

## ZEW-Financial Market Survey: Results March 2006

<b>Current economic situation</b>	<b>good</b>		<b>normal</b>		<b>bad</b>		<b>balance</b>	
Eurozone	14.6	(+6.7)	72.8	(-5.3)	12.6	(-1.4)	2.0	(+8.1)
Germany	13.7	(+6.4)	64.2	(-1.7)	22.1	(-4.7)	-8.4	(+11.1)
USA	52.1	(+1.5)	44.9	(-2.8)	3.0	(+1.3)	49.1	(+0.2)
Japan	35.5	(+8.9)	57.4	(-7.7)	7.1	(-1.2)	28.4	(+10.1)
United Kingdom	19.6	(-1.8)	75.8	(+3.2)	4.6	(-1.4)	15.0	(-0.4)
France	9.8	(+5.1)	72.9	(-1.7)	17.3	(-3.4)	-7.5	(+8.5)
Italy	6.1	(+3.2)	48.9	(+2.9)	45.0	(-6.1)	-38.9	(+9.3)
<b>Economic expectations</b>	<b>improve</b>		<b>no change</b>		<b>get worse</b>		<b>balance</b>	
Eurozone	64.0	(-3.7)	33.1	(+2.5)	2.9	(+1.2)	61.1	(-4.9)
Germany (=ZEW Indicator)	67.3	(-3.8)	28.8	(+1.2)	3.9	(+2.6)	63.4	(-6.4)
USA	6.3	(-1.7)	67.0	(-2.7)	26.7	(+4.4)	-20.4	(-6.1)
Japan	51.7	(-3.9)	44.9	(+2.2)	3.4	(+1.7)	48.3	(-5.6)
United Kingdom	12.7	(-3.4)	74.2	(+0.3)	13.1	(+3.1)	-0.4	(-6.5)
France	42.7	(-6.8)	52.3	(+4.3)	5.0	(+2.5)	37.7	(-9.3)
Italy	39.2	(-5.9)	55.8	(+4.2)	5.0	(+1.7)	34.2	(-7.6)
<b>Inflation rate</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Eurozone	36.9	(+4.5)	48.2	(-4.3)	14.9	(-0.2)	22.0	(+4.7)
Germany	37.1	(+3.4)	47.9	(-3.4)	15.0	(+/-0.0)	22.1	(+3.4)
USA	40.1	(+5.3)	45.4	(-7.3)	14.5	(+2.0)	25.6	(+3.3)
Japan	72.1	(+5.9)	26.9	(-5.1)	1.0	(-0.8)	71.1	(+6.7)
United Kingdom	26.5	(-0.4)	62.2	(-1.5)	11.3	(+1.9)	15.2	(-2.3)
France	32.3	(+2.1)	53.4	(-3.3)	14.3	(+1.2)	18.0	(+0.9)
Italy	34.2	(+1.6)	51.4	(-3.5)	14.4	(+1.9)	19.8	(-0.3)
<b>Short-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Eurozone	93.2	(+4.5)	6.5	(-4.8)	0.3	(+0.3)	92.9	(+4.2)
USA	76.9	(+2.7)	21.1	(-3.0)	2.0	(+0.3)	74.9	(+2.4)
Japan	74.0	(+16.9)	26.0	(-16.9)	0.0	(+/-0.0)	74.0	(+16.9)
United Kingdom	22.2	(+3.2)	71.5	(+5.3)	6.3	(-8.5)	15.9	(+11.7)
<b>Long-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Germany	65.8	(+3.5)	27.0	(-6.7)	7.2	(+3.2)	58.6	(+0.3)
USA	55.5	(+0.3)	35.6	(-0.8)	8.9	(+0.5)	46.6	(-0.2)
Japan	80.1	(+9.3)	19.2	(-8.6)	0.7	(-0.7)	79.4	(+10.0)
United Kingdom	31.2	(+1.1)	63.9	(+3.0)	4.9	(-4.1)	26.3	(+5.2)
<b>Stock market indices</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
STOXX 50 (Eurozone)	56.2	(-4.2)	34.1	(+4.8)	9.7	(-0.6)	46.5	(-3.6)
DAX (Germany)	56.3	(-6.1)	32.0	(+6.0)	11.7	(+0.1)	44.6	(-6.2)
TecDax (Germany)	56.3	(-4.7)	28.7	(+3.3)	15.0	(+1.4)	41.3	(-6.1)
Dow Jones Industrial (USA)	42.1	(-2.3)	42.9	(+0.5)	15.0	(+1.8)	27.1	(-4.1)
Nikkei 225 (Japan)	65.9	(-2.0)	26.7	(+4.6)	7.4	(-2.6)	58.5	(+0.6)
FT-SE 100 (UK)	40.2	(-4.2)	48.6	(+4.6)	11.2	(-0.4)	29.0	(-3.8)
CAC-40 (France)	48.7	(-5.6)	39.9	(+6.1)	11.4	(-0.5)	37.3	(-5.1)
MIBtel (Italy)	44.8	(-7.1)	41.9	(+5.6)	13.3	(+1.5)	31.5	(-8.6)
<b>Exchange rates (vs. Euro)</b>	<b>appreciate</b>		<b>no change</b>		<b>depreciate</b>		<b>balance</b>	
Dollar	9.4	(-2.4)	31.9	(+5.2)	58.7	(-2.8)	-49.3	(+0.4)
Yen	37.0	(+13.4)	51.4	(-8.5)	11.6	(-4.9)	25.4	(+18.3)
UK Pound	6.4	(+0.4)	71.9	(+6.7)	21.7	(-7.1)	-15.3	(+7.5)
Swiss Franc	10.8	(-2.8)	80.9	(-0.4)	8.3	(+3.2)	2.5	(-6.0)
<b>Commodities</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Oil (Brent Crude)	26.4	(+0.6)	48.5	(+2.2)	25.1	(-2.8)	1.3	(+3.4)
<b>Sectors</b>	<b>improve</b>		<b>no change</b>		<b>get worse</b>		<b>balance</b>	
Banks	66.3	(-3.6)	28.3	(+3.1)	5.4	(+0.5)	60.9	(-4.1)
Insurance companies	65.2	(+4.3)	29.3	(-1.9)	5.5	(-2.4)	59.7	(+6.7)
Automobile	38.8	(-2.0)	51.4	(+1.6)	9.8	(+0.4)	29.0	(-2.4)
Chemicals / Pharmaceuticals	62.5	(+3.5)	33.8	(-3.8)	3.7	(+0.3)	58.8	(+3.2)
Steel	35.9	(-4.5)	54.2	(+6.6)	9.9	(-2.1)	26.0	(-2.4)
Electronics	42.0	(-1.8)	54.3	(+2.6)	3.7	(-0.8)	38.3	(-1.0)
Mechanical engineering	68.7	(-1.8)	27.7	(+1.6)	3.6	(+0.2)	65.1	(-2.0)
Retail / Consumer goods	43.3	(+7.0)	45.1	(-5.1)	11.6	(-1.9)	31.7	(+8.9)
Construction	27.5	(+1.1)	58.2	(+1.6)	14.3	(-2.7)	13.2	(+3.8)
Utilities	46.2	(-0.4)	47.2	(+0.2)	6.6	(+0.2)	39.6	(-0.6)
Services	61.0	(+1.2)	36.4	(-0.8)	2.6	(-0.4)	58.4	(+1.6)
Telecommunications	27.0	(+/-0.0)	55.7	(+1.8)	17.3	(-1.8)	9.7	(+1.8)
Information technology	62.6	(-0.4)	33.3	(+1.6)	4.1	(-1.2)	58.5	(+0.8)

Note: 311 Analysts participated in the March survey which was conducted during the period 02/27-03/13/06. Analysts were asked about their expectations for the next 6 months. Numbers displayed are percentages (month-over-month percentage point changes in parentheses). Balances refer to the difference between positive and negative assessments.