

AUTUMN 2009 ECONOMIC OUTLOOK FOR GERMANY: ANSWERS FROM BDA AND BDI

MAIN FORECAST					
Real GDP growth		2009	2010		
Consumer price inflation		-5.0	1.0		
Unemployment rate		0.3	0.7		
Employment growth		8.2	10.0		
		-1.1	-2.0		
Components of aggregate demand					
Annual % change		2009	2010		
Private consumption		-0.1	-0.3		
Public consumption		2.4	1.8		
Investment (Gross fixed capital formation)		-8.1	-0.3		
Exports		-18.8	0.9		
Imports		-10.6	0.4		
ECONOMIC SENTIMENT					
		<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>	
Trend in business climate over the next 6 months			Industry	Services	
		<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>	
Trend in profitability over the next 6 months			Industry	Services	
		<i>Increase (faster pace)</i>	<i>Increase (slower pace)</i>	<i>Unchanged</i>	<i>Decrease (slower pace)</i>
Investment intentions over the next 6 months				Industry	<i>Decrease (faster pace)</i>
				Services	
		<i>Fall in global demand</i>	<i>Cost of finance</i>	<i>Availability of finance</i>	
Influence on companies' investment decisions		negative	negative	negative	
		<i>Replacement</i>	<i>Extension</i>	<i>Rationalisation</i>	<i>Innovation</i>
Driving force behind investment decisions in the next 6 months		neutral	not important	neutral	neutral
		<i>Industry: past 6 months</i>	<i>Industry: next 6 months</i>	<i>Services: past 6 months</i>	<i>Services: next 6 months</i>
Overall trend in employment		Down	Down	Same	Down
ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH					
Compared to 6 months ago, cost/access to finance has been...					
for SMEs	sharply up / restrained	up / more difficult	same	down / easier	
	Access	Cost			
for larger companies (>250 employees)		Cost			
		Access			
Over the next 6 months, cost /access to finance will be...					
for SMEs	sharply up / restrained	up / more difficult	same	down / easier	
		Cost			
		Access			
for larger companies (>250 employees)		Cost			
		Access			
For companies, the current financing situation is...		<i>threat to company existence</i>	<i>of high concern</i>	<i>somewhat concerning</i>	<i>not worrying</i>
working capital / treasury needs		SMEs			
		large companies			
debt refinancing			SMEs		
			large companies		
financing productive investments				SMEs	
				large companies	
financing innovation and R&D				SMEs	
				large companies	
Based on measures taken at national and EU level, the crisis will lead to...		a fall in the potential growth rate			



POLICY MIX					
	<i>Tight, appropriate for the euro area</i>	<i>Tight</i>	<i>Appropriate</i> yes	<i>Loose</i>	<i>Loose, appropriate for the euro area</i>
<i>Monetary policy is...</i>					
	<i>adequate</i>	<i>inadequate</i>			
<i>Consistency between fiscal and monetary policies</i>		yes			
	<i>excellent commitment</i>	<i>satisfactory commitment</i>	<i>neither satisfactory nor unsatisfactory commitment</i>	<i>unsatisfactory commitment</i>	<i>no clear commitment creating an extremely worrying situation</i>
<i>Regarding the sustainability of public finances, government shows ...</i>			yes		
	<i>respect the 3% limit</i>	<i>be in balance</i>			
<i>In 2015, the government deficit will...</i>	yes	no			