

ZEW-Financial Market Survey: Results December 2006

Current economic situation	good		normal		bad		balance	
Eurozone	58.8	(+7.1)	39.2	(-7.4)	2.0	(+0.3)	56.8	(+6.8)
Germany	65.5	(+10.8)	32.5	(-11.1)	2.0	(+0.3)	63.5	(+10.5)
USA	23.4	(-3.9)	70.9	(+3.7)	5.7	(+0.2)	17.7	(-4.1)
Japan	22.9	(-5.5)	71.5	(+4.5)	5.6	(+1.0)	17.3	(-6.5)
United Kingdom	48.6	(+3.3)	50.0	(-2.5)	1.4	(-0.8)	47.2	(+4.1)
France	33.6	(-0.7)	63.2	(+0.7)	3.2	(+/-0.0)	30.4	(-0.7)
Italy	16.5	(+2.8)	71.6	(-2.1)	11.9	(-0.7)	4.6	(+3.5)
Economic expectations	improve		no change		get worse		balance	
Eurozone	16.0	(+2.2)	65.0	(+3.6)	19.0	(-5.8)	-3.0	(+8.0)
Germany (=ZEW Indicator)	13.5	(+2.1)	54.0	(+5.3)	32.5	(-7.4)	-19.0	(+9.5)
USA	9.4	(+4.3)	35.9	(-1.0)	54.7	(-3.3)	-45.3	(+7.6)
Japan	25.8	(-1.2)	59.6	(-1.7)	14.6	(+2.9)	11.2	(-4.1)
United Kingdom	5.0	(+/-0.0)	78.6	(+2.3)	16.4	(-2.3)	-11.4	(+2.3)
France	11.1	(+1.1)	70.7	(+3.4)	18.2	(-4.5)	-7.1	(+5.6)
Italy	10.1	(-0.3)	69.8	(+4.2)	20.1	(-3.9)	-10.0	(+3.6)
Inflation rate	increase		no change		decrease		balance	
Eurozone	33.2	(-0.4)	53.8	(+3.0)	13.0	(-2.6)	20.2	(+2.2)
Germany	52.5	(+2.5)	36.2	(-1.2)	11.3	(-1.3)	41.2	(+3.8)
USA	19.4	(+0.2)	51.7	(+3.2)	28.9	(-3.4)	-9.5	(+3.6)
Japan	48.6	(-5.5)	47.2	(+5.6)	4.2	(-0.1)	44.4	(-5.4)
United Kingdom	17.5	(-0.9)	70.5	(+2.2)	12.0	(-1.3)	5.5	(+0.4)
France	22.7	(-1.8)	62.5	(+4.6)	14.8	(-2.8)	7.9	(+1.0)
Italy	23.5	(-2.5)	62.0	(+3.5)	14.5	(-1.0)	9.0	(-1.5)
Short-term interest rates	increase		no change		decrease		balance	
Eurozone	75.4	(-6.0)	21.9	(+5.3)	2.7	(+0.7)	72.7	(-6.7)
USA	7.0	(-1.7)	53.2	(-7.8)	39.8	(+9.5)	-32.8	(-11.2)
Japan	64.3	(-2.6)	35.0	(+2.3)	0.7	(+0.3)	63.6	(-2.9)
United Kingdom	20.5	(-11.3)	72.3	(+7.7)	7.2	(+3.6)	13.3	(-14.9)
Long-term interest rates	increase		no change		decrease		balance	
Germany	43.7	(+3.2)	46.0	(+0.7)	10.3	(-3.9)	33.4	(+7.1)
USA	29.7	(+4.7)	48.3	(-1.4)	22.0	(-3.3)	7.7	(+8.0)
Japan	61.9	(+/-0.0)	35.0	(+0.1)	3.1	(-0.1)	58.8	(+0.1)
United Kingdom	30.4	(+4.6)	58.8	(-4.4)	10.8	(-0.2)	19.6	(+4.8)
Stock market indices	increase		no change		decrease		balance	
STOXX 50 (Eurozone)	57.4	(+0.6)	28.9	(+3.5)	13.7	(-4.1)	43.7	(+4.7)
DAX (Germany)	57.2	(+3.4)	26.4	(-0.8)	16.4	(-2.6)	40.8	(+6.0)
TecDax (Germany)	52.7	(+3.5)	30.1	(-0.8)	17.2	(-2.7)	35.5	(+6.2)
Dow Jones Industrial (USA)	45.3	(+3.3)	34.6	(+0.7)	20.1	(-4.0)	25.2	(+7.3)
Nikkei 225 (Japan)	64.5	(+5.9)	27.0	(-3.9)	8.5	(-2.0)	56.0	(+7.9)
FT-SE 100 (UK)	47.9	(+3.6)	38.2	(-1.6)	13.9	(-2.0)	34.0	(+5.6)
CAC-40 (France)	52.6	(+2.6)	33.1	(+1.0)	14.3	(-3.6)	38.3	(+6.2)
MIBtel (Italy)	47.2	(+1.7)	37.6	(+2.8)	15.2	(-4.5)	32.0	(+6.2)
Exchange rates (vs. Euro)	appreciate		no change		depreciate		balance	
Dollar	14.1	(+1.4)	22.8	(-0.2)	63.1	(-1.2)	-49.0	(+2.6)
Yen	32.6	(+0.7)	44.8	(-3.2)	22.6	(+2.5)	10.0	(-1.8)
UK Pound	9.8	(+1.3)	72.1	(+0.7)	18.1	(-2.0)	-8.3	(+3.3)
Swiss Franc	14.3	(+0.3)	73.6	(+0.5)	12.1	(-0.8)	2.2	(+1.1)
Commodities	increase		no change		decrease		balance	
Oil (Brent Crude)	33.7	(-0.5)	47.7	(+4.5)	18.6	(-4.0)	15.1	(+3.5)
Sectors	improve		no change		get worse		balance	
Banks	36.9	(-7.9)	50.4	(+6.3)	12.7	(+1.6)	24.2	(-9.5)
Insurance companies	42.9	(-4.6)	47.1	(+2.7)	10.0	(+1.9)	32.9	(-6.5)
Automobile	19.9	(-2.0)	49.8	(-6.4)	30.3	(+8.4)	-10.4	(-10.4)
Chemicals / Pharmaceuticals	36.9	(-3.1)	53.5	(+0.4)	9.6	(+2.7)	27.3	(-5.8)
Steel	29.1	(+0.6)	54.8	(+3.3)	16.1	(-3.9)	13.0	(+4.5)
Electronics	32.0	(+4.8)	58.7	(-6.0)	9.3	(+1.2)	22.7	(+3.6)
Mechanical engineering	56.5	(+1.7)	35.1	(-3.6)	8.4	(+1.9)	48.1	(-0.2)
Retail / Consumer goods	21.6	(-0.6)	44.7	(-0.1)	33.7	(+0.7)	-12.1	(-1.3)
Construction	32.4	(+0.2)	53.1	(+4.1)	14.5	(-4.3)	17.9	(+4.5)
Utilities	29.6	(+3.8)	56.3	(-2.5)	14.1	(-1.3)	15.5	(+5.1)
Services	39.6	(+3.2)	55.0	(-2.0)	5.4	(-1.2)	34.2	(+4.4)
Telecommunications	14.1	(-1.3)	60.3	(+3.8)	25.6	(-2.5)	-11.5	(+1.2)
Information technology	38.3	(+4.3)	54.8	(-2.7)	6.9	(-1.6)	31.4	(+5.9)

Note: 303 Analysts participated in the November survey which was conducted during the period 11/27-12/11/06. 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.