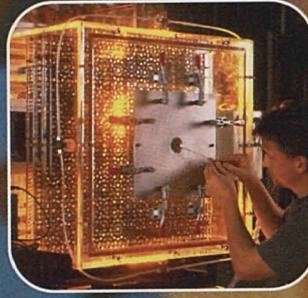
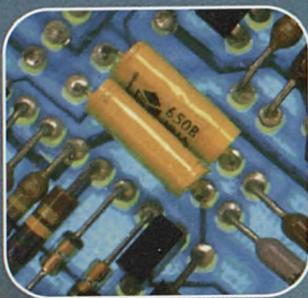


# Monthly **Panorama** of European Industry



OFICINA ESTADÍSTICA DE LAS COMUNIDADES EUROPEAS  
DE EUROPÆISKE FÆLLESSKABERS STATISTISKE KONTOR  
STATISTISCHES AMT DER EUROPÄISCHEN GEMEINSCHAFTEN  
ΣΤΑΤΙΣΤΙΚΗ ΥΠΗΡΕΣΙΑ ΤΩΝ ΕΥΡΩΠΑΪΚΩΝ ΚΟΙΝΟΤΗΤΩΝ  
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Monthly

# Panorama

of European Industry

ISSUE 6/97 ■ JUNE 1997

Theme  
Energy and industry  
Series  
Short-term statistics

**4**  
**B**

Sent to press in June 1997

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>)

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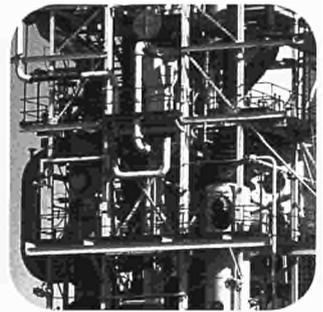
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As well as the standard economic data for total industry and the main industrial groupings, this month we focus on the food and drink industry and publish the second half of the article on mergers and acquisitions (the first half was in issue 5/97).

The production of the food and drink industry accounted for 15% of total manufacturing in 1996, equal to some 494 billion ECU. Output in the European Union rose by 2.3% during 1996. Latest data for short-term indicators showed that food and drink was continuing to grow with annual gains of 3.9% in the EU index of production to March 1997. The internal market is of particular importance in this industry, with a large amount of intra-Community trade. Reliance on third countries was limited to specialist produce (for example, tropical fruits) - with the import penetration rate of the European industry equal to just 5.4% in 1995.

The article on mergers and acquisitions follows on from last month by examining the financial and sectoral implications of mergers and acquisitions in the EU. By coincidence, mergers and acquisitions were a phenomenon frequently seen in the food and drink industry, as well as the chemical and engineering industries. In value terms, European mergers and acquisitions tend to be smaller in size than operations involving American firms. The article looks at the breakdown of merger activity within the EU, differentiating between international, Community-wide and national bids.

François de Geuser,  
Luxembourg



**Latest outlook** - the most recent short-term indicators for European industry in tabular and graphic format, page 13.



**In depth** - a close look into the food products and beverages industry, page 49.



**Special focus** - second part of an article on mergers and acquisitions, page 75.



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The Monthly Panorama of European Industry has the objective of furnishing readers with an instrument which will allow them to follow the evolution of industrial short-term trends and also show the structure and activity of industry at the sectorial level. The publication appears eleven times during the course of the year. When the occasion warrants topical articles may well be treated in the form of a special edition, five of which are planned for 1997.

This publication is a joint project of Eurostat and Directorate General III (Industry policy).

The opinions expressed in this publication are those of the individual authors alone and do not necessarily reflect the position of the European Commission.

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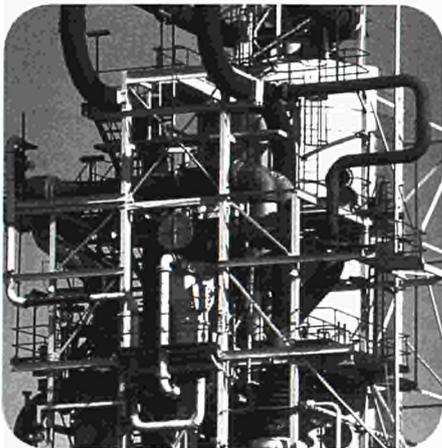
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**Economic commentary**

current economic situation in  
the EU, Japan and United States

**Data in this section**

index of production,  
consumer price index, trade balance



**In this section****Industrial production** 9**Consumer prices** 9**Trade balance** 10**Moderate growth in the production index**

Growth of industrial activity in the EU remained moderate in March 1997. Production in volume, corrected for working days, rose by only 0.9% in the month of March 1997, compared to the same month of the year before. In February, the growth rate was 2.7%. In the capital goods sector, in particular, there was a slowdown in production, with growth equal to 0.1% (as against 3.1% in February). The change in industrial production, for total industry, was negative in Denmark (-2.4%), the Netherlands (-1.7%) and in the United Kingdom (-3.5%). The largest growth rates were registered in Belgium (5.2%), Ireland (13.6%), Finland (8.2%) and Sweden (9.3%).

The growth rates used above, between the same month of one year and the next, ignore the evolution in the variable over the most recent months. However, if we look at the evolution of the production index (corrected for seasonal variations and one-off fluctuations) between the last quarter of 1996 and the first quarter of 1997, we see weak growth. EUR15 industrial production for total industry was seen to grow by only 0.5%. This trend was seen across all of the main industrial groupings (intermediate goods, capital goods and consumer goods). Furthermore, amongst the majority of Member States there was no major difference either.

**Production index in Japan and the USA**

In Japan, the index of production in volume terms grew by 7.6% between March 1997 and March 1996 (compared to 5.5% for February). Capital goods and consumer durables were seen to register the highest rates of growth, rising by 10.3% and 10.9% respectively. During the same period (largely due to growth in the capital goods and consumer durables sectors too) the USA saw production volume rise 5.2% (against 4.3% in February). Turning to the most recent evolution between the last quarter of 1996 and the first quarter of 1997, the production index grew by 1.5% in the USA and by 1.9% in Japan, higher than in the majority of the Member States.

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INDUSTRIAL PRODUCTION AND CONSUMER PRICES

Industrial production in volume terms showed moderate growth, rising 0.9% in March 1997

**Capacity utilisation falls to 80.8%**

Capacity utilisation for total industry in Europe stood at 80.8% during the first quarter of 1997, a slight fall on the figure for the last quarter of 1996, a reduction of 0.4 percentage points. Sweden and Finland had the highest utilisation rates, recording 87.0% and 85.7% respectively, principally due to their performance in the intermediate and capital goods sectors.

**Producer price increases modest**

Producer prices continued to grow at a slow rate: they rose by 0.7% in March 1997 compared to a year before (the same rate as in February). The consumer goods sectors (durable and non-durable), as well as the capital goods sector recorded modest gains, rising 0.9%, 1.0% and 0.8% respectively for the same period (compared to 1.2%, 1.0% and 1.0% in February). Intermediate goods saw almost no change, rising only 0.1% (compared to 0.2% in February). Producer price growth was under control in Germany and Italy, where annual rates of growth were equal to 0.9% and 0.6% in March 1997 (compared to 0.6% and 0.8% in February). Lowest price increases were seen in the United Kingdom and

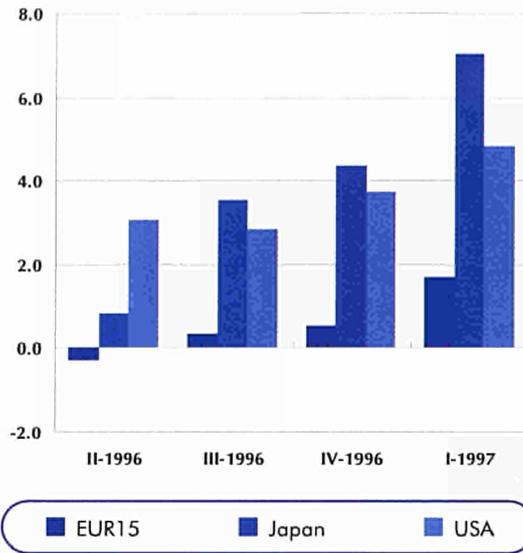


Figure 1.1

Year on year growth rates (t/t-4) for industrial production (%)

Source: eurostat

France, where prices were virtually unchanged, rising only 0.1% during the year to April and March 1997. In the USA producer price growth was equal to 1.0% during the month of March, whilst in Japan there was a negative trend, an annual change of -0.2% being recorded.

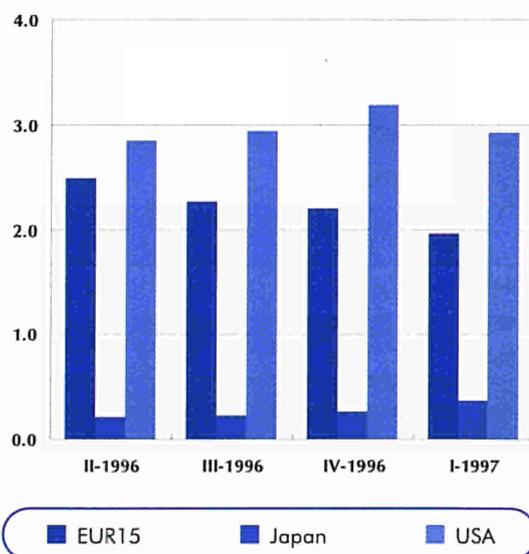


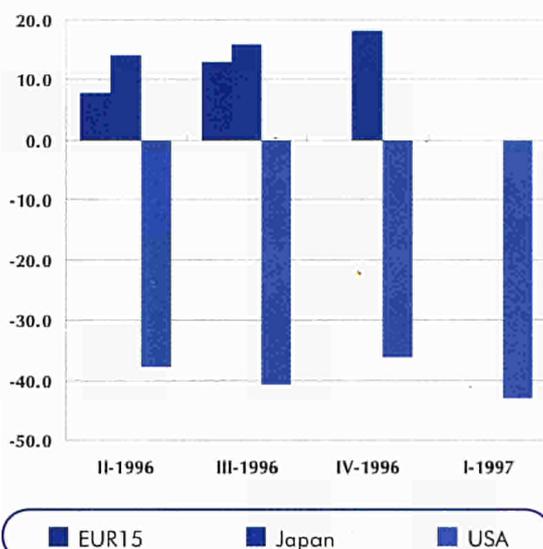
Figure 1.2

Year on year growth rates (t/t-4) for consumer prices (%)

Source: eurostat

Figure 1.3

Quarterly  
trade balance  
(billion ECU)



Source: eurostat

Producer prices rose by 0.7%  
in the year to March 1997

### Reduction in industrial employment

Employment in the EU for total industry continued to fall: the latest figures show that a reduction of 2.2% was recorded in August 1996, with respect to the same month of the previous year. In Germany the index declined by 4.6% between March 1996 and March 1997. In France, Italy and the United Kingdom, employment fell slightly less, by 1.8% in December 1996, 1.9% in August 1996 and 0.7% in

February 1997. Ireland and Spain were the only countries to display positive growth in industrial employment, rising 3.3% and 1.6% between December 1995 and December 1996. The sectors most hit by the reduction in employment were intermediate goods and consumer non-durables.

### External trade in EUR15, supporting the economic recovery

Turning to foreign trade, exports grew in the final quarter of 1996 (compared to the same three months of 1995) by 10.0% in volume terms and by 14.5% in value terms, whilst imports grew at a slower pace, up 5.2% in volume and 10.8% in value.

Table 1.1

Year on year  
growth rates (t/t-12)  
for industrial  
production  
(%)

	EUR15	Japan	USA
04-96	-0.7	-1.2	3.1
05-96	-1.0	2.5	2.9
06-96	0.8	1.3	3.3
07-96	1.1	4.3	3.2
08-96	-0.3	1.7	2.8
09-96	0.2	4.4	2.6
10-96	1.4	5.2	3.2
11-96	0.7	4.9	3.9
12-96	-0.5	3.1	4.1
01-97	1.5	8.2	5.0
02-97	2.7	5.5	4.3
03-97	0.9	7.6	5.2

Source: eurostat

## CONSUMER PRICES &amp; TRADE BALANCE

**Construction sector**

In construction, the most recent evolution has been somewhat negative: the EUR15 production index from one quarter to the next (taking account of seasonal and one-off fluctuations) fell by 0.3% in the final quarter of 1996. Differences between countries were marked: with production rising by 1.6% in Belgium, 1.0% in Germany, 1.4% in Finland and 1.4% in the United Kingdom, whilst there were decreases recorded in Denmark (-3.1%), Spain (-4.6%), France (-2.5%), Italy (-5.5%) and Luxembourg (-2.7%).

**Employment in construction grows in Ireland and Finland**

Employment in the construction sector also failed to escape the recent downward trends observed for total industrial employment: nevertheless, construction sector employment fell at a less pronounced rate than total industry, down 1.4% in December 1996 compared to the same month in 1995. Germany, France, Italy and the United Kingdom all recorded negative growth over the period (be it for December 1996 or the start of 1997). Finland had the highest growth rate, rising by 16.5% in April 1997 (compared to 13.1% in March). In Ireland, employment in the construction sector followed a similar tack: growing by 8.3% in March 1997 compared to a year before (9.0% in February).

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Table 1.2

	EUR15	Japan	USA
05-96	2.6	0.3	2.9
06-96	2.4	0.0	2.8
07-96	2.4	0.6	3.0
08-96	2.2	0.2	2.9
09-96	2.2	-0.1	3.0
10-96	2.3	0.1	3.0
11-96	2.2	0.5	3.3
12-96	2.1	0.2	3.3
01-97	2.2	0.5	3.0
02-97	2.0	0.1	3.0
03-97	1.7	0.5	2.8
04-97	1.5	1.9	2.5

Year on year  
growth rates (t/t-12)  
for consumer  
prices  
(%)

Source:  eurostat

Table 1.3

	EUR15	Japan	USA
04-96	1.3	4.0	-12.4
05-96	2.9	3.2	-13.6
06-96	3.7	6.8	-11.8
07-96	7.3	5.0	-13.9
08-96	4.4	3.9	-12.9
09-96	1.2	7.0	-13.9
10-96	7.9	4.7	-11.3
11-96	:	6.0	-11.3
12-96	:	7.4	-13.5
01-97	:	1.6	-15.3
02-97	:	:	-14.6
03-97	:	:	-13.1

Monthly  
trade balance  
(billion ECU)

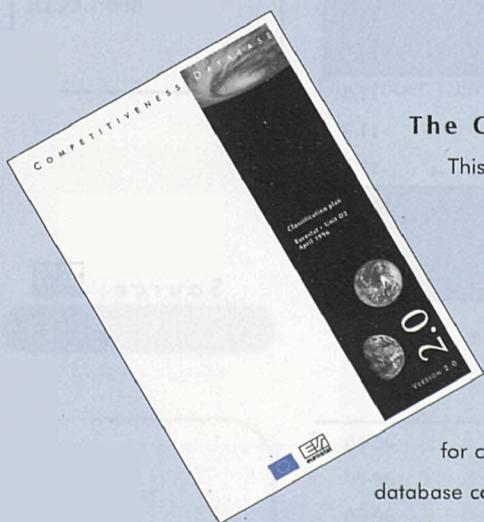
Source:  eurostat

### The Panorama CD-ROM Professional Version

The Panorama of EU Industry has established itself as one of the major sources of data and commentary on EU industrial activity - giving a wide cross-sectional analysis of some 200 industrial and service activities. Now Eurostat has launched a database - containing not only the text and tables from the publication, but also:

- ★ country breakdowns of EU totals;
- ★ data from the SME (small and medium sized enterprises) database;
- ★ and data from National Accounts.

All this information is contained on one single, easy-to-use CD-Rom. As well as containing a pictorial representation of the publication, with powerful search facilities to enable the user to access related industries, the CD-Rom has the added facility of being able to link directly with spreadsheets and word processors. This CD-Rom is a useful tool for consultants, policy advisors, researchers and anyone generally interested in EU industry.



### The Competitiveness Database

This is a new product, bringing together a wide range of indicators linked to industrial competitiveness for the EU Member States and OECD countries. This database will be vital for anyone interested in studying industrial competitiveness, for comparing industrial opportunities. The database covers some 30 countries in depth, 200 industrial activities and nearly 100 indicators, for the period 1980-1995. The database comes on CD-ROM and includes Eurostat standard CUB.X software for viewing and extracting the data.

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**Business cycle at a glance**



**Short-term indicators**

production index, producer price index,  
employment index, capacity utilisation,  
the construction sector, foreign trade indices



data extracted on: 09/06/97

For full methodological notes and an explanation of the signs and abbreviations used in this publication, please refer to page 71

Table 2.1

Business cycle at a glance - situation for the production index of the main industrial groupings, trend cycle

	Latest 3 months available	Total industry	Intermediate goods	Capital goods	Consumer durables	Consumer non-durables
EUR15	01-97 ⇌ 03-97	→	↗	→	→	↗
B	01-97 ⇌ 03-97	→	↗↗	↘	→	→
DK	01-97 ⇌ 03-97	→	↗	↘	↘↘	↗
D	01-97 ⇌ 03-97	↗	↗	→	↘	→
EL	01-97 ⇌ 03-97	→	↗	↘	↗↗	→
E	01-97 ⇌ 03-97	↗	→	↗	↘	↗
F	01-97 ⇌ 03-97	→	↗	→	→	→
IRL	11-96 ⇌ 01-97	↗↗	↗	↗↗	:	↗
I	01-97 ⇌ 03-97	↗	↗	↗	↗	↗
L	12-96 ⇌ 02-97	↗	↗	↗	↗↗	↗
NL	01-97 ⇌ 03-97	→	→	↗	↗	↗
A	⇌	:	:	:	:	:
P	12-96 ⇌ 02-97	→	→	↗	↘	↘
FIN	01-97 ⇌ 03-97	↗	↗	→	↗	→
S	01-97 ⇌ 03-97	↗	↗	↗↗	↗↗	↗
UK	01-97 ⇌ 03-97	→	→	→	→	→
Japan	01-97 ⇌ 03-97	↗	↗	↗	↗	↗
USA	01-97 ⇌ 03-97	↗	↗	↗	↗	↗

Growth rates:

↗↗ &gt;2.5%

↗ 0.5% → 2.5%

→ -0.5% → 0.5%

↘ -2.5% → -0.5%

↘↘ &lt;-2.5%

Source:  eurostat

PRODUCTION INDEX - W.D.ADJ.

EUR15

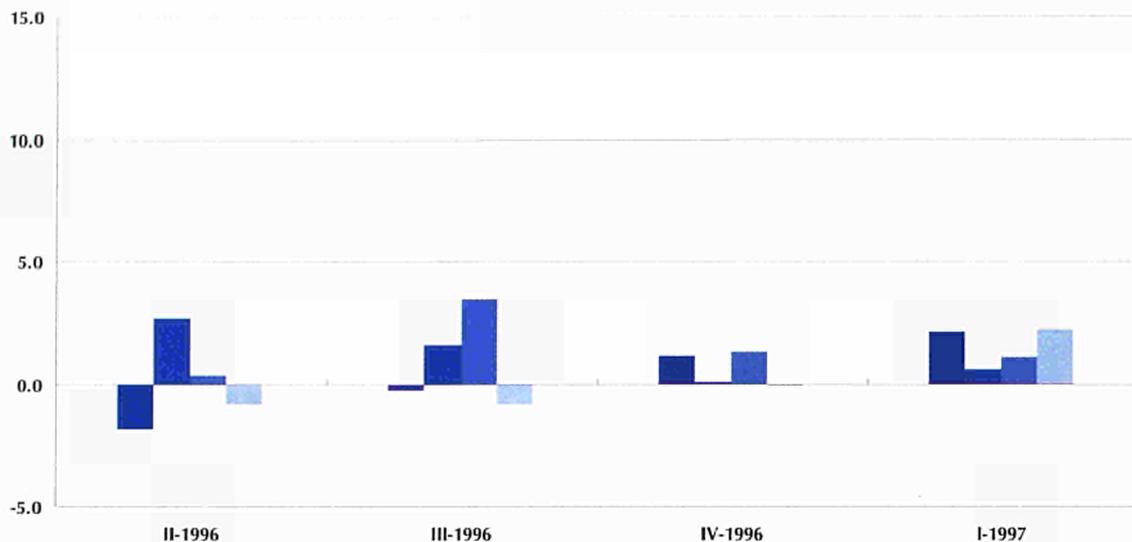
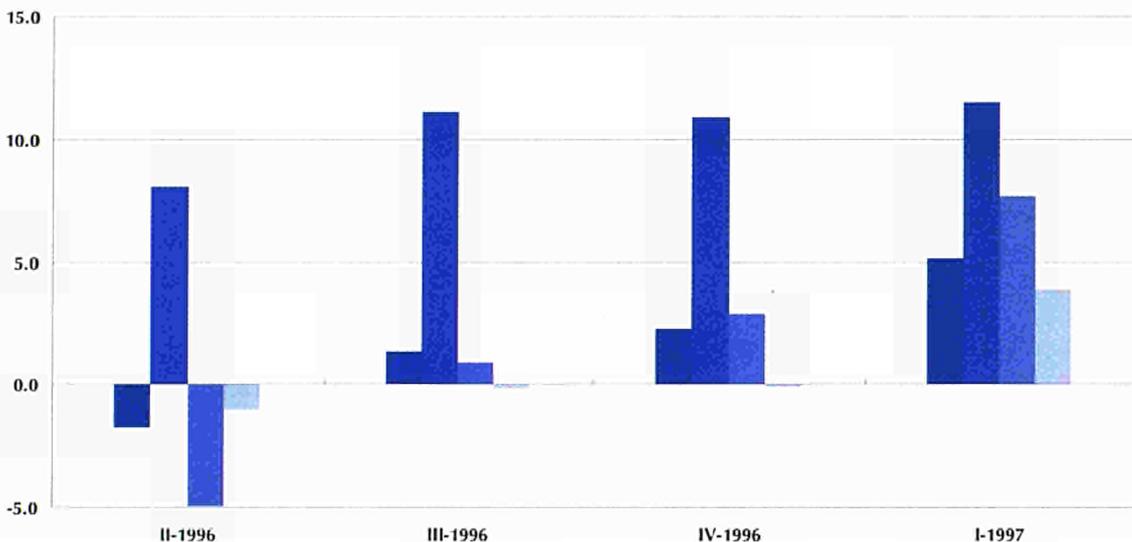


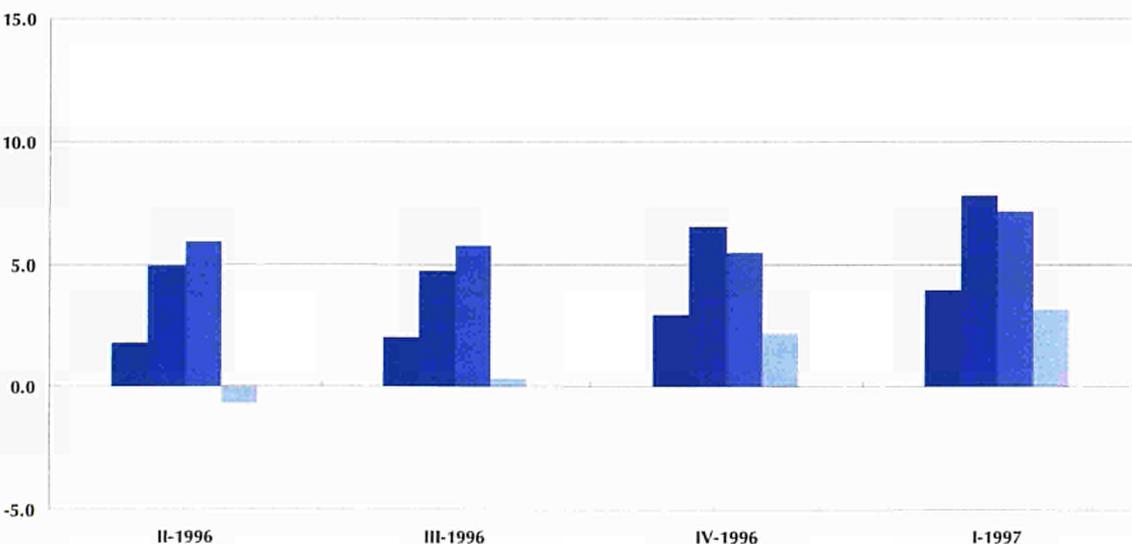
Figure 2.1

TRIAD comparison of production growth for the main industrial groupings, based on changes from the corresponding quarter of the previous year, w.d.adj. (%)

Japan



USA



- Intermediate goods
- Capital goods
- Consumer durables
- Consumer non-durables

Source: eurostat

## PRODUCTION INDEX - W.D.ADJ.

Table 2.2

Indices of  
production for total  
industry, w.d.adj.  
(1990 = 100)

	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>EUR15</b>	99.2	103.1	103.2	109.3	110.9	103.1	101.7	106.6	111.3
<b>B</b>	94.7	98.7	99.3	100.7	109.6	96.5	93.6	104.5	109.4
<b>DK</b>	111.2	115.8	117.1	125.3	125.2	110.7	107.7	116.9	124.0
<b>D</b>	93.9	95.9	96.0	103.6	102.7	97.4	92.1	94.1	101.9
<b>EL</b>	95.7	97.4	98.4	105.1	101.8	93.2	90.8	95.9	98.0
<b>E</b>	98.7	103.3	102.2	110.4	110.6	95.9	102.1	107.9	112.6
<b>F</b>	97.5	99.5	99.7	105.3	105.4	99.0	101.9	106.9	106.3
<b>IRL</b>	133.3	158.5	171.1	161.8	146.4	165.9	187.3	:	:
<b>I</b>	101.7	107.9	104.9	109.6	113.2	97.3	99.2	114.2	116.0
<b>L</b>	100.5	101.0	100.6	98.3	75.9	102.1	96.6	110.1	:
<b>NL</b>	103.2	106.7	110.2	112.3	118.1	121.5	115.9	116.4	117.5
<b>A</b>	:	:	:	:	:	:	:	:	:
<b>P</b>	94.9	99.4	100.8	103.9	103.3	98.4	101.9	105.0	104.4
<b>FIN</b>	107.3	115.3	118.0	126.7	129.1	122.8	120.8	120.5	128.6
<b>S</b>	103.8	113.5	116.3	120.4	126.6	135.5	114.0	120.9	129.8
<b>UK</b>	102.6	105.4	106.4	112.5	114.3	108.3	108.2	107.3	113.9
<b>Japan</b>	93.1	96.3	98.5	100.7	103.8	101.6	94.0	105.8	112.4
<b>USA</b>	109.8	113.4	116.5	118.9	117.4	116.6	118.2	120.1	120.6

Source:  eurostat

Table 2.3

TRIAD comparison of  
indices of production  
for the main  
industrial groupings,  
w.d.adj.  
(1990 = 100)

	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>Total industry</b>									
<b>EUR15</b>	99.2	103.1	103.2	109.3	110.9	103.1	101.7	106.6	111.3
<b>Japan</b>	93.1	96.3	98.5	100.7	103.8	101.6	94.0	105.8	112.4
<b>USA</b>	109.8	113.4	116.5	118.9	117.4	116.6	118.2	120.1	120.6
<b>Intermediate goods</b>									
<b>EUR15</b>	101.6	104.6	103.8	110.0	110.7	99.9	105.8	109.3	112.7
<b>Japan</b>	95.5	99.3	99.7	103.4	104.6	101.4	96.5	105.1	108.7
<b>USA</b>	104.1	105.4	107.3	110.6	108.2	106.4	106.4	106.3	107.6
<b>Capital goods</b>									
<b>EUR15</b>	91.8	99.0	101.1	105.6	108.8	111.4	91.3	100.5	108.0
<b>Japan</b>	85.6	89.5	97.4	99.6	103.1	101.9	92.0	106.0	125.5
<b>USA</b>	103.7	108.6	113.7	117.3	115.6	114.0	115.0	119.5	120.7
<b>Consumer durables</b>									
<b>EUR15</b>	95.9	97.3	98.0	108.7	108.7	91.0	92.4	100.5	109.5
<b>Japan</b>	82.3	81.3	79.7	85.2	87.3	78.8	75.4	88.6	94.8
<b>USA</b>	114.5	120.9	127.0	131.0	129.0	126.1	127.3	133.4	135.2
<b>Consumer non-durables</b>									
<b>EUR15</b>	102.1	104.2	103.4	111.8	112.4	101.1	100.4	104.0	108.4
<b>Japan</b>	98.8	98.7	97.8	98.0	104.3	105.2	84.9	99.5	103.3
<b>USA</b>	107.2	108.5	108.6	112.3	109.1	107.0	106.9	107.9	108.5

Source:  eurostat

## PRODUCTION INDEX - SEASONALLY ADJUSTED

Table 2.4

	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>EUR15</b>	99.2	103.1	103.2	103.8	104.1	103.7	104.2	104.9	104.3
<b>B</b>	94.7	98.7	99.3	99.3	100.0	101.5	97.1	99.8	101.9
<b>DK</b>	111.2	115.8	117.1	118.1	118.1	117.7	118.3	120.1	116.7
<b>D</b>	93.9	95.9	96.0	97.8	96.8	97.1	97.7	99.2	97.4
<b>EL</b>	95.7	97.4	98.4	98.5	100.2	97.5	99.3	99.9	100.3
<b>E</b>	98.7	103.3	102.2	104.6	103.5	102.8	103.9	104.5	105.3
<b>F</b>	97.5	99.5	99.7	100.1	100.0	100.6	99.4	101.1	100.5
<b>IRL</b>	133.3	158.5	171.1	174.6	170.7	167.2	191.8	:	:
<b>I</b>	101.7	107.9	104.9	105.0	103.4	102.4	103.0	105.7	107.1
<b>L</b>	100.5	101.0	100.6	101.0	96.5	101.3	102.2	105.3	:
<b>NL</b>	103.2	106.7	110.2	109.2	110.2	111.4	111.0	110.2	110.9
<b>A</b>	:	:	:	:	:	:	:	:	:
<b>P</b>	94.9	99.4	100.8	100.7	100.8	100.0	100.1	101.7	101.8
<b>FIN</b>	107.3	115.3	118.0	120.4	121.4	121.9	122.7	122.1	125.1
<b>S</b>	103.8	113.5	116.3	115.6	120.2	124.1	121.5	121.3	124.4
<b>UK</b>	102.6	105.4	106.4	107.4	108.0	108.6	108.6	107.8	107.8
<b>Japan</b>	93.1	96.3	98.5	102.5	101.2	101.2	106.5	103.0	101.3
<b>USA</b>	109.8	113.4	116.5	117.5	118.6	119.1	119.2	119.9	121.0

Indices of production for total industry, seasonally adjusted (1990 = 100)

Source:  eurostat

Table 2.5

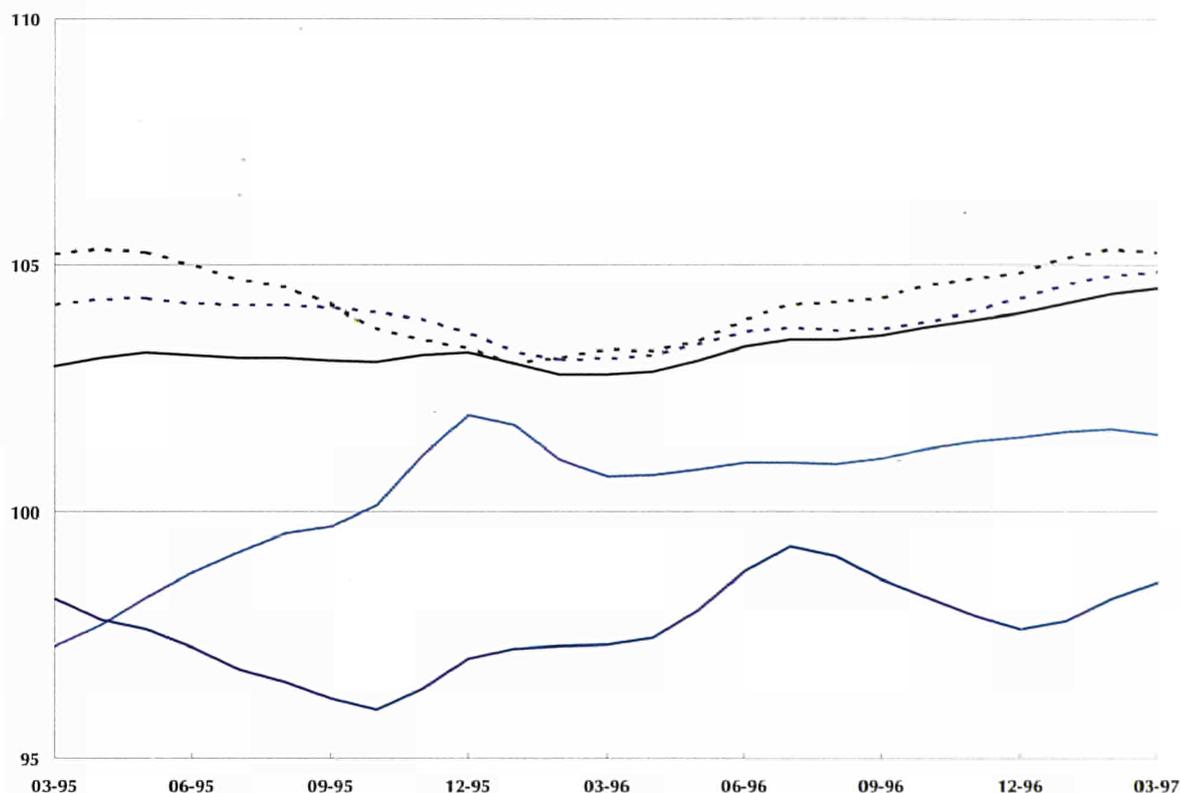
	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>Total industry</b>									
<b>EUR15</b>	99.2	103.1	103.2	103.8	104.1	103.7	104.2	104.9	104.3
<b>Japan</b>	93.1	96.3	98.5	102.5	101.2	101.2	106.5	103.0	101.3
<b>USA</b>	109.8	113.4	116.5	117.5	118.6	119.1	119.2	119.9	121.0
<b>Intermediate goods</b>									
<b>EUR15</b>	101.6	104.6	103.8	104.6	104.9	104.4	105.4	105.6	105.0
<b>Japan</b>	95.5	99.3	99.7	102.5	101.4	101.8	106.2	103.7	103.1
<b>USA</b>	104.1	105.4	107.3	108.1	109.8	109.2	109.6	110.0	110.7
<b>Capital goods</b>									
<b>EUR15</b>	91.8	99.0	101.1	101.1	101.7	101.4	101.3	102.6	100.9
<b>Japan</b>	85.6	89.5	97.4	102.8	102.4	101.4	106.5	103.4	100.1
<b>USA</b>	103.7	108.6	113.7	115.3	115.8	116.4	117.6	119.3	121.1
<b>Consumer durables</b>									
<b>EUR15</b>	95.9	97.3	98.0	98.2	98.4	96.3	97.7	98.3	99.2
<b>Japan</b>	82.3	81.3	79.7	86.7	81.6	80.5	90.6	82.7	81.9
<b>USA</b>	114.5	120.9	127.0	128.3	129.7	130.1	130.7	132.6	134.4
<b>Consumer non-durables</b>									
<b>EUR15</b>	102.1	104.2	103.4	103.7	104.1	104.3	104.7	105.0	104.8
<b>Japan</b>	98.8	98.7	97.8	99.3	99.3	99.3	105.0	99.3	97.8
<b>USA</b>	107.2	108.5	108.6	109.7	110.2	111.1	110.7	111.0	111.4

TRIAD comparison of indices of production for the main industrial groupings, seasonally adjusted (1990 = 100)

Source:  eurostat

Figure 2.2

EUR15 production index by main industrial grouping, trend cycle (1990 = 100)



Total industry —  
Intermediate goods - - -  
Capital goods —  
Consumer durables —  
Consumer non-durables - - -

Source: eurostat

Table 2.6

Three month on three month growth rates for the production index of the main industrial groupings, trend cycle (%)

	Latest 3 months available		Total industry	Intermediate goods	Capital goods	Consumer durables	Consumer non-durables
<b>EUR15</b>	01-97	⇨ 03-97	0.5	0.5	0.2	0.3	0.6
<b>B</b>	01-97	⇨ 03-97	0.1	2.9	-1.3	0.1	-0.5
<b>DK</b>	01-97	⇨ 03-97	0.3	0.6	-1.8	-4.3	0.7
<b>D</b>	01-97	⇨ 03-97	0.7	1.2	0.0	-1.0	0.4
<b>EL</b>	01-97	⇨ 03-97	0.5	0.7	-0.9	4.0	-0.4
<b>E</b>	01-97	⇨ 03-97	0.8	-0.3	1.5	-0.7	2.5
<b>F</b>	01-97	⇨ 03-97	0.3	0.7	-0.1	0.0	0.2
<b>IRL</b>	11-96	⇨ 01-97	4.4	2.1	11.8	:	1.6
<b>I</b>	01-97	⇨ 03-97	0.5	0.8	1.3	1.6	0.9
<b>L</b>	12-96	⇨ 02-97	2.0	2.2	0.6	3.1	0.6
<b>NL</b>	01-97	⇨ 03-97	0.5	-0.1	1.1	1.5	0.6
<b>A</b>	10-95	⇨ 12-95	-0.7	-2.1	-0.6	-1.1	0.0
<b>P</b>	12-96	⇨ 02-97	-0.4	-0.5	1.0	-0.5	-0.6
<b>FIN</b>	01-97	⇨ 03-97	1.8	1.7	0.3	2.4	0.0
<b>S</b>	01-97	⇨ 03-97	2.3	1.9	4.5	4.2	1.6
<b>UK</b>	01-97	⇨ 03-97	-0.2	-0.4	0.4	0.0	-0.3
<b>Japan</b>	01-97	⇨ 03-97	1.9	2.1	1.8	2.2	1.0
<b>USA</b>	01-97	⇨ 03-97	1.5	1.2	2.2	2.4	0.7

Source: eurostat

## PRODUCTION INDEX - W.D.ADJ.

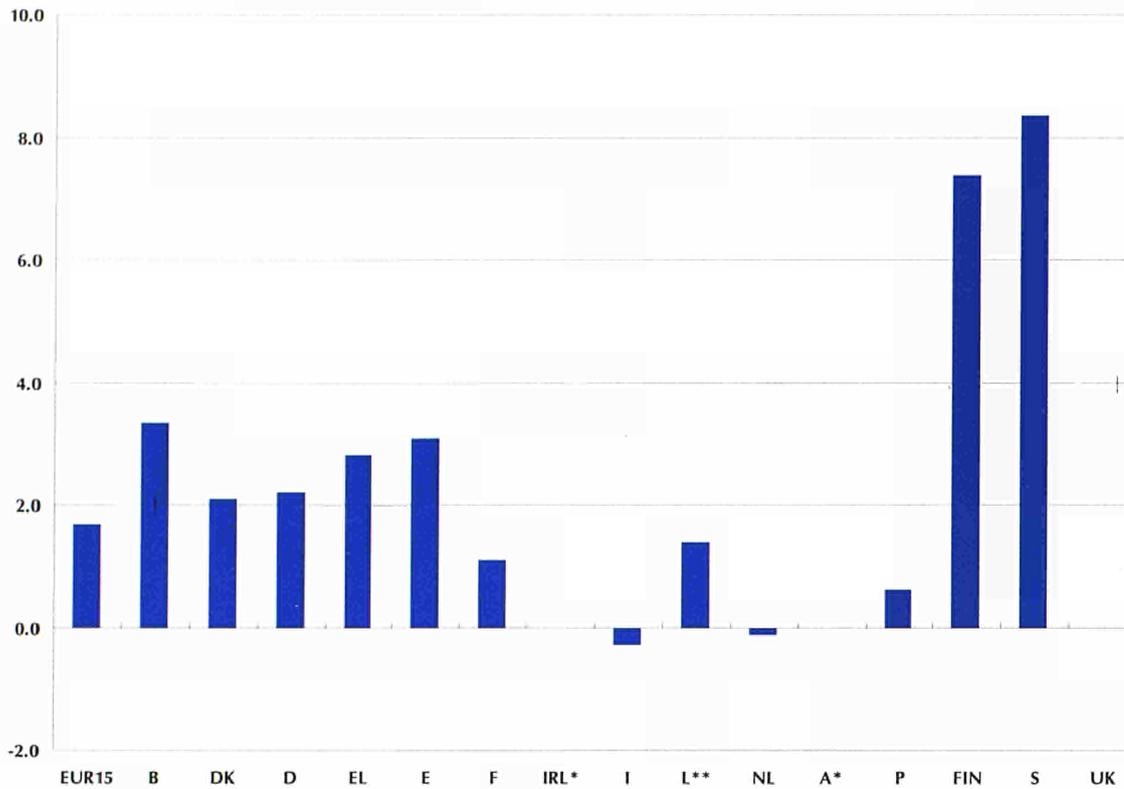


Figure 2.3

Annual growth rates for the production index of total industry, based on changes from the corresponding three months of the previous year, w.d.adj., Jan-97 to Mar-97 (%)

Source:  eurostat

	Latest 3 months available		Total industry	Intermediate goods	Capital goods	Consumer durables	Consumer non-durables
<b>EUR15</b>	01-97	⇒ 03-97	1.7	2.1	0.6	1.1	2.2
<b>B</b>	01-97	⇒ 03-97	3.3	7.1	-1.4	1.9	-2.4
<b>DK</b>	01-97	⇒ 03-97	2.1	4.7	-1.5	-1.9	2.7
<b>D</b>	01-97	⇒ 03-97	2.2	3.9	1.6	0.1	1.0
<b>EL</b>	01-97	⇒ 03-97	2.8	5.1	2.0	15.9	-2.7
<b>E</b>	01-97	⇒ 03-97	3.1	0.0	6.7	3.4	9.4
<b>F</b>	01-97	⇒ 03-97	1.1	:	0.0	-0.1	0.5
<b>IRL</b>	11-96	⇒ 01-97	8.7	7.1	12.4	:	6.0
<b>I</b>	01-97	⇒ 03-97	-0.3	2.6	-8.3	-0.3	4.0
<b>L</b>	12-96	⇒ 02-97	3.3	4.9	8.1	2.5	-0.8
<b>NL</b>	01-97	⇒ 03-97	-0.1	-2.1	1.1	7.3	2.7
<b>A</b>	10-95	⇒ 12-95	6.1	0.0	1.8	2.0	-1.4
<b>P</b>	12-96	⇒ 02-97	-0.5	-2.9	18.4	-5.6	2.0
<b>FIN</b>	01-97	⇒ 03-97	7.4	8.3	0.4	8.3	-0.9
<b>S</b>	01-97	⇒ 03-97	8.3	5.6	10.9	15.9	8.8
<b>UK</b>	01-97	⇒ 03-97	0.0	-0.5	1.7	1.7	-0.5
<b>Japan</b>	01-97	⇒ 03-97	7.1	5.1	11.5	7.7	3.9
<b>USA</b>	01-97	⇒ 03-97	4.8	4.0	7.8	7.1	3.2

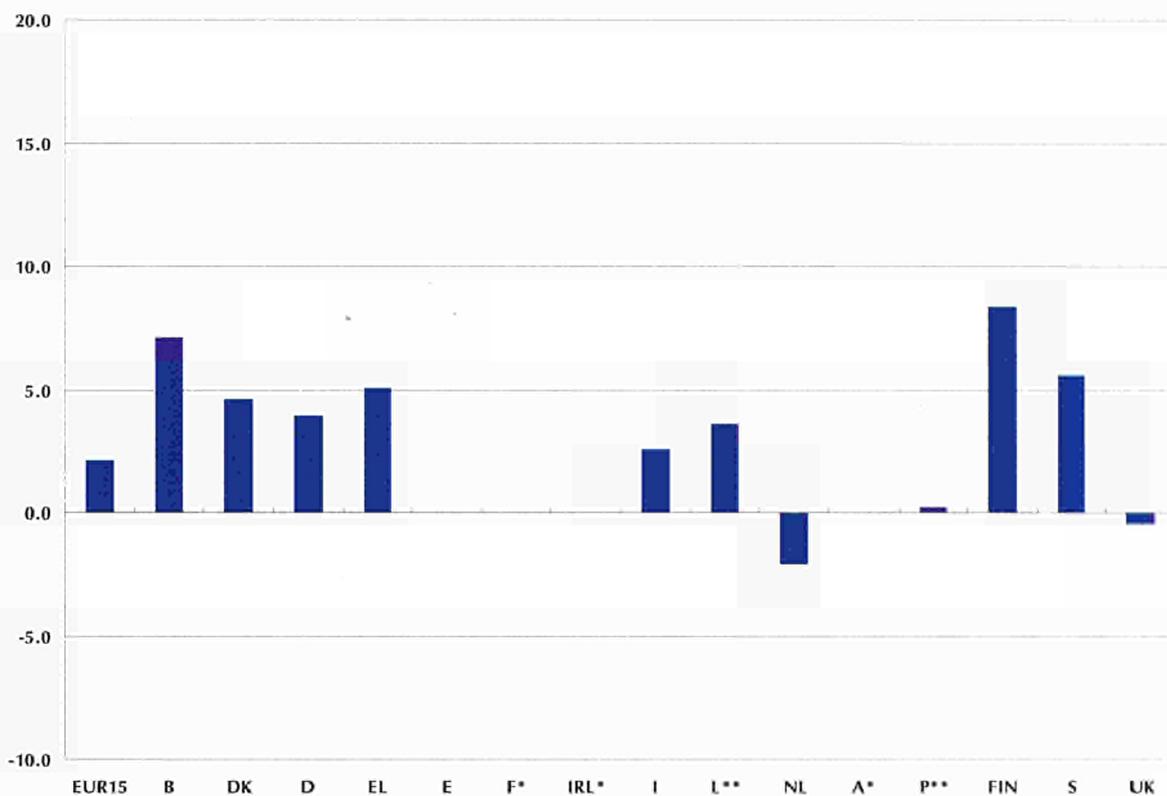
Table 2.7

Annual growth rates for the production index of the main industrial groupings, based on changes from the corresponding three months of the previous year, w.d.adj. (%)

Source:  eurostat

Figure 2.4

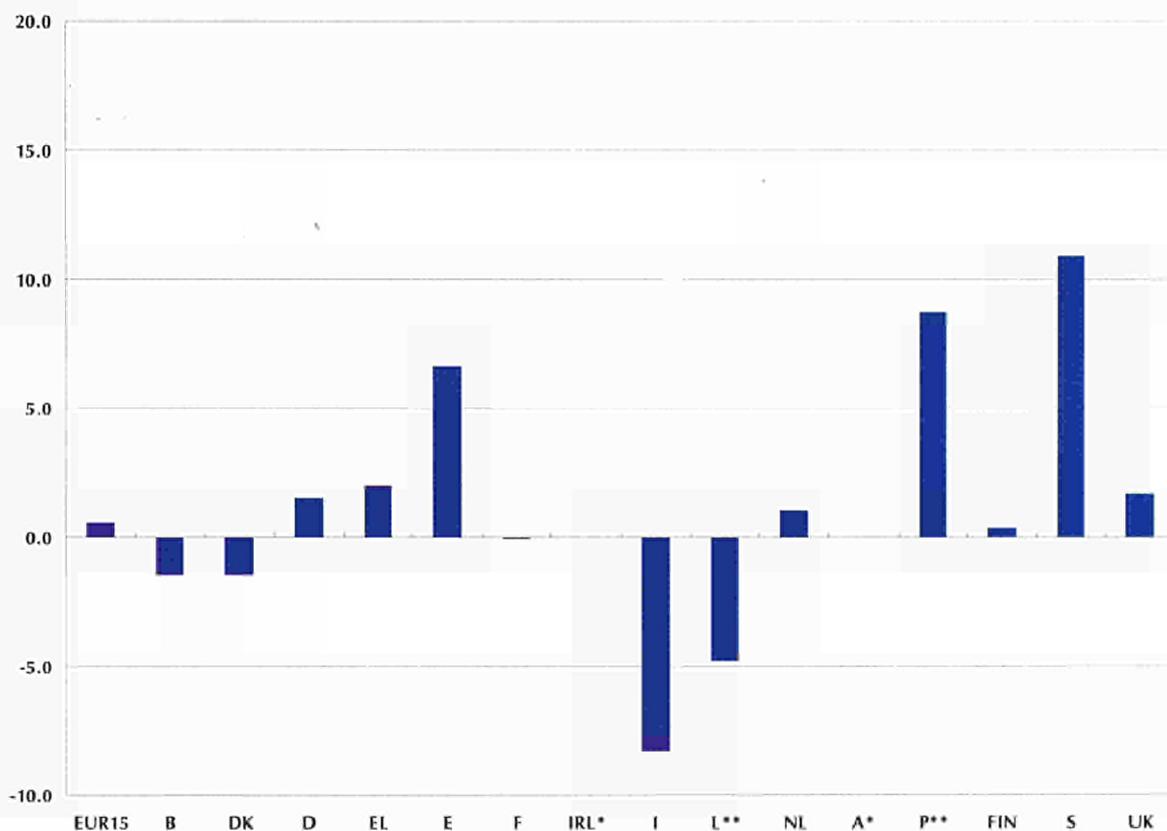
Annual growth rates for the production index of intermediate goods, based on changes from the corresponding three months of the previous year, w.d.adj., Jan-97 to Mar-97 (%)



Source: eurostat

Figure 2.5

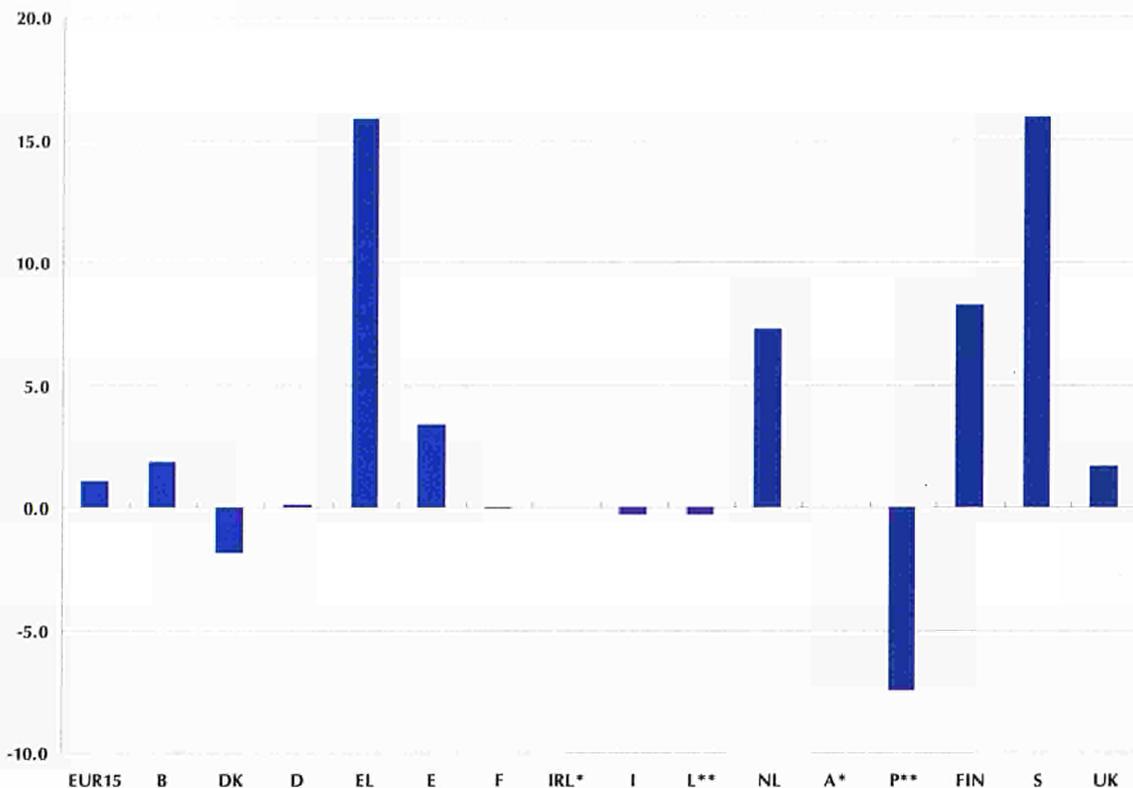
Annual growth rates for the production index of capital goods, based on changes from the corresponding three months of the previous year, w.d.adj., Jan-97 to Mar-97 (%)



Source: eurostat

PRODUCTION INDEX - W.D.ADJ.

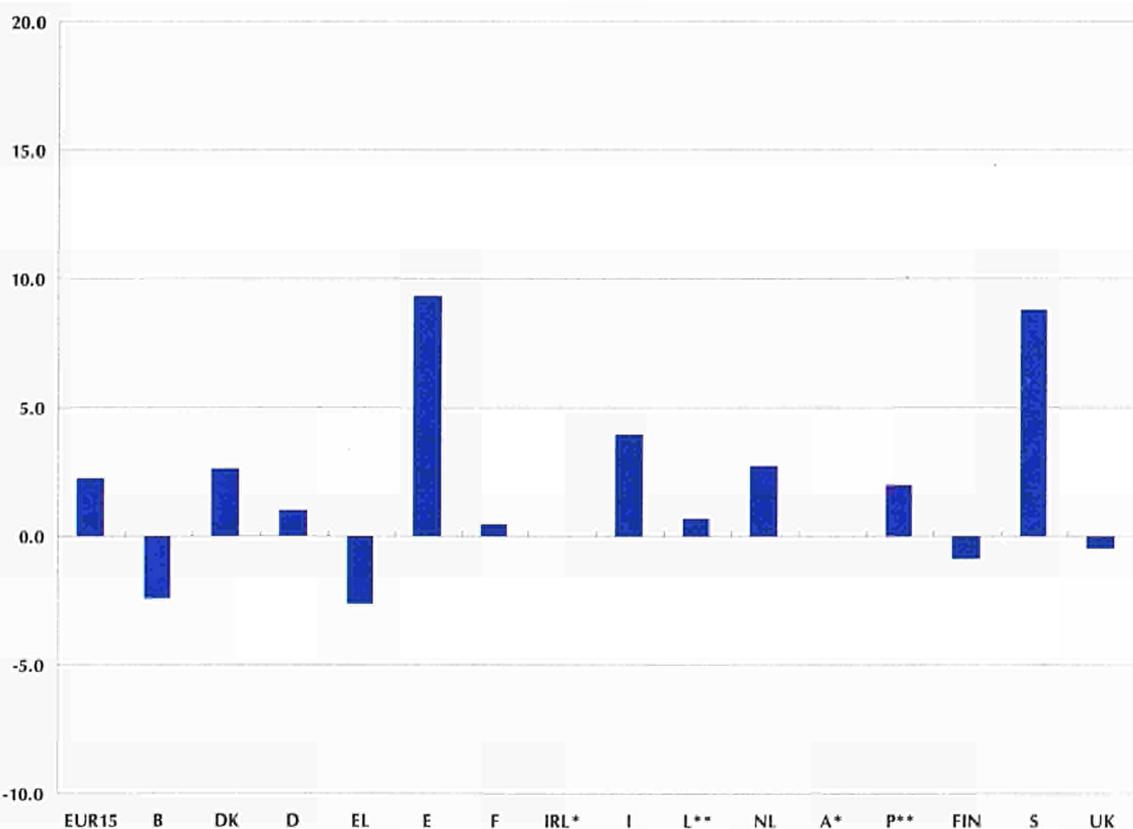
Figure 2.6



Annual growth rates for the production index of consumer durables, based on changes from the corresponding three months of the previous year, w.d.adj., Jan-97 to Mar-97 (%)

Source: eurostat

Figure 2.7

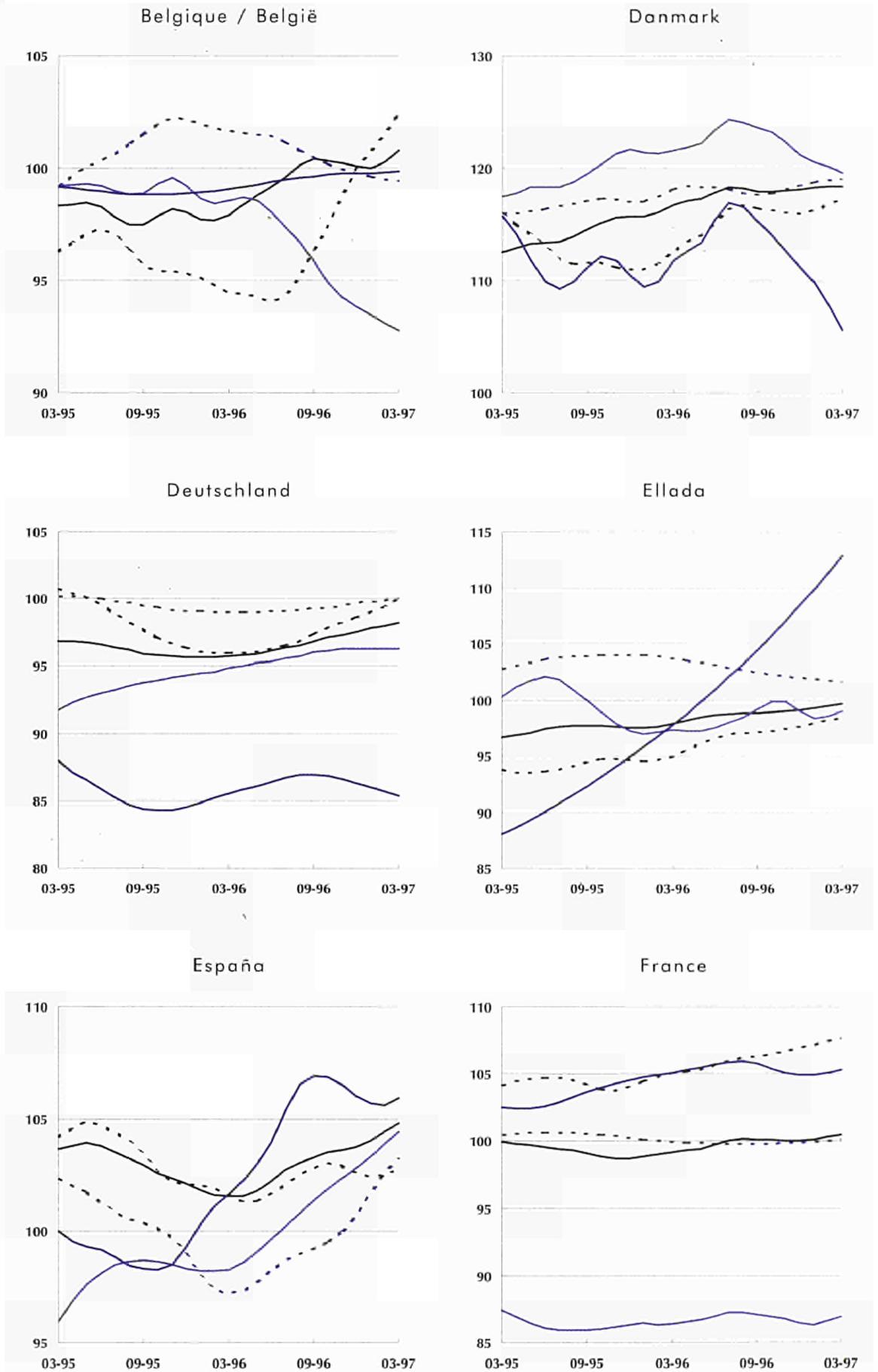


Annual growth rates for the production index of consumer non-durables, based on changes from the corresponding three months of the previous year, w.d.adj., Jan-97 to Mar-97 (%)

Source: eurostat

Figure 2.8

Production index by main industrial grouping, trend cycle (1990 = 100)



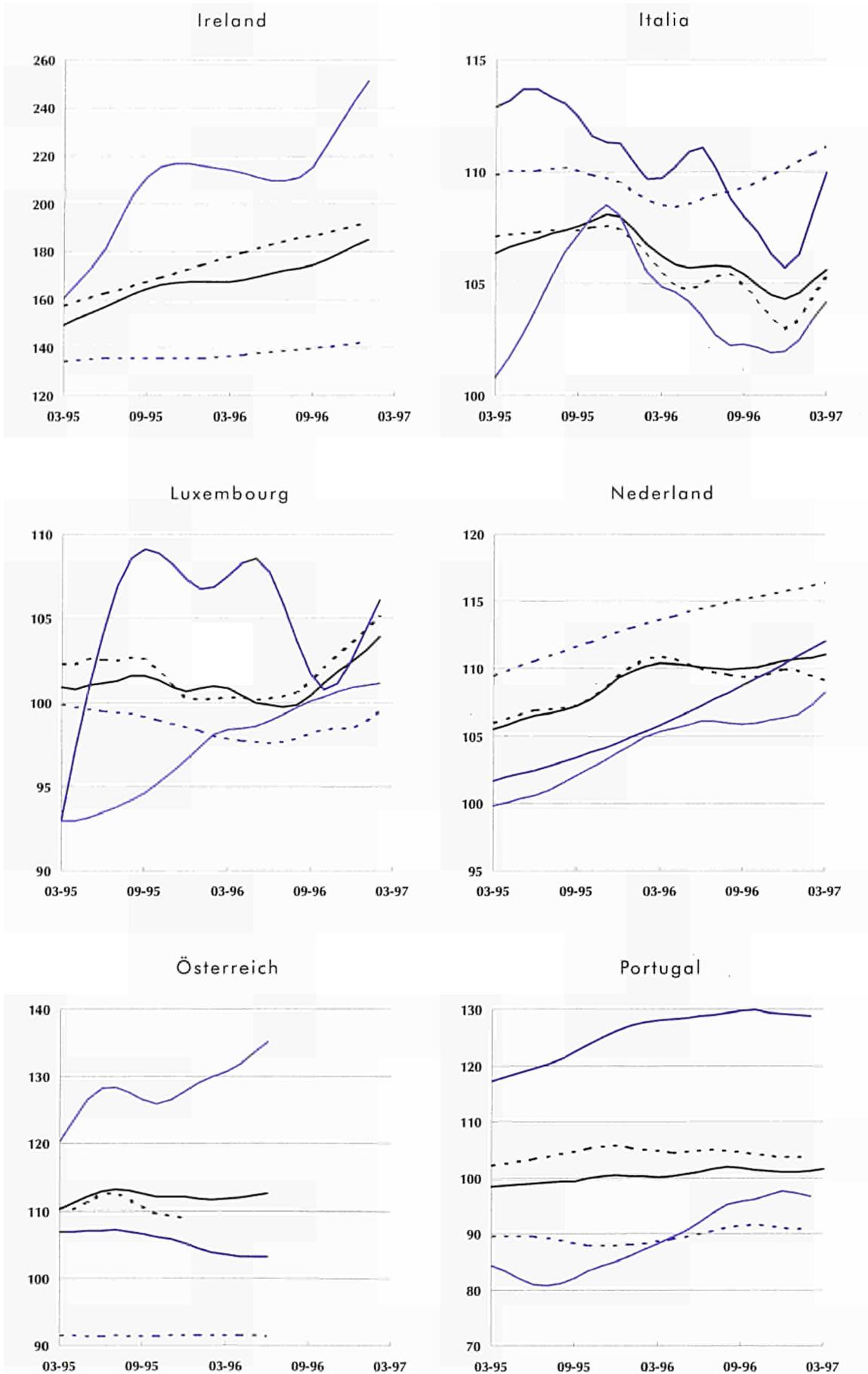
- Total industry ———
- Intermediate goods - - - - -
- Capital goods ———
- Consumer durables ———
- Consumer non-durables - - - - -

Source:  eurostat

PRODUCTION INDEX - TREND CYCLE

Figure 2.8

Production index by main industrial grouping, trend cycle (1990 = 100)

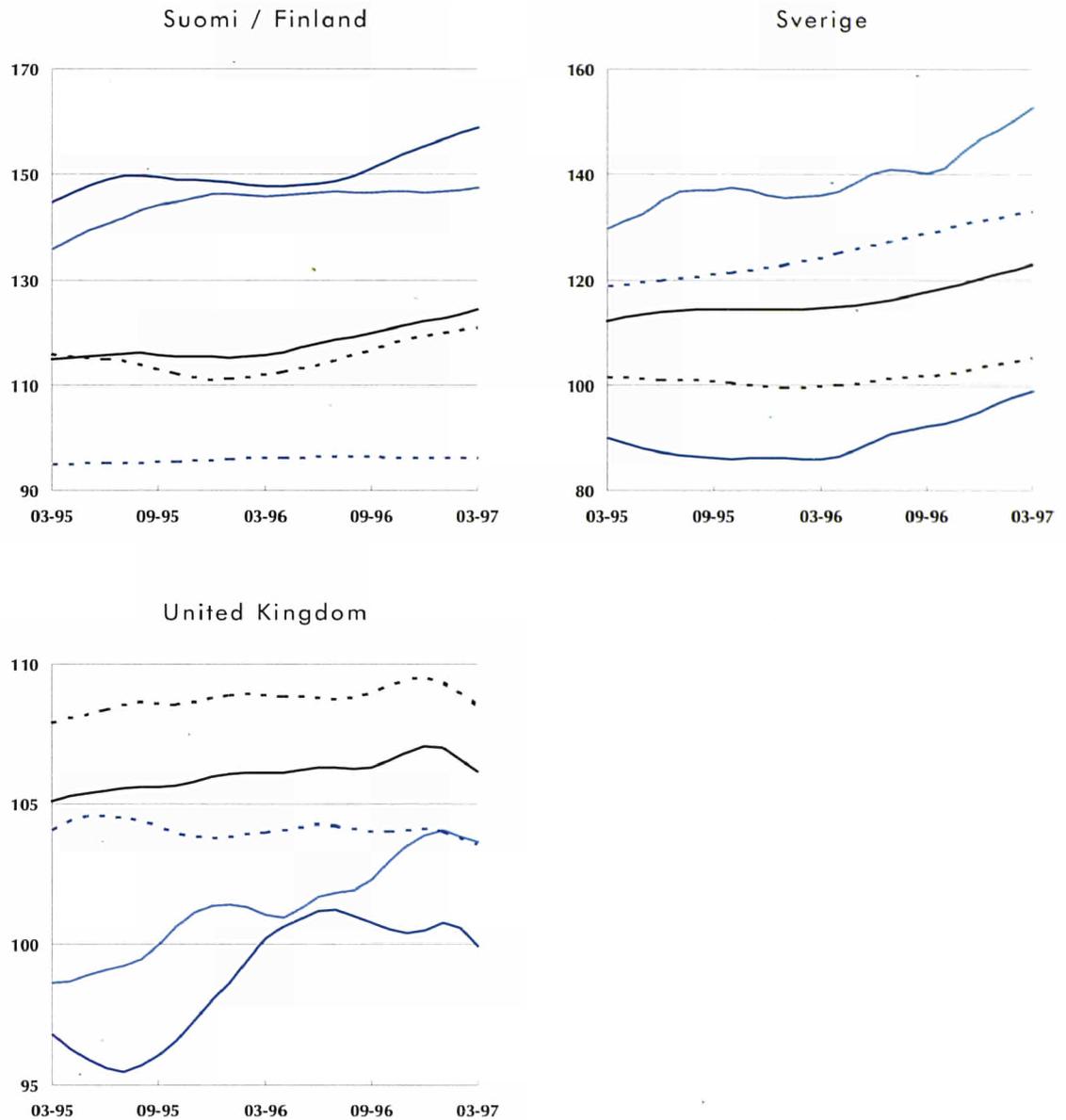


- Total industry
- - - Intermediate goods
- Capital goods
- Consumer durables
- Consumer non-durables

Source: eurostat

**Figure 2.8**

Production index by main industrial grouping, trend cycle (1990 = 100)



- Total industry ———
- Intermediate goods - - - - -
- Capital goods ———
- Consumer durables ———
- Consumer non-durables - - - - -

**Further information - the production index:**

The index of production measures changes in volume (at constant prices) of gross value added created by a given activity, the activity indices being aggregated (like the aggregation at Community level) by means of a system of weighting according to gross value added at factor cost.

The indices of production are adjusted in two stages. Firstly, account is taken of the variation in the number of working days in the month. The national Statistical Offices provide Eurostat with these series (except Denmark, France, Spain and the United Kingdom). Secondly, for EUR15 and most of the Member States a correction is made using seasonal adjustment with TRAMO / SEATS, a method developed by Professor Maravall and V.Gomez. For France, Finland, Sweden and the United Kingdom, the indices are adjusted by the national statistical offices themselves. All data from Ireland is converted to NACE Rev.1 from the old classification NACE 1970 and is therefore less reliable.

Full methodological notes may be found on page 71.

Source: eurostat

DOMESTIC PRODUCER PRICE INDEX - NATIONAL CURRENCY

EUR15

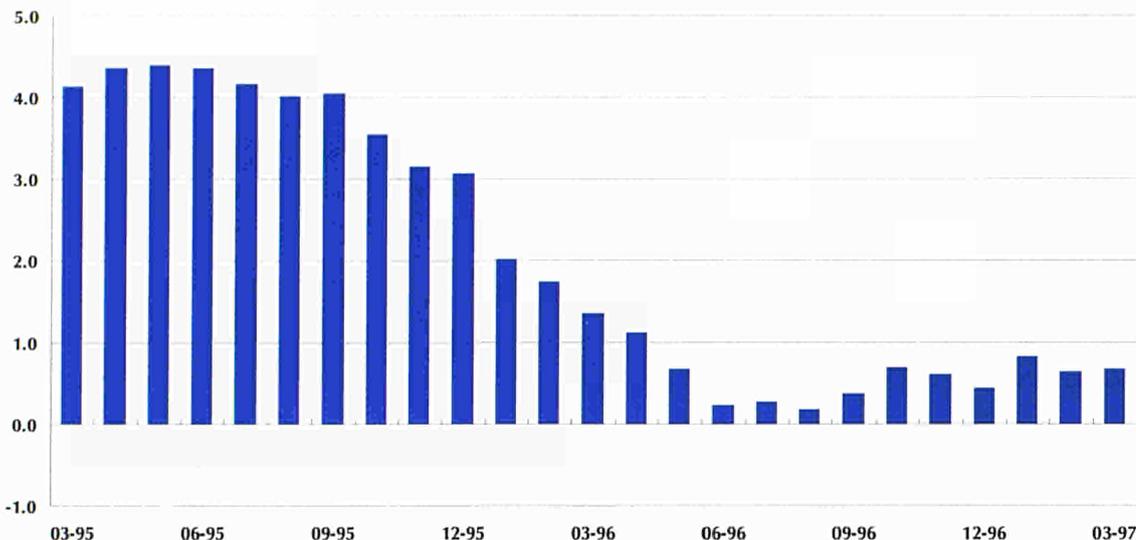
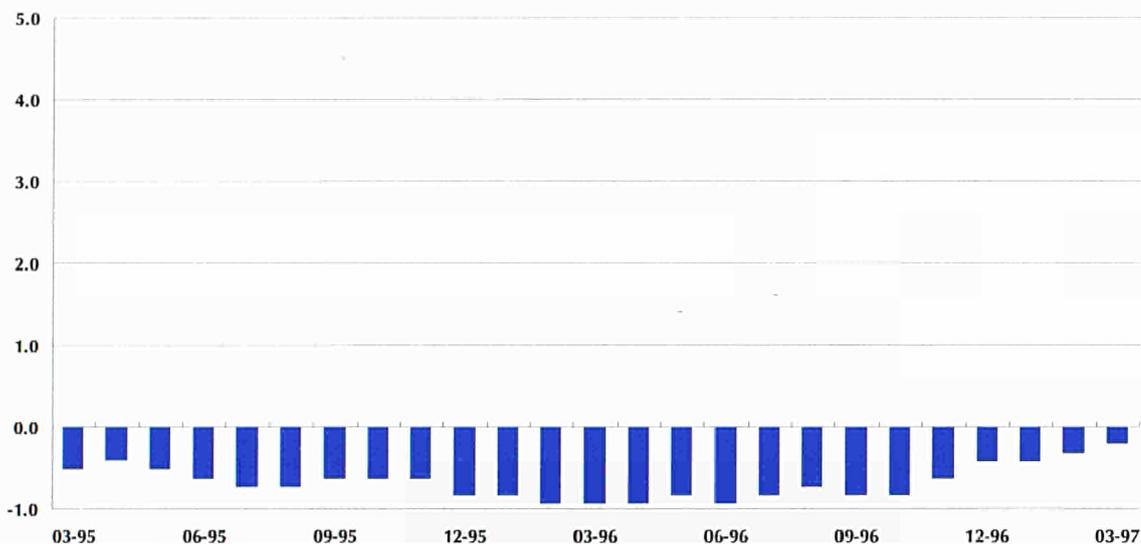


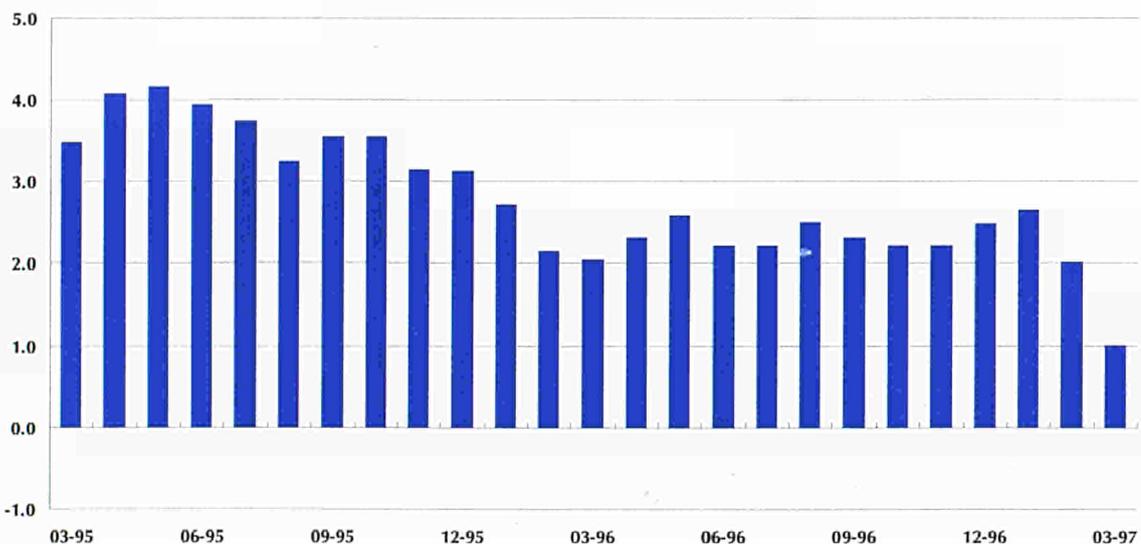
Figure 2.9

TRIAD comparison of annual growth rates of producer prices for total industry, in national currency (%)

Japan



USA

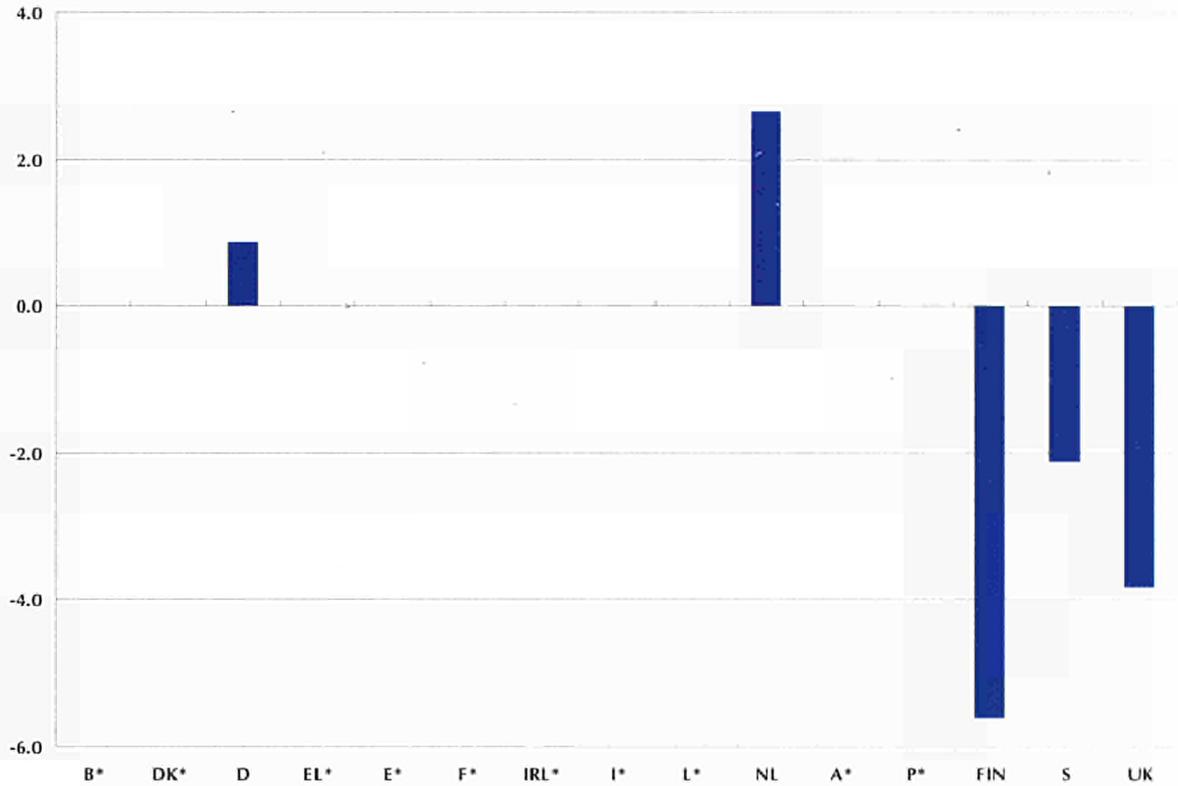


Source: eurostat

EXPORT PRICE INDEX AND DOMESTIC PRODUCER PRICE INDEX

Figure 2.10

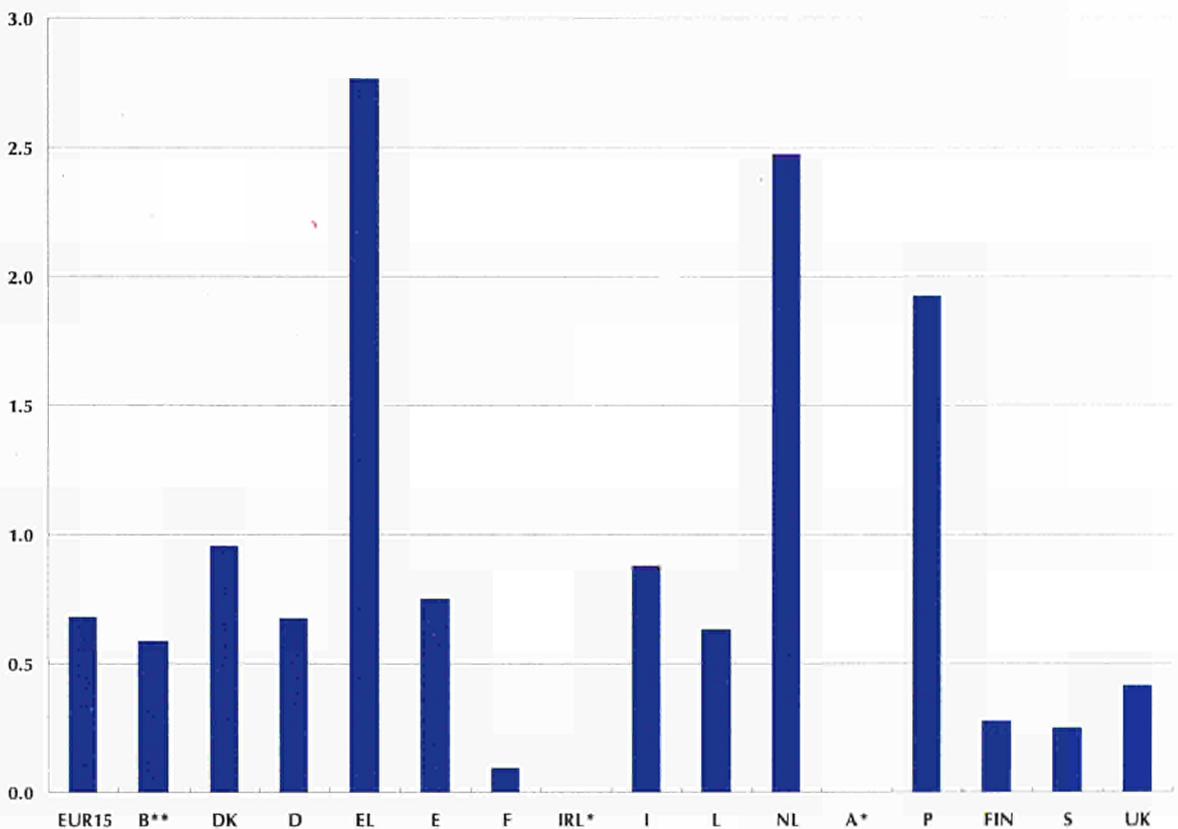
Annual growth rates of export prices for manufacturing industry, in national currency, Mar-97 (1990 = 100)



Source: eurostat

Figure 2.11

Annual growth rates of the producer price index of total industry, in national currency, Mar-97 (%)



Source: eurostat

## DOMESTIC PRODUCER PRICE INDEX

Table 2.8

	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>EUR15</b>	108.2	112.4	113.3	113.6	113.7	114.0	114.3	114.1	114.0
<b>B</b>	99.5	101.7	102.4	101.7	101.9	102.8	102.8	103.0	:
<b>DK</b>	99.7	103.4	105.1	105.6	105.4	105.6	105.1	105.4	105.6
<b>D</b>	104.7	106.5	106.0	106.3	106.3	106.3	106.6	106.6	106.6
<b>EL</b>	156.6	171.4	184.1	188.0	187.7	188.0	188.9	188.9	187.6
<b>E</b>	109.8	116.8	118.7	119.1	119.3	119.4	119.4	119.3	119.4
<b>F</b>	100.9	103.1	103.5	103.7	103.6	103.6	104.0	103.9	103.7
<b>IRL</b>	107.6	111.6	113.6	114.1	113.5	113.3	:	:	:
<b>I</b>	113.3	122.2	124.5	124.8	125.0	125.0	125.4	125.4	125.7
<b>L</b>	107.2	110.8	110.4	110.7	110.2	110.2	110.7	111.0	111.1
<b>NL</b>	101.0	104.0	105.8	106.8	106.4	106.6	107.7	107.6	107.6
<b>A</b>	:	:	:	:	:	:	:	:	:
<b>P</b>	112.3	116.6	120.2	121.7	121.3	121.5	122.2	122.0	121.3
<b>FIN</b>	105.8	107.7	107.6	107.6	107.4	107.8	107.7	108.1	108.3
<b>S</b>	108.6	117.3	118.0	118.3	117.8	117.6	117.7	118.0	118.4
<b>UK</b>	114.2	118.5	119.4	119.2	120.0	121.4	121.6	120.8	119.8
<b>Japan</b>	96.8	96.1	95.4	95.1	95.2	95.3	95.3	95.3	95.4
<b>USA</b>	103.6	107.3	109.8	110.1	110.2	110.8	111.5	110.7	109.8

Indices of  
producer prices for  
total industry,  
in national currency  
(1990 = 100)

Source:  eurostat

Table 2.9

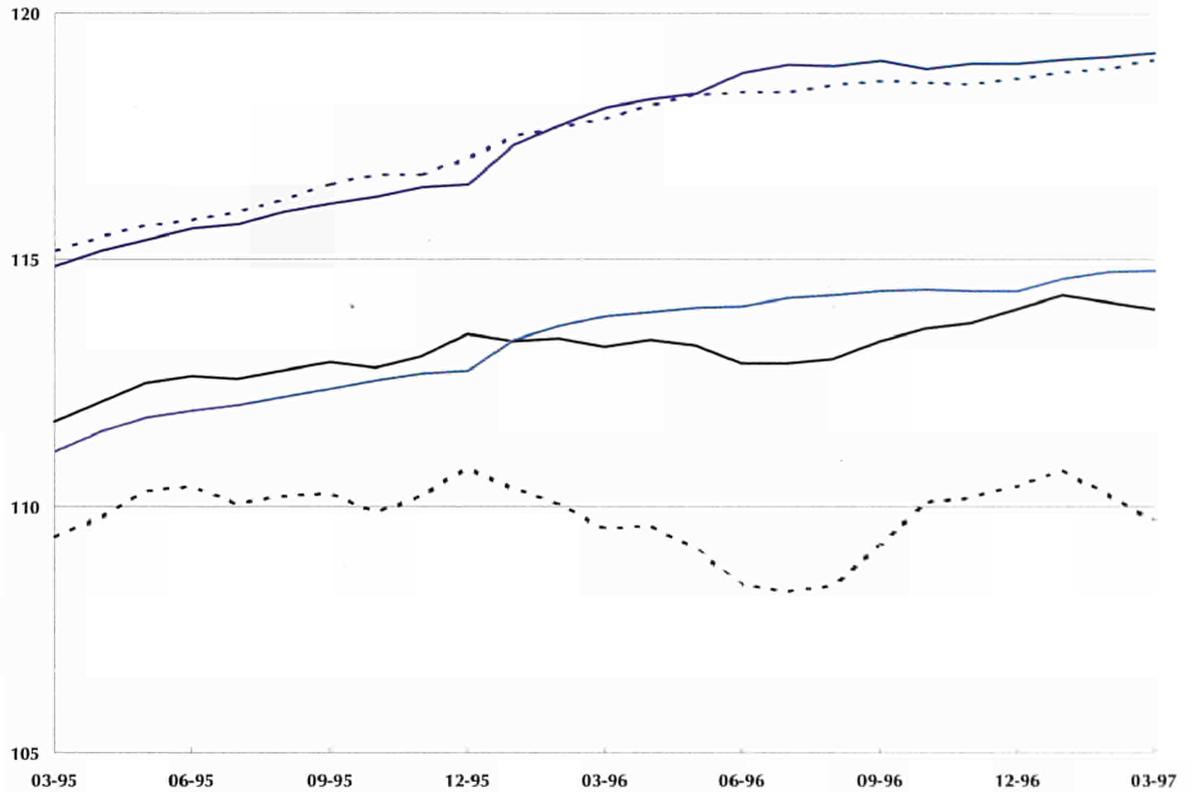
	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>EUR15</b>	102.4	104.2	106.5	107.4	107.7	108.2	108.8	108.7	108.4
<b>B</b>	106.4	112.0	110.5	109.6	110.3	110.9	108.6	108.5	:
<b>DK</b>	103.8	110.9	112.2	112.6	111.7	111.7	111.1	111.2	111.5
<b>D</b>	111.6	116.6	113.9	113.4	113.0	112.4	112.2	112.0	112.1
<b>EL</b>	109.6	114.0	121.5	125.6	124.3	123.5	124.6	124.5	123.2
<b>E</b>	89.4	92.8	95.6	95.2	95.0	94.6	94.4	93.3	93.4
<b>F</b>	106.0	109.2	110.3	110.3	109.6	109.3	109.3	109.0	109.0
<b>IRL</b>	104.2	105.0	110.0	110.6	109.4	110.4	:	:	:
<b>I</b>	90.1	87.3	96.8	99.0	98.4	99.6	100.2	98.9	98.2
<b>L</b>	114.7	121.9	119.2	118.6	117.5	116.9	116.8	116.9	117.1
<b>NL</b>	108.1	114.5	114.3	114.5	113.6	113.2	113.7	113.4	113.3
<b>A</b>	:	:	:	:	:	:	:	:	:
<b>P</b>	103.3	107.7	111.2	113.4	112.6	112.4	113.5	112.7	112.1
<b>FIN</b>	83.1	91.6	89.6	90.8	89.7	90.3	90.1	90.4	90.2
<b>S</b>	89.2	94.7	104.3	107.1	104.7	103.7	103.2	102.8	101.1
<b>UK</b>	105.1	102.0	104.9	107.2	111.5	115.3	118.5	120.2	119.4
<b>Japan</b>	146.5	144.2	126.9	123.4	121.9	122.9	122.1	122.1	124.2
<b>USA</b>	110.9	104.2	109.9	111.2	109.7	112.6	116.5	120.7	121.4

Indices of  
producer prices for  
total industry,  
in ECU terms  
(1990 = 100)

Source:  eurostat

Figure 2.12

EUR15 producer price index by main industrial grouping, in national currency (1990 = 100)



Total industry —  
Intermediate goods - - -  
Capital goods —  
Consumer durables —  
Consumer non-durables - - -

Source: eurostat

Table 2.10

TRIAD comparison of indices of producer prices for the main industrial groupings, in national currency (1990 = 100)

	1994	1995	1996	10-96	11-96	12-96	01-97	02-97	03-97
<b>Total industry</b>									
EUR15	108.2	112.4	113.3	113.6	113.7	114.0	114.3	114.1	114.0
Japan	96.8	96.1	95.4	95.1	95.2	95.3	95.3	95.3	95.4
USA	103.6	107.3	109.8	110.1	110.2	110.8	111.5	110.7	109.8
<b>Intermediate goods</b>									
EUR15	104.9	109.9	109.5	110.1	110.2	110.4	110.7	110.2	109.7
Japan	:	:	:	:	:	:	:	:	:
USA	:	:	:	:	:	:	:	:	:
<b>Capital goods</b>									
EUR15	109.1	111.9	114.1	114.4	114.3	114.4	114.6	114.8	114.8
Japan	:	:	:	:	:	:	:	:	:
USA	:	:	:	:	:	:	:	:	:
<b>Consumer durables</b>									
EUR15	112.7	115.6	118.5	118.9	119.0	119.0	119.1	119.1	119.2
Japan	:	:	:	:	:	:	:	:	:
USA	:	:	:	:	:	:	:	:	:
<b>Consumer non-durables</b>									
EUR15	112.5	115.9	118.3	118.6	118.6	118.7	118.8	118.9	119.1
Japan	:	:	:	:	:	:	:	:	:
USA	:	:	:	:	:	:	:	:	:

Source: eurostat

## DOMESTIC PRODUCER PRICE INDEX

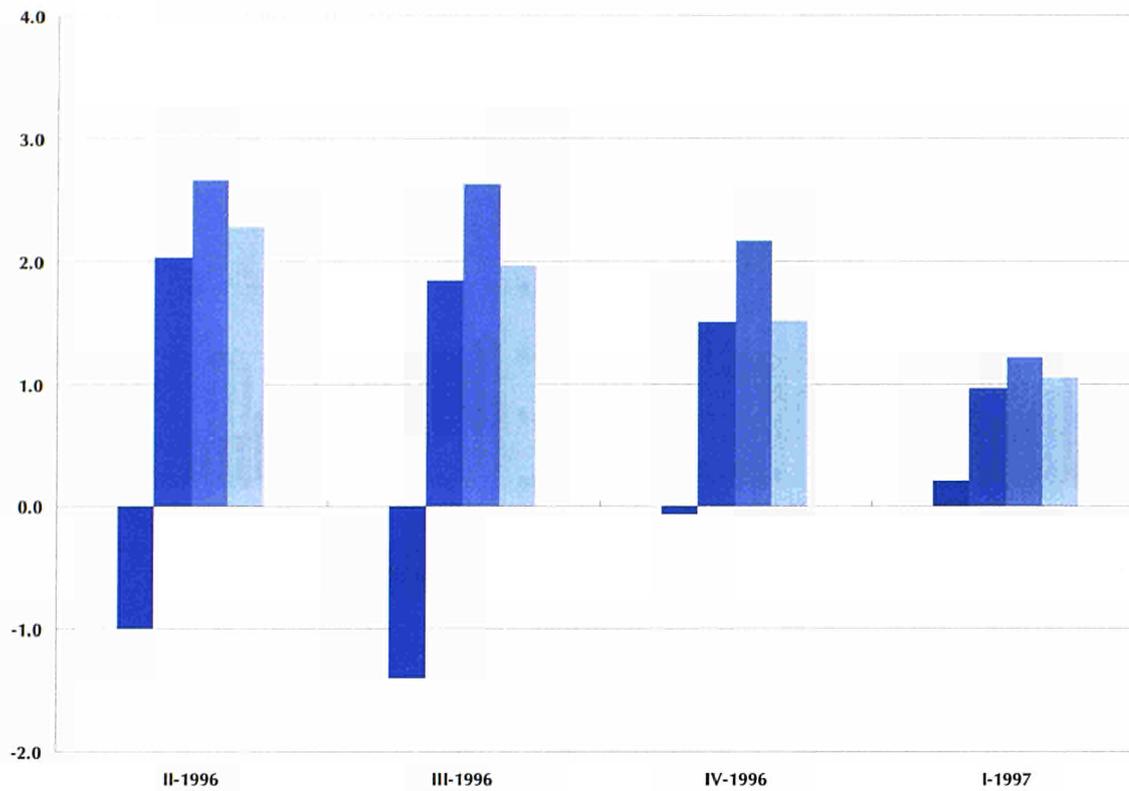


Figure 2.13

EUR15 annual growth rates of producer prices for the main industrial groupings (%)

- Intermediate goods
- Capital goods
- Consumer durables
- Consumer non-durables

Source: eurostat

Table 2.11

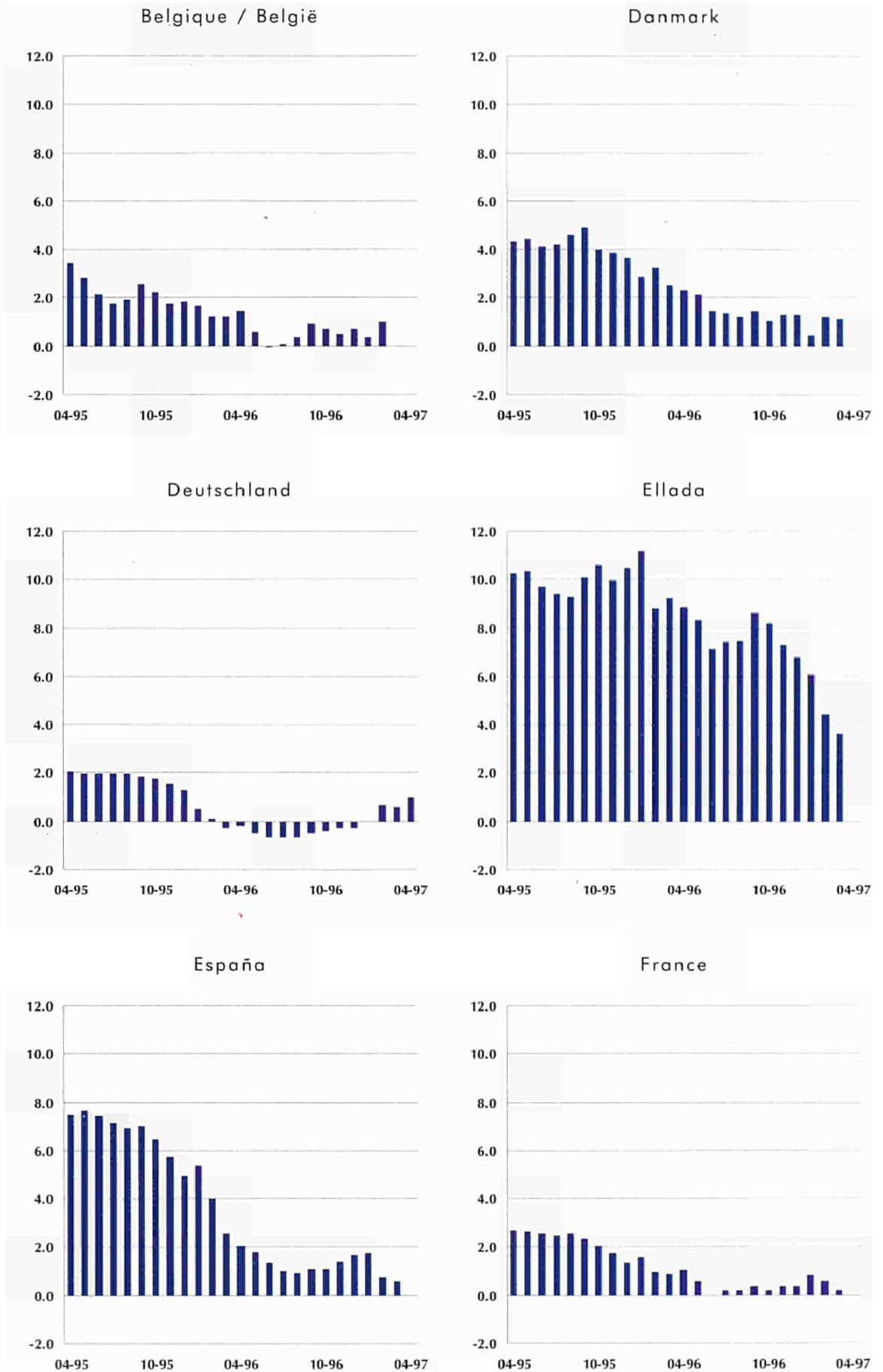
	Latest month available	Total industry	Intermediate goods	Capital goods	Consumer durables	Consumer non-durables
<b>EUR15</b>	03-97	0.7	0.1	0.8	0.9	1.0
<b>B</b>	02-97	0.9	0.6	0.4	:	1.0
<b>DK</b>	03-97	1.0	0.5	3.3	1.7	0.3
<b>D</b>	04-97	0.9	0.9	0.6	0.8	1.3
<b>EL</b>	03-97	2.8	2.5	6.9	4.6	2.3
<b>E</b>	03-97	0.8	0.1	1.3	1.9	1.4
<b>F</b>	03-97	0.1	-0.5	:	:	:
<b>IRL</b>	12-96	0.8	:	:	:	-0.3
<b>I</b>	03-97	0.9	0.8	1.5	1.4	0.7
<b>L</b>	03-97	0.6	-2.2	0.5	0.1	0.7
<b>NL</b>	03-97	2.5	2.4	1.2	0.5	1.0
<b>A</b>		:	:	:	:	:
<b>P</b>	03-97	1.9	1.7	:	:	2.3
<b>FIN</b>	04-97	0.5	0.1	0.6	-1.2	1.5
<b>S</b>	04-97	0.3	-1.1	0.3	1.0	1.5
<b>UK</b>	04-97	0.1	-1.9	1.5	0.3	1.1
<b>Japan</b>	03-97	-0.2	:	:	:	:
<b>USA</b>	03-97	1.0	:	:	:	:

Annual growth rates of the producer price index of the main industrial groupings, in national currency (%)

Source: eurostat

Figure 2.14

Annual growth rates of producer prices for total industry, in national currency (%)



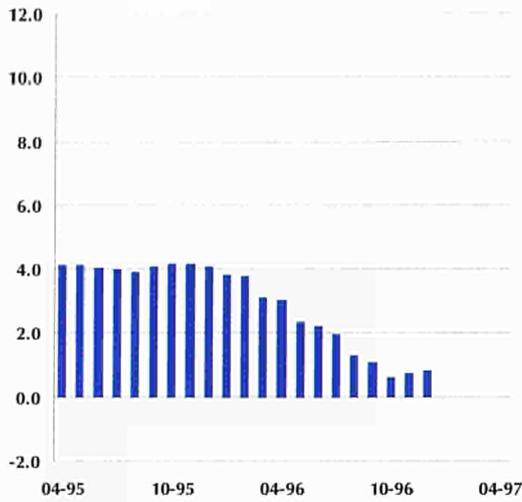
Source:  eurostat

DOMESTIC PRODUCER PRICE INDEX

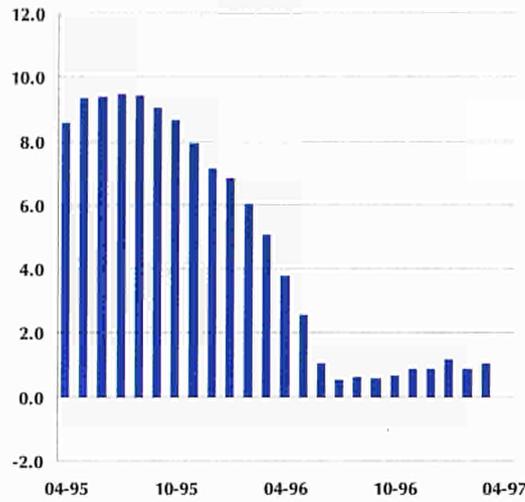
Figure 2.14

Annual growth rates of producer prices for total industry, in national currency (%)

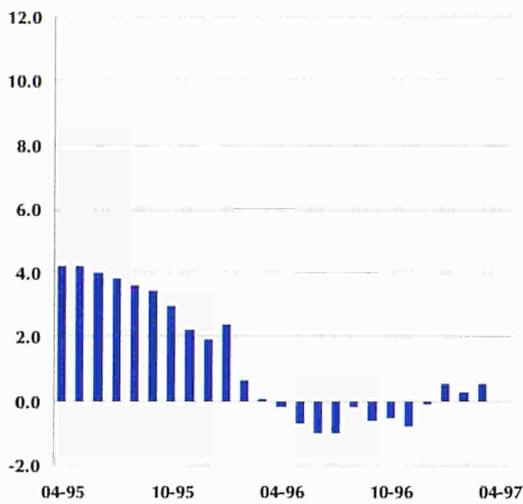
Ireland



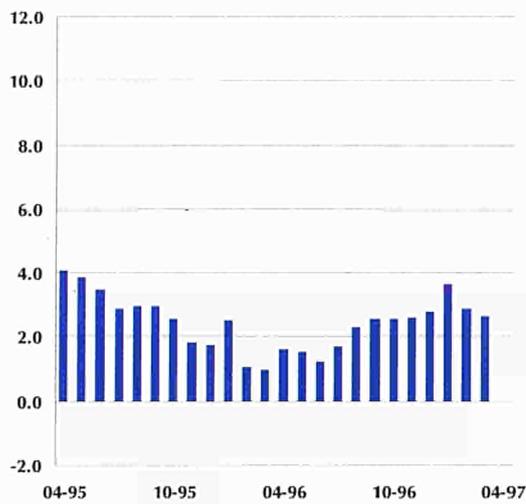
Italia



Luxembourg



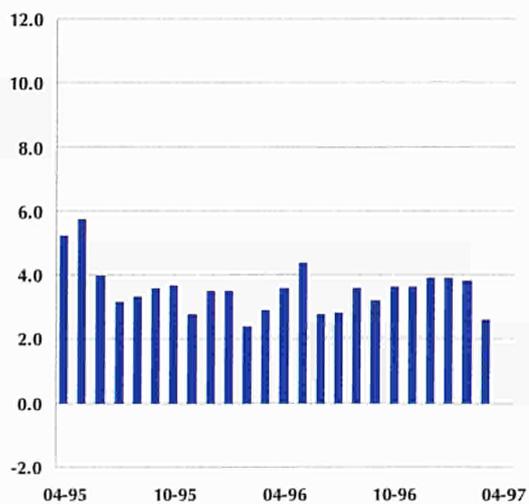
Nederland



Österreich

Not available

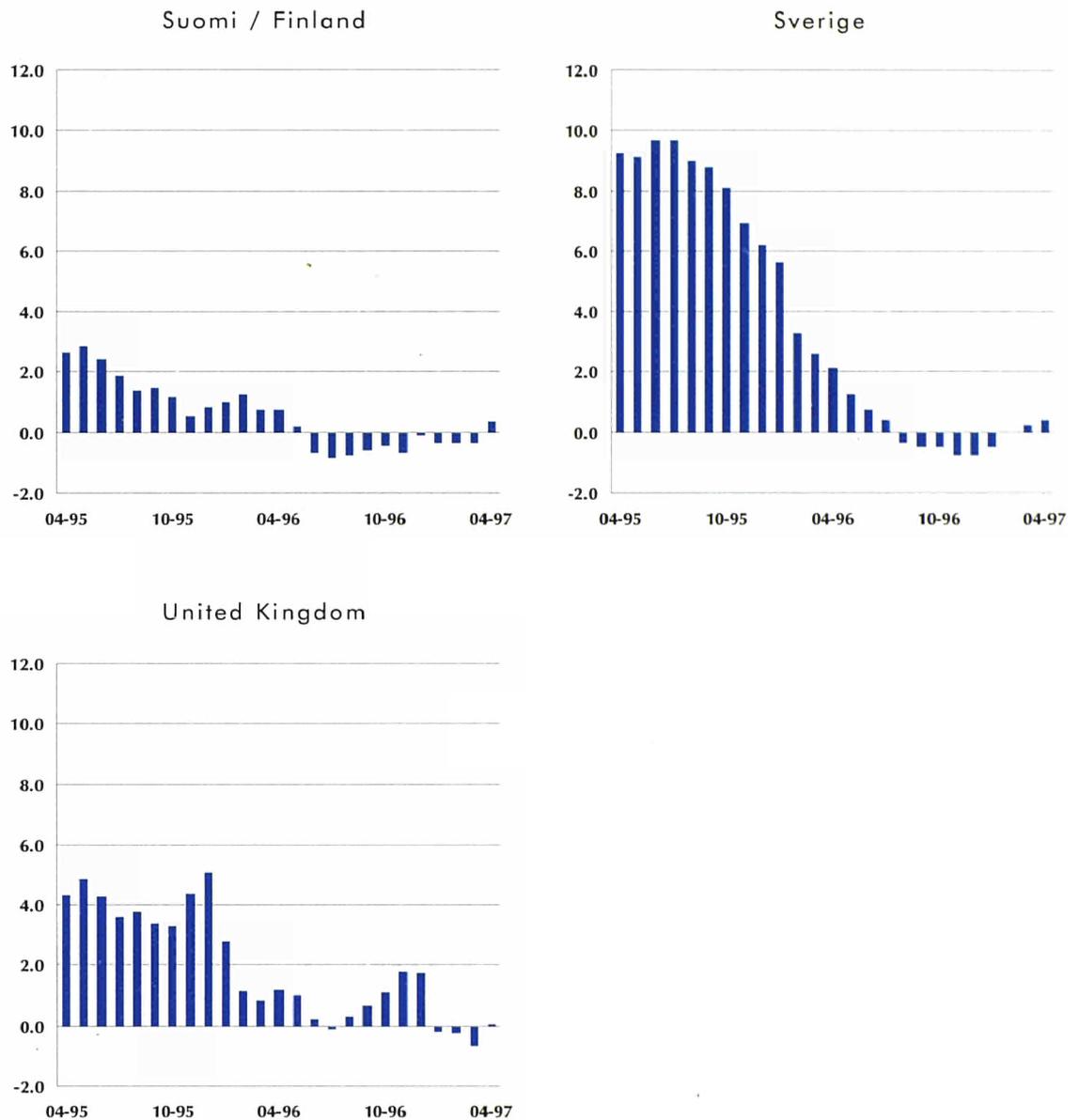
Portugal



Source: Eurostat

Figure 2.14

Annual growth rates of producer prices for total industry, in national currency (%)



#### Further information - price indices:

The index of producer prices shows (in the national currency of the Member State in question) changes in the ex-works selling prices of all products sold on the domestic market. Since we deal with producer prices, imports are not included in these price indices. The Community indices (EUR13, since there are no producer price indices for Portugal and Austria) refer to overall weighted price changes. Producer price indices are not seasonally adjusted.

The system used for the collection of export price indices is a duplicate of the model for domestic producer price indices.

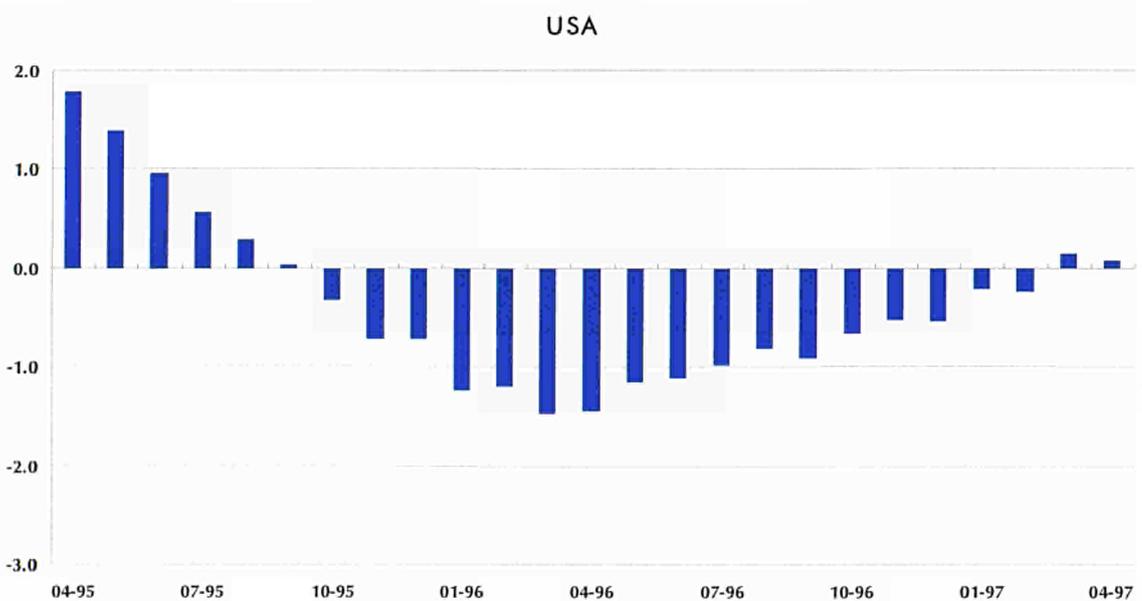
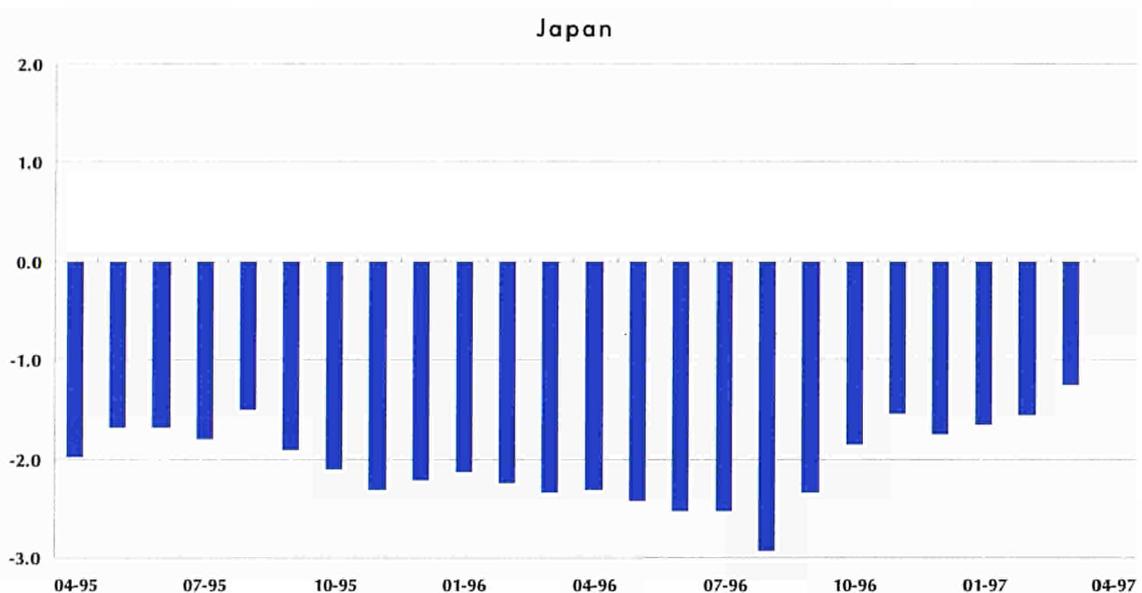
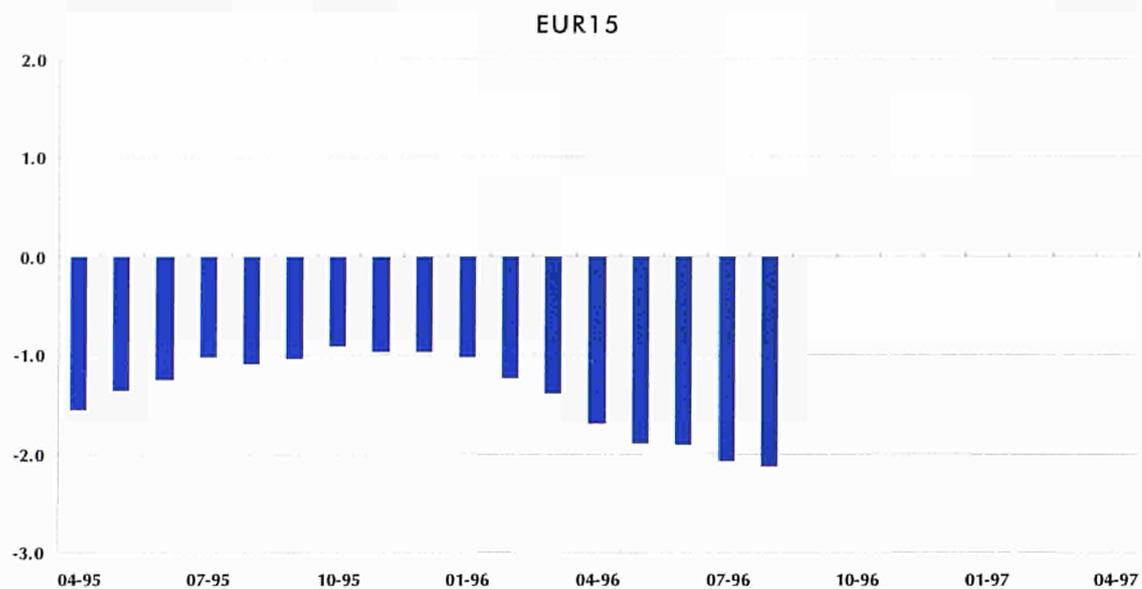
All data from Ireland is converted to NACE Rev.1 from the old classification NACE 1970 and is therefore less reliable.

Full methodological notes may be found on page 71.

EMPLOYMENT INDEX - GROSS DATA

Figure 2.15

TRIAD comparison of annual growth rates of employment for total industry, gross data (%)



Source: eurostat

Figure 2.16

EUR15 employment index by main industrial grouping, trend cycle (1990 = 100)

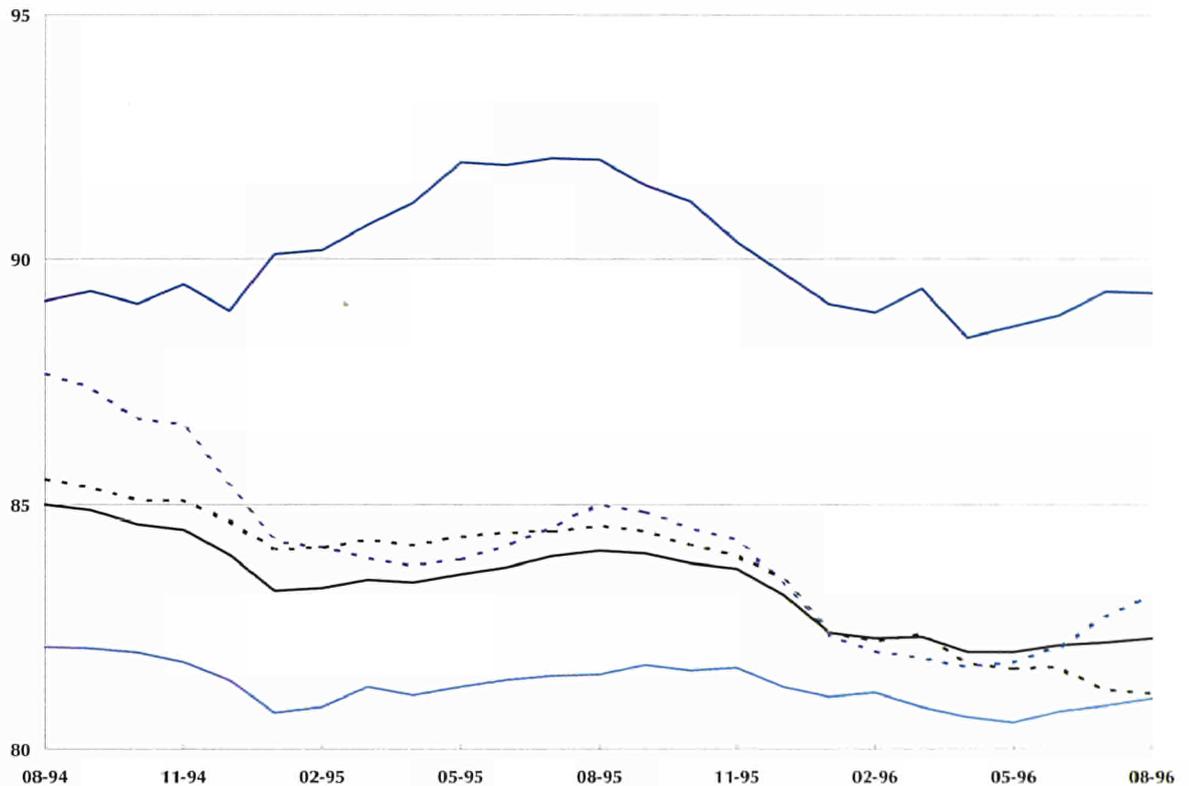


Table 2.12

Three month on three month growth rates for the employment index of the main industrial groupings, trend cycle (%)

	Latest 3 months available			Total industry	Intermediate goods	Capital goods	Consumer durables	Consumer non-durables
<b>EUR15</b>	06-96	⇒	08-96	-0.6	-1.3	-0.1	-0.5	-0.5
<b>B</b>	11-96	⇒	01-97	0.0	-0.1	0.1	:	:
<b>DK</b>		⇒		:	:	:	:	:
<b>D</b>	01-97	⇒	03-97	-1.1	-1.6	-0.7	-1.4	-1.1
<b>EL</b>	01-96	⇒	03-96	-0.7	-1.7	-3.2	-1.3	0.1
<b>E</b>	10-96	⇒	12-96	0.0	-0.3	-1.4	0.0	1.5
<b>F</b>	10-96	⇒	12-96	-0.4	-0.7	0.1	-0.6	-0.7
<b>IRL</b>	10-96	⇒	12-96	0.9	0.7	1.1	:	:
<b>I</b>	06-96	⇒	08-96	-0.5	-1.1	-0.4	0.4	-0.9
<b>L</b>	12-96	⇒	02-97	-0.2	-1.2	0.0	1.6	0.1
<b>NL</b>	07-96	⇒	09-96	-1.7	:	:	:	:
<b>A</b>	04-96	⇒	06-96	-1.4	-1.6	-1.2	-2.6	-1.0
<b>P</b>	01-97	⇒	03-97	-0.6	-0.2	-0.5	-0.2	-2.8
<b>FIN</b>		⇒		:	:	:	:	:
<b>S</b>	10-96	⇒	12-96	-0.8	:	:	:	:
<b>UK</b>	12-96	⇒	02-97	0.0	0.3	0.2	-2.0	0.5
<b>Japan</b>	01-97	⇒	03-97	-0.2	:	:	:	:
<b>USA</b>	02-97	⇒	04-97	0.1	:	:	:	:

Source: eurostat

## EMPLOYMENT INDEX - GROSS DATA

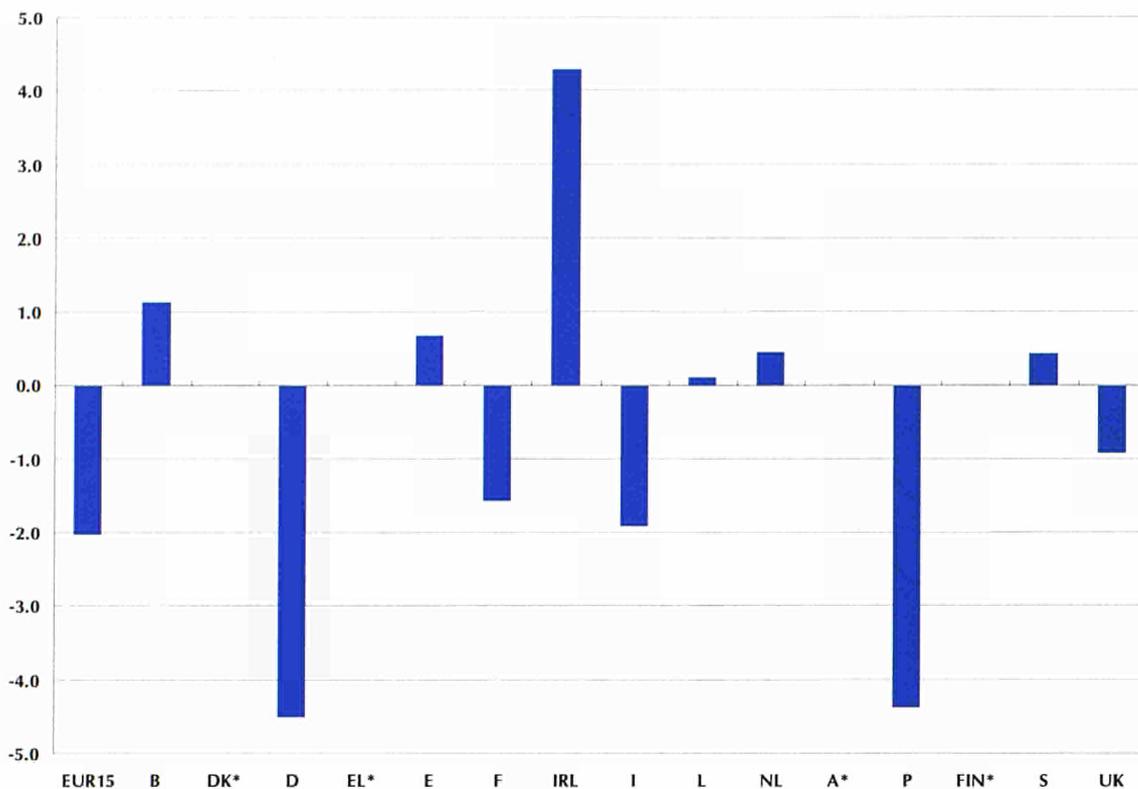


Figure 2.17

Annual growth rates for the employment index of total industry, based on changes from the corresponding three months of the previous year, gross data, June-96 to Aug-96 (%)

Source: eurostat

Latest 3 months available      Total industry      Intermediate goods      Capital goods      Consumer durables      Consumer non-durables

	Latest 3 months available	Total industry	Intermediate goods	Capital goods	Consumer durables	Consumer non-durables
EUR15	06-96 ⇨ 08-96	-2.0	-3.7	-0.7	-3.1	-2.3
B	11-96 ⇨ 01-97	-0.5	-0.3	1.0	:	:
DK	⇨	:	:	:	:	:
D	01-97 ⇨ 03-97	-4.7	-6.4	-3.7	-7.0	-4.7
EL	01-96 ⇨ 03-96	-2.0	-1.6	4.1	-4.2	-3.8
E	10-96 ⇨ 12-96	1.4	-0.8	3.6	4.2	1.1
F	10-96 ⇨ 12-96	-1.8	-2.3	-0.7	-2.4	-2.3
IRL	10-96 ⇨ 12-96	3.2	3.9	5.5	:	:
I	06-96 ⇨ 08-96	-1.9	-4.3	-2.0	1.3	-3.7
L	12-96 ⇨ 02-97	-1.4	-2.1	2.2	-5.2	-2.5
NL	07-96 ⇨ 09-96	-0.4	:	:	:	:
A	04-96 ⇨ 06-96	-4.7	-5.2	-2.3	-9.7	-4.6
P	01-97 ⇨ 03-97	-2.3	-2.1	-2.3	0.0	-3.0
FIN	⇨	:	:	:	:	:
S	10-96 ⇨ 12-96	-1.4	:	:	:	:
UK	12-96 ⇨ 02-97	-0.9	-2.3	0.5	-4.6	0.3
Japan	01-97 ⇨ 03-97	-1.5	:	:	:	:
USA	02-97 ⇨ 04-97	0.0	:	:	:	:

Table 2.13

Annual growth rates for the employment index of the main industrial groupings, based on changes from the corresponding three months of the previous year, gross data (%)

Source: eurostat

Figure 2.18

EUR15 production and employment trends in construction, trend cycle (1990 = 100)

Total industry: production index —  
 Construction: production index —  
 Construction: employment index - - -

Source:  eurostat

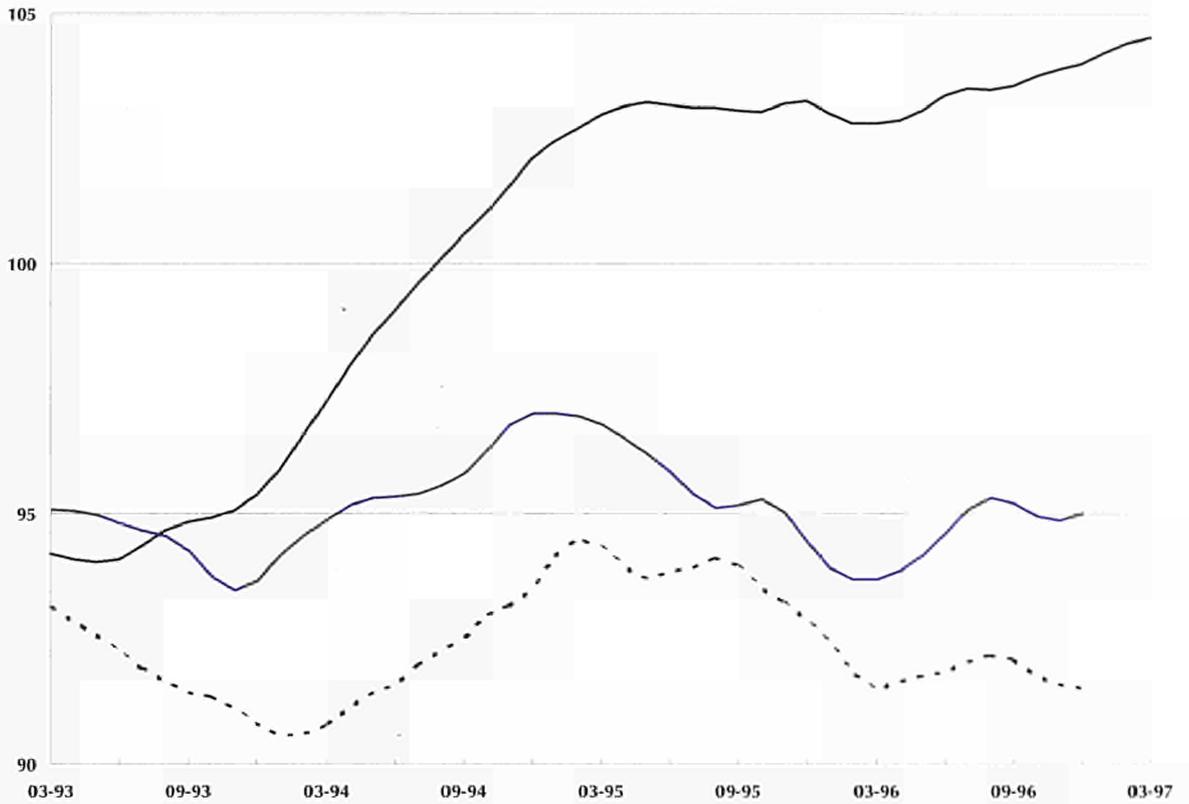
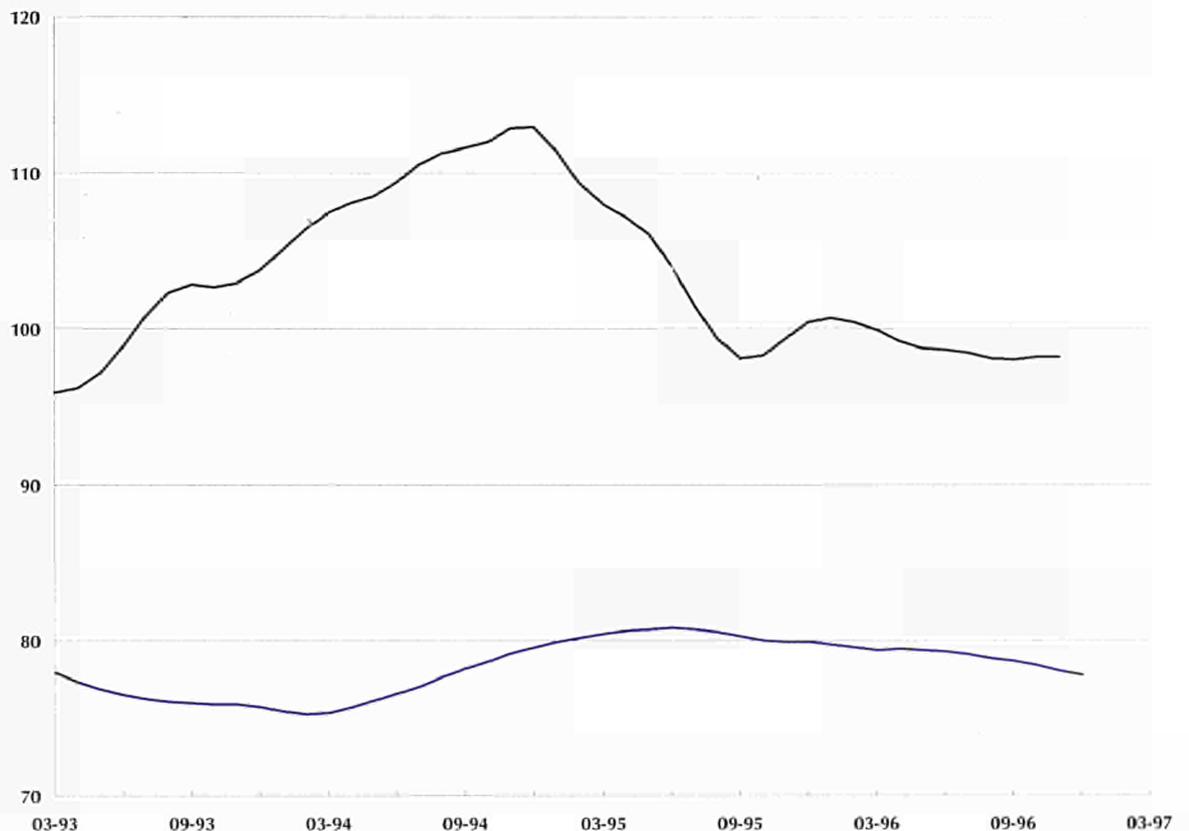


Figure 2.19

EUR15 building permits, trend cycle (1990 = 100)

Residential —  
 Non-residential —

Source:  eurostat



## PRODUCTION INDEX

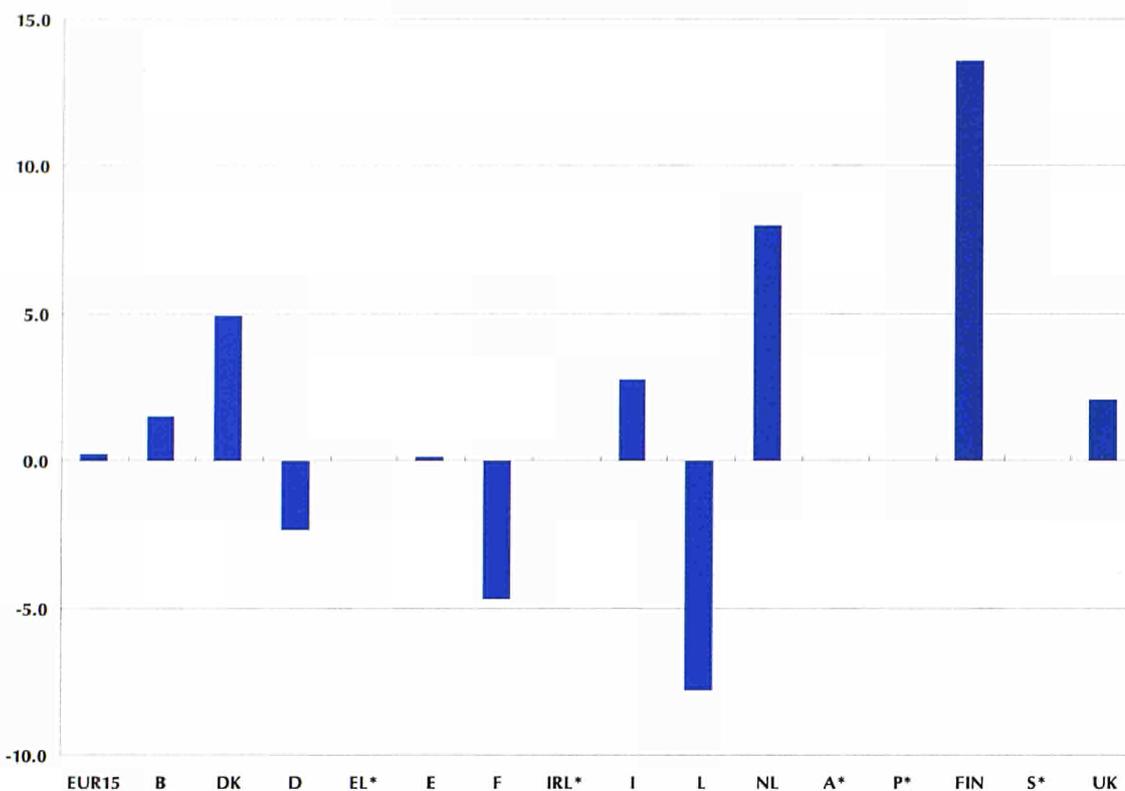


Figure 2.20

Annual growth rates for the production index of construction activity, based on changes from the corresponding three months of the previous year, w.d.adj., Oct-96 to Dec-96 (%)

Source:  eurostat

Latest 3 months available      Building t/t-1 t/t-4      Latest 3 months available      Civil engineering t/t-1 t/t-4

	Latest 3 months available	Building t/t-1	t/t-4	Latest 3 months available	Civil engineering t/t-1	t/t-4
EUR15	07-96 ⇨ 09-96	0.2	0.2	10-96 ⇨ 12-96	0.0	-3.1
B	09-94 ⇨ 11-94	4.1	14.0	09-94 ⇨ 11-94	6.2	24.4
DK	01-97 ⇨ 03-97	-2.9	2.6	01-97 ⇨ 03-97	-2.3	5.0
D	01-97 ⇨ 03-97	-1.8	4.5	01-97 ⇨ 03-97	-6.6	17.7
EL	⇨	:	:	⇨	:	:
E	10-96 ⇨ 12-96	-2.9	2.9	10-96 ⇨ 12-96	-5.6	-4.4
F	01-97 ⇨ 03-97	-0.1	0.9	01-97 ⇨ 03-97	-1.7	-3.8
IRL	⇨	:	:	⇨	:	:
I	10-96 ⇨ 12-96	-1.1	1.1	10-96 ⇨ 12-96	8.9	-1.0
L	12-96 ⇨ 02-97	-1.6	12.7	12-96 ⇨ 02-97	-3.4	11.6
NL	07-96 ⇨ 09-96	2.6	-1.4	⇨	:	:
A	⇨	:	:	⇨	:	:
P	⇨	:	:	⇨	:	:
FIN	10-96 ⇨ 12-96	1.9	15.5	10-96 ⇨ 12-96	2.5	7.1
S	⇨	:	:	⇨	:	:
UK	07-96 ⇨ 09-96	0.5	1.7	07-96 ⇨ 09-96	-0.5	-5.4

Table 2.14

Latest growth rates for the production index of building and civil engineering (%)

Source:  eurostat

## PRICE INDICES FOR NEW RESIDENTIAL BUILDINGS

Figure 2.21

Annual growth rates of output prices for new residential buildings, based on changes from the corresponding quarter of the previous year, Jul-96 to Sep-96 (%)

(1) Input prices

Source:  eurostat

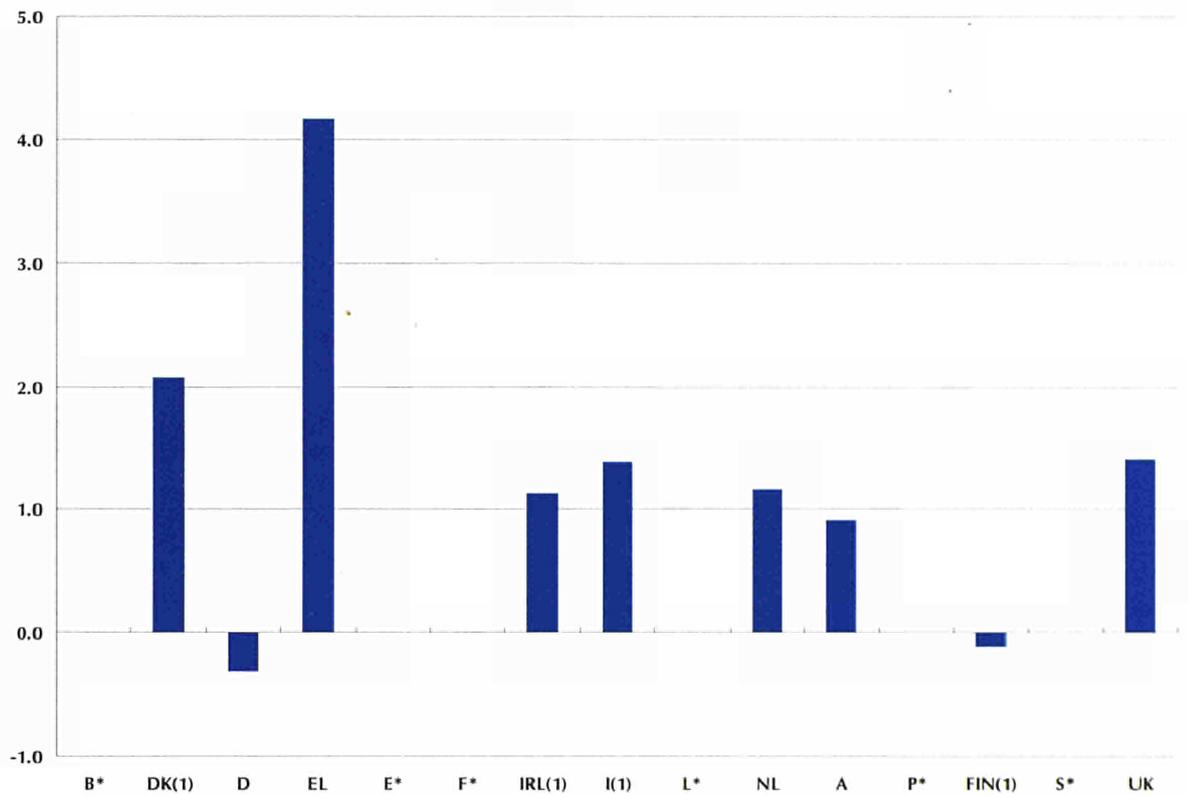


Table 2.15

Output price indices for new residential buildings, quarterly data (1990 = 100)

(1) Input prices

Source:  eurostat

	II-1995	III-1995	IV-1995	I-1996	II-1996	III-1996	IV-1996	I-1997
EUR15	:	:	:	:	:	:	:	:
B	:	:	:	:	:	:	:	:
DK (1)	115.1	116.0	116.8	117.6	118.5	119.3	120.2	121.0
D	124.5	124.6	124.5	124.2	124.2	124.1	123.8	:
EL	161.7	163.0	165.9	170.3	171.7	172.8	174.7	179.0
E	:	:	:	:	:	:	:	:
F	107.7	107.8	106.7	109.3	108.4	:	:	:
IRL (1)	115.7	116.5	117.5	117.4	117.5	117.9	118.8	:
I (1)	123.3	123.8	123.9	123.9	124.2	126.3	127.0	:
L	116.7	117.7	117.7	118.0	118.0	:	:	:
NL	118.0	119.0	119.0	121.0	121.0	121.0	122.0	123.0
A	120.0	120.5	120.5	121.2	121.8	122.1	:	:
P	:	:	:	:	:	:	:	:
FIN (1)	102.4	102.4	102.0	100.8	101.5	102.2	102.7	103.8
S	81.7	99.7	87.7	:	:	:	:	:
UK	101.4	102.1	102.4	102.5	102.9	104.0	105.0	:

## BUILDING PERMITS - USEFUL FLOOR AREA

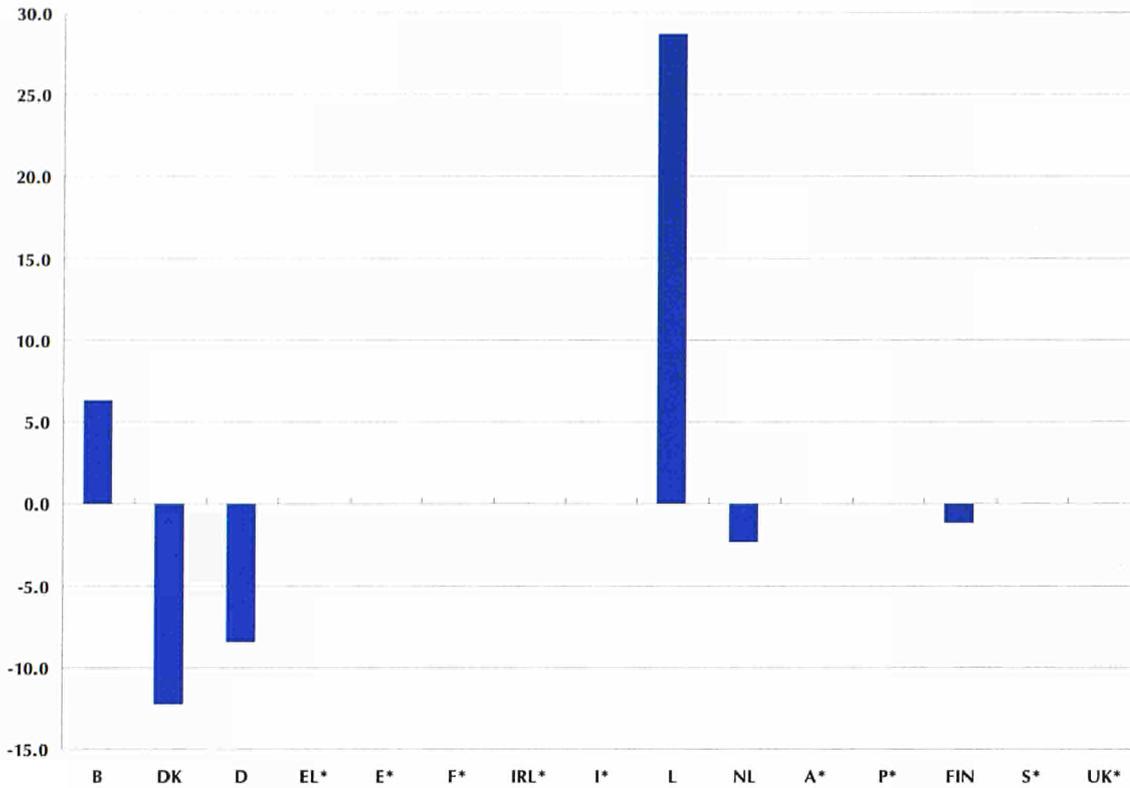


Figure 2.22

Annual growth rates of building permits (useful floor area), based on changes from the corresponding three months of the previous year, Nov-96 to Jan-97 (%)

Source:  eurostat

Latest 3 months available      Residential '000m<sup>2</sup> 1990=100      Latest 3 months available      Non-residential '000m<sup>2</sup> 1990=100

EUR15	⇔		:	:	10-96	⇔	12-96	:	78.8	
B	11-96	⇔	01-97	1,909	75.2	11-96	⇔	01-97	1,806	71.1
DK	01-97	⇔	03-97	459	111.5	01-97	⇔	03-97	904	71.6
D	12-96	⇔	02-97	11,769	128.5	12-96	⇔	02-97	9,755	102.2
EL	⇔		:	:	⇔		:	:		
E	09-96	⇔	11-96	11,402	112.5	09-96	⇔	11-96	2,140	70.0
F	⇔		:	:	10-96	⇔	12-96	7,787	59.4	
IRL	10-96	⇔	12-96	1,115	147.4	10-96	⇔	12-96	602	84.2
I	10-96	⇔	12-96	2,164	45.2	10-96	⇔	12-96	3,887	53.9
L	12-96	⇔	02-97	:	92.3	12-96	⇔	02-97	:	72.4
NL	01-97	⇔	03-97	3,451	104.8	01-97	⇔	03-97	3,899	78.5
A	⇔		:	:	⇔		:	:		
P	⇔		:	:	⇔		:	:		
FIN	11-96	⇔	01-97	:	31.2	11-96	⇔	01-97	:	32.7
S	⇔		:	:	⇔		:	:		
UK	⇔		:	:	⇔		:	:		

Table 2.16

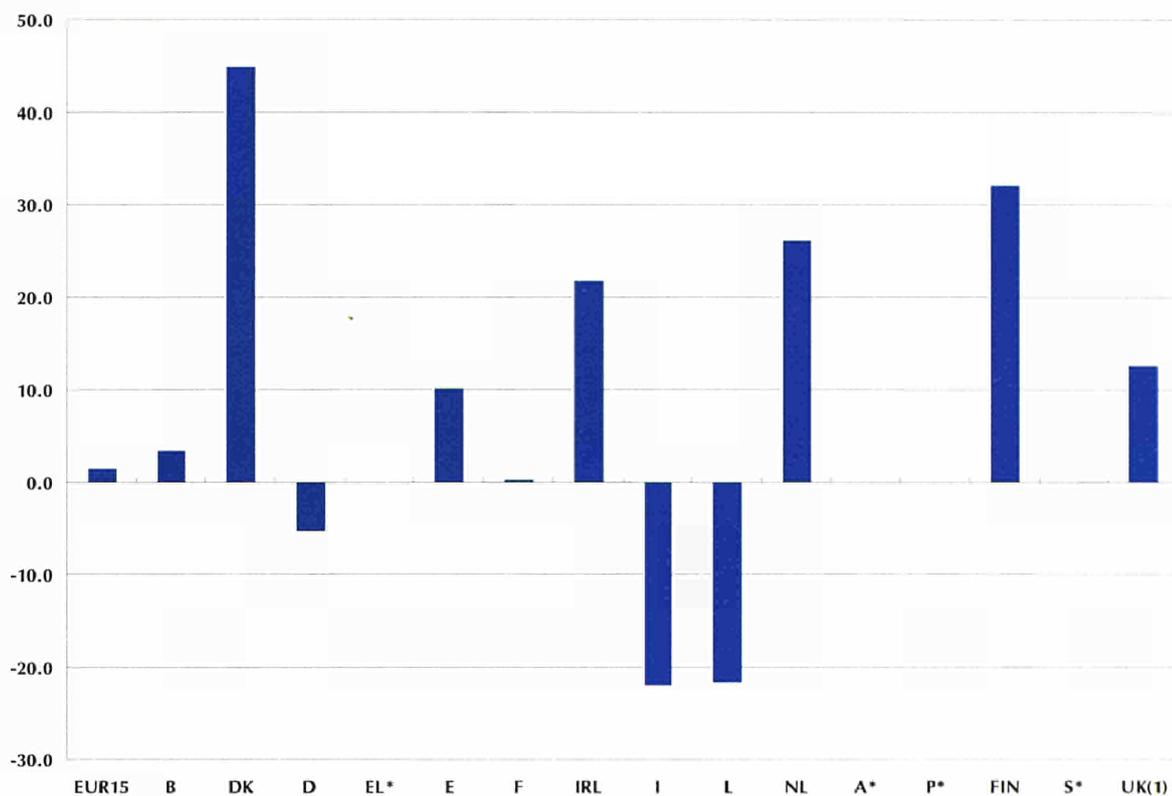
Building permits (useful floor area) for residential and non-residential buildings (thousand square metres and indices)

Source:  eurostat

## BUILDING PERMITS - NUMBER OF DWELLINGS

Figure 2.23

Annual growth rates of building permits (no. of dwellings), based on changes from the corresponding three months of the previous year, Sep-96 to Nov-96 (%)



(1) Buildings starts

Source: eurostat

Table 2.17

Number of dwellings authorised (units)

	Latest year available	no. of dwellings	Latest month available	no. of dwellings	no. of dwellings per 1000 inhabitants	Index, 1990 = 100
EUR15	:	:	11-96	:	:	96.3
B	1996	48,707	01-97	3,167	0.31	72.8
DK	1996	15,809	03-97	1,497	0.29	93.9
D	1996	576,376	02-97	43,767	0.54	132.4
EL	1994	80,607	12-94	11,765	1.13	117.4
E	1995	282,530	11-96	27,480	0.70	141.3
F	1996	304,186	04-97	22,700	0.39	70.9
IRL	1996	34,864	12-96	2,718	0.76	147.8
I	1996	138,439	12-96	5,818	0.10	33.2
L	1996	2,797	02-97	204	0.50	64.5
NL	1996	102,119	03-97	8,169	0.53	109.2
A	:	:	:	:	:	:
P	1996	84,609	01-97	6,494	0.66	:
FIN	1996	25,122	03-97	2,300	0.45	47.0
S (1)	1995	12,044	09-96	699	0.08	12.0
UK (1)	1996	173,300	03-97	14,800	0.25	108.2

(1) Buildings starts

Source: eurostat

## CAPACITY UTILISATION RATES

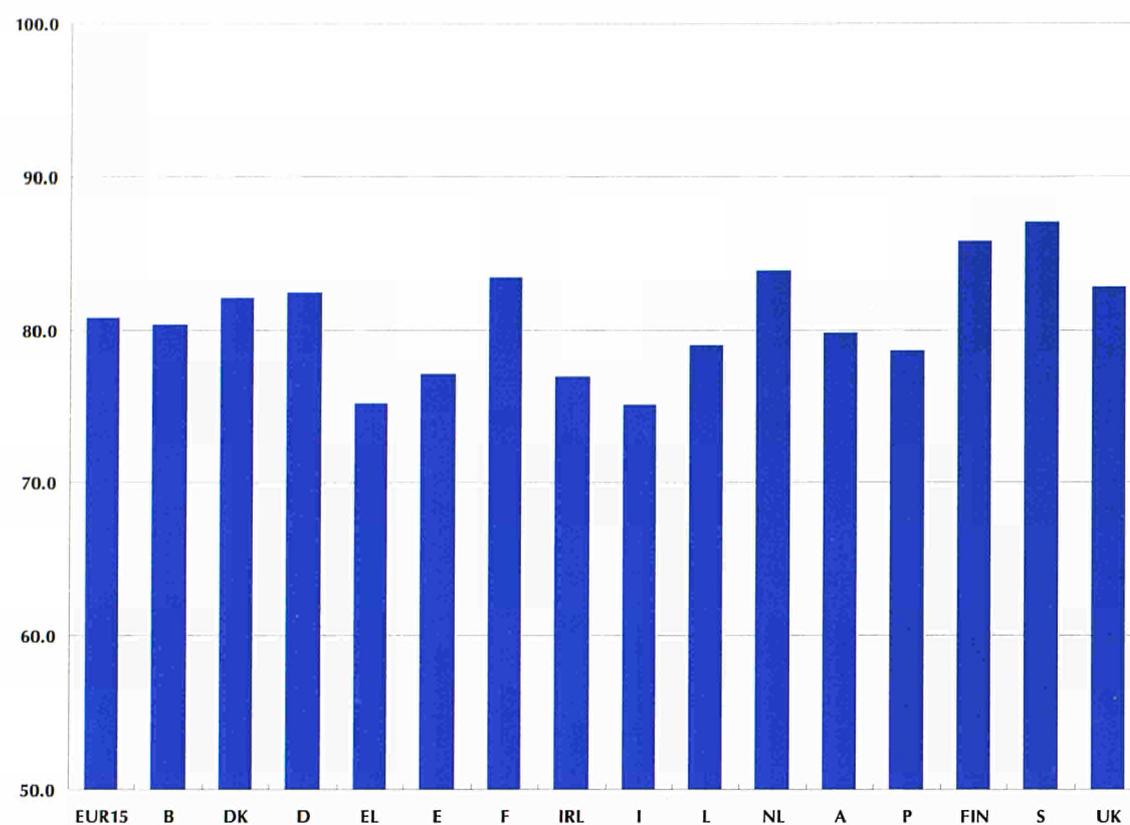


Figure 2.24

Capacity utilisation rates for total industry, first quarter 1997 (%)

Source: DG II, Business Survey

Annual growth rate:  
latest quarter, t / t-4

II-1996

III-1996

IV-1996

I-1997

Table 2.18

	Annual growth rate: latest quarter, t / t-4	II-1996	III-1996	IV-1996	I-1997
EUR15	-1.3	80.7	81.1	81.2	80.8
B	2.0	79.1	79.7	80.3	80.3
DK	1.2	80.0	82.0	82.0	82.0
D	-1.0	82.0	82.6	82.8	82.4
EL	-1.4	73.5	75.1	77.2	75.2
E	-0.5	76.1	77.1	77.6	77.1
F	-0.7	83.8	83.4	83.0	83.4
IRL	-6.3	74.4	76.3	75.8	76.9
I	-4.3	76.0	75.8	75.6	75.1
L	0.3	80.7	79.0	77.6	79.0
NL	0.2	83.5	84.2	84.4	83.8
A	-0.5	78.6	80.6	81.4	79.8
P	2.1	76.8	78.2	76.6	78.6
FIN	2.0	81.2	83.0	85.0	85.7
S	:	85.0	85.0	85.0	87.0
UK	-0.1	82.1	82.4	83.0	82.8

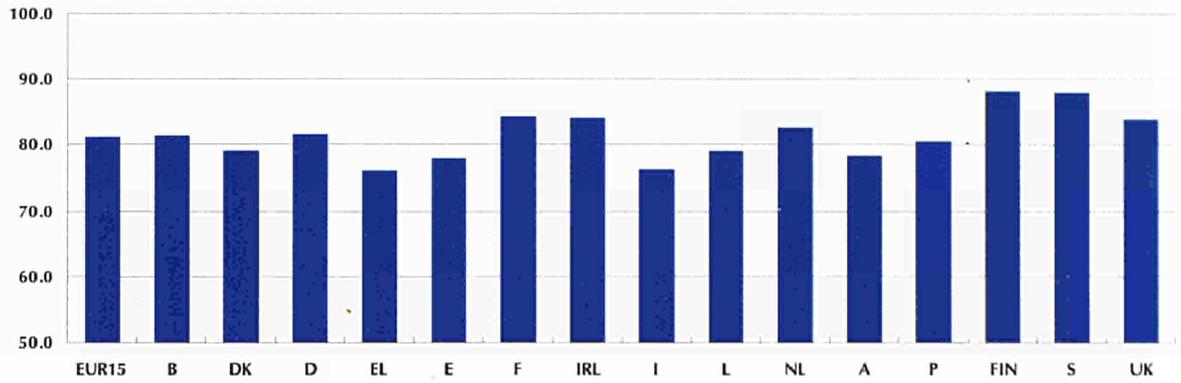
Capacity utilisation rates for total industry (%)

Source: DG II, Business Survey

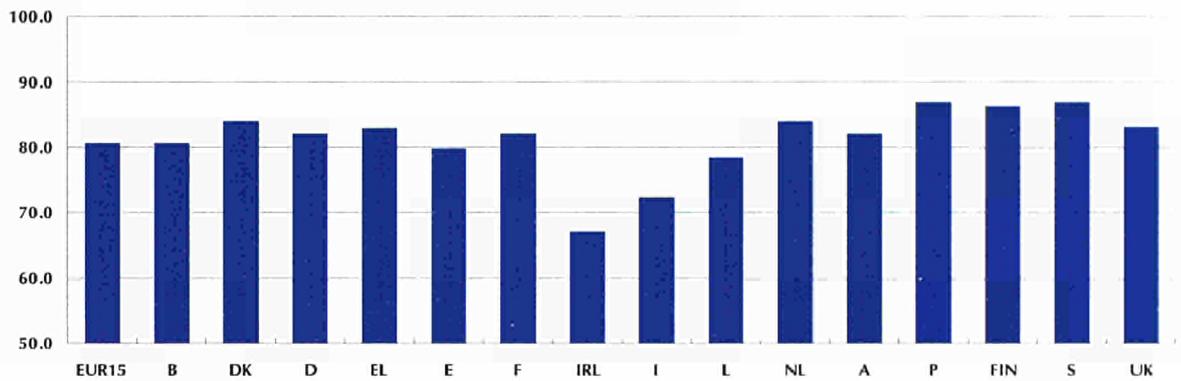
Figure 2.25

Capacity utilisation rates for the main industrial groupings, first quarter 1997 (%)

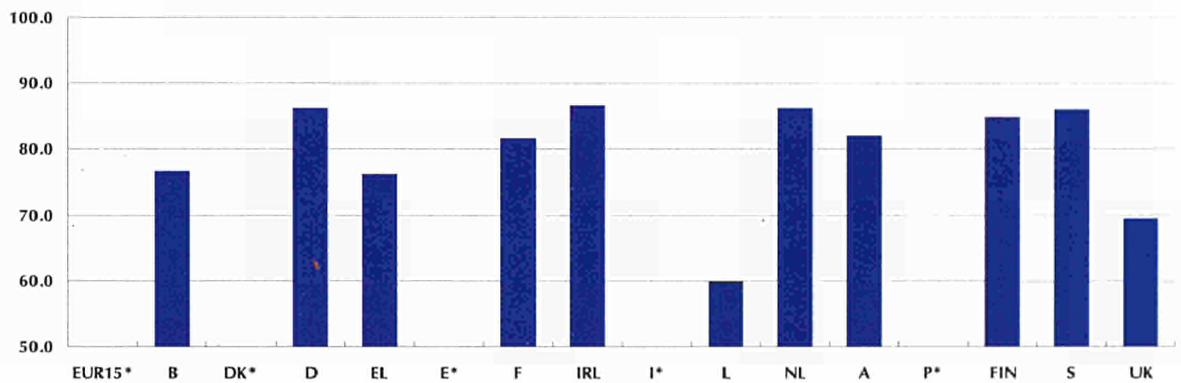
Intermediate goods



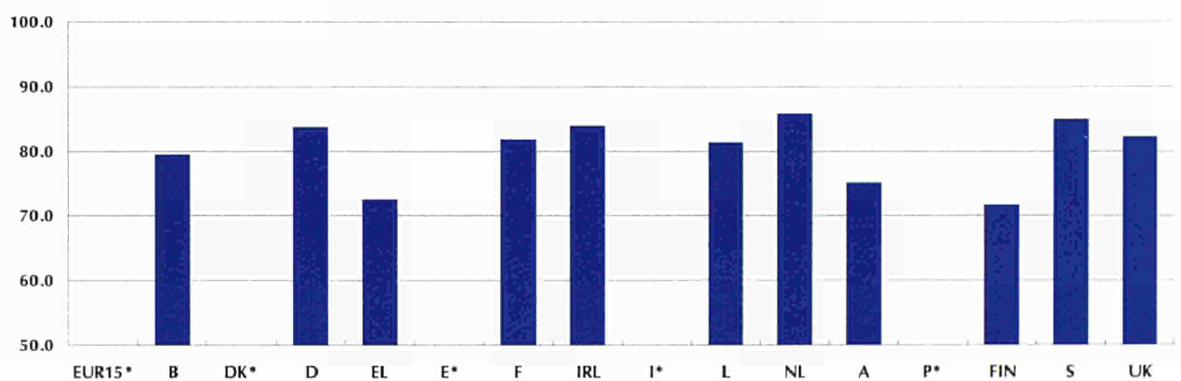
Capital goods



Consumer durables goods



Consumer non-durables goods



Source: DG II, Business Survey

FOREIGN TRADE INDICES - GROSS DATA

EUR15

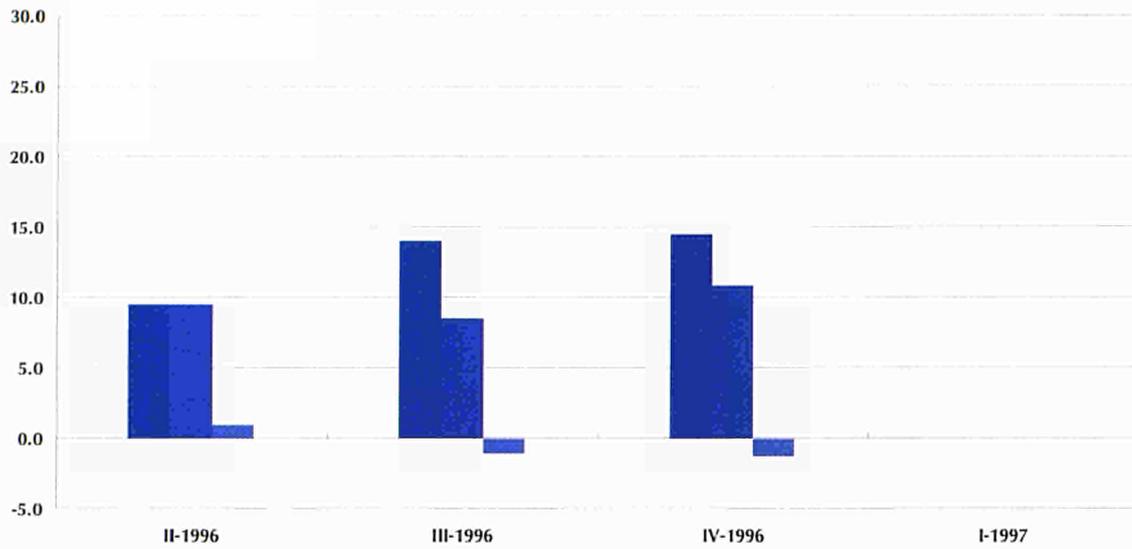
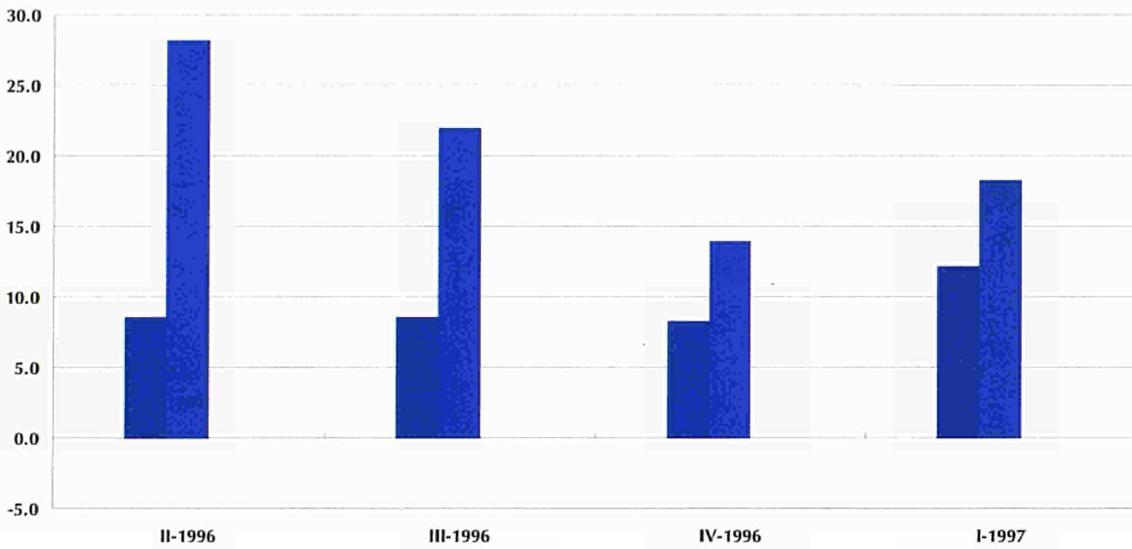


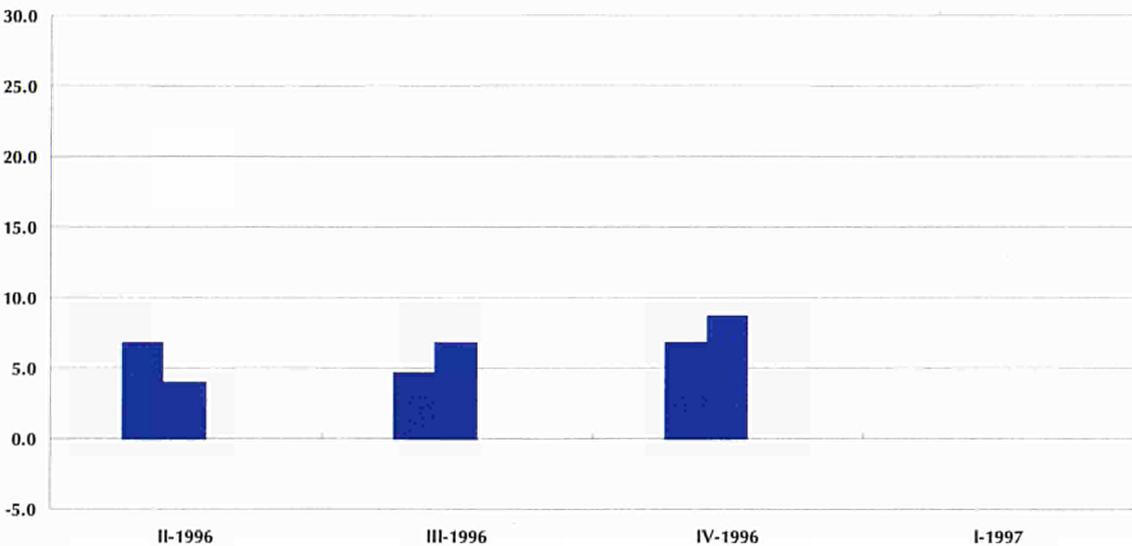
Figure 2.26

TRIAD comparison of foreign trade indices for total industry, based on changes from the corresponding quarter of the previous year, gross data (%)

Japan



USA



- Export value
- Import value
- Terms of trade

Source:  eurostat

Figure 2.27

EUR15 foreign trade indices for total industry, trend cycle, in ECU terms (1990 = 100)

Export value index —  
 Import value index —  
 Terms of trade - - - -

Source: 

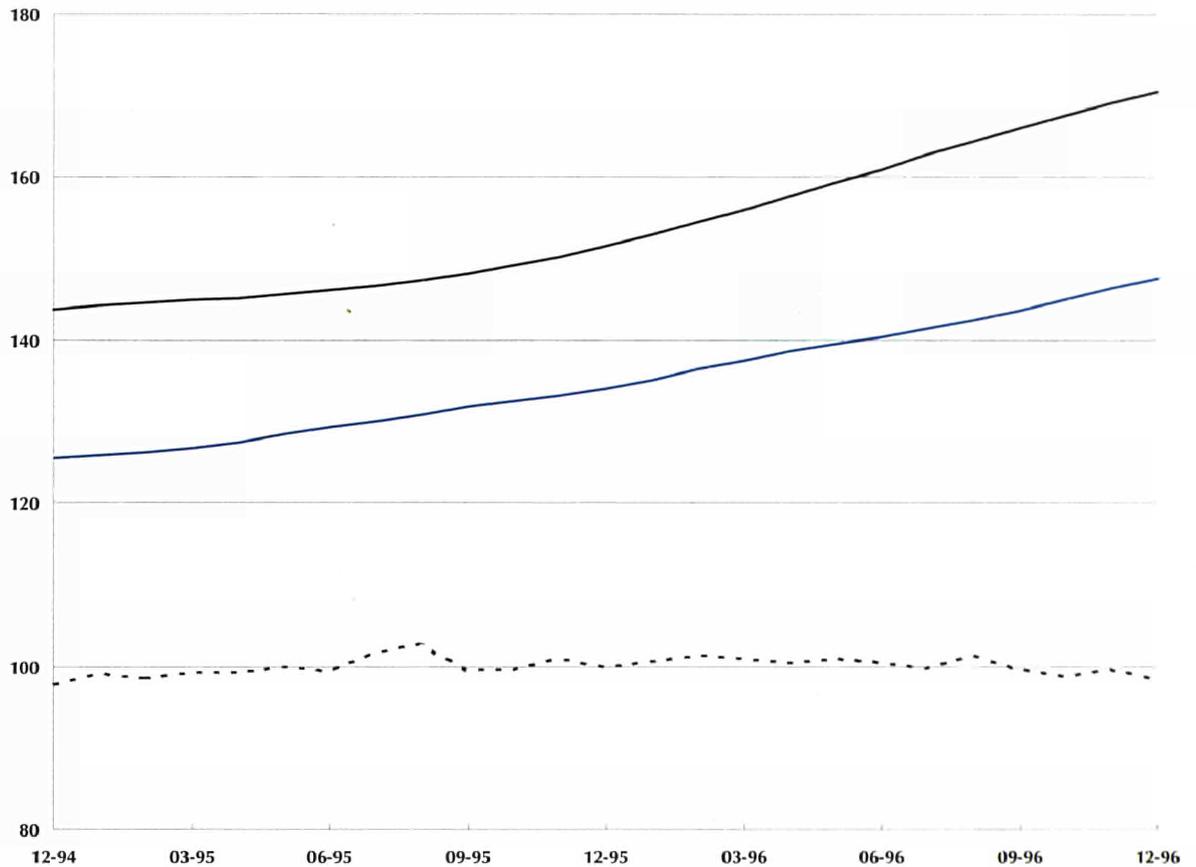


Table 2.19

Three month on three month growth rates for foreign trade indices, trend cycle, value indices are in ECU terms (%)

Source: 

	Latest 3 months available			Exports		Imports		Terms of trade
	Value	Volume	Value	Volume	Value	Volume		
<b>EUR15</b>	10-96	⇒	12-96	2.9	0.9	2.7	1.5	-1.3
<b>B/L</b>	10-96	⇒	12-96	1.7	0.8	2.0	0.6	-0.5
<b>DK</b>	10-96	⇒	12-96	5.1	0.7	2.0	1.2	1.5
<b>D</b>	10-96	⇒	12-96	2.1	0.7	2.2	1.2	-1.2
<b>EL</b>		⇒		:	:	:	:	:
<b>E</b>	10-96	⇒	12-96	4.5	1.8	2.9	1.4	0.3
<b>F</b>	10-96	⇒	12-96	1.2	1.1	3.0	0.7	-1.0
<b>IRL</b>	08-96	⇒	10-96	1.1	-0.7	1.3	-1.3	0.6
<b>I</b>	10-96	⇒	12-96	-0.3	0.0	-1.4	1.5	-0.6
<b>NL</b>	10-96	⇒	12-96	2.7	-1.0	:	3.3	3.9
<b>A</b>		⇒		:	:	:	:	:
<b>P</b>	10-96	⇒	12-96	1.6	1.9	4.9	3.7	-1.9
<b>FIN</b>		⇒		:	:	:	:	:
<b>S</b>		⇒		:	:	:	:	:
<b>UK</b>	10-96	⇒	12-96	1.5	0.3	0.1	0.7	1.6

## FOREIGN TRADE INDICES - GROSS DATA

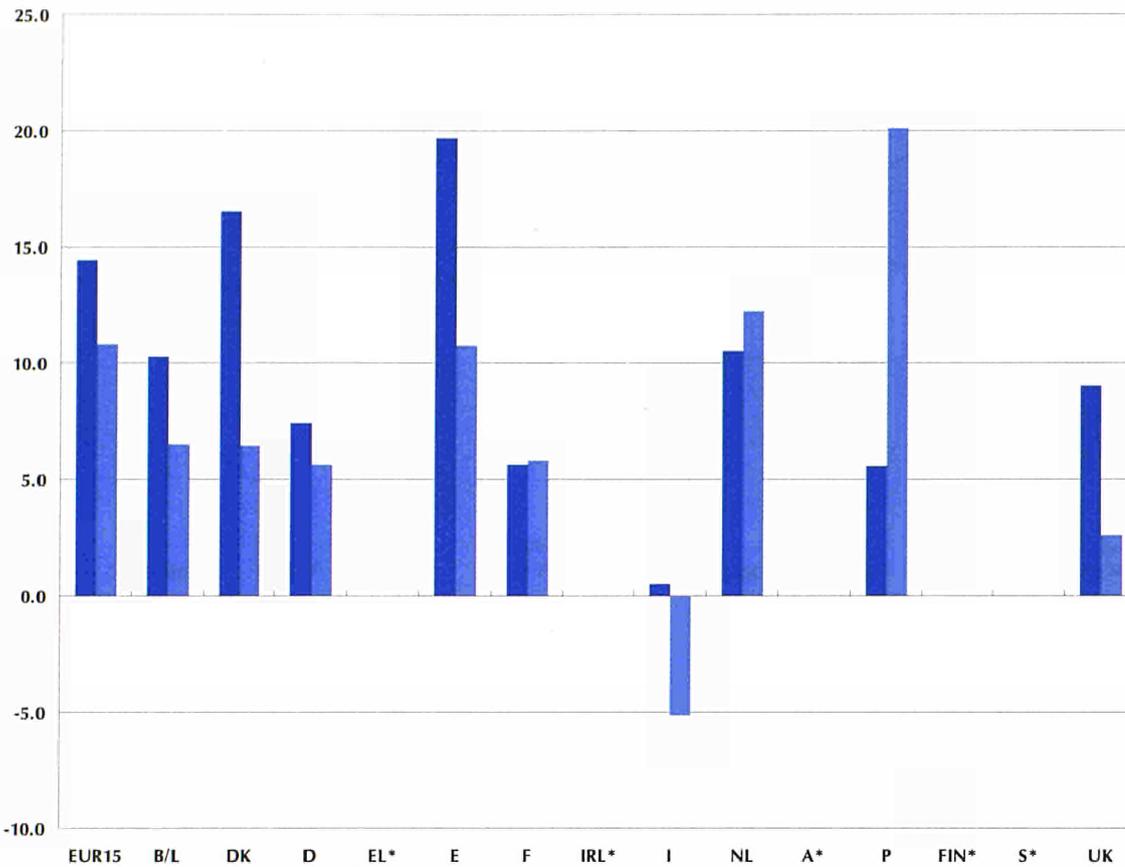


Figure 2.28

Annual growth rates for foreign trade indices of total industry, based on changes from the corresponding three months of the previous year, in ECU terms, gross data Oct-96 to Dec-96 (%)

■ Export value  
■ Import value

Source: eurostat

	Latest 3 months available			Exports		Imports		Terms of trade
	Value	Volume	Value	Volume	Value	Volume		
EUR15	10-96	⇒	12-96	14.5	10.0	10.8	5.2	-1.3
B/L	10-96	⇒	12-96	10.3	6.5	6.6	1.2	-1.6
DK	10-96	⇒	12-96	16.5	11.2	6.5	3.1	1.5
D	10-96	⇒	12-96	7.5	6.6	5.6	2.4	-2.3
EL		⇒		:	:	:	:	:
E	10-96	⇒	12-96	19.7	17.0	10.7	5.8	-2.3
F	10-96	⇒	12-96	5.7	4.9	5.8	2.3	-2.7
IRL	08-96	⇒	10-96	4.8	0.5	3.2	-4.6	-3.3
I	10-96	⇒	12-96	0.5	3.4	-5.1	0.0	2.5
NL	10-96	⇒	12-96	10.6	6.6	12.3	13.1	4.5
A		⇒		:	:	:	:	:
P	10-96	⇒	12-96	5.6	8.4	20.1	15.5	-6.1
FIN		⇒		:	:	:	:	:
S		⇒		:	:	:	:	:
UK	10-96	⇒	12-96	9.1	6.6	2.6	1.7	1.4

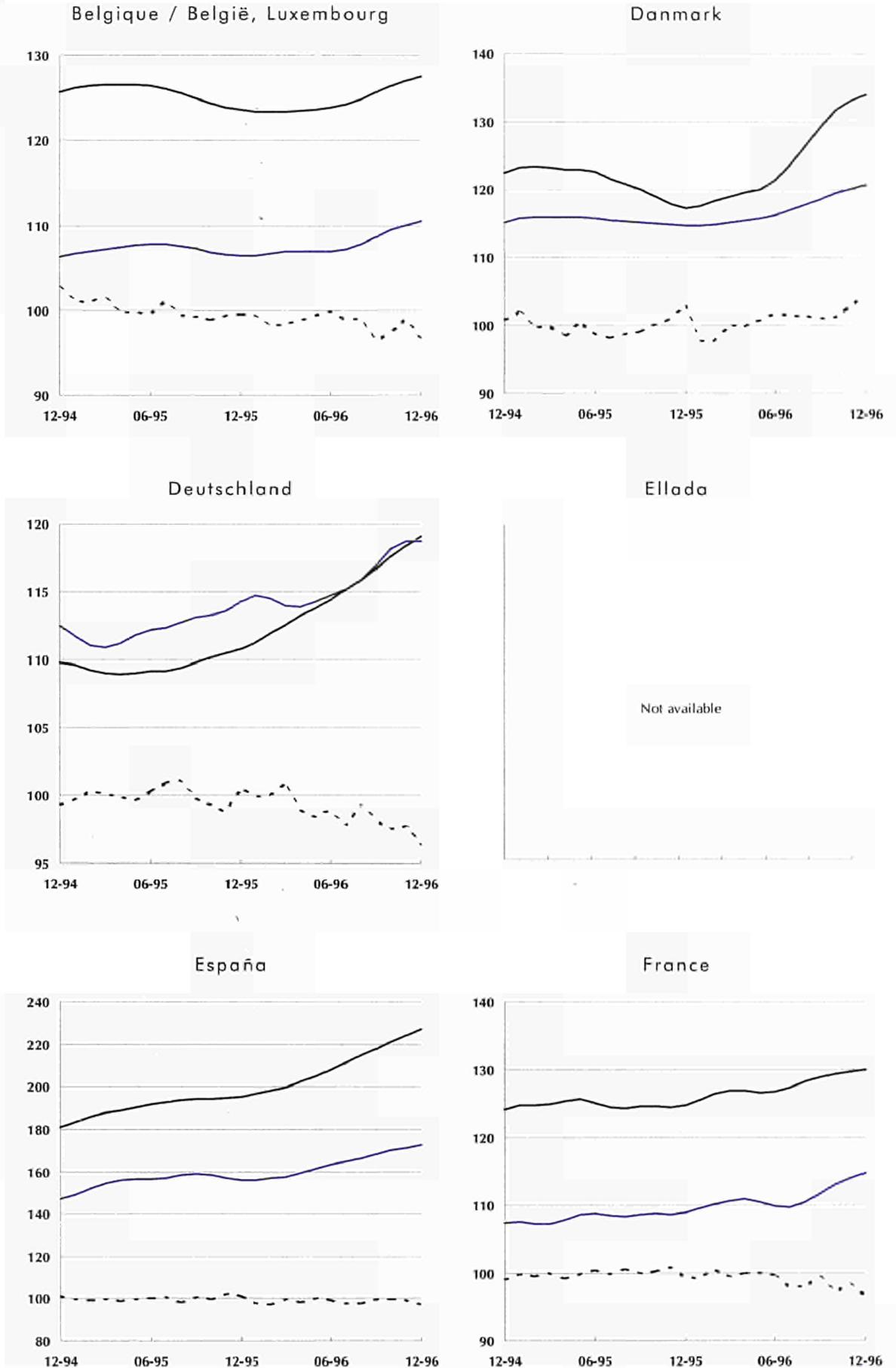
Table 2.20

Annual growth rates for foreign trade indices, based on changes from the corresponding three months of the previous year, value indices are in ECU terms, gross data (%)

Source: eurostat

Figure 2.29

Foreign trade indices in ECU terms, trend cycle (1990 = 100)



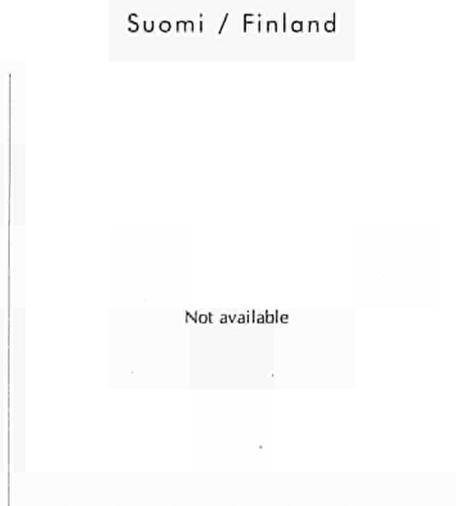
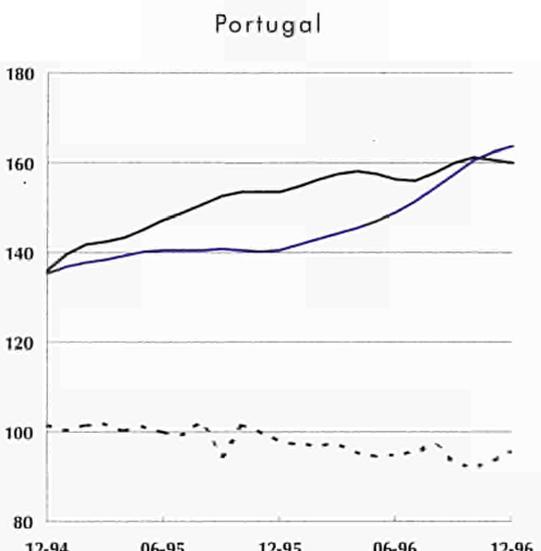
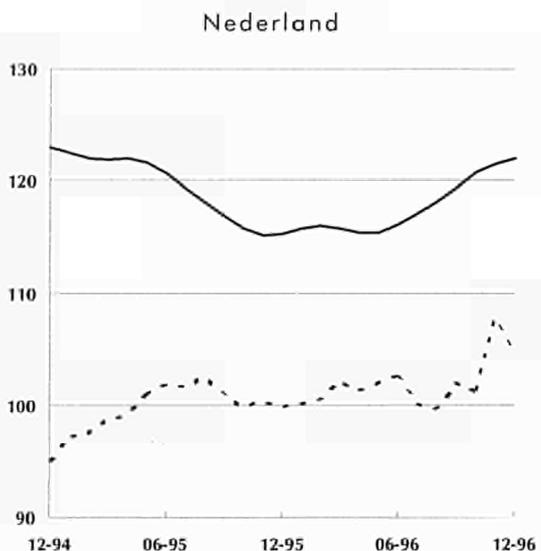
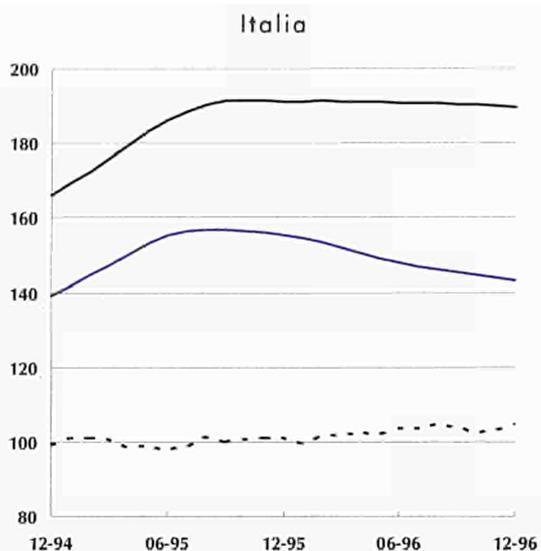
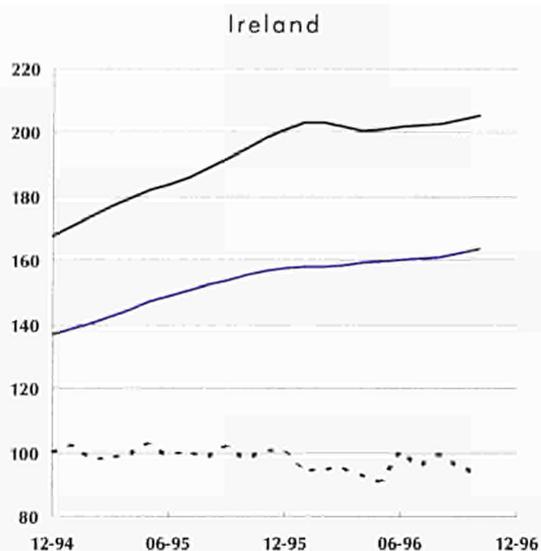
Export value index —  
 Import value index —  
 Terms of trade - - -

Source: eurostat

FOREIGN TRADE INDICES - TREND CYCLE

Figure 2.29

Foreign trade indices  
in ECU terms,  
trend cycle  
(1990 = 100)

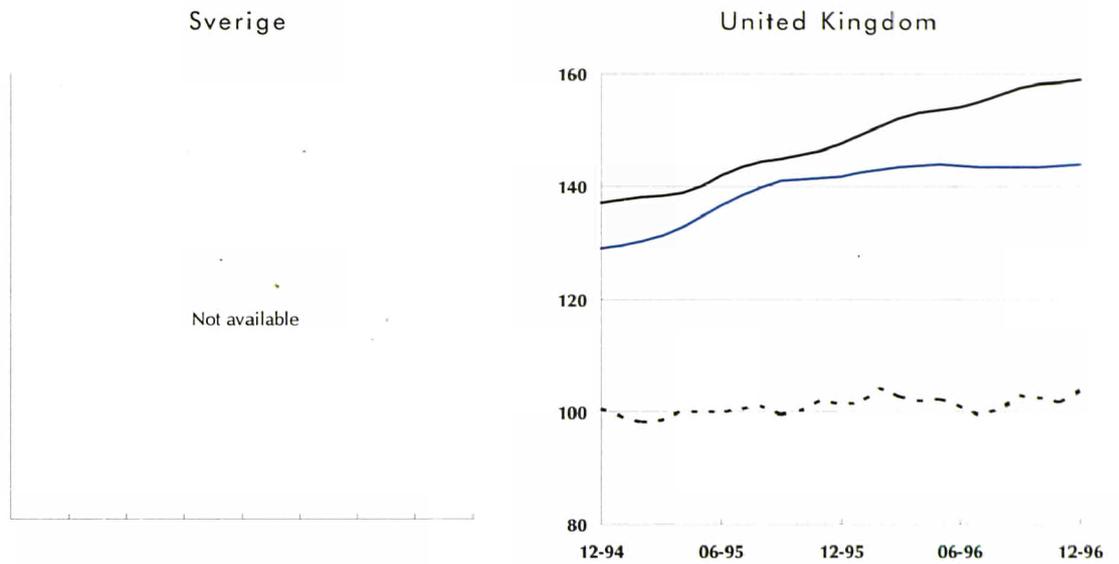


- Export value index
- Import value index
- - - - Terms of trade

Source: eurostat

Figure 2.29

Foreign trade indices  
in ECU terms,  
trend cycle  
(1990 = 100)



Export value index ———

Import value index ———

Terms of trade - - - - -

**Further information - employment, construction and trade indices:**

Figures showing the number of employees include all persons employed by the firm (manual workers and salaried employees on the firm's payroll).

For the construction activity there are some very specific variables: for details of these please refer to the Eurostat publication "Methodology of Industrial Short-term Indicators" - CA-97-96-079-EN-C.

For the indices of imports and exports, foreign trade data of industrial products (following the nomenclature of the Harmonised System) were grouped according to the industrial NACE Rev.1 activity to which they belong. This grouping of products causes inevitably certain inaccuracies which can reduce the reliability of these foreign trade series. The indices for EUR15 refer only to extra-Union trade, the indices for Member States reflect also intra-Union trade.

Full methodological notes may be found on page 71.

Source: eurostat



**Structural indicators**

value-added, production,  
employment and labour costs

**External trade**

extra-EU exports and extra-EU imports

**Short term indicators**

production index, producer prices,  
capacity utilisation, foreign trade indices

data extracted on: 09/06/97

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**Commentary** 50

**Structural indicators** 56

value-added, production,  
employment and labour costs

**External trade** 58

extra-EU exports and  
extra-EU imports

**Short term indicators** 59

production index, producer prices,  
capacity utilisation and  
foreign trade indices



**Short-term trends: sustained growth in the EU**

Between the first quarter of 1997 and the previous one, the index of production rose by 1.1% for EUR15. It declined in Portugal (-0.3%), Spain (-0.1%) and Greece (-0.1%), whereas it rose in France (0.4%), Sweden (1.3%), Italy (1.0%) and Germany (0.5%).

Between the first quarters of 1996 and 1997, the index of production in volume rose by 3.9% for the EU, with growth of 20.5% in Spain, 3.3% in Germany, 0.6% in the United Kingdom, and 2.8% in France. Denmark (-1.4%) and Greece (-0.1%) lost ground, with a decline in production.

The domestic producer price index declined between March 1996 and March 1997 in Italy (-1.1%) and the United Kingdom (-1.0% in April). On the other hand, prices rose in Sweden (1.8% in April) and the Netherlands (1.9% in March). For the purposes of comparison, prices in the American and Japanese food industries rose by 1.3% and 0.5%. German prices also rose by 1.6% between April 1996 and 1997.

In the first quarter of 1997, the EU used 77.7% of capacity, the Netherlands 86.3%, France 82.8%, and Denmark and Germany 81.0%. On the other hand, at 64.1% and 74.2% respectively, Spain and Italy were below the average rate for the Community.

EU exports in volume rose by 1.7% between the last quarter of 1995 and the last quarter of 1996, whereas imports retreated by 3.4% over the same period. In relation to the third quarter, exports in volume grew by 0.1% and imports declined by 1.8%.

**Enquiries regarding the purchase of data should be directed to:**

Eurostat Data-Shop  
tel: (352) 4335 2251  
fax: (352) 4335 22221



Data marked with this symbol is available on the diskette - for further details see page 70

PRODUCTION & ACTIVITY BREAKDOWN

Between the first quarter of 1997 and the previous one, the index of production of EUR15 increased by 1.3%

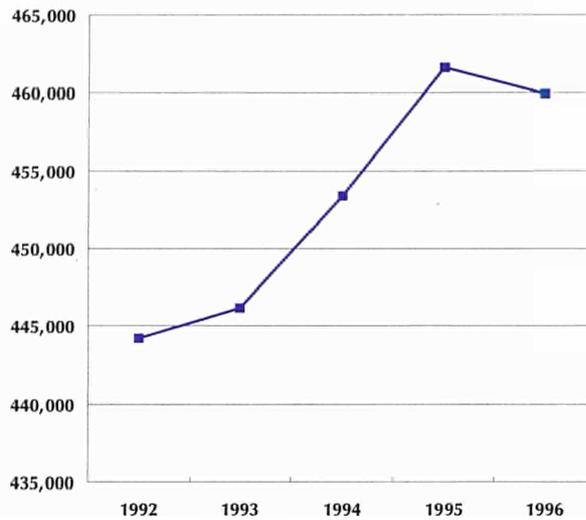


Figure 3.1

EUR15 production in constant prices (million ECU)

Source: DEBA GEIE

Developments in the food industry: brand names go global

The food and beverage industry is marked by increasing competition, encouraging producers to reduce their margins in order to hold market share and also to concentrate in order to lower production costs. One way in which producers do this is by grouping products under the same brand name, thereby achieving considerable savings on publicity, greater brand awareness and easier access to new markets. Thus, a known brand recognised for its quality can increase its product range while any new products in the range have the instant benefits of an image and label.

Lastly, the pressure on prices is matched by increasing demand for quality, differentiation and innovation from consumers who want to combine time savings with greater ease and gratification. This translates as greater value added in numerous products. R&D departments are particularly active, too, and are constantly launching new products.

While pressure on prices is increasing at the production stage, it is also felt in relations with customers at the point of sale and along the distribution chain, while the spread of discount stores is increasing competition.

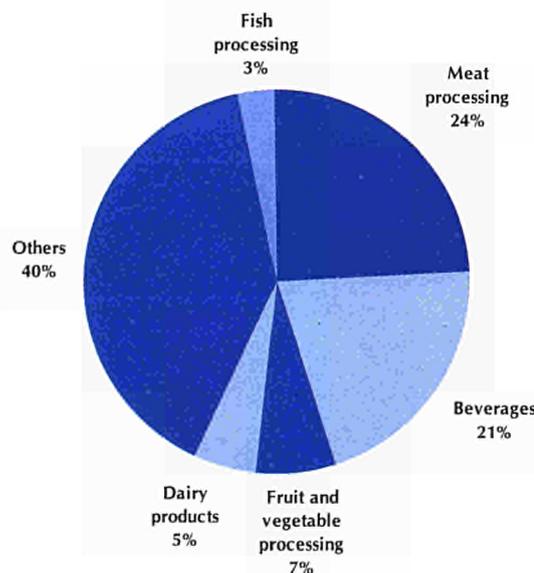


Figure 3.2

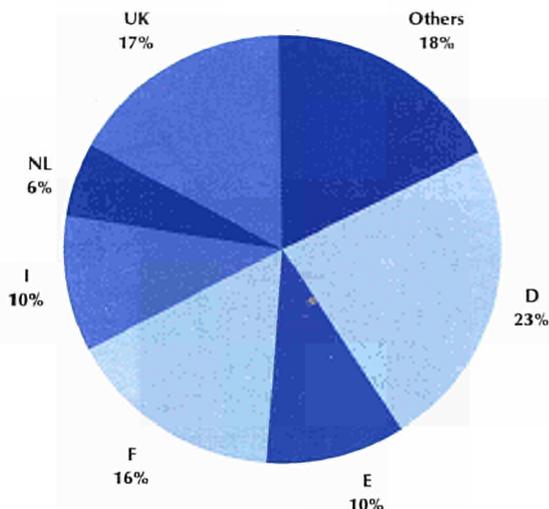
Share of production by industrial activity, 1996

Source: DEBA GEIE

Figure 3.3

Share of EUR15 value-added at factor cost, 1996

Source: DEBA GEIE



Denmark and Greece, with

-1.4% and -0.1%, are the sole

Member States where annual

production for the first quarter

of 1997 declined

**Environment: improved consumer information**

Food and beverage producers' commitment to environmental production means more consumer information (e.g. telling consumers that the firm plays its part in recycling and recovering packaging) and lower container weights. Consumers are also being given ever more information on product composition, particularly as regards colourings, sweeteners, additives, nutritional values and compliance with hygiene standards.

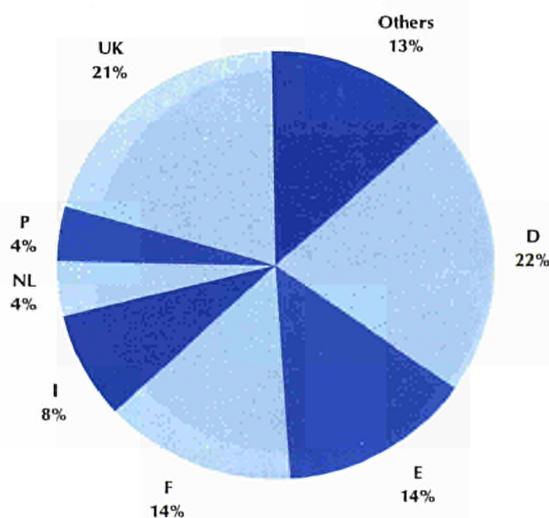
**Structure of industry: the EU leads the world in food production**

In 1996, production in the food and beverage industry of EUR15 came to ECU 494,300 million or 15% of total manufacturing output, a 2.3% annual increase. Meat accounts for 20.1% of industry output, followed by the dairy (17.5%) and drinks (16.2%) activities. Germany is the Community's number-one producer with 22.4% of EUR15 production. It is followed by France (19.1%), the United Kingdom (14.1%), Italy (11.2%) and Spain (10.0%). The United States and Japan produce the equivalent of 78.6% and 46.5% of Community output. Denmark, with a specialisation ratio of 3.7, and Sweden (2.5) are specialists in the fish processing industry, Greece (2.2) in fruit and vegetables, and the Netherlands (2.2) and Portugal (2.0) are specialists in manufacturing animal feeding stuffs.

Figure 3.4

Share of EUR15 number of employees, 1995

Source: DEBA GEIE



Turnover for EUR15 increased by 2.3% in value terms between 1995 and 1996, but declined by 0.3% in real terms. The decline can be attributed to the production of animal and vegetable fats and fruit and vegetables, which contracted by 8.7% and 2.6% in real terms.

LABOUR COSTS & PRODUCTION

Gross value added at factor cost per employee in 1995 averaged ECU 42,500 in EUR15, ranging from 15,100 in Portugal to 65,200 in Italy, via 34,500 in the United Kingdom, 42,700 in Germany and 50,100 in France.

The food and beverage industry employed 2.5 million people in 1995. In 1996, annual employment rose in Belgium (+1.9%) and in Spain (+3.6%). On the other hand, it fell by 1.9% in Germany, 1.5% in the United Kingdom, 0.9% in Sweden and 0.7% in France. By comparison, employment fell by 1.5% in the United States and rose by 0.4% in Japan.

The Community's leading food manufacturer is Unilever (UK-NL), ahead of BAT Industries (UK), Hanson (UK), Ferruzzi (I) and Danone (F). It should be pointed out, however, that the biggest operator on the Community market is not on this list because Nestlé is Swiss. Mergers and acquisitions have not let up: Britain's Grand Metropolitan recently sold the industrial confectioners Brossard and Fida to America's Sara Lee in order to regroup its agro-industry branch around three strategic brands as part of the current process of globalisation.

**External trade:**

**diverse specialisations in food exports**

In trade terms, our export partners are mainly the OECD countries, i.e. the United States, Japan and Switzerland, while, apart from the United States, we import from Latin America and countries which traditionally provide exotic products like bananas and other tropical fruit, coffee and chocolate. Otherwise, the EU is self-sufficient in food, and import penetration remains low: penetration from outside the Community in 1995 was 5.4% for the EUR15. Looking at total imports, however, penetration rates in 1995 were 18.1% in Germany, 18.4% in France, 20.1% in the United Kingdom, 23.1% in Italy and 43.9% in the Netherlands, reflecting the high degree of trade between Member States.

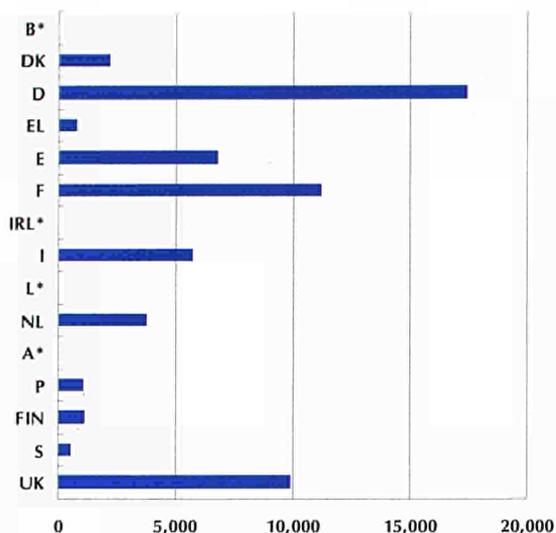


Figure 3.5

Labour costs, 1995 (million ECU)

Source: DEBA GEIE

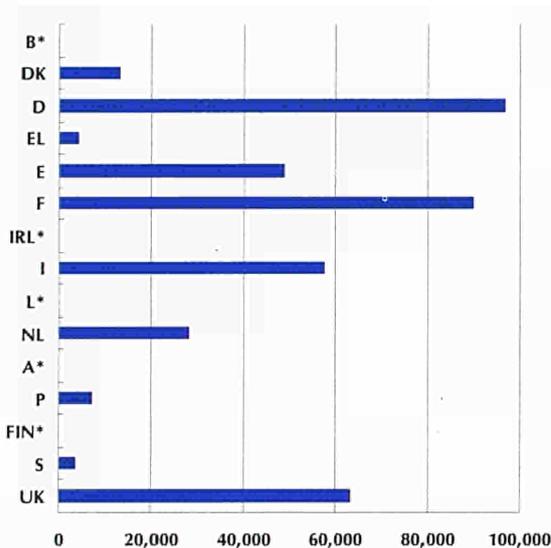


Figure 3.6

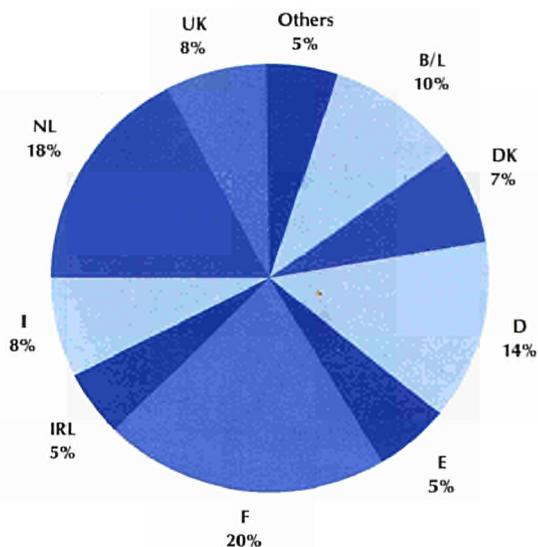
Production in constant prices, 1996 (million ECU)

Source: DEBA GEIE

In 1995, EUR15 imports totalled ECU 104,700 million, 24.7% of which came from outside the Community. Imports from countries outside EUR-15 were relatively higher in Denmark, Spain and the United Kingdom, and less marked in Greece, Austria and Ireland. Nevertheless, the intra-Community market is preponderant by far.

Figure 3.7

Share of world exports, 1995



Source: eurostat

Exports of EUR15 totalled ECU 87,500 million in 1995, 72.7% of which went to destinations within the Community. The percentage ranged from 43.1% for Finland, the sole Member State whose exports go mainly beyond the EU, to 82.7% for the BLEU.

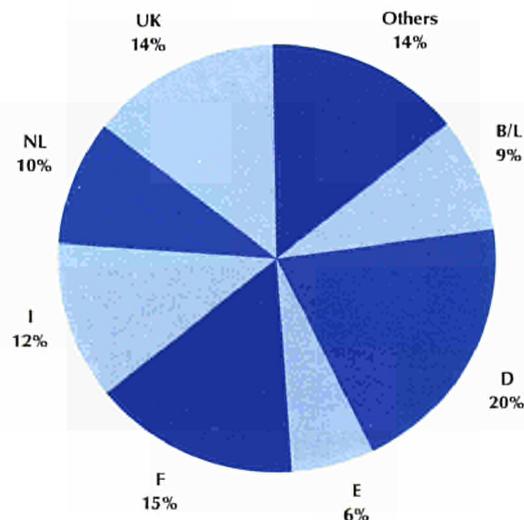
There are structural surpluses in dairy products, beverages and animal feedingstuffs, with coverage rates in 1995 of 600%, 530% and 273% respectively. On the other hand, there are deficits in fish (19%), fruit and vegetables (41%) and fats (45%).

The EU imports fish mainly from Norway, Iceland and Thailand; fruit and vegetables from Brazil and Turkey; and fats from Argentina, Brazil, Indonesia and Malaysia.

Of individual Member States, the United Kingdom, Italy and Germany had coverage rates of 58%, 68% and 75% in 1995, whereas France (149%), the Netherlands (193%) and Denmark (258%) had substantial surpluses. Ireland exports meat (coverage rate of 898%) and dairy products (831%) intensively, as does Denmark (ratios of 824% and 762%); Greece exports fats (552%) and fruit and vegetables (452%), and France exports dairy products (506%).

Figure 3.8

Share of world imports, 1995



Source: eurostat

This text was written by: Catherine Dailleau

For more details, please contact:

tel (352) 34 10 40 11

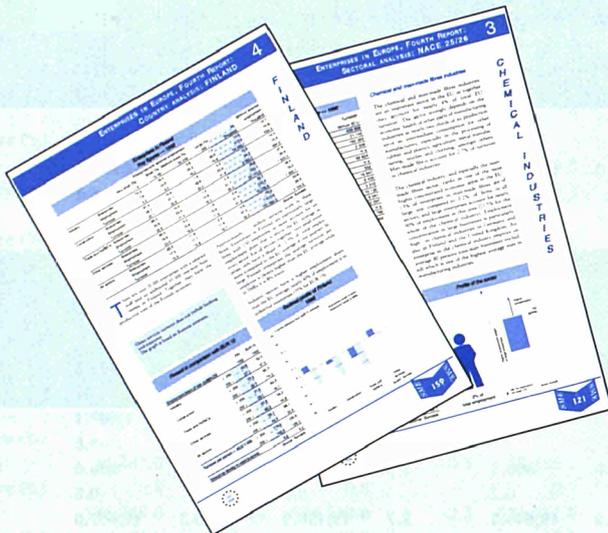
fax (352) 34 69 99

e-mail: xosa090@nopc.eurostat.cec.be

**Enterprises in Europe:  
Fourth report**

This is a biennial publication produced by Eurostat in co-operation with DG XXIII of the European Commission.

There were around 16 million small and medium-sized enterprises (SMEs) in 1992 in the countries of EUR15, employing more than 100 million people.



The publication contains several parts which present the information that has been gathered by Eurostat. Each part has been designed to facilitate the rapid acquisition of the facts. The interested reader may turn to detailed country or sectoral information. Furthermore, there is a supplementary diskette publication, which contains the SME tabular database.

The paper publication is broken down into the following sections:

- Part 1: main information on European enterprises;
- Part 2: specific analyses, such as enterprise creation, the innovative behaviour of SMEs or regional analyses;
- Parts 3 & 4: sectoral and country analyses.

The sources used are normally existing business registers in the European countries. The following economic indicators are provided: employment, turnover and sometimes value added and labour costs.

**Enquiries regarding the purchase of data should be directed to:**

Eurostat Data-Shop  
2, rue Jean Engling  
L-1466  
Dommeldange  
Luxembourg

tel: (352) 4335 2251  
fax: (352) 4335 22221

**An order form may be found at the end of this publication**

## VALUE ADDED &amp; PRODUCTION

Table 3.1

	1992	t / t-1 (%)	1993	t / t-1 (%)	1994	t / t-1 (%)	1995	t / t-1 (%)	1996	t / t-1 (%)
<b>EUR15</b>	<b>109,558.1</b>	<b>3.9</b>	<b>110,349.3</b>	<b>0.7</b>	<b>112,532.9</b>	<b>2.0</b>	<b>114,765.9</b>	<b>2.0</b>	<b>117,757.2</b>	<b>2.6</b>
B	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
DK	3,230.7	2.6	3,365.8	4.2	3,585.0	6.5	3,568.3	-0.5	3,645.9	2.2
Share (%)	2.9		3.1		3.2		3.1		3.1	
D	23,515.1	3.1	24,764.1	5.3	25,146.4	1.5	27,318.5	8.6	27,263.3	-0.2
Share (%)	21.5		22.4		22.3		23.8		23.2	
EL	707.2	63.4	806.6	14.1	838.7	4.0	897.5	7.0	942.2	5.0
Share (%)	0.6		0.7		0.7		0.8		0.8	
E	12,613.8	4.1	11,594.8	-8.1	11,387.9	-1.8	11,738.6	3.1	12,042.1	2.6
Share (%)	11.5		10.5		10.1		10.2		10.2	
F	17,329.9	4.8	17,874.7	3.1	18,104.7	1.3	18,648.3	3.0	18,857.0	1.1
Share (%)	15.8		16.2		16.1		16.2		16.0	
IRL	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
I	12,459.6	6.2	11,583.4	-7.0	11,626.3	0.4	11,315.4	-2.7	12,274.1	8.5
Share (%)	11.4		10.5		10.3		9.9		10.4	
L	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
NL	6,879.3	6.2	7,261.7	5.6	7,467.6	2.8	6,668.3	-10.7	6,736.0	1.0
Share (%)	6.3		6.6		6.6		5.8		5.7	
A	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
P	1,749.2	18.6	1,742.9	-0.4	1,597.1	-8.4	1,743.7	9.2	1,803.1	3.4
Share (%)	1.6		1.6		1.4		1.5		1.5	
FIN	:	:	:	:	:	:	1,877.8		1,907.1	1.6
Share (%)	:	:	:	:	:	:	1.6		1.6	
S	767.3	18.5	782.6	2.0	808.5	3.3	842.8	4.2	986.0	17.0
Share (%)	0.7		0.7		0.7		0.7		0.8	
UK	18,743.7	0.1	18,776.4	0.2	19,846.5	5.7	19,150.9	-3.5	19,867.0	3.7
Share (%)	17.1		17.0		17.6		16.7		16.9	

Source: DEBA GEIE

Table 3.2

	1992	t / t-1 (%)	1993	t / t-1 (%)	1994	t / t-1 (%)	1995	t / t-1 (%)	1996	t / t-1 (%)
<b>EUR15</b>	<b>463,571.7</b>	<b>3.1</b>	<b>460,067.9</b>	<b>-0.8</b>	<b>472,923.0</b>	<b>2.8</b>	<b>483,410.5</b>	<b>2.2</b>	<b>494,291.7</b>	<b>2.3</b>
B	:	:	:	:	14,926.7		17,053.4	14.2	17,423.8	2.2
Share (%)	:	:	:	:	3.2		3.5		3.5	
DK	13,725.5	6.8	13,220.6	-3.7	14,179.4	7.3	14,099.9	-0.6	14,315.5	1.5
Share (%)	3.0		2.9		3.0		2.9		2.9	
D	98,975.8	4.0	100,722.2	1.8	102,503.4	1.8	110,942.5	8.2	110,582.6	-0.3
Share (%)	21.4		21.9		21.7		22.9		22.4	
EL	3,837.8	5.0	4,615.3	20.3	4,853.5	5.2	5,186.7	6.9	5,525.7	6.5
Share (%)	0.8		1.0		1.0		1.1		1.1	
E	49,699.1	1.5	46,092.9	-7.3	47,626.1	3.3	48,721.7	2.3	49,673.3	2.0
Share (%)	10.7		10.0		10.1		10.1		10.0	
F	86,554.7	5.8	87,001.9	0.5	89,288.0	2.6	93,239.4	4.4	94,522.5	1.4
Share (%)	18.7		18.9		18.9		19.3		19.1	
IRL	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
I	55,640.6	2.4	51,867.8	-6.8	51,928.7	0.1	50,690.4	-2.4	55,094.9	8.7
Share (%)	12.0		11.3		11.0		10.5		11.1	
L	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
NL	34,254.7	4.9	35,059.1	2.3	36,022.9	2.7	32,977.6	-8.5	32,914.6	-0.2
Share (%)	7.4		7.6		7.6		6.8		6.7	
A	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
P	7,479.5	12.6	7,688.1	2.8	7,323.4	-4.7	7,924.7	8.2	8,142.3	2.7
Share (%)	1.6		1.7		1.5		1.6		1.6	
FIN	:	:	:	:	:	:	7,197.7		7,259.5	0.9
Share (%)	:	:	:	:	:	:	1.5		1.5	
S	2,476.5	-2.3	2,566.1	3.6	2,954.5	15.1	2,882.4	-2.4	3,347.1	16.1
Share (%)	0.5		0.6		0.6		0.6		0.7	
UK	65,529.7	-0.9	65,969.9	0.7	69,668.0	5.6	67,273.2	-3.4	69,471.9	3.3
Share (%)	14.1		14.3		14.7		13.9		14.1	

Source: DEBA GEIE

NUMBER OF EMPLOYEES & LABOUR COSTS

Table 3.3

	1991	t / t-1 (%)	1992	t / t-1 (%)	1993	t / t-1 (%)	1994	t / t-1 (%)	1995	t / t-1 (%)
<b>EUR15</b>	<b>2,699,049.0</b>	<b>1.8</b>	<b>2,664,892.0</b>	<b>-1.3</b>	<b>2,601,692.0</b>	<b>-2.4</b>	<b>2,576,966.0</b>	<b>-1.0</b>	<b>2,546,879.0</b>	<b>-1.2</b>
B	:	:	:	:	:	:	60,323.0	:	65,767.0	9.0
Share (%)	:	:	:	:	:	:	2.3	:	2.6	
DK	63,903.0	0.1	63,230.0	-1.1	64,858.0	2.6	64,326.0	-0.8	63,751.0	-0.9
Share (%)	2.4		2.4		2.5		2.5		2.5	
D	609,173.0	5.9	602,693.0	-1.1	571,942.0	-5.1	554,701.0	-3.0	545,270.0	-1.7
Share (%)	22.6		22.6		22.0		21.5		21.4	
EL	42,922.0	-2.9	43,523.0	1.4	45,691.0	5.0	45,597.0	-0.2	45,080.0	-1.1
Share (%)	1.6		1.6		1.8		1.8		1.8	
E	373,962.0	0.2	368,172.0	-1.5	368,973.0	0.2	368,561.0	-0.1	365,282.0	-0.9
Share (%)	13.9		13.8		14.2		14.3		14.3	
F	370,031.0	1.6	368,951.0	-0.3	360,819.0	-2.2	358,034.0	-0.8	352,489.0	-1.5
Share (%)	13.7		13.8		13.9		13.9		13.8	
IRL	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
I	211,488.0	-1.6	212,855.0	0.6	216,116.0	1.5	207,394.0	-4.0	202,508.0	-2.4
Share (%)	7.8		8.0		8.3		8.0		8.0	
L	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
NL	128,888.0	11.1	127,838.0	-0.8	118,420.0	-7.4	115,835.0	-2.2	111,222.0	-4.0
Share (%)	4.8		4.8		4.6		4.5		4.4	
A	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
P	120,614.0	2.0	119,264.0	-1.1	109,824.0	-7.9	116,453.0	6.0	106,191.0	-8.8
Share (%)	4.5		4.5		4.2		4.5		4.2	
FIN	:	:	:	:	:	:	:	:	37,664.0	:
Share (%)	:	:	:	:	:	:	:	:	1.5	:
S	16,481.0	11.6	14,752.0	-10.5	18,188.0	23.3	18,887.0	3.8	19,269.0	2.0
Share (%)	0.6		0.6		0.7		0.7		0.8	
UK	536,815.0	-1.4	524,519.0	-2.3	515,551.0	-1.7	519,697.0	0.8	526,393.0	1.3
Share (%)	19.9		19.7		19.8		20.2		20.7	

Number of employees (units)

Source: DEBA GEIE

Table 3.4

	1991	t / t-1 (%)	1992	t / t-1 (%)	1993	t / t-1 (%)	1994	t / t-1 (%)	1995	t / t-1 (%)
<b>EUR15</b>	<b>61,510.1</b>	<b>9.5</b>	<b>63,749.6</b>	<b>3.6</b>	<b>64,390.6</b>	<b>1.0</b>	<b>65,426.2</b>	<b>1.6</b>	<b>66,026.5</b>	<b>0.9</b>
B	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
DK	1,833.3	3.1	1,903.1	3.8	1,964.4	3.2	2,060.1	4.9	2,193.1	6.5
Share (%)	3.0		3.0		3.1		3.1		3.3	
D	15,055.2	13.3	15,997.0	6.3	16,571.5	3.6	16,600.0	0.2	17,416.4	4.9
Share (%)	24.5		25.1		25.7		25.4		26.4	
EL	530.9	5.1	592.4	11.6	664.0	12.1	708.5	6.7	749.7	5.8
Share (%)	0.9		0.9		1.0		1.1		1.1	
E	6,718.2	8.6	6,999.2	4.2	6,616.7	-5.5	6,572.5	-0.7	6,753.1	2.7
Share (%)	10.9		11.0		10.3		10.0		10.2	
F	9,930.8	4.8	10,567.5	6.4	10,850.8	2.7	11,005.8	1.4	11,201.5	1.8
Share (%)	16.1		16.6		16.9		16.8		17.0	
IRL	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
I	6,918.3	11.1	7,063.0	2.1	6,433.5	-8.9	6,271.1	-2.5	5,722.8	-8.7
Share (%)	11.2		11.1		10.0		9.6		8.7	
L	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
NL	3,278.9	17.7	3,453.6	5.3	4,179.9	21.0	4,176.6	-0.1	3,785.1	-9.4
Share (%)	5.3		5.4		6.5		6.4		5.7	
A	:	:	:	:	:	:	:	:	:	:
Share (%)	:	:	:	:	:	:	:	:	:	:
P	966.8	24.0	1,118.7	15.7	1,033.2	-7.6	1,110.8	7.5	1,078.4	-2.9
Share (%)	1.6		1.8		1.6		1.7		1.6	
FIN	:	:	:	:	:	:	:	:	1,099.2	:
Share (%)	:	:	:	:	:	:	:	:	1.7	:
S	472.6	16.8	461.5	-2.3	496.9	7.7	532.0	7.1	553.3	4.0
Share (%)	0.8		0.7		0.8		0.8		0.8	
UK	9,907.3	9.2	9,694.8	-2.1	9,563.2	-1.4	10,138.5	6.0	9,884.1	-2.5
Share (%)	16.1		15.2		14.9		15.5		15.0	

Labour costs (million ECU)

Source: DEBA GEIE

Table 3.5

Extra-EUR15  
exports  
(million ECU)

	1991	t / t-1 (%)	1992	t / t-1 (%)	1993	t / t-1 (%)	1994	t / t-1 (%)	1995	t / t-1 (%)
<b>EUR15</b>	22,968.9	1.3	24,269.8	5.7	26,717.4	10.1	29,656.1	11.0	30,852.9	4.0
<b>B/L</b>	984.3	25.3	1,090.7	10.8	1,161.8	6.5	1,665.4	43.3	1,947.0	16.9
<b>Share (%)</b>	4.3		4.5		4.3		5.6		6.3	
<b>DK</b>	2,105.9	10.3	2,017.7	-4.2	2,420.9	20.0	2,861.2	18.2	2,779.5	-2.9
<b>Share (%)</b>	9.2		8.3		9.1		9.6		9.0	
<b>D</b>	3,285.7	13.4	3,201.5	-2.6	3,737.5	16.7	4,142.0	10.8	4,446.2	7.3
<b>Share (%)</b>	14.3		13.2		14.0		14.0		14.4	
<b>EL</b>	244.4	-2.2	294.1	20.3	348.2	18.4	414.3	19.0	398.2	-3.9
<b>Share (%)</b>	1.1		1.2		1.3		1.4		1.3	
<b>E</b>	1,524.7	-7.5	1,597.7	4.8	1,880.2	17.7	2,045.0	8.8	2,334.0	14.1
<b>Share (%)</b>	6.6		6.6		7.0		6.9		7.6	
<b>F</b>	5,700.7	1.2	5,996.8	5.2	6,217.5	3.7	6,729.7	8.2	6,939.7	3.1
<b>Share (%)</b>	24.8		24.7		23.3		22.7		22.5	
<b>IRL</b>	705.5	-9.0	875.3	24.1	816.9	-6.7	883.4	8.1	1,084.9	22.8
<b>Share (%)</b>	3.1		3.6		3.1		3.0		3.5	
<b>I</b>	2,070.6	2.2	2,503.5	20.9	2,409.8	-3.7	2,510.6	4.2	2,750.0	9.5
<b>Share (%)</b>	9.0		10.3		9.0		8.5		8.9	
<b>NL</b>	2,754.4	-11.9	3,178.0	15.4	4,069.9	28.1	4,285.2	5.3	4,683.8	9.3
<b>Share (%)</b>	12.0		13.1		15.2		14.4		15.2	
<b>A</b>	414.7	10.1	422.5	1.9	469.0	11.0	587.8	25.3	401.3	-31.7
<b>Share (%)</b>	1.8		1.7		1.8		2.0		1.3	
<b>P</b>	278.0	16.0	330.5	18.9	263.4	-20.3	283.8	7.7	343.6	21.1
<b>Share (%)</b>	1.2		1.4		1.0		1.0		1.1	
<b>FIN</b>	223.2	-25.3	233.6	4.7	338.4	44.9	434.3	28.3	354.8	-18.3
<b>Share (%)</b>	1.0		1.0		1.3		1.5		1.1	
<b>S</b>	362.3	-11.4	324.6	-10.4	405.5	24.9	616.4	52.0	516.5	-16.2
<b>Share (%)</b>	1.6		1.3		1.5		2.1		1.7	
<b>UK</b>	1,614.6	2.3	1,737.4	7.6	1,934.6	11.4	1,857.1	-4.0	1,873.5	0.9
<b>Share (%)</b>	7.0		7.2		7.2		6.3		6.1	

Source:  eurostat

Table 3.6

Extra-EUR15  
imports  
(million ECU)

	1991	t / t-1 (%)	1992	t / t-1 (%)	1993	t / t-1 (%)	1994	t / t-1 (%)	1995	t / t-1 (%)
<b>EUR15</b>	23,655.1	5.4	24,105.0	1.9	23,559.0	-2.3	26,470.1	12.4	25,857.2	-2.3
<b>B/L</b>	938.1	-3.7	901.0	-4.0	983.8	9.2	1,263.9	28.5	1,360.5	7.6
<b>Share (%)</b>	4.0		3.7		4.2		4.8		5.3	
<b>DK</b>	1,027.4	8.7	1,070.0	4.1	1,085.0	1.4	1,277.3	17.7	1,235.0	-3.3
<b>Share (%)</b>	4.3		4.4		4.6		4.8		4.8	
<b>D</b>	4,639.8	13.5	4,787.2	3.2	4,574.5	-4.4	4,899.4	7.1	4,869.0	-0.6
<b>Share (%)</b>	19.6		19.9		19.4		18.5		18.8	
<b>EL</b>	233.5	-10.7	243.3	4.2	208.2	-14.4	223.6	7.4	233.3	4.3
<b>Share (%)</b>	1.0		1.0		0.9		0.8		0.9	
<b>E</b>	1,964.9	16.3	2,110.2	7.4	1,874.4	-11.2	2,117.6	13.0	2,294.3	8.3
<b>Share (%)</b>	8.3		8.8		8.0		8.0		8.9	
<b>F</b>	3,517.8	3.1	3,390.5	-3.6	3,317.3	-2.2	3,338.8	0.6	3,277.4	-1.8
<b>Share (%)</b>	14.9		14.1		14.1		12.6		12.7	
<b>IRL</b>	182.8	10.9	197.2	7.9	227.0	15.1	268.4	18.2	239.1	-10.9
<b>Share (%)</b>	0.8		0.8		1.0		1.0		0.9	
<b>I</b>	2,742.2	0.3	2,502.6	-8.7	2,404.4	-3.9	2,738.0	13.9	2,777.8	1.5
<b>Share (%)</b>	11.6		10.4		10.2		10.3		10.7	
<b>NL</b>	2,126.5	-2.7	2,509.5	18.0	2,359.5	-6.0	3,105.8	31.6	3,186.1	2.6
<b>Share (%)</b>	9.0		10.4		10.0		11.7		12.3	
<b>A</b>	480.3	6.2	475.9	-0.9	495.1	4.0	593.0	19.8	278.2	-53.1
<b>Share (%)</b>	2.0		2.0		2.1		2.2		1.1	
<b>P</b>	703.2	19.1	738.7	5.0	675.4	-8.6	685.7	1.5	664.6	-3.1
<b>Share (%)</b>	3.0		3.1		2.9		2.6		2.6	
<b>FIN</b>	235.5	1.6	243.7	3.5	249.4	2.3	326.5	30.9	177.8	-45.5
<b>Share (%)</b>	1.0		1.0		1.1		1.2		0.7	
<b>S</b>	706.5	2.8	732.9	3.7	708.1	-3.4	952.6	34.5	592.9	-37.8
<b>Share (%)</b>	3.0		3.0		3.0		3.6		2.3	
<b>UK</b>	4,003.3	3.2	4,075.4	1.8	4,316.2	5.9	4,592.6	6.4	4,671.3	1.7
<b>Share (%)</b>	16.9		16.9		18.3		17.4		18.1	

Source:  eurostat

PRODUCTION & PRODUCER PRICE INDICES

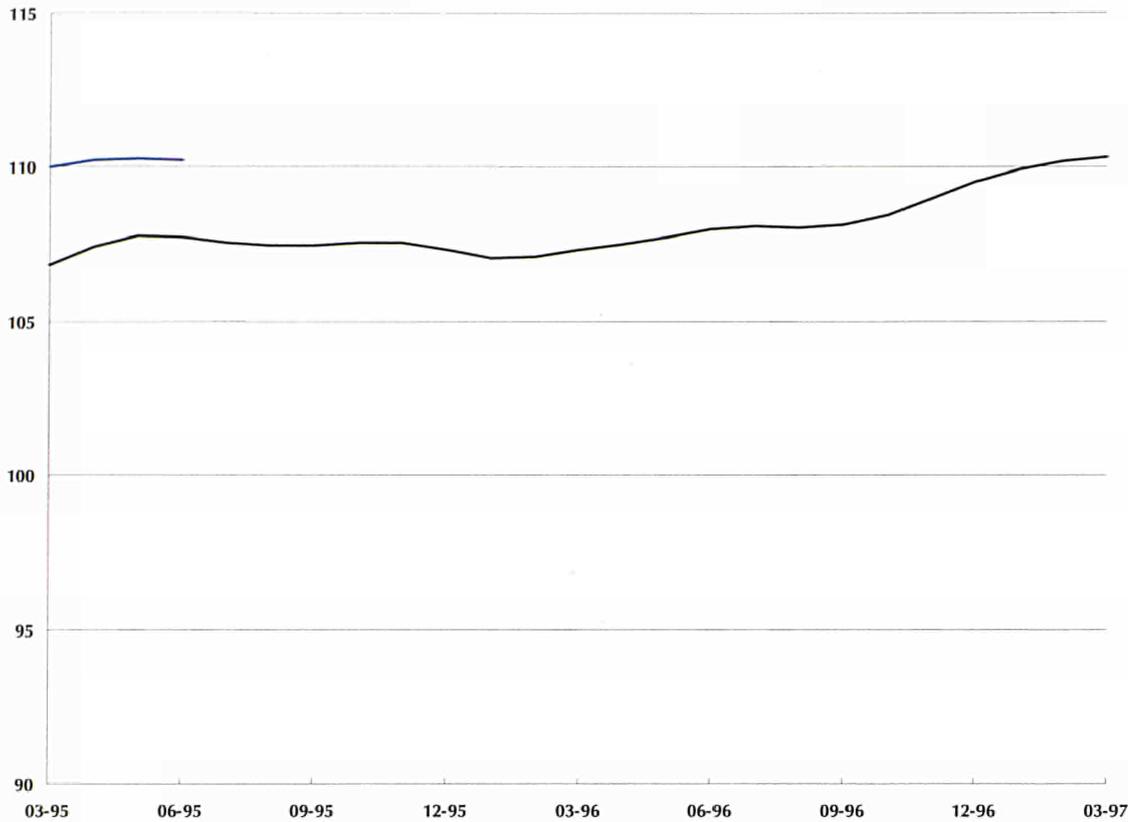


Figure 3.9

EUR15 production and producer price indices (1990 = 100)

— Production index  
— Producer price index

Source: eurostat

Table 3.7

Latest growth rates for production and producer price indices (%)

	Latest 3 months available			Production index		Latest month available	Producer price index	
	Start	End	End	t / t-1	t / t-4	End	t / t-3	t / t-12
<b>EUR15</b>	01-97	⇒	03-97	1.1	3.9	06-95	0.2	1.4
<b>B</b>	01-97	⇒	03-97	0.4	1.3	07-95	-0.1	-0.4
<b>DK</b>	01-97	⇒	03-97	3.0	-1.4	03-97	1.2	0.5
<b>D</b>	01-97	⇒	03-97	0.5	3.3	04-97	0.7	1.6
<b>EL</b>	01-97	⇒	03-97	-0.1	-0.1	03-97	-0.5	1.8
<b>E</b>	01-97	⇒	03-97	-0.1	20.5	03-97	-0.4	0.0
<b>F</b>	01-97	⇒	03-97	0.4	2.8	06-95	-0.3	-0.8
<b>IRL</b>	10-96	⇒	12-96	0.7	3.9	12-96	-0.4	-1.6
<b>I</b>	01-97	⇒	03-97	1.0	2.5	03-97	-0.4	-1.1
<b>L</b>	12-96	⇒	02-97	1.7	4.7	12-94	-0.9	0.2
<b>NL</b>	10-96	⇒	12-96	0.2	0.6	03-97	1.9	1.9
<b>A</b>	04-96	⇒	06-96	0.1	2.4		:	:
<b>P</b>	12-96	⇒	02-97	-0.3	1.0	03-97	0.5	2.1
<b>FIN</b>	01-97	⇒	03-97	2.2	6.7	04-97	0.2	1.5
<b>S</b>	01-97	⇒	03-97	1.3	5.7	04-97	1.0	1.8
<b>UK</b>	01-97	⇒	03-97	0.0	0.6	04-97	-0.2	-1.0
<b>Japan</b>		⇒		:	:	03-97	0.0	0.5
<b>USA</b>		⇒		:	:	03-97	0.3	1.3

Source: eurostat

Figure 3.10

Annual growth rates for production and producer price indices, based on changes from the corresponding three months of the previous year, Jan-97 to Mar-97 (%)

Production ■  
Producer price index ■

Source:  eurostat

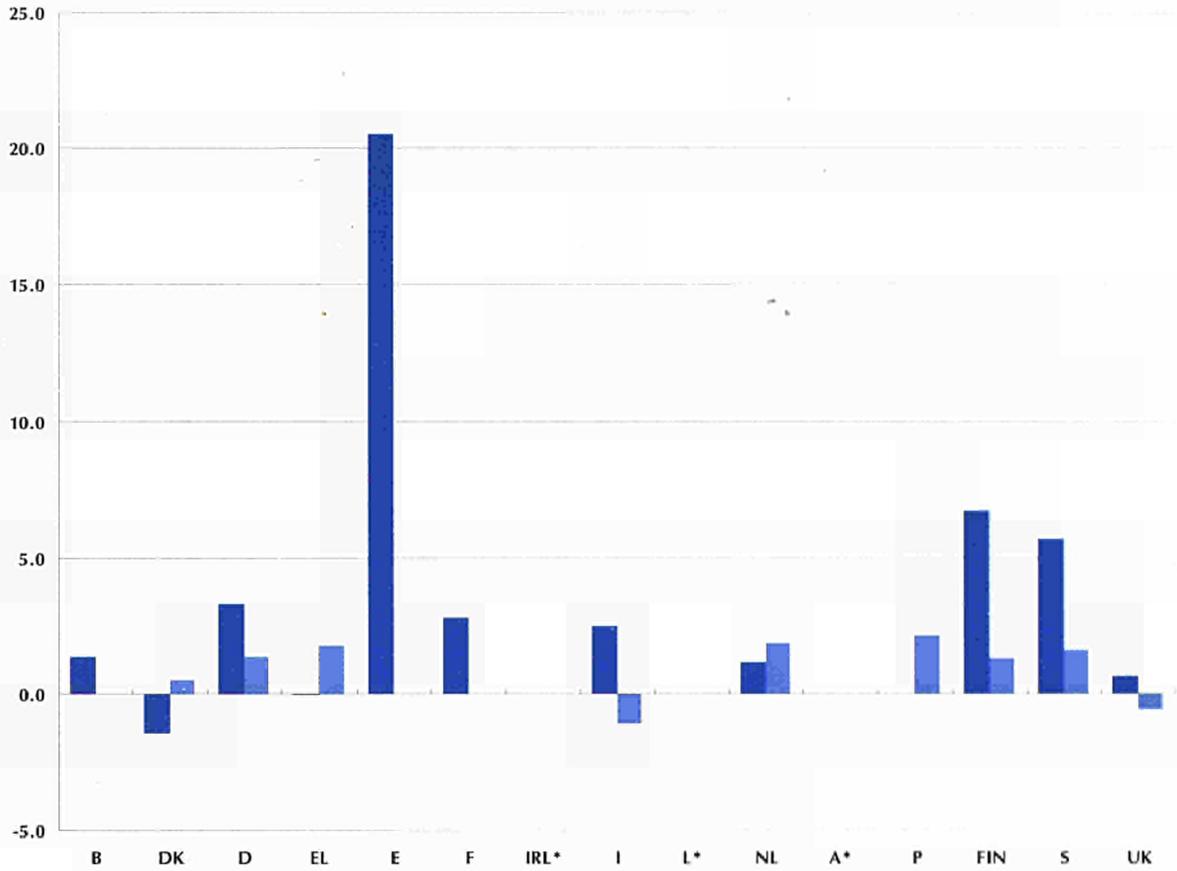
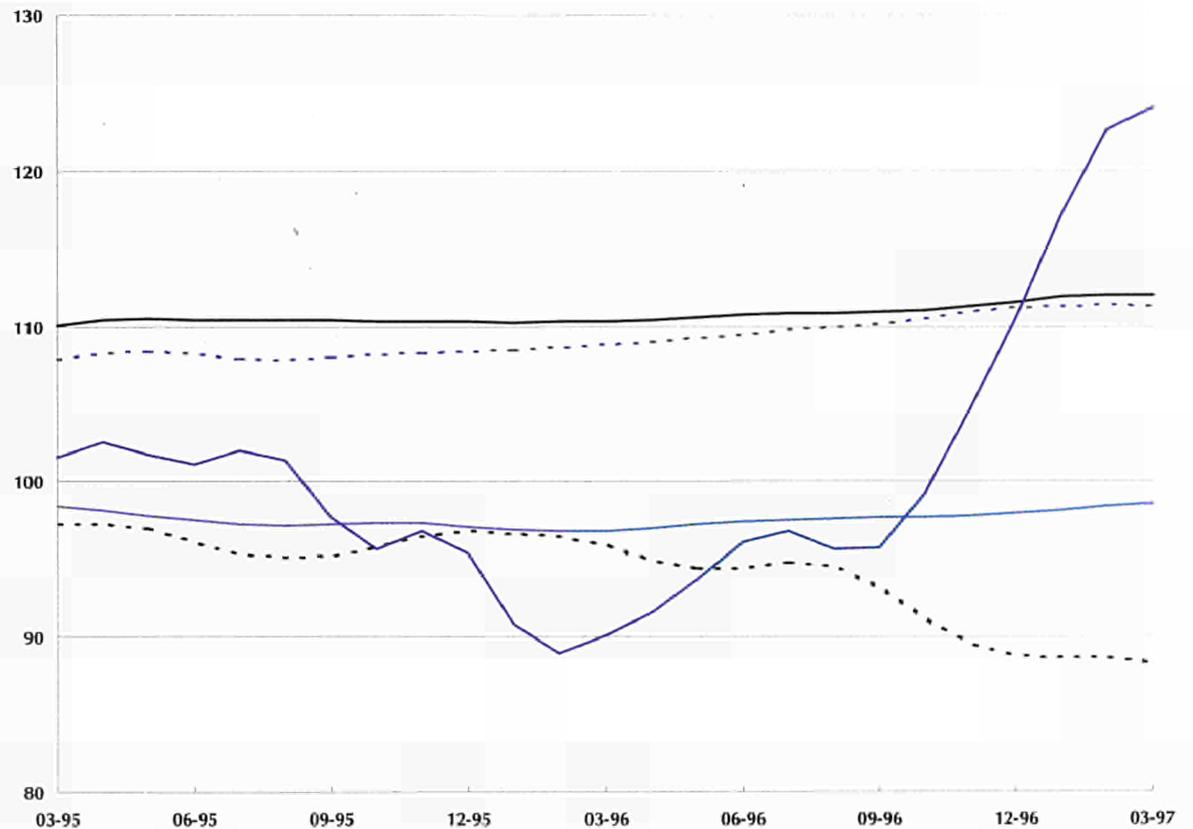


Figure 3.11

Production index for individual activities, trend cycle (1990 = 100)

Meat processing —  
Fish processing - - -  
Fruit and vegetable processing —  
Animal and vegetable oil —  
Other food processing - - -

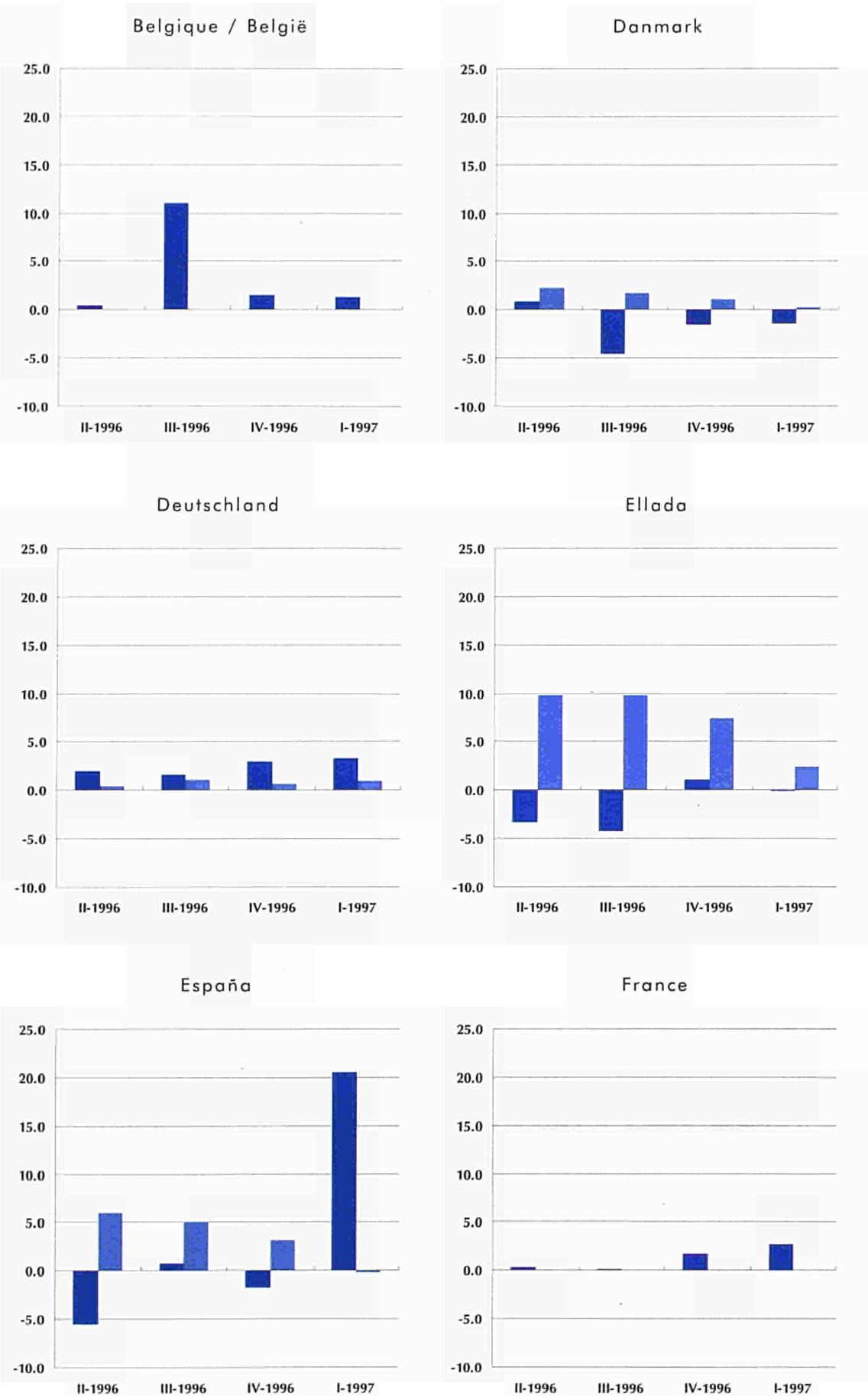
Source:  eurostat



PRODUCTION & PRODUCER PRICE INDICES

Figure 3.12

Annual growth rates for production and producer price indices, based on changes from the corresponding quarter of the previous year (%)

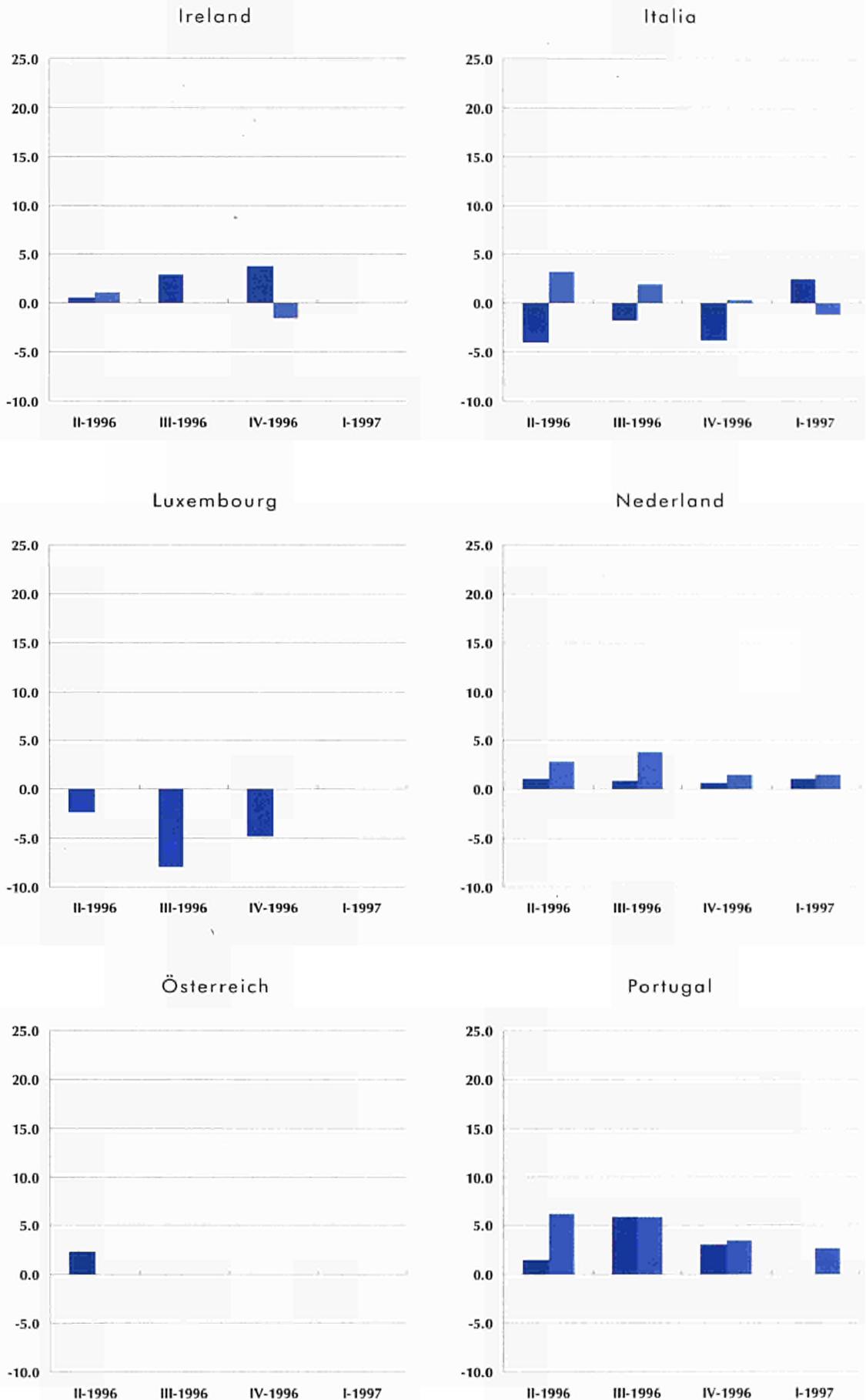


■ Production index  
■ Producer price index

Source: eurostat

Figure 3.12

Annual growth rates for production and producer price indices, based on changes from the corresponding quarter of the previous year (%)

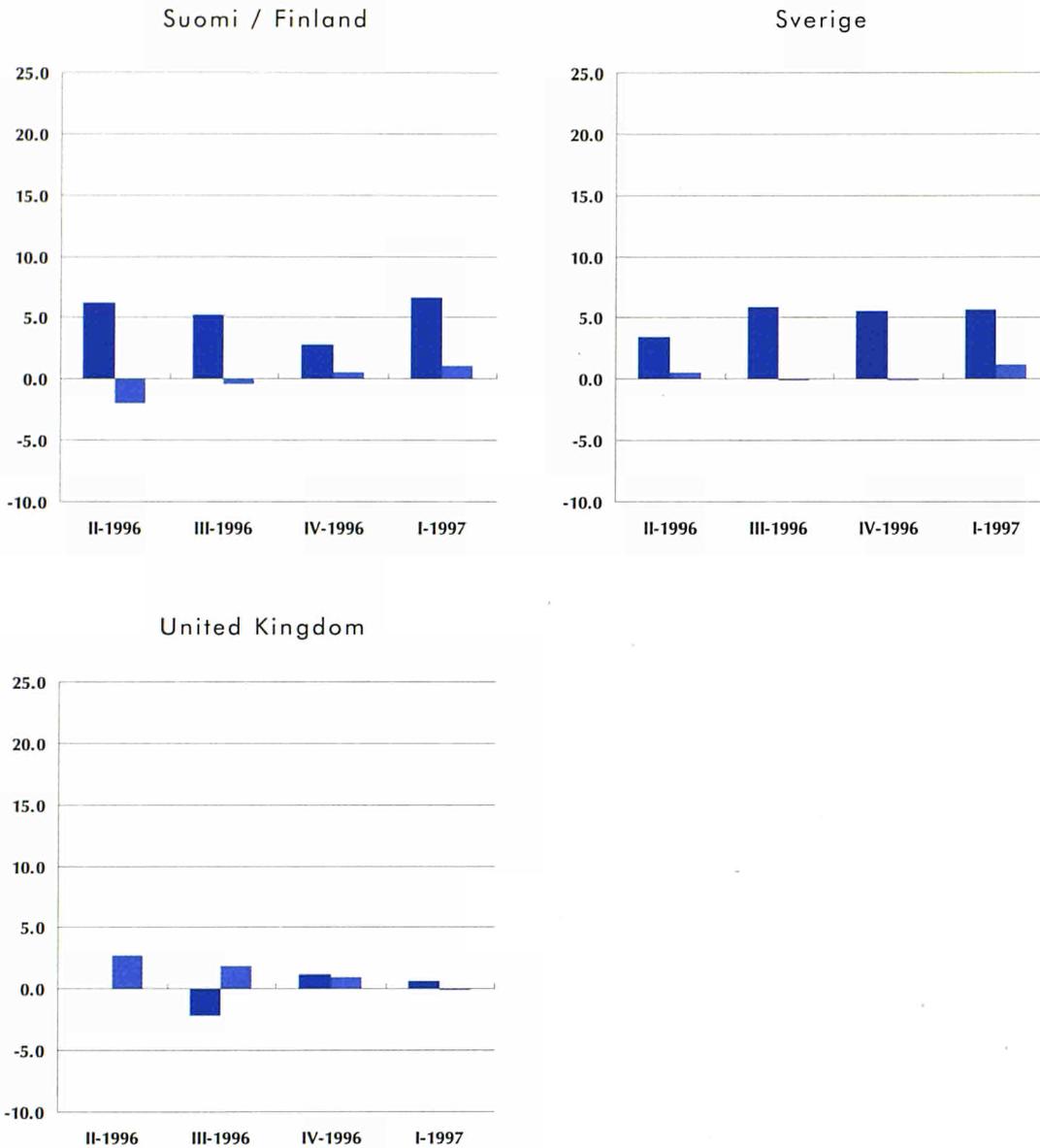


Production index ■  
 Producer price index ■

Source: eurostat

PRODUCTION & PRODUCER PRICE INDICES

Figure 3.12



Annual growth rates for production and producer price indices, based on changes from the corresponding quarter of the previous year (%)

**Further information - the production and producer price indices:**

The indices of production are adjusted in two stages. Firstly, account is taken of the variation in the number of working days in the month. The national Statistical Offices provide Eurostat with these series (except Denmark, France, Spain and the United Kingdom). Secondly, for EUR15 and most of the Member States a correction is made using seasonal adjustment with TRAMO / SEATS, a method developed by Professor Maravall and V.Gomez. For France, Finland, Sweden and the United Kingdom, the indices are adjusted by the national statistical offices themselves. All data from Ireland is converted to NACE Rev.1 from the old classification NACE 1970 and is therefore less reliable.

The index of producer prices shows (in the national currency of the Member State in question) changes in the ex-works selling prices of all products sold on the domestic market. Since we deal with producer prices, imports are not included in these price indices. Producer price indices are not seasonally adjusted.

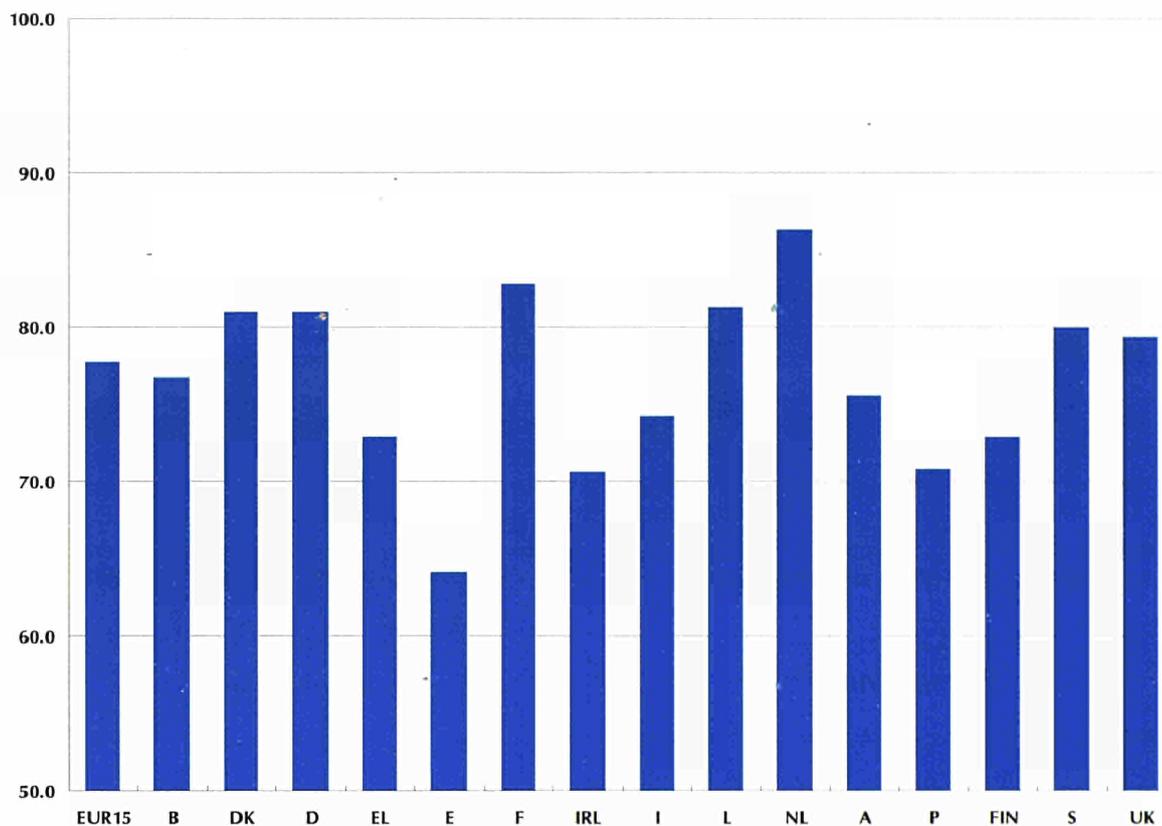
Full methodological notes may be found on page 71.

- Production index
- Producer price index

Source:  eurostat

Figure 3.13

Capacity  
utilisation rates,  
first quarter 1997  
(%)



Source: DG II,  
Business Survey

Table 3.8

Capacity  
utilisation rates  
(%)

	Annual growth rate: latest quarter, t / t-4	II-1996	III-1996	IV-1996	I-1997
EUR15	-2.7	77.9	78.8	79.0	77.7
B	2.4	73.7	74.2	75.9	76.8
DK	0.0	81.0	81.0	82.0	81.0
D	-0.1	80.8	82.5	81.4	81.0
EL	-2.5	70.9	73.0	75.7	72.9
E	-12.0	65.2	68.2	71.7	64.1
F	-0.2	80.9	81.1	81.8	82.8
IRL	-12.9	63.1	69.5	69.5	70.6
I	-1.5	73.5	74.5	76.0	74.2
L	-5.1	82.8	86.1	83.4	81.3
NL	0.0	85.6	86.0	85.1	86.3
A	0.6	71.6	73.0	76.3	75.6
P	6.5	69.7	71.6	66.4	70.8
FIN	-1.6	72.6	75.0	78.0	72.9
S	:	78.0	78.0	77.0	80.0
UK	-5.8	83.6	81.8	79.9	79.4

Source: DG II,  
Business Survey

FOREIGN TRADE INDICES - TREND CYCLE

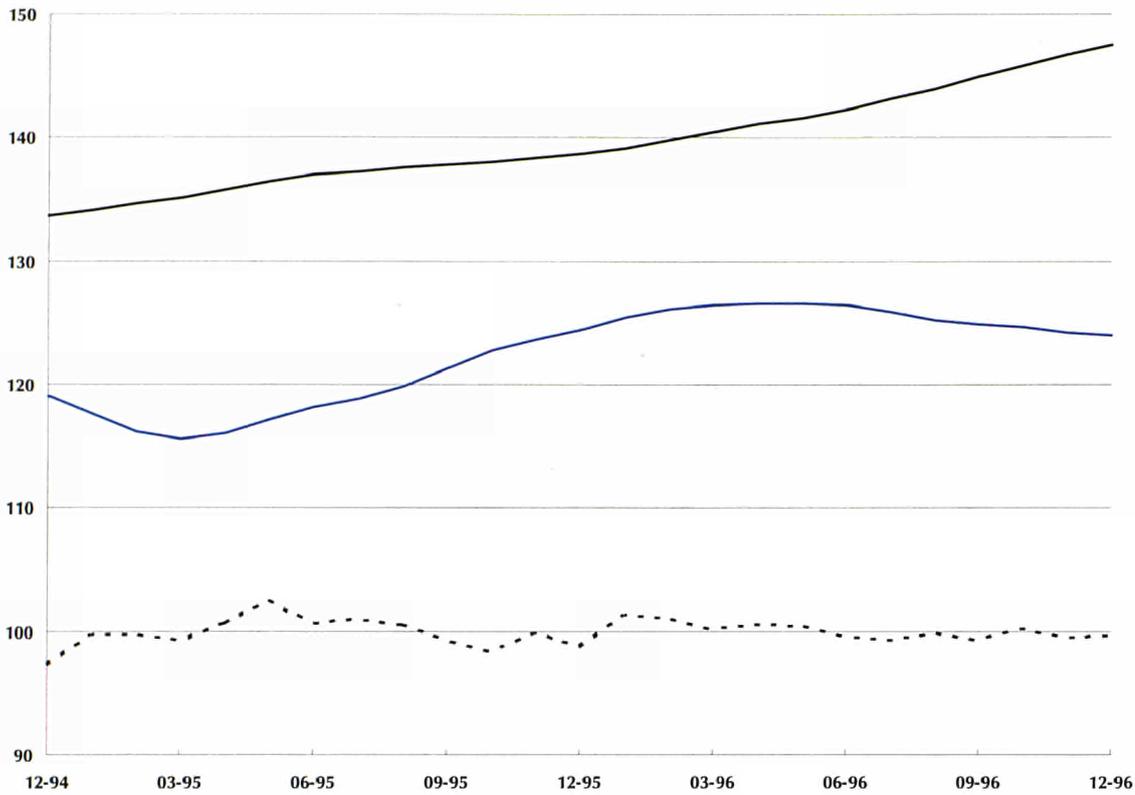


Figure 3.14

EUR15 foreign trade indices, trend cycle, in ECU terms (1990 = 100)

— Export value index  
— Import value index  
- - - Terms of trade

Source: eurostat

Table 3.9

	Latest 3 months available	Exports		Imports		Terms of trade
		Value	Volume	Value	Volume	
EUR15	10-96 ⇒ 12-96	1.9	0.1	-0.9	-1.8	0.3
B / L	10-96 ⇒ 12-96	1.0	0.6	-2.4	-2.4	0.0
DK	10-96 ⇒ 12-96	5.0	-0.9	1.7	1.0	-2.0
D	10-96 ⇒ 12-96	10.2	11.4	-1.1	-0.9	0.3
EL	⇒	:	:	:	:	:
E	10-96 ⇒ 12-96	3.7	2.8	-1.3	-4.2	-1.2
F	10-96 ⇒ 12-96	0.5	0.5	0.8	:	-0.9
IRL	08-96 ⇒ 10-96	-11.8	-12.1	0.7	0.5	-3.6
I	10-96 ⇒ 12-96	-0.5	1.1	-1.1	1.0	1.2
NL	10-96 ⇒ 12-96	0.5	-0.7	-0.3	-0.7	-0.4
A	⇒	:	:	:	:	:
P	10-96 ⇒ 12-96	3.1	1.0	1.9	1.6	0.1
FIN	⇒	:	:	:	:	:
S	⇒	:	:	:	:	:
UK	10-96 ⇒ 12-96	-1.9	-3.3	1.3	0.2	6.9

Three month on three month growth rates for foreign trade indices, trend cycle, value indices are in ECU terms (%)

Source: eurostat

Figure 3.15

Annual growth rates for foreign trade indices, based on changes from the corresponding three months of the previous year, in ECU terms, gross data, Oct-96 to Dec-96 (%)

Export value ■  
Import value ■

Source:  eurostat

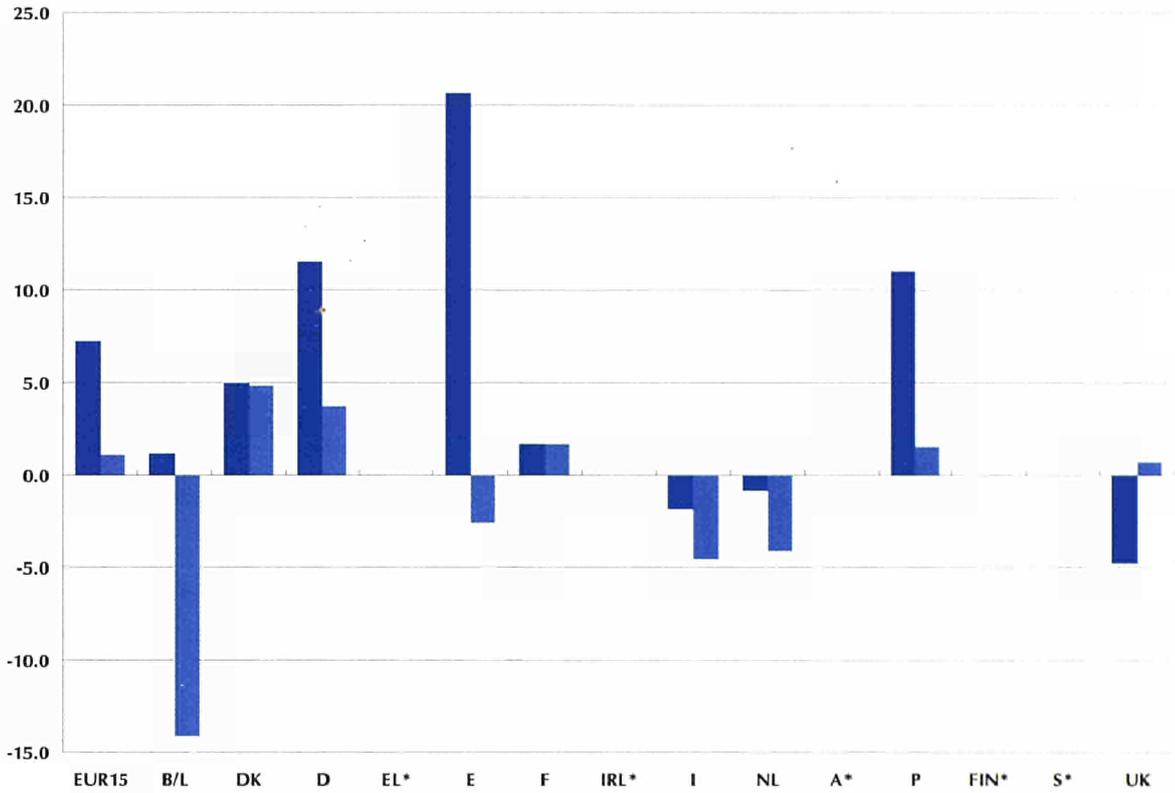


Table 3.10

Annual growth rates for foreign trade indices, based on changes from the corresponding three months of the previous year, value indices are in ECU terms, gross data (%)

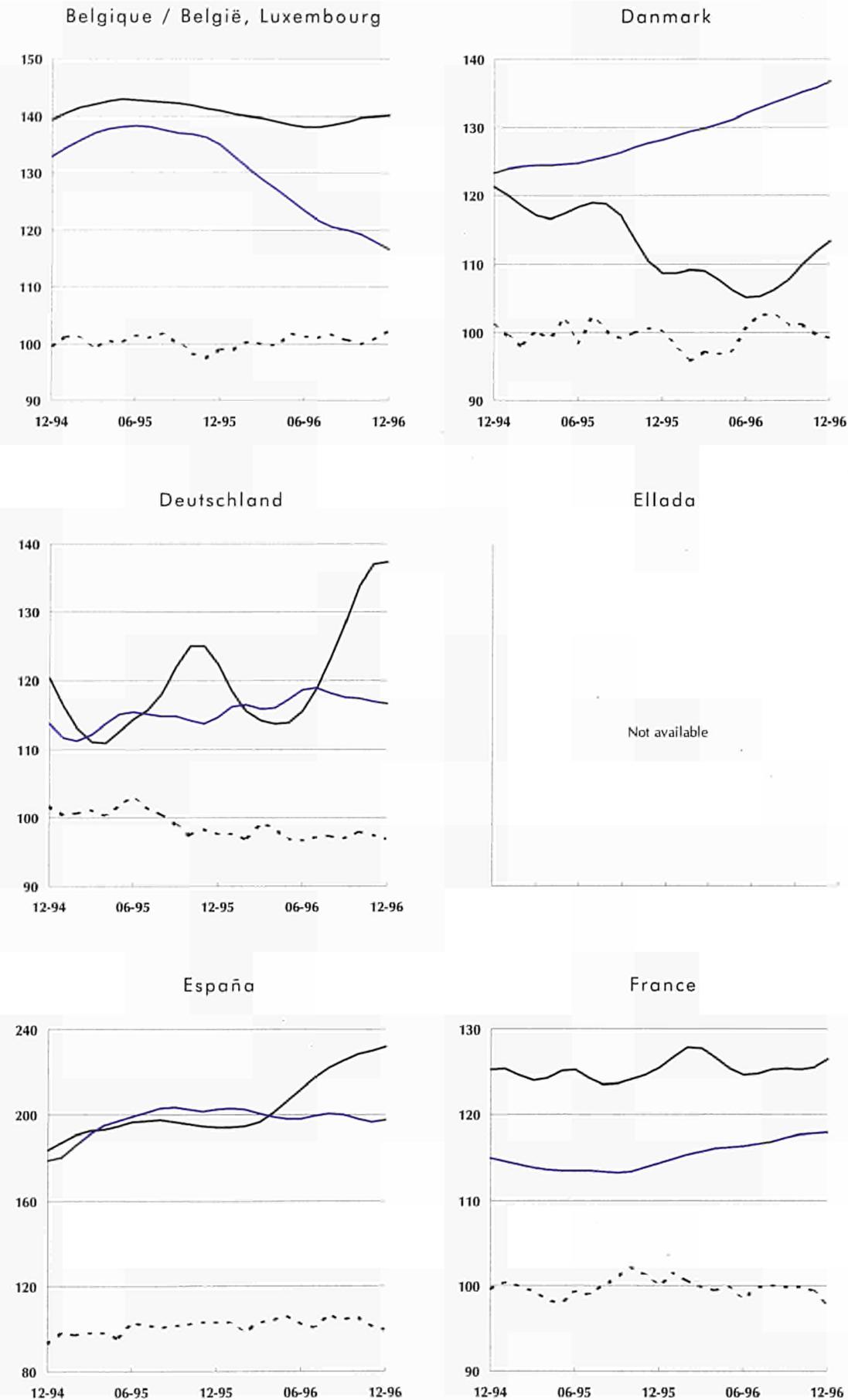
Source:  eurostat

	Latest 3 months available		Exports		Imports		Terms of trade	
	Value	Volume	Value	Volume	Value	Volume		
EUR15	10-96	⇒	12-96	7.3	1.7	1.1	-3.4	0.8
B/L	10-96	⇒	12-96	1.1	-1.4	-14.1	-14.0	2.8
DK	10-96	⇒	12-96	5.0	1.9	4.9	1.5	-0.3
D	10-96	⇒	12-96	11.5	9.7	3.7	1.7	-0.4
EL		⇒		:	:	:	:	:
E	10-96	⇒	12-96	20.7	15.9	-2.6	-6.5	-0.3
F	10-96	⇒	12-96	1.7	2.0	1.7	-0.2	-2.1
IRL	08-96	⇒	10-96	-23.4	-26.6	4.7	-3.5	-3.8
I	10-96	⇒	12-96	-1.9	-0.9	-4.6	1.0	4.7
NL	10-96	⇒	12-96	-0.9	-1.7	-4.1	-6.0	-1.2
A		⇒		:	:	:	:	:
P	10-96	⇒	12-96	11.0	8.0	1.5	1.8	3.2
FIN		⇒		:	:	:	:	:
S		⇒		:	:	:	:	:
UK	10-96	⇒	12-96	-4.8	-11.7	0.7	0.5	7.7

FOREIGN TRADE INDICES - TREND CYCLE

Figure 3.16

Foreign trade indices  
in ECU terms,  
trend cycle  
(1990 = 100)

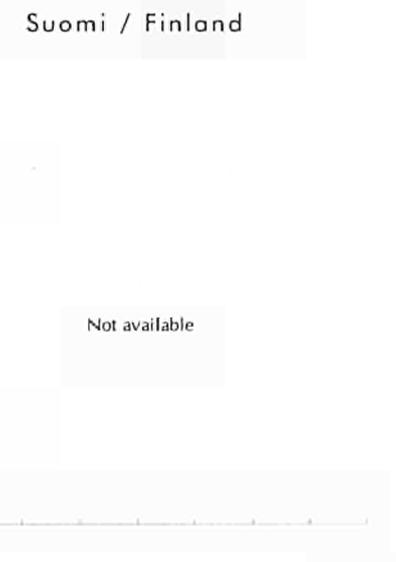
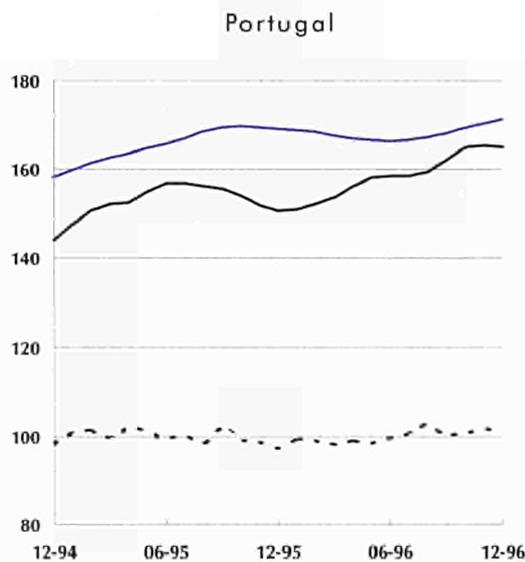
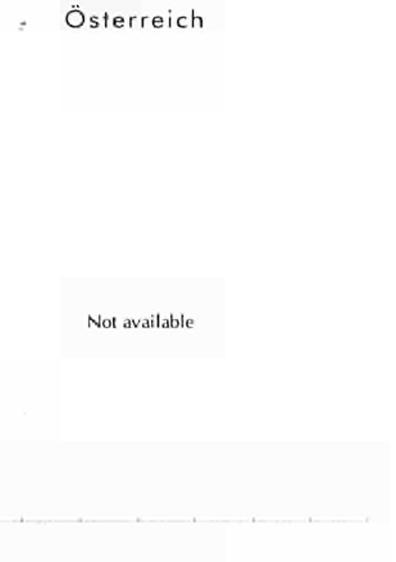
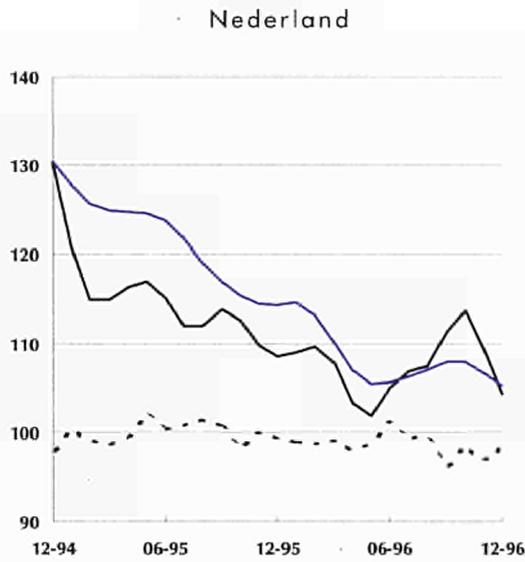
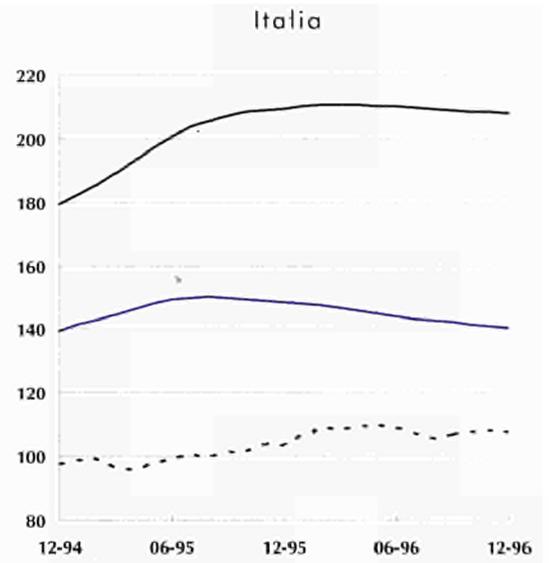
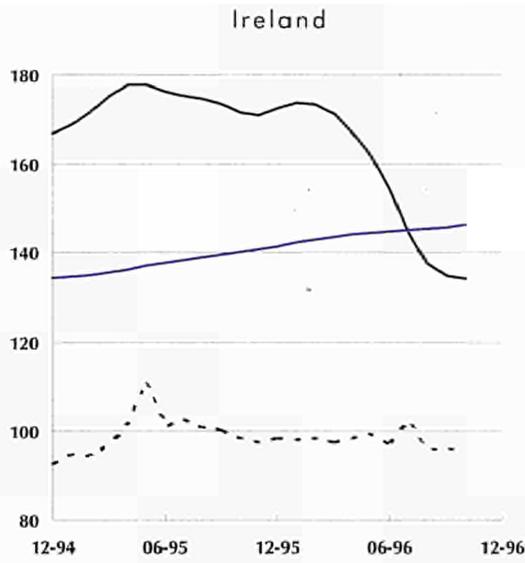


— Export value index  
— Import value index  
- - - Terms of trade

Source: eurostat

Figure 3.16

Foreign trade indices  
in ECU terms,  
trend cycle  
(1990 = 100)

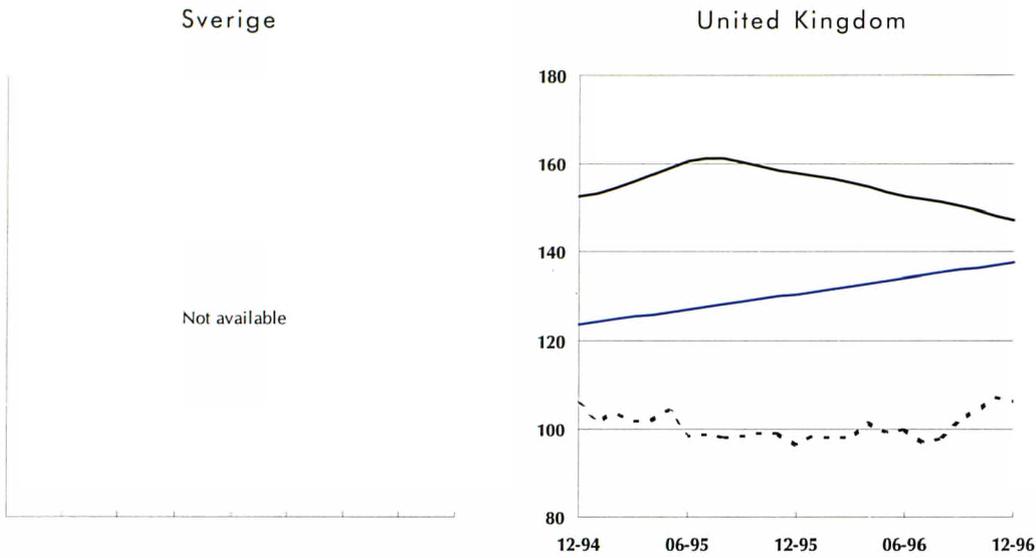


Export value index —  
Import value index —  
Terms of trade - - - -

Source: eurostat

FOREIGN TRADE INDICES - TREND CYCLE

Figure 3.16



Foreign trade indices  
in ECU terms,  
trend cycle  
(1990 = 100)

— Export value index  
— Import value index  
- - - - Terms of trade

**Further information - the foreign trade indices:**

For the indices of imports and exports, foreign trade data of industrial products (following the nomenclature of the Harmonised System) were grouped according to the industrial NACE Rev.1 activity to which they belong. This grouping of products causes inevitably certain inaccuracies which can reduce the reliability of these foreign trade series. The indices for EUR15 refer only to extra-Union trade, the indices for Member States reflect also intra-Union trade.

For more extensive details of the methodology of short-term indicators please refer to the Eurostat publication "Methodology of Industrial Short-term Indicators" - CA-97-96-079-EN-C.

Full methodological notes for this publication may be found on page 71.

Source: eurostat



The files on the diskette are broken down by industrial branches. Each file contains all countries and indicators for a particular industry. The files have the following format: country, indicator, branch, periodicity, datatype, flag, data  
e.g. EF;PROD;B0020;M;S;\*;85.14164...

You may need to perform WINDOW - REFRESH to see the files once the procedure has finished.

#### Step by step guide to using the data on the diskette:

1. Copy the file MPEI1.EXE (English number format) or MPEI2.EXE (continental European number format) from the diskette to a directory on your hard disk (usually C:\...).
2. If in WINDOWS, switch to the File Manager and double-click on the file. The files will self-extract themselves (into the directory from which the program is run).

3. If in DOS move to the directory you placed the file in (for example, C:\DATA>) and then type the name of the file (MPEI1.EXE or MPEI2.EXE) and press <ENTER>, the files will self-extract and be placed in the same directory as the EXE.

4. The files are simple, plain text files, with the .TXT extension. The files are semi-colon separated (;) and use speech marks as a delimiter.

5. It should be easy to import/open the data-files into any standard spreadsheet or database package.

6. There is a file for each branch available at the NACE 2-digit level, codes are given in the readme.txt file supplied on the diskette.

#### Branches:

B0020 Total Industry Excluding Construction

B0040 Intermediate Goods Industry

B0050 Capital Goods Industry

B0060 Durable Consumer Goods Industry

B0070 Non-Durable Consumer Goods Industry

B1000 Mining of Coal and Lignite; Extraction of Peat

B1100 Extraction of Crude Petroleum and Natural

Gas; Service Activities Incidental to oil and Gas

Extraction, excluding Surveying

B1200 Mining of Uranium and Thorium Ores

B1500 Food and Drink Industry

B1600 Tobacco

B1700 Manufacture of Textiles

B1800 Clothing Industry

B1900 Leather and Shoe Industry

B2000 Manufacture of Wood and Products of Wood

B2100 Paper Industry

B2200 Publishing, Printing, Reproduction of

Recorded Media

B2300 Manufacture of Coke, Refined Petroleum

Products, Nuclear Fuel

B2400 Chemical Industry

B2500 Manufacture of Rubber and Plastic Products

B2600 Manufacture of Other Non-Metallic  
Mineral Products

B2700 Manufacture of Basic Metals

B2800 Manufacture of Fabricated Metal Products

B2900 Mechanical Engineering

B3000 Manufacture of Office Machinery, Computers

B3100 Manufacture of Electrical Machinery

B3200 Manufacture of Radio, TV and

Communication Equipment

B3300 Manufacture of Medical, Precision and  
Optical Instruments

B3400 Manufacture of Motor Vehicles

B3500 Manufacture of Other Transport Equipment

B3600 Manufacture of Furniture; Manufacturing not  
elsewhere classified

B4000 Electricity, Gas, Steam and Hot Water Supply

B4500 Construction

**Industry classification system**

NACE Rev.1,  
definitions of main industrial groupings



**Statistical sources**

sources and methods used for short-term  
indicators and structural data; notes on series  
used and calculation methods

**Signs and abbreviations**

specific to use in this publication



**Industry classification system**

The economic activities used in this publication are defined in the revised Classification of Economic Activities within the European Communities, NACE Rev.1. This classification was laid down in a Council Regulation in 1990 (OJ L293 24th October 1990). It should be noted that many series before 1990 and a large amount of annual data even between 1990 and now had to be converted from the old classification NACE 1970. This estimation process can reduce the reliability of the data. Main industrial groupings that are used in Section 2 of this publication have the following definitions in terms of NACE Rev.1.

**Total industry**

C + D + E,

i.e. mining, manufacturing and energy supply

**Intermediate goods industries**

13.1, 13.2, 14.1-14.5, 15.6, 15.7, 17.1-17.3, 20.1-20.5, 21.1, 21.2, 24.1-24.3, 24.6, 24.7, 25.1, 25.2, 26.1-26.8, 27.1-27.5, 28.4-28.7, 31.2-31.6, 32.1, 34.3, 37.1, 37.2

**Capital goods industries**

28.1-28.3, 29.1-29.6, 30.0, 31.1, 32.2, 33.1-33.3, 34.1, 34.2, 35.1-35.3

**Durable consumer goods industries**

29.7, 32.3, 33.4, 33.5, 35.4, 35.5, 36.1-36.3

**Non durable consumer goods industries**

15.1-15.5, 15.8-16.0, 17.4-17.7, 18.1-18.3, 19.1-19.3, 22.1-22.3, 24.4, 24.5, 36.4-36.6

If Member States dispose of more detailed data series at the 4 digit level of NACE Rev.1, a more elaborate definition at this level of disaggregation is used.

**Statistical sources**

Most of the data in this publication is harmonised data supplied to Eurostat by the EU Member States. The exceptions are:

- 1) The capacity utilisation series which come from the business surveys carried out on behalf of the Directorate General for Economic Affairs of the Commission (DG II).
- 2) The estimates for the latest years' structural data, which are supplied by the DEBA European Economic Interest Group:  
DEBA GEIE, 1, rue Emile Bian,  
L-1235 Luxembourg;  
tel: (352) 29 77 71-1.
- 3) The data for the USA and Japan, which are supplied by the OECD.

Data sources are indicated for each statistical table. Every effort has been made to include data for the EUR15 Member States. The indices from 1991 onwards are on a post-unification basis and include East-Germany. However the structural data is still on a pre-unification basis.

**Short term indicators**

The index of production measures changes in the volume of the gross value added created by industry, the branch indices being aggregated by means of a system of weighting according to gross value added at factor cost. The indices are adjusted to take account of the varying number of working days in the month.

The index of producer prices shows (in national currencies) the changes in the ex-works selling prices of all products sold on the domestic markets of the various countries. The EU indices refer to overall weighted price changes. There are not yet indices for Austria. No seasonal adjustment is carried out on these indices.

For the indices of imports and exports, external trade data of 9000 industrial products were grouped according to the industrial NACE Rev.1 activity to which they belong. This grouping can cause certain inaccuracies in the data, which may reduce the reliability of foreign trade series.

## STATISTICAL SOURCES, SIGNS &amp; ABBREVIATIONS

The value indices are all in ECU terms. The indices for the EU refer only to extra-Union trade, the indices for Member States reflect also intra-Union trade.

The capacity utilisation series come from quarterly European Union business surveys.

*For further details of the methodology employed, please refer to the Eurostat publication "Methodology of Industrial Short-term Indicators" CA-97-96-079-EN-C.*

### Seasonal adjustment

All series except prices and capacity utilisation are seasonally adjusted with TRAMO / SEATS, a method developed by Professor Maravall and V. Gomez. This adjustment also takes account of one-off fluctuations (so called outliers). For France, Finland, Sweden and the United Kingdom the indices are seasonally adjusted by the national statistical office. In addition, Eurostat calculates the trend cycle, i.e. seasonally adjusted series, where additionally the irregular fluctuations have been excluded (using the program TRAMO / SEATS).

### Growth rates

The changes which are given in the tables show two different growth rates. The first being for the latest three months data compared to the previous three months data - here the trend cycle is used. The second growth rate is for the latest three months data compared to the same three months of the previous year - here a series only adjusted for the number of working days is used. Estimates are sometimes made to create a EUR15 total.

### Graphs

The line graphs show the trend cycle. The bar graphs show the annual growth of the index, using a working day adjusted series. For Member States where just one month is missing (and not more), this missing value was estimated in order to bring the growth rate for all Member States up to the same date. This estimation is indicated by \*\* in the graph.

### Structural data

Data for structural statistics are in current ECU unless otherwise stated. Data for value added at factor cost, production, labour costs and employment come from annual enquiries conducted by Member States involving all enterprises with 20 or more employees. The exceptions to this are Spain (local units of all sizes), Portugal (enterprises with 10 or more employees) and Finland (establishments employing five or more persons). The employment data relates to the number of persons employed, excluding home workers. The definitions are standardised and so the figures are comparable across industries and countries.

Estimates are not supplied to Eurostat by Member States for the smaller firms not covered by the enquiries, and hence the figures under-report the actual values. In certain industries this may be a serious problem in the interpretation of series, especially when comparing with other industries.

Gaps in Eurostat's data have been filled by estimates supplied by DEBA GEIE. Thus, EUR15 totals often contain estimates for missing countries. Estimates are shown in bold. Attention should be drawn to the fact that the data has just switched to the NACE Rev.1 classification, this may result in revisions of data being made in the medium-term.

### Signs and abbreviations

B / L	Belgo-Luxembourg Economic Union
ECU	European currency unit
TRIAD	EU, Japan and the USA
w.d.adj.	working day adjusted series
Billion	thousand million
*	not available (in graphs)
:	not available (in tables)
**	estimation (in graphs)
	data in bold, estimation (in tables)
	1990 = 100, reference year



## 6 Mergers and acquisitions in Europe



### Analysis of the most recent wave of mergers and acquisitions

- Financial approach
- Sectoral approach

### Conclusions

**In this section**

<b>Analysis of the most recent wave of mergers and acquisitions</b>	<b>76</b>
Financial approach	76
Sectoral approach	80
<b>Conclusions</b>	<b>82</b>



Last month we published the first half of an article on mergers and acquisitions.

The phenomenon of mergers and acquisitions first appeared in the USA more than a century ago, and its development (like that of most economic activities) has been of a cyclical nature with a clearly observable tendency to quicken in a period of accelerated economic growth and rising stock market prices.

The second half of the article goes on to analyse the phenomenon using first a financial approach and then a sectoral approach, finally conclusions are given.

**Financial approach**

Before embarking on the analysis of the value of M&A operations in the period under review, it must be pointed out that AMDATA can provide value data only for about one third of the operations it has recorded since 1989. Hence the need for a cautious interpretation bearing in mind that the available figures are essentially a reflection of the biggest operations.

From the value standpoint, the salient features of the M&A scene can be summarised as follows:

- ★ the USA are involved in the biggest M&A operations;
- ★ the value of national operations is generally lower than that of other operations (except in the case of the USA).

Further analysis of the value data, again making the distinction between national, Community and international operations, reveals another feature of the strategies of European enterprises. The average value of national operations in Europe is ECU 42.6 million, the average value for intra-Community operations is ECU 51.2 million and the average value of the extra-EU operations in which an EU operation is involved is ECU 95.0 million.

**For more information on the contents of this contents of this section contact:**

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 tel: (352) 34 10 40 12  
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 e-mail: xosa091@nopc.eurostat.cec.be

## ANALYSIS OF THE MOST RECENT WAVE OF MERGERS AND ACQUISITIONS

The price of a take-over target is determined by a set of criteria which can be placed together under a single heading, the "size of the enterprise" (which is in fact a subtle combination of its turnover, its profits, its workforce and its share of the national, Community or international market) to which must be added a number of other criteria, both objective and subjective, which have already been outlined in the section on motives for mergers and acquisitions.

Assuming the size of the target is generally the most significant determinant of the price paid by the bidder, we can regard the price of an enterprise as an indirect indicator of its size. Hence the observation that, compared with the world average, the EU enterprises which are the target of a bid at a national level are SMEs, while those which are acquired at a Community level are medium-sized or large-scale enterprises and those which are acquired at an extra-EU level are large or very large scale enterprises (the relative sizes of enterprises are directly in relation with the available data). One can furthermore propose another interpretation of the selling price (or purchase price) indicator, for the latter can also be considered as an indirect indicator of the size of the business by which it is taken over. Hence the conclusion that the greater the size of an enterprise, the greater is its ability to purchase another enterprise at a high price and the greater the size of an enterprise the greater its ability to tackle major targets.

The data on the USA show that national operations involve an average sum of ECU 344.4 million, whereas the international operations of US companies are valued, on average at no more than ECU 114.9 million. There can be several ways of looking at these figures:

### The USA are involved in the biggest M&A operations

- ★ they may be interpreted as an indication that US enterprises are generally larger than European enterprises because the average price paid for the acquisition of an American enterprise is a good deal higher than the average price paid for the acquisition of a European enterprise;
- ★ they may thus be regarded as an indication that American enterprises, by virtue of their greater size, are in a position to make more substantial take-over bids;
- ★ they may also be regarded as an indication that the prices of American enterprises acquired before 1987 were inflated because the rates of exchange of the US dollar in relation to the ECU, were relatively high at that time;
- ★ they may also be seen as an indication that the prices of American enterprises were inflated because world demand for the latter was at a very high level, which meant that several potential buyers were obliged to compete for their acquisition;
- ★ finally, they can be interpreted as an indication that the prices of American enterprises can have been inflated by any consideration for which the buyers have been prepared to surrender, to the sellers a part of the gains they stood to realise from their take-over operations.

## ANALYSIS OF THE MOST RECENT WAVE OF MERGERS AND ACQUISITIONS

Within the EU, it can be seen that German enterprises are the most expensive at a national level, and the same line of argument therefore leads to the conclusion that they are of above-average size, in comparison with the European average, either because the prices paid to acquire them are higher, on average, than the European average, or because the prices they are prepared to pay to acquire an enterprise are higher, on average, than the European average. The latter interpretation would seem to be more appropriate in the case of

Germany because the data show it is, in fact, German and French enterprises which make the largest acquisitions, in value terms, while the average size of the enterprises they sell to EU bidders is generally more modest. The picture that emerges, from a theoretical standpoint, is characterised by net direct investment abroad and a positive net capital balance at the intra-EU level.

In the case of UK enterprises, the fact that the prices they pay for the enterprises they acquire are lower,

Table 6.1

Comparison of the value of the M&As operations of the EU and the USA, 1984-1995<sup>1</sup>

M&A operations in the EU	Operations: value (million ECU)	Number	Average value (million ECU)
International target	106,997	993	107.8
International bidder	186,742	2,098	89.0
<b>Total bidder+target</b>	<b>293,739</b>	<b>3,091</b>	<b>95.0</b>
Community level operations	82,761	1,617	51.2
National level operations	241,846	5,682	42.6
Difference bidder-target	79,746	1,105	-18.7
<b>Total</b>	<b>618,345</b>	<b>10,390</b>	<b>59.5</b>

M&A operations in the USA	Operations: value (million ECU)	Number	Average value (million ECU)
International target	199,304	1,712	116.4
International bidder	82,971	744	111.5
<b>Total bidder+target</b>	<b>282,275</b>	<b>2,456</b>	<b>114.9</b>
Community level operations			
National level operations	554,883	1,611	344.4
Difference bidder-target	-116,332	-968	-4.9
<b>Total</b>	<b>837,158</b>	<b>4,067</b>	<b>205.8</b>

1) As we already said, AMDATA's coverage of the value of M&As operations is not exhaustive, and therefore the figures mentioned are given as a means of determining the scale or size of the most important deals (for which there is relatively good coverage).

Source: Amdata

## ANALYSIS OF THE MOST RECENT WAVE OF MERGERS AND ACQUISITIONS

on average, than the prices of the enterprises they sell to EU bidders, can be regarded as evidence that the average size of the enterprises they acquire is smaller than the average size of the enterprises they sell. Hence, one may conclude that in view of their unique fund of experience in this domain and their long tradition of M&A activity, the structure of UK enterprises is far more consolidated than that of enterprises in the other EU countries. Another interpretation of these figures at a Community or international level, is that one of the M&A strategies

used by UK enterprises consists in the purchase of SMEs with the aim of restructuring them in order to make them more competitive or increase their size with the intention of subsequently reselling them at a higher price. Hence, it can also be concluded, on the evidence of the 20 biggest deals in the period under consideration, that UK enterprises are present in the majority of cases, even if the majority of their targets are UK enterprises: this means that, on the other hand, UK enterprises are prepared to pay very high prices to acquire the expertise of some of their national or international competitors.

Target (1)	SIC	Bidder (2)	SIC	Year	Value
Wellcome Plc (UK)	2570	Glaxo Plc (UK)	2570	95	11,572
Telecom Italia Mobile spa (I)	3441	M.B.O. (I)	3441	94	7,737
Zeneca Group Plc (UK)	2570	M.B.O. (UK)	2570	93	7,239
Beecham Group Plc (UK)	2570	Smithkline (USA)	2570	89	6,894
Standard Oil Company - 45% (USA)	1300	British Petroleum Company Plc (UK)	1300	87	6,655
Marion Merrell Dow Inc (USA)	2570	Hoechst ag (D)	2500	95	5,620
Pharmacia ab (S)	8396	Upjohn Company (USA)	2570	95	4,963
Consolidated Gold Fields Plc (UK)	8150	Hanson Plc (UK)	8396	89	4,859
Vereinigte Energiewerke ag (D)	1610	RWE ag / VEBA ag / VIAG ag	8396	94	4,209
Asea ab (S)	3420	Brown Boveri	3420	87	4,147
National Grid Group Plc (UK)	1610	M.B.O. (UK)	1610	95	4,132
Distillers Company - bid 2 (UK)	4240	Guinness Plc (UK)	4270	86	4,043
MCI Communications Corporation - 20% (USA)	3441	British Telecommunications Plc (UK)	7902	93	3,736
Britoil (UK)	1300	British Petroleum Company Plc (UK)	1300	87	3,645
BP Minerals International (Int)	2100	RTZ Corporation Plc (UK)	8396	88	3,614
CRA Ltd - 51% (Australia)	2100	RTZ Corporation Plc (UK)	8396	95	3,539
American National Can Company - 60% (USA)	3164	Pechiney sa (F)	3164	88	3,344
ENI spa - 15% (I)	2500	Market Purchase (Int)	8396	95	3,035
Plessey Company Plc (UK)	3441	General Electric Company Plc / Siemens ag (ME)	8396	89	3,007
Chesebrough-Pond's Inc (USA)	2582	Unilever (UK)	4100	86	2,967

Table 6.2

The top 20 M&As operations in terms of value, 1984-1995 (million ECU)

1) Int: international firms  
2) ME: multi-national European firms;  
M.B.O: management buy-out

Source: Amdata

For a list of the SIC codes please refer to the end of this article

## ANALYSIS OF THE MOST RECENT WAVE OF MERGERS AND ACQUISITIONS

**Sectoral approach**

Turning now to the sectoral aspects of industrial M&As in Europe, our analysis at the most aggregated level, for the period 1984-1995 as a whole, shows that the most active bidders for industrial enterprises were concentrated in certain domains of the services sector, including banking, insurance and business services and in certain industrial sectors including metal goods/engineering/vehicles and metals/minerals/ores.

On the industrial front, enterprises in the domains of metal goods/engineering/vehicles were the most active acquirers of businesses in the domains of other manufacturing industries, construction and services.

In the domain of services, enterprises in the banking, insurance and business services sectors were the main acquirers of industrial enterprises in the energy and water supply sector, the metals/minerals/ores sector, and the metal goods/engineering/vehicles sector.

Analysis of the M&As strategies of industrial enterprises shows that the internal component is still the primary consideration: in other words, European industrial enterprises prefer horizontal concentration to vertical concentration or conglomerates.

A closer examination of the external aspect of the M&A strategies of industrial enterprises also enables a distinction to be drawn between the industries which prefer downstream investment and those which prefer to diversify their investment in various sectors which are not necessarily inter-linked.

Businesses in the agriculture/forestry/fishing sector, the energy and water supply industry and the metals/minerals/ores sector tend to invest in downstream sectors and especially in the metal goods/engineering/vehicles sector. But the two last-mentioned sectors both diversify their activities by acquiring businesses in the distribution-wholesale/hotels and catering sector.

**Table 6.3**

Sectoral breakdown  
of M&As in Europe,  
1984-1995  
(%)

SIC	Target	0	1000	2000	3000	4000	5000	6000	7000	8000	9000	Total	Internal bids	Inter-sectoral
<b>Bidder</b>														
0			0.2	0.5	0.1	0.3	0.0	0.1	0.0	0.0	0.2	0.2	16.0	84.0
1000	14.9			8.4	4.7	5.8	32.9	21.8	24.4	14.0	34.6	10.9	34.5	65.5
2000	53.2	10.1			11.9	28.5	14.5	24.7	16.7	11.8	17.6	13.7	64.3	35.7
3000	10.6	6.6	12.7			32.2	29.8	38.6	27.2	59.7	24.8	19.0	73.9	26.1
4000	6.4	1.5	10.4	7.9			1.2	3.3	0.8	3.8	4.5	5.9	42.5	57.5
5000	2.1	8.4	7.5	3.3	1.2			0.5	2.0	1.7	2.5	3.3	22.1	77.9
6000	6.4	13.8	6.1	5.7	2.3	3.4			13.4	4.0	3.8	4.8	32.9	67.1
7000	0.0	1.2	0.3	2.8	1.1	0.3	0.5			4.5	2.7	1.9	21.6	78.4
8000	6.4	55.0	53.2	62.3	28.6	17.8	10.4	15.4			9.4	39.7	7.0	93.0
9000	0.0	3.2	1.0	1.3	0.1	0.0	0.1	0.0	0.5			0.8	38.1	61.9

For a list of the SIC codes please refer to the end of this article

Source: Amdata

## ANALYSIS OF THE MOST RECENT WAVE OF MERGERS AND ACQUISITIONS

The agriculture/forestry/fishing sector is closely linked with the metal/minerals/ores sector in which it has a high propensity to invest; and the fact that the latter is the leading industrial buyer of businesses in the former confirms the existence of a sort of mutual interest between these two sectors.

Operators in other manufacturing industries and the construction/civil engineering sectors tend to prefer investment in upstream sectors including, in particular, metal/minerals/ores and metal goods/engineering/vehicles. Service enterprises opting for diversification in industrial sectors tend to choose the same sectors.

Taking a closer look at the next level of disaggregation (two-digit level of the SIC) one can easily state a relatively even sectoral distribution of mergers and acquisitions, both for Europe and the world as a whole: the picture is one in which, with few exceptions, the attention of M&A operators is rather evenly spread over all these sectors in general.

Analysis of intra-sector M&A operations would seem to show the existence of a general preference for horizontal concentration (which accounts for 39.5% of M&A operations for all sectors combined). The few exceptions to this rule include the footwear and clothing sector in which the numbers of M&A operations in its own sub-sectors are of the same order of magnitude as those in the chemical industry (where it is important to point out that the number of M&A operations in this industry is extremely modest).

Analysis of the numbers of intersectoral operations shows that enterprises in the business services sub-sector acquired the largest number of industrial enterprises (almost 30% of the total number of

Nace 70	Cr 5
Instrument engineering	81.2
Leather	72.5
Motor vehicles and parts	63.2
Processing of metals	49.3
Electrical engineering	46.2
Chemical industry	31.4
Other means of transport	28.1
Non-metallic mineral products	28.0
Rubber and plastics	24.7
Food, drink and tobacco	23.5

Tableau 6.4

Concentration ratios  
as a function of value  
added - Cr5<sup>1</sup>  
(%)

1) Share of the sum of the value added of the top five enterprises in Europe in the total value added of the sector.

Source : DEBA GEIE,  
Dable

acquisitions) in the period under review. This vanguard was followed by certain industrial sub-sectors including, in order, mechanical engineering, electrical and electronic engineering and the chemical industry.

Examination of the industrial sub-sectors which have been the most frequent targets of take-over operations reveals that the targets are most frequently in the mechanical engineering sector, the electrical and electronic engineering sector, the chemical industry and the metal manufacturing sector. In the services sector, on the other hand, the most frequent targets of industrial take-over bids by industrial enterprises are in the sectors of distribution-wholesale and business services.

It is furthermore worth noting that Germany, whose businesses have been the most favoured targets of bidders from the other Member States, specialises in the products manufactured by the sub-sectors of mechanical engineering, Electrical and electronic engineering and metal manufacturing.

The main specialisations of the EU as a whole are to be found in the food industry, the chemical industry, motor vehicles and parts, electrical and electronic engineering, mechanical engineering and metal manufacturing. On the export front, the EU largely specialises in the products of the same industrial sub-sectors. It is hardly surprising, therefore, that enterprises in these sub-sectors are the most frequent targets of intersectoral take-over operations and that the same sub-sectors are also those exhibiting the highest levels of concentration.

### Conclusions

An outstanding contribution to the development of the most recent wave of M&A operations was made by a few specific factors.

Firstly, the development of the wave of M&As activity in Europe was favoured by:

- ★ the strong revival of economic activity in the Community between 1988 and 1991;
- ★ the striking improvement in the profitability of business enterprises;
- ★ the stabilisation of nominal exchange rates in the EMS between 1987 and 1992.

The particularly favourable economic climate enabled businesses to accumulate a steadily increasing volume of liquid resources and amplified the impact of the M&A phenomenon by swelling the numbers of potential bidders and take-over targets. Experience has shown that the reversal of this trend will reduce the intensity of M&A activity.

The development of the latest wave of M&As was also fostered by certain legislative and regulatory factors. The main institutional catalyst was undeniably the liberalisation of the markets. Here in Europe, the very high level of M&A activity was largely a reflection of the strategic response of businesses to the Single Market programme when it became a credible objective in the second half of the 80s and businesses were obliged to adapt to the new opportunities and the intensification of the competition they had to face.

From the structural standpoint, the adjustment process which inevitably followed the recession of the early 80s and which lasted till the end of the decade involved a major effort to consolidate and rationalise. The adoption of a strategy based on the "lean and mean" principle enabled businesses to regroup their product ranges round their core business and extend their fields of action beyond their national frontiers. EU businesses were obliged on the one hand to withdraw from the sectors in which

## CONCLUSIONS

they had no comparative advantages while at the same time needing to expand their intra-Community activities. Their M&A operations were conducted at three levels, namely the national, Community and world levels of M&A activity.

This analysis highlights the uniqueness of the pattern of development in the United Kingdom which has the most long-standing and extensive experience of mergers and acquisitions and stands out as the most prolific purchaser of both Community and non-Community businesses. The other Member States have progressively adapted their legislation however, and are slowly making-up the leeway. Germany has had more businesses taken over than any other EU country, at both the Community and international levels.

On the other hand, although Europe leads the way as far as the number of mergers and acquisitions is concerned, the Americans are far ahead in terms of value. The analysis also showed that certain countries, including France are net exporters of capital in the domain of mergers and acquisitions because the foreign businesses they acquire are more numerous and more highly valued than the domestic enterprises they sell to external M&A operators.

At a more disaggregated sectoral level, the sub-sector of mechanical engineering is the leading purchaser of industrial enterprises and the sub-sector of business services is the most prolific purchaser of service enterprises. On the industrial front, the sub-sectors showing the largest numbers of enterprises acquired as a result of take-over bids are those of mechanical engineering and electrical and electronic engineering, while the sub-sector of wholesale distribution holds the same position in the services sector.

**List of SIC codes used in the tables:**

0000 Agriculture & horticulture / Forestry / Fishing  
 1000 Energy & water supply industry  
 1300 Mineral oil & natural gas  
 1610 Electricity production and distribution  
 2000 Metals / Minerals / Ores  
 2100 Metalliferous ores  
 2500 Chemical industry  
 2570 Pharmaceutical products  
 2582 Perfumes, cosmetics and toilet preparations  
 3000 Metal goods / Engineering / Vehicles  
 3164 Packaging products of metal  
 3420 Electrical equipment - basic  
 3441 Telegraph and telephone apparatus  
 4000 Other manufacturing industries  
 4100 Food industry  
 4240 Spirit distilling and compounding  
 4270 Brewing and malting  
 5000 Construction / Civil engineering  
 6000 Distribution / Hotels and catering  
 7000 Transport & communication  
 7902 Telecommunications  
 8000 Banking / Insurance / Business services  
 8150 Financial institutions - other  
 8396 Holding companies  
 9000 Other services

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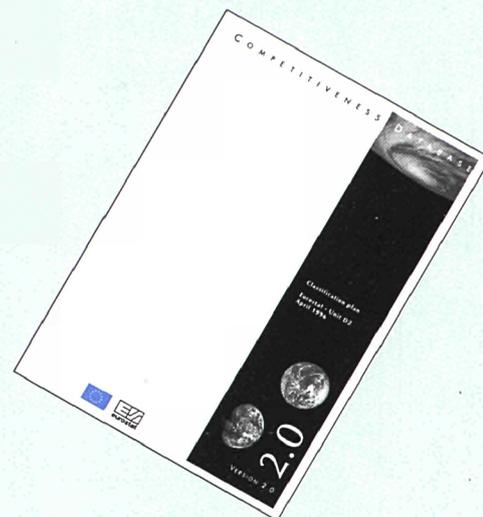
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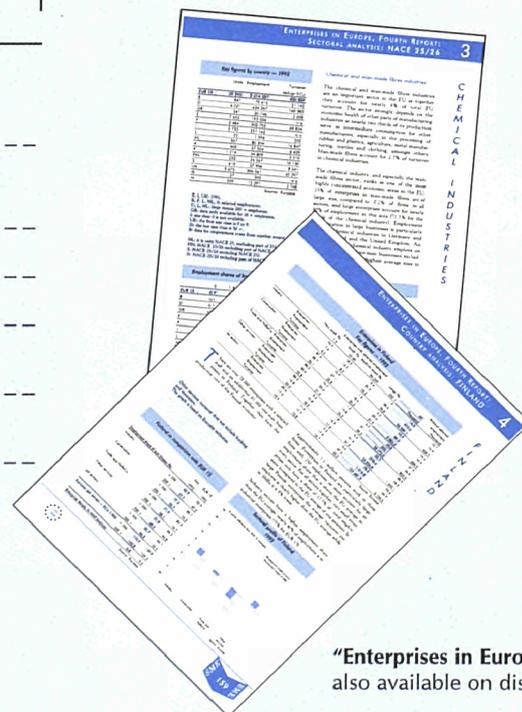
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