


AUTUMN 2009 ECONOMIC OUTLOOK FOR ITALY: ANSWERS FROM CONFINDUSTRIA

| MAIN FORECAST | | | | | |
|---|-------------------------------------|-----------------------------------|--------------------------------|-----------------------------------|-----------------------------------|
| | | 2009 | 2010 | | |
| Real GDP growth | | -4.8 | 0.8 | | |
| Consumer price inflation | | 0.7 | 1.3 | | |
| Unemployment rate | | 8.3 | 9.5 | | |
| Employment growth | | -2.8 | -1.4 | | |
| Components of aggregate demand | | | | | |
| Annual % change | | 2009 | 2010 | | |
| Private consumption | | -1.7 | 0.7 | | |
| Public consumption | | 0.4 | 0.5 | | |
| Investment (Gross fixed capital formation) | | -13.1 | 1.5 | | |
| Exports | | -17.3 | 4.1 | | |
| Imports | | -14.5 | 3.6 | | |
| ECONOMIC SENTIMENT | | | | | |
| | Positive | Negative | Unchanged | | |
| Trend in business climate over the next 6 months | | | Industry Services | | |
| | Positive | Negative | Unchanged | | |
| Trend in profitability over the next 6 months | | Industry Services | | | |
| | Increase (faster pace) | Increase (slower pace) | Unchanged | Decrease (slower pace) | Decrease (faster pace) |
| Investment intentions over the next 6 months | | | Industry Services | | |
| | Fall in global demand | Cost of finance | Availability of finance | | |
| Influence on companies' investment decisions | negative | neutral | negative | | |
| | Replacement | Extension | Rationalisation | Innovation | |
| Driving force behind investment decisions in the next 6 months | neutral | not important | important | important | |
| | Industry: past 6 months | Industry: next 6 months | Services: past 6 months | Services: next 6 months | |
| Overall trend in employment | Down | Down | Down | Down | |
| ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH | | | | | |
| Compared to 6 months ago, cost/access to finance has been... | sharply up / restrained | up / more difficult | same | down / easier | |
| <i>for SMEs</i> | Access | | | Cost | |
| <i>for larger companies (>250 employees)</i> | Access | | | Cost | |
| Over the next 6 months, cost /access to finance will be... | sharply up / restrained | up / more difficult | same | down / easier | |
| <i>for SMEs</i> | | Access | Cost | | |
| <i>for larger companies (>250 employees)</i> | | Access | Cost | | |
| For companies, the current financing situation is... | threat to company existence | of high concern | somewhat concerning | not worrying | |
| 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> | <i>Loose</i> | <i>Loose, appropriate for the euro area</i> |
| <i>Monetary policy is...</i> | | yes | | | |
| | <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 | | | |
| | | | | | |