BUSINESSEUROPE



Spring 2007 Economic Outlook for Denmark: Answers from DI and DA

MAIN FORECAST						
MAILTORECAST		2006	2007	2008		
Real GDP growth		3,1	2,0	1,8		
Consumer price inflation		1,8	1,8	1,9		
Unemployment rate Employment growth		3,8 1,3	3,1 0,3	3,0 0,2		
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Components of aggregate demand						
Annual % change		2006	2007	2008		
Private consumption		4,1	2,5	1,9		
Public consumption	action)	1,1 7,0	1,0 2,0	1,0 4,0		
Investment (Gross fixed capital form Exports	Tation)	9,9	2,0 5,6	4,0 5,7		
Imports		12,1	5,2	6,4		
ECONOMIC SENTIMENT						
Question 1	Positive	Negative	Unchanged			
Trend in business climate over the			Industry			
next 6 months			Services			
Question 2	Positive	Negative	Unchanged			
Trend in profitability over the next 6			Industry			
months			Services			
Question 3	Increase (faster pace)	Increase (slower pace)	Unchanged	Decrease (slower pace)	Decrease (faster pace)	
Trend in investment over the next 6		Industry	-	,	,	
months (compared to the last 12		Services				
months)		JEI VICES				
Question 4	Replacement	Extension	Rationalisation	Innovation		
Driving force behind investment	Up	Up	Up	Up		
decisions in the next six months	Op	Ομ	Ορ	Op		
Question 5	Positive	Negative	Unchanged			
Trend in consumer confidence over	1 Colline	noganio	-			
the next 6 months			yes			
Question 6	Inductry pact 6 months	Inductors post 6 months	Serviceou nest 6 months	Sorvince next 6 menths		
		-	-	Services: next 6 months		
Overall trend in employment	Up	Up	Up	Up		
o <i>(</i> ; -	Ligher / more difficult	_				
Question /	muner / more anncun	Same	Lower / less difficult			
Question 7 Compared to 6 months ago, SME's	Higher / more difficult	Same	Lower / less difficult			
Compared to 6 months ago, SME's cost/access to capital for business	Cost		Lower / less difficult			
Compared to 6 months ago, SME's	-	Same	Lower / less difficult			
Compared to 6 months ago, SME's cost/access to capital for business	-		Lower / less difficult			
Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8	-		Lower / less difficult			
Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro	Cost Dollar per euro		Lower / less difficult			
Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be	Cost		Lower / less difficult			
Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ?	Cost Dollar per euro na		Lower / less difficult			
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Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ? Question 9 Where will the dollar / euro stand in October 2007 ?	Cost Dollar per euro na Dollar per euro		Lower / less difficult			
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Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ? Question 9 Where will the dollar / euro stand in October 2007 ? POLICY MIX	Cost Dollar per euro na Dollar per euro 1,30	Access		Unsatisfactory	Deteriorating	
Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ? Question 9 Where will the dollar / euro stand in October 2007 ? POLICY MIX Question 10	Cost Dollar per euro na Dollar per euro 1,30	Access	Neither satisfactory nor	Unsatisfactory	Deteriorating	
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Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ? Question 9 Where will the dollar / euro stand in October 2007 ? POLICY MIX Question 10 Fiscal policy: Progress towards the medium-term budgetary objective? Question 11	Cost Cost Cost Cost Cost Cost Cost Cost	Access Satisfactory yes Tight Downside risks to	Neither satisfactory nor unsatisfactory Appropriate Risks to price stability	Loose yes Risks to price stability from indirect tax	Loose, appropriate for the euro area Risks from money	Risks of euro appreciation
Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ? Question 9 Where will the dollar / euro stand in October 2007 ? POLICY MIX Question 10 Fiscal policy: Progress towards the medium-term budgetary objective? Question 11 Monetary policy is	Cost Cost Cost Cost Cost Cost Cost Cost	Access Satisfactory yes Tight	Neither satisfactory nor unsatisfactory Appropriate	Loose yes Risks to price stability	Loose, appropriate for the euro area	Risks of euro appreciation
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Compared to 6 months ago, SME's cost/access to capital for business development MAIN RISKS Question 8 Above which level of dollar /euro will the European economy be significantly hurt ? Question 9 Where will the dollar / euro stand in October 2007 ? POLICY MIX Question 10 Fiscal policy: Progress towards the medium-term budgetary objective? Question 11 Monetary policy is Question 12 ECB policy: Focus on elements of the ECB analysis underlying its current policy stance is Question 13	Cost Cost Cost Cost Cost Cost Cost Cost	Access Satisfactory yes Tight Downside risks to growth	Neither satisfactory nor unsatisfactory Appropriate Risks to price stability from high oil prices	Loose yes Risks to price stability from indirect tax increases	Loose, appropriate for the euro area Risks from money supply growth	appreciation
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