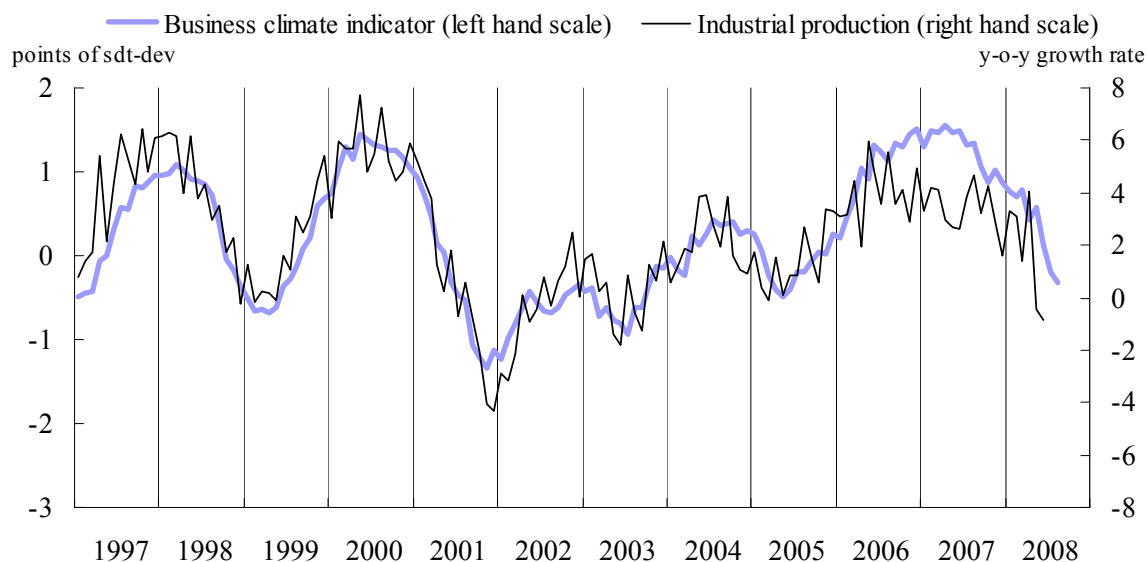


Brussels, 29 August 2008

## August 2008: Business Climate Indicator for the euro area continues to decline in August

**After a fall below its long-term average in July, the Business Climate Indicator (BCI) for the euro area decreased again in August. The low level of the indicator suggests that industrial activity remains subdued.**

**Four out of five underlying components of the BCI declined. Industrial managers' production expectations deteriorated most, but their assessment of stocks of finished products, total order books, and export order books also declined. Their assessment of production trend observed in recent months was the only component to improve.**



The BCI is based on a factor analysis of the euro area aggregate balances (seasonally adjusted) of five of the monthly questions in the industry survey (only employment and selling-price expectations are excluded).

**Business climate indicator, euro area**

Jan-85	-0.44	Jan-90	1.07	Jan-95	1.41	Jan-00	0.74	Jan-05	0.26
Feb-85	-0.48	Feb-90	0.99	Feb-95	1.37	Feb-00	1.05	Feb-05	0.06
Mar-85	-0.64	Mar-90	0.99	Mar-95	1.25	Mar-00	1.29	Mar-05	-0.23
Apr-85	-0.54	Apr-90	0.91	Apr-95	1.08	Apr-00	1.16	Apr-05	-0.41
May-85	-0.38	May-90	0.92	May-95	1.01	May-00	1.44	May-05	-0.49
Jun-85	-0.31	Jun-90	0.65	Jun-95	0.69	Jun-00	1.37	Jun-05	-0.41
Jul-85	-0.16	Jul-90	0.71	Jul-95	0.63	Jul-00	1.33	Jul-05	-0.19
Aug-85	-0.16	Aug-90	0.60	Aug-95	0.54	Aug-00	1.31	Aug-05	-0.19
Sep-85	-0.04	Sep-90	0.46	Sep-95	0.16	Sep-00	1.24	Sep-05	-0.06
Oct-85	-0.01	Oct-90	0.36	Oct-95	-0.05	Oct-00	1.25	Oct-05	0.05
Nov-85	-0.25	Nov-90	0.18	Nov-95	-0.27	Nov-00	1.16	Nov-05	0.02
Dec-85	-0.16	Dec-90	0.10	Dec-95	-0.51	Dec-00	1.03	Dec-05	0.25
Jan-86	-0.34	Jan-91	-0.03	Jan-96	-0.77	Jan-01	0.93	Jan-06	0.22
Feb-86	-0.42	Feb-91	-0.46	Feb-96	-1.08	Feb-01	0.72	Feb-06	0.47
Mar-86	-0.48	Mar-91	-0.65	Mar-96	-1.25	Mar-01	0.47	Mar-06	0.69
Apr-86	-0.28	Apr-91	-0.57	Apr-96	-1.21	Apr-01	0.15	Apr-06	1.04
May-86	-0.41	May-91	-0.70	May-96	-1.34	May-01	0.05	May-06	0.91
Jun-86	-0.18	Jun-91	-0.78	Jun-96	-1.47	Jun-01	-0.32	Jun-06	1.31
Jul-86	-0.23	Jul-91	-0.79	Jul-96	-1.24	Jul-01	-0.46	Jul-06	1.23
Aug-86	-0.22	Aug-91	-0.84	Aug-96	-1.18	Aug-01	-0.54	Aug-06	1.13
Sep-86	-0.14	Sep-91	-1.00	Sep-96	-0.96	Sep-01	-1.07	Sep-06	1.33
Oct-86	-0.35	Oct-91	-0.92	Oct-96	-0.76	Oct-01	-1.21	Oct-06	1.30
Nov-86	-0.48	Nov-91	-0.94	Nov-96	-0.83	Nov-01	-1.35	Nov-06	1.44
Dec-86	-0.30	Dec-91	-1.07	Dec-96	-0.78	Dec-01	-1.12	Dec-06	1.50
Jan-87	-0.46	Jan-92	-1.03	Jan-97	-0.49	Jan-02	-1.23	Jan-07	1.30
Feb-87	-0.64	Feb-92	-0.83	Feb-97	-0.46	Feb-02	-0.97	Feb-07	1.48
Mar-87	-0.50	Mar-92	-0.87	Mar-97	-0.42	Mar-02	-0.81	Mar-07	1.48
Apr-87	-0.39	Apr-92	-0.95	Apr-97	-0.07	Apr-02	-0.62	Apr-07	1.56
May-87	-0.32	May-92	-1.11	May-97	0.00	May-02	-0.43	May-07	1.47
Jun-87	-0.23	Jun-92	-1.08	Jun-97	0.32	Jun-02	-0.55	Jun-07	1.49
Jul-87	-0.09	Jul-92	-1.27	Jul-97	0.57	Jul-02	-0.65	Jul-07	1.31
Aug-87	0.02	Aug-92	-1.44	Aug-97	0.56	Aug-02	-0.69	Aug-07	1.35
Sep-87	0.08	Sep-92	-1.73	Sep-97	0.83	Sep-02	-0.62	Sep-07	1.06
Oct-87	0.11	Oct-92	-2.13	Oct-97	0.82	Oct-02	-0.46	Oct-07	0.87
Nov-87	0.28	Nov-92	-2.48	Nov-97	0.86	Nov-02	-0.40	Nov-07	1.03
Dec-87	0.28	Dec-92	-2.55	Dec-97	0.97	Dec-02	-0.35	Dec-07	0.88
Jan-88	0.32	Jan-93	-2.77	Jan-98	0.95	Jan-03	-0.44	Jan-08	0.76
Feb-88	0.35	Feb-93	-2.65	Feb-98	0.98	Feb-03	-0.39	Feb-08	0.71
Mar-88	0.55	Mar-93	-2.64	Mar-98	1.10	Mar-03	-0.71	Mar-08	0.79
Apr-88	0.51	Apr-93	-2.86	Apr-98	1.02	Apr-03	-0.62	Apr-08	0.43
May-88	0.73	May-93	-2.81	May-98	0.91	May-03	-0.77	May-08	0.58
Jun-88	0.89	Jun-93	-2.81	Jun-98	0.89	Jun-03	-0.80	Jun-08	0.14
Jul-88	0.83	Jul-93	-2.83	Jul-98	0.85	Jul-03	-0.93	Jul-08	-0.20
Aug-88	1.00	Aug-93	-2.66	Aug-98	0.72	Aug-03	-0.62	Aug-08	-0.33
Sep-88	1.10	Sep-93	-2.39	Sep-98	0.37	Sep-03	-0.61		
Oct-88	1.22	Oct-93	-2.21	Oct-98	-0.05	Oct-03	-0.34		
Nov-88	1.35	Nov-93	-1.94	Nov-98	-0.16	Nov-03	-0.13		
Dec-88	1.38	Dec-93	-1.75	Dec-98	-0.36	Dec-03	-0.16		
Jan-89	1.36	Jan-94	-1.43	Jan-99	-0.51	Jan-04	-0.03		
Feb-89	1.35	Feb-94	-0.98	Feb-99	-0.67	Feb-04	-0.17		
Mar-89	1.35	Mar-94	-0.74	Mar-99	-0.64	Mar-04	-0.24		
Apr-89	1.31	Apr-94	-0.36	Apr-99	-0.69	Apr-04	0.24		
May-89	1.24	May-94	-0.05	May-99	-0.61	May-04	0.13		
Jun-89	1.40	Jun-94	0.15	Jun-99	-0.36	Jun-04	0.25		
Jul-89	1.23	Jul-94	0.39	Jul-99	-0.28	Jul-04	0.43		
Aug-89	1.26	Aug-94	0.51	Aug-99	-0.14	Aug-04	0.35		
Sep-89	1.13	Sep-94	0.81	Sep-99	0.08	Sep-04	0.38		
Oct-89	1.07	Oct-94	1.01	Oct-99	0.22	Oct-04	0.40		
Nov-89	1.14	Nov-94	1.26	Nov-99	0.61	Nov-04	0.25		
Dec-89	1.07	Dec-94	1.34	Dec-99	0.67	Dec-04	0.31		

Full details of the Business Climate Indicator are available on the Europa website:

[http://ec.europa.eu/economy\\_finance/db\\_indicators/db\\_indicators8650\\_en.htm](http://ec.europa.eu/economy_finance/db_indicators/db_indicators8650_en.htm)

The next BCI Results are due to be published on 29 September 2008.

August 2008: Business Climate Indicator