



## SPRING 2009 ECONOMIC OUTLOOK FOR ITALY: ANSWERS FROM CONFINDUSTRIA

### MAIN FORECAST

	2008	2009
Real GDP growth	-0.6	-2.0
Consumer price inflation	3.5	1.0
Unemployment rate	6.7	8.2
Employment growth	0.3	-1.8

### Components of aggregate demand

Annual % change	2008	2009
Private consumption	-0.4	-0.3
Public consumption	1.1	0.5
Investment (Gross fixed capital formation)	-1.9	-6.3
Exports	-1.5	-5.8
Imports	-2.7	-4.3

### 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>	<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> Services	<b>Decrease (faster pace)</b> Industry
<b>Driving force behind investment decisions in the next 6 months</b>	<b>Replacement</b> Up	<b>Extension</b> Down	<b>Rationalisation</b> Up	<b>Innovation</b> Up	
<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		Access		Cost
for larger companies (>250 employees)		Access		Cost
<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?*

aboslutely not

*Monetary policy is...*

*Tight, appropriate for the euro area*

*Tight*  
yes

*Appropriate*

*Loose*

*Loose, appropriate for the euro area*

*Consistency between fiscal and monetary policies*

*adequate*

*inadequate*  
yes