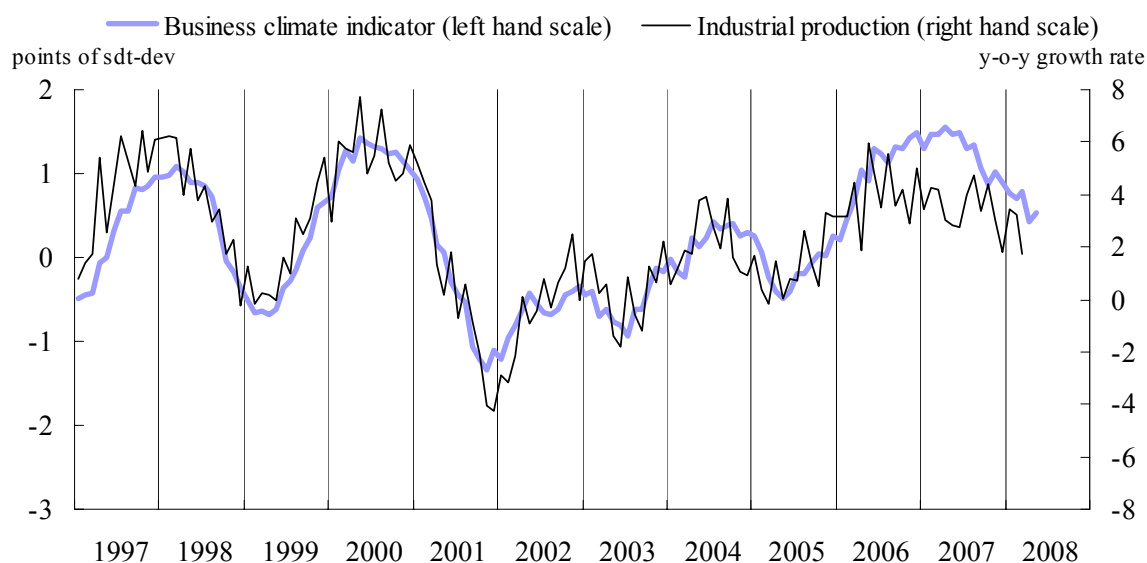


May 2008: Business Climate Indicator for the euro area picks up slightly in May

After a drop in April, the Business Climate Indicator (BCI) for the euro area picked up slightly in May. Nonetheless, the downward trend of the BCI and the deceleration in industrial production registered in March point to a weakening of industrial activity in the second quarter of 2008.

The increase in the BCI is mainly due to an improvement in industry managers' appraisals of the production trend in recent months. Managers' assessments of their export order books deteriorated slightly, while their production expectations and their views on total order books and stocks of finished products remained unchanged.



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	1.40	Jan-00	0.73	Jan-05	0.26
Feb-85	-0.48	Feb-90	0.99	Feb-95	1.36	Feb-00	1.04	Feb-05	0.06
Mar-85	-0.64	Mar-90	0.99	Mar-95	1.23	Mar-00	1.28	Mar-05	-0.23
Apr-85	-0.54	Apr-90	0.91	Apr-95	1.06	Apr-00	1.15	Apr-05	-0.41
May-85	-0.38	May-90	0.91	May-95	0.99	May-00	1.43	May-05	-0.48
Jun-85	-0.31	Jun-90	0.65	Jun-95	0.68	Jun-00	1.37	Jun-05	-0.41
Jul-85	-0.17	Jul-90	0.70	Jul-95	0.63	Jul-00	1.32	Jul-05	-0.19
Aug-85	-0.16	Aug-90	0.59	Aug-95	0.53	Aug-00	1.30	Aug-05	-0.19
Sep-85	-0.04	Sep-90	0.45	Sep-95	0.16	Sep-00	1.24	Sep-05	-0.05
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	0.09	Dec-95	-0.50	Dec-00	1.03	Dec-05	0.25
Jan-86	-0.34	Jan-91	-0.04	Jan-96	-0.76	Jan-01	0.93	Jan-06	0.22
Feb-86	-0.42	Feb-91	-0.46	Feb-96	-1.07	Feb-01	0.72	Feb-06	0.47
Mar-86	-0.47	Mar-91	-0.65	Mar-96	-1.24	Mar-01	0.47	Mar-06	0.69
Apr-86	-0.29	Apr-91	-0.57	Apr-96	-1.20	Apr-01	0.15	Apr-06	1.03
May-86	-0.40	May-91	-0.69	May-96	-1.34	May-01	0.05	May-06	0.91
Jun-86	-0.18	Jun-91	-0.78	Jun-96	-1.46	Jun-01	-0.31	Jun-06	1.30
Jul-86	-0.24	Jul-91	-0.79	Jul-96	-1.23	Jul-01	-0.45	Jul-06	1.23
Aug-86	-0.23	Aug-91	-0.84	Aug-96	-1.17	Aug-01	-0.53	Aug-06	1.12
Sep-86	-0.15	Sep-91	-0.99	Sep-96	-0.96	Sep-01	-1.06	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	-0.82	Nov-01	-1.34	Nov-06	1.44
Dec-86	-0.31	Dec-91	-1.06	Dec-96	-0.78	Dec-01	-1.11	Dec-06	1.50
Jan-87	-0.47	Jan-92	-1.03	Jan-97	-0.49	Jan-02	-1.22	Jan-07	1.30
Feb-87	-0.64	Feb-92	-0.83	Feb-97	-0.45	Feb-02	-0.97	Feb-07	1.47
Mar-87	-0.50	Mar-92	-0.87	Mar-97	-0.42	Mar-02	-0.80	Mar-07	1.47
Apr-87	-0.40	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	-0.10	Jul-92	-1.27	Jul-97	0.56	Jul-02	-0.65	Jul-07	1.31
Aug-87	0.01	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	-0.61	Sep-07	1.06
Oct-87	0.10	Oct-92	-2.12	Oct-97	0.81	Oct-02	-0.46	Oct-07	0.87
Nov-87	0.26	Nov-92	-2.47	Nov-97	0.86	Nov-02	-0.40	Nov-07	1.03
Dec-87	0.26	Dec-92	-2.54	Dec-97	0.96	Dec-02	-0.35	Dec-07	0.88
Jan-88	0.30	Jan-93	-2.75	Jan-98	0.95	Jan-03	-0.44	Jan-08	0.76
Feb-88	0.34	Feb-93	-2.64	Feb-98	0.97	Feb-03	-0.39	Feb-08	0.71
Mar-88	0.53	Mar-93	-2.63	Mar-98	1.09	Mar-03	-0.71	Mar-08	0.79
Apr-88	0.50	Apr-93	-2.85	Apr-98	1.01	Apr-03	-0.62	Apr-08	0.43
May-88	0.72	May-93	-2.80	May-98	0.90	May-03	-0.77	May-08	0.54
Jun-88	0.88	Jun-93	-2.79	Jun-98	0.89	Jun-03	-0.80		
Jul-88	0.82	Jul-93	-2.82	Jul-98	0.85	Jul-03	-0.93		
Aug-88	0.99	Aug-93	-2.65	Aug-98	0.71	Aug-03	-0.62		
Sep-88	1.09	Sep-93	-2.38	Sep-98	0.37	Sep-03	-0.61		
Oct-88	1.21	Oct-93	-2.20	Oct-98	-0.05	Oct-03	-0.34		
Nov-88	1.34	Nov-93	-1.93	Nov-98	-0.16	Nov-03	-0.13		
Dec-88	1.37	Dec-93	-1.74	Dec-98	-0.35	Dec-03	-0.16		
Jan-89	1.35	Jan-94	-1.43	Jan-99	-0.51	Jan-04	-0.03		
Feb-89	1.34	Feb-94	-0.98	Feb-99	-0.66	Feb-04	-0.17		
Mar-89	1.34	Mar-94	-0.74	Mar-99	-0.64	Mar-04	-0.24		
Apr-89	1.30	Apr-94	-0.37	Apr-99	-0.68	Apr-04	0.24		
May-89	1.24	May-94	-0.06	May-99	-0.61	May-04	0.13		
Jun-89	1.40	Jun-94	0.14	Jun-99	-0.36	Jun-04	0.24		
Jul-89	1.23	Jul-94	0.38	Jul-99	-0.28	Jul-04	0.43		
Aug-89	1.25	Aug-94	0.50	Aug-99	-0.14	Aug-04	0.35		
Sep-89	1.12	Sep-94	0.80	Sep-99	0.08	Sep-04	0.38		
Oct-89	1.07	Oct-94	1.00	Oct-99	0.22	Oct-04	0.39		
Nov-89	1.13	Nov-94	1.25	Nov-99	0.60	Nov-04	0.25		
Dec-89	1.07	Dec-94	1.33	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

The next BCI Results are due to be published on 27 June 2008.