

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

		LTA ⁽¹⁾	2010	2011	11Q3	11Q4	12Q1	12Q2	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12
1. Output														
Economic Sentiment	indicator	100.7	100.5	101.0	98.4	93.6	94.1	91.1	94.5	94.5	92.9	90.5	89.9	--
Industrial confidence	balance	-5.9	-4.7	0.1	-2.8	-7.0	-6.6	-11.0	-5.7	-7.1	-9.0	-11.4	-12.7	--
Services confidence	balance	11.1	4.5	5.4	3.5	-1.6	-0.6	-5.0	-0.9	-0.3	-2.4	-5.2	-7.4	--
Industrial production	% ch. on prev. period				0.7	-2.0	-0.4	--	0.7	-0.1	-1.1	--	--	--
(excluding construction)	% ch. on prev. year	1.1	7.3	3.5	3.9	-0.2	-1.6	--	-1.6	-1.5	-2.4	--	--	--
Gross domestic product	% ch. on prev. period				0.1	-0.3	0.0	--						
	% ch. on prev. year	1.5	2.0	1.5	1.3	0.7	0.0	--						
Labour productivity	% ch. on prev. period				0.3	-0.1	0.2	--						
	% ch. on prev. year	1.3	2.5	1.3	1.1	0.9	0.4	--						
2. Private consumption														
Consumer confidence	balance	-12.1	-14.2	-14.6	-15.9	-20.6	-20.0	-19.7	-20.3	-19.1	-19.9	-19.3	-19.8	--
Retail confidence	balance	-8.3	-4.1	-5.5	-7.5	-11.1	-13.8	-14.7	-14.0	-12.0	-11.1	-18.1	-14.9	--
Private consumption	% ch. on prev. period				0.4	-0.5	0.0	--						
	% ch. on prev. year	1.4	0.9	0.2	0.2	-0.7	-0.7	--						
Retail sales	% ch. on prev. period				0.3	-1.3	0.2	--	-0.2	0.4	-1.4	0.6	--	--
	% ch. on prev. year	1.1	0.9	-0.6	-0.5	-1.3	-1.0	--	-2.0	0.0	-3.4	-1.7	--	--
3. Investment														
Capacity utilisation	level (%)	81.5	75.8	80.4	80.5	79.6	79.8	79.7	--	--	79.7	--	--	--
Production expectations (manuf.)	balance	6.5	11.4	9.4	5.2	0.6	2.1	-3.5	3.0	1.5	-1.6	-3.5	-5.5	--
Gross fixed capital formation	% ch. on prev. period				-0.3	-0.6	-1.4	--						
	% ch. on prev. year	1.4	0.0	1.4	0.8	0.7	-2.6	--						
- equipment investment	% ch. on prev. period				0.4	-0.9	-2.4	--						
	% ch. on prev. year		4.6	4.3	3.6	0.9	-2.7	--						
- construction investment	% ch. on prev. period				-0.9	-0.5	-1.1	--						
	% ch. on prev. year		-4.3	-0.9	-1.2	0.4	-3.2	--						
Change in stocks	contrib. to GDP (pp.)	0.0	0.4	0.4	-0.4	-0.4	-0.3	--						
4. Labour market														
Employment expectations (manuf.)	balance	-11.3	-7.7	2.7	1.6	-3.7	-3.7	-7.1	-3.7	-3.9	-4.7	-7.5	-9.0	--
Employment expectations (services)	balance	6.5	1.5	6.3	6.2	3.2	3.0	-2.9	2.7	3.0	-0.4	-3.2	-5.0	--
Employment	% ch. on prev. period				-0.2	-0.2	-0.2	--						
	% ch. on prev. year	0.5	-0.6	0.1	0.2	-0.2	-0.5	--						
Employment (000)	abs. ch. on prev. period		-815	194	-263	-341	-281	--						
Compensation of employees per head (nominal)	% ch. on prev. period				0.2	0.5	0.6	--						
	% ch. on prev. year	2.1	1.6	2.2	2.3	2.2	1.9	--						
Unemployment expectations	balance	26.3	31.2	23.3	24.1	33.8	34.7	32.6	36.2	34.7	33.5	30.8	33.4	--
Unemployment rate	% of lab. force		10.1	10.2	10.2	10.6	10.9	--	10.8	11.0	11.0	11.1	--	--
Unemployment (000)	abs. ch. on prev. period		872	125	424	579	460	0	152	183	116	88	--	--
5. International transactions														
World trade	% ch. on prev. period				1.5	0.1	1.4	--	0.5	-0.2	-0.8	--	--	--
	% ch. on prev. year		14.9	5.7	5.3	2.9	2.5	--	3.1	2.1	2.8	--	--	--
Export order books	balance	-18.4	-24.7	-6.5	-8.8	-14.4	-13.8	-20.0	-14.3	-13.3	-17.3	-20.2	-22.4	--
Trade balance (merchandise)	billion EUR		-14.6	-11.9	-4.4	11.9	12.8	--	3.9	3.7	6.2	--	--	--
Exports of goods and services	% ch. on prev. period				1.5	-0.6	1.0	--						
	% ch. on prev. year	5.0	11.2	6.2	5.7	3.5	3.0	--						
Imports of goods and services	% ch. on prev. period				0.7	-1.9	-0.2	--						
	% ch. on prev. year	4.8	9.6	4.0	3.6	0.3	-0.7	--						
Current-account balance	billion EUR		-11.1	-4.2	-0.2	4.3	12.9	--	-1.2	10.3	4.6	--	--	--
Direct investment	billion EUR		-113.9	-151.1	-19.2	-57.3	-27.9	--	-3.4	-18.1	-6.0	--	--	--
Portfolio investment	billion EUR		165.1	308.3	35.0	-1.8	-38.4	--	19.4	-14.4	-8.8	--	--	--
6. Prices														
Consumer inflation expectations	balance	21.3	8.1	25.8	25.2	25.6	25.7	23.1	26.4	24.0	27.0	22.6	19.7	--
Headline inflation (HICP)	% ch. on prev. year		1.6	2.7	2.7	2.9	2.7	1.1	2.7	2.7	2.6	2.4	2.4	--
Core HICP	% ch. on prev. year		1.0	1.7	1.7	2.0	1.9	0.4	1.9	1.9	1.9	1.8	--	--
Domestic producer prices	% ch. on prev. year		2.9	5.9	5.9	5.1	3.7	2.1	3.8	3.5	2.6	2.3	--	--
Import prices	% ch. on prev. year		10.8	10.2	7.4	8.3	6.1	--	7.0	5.4	--	--	--	--
	level		80.3	110.9	112.3	109.1	118.2	109.4	118.4	124.5	120.7	111.3	96.4	64.3
Oil (Brent) in USD	% ch. on prev. period				-4.0	-2.9	8.4	-7.5	6.2	5.2	-3.1	-7.7	-13.4	-33.3
	% ch. on prev. year		28.5	38.2	46.3	25.1	12.4	-6.5	14.3	8.8	-1.5	-3.3	-15.4	-44.7
	level		60.6	79.6	79.5	81.0	90.1	85.1	89.4	94.2	91.6	87.0	76.9	51.0
Oil (Brent) in EUR	% ch. on prev. period				-2.2	1.8	11.2	-5.5	3.5	5.4	-2.7	-5.0	-11.7	-33.6
	% ch. on prev. year		36.2	31.4	34.0	25.9	17.4	4.7	17.9	15.4	8.2	8.4	-2.9	-37.3
Non-energy commodity prices (EUR)	% ch. on prev. period				-1.7	-9.1	4.8	-1.5	-0.1	0.5	-1.0	-0.3	-1.8	--
	% ch. on prev. year		37.2	12.6	8.8	-5.7	-9.5	-7.8	-11.3	-7.1	-8.7	-7.2	-7.5	--
7. Monetary and financial indicators														
Nominal interest rates (3 month)	level		0.81	1.39	1.56	1.50	1.04	0.69	1.05	0.86	0.74	0.68	0.66	0.65
Nominal interest rates (10 year)	level		2.78	2.65	2.30	1.99	1.88	1.54	1.90	1.88	1.72	1.47	1.43	1.52
ECB repo rate	level		1.00	1.25	1.47	1.31	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Stock market (Eurostoxx)	% ch. on prev. period				-16.9	-4.4	8.6	-10.0	5.3	1.0	-7.6	-6.1	-2.1	7.2
	% ch. on prev. year		10.1	-6.0	-12.3	-19.2	-15.7	-22.3	-16.8	-12.4	-20.5	-23.8	-22.2	-15.9
Money demand (M3)	% ch. on prev. year		0.6	2.1	2.5	2.0	2.7	--	2.7	3.0	2.5	2.9	--	--
Loans to households	% ch. on prev. year		2.9	1.5	2.9	1.5	0.6	--	1.2	0.6	0.5	0.3	--	--
Loans to non-financial corporations	% ch. on prev. year		0.0	1.2	1.7	1.2	0.3	--	0.6	0.3	0.4	0.1	--	--
	level		1.33	1.39	1.41	1.35	1.31	1.28	1.32	1.32	1.32	1.28	1.25	1.26
Bilateral exchange rate EUR/USD	% ch. on prev. period				-1.8	-4.6	-2.8	-2.2	2.5	-0.2	-0.3	-2.8	-2.1	0.4
	% ch. on prev. year		-5.0	5.0	9.4	-0.7	-4.2	-11.0	-3.1	-5.7	-8.9	-10.9	-12.9	-11.8
Nominal effective exchange rate	% ch. on prev. period				-1.6	-1.4	-2.6	-1.3	0.7	0.2	-0.4	-1.4	-0.9	--
	% ch. on prev. year		-6.4	-0.2	2.1	-1.2	-3.1	-6.7	-2.7	-4.1	-6.0	-6.5	-7.4	--

(1) LTA=Long-Term Average

(2) Data available until the date of update

1. Output

According to Eurostat's third estimate, euro-area **GDP** in 2012-Q1 remained stable compared to the previous quarter (unchanged from the first estimate). In the fourth quarter of 2011, GDP was declining by 0.3% (quarter-on-quarter, q-o-q). GDP remained also stable compared with the first quarter of 2011, after having increased by 0.7% in the previous quarter. The most recent national data confirm the expected persistence of cross-country growth differences. Among the largest euro-area economies, only Germany was growing in the first quarter of 2012 (by 0.5% q-o-q), whereas GDP was stable in France and declined in Italy and Spain (-0.8% and -0.3% respectively).

According to the **Commission's spring 2012 forecast**, released on 11 May 2012, euro-area GDP is expected to contract by 0.3% in 2012. In 2013, with confidence rebuilding, a more favourable external environment, and improved real income growth, economic growth is expected to accelerate to 1.0%. Concerning the Member States, growth divergences remain pronounced. Among euro-area countries, the highest economic growth rates for 2012 are expected in Slovakia (1.8%) and Estonia (1.6) and the lowest in Greece (-4.7%) and Portugal (-3.3%).

The **confidence in industry** deteriorated for the fourth consecutive month in June (by -1.3 points). The strongest negative contribution came from managers' production expectations and their assessment of their companies' current level of overall order books. At the same time, the assessment of the adequacy of the current level of stocks of finished products remained broadly unchanged.

In April 2012, seasonally adjusted **industrial production** (excl. construction) fell by 1.1% month-on-month (m-o-m), after a -0.1% decline in March. On a less volatile, 3 month on 3 month basis, industrial production was declining slightly (by 0.1 pp.) as well compared to March. Compared to April 2011, industrial production fell by 2.4%. Among the large euro-area countries, only French industrial production was growing in April (by 1.5% m-o-m), while Germany, Italy and Spain recorded declines (by 2.0%, 1.9% and 0.7% respectively).

2. Private consumption

During the first quarter of 2012, **private consumption** expenditure was stable, after a contraction by 0.5% in the previous quarter. In annual comparison, private consumption was declining by 0.7% in 2012-Q1, the second negative reading after a -0.7% fall in 2011-Q4. The contribution of household final consumption expenditure to growth was also flat in 2012-Q1.

In June 2012, the **consumer confidence indicator** decreased by 0.5 point to -19.8, while remaining for almost a year below its long-term average of -12.8. The small deterioration is mainly based on consumers' more negative assessment of their general economic situation over the next 12 months and an increase of their unemployment fears for the future. These were partly offset by a more positive assessment of consumers' future financial situation and their better savings prospects.

In May 2012, **retail trade** volumes rose by 0.6% m-o-m, after a decrease recorded in April (by 1.4%). After a large decrease in May, **confidence in the retail sector** rebounded somewhat in June, due to a substantial improvement in the present and expected business situation. Also retailers' assessment of the adequacy of their current volume of stocks improved.

3. Investment

After having grown by 2.0% q-o-q and being the main driver of growth in 2011-Q1, **gross fixed capital formation** has been decreasing since then; by -0.4% in 2011-Q2, -0.3% 2011-Q3, -0.6% in 2011-Q4 and -1.4% in 2012-Q1. On an annual basis, investment was thus contracting at a sharp -2.6%, the first fall since the first quarter of 2010. Investment, together with stocks, acted as the main drag on growth in 2012-Q1 (both -0.3 pp.).

Capacity utilisation decreased slightly (from 79.8% in 2012-Q1 to 79.6% in 2012-Q2) and remains below its long-term average (81.4).

4. Labour market

The euro-area **unemployment rate** increased slightly (by 0.1 pp.) to 11.1% in May 2012, which is the highest rate since the creation of the euro area. The rate had stood at 10.0% in May 2011. This aggregate number conceals sharp differences across Member States with the lowest rate in Austria (4.1%) and the highest rate in Spain (24.6%). The difference between the Member States with the lowest and the highest unemployment rate has been continuously increasing since March 2011.

According to Eurostat's first estimate, in the first quarter of 2012, seasonally-adjusted **employment** decreased. The number of persons employed fell by 0.2% q-o-q, after a decline by 0.3% in 2011-Q4. Compared with the same quarter of the previous year, employment fell by 0.5%. **Employment expectations** over the next 3-month continued to deteriorate in both, manufacturing and services, in June. While they remain slightly above a long-term average in industry, they are below the long-term average in services (since August 2011). The level of labour shortages has remained stable at 5.2% in 2012-Q2, after 5.8% in 2012-Q1.

5. International transactions

In June, managers in manufacturing became more pessimistic about their **export order books** (from -20.2 to -22.4), which is below its long-term average of -18.9. The balance of **extra-euro area trade** (seasonally adjusted) posted its eighth consecutive surplus (6.2 bn euro) in April. **Net trade** in 2012-Q1 made a positive contribution to GDP growth (0.4 pp) as the expansion of exports (1.0%) exceeded the expansion of imports (0.2%). In April 2012, the seasonally adjusted **current account balance** of the euro area recorded a surplus of 4.6 bn euro. This reflected surpluses for goods, services and income, which were partly offset by a current transfers' deficit. The financial account recorded net outflows of 15 bn euro as a result of net outflows both for portfolio investment and for direct investment.

6. Prices

Eurostat's flash estimate for HICP inflation in June is at 2.4%. In May, **headline HICP** inflation declined from 2.6% to 2.4%, falling for the second consecutive month. Inflation dispersion across euro-area economies remained high in May, as rates were between 0.9% in Greece and 4.1% in Estonia. **Core inflation** in May declined to 1.8%, down from 1.9% in the three preceding months. The **Commission's spring 2012 forecast** projects an inflation rate of 2.4% for 2012 and 1.8% for 2013.

A less favourable global economic output and concerns linked to future commodity demand were among the factors behind the major fall in **oil prices** in the second quarter of 2012, some 20% down on 2012-Q1. Brent crude declined from about 125 USD/bl. in end-March to about 90 USD/bl. at the end of June (90.3 USD/bl. on 26 June). Factors behind the most recent upswing (to above 96.5 €/bl. on 3 July) were renewed tensions over Iran and the threat to shut the Strait of Hormuz, a strike of North Sea oil workers in Norway, and expectations for monetary stimulus in the US pushed the oil price.

7. Monetary and financial indicators

On 5 July, the ECB Governing Council decided to cut the key ECB interest rates by 25 basis points. This implies interest rates on the main refinancing operations of 0.75%, on the marginal lending facility of 1.50%, and on the deposit facility of 0.00% (all becoming effective on 11 July 2012). The 3-month Euribor has almost steadily fallen from about 1.6% in July 2011 to 0.65% on 4 July 2012. Over the same period, the spread vis-à-vis short-term bank lending rates on loans to households and non-financial corporations has widened. In the US, on 20 June the Federal Open Market Committee decided to keep the

target range for the federal funds (0-0.25%) and anticipated that conditions are likely to warrant low levels at least through late 2014. On July 4, the US 3-month Libor rate was at 0.46%.

Since the beginning of the year, high levels of market uncertainty and widespread risk aversion were pushing **benchmark sovereign-bond yields** of Germany and the US to historically low levels (1.17% and 1.46% respectively on June 1). However, in the course of June government bond yields increased to 1.52% for Germany and 1.63% for US (3 July).

As to **bank lending**, the annual rate of change of M3 increased to 2.8% in the last 3 months up to May, from 2.7% up to April. On the counterpart side, the annual growth rate of credit extended to general government increased to 9.0% in May (from 7.6% in April), while the annual growth credit to private sector decreased to -0.2% in May from stable 0.0% in April. Among the components of credit to the private sector, the annual growth rate of loans (adjusted for loan sales and securitisation) to non-financial corporations decreased to 0.2% in May, from 0.6% in the previous month. The annual growth of loans to households (also adjusted) decreased to 1.3% in May from 1.5% in April. The subdued loan growth reflects the overall economic situation, heightened risk aversion, and the ongoing balance-sheet adjustment of households and enterprises that weighs on their credit demand.

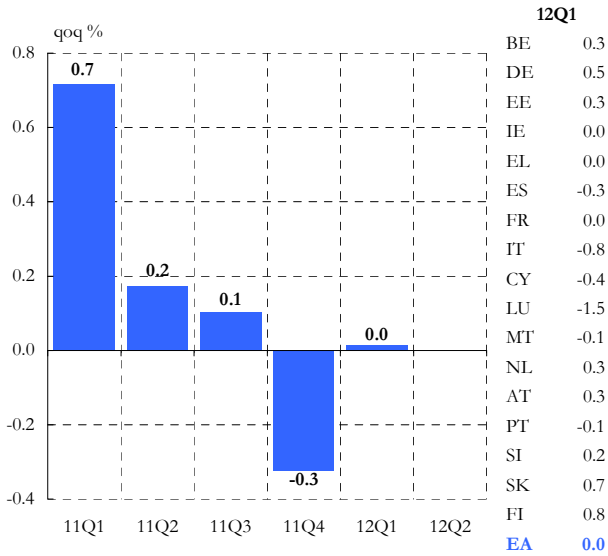
After few months with declining **exchange rate** volatility, the renewed focus on the euro-area sovereign-debt crisis and heightened concerns about the economic outlook affected foreign exchange markets in recent weeks. In 2012-Q2, the euro depreciated substantially against the US dollar. However, since late May it moved in a rather narrow band. More recently expectations about monetary policy decisions on both sides of the Atlantic have driven market. On 5 July, the euro foreign exchange reference rate stood at 1.2426 US dollar and at 99.14 JP Yen.

After a strong rebound at the turn of the year, **stock market indices** have entered a new downward trend in the US, Europe and Japan. Since the beginning of April the Eurostoxx has declined by some 15% amid renewed tensions in the European sovereign-debt markets and increased risk aversion. On expectations of additional monetary stimulus, all the main stock indices (Eurostoxx, DowJones and Nikkei) recorded gains in early July.

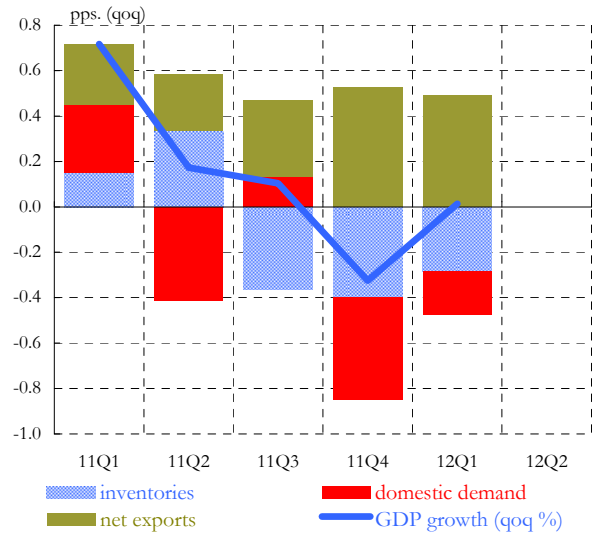


1. OUTPUT

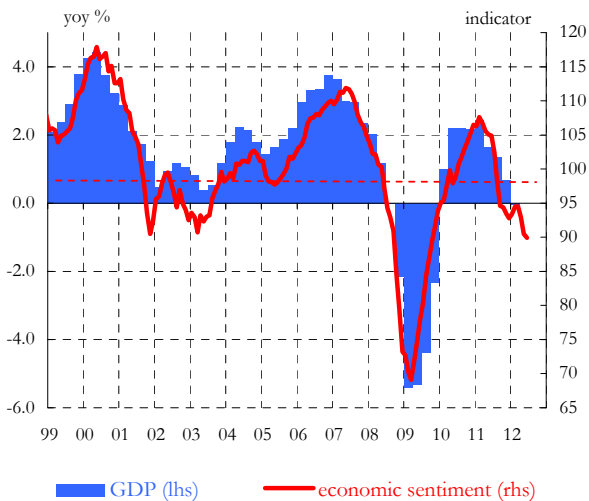
GDP



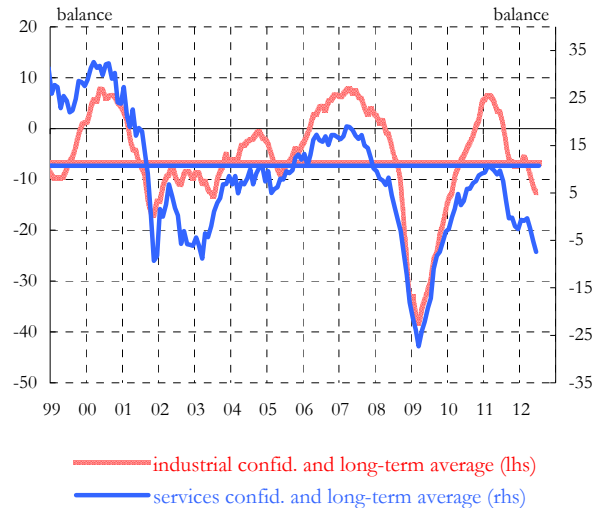
Contributions to GDP growth



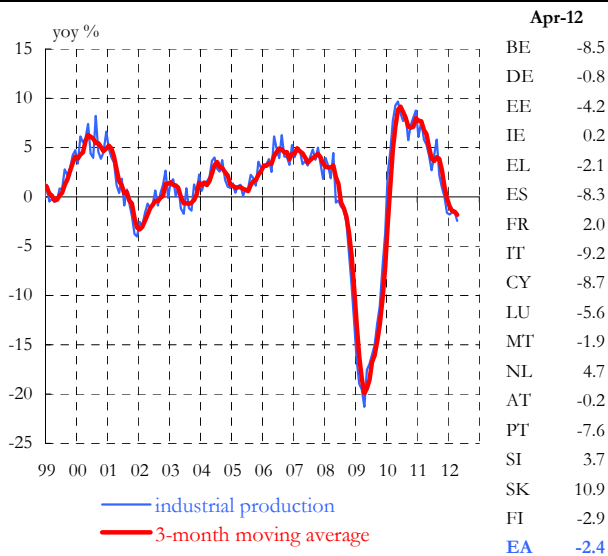
GDP and Economic Sentiment Indicator



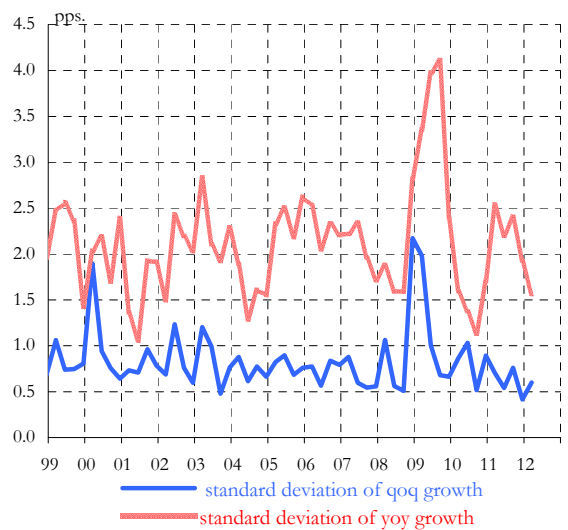
Industrial and services confidence



Industrial production



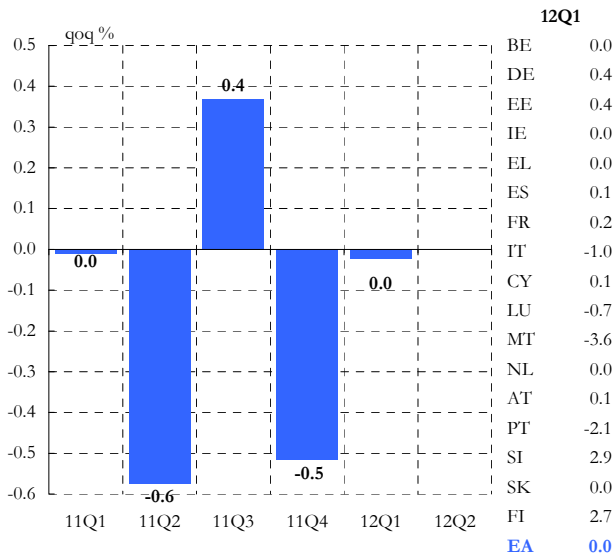
GDP growth divergence, euro area



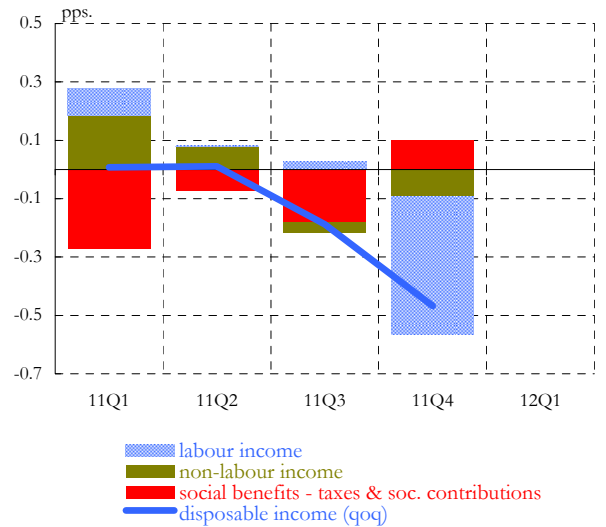


2. PRIVATE CONSUMPTION

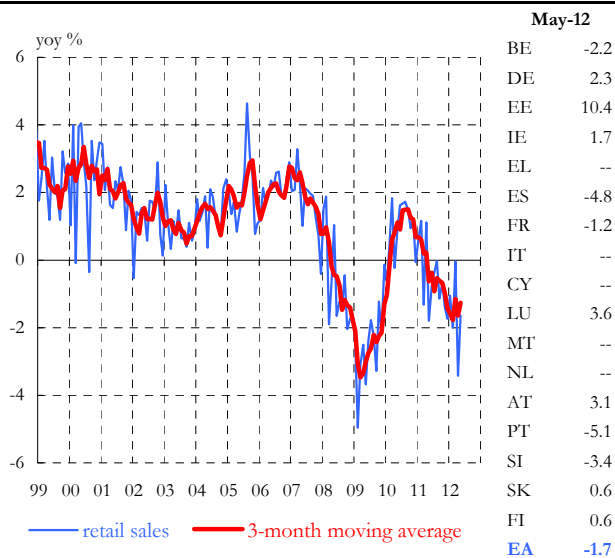
Private consumption



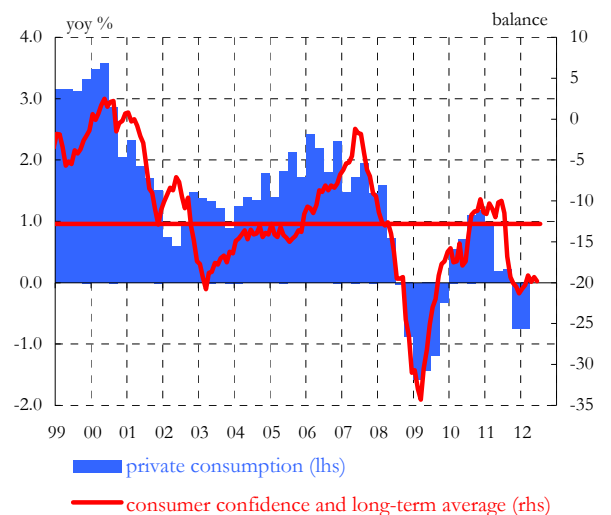
Gross disposable income and its components



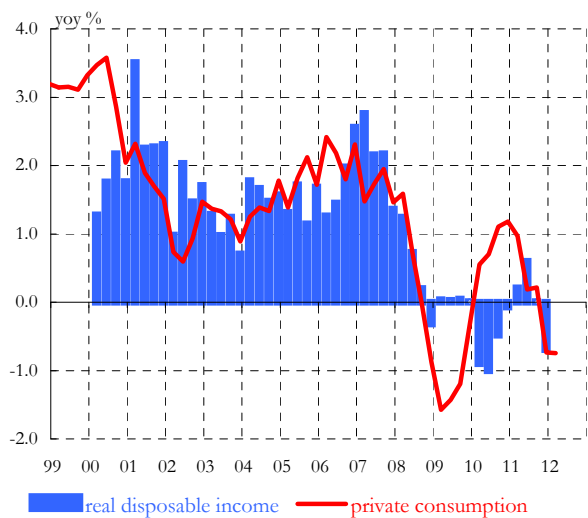
Retail sales



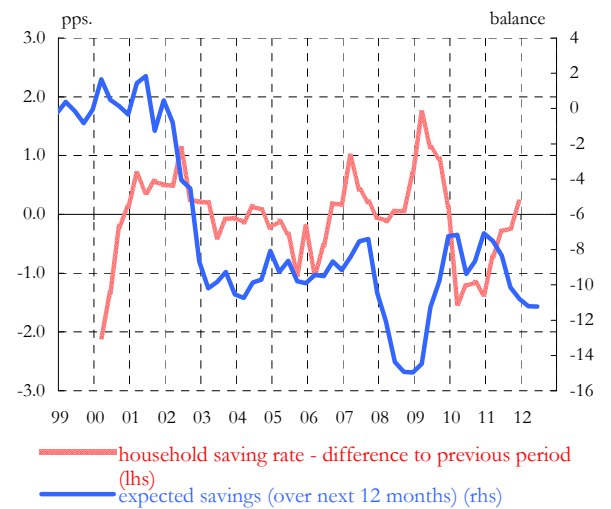
Consumer confidence and private consumption



Households: real disposable income and consumption



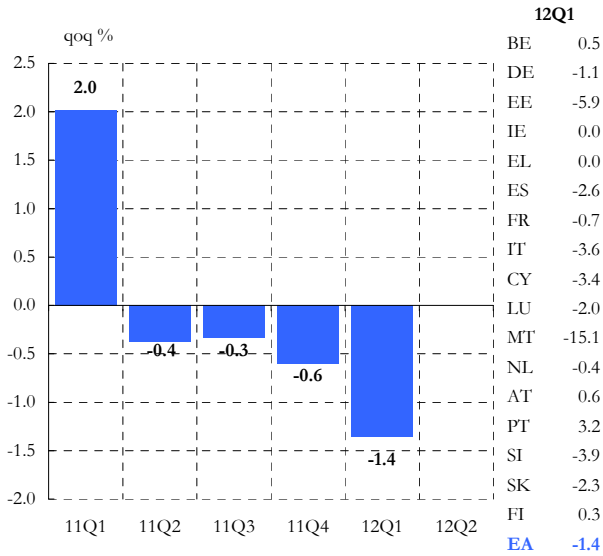
Households: actual saving rate and expected savings



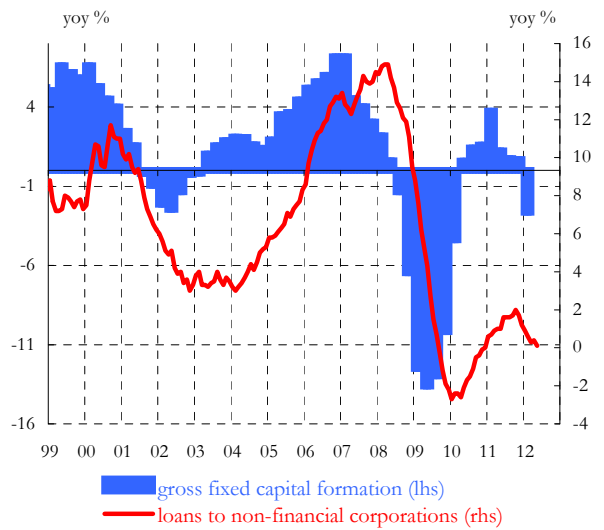


3. INVESTMENT

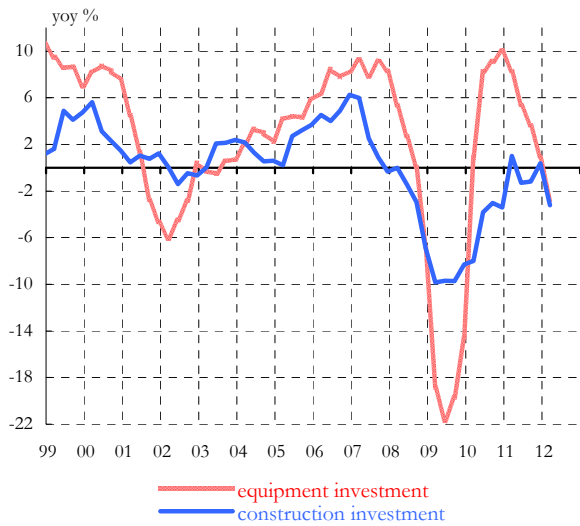
Gross fixed capital formation



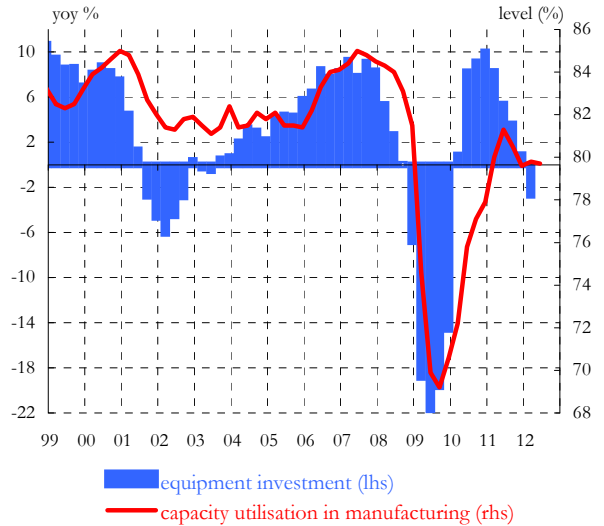
Gross fixed capital formation and corporate loans



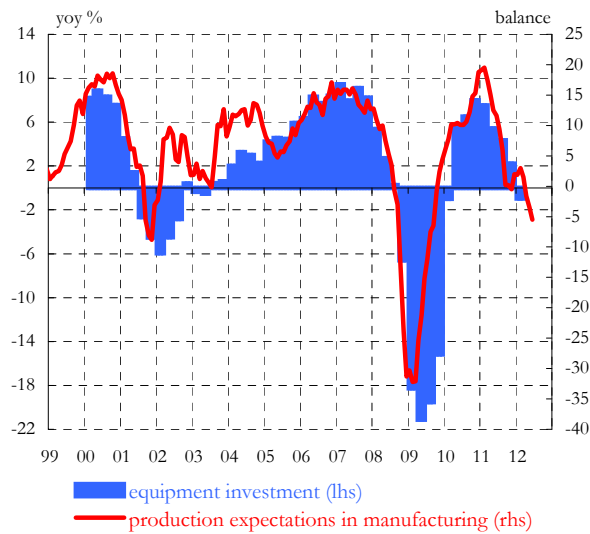
Equipment and construction investment



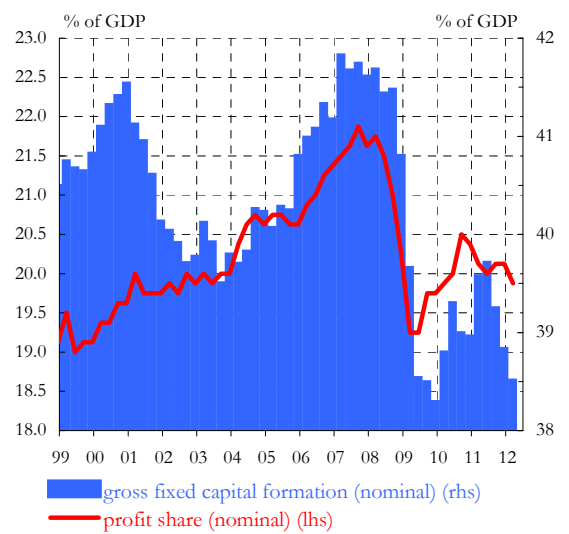
Equipment investment and capacity utilisation



Equipment investment and production expectations



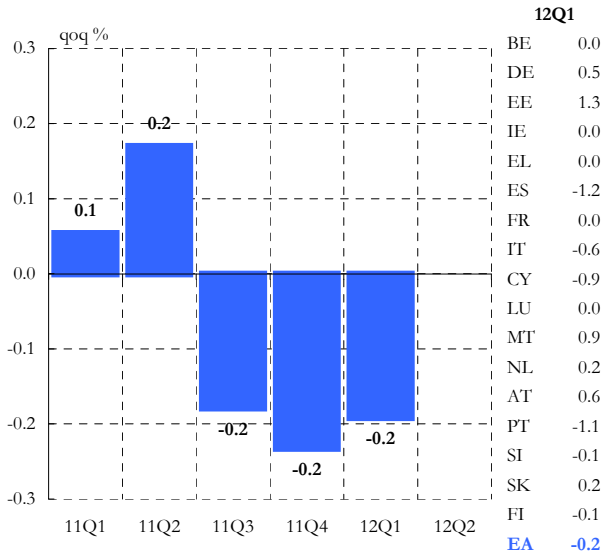
Gross fixed capital formation and profit share



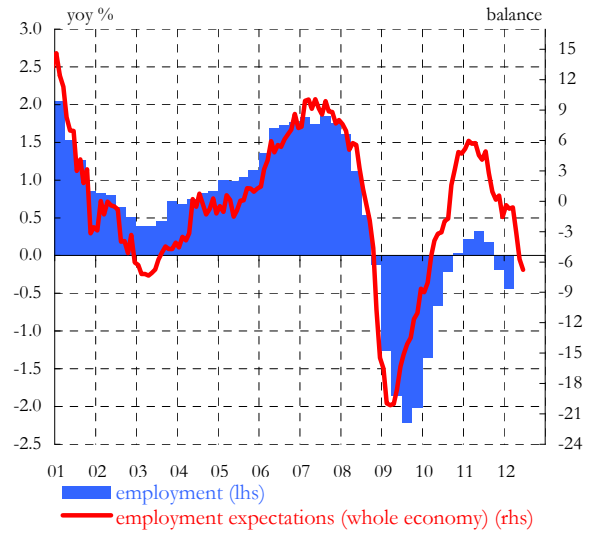


4. LABOUR MARKET

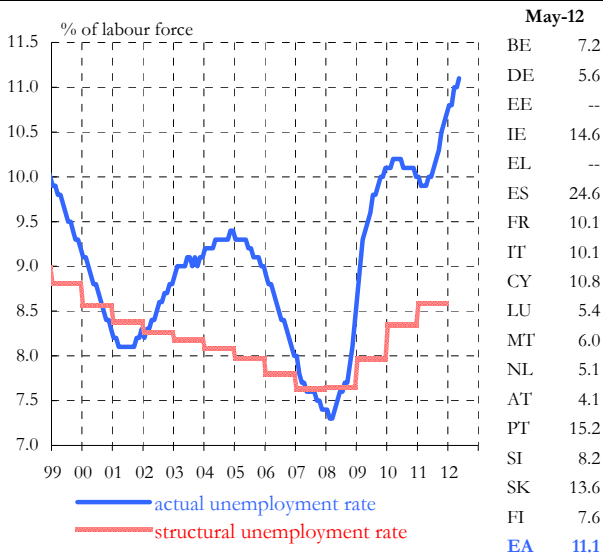
Employment



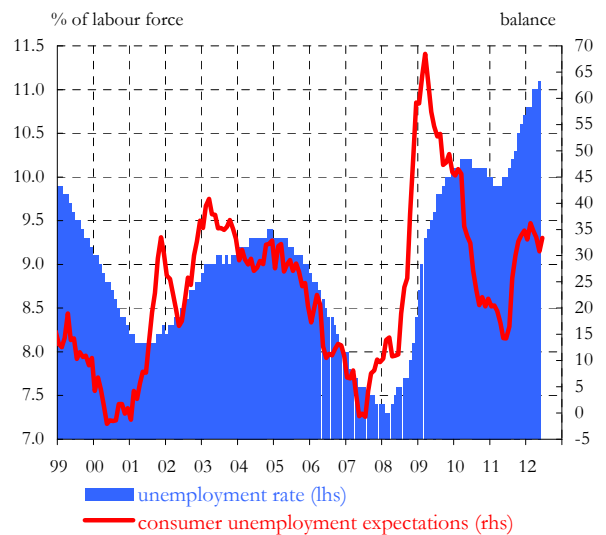
Employment and employment expectations



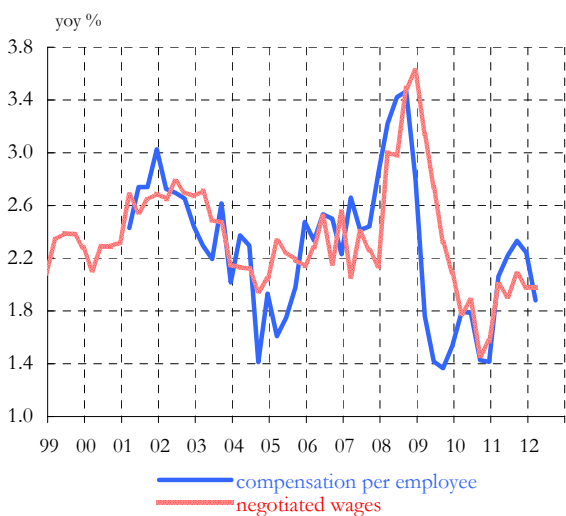
Actual and structural unemployment rate



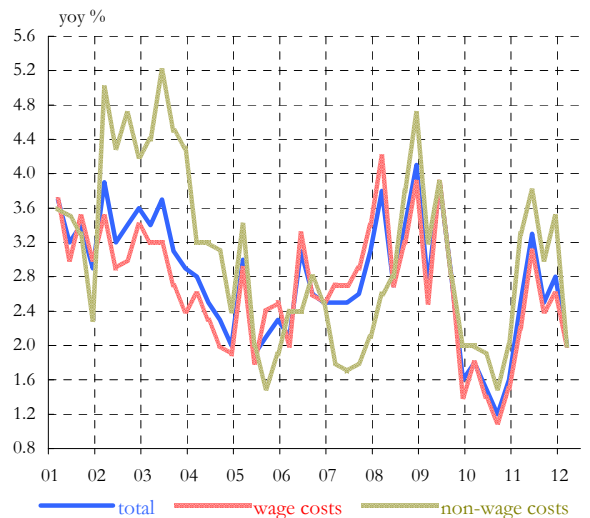
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



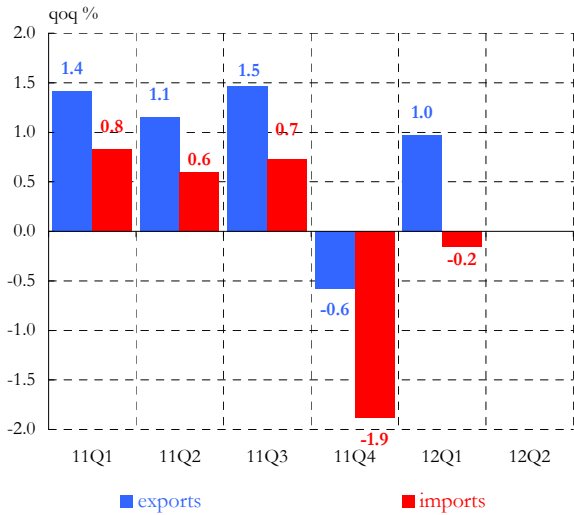
Labour costs in the private business sector (nominal)



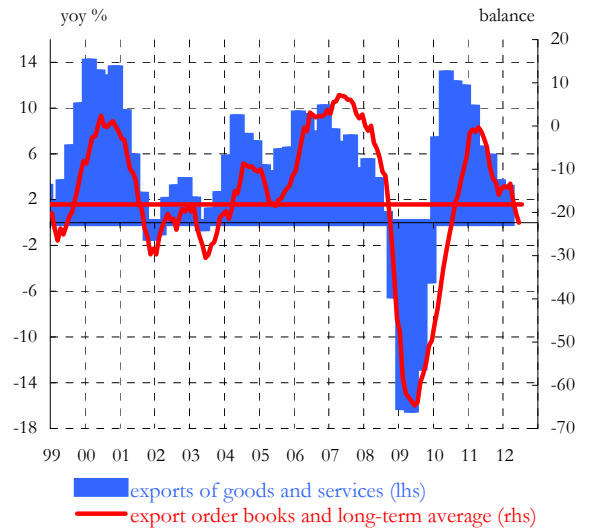


5. INTERNATIONAL TRANSACTIONS

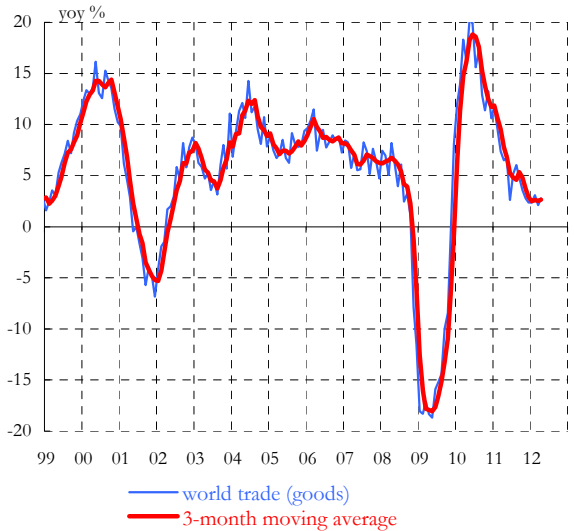
Exports and imports of goods and services



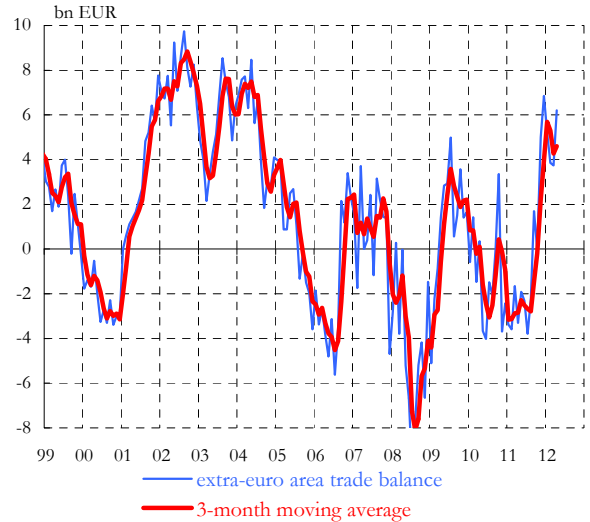
Exports and export order books



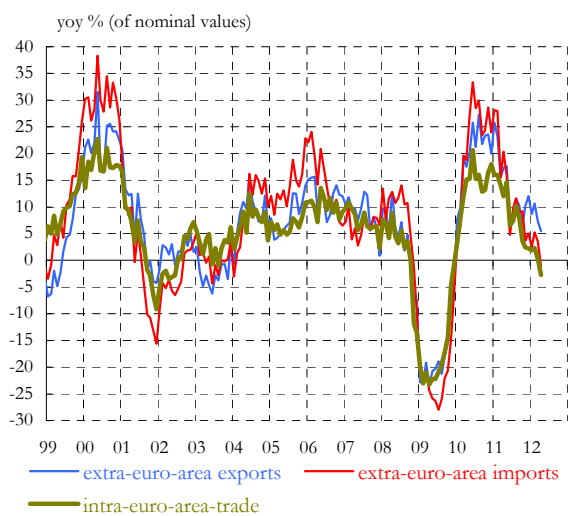
World trade



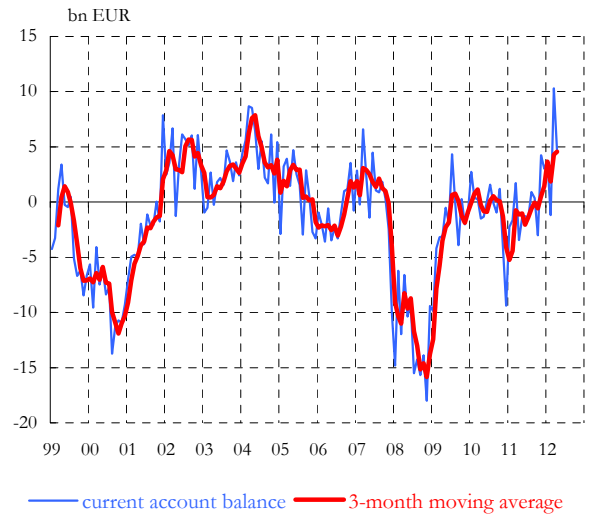
Extra euro-area trade balance



Extra- and intra-euro-area trade



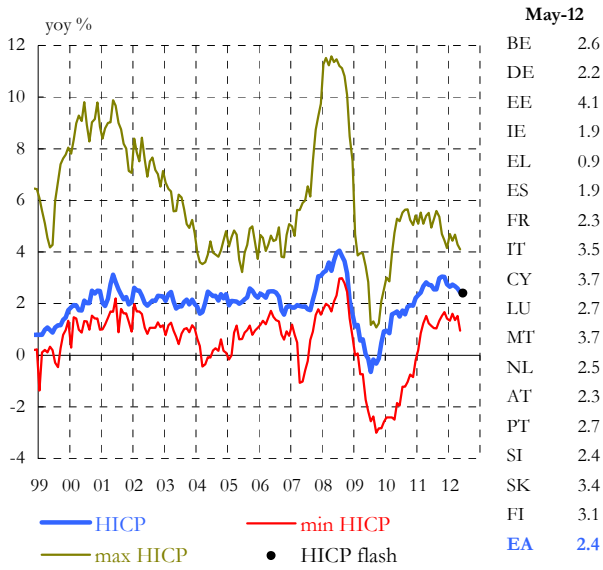
Current-account balance



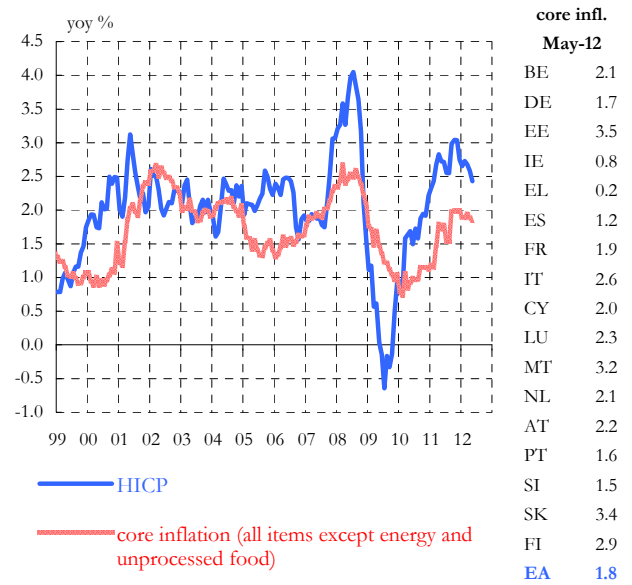


6. PRICES

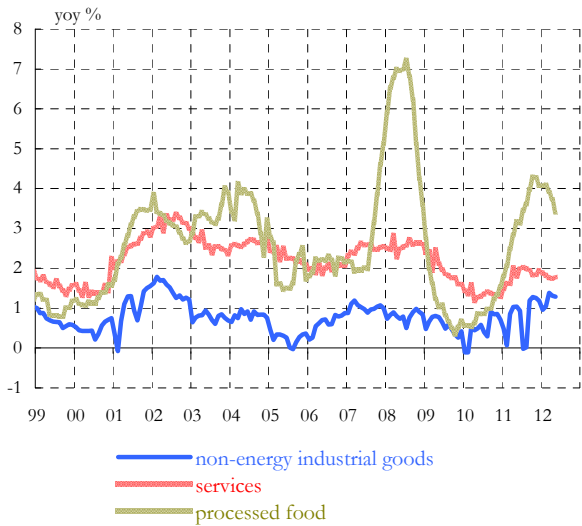
Harmonised index of consumer prices (HICP)



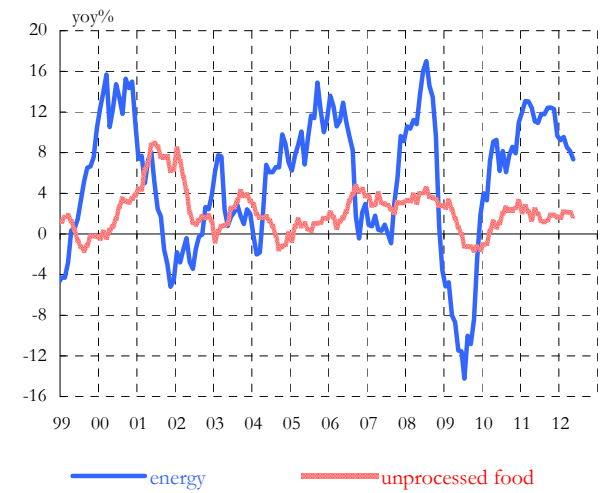
HICP headline and core inflation



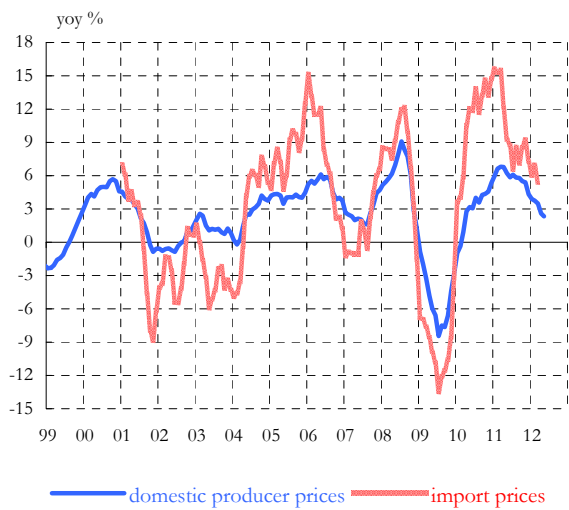
Breakdown of core inflation



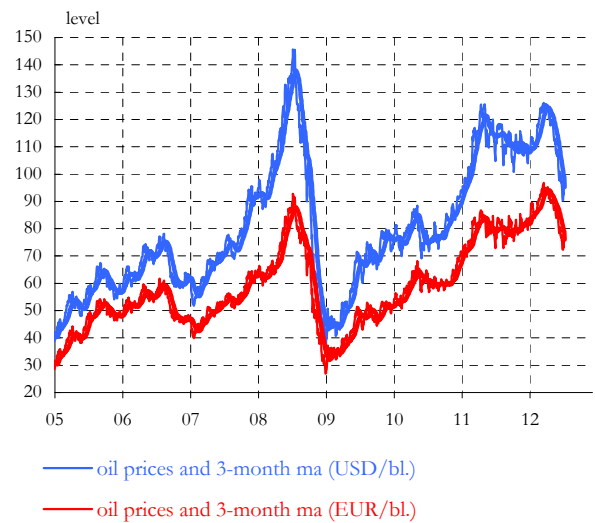
Energy and unprocessed food



Domestic producer prices and import prices



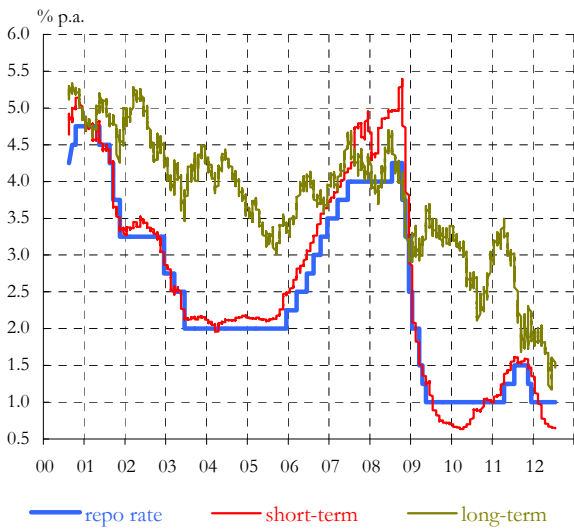
Oil prices



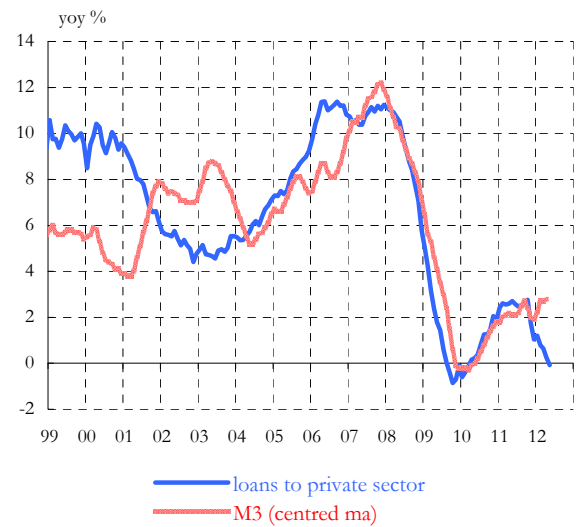


7. MONETARY AND FINANCIAL INDICATORS

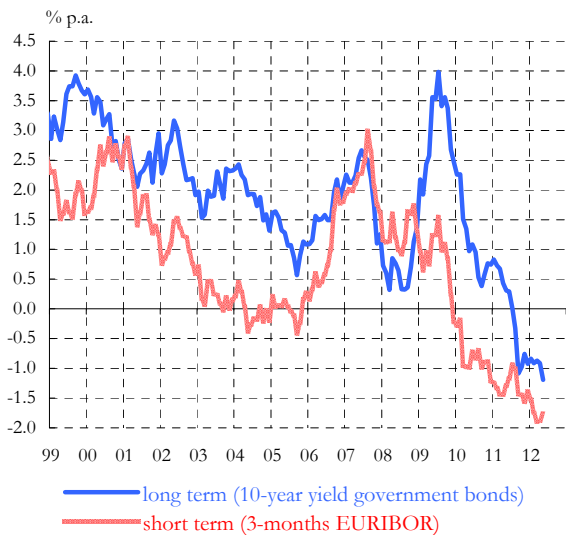
Nominal interest rates



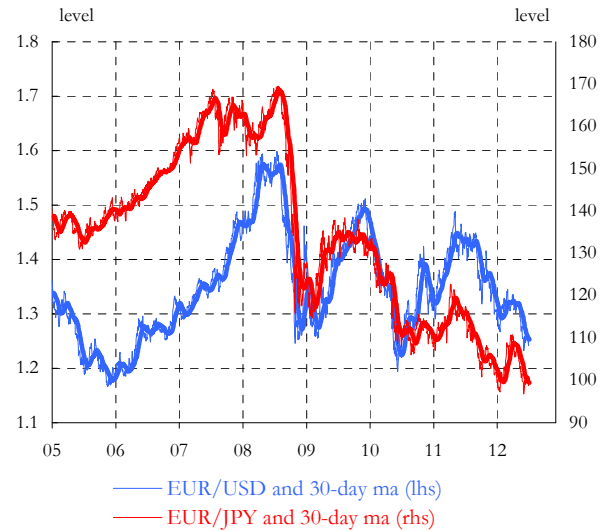
Loans to private sector and money supply



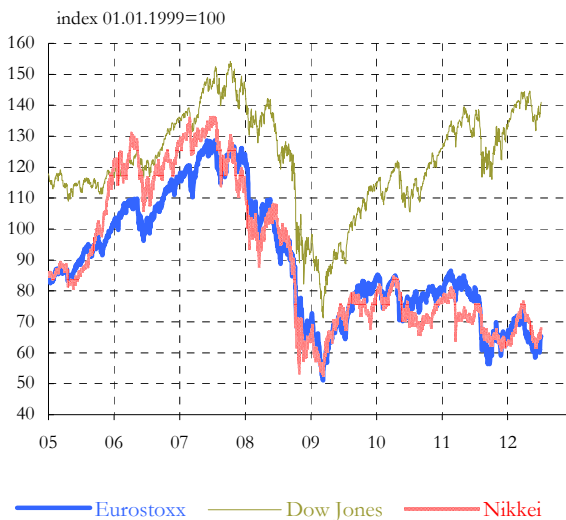
Real interest rates



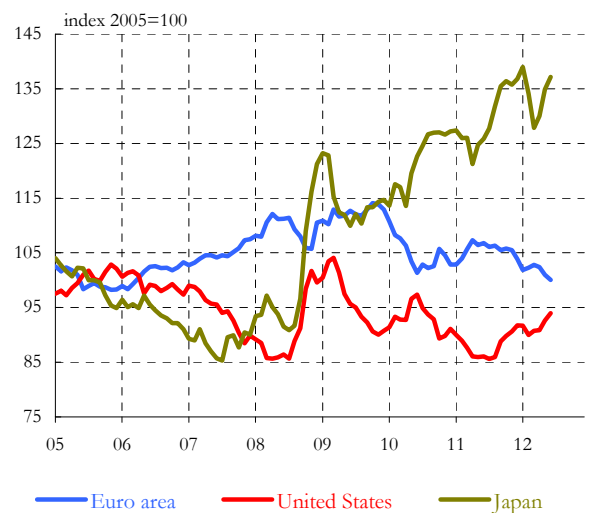
Euro vis-à-vis US dollar and JP yen



Stock market indices



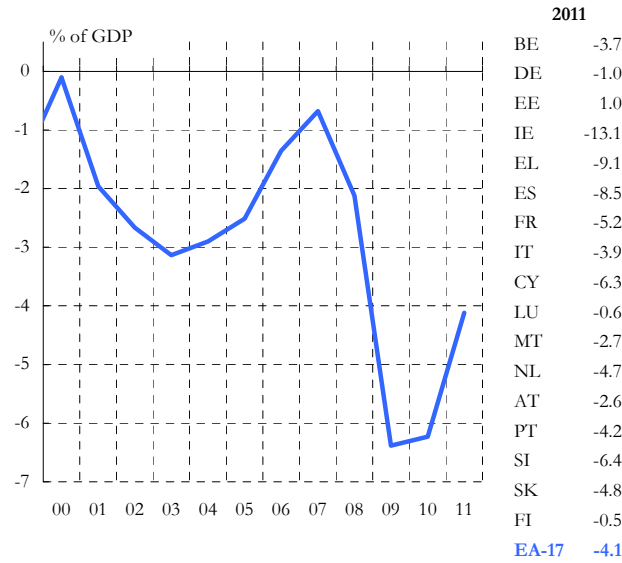
Nominal effective exchange rates



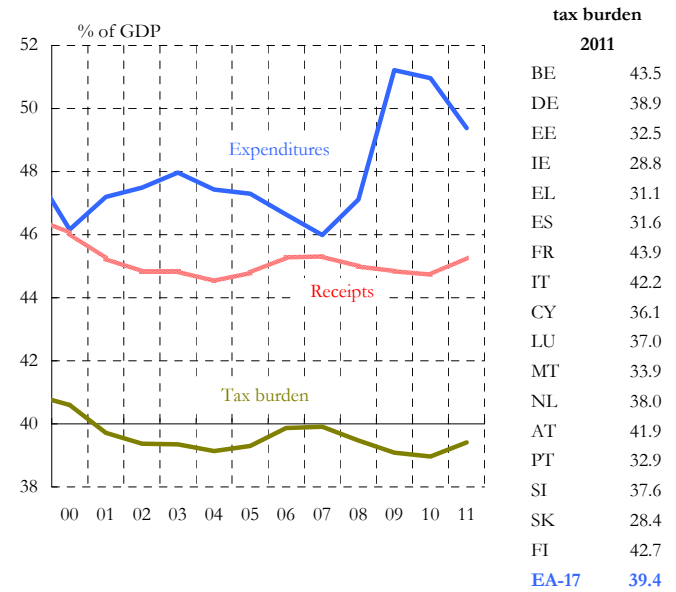


8. Public finances*

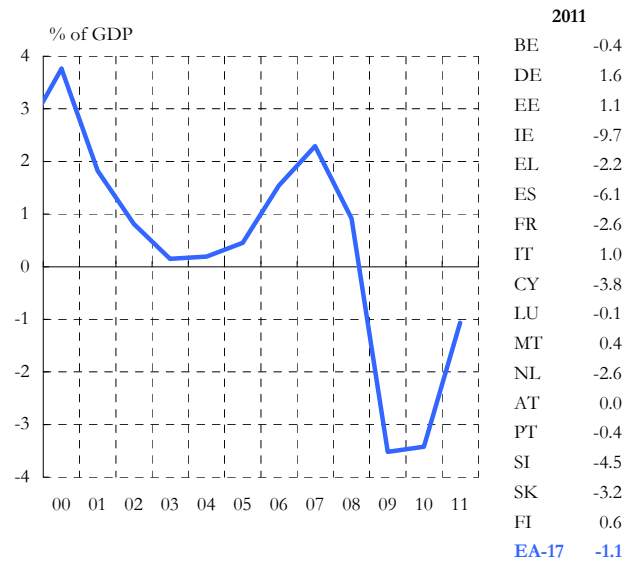
General government balance



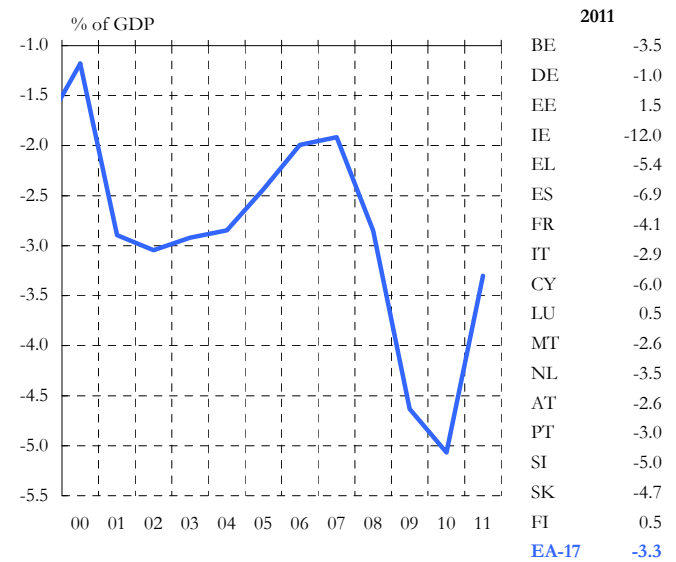
General government expenditure and receipts



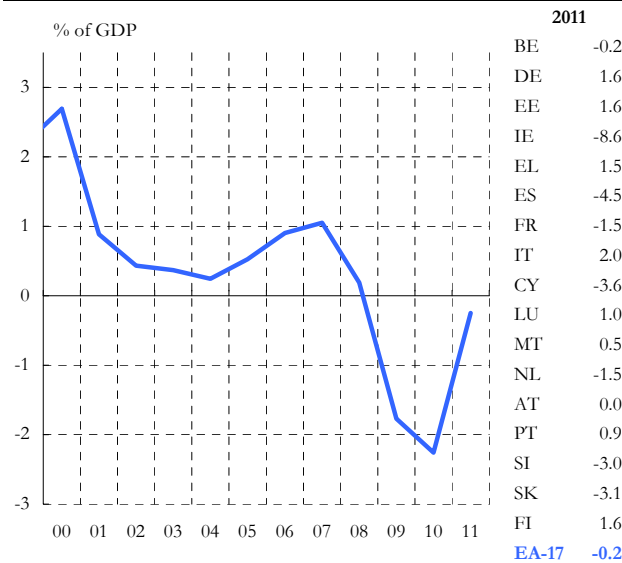
Primary balance



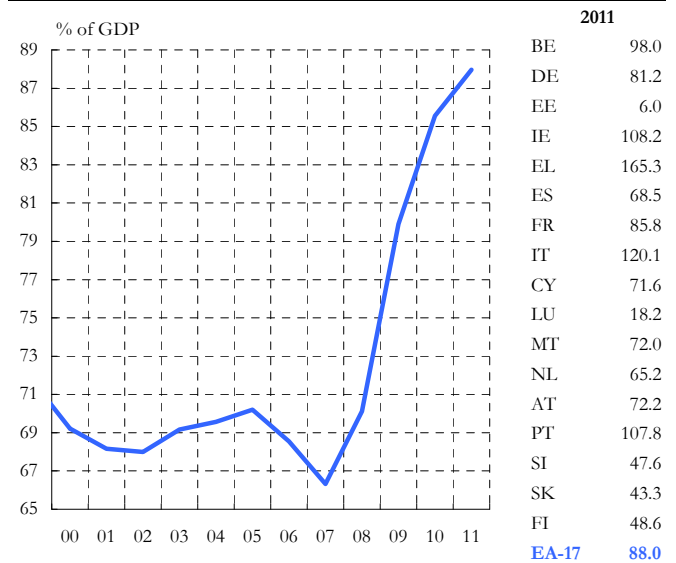
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



* Figures are from the Commission's spring 2012 forecast

KEY INDICATORS FOR THE EURO AREA



Euro area	Indicators as from 2011 refer to Belgium (BE), Germany (DE), Estonia (EE), 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) and 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 2005), 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 2005), 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 utilisation	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 2005), EUR. Data are seasonally and working-day adjusted.	Eurostat
Equipment investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2005), 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 2005), 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	Harmonised 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, 2000=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 2005), 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 2005), 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	Harmonised 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 days)	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	Graph – Monthly Nominal Effective Exch. Rates vs. rest of IC36 (index 2005 = 100) Table - ECB Nominal effective exch. rate, euro area-17 countries vis-à-vis the EER-20 group of trading partners against Euro	DG ECFIN/ ECB
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