

ZEW Financial Market Survey: Results August 2005

Current economic situation	good		normal		bad		balance	
Eurozone	2.5	(-0.2)	61.7	(-0.3)	35.8	(+0.5)	-33.3	(-0.7)
Germany	1.6	(+0.6)	35.7	(+4.4)	62.7	(-5.0)	-61.1	(+5.6)
USA	58.9	(+8.7)	38.6	(-8.1)	2.5	(-0.6)	56.4	(+9.3)
Japan	12.8	(+6.7)	69.9	(+0.7)	17.3	(-7.4)	-4.5	(+14.1)
United Kingdom	25.1	(-0.1)	65.6	(-5.2)	9.3	(+5.3)	15.8	(-5.4)
France	3.1	(+1.3)	56.2	(+1.0)	40.7	(-2.3)	-37.6	(+3.6)
Italy	1.4	(+/-0.0)	22.3	(-2.0)	76.3	(+2.0)	-74.9	(-2.0)
Economic expectations	improve		no change		get worse		balance	
Eurozone	44.4	(+11.3)	52.8	(-10.0)	2.8	(-1.3)	41.6	(+12.6)
Germany (=ZEW Indicator)	52.5	(+10.7)	45.0	(-8.4)	2.5	(-2.3)	50.0	(+13.0)
USA	7.5	(-3.1)	76.6	(+5.7)	15.9	(-2.6)	-8.4	(-0.5)
Japan	38.4	(+9.7)	58.6	(-8.8)	3.0	(-0.9)	35.4	(+10.6)
United Kingdom	12.0	(+1.8)	65.3	(-1.2)	22.7	(-0.6)	-10.7	(+2.4)
France	29.2	(+/-0.0)	63.3	(+0.3)	7.5	(-0.3)	21.7	(+0.3)
Italy	24.2	(+3.6)	66.2	(-1.8)	9.6	(-1.8)	14.6	(+5.4)
Inflation rate	increase		no change		decrease		balance	
Eurozone	32.4	(+7.7)	61.0	(-4.4)	6.6	(-3.3)	25.8	(+11.0)
Germany	36.4	(+9.6)	55.7	(-6.2)	7.9	(-3.4)	28.5	(+13.0)
USA	61.1	(+11.1)	34.5	(-8.6)	4.4	(-2.5)	56.7	(+13.6)
Japan	39.9	(+10.6)	59.8	(-9.4)	0.3	(-1.2)	39.6	(+11.8)
United Kingdom	29.5	(+3.4)	61.0	(-2.6)	9.5	(-0.8)	20.0	(+4.2)
France	30.2	(+5.9)	63.6	(-2.8)	6.2	(-3.1)	24.0	(+9.0)
Italy	32.9	(+7.3)	59.5	(-3.7)	7.6	(-3.6)	25.3	(+10.9)
Short-term interest rates	increase		no change		decrease		balance	
Eurozone	16.9	(+4.0)	80.0	(-1.6)	3.1	(-2.4)	13.8	(+6.4)
USA	84.0	(+3.1)	15.7	(-2.0)	0.3	(-1.1)	83.7	(+4.2)
Japan	18.4	(+5.9)	81.6	(-5.5)	0.0	(-0.4)	18.4	(+6.3)
United Kingdom	10.6	(+0.4)	57.2	(-1.2)	32.2	(+0.8)	-21.6	(-0.4)
Long-term interest rates	increase		no change		decrease		balance	
Germany	61.9	(+0.1)	34.3	(+2.2)	3.8	(-2.3)	58.1	(+2.4)
USA	73.2	(+1.2)	24.9	(-0.4)	1.9	(-0.8)	71.3	(+2.0)
Japan	50.2	(+3.2)	48.8	(-2.7)	1.0	(-0.5)	49.2	(+3.7)
United Kingdom	30.7	(-6.4)	55.9	(+6.6)	13.4	(-0.2)	17.3	(-6.2)
Stock market indices	increase		no change		decrease		balance	
STOXX 50 (Eurozone)	64.8	(+0.9)	25.0	(-3.7)	10.2	(+2.8)	54.6	(-1.9)
DAX (Germany)	65.2	(-2.5)	23.5	(-0.6)	11.3	(+3.1)	53.9	(-5.6)
TecDax (Germany)	58.6	(-4.1)	29.5	(+2.0)	11.9	(+2.1)	46.7	(-6.2)
Dow Jones Industrial (USA)	45.7	(-3.2)	41.8	(+3.9)	12.5	(-0.7)	33.2	(-2.5)
Nikkei 225 (Japan)	65.9	(+1.9)	26.6	(-3.0)	7.5	(+1.1)	58.4	(+0.8)
FT-SE 100 (UK)	48.6	(+0.1)	39.2	(-2.3)	12.2	(+2.2)	36.4	(-2.1)
CAC-40 (France)	58.0	(+1.8)	30.4	(-4.1)	11.6	(+2.3)	46.4	(-0.5)
MIBtel (Italy)	49.4	(+0.2)	36.8	(-1.8)	13.8	(+1.6)	35.6	(-1.4)
Exchange rates (vs. Euro)	appreciate		no change		depreciate		balance	
Dollar	28.2	(-4.4)	31.7	(+0.6)	40.1	(+3.8)	-11.9	(-8.2)
Yen	28.3	(+5.1)	62.6	(-4.8)	9.1	(-0.3)	19.2	(+5.4)
UK Pound	8.9	(-3.3)	61.9	(+1.4)	29.2	(+1.9)	-20.3	(-5.2)
Swiss Franc	9.5	(-3.1)	81.0	(+1.0)	9.5	(+2.1)	0.0	(-5.2)
Commodities	increase		no change		decrease		balance	
Oil (Brent Crude)	27.2	(+2.2)	37.7	(+1.3)	35.1	(-3.5)	-7.9	(+5.7)
Sectors	improve		no change		get worse		balance	
Banks	61.1	(+4.2)	34.3	(-1.0)	4.6	(-3.2)	56.5	(+7.4)
Insurance companies	52.3	(+8.5)	40.2	(-5.5)	7.5	(-3.0)	44.8	(+11.5)
Automobile	27.6	(+2.1)	56.3	(+1.8)	16.1	(-3.9)	11.5	(+6.0)
Chemicals / Pharmaceuticals	45.3	(+2.3)	50.7	(-1.9)	4.0	(-0.4)	41.3	(+2.7)
Steel	27.0	(-2.5)	54.2	(+8.1)	18.8	(-5.6)	8.2	(+3.1)
Electronics	31.0	(-1.8)	63.5	(+2.6)	5.5	(-0.8)	25.5	(-1.0)
Mechanical engineering	50.5	(+5.4)	44.4	(-1.5)	5.1	(-3.9)	45.4	(+9.3)
Retail / Consumer goods	21.1	(+1.0)	58.2	(-2.0)	20.7	(+1.0)	0.4	(+/-0.0)
Construction	13.4	(+1.2)	62.2	(+0.5)	24.4	(-1.7)	-11.0	(+2.9)
Utilities	61.8	(+2.9)	33.5	(-3.2)	4.7	(+0.3)	57.1	(+2.6)
Services	58.3	(+1.3)	39.1	(-0.3)	2.6	(-1.0)	55.7	(+2.3)
Telecommunications	52.3	(-3.1)	41.2	(+2.1)	6.5	(+1.0)	45.8	(-4.1)
Information technology	59.4	(-3.1)	35.9	(+2.0)	4.7	(+1.1)	54.7	(-4.2)

Note: 322 Analysts participated in the August survey which was conducted during the period 08/01 to 08/22/05. 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.