

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

	LTA <sup>(1)</sup>	2014	2015	15Q1	15Q2	15Q3	15Q4	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	
<b>1. Output</b>														
Economic Sentiment	indicator	100.0	101.6	104.3	102.6	103.7	104.6	106.3	104.1	105.6	106.1	106.1	106.8	--
Industrial confidence	balance	-6.7	-3.9	-3.1	-4.0	-3.2	-3.0	-2.4	-3.7	-2.3	-2.0	-3.2	-2.0	--
Services confidence	balance	9.1	4.8	9.1	5.6	7.6	10.5	12.7	10.1	12.4	12.3	12.8	13.1	--
Industrial production (excluding construction)	% ch. on prev. period				1.1	-0.1	0.2	--	-0.4	-0.3	0.6	--	--	--
	% ch. on prev. year	0.8	0.8	1.4	1.6	1.3	1.7	--	2.2	1.3	1.9	--	--	--
Gross domestic product	% ch. on prev. period				0.5	0.4	0.3	--						
	% ch. on prev. year	1.4	0.9	--	1.3	1.6	1.6	--						
Labour productivity	% ch. on prev. period				0.3	0.0	0.0	--						
	% ch. on prev. year	0.5	0.3	--	0.4	0.6	0.5	--						
<b>2. Private consumption</b>														
Consumer confidence	balance	-12.8	-10.0	-6.1	-6.2	-5.1	-6.9	-6.4	-6.7	-7.0	-7.5	-5.9	-5.7	--
Retail confidence	balance	-8.5	-3.2	1.5	-1.6	-0.2	2.9	4.9	3.5	4.2	6.4	5.6	2.8	--
Private consumption	% ch. on prev. period				0.5	0.3	0.4	--						
	% ch. on prev. year	1.2	0.8	--	1.6	1.7	1.7	--						
Retail sales	% ch. on prev. period				1.0	0.5	0.7	--	0.0	-0.1	-0.2	-0.3	--	--
	% ch. on prev. year	0.4	1.2	0.3	2.3	2.5	3.1	--	2.6	3.2	2.4	1.4	--	--
<b>3. Investment</b>														
Capacity utilisation	level (%)	81.2	80.4	81.2	81.0	81.2	81.1	81.5	--	--	81.5	--	--	--
Production expectations (manuf.)	balance	5.8	7.7	7.9	7.3	6.9	8.2	9.1	6.6	10.8	9.8	8.2	9.3	--
Gross fixed capital formation	% ch. on prev. period				1.5	0.1	0.0	--						
	% ch. on prev. year	1.2	1.3	--	2.0	2.6	2.2	--						
- equipment investment	% ch. on prev. period				1.7	0.1	-0.5	--						
	% ch. on prev. year		3.1	--	4.6	4.3	2.1	--						
- construction investment	% ch. on prev. period				2.2	-0.9	-0.2	--						
	% ch. on prev. year		-0.5	--	0.9	1.4	1.3	--						
Change in stocks	contrib. to GDP (pp.)	0.0	0.0		0.1	-0.2	0.2	--						
<b>4. Labour market</b>														
Employment expectations (manuf.)	balance	-10.2	-5.1	-2.6	-3.3	-2.2	-2.8	-2.0	-3.0	-2.2	-2.9	-1.6	-1.5	--
Employment expectations (services)	balance	5.1	1.1	6.4	3.9	6.1	7.2	8.4	7.7	7.9	6.9	8.6	9.7	--
Employment	% ch. on prev. period				0.2	0.4	0.3	--						
	% ch. on prev. year	0.4	0.6	0.8	0.9	1.0	1.1	--						
Employment (000)	abs. ch. on prev. period		855	1,258	338	585	428	--						
Compensation of employees per head (nominal)	% ch. on prev. period				0.4	0.2	0.2	--						
	% ch. on prev. year	2.0	1.4	-1.2	1.2	1.3	1.1	--						
Unemployment expectations	balance	26.9	21.3	13.9	13.4	9.7	14.4	18.0	14.3	16.7	20.0	15.7	18.3	--
Unemployment rate	% of lab. force		11.6	10.9	11.2	11.0	10.8	10.6	10.8	10.7	10.6	10.5	--	--
Unemployment (000)	abs. ch. on prev. period		-598	-1,105	-466	-244	-454	-274	-80	-160	-76	-130	--	--
<b>5. International transactions</b>														
World trade	% ch. on prev. period				-0.7	-0.8	1.9	--	-0.1	0.8	-0.5	--	--	--
	% ch. on prev. year		3.1	--	3.5	2.1	2.1	--	2.5	1.3	0.5	--	--	--
Export order books	balance	-18.7	-13.5	-11.7	-12.4	-11.1	-11.6	-11.5	-12.1	-12.5	-11.1	-12.5	-10.9	--
Trade balance (merchandise)	billion EUR		190.1	204.0	61.6	60.8	61.7	19.9	19.2	19.9	19.9	--	--	--
Exports of goods and services	% ch. on prev. period				1.3	1.6	0.2	--						
	% ch. on prev. year	4.9	4.1	--	5.2	5.8	4.4	--						
Imports of goods and services	% ch. on prev. period				1.9	0.9	0.9	--						
	% ch. on prev. year	4.6	4.5	--	5.8	5.5	4.9	--						
Current-account balance	billion EUR		245.6	254.7	81.1	79.0	74.2	20.4	18.7	30.1	20.4	--	--	--
Direct investment	billion EUR		44.3	96.5	107.5	40.4	8.6	20.9	2.9	-29.9	20.9	--	--	--
Portfolio investment	billion EUR		72.8	151.7	-113.6	126.2	112.3	26.7	31.4	18.7	26.7	--	--	--
<b>6. Prices</b>														
Consumer inflation expectations	balance	19.5	8.2	1.7	-2.3	2.9	3.4	2.6	2.9	3.1	0.5	3.7	3.6	--
Headline inflation (HICP)	% ch. on prev. year		0.4	0.0	-0.3	0.2	0.1	0.2	0.1	-0.1	0.1	0.2	0.2	--
Core HICP	% ch. on prev. year		0.9	0.7	0.6	0.8	0.9	0.9	0.9	0.8	1.0	0.9	0.8	--
Domestic producer prices	% ch. on prev. year		-1.5	-2.5	-2.9	-2.1	-2.6	-2.8	-2.6	-3.2	-3.2	-3.2	--	--
Import prices	% ch. on prev. year		-1.4	-0.2	-0.4	0.8	-0.7	-0.8	-0.7	-1.5	-1.5	-0.8	--	--
Oil (Brent) in USD	level		99.7	53.3	54.9	62.9	51.2	44.7	47.8	48.4	49.0	45.9	39.2	35.1
	% ch. on prev. period				-29.4	14.6	-18.5	-12.8	-16.2	1.2	1.2	-6.4	-14.6	-10.4
	% ch. on prev. year		-8.3	-46.5	-49.2	-42.7	-50.5	-42.6	-53.7	-51.0	-44.6	-43.0	-38.9	-29.4
Oil (Brent) in EUR	level		74.8	48.0	48.8	57.0	46.1	40.8	43.0	43.1	43.6	42.7	36.0	32.4
	% ch. on prev. period				-21.7	16.6	-19.0	-11.7	-17.2	0.4	1.1	-2.0	-15.7	-10.1
	% ch. on prev. year		-8.6	-35.8	-38.1	-28.8	-40.9	-34.6	-44.6	-43.7	-37.5	-33.8	-30.9	-24.2
Non-energy commodity prices (EUR)	% ch. on prev. period				1.1	-1.3	-7.2	-4.9	-5.6	-1.6	-1.0	-0.4	-2.3	--
	% ch. on prev. year		-4.4	-4.3	2.3	-0.5	-7.0	-12.0	-9.0	-9.6	-10.7	-12.3	-12.8	--
<b>7. Monetary and financial indicators</b>														
Nominal interest rates (3 month)	level		0.21	-0.02	0.05	-0.01	-0.03	-0.09	-0.03	-0.04	-0.05	-0.09	-0.13	-0.14
Nominal interest rates (10 year)	level		1.22	0.54	0.34	0.54	0.69	0.56	0.65	0.68	0.55	0.55	0.59	0.54
ECB repo rate	level		0.16	0.05	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				10.9	5.2	-6.5	-1.6	-2.8	-8.1	3.5	5.0	-4.4	-5.6
	% ch. on prev. year		12.6	9.5	11.4	12.7	6.7	7.4	11.5	-2.1	8.1	10.0	4.1	-3.2
Money demand (M3)	% ch. on prev. year		1.9	4.9	4.2	5.1	5.0	5.2	4.9	4.9	5.3	5.1	--	--
Loans to households	% ch. on prev. year		0.1	1.4	0.3	0.6	1.1	1.4	1.0	1.1	1.2	1.4	--	--
Loans to non-financial corporations	% ch. on prev. year		-1.4	0.9	-0.6	-0.4	0.1	0.9	0.2	0.1	0.6	0.9	--	--
Bilateral exchange rate EUR/USD	level		1.33	1.11	1.13	1.11	1.11	1.10	1.11	1.12	1.12	1.07	1.09	1.08
	% ch. on prev. period				-9.9	-1.9	0.6	-1.5	1.3	0.7	0.1	-4.4	1.3	-0.4
	% ch. on prev. year		0.0	-16.5	-17.8	-19.4	-16.1	-12.4	-16.3	-13.0	-11.3	-13.9	-11.8	-6.8
Nominal effective exchange rate	% ch. on prev. period				-6.1	-1.9	1.6	-0.3	1.8	0.8	-0.2	-2.7	1.5	0.5
	% ch. on prev. year		0.6	-9.3	-10.2	-11.9	-8.5	-6.7	-8.4	-6.2	-5.5	-8.0	-6.6	-2.3

(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 third quarter of 2015. According to Eurostat's second estimate, it increased by 0.3% quarter-on-quarter (q-o-q) after 0.4% in the previous quarter. As compared to 2014-Q3, real GDP increased by 1.6% year-on-year (y-o-y). According to the **Commission's autumn 2015 forecast**, released on 5 November, euro-area GDP is expected to increase by 1.6% in 2015, 1.8% in 2016, and 1.9% in 2017. While the recovery last year has enjoyed a boost from tailwinds (weaker euro, low oil prices and very accommodative monetary policies), headwinds have emerged from slower growth in emerging markets and world trade. The recovery in the years ahead is expected to be facilitated by factors such as better financing conditions, supporting the expansion of investment in 2016-17.

In December 2015, the **Commission's Economic Sentiment Indicator** increased slightly to 106.8 points in the euro area. The improved euro-area sentiment resulted from higher confidence in industry being partially offset by deteriorating confidence in retail trade.

Increasing **industry confidence** (+1.2 points) resulted from managers' more optimistic production expectations and, in particular, improved assessments of the current level of overall order books. Managers' views on the stocks of finished products remained virtually unchanged. Of the questions not included in the confidence indicator, the assessment of export order books improved, while past production was viewed more negatively.

The **PMI Composite Output Index** in December 2015 was at 54.3, up from 54.2 in November and above the earlier flash estimate. The headline index has now signalled expansion for 30 successive months. Solid output growth was recorded in both the manufacturing and service sectors, with the former slightly outpacing the latter for the first time since November 2014.

In October 2015, **industrial production rose** 0.6% month-on-month (m-o-m), after a decrease of 0.3% m-o-m in September. The increase was due to production of durable consumer goods rising by 1.8%, capital goods by 1.4%, energy by 0.6% and non-durable consumer goods by 0.4%, while production of intermediate goods fell by 0.1%.

## 2. Private consumption

In 2015-Q3, **private consumption** increased by 0.4% q-o-q, and remained the main growth driver. With respect to the same period of the previous year, private consumption was up by 1.7%. In December 2015, **consumer confidence** remained broadly unchanged (+0.2 points), reflecting two opposing forces: while

consumers were more upbeat on questions relating to their personal finances (expected financial situation, future savings), their views on future unemployment deteriorated.

In November 2015, the volume of **retail trade** decreased in the euro area by 0.3% compared to October. Compared with November 2014, the retail sales index increased by 1.4%. In December, **retail trade confidence** sharply decreased (-2.8 points) due to markedly deteriorating perceptions of the present business situation, which coincided with a more careful assessment of the adequacy of the level of stocks.

## 3. Investment

In 2015-Q3, **gross fixed capital formation** was stable compared to 2015-Q2 after having increased by 0.1% during that quarter. Compared to the same quarter of the previous year, investment increased by 2.2%. In 2015-Q4, the rate of **capacity utilisation** (data collected in October 2015) improved slightly to 81.5% (0.4 points higher than in July).

## 4. Labour market

In November 2015, the **unemployment rate** was 10.5%, down from 10.6% in October, and from 11.5% in November 2014. This is the lowest rate recorded in the euro area since October 2011.

In 2015-Q3, seasonally-adjusted **employment** was 0.3% higher than in 2015-Q2 and 1.1% higher than in 2014-Q3. According to the Commission's survey results, in December 2015 **employment expectations** saw significant upward revisions in construction and, to a lesser extent, services, while remaining broadly unchanged in the retail trade and industry sector.

## 5. International transactions

In October 2015, the **world trade volume** (goods) decreased by 0.5% m-o-m, following a 0.8% increase in September. In December, views on **export order books in manufacturing** were less negative (-10.9 points) than in November (-12.5 points), and remained above the long-term average of -18.7.

In October 2015, the seasonally adjusted **trade balance** was in surplus at €19.9 bn, stable compared with September 2015. The seasonally adjusted **current-account balance** also recorded a surplus in October (€20.4 bn). This reflected surpluses for goods (€26.8 bn), services (€4.4 bn) and primary income (€3.1 bn), which were partly offset by a deficit in secondary income (€14.0 bn). The **financial account** in October (combined direct and portfolio investment) recorded increases of €98 bn in assets and of €51 bn in liabilities.



## 6. Prices

In December 2015, annual **HICP inflation** was 0.2% according to Eurostat's flash estimate, stable compared with November 2015. Looking at the main components of euro area inflation, food, alcohol & tobacco is expected to have the highest annual rate in December (1.2%, down from 1.5% last month), followed by services (1.1%, down from 1.2%), non-energy industrial goods (0.5%, stable compared with November) and energy (-5.9%, compared with -7.3% last month). In December, **core inflation** (all items excl. energy and unprocessed food) was at 0.8% (down from 0.9% in November).

The **Commission's autumn 2015 forecast** projects HICP inflation at 0.1% in 2015, 1.0% in 2016, and 1.6% in 2017. According to the Commission surveys, **consumer price expectations** remained flat in December 2015.

In November 2015, **industrial producer prices** fell by 0.2% in the euro area compared with October 2015. They were 3.2% lower than in November 2014.

Brent crude **oil prices** keep on falling in early 2016, reaching levels below the 2015 low on 25 August (42.81 USD/bbl.). On 11 January, Brent crude traded at 33.14 USD/bbl. (corresponding to 30.44 EUR/bbl.).

## 7. Monetary and financial indicators

**Money market interest rates** have declined further in an environment of excess liquidity. On 11 January, the 3-month EURIBOR was at -0.143%.

At its meeting on 3 December 2015, the ECB Governing Council decided to reduce the **policy interest rate** on the deposit facility by 10 bps. to -0.30%, and to keep **policy interest rates** on the main refinancing operations and on the marginal lending facility unchanged (at 0.05% and 0.30% respectively). As regards non-standard monetary policy measures, the ECB's Governing Council decided to extend the asset purchase programme (APP). The monthly purchases of €60 billion under the APP are now intended to run until the end of March 2017, or beyond, if necessary, and in any case until the Governing Council sees a sustained adjustment in the path of inflation consistent with its aim of achieving inflation rates below, but close to, 2% over the medium term. The ECB's Governing Council decided to reinvest the principal payments on the securities purchased under the APP as they mature, for as long as necessary.

**Benchmark sovereign bond yields** in the euro area have increased between May and mid-June as inflation expectations increased. Since then, they decreased. On 11 January, the benchmark yield of ten-year sovereign bonds stood at 0.54%.

The October 2015 **Bank Lending Survey** confirmed a further net easing of credit standards on loans to enterprises in 2015-Q3. While credit standards on loans to households for house purchase tightened measurably, standards on consumer credit and other lending to households continued to ease. For 2015-Q4, banks expected a further net easing in credit standards on loans to enterprises. For households, credit standards on housing loans were expected to be broadly unchanged and a slight net easing was expected for consumer credit.

The annual rate of change of **M3** in November 2015 was at 5.1%, slightly lower than in October (5.3%). The annual growth of loans to the private sector (adjusted for sales and securitisation) stood at 1.0% (up from 0.8% in October). The annual growth of loans to households (adjusted) increased to 1.4% (1.2% in October), and so did the annual growth rate of loans to non-financial corporations (0.9% from 0.6% in October).

In its statement on 16 December 2015, the **FOMC** decided to raise the target range for the federal funds rate to 0.25% to 0.50%, effective December 17, 2015. In a related action, the FOMC voted unanimously to approve a 0.25 percentage point increase in the discount rate (the primary credit rate) to 1.00%, effective December 17, 2015. On 11 January, the US 3-month Libor rate stood at 0.622%.

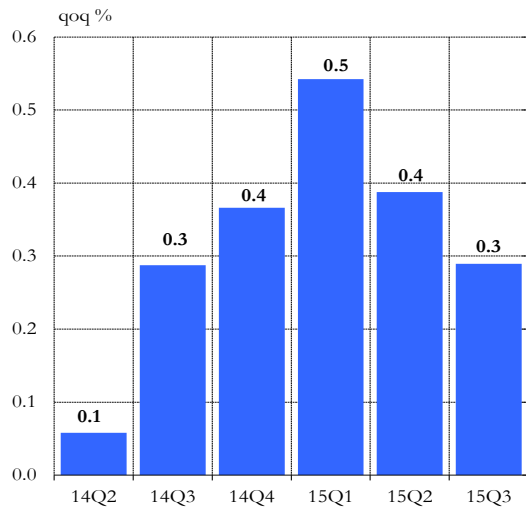
The **EUR/USD exchange rate** has been broadly stable in early January 2016 around 1.08, which is only slightly higher than its 2015 year low of 1.0552 in mid-April of last year. On 11 January the USD/EUR exchange rate was at 1.0888. Among the key factors at play are the market uncertainty, the impact of the ECB's quantitative easing and diverging monetary policies. On 11 January, the JPY/EUR foreign exchange reference rate stood at 128.33.

**Stock market indices** in Europe have lost over 4% in the course of January. The Euro Stoxx 50 index dropped to its lowest levels seen since November 2015. In the US, the Dow Jones and S&P500 have lost around 5% since the beginning of the year, after remaining relatively stable in November and December of 2015. In Japan, the index has been steadily falling since the beginning of December 2015 and has dropped 4% since the beginning of the year.

## 1. OUTPUT

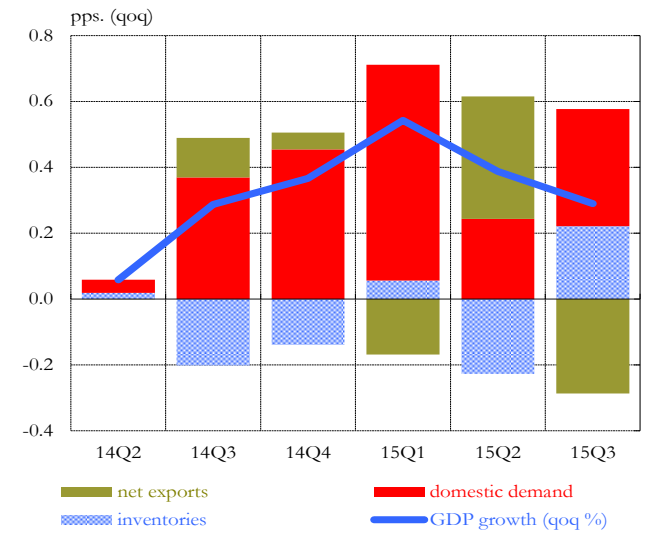
### GDP

15Q3

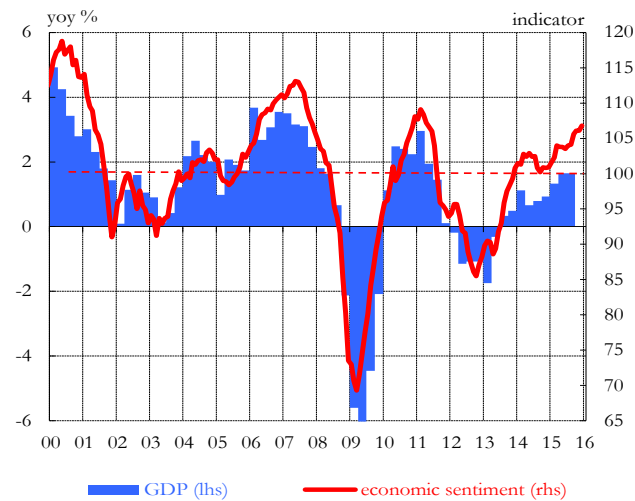


BE	0.2
DE	0.3
EE	-0.4
IE	1.4
EL	-0.9
ES	0.8
FR	0.3
IT	0.2
CY	0.4
LV	1.0
LT	0.4
LU	--
MT	1.1
NL	0.1
AT	0.1
PT	0.0
SI	0.4
SK	0.9
FI	-0.5
EA	0.3

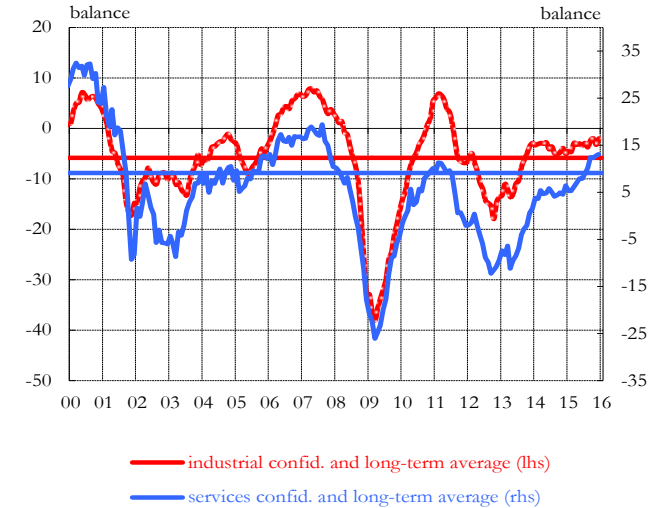
### Contributions to GDP growth



### GDP and Economic Sentiment Indicator

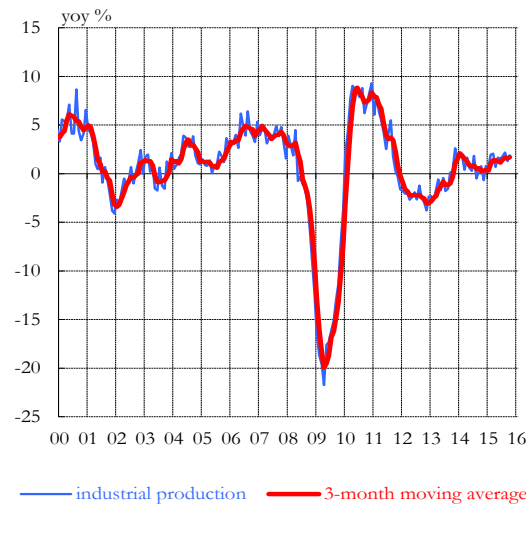


### Industrial and services confidence



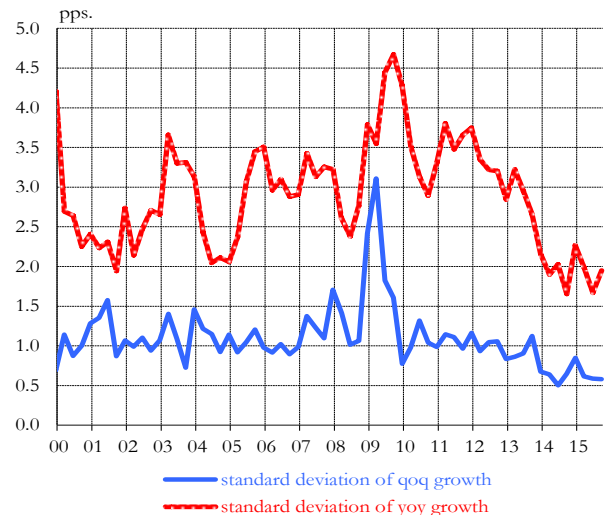
### Industrial production

Oct-15



BE	0.7
DE	0.2
EE	-2.5
IE	14.6
EL	-1.9
ES	4.9
FR	3.6
IT	2.9
CY	1.8
LV	1.7
LT	6.6
LU	-0.2
MT	6.1
NL	-2.0
AT	3.7
PT	4.5
SI	3.3
SK	4.2
FI	-1.1
EA	1.9

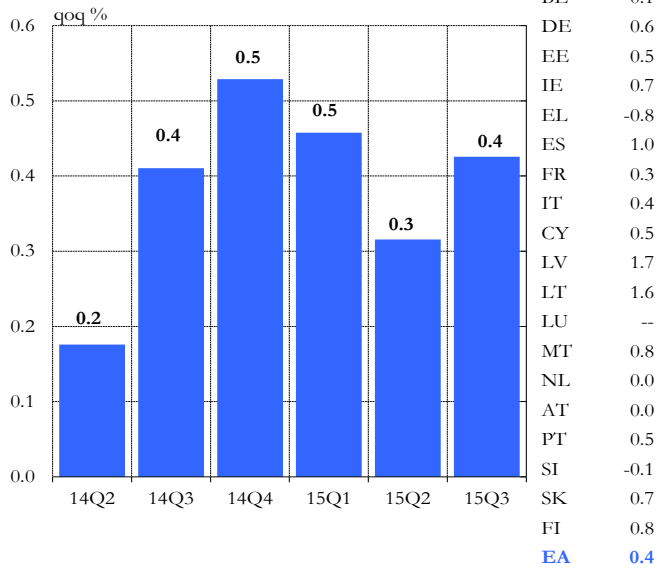
### GDP growth divergence, euro area



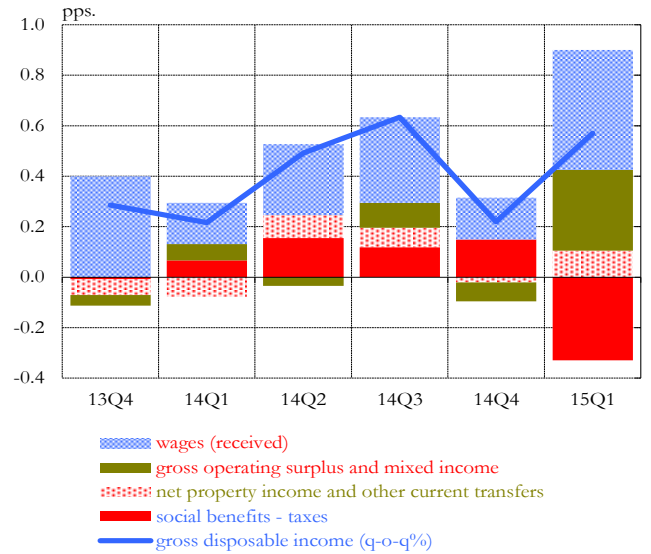
## 2. PRIVATE CONSUMPTION

### Private consumption

15Q3

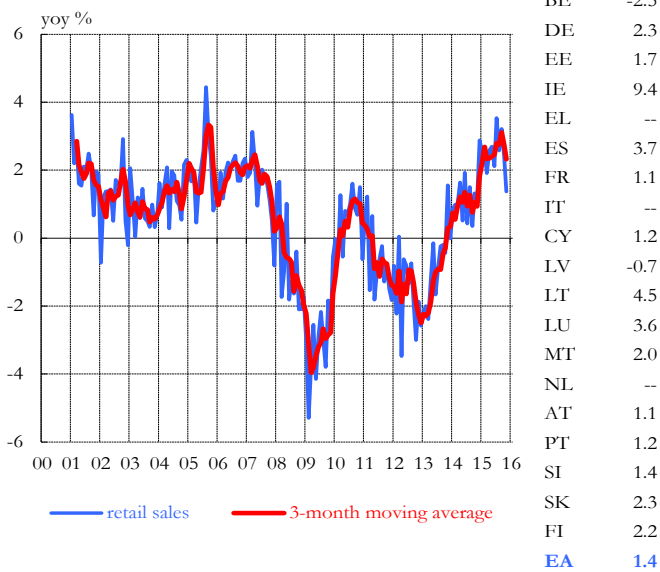


### Household adjusted gross disposable income

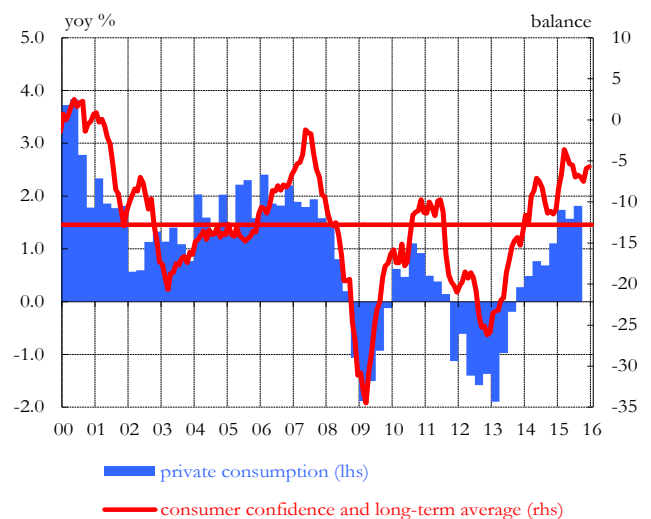


### Retail sales

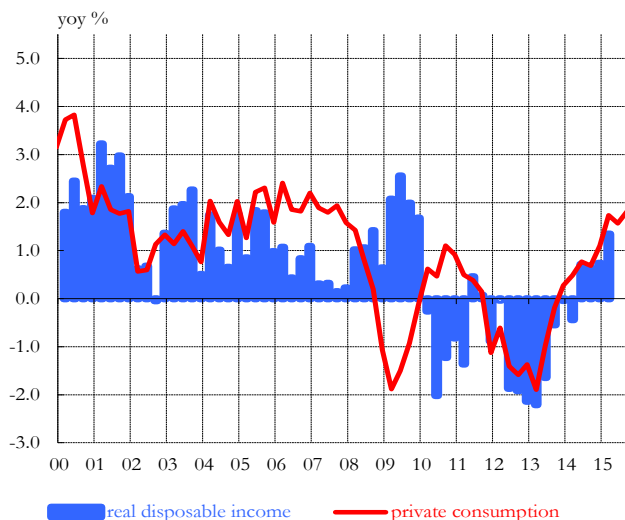
Nov-15



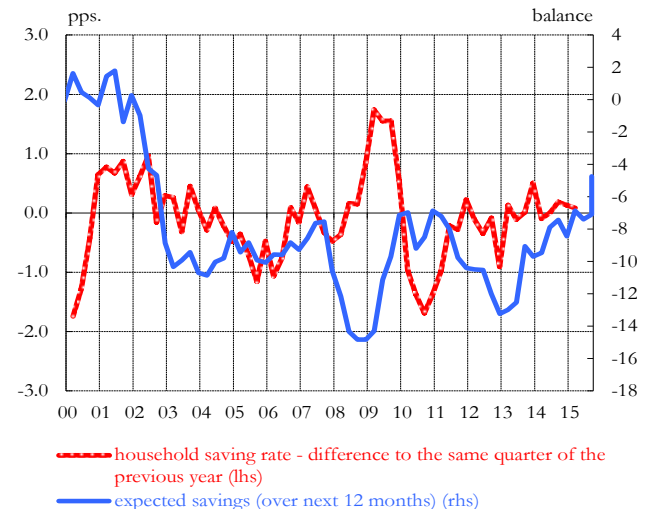
### Consumer confidence and private consumption



### Households: real disposable income and consumption



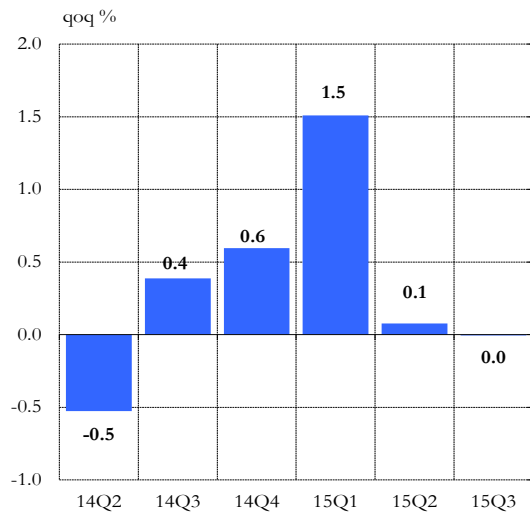
### Households: actual saving rate and expected savings



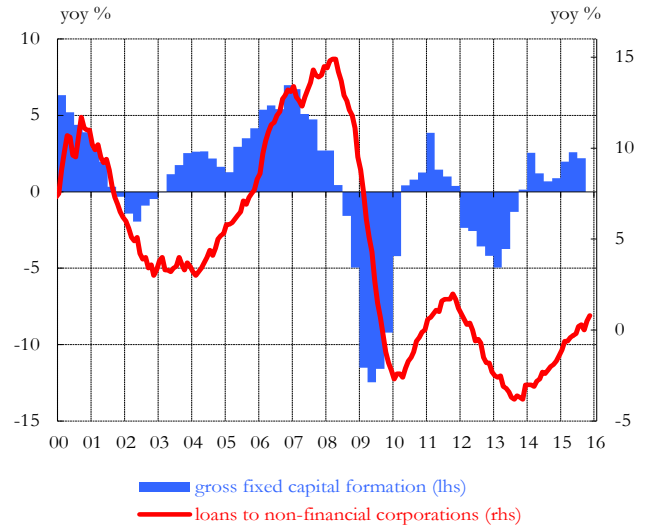
## 3. INVESTMENT

### Gross fixed capital formation

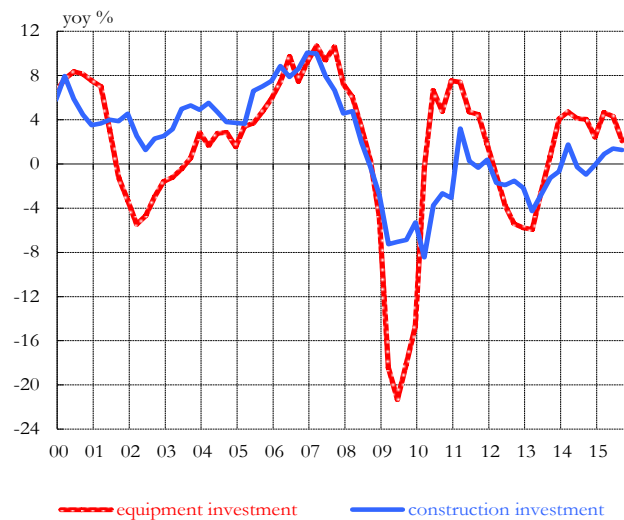
15Q3



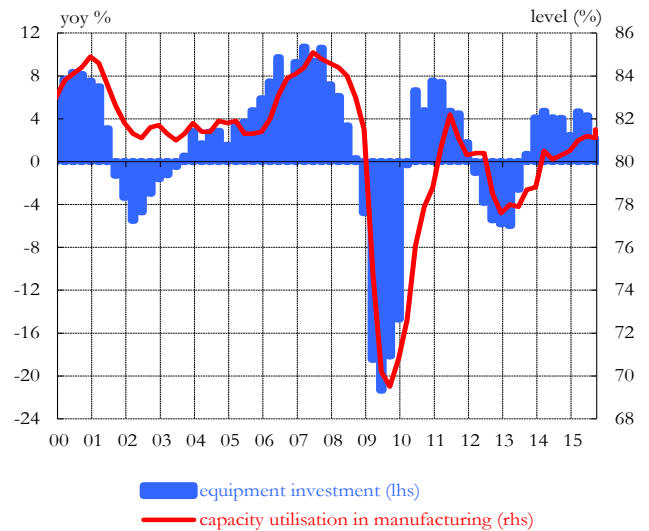
### Gross fixed capital formation and corporate loans



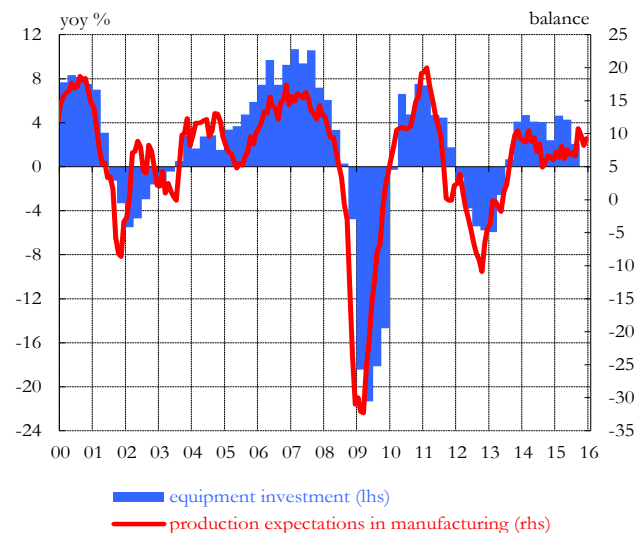
### Equipment and construction investment



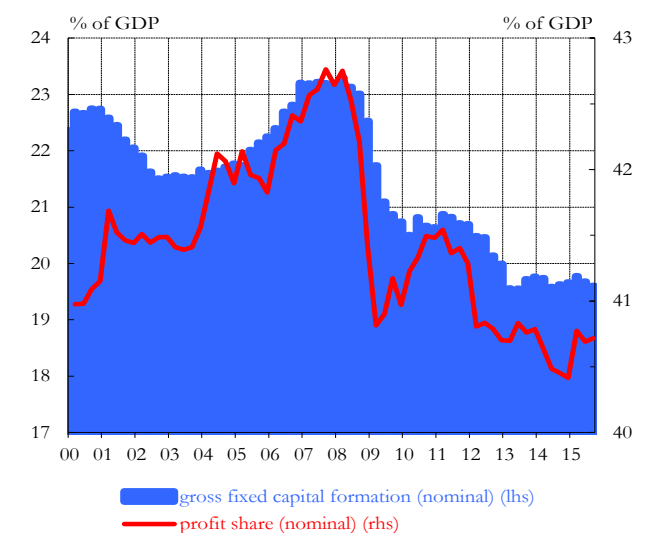
### Equipment investment and capacity utilisation



### Equipment investment and production expectations

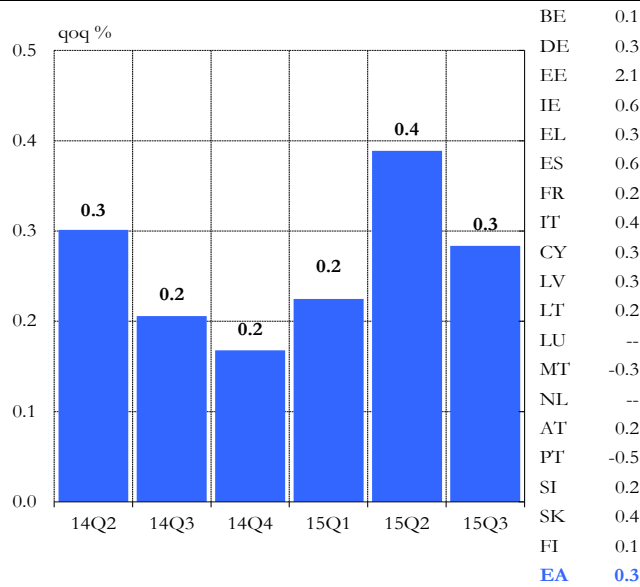


### Gross fixed capital formation and profit share

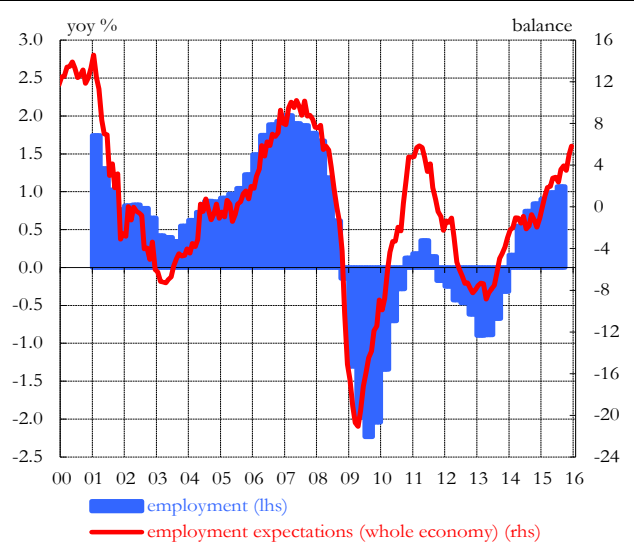


## 4. LABOUR MARKET

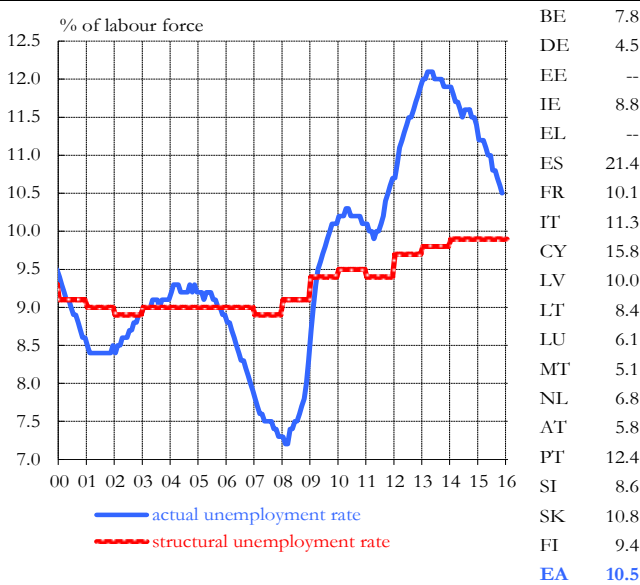
### Employment



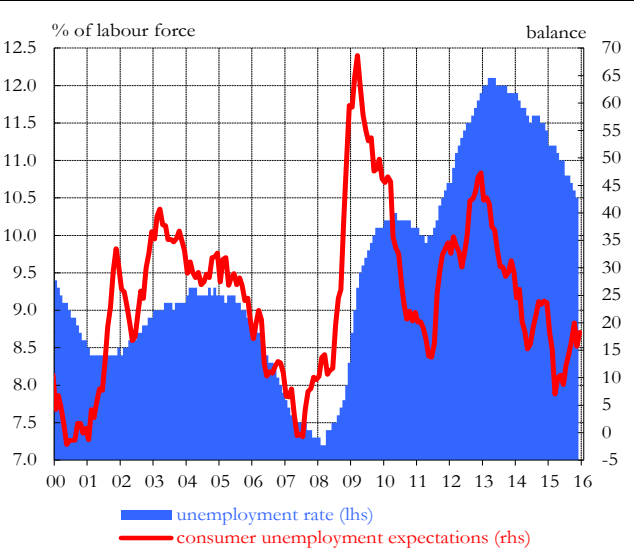
### Employment and employment expectations



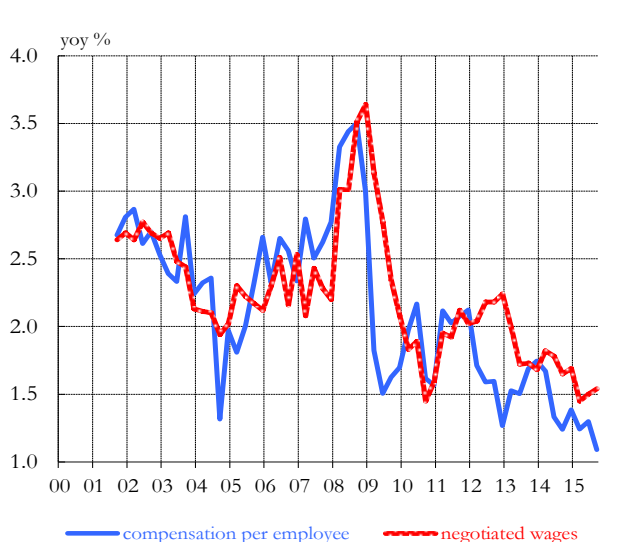
### Actual and structural unemployment rate



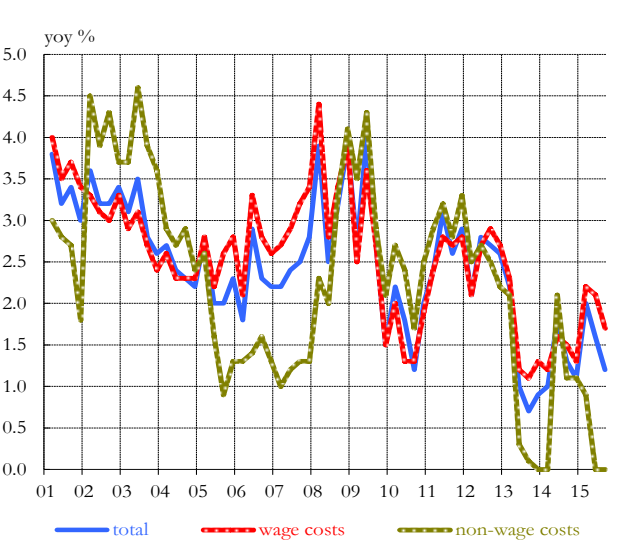
### Unemployment rate and unemployment expectations



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

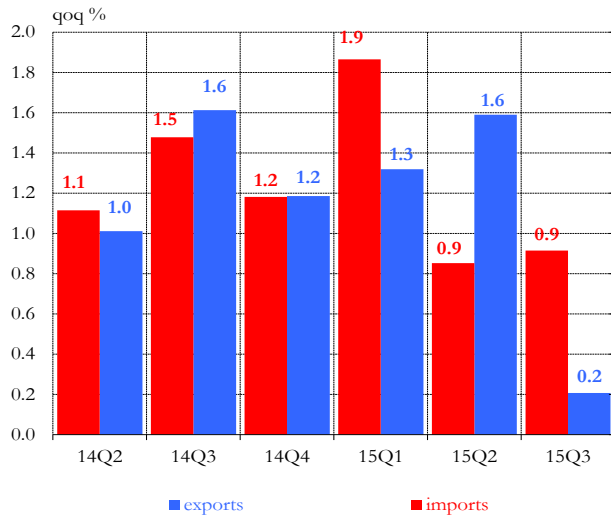


### Labour costs in the private business sector (nominal)

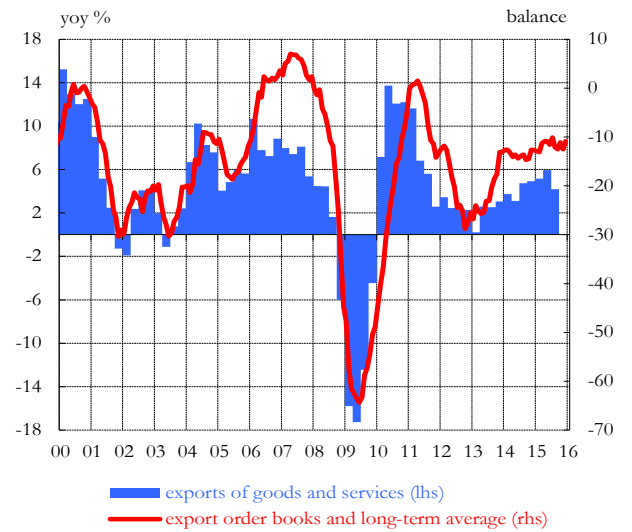


## 5. INTERNATIONAL TRANSACTIONS

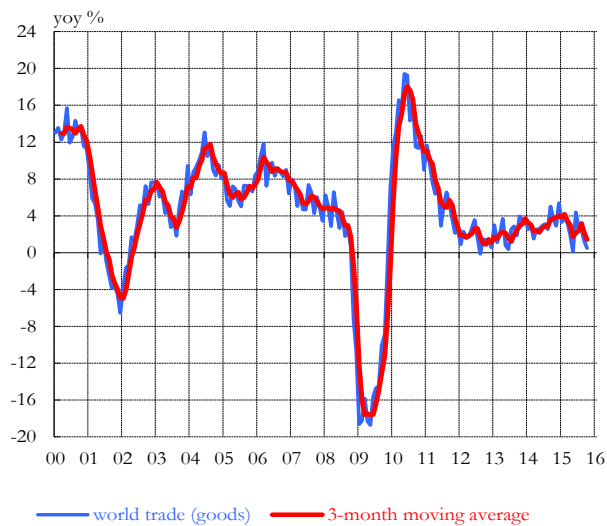
### Exports and imports of goods and services



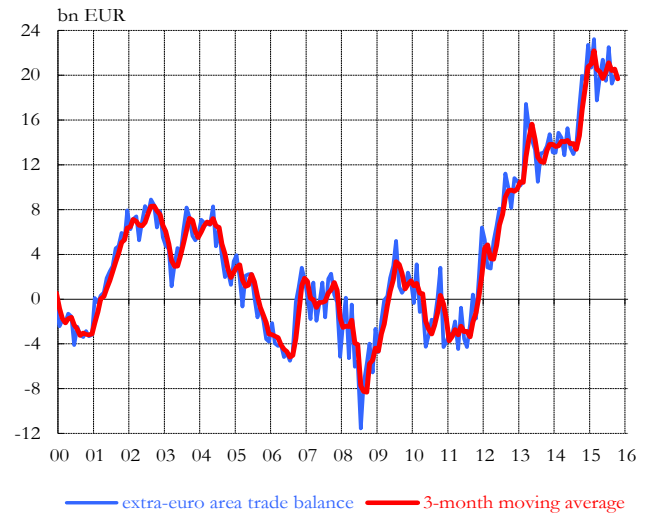
### Exports and export order books



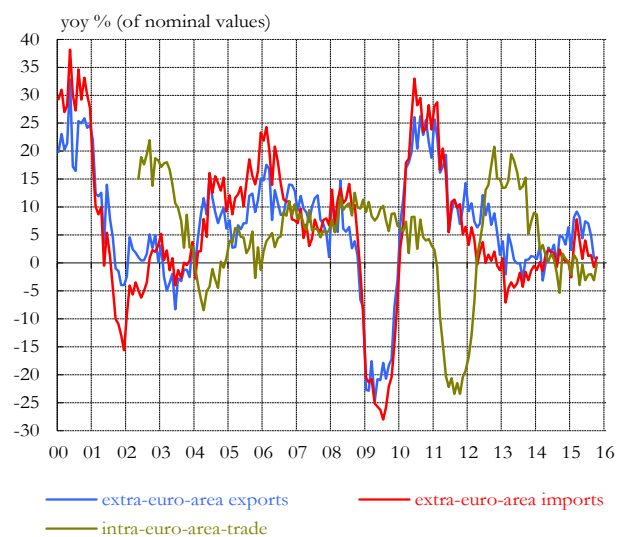
### World trade



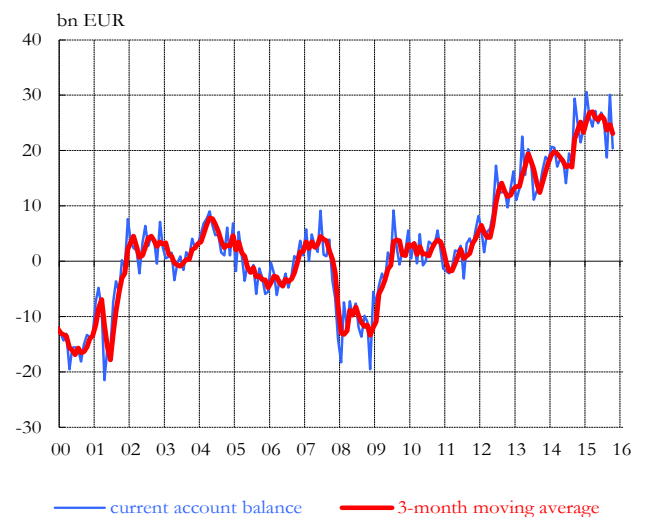
### Extra euro-area trade balance



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



### Current-account balance

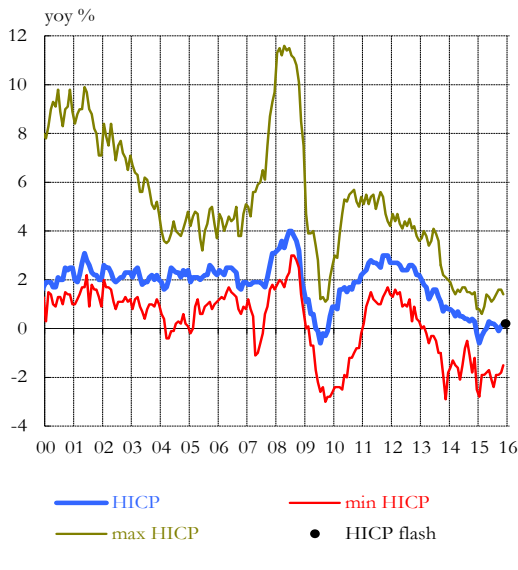




## 6. PRICES

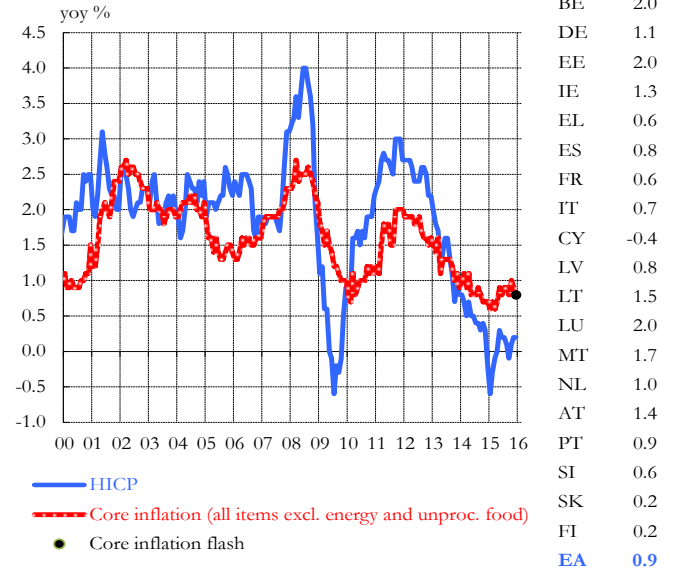
### Harmonised index of consumer prices (HICP)

Nov-15

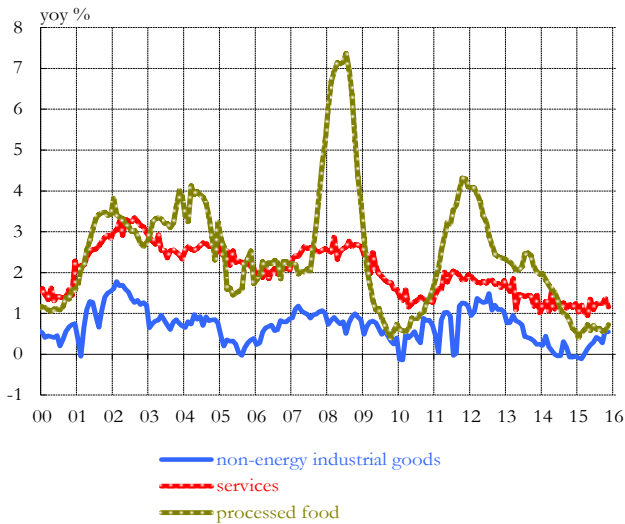


### HICP headline and core inflation

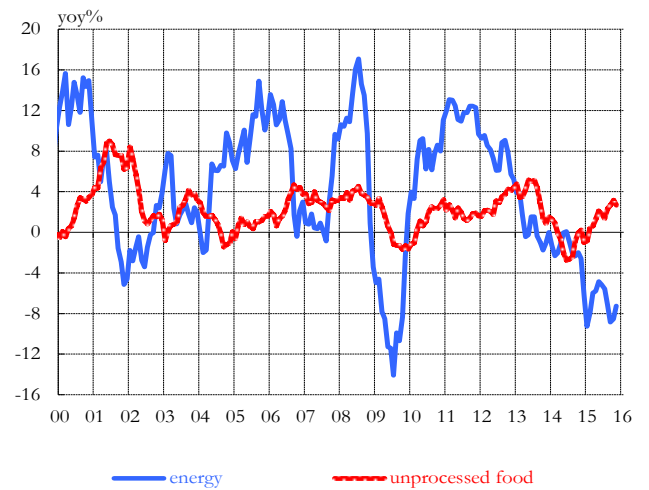
Nov-15



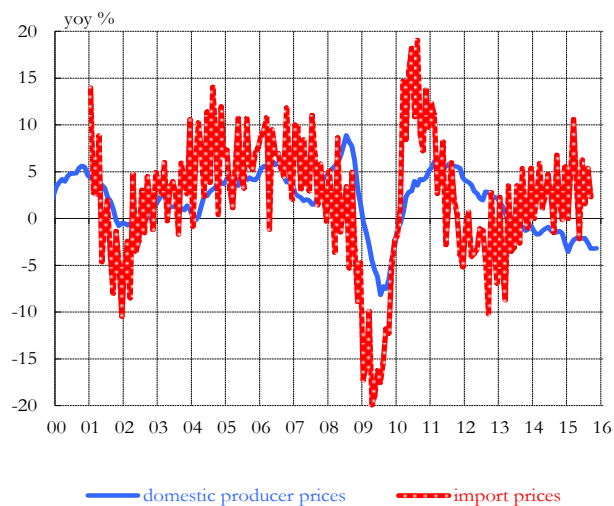
### Breakdown of core inflation



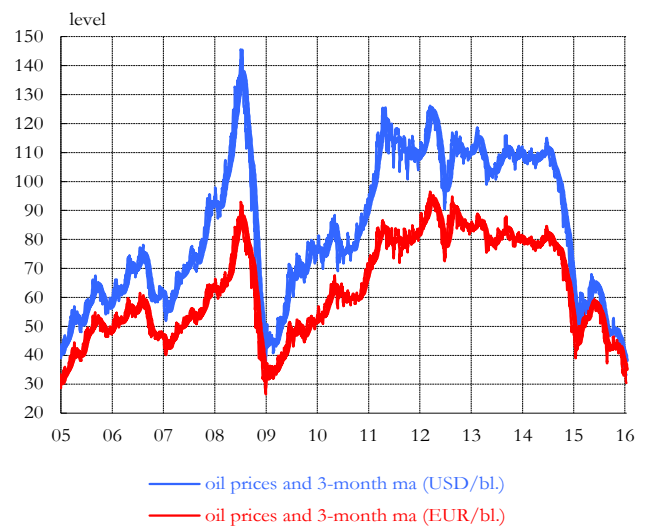
### Energy and unprocessed food



### Domestic producer prices and import prices

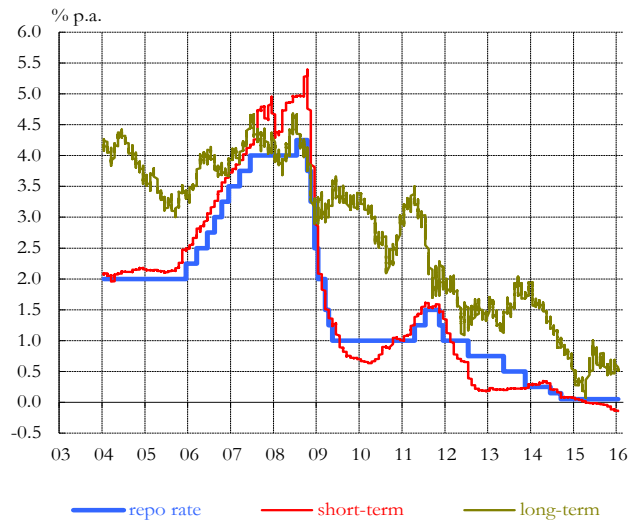


### Oil prices

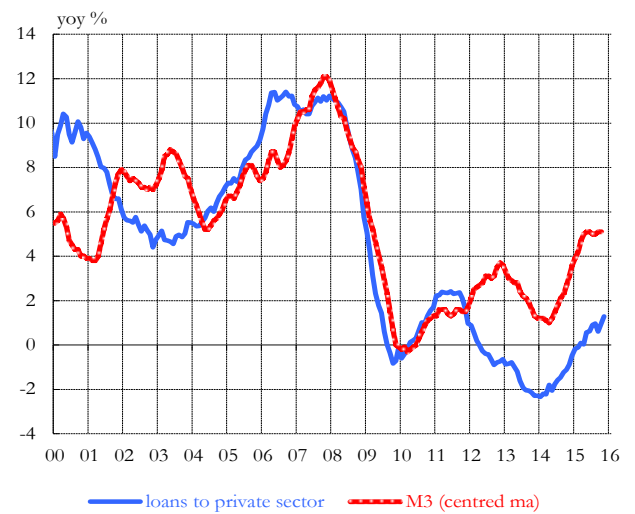


## 7. MONETARY AND FINANCIAL INDICATORS

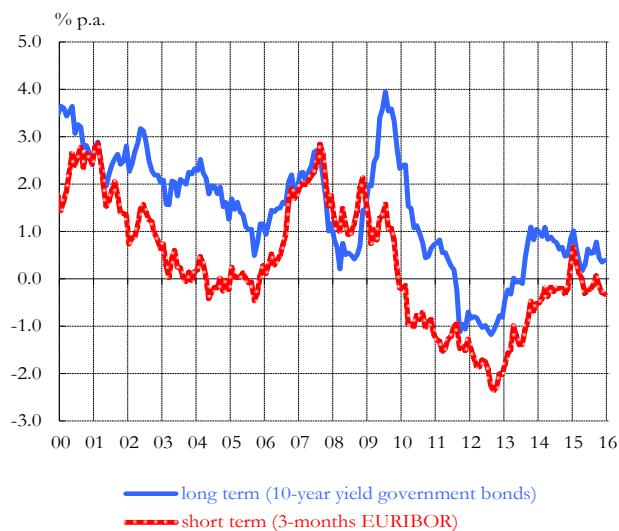
### Nominal interest rates



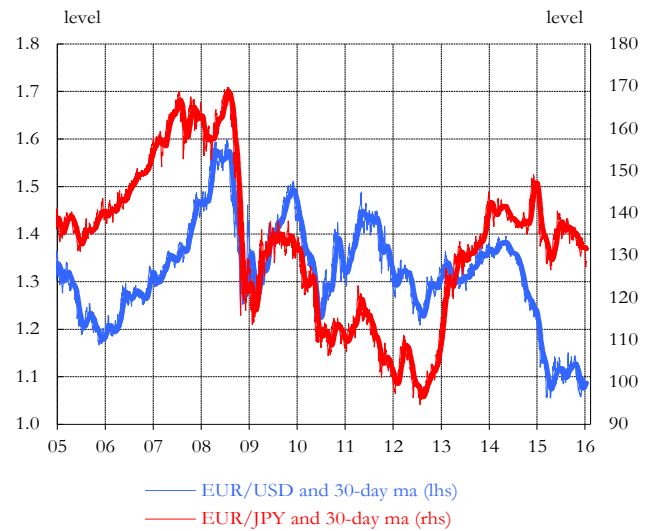
### Loans to private sector and money supply



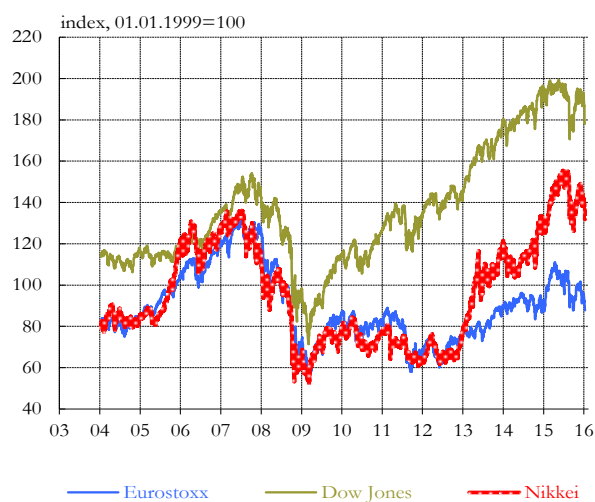
### Real interest rates



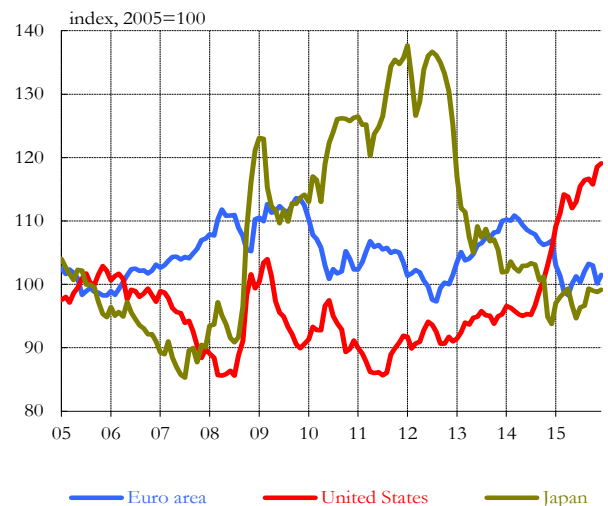
### Euro vis-à-vis US dollar and JP yen



### Stock market indices



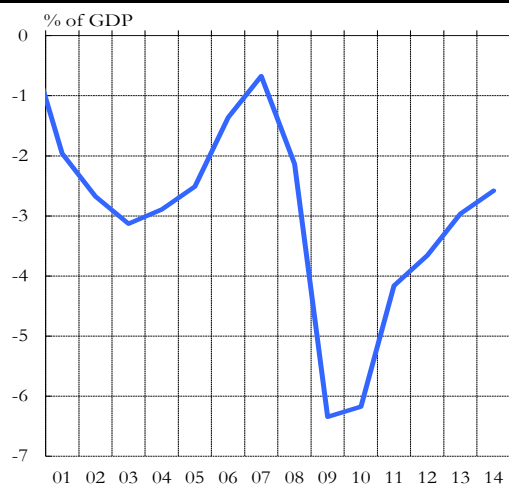
### Nominal effective exchange rates



## 8. PUBLIC FINANCES

### General government balance

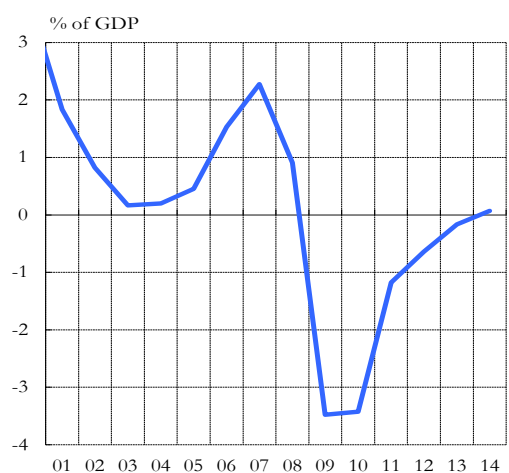
2014



BE	-3.1
DE	0.3
EE	0.7
IE	-3.9
EL	-3.6
ES	-5.9
FR	-3.9
IT	-3.0
CY	-8.9
LV	-1.5
LT	-0.7
LU	1.4
MT	-2.1
NL	-2.4
AT	-2.7
PT	-7.2
SI	-5.0
SK	-2.8
FI	-3.3
<b>EA</b>	<b>-2.6</b>

### Primary balance

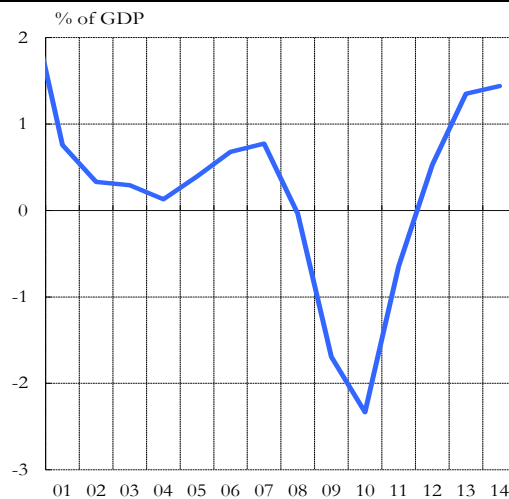
2014



BE	0.0
DE	2.1
EE	0.8
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	1.8
MT	0.8
NL	-0.9
AT	-0.2
PT	-2.3
SI	-1.9
SK	-0.9
FI	-2.1
<b>EA</b>	<b>0.1</b>

### Cyclically adjusted primary balance

2014

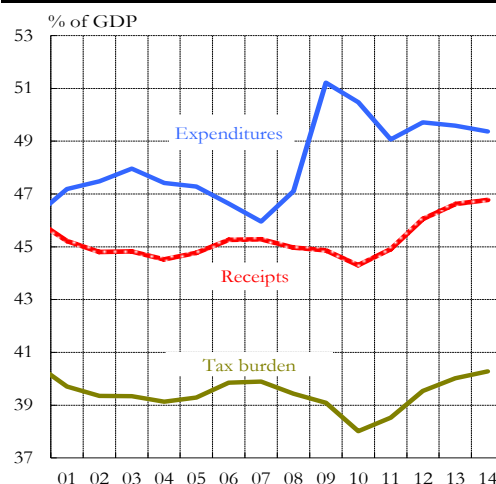


BE	0.6
DE	2.3
EE	0.3
IE	0.7
EL	4.7
ES	1.2
FR	-0.6
IT	3.8
CY	-2.7
LV	-0.7
LT	0.4
LU	2.7
MT	0.8
NL	0.8
AT	0.3
PT	-0.3
SI	-0.7
SK	-0.1
FI	-0.4
<b>EA</b>	<b>1.4</b>

### General government expenditure and receipts

tax burden

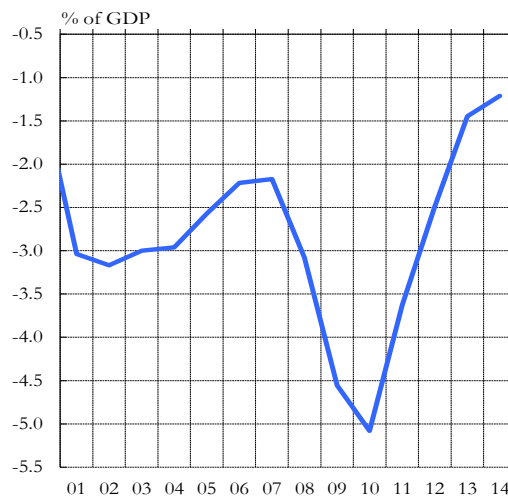
2014



BE	44.8
DE	38.2
EE	32.1
IE	29.6
EL	35.9
ES	33.9
FR	46.1
IT	43.3
CY	34.1
LV	31.4
LT	24.7
LU	38.2
MT	34.4
NL	37.1
AT	43.1
PT	34.1
SI	36.6
SK	30.8
FI	43.9
<b>EA</b>	<b>40.3</b>

### Cyclically adjusted balance

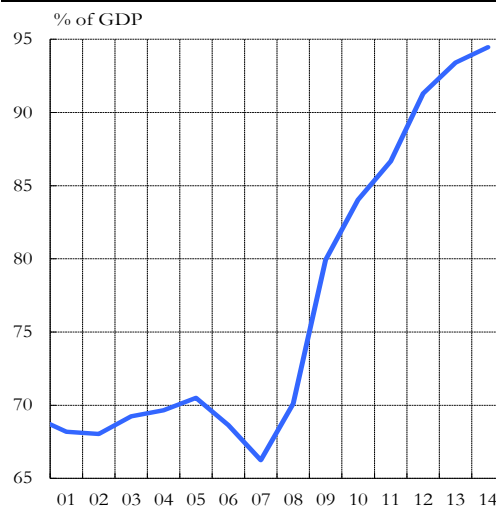
2014



BE	-2.5
DE	0.5
EE	0.2
IE	-3.3
EL	0.8
ES	-2.2
FR	-2.8
IT	-0.9
CY	-5.6
LV	-2.1
LT	-1.1
LU	2.3
MT	-2.1
NL	-0.6
AT	-2.2
PT	-5.2
SI	-3.9
SK	-2.0
FI	-1.7
<b>EA</b>	<b>-1.2</b>

### General government debt

2014



BE	106.7
DE	74.9
EE	10.4
IE	107.5
EL	178.6
ES	99.3
FR	95.6
IT	132.3
CY	108.2
LV	40.6
LT	40.7
LU	23.0
MT	68.3
NL	68.2
AT	84.2
PT	130.2
SI	80.8
SK	53.5
FI	59.3
<b>EA</b>	<b>94.5</b>

\* Figures are from the Commission's autumn 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