

European Chemical Market Confidence Index (CMCI)

24 October 2016



CMCI Overview

The ICIS European Chemical Market Confidence Index (CMCI) aggregates sentiment from hundreds of market players actively involved in buying and selling chemicals across more than 60 different markets.

The CMCI runs from +100 to -100, with zero on each index representing neutral, or uncertain conditions, a negative score indicating bearish expectations and a positive score representing bullish expectations.

The CMCI also gather sentiment on the comparison between the current situation and the situation across the past 12 months to give a complete picture of current market conditions and confidence.

Information Gathering

The information is gathered by the ICIS editorial team using various telecommunication methods in the third full week of each month, and published in the fourth full week, except in December when the results will be published in the first full week in January. Any data collected outside of the third week of the month is not included in the CMCI. The data is then aggregated and anonymised for release. Non-anonymised data is not shared outside of the ICIS editorial team, in line with ICIS [Confidentiality](#) and [Editorial Standards](#) policies.

CMCI Composition

The CMCI comprises the following six questions:

1. Are current business conditions more favourable, less favourable or unchanged from 12 months ago?
2. Do you expect business conditions to be more favourable, less favourable or the same in 12 months' time?
3. Are current order book volumes higher lower or the same as one year ago?
4. Do you expect order book volumes to be higher, lower, or unchanged in 12 months' time?
5. Is profitability higher, lower, or the same as one year ago?
6. Do you expect profitability to be higher, lower, or unchanged in 12 months' time?

Information is also gathered on the market each source operates in, and their position in that market. Sources operating in multiple markets are asked to provide individual responses for each market they operate in.

CMCI Calculation

The Index is calculated as follows:

The number of more favourable/higher responses for each question is multiplied by 1. The number of less favourable/lower responses for each question is multiplied by -1. The number of more neutral/uncertain responses is multiplied by 0. The total 'score' is then divided by the total number of responses for each question and multiplied by 100, for ease of statistical representation, to give the CMCI figure. The maximum Index is 100, the minimum Index is -100. The further the Index is from zero indicates the strength of the market view (up or down).

Where statistically possible, the CMCI information is further segmented by industry sector, persona type, market position and end-use. The CMCI is an unweighted index.

Participation

Anyone actively involved in buying or selling chemicals in the European market is welcome to contribute to the CMCI, subject to ICIS usual verification processes.

If you would like to participate in the monthly confidence survey, please contact Mark Victory at mark.victory@icis.com or discuss with your existing editorial contact.