

# EUROPEAN ECONOMY

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

Supplement B – No. 1 – January 1989

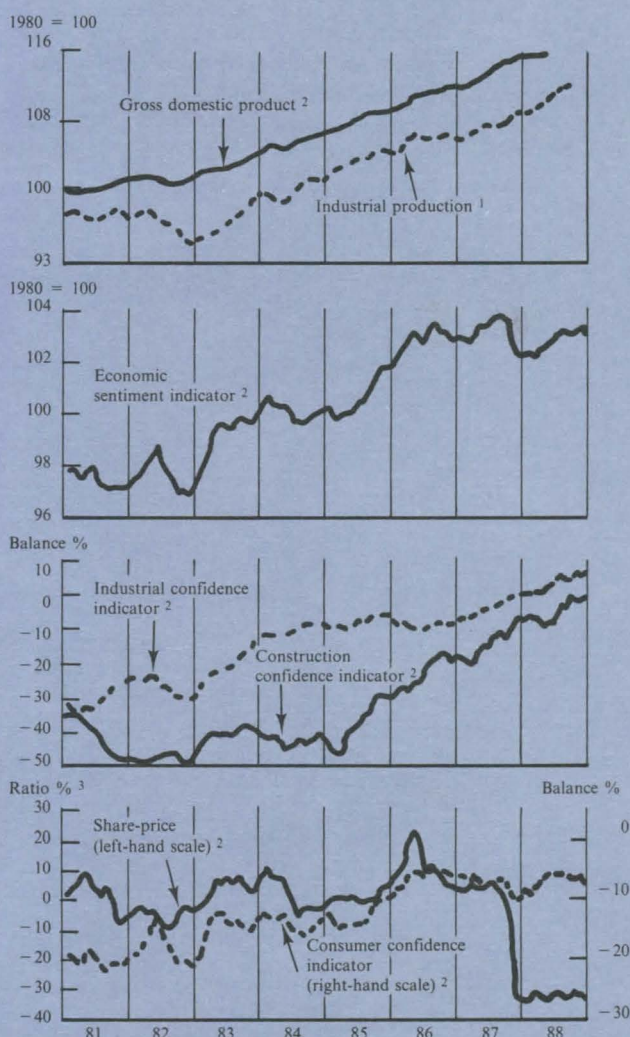
Business and  
consumer survey results

*In this number:  
Industrial investment  
in 1988 and 1989*

## THE MAIN POINTS IN BRIEF

- At the turn of the year the economic trend in the Community continues to be one of stability and increasing activity. The indicators available to December point to the continued buoyancy of industrial production at Community level. However, consumer confidence in the economic situation has somewhat weakened, but this movement is likely to be transitory.
- Investment is still the most dynamic component of demand in the Community. According to the survey carried out in October/November 1988, industrialists are confirming their 1987 forecasts of investment plans for 1988 (8 % up on 1987). For 1989 industrialists are even planning to expand their investment slightly more than in the previous year (9 % up on 1988). This trend gives grounds for believing that the investment-led growth process will continue.
- Production plans in industry continue to show a marked upward trend. The positive assessments of order-books and stock levels confirm that the demand for industrial goods remains firm.
- The decline in the consumer confidence indicator should not be viewed as signalling a serious slackening of consumer activity. The negative evolution of this indicator occurred indeed in a month strongly influenced by seasonal factors.
- The Community's leading economic indicator lost 0.5 of a percentage point on the previous month, mainly because of the seasonal decline in consumer confidence.

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



<sup>1</sup> Three-month moving average.  
<sup>2</sup> See notes to Table 6.  
<sup>3</sup> Deviations from trend in %.



**Europe's economic growth continues.** — Economic activity in the Community is again showing a stable and rising trend at the turn of the year. However, the latest available business and consumer survey results indicate a divergence between industrial and consumer confidence in the economic situation: between November and December 1988 consumer confidence fell sharply (-3 points net). This loss of confidence is attributable mainly to developments in the United Kingdom (-6 points), Denmark (-4 points), Italy (-3 points) and France (-3 points). On the other hand industrial confidence has remained high since autumn 1988. For the Community as a whole, the level of confidence reached in the fourth quarter lies well above its peak in the last year of upswing, 1979/80 (see Table 6).

**Consumer confidence in the economic situation has somewhat weakened, but this movement is likely to be transitory.** — This evolution should not be given too much importance in a month strongly influenced by seasonal factors. Nevertheless the Commission's recently revised general economic forecasts also assume that consumer activity will slacken slightly in 1989. Real private consumption is set to rise by 3 % in 1989, compared with 3.7 % in 1988. This estimate of real private consumption for 1989 is based on a smaller increase in real per capita wages (1989: +1.4 % compared with 1988: +1.7 %) and in real personal disposable income (1989: +2.7 % compared with 1988: +3 %). At the same time it is expected that the decline in the savings ratio will come to a halt during 1989. These important assumptions for the evaluation of consumer activity are supported by the most recent consumer survey results.

**The Community's industrial confidence indicator confirms expectations of continuing growth of industrial production.** — According to the December survey results, plans for industrial production in the Community as a whole are still on a definite

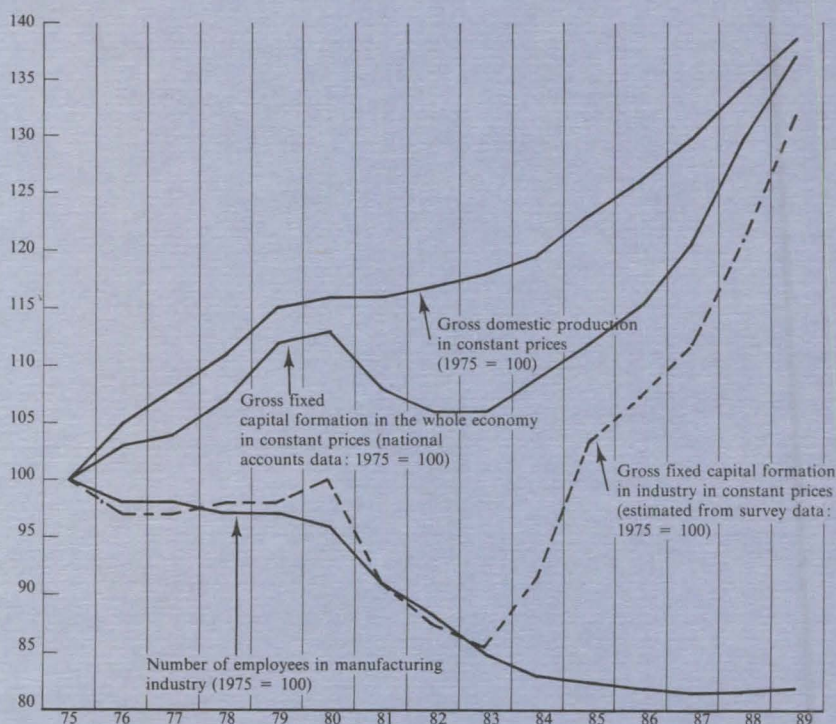
upward trend. Taking the average for the Community, the number of industrialists who wish to expand their production in the next few months rose further. The December result now stands at 3 net points above the peak reached in the last year of upswing 1979/80.

On the basis of high capacity utilization (October 1988: 85.9 %, 1979/80 peak: 83.9 %), the improved conditions for growth (profitability) and the positive expectations aroused by the completion of the internal market, the prospects of additional investment-led, lasting growth are firmer.

**According to company plans, industrial investment should rise more sharply in 1989 than in 1988.** — The most recent results of the investment survey carried out among industrialists in October and November 1988 point to sustained investment growth. For 1988 the results indicate that, taking the average for the Community, industrialists have also put into practice the plans made in the previous year and in doing so (with an 8 % real increase in investment) have laid the foundations for extending capacity. Firms expanded their investment for 1988 by more than the Community average in France (+11 %), Belgium (+11 %), Italy (+9 %), the United Kingdom (+9 %), Ireland (+46 %) and Portugal (+15 %). The investment growth rate only reached 5 % in the Federal Republic of Germany.

In 1989, taking the average for the Community, industrialists are again planning to step up their investment activity slightly by comparison with the year before (+9 % compared with +8 % in 1988). The main factor contributing to this acceleration of investment is the marked increase over 1988 in the investment plans of firms in Belgium (+17 % compared with +11 %), the Federal Republic of Germany (+7 % compared with +5 %), Italy (+11 % compared with +9 %) and the United Kingdom (+12 % compared with +9 %).

GRAPH 2: Trend of industrial investment in the Community (business survey indicator) in the context of other macro-economic indicators



1988 and 1989: Estimation.

Sources: Eurostat, economic forecasts and EC investment survey.

**TABLE 1: Industrial investment in manufacturing industry by Member State**  
% change in relation to preceding year

Year	B(d)	DK(d)	D	GR(d)(g)	E	F	IRL(d)	I	L(d)	NL	P	UK(d)	EUR(i)
1988													
in values terms	+14	+10	+6	-11	:	+13	+50	+14	-21	-9	+25	+14	+12
in volumes terms (a)	+11	+6	+5	-20	:	+11	+46	+9	-23	-10	+15	+9	+8
1989													
in values terms	+20	+7	+9	+36	:	+9	+19	+16	-23	+7	+16	+17	+13
in volumes terms (a)	+17	+4	+7	+21	:	+7(e)	+16	+11	-25	+4	+8	+12	+9

**TABLE 2: Industrial investment in the EC manufacturing industry**

Data of survey	A. % change in value in relation to preceding year								B. % change in value in relation to preceding year (a)							
	Years to which data relate								Years to which data relate							
	1982	1983	1984	1985	1986	1987	1988	1989	1982	1983	1984	1985	1986	1987	1988	1989
March/April 1983	2	4							-4	-2						
October/November 1983		3	10							-3	5					
March/April 1984		3	13							-2	7					
October/November 1984			12	14							7	9				
March/April 1985			12	16							7	11				
October/November 1985				15	10							10	7			
March/April 1986				18	14							13	11			
October/November 1986					10	9							6	6		
March/April 1987					10	9							6	6		
October/November 1987						10	11							7	8	
March/April 1988						8	12							5	9	
October/November 1988 (i)							12	13							8	9

**TABLE 3: Industrial investment survey by branch**

Results of the Oct./Nov. 1988 investment survey, % change in value, over the preceding year

	Basic materials industries (b)		Metallurgical industries		Mechan. & Elect. industries		Processing industries (c)		Extractive		Food industries		Total, all industry	
	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988	1989
<b>B</b>	+47	+34	-17	+3	+1	+19	+4	-7	:	:	0	+18	+14	+20
<b>DK</b>	+16	-3	+40	+4	+15	+18	-8	+8	:	:	+5	+2	+10	+7
<b>D</b>	+9	+14	-2	+13	+4	+8	+8	+11	+4	0	+5	+8	+6	+9
<b>GR (g)</b>	-36	+4	+103	+51	+99	+136	-16	+13	:	:	+79	+51	-11	+36
<b>E</b>	:	:	:	:	:	:	:	:	:	:	:	:	:	:
<b>F</b>	+14	+8	-11	+19	+12	+10	+19	-1	+40	-28	+15	-4	+13	+9
<b>IRL</b>	+49	+25	+12	+15	+63	+34	+32	+23	:	:	-11	-13	+50	+19
<b>I</b>	+16	+15	-23	+17	+13	+17	+12	+14	-3	+7	+8	+4	+14	+16
<b>L</b>	+72	-15	-6	-23	-13	+37	-55	-61	:	:	-9	-9	-21	-23
<b>NL</b>	+5	+11	:	:	-17	+6	-20	+6	0	+7	-8	+2	-9	+7
<b>P</b>	+34	+30	+12	-23	+30	+27	+31	+19	+13	-29	+27	+7	+25	+16
<b>UK</b>	+5	+18	+30	+15	+15	+16	+22	+17	:	:	+17	+12	+14	+17
<b>EUR (f)</b>	+12	+15	-6	+10	+10	+13	+12	+10	:	:	+11	+8	+12	+13(i)

**TABLE 4: Industrial investment survey—all branches**

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

Year to which data relate:	1985				1986				1987				1988				1989
	Oct./Nov. 1984	March/April 1985	Oct./Nov. 1985	March/April 1986	Oct./Nov. 1985	March/April 1986	Oct./Nov. 1986	March/April 1987	Oct./Nov. 1986	March/April 1987	Oct./Nov. 1987	March/April 1988	Oct./Nov. 1987	March/April 1988	Oct./Nov. 1988	Oct./Nov. 1988	
<b>B (d)</b>	-2	+8	+3	+3	+13	+20	+12	+13	+11	+12	+4	+6	+7	+14	+11	+17	
<b>DK (d)</b>	+14	+36	+33	+31	+5	+9	+7	+3	+17	+15	+18	+9	+1	+22	+6	+4	
<b>D</b>	+7	+13	+14	+17	+8	+11	+11	+11	+5	+4	+6	+3	+1	+3	+5	+7	
<b>GR (d) (g)</b>	+75	+65	+32	+3	+41	+38	-12	-28	-7	+2	-14	-13	+2	+10	-20	+21	
<b>E</b>	:	:	:	+27	:	+16	+15	+15	+6	+19	+43	+19	+36	+36	:	:	
<b>F</b>	0	+7	+10	+7	+1	+6	+4	+4	+4	+3	+4	+3	+6(e)	+9	+11	+7(e)	
<b>IRL (d)</b>	+11	+3	-11	+59	+19	+19	-1	+9	+11	+18	-28	-1	+88	+74	+46	+16	
<b>I</b>	+19	+5	+2	+12	+8	+14	+4	+7	+15	+11	+11	+12	+6	+7	+9	+11	
<b>L (d)</b>	-11	-1	+14	+16	+17	+46	+31	+39	-2	-2	-10	+3	-13	-16	-23	-25	
<b>NL</b>	+13	+22	+21	+23	+9	+5	+5	+3	-3	-11	0	0	-2	-4	-10	+4	
<b>P</b>	:	:	:	:	:	:	+8	+5	+11	+18	+6	+16	+15	+27	+15	+8	
<b>UK (d)</b>	+8	+9	+4	+3	+6	+6	+1	+5	+4	+5	+6	+5	+12	+13	+9	+12	
<b>EUR (d)</b>	+9	+11	+10	+13	+7	+11	+6	+6	+6	+6	+7	+5	+8	+9	+8(i)	+9(i)	

(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 1988 and 1989 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) Excluding the extractive industries; including energy and water.

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

(g) Including public enterprises.

(h) Including the metallurgical industries.

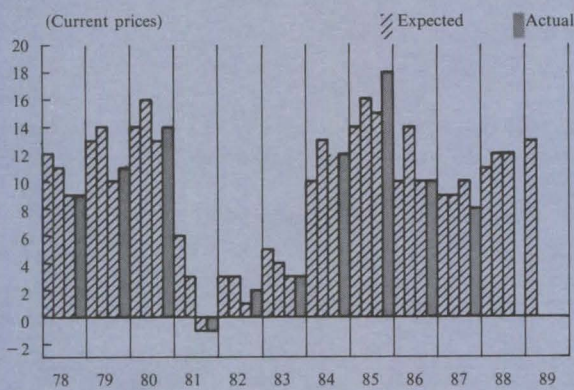
(i) This result is obtained thanks to the use of figures estimated by the Commission's services for investment plans in Spain.

Source: European Community investment surveys.

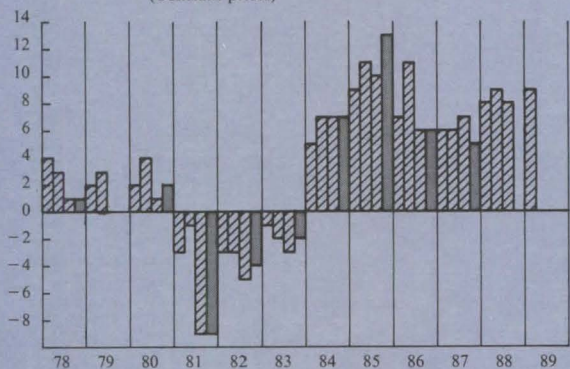


**GRAPH 3: Investment in manufacturing industry**  
(Community as whole)

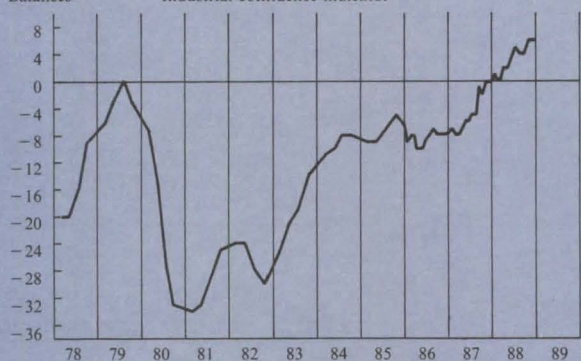
Yearly % change



Yearly % change<sup>1</sup>  
(Constant prices)



Balances Industrial confidence indicator



<sup>1</sup> 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: EC investment survey.

After growth rates which varied according to sector in 1988, in 1989 taking the average for the Community, firms in all branches of industry are planning to expand their investment at roughly the same pace. — Broken down by industrial branch, investors in the basic materials industries and in the consumer goods industries report a nominal +12% increase in the investment carried out in 1988. In the equipment goods industries, the 1988 growth rate fell slightly short of that of the other industrial branches (a nominal +10%), while it actually declined in the iron and steel industry (a nominal -6%). For 1989 the intention is to expand industrial investment in all branches, by between 8% and 15%. The differences in investment growth rates in the abovementioned branches of industry are far smaller than in 1988. According to the plans of firms in the consumer goods industries the increase in investment will slacken slightly, while firms in the equipment goods industries and in the basic materials industries are expecting higher growth rates (see Table 3).

**The Community's leading indicator turned down slightly between November and December 1988.** — In December 1988 the Community's leading economic indicator lost 0.5 of a percentage point on the month before. The main reason for this decline was the gloomier assessment of the economic situation by consumers, which is likely to be mainly due to seasonal factors. The only countries where the leading economic indicator showed and improvement over November were Belgium and Ireland, where consumers are displaying continuing confidence in the economy. In the Federal Republic of Germany, where in particular the continuing confidence in industry and the favourable situation in the construction industry made up for the loss of consumer confidence, the leading indicator showed no change on the previous month.

In the other member countries — particularly the United Kingdom — the loss of consumer confidence was so strong that it could not be offset by the generally positive results of the other components of the leading indicator (see Table 6).

25 January 1989

**TABLE 5: Volume index of investment in the manufacturing industry (1981 = 100) (a)**

	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89
<b>B</b>	142	110	81	75	68	76	99	100	111	104	109	112	127	135	150	175
<b>DK</b>	:	:	:	:	:	:	:	100	98	108	150	197	203	221	234	244
<b>D</b>	92	88	90	89	93	99	107	100	98	96	95	112	124	128	134	144
<b>GR</b>	:	:	:	:	:	:	:	100	92	47	22	22	16	14	11	14
<b>F</b>	112	105	102	103	105	105	107	100	97	94	106	113	118	122	135	145
<b>IRL</b>	:	:	131	125	161	169	153	100	116	108	123	195	213	211	308	357
<b>I</b>	201	168	151	132	126	121	110	100	97	88	87	99	106	119	130	144
<b>L</b>	135	113	99	108	127	115	121	100	123	136	151	175	243	250	193	144
<b>NL</b>	:	:	107	117	114	107	115	100	95	99	126	155	160	160	144	150
<b>UK</b>	137	125	124	136	145	141	124	100	95	95	109	113	119	125	136	153
<b>EUR</b>	121	109	106	106	108	108	110	100	96	93	99	111	117	122	132	144

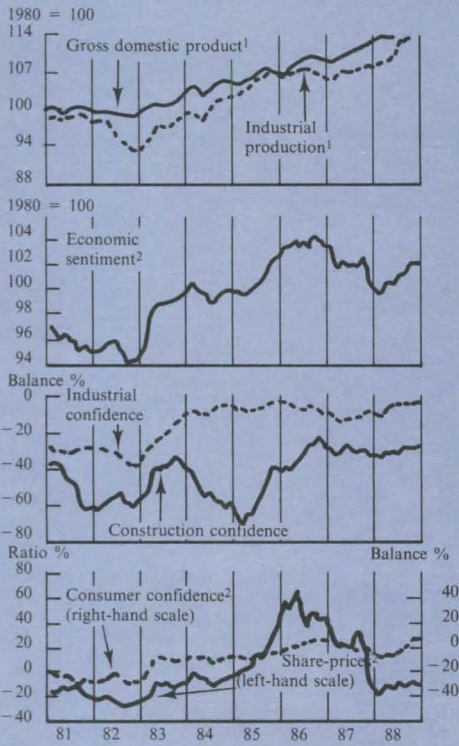
(a) These figures are based on the results of the EC Survey on realized investments after the application of the deflator of gross capital formation.

Source: European Community investment survey.



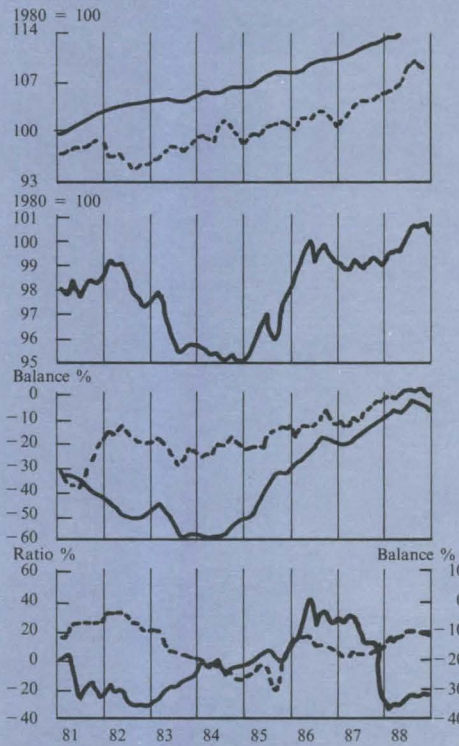
GRAPHS 4-9: Indicators of output and economic sentiment

GRAPH 4: Federal Republic of Germany



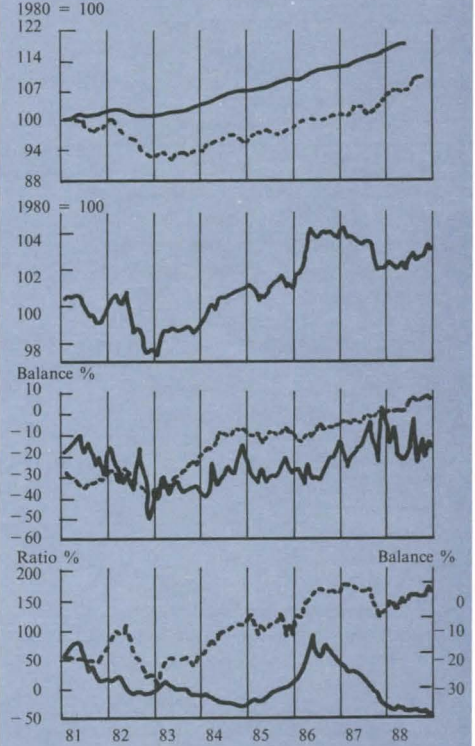
<sup>1</sup> Three-month moving average.  
<sup>2</sup> See notes to Table 6.  
<sup>3</sup> Deviations from trend in %.

GRAPH 5: France



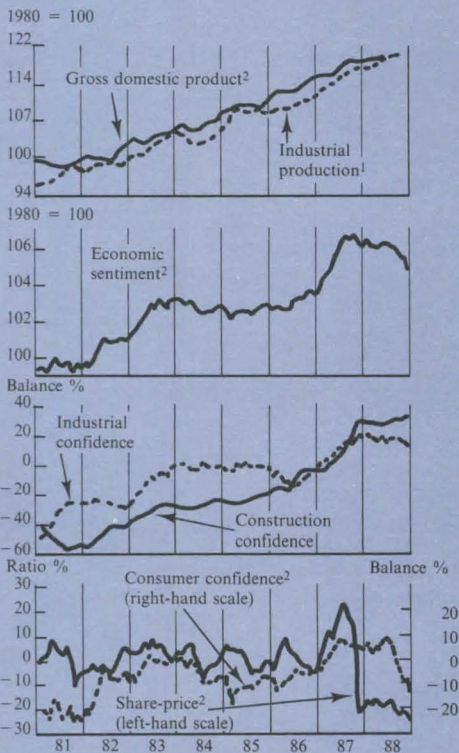
For explanations, see Graph 4.

GRAPH 6: Italy



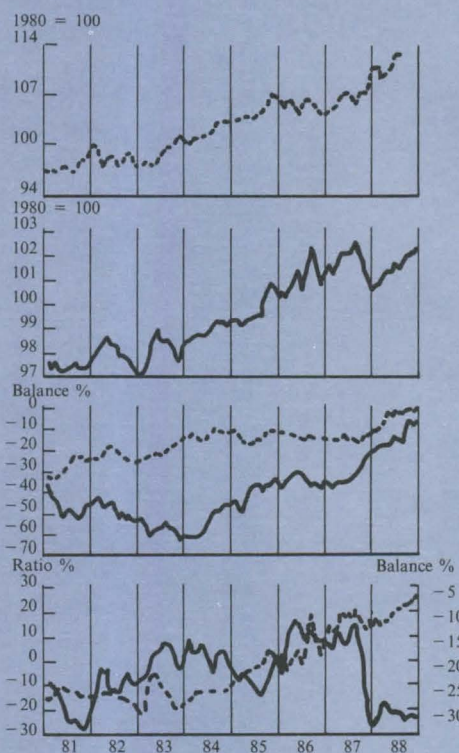
For explanation, see Graph 4.

GRAPH 7: United Kingdom



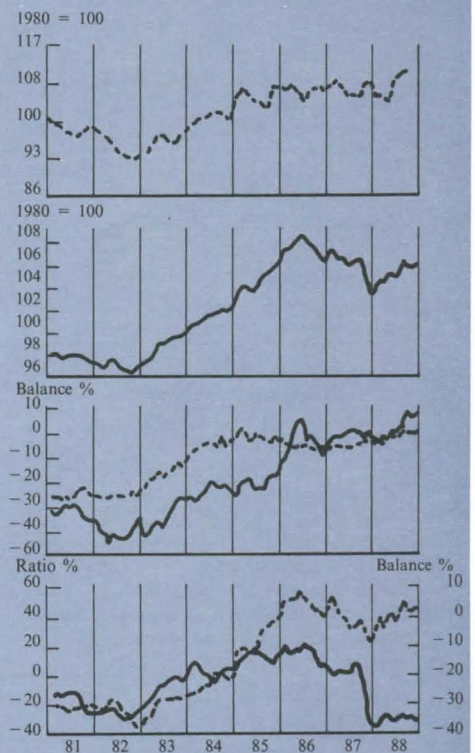
<sup>1</sup> Three-month moving average.  
<sup>2</sup> See notes to Table 6.  
<sup>3</sup> Deviations from trend in %.

GRAPH 8: Belgium



For explanations, see Graph 7.

GRAPH 9: Netherlands



For explanations, see Graph 7.

TABLE 6: Indicators of output and economic sentiment

	Ranges				1988	1988				1988				
	Peak Trough		Peak Trough			II	III	IV	July	Aug.	Sept.	Oct.	Nov.	Dec.
	1972/73	1974/75	1979/80	1981/83										
<b>B</b> <i>gross domestic product</i> 1980 = 100	:	:	:	:	:	:	:	:	:	:	:	:	:	
<i>index of industrial production</i>	102,5	76,5	106,3	92,4	:	110,6	:	115,0	109,2	:	:	:	:	
1. industrial confidence indicator	19	-56	-4	-35	-5	-3	-3	-2	-4	-3	-2	-2	-3	-1
2. construction confidence indicator	9	-36	-7	-65	-15	-17	-14	-8	-16	-18	-9	-8	-10	-6
3. consumer confidence indicator (c)	7	-18	-7	-31	-6	-7	-5	-3	-6	-5	-5	-4	-3	-2
4. share-price index (c)	155,1	98,0	114,3	75,0	316,2	310,4	315,8	344,1	309,2	309,4	328,9	341,7	343,8	346,9
= 5. economic sentiment indicator	109,0	98,9	103,9	96,8	103,0	102,9	103,1	103,8	102,9	103,0	103,5	103,7	103,7	104,1
<b>DK</b> <i>gross domestic product</i> 1980 = 100	:	:	:	:	:	:	:	:	:	:	:	:	:	
<i>index of industrial production</i>	:	:	107,7	95,5	:	125,8	120,8	:	116,5	123,9	122,1	:	:	:
1. industrial confidence indicator	:	:	:	-22	-1	0	-1	-1	-1	(-1)	(-1)	-1	(-1)	(-1)
2. construction confidence indicator	:	:	:	-37	-10	-9	-18	-15	-18	(-18)	(-18)	-15	(-15)	(-15)
3. consumer confidence indicator (c)	:	-16	5	-22	-16	-12	-16	-19	-12	-16	-20	-16	-18	-22
4. share-price index (c)	:	:	:	:	395,6	377,1	410,4	465,9	406,8	398,4	426,1	449,2	462,0	486,6
= 5. economic sentiment indicator	:	:	:	:	:	102,4	102,3	:	102,4	102,1	102,3	102,7	102,8	:
<b>D</b> <i>gross domestic product</i> 1980 = 100	85,1	83,3	101,2	98,9	:	113,6	:	:	:	:	:	:	:	:
<i>index of industrial production</i>	92,0	82,4	103,1	91,4	:	109,8	112,1	:	108,1	115,2	113,1	112,1	:	:
1. industrial confidence indicator	10	-49	2	-40	-4	-5	-1	1	-1	-1	0	1	1	1
2. construction confidence indicator	-4	-72	11	-64	-28	-31	-28	-23	-30	-28	-25	-25	-24	-20
3. consumer confidence indicator (c)	:	-22	9	-31	-5	-6	-4	0	-6	-4	-3	0	0	-1
4. share-price index (c)	109,0	75,2	115,6	97,6	217,9	208,3	224,7	241,5	221,9	222,0	230,1	241,0	239,9	243,6
= 5. economic sentiment indicator	103,8	97,0	103,6	94,7	99,9	99,5	100,2	101,0	100,0	100,2	100,5	101,0	101,0	101,0
<b>F</b> <i>gross domestic product</i> 1980 = 100	85,4	84,2	99,8	102,4	:	115,5	:	:	:	:	:	:	:	:
<i>index of industrial production</i>	96,7	82,2	105,2	94,8	:	107,2	109,1	:	109,5	109,5	108,4	107,1	:	:
1. industrial confidence indicator	29	-49	5	-39	4	1	6	9	6	6	5	10	8	9
2. construction confidence indicator	:	:	-17	-57	-4	-8	2	-1	2	(2)	(2)	-1	(-1)	(-1)
3. consumer confidence indicator (c)	:	-9	3	-27	-11	-11	-10	-11	-10	-10	-10	-11	-10	-13
4. share-price index (c)	86,6	53,6	101,2	82,7	317,5	299,6	331,4	370,2	331,7	325,5	337,0	363,4	373,2	373,9
= 5. economic sentiment indicator	107,8	97,6	101,8	95,1	100,5	100,2	101,0	100,9	101,0	101,1	101,0	101,2	101,1	100,5
<b>IRL</b> <i>gross domestic product</i> 1980 = 100	:	:	:	:	:	:	:	:	:	:	:	:	:	
<i>index of industrial production</i>	80,4	72,3	103,8	99,6	:	158,7	160,0	:	158,0	159,0	163,0	:	:	:
1. industrial confidence indicator	:	-41	20	-40	2	2	7	6	6	6	9	10	4	5
2. construction confidence indicator	:	:	:	-60	-5	-26	7	14	7	(7)	(7)	14	(14)	(14)
3. consumer confidence indicator (c)	:	-41	12	-44	-16	-15	-15	-13	-15	-16	-15	-16	-12	-12
4. share-price index (c)	85,8	29,9	112,2	79,4	:	318,1	361,9	:	360,5	369,4	355,9	:	:	:
= 5. economic sentiment indicator	109,1	96,7	103,6	98,1	102,1	101,9	102,6	103,0	102,5	102,5	102,7	102,7	103,1	103,2
<b>I</b> <i>gross domestic product</i> 1980 = 100	80,4	77,2	101,2	98,2	:	118,6	:	:	:	:	:	:	:	:
<i>index of industrial production</i>	87,9	72,6	104,7	98,1	:	106,7	109,9	:	108,8	111,3	109,5	109,6	:	:
1. industrial confidence indicator	31	-59	13	-41	6	3	6	12	7	6	6	10	13	12
2. construction confidence indicator	-8	-56	-5	-51	-13	-20	-8	-11	-2	-18	-5	-15	-7	-10
3. consumer confidence indicator (c)	:	-39	-12	-30	-4	-5	-4	-3	-4	-4	-4	-4	-1	-4
4. share-price index (c)	169,6	68,5	185,0	116,9	530,9	506,6	549,0	586,8	544,5	567,4	535,2	582,0	591,7	586,6
= 5. economic sentiment indicator	103,8	97,4	101,6	97,6	102,6	102,3	102,7	103,0	102,9	102,5	102,7	102,8	103,4	102,9
<b>NL</b> <i>gross domestic product</i> 1980 = 100	:	:	:	:	:	:	:	:	:	:	:	:	:	
<i>index of industrial production</i>	94,8	87,1	117,5	90,7	:	104,7	110,0	:	112,0	108,0	110,0	112,0	:	:
1. industrial confidence indicator	12	-44	4	-31	-2	-2	-1	0	-2	0	-1	-1	0	1
2. construction confidence indicator	3	-47	3	-46	1	-2	5	6	2	5	9	6	7	6
3. consumer confidence indicator (c)	6	-15	5	-37	1	-1	3	2	1	5	2	2	3	2
4. share-price index (c)	:	86,3	122,8	92,8	320,2	305,7	337,5	347,2	333,3	342,9	336,4	349,7	344,3	347,6
= 5. economic sentiment indicator	107,8	100,7	105,3	97,1	104,5	104,2	105,1	105,1	104,6	105,5	105,1	105,0	105,2	105,0
<b>UK</b> <i>gross domestic product</i> 1980 = 100	94,6	91,0	102,5	97,7	:	119,3	:	:	:	:	:	:	:	:
<i>index of industrial production</i>	92,7	89,6	110,0	93,8	:	118,8	119,9	:	119,5	119,9	120,4	120,1	:	:
1. industrial confidence indicator	:	:	9	-60	17	16	18	13	18	18	18	15	12	13
2. construction confidence indicator	:	:	7	-62	30	27	30	32	30	(30)	(30)	32	(32)	(32)
3. consumer confidence indicator (c)	:	-33	14	-26	2	7	2	-7	7	2	-2	-5	-4	-12
4. share-price index (c)	78,5	23,3	111,6	104,4	357,5	357,6	364,1	358,3	375,3	365,7	351,2	364,6	362,8	347,4
= 5. economic sentiment indicator	103,8	97,7	104,9	98,8	105,9	106,2	106,0	105,1	106,3	106,0	105,7	105,4	105,3	104,6
<b>EUR</b> <i>gross domestic product</i> (a)(b) 1980 = 100	85,1	85,5	101,1	101,0	:	116,6	:	:	:	:	:	:	:	:
<i>index of industrial production</i>	92,9	83,0	103,2	94,6	:	110,7	112,5	:	111,2	112,3	113,9	112,9	:	:
1. industrial confidence indicator	16	-49	3	-36	3	2	4	6	5	4	4	6	6	6
2. construction confidence indicator	:	:	-1	-50	-5	-8	-2	-1	-3	(-3)	(-1)	-2	(-1)	(1)
3. consumer confidence indicator (c)	5	-17	1	-22	-5	-4	-4	-5	-4	-4	-5	-5	-4	-7
4. share-price index (c)	:	47,0	115,4	111,7	326,3	318,1	335,4	349,3	338,6	335,0	332,7	349,7	351,1	347,1
= 5. economic sentiment indicator	107,5	96,6	104,1	97,4	103,6	103,5	104,0	104,0	104,2	104,0	103,9	104,1	104,2	103,7

(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 7: 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.)

		Ranges (b)				1988											
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83	II	III	IV	July	Aug.	Sept.	Oct.	Nov.	Dec.			
<b>INDUSTRIAL CONFIDENCE INDICATOR</b>	<b>B</b>	19	-56	-4	-35	-5	-3	-3	-2	-4	-3	-2	-2	-3	-1		
	<b>DK</b>	..	..	..	-22	-1	0	-1	-1	-1	:	:	-1	:	:		
	<b>D</b>	10	-49	2	-40	-4	-5	-1	1	-1	-1	0	1	1	1		
	<b>GR</b>	..	..	..	..	-1	-2	1	1	2	1	-1	5	3	-4		
	<b>E</b>	..	..	..	..	-3	-2	-5	-1	-2	-4	-8	-1	-1	-2		
	<b>F</b>	29	-49	5	-39	4	1	6	9	6	6	5	10	8	9		
	<b>IRL</b>	..	-41	20	-40	2	2	7	6	6	6	9	10	4	5		
	<b>I</b>	31	-59	13	-41	6	3	6	12	7	6	6	10	13	12		
	<b>L</b>	..	..	16	-65	4	5	5	5	8	5	3	7	4	4		
	<b>NL</b>	12	-44	4	-31	-2	-2	-1	0	-2	0	-1	-1	0	1		
	<b>P</b>	..	..	11	-25	1	1	-2	3	-5	0	0	3	2	3		
<b>UK</b>	..	..	9	-60	17	16	18	13	18	18	18	15	12	13			
<b>EUR</b>	16	-49	3	-36	3	2	4	6	5	4	4	6	6	6			
<b>PRODUCTION EXPECTATIONS</b>	<b>B</b>	31	-56	-4	-37	2	2	8	4	8	7	8	8	3	2		
	<b>DK</b>	..	..	..	8	3	3	2	6	:	:	:	6	:	:		
	<b>D</b>	17	-32	10	-30	5	5	7	9	8	6	6	8	9	9		
	<b>GR</b>	..	..	..	..	20	21	16	22	19	16	13	29	23	15		
	<b>E</b>	..	..	18	-20	10	11	9	12	11	14	2	13	12	10		
	<b>F</b>	33	-29	18	-20	12	9	13	20	13	13	13	23	18	19		
	<b>IRL</b>	..	-21	40	-33	10	9	14	20	11	14	18	26	12	21		
	<b>I</b>	40	-43	24	26	16	9	19	25	18	19	19	21	27	26		
	<b>L</b>	84	-80	40	-66	7	6	6	11	7	5	6	10	9	15		
	<b>NL</b>	26	-26	20	-13	3	3	6	4	5	8	4	2	4	7		
	<b>P</b>	..	..	30	-13	14	15	8	23	5	8	12	22	21	25		
<b>UK</b>	..	..	29	-52	31	30	34	28	33	34	34	29	27	29			
<b>EUR</b>	24	-30	15	-24	13	11	15	17	15	15	14	17	17	18			
<b>ORDER BOOKS</b>	<b>B</b>	13	-74	-14	-49	-12	-10	-10	-9	-11	-11	-9	-13	-12	-3		
	<b>DK</b>	..	..	..	-34	-2	-1	4	-2	4	:	:	-2	:	:		
	<b>D</b>	5	-73	-6	-59	-12	-15	-9	-4	-11	-9	-6	-4	-4	-5		
	<b>GR</b>	..	..	..	..	-15	-19	-10	-11	-9	-10	-10	-10	-12	-12		
	<b>E</b>	26	-45	..	..	-9	-8	-13	-7	-9	-15	-14	-8	-6	-8		
	<b>F</b>	26	-69	0	-56	5	1	10	13	10	10	10	12	14	14		
	<b>IRL</b>	..	-68	18	-55	-1	-4	8	2	5	4	16	6	4	-4		
	<b>I</b>	30	-82	7	-66	2	-1	3	8	5	3	2	10	9	6		
	<b>L</b>	..	..	8	-70	3	4	9	6	7	13	6	12	10	-3		
	<b>NL</b>	7	-48	-5	-42	-7	-8	-6	-3	-8	-6	-3	-2	-3	-3		
	<b>P</b>	..	..	3	-35	-7	-6	-8	-7	-10	-5	-8	-5	-8	-9		
<b>UK</b>	..	..	-2	-85	18	18	19	15	19	19	18	18	15	12			
<b>EUR</b>	15	-70	-7	-56	-1	-3	1	1	1	1	2	5	4	3			
<b>EXPORT ORDER BOOKS</b>	<b>B</b>	15	-82	-19	-55	-15	-15	-12	-11	-10	-13	-14	-14	-13	-6		
	<b>DK</b>	..	..	..	14	7	5	15	7	15	:	:	7	:			
	<b>D</b>	..	..	-14	-50	-18	-21	-16	-12	-18	-16	-13	-12	-12	-11		
	<b>GR</b>	..	..	..	..	-20	-26	-20	-19	-21	-20	-18	-20	-18	-18		
	<b>E*</b>	..	..	..	..	-24	-22	-24	-19	-20	-25	-27	-22	-19	-17		
	<b>F</b>	24	-66	10	-52	8	2	13	19	12	13	13	16	20	20		
	<b>IRL</b>	..	..	..	..	16	10	18	20	11	23	21	29	10	21		
	<b>I</b>	13	-67	-6	-59	-11	-13	-9	-3	-4	-10	-13	-2	-7	0		
	<b>L</b>	..	..	9	-80	14	-6	28	48	3	40	41	59	68	17		
	<b>P</b>	..	..	4	-35	-7	-12	-6	-2	-7	-6	-4	-3	-2	-1		
	<b>UK</b>	..	..	-11	-72	4	3	6	-1	8	4	7	5	-4	-5		
<b>EUR</b>	:	:	-12	-50	-8	-11	-5	-3	-5	-6	-5	-2	-4	-2			
<b>STOCKS OF FINISHED PRODUCTS</b>	<b>B</b>	-14	37	2	18	3	2	6	1	8	5	4	2	0	2		
	<b>DK</b>	..	..	..	24	4	1	8	6	8	:	:	6	:	:		
	<b>D</b>	-7	43	-2	31	3	4	0	1	0	1	0	1	1	0		
	<b>GR</b>	..	..	..	..	10	9	4	7	3	4	5	3	3	16		
	<b>E</b>	-17	24	15	35	10	10	10	9	9	11	11	9	10	9		
	<b>F</b>	-14	50	3	42	6	7	5	6	4	5	7	5	9	5		
	<b>IRL</b>	..	35	-6	33	2	1	2	3	-2	1	7	3	4	1		
	<b>I</b>	-24	53	-8	32	1	-1	3	-2	2	5	2	0	-2	-4		
	<b>L</b>	-14	74	0	58	-2	-5	-1	2	-9	3	2	2	6	-1		
	<b>NL</b>	-3	57	3	39	3	2	3	1	4	3	3	3	1	0		
	<b>P</b>	..	..	1	26	5	5	5	6	9	3	4	7	6	6		
<b>UK</b>	..	..	-1	42	-1	-1	-2	3	-1	-2	-2	1	6	1			
<b>EUR</b>	-10	48	-1	31	4	3	3	3	2	3	3	3	4	2			
<b>SELLING-PRICE EXPORTATIONS</b>	<b>B</b>	64	-10	39	12	18	18	21	25	21	21	21	30	21	23		
	<b>D</b>	55	4	38	4	19	18	21	23	22	21	21	20	23	25		
	<b>GR</b>	..	..	..	..	24	24	25	22	25	26	25	20	21	24		
	<b>E*</b>	..	..	..	..	13	9	9	17	9	8	10	8	14	29		
	<b>F</b>	76	15	62	17	20	13	24	29	22	24	25	25	28	34		
	<b>IRL</b>	..	64	77	20	9	9	11	14	13	11	8	12	16	15		
	<b>I</b>	76	10	87	37	22	21	24	27	26	23	22	24	27	30		
	<b>L</b>	..	-46	74	-38	54	50	51	60	62	58	33	58	59	62		
	<b>P*</b>	..	..	..	..	24	21	21	28	22	19	23	21	28	36		
	<b>UK</b>	..	..	70	7	29	26	29	33	28	28	32	33	34	32		
	<b>EUR</b>	64	9	53	22	22	19	24	27	24	23	24	25	27	29		

(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.

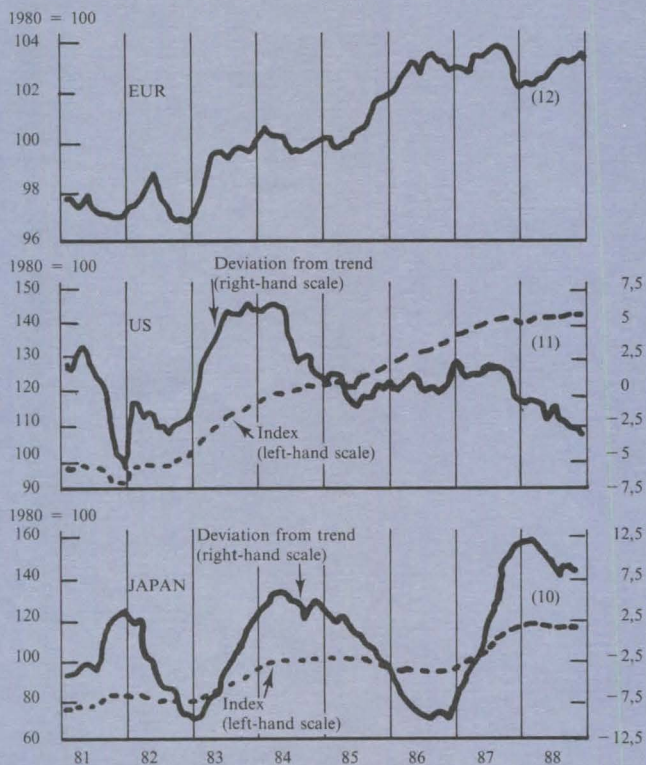
() = estimated.

\* = figures not s.a.

Source: European Community business surveys.

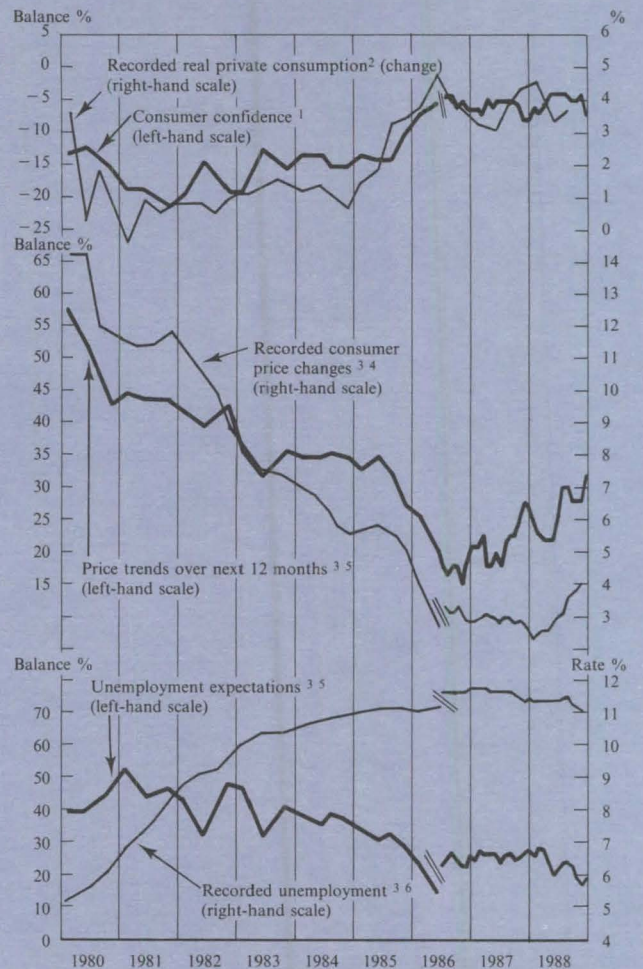


GRAPH 10: Leading indicators for the European Community, the USA and Japan



Sources: Commission of the European Communities. US Department, Economic Planning. Agency of the Japanese Government. Arabic number indicates latest month for which data are available ('12' December).

GRAPH 11: Consumer survey results and objective economic indicators — European Community<sup>7</sup>



For notes, Table 10. Sources: European Community consumer survey and Eurostat.

TABLE 8: Results of business surveys in the retail trade (a) (b) (f)

		1987												1988											
		Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.			
PRESENT BUSINESS SITUATION	B	-12	-16	-16	-11	-6	-12	-13	-7	-12	-2	-4	7	-26	-9	-6	-11	0	5	-15	4	0			
	D	3	-21	-15	-3	-5	-12	-3	7	10	-7	0	11	-8	-5	-10	-4	-8	4	-8	1	2			
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:		
	F(c)	:	-10	:	-30	:	-20	:	-11	:	1	:	-8	:	-11	:	-16	:	-11	:	-10	:			
	I(c)(d)	:	2	:	4	:	-2	:	-1	:	0	:	3	:	0	:	4	:	11	:	6	:			
	NL	47	41	39	36	41	33	45	35	35	32	26	30	30	30	47	40	31	37	41	31	38			
	UK(c)	20	21	9	32	22	21	22	20	24	38	37	27	10	21	27	23	46	17	8	27	24			
	EUR 7(f)	(4)	-3	(-3)	0	(-2)	-4	(0)	5	(6)	6	(8)	9	(-1)	1	(2)	2	(4)	5	(-1)	3	(3)			
VOLUME OF STOCKS	B	16	12	17	14	7	13	17	10	6	12	6	4	14	16	14	17	12	5	-6	15	18			
	D	27	33	30	29	23	28	25	21	22	23	26	21	32	25	26	26	22	23	29	23	27			
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:		
	F(c)	:	18	:	27	:	19	:	20	:	19	:	18	:	22	:	20	:	17	:	24	:			
	I(c)(d)	:	20	:	26	:	19	:	23	:	19	:	18	:	22	:	15	:	16	:	24	:			
	NL	10	24	16	12	11	16	16	18	17	16	15	21	21	20	7	14	11	12	11	13	12			
	UK	10	7	4	8	8	5	6	7	13	8	8	9	18	6	13	12	1	-3	9	13	19			
	EUR 7(f)	(17)	21	(19)	23	(21)	19	(18)	18	(19)	18	(18)	17	(22)	20	(20)	19	(16)	12	(15)	18	(20)			
INTENTIONS OF PLACING ORDERS	B	-1	-15	-9	-3	8	-4	-9	-14	-20	5	2	2	-2	-4	-11	3	6	12	-6	1	-10			
	D	-8	-17	-14	-5	-1	-3	3	-6	-7	-6	-5	-8	-11	-13	-12	-5	-2	6	-2	-6	-3			
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:		
	F(c)	:	-18	:	-27	:	-17	:	-19	:	-28	:	-16	:	-20	:	-28	:	-13	:	-15	:			
	I(c)(d)	:	-15	:	-8	:	-11	:	-12	:	-12	:	-8	:	-11	:	1	:	-5	:	-8	:			
	NL	17	7	8	19	13	7	4	6	6	1	6	1	-3	-1	-2	6	-1	-3	10	6	13			
	UK	26	37	37	37	42	43	30	32	32	35	36	32	37	29	33	39	41	38	33	20	4			
	EUR 7(f)	(-2)	-6	(-5)	-2	(0)	1	(0)	-3	(-4)	-4	(-4)	-2	(-3)	-6	(-5)	-1	(0)	0	(3)	-1	(-5)			
EXPECTED BUSINESS SITUATION	B	-1	-6	-4	16	29	-4	8	3	-18	12	19	15	2	0	-4	17	15	17	3	11	-7			
	D	-1	-2	-4	8	3	8	7	-1	-1	1	11	4	1	0	5	-1	9	12	6	-2	9			
	E	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:	:			
	F(c)	:	-30	:	-48	:	-35	:	-44	:	-47	:	-38	:	-35	:	-36	:	-23	:	-24	:			
	I(c)(d)	:	8	:	6	:	2	:	2	:	1	:	9	:	-1	:	3	:	7	:	13	:			
	NL	31	25	24	38	32	30	22	20	23	18	26	18	18	19	16	25	19	19	26	22	32			
	UK	:	41	:	:	42	:	:	28	:	:	35	:	:	40	:	:	43	:	:	20	:			
	EUR 7(f)	:	2	:	(2)	(1)	(4)	:	-4	:	(-4)	(1)	(2)	:	0	:	(1)	(4)	(11)	:	1	:			

(a) not seasonally adjusted; (b) percentage balances; (c) bi-monthly; (d) excl. large multiple shops; (e) refers to volume of sales for the time of the year. (f) Spain participates in the retail trade business survey from September 1988 onwards; ( ) = estimation. Source: EC Survey in the retail trade.



TABLE 9: Survey of the construction industry

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

	Range		Range		1988	1988			1988					
	Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83		II	III	IV	July	Aug.	Sept.	Oct.	Nov.	Dec.
<b>B</b> order-books	-13	-47	-20	-76	-27	-28	-28	-20	-28	-33	-22	-20	-22	-19
employment expectations	+31	-24	+7	-53	-2	-5	0	+5	-4	-2	+5	+4	+3	+7
price expectations	+75	+25	+61	-18	+15	+16	+15	+17	+16	+14	+16	+15	+17	+18
construction confidence indicator (a)	+9	-36	-7	-65	-15	-17	-14	-8	-16	-16	-9	-8	-10	-6
<b>DK</b> order-books	:	:	:	-38	-13	-8	-33	-23	-33	(-33)	(-33)	-23	(-23)	(-23)
employment expectations	:	:	:	-35	-8	-10	-3	-7	-3	(-3)	(-3)	-7	(7)	(-7)
construction confidence indicator (a)	:	:	:	-36	-10	-9	-18	-15	-18	(-18)	(-18)	-15	(-15)	(-15)
<b>D</b> order-books	-17	-84	+2	-75	-47	-50	-45	-41	-46	-47	-42	-42	-42	-38
employment expectations	+10	-60	+20	-53	-9	-12	-10	-5	-13	-8	-8	-7	-6	-2
price expectations	+48	-37	+48	-49	-3	-5	-2	+3	-4	-2	+1	+1	+2	+6
construction confidence indicator (a)	-4	-72	+11	-64	-28	-31	-28	-23	-30	-28	-25	-25	-26	-20
<b>GR</b> order-books	:	:	:	-78	-65	-72	-58	-63	-58	(-58)	(-58)	-63	(-63)	(-63)
employment expectations	:	:	:	-77	+9	+3	+17	+5	+17	(+17)	(+17)	+5	(+5)	(+5)
price expectations	:	:	:	+9	+5	0	+21	-1	+21	(+21)	(+21)	-1	(-1)	(-1)
construction confidence indicator (a)	:	:	:	-78	-28	-35	-21	-29	-21	(-21)	(-21)	-29	(-29)	(-29)
<b>F</b> order-books	:	:	-26	-73	-9	-15	-3	-5	-3	(-3)	(-3)	-5	(-5)	(-5)
employment expectations	:	:	-8	-47	+2	-1	+7	+3	+7	(+7)	(+7)	+3	(+3)	(+3)
construction confidence indicator (a)	:	:	-17	-57	-4	-8	+2	-1	+2	(+2)	(+2)	-1	(-1)	(-1)
<b>IRL</b> order-books	:	:	:	-58	-6	-35	+7	+17	+7	(+7)	(+7)	+17	(+17)	(+17)
employment expectations	:	:	:	-61	-3	-16	+7	+10	+7	(+7)	(+7)	+10	(+10)	(+10)
price expectations	:	:	:	:	-7	-12	-6	+22	-6	(-6)	(-6)	+22	(+22)	(+22)
construction confidence indicator (a)	:	:	:	-60	-5	-26	+7	+14	+7	(+7)	(+7)	+14	(+14)	(+14)
<b>I</b> order-books	-25	-68	-8	-62	-17	-22	-13	-13	+1	-25	-15	-12	-12	-14
employment expectations	+10	-44	+2	-39	-9	-17	-3	-8	-5	-11	+6	-17	-1	-6
price expectations	+85	+30	+79	+2	+25	+18	+29	+27	+25	+29	+34	+17	+31	34
construction confidence indicator (a)	-8	-56	-5	-51	-13	-20	-8	+11	-2	-18	-5	-15	-7	-10
<b>L</b> order-books	+21	-50	+15	-79	-8	-7	-9	-13	-6	-7	-14	-15	-13	-10
employment expectations	+31	-39	+46	-75	-5	+5	-18	-10	-25	-6	-24	-8	-9	-12
price expectations	+82	+11	+81	-49	-15	-5	-22	-19	-26	-23	-18	-18	-22	-17
construction confidence indicator (a)	+26	-45	+31	-77	-7	-1	-14	-12	-16	-7	-19	-12	-11	-11
<b>NL</b> order-books	-8	-81	-10	-61	-3	-6	+1	-1	-1	+2	+2	-3	0	+1
employment expectations	+14	-13	+15	-31	+6	+2	+9	+13	+4	+7	+16	+15	+14	+11
price expectations	:	:	:	:	+17	+8	+18	+25	+16	+18	+21	+20	+27	+27
construction confidence indicator (a)	+3	+47	+3	-46	+1	-2	+5	+6	+2	+5	+9	+6	+7	+6
<b>UK</b> order-books	:	:	-1	-74	+19	+14	+22	+25	+22	(+22)	(+22)	+25	(+25)	(+25)
employment expectations	:	:	+15	-50	+40	+39	+38	+39	+38	(+38)	(+38)	+39	(+39)	(+39)
price expectations	:	:	+74	-21	+67	+70	+70	+70	+70	(+70)	(+70)	+70	(+70)	(+70)
construction confidence indicator (a)	:	:	+7	-62	+30	+27	+30	+32	+30	(+30)	(+30)	+32	(+32)	(+32)
<b>EUR</b> order-books	:	:	-9	-64	-16	-20	-12	-10	-11	(-14)	(-11)	-11	(-11)	(-9)
employment expectations	:	:	+7	-35	+7	+3	+8	+9	+6	(+8)	(+10)	+7	(+9)	(+10)
construction confidence indicator (a)	:	:	-1	-50	-5	-8	-2	-1	-3	(-3)	(-1)	-2	(-1)	(+1)

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

Source: European Community business surveys.

TABLE 10: Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988											
												Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.		
CONSUMER CONFIDENCE INDICATOR (b)	<b>B</b>	-20	-27	-27	-28	-27	-21	-17	-12	-6	-9	-7	-6	-6	-5	-5	-4	-3	-2			
	<b>DK</b>	-19	-17	-12	0	6	4	-3	-10	-16	-12	-13	-12	:	-16	-20	-16	-18	-22			
	<b>D</b>	-5	-22	-26	-15	-10	-7	3	-1	-5	-6	-6	-5	-6	-4	-3	0	0	-1			
	<b>GR</b>	:	0	-11	-4	-5	-20	-29	-21	-22	-20	-20	-23	-21	-20	-19	-21	-21	-21			
	<b>E</b>	:	:	:	:	:	-9	-8	-2	-4	0	-2	1	4	1	2	-2	-3				
	<b>F(d)</b>	-10	-9	-5	-15	-23	-21	-14	-18	-11	-13	-10	-10	:	-10	-11	-10	-13				
	<b>IRL</b>	-22	-28	-34	-39	-33	-29	-28	-29	-16	-12	-16	-17	-15	-16	-15	-16	-12	-12			
	<b>I</b>	-22	-22	-18	-24	-15	-12	-4	-4	-4	-4	-6	-4	-4	:	-4	-4	-1	-4			
	<b>NL</b>	-25	-31	-32	-30	-22	-7	5	-2	1	0	0	-2	1	5	2	2	3	2			
	<b>P</b>	:	:	:	:	:	:	-7	0	-8	-7	-6	-7	-10	-13	-16	-7	-6	-6			
	<b>UK</b>	-18	-21	-12	-3	-4	-10	-7	5	2	5	8	9	7	2	-2	-5	-4	-12			
		<b>EUR (c)</b>	-13	-19	-17	-15	-14	-12	-6	-6	-5	-5	-4	-4	-4	-4	-5	-5	-4	-7		
	FINANCIAL SITUATION OF HOUSEHOLDS — over last 12 months	<b>B</b>	-15	-19	-25	-29	-31	-23	-14	-9	-5	-6	-7	-4	-6	-3	-5	-4	-4	-3		
<b>DK</b>		-10	-12	-7	-4	-2	-3	-2	-1	-5	-5	-4	-5	:	-2	-3	-5	-2	-5			
<b>D</b>		-4	-16	-18	-14	-11	-8	1	1	0	-1	-1	-1	0	0	0	2	0	2			
<b>GR</b>		:	:	-2	-13	-8	-8	-24	-31	-21	-21	-22	-20	-24	-22	-23	-18	-22	-20			
<b>E</b>		:	:	:	:	:	-10	-9	-4	-1	-3	-5	-2	-2	-3	-2	-6	-6				
<b>F(d)</b>		-7	-8	-7	-11	-15	-13	-11	-14	-9	-10	-9	-10	-9	:	-7	-8	-8	-10			
<b>IRL</b>		-32	-38	-41	-43	-42	-37	-34	-31	-23	-22	-24	-27	-21	-21	-22	-22	-18	-19			
<b>I</b>		-14	-14	-13	-15	-12	-10	-6	-4	-3	-3	-6	-3	-3	:	-1	-4	-2	-3			
<b>NL</b>		-9	-18	-20	-28	-26	-17	-3	0	2	3	3	2	2	4	3	1	3	0			
<b>P</b>		:	:	:	:	:	-8	-2	-5	-5	-3	-3	-4	-8	-9	-6	-6	-4				
<b>UK</b>		-24	-30	-27	-15	-15	-16	-13	-5	-6	-5	-3	-4	-1	-5	-5	-11	-6	-11			
		<b>EUR (c)</b>	-11	-17	-16	-15	-15	-12	-8	-6	-5	-5	-5	-4	-4	-4	-3	-5	-4	-5		

TABLE 10 (continued): Consumer opinion on economic and financial conditions (a)

		1980	1981	1982	1983	1984	1985	1986	1987	1988	1988								
											Avr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<b>FINANCIAL SITUATION OF HOUSEHOLDS (continued)</b>	<b>B</b>	-6	-9	-12	-15	-18	-13	-5	-1	2	1	1	3	1	1	0	2	1	4
	<b>DK</b>	-8	-4	-2	0	3	3	2	2	1	4	3	2	:	4	-2	2	-1	-3
	<b>D</b>	-3	-12	-14	-9	-6	-4	2	1	-1	0	-1	-2	-2	0	0	1	0	0
	<b>GR</b>	:	:	15	0	6	2	-12	-21	-13	-13	-12	-12	-15	-15	-12	-12	-12	-15
	<b>E</b>	:	:	:	:	:	:	3	2	5	4	8	5	7	10	6	5	3	4
	<b>F(d)</b>	-2	0	0	-4	-7	-3	-2	-4	1	0	3	2	0	:	1	0	2	0
	<b>IRL</b>	-19	-24	-23	-26	-22	-22	-15	-15	-9	-6	-10	-10	-8	-11	-8	-9	-7	-7
	<b>I</b>	-10	-8	-6	-8	-3	-2	1	2	2	3	1	3	1	:	2	1	3	2
	<b>NL</b>	-9	-13	-14	-21	-17	-6	2	2	4	6	4	1	3	5	5	3	6	4
	<b>P</b>	:	:	:	:	:	:	2	5	-1	-2	1	1	0	-4	-6	-1	-3	-2
	<b>UK</b>	-13	-15	-9	-2	-3	-5	-3	4	1	-2	2	4	3	3	1	-2	4	-4
		<b>EUR(c)</b>	-6	-9	-8	-7	-8	-4	0	0	1	1	2	1	1	2	1	1	2
<b>GENERAL ECONOMIC SITUATION</b>	<b>B</b>	-58	-69	-68	-62	-57	-33	-29	-20	-17	-23	-18	-16	-15	-16	-13	-13	-11	-10
	<b>DK</b>	-56	-47	-42	-4	4	2	-10	-22	-31	-29	-24	-26	:	-29	-37	-34	-34	-35
	<b>D</b>	-18	-46	-51	-29	-14	-11	7	-2	-9	-13	-11	-8	-11	-9	-4	-1	0	2
	<b>GR</b>	:	:	-2	-11	-4	-10	-28	-34	-22	-22	-21	-20	-23	-22	-21	-20	-24	-24
	<b>E</b>	:	:	:	:	:	:	-15	-18	-9	-10	-7	-7	-4	-5	-7	-8	-9	-12
	<b>F(d)</b>	-39	-37	-28	-41	-54	-52	-34	-39	-29	-32	-27	-28	-26	:	-24	-27	-26	-32
	<b>IRL</b>	-56	-66	-74	-77	-65	-61	-58	-58	-30	-29	-32	-30	-28	-26	-28	-30	-18	-17
	<b>I</b>	-57	-60	-51	-57	-36	-26	-10	-7	-12	-11	-15	-12	-12	:	-11	-11	-4	-11
	<b>NL</b>	-55	-64	-64	-54	-19	8	18	-1	1	-4	-2	-5	-1	8	4	9	10	15
	<b>P</b>	:	:	:	:	:	:	-5	5	-5	-3	-3	-2	-4	-8	-13	-4	-7	-8
	<b>UK</b>	-55	-62	-40	-23	-25	-37	-29	-4	-4	3	4	7	2	-3	-8	-13	-16	-23
		<b>EUR(c)</b>	-41	-51	-44	-37	-31	-28	-15	-14	-13	-14	-12	-11	-12	-12	-11	-12	-11
<b>PRICE TRENDS</b>	<b>B</b>	-45	-51	-43	-38	-33	-17	-12	-9	-6	-10	-9	-7	-7	-7	-4	-1	0	-1
	<b>DK</b>	-42	-29	-23	3	6	4	-7	-15	-22	-21	-12	-18	:	-21	-26	-25	-27	-30
	<b>D</b>	-19	-33	-32	-14	-10	-6	3	-8	-13	-14	-14	-12	-16	-12	-11	-5	-5	-6
	<b>GR</b>	:	:	25	6	10	3	-13	-22	-13	-13	-13	-12	-16	-16	-13	-13	-14	-15
	<b>E</b>	:	:	:	:	:	:	3	-2	2	3	4	7	6	6	4	2	2	1
	<b>F(d)</b>	-40	-27	-23	-36	-45	-34	-18	-24	-12	-14	-6	-8	-9	:	-11	-13	-10	-15
	<b>IRL</b>	-35	-38	-42	-45	-29	-26	-26	-29	-10	-4	-7	-9	-11	-10	-11	-11	-3	-3
	<b>I</b>	-30	-30	-24	-25	-9	-8	3	-2	-2	-1	-4	0	-4	:	-1	-2	5	0
	<b>NL</b>	-48	-42	-42	-28	-5	10	12	-8	-4	-5	-5	-9	-6	1	-1	4	6	9
	<b>P</b>	:	:	:	:	:	:	5	9	-2	-1	0	-2	0	-5	-10	-1	-2	-7
	<b>UK</b>	-24	-23	-10	-5	-10	-16	-14	4	-5	-2	4	3	-2	-7	-10	-11	-13	-18
		<b>EUR(c)</b>	-30	-30	-24	-21	-18	-14	-5	-8	-7	-7	-5	-4	-7	-7	-7	-7	-5
<b>UNEMPLOYMENT</b>	<b>B</b>	65	69	77	78	78	72	49	32	24	21	23	23	26	26	26	25	26	28
	<b>DK</b>	50	51	48	26	26	26	10	0	3	4	6	4	:	4	6	-1	-2	0
	<b>D</b>	44	52	46	23	15	9	-15	-14	-2	-4	-3	-1	1	1	-2	-1	-1	5
	<b>GR</b>	:	:	15	30	24	26	39	42	26	28	22	26	25	25	22	25	26	30
	<b>E</b>	:	:	:	:	:	:	46	35	29	29	20	20	23	23	35	39	37	39
	<b>F(d)</b>	79	77	62	55	58	44	12	12	5	3	1	5	8	:	9	10	7	10
	<b>IRL</b>	85	87	87	80	71	59	47	35	28	21	30	31	30	28	25	25	27	28
	<b>I</b>	80	79	72	69	55	49	36	29	34	32	35	34	33	:	33	34	31	35
	<b>NL</b>	62	68	63	43	41	22	-2	-19	-12	-10	-13	-10	-14	-15	-9	-6	-8	-2
	<b>P</b>	:	:	:	:	:	:	31	30	45	43	42	40	40	48	48	46	47	51
	<b>UK</b>	59	41	31	15	19	24	15	11	18	15	13	13	17	19	24	25	28	27
		<b>EUR(c)</b>	63	62	53	40	37	30	13	11	14	12	11	12	14	14	16	17	20
<b>FINANCIAL SITUATION OF HOUSEHOLDS (continued)</b>	<b>B</b>	42	40	45	40	37	36	27	19	21	14	17	20	22	24	28	26	25	29
	<b>DK</b>	38	31	31	12	16	15	7	6	4	3	4	6	:	4	5	0	1	0
	<b>D</b>	51	50	43	30	28	25	5	12	24	18	21	26	30	28	22	22	24	29
	<b>GR</b>	:	:	25	37	38	42	44	47	35	37	35	36	36	32	31	33	36	38
	<b>E</b>	:	:	:	:	:	:	19	18	14	16	4	5	11	12	18	20	22	24
	<b>F(d)</b>	50	39	42	37	32	27	19	12	7	6	-1	11	12	:	8	12	10	15
	<b>IRL</b>	56	52	46	39	35	32	23	25	20	12	17	20	22	22	18	19	21	25
	<b>I</b>	60	58	56	54	46	48	35	42	45	39	46	43	47	:	46	45	39	46
	<b>NL</b>	61	52	50	38	25	17	6	2	14	12	12	12	18	13	22	20	15	19
	<b>P</b>	:	:	:	:	:	:	14	17	30	21	23	24	32	40	39	31	32	42
	<b>UK</b>	43	31	29	27	40	43	32	36	48	43	42	45	52	54	53	51	55	56
		<b>EUR(c)</b>	51	44	42	35	35	32	20	22	26	22	22	26	30	30	28	28	28
<b>GENERAL ECONOMIC SITUATION</b>	<b>B</b>	57	67	60	57	44	37	33	35	22	28	22	21	22	23	24	16	11	11
	<b>DK</b>	39	37	29	30	5	-4	1	29	36	30	23	30	:	36	43	37	40	46
	<b>D</b>	20	43	43	30	20	16	4	19	26	27	26	22	26	27	25	15	17	19
	<b>GR</b>	:	:	11	10	11	17	31	36	25	27	26	28	28	21	23	21	24	21
	<b>E</b>	:	:	:	:	:	:	26	31	21	26	17	16	17	19	16	14	19	20
	<b>F(d)</b>	47	43	30	41	62	50	33	39	28	31	19	33	36	:	36	31	15	19
	<b>IRL</b>	34	47	56	67	52	48	45	45	33	30	35	33	32	31	33	32	22	20
	<b>I</b>	51	52	56	57	49	47	39	40	42	46	45	43	43	:	39	40	36	38
	<b>NL</b>	59	72	72	67	36	0	-11	8	14	9	7	11	16	14	18	8	8	9
	<b>P</b>	:	:	:	:	:	:	27	15	11	17	10	10	9	15	10	4	3	6
	<b>UK</b>	58	50	34	37	32	35	32	7	-3	-4	-5	-8	-6	-6	-9	-3	-1	1
		<b>EUR(c)</b>	43	48	42	41	38	32	23	26	23	24	20	22	24	24	23	19	17





### 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 Wirtschaftsforschung	IFO	IFO	IFO	GfK Marktforschung
Greece	IEIR Institute of Economic and Industrial Research	IEIR	IEIR		NSSG National Statistical Service of Greece
Spain	MIE Ministerio de Industria y Energia		MIE		INTERGALLUP S.A. and INTERCAMPO S.A.
France	INSEE Institut National de la Statistique et des Etudes Economiques	INSEE	INSEE	INSEE	INSEE
Ireland	CI and ESRI Confederation of Irish Industries and Economic and Social Research Institute	CIF Construction Industry Federation	CI 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 Etudes Economiques	STATEC	STATEC		
Netherlands	CBS Centraal Bureau voor de Statistiek	EIB Economisch Instituut voor de Bouwnijverheid	CBS	NIPO Nederlands Instituut voor de Publieke Opinie en het Marktonderzoek	CBS
Portugal	INE Instituto Nacional de Estatistica	AECOPS Associação de Empresas de Construção e Obras Públicas do Sul	INE		NORMA
United-Kingdom	CBI Confederation of British Industry	BEC Building Employers Confederation	BSO Business Statistics Office	CBI	GALLUP Gallup Institute

### Questions of European Community business and consumer surveys

#### Manufacturing industry

##### Monthly:

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

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

- employment expectations for the months ahead: up, unchanged, down?
- limits to production: none, insufficient demand shortage of labour, lack of equipment, others?
- production capacity: more than sufficient, sufficient, not sufficient?
- duration of assured production: in months?
- new orders in the recent past: up, unchanged, down?
- export volume expectations for the months ahead: up, unchanged, down?
- capacity utilization: in %?
- stocks of raw material: high, normal, low?

#### All industries

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

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

#### Building industry

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

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

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

- duration of assured production: in months?

#### Retail trade sector

##### Monthly (France and Italy bi-monthly):

- we consider our present business (sales) position to be: good, satisfactory (normal for the season), bad;
- we consider our present stock to be: too small, adequate (normal for the season), too large;
- we expect that our orders placed on suppliers during the next (three) months, excluding purely seasonal variations, will be: up, unchanged, down;
- our business trend over the next six months, excluding purely seasonal variations, will improve, remain unchanged, deteriorate.

##### Quarterly:

- In the next three months, and compared with today, the number of persons we employ will: increase, remain unchanged, decline.

#### Consumer survey

##### Monthly:

- Financial situation of your household now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Financial situation of your household, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- General economic situation in the country now compared to 12 months ago: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- General economic situation in the country, prospects over the next 12 months: a lot better, a little better, the same, a little worse, a lot worse, don't know.
- Price level now compared to 12 months ago: much higher, moderately higher, a little higher, about the same, lower, don't know.
- Price trend over the next 12 months: more rapid increase, same increase, slower increase, stability, slight decrease, don't know.
- Unemployment level in the country over the next 12 months will: increase sharply, increase slightly, remain the same, fall slightly, don't know.
- Major purchases (furniture, washing machine, TV, etc.) at present: yes, right time; neither right nor wrong time, should postpone; don't know.
- Major purchases next 12 months, compared to last 12 months: much more, a little more, the same, a little less, much less, don't know.
- Savings at the present, a reasonable time to save: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Savings by you or your household over the next 12 months: yes, certainly; yes, perhaps; probably not; certainly not; don't know.
- Financial situation of households at present - financial assets accumulation: borrowing, drawing on savings, just making ends meet, saving a little, saving a substantial amount, don't know.

#### Economic sentiment indicator

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

#### Industrial confidence indicator

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

#### Construction confidence indicator

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

#### Consumer confidence indicator

The consumer confidence indicator is the arithmetic average of the answers (balances) to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases. For a more detailed description of the consumer confidence see technical note in the December 1982 issue of Supplement C.

### Prices (excluding VAT) in Luxembourg

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