

	LTA <sup>(1)</sup>	2008	2009	09Q1	09Q2	09Q3	09Q4	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	
<b>1. Output</b>														
Economic Sentiment	indicator	99.6	91.2	76.1	65.7	70.2	79.9	88.7	80.8	82.8	86.1	88.8	91.3	--
Industrial confidence	balance	-7.0	-9.4	-28.5	-35.8	-33.3	-26.5	-18.6	-25.4	-24.4	-20.9	-18.9	-16.0	--
Services confidence	balance	14.5	1.8	-15.7	-23.7	-22.2	-12.4	-4.5	-10.6	-9.0	-6.8	-3.9	-2.7	--
Industrial production	% ch. on prev. period				-8.5	-1.2	2.3	--	1.1	0.3	-0.3	1.0	--	--
(excluding construction)	% ch. on prev. year	1.4	-1.7	-	-18.5	-18.6	-14.5	--	-15.1	-12.7	-10.9	-7.1	--	--
Gross domestic product	% ch. on prev. period				-2.5	-0.1	0.4	--						
	% ch. on prev. year	1.6	0.6	-	-5.0	-4.8	-4.0	--						
Labour productivity	% ch. on prev. period				-1.7	0.4	0.9	--						
	% ch. on prev. year	0.5	-0.1	-	-3.8	-3.1	-1.9	--						
<b>2. Private consumption</b>														
Consumer confidence	balance	-11.9	-18.0	-24.7	-32.5	-27.9	-21.3	-17.0	-22.0	-19.0	-17.7	-17.3	-16.1	--
Retail confidence	balance	-6.4	-7.0	-15.4	-18.6	-17.0	-14.1	-12.1	-14.1	-15.1	-15.3	-11.0	-9.9	--
Private consumption	% ch. on prev. period				-0.4	0.1	-0.1	--						
	% ch. on prev. year	1.6	0.4	-	-1.3	-0.9	-1.0	--						
Retail sales	% ch. on prev. period				-0.9	-0.4	-0.4	--	-0.2	-0.5	0.2	-1.1	--	--
	% ch. on prev. year	1.3	-0.7	-	-3.3	-2.5	-2.1	--	-2.1	-2.8	-1.3	-3.8	--	--
<b>3. Investment</b>														
Capacity utilisation	level (%)	81.5	83.0	71.3	74.7	70.3	69.6	70.7	--	--	70.7	--	--	--
Production expectations (manuf.)	balance	5.4	-1.9	-15.0	-31.4	-20.5	-9.4	1.2	-7.7	-7.2	-1.7	1.9	3.5	--
Gross fixed capital formation	% ch. on prev. period				-5.4	-1.6	-0.8	--						
	% ch. on prev. year	1.6	-0.4	-	-11.5	-11.7	-11.4	--						
- equipment investment	% ch. on prev. period				-12.7	-3.1	0.7	--						
	% ch. on prev. year		1.2	-	-18.7	-21.4	-19.9	--						
- construction investment	% ch. on prev. period				-1.2	-0.9	-1.5	--						
	% ch. on prev. year	1.7	-1.6	-	-7.8	-6.2	-6.3	--						
Change in stocks	contrib. to GDP (pp.)	0.0	0.2	--	-0.9	-0.7	0.6	--						
<b>4. Labour market</b>														
Employment expectations (manuf.)	balance	-12.8	-8.7	-31.3	-34.7	-35.7	-30.7	-24.1	-29.5	-30.3	-26.3	-24.3	-21.8	--
Employment expectations (services)	balance	7.4	4.3	-12.5	-15.5	-16.0	-11.7	-6.9	-12.5	-11.1	-7.6	-7.4	-5.7	--
Employment	% ch. on prev. period				-0.7	-0.5	-0.5	--						
	% ch. on prev. year	1.1	0.7	-	-1.2	-1.8	-2.1	--						
Employment (000)	abs. ch. on prev. period		1 088	-2 794	-1 061	-704	-737	--						
Compensation of employees per head (nominal)	% ch. on prev. period				-0.1	0.5	0.5	--						
	% ch. on prev. year	2.1	3.3	-	1.9	1.6	1.4	--						
Unemployment rate	% of lab. force		7.6	--	8.8	9.3	9.6	--	9.6	9.8	9.9	10.0	--	--
Unemployment (000)	abs. ch. on prev. period		218	-	1 202	842	526	0	144	239	156	102	--	--
<b>5. International transactions</b>														
World trade	% ch. on prev. period				-10.7	0.0	4.3	--	-1.9	5.4	0.8	--	--	--
	% ch. on prev. year	6.8	7.3	2.5	-18.5	-18.5	-14.1	--	-15.4	-10.9	-9.3	--	--	--
Export order books	balance	-19.1	-14.8	-58.0	-56.7	-64.0	-60.1	-51.3	-59.0	-57.5	-54.2	-50.7	-48.9	--
Trade balance (merchandise)	billion EUR		-55.0	--	-10.6	3.2	12.1	--	2.3	4.3	6.3	--	--	--
Exports of goods and services	% ch. on prev. period				-8.6	-1.2	3.1	--						
	% ch. on prev. year	4.4	1.0	-14.2	-16.6	-17.2	-13.5	--						
Imports of goods and services	% ch. on prev. period				-7.4	-2.8	3.0	--						
	% ch. on prev. year	4.4	1.0	-12.5	-12.8	-14.3	-11.8	--						
Current account balance	billion EUR		-140.6	--	-37.4	-11.8	0.1	--	0.3	-5.0	-4.6	--	--	--
Direct investment	billion EUR		-189.0	--	-58.8	-0.6	-14.9	--	2.8	-26.2	-1.5	--	--	--
Portfolio investment	billion EUR		350.5	--	129.9	98.1	96.6	--	46.1	53.5	19.2	--	--	--
<b>6. Prices</b>														
Consumer inflation expectations	balance	21.6	22.9	-6.8	3.5	-6.4	-14.1	-10.4	-16.2	-13.9	-13.8	-11.1	-6.2	--
Headline inflation (HICP)	% ch. on prev. year		3.3	-	1.0	0.2	-0.4	-0.1	-0.2	-0.3	-0.1	0.5	0.9	--
Core HICP	% ch. on prev. year		2.4	-	1.6	1.5	1.2	-	1.2	1.1	1.0	1.0	--	--
Domestic producer prices	% ch. on prev. year		6.0	--	-2.0	-5.7	-7.8	--	-7.5	-7.6	-6.6	-4.5	--	--
Import prices	% ch. on prev. year		7.6	--	-7.1	-9.8	-13.0	--	-13.9	-11.9	--	--	--	--
Oil (Brent) in USD	level		98.6	62.5	45.6	59.3	68.9	75.3	72.9	68.4	73.3	77.4	75.3	80.3
	% ch. on prev. year		36.1	-36.7	-52.6	-51.3	-41.7	28.8	-37.1	-32.6	-2.8	40.0	72.6	77.3
Oil (Brent) in EUR	level		66.2	44.5	34.9	43.4	48.2	51.0	51.1	47.0	49.4	51.9	51.6	55.6
	% ch. on prev. year		25.7	-32.8	-45.5	-44.3	-38.4	14.9	-34.0	-33.5	-12.6	19.3	59.5	62.7
Non-energy commodity prices (EUR)	% ch. on prev. period				-8.9	5.8	3.9	5.1	5.9	-2.8	1.5	2.2	6.3	--
	% ch. on prev. year		4.2	-17.3	-27.2	-23.8	-19.0	5.3	-16.9	-16.5	-5.2	2.0	21.3	--
<b>7. Monetary and financial indicators</b>														
Nominal interest rates (3 month)	level		4.64	1.22	2.01	1.31	0.87	0.72	0.86	0.77	0.74	0.72	0.71	0.69
Nominal interest rates (10 year)	level		4.01	3.27	3.10	3.39	3.33	3.25	3.34	3.29	3.23	3.28	3.23	3.37
ECB repo rate	level		3.90	1.28	1.99	1.13	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Stock market (Eurostoxx)	% ch. on prev. period				-13.6	10.1	11.8	8.0	9.8	4.6	1.3	-0.8	2.2	3.3
	% ch. on prev. year		-23.1	-24.0	-43.3	-35.8	-18.9	14.8	-19.2	-11.5	9.1	15.9	20.7	28.4
Money demand (M3)	% ch. on prev. year		9.5	--	5.6	4.1	2.5	--	2.6	1.8	0.3	-0.2	--	--
Loans to households	% ch. on prev. year		4.2	--	0.8	0.0	-0.2	--	-0.2	-0.3	-0.1	0.5	--	--
Loans to companies	% ch. on prev. year		13.1	--	7.5	4.0	0.7	--	0.7	-0.2	-1.2	-1.9	--	--
Bilateral exchange rate EUR/USD	level		1.47	1.39	1.30	1.36	1.43	1.48	1.43	1.46	1.48	1.49	1.46	1.44
	% ch. on prev. year		7.3	-5.2	-13.0	-12.7	-5.0	12.1	-4.7	1.3	11.2	17.1	8.7	8.9
Nominal effective exchange rate	% ch. on prev. period				2.5	1.2	1.0	1.2	0.1	1.2	1.2	-0.2	-2.0	-1.9
	% ch. on prev. year		4.8	0.7	-0.9	-2.4	0.2	6.0	0.0	2.9	8.1	8.6	1.5	-0.1

(1) LTA=Long-Term Average

(2) Data available until date of update



## 1. Output

After contracting for five consecutive quarters, **GDP** in the euro area expanded by 0.4% (q-o-q) in 09Q3, confirming the start of the recovery. On a year-on-year comparison, however, GDP was still down by 4.0% in 09Q3. Among the largest euro-area economies, GDP growth in 09Q3 was relatively strong in Germany (+0.7%) and Italy (+0.6%), more muted in France (+0.3%) and still negative in Spain (-0.3%). The growth was driven by net exports, inventories and government consumption, while private consumption and investment continued to act as a drag.

According to the **Commission's autumn forecast**, the euro-area economy emerges from recession in the second half of 2009, although GDP is projected to fall by 4% in 2009 on average. A more gradual recovery is foreseen in 2010-2011, with GDP growth projected at 0.7% in 2010 and 1.5% in 2011. Consumer price inflation was expected to rebound from its current very low level, while remaining relatively low (at 1.1% in 2010 and 1.5% in 2011).

**Industrial confidence** rose strongly in December (+3 points). Confidence has improved markedly since the March record low (-38), but the current level (-16) is still well below the long-term average (-7). While most respondents in the sector reported strong improvements in their order books, they appeared to scale back their production expectations. The declining level of stocks, especially in the automotive sector, confirmed further destocking.

After a one-month drop in October (which interrupted several months of rebound), **industrial production** increased again in November; by a strong 1.0% (m-o-m). On a year-on-year comparison, a decline of 7.1% was recorded in the euro area. The pace of annual declines, although still relatively high, is diminishing compared to about -15% drops in summer 2009. All big economies (DE, FR, IT, ES) reported rebounds in November, while Ireland stands out with a monthly plunge of -8%.

In October 2009, **industrial new orders index** fell by 2.2% (m-o-m), with capital goods (-4.6% m-o-m) representing the biggest drag.

## 2. Private consumption

**Private consumption** decreased in 09Q3 by 0.1% q-o-q, after a quarter of close-to-zero growth (0.1%) in 09Q2. The relative resilience of private consumption can be largely explained by strong government measures, the relatively muted decline in employment, sticky wages and sizeable disinflation.

In December, **consumer confidence** continued its upward trend, which started in March (when it stood at -34), and reached a level of -16. Among components, unemployment fears faded and savings over next months improved. Both households' general economic expectations and financial economic expectations remained unchanged.

The volume of **retail trade** fell by 1.2% (m-o-m) in November (-4.0% y-o-y). In December, no major development was noted in the **retail trade confidence** indicator, which increased by 1 point.

## 3. Investment

**Gross fixed capital formation** continued to decline. The 0.8% drop in 09Q3 (q-o-q) is however smaller compared to a combined drop of about 8% in 09Q1 and 09Q2. Investment has been the main source of weakness during this recession, with the contraction mostly due to non-construction investment. On an annual basis, investment was still down by 12.1% in 09Q3.

Firms are utilising their **capacity** at a slightly higher pace than in the summer (the reading in 09Q4 is 70.7% compared to 69.9% in 09Q3), but the current capacity utilisation rate is still far below its average of 81.5%.

## 4. Labour market

In November, the **unemployment** rate rose to 10.0%, compared with 9.9% in October. It is the highest rate since August 1998. A year ago it was 8.0%. Most Member States reported increases in their unemployment rate, while that of Germany remained unchanged. The lowest unemployment rates were recorded in the Netherlands (3.9%) and Austria (5.5%), and the highest rates in Spain (19.4%), followed by Slovakia (13.6%) and Ireland (12.9%).

The number of **persons employed** decreased by 0.5% (q-o-q) in 09Q3. This reveals some stabilisation in the pace of the deterioration in the labour market, as employment contracted by 0.5% also in 09Q2. On an annual basis, employment growth was also negative; down from -1.8% in 09Q2 to -2.1% in 09Q3.

In December, **employment expectations** improved only slightly in both manufacturing and services, while consumers' **unemployment expectations** improved quite substantially.

According to the quarterly manufacturing survey, the level of **labour shortages** is still very low in 09Q4, with only 0.6% of firms reporting that unfilled job openings were constraining production. It was 5.7% a year ago.



## 5. International transactions

In December, the assessment of **export order books** improved further (+2 points), but the current level (-49) is still well below the long-term average (-19). For the seventh month in a row, the **euro-area trade balance** with the rest of the world showed a surplus in October. In nominal terms, exports exceeded imports by 6.3 bn euro, which compares to a 4.3 bn surplus in September.

In October 2009, the **current account** recorded a deficit of 4.6 bn euro. 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 of 18 bn euro were recorded in October 2009.

## 6. Prices

According to Eurostat's flash estimate, annual **inflation** increased further to 0.9% in December. It rose from 0.5% in November, which was the first positive rate since the spring. In November, **core inflation** remained stable at 1.0%.

**Oil prices** have rebounded during 2009 after declining sharply in 08H2. While the oil prices were still increasing in November (reaching some 78 USD/bl.), in mid-December they were only 72 USD/bl. The drop went on account of OPEC's December decision to keep existing production targets, information of increases in US inventories and a relatively strong dollar. However, since then the prices came back to 79 USD/bl. (13 January).

Euro-area **industrial producer prices** increased by 0.1% (m-o-m) in November. On a yearly basis, industrial producer prices were still dropping, although at a smaller pace (by 4.4%).

## 7. Monetary and financial indicators

**Interbank market** conditions have improved slightly since November. In the US, the Libor 3-month rate remained constant around 0.25%, while the euro-area 3-month Euribor came down from 0.72% to the current 0.68% (13 January). The improving conditions on the interbank markets reflect the sustained loose monetary policy, abundant liquidity in the market and favourable risk perception of financial institutions. The normalisation of the interbank lending is also paving the way for the gradual unwinding of the "monetary loosening" of the central banks.

**Bond markets** (10-year benchmark government yields) in the euro-area and the US were on an upward

path since November. On 13 January, the euro-area 10-year government bond yield stood at 3.3%, up from 3.15% at the beginning of December. The US 10-year Treasury increased even more substantially, from 3.3% to the current 3.8% (13 January). Investors seem to be more cautious with respect to the US government bond exposure and the likely effects of the quantitative easing withdrawal. The euro-area country spreads widened especially at the higher-risk end of the spectrum.

Despite the vast amount of money provided by central banks and current low interest rates to households and non-financial corporations, the annual rate of growth of **M3** turned negative (-0.2%) in November 2009, down from 0.3% in October. **Loan growth to the private sector** contracted for a third month, at an annual rate of -0.7%, after -0.8% in October. **Loan growth to households** stood at 0.5% (after -0.1% in October), while growth in **loans to non-financial corporations** decreased further to -1.9% (from -1.2% in October).

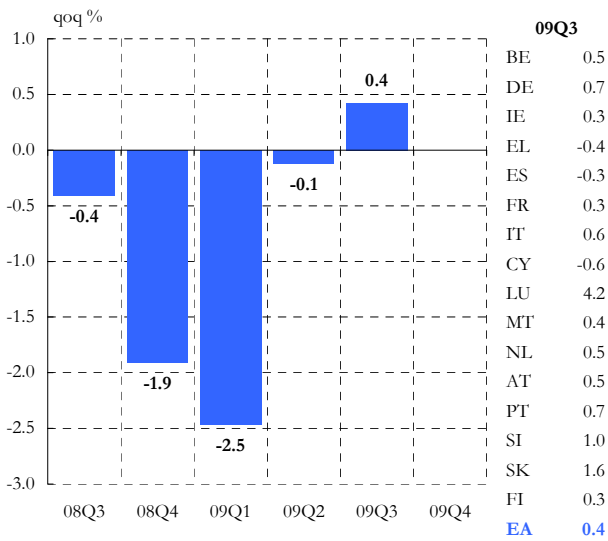
The **euro exchange rate** has steadily appreciated vis-à-vis the US dollar and the Japanese yen from March onwards, as the financial market conditions started progressively to improve and signs of the recovering global economic outlook increased investors' risk-appetite. However, at the turn of the year, the dollar lost some ground against the euro and was trading at 1.43 USD/EUR. On 13 January, the euro traded at 1.46 USD and at 132 JPY respectively.

The **stock market indices** have recovered somewhat since the turbulence at the end of November amid fears of a Dubai debt default. The rebound was also underpinned by the continuation of the easy monetary policies and positive expectations of the fourth-quarter earnings. Compared with end-November, Eurostoxx50 gained some 5%. Looking at a more long-term perspective, the Eurostoxx-50 stock price index has increased by 65% (as of 13 January) from the near-decade lows recorded in early March. The Dow Jones Industrial Average was up by 63%, while the Nikkei 225 was up by 52%. However, these increases are from low bases, as 2008 was a year of historic losses across stock markets.

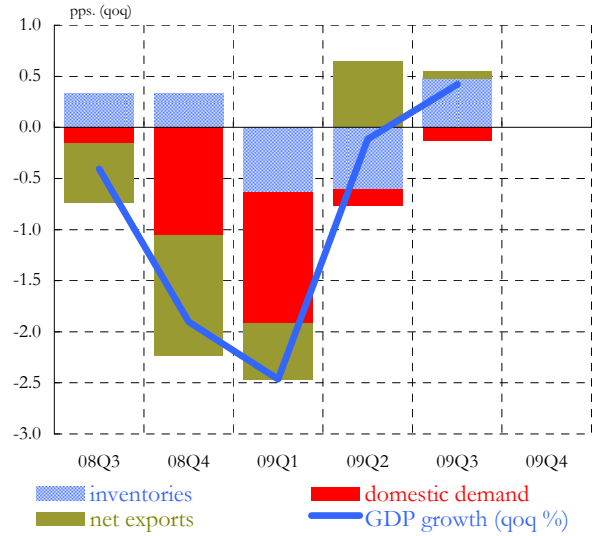


1. OUTPUT

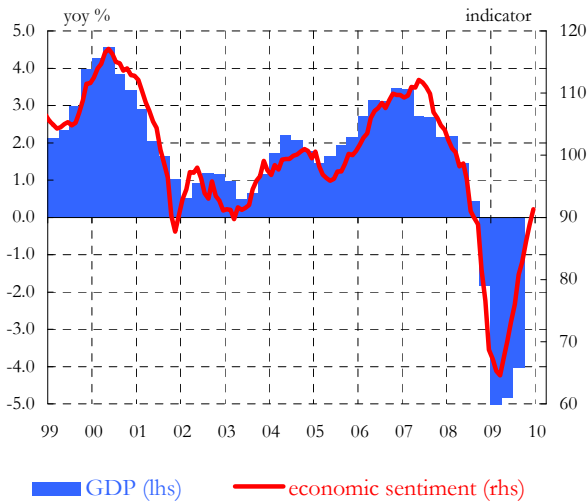
GDP



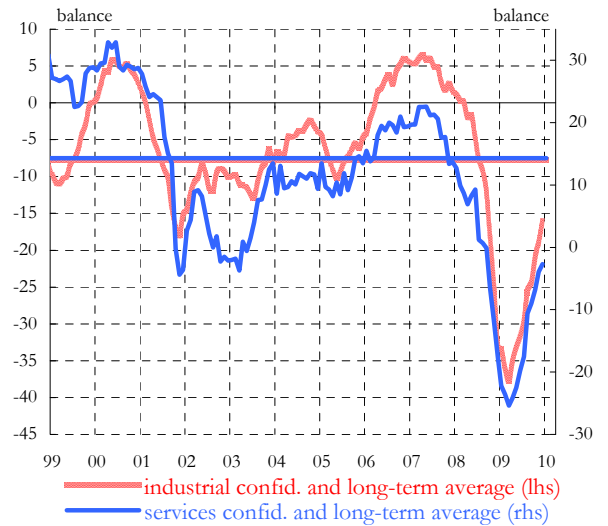
Contributions to GDP growth



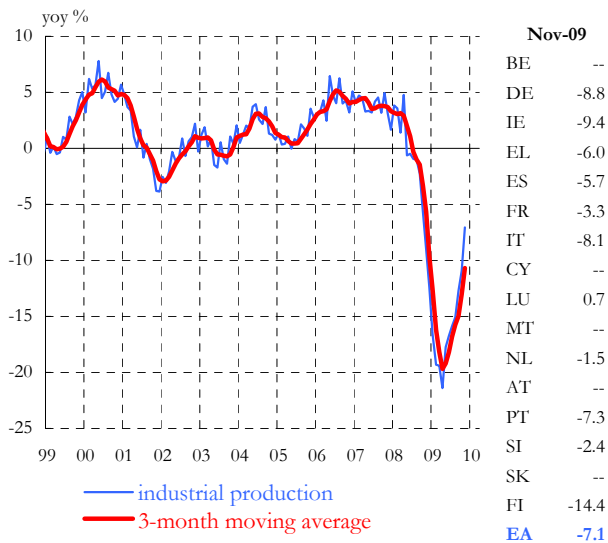
GDP and Economic Sentiment Indicator



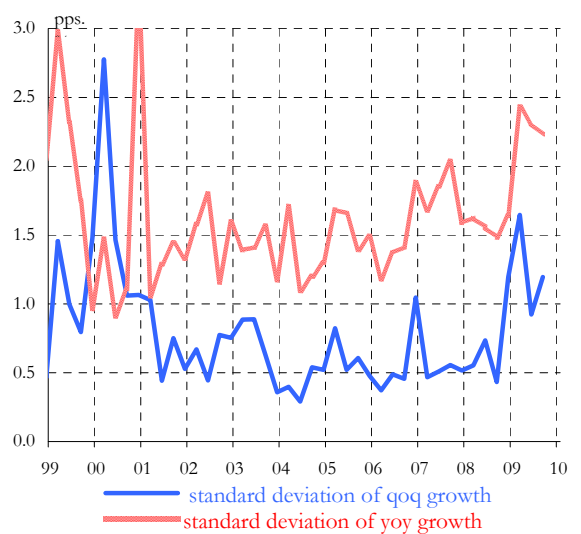
Industrial and services confidence



Industrial production



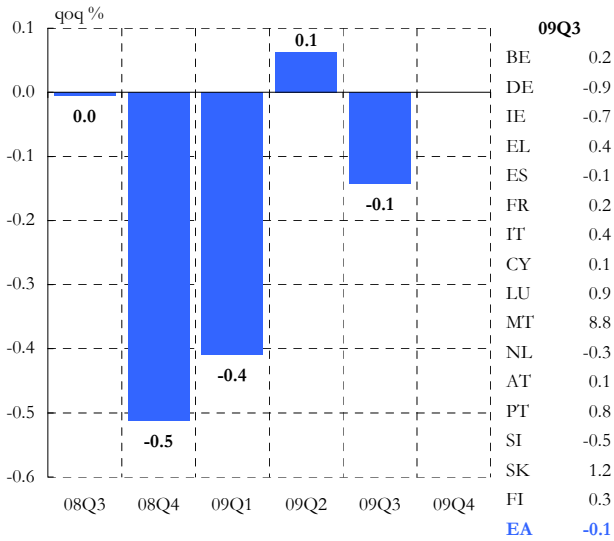
GDP growth divergence, euro area



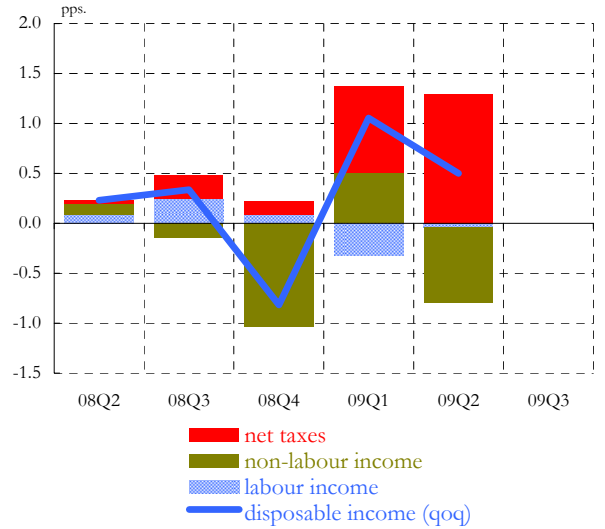


2. PRIVATE CONSUMPTION

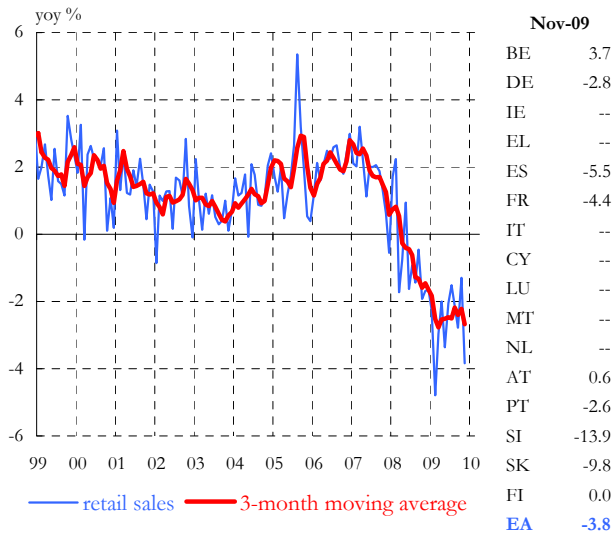
Private consumption



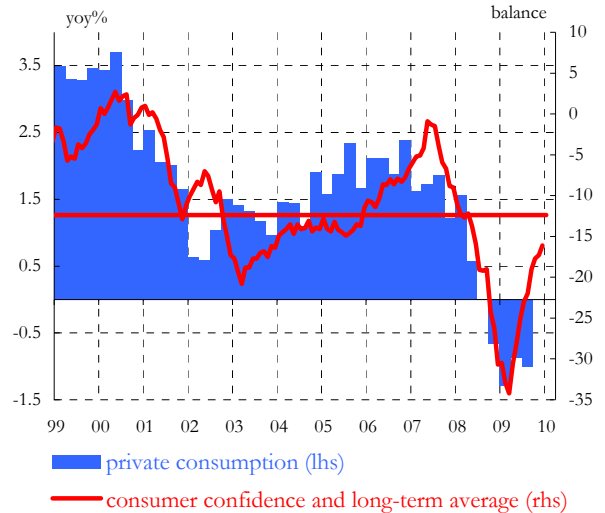
Gross disposable income and its components



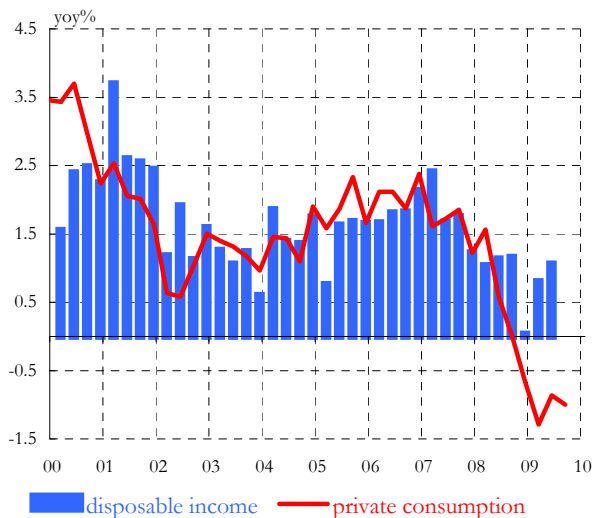
Retail sales



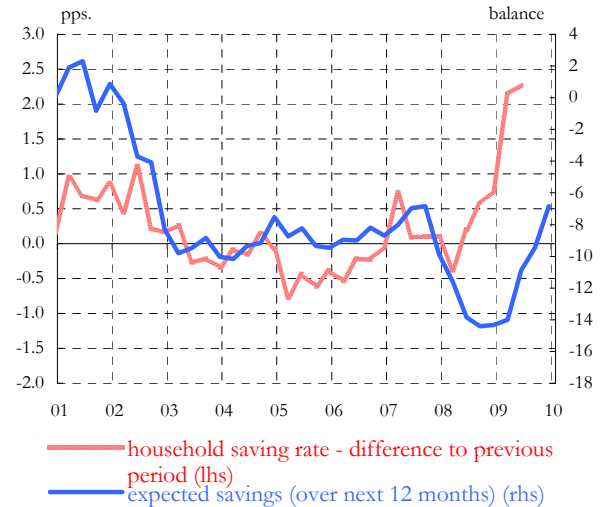
Consumer confidence and private consumption



Households: disposable income and consumption



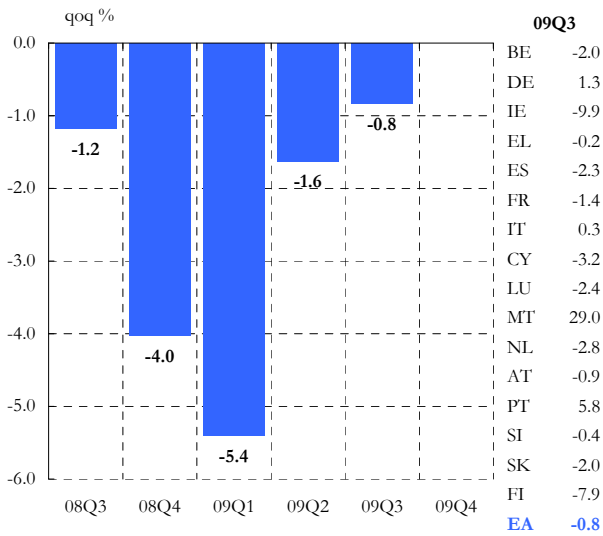
Households: actual saving rate and expected savings



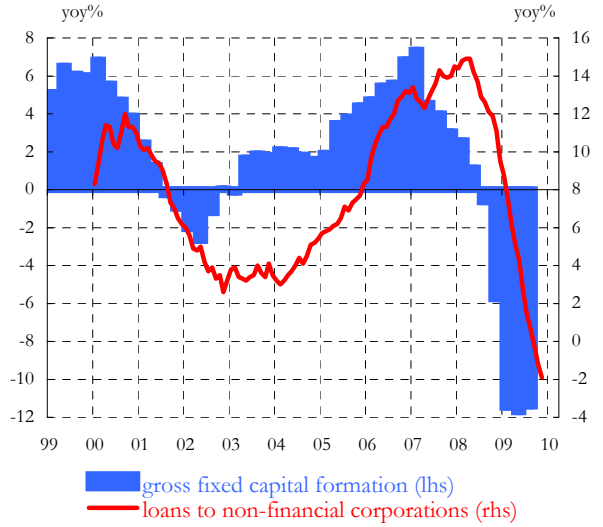


3. INVESTMENT

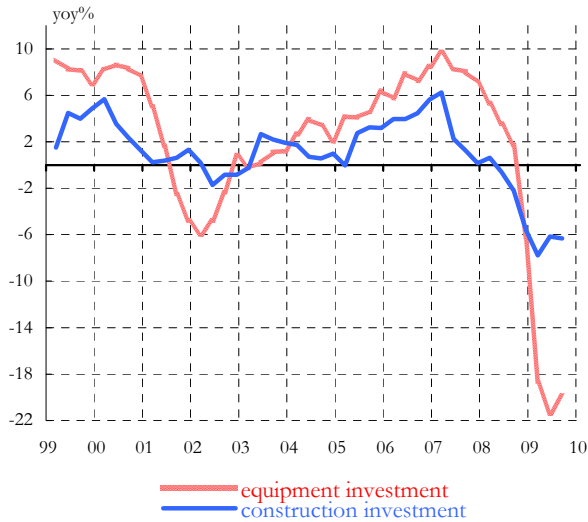
Gross fixed capital formation



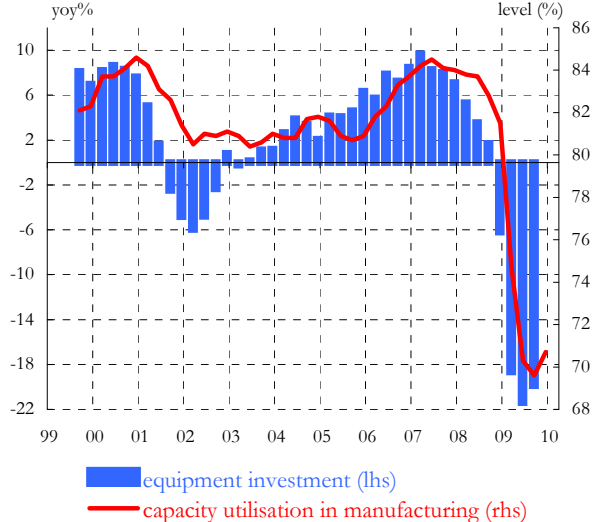
Gross fixed capital formation and corporate loans



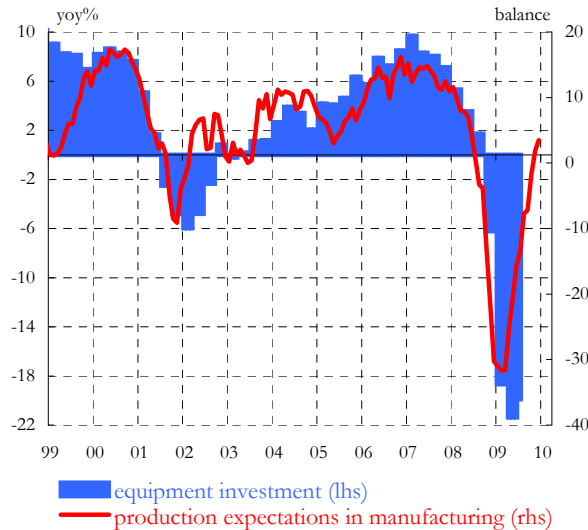
Equipment and construction investment



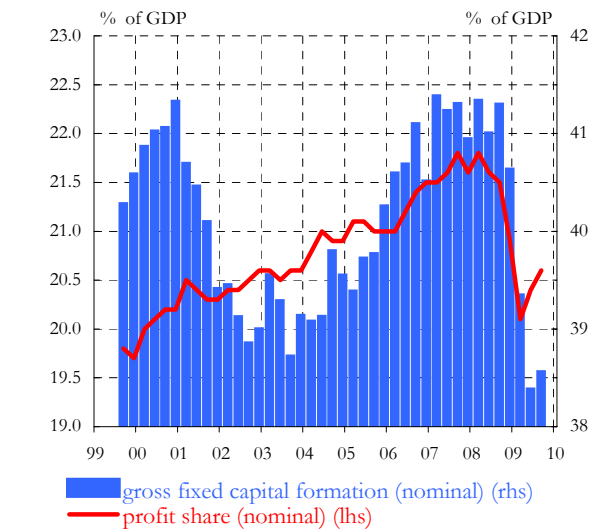
Equipment investment and capacity utilisation



Equipment investment and production expectations



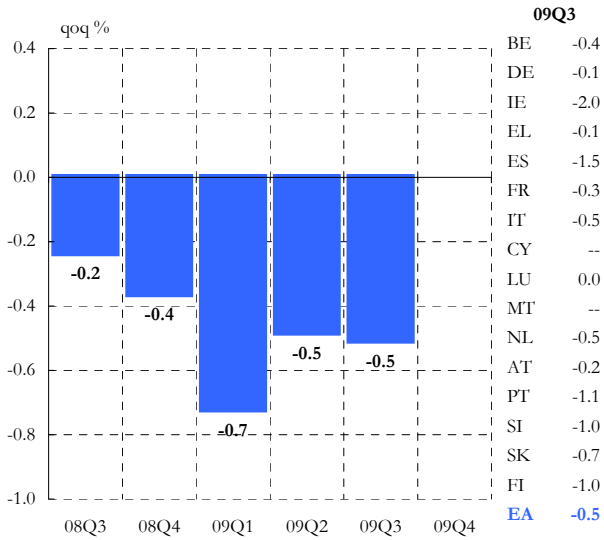
Gross fixed capital formation and profit share



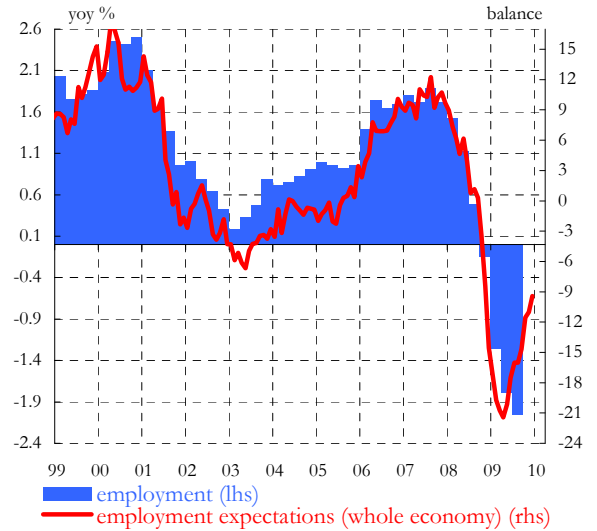


4. LABOUR MARKET

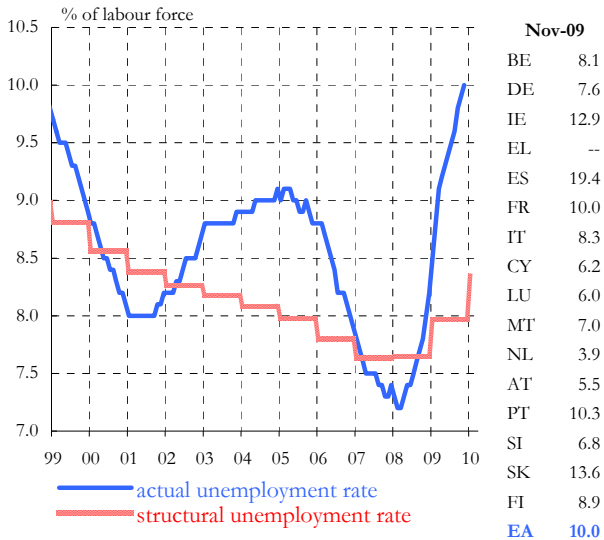
Employment



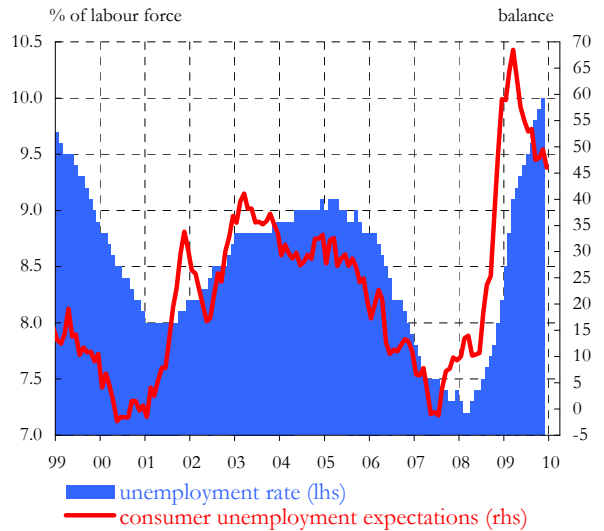
Employment and employment expectations



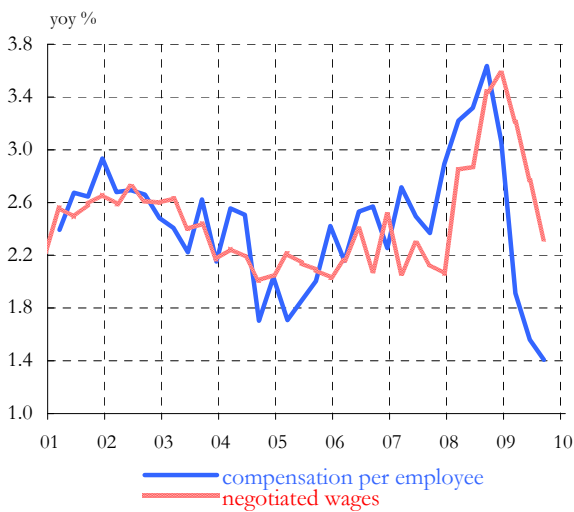
Actual and structural unemployment rate



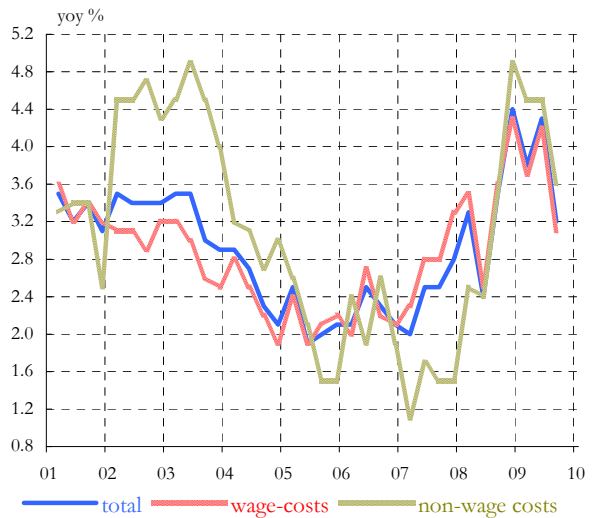
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



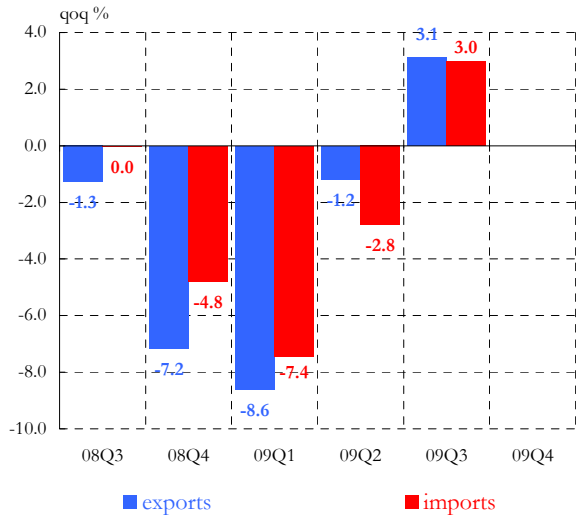
Labour costs in the private business sector (nominal)



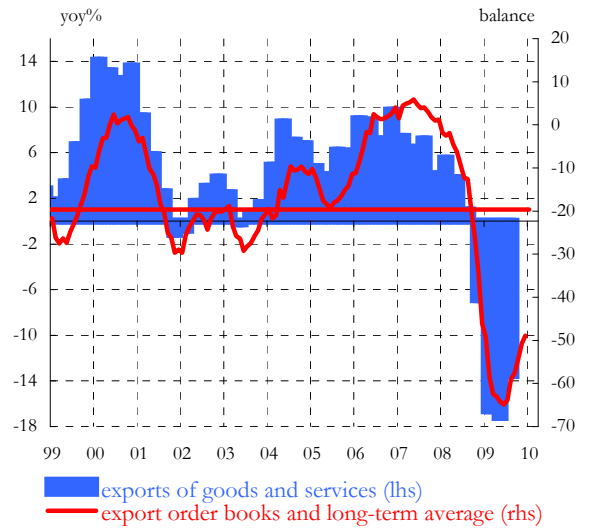


5. INTERNATIONAL TRANSACTIONS

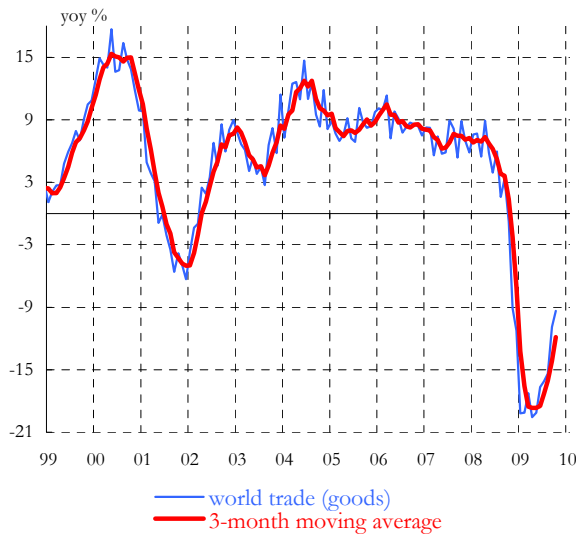
Exports and imports of goods and services



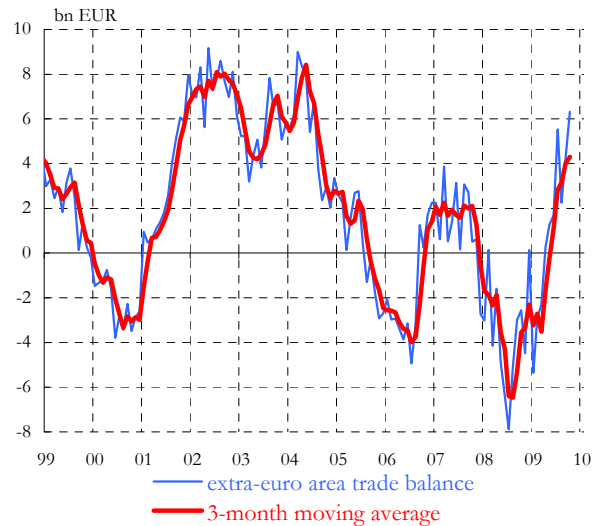
Exports and export order books



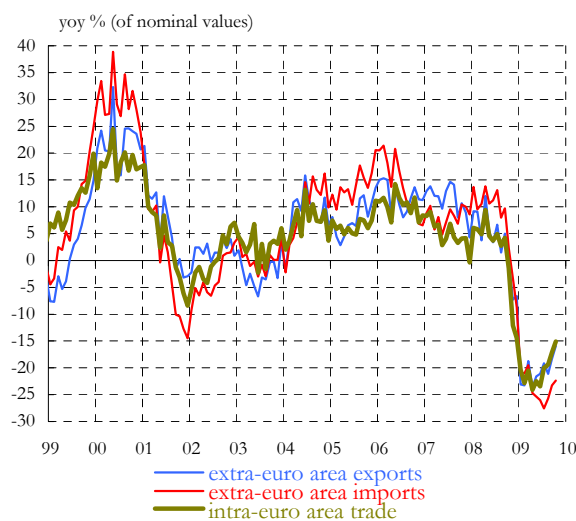
World trade



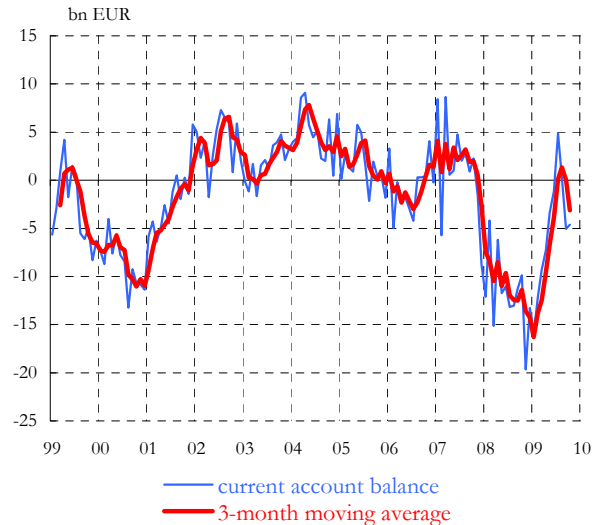
Extra euro-area trade balance



Extra- and intra-euro area trade



Current account balance

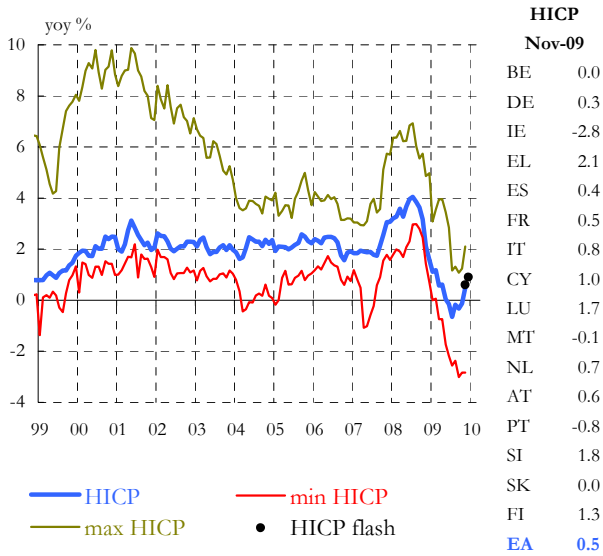




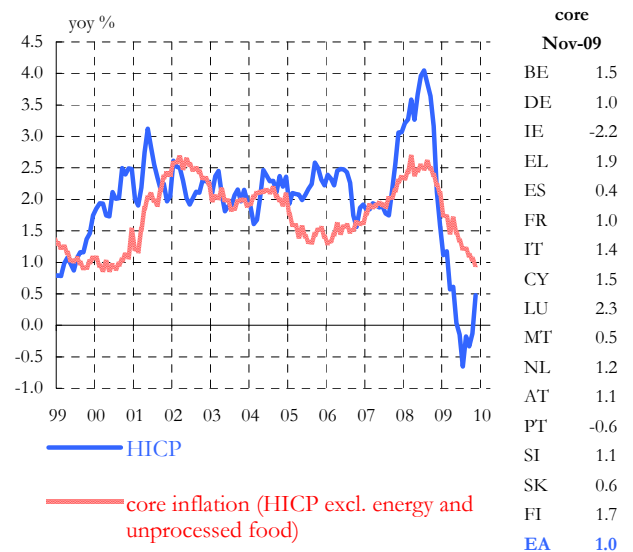


6. PRICES

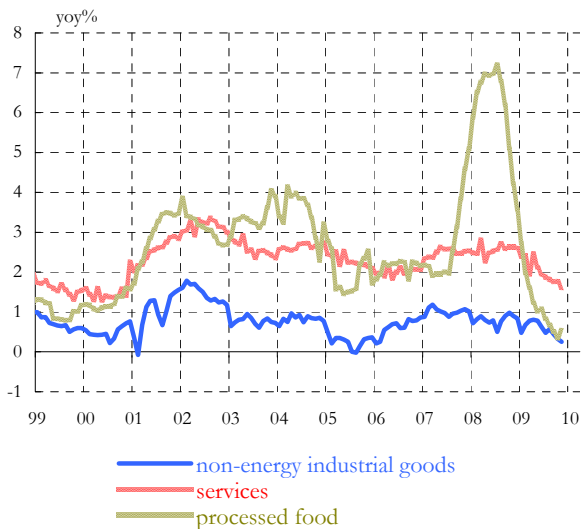
Harmonised index of consumer prices (HICP)



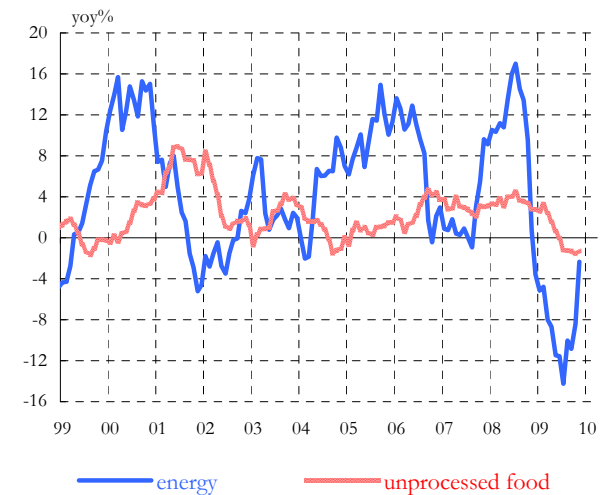
HICP and core inflation



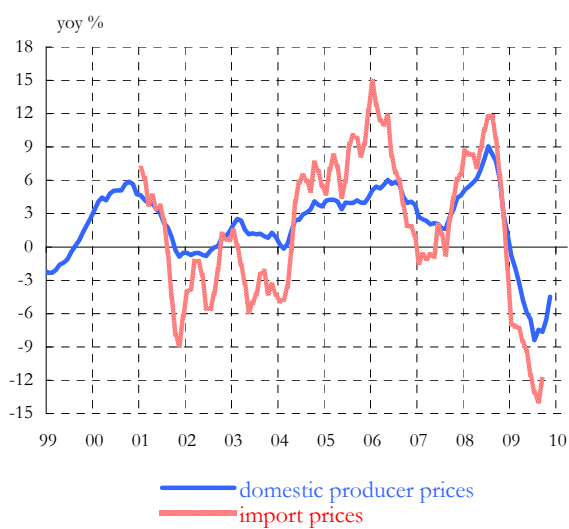
Breakdown of core inflation



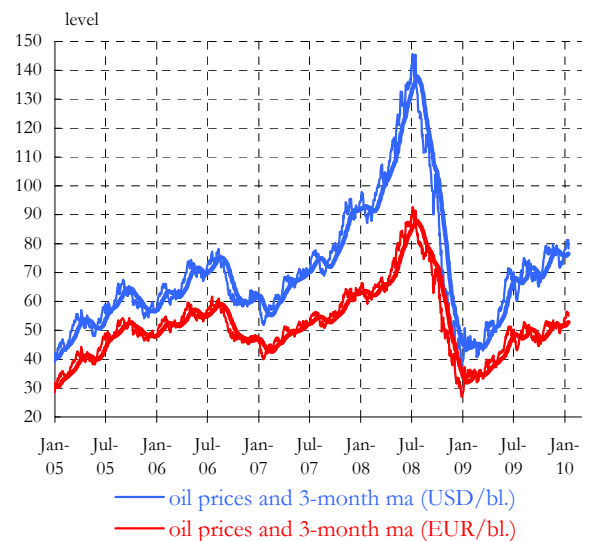
Energy and unprocessed food



Domestic producer prices and import prices



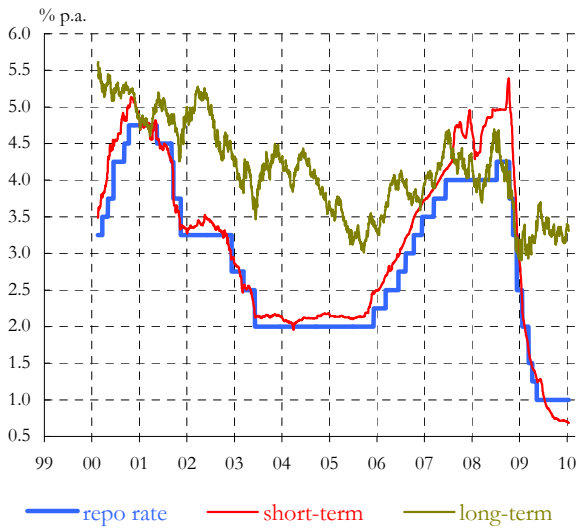
Oil prices



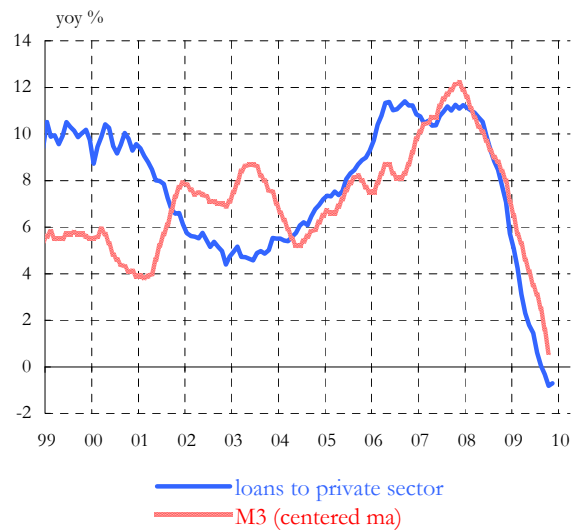


7. MONETARY AND FINANCIAL INDICATORS

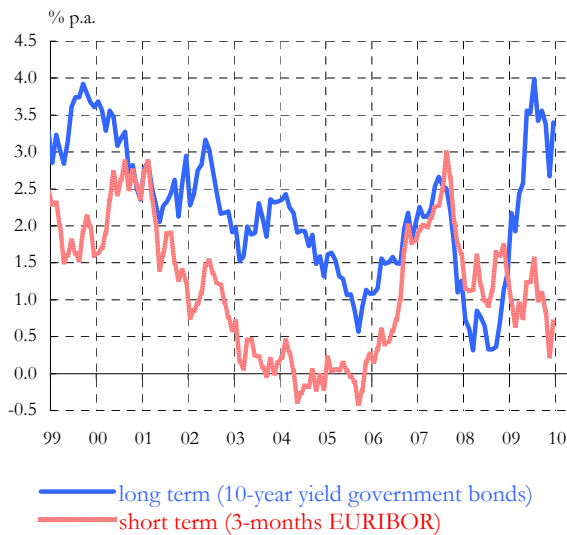
Nominal interest rates



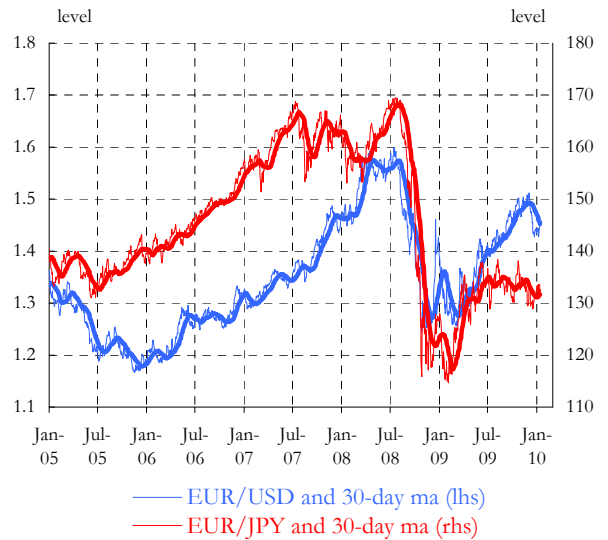
Loans to private sector and money supply



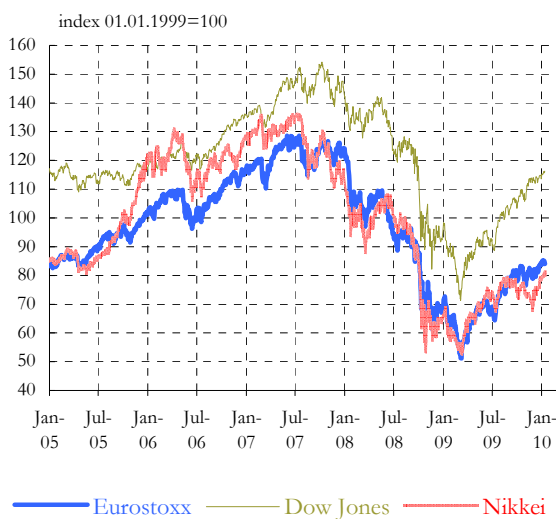
Real interest rates



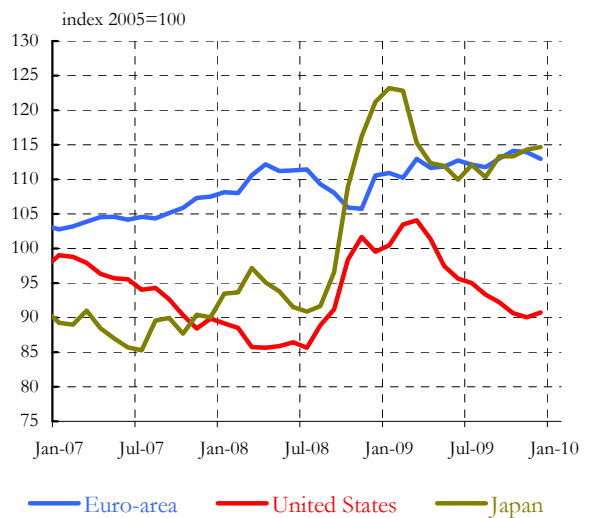
Euro vis-à-vis US dollar and JP yen



Stock market indices



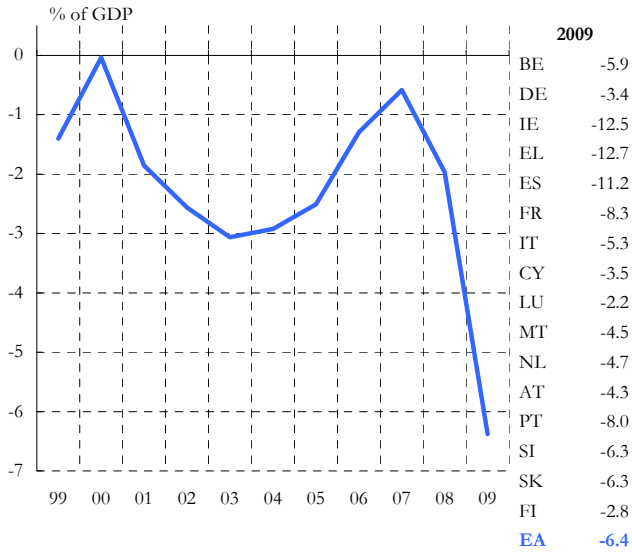
Nominal effective exchange rates



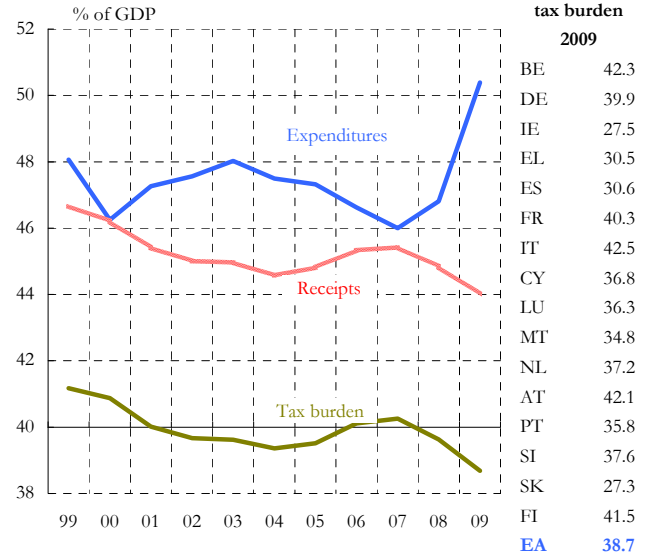


8. PUBLIC FINANCES\*

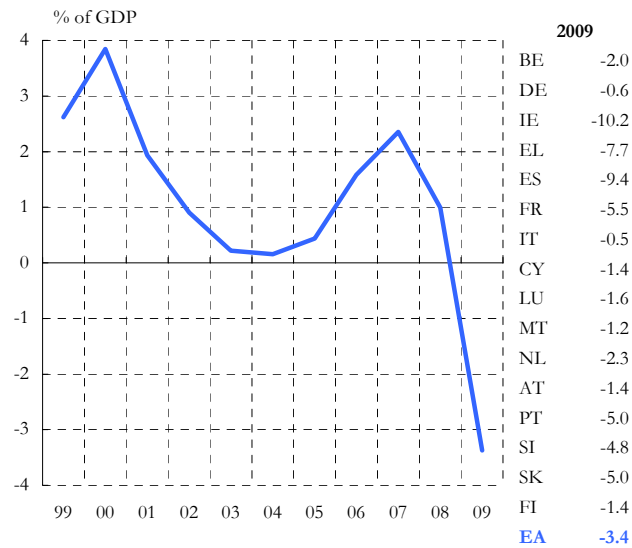
Government general balance



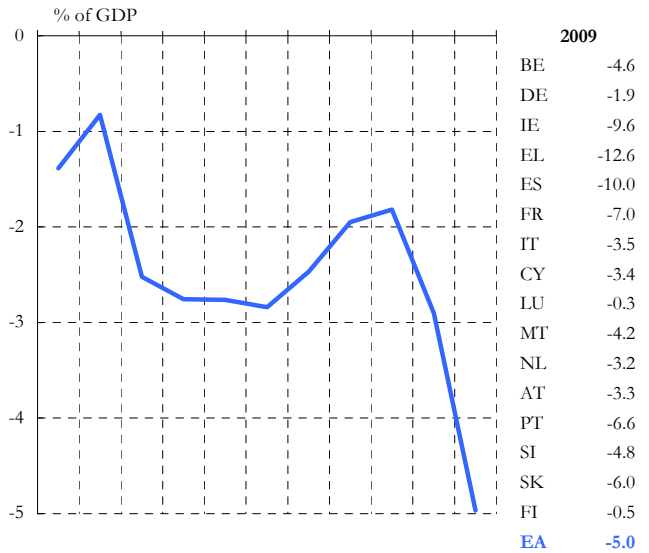
General government expenditures and receipts



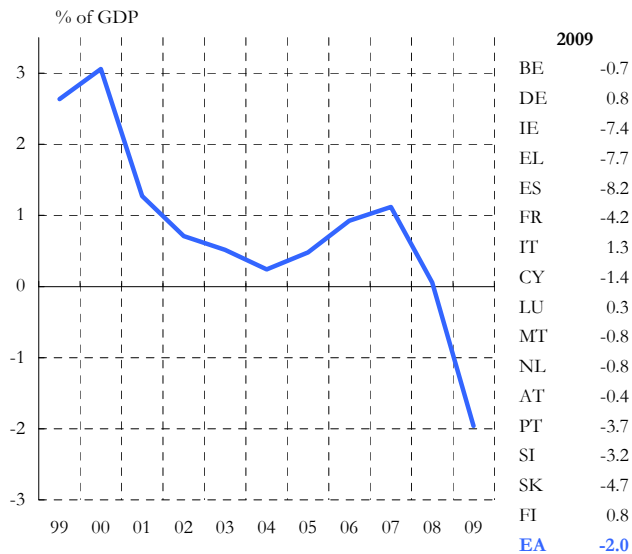
Primary balance



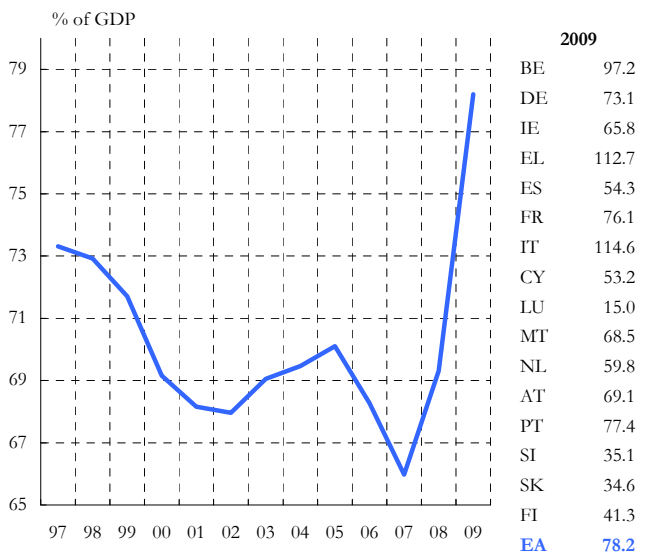
Cyclically adjusted balance



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