

# EUROPEAN ECONOMY

COMMISSION OF THE EUROPEAN COMMUNITIES • DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

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Supplement B

## Economic prospects - business survey results

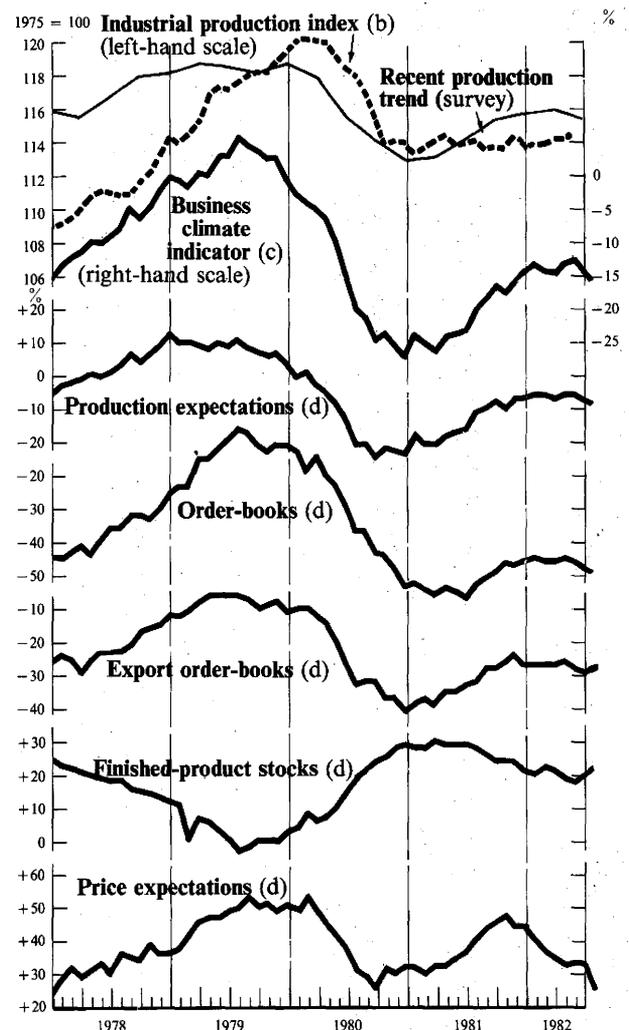
**Weaker industrial business climate in July 1982.** — The industrial business climate indicator for the Community fell in July by 1.5 percentage points by comparison with June. Looking at the two components of this indicator (see Graph 1 and Table 1) both production expectations and judgments on levels of stocks of finished products deteriorated, by 1 and 2 percentage points respectively. Assessments of total order-books in July were also somewhat more pessimistic than in June (by 1 percentage point) and are now at the lowest level since August 1981. Opinions on export orders at Community level have improved by 1 percentage point offsetting the fall reported for June. July results of the quarterly survey concerning new orders and export volume expectations for the months ahead (see Table 4) confirm, for the Community as a whole, the recent pessimistic views of European chief executives with respect to industrial developments. European industrialists' assessments of work assured by orders on hand and of widespread excess capacity were unchanged at Community level in July as compared to April. The most striking survey results in July were those relating to selling-price expectations; the latest monthly results indicated a decline (by 7 percentage points) in the majority of chief executives expecting selling-prices to increase in the months ahead.

**Results for the individual Member States.** — The outlook for the trend of output in the next three or four months deteriorated in July in Italy (-10 percentage points), Ireland (-7 percentage points) and the Netherlands (-2 percentage points), was unchanged in the Federal Republic of Germany and Belgium, and improved in France (+2 percentage points), the United Kingdom (+1 percentage point) and Luxembourg (+3 percentage points). Finished-stock levels were more markedly considered by chief executives in July to be above normal in all reporting Member States, except for the United Kingdom and the Netherlands, where evaluations of stocks of finished products were lower, and the Federal Republic of Germany, where assessments were unchanged by comparison with June. Levels of industrial order-books, the other important survey indicator of industrial business conditions, were reported to have deteriorated in Ireland (-12 percentage points), in the Federal Republic of Germany (-2 percentage points), the United Kingdom and Belgium (both -1 percentage point) and to be unchanged in France, the Netherlands and Luxembourg. By contrast, in Italy order-books were viewed less unfavourably in July than in June by 2 percentage points. Expectations of the trend in industrial selling-prices in the months ahead were significantly lower in France, Belgium, Luxembourg and Ireland; by contrast markedly higher inflationary tendencies were reported in July by industrialists in the United Kingdom.

**Construction.** — Results for the second quarter of 1982 in the construction industry at Community level show a renewed worsening of order-books but a slight improvement in the employment outlook (see Table 5).

*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 the 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 the percentages of 'positive' and 'negative' responses are called in the text 'majorities' or 'net balances' (of  $\pm \dots\%$ ). The monthly and quarterly data in the tables are seasonally adjusted, except where otherwise stated.

GRAPH 1: Business survey indicators for manufacturing industry and the index of industrial production - EC 9 (a)



- (a) Weighted total of available country data — see Table 1.  
 (b) Industrial production excluding building and construction and, in the case of France, the foodstuffs and beverages industry. Three months' moving average.  
 (c) 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.  
 (d) Net balances, i.e. differences between the percentages of respondents giving positive and negative replies (see notes on final page).

Source: European Community business surveys and Eurostat.

**The 1980-82 recession.** — In the years 1950-70 the rate of growth in the Community was high and persistent and there were very few absolute declines in economic activity of the type long associated with the term 'business cycle'. Accordingly, attention increasingly focused on fluctuations in economic growth, which also displays cyclical characteristics. The latter came to be known as growth cycles. However, the decade of the 1970s showed that recessions of the more severe type—now called classical recessions—still exist.

Graphs 2.1 to 2.10 provide a useful perspective (1) in assessing the relative severity of the current recession as well as the degree to which the major European economies are recovering from it. They focus on two important measures of economic performance, gross domestic product (GDP) and the index of industrial production. Both GDP and industrial production are highly sensitive to cyclical forces, although the industrial sector sometimes exhibits cyclical behaviour independently of the remainder of the economy. The index of industrial production, none the less, is useful not only because it monitors a major sector but also because it is available monthly. However, since in most developed economies the service industries account for a larger percentage of production than manufacturing, it is important also to examine GDP which is, unfortunately, available only quarterly and is subject to considerable revision.

The graphs show the paths taken by GDP and industrial production in the Community and the four major countries during the recession of 1973-75, the paths taken on average during the mild slowdowns typical before the 1970s, and the course of the current recession, which is clearly severe. Severity here is measured in terms of both amplitude and duration. The slowdown preceding the current recession began in the Community in both GDP and industrial production in early 1980. The growth slowdown was followed immediately by absolute falls in both series, in contrast to the 1973 experience, when despite falling growth rates economic activity continued to increase for almost a year after the high point of the growth cycle and only then began to fall.

The crucial distinction between business slowdowns and recessions is thus illustrated. This period of growth slowdown is a critical one for forecasters and policymakers alike. It is precisely this period between the slowdown in economic growth and possible recession which presents the maximum possibility of error: demand stimulation, designed to moderate a possible recession will aggravate inflation, if the slowdown proves mild and renewed strong growth gets underway. On the other hand a restrictive policy will deepen recession if the slowdown is believed to be mild but instead is a prelude to a major recession. Careful diagnosis of all the cross-currents in the economy is, therefore, particularly crucial. Growth slowdowns accompany all recessions, usually but not always occurring in advance. European economies typically exhibited growth cycles rather than classical recessions during the last several decades, until the 1970s.

The European Community has experienced in 1980-82 a longer but less deep recession than in 1973-75, with the result that economic recovery levels two years after the onset of recession are relatively not very different than they were two years after the onset of the 1973-75 episode. Although the decline in output in 1973-75 was sharper than in the current recession, it was, therefore, also shorter. By contrast, in the growth slowdowns of the 1950s and 1960s GDP and industrial production rarely declined in absolute terms.

The extent of recovery from recession can be assessed in relation to three different points in the business cycle: the point when recovery begins, i.e. the low point of the recession, the point when recovery has attained the pre-slowdown levels in economic activity and in relation to the point when the level of activity in existence at the onset of recession (the absolute fall in output) has been re-attained. So viewed (see Graphs 2.1 and 2.2), the recovery of the past six months has restored half of the

absolute decline in Community economic activity as reflected in GDP, which is, however still some 1.8% below its peak (first quarter, 1980) level. Industrial production is still well below its pre-slowdown levels (-4.6% in April). The latest figures show, therefore, that in terms of GDP current performance in the European Community is little different, relative to pre-slowdown GDP, two years after its slowdown began than was the case two years after the previous growth recession in GDP. Industrial production is beginning to approach comparability relative to its pre-slowdown level with its performance last time, but only because its rather flat movement (as a percentage of the growth peak level) during 1980 and much of 1981 contrasts sharply with its severe drop and more vigorous recovery last time.

In the Federal Republic of Germany, industrial production has improved, relative to its pre-slowdown standing, during the last few months as shown in Graph 2.4. GDP, however, although it improved somewhat during two quarters in 1981, remained virtually flat in the final quarter of 1981 and the first quarter of 1982 (see Graph 2.3). Neither measure has regained fully its pre-slowdown level. The decline in German production started at the same time as the growth slowdown on this occasion, compared to a year's delay in 1973. The drop was steeper but shorter in 1973-74, and the current (May) standing of the German economy, as noted still below its growth peak level, is about on a par with its standing some thirty months after the 1973 recession began. The severity of both the 1973-75 and the 1980-82 recessions relative to the earlier growth slowdowns is noteworthy. In the 1950s and 1960s growth beyond the point where slowdown began was usually still positive.

In France (see Graphs 2.5 and 2.6) falls in production have followed shortly after growth slowdowns during the two major recessions since 1973. The amplitude of the 1973 recession was greater than that of the present one, but the duration was shorter with the result that, relative to their performance in the two years following the earlier growth cycle peak, both GDP and industrial production have done less well this time. GDP has re-attained its growth cycle peak value, but industrial production is still more than 7% below its peak (92.6% of its peak value in April 1982). Accordingly, one must conclude that the longer duration of the present recession has more than offset, overall, the sharper decline of the earlier recession.

The current (April) standing of recovery in Italy (see Graphs 2.7 and 2.8) suggests that by both measures of economic activity the Italian economy recovered somewhat during the first year following the slowdown in industrial production and GDP, but deteriorated further subsequently. The result is that, while GDP has re-attained its peak standing now, industrial production is well behind (95.1% of its peak value in April), though it did little better in the previous recession. By both measures, on balance, the Italian economy has not recovered as vigorously in 1981-82 as in 1974-75.

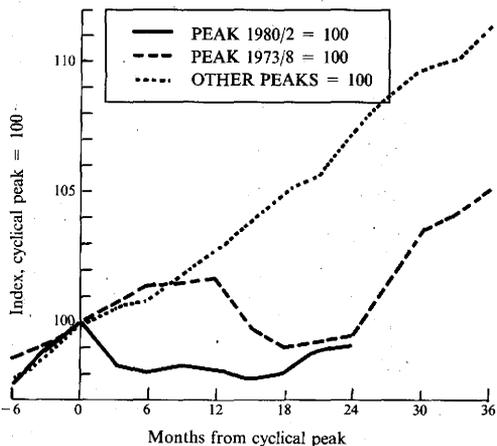
The recovery of economic activity in the UK (see Graphs 2.9 and 2.10) is so far scarcely visible in GDP and just begun in industrial production. Almost three years after growth slowdowns began in each of these measures, both are still far below their growth-cycle peak values. Industrial production is currently (April 1982) at 88.2% of its peak standing. Both GDP and industrial production are also considerably below their pre-recession peaks and both have improved relatively far less than during the corresponding span of the 1974-75 recovery.

(1) In each graph the cyclical peaks are set at 100, and the percent declines during subsequent recessions are depicted. Because the peaks shown here are the growth cycle peaks—the point when GDP or industrial production was greatest relative to its trend value—it is possible for the subsequent level of activity to continue to rise (but at lower growth rates) before a possible fall in output occurs.

## RECESSION AND RECOVERY IN THE EUROPEAN COMMUNITY

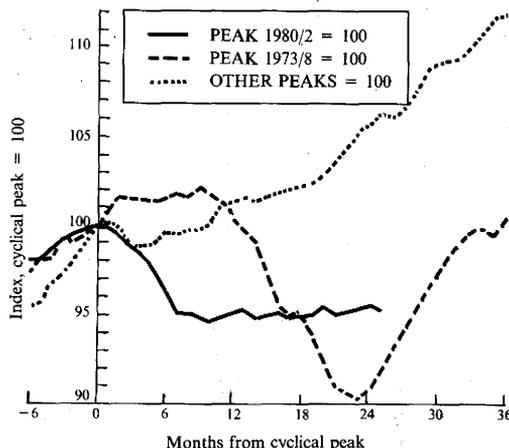
GRAPH 2.1: Gross domestic product

EC



GRAPH 2.2: Industrial production

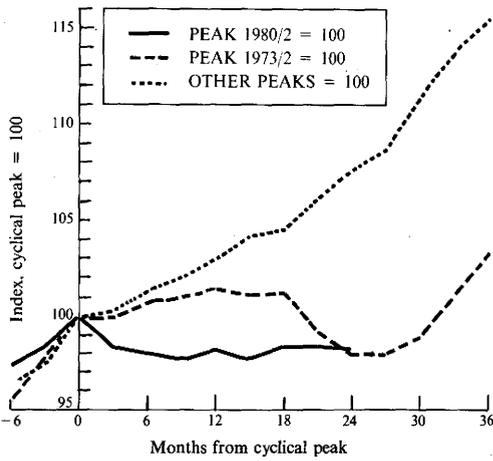
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RECESSION AND RECOVERY IN FOUR MEMBER STATES

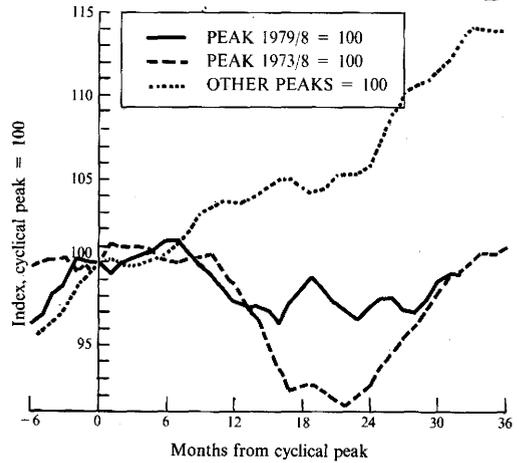
GRAPH 2.3: Gross domestic product

D



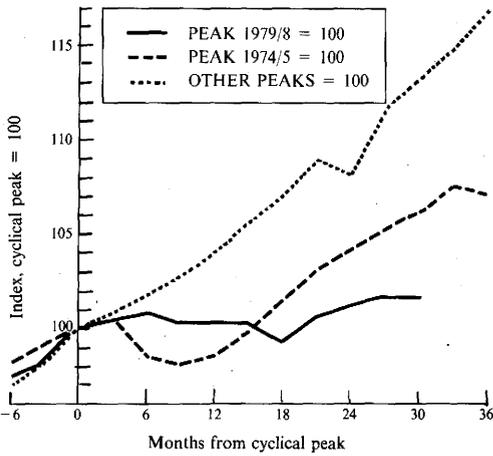
GRAPH 2.4: Industrial production

D



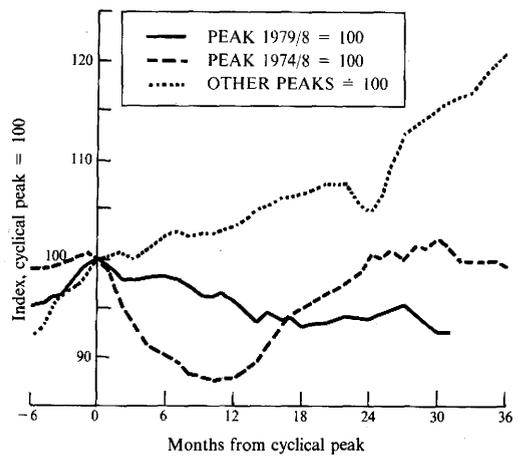
GRAPH 2.5: Gross domestic product

F



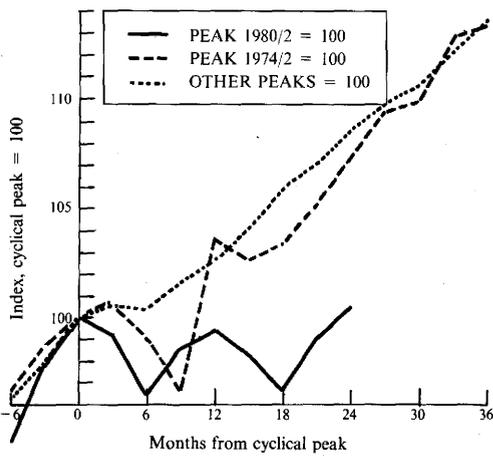
GRAPH 2.6: Industrial production

F



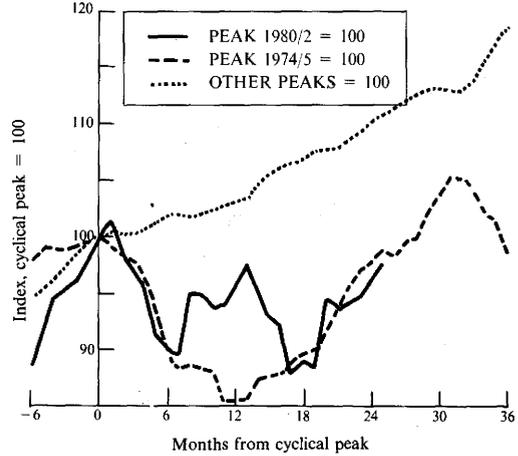
GRAPH 2.7: Gross domestic product

I



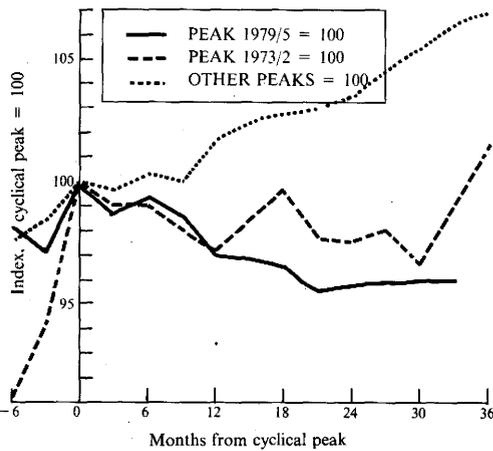
GRAPH 2.8: Industrial production

I



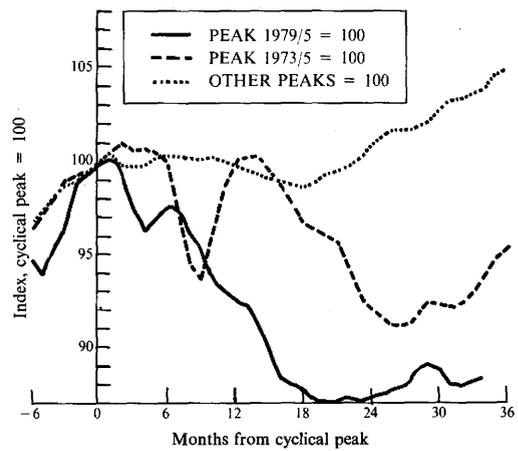
GRAPH 2.9: Gross domestic product

UK



GRAPH 2.10: Industrial production

UK



**TABLE 3: Business survey in certain manufacturing sectors: EC total (a)**

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

Industrial groups	1979	1980	1981	1981		1982		1982					
				III	IV	I	II	Feb. March	April	May	June	July	
<b>Production expectations</b>													
Textile industry	+ 1	-21	-17	-12	-10	- 6	- 8	- 7	- 6	-10	- 8	- 7	- 7
Mineral oil refining	- 2	-11	-24	- 8	-16	-21	- 2	-11	-29	0	- 1	- 4	-15
Production and preliminary processing of metals	+ 7	-27	-23	-12	- 8	- 8	-23	- 6	- 9	-15	-19	-36	-25
Non-metallic mineral products (ceramics, etc.)	+ 5	-16	-26	-24	-25	-26	-23	-25	-27	-23	-25	-20	-19
Chemical industry	+10	-12	+ 2	+ 3	+ 5	+ 1	+ 9	+ 4	- 1	+ 9	+ 9	+ 9	+ 5
Manufacture of metal articles	+ 3	-12	-16	-14	-11	- 6	-10	- 6	- 6	-12	-11	- 8	-15
Mechanical engineering	+ 8	-10	-15	-13	-15	-14	-14	-13	-12	-15	-14	-12	-16
Electrical engineering	+ 8	- 6	-10	- 9	- 9	- 2	+ 1	- 2	- 1	+ 1	+ 3	- 1	- 2
Manufacture of motor vehicles and accessories	+15	-20	-14	-10	+ 3	+ 2	- 1	0	+ 2	- 3	+ 1	- 1	+ 1
<b>Order-books</b>													
Textile industry	-16	-45	-58	-54	-50	-44	-39	-44	-43	-40	-37	-41	-41
Mineral oil refining	+ 9	-30	-63	-56	-54	-59	-53	-58	-62	-64	-52	-43	-51
Production and preliminary processing of metals	-33	-49	-68	-69	-57	-64	-79	-61	-68	-74	-80	-82	-83
Non-metallic mineral products (ceramics, etc.)	-18	-25	-60	-64	-59	-61	-60	-60	-63	-61	-57	-63	-62
Chemical industry	+ 5	-27	-37	-36	-27	-33	-25	-34	-32	-26	-24	-25	-34
Manufacture of metal articles	-20	-29	-52	-53	-52	-48	-44	-48	-46	-45	-44	-42	-48
Mechanical engineering	-27	-29	-52	-52	-53	-53	-57	-53	-54	-56	-57	-58	-61
Electrical engineering	-20	-21	-37	-36	-41	-41	-34	-42	-36	-39	-31	-32	-33
Manufacture of motor vehicles and accessories	+13	-24	-45	-42	-29	-17	-19	-18	-20	-13	-14	-31	-28
<b>Export order-books</b>													
Textile industry	-33	-51	-50	-45	-38	-41	-42	-39	-45	-37	-41	-47	-49
Mineral oil refining	- 6	-12	-41	-38	-33	-38	-42	-29	-40	-54	-39	-32	-38
Production and preliminary processing of metals	-19	-49	-65	-65	-58	-65	-71	-62	-62	-66	-74	-74	-74
Non-metallic mineral products (ceramics, etc.)	-10	-24	-44	-42	-45	-45	-41	-47	-41	-41	-42	-41	-44
Chemical industry	+ 8	-23	-28	-23	-19	-18	-16	-19	-15	-16	-16	-16	-17
Manufacture of metal articles	-32	-33	-44	-42	-41	-42	-39	-42	-42	-40	-40	-37	-42
Mechanical engineering	-29	-35	-46	-46	-45	-46	-46	-45	-47	-41	-50	-47	-54
Electrical engineering	-29	-28	-41	-41	-42	-35	-32	-32	-31	-37	-30	-28	-27
Manufacture of motor vehicles and accessories	+ 2	-24	-41	-36	-31	-16	-18	-18	- 9	-15	-16	-24	-30
<b>Stocks of finished products</b>													
Textile industry	+21	+34	+38	+37	+31	+31	+29	+30	+31	+27	+30	+30	+29
Mineral oil refining	-27	+13	+25	+12	+18	+21	+15	+29	+22	+23	+13	+ 9	+16
Production and preliminary processing of metals	+ 1	+ 5	+12	+12	+ 4	+11	+13	+15	+ 9	+10	+12	+16	+18
Non-metallic mineral products (ceramics, etc.)	+12	+12	+37	+40	+37	+41	+39	+44	+42	+41	+38	+38	+44
Chemical industry	- 5	+20	+13	+12	+10	+10	+ 9	+11	+14	+ 8	+ 8	+11	+14
Manufacture of metal articles	+ 2	+11	+23	+20	+19	+17	+15	+16	+15	+15	+15	+14	+17
Mechanical engineering	+11	+17	+25	+25	+24	+25	+27	+23	+25	+26	+27	+27	+26
Electrical engineering	+18	+23	+29	+26	+28	+24	+23	+24	+24	+29	+20	+20	+19
Manufacture of motor vehicles and accessories	-13	+23	+47	+56	+30	+28	+15	+32	+28	+19	+11	+16	+23
<b>Selling-price expectations</b>													
Textile industry	+54	+37	+43	+55	+49	+45	+42	+46	+40	+42	+39	+44	+31
Mineral oil refining	+65	+59	+55	+73	+53	+15	+49	+22	+44	+27	+59	+62	+63
Production and preliminary processing of metals	+45	+18	+44	+58	+67	+48	+34	+44	+46	+38	+30	+33	+28
Non-metallic mineral products (ceramics, etc.)	+47	+44	+30	+24	+34	+20	+20	+15	+15	+20	+20	+20	+ 4
Chemical industry	+53	+26	+49	+54	+54	+30	+26	+27	+27	+27	+26	+28	+32
Manufacture of metal articles	+47	+40	+35	+37	+45	+40	+38	+42	+38	+40	+39	+34	+19
Mechanical engineering	+42	+39	+33	+32	+36	+37	+32	+37	+34	+33	+33	+31	+27
Electrical engineering	+36	+39	+35	+33	+36	+35	+39	+32	+34	+44	+38	+34	+23
Manufacture of motor vehicles and accessories	+44	+40	+35	+42	+35	+41	+35	+40	+38	+38	+35	+32	+26

(a) Greece excluded. See note (d) to Table 1.

(b) For the exact formulation of the questions, see the notes on the last page.

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.

**TABLE 4: New orders and export orders expectations (a)**

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

	1979		1980				1981				1982		
	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July	Oct.	Jan.	April	July
<b>New orders (c)</b>													
B	+ 4	+ 8	- 9	- 6	-23	-21	-20	-15	-11	- 7	- 5	- 6	- 4
DK	:	:	- 1	+ 6	-15	- 3	-16	+ 3	+ 3	- 7	-10	+11	+ 4
D	- 8	- 2	+13	+ 7	-30	-14	-22	- 9	-21	- 4	-20	+ 3	-24
F	+19	+10	+12	+11	- 3	-24	-34	-37	-27	-19	- 8	-16	- 4
IRL	:	- 8	-30	-38	-55	-40	-29	-26	-15	+ 5	-22	-17	-46
I	- 3	+13	- 3	+ 9	-31	-13	-21	- 8	-16	-11	-33	- 5	-18
L	+38	+ 7	-15	- 7	-59	-45	-55	-50	-43	+18	- 2	-10	-52
NL	+ 1	+16	-15	+13	-17	0	- 7	+ 1	-14	+14	-16	+ 8	0
UK	:	:	:	:	:	:	:	:	:	- 8	- 3	- 3	-20
EC-9	+ 2	+ 5	+ 7	+ 8	-21	-17	-25	-17	-21	- 9	-14	- 4	-16
<b>Export volume expectations (c)</b>													
D	+ 3	- 2	+ 5	+ 2	-16	-10	- 6	0	- 2	- 2	0	+ 5	-10
F	+ 7	- 1	- 9	+ 3	-25	-31	-23	-17	-15	-12	- 7	-11	-16
IRL	:	+11	+ 6	+ 9	-31	-15	+11	- 4	-13	+ 5	+ 3	+ 3	+ 2
I	+ 3	+ 4	- 1	+ 5	-19	-17	+ 1	- 1	+ 5	+ 9	+ 8	+ 3	- 5
L	+63	+ 8	- 7	- 1	-75	-83	-65	-69	- 3	- 4	+ 4	-10	-65
NL	+12	+29	+ 5	-11	-15	+18	0	+10	- 1	0	- 5	+ 9	- 7
UK	:	:	:	:	:	:	:	:	:	+12	+ 5	+ 5	- 3
EC-7	+ 5	+ 4	+ 1	+ 1	-18	-12	- 8	- 3	- 4	0	- 1	+ 2	- 8

(a) Since these questions have been included in the Community business survey only since 1979, the time series available is relatively short.

(b) Not adjusted for seasonality.

(c) Details of the questions are given on the last page.



**TABLE 5: Survey of the construction industry**

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

		Range (b)		1979	1980	1981	1981		1982		1982					
		Peak 72/73	Trough 74/75				III	IV	I	II	Feb.	March	April	May	June	July
<b>B</b>	order-books	-13	-47	-28	-32	-53	-56	-54	-54	-55	-53	-54	-57	-54	-54	-65
	employment expectations	+31	-24	0	-23	-41	-44	-39	-33	-35	-30	-40	-36	-36	-34	-39
	price expectations	+75	+25	+43	+31	+8	+6	+4	+2	+1	+1	+1	-3	-1	+6	0
<b>D</b>	order-books	-17	-84	-7	-30	-61	-67	-72	-70	-73	-69	-70	-74	-72	-72	-72
	employment expectations	+10	-60	+9	-7	-35	-38	-50	-50	-39	-50	-46	-42	-40	-36	-34
	price expectations	+48	-37	+30	-5	-41	-45	-38	-38	-39	-38	-47	-46	-40	-32	-26
<b>F</b>	order-books	:	:	-37	-31	-48	-48	-53	-56	-63	:	:	:	:	:	:
	employment expectations	:	:	-15	-12	-24	-26	-29	-33	-36	:	:	:	:	:	:
	price expectations	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
<b>I</b>	order-books	-25	-68	-29	-33	-29	-29	-34	-37	-46	-39	-42	-52	-46	-41	-50
	employment expectations	+10	-44	-12	-11	-7	-8	-10	-5	-12	-8	-6	-14	-4	-17	-22
	price expectations	+85	+30	+71	+71	+71	+74	+69	+72	+56	+77	+66	+49	+61	+59	+39
<b>L</b>	order-books	+21	-50	-7	-12	-21	-23	-28	-38	-44	-40	-37	-41	-49	-43	-49
	employment expectations	+31	-39	+16	+6	-6	-2	-25	-29	-29	-23	-31	-27	-32	-29	-29
	price expectations	+82	+11	+46	+45	+30	+22	+27	+25	+9	+21	+48	+14	+5	+7	+16
<b>NL</b>	order-books	-8	-81	-19	-39	-50	-49	-52	-52	-58	-52	-53	-58	-58	-60	-60
	employment expectations	+14	-13	+11	-8	-14	-11	-19	-25	-27	-27	-30	-31	-24	-26	-25
	price expectations	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:
<b>UK</b>	order-books	:	:	-6	-33	-60	-71	-69	-64	-60	:	:	:	:	:	:
	employment expectations	:	:	+7	-27	-42	-39	-33	-34	-30	:	:	:	:	:	:
	price expectations	:	:	+69	+53	-16	-11	-24	-8	+1	:	:	:	:	:	:
<b>EC</b>	order-books	:	:	-20	-32	-51	-55	-58	-58	-62	:	:	:	:	:	:
	employment expectations	:	:	-12	-14	-28	-29	-32	-33	-31	:	:	:	:	:	:
	price expectations	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:

(a) Details of the questions are given below.

(b) These are the extreme (high and low) values of the net balances of the different questions, reached in the course of 1972/73 and 1974/75, respectively.

(c) Owing to lack of data for certain Member States, Community totals are incomplete. As from issue No 8/1981 of Supplement B, the figures given in this table for France and the United Kingdom are seasonally adjusted.

Note: The annual and quarterly figures are averages of the corresponding monthly data, except for France and the United Kingdom, where the survey is carried out on a quarterly basis. The monthly and related quarterly data are seasonally adjusted unless otherwise indicated: 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.

## 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:

- estimate of production trend in recent months: up, unchanged, down?
- 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?

##### Quarterly (January, April, July and October):

- employment expectations for the months ahead: up, unchanged, down?
- limits to production: none, insufficient demand, shortage of labour, lack of equipment?
- 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?
- capacity utilization: in %?
- stocks of raw materials: high, normal, low?

#### All industries, including manufacturing, extractive and food

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

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

#### Building 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:

- B** - Belgium: Banque Nationale de Belgique
- DK** - Denmark: Danmarks Statistik
- D** - Federal Republic of Germany: IFO (Institut für Wirtschaftsforschung)
- GR** - Greece: Institute of Economic and Industrial Research
- 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)
- L** - Luxembourg: STATEC (Service Central de la Statistique et des Etudes Economiques)
- NL** - Netherlands: CBS (Centraal Bureau voor de Statistiek)
- UK** - United Kingdom: CBI (Confederation of British Industry), for the manufacturing industry survey; DI (Department of Industry), for the investment survey; National Federation of Building Trade Employers, for the construction survey.

Supplement B to 'European Economy', gives a monthly selection of the most recent results. The surveys of manufacturing industry are broken down by twenty 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 'Business surveys' (ISSN 0378-4479). The results of consumer surveys appear three times a year in Supplement C to 'European Economy'.

### Prices (excluding VAT) in Luxembourg

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