

## DG ECFIN - Directorate A - Policy, strategy, coordination and communication

	LTA <sup>(1)</sup>	2015	2016	16Q4	17Q1	17Q2	17Q3	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	
<b>1. Output</b>														
Economic Sentiment	indicator	100.0	104.2	104.8	106.9	108.0	110.0	112.1	109.3	111.1	111.3	111.9	113.1	114.0
Industrial confidence	balance	-6.3	-3.1	-2.7	-0.6	1.1	3.3	5.4	2.8	4.5	4.5	5.0	6.7	7.9
Services confidence	balance	9.6	9.2	11.2	12.4	13.2	13.4	14.9	12.8	13.3	14.2	15.1	15.4	16.2
Industrial production (excluding construction)	% ch. on prev. period				1.0	0.2	1.2		1.3	-0.6	0.3	1.4	--	--
	% ch. on prev. year		0.9	2.1	1.4	2.3	1.3	2.7	4.1	2.9	3.6	3.8	--	--
Gross domestic product	% ch. on prev. period				0.6	0.6	0.7	0.6						
	% ch. on prev. year		1.5	2.1	1.8	1.9	2.0	2.3	2.5					
Labour productivity	% ch. on prev. period				0.3	0.0	0.2	--						
	% ch. on prev. year		0.8	1.1	0.5	0.6	0.4	0.7	--					
<b>2. Private consumption</b>														
Consumer confidence	balance	-12.5	-6.1	-7.7	-6.5	-5.5	-2.7	-1.5	-3.3	-1.3	-1.7	-1.5	-1.2	-1.0
Retail confidence	balance	-7.8	1.6	1.5	1.8	2.0	3.2	2.8	2.0	4.4	3.9	1.6	3.0	5.5
Private consumption	% ch. on prev. period				0.5	0.4	0.5	--						
	% ch. on prev. year		1.3	1.8	2.0	1.9	1.6	1.8	--					
Retail sales	% ch. on prev. period				0.9	0.3	1.0	--	0.5	0.5	-0.3	-0.5	--	--
	% ch. on prev. year		0.9	2.7	1.5	2.4	2.2	3.0	2.7	3.5	2.3	1.2	--	--
<b>3. Investment</b>														
Capacity utilisation	level (%)	81.0	81.3	81.8	82.3	82.5	82.6	83.2	--	--	83.2	--	--	83.8
Production expectations (manuf.)	balance	6.2	8.0	8.3	11.1	13.2	13.4	15.9	13.8	13.6	13.9	15.7	18.0	17.6
Gross fixed capital formation	% ch. on prev. period				1.5	-0.2	2.0	--						
	% ch. on prev. year		1.5	3.3	4.5	4.6	4.0	3.3	--					
- equipment investment	% ch. on prev. period				1.8	1.0	0.9	--						
	% ch. on prev. year			4.7	4.9	4.4	3.9	3.8	--					
- construction investment	% ch. on prev. period				1.7	2.7	0.4	--						
	% ch. on prev. year			0.5	2.5	3.2	4.7	5.3	--					
Change in stocks	contrib. to GDP (pp.)	0.0	0.0	-0.2	0.1	-0.1	0.0	--						
<b>4. Labour market</b>														
Employment expectations (manuf.)	balance	-9.4	-2.3	-1.2	2.2	3.6	5.1	7.0	5.3	5.2	6.2	7.3	7.4	9.1
Employment expectations (services)	balance	5.5	6.3	8.4	10.7	10.2	11.0	12.1	10.7	10.6	12.8	11.4	12.0	12.6
Employment	% ch. on prev. period				0.4	0.5	0.4	--						
	% ch. on prev. year		0.8	1.0	1.3	1.3	1.5	1.6	--					
Employment (000)	abs. ch. on prev. period		1,510	2,020	560	786	637	--						
Compensation of employees per head (nominal)	% ch. on prev. period				0.5	0.3	0.3	--						
	% ch. on prev. year		1.9	1.5	1.3	1.4	1.5	1.6	--					
Unemployment expectations	balance	25.8	13.6	15.2	14.8	8.7	2.4	3.5	3.0	0.6	2.1	3.3	5.2	4.8
Unemployment rate	% of lab. force		10.9	10.0	9.7	9.5	9.2	--	9.2	9.1	9.0	9.0	8.9	--
Unemployment (000)	abs. ch. on prev. period		-1,186	-1,215	-320	-377	-520	--	-104	-167	4	-95	-96	--
<b>5. International transactions</b>														
World trade	% ch. on prev. period				1.9	1.5	0.3	--	2.0	0.1	-0.1	1.2	--	--
	% ch. on prev. year		1.9	1.4	2.2	4.0	4.3	--	5.5	4.3	5.5	4.7	--	--
Export order books	balance	-18.7	-11.6	-11.9	-9.8	-7.5	-4.5	-1.7	-5.9	-1.4	-2.4	-3.7	1.1	1.2
Trade balance (merchandise)	billion EUR		238.1	265.7	64.2	54.2	59.1	--	18.6	21.9	17.9	21.6	--	--
Exports of goods and services	% ch. on prev. period				1.5	1.3	0.9	--						
	% ch. on prev. year		4.9	6.4	3.3	3.8	4.6	4.4	--					
Imports of goods and services	% ch. on prev. period				1.9	0.4	1.5	--						
	% ch. on prev. year		4.7	6.7	4.7	4.9	4.8	4.3	--					
Current-account balance	billion EUR		330.2	359.0	85.3	84.1	74.1	--	28.4	24.1	31.5	33.3	--	--
Direct investment	billion EUR		241.7	216.6	63.8	-12.7	-19.5	--	-1.2	-57.4	8.7	-6.5	--	--
Portfolio investment	billion EUR		96.4	431.4	46.0	106.6	64.0	--	5.2	34.7	13.8	95.2	--	--
<b>6. Prices</b>														
Consumer inflation expectations	balance	18.7	1.4	4.1	6.2	14.6	13.2	12.5	12.8	13.0	11.7	11.6	14.2	--
Headline inflation (HICP)	% ch. on prev. year		0.0	0.2	0.7	1.8	1.5	1.5	1.4	1.3	1.3	1.5	1.5	1.4
Core HICP	% ch. on prev. year		0.8	0.8	0.8	0.8	1.2	1.3	1.0	1.2	1.3	1.3	1.3	1.1
Domestic producer prices	% ch. on prev. year		-2.7	-2.3	0.4	4.1	3.3	2.2	3.4	2.4	2.0	2.5	--	--
Import prices	% ch. on prev. year		-0.3	-2.1	0.2	3.4	3.0	1.5	2.9	2.1	1.6	1.5	--	--
	level		52.6	44.4	51.1	54.5	50.8	52.2	51.4	47.6	49.1	51.9	55.5	57.3
Oil (Brent) in USD	% ch. on prev. period				9.6	6.8	-6.8	2.7	-4.5	-7.4	3.2	5.6	6.9	3.3
	% ch. on prev. year		-47.2	-15.7	17.3	61.2	11.5	12.0	10.0	-1.4	8.4	10.9	16.4	11.5
	level		47.4	40.2	47.4	51.2	46.1	44.4	46.5	42.4	42.6	44.0	46.6	48.7
Oil (Brent) in EUR	% ch. on prev. period				13.6	8.0	-10.0	-3.6	-7.3	-8.8	0.6	3.1	5.9	4.6
	% ch. on prev. year		-36.7	-15.3	19.3	67.2	14.2	6.4	12.5	-1.4	4.1	5.3	9.6	4.5
Non-energy commodity prices (EUR)	% ch. on prev. period				10.3	9.3	-11.8	-2.0	-6.0	-4.1	2.8	0.7	-0.8	--
	% ch. on prev. year		-7.5	-0.4	19.2	32.7	8.9	4.2	8.3	2.0	2.7	4.8	5.3	--
<b>7. Monetary and financial indicators</b>														
Nominal interest rates (3 month)	level		-0.02	-0.26	-0.31	-0.33	-0.33	-0.33	-0.33	-0.33	-0.33	-0.33	-0.33	-0.33
Nominal interest rates (10 year)	level		0.54	0.12	0.19	0.33	0.30	0.37	0.36	0.28	0.47	0.32	0.31	0.34
ECB repo rate	level		0.05	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Stock market (Eurostoxx)	% ch. on prev. period				3.9	8.1	6.3	-2.0	3.2	-1.5	-1.8	-0.9	1.6	-1.5
	% ch. on prev. year		9.5	-12.8	-7.3	12.4	19.4	16.9	20.7	21.9	19.3	15.3	16.4	13.6
Money demand (M3)	% ch. on prev. year		4.7	5.0	4.7	4.9	4.9	4.8	4.9	4.9	4.5	5.0	--	--
Loans to households	% ch. on prev. year		1.4	2.0	2.0	2.4	2.6	2.7	2.6	2.6	2.7	2.7	--	--
Loans to non-financial corporations	% ch. on prev. year		0.5	2.3	2.3	2.4	2.0	2.5	2.5	2.0	2.4	2.5	--	--
	level		1.11	1.11	1.08	1.06	1.10	1.17	1.11	1.12	1.15	1.18	1.19	1.12
Bilateral exchange rate EUR/USD	% ch. on prev. period				-3.4	-1.3	3.5	6.6	3.1	1.6	2.5	2.6	0.9	-4.9
	% ch. on prev. year		-16.5	-0.2	-1.5	-3.4	-2.4	5.2	-2.2	0.0	4.0	5.3	6.3	2.5
Nominal effective exchange rate	% ch. on prev. period				-0.4	-0.7	1.6	3.5	2.0	0.8	1.4	1.5	0.0	-2.7
	% ch. on prev. year		-9.5	2.9	2.9	0.2	0.9	4.0	1.0	2.1	3.2	4.4	4.2	1.0

(1) LTA=Long-Term Average

(2) Data available until the date of update



## 1. Output

**Real GDP** in the euro area continued growing in the third quarter of 2017. According to Eurostat's Flash estimate (released on 31 October), it increased by 0.6% quarter-on-quarter (q-o-q). As compared to 2016-Q3, real GDP increased by 2.5% year-on-year (y-o-y). According to the **Commission's spring 2017 forecast**, released on 11 May, GDP growth is projected at 1.7% in 2017 and 1.8% in 2018. Private consumption is set to remain the main growth driver, though its growth is set to moderate as the pick-up in inflation weighs on households' purchasing power. Investment growth has strengthened last year, and investment determinants are becoming more promising but going forward it is not expected to rise markedly as it remains dampened by uncertainty and deleveraging pressures

In October 2017, the **Commission's Economic Sentiment Indicator** continued to rise (by 0.9 pts. to 114.0) reaching the highest level since January 2001. Improved euro-area sentiment resulted from marked increases in confidence in the industry, retail trade and construction sectors and, to a lesser extent, from an increase in confidence in the services sector. Only confidence among consumers remained virtually unchanged.

**Industry confidence** (+1.2) remained on the steep upward trend and moved to the highest reading in the history of the series (since January 1985). The increase was driven by managers' improved appraisals of the current level of overall order books and the stocks of finished products. Their production expectations, by contrast, worsened slightly.

The flash **PMI Composite Output Index** for the euro area went down in October to 55.9, almost a full point lower than in September. While output growth eased slightly, it remained broadly consistent with the uptrend seen over 2017 so far. Firms were buoyed by further strong new order inflows. In fact, new business increased at the same pace as seen in September.

In August, **industrial production** rose by 1.4% month-on-month (m-o-m). The increase in industrial production in the euro area in August 2017, compared with July 2017, is due to production of capital goods rising by 3.1%, durable consumer goods by 1.3%, intermediate goods by 1.2% and energy by 0.2%, while production of non-durable consumer goods remained stable.

## 2. Private consumption

In 2017-Q2, the growth of **private consumption** increased to 0.5% q-o-q (0.4% in 2017-Q1) and

contributed 0.3 pps. to GDP growth. With respect to the same period of the preceding year, private consumption was up by 1.8%. In October, **consumer confidence** booked a fractional increase (+0.2) from a historically high level; increasing for the third month in a row to the highest reading since April 2001. Brighter assessments of the future general economic situation and, to a lesser extent, consumers' views on future unemployment contrasted with consumers' worsened saving expectations and flat expectations about their future financial situation.

In August, the volume of **retail trade** fell by 0.5% compared to July, mainly driven by falls of 0.9% for automotive fuel, of 0.4% for non-food products and of 0.3% for food, drinks and tobacco. In October, **retail trade confidence** rose markedly to the highest level since November 2015 (+2.5). The rise was fuelled by more positive views on all its components: managers' expected business situation, their appraisals of the adequacy of the volume of stocks and, in particular, the present business situation.

## 3. Investment

In 2017-Q2, **gross fixed capital formation** increased by 2.0% (q-o-q) up from -0.2% in the first quarter of 2017. As compared to 2016-Q2, it increased by 3.3%. In 2017-Q4, the rate of **capacity utilisation** in manufacturing (conducted in October) increased to 83.8% (0.6 points higher than in 2017-Q3), approaching the historical maximum value of 85.1% registered in April 2007. Meanwhile, the rate of capacity utilisation in services fell in 2017-Q4 to 89.6 (-0.6 pts.).

## 4. Labour market

In September, the **unemployment rate** was 8.9%, down from 9.0% in August and thereby at the lowest level since January 2009. Compared to September 2016, unemployment was down by 1.0 pps.

In 2017-Q2, seasonally-adjusted **employment** was 0.4% higher than in 2017-Q1 and 1.6% higher than in 2016-Q2. According to the Commission's survey results, in October 2017 **employment expectations** increased in industry, services, retail trade and construction. In October, consumers' unemployment expectations declined slightly.

## 5. International transactions

In August, the **world trade volume** (goods) increased by 1.2% (m-o-m), after having decreased 0.1% in July. In October, views on **export order books in manufacturing** were marginally more positive (1.2 pts., +0.1 pts.) and moved up to the most optimistic reading since December 2007.



In August, the seasonally adjusted **trade balance** was in surplus at €16.1 bn, from €18.6 bn in July. The seasonally adjusted **current-account balance** also recorded a surplus in August (€33.3 bn). This reflected surpluses for goods (€28.2 bn), primary income (€10.3 bn) and services (€7.2 bn), which were partly offset by a deficit in secondary income (€12.4 bn).

## 6. Prices

In October 2017, according to Eurostat's Flash estimate, annual HICP inflation is expected to be down to 1.4% (1.5% in September). Looking at the main components, energy is expected to have the highest annual rate in October (3.0%, compared with 3.9% in September), followed by food, alcohol & tobacco (2.4%, compared with 1.9% in September), services (1.2%, compared with 1.5% in September) and non-energy industrial goods (0.4%, compared with 0.5% in September). Core inflation (all items except energy and unprocessed food) was also down to 1.1%, (from 1.3% in September).

The **Commission's spring 2017 forecast** projects HICP inflation at 1.6% in 2017 and at 1.3% in 2018. According to the Commission surveys, **consumer price expectations** remained broadly unchanged (increase by 0.4 pts. to 14.7) in October.

In August, **industrial producer prices** went up by 0.3% compared with July. Compared to August 2016, they went up by 2.5%.

Brent crude **oil prices** have been moving up over the past month, reaching 60 USD/bbl. (on 27 October) for the first time in more than a year, and this on the back of an agreement between Saudi Arabia and Russia to extend their oil production cuts into 2018, as well as strengthening growth of global oil demand. On 30 October, Brent crude traded at 60.9 USD/bbl. (corresponding to 52.37 EUR/bbl.).

## 7. Monetary and financial indicators

**Money market interest rates** have in recent months remained close to the ECB's deposit facility rate. On 27 October, the 3-month EURIBOR was at -0.331%.

At its meeting on 26 October, the ECB Governing Council decided to keep the key ECB **policy interest rates** unchanged, i.e. the interest rates on the main refinancing operations, the marginal lending facility and the deposit facility will remain at 0.00%, 0.25% and -0.40% respectively. As regards non-standard monetary policy measures, monthly asset purchases will continue at the monthly pace of €60 billion until the end of December 2017. From January 2018 the net asset purchases are intended to continue at a monthly pace of €30 billion until the end of September 2018, or beyond,

if necessary, and in any case until the Governing Council sees a sustained adjustment in the path of inflation consistent with its inflation aim.

**Benchmark sovereign bond yields** in the euro area had last year fallen to negative territory, reflecting the search for safe haven debt as global uncertainty increased and the global growth outlook deteriorated. Since then, benchmark sovereign bond yields in the euro area have picked up, reaching 0.366 on 30 October.

According to the October 2017 **bank lending survey**, loan growth has continued to be supported by increasing demand across all categories and by easing credit standards on loans to households in the third quarter of 2017. In the third quarter of 2017, credit standards for loans to enterprises were broadly unchanged in net terms. Credit standards on loans to households for house purchase eased further, whilst credit standards on consumer credit and other lending to households also eased, in line with expectations.

The annual rate of change of **M3** in September (5.1%) was broadly unchanged compared to August. The annual growth of loans to the private sector (adjusted for loan sales, securitisation and notional cash pooling) stood at 2.8% in September (unchanged from August). The annual growth of adjusted loans to households remained stable at 2.7% and the annual growth rate of adjusted loans to non-financial corporations stood at 2.5% in September (up from 2.4% in August).

At its meeting on 20 September, the **FOMC** decided to maintain the target range for the federal funds rate between 1.00% to 1.25% and announced to implement its balance sheet normalisation program as of 21 September. It reiterated the stance of monetary policy remains accommodative, thereby supporting some further strengthening in labour market conditions and a sustained return to 2 percent inflation. On 27 October, the US 3-month Libor rate stood at 1.380%.

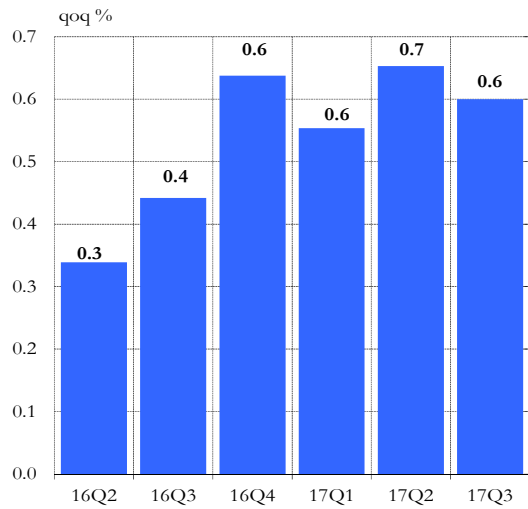
In October the **EUR/USD exchange rate** dropped by around 1% compared to the high September levels. It moved around 1.18 the whole month before dropping sharply to around 1.16 after the ECB announcements on 26 October.

**Stock market indices** in Europe have been stable in October after their climb in September. In recent days, the EURO STOXX 50 picked up again, reaching a new year high. The Dow Jones index has kept posting strong gains since the US elections, hitting multiple record highs in October; on 30 October, the index stood about 18% higher than in the beginning of the year. In Japan, the Nikkei index posted around 8% gains in October, reaching a new year high. On 30 October, the index had gained more than 15% since the beginning of the year.

## 1. OUTPUT

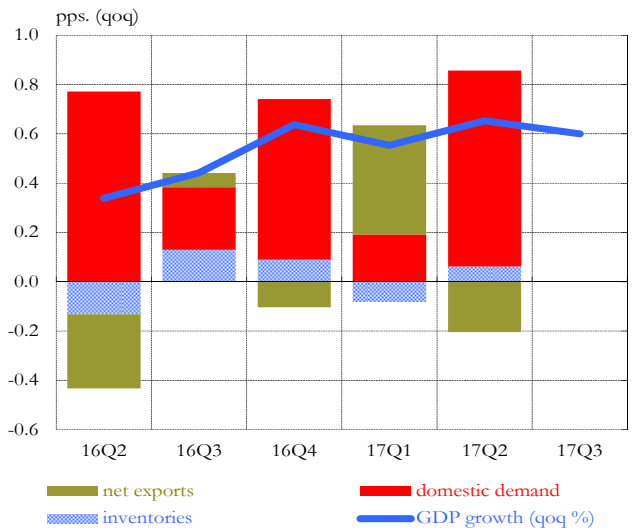
### GDP

17Q2

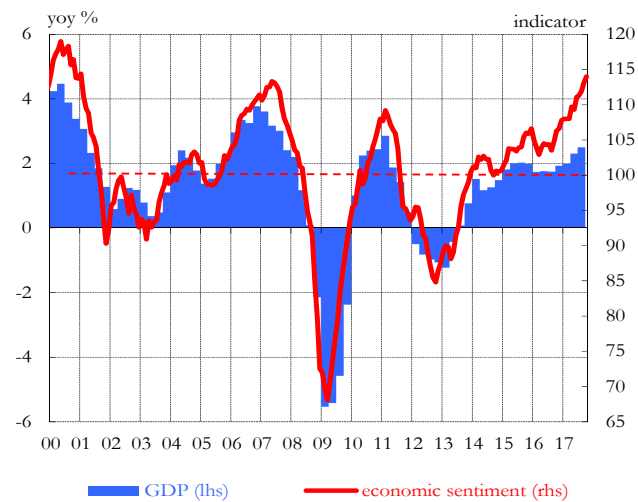


BE	0.4
DE	0.6
EE	1.3
IE	1.4
EL	0.5
ES	0.9
FR	0.5
IT	0.3
CY	0.9
LV	1.3
LT	0.6
LU	0.6
MT	1.2
NL	1.5
AT	0.6
PT	0.3
SI	1.1
SK	0.8
FI	0.4
EA	0.7

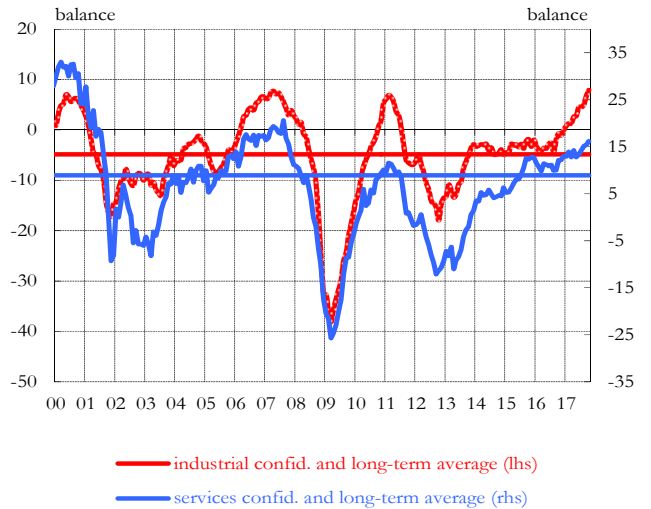
### Contributions to GDP growth



### GDP and Economic Sentiment Indicator

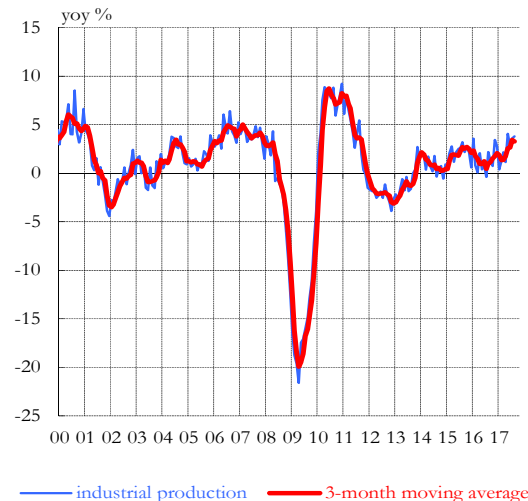


### Industrial and services confidence



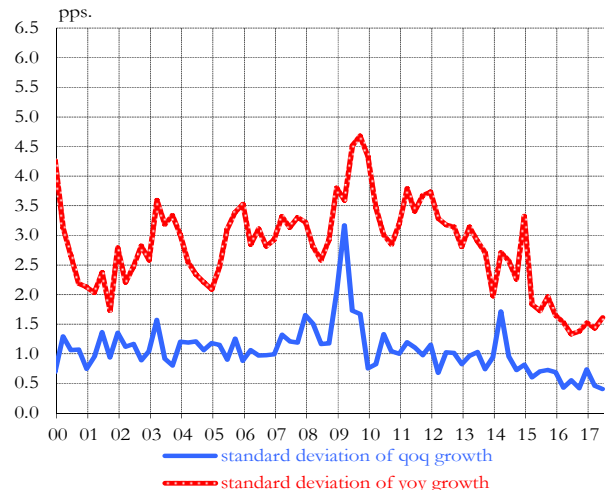
### Industrial production

Aug-17



BE	--
DE	4.7
EE	4.7
IE	1.1
EL	6.1
ES	2.5
FR	1.3
IT	5.7
CY	--
LV	12.1
LT	13.1
LU	4.9
MT	5.5
NL	-1.8
AT	--
PT	8.7
SI	8.3
SK	-0.4
FI	4.8
EA	3.8

### GDP growth divergence, euro area\*

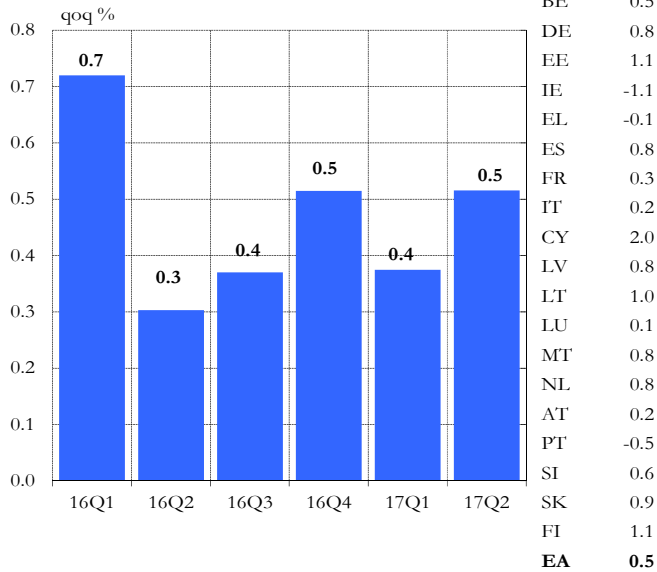


\* Calculations since 2015 without Ireland.

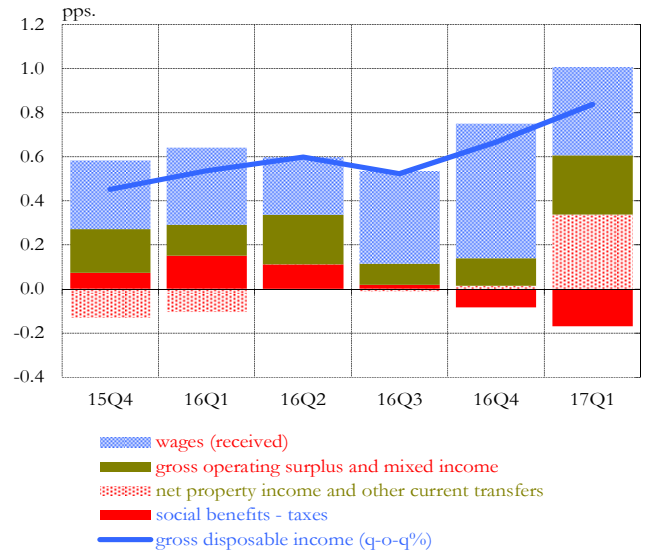
## 2. PRIVATE CONSUMPTION

### Private consumption

17Q2

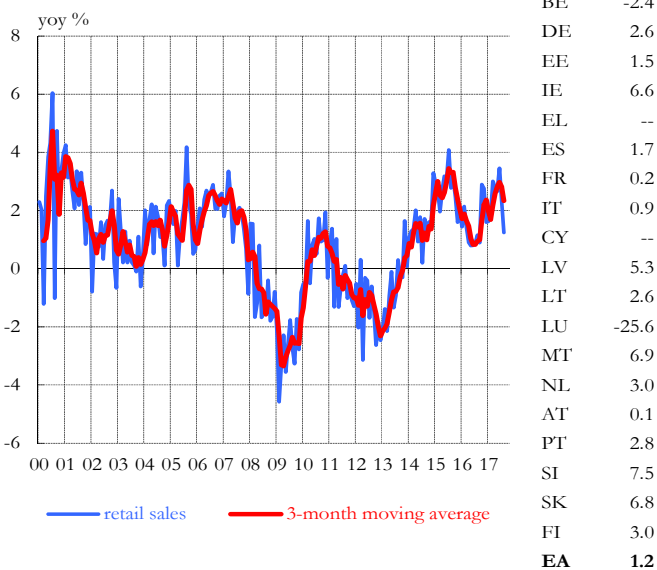


### Household adjusted gross disposable income

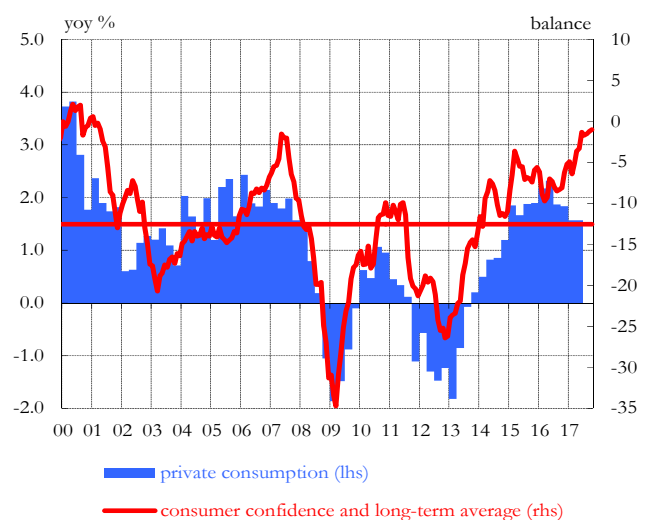


### Retail sales

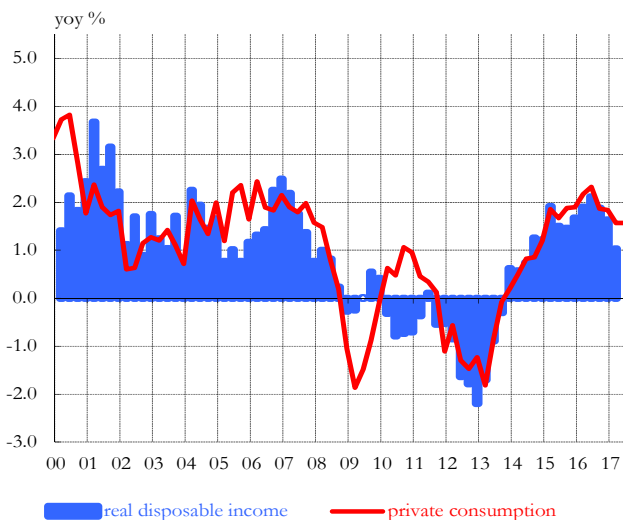
Aug-17



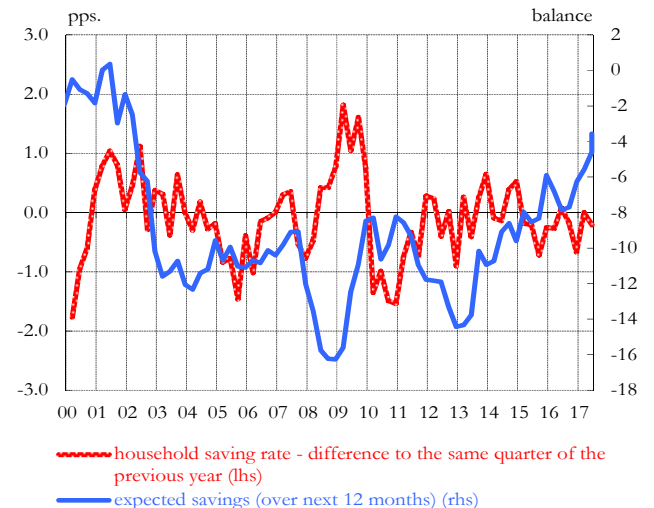
### Consumer confidence and private consumption



### Households: real disposable income and consumption

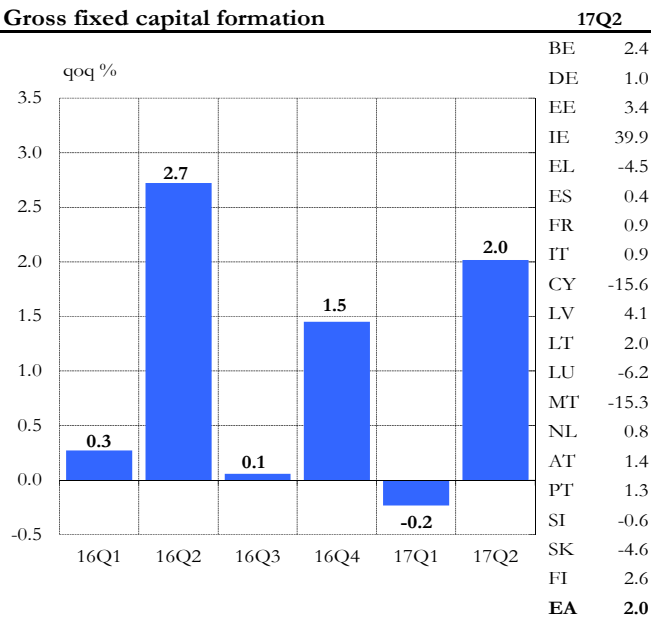


### Households: actual saving rate and expected savings

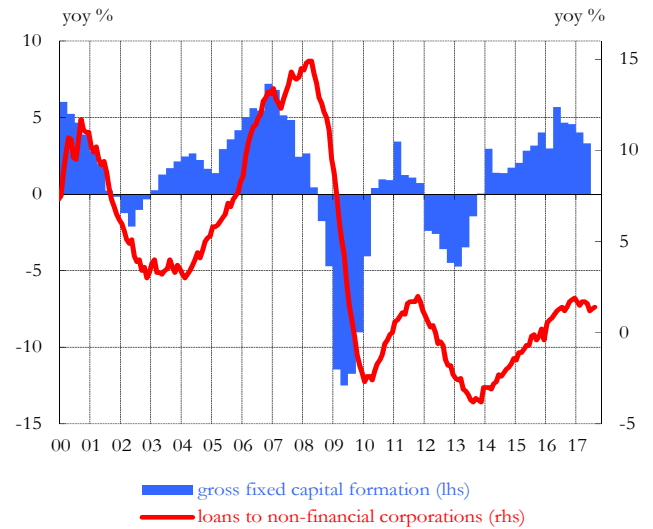


## 3. INVESTMENT

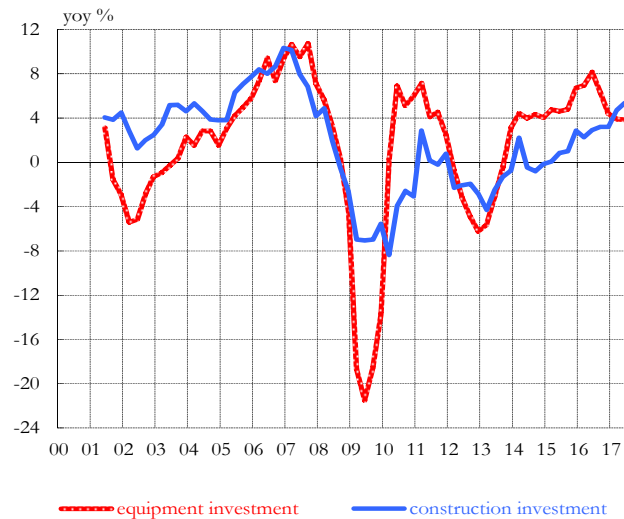
### Gross fixed capital formation



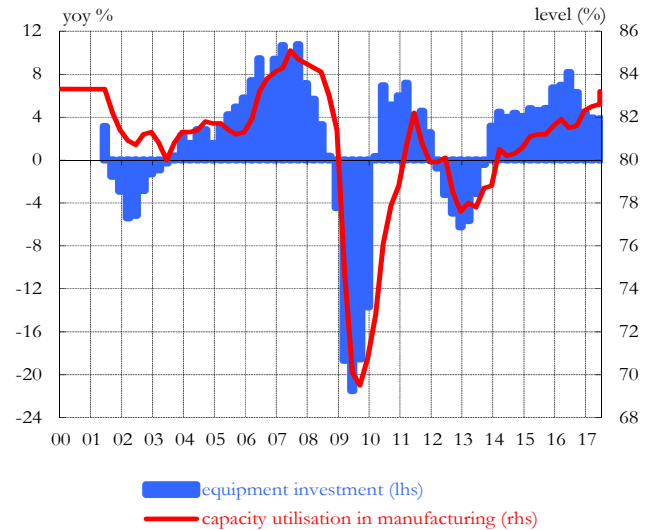
### Gross fixed capital formation and corporate loans



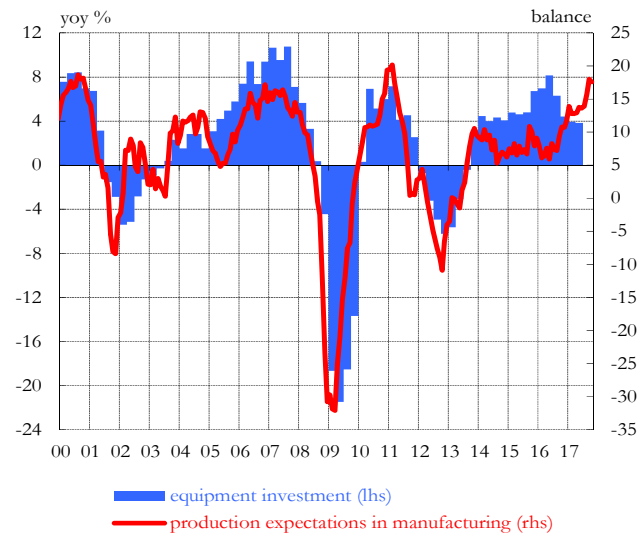
### Equipment and construction investment



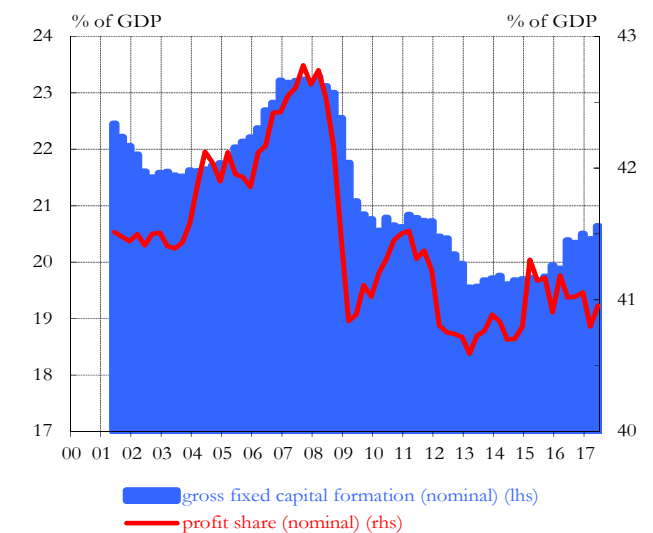
### Equipment investment and capacity utilisation



### Equipment investment and production expectations

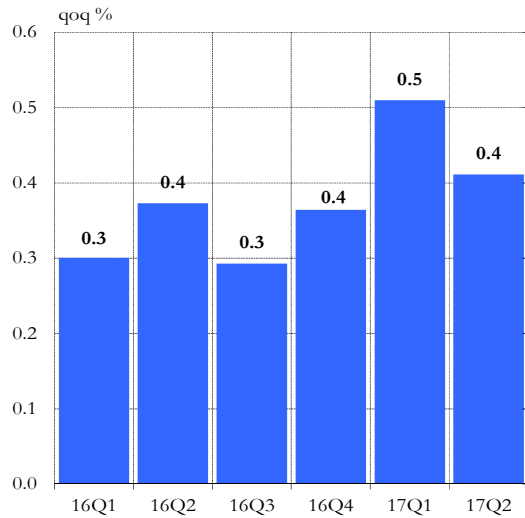


### Gross fixed capital formation and profit share



## 4. LABOUR MARKET

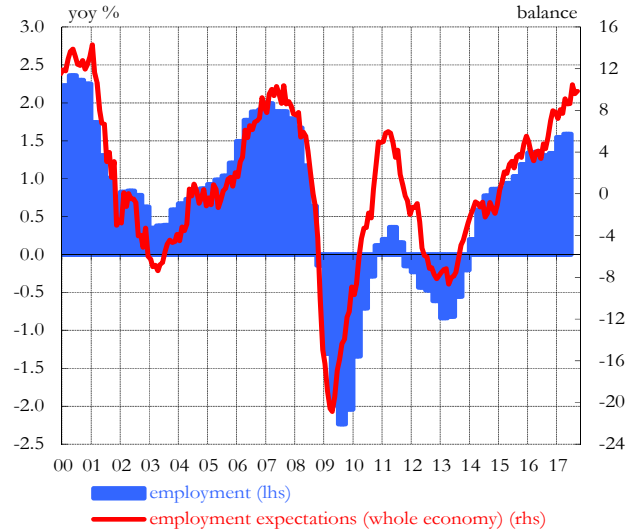
### Employment



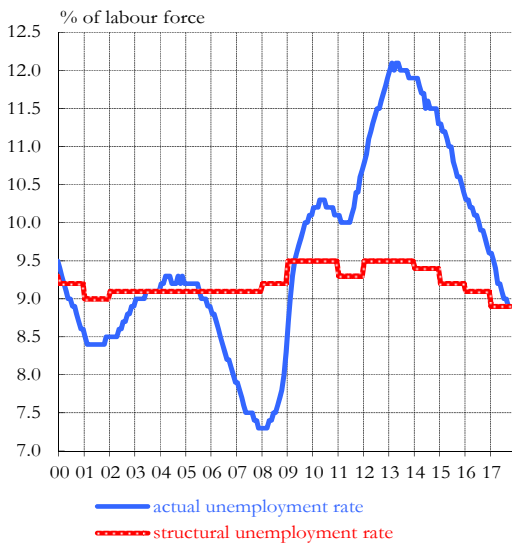
### 17Q2

BE	0.2
DE	0.3
EE	-0.5
IE	--
EL	0.8
ES	0.8
FR	0.3
IT	0.3
CY	--
LV	-0.7
LT	0.5
LU	0.9
MT	1.0
NL	--
AT	0.4
PT	0.7
SI	0.7
SK	0.6
FI	0.1
<b>EA</b>	<b>0.4</b>

### Employment and employment expectations



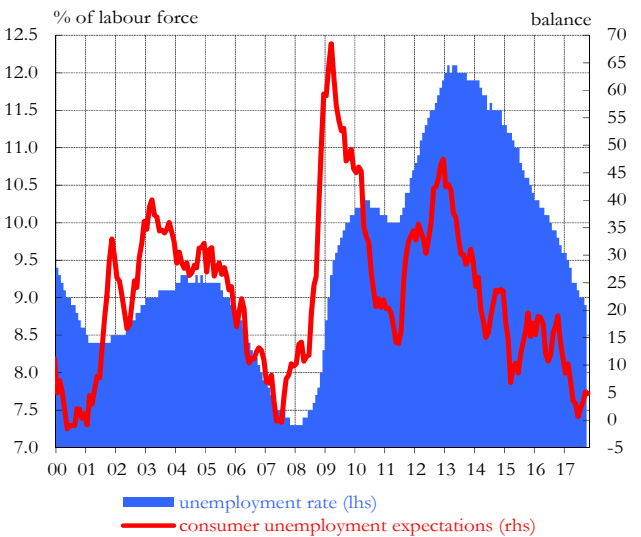
### Actual and structural unemployment rate



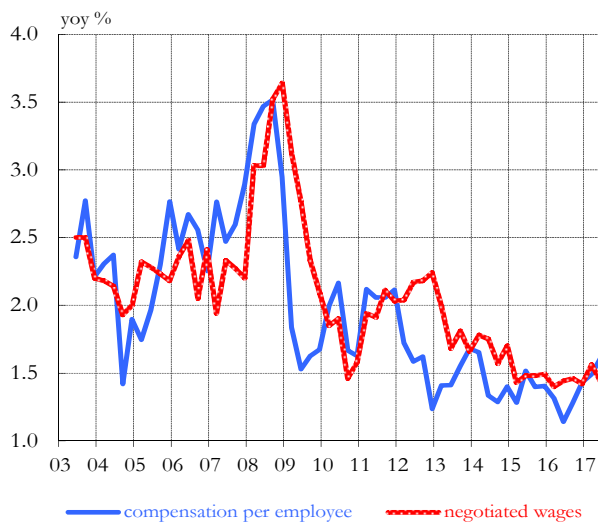
### Aug-17

BE	7.3
DE	3.6
EE	--
IE	6.1
EL	--
ES	17.1
FR	9.8
IT	11.2
CY	10.7
LV	8.2
LT	7.5
LU	6.0
MT	4.2
NL	4.7
AT	5.6
PT	8.9
SI	6.5
SK	7.5
FI	8.7
<b>EA</b>	<b>9.0</b>

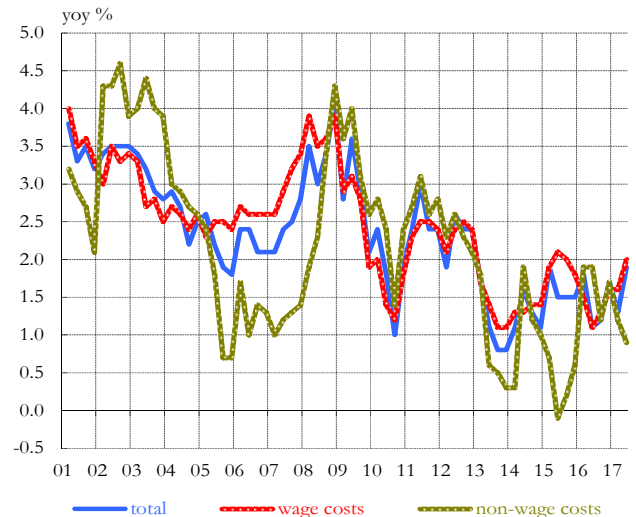
### Unemployment rate and unemployment expectations



### Compensation per head and negotiated wages (nominal)

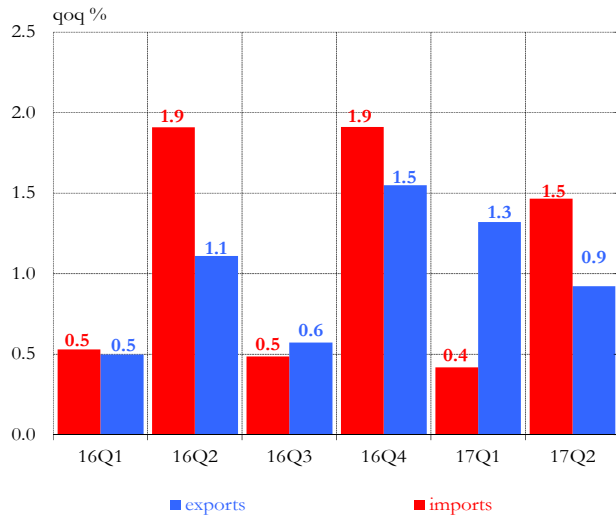


### Labour costs in the private business sector (nominal)

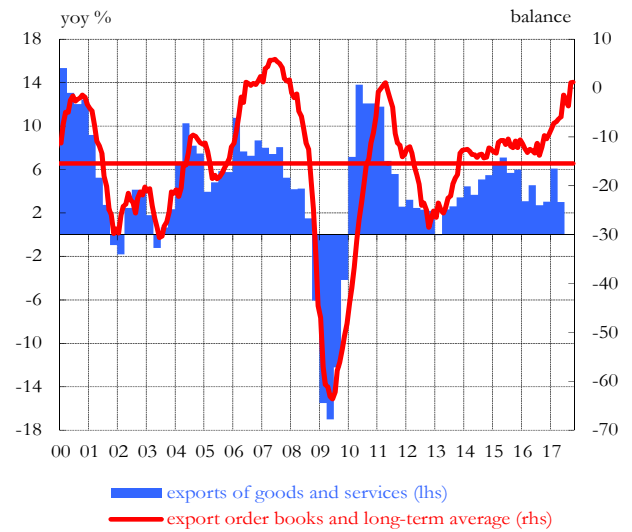


## 5. INTERNATIONAL TRANSACTIONS

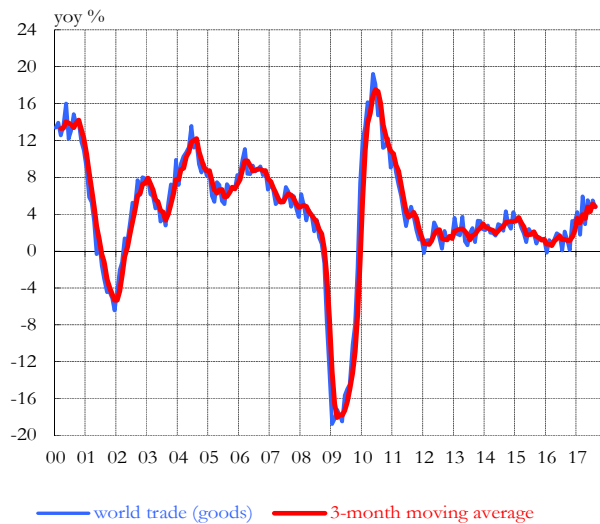
### Exports and imports of goods and services



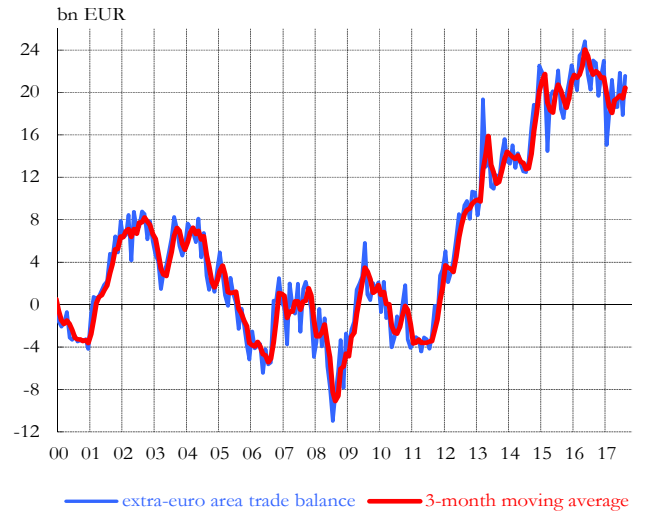
### Exports and export order books



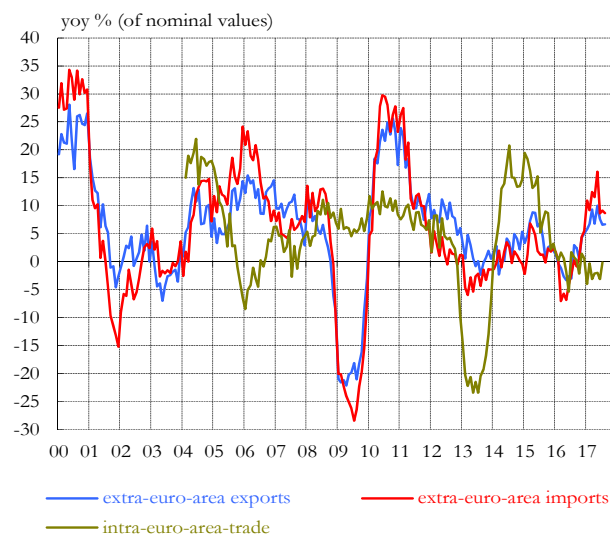
### World trade



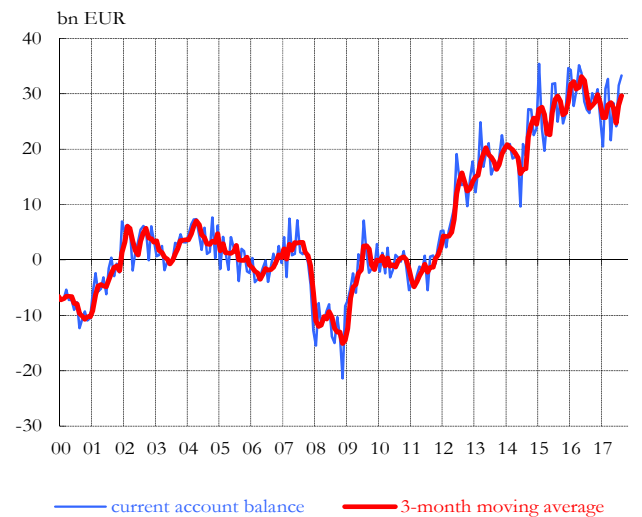
### Extra euro-area trade balance



### Extra- and intra-euro-area trade



### Current-account balance

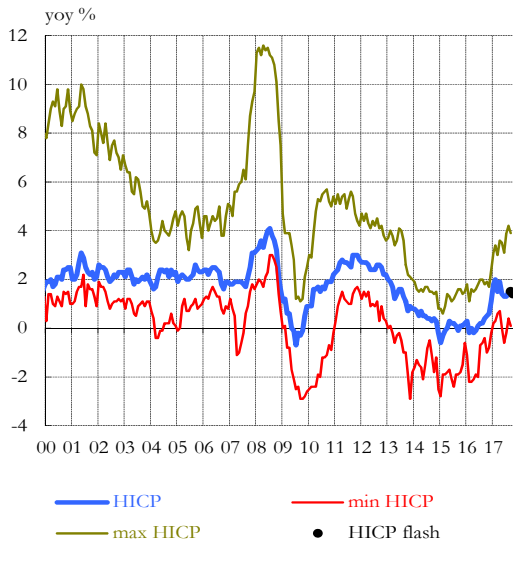




## 6. PRICES

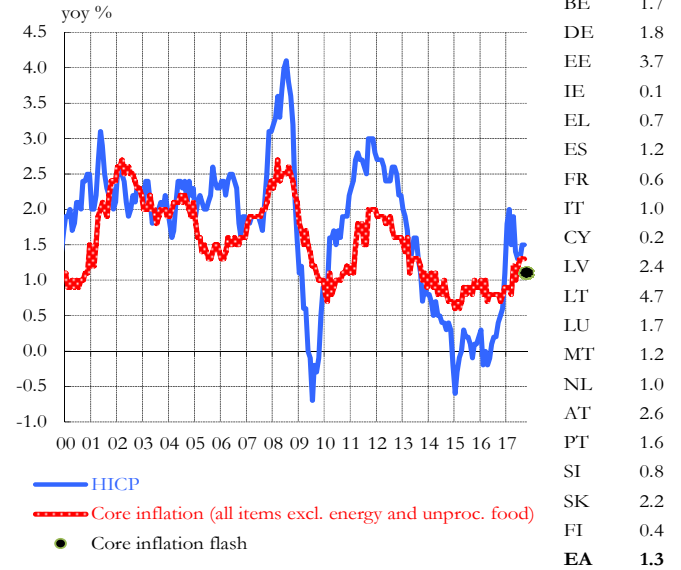
### Harmonised index of consumer prices (HICP)

Sep-17

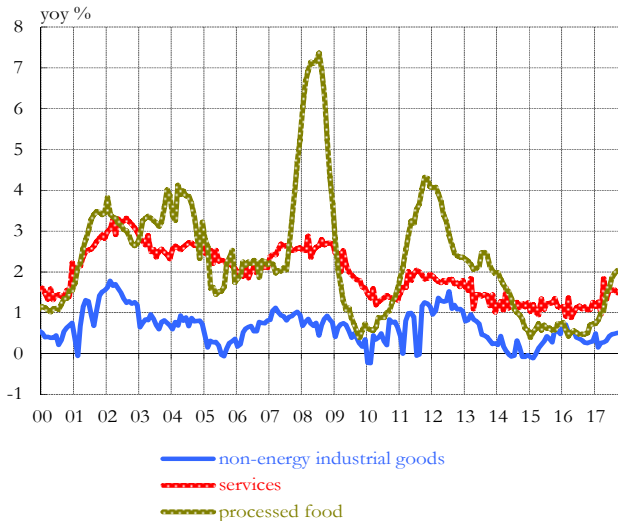


### HICP headline and core inflation

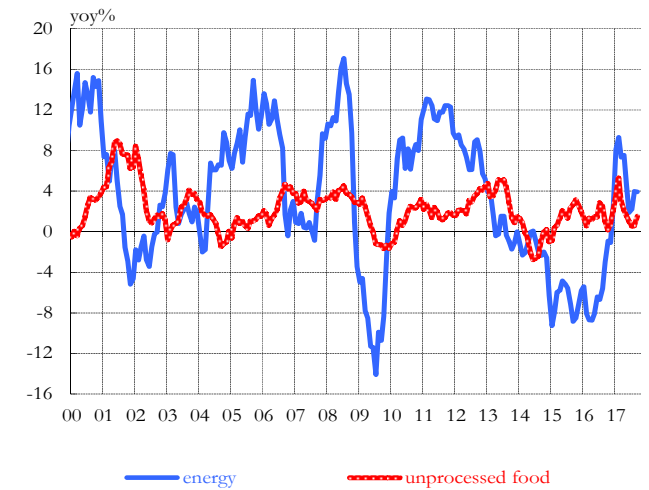
Sep-17



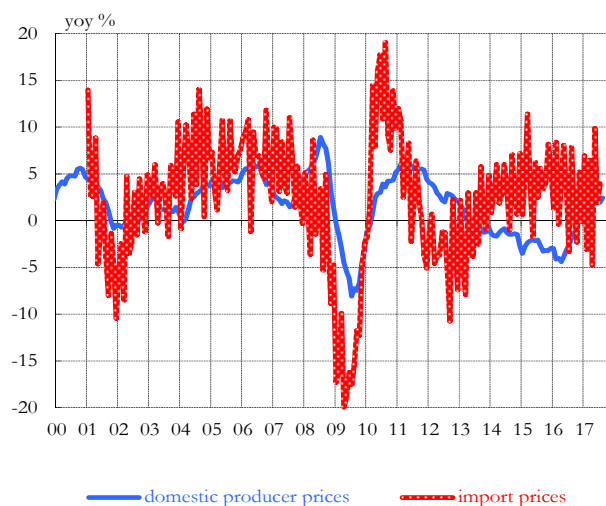
### Breakdown of core inflation



### Energy and unprocessed food



### Domestic producer prices and import prices

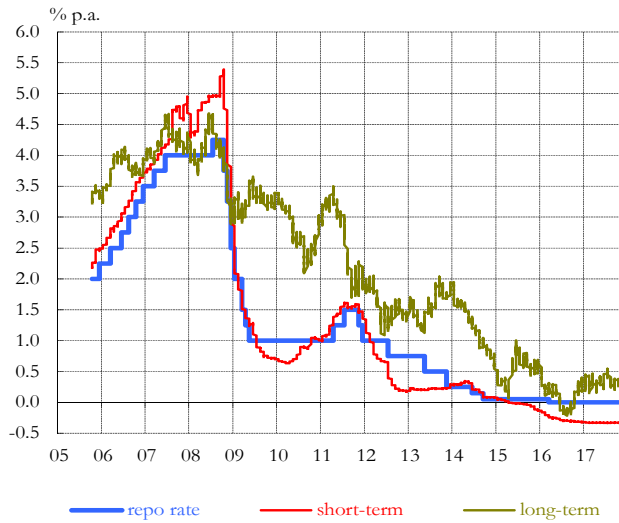


### Oil prices

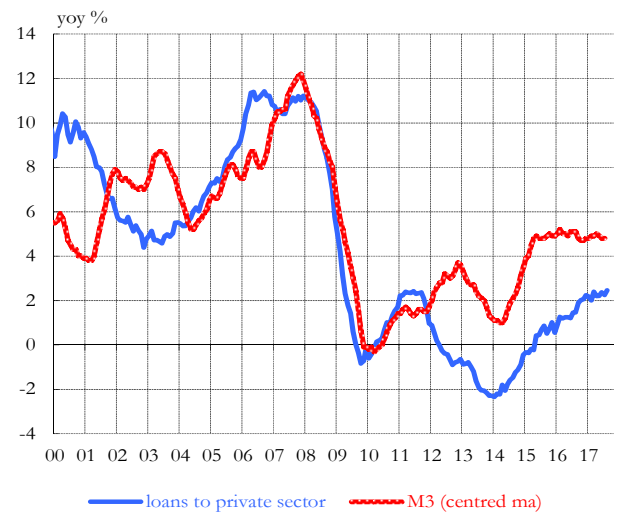


## 7. MONETARY AND FINANCIAL INDICATORS

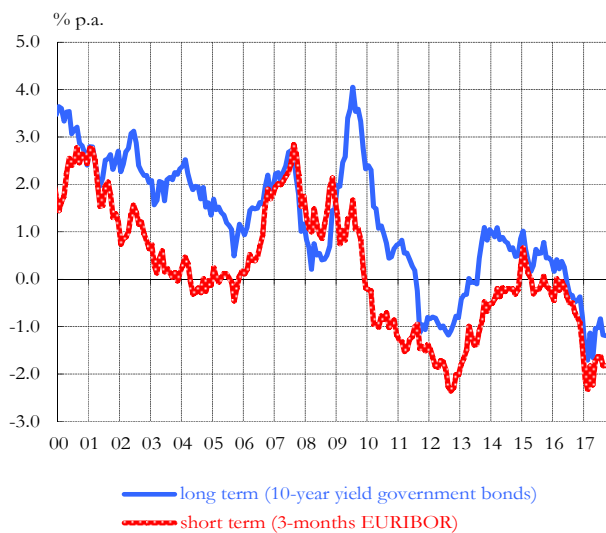
### Nominal interest rates



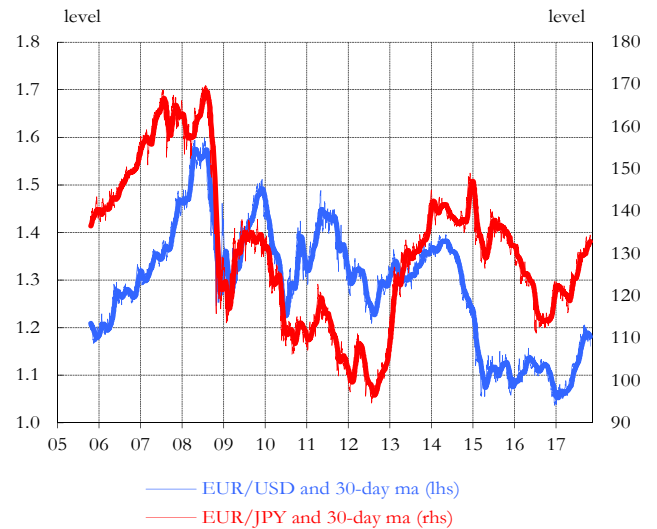
### Loans to private sector and money supply



### Real interest rates



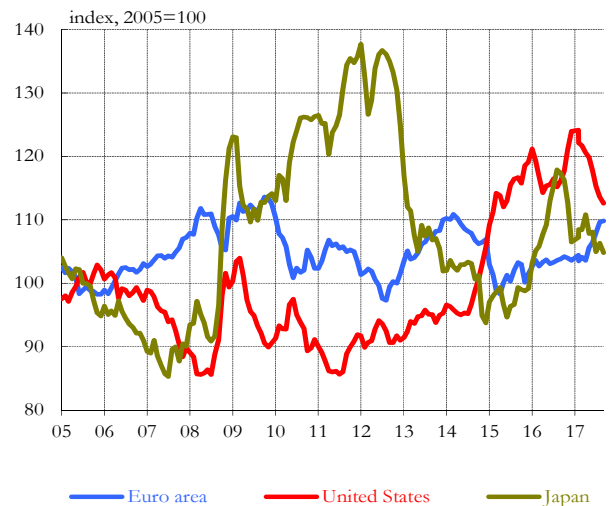
### Euro vis-à-vis US dollar and JP yen



### Stock market indices



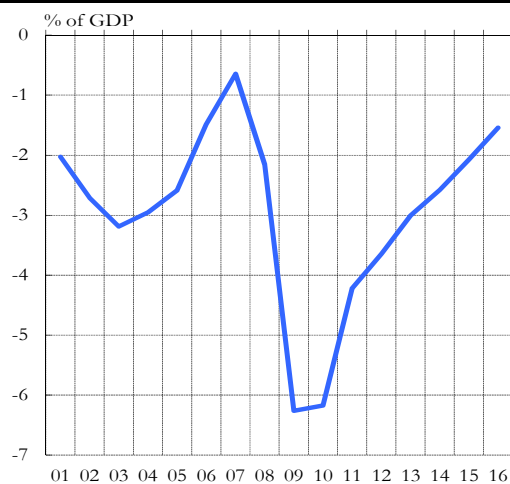
### Nominal effective exchange rates



## 8. PUBLIC FINANCES

### General government balance

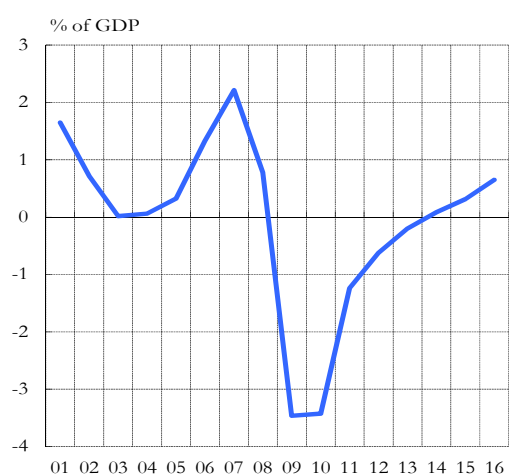
2016



BE	-2.6
DE	0.8
EE	0.3
IE	-0.6
EL	0.7
ES	-4.5
FR	-3.4
IT	-2.4
CY	0.4
LV	0.0
LT	0.3
LU	1.6
MT	1.0
NL	0.4
AT	-1.6
PT	-2.0
SI	-1.8
SK	-1.7
FI	-1.9
<b>EA</b>	<b>-1.5</b>

### Primary balance

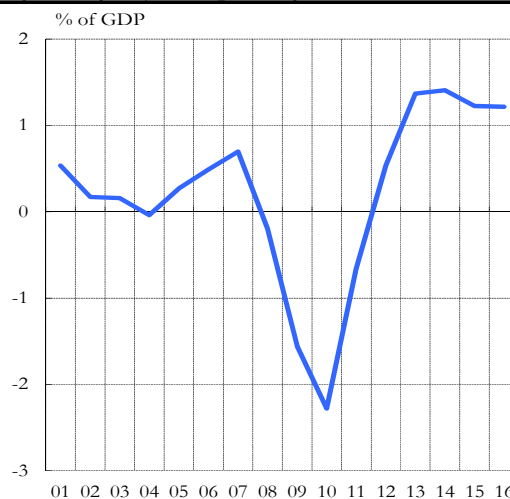
2016



BE	0.2
DE	2.1
EE	0.3
IE	1.7
EL	3.9
ES	-1.7
FR	-1.5
IT	1.5
CY	3.0
LV	1.1
LT	1.6
LU	1.9
MT	3.2
NL	1.5
AT	0.5
PT	2.2
SI	1.4
SK	0.0
FI	-0.9
<b>EA</b>	<b>0.7</b>

### Cyclically adjusted primary balance

2016

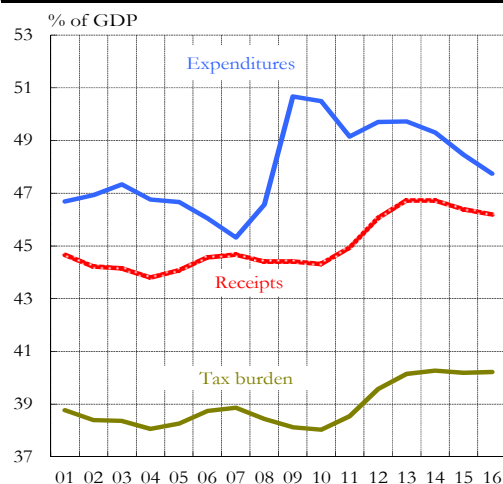


BE	0.6
DE	2.2
EE	0.2
IE	0.8
EL	8.7
ES	-0.8
FR	-0.7
IT	2.4
CY	3.4
LV	0.5
LT	1.3
LU	2.3
MT	2.5
NL	2.0
AT	1.0
PT	2.5
SI	1.5
SK	0.1
FI	0.2
<b>EA</b>	<b>1.2</b>

### General government expenditure and receipts

tax burden

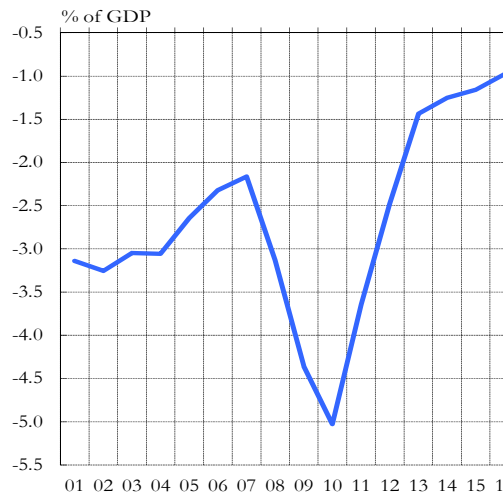
2016



BE	43.9
DE	39.1
EE	34.6
IE	24.0
EL	38.4
ES	33.7
FR	45.6
IT	42.7
CY	33.7
LV	33.9
LT	25.9
LU	37.2
MT	32.3
NL	38.7
AT	42.6
PT	34.2
SI	37.1
SK	32.4
FI	44.4
<b>EA</b>	<b>40.2</b>

### Cyclically adjusted balance

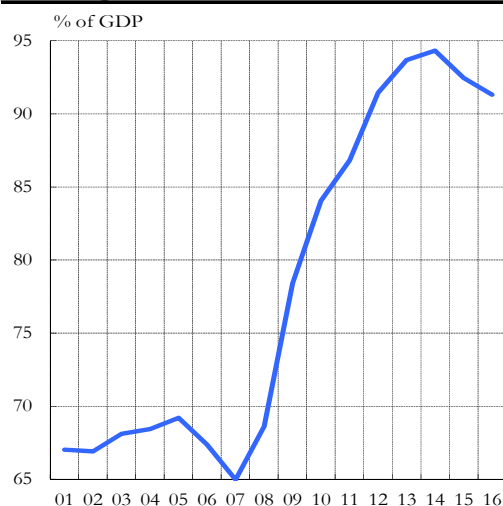
2016



BE	-2.3
DE	0.8
EE	0.1
IE	-1.5
EL	5.5
ES	-3.6
FR	-2.6
IT	-1.5
CY	0.8
LV	-0.6
LT	-0.1
LU	2.0
MT	0.3
NL	0.9
AT	-1.1
PT	-1.7
SI	-1.7
SK	-1.5
FI	-0.9
<b>EA</b>	<b>-1.0</b>

### General government debt

2016



BE	105.9
DE	68.3
EE	9.5
IE	75.4
EL	179.0
ES	99.4
FR	96.0
IT	132.6
CY	107.8
LV	40.1
LT	40.2
LU	20.0
MT	58.3
NL	62.3
AT	84.6
PT	130.4
SI	79.7
SK	51.9
FI	63.6
<b>EA</b>	<b>91.3</b>

\* Figures are from the Commission's spring 2017 forecast

## KEY INDICATORS FOR THE EURO AREA



Euro area	Indicators as from 2011 refer to Belgium (BE), Germany (DE), Estonia (EE), Ireland (IE), Greece (GR), Spain (ES), France (FR), Italy (IT), Cyprus (CY), Latvia (LV), Lithuania (LT), Luxembourg (LU), Malta (MT), the Netherlands (NL), Austria (AT), Portugal (PT), Slovenia (SI), Slovakia (SK) and Finland (FI).	
Indicator	Note	Source
<b>1. Output</b>		
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 Industry Production Index (2010=100), NACE Rev.2, Total industry (excluding construction). Mom% and qoq% ch. are seasonally and working day adjusted, yoy% ch. are working-day adjusted.	Eurostat
Gross domestic product	Real gross domestic product at constant market prices (chain-linked volumes (2010), ESA 2010), 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 rates of the euro-area Member States.	Eurostat
<b>2. Private consumption</b>		
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	Real household & NPISH final consumption expenditure at constant market prices (chain-linked volumes (2010), ESA 2010), 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
<b>3. Investment</b>		
Capacity utilisation	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	Real gross fixed capital formation at constant market prices (chain-linked volumes (2010), ESA 2010), EUR. Data are seasonally and working-day adjusted.	Eurostat
Equipment investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year (2010), ESA 2010), EUR, real machinery and equipment and weapons systems. Data are seasonally and working-day adjusted.	Eurostat
Construction investment	Gross fixed capital formation at constant market prices (chain-linked volumes, reference year (2010), ESA 2010), EUR, dwellings and other buildings and structures. 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 adjusted for Ireland, Greece, France, Cyprus, Malta, Netherlands, Portugal and Slovakia, and seasonally and working day adjusted data for the remaining Member States.	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	Harmonised 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.	DG ECFIN
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 remuneration, bonuses, and allowances, payments to employees saving schemes, payments for days not worked and remuneration 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, 2010=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 2010), 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 2010), 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	Harmonised index of consumer prices (index 2015=100)	Eurostat
Core HICP	HICP excluding energy and unprocessed food (index 2015=100)	Eurostat
Producer prices	Domestic producer price index, total industry excluding construction (index 2010=100)	Eurostat
Selling price expectation	Managers' selling-price expectations in the manufacturing sector. Data are seasonally adjusted.	DG ECFIN
Import prices	Import price index, manufacturing (index 2010=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 2010=100)	HWWI
7. Monetary and financial indicators		
Nominal interest rate (3-month)	3-month EURIBOR interbank rate (360 days)	ECB/ Global Insight
Nominal interest rate (10-year)	10-year interest rate on government bonds for euro area (based upon the 10-year German government bond)	ECB/ Global Insight
ECB repo rate	Minimum bid rate of main refinancing operations, end of period.	ECB/ Global Insight
Money demand (M3)	Monetary aggregate including currency in circulation (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)	Global Insight
Exchange rates	EUR/USD and EUR/JPY reference rates	ECB
Nominal effective exchange rate	Graph – Monthly Nominal Effective Exch. Rates vs. rest of IC36 (index 2005 = 100) Table - ECB Nominal effective exch. rate, based on weighted averages of bilateral euro exchange rates (EA19) against the currencies of the EER-18 group.	DG ECFIN/ ECB
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