



## SPRING 2009 ECONOMIC OUTLOOK FOR ESTONIA: ANSWERS FROM ETTK

### MAIN FORECAST

	2008	2009
Real GDP growth	-3.6	-6.2
Consumer price inflation	10.4	1.5
Unemployment rate	5.5	15.0
Employment growth	0.2	-11.2

### Components of aggregate demand

Annual % change	2008	2009
Private consumption	-2.6	-6.5
Public consumption	1.8	-4.3
Investment (Gross fixed capital formation)	-6.5	-20.0
Exports	-0.5	-7.0
Imports	-11.0	-12.0

### ECONOMIC SENTIMENT

<b>Trend in business climate over the next 6 months</b>	<b>Positive</b>	<b>Negative</b> Industry Services	<b>Unchanged</b>		
<b>Trend in profitability over the next 6 months</b>	<b>Positive</b>	<b>Negative</b> Industry Services	<b>Unchanged</b>		
<b>Investment intentions over the next 6 months</b>	<b>Increase (faster pace)</b>	<b>Increase (slower pace)</b>	<b>Unchanged</b>	<b>Decrease (slower pace)</b>	<b>Decrease (faster pace)</b> Industry Services
<b>Driving force behind investment decisions in the next 6 months</b>	<b>Replacement</b> Down	<b>Extension</b> Down	<b>Rationalisation</b> Down	<b>Innovation</b> Down	
<b>Overall trend in employment</b>	<b>Industry: past 6 months</b> Down	<b>Industry: next 6 months</b> Down	<b>Services: past 6 months</b> Down	<b>Services: next 6 months</b> Down	

### ACCESS TO FINANCE

<b>Compared to 6 months ago, cost/access to finance has been...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>	
for SMEs	Access	Cost			
for larger companies (>250 employees)	Access	Cost			
<b>Over the next 6 months, cost /access to finance will be...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>	
for SMEs			Cost Access		
for larger companies (>250 employees)			Cost Access		
<b>For companies, the current financing situation is...</b>	<b>an existential threat</b>	<b>of high concern</b>	<b>somewhat concerning</b>	<b>not worrying</b>	
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		



POLICY MIX

*Given natl. circumstances, are recovery plans appropriate to stimulate the economy?*

na

*Monetary policy is...*

*Tight, appropriate for the euro area*

*Tight*

*Appropriate  
yes*

*Loose*

*Loose, appropriate for the euro area*

*Consistency between fiscal and monetary policies*

*adequate  
yes*

*inadequate*