

ZEW-Financial Market Survey: Results October 2008

| Current economic situation | good | | normal | | bad | | balance | |
|-----------------------------------|-------------------|---------|------------------|---------|-------------------|---------|----------------|---------|
| Eurozone | 1.2 | (-13.5) | 52.9 | (-7.7) | 45.9 | (+21.2) | -44.7 | (-34.7) |
| Germany | 2.7 | (-15.8) | 58.7 | (-3.3) | 38.6 | (+19.1) | -35.9 | (-34.9) |
| USA | 0.0 | (-2.9) | 15.1 | (-21.6) | 84.9 | (+24.5) | -84.9 | (-27.4) |
| Japan | 0.9 | (-3.3) | 42.1 | (-16.7) | 57.0 | (+20.0) | -56.1 | (-23.3) |
| United Kingdom | 0.5 | (-11.3) | 25.7 | (-8.1) | 73.8 | (+19.4) | -73.3 | (-30.7) |
| France | 0.8 | (-7.5) | 49.2 | (-13.9) | 50.0 | (+21.4) | -49.2 | (-28.9) |
| Italy | 1.3 | (-3.9) | 28.6 | (-12.7) | 70.1 | (+16.6) | -68.8 | (-20.5) |
| Economic expectations | improve | | no change | | get worse | | balance | |
| Eurozone | 7.1 | (-1.0) | 23.1 | (-19.8) | 69.8 | (+20.8) | -62.7 | (-21.8) |
| Germany (=ZEW Indicator) | 7.1 | (-1.6) | 22.8 | (-18.7) | 70.1 | (+20.3) | -63.0 | (-21.9) |
| USA | 8.8 | (-11.0) | 28.3 | (-15.5) | 62.9 | (+26.5) | -54.1 | (-37.5) |
| Japan | 7.2 | (-2.6) | 33.2 | (-31.4) | 59.6 | (+34.0) | -52.4 | (-36.6) |
| United Kingdom | 4.3 | (-2.1) | 28.8 | (-16.8) | 66.9 | (+18.9) | -62.6 | (-21.0) |
| France | 6.2 | (-1.7) | 24.6 | (-17.2) | 69.2 | (+18.9) | -63.0 | (-20.6) |
| Italy | 5.6 | (+0.1) | 27.2 | (-20.6) | 67.2 | (+20.5) | -61.6 | (-20.4) |
| Inflation rate | increase | | no change | | decrease | | balance | |
| Eurozone | 13.7 | (-9.4) | 16.5 | (-8.2) | 69.8 | (+17.6) | -56.1 | (-27.0) |
| Germany | 14.2 | (-10.5) | 17.0 | (-4.9) | 68.8 | (+15.4) | -54.6 | (-25.9) |
| USA | 17.2 | (-7.3) | 17.2 | (-8.5) | 65.6 | (+15.8) | -48.4 | (-23.1) |
| Japan | 11.7 | (-7.6) | 41.3 | (-13.1) | 47.0 | (+20.7) | -35.3 | (-28.3) |
| United Kingdom | 15.1 | (-5.6) | 16.4 | (-14.6) | 68.5 | (+20.2) | -53.4 | (-25.8) |
| France | 14.8 | (-8.8) | 15.2 | (-9.5) | 70.0 | (+18.3) | -55.2 | (-27.1) |
| Italy | 14.1 | (-9.9) | 15.4 | (-9.0) | 70.5 | (+18.9) | -56.4 | (-28.8) |
| Short-term interest rates | increase | | no change | | decrease | | balance | |
| Eurozone | 7.4 | (-0.3) | 16.9 | (-42.3) | 75.7 | (+42.6) | -68.3 | (-42.9) |
| USA | 7.9 | (-6.1) | 26.6 | (-30.6) | 65.5 | (+36.7) | -57.6 | (-42.8) |
| Japan | 6.0 | (-4.5) | 63.8 | (-18.4) | 30.2 | (+22.9) | -24.2 | (-27.4) |
| United Kingdom | 6.8 | (+1.9) | 17.0 | (-30.0) | 76.2 | (+28.1) | -69.4 | (-26.2) |
| Long-term interest rates | increase | | no change | | decrease | | balance | |
| Germany | 25.7 | (-5.4) | 39.5 | (-7.6) | 34.8 | (+13.0) | -9.1 | (-18.4) |
| USA | 27.9 | (-4.1) | 39.4 | (-13.3) | 32.7 | (+17.4) | -4.8 | (-21.5) |
| Japan | 20.6 | (-7.0) | 58.8 | (-7.7) | 20.6 | (+14.7) | 0.0 | (-21.7) |
| United Kingdom | 21.7 | (-3.2) | 42.6 | (-12.2) | 35.7 | (+15.4) | -14.0 | (-18.6) |
| Stock market indices | increase | | no change | | decrease | | balance | |
| STOXX 50 (Eurozone) | 53.1 | (+2.5) | 15.8 | (-8.4) | 31.1 | (+5.9) | 22.0 | (-3.4) |
| DAX (Germany) | 54.9 | (+1.6) | 14.5 | (-6.7) | 30.6 | (+5.1) | 24.3 | (-3.5) |
| TecDax (Germany) | 49.8 | (+0.7) | 16.9 | (-6.3) | 33.3 | (+5.6) | 16.5 | (-4.9) |
| Dow Jones Industrial (USA) | 50.2 | (+4.2) | 16.9 | (-8.6) | 32.9 | (+4.4) | 17.3 | (-0.2) |
| Nikkei 225 (Japan) | 49.1 | (+5.5) | 19.9 | (-14.8) | 31.0 | (+9.3) | 18.1 | (-3.8) |
| FT-SE 100 (UK) | 48.0 | (+7.9) | 20.0 | (-10.7) | 32.0 | (+2.8) | 16.0 | (+5.1) |
| CAC-40 (France) | 49.1 | (+4.4) | 19.8 | (-9.7) | 31.1 | (+5.3) | 18.0 | (-0.9) |
| MIBtel (Italy) | 48.4 | (+6.6) | 21.5 | (-8.2) | 30.1 | (+1.6) | 18.3 | (+5.0) |
| Exchange rates (vs. Euro) | appreciate | | no change | | depreciate | | balance | |
| Dollar | 32.4 | (-14.7) | 30.7 | (+1.3) | 36.9 | (+13.4) | -4.5 | (-28.1) |
| Yen | 27.7 | (-2.9) | 51.8 | (-6.0) | 20.5 | (+8.9) | 7.2 | (-11.8) |
| UK Pound | 7.0 | (-6.5) | 55.0 | (-2.3) | 38.0 | (+8.8) | -31.0 | (-15.3) |
| Swiss Franc | 25.1 | (-0.3) | 60.4 | (-8.9) | 14.5 | (+9.2) | 10.6 | (-9.5) |
| Commodities | increase | | no change | | decrease | | balance | |
| Oil (Brent Crude) | 19.6 | (-3.4) | 43.7 | (+6.2) | 36.7 | (-2.8) | -17.1 | (-0.6) |
| Sectors | improve | | no change | | get worse | | balance | |
| Banks | 2.6 | (-12.2) | 9.7 | (-15.8) | 87.7 | (+28.0) | -85.1 | (-40.2) |
| Insurance companies | 4.4 | (-9.7) | 13.3 | (-24.2) | 82.3 | (+33.9) | -77.9 | (-43.6) |
| Automobile | 0.0 | (-7.9) | 8.3 | (-24.2) | 91.7 | (+32.1) | -91.7 | (-40.0) |
| Chemicals / Pharmaceuticals | 4.0 | (-16.1) | 47.3 | (-11.8) | 48.7 | (+27.9) | -44.7 | (-44.0) |
| Steel | 5.4 | (-19.2) | 30.5 | (-14.6) | 64.1 | (+33.8) | -58.7 | (-53.0) |
| Electronics | 4.5 | (-12.1) | 40.5 | (-20.0) | 55.0 | (+32.1) | -50.5 | (-44.2) |
| Mechanical engineering | 4.0 | (-20.5) | 30.8 | (-12.2) | 65.2 | (+32.7) | -61.2 | (-53.2) |
| Retail / Consumer goods | 1.4 | (-7.6) | 26.2 | (-15.0) | 72.4 | (+22.6) | -71.0 | (-30.2) |
| Construction | 1.3 | (-8.0) | 23.0 | (-16.4) | 75.7 | (+24.4) | -74.4 | (-32.4) |
| Utilities | 8.5 | (-17.0) | 60.7 | (+4.0) | 30.8 | (+13.0) | -22.3 | (-30.0) |
| Services | 5.9 | (-13.0) | 49.5 | (-13.4) | 44.6 | (+26.4) | -38.7 | (-39.4) |
| Telecommunications | 4.5 | (-8.7) | 55.6 | (-5.9) | 39.9 | (+14.6) | -35.4 | (-23.3) |
| Information technology | 8.2 | (-14.9) | 49.5 | (-13.4) | 42.3 | (+28.3) | -34.1 | (-43.2) |

Note: 256 Analysts participated in the October survey which was conducted during the period 9/29 - 10/13/2008. 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.