

ZEW Financial Market Survey: Results October 2005

Current economic situation	good		normal		bad		balance	
Eurozone	3.8	(+1.5)	65.5	(-3.8)	30.7	(+2.3)	-26.9	(-0.8)
Germany	1.9	(-0.1)	38.2	(+0.3)	59.9	(-0.2)	-58.0	(+0.1)
USA	41.9	(-0.2)	54.7	(+0.4)	3.4	(-0.2)	38.5	(+/-0.0)
Japan	19.4	(+3.3)	68.7	(-0.1)	11.9	(-3.2)	7.5	(+6.5)
United Kingdom	18.3	(-4.5)	72.8	(+0.8)	8.9	(+3.7)	9.4	(-8.2)
France	2.6	(-0.3)	59.9	(+1.0)	37.5	(-0.7)	-34.9	(+0.4)
Italy	2.3	(+0.9)	29.2	(+2.4)	68.5	(-3.3)	-66.2	(+4.2)
Economic expectations	improve		no change		get worse		balance	
Eurozone	39.4	(+2.0)	55.9	(-1.1)	4.7	(-0.9)	34.7	(+2.9)
Germany (=ZEW Indicator)	44.4	(-2.0)	50.6	(+4.8)	5.0	(-2.8)	39.4	(+0.8)
USA	10.3	(-2.1)	61.7	(+1.2)	28.0	(+0.9)	-17.7	(-3.0)
Japan	49.1	(+4.7)	49.0	(-4.6)	1.9	(-0.1)	47.2	(+4.8)
United Kingdom	8.4	(-3.8)	72.9	(+2.2)	18.7	(+1.6)	-10.3	(-5.4)
France	27.7	(+0.8)	62.9	(-2.5)	9.4	(+1.7)	18.3	(-0.9)
Italy	19.7	(-1.5)	68.4	(-0.5)	11.9	(+2.0)	7.8	(-3.5)
Inflation rate	increase		no change		decrease		balance	
Eurozone	52.3	(+10.2)	32.1	(-20.5)	15.6	(+10.3)	36.7	(-0.1)
Germany	52.5	(+7.9)	30.9	(-19.3)	16.6	(+11.4)	35.9	(-3.5)
USA	65.4	(+0.8)	23.9	(-5.9)	10.7	(+5.1)	54.7	(-4.3)
Japan	62.9	(+14.0)	34.1	(-15.6)	3.0	(+1.6)	59.9	(+12.4)
United Kingdom	41.1	(+3.5)	48.1	(-6.9)	10.8	(+3.4)	30.3	(+0.1)
France	47.7	(+7.3)	37.8	(-16.8)	14.5	(+9.5)	33.2	(-2.2)
Italy	49.5	(+8.6)	38.0	(-15.4)	12.5	(+6.8)	37.0	(+1.8)
Short-term interest rates	increase		no change		decrease		balance	
Eurozone	37.8	(+20.4)	61.6	(-19.4)	0.6	(-1.0)	37.2	(+21.4)
USA	89.1	(+12.6)	10.9	(-11.3)	0.0	(-1.3)	89.1	(+13.9)
Japan	39.0	(+13.8)	60.3	(-14.2)	0.7	(+0.4)	38.3	(+13.4)
United Kingdom	18.0	(+4.1)	62.7	(-1.4)	19.3	(-2.7)	-1.3	(+6.8)
Long-term interest rates	increase		no change		decrease		balance	
Germany	64.6	(+8.0)	31.1	(-7.1)	4.3	(-0.9)	60.3	(+8.9)
USA	74.5	(+6.6)	22.4	(-5.1)	3.1	(-1.5)	71.4	(+8.1)
Japan	69.9	(+14.1)	29.8	(-12.6)	0.3	(-1.5)	69.6	(+15.6)
United Kingdom	37.9	(+2.5)	53.7	(-2.0)	8.4	(-0.5)	29.5	(+3.0)
Stock market indices	increase		no change		decrease		balance	
STOXX 50 (Eurozone)	63.7	(+3.2)	25.9	(-2.8)	10.4	(-0.4)	53.3	(+3.6)
DAX (Germany)	66.6	(+2.2)	22.8	(-0.3)	10.6	(-1.9)	56.0	(+4.1)
TecDax (Germany)	59.6	(+3.5)	28.2	(-0.6)	12.2	(-2.9)	47.4	(+6.4)
Dow Jones Industrial (USA)	40.7	(-1.8)	42.7	(+1.8)	16.6	(+/-0.0)	24.1	(-1.8)
Nikkei 225 (Japan)	70.0	(-2.7)	23.7	(+1.7)	6.3	(+1.0)	63.7	(-3.7)
FT-SE 100 (UK)	46.3	(-0.8)	42.9	(+1.4)	10.8	(-0.6)	35.5	(-0.2)
CAC-40 (France)	57.9	(+2.2)	30.4	(-1.9)	11.7	(-0.3)	46.2	(+2.5)
MIBtel (Italy)	48.4	(+0.4)	36.2	(-1.4)	15.4	(+1.0)	33.0	(-0.6)
Exchange rates (vs. Euro)	appreciate		no change		depreciate		balance	
Dollar	25.4	(+5.8)	33.8	(+2.0)	40.8	(-7.8)	-15.4	(+13.6)
Yen	32.1	(+4.6)	57.1	(-6.1)	10.8	(+1.5)	21.3	(+3.1)
UK Pound	11.2	(+1.7)	62.6	(+0.3)	26.2	(-2.0)	-15.0	(+3.7)
Swiss Franc	14.7	(+2.4)	79.5	(-1.5)	5.8	(-0.9)	8.9	(+3.3)
Commodities	increase		no change		decrease		balance	
Oil (Brent Crude)	16.4	(-6.4)	43.9	(+9.9)	39.7	(-3.5)	-23.3	(-2.9)
Sectors	improve		no change		get worse		balance	
Banks	59.1	(+0.6)	32.6	(-0.7)	8.3	(+0.1)	50.8	(+0.5)
Insurance companies	43.9	(-3.1)	39.9	(+0.3)	16.2	(+2.8)	27.7	(-5.9)
Automobile	30.3	(+3.0)	51.6	(-1.6)	18.1	(-1.4)	12.2	(+4.4)
Chemicals / Pharmaceuticals	47.9	(+3.1)	47.8	(-1.4)	4.3	(-1.7)	43.6	(+4.8)
Steel	29.9	(+2.4)	55.0	(-1.0)	15.1	(-1.4)	14.8	(+3.8)
Electronics	31.6	(+2.0)	63.3	(+1.2)	5.1	(-3.2)	26.5	(+5.2)
Mechanical engineering	60.4	(+5.5)	34.2	(-3.8)	5.4	(-1.7)	55.0	(+7.2)
Retail / Consumer goods	22.8	(+0.4)	58.0	(+4.3)	19.2	(-4.7)	3.6	(+5.1)
Construction	14.5	(+2.2)	60.1	(-2.1)	25.4	(-0.1)	-10.9	(+2.3)
Utilities	52.6	(-8.2)	37.5	(+3.2)	9.9	(+5.0)	42.7	(-13.2)
Services	54.6	(-0.9)	42.8	(+2.8)	2.6	(-1.9)	52.0	(+1.0)
Telecommunications	48.1	(-1.7)	41.2	(-0.4)	10.7	(+2.1)	37.4	(-3.8)
Information technology	55.9	(-2.2)	39.3	(+1.5)	4.8	(+0.7)	51.1	(-2.9)

Note: 324 Analysts participated in the October survey which was conducted during the period 10/04 to 10/17/05. 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.