

ZEW-Financial Market Survey: Results July 2006

Current economic situation	good		normal		bad		balance	
Eurozone	30.7	(+8.9)	64.5	(-7.4)	4.8	(-1.5)	25.9	(+10.4)
Germany	30.1	(+9.6)	63.1	(-7.8)	6.8	(-1.8)	23.3	(+11.4)
USA	56.7	(-1.4)	41.2	(+2.7)	2.1	(-1.3)	54.6	(-0.1)
Japan	39.9	(+2.6)	57.6	(-1.6)	2.5	(-1.0)	37.4	(+3.6)
United Kingdom	25.9	(+3.3)	71.6	(-2.6)	2.5	(-0.7)	23.4	(+4.0)
France	23.1	(+6.5)	65.9	(-6.0)	11.0	(-0.5)	12.1	(+7.0)
Italy	9.6	(+3.8)	63.7	(+1.0)	26.7	(-4.8)	-17.1	(+8.6)
Economic expectations	improve		no change		get worse		balance	
Eurozone	30.8	(-13.5)	56.5	(+7.8)	12.7	(+5.7)	18.1	(-19.2)
Germany (=ZEW Indicator)	32.9	(-14.8)	49.3	(+6.9)	17.8	(+7.9)	15.1	(-22.7)
USA	4.1	(+1.7)	41.5	(-9.0)	54.4	(+7.3)	-50.3	(-5.6)
Japan	27.0	(-13.1)	66.4	(+12.5)	6.6	(+0.6)	20.4	(-13.7)
United Kingdom	5.1	(-7.2)	80.9	(+5.1)	14.0	(+2.1)	-8.9	(-9.3)
France	20.1	(-10.0)	68.4	(+8.3)	11.5	(+1.7)	8.6	(-11.7)
Italy	20.0	(-2.4)	67.7	(+4.0)	12.3	(-1.6)	7.7	(-0.8)
Inflation rate	increase		no change		decrease		balance	
Eurozone	48.6	(+1.1)	43.8	(+2.6)	7.6	(-3.7)	41.0	(+4.8)
Germany	53.9	(+4.4)	38.5	(-1.0)	7.6	(-3.4)	46.3	(+7.8)
USA	41.8	(-3.4)	43.3	(+1.7)	14.9	(+1.7)	26.9	(-5.1)
Japan	67.5	(-5.1)	31.8	(+5.8)	0.7	(-0.7)	66.8	(-4.4)
United Kingdom	23.3	(-4.2)	72.3	(+4.9)	4.4	(-0.7)	18.9	(-3.5)
France	36.6	(-2.3)	55.7	(+4.4)	7.7	(-2.1)	28.9	(-0.2)
Italy	39.5	(-0.8)	52.8	(+2.3)	7.7	(-1.5)	31.8	(+0.7)
Short-term interest rates	increase		no change		decrease		balance	
Eurozone	93.5	(+2.2)	5.8	(-2.2)	0.7	(+/-0.0)	92.8	(+2.2)
USA	54.7	(-1.5)	41.5	(+1.1)	3.8	(+0.4)	50.9	(-1.9)
Japan	87.5	(+6.8)	12.1	(-6.8)	0.4	(+/-0.0)	87.1	(+6.8)
United Kingdom	26.0	(-1.4)	70.3	(+2.8)	3.7	(-1.4)	22.3	(+/-0.0)
Long-term interest rates	increase		no change		decrease		balance	
Germany	57.5	(-2.0)	29.7	(-0.2)	12.8	(+2.2)	44.7	(-4.2)
USA	41.2	(-3.8)	39.8	(-1.1)	19.0	(+4.9)	22.2	(-8.7)
Japan	77.1	(+2.9)	19.6	(-4.5)	3.3	(+1.6)	73.8	(+1.3)
United Kingdom	28.0	(-1.6)	62.1	(-1.4)	9.9	(+3.0)	18.1	(-4.6)
Stock market indices	increase		no change		decrease		balance	
STOXX 50 (Eurozone)	65.4	(+5.3)	24.4	(-4.8)	10.2	(-0.5)	55.2	(+5.8)
DAX (Germany)	67.3	(+3.6)	22.5	(-2.5)	10.2	(-1.1)	57.1	(+4.7)
TecDax (Germany)	56.8	(-0.4)	30.9	(+2.8)	12.3	(-2.4)	44.5	(+2.0)
Dow Jones Industrial (USA)	49.3	(-3.0)	35.6	(+6.1)	15.1	(-3.1)	34.2	(+0.1)
Nikkei 225 (Japan)	72.4	(+4.7)	20.0	(-2.6)	7.6	(-2.1)	64.8	(+6.8)
FT-SE 100 (UK)	53.2	(+5.0)	35.4	(-5.3)	11.4	(+0.3)	41.8	(+4.7)
CAC-40 (France)	57.7	(+4.3)	31.9	(-3.8)	10.4	(-0.5)	47.3	(+4.8)
MIBtel (Italy)	54.1	(+5.3)	34.5	(-1.7)	11.4	(-3.6)	42.7	(+8.9)
Exchange rates (vs. Euro)	appreciate		no change		depreciate		balance	
Dollar	9.4	(-1.8)	25.3	(+3.7)	65.3	(-1.9)	-55.9	(+0.1)
Yen	34.6	(+1.1)	55.4	(+2.7)	10.0	(-3.8)	24.6	(+4.9)
UK Pound	4.6	(-0.1)	76.1	(+4.6)	19.3	(-4.5)	-14.7	(+4.4)
Swiss Franc	12.6	(+2.1)	80.2	(+0.1)	7.2	(-2.2)	5.4	(+4.3)
Commodities	increase		no change		decrease		balance	
Oil (Brent Crude)	24.7	(-0.4)	46.2	(+1.6)	29.1	(-1.2)	-4.4	(+0.8)
Sectors	improve		no change		get worse		balance	
Banks	54.1	(-1.1)	36.6	(+0.5)	9.3	(+0.6)	44.8	(-1.7)
Insurance companies	48.8	(-5.1)	41.9	(+3.4)	9.3	(+1.7)	39.5	(-6.8)
Automobile	25.6	(-8.5)	63.8	(+9.0)	10.6	(-0.5)	15.0	(-8.0)
Chemicals / Pharmaceuticals	53.4	(-2.5)	39.5	(+2.0)	7.1	(+0.5)	46.3	(-3.0)
Steel	38.9	(-6.9)	46.8	(+6.4)	14.3	(+0.5)	24.6	(-7.4)
Electronics	32.3	(-2.6)	61.8	(+1.3)	5.9	(+1.3)	26.4	(-3.9)
Mechanical engineering	62.8	(+0.8)	30.9	(-1.0)	6.3	(+0.2)	56.5	(+0.6)
Retail / Consumer goods	50.8	(-5.9)	37.9	(+3.3)	11.3	(+2.6)	39.5	(-8.5)
Construction	34.9	(+0.7)	54.9	(-0.6)	10.2	(-0.1)	24.7	(+0.8)
Utilities	31.6	(-0.1)	59.0	(+3.4)	9.4	(-3.3)	22.2	(+3.2)
Services	56.1	(+/-0.0)	39.9	(-0.5)	4.0	(+0.5)	52.1	(-0.5)
Telecommunications	20.3	(-4.2)	57.8	(-0.8)	21.9	(+5.0)	-1.6	(-9.2)
Information technology	44.0	(-2.7)	47.8	(-0.5)	8.2	(+3.2)	35.8	(-5.9)

Note: 293 Analysts participated in the July survey which was conducted during the period 06/26-07/17/06. 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.