



AUTUMN 2009 ECONOMIC OUTLOOK FOR THE CZECH REPUBLIC: ANSWERS FROM SPCR

MAIN FORECAST					
		2009	2010		
Real GDP growth		-4.5	0.5		
Consumer price inflation		1.1	0.9		
Jnemployment rate		8.5	9.5		
· ·					
Employment growth		-1.9	-1.8		
0					
Components of aggregate demand					
Annual % change		2009	2010		
Private consumption		0.9	0.7		
Public consumption		1.5	0.5		
nvestment (Gross fixed capital formation)		-5.7	-1.5		
Exports		-11.0	-1.9		
mports		-10.0	-2.1		
CONOMIC SENTIMENT					
	Positive	Negative	Unchanged		
Trend in business climate over the next		Industry			
months		Services			
v monuis		Services			
	Positive	Negative	Unchanged		
Trend in profitability over the next 6		Industry			
months					
rorrald		Services			
	h	h		Dr	D
	Increase	Increase	Unchanged	Decrease	Decrease
	(faster pace)	(slower pace)	-	(slower pace)	(faster pace)
Investment intentions over the next 6			Industry		
nonths			Services		
	Fall in global demand	Cost of finance	Availability of finance		
nfluence on companies' investment	-				
lecisions	negative	negative	negative		
iecisions					
	_				
	Replacement	Extension	Rationalisation	Innovation	
Driving force behind investment	neutral	neutral	important	important	
lecisions in the next 6 months	neulidi	neutidi	important	important	
	Industry: past 6	Industry: next 6	Services: past 6	Services: next 6	
	months	months	months	months	
Overall trend in employment					
Overall trend in employment	months Down	months Down	months Down	<i>months</i> Down	
	Down	Down			
Overall trend in employment ACCESS TO FINANCE AND IMPACT OF	Down	Down			
ACCESS TO FINANCE AND IMPACT OF	Down THE CRISIS ON POTENT	Down			
ACCESS TO FINANCE AND IMPACT OF	Down THE CRISIS ON POTENT sharply up /	Down TAL GROWTH	Down	Down	
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POLICY MIX					
	Tight, appropriate for the euro area	Tight	Appropriate	Loose	Loose, appropriate for
Monetary policy is				yes	
	adequate	inadequate			
Consistency between fiscal and monetary policies	yes				
	excellent committment	satisfactory committment	neither satisfactory nor unsatisfactory committment	unsatisfactory committment	no clear committmen creating an extremely worrying situation
Regarding the sustainability of public finances, government shows			yes		
	respect the 3% limit	be in balance			
In 2015, the government deficit will	yes	no			