

	LTA <sup>(1)</sup>	2007	2008	08Q4	09Q1	09Q2	09Q3	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	
<b>1. Output</b>														
Economic Sentiment	indicator	100.6	108.9	91.2	75.6	65.7	70.2	79.9	73.2	76.0	80.8	82.8	86.2	--
Industrial confidence	balance	-6.1	4.4	-9.4	-25.3	-35.8	-33.3	-26.5	-31.7	-29.6	-25.4	-24.4	-20.9	--
Services confidence	balance	16.6	19.4	1.8	-11.9	-23.7	-22.2	-12.4	-19.8	-17.5	-10.6	-9.0	-6.5	--
Industrial production	% ch. on prev. period				-8.0	-8.6	-1.1	--	0.9	0.2	1.1	--	--	--
(excluding construction)	% ch. on prev. year	1.5	3.7	-1.7	-9.0	-18.5	-18.6	--	-16.7	-15.9	-15.2	--	--	--
Gross domestic product	% ch. on prev. period				-1.8	-2.5	-0.2	--						
	% ch. on prev. year	1.7	2.8	0.7	-1.8	-4.9	-4.8	--						
Labour productivity	% ch. on prev. period				-1.5	-1.7	0.3	--						
	% ch. on prev. year	0.9	1.0	-0.1	-1.7	-3.7	-3.0	--						
<b>2. Private consumption</b>														
Consumer confidence	balance	-11.4	-4.9	-18.0	-27.1	-32.5	-27.9	-21.3	-25.1	-23.0	-22.0	-19.0	-17.7	--
Retail confidence	balance	-6.0	0.7	-7.0	-15.3	-18.6	-17.0	-14.1	-16.9	-13.2	-14.1	-15.1	-15.3	--
Private consumption	% ch. on prev. period				-0.5	-0.5	0.1	--						
	% ch. on prev. year	1.7	1.6	0.4	-0.7	-1.4	-0.9	--						
Retail sales	% ch. on prev. period				-0.8	-0.8	-0.4	-0.7	0.0	-0.2	-0.1	-0.7	--	--
	% ch. on prev. year	1.3	1.4	-0.7	-1.9	-3.2	-2.4	-2.6	-2.0	-1.8	-2.3	-3.6	--	--
<b>3. Investment</b>														
Capacity utilisation	level (%)	81.5	84.2	83.0	81.5	74.7	70.3	69.6	--	69.6	--	--	70.7	--
Production expectations (manuf.)	balance	6.2	13.2	-1.9	-21.8	-31.4	-20.5	-9.4	-15.8	-13.4	-7.7	-7.2	-1.4	--
Gross fixed capital formation	% ch. on prev. period				-3.5	-5.4	-1.5	--						
	% ch. on prev. year	1.9	4.9	-0.3	-5.5	-11.2	-11.4	--						
- equipment investment	% ch. on prev. period				-5.3	-12.8	-2.9	--						
	% ch. on prev. year	4.6	8.5	1.2	-5.8	-18.2	-20.8	--						
- construction investment	% ch. on prev. period				-2.6	-1.1	-0.8	--						
	% ch. on prev. year	1.6	2.6	-1.7	-5.7	-7.8	-6.1	--						
Change in stocks	contrib. to GDP (pp.)	0.0	0.1	0.2	0.2	-0.7	-0.7	--						
<b>4. Labour market</b>														
Employment expectations (manuf.)	balance	-12.0	1.8	-8.7	-22.7	-34.7	-35.7	-30.7	-34.1	-32.3	-29.5	-30.3	-26.4	--
Employment expectations (services)	balance	9.1	13.4	4.3	-5.1	-15.5	-16.0	-11.7	-12.9	-11.4	-12.5	-11.1	-7.9	--
Employment	% ch. on prev. period				-0.3	-0.7	-0.5	--						
	% ch. on prev. year	1.1	1.8	0.8	0.0	-1.2	-1.8	--						
Employment (000)	abs. ch. on prev. period		2 564	1 109	-439	-1 089	-689	--						
Compensation of employees per head (nominal)	% ch. on prev. period				0.5	-0.1	0.5	--						
	% ch. on prev. year	2.1	2.6	3.2	3.0	1.9	1.6	--						
Unemployment rate	% of lab. force		7.5	7.6	8.0	8.8	9.3	9.6	9.4	9.5	9.6	9.7	--	--
Unemployment (000)	abs. ch. on prev. period		-1 216	232	695	1 192	827	471	148	149	152	183	--	--
<b>5. International transactions</b>														
World trade	% ch. on prev. period				-7.0	-10.7	-0.9	--	1.0	3.7	-2.0	--	--	--
	% ch. on prev. year	6.8	7.3	2.5	-5.9	-17.9	-18.4	--	-16.9	-15.9	-15.5	--	--	--
Export order books	balance	-17.5	3.5	-14.8	-35.6	-56.7	-64.0	-60.1	-64.9	-63.8	-59.0	-57.5	-54.3	--
Trade balance (merchandise)	billion EUR		12.1	-57.5	-9.2	-9.5	3.6	--	1.9	6.0	1.0	--	--	--
Exports of goods and services	% ch. on prev. period				-7.0	-9.2	-1.5	--						
	% ch. on prev. year	4.5	6.1	1.2	-6.6	-16.8	-17.7	--						
Imports of goods and services	% ch. on prev. period				-4.6	-7.9	-2.9	--						
	% ch. on prev. year	4.5	5.3	1.1	-3.7	-12.8	-14.4	--						
Current account balance	billion EUR		15.3	-140.6	-42.8	-37.4	-11.8	--	-3.5	3.7	-1.3	--	--	--
Direct investment	billion EUR		-72.9	-189.0	-61.1	-58.8	-0.6	--	-11.4	8.5	3.8	--	--	--
Portfolio investment	billion EUR		151.3	350.5	152.7	129.9	98.1	--	42.0	-3.0	53.4	--	--	--
<b>6. Prices</b>														
Consumer inflation expectations	balance	22.7	23.0	22.9	12.3	3.5	-6.4	-14.1	-9.3	-12.1	-16.2	-13.9	-13.8	--
Headline inflation (HICP)	% ch. on prev. year		2.1	3.3	2.3	1.0	0.2	-0.4	-0.1	-0.7	-0.2	-0.3	-0.1	--
Core HICP	% ch. on prev. year		2.0	2.4	2.2	1.6	1.5	1.2	1.3	1.2	1.2	1.1	--	--
Domestic producer prices	% ch. on prev. year		2.7	6.0	3.4	-2.0	-5.7	-7.9	-6.5	-8.4	-7.5	-7.7	--	--
Import prices	% ch. on prev. year		1.4	7.9	3.2	-7.0	-9.5	--	-11.1	-13.2	--	--	--	--
Oil (Brent) in USD	level		72.5	98.6	58.5	45.6	59.3	68.9	69.0	65.6	72.9	68.4	73.3	76.3
	% ch. on prev. year		9.5	36.1	-33.8	-52.6	-51.3	-41.7	-48.0	-51.7	-37.1	-32.6	-2.8	38.0
Oil (Brent) in EUR	level		52.6	66.2	44.3	34.9	43.4	48.2	49.3	46.6	51.1	47.0	49.4	51.6
	% ch. on prev. year		-0.1	25.7	-27.2	-45.5	-44.3	-38.4	-42.2	-45.9	-34.0	-33.5	-12.6	18.8
Non-energy commodity prices (EUR)	% ch. on prev. period				-19.1	-8.9	5.8	3.9	1.7	-0.9	5.9	-2.8	1.5	--
	% ch. on prev. year		8.0	4.2	-9.4	-27.2	-23.8	-19.0	-23.5	-23.3	-16.9	-16.5	-5.2	--
<b>7. Monetary and financial indicators</b>														
Nominal interest rates (3 month)	level		4.28	4.64	4.24	2.01	1.31	0.87	1.23	0.97	0.86	0.77	0.74	0.72
Nominal interest rates (10 year)	level		4.23	4.01	3.54	3.10	3.39	3.33	3.55	3.37	3.34	3.29	3.23	3.27
ECB repo rate	level		3.84	3.90	3.37	1.99	1.13	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Stock market (Eurostoxx)	% ch. on prev. period				-23.7	-13.6	10.1	11.8	0.9	0.5	9.8	4.6	1.3	-4.2
	% ch. on prev. year		13.8	-23.1	-42.9	-43.3	-35.8	-18.9	-30.6	-25.4	-19.2	-11.5	9.1	12.0
Money demand (M3)	% ch. on prev. year		11.2	9.5	8.0	5.6	4.1	2.5	3.6	3.0	2.6	1.8	--	--
Loans to households	% ch. on prev. year		7.2	4.2	2.4	0.7	0.0	-0.2	0.2	0.0	-0.2	-0.3	--	--
Loans to companies	% ch. on prev. year		13.5	13.1	10.8	7.5	4.0	0.7	2.7	1.5	0.7	-0.1	--	--
Bilateral exchange rate EUR/USD	level		1.37	1.47	1.32	1.30	1.36	1.43	1.40	1.41	1.43	1.46	1.48	1.47
	% ch. on prev. year		9.1	7.3	-9.0	-13.0	-12.7	-5.0	-9.9	-10.7	-4.7	1.3	11.2	15.7
Nominal effective exchange rate	% ch. on prev. period				-4.3	2.5	1.2	1.0	0.9	-0.2	0.1	1.2	1.2	-0.4
	% ch. on prev. year		4.1	4.8	-1.4	-0.9	-2.4	0.2	-1.6	-2.1	0.0	2.9	8.1	8.5

(1) LTA=Long-Term Average

(2) Data available until date of update



## 1. Output

In its **autumn forecast** released on November 3, the Commission foresees that the euro-area economy will emerge from recession in the second half of 2009, although GDP is projected to fall by 4% in 2009 on average. A relatively strong temporary pick-up is in the cards for the near term and following the improvements in the external environment, financial conditions, as well as the significant fiscal and monetary stimulus – with a more gradual recovery foreseen in 2010-2011. Euro-area GDP is expected to grow by 0.7% in 2010 and by 1.5 % in 2011. Consumer price inflation is expected to rebound from its current very low level. However, it should remain relatively low, at around 1.1% in 2010 and 1.5% in 2011.

In October, **industrial confidence** continued to improve (to -21, from -24 in September). While significantly better than the March record low of -38, it is still well below the long-term average of -7. The rise in October reflected an large improvement in production expectations (by +6) and more positive appraisal of order books (by +3) and the level of stocks (by +1).

The pace of deterioration in **industrial production** slowed from -8% in 08Q4 to just -1.1% in 09Q2. On a monthly frequency, industrial production rose in August for the fourth consecutive month (+0.9% m-o-m). Industrial output rebounded in most of the largest economies (IT 7.0%, DE 1.5%, FR 1.9%, ES 1.0%). Ireland stands out with a plunge of -16.7% m-o-m. As to the product breakdown, all components grew m-o-m, except non-durable consumer goods (-1.3%).

**GDP** contracted by a mere 0.2% q-o-q (quarter-on-quarter) in 09Q2, after sizable drops of -2.5% in 09Q1 and -1.8% in 08Q4. On a yearly comparison, GDP slightly improved, but it was still down by 4.8%. Consumption (both private and public) proved relatively resilient, while investment and trade flows continued to contract and stock liquidation remained sizable. Among the major euro-area economies, growth was increasingly uneven in 09Q2: Germany and France surprised positively with +0.3% GDP growth, while activity continued to fall in Italy (-0.5%), Netherlands (-0.9%) and Spain (-1.1%).

## 2. Private consumption

**Private consumption** slightly rebounded in 09Q2 (0.1% q-o-q), after declines of -0.5% in 08Q4 and 09Q1. The relative resilience of private consumption at a time when the saving rate is on the rise is largely explained by government measures and the strong

disinflation process, both supporting real disposable income.

In October, the European Commission's **consumer confidence** indicator rose for the seventh consecutive month to -18 (up from -19 in September and the recent trough of -34 in March). Among the indicator's components, financial and economic expectations improved, consumers' savings prospects have increased and consumers' perception of their future unemployment prospects has remained stable compared to September.

The volume of **retail trade** fell by 0.7% (m-o-m) in September (-3.6% y-o-y). After a marked gain in July (by +4), the **retail trade confidence** indicator deteriorated slightly in August and September (both by -1 point) and remained overall stable in October.

## 3. Investment

**Gross fixed capital formation** declined by 1.5% in 09Q2 (q-o-q), after a sizable drop of almost 9% accumulated over the two previous quarters. Investment has been the main source of weakness during this recession, with the sectoral break-down suggesting that the contraction was mostly due to non-construction investment. On an annual basis, investment still fell by a remarkable -11.4% in 09Q2.

Firms are utilising their **capacity** at a slightly higher pace than in the summer (the reading now stands at 70.7% compared to 69.9% in 09Q3), although capacity utilisation rate is still far below its average of 81.5%.

## 4. Labour market

In September, the **unemployment** rate rose to 9.7%, compared with 9.6% in August. It is the highest rate since January 1999. A year ago it was 7.7%. Most Member States reported increases in their unemployment rate. The lowest unemployment rates were recorded in the Netherlands (3.6%) and Austria (4.8%), and the highest rates in Spain (19.3%), in particular, thereafter followed by Ireland (13%) and Slovakia (12%).

The number of **persons employed** decreased by 0.5% (q-o-q) in 09Q2, after contracting by -0.7% in 09Q1. The highest declines were observed in Slovenia (-1.4%), Spain (-1.3%), Finland (-1.2%) and Portugal (-0.9%). On an annual basis, employment growth was also negative; down from -1.2% in 09Q1 to -1.8% in 09Q2.

After taking a pause in September, **employment expectations** in manufacturing improved again in October (from -30 in September to -26). Employment expectations in the services sector improved also (from



-11 to -8) and households' fears about unemployment remained stable.

The level of **labour shortages in manufacturing** is still very low in 09Q4, with only 0.6% of firms reporting that unfilled job openings were constraining production (compared to 5.7% a year ago).

## 5. International transactions

In October, the assessment of **export order books** improved further. The current level (-54) is, however, still well below the long-term average (-19). For the fifth month in a row, the **euro-area trade balance** (swda) with the rest of the world showed a surplus in August. Exports exceeded imports (both in nominal terms) by 1bn, significantly less than 6bn recorded in July.

In August 2009, the **current account** recorded a deficit of EUR 1.3 bn. (wdsa). This reflected deficits in current transfers and income, which were only partly offset by surpluses in goods and services. In the **financial account**, net inflows were recorded in August 2009, both in portfolio investment and in direct investment.

## 6. Prices

According to Eurostat's flash estimate, inflation in October was still negative (for the fifth consecutive month) at -0.1%. **HICP inflation** in September was at -0.3%, confirming the flash estimate and down from -0.2% in August. During the previous months, base effects related to energy prices were the main factor behind the fall in prices, although this trend is expected to end soon. In September, **energy inflation** was down by 11.0%. **Core inflation** fell to 1.1% from 1.2% in August and July.

**Oil prices** have rebounded in 2009 after declining sharply in 08H2. The price of oil increased in October on the back of the weak dollar and hopes for a sustained global recovery. According to the Commission's autumn forecast, commodity prices are expected to rise moderately over the forecast horizon (up to 2011), in line with the expected mild recovery and some supply constraints. On 4 November, the price of Brent crude oil was 76.3 USD/bl., up by about 38 dollars or more than 100% from the recent low of 26 December 2008.

Euro-area **industrial producer prices** decreased by 0.4% (m-o-m) in September, after growing by 0.5% in August. From one year earlier, industrial producer prices dropped by 7.7%.

## 7. Monetary and financial indicators

The **interbank market rates** continued to ease in the euro area with the 3-month Euribor down to 0.72% (4 Nov.) from above 1.10% at the end of June. In the US, the 3-month rate was practically stable at 0.28% for the whole of the month (0.60% at the end of June). The improving conditions on the interbank markets reflect the sustained loose monetary policy and declines in the risk perception of financial institutions.

**Bond markets** (10-year benchmark government yields) in the euro-area and the US were on an upward trend in October, on the back of signs of the global economic recovery and the renewed risk-appetite. On 4 November, the euro-area 10-year government bond yield stood at 3.32%, close to its June level of 3.42%. The euro-area yield curve steepened in October. The US 10-year Treasury also increased somewhat to reach 3.53% on 4 November, on the back of record-breaking US debt sales.

The annual rate of growth of **M3** decreased further to 1.8% in September 2009 from 2.6% in August. **Loan growth to the private sector** contracted at an annual rate of -0.3%, after a 0.1% rise in August. **Loan growth to households** decreased to -0.3% (from -0.2% in August), while growth in **loans to non-financial corporations** turned also negative to -0.1% (from 0.7% in August). These developments reflect the fall in demand following the deterioration in economic activity as well as the ongoing moderation of house price dynamics.

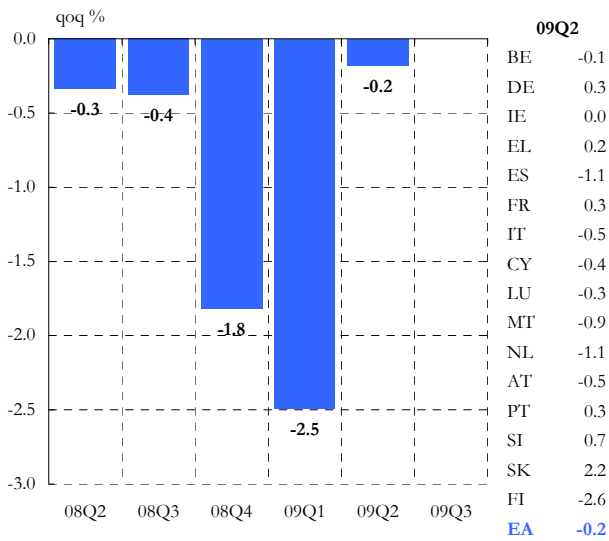
The **euro exchange rate** has steadily appreciated vis-à-vis the US dollar and the Japanese yen from mid-July onwards, as an improvement in the global economic outlook increased investors' risk-appetite. In mid-October, the dollar lost further ground against the euro, hitting a 14-month record low and reaching the psychological value of 1.5 USD/EUR. This is partly due to the expectations that the FED will keep the interest rates low for some time to come. At the end of the month however, the dollar and the yen appreciated amid an increase in risk aversion. On 4 November, the euro was trading at USD 1.48 and JPY at 134.9.

In mid-October, Eurostoxx 50 **stock price** index climbed to its highest level in more than a year. It was an increase of almost 60% compared to the lows recorded in the beginning of March. Since then the Dow Jones was up almost 50% and Nikkei 40%. In spite of the recent highs, Eurostoxx is still almost 40% below its latest peak in July 2007.

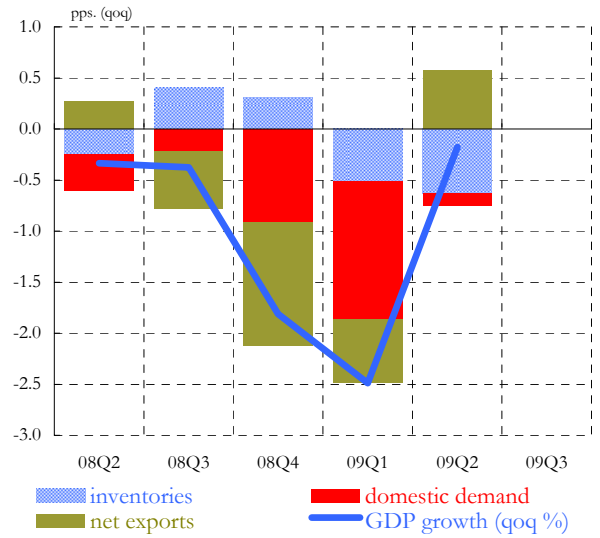


1. OUTPUT

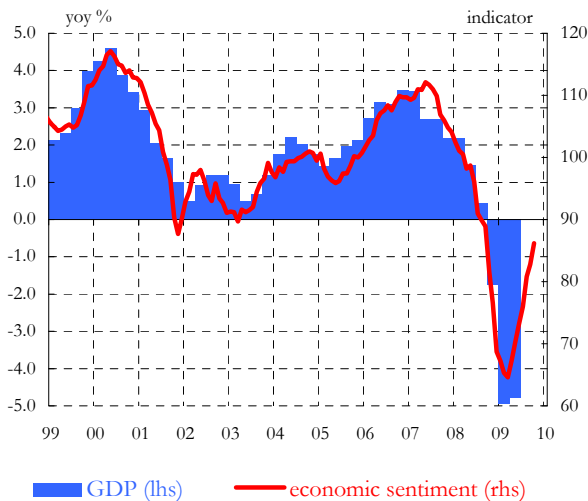
GDP



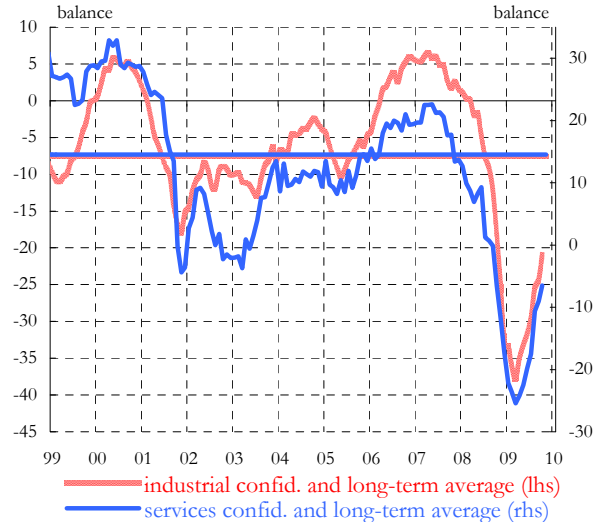
Contributions to GDP growth



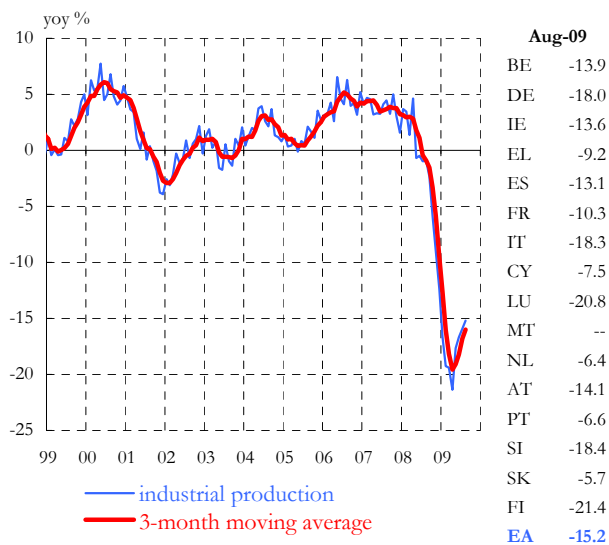
GDP and Economic Sentiment Indicator



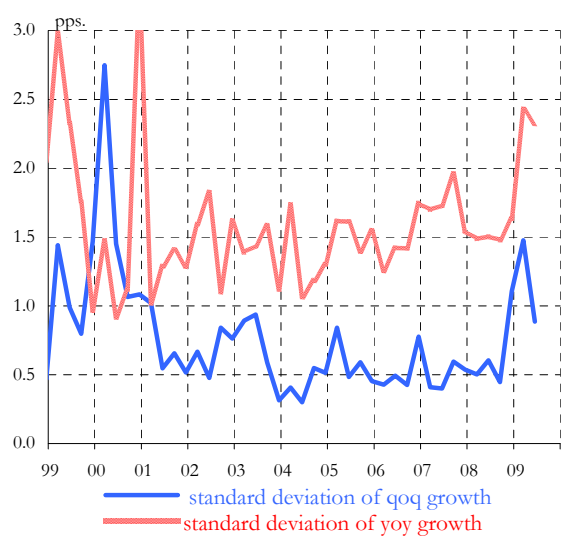
Industrial and services confidence



Industrial production



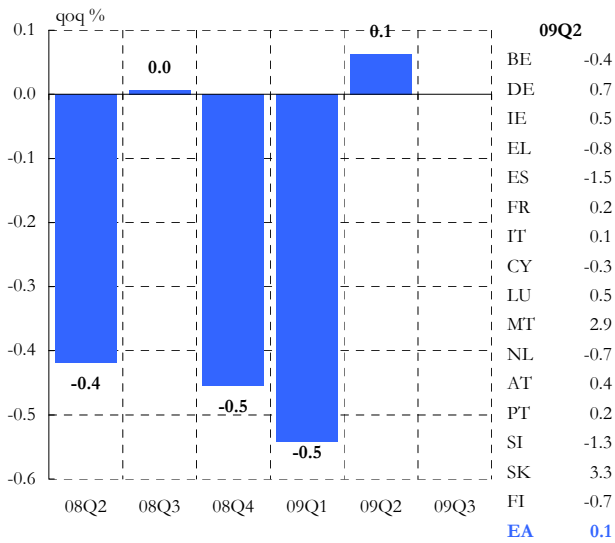
GDP growth divergence, euro area



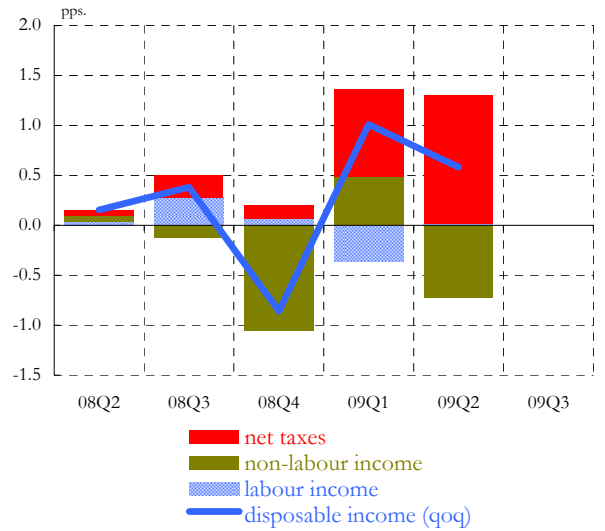


2. PRIVATE CONSUMPTION

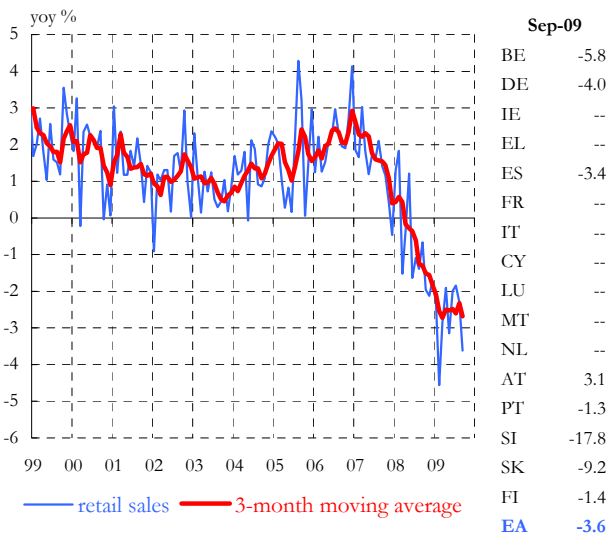
Private consumption



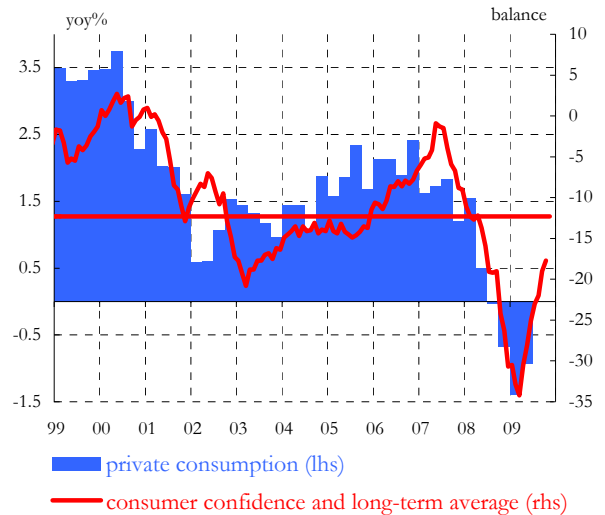
Gross disposable income and its components



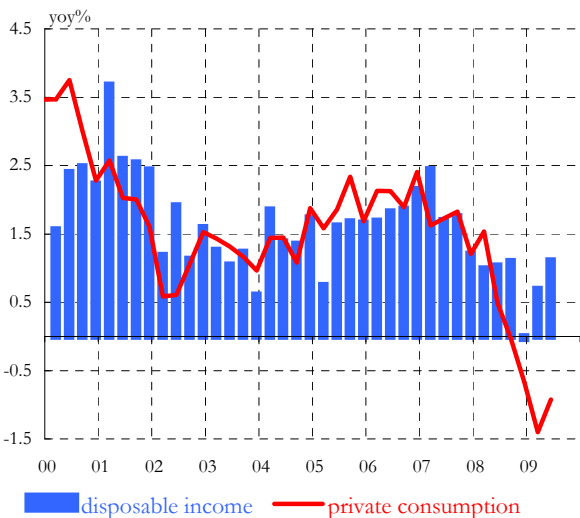
Retail sales



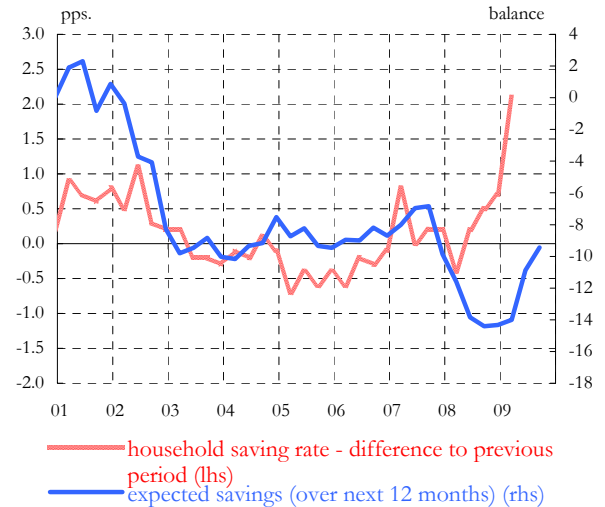
Consumer confidence and private consumption



Households: disposable income and consumption



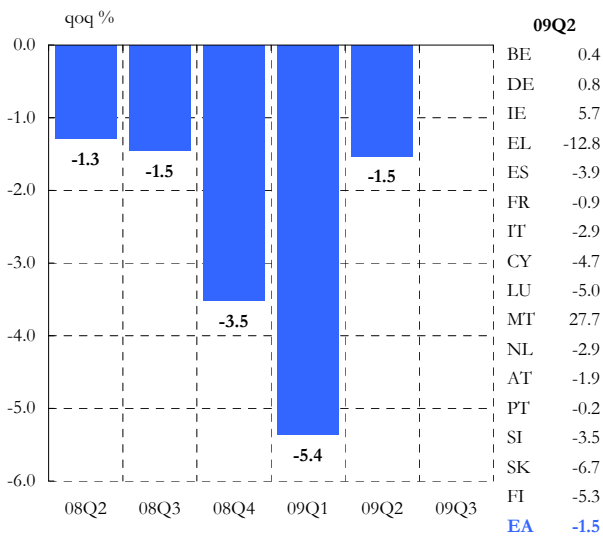
Households: actual saving rate and expected savings



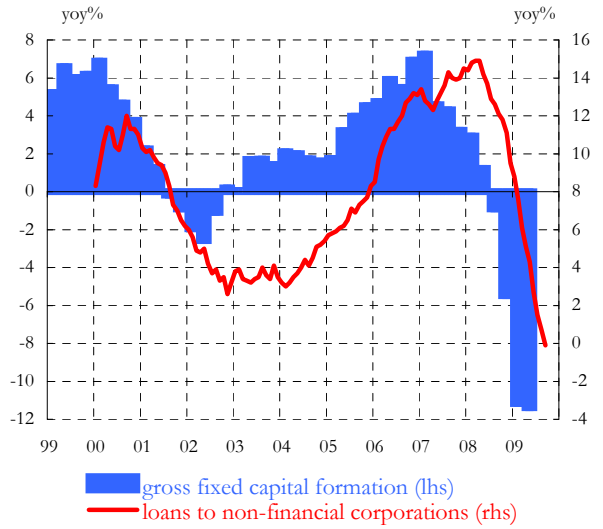


3. INVESTMENT

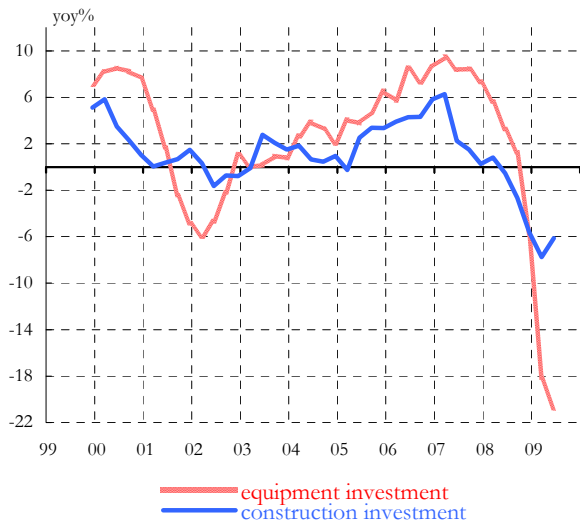
Gross fixed capital formation



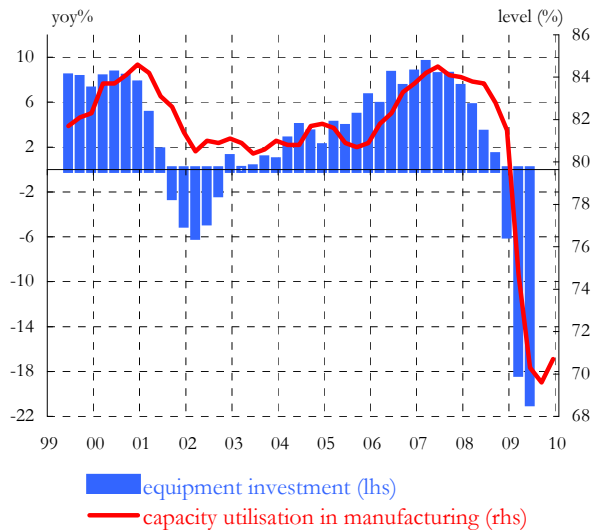
Gross fixed capital formation and corporate loans



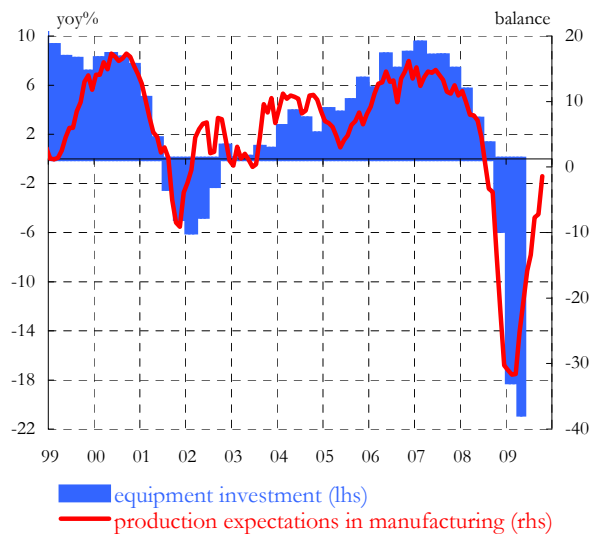
Equipment and construction investment



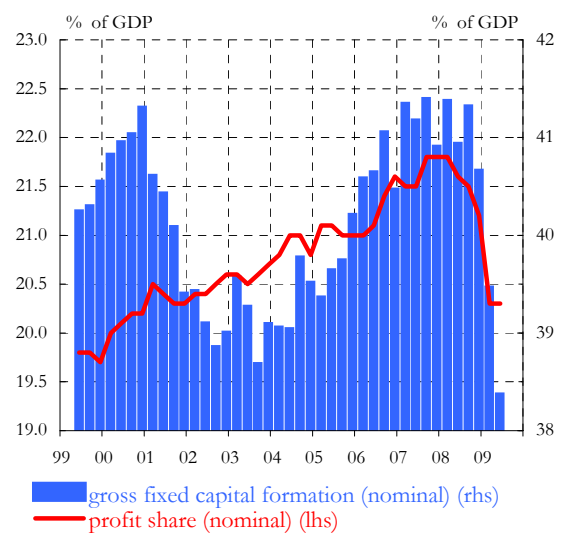
Equipment investment and capacity utilisation



Equipment investment and production expectations



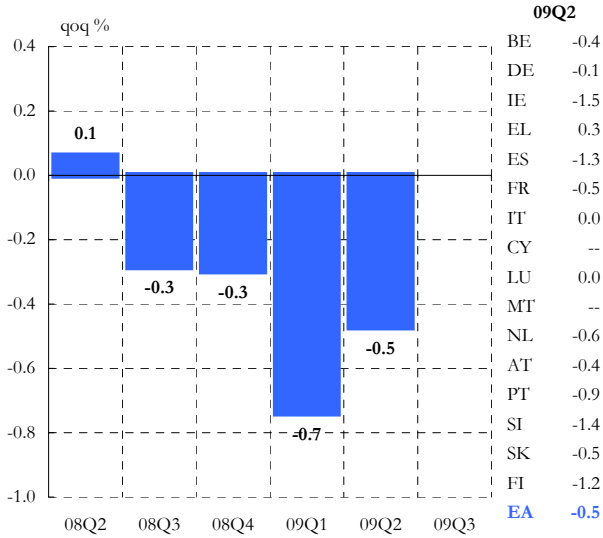
Gross fixed capital formation and profit share



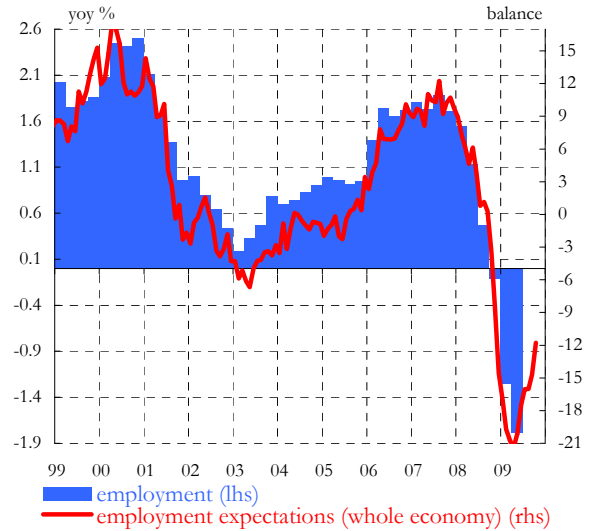


4. LABOUR MARKET

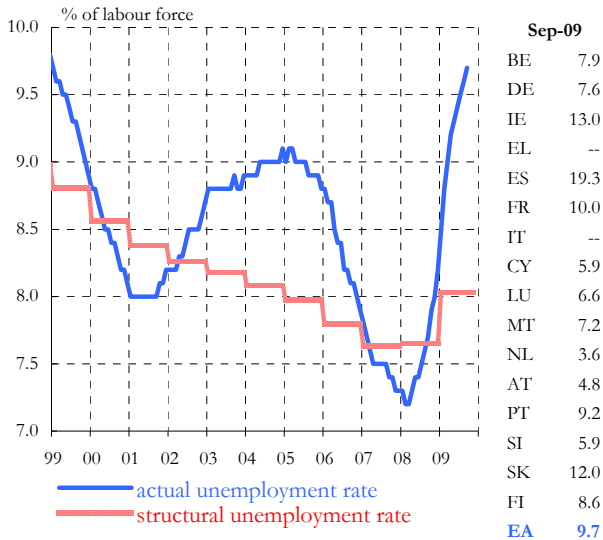
Employment



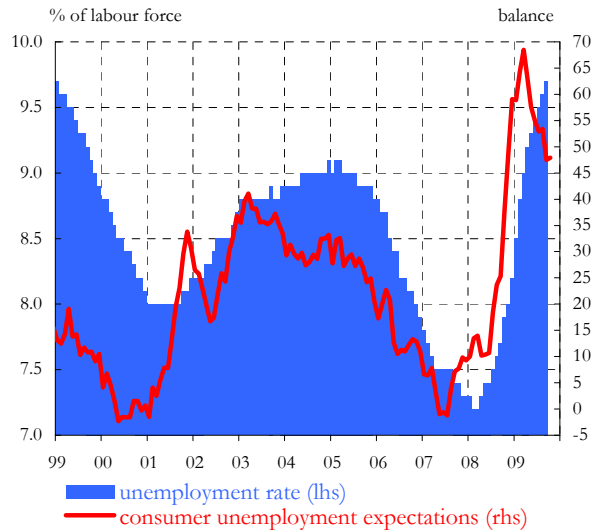
Employment and employment expectations



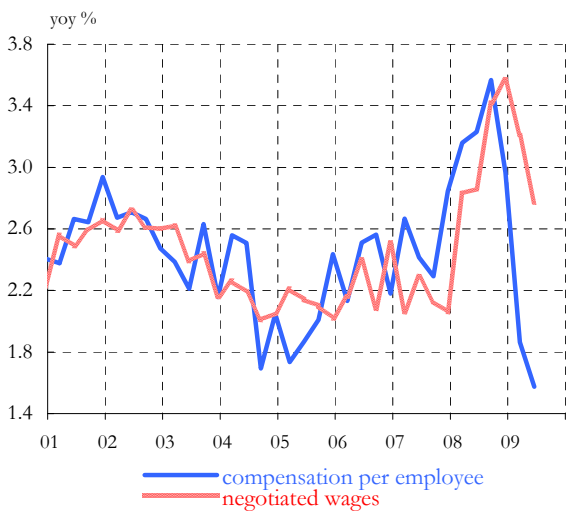
Actual and structural unemployment rate



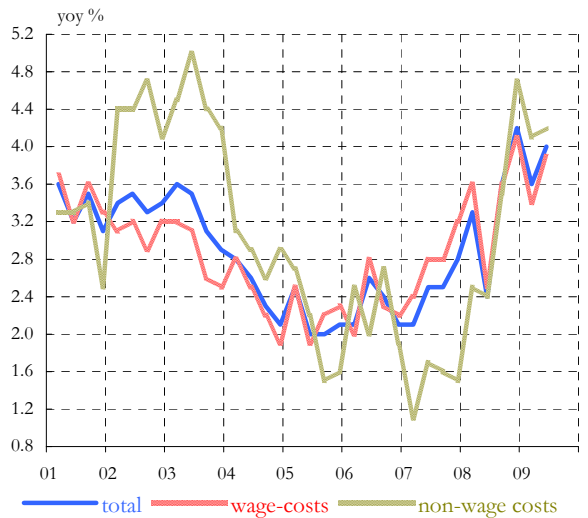
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



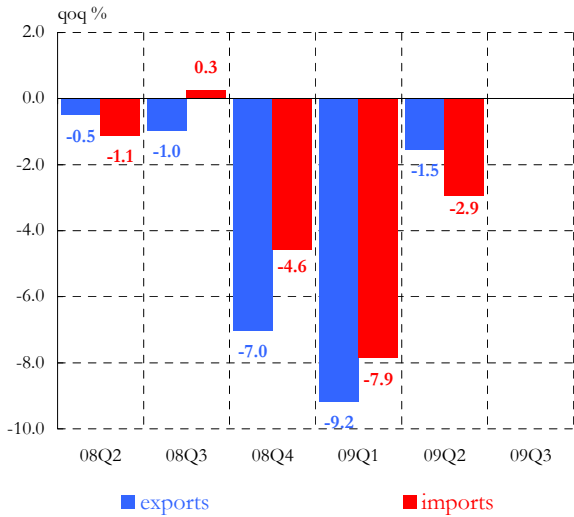
Labour costs in the private business sector (nominal)



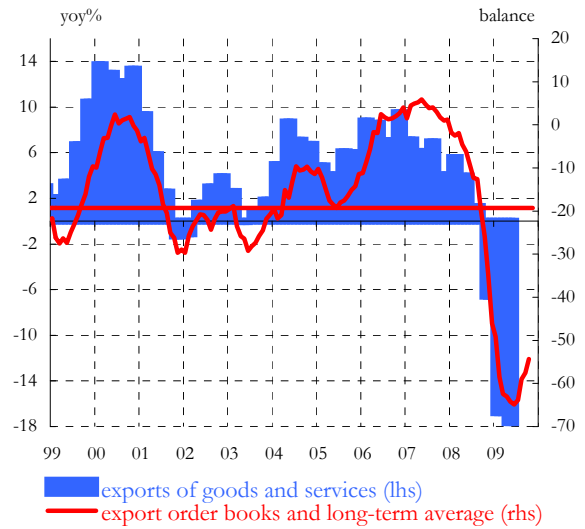


5. INTERNATIONAL TRANSACTIONS

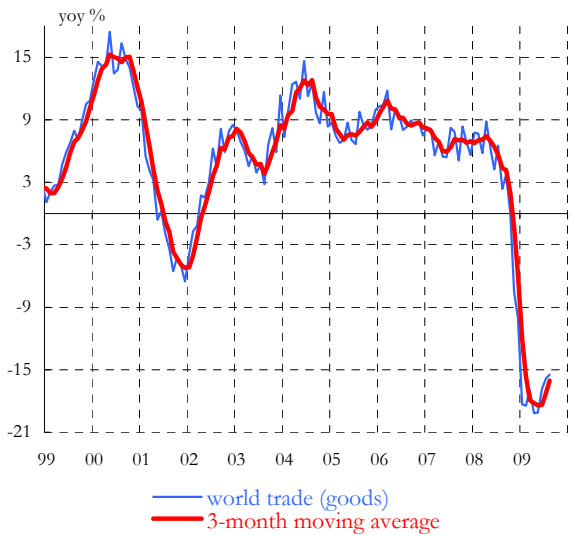
Exports and imports of goods and services



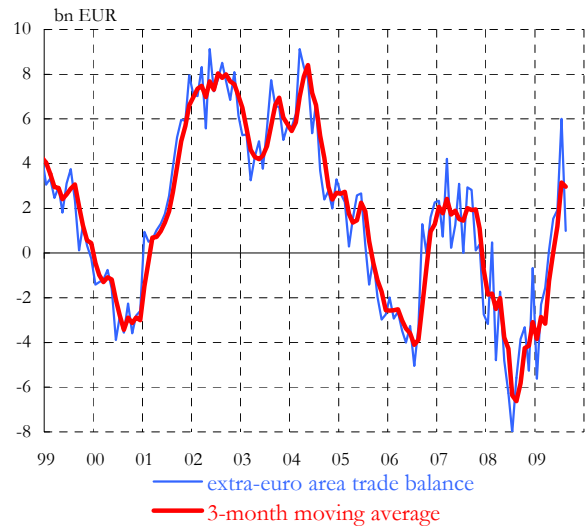
Exports and export order books



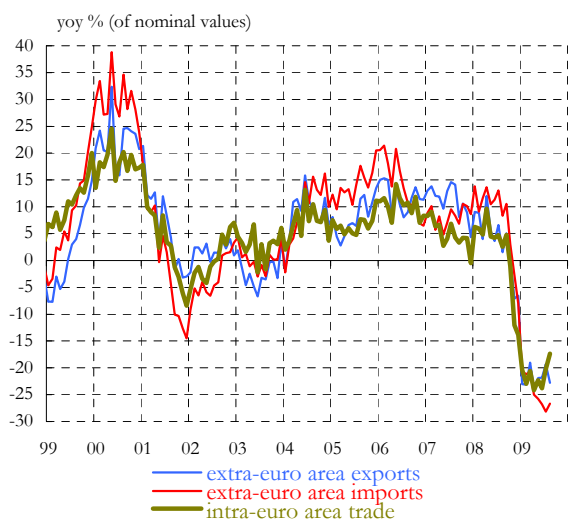
World trade



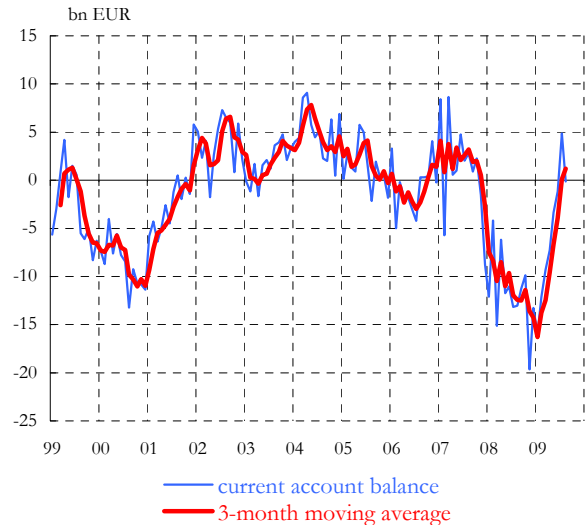
Extra euro-area trade balance



Extra- and intra-euro area trade



Current account balance

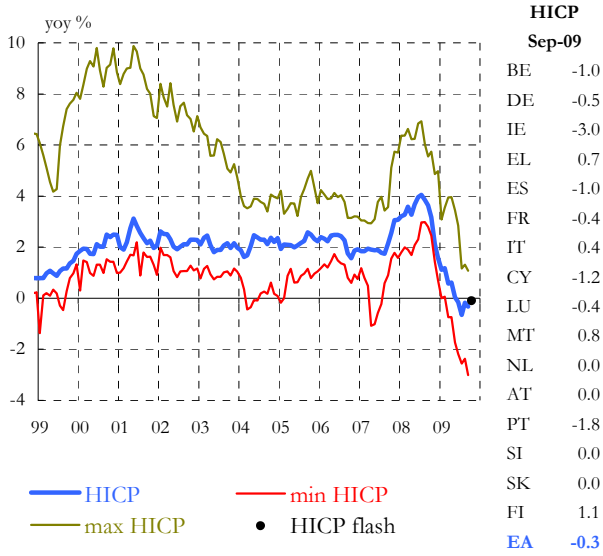




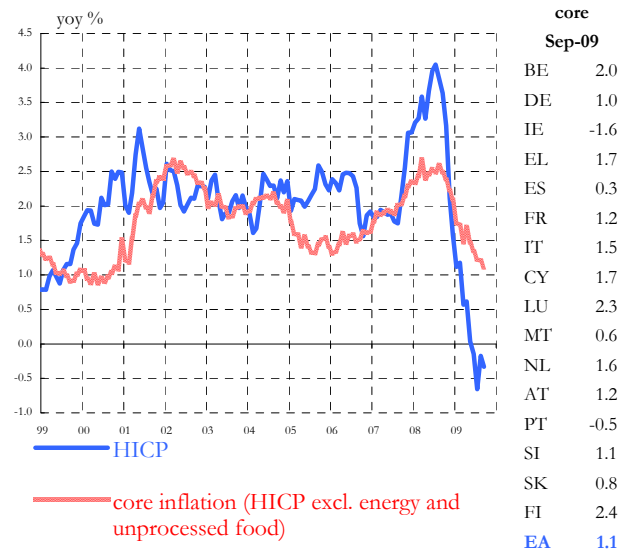


6. PRICES

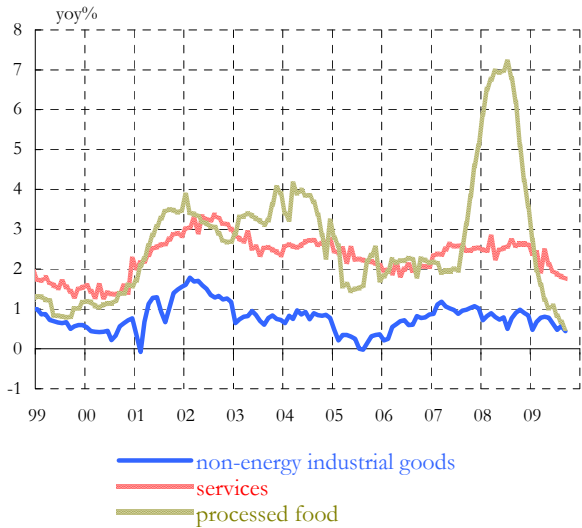
Harmonised index of consumer prices (HICP)



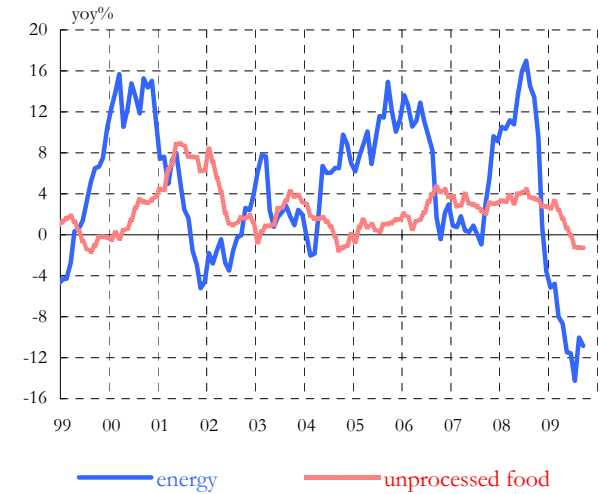
HICP and core inflation



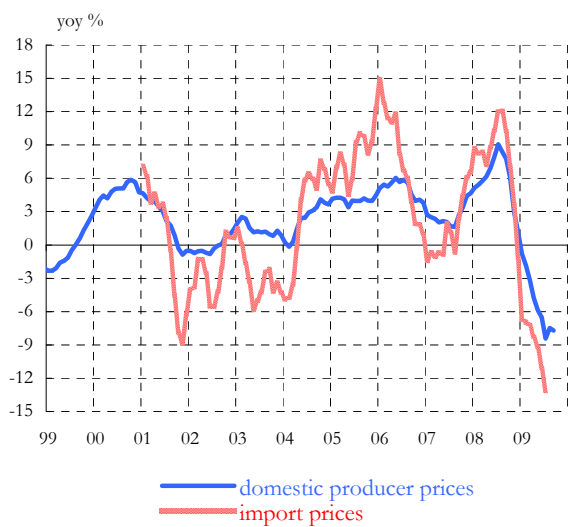
Breakdown of core inflation



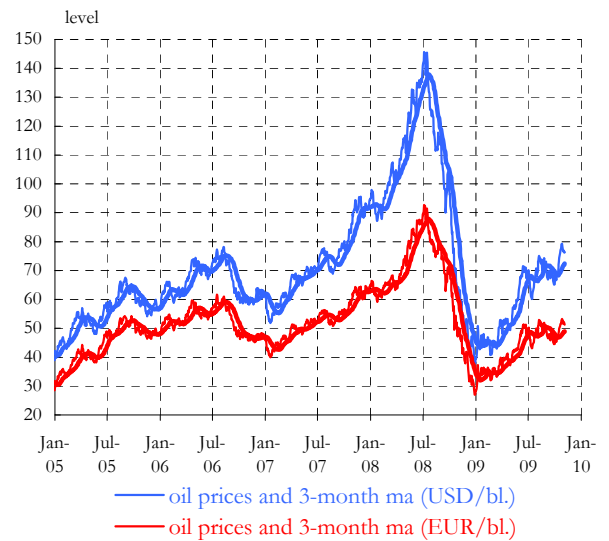
Energy and unprocessed food



Domestic producer prices and import prices



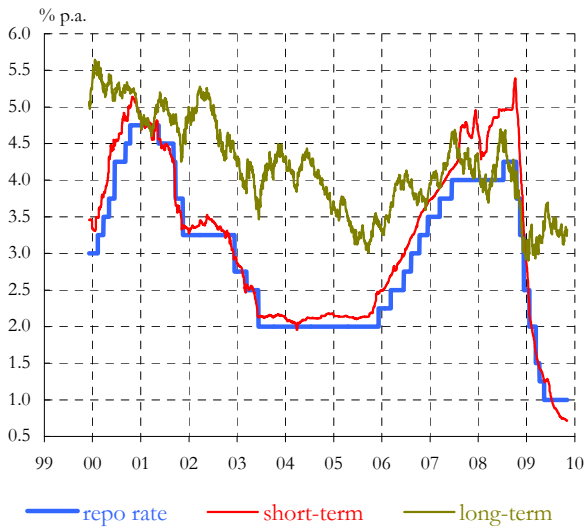
Oil prices



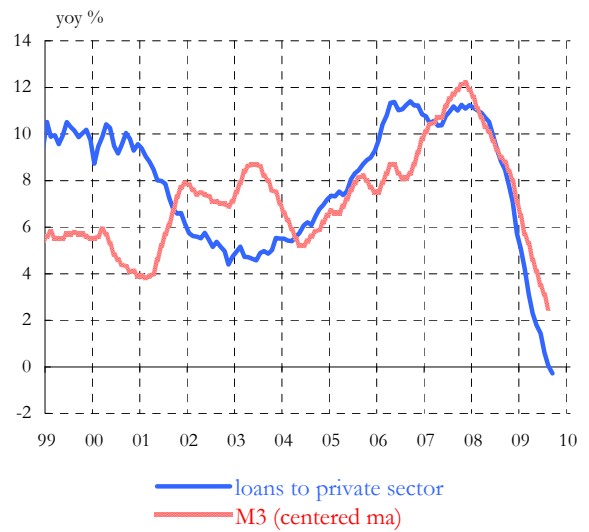


7. MONETARY AND FINANCIAL INDICATORS

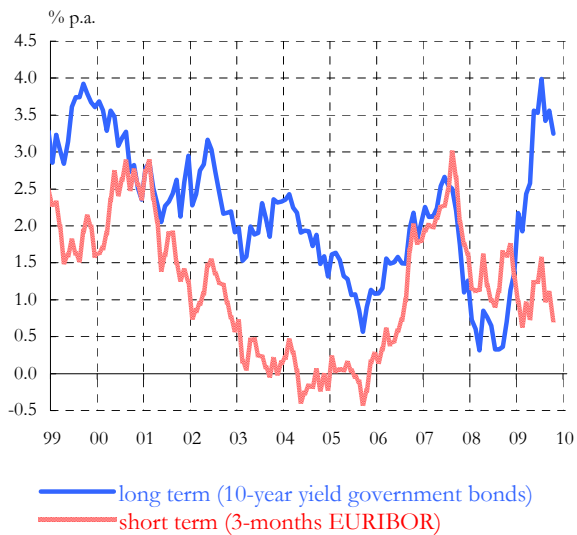
Nominal interest rates



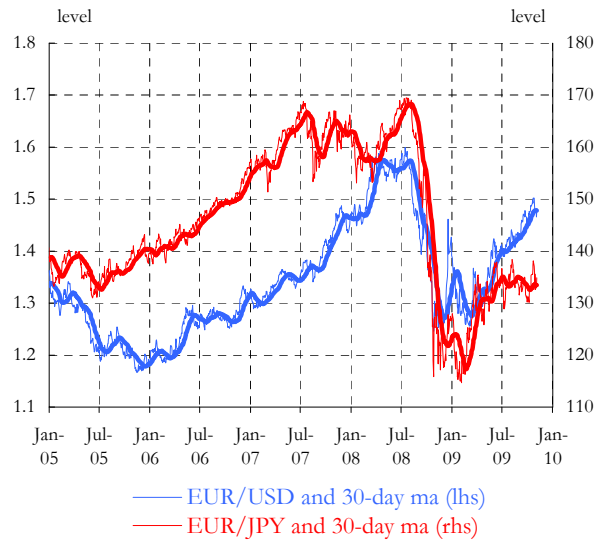
Loans to private sector and money supply



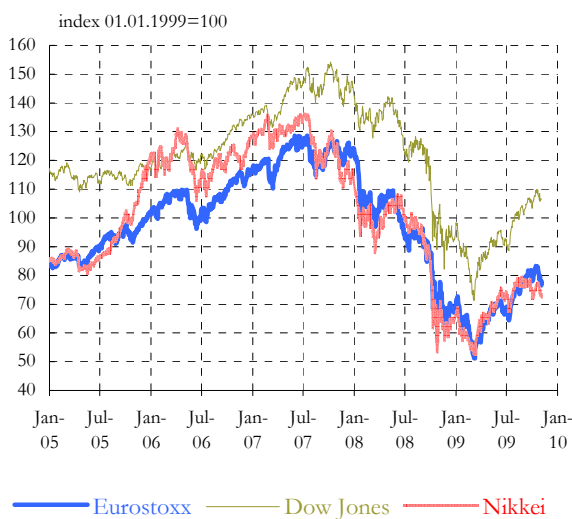
Real interest rates



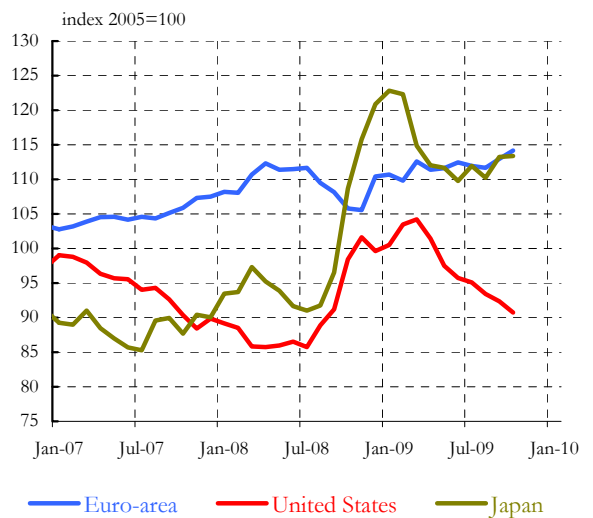
Euro vis-à-vis US dollar and JP yen



Stock market indices



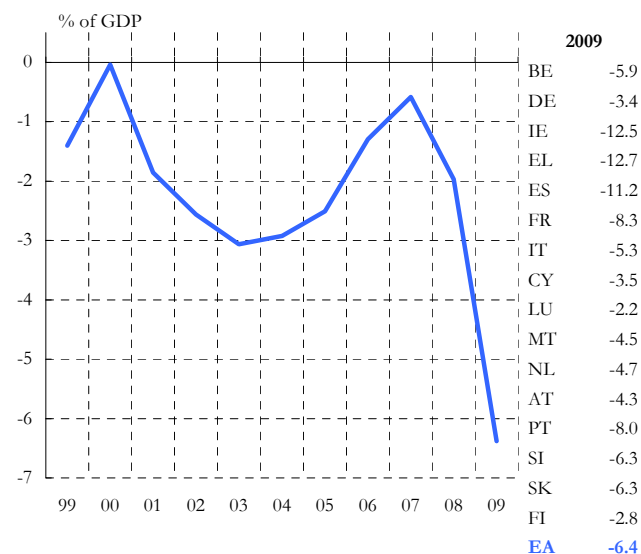
Nominal effective exchange rates



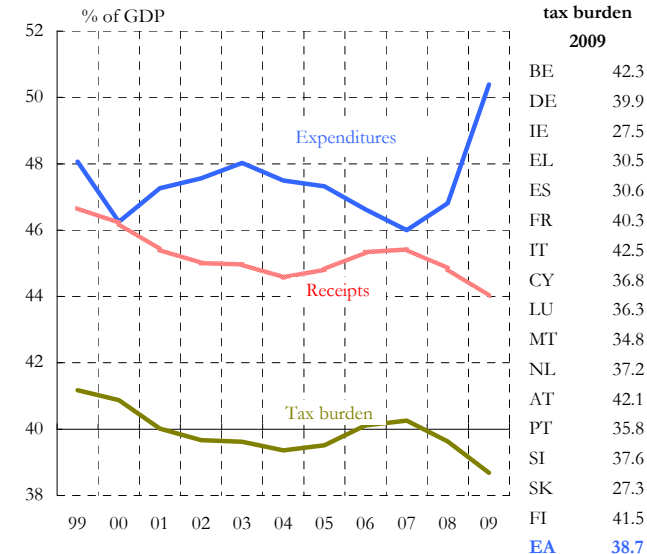


8. PUBLIC FINANCES\*

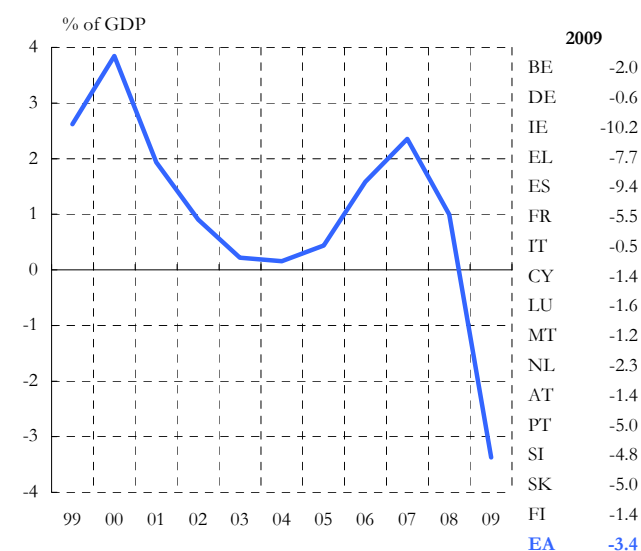
Government general balance



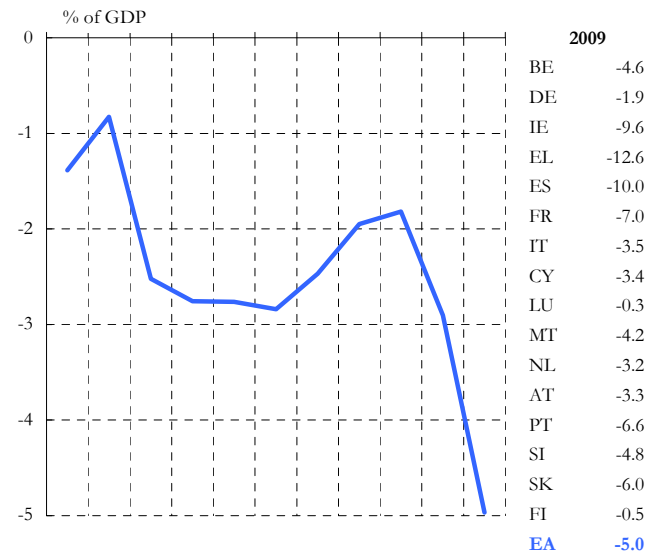
General government expenditures and receipts



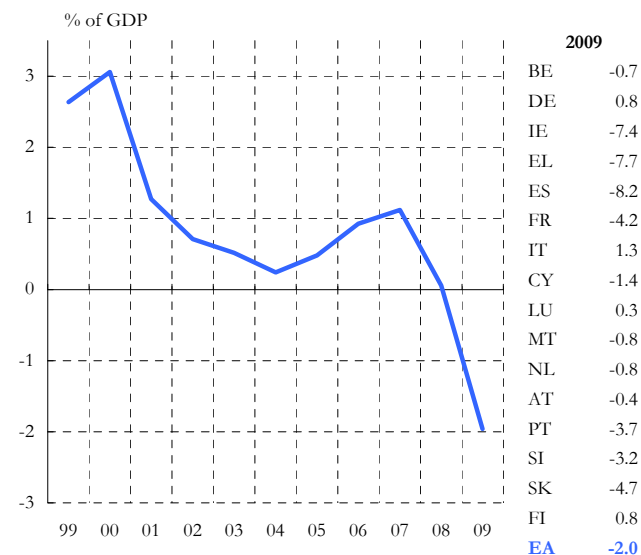
Primary balance



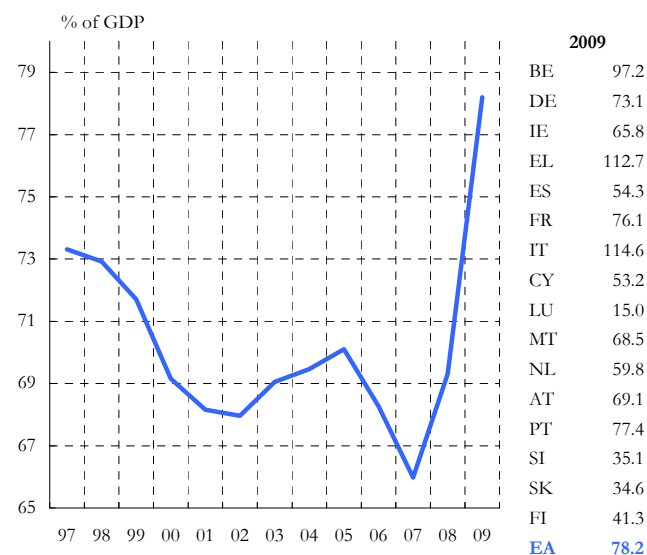
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



\* Figures are from the Commission's autumn 2009 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
<b>1. Output</b>		
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
<b>2. Private consumption</b>		
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
<b>3. Investment</b>		
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