



FEBRUARY 2010 ECONOMIC OUTLOOK FOR LUXEMBOURG: ANSWERS FROM FEDIL

MAIN FORECAST		2009	2010		
D 1000					
Real GDP growth		-3.9	2.1		
Consumer price inflation		0.0	1.8		
Unemployment rate		6.0	7.0		
Employment growth		1.1	-1.3		
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Components of aggregate demand - in r	roal torms				
	ear terms	2009	2010		
Annual % change					
Private consumption		0.2	0.8		
Public consumption		4.6	2.0		
Investment (Gross fixed capital formation)		-14.8	0.3		
Exports		-10.0	1.8		
Imports		-11.5	1.9		
porto			1.0		
ECONOMIC SENTIMENT					
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	Do aldina	M	the street and		
	Positive	Negative	Unchanged		
Trend in business climate over the next	Industry				
6 months	Services				
	Positive	Mogativa	Unobongod		
	rositive	Negative	Unchanged		
Trend in profitability over the next 6			Industry		
months			Services		
		Increase		Decrease	Decrease
	Increase (faster pace)		Unchanged		
		(slower pace)	-	(slower pace)	(faster pace)
Investment intentions over the next 6			Industry		
months	Services				
	Global demand	Domestic demand	Cost of finance	Availability of finance	
Influence on companies' investment	na	na	na	na	
decisions					
	Replacement	Extension	Rationalisation	Innovation	
Driving force behind investment	·				
decisions in the next 6 months	neutral	negative	positive	positive	
				poortivo	
decidence in the next of incidence			F	positivo	
			F	positivo	
	Industry: past 6 months	_	·	·	
	Industry: past 6 months	_	·	Services: next 6 months	
Overall trend in employment	Industry: past 6 months Down	_	·	·	
		Industry: next 6 months	Services: past 6 months	Services: next 6 months	
Overall trend in employment	Down	Industry: next 6 months Down	Services: past 6 months	Services: next 6 months	
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POLICY MIX					
	Tight, appropriate for the euro area	Tight	Appropriate	Loose	Loose, appropriate fo
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 committmer creating an extremel worrying situation
Regarding the sustainability of public finances, government shows				yes	
	respect the 3% limit	be in balance			
In 2015, the government deficit will	no	no			