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Economic prospects - business survey results

Renewed improvement in industrial business climate. — The business climate indicator for Community industry improved by a further half point in June, thus consolidating the advance noted in May. Based on the June survey of chief executives in manufacturing industry, the improvement in the indicator is attributable to a further reduction in excess stocks of finished products (see Graphs 1 and 2 and Table 1). Opinions on short-term production expectations (the second survey question, along with that related to stocks, used to calculate the climate indicator) were about stable, the relatively optimistic level in June being similar to that of the earlier months of this year and in the final quarter of 1978. Chief executives' opinions on order-books levels improved significantly between May and June: only 9% of industrialists now consider order-books to be below normal, an improvement of 3 percentage points on the May figure and of 28 percentage points on the average for 1978. Overall the survey data for the first six months of 1979 shows up a notable contrast between the hesitancy in reported production expectations and the continued strongly rising trend in order-books (see Graph 2). The former indicator is probably more subjective than the latter; this could be consistent with an interpretation that recent events such in the oil market situation have had a more disturbing psychological impact than the real economic situation would so far warrant.

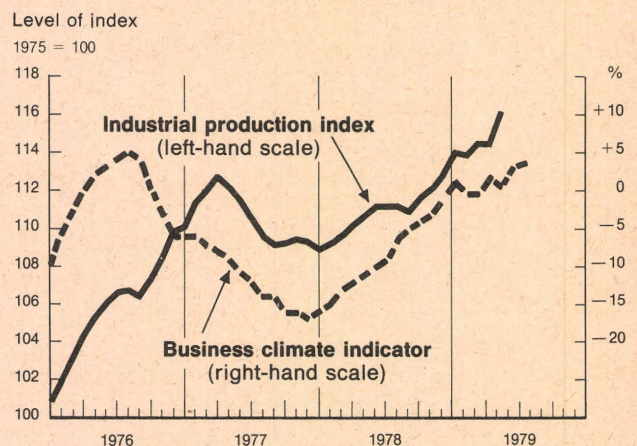
The rising trend of industrialists' inflationary expectations is confirmed by the June survey: a net balance of 50% of chief executives now expect industrial selling prices to rise in the coming months, an increase of 6% on the first quarter average and of 17% on the average for 1978.

According to the March/April investment survey (see further below), the value of investment spending in 1978, in the Community's industrial sector, was 9% higher than in 1977. A stronger increase of 14% is predicted for 1979. Compared with the corresponding survey carried out in October/November 1978, this represents a slight improvement in the Community's industrial investment climate for 1979.

The industrial business climate in Member States. — The general improving trend in the business climate of Community industry is reinforced by the June survey results. The survey shows an improvement in the industrial business climate in the Federal Republic of Germany, France, the Netherlands and Belgium, and a

deterioration in Italy and the United Kingdom (see Graph 2 and Table 1). However, the down-turn for Italy and the United Kingdom comes in a pattern of rather erratic short-run changes in opinion in those two countries. The clearest indicator of an improved outlook is seen in the results on order-books, which were judged by industrialists in most Member States to be closer to normal levels; the only exception is the United Kingdom. In Italy opinions on order-books improved by 8 points (thus qualifying the deterioration in the Italian business climate indicator). Looking at Table 1, it can be seen that the June business climate indicator improved by 1,5 percentage points in the Federal Republic of Germany, by 0,5 points in France, by 5 percentage points in the Netherlands, by 8 points in Belgium and deteriorated by 2 percentage points in Italy and by 5 points in the United Kingdom.

GRAPH 1: Business climate of manufacturing industry (a) and the index of industrial production (b) - EC total



- (a) Composite indicator based on the replies to the questions on production expectations and stocks of finished products. The indicator is an average of the net balances: i.e. differences between the percentages of respondents giving positive and negative replies. Derived from data as shown in Table 1, with the sign inverted for stocks.
- (b) Industrial production excluding building and construction and, in the case of France, the foodstuffs and beverages industry. Three month's moving average.

Source: European Community business surveys and EUROSTAT.

Note. The main statistical measure used to summarize the results of the European Community business surveys is the difference between the percentages of respondents giving 'positive' and 'negative' replies to questions. Increasing or upward trends in production, order-books, stocks and selling prices are all counted as 'positive' (+ in tables), and vice versa for 'negative' responses (- in the tables). For the purpose of interpretation, an increase in stocks is considered to be a negative development, and vice versa. The differences between percentage 'positive' and 'negative' responses are called in the text 'majorities' or 'net balances' (of $\pm \dots\%$). The monthly and quarterly data in Tables 1 and 2 are seasonally adjusted, except where otherwise stated.

The outlook for industrial selling prices became more inflationary in most Member States, though the net balance of respondents expecting industrial prices to rise remains much lower in the Federal Republic of Germany and Belgium than in France, Italy and the United Kingdom. The net balance of chief executives who expect industrial selling prices to rise increased, between the May and June surveys, from 30% to 34% in the Federal Republic of Germany, from 69% to 73% in Italy, from 21% to 25% in Belgium and from 68% to 72% in the United Kingdom. French industrialists' anticipations of price rises appear, however, to have peaked in April, when a net balance of 58% expected further industrial price increases; the latest, June, figure is 52%.

Business conditions in the major industrial sectors. — Production expectations deteriorated somewhat in the Community's consumer goods sector between May and June; the net balance of chief executives in consumer-goods industries who expect production to increase in the next three or four months declined from 14% in May to 9% in June (see Table 2). Taking the average of the first six months of 1979, there has been some weakening in short-term production expectations in the consumer goods sector. Production expectations of chief executives in the consumer-goods industries deteriorated between May and June in France, Italy and the United Kingdom but improved in the Federal Republic of Germany, Belgium and the Netherlands. The decline was extremely marked in the case of Italy, so much so that it would be prudent to await the July results to see whether this result is confirmed. The investment-goods industries, on the other hand, continue to experience a gradually improving business climate at the Community level. The June decline of 1% in the net balance on the production outlook question in the investment-goods sector is hardly significant and the results for the second quarter as a whole maintained the improved expectations noted in the investment sector in the early months of this year. In the investment-goods industries chief executives raised their production expectations between May and June in Italy and Belgium, with the outlook being unchanged (or virtually so) in the Federal Republic of Germany and France and having deteriorated in the Netherlands and the United Kingdom. In the intermediate-goods sector, where production expectations deteriorated (by a total of 5%) in March and April in the Community as a whole, opinion on the short-term production outlook improved again (by 3%) in May and June.

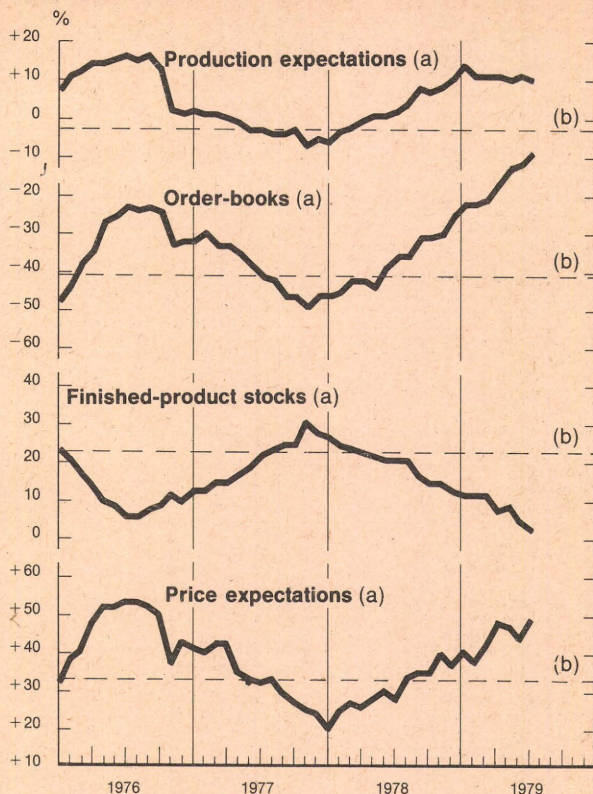
Positive results of the March/April investment survey. — Investment spending in the Community's manufacturing sector is expected by industrialists to be 14% higher in 1979 than last year. This is a slightly stronger picture for the present year than that recorded in the previous survey (+13%), and markedly stronger than that recorded for 1978 (+9%, the new survey here confirming the result of the last survey), or for the preceding two years (1976: +7%, 1977: +10%). These figures are not strictly comparable over time or as between countries because they contain an imprecisely known element of expected price increases for investment goods. Adjusting the survey value estimates for price increases, as estimated by the Commission staff, the volume of investment in Community manufacturing industry is forecast to grow by about 6% in 1979, according to the survey. This compares with an estimated outcome (again based on the survey) of about 1.5% in 1978, 2% in 1977 and -2% in 1976. Adjusting industrialists' investment forecasts for price changes (as estimated by the Commission staff), industrial investment would appear likely to increase, in real terms in 1979, by 5.6% in the Federal Republic of Germany, 6.9% in France, 5.4% in Italy and 4.1% in the United Kingdom. In Ireland and Belgium a relatively fast expansion is indicated for 1979. In the Netherlands and Luxembourg, however, industrial investment may decline in real terms.

The investment climate in the metallurgical industries (iron and steel, initial processing of ferrous metals, non-ferrous metals) shows a marked improvement, according to the March/April survey: industrialists expect a nominal increase of 11% in investment spending in that sector this year, as opposed to a decline of 10% in 1978 (see Table 3 (I)). By contrast, investment expectations in the basic materials industries (chemicals, petroleum, refining, artificial fibres etc.) are less optimistic with regard to this year (+2%) than 1978 (+5%). Of the other industry groups, the mechanical industries report an expected increase of 20% in spending on investment this year.

As suggested by the Community results, the change in investment in the metallurgical sector is rather marked in certain Member States. Thus, in the Federal Republic of Germany, investment spending in the metallurgical industries is expected to increase by 23% in 1979, compared to an estimated fall of 18% in 1978; the corresponding figures for the Netherlands are 45% (increase of investment expected in the metallurgical sector in 1979) and 12% (estimated outcome for 1978), for Belgium +40% in 1979 as against -30% in 1978 and for the United Kingdom +1% in 1979 by comparison with -21% for 1978. In France, Ireland and Italy, however, investment spending in the metallurgical industries is expected to be lower in 1979 than in 1978.

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GRAPH 2: Business survey indicators for manufacturing industry (a) - EC total

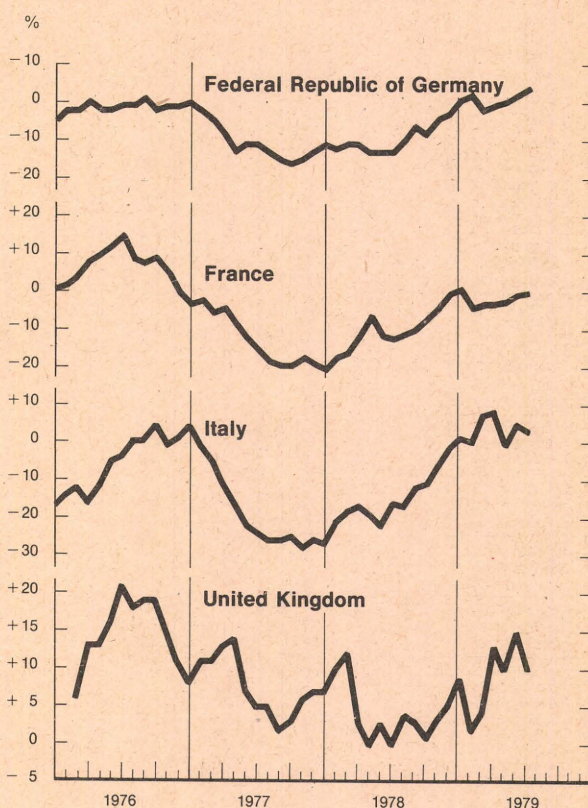


(a) Net balances: i.e. differences between the percentages of respondents giving positive and negative replies.

(b) Dotted line shows average for 1968-1977.

Source: European Community business surveys.

GRAPH 3: Business climate of manufacturing industry - Four major Member States



Note: Composite indicator based on the replies to the questions on production expectations and stocks of finished products. The indicator is an average of the net balances: i.e. differences between the percentages of respondents giving positive and negative replies. Derived from data as shown in Table 1, with the sign inverted for stocks.

Source: European Community business surveys.

TABLE 1: Monthly survey of manufacturing industry — Monthly questions and the composite business climate indicator

Net balances: i.e. differences between the percentages of respondents giving positive and negative replies (a)

		Range (b)		1976	1977	1978	1978		1979		1979					
		Peak 72/73	Trough 74/75				III	IV	I	II	Jan.	Feb.	March	April	May	June
D	production expectations	+17	-32	+5	-8	-2	0	+7	+7	+6	+10	+5	+6	+6	+5	+6
	order-books	+5	-73	-34	-42	-41	-40	-37	-27	-17	-30	-28	-23	-23	-17	-12
	export order-books	+23	-33	+8	-6	-8	-8	-2	0	+8	+1	-1	+1	+9	+10	+4
	stocks of finished products	-7	+43	+11	+18	+17	+18	+12	+10	+3	+9	+11	+9	+7	+2	-1
	selling-price expectations	+55	+4	+28	+14	+19	+20	+23	+26	+32	+21	+26	+32	+32	+30	+34
	business climate indicator	+5	-37.5	-3	-13	-9.5	-9	-2.5	-1.5	+1	+0.5	-3	-1.5	-0.5	+1.5	+3.0
F	production expectations	+33	-29	+12	-5	+5	+5	+11	+8	+8	+9	+7	+8	+6	+8	+9
	order-books	+26	-69	-20	-38	-31	-32	-22	-16	-10	-15	-16	-17	-12	-10	-9
	export order-books	+24	-66	-36	-34	-21	-23	-11	-8	-3	-8	-12	-4	-4	-4	-2
	stocks of finished products	-14	+50	+6	+28	+25	+25	+17	+16	+11	+18	+14	+15	+12	+10	+10
	selling-price expectations	+76	+15	+50	+42	+52	+53	+52	+49	+54	+47	+47	+54	+58	+53	+52
	business climate indicator	+23.5	-39.5	+3	-16.5	-10	-10	-3	-4	-1.5	-4.5	-3.5	-3.5	-3	-1	-0.5
IRL	production expectations	:	-21	+19	+29	+26	+18	+31	:	:	+37	+26	:	:	:	:
	order-books	:	-68	-22	-13	-5	0	-3	:	:	-8	-7	:	:	:	:
	export order-books	:	-22	+24	+27	+19	+8	+18	:	:	+30	+29	:	:	:	:
	stocks of finished products	:	+35	+10	+4	+4	-3	+5	:	:	-6	+3	:	:	:	:
	selling-price expectations	:	+64	+56	+44	+35	+34	+44	:	:	+41	+51	:	:	:	:
	business climate indicator	:	-28	+4.5	+12.5	+11	+10.5	+13	:	:	+21.5	+11.5	:	:	:	:
I	production expectations	+40	-43	+3	-15	0	0	+13	+15	+8	+12	+19	+14	+6	+12	+7
	order-books	+30	-82	-25	-46	-40	-38	-21	-9	-5	-17	-9	0	-3	-10	-2
	export order-books	+13	-67	-27	-32	-29	-32	-18	-11	-13	-23	-9	-1	-13	-14	-11
	stocks of finished products	-24	+53	+12	+31	+25	+26	+16	+4	+3	+11	+4	-2	+7	+2	+1
	selling-price expectations	+76	+10	+68	+38	+41	+39	+55	+63	+68	+58	+65	+67	+62	+69	+73
	business climate indicator	+32	-48	-4.5	-23	-12.5	-13	-1.5	-5.5	+2.5	+0.5	+7.5	+8	-0.5	+5	+3.0
NL	production expectations	+26	-23	+1	+1	+2	+2	+5	+15	+5	+20	+16	+8	+7	+2	+5
	order-books	+7	-48	-31	-29	-24	-24	-18	-17	-15	-14	-18	-19	-17	-17	-11
	stocks of finished products	-1	+57	+31	+22	+16	+16	+11	+12	+10	+8	+13	+14	+14	+12	+5
	selling-price expectations	+13.5	-40	-15	-10.5	-7	-7	-3	+1.5	-3	+6	+1.5	-3	-3.5	-5	0
	business climate indicator	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
	B	production expectations	+31	-56	-27	-24	-18	-19	-7	-10	-5	-12	-6	-12	-4	-9
order-books		+13	-14	-41	-54	-49	-50	-44	-39	-34	-42	-37	-37	-36	-33	-32
export order-books		+15	-82	-46	-58	-51	-50	-45	-33	-31	-38	-32	-29	-30	-33	-31
stocks of finished products		-14	+37	+6	+18	+22	+24	+17	+20	+17	+14	+23	+23	+19	+21	+12
selling-price expectations		+64	-10	+28	+10	+14	+16	+19	+20	+22	+17	+20	+23	+21	+21	+25
business climate indicator		+22.5	-46.5	-16.5	-21	-20	-21.5	-12	-15	-11	-13	-14.5	-17.5	-11.5	-15	-7
L	production expectations	+90	+98	-17	-8	-22	-54	-17	+8	:	-14	+42	-5	-8	:	:
	order-books	:	:	-72	-73	-68	-76	-65	-70	:	-73	-74	-63	-60	:	:
	export order-books	:	:	-76	-78	-76	-85	-73	-73	:	-76	-75	-69	-64	:	:
	stocks of finished products	-23	+69	+8	+13	+6	-4	+3	+24	:	+3	+6	+64	+61	:	:
	selling-price expectations	:	-46	+39	+55	+59	+76	+28	+19	:	+12	+25	+20	+13	:	:
	business climate indicator	+56.5	+14.5	-12.5	-10.5	-14	-25	-10	-8	:	-8.5	+18	-34.5	-34.5	:	:
UK (c) (d)	production expectations	:	:	+32	+25	+20	+20	+25	+23	+28	+18	+23	+28	+28	+32	+24
	order-books	:	:	+34	+14	-20	-19	-18	-16	0	-18	-17	-14	+6	-2	-4
	export order-books	:	:	+32	-1	-24	-21	-24	-27	-12	-30	-27	-23	-10	-12	-13
	stocks of finished products	:	:	+3	+10	+12	+13	+13	+10	+4	+14	+14	+2	+8	+1	+4
	selling-price expectations	:	:	+74	+61	+50	+50	+52	+64	+69	+60	+63	+70	+68	+68	+72
	business climate indicator	:	:	+14.5	+7.5	+4	+3.5	+6	+6.5	+12	+2	+4.5	+13	+10	+15	+10
EC (d)	production expectations	+26	-30	+10	-3	+4	+5	+11	+11	+10	+11	+11	+11	+10	+11	+10
	order-books	+15	-64	-17	-40	-37	-34	-25	-20	-11	-23	-21	-17	-13	-12	-9
	export order-books	+20	-42	-14	-23	-21	-18	-13	-9	-3	-11	-10	-5	-3	-3	-4
	stocks of finished products	-12	+43	+11	+22	+20	+18	+13	+11	+6	+12	+12	+8	+9	+5	+3
	selling-price expectations	+61	+12	+48	+33	+33	+36	+39	+44	+48	+39	+43	+49	+48	+45	+50
	business climate indicator	+15.5	-36.5	-0.5	-12.5	-8	-6.5	-1	0	+2	-0.5	-0.5	+1.5	+0.5	+3	+3.5

TABLE 2: Monthly survey of manufacturing industry — Production expectations in the major sectors of manufacturing industry

Net balances: i.e. differences between the percentages of respondents giving positive and negative replies (a)

Industrial sector	Range (b)		1976	1977	1978	1978		1979		1979					
	Peak	Trough				III	IV	I	II	Jan.	Feb.	March	April	May	June
	72/73	74/75													
D	consumer goods	+18 -30	+10	0	-3	-2	+4	0	0	+4	-4	+1	+2	-1	0
	investment goods	+17 -28	+1	-8	-3	0	+5	+6	+7	+10	+1	+6	+9	+6	+6
	intermediate goods	+26 -41	+10	-12	-2	0	+7	+11	+7	+15	+11	+8	+6	+6	+8
F	consumer goods	+42 -22	+26	+3	+14	+20	+22	+18	+20	+22	+13	+19	+12	+27	+22
	investment goods	+35 -31	+11	-2	+2	-1	+9	+9	+1	+9	+10	+7	+3	0	-1
	intermediate goods	+33 -39	+14	-12	+3	+1	+6	+2	+3	+3	+2	+1	-1	+2	+8
IRL	consumer goods	: -28	+10	+22	+24	+25	+26	:	:	+35	+39	:	:	:	:
	investment goods	: -65	+15	+30	+32	+11	+27	:	:	+46	+30	:	:	:	:
	intermediate goods	: -22	+27	+32	+25	+17	+37	:	:	+34	+12	:	:	:	:
I	consumer goods	+36 -55	+10	-10	0	+5	+17	+14	+13	+12	+15	+15	+19	+21	-1
	investment goods	+41 -34	+4	-8	-8	-11	+1	+10	+4	+6	+12	+13	+1	0	+10
	intermediate goods	+49 -39	+3	-19	+2	+3	+15	+19	+10	+16	+25	+15	+3	+15	+13
NL	consumer goods	+33 -26	+2	+4	+7	+7	+9	+12	+10	+18	+10	+7	+10	+10	+11
	investment goods	+42 -53	-2	-2	0	-2	-1	+7	-2	+15	+6	-1	+3	-2	-6
	intermediate goods	+43 -22	+6	+2	+2	+4	+8	+22	+8	+22	+27	+16	+7	+4	+13
B	consumer goods	+34 -43	-2	-14	-16	-20	-12	-10	-9	-9	-9	-13	-2	-15	-9
	investment goods	+27 -58	-17	-25	-25	-30	-17	-12	-5	-14	-8	-14	-10	-3	-1
	intermediate goods	+26 -63	-15	-35	-15	-13	-1	-8	-4	-12	-5	-7	-3	-10	+2
L	consumer goods	+43 -73	-35	-41	-23	-31	-19	-14	:	-6	-30	-7	+3	:	:
	investment goods	+33 -41	-4	-18	-7	+1	-1	-6	:	-12	-3	-3	+11	:	:
	intermediate goods	: :	-14	-4	-23	-62	-20	+10	:	-15	+50	-6	-12	:	:
UK (d)	consumer goods	: :	:	+33	+26	+25	+35	+26	+25	+18	+22	+39	+25	+28	+22
	investment goods	: :	:	+26	+11	+12	+17	+13	+25	+5	+19	+15	+19	+33	+23
	intermediate goods	: :	:	+20	+25	+26	+25	+18	+22	+10	+17	+26	+27	+26	+14
EC (d)	consumer goods	+29 -26	+16	+4	+9	+13	+16	+12	+12	+13	+8	+14	+12	+14	+9
	investment goods	+28 -29	+6	-1	0	+1	+4	+7	+8	+7	+8	+7	+7	+9	+8
	intermediate goods	+32 -37	+10	-8	+5	+7	+11	+11	+9	+11	+12	+10	+7	+9	+10

Note: The annual and quarterly figures are averages of the corresponding monthly data. The seasonal adjustment applied to the most recent observations is sometimes provisional, so that such data are subject to later revision.

Source: European Community business surveys.

(a) Details of the questions are given on page 4. For a description of the climate indicator, please see the notes to Graph 1.

(b) These are the extreme recent (high and low) values of the net balances of the different questions, reached in the course of 1972/1973 and 1974/1975, respectively.

(c) Because sufficiently long time-series are now available, all the UK data have been adjusted for seasonality. (In numbers 1 to 3 of this Supplement only the production and price expectations questions were so adjusted.) This has required retrospective adjustment of the UK order-book and stocks series.

(d) The most recent data are subject to revision.

TABLE 3 (I): Half-yearly industrial investment survey: estimates for 1978 and prospects for 1979.

Results of the October-November 1978 investment survey, % change in value, over the preceding year.

	Basic materials industries (a)		Metallurgical industries		Mechanical industries		Processing industries (b)		Extractive industries		Food industries		Total all industry	
	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979	1978	1979
D	+ 7	+ 5	- 18	+ 23	+ 18	+ 15	+ 10	+ 11	- 5	+ 11	+ 6	+ 5	+ 9	+ 11
F	+ 11	+ 25	- 4	- 2	+ 10	+ 18	+ 1	+ 12	- 15	+ 41	+ 17	+ 4	+ 8	+ 16
IRL	+ 5	- 13	+ 1	- 33	+ 27	+ 94	+ 39	+ 27	:	:	+ 68	+ 55	+ 43	+ 29
I	- 18	+ 12	+ 10	- 4	+ 27	+ 33	+ 17	+ 16	+ 38	+ 37	+ 2	+ 12	+ 6	+ 19
NL	- 9	- 23	+ 12	+ 45	+ 17	+ 12	+ 5	+ 15	+ 2	+ 7	+ 11	+ 19	+ 3	+ 4
B	+ 5	0	- 30	+ 40	+ 14	+ 34	- 5	- 3	:	:	- 23	+ 7	- 4	+ 15
L	+ 64	- 36	+ 11	+ 9	+ 194	- 6	+ 52	+ 5	:	:	:	:	+ 22	- 1
UK	+ 24	+ 12	- 21	+ 1	+ 34	+ 18	+ 18	+ 17	:	:	+ 18	+ 23	+ 19	+ 15
EC	+ 5	+ 2	- 10	+ 11	+ 21	+ 20	+ 11	+ 13	:	:	+ 10	+ 11	+ 10	+ 14

TABLE 3 (II): Survey estimates and forecasts for total industrial investment.

Total industry, % change in value in relation to preceding year.

Year to which data relate:	1976				1977				1978				1979	
	Oct./ Nov. 1975	March/ April 1976	Oct./ Nov. 1976	March/ April 1977	Oct./ Nov. 1976	March/ April 1977	Oct./ Nov. 1977	March/ April 1978	Oct./ Nov. 1977	March/ April 1978	Oct./ Nov. 1978	March/ April 1979	Oct./ Nov. 1978	March/ April 1979
D	- 1	+ 4	+ 5	+ 5	+ 6	+ 8	+ 7	+ 3	+ 7	+ 8	+ 10	+ 9	+ 9	+ 11
F	+ 9	+ 6	+ 12	+ 9	+ 6	+ 12	+ 11	+ 10	+ 12	+ 12	+ 9	+ 8	+ 15	+ 16
IRL (c)	:	:	:	:	:	:	+ 5	+ 11	+ 21	+ 41	+ 36	+ 43	+ 26	+ 29
I	+ 12	+ 9	- 3	+ 7	+ 24	+ 12	+ 3	+ 5	+ 10	+ 2	- 0,5	+ 6	+ 24	+ 19
NL	:	:	:	:	:	:	+ 16	+ 17	+ 3	+ 6	+ 4	+ 3	- 5	+ 4
B (c)	:	- 23	- 24	- 21	:	- 5	- 10	- 1	:	- 1	- 6	- 4	:	+ 15
L (d)	- 3	+ 16	+ 7	- 7	+ 61	+ 64	+ 50	+ 13	+ 6	+ 48	+ 23	+ 22	+ 27	- 1
UK (c)	+ 11	+ 11	+ 13	+ 14	+ 28	+ 25	+ 24	+ 23	+ 26	+ 26	+ 19	+ 19	+ 18	+ 15
EC(e)	:	+ 5	+ 6	+ 7	:	+ 12	+ 11	+ 10	+ 12	+ 11	+ 9	+ 9	+ 13	+ 14

(a) Chemicals, man-made fibres, petroleum refining, rubber processing, etc.

(b) Manufacture of textiles, footwear, wood, paper, together with the printing and processing of plastics industries.

(c) Excluding the extractive industries.

(d) Excluding the extractive and food industries.

(e) Owing to lack of data for certain Member States, the Community totals are generally incomplete.

Source: European Community business surveys.

European Community business surveys

The Community's business surveys, of industry and the construction sector, have been progressively developed since 1962. They are undertaken by national institutions on the basis of the Commission's harmonized questionnaires. The results are communicated to the Commission which processes and publishes the data for Member States and the Community as a whole. The number of enterprises surveyed in manufacturing industry is about 20 000, and in the construction sector about 10 000.

The questions put in the business surveys have the content and periodicity set out below; in general, the questionnaires are sent out at end-month and are returned by the respondents in the course of the following two or three weeks.

QUESTIONS

Manufacturing industry, excluding food, beverages and tobacco

Monthly:

- production expectations for the months ahead: up, unchanged, down?
- stocks of finished products: above normal, normal, below normal?
- order-books: above normal, normal, below normal?
- export order-books: above-normal, normal, below normal?
- selling price expectations in the months ahead: up, unchanged, down?
- production trends in recent past: up, unchanged, down?

Quarterly (undertaken in March, June, September and December):

- capacity utilization: in %?
- production capacity: more than sufficient, sufficient, not sufficient?
- duration of assured production: in months?
- new orders in the recent past: up, unchanged, down?
- export volume expectations for the months ahead up, unchanged, down?
- stocks of raw materials: high, normal, low?

Three times a year (undertaken in January, May and October):

- limits to production: none, insufficient demand, shortage of labour, lack of equipment?

Half-yearly (undertaken in May and October):

- Employment expectations for the months ahead: up, unchanged, down?

All industries, including manufacturing, extractive and food

Half-yearly (undertaken in February/March and October/November):

- investment trends and prospects: yearly percentage change of investment expenditure in current money values.

Construction industry

Monthly (except for France and the United Kingdom, where the survey is carried out quarterly):

- current production compared with the preceding month: up, unchanged, down?
- factors holding up production: bad weather, shortage of manpower, shortage of equipment, none?
- order-books or production schedules: above normal, normal, below normal?
- employment expectations for the months ahead: up, unchanged, down?
- price expectations in the months ahead: up, unchanged, down?

Quarterly (undertaken in March, June, September and December):

- duration of assured production: in months?

The surveys are undertaken by:

- D - Federal Republic of Germany: IFO (Institut für Wirtschaftsforschung)
- F - France: INSEE (Institut National de la Statistique et des Etudes Economiques)
- IRL - Ireland: CII (Confederation of Irish Industries) and ESRI (Economic and Social Research Institute)
- I - Italy: ISCO (Istituto Nazionale per lo Studio della Congiuntura)
- NL - Netherlands: CBS (Centraal Bureau voor de Statistiek)
- B - Belgium: Banque Nationale de Belgique
- L - Luxembourg: STATEC (Service Central de la Statistique et des Etudes Economiques)
- UK - United Kingdom: CBI (Confederation of British Industry), for the manufacturing industry survey.
DI (Department of Industry), for the investment survey.
DE (Department of Environment), for the construction survey.

Supplement B to 'European Economy', gives a monthly selection of the most recent results. Articles containing more detailed analyses and longer time-series of data will appear periodically in the main editions of 'European Economy'. The surveys of manufacturing industry are broken down by twenty-one industrial sectors, and also by consumer, intermediate and capital goods branches; the results in this detail are published each month by the Office for Official Publications of the European Communities in 'Results of the business survey carried out among managements in the Community' (ISSN 0378-4479). The results of consumer surveys appear three times a year in Supplement C to the 'European Economy'.

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