

SPRING 2009 ECONOMIC OUTLOOK FOR SPAIN: ANSWERS FROM CEOE

MAIN FORECAST

	2008	2009
Real GDP growth	1.2	-2.8
Consumer price inflation	4.1	0.7
Unemployment rate	11.3	18.1
Employment growth	-0.5	-5.6

Components of aggregate demand

Annual % change	2008	2009
Private consumption	0.5	-3.4
Public consumption	5.3	4.6
Investment (Gross fixed capital formation)	-3.0	-9.9
Exports	0.7	-12.5
Imports	-2.4	-14.0

ECONOMIC SENTIMENT

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

ACCESS TO FINANCE

Compared to 6 months ago, cost/access to finance has been...	sharply up / restrained	up / more difficult	same	down / easier
for SMEs		Cost Access		
for larger companies (>250 employees)		Cost Access		
Over the next 6 months, cost /access to finance will be...	sharply up / restrained	up / more difficult	same	down / easier
for SMEs		Cost Access		
for larger companies (>250 employees)		Cost Access		
For companies, the current financing situation is...	an existential threat	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		



POLICY MIX

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

to a large extent

	<i>Tight, appropriate for the euro area</i>	<i>Tight</i> yes	<i>Appropriate</i>	<i>Loose</i>	<i>Loose, appropriate for the euro area</i>
<i>Monetary policy is...</i>					
<i>Consistency between fiscal and monetary policies</i>	<i>adequate</i> yes	<i>inadequate</i>			