

EUROPEAN ECONOMY

EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

Supplement B

Business and Consumer
Survey Results

No 7 – July 1994

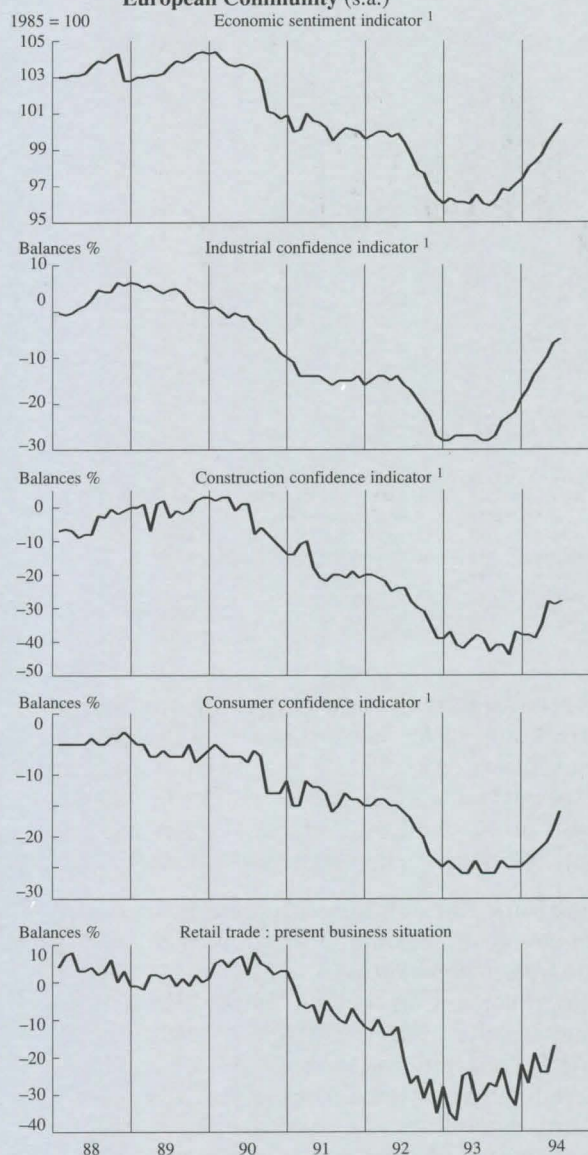


*In this number :
Industrial investment
in 1993 and 1994*

THE MAIN POINTS IN BRIEF

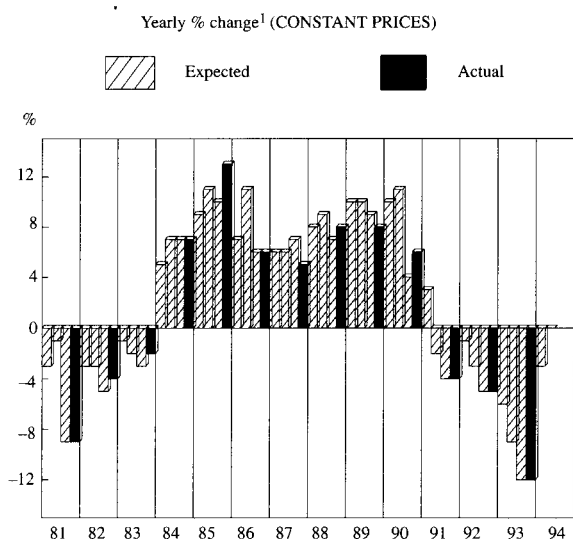
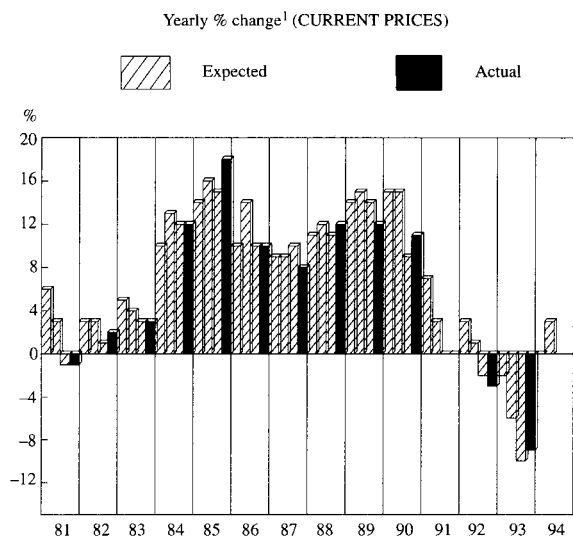
- The economic recovery in Europe is making clear progress. The economic climate has again improved, and firms' and consumers' assessments of the general economic situation confirm growing confidence in the future economic trend.
- The EU's leading economic indicator continued to point upwards in June. It showed a clear 0.5 percentage point improvement compared with the previous month.
- In April industrialists revised upwards their October 1993 plans for investment in 1994; they now intend to invest just as much in real terms in 1994 as they did in 1993 (see pages 9–11).

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



¹ See notes to Table 1.

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



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

Source : European Commission business surveys.

Assessments of export order-book levels in European industry continue to improve. — Since last autumn, industrial firms have become less and less negative in their assessments of export order-book levels. This trend was maintained in June. Increased confidence in the world economic situation and in particular the noticeable economic upturn on the continent of Europe have probably contributed to this. However, persistent dollar weakness could have an unfavourable impact on exports to overseas markets especially.

Among the components of the EU's leading indicator, consumer confidence has improved markedly. — Compared with the previous month, the *consumer confidence* indicator rose in the Union by three points on average in June, reaching its highest point since mid-1992. This rise between May and June is attributable mainly to the marked improvement in Germany, Spain, France, Italy and the United Kingdom. This favourable trend in Europe is being underpinned primarily by positive assessments of the general economic situation and optimistic appraisals of the economic trend over the coming twelve months. A further factor is that consumers in the Union are anticipating improvements in their personal financial situations in the near future. The improvement in consumers' assessments of the unemployment trend has been especially pronounced. Over a period of six months (January to June), consumers' fears of a further rise in unemployment have diminished appreciably, by almost twenty points; this is also reflected in consumers' growing confidence in the future economic trend.

The *industrial confidence* indicator again improved in June. The rise in the indicator was particularly noticeable in Germany, Spain, the Netherlands, Portugal and the United Kingdom. The generally optimistic assessment of the economic situation is being reinforced by the fact that industrial firms have shown an increasing tendency since last autumn to view their order-book and stock levels less negatively.

However, this generally optimistic mood has so far had only a partially favourable impact on the investment climate in industry (see pages 9–11).

Following the decline registered in May compared with the previous month, confidence in the *construction industry* improved slightly in June, returning to the level recorded in the spring. Without the appreciable loss of confidence in Italy and Ireland, the rise in the climate indicator for the construction industry in the European Union would have been more pronounced.

Retailers take a more hopeful view of their future prospects. — The results of the business survey conducted among retailers in May show a strengthening of confidence in the future business trend which is confirmed by a less cautious approach to placing orders. Retailers' assessments of their current business situation are also continuing to point upwards. However, the indicator has so far risen only hesitantly from its 1993 low point.

15 July 1994

The economic recovery in Europe is making further progress. — According to the latest business survey results, the economic climate has again improved, and firms' and consumers' assessments of the general economic situation, as reflected in the June business survey findings, confirm growing confidence in the future economic trend.

The EU's leading indicator continued to point upwards in June. — The composite leading indicator of the economic trend in the European Union showed a clear 0.5 percentage point improvement attributable to the trends in Germany, Spain, Italy, the Netherlands and the United Kingdom. In Germany and the United Kingdom in particular, economic growth seems to have picked up. In France and Ireland, by contrast, the leading indicator fell slightly in June compared with the previous month.

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

		Ranges		1991	1992	1993	1993	1994			1994				
		Trough 81/83	Peak 88/90					IV	I	II	Jan.	Feb	Mar.	Apr.	May
B	1. industrial confidence indicator	-33	2	-15	-20	-29	-24	-12	-9	-15	-9	-12	-10	-9	-8
	2. construction confidence indicator	-63	7	-7	-13	-21	-21	-17	-14	-18	-16	-18	-14	-13	-14
	3. consumer confidence indicator	-29	5	-7	-12	-26	-29	-24	-17	-25	-24	-22	-20	-16	-15
	4. share-price index ^(a)	:	:	177.4	175.3	191.4	207.9	223.9	221.2	222.5	226.2	223.1	221.4	227.0	215.3
	= 5. economic sentiment indicator	96.5	106.6	103.3	101.6	98.5	98.5	100.5	101.9	100.1	100.7	100.8	101.4	102.2	102.2
DK	1. industrial confidence indicator	-22	5	-8	-7	-12	-3	6	10	6	:	:	10	:	:
	2. construction confidence indicator	-37	12	-32	-22	-26	-18	-11	1	-11	:	:	1	:	:
	3. consumer confidence indicator	-20	-4	-2	-2	-5	-2	3	:	0	5	3	8	9	8
	4. share-price index ^(a)	:	:	157.9	144.7	147.7	163.7	189.7	175.4	193.4	190.2	185.4	184.3	172.7	169.2
	= 5. economic sentiment indicator	95.3	99.0	97.2	97.2	96.9	98.2	99.6	:	99.4	99.7	99.8	100.0	100.1	:
D	1. industrial confidence indicator	-38	11	0	-18	-34	-31	-24	-16	-28	-25	-20	-19	-16	-14
	2. construction confidence indicator	-63	3	-5	-15	-28	-30	-30	-26	-31	-30	-31	-28	-26	-24
	3. consumer confidence indicator	-32	6	-12	-20	-28	-29	-27	-17	-29	-29	-24	-22	-17	-13
	4. share-price index ^(a)	:	:	141.3	137.5	147.4	166.9	171.8	172.4	173.8	170.9	170.8	175.7	176.2	165.2
	= 5. economic sentiment indicator	93.9	104.2	101.5	98.9	96.3	96.8	97.6	99.5	97.2	97.4	98.3	98.7	99.7	100.1
E	1. industrial confidence indicator	:	0	-22	-25	-35	-28	-19	-10	-23	-20	-14	-12	-10	-8
	2. construction confidence indicator	:	32	-8	-37	-44	-35	-38	-24	-35	-46	-34	-30	-24	-19
	3. consumer confidence indicator	:	5	-6	-20	-34	-35	-33	-30	-36	-32	-32	-33	-29	-27
	4. share-price index ^(a)	:	:	311.2	270.0	316.0	360.8	397.2	378.0	419.7	397.6	374.2	381.0	383.0	370.1
	= 5. economic sentiment indicator	:	104.6	99.8	98.1	96.6	97.2	98.1	98.8	97.8	98.1	98.3	98.4	98.9	99.1
F	1. industrial confidence indicator	-38	12	-20	-21	-35	-31	-21	-5	-24	-21	-16	-7	-2	-5
	2. construction confidence indicator	-59	2	-16	-43	-57	-58	-46	-40	-46	:	:	-40	:	:
	3. consumer confidence indicator	-27	-9	-21	-22	-25	-25	-22	-18	-22	-22	-22	-21	-18	-16
	4. share-price index ^(a)	:	:	208.6	217.2	241.2	263.0	277.0	255.0	279.9	281.2	269.9	261.9	260.7	242.4
	= 5. economic sentiment indicator	98.5	106.1	101.3	99.8	97.9	98.3	100.0	101.6	99.7	100.1	100.3	101.1	101.9	101.8
IRL	1. industrial confidence indicator	-36	14	-9	-4	-13	-9	1	-2	2	1	0	1	-1	-5
	2. construction confidence indicator	-60	30	-22	-11	-27	-25	-22	-25	-22	-23	-21	-19	-24	-33
	3. consumer confidence indicator	-46	-3	-18	-21	-14	-7	-2	-3	-1	-3	-1	-6	-1	-1
	4. share-price index ^(a)	:	:	241.4	223.9	280.8	317.8	332.8	307.2	358.3	329.9	310.3	319.3	304.2	298.1
	= 5. economic sentiment indicator	97.3	104.7	101.4	101.1	101.4	102.4	103.4	102.9	103.6	103.2	103.3	102.9	103.1	102.8
I	1. industrial confidence indicator	-38	13	-13	-15	-17	-12	-6	-2	-8	-7	-3	-4	-1	0
	2. construction confidence indicator	-51	21	-7	-16	-48	-53	-58	-33	-59	-65	-50	-24	-36	-40
	3. consumer confidence indicator	-28	0	-13	-19	-32	-31	-30	-22	-31	-29	-29	-24	-23	-20
	4. share-price index ^(a)	:	:	156.4	136.9	168.2	177.0	199.8	234.2	189.1	205.8	204.6	238.6	241.0	222.9
	= 5. economic sentiment indicator	95.8	103.7	100.0	98.8	97.0	97.5	98.2	100.4	97.8	98.2	98.7	100.2	100.4	100.6
NL	1. industrial confidence indicator	-27	3	-4	-6	-10	-9	-6	-2	-6	-6	-6	-3	-3	-1
	2. construction confidence indicator	-45	9	-6	-15	-17	-18	-16	-12	-17	-17	-14	-15	-12	-11
	3. consumer confidence indicator	-36	11	-10	-10	-17	-16	-13	-9	-15	-12	-11	-9	-9	-8
	4. share-price index ^(a)	:	:	136.0	142.4	167.0	189.1	200.9	193.2	208.6	200.7	193.3	195.0	194.6	190.0
	= 5. economic sentiment indicator	93.3	103.4	99.2	98.7	97.6	98.0	98.9	99.6	98.7	98.9	99.0	99.5	99.5	99.8
UK	1. industrial confidence indicator	-57	21	-32	-24	-11	-8	-2	-3	-3	1	-2	-8	-2	0
	2. construction confidence indicator	-57	42	-64	-50	-36	-30	-21	-21	-24	-20	-19	-21	-25	-19
	3. consumer confidence indicator	-24	7	-17	-15	-13	-11	-11	-17	-9	-10	-14	-17	-19	-14
	4. share-price index ^(a)	:	:	190.3	198.1	228.2	242.3	259.3	242.2	262.9	262.8	252.2	246.9	244.3	235.4
	= 5. economic sentiment indicator	97.0	103.8	97.2	98.0	99.2	99.7	100.4	99.7	100.4	100.6	100.1	99.5	99.5	100.0
EUR	1. industrial confidence indicator	-35	6	-14	-19	-26	-21	-14	-7	-17	-14	-12	-10	-7	-6
	2. construction confidence indicator	-50	3	-18	-28	-40	-39	-37	-28	-38	-39	-35	-28	-29	-28
	3. consumer confidence indicator	-22	3	-14	-18	-25	-25	-23	-19	-24	-23	-22	-21	-19	-16
	4. share-price index ^(a)	:	:	174.9	177.1	199.7	216.9	231.4	221.4	234.0	233.6	226.6	226.0	224.5	213.8
	= 5. economic sentiment indicator	96.1	104.4	100.1	98.5	96.4	97.1	98.3	99.9	98.0	98.3	98.7	99.4	99.9	100.4

* Used data-sign in the tables : (s.a.) = seasonally adjusted, : = not available.
The figures for the Federal Republic of Germany refer to Western Germany, if not mentioned otherwise.
Source, unless stated otherwise : European Commission business surveys.

(a) Not seasonally adjusted.

TABLE 2 : **Monthly survey of manufacturing industry** — Monthly questions and the composite industrial confidence indicator ^(a)
Balances : i.e. differences between the percentages of respondents giving positive and negative replies (s.a.)

		Ranges		1991	1992	1993	1993	1994			1994				
		Trough 81/83	Peak 88/90					IV	I	II	Jan.	Feb.	Mar.	Apr.	May
INDUSTRIAL CONFIDENCE INDICATOR	B	-33	2	-15	-20	-29	-24	-12	-9	-15	-9	-12	-10	-9	-8
	DK	-22	5	-8	-7	-13	-3	6	10	6	:	:	10	:	:
	D	-38	11	0	-18	-34	-31	-24	-16	-28	-25	-20	-19	-16	-14
	GR	:	5	-7	-4	-6	-8	-3	1	-5	-1	-2	0	1	1
	E	:	0	-22	-25	-35	-28	-19	-10	-23	-20	-14	-12	-10	-8
	F	-38	12	-20	-21	-35	-31	-20	-5	-24	-21	-16	-7	-2	-5
	IRL	-36	14	-9	-4	-13	-9	1	-2	2	1	0	1	-1	-5
	I	-38	13	-13	-15	-18	-12	-6	-2	-8	-7	-3	-4	-1	0
	L	-67	11	-24	-28	-25	-24	-19	-11	-20	-18	-18	-15	-9	-9
	NL	-27	3	-5	-6	-10	-8	-6	-2	-6	-6	-6	-3	-3	-1
	P	:	5	-7	-12	-25	-21	-13	-6	-17	-12	-9	-9	-7	-3
UK	-57	21	-32	-24	-11	-7	-1	-3	-3	1	-2	-8	-2	0	
EUR	-35	6	-14	-19	-26	-21	-14	-8	-17	-14	-12	-10	-7	-6	
PRODUCTION EXPECTATIONS	B	-37	12	-12	-16	-28	-21	-5	-3	-9	2	-7	-6	-2	0
	DK	-12	15	8	7	4	9	17	21	17	:	:	21	:	:
	D	-27	14	3	-10	-20	-11	-2	7	-6	-1	2	5	7	8
	GR	:	29	18	25	20	17	21	24	20	21	21	23	24	25
	E	:	16	-1	-4	-10	-3	2	5	-3	5	3	1	6	7
	F	-20	23	-4	-4	-20	-14	1	11	-5	0	7	11	15	6
	IRL	-37	27	4	1	-3	1	14	10	16	15	10	14	15	0
	I	-22	28	8	1	-1	6	9	14	7	9	11	12	14	17
	L	-66	19	-27	-28	-16	-14	-9	-5	-11	-8	-7	-7	-3	-5
	NL	-13	12	5	4	1	4	8	8	12	6	5	8	8	8
	P	:	18	9	3	-8	-5	-1	9	-4	0	1	5	8	13
UK	-44	34	-14	-1	11	13	22	16	19	26	22	12	16	19	
EUR	-24	28	0	-4	-9	-3	6	10	2	7	8	9	11	11	
ORDER-BOOKS	B	-49	-1	-26	-33	-45	-41	-31	-24	-35	-31	-28	-26	-24	-22
	DK	-32	11	-14	-17	-31	-12	-6	11	-6	:	:	11	:	:
	D	-54	12	-4	-29	-57	-57	-51	-40	-56	-53	-45	-45	-40	-36
	GR	:	-7	-23	-21	-26	-25	-19	-18	-20	-18	-19	-18	-15	-22
	E	:	-3	-39	-43	-58	-52	-38	-22	-40	-43	-31	-22	-24	-19
	F	-56	16	-35	-39	-57	-57	-42	-17	-49	-45	-31	-23	-13	-14
	IRL	-57	16	-22	-8	-20	-10	-2	-6	1	-3	-3	-10	-6	-3
	I	-64	12	-28	-30	-38	-29	-21	-12	-21	-25	-16	-17	-11	-8
	L	-70	16	-38	-44	-44	-44	-40	-30	-34	-44	-41	-36	-26	-27
	NL	-42	1	-11	-15	-23	-22	-18	-10	-22	-17	-14	-11	-12	-8
	P	:	0	-21	-30	-48	-45	-30	-22	-36	-31	-23	-23	-24	-18
UK	-57	26	-56	-49	-26	-20	-15	-11	-17	-11	-16	-17	-8	-7	
EUR	-56	5	-28	-35	-46	-42	-34	-21	-37	-35	-29	-26	-20	-18	
EXPORT ORDER-BOOKS	B	-55	-3	-30	-36	-49	-44	-34	-24	-39	-30	-32	-28	-22	-21
	DK	10	17	-4	-9	-24	-8	2	9	2	:	:	9	:	:
	D	-48	1	-32	-39	-63	-63	-59	-49	-62	-59	-56	-51	-49	-47
	GR	:	-16	-24	-26	-24	-15	-4	-2	-3	2	-10	-4	0	-2
	E	:	-17	-33	-38	-48	-42	-30	-16	-34	-33	-24	-18	-21	-9
	F	-52	24	-34	-32	-54	-51	-37	-14	-42	-39	-31	-15	-17	-11
	IRL	:	29	-20	2	-18	-18	-15	-13	-8	-18	-18	-19	-9	-11
	I	-57	0	-33	-35	-26	-11	-2	8	0	-4	-1	5	7	12
	L	-80	52	-47	-51	-42	-51	-43	-28	-43	-46	-41	-34	-26	-25
	P	:	1	-24	-29	-50	-38	-15	3	-14	-19	-11	-4	1	12
	UK	-65	12	-35	-35	-19	-16	-10	-8	-8	-14	-8	-8	-9	-7
EUR	-50	0	-32	-35	-46	-42	-35	-23	-36	-36	-32	-24	-25	-21	
STOCKS OF FINISHED PRODUCTS	B	19	-1	7	12	13	9	0	0	1	-2	1	-2	0	1
	DK	23	-1	18	11	10	5	-6	1	-6	:	:	1	:	:
	D	27	-9	0	15	27	25	20	15	22	20	18	18	14	13
	GR	:	1	14	15	12	14	10	4	16	7	8	6	5	1
	E	:	8	26	27	37	28	21	12	26	21	15	14	12	11
	F	42	-3	21	19	27	23	21	9	19	19	24	9	9	8
	IRL	29	-6	8	5	15	18	9	9	10	10	7	2	13	13
	I	28	-4	19	17	13	13	7	7	11	6	5	6	7	8
	L	58	-10	7	11	15	14	8	-2	16	2	5	2	-3	-4
	NL	39	0	8	7	9	8	8	5	7	8	8	6	6	3
	P	:	0	10	9	18	13	8	5	12	6	5	8	5	3
UK	41	4	26	20	18	16	13	15	12	13	13	18	15	12	
EUR	31	2	15	17	22	20	15	11	16	15	14	12	11	10	
SELLING-PRICE EXPECTATIONS	B	12	24	2	-3	-6	-2	-1	5	-5	2	0	3	4	9
	D	2	26	14	10	-2	-4	-4	4	-7	-4	-2	0	4	9
	GR	:	41	28	28	22	24	22	29	23	20	22	30	28	29
	E	:	21	0	-5	-10	-6	1	7	-5	3	4	7	6	8
	F	17	34	11	8	-3	-5	1	6	-2	-3	7	2	9	7
	IRL	1	23	-1	-4	-4	0	-9	1	-10	-11	-6	-5	-2	9
	I	6	32	16	13	11	9	12	18	11	13	13	15	17	23
	L	-38	62	-32	-14	1	14	-1	-13	2	2	-7	-10	0	-29
	P	:	28	17	10	3	2	14	18	9	17	15	13	17	23
	UK	9	34	5	-1	5	1	2	5	2	2	3	-4	5	14
	EUR	22	28	11	7	1	0	2	8	0	2	5	4	8	13

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

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

		Ranges		1991	1992	1993	1993	1994			1994				
		Trough 81/83	Peak 88/90					IV	I	II	Jan.	Feb.	Mar.	Apr.	May
CONSTRUCTION CONFIDENCE INDICATOR ^(a)	B	-63	7	-7	-13	-21	-21	-17	-14	-18	-16	-18	-14	-13	-14
	DK	-37	12	-32	-22	-26	-18	-11	1	-11	:	:	1	:	:
	D	-63	3	-5	-15	-28	-30	-30	-26	-31	-30	-31	-28	-26	-24
	GR	-73	-12	-32	-13	-23	-31	-40	-18	-40	:	:	-18	:	:
	E	:	31	-8	-37	-44	-35	-38	-24	-35	-46	-34	-30	-24	-19
	F	-59	2	-16	-43	-57	-58	-46	-40	-46	:	:	-40	:	:
	IRL	-60	30	-22	-11	-27	-25	-22	-25	-22	-23	-21	-19	-24	-33
	I	-51	21	-7	-16	-48	-53	-58	-33	-59	-65	-50	-24	-36	-40
	L	-75	24	-4	-23	-54	-56	-68	-58	-61	-69	-74	-69	-57	-50
	NL	-45	9	-6	-15	-17	-18	-16	-12	-17	-17	-14	-15	-12	-11
	P	:	12	-22	-32	-47	-44	-46	-52	-52	-43	-45	-53	-55	-48
UK	-57	42	-64	-50	-36	-30	-21	-21	-24	-20	-19	-21	-25	-19	
EUR	-50	3	-18	-28	-40	-39	-37	-28	-38	-39	-35	-28	-29	-28	
TREND OF ACTIVITY COMPARED WITH PRECEDING MONTH	B	-31	36	-8	-5	-10	-22	-7	-9	-9	-8	-5	-16	-17	5
	D	-54	19	-11	-16	-24	-30	-21	-17	-23	-20	-21	-23	-12	-16
	GR	-39	30	-7	7	-8	-15	-11	6	-11	:	:	6	:	:
	E	:	45	9	-25	-13	-19	-23	10	-3	-28	-37	-9	23	17
	F	-47	32	-12	-38	-58	-49	-38	-31	-38	:	:	-31	:	:
	IRL	-49	24	-19	-10	-14	-7	-13	-15	-12	-23	-4	-4	-35	-7
	I	-27	32	-9	-5	-25	-26	-35	-15	-40	-41	-24	-15	-6	-24
	L	-60	39	-15	-16	-48	-54	-27	-33	-28	-26	-28	-47	-28	-25
	NL	-39	35	-4	-8	-13	-19	-11	-4	-17	5	-20	-14	1	1
	P	:	25	-2	-15	-19	-24	-22	-26	-32	-14	-19	-22	-31	-24
	UK	-49	50	-44	-16	-6	-4	-4	11	-6	-2	-3	14	9	11
EUR	-28	20	-13	-18	-26	-27	-24	-12	-24	-24	-23	-15	-8	-12	
ORDER-BOOKS	B	-76	-6	-17	-26	-29	-33	-27	-26	-30	-23	-27	-22	-27	-29
	DK	-36	13	-43	-32	-34	-22	-19	-3	-19	:	:	-3	:	:
	D	-75	-7	-15	-26	-38	-40	-36	-33	-36	-35	-37	-34	-33	-33
	GR	-78	-39	-54	-45	-56	-69	-58	-47	-58	:	:	-47	:	:
	E	:	45	-11	-37	-42	-39	-43	-31	-38	-49	-42	-36	-29	-28
	F	-73	4	-27	-55	-69	-68	-60	-52	-60	:	:	-52	:	:
	IRL	-58	30	-18	-12	-39	-40	-46	-51	-46	-43	-49	-40	-51	-61
	I	-62	17	-4	-17	-58	-63	-67	-45	-64	-84	-54	-41	-45	-48
	L	-79	12	-8	-22	-58	-65	-64	-56	-62	-60	-70	-61	-58	-49
	NL	-61	2	-11	-22	-25	-27	-24	-20	-26	-24	-22	-23	-19	-19
	P	:	-6	-46	-49	-66	-66	-73	-75	-77	-71	-71	-72	-79	-75
UK	-74	35	-78	-71	-61	-54	-46	-44	-50	-43	-44	-45	-45	-41	
EUR	-66	-2	-26	-38	-52	-52	-49	-40	-48	-52	-46	-40	-40	-40	
EMPLOYMENT EXPECTATIONS	B	-53	19	4	-1	-12	-9	-7	-1	-5	-8	-9	-5	1	1
	DK	-35	11	-21	-13	-18	-13	-2	5	-2	:	:	5	:	:
	D	-53	19	6	-4	-18	-20	-25	-18	-25	-24	-25	-22	-18	-15
	GR	-77	20	-10	20	10	8	-22	12	-22	:	:	12	:	:
	E	:	30	-6	-36	-45	-32	-33	-18	-31	-43	-25	-24	-19	-10
	F	-47	8	-5	-31	-46	-47	-32	-28	-32	:	:	-28	:	:
	IRL	-61	37	-26	-11	-14	-9	2	0	2	-3	8	2	3	-4
	I	-39	25	-11	-15	-39	-43	-49	-22	-54	-46	-46	-7	-27	-32
	L	-75	36	0	-25	-50	-46	-71	-61	-59	-77	-77	-76	-56	-50
	NL	-31	16	-2	-8	-9	-9	-8	-4	-8	-10	-6	-6	-5	-2
	P	:	28	2	-15	-27	-22	-20	-28	-26	-14	-19	-33	-30	-21
UK	-50	51	-50	-28	-10	-6	4	1	2	3	7	4	-4	4	
EUR	-36	12	-10	-18	-28	-27	-26	-16	-27	-26	-24	-15	-18	-16	
PRICE EXPECTATIONS	B	-18	28	11	2	-8	-9	-5	-2	-7	-5	-4	-3	-2	-1
	D	-49	45	12	-6	-21	-17	-22	-14	-21	-22	-22	-20	-13	-9
	GR	9	26	-4	8	-18	-9	-22	-16	-22	:	:	-16	:	:
	E	:	70	19	12	0	-11	-4	1	-14	9	-7	-2	-3	9
	IRL	:	38	-30	-12	-11	1	7	1	9	10	3	4	1	-1
	I	2	63	25	25	-1	4	-7	17	-12	1	-9	10	19	23
	L	-49	23	1	-31	-58	-60	-56	-52	-59	-49	-60	-59	-53	-44
	NL	:	64	34	28	8	6	9	8	10	10	6	5	9	11
	P	:	70	30	14	-12	-8	-9	2	-13	-10	-4	8	-2	-1
	UK	-21	70	-32	-8	6	12	23	24	17	26	25	24	23	24
	EUR	:	39	9	7	-6	-4	-5	4	-8	-1	-6	0	4	8

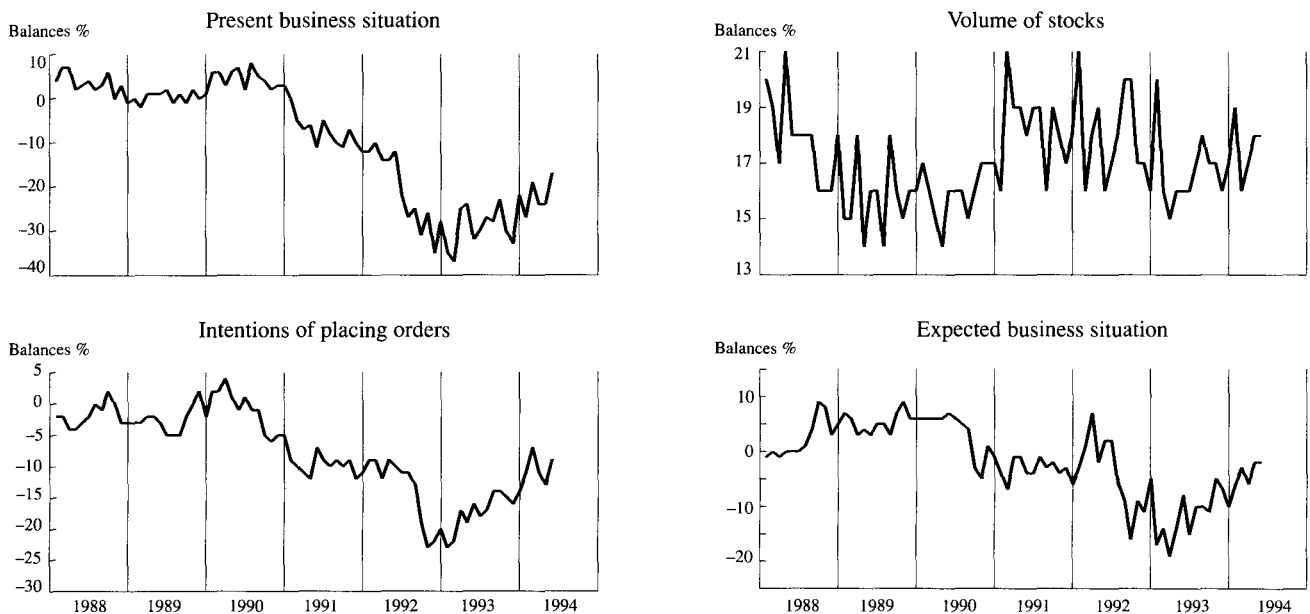
(a) The indicator is an average of the responses (balances) to the questions on order-books and employment expectations.

TABLE 4 : Results of business surveys in the retail trade
Balances : i.e. differences between the percentages of respondents giving positive and negative replies (seasonally adjusted)

		Peak	1991	1992	1993	1993	1994			1994				
		88/90				IV	I	II	Jan.	Feb.	Mar.	Apr.	May	June
PRESENT BUSINESS SITUATION	B	30	-10	-13	-25	-20	-16	:	-17	-14	-18	-26	-17	:
	DK	:	27	28	16	19	35	41	25	40	40	40	42	40
	D	41	21	-8	-19	-28	-21	:	-24	-19	-21	-30	-17	:
	E	-4	-33	-49	-64	-62	-52	-54	-56	-54	-47	-61	-56	-46
	F	7	-18	-38	-54	-40	-30	:	-39	-18	-32	-20	-6	:
	I^(b)	10	-10	-16	-35	-35	-33	:	-39	-28	-31	-26	-32	:
	NL	55	41	26	24	28	22	22	27	21	19	18	19	29
	P	5	-9	-9	-31	-38	-35	-30	-37	-35	-34	-29	-32	-30
	UK^(a)	40	-33	-34	-10	-3	-10	:	-7	-9	-14	-13	-9	:
	EUR	8	-8	-21	-29	-28	-23	:	-27	-19	-24	-24	-17	:
VOLUME OF STOCKS	B	21	19	21	22	15	11	:	15	8	10	14	11	:
	DK	:	17	20	18	14	8	10	3	6	15	11	6	12
	D	29	19	26	27	28	27	:	31	25	25	33	39	:
	E	10	2	8	8	10	6	3	8	7	3	4	4	2
	F	23	13	9	3	5	13	:	19	5	15	2	7	:
	I^(b)	31	26	21	29	25	22	:	21	22	24	25	21	:
	NL	20	10	12	14	13	15	14	16	14	15	15	15	12
	P	26	11	11	16	14	10	8	9	8	12	8	12	5
	UK^(a)	31	27	20	10	12	15	:	17	16	13	13	11	:
	EUR	21	18	18	17	17	17	:	19	16	17	18	18	:
INTENTIONS OF PLACING ORDERS	B	17	-6	-9	-18	-14	-6	:	-4	-5	-8	-8	-3	:
	DK	:	19	21	5	15	39	39	30	46	42	35	45	36
	D	19	10	-4	-11	-13	-8	:	-13	-5	-7	-16	-17	:
	E	21	8	-3	-17	-13	-6	-5	-9	-5	-3	-9	1	-7
	F	-7	-23	-26	-27	-27	-23	:	-22	-21	-25	-20	-22	:
	I^(b)	-1	-21	-25	-47	-47	-30	:	-31	-26	-34	-29	-24	:
	NL	22	8	2	-8	-7	-1	3	-1	1	-3	-1	5	5
	P	7	-8	-15	-32	-35	-28	-15	-31	-24	-29	-15	-18	-11
	UK^(a)	40	-28	-17	11	20	10	:	16	18	10	6	18	:
	EUR	4	-10	-14	-17	-15	-11	:	-11	-7	-11	-13	-9	:
EXPECTED BUSINESS SITUATION	B	21	2	1	-9	-3	1	:	8	-2	-4	-1	1	:
	DK	:	40	41	32	40	55	56	45	58	61	54	58	57
	D	25	12	-4	-11	-13	-7	:	-8	-9	-4	-9	-4	:
	E	32	24	0	-18	-7	-6	4	-6	-7	-5	1	10	1
	F	-7	-41	-34	-29	-29	-14	:	-6	-19	-18	-11	-14	:
	I^(b)	14	-12	-15	-38	-29	-23	:	-30	-16	-23	-16	-17	:
	NL	40	22	18	8	11	15	20	16	14	16	12	22	25
	P	39	17	8	-2	-2	0	3	-4	5	-2	-1	3	8
	UK^(a)	43	-1	10	22	30	25	:	30	22	23	22	12	:
	EUR	9	-3	-4	-12	-7	-5	:	-6	-3	-6	-2	-2	:

(a) Refers to volume of sales for the time of the year.
(b) Excl. large multiple shops.

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



For the notes : see table 4.
¹ Since September 1988 with Spain; since January 1989 with Portugal; since November 1990 with Denmark.

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

		Ranges		1991	1992	1993	1993	1994			1994					
		Trough 81/83	Peak 88/90					IV	I	II	Jan.	Feb.	Mar.	Apr.	May	June
UNEMPLOYMENT	B	69	3	27	41	57	55	45	35	48	46	42	35	34	35	
	DK	44	14	27	31	29	22	6	1	11	2	5	0	4	0	
	D	54	1	33	33	52	56	46	33	51	47	39	39	31	28	
	GR	:	15	44	49	41	29	34	:	31	35	35	38	40	:	
	E	:	-4	27	47	59	52	48	36	51	46	46	40	38	29	
	F	59	10	52	54	59	59	50	41	51	49	51	47	41	35	
	— over next 12 months	IRL	65	5	43	50	40	37	29	24	30	28	29	28	23	22
	I	62	26	42	53	66	65	56	28	61	56	51	36	30	19	
	NL	81	-9	24	31	67	64	56	50	66	52	51	52	54	44	
	P	:	-3	9	26	62	70	61	60	62	63	58	63	60	57	
	UK	59	-12	47	41	34	25	20	25	15	16	28	28	26	21	
	EUR^(c)	54	9	39	43	54	52	43	33	46	42	42	38	33	28	
PRICE TRENDS	B	78	21	40	43	44	41	38	38	37	40	38	36	40	37	
	DK	58	-38	-22	-30	-42	-43	-45	-39	-49	-43	-42	-41	-41	-35	
	D	56	-28	38	51	48	43	44	34	47	44	41	36	35	32	
	GR	:	19	51	51	48	41	30	:	32	30	28	31	32	:	
	E	:	18	34	35	23	25	25	24	27	25	24	26	24	23	
	— over last 12 months	F	79	0	11	6	-4	-10	-5	-11	-3	-4	-8	-11	-12	-10
	IRL	89	21	29	27	14	15	12	14	10	15	12	18	14	11	
	I	81	30	49	48	43	44	39	34	38	42	37	37	34	32	
	NL	71	-18	23	28	14	13	16	17	16	18	15	17	16	19	
	P	:	35	51	51	46	47	43	44	43	46	41	50	44	39	
	UK	42	9	37	20	15	15	16	16	11	17	19	17	16	16	
	EUR^(c)	63	11	33	32	25	23	23	19	24	24	22	20	19	18	
— over next 12 months	B	48	13	32	36	38	36	32	26	33	32	30	28	27	23	
	DK	36	-39	-18	-17	-27	-26	-23	-21	-21	-24	-24	-22	-22	-20	
	D	53	-3	53	46	46	44	38	33	42	37	35	34	34	32	
	GR	:	31	51	51	45	38	37	:	34	41	37	40	41	:	
	E	:	8	22	27	9	7	9	10	8	8	10	11	9	9	
	F	55	-4	26	12	10	-3	-1	-6	1	-4	-1	-3	-8	-6	
	IRL	56	14	28	24	16	14	10	18	6	10	15	19	16	18	
	I	62	35	54	53	45	39	35	25	39	34	33	28	26	20	
	NL	54	7	48	36	29	26	29	26	26	29	31	27	23	28	
	P	:	21	33	41	36	37	34	32	35	33	33	38	28	29	
	UK	39	25	34	24	35	43	38	37	35	38	40	40	36	34	
	EUR^(c)	44	22	39	34	30	27	25	21	27	24	24	23	20	19	
SAVINGS	B	33	65	60	61	54	50	48	50	47	46	50	49	49	51	
	DK	20	78	62	73	72	67	55	56	55	58	53	58	54	55	
	D	18	52	42	35	33	32	34	36	34	33	34	36	34	39	
	GR	:	-19	-42	-43	-39	-41	-44	:	-36	-46	-49	-53	-52	:	
	E	:	53	40	42	47	45	45	40	43	48	45	46	37	38	
	— at present	F	-7	48	43	48	51	54	53	52	56	52	52	54	51	52
	IRL	-13	23	10	9	12	13	8	7	8	6	9	5	9	7	
	I	-19	50	48	45	42	45	44	46	41	47	45	42	45	50	
	NL	22	60	52	56	59	58	53	59	52	49	58	58	58	62	
	P	:	-15	-19	-23	-38	-44	-42	-40	-49	-41	-36	-40	-43	-38	
	UK	2	25	26	15	-1	-1	-4	-5	-5	-5	-1	-7	-7	-2	
	EUR^(c)	1	41	39	36	34	34	33	33	33	33	34	33	32	35	
— over next 12 months	B	-26	14	10	11	4	1	4	4	5	2	4	5	4	3	
	DK	-24	21	10	15	14	16	16	19	15	17	16	18	16	23	
	D	-6	22	13	5	2	1	1	5	1	-1	3	3	5	8	
	GR	:	-32	-49	-53	-52	-48	-45	:	-47	-44	-45	-49	-52	:	
	E	:	-16	-24	-25	-28	-30	-25	-23	-27	-22	-25	-26	-26	-16	
	F	-35	-23	-27	-27	-29	-31	-28	-24	-27	-30	-28	-26	-21	-24	
	IRL	-26	-12	-25	-26	-25	-19	-22	-22	-24	-20	-22	-26	-17	-24	
	I	-32	0	-1	-6	-21	-21	-24	-20	-27	-23	-21	-20	-21	-18	
	NL	-6	35	32	35	36	36	34	35	35	32	34	32	35	39	
	P	:	-19	-23	-25	-33	-30	-33	-35	-35	-38	-26	-36	-31	-39	
	UK	-30	-3	-16	-17	-20	-21	-21	-24	-22	-19	-23	-23	-25	-23	
	EUR^(c)	-18	-4	-7	-10	-15	-15	-15	-13	-15	-15	-14	-14	-13	-11	
FINANCIAL SITUATION OF HOUSEHOLDS	B	4	19	16	18	16	14	17	14	18	16	16	16	13	13	
	DK	3	27	12	20	20	20	19	21	19	21	18	20	19	23	
	D	10	22	18	13	12	12	11	13	11	10	12	13	13	14	
	GR	:	6	5	3	3	5	5	:	2	6	6	3	4	:	
	E	:	15	8	10	7	7	8	8	7	9	8	8	8	9	
	— indicator of net acquisition of financial assets	F	6	7	5	5	5	3	4	4	4	4	3	4	4	3
	IRL	-7	7	3	3	4	7	7	8	6	7	9	7	8	9	
	I	8	20	19	17	10	9	7	9	6	7	8	8	8	11	
	NL	16	27	25	24	23	23	25	25	25	23	27	25	24	26	
	P	:	9	10	10	6	7	5	0	6	2	7	4	0	-4	
	UK	6	16	7	6	6	5	5	4	7	4	4	6	2	4	
	EUR^(c)	9	14	12	11	9	8	8	9	8	8	8	9	8	9	

(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.

INDUSTRIAL INVESTMENT MAY GROW MODERATELY IN 1994, ACCORDING TO SURVEY RESULTS

Industrial managers expect the volume of investment in 1994 to be on about the same level as in 1993, revising it upward from a -3% change in the Autumn 1993 exercise. — The first upward revision of investment since 1990 is partially explained by the evolution of demand indicators, as reflected in the rise of the industrial confidence indicator from -23 in October 1993 to -12 in March 1994 and -10 in April 1994, the months in which the Spring investment survey was held. As is normal for the "ex post" estimate of investment, the 1993 figure was not revised as compared with the Autumn 1993 exercise, remaining at a decrease of 12% in volume (Table 7). Upward revisions in *Italy* and the *United Kingdom* were approximately compensated for by downward adaptations in *Germany*¹ and *France* (Table 9).

The low level of the capacity utilization rate may have prevented the 1994 investment outlook from appearing as bright as the improving confidence among industrial managers may have suggested. — Indeed, capacity utilization in April 1994 was at 78.6%, clearly above its low of 77.2% in July 1993, but still significantly below the 81.2% average of the 1980-1991 period. In such a situation growing demand can often be met by augmenting the use of existing capacity². Thus, the evolution of capacity utilization is only one factor explaining the investment outlook. Other factors which may have influenced investment perspectives, e.g. rising long-term interest rates may have done so in a negative way.

The upward revision of 1994 investment is not general. — The divergence in the country results is one sign of a persistence of some uncertainty (Table 6). Some Member States have revised indeed the change in industrial investment downwards, with *Italy* arriving at -2% in volume and *Spain* at -7% (both instead of 0% in Autumn 1993). These movements are more than compensated by the improving

figures for *Denmark* (+15% instead of +3%), *Germany* (-3% instead of -5%), *France* (+2% instead of -1%), *Portugal* (-3% instead of -18%) and the *United Kingdom* (+9% instead of +1%) (Table 9). Because, in *Germany* and *France*, there is at the same time a downward revision for 1993, the 1994 revisions can be interpreted partly as delays in investment from 1993 to 1994 in these countries.

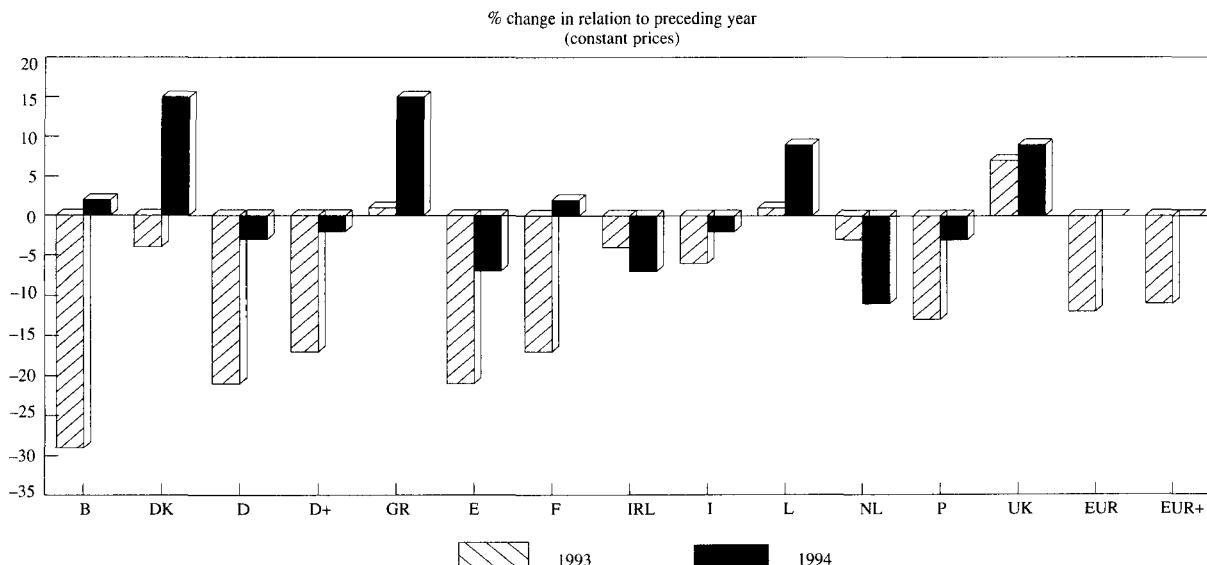
The upward revision of 1994 investment is not apparent in all sectors. — On the one hand, there is a moderate upward revision to figures ranging from +2% to +4% for the value change in the *basic materials, equipment goods* and the *processing industries* (Table 8). On the other hand, evolutions in metallurgical and food industries diverge from this picture. The value change of investment in *food industries* is strongly revised upwards in almost all Member countries, yielding a Community result of +6% instead of -5% as in the Autumn exercise. Because there is at the same time a downward revision for 1993 from +1% to -1%, the 1994 revision is partly due to a delay in investment from 1993 to 1994. While the growing demand of firms may explain the amelioration of the investment outlook in the other sectors, the improvement in the food industries cannot yet be seen as a sign of growing demand from consumers. The value change of investment in the *metallurgical industries* is revised downwards in *Spain, France, Ireland, Italy, Portugal* and the *United Kingdom*, giving way to a +3% for the Community.

The persistence in the improvement of the industry outlook since conducting the Spring investment survey suggests that industry managers might revise 1994 investment upwards again in the Autumn. — Order-book assessments continue to improve, mainly fuelled by export orders and the majority of industry managers expecting production to increase is still growing (Table 2). A brighter investment outlook needs a continued ameliorating general climate. Signs of this should be increases in capacity utilization and an absence of further increases in long-term interest rates.

¹ Excluding the new Länder

² There is still a big majority of industry managers considering capacity to be sufficient with relation to expected production : see Table 3 of the May 1994 issue.

GRAPH 4 : Industrial investment in manufacturing industry



Sources : European Commission business surveys.

TABLE 6 : Industrial investment in manufacturing industry by Member State
% change in relation to preceding year

Year	B ^(d)	DK ^(d)	D	D+*	GR ^{(d)(g)}	E	F	IRL ^(d)	I	L ^{(d)(g)}	NL	P	UK ^(d)	EUR ^(d)	EUR+ ^{(d)*}
1993															
in value terms	-28	-2	-19	-15	+12	-17	-15	-1	-2	+3	-2	-6	+11	-9	-8
in volume terms ^(a)	-29	-4	-21	-17	+1	-21	-17	-4	-6	+1	-3	-13	+7	-12	-11
1994															
in value terms	+5	+17	-1	0	+26	-3	+3	-5	+2	+13	-10	+3	+11	+3	+3
in volume terms ^(a)	+2	+15	-3	-2	+15	-7	+2	-7	-2	+9	-11	-3	+9	0	0

* Including the five new German Länder.

TABLE 7 : Industrial investment in the EC manufacturing industry**

Date of survey :	A. % change in value in relation to preceding year								B. % change in volume in relation to preceding year (a)					
	Years to which data relate								Years to which data relate					
	1988	1989	1990	1991	1992	1993	1994	1988	1989	1990	1991	1992	1993	1994
October/November 1988	11	14						7	10					
March/April 1989	12	15						8	10					
October/November 1989		14	15						9	10				
March/April 1990		12	15						8	11				
October/November 1990			9	7						4	3			
March/April 1991			11	3						6	-2			
October/November 1991				0	3						-4	-1		
March/April 1992				0	1						-4	-3		
October/November 1992					-2	-2						-5	-6	
March/April 1993					-3	-6						-5	-9	
October/November 1993						-10	0						-12	-3
March/April 1994						-9	3						-12	0

TABLE 8 : Industrial investment survey by branch

Results of March/April 1994 investment survey, % change in value, over the preceding year

	Basic materials industries ^(b)		Metallurgical industries		Equipment goods industries		Processing industries ^(c)		Extractive		Food industries		Total, all industry	
	1993	1994	1993	1994	1993	1994	1993	1994	1993	1994	1993	1994	1993	1994
B	-22	+11	-38	+4	-44	+12	-17	-4	:	:	-9	-16	-28	+5
DK	+14	+10	-50	+43	-10	+23	-9	+33	:	:	+2	+4	-2	+17
D**	-16	+1	-21	-10	-21	-1	-19	-7	-10	+9	-20	+5	-19	-1
GR	-11	+71	-26	-7	-20	+3	+5	+24	:	:	+5	-4	+12	+26
E	-7	-19	-37	+9	-5	-1	-37	+9	-22	-49	+1	+11	-17	-3
F	-14	+1	-11	+1	-20	+7	-10	-5	-22	-5	-9	+5	-15	+3
IRL	+9	+7	+5	-95	-24	+23	+29	+7	:	:	-15	-9	-1	-5
I	+12	+4	-26	-22	-4	0	-3	4	-29	+3	+8	+19	-2	2
L	-36	-6	+75	+12	-35	+79	+22	+37	:	:	-33	+20	+3	+13
NL	-18	+5	:	:	-24(f)	-4(f)	-1	-11	70	-44	-2	+10	-2	-10
P	-11	-19	-56	+269	+52	+33	-27	-9	-13	-22	-14	-8	-6	+3
UK	+12	+1	+3	+3	+7	+15	+7	+19	:	:	+26	+6	+11	+11
EUR^{(e)**}	-5	+2	-21	+3	-13	+4	-10	+2	:	:	-1	+6	-9	+3

TABLE 9 : Industrial investment survey — all branches

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

Year to which data relate :	1990		1991		1992		1993		1994							
	Oct/Nov. 1990	March/April 1991	Oct/Nov. 1990	March/April 1991	Oct/Nov. 1991	March/April 1992	Oct/Nov. 1992	March/April 1993	Oct/Nov. 1993	March/April 1994						
B^(d)	+12	+12	0	+4	-5	-3	+2	+1	0	-7	-19	-21	-30	-29	+4	+2
DK^(d)	+4	+9	+3	+11	+12	+6	-3	+14	+7	-9	-6	+4	0	-4	+3	+15
D**	+8	+7	+7	+5	+4	+3	-2	-4	-7	-10	-9	-17	-17	-21	-5	-3
GR^{(d)(g)}	-5	-5	+7	+3	-21	-20	+14	+11	+15	+18	+8	+7	+1	+1	+15	+15
E	+2	+14	+1	-3	-5	+2	-2	0	-9	-10	-5	-17	-20	-21	0	-7
F	+9	+12	0	-6	-8	-7	-6	-7	-10	-9	-5	-12	-14	-17	-1	+2
IRL^(d)	+3	+4	+14	+3	+4	-2	+35	+8	+10	+5	-6	+18	-7	-4	-6	-7
I	-2	+6	+3	-2	0	+1	-4	-6	-8	-2	-5	-10	-13	-6	0	-2
L^{(d)(g)}	+25	+41	+16	+11	-8	+11	-13	+21	+3	-12	+6	+23	+7	+1	+10	+9
NL	+3	+7	+1	-1	-3	-6	+6	+4	-7	0	+5	+1	-5	-3	-17	-11
P	-5	-2	+7	-12	-20	-14	-7	-11	-20	-19	-7	-17	-24	-13	-18	-3
UK^(d)	0	-1	-5	-15	-15	-15	+3	0	-2	+2	-7	+7	+4	+7	+1	+9
EUR^{(d)**}	+4	+6	+3	-2	-4	-4	-1	-3	-5	-5	-6	-9	-12	-12	-3	0

** Excluding the five new German Länder.

(a) The changes in volume are calculated by dividing the changes in value, based on the surveys, by the corresponding deflators for gross capital formation. For 1993 and 1994 forecast deflator is used.

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

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

(d) Excluding the extractive industries.

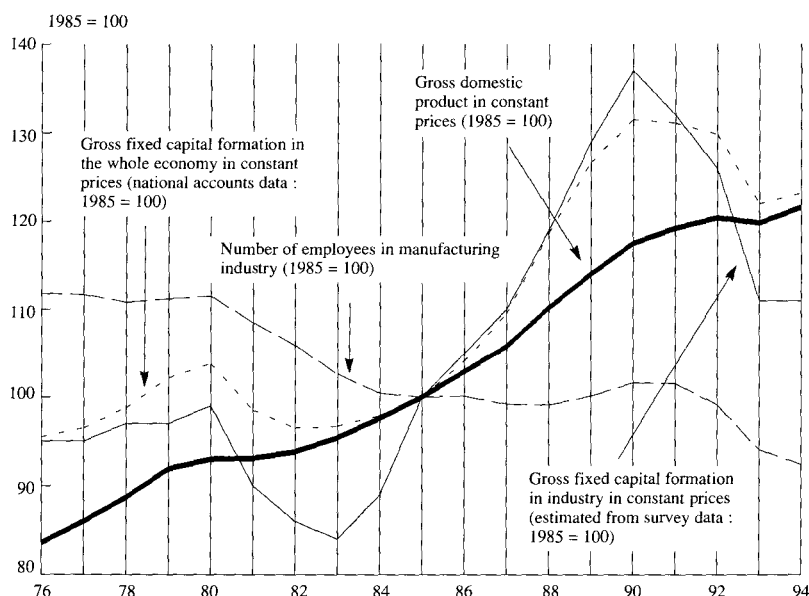
(e) Weighted total of the above (not given when data are substantially incomplete).

(f) Including the metallurgical industries.

(g) Including energy and water.

Source : European Commission business surveys.

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



1993 and 1994 : Estimations by the services of the Commission.

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

BUSINESS AND CONSUMER SURVEY RESULTS IN CENTRAL AND EASTERN EUROPE

The Commission services participated, within the framework of the PHARE-programme, in the project of assisting Central and Eastern European countries in setting up business and consumer surveys, according to the Harmonized Programme of the European Commission. The data below result from this project. The business and consumer survey

results are a unique source of information on the recent economic evolutions in Central and Eastern Europe. Note that most series are originally not quarterly, but are averages of monthly data. In this way the series are smoothed without applying seasonal adjustment procedures.

TABLE 10 : Business and consumer survey results in Central and Eastern Europe

		1992		1993		1992				1993				1994	
				I	II	III	IV	I	II	III	IV	I	II		
INDUSTRY SURVEY															
INDUSTRIAL	BULGARIA	-15	-27	-19	-14	-16	-11	-20	-32	-29	-25	-20	-18		
CONFIDENCE	CZECH REP.	-14	-24	:	:	-20	-8	-18	-33	-21	:	:	:		
INDICATOR	HUNGARY	-19	-5	-22	-25	-14	-12	-3	-11	-6	0	:	:		
	LITHUANIA	:	-23	:	:	:	:	:	-26	-29	-14	-27	-37		
	POLAND	-12	-4	-22	-20	-4	0	3	-14	-1	:	:	:		
	ROMANIA	-11	-1	4	-1	-30	-19	-1	15	-9	-7	-14	:		
	SLOVAK REP.	:	0	:	:	:	:	:	:	-3	4	15	:		
CAPACITY	BULGARIA	58	56	58	60	57	56	60	56	55	54	57	59		
UTILIZATION	CZECH REP.	76	73	74	78	75	75	75	72	73	:	:	:		
(IN %)	HUNGARY	68	71	66	66	70	68	69	69	71	73	:	:		
	LITHUANIA	:	52	:	:	:	:	54	53	49	51	49	49		
	POLAND	61	62	60	59	61	63	62	62	62	:	:	:		
	SLOVAK REP.	:	74	:	:	:	:	:	:	74	75	75	:		
CONSTRUCTION SURVEY															
CONFIDENCE	BULGARIA	:	-52	:	:	:	:	-55	-51	-49	-53	-50	-51		
INDICATOR	ROMANIA	:	:	:	:	:	:	:	:	:	-36	-15	:		
	SLOVAK REP.	:	:	:	:	:	:	:	:	-71	-72	-57	:		
RETAIL TRADE SURVEY															
PRESENT	BULGARIA	:	:	:	:	:	:	:	:	16	22	16	16		
BUSINESS	ROMANIA	:	:	:	:	:	:	:	:	:	:	53	:		
SITUATION	SLOVAK REP.	:	:	:	:	:	:	:	:	:	-22	-14	:		
CONSUMER SURVEY															
CONFIDENCE INDICATOR	HUNGARY	:	-63	:	:	:	:	-65	-57	-66	-64	-49	:		

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

Institutes carrying out the surveys

Country	Survey : Manufacturing industry	Construction	Investment	Retail trade	Consumer
Belgium	BNB Banque Nationale de Belgique	BNB	BNB	BNB	DIMARSO Gallup Belgium
Denmark	DS Danmarks Statistik	DS	DS	GfK/Observa A/S	DS
Federal Republic of Germany	IFO Institut für Wirtschaftsforschung	IFO	IFO	IFO	GfK Marktforschung
Greece	FEIR Foundation of Economic and Industrial Research	FEIR	FEIR	FEIR	NSSG National Statistical Service of Greece
Spain	MIE Ministerio de Industria y Energica	MIE	MIE	INTERGALLUP SA	INTERGALLUP SA
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
Italy	ISCO Istituto per lo Studio della Congiuntura	ISCO	ISCO	ISCO	ISCO
Luxembourg	STATEC Service Central de la Statistique et des Etudes Economiques	STATEC	STATEC	—	—
Netherlands	CBS Centraal Bureau voor de Statistiek	EIB Economisch Instituut voor de Bouwnijverheid	CBS	NIPO Nederlands Instituut voor de Publieke Opinie en het Marktonderzoek	CBS
Portugal	INE Instituto Nacional de Estatistica	AECOPS Associação de Empresas de Construção e Obras Públicas do Sul	INE	INE	NORMA
United Kingdom	CBI Confederation of British Industry	CFR Construction Forecasting and Research LTD	CBI	CBI	GALLUP Gallup Institute

Questions of European Community business and consumer surveys*

Manufacturing industry

Monthly :

- production trend observed in recent months : up, unchanged, down ?
- assessment of order-book levels : above normal, normal, below normal ?
- assessment of export order-book levels : above normal, normal, below normal ?
- assessment of stocks of finished goods : above normal, normal, below normal ?
- production expectations for the months ahead : up, unchanged, down ?
- selling-price expectations for 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 ?
- assessment of current production capacity : more than sufficient, sufficient, not sufficient ?
- duration of production assured by current order-book levels : in months ?
- new orders in recent months : up, unchanged, down ?
- export expectations for the months ahead : up, unchanged, down ?
- current level of capacity utilization : in percentage ?
- assessment of 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 :

- current production compared with the preceding months : up, unchanged, down ?
- limits to production : none, insufficient 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 for the months ahead : up, unchanged, down ?
- price expectations for the months ahead : up, unchanged, down ?

Quarterly (January, April, July and October) :

- duration of assured production : in months ?

Retail trade sector

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 with 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 :

- How does the financial situation of your household now compare with what it was 12 months ago ? got a lot better, got a little better, stayed the same, got a little worse, got a lot worse, don't know.

- How do you think the financial position of your household will change over the next 12 months ? get a lot better, get a little better, stay the same, get a little worse, get a lot worse, don't know.

- How do you think the general economic situation in this country has changed over the last 12 months ? got a lot better, got a little better, stay the same, got a little worse, got a lot worse, don't know.

- How do you think the general economic situation in this country will develop over the next 12 months ? get a lot better, get a little better, stay the same, get a little worse, get a lot worse, don't know.

- Compared with what it was 12 months ago, do you think the cost of living is now : very much higher, quit a bit higher, a little higher, about the same, lower, don't know ?

- By comparison with what is happening now, do you think that in the next 12 months : there will be a more rapid increase in prices, prices will increase at the same rate, prices will increase at a slower rate, prices will stay about the same, prices will fall slightly, don't know ?

- How do you think the level of unemployment in the country will change over the next 12 months ? Will it increase sharply, increase slightly, remain the same, fall slightly, fall sharply, don't know ?

- Do you think that there is an advantage for people to make major purchases (furniture, washing machines, TV set, etc.) at the present time ? Yes, now is the right time; it is neither the right time nor the wrong time; no, it is the wrong time, the purchase should be postponed; don't know.

- Over the next 12 months, how do you think the amount of money you will spend on major purchases will compare with what you spent over the last 12 months ? Will it be : much more, a little more, about the same, a little less, much less, don't know.

- In view of the general economic situation, do you think this is : a very good time to save, quite a good time to save, rather an unfavourable time to save, a very unfavourable time to save, don't know.

- Over the next 12 months, how likely are you to be able to save any money ? Very likely, fairly likely, fairly unlikely, very unlikely, don't know.

- Which of these statements best describes the present financial situation of your household ? We are running into debt, we are having to draw on our savings, we are just managing to make ends meet on our income, we are saving a little, we are saving a lot, 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.

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.

(* See Supplement B : Special edition -- July 1991.

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