

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

	LTA <sup>(1)</sup>	2013	2014	14Q4	15Q1	15Q2	15Q3	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	
<b>1. Output</b>														
Economic Sentiment	indicator	100.1	93.8	101.6	100.8	102.6	103.7	104.6	103.8	103.5	104.0	104.1	105.6	--
Industrial confidence	balance	-6.7	-9.1	-3.9	-4.5	-4.0	-3.2	-2.9	-3.0	-3.4	-2.9	-3.7	-2.2	--
Services confidence	balance	9.0	-5.4	4.8	5.3	5.6	7.6	10.5	7.9	7.9	8.9	10.1	12.4	--
Industrial production (excluding construction)	% ch. on prev. period				0.5	1.0	-0.2		-0.2	-0.3	0.6	--	--	--
	% ch. on prev. year		0.8	-0.7	0.8	0.3	1.6	1.3	1.6	1.5	1.9	--	--	--
Gross domestic product	% ch. on prev. period				0.4	0.5	0.4	--						
	% ch. on prev. year		1.4	-0.3	0.9	0.9	1.2	1.5	--	--	--	--	--	--
Labour productivity	% ch. on prev. period				0.3	0.3	0.0	--						
	% ch. on prev. year		0.5	0.4	0.3	0.1	0.4	0.7	--	--	--	--	--	--
<b>2. Private consumption</b>														
Consumer confidence	balance	-13.0	-18.7	-10.1	-11.3	-6.3	-5.3	-7.1	-5.6	-5.6	-7.2	-6.9	-7.1	--
Retail confidence	balance	-8.6	-12.2	-3.2	-5.1	-1.6	-0.2	2.9	1.5	-1.3	1.1	3.5	4.1	--
Private consumption	% ch. on prev. period				0.6	0.5	0.4	--						
	% ch. on prev. year		1.2	-0.6	0.9	1.4	1.7	1.9	--	--	--	--	--	--
Retail sales	% ch. on prev. period				0.7	0.9	0.4	--	0.2	-0.1	0.3	--	--	--
	% ch. on prev. year		0.4	-0.8	1.3	1.9	2.1	2.2	2.6	1.7	2.7	--	--	--
<b>3. Investment</b>														
Capacity utilisation	level (%)	81.2	78.4	80.4	80.5	81.0	81.2	81.1	--	--	81.1	--	--	--
Production expectations (manuf.)	balance	5.7	3.3	7.7	6.4	7.3	6.9	8.2	7.6	6.8	7.2	6.6	10.8	--
Gross fixed capital formation	% ch. on prev. period				0.6	1.4	-0.5	--						
	% ch. on prev. year		1.2	-2.6	1.2	0.8	1.8	1.9	--	--	--	--	--	--
- equipment investment	% ch. on prev. period				0.8	2.1	0.4	--						
	% ch. on prev. year			-2.2	3.2	1.7	4.7	4.3	--	--	--	--	--	--
- construction investment	% ch. on prev. period				0.6	1.9	-1.1	--						
	% ch. on prev. year			-3.6	-0.5	0.3	0.8	1.3	--	--	--	--	--	--
Change in stocks	contrib. to GDP (pp.)	0.0	0.2	-0.1	-0.1	0.0	-0.1	--						
<b>4. Labour market</b>														
Employment expectations (manuf.)	balance	-10.3	-9.4	-5.1	-6.1	-3.3	-2.2	-2.8	-1.8	-2.2	-3.2	-3.0	-2.3	--
Employment expectations (services)	balance	5.0	-4.1	1.1	1.3	3.9	6.1	7.2	6.2	6.7	6.0	7.7	8.0	--
Employment	% ch. on prev. period				0.1	0.2	0.3	--						
	% ch. on prev. year		0.4	-0.7	0.6	0.8	0.8	0.8	--	--	--	--	--	--
Employment (000)	abs. ch. on prev. period		-979	908	169	288	493	--						
Compensation of employees per head (nominal)	% ch. on prev. period				0.4	0.5	0.1	--						
	% ch. on prev. year		2.0	1.6	1.5	1.3	1.4	1.5	--	--	--	--	--	--
Unemployment expectations	balance	27.0	34.4	21.3	23.7	13.4	9.8	14.4	10.6	8.7	12.2	14.3	16.7	--
Unemployment rate	% of lab. force		12.0	11.6	11.5	11.2	11.1	11.0	11.1	11.1	11.0	11.0	--	--
Unemployment (000)	abs. ch. on prev. period		1,043	-606	-138	-414	-200	-186	-38	31	-193	-1	--	--
<b>5. International transactions</b>														
World trade	% ch. on prev. period				1.2	-1.4	-0.3	--	-1.4	2.6	-0.4	--	--	--
	% ch. on prev. year			2.5	3.3	3.7	2.4	1.5	--	--	--	--	--	--
Export order books	balance	-18.8	-21.3	-13.5	-13.3	-12.4	-11.1	-11.5	-10.9	-11.6	-10.1	-12.1	-12.4	--
Trade balance (merchandise)	billion EUR		156.5	194.0	62.3	59.4	65.0	22.4	21.3	21.9	22.4	--	--	--
Exports of goods and services	% ch. on prev. period				0.9	1.0	1.6	--						
	% ch. on prev. year		4.9	2.1	3.9	4.3	4.8	5.2	--	--	--	--	--	--
Imports of goods and services	% ch. on prev. period				0.9	1.5	1.0	--						
	% ch. on prev. year		4.5	1.3	4.2	4.8	5.5	5.2	--	--	--	--	--	--
Current-account balance	billion EUR		176.7	210.8	57.8	81.7	67.4	22.6	19.2	24.9	22.6	--	--	--
Direct investment	billion EUR		13.7	19.7	-17.4	85.0	10.0	29.7	17.8	1.1	29.7	--	--	--
Portfolio investment	billion EUR		-11.1	94.2	95.9	-131.2	123.6	58.5	20.3	50.6	58.5	--	--	--
<b>6. Prices</b>														
Consumer inflation expectations	balance	19.7	16.9	8.2	4.7	-2.2	3.0	3.5	3.6	4.8	4.2	3.1	3.2	--
Headline inflation (HICP)	% ch. on prev. year		1.4	0.4	0.2	-0.3	0.2	0.1	0.3	0.2	0.2	0.1	-0.1	--
Core HICP	% ch. on prev. year		1.3	0.9	0.7	0.6	0.8	0.7	0.9	0.8	0.9	0.9	0.9	--
Domestic producer prices	% ch. on prev. year		-0.2	-1.5	-1.9	-2.9	-2.1	-2.4	-2.0	-2.1	-2.1	-2.6	--	--
Import prices	% ch. on prev. year		-1.4	-1.4	-1.0	-0.5	0.8	--	0.8	0.3	--	--	--	--
	level		108.7	99.7	77.8	54.9	62.9	51.2	65.4	63.4	57.1	47.8	48.4	47.5
Oil (Brent) in USD	% ch. on prev. period				-24.9	-29.4	14.6	-18.5	9.1	-3.1	-9.9	-16.2	1.2	0.0
	% ch. on prev. year			-2.7	-8.3	-28.8	-49.2	-42.7	-40.1	-43.4	-47.3	-53.7	-51.0	-46.3
	level		81.9	74.8	62.4	48.8	57.0	46.1	58.6	56.5	51.9	43.0	43.1	42.5
Oil (Brent) in EUR	% ch. on prev. period				-20.1	-21.7	16.6	-19.0	4.9	-3.6	-8.2	-17.2	0.4	0.0
	% ch. on prev. year			-5.8	-8.6	-22.3	-38.1	-28.8	-26.4	-31.3	-35.2	-44.6	-43.7	-39.1
Non-energy commodity prices (EUR)	% ch. on prev. period				0.4	1.1	-1.3	-7.2	-1.6	-2.4	-1.0	-5.6	-1.6	--
	% ch. on prev. year			-8.3	-4.4	0.9	2.3	-0.5	-0.3	-1.6	-2.4	-9.0	-9.6	--
<b>7. Monetary and financial indicators</b>														
Nominal interest rates (3 month)	level		0.22	0.21	0.08	0.05	-0.01	-0.03	-0.01	-0.01	-0.02	-0.03	-0.04	-0.04
Nominal interest rates (10 year)	level		1.59	1.22	0.78	0.34	0.54	0.69	0.60	0.83	0.73	0.65	0.68	0.58
ECB repo rate	level		0.55	0.16	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Stock market (Eurostoxx)	% ch. on prev. period				-2.2	10.9	5.2	-6.5	-3.1	-2.7	0.7	-2.8	-8.1	-3.1
	% ch. on prev. year		15.8	12.6	2.8	11.4	12.7	6.7	13.2	7.6	11.1	11.5	-2.1	1.2
Money demand (M3)	% ch. on prev. year		2.3	1.9	3.1	4.2	5.1	5.1	5.0	4.9	5.3	4.8	--	--
Loans to households	% ch. on prev. year		-0.1	-0.3	-0.3	0.0	1.2	1.4	1.0	1.2	1.3	1.4	--	--
Loans to non-financial corporations	% ch. on prev. year		-2.9	-1.3	-1.3	-0.6	-0.1	0.4	-0.2	-0.1	0.4	0.4	--	--
	level		1.33	1.33	1.25	1.13	1.11	1.11	1.11	1.12	1.10	1.11	1.12	1.12
Bilateral exchange rate EUR/USD	% ch. on prev. period				-5.7	-9.9	-1.9	0.6	3.4	0.6	-1.9	1.3	0.7	0.0
	% ch. on prev. year			3.4	0.0	-8.2	-17.8	-19.4	-18.8	-17.5	-18.8	-16.3	-13.0	-11.7
Nominal effective exchange rate	% ch. on prev. period				-2.2	-6.1	-1.9	1.6	2.1	0.8	-1.1	1.8	0.8	0.1
	% ch. on prev. year			3.7	0.6	-3.6	-10.2	-11.9	-11.7	-10.2	-10.7	-8.4	-6.2	-5.2

(1) LTA=Long-Term Average

(2) Data available until the date of update

## 1. Output

**Real GDP** in the euro area continued growing in the second quarter of 2015 mainly driven by stronger net exports. According to Eurostat's second estimate, it increased by 0.4% quarter-on-quarter (q-o-q). As compared to 2014-Q2, real GDP was 1.5% higher. According to the **Commission's spring 2015 forecast**, released on 5 May, euro-area GDP is expected to increase by 1.5% and 1.9% in 2015 and 2016 respectively, on the back of private consumption (1.8% and 1.6% y-o-y in 2015 and 2016 respectively) and investment (1.7% and 4.0% y-o-y in 2015 and 2016 respectively). Tailwinds such as a weaker euro, low oil prices and very accommodative monetary policy should support the strengthening of economic activity.

In September, the **Commission's Economic Sentiment Indicator** improved markedly in the euro area (1.5 points increase to 105.6 compared to August). Enhanced euro-area sentiment resulted from improvements in confidence in industry, services and, to a lesser extent, retail trade, which were only partly outweighed by easing construction confidence. Consumer confidence remained broadly unchanged.

**Industry confidence** (+1.5) was propelled by managers' rallying production expectations and, to a lesser degree, improved assessments of the current level of overall order books, while the adequacy of the stocks of finished products was assessed somewhat more cautiously.

The flash **PMI Composite Output Index** in September posted 53.9, down from 54.3 in August. Survey data pointed to steady growth of the eurozone economy at the end of the third quarter. Moreover, faster growth of new work and backlogs of orders point to continued expansion in coming months.

In July, **industrial production** rose by 0.6% (m-o-m) offsetting the loss registered in June. The increase was due to production of durable consumer goods rising by 1.3%, capital goods by 1.4% and energy by 3.0%, while production of both intermediate goods and non-durable consumer goods fell by 0.6%.

## 2. Private consumption

In 2015-Q2, **private consumption** increased by 0.4% q-o-q (0.5% in 2015-Q1). With respect to the same period of the previous year, private consumption was up by 1.9% (1.7% in 2015-Q1), which was the highest rate since 2007-Q2. In September, **consumer confidence** remained broadly flat (-0.2 points compared with August), reflecting two opposing forces: While consumers were more upbeat on questions relating to

their personal finances (expected financial situation, future savings), their views on macro-economic developments (future general economic situation, future unemployment) clouded over.

In July, the volume of **retail trade** rose by 0.3% (m-o-m) after decreasing by 0.1% in June. As compared to July 2014, retail trade volumes were 2.7% higher. In September, the upward development in **retail trade confidence** (+0.6) reflected managers' growing optimism about the expected business situation, which was dampened somewhat however by growing concerns about the adequacy of the volume of stocks. The assessment of the present business situation remained practically unaltered.

## 3. Investment

In 2015-Q2, **gross fixed capital formation** decreased by 0.5% q-o-q (+1.4% in 2015-Q1). Compared to the same quarter of the previous year, investment increased by 1.9%.

The rate of **capacity utilisation** (data collected in July) remained broadly stable at 81.1% (0.1 point lower than in April).

## 4. Labour market

In August, the **unemployment rate** remained stable at 11.0% compared to July 2015, and went down from 11.5% in August 2014. Significant differences persist across Member States, with the lowest rates recorded in Germany (4.5%) and the highest in Greece (25.2% in June 2015). In August, **youth unemployment** (people aged 15-24) was 22.3% of the labour force of the same age (compared to 23.6% in August 2014).

In 2015-Q2, seasonally-adjusted **employment** was 0.3% higher than in 2015-Q1 and 0.8% higher than in 2014-Q2. According to the Commission's survey results, in September **employment expectations** firmed in retail trade and industry, while they worsened in construction and remained broadly unchanged in services.

## 5. International transactions

In July, the **world trade volume** (goods) decreased by 0.4% m-o-m, following a 2.6% increase in June. In September, views on **export order books in manufacturing** worsened to -12.4 (-0.3 points compared to August), but remained above the long-term average of -18.8.

In July, the seasonally adjusted **trade balance** was in surplus at €22.4 bn, compared with €21.9 bn in June 2015. The seasonally adjusted **current-account balance**



also recorded a surplus in July (€22.6 bn). Surpluses were recorded for goods, services, and primary income (€26.9 bn, €3.6 bn, and €2.8 bn, respectively), whereas a deficit was registered for secondary income (€10.7 bn). The **financial account** in July (combined direct and portfolio investment) recorded increases of €22 billion in assets and a decrease of €66 billion in liabilities.

## 6. Prices

In September, annual **HICP inflation** was -0.1% according to Eurostat's flash estimate, down from 0.1% in August. Looking at the main components of euro area inflation, food, alcohol & tobacco have the highest annual rate (1.4%, up from 1.3% in August), followed by services (1.3%, up from 1.2% in August), and non-energy industrial goods (0.3%, down from 0.4% in August). These increases were completely offset by a strong decline in energy prices (-8.9%, compared with -7.2% in August).

In September, **core inflation** (all items excl. energy and unprocessed food) was at 0.9% (stable since August).

The **Commission's spring 2015 forecast** projects HICP inflation at 0.1% in 2015 and at 1.5% in 2016. In September 2015, **consumer price expectations** stabilized compared to August, after having decreased since June.

In August, **industrial producer prices** decreased with 0.8% compared to July 2015. Compared to August 2014, industrial producer prices decreased by 2.6%.

Brent crude **oil prices** have rebounded until May from the sharp fall they experienced up to 28 January (47.7 USD/bbl.), mainly driven by supply factors. Since May, prices have steadily been falling again to the level of January 2015. On 1 October, Brent crude traded at 47.84 USD/bbl. (corresponding to 42.89 EUR/bbl.).

## 7. Monetary and financial indicators

**Money market interest rates** have declined further in an environment of excess liquidity. On 1 October, the 3-month EURIBOR was at the same rate as it was in August 2015 (0.0%).

At its meeting on 3 September, the ECB Governing Council kept **policy interest rates** on the main refinancing operations, on the marginal lending facility and the deposit facility unchanged (at 0.05%, 0.30% and -0.20% respectively). Regarding non-standard monetary policy measures, the Governing Council decided to increase the issue share limit from the initial limit of 25% to 33%, subject to a case-by-case verification that

this would not create a situation whereby the Eurosystem would have blocking minority power.

**Benchmark sovereign bond yields** in the euro area have started increasing since May until mid-June as inflation expectations have recovered. Since then they started to decrease, with a sharp drop in early July. On 1 October, the benchmark yield of ten-year sovereign bonds stood at 0.55%.

The July 2015 **Bank Lending Survey** confirmed a further net easing of credit standards on loans to enterprises in the second quarter of 2015 (-3%, after -10% in the previous quarter), which was stronger than the April survey round expectations. Credit standards on loans to households for house purchase eased considerably (-9%, from 2% in the previous quarter) as did standards on consumer credit and other lending to households (-4%, from -5%).

The annual rate of change of **M3** decreased to 4.8% in August 2015 (from 5.3% in July). The annual growth in loans to the private sector stood at 1.0% (up from 0.9% in April). The annual growth in loans to households (adjusted for sales and securitisation) slightly increased to 1.0% (from 0.9% in July), and the annual growth rate of loans to non-financial corporations (adjusted) increased to 0.4% (from 0.3% in July).

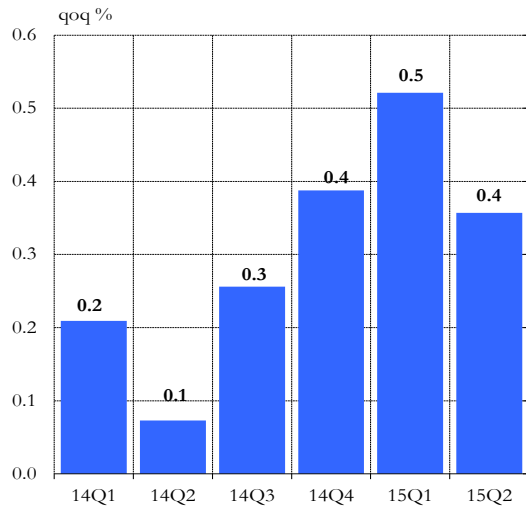
In its statement of 17 September, the **FOMC** reaffirmed its view that the current 0 to ¼% target range for the federal funds rate remains appropriate. The Committee will assess progress -both realized and expected- toward its objectives of maximum employment and 2 percent inflation. On 1 October, the US 3-month Libor rate stood at 0.324%.

After its 2015 low of 1.06 in mid-April the **EUR/USD exchange rate** has rebounded to around 1.12 in September. On 1 October the EUR/USD exchange rate stood at 1.1153. Factors at play are the market uncertainty, diverging monetary policy, and the impact of the ECB's quantitative easing. On 1 October, the JPY/EUR foreign exchange reference rate stood at 133.56.

**Stock market indices** in the US (Dow Jones and S&P500) took losses of over 10% between mid and end August, from which they have only partially recovered in September. In Japan, the index decreased almost 10% in the last three weeks of August, and keeps on noting lower in September. In Europe, stock markets have lost over 10% in the course of August and have not recovered since then. On 1 October, European and Japanese indices lost around 3% compared to 1 September, while US indices noted around 1% higher compared to one month ago.

## 1. OUTPUT

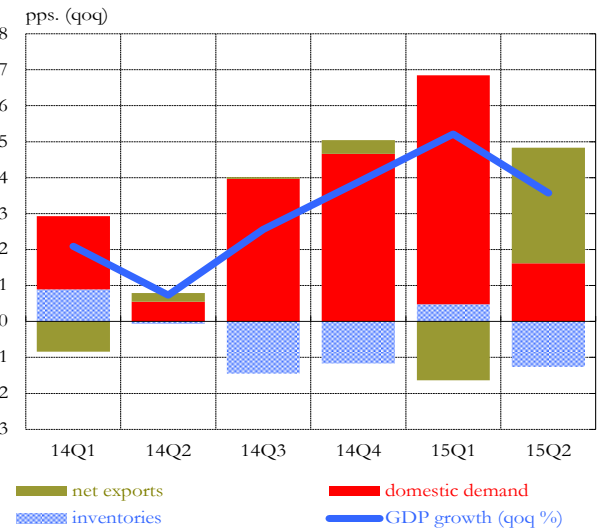
### GDP



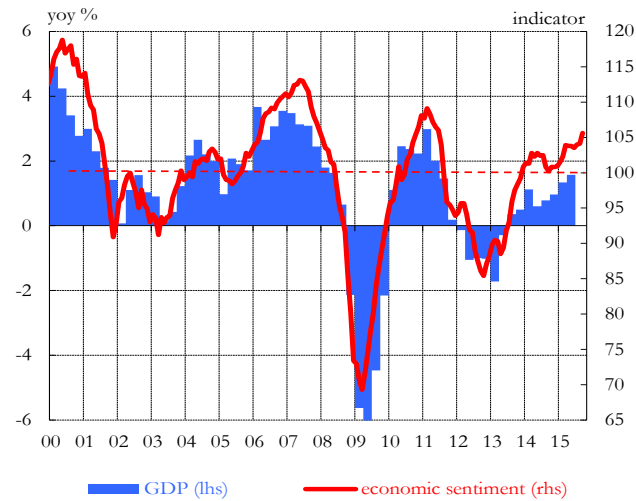
15Q2

BE	0.4
DE	0.4
EE	0.7
IE	1.9
EL	0.9
ES	1.0
FR	0.0
IT	0.3
CY	0.5
LV	1.2
LT	0.4
LU	--
MT	1.1
NL	0.2
AT	0.1
PT	0.5
SI	0.7
SK	0.8
FI	0.2
EA	0.4

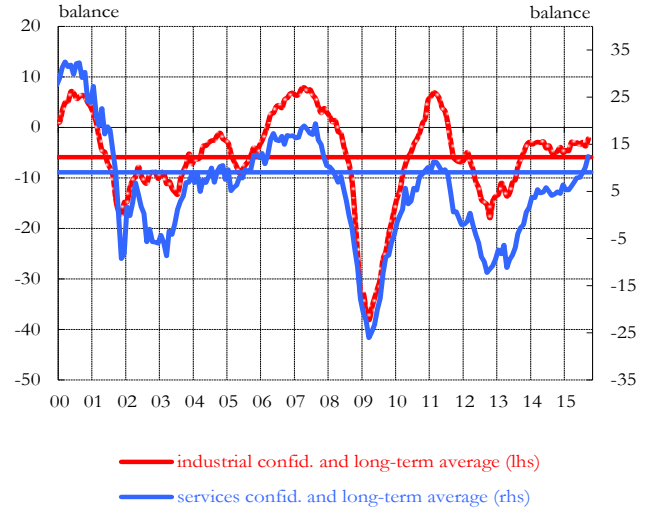
### Contributions to GDP growth



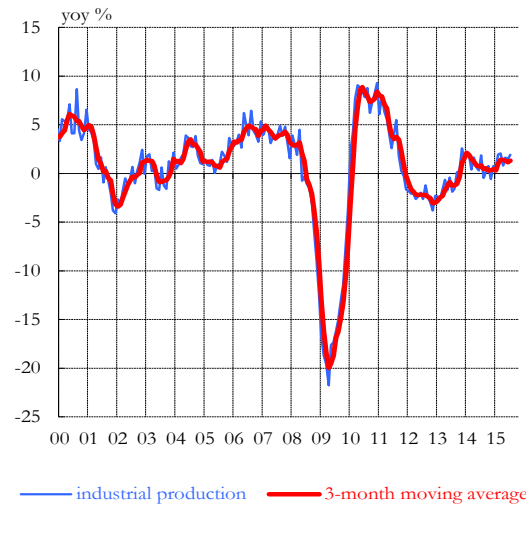
### GDP and Economic Sentiment Indicator



### Industrial and services confidence



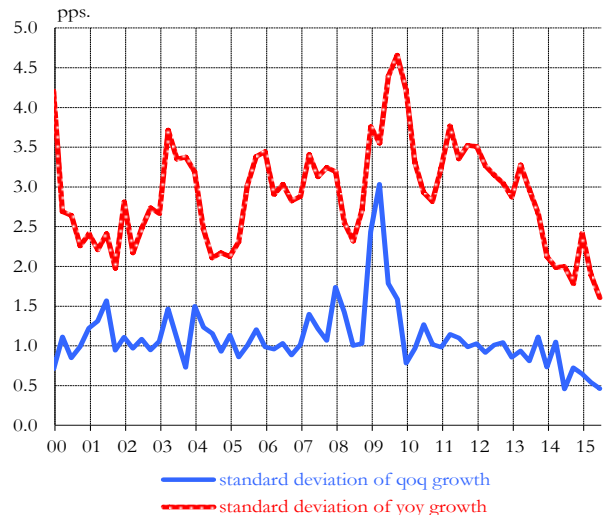
### Industrial production



Jul-15

BE	0.6
DE	0.5
EE	-5.9
IE	17.9
EL	-1.5
ES	5.4
FR	-1.4
IT	2.7
CY	3.6
LV	8.3
LT	6.6
LU	0.7
MT	7.7
NL	-4.4
AT	3.6
PT	3.0
SI	3.3
SK	11.9
FI	-1.4
EA	1.9

### GDP growth divergence, euro area

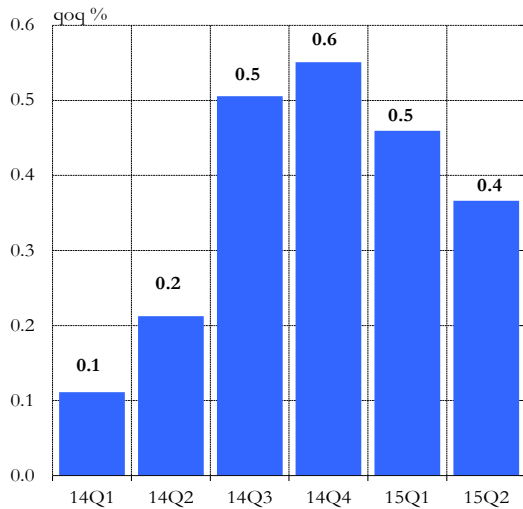




## 2. PRIVATE CONSUMPTION

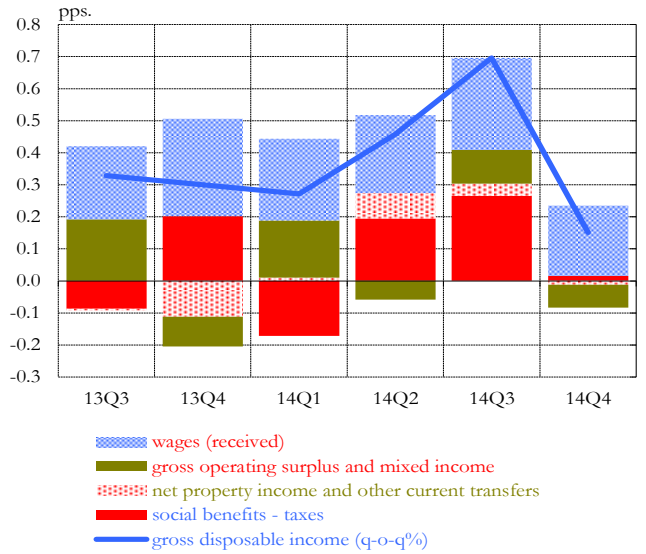
### Private consumption

15Q2



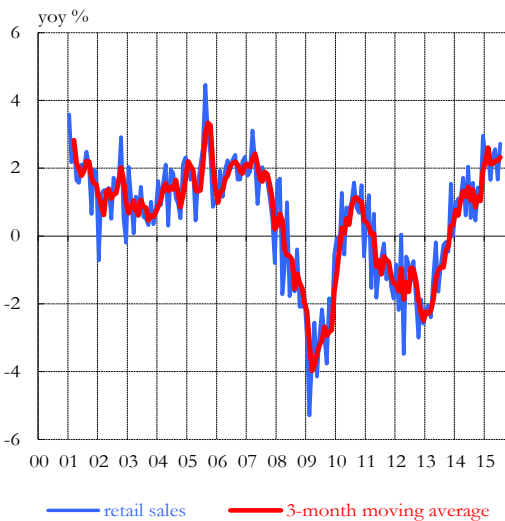
BE	0.5
DE	0.2
EE	1.3
IE	0.4
EL	1.0
ES	1.0
FR	0.0
IT	0.4
CY	0.6
LV	0.7
LT	2.7
LU	--
MT	0.3
NL	0.3
AT	0.1
PT	1.1
SI	0.9
SK	0.6
FI	-0.2
EA	0.4

### Household adjusted gross disposable income



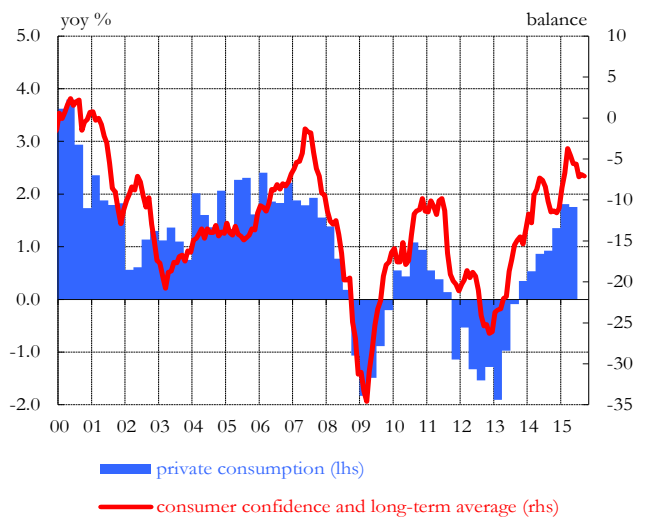
### Retail sales

Jul-15

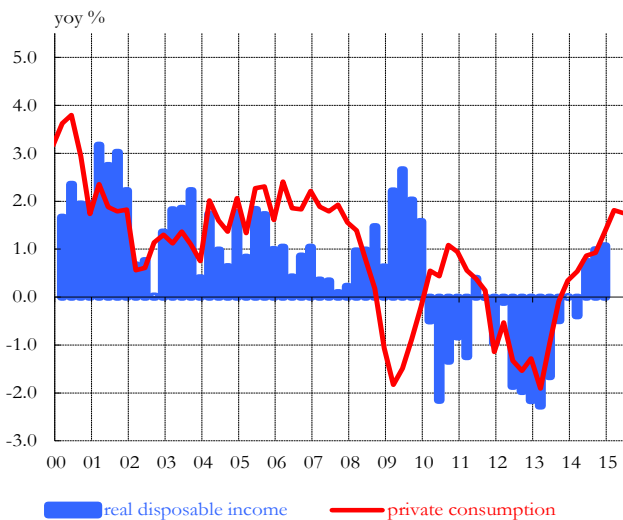


BE	2.0
DE	3.7
EE	7.8
IE	6.2
EL	-7.3
ES	3.4
FR	3.7
IT	2.4
CY	--
LV	4.2
LT	5.4
LU	-10.5
MT	4.9
NL	2.3
AT	2.2
PT	1.7
SI	0.1
SK	1.6
FI	0.5
EA	2.7

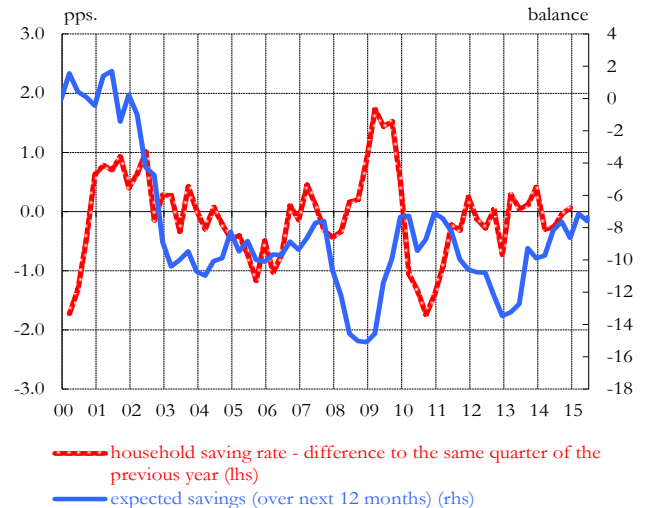
### Consumer confidence and private consumption



### Households: real disposable income and consumption



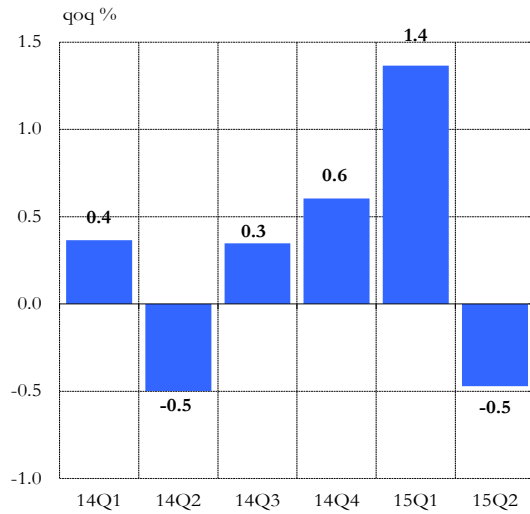
### Households: actual saving rate and expected savings



## 3. INVESTMENT

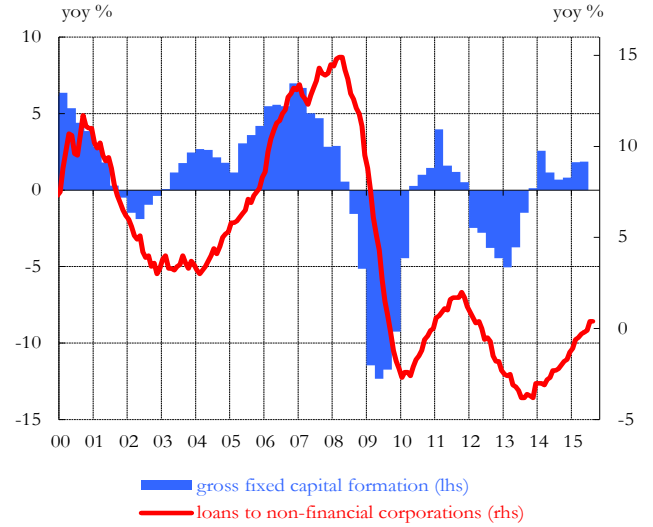
### Gross fixed capital formation

15Q2

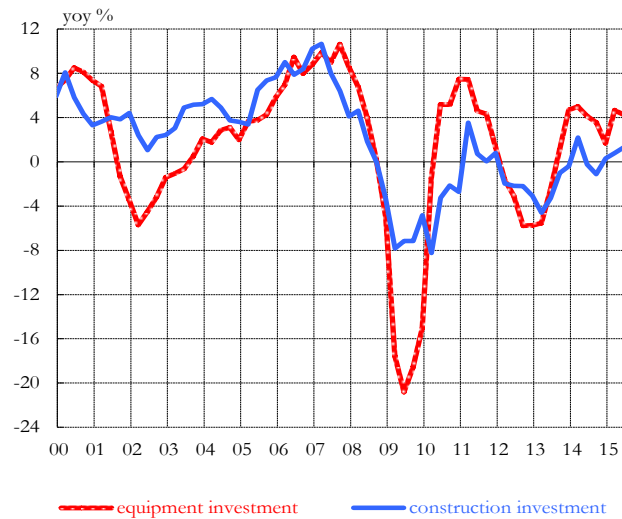


BE	-9.6
DE	-0.4
EE	0.0
IE	19.2
EL	-10.6
ES	2.0
FR	-0.2
IT	-0.3
CY	-26.5
LV	1.9
LT	5.9
LU	--
MT	4.2
NL	3.2
AT	0.0
PT	1.1
SI	-1.6
SK	3.9
FI	0.0
EA	-0.5

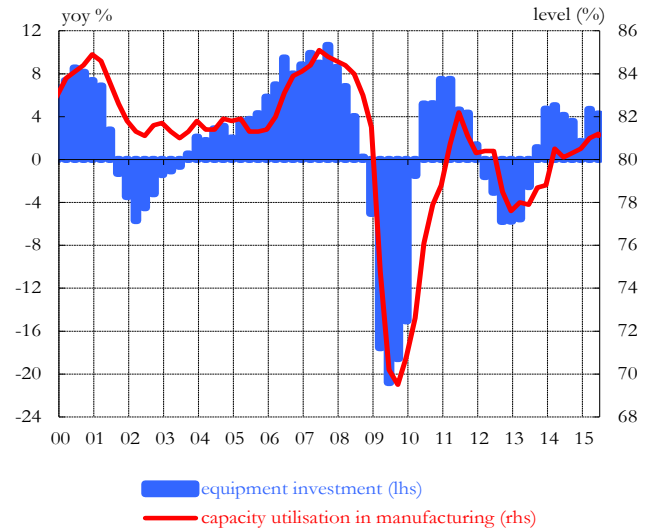
### Gross fixed capital formation and corporate loans



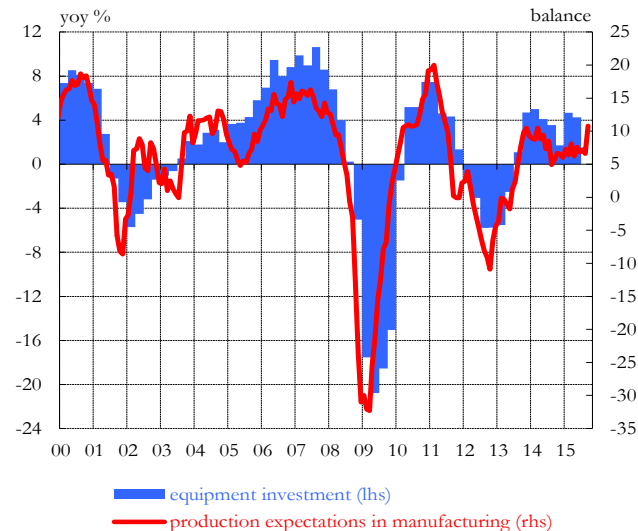
### Equipment and construction investment



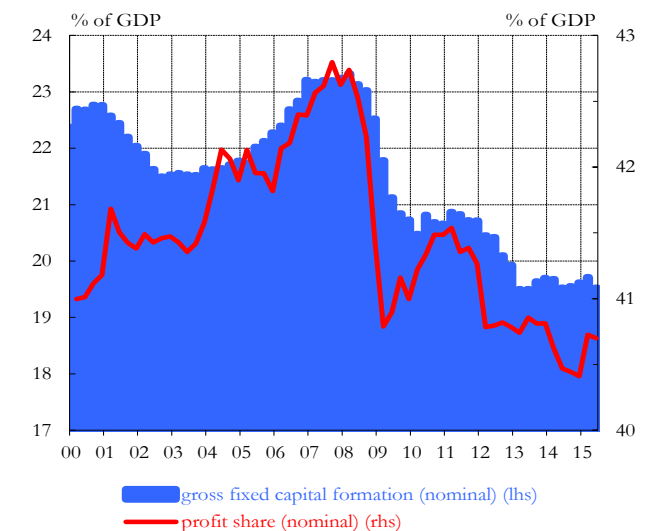
### Equipment investment and capacity utilisation



### Equipment investment and production expectations



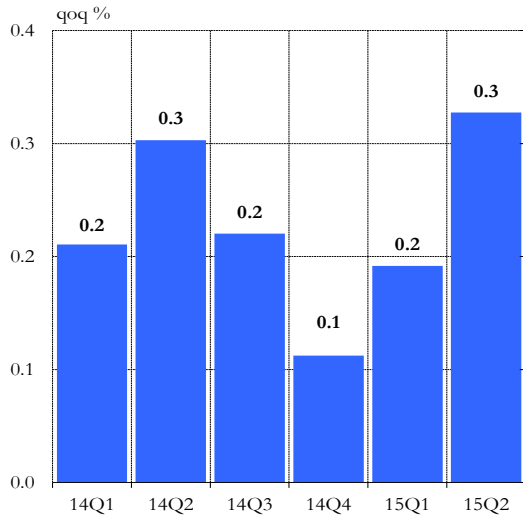
### Gross fixed capital formation and profit share



## 4. LABOUR MARKET

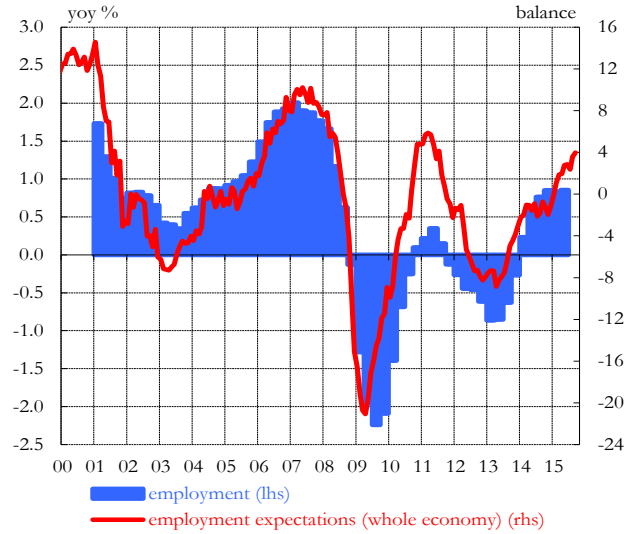
### Employment

15Q2



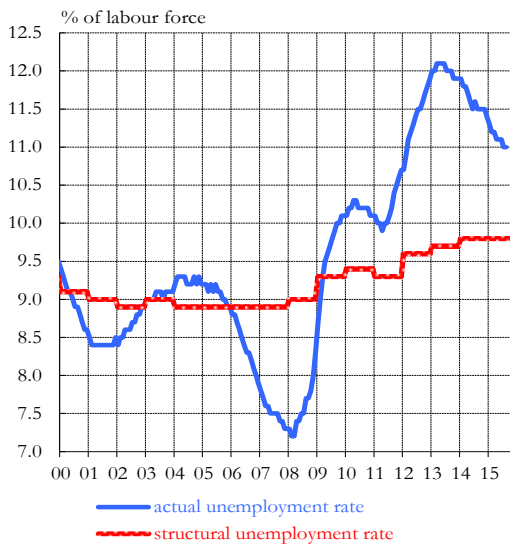
BE	0.2
DE	0.1
EE	0.8
IE	0.9
EL	1.2
ES	0.9
FR	0.1
IT	0.2
CY	0.1
LV	0.1
LT	-0.1
LU	--
MT	0.5
NL	--
AT	0.2
PT	0.9
SI	0.3
SK	0.7
FI	-0.3
<b>EA</b>	<b>0.3</b>

### Employment and employment expectations



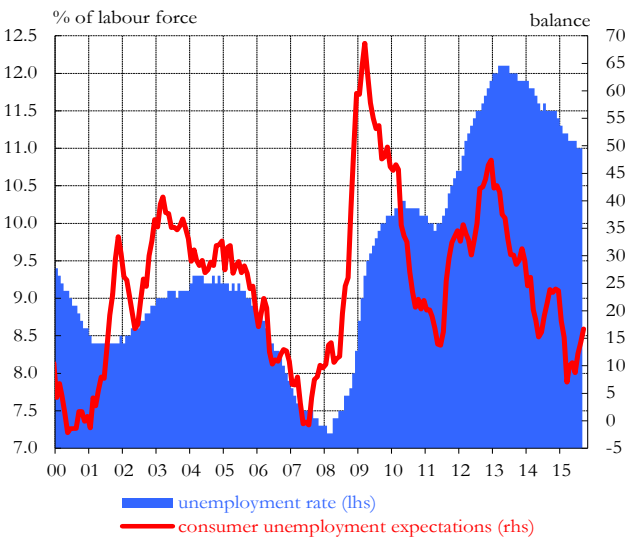
### Actual and structural unemployment rate

Aug-15

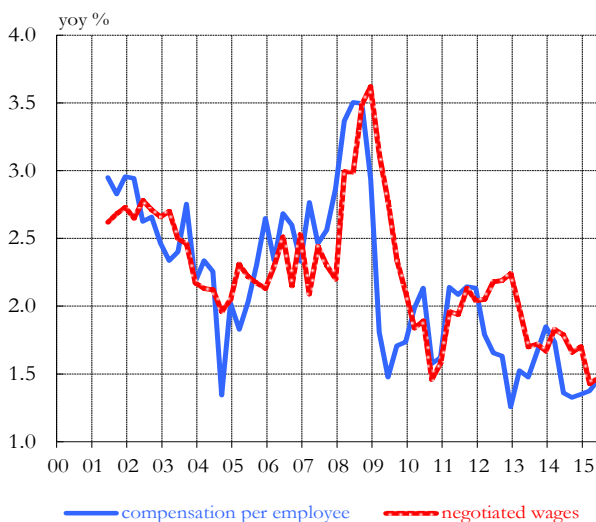


BE	8.8
DE	4.5
EE	--
IE	9.5
EL	--
ES	22.2
FR	10.8
IT	11.9
CY	15.3
LV	9.9
LT	9.6
LU	5.9
MT	5.1
NL	6.8
AT	5.7
PT	12.4
SI	9.4
SK	11.1
FI	9.7
<b>EA</b>	<b>11.0</b>

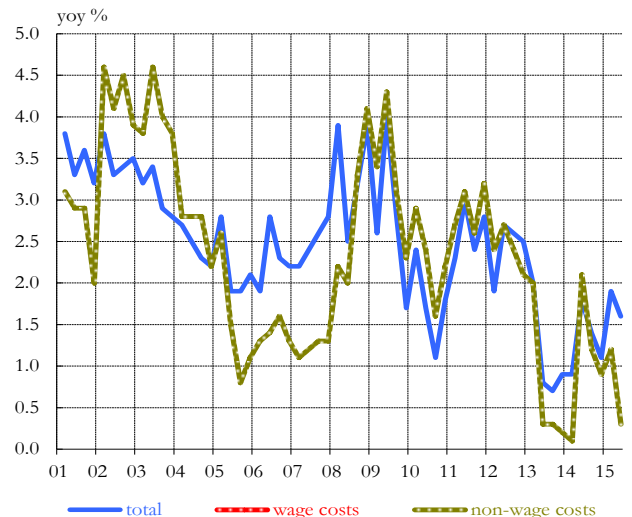
### Unemployment rate and unemployment expectations



### Compensation per head and negotiated wages (nominal)

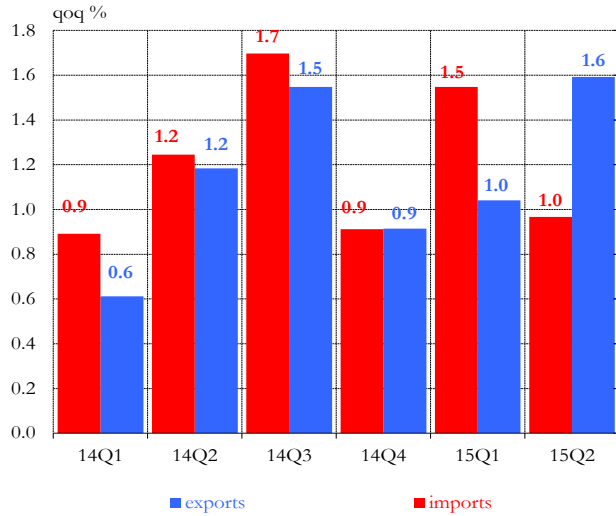


### Labour costs in the private business sector (nominal)

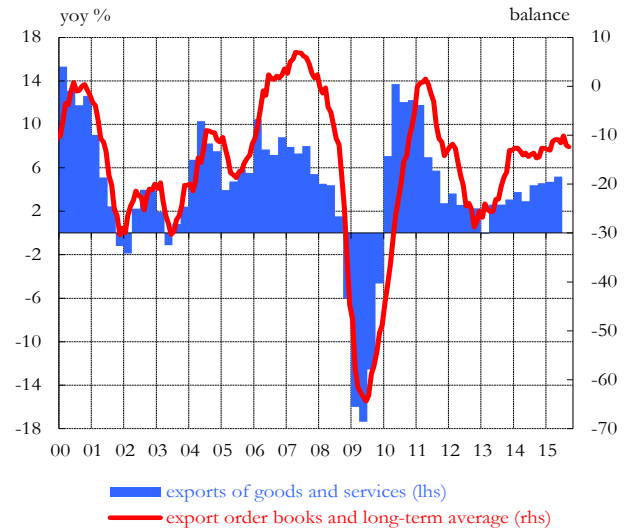


## 5. INTERNATIONAL TRANSACTIONS

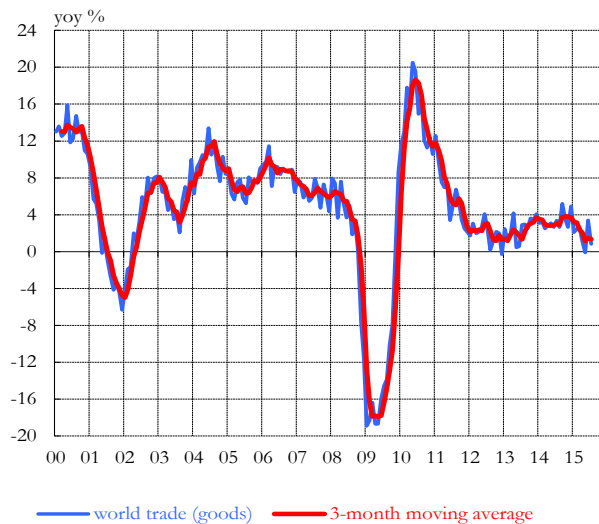
### Exports and imports of goods and services



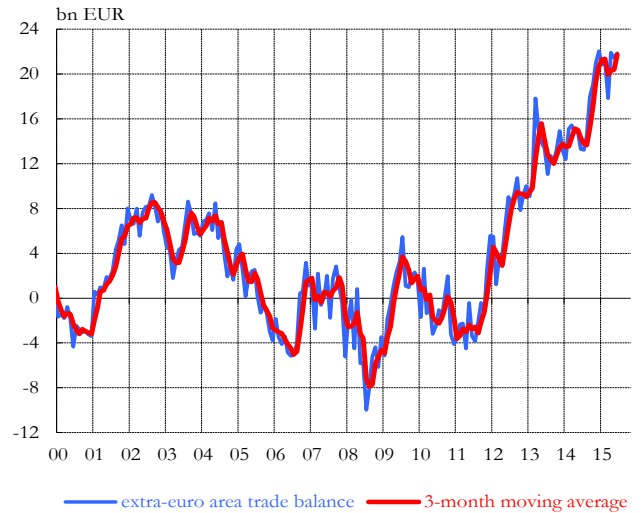
### Exports and export order books



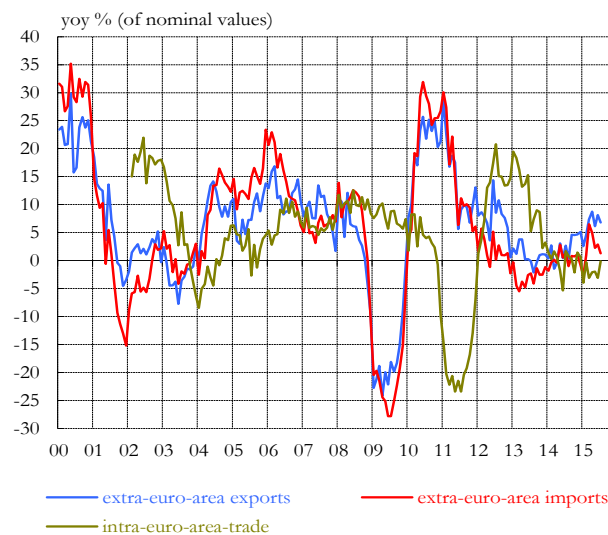
### World trade



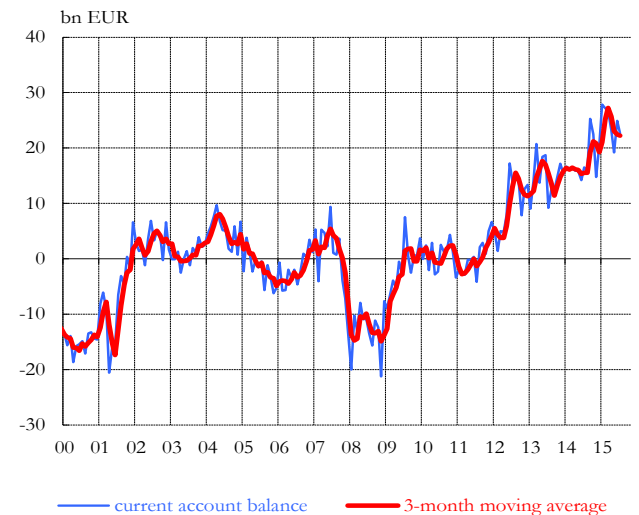
### Extra euro-area trade balance



### Extra- and intra-euro-area trade



### Current-account balance

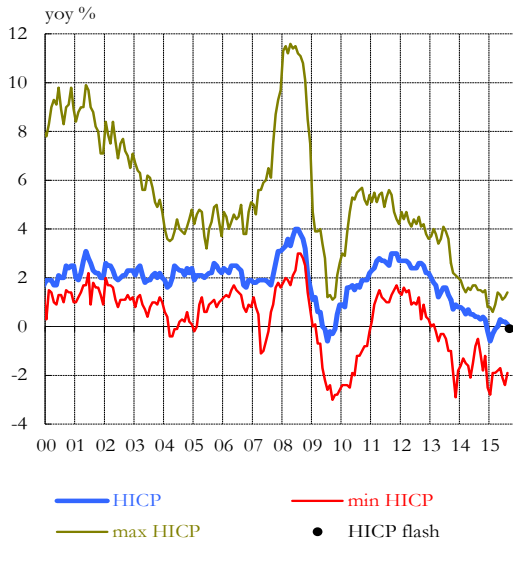




## 6. PRICES

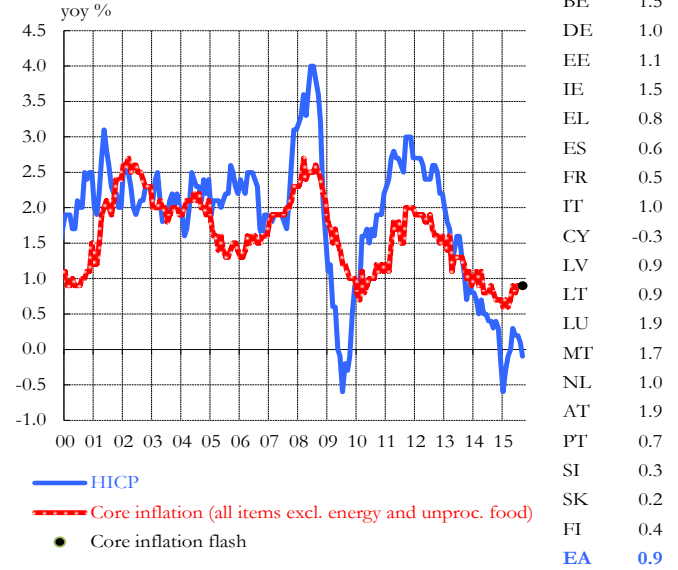
### Harmonised index of consumer prices (HICP)

Aug-15

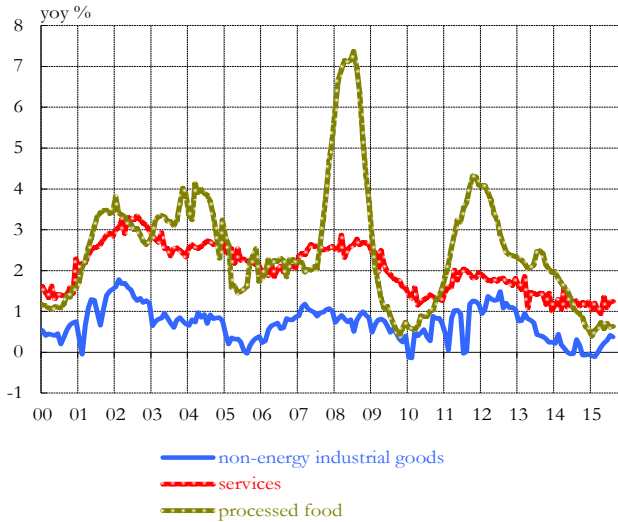


### HICP headline and core inflation

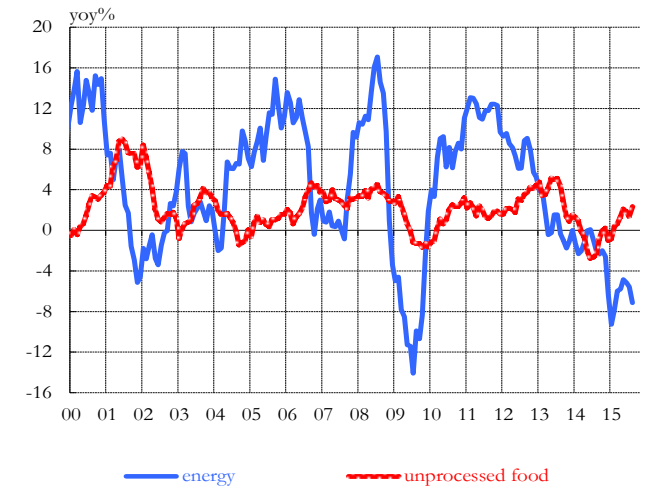
Aug-15



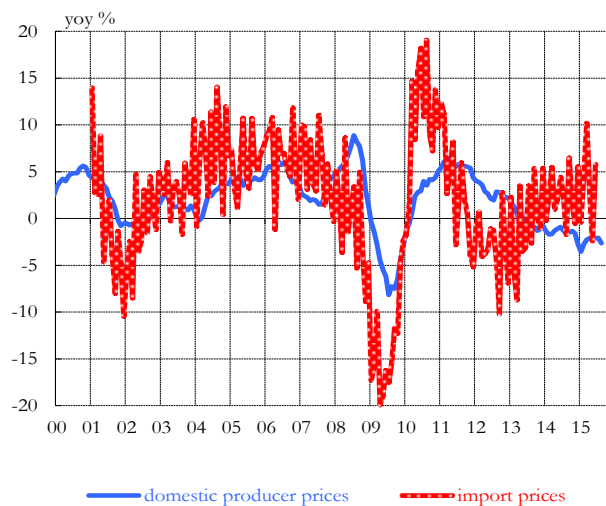
### Breakdown of core inflation



### Energy and unprocessed food



### Domestic producer prices and import prices

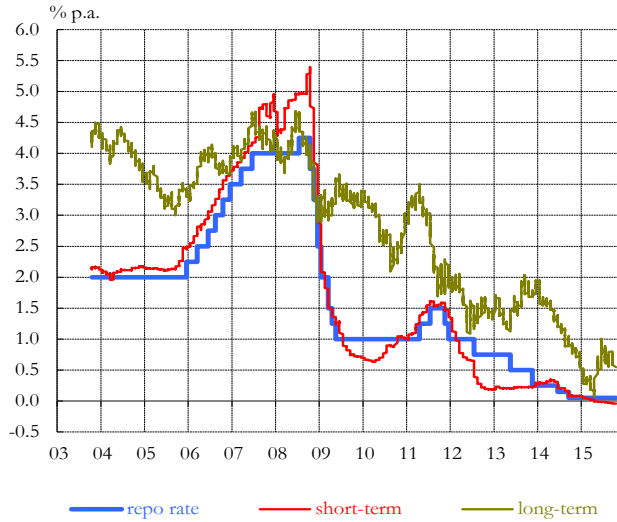


### Oil prices

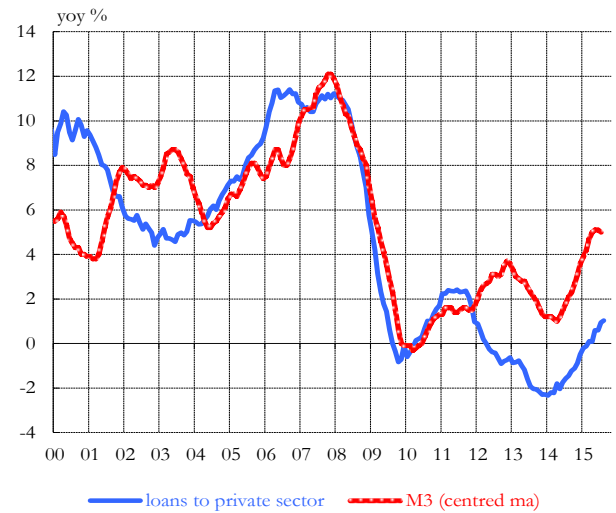


## 7. MONETARY AND FINANCIAL INDICATORS

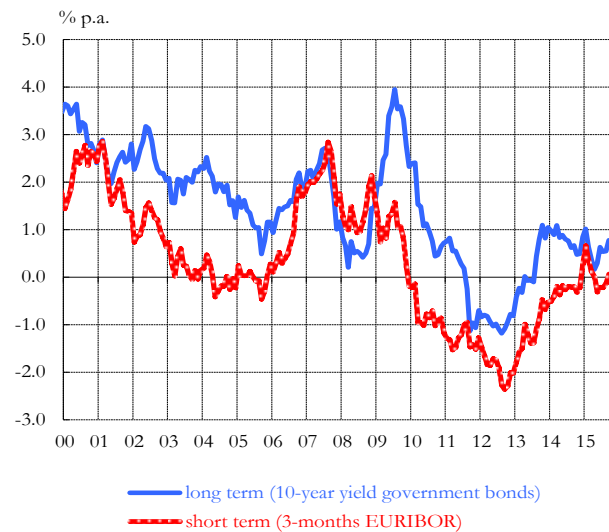
### Nominal interest rates



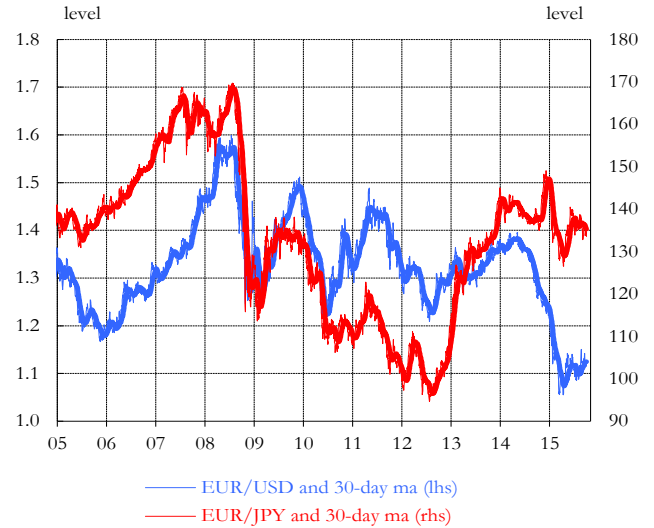
### Loans to private sector and money supply



### Real interest rates



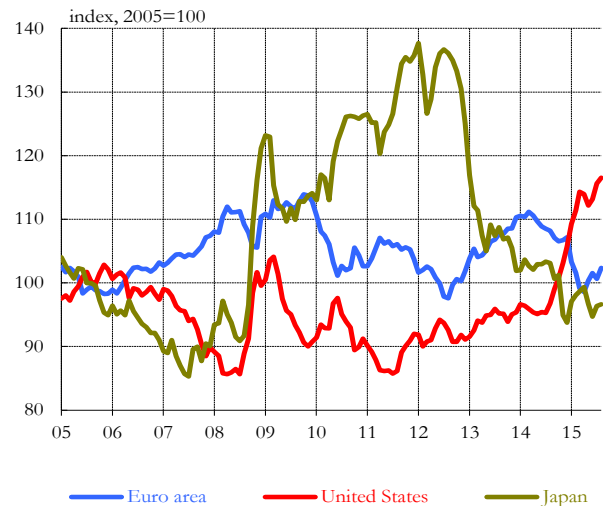
### Euro vis-à-vis US dollar and JP yen



### Stock market indices



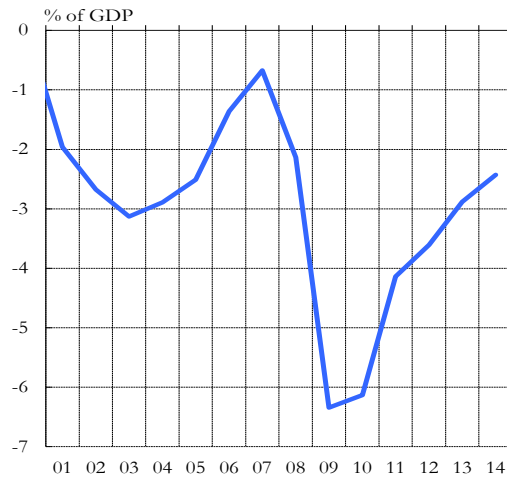
### Nominal effective exchange rates



## 8. PUBLIC FINANCES

### General government balance

2014

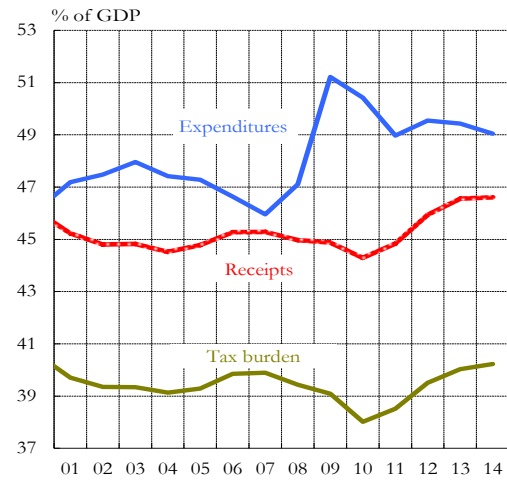


BE	-3.2
DE	0.7
EE	0.6
IE	-4.1
EL	-3.5
ES	-5.8
FR	-4.0
IT	-3.0
CY	-8.8
LV	-1.4
LT	-0.7
LU	0.6
MT	-2.1
NL	-2.3
AT	-2.4
PT	-4.5
SI	-4.9
SK	-2.9
FI	-3.2
<b>EA</b>	<b>-2.4</b>

### General government expenditure and receipts

tax burden

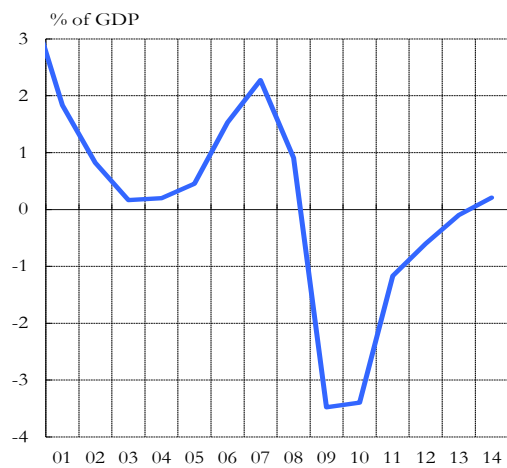
2014



BE	44.7
DE	38.4
EE	32.8
IE	29.4
EL	35.3
ES	33.2
FR	45.8
IT	43.2
CY	34.2
LV	31.1
LT	24.7
LU	39.7
MT	34.2
NL	37.6
AT	43.1
PT	34.2
SI	36.5
SK	30.7
FI	44.2
<b>EA</b>	<b>40.2</b>

### Primary balance

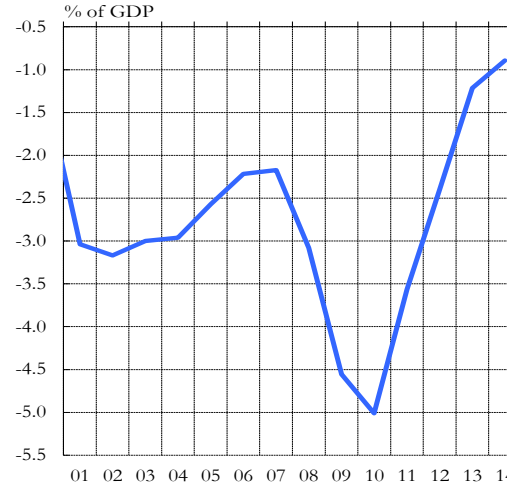
2014



BE	-0.2
DE	2.4
EE	0.7
IE	-0.1
EL	0.4
ES	-2.5
FR	-1.8
IT	1.6
CY	-6.0
LV	-0.1
LT	0.9
LU	1.0
MT	0.8
NL	-0.8
AT	0.0
PT	0.5
SI	-1.6
SK	-0.9
FI	-1.9
<b>EA</b>	<b>0.2</b>

### Cyclically adjusted balance

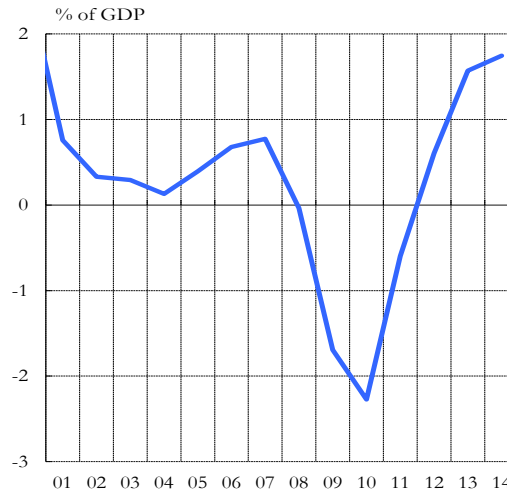
2014



BE	-2.5
DE	1.2
EE	0.0
IE	-4.2
EL	1.0
ES	-2.3
FR	-2.6
IT	-0.8
CY	-6.1
LV	-2.0
LT	-0.9
LU	1.8
MT	-2.3
NL	-0.3
AT	-1.7
PT	-1.9
SI	-3.6
SK	-1.7
FI	-1.5
<b>EA</b>	<b>-0.9</b>

### Cyclically adjusted primary balance

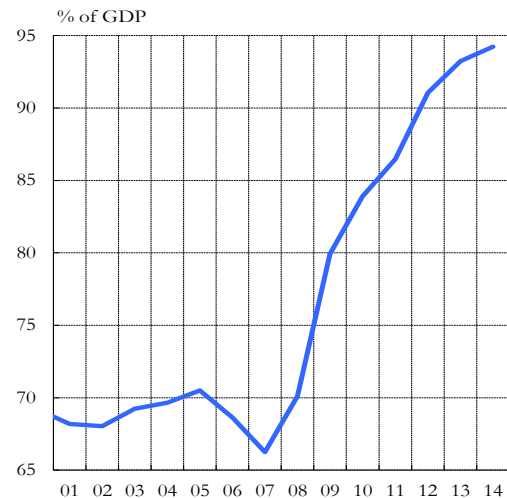
2014



BE	0.6
DE	2.9
EE	0.2
IE	-0.1
EL	4.9
ES	0.9
FR	-0.4
IT	3.9
CY	-3.2
LV	-0.6
LT	0.7
LU	2.2
MT	0.6
NL	1.1
AT	0.7
PT	3.1
SI	-0.3
SK	0.2
FI	-0.2
<b>EA</b>	<b>1.7</b>

### General government debt

2014



BE	106.5
DE	74.7
EE	10.6
IE	109.7
EL	177.1
ES	97.7
FR	95.0
IT	132.1
CY	107.5
LV	40.0
LT	40.9
LU	23.6
MT	68.0
NL	68.8
AT	84.5
PT	130.2
SI	80.9
SK	53.6
FI	59.3
<b>EA</b>	<b>94.2</b>

\* Figures are from the Commission's spring 2015 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), Lithuania (LT), 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>		
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% and qoq% ch. are seasonally and working day adjusted, yoy% ch. are working-day adjusted.	Eurostat
Gross domestic product	Real gross domestic product at constant market prices (chain-linked volumes (2010), ESA 2010), 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 rates of the euro-area Member States.	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	Real household & NPISH final consumption expenditure at constant market prices (chain-linked volumes (2010), ESA 2010), 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	Real gross fixed capital formation at constant market prices (chain-linked volumes (2010), ESA 2010), EUR. Data are seasonally and working-day adjusted.	Eurostat
Equipment investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year (2010), ESA 2010), EUR, real machinery and equipment and weapons systems. Data are seasonally and working-day adjusted.	Eurostat
Construction investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year (2010), ESA 2010), EUR, dwellings and other buildings and structures. 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 Ireland, Greece, France, Cyprus, Malta, Netherlands, Portugal and Slovakia, 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.	DG ECFIN
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 remuneration, bonuses, and allowances, payments to employees saving schemes, payments for days not worked and remuneration 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 2010), 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 2010), 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 circulation (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, based on weighted averages of bilateral euro exchange rates (EA19) against the currencies of the EER-18 group.	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