

DG ECFIN - Directorate A - Policy strategy and co-ordination

	LTA ⁽¹⁾	2008	2009	09Q4	10Q1	10Q2	10Q3	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	
1. Output														
Economic Sentiment	indicator	100.7	93.5	80.8	91.9	96.6	99.4	102.2	101.1	102.3	103.3	103.8	105.3	--
Industrial confidence	balance	-7.0	-9.3	-28.4	-18.5	-12.2	-6.4	-2.9	-4.0	-2.9	-1.7	0.0	0.9	--
Services confidence	balance	14.5	2.0	-15.6	-4.3	0.4	4.3	7.1	6.5	7.1	7.8	8.1	10.2	--
Industrial production	% ch. on prev. period				1.3	2.3	2.3	0.9	0.1	1.1	-0.7	--	--	--
(excluding construction)	% ch. on prev. year	0.6	-1.8	-14.9	-7.4	4.7	9.0	6.9	7.2	8.4	5.5	--	--	--
Gross domestic product	% ch. on prev. period				0.2	0.4	1.0	0.4						
	% ch. on prev. year	1.7	0.4	-4.1	-2.0	0.8	2.0	1.9						
Labour productivity	% ch. on prev. period				0.4	0.3	1.0	--						
	% ch. on prev. year	0.7	-0.3	-2.2	0.0	2.0	2.6	--						
2. Private consumption														
Consumer confidence	balance	-11.9	-18.1	-24.7	-17.0	-16.8	-16.7	-12.1	-14.0	-11.4	-11.0	-10.9	-9.4	--
Retail confidence	balance	-6.7	-6.9	-15.5	-12.1	-6.6	-4.3	-2.8	-4.2	-3.3	-0.9	-1.1	-1.5	--
Private consumption	% ch. on prev. period				0.3	0.3	0.2	0.3						
	% ch. on prev. year	1.6	0.4	-1.1	-0.4	0.4	0.6	1.0						
Retail sales	% ch. on prev. period				0.1	0.6	0.1	0.5	0.2	0.0	-0.1	--	--	--
	% ch. on prev. year	1.1	-0.7	-2.3	-1.0	0.5	0.6	1.5	1.4	1.5	1.5	--	--	--
3. Investment														
Capacity utilisation	level (%)	81.3	83.0	71.4	71.0	72.3	75.5	77.2	77.2	--	--	77.6	--	--
Production expectations (manuf.)	balance	5.4	-1.7	-14.9	1.2	7.1	9.4	10.4	9.4	10.0	11.7	14.0	15.3	--
Gross fixed capital formation	% ch. on prev. period				-1.2	-0.3	1.7	0.0						
	% ch. on prev. year	1.6	-0.7	-11.3	-9.6	-4.9	-0.9	0.3						
- equipment investment	% ch. on prev. period				0.0	1.4	3.1	--						
	% ch. on prev. year		1.2	-17.5	-14.1	-1.3	5.0	--						
- construction investment	% ch. on prev. period				-1.9	-1.6	1.2	--						
	% ch. on prev. year	0.8	-2.3	-7.9	-6.9	-7.0	-4.1	--						
Change in stocks	contrib. to GDP (pp.)	0.0	-0.2	-1.0	0.0	0.8	0.5	0.0						
4. Labour market														
Employment expectations (manuf.)	balance	-12.8	-8.6	-31.2	-24.0	-18.3	-10.6	-5.1	-5.8	-6.4	-3.2	-0.1	1.2	--
Employment expectations (services)	balance	7.5	4.4	-12.5	-6.9	-4.0	0.5	2.1	1.4	0.3	4.7	6.1	6.7	--
Employment	% ch. on prev. period				-0.2	0.0	0.0	--						
	% ch. on prev. year	1.0	0.8	-1.9	-2.0	-1.2	-0.7	--						
Employment (000)	abs. ch. on prev. period		1 132	-2 754	-277	27	-10	--						
Compensation of employees per head (nominal)	% ch. on prev. period				0.3	0.3	0.7	--						
	% ch. on prev. year	2.1	3.2	1.6	1.4	1.5	2.0	--						
Unemployment rate	% of lab. force		7.6	9.5	9.9	9.9	10.0	10.0	10.0	10.0	10.0	10.1	--	--
Unemployment (000)	abs. ch. on prev. period		195	3 001	278	76	146	34	21	-2	42	80	--	--
5. International transactions														
World trade	% ch. on prev. period				6.0	5.2	3.2	0.9	-1.1	1.4	-0.6	--	--	--
	% ch. on prev. year	5.6	2.2	-12.8	0.3	16.6	20.1	16.2	16.0	18.9	13.8	--	--	--
Export order books	balance	-19.1	-14.9	-58.0	-51.2	-41.3	-28.7	-18.4	-21.4	-18.0	-15.8	-13.1	-10.6	--
Trade balance (merchandise)	billion EUR		-51.2	22.1	6.9	3.9	-4.1	0.6	-0.1	-1.7	2.4	--	--	--
Exports of goods and services	% ch. on prev. period				2.0	2.6	4.3	1.9						
	% ch. on prev. year	5.0	1.0	-13.2	-5.2	5.8	11.8	11.3						
Imports of goods and services	% ch. on prev. period				1.3	4.3	4.2	1.7						
	% ch. on prev. year	4.9	0.7	-11.9	-7.1	4.9	12.3	11.9						
Current account balance	billion EUR		-134.0	-51.4	-9.8	-1.9	-9.8	-24.8	-4.8	-6.9	-13.1	--	--	--
Direct investment	billion EUR		-240.3	-74.5	11.6	-40.3	-37.6	-21.2	-0.6	-11.1	-9.6	--	--	--
Portfolio investment	billion EUR		303.8	264.8	30.7	16.6	101.7	11.1	-17.0	11.5	16.5	--	--	--
6. Prices														
Consumer inflation expectations	balance	21.6	23.0	-6.7	-10.2	0.7	10.2	10.8	11.2	10.9	10.3	9.6	10.7	--
Headline inflation (HICP)	% ch. on prev. year		3.3	0.3	0.4	1.1	1.5	1.7	1.7	1.6	1.8	1.9	1.9	--
Core HICP	% ch. on prev. year		2.4	1.3	1.0	0.9	0.8	1.0	1.0	1.0	1.0	1.1	--	--
Domestic producer prices	% ch. on prev. year		6.1	-5.1	-4.7	-0.1	3.0	4.0	4.0	3.6	4.3	4.4	--	--
Import prices	% ch. on prev. year		8.0	-8.8	-7.1	4.6	11.5	--	13.8	11.2	--	--	--	--
Oil (Brent) in USD	level		98.6	62.5	75.3	77.2	79.7	76.8	75.2	77.2	77.9	83.5	86.0	86.6
	% ch. on prev. year		36.1	-36.7	28.8	69.5	34.2	11.5	14.6	6.0	13.8	14.0	11.1	15.1
Oil (Brent) in EUR	level		66.2	44.5	51.0	55.9	62.6	59.4	58.7	59.9	59.5	60.1	63.1	65.9
	% ch. on prev. year		25.7	-32.8	14.9	60.0	44.2	23.3	26.1	17.2	26.6	21.6	21.6	27.6
Non-energy commodity prices (EUR)	% ch. on prev. period				5.1	10.3	19.2	6.7	2.1	3.1	1.9	-3.5	3.9	--
	% ch. on prev. year		4.2	-17.3	5.3	27.4	43.6	47.4	47.8	43.8	50.8	43.5	45.9	--
7. Monetary and financial indicators														
Nominal interest rates (3 month)	level		4.64	1.22	0.72	0.66	0.69	0.87	0.85	0.90	0.88	1.00	1.04	1.03
Nominal interest rates (10 year)	level		4.01	3.27	3.25	3.20	2.84	2.45	2.65	2.37	2.34	2.37	2.56	2.80
ECB repo rate	level		3.90	1.28	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Stock market (Eurostoxx)	% ch. on prev. period				8.0	-0.8	-4.0	-0.7	1.1	1.6	2.0	1.9	-0.3	-3.1
	% ch. on prev. year		-23.1	-24.0	14.8	31.8	14.9	2.1	8.4	0.4	-2.2	-1.7	-1.2	-6.4
Money demand (M3)	% ch. on prev. year		9.5	3.0	-0.1	-0.2	0.0	0.8	0.2	1.2	1.1	1.0	--	--
Loans to households	% ch. on prev. year		1.7	1.3	1.3	2.2	2.8	2.8	2.8	2.9	2.8	2.9	--	--
Loans to non-financial corporations	% ch. on prev. year		9.5	-2.2	-2.2	-2.4	-1.7	-0.6	-1.6	-1.2	-0.6	-0.6	--	--
Bilateral exchange rate EUR/USD	level		1.47	1.39	1.48	1.38	1.27	1.29	1.28	1.29	1.31	1.39	1.37	1.31
	% ch. on prev. year		7.3	-5.2	12.1	6.1	-6.8	-9.7	-9.4	-9.6	-10.3	-6.2	-8.4	-10.1
Nominal effective exchange rate	% ch. on prev. period				1.5	-4.4	-5.1	-0.8	1.8	-0.4	0.4	3.5	-1.2	-2.1
	% ch. on prev. year		4.0	1.1	6.4	-1.1	-7.1	-8.7	-8.2	-8.6	-9.3	-7.2	-8.1	-9.3

(1) LTA=Long-Term Average

(2) Data available until date of update



1. Output

According to the Eurostat's first estimate released on 2 December, **GDP growth** slowed down to 0.4% quarter-on-quarter (q-o-q) in 10Q3, confirming the mid-November flash estimate and in line with the Commission's autumn forecast (released on 29 November). Domestic demand (excluding inventories) increased by 0.2% q-o-q, while exports and imports expanded by a broadly similar pace, thus the contribution of net exports to GDP growth was muted. As for the largest economies, GDP increased by 0.7% (q-o-q) in Germany, 0.4% in France, 0.2% in Italy, but was flat in Spain and slightly negative in the Netherlands (-0.1%). In Greece, GDP remained negative (-1.1%).

According to the **Commission's autumn economic forecast**, the economic recovery currently underway in the euro area is set to continue. GDP is projected to grow by 1.7% in 2010 (a sizeable upward revision from the 0.9% spring forecast), to ease to 1.5% in 2011, before picking up to 1.8% in 2012. However, the recovery is expected to remain uneven across Member States.

In November, **sentiment in industry** improved by 1 point, mainly driven by buoyant German data. All components of the index rose, with production expectations contributing most. Industrial confidence has improved markedly since the March 2009 record low. Its level in November was above the long-term average for the 8th consecutive month. *Note that since May 2010 business surveys data are classified in accordance with an updated version of the Nomenclature of Economic Activities (NACE rev. 2) causing a potential break in the series at this date.*

In September, **industrial production** contracted by 0.9% month-on-month (m-o-m). On a less volatile quarterly basis, however, industrial production in 10Q3 was up by almost 1%.

In September 2010, the euro-area **industrial new orders index** fell by 3.8%, following an increase of 5.1% in August.

2. Private consumption

Private consumption rose by 0.3% q-o-q in the 10Q3. Despite softening GDP growth, household spending strengthened marginally compared to the 0.2% growth recorded in 10Q2. On a year-on-year basis, private consumption increased by 1.0%. Details are not yet available for individual countries.

After 2 months of broadly unchanged sentiment, the **consumer confidence** indicator improved in November by 1.5 points. Increased optimism about the general economic situation and a significant

easing of unemployment fears in Germany contributed to the overall improvement.

Retail sales decreased for the second consecutive month (by 0.2% m-o-m) in September. However, they were up by 0.5% (q-o-q) in 10Q3, compared to the almost flat (0.1%) growth of 10Q2. **Retail confidence** in November remained broadly unchanged (down by 0.4 point), but well above its long-term average (of -7).

3. Investment

Having risen by 1.7% q-o-q in 10Q2, **gross fixed capital formation** was flat in 10Q3. On an annual basis however, it turned positive (increasing by 0.3%).

Having reached a historic low in 09Q3 (69.6%), the rate of **capacity utilisation** in manufacturing has since improved, to stand at 77.6% in 10Q4. However, this is still below its long-term average (just over 81%).

4. Labour market

After holding steady for 6 months at 10.0%, the **unemployment rate** increased slightly to 10.1% in October. However, this aggregate number conceals sharp differences across Member States, with the unemployment rate ranging from 4.4% in the Netherlands to 20.7% in Spain. Such cross-country divergences in labour-market performance follow from, inter alia, the sectoral composition of output, capacity utilisation and firm profitability at the outset of the crisis, the characteristics of labour-market institutions and the policy response.

For the second consecutive quarter, **employment** in 10Q2 was stable (at 0% q-o-q). Compared to a year earlier, employment was down by 0.6%. In November, managers' **employment expectations** improved in both the industry and services sectors. After a pick-up in unemployment fears in October (following 7 months of improvement), consumers' fears fell in November, driven mainly by the significant easing in Germany. The level of **labour shortages** has been gradually increasing from the historical lows of the second half of 2009; in 10Q4, 3.2% of firms reported that unfilled job openings were constraining production (2.4% in 10Q3 and 1.8% in 10Q2).

5. International transactions

In November, the assessment of **export order books** improved further (by 2.5 points), exceeding its long-term average for 4th month in a row. In September, the seasonally-adjusted **euro-area trade balance** with the rest of the world showed a surplus of 2.4 bn. euro. In 2010Q3, **export and import growth (goods and services)** slowed to 1.9% and 1.7% q-o-q respectively (from 4.3% and 4.2% in 2010Q2), in line with the expected softening of global growth.



In September 2010, the euro-area **current account** recorded a deficit of 13.1 billion euro. This reflected deficits in current transfers and income, which were only partly offset by surpluses in goods and services. The **financial account** recorded net inflows of 7 billion euro, as net inflows in portfolio investment were only partly offset by outflows in direct investment.

6. Prices

The flash estimate for the **HICP inflation rate** in November was 1.9%, unchanged from October. **Core inflation** in October was at 1.1%, slightly up from a rate of 1.0% in the preceding 4 months. **The Commission's autumn forecast** projects an inflation rate of 1.5% for 2010, and about 1¾% for both 2011 and 2012.

Industrial producer prices rose by 0.4% month-on-month (m-o-m) in October 2010, after rising by 0.3% in September.

Oil prices fluctuated widely in May 2010 (between 69 and 88 USD/bl.). Since then, prices have moved more moderately, although they almost reached a yearly high in the first days of November, on the back of expectations of USD weakening as a result of the announcement of further quantitative easing in the US. In the last days of November, oil prices increased again amid signs of accelerating economic activity in China. On 1 December, the price of Brent crude oil was 86.6 USD per barrel.

7. Monetary and financial indicators

After a short period of rising tensions, the **interbank money market** conditions in Europe, seem to be stabilising. The 3-month Euribor has declined slightly to 1.03% (1 December) from 1.05% in mid-November, though remaining still above the ECB's Repo rate of 1%. Moreover, the euro-area LIBOR-OIS spread has remained stable in the last week, after having widened several weeks in a row. The US money market continues to be flat, with 3-month Libor at around 0.3% since the beginning of September (0.53% in July).

The recent reappearance of stress in the European **sovereign-bond markets** contributed to the elevated volatility in the financial markets. This intensification of market stress, however, has not contributed to the decline of the German benchmark yield. Rather the opposite, the German and the US 10-year bond yields have both increased in the last weeks; to 2.79% and 2.98% respectively on 1 December (compared to 2.5-2.6% at the beginning of the month). As to euro-area individual countries, the increase in European

sovereign spreads was broad-based but affected in particular Ireland, Greece and Spain.

The annual rate of change of **M3** decreased slightly to 1.0% in October 2010, from 1.1% growth in September. **Loan growth to the private sector** improved further in October with 1.4% y-o-y growth, from 1.2% growth in September. The annual rate of change of **loans to non-financial corporations** stood at -0.6 in October, unchanged from a month ago. The annual growth rate of **loans to households** increased to 2.9% from 2.8% in September, thanks to improvements in both house purchases and consumer credits.

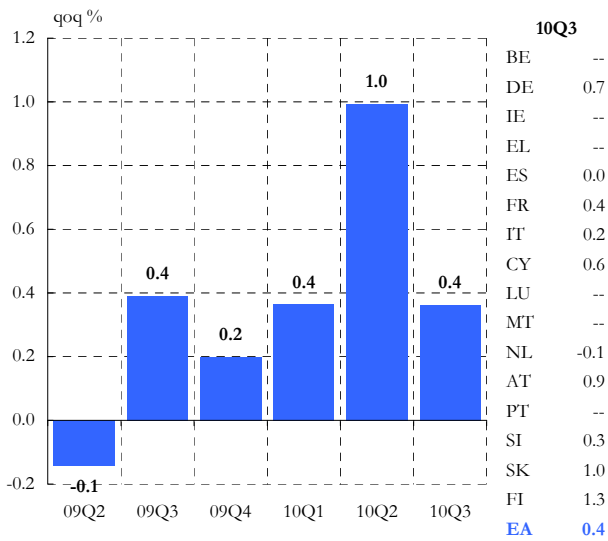
As to **foreign exchange markets**, although subject to fluctuations, the euro has been recovering from its June's 4-year low of 1.194 USD/EUR in the latest months. More recently, helped by the Federal Reserve's decision on "quantitative easing" in early November it has reached 1.42 USD/EUR. However, thereafter, it was falling during the whole month of November and even shortly sliding below the 1.3 USD/EUR level, the lowest level since the beginning of September. The concerns about sovereign-bond markets contributed to the recent fall, despite improved macro-economic data in Europe. On 1 December 2010, USD/EUR rate stood at 1.31 and JPY/EUR rate stood at 110.6.

In the recent weeks, the **stock market indices** were characterised by elevated tensions, especially in Europe. Despite positive macro-economic data, the stock indices have fallen in Europe, primarily in the banking sector. On the other hand, Dow Jones (DJ) was advancing, trading currently higher than in the beginning of the year. It has also reached its 2-year high in the first days of November helped by FED's announcement for the 2nd round of quantitative easing.

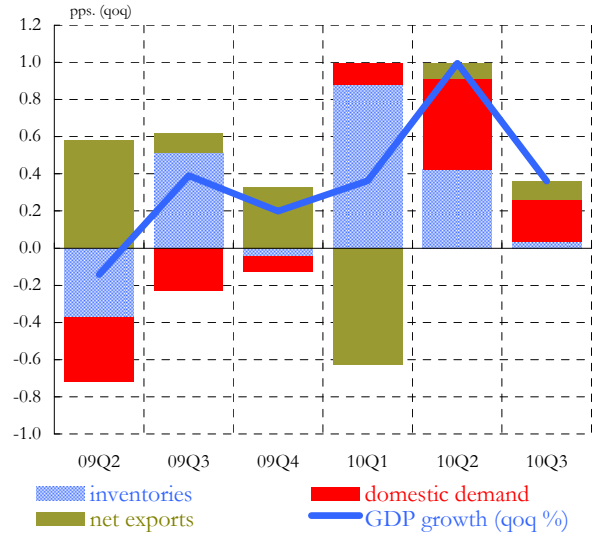


1. OUTPUT

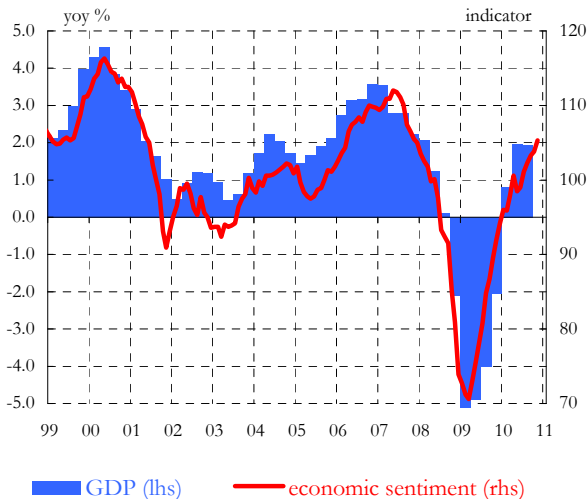
GDP



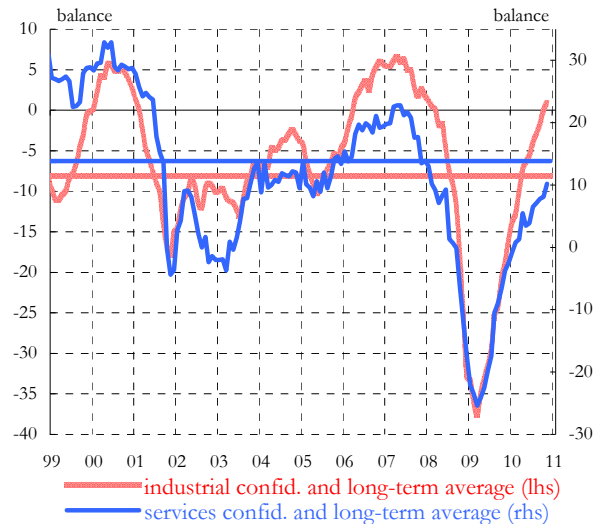
Contributions to GDP growth



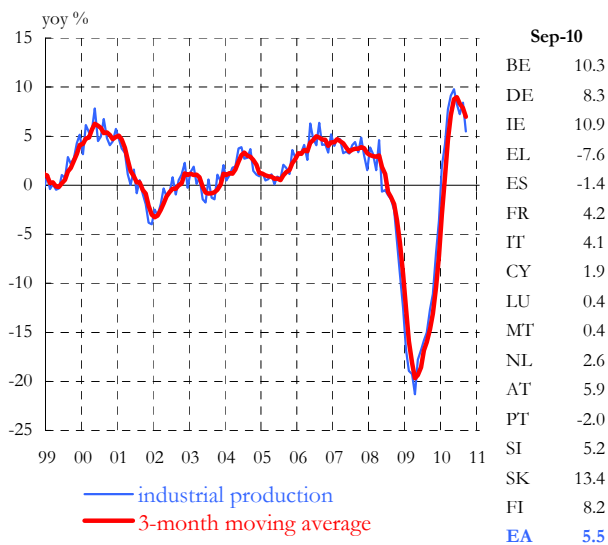
GDP and Economic Sentiment Indicator



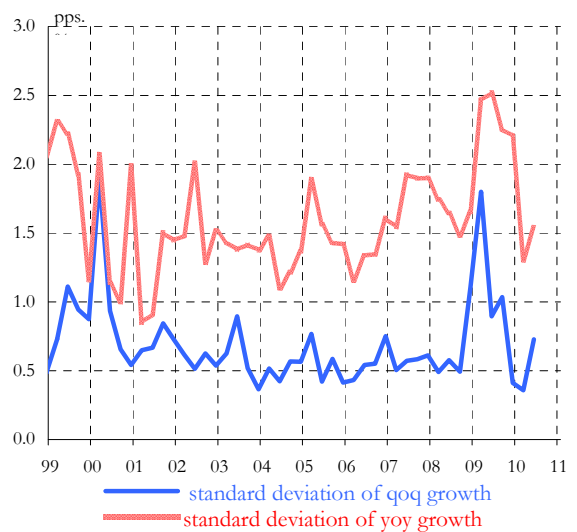
Industrial and services confidence



Industrial production



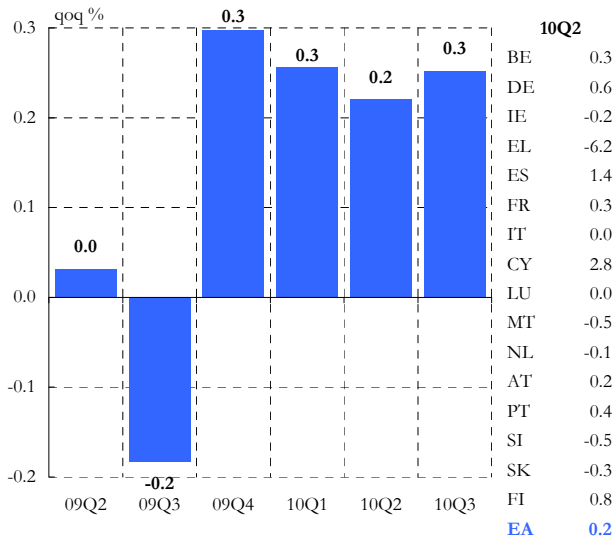
GDP growth divergence, euro area



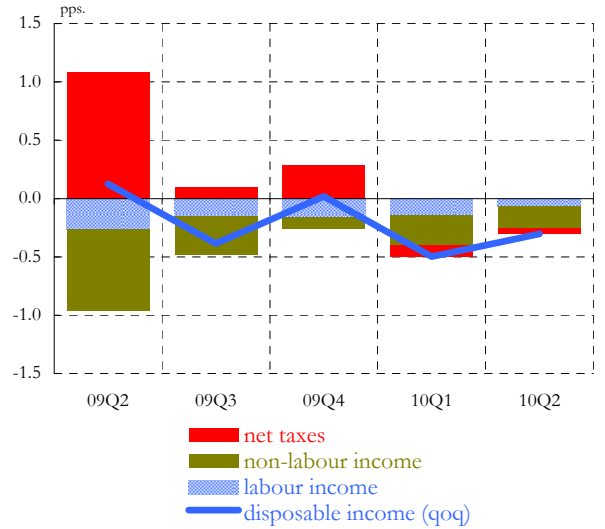


2. PRIVATE CONSUMPTION

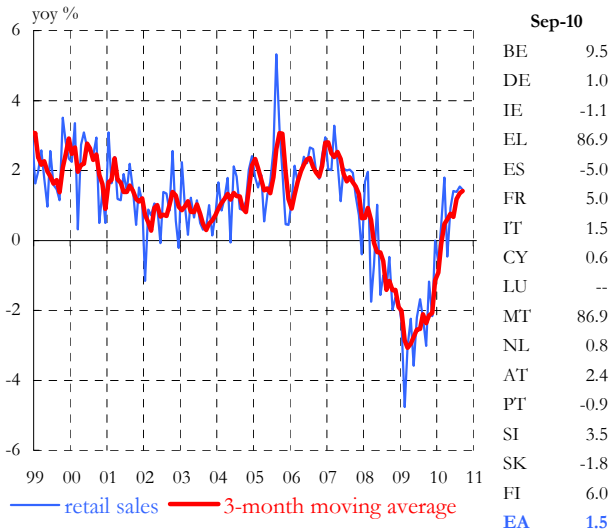
Private consumption



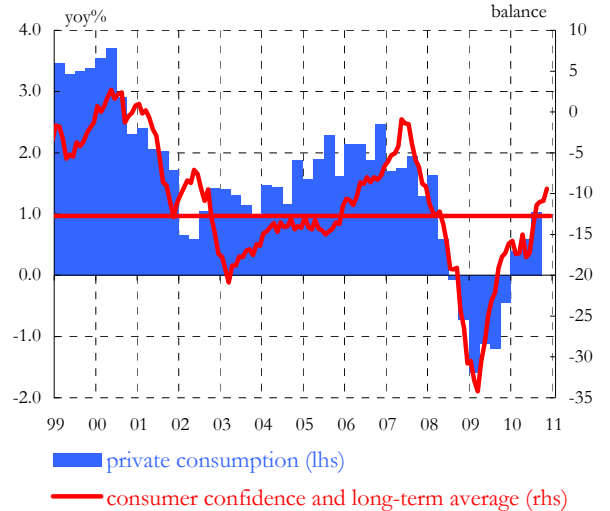
Gross disposable income and its components



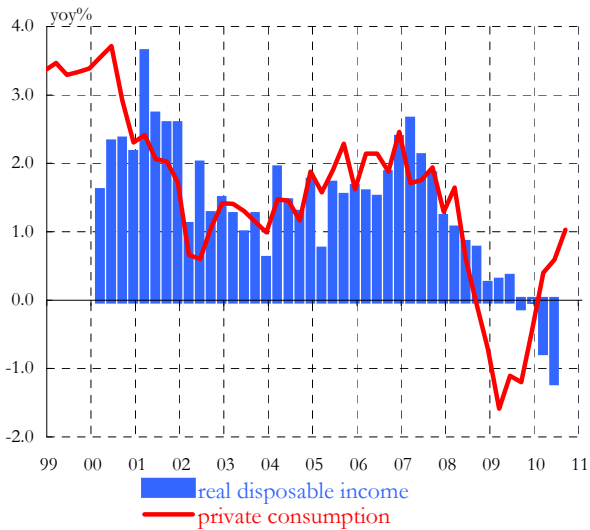
Retail sales



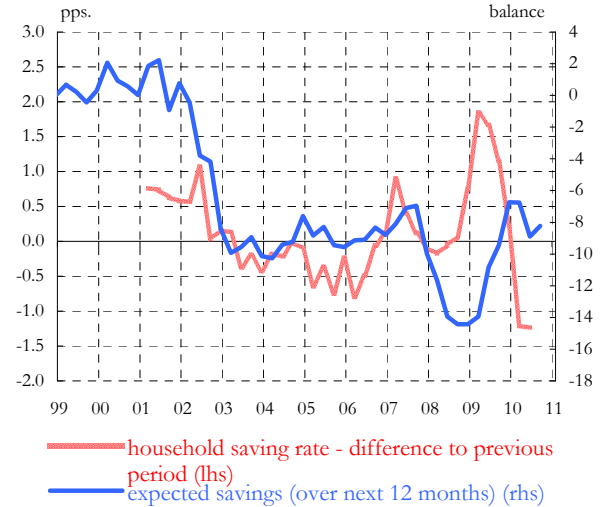
Consumer confidence and private consumption



Households: real disposable income and consumption



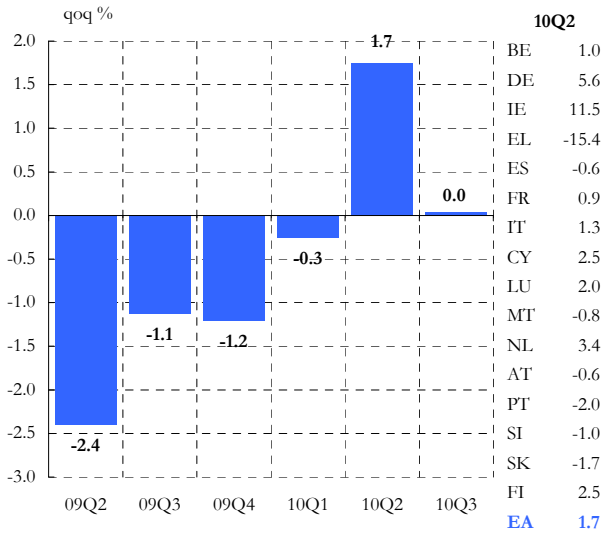
Households: actual saving rate and expected savings



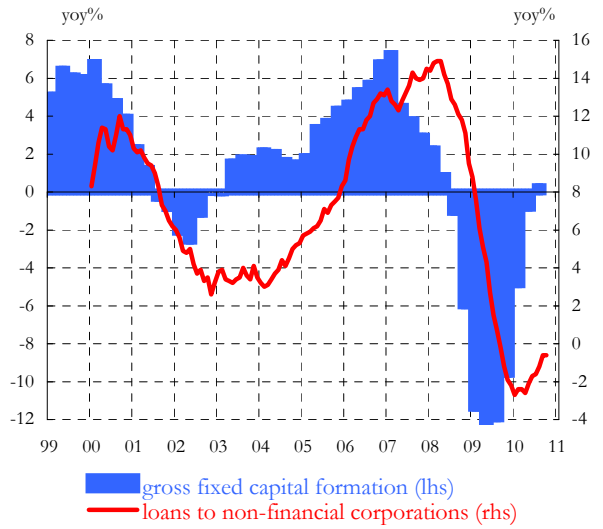


3. INVESTMENT

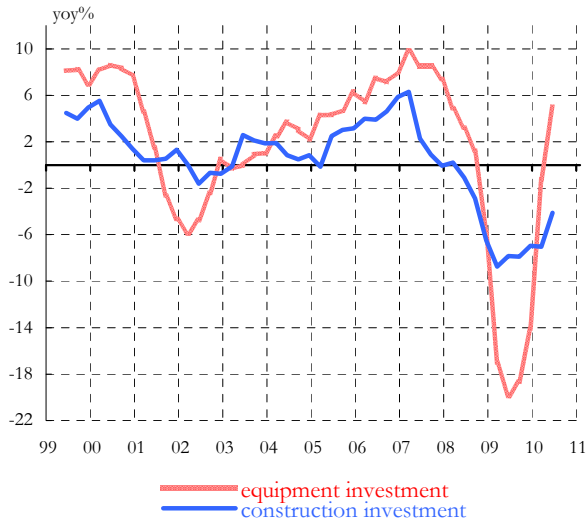
Gross fixed capital formation



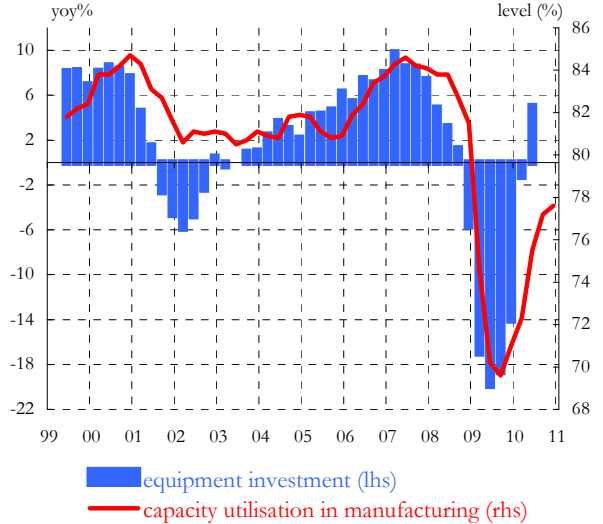
Gross fixed capital formation and corporate loans



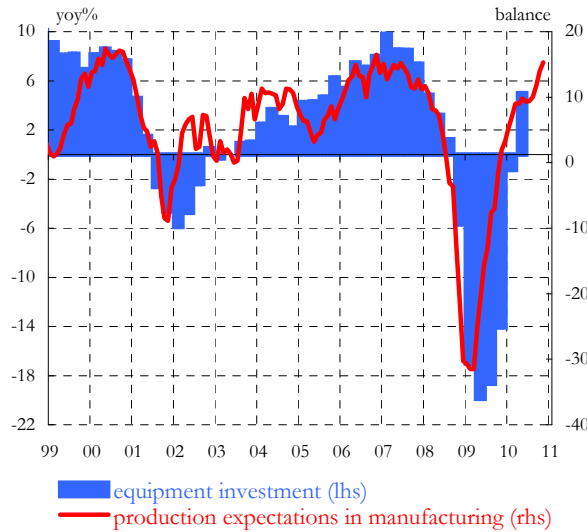
Equipment and construction investment



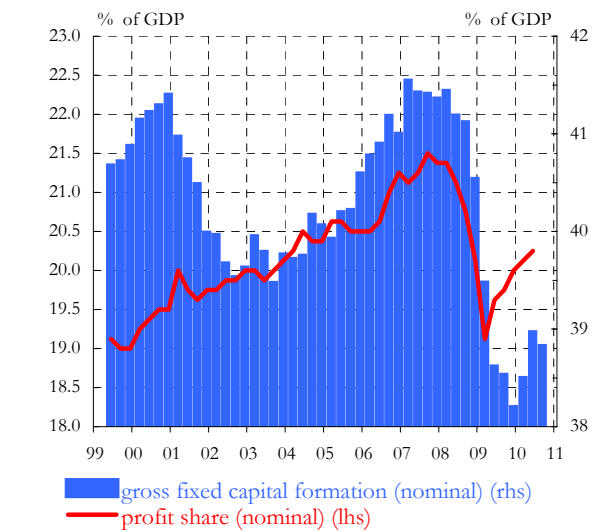
Equipment investment and capacity utilisation



Equipment investment and production expectations



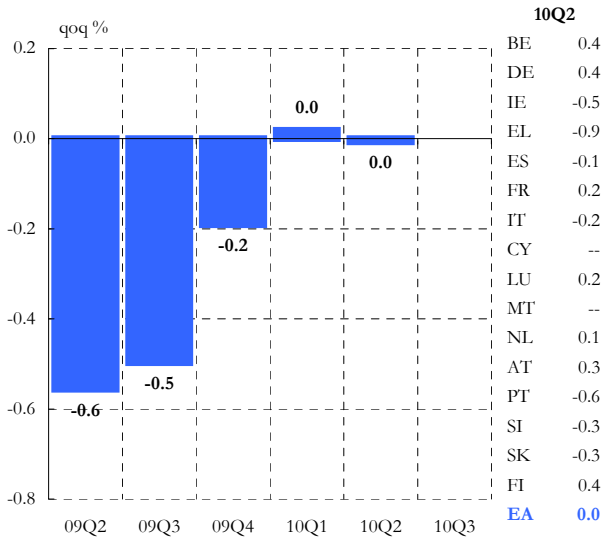
Gross fixed capital formation and profit share



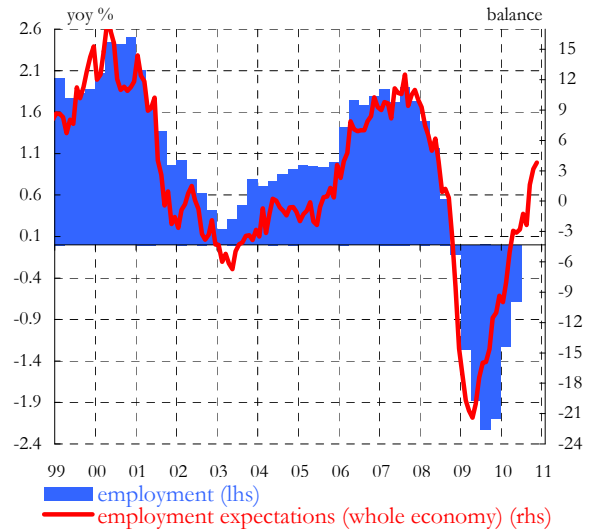


4. LABOUR MARKET

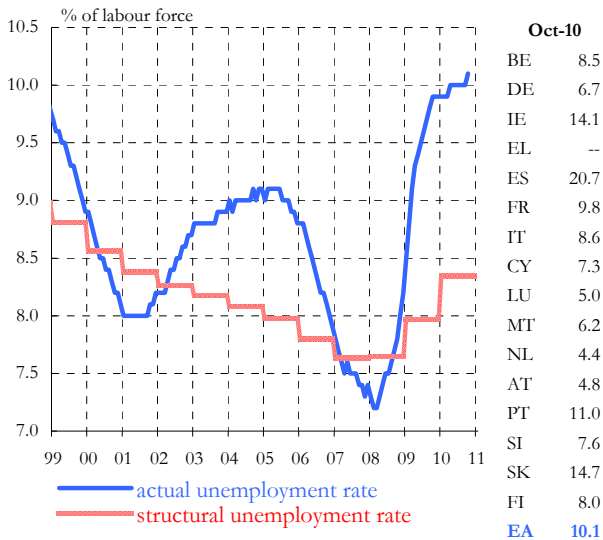
Employment



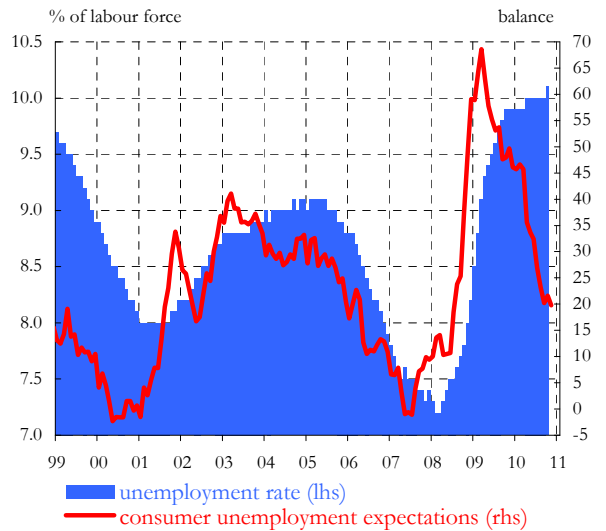
Employment and employment expectations



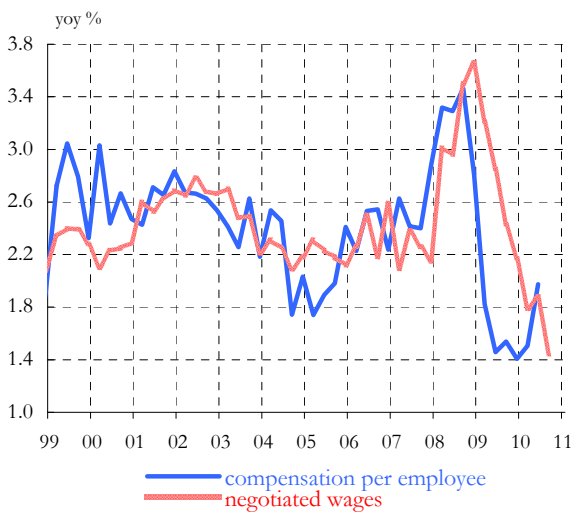
Actual and structural unemployment rate



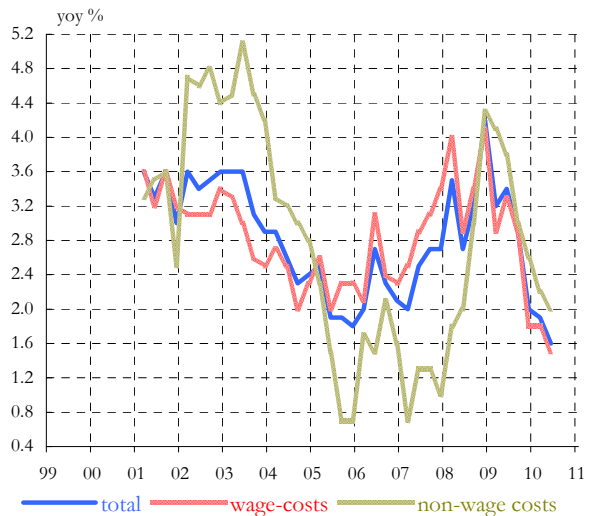
Unemployment rate and unemployment expectations



Compensation per head and negotiated wages (nominal)



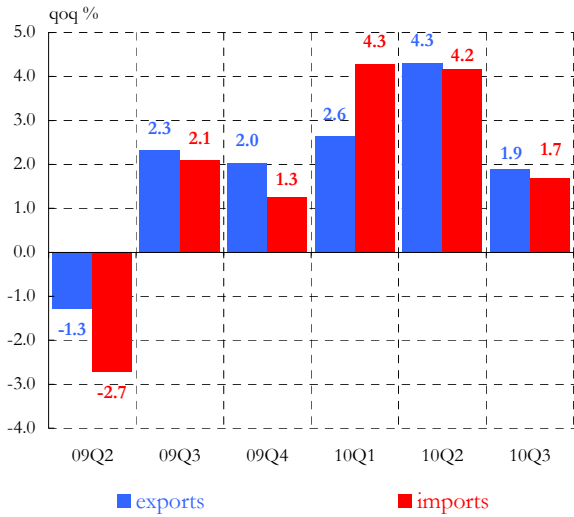
Labour costs in the private business sector (nominal)



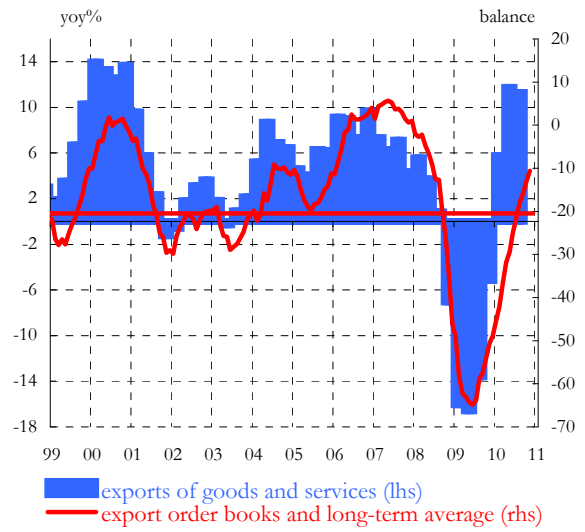


5. INTERNATIONAL TRANSACTIONS

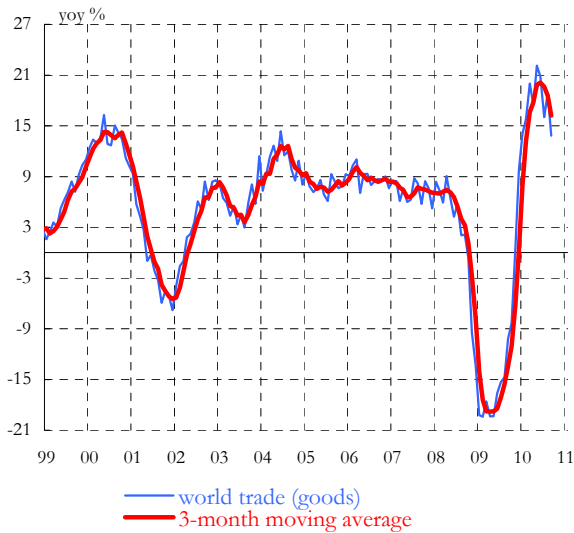
Exports and imports of goods and services



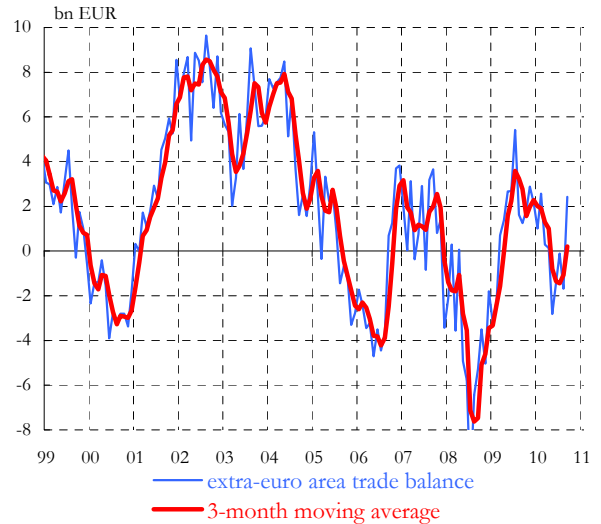
Exports and export order books



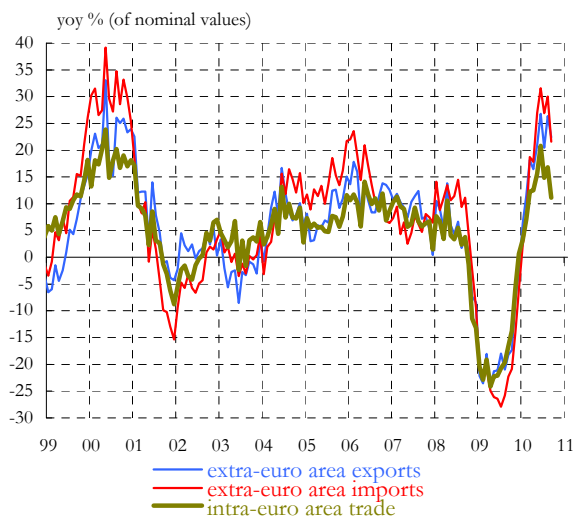
World trade



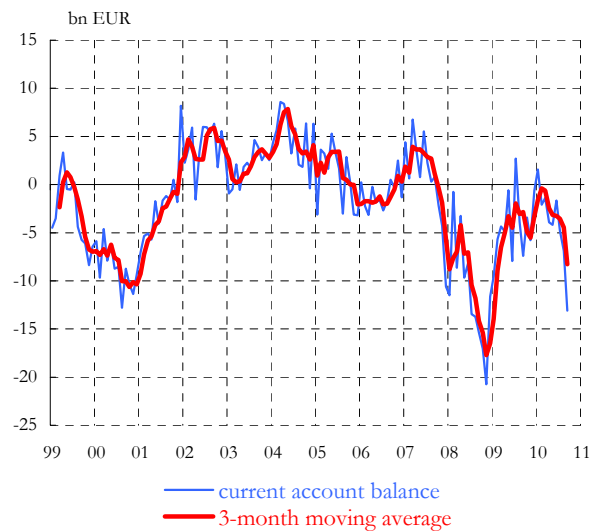
Extra euro-area trade balance



Extra- and intra-euro area trade



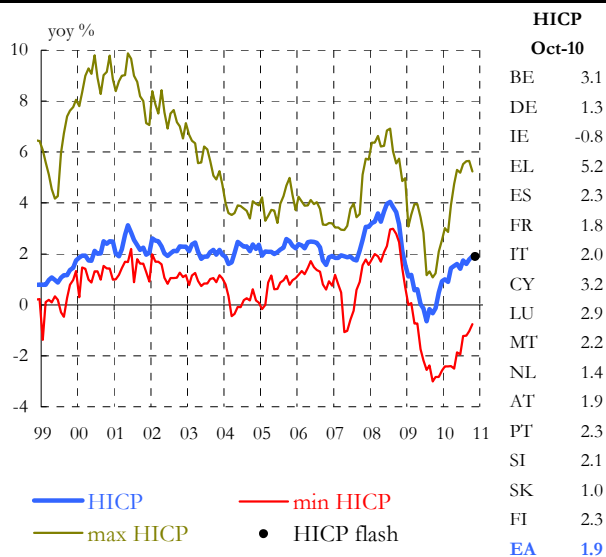
Current account balance



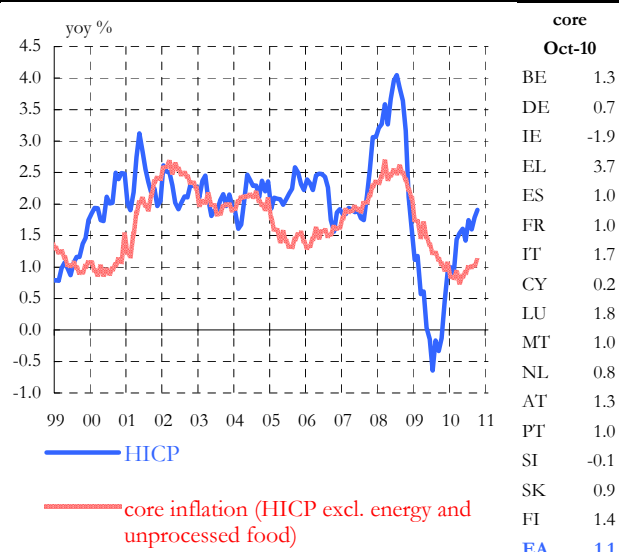


6. PRICES

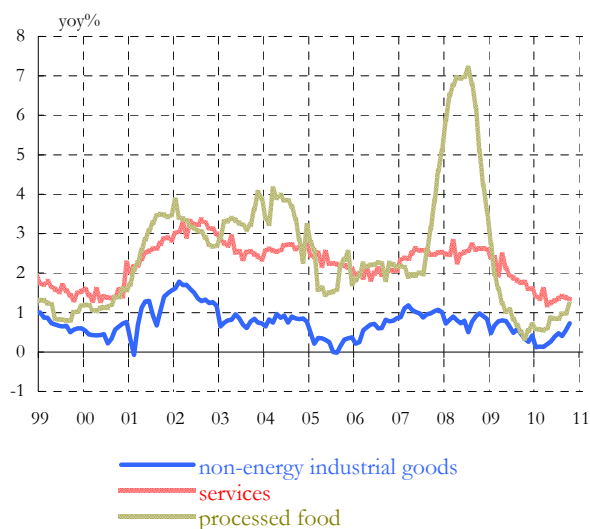
Harmonised index of consumer prices (HICP)



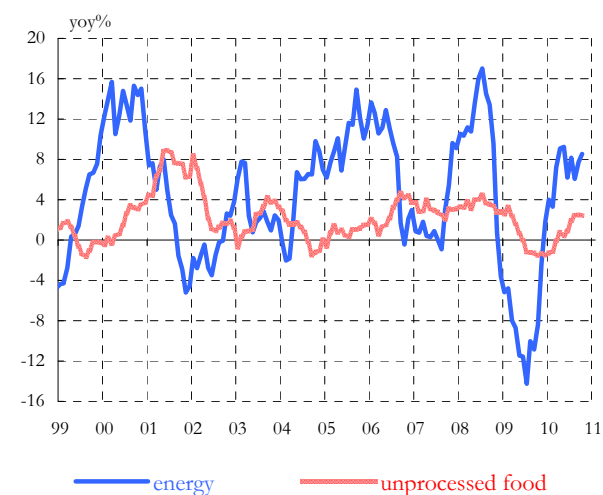
HICP and core inflation



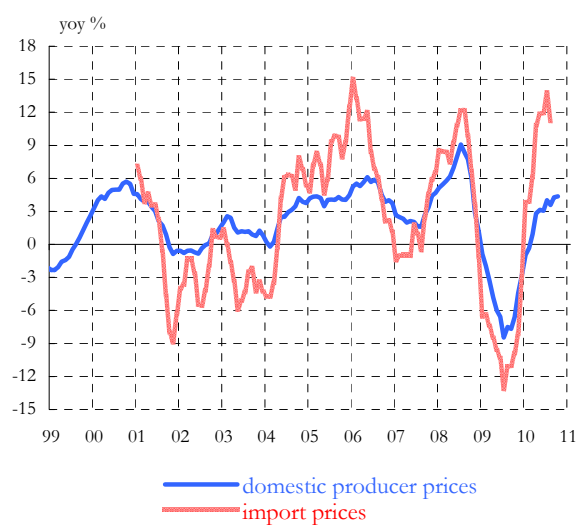
Breakdown of core inflation



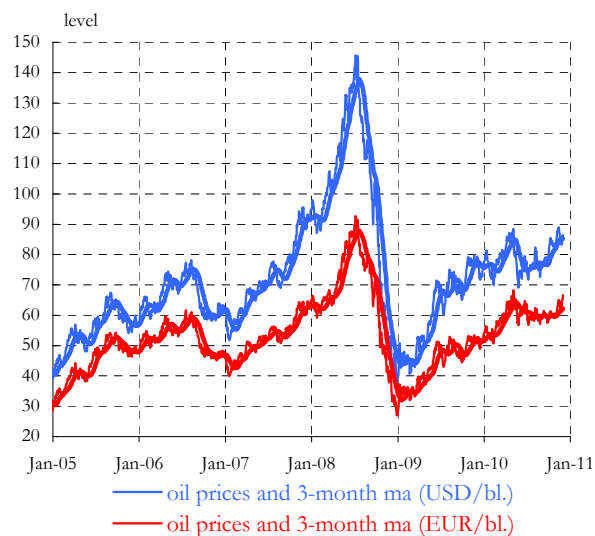
Energy and unprocessed food



Domestic producer prices and import prices



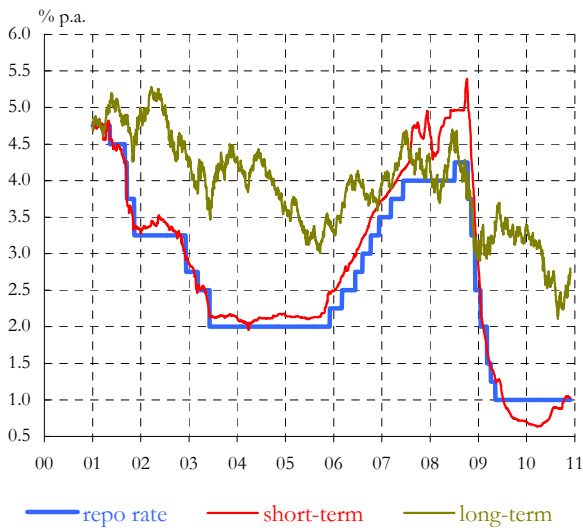
Oil prices



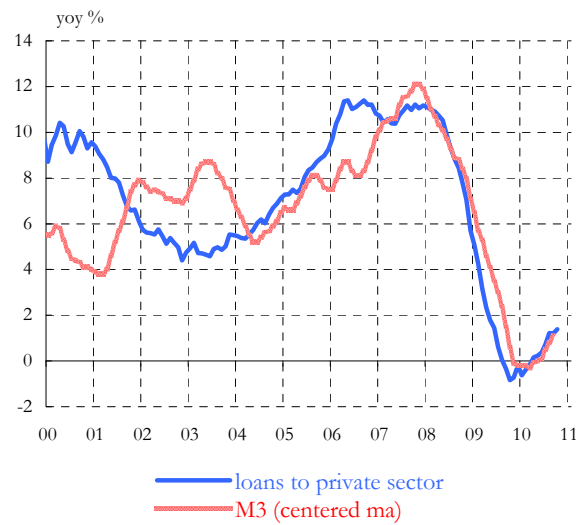


7. MONETARY AND FINANCIAL INDICATORS

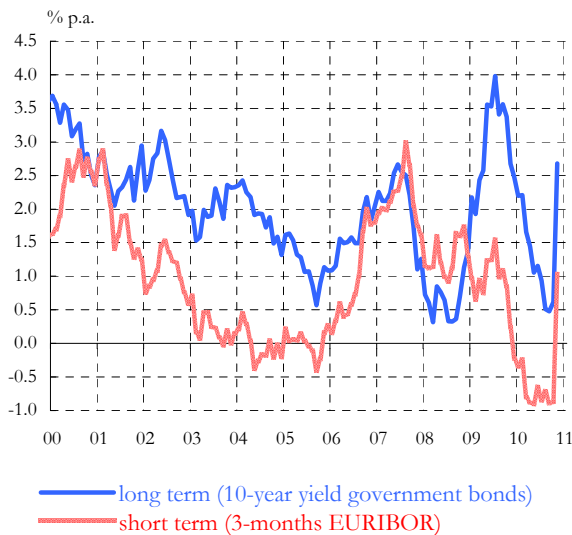
Nominal interest rates



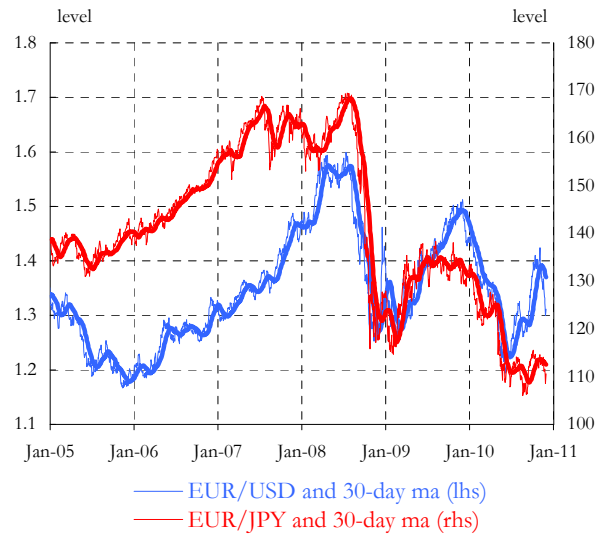
Loans to private sector and money supply



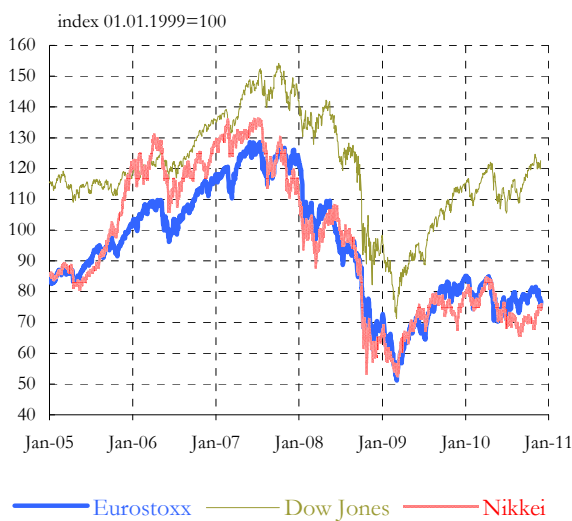
Real interest rates



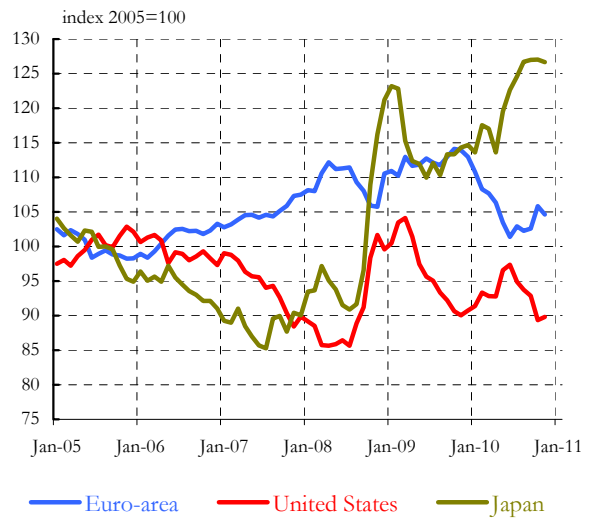
Euro vis-à-vis US dollar and JP yen



Stock market indices



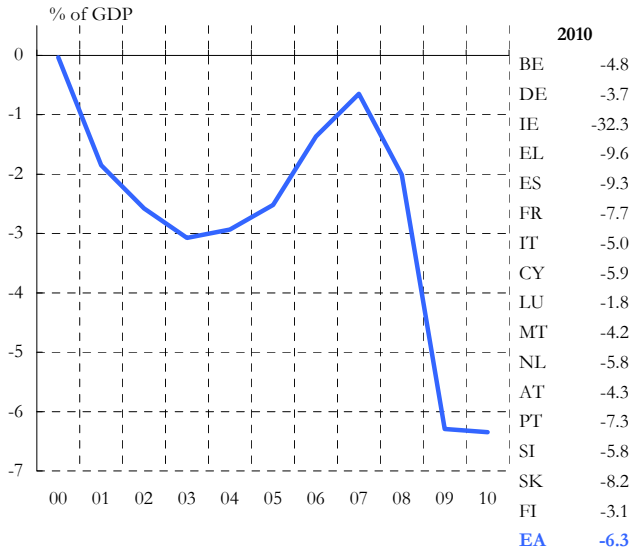
Nominal effective exchange rates



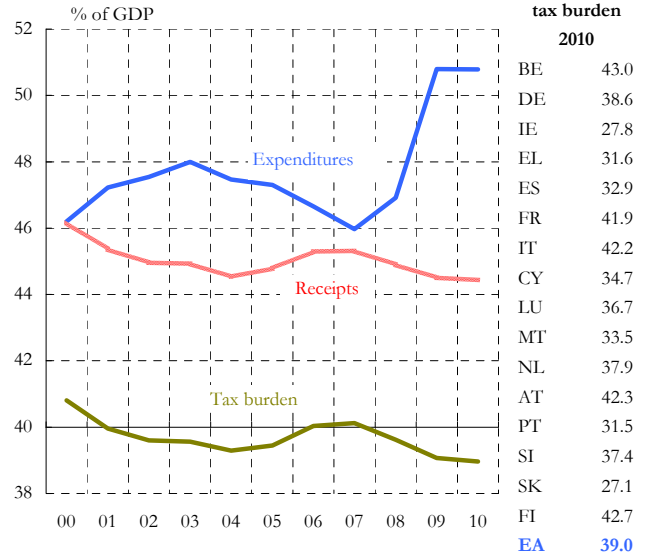


8. PUBLIC FINANCES*

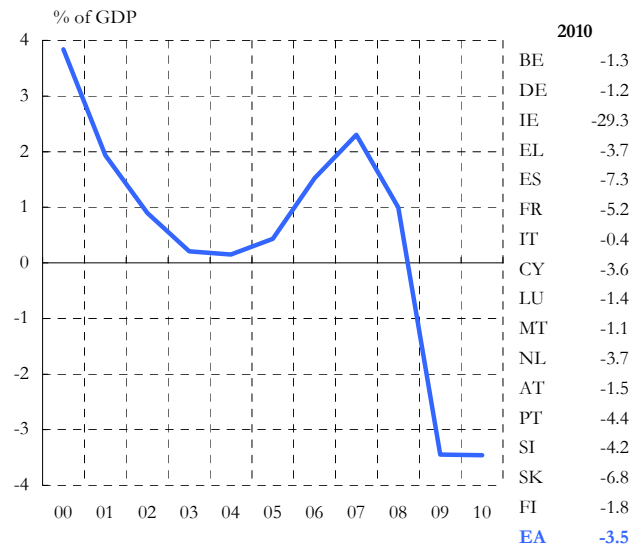
Government general balance



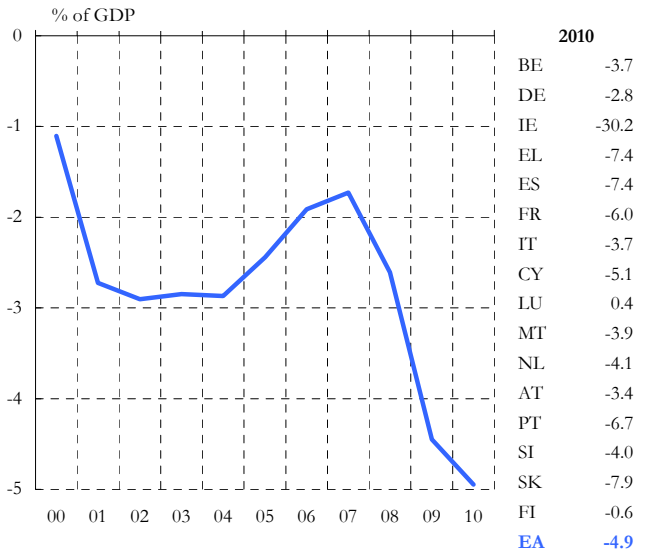
General government expenditures and receipts



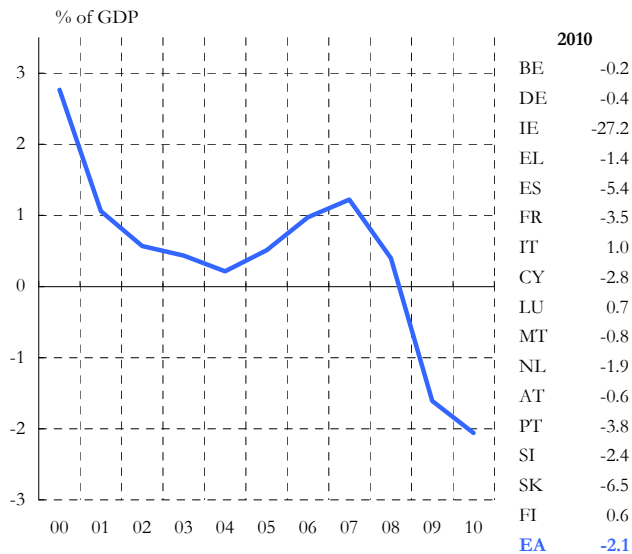
Primary balance



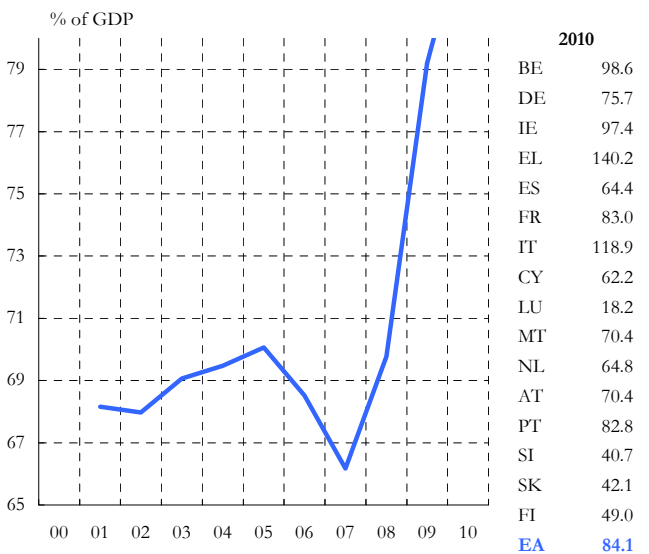
Cyclically adjusted balance



Cyclically adjusted primary balance



General government debt



* Figures are from the Commission's autumn 2010 forecast

KEY INDICATORS FOR THE EURO AREA



Euro-area	Indicators as from 2009 refer to Belgium (BE), Germany (DE), Ireland (IE), Greece (GR), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Luxembourg (LU), Malta (MT), the Netherlands (NL), Austria (AT), Portugal (PT), Slovenia (SI), Slovakia (SK), Finland (FI).	
Indicator	Note	Source
1. Output		
Economic Sentiment Indicator	The economic sentiment indicator is the weighted average (of the industrial confidence indicator (40%), the services confidence indicator (30%), the consumer confidence indicator (20%), the construction confidence indicator (5%) and the retail trade confidence indicator (5%)). Data are seasonally adjusted.	DG ECFIN
Industrial confidence indicator	The industrial confidence indicator is the arithmetic average of the balances (%) referring to the questions on production expectations, order books and stocks (the latter with inverted sign) from the survey of manufacturing industry. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Services confidence indicator	The services confidence indicator is the arithmetic average of the balances (%) referring to the questions on business situation and recent and expected evolution of demand from the survey of services. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Industrial production	Monthly Production Index (2005=100), NACE Rev.2 B-C-D, Total industry (excluding construction). Mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
Gross domestic product	Gross domestic product at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Labour productivity defined as the difference between GDP growth and employment growth.	Eurostat
GDP divergence	Standard deviation of GDP growth of the following countries: BE, DE, ES, FR, IT, CY, LU, NL, AT, PT, SI, FI.	Eurostat
2. Private consumption		
Consumer confidence indicator	The consumer confidence indicator is the arithmetic average of the balances (%) referring to the questions on the financial situation of households, general economic situation, unemployment expectations (with inverted sign) and savings; all over next 12 months. The long-term average refers to the period as from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Retail confidence indicator	The retail confidence indicator is the arithmetic average of the balances (%) referring to the questions on the present and the future business situation and the volume of stocks (with inverted sign). The long-term average refers to the period from publishing of the indicator up to now. Data are seasonally adjusted.	DG ECFIN
Private consumption	Household & NPISH final consumption expenditure at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Retail sales	Retail trade (NACE Rev.2 G47) excluding motor vehicles, motorcycles; Deflated turnover, mom % ch. and qoq% ch. are seasonally adjusted, yoy% ch. are working-day adjusted.	Eurostat
3. Investment		
Capacity utilization	In percent of full capacity in the manufacturing sector. Data are seasonally adjusted (collected in January, April, July and October).	DG ECFIN
Production expectations	Production expectations in manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Gross fixed capital formation	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Equipment investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2000), EUR, metal products, machinery and transport equipment. Data are seasonally and working-day adjusted.	Eurostat
Construction investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year 2000), EUR, construction work and housing. Data are seasonally and working-day adjusted.	Eurostat
Change in stocks	Changes in inventories and acquisitions less disposals of valuables (at prices of previous year).	Eurostat
Profit share	Ratio of nominal gross operating surplus and gross mixed income to nominal GDP	Eurostat

KEY INDICATORS FOR THE EURO AREA



4. Labour market		
Employment expectations (manufacturing)	Managers' employment expectations over the next three months in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Employment expectations (services)	Managers' employment expectations over the next three months in the services sector. Data are seasonally adjusted.	DG ECFIN
Employment expectations (whole economy)	Weighted average of managers' employment expectations over the next three months in the manufacturing (19%), services (65%), construction (6%) and retail sectors (10%). Weights in brackets according to value-added share on GDP of the respective sector. Data are seasonally adjusted.	DG ECFIN
Employment	Total domestic employment (number of persons). Data are seasonally and working-day adjusted.	Eurostat
Compensation of employees per head	Nominal compensation of employees divided by the number of employees. Data are seasonally and working-day adjusted.	DG ECFIN
Unemployment expectations	Consumers' unemployment expectations over the next twelve months. Data are seasonally adjusted.	DG ECFIN
Unemployment rate	Harmonized unemployment rate (in percent of labour force), ILO definition. Data are seasonally adjusted.	Eurostat
Structural unemployment rate	Non-accelerating inflation rate of unemployment. Data are seasonally adjusted.	OECD
Total labour costs	Nominal wage- and non-wage costs less subsidies in the private business sector. Data are seasonally and working-day adjusted.	Eurostat
Wage costs	Nominal wage and salary costs include direct remunerations, bonuses, and allowances, payments to employees saving schemes, payments for days not worked and remunerations in kind. Data are seasonally and working-day adjusted.	Eurostat
Non-wage costs	Nominal non-wage costs include the employers' social contributions plus employment taxes less subsidies. Data are seasonally and working-day adjusted.	Eurostat
Labour productivity	Ratio between GDP and employment. Data are seasonally and working-day adjusted.	DG ECFIN
5. International transactions		
World trade	Volume, 1998=100, seasonally adjusted	CPB
Export order books	Managers' export order expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Extra-euro area exports	Nominal extra-euro area exports of goods, fob. Data are seasonally adjusted.	Eurostat
Extra-euro area imports	Nominal extra-euro area imports of goods, cif. Data are seasonally adjusted.	Eurostat
Extra-euro area trade balance	Difference between extra-euro area exports and extra-euro area imports. Data are seasonally adjusted.	Eurostat
Intra-euro area trade	Nominal intra-euro area trade in goods, fob. Data are seasonally adjusted.	Eurostat
Current account balance	Transactions in goods and services plus income and current transfers between residents and non-residents of the euro area. Data are seasonally and working-day adjusted.	ECB
Exports of goods and services	Exports of goods and services at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Imports of goods and services	Imports of goods and services at constant market prices (chain-linked volumes, reference year 2000), EUR. Data are seasonally and working-day adjusted.	Eurostat
Direct investment	Nominal transactions/positions in assets abroad by euro-area residents less nominal transactions/positions in euro-area assets by non-residents. To be regarded as a direct investment, ownership in an enterprise must be equivalent to more than 10% of the ordinary shares or voting power.	ECB
Portfolio investment	Nominal transactions/positions in securities (including equities) abroad by euro-area residents less nominal transactions/positions in euro-area securities (including equities) by non-residents. To be regarded as a portfolio investment, ownership in an enterprise must be equivalent to less than 10% of the ordinary shares or voting power.	ECB

KEY INDICATORS FOR THE EURO AREA



6. Prices		
HICP	Harmonized index of consumer prices (index 2005=100)	Eurostat
Core HICP	HICP excluding energy and unprocessed food (index 2005=100)	Eurostat
Producer prices	Domestic producer price index, total industry excluding construction (index 2005=100)	Eurostat
Selling price expectation	Managers' selling-price expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Import prices	Unit value index of imports, Current Prices (index 2000=100)	Eurostat
Oil prices	Price of north sea Brent in USD/barrel and EUR/barrel	ICE
Non-energy commodity prices	Market price for non-fuel commodities in EUR terms (index 2000c=100)	HWWI
7. Monetary and financial indicators		
Nominal interest rate (3-month)	3-month EURIBOR interbank rate (360 day)	ECB/Ec owin
Nominal interest rate (10-year)	10-year interest rate on government bonds for euro area (based upon the 10-year German government bond)	ECB/Ec owin
ECB repo rate	Minimum bid rate of main refinancing operations, end of period.	ECB/Ec owin
Money demand (M3)	Monetary aggregate including currency in circulating (banknotes and coins), operational deposits in central bank, money in current accounts, saving accounts, money market deposits, certificates of deposit, all other deposits and repurchase agreements. Data are seasonally adjusted.	ECB
Loans to private sector	Loans by MFI (monetary and financial institutions) to euro area residents (excl government). Data are seasonally adjusted.	ECB
Real long-term interest rates	Nominal interest rate (10-year) deflated by HICP index	DG ECFIN
Real short-term interest rates	Nominal interest rate (3-month) deflated by HICP index	DG ECFIN
Stock markets	Eurostoxx50, Dow Jones and Nikkei indices (1.1.1999=100)	Ecwin
Exchange rates	EUR/USD and EUR/JPY reference rates	ECB
Nominal effective exchange rate	Monthly Nominal Effective Exch. Rates vs. rest of IC36 (index 2005 = 100)	DG ECFIN
8. Public finance		
General government balance	Net lending (+) or net borrowing (-) of general government	DG ECFIN
Primary government balance	Net lending (+) or net borrowing (-) of general government minus interest payment	DG ECFIN
Cyclically adjusted balance	Net lending (+) or net borrowing (-) of general government corrected for the influence of the business cycle	DG ECFIN
Cyclically adjusted primary balance	Primary government balance corrected for the influence of the business cycle	DG ECFIN
General government expenditures and receipts	Nominal expenditures and receipts; tax burden includes taxes on production and imports (incl. taxed paid to EU), current taxes on income and wealth (direct taxes) and actual social contributions	DG ECFIN
General government debt	Cumulative sum of net lending (+) or net borrowing (-) positions of general government	DG ECFIN