

EUROPEAN ECONOMY

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

Supplement B — No 6 — June 1987

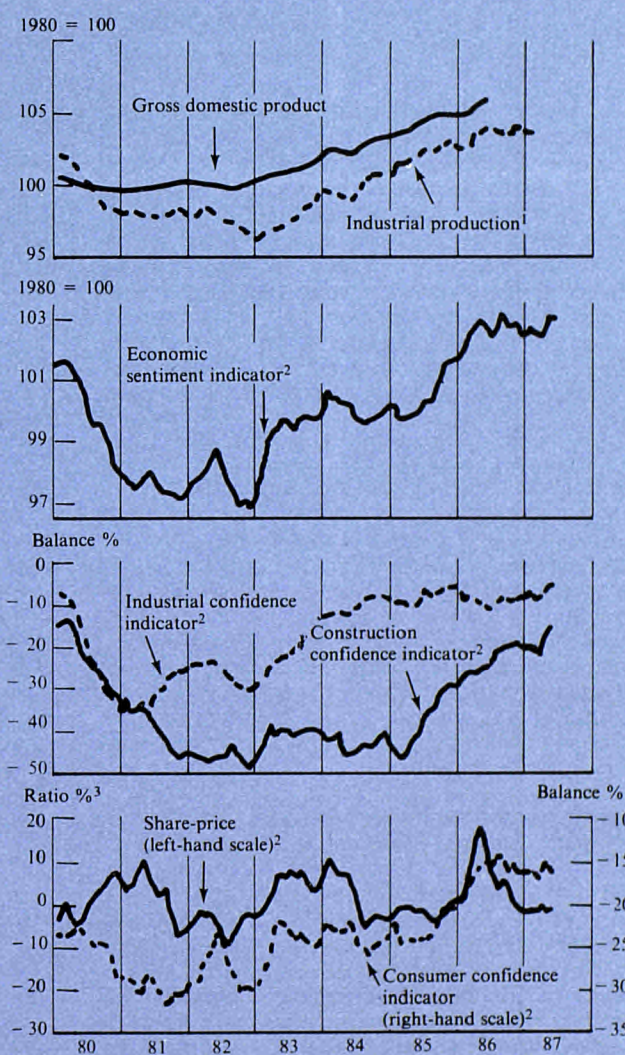
*In this number:
Revised plans
in industry*

Business and consumer survey results

THE MAIN POINTS IN BRIEF

- The economic picture in the Community is again split. The Community leading indicator showed no change in May (103.1; 1980=100). It weakened in all the member countries apart from the United Kingdom and Belgium. The overall economic situation is at present lacking in dynamism. The appropriate strengthening of domestic demand is becoming increasingly important, as the Commission has again proposed to the Council.
- The planned increase in output in European industry over the next two months is too small to prevent a decline in employment. But in the retail trade planned employment in several member countries is on the increase.
- The main effect of the exchange rate fluctuations since last autumn has been that European industrial companies have had to adjust their profit estimates for 1987 downward. This is particularly true of the investment goods and basic industries sectors. By contrast, the downward adjustment of investment plans for 1987 was for the most part only slight, and smaller than for production and employment plans.
- In May, the consumer climate indicator for the Community as a whole was slightly down. The main element to weaken was the readiness to purchase consumer durables.
- Although the price expectations of industrial companies and consumers have risen, in most member countries they are still nowhere near the values which would indicate an immediate danger of inflation.

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



¹ Three-month moving average.

² See notes to Table 3.

³ Deviations from trend in %.

The economic picture in the Community is again split. — Hope of a further improvement in the leading indicator after its vigorous rise in April were not fulfilled in May. The Community leading indicator showed no change in May and remained standing at April's relatively high level (103.1; 1980=100). On the whole the economic situation in the Community continues to show little dynamism. The indicators are not, indeed, pointing to an impending downturn but nor do they give any clear indication of a renewed upswing. This situation underscores the need for a resolute application of the cooperative growth strategy as the Commission emphasized in its most recent communication to the Council.

The indicator's standstill at Community level conceals a variety of trends in the individual member countries: the leading indicator in the United Kingdom showed a further vigorous rise (from 104.9 to 105.6; 1980=100). All the individual components contributed to this, above all the industrial confidence indicator and share prices. In Belgium the slight improvement in the composite indicator was chiefly attributable to the more favourable situation in industry. But in all the other member countries the leading indicator weakened in May. This is especially true of France and Ireland (from 98.9 to 98.5 and from 101.4 to 101.0 respectively): in both countries almost all the components of the indicator deteriorated somewhat. But the leading indicator was also down in Italy and in the Netherlands (from 103.7 to 103.4 and from 106.4 to 106.1 respectively; 1980=100). In Italy the main cause was the more unfavourable reports from industry and in the Netherlands the cooler consumer climate. In the Federal Republic of Germany the leading indicator remained virtually static (99.9 compared with 100.0; 1980=100); the downward trend of the consumer climate and share prices contrasted with a better business climate in industry and above all in construction.

Production trend in industry pointing slightly upward in the next few months. — On the whole there is no change in the positive production prospects in European industry for the next three to four months (+7)*, chiefly because of the expansionary plans of British industrial companies. Around one-third of them are planning to increase output (+31). Assessments of the future production trend are also relatively confident in Ireland (+14) and in Italy (+6), although in both countries optimism is less strong than in April. By contrast, in Germany, Belgium and Luxembourg production plans are again down, though less sharply than in the previous months. In France and the Netherlands production is expected to stand still, or at best to increase slightly.

Broken down by industrial sectors, the investment goods and basic industries are gaining some ground, while in the consumer goods sector production is losing some of its momentum. This trend is particularly marked in Italy and France. For the Community as a whole production plans in these three areas are now very close to one another (consumer goods +6; investment goods +5 and basic industries +8). The broader basis of the production upswing is certainly welcome, but its intensity still leaves much to be desired in most member countries.

Price expectations in industry have risen. — Industrial companies in nearly all the member countries are expecting that in the next few months prices will rise more sharply than hitherto (+20 compared with +16). A closer analysis shows that expectations of price rises are more frequent chiefly in the basic industries sector, including mineral oil refining, the chemical industry and metal production. But despite the expectations of higher prices there can at present be no talk of an immediate danger of inflation. This becomes plain from a comparison with the two previous cyclical upswings: at the peak of the 1979/80 upswing,

price expectations stood at +53 and in the 1982/83 cycle as high as +64. Even in the trough of the 1982/83 cycle price expectations in industry were still somewhat more pronounced than today (+22 compared with +20). Greece and the United Kingdom are the only exceptions to the generally moderate price expectations: reports on expected price rises in industry have risen markedly in these two countries in recent months (in Greece from -1 in January to +29 in April and in the United Kingdom from +21 to +30) over the same period.

Employment plans are down in industry, but up in the retail trade.

— Because production prospects are no more than moderate in most of the member countries, European *industrial companies* have again curtailed their employment plans for the next three to four months (see Graph 8). The incipient recovery discernible at the beginning of the year thus petered out. The reduction in planned employment is particularly marked in Germany, Luxembourg and the Netherlands. But in Italy there is still evidence of an incipient recovery, although this is not yet reflected in an increase in the numbers employed, but only in their slower decline. In the United Kingdom and in Ireland the planned expansion of production did not in the end lead to rising employment expectations; but in both member countries the opinion of industrial companies on employment prospects for the next few months is still more favourable than the Community average.

Employment expectations in *the retail trade*¹ were more positive than in industry. An increase in the numbers employed is planned chiefly in the United Kingdom, the Netherlands and Belgium. In Germany, France and Italy a net slight decline in the numbers employed in the retail trade is expected; but in these countries too, employment plans are markedly more favourable than in industry (see Graph 9).

Revised plans of industry for 1987 in the wake of the exchange rate changes which have occurred since last autumn. — The Commission requested the institutes taking part in the monthly industrial surveys to ask firms whether they had revised their plans for 1987 to take account of the changes in the external value of their respective currencies since last autumn².

Even though it is difficult to make a general statement because the questionnaires do not completely coincide in all the member countries, some of the same tendencies nevertheless clearly emerge nearly everywhere (see Table 2).

In all the countries the revised plans relate especially to lower profit estimates for 1987. Admittedly this applies mainly to the member countries whose currencies have appreciated by more than the average since last autumn (German mark, Belgian and Luxembourg franc, Dutch florin; see Table 1). But it is also true of France, where the currency appreciation since September 1986 has been below average, and of Greece, where the drachma's external value has indeed risen against the dollar, but shows a marked depreciation against the weighted average of the currencies of major industrialised trading partners. The United Kingdom and Ireland were the only countries in which firms saw cause to revise their profits estimate only slightly downward for 1987. This result is consistent with the movement of pound sterling and the Irish pound, both of which have

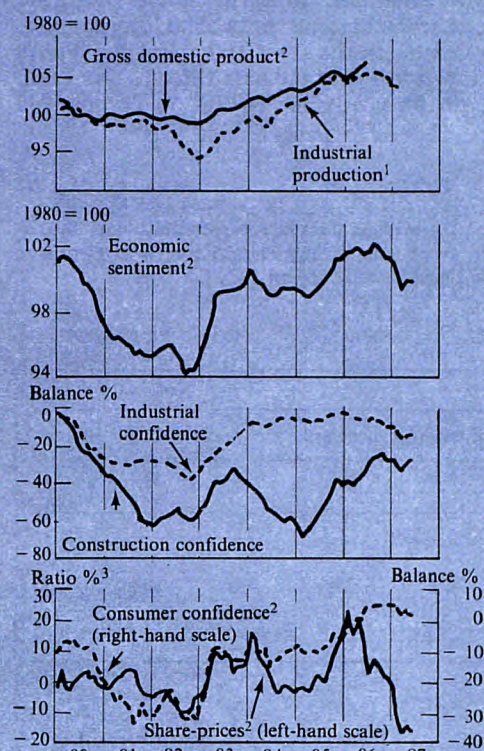
* All the following figures in the text represent balances of positive and negative replies.

¹ Until now survey results for the retail trade have been available for only six member countries (Belgium, the Federal Republic of Germany, France, Italy, the Netherlands and the United Kingdom). Since the time series are still too short, no seasonal adjustment is possible.

² The results of this special question for the Federal Republic of Germany have already been published in the April issue of Supplement B. The results for Belgium, France, Greece, Ireland, Luxembourg, the Netherlands and the United Kingdom have since also become available. The results for Italy, Spain and Portugal are still awaited; Denmark did not take part in this special survey.

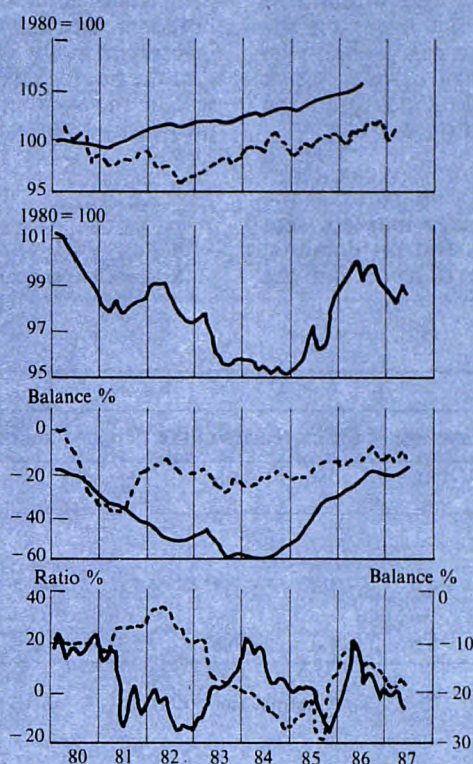
GRAPHS 2-7: Indicators of output and economic sentiment

GRAPH 2: Federal Republic of Germany



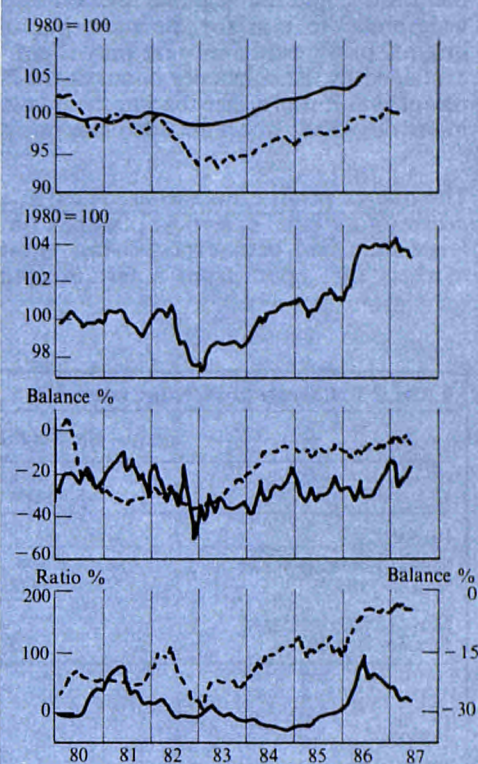
- ¹ Three-month moving average.
- ² See notes to Table 3.
- ³ Deviations from trend in %.

GRAPH 3: France



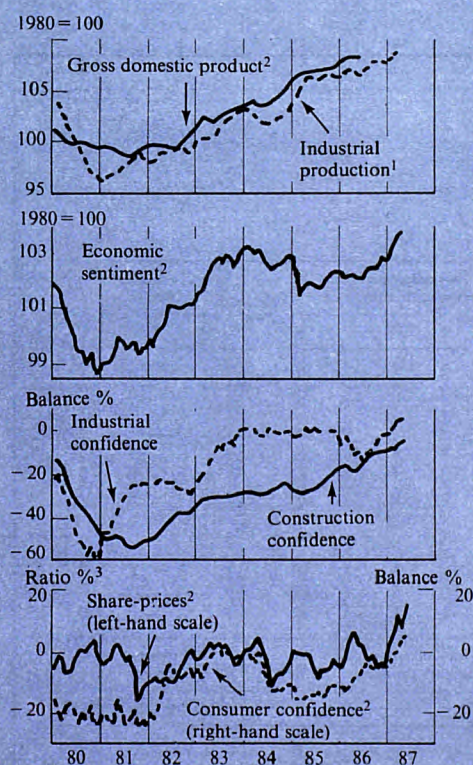
For explanations, see Graph 2.

GRAPH 4: Italy



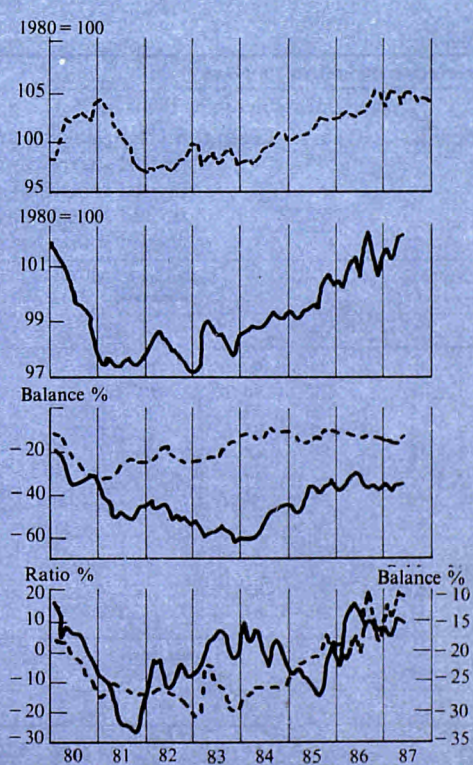
For explanations, see Graph 2.

GRAPH 5: United Kingdom



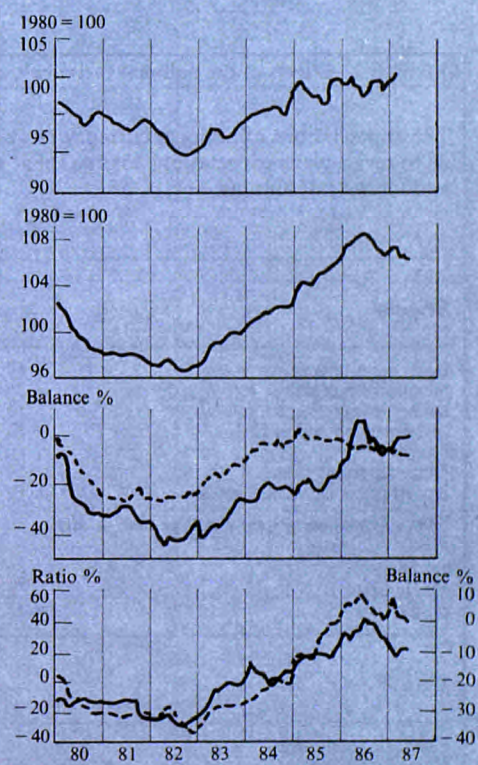
- ¹ Three-month moving average.
- ² See notes to Table 3.
- ³ Deviations from trend in %.

GRAPH 6: Belgium



For explanations, see Graph 5.

GRAPH 7: Netherlands



For explanations, see Graph 5.

appreciated since last autumn, but are down in value compared with the beginning of 1986 (see Table 1).

In most of the member countries surveyed the original profit estimated had to be reduced mainly in the *investment goods* and *basic industries* sectors. In the consumer goods industries both the positive and the negative revision of plans were by contrast widespread so that for the most part the net losses on the original profit estimates were only slight. This can probably be explained by the consumer boom of the last few months, which meant that it was easier than in the investment goods and basic industries sector to obtain adequate prices on the market.

The poorer profit estimates are chiefly due to the fact that the prices (in national currency) obtained on foreign markets were lower than had been expected last autumn. But on domestic markets too, apart from a few exceptions (Greece and the

United Kingdom) the actual price trend fell short of what had been expected, especially in the basic industries.

Despite the poorer profit outlook in all the member countries the curtailment of *investment plans* for 1987 (domestic investments) was relatively slight. The plans for foreign investment proved to be even more stable than those for domestic investment. This confirms the experience of earlier cycles: because both increases and decreases in investment take so long to plan, investment is not very flexible in the short term. But the fear is that the poorer sales expectations for the next three to five years will in the medium term have adverse effects on companies' propensity to invest³.

³ The question about changes in medium-term sales expectations (next three to five years) was, however, asked only in the Federal Republic of Germany, Belgium, Luxembourg and the United Kingdom.

TABLE 1: Changes in exchange rates (%)

against the weighted average of the currencies of the 19 major industrial trading partners

| Currency | BFR LFR | DKR | DM | DR | FF | IRL | LIT | HFL | UKL | ESC | PES |
|---|------------|-------|--------|--------|-------|-------|-------|-------|-------|-------|-------|
| Period | | | | | | | | | | | |
| May a) 1987 compared Sept. a) 1986 | + 3,0 | + 4,4 | + 4,3 | - 7,8 | + 2,0 | + 0,7 | - 0,6 | + 3,1 | - 4,0 | - 4,4 | - 2,3 |
| May a) 1987 compared January a) 1986 | + 7,5 | + 8,5 | + 11,6 | - 10,8 | + 1,1 | - 1,5 | + 4,7 | + 8,4 | - 4,2 | - 8,4 | - 0,4 |

against the dollar

| | | | | | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Period | | | | | | | | | | | |
| May a) 1987 compared Sept. a) 1986 | + 14,1 | + 14,8 | + 14,2 | + 1,5 | + 11,9 | + 11,2 | + 9,2 | + 14,4 | + 13,4 | + 5,5 | + 7,1 |
| May a) 1987 compared January a) 1986 | + 34,9 | + 33,2 | + 36,8 | + 11,5 | + 25,6 | + 20,2 | + 29,1 | + 36,8 | + 17,1 | + 13,4 | + 22,3 |

BFR LFR = Belgian/Luxembourg franc; DKR = Danish krone; DM = German mark; DR = Greek drachma; FF = French franc; IRL = Irish pound; LIT = Italian lira; HFL = Dutch guilder; UKL = pound sterling; ESC = Portuguese escudo; PES = Spanish peseta.

a) Monthly average in each case.

Source: Commission departments.

TABLE 2: Effects of the national currency's appreciation on industry's plans

(Assessments made by firms, as %)

The appreciations of national currency has prompted us to revise plans/expectations for 1987 that we announced last autumn

Legend: no change

revised sharply upwards

revised somewhat upwards

revised sharply downwards

revised somewhat downwards

| Belgium | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/primary products | | | | | Consumer goods | | | | |
|---|---------------------|----|----|----|----|--------------------------------|----|----|----|----|--------------------------------|----|---|----|----|----------------|----|----|----|----|
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 69 | 0 | 7 | 6 | 18 | 86 | 0 | 0 | 3 | 11 | 59 | 0 | 3 | 12 | 26 | 68 | 0 | 18 | 1 | 13 |
| Numbers employed | 76 | 0 | 7 | 5 | 12 | 86 | 0 | 0 | 2 | 12 | 73 | 0 | 2 | 10 | 15 | 75 | 0 | 16 | 0 | 9 |
| Domestic investment | 84 | 1 | 4 | 5 | 6 | 77 | 1 | 11 | 0 | 11 | 82 | 1 | 1 | 9 | 7 | 92 | 0 | 3 | 3 | 2 |
| Investment abroad in DM | 88 | 0 | 4 | 4 | 4 | 97 | 0 | 2 | 0 | 1 | 80 | 0 | 3 | 9 | 8 | 90 | 0 | 8 | 0 | 2 |
| Profits | 40 | 4 | 10 | 11 | 35 | 48 | 18 | 0 | 5 | 29 | 37 | 1 | 4 | 19 | 39 | 39 | 0 | 23 | 4 | 34 |
| Domestic selling prices | 79 | 0 | 5 | 3 | 13 | 88 | 0 | 9 | 2 | 1 | 69 | 0 | 3 | 6 | 22 | 88 | 0 | 5 | 0 | 7 |
| Export prices in national money | 54 | 0 | 5 | 15 | 26 | 44 | 1 | 4 | 27 | 24 | 49 | 0 | 6 | 15 | 30 | 66 | 0 | 4 | 7 | 23 |
| Sales expectations for the coming three to five years | | | | | | | | | | | | | | | | | | | | |
| a) Total | 60 | 0 | 11 | 5 | 24 | 71 | 0 | 1 | 1 | 27 | 52 | 1 | 6 | 5 | 36 | 62 | 0 | 24 | 7 | 7 |
| b) Domestic | 78 | 0 | 10 | 1 | 11 | 92 | 0 | 1 | 0 | 7 | 75 | 0 | 5 | 2 | 18 | 73 | 0 | 21 | 0 | 6 |
| c) Exports | 53 | 0 | 11 | 6 | 30 | 67 | 0 | 3 | 1 | 29 | 44 | 1 | 6 | 5 | 42 | 53 | 0 | 22 | 10 | 15 |
| Greece | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/primary products | | | | | Consumer goods | | | | |
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 54 | 14 | 5 | 21 | 6 | 46 | 36 | 0 | 18 | 0 | 47 | 13 | 6 | 28 | 6 | 66 | 10 | 5 | 12 | 7 |
| Domestic investment | 53 | 11 | 6 | 16 | 14 | 64 | 0 | 9 | 27 | 0 | 51 | 11 | 7 | 17 | 14 | 54 | 12 | 5 | 12 | 17 |
| Profits | 27 | 16 | 2 | 38 | 17 | 18 | 9 | 0 | 64 | 9 | 31 | 13 | 4 | 35 | 17 | 24 | 21 | 0 | 36 | 19 |
| Domestic selling prices | 48 | 36 | 4 | 9 | 3 | 55 | 27 | 9 | 0 | 9 | 38 | 38 | 6 | 14 | 4 | 59 | 36 | 0 | 5 | 0 |
| Export prices in national money | 52 | 27 | 4 | 12 | 5 | 67 | 33 | 0 | 0 | 0 | 49 | 25 | 8 | 12 | 6 | 53 | 26 | 0 | 16 | 5 |
| Domestic sales | 60 | 11 | 4 | 19 | 6 | 46 | 9 | 9 | 36 | 0 | 55 | 11 | 4 | 23 | 7 | 69 | 10 | 2 | 12 | 7 |
| Exports | 46 | 20 | 3 | 16 | 15 | 45 | 33 | 0 | 11 | 11 | 48 | 12 | 2 | 24 | 14 | 40 | 29 | 5 | 8 | 18 |

TABLE 2 (continued): Effects of the national currency's appreciation on industry's plans

(Assessments made by firms, as %)

The appreciations of national currency has prompted us to revise plans/expectations for 1987 that we announced last autumn

Legend: no change

revised sharply upwards

revised somewhat upwards

revised sharply downwards

revised somewhat downwards

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| France | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/ primary products | | | | | Consumer goods | | | | |
|---------------------------------|---------------------|----|----|----|----|--------------------------------|----|----|----|----|---------------------------------|----|----|----|----|----------------|----|----|----|----|
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 76 | 1 | 4 | 5 | 14 | 69 | 1 | 6 | 4 | 20 | 76 | 0 | 4 | 6 | 14 | 81 | 0 | 3 | 6 | 10 |
| Domestic investment | 86 | 1 | 3 | 3 | 7 | 87 | 1 | 3 | 3 | 6 | 85 | 1 | 4 | 3 | 7 | 89 | 0 | 2 | 2 | 6 |
| Investment abroad in DM | 88 | 1 | 5 | 2 | 4 | 89 | 1 | 2 | 2 | 6 | 87 | 1 | 5 | 3 | 4 | 87 | 0 | 10 | 2 | 1 |
| Profits | 56 | 1 | 8 | 11 | 25 | 52 | 0 | 7 | 11 | 30 | 55 | 0 | 7 | 12 | 26 | 62 | 2 | 11 | 8 | 17 |
| Domestic selling prices | 74 | 0 | 9 | 4 | 13 | 73 | 0 | 12 | 2 | 12 | 70 | 0 | 8 | 5 | 17 | 83 | 0 | 8 | 3 | 6 |
| Export prices in national money | 60 | 1 | 10 | 11 | 18 | 56 | 1 | 9 | 13 | 21 | 56 | 1 | 12 | 12 | 19 | 72 | 3 | 9 | 5 | 11 |
| Domestic sales | 80 | 1 | 5 | 3 | 11 | 76 | 1 | 7 | 2 | 14 | 78 | 1 | 6 | 4 | 11 | 85 | 1 | 3 | 4 | 7 |
| Exports | 57 | 1 | 9 | 14 | 19 | 53 | 2 | 9 | 15 | 21 | 54 | 1 | 11 | 14 | 20 | 68 | 1 | 5 | 13 | 13 |

| Luxembourg | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/ primary products | | | | | Consumer goods | | | | |
|---|---------------------|----|---|----|----|--------------------------------|----|----|----|----|---------------------------------|----|---|----|----|----------------|----|----|----|----|
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 56 | 0 | 2 | 1 | 41 | 77 | 0 | 11 | 5 | 7 | 45 | 0 | 1 | 0 | 54 | 96 | 0 | 1 | 0 | 3 |
| Numbers employed | 53 | 0 | 3 | 1 | 43 | 80 | 0 | 14 | 2 | 4 | 38 | 0 | 2 | 1 | 59 | 100 | 0 | 0 | 0 | 0 |
| Domestic investment | 95 | 1 | 3 | 0 | 1 | 94 | 1 | 2 | 3 | 0 | 96 | 1 | 3 | 0 | 0 | 93 | 0 | 2 | 0 | 5 |
| Investment abroad in DM | 92 | 3 | 1 | 0 | 4 | 67 | 14 | 0 | 0 | 19 | 98 | 1 | 1 | 0 | 0 | 90 | 0 | 0 | 0 | 10 |
| Profits | 42 | 0 | 6 | 5 | 47 | 55 | 0 | 11 | 11 | 23 | 33 | 0 | 5 | 6 | 56 | 70 | 0 | 8 | 0 | 22 |
| Domestic selling prices | 91 | 0 | 2 | 1 | 6 | 96 | 0 | 3 | 1 | 0 | 91 | 0 | 0 | 1 | 8 | 90 | 0 | 9 | 0 | 1 |
| Export prices in national money | 46 | 0 | 5 | 45 | 4 | 89 | 0 | 0 | 7 | 4 | 32 | 0 | 6 | 60 | 2 | 79 | 0 | 10 | 1 | 10 |
| Sales expectations for the next 3-5 years | 54 | 0 | 6 | 0 | 40 | 81 | 0 | 12 | 3 | 4 | 44 | 0 | 1 | 0 | 55 | 76 | 0 | 23 | 0 | 1 |

| Netherlands | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/ primary products | | | | | Consumer goods | | | | |
|---|---------------------|----|----|----|----|--------------------------------|----|----|----|----|---------------------------------|----|----|----|----|----------------|----|----|----|----|
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 70 | 0 | 4 | 3 | 23 | 64 | 1 | 2 | 6 | 26 | 71 | 0 | 6 | 1 | 22 | 72 | 1 | 2 | 2 | 24 |
| Numbers employed | 77 | 0 | 1 | 4 | 18 | 71 | 0 | 1 | 3 | 24 | 83 | 0 | 1 | 6 | 10 | 72 | 0 | 1 | 2 | 25 |
| Domestic investment | 90 | 0 | 1 | 2 | 6 | 87 | 0 | 1 | 2 | 9 | 90 | 0 | 1 | 3 | 6 | 92 | 1 | 1 | 2 | 5 |
| Investment abroad in DM | 93 | 0 | 2 | 2 | 4 | 91 | 1 | 2 | 4 | 4 | 94 | 0 | 1 | 1 | 4 | 93 | 0 | 2 | 2 | 3 |
| Profits | 37 | 2 | 10 | 12 | 39 | 44 | 1 | 12 | 13 | 30 | 34 | 1 | 12 | 13 | 40 | 38 | 3 | 6 | 9 | 43 |
| Domestic selling prices | 61 | 0 | 2 | 8 | 28 | 75 | 0 | 3 | 5 | 17 | 51 | 1 | 2 | 11 | 36 | 66 | 0 | 1 | 8 | 25 |
| Export prices in national money | 40 | 1 | 6 | 24 | 28 | 51 | 1 | 4 | 27 | 18 | 35 | 1 | 5 | 20 | 39 | 41 | 1 | 11 | 28 | 20 |
| Sales expectations for the next 1-2 years | 54 | 1 | 4 | 6 | 35 | 52 | 0 | 4 | 8 | 36 | 54 | 1 | 4 | 5 | 36 | 57 | 0 | 4 | 5 | 34 |

| Ireland | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/ primary products | | | | | Consumer goods | | | | |
|---|---------------------|----|----|----|----|--------------------------------|----|----|----|----|---------------------------------|----|----|----|----|----------------|----|----|----|----|
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 81 | 0 | 6 | 4 | 9 | 80 | 0 | 16 | 0 | 4 | 84 | 0 | 4 | 3 | 9 | 78 | 0 | 3 | 8 | 12 |
| Domestic investment | 85 | 0 | 3 | 3 | 8 | 84 | 0 | 12 | 0 | 4 | 84 | 1 | 1 | 0 | 14 | 87 | 0 | 0 | 8 | 5 |
| Investment abroad in DM | 93 | 0 | 3 | 0 | 3 | 96 | 0 | 0 | 0 | 4 | 92 | 1 | 3 | 1 | 3 | 91 | 0 | 6 | 0 | 3 |
| Profits | 34 | 2 | 29 | 10 | 25 | 18 | 0 | 33 | 6 | 43 | 26 | 5 | 46 | 11 | 12 | 51 | 0 | 10 | 12 | 27 |
| Domestic selling prices | 71 | 0 | 12 | 5 | 12 | 82 | 0 | 14 | 2 | 2 | 68 | 0 | 19 | 4 | 9 | 68 | 0 | 4 | 8 | 21 |
| Export prices in national money | 60 | 1 | 13 | 9 | 17 | 49 | 0 | 14 | 4 | 33 | 69 | 1 | 12 | 5 | 12 | 58 | 1 | 13 | 17 | 12 |
| Sales expectations for the next 3-5 years | 67 | 2 | 7 | 8 | 14 | 61 | 8 | 14 | 2 | 14 | 76 | 1 | 5 | 3 | 15 | 63 | 0 | 5 | 18 | 14 |

| United Kingdom | Industry as a whole | | | | | Capital goods (excluding cars) | | | | | Raw materials/ primary products | | | | | Consumer goods | | | | |
|---|---------------------|----|----|----|----|--------------------------------|----|----|----|----|---------------------------------|----|----|----|----|----------------|----|----|----|----|
| | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - | = | ++ | + | -- | - |
| Domestic production | 76 | 3 | 11 | 3 | 9 | 76 | 4 | 9 | 5 | 7 | 74 | 3 | 14 | 3 | 5 | 74 | 1 | 9 | 1 | 14 |
| Numbers employed | 81 | 0 | 5 | 2 | 9 | 77 | 0 | 8 | 4 | 11 | 85 | 0 | 6 | 1 | 8 | 83 | 1 | 9 | 1 | 6 |
| Domestic investment | 83 | 2 | 5 | 2 | 7 | 79 | 3 | 4 | 4 | 10 | 87 | 3 | 3 | 1 | 7 | 87 | 1 | 8 | 1 | 4 |
| Investment abroad in DM | 89 | 0 | 2 | 1 | 3 | 94 | 0 | 2 | 1 | 3 | 93 | 0 | 4 | 0 | 1 | 93 | 1 | 0 | 1 | 6 |
| Profits | 39 | 3 | 18 | 16 | 24 | 1 | 13 | 1 | 25 | 35 | 35 | 5 | 31 | 5 | 23 | 42 | 1 | 16 | 17 | 23 |
| Domestic selling prices | 71 | 4 | 19 | 1 | 5 | 75 | 5 | 13 | 3 | 3 | 63 | 4 | 22 | 4 | 9 | 71 | 4 | 20 | 0 | 5 |
| Export prices in national money | 48 | 19 | 4 | 9 | 20 | 49 | 3 | 17 | 7 | 23 | 44 | 8 | 17 | 12 | 19 | 50 | 1 | 21 | 8 | 20 |
| Sales expectations for the next 3-5 years | 59 | 3 | 16 | 5 | 17 | 53 | 6 | 12 | 10 | 19 | 62 | 3 | 20 | 2 | 12 | 64 | 1 | 15 | 2 | 18 |

Source: European Community business survey.

In most member countries *employment and production plans for 1987* were revised downwards more sharply than investment. The exception is again the United Kingdom, where production plans for 1987 are now more expansionary than was expected last autumn.

Slight decline of consumer climate indicator.—In May the Community consumer climate deteriorated slightly in comparison with April (from -5 to -6). This trend was most pronounced in Ireland (from -29 to -33) and in Greece (from -27 to -32). But consumer optimism also weakened in the Federal Republic of Germany and in the Netherlands, where the consumer climate has for some time been more favourable than the Community average, (from +2 to 0 and from +1 to -1 in the Netherlands). The only improvements were in the United Kingdom (from +4 to +6) and to a lesser extent in Spain (from -13 to -12).

In the sequence of consumer climate indicators, the United Kingdom is now in the leading position (+6), followed by Germany (0) and the Netherlands (-1). Ireland (-33) and Greece (-32) are at the lower end of the scale. The spread of consumer climate indicators between the member countries is wider than last year (-27/+7 in June 1986 compared with the present -33/+6), which is an additional indication of an increase in the difference in the level of economic activity in the Community.

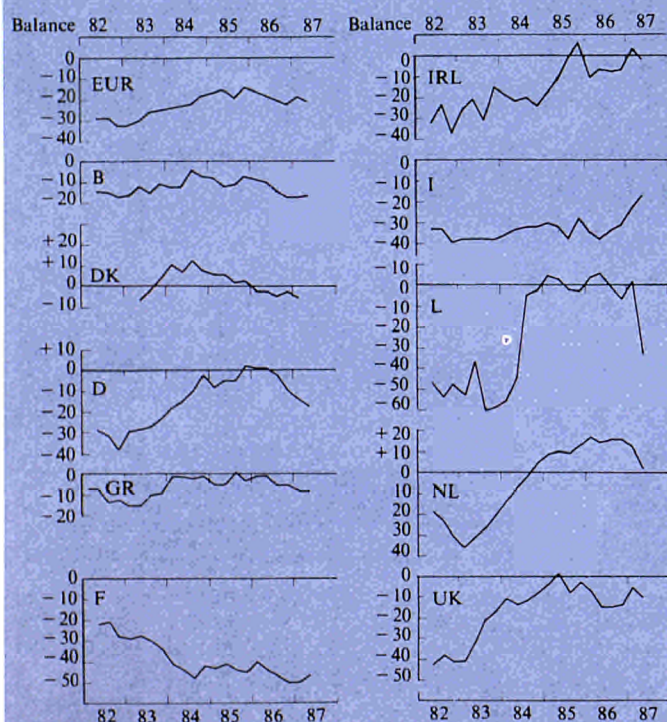
Dutch consumers assessed the change in their *personal financial situation* in the last twelve months more favourably than in April (from 0 to +3) and for this question are now in the lead in the Community. Next come German consumers (+2 compared with +1 in April) and then, at a considerable distance, the Portuguese (-2 compared with -1), the Italians (-3 compared with -4) and the British (-6 compared with -5). Here

too, Irish consumers are at the other extreme: their assessment of the change in their real incomes deteriorated from -30 to -37, dropping to a low point not seen since 1985. In the other member countries assessments of consumers' personal financial situation were somewhat lower than the Community average of -6 (e.g. France unchanged at -14 and Spain -12 compared with -11).

Although perceptions of the *general economic situation* in the past twelve months remained unchanged in May for the Community as a whole substantial fluctuations in both directions occurred in individual member countries. British consumers' assessments of the general economic developments in the past twelve months were distinctly more positive than hitherto (from -16 in March and -8 in April to -1 in May). A slight improvement could also be observed in Spain (from -27 in March to -25 in April and -23 in May). The gap between Ireland and the Community average has widened further (-13): assessments deteriorated from -56 to -65. Consumers' assessments of the general economic trend were also less favourable though markedly less so in the Netherlands (from +5 to 0), Germany (from +2 to +1), Portugal (from +8 to +4), Belgium (from -16 to -19) and Italy (from -3 to -4). Apart from Ireland, the least favourable assessments of the general economic situation continued to come from France (-40) and Greece (-38).

GRAPH 8: Employment expectations in industry

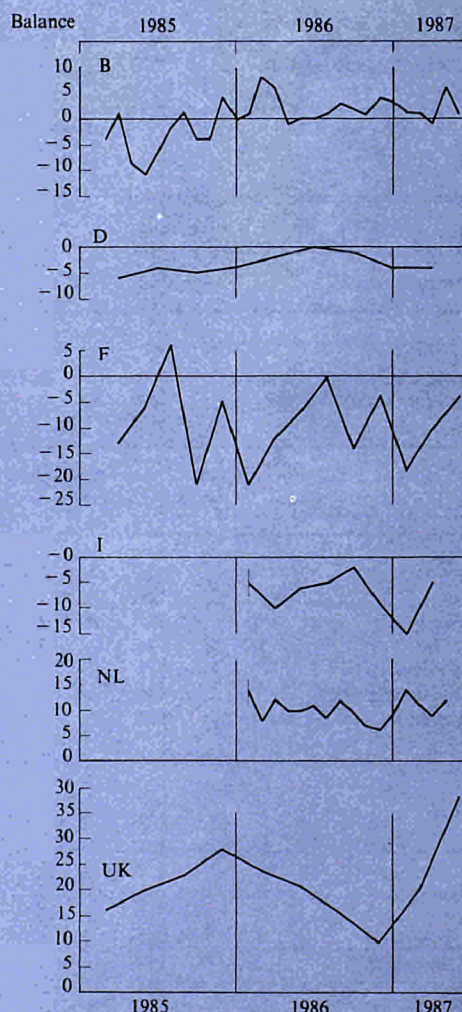
Balances of answers expecting increase, stability or reduction of employment (s.a.)



Source: European Community business survey.

GRAPH 9: Employment expectations in retail trade^{a)}

Balances of answers expecting increase, stability or reduction of employment (s.a.)



a) Belgium and Netherlands monthly; France and Italy bi-monthly; Germany and United Kingdom quarterly.

Source: European Community survey in retail trade.

TABLE 3: Indicators of output and economic sentiment

| | | Range (b) | | Range (b) | | 1986 | 1986 | | 1987 | 1986 | 1987 | | | | |
|------------|---|-----------------|-------------------|-----------------|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | Peak 1972/73 | Trough 1974/75 | Peak 1979/80 | Trough 1981/83 | | III | IV | I | Dec. | Jan. | Feb. | March | Apr. | May |
| B | <i>gross domestic product</i> 1980 = 100 | : | : | : | : | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 102,5 | 76,5 | 106,3 | 92,4 | 105,4 | 105,8 | 105,5 | : | 103,4 | 104,8 | : | : | : | : |
| | 1. industrial confidence indicator | 19 | -56 | -4 | -35 | -13 | -14 | -14 | -15 | -14 | -15 | -15 | -15 | -16 | -12 |
| | 2. construction confidence indicator | 9 | -36 | -7 | -65 | -35 | -35 | -36 | -37 | -34 | -37 | -38 | -35 | -35 | -34 |
| | 3. consumer confidence indicator (c) | 7 | -18 | -7 | -31 | -17 | -14 | -17 | -13 | -16 | -12 | -14 | -14 | -10 | -11 |
| | 4. share-price index (c) | 155,1 | 98,0 | 114,3 | 75,0 | 272,2 | 281,4 | 293,0 | 311,5 | 302,5 | 299,1 | 305,4 | 330,1 | 336,4 | 340,4 |
| | = 5. economic sentiment indicator | 109,0 | 98,9 | 103,9 | 96,8 | 101,0 | 101,6 | 101,0 | 101,4 | 101,2 | 101,6 | 101,2 | 101,5 | 102,1 | 102,2 |
| DK | <i>gross domestic product</i> 1980 = 100 | : | : | : | : | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | : | : | 107,7 | 95,5 | 126,5 | 125,4 | 126,5 | : | 128,3 | 117,0 | 122,5 | : | : | : |
| | 1. industrial confidence indicator | : | : | : | -22 | 1 | -1 | -2 | -7 | (-2) | -7 | (-7) | (-7) | : | : |
| | 2. construction confidence indicator | : | : | : | -36 | 14 | 14 | 6 | 1 | (6) | 1 | (1) | (1) | 12 | (12) |
| | 3. consumer confidence indicator (c) | : | -16 | 5 | -22 | -3 | -5 | -11 | -10 | -13 | -11 | -7 | -13 | -11 | : |
| | 4. share-price index (c) | : | : | : | : | 420,2 | 392,7 | 367,8 | 384,3 | 356,2 | 388,0 | 390,2 | 374,8 | 372,0 | 380,2 |
| | = 5. economic sentiment indicator | : | : | : | : | 102,5 | 102,1 | 101,4 | : | 101,2 | 101,2 | 101,1 | : | : | : |
| D | <i>gross domestic product</i> (b) 1980 = 100 | 85,1 | 83,3 | 101,2 | 98,9 | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 92,0 | 82,4 | 103,1 | 91,4 | 107,0 | 107,8 | 106,5 | 104,7 | 105,3 | 103,7 | 105,9 | 104,4 | : | : |
| | 1. industrial confidence indicator | 10 | -49 | 2 | -40 | -7 | -6 | -9 | -14 | -10 | -10 | -15 | -15 | -15 | -14 |
| | 2. construction confidence indicator | -4 | -72 | 11 | -64 | -33 | -26 | -27 | -31 | -28 | -29 | -30 | -33 | -30 | -26 |
| | 3. consumer confidence indicator (c) | : | -22 | 9 | -31 | 3 | 5 | 5 | 2 | 5 | 5 | 1 | 0 | 2 | 0 |
| | 4. share-price index (c) | 109,0 | 75,2 | 115,6 | 97,6 | 295,7 | 289,4 | 295,5 | 262,5 | 300,0 | 280,3 | 255,2 | 251,9 | 265,6 | 259,3 |
| | = 5. economic sentiment indicator | 103,8 | 97,0 | 103,6 | 94,7 | 101,9 | 102,1 | 101,7 | 100,2 | 101,6 | 101,2 | 99,9 | 99,6 | 100,0 | 99,9 |
| F | <i>gross domestic product</i> 1980 = 100 | 85,4 | 84,2 | 99,8 | 102,4 | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 96,7 | 82,2 | 105,2 | 94,8 | 101,7 | 103,0 | 101,7 | 101,3 | 101,0 | 99,0 | 102,0 | 103,0 | : | : |
| | 1. industrial confidence indicator | 29 | -49 | 5 | -39 | -12 | -9 | -12 | -12 | -12 | -10 | -14 | -13 | -9 | -11 |
| | 2. construction confidence indicator | : | : | -17 | -57 | -22 | -17 | -19 | -21 | (-19) | -21 | (-21) | (-21) | -17 | (-17) |
| | 3. consumer confidence indicator (c) | : | -9 | 3 | -27 | -14 | -14 | -16 | -19 | -17 | -19 | -18 | -19 | -17 | -18 |
| | 4. share-price index (c) | 86,6 | 53,6 | 101,2 | 82,7 | 337,3 | 356,4 | 364,6 | 391,3 | 379,8 | 375,6 | 386,7 | 411,5 | 416,5 | 436,1 |
| | = 5. economic sentiment indicator | 107,8 | 97,6 | 101,8 | 95,1 | 99,2 | 99,5 | 98,9 | 98,3 | 98,7 | 98,3 | 98,3 | 98,3 | 98,9 | 98,5 |
| IRL | <i>gross domestic product</i> 1980 = 100 | : | : | : | : | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 80,4 | 72,3 | 103,8 | 99,6 | 130,8 | 129,5 | 134,3 | : | 132,2 | 129,4 | 135,3 | : | : | : |
| | 1. industrial confidence indicator | : | -41 | 20 | -40 | -8 | -9 | -7 | -3 | -6 | -12 | -1 | 3 | 5 | 0 |
| | 2. construction confidence indicator | : | : | : | : | -38 | -32 | -30 | -33 | (-30) | -33 | (-33) | (-33) | -31 | (-31) |
| | 3. consumer confidence indicator (c) | : | -41 | 12 | -44 | -28 | -26 | -32 | -28 | -35 | -27 | -31 | -27 | -29 | -33 |
| | 4. share-price index (c) | 85,8 | 29,9 | 112,2 | 79,4 | 231,2 | 240,5 | 242,9 | 298,5 | 255,6 | 271,5 | 302,3 | 321,6 | 348,6 | 373,6 |
| | = 5. economic sentiment indicator | 109,1 | 96,7 | 103,6 | 98,1 | 100,3 | 100,7 | 100,0 | 100,9 | 99,8 | 100,6 | 100,7 | 101,4 | 101,4 | 101,0 |
| I | <i>gross domestic product</i> 1980 = 100 | 80,4 | 77,2 | 101,2 | 98,2 | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 87,9 | 72,6 | 104,7 | 98,1 | 99,8 | 99,4 | 101,0 | 100,7 | 101,7 | 100,8 | 100,5 | 100,9 | : | : |
| | 1. industrial confidence indicator | 31 | -59 | 13 | -41 | -9 | -7 | -7 | -4 | -6 | -2 | -4 | -5 | -2 | -6 |
| | 2. construction confidence indicator | -8 | -56 | -5 | -51 | -26 | -29 | -18 | -22 | -13 | -16 | -27 | -22 | -20 | -17 |
| | 3. consumer confidence indicator (c) | : | -39 | -12 | -30 | -4 | -2 | -3 | 0 | -3 | 0 | -1 | 0 | -2 | -2 |
| | 4. share-price index (c) | 169,6 | 68,5 | 185,0 | 116,9 | 667,7 | 731,2 | 734,5 | 696,8 | 701,0 | 717,2 | 684,9 | 688,4 | 726,9 | 710,4 |
| | = 5. economic sentiment indicator | 103,8 | 97,4 | 101,6 | 97,6 | 103,4 | 103,9 | 103,8 | 103,9 | 103,6 | 104,2 | 103,6 | 103,8 | 103,7 | 103,4 |
| NL | <i>gross domestic product</i> 1980 = 100 | : | : | : | : | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 94,8 | 87,1 | 117,5 | 90,7 | 105,9 | 107,0 | 105,3 | 108,7 | 104,0 | 109,0 | 108,0 | 109,0 | : | : |
| | 1. industrial confidence indicator | 12 | -44 | 4 | -31 | -5 | -5 | -5 | -7 | -6 | -8 | -7 | -7 | -8 | -9 |
| | 2. construction confidence indicator | 3 | -47 | 3 | -46 | -3 | -3 | -8 | -4 | -7 | -7 | -3 | -1 | -2 | -1 |
| | 3. consumer confidence indicator (c) | 6 | -15 | 5 | -37 | 5 | 4 | 1 | 5 | 1 | 7 | 6 | 1 | 1 | -1 |
| | 4. share-price index (c) | : | 86,3 | 122,8 | 92,8 | 327,6 | 344,9 | 331,9 | 317,3 | 335,2 | 318,7 | 310,9 | 322,2 | 338,0 | 338,2 |
| | = 5. economic sentiment indicator | 107,8 | 100,7 | 105,3 | 97,1 | 107,5 | 107,5 | 106,6 | 106,8 | 106,5 | 107,1 | 107,0 | 106,3 | 106,4 | 106,1 |
| UK | <i>gross domestic product</i> 1980 = 100 | 94,6 | 91,0 | 102,5 | 97,7 | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 92,7 | 89,6 | 110,0 | 93,8 | 110,0 | 110,8 | 110,7 | 112,2 | 110,2 | 110,9 | 112,6 | 113,1 | : | : |
| | 1. industrial confidence indicator | : | : | 9 | -60 | -8 | -10 | -4 | 2 | -3 | -1 | 3 | 5 | 6 | 11 |
| | 2. construction confidence indicator | : | : | 7 | -60 | -10 | -5 | -4 | -4 | (-4) | -4 | (-4) | (-4) | 5 | (5) |
| | 3. consumer confidence indicator (c) | : | -33 | 14 | 26 | -7 | -5 | -4 | -1 | -6 | -4 | 0 | 0 | 4 | 6 |
| | 4. share-price index (c) | 78,5 | 23,3 | 111,6 | 104,4 | 301,1 | 305,5 | 309,7 | 369,0 | 314,4 | 341,6 | 371,5 | 393,8 | 384,5 | 421,2 |
| | = 5. economic sentiment indicator | 103,8 | 97,7 | 104,9 | 98,8 | 103,0 | 103,2 | 103,5 | 104,3 | 103,4 | 103,8 | 104,3 | 104,7 | 104,9 | 105,6 |
| EUR | <i>gross domestic product</i> (a)(b) 1980 = 100 | 85,1 | 85,5 | 101,1 | 101,0 | : | : | : | : | : | : | : | : | : | : |
| | <i>index of industrial production</i> | 92,9 | 83,0 | 103,2 | 94,6 | 105,4 | 105,5 | 106,1 | 105,5 | 105,7 | 103,9 | 106,3 | 106,4 | : | : |
| | 1. industrial confidence indicator | 16 | -49 | 3 | -36 | -9 | -8 | -8 | -8 | -8 | -7 | -8 | -8 | -6 | -6 |
| | 2. construction confidence indicator | : | : | -1 | -48 | -22 | -18 | -18 | -20 | (-17) | -19 | (-20) | (-20) | -16 | (-15) |
| | 3. consumer confidence indicator (c) | 5 | -17 | 1 | -22 | -6 | -5 | -6 | -6 | -6 | -6 | -6 | -7 | -5 | -6 |
| | 4. share-price index (c) | : | 47,0 | 115,4 | 111,7 | 329,7 | 336,2 | 339,0 | 339,0 | 342,6 | 350,1 | 356,8 | 370,2 | 373,3 | 385,3 |
| | = 5. economic sentiment indicator | 107,5 | 96,6 | 134,1 | 97,4 | 102,7 | 103,1 | 102,8 | 102,6 | 102,7 | 102,8 | 102,5 | 102,4 | 103,1 | 103,1 |

(a) Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

(b) For the Federal Republic of Germany, gross national product for quarterly data.

(c) Not seasonally adjusted.

TABLE 4: Monthly survey of manufacturing industry — Monthly questions and the composite industrial confidence indicator (a)
Balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

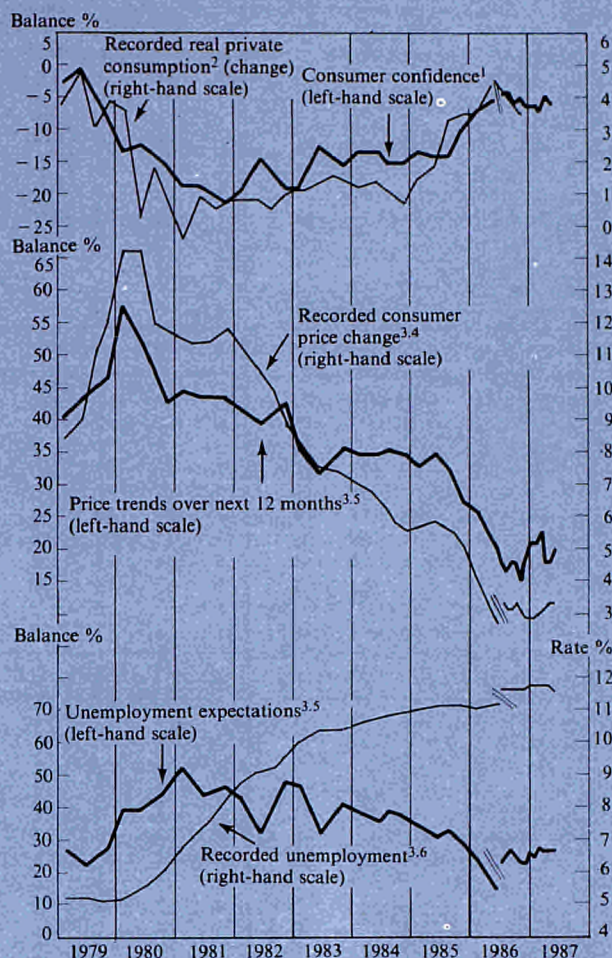
| | | Range (b) | | Range (b) | | 1986 | 1986 | | 1987 | 1986 | 1987 | | | | |
|------------|---------------------------------|-----------------|-------------------|-----------------|-------------------|------|------|-----|------|------|------|------|-------|------|-----|
| | | Peak 1972/73 | Trough 1974/75 | Peak 1979/80 | Trough 1981/83 | | III | IV | I | Dec. | Jan. | Feb. | March | Apr. | May |
| B | production expectations | +31 | -56 | -4 | -37 | -7 | -8 | -9 | -12 | -10 | -12 | -8 | -15 | -8 | -5 |
| | order-books | +13 | -74 | -14 | -49 | -25 | -25 | -26 | -27 | -26 | -27 | -29 | -24 | -31 | -27 |
| | export order-books | +15 | -82 | -19 | -55 | -30 | -29 | -30 | -27 | -29 | -28 | -26 | -26 | -34 | -32 |
| | stocks of finished products | -14 | +37 | +2 | +18 | +7 | +8 | +8 | +7 | +7 | +6 | +9 | +6 | +9 | +3 |
| | selling-price expectations | +64 | -10 | +39 | +12 | +5 | 0 | -4 | -6 | -8 | -13 | -4 | 0 | +2 | +7 |
| | industrial confidence indicator | +19 | -56 | -4 | -35 | -13 | -14 | -14 | -15 | -14 | -15 | -15 | -15 | -15 | -12 |
| DK | production expectations | : | : | : | +8 | +7 | +4 | +7 | +5 | : | +5 | : | : | : | : |
| | order-books | : | : | : | -34 | +9 | +9 | 0 | -12 | : | -12 | : | : | : | : |
| | export order-books | : | : | : | +14 | -2 | -2 | -9 | -16 | : | -16 | : | : | : | : |
| | stocks of finished products | : | : | : | +24 | +14 | +15 | +14 | +15 | : | +15 | : | : | : | : |
| | industrial confidence indicator | : | : | : | -22 | +1 | -1 | -2 | -7 | : | -7 | : | : | : | : |
| D | production expectations | +17 | -32 | +10 | -30 | +2 | +2 | +1 | -5 | 0 | -1 | -6 | -7 | -5 | -4 |
| | order-books | +5 | -73 | -6 | -59 | -15 | -14 | -19 | -25 | -20 | -22 | -25 | -27 | -27 | -26 |
| | export order-books | : | : | -14 | -50 | -20 | -20 | -27 | -30 | -26 | -26 | -29 | -36 | -36 | -32 |
| | stocks of finished products | -7 | +43 | -2 | +31 | +7 | +6 | +10 | +11 | +9 | +8 | +13 | +12 | +12 | +11 |
| | selling-price expectations | +55 | +4 | +38 | +4 | +7 | +8 | +7 | +8 | +4 | +4 | +9 | +11 | +10 | +15 |
| | industrial confidence indicator | +10 | -49 | +2 | -40 | -7 | -6 | -9 | -13 | -10 | -10 | -15 | -15 | -15 | -14 |
| GR | production expectations | : | : | : | : | +21 | +19 | +11 | +10 | +7 | +8 | +10 | +13 | +15 | +7 |
| | order-books | : | : | : | : | -16 | -20 | -25 | -27 | -27 | -26 | -28 | -26 | -24 | -27 |
| | export order-books | : | : | : | : | -24 | -24 | -24 | -32 | -26 | -31 | -35 | -30 | -29 | -26 |
| | stocks of finished products | : | : | : | : | +12 | +11 | +15 | +9 | +12 | +14 | +8 | +6 | +4 | +11 |
| | selling-price expectations | : | : | : | : | +16 | +15 | +8 | +16 | +3 | -1 | +24 | +25 | +27 | +29 |
| | industrial confidence indicator | : | : | : | : | -3 | -4 | -10 | -9 | -11 | -11 | -9 | -6 | -4 | -10 |
| F | production expectations | +33 | -29 | +18 | -20 | +1 | +7 | 0 | +1 | -1 | +2 | -1 | +1 | +5 | +2 |
| | order-books | +26 | -69 | 0 | -56 | -23 | -20 | -23 | -24 | -23 | -22 | -24 | -26 | -22 | -22 |
| | export order-books | +24 | -66 | +10 | -52 | -28 | -28 | -30 | -32 | -27 | -29 | -35 | -32 | -26 | -28 |
| | stocks of finished products | -14 | +50 | +3 | +42 | +15 | +16 | +13 | +14 | +12 | +11 | +16 | +14 | +9 | +12 |
| | selling-price expectations | +76 | +15 | +62 | +17 | +14 | +14 | +9 | +11 | +4 | +13 | +10 | +9 | +16 | +17 |
| | industrial confidence indicator | +29 | -49 | +5 | -39 | -12 | -9 | -12 | -12 | -12 | -10 | -14 | -13 | -9 | -11 |
| IRL | production expectations | : | -21 | +40 | -33 | +10 | +9 | +8 | +18 | +9 | +14 | +27 | +14 | +22 | +14 |
| | order-books | : | -68 | +18 | -55 | -22 | -24 | -20 | -19 | -17 | -36 | -21 | 0 | -1 | -6 |
| | stocks of finished products | : | +35 | -6 | +33 | +13 | +13 | +10 | +9 | +10 | +14 | +9 | +4 | +7 | +7 |
| | selling-price expectations | : | +64 | +77 | +20 | -5 | -10 | +8 | +2 | +3 | +3 | +1 | +1 | +5 | +10 |
| | industrial confidence indicator | : | -41 | +20 | -40 | -8 | -9 | -7 | -3 | -6 | -12 | -1 | +3 | +5 | 0 |
| I | production expectations | +40 | -43 | +24 | -26 | +9 | +10 | +7 | +8 | +7 | +11 | +8 | +6 | +11 | +6 |
| | order-books | +30 | -82 | +7 | -66 | -22 | -21 | -17 | -10 | -13 | -11 | -11 | -9 | -10 | -13 |
| | export order-books | +13 | -67 | -6 | -59 | -30 | -29 | -27 | -24 | -29 | -21 | -24 | -27 | -23 | -31 |
| | stocks of finished products | -24 | +53 | -8 | +32 | +14 | +10 | +10 | +9 | +13 | +7 | +10 | +11 | +7 | +10 |
| | selling-price expectations | +76 | +10 | +87 | +37 | +15 | +9 | +8 | +11 | +10 | +12 | +11 | +11 | +16 | +16 |
| | industrial confidence indicator | +31 | -59 | +13 | -41 | -9 | -7 | -6 | -3 | -6 | -2 | -4 | -5 | -2 | -6 |
| L | production expectations | +84 | -80 | +40 | -66 | -20 | -38 | -36 | -43 | -30 | -40 | -49 | -40 | -35 | -10 |
| | order-books | : | : | +8 | -70 | -3 | -1 | -3 | -34 | -9 | -11 | -47 | -44 | -44 | -41 |
| | export order-books | : | : | +9 | -80 | -22 | -10 | -45 | -63 | -52 | -64 | -64 | -60 | -55 | -51 |
| | stocks of finished products | -14 | +74 | 0 | +58 | +3 | +3 | +1 | -1 | -2 | -5 | +4 | -2 | +4 | -4 |
| | selling-price expectations | : | -46 | +74 | -38 | -30 | -20 | -31 | -40 | -40 | -53 | -56 | -12 | -23 | +35 |
| | industrial confidence indicator | : | : | +16 | -65 | -5 | -14 | -13 | -25 | -12 | -15 | -33 | -27 | -28 | -16 |
| NL | production expectations | +26 | -26 | +20 | -13 | +4 | +4 | +6 | 0 | +4 | -1 | +1 | -1 | +1 | 0 |
| | order-books | +7 | -48 | -5 | -42 | -12 | -13 | -15 | -16 | -16 | -16 | -15 | -16 | -20 | -21 |
| | stocks of finished products | -3 | +57 | +3 | +39 | +6 | +7 | +6 | +6 | +6 | +6 | +6 | +5 | +5 | +5 |
| | industrial confidence indicator | +12 | -44 | +4 | -31 | -5 | -5 | -5 | -7 | -6 | -8 | -7 | -7 | -8 | -9 |
| UK | production expectations | : | : | +29 | -52 | +11 | +8 | +15 | +22 | +14 | +19 | +21 | +27 | +24 | +31 |
| | order-books | : | : | -2 | -85 | -18 | -22 | -14 | -8 | -12 | -13 | -6 | -5 | +1 | +4 |
| | export order-books | : | : | -11 | -72 | -19 | -24 | -15 | -11 | -13 | -13 | -10 | -11 | -10 | -9 |
| | stocks of finished products | : | : | -1 | +42 | +16 | +17 | +12 | +8 | +10 | +9 | +7 | +7 | +7 | +1 |
| | selling-price expectations | : | : | +70 | +7 | +15 | +15 | +18 | +23 | +20 | +21 | +25 | +24 | +25 | +30 |
| | industrial confidence indicator | : | : | +9 | -60 | -8 | -10 | -4 | +2 | -3 | -1 | +3 | +5 | +6 | +11 |
| EUR | production expectations | +24 | -30 | +15 | -24 | +5 | +6 | +5 | +5 | +4 | +7 | +4 | +5 | +7 | +7 |
| | order-books | +15 | -70 | -7 | -56 | -19 | -19 | -18 | -18 | -17 | -18 | -18 | -18 | -16 | -16 |
| | export order-books | : | : | -12 | -50 | -23 | -24 | -25 | -27 | -24 | -26 | -26 | -28 | -27 | -27 |
| | stocks of finished products | -10 | +48 | -1 | +31 | +12 | +11 | +11 | +10 | +11 | +9 | +11 | +11 | +9 | +8 |
| | selling-price expectations | +64 | +9 | +53 | +22 | +12 | +10 | +10 | +12 | +7 | +10 | +13 | +13 | +16 | +20 |
| | industrial confidence indicator | +16 | -49 | +3 | -36 | -9 | -8 | -8 | -8 | -8 | -7 | -8 | -8 | -6 | -6 |

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

(b) These are the extreme (high and low) values of the balances of the different questions, reached in the course of 1972-1975 and 1979-1983, respectively.

Note: (s.a.) = seasonally adjusted. : = not available. () = estimated. Source: European Community business surveys.

GRAPH 10: Consumer survey results and objective economic indicators — European Community⁷



For notes, Table 5.

Sources: European Community consumer survey and Eurostat.

According to the results of the present survey, the marked rise in European consumers' propensity to purchase recorded in April has proved not to be very robust. But experience of this question shows that sharp short-term fluctuations are the rule, so that it would be premature to regard the most recent deterioration as already giving a warning sign for the sale of consumer durables in the next few months. At any event nothing at present points to a cyclical strengthening of consumer demand for the next few months which would produce stronger stimuli for the demand trend in the economy as a whole.

Consumers' *price expectations*—as those in industry—have increased slightly for the Community as a whole (from +18 to +20). This trend is discernible in all the member countries, including Germany (from +4 to +8) and the Netherlands (but here in the form of expecting prices to fall less sharply; from -6 to -2). Denmark (from +11 in March to +7 in April and +5 in May) and Spain (from +24 to +20) are the only countries where an opposite tendency towards greater price stability could be discerned. Although inflation expectations remained high in the United Kingdom (+33) they did not increase further as they had the month before, and stand slightly below the value at the beginning of the year. Price expectations in Italy (+37) and Greece (+49) continue to be higher than in the United Kingdom.

30 June 1987*

The British (from +6 to +10) and the Danes (from -19 to -8) were most optimistic about an improvement in the overall economic outlook in the next twelve months. In Belgium and Greece the improvement recorded the month before again gave way to a markedly less favourable appraisal (-10 compared with -5 in Belgium and -25 compared with -17 in Greece). In Ireland the downward trend in expectations continued (from -20 in March to -29 in April and -34 in May). But consumer scepticism also grew in the Netherlands and Germany (from -7 to -10 and from -4 to -6 in Germany). The French still see no cause to make any upward revision of their unfavourable appraisal of the general economic situation; expectations remained just as pessimistic as the average for the past four months (-26).

The *propensity to purchase consumer durables* is down. For the Community as a whole this indicator fell by 3 points (from 0 to -3). This was mainly attributable to the low purchasing intentions in Germany (from +8 to +2) and the Netherlands (from +4 to -2). But the propensity to purchase also weakened in France and the United Kingdom though with the considerable difference that in the United Kingdom purchasing intentions still clearly predominated (from +22 to +20), while in France the purchasing restraint has increased somewhat (from -5 to -8). These negative trends were not offset at Community level by the slightly higher propensity to purchase in Belgium, Italy, Portugal and—surprisingly—in Ireland. The Irish phenomenon—markedly less favourable judgements and expectations on the general economic situation and that of consumers themselves, but higher propensity to purchase—can clearly largely be explained by the fear that prices will rise more sharply, which is a reason for bringing purchases forward.

* There was some delay in completing the manuscript because of the late arrival of the special survey on the revised plans of industry in the wake of exchange rate changes.

TABLE 5: Consumer opinion on economic and financial conditions^(a)

| | | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1986 | | | 1987 | | | | | |
|--|------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|------|-----|
| | | | | | | | | | | | | Oct. | Nov. | Dec. | Jan. | Feb. | March | Apr. | May |
| CONSUMER CONFIDENCE INDICATOR ^(b) | B | -8 | -10 | -20 | -27 | -27 | -28 | -27 | -21 | -17 | -15 | -19 | -16 | -12 | -14 | -14 | -10 | -11 | |
| | DK | -1 | -2 | -19 | -17 | -12 | 0 | 6 | 4 | -3 | -4 | -16 | -13 | -11 | -7 | -13 | -11 | -7 | |
| | D | 5 | 6 | -5 | -22 | -26 | -15 | -10 | -7 | 3 | 6 | 5 | 5 | 5 | 1 | 0 | 2 | 0 | |
| | GR | : | : | : | : | 0 | -11 | -4 | -5 | -20 | -21 | -23 | -26 | -26 | -29 | -31 | -27 | -32 | |
| | E | : | : | : | : | : | : | : | : | -9 | -10 | -10 | -10 | -11 | -10 | -14 | -13 | -12 | |
| | F ^(d) | 1 | -5 | -10 | -9 | -5 | -15 | -23 | -21 | -14 | -15 | -16 | -17 | -19 | -18 | -19 | -17 | -18 | |
| | IRL | 8 | -10 | -22 | -28 | -34 | -39 | -33 | -29 | -28 | -29 | -33 | -35 | -27 | -31 | -27 | -29 | -33 | |
| | I | -18 | -17 | -22 | -22 | -18 | -24 | -15 | -12 | -4 | -2 | -3 | -3 | 0 | -1 | 0 | -2 | -2 | |
| | NL | -1 | -8 | -25 | -31 | -32 | -30 | -22 | -7 | 5 | 3 | 0 | 1 | 7 | 6 | 1 | 1 | -1 | |
| | P | : | : | : | : | : | : | : | : | -7 | -4 | -4 | -9 | -5 | -4 | -2 | -2 | -2 | |
| | UK | 8 | -4 | -18 | -21 | -12 | -3 | -4 | -10 | -7 | -3 | -3 | -6 | -4 | 0 | 0 | 4 | 6 | |
| EUR ^(c) | | 0 | -3 | -13 | -19 | -17 | -15 | -14 | -12 | -6 | -5 | -6 | -6 | -6 | -6 | -7 | -5 | -6 | |
| FINANCIAL SITUATION OF HOUSEHOLDS | B | -11 | -11 | -15 | -19 | -25 | -29 | -31 | -23 | -14 | -14 | -16 | -12 | -13 | -11 | -8 | -6 | -6 | |
| | DK | 2 | 1 | -10 | -12 | -7 | -4 | -2 | -3 | -2 | 0 | -5 | -1 | -6 | -1 | -2 | -2 | 0 | |
| | D | 1 | 2 | -4 | -16 | -18 | -14 | -11 | -8 | 1 | 2 | 2 | 4 | 2 | 0 | 1 | 1 | 2 | |
| | GR | : | : | : | : | -2 | -13 | -8 | -8 | -24 | -26 | -28 | -31 | -27 | -31 | -33 | -32 | -35 | |
| | E | : | : | : | : | : | : | : | : | -10 | -12 | -11 | -9 | -10 | -9 | -13 | -11 | -12 | |
| | F ^(d) | -2 | -4 | -7 | -8 | -7 | -11 | -15 | -13 | -11 | -12 | -14 | -14 | -13 | -14 | -14 | -14 | -14 | |
| | IRL | -9 | -21 | -32 | -38 | -41 | -43 | -42 | -37 | -34 | -34 | -36 | -36 | -33 | -37 | -32 | -30 | -37 | |
| | I | -14 | -13 | -14 | -14 | -13 | -15 | -12 | -10 | -6 | -5 | -6 | -6 | -4 | -4 | -3 | -4 | -3 | |
| | NL | 4 | 1 | -9 | -18 | -20 | -28 | -26 | -17 | -3 | -1 | -3 | -2 | 2 | 3 | 0 | 0 | 3 | |
| | P | : | : | : | : | : | : | : | : | -8 | -7 | -6 | -7 | -6 | -7 | -3 | -1 | -2 | |
| | UK | -10 | -11 | -24 | -30 | -27 | -15 | -15 | -16 | -13 | -10 | -8 | -11 | -11 | -8 | -12 | -5 | -6 | |
| EUR ^(c) | | -4 | -5 | -11 | -17 | -16 | -15 | -15 | -12 | -8 | -7 | -7 | -7 | -7 | -7 | -8 | -6 | -6 | |
| — over last 12 months | B | -3 | -3 | -6 | -9 | -12 | -15 | -18 | -13 | -5 | -3 | -5 | -3 | -2 | -1 | -2 | -1 | 1 | |
| | DK | 6 | 3 | -8 | -4 | -2 | 0 | 3 | 3 | 2 | 3 | -4 | 0 | 4 | 4 | 0 | 3 | 4 | |
| | D | 2 | 2 | -3 | -12 | -14 | -9 | -6 | -4 | 2 | 4 | 4 | 3 | 3 | 2 | 2 | 1 | 2 | |
| | GR | : | : | : | : | 15 | 0 | 6 | 2 | -12 | -14 | -18 | -24 | -18 | -18 | -21 | -18 | -23 | |
| | E | : | : | : | : | : | : | : | : | 3 | 1 | 2 | 1 | 2 | 2 | 1 | -1 | -1 | |
| | F ^(d) | 4 | 0 | -2 | 0 | 0 | -4 | -7 | -3 | -2 | -5 | -5 | -6 | -4 | -5 | -4 | -3 | -4 | |
| | IRL | 1 | -13 | -19 | -24 | -23 | -26 | -22 | : | -15 | -15 | -18 | -18 | -16 | -13 | -12 | -14 | -20 | |
| | I | -6 | -7 | -10 | -8 | -6 | -8 | -3 | -2 | 1 | 2 | 1 | 1 | 4 | 5 | 4 | 4 | 2 | |
| | NL | 1 | 1 | -9 | -13 | -14 | -21 | -17 | -6 | 2 | 1 | 3 | 3 | 4 | 5 | 4 | 3 | 2 | |
| | P | : | : | : | : | : | : | : | : | 2 | 6 | 3 | -2 | 3 | 2 | 2 | 1 | 4 | |
| | UK | 3 | -1 | -13 | -15 | -9 | -2 | -3 | -5 | -3 | -1 | 0 | -1 | 0 | 3 | 5 | 7 | 7 | |
| EUR ^(c) | | 2 | 0 | -6 | -9 | -8 | -7 | -6 | -4 | 0 | 0 | 0 | -1 | 1 | 1 | 1 | 1 | 1 | |
| GENERAL ECONOMIC SITUATION | B | -47 | -44 | -58 | -69 | -68 | -62 | -57 | -33 | -29 | -26 | -35 | -32 | -20 | -23 | -24 | -16 | -19 | |
| | DK | -31 | -34 | -56 | -47 | -42 | -4 | 4 | 2 | -10 | -15 | -24 | -24 | -20 | -16 | -30 | -25 | -17 | |
| | D | -5 | 3 | -18 | -46 | 51 | -29 | -14 | -11 | 7 | 14 | 11 | 12 | 9 | 3 | 2 | 2 | 1 | |
| | GR | : | : | : | : | -2 | -11 | -4 | -10 | -28 | -30 | -34 | -36 | -33 | -37 | -36 | -32 | -38 | |
| | E | : | : | : | : | : | : | : | : | -15 | -14 | -16 | -14 | -21 | -24 | -27 | -25 | -23 | |
| | F ^(d) | -18 | -27 | -39 | -37 | -28 | -41 | -54 | -52 | -34 | -32 | -36 | -37 | -41 | -40 | -42 | -39 | -40 | |
| | IRL | -4 | -35 | -56 | -66 | -74 | -77 | -65 | -61 | -58 | -59 | -64 | -65 | -63 | -65 | -61 | -56 | -65 | |
| | I | -45 | -43 | -57 | -60 | -51 | -57 | -36 | -26 | -10 | -8 | -5 | -6 | 0 | -2 | 0 | -3 | -4 | |
| | NL | -23 | -30 | -55 | -64 | -64 | -54 | -19 | 8 | 18 | 14 | 8 | 10 | 15 | 13 | 4 | 5 | 0 | |
| | P | : | : | : | : | : | : | : | : | -5 | -2 | 2 | -4 | -1 | 1 | 2 | 8 | 4 | |
| | UK | 0 | -33 | -55 | -62 | -40 | -23 | -25 | -37 | -29 | -27 | -22 | -25 | -24 | -19 | -16 | -8 | -1 | |
| EUR ^(c) | | -16 | -22 | -41 | -51 | -44 | -37 | -31 | -28 | -15 | -12 | -13 | -13 | -14 | -15 | -15 | -13 | -13 | |
| — over next 12 months | B | -28 | -29 | -45 | -51 | -43 | -38 | -33 | -17 | -12 | -13 | -18 | -15 | -7 | -8 | -10 | -5 | -10 | |
| | DK | -21 | -24 | -42 | -29 | -23 | 3 | 6 | 4 | -7 | -10 | -17 | -16 | -12 | -11 | -20 | -19 | -8 | |
| | D | -1 | 1 | -19 | -33 | -32 | -14 | -10 | -6 | 3 | 4 | 2 | 2 | 1 | -4 | -4 | -4 | -6 | |
| | GR | : | : | : | : | 25 | 6 | 10 | 3 | -13 | -15 | -23 | -26 | -22 | -19 | -20 | -17 | -25 | |
| | E | : | : | : | : | : | : | : | : | 3 | 1 | 0 | 2 | -4 | -7 | -8 | -7 | -4 | |
| | F ^(d) | -15 | -29 | -40 | -27 | -23 | -36 | -45 | -34 | -18 | -19 | -21 | -22 | -27 | -27 | -27 | -24 | -26 | |
| | IRL | 2 | -26 | -35 | -38 | -42 | -45 | -29 | -26 | -26 | -29 | -32 | -31 | -27 | -23 | -20 | -29 | -34 | |
| | I | -14 | -19 | -30 | -30 | -24 | -25 | -9 | -8 | 3 | 4 | 4 | 1 | 10 | 5 | 4 | 1 | 1 | |
| | NL | -16 | -26 | -48 | -42 | -42 | -28 | -5 | 10 | 12 | 4 | 1 | 3 | 8 | 4 | -1 | -7 | -10 | |
| | P | : | : | : | : | : | : | : | : | 5 | 9 | 9 | 0 | 8 | 9 | 6 | 1 | 4 | |
| | UK | 5 | -16 | -24 | -23 | -10 | -5 | -10 | -16 | -14 | -10 | -5 | -9 | -8 | -2 | 3 | 6 | 10 | |
| EUR ^(c) | | -8 | -16 | -30 | -30 | -24 | -21 | -18 | -14 | -5 | -5 | -5 | -7 | -6 | -7 | -7 | -7 | -7 | |
| PRICE TRENDS | B | 59 | 55 | 65 | 69 | 77 | 78 | 78 | 72 | 49 | 40 | 42 | 36 | 36 | 30 | 33 | 27 | 32 | |
| | DK | 47 | 39 | 50 | 51 | 48 | 26 | 26 | 26 | 10 | 8 | 7 | 5 | 6 | 0 | -5 | 1 | -1 | |
| | D | 16 | 25 | 44 | 52 | 46 | 23 | 15 | 9 | -15 | -24 | -25 | -26 | -28 | -23 | -23 | -20 | -16 | |
| | GR | : | : | : | : | 15 | 30 | 24 | 26 | 39 | 39 | 36 | 38 | 41 | 39 | 41 | 41 | 43 | |
| | E | : | : | : | : | : | : | : | : | 46 | 49 | 45 | 43 | 44 | 45 | 38 | 41 | 40 | |
| | F ^(d) | 60 | 70 | 79 | 77 | 62 | 55 | 58 | 44 | 12 | 4 | 8 | 5 | 7 | 18 | 19 | 14 | 14 | |
| | IRL | 57 | 80 | 85 | 87 | 87 | 80 | 71 | 59 | 47 | 41 | 44 | 42 | 43 | 42 | 41 | 35 | 37 | |
| | I | 67 | 72 | 80 | 79 | 72 | 69 | 55 | 49 | 36 | 31 | 32 | 33 | 26 | 25 | 27 | 24 | 28 | |
| | NL | 47 | 43 | 62 | 68 | 63 | 43 | 41 | 22 | -2 | -18 | 3 | -7 | -18 | -27 | -27 | -26 | -23 | |
| | P | : | : | : | : | : | : | : | : | 31 | 28 | 29 | 31 | 34 | 38 | 33 | 30 | 30 | |
| | UK | 35 | 48 | 59 | 41 | 31 | 15 | 19 | 24 | 15 | 9 | 13 | 17 | 14 | 11 | 15 | 10 | 10 | |
| EUR ^(c) | | 42 | 49 | 63 | 62 | 53 | 40 | 37 | 30 | 13 | 9 | 11 | 10 | 8 | 10 | 11 | 9 | 11 | |

TABLE 5 (continued): Consumer opinion on economic and financial conditions^(a)

| | | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1986 | | | 1987 | | | | |
|-------------------------|--------------|----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|------|-----|
| | | | | | | | | | | | Oct. | Nov. | Dec. | Jan. | Feb. | March | Apr. | May |
| PRICE TRENDS (cont.) | B | 22 | 33 | 42 | 40 | 45 | 40 | 37 | 36 | 27 | 23 | 21 | 22 | 23 | 14 | 18 | 14 | 18 |
| | DK | 27 | 29 | 38 | 31 | 31 | 12 | 16 | 15 | 7 | 7 | 7 | 1 | 4 | 11 | 11 | 7 | 5 |
| | D | 33 | 44 | 51 | 50 | 43 | 30 | 28 | 25 | 5 | -3 | -1 | 1 | 0 | 6 | 1 | 4 | 8 |
| | GR | : | : | : | : | 25 | 37 | 38 | 42 | 44 | 45 | 41 | 47 | 50 | 45 | 48 | 48 | 49 |
| | E | : | : | : | : | : | : | : | : | 19 | 21 | 20 | 22 | 22 | 23 | 15 | 24 | 20 |
| | F (d) | 41 | 46 | 50 | 39 | 42 | 37 | 32 | 27 | 19 | 7 | 14 | 18 | 24 | 29 | 17 | 9 | 12 |
| | IRL | 36 | 59 | 56 | 52 | 46 | 39 | 35 | 32 | 23 | 29 | 23 | 28 | 32 | 23 | 25 | 22 | 25 |
| | I | 44 | 56 | 60 | 58 | 56 | 54 | 46 | 48 | 35 | 33 | 36 | 37 | 32 | 38 | 34 | 35 | 37 |
| | NL | 36 | 48 | 61 | 52 | 50 | 38 | 25 | 17 | 6 | -1 | 5 | 4 | -2 | -12 | -12 | -6 | -2 |
| | P | : | : | : | : | : | : | : | : | 14 | 11 | 12 | 21 | 14 | 16 | 17 | 17 | 16 |
| | UK | 21 | 34 | 43 | 31 | 29 | 27 | 40 | 43 | 32 | 30 | 35 | 38 | 36 | 35 | 36 | 33 | 33 |
| — over next 12 months | | | | | | | | | | | | | | | | | | |
| | | EUR (c) | 34 | 44 | 51 | 44 | 42 | 35 | 35 | 32 | 20 | 15 | 18 | 21 | 21 | 23 | 18 | 20 |
| UNEMPLOYMENT | B | 42 | 42 | 57 | 67 | 60 | 57 | 44 | 37 | 33 | 36 | 40 | 37 | 35 | 36 | 40 | 37 | 36 |
| | DK | 29 | 22 | 39 | 37 | 29 | 30 | 5 | -4 | 1 | 9 | 27 | 24 | 19 | 15 | 24 | 26 | 18 |
| | D | 10 | 3 | 20 | 43 | 43 | 30 | 20 | 16 | 4 | -1 | 3 | 9 | 7 | 14 | 13 | 12 | 13 |
| | GR | : | : | : | : | 11 | 10 | 11 | 17 | 31 | 32 | 30 | 35 | 38 | 38 | 36 | 35 | 39 |
| | E | : | : | : | : | : | : | : | : | 26 | 24 | 26 | 33 | 40 | 39 | 36 | 39 | 35 |
| | F (d) | 30 | 44 | 47 | 43 | 30 | 41 | 62 | 50 | 33 | 37 | 35 | 35 | 38 | 44 | 47 | 47 | 50 |
| | IRL | 6 | 12 | 34 | 47 | 56 | 67 | 52 | 48 | 45 | 44 | 48 | 47 | 44 | 33 | 31 | 34 | 47 |
| | I | 42 | 41 | 51 | 52 | 56 | 57 | 49 | 47 | 39 | 37 | 37 | 41 | 34 | 40 | 37 | 40 | 39 |
| | NL | 42 | 35 | 59 | 72 | 72 | 67 | 36 | 0 | -11 | -2 | -6 | -7 | -4 | 3 | 3 | 7 | 9 |
| | P | : | : | : | : | : | : | : | : | 27 | 27 | 21 | 26 | 22 | 26 | 18 | 19 | 22 |
| | UK | 20 | 30 | 58 | 50 | 34 | 37 | 32 | 35 | 32 | 30 | 21 | 24 | 19 | 16 | 14 | 8 | 6 |
| — over next 12 months | | | | | | | | | | | | | | | | | | |
| | | EUR (c) | 25 | 27 | 43 | 48 | 42 | 41 | 38 | 32 | 23 | 23 | 22 | 26 | 25 | 28 | 27 | 27 |
| MAJOR PURCHASES | B | 46 | 30 | 23 | 15 | 13 | 6 | 6 | -18 | -26 | -22 | -22 | -17 | -21 | -25 | -24 | -24 | -21 |
| | DK | 41 | 42 | 21 | 10 | 16 | 7 | 14 | 14 | 0 | 4 | -32 | -25 | -20 | -13 | -11 | -14 | -14 |
| | D | 31 | 25 | 18 | -1 | -17 | -8 | -9 | -8 | 4 | 7 | 5 | 7 | 10 | 6 | 2 | 8 | 2 |
| | GR | : | : | : | : | -35 | -35 | -24 | -20 | -22 | -24 | -13 | -11 | -31 | -39 | -45 | -36 | -40 |
| | E | : | : | : | : | : | : | : | : | -27 | -27 | -23 | -26 | -23 | -10 | -23 | -20 | -20 |
| | F (d) | 34 | 35 | 39 | 28 | 30 | 19 | 6 | -4 | -3 | -6 | -4 | -5 | -9 | -4 | -10 | -5 | -8 |
| | IRL | 49 | 46 | 30 | 24 | 13 | -6 | -9 | -2 | -10 | -9 | -18 | -23 | 2 | -15 | -12 | -18 | -11 |
| | I | -10 | -3 | 2 | 4 | 1 | -13 | -15 | -15 | -8 | -5 | -9 | -6 | -9 | -8 | -6 | -8 | -6 |
| | NL | 28 | 13 | -2 | -17 | -21 | -18 | -44 | -29 | -6 | -2 | -9 | -9 | 4 | 6 | -4 | 4 | -2 |
| | P | : | : | : | : | : | : | : | : | -28 | -27 | -28 | -30 | -30 | -27 | -18 | -20 | -18 |
| | UK | 43 | 43 | 28 | 26 | 25 | 32 | 31 | 24 | 24 | 30 | 18 | 15 | 24 | 24 | 19 | 22 | 20 |
| — at present | | | | | | | | | | | | | | | | | | |
| | | EUR (c) | 29 | 27 | 22 | 12 | 6 | 5 | 0 | -3 | 0 | 1 | -3 | -3 | -1 | 1 | -4 | 0 |
| — over next 12 months | B | -28 | -29 | -26 | -28 | -28 | -30 | -28 | -30 | -28 | -27 | -27 | -25 | -23 | -24 | -24 | -22 | -18 |
| | DK | -9 | -8 | -14 | -12 | -10 | -8 | -7 | -8 | -12 | -12 | -15 | -12 | -12 | -12 | -10 | -10 | -12 |
| | D | -15 | -15 | -19 | -25 | -28 | -29 | -28 | -26 | -20 | -19 | -19 | -18 | -16 | -20 | -19 | -20 | -19 |
| | GR | : | : | : | : | -24 | -33 | -38 | -33 | -42 | -46 | -38 | -35 | -39 | -43 | -51 | -48 | -49 |
| | E | : | : | : | : | : | : | : | : | -26 | -27 | -27 | -34 | -28 | -29 | -24 | -22 | -22 |
| | F (d) | -13 | -16 | -18 | -13 | -9 | -10 | -10 | -9 | -3 | 0 | 0 | 0 | 0 | 0 | -1 | 0 | 0 |
| | IRL | -13 | -17 | -19 | -22 | -27 | -31 | -25 | -22 | -20 | -19 | -21 | -21 | -22 | -26 | -26 | -17 | -20 |
| | I | -16 | -10 | -17 | -18 | -22 | -22 | -21 | -21 | -21 | -20 | -19 | -23 | -21 | -20 | -21 | -21 | -20 |
| | NL | -14 | -19 | -23 | -27 | -27 | -29 | -27 | -20 | -15 | -16 | -15 | -14 | -15 | -12 | -12 | -10 | -10 |
| | P | : | : | : | : | : | : | : | : | 6 | 4 | 2 | 5 | 2 | 4 | 1 | 2 | 10 |
| | UK | -9 | -6 | -14 | -19 | -18 | -15 | -12 | -14 | -12 | -12 | -10 | -12 | -16 | -14 | -11 | -9 | -8 |
| — over next 12 months | | | | | | | | | | | | | | | | | | |
| | | EUR (c) | -12 | -12 | -17 | -20 | -20 | -21 | -19 | -18 | -16 | -15 | -15 | -16 | -15 | -16 | -15 | -14 |
| SAVINGS | B | 35 | 40 | 38 | 41 | 40 | 46 | 46 | 46 | 43 | 38 | 44 | 54 | 41 | 50 | 53 | 50 | 55 |
| | DK | 7 | 11 | 15 | 23 | 26 | 40 | 41 | 50 | 46 | 47 | 47 | 49 | 55 | 46 | 48 | 53 | 43 |
| | D | 34 | 46 | 43 | 32 | 27 | 33 | 38 | 41 | 44 | 48 | 47 | 44 | 52 | 44 | 39 | 41 | 45 |
| | GR | : | : | : | : | -25 | -29 | -20 | -18 | -31 | -34 | -31 | -32 | -34 | -43 | -44 | -40 | -46 |
| | E | : | : | : | : | : | : | : | : | 36 | 38 | 45 | 29 | 39 | 48 | 41 | 41 | 42 |
| | F (d) | 10 | 8 | -3 | -2 | -5 | 0 | 6 | 11 | 12 | 6 | 11 | 13 | 17 | 17 | 20 | 20 | 19 |
| | IRL | 14 | 8 | 5 | -3 | -9 | -3 | -8 | -1 | -3 | -6 | 2 | -7 | -8 | -3 | -10 | -2 | -7 |
| | I | 6 | 4 | -6 | -7 | 10 | 21 | 33 | 37 | 47 | 51 | 50 | 46 | 48 | 50 | 48 | 51 | 49 |
| | NL | 13 | 19 | 19 | 27 | 38 | 35 | 34 | 41 | 48 | 50 | 45 | 53 | 51 | 51 | 52 | 51 | 52 |
| | P | : | : | : | : | : | : | : | : | -42 | -43 | -43 | -42 | -49 | -39 | -36 | -31 | -25 |
| | UK | -10 | -5 | 6 | 5 | 5 | 10 | 17 | 20 | 23 | 25 | 24 | 22 | 25 | 33 | 32 | 31 | 30 |
| — at present | | | | | | | | | | | | | | | | | | |
| | | EUR (c) | 16 | 21 | 15 | 12 | 12 | 19 | 24 | 29 | 31 | 33 | 30 | 35 | 35 | 34 | 35 | 35 |
| — over next 12 months | B | -14 | -14 | -20 | -21 | -25 | -26 | -27 | -33 | -9 | -10 | -8 | -2 | -10 | -3 | -1 | -2 | -2 |
| | DK | -11 | -12 | -20 | -19 | -18 | -12 | -11 | -7 | -6 | -7 | -12 | -12 | -9 | -7 | -8 | -3 | 1 |
| | D | 43 | 46 | 44 | 23 | -2 | 1 | 3 | 3 | 11 | 13 | 15 | 12 | 18 | 16 | 12 | 16 | 12 |
| | GR | : | : | : | : | -37 | -41 | -39 | -40 | -47 | -53 | -47 | -52 | -54 | -52 | -59 | -54 | -58 |
| | E | : | : | : | : | : | : | : | : | -36 | -37 | -40 | -32 | -34 | -34 | -31 | -39 | -41 |
| | F (d) | -27 | -29 | -32 | -32 | -32 | -35 | -37 | -36 | -31 | -33 | -33 | -32 | -34 | -32 | -35 | -31 | -35 |
| | IRL | -5 | -11 | -13 | -19 | -22 | -25 | -37 | -28 | -30 | -29 | -28 | -30 | -25 | -31 | -34 | -20 | -39 |
| | I | -35 | -34 | -32 | -30 | -22 | -27 | -20 | -17 | -10 | -8 | -9 | -9 | -5 | -7 | -6 | -8 | -5 |
| | NL | 6 | 8 | 0 | -1 | -3 | -8 | -2 | 6 | 12 | 13 | 14 | 14 | 19 | 17 | 17 | 14 | 21 |
| | P | : | : | : | : | : | : | : | : | -39 | -36 | -39 | -40 | -39 | -40 | -36 | -29 | -31 |
| | UK | -4 | -4 | -16 | -20 | -17 | -13 | -12 | -14 | 12 | 10 | -6 | -12 | -13 | -7 | -9 | -4 | -8 |
| — over next 12 months | | | | | | | | | | | | | | | | | | |
| | | EUR (c) | 1 | 2 | -4 | -11 | -17 | -17 | -16 | -15 | -11 | -12 | -11 | -12 | -11 | -10 | -11 | -9 |

TABLE 5 (continued): Consumer opinion on economic and financial conditions^(a)

| | | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1986 | | | 1987 | | | | |
|-----------------------------------|------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----|
| | | | | | | | | | | | Okt. | Nov. | Dez. | Jan. | Feb. | März | Apr. | Mai |
| FINANCIAL SITUATION OF HOUSEHOLDS | B | 11 | 12 | 9 | 7 | 6 | 5 | 6 | 5 | 13 | 13 | 11 | 14 | 13 | 13 | 15 | 16 | 14 |
| | DK | 10 | 9 | 4 | 4 | 4 | 8 | 8 | 11 | 10 | 12 | 9 | 9 | 8 | 10 | 7 | 11 | 9 |
| | D | 23 | 22 | 21 | 16 | 12 | 11 | 11 | 12 | 17 | 18 | 18 | 18 | 19 | 17 | 17 | 17 | 18 |
| | GR | : | : | : | : | 0 | 0 | 2 | 3 | 1 | -1 | 2 | -1 | 0 | -1 | -1 | -1 | -3 |
| | E | : | : | : | : | : | : | : | : | 5 | 4 | 4 | 7 | 3 | 7 | 8 | 1 | 3 |
| | F ^(d) | 10 | 10 | 8 | 8 | 8 | 6 | 4 | 3 | 3 | 2 | 2 | 1 | 1 | 1 | 0 | 2 | 0 |
| | IRL | 11 | 8 | 2 | -4 | -1 | -1 | -1 | -1 | -1 | 0 | -2 | -2 | 0 | -1 | -2 | 4 | -5 |
| | I | 7 | 8 | 8 | 8 | 13 | 9 | 11 | 12 | 15 | 17 | 16 | 15 | 16 | 15 | 17 | 15 | 17 |
| | NL | 14 | 22 | 19 | 18 | 17 | 15 | 13 | 16 | 19 | 16 | 16 | 16 | 20 | 19 | 18 | 18 | 20 |
| | P | : | : | : | : | : | : | : | : | 2 | 2 | 2 | 3 | 6 | 3 | 7 | 10 | 7 |
| | UK | 8 | 10 | 8 | 9 | 9 | 12 | 12 | 11 | 11 | 14 | 14 | 11 | 11 | 12 | 13 | 14 | 13 |
| EUR ^(c) | | 14 | 15 | 12 | 11 | 10 | 9 | 9 | 9 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |

(a) The sum of the replies for each Member State are weighted in the Community total with the value of consumers' expenditure.

(b) The indicator represents the arithmetic average of results for five questions, namely the two on the financial situation of the household, the two on the general economic situation, and that concerning major purchases at present.

(c) If monthly data are not available, the EUR-averages incorporate the most recent available results.

(d) Data of an experimental nature from June 1986 onwards.

(e) The climate of consumer confidence is measured by an indicator based on five questions in the consumer survey. These are the questions relating to the general economic situation, the household financial situation and to major purchases of durable goods.

¹ Quarterly data; percentage change on corresponding quarter of preceding year.

² Quarterly data; monthly from May 1986 onwards.

³ Percentage changes on corresponding quarter resp. month of preceding year.

⁴ See table 5 for data and notes.

⁵ Seasonally adjusted.

⁶ EUR 10 up to May 1986; EUR 12 from June 1986 onwards.

Source: European Community consumer survey.

Institutes carrying out the surveys

| Country | Survey: Manufacturing industry | Construction | Investment | Retail sale | Consumer |
|-----------------------------|--|--|--------------------------------------|--|--|
| Belgium | BNB Banque Nationale de Belgique | BNB | BNB | BNB | DIMARSO Gallup Belgium |
| Denmark | DS Danmarks Statistik | DS | DS | — | DS |
| Federal Republic of Germany | IFO Institut für Wirtschafts- forschung | IFO | IFO | IFO | GfK Gesellschaft für Konsumforschung |
| Greece | IEIR Institute of Economic and Industrial Research | IEIR | IEIR | — | NSS National Statistical Service |
| Spain | MIE Ministerio de Industria y Energia | — | MIE | — | GALLUP Instituto Gallup |
| France | INSEE Institut National de la Statistique et des Études Économiques | INSEE | INSEE | INSEE | INSEE |
| Ireland | CII and ESRI Confederation of Irish Industries and Economic and Social Research Institute | CIF Construction Industry Federation | CII and ESRI | — | AI Agricultural Institute |
| Italy | ISCO Istituto per lo Studio della Congiuntura | ISCO | ISCO | ISCO | ISCO |
| Luxembourg | STATEC Service Central de la Statistique et des Études Économiques | STATEC | STATEC | — | — |
| Netherlands | CBS Centraal Bureau voor de Statistiek | EIB | CBS | NIPO Nederlands Instituut voor de Publieke Opinie en het Marktonderzoek | CBS |
| Portugal | INE Instituto Nacional de Estatística | — | INE | — | NORMA |
| United Kingdom | CBI Confederation of British Industry | BEC Building Employers Confederation | BEO Business Statistics Office | CBI | GALLUP Gallup Institute |

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| | ECU | BFR | IRL | UKL | USD | |
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