



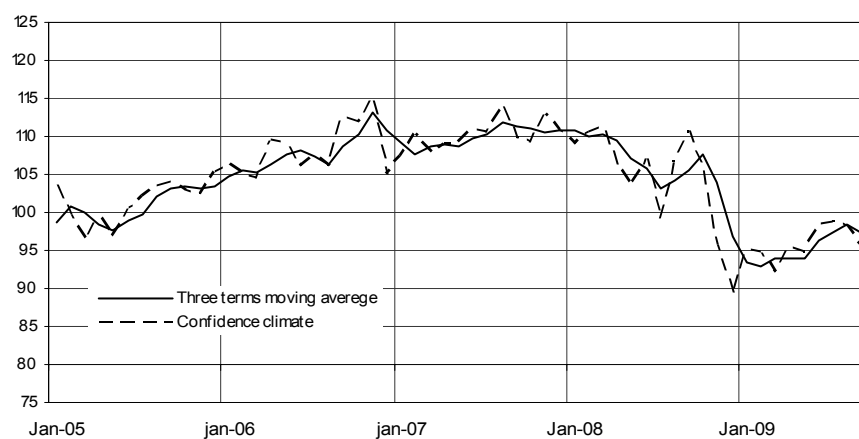
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CONFIDENCE AMONG ITALIAN RETAILERS DETERIORATES IN SEPTEMBER, PARTICULARLY IN THE CASE OF LARGE CHAINS

- Considered net of the seasonal component, the summary indicator descends from 98 to 95.4
- The outlook worsens with regard to the current trend of sales, while expectations about the future trend of business generate new concerns; the level of inventories is considered stable
- Compared with the results of the previous survey, businesses indicate they are optimistic about the future volume of orders and the number of employed
- On the price front, further deceleration both current and future inflationary tensions is expected
- As shown by the breakdown of the results according to sale type, the confidence of large-scale retailers again deteriorated sharply, while that of traditional retailers has also got worse. The seasonally adjusted indicator drops from 86.1 to 80.3 in the former case, and from 109.6 to 108.8 in the latter

Confidence climate
(seasonally adjusted data, indices 2000=100)



The data relative to the month of October 2009 are to be published on 28 October 2009.

The next planned ISAE surveys are:

27 October 2009: ISAE monthly survey of consumers (*month of reference: October*)

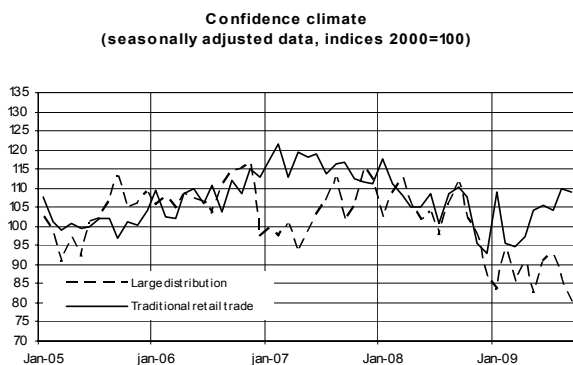
The complete text of the ISAE surveys (in paper and electronic form) is available for sale, at the conditions indicated on the site: www.isae.it.

General Results

According to a survey of 1,000 small and large-scale retailers conducted by ISAE from 1 September to 19 September, the confidence of retailers was once again on decline in September, after the virtual stability seen in the past three months; the seasonally adjusted indicator accordingly shifted from 98 (in August) to 95.4. The decrease appears attributable in particular to further deterioration of the opinions about the current trend of business and to a worsening of expectations about future sales volume; as a final point, inventories appear stable.

With regard to the variables that are not part of the definition of the confidence climate, both the expectations about the future volume of orders and those about the labour market yield encouraging indications overall. As to inflationary tensions, the businesses report further deceleration in current trends, and the easing of upward pressure on selling prices.

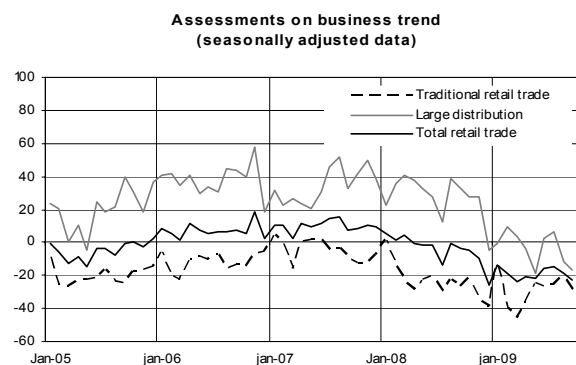
As shown by a breakdown of the results by retailer type, the pessimism of large-scale retailers has tended to grow stronger, while negative indications also emerge from statements made by traditional retailers. In particular, the seasonally adjusted indicator for the large retailer category slides from 86.1 to 80.3 (hitting its lowest point since September 1996), while that for the traditional retailer segment drops from 109.6 to 108.8.



Situation during month of reference (September 2009)

The number of businesses with a negative view of the current trend of business increased in September, with the seasonally adjusted balance of the variable declining further, shifting from -18 (in August) to -23. Compared with the previous survey, the perceptions about inventories remain stable, with the balance of the variable confirmed at the prior month level (2). Finally, current inflationary tensions appear to have eased further. Hitting its lowest level since January 1990, the seasonally adjusted balance of the variable contracted for the eighth consecutive month, going from 11 to 9.

As shown by a breakdown of the results by retailer type, the indications supplied by the survey participants are uniform for the most part. In particular, the trend of business and the trend of current prices are both viewed negatively by the two categories of retailers. Looking at the seasonally adjusted balances of the variables, the one relative to the trend of business has contracted from -11 to -16 with reference to the large-scale retailers category, and instead, from -21 to -29 with reference to the traditional retailers; in the case of the trend of current prices, the indicator contracts from -9 to -10 (at its lowest point since March 1997) with respect to the large-scale retailers and from 19 to 16 (at its lowest point since January 1990) for the traditional retailers. Finally, the opinions tend to vary only in the case of inventories: the seasonally adjusted balance of the variable remains stable at -2 for the traditional retailers, whereas it falls from 9 to 6 for the large-scale retailers.



Outlook for the months ahead

The retailers surveyed by ISAE as of September confirmed their optimism about the future volume of orders, stating they were also less concerned overall about the trend of the labour market. Compared with the previous survey, the seasonally adjusted balance of the former variable rebounds from -12 (in August) to -5, whereas the second variable rises from 4 to 10. Finally, as far as selling prices are concerned, the decrease in the seasonally adjusted balance of the variable is confirmed, with the figure going from 4 to 1.

Based on a breakdown of the results by retailer type, the traditional retailers are more optimistic, anticipating improvement in the trends of sales, orders and employment. The seasonally adjusted balances of the variables respectively improved from 1 to 6 (sales), from -22 to -9 (orders), and from -3 to -1 (employment). The prospects indicated by large-scale retailers are in seeming contradiction. On the one hand, they supply decidedly less favourable indications about the future trend of sales (with the seasonally adjusted balance of the variable falling from 22 to 4, its lowest point since November 2003); on the other hand, they are less pessimistic about the future volume of orders (with the balance of the variable, also considered net of the seasonal component, improving from 8 to 16). Finally, with regard to the trend of selling prices, the expectations of the survey participants are once again uniform this month. Both large-scale and small retailers expect the trend of inflation to ease, with the seasonally adjusted balance of the variable contracting from 0 to -4 in the case of the large retailer segment, and from 3 to 2 (to its lowest point since December 2005) in the case of traditional retailers.

Confidence climate and balances of the series making up the index (seasonally adjusted data)

Month	Confidence Climate	Trend of Business (Opinions)	Trend of Business (Forecasts)	Inventories
April	95.5	-21	9	8
May	94.7	-22	8	8
June	98.5	-16	6	2
July	98.6	-14	8	5
August	98.0	-18	8	2
September	95.4	-23	5	2

Expectations on business trend (seasonally adjusted data)

