

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

	LTA ⁽¹⁾	2009	2010	10Q3	10Q4	11Q1	11Q2	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	
1. Output														
Economic Sentiment	indicator	100.7	80.7	100.9	102.3	105.7	107.4	105.7	106.1	105.5	105.4	103.0	98.4	95.0
Industrial confidence	balance	-6.1	-28.7	-4.5	-2.5	2.7	6.5	4.3	5.6	3.8	3.5	0.9	-2.7	-5.9
Services confidence	balance	10.0	-15.5	5.0	6.9	9.0	10.6	9.9	10.3	9.3	10.1	7.9	3.7	0.0
Industrial production (excluding construction)	% ch. on prev. period				1.0	1.8	0.9	0.3	0.2	0.2	-0.7	0.9	--	--
	% ch. on prev. year	1.0	-14.8	7.5	7.1	8.1	6.5	4.1	5.2	4.3	2.7	4.2	--	--
Gross domestic product	% ch. on prev. period				0.4	0.3	0.8	0.2						
	% ch. on prev. year	1.7	-4.3	1.8	2.0	2.0	2.4	1.6						
Labour productivity	% ch. on prev. period				0.4	0.2	0.7	-0.2						
	% ch. on prev. year	0.7	-2.4	-	2.2	1.7	2.1	1.2						
2. Private consumption														
Consumer confidence	balance	-12.0	-24.8	-14.0	-12.1	-10.4	-10.6	-10.4	-11.6	-9.9	-9.7	-11.2	-16.5	-19.1
Retail confidence	balance	-8.7	-15.5	-4.0	-2.8	0.8	-0.7	-2.3	-1.8	-2.4	-2.6	-3.6	-8.7	-9.8
Private consumption	% ch. on prev. period				0.2	0.3	0.2	-0.2						
	% ch. on prev. year	1.5	-1.2	0.8	1.0	1.1	0.9	0.5						
Retail sales	% ch. on prev. period				0.2	-0.3	-0.1	-0.3	0.8	-1.2	0.6	0.3	--	--
	% ch. on prev. year	1.3	-2.5	0.8	1.4	0.6	0.1	-0.5	1.1	-1.9	-0.8	-0.2	--	--
3. Investment														
Capacity utilisation	level (%)	81.7	71.2	75.9	77.2	78.1	80.2	81.6	81.6	--	--	80.9	--	--
Production expectations (manuf.)	balance	6.4	-14.8	11.6	11.3	16.8	19.0	13.4	15.4	12.9	12.0	9.8	5.9	0.2
Gross fixed capital formation	% ch. on prev. period				-0.1	-0.2	1.8	0.2						
	% ch. on prev. year	1.6	-12.1	-0.8	0.6	1.2	3.7	1.7						
- equipment investment	% ch. on prev. period				0.9	1.7	1.9	1.9						
	% ch. on prev. year		-17.9	3.1	4.4	6.2	7.7	6.6						
- construction investment	% ch. on prev. period	2.9			-0.7	-1.6	1.9	-0.6						
	% ch. on prev. year	0.3	-8.7	-4.1	-2.6	-2.7	1.1	0.3						
Change in stocks	contrib. to GDP (pp.)	0.0	-1.1	0.4	0.1	0.1	0.2	0.1						
4. Labour market														
Employment expectations (manuf.)	balance	-12.0	-30.8	-7.6	-4.9	2.3	6.8	6.6	7.3	6.4	6.2	4.9	1.3	-0.4
Employment expectations (services)	balance	4.6	-10.9	1.7	2.4	7.6	8.5	7.8	8.9	7.6	7.0	8.8	6.3	4.3
Employment	% ch. on prev. period				0.0	0.1	0.1	0.3						
	% ch. on prev. year	0.9	-1.9	-	-0.2	0.2	0.3	0.4						
Employment (000)	abs. ch. on prev. period		-2 784	-	-17	167	131	455						
Compensation of employees per head (nominal)	% ch. on prev. period				0.1	0.6	0.9	0.6						
	% ch. on prev. year	2.0	1.4	-	1.5	1.6	2.3	2.3						
Unemployment rate	% of lab. force		9.6	10.1	10.1	10.1	10.0	10.0	9.9	10.0	10.0	10.0	--	--
Unemployment (000)	abs. ch. on prev. period		3 014	909	-72	-104	-183	-15	-45	64	24	61	--	--
5. International transactions														
World trade	% ch. on prev. period				1.5	2.1	2.7	-0.5	-2.0	2.2	-2.0	0.8	--	--
	% ch. on prev. year		-12.7	15.3	15.5	11.6	9.7	5.8	6.9	7.2	3.4	5.1	--	--
Export order books	balance	-18.7	-58.2	-24.7	-18.3	-9.6	-0.9	-1.0	0.1	-0.8	-2.4	-4.4	-9.2	-11.6
Trade balance (merchandise)	billion EUR		14.6	-15.8	-4.9	-2.9	-7.3	-6.5	-2.8	-1.2	-2.5	-2.5	--	--
Exports of goods and services	% ch. on prev. period				1.8	1.4	2.0	1.0						
	% ch. on prev. year	5.2	-13.0	10.8	11.7	11.1	9.6	6.3						
Imports of goods and services	% ch. on prev. period				1.4	1.2	1.5	0.5						
	% ch. on prev. year	5.0	-11.8	9.1	10.5	10.5	8.2	4.7						
Current account balance	billion EUR		-27.5	-43.2	-8.0	-17.6	-15.9	-18.1	-5.4	-5.6	-7.1	-12.9	--	--
Direct investment	billion EUR		-109.4	-46.6	-30.8	59.2	-11.5	-25.7	-27.8	-3.8	5.9	2.4	--	--
Portfolio investment	billion EUR		270.7	135.2	-17.1	33.6	133.3	187.0	47.8	55.8	83.5	-18.4	--	--
6. Prices														
Consumer inflation expectations	balance	21.1	-6.7	8.4	10.8	11.9	25.8	27.6	30.7	27.4	24.6	25.4	26.0	25.3
Headline inflation (HICP)	% ch. on prev. year		0.3	1.6	1.7	2.0	2.5	2.8	2.8	2.7	2.7	2.5	2.5	--
Core HICP	% ch. on prev. year		1.3	1.0	1.0	1.1	1.3	1.8	1.8	1.7	1.8	1.5	1.5	--
Domestic producer prices	% ch. on prev. year		-5.1	2.9	4.0	4.8	6.5	6.3	6.8	6.2	5.9	6.1	--	--
Import prices	% ch. on prev. year		-9.2	10.7	12.9	14.1	15.4	10.0	12.6	9.1	8.5	--	--	--
Oil (Brent) in USD	level		62.5	80.3	76.8	87.2	105.2	117.0	122.5	115.1	113.9	116.3	110.1	111.4
	% ch. on prev. year		-36.7	28.5	11.5	15.9	36.2	46.9	43.4	47.6	50.5	54.6	42.6	43.1
Oil (Brent) in EUR	level		44.5	60.6	59.4	64.3	76.7	81.3	84.7	80.3	79.1	81.4	76.8	80.9
	% ch. on prev. year		-32.8	36.2	23.3	26.2	37.3	29.8	33.0	29.2	27.7	38.5	28.3	35.9
Non-energy commodity prices (EUR)	% ch. on prev. period				4.7	4.9	9.2	-3.4	0.7	-1.9	-1.4	0.7	-1.7	--
	% ch. on prev. year		-18.8	37.2	38.9	38.3	36.2	15.8	19.1	15.4	13.1	13.1	7.2	--
7. Monetary and financial indicators														
Nominal interest rates (3 month)	level		1.22	0.81	0.87	1.02	1.10	1.42	1.32	1.43	1.49	1.60	1.55	1.53
Nominal interest rates (10 year)	level		3.27	2.78	2.45	2.64	3.17	3.14	3.36	3.12	2.98	2.79	2.26	1.86
ECB repo rate	level		1.28	1.00	1.00	1.00	1.22	1.15	1.25	1.25	1.40	1.50	1.50	1.50
Stock market (Eurostoxx)	% ch. on prev. period				-0.7	3.7	4.1	-2.3	1.9	-2.0	-4.1	-0.8	-16.3	-7.8
	% ch. on prev. year		-24.0	10.1	2.1	-1.9	2.9	4.7	0.3	9.2	4.7	2.8	-15.3	-23.5
Money demand (M3)	% ch. on prev. year		3.0	0.6	0.8	1.6	2.0	2.0	1.9	2.3	1.9	2.1	2.8	--
Loans to households	% ch. on prev. year		1.3	3.0	2.7	3.0	3.4	3.2	3.4	3.4	3.2	3.0	3.0	--
Loans to non-financial corporations	% ch. on prev. year		-2.2	-0.1	-0.5	-0.1	0.9	1.5	1.0	1.0	1.5	1.6	1.6	--
Bilateral exchange rate EUR/USD	level		1.39	1.33	1.29	1.36	1.37	1.44	1.44	1.43	1.44	1.43	1.43	1.38
	% ch. on prev. year		-5.2	-5.0	-9.7	-8.1	-1.1	13.2	7.7	14.2	17.9	11.7	11.2	5.5
Nominal effective exchange rate	% ch. on prev. period				-0.8	2.0	-0.6	2.5	1.7	-1.0	0.1	-0.9	-0.2	--
	% ch. on prev. year		1.2	-6.4	-8.7	-8.2	-4.6	3.2	0.9	3.1	5.5	2.7	2.8	--

(1) LTA=Long-Term Average

(2) Data available until date of update



1. Output

Eurostat's estimate for the second quarter of 2011, released on September 6, confirmed euro-area **GDP growth** in 2011-Q2 at 0.2% quarter-on-quarter (q-o-q), down from 0.8% growth in 2011-Q1. In year-on-year terms (y-o-y), GDP eased to 1.6%, from 2.4% in 2011-Q1. Economic growth in the second quarter of 2011 was driven by net exports, contributing 0.2 pp. to GDP growth, while domestic demand (excluding inventories) acted as a drag on growth (with -0.1 pp.). Inventories contributed with slightly positive 0.1 pp. As for the largest economies, only Italy grew stronger in 2011-Q2 than in 2011-Q1, by 0.3% compared to 0.1 q-o-q%. The growth of other big euro-area economies was shrinking in 2011-Q2, Spain's GDP grew by 0.2%, Germany's and the Netherlands' by negligible 0.1 q-o-q%, France' was nil.

According to **Commission's interim September 2011 forecast** (an update covering about 83% of the euro area), a pronounced deceleration of the euro-area activity is expected in the second half of the year, although the forecast for GDP growth for 2011 as a whole remains unchanged at 1.6%.

While the **industrial confidence** index remains still above its long-term average (of -6.1), it decreased strongly from -2.7 in August to -5.9 in September. This goes mostly on account of a significant drop in firms' production expectations and their appraisal of the level of order books. In addition, an increasing number of managers assessed their stocks as being too large.

In July 2011, **industrial production** grew by 1.0% month-on-month (m-o-m) and 4.2% y-o-y%. The less volatile 3-month on 3-month growth perspective shows however a falling trend of growth, from 1.9% in January 2011 to currently 0.1%, the lowest rate since July 2009. The **euro-area industrial new orders index** fell by 2.1% in July, after a drop of 1.2% in June. Yet, excluding ships, railway and aerospace equipment, for which changes tend to be more volatile, industrial new orders rose by 1.4%.

2. Private consumption

Private consumption contracted by 0.2% q-o-q in 2011-Q2, after 0.1% growth in 2011-Q1. In annual comparison, consumption was still positive at 0.5% y-o-y, although easing from 1.1% in 2010-Q4 and 0.9% in 2011-Q1. In 2011-Q2 households' consumption even subtracted 0.1 pp. to GDP growth, while government consumption was nil.

Consumer confidence has worsened in September (by -2.6 points), reaching -19.1, which is below the

long-term average of -12. Consumers were more pessimistic about the future general economic situation and their expected financial situation. Consumers' expected possibility of savings over the next months declined as well.

In July 2011, the index of **retail trade** volumes increased by 0.2% m-o-m, after an increase of 0.7% in June. **Sentiment in the retail sector** dropped (by 1.1 points), mostly owing to managers' negative assessments of the present business situation.

3. Investment

Gross fixed capital formation, which had been the main driver of growth in 2011-Q1, grew by a meager 0.2% q-o-q, down from 1.8% in the first quarter. The deceleration was broad-based across countries but it was particularly strong in Germany (0.3% q-o-q after 4.5% in 2011Q1) and in the Netherlands (-1.8% q-o-q after +7.7%). On an annual basis, it also lost some pace, growing by 1.7%, down from 3.7 growth in 2011-Q1. Having reached a historic low in 2009-Q3 (69.6%), the rate of **capacity utilisation** in manufacturing has since been rather increasing, to stand at around 80.9% in 2011-Q3, close to its long-term average (81.7%).

4. Labour market

The **unemployment rate** in the euro area was 10.0% in July, unchanged for the third consecutive month. However, this aggregate number conceals sharp differences across Member States, with the gap between the countries with the lowest rate (Austria 3.7%) and the highest rate (Spain 21.2%) increasing so far during 2011.

In the second quarter of 2011, **employment** grew by 0.3% q-o-q in the euro area, after 0.1% increases in the previous two quarters. These figures are seasonally adjusted. Compared with the same quarter of the previous year, employment grew by 0.4%.

Since its March historic high (at 8.7), the index of managers' **employment expectations in the manufacturing sector** is gradually losing its strength, reaching -0.4 in September. Managers' employment expectations worsened as well in the **services sector** (to 4.3), being below the long-term average for two consecutive months. In the same tone, consumers expressed higher unemployment fears. The level of **labour shortages** has been gradually increasing from the historical lows in the second half of 2009. In 2011-Q3, 5.9% of the firms reported that unfilled job openings were constraining their production (5.5% in 2011-Q2 and 4.4% in 2011-Q1).



5. International transactions

Managers in manufacturing were more pessimistic about their **export order books** than a month ago, the index level declined from -9.2 in August to -11.6 in September (it was about 0 in April). **Extra-euro area trade** (seasonally adjusted) posted another deficit of 2.5bn euro in July, after a similar deficit in June. While domestic demand was flat, GDP in 2011-Q2 was driven by net trade, contributing 0.2 pp. to GDP growth. However, **export and import growth** are slowing, with exports growing by 1.0% q-o-q in 2011-Q2 (4.2% a year ago) and imports by 0.5% (3.8% a year ago). |

In July 2011, the seasonally adjusted **current account balance** recorded a deficit of 12.9 bn euro. The 12-month cumulated seasonally adjusted current account balance recorded a deficit of 69.3 bn euro in July 2011 (around 0.7% of GDP), compared with a deficit of EUR 22.2 bn a year earlier. The **financial account** recorded net outflows of 16 bn euro, as a result of net outflows for portfolio investment, which were partly offset by net inflows for direct investment.

6. Prices

The **HICP inflation rate** in August was 2.5%, unchanged compared to July. It was 1.6% a year ago. **Core inflation** in August 2011 was at 1.5%, stable from the previous month. **The Commission's interim September 2011 forecast** projects an inflation rate of about 2½% for 2011, revised down slightly from 2.6% projected in the spring forecast. **Industrial producer prices** recorded a 0.5% m-o-m fall in July, after falling by 0.2% in May and being stable in June.

After an upward trend of **oil prices** at the beginning of the year and strong volatility since May (with prices ranging between 104 and 125 USD/bl.), the prices were mainly declining since summer. On 28 September the price of oil was at 106.3 USD/bl. The commodities markets continue to observe very closely the economic outlook.

7. Monetary and financial indicators

In July, the ECB increased its key interest rate to 1.5% (by 0.25 pp.), the second raise in 2011. In August and September, the benchmark rate was left unchanged, while the ECB has explicitly changed its risk assessment for euro area growth to be tilted to the downside. The European **money-market interest rates** came under severe pressure in the past few months. Funding conditions for banks became tense. Euribor-OIS spreads (a barometer of willingness for interbank lending), went up in Europe,

reaching around 80 bps (20 bps in July), mainly on the back of the euro-area debt crisis. The 3-month Euribor is elevated, at 1.54% (28 September), levels last seen in March 2009.

Benchmark sovereign-bond yields in Europe and US have been falling sharply during summer, reaching historical lows last week; German Bund of 1.67% and US Treasuries of 1.72%. The heightened concerns over the deteriorating growth prospects, as well as the sovereign debt crisis drove investors to the relative safety of benchmark bonds. However, the euro-area peripheral bonds remain still under pressure, mainly on worries about the countries' public debt sustainability.

As to euro-area **bank lending**, the annual rate of change of M3 continued its upward trajectory, growing by 2.3% in the last 3 months up to August. The annual growth rate of loans to non-financial corporations stood at 1.6% in August, unchanged from the previous month. The annual growth of loans to households as well as the annual growth of lending for house purchases (the most important component of household loans) remained also constant in August, at 3% and 3.9% respectively.

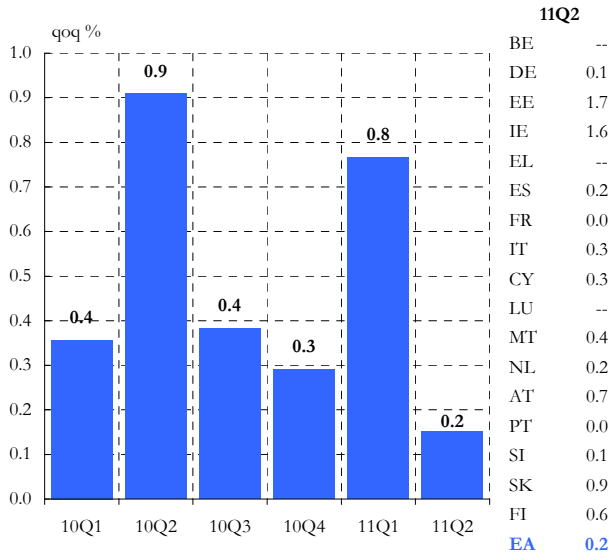
The debt concerns in the euro area peripheral countries, in particular Greece, and more recently the S&P downgrade of Italy, were under high scrutiny of the markets and weighed on the euro **exchange rate**. In September compared to August, the euro declined about 3.8% against the dollar and 4.2% against the yen, reaching its weakest level against the yen in a decade. Compared to pre-summer levels, the euro lost significantly from the level 1.49 USD/EUR and 120 JPY/EUR observed in the beginning of May to its current levels of 1.36 USD/EUR and 103.7 JPY/EUR.

Stock market indices in the largest economies have been falling in the course of August and September. Since their peak earlier this year, the Eurostoxx50 index lost around 30%, the DowJones index 14% and the Nikkei index 20%. Banking shares have been particularly badly affected (European banking index -38%), amid concerns about the exposure of already weak balance sheets to the global economic slowdown and sovereign debt. The underperformance of bank shares began already in 2010 and share prices for several major banks are now close the levels of spring 2009.

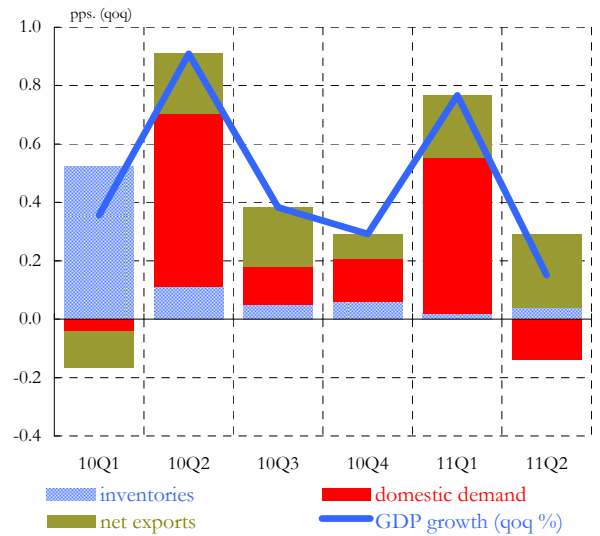


1. OUTPUT

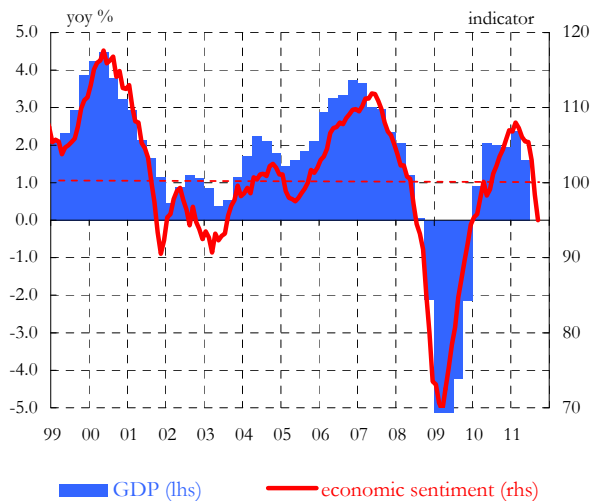
GDP



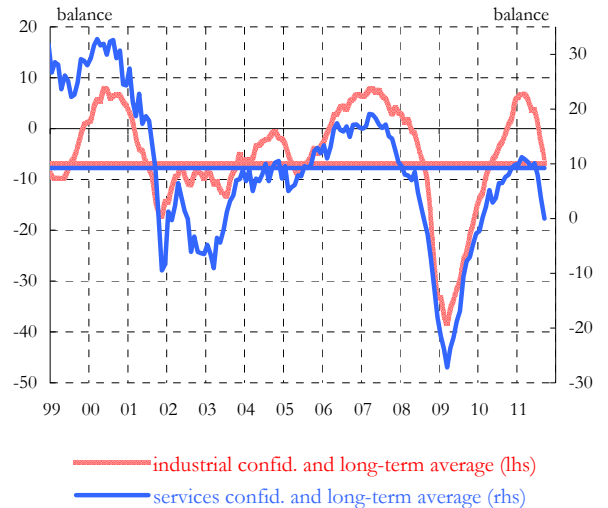
Contributions to GDP growth



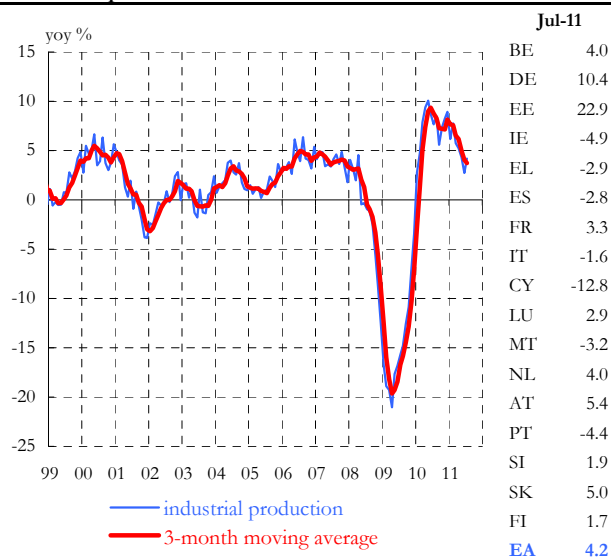
GDP and Economic Sentiment Indicator



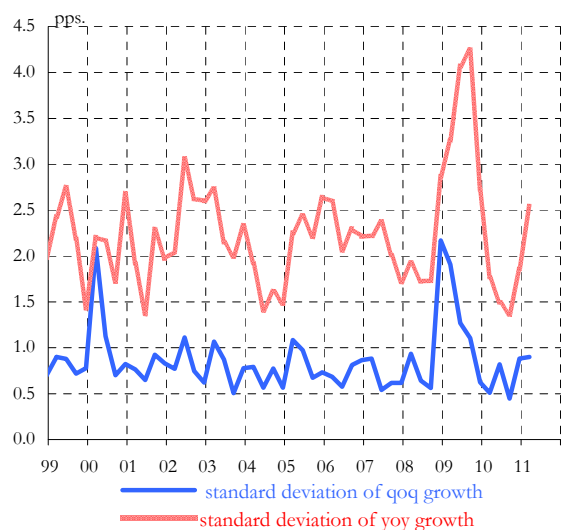
Industrial and services confidence



Industrial production



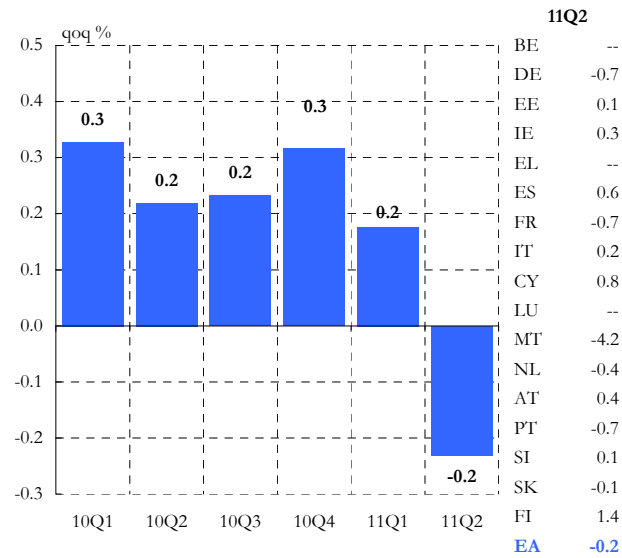
GDP growth divergence, euro area



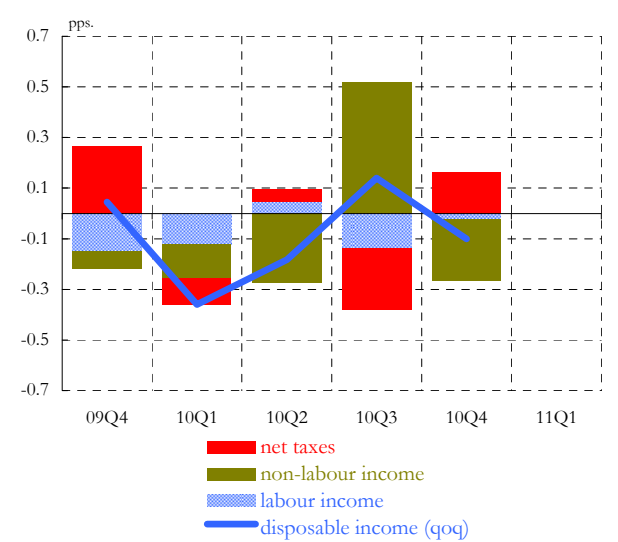


2. PRIVATE CONSUMPTION

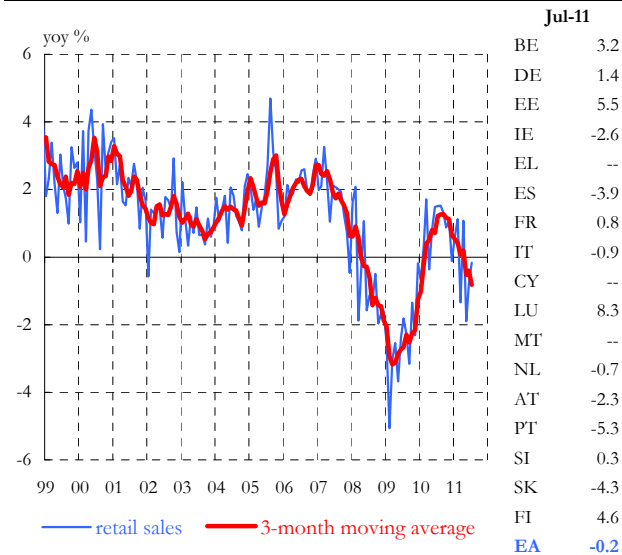
Private consumption



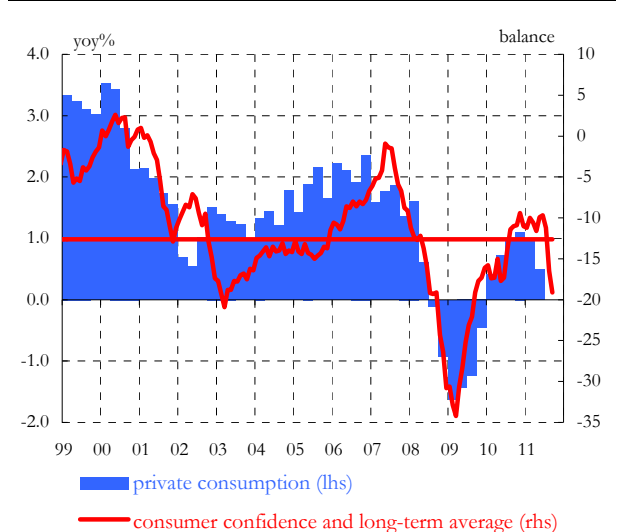
Gross disposable income and its components



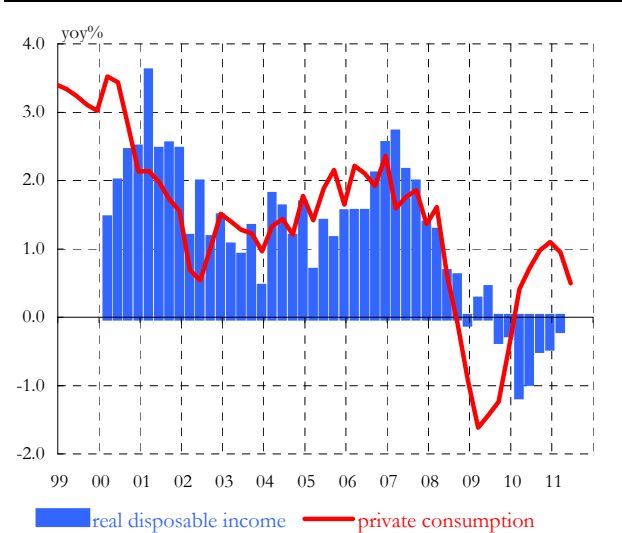
Retail sales



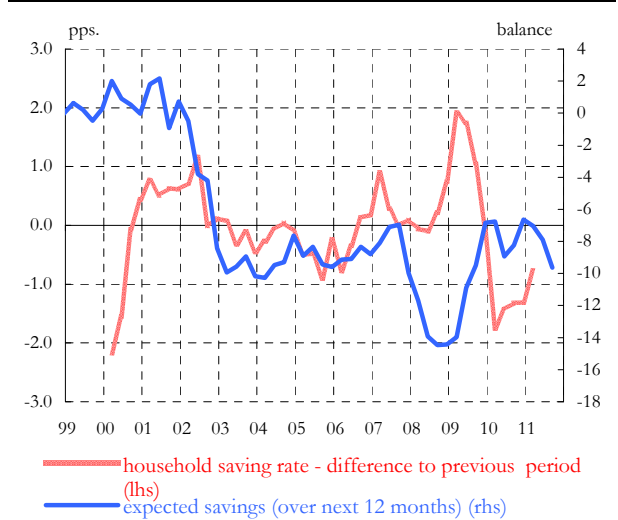
Consumer confidence and private consumption



Households: real disposable income and consumption



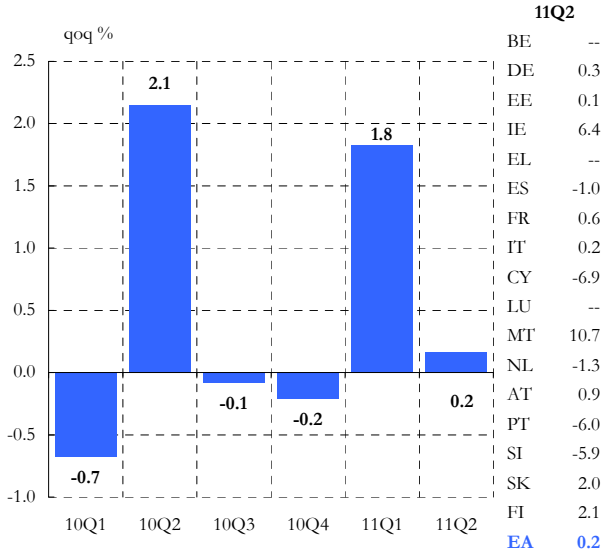
Households: actual saving rate and expected savings



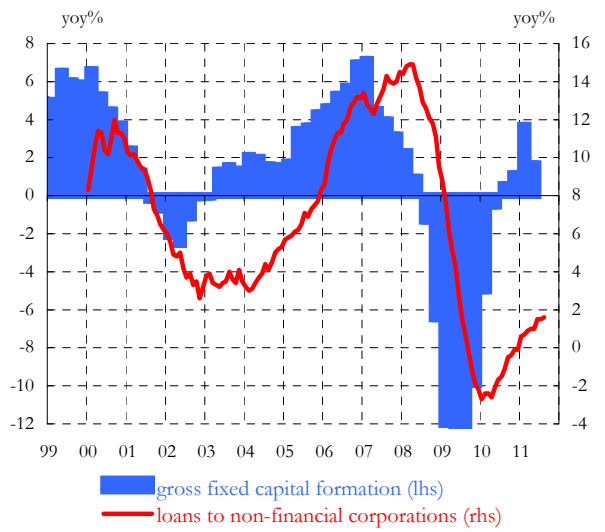


3. INVESTMENT

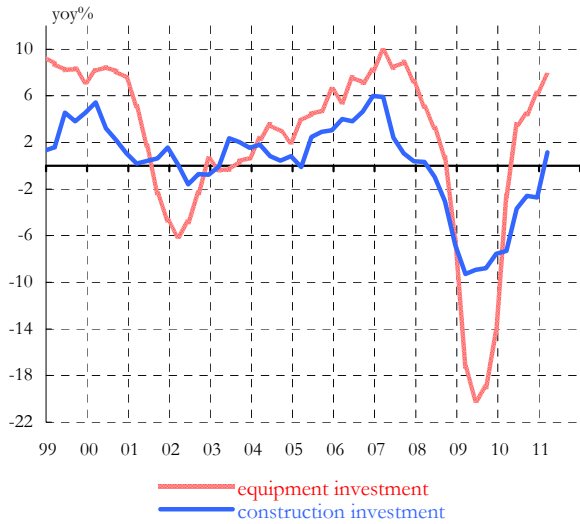
Gross fixed capital formation



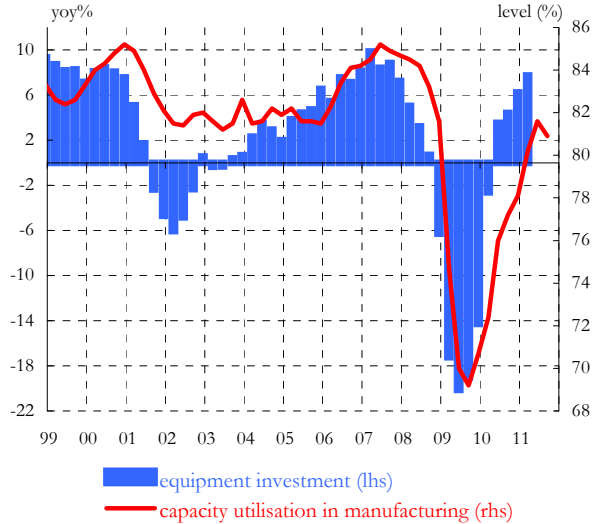
Gross fixed capital formation and corporate loans



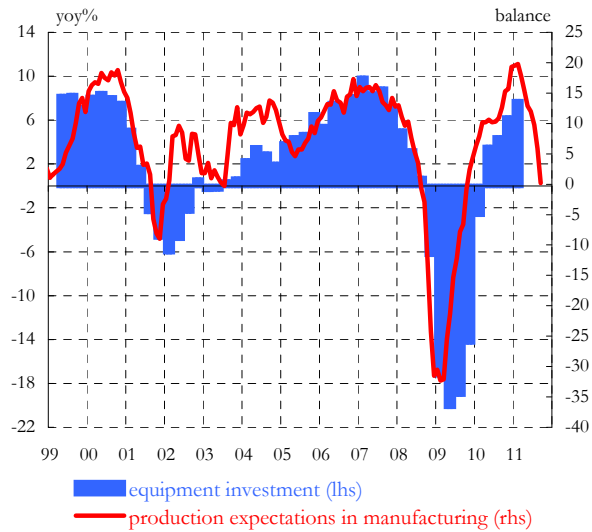
Equipment and construction investment



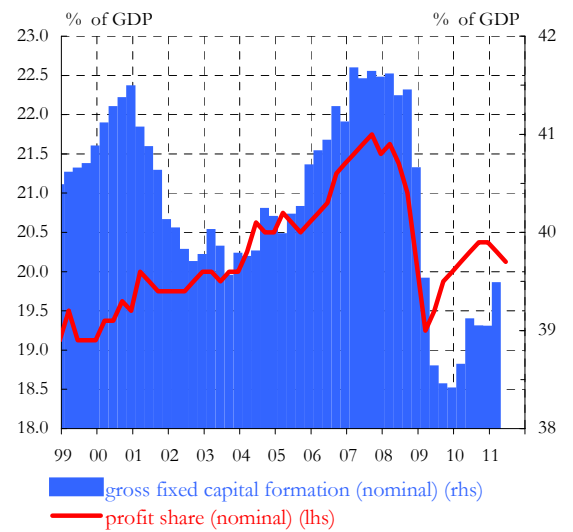
Equipment investment and capacity utilisation



Equipment investment and production expectations



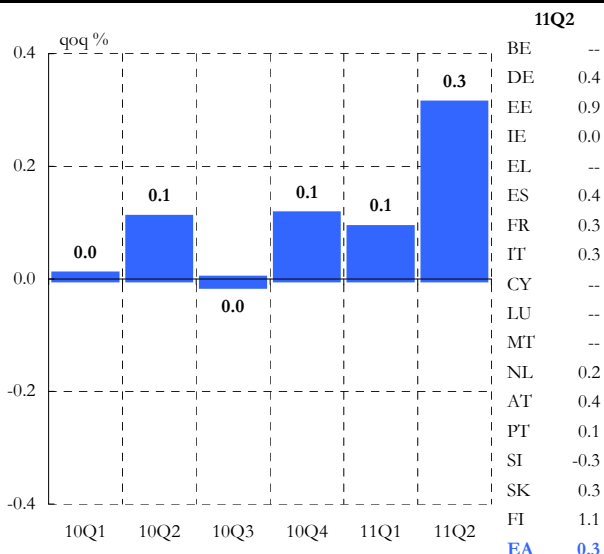
Gross fixed capital formation and profit share



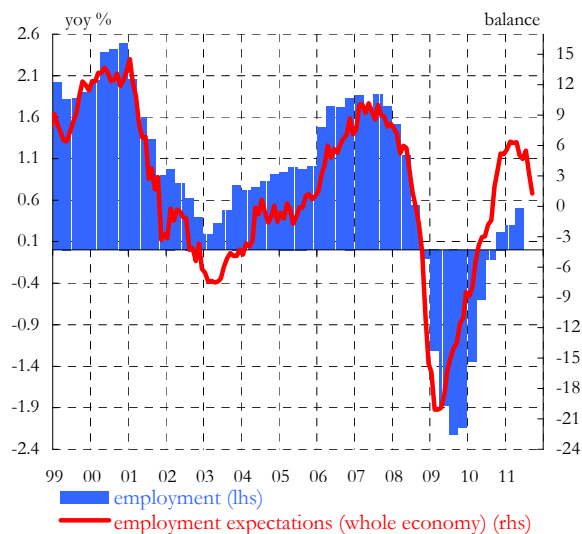


4. LABOUR MARKET

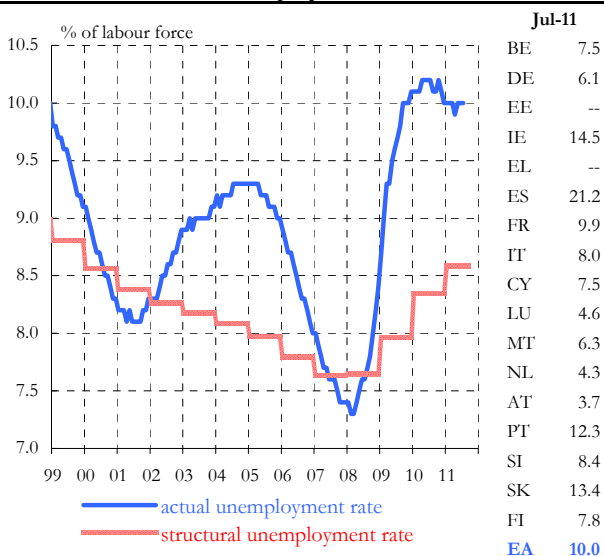
Employment



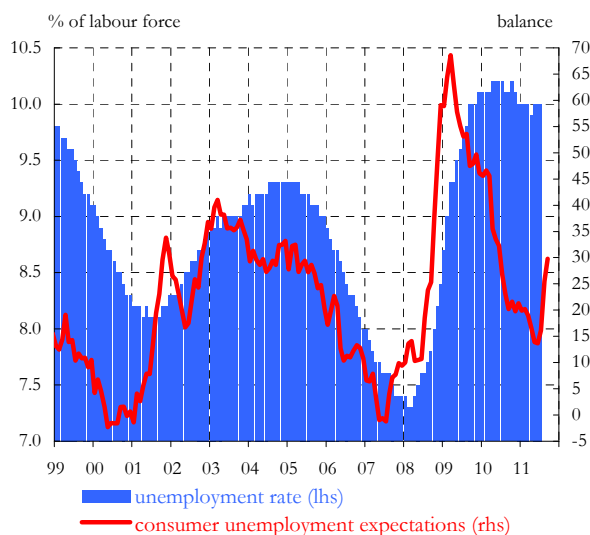
Employment and employment expectations



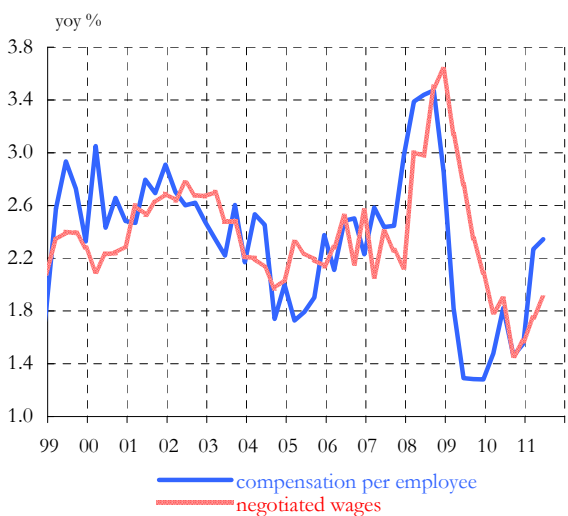
Actual and structural unemployment rate



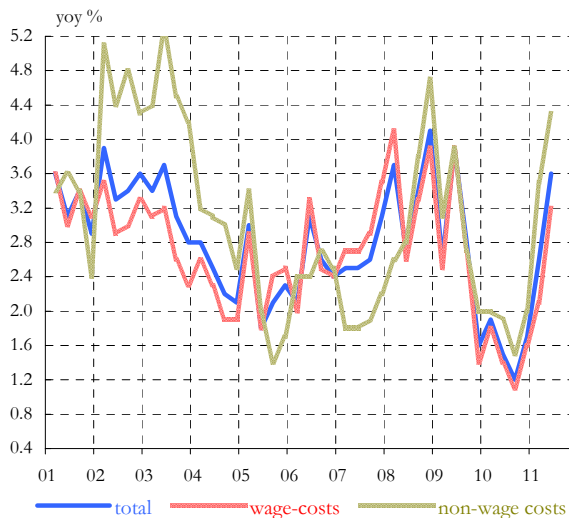
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



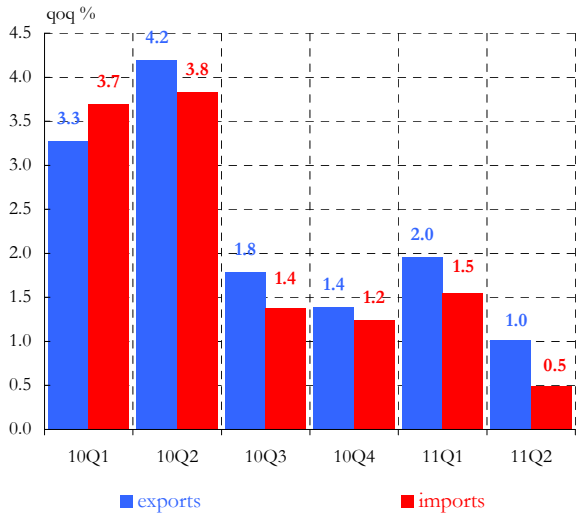
Labour costs in the private business sector (nominal)



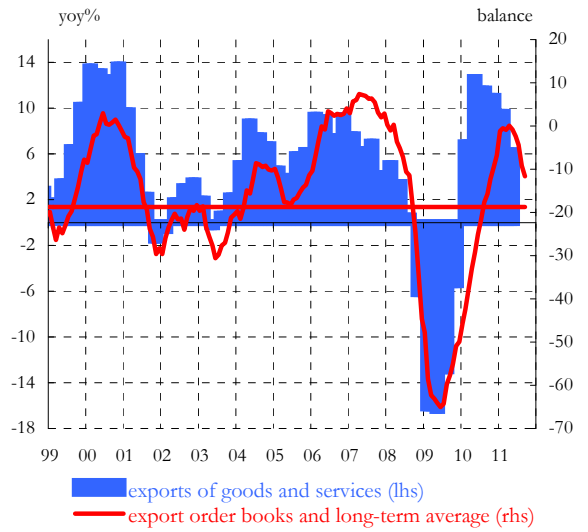


5. INTERNATIONAL TRANSACTIONS

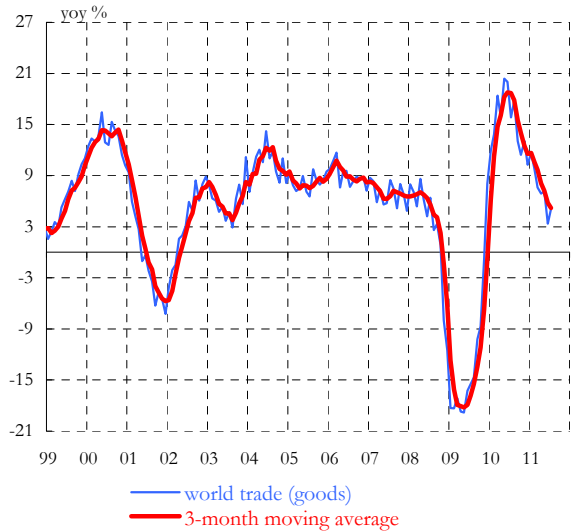
Exports and imports of goods and services



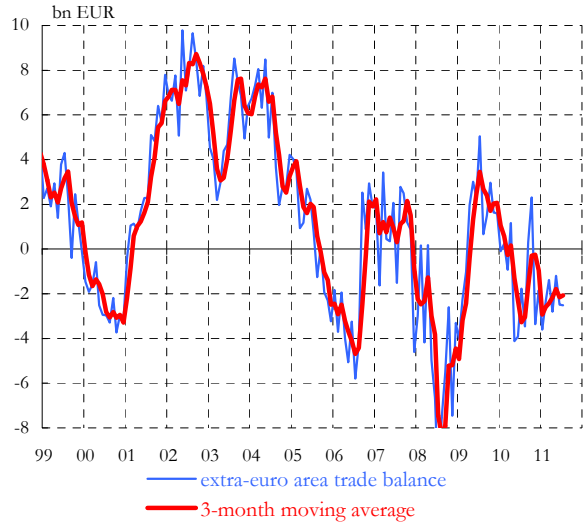
Exports and export order books



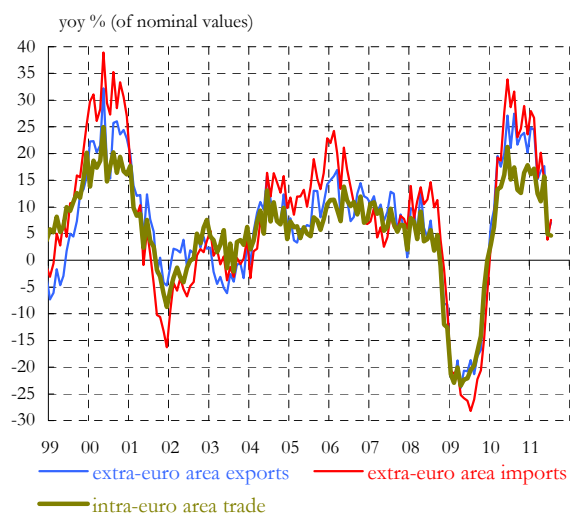
World trade



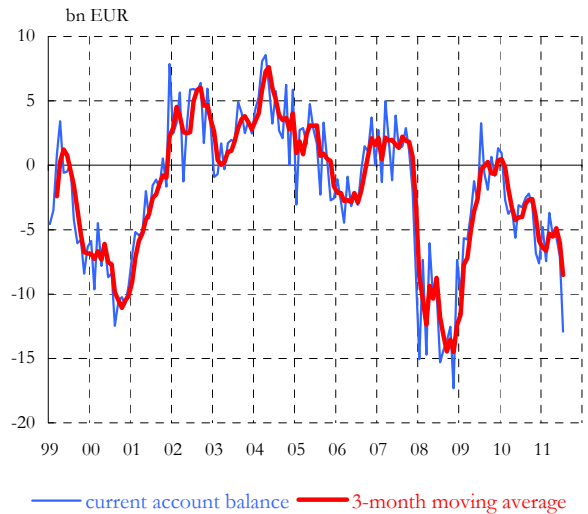
Extra euro-area trade balance



Extra- and intra-euro area trade



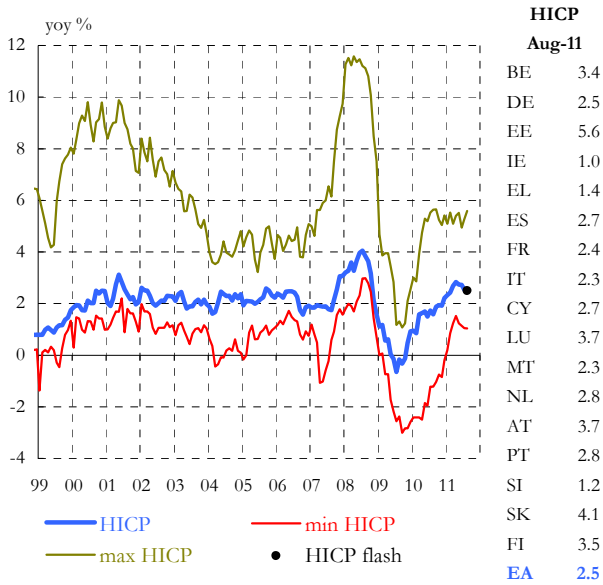
Current account balance



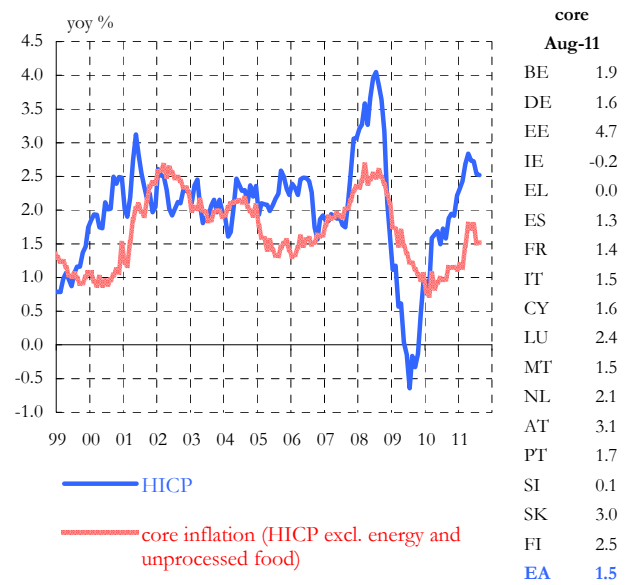


6. PRICES

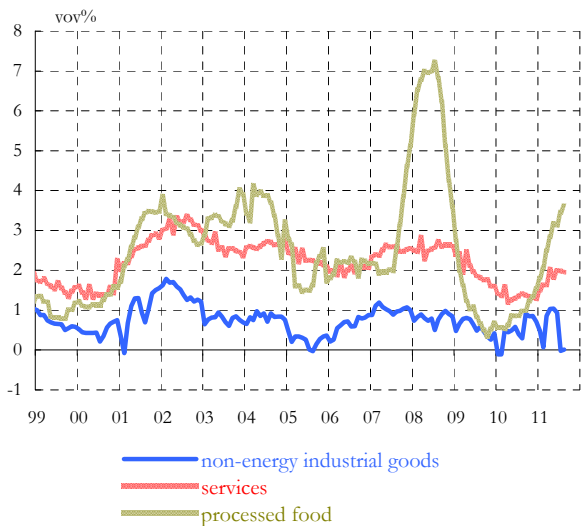
Harmonised index of consumer prices (HICP)



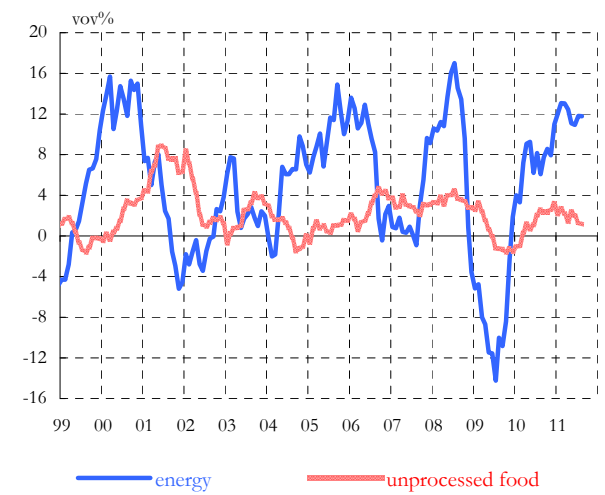
HICP and core inflation



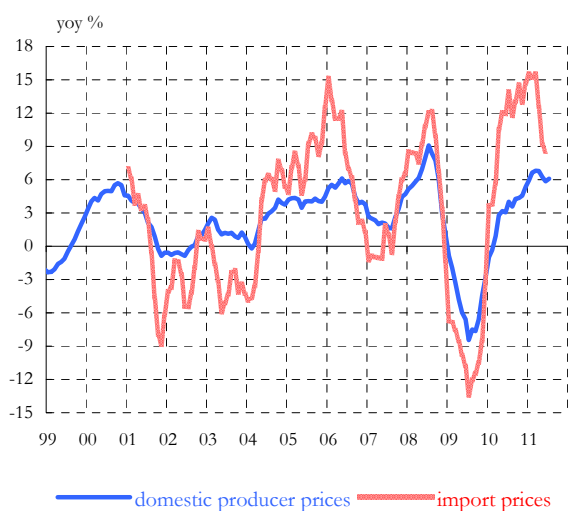
Breakdown of core inflation



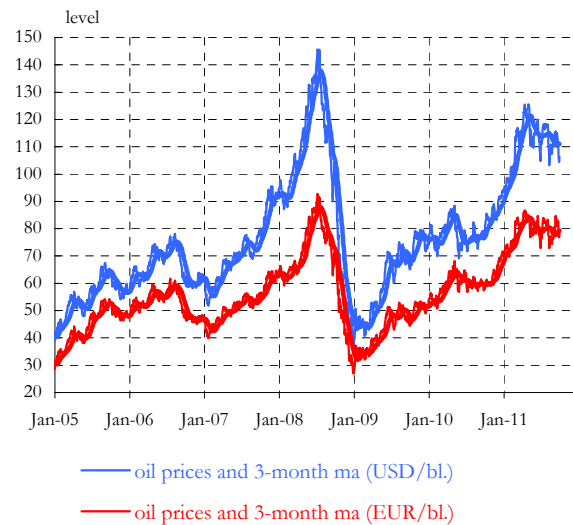
Energy and unprocessed food



Domestic producer prices and import prices



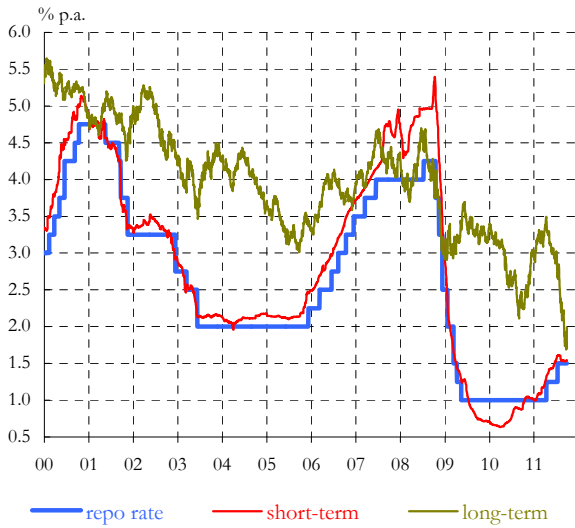
Oil prices



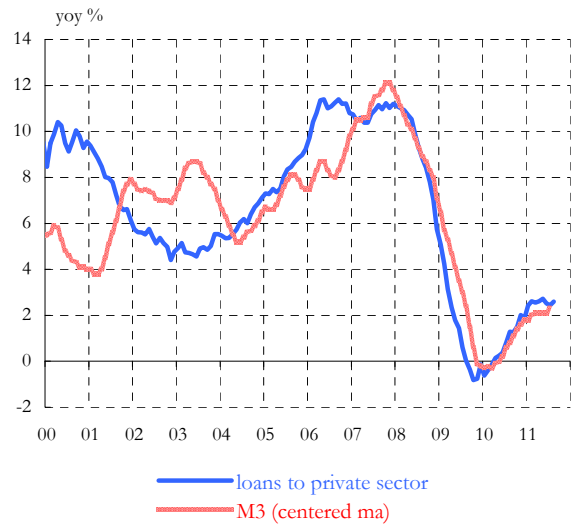


7. MONETARY AND FINANCIAL INDICATORS

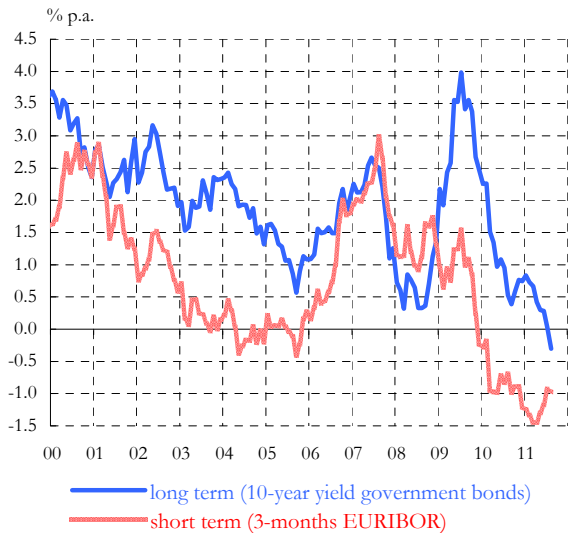
Nominal interest rates



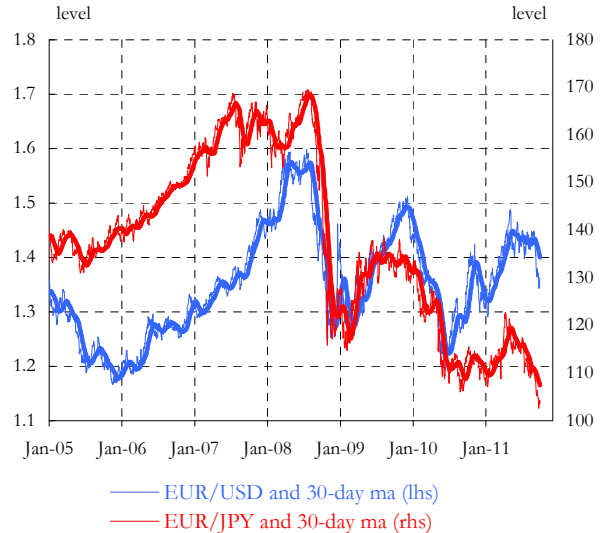
Loans to private sector and money supply



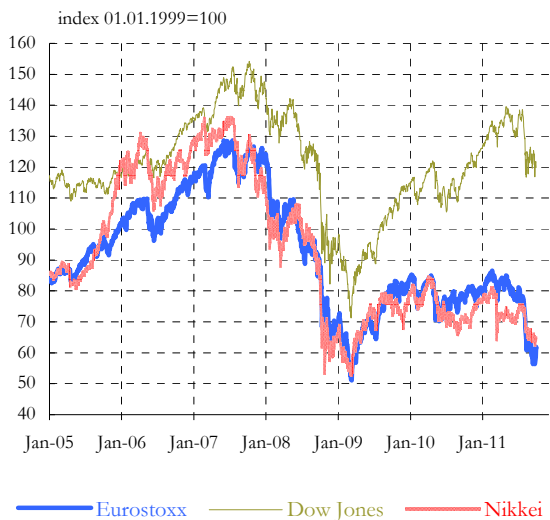
Real interest rates



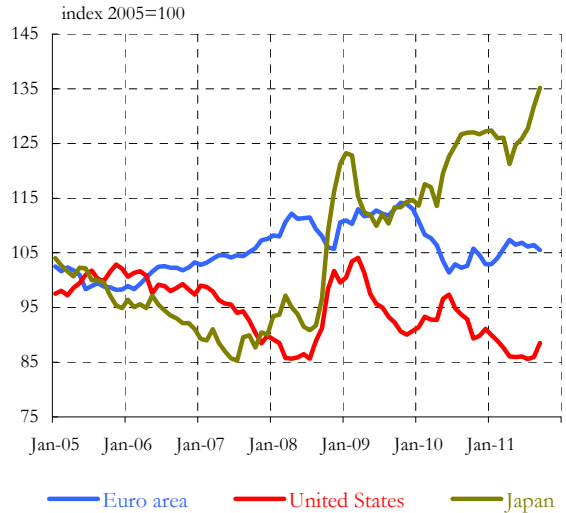
Euro vis-à-vis US dollar and JP yen



Stock market indices



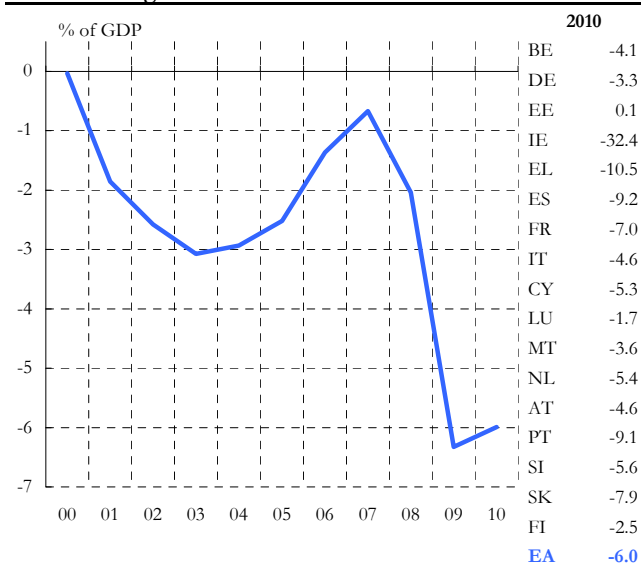
Nominal effective exchange rates



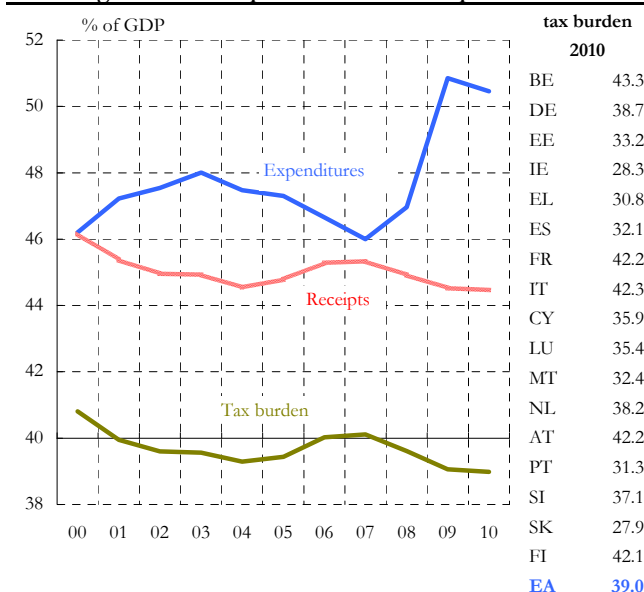


8. PUBLIC FINANCES*

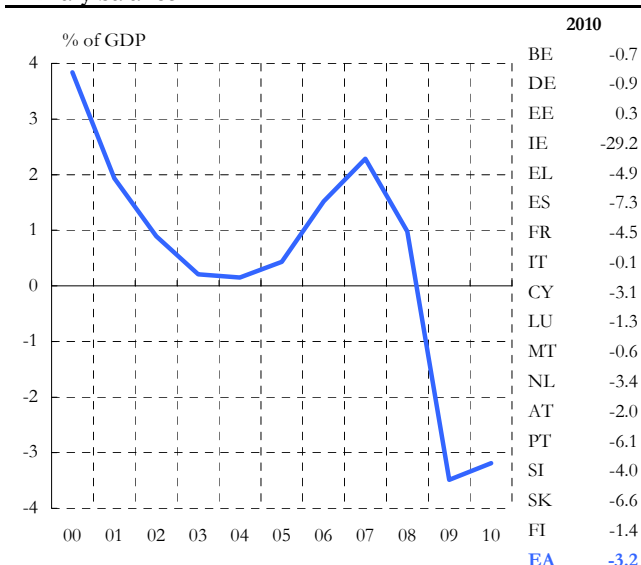
Government general balance



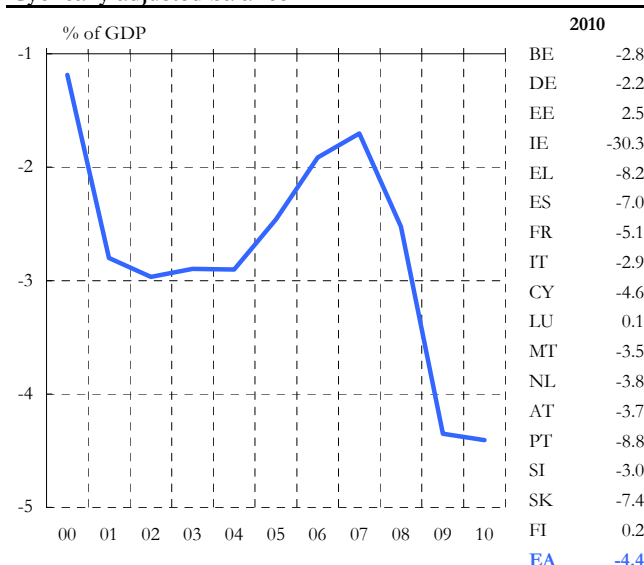
General government expenditures and receipts



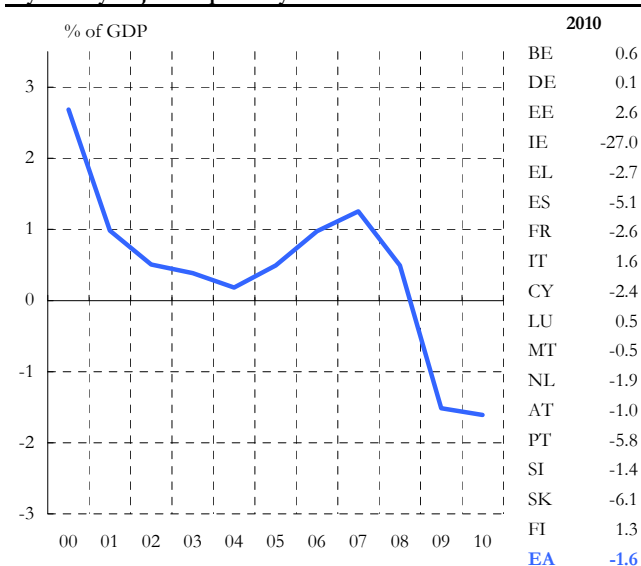
Primary balance



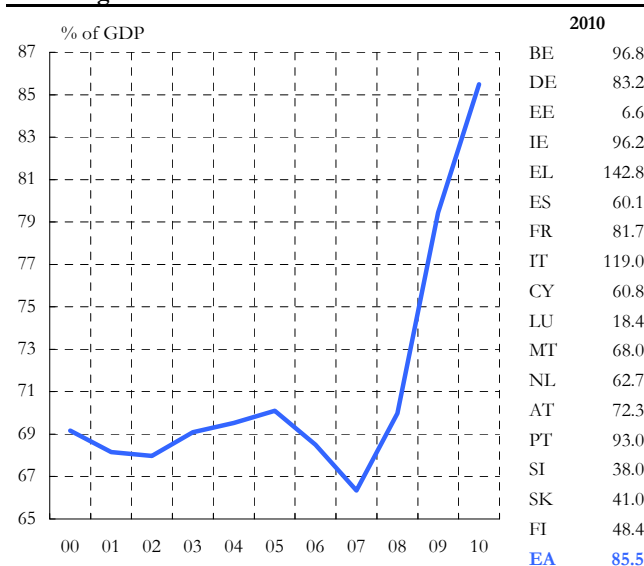
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



* Figures are from the Commission's spring 2011 forecast

KEY INDICATORS FOR THE EURO AREA



Euro area	Indicators as from 2011 refer to Belgium (BE), Germany (DE), Estonia (EE), Ireland (IE), Greece (GR), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Luxembourg (LU), Malta (MT), the Netherlands (NL), Austria (AT), Portugal (PT), Slovenia (SI), Slovakia (SK), Finland (FI).	
Indicator	Note	Source
1. Output		
Economic Sentiment Indicator	The economic sentiment indicator is the weighted average (of the industrial confidence indicator (40%), the services confidence indicator (30%), the consumer confidence indicator (20%), the construction confidence indicator (5%) and the retail trade confidence indicator (5%)). Data are seasonally adjusted.	DG ECFIN
Industrial confidence indicator	The industrial confidence indicator is the arithmetic average of the balances (%) referring to the questions on production expectations, order books and stocks (the latter with inverted sign) from the survey of manufacturing industry. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Services confidence indicator	The services confidence indicator is the arithmetic average of the balances (%) referring to the questions on business situation and recent and expected evolution of demand from the survey of services. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Industrial production	Monthly Production Index (2005=100), NACE Rev.2 B-C-D, Total industry (excluding construction). Mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
Gross domestic product	Gross domestic product at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Labour productivity defined as the difference between GDP growth and employment growth.	Eurostat
GDP divergence	Standard deviation of GDP growth of the following countries: BE, DE, ES, FR, IT, CY, LU, NL, AT, PT, SI, FI.	Eurostat
2. Private consumption		
Consumer confidence indicator	The consumer confidence indicator is the arithmetic average of the balances (%) referring to the questions on the financial situation of households, general economic situation, unemployment expectations (with inverted sign) and savings; all over next 12 months. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Retail confidence indicator	The retail confidence indicator is the arithmetic average of the balances (%) referring to the questions on the present and the future business situation and the volume of stocks (with inverted sign). The long-term average refers to the period from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Private consumption	Household & NPISH final consumption expenditure at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Retail sales	Retail trade (NACE Rev.2 G47) excluding motor vehicles, motorcycles; Deflated turnover, mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
3. Investment		
Capacity utilisation	In percent of full capacity in the manufacturing sector. Data are seasonally adjusted (collected in January, April, July and October).	DG ECFIN
Production expectations	Production expectations in manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Gross fixed capital formation	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 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	Harmonised unemployment rate (in percent of labour force), ILO definition. Data are seasonally adjusted.	Eurostat
Structural unemployment rate	Non-accelerating inflation rate of unemployment. Data are seasonally adjusted.	OECD
Total labour costs	Nominal wage- and non-wage costs less subsidies in the private business sector. Data are seasonally and working-day adjusted.	Eurostat
Wage costs	Nominal wage and salary costs include direct remunerations, bonuses, and allowances, payments to employees saving schemes, payments for days not worked and remunerations in kind. Data are seasonally and working-day adjusted.	Eurostat
Non-wage costs	Nominal non-wage costs include the employers' social contributions plus employment taxes less subsidies. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Ratio between GDP and employment. Data are seasonally and working-day adjusted.	DG ECFIN
5. International transactions		
World trade	Volume, 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	Graph – Monthly Nominal Effective Exch. Rates vs. rest of IC36 (index 2005 = 100) Table - ECB Nominal effective exch. rate, euro area-17 countries vis-à-vis the EER-20 group of trading partners against Euro	DG ECFIN/ ECB
8. Public finance		
General government balance	Net lending (+) or net borrowing (-) of general government	DG ECFIN
Primary government balance	Net lending (+) or net borrowing (-) of general government minus interest payment	DG ECFIN
Cyclically adjusted balance	Net lending (+) or net borrowing (-) of general government corrected for the influence of the business cycle	DG ECFIN
Cyclically adjusted primary balance	Primary government balance corrected for the influence of the business cycle	DG ECFIN
General government expenditures and receipts	Nominal expenditures and receipts; tax burden includes taxes on production and imports (incl. taxed paid to EU), current taxes on income and wealth (direct taxes) and actual social contributions	DG ECFIN
General government debt	Cumulative sum of net lending (+) or net borrowing (-) positions of general government	DG ECFIN