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DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

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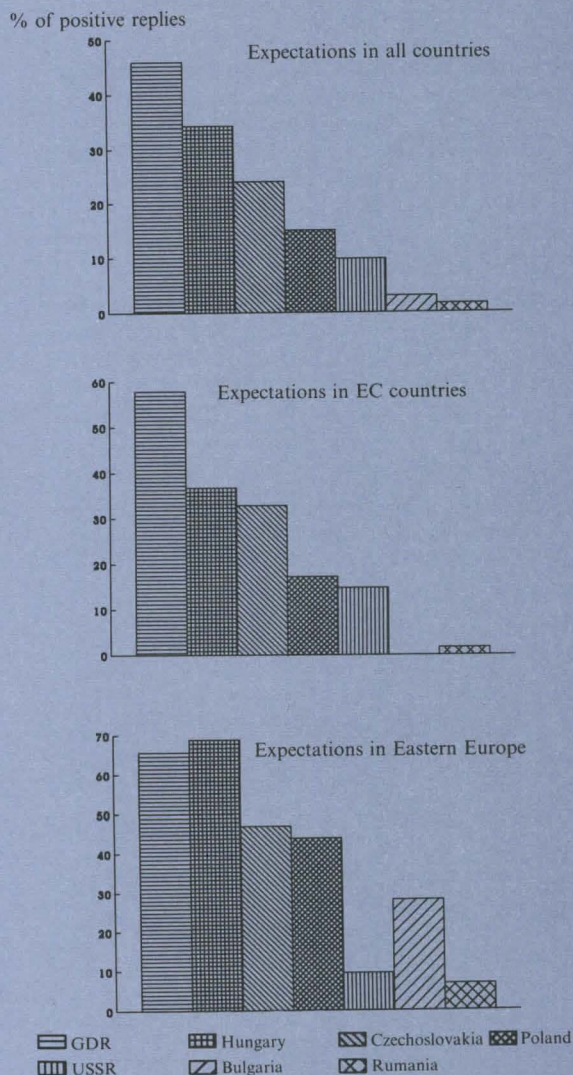


*In this number:
Expected effects of
East European integration*

THE MAIN POINTS IN BRIEF:

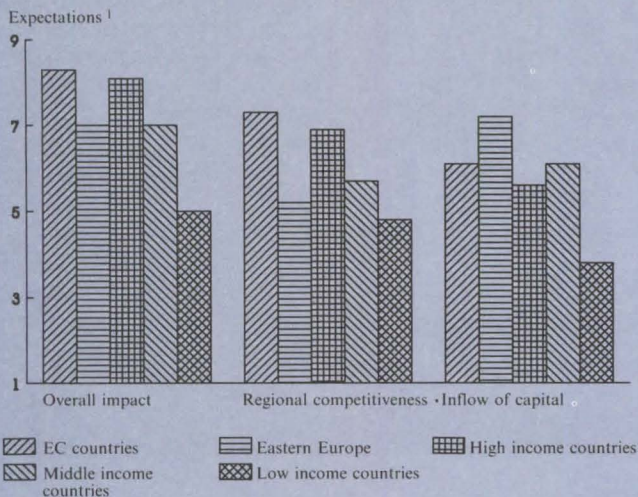
- According to the results of a special survey carried out in 58 countries, the experts questioned expect the economic liberalization of Eastern Europe to have a positive impact.
- The effect of regional competitiveness is also considered to be favourable, especially for the EC countries.
- In the countries of Eastern Europe it is expected that inflows of capital will increase.
- Foreign investment is mainly expected to go to the GDR. Taking the average for all the countries included in the survey, the experts put the GDR at the top of the list, followed in descending order by Hungary, Czechoslovakia, Poland and the USSR.
- Industrial capacity is virtually fully utilized in the member countries. Despite this, the companies questioned are not expecting serious capacity constraints in the near future. The intention is to increase output further.

GRAPH 1: Attractiveness of Eastern European Countries for foreign investment



EC special survey.

GRAPH 2: Expected impact of the economic liberalization in Eastern Europe in selected groups of countries



(1) 9: positive, 5: no impact, 1: negative.
Source: EC special survey.

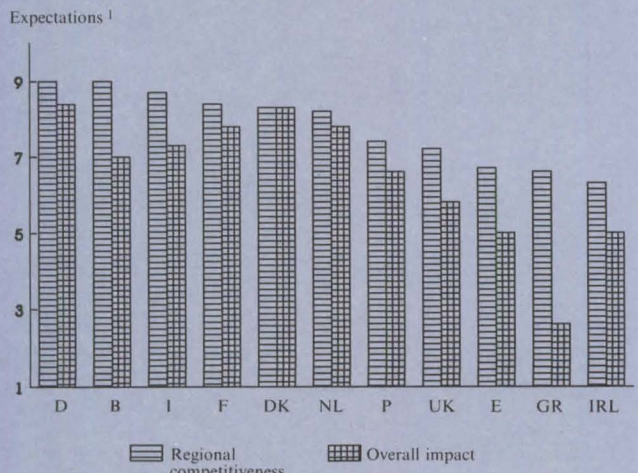
EFFECTS OF ECONOMIC LIBERALIZATION IN EASTERN EUROPE (RESULTS OF A SPECIAL SURVEY)

The EC Commission requested that a special question on the effects of economic liberalization in Eastern Europe be included in the ESI April 1990 survey. This question was put to 420 experts in 58 countries throughout the world in April. The following are the most important results.

Economic liberalization in Eastern Europe is expected to have a positive impact worldwide. — On average for all 58 countries, and even more so for the high-income countries, the experts polled think that the impact on the overall economy of their countries will be predominantly positive. Only in the seven low-income countries is economic liberalization in Eastern Europe on balance expected to have no positive effect on the overall economy (see Graph 2).

Highly positive effects are on average expected for the economies of Western Europe, North America, and the middle-income countries, as well as the ASEAN countries and the East Asian NICs. Within Western Europe the national economies of Germany, Austria, Belgium, Sweden and Switzerland will,

GRAPH 3: Expected impact of the economic liberalization in Eastern Europe on EC countries



(1) 9: positive, 5: no impact, 1: negative.
Source: EC special survey.

according to the survey results, benefit the most from economic liberalization in Eastern Europe.

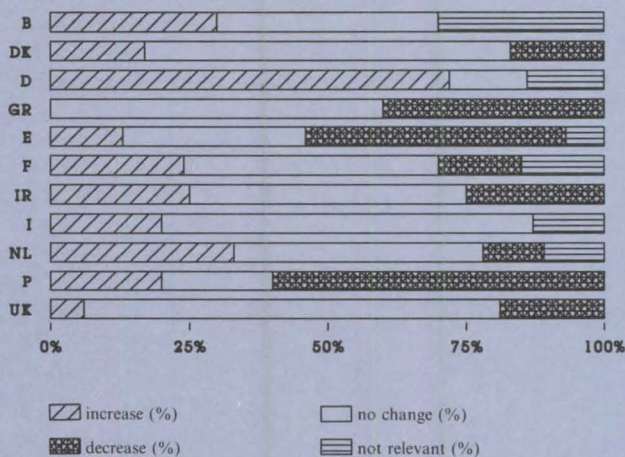
The effect of economic liberalization on regional competitiveness is also considered to be positive. — On average for the 58 countries, and even more so for the high-income countries, experts think that the competitiveness of their countries will increase as a consequence of the economic liberalization in Eastern Europe.

The reason most frequently stated is 'growing foreign demand for this country's products', with 'more foreign investment' coming a distant second.

The prospects for the regional competitiveness of the EC countries are judged to be highly positive: this applies above all to the Federal Republic of Germany, Denmark, France, the Netherlands and Italy. Greece is the only country for which the prevailing expert opinion is that competitiveness will deteriorate (see Graphs 2 and 3).

Within Eastern Europe¹, Bulgaria, Czechoslovakia, Hungary and Poland are the countries where, according to the survey results, economic liberalization is expected to have a particularly favourable effect on regional competitiveness. Experts polled in the USSR think that the country will on balance lose competitiveness, the main reason being more competition coming from East Germany. On the other hand, in the near future the USSR's exports to the GDR will have to be paid for in hard currency.

GRAPH 4: Expected changes in capital inflow



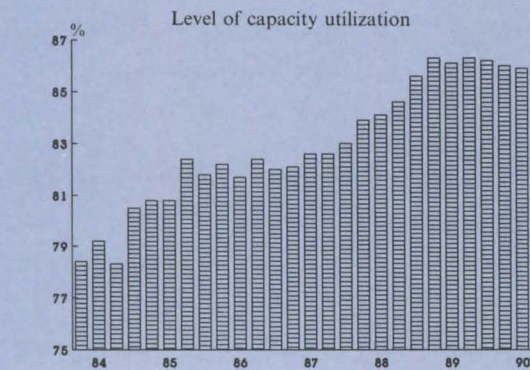
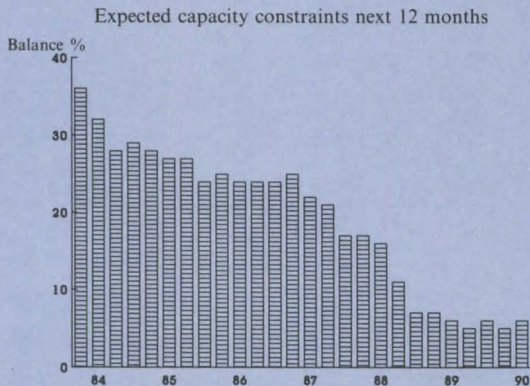
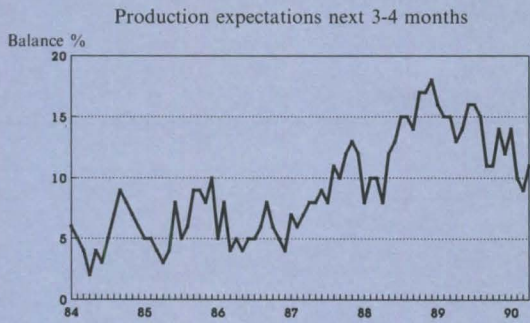
Source: EC special survey.

In the countries of Eastern Europe it is expected that inflows of capital will increase. — Nearly all the experts polled in Eastern Europe¹ think that the economic liberalization in their countries will increase the *inflow of capital* (supply of credit, direct investment). These expectations are especially high in Bulgaria, Yugoslavia, Poland, Hungary and Czechoslovakia.

Experts in Western Europe also think that capital inflows into their countries will increase, since investment carried out in Western Europe is likely to yield better returns, because the countries of Western Europe will benefit the most from liberalization in Eastern Europe. The reason for the extremely positive expectations about capital inflows into Germany is that investors are assuming that the two German States will be unified very rapidly (see Graph 4). The increased foreign investment in both German stocks and in plant an equipment since the beginning of this year can be seen as a sign of Germany's increasing attractiveness.

¹ The GDR was not included in the survey.

GRAPH 5: Indicators of output and capacity in industry — European Community



reports of capacity constraints have remained relatively infrequent; the productive apparatus has therefore become more flexible. However, the discrepancies observed between member countries as regards the utilization of productive plant in industry clearly shows that the pattern of demand and production is becoming more differentiated. In some member countries, particularly the United Kingdom, the level of capacity utilization has been falling for a year.

However, in most of the member countries, capacity utilization is still high, and in the Federal Republic in particular it was, until recently, climbing to a record level.

The high level of capacity utilization, the favourable prospects for demand, the fact that the conditions governing profitability are still quite positive, and the added momentum to be expected from the effects of economic liberalization in Eastern Europe are indications that the favourable trend of investment-and export-led economic activity and growth is continuing. This can be seen from the business survey results, which are available up to and including April.

Capacity almost fully utilized in all branches of industry. — Capacity utilization is highest in the consumer goods industries where it is again slightly up on January's level, so that it is now a little higher than in the other two main industrial groups. The slight fall in capacity utilization in the basic materials and

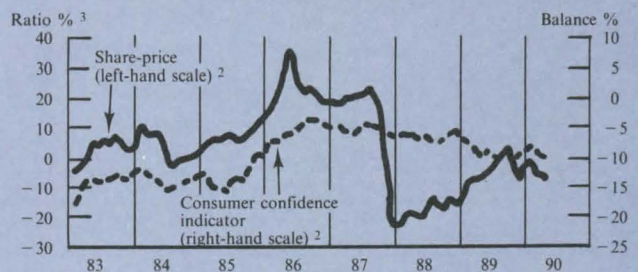
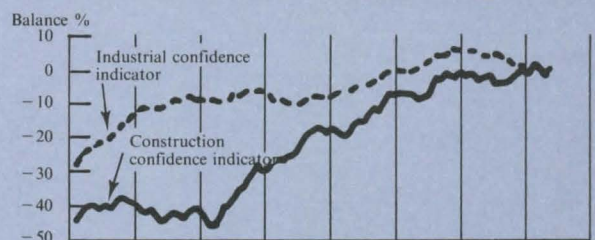
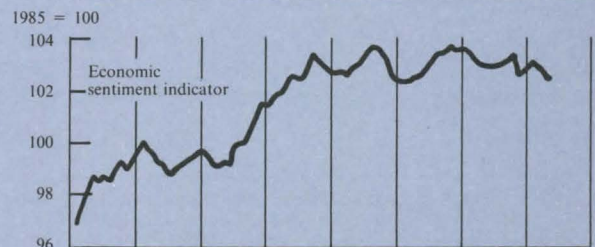
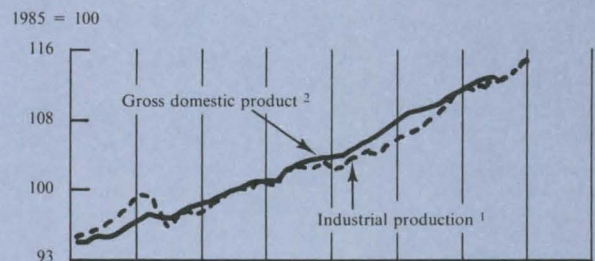
On the other hand the experts are expecting the inflow of capital to decrease for low-income countries, middle-income OECD countries and, to a lesser extent, the Mediterranean non EC-countries. This reflects the frequently expressed fear of these countries that the increased competition for international capital will be detrimental to the development of their economies.

Foreign investment is mainly expected to go to the GDR. — The experts were asked which East European countries would attract the most foreign investment: taking the average for all the countries included in the survey, the experts put the GDR at the top of the list, followed, in descending order, by Hungary, Czechoslovakia, Poland and the USSR. By contrast the experts polled in Eastern Europe¹ think that foreign direct investment will primarily be concentrated on Hungary, only then followed by the GDR, Czechoslovakia, Poland and Bulgaria (see Graph 1).

LATEST BUSINESS SURVEY RESULTS

With capacity utilization high, industrialists are planning further increases in output. — The utilization of industrial production capacity in April averaged 85.9 % for the Community, thus almost reaching January's high level. Nevertheless, taking the average for the Community, industrialists are planning to increase output further. In this connection it is important that the growth process which has now lasted for seven years has largely remained tension-free. Despite high capacity utilization,

GRAPH 6: Indicators of output and economic sentiment — European Community



¹ Three-month moving average.
² See notes to Table 8.
³ Deviations from trend in %.

producer goods industries and in the equipment goods industries to be observed since last autumn has not brought the general high level of utilization down by very much.

The most recent survey results also indicate that, on average for industry, capacity constraints are not likely to be expected in the near future. There has even been a small increase (a net one

percentage point over the previous quarter) in the number of companies with surplus capacity. Only in the consumer goods industry, where capacity constraints have clearly increased, is the picture somewhat less favourable.

22 May 1990

TABLE 1: Capacity utilization in manufacturing industry (%) (a) (s.a.)

	Range (b)		Range (b)		1988		1989		1988				1989				1990	
	Peak 1973	Trough 1975	Peak 79/80	Trough 82/83			J	A	J	O	J	A	J	O	J	A		
B	85.4	70.4	78.8	74.6	78.7	80.3	78.1	78.4	78.7	79.7	79.0	79.3	80.5	82.2	81.1	81.0		
DK	..	..	..	..	81.9	79.5	76.8	79.9	84.5	86.4	72.7	77.7	81.8	85.6	75.6	78.0
D	88.1	74.8	86.0	75.3	85.0	88.0	84.1	84.2	85.3	86.5	87.7	87.7	88.4	88.6	88.8	89.4		
GR	..	..	..	74.4	74.7	77.8	71.7	74.8	74.9	77.3	76.9	78.8	78.9	77.2	77.3	76.2
E*	..	..	..	..	79.2	81.1	78.9	78.4	80.4	79.2	81.6	80.4	81.9	80.5	80.8	79.1
F	87.8	76.6	85.3	81.1	85.7	87.8	85.0	85.7	85.8	86.4	87.1	87.7	88.2	88.3	88.0	88.4		
IRL	..	..	68.1	56.8	74.0	74.4	75.0	73.3	71.3	76.5	74.0	73.4	73.3	76.4	78.7	75.5
I	78.8	68.0	77.3	69.1	77.6	80.0	77.6	76.1	77.8	79.0	79.9	79.2	80.0	80.8	80.2	80.2		
L	..	..	83.0	66.5	83.3	86.2	84.2	82.5	83.4	82.9	85.2	85.5	85.5	85.6	84.3	83.4
NL	86.0	76.0	83.0	75.8	84.4	85.7	84.2	83.8	84.9	85.1	85.2	86.1	85.7	86.1	86.0	86.1		
P*	..	..	..	..	81.5	81.7	82.0	81.3	82.3	80.3	80.7	82.1	82.4	81.5	80.3	79.5
UK (e)	90.6	75.5	87.6	73.0	93.7	91.1	92.6	94.8	93.3	93.9	94.3	92.5	90.4	88.3	88.1	87.1		
EUR (c)	86.4	75.0	83.9	76.4	84.6	86.2	83.9	84.1	84.6	85.6	86.3	86.1	86.3	86.2	86.0	85.9		

TABLE 2: Degree of capacity utilization and orders on hand by industrial branches — European Community (s.a.)

Industries	Degree of capacity utilization in %								Expected capacity constraints: balances overcapacity (+) capacity too small (-)							
	1988		1989		1989		1990		1988		1989		1989		1990	
			J	A	J	O	J	A			J	A	J	O	J	A
Industry as a whole	84.6	86.2	86.3	86.1	86.3	86.2	86.0	85.9	+13	+6	+7	+6	+5	+6	+5	+6
Consumer goods	85.4	85.7	85.6	85.7	85.6	86.0	86.3	86.4	+12	+6	+4	+5	+5	+8	+9	+7
Investment goods	83.4	86.2	85.5	86.0	87.4	86.4	86.5	85.8	+20	+8	+13	+10	+6	+4	+3	+8
Intermediate goods	84.6	86.4	86.3	86.4	86.0	87.0	85.0	85.3	+9	+7	+6	+6	+6	+8	+6	+7
Textile industry	81.8	82.7	82.6	82.6	82.8	82.8	84.0	82.2	+16	+15	+12	+18	+14	+14	+16	+15
Footwear and clothing	85.9	86.6	84.7	87.8	86.1	87.7	86.9	88.0	+15	+10	+14	+11	+9	+7	+16	+11
Timber/wooden furniture	83.3	84.0	83.7	84.8	84.0	83.4	83.9	83.9	+16	+8	+9	+8	+7	+7	+8	+12
Manufacture of paper, paper products, printing of which:	86.9	87.6	88.0	86.9	87.7	88.0	87.0	85.8	+6	+9	+8	+9	+12	+8	+6	+8
manufacture of paper	93.2	92.0	92.0	93.5	91.5	91.3	88.9	88.9	-4	-1	-9	-7	+3	+8	+8	+5
Leather	80.6	83.4	80.9	83.1	84.9	84.6	83.3	82.8	+19	+15	+19	+15	+6	+19	+12	+15
Plastics	82.6	83.3	83.3	82.9	82.6	84.5	83.6	82.1	+4	+6	+9	+2	+5	+8	+5	+9
Mineral-oil refining	86.2	90.7	91.9	87.3	90.2	92.9	92.0	90.0	+24	+14	+21	+28	+2	+6	+11	-9
Metals	82.3	86.2	87.3	86.6	86.2	86.2	85.3	84.2	+11	+5	+5	+11	+4	+2	+8	+6
Non-metallic mineral products	82.6	84.6	84.9	85.7	84.9	83.6	83.2	84.5	+12	+3	+2	-1	+4	+7	+12	+12
Metal articles	82.0	83.7	82.7	84.9	83.2	84.1	84.2	84.4	+18	+4	+6	+4	+5	+2	+2	+7
Mechanical engineering of which:	84.7	87.1	87.0	86.6	87.1	88.2	86.9	87.1	+13	+4	+7	+4	+4	+2	+3	+5
machines tools	87.0	89.7	88.6	89.1	91.2	90.1	90.7	89.1	+8	-8	+5	-3	-14	-19	-14	-11
Office & data processing machinery	83.2	82.8	82.4	80.9	82.7	85.2	82.3	85.4	+12	+16	+25	+12	+9	+16	+15	+22
Electrical engineering	82.9	84.7	85.6	84.6	86.0	83.9	85.3	83.5	+25	+15	+15	+17	+14	+14	+9	+14
Shipbuilding	71.8	82.4	78.1	82.4	83.4	85.7	86.8	85.9	+36	+22	+42	+12	+7	+25	+9	+25
Rubber products	83.4	88.1	93.4	86.2	87.8	86.2	87.5	77.2	-9	-6	-1	-9	-8	-4	+3	+13
Instrument engineering	85.5	85.5	86.5	85.3	85.1	85.5	85.5	84.6	+17	+5	+6	+7	+4	+4	+4	+1

TABLE 3: Expected capacity constraints in manufacturing industry: i.e. balance of respondents expecting capacity to be more than sufficient in relation to production expectations (a)(d) (s.a.)

	Range (b)		Range (b)		1988		1989		1988		1989		1990		
	Peak 1973	Trough 1975	Peak 79/80	Trough 82/83			O	J	A	J	O	J	O	J	A
B	-12	+58	+35	+53	+23	+15	+20	+24	+15	+12	+9	+10	+10	+10	+10
DK	..	..	+10	+38	+20	+15	+20	+15	+13	+15	+15	+10	+12	+10	+12
D	-3	+56	+12	+49	+14	+2	+9	+6	+3	+1	-2	-2	0	0	0
GR	..	..	..	+34	+18	+14	+13	+14	+12	+13	+18	+13	+9	+13	+9
E*	..	..	..	..	+9	+4	+8	+3	+3	+3	+5	+8	+10	+8	+10
F	-24	+45	+11	+48	+11	-3	+2	-3	-4	-3	0	-2	-6	-2	-6
IRL	..	..	+34	+40	+13	+7	+8	+8	+8	+8	+2	+1	+5	+1	+5
I	+1	+63	+17	+58	+18	+16	+13	+15	+17	+16	+15	+12	+16	+12	+16
L	-72	+73	+37	+62	+3	+2	+4	+2	+1	+4	0	-2	-1	-2	-1
NL	-3	+60	+14	+51	+7	+1	+5	+4	+1	-1	-1	-1	0	-1	0
P*	..	..	..	..	+4	+4	+7	+4	+5	+2	+3	+4	+4	+4	+4
UK	..	..	..	+63	+6	+10	+1	+7	+9	+9	+15	+18	+23	+18	+23
EUR (c)	-7	+54	+14	+50	+13	+6	+7	+7	+6	+5	+6	+5	+6	+5	+6

(a) The data are collected in January, April, July and October each year.

(b) These are the extreme (high and low) values of the net balances of the different questions, reached in the periods 1973-1975 and 1979-1983 respectively.

(c) Weighted total of available country data.

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

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

* = Figures not s.a.

Source: European Community business surveys.

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

	Range (b)		Range (b)		1988	1989	1989				1990	
	Peak 1973	Trough 1975	Peak 1979	Trough 1982/83			I	II	III	IV	I	II
B	4,5	2,8	3,7	3,0	3,2	3,7	3,4	3,4	4,1	4,0	4,2	4,3
D	3,3	2,8	3,4	2,6	2,8	3,1	2,9	3,1	3,1	3,1	3,1	3,3
GR	:	:	:	5,0	6,4	6,5	6,1	6,3	6,8	6,9	5,8	6,4
E*	:	:	:	:	2,4	2,4	2,3	2,5	2,5	2,3	2,6	2,5
F	3,5	2,7	4,2	3,3	3,2	3,3	3,5	3,1	3,3	3,4	3,5	3,3
IRL	2,2	1,8	2,6	1,5	1,7	2,0	2,0	1,8	1,9	2,2	2,2	2,2
I	4,7	3,7	5,3	3,8	4,1	4,6	4,6	4,7	4,6	4,6	4,5	4,7
L	3,5	1,4	2,4	1,7	2,5	2,6	2,6	2,8	2,5	2,4	2,4	2,4
NL	4,7	2,6	4,2	2,5	2,7	3,2	3,0	3,2	3,3	3,2	3,2	3,2
P*	:	:	:	:	3,9	3,9	4,0	4,0	3,9	3,7	4,5	3,9
UK	:	:	4,2	1,9	3,1	3,6	3,8	4,1	3,3	3,0	3,2	3,7
EUR (c)	3,7	3,0	3,9	3,0	3,2	3,6	3,6	3,7	3,6	3,5	3,6	3,7

TABLE 5: New orders in manufacturing industry (a) (s.a.)

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

	Range (b)		1988	1989	1988		1989				1990	
	Peak 1979	Trough 1981/83			J	O	J	A	J	O	J	A
B	+8	-22	+4	+5	-1	-1	+5	+10	+5	0	+2	+3
DK	:	-14	+9	+16	+11	+8	+18	+19	+10	+17	+12	+3
D	+17	-26	+11	+13	+17	+13	+18	+12	+14	+6	+8	+12
E*	:	:	+9	+8	+5	+14	+6	+15	+1	+9	+7	+10
F	+14	-35	+18	+17	+16	+21	+19	+15	+19	+15	+3	+6
IRL	:	-46	+8	+10	+10	+20	+11	+12	+4	+12	+12	+7
I	+7	-25	+15	+18	+19	+23	+17	+19	+21	+14	+9	+14
L	+45	-67	+3	+4	+5	+6	+9	-3	0	+9	+7	-6
NL	+9	-6	+13	+13	+11	+14	+14	+14	+11	+13	+11	+14
P*	:	:	+7	+6	+5	+7	+6	+6	+9	+2	-5	+2
UK	:	-21	+28	+4	+27	+25	+17	+2	+6	-8	-7	-3
EUR (c)	+14	-27	+17	+13	+18	+19	+17	+12	+15	+7	+4	+8

TABLE 6: Export volume expectations in manufacturing industry: (a) (s.a.)

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

	Range (b)		1988	1989	1988		1989				1990	
	Peak 1979	Trough 1981/83			J	O	J	A	J	O	J	A
B	:	:	+3	+6	-5	-3	+5	+13	+4	+3	-2	-1
D	+6	-15	+1	+13	+9	+8	+14	+15	+15	+8	+10	+7
GR	:	-13	+18	+26	+11	+23	+29	+24	+23	+27	+18	+24
E*	:	:	+5	+4	+1	+7	+5	+4	-3	+8	+6	+3
F	+13	-23	+9	+11	+13	+12	+10	+12	+14	+7	+7	+10
IRL	:	-8	+26	+16	+20	+28	+29	+16	+17	+2	+32	+11
I	+16	-14	+14	+24	+18	+21	+27	+23	+23	+21	+18	+18
L	+62	-67	+7	+3	+18	+11	+9	+4	+2	-4	+14	-3
NL	+20	-11	+7	+12	+10	+10	+6	+18	+18	-1	+12	+3
P*	:	:	+20	+17	+15	+16	+21	+18	+18	+12	+12	+13
UK	:	-4	+11	+11	+16	+16	+18	+8	+11	+5	+15	+10
EUR (c)	+11	-11	+7	+13	+11	+11	+14	+15	+15	+8	+11	+8

TABLE 7: Employment expectations in manufacturing industry (a) (s.a.)

Balance of respondents expecting employment up, unchanged, down

	Range (b)		Range (b)		1988	1989	1988	1989				1990	
	Peak 1973	Trough 1975	Peak 1979	Trough 1982/83				IV	I	II	III	IV	I	II
B	+12	-26	-2	-17	-6	+2	0	-1	+3	+4	+2	+1	-2
DK	:	:	:	-14	-9	-1	-1	-2	-3	0	+2	0	-4
D	+13	-34	+2	-38	-10	+1	-3	0	-1	+2	+3	+8	+5
GR	:	:	:	:	-5	+2	-1	+3	+3	0	+1	0	0
E*	:	:	:	:	-11	-11	-14	-14	-8	-9	-12	-15	-5
F	+17	-35	-23	-48	-33	-19	-26	-20	-19	-18	-17	-11	-13
IRL	+15	-34	+4	-35	-7	+8	-4	+3	+13	-3	+10	+2	+1
I	+13	-26	+3	-39	-7	+3	0	+7	+1	+2	0	+6	+1
L	+75	-67	-1	-62	-10	-41	-12	-28	-35	-51	-47	-32	-33
NL	+4	-32	-6	-36	-10	-1	-6	-5	-1	+1	0	+8	+14
P*	:	:	:	:	-4	-4	-8	-6	-1	-4	-5	-2	-7
UK	:	:	:	-43	+8	-4	+7	+1	-4	-2	-10	-19	-25
EUR (c)	+12	-31	-6	-40	-11	-4	-6	-3	-5	-3	-4	-2	-5

(a) The data are collected in January, April, July and October each year.

(b) These are the extreme (high and low) values of the net balances of the different questions, reached in the periods 1973-1975 and 1979-1983 respectively.

(c) Weighted total of available country data.

* = Figures not s.a.

Source: European Community business surveys.

TABLE 8: Indicators of output and economic sentiment

		Ranges				1989	1989		1990	1989		1990			
		Peak Trough		Peak Trough			III	IV	I	Nov.	Dec.	Jan.	Feb.	March	April
		1972/73	1974/75	1979/80	1981/83										
B	<i>gross domestic product</i>	1985 = 100	:	:	:	:	:	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	113,1	113,3	114,6	:	114,3	117,0	:	:	:	
	1. industrial confidence indicator		19	-56	-4	-35	0	1	-1	0	1	0	0	0	
	2. construction confidence indicator		9	-36	-7	-65	-5	-7	-3	4	-4	-4	2	7	
	3. consumer confidence indicator		7	-18	-7	-31	1	3	3	3	4	3	3	5	
	4. share-price index (c)		:	:	:	203,8	209,9	211,0	193,0	212,6	210,3	201,2	179,5	198,4	
	= 5. economic sentiment indicator		109,0	98,9	103,9	96,8	105,8	106,1	106,1	106,0	106,3	106,0	106,0	106,4	
DK	<i>gross domestic product</i>	1985 = 100	:	:	:	:	:	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	107,1	106,0	106,5	:	110,2	102,0	:	:	:	
	1. industrial confidence indicator		:	:	-22	4	5	4	2	(4)	(4)	2	(2)	(2)	
	2. construction confidence indicator		:	:	-37	-24	-32	-24	-14	(-24)	(-24)	-14	(-14)	(-14)	
	3. consumer confidence indicator		:	-16	5	-22	-14	-15	-12	-6	-13	-10	-4	-8	
	4. share-price index (c)		:	:	:	132,7	140,8	139,9	149,0	138,4	145,2	150,8	147,6	148,7	
	= 5. economic sentiment indicator		:	:	:	99,0	99,1	99,3	99,7	99,2	99,5	99,9	99,7	99,7	
D	<i>gross domestic product</i>	1985 = 100	:	:	:	:	111,4	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	111,3	112,7	113,1	:	112,6	114,1	114,4	:	:	
	1. industrial confidence indicator		10	-49	2	-40	5	5	5	7	5	6	7	7	
	2. construction confidence indicator		-4	-72	11	-64	-15	-16	-7	1	-7	-3	-2	3	
	3. consumer confidence indicator		:	-22	9	-31	1	3	2	4	2	3	6	5	
	4. share-price index (c)		:	:	:	133,1	142,0	143,9	164,7	138,9	150,0	161,5	164,8	167,7	
	= 5. economic sentiment indicator		103,8	97,0	103,6	94,7	101,7	102,1	102,2	103,0	102,1	102,6	103,2	102,7	
F	<i>gross domestic product</i>	1985 = 100	:	:	:	:	111,5	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	112,8	113,5	113,4	:	114,3	112,6	113,8	:	:	
	1. industrial confidence indicator		29	-49	5	-39	8	8	4	0	7	3	1	0	
	2. construction confidence indicator		:	:	-17	-57	-4	-6	-7	-3	(-7)	(-7)	-3	(-3)	
	3. consumer confidence indicator		:	-9	3	-27	-11	-11	-11	-10	-11	-11	-10	-11	
	4. share-price index (c)		:	:	:	220,9	230,9	236,7	236,3	228,1	243,9	243,5	230,0	235,5	
	= 5. economic sentiment indicator		107,8	97,6	101,8	95,1	105,0	104,8	104,5	104,5	104,6	104,5	104,6	104,3	
IRL	<i>gross domestic product</i>	1985 = 100	:	:	:	:	:	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	141,4	140,3	147,9	:	149,0	152,7	:	:	:	
	1. industrial confidence indicator		-41	20	-40	10	11	12	4	14	10	8	5	-1	
	2. construction confidence indicator		:	:	-60	24	30	25	19	(25)	(25)	19	(19)	(19)	
	3. consumer confidence indicator		-41	12	-44	-7	-5	-6	-5	-6	-4	-3	-6	-5	
	4. share-price index (c)		:	:	:	281,5	294,7	294,9	312,4	288,7	294,4	307,9	320,0	309,4	
	= 5. economic sentiment indicator		109,1	96,7	103,6	98,1	104,5	104,9	104,7	104,5	104,7	104,8	104,4	104,2	
I	<i>gross domestic product</i>	1985 = 100	:	:	:	:	113,3	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	117,9	119,4	120,1	:	119,6	121,4	117,0	:	:	
	1. industrial confidence indicator		31	-59	13	-41	8	7	3	5	3	3	5	5	
	2. construction confidence indicator		-8	-56	-5	-51	-5	-4	9	13	7	10	8	16	
	3. consumer confidence indicator		:	:	:	-6	-6	-6	-4	-5	-6	-4	-4	-3	
	4. share-price index (c)		:	:	:	213,1	236,5	216,6	217,5	213,8	215,5	222,8	213,8	215,9	
	= 5. economic sentiment indicator		103,8	97,4	101,6	97,6	101,8	101,9	101,7	102,1	101,8	101,7	102,1	102,1	
NL	<i>gross domestic product</i>	1985 = 100	:	:	:	:	:	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	105,8	106,4	110,0	:	110,1	112,3	:	:	:	
	1. industrial confidence indicator		12	-44	4	-31	1	1	1	0	2	0	-1	1	
	2. construction confidence indicator		3	-47	3	-46	1	3	5	1	7	3	3	-1	
	3. consumer confidence indicator		6	-15	5	-37	9	10	11	8	11	10	10	7	
	4. share-price index (c)		:	:	:	136,0	143,8	139,8	136,6	139,5	143,5	137,1	132,9	139,9	
	= 5. economic sentiment indicator		107,8	100,7	105,3	97,1	102,9	103,2	103,2	102,5	103,3	103,0	102,8	102,3	
UK	<i>gross domestic product</i>	1985 = 100	:	:	:	:	116,4	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	110,4	111,0	111,6	:	112,0	110,9	110,1	:	:	
	1. industrial confidence indicator		:	:	9	-60	-2	-3	-10	-12	-12	-10	-8	-12	
	2. construction confidence indicator		:	:	7	-62	29	26	14	-5	(14)	(14)	-5	(-5)	
	3. consumer confidence indicator		-33	14	-26	-18	-18	-24	-24	-24	-21	-19	-22	-30	
	4. share-price index (c)		:	:	:	176,5	189,1	179,1	181,4	175,3	185,1	186,6	180,5	177,1	
	= 5. economic sentiment indicator		103,8	97,7	104,9	98,8	101,7	101,7	100,3	99,6	100,2	100,4	100,4	99,7	
EUR	<i>gross domestic product (a)(b)</i>	1985 = 100	:	:	:	:	112,9	:	:	:	:	:	:	:	
	<i>index of industrial production</i>		:	:	:	112,8	112,9	114,5	:	114,8	114,8	114,8	:	:	
	1. industrial confidence indicator		16	-49	3	-36	4	4	1	0	1	1	1	0	
	2. construction confidence indicator		:	:	-1	-50	-2	-3	0	1	(0)	(2)	-1	(2)	
	3. consumer confidence indicator		5	-17	1	-22	-6	-6	-7	-6	-7	-6	-5	-6	
	4. share-price index (c)		:	:	:	172,1	183,2	179,0	184,2	174,9	184,4	187,4	181,8	183,3	
	= 5. economic sentiment indicator		107,5	96,6	104,1	97,4	103,8	103,9	103,5	103,7	103,5	103,8	104,0	103,7	

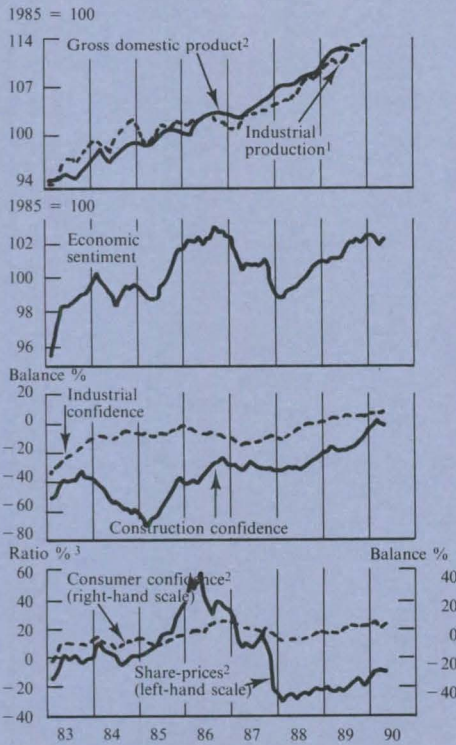
(a) Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

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

(c) Not seasonally adjusted.

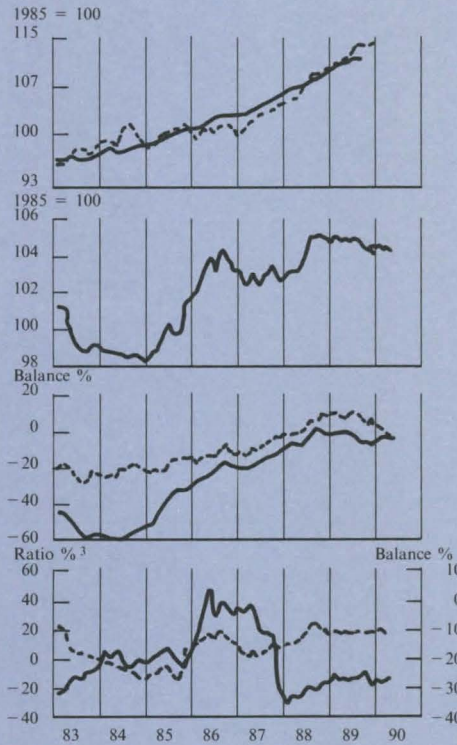
GRAPHS 7-12: Indicators of output and economic sentiment

GRAPH 7: Federal Republic of Germany



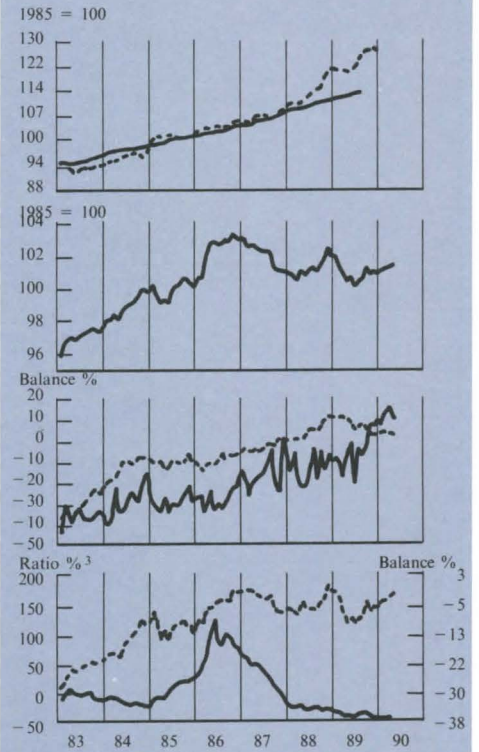
¹ Three-month moving average.
² See notes to Table 8.
³ Deviations from trend in %.

GRAPH 8: France



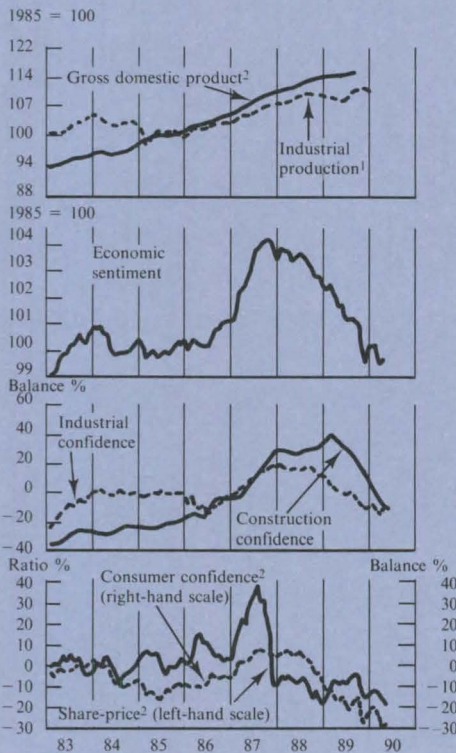
For explanations, see Graph 7.

GRAPH 9: Italy



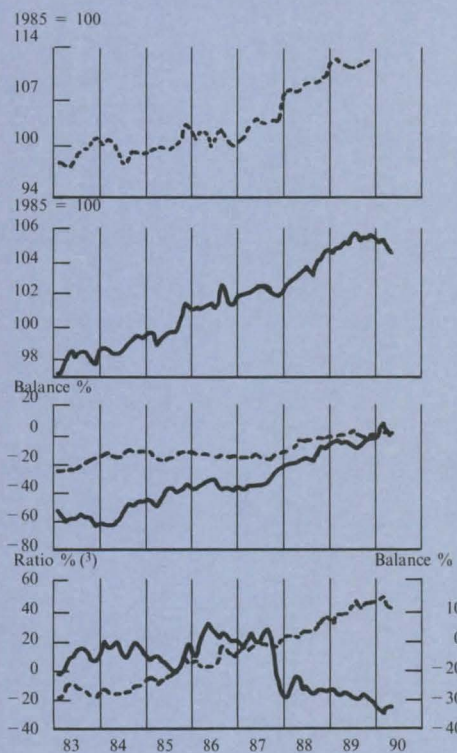
For explanation, see Graph 7.

GRAPH 10: United Kingdom



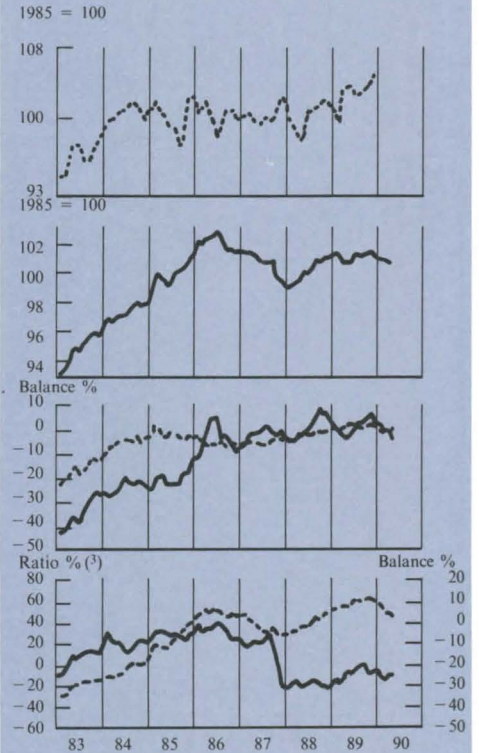
¹ Three-month moving average.
² See notes to Table 8.
³ Deviations from trend in %.

GRAPH 11: Belgium



For explanations, see Graph 10.

GRAPH 12: Netherlands



For explanations, see Graph 10.

TABLE 9: **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)				1989		1989		1990		1989		1990			
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83	III	IV	I	Nov.	Dec.	Jan.	Feb.	March	April			
INDUSTRIAL CONFIDENCE INDICATOR	B	19	-56	-4	-35	0	1	-1	0	1	0	0	0	0	0	0	
	DK	:	:	:	-22	4	5	4	2	:	:	2	:	:	:	2	
	D	10	-49	2	-40	5	5	5	7	5	6	7	7	7	7	8	
	GR	:	:	:	:	0	1	-2	2	-3	1	5	1	0	0	0	
	E	:	:	:	:	-3	-3	-5	-7	-6	-7	-6	-8	-8	-9	-9	
	F	29	-49	5	-39	8	8	4	0	7	3	1	0	-1	-4		
	IRL	:	-41	20	-40	10	11	12	4	14	10	8	5	-1	5		
	I	31	-59	13	-41	8	7	3	5	3	3	5	5	4	3		
	L	:	:	16	-65	0	-7	-10	-4	-10	-15	-13	-4	-2	-1		
	NL	12	-44	4	-31	1	1	1	0	2	0	-1	1	0	0		
	P	:	:	11	-25	-1	-2	-1	-5	-2	-1	-6	-5	-5	-4		
	UK	:	:	9	-60	-2	-3	-10	-12	-12	-10	-8	-12	-16	-10		
		EUR	16	-49	3	-36	4	4	1	0	1	1	1	0	-1	0	
PRODUCTION EXPECTATIONS	B	31	-56	-4	-37	7	6	8	8	10	11	9	6	9	8		
	DK	:	:	:	8	13	12	13	14	:	:	14	:	:	15		
	D	17	-32	10	-30	10	11	11	11	11	13	13	11	10	10		
	GR	:	:	:	:	20	23	18	26	20	22	27	25	25	24		
	E	:	:	18	-20	11	11	14	9	13	11	15	6	6	5		
	F	33	-29	18	-20	15	15	13	10	20	10	11	10	8	8		
	IRL	:	-21	40	-33	20	23	26	18	27	24	27	14	13	14		
	I	40	-43	24	26	24	25	20	23	22	19	25	22	21	22		
	L	84	-80	40	-66	7	-2	7	8	7	13	16	4	9	15		
	NL	26	-26	20	-13	8	6	9	7	10	7	5	8	7	7		
	P	:	:	30	-13	12	12	14	12	13	16	11	11	14	15		
	UK	:	:	29	-52	11	10	3	-2	1	3	4	-4	-5	4		
		EUR	24	-30	15	-24	14	14	12	11	14	12	14	10	9	11	
ORDER BOOKS	B	13	-74	-14	-49	-4	-4	-8	-5	-7	-8	-5	-5	-4	-5		
	DK	:	:	:	-34	8	11	9	7	:	:	7	:	:	-1		
	D	5	-73	-6	-59	3	4	5	8	5	6	7	8	9	10		
	GR	:	:	:	:	-14	-13	-16	-10	-20	-14	-8	-10	-12	-10		
	E	26	-45	:	:	-8	-8	-12	-13	-14	-13	-14	-14	-11	-13		
	F	26	-69	0	-56	11	12	5	1	7	4	2	3	-2	-5		
	IRL	:	-68	18	-55	9	10	10	0	14	6	5	2	-7	6		
	I	30	-82	7	-66	4	3	-1	-2	-2	0	-2	-1	-3	-3		
	L	:	:	8	-70	-10	-25	-36	-20	-36	-53	-57	-14	-15	-20		
	NL	7	-48	-5	-42	-1	0	0	-3	1	-1	-2	-3	-3	-3		
	P	:	:	3	-35	-8	-9	-8	-15	-6	-11	-16	-15	-14	-13		
	UK	:	:	-2	-85	-5	-5	-15	-20	-19	-15	-15	-20	-25	-19		
		EUR	15	-70	-7	-56	2	2	-2	-3	-3	-2	-2	-3	-4	-4	
EXPORT ORDER BOOKS	B	15	-82	-19	-55	-9	-10	-12	-7	-11	-12	-9	-9	-4	-9		
	DK	:	:	:	14	15	17	17	15	:	:	15	:	:	7		
	D	:	:	-14	-50	-2	-1	-1	0	-2	0	0	-1	0	-2		
	GR	:	:	:	:	-23	-21	-27	-18	-28	-33	-17	-19	-18	-17		
	E*	:	:	:	:	-20	-22	-24	-22	-23	-25	-21	-23	-22	-25		
	F	24	-66	10	-52	11	10	1	-4	2	-1	-6	-4	-1	-6		
	IRL	:	:	:	:	13	19	10	0	16	11	7	1	-7	6		
	I	13	-67	-6	-59	-4	-3	-7	-10	-10	-7	-10	-10	-10	-14		
	L	:	:	9	-80	0	-10	-13	-40	-9	-42	-43	-45	-46	-55		
	NL	:	:	4	-35	-6	-4	-5	-21	-7	-2	-23	-20	-21	-19		
	P	:	:	-11	-72	-10	-8	-11	-1	-16	-8	0	-3	-1	-6		
	UK	:	:	:	:	:	:	:	:	:	:	:	:	:	:		
		EUR	:	:	-12	-50	-2	-1	-4	-3	-5	-4	-3	-4	-3	-6	
STOCKS OF FINISHED PRODUCTS	B	-14	37	2	18	1	0	2	3	0	2	4	1	4	4		
	DK	:	:	:	24	8	9	11	15	:	:	15	:	:	8		
	D	-7	43	-2	31	0	-1	0	-1	0	0	-1	-2	-1	-4		
	GR	:	:	:	:	8	7	8	9	10	4	5	11	12	15		
	E	-17	24	15	35	12	11	15	18	16	18	19	17	19	20		
	F	-14	50	3	42	3	2	5	10	5	5	9	12	10	14		
	IRL	:	35	-6	33	0	0	-1	6	0	-1	8	1	8	4		
	I	-24	53	-8	32	5	8	9	7	11	9	8	7	7	9		
	L	-14	74	0	58	-2	-6	2	1	2	6	-1	4	0	-3		
	NL	-3	57	3	39	3	3	4	4	5	5	5	2	4	3		
	P	:	:	1	26	7	9	10	13	12	9	14	11	14	13		
	UK	:	:	-1	42	12	12	17	15	17	17	14	13	19	15		
		EUR	-10	48	-1	31	5	5	8	7	8	8	8	7	8	8	
SELLING-PRICE EXPECTATIONS	B	64	-10	39	12	16	11	11	10	10	11	9	8	12	5		
	D	55	4	38	4	19	16	16	17	16	16	18	18	15	13		
	GR	:	:	:	:	28	25	30	27	31	28	31	23	26	31		
	E*	:	:	:	:	14	9	10	19	8	14	22	26	9	5		
	F	76	15	62	17	20	19	17	16	22	21	14	21	14	19		
	IRL	:	64	77	20	16	10	15	8	18	18	7	14	4	1		
	I	76	10	87	37	28	27	23	25	25	23	27	25	24	20		
	L	:	-46	74	-38	17	5	-4	5	0	-25	11	11	2	14		
	P*	:	:	:	:	24	24	26	25	27	32	27	27	20	17		
	UK	:	:	70	7	27	30	25	24	22	23	27	21	23	28		
		EUR	64	9	53	22	23	22	20	20	21	20	21	21	18	19	

(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.

TABLE 10: Survey of the construction industry

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

		Range		Range		1989	1989		1990	1989		1990				
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83		III	IV		I	Nov.	Dec.	Jan.	Feb.	March	April
CONSTRUCTION CONFIDENCE INDICATOR (a)	B	9	-36	-7	-65	-5	-7	-3	4	-4	-4	2	7	2	-3	
	DK	:	:	:	-36	-24	-32	-24	-14	(-24)	(-24)	-14	(-14)	(-14)	-23	
	D	-4	-72	11	-64	-15	-16	-7	1	-7	-3	-2	3	1	-1	
	GR	:	:	:	-78	-27	-33	-19	-39	(-19)	(-19)	-39	(-39)	(-39)	-12	
	E*	:	:	:	:	19	26	14	22	11	12	26	15	26	:	
	F	:	:	-17	-57	-4	-6	-7	-3	(-7)	(-7)	-3	(-3)	(-3)	-4	
	IRL	:	:	:	-60	24	30	25	19	(25)	(25)	19	(19)	(19)	14	
	I	-8	-56	-5	-51	-5	-4	9	13	7	10	8	16	16	11	
	L	26	-45	31	-77	-3	0	11	20	10	11	18	18	24	13	
	NL	3	47	3	-46	1	3	5	1	7	3	3	-1	1	-4	
	P*	:	:	:	:	0	-9	-8	-4	-16	-2	-5	3	-9	-4	
	UK	:	:	7	-62	29	26	14	-5	(14)	(14)	-5	(-5)	(-5)	-11	
		EUR	:	:	-1	-50	-2	-3	0	1	(0)	(2)	-1	(2)	(2)	-2
ORDER-BOOKS	B	-13	-47	-20	-76	-17	-22	-16	-8	-17	-17	-9	-6	-10	-12	
	DK	:	:	:	-38	-30	-42	-37	-20	(-37)	(-37)	-20	(-20)	(-20)	-24	
	D	-17	-84	2	-75	-32	-29	-25	-15	-25	-19	-19	-14	-12	-11	
	GR	:	:	:	-78	-58	-57	-57	-66	(-57)	(-57)	-66	(-66)	(-66)	-43	
	E*	:	:	:	:	25	26	25	37	19	25	43	33	36	:	
	F	:	:	-26	-73	-10	-12	-16	-14	(-16)	(-16)	-14	(-14)	(-14)	-13	
	IRL	:	:	:	-58	20	30	24	11	(24)	(24)	11	(11)	(11)	13	
	I	-25	-68	-8	-62	-8	-11	2	11	10	-5	14	12	8	10	
	L	-21	-50	15	-79	-13	-11	0	8	-2	3	5	8	12	1	
	NL	-8	-81	-10	-61	-5	-4	-4	-3	-2	-7	-4	-3	-2	-6	
	P*	:	:	:	:	-19	-24	-28	-22	-37	-24	-19	-17	-31	-24	
	UK	:	:	-1	-74	25	19	14	-3	(14)	(14)	-3	(-3)	(-3)	-14	
		EUR	:	:	-9	-64	-11	-12	-10	-7	(-8)	(-10)	-8	(-7)	(-7)	-8
EMPLOYMENT EXPECTATIONS	B	31	-24	7	-53	8	9	11	15	9	10	12	19	13	8	
	DK	:	:	:	-35	-17	-22	-11	-7	(-11)	(-11)	-7	(-7)	(-7)	-22	
	D	10	-60	20	-53	2	-1	10	16	12	13	15	19	13	10	
	GR	:	:	:	-77	4	-9	20	-12	(20)	(20)	-12	(-12)	(-12)	19	
	E*	:	:	:	:	13	26	4	7	3	-1	9	-4	15	:	
	F	:	:	-8	-47	3	1	2	8	(2)	(2)	8	(8)	(8)	5	
	IRL	:	:	:	-61	28	29	26	27	(26)	(26)	27	(27)	(27)	14	
	I	10	-44	2	-39	0	2	15	15	4	25	1	20	23	11	
	L	31	-39	46	-75	7	11	21	31	21	18	30	28	36	25	
	NL	14	-13	15	-31	7	10	13	4	15	12	9	1	3	-1	
	P*	:	:	:	:	20	7	12	15	5	21	10	22	14	17	
	UK	:	:	15	-50	33	33	14	-6	(14)	(14)	-6	(-6)	(-6)	-8	
		EUR	:	:	7	-35	7	6	10	9	(8)	(13)	6	(11)	(10)	5
PRICE EXPECTATIONS	B	75	25	61	-18	22	23	20	27	20	21	28	26	26	26	
	D	48	-37	48	-49	18	19	25	41	23	31	36	45	43	43	
	GR	:	:	:	9	10	4	7	10	(7)	(7)	10	(10)	(10)	26	
	E*	:	:	:	:	51	55	22	29	26	21	29	24	33	:	
	IRL	:	:	:	:	26	33	28	38	(28)	(28)	38	(38)	(38)	17	
	I	85	30	79	2	32	37	36	47	37	39	47	50	43	49	
	L	82	11	81	-49	-9	-9	2	8	2	10	16	0	8	5	
	NL	:	:	:	:	36	39	42	58	41	49	54	59	62	62	
	P*	:	:	:	:	52	53	52	51	44	49	53	53	48	37	
	UK	:	:	74	-21	54	51	31	-5	(31)	(31)	-5	(-5)	(-5)	-18	
		EUR**	:	:	:	:	31	32	30	32	(29)	(33)	30	(35)	(32)	31

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

* Not seasonally adjusted.

** Weighted total of available country trade.

Source: European Community business surveys.

TABLE 11: Consumer opinion on economic and financial conditions (a)

		1983	1984	1985	1986	1987	1988	1989	1989					1990			
									Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
CONSUMER CONFIDENCE INDICATOR (b)	B	-28	-27	-21	-16	-11	-6	1	1	3	3	4	3	3	5	2	1
	DK	0	6	3	-3	-9	-14	-14	-16	-15	-13	-13	-10	-4	-8	-5	-8
	D	-15	-10	-8	3	-1	-4	1	2	3	1	2	3	6	5	1	4
	GR	-11	-4	-5	-19	-28	-20	-13	-8	-11	-11	-18	-23	-25	-26	-25	-24
	E	:	:	:	-5	-8	-2	1	1	0	1	0	3	1	2	0	1
	F	-15	-23	-22	-13	-17	-11	-11	-11	-12	-12	-11	-11	-10	-11	-9	-10
	IRL	-39	-33	-28	-27	-28	-16	-7	-3	-5	-7	-6	-4	-3	-6	-5	-4
	I	-24	-15	-11	-4	-3	-4	-6	-8	-3	-7	-5	-6	-4	-4	-3	-2
	NL	-30	-22	-7	4	-2	1	9	10	10	11	11	10	10	7	7	6
	P	:	:	:	-4	0	-7	-10	-12	-7	-10	-9	-7	-6	-6	-6	-1
	UK	-3	-4	-11	-7	-4	2	-18	-17	-15	-26	-24	-21	-19	-22	-30	-29
		EUR (c)	-15	-14	-13	-5	-5	-5	-6	-7	-5	-8	-7	-6	-5	-6	-7
	FINANCIAL SITUATION OF HOUSEHOLDS	B	-29	-31	-26	-14	-8	-5	-2	-2	0	0	1	1	2	1	1
DK		-4	-2	-3	-1	-1	-4	-5	-5	-5	-6	-6	-6	-4	-3	-1	
D		-14	-11	-8	1	1	0	0	0	0	1	1	1	2	4	4	
GR		-13	-8	-7	-24	-32	-21	-13	-9	-11	-14	-14	-17	-26	-28	-27	
E		:	:	:	-6	-9	-4	-3	-1	-3	-2	-2	0	-5	-4	-3	
F		-11	-15	-15	-11	-14	-9	-7	-7	-8	-9	-7	-7	-7	-8	-5	
IRL		-43	-42	-36	-34	-31	-23	-17	-13	-15	-17	-16	-18	-18	-19	-18	
I		-15	-12	-10	-6	-4	-3	-4	-5	-3	-4	-3	-5	-4	-1	-3	
NL		-28	-26	-16	-3	0	2	7	7	7	9	9	9	7	8	11	
P		:	:	:	-5	-2	-5	-8	-9	-6	-7	-5	-7	-6	-8	-6	
UK		-15	-15	-16	-13	-5	-6	-17	-20	-18	-22	-24	-21	-21	-23	-26	
		EUR (c)	-15	-15	-13	-7	-6	-5	-6	-7	-6	-6	-6	-6	-6	-6	

— over last 12 months

TABLE 11 (continued): Consumer opinion on economic and financial conditions (a)

		1983	1984	1985	1986	1987	1988	1989	1989					1990			
									Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
FINANCIAL SITUATION OF HOUSEHOLDS (continued)	B	-15	-18	-14	-5	-1	2	3	5	4	3	5	4	4	5	5	4
	DK	0	3	3	2	2	1	0	0	-1	2	2	3	2	3	4	3
	D	-9	-6	-4	2	1	-1	1	4	0	1	2	3	4	4	1	2
	GR	0	6	5	-11	-20	-12	-2	3	0	1	-8	-11	-14	-15	-11	-9
	E	:	:	:	1	2	5	5	4	4	5	5	8	4	4	5	5
	F	-4	-7	-5	-2	-4	0	1	2	1	1	1	1	2	1	3	2
	IRL	-26	-22	-16	-14	-14	-9	-5	0	-3	-5	-4	-2	-4	-6	-5	-5
	I	-8	-3	-2	1	2	2	2	2	3	2	3	2	1	4	3	5
	NL	-21	-17	-6	2	2	4	8	10	8	10	9	10	7	6	9	6
	P	:	:	:	1	4	-1	-2	-5	0	-3	0	1	1	2	2	6
	UK	-2	-3	-5	-3	4	1	-9	-9	-7	-16	-14	-12	-10	-12	-23	-17
	EUR(c)	-7	-8	-4	-1	1	1	0	0	1	-2	-1	0	0	0	-2	-1
GENERAL ECONOMIC SITUATION	B	-62	-57	-37	-27	-19	-16	-1	0	2	3	3	4	3	8	4	1
	DK	-4	4	2	-9	-20	-28	-24	-27	-23	-23	-24	-11	-11	-12	-7	-11
	D	-29	-14	-10	7	-2	-9	4	7	11	5	8	9	13	12	7	12
	GR	-11	-4	-7	-27	-33	-22	-22	-19	-23	-26	-29	-38	-47	-47	-49	-51
	E	:	:	:	-8	-17	-9	-4	-3	-6	-3	-2	-3	-1	0	-2	-2
	F	-41	-54	-52	-34	-39	-28	-26	-27	-29	-28	-27	-26	-25	-24	-24	-25
	IRL	-77	-65	-60	-57	-58	-30	-11	-8	-5	-9	-9	-4	-5	-8	-8	-7
	I	-57	-36	-25	-10	-6	-12	-18	-23	-15	-17	-18	-14	-12	-14	-10	-11
	NL	-54	-19	7	17	-1	1	18	16	19	19	20	17	19	15	16	13
	P	:	:	:	-3	5	-5	-13	-17	-11	-13	-9	-8	-12	-7	-6	-3
	UK	-23	-25	-36	-29	-4	-4	-4	-35	-34	-48	-48	-43	-43	-45	-51	-54
	EUR(c)	-37	-31	-27	-14	-13	-13	-14	-12	-16	-16	-13	-11	-13	-14	-15	
— over next 12 months	B	-38	-33	-19	-12	-8	-6	2	-1	2	4	7	5	3	8	4	1
	DK	3	6	4	-6	-13	-19	-15	-16	-17	-13	-13	-2	-4	-9	-1	-6
	D	-14	-10	-6	2	-7	-12	-1	0	1	-3	-2	4	6	3	-4	0
	GR	6	10	6	-12	-20	-13	-6	0	-3	-2	-12	-12	-14	-19	-5	-7
	E	:	:	:	1	-2	2	2	0	0	2	3	4	5	5	2	2
	F	-36	-45	-32	-16	-23	-11	-13	-13	-15	-14	-13	-13	-12	-12	-11	-12
	IRL	-45	-29	-25	-24	-28	-10	2	7	8	4	6	10	9	4	3	2
	I	-25	-9	-7	3	-2	-2	-6	-6	-1	-4	-4	-3	-1	0	1	3
	NL	-28	-5	8	10	-7	-3	8	9	10	9	10	9	10	5	3	1
	P	:	:	:	2	7	-2	-6	-9	-6	-7	-4	-2	-4	-3	0	5
	UK	-5	-10	-15	-13	3	-5	-19	-16	-15	-26	-23	-18	-18	-22	-33	-30
	EUR(c)	-21	-18	-14	-5	-7	-7	-7	-5	-9	-7	-5	-4	-5	-8	-7	
PRICE TRENDS	B	78	78	72	48	31	23	38	37	40	43	41	42	47	43	46	46
	DK	26	26	26	10	0	2	3	0	5	6	5	1	-3	-2	-2	-6
	D	23	15	9	-15	-13	-2	17	17	17	20	24	20	23	23	23	18
	GR	30	24	22	38	41	25	25	23	27	28	33	38	46	49	46	45
	E	:	:	:	26	34	28	43	44	40	38	41	44	46	43	48	44
	F	55	58	44	12	12	5	17	17	20	22	21	24	25	22	22	21
	IRL	80	71	58	47	34	28	31	30	31	38	35	35	33	22	27	28
	I	69	55	49	35	28	34	44	47	42	45	45	45	45	45	44	44
	NL	43	41	21	-2	-17	-11	-4	-5	-7	-4	-9	-5	3	2	1	-2
	P	:	:	:	6	14	27	35	38	34	33	33	25	31	26	26	24
	UK	15	19	24	15	11	17	36	37	35	40	40	37	38	41	44	45
	EUR(c)	40	37	30	14	11	14	28	29	28	30	31	31	32	32	33	32
— over next 12 months	B	40	37	33	25	17	19	32	33	30	32	32	32	34	31	33	33
	DK	12	16	14	6	5	4	0	1	4	0	4	0	-5	-3	-5	-8
	D	30	28	24	5	12	23	27	23	25	29	30	26	30	32	40	41
	GR	37	38	37	42	45	34	40	40	42	42	50	55	59	61	55	52
	E	:	:	:	10	15	12	22	26	21	17	22	22	23	24	23	23
	F	37	32	26	17	11	6	17	16	20	23	21	18	19	19	19	16
	IRL	39	35	30	22	24	20	27	29	26	31	32	22	24	19	19	27
	I	54	46	46	33	39	43	50	48	42	49	50	48	45	44	45	47
	NL	38	25	16	6	2	12	19	15	14	17	18	25	26	23	25	22
	P	:	:	:	6	14	27	35	38	34	33	33	25	31	26	26	24
	UK	27	40	41	31	34	47	51	49	48	53	47	46	50	47	51	50
	EUR(c)	35	35	31	19	22	26	33	32	31	34	34	32	33	33	36	36
UNEMPLOYMENT	B	57	44	33	30	33	21	8	8	6	7	10	9	8	5	4	7
	DK	30	5	-4	1	27	33	28	27	27	22	20	17	20	22	13	15
	D	30	20	15	4	18	25	11	1	14	19	27	21	21	30	31	22
	GR	10	11	12	26	31	22	19	18	19	18	26	31	34	37	32	25
	E	:	:	:	13	27	18	7	7	8	6	3	0	-4	6	6	3
	F	41	62	47	31	38	27	16	10	20	15	24	20	18	13	10	17
	IRL	67	52	46	44	44	32	17	12	14	10	6	6	5	15	11	8
	I	57	49	44	36	38	39	29	28	26	29	28	26	27	28	29	26
	NL	67	36	0	-10	8	13	-1	-7	-6	-5	-7	-8	-10	-8	-8	-1
	P	:	:	:	12	12	8	4	2	1	4	1	1	5	4	2	2
	UK	37	32	34	31	7	-3	4	-1	8	15	13	14	17	22	18	24
	EUR(c)	41	38	30	22	25	22	14	9	15	16	19	17	17	20	19	18

TABLE 11 (continued): Consumer opinion on economic and financial conditions (a)

		1983	1984	1985	1986	1987	1988	1989	1989					1990			
									Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
MAJOR PURCHASES	B	6	6	-6	-23	-18	-4	3	5	5	5	5	-1	3	3	-3	0
	DK	7	14	12	0	-13	-18	-26	-30	-26	-23	-25	-32	-4	-19	-19	-23
	D	-8	-9	-6	3	3	-1	0	0	1	0	1	-3	2	2	-2	0
	GR	-35	-24	-20	-20	-34	-32	-20	-16	-21	-17	-25	-35	-26	-24	-22	-26
	E	:	:	:	-13	-12	-3	4	10	4	3	-1	8	2	5	-4	7
	F	19	6	-6	-3	-7	-6	-8	-9	-9	-9	-10	-8	-8	-8	-10	-10
	IRL	-6	-9	-2	-8	-10	-7	-6	1	-9	-8	-5	-7	0	2	-1	5
	I	-13	-15	-13	-7	-7	-5	-7	-12	-2	-9	-4	-7	-5	-7	-5	-5
	NL	-18	-44	-25	-5	-3	0	6	7	8	9	6	7	9	3	1	1
	P	:	:	:	-14	-14	-22	-23	-24	-14	-24	-27	-20	-11	-14	-17	-7
UK	32	31	21	21	20	20	-8	-7	-5	-19	-13	-10	-6	-10	-20	-18	
	EUR (c)	5	0	-3	0	-1	0	-4	-5	-3	-7	-5	-6	-3	-4	-9	-6
— at present	B	-30	-28	-27	-25	-18	-14	-13	-12	-12	-12	-13	-11	-13	-10	-12	-15
	DK	-8	-7	-8	-11	-11	-12	-13	-15	-14	-13	-15	-12	-10	-13	-11	-12
	D	-29	-28	-21	-16	-15	-16	-15	-16	-15	-15	-14	-15	-13	-15	-14	-15
	GR	-33	-38	-31	-40	-43	-37	-32	-34	-38	-31	-33	-38	-33	-30	-30	-27
	E	:	:	:	-13	-21	-20	-20	-19	-22	-19	-20	-15	-21	-19	-24	-27
	F	-10	-10	-9	-3	0	0	0	0	0	0	0	0	0	0	0	0
	IRL	-31	-25	-21	-19	-17	-12	-8	-9	-8	-6	-7	-10	-9	-12	-7	-9
	I	-22	-21	-20	-20	-20	-20	-19	-17	-19	-17	-19	-19	-20	-19	-19	-16
	NL	-29	-27	-19	-14	-11	-11	-10	-11	-9	-11	-11	-8	-11	-9	-11	-9
	P	:	:	:	3	4	3	6	6	1	0	-1	-1	5	7	6	9
UK	-15	-12	-13	-12	-9	-10	-13	-13	-10	-15	-13	-16	-11	-15	-19	-20	
	EUR (c)	-21	-19	-16	-13	-13	-13	-13	-13	-12	-13	-12	-13	-12	-13	-14	-14
SAVINGS	B	46	46	45	41	49	54	57	62	58	59	63	57	64	59	60	60
	DK	40	41	48	44	48	46	48	49	53	52	51	56	50	56	60	49
	D	33	38	37	40	39	31	40	44	45	41	50	46	45	47	49	46
	GR	-29	-20	-16	-29	-38	-35	-25	-22	-26	-25	-34	-38	-41	-37	-34	-39
	E	:	:	:	20	42	42	45	44	46	49	41	43	45	45	42	34
	F	0	6	10	11	20	24	30	32	31	32	33	35	35	37	36	38
	IRL	-3	-8	-1	-3	-7	1	10	8	15	18	9	17	23	9	18	16
	I	21	33	34	44	46	45	44	43	49	37	46	43	45	43	50	45
	NL	35	34	39	46	48	52	57	55	57	55	58	57	56	58	60	55
	P	:	:	:	-22	-24	-35	-39	-41	-30	-40	-37	-33	-27	-26	-27	-25
UK	10	17	18	20	27	27	31	28	27	28	31	33	30	31	32	36	
	EUR (c)	19	24	27	28	33	32	36	38	38	36	39	39	39	39	41	40
— at present	B	-26	-27	-28	-9	-3	2	6	8	6	9	8	10	14	7	8	8
	DK	-12	-11	-6	-6	-5	-7	-7	-8	-9	-3	-3	2	-3	-2	0	-6
	D	1	3	3	10	12	12	16	14	18	21	19	20	20	17	21	19
	GR	-41	-39	-37	-47	-56	-48	-38	-34	-35	-35	-41	-45	-47	-46	-44	-43
	E	:	:	:	-20	-33	-32	-30	-28	-24	-27	-26	-27	-34	-30	-29	-33
	F	-35	-37	-36	-30	-33	-28	-26	-24	-24	-28	-25	-25	-25	-25	-24	-24
	IRL	-25	-37	-27	-29	-30	-25	-20	-18	-18	-24	-20	-17	-12	-23	-16	-21
	I	-27	-20	-16	-8	-5	-3	-5	-9	-2	-6	0	-4	0	-3	-2	1
	NL	-8	-2	6	12	17	24	29	30	32	29	33	34	32	31	31	35
	P	:	:	:	-21	-24	-27	-33	-37	-32	-34	-31	-29	-31	-29	-31	-35
UK	-13	-12	-14	-12	-7	-7	-12	-14	-10	-18	-18	-15	-15	-19	-21	-21	
	EUR (c)	-17	-16	-14	-10	-10	-8	-7	-7	-5	-7	-6	-6	-6	-8	-6	-7
FINANCIAL SITUATION OF HOUSEHOLDS	B	5	6	5	12	13	15	16	18	18	17	17	19	18	16	18	16
	DK	8	8	11	10	10	11	12	11	10	11	11	14	11	13	14	10
	D	11	11	12	16	16	17	20	19	20	21	20	20	21	20	21	21
	GR	0	2	3	1	-2	2	5	6	6	6	5	4	3	3	2	4
	E	:	:	:	3	5	7	8	10	12	7	5	7	5	6	6	7
	F	6	4	2	3	1	2	3	4	3	3	4	4	4	4	4	5
	IRL	-1	-1	0	-1	-1	2	4	6	5	4	4	4	6	-1	-3	-5
	I	9	11	11	15	16	17	16	16	17	16	18	15	18	18	18	19
	NL	15	13	15	16	18	20	23	24	23	24	24	25	24	24	24	24
	P	:	:	:	1	7	6	6	9	7	5	8	8	-5	-4	-6	-5
UK	12	12	10	11	14	15	10	10	11	6	7	7	7	8	5	5	
	EUR (c)	9	9	9	11	11	12	13	12	14	12	12	13	12	12	13	12
— indicator of net acquisition of financial assets	B	5	6	5	12	13	15	16	18	18	17	17	19	18	16	18	16
	DK	8	8	11	10	10	11	12	11	10	11	11	14	11	13	14	10
	D	11	11	12	16	16	17	20	19	20	21	20	20	21	20	21	21
	GR	0	2	3	1	-2	2	5	6	6	6	5	4	3	3	2	4
	E	:	:	:	3	5	7	8	10	12	7	5	7	5	6	6	7
	F	6	4	2	3	1	2	3	4	3	3	4	4	4	4	4	5
	IRL	-1	-1	0	-1	-1	2	4	6	5	4	4	4	6	-1	-3	-5
	I	9	11	11	15	16	17	16	16	17	16	18	15	18	18	18	19
	NL	15	13	15	16	18	20	23	24	23	24	24	25	24	24	24	24
	P	:	:	:	1	7	6	6	9	7	5	8	8	-5	-4	-6	-5
UK	12	12	10	11	14	15	10	10	11	6	7	7	7	8	5	5	
	EUR (c)	9	9	9	11	11	12	13	12	14	12	12	13	12	12	13	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.

Source: European Community consumer survey.

Institutes carrying out the surveys

Country	Survey: Manufacturing industry	Construction	Investment	Retail sale	Consumer
Belgium	BNB Banque Nationale de Belgique	BNB	BNB	BNB	DIMARSO Gallup Belgium
Denmark	DS Danmarks Statistik	DS	DS		DS
Federal Republic of Germany	IFO Institut für Wirtschafts- forschung	IFO	IFO	IFO	GfK 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.	INTERGALLUP S.A.
France	INSEE Institut National de la Statistique et des Etudes Economiques	INSEE	INSEE	INSEE	INSEE
Ireland	CII and ESRI Confederation of Irish Industries and Economic and Social Research Institute	CIF Construction Industry Federation	CII and ESRI		TEAGASC The Agricultural and Food Development Authority ISCO
Italy	ISCO Istituto per lo Studio della Congiuntura	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	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, April, July and October):
- employment expectations for the months ahead: up, unchanged, down?
 - limits to production: none, insufficient demand, shortage of labour, lack of equipment, 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 expectations 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 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 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 the arithmetic average of the answers (balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

Construction confidence indicator

The construction confidence indicator is the arithmetic average of the answers (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 indicator see technical note in the December 1982 issue of Supplement C.

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