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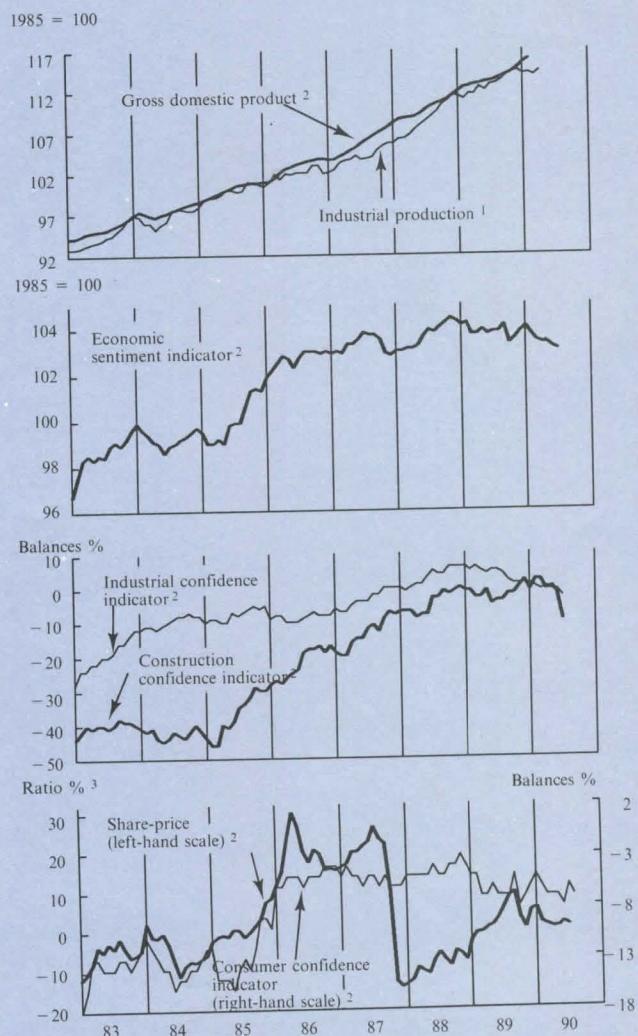


In this number:
Capacity utilization in industry

THE MAIN POINTS IN BRIEF:

- The economic upturn in the Community has recently lost momentum. The large backlog of orders in manufacturing generally is gradually being reduced, and the number of new orders received in July is viewed less favourably than was the case only in April. Industrial and construction companies have also become more cautious in their planning for new jobs. In contrast, however, the retail-trade indicators are still pointing sharply upwards, and the sound economic situation is continuing to have a positive influence on consumer confidence.
- The underlying trend of sustained growth in Europe has been considerably strengthened by the buoyant economic situation in the Federal Republic of Germany.
- Capacity utilization in industry has fallen slightly, and companies are expecting a further easing in capacity bottlenecks. If the utilization rate in the equipment goods industries continues to rise, firms will probably be able to achieve the expansion of investment activity planned for 1990.
- The Community's leading economic indicator was again down slightly in July. It was only in the Federal Republic of Germany that it rose. The first set of leading indicators for August points to a further slight drop, and this must be seen primarily as a reaction to events in the Gulf.

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

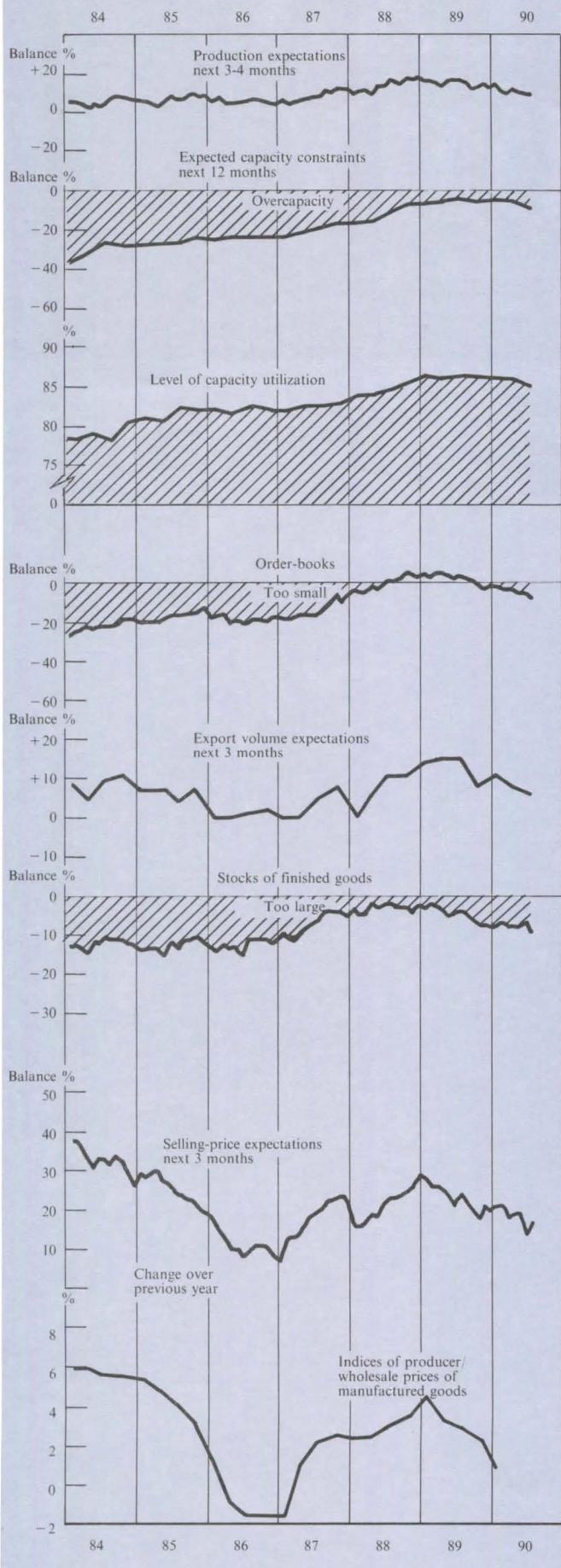


¹ Three-month moving average.

² See notes to Table 9.

³ Deviations from trend in %.

GRAPH 2: Indicators of output, demand and prices in industry
— European Community



The economic upturn in the Community has lost momentum. — Recent business survey results up to August point to less vigorous growth in industry, particularly the construction industry, where higher interest rates have served as a deterrent. The large backlog of orders in manufacturing generally is gradually being reduced, and the number of new orders received in July is viewed less favourably by companies than was the case only in April. Industrial and construction companies have also become more cautious in their planning for new jobs. The less optimistic assessments given by industrialists in surveys conducted before the Gulf crisis began speak of more subdued growth in the next few months, even though export prospects remain favourable.

Nevertheless, growth in Europe is continuing, largely underpinned by buoyant economic activity in the Federal Republic of Germany. It remains to be seen whether the growing disillusionment about early positive results in the German reunification process will dampen the otherwise healthy economic trend.

The sound economic situation had a positive influence on consumer confidence in July. However, consumers took a less optimistic view of the future economic trend.

The August consumer survey results give initial indications of possible reactions to the Gulf crisis. Although consumers were already reacting to tensions in the Gulf region, confidence in the economic trend in Europe remained stable.

Capacity utilization in industry has fallen slightly and companies are expecting an easing in capacity bottlenecks. — The quarterly survey results show that, as in April, average productive capacity utilization in industry again fell in July. Since the fall was only slight, there were fewer reports of expected capacity shortages. Even so, capacity utilization, at 84.9 %, still remains high. At the same time, companies expect inflationary strains to ease in the near future and see little scope for higher product prices. Of course, this generally positive assessment was reported before the onset of the Gulf crisis, and it remains to be seen what effect the upheavals on the oil market will have.

Capacity utilization trends vary considerably from country to country and from industry to industry. — In all Community countries with the exception of Greece, Spain and Portugal, capacity utilization in industry was lower in July than in April (see Table 1), although it remains high everywhere. The highest rates were reported by companies in the Federal Republic of Germany (89.0 %) and France (87.2 %). Only German companies consider themselves impeded by plant capacity limits when it comes to expanding production. At Community level, capacity utilization has recently fallen in the basic materials and producer goods industries (-0.4 %) and in the consumer goods industries (-0.7 %). Against this, capacity utilization in the equipment goods industries increased again between April and July (+0.5 %) and remains at its above-average level (86.3 %). Especially in machine tools and precision instruments, companies report a high utilization rate and problems in expanding production because of insufficient plant capacities (see Table 2). This suggests that companies will indeed carry through the investments planned for 1990. There have so far been no signs of the investment boom slowing down.

The Community's leading indicator in July confirmed its gentle downward trend. — The Community's leading economic indicator in July was again slightly lower than in the previous month in virtually all Community countries. Only in the Federal Republic of Germany did the indicator rise in July, after its temporary drop in June, returning to just below its previous record level.

The leading indicators available for August (the Federal Republic of Germany, the United Kingdom, Ireland and Belgium) point to a further slight fall which must be seen primarily as a reaction to events in the Gulf.

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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	A	J	O	J	A	J	O	J	A	J	J	A	J		
B	85,4	70,4	78,8	74,6	78,7	80,3	78,4	78,7	79,7	79,0	79,3	80,5	82,2	81,1	81,0	80,6			
DK	.	.	80,0	81,2	79,7	80,0	79,8	80,4	81,7	81,0	81,8	81,9	81,3	81,3	.	.	.		
D	88,1	74,8	86,0	75,3	85,0	88,0	84,2	85,3	86,5	87,7	87,7	88,4	88,6	88,8	89,4	89,0	.		
GR	.	.	74,4	74,7	77,8	74,8	74,9	77,3	76,9	78,8	78,9	77,2	77,3	76,2	77,9	.	.		
E	.	.	80,0	81,1	78,6	80,3	78,8	80,9	80,6	81,8	81,1	80,1	79,3	79,9	.	.	.		
F	87,8	76,6	85,3	81,1	85,7	87,8	85,7	85,8	86,4	87,1	87,7	88,2	88,3	88,0	88,4	87,2	.		
IRL	.	.	68,1	56,8	74,0	74,4	73,3	71,3	76,5	74,0	73,4	73,3	76,4	78,7	75,5	75,2	.		
I	78,8	68,0	77,3	69,1	77,6	80,0	76,1	77,8	79,0	79,9	79,2	80,0	80,8	80,2	80,2	80,0	.		
L	.	.	83,0	66,5	83,3	86,2	82,5	83,4	82,9	85,2	85,5	85,6	84,3	83,4	83,3	83,3	.		
NL	86,0	76,0	83,0	75,8	84,4	85,7	83,8	84,9	85,1	85,2	86,1	85,7	86,0	86,1	86,0	86,0	.		
P	.	.	81,6	81,7	81,4	81,6	80,9	81,2	82,2	81,7	81,6	80,8	79,8	81,5	.	.	.		
UK (d)	90,6	75,5	87,6	73,0	93,7	91,1	94,8	93,3	93,9	94,3	92,5	90,4	88,3	88,1	87,1	86,2	.		
EUR	86,4	75,0	83,9	76,4	84,0	85,6	83,7	84,2	84,7	85,7	85,5	85,7	85,5	85,4	85,3	84,9	.		

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								
	1988			1989			1990			1988			1989			1990		
	A	J	O	J	A	J	1988	1989	1989	A	J	O	J	A	J	1990		
Industry as a whole	84,2	85,6	85,5	85,7	85,5	85,4	85,3	84,9	+12	+6	+6	+6	+6	+6	+7	+10	.	
Consumer goods (e)	85,4	85,7	85,7	85,6	86,0	86,3	86,4	85,2	+12	+6	+5	+5	+8	+9	+7	+7	.	
Investment goods (e)	83,4	86,2	86,0	87,4	86,4	86,5	85,8	86,2	+20	+8	+10	+5	+4	+3	+8	+6	.	
Intermediate goods (e)	84,6	86,4	86,4	86,0	87,0	85,0	85,3	84,7	+9	+7	+6	+6	+8	+6	+7	+15	.	
Textile industry	81,8	82,7	82,6	82,8	82,8	84,0	82,2	82,3	+16	+15	+18	+14	+14	+16	+15	+22	.	
Footwear and clothing	85,9	86,6	87,8	86,1	87,7	86,9	88,0	86,5	+15	+10	+11	+9	+7	+16	+11	+11	.	
Timber/wooden furniture	83,3	84,0	84,8	84,0	83,4	83,9	83,9	83,1	+16	+8	+8	+7	+7	+8	+12	+10	.	
Manufacture of paper, paper products, printing of which:	86,9	87,6	86,9	87,7	88,0	87,0	86,5	86,0	+8	+9	+9	+12	+8	+6	+8	+11	.	
manufacture of paper	93,2	92,0	93,5	91,5	91,3	88,9	89,4	89,5	-4	-1	-7	+3	+8	+8	+5	+5	.	
Leather	80,6	83,4	83,1	84,9	84,6	83,6	82,6	83,0	+19	+15	+15	+6	+19	+12	+15	+7	.	
Plastics	82,6	83,3	82,9	82,6	84,5	83,6	83,4	84,5	+4	+6	+2	+5	+8	+5	+9	+5	.	
Mineral-oil refining	82,6	90,7	87,3	90,2	92,9	92,0	90,0	91,4	+24	+14	+28	+2	+6	+11	-9	+1	.	
Metals	82,3	86,2	86,6	86,2	86,2	85,3	83,8	83,9	+11	+5	+11	+4	+2	+8	+6	+18	.	
Non-metallic mineral products	82,6	84,6	85,7	84,9	83,6	83,2	83,6	82,8	+12	+3	-1	+4	+7	+12	+12	+13	.	
Metal articles	82,0	83,7	84,9	83,2	84,1	84,2	84,4	82,8	+18	+4	+4	+5	+2	+2	+7	+10	.	
Mechanical engineering of which:	84,7	87,1	86,6	87,1	88,2	86,8	87,1	85,7	+13	+4	+4	+4	+2	+3	+5	+5	.	
machines tools	87,0	89,7	89,1	91,2	90,1	90,6	89,1	82,3	+8	-8	-3	-14	-19	-14	-11	-10	.	
Office & data processing machinery	83,2	82,8	80,9	82,7	85,2	82,3	85,4	86,6	+12	+16	+12	+9	+16	+15	+22	+26	.	
Electrical engineering	82,9	84,7	84,6	86,0	83,9	85,3	83,5	85,3	+25	+15	+17	+14	+14	+9	+14	+11	.	
Shipbuilding	71,8	82,4	82,4	83,4	85,7	86,8	85,9	76,4	+36	+22	+12	+7	+25	+9	+25	+33	.	
Rubber products	83,4	88,1	86,2	87,8	86,2	87,4	77,2	82,5	-9	-6	-9	-8	-4	+3	+13	+23	.	
Instrument engineering	85,5	85,5	85,3	85,1	85,5	85,5	84,6	84,5	+17	+5	+7	+4	+4	+4	+1	-2	.	

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)(c) (s.a.)

	Range (b)		Range (b)		1988			1989			1989			1990		
	Peak 1973	Trough 1975	Peak 79/80	Trough 82/83	J	A	J	O	J	A	J	A	J	J	A	J
B	-12	+58	+35	+53	+23	+15	+24	+15	+12	+9	+10	+10	+10	+11	.	.
DK	.	.	+10	+38	+20	+15	+15	+13	+15	+15	+10	+12	+12	+16	.	.
D	-3	+56	+12	+49	+14	+2	+6	+3	+1	-2	-2	0	0	-3	.	.
GR	.	.	.	+34	+18	+14	+14	+14	+12	+13	+18	+13	+9	+10	.	.
E	.	.	.	.	+9	+4	+3	+2	+2	+5	+4	+8	+9	+12	.	.
F	-24	+45	+11	+48	+11	-3	-3	-4	-3	0	-2	-6	-6	+4	.	.
IRL	.	+34	+2	+40	+13	+7	+8	+8	+8	+2	+1	+1	+5	+11	.	.
I	+1	+63	+17	+58	+18	+16	+15	+17	+16	+15	+12	+12	+16	+21	.	.
L	-72	+73	+37	+62	+3	+2	+2	+1	+4	+4	-1	-1	-1	0	0	.
NL	-3	+60	+14	+51	+7	+1	+4	+1	+1	-1	-1	-1	-1	0	+6	.
P	.	.	.	.	+4	+4	+3	+4	+3	+4	+4	+3	+2	+6	.	.
UK	.	.	.	+63	+6	+10	+7	+9	+9	+15	+18	+23	+23	+24	.	.
EUR	-7	+54	+14	+50	+12	+6	+6	+6	+6	+6	+5	+7	+7	+10	.	.

(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) 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.

(d) 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.

(e) The three major groups do not cover all the sectors of industry as a whole.

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			II	III	IV		I	II	III
B	4,5	2,8	3,7	3,0	3,2	3,7	3,4	4,1	4,0	4,2	4,3	4,3	
D	3,3	2,8	3,4	2,6	2,8	3,1	3,1	3,1	3,1	3,1	3,3	3,3	
GR	:	:	:	5,0	6,4	6,5	6,3	6,8	6,9	5,8	6,4	6,6	
E	:	:	:	:	2,4	2,4	2,6	2,5	2,2	2,6	2,6	2,4	
F	3,5	2,7	4,2	3,3	3,2	3,3	3,1	3,3	3,4	3,5	3,3	3,3	
IRL	2,2	1,8	2,6	1,5	1,7	2,0	1,8	1,9	2,2	2,2	2,2	2,0	
I	4,7	3,7	5,3	3,8	4,1	4,6	4,7	4,6	4,6	4,5	4,7	4,2	
L	3,5	1,4	2,4	1,7	2,5	2,6	2,8	2,5	2,4	2,4	2,4	2,4	
NL	4,7	2,6	4,2	2,5	2,7	3,2	3,2	3,3	3,2	3,2	3,2	3,2	
P	:	:	:	:	3,8	3,9	3,9	3,9	3,8	4,4	3,9	4,3	
UK	:	:	4,2	1,9	3,1	3,6	4,1	3,3	3,0	3,2	3,7	3,3	
EUR (c)	3,7	3,0	3,9	3,0	3,2	3,5	3,6	3,5	3,4	3,5	3,6	3,5	

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

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			O	J	A	J	O	J	J	A	J
B	:	:	+3	+6	-3	+5	+13	+4	+3	-2	-1	-1	
D	+6	-15	+1	+13	+8	+14	+15	+15	+8	+10	+7	+3	
GR	:	-13	+18	+26	+23	+29	+24	+23	+27	+18	+24	+26	
E	:	:	+5	+4	+6	+5	+4	+1	+7	+5	+1	-4	
F	+13	-23	+9	+11	+12	+10	+12	+14	+7	+7	+10	+8	
IRL	:	-8	+26	+16	+28	+29	+16	+17	+2	+32	+11	+3	
I	+16	-14	+14	+24	+21	+27	+23	+23	+21	+18	+18	+15	
L	+62	-67	+7	+3	+11	+9	+4	+2	-4	+14	-3	-8	
NL	+20	-11	+7	+12	+10	+6	+18	+18	-1	+13	+3	+13	
P	:	:	+19	+17	+15	+19	+15	+23	+11	+10	+10	+10	
UK	:	-4	+11	+11	+16	+18	+8	+11	+5	+15	+10	+7	
EUR (c)	+11	-11	+7	+13	+11	+14	+15	+14	+8	+11	+8	+6	

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

Balance of respondents expecting employment up, unchanged, down

	Range (b)		Range (b)		1988		1989		1989		1990		
	Peak 1973	Trough 1975	Peak 1979	Trough 1982/83			I	II	III	IV	I	II	III
B	+12	-26	-2	-17	-6	+2	-1	+3	+4	+2	+1	-2	-1
DK	:	:	-14	-9	-1	-2	-3	0	+2	0	-4	-7	
D	+13	-34	+2	-38	-10	+1	0	-1	+2	+3	+8	+5	+7
GR	:	:	:	:	-5	+2	+3	+3	0	+1	0	-2	
E	:	:	:	:	-11	-11	-11	-11	-11	-10	-12	-8	-15
F	+17	-35	-23	-48	-33	-19	-20	-19	-18	-17	-11	-13	-10
IRL	+15	-34	+4	-35	-7	+8	+3	13	-3	+10	+2	+1	-2
I	+13	-26	+3	-39	-7	+3	+7	+1	+2	0	+6	+1	-13
L	+75	-67	-1	-62	-10	-40	-28	-35	-51	-47	-32	-33	-46
NL	+4	-32	-6	-36	-10	-1	-5	-1	+1	0	+8	+14	+4
P	:	:	:	:	-4	-6	-5	-4	-4	-3	-1	-8	-8
UK	:	:	:	-43	+8	-4	+1	-4	-2	-10	-19	-25	-29
EUR (c)	+12	-31	-6	-40	-11	-4	-4	-5	-4	-5	-3	-5	-9

(a) The date 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.

Source: European Community business surveys.

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

(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.

TABLE 9: Indicators of output and economic sentiment

		Ranges				1989	1989	1990			1990				
		Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83	IV	I	II	March	April	May	June	July	Aug.	
B	gross domestic product	1985=100	:	:	:	112,9	114,2	118,1	120,4	:	:	:	:	:	:
	index of industrial production		:	:	:	-4	-35	0	-1	0	-1	0	-3	-1	-3
1.	industrial confidence indicator	19	-56	-4	-35	-4	-35	0	-1	0	-1	0	-3	-1	-3
2.	construction confidence indicator	9	-36	-7	-65	-5	-3	4	-3	2	-2	-3	-5	-4	2
3.	consumer confidence indicator	7	-18	-7	-31	1	-3	3	2	1	1	4	5	3	
4.	share-price index (c)		:	:	:	203,8	211,0	193,0	198,3	198,4	197,1	198,3	199,5	198,9	182,2
= 5.	economic sentiment indicator	109,0	98,9	103,9	96,8	105,9	106,2	106,0	105,4	105,7	105,4	105,1	105,8	105,8	105,5
DK	gross domestic product	1985=100	:	:	:	107,4	107,9	111,8	114,6	106,0	109,4	:	:	:	:
	index of industrial production		:	:	:	-22	4	4	2	2	(2)	2	(2)	(2)	-4
1.	industrial confidence indicator		:	:	:	-37	-24	-24	-14	-23	(-14)	-23	(-23)	(-23)	-28
2.	construction confidence indicator					-16	5	-22	-14	-12	-6	-9	-5	-8	-11
3.	consumer confidence indicator					132,7	139,9	149,0	148,3	148,7	143,3	150,4	151,3	152,7	146,3
4.	share-price index (c)		:	:	:	98,8	99,1	99,5	99,2	99,5	99,2	99,3	99,1	98,9	98,6
= 5.	economic sentiment indicator														
D	gross domestic product	1985=100	:	:	:	112,1	113,0	116,7	117,0	113,3	117,4	:	:	:	:
	index of industrial production		:	:	:	111,9	113,7	115,9	117,0	113,3	117,4	:	:	:	:
1.	industrial confidence indicator	10	-49	2	-40	5	5	7	8	7	7	7	8	8	9
2.	construction confidence indicator	-4	-72	11	-64	-15	-7	1	-3	1	-1	-4	-3	-5	-3
3.	consumer confidence indicator		-22	9	-31	1	2	4	3	1	4	4	2	4	3
4.	share-price index (c)					133,1	143,9	164,7	167,1	167,7	169,0	166,5	165,9	173,4	154,2
= 5.	economic sentiment indicator	103,8	97,0	103,6	94,7	101,8	102,2	103,0	102,9	102,7	103,1	103,0	102,7	102,9	102,7
F	gross domestic product	1985=100	:	:	:	112,7	113,8	114,5	111,3	112,1	113,0	:	:	:	:
	index of industrial production		:	:	:	111,4	112,2	111,4	111,3	112,1	113,0	:	:	:	:
1.	industrial confidence indicator	29	-49	5	-39	8	4	0	-4	-1	-4	-3	-4	-5	:
2.	construction confidence indicator					-17	-57	-4	-7	-3	-4	(-3)	-4	(-4)	-8
3.	consumer confidence indicator					-9	3	-27	-11	-11	-10	-11	-9	-10	-10
4.	share-price index (c)					220,9	236,7	237,9	253,5	236,4	252,8	256,6	251,2	246,7	219,3
= 5.	economic sentiment indicator	107,8	97,6	101,8	95,1	104,9	104,4	104,4	104,0	104,4	104,2	103,9	104,0	103,8	:
IRL	gross domestic product	1985=100	:	:	:	141,4	147,9	146,9	148,5	141,2	:	:	:	:	:
	index of industrial production		:	:	:	-41	20	-40	10	12	4	2	-1	5	0
1.	industrial confidence indicator					-60	24	25	19	14	(19)	14	(14)	(14)	8
2.	construction confidence indicator					-41	12	-44	-7	-6	-5	-3	-5	-3	-8
3.	consumer confidence indicator					281,5	294,9	312,4	288,3	309,4	297,6	272,6	294,7	286,1	246,9
= 5.	economic sentiment indicator	109,1	96,7	103,6	98,1	104,5	104,7	104,5	104,2	104,2	104,4	104,1	104,2	104,0	103,1
I	gross domestic product	1985=100	:	:	:	113,5	114,7	115,7	119,1	119,4	116,9	:	:	:	:
	index of industrial production		:	:	:	118,3	121,7	118,6	119,1	119,4	116,9	:	:	:	:
1.	industrial confidence indicator	31	-59	13	-41	8	3	5	4	4	3	5	3	5	:
2.	construction confidence indicator	-8	-56	-5	-51	-5	9	13	14	16	11	21	10	6	:
3.	consumer confidence indicator					-6	-6	-4	-2	-3	-2	-1	-3	-3	-3
4.	share-price index (c)					213,1	216,6	213,1	223,6	208,9	216,2	222,7	231,8	226,1	199,4
= 5.	economic sentiment indicator	103,8	97,4	101,6	97,6	101,8	101,7	102,1	102,3	102,1	102,2	102,6	102,1	101,9	:
NL	gross domestic product	1985=100	:	:	:	109,8	111,3	113,0	101,7	106,0	:	:	:	:	:
	index of industrial production		:	:	:	105,9	110,2	104,0	101,7	106,0	:	:	:	:	:
1.	industrial confidence indicator	12	-44	4	-31	1	1	0	1	0	0	1	2	0	0
2.	construction confidence indicator	3	-47	3	-46	1	5	1	-3	1	-3	-3	-2	-1	:
3.	consumer confidence indicator	6	-15	5	-37	9	11	8	6	7	6	6	6	6	5
4.	share-price index (c)					136,0	139,8	136,6	138,4	139,9	135,7	138,5	141,0	141,4	132,4
= 5.	economic sentiment indicator	107,8	100,7	105,3	97,1	104,9	104,4	104,4	104,0	104,4	104,2	103,9	104,0	103,8	:
UK	gross domestic product	1985=100	:	:	:	115,9	116,8	117,4	111,8	112,2	111,7	:	:	:	:
	index of industrial production		:	:	:	110,2	110,6	110,6	111,8	112,2	111,7	:	:	:	:
1.	industrial confidence indicator					-60	-2	-10	-12	-12	-16	-10	-14	-12	-15
2.	construction confidence indicator					-7	-62	29	14	-5	-10	(-5)	-10	(-10)	-41
3.	consumer confidence indicator					-33	14	-26	-18	-24	-30	-30	-29	-31	-27
4.	share-price index (c)					176,5	179,1	181,1	176,5	176,2	171,4	174,1	184,0	182,7	169,6
= 5.	economic sentiment indicator	103,8	97,7	104,9	98,8	101,6	100,3	99,7	98,8	98,9	99,1	98,7	98,7	98,3	97,6
EUR	gross domestic product (a)(b)	1985=100	:	:	:	113,3	114,3	115,9	114,8	113,8	114,7	:	:	:	:
	index of industrial production		:	:	:	112,7	114,3	114,2	114,8	113,8	114,7	:	:	:	:
1.	industrial confidence indicator	16	-49	3	-36	4	1	0	-1	-1	0	-1	-1	-3	:
2.	construction confidence indicator					-1	-50	-2	0	1	-1	(2)	-1	(0)	-10
3.	consumer confidence indicator	5	-17	1	-22	-6	-7	-6	-7	-7	-7	-7	-8	-6	:
4.	share-price index (c)					172,1	179,0	184,1	185,8	182,7	183,2	185,2	189,1	189,3	172,4
= 5.	economic sentiment indicator	107,5	96,6	104,1	97,4	103,8	103,5	103,7	103,2	103,4	103,3	103,3	103,1	103,0	:

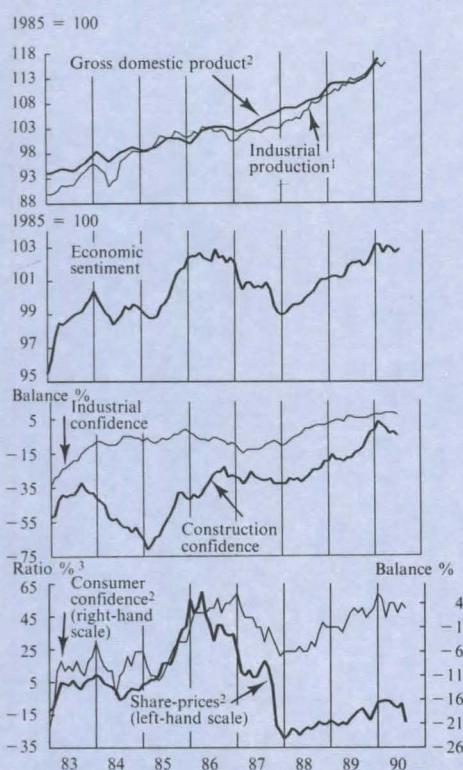
(a) Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

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

(c) Not seasonally adjusted.

GRAPHS 3-8: Indicators of output and economic sentiment

GRAPH 3: Federal Republic of Germany

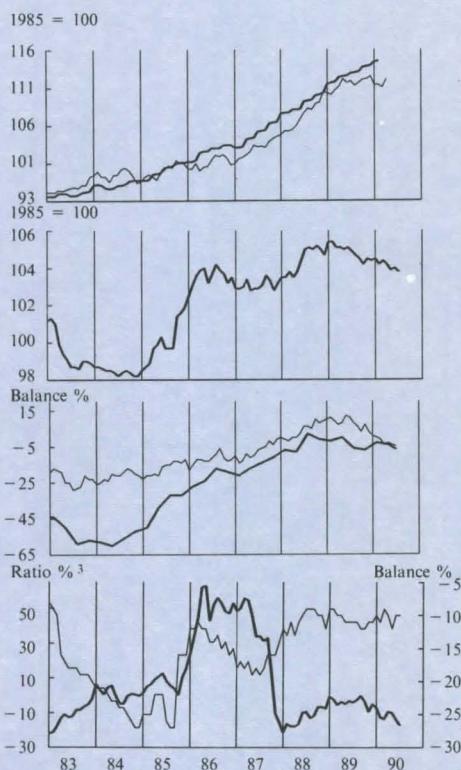


¹ Three-month moving average.

² See notes to Table 9.

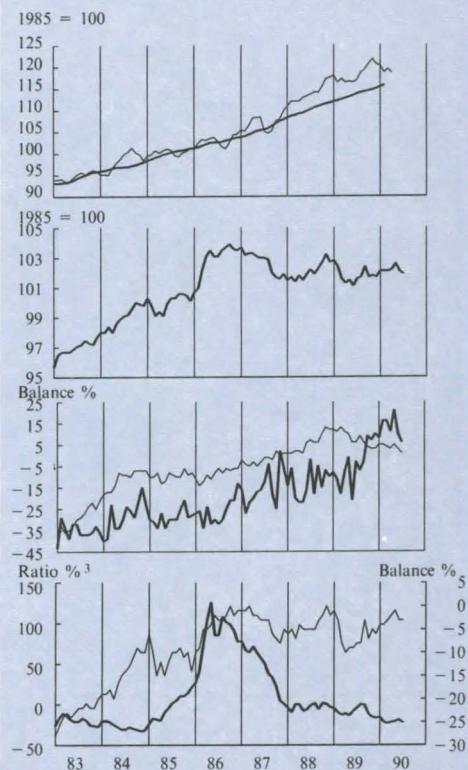
³ Deviations from trend in %.

GRAPH 4: France



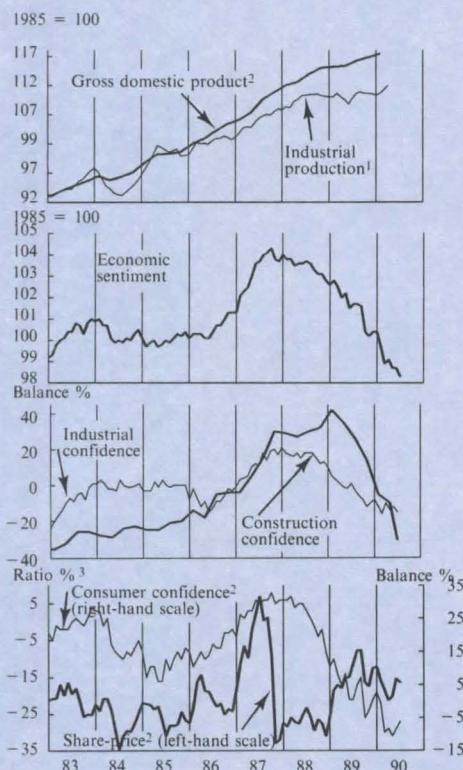
For explanations, see Graph 3.

GRAPH 5: Italy



For explanations, see Graph 3.

GRAPH 6: United Kingdom

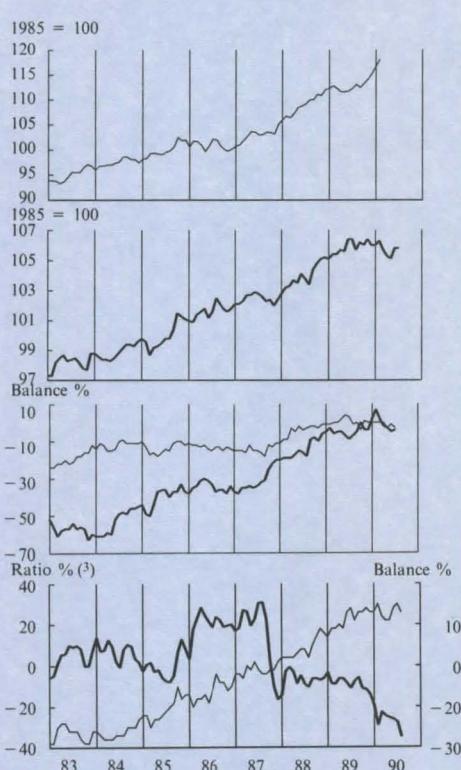


¹ Three-month moving average.

² See notes to Table 9.

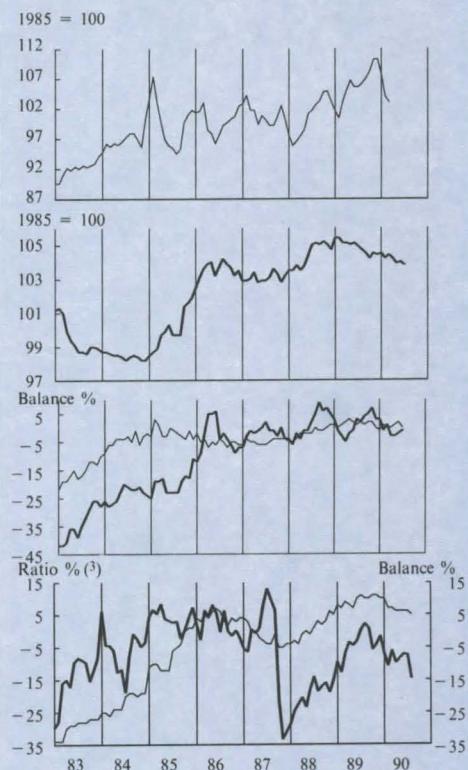
³ Deviations from trend in %.

GRAPH 7: Belgium



For explanations, see Graph 6.

GRAPH 8: Netherlands



For explanations, see Graph 6.

TABLE 10: Results of business surveys in the retail trade (a) (b) (f)

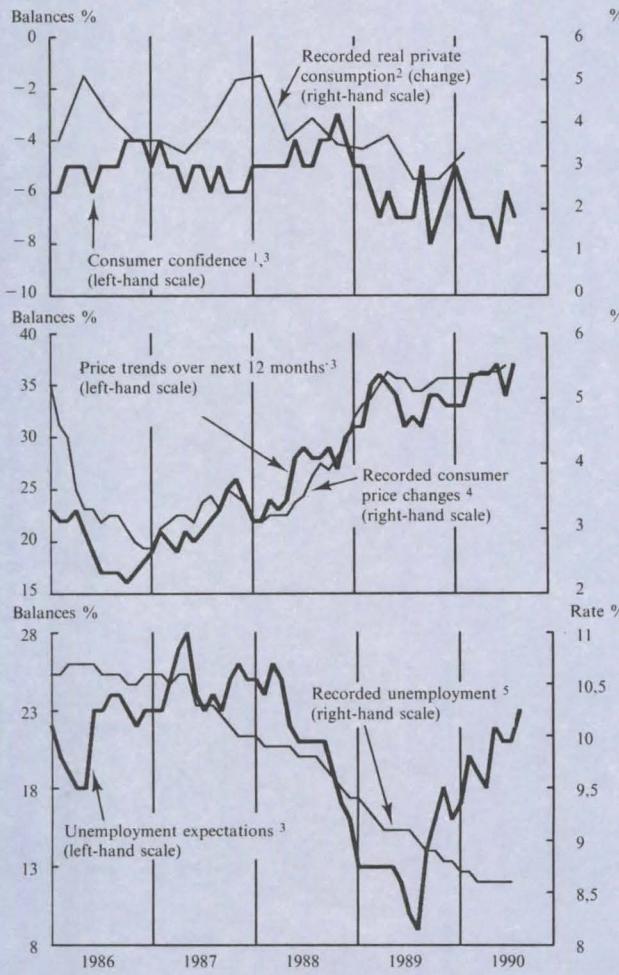
	1988			1989												1990							
	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	Apr.	May	June	July	
PRESENT BUSINESS SITUATION	B(d)	-15	4	0	2	1	9	2	-3	-12	-10	19	7	15	6	13	22	24	31	25	18	3	14
	D	-8	1	2	-2	-2	4	-7	-9	-8	-7	-1	-2	3	11	21	10	15	18	12	29	15	34
	E	-18	-28	-30	-24	-23	-1	-7	-26	-17	-20	-21	-34	-25	-27	-28	-33	-30	-33	-29	-26	-40	-36
	F(c)	:	-10	:	-6	:	-15	:	-6	:	2	:	-2	:	-10	:	12	:	-1	:	-7	:	7
	I(c)(d)	:	6	:	9	:	1	:	3	:	3	:	9	:	8	:	6	:	-1	:	4	:	4
	NL	41	31	38	38	28	44	36	42	48	43	48	39	38	40	45	43	39	47	55	53	46	48
	P	:	:	:	7	2	-7	-9	-7	-3	-11	-18	-15	-13	-12	-3	-13	-4	-4	-20	-12	-12	-11
	UK(e)	8	27	24	15	-2	14	10	15	12	3	7	-4	-2	-6	5	17	1	8	3	-6	-5	:
VOLUME OF STOCKS	EUR	(-1)	3	(3)	2	(-1)	3	(-2)	-1	(0)	-1	(2)	-2	(1)	0	(5)	8	(7)	(5)	(3)	5	(0)	:
	B(d)	-6	15	18	10	13	3	11	10	15	15	10	15	10	19	12	4	4	1	7	6	16	12
	D	29	23	27	19	18	23	21	20	22	17	16	17	21	11	17	12	18	12	13	10	29	9
	E	-2	-8	-10	-7	-4	13	-9	1	4	-13	6	5	4	3	7	3	4	7	8	11	4	5
	F(c)	:	24	:	12	:	14	:	19	:	16	:	5	:	17	:	11	:	13	:	19	:	16
	I(c)(d)	:	24	:	20	:	15	:	25	:	24	:	16	:	24	:	27	:	24	:	29	:	:
	NL	11	13	12	9	10	10	9	11	10	7	1	8	11	9	6	8	12	9	11	10	11	8
	P	:	:	:	10	19	21	15	14	11	22	18	1	21	14	17	16	8	20	22	13	27	28
INTENTIONS OF PLACING ORDERS	UK	9	13	19	15	19	27	21	19	20	22	19	15	20	33	28	23	14	23	17	25	26	:
	EUR	(15)	18	(20)	13	(14)	18	(14)	18	(19)	15	(16)	12	(14)	18	(18)	15	(15)	(15)	(15)	18	(18)	:
	B(d)	-6	1	-10	7	4	0	6	-5	-10	7	23	14	10	12	7	12	14	17	4	-1	-14	12
	D	-2	-6	-3	-1	-5	1	-2	-6	-5	1	1	7	6	2	2	4	6	9	6	10	8	16
	E	7	6	-3	-11	1	14	20	9	-2	-6	-12	-5	18	13	-2	16	18	26	18	5	-2	7
	F(c)	:	-15	:	-26	:	-13	:	-24	:	-22	:	-5	:	-12	:	-18	:	-8	:	-12	:	-20
	I(c)(d)	:	-8	:	-6	:	-13	:	-16	:	-12	:	-2	:	-6	:	-10	:	-4	:	-16	:	:
	NL	10	6	13	10	19	19	11	9	12	17	19	16	19	10	14	20	22	23	14	16	18	24
	P	:	:	:	-4	-6	6	-10	-13	-20	-22	-30	-20	-9	-1	-23	10	2	1	-2	-11	-1	-21
EXPECTED BUSINESS SITUATION	UK	33	20	4	14	8	11	11	12	2	-5	11	5	-2	-15	-8	8	9	9	5	-10	0	:
	EUR	(3)	-1	(-5)	-5	(-5)	0	(-1)	-6	(-9)	-7	(-4)	2	(3)	-4	(-4)	0	(1)	(6)	(3)	-4	(-3)	:
	B(d)	3	11	-7	19	26	18	8	-4	-6	16	34	16	12	19	7	7	25	14	7	-7	-9	22
	D	6	-2	9	6	14	1	8	2	10	11	13	13	12	19	14	14	16	18	21	18	21	
	E	14	12	7	15	23	47	40	24	24	18	10	22	20	22	13	28	30	32	27	20	10	20
	F(c)	:	-24	:	-31	:	-23	:	-17	:	-20	:	-5	:	-12	:	-19	:	-14	:	-15	:	-19
	I(c)(d)	:	3	:	10	:	-3	:	-1	:	1	:	14	:	7	:	6	:	8	:	10	:	:
	NL	26	22	32	29	35	43	30	29	33	34	38	33	35	31	35	39	35	38	34	36	38	43
	P	:	:	:	15	11	23	7	18	8	8	-2	5	18	8	7	42	23	37	33	20	24	16
EXPECTED BUSINESS SITUATION	UK	:	20	:	20	:	14	:	14	:	2	:	2	:	-14	:	1	:	-1	:	1	:	:
	EUR	(8)	1	(3)	4	(7)	6	(6)	3	(5)	(5)	(3)	(9)	(9)	(9)	4	(4)	3	(7)	(9)	(8)	7	(6)

(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 and Portugal from January 1989 onwards.

(-) estimation.

Source: EC Survey in the retail trade.

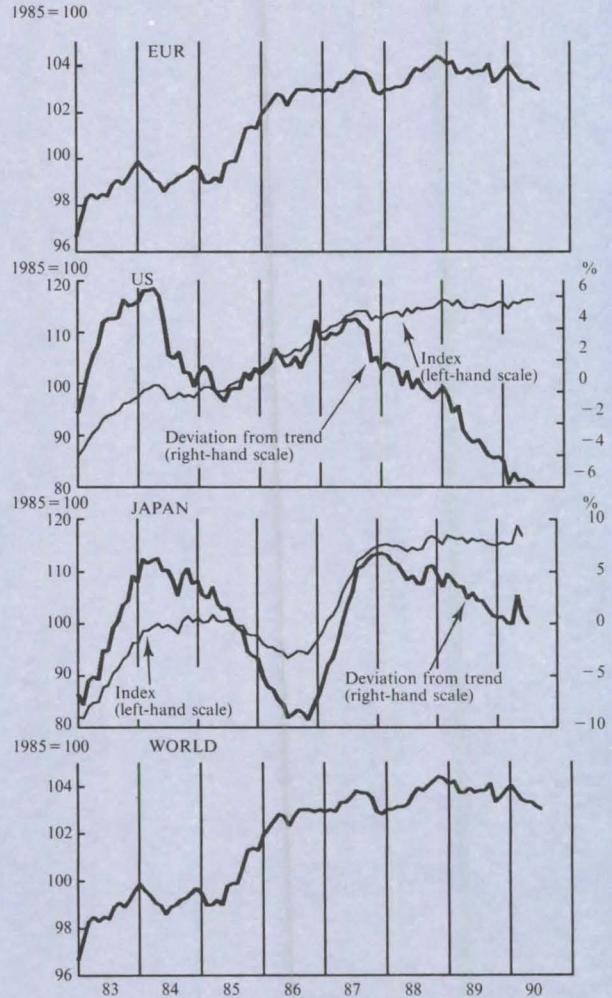
GRAPH 9: Consumer survey results and objective economic indicators — European Community



For notes, Table 12.

Sources: European Community consumer survey and Eurostat.

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



Sources: Commission of the European Communities, US Department of Trade; Economic Planning Agency of the Japanese Government.

TABLE 11: 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		1990				
	Peak 1972/73	Trough 1974/75	Peak 1979/80	Trough 1981/83	IV	I	II	March	April	May	June	July	Aug.		
CONSTRUCTION CONFIDENCE INDICATOR (a)	B	9	-36	-7	-65	-5	-3	4	-3	2	-2	-3	-5	-4	2
	DK	:	:	:	-36	-24	-24	-14	-23	(-14)	-23	(-23)	(-23)	-28	(-28)
	D	-4	-72	11	-64	-15	-7	1	-3	1	-1	-4	-3	-5	-3
	GR	:	:	:	-78	-27	-19	-39	-12	(-39)	-12	(-12)	(-12)	-21	(-21)
	E*	:	:	:	19	14	22	18	26	8	9	37	19	:	:
	F	:	:	-17	-57	-4	-7	-3	-4	(-3)	-4	(-4)	(-4)	-8	(-8)
	IRL	:	:	:	-60	24	25	19	14	(19)	14	(14)	(14)	8	(8)
	I	-8	-56	-5	-51	-5	9	13	14	16	11	21	10	6	:
	L	26	-45	31	-77	-3	11	20	6	24	13	2	2	4	5
	NL	3	47	3	-46	1	5	1	-3	1	-3	-3	-2	-1	-24
ORDER-BOOKS	P*	:	:	:	0	-8	-4	-9	-9	-9	-4	-8	-14	-15	0
	UK	:	:	7	-62	29	14	-5	-10	(-5)	-10	(-10)	(-10)	-41	(-41)
	EUR	:	:	-1	-50	-2	0	1	-1	2	-1	0	-2	-10	:
	B	-13	-47	-20	-76	-17	-16	-8	-14	-10	-12	-12	-18	-17	-9
	DK	:	:	:	-38	-30	-37	-20	-24	(-20)	-24	(-24)	(-24)	-42	(-42)
	D	-17	-84	2	-75	-32	-25	-15	-12	-12	-11	-12	-14	-13	-12
	GR	:	:	:	-78	-58	-57	-66	-43	(-66)	-43	(-43)	(-43)	-45	(-45)
	E*	:	:	:	25	25	37	20	36	14	14	31	26	:	:
	F	:	:	-26	-73	-10	-16	-14	-13	(-14)	-13	(-13)	(-13)	-15	(-15)
	IRL	:	:	:	-58	20	24	11	13	(11)	13	(13)	(13)	8	(8)
EMPLOYMENT EXPECTATIONS	I	-25	-68	-8	-62	-8	2	11	14	8	10	17	16	8	:
	L	-21	-50	15	-79	-13	0	8	4	12	1	4	6	-3	-2
	NL	-8	-81	-10	-61	-5	-4	-3	-7	-2	-6	-7	-8	-6	:
	P*	:	:	:	-19	-28	-22	-29	-31	-24	-27	-35	-40	-52	:
	UK	:	:	-1	-74	25	14	-3	-14	(-3)	-14	(-14)	(-14)	-44	(-44)
	EUR	:	:	-9	-64	-11	-10	-7	-8	-7	-8	-7	-8	-15	:
	B	31	-24	7	-53	8	11	15	8	13	8	6	9	9	12
	DK	:	:	-35	-17	-11	-7	-22	(-7)	-22	(-22)	(-22)	-14	(-14)	:
	D	10	-60	20	-53	2	10	16	8	13	10	5	9	3	7
	GR	:	:	-77	4	20	-12	19	(-12)	19	(19)	(19)	4	(4)	:
PRICE EXPECTATIONS	E*	:	:	:	13	4	7	16	15	1	3	43	12	:	:
	F	:	:	-8	-47	3	2	8	5	(8)	5	(5)	(5)	0	(0)
	IRL	:	:	-61	28	26	27	14	14	(14)	(14)	8	8	:	:
	I	10	-44	2	-39	0	15	15	13	23	11	24	3	3	:
	L	31	-39	46	-75	7	21	31	8	36	25	0	-2	11	11
	NL	14	-13	15	-31	7	13	4	2	3	1	1	4	4	5
	P*	:	:	20	12	15	12	14	17	12	8	11	5	:	:
	UK	:	:	15	-50	33	14	-6	-6	(-6)	-6	(-6)	(-6)	-38	(-38)
	EUR	:	:	7	-35	7	10	9	6	10	6	7	4	-4	0
	B	75	25	61	-18	22	20	27	19	26	26	17	15	15	15
EXPECTATIONS	D	48	-37	48	-49	18	25	41	36	43	43	38	28	24	27
	GR	:	:	:	9	10	7	10	26	(10)	26	(26)	(26)	8	(8)
	E*	:	:	:	51	22	29	44	33	39	53	40	14	:	:
	IRL	:	:	26	28	38	17	(38)	17	(17)	(17)	(17)	-6	(-6)	:
	I	85	30	79	2	32	36	47	54	43	49	51	63	25	:
	L	82	11	81	-49	-9	2	8	14	8	5	18	20	7	14
	NL	:	:	:	36	42	58	58	62	62	53	58	48	:	:
	P*	:	:	52	52	51	36	48	37	32	39	31	32	:	:
	UK	:	:	74	-21	54	31	-5	-18	(-5)	-18	(-18)	(-18)	-47	(-47)
	EUR	:	:	:	31	30	32	30	32	31	29	29	9	:	:

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

* Not seasonally adjusted.

Source: European Community business surveys.

TABLE 12: Consumer opinion on economic and financial conditions (a)

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

TABLE 12 (continued) : Consumer opinion on economic and financial conditions (a)

		1983	1984	1985	1986	1987	1988	1989	1989			1990						
									Oct.	Nov.	Dec.	March	April	May	June	July	Aug.	
(continued)	FINANCIAL SITUATION OF HOUSEHOLDS	B	-15	-18	-14	-5	-1	2	3	4	4	5	5	4	4	6	8	5
	DK	0	3	3	2	2	1	0	3	2	3	4	3	5	4	4	3	
	D	-9	-6	-4	2	1	-1	1	3	4	4	1	2	3	3	3	3	
	GR	0	6	5	-11	-20	-12	-2	-11	-14	-15	-11	-9	-16	-14	-12	-18	
	E	:	:	:	1	2	5	5	8	4	4	5	5	3	4	6	4	
	F	-4	-7	-5	-2	-4	0	1	1	2	1	3	2	0	2	1	2	
	IRL	-26	-22	-16	-14	-14	-9	-5	-2	-4	-6	-5	-5	-5	-5	-4	-6	
	I	-8	-3	-2	1	2	2	2	2	1	4	3	5	4	2	1	1	
	NL	-21	-17	-6	2	2	4	8	10	7	6	9	6	7	6	6	7	
— over next 12 months	P	:	:	:	1	4	-1	-2	1	1	2	2	6	8	5	7	8	
	UK	-2	-3	-5	-3	4	1	-9	-12	-10	-12	-23	-17	-16	-14	-13	-13	
	EUR (c)	-7	-8	-4	-1	1	1	0	0	0	0	-2	-1	-1	0	0	-1	
(continued)	GENERAL ECONOMIC SITUATION	B	-62	-57	-37	-27	-19	-16	-1	4	3	8	4	1	1	4	5	2
	DK	-4	4	2	-9	-20	-28	-24	-11	-11	-12	-7	-11	-15	-20	-20	-17	
	D	-29	-14	-10	7	-2	-9	4	9	13	12	7	12	11	9	12	9	
	GR	-11	-4	-7	-27	-33	-22	-22	-38	-47	-47	-49	-51	-51	-45	-40	-41	
	E	:	:	:	-8	-17	-9	-4	-3	-1	0	-2	-2	-2	-4	0	-4	
	F	-41	-54	-52	-34	-39	-28	-26	-26	-25	-24	-24	-25	-29	-25	-26	-25	
	IRL	-77	-65	-60	-57	-58	-30	-11	-4	-5	-8	-8	-7	-2	-4	-7	-11	
	I	-57	-36	-25	-10	-6	-12	-18	-14	-12	-14	-10	-11	-8	-11	-10	-11	
	NL	-54	-19	7	17	-1	1	18	17	19	15	16	13	9	7	6	7	
— over last 12 months	P	:	:	:	-3	5	-5	-13	-8	-12	-7	-6	-3	1	4	4	5	
	UK	-23	-25	-36	-29	-4	-4	-36	-43	-43	-45	-51	-54	-59	-57	-51	-57	
	EUR (c)	-37	-31	-27	-14	-13	-13	-14	-13	-11	-13	-14	-15	-16	-15	-14	-16	
(continued)	B	-38	-33	-19	-12	-8	-6	2	5	3	8	4	1	5	5	5	2	
	DK	3	6	4	-6	-13	-19	-15	-2	-4	-9	-1	-6	-9	-13	-13	-13	
	D	-14	-10	-6	2	-7	-12	-1	4	6	3	-4	0	1	-1	4	2	
	GR	6	10	6	-12	-20	-13	-6	-12	-14	-19	-15	-7	-4	-5	-1	-6	
	E	:	:	:	1	-2	2	2	4	5	5	2	2	1	0	2	-3	
	F	-36	-45	-32	-16	-23	-11	-13	-13	-12	-12	-11	-12	-15	-12	-13	-12	
	IRL	-45	-29	-25	-24	-28	-10	2	10	9	4	3	2	6	5	4	-5	
	I	-25	-9	-7	3	-2	-2	-6	-3	-1	0	1	3	4	1	-1	-1	
	NL	-28	-5	8	10	-7	-3	8	9	10	5	3	1	0	0	-2	-12	
— over next 12 months	P	:	:	:	2	7	-2	-6	-2	-4	-3	0	5	7	10	7	6	
	UK	-5	-10	-15	-13	3	-5	-19	-18	-18	-22	-33	-30	-26	-26	-19	-28	
	EUR (c)	-21	-18	-14	-5	-7	-7	-7	-5	-4	-5	-8	-7	-7	-7	-5	-8	
(continued)	PRICE TRENDS	B	78	78	72	48	31	23	38	42	47	43	46	46	44	42	39	38
	DK	26	26	26	10	0	2	3	1	-3	-2	-2	-6	-8	-15	-16	-14	
	D	23	15	9	-15	-13	-2	17	20	23	23	23	18	19	21	18	19	
	GR	30	24	22	38	41	25	25	38	46	49	46	45	53	52	52	50	
	E	:	:	:	26	34	28	43	44	46	43	48	44	45	42	38	39	
	F	55	58	44	12	12	5	17	24	25	22	22	21	22	21	18	18	
	IRL	80	71	58	47	34	28	31	35	33	22	27	28	24	22	25	28	
	I	69	55	49	35	28	34	44	45	45	45	44	44	43	44	44	44	
	NL	43	41	21	-2	-17	-11	-4	-5	3	2	1	-2	1	3	2	2	
— over last 12 months	P	:	:	:	17	29	44	55	51	53	53	49	49	50	47	51	53	
	UK	15	19	24	15	11	17	36	37	38	41	44	45	45	46	47	43	
	EUR (c)	40	37	30	14	11	14	28	31	32	32	33	32	31	32	30	30	
(continued)	B	40	37	33	25	17	19	32	32	34	31	33	33	30	32	30	30	
	DK	12	16	14	6	5	4	0	0	-5	-3	-5	-8	-6	-11	-12	-5	
	D	30	28	24	5	12	23	27	26	30	32	40	41	42	42	41	43	
	GR	37	38	37	42	45	34	40	55	59	61	55	52	60	56	53	53	
	E	:	:	:	10	15	12	22	22	23	24	23	23	23	23	19	22	
	F	37	32	26	17	11	6	17	18	19	19	19	16	18	17	16	16	
	IRL	39	35	30	22	24	20	27	22	24	19	19	27	20	19	20	29	
	I	54	46	46	33	39	43	50	48	45	44	45	47	42	51	46	47	
	NL	38	25	16	6	2	12	19	25	26	23	25	22	25	23	23	40	
— over next 12 months	P	:	:	:	6	14	27	35	25	31	26	26	24	26	26	25	34	
	UK	27	40	41	31	34	47	51	46	50	47	51	50	52	46	46	54	
	EUR (c)	35	35	31	19	22	26	33	32	33	33	36	36	36	37	34	37	
(continued)	UNEMPLOYMENT	B	57	44	33	30	33	21	8	9	8	5	4	7	4	3	6	6
	DK	30	5	-4	1	27	33	28	17	20	22	13	15	25	20	20	26	
	D	30	20	15	4	18	25	11	21	21	30	31	22	25	26	23	28	
	GR	10	11	12	26	31	22	19	31	34	37	32	25	33	36	33	38	
	E	:	:	:	13	27	18	7	0	-4	6	6	3	6	11	6	7	
	F	41	62	47	31	38	27	16	20	18	13	10	17	22	12	16	15	
	IRL	67	52	46	44	44	32	17	6	5	15	11	8	8	9	12	22	
	I	57	49	44	36	38	39	29	26	27	28	29	26	27	28	30	30	
	NL	67	36	0	-10	8	13	-1	-8	-10	-8	-8	-1	3	2	7	-4	
— over next 12 months	P	:	:	:	12	12	8	4	1	5	4	2	2	0	-3	2	3	
	UK	37	32	34	31	7	-3	4	14	17	22	18	24	25	29	28	34	
	EUR (c)	41	38	30	22	25	22	14	17	17	20	19	18	22	21	21	23	

TABLE 12 (continued) : Consumer opinion on economic and financial conditions (a)

		1983	1984	1985	1986	1987	1988	1989	1989			1990					
									Oct.	Nov.	Dec.	March	April	May	June	July	Aug.
MAJOR PURCHASES	B	6	6	-6	-23	-18	-4	3	-1	3	3	-3	0	-5	0	5	5
	DK	7	14	12	0	-13	-18	-26	-32	-4	-19	-19	-23	-22	-24	-25	-17
	D	-8	-9	-6	3	3	-1	0	-3	2	2	-2	0	2	-4	-2	-2
	GR	-35	-24	-20	-20	-34	-32	-20	-35	-26	-24	-22	-26	-33	-30	-27	-27
	E	:	:	:	-13	-12	-3	4	8	2	5	-4	7	7	5	4	5
	F	19	6	-6	-3	-7	-6	-8	-8	-8	-8	-10	-10	-9	-12	-10	-10
	IRL	-6	-9	-2	-8	-10	-7	-6	-7	0	2	-1	5	2	0	-1	-5
	I	-13	-15	-13	-7	-7	-5	-7	-7	-5	-7	-5	-5	-2	-4	-4	-4
	NL	-18	-44	-25	-5	-3	0	6	7	9	3	1	1	4	3	9	11
	P	:	:	:	-14	-14	-22	-23	-20	-11	-14	-17	-7	-12	-2	-7	-6
	UK	32	31	21	21	20	20	-8	-10	-6	-10	-20	-18	-22	-18	-20	-17
	EUR (c)	5	0	-3	0	-1	0	-4	-6	-3	-4	-9	-6	-6	-7	-7	-6
over next 12 months	B	-30	-28	-27	-25	-18	-14	-13	-11	-13	-10	-12	-15	-14	-16	-11	-15
	DK	-8	-7	-8	-11	-11	-12	-13	-12	-10	-13	-11	-12	-11	-11	-11	-8
	D	-29	-28	-21	-16	-15	-16	-15	-15	-13	-15	-14	-15	-15	-14	-16	-15
	GR	-33	-38	-31	-40	-43	-37	-32	-38	-33	-30	-30	-27	-32	-29	-22	-30
	E	:	:	:	-13	-21	-20	-20	-15	-21	-19	-24	-27	-28	-23	-22	-19
	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	-10	-9	-12	-7	-9	-8	-6	-13	-12
	I	-22	-21	-20	-20	-20	-20	-19	-19	-20	-19	-19	-16	-19	-17	-20	-20
	NL	-29	-27	-19	-14	-11	-11	-10	-8	-11	-9	-11	-9	-10	-10	-12	-11
	P	:	:	:	3	4	3	6	-1	5	7	6	9	10	14	9	8
	UK	-15	-12	-13	-12	-9	-10	-13	-16	-11	-15	-19	-20	-19	-18	-20	-16
	EUR (c)	-21	-19	-16	-13	-13	-13	-13	-13	-12	-13	-14	-14	-14	-13	-14	-13
SAVINGS	B	46	46	45	41	49	54	57	57	64	59	60	60	60	65	65	63
	DK	40	41	48	44	48	46	48	56	50	56	60	49	52	53	53	58
	D	33	38	37	40	39	31	40	46	45	47	49	46	46	45	48	51
	GR	-29	-20	-16	-29	-38	-35	-25	-38	-41	-37	-34	-39	-41	-35	-38	-40
	E	:	:	:	20	42	42	45	43	45	45	42	34	35	29	35	37
	F	0	6	10	11	20	24	30	35	35	37	36	38	38	36	38	39
	IRL	-3	-8	-1	-3	-7	1	10	17	23	9	18	16	17	10	8	11
	I	21	33	34	44	46	45	44	43	45	43	50	45	50	42	49	49
	NL	35	34	39	46	48	52	57	57	56	58	60	55	58	56	51	56
	P	:	:	:	-22	-24	-35	-39	-33	-27	-26	-27	-25	-30	-24	-31	-26
	UK	10	17	18	20	27	27	31	33	30	31	32	36	37	32	33	32
	EUR (c)	19	24	27	28	33	32	36	39	39	39	41	40	41	37	40	41
--- over next 12 months	B	-26	-27	-28	-9	-3	2	6	10	14	7	8	8	7	12	11	10
	DK	-12	-11	-6	-6	-5	-7	-7	2	-3	-2	0	-6	0	-1	-1	4
	D	1	3	3	10	12	12	16	20	20	17	21	19	21	18	21	24
	GR	-41	-39	-37	-47	-56	-48	-38	-45	-47	-46	-44	-43	-50	-49	-45	-46
	E	:	:	:	-20	-33	-32	-30	-27	-34	-30	-29	-33	-33	-34	-23	-25
	F	-35	-37	-36	-30	-33	-28	-26	-25	-25	-25	-24	-24	-24	-23	-23	-23
	IRL	-25	-37	-27	-29	-30	-25	-20	-17	-12	-23	-16	-21	-17	-23	-24	-14
	I	-27	-20	-16	-8	-5	-3	-5	-4	0	-3	-2	1	0	-4	-1	-1
	NL	-8	-2	6	12	17	24	29	34	32	31	31	35	34	31	27	33
	P	:	:	:	-21	-24	-27	-33	-29	-31	-29	-31	-35	-29	-24	-32	-22
	UK	-13	-12	-14	-12	-7	-7	-12	-15	-15	-19	-21	-21	-19	-18	-21	-18
	EUR (c)	-17	-16	-14	-10	-10	-8	-7	-6	-6	-8	-6	-7	-6	-7	-5	-4
FINANCIAL SITUATION OF HOUSEHOLDS	B	5	6	5	12	13	15	16	19	18	16	18	16	16	17	15	16
	DK	8	8	11	10	10	11	12	14	11	13	14	10	15	14	14	16
	D	11	11	12	16	16	17	20	20	21	20	21	21	21	20	22	22
	GR	0	2	3	1	-2	2	5	4	3	3	2	4	2	1	4	4
	E	:	:	:	3	5	7	8	7	5	6	6	7	7	5	10	6
	F	6	4	2	3	1	2	3	4	4	4	4	5	4	3	4	4
	IRL	-1	-1	0	-1	-1	2	4	4	6	-1	-3	-5	-4	-6	-6	-5
	I	9	11	11	15	16	17	16	15	18	18	18	19	20	19	16	16
	NL	15	13	15	16	18	20	23	25	24	24	24	24	24	23	23	27
	P	:	:	:	1	7	6	6	8	-5	-4	-6	-5	-7	-8	-6	3
	UK	12	12	10	11	14	15	10	7	7	8	5	5	6	6	5	8
	EUR (c)	9	9	9	11	11	12	13	13	12	12	13	12	13	11	12	13

(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.

¹ The climate of consumer confidence is measured by an indicator based on five questions in the consumer survey. These are the questions relating to the general economic situation, the household financial situation and to major purchases of durable goods.² Quarterly data: percentage change on corresponding quarter of preceding year.³ See table 12 for data and notes.⁴ Percentage changes on corresponding period of preceding year.⁵ Seasonally adjusted.

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 DS
Denmark	DS Danmarks Statistik	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.	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 Markonderzoek INE	CBS
Portugal	INE Instituto Nacional de Estatística	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, 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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