

| | LTA ⁽¹⁾ | 2007 | 2008 | 08Q1 | 08Q2 | 08Q3 | 08Q4 | Oct-08 | Nov-08 | Dec-08 | Jan-09 | Feb-09 | Mar-09 | |
|--|--------------------------|-------|--------|--------|--------|-------|-------|--------|--------|--------|--------|--------|--------|-------|
| 1. Output | | | | | | | | | | | | | | |
| Economic Sentiment | indicator | 100.6 | 108.9 | 91.1 | 101.4 | 97.5 | 89.9 | 75.8 | 81.6 | 76.8 | 68.9 | 67.2 | 65.3 | 64.6 |
| Industrial confidence | balance | -6.1 | 4.4 | -9.4 | 0.5 | -2.9 | -9.7 | -25.3 | -18.2 | -24.8 | -33.0 | -33.4 | -36.1 | -37.8 |
| Services confidence | balance | 16.6 | 19.4 | 1.8 | 10.4 | 8.2 | 0.6 | -11.9 | -6.5 | -11.7 | -17.4 | -22.2 | -23.6 | -25.4 |
| Industrial production | % ch. on prev. period | | | | 1.4 | -2.2 | -2.5 | -6.0 | -2.1 | -2.7 | -2.8 | -3.2 | -- | -- |
| (excluding construction) | % ch. on prev. year | 1.5 | 3.9 | -1.7 | 2.7 | 1.0 | -1.4 | -9.0 | -5.9 | -9.1 | -12.3 | -17.4 | -- | -- |
| Gross domestic product | % ch. on prev. period | | | | 0.7 | -0.3 | -0.2 | -1.5 | | | | | | |
| | % ch. on prev. year | 2.0 | 2.6 | 0.8 | 2.1 | 1.4 | 0.6 | -1.3 | | | | | | |
| Labour productivity | % ch. on prev. period | | | | 0.3 | -0.3 | -0.1 | -1.2 | | | | | | |
| | % ch. on prev. year | 0.9 | 0.8 | -- | 0.6 | 0.3 | 0.0 | -1.3 | | | | | | |
| 2. Private consumption | | | | | | | | | | | | | | |
| Consumer confidence | balance | -11.4 | -4.9 | -17.9 | -11.9 | -14.6 | -19.2 | -26.1 | -23.5 | -25.1 | -29.7 | -30.5 | -32.5 | -33.7 |
| Retail confidence | balance | -6.0 | 0.7 | -7.0 | -0.5 | -3.3 | -8.9 | -15.3 | -13.1 | -12.7 | -20.0 | -19.6 | -19.1 | -17.6 |
| Private consumption | % ch. on prev. period | | | | 0.1 | -0.3 | 0.1 | -0.3 | | | | | | |
| | % ch. on prev. year | 1.8 | 1.6 | -- | 1.5 | 0.6 | 0.3 | -0.4 | | | | | | |
| Retail sales | % ch. on prev. period | | | | 0.1 | -1.0 | -0.1 | -1.0 | -1.0 | -0.1 | 0.0 | 0.1 | -- | -- |
| | % ch. on prev. year | 1.3 | 1.0 | -0.9 | 0.8 | -0.9 | -1.1 | -2.4 | -2.1 | -2.6 | -2.4 | -2.2 | -- | -- |
| 3. Investment | | | | | | | | | | | | | | |
| Capacity utilisation | level (%) | 82.0 | 84.2 | 83.0 | 83.8 | 83.7 | 82.8 | 81.5 | 81.5 | -- | -- | 75.0 | -- | -- |
| Production expectations (manuf.) | balance | 6.2 | 13.2 | -1.9 | 9.8 | 6.5 | -2.1 | -21.8 | -13.2 | -21.9 | -30.3 | -31.0 | -31.7 | -31.5 |
| Gross fixed capital formation | % ch. on prev. period | | | | 1.2 | -1.2 | -0.6 | -3.7 | | | | | | |
| | % ch. on prev. year | 2.5 | 4.4 | -- | 3.2 | 1.8 | 0.2 | -4.4 | | | | | | |
| - equipment investment | % ch. on prev. period | | | | 0.1 | -0.1 | -0.3 | -5.7 | | | | | | |
| | % ch. on prev. year | 4.7 | 6.6 | -- | 4.6 | 2.3 | 1.1 | -6.0 | | | | | | |
| - construction investment | % ch. on prev. period | | | | 2.1 | -2.2 | -1.1 | -2.8 | | | | | | |
| | % ch. on prev. year | 1.9 | 3.0 | -- | 2.0 | 1.0 | -0.8 | -3.9 | | | | | | |
| Change in stocks | contrib. to GDP (pp.) | 0.0 | 0.1 | 0.2 | 0.1 | -0.2 | 0.3 | 0.4 | | | | | | |
| 4. Labour market | | | | | | | | | | | | | | |
| Employment expectations (manuf.) | balance | -12.0 | 1.8 | -8.7 | -0.5 | -3.0 | -8.6 | -22.7 | -15.7 | -22.1 | -30.3 | -31.5 | -34.3 | -38.0 |
| Employment expectations (services) | balance | 9.1 | 13.4 | 4.3 | 10.3 | 8.1 | 4.0 | -5.1 | 0.4 | -5.1 | -10.6 | -13.1 | -16.6 | -16.7 |
| Employment | % ch. on prev. period | | | | 0.4 | 0.1 | -0.1 | -0.3 | | | | | | |
| | % ch. on prev. year | 1.2 | 1.8 | -- | 1.5 | 1.1 | 0.5 | 0.0 | | | | | | |
| Employment (000) | abs. ch. on prev. period | | 2 605 | -- | 516 | 126 | -215 | -453 | | | | | | |
| Compensation of employees per head (nominal) | % ch. on prev. period | | | | 0.8 | 0.8 | 0.6 | 0.7 | | | | | | |
| | % ch. on prev. year | 2.2 | 2.5 | -- | 3.1 | 3.2 | 3.5 | 3.0 | | | | | | |
| Unemployment rate | % of lab. force | | 7.5 | 7.6 | 7.3 | 7.4 | 7.5 | 7.9 | 7.8 | 7.9 | 8.1 | 8.2 | -- | -- |
| Unemployment (000) | abs. ch. on prev. period | | -1 223 | 224 | -34 | 283 | 242 | 620 | 237 | 229 | 246 | 256 | -- | -- |
| 5. International transactions | | | | | | | | | | | | | | |
| World trade | % ch. on prev. period | | | | 2.6 | -0.4 | 2.3 | -6.3 | -0.5 | -6.3 | -5.9 | -6.6 | -- | -- |
| | % ch. on prev. year | 7.2 | 8.0 | 2.7 | 5.2 | 3.8 | 3.8 | -2.0 | 3.6 | -2.7 | -7.0 | -17.2 | -- | -- |
| Export order books | balance | -17.5 | 3.5 | -14.8 | -2.1 | -6.6 | -14.9 | -35.6 | -25.9 | -34.7 | -46.1 | -49.1 | -58.5 | -62.5 |
| Trade balance (merchandise) | billion EUR | | 11.6 | -38.9 | -3.4 | -5.6 | -12.9 | -9.4 | -2.8 | -4.9 | -1.7 | -5.5 | -- | -- |
| Exports of goods and services | % ch. on prev. period | | | | 1.6 | 0.0 | -0.1 | -6.5 | | | | | | |
| | % ch. on prev. year | 5.5 | 5.9 | -- | 5.3 | 4.1 | 2.2 | -5.1 | | | | | | |
| Imports of goods and services | % ch. on prev. period | | | | 1.1 | -0.4 | 1.3 | -4.7 | | | | | | |
| | % ch. on prev. year | 5.5 | 5.3 | -- | 3.9 | 2.8 | 2.1 | -2.7 | | | | | | |
| Current account balance | billion EUR | | 30.6 | -68.6 | -8.8 | -8.9 | -21.0 | -29.9 | -6.6 | -15.7 | -7.6 | -12.7 | -- | -- |
| Direct investment | billion EUR | | -88.5 | -281.4 | -105.4 | -51.5 | -42.4 | -82.1 | -13.8 | -52.4 | -15.9 | -19.5 | -- | -- |
| Portfolio investment | billion EUR | | 135.6 | 409.2 | 73.6 | 42.9 | 110.5 | 182.2 | 120.5 | 50.5 | 11.1 | -3.3 | -- | -- |
| 6. Prices | | | | | | | | | | | | | | |
| Consumer inflation expectations | balance | 22.8 | 23.1 | 23.0 | 28.0 | 28.3 | 23.3 | 12.4 | 19.0 | 10.7 | 7.5 | 5.5 | 4.5 | 1.1 |
| Headline inflation (HICP) | % ch. on prev. year | | 2.1 | 3.3 | 3.4 | 3.6 | 3.8 | 2.3 | 3.2 | 2.1 | 1.6 | 1.1 | 1.2 | 0.6 |
| Core HICP | % ch. on prev. year | | 2.0 | 2.4 | 2.5 | 2.5 | 2.5 | 2.2 | 2.4 | 2.2 | 2.1 | 1.8 | 1.7 | -- |
| Domestic producer prices | % ch. on prev. year | | 2.7 | 6.1 | 5.4 | 7.0 | 8.5 | 3.4 | 6.2 | 3.0 | 1.2 | -0.5 | -- | -- |
| Import prices | % ch. on prev. year | | 1.4 | -- | 8.3 | 8.7 | 11.1 | -- | 7.1 | 3.9 | -- | -- | -- | -- |
| Oil (Brent) in USD | level | | 72.5 | 98.6 | 96.1 | 121.9 | 118.0 | 58.5 | 75.4 | 55.3 | 43.6 | 45.3 | 44.0 | 47.4 |
| | % ch. on prev. year | | 9.5 | 36.1 | 64.6 | 77.5 | 58.9 | -33.8 | -7.8 | -40.2 | -52.1 | -50.9 | -53.2 | -53.9 |
| Oil (Brent) in EUR | level | | 52.6 | 66.2 | 64.1 | 78.0 | 78.2 | 44.3 | 56.6 | 43.5 | 32.4 | 34.2 | 34.4 | 36.2 |
| | % ch. on prev. year | | -0.1 | 25.7 | 43.9 | 53.2 | 44.7 | -27.2 | -1.5 | -31.0 | -48.3 | -45.4 | -46.0 | -45.3 |
| Non-energy commodity prices (EUR) | % ch. on prev. period | | | | 13.3 | 1.1 | -2.2 | -19.1 | -10.7 | -5.0 | -10.7 | 6.2 | 1.3 | -- |
| | % ch. on prev. year | | 8.0 | 4.2 | 10.2 | 7.2 | 8.4 | -9.4 | -5.5 | -6.2 | -16.8 | -20.2 | -23.6 | -- |
| 7. Monetary and financial indicators | | | | | | | | | | | | | | |
| Nominal interest rates (3 month) | level | | 4.28 | 4.64 | 4.48 | 4.86 | 4.98 | 4.24 | 5.11 | 4.24 | 3.29 | 2.46 | 1.94 | 1.64 |
| Nominal interest rates (10 year) | level | | 4.23 | 4.01 | 3.94 | 4.27 | 4.28 | 3.54 | 3.90 | 3.57 | 3.08 | 3.08 | 3.16 | 3.07 |
| ECB repo rate | level | | 3.84 | 3.90 | 4.00 | 4.00 | 4.23 | 3.37 | 3.97 | 3.43 | 2.73 | 2.32 | 2.00 | 1.50 |
| Stock market (Eurostoxx) | % ch. on prev. period | | | | -13.0 | -2.7 | -11.5 | -23.7 | -17.7 | -6.6 | -1.8 | -2.9 | -7.7 | -7.5 |
| | % ch. on prev. year | | 13.8 | -23.1 | -8.2 | -16.2 | -24.1 | -42.9 | -40.7 | -43.2 | -45.1 | -41.9 | -42.8 | -44.4 |
| Money demand (M3) | % ch. on prev. year | | 11.1 | 9.5 | 10.9 | 10.0 | 8.9 | 8.0 | 8.7 | 7.7 | 7.6 | 6.0 | 5.9 | -- |
| Loans to households | % ch. on prev. year | | 7.2 | 4.2 | 5.8 | 4.8 | 3.9 | 2.5 | 3.3 | 2.5 | 1.6 | 1.2 | 0.7 | -- |
| Loans to companies | % ch. on prev. year | | 13.4 | 13.1 | 14.7 | 14.2 | 12.5 | 10.8 | 11.9 | 11.1 | 9.5 | 8.8 | 7.6 | -- |
| Bilateral exchange rate EUR/USD | level | | 1.37 | 1.47 | 1.50 | 1.56 | 1.51 | 1.32 | 1.33 | 1.27 | 1.34 | 1.32 | 1.28 | 1.31 |
| | % ch. on prev. year | | 9.1 | 7.3 | 14.3 | 15.9 | 9.5 | -9.0 | -6.4 | -13.3 | -7.7 | -10.1 | -13.3 | -15.9 |
| Nominal effective exchange rate | % ch. on prev. period | | | | 2.0 | 2.7 | -1.7 | -4.3 | -3.6 | -0.8 | 4.9 | -0.4 | -1.3 | - |
| | % ch. on prev. year | | 3.9 | 4.7 | 6.9 | 8.1 | 5.8 | -1.4 | -1.6 | -3.7 | 0.8 | -0.2 | -1.4 | - |



1. Output

In March, **industrial confidence** deteriorated further, dropping to -38 from -36 in February, a new historical low. Order books plummeted to -61, from -57 in February. Inventory rose to +21 (close to the all-time maximum of +23). In contrast, the production expectations index stabilised (at -32). Overall, the results continue to suggest weak manufacturing output in early 2009.

In January 2009, euro-area **industrial production** collapsed, declining by 3.5% month-on-month (mom) and 17.3% year-on-year (yoy). All product categories decreased (mom), with capital goods decreasing the most, by -6.0%. Industrial output in January fell in all the largest euro-area economies.

According to Eurostat's first release, euro-area **GDP** contracted by 1.5% quarter-on-quarter (qoq) in 08Q4, confirming the flash and in line with the Commission's Interim forecast. This is the third consecutive contraction, after -0.3% in 08Q2 and -0.2% in 08Q3. As to the breakdown, the contraction was broad-based with sizable falls in all components, except stocks. GDP contracted in most of the largest economies (DE -2.1%, FR -1.2%, IT -1.8% and ES -1.0%). Compared to the same quarter of the previous year, euro-area GDP growth in 08Q4 came in at -1.3%. For 2008 as a whole, GDP grew by 0.8% in the euro area, after 2.6% in 2007.

According to the **Commission's January 2009 Interim forecast**, GDP is expected to decline by less than 2% in 2009, followed by a gradual recovery in 2010 (to around ½%). Consumer-price inflation is expected to fall from 3.3% in 2008 to about 1% in 2009 and just below 2% in 2010.

2. Private consumption

After being flat in the previous two quarters, **private consumption** deteriorated significantly in 08Q4 with a negative reading of -0.9% qoq. This is the worst performance since the start of EMU. Contracting retail sales, sluggish disposable income growth and deteriorating labour markets weighed on household spending.

In March, the **consumer confidence** index declined to -34 from -33 in February. Mounting fears of unemployment together with continued concerns about the upcoming economic situation were the main elements behind the somewhat more negative confidence.

In January, the **volume of retail trade** rebounded slightly (by +0.1% mom), after three consecutive declines. In March, the Commission's **retail trade confidence** indicator improved further (from -19.0 to -18.0), after the reaching the lowest reading since March 1993 in January.

3. Investment

Gross fixed capital formation declined markedly by -2.7% qoq in Q4, after previous declines of -1.2% in Q2 and -0.6% in Q3. Sluggish demand, decreasing profits, falling capacity utilisation and still-tight financing conditions have led firms to drastically reduce investment plans. On an annual basis, investment fell by -3.3% in Q4.

Capacity utilisation has fallen sharply in the first quarter of 2009, from 81.6 in 08Q4 to 75 in 09Q1, the lowest level since the start of the series in 1985.

4. Labour market

In January 2009, the euro-area **unemployment** rate rose to 8.2%, compared with 8.1% in December 2008. It was 7.3% in January 2008. As to the country breakdown, most Member States reported increases in their unemployment rate. In particular, the largest increase was noted in Spain and Ireland, both up by +0.5pp. The so far resilient German labour market showed the first signs of worsening in January, as the unemployment rate increased to 7.3% from 7.2% in December.

According to Eurostat's estimate, the number of persons employed in the **euro area** decreased by 0.3% qoq (453,000 persons) in 08Q4, after contracting (by -0.1%) in 08Q3. Compared with 07Q4, employment remained flat on yoy basis, implying a continued gradual deceleration (yoy growth of 1.5% in 08Q1, 1.1% in 08Q2 and 0.6% in 08Q3).

In March, **employment expectations** among managers in industry worsened, while those in the services sector remained unchanged. Households' fears about unemployment rose again in the euro area to 66 in March, from 62 in February. Overall, survey data on employment expectations suggest a further easing in the labour market situation in 2009. The level of **labour shortages in manufacturing** decreased in 09Q1, with only 4% of firms reporting that unfilled job openings were constraining production (compared to 5.7% in 08Q4).



5. International transactions

In March, the assessment of **export order books** fell from -59 to -63, below its long-term average of -18. The seasonally adjusted **euro-area trade balance** with the rest of the world showed another high deficit in January 2009 (-5.5 bn). In 08Q4, **exports of goods and services** in volume fell by -7.3% qoq, while **imports** decreased by -5.5%. As a result, net trade subtracted one full pp. from qoq GDP growth in 08Q4.

In January 2009, the working-day and seasonally adjusted **current account** of the euro area recorded a deficit of 12.7 billion euro. In the **financial account**, combined direct and portfolio investment showed net outflows of 23 bn euro, reflecting net outflows in both portfolio investment and direct investment.

6. Prices

According to Eurostat's flash estimate, annual inflation in March edged up to 0.6%. Euro-area **HICP inflation** was 1.2% in February, up from 1.1% a month ago. **Core inflation** is gradually easing, from 1.8% in January to 1.7% in February.

After a sharp drop in **oil prices** in the second half of 2008, prices have been relatively stable (around 45-52 USD/bl.) since the beginning of the year. The stability is due to, on one hand, the recent cuts in production decided by oil producers in an attempt to put an end to the drop in oil prices. On the other hand, it seems that hedging mechanisms against inflation, as well as hopes of a recovery are sustaining prices around the current levels. Crude oil is currently trading at about 52 USD/bl. (30 March), a level significantly below the record-high of mid-July 2008 (146 USD/bl.).

Industrial producer prices posted a sixth consecutive mom decline in January (-0.8%). Producer prices are decelerating fast: the yoy growth rate was 6.1% in 2008, 3.4% in 08Q4 and only -0.5% in January.

7. Monetary and financial indicators

On 5 March, the ECB lowered its **policy rate** by a further 50bps. to 1.5%, bringing the total reduction since early October 2008 to 275 bps. Overall, while easing, money markets in Europe remain still far from a normalised situation. In particular, the 3-month interbank market rates (Euribor) declined to 1.53% from 2.86% at the start of the year. The spreads to the overnight indexed swap (OIS) narrowed to 80 bps., considerably lower compared to almost 200 in October 2008 however high as to the pre-crisis level

(15 bps. on average). The US Federal Reserve lowered in December 2008 its target interest rate from 1.0% to a target range of 0-0.25%. Supported by the Fed announcement of quantitative easing, the US interbank market rates declined (the 3-month interest rate is at 1.22% on 30 March) and interbank spreads narrowed (to 98 bps.), breaking the up-trend of Libor since mid-January.

Bond markets in the euro area and especially US were volatile in March, reflecting changing growth and inflation prospects, concerns about expanding bond supply and rising sovereign default risk. Despite that, the sovereign bond yields in the euro area eased somewhat in the last days of March. The euro-area ten-year interest rate is 3.04% on 30 March 2009 (most-recent high of 4.61% in June 2008). The US ten-year interest rate is at 2.72% on 30 March (up from 2.2% at the turn of the year), significantly lower than the most-recent high of 4.27% in June 2008.

Evidence suggests that bank lending continues to decelerate. Developments have been influenced by the weakening macroeconomic outlook, triggering both a further tightening in lending standards by banks and the decline in demand for credit. According to the ECB, the annual rate of **growth of M3** decreased further to 5.9% in February 2009 from 7.0% in January. The 3-month moving average declined to 6.5%. The annual rate of growth of **loans to the private sector** decreased to 4.2% in February, after 5.0% in January. Loan growth to **households** witnessed another record low in February (at 0.7%, down from 1.2% in January), while loans to **non-financial corporations** still show relatively robust, though already decelerating, growth (down from 8.8% to 7.6%).

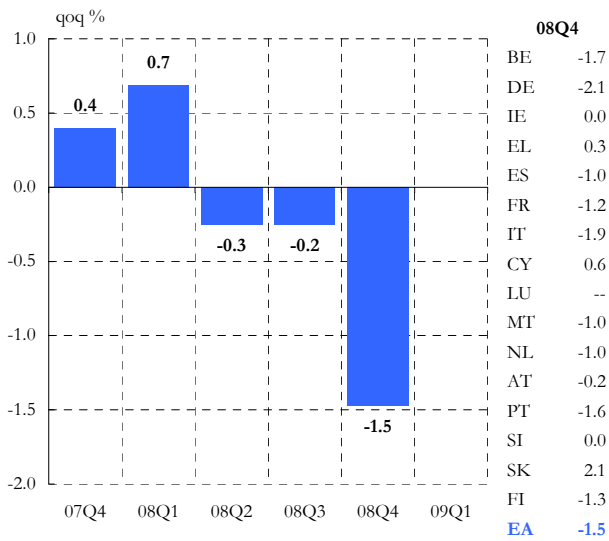
The nominal effective **exchange rate** of the euro (NEER) began to weaken in August 2008. The downward pressure intensified in October and November, largely reflecting a reassessment of the economic situation in the euro area in relation to other economic regions. Lately, the euro has climbed amid the worries about the Fed's excessive money supply (and possible depreciation of the dollar). On 30 March, the euro was trading at 1.32 against the dollar and 128.4 against the yen.

Stock prices fell to near decade lows at the beginning of March and rebounded in the course of the month. Both Dow Jones and Eurostoxx gained about 13% compared with the lows at the start of March, bringing the stock prices to the levels of 6 years ago. On 30 March, Dow Jones was closing at about 82, Eurostoxx at 57 and Nikkei at 61. 2008 was a year of historic losses for stock markets in Europe, US and Japan, losing between 35% and 40%.

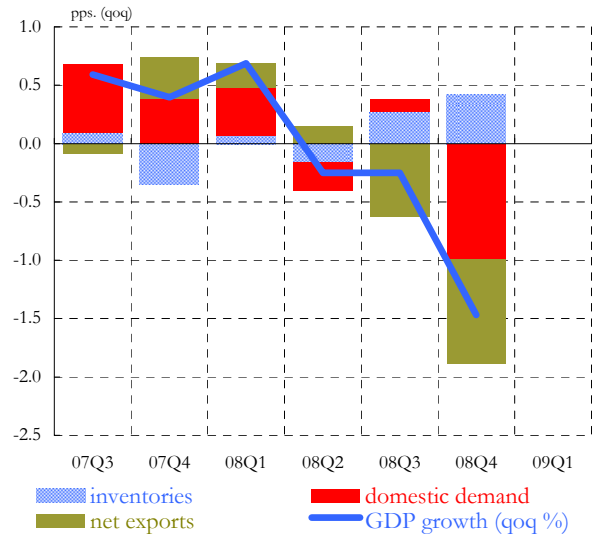


1. OUTPUT

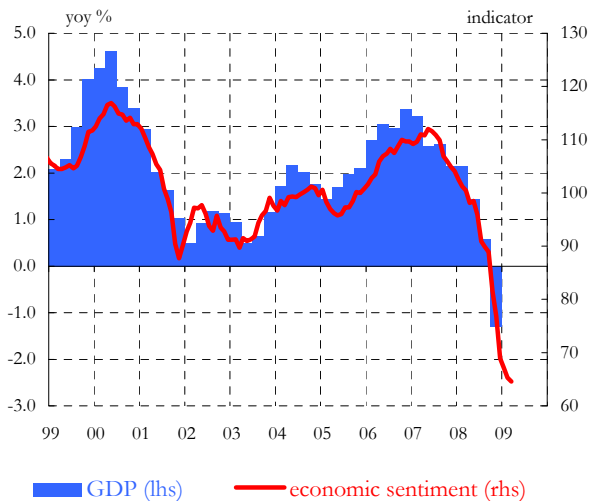
GDP



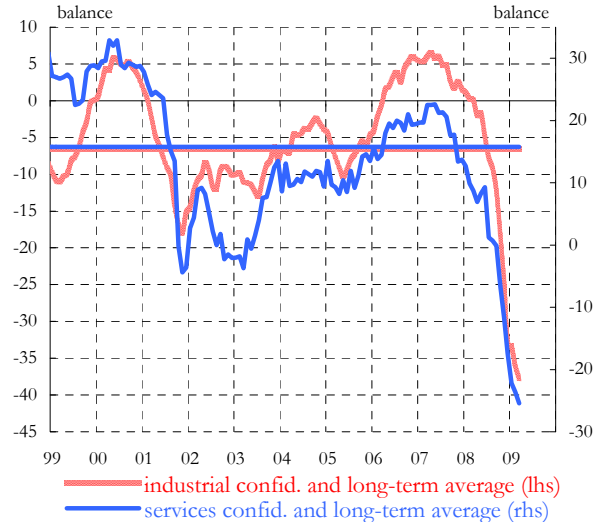
Contributions to GDP growth



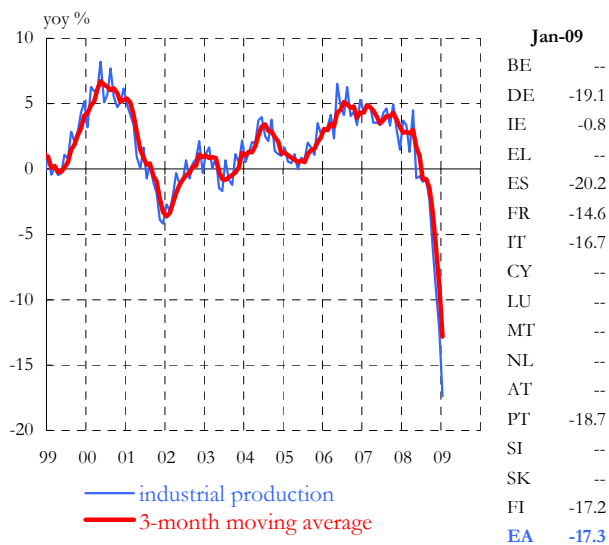
GDP and Economic Sentiment Indicator



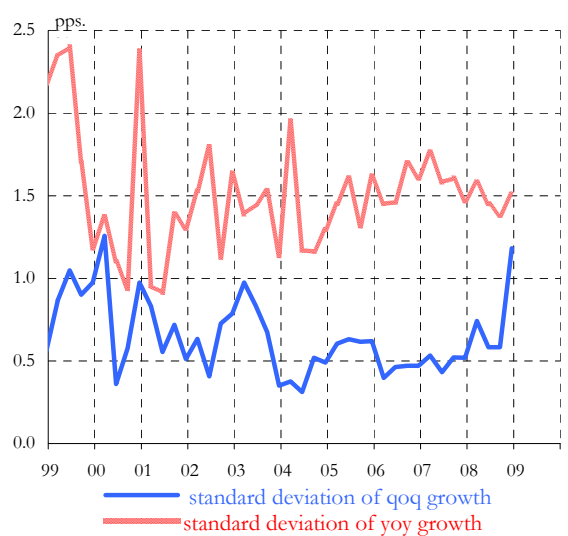
Industrial and services confidence



Industrial production



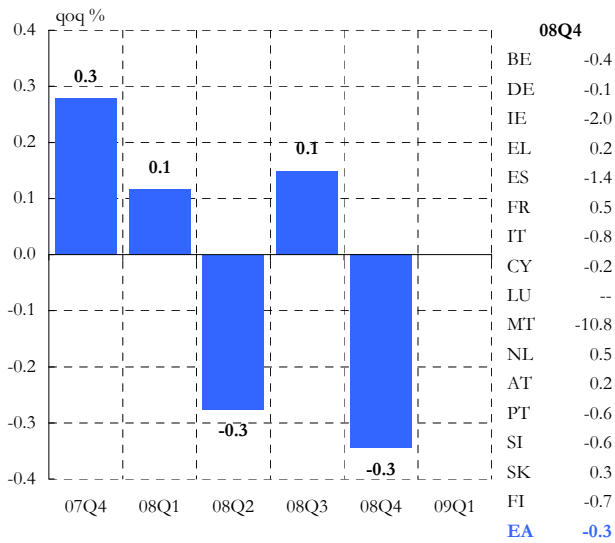
GDP growth divergence, euro area



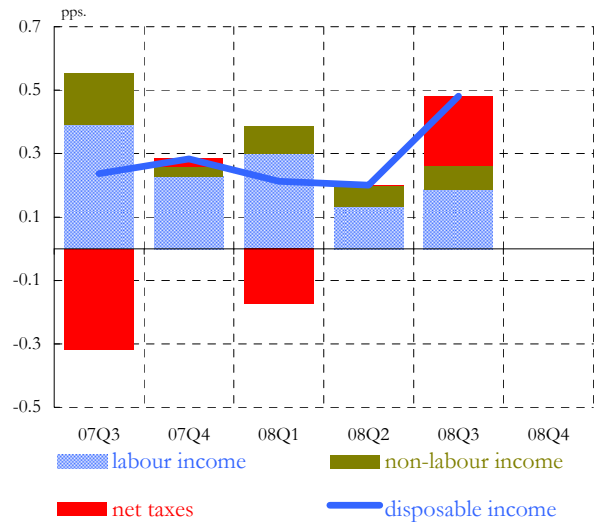


2. PRIVATE CONSUMPTION

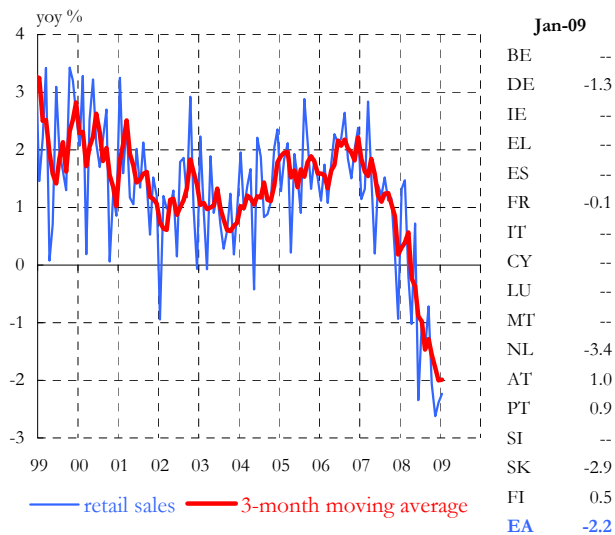
Private consumption



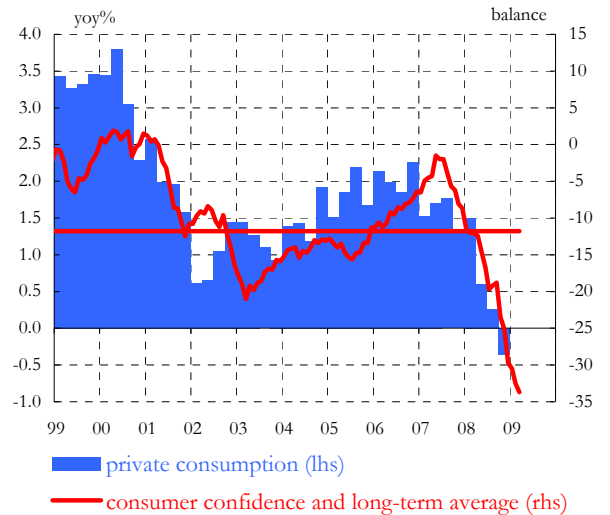
Gross disposable income and its components



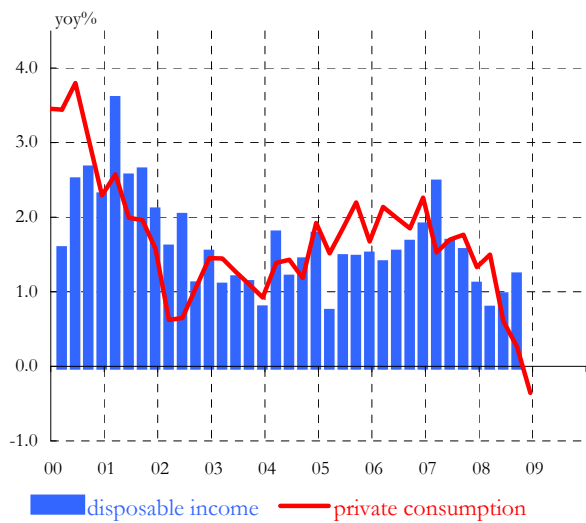
Retail sales



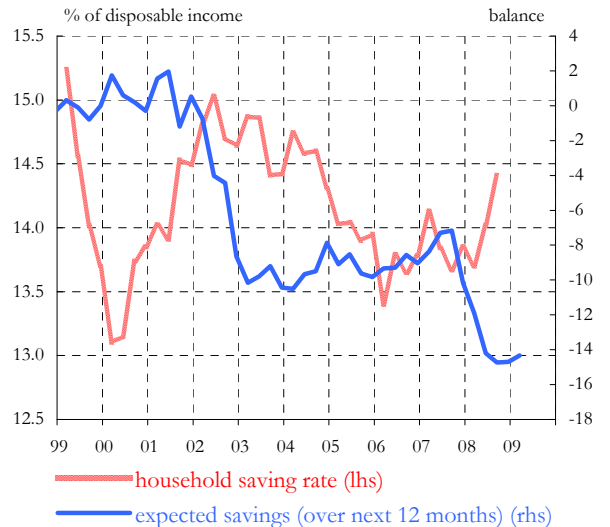
Consumer confidence and private consumption



Households: disposable income and consumption



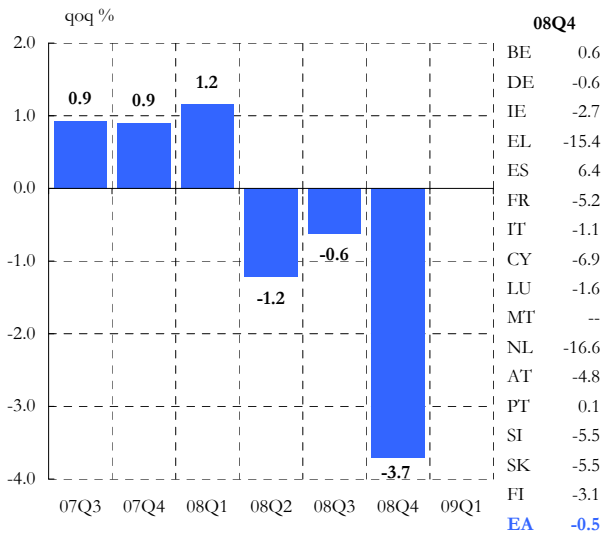
Households: actual saving rate and expected savings



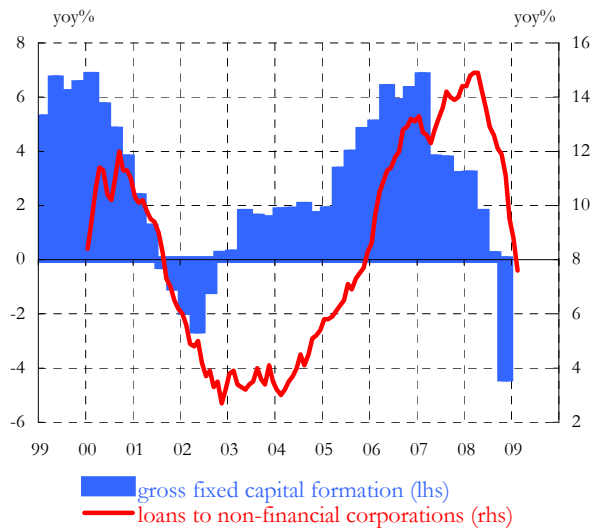


3. INVESTMENT

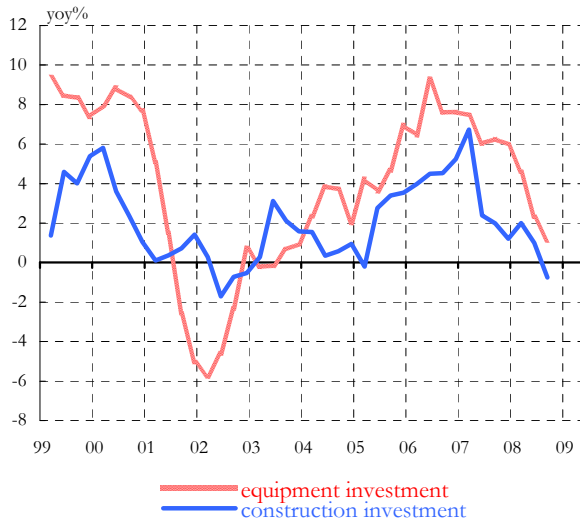
Gross fixed capital formation



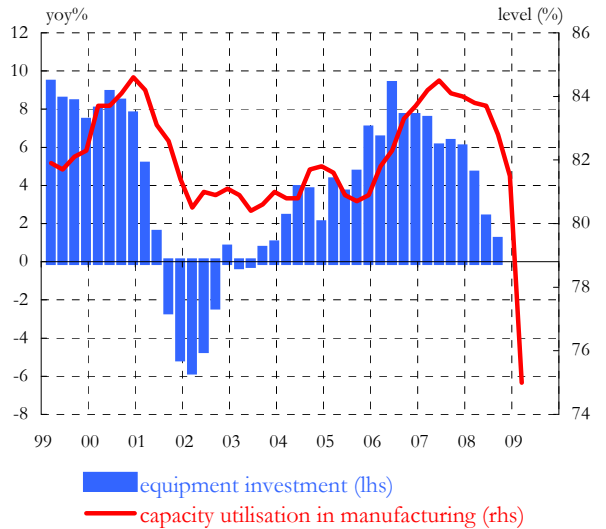
Gross fixed capital formation and corporate loans



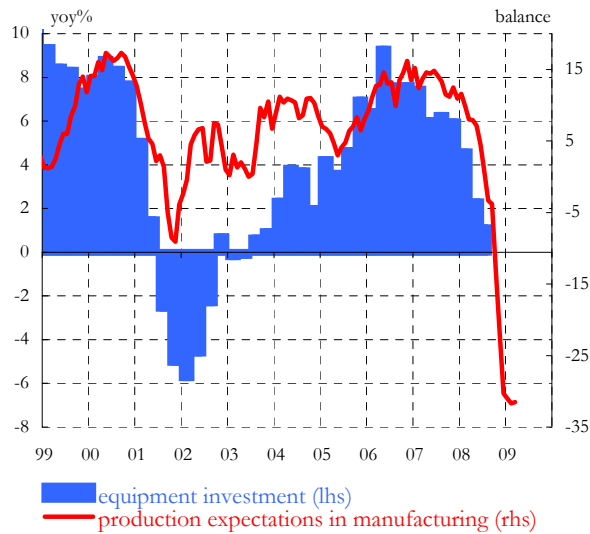
Equipment and construction investment



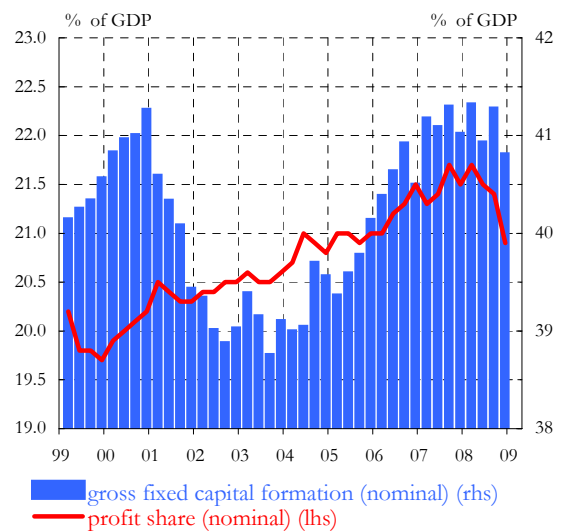
Equipment investment and capacity utilisation



Equipment investment and production expectations



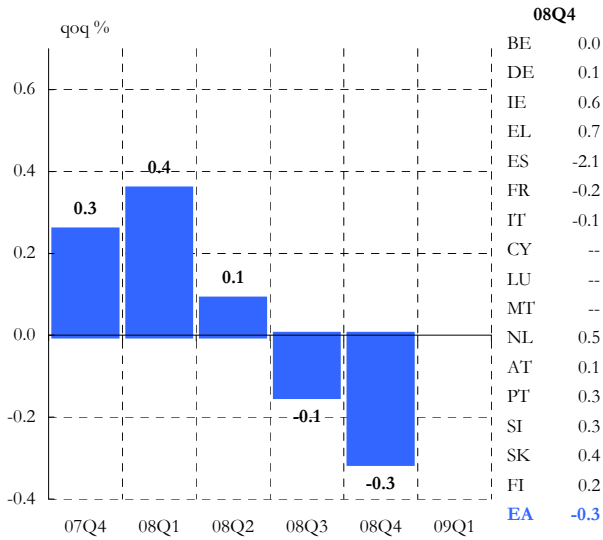
Gross fixed capital formation and profit share



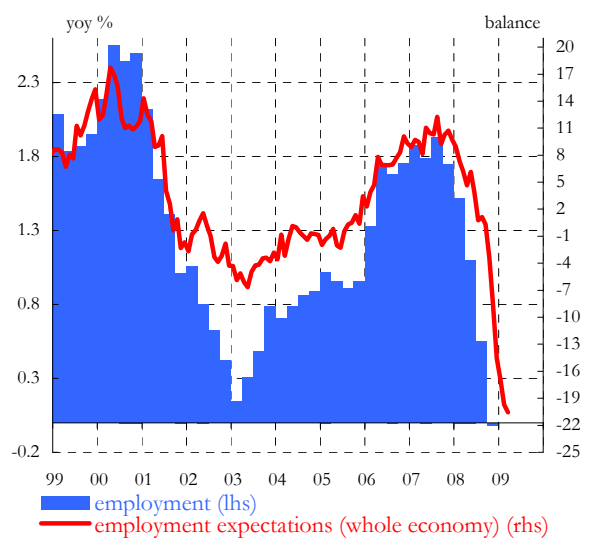


4. LABOUR MARKET

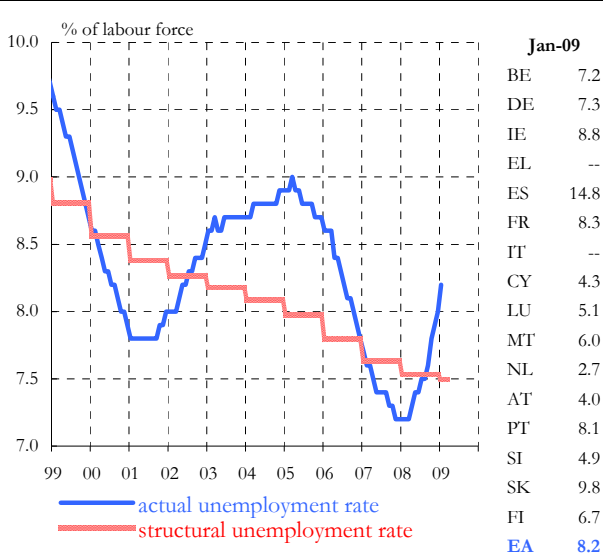
Employment



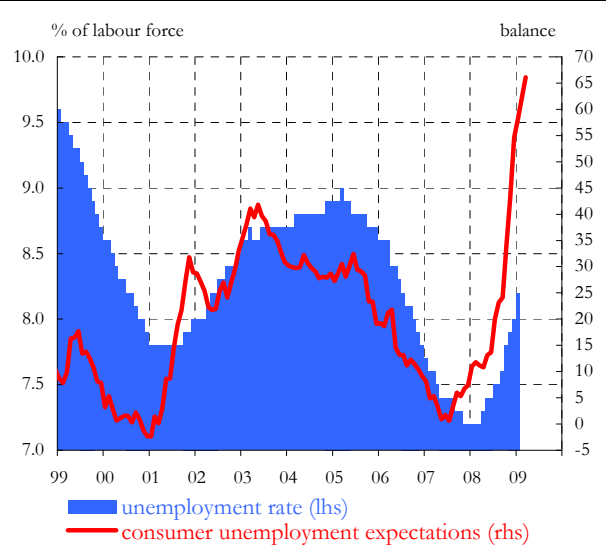
Employment and employment expectations



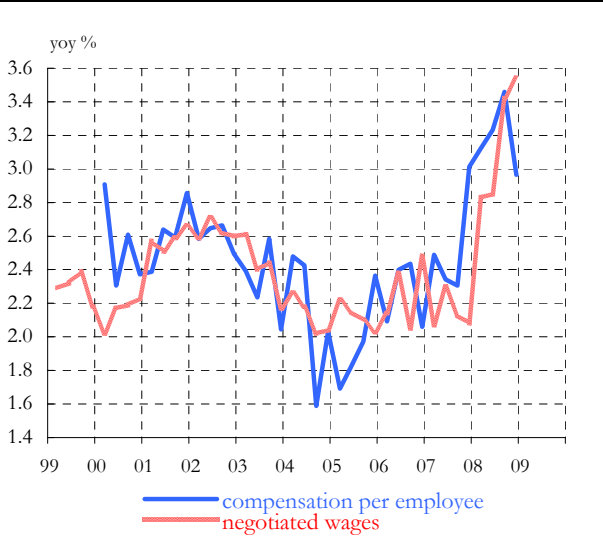
Actual and structural unemployment rate



Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



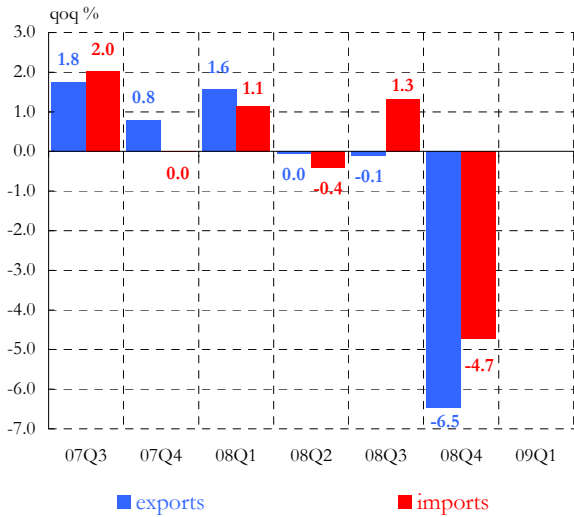
Labour costs in the private business sector (nominal)



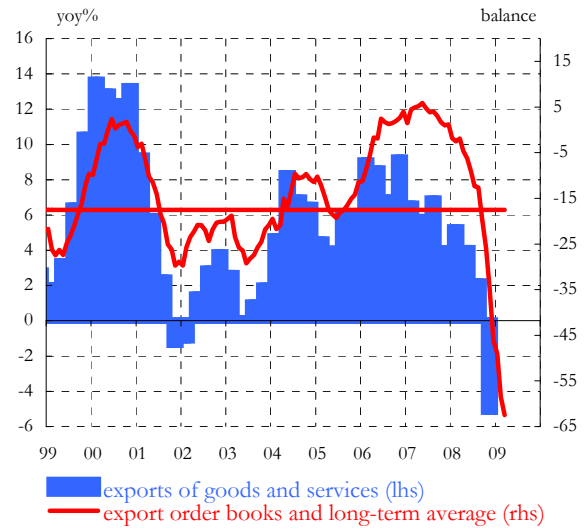


5. INTERNATIONAL TRANSACTIONS

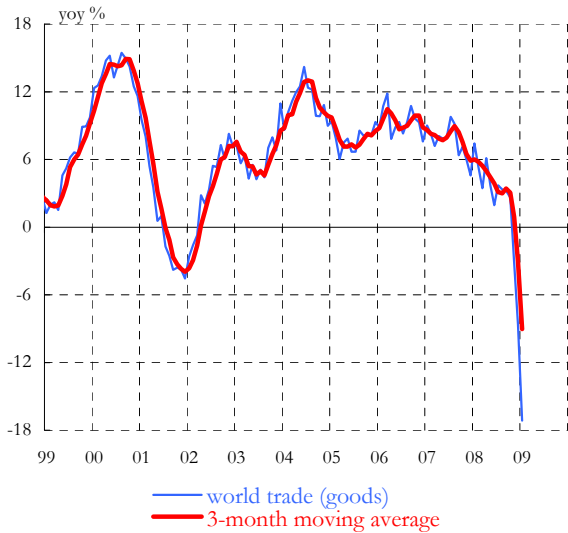
Exports and imports of goods and services



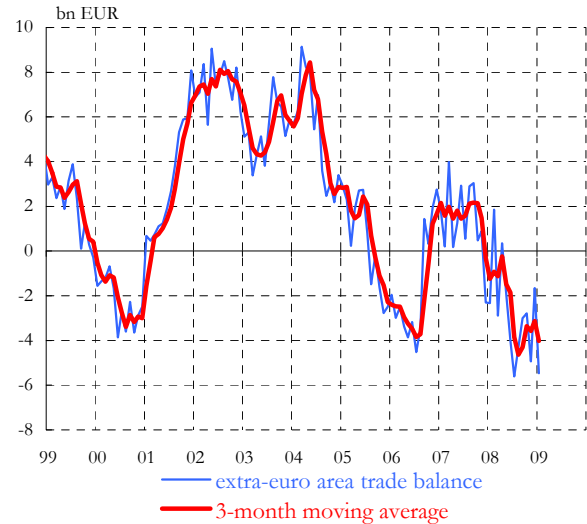
Exports and export order books



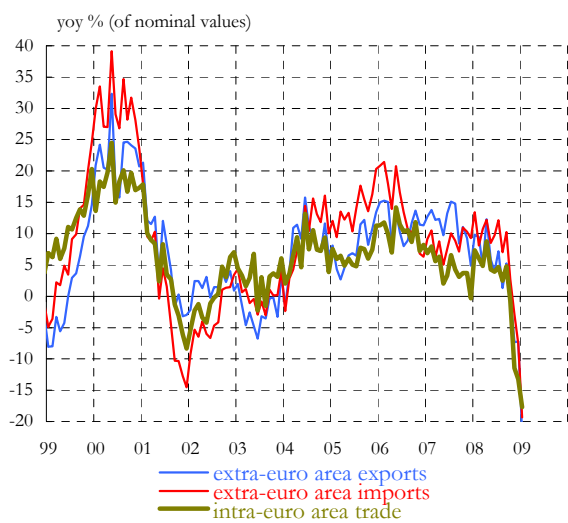
World trade



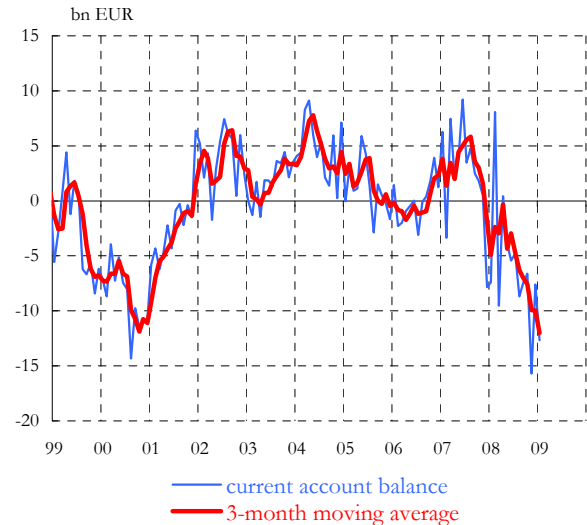
Extra euro-area trade balance



Extra- and intra-euro area trade



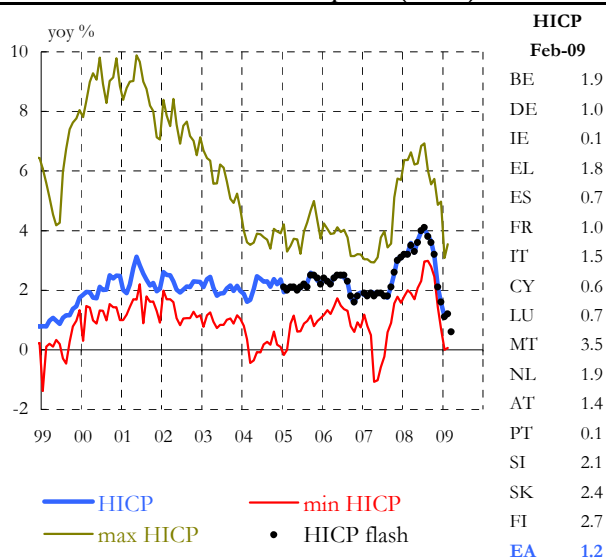
Current account balance



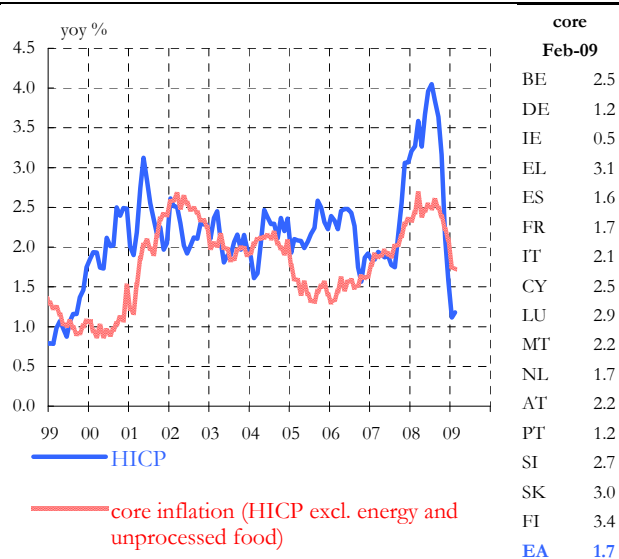


6. PRICES

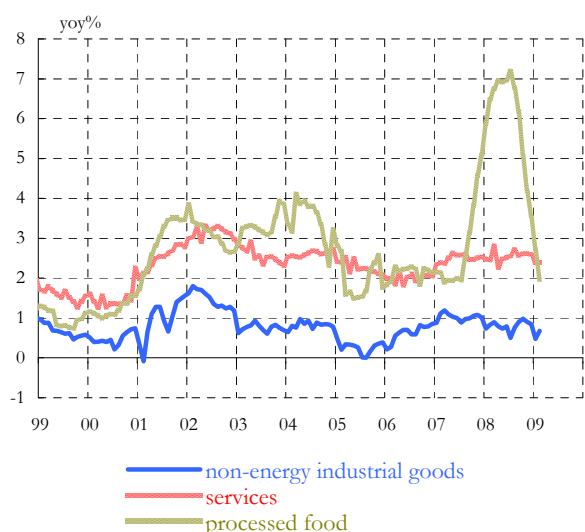
Harmonised index of consumer prices (HICP)



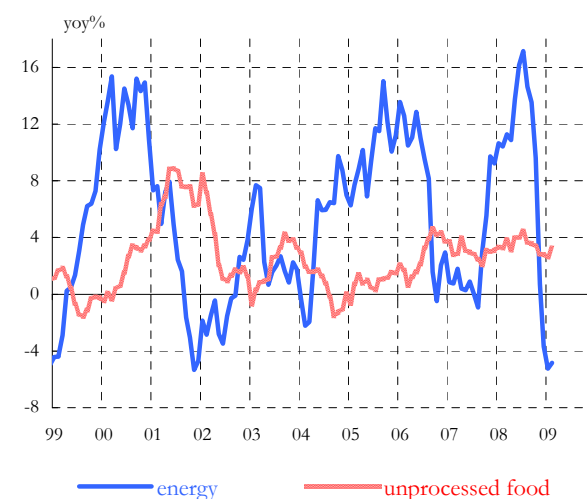
HICP and core inflation



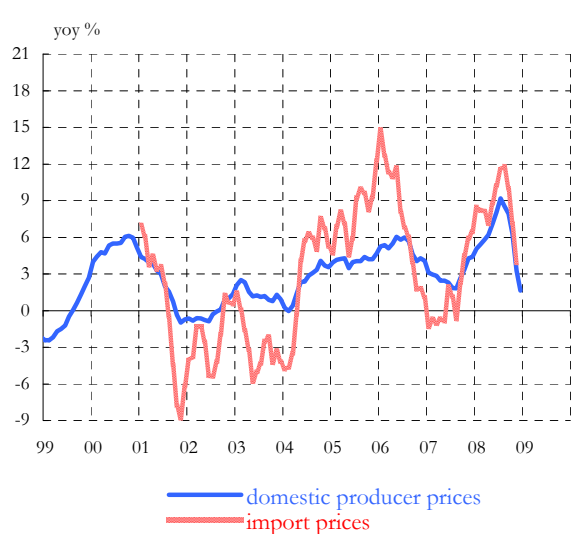
Breakdown of core inflation



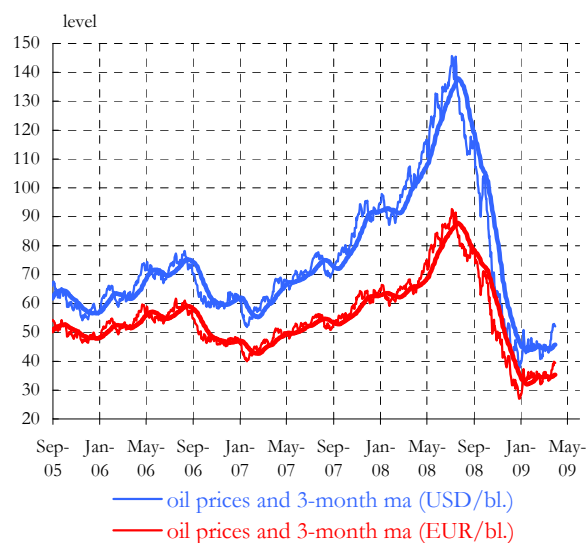
Energy and unprocessed food



Domestic producer prices and import prices



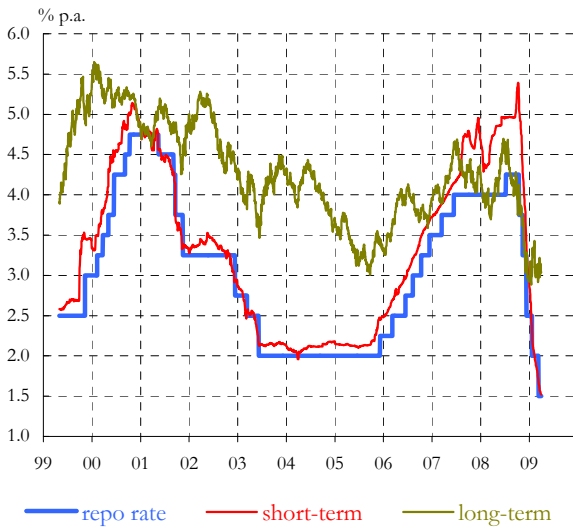
Oil prices



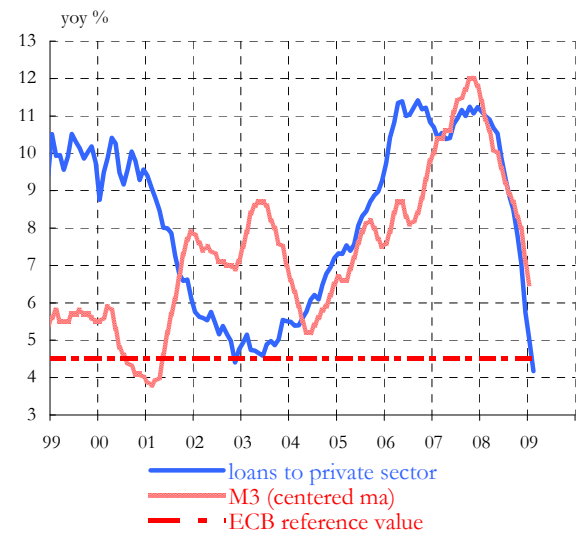


7. MONETARY AND FINANCIAL INDICATORS

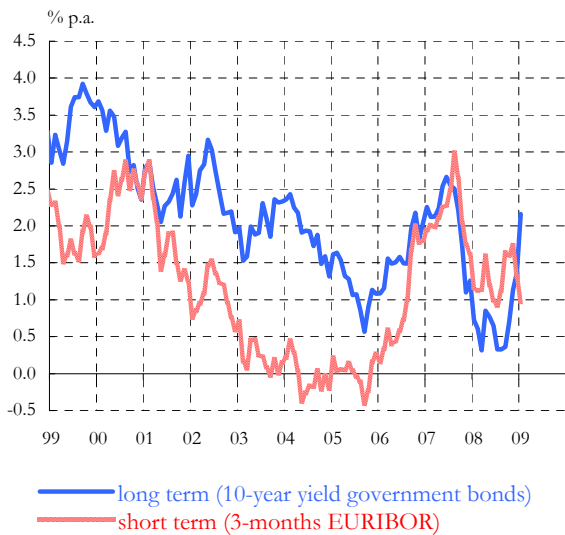
Nominal interest rates



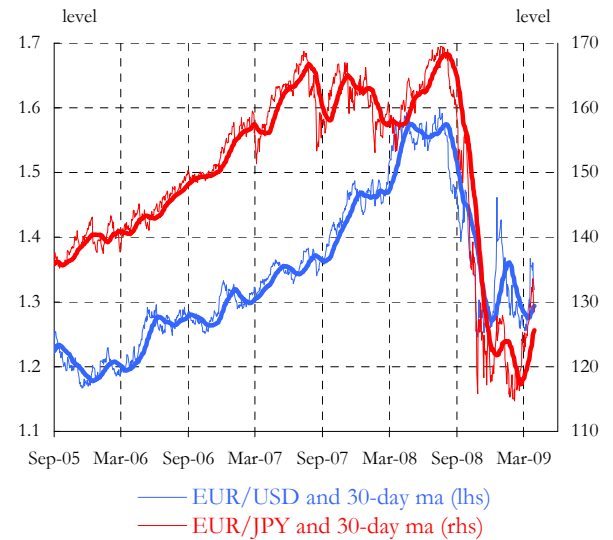
Loans to private sector and money supply



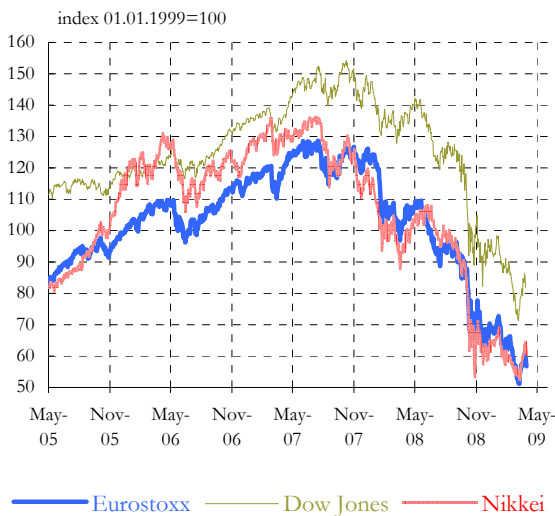
Real interest rates



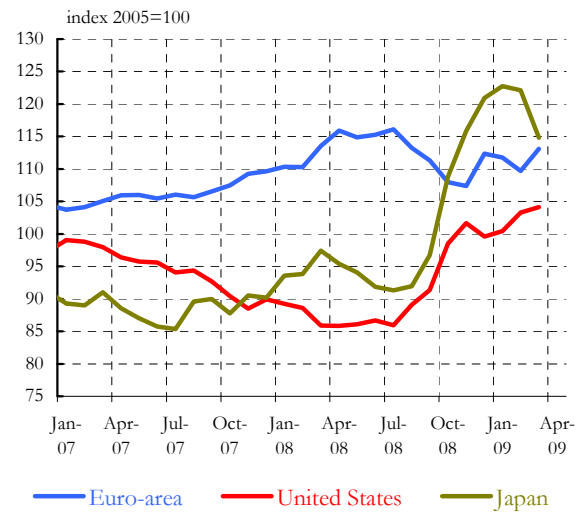
Euro vis-à-vis US dollar and JP yen



Stock market indices



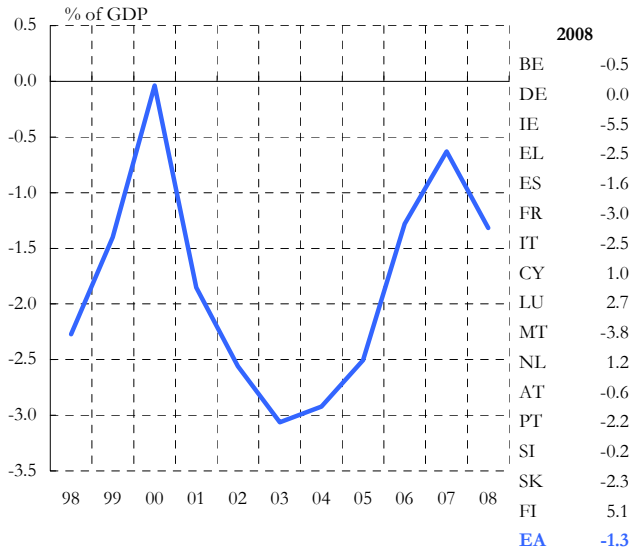
Nominal effective exchange rates



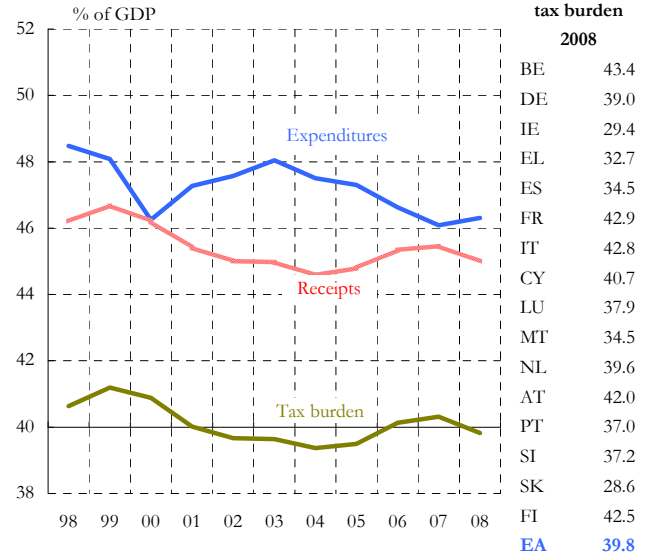


8. PUBLIC FINANCES*

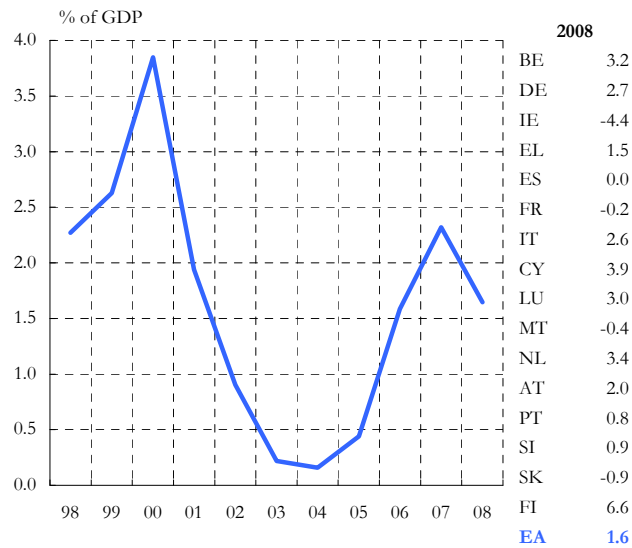
Government general balance



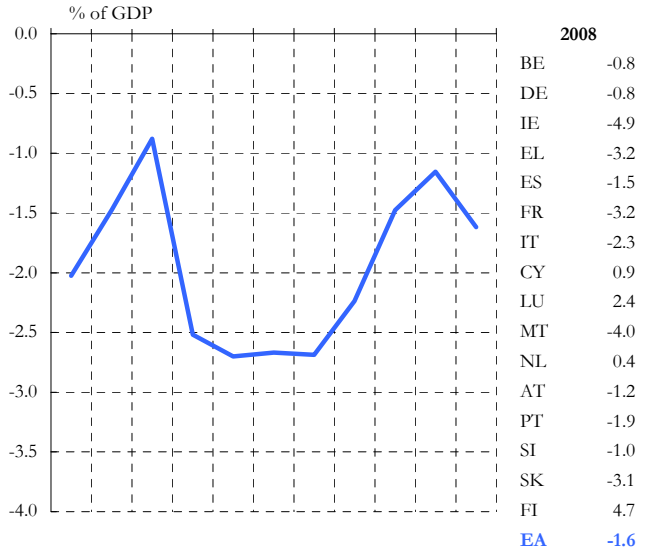
General government expenditures and receipts



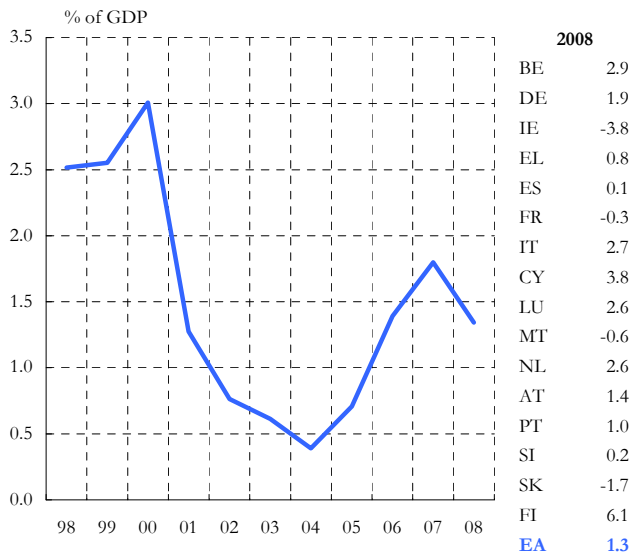
Primary balance



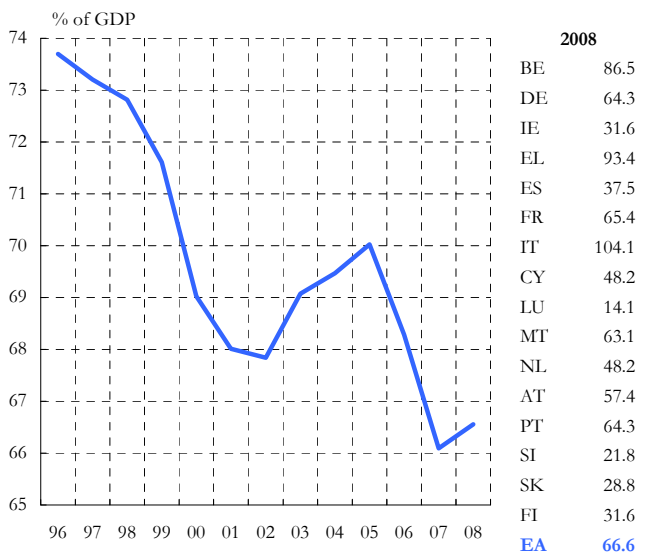
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



* Figures are from the Commission's autumn 2008 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 (2000=100), NACE Rev.1 C-D-E, 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.1 52) 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 2000=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 IC24 (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 |