

AUTUMN 2008 ECONOMIC OUTLOOK FOR SPAIN: ANSWERS FROM CEOE (NOVEMBER UPDATE)

MAIN FORECAST						
		2008		2009		
Real GDP growth		1.2		-1.3		
Consumer price inflation		4.2		2.2		
Unemployment rate		11.2		15.5		
Employment growth		-0.4		-3.0		
Components of aggregate demand						
<i>Annual % change</i>		2008		2009		
Private consumption		0.5		-2.1		
Public consumption		5.1		5.5		
Investment (Gross fixed capital formation)		-1.5		-6.8		
Exports		2.9		1.0		
Imports		0.9		-2.0		
ECONOMIC SENTIMENT						
	Positive	Negative	Unchanged			
Trend in business climate over the next 6 months		Industry Services				
	Positive	Negative	Unchanged			
Trend in profitability over the next 6 months		Industry Services				
	Increase (faster pace)	Increase (slower pace)	Unchanged	Decrease (slower pace)	Decrease (faster pace)	
Investment intentions over the next 6 months				Services	Industry	
	Replacement	Extension	Rationalisation	Innovation		
Driving force behind investment decisions in the next 6 months	Same	Down	Same	Down		
	Positive	Negative	Unchanged			
Trend in consumer confidence over the next 6 months		yes				
	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6 months		
Overall trend in employment	Down	Down	Down	Down		
	Higher / more difficult	Same	Lower / less difficult			
Over the next 6 months, cost/access to finance will be...	Cost					
	Access					
	to a large extent	to some extent	to a limited extent	not at all		
Financial market turmoil has affected companies' investment decisions negatively ...	yes					
POLICY MIX						
	Not necessary, situation is satisfactory	Excellent	Satisfactory	Neither satisfactory nor unsatisfactory	Unsatisfactory	Deteriorating
Progress towards medium-term budgetary objective is...						yes
	Tight, appropriate for the euro area	Tight	Appropriate	Loose	Loose, appropriate for the euro area	
Monetary policy is...			yes			
	Adequate	Inadequate				
Consistency between fiscal and monetary policies		yes				