



JUNE 2012 ECONOMIC OUTLOOK FOR ESTONIA: ANSWERS FROM ETTK

MAIN FORECAST

	2012	2013
<i>Annual % change</i>		
Real GDP growth	1,8	3,2
Consumer price inflation	2,9	3,4
Unemployment rate	10,4	10,0
Employment growth	1,8	1,8
government net lending (% of GDP)	0,0	0,0
gross public debt (% of GDP)	0,1	0,1
current account balance (% of GDP)	2,1	1,8

Components of aggregate demand - in real terms

<i>Annual % change</i>		
Private consumption	2,5	3,5
Public consumption	3,5	1,8
Investment (Gross Fixed Capital Formation)	6,0	6,0
Private non-residential investment	3,5	2,0
Exports	2,0	4,0
Imports	3,3	5,0

ECONOMIC SENTIMENT

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>
<i>Trend in business climate over the next 6 months</i>			Industry Services

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>
<i>Trend in profitability over the next 6 months</i>		Industry	Services

	<i>Increase (faster pace)</i>	<i>Increase (slower pace)</i>	<i>Unchanged</i>	<i>Decrease (slower pace)</i>	<i>Decrease (faster pace)</i>
<i>Investment intentions over the next 6 months</i>			Industry Services		

	<i>Global demand</i>	<i>Domestic demand</i>	<i>Cost of finance</i>	<i>Availability of finance</i>	<i>Company Profitability</i>	<i>Capacity Utilisation</i>
<i>Influence on companies' investment decisions</i>	negative	neutral	positive	neutral	neutral	neutral

	<i>Replacement</i>	<i>Extension</i>	<i>Rationalisation</i>	<i>Innovation</i>
<i>Driving force behind investment decisions in the next 6 months</i>	neutral	neutral	neutral	positive

	<i>Industry: past 6 months</i>	<i>Industry: next 6 months</i>	<i>Services: past 6 months</i>	<i>Services: next 6 months</i>
<i>Overall trend in employment</i>	Up	Same	Up	Same



ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH

<i>Compared to 6 months ago, cost/access to finance has been... for SMEs</i>	sharply up / restrained	up / more difficult	same	down / easier
			Demand for finance Cost Access	
<i>for larger companies (>250 employees)</i>			Demand for finance Cost Access	

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	Investment	Inventories and working capital	Internal Financing	Issuance of debt securities	Economic Outlook	
Factors contributing to the demand of bank lending	Positive effect	Neutral effect	Neutral effect	Negative effect	Very negative effect	
	Bank's capital position	Bank's liquidity position	Access to market financing	Financial Regulation	Economic Outlook	ECB Long term refinancing operations
Factors contributing to the supply of bank lending	Neutral effect	Neutral effect	Neutral effect	Neutral effect	Negative effect	Neutral effect

