

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

	LTA <sup>(1)</sup>	2011	2012	12Q2	12Q3	12Q4	13Q1	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	
<b>1. Output</b>														
Economic Sentiment	<i>indicator</i>	100.7	101.7	90.4	92.3	87.4	86.8	90.1	88.0	89.7	90.4	90.1	88.6	--
Industrial confidence	<i>balance</i>	-6.2	0.2	-11.8	-10.5	-14.9	-15.4	-12.3	-13.8	-13.4	-11.1	-12.3	-13.8	--
Services confidence	<i>balance</i>	10.1	5.3	-6.9	-4.5	-10.6	-11.1	-7.8	-9.8	-7.9	-8.5	-7.0	-11.1	--
Industrial production (excluding construction)	<i>% ch. on prev. period</i>	0.8	3.2	-2.4	-0.5	0.1	-2.1	--	0.7	-0.6	0.4	--	--	--
Gross domestic product	<i>% ch. on prev. period</i>	1.4	1.4	-0.6	-0.2	-0.1	-0.6	--	-2.0	-2.4	-3.1	--	--	--
Labour productivity	<i>% ch. on prev. year</i>	1.2	1.2	0.0	-0.1	0.0	-0.3	--	0.2	-0.1	-0.2	--	--	--
<b>2. Private consumption</b>														
Consumer confidence	<i>balance</i>	-12.5	-14.5	-22.3	-19.5	-23.8	-26.2	-23.7	-26.3	-23.9	-23.6	-23.5	-22.3	--
Retail confidence	<i>balance</i>	-8.6	-5.4	-15.2	-14.4	-16.8	-16.0	-16.2	-15.9	-15.5	-16.1	-17.1	-18.1	--
Private consumption	<i>% ch. on prev. period</i>	1.2	0.1	-1.3	-0.5	-0.2	-0.5	--	-0.7	0.9	-0.2	-0.1	--	--
Retail sales	<i>% ch. on prev. year</i>	0.4	-0.4	-1.9	-1.2	-1.6	-1.4	--	-2.9	-1.9	-1.7	-2.4	--	--
<b>3. Investment</b>														
Capacity utilisation	<i>level (%)</i>	81.4	80.6	78.8	80.0	78.1	77.2	77.5	--	77.5	--	--	77.5	--
Production expectations (manuf.)	<i>balance</i>	6.1	9.4	-4.0	-3.0	-8.1	-7.4	-1.6	-4.7	-4.0	-0.4	-0.5	-1.6	--
Gross fixed capital formation	<i>% ch. on prev. period</i>	1.0	1.5	-4.1	-1.6	-0.8	-1.2	--	-0.8	0.1	-1.5	0.3	--	--
- equipment investment	<i>% ch. on prev. year</i>		4.3		-3.9	-4.3	-4.9	--	-1.7	-1.5	-1.5	--	--	--
- construction investment	<i>% ch. on prev. period</i>				-3.8	-5.6	-6.2	--	-1.8	-0.4	-1.1	--	--	--
Change in stocks	<i>contrib. to GDP (pp.)</i>	0.0	-0.9	-0.6	-4.7	-4.2	-4.7	--	0.0	-0.2	-0.2	--	--	--
<b>4. Labour market</b>														
Employment expectations (manuf.)	<i>balance</i>	-11.2	2.8	-8.6	-6.7	-11.9	-12.7	-11.1	-11.9	-11.4	-10.9	-11.0	-12.8	--
Employment expectations (services)	<i>balance</i>	5.9	5.4	-2.4	-2.4	-3.9	-5.1	-4.8	-4.7	-4.7	-4.6	-5.2	-6.4	--
Employment	<i>% ch. on prev. period</i>	0.5	0.3	-0.6	-0.1	-0.1	-0.3	--	-0.7	-0.5	-0.7	--	--	--
Employment (000)	<i>abs. ch. on prev. period</i>		398	-906	-79	-103	-469	--	0.4	0.3	0.2	--	--	--
Compensation of employees per head (nominal)	<i>% ch. on prev. year</i>	2.3	2.2	1.8	1.8	1.9	1.4	--	1.8	1.9	1.4	--	--	--
Unemployment expectations	<i>balance</i>	26.8	23.2	38.4	32.3	40.7	46.3	42.6	47.7	42.7	43.2	42.0	37.9	--
Unemployment rate	<i>% of lab. force</i>		10.2	11.4	11.3	11.5	11.8	12.0	11.8	12.0	12.0	12.1	--	--
Unemployment (000)	<i>abs. ch. on prev. period</i>		105	2,014	631	396	427	422	-3	331	50	62	--	--
<b>5. International transactions</b>														
World trade	<i>% ch. on prev. period</i>		6.0	2.1	0.5	0.2	0.8	--	-1.3	1.5	-0.7	--	--	--
Export order books	<i>balance</i>	-18.6	-5.8	-21.3	2.6	1.8	2.1	--	0.9	2.8	1.7	--	--	--
Trade balance (merchandise)	<i>billion EUR</i>		-17.8	81.4	-18.8	-25.2	-27.9	-26.0	-26.2	-27.6	-24.6	-25.9	-26.8	--
Exports of goods and services	<i>% ch. on prev. period</i>	4.9	6.3	2.7	1.7	0.9	-0.8	--	10.0	8.7	12.0	--	--	--
Imports of goods and services	<i>% ch. on prev. period</i>	4.5	4.2	-0.9	3.5	3.2	2.3	--	0.6	0.1	-0.9	--	--	--
Current-account balance	<i>billion EUR</i>		11.6	121.9	-0.5	-0.9	-0.6	--	13.0	13.8	16.3	--	--	--
Direct investment	<i>billion EUR</i>		-118.7	-44.8	29.8	30.2	38.1	--	-27.6	-8.3	-1.7	--	--	--
Portfolio investment	<i>billion EUR</i>		252.5	52.3	-15.2	-4.9	-21.2	--	-20.5	29.0	-8.9	--	--	--
<b>6. Prices</b>														
Consumer inflation expectations	<i>balance</i>	21.4	25.9	25.0	23.1	25.4	25.6	19.8	23.7	21.8	18.7	18.8	15.8	--
Headline inflation (HICP)	<i>% ch. on prev. year</i>		2.7	2.5	2.5	2.5	2.3	1.9	2.2	2.0	1.8	1.7	1.2	--
Core HICP	<i>% ch. on prev. year</i>		1.7	1.8	1.8	1.7	1.6	1.5	1.6	1.5	1.4	1.6	--	--
Domestic producer prices	<i>% ch. on prev. year</i>		5.8	2.9	2.7	2.6	2.4	1.3	2.3	1.8	1.4	0.7	--	--
Import prices	<i>% ch. on prev. year</i>		9.2	5.0	4.8	6.1	3.5	--	2.4	0.1	--	--	--	--
Oil (Brent) in USD	<i>level</i>		110.9	111.7	109.4	109.2	110.2	112.8	109.3	112.0	116.4	109.7	103.8	102.6
	<i>% ch. on prev. period</i>		38.2	0.7	-7.5	-0.1	0.9	2.3	0.0	2.5	3.9	-5.8	-5.3	-1.2
	<i>level</i>		79.6	86.9	-6.5	-2.8	1.0	-4.6	1.1	0.5	-1.6	-11.9	-13.9	-7.9
Oil (Brent) in EUR	<i>level</i>				85.1	87.3	85.0	85.4	83.3	84.2	87.3	84.6	79.7	78.4
	<i>% ch. on prev. period</i>		31.4	9.1	-5.5	2.5	-2.7	0.4	-2.2	1.1	3.7	-3.1	-5.8	-1.7
	<i>% ch. on prev. year</i>				4.7	9.8	5.0	-5.3	1.4	-2.5	-2.4	-10.2	-13.0	-9.9
Non-energy commodity prices (EUR)	<i>% ch. on prev. period</i>				-1.5	1.7	-4.2	0.6	0.4	0.3	0.8	-0.2	-3.6	--
	<i>% ch. on prev. year</i>		12.6	-5.5	-7.8	-4.6	0.6	-3.5	0.7	-3.8	-3.0	-3.6	-6.1	--
<b>7. Monetary and financial indicators</b>														
Nominal interest rates (3 month)	<i>level</i>		1.39	0.57	0.69	0.36	0.20	0.21	0.19	0.20	0.22	0.21	0.21	0.20
Nominal interest rates (10 year)	<i>level</i>		2.65	1.57	1.54	1.42	1.43	1.53	1.36	1.56	1.60	1.41	1.25	1.24
ECB repo rate	<i>level</i>		1.25	0.88	1.00	0.78	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.71
Stock market (Eurostoxx)	<i>% ch. on prev. period</i>		-6.0	-7.7	-10.0	7.9	5.9	5.2	4.4	3.4	-3.1	1.9	-1.6	4.0
Money demand (M3)	<i>% ch. on prev. year</i>		1.5	3.0	-22.3	0.8	11.7	8.2	15.0	14.0	4.9	5.8	12.6	24.8
Loans to households	<i>% ch. on prev. year</i>		1.6	0.5	2.7	3.0	3.7	3.0	3.5	3.5	3.1	2.6	--	--
Loans to non-financial corporations	<i>% ch. on prev. year</i>		1.2	-2.3	0.2	0.0	0.5	0.4	0.5	0.5	0.5	0.4	--	--
Bilateral exchange rate EUR/USD	<i>level</i>		1.39	1.28	-0.6	-1.5	-2.3	-2.4	-2.3	-2.5	-2.5	-2.4	--	--
	<i>% ch. on prev. period</i>				1.28	1.25	1.30	1.32	1.31	1.33	1.34	1.30	1.30	1.31
	<i>% ch. on prev. year</i>		5.0	-7.7	-2.2	-2.4	3.7	1.8	2.3	1.3	0.5	-3.0	0.5	0.8
Nominal effective exchange rate	<i>% ch. on prev. period</i>				-11.0	-11.5	-3.8	0.7	-0.5	3.0	1.0	-1.8	-1.0	2.7
	<i>% ch. on prev. year</i>				-1.3	-2.4	2.1	2.9	1.5	1.7	1.3	-1.4	0.2	1.1
	<i>% ch. on prev. year</i>		-0.2	-5.4	-6.7	-7.4	-4.2	1.2	-2.1	1.4	2.0	0.4	1.0	3.6

(1) LTA=Long-Term Average

(2) Data available until the date of update



## 1. Output

According to Eurostat's third estimate, euro-area **GDP** in 2012-Q4 fell by 0.6% (quarter on quarter, q-o-q) and the recession extended thereby into its fifth quarter. Compared to 2011-Q4, GDP fell by 0.9%. Economic contraction was recorded in the four largest euro-area economies. In Germany and France, real GDP shrank by 0.6% and 0.3% respectively, while the recession in Spain and Italy continued with contractions of 0.8% and 0.9% respectively. During 2012-Q4, all component except government consumption made negative contributions to GDP growth.

According to the **Commission's spring 2013 forecast**, released on 3 May 2013, euro-area GDP is expected to have contracted by 0.6% in 2012. In 2013, an annual GDP growth of -0.4% is projected, whereas real GDP in 2014 is expected to increase by 1.2% on the back of rebuilding confidence, a more favourable external environment, and improved real income growth. Concerning euro-area Member States, growth divergences are set to remain pronounced.

In April 2013, **economic sentiment** has markedly decreased, remaining below long-term averages in the 21<sup>st</sup> month in a row. The decrease in industry confidence (-1.5) resulted from a much more negative assessment of the current level of overall order books and lower production expectations. Managers' assessment of stocks of finished products remained virtually unchanged. The past production and, to a lesser extent, the current level of export order books, were also assessed more negatively. Services confidence dropped abruptly by 4.1 percentage points, driven by significantly worsened assessments of the business situation and demand over the past three months.

In February 2013, seasonally adjusted **industrial production** (excluding construction) increased by 0.4% (month on month, m-o-m), offsetting most of the declines observed in January. The increase is mainly attributable to energy production (2.6%), durable consumer goods (1.3%) and capital goods (0.9%). Compared to February 2012, industrial production fell by 3.1%; with the exception of non-durable consumer goods, all sectors recorded declines of at least 2½%.

## 2. Private consumption

In 2012-Q4, **private consumption** continued to shrink for a fifth consecutive quarter. It contracted by 0.5% (q-o-q) after a decline of 0.2% q-o-q in 2012-Q3. With respect to the same period of the previous year, private consumption was down by 1.4% (from -1.6% in 2012-Q3).

In April 2013, consumer confidence improved by 1.2 points (-22.3 after -23.5 in March 2013), based on a marked easing of unemployment expectations and slightly better expectations concerning households' future financial situation, the future general economic situation and savings over the next 12 months.

The volume of **retail trade** slightly increased in 2013-Q1 by 0.3% q-o-q (-1.5% q-o-q in 2012-Q4). In March 2013, the volume of retail trade fell by 0.1% m-o-m. Confidence in the retail sector decreased by one point, driven by worsened business expectations and views on the adequacy of current stocks. The assessment of the present business situation worsened only slightly.

## 3. Investment

**Gross fixed capital formation** has now been declining for seven consecutive quarters. In 2012-Q4, it fell by 1.2% (q-o-q). Both investment in equipment and in construction declined in 2012-Q4 (-1.5% and -1.1% q-o-q respectively). Compared to the same quarter of the previous year, investment was 4.9% lower. The rate of **capacity utilisation** for the second quarter of 2013 (data collected in April) stood unchanged 77.5%, remaining below its long-term average of 81.2% since mid-2011.

## 4. Labour market

In March 2013, the **unemployment rate** reached 12.1% (up from 12.0% both in January and in February), which is the highest level recorded since the series started in 1995. Eurostat estimates that the number of unemployed increased by 62,000 in the euro area in March.

The aggregate number conceals sharp differences across Member States with the lowest rates recorded in Austria (4.7%) and Germany (5.4%), and the highest rates in Greece (27.2% in January) and Spain (26.7%).

In 2012-Q4, seasonally-adjusted **employment** decreased by 0.3% (q-o-q). Compared with the same quarter of the previous year, employment fell by 0.7%. According to the Commission's survey results, **employment expectations** worsened further in April, both in manufacturing and in services. Consumers' unemployment expectations decreased markedly in April after a slight decrease in March.

## 5. International transactions

In February 2013, the **world trade volume** (goods) decreased by 0.7% m-o-m, following a 1.5% increase in January. World trade had continued to rise by a revised 0.8% q-o-q in 2012-Q4 (from 0.2% in 2012-Q3). In April 2013, managers were slightly more pessimistic

about **export order books in manufacturing**, the level fell to -26.8 (from a revised -25.9 in March), moving slightly further from its long-term average (-18.4).

The seasonally adjusted **trade balance** has been in surplus, for sixteen consecutive months, at €12.0 bn euro in February 2013. The seasonally adjusted **current-account balance** of the euro area also recorded a surplus, for the sixteenth month in a row (€6.3 bn.). This reflected surpluses for goods, for services (€8.0 bn.) and in the income account (€5.9 bn.), which were partially offset by a deficit in the balance of current transfers (€0.8 bn.). The **financial account** recorded net outflows of almost €10.6 billion in February 2013, as a result of net outflows for portfolio investment (€9.9 bn.) and net outflows for direct investment (€1.7 bn.).

## 6. Prices

In April 2013, **HICP inflation rate** in the euro area declined to 1.2% according to Eurostat's flash estimate. Euro-area annual HICP inflation was 1.7% in March (down from 1.8% in February). Looking at the main components of euro area inflation, food, alcohol and tobacco is expected to have the highest annual rate in April (2.9% compared with 2.7% in March), followed by services (1.1% compared with 1.8% in March), non-energy industrial goods (0.8% compared with 1.0% in March) and energy (-0.4% compared with 1.7% in March). **Core inflation** (all items excl. energy and unprocessed food) slightly increased to 1.6% in March (from 1.4% in February).

The **Commission's spring 2013 forecast** projects HICP inflation rates of 1.6% in 2013 and 1.5% in 2014. In April, **consumer price expectations** markedly declined, falling further below their long-term average. In March 2013, **industrial producer prices** fell by 0.2% in the euro area (from 0.2% m-o-m in February).

**Oil prices** remained under pressure in April by disappointing economic data, high inventory levels in the US, adjustments in demand forecasts by international institutions (e.g. IEA and OPEC), and a temporary easing of geopolitical concerns about the situation in parts of the Middle East until late April. In addition, Brent oil prices dropped since higher US crude production and lower US imports contributed to a lower spread between Brent and WTI. On 7 May, Brent crude traded at about 104.83 USD/bbl. (corresponding to 80.16 EUR/bbl.).

## 7. Monetary and financial indicators

**Money market interest rates** were broadly stable in early 2013. Throughout April, the 3-month Euribor remained stable at 0.21%, after a slight decrease in the

previous month (from 0.22% in February). At its meeting on May 2, the ECB Governing Council decided to lower **policy interest rates**. The interest rates on the main refinancing operations and on the marginal lending facility were decreased to 0.50% (from 0.75%) and to 1.00% (from 1.50%) respectively, whereas the interest rate on the deposit facility remained unchanged at 0.00%.

In early 2013, **benchmark sovereign-bond yields** continue to be mainly driven by policy responses to the sovereign-debt crisis. More recently, in the higher-yielding bond segment, spreads continued to tighten, reflecting a stronger appetite for riskier assets and the perception of a more stable political landscape in some euro-area countries. On 7 May, the benchmark yield of ten-year bonds stood at 1.30%, signalling a continuous investor interest in the safest assets. At current levels, sovereign yield spreads are much lower than in mid-2012, in particular in Greece, Portugal, Spain, Italy and Ireland.

The April 2013 ECB Bank Lending Survey showed that the pace of credit tightening eased in 2013-Q1. The net percentage of banks reporting tightening of lending standards declined for corporate loans, mortgages, and consumer credit. But in March, **monetary developments** remained subdued with M3 slightly decreasing at an annual rate of 2.6% (from 3.1% in February). The annual growth rate of loans to the private sector was -0.8%, down from -0.8% in the previous month (adjusted for loan sales and securitisation). Loans to non-financial corporations contracted by 2.4% in March (from a revised -2.5% in February). The growth rate of loans to households decreased slightly in March to 0.4% after three months in a row at 0.5% m-o-m.

In the US, at its May meeting the FOMC reiterated the highly accommodative stance of monetary policy (federal funds rate at 0 to ¼%) with thresholds related to the unemployment rate remaining above 6½%, inflation projections not exceeding the 2% target by more than 0.5 pp., and longer-term inflation expectations continuing to be well anchored. On 7 May, the US 3-month Libor rate stood at 0.28%.

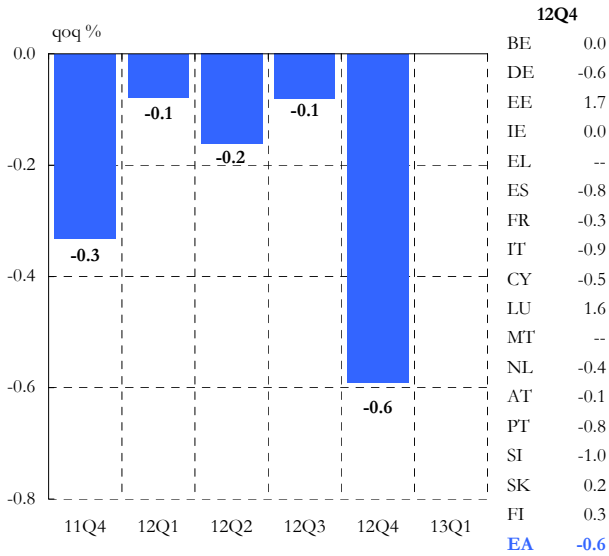
In April and early May, the EUR/USD **exchange rate** has moved in a relatively narrow band between 1.28 and 1.32 USD, which is markedly below this year's high of 1.3644. Vis-à-vis the yen, in early May the euro stood at around 130 JPY, which resulted from lasting appreciation throughout past months and is about 25% higher than one year ago.

European **stock markets** rose sharply in late April reflecting, inter alia, strong corporate earnings results and expectations of an interest-rate cut by the ECB. In early May, European and US stock markets continued showing upside momentum.

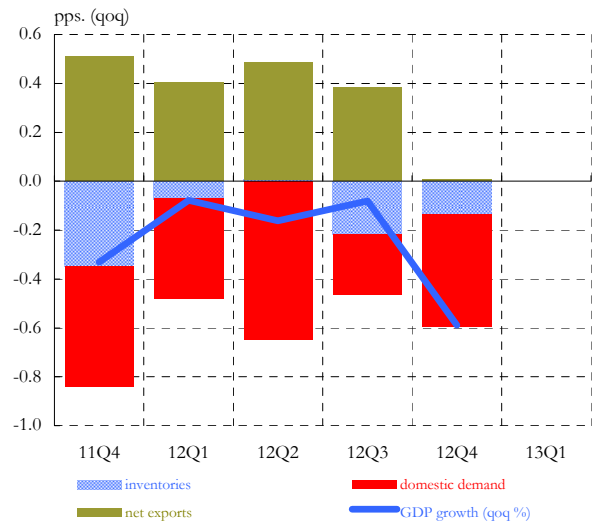


1. OUTPUT

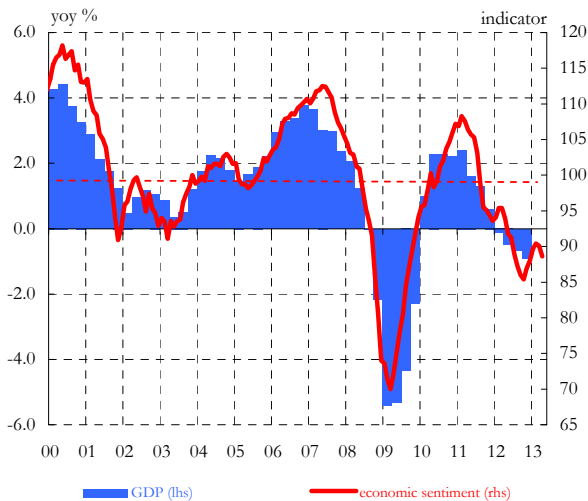
GDP



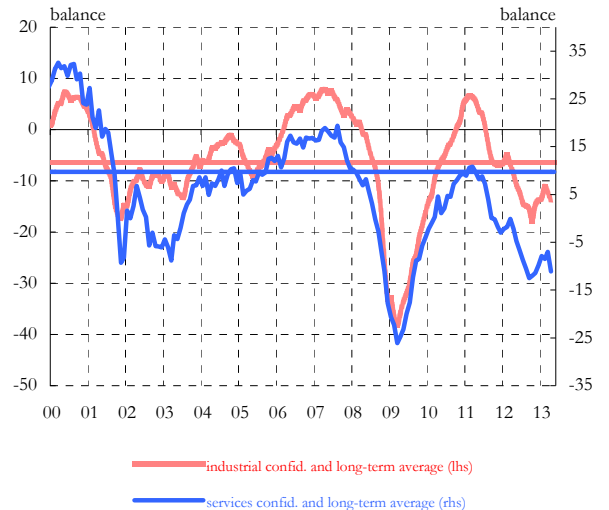
Contributions to GDP growth



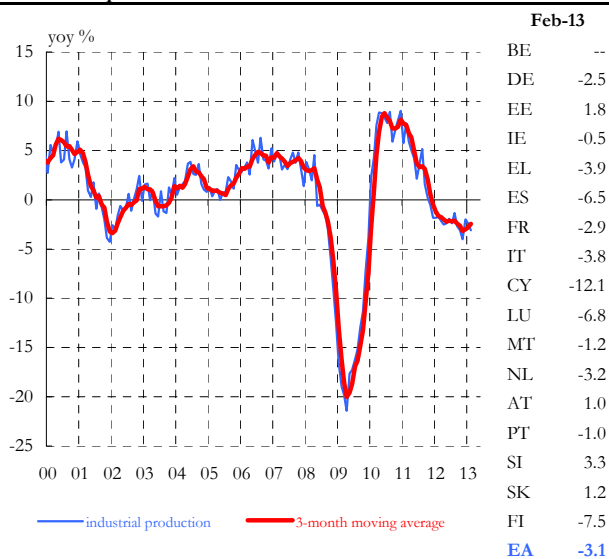
GDP and Economic Sentiment Indicator



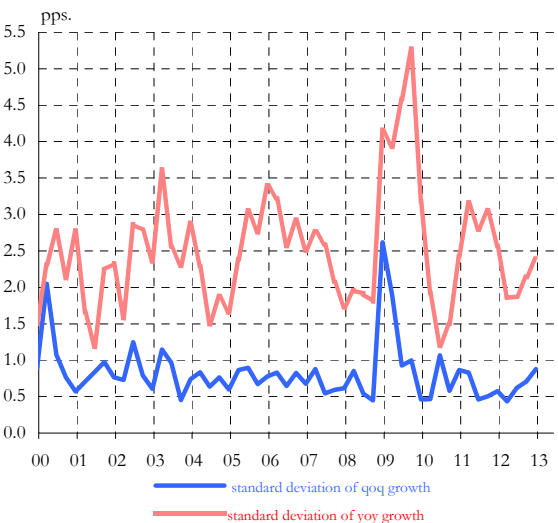
Industrial and services confidence



Industrial production



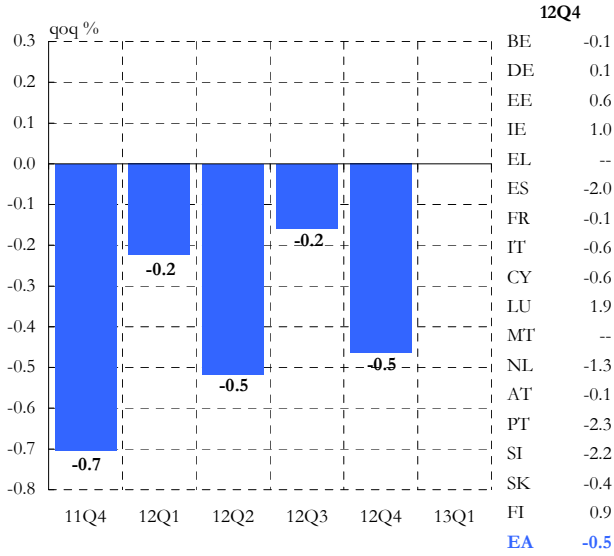
GDP growth divergence, euro area



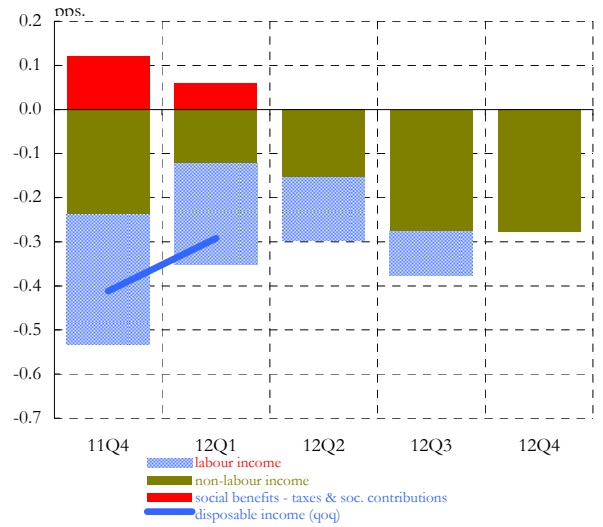


2. PRIVATE CONSUMPTION

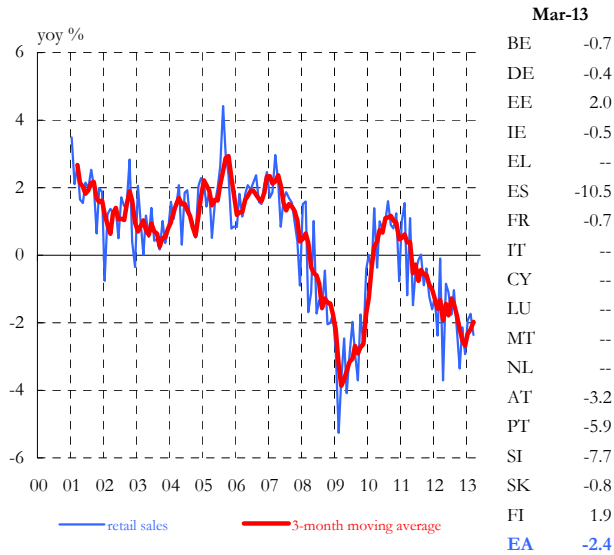
Private consumption



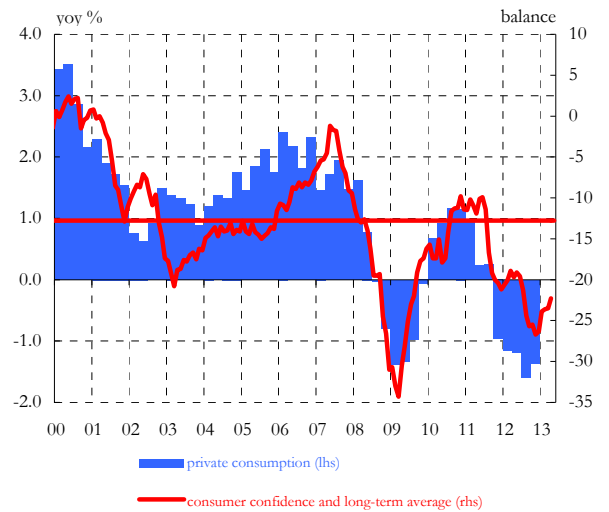
Gross disposable income and its components



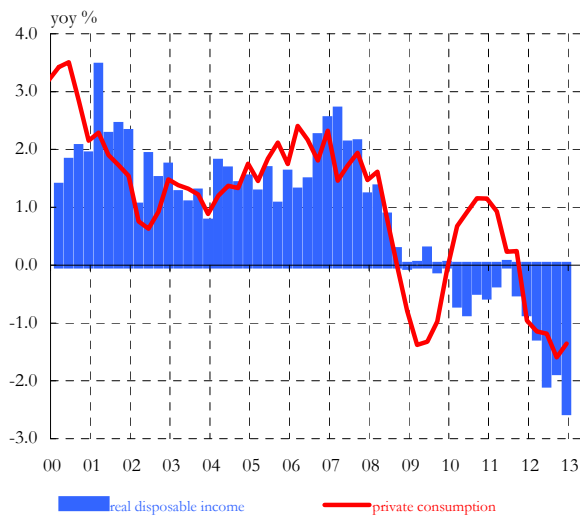
Retail sales



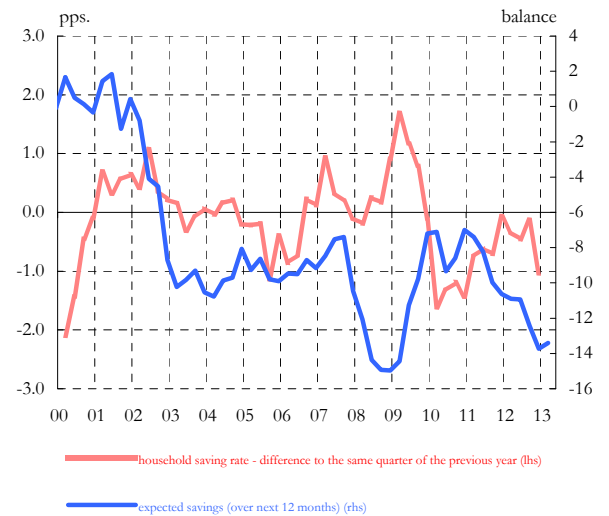
Consumer confidence and private consumption



Households: real disposable income and consumption



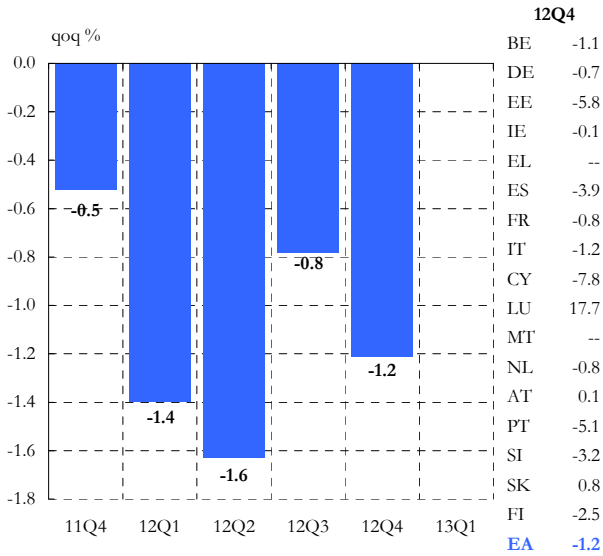
Households: actual saving rate and expected savings



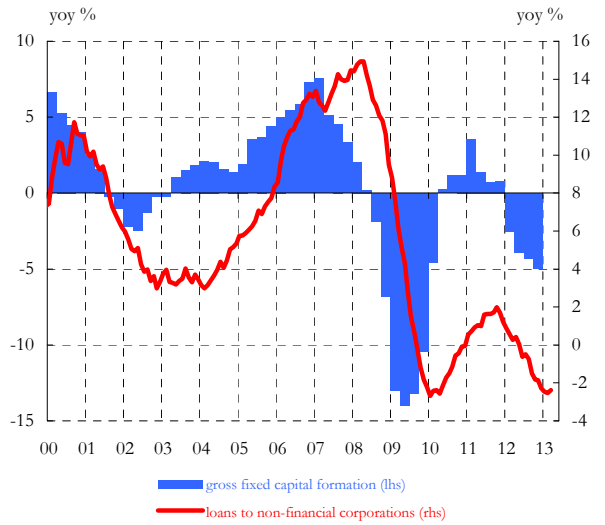


3. INVESTMENT

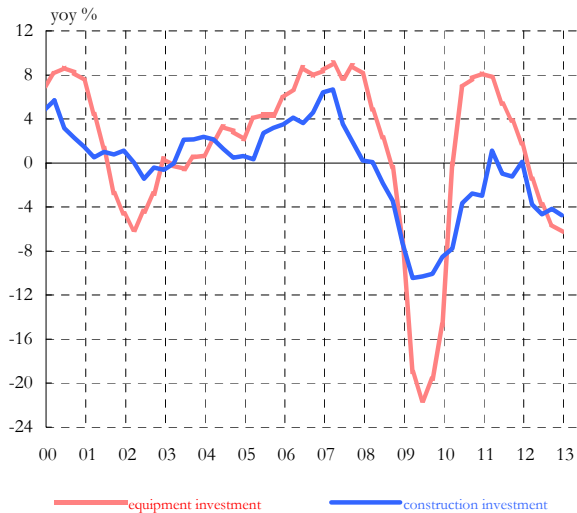
Gross fixed capital formation



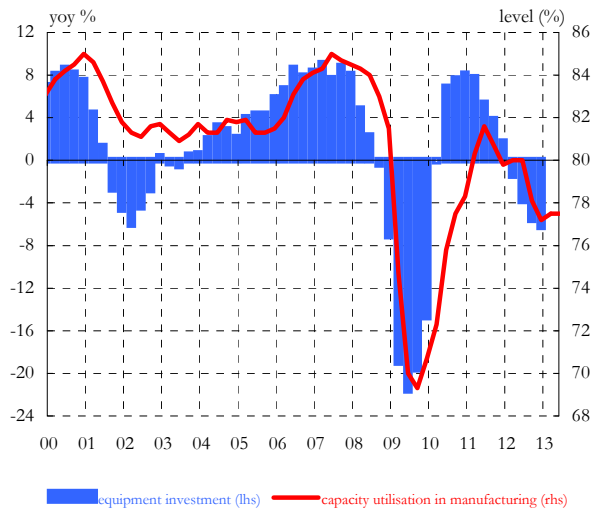
Gross fixed capital formation and corporate loans



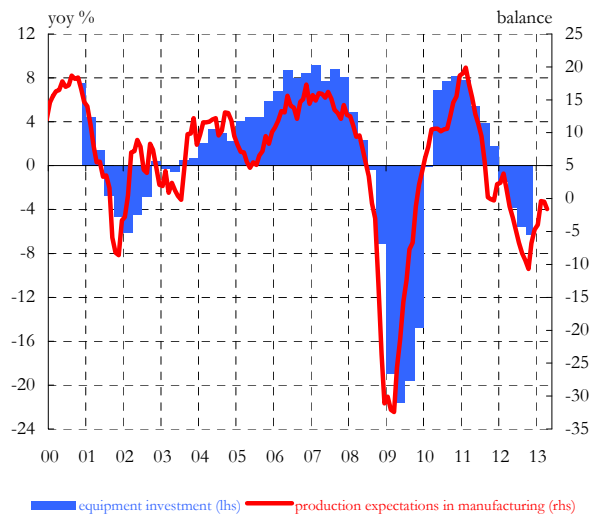
Equipment and construction investment



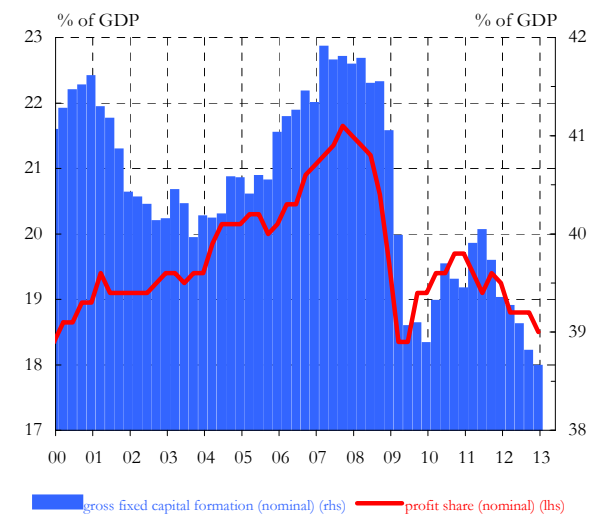
Equipment investment and capacity utilisation



Equipment investment and production expectations



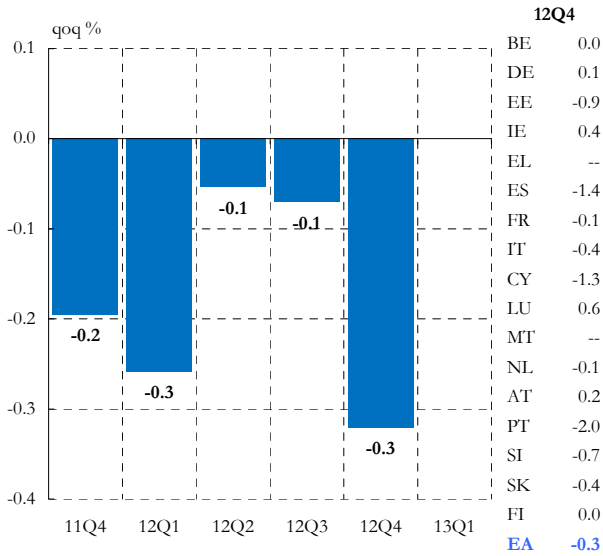
Gross fixed capital formation and profit share



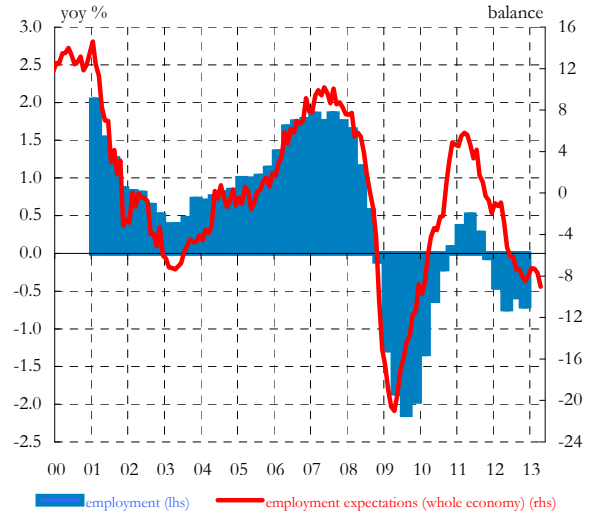


4. LABOUR MARKET

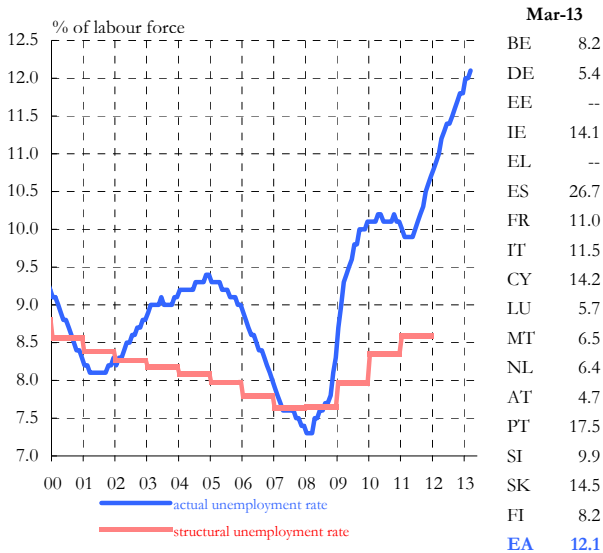
Employment



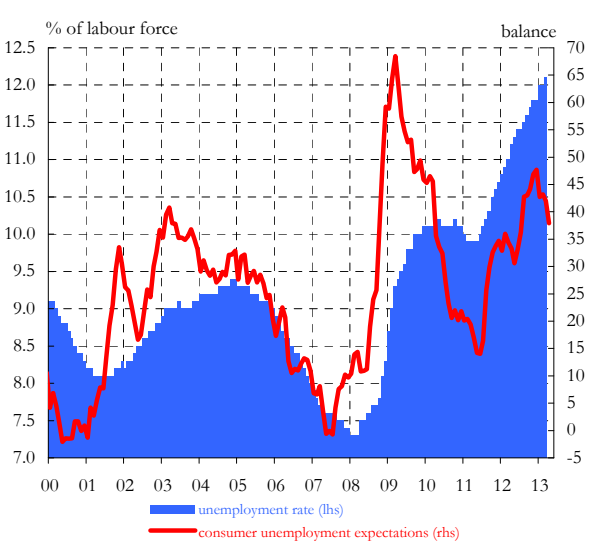
Employment and employment expectations



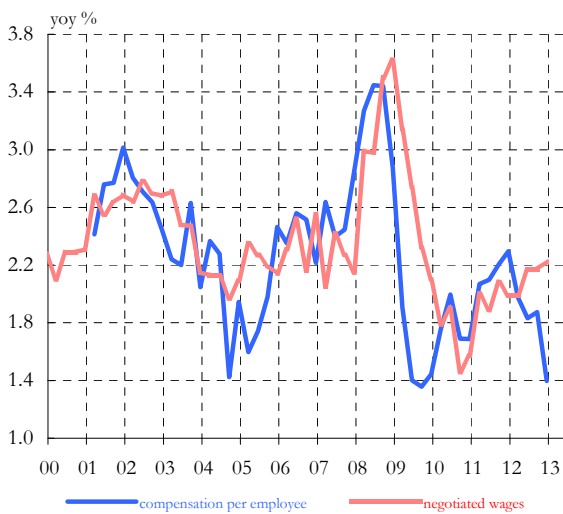
Actual and structural unemployment rate



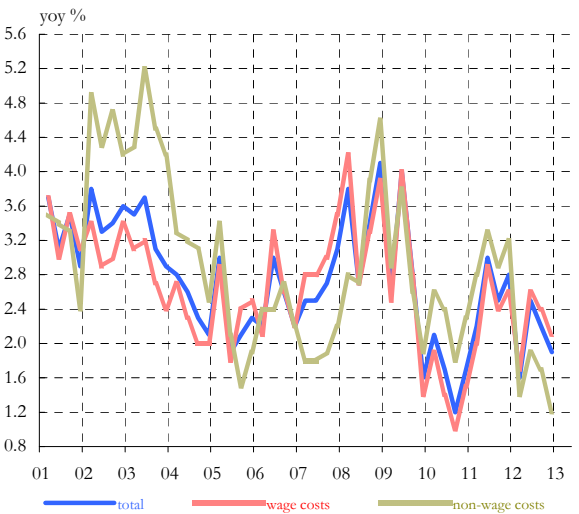
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



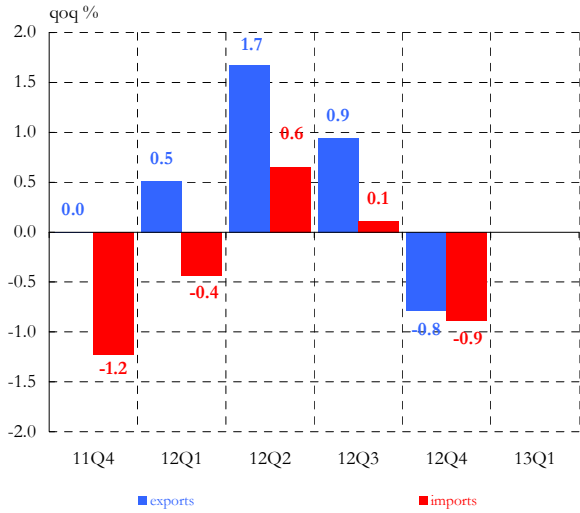
Labour costs in the private business sector (nominal)



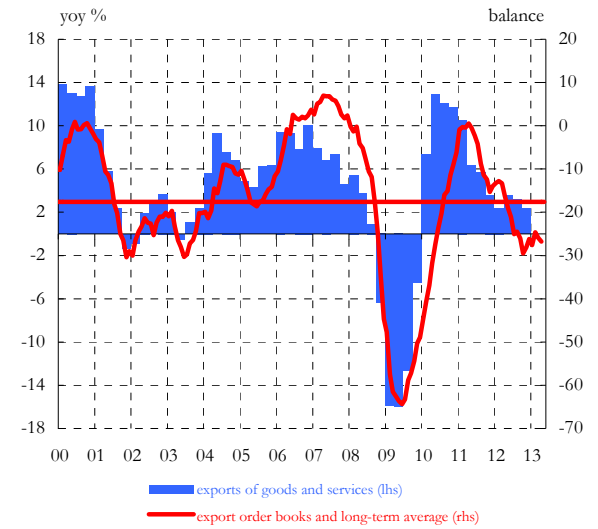


5. INTERNATIONAL TRANSACTIONS

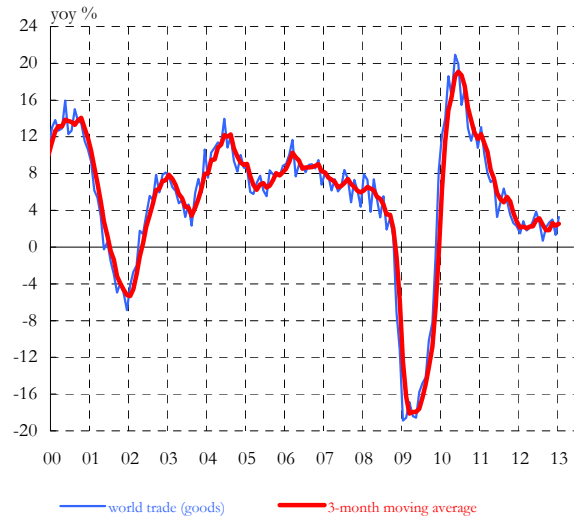
Exports and imports of goods and services



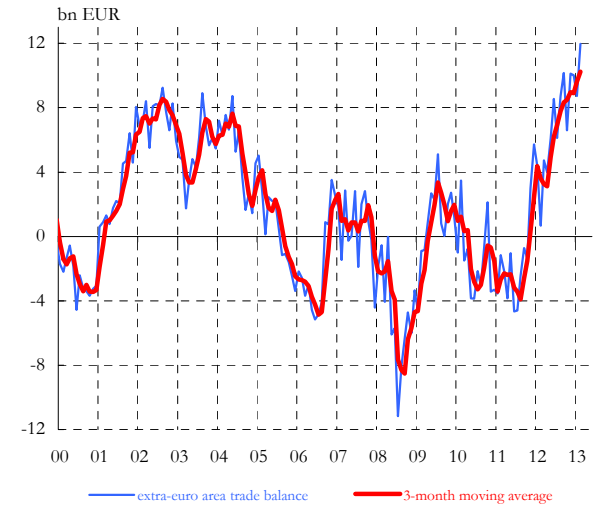
Exports and export order books



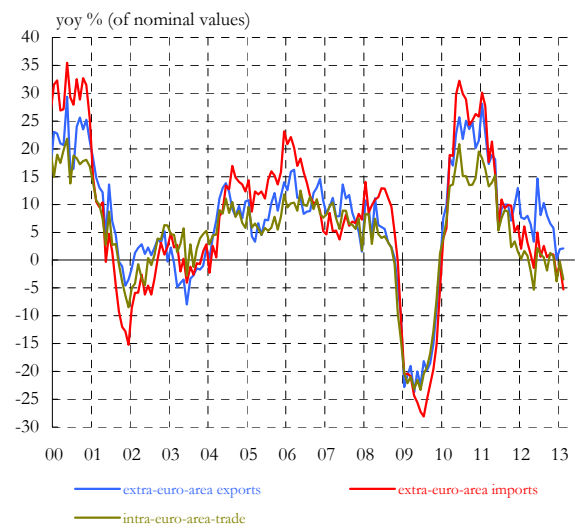
World trade



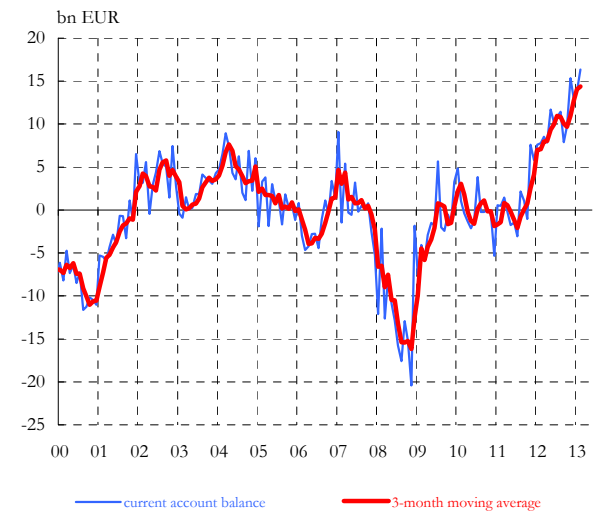
Extra euro-area trade balance



Extra- and intra-euro-area trade



Current-account balance

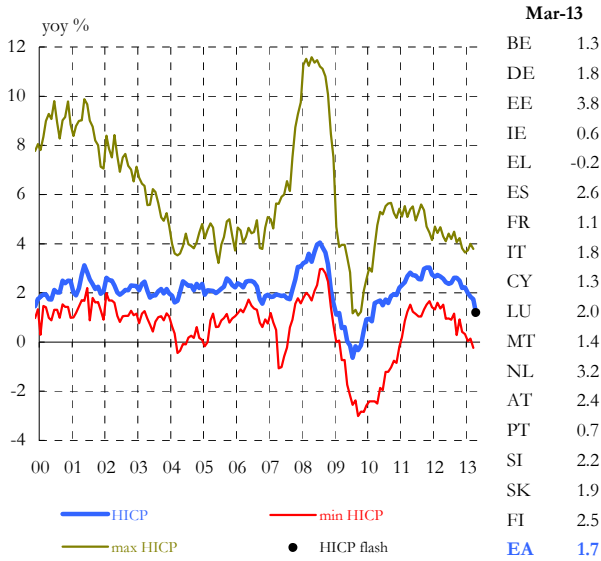




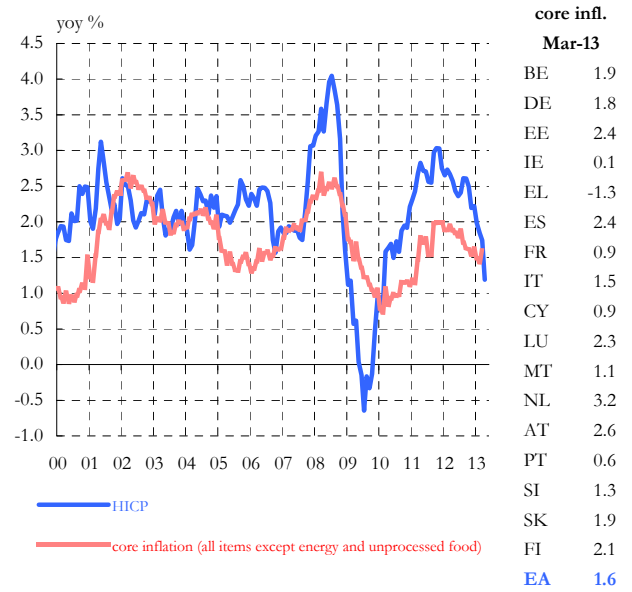


6. PRICES

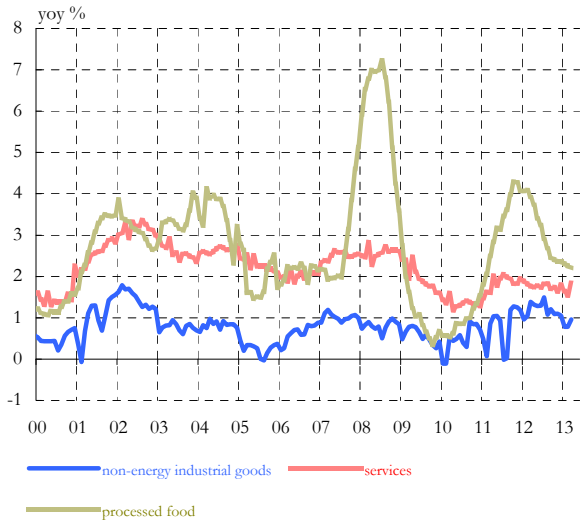
Harmonised index of consumer prices (HICP)



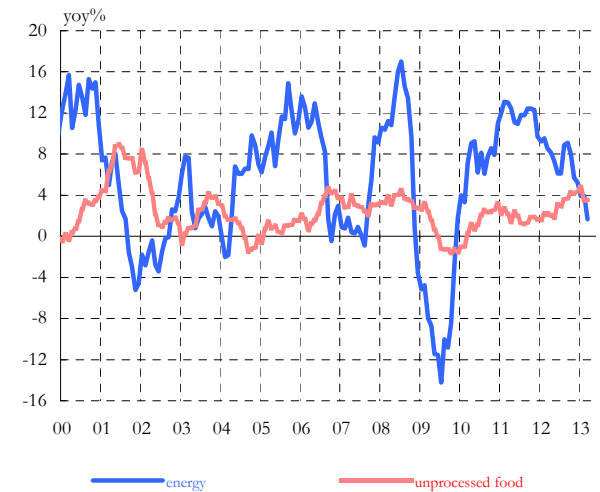
HICP headline and core inflation



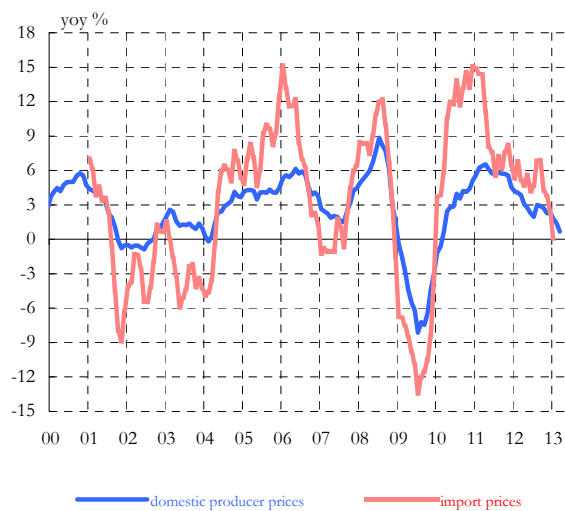
Breakdown of core inflation



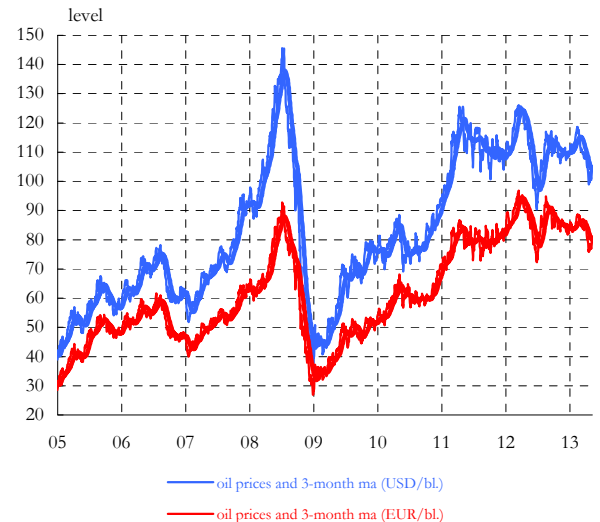
Energy and unprocessed food



Domestic producer prices and import prices



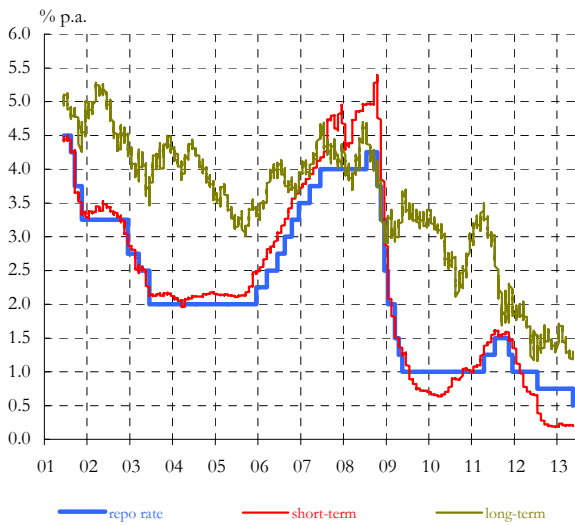
Oil prices



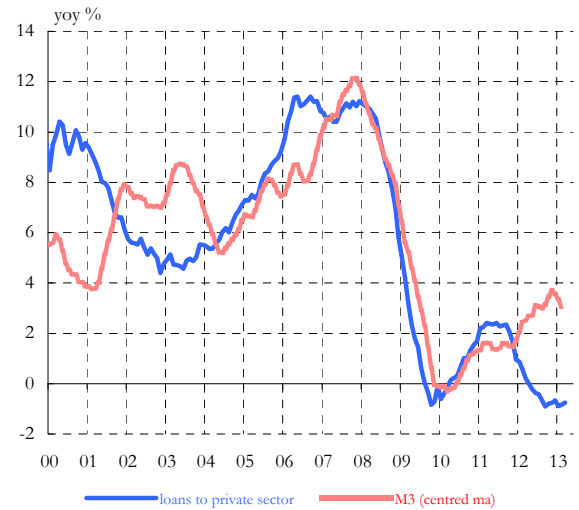


7. MONETARY AND FINANCIAL INDICATORS

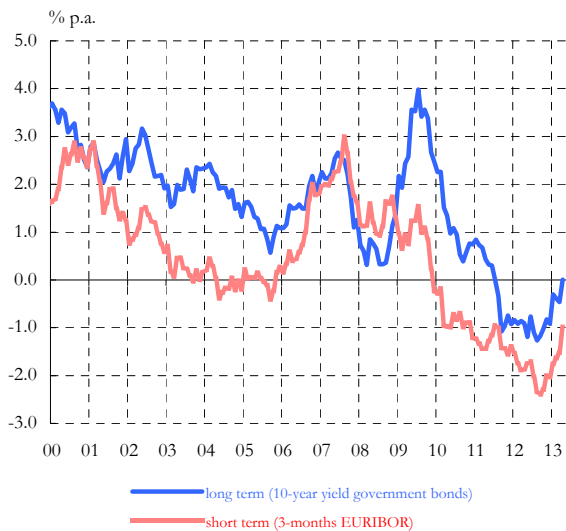
Nominal interest rates



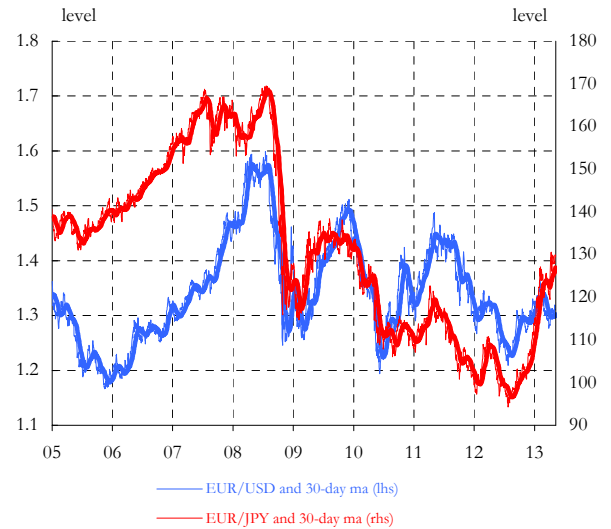
Loans to private sector and money supply



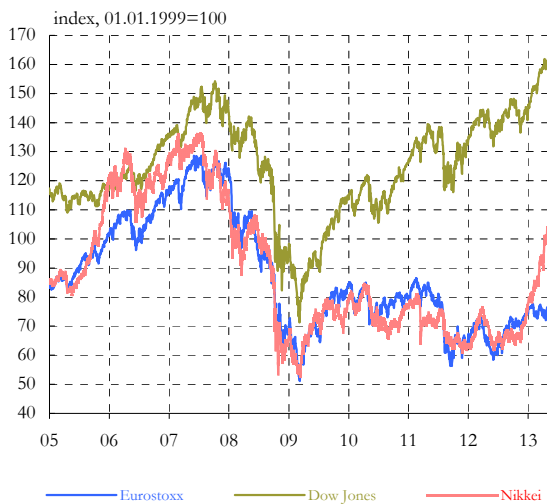
Real interest rates



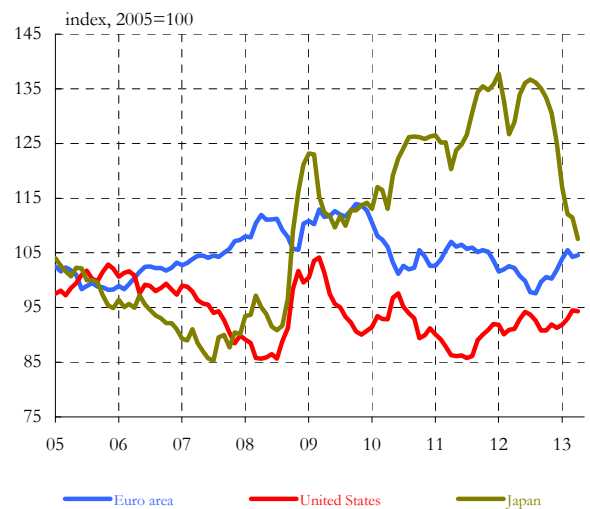
Euro vis-à-vis US dollar and JP yen



Stock market indices



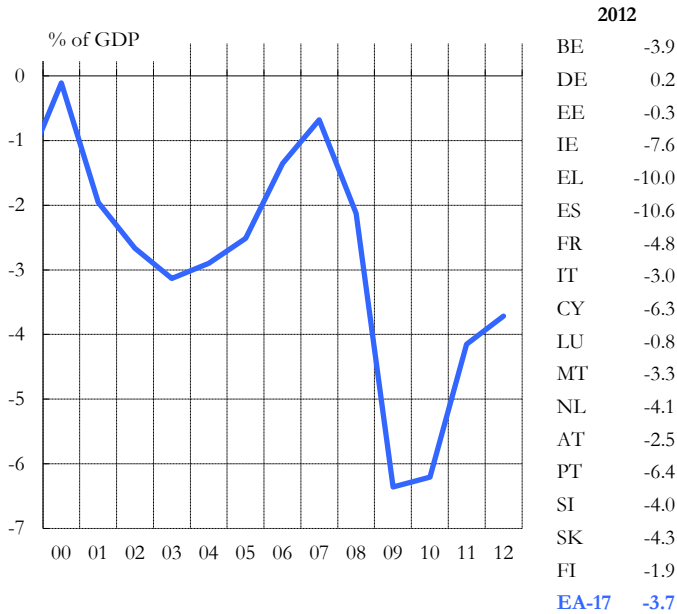
Nominal effective exchange rates



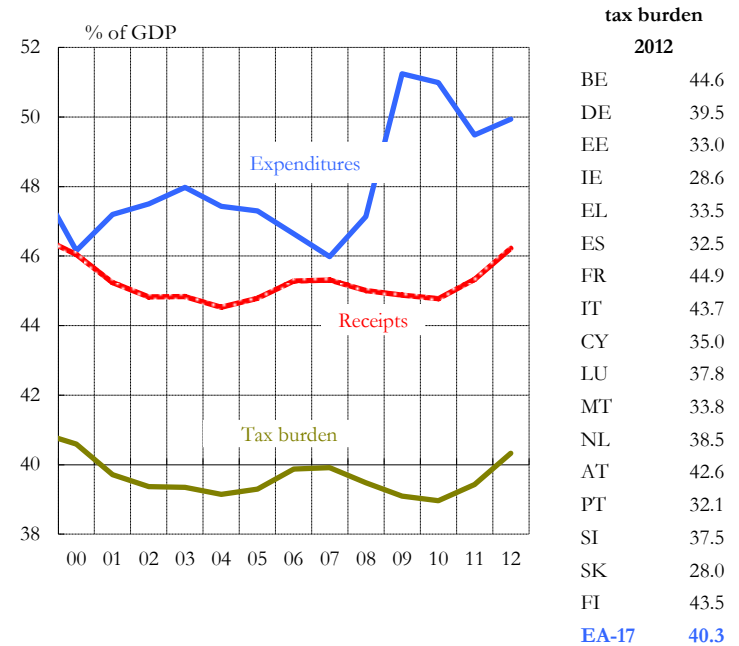


8. Public finances\*

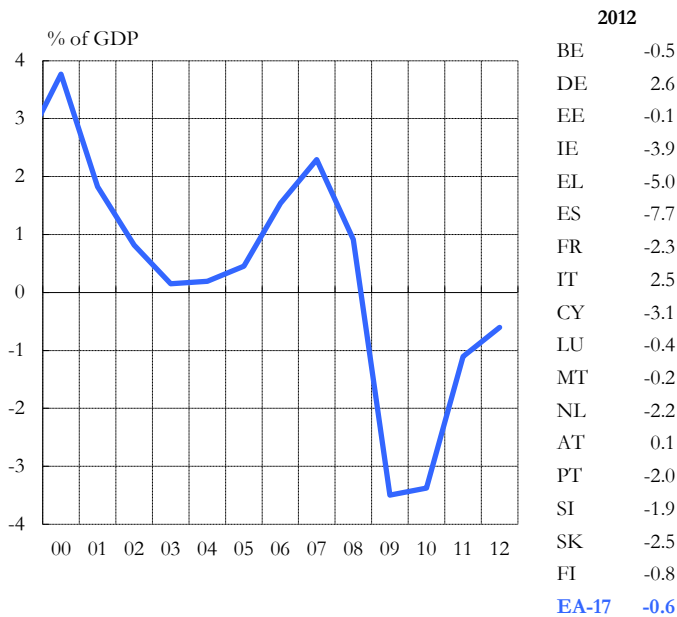
General government balance



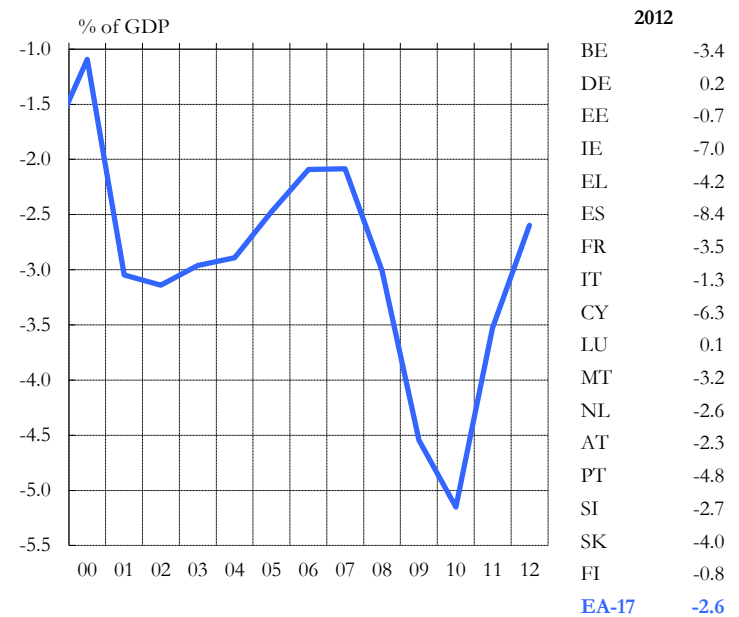
General government expenditure and receipts



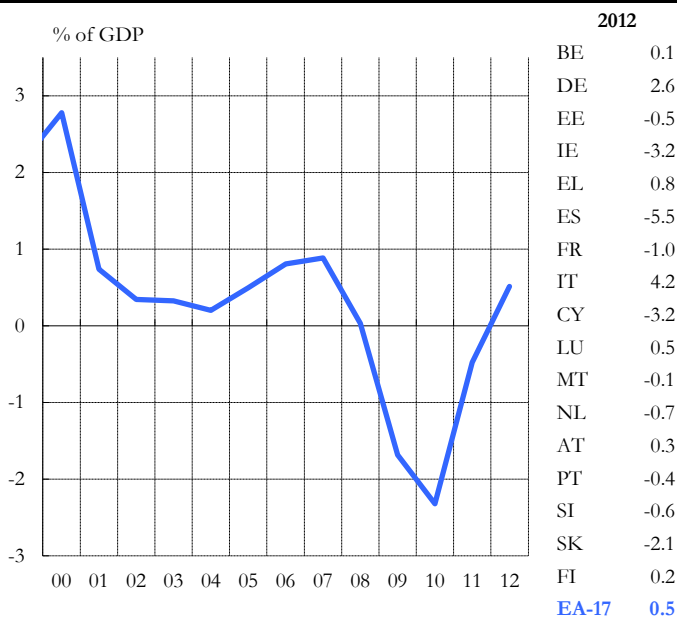
Primary balance



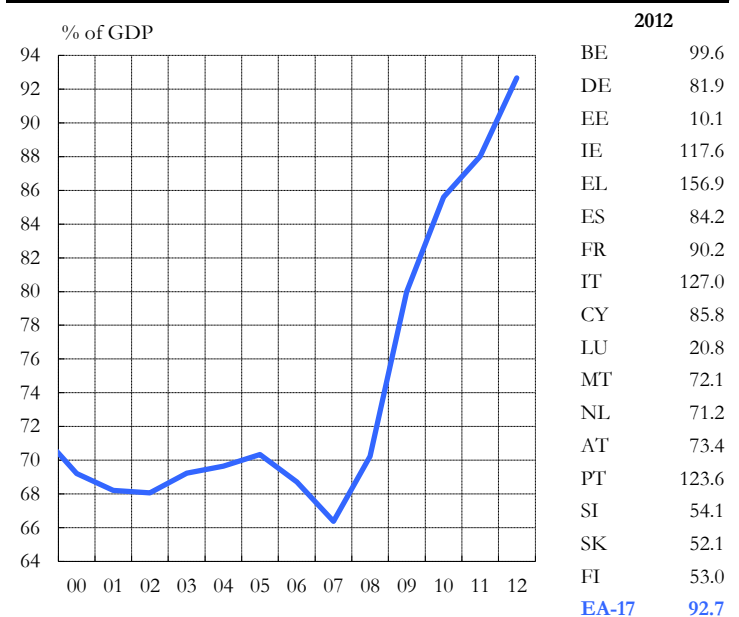
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



\* Figures are from the Commission's spring 2013 forecast

## KEY INDICATORS FOR THE EURO AREA



Euro area	Indicators as from 2011 refer to Belgium (BE), Germany (DE), Estonia (EE), Ireland (IE), Greece (GR), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Luxembourg (LU), Malta (MT), the Netherlands (NL), Austria (AT), Portugal (PT), Slovenia (SI), Slovakia (SK) and Finland (FI).	
Indicator	Note	Source
<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 Industry Production Index (2010=100), NACE Rev.2, Total industry (excluding construction). Mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
Gross domestic product	Gross domestic product at constant market prices (chain-linked volumes, reference year 2005), EUR. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Labour productivity defined as the difference between GDP growth and employment growth.	Eurostat
GDP divergence	Standard deviation of GDP growth of the following countries: BE, DE, ES, FR, IT, CY, LU, NL, AT, PT, SI, FI.	Eurostat
<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 2005), EUR. Data are seasonally and working-day adjusted.	Eurostat
Retail sales	Retail trade (NACE Rev.2 G47) excluding motor vehicles, motorcycles; Deflated turnover, mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
<b>3. Investment</b>		
Capacity utilisation	In percent of full capacity in the manufacturing sector. Data are seasonally adjusted (collected in January, April, July and October).	DG ECFIN
Production expectations	Production expectations in manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Gross fixed capital formation	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2005), EUR. Data are seasonally and working-day adjusted.	Eurostat
Equipment investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2005), EUR, metal products, machinery and transport equipment. Data are seasonally and working-day adjusted.	Eurostat
Construction investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2005), EUR, construction work and housing. Data are seasonally and working-day adjusted.	Eurostat
Change in stocks	Changes in inventories and acquisitions less disposals of valuables (at prices of previous year).	Eurostat
Profit share	Ratio of nominal gross operating surplus and gross mixed income to nominal GDP	Eurostat

## KEY INDICATORS FOR THE EURO AREA



4. Labour market		
Employment expectations (manufacturing)	Managers' employment expectations over the next three months in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Employment expectations (services)	Managers' employment expectations over the next three months in the services sector. Data are seasonally adjusted.	DG ECFIN
Employment expectations (whole economy)	Weighted average of managers' employment expectations over the next three months in the manufacturing (19%), services (65%), construction (6%) and retail sectors (10%). Weights in brackets according to value-added share on GDP of the respective sector. Data are seasonally adjusted.	DG ECFIN
Employment	Total domestic employment (number of persons). Data are seasonally and working-day adjusted.	Eurostat
Compensation of employees per head	Nominal compensation of employees divided by the number of employees. Data are seasonally and working-day adjusted.	DG ECFIN
Unemployment expectations	Consumers' unemployment expectations over the next twelve months. Data are seasonally adjusted.	DG ECFIN
Unemployment rate	Harmonised unemployment rate (in percent of labour force), ILO definition. Data are seasonally adjusted.	Eurostat
Structural unemployment rate	Non-accelerating inflation rate of unemployment. Data are seasonally adjusted.	OECD
Total labour costs	Nominal wage- and non-wage costs less subsidies in the private business sector. Data are seasonally and working-day adjusted.	Eurostat
Wage costs	Nominal wage and salary costs include direct remunerations, bonuses, and allowances, payments to employees saving schemes, payments for days not worked and remunerations in kind. Data are seasonally and working-day adjusted.	Eurostat
Non-wage costs	Nominal non-wage costs include the employers' social contributions plus employment taxes less subsidies. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Ratio between GDP and employment. Data are seasonally and working-day adjusted.	DG ECFIN
5. International transactions		
World trade	Volume, 2000=100, seasonally adjusted	CPB
Export order books	Managers' export order expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Extra-euro area exports	Nominal extra-euro area exports of goods, fob. Data are seasonally adjusted.	Eurostat
Extra-euro area imports	Nominal extra-euro area imports of goods, cif. Data are seasonally adjusted.	Eurostat
Extra-euro area trade balance	Difference between extra-euro area exports and extra-euro area imports. Data are seasonally adjusted.	Eurostat
Intra-euro area trade	Nominal intra-euro area trade in goods, fob. Data are seasonally adjusted.	Eurostat
Current-account balance	Transactions in goods and services plus income and current transfers between residents and non-residents of the euro area. Data are seasonally and working-day adjusted.	ECB
Exports of goods and services	Exports of goods and services at constant market prices (chain-linked volumes, reference year 2005), EUR. Data are seasonally and working-day adjusted.	Eurostat
Imports of goods and services	Imports of goods and services at constant market prices (chain-linked volumes, reference year 2005), EUR. Data are seasonally and working-day adjusted.	Eurostat
Direct investment	Nominal transactions/positions in assets abroad by euro-area residents less nominal transactions/positions in euro-area assets by non-residents. To be regarded as a direct investment, ownership in an enterprise must be equivalent to more than 10% of the ordinary shares or voting power.	ECB
Portfolio investment	Nominal transactions/positions in securities (including equities) abroad by euro-area residents less nominal transactions/positions in euro-area securities (including equities) by non-residents. To be regarded as a portfolio investment, ownership in an enterprise must be equivalent to less than 10% of the ordinary shares or voting power.	ECB

## KEY INDICATORS FOR THE EURO AREA



6. Prices		
HICP	Harmonised index of consumer prices (index 2005=100)	Eurostat
Core HICP	HICP excluding energy and unprocessed food (index 2005=100)	Eurostat
Producer prices	Domestic producer price index, total industry excluding construction (index 2010=100)	Eurostat
Selling price expectation	Managers' selling-price expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Import prices	Unit value index of imports, Current Prices (index 2000=100)	Eurostat
Oil prices	Price of north sea Brent in USD/barrel and EUR/barrel	ICE
Non-energy commodity prices	Market price for non-fuel commodities in EUR terms (index 2000c=100)	HWWI
7. Monetary and financial indicators		
Nominal interest rate (3-month)	3-month EURIBOR interbank rate (360 days)	ECB/Ec owin
Nominal interest rate (10-year)	10-year interest rate on government bonds for euro area (based upon the 10-year German government bond)	ECB/Ec owin
ECB repo rate	Minimum bid rate of main refinancing operations, end of period.	ECB/Ec owin
Money demand (M3)	Monetary aggregate including currency in circulating (banknotes and coins), operational deposits in central bank, money in current accounts, saving accounts, money market deposits, certificates of deposit, all other deposits and repurchase agreements. Data are seasonally adjusted.	ECB
Loans to private sector	Loans by MFI (monetary and financial institutions) to euro area residents (excl government). Data are seasonally adjusted.	ECB
Real long-term interest rates	Nominal interest rate (10-year) deflated by HICP index	DG ECFIN
Real short-term interest rates	Nominal interest rate (3-month) deflated by HICP index	DG ECFIN
Stock markets	Eurostoxx50, Dow Jones and Nikkei indices (1.1.1999=100)	Ecwin
Exchange rates	EUR/USD and EUR/JPY reference rates	ECB
Nominal effective exchange rate	Graph – Monthly Nominal Effective Exch. Rates vs. rest of IC36 (index 2005 = 100) Table - ECB Nominal effective exch. rate, euro area-17 countries vis-à-vis the EER-20 group of trading partners against Euro	DG ECFIN/ ECB
8. Public finance		
General government balance	Net lending (+) or net borrowing (-) of general government	DG ECFIN
Primary government balance	Net lending (+) or net borrowing (-) of general government minus interest payment	DG ECFIN
Cyclically adjusted balance	Net lending (+) or net borrowing (-) of general government corrected for the influence of the business cycle	DG ECFIN
Cyclically adjusted primary balance	Primary government balance corrected for the influence of the business cycle	DG ECFIN
General government expenditures and receipts	Nominal expenditures and receipts; tax burden includes taxes on production and imports (incl. taxed paid to EU), current taxes on income and wealth (direct taxes) and actual social contributions	DG ECFIN
General government debt	Cumulative sum of net lending (+) or net borrowing (-) positions of general government	DG ECFIN