

EUROPEAN ECONOMY

EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

Supplement B
Business and Consumer
Survey Results
No 7 – July 1995

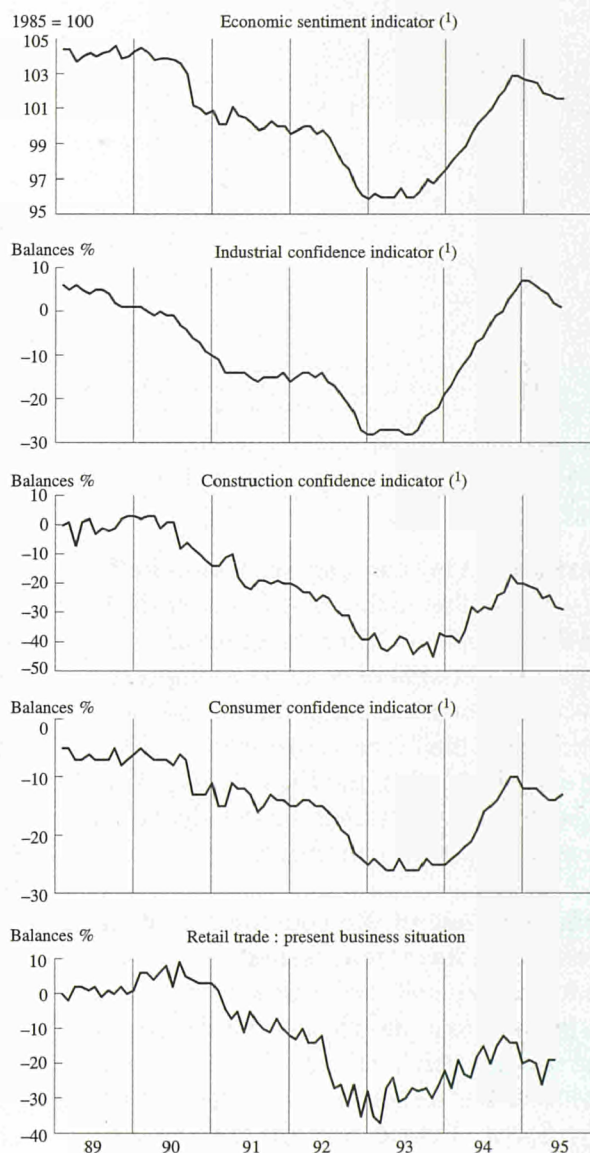


In this number :
Industrial investment
in 1994 and 1995
(pp. 10–12)

Industrial investment back to 1992 level

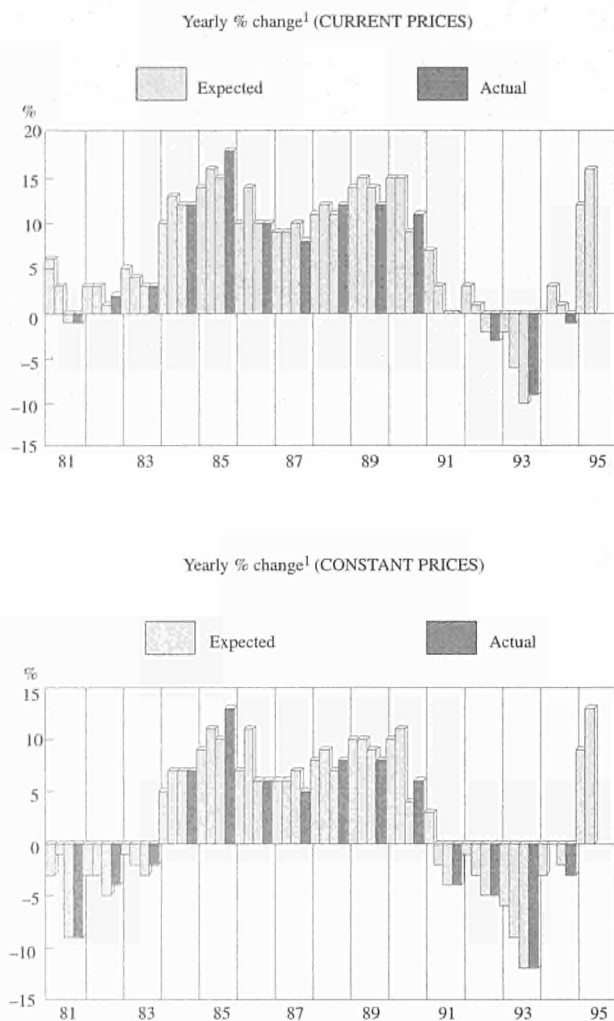
- Industrial *investment* is expected to grow by 13 % in volume in 1995, according to the latest survey results. Except for *Ireland* and *Portugal*, all Member States await a double digit volume growth. If these expectations materialize, they would bring industrial investment back close to the 1992 level.
- The stability of the *economic sentiment indicator* suggests that the period of hesitation in the upswing may have come to an end.
- Despite the fall of the *industrial confidence indicator* by one point, the internal demand remains in a continued upward movement, despite foreign order-books being less optimistic now.
- Increasing demand for investment goods, as indicated by the investment survey has still to be backed by a more buoyant consumer demand. Whether the less pessimistic *consumer confidence indicator* in June points already to a change remains still to be seen.

GRAPH 1 : Indicators of economic sentiment — European Community (s.a.)



(¹) See notes to Table 1.

GRAPH 2 : Investment in manufacturing industry –
(Community as a whole)



¹ For each year the first column represents the first estimate given in the autumn of the previous year; the second column is based on the spring survey results of the current year (April); the third column is the forecast for the current year according to the investment survey in October/November; the fourth column (actual) gives the reported rate of change according to the spring survey of the next year.

Source : European Commission business surveys.

No further deterioration in economic sentiment in the Union in June. – According to the most recent business survey results in the European Union, the economic situation may have got over its weakness: the most important indicators showed almost no change on the previous month and are still above their long-term average. Also, for the first time since December, the *EU's leading economic indicator* did not fall any further, mainly due to the less pessimistic assessments by consumers.

Consumer confidence, one of the components of the EU's leading indicator, has strengthened. – The climate of confidence among *consumers* improved in June compared with the previous month and the composite indicator is on an upward trend, not seen since December 1994, though with further losses of confidence in Denmark, Germany, Spain, Ireland and the Netherlands. This rise is mainly attributable to the gradual recovery of confidence in the *future economic trend* already discern-

ible in previous months. Recently consumers' assessments of the *financial situation of their own households* and above all its *future trend* have also been more positive again. This is true of consumers in six of the eleven member countries for which results are available, namely Greece, France, Ireland, the Netherlands, Portugal and the United Kingdom.

The industrial confidence indicator however again shows weaknesses. – In June the indicator for *industrial confidence* in the Community again deteriorated, though only slightly. The adverse effect on the indicator was mainly due to the view of industrialists that *stocks of finished products* were too high – probably as a result of the unexpected decline in export orders. But for the distinctly less favourable assessment of *stocks of finished products* (mainly in Spain, France and the United Kingdom) the industrial confidence indicator in June would have remained at the previous month's level. Nor did industrial firms trim their *production plans* significantly. At the same time the number of firms intending to expand their production in the near future was still well above that expecting to cut it back. In Germany, Greece, Spain and Ireland there is actually a growing number of industrial firms intending to step up production in the next few months. Taking account of the persistently strong domestic demand which can be seen from the assessment of *total orders in hand*, to which industrial investment makes a particular contribution (see contribution pp 10 et seq.), the growth of industrial output is likely to continue increasing in the next few months as well. True, much will depend on whether the export situation too is again viewed more optimistically after the end of the unrest on the foreign exchange markets and the stabilization of the dollar.

Sentiment in the construction industry is gloomier. – According to the most recent survey results for the *construction industry*, sentiment deteriorated by one percentage point. Falling interest rates have so far had little effect on demand, so that contractors are still just as sceptical in their assessment of *order-books*. The poorer outlook has probably also influenced judgements on *employment*. However, building contractors feel that the present business situation has improved, as is also confirmed by the assessment of *building activity*, which is no longer so negative as it was the month before.

Retailers continue to view the future with pessimism, but are more optimistic about the business situation. – The May business survey results again signal a loss of confidence in the future economic situation. However, few retailers considered stocks too high. A positive trend is discernible in the assessment of the present business situation, and this is confirmed by the strengthening of consumer confidence and the fact that consumers' purchasing intentions are now firmer.

TABLE 1* : Indicators of confidence and economic sentiment (s.a.)

	Values		1992	1993	1994	1994	1995			1995					
	Max. 88/90	Min. 91/93					IV	I	II	Jan.	Feb.	Mar.	Apr.	May	June
B															
1. industrial confidence indicator	2	-33	-20	-29	-6	0	3	-7	4	4	-1	-3	-9	-10	
2. construction confidence indicator	7	25	-13	-21	-15	-16	-18	-24	-17	-18	-19	-20	-26	-25	
3. consumer confidence indicator	5	-30	-12	-26	-15	-8	-9	-10	-8	-8	-10	-9	-11	-10	
4. share-price index ^(a)	:	:	187.5	206.8	230.7	217.7	213.0	224.0	216.0	215.0	208.0	217.0	229.0	226.0	
= 5. economic sentiment indicator	107.3	98.5	101.9	99.1	103.3	104.9	104.8	103.9	105.1	105.0	104.2	104.3	103.7	103.7	
DK															
1. industrial confidence indicator	5	-20	-7	-12	12	15	13	10	13	:	:	10	:	:	
2. construction confidence indicator	12	-37	-22	-24	3	17	16	9	16	:	:	9	:	:	
3. consumer confidence indicator	-4	-10	-2	-5	8	10	9	9	9	9	10	8	10	8	
4. share-price index ^(a)	:	:	144.7	147.7	176.3	167.6	168.8	171.4	169.7	172.5	164.1	168.9	172.6	172.8	
= 5. economic sentiment indicator	97.3	93.8	96.0	95.3	100.3	101.1	100.8	100.3	100.9	100.8	100.6	100.3	:	:	
D															
1. industrial confidence indicator	11	-36	-18	-34	-13	-1	4	0	5	4	4	3	-2	-1	
2. construction confidence indicator	3	-33	-15	-28	-27	-26	-32	-39	-29	-33	-35	-35	-41	-41	
3. consumer confidence indicator	6	-30	-20	-28	-15	-6	-6	-7	-6	-8	-4	-6	-6	-8	
4. share-price index ^(a)	:	:	137.5	147.4	168.2	160.9	158.8	156.9	159.9	161.5	155.0	152.6	157.5	160.7	
= 5. economic sentiment indicator	104.8	95.8	98.7	96.1	99.6	101.4	101.6	100.9	101.7	101.4	101.6	101.3	100.8	100.7	
GR															
1. industrial confidence indicator	5	-11	-4	-6	0	-2	2	2	0	1	4	1	2	4	
2. construction confidence indicator	-12	-50	-13	-23	-38	-45	-31	-49	-31	:	:	-49	:	:	
3. consumer confidence indicator	-7	-36	-31	-27	-22	-28	-32	-30	-31	-31	-33	-31	-30	-28	
4. share-price index ^(a)	:	:	560.7	473.6	551.4	500.0	487.6	518.0	500.2	484.9	477.7	481.7	536.3	536.0	
= 5. economic sentiment indicator	101.1	98.5	99.0	99.2	99.9	99.2	99.3	99.3	99.3	99.4	99.3	99.0	99.3	99.5	
E															
1. industrial confidence indicator	0	44	-25	-35	-9	0	3	1	3	4	2	2	2	-1	
2. construction confidence indicator	32	-59	-37	-44	-18	4	0	0	-1	3	-3	1	3	-5	
3. consumer confidence indicator	5	-39	-20	-34	-25	-15	-18	-22	-16	-17	-22	-21	-22	-23	
4. share-price index ^(a)	:	:	270.0	316.0	368.6	344.8	323.8	341.3	329.7	326.7	314.9	332.7	345.4	345.8	
= 5. economic sentiment indicator	102.0	96.1	98.2	96.6	99.2	100.4	100.1	99.8	100.4	100.3	99.7	99.9	99.9	99.6	
F															
1. industrial confidence indicator	12	-40	-21	-35	-4	9	5	1	10	5	0	4	1	-2	
2. construction confidence indicator	2	-59	-43	-57	-38	-30	-34	-35	-34	:	:	-35	:	:	
3. consumer confidence indicator	-9	-28	-22	-25	-17	-13	-15	-14	-14	-15	-16	-17	-14	-12	
4. share-price index ^(a)	:	:	217.2	241.2	252.5	235.3	223.7	236.4	225.9	225.0	220.3	232.5	241.6	235.0	
= 5. economic sentiment indicator	106.0	97.1	99.9	97.9	101.9	103.4	102.7	102.6	103.2	102.7	102.1	102.3	102.7	102.8	
IRL															
1. industrial confidence indicator	14	-22	-4	-13	2	7	7	11	11	5	6	12	11	10	
2. construction confidence indicator	30	-38	-13	-27	-2	22	-5	4	-3	2	-14	9	5	-1	
3. consumer confidence indicator	-3	-26	-21	-14	-1	2	5	0	5	4	6	0	0	-1	
4. share-price index ^(a)	:	:	223.9	280.8	318.6	315.5	321.4	333.0	319.2	325.4	319.7	324.2	332.1	342.7	
= 5. economic sentiment indicator	105.4	100.1	101.2	101.7	104.2	105.0	104.9	104.7	105.0	104.9	104.8	104.8	104.7	104.6	
I															
1. industrial confidence indicator	13	-22	-15	-17	1	9	10	7	10	8	11	7	8	7	
2. construction confidence indicator	21	-68	-16	-48	-35	-15	-13	-20	-15	-7	-18	-17	-22	-23	
3. consumer confidence indicator	0	-36	-19	-32	-21	-15	-19	-23	-17	-16	-25	-24	-23	-22	
4. share-price index ^(a)	:	:	136.9	168.2	209.8	193.9	198.3	193.4	202.4	204.1	188.3	188.5	199.8	192.0	
= 5. economic sentiment indicator	103.7	96.0	98.7	96.7	99.9	101.3	100.8	100.0	101.2	101.4	99.9	99.9	100.1	100.1	
NL															
1. industrial confidence indicator	3	-12	-6	-10	-1	3	4	4	3	4	5	5	4	2	
2. construction confidence indicator	9	-20	-15	-17	-11	-9	-10	-10	-8	-12	-11	-10	-8	-11	
3. consumer confidence indicator	11	-21	-10	-17	-7	-1	2	3	-1	4	4	3	5	2	
4. share-price index ^(a)	:	:	142.4	167.0	195.5	195.5	186.3	203.1	195.0	174.8	189.0	197.8	204.5	206.9	
= 5. economic sentiment indicator	103.6	97.2	99.0	97.9	100.3	101.3	101.6	101.9	101.4	101.6	101.9	101.9	102.2	101.7	
P															
1. industrial confidence indicator	5	-28	-12	-25	-5	1	2	-1	3	3	0	-2	-1	-2	
2. construction confidence indicator	12	-51	-32	-47	-45	-41	-41	-34	-45	-40	-39	-34	-34	-34	
3. consumer confidence indicator	4	-31	-5	-24	-26	-25	-23	-22	-25	-22	-22	-24	-22	-20	
4. share-price index ^(a)	:	:	93.9	110.6	145.1	144.0	132.1	137.3	133.6	130.8	131.9	138.0	138.6	135.4	
= 5. economic sentiment indicator	103.5	95.0	98.0	95.7	97.7	98.3	98.2	98.2	98.1	98.3	98.2	98.1	98.3	98.3	
UK															
1. industrial confidence indicator	21	-40	-24	-11	2	8	10	5	8	11	10	5	7	3	
2. construction confidence indicator	42	-78	-53	-38	-20	-17	-25	-29	-17	-27	-32	-21	-32	-35	
3. consumer confidence indicator	7	-31	-15	-13	-12	-10	-11	-13	-11	-10	-11	-10	-16	-12	
4. share-price index ^(a)	:	:	198.1	228.2	245.3	236.8	235.7	250.6	235.7	235.7	235.8	244.3	251.3	256.1	
= 5. economic sentiment indicator	104.3	96.1	98.0	99.2	100.3	100.6	100.3	99.9	100.5	100.4	100.1	100.3	99.7	99.7	
EUR															
1. industrial confidence indicator	6	-28	-19	-26	-5	5	6	2	7	6	5	4	2	1	
2. construction confidence indicator	3	-44	-29	-40	-28	-19	-22	-27	-21	-22	-25	-24	-28	-29	
3. consumer confidence indicator	-3	-26	-18	-25	-17	-11	-12	-14	-12	-12	-13	-14	-14	-13	
4. share-price index ^(a)	:	:	179.4	201.8	227.6	215.2	210.7	217.1	213.2	212.4	206.4	211.7	220.3	219.4	
= 5. economic sentiment indicator	104.8	96.0	98.5	96.4	100.7	102.8	102.3	101.7	102.6	102.5	101.9	101.8	101.6	101.6	

(a) Not seasonally adjusted. Source : Eurostat, DRI. Weights for the calculation of EUR have been updated according to GDP.

* Used data-sign in the tables : (s.a.) = seasonally adjusted, : = not available.
The figures for the Federal Republic of Germany refer to Western Germany, if not mentioned otherwise.
Economic sentiment indicator and share-price index : 1985 = 100; the confidence indicators : balances.
Source, unless stated otherwise : European Commission business and consumer surveys.

TABLE 2 : **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.)

		Values		1992	1993	1994	1994	1995			1995				
		Max. 88/90	Min. 91/93					IV	I	II	Jan.	Feb.	Mar.	Apr.	May
INDUSTRIAL CONFIDENCE INDICATOR	B	2	-33	-20	-29	-6	0	2	-7	4	4	-1	-3	-9	-10
	DK	5	-20	-7	-13	12	15	13	10	13	:	:	10	:	:
	D	11	-38	-18	-34	-13	-1	4	0	5	4	4	3	-2	-1
	GR	5	-11	-4	-6	0	-2	2	2	0	1	4	1	2	4
	E	0	-44	-25	-35	-9	0	3	1	3	4	2	2	2	-1
	F	12	-40	-21	-35	-4	9	5	1	10	5	0	4	1	-2
	IRL	14	-22	-4	-13	3	7	7	11	11	5	6	12	11	10
	I	13	-22	-15	-18	1	9	10	7	10	8	11	7	8	7
	L	11	-36	-28	-25	-8	5	16	21	17	17	13	25	23	16
	NL	3	-12	-6	-10	-1	3	4	4	3	4	5	5	4	2
	P	5	-28	-12	-25	-5	1	2	-2	3	3	0	-2	-1	-2
UK	21	-40	-24	-11	2	8	10	5	8	11	10	5	7	3	
EUR	6	-28	-19	-26	-5	5	6	2	7	6	5	4	2	1	
PRODUCTION EXPECTATIONS	B	12	-36	-16	-28	2	13	12	0	15	15	7	6	-2	-3
	DK	15	-5	7	-28	19	21	19	10	19	:	:	10	:	:
	D	14	-31	-10	-20	7	15	19	11	22	19	17	19	6	7
	GR	29	3	25	20	25	25	30	28	30	28	33	24	28	32
	E	16	-19	-4	-10	7	14	12	7	11	15	9	6	6	8
	F	23	-27	-4	-20	11	20	14	8	21	14	7	11	8	4
	IRL	27	-15	1	-3	15	23	22	21	25	21	19	19	20	25
	I	28	-14	1	-1	18	26	26	19	28	25	24	21	20	17
	L	19	-42	-28	-16	-2	3	12	24	13	15	7	28	26	18
	NL	12	-4	4	1	10	11	11	11	9	11	14	13	13	6
	P	18	-11	3	-8	9	14	16	11	17	17	13	8	13	13
UK	34	-38	-1	11	22	26	30	19	23	33	33	15	23	18	
EUR	18	-16	-4	-9	13	20	20	13	21	21	18	15	12	11	
ORDER-BOOKS	B	-1	-51	-33	-45	-21	-11	-6	-15	-3	-6	-10	-11	-16	-19
	DK	11	-45	-17	-31	14	26	27	25	27	:	:	25	:	:
	D	12	-59	-29	-57	-34	-15	-6	-7	-6	-7	-6	-7	-8	-7
	GR	-7	-30	-21	-26	-18	-18	-10	-9	-12	-12	-6	-8	-12	-8
	E	-3	-65	-43	-58	-19	-4	5	4	4	6	5	7	6	0
	F	16	-65	-39	-57	-14	5	3	-1	8	4	-4	1	-3	-2
	IRL	16	-36	-8	-20	1	6	7	14	13	2	7	19	13	9
	I	12	-44	-30	-38	-9	3	8	8	7	7	11	8	7	8
	L	16	-63	-44	-44	-19	11	17	32	21	21	10	33	32	31
	NL	1	-25	-15	-23	-9	-1	2	1	2	2	1	1	0	1
	P	0	-52	-30	-48	-20	-10	-8	-11	-9	-4	-10	-11	-11	-11
UK	26	-62	-49	-26	-5	8	10	6	11	11	9	10	4	3	
EUR	5	-49	-35	-46	-17	-2	2	0	4	2	1	2	-1	-1	
EXPORT ORDER-BOOKS	B	-3	-56	-36	-49	-22	-10	-3	-14	0	-5	-4	-9	-14	-20
	DK	17	-39	-9	-24	13	20	20	22	20	:	:	22	:	:
	D	1	-68	-39	-63	-43	-25	-8	-11	-8	-10	-7	-10	-10	-13
	GR	-16	-36	-26	-24	-2	2	8	5	9	1	13	6	9	-1
	E	-17	-55	-38	-48	-15	-4	-1	-1	-2	-1	0	1	6	-9
	F	24	-62	-32	-54	-11	11	13	11	18	13	9	11	12	9
	IRL	29	-53	-20	-18	-6	5	13	15	12	17	9	17	23	6
	I	0	-41	-35	-26	9	15	23	26	17	27	24	28	24	25
	L	52	-74	-51	-42	-19	13	18	38	20	23	12	41	35	38
	P	1	-58	-29	-50	2	15	11	1	13	12	8	5	-4	1
	UK	12	-42	-35	-19	-2	9	14	16	15	15	13	19	13	16
EUR	0	-49	-35	-46	-19	-5	4	3	5	4	4	5	3	0	
STOCKS OF FINISHED PRODUCTS	B	-1	21	12	13	0	2	-2	7	-1	-3	-1	5	8	7
	DK	-1	20	11	10	-1	1	6	4	6	:	:	4	:	:
	D	-9	30	15	27	12	3	1	3	2	1	0	2	4	3
	GR	1	21	15	12	8	14	15	12	18	12	14	12	11	12
	E	8	47	27	37	13	9	7	8	5	8	7	7	7	11
	F	-3	32	19	27	8	-2	2	3	-1	2	4	1	1	7
	IRL	-6	23	5	15	8	8	7	2	6	8	8	1	1	4
	I	-4	22	17	13	5	2	5	5	5	7	3	7	4	5
	L	-10	26	11	15	3	0	-18	-8	-17	-14	-22	-15	-10	0
	NL	0	11	7	9	4	1	0	1	1	0	0	0	1	1
	P	0	25	9	18	5	1	2	4	-2	5	3	2	4	7
UK	4	30	20	18	12	9	10	10	9	10	11	11	7	13	
EUR	2	25	17	22	9	4	4	5	3	5	4	5	4	7	
SELLING-PRICE EXPECTATIONS	B	24	-18	-3	-6	9	20	19	12	23	21	14	14	12	11
	D	26	-7	10	-2	9	20	23	19	23	23	24	22	18	16
	GR	41	13	28	22	27	31	34	32	33	38	30	31	36	28
	E	21	-18	-5	-10	10	19	29	29	28	29	30	35	27	24
	F	34	-11	8	-3	10	19	17	14	18	18	14	13	14	14
	IRL	23	-25	-4	-4	-1	-2	2	9	0	-1	6	8	13	7
	I	32	6	13	11	19	24	33	31	32	32	34	40	33	19
	L	62	-50	-14	1	13	43	44	34	45	49	37	40	35	27
	P	28	-2	10	3	22	30	27	24	29	26	25	23	26	24
	UK	34	-6	-1	5	11	21	27	21	24	29	28	20	22	22
	EUR	28	-1	7	1	12	21	25	22	24	25	25	25	22	18

(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).

TABLE 3 : Survey of the construction industry
Balances : i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Values		1992	1993	1994	1994	1995			1995				
		Max. 88/90	Min. 91/93					IV	I	II	Jan.	Feb.	Mar.	Apr.	May
CONSTRUCTION CONFIDENCE INDICATOR ^(a)	B	7	-25	-13	-21	-15	-16	-18	-24	-17	-18	-19	-20	-26	-25
	DK	12	-37	-22	-24	3	17	16	9	16	:	:	9	:	:
	D	3	-33	-15	-28	-27	-26	-32	-39	-29	-33	-35	-35	-41	-41
	GR	-12	-50	-13	-23	-38	-45	-31	-49	-31	:	:	-49	:	:
	E	31	-59	-37	-44	-18	4	0	0	-1	3	-3	1	3	-5
	F	2	-59	-43	-57	-38	-30	-34	-35	-34	:	:	-35	:	:
	IRL	30	-39	-13	-27	-2	22	-5	4	-3	2	-14	9	5	-1
	I	21	-68	-16	-48	-35	-15	-13	-20	-15	-7	-18	-17	-22	-23
	L	24	-65	-23	-54	-51	-35	-48	-47	-35	-55	-53	-49	-45	-48
	NL	9	-20	-15	-17	-11	-9	-10	-10	-8	-12	-11	-10	-8	-11
	P	12	-51	-32	-47	-45	-41	-41	-34	-45	-40	-39	-34	-34	-34
UK	42	-78	-53	-38	-20	-17	-25	-29	-17	-27	-32	-21	-32	-35	
	EUR	3	-44	-29	-40	-28	-19	-22	-27	-21	-22	-25	-24	-28	-29
TREND OF ACTIVITY COMPARED WITH PRECEDING MONTH	B	36	-37	-5	-10	-4	1	2	-3	10	-9	6	-4	-10	6
	D	19	-29	-16	-24	-15	-9	-9	-26	-5	-15	-8	-28	-25	-25
	GR	30	-27	7	-8	-22	-48	-14	-9	-14	:	:	-9	:	:
	E	45	-44	-25	-13	6	16	12	3	15	6	15	-11	23	-2
	F	32	-63	-38	-58	-21	0	-4	-12	-4	:	:	-12	:	:
	IRL	24	-33	-10	-14	5	30	1	11	34	-2	-28	21	8	5
	I	32	-50	-5	-25	-14	2	-1	-3	3	4	-9	-1	-17	8
	L	39	-63	-16	-48	-24	-16	-13	-33	1	-25	-15	-37	-31	-30
	NL	35	-35	-8	-13	-4	0	0	-16	-6	-7	12	-36	-22	10
	P	25	-32	-15	-19	-20	-15	-13	-10	-15	-12	-12	-9	-11	-9
	UK	50	-67	-20	-7	4	3	-7	-6	1	-12	-10	4	-11	-12
	EUR	20	-34	-19	-26	-11	-1	-3	-11	0	-6	-4	-12	-13	-9
ORDER-BOOKS	B	-6	-37	-26	-29	-27	-28	-30	-37	-29	-32	-30	-35	-38	-39
	DK	13	-48	-32	-34	-2	20	31	16	31	:	:	16	:	:
	D	-7	-43	-26	-38	-35	-34	-38	-44	-36	-39	-39	-41	-46	-44
	GR	-39	-73	-45	-56	-59	-69	-51	-76	-51	:	:	-76	:	:
	E	45	-64	-37	-42	-25	-2	-14	-11	-17	-12	-13	-15	-5	-13
	F	4	-73	-55	-69	-52	-43	-48	-45	-48	:	:	-45	:	:
	IRL	30	-55	-13	-40	-27	-1	-25	-24	-14	-29	-32	-20	-26	-25
	I	17	-76	-17	-58	-45	-25	-26	-30	-27	-17	-34	-24	-32	-33
	L	12	-69	-22	-58	-51	-39	-49	-50	-38	-55	-54	-51	-48	-51
	NL	2	-30	-22	-25	-20	-18	-18	-19	-14	-20	-20	-22	-17	-18
	P	-6	-70	-49	-66	-71	-68	-68	-60	-71	-68	-65	-58	-60	-61
UK	35	-85	-73	-63	-42	-39	-46	-46	-36	-48	-53	-37	-49	-51	
	EUR	-2	-57	-38	-52	-40	-31	-35	-37	-33	-34	-37	-34	-38	-38
EMPLOYMENT EXPECTATIONS	B	19	-18	-1	-12	-3	-3	-5	-10	-4	-4	-8	-4	-14	-11
	DK	11	-26	-13	-15	9	13	0	1	0	:	:	1	:	:
	D	19	-22	-4	-18	-19	-18	-26	-34	-21	-26	-31	-29	-35	-37
	GR	20	-26	20	10	-18	-20	-10	-22	-10	:	:	-22	:	:
	E	0	-63	-36	-45	-12	9	14	10	15	18	8	17	11	3
	F	8	-47	-31	-46	-25	-17	-19	-24	-19	:	:	-24	:	:
	IRL	37	-35	-13	-14	23	45	15	32	9	32	4	38	35	24
	I	25	-60	-15	-39	-24	-4	0	-11	-2	3	-2	-9	-12	-12
	L	36	-62	-25	-50	-52	-30	-46	-44	-32	-54	-52	-46	-42	-45
	NL	16	-15	-8	-9	-2	0	-2	0	-1	-3	-2	2	1	-4
	P	28	-37	-15	-27	-19	-14	-14	-8	-19	-12	-12	-9	-8	-6
UK	51	-70	-32	-12	2	4	-4	-13	3	-5	-11	-5	-15	-19	
	EUR	12	-34	-19	-29	-16	-7	-10	-16	-8	-9	-13	-13	-17	-19
PRICE EXPECTATIONS	B	28	-12	2	-8	-1	3	2	-7	4	3	-2	-6	-8	-8
	D	45	-23	-6	-21	-10	-3	-9	-18	-6	-9	-12	-18	-17	-19
	GR	26	-28	8	-18	3	29	13	-18	13	:	:	-18	:	:
	E	70	-21	12	0	5	20	25	40	25	30	20	39	46	36
	IRL	38	-46	-14	-11	16	29	17	31	27	16	9	37	29	28
	I	63	-16	25	-1	11	16	10	18	5	8	17	1	27	25
	L	23	-67	-31	-58	-45	-35	-40	-46	-43	-31	-45	-43	-47	-49
	NL	64	3	28	8	15	21	17	27	18	17	16	27	28	27
	P	70	-25	14	-12	-2	-2	-5	-2	-13	-5	2	-1	-2	-4
	UK	70	-54	-13	5	27	33	23	12	33	21	16	18	8	9
		EUR	39	-11	6	-6	6	14	8	7	10	8	7	4	10

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

TABLE 4 : Consumer opinion on economic and financial conditions (s.a.) (a)

		Values		1992	1993	1994	1994	1995			1995					
		Max. 88/90*	Min. 91/93*					IV	I	II	Jan.	Feb.	Mar.	Apr.	May	June
CONSUMER CONFIDENCE INDICATOR ^(b)	B	5	-30	-12	-26	-15	-8	-9	-10	-8	-8	-10	-9	-11	-10	
	DK	2	10	-2	-5	8	10	9	9	9	9	10	8	10	8	
	D	6	-30	-20	-28	-15	-6	-6	-7	-6	-8	-4	-6	-6	-8	
	GR	-7	-36	-31	-27	-22	-28	-32	-30	-31	-31	-33	-31	-30	-28	
	E	5	-39	-20	-34	-25	-15	-18	-22	-16	-17	-22	-21	-22	-23	
	F	-9	-28	-22	-25	-17	-13	-15	-14	-14	-15	-16	-17	-14	-12	
	IRL	-3	-26	-21	-13	-1	2	5	0	5	4	6	0	0	-1	
	I	0	-36	-19	-32	-21	-15	-19	-23	-17	-16	-25	-24	-23	-22	
	NL	11	-21	-10	-17	-7	-1	2	3	-1	4	4	3	5	2	
	P	4	-31	-5	-24	-26	-25	-23	-22	-25	-22	-22	-24	-22	-20	
	UK	7	-31	-15	-13	-12	-10	-11	-13	-11	-10	-11	-10	-16	-12	
		EUR ^(c)	-3	-26	-18	-25	-17	-11	-12	-14	-12	-12	-13	-14	-14	-13
FINANCIAL SITUATION OF HOUSEHOLDS	B	2	-16	-4	-11	-9	-6	-7	-6	-6	-7	-7	-6	-6	-6	
	DK	2	-2	3	1	9	11	11	10	12	8	12	10	11	9	
	D	4	-20	-15	-18	-15	-9	-12	-11	-11	-14	-11	-11	-11	-10	
	GR	-8	-43	-39	-37	-24	-27	-33	-33	-32	-32	-34	-33	-33	-32	
	E	0	-27	-12	-22	-20	-15	-16	-16	-15	-16	-16	-15	-15	-18	
	F	-5	-16	-10	-12	-12	-10	-10	-10	-9	-10	-11	-11	-10	-10	
	IRL	-13	-25	-22	-17	-11	-11	-6	-10	-7	-7	-3	-11	-10	-8	
	I	-1	-24	-9	-20	-19	-16	-17	-19	-14	-15	-21	-19	-20	-19	
	NL	12	-3	1	-1	-3	-5	-4	-1	-8	-1	-2	-2	0	-1	
	P	2	-23	-5	-18	-21	-21	-19	-18	-21	-18	-17	-18	-19	-16	
	UK	-2	-32	-20	-21	-21	-20	-20	-16	-20	-20	-19	-16	-20	-13	
		EUR ^(c)	-4	-19	-12	-17	-15	-13	-14	-13	-13	-14	-13	-14	-13	
— over last 12 months	B	8	-9	0	-5	-1	3	3	3	3	2	3	4	3	3	
	DK	11	6	10	10	12	13	14	12	13	14	14	11	13	13	
	D	4	-15	-9	-13	-8	-4	-5	-3	-6	-6	-2	-4	-3	-3	
	GR	3	-31	-26	-18	-13	-22	-24	-23	-23	-24	-25	-24	-24	-22	
	E	8	-16	-7	-11	-3	3	0	-3	2	-1	-2	-2	-3	-3	
	F	3	-9	-1	-5	-1	1	-1	1	0	0	-2	-1	2	3	
	IRL	0	-11	-8	-5	-1	0	1	0	0	1	1	-1	-1	2	
	I	5	-13	-5	-12	-4	-1	2	2	4	4	-1	2	2	2	
	NL	10	-3	2	-1	0	0	2	2	1	4	2	2	1	4	
	P	9	-18	1	-13	-11	-7	-7	-7	-7	-6	-7	-7	-8	-6	
	UK	4	-22	-1	-7	-13	-9	-8	-5	-8	-7	-8	-7	-9	0	
		EUR ^(c)	2	-10	-4	-9	-5	-3	-2	-1	-2	-2	-3	-2	-2	0
GENERAL ECONOMIC SITUATION	B	7	-61	-32	-54	-35	-20	-21	-21	-22	-21	-20	-18	-23	-22	
	DK	5	-27	-3	-14	11	17	16	13	14	17	16	13	15	11	
	D	14	-60	-34	-54	-30	-8	-6	-5	-7	-10	-1	-2	-4	-9	
	GR	-16	-41	-36	-34	-28	-33	-37	-34	-37	-36	-39	-36	-34	-32	
	E	0	-62	-30	-54	-45	-28	-36	-36	-33	-33	-41	-38	-34	-37	
	F	-23	-57	-46	-54	-43	-36	-37	-37	-37	-35	-38	-38	-38	-34	
	IRL	-3	-59	-44	-36	-6	2	9	-3	10	7	9	0	-3	-5	
	I	-3	-74	-47	-70	-52	-37	-47	-51	-46	-41	-55	-58	-49	-46	
	NL	21	-57	-26	-47	-23	-5	4	5	-6	6	11	4	8	2	
	P	13	-44	-4	-33	-36	-38	-36	-33	-40	-34	-35	-37	-33	-29	
	UK	4	-67	-50	-40	-26	-21	-23	-33	-23	-23	-23	-25	-34	-39	
		EUR ^(c)	-10	-54	-40	-53	-36	-23	-26	-28	-26	-25	-26	-28	-28	-29
— over next 12 months	B	8	-45	-22	-40	-12	1	-3	-7	1	-2	-7	-3	-9	-8	
	DK	5	-10	-4	-6	8	8	5	3	4	7	3	4	3	1	
	D	6	-41	-24	-38	-11	2	2	-2	2	1	4	1	-1	-5	
	GR	0	-26	-20	-13	-14	-25	-26	-24	-25	-26	-27	-26	-24	-22	
	E	6	-38	-24	-25	-8	2	-4	-10	0	-3	-10	-10	-10	-11	
	F	-7	-36	-26	-27	-12	-7	-9	-5	-8	-9	-11	-13	-4	1	
	IRL	10	-29	-18	-11	4	9	12	4	12	13	10	5	3	3	
	I	5	-39	-23	-29	0	4	9	4	12	13	3	3	6	3	
	NL	11	-42	-24	-30	-4	5	8	2	6	10	7	3	4	-1	
	P	12	-30	-5	-25	-21	-20	-18	-18	-19	-17	-19	-18	-18	-17	
	UK	1	-33	-7	-10	-10	-8	-9	-16	-7	-7	-12	-14	-21	-12	
		EUR ^(c)	-3	-32	-20	-27	-8	-2	-2	-5	0	-1	-4	-6	-5	-4
MAJOR PURCHASES	B	8	-29	-4	-21	-19	-16	-15	-20	-17	-14	-15	-20	-20	-19	
	DK	-7	-27	-18	-17	-1	3	1	5	0	1	3	3	8	4	
	D	3	-20	-16	-18	-14	-11	-11	-13	-11	-12	-10	-14	-13	-11	
	GR	-13	-42	-35	-31	-31	-34	-36	-34	-37	-33	-37	-36	-36	-30	
	E	13	-64	-25	-58	-48	-38	-38	-44	-36	-35	-42	-42	-47	-44	
	F	-1	-33	-26	-29	-19	-16	-19	-21	-16	-19	-21	-22	-22	-20	
	IRL	5	-15	-11	4	9	8	10	8	12	6	11	6	13	5	
	I	-2	-37	-14	-28	-32	-27	-44	-50	-41	-39	-51	-49	-52	-50	
	NL	11	-16	-3	-7	-3	-2	3	6	2	3	4	6	8	5	
	P	-2	-47	-13	-34	-41	-38	-37	-35	-39	-37	-34	-39	-35	-32	
	UK	28	-21	5	11	10	7	6	6	3	7	8	10	3	5	
		EUR ^(c)	1	-23	-14	-21	-17	-14	-18	-21	-17	-17	-19	-20	-22	-20
— over next 12 months	B	-10	-17	-12	-14	-16	-17	-16	-16	-18	-16	-15	-16	-17	-14	
	DK	-7	-14	-10	-9	-4	-6	-3	-5	-3	-3	-2	-5	-3	-7	
	D	-13	-29	-22	-26	-24	-22	-22	-24	-22	-23	-22	-23	-24	-24	
	GR	-26	-50	-41	-38	-37	-39	-37	-39	-36	-37	-39	-42	-38	-37	
	E	-16	-47	-29	-37	-36	-29	-31	-35	-30	-34	-30	-29	-35	-40	
	F	1	-1	0	0	0	0	0	1	0	0	0	1	0	1	
	IRL	-4	-20	-15	-16	-14	-12	-11	-11	-9	-10	-13	-10	-10	-13	
	I	-17	-32	-20	-21	-20	-19	-22	-20	-22	-21	-23	-22	-22	-17	
	NL	-8	-15	-13	-12	-13	-14	-14	-14	-13	-15	-15	-17	-11	-14	
	P	20	-23	3	-14	-10	-11	-15	-21	-13	-12	-19	-22	-19	-21	
	UK	-8	-26	-19	-19	-18	-19	-17	-18	-18	-16	-18	-19	-19	-17	
		EUR ^(c)	-12	-19	-17	-18	-18	-17	-17	-18	-17	-17	-17	-18	-18	-18

TABLE 4 (continued) : Consumer opinion on economic and financial conditions (s.a.)^(a)

		Values		1992	1993	1994	1994	1995			1995					
		Max. 88/90*	Min. 91/93*					IV	I	II	Jan.	Feb.	Mar.	Apr.	May	June
UNEMPLOYMENT	B	3	64	41	57	33	21	23	22	22	22	25	21	24	22	
	DK	14	40	31	29	-5	-12	-16	-14	-11	-18	-19	-14	-15	-13	
	D	1	58	33	52	28	12	11	14	16	14	4	10	12	20	
	GR	15	56	49	41	39	44	46	47	46	43	50	47	49	44	
	E	-4	67	47	59	29	15	15	19	10	18	16	22	17	17	
	F	10	64	54	59	38	29	22	10	25	21	21	21	9	0	
	— over next 12 months	IRL	5	58	50	40	23	16	10	21	13	9	9	21	20	23
		I	26	71	53	66	31	19	11	17	11	7	16	18	15	17
		NL	-9	77	31	67	37	20	16	19	21	12	16	15	19	22
		P	-3	73	26	62	56	50	49	49	49	51	47	47	51	48
		UK	-12	52	41	34	20	14	14	20	13	13	15	21	23	17
		EUR^(c)	9	57	43	54	30	18	16	16	17	15	15	18	15	14
PRICE TRENDS	B	21	49	43	44	36	33	34	33	34	34	34	33	30	36	
	DK	-23	11	-29	-42	-38	-34	-31	-30	-31	-31	-32	-30	-30	-30	
	D	-28	55	51	48	32	24	22	20	23	23	20	21	19	21	
	GR	19	56	51	48	32	34	40	40	39	39	43	42	40	39	
	E	18	42	35	23	24	24	39	41	35	38	43	45	41	37	
	F	0	15	6	-4	-7	-3	4	-1	2	6	4	2	-4	-1	
	— over last 12 months	IRL	21	34	27	14	14	15	17	19	16	19	16	19	18	20
		I	30	52	48	43	34	30	30	45	23	28	38	43	44	49
		NL	-18	40	28	14	20	25	19	14	22	16	20	15	16	10
		P	35	59	51	46	38	37	39	39	41	40	36	41	38	37
		UK	9	49	20	15	15	13	18	16	17	18	18	15	17	17
		EUR^(c)	11	37	32	25	19	18	21	22	19	21	22	23	21	23
— over next 12 months	B	13	45	36	38	26	22	24	24	24	22	27	22	24	26	
	DK	-31	-24	-17	-27	-20	-18	-14	-13	-13	-12	-17	-12	-14	-13	
	D	-3	58	46	46	33	31	30	30	30	30	30	30	29	30	
	GR	31	56	51	45	43	48	50	50	49	48	53	53	50	47	
	E	8	32	27	9	9	10	20	23	15	22	24	26	23	19	
	F	-4	54	12	10	-1	4	6	13	3	6	10	9	9	20	
	IRL	14	32	24	16	17	19	17	23	20	14	17	23	25	21	
	I	35	62	53	45	27	25	32	29	24	34	39	30	28	30	
	NL	7	60	36	29	29	32	28	28	26	28	29	29	28	27	
	P	21	48	41	36	28	24	22	25	24	24	19	22	25	27	
	UK	37	57	24	35	37	38	39	34	37	41	38	38	37	27	
		EUR^(c)	22	49	34	30	23	23	26	26	23	27	28	26	25	26
SAVINGS	B	65	47	61	54	49	51	56	57	55	56	57	59	55	56	
	DK	71	64	73	72	57	59	59	59	62	59	57	62	61	55	
	D	52	30	35	33	37	40	39	39	39	38	39	35	41	41	
	GR	-19	-47	-43	-38	-37	-39	-44	-42	-44	-43	-44	-39	-44	-42	
	E	53	30	42	47	42	42	41	46	45	35	43	43	46	48	
	F	48	31	48	51	54	57	58	57	59	58	57	54	56	61	
	— at present	IRL	23	-3	9	12	5	2	7	5	10	5	5	10	3	
		I	50	33	45	42	48	51	49	52	47	53	47	51	51	54
		NL	60	47	56	59	58	60	62	61	61	63	61	59	61	62
		P	-15	-49	-23	-38	-41	-44	-44	-39	-47	-43	-42	-41	-37	-40
		UK	36	-6	15	-1	-2	4	8	6	3	12	8	8	5	4
		EUR^(c)	41	31	36	34	35	38	38	38	37	39	37	37	38	40
— over next 12 months	B	14	-2	11	4	5	7	7	11	9	5	8	10	10	13	
	DK	21	9	15	14	21	26	27	22	22	30	29	21	23	23	
	D	22	-1	5	2	6	9	8	9	8	6	11	6	9	12	
	GR	-32	-57	-53	-52	-50	-52	-55	-55	-54	-56	-54	-56	-55	-54	
	E	-16	-33	-25	-28	-25	-23	-26	-24	-25	-27	-25	-28	-21	-24	
	F	-23	-33	-27	-29	-25	-23	-22	-21	-23	-21	-23	-23	-20	-21	
	IRL	-12	-32	-26	-25	-20	-17	-13	-17	-16	-9	-13	-18	-17	-16	
	I	0	-26	-6	-21	-19	-15	-14	-15	-12	-12	-19	-14	-16	-14	
	NL	35	29	35	36	33	32	31	34	32	31	31	30	38	35	
	P	-19	-38	-25	-33	-34	-35	-34	-32	-34	-34	-33	-34	-33	-28	
	UK	-3	-25	-17	-20	-21	-19	-17	-16	-18	-18	-14	-17	-16	-14	
		EUR^(c)	-4	-16	-10	-15	-12	-10	-10	-9	-10	-10	-9	-11	-9	-8
FINANCIAL SITUATION OF HOUSEHOLDS	B	19	13	18	16	15	15	16	17	15	16	16	17	17	18	
	DK	20	15	20	20	23	25	26	25	25	26	27	25	25	24	
	D	22	11	13	12	13	15	15	15	15	15	14	14	16	16	
	GR	6	1	3	3	5	5	3	2	2	3	3	2	2	3	
	E	15	6	10	7	8	9	8	9	8	7	8	9	9	8	
	F	7	2	5	5	4	5	5	6	4	6	6	5	5	7	
	— indicator of net acquisition of financial assets	IRL	7	1	3	4	8	8	11	8	10	11	12	7	8	10
		I	20	7	17	10	9	10	10	9	11	12	8	9	9	8
		NL	27	22	24	23	25	24	25	25	25	26	23	23	27	26
		P	9	4	10	6	3	4	6	6	4	7	8	7	5	5
		UK	16	4	6	6	5	5	6	8	5	6	7	5	7	13
		EUR^(c)	14	8	11	9	9	10	10	11	10	10	10	10	11	12

(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.

* DK Max. 88/91 and Min. 92/93 UK Max. 88/89 and Min. 90/93.

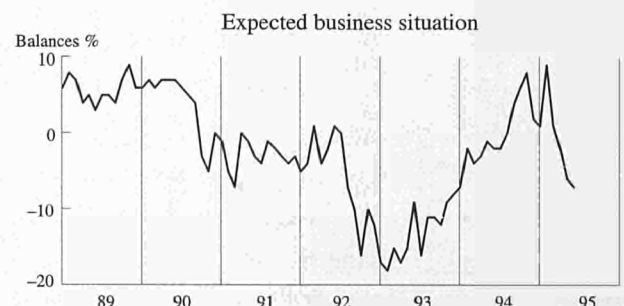
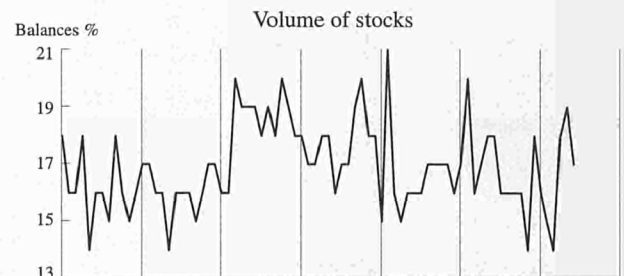
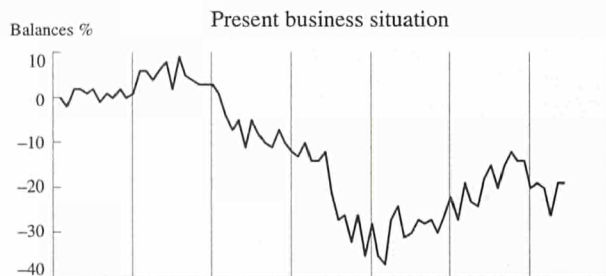
TABLE 5 : Results of business surveys in the retail trade

Balances : i.e. differences between the percentages of respondents giving positive and negative replies (seasonally adjusted)

		Peak	1992	1993	1994	1994	1995		1995					
		88/90				IV	I	II	Jan.	Feb.	Mar.	Apr.	May	June
PRESENT BUSINESS SITUATION	B	30	-13	-25	-17	-13	-17	:	-16	-16	-18	-21	-15	:
	DK	30	28	16	43	50	39	40	38	51	28	41	33	45
	D	41	-8	-19	-26	-36	-34	:	-32	-30	-41	-37	-29	:
	E	-4	-49	-64	-46	-41	-46	-45	-44	-49	-44	-43	-44	-48
	F	7	-38	-54	-10	3	-14	-6	-10	-18	-14	-13	-4	-1
	I^(b)	10	-16	-35	-25	-12	-10	:	-7	-1	-22	-10	-27	:
	NL	55	26	24	20	18	9	13	13	10	4	19	16	5
	P	5	-9	-31	-33	-35	-29	-27	-28	-27	-32	-28	-32	-20
	UK^(a)	40	-34	-10	-10	-14	-25	-17	-23	-25	-28	-13	-15	-22
	EUR	8	-22	-29	-18	-16	-22	:	-19	-20	-26	-19	-19	:
VOLUME OF STOCKS	B	21	21	22	13	16	20	:	17	21	21	16	16	:
	DK	16	20	18	9	8	12	11	8	10	18	12	16	4
	D	29	26	27	30	29	28	:	29	23	32	36	23	:
	E	10	8	8	5	5	4	7	4	2	7	6	7	9
	F	23	9	3	9	9	6	9	1	12	4	8	7	12
	I^(b)	31	21	29	19	13	14	:	16	6	19	15	25	:
	NL	20	12	14	14	13	14	13	13	12	16	14	12	12
	P	26	11	16	7	3	6	8	2	8	8	10	7	8
	UK^(a)	31	20	10	14	17	19	19	21	18	18	19	18	19
	EUR	21	18	17	17	16	16	:	15	14	18	19	17	:
INTENTIONS OF PLACING ORDERS	B	17	-9	-18	-7	-13	-14	:	-10	-16	-17	-14	-14	:
	DK	17	21	5	42	41	38	32	34	44	35	26	40	29
	D	19	-4	-11	-17	-21	-22	:	-17	-24	-25	-35	-22	:
	E	21	-3	-17	2	13	-2	0	-1	6	-12	4	3	-6
	F	-7	-26	-27	-20	-15	-10	-4	-4	-11	-15	-4	-6	-3
	I^(b)	-1	-25	-47	-20	-10	-13	:	-9	-9	-22	-20	-8	:
	NL	22	2	-8	0	-2	-4	2	-6	-2	-3	2	1	2
	P	7	-15	-32	-17	-16	-19	-16	-13	-21	-23	-17	-21	-10
	UK^(a)	40	-17	11	15	10	4	-3	11	0	1	-1	-7	-1
	EUR	4	-14	-17	-8	-7	-9	:	-4	-9	-14	-12	-9	:
EXPECTED BUSINESS SITUATION	B	21	1	-9	1	3	0	:	8	-3	-4	-6	-3	:
	DK	28	41	31	59	58	56	39	52	64	51	35	37	46
	D	25	-4	-11	-7	-9	-13	:	-7	-16	-15	-15	-15	:
	E	32	0	-18	10	21	11	11	17	15	2	8	12	13
	F	-7	-34	-29	-13	-7	8	-14	6	8	10	-14	-19	-10
	I^(b)	14	-15	-38	-9	1	1	:	19	-3	-13	-14	-11	:
	NL	40	18	8	17	15	14	16	14	14	15	16	15	16
	P	39	8	-2	4	8	9	0	10	7	9	1	-1	1
	UK^(a)	43	10	22	19	18	7	0	15	3	2	2	-1	-2
	EUR	9	-7	-12	1	4	3	:	9	1	-2	-6	-7	:

(a) Refers to volume of sales for the time of the year.

(b) Excl. large multiple shops.

GRAPH 3 : Results of business surveys in the retail trade — European Community¹ (s.a.)

For the notes : see table 5.

¹ Since September 1988 with Spain; since January 1989 with Portugal; since November 1990 with Denmark.

TABLE 6 : Business survey results in Central and Eastern European countries (not seasonally adjusted)

		1992	1993	1994	1993	1994				1995
					IV	I	II	III	IV	I
BUSINESS SURVEY RESULTS IN INDUSTRY										
INDUSTRIAL	Bulgaria	-15	-27	-15	-25	-20	-18	-14	-6	2
CONFIDENCE	Czech Republic	:	-22	-8	-19	-9	-14	-6	-2	11
INDICATOR	Estonia	-18	-2	9	3	25	3	1	7	18
	Hungary	-17	-5	:	1	1	3	8	:	:
	Latvia	:	-39	-23	-28	-19	-29	-20	-24	-19
	Lithuania	:	-24	-26	-14	-27	-37	-24	-15	:
	Poland 1	:	1	12	-2	8	13	17	9	:
	Poland 2	-17	-6	:	2	-1	1	11	:	:
	Romania	-12	-6	-15	-7	-14	-16	-20	-8	:
	Slovak Republic	:	:	5	4	15	6	-3	0	13
TOTAL	Bulgaria	-49	-61	-49	-59	-59	-53	-46	-39	-34
ORDER -BOOKS	Czech Republic	:	-31	-21	-33	-33	-24	-22	-5	-2
	Estonia	-28	3	17	18	24	19	5	21	2
	Hungary	-43	-31	:	-29	-28	-20	-3	:	:
	Latvia	:	-72	-59	-64	-53	-65	-55	-64	-66
	Lithuania	:	-39	-46	-19	-41	-63	-43	-35	:
	Poland 1	:	-8	8	-9	-5	9	16	13	:
	Poland 2	-30	-20	:	-7	-16	-8	5	:	:
	Romania	-2	-24	-37	-25	-32	-45	-43	-28	:
	Slovak Republic	:	:	15	23	50	23	-4	-8	-9
PRODUCTION	Bulgaria	11	12	17	8	20	15	13	21	36
FUTURE	Czech Republic	:	2	23	5	38	14	19	21	53
TENDANCY	Estonia	-19	16	24	9	51	12	21	10	63
	Hungary	11	22	31	23	37	34	23	33	:
	Latvia	:	-7	15	2	15	7	21	18	22
	Lithuania	:	-2	-10	3	-5	-17	-11	-5	:
	Poland 1	:	14	23	3	31	29	27	3	:
	Poland 2	-11	6	:	11	18	17	19	:	:
	Romania	3	18	13	6	6	18	10	16	:
	Slovak Republic	:	:	37	20	37	34	36	41	67
BUSINESS SURVEY RESULTS IN CONSTRUCTION										
CONSTRUCTION	Bulgaria	:	-51	-47	-53	-50	-51	-50	-38	-36
CONFIDENCE	Czech Republic	-35	-33	-20	-48	-20	-19	-17	-22	-10
INDICATOR	Estonia	:	:	9	-11	5	24	19	-10	1
	Hungary	:	-9	:	8	26	8	-6	:	:
	Latvia	:	:	-37	-59	-49	-31	-27	-42	-44
	Lithuania	:	:	:	:	:	:	-67	:	:
	Poland 1	:	:	:	:	:	:	:	:	:
	Poland 2	:	:	:	-17	-21	12	-2	:	:
	Romania	:	:	1	-36	-24	35	14	-23	:
	Slovak Republic	:	:	-52	-72	-57	-35	-58	-58	-14
BUSINESS SURVEY RESULTS IN RETAIL TRADE										
PRESENT	Bulgaria	:	:	20	22	16	16	21	25	28
BUSINESS	Czech Republic	-32	-11	-1	-5	-7	-5	2	8	14
SITUATION	Estonia	:	-3	9	-4	13	9	10	2	-9
	Hungary	:	5	:	13	3	13	0	:	:
	Latvia	:	:	:	:	:	:	:	:	:
	Lithuania	:	:	:	:	:	:	:	:	:
	Poland 1	:	:	:	:	:	:	:	:	:
	Poland 2	:	:	:	-10	11	-22	8	:	:
	Romania	:	:	37	:	53	41	26	29	:
	Slovak Republic	:	:	-22	-22	-14	-29	-22	-22	:

Note: All data are balances.

Poland1 are the data from the National Statistical Office (GUS), while Poland2 are the data from RIED - Warszawa.

Source : Harmonized surveys conducted by national statistical (and other) institutes.

Growing industrial investment sustains output growth in 1995 according to survey results

Industrial managers expect an increase in the volume of investment in 1995 compared to 1994, revising it upwards from a +9% change in the Autumn 1994 exercise to +13% in Spring 1995. – The upward revision of 1995 is general, except for *Belgium, Ireland* and the *United Kingdom* where the positive 1994 estimates for investment in volume have been revised downwards. The ex post estimate of total European investment for 1994 was revised downwards by a point to -3% in volume (table 8). Upward revisions in *Greece, Spain, Ireland, Italy* and in *Portugal* were approximately compensated by downward revisions in *Belgium, Denmark, Germany, France, Luxembourg* and *United Kingdom* (table 7).

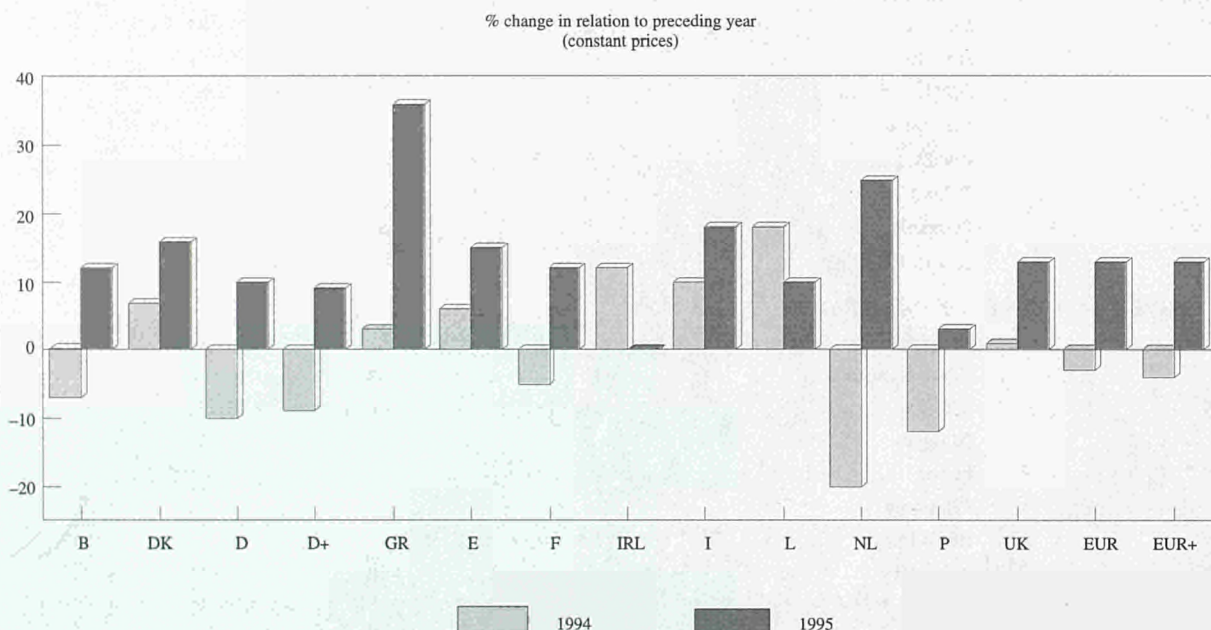
The continued high level of industrial confidence partially explains the upward revision. – The *industrial confidence indicator* increased from +3 in October 1994 (the time of the Autumn survey) to +5 in March 1995 and fell by one point to +4 in April 1995 (the time of the Spring survey) signaling positive assessment of future demand prospects.

The high level of capacity utilisation is another factor to explain the improved investment outlook for industry in 1995. – The level of capacity utilisation in European industry in April (84.1%) represents a high point in the current upswing and is well above the long term average (81.9%). In such a situation growing demand cannot be met by the already intensively used capacity and therefore further investment is necessary in order to be able to keep up with demand.

Falling long-term interest rates support investment prospects in 1995. – The steady decline in long term interest rates since the beginning of this year should favour investment prospects. Since January 1995, long-term interest rates have been falling in *Belgium, Germany, Greece, Netherlands* and in the *United Kingdom*. On the other hand *Spain, Ireland, Italy* and *Portugal* experienced a temporary increase in their interest rates, mainly resulting from exchange market turmoil and subsequent inflationary pressures in these countries.

(continued on page 12)

GRAPH 4 : Industrial investment in manufacturing industry



Sources : European Commission business surveys.

TABLE 7 : Industrial investment in manufacturing industry by Member State
(% change in relation to preceding year)

Year	B	DK	D	D+*	GR	E	F	IRL	I	L	NL	P	UK	EUR	EUR+*
1994															
in value terms	-5	9	-9	-8	12	11	-4	15	13	21	-18	-9	3	-1	-1
in volume terms ^(a)	-7	7	-10	-9	3	6	-5	12	10	18	-20	-12	1	-3	-4
1995															
in value terms	13	19	12	11	47	19	13	3	24	12	27	7	16	16	16
in volume terms ^(a)	12	16	10	9	36	15	12	0	18	10	25	3	13	13	13

* Including the five new German Länder.

TABLE 8 : Industrial investment in the EC manufacturing industry**

Date of survey :	A. % change in value in relation to preceding year							B. % change in volume in relation to preceding year (a)						
	Years to which data relate							Years to which data relate						
	1989	1990	1991	1992	1993	1994	1995	1989	1990	1991	1992	1993	1994	1995
October/November 1989	14	15						9	10					
March/April 1990	12	15						8	11					
October/November 1990		9	7						4	3				
March/April 1991		11	3						6	-2				
October/November 1991			0	3						-4	-1			
March/April 1992			0	1						-4	-3			
October/November 1992				-2	-2						-5	-6		
March/April 1993				-3	-6						-5	-9		
October/November 1993					-10	0						-12	-3	
March/April 1994					-9	3						-12	0	
October/November 1994						1	12						-2	9
March/April 1995						-1	16						-3	13

TABLE 9 : Industrial investment survey by branch

Results of March/April 1995 investment survey, % change in value, over the preceding year

	Basic materials industries ^(b)		Metallurgical industries		Equipment goods industries		Processing industries ^(c)		Extractive		Food industries		Total, all industry	
	1994	1995	1994	1995	1994	1995	1994	1995	1994	1995	1994	1995	1994	1995
	B	-4	13	1	-5	-7	25	5	17	:	:	-20	-9	-5
DK	7	24	26	58	9	30	38	6	15	-25	-4	19	9	19
D**	-6	14	-19	2	-10	15	-10	11	-15	12	-5	5	-9	12
GR	28	68	-8	252	-9	32	3	93	:	:	17	-7	12	47
E	1	31	-16	17	30	20	37	19	6	0	-16	17	11	19
F	-4	16	-6	32	-2	20	-7	3	12	-15	-5	0	-4	13
IRL	28	-11	-87	209	50	42	8	-39	:	:	-8	23	15	3
I	2	6	-31	14	12	47	42	7	36	36	8	21	13	24
L	-5	-19	27	-14	8	51	50	53	-25	10	-17	13	21	12
NL	-2	20	:	:	-11 ^(f)	89 ^(f)	-8	14	-61	1	-3	2	-18	27
P	-20	0	87	-6	-12	8	-5	25	-34	26	6	-24	-9	7
UK	-12	22	1	10	9	20	12	4	:	:	-11	13	3	16
EUR^{(e)**}	-4	16	-10	19	-1	24	8	11	:	:	-5	8	-1	16

TABLE 10 : Industrial investment survey — all branches

% change in volume (a) in relation to preceding year

Year to which data relate :	1991		1992				1993				1994				1995	
	Oct/Nov. 1991	March/April 1992	Oct/Nov. 1991	March/April 1992	Oct/Nov. 1992	March/April 1993	Oct/Nov. 1992	March/April 1993	Oct/Nov. 1993	March/April 1994	Oct/Nov. 1993	March/April 1994	Oct/Nov. 1994	March/April 1995	Oct/Nov. 1994	March/April 1995
	B^(d)	-5	-3	+2	+1	0	-7	-19	-21	-30	-29	+4	+2	-6	-7	+18
DK	+12	+6	-3	+14	+7	-9	-6	+4	0	-4	+3	+15	+11	+7	+7	+16
D**	+4	+3	-2	-4	-7	-10	-9	-17	-17	-21	-5	-3	-3	-10	+5	+10
GR^(d)	-21	-20	+14	+11	+15	+18	+8	+7	+1	+1	+15	+15	-4	+3	+33	+36
E	-5	+2	-2	0	-9	-10	-5	-17	-20	-21	0	-7	+4	+6	+9	+15
F	-8	-7	-6	-7	-10	-9	-5	-12	-14	-17	-1	+2	-3	-5	+2	+12
IRL^(d)	+4	-2	+35	+8	+10	+5	-6	+18	-7	-4	-6	-7	+6	+12	+2	0
I	0	+1	-4	-6	-8	-2	-5	-10	-13	-6	0	-2	-3	+10	+10	+18
L	-8	+11	-13	+21	+3	-12	+6	+23	+7	+1	+10	+9	+19	+18	-11	+10
NL	-3	-6	+6	+4	-7	0	+5	+1	-5	-3	-17	-11	-20	-20	+20	+25
P	-20	-14	-7	-11	-20	-19	-7	-17	-24	-13	-18	-3	-17	-12	0	+3
UK^(d)	-15	-15	+3	0	-2	+2	-7	+7	+4	+7	+1	+9	+10	+1	+14	+13
EUR^{(d)**}	-4	-4	-1	-3	-5	-5	-6	-9	-12	-12	-3	0	-2	-3	+9	+13

** Excluding the five new German Länder.

(a) The changes in volume are calculated by dividing the changes in value, based on the surveys, by the corresponding deflators for gross capital formation. For 1994 and 1995 forecast deflator is used.

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

(c) Manufacture of textiles, footwear, wood, paper, printing and processing of plastic industries.

(d) Excluding the extractive industries.

(e) Weighted total of the above (not given when data are substantially incomplete).

(f) Including the metallurgical industries.

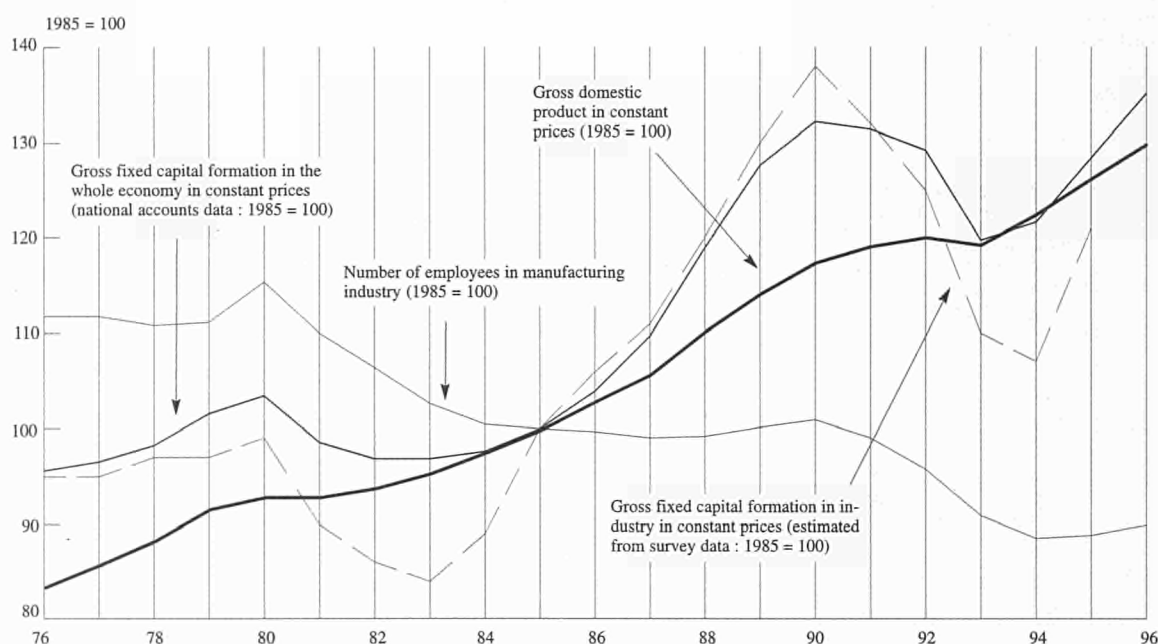
Source : European Commission Investment surveys.

The progress of 1995 investment is evident in all sectors. – The increase in terms of value accounts for all sectors and ranges in nominal terms from 8% in the food industry to 24% in equipment goods industries (table 9). This underlines again the dynamic performance of investment activity.

With the Spring survey, investment regains the 1992 level but is still far beyond the last peak in 1990 (see

graph 5). – The January–April weakening in the industry confidence indicator did not prevent investment prospects from improving. The level of economic activity is assessed to continue high and the unchanged total order–book position in June indicates a continued upward movement of internal demand. Hence, high economic activity, decreasing long term interest rates and a high capacity utilisation favour buoyant investment expectations in industry. This will sustain economic growth in 1995.

GRAPH 5 : **Trend of industrial investment in the Community (Business Survey indicator) in the context of other macro-economic indicators**



1994–1996 : Estimations by the services of the Commission.

Source : Eurostat, economic forecasts and European Commission business surveys.

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