

EUROPEAN ECONOMY

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

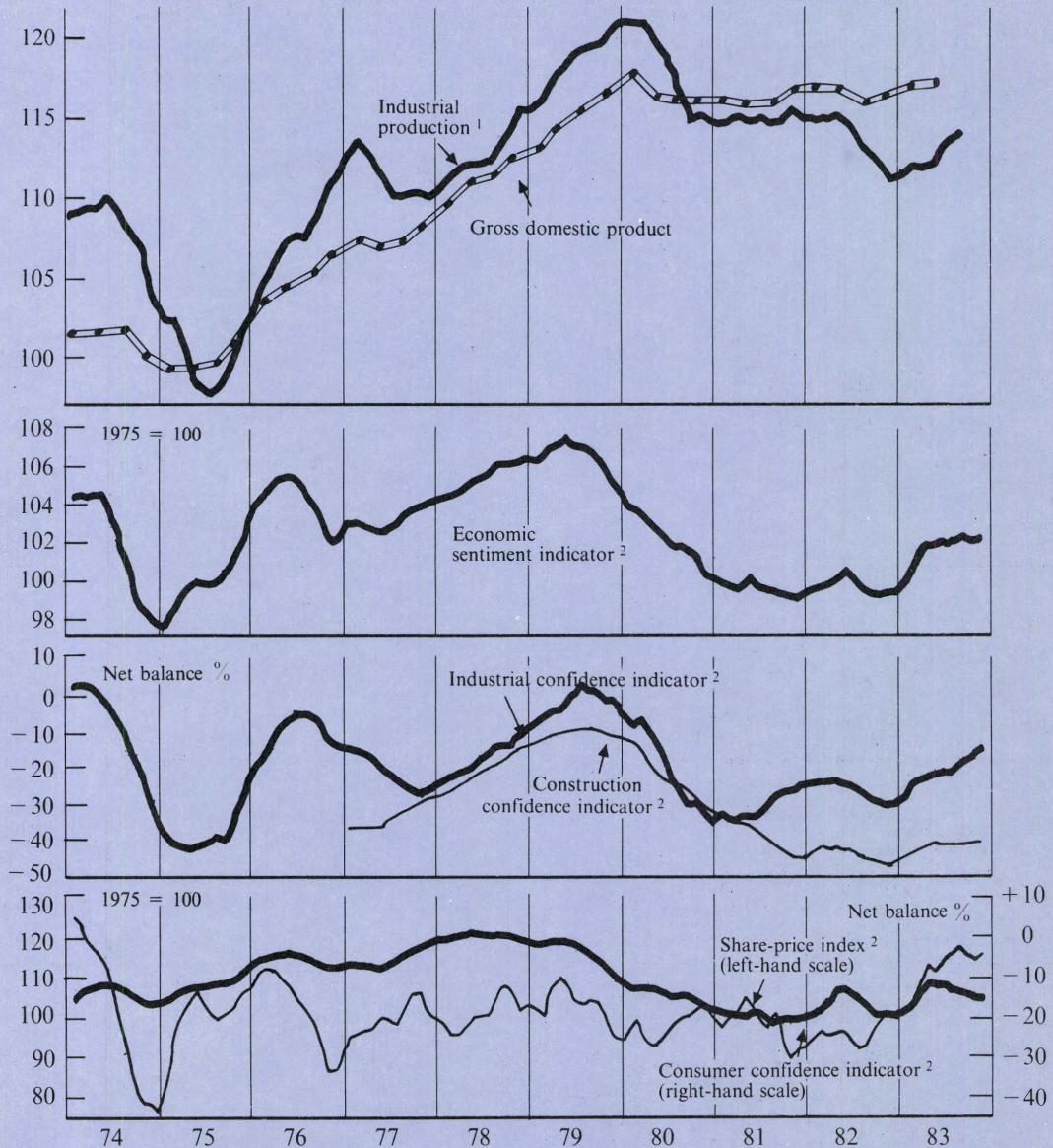
Supplement B — No 12 — December 1983

Business survey results

LIBRARY

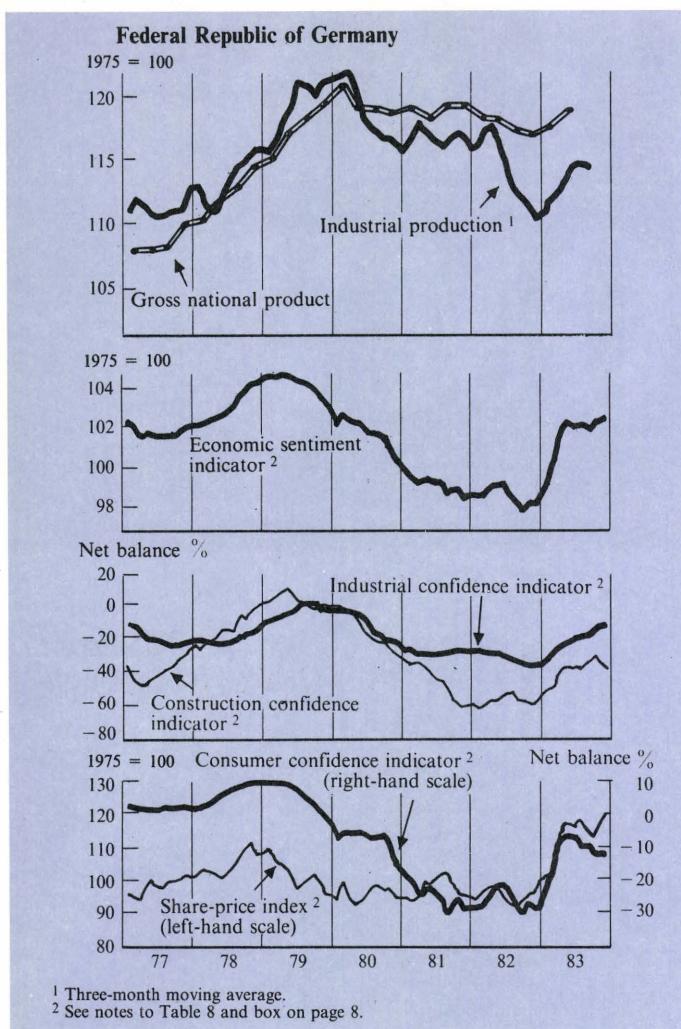
*This month:
Quarterly survey data*

GRAPH 1: Indicators of output and economic sentiment — European Community



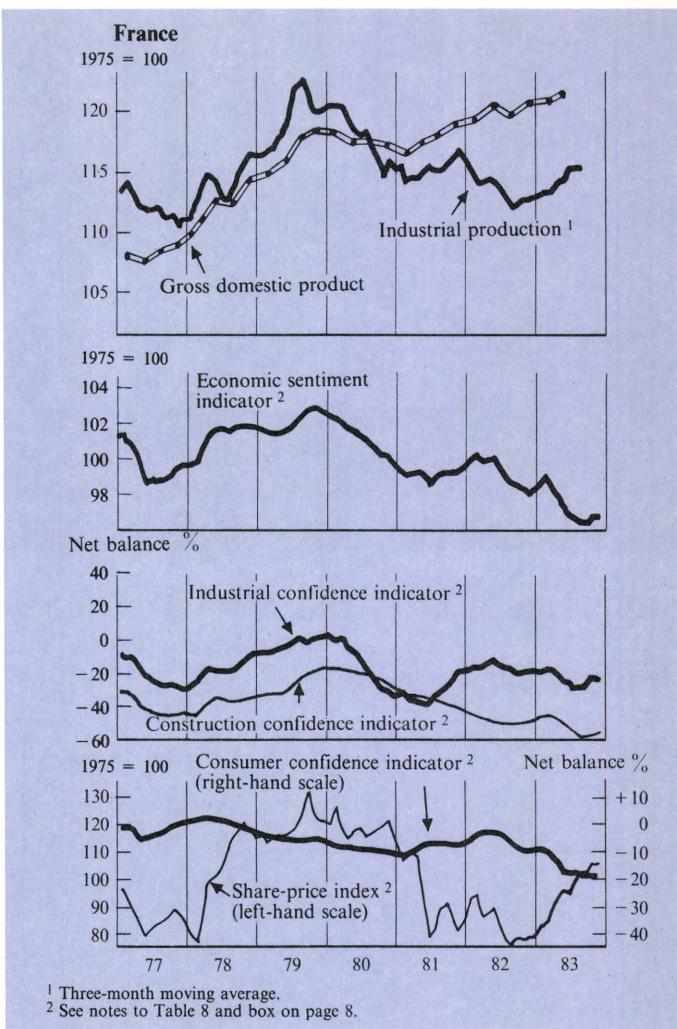
For footnotes see pages 2 and 6.

GRAPH 2: Indicators of output and economic sentiment in seven Member States



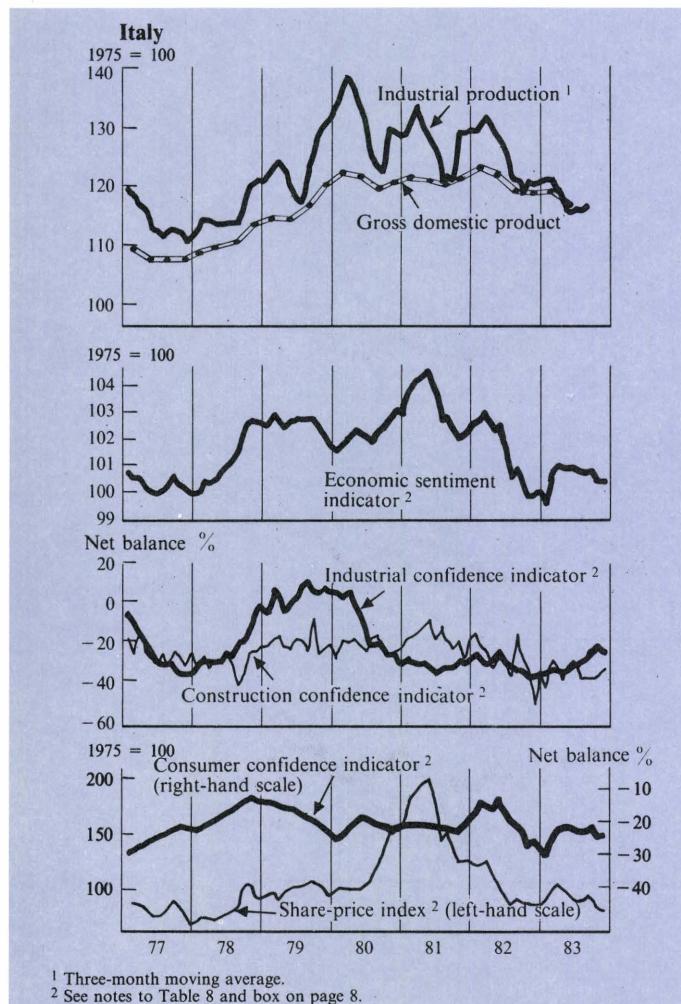
¹ Three-month moving average.

² See notes to Table 8 and box on page 8.



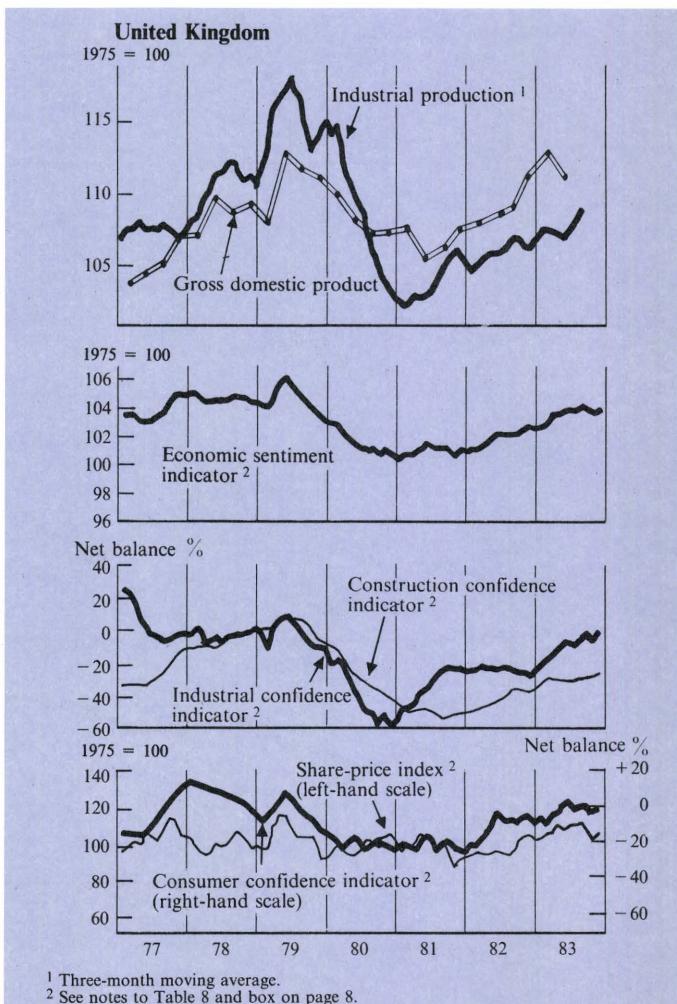
¹ Three-month moving average.

² See notes to Table 8 and box on page 8.



¹ Three-month moving average.

² See notes to Table 8 and box on page 8.



¹ Three-month moving average.

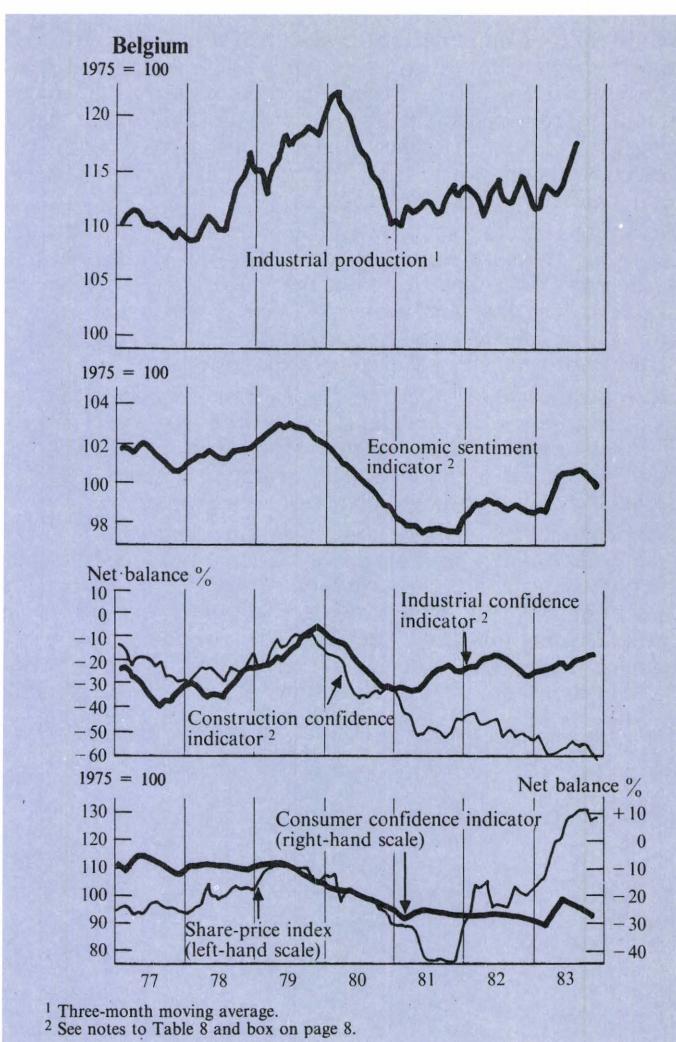
² See notes to Table 8 and box on page 8.

Small improvement in economic sentiment in the European Community. — European economic sentiment strengthened in November 1983 by 0,2 percentage points after declining in October. Results from surveys of industrialists and, to some extent, stock exchange prices contributed to this improvement. This is mainly due to sustained increasing confidence in industry (see Graph 1 and Table 8) which is consistent with recent industrial activity. By contrast, consumer sentiment on the Community level deteriorated slightly from -12 in April 1983 to -15 in November 1983, perhaps partly in reaction to budgetary restrictions in some Member States.

Further improvement of confidence in Community industry. — The most recent results for Community industry confirm increasing confidence of industrialists about economic development in the coming months. The industrial confidence indicator improved for the Community as a whole by 2 percentage points between October and November (see Table 9 and Graph 1). All three components of the indicator contributed to the improvement, with less pessimistic assessments on order-books (+3 points), and on the level of stocks of finished products (+2), and more optimistic assessments of production expectations in the months ahead (+1).

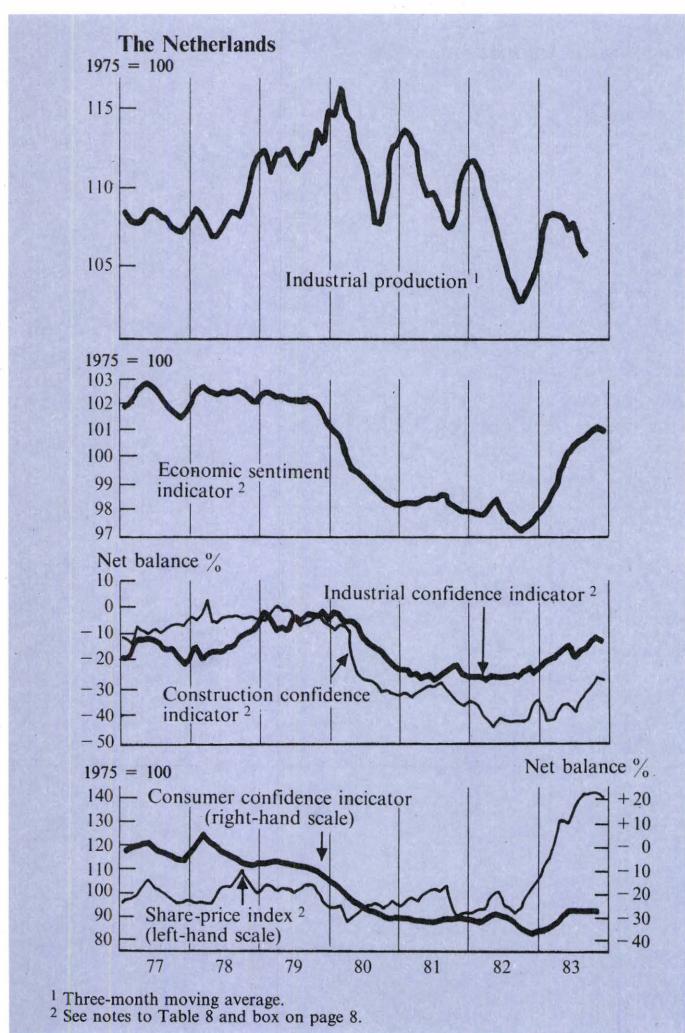
The most marked improvement of industrial confidence between October and November 1983 is seen in the United Kingdom and Luxembourg (both by 7 points), but in the Federal Republic of Germany and in Ireland, industrial confidence improved too (by 2 and 1 point, respectively). In the other Member States, the industrial confidence indicator is more pessimistic than in October but the average of results for the last two months (October/November) by comparison with the average of results for August/September in all Member States improved markedly between 2 and 5 points.

Quarterly indicators of business conditions. — By comparison to the July survey, replies from chief executives on the *inflow of new orders* in six of the nine Member States were either more positive or less pessimistic in October; in six countries the balance of



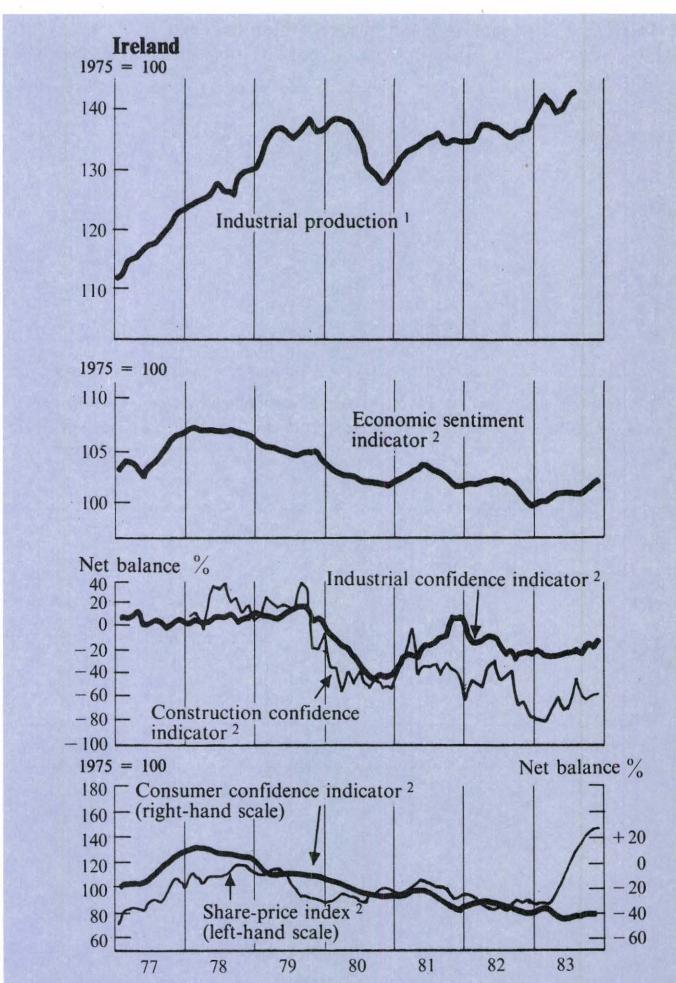
¹ Three-month moving average.

² See notes to Table 8 and box on page 8.



¹ Three-month moving average.

² See notes to Table 8 and box on page 8.



¹ Three-month moving average.

² See notes to Table 8 and box on page 8.

replies on new orders was positive and only in France did a negative balance deteriorate still further (from -15 to -18). Whilst for the Community as a whole there was a relatively small improvement (from -1 to +3), in Italy (+22 points), Germany (+10) and Denmark (+6) there were very marked advances. Small improvements with respect to the July survey were registered in other Member States, with the exception of the United Kingdom, where a fall of 5 points still left the balance of replies clearly positive (see Table 2).

No doubt reflecting strengthening export orders, expectations on *export volumes* improved over the July results, with a particularly large improvement in the Netherlands (+20 points) (Table 3). The estimated *number of months' production assured by orders on hand* (Table 4) remains unchanged however in spite of the improvement in the orders expectations.

On the other hand, there is a correspondence between the reported inflow of orders and *capacity utilization* (see Table 6). The seasonally adjusted degree of capacity utilization has increased in all Member States, except in Ireland where it declined by 0,3 percentage points.

The results of the survey question on the *adequacy of existing production capacity* in the light of expected production trends are consistent with the information on the degree of capacity utilization. For a large majority of chief executives in manufacturing industry (see Table 5), production capacity remains more than sufficient. Nevertheless, the majority has decreased in the United Kingdom, Italy and the Federal

Republic of Germany by 2 percentage points, in Ireland by 6 percentage points and in the Netherlands by 3 percentage points. By contrast, in France, Belgium and Denmark, positive balances (indicating excess capacity) have increased.

The replies concerning *employment prospects* (see Table 7) are less optimistic. The percentage of industrialists expecting employment to decline was lower in October. Compared to July however there was a slight decrease in the negative net balances of replies in the United Kingdom, the Netherlands, Ireland and Luxembourg. But there was also a noticeable deterioration in France and Italy.

The building industry. — The construction confidence indicator in November compared with October remained unchanged at the Community level indicating that investment being carried out by the construction industry is still at a very weak level. Assessments on levels of order-books in the Federal Republic of Germany were less pessimistic than in October by 2 points and were unchanged in the other Member States improving the Community result by 1 point. By contrast, employment expectations deteriorated in the Federal Republic of Germany (-6), Belgium (-8) and the Netherlands (-1). In Italy employment expectations were less pessimistic by 6 points, so that in the Community as a whole the employment expectations deteriorated only by 1 point.

13 December 1983.

TABLE 1: Production trend in recent months (s.a.)

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

| | 1980 | 1981 | 1982 | 1981 | | | 1982 | | | | 1983 | | | |
|-------|------|------|------|------|-----|-----|------|-----|-----|-----|------|-----|-----|-----|
| | | | | II | III | IV | I | II | III | IV | I | II | III | IV |
| B | -5 | -7 | -2 | -8 | -3 | -5 | -4 | +3 | -2 | -5 | -3 | -4 | -3 | -3 |
| DK | -5 | -4 | +3 | -10 | +5 | +3 | -1 | +9 | -1 | +3 | +4 | +6 | +14 | +14 |
| D | -10 | -13 | -17 | -15 | -11 | -10 | -12 | -16 | -22 | -19 | -10 | -1 | 0 | 0 |
| F | -1 | -16 | -4 | -21 | -12 | -5 | -2 | 0 | -9 | -6 | -11 | -8 | -8 | -8 |
| IRL | -12 | +1 | -6 | -2 | +8 | +3 | -1 | -5 | -9 | -9 | -5 | -14 | -3 | -3 |
| I | -11 | -31 | -37 | -24 | -30 | -37 | -35 | -35 | -35 | -42 | -44 | -44 | -34 | -34 |
| L | -2 | -14 | -15 | -19 | -11 | -6 | +5 | -19 | -17 | -30 | +20 | 0 | -8 | -8 |
| NL | -7 | -6 | -4 | -7 | -2 | -4 | -2 | -5 | -3 | -6 | -3 | 0 | +3 | +3 |
| UK | -36 | -12 | -10 | -15 | 0 | -2 | +1 | -15 | -11 | -16 | +7 | +14 | +20 | +20 |
| EC(c) | -13 | -15 | -14 | -17 | -11 | -10 | -9 | -13 | -16 | -17 | -10 | -5 | -2 | -2 |

TABLE 2: New orders in manufacturing industry (a)

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

| | 1981 | 1982 | 1983 | 1981 | | | 1982 | | | | 1983 | | | |
|-------|------|------|------|------|-----|-----|------|-----|-----|-----|------|-----|-----|-----|
| | | | | II | III | IV | I | II | III | IV | I | II | III | IV |
| B | -13 | -6 | -2 | -15 | -11 | -7 | -5 | -6 | -4 | -10 | -9 | +6 | -4 | -1 |
| DK | -4 | 0 | +13 | +3 | +3 | -7 | -10 | +11 | +4 | -5 | +19 | -6 | +16 | +22 |
| D | -14 | -17 | +9 | -9 | -21 | -4 | -20 | +3 | -24 | -28 | -8 | +26 | +4 | +14 |
| F | -29 | -13 | -19 | -37 | -27 | -19 | -8 | -16 | -4 | -24 | -21 | -15 | -18 | -18 |
| IRL | -16 | -31 | -26 | -26 | -15 | +5 | -22 | -17 | -46 | -37 | -47 | -34 | -13 | -9 |
| I | -14 | -16 | -10 | -8 | -16 | -11 | -33 | -5 | -18 | -8 | -26 | -4 | -16 | +6 |
| L | -33 | -33 | -1 | -50 | -43 | +18 | -2 | -10 | -52 | -66 | -52 | +34 | +10 | +4 |
| NL | -2 | +1 | +4 | +1 | -14 | +14 | -16 | +8 | 0 | +10 | -10 | +9 | +8 | +10 |
| UK | : | -15 | +7 | : | : | -8 | -3 | -3 | -20 | -32 | -15 | +20 | +13 | +8 |
| EC(c) | -18 | -14 | -1 | -17 | -21 | -9 | -14 | -4 | -16 | -23 | -15 | +9 | -1 | +3 |

For footnotes see page 5.

TABLE 3: Export volume expectations in manufacturing industry (a)

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

| | 1981 | 1982 | 1983 | 1981 | | | | 1982 | | | | 1983 | | | |
|-----|--------|------|------|------|-----|-----|----|------|-----|-----|-----|------|-----|-----|----|
| | | | | II | III | IV | I | II | III | IV | I | II | III | IV | |
| B | -3 | -6 | -6 | 0 | -2 | -2 | 0 | +5 | -10 | -19 | -12 | -3 | -7 | -2 | |
| D | -17 | -15 | -13 | -17 | -15 | -12 | -7 | -11 | -16 | -26 | -19 | -6 | -15 | -12 | |
| F | 0 | +3 | -1 | -4 | -13 | +5 | +3 | +3 | +2 | +2 | -3 | -3 | +3 | 0 | |
| IRL | +4 | -2 | -1 | -1 | +5 | +9 | +8 | +3 | -5 | -13 | -7 | 0 | -2 | +6 | |
| I | -35 | -36 | -12 | -69 | -3 | -4 | +4 | -10 | -65 | -74 | -64 | +2 | +9 | +4 | |
| L | +2 | +3 | +9 | +10 | -1 | 0 | -5 | +9 | -7 | +16 | -7 | +15 | +3 | +23 | |
| NL | : | 0 | +7 | : | : | +12 | +5 | +5 | -3 | -6 | +1 | +12 | +7 | +8 | |
| UK | EC (c) | -4 | -5 | -3 | -3 | -4 | 0 | -1 | +2 | -8 | -12 | -10 | +1 | -3 | +1 |

TABLE 4: Estimated number of months' production assured by orders on hand in manufacturing industry (a)

| | Range (b) | 1981 | 1982 | 1983 | 1981 | | 1982 | | 1983 | | | | | |
|--------|-----------|------|------|------|------|-----|------|-----|------|-----|-----|-----|-----|-----|
| | | | | | III | IV | I | II | III | IV | | | | |
| B | 4,5 | 2,8 | 3,4 | 3,4 | 3,1 | 3,4 | 3,4 | 3,5 | 3,4 | 3,4 | 3,2 | 3,2 | 3,1 | 3,0 |
| D | 3,3 | 2,8 | 2,9 | 2,7 | 2,6 | 2,9 | 2,8 | 2,7 | 2,7 | 2,5 | 2,6 | 2,7 | 2,6 | 2,6 |
| F | 3,5 | 2,7 | 3,6 | 3,5 | 3,2 | 3,5 | 3,2 | 3,7 | 3,7 | 3,5 | 3,2 | 3,2 | 3,2 | 3,0 |
| IRL | 2,2 | 1,8 | 2,0 | 2,0 | 1,7 | 2,4 | 2,4 | 2,0 | 2,1 | 2,0 | 1,8 | 1,8 | 1,7 | 1,7 |
| I | 4,7 | 3,7 | 4,0 | 4,2 | 4,1 | 4,3 | 3,9 | 4,0 | 4,5 | 4,2 | 4,0 | 4,7 | 4,1 | 3,9 |
| L | 3,5 | 1,4 | 2,3 | 1,9 | 1,9 | 2,7 | 2,0 | 2,2 | 1,8 | 1,9 | 1,7 | 1,7 | 2,2 | 1,9 |
| NL | 4,7 | 2,6 | 3,7 | 3,7 | 2,6 | 3,8 | 3,4 | 4,0 | 4,1 | 4,0 | 2,8 | 2,6 | 2,6 | 2,7 |
| UK | : | : | 2,8 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 | 3,0 |
| EC (c) | 3,7 | 3,0 | 3,2 | 3,2 | 3,1 | 3,3 | 3,2 | 3,1 | 3,3 | 3,3 | 3,1 | 3,1 | 3,0 | 3,0 |

TABLE 5: Expected capacity constraints in manufacturing industry: i.e. net balance of respondents expecting capacity to be more than sufficient in relation to production expectations (a)(d)

| | Range (b) | 1981 | 1982 | 1983 | 1981 | | 1982 | | 1983 | | | | | | |
|--------|-----------|------|------|------|------|-----|------|-----|------|-----|-----|-----|-----|-----|-----|
| | | | | | III | IV | I | II | III | IV | | | | | |
| B | -12 | +58 | +49 | +39 | +37 | +53 | +45 | +42 | +41 | +35 | +39 | +40 | +38 | +34 | +37 |
| DK | : | : | +32 | +35 | +34 | +27 | +27 | +36 | +33 | +34 | +37 | +35 | +32 | +31 | +36 |
| D | -3 | +56 | +34 | +42 | +42 | +35 | +36 | +38 | +40 | +42 | +49 | +51 | +44 | +38 | +36 |
| F | -24 | +45 | +42 | +37 | +42 | +43 | +45 | +35 | +39 | +33 | +39 | +38 | +39 | +41 | +49 |
| IRL | : | +34 | +29 | +34 | +34 | +24 | +26 | +31 | +31 | +30 | +42 | +39 | +30 | +36 | +30 |
| I | +1 | +63 | +45 | +47 | +54 | +50 | +37 | +36 | +45 | +51 | +55 | +54 | +53 | +56 | +54 |
| L | -72 | +73 | +59 | +60 | +59 | +58 | +54 | +61 | +60 | +59 | +61 | +63 | +57 | +57 | +57 |
| NL | -3 | +60 | +35 | +47 | +30 | +36 | +42 | +48 | +49 | +50 | +41 | +39 | +29 | +28 | +25 |
| UK | : | +63 | +60 | +51 | +62 | +57 | +58 | +60 | +59 | +63 | +64 | +50 | +45 | +43 | |
| EC (c) | -7 | +54 | +44 | +46 | +45 | +45 | +43 | +42 | +45 | +45 | +50 | +50 | +45 | +42 | +42 |

TABLE 6: Capacity utilization in manufacturing industry (%) (s.a.)

| | Range (b) | 1981 | 1982 | 1983 | 1981 | | 1982 | | 1983 | | | | | | |
|--------|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| | | | | | III | IV | I | II | III | IV | | | | | |
| B | 85,4 | 70,4 | 74,5 | 75,8 | 75,7 | 73,8 | 75,4 | 75,5 | 75,2 | 75,9 | 76,4 | 76,5 | 75,5 | 74,9 | 75,8 |
| D | 88,1 | 74,8 | 79,2 | 77,2 | 76,8 | 78,7 | 79,3 | 78,9 | 77,7 | 77,0 | 75,2 | 75,4 | 75,6 | 77,2 | 78,9 |
| F | 87,8 | 76,6 | 81,7 | 81,5 | 81,5 | 80,8 | 81,4 | 81,6 | 81,4 | 81,7 | 81,7 | 82,1 | 81,6 | 81,0 | 81,4 |
| IRL | : | 60,9 | 59,1 | 57,8 | 62,4 | 61,1 | 61,6 | 58,9 | 59,0 | 56,9 | 56,9 | 59,5 | 59,5 | 57,5 | 57,2 |
| I | 78,8 | 68,0 | 73,0 | 71,9 | 69,9 | 72,2 | 74,1 | 72,4 | 71,9 | 71,5 | 71,9 | 70,8 | 70,1 | 68,8 | 69,8 |
| L | : | 73,5 | 78,0 | 70,6 | 72,7 | 75,0 | 76,8 | 80,4 | 78,7 | 76,0 | 74,9 | 70,7 | 65,9 | 71,0 | |
| NL | 86,0 | 76,0 | 78,5 | 76,7 | 79,4 | 78,9 | 77,8 | 77,2 | 76,0 | 75,9 | 77,8 | 78,2 | 78,9 | 79,8 | 80,8 |
| UK (e) | 90,6 | 75,5 | 72,8 | 74,2 | 76,4 | 73,3 | 74,4 | 74,0 | 73,9 | 74,6 | 74,4 | 74,8 | 75,6 | 76,8 | 78,2 |
| EC (f) | 86,4 | 75,0 | 77,4 | 76,9 | 77,0 | 77,0 | 77,8 | 77,5 | 76,9 | 76,8 | 76,3 | 76,4 | 76,5 | 77,0 | 78,2 |

TABLE 7: Employment expectations in manufacturing industry (a)

Net balance of respondents expecting employment up, unchanged or down

| | Range (b) | 1981 | 1982 | 1983 | 1981 | | 1982 | | 1983 | | | | | | |
|--------|-----------|------|------|------|--------------------------------|---------------|------|-----|------|-----|-----|-----|-----|-----|-----|
| | | | | | June/ July Oct./ Nov. | Oct./ Nov. | I | II | III | IV | | | | | |
| B | +12 | -26 | -18 | -14 | -14 | -19 | -16 | -12 | -11 | -14 | -20 | -17 | -9 | -14 | -14 |
| DK | : | -10 | -9 | -5 | -9 | -10 | -17 | +3 | -10 | -10 | -17 | -1 | 0 | -1 | |
| D | +13 | -34 | -20 | -32 | -27 | -14 | -26 | -28 | -27 | -29 | -42 | -29 | -26 | -25 | -27 |
| F | +17 | -35 | -39 | -23 | -31 | -41 | -37 | -23 | -22 | -18 | -29 | -32 | -28 | -27 | -35 |
| IRL | +15 | -34 | -25 | -30 | -23 | -19 | -30 | -23 | -37 | -26 | -34 | -20 | -26 | -34 | -12 |
| I | +13 | -26 | -38 | -36 | -38 | -34 | -42 | -29 | -43 | -43 | -44 | -34 | -34 | -41 | |
| L | +75 | -67 | -44 | -49 | -52 | -49 | -38 | -51 | -51 | -50 | -43 | -54 | -43 | -56 | -54 |
| NL | +4 | -32 | -17 | -22 | -29 | -17 | -17 | -15 | -18 | -21 | -33 | -37 | -30 | -25 | -22 |
| UK | : | -48 | -39 | -28 | -52 | -44 | -34 | -37 | -39 | -44 | -44 | -26 | -22 | -20 | |
| EC (c) | +12 | -31 | -32 | -31 | -28 | -30 | -33 | -26 | -26 | -33 | -39 | -33 | -26 | -25 | -28 |

(a) Details of the questions are given on the last page. The data are not adjusted for seasonality.

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

(c) Weighted total of available country data.

(d) Answers to the question whether, taking into account the level of order-books or production capacity is more than sufficient (+), sufficient (=) or less than sufficient (-). Thus, negative net balances (capacity less than sufficient) indicate high levels of capacity utilization and positive net balances (capacity more than sufficient) are associated with low levels of capacity utilization.

(e) The series for the United Kingdom are estimated using the national (Confederation of British Industry) data on the percentage of firms reporting below-capacity working.

(f) Column totals, with country data weighted by volume of industrial production in 1975.

Source: European Community business surveys.

TABLE 8: Indicators of output and economic sentiment

| | 1974/75 | Trough | 1980 | 1981 | 1982 | 1982 | 1983 | | | 1983 | | | | | |
|-----|---|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|
| | | | | | | IV | I | II | III | June | July | August | Sept. | Oct. | Nov. |
| | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= | 1975= |
| B | gross domestic product index of industrial production | 1975= 100 | 88,2 | 114,9 | 111,6 | 111,6 | 111,2 | 112,6 | 113,1 | : | 116,5 | 117,5 | 116,3 | : | : |
| | 1. industrial confidence indicator | -56 | -22 | -27 | -22 | -26 | -23 | -21 | -19 | -22 | -21 | -18 | -18 | -16 | -16 |
| | 2. construction confidence indicator | -36 | -28 | -47 | -48 | -52 | -56 | -57 | -55 | -57 | -54 | -57 | -56 | -57 | -63 |
| | 3. consumer confidence indicator ^{1,4} | -18 | -20 | -27 | -27 | -28 | -31 | -22 | -26 | : | : | : | : | : | : |
| | 4. share-price index ^{4,5} | 84,9 | 86,7 | 70,7 | 86,8 | 89,9 | 96,9 | 111,9 | 119,5 | 116,7 | 117,8 | 120,5 | 120,2 | 115,5 | 116,7 |
| | = 5. economic sentiment indicator | 99,3 | 100,2 | 97,8 | 99,0 | 98,6 | 98,8 | 100,5 | 100,7 | 100,7 | 100,7 | 100,8 | 100,6 | 100,2 | 99,9 |
| D | gross national product index of industrial production | 1975= 100 | 99,0 | 118,9 | 118,6 | 117,2 | 116,5 | 117,3 | 118,5 | : | : | : | : | : | : |
| | 1. industrial confidence indicator | -49 | -14 | -30 | -33 | -38 | -30 | -23 | -17 | -21 | -19 | -19 | -15 | -13 | -11 |
| | 2. construction confidence indicator | -72 | -18 | -48 | -59 | -59 | -48 | -39 | -35 | -39 | -39 | -36 | -32 | -36 | -38 |
| | 3. consumer confidence indicator ^{1,4} | -22 | -5 | -22 | -26 | -28 | -17 | -7 | -11 | -8 | -10 | -10 | -12 | -12 | -12 |
| | 4. share-price index ^{4,5} | 80,0 | 106,3 | 108,7 | 108,3 | 111,2 | 121,3 | 139,4 | 139,2 | 138,9 | 142,9 | 140,8 | 137,8 | 143,8 | 147,6 |
| | = 5. economic sentiment indicator | 98,8 | 101,9 | 98,9 | 98,2 | 97,4 | 99,5 | 101,7 | 101,7 | 101,7 | 101,7 | 101,7 | 101,7 | 101,9 | 102,1 |
| F | gross domestic product index of industrial production | 1975= 100 | 98,5 | 117,5 | 117,8 | 120,0 | 120,5 | 120,4 | 121,0 | : | : | : | : | : | : |
| | 1. industrial confidence indicator | -49 | -15 | -30 | -17 | -20 | -18 | -23 | -28 | -25 | -29 | -28 | -27 | -21 | -23 |
| | 2. construction confidence indicator | : | -21 | -36 | -49 | -50 | -44 | -50 | -59 | : | -59 | : | : | -57 | : |
| | 3. consumer confidence indicator ^{1,4} | -9 | -10 | -9 | -5 | -10 | -9 | -17 | -18 | : | : | : | : | : | : |
| | 4. share-price index ^{4,5} | 79,8 | 148,8 | 131,5 | 131,0 | 130,0 | 144,3 | 166,3 | 183,0 | 168,3 | 176,9 | 185,5 | 186,6 | 194,8 | 197,4 |
| | = 5. economic sentiment indicator | 98,1 | 100,9 | 98,9 | 98,9 | 98,2 | 98,6 | 97,3 | 96,6 | 96,9 | 96,6 | 96,5 | 96,5 | 96,9 | 96,9 |
| IRL | gross domestic product index of industrial production | 1975= 100 | 121,5 | 123,6 | : | : | : | : | : | 141,8 | 145,4 | 139,6 | : | : | : |
| | 1. industrial confidence indicator | -41 | -31 | -18 | -19 | -24 | -26 | -24 | -17 | -23 | -18 | -20 | -13 | -16 | -15 |
| | 2. construction confidence indicator | : | -49 | -33 | -51 | -76 | -77 | -61 | -58 | -59 | -50 | -58 | -66 | -53 | -56 |
| | 3. consumer confidence indicator ^{1,4} | -41 | -22 | -28 | -34 | -39 | -36 | -44 | -41 | : | : | : | : | : | : |
| | 4. share-price index ^{4,5} | 63,4 | 211,9 | 219,9 | 179,9 | 177,9 | 171,6 | 206,8 | 249,7 | 222,0 | 237,6 | 250,6 | 261,0 | 268,3 | 268,5 |
| | = 5. economic sentiment indicator | 97,7 | 101,9 | 102,0 | 101,4 | 100,5 | 100,8 | 101,3 | 101,5 | 101,3 | 101,4 | 101,2 | 101,8 | 102,2 | 102,6 |
| I | gross domestic product index of industrial production | 1975= 100 | 93,1 | 120,8 | 120,9 | 120,5 | 118,5 | 119,3 | 117,3 | : | : | : | : | : | : |
| | 1. industrial confidence indicator | -59 | -13 | -31 | -31 | -36 | -35 | -33 | -27 | -30 | -29 | -27 | -24 | -22 | -25 |
| | 2. construction confidence indicator | -56 | -22 | -18 | -29 | -26 | -35 | -34 | 37 | -32 | -37 | -37 | -37 | -36 | -33 |
| | 3. consumer confidence indicator ^{1,4} | -39 | -22 | -22 | -18 | -26 | -25 | -21 | -22 | -22 | -22 | -22 | -21 | -24 | -23 |
| | 4. share-price index ^{4,5} | 84,6 | 105,4 | 160,0 | 129,9 | 127,4 | 154,7 | 161,6 | 161,9 | 158,4 | 162,1 | 172,9 | 170,0 | 160,0 | 160,3 |
| | = 5. economic sentiment indicator | 99,1 | 102,2 | 102,1 | 101,8 | 99,9 | 100,5 | 101,2 | 101,1 | 100,9 | 100,8 | 101,0 | 101,1 | 100,5 | 100,5 |
| NL | gross domestic product index of industrial production | 1975= 100 | 113,3 | 112,1 | 111,1 | : | : | : | : | 105,0 | 109,0 | 105,0 | 104,0 | : | : |
| | 1. industrial confidence indicator | -44 | -12 | -25 | -25 | -23 | -20 | -17 | -15 | -18 | -17 | -15 | -12 | -12 | -13 |
| | 2. construction confidence indicator | -47 | -24 | -32 | -41 | -40 | -42 | -37 | -32 | -39 | -35 | -32 | -29 | -26 | -26 |
| | 3. consumer confidence indicator ^{1,4} | -19 | -25 | -31 | -32 | -37 | -34 | -28 | : | : | : | : | : | : | : |
| | 4. share-price index ^{4,5} | 80,5 | 93,1 | 98,9 | 100,0 | 106,6 | 122,7 | 142,2 | 154,1 | 146,3 | 151,9 | 154,9 | 155,5 | 156,5 | 153,4 |
| | = 5. economic sentiment indicator | 99,6 | 99,4 | 98,3 | 98,1 | 97,8 | 98,8 | 100,2 | 100,9 | 100,3 | 100,7 | 100,9 | 101,1 | 101,2 | 101,0 |
| UK | gross domestic product index of industrial production | 1975= 100 | 98,1 | 108,1 | 106,7 | 109,2 | 111,4 | 113,1 | 111,1 | : | : | : | : | : | : |
| | 1. industrial confidence indicator | : | -43 | -33 | -25 | -28 | -21 | -10 | -6 | -7 | -9 | -5 | -4 | -8 | -1 |
| | 2. construction confidence indicator | : | -30 | -51 | -42 | -38 | -31 | -32 | -30 | : | -30 | : | -28 | : | : |
| | 3. consumer confidence indicator ^{1,4} | -33 | -18 | -21 | -12 | -7 | -6 | + 1 | 0 | + 2 | -1 | + 1 | -1 | -2 | -1 |
| | 4. share-price index ^{4,5} | 49,2 | 210,0 | 237,0 | 274,6 | 309,4 | 321,8 | 346,9 | 360,4 | 352,8 | 359,6 | 366,4 | 355,2 | 347,7 | 363,7 |
| | = 5. economic sentiment indicator | 95,0 | 101,5 | 100,9 | 101,8 | 102,4 | 102,9 | 103,7 | 103,8 | 103,9 | 103,7 | 104,0 | 103,8 | 103,5 | 103,9 |
| EC | gross domestic product ^{2,3} index of industrial production | 1975= 100 | 99,0 | 116,7 | 116,4 | 116,9 | 117,0 | 117,6 | 117,5 | : | : | : | : | : | : |
| | 1. industrial confidence indicator | -49 | -20 | -31 | -27 | -30 | -25 | -21 | -18 | -20 | -20 | -19 | -16 | -16 | -14 |
| | 2. construction confidence indicator | : | -23 | -39 | -43 | -48 | -41 | -40 | -41 | (-40) | -42 | (-41) | (-40) | -40 | (-40) |
| | 3. consumer confidence indicator ^{1,4} | -17 | -13 | -19 | -17 | -20 | -16 | -12 | -14 | -13 | -14 | -13 | -14 | -15 | -15 |
| | 4. share-price index ^{4,5} | 81,8 | 154,9 | 170,2 | 187,2 | 201,7 | 217,8 | 242,7 | 257,1 | 247,8 | 254,1 | 259,6 | 261,0 | 259,0 | 266,8 |
| | = 5. economic sentiment indicator | 97,4 | 102,4 | 99,9 | 100,1 | 99,2 | 100,7 | 102,1 | 102,3 | 102,2 | 102,1 | 102,4 | 102,2 | 102,2 | 102,4 |

¹ Quarterly series are constructed by attributing results of the January, May and October surveys to the first, second and fourth quarters respectively. Third quarter data are interpolated between second and fourth quarter values. For the message of construction of the indicator, see: European Economy - Supplement C.² Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.³ For the Federal Republic of Germany, gross national product.⁴ Not seasonally adjusted.⁵ Revised by Eurostat.

For definitions of series 1 to 5, see Tables 9 and 10 and box on page 8.

Source: European Community business surveys and Eurostat.

TABLE 9: Monthly survey of manufacturing industry — Monthly questions and the composite industrial confidence indicator (a)
 Net balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.) (b)

| | Range (c) | 1980 | | | | 1981 | | | | 1982 | | | | 1983 | | | | 1983 | | | | 1983 | | | | | | |
|--------|---------------------------------|-----------------|-----|-------------------|-----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|------|------|------|---|------|------|-------|---|------|---|------|--|
| | | Peak 1972/73 | | Trough 1974/75 | | IV | | | | I | | | II | | III | | June | | July | | Aug. | | Sept. | | Oct. | | Nov. | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B | production expectations | +31 | -56 | -24 | -26 | -18 | -25 | -23 | -19 | -15 | -20 | -15 | -15 | -14 | -10 | -10 | -7 | | | | | | | | | | | |
| | order-books | +13 | -74 | -31 | -45 | -40 | -41 | -39 | -36 | -33 | -35 | -35 | -32 | -32 | -29 | -29 | -31 | | | | | | | | | | | |
| | export order-books | +15 | -82 | -36 | -47 | -40 | -49 | -39 | -35 | -31 | -32 | -31 | -30 | -31 | -30 | -30 | -30 | -30 | | | | | | | | | | |
| | stocks of finished products | -14 | +37 | +11 | +11 | +8 | +11 | +8 | +10 | +9 | +12 | +12 | +12 | +7 | +10 | +10 | +10 | +10 | | | | | | | | | | |
| | selling-price expectations | +64 | -10 | +20 | +29 | +28 | +23 | +23 | +24 | +25 | +27 | +23 | +25 | +27 | +24 | +24 | +22 | +22 | | | | | | | | | | |
| | industrial confidence indicator | +19 | -56 | -22 | -27 | -22 | -26 | -23 | -21 | -19 | -22 | -21 | -18 | -18 | -16 | -16 | -16 | -16 | | | | | | | | | | |
| DK | production expectations | : | : | -4 | -3 | +4 | +9 | +5 | 0 | +6 | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | | |
| | order-books | : | : | -6 | -24 | -17 | -14 | -8 | -14 | -2 | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | | |
| | export order-books | : | : | +10 | -7 | -4 | -3 | -2 | -4 | -5 | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | | |
| | stocks of finished products | : | : | +16 | +17 | +16 | +16 | +14 | +10 | +9 | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | | |
| | industrial confidence indicator | : | : | -9 | -15 | -10 | -7 | -6 | -8 | -2 | : | : | : | : | : | : | : | : | : | : | : | : | : | : | : | | | |
| D | production expectations | +17 | -32 | -10 | -17 | -20 | -28 | -12 | -2 | +1 | -2 | -1 | 0 | +3 | +3 | +7 | | | | | | | | | | | | |
| | order-books | -5 | -73 | -21 | -46 | -53 | -57 | -54 | -46 | -40 | -44 | -41 | -42 | -37 | -35 | -32 | | | | | | | | | | | | |
| | export order-books (d) | +23 | +33 | -4 | -1 | -7 | -13 | -9 | -8 | -2 | -2 | -4 | -3 | 0 | +1 | +6 | | | | | | | | | | | | |
| | stocks of finished products | -7 | +43 | +11 | +26 | +26 | +29 | +25 | +20 | +13 | +18 | +15 | +14 | +11 | +8 | +9 | | | | | | | | | | | | |
| | selling-price expectations | +55 | +4 | +26 | +32 | +18 | +12 | +6 | +15 | +21 | +15 | +16 | +22 | +25 | +25 | +23 | | | | | | | | | | | | |
| | industrial confidence indicator | +10 | -49 | -14 | -30 | -33 | -38 | -30 | -23 | -17 | -21 | -19 | -19 | -15 | -13 | -11 | -11 | | | | | | | | | | | |
| F | production expectations | +33 | -29 | -6 | -11 | -4 | -13 | -9 | -13 | -18 | -15 | -20 | -18 | -16 | -8 | -14 | | | | | | | | | | | | |
| | order-books | +26 | -69 | -22 | -46 | -30 | -30 | -32 | -37 | -42 | -40 | -42 | -42 | -42 | -42 | -42 | -42 | | | | | | | | | | | |
| | export order-books | +24 | -66 | -29 | -47 | -36 | -40 | -42 | -44 | -39 | -40 | -39 | -39 | -40 | -30 | -25 | | | | | | | | | | | | |
| | stocks of finished products | -14 | +50 | +17 | +34 | +16 | +16 | +13 | +18 | +23 | +19 | +24 | +23 | +18 | +18 | +12 | +12 | | | | | | | | | | | |
| | selling-price expectations | +76 | +15 | +50 | +54 | +49 | +60 | +44 | +47 | +46 | +47 | +51 | +46 | +42 | +36 | +46 | +46 | | | | | | | | | | | |
| | industrial confidence indicator | +29 | -49 | -15 | -30 | -17 | -20 | -18 | -23 | -28 | -25 | -29 | -28 | -27 | -21 | -21 | -21 | | | | | | | | | | | |
| IRL | production expectations | : | -21 | -12 | -1 | -4 | -8 | -8 | -12 | -6 | -11 | -7 | -11 | +1 | -9 | -6 | | | | | | | | | | | | |
| | order-books | : | -68 | -50 | -36 | -39 | -47 | -53 | -50 | -41 | -46 | -42 | -45 | -37 | -37 | -37 | -37 | | | | | | | | | | | |
| | export order-books | : | -22 | -6 | +2 | -7 | -4 | -10 | -9 | +4 | -9 | -2 | +5 | +10 | +6 | +18 | | | | | | | | | | | | |
| | stocks of finished products | : | +35 | +31 | +16 | +14 | +18 | +17 | +10 | +4 | +11 | +5 | +4 | +2 | +1 | -1 | | | | | | | | | | | | |
| | selling-price expectations | : | +64 | +43 | +41 | +35 | +26 | +28 | +31 | +30 | +31 | +34 | +27 | +28 | +27 | +34 | | | | | | | | | | | | |
| | industrial confidence indicator | : | -41 | -31 | -18 | -19 | -24 | -26 | -24 | -17 | -23 | -18 | -20 | -13 | -16 | -15 | | | | | | | | | | | | |
| I | production expectations | +40 | -43 | -7 | -16 | -15 | -24 | -19 | -13 | -7 | -10 | -13 | -9 | +2 | +1 | -9 | | | | | | | | | | | | |
| | order-books | +30 | -82 | -22 | -49 | -53 | -58 | -62 | -59 | -50 | -52 | -51 | -49 | -51 | -48 | -47 | | | | | | | | | | | | |
| | export order-books | +13 | -67 | -37 | -45 | -49 | -53 | -55 | -54 | -47 | -50 | -46 | -47 | -47 | -47 | -43 | -40 | | | | | | | | | | | |
| | stocks of finished products | -24 | +53 | +11 | +28 | +25 | +27 | +24 | +25 | +23 | +27 | +22 | +24 | +22 | +19 | +19 | +19 | +19 | | | | | | | | | | |
| | selling-price expectations | +76 | +10 | +63 | +59 | +50 | +48 | +43 | +46 | +43 | +46 | +46 | +46 | +46 | +45 | +50 | +46 | | | | | | | | | | | |
| | industrial confidence indicator | +31 | -59 | -13 | -31 | -31 | -36 | -35 | -33 | -27 | -30 | -29 | -27 | -24 | -22 | -22 | -22 | -22 | | | | | | | | | | |
| L | production expectations | +84 | -80 | -33 | -39 | -40 | -36 | -27 | -7 | +5 | -12 | +7 | +4 | +3 | -3 | +9 | | | | | | | | | | | | |
| | order-books | : | : | -42 | -62 | -60 | -68 | -62 | -59 | -45 | -55 | -49 | -48 | -39 | -41 | -37 | | | | | | | | | | | | |
| | export order-books | : | : | -52 | -81 | : | -78 | -63 | -68 | -58 | -62 | -59 | -58 | -56 | -59 | -48 | | | | | | | | | | | | |
| | stocks of finished products | -14 | +74 | +63 | +28 | +14 | +25 | +51 | +22 | +20 | +21 | +20 | +17 | +22 | +6 | +2 | | | | | | | | | | | | |
| | selling-price expectations | : | -46 | +8 | +60 | +10 | -14 | +25 | +42 | +34 | +24 | +38 | +27 | +38 | -2 | -19 | -19 | -17 | | | | | | | | | | |
| | industrial confidence indicator | : | : | -46 | -43 | -38 | -43 | -47 | -29 | -20 | -29 | -21 | -20 | -19 | -17 | -17 | -17 | -17 | | | | | | | | | | |
| NL | production expectations | +26 | -26 | -3 | -6 | -5 | -9 | -4 | -1 | +1 | -4 | -2 | 0 | +5 | +7 | +2 | | | | | | | | | | | | |
| | order-books | +7 | -48 | -20 | -37 | -39 | -36 | -38 | -33 | -31 | -34 | -32 | -31 | -29 | -27 | -28 | | | | | | | | | | | | |
| | stocks of finished products | -3 | +57 | +15 | +32 | +33 | +24 | +17 | +16 | +15 | +17 | +17 | +15 | +12 | +15 | +14 | +14 | | | | | | | | | | | |
| | industrial confidence indicator | +12 | -44 | -13 | -25 | -26 | -23 | -20 | -17 | -15 | -18 | -17 | -15 | -12 | -12 | -13 | -13 | | | | | | | | | | | |
| UK | production expectations | : | : | -30 | -4 | +1 | -5 | +4 | +15 | +22 | +19 | +19 | +23 | +25 | +18 | +27 | | | | | | | | | | | | |
| | order-books | : | : | -65 | -69 | -54 | -56 | -48 | -33 | -29 | -29 | -32 | -26 | -28 | -29 | -27 | | | | | | | | | | | | |
| | export order-books | : | : | -45 | -55 | -48 | -53 | -47 | -34 | -32 | -29 | -34 | -34 | -27 | -27 | -27 | | | | | | | | | | | | |
| | stocks of finished products | : | : | +34 | +27 | +23 | +23 | +18 | +13 | +11 | +11 | +15 | +11 | +8 | +12 | +6 | | | | | | | | | | | | |
| | selling-price expectations | : | : | +36 | +25 | +27 | +17 | +21 | +25 | +26 | +24 | +22 | +29 | +29 | +26 | +28 | +32 | | | | | | | | | | | |
| | industrial confidence indicator | : | : | -43 | -33 | -25 | -28 | -21 | -10 | -6 | -7 | -9 | -5 | -4 | -8 | -1 | | | | | | | | | | | | |
| EC (e) | production expectations | +24 | -30 | -13 | -13 | -11 | -17 | -9 | -4 | -1 | -3 | -4 | -2 | +2 | +2 | +3 | | | | | | | | | | | | |
| | order-books | +15 | -70 | -31 | -51 | -47 | -49 | -47 | -42 | -39 | -40 | -39 | -40 | -37 | -36 | -33 | | | | | | | | | | | | |
| | export order-books | +14 | -48 | -24 | -31 | -30 | -34 | -32 | -28 | -24 | -24 | -25 | -25 | -23 | -19 | -15 | | | | | | | | | | | | |
| | stocks of finished products | -10 | +48 | +17 | +28 | +22 | +23 | +19 | +18 | +16 | +18 | +18 | +16 | +14 | +13 | +11 | +11 | | | | | | | | | | | |
| | selling-price expectations | +64 | +9 | +38 | +40 | +32 | +30 | +24 | +29 | +32 | +29 | +32 | +32 | +32 | +32 | +32 | +34 | | | | | | | | | | | |
| | industrial confidence indicator | +16 | -49 | -20 | -31 | -27 | -30 | -25 | -21 | -18 | -20 | -20 | -19 | -16 | -16 | -14 | -14 | | | | | | | | | | | |

(a) The indicator is an average of the responses (net balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

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

(c) 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.

(d) The series for the Federal Republic of Germany concerns the export outlook, rather than orders as such.

(e) Not including Greece, where the survey time series are too short to permit an analysis of trends. (The Community survey was extended to Greece at the beginning of 1981.)

Note: (s.a.) = seasonally adjusted.

: = not available.

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

Source: European Community business surveys.

TABLE 10: Survey of the construction industry

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

| | Range (c) | | 1980 | 1981 | 1982 | 1982 | 1983 | | | 1983 | | | | | | |
|-----|---------------------------------------|-----------------|------|------|------|------|------|-----|-----|------|-------|------|-------|-------|------|-------|
| | Peak 72/73 | Trough 74/75 | | | | | IV | I | II | III | June | July | Aug. | Sept. | Oct. | Nov. |
| B | order-books | -13 | -47 | -32 | -53 | -61 | -68 | -71 | -72 | -73 | -73 | -73 | -73 | -74 | -73 | -76 |
| | employment expectations | +31 | -24 | -23 | -41 | -36 | -37 | -41 | -42 | -37 | -40 | -35 | -40 | -37 | -41 | -49 |
| | price expectations | +75 | +25 | +31 | +8 | -1 | -4 | -8 | -14 | -8 | -11 | -6 | -11 | -6 | -12 | -12 |
| | construction confidence indicator (a) | +9 | -36 | -28 | -47 | -49 | -53 | -56 | -57 | -55 | -57 | -54 | -57 | -56 | -57 | -63 |
| D | order-books | -17 | -84 | -30 | -61 | -73 | -73 | -69 | -62 | -56 | -60 | -59 | -57 | -53 | -55 | -53 |
| | employment expectations | +10 | -60 | -7 | -35 | -44 | -45 | -28 | -16 | -14 | -17 | -19 | -14 | -10 | -16 | -22 |
| | price expectations | +48 | -37 | -5 | -41 | -28 | -12 | -7 | -2 | +8 | 0 | +5 | +9 | +11 | +12 | +11 |
| | construction confidence indicator | -4 | -72 | -18 | -48 | -59 | -48 | -39 | -35 | -39 | -39 | -36 | -32 | -36 | -38 | -38 |
| F | order-books | : | : | -31 | -48 | -62 | -64 | -58 | -63 | -70 | : | -70 | : | -72 | : | : |
| | employment expectations | : | : | -12 | -24 | -35 | -35 | -29 | -37 | -47 | : | -47 | : | -41 | : | : |
| | construction confidence indicator | : | : | -21 | -36 | -49 | -50 | -44 | -50 | -59 | : | -59 | : | -57 | : | : |
| I | order-books | -25 | -68 | -33 | -29 | -44 | -51 | -49 | -49 | -50 | -48 | -48 | -51 | -50 | -43 | -43 |
| | employment expectations | +10 | -44 | -11 | -7 | -13 | -27 | -21 | -19 | -24 | -16 | -26 | -23 | -24 | -28 | -22 |
| | price expectations | +85 | +30 | +71 | +71 | +54 | +30 | +20 | +13 | +10 | +3 | +15 | +2 | +12 | +8 | +13 |
| | construction confidence indicator | -8 | -56 | -22 | -18 | -29 | -26 | -35 | -34 | -37 | -32 | -37 | -37 | -36 | -36 | -33 |
| L | order-books | +21 | -50 | -12 | -21 | -46 | -51 | -48 | -57 | -49 | -52 | -44 | -50 | -54 | -52 | -63 |
| | employment expectations | +31 | -39 | +6 | -6 | -25 | -17 | -32 | -32 | -39 | -42 | -27 | -38 | -51 | -42 | -38 |
| | price expectations | +82 | +11 | +45 | +30 | +17 | +12 | +3 | -18 | -22 | -30 | -24 | -27 | -15 | -28 | -29 |
| | construction confidence indicator | +26 | -45 | -5 | -14 | -36 | -34 | -40 | -45 | -44 | -47 | -36 | -44 | -53 | -47 | -51 |
| NL | order-books | -8 | -81 | -39 | -50 | -57 | -59 | -59 | -57 | -54 | -59 | -55 | -54 | -54 | -48 | -48 |
| | employment expectations | +14 | -13 | -8 | -14 | -25 | -21 | -24 | -16 | -9 | -18 | -14 | -9 | -4 | -3 | -4 |
| | construction confidence indicator | +3 | -47 | -24 | -32 | -41 | -40 | -42 | -37 | -32 | -39 | -35 | -32 | -29 | -26 | -26 |
| UK | order-books | : | : | -33 | -60 | -59 | -58 | -47 | -52 | -46 | : | -46 | : | -47 | : | : |
| | employment expectations | : | : | -27 | -42 | -25 | -18 | -14 | -11 | -13 | : | -13 | : | -9 | : | : |
| | price expectations | : | : | +53 | -16 | 0 | -3 | +11 | +6 | +15 | : | +15 | : | +12 | : | : |
| | construction confidence indicator | : | : | -30 | -51 | -42 | -38 | -31 | -32 | -30 | : | -30 | : | -28 | : | : |
| EC | order-books | : | : | -32 | -51 | -61 | -63 | -58 | -58 | -57 | (-57) | -57 | (-57) | (-56) | -56 | (-55) |
| (d) | employment expectations | : | : | -14 | -28 | -24 | -32 | -25 | -22 | -24 | (-22) | -26 | (-24) | (-23) | -23 | (-24) |
| | construction confidence indicator | : | : | -23 | -39 | -43 | -48 | -41 | -40 | -41 | (-40) | -42 | (-41) | (-40) | -40 | (-40) |

(a) The indicator is an average of the responses (net balances) to the questions on order-books and employment expectations.

(b) Details of the questions are given below.

(c) 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.

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

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 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?
- order-books: above normal, normal, below normal?
- export order-books: above normal, normal, below normal?
- stocks of finished products: above normal, normal, below normal?
- production expectations for the months ahead: up, unchanged, down?
- 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 (January, April, July and October):

- 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 Trades Employers, for the construction survey.

The surveys of manufacturing industry are broken down by 20 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*.

ECONOMIC SENTIMENT INDICATOR

The economic sentiment indicator is a composite measure in which the industrial confidence indicator, the consumer confidence indicator and the share price index are given equal weight, while the construction confidence indicator (an average of two series of the EC survey of the construction industry, namely employment expectations and judgments on the level of order-books) is attributed half the weight of each of the other three. The share price index is included in the composite indicator in ratio-to-trend form, in order to separate short-term or cyclical variations from long-term increases in the real and nominal value of stocks and shares. The long-term trend of the series is calculated using the NBER Bry-Boschan growth cycle programme. For a fuller description of the economic sentiment indicator and its components, see the technical note in the November 1982 issue of this Supplement.

Price (excluding VAT) in Luxembourg

| ECU | BFR | IRL | UKL | USD |
|---|------|-----|------|------|
| Series B — 'Economic prospects — Business survey results' (11 issues per year) | 9.82 | 400 | 6.75 | 5.80 |