

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

	LTA ⁽¹⁾	2012	2013	13Q3	13Q4	14Q1	14Q2	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	
1. Output														
Economic Sentiment	<i>indicator</i>	100.0	90.8	93.8	95.3	99.1	101.6	102.2	101.2	102.5	102.0	102.6	102.0	--
Industrial confidence	<i>balance</i>	-7.0	-11.7	-9.3	-8.3	-4.1	-3.5	-3.6	-3.5	-3.3	-3.5	-3.1	-4.3	--
Services confidence	<i>balance</i>	9.2	-6.8	-6.1	-5.3	-1.3	3.4	3.8	3.3	4.5	3.5	3.8	4.2	--
Industrial production (excluding construction)	<i>% ch. on prev. period</i>				0.0	0.5	0.2	--	0.1	-0.4	0.8	--	--	--
	<i>% ch. on prev. year</i>	0.8	-2.5	-0.7	-1.1	1.6	1.2	--	1.8	0.2	1.4	--	--	--
Gross domestic product	<i>% ch. on prev. period</i>				0.1	0.3	0.2	--						
	<i>% ch. on prev. year</i>	1.6	-0.7	-0.4	-0.3	0.5	0.9	--						
Labour productivity	<i>% ch. on prev. period</i>				0.1	0.2	0.1	--						
	<i>% ch. on prev. year</i>	0.4	0.0	0.4	0.5	0.9	0.8	--						
2. Private consumption														
Consumer confidence	<i>balance</i>	-13.3	-22.1	-18.6	-15.9	-14.4	-11.2	-7.7	-12.7	-9.3	-8.6	-7.1	-7.5	--
Retail confidence	<i>balance</i>	-9.2	-15.1	-12.5	-10.4	-6.8	-3.0	-2.3	-3.0	-2.5	-2.5	-2.4	-2.1	--
Private consumption	<i>% ch. on prev. period</i>				0.1	0.1	0.2	--						
	<i>% ch. on prev. year</i>	1.4	-1.4	-0.7	-0.5	0.1	0.5	--						
Retail sales	<i>% ch. on prev. period</i>				0.5	-0.4	0.7	--	0.2	0.3	-0.2	0.0	--	--
	<i>% ch. on prev. year</i>	0.3	-1.7	-0.9	-0.5	0.1	1.0	--	1.0	1.2	1.8	0.7	--	--
3. Investment														
Capacity utilisation	<i>level (%)</i>	81.3	78.9	78.0	78.3	78.4	80.1	79.5	--	--	79.5	--	--	--
Production expectations (manuf.)	<i>balance</i>	5.6	-4.0	2.8	4.4	9.1	8.8	8.1	8.3	9.8	8.2	8.9	7.1	--
Gross fixed capital formation	<i>% ch. on prev. period</i>				0.5	0.9	0.2	--						
	<i>% ch. on prev. year</i>	1.2	-4.0	-2.9	-2.4	0.0	1.7	--						
- equipment investment	<i>% ch. on prev. period</i>				0.0	2.4	-0.4	--						
	<i>% ch. on prev. year</i>		-4.5	-2.1	-1.6	1.9	2.9	--						
- construction investment	<i>% ch. on prev. period</i>				0.8	0.1	0.5	--						
	<i>% ch. on prev. year</i>		-4.2	-3.9	-3.2	-1.5	1.1	--						
Change in stocks	<i>contrib. to GDP (pp.)</i>	0.0	-0.4	-0.1	0.3	-0.2	0.3	--						
4. Labour market														
Employment expectations (manuf.)	<i>balance</i>	-10.8	-8.6	-9.6	-9.4	-6.1	-4.6	-5.3	-4.8	-4.6	-5.7	-5.2	-4.9	--
Employment expectations (services)	<i>balance</i>	5.4	-2.3	-4.1	-4.1	-1.9	1.1	1.7	1.1	1.8	2.3	0.9	1.8	--
Employment	<i>% ch. on prev. period</i>				0.0	0.1	0.1	--						
	<i>% ch. on prev. year</i>	0.8	-0.7	-0.8	-0.8	-0.4	0.2	--						
Employment (000)	<i>abs. ch. on prev. period</i>		-962	-1,211	-1	159	113	--						
Compensation of employees per head (nominal)	<i>% ch. on prev. period</i>				0.4	0.1	0.4	--						
	<i>% ch. on prev. year</i>	1.9	1.9	1.7	1.7	1.6	1.3	--						
Unemployment expectations	<i>balance</i>	27.7	38.1	34.4	29.6	29.8	23.8	16.6	26.3	20.4	18.4	15.1	16.2	--
Unemployment rate	<i>% of lab. force</i>		11.3	12.0	12.0	11.9	11.7	11.6	11.7	11.7	11.6	11.6	--	--
Unemployment (000)	<i>abs. ch. on prev. period</i>		2,034	1,072	-33	-153	-111	-206	-89	-85	-106	-28	--	--
5. International transactions														
World trade	<i>% ch. on prev. period</i>				1.2	1.5	-0.7	--	-0.8	-0.2	1.3	--	--	--
	<i>% ch. on prev. year</i>		1.9	2.7	3.1	4.1	2.6	--	3.0	2.1	2.5	--	--	--
Export order books	<i>balance</i>	-18.7	-21.2	-22.1	-21.4	-15.6	-13.8	-14.8	-13.4	-14.1	-15.0	-14.4	-15.1	--
Trade balance (merchandise)	<i>bilfon EUR</i>		86.5	158.8	35.7	43.7	44.1	15.8	15.1	15.4	15.8	--	--	--
Exports of goods and services	<i>% ch. on prev. period</i>				0.1	1.4	0.2	--						
	<i>% ch. on prev. year</i>				1.0	3.0	4.0	--						
Imports of goods and services	<i>% ch. on prev. period</i>				1.1	0.6	0.8	--						
	<i>% ch. on prev. year</i>	4.7	-0.9	0.4	0.9	2.5	4.1	--						
Current-account balance	<i>bilfon EUR</i>		138.5	230.2	49.9	66.3	66.8	21.5	21.8	19.6	21.5	--	--	--
Direct investment	<i>bilfon EUR</i>		-71.6	-24.9	-12.7	-9.1	-0.9	-18.6	30.8	-22.7	-18.6	--	--	--
Portfolio investment	<i>bilfon EUR</i>		95.4	105.8	4.9	54.6	45.3	-88.4	26.6	-0.5	-88.4	--	--	--
6. Prices														
Consumer inflation expectations	<i>balance</i>	20.8	25.0	16.8	15.9	15.4	13.2	8.6	13.6	10.8	7.5	9.6	8.6	--
Headline inflation (HICP)	<i>% ch. on prev. year</i>		2.5	1.4	1.3	0.8	0.7	0.6	0.7	0.5	0.7	0.5	0.5	--
Core HICP	<i>% ch. on prev. year</i>		1.8	1.3	1.3	1.0	1.0	0.9	1.1	0.9	1.1	0.8	--	--
Domestic producer prices	<i>% ch. on prev. year</i>		2.8	-0.2	-0.6	-1.1	-1.6	-1.1	-1.7	-1.7	-1.2	-1.0	--	--
Import prices	<i>% ch. on prev. year</i>		1.7	-1.4	-1.9	-2.0	-2.1	-1.6	-2.0	-2.5	-1.8	--	--	--
	<i>level</i>		111.7	108.7	109.5	109.3	108.0	109.7	108.7	107.9	108.0	109.3	111.9	112.5
Oil (Brent) in USD	<i>% ch. on prev. period</i>				5.9	-0.2	-1.2	1.6	1.0	-0.7	0.1	1.2	2.4	0.5
	<i>% ch. on prev. year</i>		0.7	-2.7	0.3	-0.8	-4.2	6.0	-6.7	-1.6	4.0	5.8	8.3	5.0
	<i>level</i>		79.6	86.9	87.3	85.0	85.4	79.3	79.7	79.6	78.3	81.8	82.6	79.3
Oil (Brent) in EUR	<i>% ch. on prev. period</i>				2.5	-2.7	0.4	-7.1	-5.8	-0.1	-1.7	4.5	0.9	-4.0
	<i>% ch. on prev. year</i>		31.4	9.1	9.8	5.0	-5.3	-6.9	-13.0	-8.5	1.9	-1.6	-8.9	-10.0
	<i>% ch. on prev. period</i>				-3.9	-2.3	-0.3	1.5	0.4	-0.4	2.5	-0.7	-1.1	--
Non-energy commodity prices (EUR)	<i>% ch. on prev. year</i>		-5.5	-8.3	-12.2	-10.4	-11.1	-4.9	-11.0	-11.3	-5.8	-5.4	-3.5	--
7. Monetary and financial indicators														
Nominal interest rates (3 month)	<i>level</i>		0.57	0.22	0.22	0.24	0.30	0.30	0.29	0.31	0.33	0.33	0.24	0.21
Nominal interest rates (10 year)	<i>level</i>		1.56	1.59	1.70	1.79	1.66	1.41	1.59	1.59	1.53	1.39	1.30	1.22
ECB repo rate	<i>level</i>		0.88	0.55	0.50	0.37	0.25	0.23	0.25	0.25	0.25	0.25	0.18	0.15
Stock market (Eurostoxx)	<i>% ch. on prev. period</i>				3.2	8.5	2.4	4.0	-0.2	0.3	2.5	0.8	2.3	-0.5
	<i>% ch. on prev. year</i>		-7.6	15.8	15.9	18.6	15.5	19.2	17.3	15.4	20.3	14.8	23.2	21.2
Money demand (M3)	<i>% ch. on prev. year</i>		3.0	2.3	2.1	1.3	1.1	0.9	1.3	1.0	0.7	1.0	--	--
Loans to households	<i>% ch. on prev. year</i>		0.5	-0.1	0.2	-0.1	-0.1	-0.7	-0.1	-0.1	0.0	-0.7	--	--
Loans to non-financial corporations	<i>% ch. on prev. year</i>		-2.3	-2.9	-3.6	-2.9	-3.1	-2.6	-3.0	-3.1	-2.8	-2.6	--	--
	<i>level</i>		1.28	1.33	1.32	1.36	1.37	1.37	1.37	1.38	1.38	1.37	1.36	1.37
Bilateral exchange rate EUR/USD	<i>% ch. on prev. period</i>				1.4	2.8	0.6	0.1	0.4	1.2	-0.1	-0.6	-1.0	0.6
	<i>% ch. on prev. year</i>		-7.7	3.4	5.9	5.0	3.7	5.0	2.2	6.6	6.0	5.8	3.1	4.5
Nominal effective exchange rate	<i>% ch. on prev. period</i>				1.0	1.2	0.8	-0.1	0.1	1.1	-0.1	-0.7	-0.8	0.1
	<i>% ch. on prev. year</i>		-5.4	3.9	6.3	5.4	3.1	2.9	1.9	4.4	4.1	3.3	1.4	1.6

(1) LTA=Long-Term Average

(2) Data available until the date of update



1. Output

In the first quarter of 2014, real GDP in the euro area continued growing for a fourth consecutive quarter. According to Eurostat's third estimate released on 2 July, it increased by 0.2% quarter-on-quarter (q-o-q) as both gross fixed capital formation and private consumption expanded by 0.2% and government consumption rebounded by 0.7% from the decline observed in the preceding quarter. Exports and imports rose by 0.2% and 0.8% respectively. As compared to 2013-Q1, real GDP was 0.9% higher. In the year 2013, real GDP fell 0.4% (y-o-y).

According to the Commission's spring 2014 forecast, released on 5 May, euro-area GDP is expected to increase by 1.2% and 1.7% in 2014 and 2015 respectively, on the back of strengthening domestic demand, benefitting from higher confidence and real disposable income growth, as well as a more favourable external environment. Real GDP growth differences across Member States are set to remain pronounced.

In June, the Commission's Economic Sentiment Indicator decreased by 0.6 points (to 102.0 points), following its almost tantamount increase in May. The decrease in June resulted from lower confidence in industry and construction, but also, to a lesser extent, lower consumer confidence. While retail trade confidence remained broadly unchanged, services confidence improved. Industry confidence decreased (1.2 points), driven by managers' more careful views on expected production, the current level of overall order books and, less so, the stocks of finished products. Services confidence slightly improved (0.4 points), resulted from managers' significantly brighter demand expectations, being partially offset by a more negative stance on the past business situation and past demand. The PMI Composite Output Index eased in June, but, at 52.8 (53.5 in May) it continued signalling expansion of economic activity. The twelfth consecutive reading above the no-change threshold reflected expansion in manufacturing production and services.

In April 2014, industrial production increased by 0.8% month-on-month (m-o-m), which more than offset the decline registered in March and lifted output to the second highest level since August 2012. In April, production of energy, non-durable consumer goods, intermediate goods and durable consumer goods increased respectively by 2.5%, 2.1%, 0.6% and 0.1%, whereas production of capital goods decreased by 0.1%.

2. Private consumption

In 2014-Q1, private consumption slightly increased by 0.2% q-o-q (0.1% in 2013-Q4). With respect to the same period of the previous year, private consumption was up by 0.5% (0.1% in 2013-Q4).

In June, consumer confidence decreased by 0.4 points, as a result of more cautious assessments of future unemployment and future savings, which were only partly offset by a moderate improvement in consumers' expected financial situation. The assessment of the future general economic situation remained broadly unchanged.

In May 2014, the volume of retail trade was stable after having fallen by 0.2% (m-o-m) in April. As compared to May 2013, retail trade volumes were 0.7% higher. In June, confidence in the retail sector remained broadly unchanged (0.3 points increase), as a result of a perceived greater adequacy of the volume of stocks and managers' higher satisfaction with the present business situation, which contrasted with more pessimistic views on the expected business situation.

3. Investment

In 2014-Q1, gross fixed capital formation increased by 0.2% q-o-q (0.9% in 2013-Q4). Compared to the same quarter of the previous year, investment increased by 1.7% q-o-q.

The rate of capacity utilisation declined in the second quarter of 2014 (data collected in April) to 79.5%, moving further away from its long-term average of 81.3% and as such does not indicate much price pressure.

4. Labour market

In May, the seasonally-adjusted unemployment rate was 11.6% (unchanged from April), and 0.4 pp. lower than in May 2013. Significant differences persist across Member States, with the lowest rates recorded in Austria (4.7%) and Germany (5.1%), and the highest in Greece (26.8% in March) and Spain (25.1%). In May, youth unemployment was 23.3% of the labour force of the same age (people aged 15-24), down from 23.4% in April 2014.

In 2014-Q1, seasonally-adjusted employment increased by 0.1% (unchanged from 2013-Q4). According to the Commission's survey results, in June employment expectations moved up in all sectors except construction, but, apart from the services sector, increases were only marginal in industry and the retail sector.

5. International transactions

In April 2014, the world trade volume (goods) increased 1.3% m-o-m, following a decrease of 0.2% in the previous month. World trade shrank by 0.7% q-o-q in 2014-Q1 (1.5% in 2013-Q4). In June 2014, export order books in manufacturing stood at -15.1 pp. (-14.4 pp. in May), remaining above the long-term average.

In April 2014, the seasonally adjusted trade balance was in surplus, for the thirtieth consecutive month, at €15.8 bn. In March 2014, the seasonally adjusted current-account balance also recorded a surplus, for the



thirty-second month in a row (€18.8 bn.). Surpluses were recorded for goods, services and income (€13.8 bn, €8.5 bn and €5.8 bn respectively), whereas a deficit was registered for current transfers (€9.3 bn). The financial account recorded net outflows of €30 bn by way of net outflows for both direct investment and portfolio investment (respectively €22 bn and €8 bn).

6. Prices

In June 2014, annual HICP inflation is expected to be 0.5% (stable compared with May), according to Eurostat's flash estimate. Services is expected to have the highest annual rate in June (1.3%, from 1.1% in May), followed by energy (0.1%, from 0.0% in May), non-energy industrial goods (0.0%, unchanged from May) and food, alcohol & tobacco (-0.2%, from 0.1% in May). In May, core inflation (all items excl. energy and unprocessed food) had decreased to 0.8% (down from 1.1% in April).

The Commission's spring 2014 forecast projects HICP inflation of 0.8% in 2014, and 1.2% in 2015. In June 2014, consumer price expectations decreased (1.0 points), remaining below their long-term average. In May 2014, industrial producer prices fell by 0.1% (m-o-m). Compared with May 2013, industrial producer prices decreased by 1.0%.

Crude oil prices remained elevated through the winter months, sustained by the resurgence of demand growth in developed countries. While in recent weeks, the upward impact of the Russia-Ukraine crisis was partially offset by the downward impact of concerns about the demand from China, concerns about developments in Iraq pushed oil prices to nine-month highs in late-June. On 2 July, Brent crude traded at USD 112.30 USD/bbl. (corresponding to 82.23 EUR/bbl.).

7. Monetary and financial indicators

Money market interest rates decreased in June with the 3-month EURIBOR standing at 0.24%. At its meeting on 3 July, the ECB Governing Council decided to keep the key ECB interest rates unchanged. At its meeting on 5 June it had reduced policy interest rates on the main refinancing operations, on the marginal lending facility and the deposit facility by 10 bps, 35 bps and by 10 bps respectively (at 0.15%, 0.40% and -0.10% respectively) and decided on a combination of further measures to provide additional monetary policy accommodation and to support lending to the real economy.

Benchmark sovereign bond yields moved down in recent months, in particular in the second half of May before rebounding partially. The overall decline was associated with changes in the outlook for growth and inflation, as well as tensions in a number of emerging market economies. While yields in higher-rated euro-area countries decreased slightly, a more pronounced decline

in most other Member States resulted in narrower intra-euro area sovereign bond yield spreads. On 2 July, the benchmark yield of ten-year sovereign bonds stood at 1.24%.

The April 2014 Bank Lending Survey confirmed the stabilisation of credit conditions for firms and households, in the current context of persistently weak loan demand. Net tightening of credit standards to non-financial corporations remained broadly unchanged, whereas the net tightening of credit standards applied to housing loans and consumer credit decreased further.

As to bank lending, the annual rate of change of M3 increased slightly to 1.0% in May (0.7% in April). Loans to the private sector contracted further with the pace of the fall declining (-1.4% in May, up from -1.6% in April, adjusted for loan sales and securitisation). Loans to non-financial corporations shrank marginally less May (-2.5%, up from -2.8% in April). The annual growth in loans to households stood at 0.5% in May (0.4% in April).

At its meeting on 17-18 June, the FOMC reaffirmed its view that a highly accommodative stance of monetary policy remains appropriate and maintained the federal funds rate target range between 0 and ¼%. The Committee also announced a further reduction in the pace of asset purchases to \$35 bn per month beginning in July. Treasury purchases will drop to \$25 bn a month from \$30 bn. On 2 July, the US 3-month Libor rate stood at 0.23%.

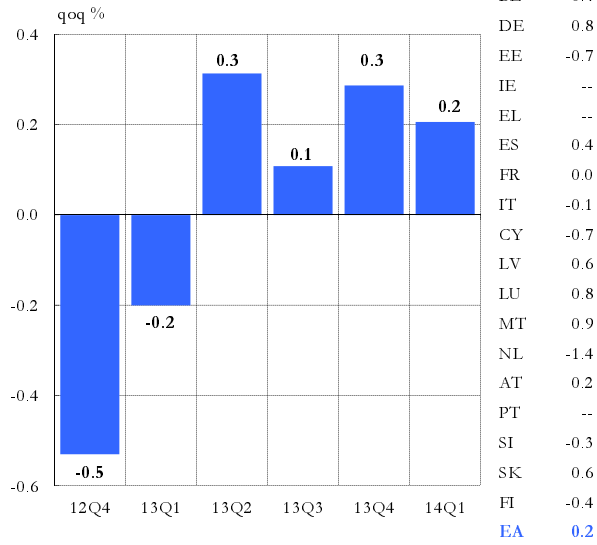
As compared to the beginning of 2013 the euro has slightly depreciated in nominal terms. Between 8 May and 2 July, the EUR/USD exchange rate has almost steadily lost ground as it fell from 1.3953 to 1.3656 on 2 July. Relative monetary policy has become a key factor, with the US tapering on course and recent decisions by the ECB Governing Council affecting markets. Among other factors at play are the changes in the economic outlook and elevated geopolitical risks in several regions. Following an almost steady depreciation of the Yen up to the end of 2013, the first months of 2014 have seen a stabilisation at around 140 JPY/EUR. On 2 July, the euro foreign exchange reference rate stood at 138.65 JPY.

Since January, stock markets have not continued the substantial upward movements that had characterised last year. This reflected signs of a further consolidation of the recovery, partly countered by increasing geopolitical tensions. Between the beginning of March and 2 July, stock market indices rose in the euro area (as measured by the Euro-Stoxx 50 index), in the US (as measured by the Dow Jones) and in Japan (as measured by the Nikkei 225 index) by 6.5%, 5.0% and 4.9% respectively.

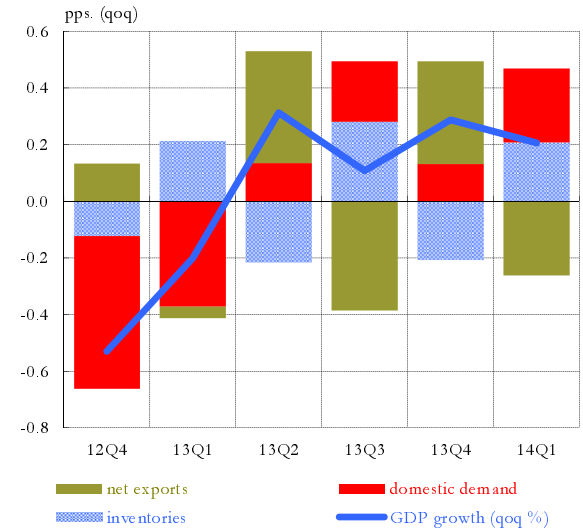


1. OUTPUT

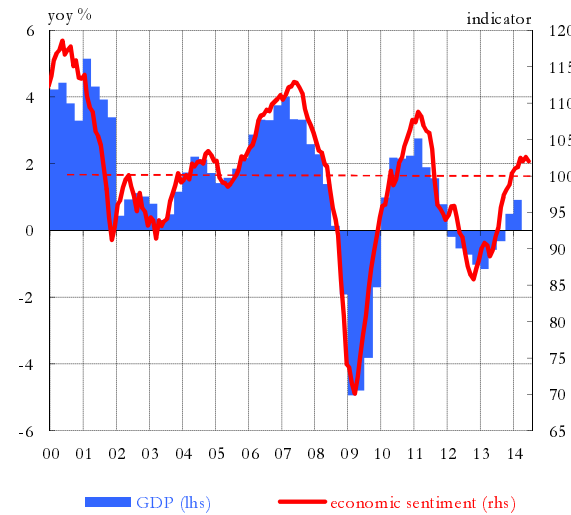
GDP



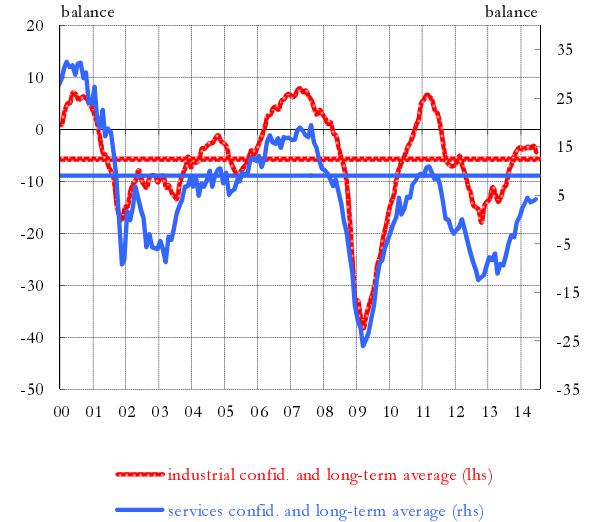
Contributions to GDP growth



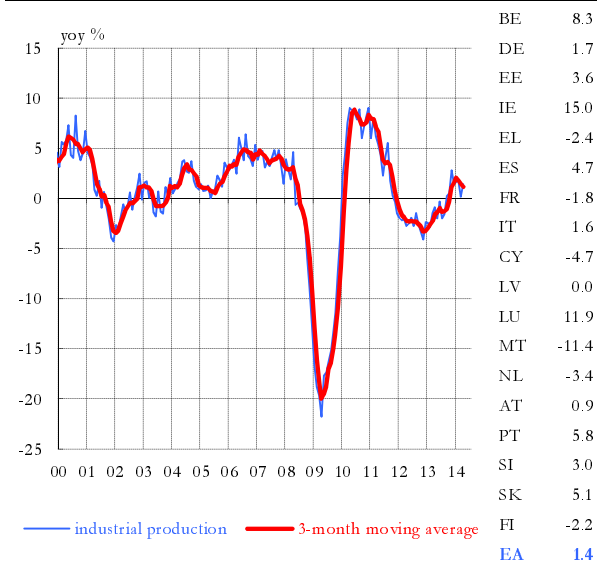
GDP and Economic Sentiment Indicator



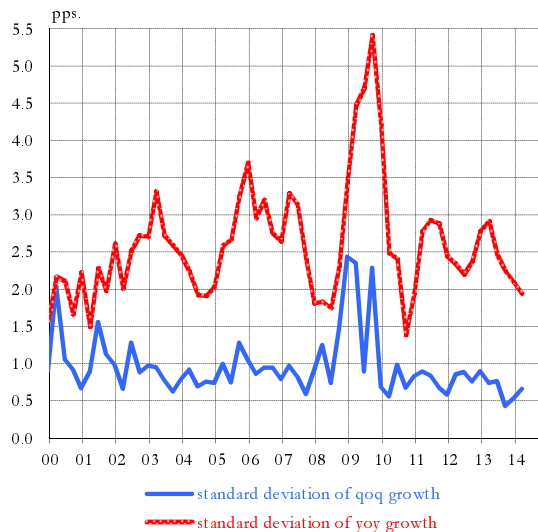
Industrial and services confidence



Industrial production



GDP growth divergence, euro area

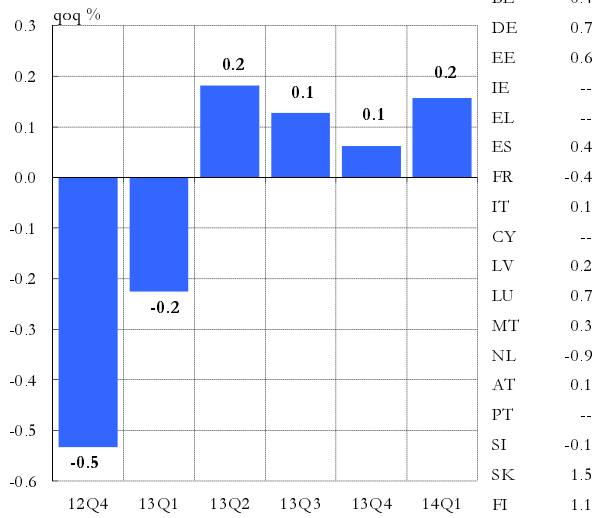




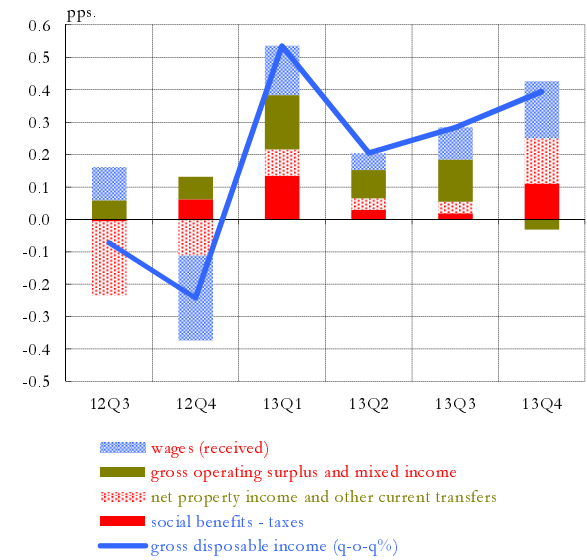
2. PRIVATE CONSUMPTION

Private consumption

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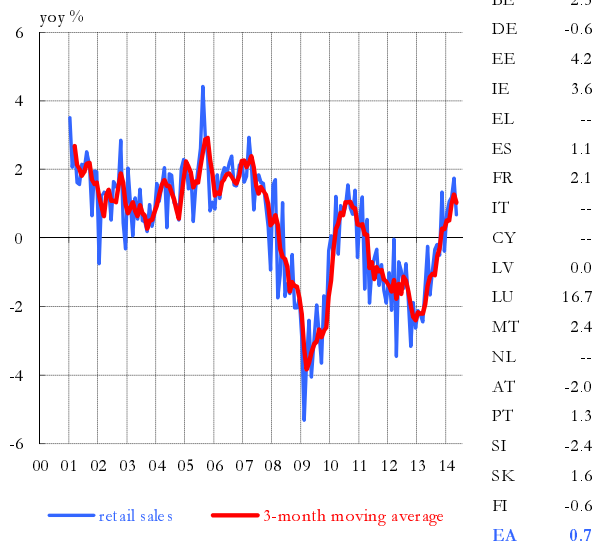


Household adjusted gross disposable income

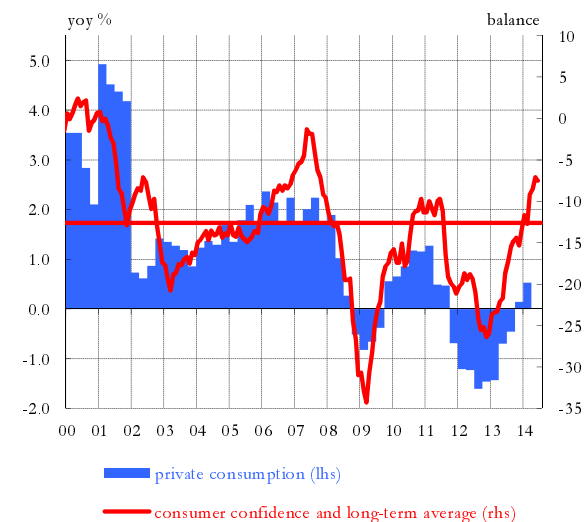


Retail sales

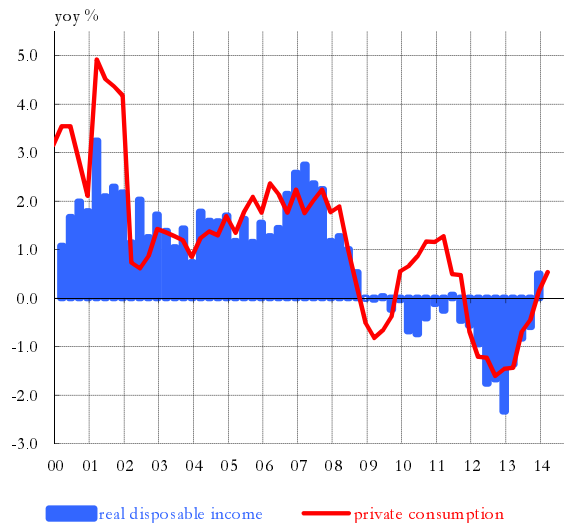
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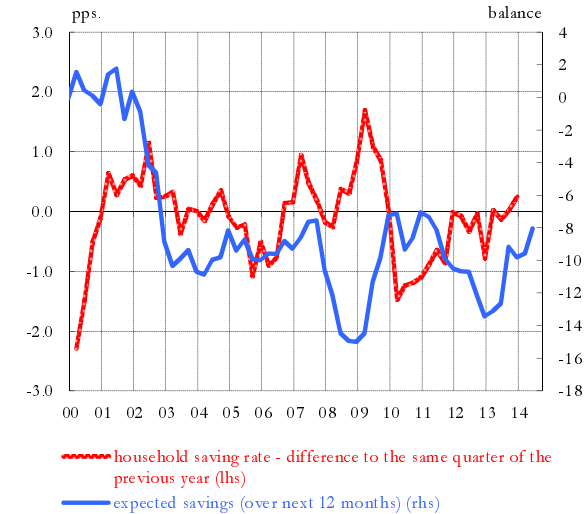
Consumer confidence and private consumption



Households: real disposable income and consumption



Households: actual saving rate and expected savings

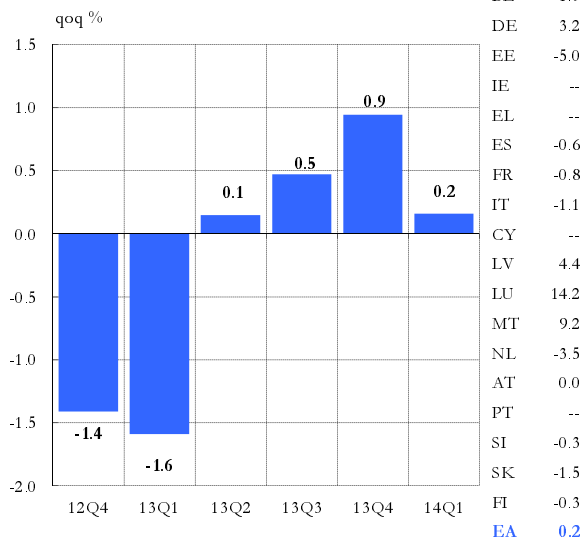




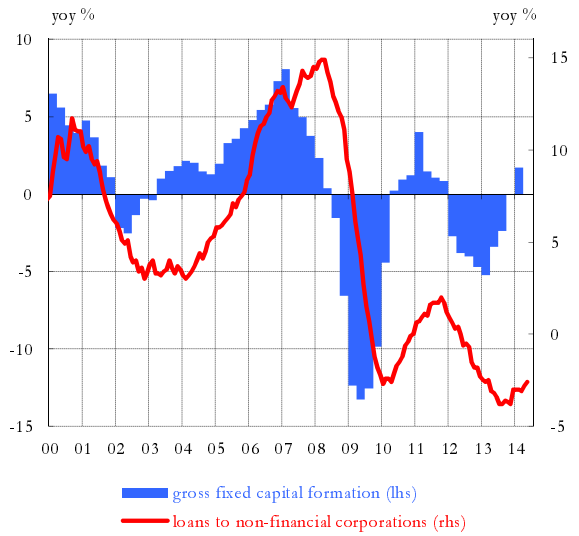
3. INVESTMENT

Gross fixed capital formation

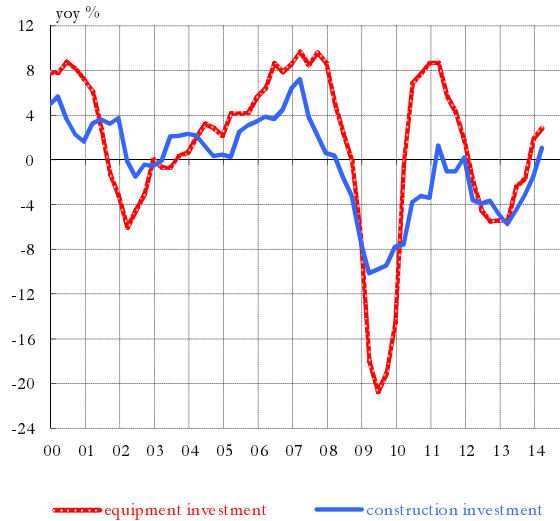
14Q1



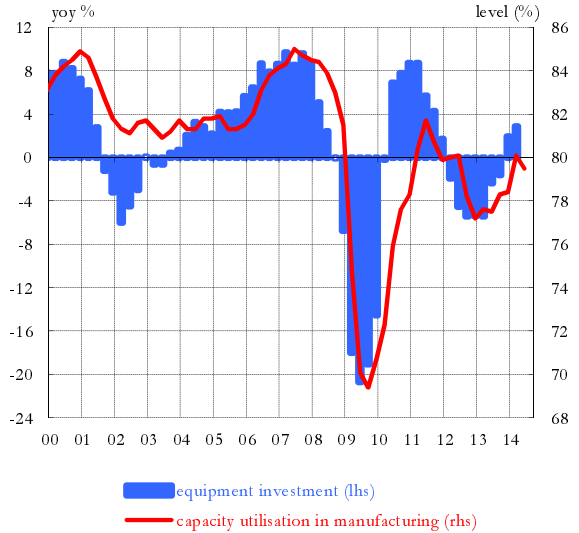
Gross fixed capital formation and corporate loans



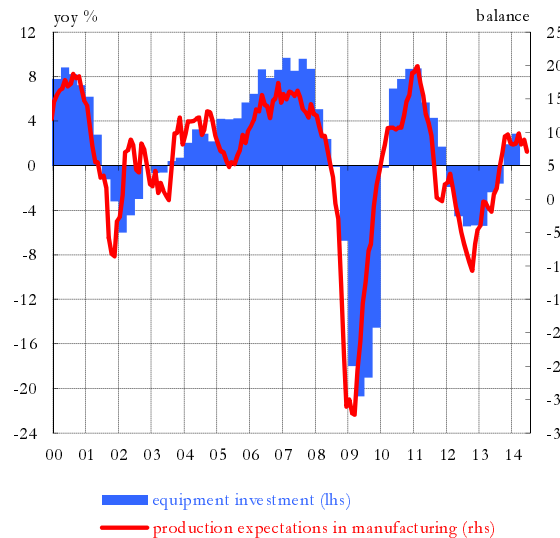
Equipment and construction investment



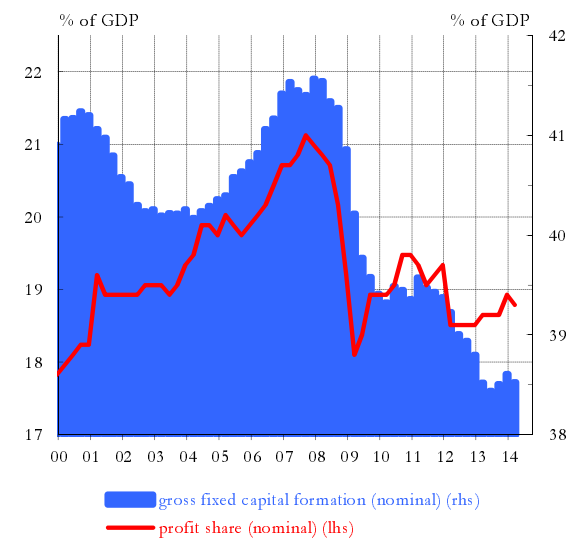
Equipment investment and capacity utilisation



Equipment investment and production expectations



Gross fixed capital formation and profit share

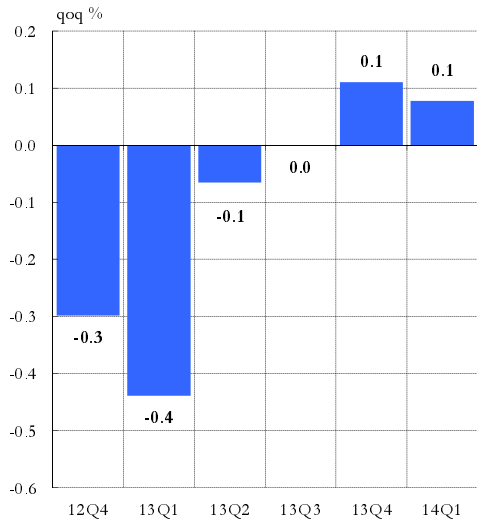




4. LABOUR MARKET

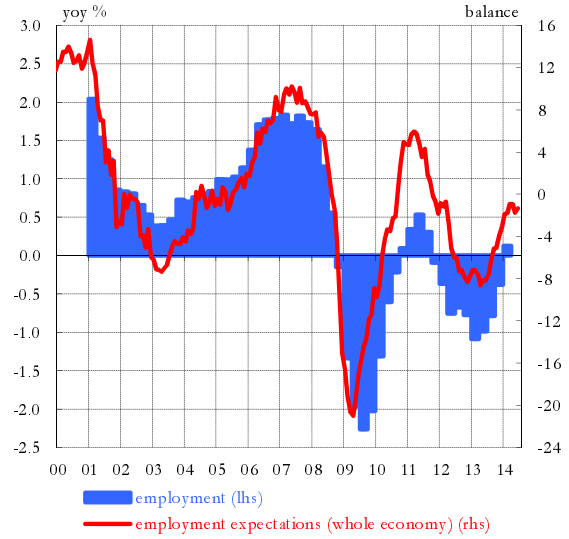
Employment

14Q1



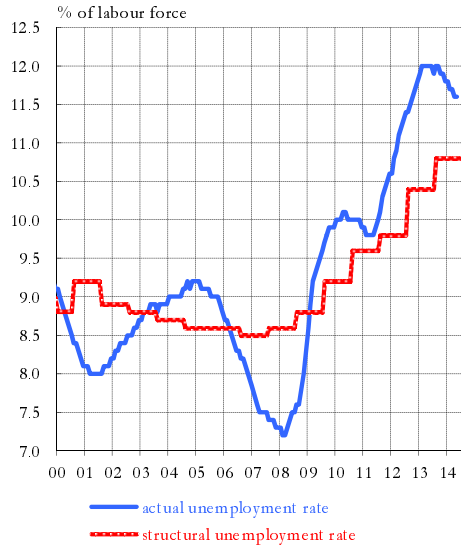
BE	0.1
DE	0.3
EE	0.3
IE	-
EL	-
ES	0.2
FR	0.0
IT	-0.1
CY	-1.2
LV	0.8
LU	0.6
MT	0.2
NL	0.1
AT	0.4
PT	-0.3
SI	0.1
SK	0.3
FI	-0.2
EA	0.1

Employment and employment expectations



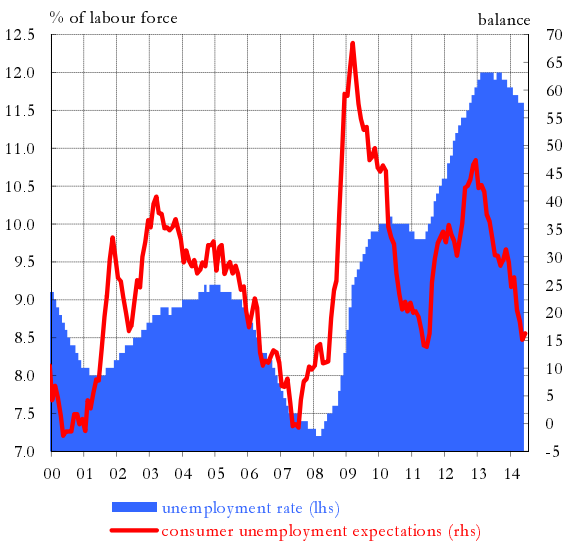
Actual and structural unemployment rate

May-14

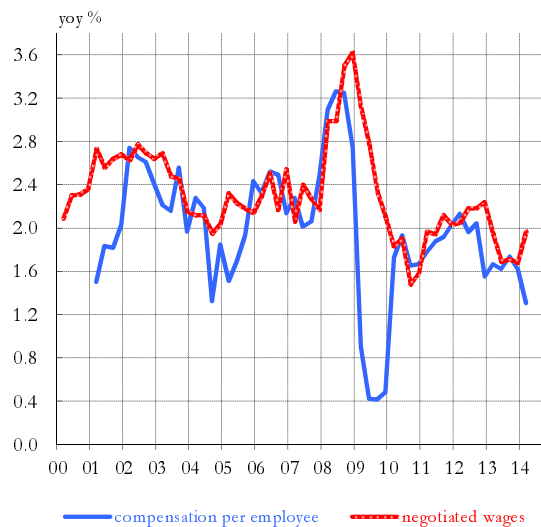


BE	8.5
DE	5.1
EE	--
IE	12.0
EL	--
ES	25.1
FR	10.1
IT	12.6
CY	15.3
LV	0.0
LU	6.3
MT	5.7
NL	7.0
AT	4.7
PT	14.3
SI	10.3
SK	13.9
FI	8.5
EA	11.6

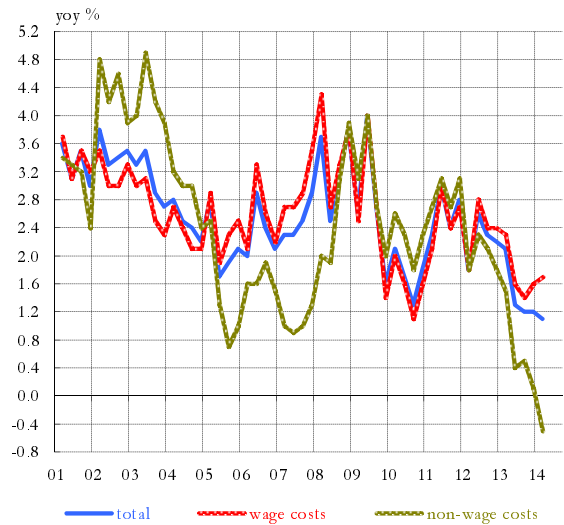
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



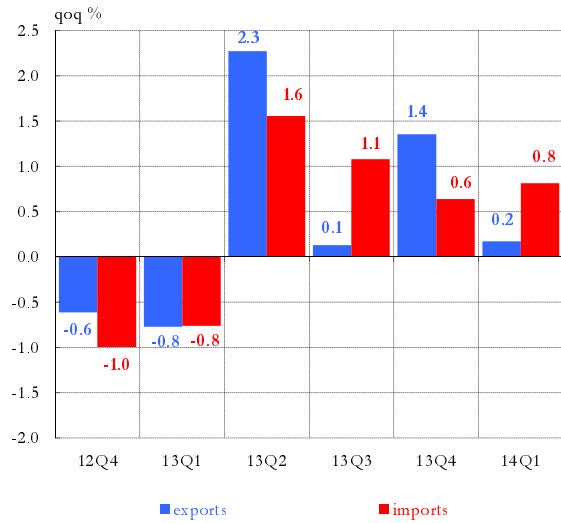
Labour costs in the private business sector (nominal)



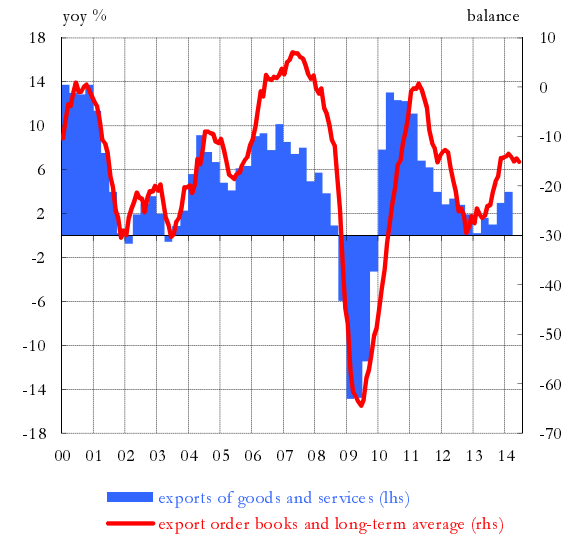


5. INTERNATIONAL TRANSACTIONS

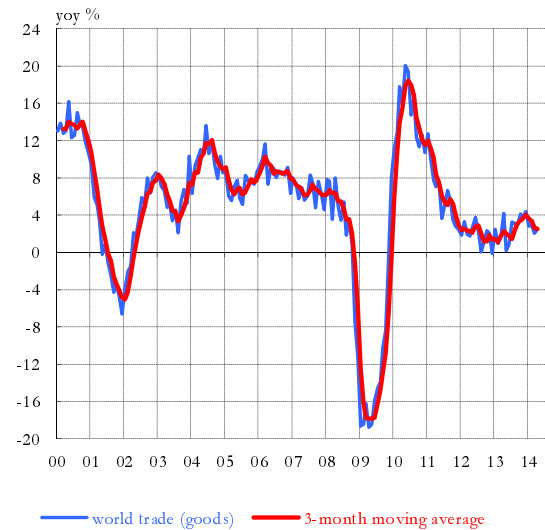
Exports and imports of goods and services



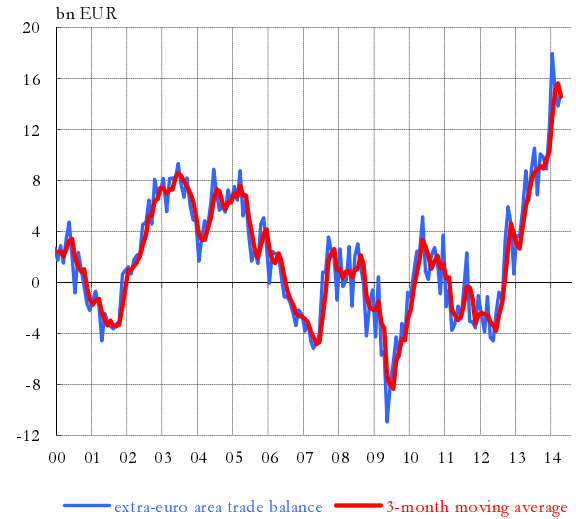
Exports and export order books



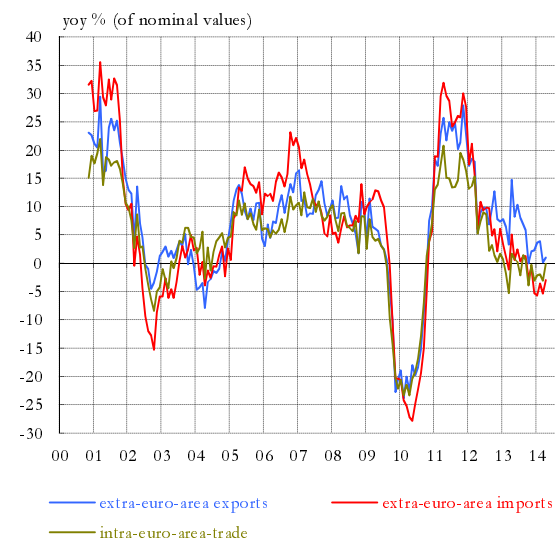
World trade



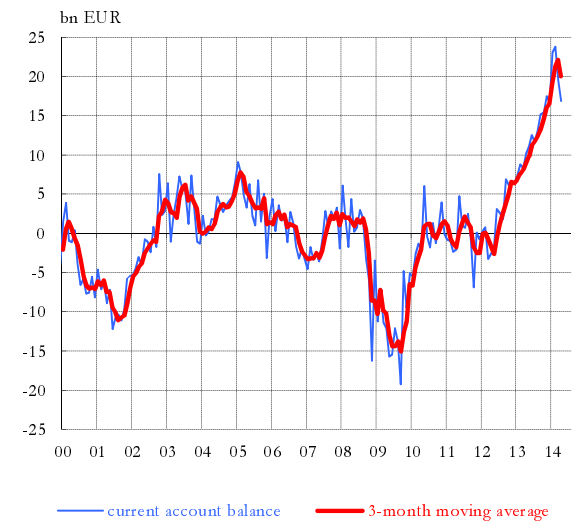
Extra euro-area trade balance



Extra- and intra-euro-area trade



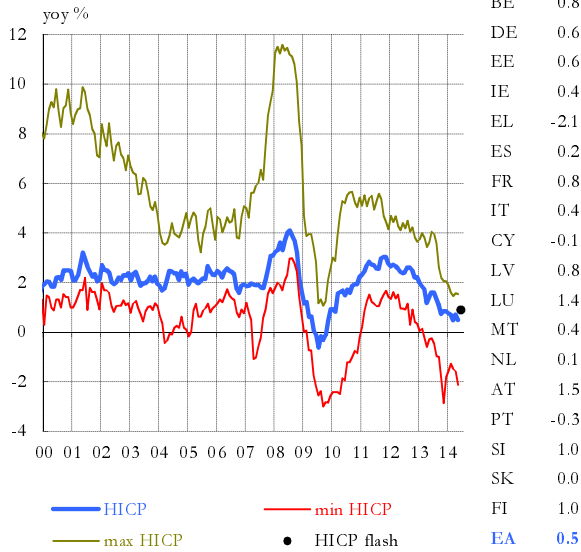
Current-account balance



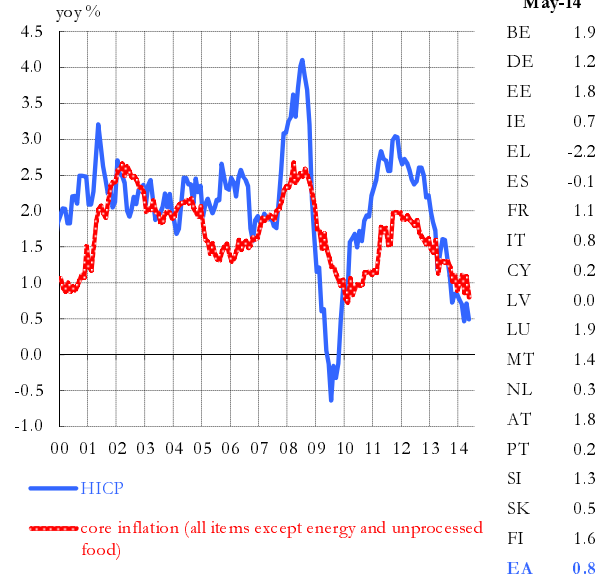


6. PRICES

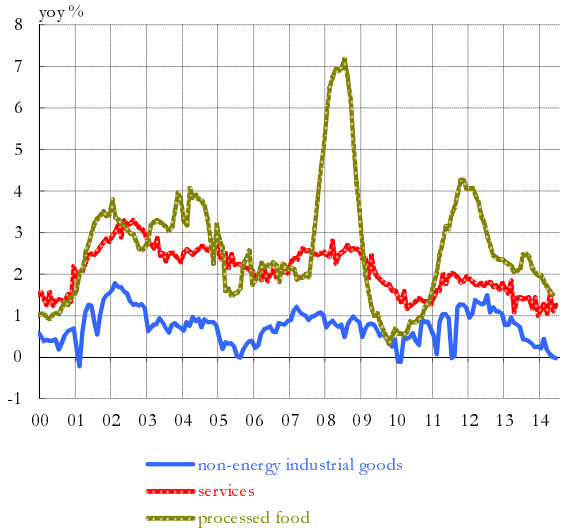
Harmonised index of consumer prices (HICP) May-14



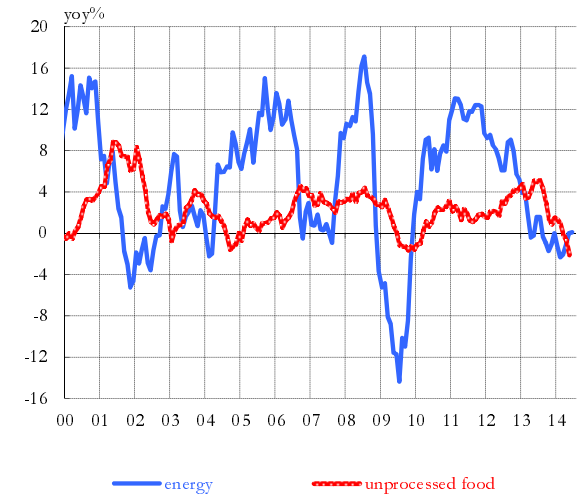
HICP headline and core inflation May-14



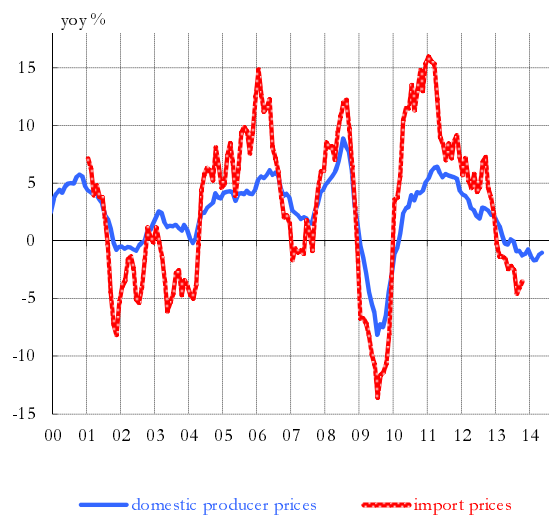
Breakdown of core inflation



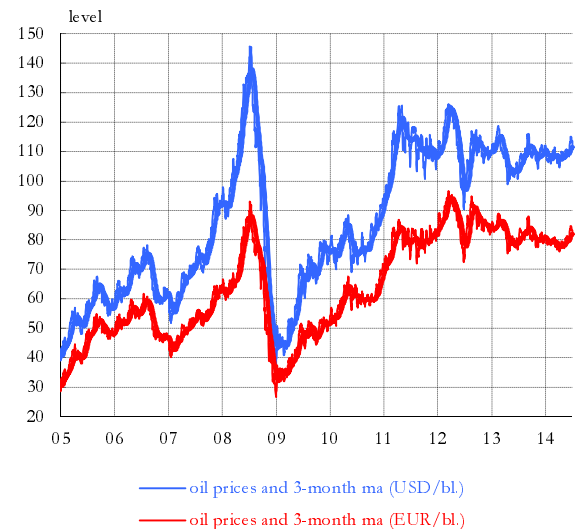
Energy and unprocessed food



Domestic producer prices and import prices



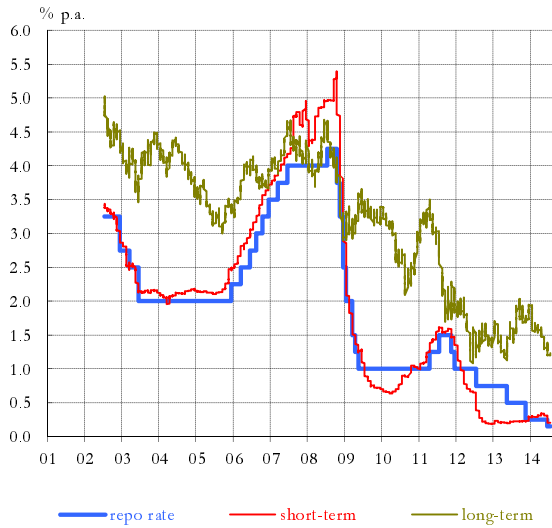
Oil prices



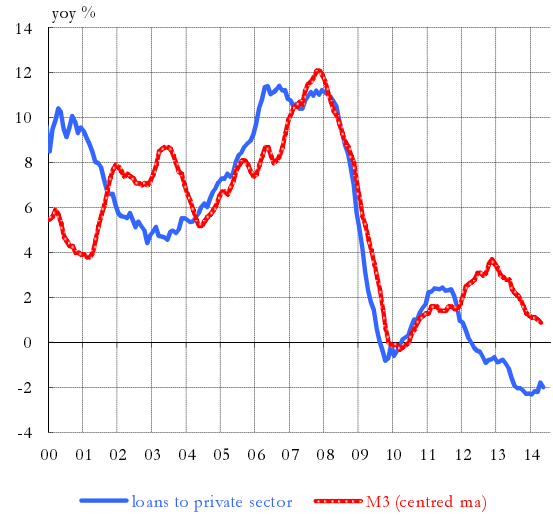


7. MONETARY AND FINANCIAL INDICATORS

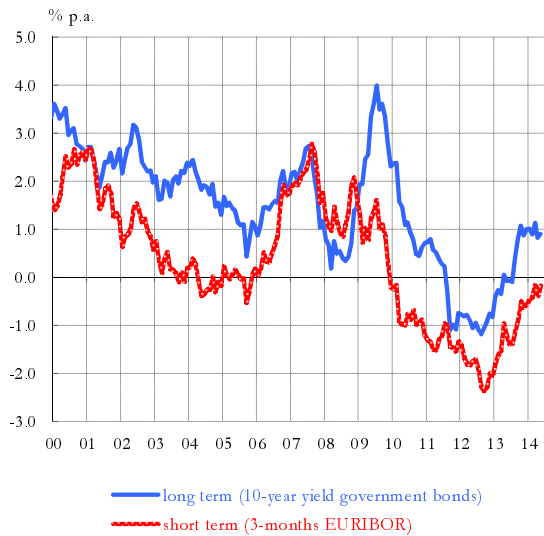
Nominal interest rates



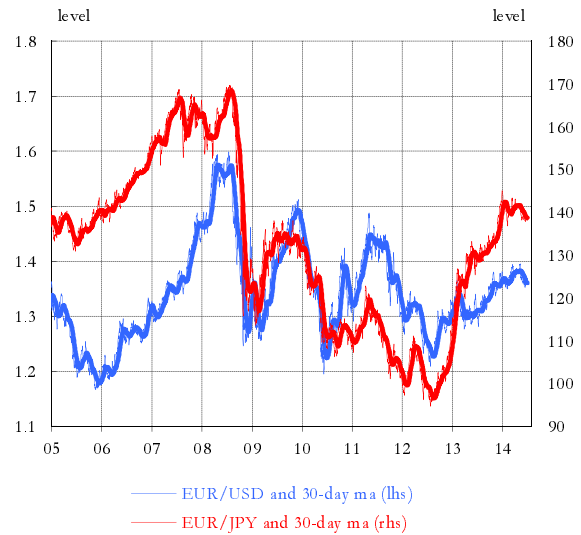
Loans to private sector and money supply



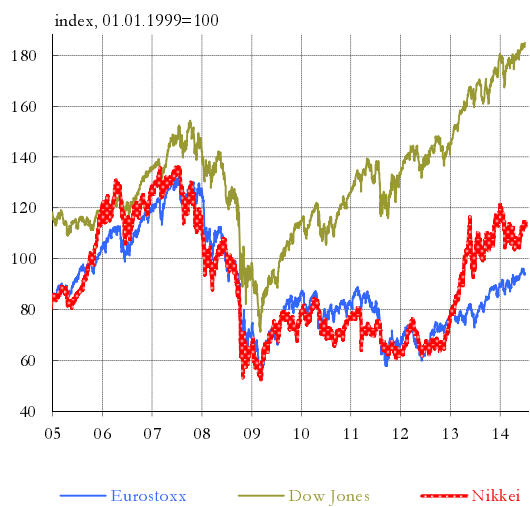
Real interest rates



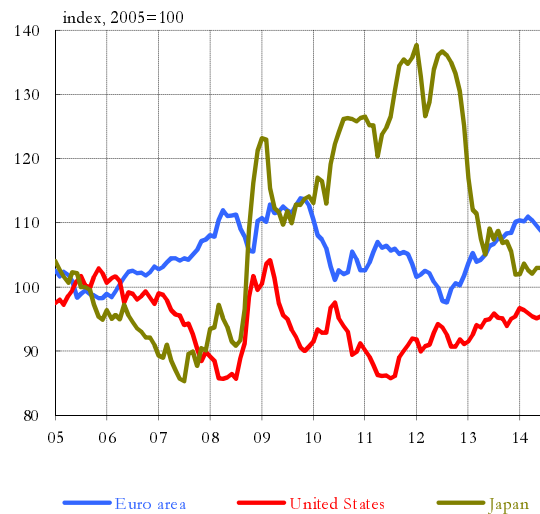
Euro vis-à-vis US dollar and JP yen



Stock market indices



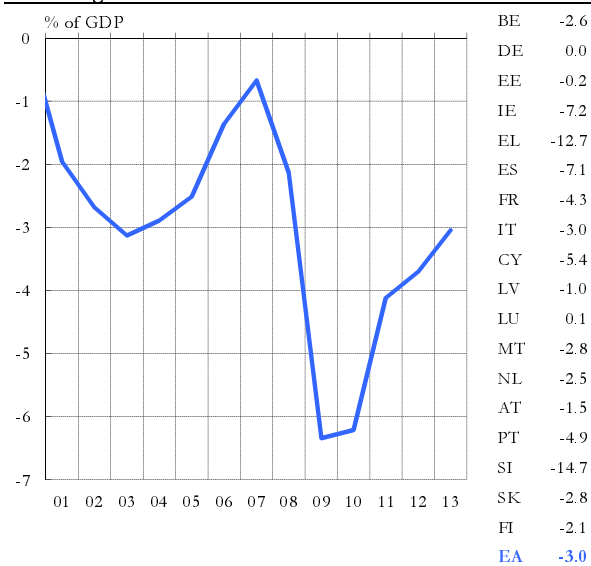
Nominal effective exchange rates



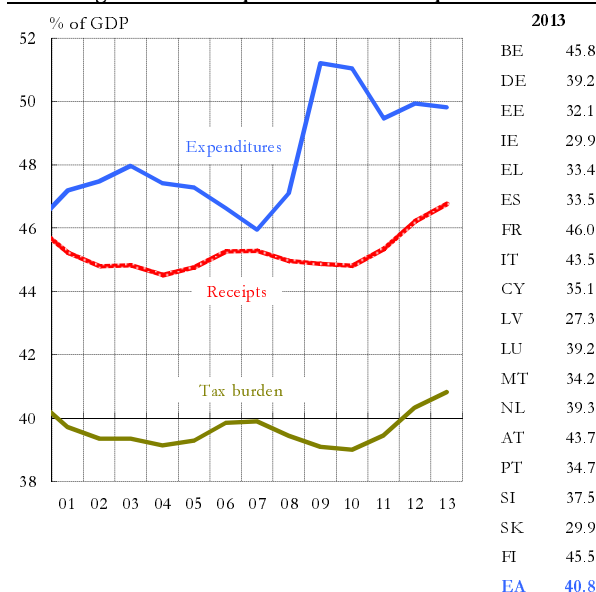


8. PUBLIC FINANCES

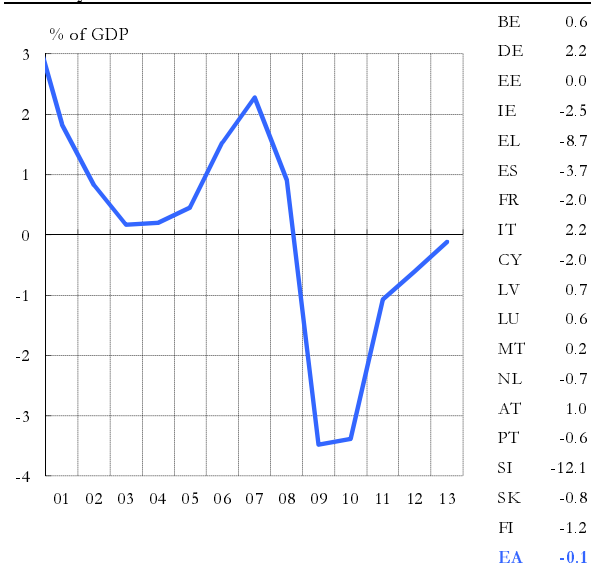
General government balance



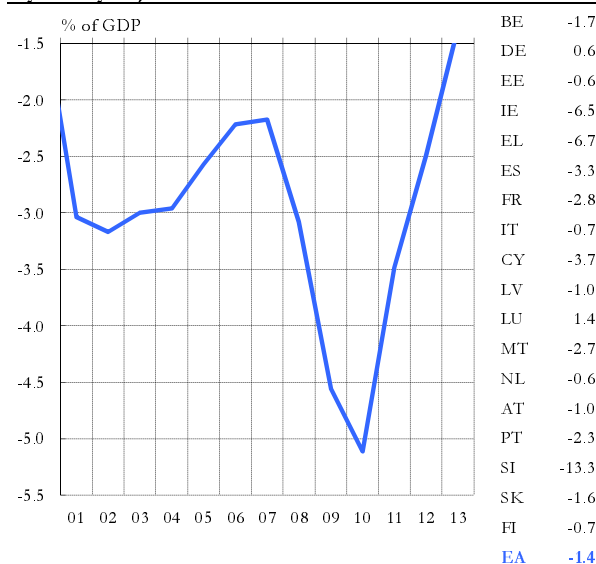
General government expenditure and receipts



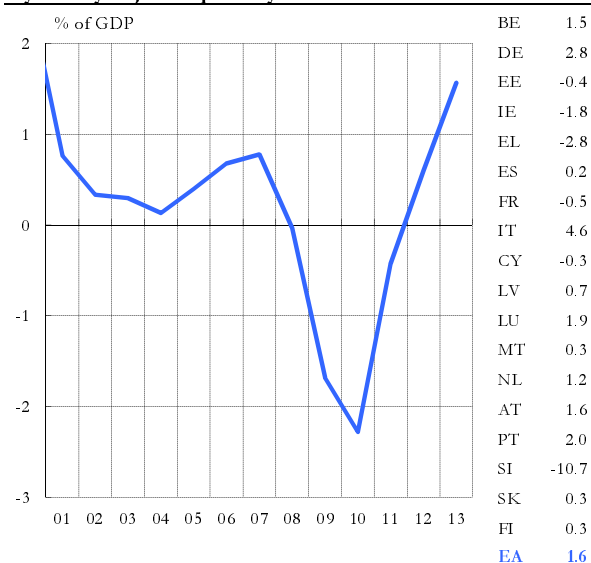
Primary balance



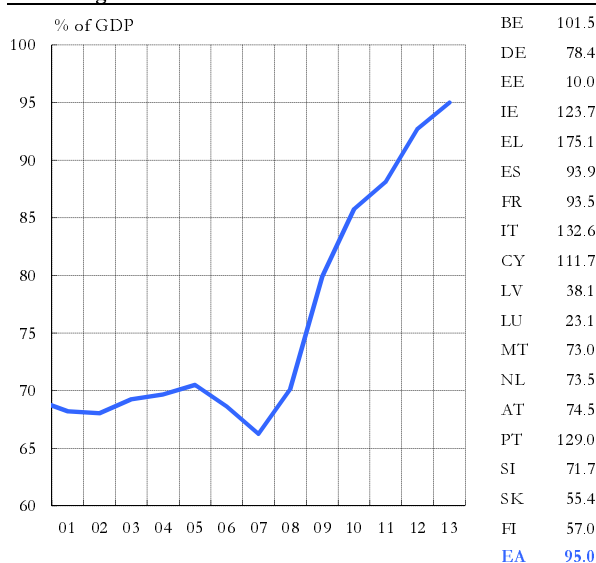
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



* Figures are from the Commission's spring 2014 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), Latvia (LV), Luxembourg (LU), Malta (MT), the Netherlands (NL), Austria (AT), Portugal (PT), Slovenia (SI), Slovakia (SK) and 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 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
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 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
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 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 adjusted for Bulgaria, Czech Republic, Germany, Ireland, France, Italy, Cyprus, Malta, Netherlands, Austria, Poland, Portugal, Slovakia, and United Kingdom, and seasonally and working day adjusted data for the remaining Member States.	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, 2005=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	Import price index, manufacturing (index 2010=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 2010=100)	HWWI
7. Monetary and financial indicators		
Nominal interest rate (3-month)	3-month EURIBOR interbank rate (360 days)	ECB/ Global Insight
Nominal interest rate (10-year)	10-year interest rate on government bonds for euro area (based upon the 10-year German government bond)	ECB/ Global Insight
ECB repo rate	Minimum bid rate of main refinancing operations, end of period.	ECB/ Global Insight
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)	Global Insight
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