

## ZEW Financial Market Survey: Results July 2005

<b>Current economic situation</b>	<b>good</b>		<b>normal</b>		<b>bad</b>		<b>balance</b>	
Eurozone	2.7	(+1.1)	62.0	(+3.5)	35.3	(-4.6)	-32.6	(+5.7)
Germany	1.0	(+0.7)	31.3	(+1.9)	67.7	(-2.6)	-66.7	(+3.3)
USA	50.2	(+13.7)	46.7	(-12.6)	3.1	(-1.1)	47.1	(+14.8)
Japan	6.1	(+0.8)	69.2	(+0.7)	24.7	(-1.5)	-18.6	(+2.3)
United Kingdom	25.2	(+0.5)	70.8	(-0.4)	4.0	(-0.1)	21.2	(+0.6)
France	1.8	(-0.9)	55.2	(+3.1)	43.0	(-2.2)	-41.2	(+1.3)
Italy	1.4	(+0.4)	24.3	(-1.6)	74.3	(+1.2)	-72.9	(-0.8)
<b>Economic expectations</b>	<b>improve</b>		<b>no change</b>		<b>get worse</b>		<b>balance</b>	
Eurozone	33.1	(+8.7)	62.8	(-5.1)	4.1	(-3.6)	29.0	(+12.3)
Germany (=ZEW Indicator)	41.8	(+13.3)	53.4	(-9.1)	4.8	(-4.2)	37.0	(+17.5)
USA	10.6	(+/-0.0)	70.9	(+4.6)	18.5	(-4.6)	-7.9	(+4.6)
Japan	28.7	(+5.6)	67.4	(-2.7)	3.9	(-2.9)	24.8	(+8.5)
United Kingdom	10.2	(+4.3)	66.5	(-7.3)	23.3	(+3.0)	-13.1	(+1.3)
France	29.2	(+9.8)	63.0	(-6.2)	7.8	(-3.6)	21.4	(+13.4)
Italy	20.6	(+6.1)	68.0	(-0.8)	11.4	(-5.3)	9.2	(+11.4)
<b>Inflation rate</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Eurozone	24.7	(+6.2)	65.4	(-0.2)	9.9	(-6.0)	14.8	(+12.2)
Germany	26.8	(+7.6)	61.9	(-2.6)	11.3	(-5.0)	15.5	(+12.6)
USA	50.0	(+3.7)	43.1	(-0.4)	6.9	(-3.3)	43.1	(+7.0)
Japan	29.3	(+3.7)	69.2	(-2.8)	1.5	(-0.9)	27.8	(+4.6)
United Kingdom	26.1	(+3.7)	63.6	(-3.3)	10.3	(-0.4)	15.8	(+4.1)
France	24.3	(+6.2)	66.4	(-3.3)	9.3	(-2.9)	15.0	(+9.1)
Italy	25.6	(+3.8)	63.2	(-2.8)	11.2	(-1.0)	14.4	(+4.8)
<b>Short-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Eurozone	12.9	(+2.4)	81.6	(+0.4)	5.5	(-2.8)	7.4	(+5.2)
USA	80.9	(+2.4)	17.7	(-2.8)	1.4	(+0.4)	79.5	(+2.0)
Japan	12.5	(-1.5)	87.1	(+1.8)	0.4	(-0.3)	12.1	(-1.2)
United Kingdom	10.2	(-5.2)	58.4	(-13.2)	31.4	(+18.4)	-21.2	(-23.6)
<b>Long-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Germany	61.8	(+3.3)	32.1	(-2.4)	6.1	(-0.9)	55.7	(+4.2)
USA	72.0	(+5.6)	25.3	(-3.8)	2.7	(-1.8)	69.3	(+7.4)
Japan	47.0	(-2.3)	51.5	(+1.5)	1.5	(+0.8)	45.5	(-3.1)
United Kingdom	37.1	(-3.3)	49.3	(-2.3)	13.6	(+5.6)	23.5	(-8.9)
<b>Stock market indices</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
STOXX 50 (Eurozone)	63.9	(+0.8)	28.7	(+0.3)	7.4	(-1.1)	56.5	(+1.9)
DAX (Germany)	67.7	(+0.1)	24.1	(+0.2)	8.2	(-0.3)	59.5	(+0.4)
TecDax (Germany)	62.7	(+5.4)	27.5	(-6.5)	9.8	(+1.1)	52.9	(+4.3)
Dow Jones Industrial (USA)	48.9	(+6.7)	37.9	(-8.0)	13.2	(+1.3)	35.7	(+5.4)
Nikkei 225 (Japan)	64.0	(+7.9)	29.6	(-9.5)	6.4	(+1.6)	57.6	(+6.3)
FT-SE 100 (UK)	48.5	(+5.8)	41.5	(-5.8)	10.0	(+/-0.0)	38.5	(+5.8)
CAC-40 (France)	56.2	(-0.1)	34.5	(+2.7)	9.3	(-2.6)	46.9	(+2.5)
MIBtel (Italy)	49.2	(+3.9)	38.6	(-1.9)	12.2	(-2.0)	37.0	(+5.9)
<b>Exchange rates (vs. Euro)</b>	<b>appreciate</b>		<b>no change</b>		<b>depreciate</b>		<b>balance</b>	
Dollar	32.6	(-1.2)	31.1	(+1.6)	36.3	(-0.4)	-3.7	(-0.8)
Yen	23.2	(-4.6)	67.4	(+7.5)	9.4	(-2.9)	13.8	(-1.7)
UK Pound	12.2	(-5.7)	60.5	(+2.0)	27.3	(+3.7)	-15.1	(-9.4)
Swiss Franc	12.6	(-5.3)	80.0	(+6.7)	7.4	(-1.4)	5.2	(-3.9)
<b>Commodities</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Oil (Brent Crude)	25.0	(+3.4)	36.4	(-3.3)	38.6	(-0.1)	-13.6	(+3.5)
<b>Sectors</b>	<b>improve</b>		<b>no change</b>		<b>get worse</b>		<b>balance</b>	
Banks	56.9	(+1.6)	35.3	(-2.5)	7.8	(+0.9)	49.1	(+0.7)
Insurance companies	43.8	(-1.3)	45.7	(-0.5)	10.5	(+1.8)	33.3	(-3.1)
Automobile	25.5	(+4.1)	54.5	(+2.1)	20.0	(-6.2)	5.5	(+10.3)
Chemicals / Pharmaceuticals	43.0	(-2.8)	52.6	(+1.3)	4.4	(+1.5)	38.6	(-4.3)
Steel	29.5	(-1.9)	46.1	(-1.7)	24.4	(+3.6)	5.1	(-5.5)
Electronics	32.8	(+4.3)	60.9	(-4.3)	6.3	(+/-0.0)	26.5	(+4.3)
Mechanical engineering	45.1	(+0.5)	45.9	(-1.5)	9.0	(+1.0)	36.1	(-0.5)
Retail / Consumer goods	20.1	(+2.7)	60.2	(+2.2)	19.7	(-4.9)	0.4	(+7.6)
Construction	12.2	(+3.1)	61.7	(+3.9)	26.1	(-7.0)	-13.9	(+10.1)
Utilities	58.9	(+8.0)	36.7	(-7.6)	4.4	(-0.4)	54.5	(+8.4)
Services	57.0	(+2.7)	39.4	(-1.9)	3.6	(-0.8)	53.4	(+3.5)
Telecommunications	55.4	(+0.1)	39.1	(+1.0)	5.5	(-1.1)	49.9	(+1.2)
Information technology	62.5	(+4.5)	33.9	(-2.9)	3.6	(-1.6)	58.9	(+6.1)

Note: 294 Analysts participated in the July survey which was conducted during the period 07/04 to 07/18/05. 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.