

Euro Zone Barometer© - September 2016

A monthly survey of economic forecasts and expert opinion for the euro zone single currency area, distributed to subscribers by e-mail within just a few working days of the polling date. Rapid compilation and dissemination make the Euro Zone Barometer a unique reference tool for investors, traders and corporate planners.

Published by: MJEconomics
(ISSN 1475-7559) www.mjeconomics.com

Editorial queries: editor@mjeconomics.com
Subscriptions: subscriptions@mjeconomics.com
Other enquiries: admin@mjeconomics.com

Survey Deadline: September 19th, 2016

Taking Stock of a Mixed Picture

- This is the third survey undertaken since the United Kingdom staged an advisory referendum on June 23rd coming out in favour of a withdrawal from the European Union, and it shows the euro zone's **GDP growth outlook for 2017 stabilising**, after it had worsened over the previous two months.
- A series of elections in Germany, France, the Netherlands, and possibly also in Italy as well as Spain (once again) over the next 6-9 months, is heightening **uncertainty over the region's prospects** in light of the UK also embarking on talks to leave the EU and cement a new relationship weighing on longer-term prospects, not least in keeping the euro zone intact.
- In the meantime, business and consumer confidence fell in the region in August, but at the time of writing **consumer confidence has bounced back** in September, signalling the resilience of euro zone prospects underpinning these stable forecasts.
- This month's independent forecasts by our survey panellists are accompanied by **newly released projections for the euro zone from the European Central Bank**, revealing a stronger GDP growth profile for 2016-17 than our September consensus.



**Next Month's Survey Deadline:
October 17th, 2016**

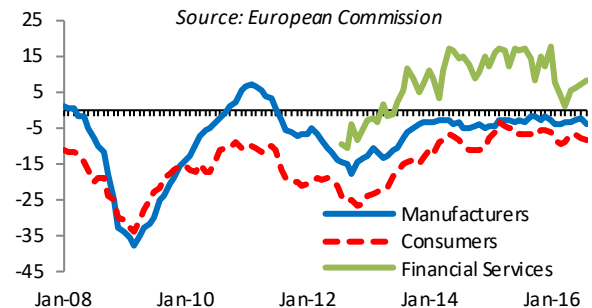
Contents

Short Term Outlook for 2016-2017	2
Quarterly Forecasts & Historical Data	3
2016 National Accounts Forecasts	4
2016 Forecasts for Other Indicators	5
2017 National Accounts Forecasts	6
2017 Forecasts for Other Indicators	7
Financial Forecasts	8
Interest Rate & Exchange Rate Data	9
ECB Watch	10
Long Term Forecasts	11
Data & Forecasts for Individual Euro Zone Countries	
Germany	12
France	14
Italy	16
Netherlands	18
Spain	20
Forecasts for Other Euro Zone Countries	22
Euro Zone Country Data & Election Timetable	22
Notes, Sources and Definitions	23

Euro Zone Confidence Tracker

% net balance

Source: European Commission



© 2016 MJEconomics. All rights reserved. Neither this publication nor any part of it may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of MJEconomics. Information and opinions presented herein have been obtained from sources believed by MJEconomics to be reliable, but MJEconomics, its editors and employees make no representation as to their accuracy, timeliness or completeness and accept no responsibility for the material presented.

Outlook for 2016-2017

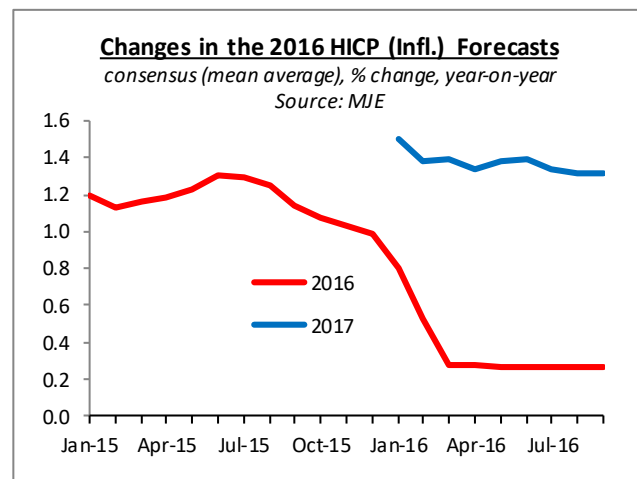
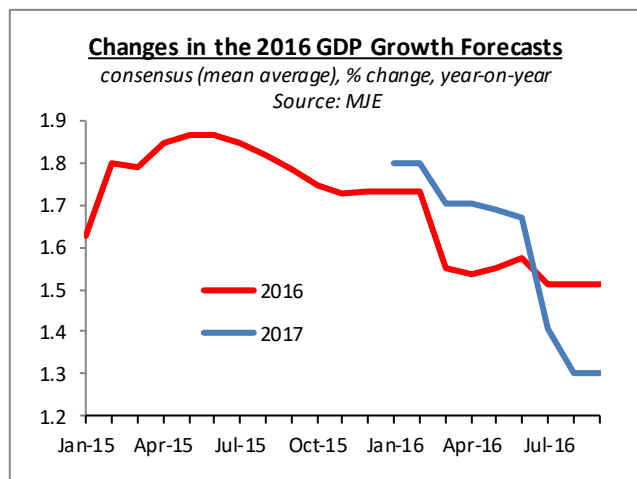
- This, the third survey to be undertaken since the shock referendum result in the UK in June coming out in favour of withdrawal from the European Union, shows GDP growth projections for the euro zone in 2017 stabilising following two previous monthly falls.
- There is nevertheless a mixed picture developing, with forecasters downgrading this year's investment spending, exports and imports, as well as private consumption for 2017.
- Retail sales are downgraded for both years, with industrial production for 2016, leaving the impression there is still some uncertainty over the outlook and little sign of any major improvement. GDP growth overall is still expected to soften for a second successive year.
- The forecasts moreover indicate that inflationary pressure will gradually build, with no major changes in expectations this time, and prices rising on average by 1.3% next year.

Six Year Summary: Historical Data and Consensus Forecasts

(% change year-on-year, unless otherwise stated)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016f</u>	<u>2017f</u>
Gross Domestic Product	-0.8	-0.3	0.9	1.7	1.5	1.3
Private Consumption	-1.2	-0.6	0.8	1.7	1.7	1.4
Government Consumption	-0.1	0.2	0.8	1.3	1.6	1.3
Gross Fixed Investment	-3.6	-2.6	1.3	2.9	2.5	2.1
Change in Stocks (Inventories)¹	-0.9	0.2	0.0	0.0	0.0	-0.1
Goods and Services Exports	2.7	2.1	4.1	5.3	2.7	3.2
Goods and Services Imports	-0.8	1.3	4.5	6.1	3.4	3.7
Net Exports²	1.5	0.4	0.0	-0.1	-0.2	-0.1
Industrial Production (ex. construction)	-2.4	-0.6	0.9	1.5	1.3	1.6
Retail Sales Volume	-0.6	-0.6	1.5	2.8	1.7	1.5
Unemployment Rate, % of labour force	11.4	12.0	11.6	10.9	10.1	9.8
Money Supply, M3, end period, % change	3.5	1.0	3.8	4.7	4.6	4.3
Harmonised Index of Consumer Prices	2.5	1.4	0.4	0.0	0.3	1.3
Producer Prices	2.8	-0.2	-1.5	-2.7	-2.7	1.5
Nominal Labour Costs	2.0	1.4	1.3	1.6	1.5	1.6
Current Account Balance, annual total, €bn	184.5	248.4	303.0	333.7	327.4	304.7
Current Account Balance, % of GDP	1.9	2.5	3.0	3.2	3.1	2.8
General Govt Budget Balance, % of GDP	-3.7	-3.0	-2.6	-2.1	-1.9	-1.7
<u>Financial Indicators (end period)</u>						
3 Month Interest Rate, % per annum	0.19	0.29	0.08	-0.13	-0.27	-0.14
10 Year German Bond Yield, % per annum	1.32	1.94	0.54	0.63	0.19	0.62
US\$ per € Exchange Rate	1.318	1.378	1.210	1.091	1.104	1.104

Notes: f = consensus (mean average) forecast. For other notes, sources and definitions see page 23.



The volatility of euro zone industrial production continued in July, with the 1.1% monthly decline extending an alternating pattern of rise and fall. The purchasing managers’ index had fallen sharply in that month to 52.0, and has since slipped to 51.7 in August in response to manufacturing production easing to a three-month low, with job creation at its weakest since March, and new orders growth slowing to a pace not seen in a year-and-a-half. On the other hand, low borrowing rates, the absence of inflation and easier credit conditions have increased retail sales, which rose by 1.1% in July and by 2.9% y/y.

Confidence in the euro zone is still in a flux with worries over Brexit, an impending political and banking crisis in Italy, and other more familiar concerns dampening investor prospects, including the rise in political risk as nationalist, anti-immigration parties continue to make gains.

The European Commission’s economic sentiment indicator slipped to 103.5 in August, its lowest since March, as sentiment among manufacturers and retailers waned. Consumer confidence also fell, but rebounded in September.

Quarterly Forecasts and Historical Data

% change year-on-year, unless otherwise stated

(% change year-on-year, unless otherwise stated)	Q1'15	Q2'15	Q3'15	Q4'15
Gross Domestic Product	1.3	1.6	2.0	2.0
Private Consumption	1.6	1.7	2.1	2.0
Industrial Production	1.6	1.4	2.0	1.3
Harmonised Index of Consumer Prices	-0.3	0.2	0.1	0.2
3 month Interest Rate, % per annum, end period	0.02	-0.02	-0.04	-0.13
10 Year Bond Yield, % per annum, end period	0.16	0.76	0.70	0.63
<hr/>				
	Q1'16	Q2'16	Q3'16	Q4'16
Gross Domestic Product	1.7	1.6	1.5	1.4
Private Consumption	2.2	2.1	1.6	1.6
Industrial Production	1.3	0.9	0.9	1.2
Harmonised Index of Consumer Prices	0.0	-0.1	0.3	0.7
3 month Interest Rate, % per annum, end period	-0.24	-0.29	-0.29	-0.27
10 Year Bond Yield, % per annum, end period	0.10	-0.13	0.09	0.19
<hr/>				
	Q1'17	Q2'17	Q3'17	Q4'17
Gross Domestic Product	1.2	1.2	1.4	1.5
Private Consumption	1.4	1.4	1.5	1.5
Industrial Production	1.1	1.6	1.2	1.2
Harmonised Index of Consumer Prices	1.3	1.3	1.3	1.5
3 month Interest Rate, % per annum, end period	-0.25	-0.24	-0.21	-0.14
10 Year Bond Yield, % per annum, end period	0.24	0.33	0.45	0.62

Note: consensus (mean average) forecasts from our latest survey are shown in bold

Euro Zone - Forecasts for 2016

National Accounts (constant prices) <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
Panellists								
ABN Amro	1.5	na	na	na	na	na	na	na
Allianz SE	1.5	1.6	1.7	2.3	na	2.5	2.9	na
BBVA	1.6	1.7	1.5	3.0	0.2	2.9	4.1	-0.4
BNP Paribas	1.5	1.6	1.5	2.4	0.2	2.2	3.3	na
Commerzbank	1.5	1.7	1.8	2.3	na	2.5	2.9	na
Danske Bank	1.5	1.5	1.7	1.8	na	2.4	2.5	na
DZ Bank	1.4	1.5	1.3	2.4	na	2.7	3.5	na
Econ Intelligence Unit	1.5	1.6	1.3	1.6	na	3.3	3.7	0.0
ETLA	1.6	1.8	1.4	2.5	na	4.1	4.8	na
G&P Institutional Mgmt	1.8	1.9	1.9	2.9	0.2	1.9	3.1	-0.4
HSBC	1.4	1.6	1.6	2.6	0.0	2.8	4.2	na
IHS Markit Economics	1.6	1.7	1.7	2.7	na	2.6	3.2	-0.1
J P Morgan Chase	1.6	1.7	1.8	2.3	-0.1	2.2	2.4	0.0
Morgan Stanley	1.3	1.6	1.5	2.9	0.0	2.7	4.0	-0.4
Nykredit	1.5	na	na	na	na	na	na	na
Oxford Economics	1.6	1.6	1.7	2.3	-0.1	2.2	2.5	0.0
Raiffeisen Bank Intl	1.6	1.7	1.5	3.1	na	3.6	5.0	na
Santander	1.5	1.6	1.7	2.0	na	2.5	2.8	0.0
SEB	1.6	1.8	1.7	3.5	0.0	2.0	3.3	na
UBS	1.5	1.8	1.6	2.7	0.1	3.2	4.6	-0.5
UniCredit Bank	1.6	1.6	1.8	2.2	-0.1	2.3	2.5	0.0
Consensus (Mean)	1.5	1.7	1.6	2.5	0.0	2.7	3.4	-0.2
Last Month	1.5	1.7	1.5	2.8	0.1	2.9	4.1	-0.4
2 Months Ago	1.5	1.7	1.5	2.9	0.1	2.9	4.1	-0.4
Median	1.5	1.6	1.7	2.4	0.0	2.5	3.3	-0.1
High	1.8	1.9	1.9	3.5	0.2	4.1	5.0	0.0
Low	1.3	1.5	1.3	1.6	-0.1	1.9	2.4	-0.5
Standard Deviation	0.1	0.1	0.2	0.5	0.1	0.6	0.8	0.2
Number of Forecasts	21	19	19	19	10	19	19	10
Other Forecasts								
ECB (September '16)	1.7	1.7	1.7	3.1	na	2.6	3.3	na
EC (May '16)	1.6	1.8	1.4	2.9	0.1	3.5	4.6	-0.3
IMF (April '16)	1.5	1.6	1.1	2.6	0.0	na	na	-0.2
OECD (June '16)	1.6	1.8	1.7	3.3	0.1	na	na	-0.4

Euro Zone - Forecasts for 2016

Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production <i>(excl. construction)</i>	Retail Sales Volume	Unem- ployment Rate <i>(% of labour force)</i>	Money Supply, M3 <i>(end period, %)</i>	Con- sumer Prices <i>(HICP)</i>	Pro- ducer Prices <i>(indust., excl. construction)</i>	Labour Costs <i>(business sector, ex pub adm, education & health)</i>	Current Account Balance <i>(annual total, €bn)</i>	Current Account Balance <i>(% of GDP)</i>	General Govt. Balance <i>(% of GDP)</i>
Panellists										
ABN Amro	na	na	10.2	na	0.3	na	na	na	3.0	-2.0
Allianz SE	1.0	na	10.1	na	0.3	-2.5	na	343.9	3.2	-1.8
BBVA	na	na	10.1	na	0.2	na	na	na	3.2	-2.0
BNP Paribas	1.0	na	10.1	na	0.2	-2.9	na	308.0	2.9	-2.1
Commerzbank	0.9	na	10.1	4.6	0.3	na	1.5	280.0	2.6	-1.8
Danske Bank	na	na	10.1	na	0.2	na	na	na	3.7	-2.0
DZ Bank	na	na	10.2	na	0.2	na	na	na	3.3	-2.0
Econ Intelligence Unit	1.4	na	10.0	na	0.2	-3.1	na	423.9	4.0	-1.8
ETLA	1.1	na	10.2	na	0.2	na	na	na	na	na
G&P Institutional Mgmt	na	na	10.0	na	0.2	na	na	na	na	-1.9
HSBC	1.7	na	10.2	na	0.2	na	1.3	na	2.4	-2.0
IHS Markit Economics	1.2	1.8	10.1	na	0.2	-2.7	1.6	320.0	3.0	-1.7
J P Morgan Chase	1.3	na	10.1	na	0.2	na	na	na	2.8	-1.8
Morgan Stanley	na	na	10.2	na	0.3	na	na	288.5	2.8	-1.9
Nykredit	na	na	na	na	0.9	na	na	na	na	na
Oxford Economics	1.0	1.6	10.1	na	0.3	-2.4	na	356.7	3.3	-1.7
Raiffeisen Bank Intl	2.4	na	10.1	na	0.3	na	na	318.1	3.0	-1.7
Santander	na	na	10.1	na	0.3	na	na	307.2	2.9	-1.9
SEB	na	na	10.1	na	0.1	na	na	na	na	na
UBS	na	na	10.4	na	0.3	na	na	na	3.1	-2.0
UniCredit Bank	na	na	10.1	na	0.2	na	na	na	na	na
Consensus (Mean)	1.3	1.7	10.1	4.6	0.3	-2.7	1.5	327.4	3.1	-1.9
Last Month	1.5	1.9	10.2	4.8	0.3	-2.7	1.5	320.4	3.1	-1.9
2 Months Ago	1.6	1.9	10.2	4.8	0.3	-2.7	1.5	314.7	3.0	-1.9
Median	1.2	1.7	10.1	4.6	0.2	-2.7	1.5	318.1	3.0	-1.9
High	2.4	1.8	10.4	4.6	0.9	-2.4	1.6	423.9	4.0	-1.7
Low	0.9	1.6	10.0	4.6	0.1	-3.1	1.3	280.0	2.4	-2.1
Standard Deviation	0.5	0.1	0.1	na	0.2	0.3	0.2	43.5	0.4	0.1
Number of Forecasts	10	2	20	1	21	5	3	9	16	17
Other Forecasts										
ECB (September '16)	na	na	10.1	na	0.2	na	na	na	3.5	-1.9
EC (May '16)	na	na	10.3	na	0.2	na	na	395.8	3.7	-1.9
IMF (April '16)	na	na	10.3	na	0.4	na	na	na	3.5	na
OECD (June '16)	na	na	10.2	na	0.2	na	na	na	3.8	-1.8

Euro Zone - Forecasts for 2017

National Accounts (constant prices) <i>average % change from previous year unless otherwise noted</i>	Gross Domestic Product	Private Consump- tion	Govern- ment Consump- tion	Gross Fixed Invest- ment	Stock (inventory) Building, % contribu- tion to GDP growth	Goods & Services Exports	Goods & Services Imports	Net Exports, % contribu- tion to GDP growth
Panellists								
ABN Amro	1.3	na	na	na	na	na	na	na
Allianz SE	1.6	1.5	1.4	2.7	na	4.0	4.3	na
BBVA	1.5	1.4	1.1	2.7	0.0	3.0	3.4	-0.1
BNP Paribas	1.0	1.1	1.2	0.9	0.0	2.4	2.7	na
Commerzbank	1.5	1.9	1.8	3.0	na	3.7	5.5	na
Danske Bank	1.1	0.9	1.1	0.9	na	3.3	3.1	na
DZ Bank	1.0	1.1	1.2	1.4	na	3.3	3.8	na
Econ Intelligence Unit	1.3	1.4	1.1	2.1	na	3.2	3.8	-0.1
ETLA	1.4	1.7	1.3	2.6	na	4.1	4.5	na
G&P Institutional Mgmt	1.6	1.9	2.0	1.9	0.0	1.9	2.7	-0.3
HSBC	1.0	1.4	1.5	1.4	0.1	2.4	3.3	na
IHS Markit Economics	1.3	1.4	1.3	1.4	na	2.4	2.9	-0.1
J P Morgan Chase	1.5	1.5	1.3	2.5	-0.1	2.3	2.5	0.0
Morgan Stanley	1.0	1.2	1.4	2.2	-0.2	2.7	3.4	-0.2
Nykredit	1.6	na	na	na	na	na	na	na
Oxford Economics	1.5	1.4	1.2	2.6	0.0	2.7	3.1	-0.1
Raiffeisen Bank Intl	1.5	1.7	1.2	3.1	na	4.4	5.4	na
Santander	1.3	1.2	1.0	1.7	na	3.9	4.1	0.0
SEB	1.7	1.8	1.3	3.2	0.0	3.9	4.7	na
UBS	1.3	1.7	1.0	1.8	-0.1	4.5	5.2	-0.1
UniCredit Bank	1.0	1.2	1.4	2.2	-0.2	2.2	2.6	-0.1
Consensus (Mean)	1.3	1.4	1.3	2.1	-0.1	3.2	3.7	-0.1
Last Month	1.3	1.5	1.3	2.1	0.0	3.2	3.9	-0.2
2 Months Ago	1.4	1.5	1.3	2.2	0.0	3.4	4.0	-0.2
Median	1.3	1.4	1.3	2.2	0.0	3.2	3.4	-0.1
High	1.7	1.9	2.0	3.2	0.1	4.5	5.5	0.0
Low	1.0	0.9	1.0	0.9	-0.2	1.9	2.5	-0.3
Standard Deviation	0.2	0.3	0.3	0.7	0.1	0.8	1.0	0.1
Number of Forecasts	21	19	19	19	10	19	19	10
Other Forecasts								
ECB (September '16)	1.6	1.6	0.9	3.3	na	3.7	4.4	na
EC (May '16)	1.8	1.5	1.2	3.8	0.0	4.7	5.3	0.0
IMF (April '16)	1.6	1.6	0.7	2.8	0.0	na	na	0.0
OECD (June '16)	1.7	1.7	1.1	3.2	0.0	na	na	-0.1

Euro Zone - Forecasts for 2017

Other Indicators <i>average % change from previous year unless otherwise noted</i>	Industrial Production <i>(excl. construction)</i>	Retail Sales Volume	Unem- ploy- ment Rate <i>(% of labour force)</i>	Money Supply, M3 <i>(end period, %)</i>	Con- sumer Prices <i>(HICP)</i>	Pro- ducer Prices <i>(indust., excl. construction)</i>	Labour Costs <i>(business sector, ex pub adm, education & health)</i>	Current Account Balance <i>(annual total, €bn)</i>	Current Account Balance <i>(% of GDP)</i>	General Govt. Balance <i>(% of GDP)</i>
Panellists										
ABN Amro	na	na	10.0	na	1.5	na	na	na	2.9	-1.8
Allianz SE	2.0	na	9.6	na	1.6	2.0	na	290.0	2.6	-1.6
BBVA	na	na	9.8	na	1.4	na	na	na	3.0	-1.9
BNP Paribas	-0.2	na	9.9	na	1.1	0.9	na	288.0	2.7	-1.9
Commerzbank	1.5	na	9.7	4.3	1.3	na	1.5	280.0	2.0	-1.8
Danske Bank	na	na	9.8	na	1.3	na	na	na	3.6	-1.8
DZ Bank	na	na	10.1	na	1.3	na	na	na	2.8	-1.8
Econ Intelligence Unit	1.3	na	9.5	na	1.2	1.5	na	350.3	3.2	-1.6
ETLA	1.5	na	9.8	na	1.2	na	na	na	na	na
G&P Institutional Mgmt	na	na	9.3	na	1.0	na	na	na	na	-1.8
HSBC	2.5	na	9.9	na	0.9	na	1.5	na	2.2	-1.9
IHS Markit Economics	1.6	1.6	9.9	na	1.3	1.3	1.8	305.0	2.8	-1.5
J P Morgan Chase	1.9	na	9.4	na	1.2	na	na	na	2.5	-1.6
Morgan Stanley	na	na	10.5	na	1.5	na	na	295.6	2.9	-2.5
Nykredit	na	na	na	na	1.3	na	na	na	na	na
Oxford Economics	1.6	1.3	9.6	na	1.6	1.7	na	316.7	2.9	-1.4
Raiffeisen Bank Intl	1.9	na	9.3	na	1.5	na	na	316.7	2.9	-1.2
Santander	na	na	9.6	na	1.3	na	na	300.0	2.7	-1.6
SEB	na	na	9.6	na	1.0	na	na	na	na	na
UBS	na	na	10.0	na	1.5	na	na	na	2.9	-1.7
UniCredit Bank	na	na	9.9	na	1.3	na	na	na	na	na
Consensus (Mean)	1.6	1.5	9.8	4.3	1.3	1.5	1.6	304.7	2.8	-1.7
Last Month	1.6	1.6	9.8	4.3	1.3	1.5	1.6	303.8	2.9	-1.7
2 Months Ago	1.7	1.6	9.8	4.3	1.3	1.4	1.7	303.4	2.8	-1.7
Median	1.6	1.5	9.8	4.3	1.3	1.5	1.5	300.0	2.9	-1.8
High	2.5	1.6	10.5	4.3	1.6	2.0	1.8	350.3	3.6	-1.2
Low	-0.2	1.3	9.3	4.3	0.9	0.9	1.5	280.0	2.0	-2.5
Standard Deviation	0.7	0.2	0.3	na	0.2	0.4	0.2	21.1	0.4	0.3
Number of Forecasts	10	2	20	1	21	5	3	9	16	17
Other Forecasts										
ECB (September '16)	na	na	9.9	na	1.2	na	na	na	3.4	-1.7
EC (May '16)	na	na	9.9	na	1.4	na	na	396.1	3.6	-1.6
IMF (April '16)	na	na	9.9	na	1.1	na	na	na	3.2	na
OECD (June '16)	na	na	9.8	na	1.2	na	na	na	3.6	-1.4

Financial Forecasts		2016	2017
<i>All forecasts are for end year</i>			
3-month Euribor Interest Rate, %	Mean Average	-0.27	-0.14
Rate on Survey Date: <input type="text" value="-0.30"/>	High	0.00	0.70
	Low	-0.40	-0.40
	Standard deviation	0.08	0.27
	Number of Forecasts	15	15
10-year Benchmark German Bond Yield, %	Mean Average	0.19	0.62
Rate on Survey Date: <input type="text" value="0.00"/>	High	1.15	1.78
	Low	-0.20	-0.20
	Standard deviation	0.44	0.60
	Number of Forecasts	11	11
US Dollars/Euro Exchange Rate	Mean Average	1.104	1.104
Rate on Survey Date: <input type="text" value="1.118"/>	High	1.160	1.200
	Low	1.075	0.990
	Standard deviation	0.021	0.051
	Number of Forecasts	26	25
Japanese Yen/Euro Exchange Rate	Mean Average	117.9	124.3
Rate on Survey Date: <input type="text" value="113.8"/>	High	124.0	133.4
	Low	112.7	114.8
	Standard deviation	4.2	6.6
	Number of Forecasts	10	10
UK Pound/Euro Exchange Rate	Mean Average	0.853	0.847
Rate on Survey Date: <input type="text" value="0.860"/>	High	0.900	1.000
	Low	0.790	0.770
	Standard deviation	0.030	0.065
	Number of Forecasts	13	13
Swedish Krona/Euro Exchange Rate	Mean Average	9.329	9.078
Rate on Survey Date: <input type="text" value="9.568"/>	High	9.800	10.000
	Low	8.740	8.700
	Standard deviation	0.232	0.305
	Number of Forecasts	19	18
Swiss Franc/Euro Exchange Rate	Mean Average	1.098	1.114
Rate on Survey Date: <input type="text" value="1.093"/>	High	1.120	1.180
	Low	1.089	1.000
	Standard deviation	0.012	0.052
	Number of Forecasts	10	10
Oil Prices, Brent Blend, US\$ per barrel	Mean Average	48.3	55.1
Rate on Survey Date: <input type="text" value="45.7"/>	High	65.0	70.0
	Low	33.7	49.5
	Standard deviation	7.2	6.0
	Number of Forecasts	18	18

Note: The consensus (mean average) forecasts for US\$/€, Skr/€ and oil prices are based on responses from panellists in our Euro Zone Barometer survey and those in our companion publication, the Nordic Barometer.

Interest Rate Data

All data are period averages

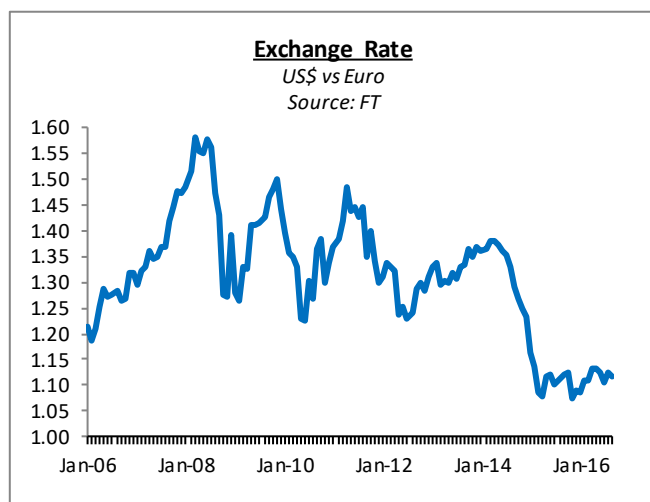
<u>Euro Zone Money Market Rates, %</u>	<u>Jan'16</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Overnight	-0.24	-0.24	-0.29	-0.34	-0.34	-0.33
1-month	-0.22	-0.25	-0.31	-0.34	-0.35	-0.36
3-month	-0.15	-0.18	-0.23	-0.25	-0.26	-0.27
6-month	-0.06	-0.12	-0.13	-0.14	-0.14	-0.16
12-month	0.04	-0.01	-0.01	-0.01	-0.01	-0.03
10-year bond yields	1.11	1.04	0.93	0.96	0.97	0.88
<u>10-year less 1-year Spreads, %</u>						
Euro Zone	0.89	0.73	0.75	0.86	0.76	0.54
United States	1.47	1.14	1.18	1.28	1.17	1.03
United Kingdom	1.18	1.01	1.03	1.13	1.03	0.72
<u>3-month LIBOR rates, %</u>						
United States	0.62	0.62	0.63	0.63	0.64	0.65
United Kingdom	0.08	0.01	-0.01	-0.02	-0.03	-0.03

Exchange Rate Data

period averages vs euro

	<u>Jan'16</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Trade Weighted Nominal Index * (1999 Q1=100)	93.6	94.7	94.1	94.8	95.1	94.7
Chinese renminbi	7.139	7.266	7.222	7.346	7.386	7.402
Croatian kuna	7.658	7.636	7.559	7.495	7.498	7.520
Czech koruna	27.03	27.04	27.05	27.03	27.03	27.06
Danish krone	7.462	7.463	7.457	7.443	7.439	7.437
Hungarian forint	314.7	310.4	311.2	311.5	314.6	314.0
Japanese yen	128.3	127.3	125.4	124.3	123.2	118.5
Polish zloty	4.407	4.397	4.293	4.311	4.404	4.400
Romanian leu	4.531	4.481	4.467	4.472	4.499	4.523
Swedish krona	9.283	9.410	9.285	9.203	9.295	9.334
Swiss franc	1.094	1.102	1.092	1.093	1.106	1.089
UK pound	0.755	0.776	0.780	0.792	0.778	0.790
US dollar	1.086	1.109	1.110	1.134	1.131	1.123

* ECB index, known as EER20, calculated against 20 partner countries.



The euro had fallen below \$1.12 prior to the conclusion of the US Federal Reserve's two-day meeting this week, confirming the US policy rate would remain on hold for now. An above-expectations US inflation reading nevertheless raises the prospect of a tightening of monetary policy across the Atlantic before the end of this year, widening the euro-dollar interest rate differential supporting the greenback in favour of the single European currency. As the chart (left) demonstrates, the euro has kept broadly stable after plunging from \$1.35 to below the \$1.10 barrier two years ago and there is little to suggest severe volatility will return. Forecasters are predicting \$1.10 for the end of this year, and for 2017.

ECB Watch

- As expected, the ECB held its main policy interest rates unchanged at its latest meeting on September 8th, keeping the repo rate and the interest rates on the marginal lending facility and the deposit facility unchanged at 0.00%, 0.25% and -0.40% respectively.
- The ECB also confirmed its asset purchases, amounting to €80 billion per month, will continue until the end of March 2017, or beyond if necessary, until it sees a sustained adjustment in the path of inflation consistent with the 2% inflation target.
- The vast majority of our panellists expect no further changes to the main policy rate at the next two ECB monetary policy meetings (see opposite).

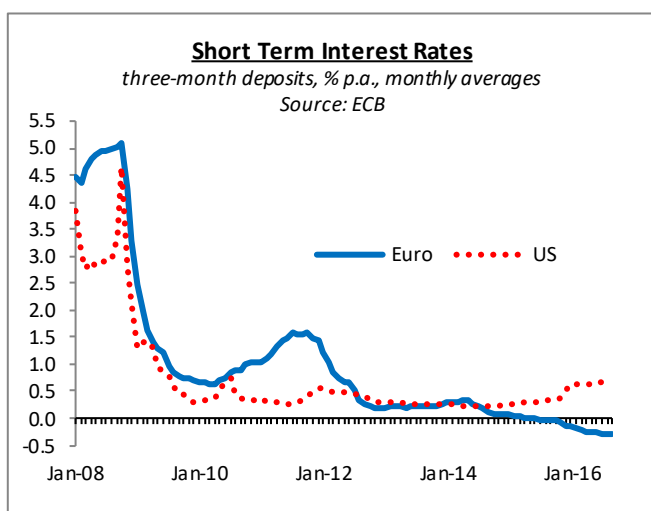
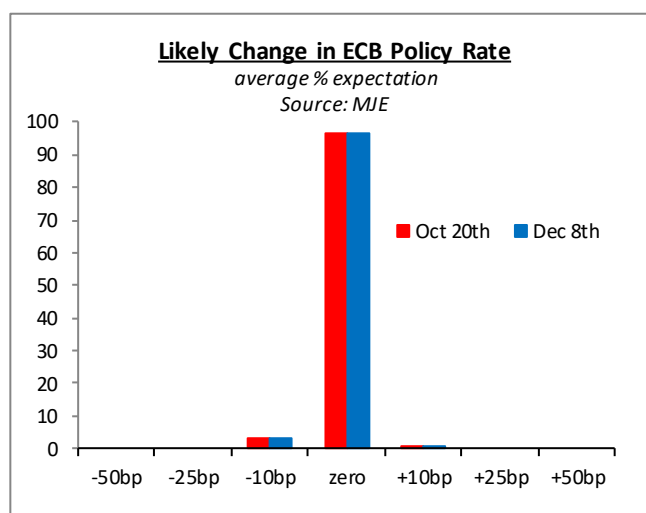
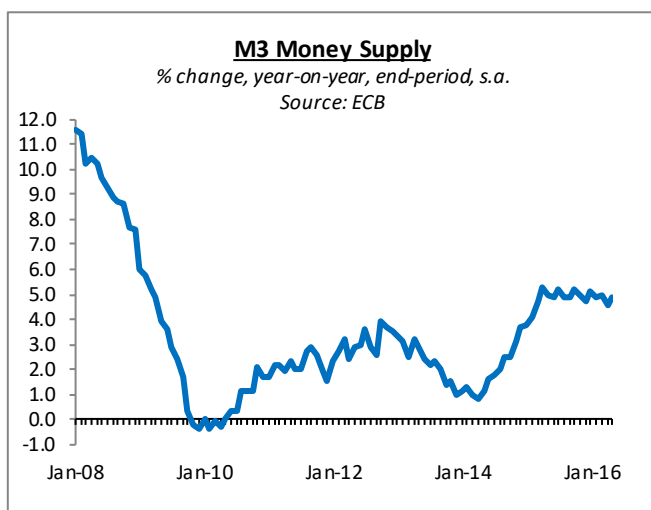
Euro Zone Barometer

Monthly Interest Rate Poll

Panellists' estimates of the probability of movements in the euro zone policy rate at the ECB Council's next two meetings:

	Oct 20th	Dec 8th
-50bp	0.0%	0.0%
-25bp	0.0%	0.0%
-10bp	3.6%	3.0%
Unchanged	95.9%	96.5%
+10bp	0.5%	0.5%
+25bp	0.0%	0.0%
+50bp	0.0%	0.0%

Source: MJE



Last Five ECB Interest Rate Changes:

November 13th, 2013
Deposit rate held at zero;
Repo rate lowered by 25bps to 0.25%.

June 11th, 2014
Deposit rate lowered by 10bps to -0.10%;
Repo rate lowered by 10bps to 0.15%.

September 10th, 2014
Deposit rate lowered by 10bps to -0.20%;
Repo rate lowered by 10bps to 0.05%.

December 9th, 2015
Deposit rate lowered by 10bps to -0.30%;
Repo rate rate held at 0.05%.

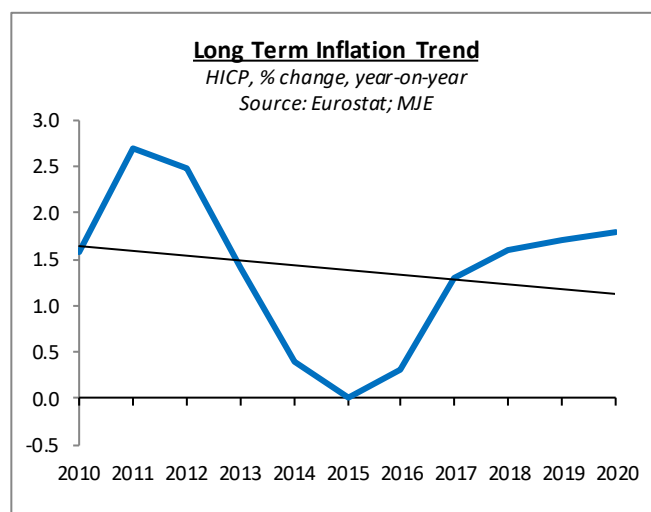
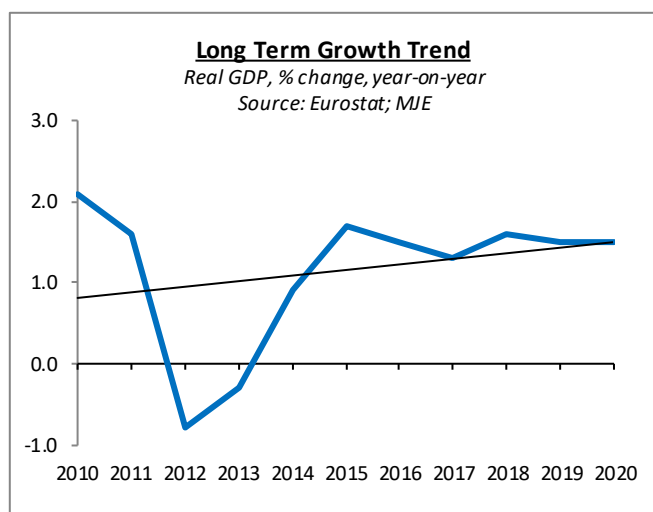
March 16th, 2016
Deposit rate lowered by 10bps to -0.40%;
Repo rate lowered by 5bps to 0.00%.

Long Term Forecasts

Forecasts for 2018 to 2020 are taken from our July 2016 long term forecasts survey

(% change year-on-year, unless otherwise stated)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Gross Domestic Product	1.7	1.5	1.3	1.6	1.5	1.5
Private Consumption	1.7	1.7	1.4	1.5	1.3	1.3
Gross Fixed Investment	2.9	2.5	2.1	2.6	2.2	2.3
Industrial Production (excl. construction)	1.5	1.3	1.6	1.5	1.7	1.7
Unemployment Rate, % of labour force	10.9	10.1	9.8	9.4	8.9	8.5
Harmonised Index of Consumer Prices	0.0	0.3	1.3	1.6	1.7	1.8
Current Account, annual total, % of GDP	3.2	3.1	2.8	2.3	2.1	1.7
General Government Balance, % of GDP	-2.1	-1.9	-1.7	-1.3	-1.2	-1.1
<u>Financial Indicators (end period)</u>						
3 Month Interest Rate, % per annum	-0.13	-0.27	-0.14	0.17	0.47	0.81
10 Year Bond Yield, % per annum	0.63	0.19	0.62	1.49	1.91	2.16
10 year - 3 month Yield Differential	0.76	0.46	0.76	1.33	1.45	1.35
US\$ per € Exchange Rate	1.091	1.104	1.104	1.106	1.153	1.186



GERMANY - Forecasts for 2016

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Private Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.7	na	na	na	4.2	0.4	8.3	0.2	69.0
Allianz SE	1.9	1.7	na	1.0	4.2	0.4	8.7	0.4	na
BBVA	1.4	1.6	3.0	na	na	0.1	8.4	0.2	68.8
BNP Paribas	1.5	1.6	2.3	1.7	na	0.3	8.2	0.3	68.8
Danske Bank	1.7	1.3	3.6	na	4.3	0.3	8.5	0.2	68.6
DZ Bank	1.8	1.6	2.5	na	na	0.3	8.2	0.2	69.0
Economist Intelligence Unit	1.7	1.5	1.8	0.9	4.3	0.4	8.5	0.4	69.2
G&P Institutional Mgmt	1.9	1.9	3.4	na	4.2	0.3	na	0.2	na
HSBC	1.4	1.6	2.4	2.4	na	0.3	7.8	0.0	68.8
IHS Markit Economics	1.8	1.6	2.4	1.1	4.3	0.4	7.8	0.5	68.5
J P Morgan Chase	1.9	na	na	na	na	0.3	na	na	na
Oxford Economics	1.8	1.4	2.1	0.9	4.2	0.4	9.2	0.6	na
Raiffeisen Bank International	1.8	1.3	2.9	na	na	0.7	7.5	0.5	68.5
Santander	1.7	1.4	2.5	0.9	4.6	0.3	8.8	0.6	69.0
SEB	1.7	na	na	na	4.3	0.8	na	na	na
UBS	1.4	1.9	3.8	2.3	na	0.3	8.6	0.2	68.6
UniCredit Bank	1.7	1.5	2.4	1.4	4.8	0.4	7.5	0.6	68.9
Consensus (Mean Average)	1.7	1.6	2.7	1.4	4.3	0.4	8.3	0.3	68.8
Last Month	1.5	1.7	2.9	1.6	4.4	0.4	8.3	0.3	68.8
2 Months Ago	1.6	1.7	3.0	1.6	4.4	0.4	8.2	0.2	68.9
Median	1.7	1.6	2.5	1.1	4.3	0.3	8.4	0.3	68.8
High	1.9	1.9	3.8	2.4	4.8	0.8	9.2	0.6	69.2
Low	1.4	1.3	1.8	0.9	4.2	0.1	7.5	0.0	68.5
Standard Deviation	0.2	0.2	0.6	0.6	0.2	0.2	0.5	0.2	0.2
Number of Forecasts	17	14	13	9	10	17	14	15	12
Other Forecasts									
ECB (June '16)	1.6	na	na	na	4.4	0.2	na	na	na
EC (May '16)	1.6	2.0	2.5	na	4.6	0.3	8.5	0.2	68.6
IMF (April '16)	1.5	1.6	2.2	na	4.6	0.5	8.4	na	na
OECD (June '16)	1.6	1.8	3.5	na	4.4	0.3	9.2	0.3	67.7

- Confidence in the German economy waned in August from a high level in June and July, with the European Commission indicator sliding to 105.5 from 106.6, although it remains well above the regional average.
- Confidence in the services sector stayed largely upbeat, but export-oriented manufacturers were more wary, due to global trends and the uncertainty of what Brexit will bring. Consumer and retail confidence waned despite the strong jobs market continuing.
- The dip in economic sentiment is hardly a welcome development for Chancellor Angela Merkel who is facing enormous difficulty in persuading the electorate her CDU/CSU-led government has the answers, with anti-immigrant feeling bolstering support for the populist-right, amid rising tensions and anti-immigrant violence in the east.
- On the economy, growth was reasonable in Q2, at 1.7% y/y, and the unemployment rate slipped to 4.2% in July on an EU harmonized basis, adjusted for seasonal variation.

GERMANY - Forecasts for 2017

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Private Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.5	na	na	na	4.0	1.8	8.0	0.1	67.0
Allianz SE	1.6	1.5	na	1.3	4.3	1.7	7.6	0.4	na
BBVA	1.5	1.6	2.5	na	na	1.4	7.4	0.0	65.6
BNP Paribas	1.1	1.1	0.5	2.3	na	1.4	7.5	0.1	66.8
Danske Bank	1.4	1.2	1.4	na	4.2	1.5	8.3	0.0	66.5
DZ Bank	1.1	1.1	1.5	na	na	1.4	7.2	0.0	66.7
Economist Intelligence Unit	1.3	1.4	1.4	0.8	4.3	1.5	7.9	0.5	67.6
G&P Institutional Mgmt	1.5	2.0	1.4	na	4.4	1.1	na	0.0	na
HSBC	1.6	1.4	2.2	2.3	na	1.2	7.4	0.0	66.4
IHS Markit Economics	1.7	1.7	1.7	2.1	4.4	1.6	8.0	0.5	66.0
J P Morgan Chase	1.5	na	na	na	na	1.4	na	na	na
Oxford Economics	1.5	1.3	2.0	1.2	4.2	1.8	8.2	0.2	na
Raiffeisen Bank International	1.7	1.3	2.1	na	na	2.7	7.5	0.5	65.6
Santander	1.3	1.2	2.0	1.1	4.7	1.3	8.3	0.4	67.0
SEB	1.6	na	na	na	4.5	1.9	na	na	na
UBS	1.1	1.4	2.8	1.6	na	1.6	8.5	0.0	66.3
UniCredit Bank	0.9	1.4	1.8	0.9	5.2	1.7	7.0	0.0	67.3
Consensus (Mean Average)	1.4	1.4	1.8	1.5	4.4	1.6	7.8	0.2	66.6
Last Month	1.4	1.4	1.8	1.6	4.6	1.6	7.7	0.1	66.6
2 Months Ago	1.4	1.4	2.0	1.5	4.5	1.6	7.7	0.2	66.7
Median	1.5	1.4	1.8	1.3	4.4	1.5	7.8	0.1	66.6
High	1.7	2.0	2.8	2.3	5.2	2.7	8.5	0.5	67.6
Low	0.9	1.1	0.5	0.8	4.0	1.1	7.0	0.0	65.6
Standard Deviation	0.2	0.2	0.6	0.6	0.3	0.4	0.5	0.2	0.6
Number of Forecasts	17	14	13	9	10	17	14	15	12
Other Forecasts									
ECB (June '16)	1.6	na	na	na	4.5	1.5	na	na	na
EC (May '16)	1.6	1.4	2.7	na	4.7	1.5	8.3	0.1	66.3
IMF (April '16)	1.6	1.7	2.3	na	4.8	1.4	8.0	na	na
OECD (June '16)	1.7	1.9	3.0	na	4.6	1.5	8.5	0.4	65.1

Germany: Historical Data

<i>% change, year-on-year</i>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Domestic Product	0.4	0.3	1.6	1.5
Private Consumption	1.0	0.6	0.9	1.9
Gross Fixed Investment	-0.4	-1.3	3.5	1.1
Industrial Production	-0.3	0.1	1.3	0.9
Unemploy. Rate, % of L.F.	5.4	5.2	5.0	4.6
Consumer Prices	2.1	1.6	0.8	0.1
Current Acc., % of GDP	7.2	6.7	7.8	8.5
Budget Bal., % of GDP	-0.1	-0.1	0.3	0.7
Public Debt, % of GDP	79.6	77.2	74.7	71.2

Source: ECB; Eurostat; national statistical office

Germany: Background Information

Prime Minister:	Angela Merkel
Government:	CDU/CSU and SPD coalition
Next Election:	2017 (parliamentary)
Capital City:	Berlin
Economic Freedom:	16th out of 178 countries
Doing Business:	15th out of 189 countries
Competitiveness:	4th out of 140 countries
Corruption:	10th out of 167 countries
Corporate Tax Rate:	15.0% (national rate) 14.0-17.0% (local rate) 15.0% (branch rate)

Note: 5.5% solidarity rate and municipal rates also levied.

Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum

FRANCE - Forecasts for 2016

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Household Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.3	na	na	na	10.0	0.5	-1.3	-3.4	97.0
BBVA	1.5	1.7	3.3	na	na	0.2	-0.5	-3.4	97.0
BNP Paribas	1.3	1.7	2.3	0.2	10.1	0.4	-0.2	-3.4	96.4
Danske Bank	1.2	1.6	1.8	na	10.2	0.5	-1.1	-3.5	96.5
DZ Bank	1.2	1.7	2.4	na	10.0	0.3	-1.6	-3.5	96.0
Economist Intelligence Unit	1.2	1.6	2.4	0.2	9.7	0.3	-0.6	-3.3	96.6
G&P Institutional Mgmt	1.3	1.8	2.4	na	9.9	0.1	na	-3.6	na
HSBC	1.2	1.0	1.7	na	10.1	0.1	-1.4	-3.6	97.4
IHS Markit Economics	1.3	1.6	2.6	0.1	10.0	0.2	-1.0	na	96.6
J P Morgan Chase	1.4	na	na	na	na	0.3	na	na	na
Oxford Economics	1.3	1.7	2.8	0.4	10.0	0.3	-0.6	-3.2	na
Raiffeisen Bank International	1.2	na	na	na	na	0.4	na	-3.4	96.4
SEB	1.3	na	na	na	9.8	0.2	na	na	na
UBS	1.4	2.1	1.8	0.7	na	0.2	na	-3.4	96.4
UniCredit Bank	1.4	1.9	2.8	na	10.3	0.2	-0.3	-3.4	96.7
Consensus (Mean Average)	1.3	1.7	2.4	0.3	10.0	0.3	-0.9	-3.4	96.6
Last Month	1.3	1.7	2.4	0.7	10.1	0.3	-0.6	-3.4	96.3
2 Months Ago	1.4	1.7	2.4	1.0	10.0	0.3	-0.5	-3.4	96.3
Median	1.3	1.7	2.4	0.2	10.0	0.3	-0.8	-3.4	96.6
High	1.5	2.1	3.3	0.7	10.3	0.5	-0.2	-3.2	97.4
Low	1.2	1.0	1.7	0.1	9.7	0.1	-1.6	-3.6	96.0
Standard Deviation	0.1	0.3	0.5	0.2	0.2	0.1	0.5	0.1	0.4
Number of Forecasts	15	11	11	5	11	15	10	12	11
Other Forecasts									
ECB (June '16)	1.4	na	na	na	10.1	0.2	na	na	na
EC (May '16)	1.3	1.5	1.5	na	10.2	0.1	-1.1	-3.4	96.4
IMF (April '16)	1.1	1.5	1.1	na	10.1	0.4	0.6	na	na
OECD (June '16)	1.4	1.9	2.2	na	10.2	0.1	-0.7	-3.4	96.9

- Confidence in the French economy plateaued in August, but with consumer confidence declining for a third consecutive month and sentiment remaining at a low ebb since the economy ground to a halt in Q2 2016, Emmanuel Macron, the economy minister, resigned, forcing President Hollande into a cabinet reshuffle which has seen finance minister Michel Sapin taking over his role.
- However, Macron's prospects are limited by several centrists competing, and resurgent support for the centre-right, which will see either Alain Juppe or Nicolas Sarkozy lead the cause in a duel with the National Front's Marine Le Pen. She may win the first round on the back of anger over the terrorist attacks, uncontrolled immigration and an economy in a parlous state.
- The resignation took place a mere eight months before presidential elections it now seems he will challenge for.
- Disconcertingly, the unemployment rate increased to 10.3% (harmonised) in July, which was a second successive monthly rise.

FRANCE - Forecasts for 2017

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Household Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.3	na	na	na	9.8	1.4	-1.2	-3.3	98.0
BBVA	1.4	1.5	2.2	na	na	1.4	-0.2	-3.2	97.3
BNP Paribas	1.0	1.2	1.1	1.0	10.0	1.1	-0.4	-3.1	96.7
Danske Bank	0.3	0.7	-0.8	na	10.3	1.4	-1.0	-3.4	97.5
DZ Bank	0.8	0.9	0.9	na	9.8	1.5	-1.9	-3.3	97.1
Economist Intelligence Unit	1.1	1.3	1.7	1.6	9.2	1.0	-0.8	-3.0	97.0
G&P Institutional Mgmt	1.3	1.5	1.8	na	9.2	0.5	na	-3.1	na
HSBC	1.3	1.0	1.9	2.0	10.1	0.9	-1.5	-3.6	99.2
IHS Markit Economics	0.8	1.1	1.0	0.7	9.6	1.2	-1.2	na	96.3
J P Morgan Chase	1.2	na	na	na	na	1.4	na	na	na
Oxford Economics	1.4	1.5	2.6	1.5	9.8	1.3	-0.7	-2.6	na
Raiffeisen Bank International	1.4	na	na	na	na	1.3	na	-3.2	97.0
SEB	1.3	na	na	na	9.6	0.7	na	na	na
UBS	1.4	1.8	1.5	1.7	na	1.5	na	-3.1	97.0
UniCredit Bank	0.9	1.2	1.9	na	10.2	1.0	-0.2	-3.1	97.0
Consensus (Mean Average)	1.1	1.2	1.4	1.4	9.8	1.2	-0.9	-3.2	97.3
Last Month	1.1	1.3	1.4	1.6	9.8	1.2	-0.6	-3.1	96.8
2 Months Ago	1.2	1.3	1.6	1.7	9.8	1.2	-0.6	-3.1	96.8
Median	1.3	1.2	1.7	1.6	9.8	1.3	-0.9	-3.2	97.0
High	1.4	1.8	2.6	2.0	10.3	1.5	-0.2	-2.6	99.2
Low	0.3	0.7	-0.8	0.7	9.2	0.5	-1.9	-3.6	96.3
Standard Deviation	0.3	0.3	0.9	0.5	0.4	0.3	0.6	0.2	0.8
Number of Forecasts	15	11	11	6	11	15	10	12	11
Other Forecasts									
ECB (June '16)	1.5	na	na	na	10.0	1.1	na	na	na
EC (May '16)	1.7	1.4	4.0	na	10.1	1.0	-1.0	-3.2	97.0
IMF (April '16)	1.3	1.5	2.1	na	10.0	1.1	0.3	na	na
OECD (June '16)	1.5	1.7	2.2	na	10.1	0.8	-0.8	-3.0	97.4

France: Historical Data

<i>% change, year-on-year</i>	2012	2013	2014	2015
Gross Domestic Product	0.2	0.7	0.2	1.1
Private Consumption	-0.2	0.4	0.6	1.4
Gross Fixed Investment	0.2	-0.6	-1.2	-0.1
Industrial Production	-2.6	-0.5	-1.1	1.3
Unemploy. Rate, % of L.F.	9.8	10.3	10.3	10.4
Consumer Prices	2.2	1.0	0.6	0.1
Current Acc., % of GDP	-2.9	-2.6	-2.3	-0.1
Budget Bal., % of GDP	-4.8	-4.0	-4.0	-3.5
Public Debt, % of GDP	89.6	92.4	95.4	95.8

Source: ECB; Eurostat; national statistical office

France: Background Information

President:	Francois Hollande
Government:	Socialist Party
Next Election:	2017 (presidential & parliamentary)
Capital City:	Paris
Economic Freedom:	73rd out of 178 countries
Doing Business:	27th out of 189 countries
Competitiveness:	22nd out of 140 countries
Corruption:	23rd out of 167 countries
Corporate Tax Rate:	33.33% (national rate) 0.0% (local rate) 33.33%/30% (branch rate)

Note: 3.3% social sec. surcharge levied over certain threshold.

Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum

ITALY - Forecasts for 2016

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Household Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	0.7	na	na	na	11.6	0.2	2.0	-2.6	133.0
BBVA	1.0	1.2	1.8	na	na	0.0	2.7	-2.5	133.6
BNP Paribas	0.9	1.2	2.1	1.1	11.5	-0.1	2.2	-2.8	133.5
Danske Bank	0.6	1.1	0.8	na	11.8	0.1	2.4	-2.6	132.9
DZ Bank	0.8	1.2	1.2	na	11.4	-0.1	2.8	-2.5	132.5
Economist Intelligence Unit	0.7	1.1	1.0	0.5	11.4	-0.2	2.3	-2.6	132.5
G&P Institutional Mgmt	1.0	1.3	1.8	na	11.5	0.0	na	-2.7	na
HSBC	0.9	1.4	1.8	1.8	11.1	0.1	na	-2.7	132.8
IHS Markit Economics	0.8	1.1	1.7	0.5	11.5	-0.1	na	-2.6	134.4
J P Morgan Chase	0.8	na	na	na	na	0.0	na	na	na
LC Macro Advisors	0.8	1.2	1.6	0.8	11.5	-0.1	1.9	-2.8	133.1
Oxford Economics	0.8	1.2	2.0	0.6	11.5	0.1	3.1	-2.3	na
Raiffeisen Bank International	1.1	na	na	na	11.6	0.2	2.3	-2.4	132.7
SEB	0.9	na	na	na	12.2	0.2	na	na	na
UBS	0.9	1.6	1.5	1.5	11.4	0.1	na	-2.4	132.7
UniCredit Bank	0.9	1.1	1.9	na	11.5	0.0	2.0	-2.5	133.2
Consensus (Mean Average)	0.9	1.2	1.6	1.0	11.5	0.0	2.4	-2.6	133.1
Last Month	0.9	1.2	1.6	1.1	11.5	0.0	2.3	-2.6	133.0
2 Months Ago	0.9	1.3	1.7	1.4	11.5	0.0	2.1	-2.5	133.0
Median	0.9	1.2	1.8	0.8	11.5	0.0	2.3	-2.6	133.0
High	1.1	1.6	2.1	1.8	12.2	0.2	3.1	-2.3	134.4
Low	0.6	1.1	0.8	0.5	11.1	-0.2	1.9	-2.8	132.5
Standard Deviation	0.1	0.1	0.4	0.5	0.2	0.1	0.4	0.1	0.5
Number of Forecasts	16	12	12	7	14	16	10	14	12
Other Forecasts									
ECB (June '16)	1.1	na	na	na	11.4	0.0	na	na	na
EC (May '16)	1.1	1.5	3.2	na	11.4	0.2	2.4	-2.4	132.7
IMF (April '16)	1.0	1.0	1.9	na	11.4	0.2	2.3	na	na
OECD (June '16)	1.0	1.3	2.7	na	11.3	0.2	2.1	-2.3	132.8

- A devastating earthquake, a stubbornly resistant unemployment rate exceeding 11%, and reports of Rome pulling out of an Olympics bid are just some of the problems highlighting Italy's present malaise.
- The lack of economic growth, a banking system mired with non-performing loans, and a government which might be toppled by a referendum in October if it goes against Prime Minister Matteo Renzi's political reforms also highlight the poor investor climate and the lacklustre response to policy stimulus and some structural reforms.
- The latest confidence indicators make for sombre reading. Italy's economic sentiment indicator produced by the European Commission slumped to 103.1 in August from 105.2 in July, its lowest level for quite some time. Consumer confidence was already at a low ebb, but sentiment waned among manufacturers, within the construction and services sector, and among retailers.
- Although Renzi may survive the crisis, there is still a chance of Italy leaving the euro zone that many are beginning to contemplate, indeed encouraging that fate.

ITALY - Forecasts for 2017

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Household Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	0.2	na	na	na	11.8	1.2	1.9	-2.3	132.0
BBVA	1.1	1.0	2.0	na	na	1.3	2.6	-2.1	133.3
BNP Paribas	0.3	0.3	0.1	-0.3	11.2	0.8	2.1	-2.8	134.7
Danske Bank	0.4	0.6	-0.6	na	11.5	1.4	2.3	-2.3	132.5
DZ Bank	0.8	0.8	0.6	na	10.9	1.2	1.7	-2.4	131.9
Economist Intelligence Unit	0.9	1.0	1.0	0.5	11.0	0.5	2.0	-2.3	131.5
G&P Institutional Mgmt	1.0	1.2	1.6	na	11.0	0.9	na	-2.6	na
HSBC	1.0	1.6	2.0	2.4	10.3	1.3	na	-2.3	131.6
IHS Markit Economics	0.5	0.6	0.4	0.4	11.3	1.1	na	-2.9	135.6
J P Morgan Chase	1.1	na	na	na	na	1.1	na	na	na
LC Macro Advisors	1.3	1.5	1.9	1.6	11.0	0.6	1.9	-2.8	133.3
Oxford Economics	1.0	0.8	2.1	1.5	11.2	1.5	2.6	-1.8	na
Raiffeisen Bank International	1.2	na	na	na	na	1.1	2.0	-1.9	131.8
SEB	1.0	na	na	na	12.0	0.7	na	na	na
UBS	0.9	1.7	0.6	1.5	11.1	1.6	na	-2.3	131.5
UniCredit Bank	0.9	0.8	1.5	na	11.1	1.1	1.9	-2.2	133.8
Consensus (Mean Average)	0.9	1.0	1.1	1.1	11.2	1.1	2.1	-2.4	132.8
Last Month	0.9	1.0	1.2	1.1	11.1	1.2	2.1	-2.3	132.8
2 Months Ago	1.0	1.1	1.4	1.3	11.1	1.2	1.9	-2.2	132.7
Median	1.0	0.9	1.3	1.5	11.1	1.1	2.0	-2.3	132.3
High	1.3	1.7	2.1	2.4	12.0	1.6	2.6	-1.8	135.6
Low	0.2	0.3	-0.6	-0.3	10.3	0.5	1.7	-2.9	131.5
Standard Deviation	0.3	0.4	0.9	0.9	0.4	0.3	0.3	0.3	1.4
Number of Forecasts	16	12	12	7	13	16	10	14	12
Other Forecasts									
ECB (June '16)	1.2	na	na	na	11.1	0.9	na	na	na
EC (May '16)	1.3	1.1	4.1	na	11.2	1.4	2.3	-1.9	131.8
IMF (April '16)	1.1	1.1	2.6	na	10.9	0.7	2.0	na	na
OECD (June '16)	1.4	1.3	3.7	na	10.8	0.9	2.2	-2.0	131.9

Italy: Historical Data

<i>% change, year-on-year</i>	2012	2013	2014	2015
Gross Domestic Product	-2.8	-1.7	-0.4	0.6
Private Consumption	-3.9	-2.7	0.4	0.9
Gross Fixed Investment	-9.3	-6.6	-3.5	0.6
Industrial Production	-6.3	-2.9	-0.7	0.8
Unemploy. Rate, % of L.F.	10.7	12.1	12.7	11.9
Consumer Prices	3.3	1.3	0.2	0.1
Current Acc., % of GDP	-0.4	0.9	2.0	2.1
Budget Bal., % of GDP	-2.9	-2.9	-3.0	-2.6
Public Debt, % of GDP	123.3	129.0	132.5	132.7

Source: ECB; Eurostat; national statistical office

Italy: Background Information

Prime Minister:	Matteo Renzi
Government:	Coalition including PD and PDL
Next Election:	2018
Capital City:	Rome
Economic Freedom:	80th out of 178 countries
Doing Business:	45th out of 189 countries
Competitiveness:	43rd out of 140 countries
Corruption:	61st out of 167 countries
Corporate Tax Rate:	27.5% (national rate) 3.5% (local rate) 27.5% (branch rate)

Note: Regional tax also levied, generally at 3.9%.

Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum

NETHERLANDS - Forecasts for 2016

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Private Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.5	na	na	na	6.2	0.2	7.8	-1.3	64.0
BNP Paribas	1.8	1.7	3.7	0.6	6.4	0.4	9.5	-1.8	63.1
DZ Bank	1.5	1.1	7.3	na	6.2	-0.2	8.6	-1.3	63.5
Economist Intelligence Unit	1.7	1.2	5.5	1.3	6.2	0.1	9.9	-1.4	63.8
IHS Markit Economics	1.4	1.3	2.7	-1.0	6.4	0.3	na	-2.0	na
Oxford Economics	1.6	1.3	7.1	0.4	6.2	0.3	9.2	-1.6	na
Raiffeisen Bank International	1.5	na	na	na	na	0.3	9.5	-1.7	64.9
UBS	1.7	1.6	5.9	na	na	0.4	8.9	-1.7	64.9
Consensus (Mean Average)	1.6	1.4	5.4	0.3	6.3	0.2	9.1	-1.6	64.0
Last Month	1.5	1.4	4.7	0.9	6.3	0.3	8.9	-1.7	64.2
2 Months Ago	1.6	1.5	4.4	-0.1	6.3	0.4	8.9	-1.7	64.2
Median	1.6	1.3	5.7	0.5	6.2	0.3	9.2	-1.7	63.9
High	1.8	1.7	7.3	1.3	6.4	0.4	9.9	-1.3	64.9
Low	1.4	1.1	2.7	-1.0	6.2	-0.2	7.8	-2.0	63.1
Standard Deviation	0.1	0.2	1.8	1.0	0.1	0.2	0.7	0.3	0.7
Number of Forecasts	8	6	6	4	6	8	7	8	6
Other Forecasts									
ECB (June '16)	1.5	na	na	na	6.3	0.2	na	na	na
EC (May '16)	1.7	1.6	5.9	na	6.4	0.4	8.9	-1.7	64.9
IMF (April '16)	1.8	na	na	na	6.4	0.3	10.6	na	na
OECD (June '16)	1.7	1.3	5.7	na	6.2	0.1	7.8	-1.6	64.7

- Confidence in the Dutch economy slumped rather alarmingly in August according to the European Commission's latest monthly survey, showing a drop in its sentiment indicator for the Netherlands to 102.3, after it had stabilised at 105.9 in June and July.
- Export-oriented manufacturers were decidedly less upbeat about prospects, and confidence in the services sector waned, but by contrast a range of positive factors caused consumer and retail confidence to rise.
- With elections forthcoming in March the minority coalition government has gone on the offensive, promising more money to tackle poverty now that there is less need for austerity with the budget deficit sharply reduced.
- There is more money also targeted for national security and defence, but it may not be enough to guarantee victory with the populist-right Freedom Party still riding high in the opinion polls.

NETHERLANDS - Forecasts for 2017

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Private Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.5	na	na	na	6.0	1.5	7.6	-0.8	63.0
BNP Paribas	1.6	1.3	3.9	1.3	6.0	0.9	9.2	-1.6	62.6
DZ Bank	1.3	1.2	4.5	na	5.8	0.1	8.1	-0.9	62.5
Economist Intelligence Unit	1.6	1.3	3.0	1.6	5.9	1.3	9.1	-1.2	62.8
IHS Markit Economics	1.2	1.7	1.1	0.8	6.3	1.4	na	-1.5	na
Oxford Economics	1.5	1.3	3.0	1.4	6.0	1.5	8.9	-1.5	na
Raiffeisen Bank International	1.4	na	na	na	na	1.6	9.5	-1.2	63.9
UBS	2.0	1.9	4.5	na	na	1.3	8.2	-1.2	63.9
Consensus (Mean Average)	1.5	1.5	3.3	1.3	6.0	1.2	8.7	-1.2	63.1
Last Month	1.5	1.6	3.2	1.6	6.0	1.2	8.7	-1.4	63.4
2 Months Ago	1.6	1.6	3.3	1.6	6.1	1.4	8.7	-1.4	63.3
Median	1.5	1.3	3.5	1.4	6.0	1.4	8.9	-1.2	62.9
High	2.0	1.9	4.5	1.6	6.3	1.6	9.5	-0.8	63.9
Low	1.2	1.2	1.1	0.8	5.8	0.1	7.6	-1.6	62.5
Standard Deviation	0.2	0.3	1.3	0.3	0.2	0.5	0.7	0.3	0.6
Number of Forecasts	8	6	6	4	6	8	7	8	6
Other Forecasts									
ECB (June '16)	1.9	na	na	na	6.2	1.2	na	na	na
EC (May '16)	2.0	1.9	4.5	na	6.1	1.3	8.2	-1.2	63.9
IMF (April '16)	1.9	na	na	na	6.2	0.7	10.2	na	na
OECD (June '16)	2.1	1.7	4.9	na	5.9	1.2	7.3	-1.2	64.1

Netherlands: Historical Data

<i>% change, year-on-year</i>	2012	2013	2014	2015
Gross Domestic Product	-1.1	-0.5	1.0	1.9
Private Consumption	-1.2	-1.4	0.0	1.6
Gross Fixed Investment	-6.3	-4.4	3.5	10.3
Industrial Production	-0.4	0.6	-2.8	-4.2
Unemploy. Rate, % of L.F.	5.8	7.3	7.4	6.9
Consumer Prices	2.8	2.6	0.3	0.2
Current Acc., % of GDP	10.2	11.0	10.6	9.2
Budget Bal., % of GDP	-3.9	-2.4	-2.4	-1.8
Public Debt, % of GDP	66.4	67.9	68.2	65.1

Source: ECB; Eurostat; national statistical office

Netherlands: Background Information

Prime Minister:	Mark Rutte
Government:	VVD led coalition
Next Election:	September 2016 (parliamentary)
Capital City:	The Hague
Economic Freedom:	17th out of 178 countries
Doing Business:	28th out of 189 countries
Competitiveness:	5th out of 140 countries
Corruption:	5th out of 167 countries
Corporate Tax Rate:	25.0% (national rate) 0.0% (local rate) 25.0% (branch rate)

Note: Reduced tax of 20% on income below certain threshold.

Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum

SPAIN - Forecasts for 2016

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Household Consump- tion	Gross Fixed Invest- ment	Industrial Produc- tion (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	3.0	na	na	na	20.0	-0.4	1.2	-4.6	101.0
BBVA	3.1	na	na	na	19.6	-0.3	1.5	-4.2	na
BNP Paribas	2.9	3.4	3.7	1.9	20.3	-0.4	1.2	-4.6	100.7
Danske Bank	2.4	2.8	2.8	na	20.3	-0.2	1.5	-4.0	100.5
DZ Bank	2.6	3.1	3.3	na	20.1	-0.4	1.2	-4.4	99.6
Economist Intelligence Unit	3.1	3.2	4.2	3.5	19.7	-0.4	1.8	-4.3	99.4
G&P Institutional Mgmt	3.1	3.4	4.5	na	19.9	-0.6	na	-4.2	na
HSBC	2.6	3.0	4.4	2.6	20.0	-0.3	0.9	-4.4	100.0
IHS Markit Economics	3.1	3.2	3.5	1.4	19.8	-0.4	1.2	-4.2	99.5
J P Morgan Chase	3.2	na	na	na	na	-0.4	na	na	na
Oxford Economics	3.2	3.3	3.8	2.0	19.8	-0.4	1.7	-4.5	na
Raiffeisen Bank International	2.9	na	na	na	na	-0.2	1.2	-3.8	99.9
Santander	3.1	3.3	3.9	na	19.7	-0.6	1.6	na	na
UBS	2.8	3.4	3.8	3.2	20.1	-0.4	1.3	-3.8	99.9
UniCredit Bank	2.7	3.0	5.5	na	na	-0.5	na	-4.0	na
Consensus (Mean Average)	2.9	3.2	3.9	2.4	19.9	-0.4	1.4	-4.2	100.1
Last Month	2.8	3.2	3.9	2.4	19.9	-0.4	1.3	-4.2	100.1
2 Months Ago	2.8	3.2	3.8	2.3	19.8	-0.5	1.3	-4.1	100.0
Median	3.0	3.2	3.8	2.3	20.0	-0.4	1.3	-4.2	99.9
High	3.2	3.4	5.5	3.5	20.3	-0.2	1.8	-3.8	101.0
Low	2.4	2.8	2.8	1.4	19.6	-0.6	0.9	-4.6	99.4
Standard Deviation	0.2	0.2	0.7	0.8	0.2	0.1	0.3	0.3	0.6
Number of Forecasts	15	11	11	6	12	15	12	13	9
Other Forecasts									
ECB (June '16)	2.7	na	na	na	20.1	-0.5	na	na	na
EC (May '16)	2.6	3.0	4.7	na	20.0	-0.1	1.5	-3.9	100.3
IMF (April '16)	2.6	3.0	4.5	na	19.7	-0.4	1.9	na	na
OECD (June '16)	2.8	3.1	4.6	na	19.8	-0.5	1.1	-3.7	100.3

- Confidence also slumped in Spain in August, worsening in the construction sector, and among manufacturers concerned that Europe's weak prospects and political risks will begin to check Spain's hitherto impressive recovery, evinced by strong Q2 GDP growth and a record year for tourism.
- On the political front Mariano Rajoy is desperately trying to form a new government to avoid the prospect of a third round of elections which may depend on cutting a deal with the Basque nationalists.
- Maintaining strong growth is crucial to further lowering an unemployment rate which is still critically high, despite sliding to 19.6% (seasonally-adjusted) in July measured on an EU harmonised basis.
- The country has upheld its strong economic growth despite the political impasse delaying policymaking, but a government must be formed to progress the 2017 budget which cannot be adopted by a caretaker administration governing on a day-to-day basis.

SPAIN - Forecasts for 2017

<i>average % change from previous year, unless otherwise noted. For sources and definitions, see page 24.</i>	Gross Domestic Product	Household Consumption	Gross Fixed Investment	Industrial Production (excl. construc- tion)	Unem- ployment Rate (EU defn., % of labour force)	Con- sumer Prices (HICP)	Current Account Balance (% of GDP)	General Govt. Balance (% of GDP)	General Govt. Debt (% of GDP)
Panellists									
ABN Amro	1.9	na	na	na	19.8	1.0	1.4	-3.3	100.0
BBVA	2.3	na	na	na	18.6	1.7	1.9	-3.6	na
BNP Paribas	1.6	2.0	2.6	1.5	20.2	1.2	1.0	-3.5	101.9
Danske Bank	1.1	1.4	0.3	na	19.0	1.7	1.3	-3.5	100.0
DZ Bank	1.8	2.2	1.7	na	19.3	1.2	0.9	-3.4	99.0
Economist Intelligence Unit	2.0	2.1	3.4	2.7	18.0	1.7	1.3	-3.7	99.0
G&P Institutional Mgmt	2.6	2.9	4.3	na	18.0	1.1	na	-3.3	na
HSBC	2.0	2.1	4.2	3.5	18.6	1.4	0.5	-3.9	100.4
IHS Markit Economics	1.9	2.0	1.5	0.9	19.1	1.6	0.7	-3.0	98.9
J P Morgan Chase	2.4	na	na	na	na	1.1	na	na	na
Oxford Economics	2.3	2.3	3.1	2.5	18.2	1.6	1.9	-3.5	na
Raiffeisen Bank International	2.1	na	na	na	na	1.3	1.0	-3.2	99.5
Santander	2.2	2.4	3.7	na	18.0	0.7	1.5	na	na
UBS	1.9	2.4	3.7	3.2	18.3	1.7	1.2	-3.0	99.2
UniCredit Bank	1.7	2.1	4.2	na	na	1.1	na	-3.5	na
Consensus (Mean Average)	2.0	2.2	3.0	2.4	18.8	1.3	1.2	-3.4	99.8
Last Month	1.9	2.2	3.0	2.3	18.6	1.3	1.0	-3.4	99.9
2 Months Ago	2.0	2.2	3.1	2.3	18.5	1.3	1.1	-3.3	99.8
Median	2.0	2.1	3.4	2.6	18.6	1.3	1.3	-3.5	99.5
High	2.6	2.9	4.3	3.5	20.2	1.7	1.9	-3.0	101.9
Low	1.1	1.4	0.3	0.9	18.0	0.7	0.5	-3.9	98.9
Standard Deviation	0.4	0.4	1.3	1.0	0.7	0.3	0.4	0.3	1.0
Number of Forecasts	15	11	11	6	12	15	12	13	9
Other Forecasts									
ECB (June '16)	2.3	na	na	na	18.8	1.5	na	na	na
EC (May '16)	2.5	2.3	5.0	na	18.1	1.4	1.3	-3.1	99.6
IMF (April '16)	2.3	2.3	2.9	na	18.3	1.0	2.0	na	na
OECD (June '16)	2.3	2.1	3.8	na	18.4	1.0	0.9	-2.7	100.1

Spain: Historical Data

<i>% change, year-on-year</i>	2012	2013	2014	2015
Gross Domestic Product	-2.6	-1.7	1.4	3.2
Private Consumption	-3.5	-3.1	1.2	3.1
Gross Fixed Investment	-7.1	-2.5	3.5	6.4
Industrial Production	-6.0	-1.7	1.1	3.3
Unemploy. Rate, % of L.F.	24.8	26.1	24.5	22.1
Consumer Prices	2.4	1.5	-0.2	-0.6
Current Acc., % of GDP	-0.4	1.5	1.0	1.4
Budget Bal., % of GDP	-10.4	-6.9	-5.9	-5.1
Public Debt, % of GDP	85.4	93.7	99.3	99.2

Source: ECB; Eurostat; national statistical office

Spain: Background Information

Prime Minister:	Mariano Rajoy
Government:	To be confirmed
Next Election:	2020 (parliamentary)
Capital City:	Madrid
Economic Freedom:	49th out of 178 countries
Doing Business:	33rd out of 189 countries
Competitiveness:	33rd out of 140 countries
Corruption:	36th out of 167 countries
Corporate Tax Rate:	28.0% (national rate) variable (local rate) 28.0%/20.0% (branch rate)

Note: Reduced rate for SMEs.

Sources: BIS, Deloitte, IFES Election Guide, IMF, FT, Heritage Foundation, MJE, Transparency International, World Bank, World Economic Forum

Forecasts For Other Euro-Zone Countries¹

		Real GDP Growth (%)		Harmonized Inflation (%)		Current Account (% of GDP)		Gen Govt Bal (% of GDP)		Gen Govt Debt (% of GDP)	
		2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Austria	EC	1.5	1.6	0.9	1.7	3.1	3.3	-1.5	-1.4	84.9	83.0
	IMF	1.2	1.4	1.4	1.8	3.6	3.5	na	na	na	na
	OECD	1.3	1.6	1.0	2.0	2.0	2.0	-1.6	-1.3	86.0	85.3
Belgium	EC	1.2	1.6	1.7	1.6	1.8	1.9	-2.8	-2.3	106.4	105.6
	IMF	1.2	1.4	1.2	1.1	0.5	0.1	na	na	na	na
	OECD	1.2	1.5	1.6	1.7	0.8	1.3	-2.9	-2.5	106.1	105.3
Cyprus	EC	1.7	2.0	-0.7	1.0	-4.2	-4.6	-0.4	0.0	108.9	105.4
	IMF	1.6	2.0	0.6	1.3	-4.8	-4.7	na	na	na	na
	OECD	na	na	na	na	na	na	na	na	na	na
Estonia	EC	1.9	2.4	0.8	2.9	0.9	1.6	-0.1	-0.2	9.6	9.3
	IMF	2.2	2.8	2.0	2.9	1.2	0.5	na	na	na	na
	OECD	1.8	3.0	0.4	1.8	0.9	-0.2	-0.4	0.3	9.3	8.3
Greece	EC	-0.3	2.7	-0.3	0.6	0.6	1.3	-3.1	-1.8	182.8	178.8
	IMF	-0.6	2.7	0.0	0.6	-0.2	-0.3	na	na	na	na
	OECD	-0.2	1.9	-0.5	0.0	-1.6	-0.9	-1.9	-0.5	176.9	172.7
Ireland	EC	4.9	3.7	0.3	1.3	4.6	4.6	-1.1	-0.6	89.1	86.6
	IMF	5.0	3.6	0.9	1.4	4.0	3.5	na	na	na	na
	OECD	5.0	3.4	0.3	2.2	4.6	5.0	-0.7	-0.3	88.9	86.6
Luxembourg	EC	3.3	3.9	-0.1	1.8	5.3	4.8	1.0	0.1	22.5	22.8
	IMF	3.5	3.4	0.5	1.3	5.1	5.0	na	na	na	na
	OECD	3.7	3.8	-0.1	1.5	4.3	6.4	1.3	0.5	22.1	24.4
Malta	EC	4.1	3.5	1.4	2.2	5.6	4.4	-0.9	-0.8	60.9	58.3
	IMF	3.5	3.0	1.6	1.8	5.3	5.3	na	na	na	na
	OECD	na	na	na	na	na	na	na	na	na	na
Portugal	EC	1.5	1.7	0.7	1.2	0.3	0.5	-2.7	-2.3	126.0	124.5
	IMF	1.4	1.3	0.7	1.2	0.9	0.4	na	na	na	na
	OECD	1.2	1.3	0.3	0.8	0.2	0.3	-2.9	-2.6	128.3	128.3
Slovakia	EC	3.2	3.3	-0.1	1.5	-0.6	-1.1	-2.4	-1.6	53.4	52.7
	IMF	3.3	3.4	0.2	1.4	-1.0	-1.0	na	na	na	na
	OECD	3.1	3.2	-0.3	0.9	0.0	0.5	-2.3	-1.6	53.3	53.0
Slovenia	EC	1.7	2.3	-0.2	1.6	7.0	6.9	-2.4	-2.1	80.2	78.0
	IMF	1.9	2.0	0.1	1.0	7.3	7.6	na	na	na	na
	OECD	1.5	2.3	-0.5	0.7	6.9	6.7	-2.2	-1.9	85.1	86.2

¹ Forecasts for Germany, Finland, Italy, the Netherlands and Spain shown on pages 12-22; Forecasts for Finland are shown in Nordic Barometer. EC - European Commission (May'16); IMF - International Monetary Fund (Apr'16); OECD - Organisation for Economic Cooperation & Dev (May'16).

Euro Zone: Background Information

Member Countries	Area (sq km)	Popn (m)	Capital
Austria	83,855	8.5	Vienna
Belgium	30,520	11.2	Brussels
Cyprus	9,251	0.9	Nicosia
Estonia	45,200	1.3	Tallinn
Finland	338,145	5.5	Helsinki
France	543,965	65.9	Paris
Germany	357,028	80.8	Berlin
Greece	131,957	11	Athens
Ireland	70,282	4.6	Dublin
Italy	301,245	60.8	Rome
Latvia	63,700	2.4	Riga
Lithuania	65,200	3.7	Vilnius
Luxembourg	2,586	0.5	Lux. City
Malta	316	0.4	Valletta
Netherlands	41,526	16.8	The Hague
Portugal	88,940	10.4	Lisbon
Slovakia	49,035	5.4	Bratislava
Slovenia	20,251	2.1	Ljubljana
Spain	504,782	46.5	Madrid

Sources: Eurostat, The Times; PRB; MJE

Euro Zone: Election Timetable

Date	Country	Type
October 2016	Lithuania	Parliamentary
December 2016	Austria	Presidential
March 2017	Netherlands	Parliamentary
April 2017	France	Presidential
June 2017	France	Parliamentary
October 2017	Germany	Presidential
December 2017	Slovenia	Presidential
February 2018	Cyprus	Presidential
February 2018	Finland	Presidential
June 2018	Malta	Parliamentary
June 2018	Luxembourg	Parliamentary
September 2018	Austria	Parliamentary
October 2018	Ireland	Presidential
December 2018	Italy	Parliamentary
January 2019	Portugal	Presidential
July 2020	Spain	Parliamentary

Sources: IFES Election Guide; MJE

Notes, Sources and Definitions

¹ Contribution to overall GDP growth, calculated as the change in stockbuilding as a % of the previous year's GDP.

² Contribution to overall GDP growth, calculated as the change in net exports (real goods and services exports minus real goods and services imports) as a % of the previous year's GDP.

OECD = Organisation

for Economic Cooperation and Development; IMF = International Monetary Fund; EC = European Commission; ECB = European Central Bank.

bp – basis points (1/100th of a percentage point)

sa – seasonally adjusted

q/q – quarter on quarter

m/m – month-on-month

wda – working day adjusted

y/y – year on year

<u>Variable</u>	<u>Definition</u>	<u>Source</u>
Gross Domestic Product	Seasonally and working day adj., 2005 prices (chain-linked)	Eurostat
Private Consumption	Seasonally and working day adj., 2005 prices (chain-linked)	Eurostat
Government Consumption	Seasonally and working day adj., 2005 prices (chain-linked)	Eurostat
Gross Fixed Capital Formation	Seasonally and working day adj., 2005 prices (chain-linked)	Eurostat
Change in Stocks (Inventories)	Seasonally and working day adj., 2005 prices (chain-linked)	Eurostat
Exports, Imports & Net Exports	Seasonally and working day adj., 2005 prices (chain-linked)	Eurostat
Industrial Production	Seasonally adjusted, 2005 = 100 index, excluding construction	Eurostat
Retail Sales	Seasonally adjusted, 2005 = 100 index, total sales volume	Eurostat
Unemployment Rate	Seasonally adjusted, total, % of labour force, ILO definition	Eurostat
Money Supply	M3 monetary aggregate (ECB target measure), seas. adj., €bn, end period	ECB
Consumer Prices	Harmonised index of consumer prices (HICP), total, 2005=100	Eurostat
Producer Prices	Industrial producer prices, domestic market, total industry excluding construction, 2005 = 100	Eurostat
Wages/Earnings	Labour cost index, business economy (excluding public administration, education and social services), 2008 = 100	Eurostat
Current Account	Balance of payments current account, total net flows, €bn	Eurostat
Budget Balance	General govt fiscal position, total balance as a % of GDP	Eurostat
Short Term Interest Rate	3 month euro interest rate (EURIBOR – interbank offered Rate), % p.a., end period	ECB/FT
Long Term Interest Rate	Yield on 10 year German govt bond, % p.a., end period	ECB/FT
Exchange Rate	Foreign currency per euro, market rate, end period	FT

Membership Form Single User Licence

I would like to sign up for Membership to the MJEconomics website for a 12 month period. I understand that this entitles me to receive a copy of Euro Zone Barometer every month by e-mail in PDF format, along with the preliminary survey results rushed out in advance by e-mail in Excel format. Membership also provides access to all MJEconomics files and any additional information provided by third-party providers for personal use in the members' area of the website (including our sister publication Nordic Barometer). By submitting this form, I agree to be bound by the terms and conditions of Membership of MJEconomics. These state that all material in the Members' Area is copyright of MJEconomics and may be downloaded and used only by me, the paying subscriber. I agree not to reproduce, re-transmit, distribute, publish, sell or broadcast to other persons without the express permission of MJEconomics.

Membership cost: €399, £340, or \$529 per user per year.

Please fill out the details below and return the entire page to us (we will invoice you for payment)

Name..... Position.....

Organisation..... Department.....

Address.....

City..... Post/Zip Code.....

Country.....

e-mail address.....

(Please print clearly, confirmation of your subscription will be sent by e-mail)

Telephone..... Fax.....

Value-Added Tax is levied on electronic distribution to all EU subscribers. If you are resident in the EU, but not in the UK, you may prefer not to pay VAT by filling out your VAT registration number below:

.....

Signature..... Date.....

Mail this form to: MJEconomics, 1 Seagrave Close, Kingsmead, CW9 8UR, UK, or you can request membership directly via our website at: www.mjeconomics.com

Finally, contact us:

- If you would like to distribute our work to a wider audience via site licence;
- If you would like information about consultancy work undertaken by MJEconomics;
- If you would like information about our annual **country risk reports** and/or monthly **country risk updates** covering over 180 countries worldwide (sample copies available).