



## AUTUMN 2008 ECONOMIC OUTLOOK FOR THE CZECH REPUBLIC: ANSWERS FROM SPCR

MAIN FORECAST						
MAIN FORECAST		2008	2009			
Real GDP growth		4.6	3.1			
=		6.1	2.9			
Consumer price inflation						
Unemployment rate		4.4	4.6			
Employment growth		1.4	0.0			
Components of aggregate de-	mand					
Annual % change		2008	2009			
Private consumption		3.2	0.5			
Public consumption		0.2	-0.2			
Investment (Gross fixed capital	formation)	5.0	2.0			
Exports	ioinidalon)	5.0	6.0			
Imports		6.4	6.0			
ECONOMIC SENTIMENT						
	Positive	Negative	Unchanged			
Trend in business climate	Industry	3				
over the next 6 months	Services					
over the next o mentile	Services					
	Positive	Negative	Unchanged			
Trand in profitability aver						
Trend in profitability over the next 6 months	Industry					
uie next o months	Services					
	Increase	Increase		Decrease	Decrease	
	(faster pace)	(slower pace)	Unchanged	(slower pace)	(faster pace)	
	(raster pace)			(SIGWEI Pace)	(iddici pace)	
Investment intentions over		Industry				
the next 6 months		Services				
	Replacement	Extension	Rationalisation	Innovation		
Driving force behind	-					
investment decisions in the	Up	Down	Up	Up		
next 6 months	·		•	·		
- /	<b>5</b>					
<b>-</b>	Positive	Negative	Unchanged			
Trend in consumer						
confidence over the next 6		yes				
months						
	Industry: past 6	Industry: next 6	Services: past 6	Services: next 6		
	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6		
Overall trend in	months	months	months	months		
Overall trend in						
Overall trend in employment	months	months	months	months		
	months	<i>months</i> Same	months	months		
	<b>months</b> Up	months	<i>months</i> Same	months		
employment	months  Up  Higher / more	<i>months</i> Same	months Same Lower / less	months		
employment  Over the next 6 months,	months  Up  Higher / more	<i>months</i> Same	months Same Lower / less	months		
employment  Over the next 6 months, cost/access to finance will	months  Up  Higher / more	months Same	months Same Lower / less	months		
employment  Over the next 6 months,	months  Up  Higher / more	<i>months</i> Same	months Same Lower / less	months		
employment  Over the next 6 months, cost/access to finance will	months  Up  Higher / more difficult	months Same Same Access	months Same Lower / less difficult	<i>months</i> Same		
employment  Over the next 6 months, cost/access to finance will	months  Up  Higher / more	months Same	months Same Lower / less	months		
employment  Over the next 6 months, cost/access to finance will	months  Up  Higher / more difficult	months Same Same Access	months Same Lower / less difficult	<i>months</i> Same		
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil	months  Up  Higher / more difficult	months Same Same Access	months Same Lower / less difficult	<i>months</i> Same		
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies'	months  Up  Higher / more difficult	months Same Same Access	months Same Lower / less difficult	<i>months</i> Same		
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions	months  Up  Higher / more difficult	same Same Access to some extent	months Same Lower / less difficult	<i>months</i> Same		
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively	months  Up  Higher / more difficult	same Same Access to some extent	months Same Lower / less difficult	<i>months</i> Same		
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employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively	months Up Higher / more difficult to a large extent	same Same Access to some extent	months Same Lower / less difficult	months Same not at all		
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively	months Up Higher / more difficult  to a large extent	months Same Same Access to some extent yes	months Same Lower / less difficult  to a limited extent	months Same  not at all	Unsatisfactory	Deteriorating
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively	months Up Higher / more difficult  to a large extent  Not necessary, situation is	same Same Access to some extent	months Same Lower / less difficult	months Same  not at all  Neither satisfactory nor	Unsatisfactory	Deteriorating
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively  POLICY MIX	months Up Higher / more difficult  to a large extent	months Same Same Access to some extent yes	months Same Lower / less difficult  to a limited extent	months Same  not at all	Unsatisfactory	Deteriorating
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively  POLICY MIX  Progress towards medium-	months Up Higher / more difficult  to a large extent  Not necessary, situation is	months Same Same Access to some extent yes	months Same  Lower / less difficult  to a limited extent  Satisfactory	months Same  not at all  Neither satisfactory nor	Unsatisfactory	Deteriorating
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively  POLICY MIX  Progress towards mediumterm budgetary objective	months Up Higher / more difficult  to a large extent  Not necessary, situation is	months Same Same Access to some extent yes	months Same Lower / less difficult  to a limited extent	months Same  not at all  Neither satisfactory nor	Unsatisfactory	Deteriorating
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employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively  POLICY MIX  Progress towards mediumterm budgetary objective is  Monetary policy is	months Up  Higher / more difficult  to a large extent  Not necessary, situation is satisfactory  Tight, appropriate for the euro area	months Same Same Access to some extent yes  Excellent	months Same  Lower / less difficult  to a limited extent  Satisfactory  yes  Appropriate	not at all  Neither satisfactory nor unsatisfactory	Loose, appropriate	Deteriorating
employment  Over the next 6 months, cost/access to finance will be  Financial market turmoil has affected companies' investment decisions negatively  POLICY MIX  Progress towards mediumterm budgetary objective is  Monetary policy is  Consistency between fiscal	months Up  Higher / more difficult  to a large extent  Not necessary, situation is satisfactory  Tight, appropriate for the euro area	months Same Same Access to some extent yes  Excellent	months Same  Lower / less difficult  to a limited extent  Satisfactory  yes  Appropriate	not at all  Neither satisfactory nor unsatisfactory	Loose, appropriate	Deteriorating
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