



BANCA D'ITALIA  
EUROSISTEMA

# Supplements to the Statistical Bulletin

---

Sample Surveys

Survey on Inflation and Growth Expectations

December 2015

New series

Year XXVI - 11 January 2016

Number

1



## CONTENTS

1. Introduction .....	3
2. The main results for firms in services and industry excluding construction .....	3
3. Construction firms .....	5
Appendix A: Methodological Notes .....	11
Appendix B: Statistical Tables.....	17
Appendix C: Questionnaire.....	43

This publication contains the main findings of the survey on inflation and growth expectations conducted by the Bank of Italy in collaboration with the newspaper Il Sole 24 Ore. The data were collected in December 2015 exclusively for the purpose of economic analysis and have been handled and processed in aggregate form, in full compliance with Italy's law on the treatment of personal information.

The survey report has been prepared by Marco Bottone, Tatiana Cesaroni and Simone Emiliozzi.

We would like to thank all the companies that agreed to take part.

## **SURVEY ON INFLATION AND GROWTH EXPECTATIONS**

### **1. Introduction**

The interviews for the Banca d'Italia–*Il Sole 24 Ore* quarterly survey on inflation and growth expectations were carried out between 1 and 16 December 2015. A total of 977 firms with 50 or more employees took part, of which 396 operate in industry excluding construction, 380 in services and 201 in construction (Table A1).

The firms were asked to provide forecasts both on macroeconomic matters, such as developments in the inflation rate and the general state of the productive economy in Italy, and on issues regarding their own business. In some cases, the forward-looking opinions are accompanied by backward-looking assessments and, where possible, indications of the factors underlying the reported or expected developments.

The main findings of the survey are summarized below. Appendices A, B and C contain the methodological notes, statistical tables, and the questionnaire.

### **2. The main findings for firms in services and in industry excluding construction**

#### **Inflation expectations in Italy and change in firms' selling prices**

In December firms revised their consumer inflation expectations downwards for all the time horizons considered: expectations six months ahead and one year ahead were both revised down by 0.2 percentage points to 0.4 per cent and 0.5 per cent; forecasts over a longer horizon were revised down to 0.7 per cent (from 0.9 per cent) for expectations two years ahead and down to 1.0 per cent (from 1.1 per cent) for expectations between three and five years ahead (Table 1 and Figure 1).

Firms on average reported that their selling prices decreased slightly compared with one year earlier (although they had remained stable in September; see Table 2) owing to larger firms (those with at least 1,000 workers) and firms in industry revising their expectations. Selling prices were expected to grow by 0.6 per cent on average in the next twelve months, both in industry excluding construction and services, in keeping with the findings of the previous survey.

An increase in selling prices in the next twelve months mainly reflects rising labour costs and, to a lesser extent, signs of a pick-up in demand. Competitors' pricing policies are the most significant factor in holding selling prices down (Table 3).

#### **Assessment of the general economic situation in Italy**

The overwhelming majority of respondent firms, almost 70 per cent, expected the situation to remain stable (Table 4). The balance between reports of improvement and reports of deterioration in the general economy, while still positive, narrowed compared with the previous quarter (12.5 percentage points), mainly owing to the less favourable opinions voiced by the more export-oriented firms. The average probability assigned to an improvement of the economic situation in the next three months decreased slightly compared with the previous quarter, returning to the levels recorded in the June survey (17.5 per cent; Table 5).

#### **Demand**

The balance between positive and negative views on demand growth remained positive at 6.2 percentage points (down from 6.6 in September; Table 6); the trend was more favourable for firms in industry excluding construction (8.5 percentage points) and for the more export-oriented ones. The short-term outlook, however, looked less favourable, both in manufacturing and in the services sector,

with the balance between positive and negative expectations falling to 14 percentage points (down from 21.6 per cent; Table 7).

Export-oriented industrial firms reported deteriorating expectations concerning foreign demand, both current and expected (Tables 8 and 9).

### **Assessment of business conditions**

Firms' expectations of the economic conditions in which they will be operating over the next three months decreased slightly. The balance between positive and negative views narrowed to 3.9 percentage points, down from 10.2 in September; the share of responses pointing to stable conditions increased to 77.7 percentage points, up from 74.6 in September (Table 10 and Figure 6). The balance narrowed for firms both in industry excluding construction and services, and especially for smaller firms (50 to 199 workers). Economic activity is expected to continue to benefit from the positive contribution of favourable exchange rates, oil prices and, even more importantly, demand. Uncertainty deriving from economic and political factors is expected to rise, albeit marginally, compared with the September survey (Table 11).

### **Investment conditions**

A majority of firms (75.7 per cent of those interviewed) thought that investment conditions will remain stable; the balance between responses indicating an improvement and those indicating a deterioration was positive at 5.3 percentage points (Table 13 and Figure 7), but lower than in September, with the reduction being more pronounced for manufacturing firms, especially export-oriented ones.

With respect to investment expenditure, the balance between firms expecting an increase in nominal expenditure on investment and those expecting a decrease is 14.5 percentage points (compared with 12.1 in September). The outlook appears brighter for firms in industry excluding construction and medium-large ones (200 to 999 workers). Some 52.0 per cent of respondent firms expect nominal expenditure on investment to remain at the levels seen in the second half of 2015 (Table 14).

For the year 2016 the balance between firms forecasting an increase in investment and those forecasting a decrease was similar to that of the previous survey (16.8 percentage points compared with 17.3 in 2015), mainly reflecting an upward adjustment of investment plans by firms operating in the North-East and in the South and Islands. Among respondent firms, 46.4 per cent expected total investment expenditure to remain unchanged compared with 2015, in line with the findings of the previous survey (Table 15).

In this issue of the survey firms were asked whether the incentive for investment on capital goods (known as the 'maxi-amortization') provided for by the 2016 Stability Law had influenced their investment plans. Slightly over half of the firms interviewed thought it would have a positive impact, and about 13 per cent thought it would have 'no impact' or 'little impact'. The last figure grew to 27.3 per cent among entrepreneurs who stated their intention of increasing investment expenditure in 2016. The share of firms reporting a positive impact of the investment incentive is higher in industry excluding construction, especially among the larger firms (those with more than 1,000 workers).

Some 47.6 per cent of respondent firms thought they had overcome the most difficult phase of the downturn, slightly higher than the 44.4 per cent recorded in September; the percentage of firms predicting a substantial improvement in their output in the coming months increased to 44.1 per cent, slightly higher than in the previous survey 43.0 per cent (Table 20).



### **Liquidity and access to credit**

Access to credit eased further, continuing a trend under way since December 2012. In the last quarter the balance between the share of firms reporting better financing conditions compared with the previous quarter and those indicating a deterioration increased to 3.6 percentage points, up from 2.7 (Table 17). Some 83.8 per cent of firms reported that their access to credit was basically unchanged (compared with 81.6 per cent in September); conditions had improved mainly for the larger firms.

Firms' expectations as to the adequacy of their liquidity position over the next three months remained basically stable at 65.9 per cent (compared with 64.0 per cent in September), while those considering it more than adequate decreased from 21.1 per cent to 17.6 per cent (Table 18).

### **Employment**

Expectations for employment in the short term deteriorated slightly. The share of firms estimating an increase in staff numbers in the next three months remained stable at the levels recorded in the previous survey (16.5 per cent); those expecting a reduction rose to 17.3 per cent, up from 14.4 per cent (Table 19). The balance is narrowing mainly owing to firms in the services sector, larger firms in general and those operating in the Centre and South.

## **3. Construction firms**

The optimistic views of construction firms concerning the general economic outlook were confirmed in December, in keeping with the last three surveys. The balance between expectations of an improvement and a deterioration is 10.1 percentage points, compared with 11.6 in September (Table 4). The likelihood of an improvement in the scenario in the next three months was expressed by 12.6 per cent of construction firms, compared with 14.2 in the previous survey (Table 5).

Assessments of demand for the firms' own services remained stable (64.2 per cent), with the balance between firms reporting an improvement and those reporting a deterioration nearing zero (up from -1.5 percentage points in September; Table 6) reflecting the strong increase among firms which are the most active in the residential segment (24.5 percentage points, up from 5.2 in September). The positive balance on short-term demand expectations increased by one percentage point compared with September, from 9.9 percentage points to 10.9 (Table 7).

The balance of firms' assessments regarding the economic conditions in which they were operating for the next three months entered positive territory for the first time since 2012, the year the survey was expanded to include the construction sector, rising from -2.5 percentage points in September to the current 7.2 percentage points (Table 10). The uncertainty generated by economic and political factors would appear to continue to hamper these firms' business. Positive stimuli are thought to come mainly from an increased demand for these firms' services (both new and pre-existing orders), an easing in credit conditions and also from the fall in oil prices (Table 11).

Expectations for three years ahead improved, with the balance between firms expecting better conditions and those expecting worse conditions standing at 52.7 percentage points, up from 49.4 in September (Table 12).

Firms' views concerning investment conditions are favourable. The balance between those indicating an increase, rather than a decrease, in nominal expenditure on fixed investment in the first half of 2016 returned to positive territory at 9.8 percentage points compared with -6.7 in September (Table 22). The outlook for 2016 also appears favourable, marking an improvement compared with 2015, with the balance rising to 9.0 percentage points, up from -6.5 in September, mainly reflecting the increase recorded for firms focusing on residential housing (Table 15). In the last quarter the share of assessments of a deterioration shrank to 6.7 percentage points (down from 8.5 points in September), and the overwhelming majority of opinions reported stability (82.2 percentage points, up from 76.6 in September; Table 16).

About half of the respondent firms declared that they expected the investment incentive on capital goods (the ‘maxi-amortization’) to have a positive impact on their investment expenditure, with some 9 per cent of firms judging it would have ‘no impact’ or ‘little impact’.

The share of construction firms stating that in the previous months they had overcome the most difficult phase of the downturn increased to 38.5 per cent (from 36 per cent in December; Table 20), while the percentage expecting a substantial increase in output in the coming months rose to 49.7 per cent, up from 45.0 per cent in September).

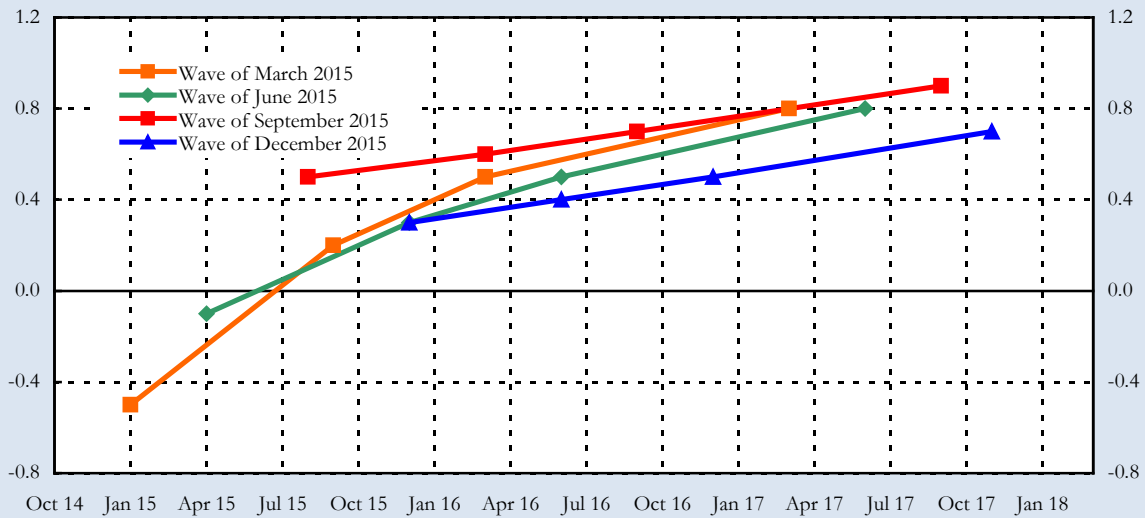
Pessimism over employment conditions in the following months subsided. The negative balance between expectations of an improvement and a deterioration narrowed to -15.6 per cent, down from -17.5 in September (Table 19). Firms’ assessments regarding access to credit remained stable, while expectations concerning their liquidity position over the next three months improved slightly.



Figure 1

### Expectations of consumer price inflation in Italy

(Industry excluding construction and Services; percentage changes on year-earlier period) <sup>(1)</sup>

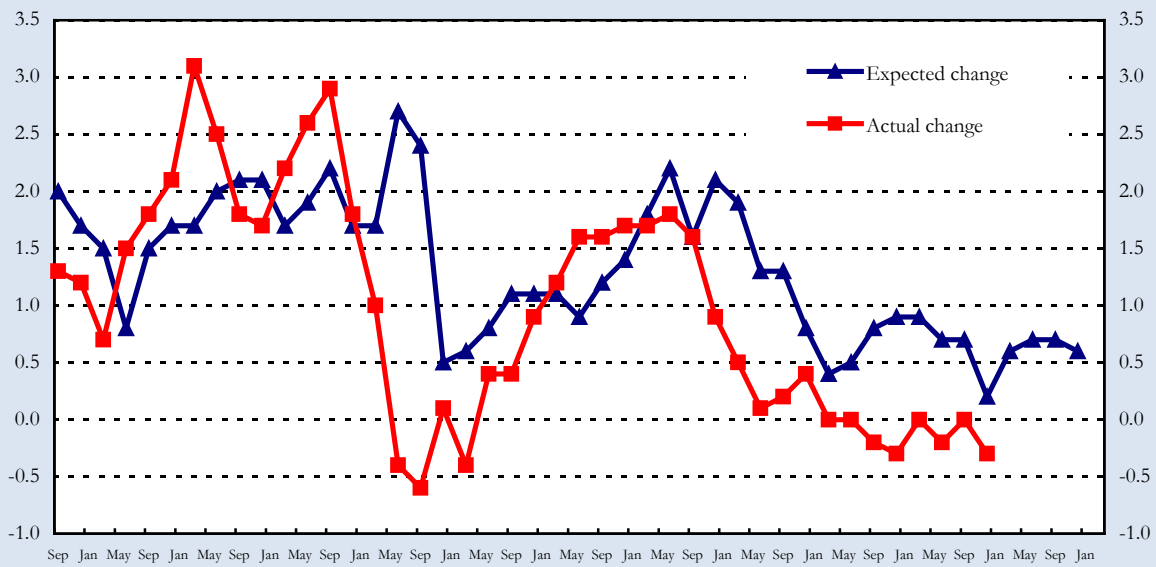


(1) The first point in each curve is the latest definitive inflation data available at the time of the survey, which is given to the interviewees in the questionnaire as a point of reference for expressing their expectations; the second point is the average of the interviewees' forecasts for the next six months; the third point is the average of the interviewees' forecasts for the next twelve months; the fourth point is the average of the interviewees' forecasts for the next twenty-four months.

Figure 2

### Expected and actual changes in selling prices

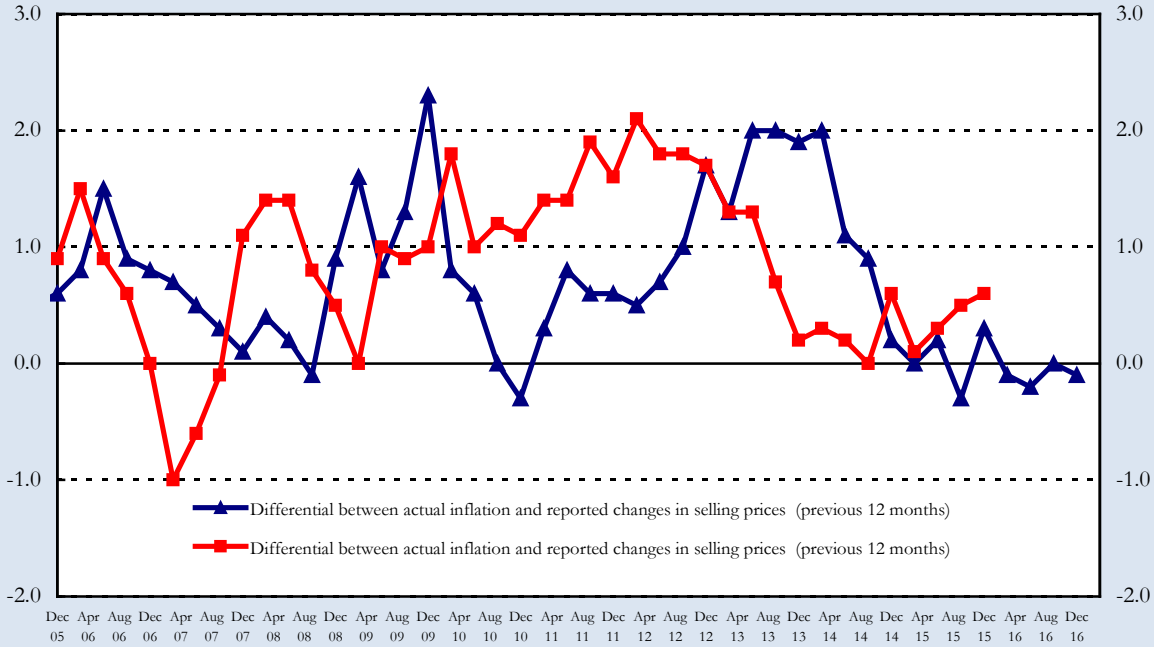
(Industry excluding construction and Services; percentage changes) <sup>(1)</sup>



(1) Winsorized estimates: values outside the range between the 5th and the 95th percentiles are set at the threshold values of those percentiles.

Figure 3

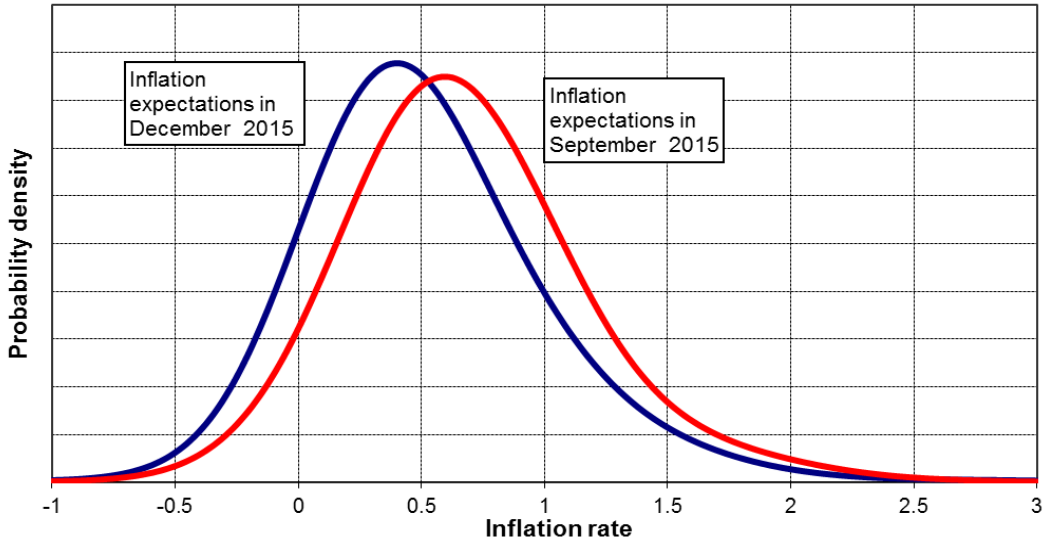
Differential between price changes reported by firms and the inflation rate:  
forecasts and outcomes  
*(Industry excluding construction and Services; percentage points) <sup>(1)</sup>*



(1) Winsorized estimates: values outside the range between the 5th and the 95th percentiles are set at the threshold values of those percentiles.

Figure 4

Expectations of the inflation rate  
over the next 12 months  
*(Industry excluding construction and Services; kernel density) <sup>(1)</sup>*

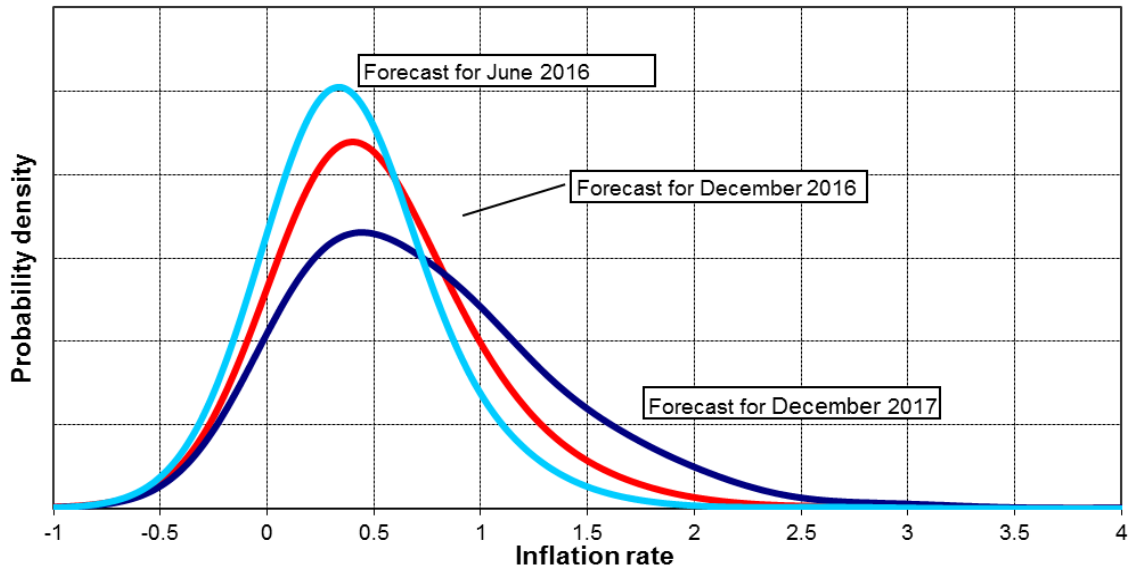


(1) The estimates are obtained using a Gaussian kernel density with a bandwidth equal to 0.2.

Figure 5

Expectations of the inflation rate over the next 6, 12 and 24 months

(Industry excluding construction and Services, non parametric estimates)<sup>(1)</sup>

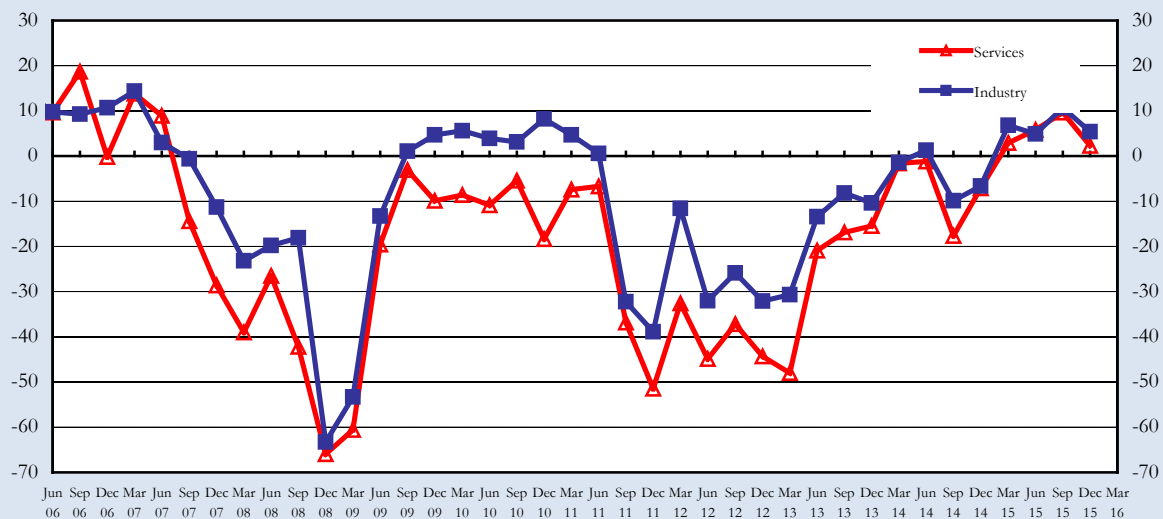


(1) The estimates are obtained using a Gaussian kernel density with a bandwidth equal to 0.3. The light blue line indicates the forecast over the next 6 months. The red line indicates the forecast over the next 12 months. The dark blue line indicates the forecast over the next 24 months.

Figure 6

Three-month forecast of the firm's business conditions

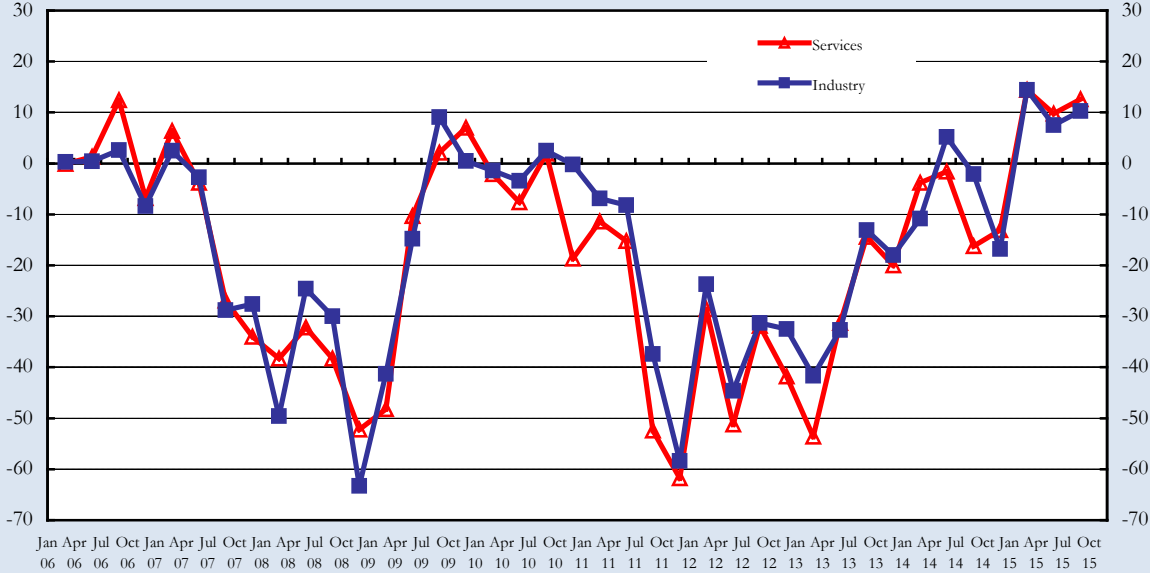
(Industry excluding construction and Services; percentage points)<sup>(1)</sup>



(1) Balance between expectations of an increase and expectations of a decrease.

Figure 7

Conditions for investment with respect to previous quarter  
(Industry excluding construction and Services; percentage points)<sup>(1)</sup>



(1) Balance between positive and negative judgments.

**Appendix A:**  
**Methodological Notes**



## METHODOLOGICAL NOTES

### A1. The sample

The Bank of Italy – Il Sole 24 Ore survey of inflation and growth expectations has been conducted since 1999, interviewing firms in industry excluding construction and in services with 50 or more workers. Starting in the first quarter of 2013, the survey has been extended to construction firms with at least 50 workers.

The sample for the fourth quarter of 2015 consisted of 977 firms: 396 firms in industry excluding construction, 380 service firms and 201 construction firms (Table A1).

The sample is stratified, with strata consisting of combinations of economic sector, size of firm (by number of workers) and geographical area. The need to ensure a large enough sample for every type of firm considered relevant means that, in some cases, the number of companies selected is disproportionate to the share of that category in the entire population of firms. This is in particular true of large companies (Table. A1).

**Tab. A1 - Composition of sample and universe**  
(units, percentages)

	Industry excluding construction and Services			Construction		
	Sample size (a)	Company universe <sup>(1)</sup> (b)	Sample coverage rate (a/b) * 100	Sample size (c)	Company universe <sup>(1)</sup> (d)	Sample coverage rate (c / d) * 100
<b>Number of employees</b>						
50-199 .....	411	16.678	2,5	163	1.094	14,9
200-999 .....	236	3.440	6,9	31	110	28,2
Over 999.....	129	519	24,9	7	7	100,0
<b>Sector</b>						
Industry.....	396	10.537	3,8	–	–	–
Services .....	380	10.100	3,8	–	–	–
<b>Geographical area</b>						
North-West.....	225	8.108	2,8	52	384	13,5
North-East.....	223	5.682	3,9	59	318	18,6
Centre.....	157	3.819	4,1	42	226	18,6
South and Islands .....	171	3.028	5,6	48	283	17,0
<b>Total.....</b>	<b>776</b>	<b>20.637</b>	<b>3,8</b>	<b>201</b>	<b>1.211</b>	<b>16,6</b>

(1) Istat (2013).

The estimates for inflation expectations for 6, 12 and 24 months ahead are calculated on a sub-sample of 532 industrial firms and service firms, and 133 construction firms. The rest of the sample was given a differently worded question on inflation expectations in order to assess the impact of the wording on the responses. In particular, these firms were asked to give their inflation expectations without being given the latest Istat data on inflation in Italy and the euro area. The results



obtained so far indicate that anchoring has the advantage of reducing uncertainty in expressing expectations (by broadening the knowledge base), thus reducing the standard error in the estimates of the average value, without causing any significant distortion in the estimate of expectations. Further research is being carried out.

## **A2. Data collection and estimates**

The survey data are collected by a specialist firm which distributes the questionnaire to company managers who are best informed about the topics covered. The respondents usually compile the questionnaire online using a purpose-designed interface. A small number of the companies submit their answers by fax (Table A2).

The response rate is equal to 44.1 per cent for industry and 34.7 for construction (tab A2).

The collected data are subject to an initial quality check so that any mistakes (such as typing errors) can be intercepted and the existence of outliers and missing data (item non-response) can be assessed. Using the correlation between the indicators obtained, the missing data are imputed by means of stochastic regression models, the parameters for which are set after neutralizing the outliers where appropriate.

The aggregates are evaluated using a weighting coefficient for each sample unit which, at the level of the stratification variables, takes into account the ratio between the number of respondent companies and the number of companies in the reference universe. In the evaluation of the evolution of the variables attributed to the companies, the weighting also takes account of the size of the participating companies in terms of number of employees in order to provide more accurate indications of expected macroeconomic developments.

In order to verify the impact of outliers on the mean values for the main variables, the standard estimators are accompanied by robust estimators; specifically, values outside the range between the 5th and the 95th percentiles are set at the threshold values of those percentiles. The results are generally in line with those obtained from the total sample (Table A3).

Table A4 contains indicators of the standard errors of the main variables for the total sample.

**Tab. A2 - Response rates and data collection via Internet**  
(units, percentages)

	Industry excluding construction and Services		Construction	
	Companies contacted	Response rate <sup>(1)</sup>	Companies contacted	Response rate <sup>(1)</sup>
<b>Number of employees</b>				
50-199 .....	1147	35,8	503	32,4
200-999 .....	414	56,8	59	52,5
Over 999 .....	200	65,0	18	38,9
<b>Sector</b>				
Industry	893	44,5	–	–
Services .....	868	43,7	–	–
<b>Geographical area</b>				
North West .....	578	19,6	178	29,2
North East .....	500	53,9	161	36,6
Centre.....	318	78,5	115	36,5
South and Islands .....	365	9,7	126	38,1
<b>Total.....</b>	<b>1761</b>	<b>44,1</b>	<b>580</b>	<b>34,7</b>

(1) Percentage of companies contacted which participated in the survey.

**Tab. A3 - Estimates of the main variables surveyed and non-response**  
(percentages)

	Industry excluding construction and Services				Construction			
	Mean	Robust mean	Median	Non-response	Mean	Robust mean	Median	Non-response
Consumer price inflation in Italy in the next 6 months.....	0,4	0,4	0,3	0,0	0,4	0,4	0,3	0,0
Consumer price inflation in Italy in the next 12 months .....	0,5	0,5	0,5	0,0	0,5	0,5	0,4	0,0
Consumer price inflation in Italy in the next 24 months .....	0,7	0,7	0,6	0,0	0,7	0,7	0,5	0,0
Change in own prices in the last 12 months.....	-1,1	-0,3	0,0	5,8	1,7	1,1	0,0	8,0
Change in own prices in the next 12 months.....	0,4	0,6	0,1	6,3	0,5	0,3	0,0	8,0

**Tab. A4 -Standard errors***(percentage)*

	Industry excluding construction and Services	Construction
Consumer price inflation in Italy in the next 6 months .....	0,02	0,03
Consumer price inflation in Italy in the next 12 months .....	0,02	0,05
Consumer price inflation in Italy in the next 24 months .....	0,03	0,06
Change in own prices in the last 12 months.....	0,60	1,43
Change in own prices in the last 12 months (robust) .....	0,26	1,02
Change in own prices in the next 12 months.....	0,21	0,28
Change in own prices in the next 12 months (robust) .....	0,12	0,21

**Appendix B:**  
**Statistical Tables**



Tab. 1 Consumer price inflation expectations in Italy.....21

Tab. 2 Change in companies’ selling prices.....22

Tab. 3 Factors that will affect firms’ selling prices.....23

Tab. 4 Assessment of the general state of the economy with respect to previous quarter.....24

Tab. 5 Likelihood of an improvement in the general economic situation in the next three months.....25

Tab. 6 Trend in total demand for firm’s product/work <sup>(1)</sup> with respect to previous quarter.....26

Tab. 7 Three-month forecast of total demand for the firm’s products/works<sup>(1)</sup> .....27

Tab. 8 Foreign demand for the firm’s products with respect to previous quarter.....28

Tab. 9 Three-month forecast of the foreign demand for the firm’s products.....29

Tab.10 Three-month forecast of the firm’s business conditions .....30

Tab.11 Factors which will affect the firm’s business conditions .....31

Tab.12 Three-year forecast of the firm’s business conditions.....32

Tab.13 Assessment of conditions for investment with respect to previous quarter.....33

Tab.14 Forecast changes on fixed investment between first half 2016 and second half of 2015.....34

Tab.15 Forecast changes on fixed investment excluding investment in property between 2016 and 2015.35

Tab.16 Impact of the investment incentive on future investment plans .....36

Tab.17 Assessment of credit conditions for firms with respect to previous quarter.....37

Tab.18 Overall liquidity position in the next three months.....38

Tab.19 Three-month forecast of workforce .....39

Tab.20 Passing the worst stage of the economic situation and expectations for production rates .....40





Table 1

## Consumer price inflation expectations in Italy

(percentage changes on the preceding twelve months)

	Consumer price inflation expectations ...			
	... after 6 months	... after 12 months	... after 24 months	... between 3 and 5 years
<b>Industry excluding construction and Services</b>				
<b>Number of employees</b>				
50-199 .....	0,4	0,5	0,7	0,9
200-999 .....	0,5	0,6	0,9	1,1
Over 999.....	0,6	0,8	1,1	1,3
<b>Sector</b>				
Industry.....	0,5	0,6	0,8	1,0
Services .....	0,4	0,5	0,7	0,9
<b>Geographical area</b>				
North West.....	0,4	0,5	0,7	1,0
North East .....	0,4	0,5	0,8	1,1
Centre.....	0,5	0,6	0,8	0,9
South and Islands .....	0,5	0,6	0,7	0,9
<b>Total Industry and services .....</b>	<b>0,4</b>	<b>0,5</b>	<b>0,7</b>	<b>1,0</b>
<i>Memorandum items:</i>				
September 2015.....	0,6	0,7	0,9	1,1
June 2015.....	0,3	0,5	0,8	1,0
March 2015.....	0,2	0,5	0,8	1,2
December 2014.....	0,4	0,5	0,7	0,9
<b>Construction</b>				
<b>Fraction of revenue derived from residential building</b>				
Less than one third.....	0,4	0,5	0,7	0,9
More than one third.....	0,4	0,6	0,7	1,0
<b>Geographical area</b>				
North.....	0,4	0,5	0,7	0,9
Center and South -Islands.....	0,5	0,6	0,7	0,9
<b>Total construction.....</b>	<b>0,4</b>	<b>0,5</b>	<b>0,7</b>	<b>0,9</b>
<i>Memorandum items:</i>				
September 2015.....	0,5	0,7	0,8	0,9
June 2015.....	0,2	0,4	0,6	0,7
March 2015.....	0,2	0,4	0,7	0,9
December 2014.....	0,3	0,4	0,7	0,9

Table 2

## Change in companies' selling prices

(percentages) <sup>(1)</sup>

	Rate of change in own prices ...	
	... in last 12 months	... in next 12 months
	Mean (robust) <sup>(2)</sup>	Mean (robust) <sup>(2)</sup>
	<b>Industry excluding construction and Services</b>	
<b>Number of employees</b>		
50-199 .....	0,2	1,0
200-999 .....	0,2	0,7
Over 999 .....	-0,8	0,3
<b>Sector</b>		
Industry .....	-0,5	0,6
Services .....	0,0	0,5
<b>Geographical area</b>		
North West .....	-0,1	0,5
North East .....	-0,0	0,6
Centre .....	-0,8	0,4
South and Islands .....	0,3	0,9
<b>Total Industry and services .....</b>	<b>-0,3</b>	<b>0,6</b>
<i>Memorandum items:</i>		
September 2015 .....	0,0	0,7
June 2015 .....	-0,2	0,7
March 2015 .....	-0,0	0,6
December 2014 .....	-0,3	0,2
	<b>Construction</b>	
<b>Fraction of revenue derived from residential building</b>		
Less than one third .....	1,3	0,2
More than one third .....	0,2	1,0
<b>Geographical area</b>		
North .....	-0,7	0,1
Centre and South-Islands .....	2,8	0,6
<b>Total construction .....</b>	<b>1,1</b>	<b>0,3</b>
<i>Memorandum items:</i>		
September 2015 .....	-0,3	-0,1
June 2015 .....	0,6	-0,5
March 2015 .....	-0,1	0,7
December 2014 .....	-0,9	-0,1

(1) Companies' responses are weighted by the number of employees to account for the impact of size.

(2) Values outside the range between the 5th and the 95th percentiles have been set at the threshold values of those percentiles.

Table 3

### Factors that will affect firms' selling prices

(average scores) <sup>(1)</sup>

	Change in demand	Change in raw materials prices	Change in labour costs	Pricing policies of main competitors	Intermediate input
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	0,1	0,4	0,5	-0,5	0,2
200-999 .....	0,1	0,2	0,5	-0,6	0,1
Over 999 .....	0,2	-0,2	0,3	-0,7	0,2
<b>Sector</b>					
Industry.....	0,2	0,2	0,4	-0,4	0,2
Services .....	0,1	-0,0	0,4	-0,8	0,2
<b>Geographical area</b>					
North West.....	0,2	0,2	0,3	-0,7	0,1
North East .....	0,0	-0,1	0,5	-0,9	0,2
Centre.....	0,2	0,1	0,2	-0,4	0,2
South and Islands .....	0,3	0,5	0,6	-0,2	0,3
<b>Total Industry and services .....</b>	<b>0,1</b>	<b>0,1</b>	<b>0,4</b>	<b>-0,6</b>	<b>0,2</b>
<i>Memorandum items:</i>					
September 2015.....	0,1	0,4	0,4	-0,5	....
June 2015.....	0,1	0,5	0,4	-0,6	....
March 2015.....	-0,0	0,5	0,4	-0,6	....
December 2014.....	-0,3	0,3	0,4	-0,7	....
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	0,2	0,2	0,1	-0,7	....
More than one third.....	0,5	0,2	0,7	-0,3	....
<b>Geographical area</b>					
North.....	-0,0	0,2	0,5	-0,7	....
Centre and South-Islands.....	0,4	0,2	-0,2	-0,6	....
<b>Total construction.....</b>	<b>0,2</b>	<b>0,2</b>	<b>0,1</b>	<b>-0,7</b>	....
<i>Memorandum items:</i>					
September 2015.....	0,0	0,3	0,5	-0,9	....
June 2015.....	0,1	0,5	0,5	-0,8	....
March 2015.....	0,5	0,6	0,8	-0,6	....
December 2014.....	-0,3	0,2	0,4	-0,8	....

(1) I Companies' opinions regarding the direction and magnitude of the impact of each factor on future selling prices (large/average/small decrease or increase) were scored on a scale of -3 to 3. A neutral position was assigned a score of 0. Companies' responses are weighted by the number of employees to account for the impact of size.

Table 4

**Assessment of the general state of the economy  
with respect to previous quarter**

(percentage)

	Worse (a)	Unchanged	Better (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	10,4	69,2	20,4	100,0	10,0
200-999 .....	5,4	67,0	27,6	100,0	22,2
Over 999 .....	1,4	64,1	34,6	100,0	33,2
<b>Sector</b>					
Industry .....	9,9	71,4	18,7	100,0	8,8
Services .....	8,9	65,8	25,3	100,0	16,4
<b>Geographical area</b>					
North-West .....	9,9	64,9	25,1	100,0	15,2
North-East .....	10,5	73,4	16,2	100,0	5,7
Centre .....	7,9	74,4	17,7	100,0	9,8
South and Islands .....	7,8	62,8	29,5	100,0	21,7
<b>Total industry and services .....</b>	<b>9,4</b>	<b>68,7</b>	<b>21,9</b>	<b>100,0</b>	<b>12,5</b>
<i>Memorandum items:</i>					
September 2015 .....	4,0	66,1	29,9	100,0	25,9
June 2015 .....	6,2	71,8	22,0	100,0	15,8
March 2015 .....	7,4	66,6	26,0	100,0	18,6
December 2014 .....	27,8	67,5	4,7	100,0	-23,1
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third .....	9,2	73,0	17,8	100,0	8,6
More than one third .....	4,3	76,2	19,6	100,0	15,3
<b>Geographical area</b>					
North .....	6,7	74,3	19,0	100,0	12,3
Centre and South-Islands .....	10,0	72,8	17,2	100,0	7,2
<b>Total construction .....</b>	<b>8,1</b>	<b>73,7</b>	<b>18,2</b>	<b>100,0</b>	<b>10,1</b>
<i>Memorandum items:</i>					
September 2015 .....	10,7	67,0	22,3	100,0	11,6
June 2015 .....	11,1	75,7	13,2	100,0	2,1
March 2015 .....	13,0	71,0	16,0	100,0	3,0
December 2014 .....	37,2	60,6	2,3	100,0	-34,9

Table 5

## Likelihood of an improvement in the general economic situation in the next three months

(percentages)

	Zero	1-25%	26-50%	51-75%	76-100%	Total	Mean <sup>(1)</sup>
<b>Industry excluding construction and Services</b>							
<b>Number of employees</b>							
50-199 .....	28,5	50,4	13,4	7,1	0,6	100,0	16,7
200-999 .....	21,9	51,9	14,0	10,8	1,4	100,0	20,1
Over 999 .....	14,3	46,3	21,7	17,7	0,0	100,0	25,4
<b>Sector</b>							
Industry.....	27,3	49,9	13,8	9,0	0,1	100,0	17,5
Services .....	26,8	51,3	13,6	6,9	1,4	100,0	17,5
<b>Geographical area</b>							
North West .....	24,5	50,4	14,6	9,5	1,0	100,0	19,0
North East .....	25,4	50,5	17,3	6,1	0,7	100,0	17,7
Centre.....	32,9	48,9	9,7	7,8	0,7	100,0	15,5
South and Islands .....	29,4	53,4	9,4	7,8	0,0	100,0	15,4
<b>Exports' share of sales</b>							
From Zero to 1/3 .....	31,5	47,9	12,4	7,1	1,1	100,0	16,4
Between 1/3/ and 2/3 .....	17,2	57,7	16,4	8,4	0,3	100,0	19,3
More than 2/3.....	23,3	50,6	14,9	11,1	0,0	100,0	19,3
<b>Total Industry and services .....</b>	<b>27,0</b>	<b>50,6</b>	<b>13,7</b>	<b>8,0</b>	<b>0,7</b>	<b>100,0</b>	<b>17,5</b>
<i>Memorandum items:</i>							
September 2015 .....	22,5	51,9	14,6	9,2	1,7	100,0	19,7
June 2015.....	27,6	50,2	12,4	8,3	1,6	100,0	17,9
March 2015.....	25,0	52,3	12,9	8,5	1,3	100,0	18,2
December 2014.....	43,7	42,6	9,6	3,6	0,6	100,0	11,9
<b>Construction</b>							
<b>Fraction of revenue derived from residential building</b>							
Less than one third .....	36,1	52,1	7,7	3,4	0,7	100,0	12,4
More than one third .....	33,7	51,5	11,7	3,1	0,0	100,0	13,1
<b>Geographical area</b>							
North.....	31,0	55,9	8,3	3,9	0,9	100,0	13,7
Centre and South-Islands .....	42,0	46,5	8,9	2,6	0,0	100,0	11,1
<b>Total construction .....</b>	<b>35,6</b>	<b>52,0</b>	<b>8,5</b>	<b>3,4</b>	<b>0,5</b>	<b>100,0</b>	<b>12,6</b>
<i>Memorandum items:</i>							
September 2015 .....	34,4	49,9	10,5	4,0	1,3	100,0	14,2
June 2015.....	36,4	52,1	6,1	4,3	1,1	100,0	12,8
March 2015.....	34,1	52,1	8,9	3,8	1,1	100,0	13,6
December 2014.....	54,6	40,0	4,5	1,0	0,0	100,0	7,5

(1) The average likelihood of an improvement is computed by assigning the central value to each interval.

Table 6

**Trend in total demand for firm's product/work <sup>(1)</sup>**  
**with respect to previous quarter**  
*(percentages)*

	Decreased (a)	Unchanged	Increased (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	15,9	64,1	20,0	100,0	4,1
200-999 .....	10,9	63,0	26,1	100,0	15,2
Over 999.....	12,6	59,1	28,2	100,0	15,6
<b>Sector</b>					
Industry.....	13,4	64,7	21,9	100,0	8,5
Services .....	16,8	62,9	20,4	100,0	3,6
<b>Geographical area</b>					
North West .....	15,2	62,0	22,8	100,0	7,6
North East .....	11,9	64,7	23,4	100,0	11,5
Centre.....	15,7	68,3	16,0	100,0	0,3
South and Islands .....	19,5	61,1	19,4	100,0	-0,1
<b>Exports' share of sales</b>					
From Zero to 1/3 .....	15,8	65,8	18,4	100,0	2,6
Between 1/3/ and 2/3 .....	15,9	60,6	23,5	100,0	7,6
More than 2/3.....	10,3	60,2	29,5	100,0	19,2
<b>Total Industry and services.....</b>	<b>15,0</b>	<b>63,8</b>	<b>21,2</b>	<b>100,0</b>	<b>6,2</b>
<i>Memorandum items:</i>					
September 2015 .....	13,8	65,8	20,4	100,0	6,6
June 2015.....	13,3	61,9	24,8	100,0	11,5
March 2015.....	19,5	60,0	20,5	100,0	1,0
December 2014.....	23,5	58,8	17,7	100,0	-5,8
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	19,6	64,3	16,0	100,0	-3,6
More than one third.....	11,9	63,7	24,5	100,0	12,6
<b>Geographical area</b>					
North.....	11,0	69,0	20,1	100,0	9,1
Centre and South-Islands.....	27,5	57,6	14,9	100,0	-12,6
<b>Total construction.....</b>	<b>17,9</b>	<b>64,2</b>	<b>17,9</b>	<b>100,0</b>	<b>0,0</b>
<i>Memorandum items:</i>					
September 2015 .....	16,6	68,4	15,1	100,0	-1,5
June 2015.....	15,9	66,0	18,1	100,0	2,2
March 2015.....	17,2	62,1	20,6	100,0	3,4
December 2014.....	26,7	59,6	13,7	100,0	-13,0

(1) For firms in industry excluding construction and services, products; for construction firms, works.

Table 7

Three-month forecast of total demand for the firm's products/works<sup>(1)</sup>

(percentages)

	Decreased (a)	Unchanged	Increased (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	11,8	64,0	24,1	100,0	12,3
200-999 .....	7,0	65,9	27,1	100,0	20,1
Over 999 .....	7,0	56,7	36,3	100,0	29,3
<b>Sector</b>					
Industry.....	10,0	61,7	28,3	100,0	18,3
Services .....	11,9	66,8	21,3	100,0	9,4
<b>Geographical area</b>					
North West .....	11,0	63,9	25,2	100,0	14,2
North East .....	10,2	63,3	26,5	100,0	16,3
Centre.....	10,6	70,7	18,7	100,0	8,1
South and Islands .....	12,5	58,3	29,3	100,0	16,8
<b>Exports' share of sales</b>					
From Zero to 1/3 .....	11,1	67,9	21,0	100,0	9,9
Between 1/3/ and 2/3 .....	13,2	51,3	35,5	100,0	22,3
More than 2/3 .....	6,6	68,4	24,9	100,0	18,3
<b>Total Industry and services .....</b>	<b>10,9</b>	<b>64,2</b>	<b>24,9</b>	<b>100,0</b>	<b>14,0</b>
<i>Memorandum items:</i>					
September 2015 .....	7,2	64,0	28,8	100,0	21,6
June 2015.....	8,7	65,3	26,0	100,0	17,3
March 2015.....	9,1	60,6	30,3	100,0	21,2
December 2014.....	16,8	64,4	18,9	100,0	2,1
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	10,1	73,1	16,8	100,0	6,7
More than one third .....	4,6	64,6	30,7	100,0	26,1
<b>Geographical area</b>					
North.....	8,5	67,3	24,2	100,0	15,7
Centre and South-Islands.....	9,5	76,6	13,9	100,0	4,4
<b>Total construction.....</b>	<b>8,9</b>	<b>71,3</b>	<b>19,8</b>	<b>100,0</b>	<b>10,9</b>
<i>Memorandum items:</i>					
September 2015 .....	12,6	65,0	22,4	100,0	9,8
June 2015.....	10,9	68,8	20,3	100,0	9,4
March 2015.....	9,8	62,9	27,3	100,0	17,5
December 2014.....	15,1	66,9	18,0	100,0	2,9

(1) For firms in industry excluding construction and services, products; for construction firms, works.



Table 8

### Foreign demand for the firm's products with respect to previous quarter

(Industry excluding construction and Services; percentages) <sup>(1)</sup>

	Decreased (a)	Unchanged	Increased (b)	Total	Balance (b) – (a)
<b>Number of employees</b>					
50-199 .....	14,1	64,5	21,4	100,0	7,3
200-999 .....	12,5	50,8	36,7	100,0	24,2
Over 999 .....	9,2	61,5	29,3	100,0	20,1
<b>Sector</b>					
Industry.....	11,7	60,4	27,9	100,0	16,2
Services .....	19,3	66,2	14,6	100,0	-4,7
<b>Geographical area</b>					
North West .....	10,4	67,5	22,0	100,0	11,6
North East .....	11,0	56,8	32,2	100,0	21,2
Centre.....	22,2	60,0	17,8	100,0	-4,4
South and Islands .....	19,9	55,6	24,5	100,0	4,6
<b>Total Industry and services .....</b>	<b>13,7</b>	<b>61,9</b>	<b>24,3</b>	<b>100,0</b>	<b>10,6</b>
<i>Memorandum items:</i>					
September 2015 .....	13,5	60,9	25,6	100,0	12,1
June 2015.....	11,4	58,1	30,5	100,0	19,1
March 2015.....	13,1	56,8	30,0	100,0	16,9
December 2014.....	14,7	58,0	27,3	100,0	12,6

(1) For exporting firms only.

Table 9

### Three-month forecast of the foreign demand for the firm's products

(Industry excluding construction and Services; percentages) <sup>(1)</sup>

	Decrease (a)	No change	Increase (b)	Total	Balance (b) – (a)
<b>Number of employees</b>					
50-199 .....	8,9	60,3	30,8	100,0	21,9
200-999 .....	5,5	60,3	34,2	100,0	28,7
Over 999.....	5,9	57,4	36,8	100,0	30,9
<b>Sector</b>					
Industry.....	7,5	58,2	34,3	100,0	26,8
Services .....	10,1	66,0	23,9	100,0	13,8
<b>Geographical area</b>					
North West .....	7,8	62,6	29,6	100,0	21,8
North East .....	8,1	57,2	34,7	100,0	26,6
Centre.....	6,6	62,8	30,6	100,0	24
South and Islands .....	13,1	53,9	32,9	100,0	19,8
<b>Total Industry and services.....</b>	<b>8,2</b>	<b>60,2</b>	<b>31,6</b>	<b>100,0</b>	<b>23,4</b>
<i>Memorandum items:</i>					
September 2015 .....	4,9	62,2	32,9	100,0	28,0
June 2015.....	6,7	61,4	31,9	100,0	25,2
March 2015 .....	6,0	51,0	43,1	100,0	37,1
December 2014.....	8,5	57,2	34,3	100,0	25,8

(1) For exporting firms only.

Table 10

### Three-month forecast of the firm's business conditions

(percentages)

	Deterioration (a)	No change	Improvement (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	10,0	76,9	13,2	100,0	3,2
200-999 .....	6,2	81,8	11,9	100,0	5,7
Over 999 .....	4,8	76,0	19,2	100,0	14,4
<b>Sector</b>					
Industry.....	6,4	81,7	11,8	100,0	5,4
Services .....	12,1	73,4	14,4	100,0	2,3
<b>Geographical area</b>					
North West .....	10,5	77,3	12,3	100,0	1,8
North East .....	7,7	80,1	12,2	100,0	4,5
Centre.....	8,9	80,5	10,5	100,0	1,6
South and Islands .....	9,2	70,6	20,3	100,0	11,1
<b>Total Industry and services .....</b>	<b>9,2</b>	<b>77,7</b>	<b>13,1</b>	<b>100,0</b>	<b>3,9</b>
<i>Memorandum items:</i>					
September 2015 .....	7,6	74,6	17,8	100,0	10,2
June 2015.....	7,8	78,9	13,2	100,0	5,4
March 2015.....	11,7	71,6	16,6	100,0	4,9
December 2014.....	15,5	75,8	8,7	100,0	-6,8
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	9,1	76,2	14,7	100,0	5,6
More than one third.....	1,6	83,7	14,7	100,0	13,1
<b>Geographical area</b>					
North.....	8,3	75,4	16,2	100,0	7,9
Centre and South-Islands.....	6,2	81,2	12,6	100,0	6,4
<b>Total construction.....</b>	<b>7,5</b>	<b>77,8</b>	<b>14,7</b>	<b>100,0</b>	<b>7,2</b>
<i>Memorandum items:</i>					
September 2015 .....	11,0	80,5	8,5	100,0	-2,5
June 2015.....	12,1	77,8	10,1	100,0	-2,0
March 2015.....	12,2	77,6	10,2	100,0	-2,0
December 2014.....	24,6	69,1	6,3	100,0	-18,3

Table 11

## Factors which will affect the firm's business conditions

(average scores) <sup>(1)</sup>

	Change in demand	Trend in new sites	Trend in existing sites	Change in selling prices	Change in credit conditions	Economic and political factors uncertainty	Exchange Rate dynamics	Oil Price
<b>Industry excluding construction and Services</b>								
<b>Number of employees</b>								
50-199.....	0,7	....	....	0,3	0,1	-0,8	0,1	0,1
200-999.....	0,7	....	....	0,1	0,3	-0,7	0,1	0,3
Over 999.....	0,6	....	....	0,3	0,4	-0,7	0,1	0,2
<b>Sector</b>								
Industry.....	0,8	....	....	0,3	0,1	-0,8	0,1	0,2
Services.....	0,6	....	....	0,3	0,1	-0,8	0,1	0,1
<b>Geographical area</b>								
North West.....	0,7	....	....	0,4	0,2	-0,8	0,1	0,2
North East.....	0,7	....	....	0,1	0,1	-0,9	0,1	0,1
Centre.....	0,6	....	....	0,1	-0,2	-0,7	0,0	0,1
South and Islands.....	0,7	....	....	0,4	0,3	-0,7	0,1	0,2
<b>Total Industry and services.....</b>	<b>0,7</b>	<b>....</b>	<b>....</b>	<b>0,3</b>	<b>0,1</b>	<b>-0,8</b>	<b>0,1</b>	<b>0,2</b>
<i>Memorandum items:</i>								
September 2015.....	0,8	....	....	0,4	0,3	-0,7	0,2	0,2
June 2015.....	0,7	....	....	0,3	0,2	-0,6	0,2	0,0
March 2015.....	0,6	....	....	0,3	0,2	-0,6	0,3	....
December 2014.....	0,4	....	....	0,1	0,0	-1,0	....	....
<b>Construction</b>								
<b>Fraction of revenue derived from residential building</b>								
Less than one third.....	....	1,2	0,9	0,1	0,3	-0,6	0,1	0,4
More than one third.....	....	1,4	0,9	-0,1	0,3	-0,9	0,0	0,2
<b>Geographical area</b>								
North.....	....	1,4	1,0	0,0	0,2	-0,7	0,0	0,3
Centre and South-Islands.....	....	1,0	0,8	0,1	0,3	-0,7	0,1	0,4
<b>Total construction.....</b>	<b>....</b>	<b>1,2</b>	<b>0,9</b>	<b>0,0</b>	<b>0,3</b>	<b>-0,7</b>	<b>0,0</b>	<b>0,3</b>
<i>Memorandum items:</i>								
September 2015.....	....	1,1	1,0	-0,1	0,2	-0,9	0,0	0,3
June 2015.....	....	1,2	0,9	0,1	0,2	-0,9	-0,1	-0,1
March 2015.....	....	1,2	0,8	0,1	0,2	-0,9	0,2	....
December 2014.....	....	1,0	0,6	-0,2	-0,2	-1,3	....	....

(1) Companies' opinions regarding the direction and magnitude of the expected impact of each factor on their own business conditions in the next three months (large/average/small decrease or increase) were scored on a scale of -3 to 3. A neutral position was assigned a score of 0.

Table 12

### Three-year forecast of the firm's business conditions

(percentages)

	Deterioration (a)	No change	Improvement (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	11,3	27,2	61,5	100,0	50,2
200-999 .....	6,4	23,7	69,9	100,0	63,5
Over 999 .....	7,9	17,8	74,3	100,0	66,4
<b>Sector</b>					
Industry.....	8,1	27,1	64,8	100,0	56,7
Services .....	12,8	25,6	61,6	100,0	48,8
<b>Geographical area</b>					
North West .....	10,2	21,4	68,4	100,0	58,2
North East .....	10,2	31,5	58,3	100,0	48,1
Centre.....	13,9	30,1	56,0	100,0	42,1
South and Islands .....	7,0	25,6	67,4	100,0	60,4
<b>Total Industry and services .....</b>	<b>10,4</b>	<b>26,4</b>	<b>63,2</b>	<b>100,0</b>	<b>52,8</b>
<i>Memorandum items:</i>					
September 2015 .....	9,5	24,8	65,7	100,0	56,2
June 2015.....	11,8	25,6	62,5	100,0	50,7
March 2015.....	10,9	23,0	66,1	100,0	55,2
December 2014.....	16,3	25,7	58,0	100,0	41,7
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	8,0	33,8	58,1	100,0	50,1
More than one third.....	4,0	29,5	66,5	100,0	62,5
<b>Geographical area</b>					
North.....	7,5	32,2	60,3	100,0	52,8
Centre and South-Islands.....	6,7	33,9	59,5	100,0	52,8
<b>Total construction.....</b>	<b>7,2</b>	<b>32,9</b>	<b>59,9</b>	<b>100,0</b>	<b>52,7</b>
<i>Memorandum items:</i>					
September 2015 .....	9,9	30,7	59,3	100,0	49,4
June 2015.....	10,4	30,1	59,5	100,0	49,1
March 2015.....	11,1	17,8	71,1	100,0	60,0
December 2014.....	17,8	28,0	54,1	100,0	36,3

**Table 13**

**Assessment of conditions for investment with respect to previous quarter**  
(percentages)

	Worse (a)	Unchanged	Better (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	10,6	75,8	13,6	100,0	3,0
200-999 .....	4,4	76,4	19,1	100,0	14,7
Over 999.....	5,1	68,0	26,9	100,0	21,8
<b>Sector</b>					
Industry.....	11,0	74,8	14,2	100,0	3,2
Services .....	7,8	76,7	15,5	100,0	7,7
<b>Geographical area</b>					
North West .....	10,4	78,3	11,2	100,0	0,8
North East .....	10,2	73,5	16,3	100,0	6,1
Centre.....	6,2	79,4	14,3	100,0	8,1
South and Islands .....	9,5	68,5	22,0	100,0	12,5
<b>Total Industry and services .....</b>	<b>9,5</b>	<b>75,7</b>	<b>14,8</b>	<b>100,0</b>	<b>5,3</b>
<i>Memorandum items:</i>					
September 2015 .....	7,3	73,9	18,8	100,0	11,5
June 2015.....	7,9	75,6	16,6	100,0	8,7
March 2015.....	6,9	71,6	21,4	100,0	14,5
December 2014.....	21,9	71,3	6,9	100,0	-15,0
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	6,8	83,1	10,2	100,0	3,4
More than one third.....	6,4	79,4	14,3	100,0	7,9
<b>Geographical area</b>					
North.....	4,2	82,8	13,1	100,0	8,9
Centre and South-Islands.....	10,1	81,5	8,4	100,0	-1,7
<b>Total construction.....</b>	<b>6,7</b>	<b>82,2</b>	<b>11,1</b>	<b>100,0</b>	<b>4,4</b>
<i>Memorandum items:</i>					
September 2015 .....	8,5	76,6	14,9	100,0	6,4
June 2015.....	12,4	72,5	15,0	100,0	2,6
March 2015.....	9,4	73,9	16,7	100,0	7,3
December 2014.....	27,9	67,2	5,0	100,0	-22,9

Table 14

### Forecast changes on fixed investment between first half 2016 and second half of 2015

(percentages)

	Decrease (a)	No change	Increase (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	16,7	52,5	30,8	100,0	14,1
200-999 .....	17,3	48,5	34,2	100,0	16,9
Over 999 .....	19,7	47,5	32,9	100,0	13,2
<b>Sector</b>					
Industry.....	14,7	51,4	33,9	100,0	19,2
Services .....	19,2	52,1	28,7	100,0	9,5
<b>Geographical area</b>					
North West .....	19,5	48,7	31,8	100,0	12,3
North East .....	15,2	53,2	31,6	100,0	16,4
Centre.....	15,5	57,4	27,1	100,0	11,6
South and Islands .....	14,8	49,8	35,4	100,0	20,6
<b>Total Industry and services .....</b>	<b>16,9</b>	<b>51,7</b>	<b>31,4</b>	<b>100,0</b>	<b>14,5</b>
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	17,1	60,5	22,4	100,0	5,3
More than one third.....	11,4	51,8	36,8	100,0	25,4
<b>Geographical area</b>					
North.....	13,7	60,7	25,6	100,0	11,9
Centre and South-Islands.....	18,8	55,7	25,5	100,0	6,7
<b>Total construction.....</b>	<b>15,8</b>	<b>58,6</b>	<b>25,6</b>	<b>100,0</b>	<b>9,8</b>



Table 15

### Forecast changes on fixed investment excluding investment in property between 2016 and 2015

(percentages)

	Decrease (a)	No change	Increase (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	18,8	46,8	34,4	100,0	15,6
200-999 .....	16,8	45,3	37,9	100,0	21,1
Over 999 .....	15,2	43,7	41,1	100,0	25,9
<b>Sector</b>					
Industry.....	18,7	44,1	37,2	100,0	18,5
Services .....	18,0	48,9	33,1	100,0	15,1
<b>Geographical area</b>					
North West .....	22,0	44,1	33,8	100,0	11,8
North East .....	14,1	47,4	38,5	100,0	24,4
Centre.....	18,1	51,7	30,2	100,0	12,1
South and Islands .....	17,1	44,3	38,6	100,0	21,5
<b>Total Industry and services .....</b>	<b>18,4</b>	<b>46,5</b>	<b>35,2</b>	<b>100,0</b>	<b>16,8</b>
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Da zero a un terzo.....	17,1	58,2	24,7	100,0	7,6
Oltre un terzo.....	7,5	70,4	22,1	100,0	14,6
<b>Geographical area</b>					
North.....	12,8	62,1	25,2	100,0	12,4
Centre and South-Islands.....	18,3	59,0	22,7	100,0	4,4
<b>Total construction.....</b>	<b>15,1</b>	<b>60,8</b>	<b>24,1</b>	<b>100,0</b>	<b>9,0</b>

Table 16

## Impact of the investment incentive on future investment plans<sup>(1)</sup>

(percentages)

	No impact	Little impact	Some impact	Strong impact	Total
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	48,4	38,7	11,0	1,9	100,0
200-999 .....	45,9	41,4	11,9	0,8	100,0
Over 999 .....	39,9	45,1	14,0	1,1	100,0
<b>Sector</b>					
Industry.....	47,2	36,1	14,5	2,2	100,0
Services .....	48,4	42,8	7,7	1,1	100,0
<b>Geographical area</b>					
North West .....	44,9	41,0	12,6	1,6	100,0
North East .....	46,4	40,7	10,3	2,6	100,0
Centre.....	53,0	38,2	8,8	0,0	100,0
South and Islands .....	51,5	33,7	12,2	2,5	51,5
<b>Total Industry and services.....</b>	<b>47,8</b>	<b>39,3</b>	<b>11,2</b>	<b>1,7</b>	<b>100,0</b>
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Da zero a un terzo.....	48,9	42,3	8,5	0,4	100,0
Oltre un terzo.....	57,8	30,8	11,4	0,0	100,0
<b>Geographical area</b>					
North.....	45,6	42,4	12,1	0,0	100,0
Centre and South-Islands.....	58,2	36,2	4,9	0,7	100,0
<b>Total construction .....</b>	<b>50,8</b>	<b>39,8</b>	<b>9,1</b>	<b>0,3</b>	<b>100,0</b>

(1) Tax investment incentive on capital goods (known as the 'super ammortamento', or 'super amortization') provided for by the Stability Law for 2016

Table 17

**Assessment of credit conditions for  
firms with respect to previous quarter**  
(percentages)

	Deterioration (a)	No change	Improvement (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	7,1	83,2	9,7	100,0	2,6
200-999 .....	2,4	87,1	10,6	100,0	8,2
Over 999 .....	5,2	80,8	14,0	100,0	8,8
<b>Sector</b>					
Industry.....	6,4	82,6	11,0	100,0	4,6
Services .....	6,1	85,1	8,7	100,0	2,6
<b>Geographical area</b>					
North West .....	3,4	89,6	7,0	100,0	3,6
North East .....	7,8	79,2	13,0	100,0	5,2
Centre.....	9,4	78,6	12,0	100,0	2,6
South and Islands .....	7,4	83,4	9,2	100,0	1,8
<b>Total Industry and services .....</b>	<b>6,3</b>	<b>83,8</b>	<b>9,9</b>	<b>100,0</b>	<b>3,6</b>
<i>Memorandum items:</i>					
September 2015 .....	7,8	81,6	10,5	100,0	2,7
June 2015.....	6,6	79,0	14,4	100,0	7,8
March 2015.....	7,6	80,1	12,3	100,0	4,7
December 2014.....	12,5	77,4	10,1	100,0	-2,4
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Da zero a un terzo.....	17,5	73,4	9,0	100,0	-8,5
Oltre un terzo.....	23,8	68,5	7,7	100,0	-16,1
<b>Geographical area</b>					
North.....	16,7	73,4	9,9	100,0	-6,8
Centre and South-Islands.....	22,0	70,8	7,1	100,0	-14,9
<b>Total construction.....</b>	<b>18,9</b>	<b>72,3</b>	<b>8,7</b>	<b>100,0</b>	<b>-10,2</b>
<i>Memorandum items:</i>					
September 2015 .....	17,2	75,8	6,9	100,0	-10,3
June 2015.....	13,6	74,5	11,9	100,0	-1,7
March 2015.....	17,0	70,6	12,3	100,0	-4,7
December 2014.....	25,8	69,4	4,8	100,0	-21,0

Table 18

## Overall liquidity position in the next three months

(percentages)

	Insufficient	Sufficient	More than sufficient	Total
<b>Industry excluding construction and Services</b>				
<b>Number of employees</b>				
50-199 addetti.....	18,6	66,9	14,5	100,0
200-999 addetti .....	8,3	62,9	28,8	100,0
Oltre 999 addetti .....	5,4	52,1	42,5	100,0
<b>Sector</b>				
Industry.....	16,5	64,7	18,8	100,0
Services .....	16,7	67,1	16,3	100,0
<b>Geographical area</b>				
North West .....	11,5	70,5	18,0	100,0
North East .....	14,8	63,0	22,2	100,0
Centre.....	22,3	60,8	16,9	100,0
South and Islands .....	26,6	65,2	8,3	100,0
<b>Total Industry and services .....</b>	<b>16,6</b>	<b>65,9</b>	<b>17,6</b>	<b>100,0</b>
<i>Memorandum items:</i>				
September 2015 .....	14,9	64,0	21,1	100,0
June 2015.....	15,6	62,2	22,2	100,0
March 2015.....	15,5	62,8	21,6	100,0
December 2014.....	19,9	61,6	18,5	100,0
<b>Construction</b>				
<b>Fraction of revenue derived from residential building</b>				
Less than one third.....	33,3	59,7	7,0	100,0
More than one third.....	35,8	54,3	9,9	100,0
<b>Geographical area</b>				
North.....	32,2	56,6	11,2	100,0
Centre and South-Islands.....	36,1	61,1	2,8	100,0
<b>Total construction .....</b>	<b>33,9</b>	<b>58,5</b>	<b>7,6</b>	<b>100,0</b>
<i>Memorandum items:</i>				
September 2015 .....	38,5	55,9	5,6	100,0
June 2015.....	37,4	55,8	6,8	100,0
March 2015.....	36,2	55,6	8,3	100,0
December 2014.....	41,5	53,8	4,8	100,0

Table 19

## Three-month forecast of workforce

(percentages)

	Decrease (a)	No change	Increase (b)	Total	Balance (b) – (a)
<b>Industry excluding construction and Services</b>					
<b>Number of employees</b>					
50-199 .....	16,6	67,8	15,6	100,0	-1,0
200-999 .....	19,2	61,3	19,5	100,0	0,3
Over 999 .....	25,8	52,2	21,9	100,0	-3,9
<b>Sector</b>					
Industry.....	16,2	66,9	16,8	100,0	0,6
Services .....	18,3	65,7	16,0	100,0	-2,3
<b>Geographical area</b>					
North West .....	19,1	62,8	18,1	100,0	-1,0
North East .....	14,6	66,6	18,8	100,0	4,2
Centre.....	16,9	71,2	11,9	100,0	-5,0
South and Islands .....	17,8	68,9	13,3	100,0	-4,5
<b>Total Industry and services .....</b>	<b>17,3</b>	<b>66,3</b>	<b>16,4</b>	<b>100,0</b>	<b>-0,9</b>
<i>Memorandum items:</i>					
September 2015 .....	14,4	69,1	16,5	100,0	2,1
June 2015.....	14,9	66,0	19,1	100,0	4,2
March 2015.....	14,4	67,4	18,2	100,0	3,8
December 2014.....	19,9	68,3	11,8	100,0	-8,1
<b>Construction</b>					
<b>Fraction of revenue derived from residential building</b>					
Less than one third.....	28,3	62,2	9,6	100,0	-18,7
More than one third.....	13,6	77,0	9,4	100,0	-4,2
<b>Geographical area</b>					
North.....	24,2	66,8	9,0	100,0	-15,2
Centre and South-Islands.....	26,3	63,4	10,3	100,0	-16,0
<b>Total construction.....</b>	<b>25,1</b>	<b>65,4</b>	<b>9,5</b>	<b>100,0</b>	<b>-15,6</b>
<i>Memorandum items:</i>					
September 2015 .....	24,0	69,6	6,5	100,0	-17,5
June 2015.....	28,1	68,2	3,8	100,0	-24,3
March 2015.....	26,4	61,3	12,3	100,0	-14,1
December 2014.....	28,5	63,4	8,2	100,0	-20,3

Table 20

**Passing the worst stage of the economic situation  
and expectations for production rates**

*(percentages)*

	The firm passed the most difficult stage of the economic situation during the second half of 2015			The firm expects a solid improvement of its production/work rates in the coming months		
	No	Yes	Total	No	Yes	Total
<b>Industry excluding construction and Services</b>						
<b>Number of employees</b>						
50-199 .....	54,2	45,8	100,0	55,5	44,5	100,0
200-999 .....	46,0	54,0	100,0	58,3	41,7	100,0
Over 999 .....	38,8	61,2	100,0	51,1	48,9	100,0
<b>Sector</b>						
Industry.....	50,1	49,9	100,0	56,0	44,0	100,0
Services .....	54,9	45,1	100,0	55,7	44,3	100,0
<b>Geographical area</b>						
North West .....	47,1	52,9	100,0	57,2	42,8	100,0
North East .....	51,9	48,1	100,0	56,9	43,1	100,0
Centre.....	62,8	37,2	100,0	56,8	43,2	100,0
South and Islands .....	54,7	45,3	100,0	49,1	50,9	100,0
<b>Exports' share of sales</b>						
From zero to 1/3.....	55,7	44,3	100,0	58,0	42,0	100,0
Between 1/3/ and 2/3 .....	51,9	48,1	100,0	52,7	47,3	100,0
More than 2/3.....	38,4	61,6	100,0	51,4	48,6	100,0
<b>Total Industry and services .....</b>	<b>52,4</b>	<b>47,6</b>	<b>100,0</b>	<b>55,9</b>	<b>44,1</b>	<b>100,0</b>
<b>Construction</b>						
<b>Fraction of revenue derived from residential building</b>						
Less than one third.....	62,1	37,9	100,0	51,1	48,9	100,0
More than one third.....	59,4	40,6	100,0	47,2	52,8	100,0
<b>Geographical area</b>						
North.....	60,0	40,0	100,0	53,2	46,8	100,0
Centre and South-Islands.....	63,5	36,5	100,0	46,2	53,8	100,0
<b>Total construction.....</b>	<b>61,5</b>	<b>38,5</b>	<b>100,0</b>	<b>50,3</b>	<b>49,7</b>	<b>100,0</b>

**Appendix C:**

**The questionnaire**





# IL SOLE 24 ORE – BANCA D'ITALIA SURVEY ON INFLATION AND GROWTH EXPECTATIONS

DECEMBER 2015

Company Name \_\_\_\_\_

A0. Which is your firm's main sector? [\_\_]

**(1) MANUFACTURING**

**(2) OTHER INDUSTRY**

- Mineral extraction from mines
- Elettrical. gas. vapour. air conditioning supply
- Water supply
- Sewerage. waste management. and redevelopment

**(3) TRADING**

**(4) OTHER SERVICES**

**(5) CONSTRUCTION**

- Buildings
- Engineering
- Special construction works  
(demolition and preparation of building sites,  
plant installation, completion and finishing. etc.)

Fill in GREEN questionnaire

Fill in LIGHT BLUE questionnaire

**INDUSTRY EXCLUDING CONSTRUCTION AND SERVICES**

**Instructions:** For percentage changes, indicate the sign in the first box on the left (+ :for increases; —: for decreases).

**SEZIONE A – GENERAL INFORMATION**

**A1.** Number of employees: |\_|\_|

**A2.** Share of sales revenues coming from exports: |\_|\_|

(1= more than 2/3; 2= Between 1/3 and 2/3; 3= Up to 1/3 and more than zero; 4=Zero)

**SECTION B – GENERAL ECONOMIC SITUATION OF THE COUNTRY**

	...in June 2016?	...in December 2016?	...in December 2017?	... on average between December 2018 and December 2020 ?
<b>B1a. (about 2/3 of the sample)</b> In October consumer price inflation, measured by the 12-month change in the HARMONIZED INDEX OF CONSUMER PRICES was -0.1 per cent in Italy and 0.0 per cent in the euro area. What do you think it will be in Italy...	_   _ _ , _ %	_   _ _ , _ %	_   _ _ , _ %	_   _ _ , _ %
<b>B1b. (about 1/3 of the sample)</b> What do you think consumer price inflation in Italy, measured by the 12-month change in the HARMONIZED INDEX OF CONSUMER PRICES, will be...	_   _ _ , _ %	_   _ _ , _ %	_   _ _ , _ %	_   _ _ , _ %

**B2.** Compared with 3 months ago, do you consider Italy's general economic situation is ...?  Better  The same  Worse

**B3.** What do you think is the probability of an improvement in Italy's general economic situation in the next 3 months?

Zero  1-25 per cent  26-50 per cent  51-75 per cent  76-99 per cent  100 per cent

**SECTION C – YOUR FIRM'S BUSINESS CONDITIONS**

How do you think business conditions for your company will be:

**C1.** in the next 3 months?  Much better  Better  The same  Worse  Much worse

**C2.** in the next 3 years?  Much better  Better  The same  Worse  Much worse

For each of the above forecasts imagine there are 100 points available; distribute them among the possible forecasts according to the probability assigned to each one. How do you think business conditions for your company will be:

	Better			The same			Worse			Total		
<b>C3.</b> in the next 3 months	_	_	_	_	_	_	_	_	_	<b>1</b>	<b>0</b>	<b>0</b>
<b>C4.</b> in the next 3 years	_	_	_	_	_	_	_	_	_	<b>1</b>	<b>0</b>	<b>0</b>

Please indicate whether and with what intensity the following FACTORS will affect your firm's business in the next 3 months.

Factors affecting your firm's business In the next 3 months	Effect on business			Intensity (if not nil)		
	Negative	Nil	Positive	Low	Average	High
<b>C5.</b> Changes in demand	1 _	2 _	3 _	1 _	2 _	3 _
<b>C6.</b> Changes in YOUR PRICES	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7.</b> AVAILABILITY and the COST OF CREDIT	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7.Bis</b> UNCERTAINTY DUE TO ECONOMIC AND POLITICAL FACTORS	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7.Ter</b> EXCHANGE RATE DYNAMICS	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7. Quarter</b> OIL PRICE DYNAMICS	1 _	2 _	3 _	1 _	2 _	3 _

**C8.** Compared with 3 month ago, do you think conditions for investment are ... ?  Better  The same  Worse

**C9.** What do you think your liquidity situation will be in the next 3 months, given the expected change in the conditions of access to credit?  Insufficient  Sufficient  More than sufficient

**C10.** Compared with three months ago, is the total demand for your products ... ?  Higher  Unchanged  Lower

**C11.** How will the total demand for your products vary in the next 3 months?  Increase  No change  Decrease

(Answer to questions C12-C13 only if the share of sales revenues coming from exports is positive, otherwise go to C14)

**C12.** Compared with three months ago, is the foreign demand for your products ... ?  Higher  Unchanged  Lower

**C13.** How will the foreign demand for your products vary in the next 3 months?  Increase  No change  Decrease

**C14.** Compared with three months ago, are credit conditions for your company ...?  Better  Unchanged  Worse

**C15** Overall, do you think your firm passed the most difficult stage of the economic situation?  No  Yes

**C16** Do you expect a solid improvement of your production/work rates in the coming months?  No  Yes

**SECTION D – CHANGES IN YOUR FIRM'S SELLING PRICES**

<b>D1.</b> <u>In the last 12 months</u> , what has been the average change in your firm's prices?				_   _   _   _  %			
<b>D2.</b> <u>For the next 12 months</u> , what do you expect will be the average change in your firm's prices?				_   _   _   _  %			
Please indicate direction and intensity of the following <b>FACTORS</b> as they will affect your firm's selling prices <u>in the next 12 months</u> :							
Factors affecting your firm's prices in the next 12 months	Effect on firm's selling prices			Intensity (if not nil)			
	Downward	Neutral	Upward	Low	Average	High	
<b>D3.</b> TOTAL DEMAND	1 _	2 _	3 _	1 _	2 _	3 _	
<b>D4.</b> RAW MATERIALS PRICES	1 _	2 _	3 _	1 _	2 _	3 _	
<b>D5.</b> INTERMEDIATE OUTPUT	1 _	2 _	3 _	1 _	2 _	3 _	
<b>D6.</b> LABOUR COSTS	1 _	2 _	3 _	1 _	2 _	3 _	
<b>D7.</b> PRICING POLICIES of your firm's main competitors	1 _	2 _	3 _	1 _	2 _	3 _	
<b>SECTION E – WORKFORCE</b>							
<b>E1.</b> Your firm's TOTAL NUMBER of employees in the next 3 months will be:				Lower	Unchanged	Higher	
				1 _	2 _	3 _	
<b>SEZIONE F – INVESTMENT</b> <b>SECTION F – EXCHANGE RATE EFFECT</b>							
<b>F1.</b> What do you expect will be the nominal expenditure on (tangible and intangible) fixed investment in 2016 compared with that in 2015? <input type="checkbox"/> Much higher <input type="checkbox"/> A little higher <input type="checkbox"/> About the same <input type="checkbox"/> A little lower <input type="checkbox"/> Much lower							
<b>F2.</b> And what do you expect will be the nominal expenditure in the first half of 2016 compared with that in the second half of 2015: <input type="checkbox"/> Much higher <input type="checkbox"/> A little higher <input type="checkbox"/> About the same <input type="checkbox"/> A little lower <input type="checkbox"/> Much lower							
NOTE: The responses "much higher" and "much lower" also apply when, in the two periods compared, investments are zero.							
				No impact	Little impact	Some impact	Strong impact
<b>F3.</b> What was the impact of the incentive for investment on capital goods (known as the 'maxi-amortization') provided for by the 2016 Stability Law on your future investment plans?				1 _	2 _	3 _	4 _

## CONSTRUCTION

**Instructions:** For percentage changes, indicate the sign in the first box on the left (+ :for increases; —: for decreases).

### SEZIONE A – GENERAL INFORMATION

**A1.** Number of employees: |\_|\_|

**A2.** Share of sales revenues coming from exports: |\_|\_|

(1= more than 2/3; 2= Between 1/3 and 2/3; 3= Up to 1/3 and more than zero; 4=Zero)

**A3.** Share of sales revenues coming from residential sector: |\_|\_|

(1= more than 2/3; 2= Between 1/3 and 2/3; 3= Up to 1/3 and more than zero; 4=Zero)

### SECTION B – GENERAL ECONOMIC SITUATION OF THE COUNTRY

	...in June 2016?	...in December 2016?	...in December 2017?	... on average between December 2018 and December 2020 ?
<b>B1a. (about 2/3 of the sample)</b> In October consumer price inflation, measured by the 12-month change in the HARMONIZED INDEX OF CONSUMER PRICES was -0.1 per cent in Italy and 0.0 per cent in the euro area. What do you think it will be in Italy...	_ _ _ _ _ _ _ %	_ _ _ _ _ _ _ %	_ _ _ _ _ _ _ %	_ _ _ _ _ _ _ %
<b>B1b. (about 1/3 of the sample)</b> What do you think consumer price inflation in Italy, measured by the 12-month change in the HARMONIZED INDEX OF CONSUMER PRICES. will be...	_ _ _ _ _ _ _ %	_ _ _ _ _ _ _ %	_ _ _ _ _ _ _ %	_ _ _ _ _ _ _ %

**B2.** Compared with 3 months ago, do you consider Italy's general economic situation is ...?

Better  The same  Worse

**B3.** What do you think is the probability of an improvement in Italy's general economic situation in the next 3 months?

Zero  1-25 per cent  26-50 per cent  51-75 per cent  76-99 per cent  100 per cent

### SECTION C – YOUR FIRM'S BUSINESS CONDITIONS

How do you think business conditions for your company will be:

**C1.** in the next 3 months?  Much better  Better  The same  Worse  Much worse

**C2.** in the next 3 years?  Much better  Better  The same  Worse  Much worse

For each of the above forecasts imagine there are 100 points available; distribute them among the possible forecasts according to the probability assigned to each one. How do you think business conditions for your company will be:

	Better			The same			Worse			Total		
<b>C3.</b> in the next 3 months	_	_	_	_	_	_	_	_	_	1	0	0
<b>C4.</b> in the next 3 years	_	_	_	_	_	_	_	_	_	1	0	0

Please indicate whether and with what intensity the following FACTORS will affect your firm's business in the next 3 months.

Factors affecting your firm's business In the next 3 months	Effect on business			Intensity (if not nil)		
	Negative	Nil	Positive	Low	Average	High
<b>C5a.</b> trend in NEW SITES	1 _	2 _	3 _	1 _	2 _	3 _
<b>C5b.</b> trend in existing SITES	1 _	2 _	3 _	1 _	2 _	3 _
<b>C6.</b> changes in YOUR PRICES	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7.</b> AVAILABILITY and the COST OF CREDIT	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7.Bis</b> UNCERTAINTY DUE TO ECONOMIC AND POLITICAL FACTORS	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7.Ter</b> EXCHANGE RATE DYNAMICS	1 _	2 _	3 _	1 _	2 _	3 _
<b>C7. Quarter</b> OIL PRICE DYNAMICS	1 _	2 _	3 _	1 _	2 _	3 _

**C8.** Compared with 3 month ago, do you think conditions for investment are ... ?  Better  The same  Worse

**C9.** What do you think your liquidity situation will be in the next 3 months, given the expected change in the conditions of access to credit?  Insufficient  Sufficient  More than sufficient

**C10.** Compared with three months ago, is the total demand for your products ... ?  Higher  Unchanged  Lower

**C11.** How will the total demand for your products vary in the next 3 months?  Increase  No change  Decrease

(Answer to questions C12-C13 only if the share of sales revenues coming from exports is positive, otherwise go to C14)

**C12.** Compared with three months ago, is the foreign demand for your products ... ?  Higher  Unchanged  Lower

**C13.** How will the foreign demand for your products vary in the next 3 months?  Increase  No change  Decrease

**C14.** Compared with three months ago, are credit conditions for your company ...?  Better  Unchanged  Worse

**C15** Overall, do you think your firm passed the most difficult stage of the economic situation during the second half of 2013?  
 No  Yes

**C16** Do you expect a solid improvement of your production/work rates in the coming months?  No  Yes

**SECTION D – CHANGES IN YOUR FIRM’S SELLING PRICES**

**D1.** In the last 12 months, what has been the average change in your firm’s prices? |\_\_| |\_\_| |\_\_| |\_\_| %

**D2.** For the next 12 months, what do you expect will be the average change in your firm’s prices? |\_\_| |\_\_| |\_\_| |\_\_| %

Please indicate direction and intensity of the following **FACTORS** as they will affect your firm’s selling prices in the next 12 months:

Factors affecting your firm’s prices in the next 12 months	Effect on firm’s selling prices			Intensity (if not nil)		
	Downward	Neutral	Upward	Low	Average	High
<b>D3.</b> TOTAL DEMAND	1 __	2 __	3 __	1 __	2 __	3 __
<b>D4.</b> RAW MATERIALS PRICES	1 __	2 __	3 __	1 __	2 __	3 __
<b>D5.</b> INTERMEDIATE OUTPUT	1 __	2 __	3 __	1 __	2 __	3 __
<b>D6.</b> LABOUR COSTS	1 __	2 __	3 __	1 __	2 __	3 __
<b>D7.</b> PRICING POLICIES of your firm’s main competitors	1 __	2 __	3 __	1 __	2 __	3 __

**SECTION E – WORKFORCE**

**E1.** Your firm’s TOTAL NUMBER of employees in the next 3 months will be:

	Lower	Unchanged	Higher
	1 __	2 __	3 __

**SECTION F – INVESTMENT**

**F1.** What do you expect will be the nominal expenditure on (tangible and intangible) fixed investment in 2016 compared with that in 2015?  Much higher  A little higher  About the same  A little lower  Much lower

**F2.** And what do you expect will be the nominal expenditure in the first half of 2016 compared with that in the second half of 2015:  Much higher  A little higher  About the same  A little lower  Much lower

NOTE: The responses “much higher” and “much lower” also apply when, in the two periods compared, investments are zero.

	No impact	Little impact	Some impact	Strong impact
<b>F3.</b> What was the impact of the incentive for investment on capital goods (known as the ‘maxi-amortization’) provided for by the 2016 Stability Law on your future investment plans?	1 __	2 __	3 __	4 __



## GENERAL INFORMATION

- I - Unless indicated otherwise, figures have been computed by the Bank of Italy.
- II - Symbols and Conventions:
- the phenomenon in question does not occur;
  - .... the phenomenon occurs but its value is not known;
  - .. the value is known but is nil or less than half the final digit shown.
- Figures in parentheses in roman type () are provisional, those in parentheses in italics () are estimated.
- III - The tables are identified both by a number and by an alphanumeric code that defines the content of the table in the database in the electronic archive in which information to be released to the public is held. A similar code identifies the different aggregates shown in each table.
- IV - The methodological notes in the last part of the Supplement are identified by electronic codes that refer to the tables and, within each table, to the individual aggregates. Notes that refer to a single observation are also identified by the date of that observation.

## SUPPLEMENTS TO THE STATISTICAL BULLETIN

**Money and Banking** (monthly)

**The Financial Market** (monthly)

**The Public Finances, borrowing requirement and debt** (monthly)

**Balance of Payments and International Investment Position** (monthly)

**Financial Accounts** (quarterly)

**Payment System** (half yearly)

**Public Finance Statistics in the European Union** (half yearly)

**Local Government Debt** (half yearly)

**Household Wealth in Italy** (annual)

**Sample Surveys** (irregular)

**Methodological Notes** (irregular)

*All the supplements are available on the Bank of Italy's site ([www.bancaditalia.it](http://www.bancaditalia.it)).*

*Requests for clarifications concerning data contained in this publication can be sent by e-mail to [statistiche@bancaditalia.it](mailto:statistiche@bancaditalia.it)*

*Printed by the Printing and Publishing Division of the Bank of Italy*

---

Registration with the Court of Rome No. 24/2008, 25 January 2008 - *Director: EUGENIO GAIOTTI* -