

DG ECFIN - Directorate A - Policy strategy and co-ordination

	LTA ⁽¹⁾	2008	2009	09Q3	09Q4	10Q1	10Q2	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	
1. Output														
Economic Sentiment	indicator	100.7	93.5	80.8	84.1	91.9	96.6	99.3	100.6	98.4	98.9	101.1	101.8	--
Industrial confidence	balance	-7.0	-9.3	-28.4	-26.3	-18.5	-12.2	-6.4	-7.3	-6.4	-5.6	-4.0	-3.9	--
Services confidence	balance	14.5	2.0	-15.6	-12.3	-4.3	0.4	4.3	5.5	3.5	3.9	6.5	7.1	--
Industrial production (excluding construction)	% ch. on prev. period				2.8	1.2	2.4	2.5	0.8	1.1	-0.1	0.1	--	--
	% ch. on prev. year		0.6	-1.8	-14.9	-14.5	-7.5	4.7	9.2	9.4	9.9	8.4	7.3	--
Gross domestic product	% ch. on prev. period				0.4	0.2	0.3	1.0						
	% ch. on prev. year		1.6	0.5	-4.1	-4.0	-2.0	0.8	1.9					
Labour productivity	% ch. on prev. period				0.9	0.4	0.3	1.0						
	% ch. on prev. year		0.7	-0.3	-2.2	-1.7	0.0	2.0	2.5					
2. Private consumption														
Consumer confidence	balance	-11.9	-18.1	-24.7	-21.4	-17.0	-16.8	-16.7	-15.0	-17.8	-17.3	-14.0	-11.4	-11.2
Retail confidence	balance	-6.7	-6.9	-15.5	-14.1	-12.1	-6.6	-4.3	-1.3	-5.9	-5.6	-4.2	-3.5	--
Private consumption	% ch. on prev. period				-0.1	0.2	0.2	0.5						
	% ch. on prev. year		1.6	0.4	-1.1	-1.2	-0.4	0.3	0.8					
Retail sales	% ch. on prev. period				-0.2	0.2	0.5	0.1	-0.8	0.5	0.3	0.1	--	--
	% ch. on prev. year		1.1	-0.7	-2.3	-2.3	-1.0	0.5	0.6	-0.4	0.9	1.3	1.2	--
3. Investment														
Capacity utilisation	level (%)	81.6	83.0	71.4	69.6	71.0	72.3	75.5	75.5	--	--	77.4	--	--
Production expectations (manuf.)	balance	5.4	-1.7	-14.9	-9.2	1.2	7.1	9.4	9.0	9.8	9.3	9.4	8.0	--
Gross fixed capital formation	% ch. on prev. period				-1.1	-1.2	-0.4	1.8						
	% ch. on prev. year		1.5	-0.8	-11.3	-11.8	-9.3	-4.6	-1.0					
- equipment investment	% ch. on prev. period				0.3	0.0	1.4	3.6						
	% ch. on prev. year			1.4	-17.7	-18.9	-14.0	-1.1	5.4					
- construction investment	% ch. on prev. period				-1.8	-1.9	-1.5	1.3						
	% ch. on prev. year		0.8	-2.5	-7.7	-7.6	-6.6	-6.6	0.0					
Change in stocks	contrib. to GDP (pp.)	0.0	-0.1	-1.0	0.6	0.0	0.7	0.2						
4. Labour market														
Employment expectations (manuf.)	balance	-12.8	-8.6	-31.2	-30.5	-24.0	-18.3	-10.6	-12.7	-10.1	-8.9	-5.8	-6.3	--
Employment expectations (services)	balance	7.5	4.4	-12.5	-11.6	-6.9	-4.0	0.5	0.7	0.4	0.4	1.4	1.0	--
Employment	% ch. on prev. period				-0.5	-0.2	0.0	0.0						
	% ch. on prev. year		0.9	0.8	-1.9	-2.3	-2.0	-1.2	-0.6					
Employment (000)	abs. ch. on prev. period		1 128	-2 775	-721	-270	20	-14						
Compensation of employees per head (nominal)	% ch. on prev. period				0.7	0.3	0.2	0.8						
	% ch. on prev. year		2.1	3.2	1.6	1.6	1.4	1.4	1.9					
Unemployment rate	% of lab. force		7.6	9.4	9.7	9.8	9.9	10.0	10.0	10.0	10.0	10.0	--	--
Unemployment (000)	abs. ch. on prev. period		212	2 975	531	224	154	150	35	53	3	-8	--	--
5. International transactions														
World trade	% ch. on prev. period				4.0	6.1	5.7	3.6	-1.4	2.2	0.8	-0.8	--	--
	% ch. on prev. year		5.6	2.3	-12.9	-13.4	0.1	17.1	20.9	18.2	22.6	21.0	17.0	--
Export order books	balance	-19.1	-14.9	-58.0	-60.0	-51.2	-41.3	-28.7	-31.8	-29.4	-24.9	-21.4	-18.2	--
Trade balance (merchandise)	billion EUR		-51.2	20.3	5.2	9.3	4.0	-3.8	0.2	-2.6	-1.4	-0.2	--	--
Exports of goods and services	% ch. on prev. period				2.8	2.0	2.4	4.4						
	% ch. on prev. year		4.6	0.9	-13.1	-13.4	-4.7	5.9	12.0					
Imports of goods and services	% ch. on prev. period				2.6	1.3	4.0	4.4						
	% ch. on prev. year		4.5	0.7	-11.7	-12.1	-6.5	5.0	12.8					
Current account balance	billion EUR		-161.6	-67.6	-10.8	-7.1	-9.6	-16.8	-5.6	-7.4	-3.8	-3.8	--	--
Direct investment	billion EUR		-198.7	-78.9	-23.7	9.0	-34.9	-31.7	-11.4	-12.4	-7.9	-1.9	--	--
Portfolio investment	billion EUR		344.1	308.7	78.2	53.9	22.4	103.6	32.3	64.4	6.9	-23.8	--	--
6. Prices														
Consumer inflation expectations	balance	21.6	23.0	-6.7	-13.9	-10.2	0.7	10.2	8.3	11.7	10.6	11.2	10.9	--
Headline inflation (HICP)	% ch. on prev. year		3.3	0.3	-0.4	0.4	1.1	1.5	1.5	1.6	1.4	1.7	1.6	--
Core HICP	% ch. on prev. year		2.4	1.3	1.2	1.0	0.9	0.8	0.8	0.9	0.9	1.0	1.0	--
Domestic producer prices	% ch. on prev. year		6.1	-5.1	-7.9	-4.7	-0.1	3.0	2.8	3.1	3.1	4.0	--	--
Import prices	% ch. on prev. year		8.0	-8.8	-11.7	-7.1	5.0	11.3	11.3	11.5	11.0	--	--	--
Oil (Brent) in USD	level		98.6	62.5	68.9	75.3	77.2	79.7	85.5	78.0	75.7	75.2	77.2	77.7
	% ch. on prev. year		36.1	-36.7	-41.7	28.8	69.5	34.2	67.3	35.6	9.6	14.6	6.0	13.6
Oil (Brent) in EUR	level		66.2	44.5	48.2	51.0	55.9	62.6	63.7	62.2	62.0	58.7	59.9	59.7
	% ch. on prev. year		25.7	-32.8	-38.4	14.9	60.0	44.2	64.5	47.8	25.8	26.1	17.2	27.1
Non-energy commodity prices (EUR)	% ch. on prev. period				3.9	5.1	10.3	19.2	13.8	2.5	1.4	2.1	3.1	--
	% ch. on prev. year		4.2	-17.3	-19.0	5.3	27.4	43.6	43.5	43.9	43.4	47.8	43.8	--
7. Monetary and financial indicators														
Nominal interest rates (3 month)	level		4.64	1.22	0.87	0.72	0.66	0.69	0.64	0.69	0.73	0.85	0.90	0.88
Nominal interest rates (10 year)	level		4.01	3.27	3.33	3.25	3.20	2.84	3.08	2.81	2.63	2.65	2.37	2.35
ECB repo rate	level		3.90	1.28	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Stock market (Eurostoxx)	% ch. on prev. period				11.8	8.0	-0.8	-4.0	1.6	-10.0	0.0	1.1	1.6	2.0
	% ch. on prev. year		-23.1	-24.0	-18.9	14.8	31.8	14.9	30.1	8.9	7.9	8.4	0.4	-2.1
Money demand (M3)	% ch. on prev. year		9.5	3.0	2.4	-0.1	-0.2	0.0	-0.2	0.0	0.2	0.2	1.1	--
Loans to households	% ch. on prev. year		1.7	1.3	-0.3	1.3	2.2	2.7	2.5	2.6	2.7	2.7	2.9	--
Loans to non-financial corporations	% ch. on prev. year		9.5	-2.2	-0.2	-2.2	-2.3	-1.7	-2.5	-2.1	-1.7	-1.4	-1.1	--
Bilateral exchange rate EUR/USD	level		1.47	1.39	1.43	1.48	1.38	1.27	1.34	1.26	1.22	1.28	1.29	1.30
	% ch. on prev. year		7.3	-5.2	-5.0	12.1	6.1	-6.8	1.6	-7.9	-12.9	-9.4	-9.6	-10.8
Nominal effective exchange rate	% ch. on prev. period				1.0	1.2	-6.0	-5.1	-1.2	-3.1	-2.1	1.8	-0.4	0.1
	% ch. on prev. year		4.8	0.7	0.2	6.0	-2.9	-8.9	-5.6	-9.0	-11.7	-9.9	-10.4	-11.4

(1) LTA=Long-Term Average

(2) Data available until date of update



1. Output

According to the Commission's **interim economic forecast**, published on 13 September 2010, euro-area economy is recovering at a faster pace than previously envisaged. Based on an update for the largest Member States, **GDP** in the euro area is now expected to expand by 1.7% in 2010, implying a sizable upward revision from the 0.9% forecast in spring. Meanwhile, the headline **inflation rate** for 2010 was marginally revised down to 1.4% (by 0.1 pp. compared to the spring forecast).

Eurostat's first estimates for **GDP growth** in 10Q2 confirmed the flash estimate of 1.0% quarter-on-quarter (q-o-q), up from a revised 0.3% growth rate in 10Q1. The rebound was broad-based across various expenditure components. Beside expanding private and government consumption (both by 0.5% q-o-q), investment turned positive for the first time since 07Q4, growing at a rate of 1.8%. The contribution of domestic demand to GDP growth increased to 0.7 pp. with the strongest contributions coming from investment and private consumption. All euro-area economies, except for Greece and Ireland, were expanding in 2010Q2; GDP increased by 2.2% q-o-q in Germany, 1.0% in the Netherlands, 0.6% in France, 0.5% in Italy and 0.2% in Spain.

Industrial confidence remained broadly unchanged in August. As to components; somewhat better order books (from -21 to -19) were offset by slightly more negative managers' production expectations as well as their assessment of excessive stocks. In a long-term perspective, industrial confidence has improved markedly since the March 2009 record low and is higher than the long-term average for the 6th consecutive month. *Note that since May 2010 business surveys data are classified in accordance with an updated version of the Nomenclature of Economic Activities (NACE rev. 2) causing a potential break in series at this date.*

Industrial production showed signs of easing at the beginning of the third quarter 2010; as it remained stable in July compared to June. On a year-on-year comparison basis, industrial production increased by 7.1%. By sector, durable consumer goods decreased by 0.6% month-on-month (m-o-m), intermediate goods fell by 0.3%, while the production of capital goods and non-durable consumer goods grew by 0.1%.

In July 2010 compared with June 2010, the euro area **industrial new orders index** fell by 2.4%. Excluding ships, railway & aerospace equipment, for which changes tend to be more volatile, industrial new orders fell by 0.6%.

2. Private consumption

After increasing by 0.2% in previous two quarters (09Q4 and 10Q1), euro-area **private consumption** rose by 0.5% q-o-q in the 10Q2, the highest growth rate in almost 3 years. Year-on-year, consumption was also expanding, by 0.8% in the 10Q2. Although disposable income remains weak, the decline in the household saving rate from its peak during the crisis, subdued inflation and stabilising labour-market conditions bode well for consumer spending in the near term.

In September 2010, the **DG ECFIN flash estimate of the consumer confidence** indicator remained broadly unchanged in the euro area (-11.2 after -11.4 in August). In August, consumer confidence had gained momentum and risen by 3 points. All components contributed to the overall improvement, with substantial easing in unemployment fears, along with greater optimism about the households' general economic situation.

In July, the volume of **retail trade** increased (m-o-m) by 0.1% after 0.2% growth in June (July y-o-y: 1.1%). While Portugal posted the strongest increase (3.0% m-o-m), retail sales in Germany fell by 0.3% and in Spain by 3.0%. The **retail confidence** indicator was almost unchanged in August (at -4), remaining above the long-term average (-7).

3. Investment

After contracting in the previous two years, euro-area **gross fixed capital formation** posted growth of 1.8% q-o-q in 10Q2. However, compared with a year ago (09Q2), it was still falling by -1.0%. Investment has been a main source of weakness during this recession.

After hitting the bottom in the third quarter of last year, the rate of **capacity utilisation** in manufacturing has improved gradually in the euro area. According to the Commission's quarterly survey, in the third quarter of 2010 the rate increased to 77.4%, which is still below the long-term average (81.2%) and the levels reported in 2008.

4. Labour market

In July, the **unemployment rate** held steady for the fifth consecutive month, at 10.0% (9.6% in July 2009). This rate is based on Eurostat's estimate of some 15.8 million unemployed. Unemployment rates in reporting euro-area Member States stood between 3.8% in Austria and 20.3% in Spain.

For the second consecutive quarter, **employment** in 10Q2 remained stable. Compared with the same quarter of the previous year, employment fell by 0.6%, after a fall of 1.2% in 10Q1.



While the views of managers in manufacturing and services sectors on future **employment prospects** remained unchanged in August (compared to July), consumers' fears of their future employment situation continued to ease substantially.

According to the DG ECFIN's quarterly manufacturing survey, the level of **labour shortages** is gradually increasing from the historical low levels in the second half of 2009; currently 2.3% of firms report that unfilled job openings were constraining production (1.8% in 2010Q2 and 0.9% in 2010Q1).

5. International transactions

In August, the assessment of **export order books** improved further (by +3 points) and now exceeding for the first time since September 2008 its long-term average. In July, the seasonally-adjusted **euro-area trade balance** with the rest of the world showed a deficit of 0.2 bn. euro. In 2010Q2, **exports of goods and services** increased by 4.4% (q-o-q) in volume terms (2.4% in 10Q1) and **imports** rose by equal 4.4% (4.0% in 10Q1).

In July 2010, the euro-area **current account** recorded a deficit of 3.8 billion euro. This reflected deficits in current transfers (8 billion euro) and income (1.4 billion euro), which were only partly offset by surpluses in goods (3.4 billion euro) and services (2.2 billion euro). The **financial account** recorded net outflows of 26 billion euro, showing net outflows in both portfolio and direct investment.

6. Prices

HICP inflation was at 1.6% in August, down from 1.7% in July. A year earlier the rate was -0.2%. Euro-area **core inflation** in August was stable at 1.0%. **The Commission's interim forecast** has revised euro-area inflation marginally down to 1.4%; from 1.5% in the spring forecast.

Oil prices rebounded during 2009, after declining sharply in 08H2. Amid much volatility, this trend continued in the first months of 2010. In September, the volatility of oil prices was moderate, with prices ranging between 75 and 80 USD/bl.. On 27 September, the price of Brent crude oil was 78.5 USD per barrel

Euro-area **industrial producer prices** rose by 0.2% (m-o-m) in July, after rising by similar magnitude in June (0.3%). On an annual basis, industrial producer prices rose by 4.0% in July, while the less volatile index of producer prices excluding energy increased by 2.0%. Hourly **labour-costs** in the euro area grew by 1.6% y-o-y in 2010Q2 (1.9% in 10Q1), while compensation per employee grew at a rate of 1.9% y-o-y.

7. Monetary and financial indicators

Interbank money market conditions diverged substantially between the US and the EU during the summer. The US Libor had dropped significantly more than the Euribor as the Federal Reserve announced further measures aimed at loosening the monetary policy in a more difficult economic context in the US. In September, the rates remained broadly unchanged. On September 27, the US 3-month Libor rate was at 0.29%, significantly down from the 0.53% in July; the 3-month Euribor stood at 0.88% (0.74% a year ago).

Benchmark sovereign bond yields have declined sharply during the summer. The 10-year German Bund declined to 2.1% at the end of August (from 2.7% at the end of July) and the US 10-year bond yield reached 2.5% (still 3.0% end July). These moves reflect mainly a broad spike in risk aversion in August on the back of worries regarding the economic recovery in the US. Until late September benchmark yields increased slightly reflecting higher risk appetite (27 September DE: 2.26% and US: 2.61%). After broad widening in August, peripheral sovereign debt spreads were more mixed in September, with country-specific differences persisting.

The annual rate of change of **M3** increased to 1.1% in August 2010, up from 0.2% growth in July. **Loan growth to the private sector** also increased to 1.2% in August, after 0.3% in June and 0.8% in July. The annual rate of change of **loans to non-financial corporations** increased to -1.1% in August, from -1.4% in July. The annual growth rate of **loans to households** also increased to 2.9% in August, after 2.7% in the previous month.

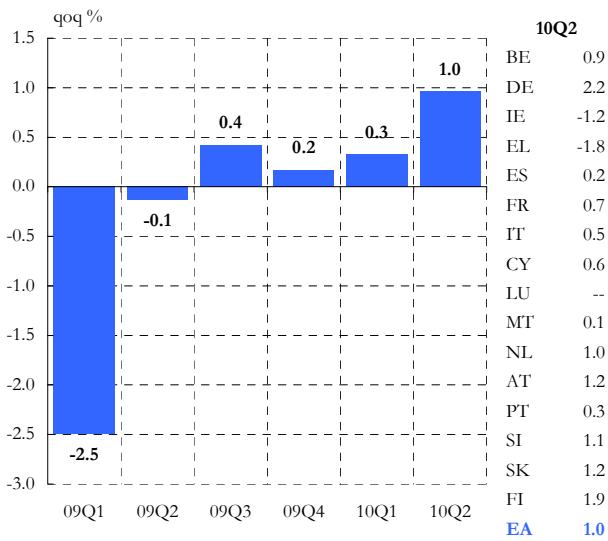
Concerns about fiscal sustainability in some Member States and the expectation of a stronger growth outside Europe were among the main causes mentioned in foreign exchange markets for the slide of the **euro exchange rate** in May and June. Concerns about the economic outlook for the US and China, as well as reaction to the release of the CEBS stress test results, contributed to an appreciation of the euro since July. On September 27, the euro traded at 113.4 JPY, while the USD-EUR exchange rate was 1.35 (markedly above the recent low of 1.19 on 8 June).

The **stock market** indices kept a positive momentum until mid-April this year, mainly on the back of encouraging macroeconomic data and positive earnings. However, they suffered broad losses in May and June and recovered somewhat in July. More recently, after a global retreat from risk in August, investors seemed to favourably reassess the economic prospects in September and the global indexes advanced.

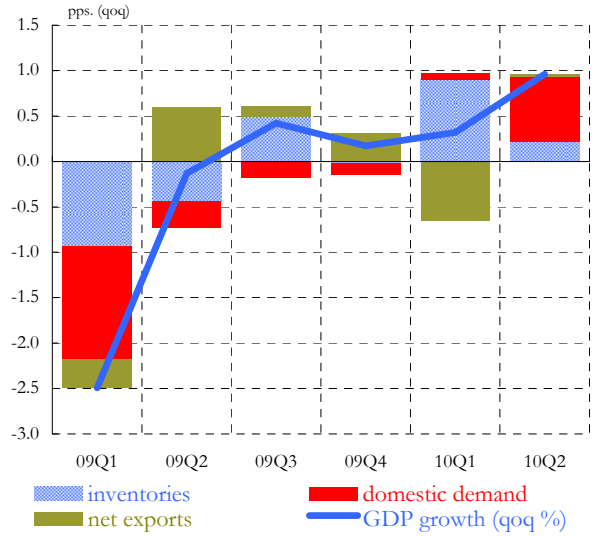


1. OUTPUT

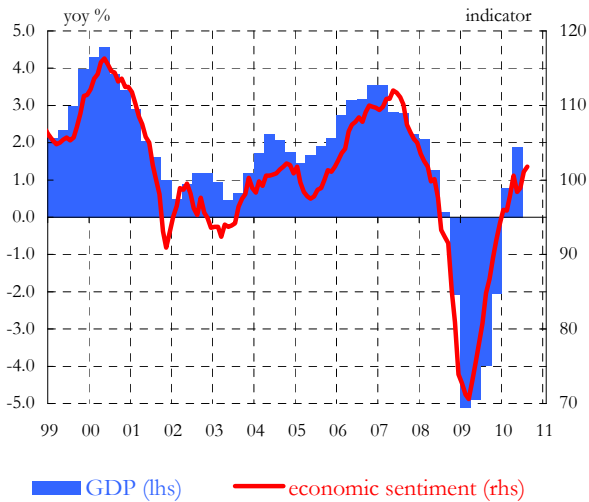
GDP



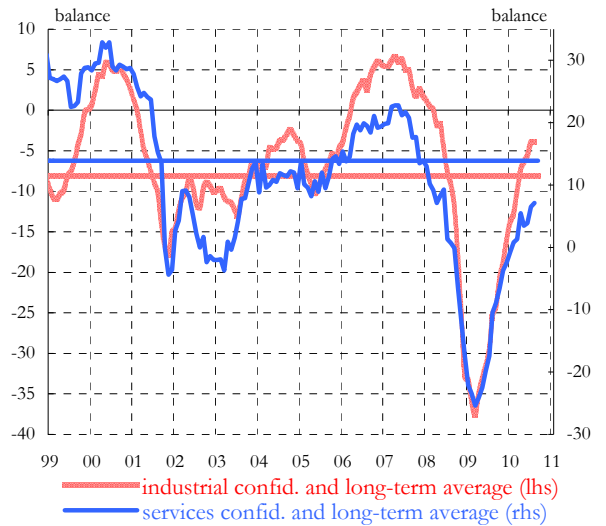
Contributions to GDP growth



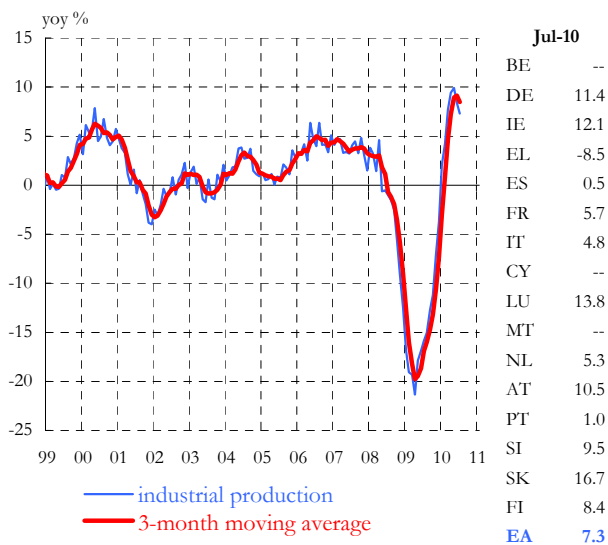
GDP and Economic Sentiment Indicator



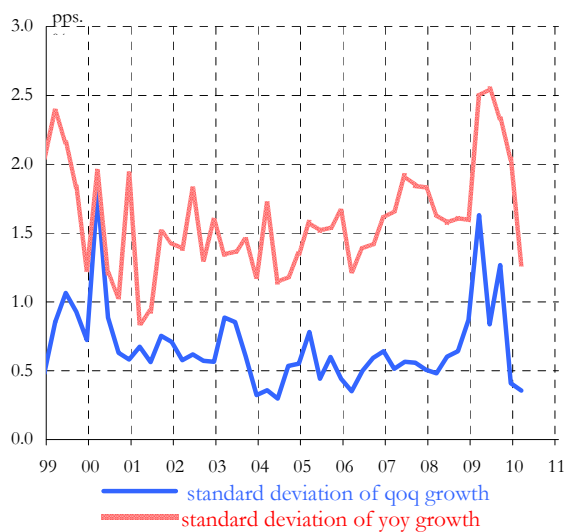
Industrial and services confidence



Industrial production



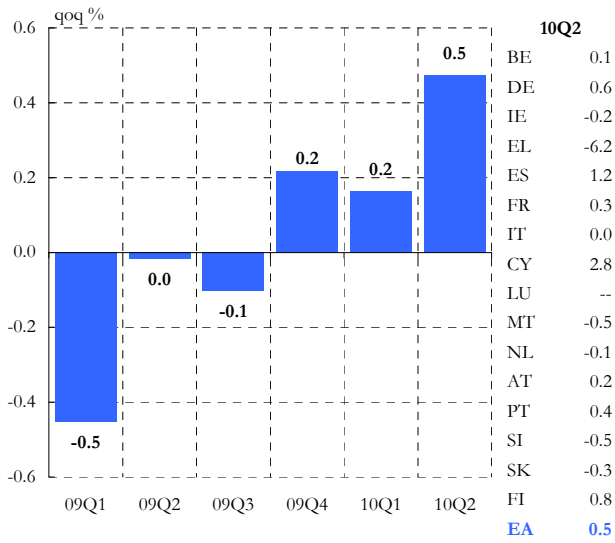
GDP growth divergence, euro area



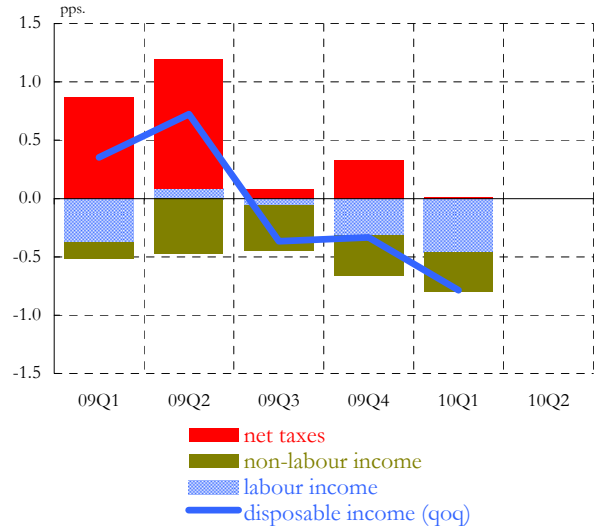


2. PRIVATE CONSUMPTION

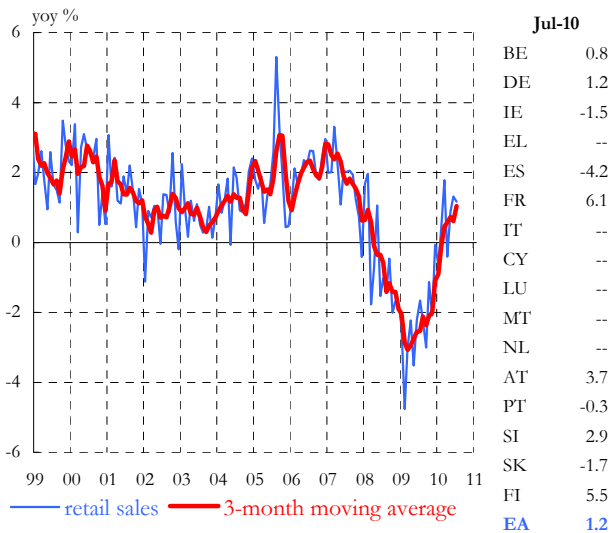
Private consumption



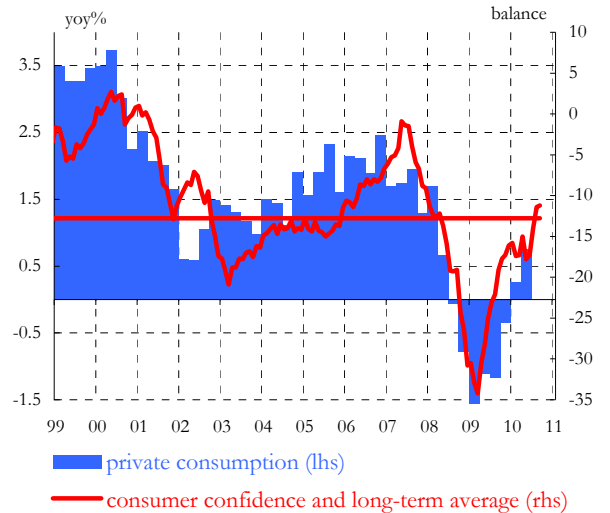
Gross disposable income and its components



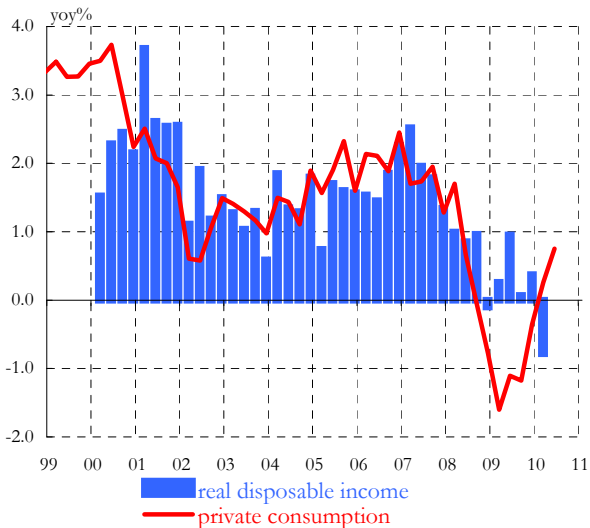
Retail sales



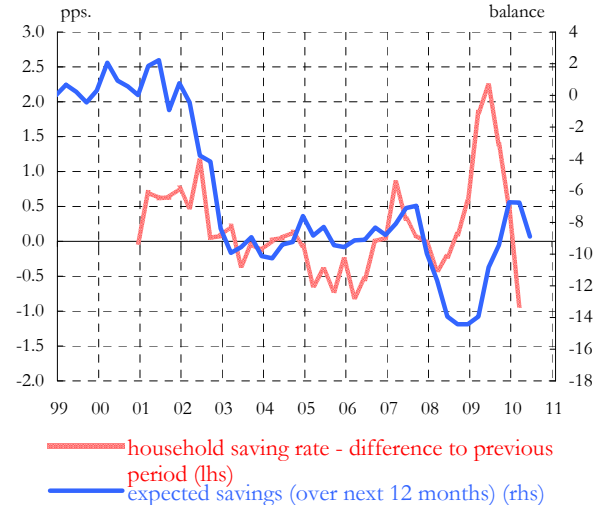
Consumer confidence and private consumption



Households: real disposable income and consumption



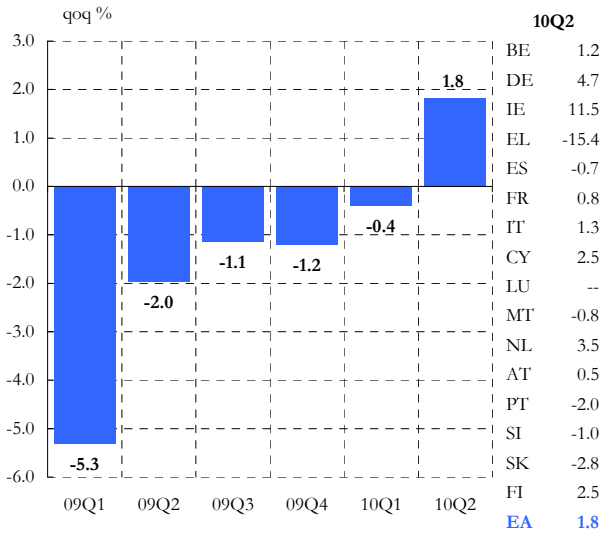
Households: actual saving rate and expected savings



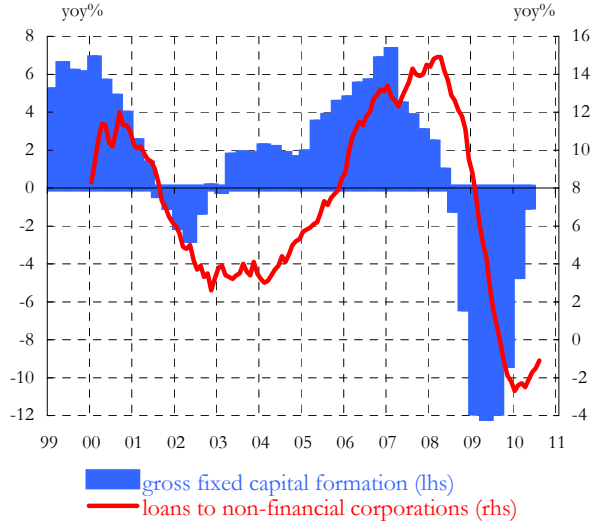


3. INVESTMENT

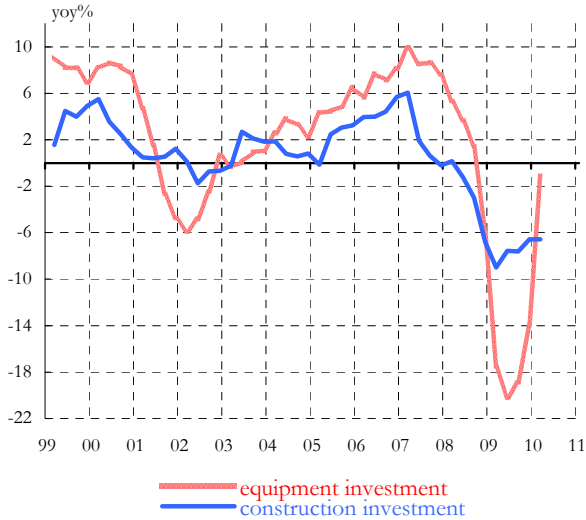
Gross fixed capital formation



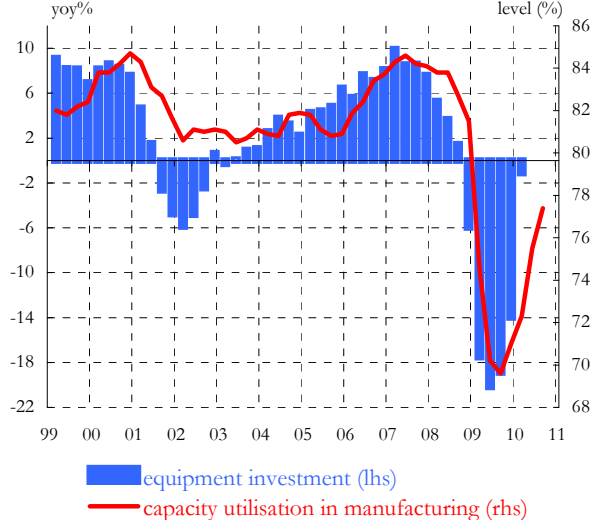
Gross fixed capital formation and corporate loans



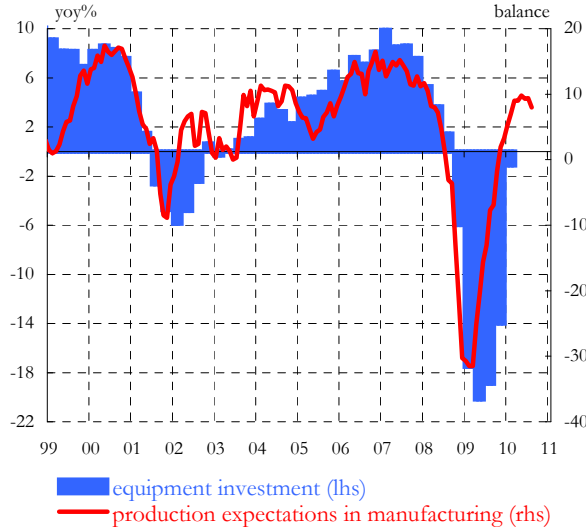
Equipment and construction investment



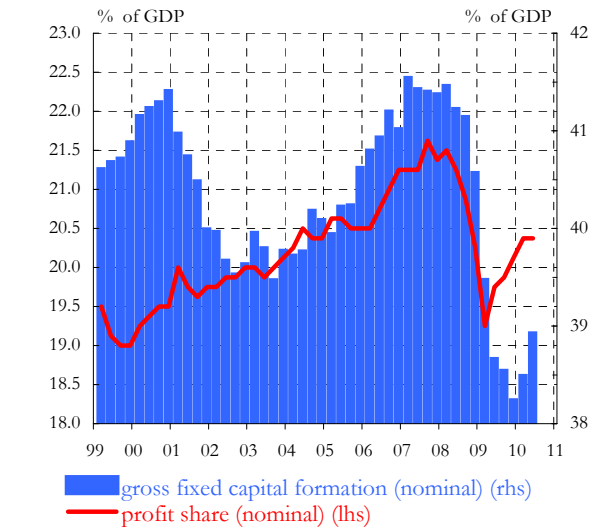
Equipment investment and capacity utilisation



Equipment investment and production expectations



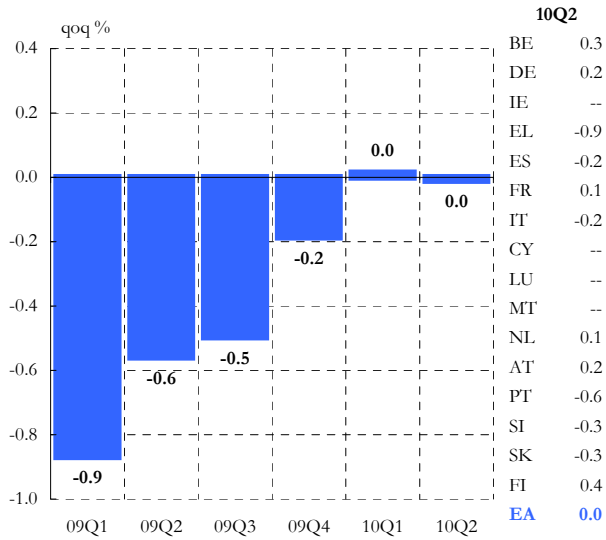
Gross fixed capital formation and profit share



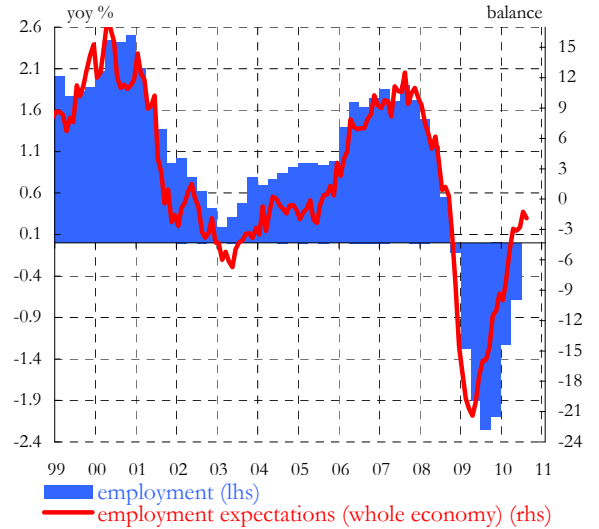


4. LABOUR MARKET

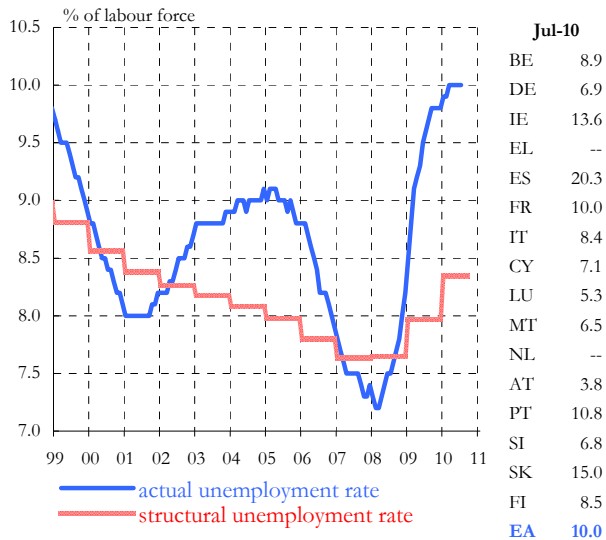
Employment



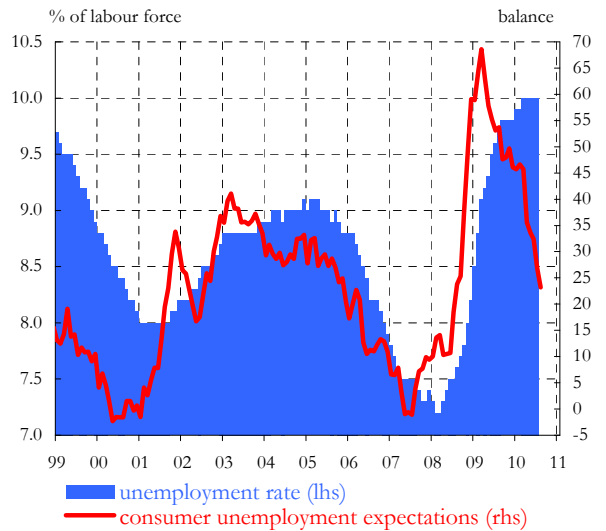
Employment and employment expectations



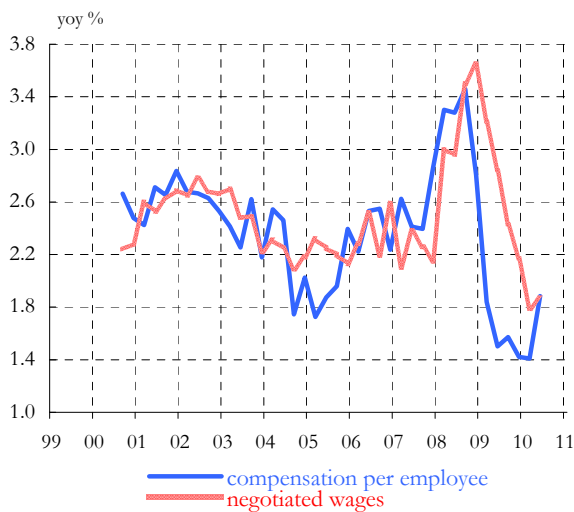
Actual and structural unemployment rate



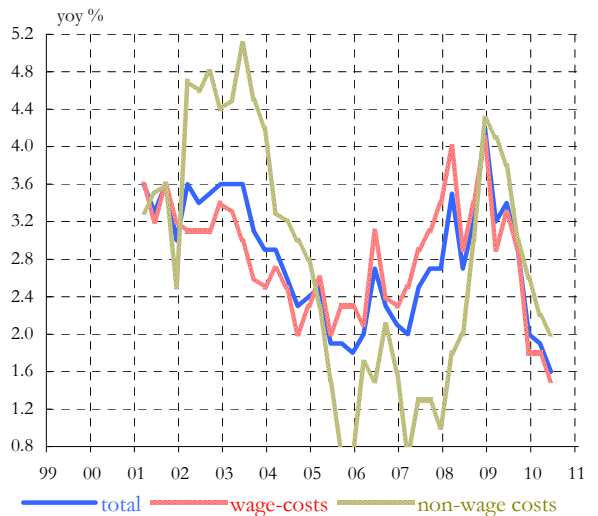
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



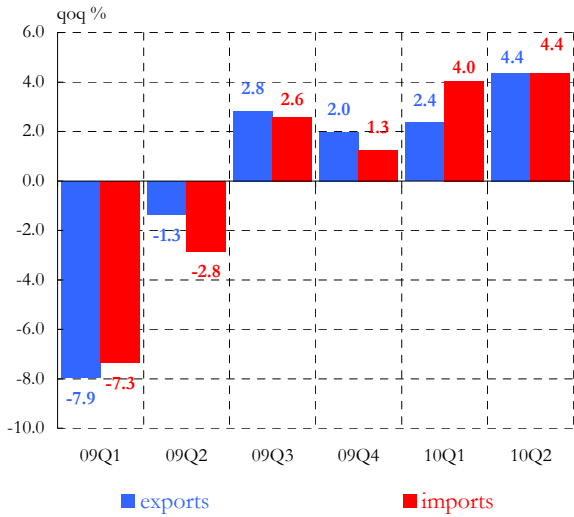
Labour costs in the private business sector (nominal)



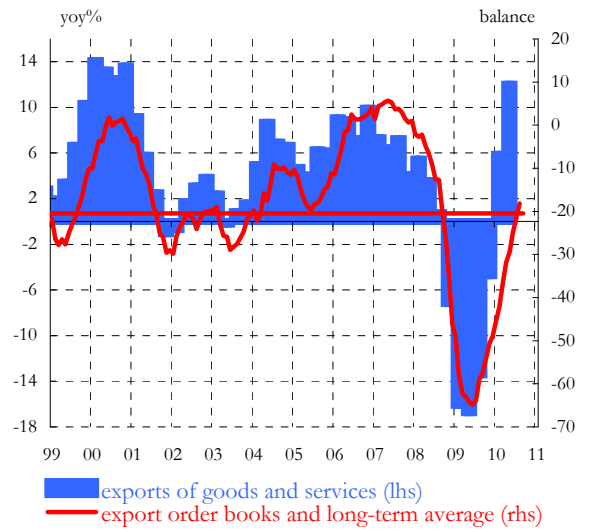


5. INTERNATIONAL TRANSACTIONS

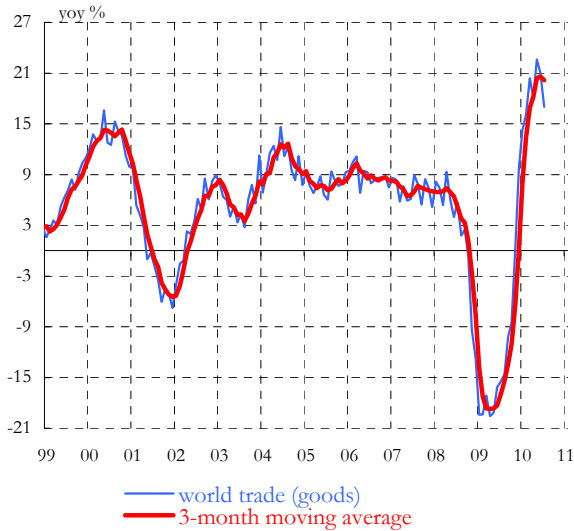
Exports and imports of goods and services



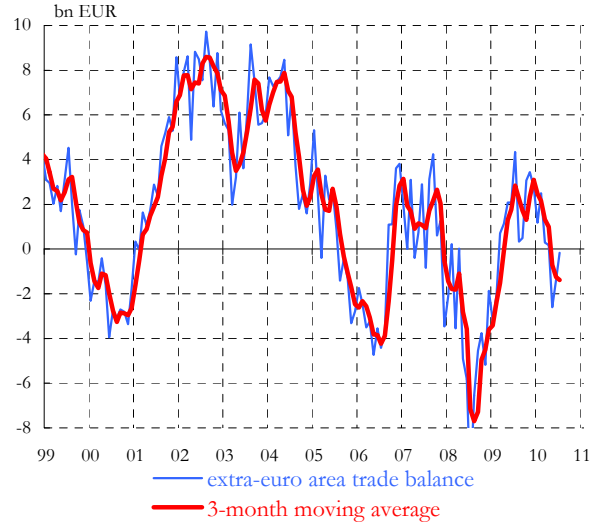
Exports and export order books



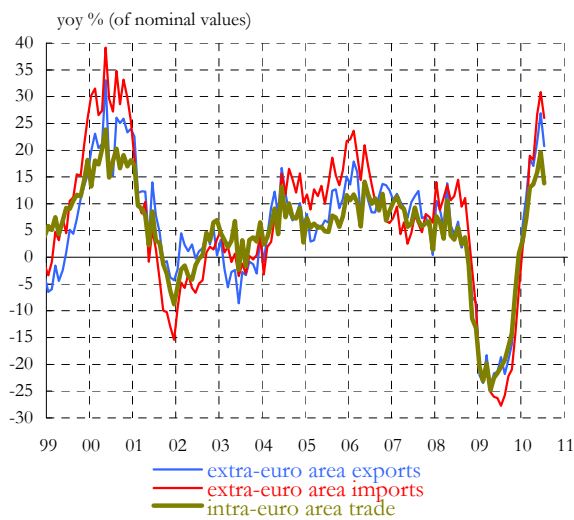
World trade



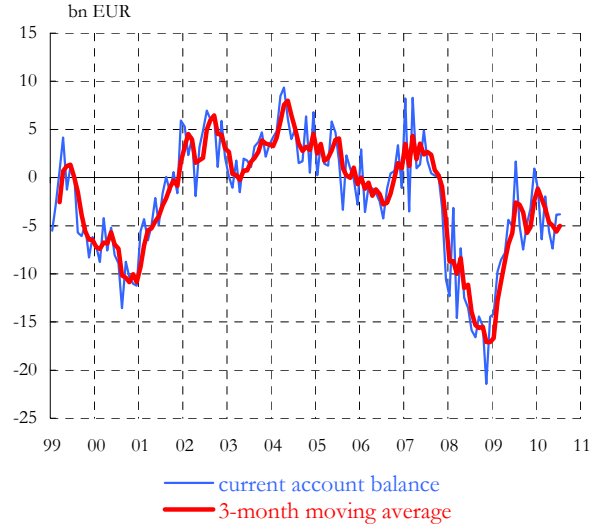
Extra euro-area trade balance



Extra- and intra-euro area trade



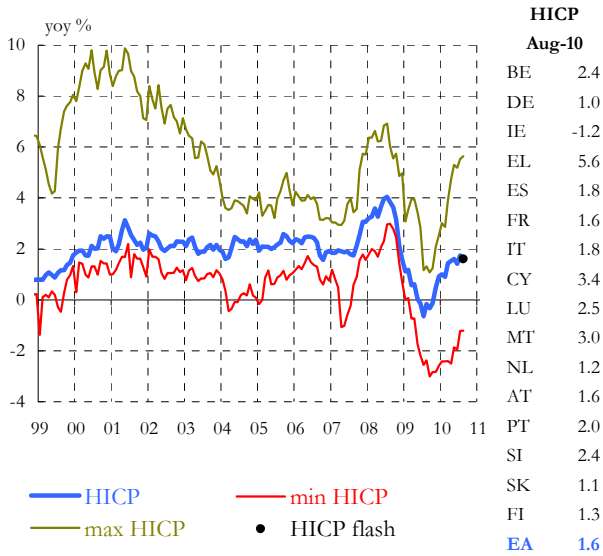
Current account balance



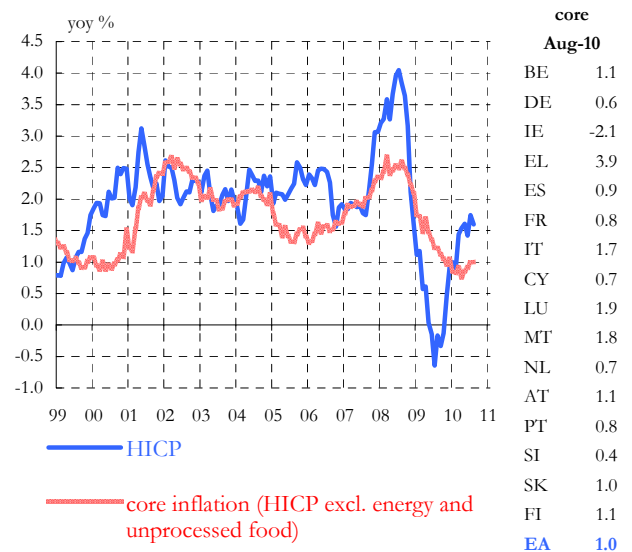


6. PRICES

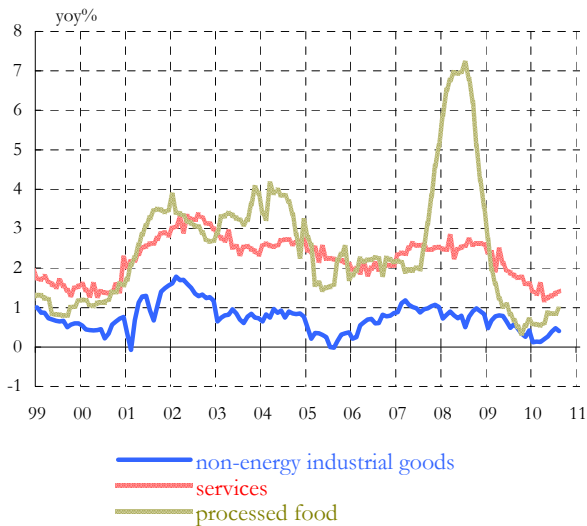
Harmonised index of consumer prices (HICP)



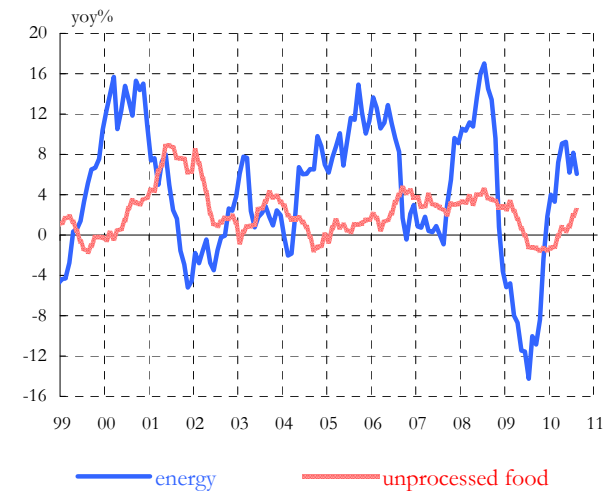
HICP and core inflation



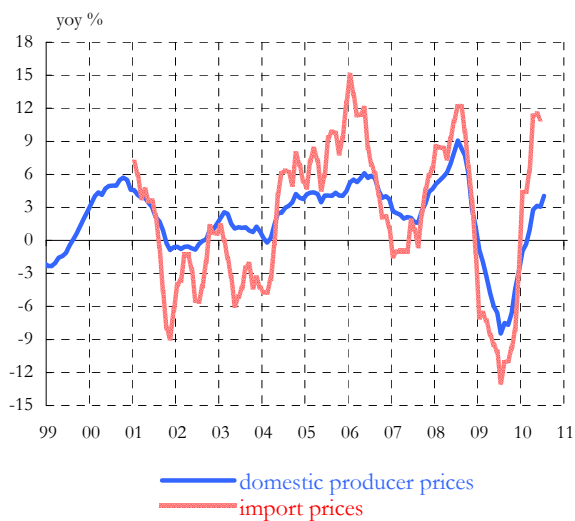
Breakdown of core inflation



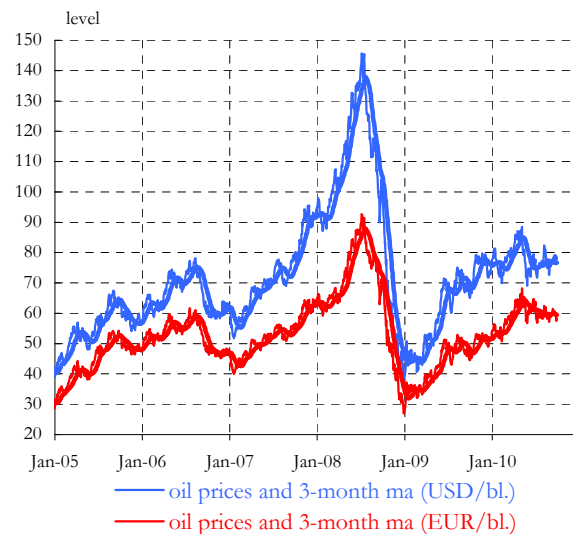
Energy and unprocessed food



Domestic producer prices and import prices



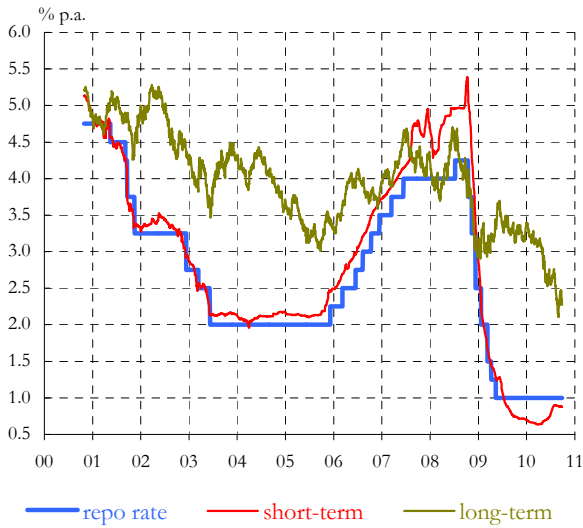
Oil prices



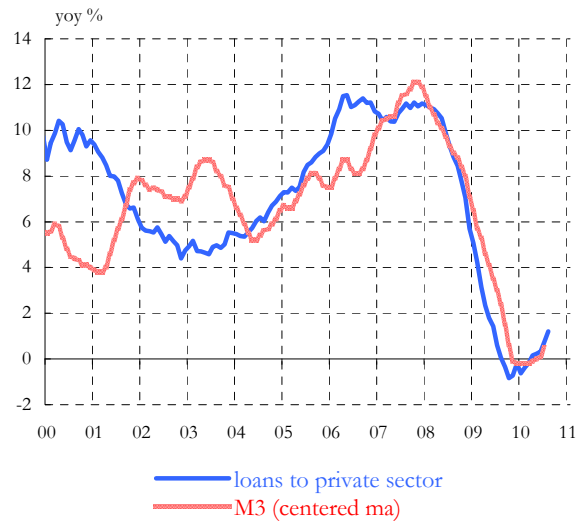


7. MONETARY AND FINANCIAL INDICATORS

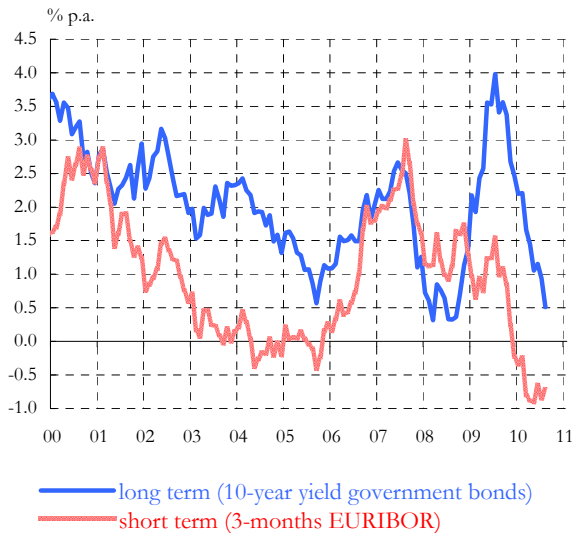
Nominal interest rates



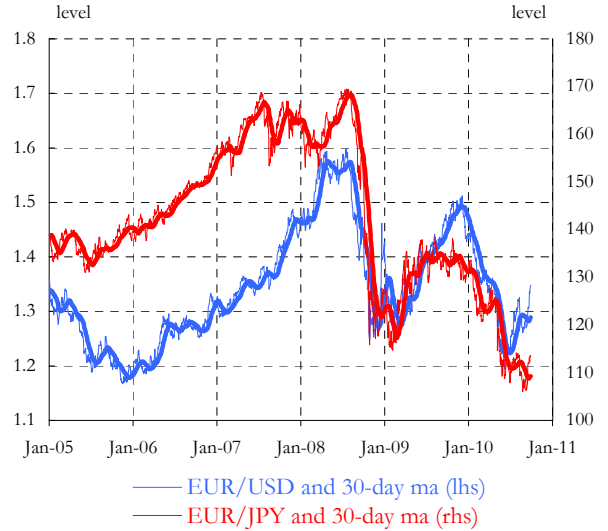
Loans to private sector and money supply



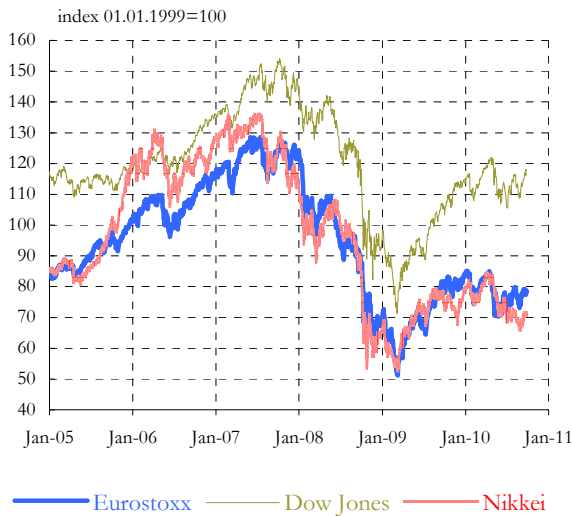
Real interest rates



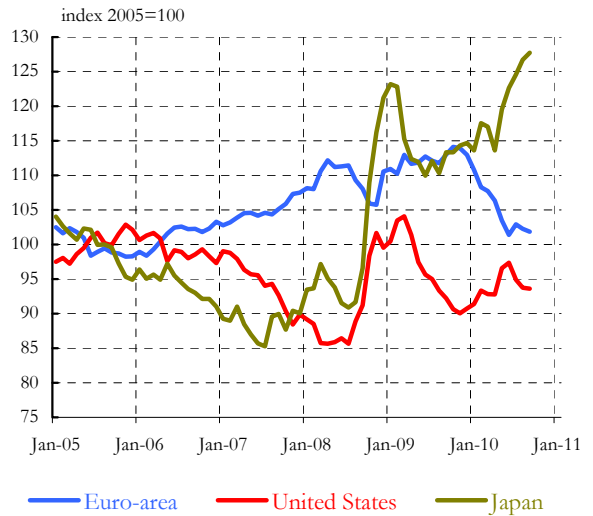
Euro vis-à-vis US dollar and JP yen



Stock market indices



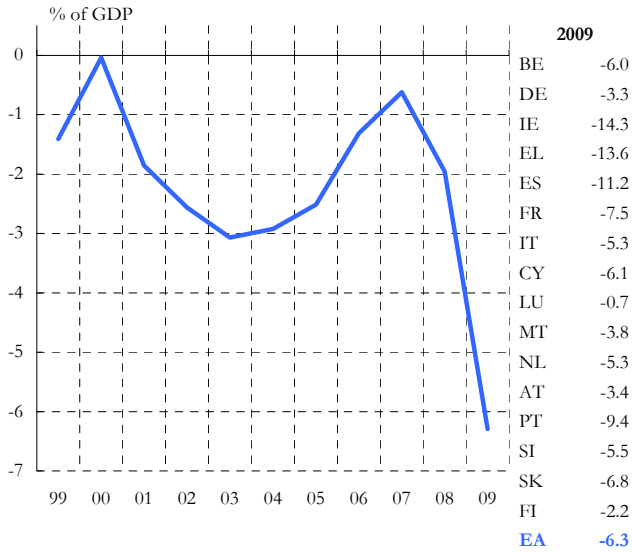
Nominal effective exchange rates



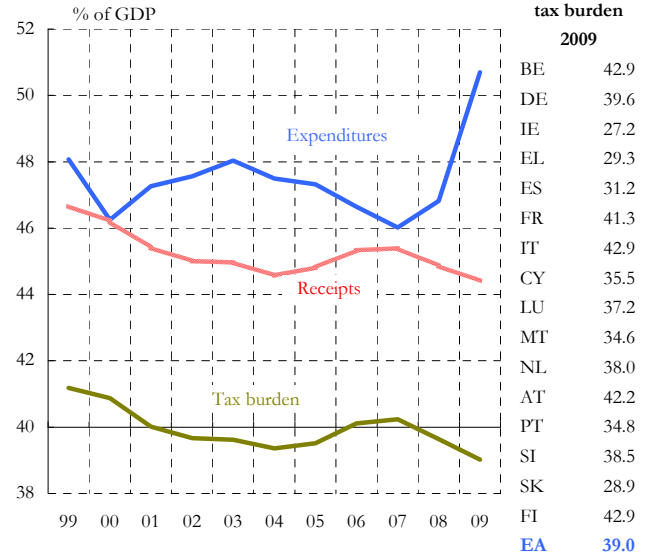


8. PUBLIC FINANCES*

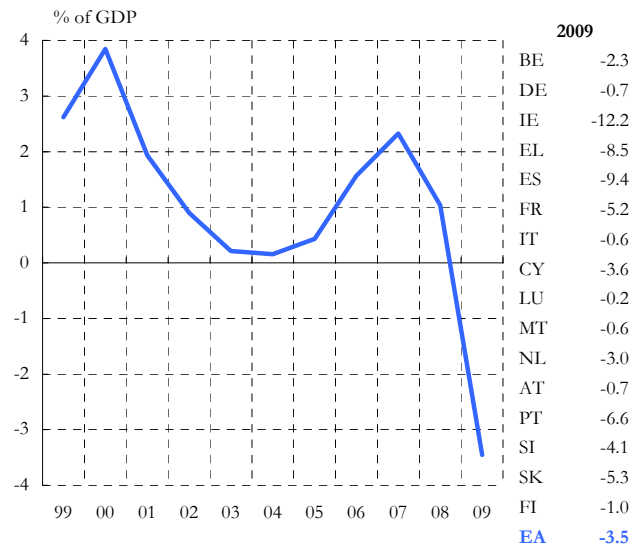
Government general balance



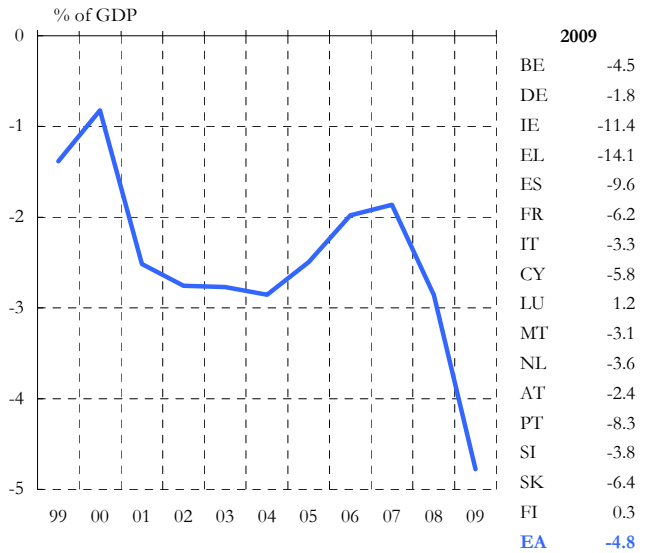
General government expenditures and receipts



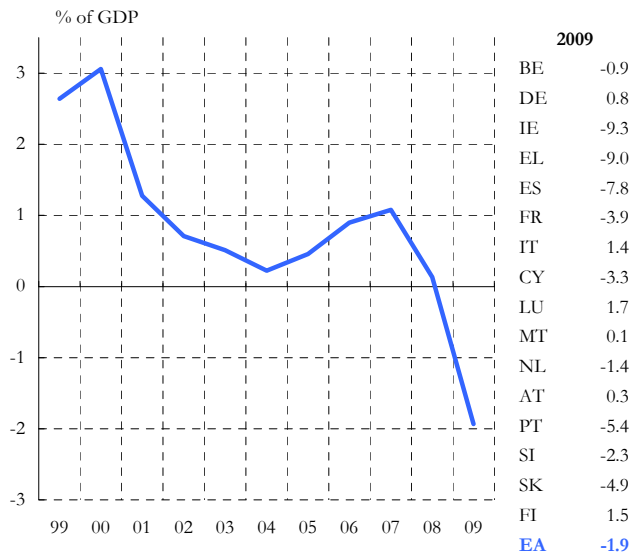
Primary balance



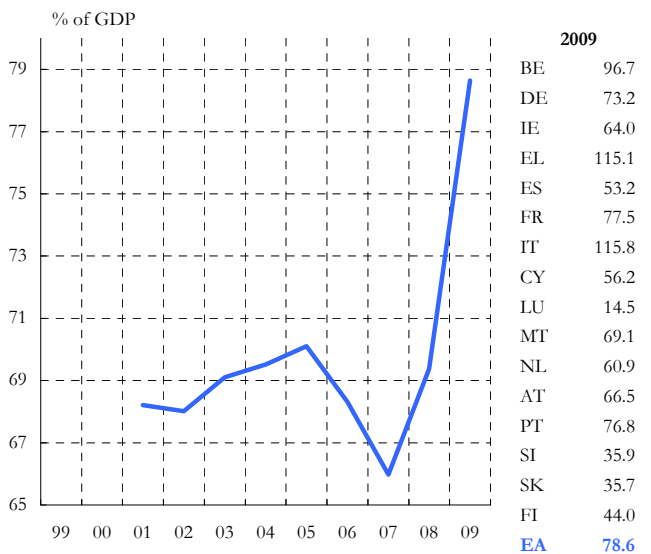
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



* Figures are from the Commission's spring 2010 forecast

KEY INDICATORS FOR THE EURO AREA



Euro-area	Indicators as from 2009 refer to Belgium (BE), Germany (DE), Ireland (IE), Greece (GR), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Luxembourg (LU), Malta (MT), the Netherlands (NL), Austria (AT), Portugal (PT), Slovenia (SI), Slovakia (SK), Finland (FI).	
Indicator	Note	Source
1. Output		
Economic Sentiment Indicator	The economic sentiment indicator is the weighted average (of the industrial confidence indicator (40%), the services confidence indicator (30%), the consumer confidence indicator (20%), the construction confidence indicator (5%) and the retail trade confidence indicator (5%)). Data are seasonally adjusted.	DG ECFIN
Industrial confidence indicator	The industrial confidence indicator is the arithmetic average of the balances (%) referring to the questions on production expectations, order books and stocks (the latter with inverted sign) from the survey of manufacturing industry. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Services confidence indicator	The services confidence indicator is the arithmetic average of the balances (%) referring to the questions on business situation and recent and expected evolution of demand from the survey of services. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Industrial production	Monthly Production Index (2005=100), NACE Rev.2 B-C-D, Total industry (excluding construction). Mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
Gross domestic product	Gross domestic product at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Labour productivity defined as the difference between GDP growth and employment growth.	Eurostat
GDP divergence	Standard deviation of GDP growth of the following countries: BE, DE, ES, FR, IT, CY, LU, NL, AT, PT, SI, FI.	Eurostat
2. Private consumption		
Consumer confidence indicator	The consumer confidence indicator is the arithmetic average of the balances (%) referring to the questions on the financial situation of households, general economic situation, unemployment expectations (with inverted sign) and savings; all over next 12 months. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Retail confidence indicator	The retail confidence indicator is the arithmetic average of the balances (%) referring to the questions on the present and the future business situation and the volume of stocks (with inverted sign). The long-term average refers to the period from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Private consumption	Household & NPISH final consumption expenditure at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Retail sales	Retail trade (NACE Rev.2 G47) excluding motor vehicles, motorcycles; Deflated turnover, mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
3. Investment		
Capacity utilization	In percent of full capacity in the manufacturing sector. Data are seasonally adjusted (collected in January, April, July and October).	DG ECFIN
Production expectations	Production expectations in manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Gross fixed capital formation	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Equipment investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2000), EUR, metal products, machinery and transport equipment. Data are seasonally and working-day adjusted.	Eurostat
Construction investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2000), EUR, construction work and housing. Data are seasonally and working-day adjusted.	Eurostat
Change in stocks	Changes in inventories and acquisitions less disposals of valuables (at prices of previous year).	Eurostat
Profit share	Ratio of nominal gross operating surplus and gross mixed income to nominal GDP	Eurostat

KEY INDICATORS FOR THE EURO AREA



4. Labour market		
Employment expectations (manufacturing)	Managers' employment expectations over the next three months in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Employment expectations (services)	Managers' employment expectations over the next three months in the services sector. Data are seasonally adjusted.	DG ECFIN
Employment expectations (whole economy)	Weighted average of managers' employment expectations over the next three months in the manufacturing (19%), services (65%), construction (6%) and retail sectors (10%). Weights in brackets according to value-added share on GDP of the respective sector. Data are seasonally adjusted.	DG ECFIN
Employment	Total domestic employment (number of persons). Data are seasonally and working-day adjusted.	Eurostat
Compensation of employees per head	Nominal compensation of employees divided by the number of employees. Data are seasonally and working-day adjusted.	DG ECFIN
Unemployment expectations	Consumers' unemployment expectations over the next twelve months. Data are seasonally adjusted.	DG ECFIN
Unemployment rate	Harmonized unemployment rate (in percent of labour force), ILO definition. Data are seasonally adjusted.	Eurostat
Structural unemployment rate	Non-accelerating inflation rate of unemployment. Data are seasonally adjusted.	OECD
Total labour costs	Nominal wage- and non-wage costs less subsidies in the private business sector. Data are seasonally and working-day adjusted.	Eurostat
Wage costs	Nominal wage and salary costs include direct remunerations, bonuses, and allowances, payments to employees saving schemes, payments for days not worked and remunerations in kind. Data are seasonally and working-day adjusted.	Eurostat
Non-wage costs	Nominal non-wage costs include the employers' social contributions plus employment taxes less subsidies. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Ratio between GDP and employment. Data are seasonally and working-day adjusted.	DG ECFIN
5. International transactions		
World trade	Volume, 1998=100, seasonally adjusted	CPB
Export order books	Managers' export order expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Extra-euro area exports	Nominal extra-euro area exports of goods, fob. Data are seasonally adjusted.	Eurostat
Extra-euro area imports	Nominal extra-euro area imports of goods, cif. Data are seasonally adjusted.	Eurostat
Extra-euro area trade balance	Difference between extra-euro area exports and extra-euro area imports. Data are seasonally adjusted.	Eurostat
Intra-euro area trade	Nominal intra-euro area trade in goods, fob. Data are seasonally adjusted.	Eurostat
Current account balance	Transactions in goods and services plus income and current transfers between residents and non-residents of the euro area. Data are seasonally and working-day adjusted.	ECB
Exports of goods and services	Exports of goods and services at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Imports of goods and services	Imports of goods and services at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Direct investment	Nominal transactions/positions in assets abroad by euro-area residents less nominal transactions/positions in euro-area assets by non-residents. To be regarded as a direct investment, ownership in an enterprise must be equivalent to more than 10% of the ordinary shares or voting power.	ECB
Portfolio investment	Nominal transactions/positions in securities (including equities) abroad by euro-area residents less nominal transactions/positions in euro-area securities (including equities) by non-residents. To be regarded as a portfolio investment, ownership in an enterprise must be equivalent to less than 10% of the ordinary shares or voting power.	ECB

KEY INDICATORS FOR THE EURO AREA



6. Prices		
HICP	Harmonized index of consumer prices (index 2005=100)	Eurostat
Core HICP	HICP excluding energy and unprocessed food (index 2005=100)	Eurostat
Producer prices	Domestic producer price index, total industry excluding construction (index 2005=100)	Eurostat
Selling price expectation	Managers' selling-price expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Import prices	Unit value index of imports, Current Prices (index 2000=100)	Eurostat
Oil prices	Price of north sea Brent in USD/barrel and EUR/barrel	ICE
Non-energy commodity prices	Market price for non-fuel commodities in EUR terms (index 2000c=100)	HWWI
7. Monetary and financial indicators		
Nominal interest rate (3-month)	3-month EURIBOR interbank rate (360 day)	ECB/Ec owin
Nominal interest rate (10-year)	10-year interest rate on government bonds for euro area (based upon the 10-year German government bond)	ECB/Ec owin
ECB repo rate	Minimum bid rate of main refinancing operations, end of period.	ECB/Ec owin
Money demand (M3)	Monetary aggregate including currency in circulating (banknotes and coins), operational deposits in central bank, money in current accounts, saving accounts, money market deposits, certificates of deposit, all other deposits and repurchase agreements. Data are seasonally adjusted.	ECB
Loans to private sector	Loans by MFI (monetary and financial institutions) to euro area residents (excl government). Data are seasonally adjusted.	ECB
Real long-term interest rates	Nominal interest rate (10-year) deflated by HICP index	DG ECFIN
Real short-term interest rates	Nominal interest rate (3-month) deflated by HICP index	DG ECFIN
Stock markets	Eurostoxx50, Dow Jones and Nikkei indices (1.1.1999=100)	Ecwin
Exchange rates	EUR/USD and EUR/JPY reference rates	ECB
Nominal effective exchange rate	Monthly Nominal Effective Exch. Rates vs. rest of IC36 (index 2005 = 100)	DG ECFIN
8. Public finance		
General government balance	Net lending (+) or net borrowing (-) of general government	DG ECFIN
Primary government balance	Net lending (+) or net borrowing (-) of general government minus interest payment	DG ECFIN
Cyclically adjusted balance	Net lending (+) or net borrowing (-) of general government corrected for the influence of the business cycle	DG ECFIN
Cyclically adjusted primary balance	Primary government balance corrected for the influence of the business cycle	DG ECFIN
General government expenditures and receipts	Nominal expenditures and receipts; tax burden includes taxes on production and imports (incl. taxed paid to EU), current taxes on income and wealth (direct taxes) and actual social contributions	DG ECFIN
General government debt	Cumulative sum of net lending (+) or net borrowing (-) positions of general government	DG ECFIN