6	+6	0
April	9	3	76	82	15	15	+6	+12
May	15	15	72	75	13	10	-2	-5
June	3	6	72	72	25	22	+22	+16
July	3	3	78	87	19	10	+16	+7
August	14	0	86	90	0	10	-14	+10
September	6	3	86	89	9	9	+3	+6
October	0	12	88	82	12	6	+12	-6
November	12	9	79	79	9	12	-3	+3
January 2015	7	4	90	86	3	10	-4	+6
February	13	11	79	81	8	8	-5	-3
March	11	14	86	83	3	3	-8	-11
April	3	8	86	86	11	5	+8	-3
May	5	5	84	90	11	5	+6	0
June	5	13	92	82	3	3	-2	-8
July	13	13	74	74	13	13	0	0
August	16	14	81	78	3	8	-13	-6
September	10	7	83	83	7	10	-3	+3
October	6	6	83	85	11	9	+5	+3
November	8	13	84	82	8	5	0	-8
January 2016	19	18	81	77	0	5	-19	-13
February	14	12	77	74	9	14	-5	+2
March	11	4	81	81	8	15	-3	+11
April	9	9	87	91	4	0	-5	-9
May	10	11	75	78	15	11	+5	0
June	8	12	87	80	5	8	-3	-4
July	11	6	78	85	11	9	0	+3
August	8	8	92	92	0	0	-8	-8
September	10	7	90	90	0	3	-10	-4
October	13	13	76	74	11	13	-2	0
November	4	7	82	82	14	11	+10	+4

Monthly change in confidence (%)

2010	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov
Up	37	46	62	29	25	42	32	24	44	28	42
Same	53	40	38	50	63	50	50	61	47	61	51
Down	10	14	0	21	12	8	18	15	9	11	7
Balance	+27	+32	+62	+8	+13	+34	+14	+9	+35	+17	+35
2011											
Up	46	45	48	14	23	39	24	18	28	15	19
Same	48	53	46	51	58	56	50	58	60	70	70
Down	6	2	6	35	19	5	26	24	12	15	11
Balance	+40	+43	+42	-21	+4	+34	-2	-6	+16	0	+8
2012											
Up	32	43	32	22	16	11	16	18	25	31	20
Same	62	49	66	62	64	60	51	58	56	53	71
Down	6	8	2	16	20	29	33	24	19	16	9
Balance	+26	+35	+30	+6	-4	-18	-17	-6	+6	+15	+11
2013											
Up	28	15	10	22	31	25	38	23	46	33	23
Same	56	65	72	60	60	61	56	67	42	54	68
Down	12	20	18	18	9	14	6	10	12	13	9
Balance	+16	-5	-8	+4	+22	+11	+32	+13	+34	+20	+14
2014											
Up	46	38	31	31	38	35	27	15	31	32	24
Same	45	57	61	58	48	55	62	62	59	46	61
Down	9	3	8	11	14	10	11	23	10	22	15
Balance	+37	+35	+23	+20	+24	+25	+16	-8	+21	+10	+9
2015											
Up	44	29	27	24	23	30	25	17	25	22	25
Same	27	52	49	59	52	48	62	53	48	52	45
Down	29	19	24	17	25	21	13	28	27	26	30
Balance	+15	+10	+3	+7	-2	+9	+12	-11	-2	-4	-5
2016											
Up	23	22	23	33	26	28	23	25	35	45	41
Same	54	57	59	54	48	37	47	63	47	42	52
Down	23	21	18	13	26	35	30	12	18	13	7
Balance	0	+1	+5	+20	0	-7	-7	+13	+17	+32	+34