

ZEW-Financial Market Survey: Results October 2007

Current economic situation	good		normal		bad		balance	
Eurozone	62.9	(-3.4)	37.1	(+4.1)	0.0	(-0.7)	62.9	(-2.7)
Germany	70.9	(-4.2)	28.4	(+4.2)	0.7	(+/-0.0)	70.2	(-4.2)
USA	9.1	(-0.7)	74.2	(-1.8)	16.7	(+2.5)	-7.6	(-3.2)
Japan	15.3	(+0.7)	77.8	(+0.9)	6.9	(-1.6)	8.4	(+2.3)
United Kingdom	51.9	(-5.1)	45.4	(+3.8)	2.7	(+1.3)	49.2	(-6.4)
France	29.5	(-6.3)	68.2	(+5.4)	2.3	(+0.9)	27.2	(-7.2)
Italy	18.6	(-2.1)	74.0	(+1.7)	7.4	(+0.4)	11.2	(-2.5)
Economic expectations	improve		no change		get worse		balance	
Eurozone	8.3	(+1.3)	64.4	(-1.3)	27.3	(+/-0.0)	-19.0	(+1.3)
Germany (=ZEW Indicator)	7.9	(-0.9)	66.1	(+1.8)	26.0	(-0.9)	-18.1	(+/-0.0)
USA	10.5	(+4.8)	32.6	(+0.7)	56.9	(-5.5)	-46.4	(+10.3)
Japan	14.7	(+1.7)	69.9	(+4.0)	15.4	(-5.7)	-0.7	(+7.4)
United Kingdom	5.7	(+2.1)	60.7	(-1.4)	33.6	(-0.7)	-27.9	(+2.8)
France	8.8	(-2.0)	65.6	(+1.8)	25.6	(+0.2)	-16.8	(-2.2)
Italy	5.8	(-2.3)	68.8	(+2.1)	25.4	(+0.2)	-19.6	(-2.5)
Inflation rate	increase		no change		decrease		balance	
Eurozone	54.9	(+4.5)	37.5	(-6.0)	7.6	(+1.5)	47.3	(+3.0)
Germany	55.5	(+2.6)	34.4	(-6.6)	10.1	(+4.0)	45.4	(-1.4)
USA	42.6	(+10.3)	43.4	(-8.0)	14.0	(-2.3)	28.6	(+12.6)
Japan	44.8	(-0.4)	52.5	(+3.6)	2.7	(-3.2)	42.1	(+2.8)
United Kingdom	32.6	(+4.1)	58.4	(-0.4)	9.0	(-3.7)	23.6	(+7.8)
France	52.5	(+5.3)	42.4	(-4.5)	5.1	(-0.8)	47.4	(+6.1)
Italy	49.1	(+5.2)	46.6	(-3.2)	4.3	(-2.0)	44.8	(+7.2)
Short-term interest rates	increase		no change		decrease		balance	
Eurozone	24.3	(-15.8)	52.9	(+14.9)	22.8	(+0.9)	1.5	(-16.7)
USA	4.4	(-1.4)	26.4	(+6.7)	69.2	(-5.3)	-64.8	(+3.9)
Japan	26.3	(-9.1)	68.2	(+9.9)	5.5	(-0.8)	20.8	(-8.3)
United Kingdom	8.6	(-2.9)	56.8	(-6.0)	34.6	(+8.9)	-26.0	(-11.8)
Long-term interest rates	increase		no change		decrease		balance	
Germany	39.7	(-9.3)	48.0	(+7.1)	12.3	(+2.2)	27.4	(-11.5)
USA	25.5	(-1.1)	50.4	(+4.3)	24.1	(-3.2)	1.4	(+2.1)
Japan	38.9	(-7.7)	56.0	(+8.2)	5.1	(-0.5)	33.8	(-7.2)
United Kingdom	24.5	(-0.6)	61.1	(-0.5)	14.4	(+1.1)	10.1	(-1.7)
Stock market indices	increase		no change		decrease		balance	
STOXX 50 (Eurozone)	52.4	(+1.4)	27.9	(-3.7)	19.7	(+2.3)	32.7	(-0.9)
DAX (Germany)	53.1	(+1.2)	25.7	(-4.6)	21.2	(+3.4)	31.9	(-2.2)
TecDax (Germany)	54.8	(+3.3)	23.8	(-3.9)	21.4	(+0.6)	33.4	(+2.7)
Dow Jones Industrial (USA)	42.8	(+2.1)	31.8	(-1.9)	25.4	(-0.2)	17.4	(+2.3)
Nikkei 225 (Japan)	47.4	(-0.9)	36.1	(+3.5)	16.5	(-2.6)	30.9	(+1.7)
FT-SE 100 (UK)	43.3	(-0.5)	34.7	(-0.3)	22.0	(+0.8)	21.3	(-1.3)
CAC-40 (France)	46.5	(-2.3)	32.5	(-1.0)	21.0	(+3.3)	25.5	(-5.6)
MIBtel (Italy)	45.3	(-0.4)	32.2	(-3.6)	22.5	(+4.0)	22.8	(-4.4)
Exchange rates (vs. Euro)	appreciate		no change		depreciate		balance	
Dollar	23.8	(+6.6)	26.4	(-1.2)	49.8	(-5.4)	-26.0	(+12.0)
Yen	40.1	(-5.8)	38.6	(+2.8)	21.3	(+3.0)	18.8	(-8.8)
UK Pound	5.2	(-3.5)	70.5	(-2.7)	24.3	(+6.2)	-19.1	(-9.7)
Swiss Franc	24.9	(-3.0)	62.7	(+0.4)	12.4	(+2.6)	12.5	(-5.6)
Commodities	increase		no change		decrease		balance	
Oil (Brent Crude)	32.3	(+1.7)	38.8	(-2.1)	28.9	(+0.4)	3.4	(+1.3)
Sectors	improve		no change		get worse		balance	
Banks	9.8	(+3.8)	19.8	(-2.3)	70.4	(-1.5)	-60.6	(+5.3)
Insurance companies	11.8	(+4.2)	52.0	(-2.0)	36.2	(-2.2)	-24.4	(+6.4)
Automobile	24.1	(+1.2)	58.8	(-2.0)	17.1	(+0.8)	7.0	(+0.4)
Chemicals / Pharmaceuticals	36.5	(+0.6)	57.8	(-0.1)	5.7	(-0.5)	30.8	(+1.1)
Steel	32.9	(+1.6)	50.2	(-4.8)	16.9	(+3.2)	16.0	(-1.6)
Electronics	27.1	(-0.8)	65.4	(+1.8)	7.5	(-1.0)	19.6	(+0.2)
Mechanical engineering	54.3	(+1.6)	37.9	(-1.0)	7.8	(-0.6)	46.5	(+2.2)
Retail / Consumer goods	24.1	(-3.2)	57.1	(+0.4)	18.8	(+2.8)	5.3	(-6.0)
Construction	15.2	(+1.7)	56.1	(-4.8)	28.7	(+3.1)	-13.5	(-1.4)
Utilities	26.9	(-1.7)	59.1	(-1.5)	14.0	(+3.2)	12.9	(-4.9)
Services	38.5	(+4.9)	53.3	(-8.9)	8.2	(+4.0)	30.3	(+0.9)
Telecommunications	17.3	(+2.6)	57.6	(-1.3)	25.1	(-1.3)	-7.8	(+3.9)
Information technology	39.5	(+2.5)	51.9	(-4.5)	8.6	(+2.0)	30.9	(+0.5)

Note: 278 Analysts participated in the October survey which was conducted during the period 10/01-10/15/07. 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.