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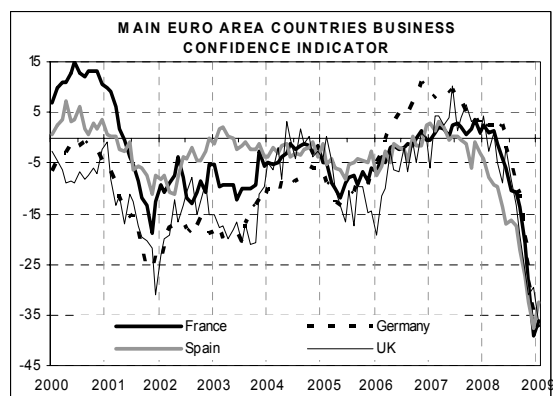
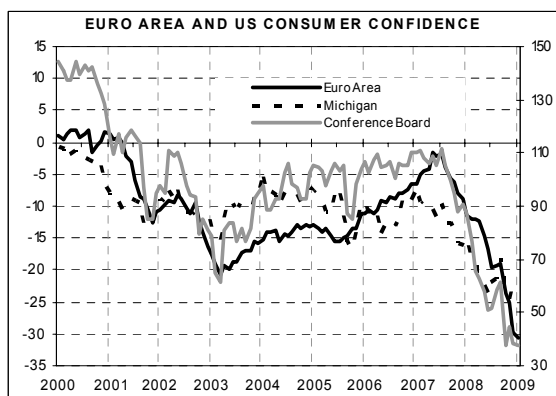
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IN EUROPE CONSUMERS' AND MANUFACTURING FIRMS' CONFIDENCE CONTINUES TO WORSEN IN JANUARY

- In the average of the Euro Area, the consumer climate deteriorated further, moving to -31 from -30 (in December). The data was in contrast with the findings of the latest ISAE survey, published on January 27th, which indicated a modest recovery in Italian consumers' confidence
- Respondents' concerns about employment continued to increase and future saving opportunities worsened. Prospects for inflationary pressures in the following twelve months eased instead
- The overall indicator fell further in Germany and France, but recovered in Spain. Among the non-Euro Area countries, confidence sharply deteriorated in the United Kingdom
- In the Euro Area, in January manufacturing firms' confidence also edged down slightly, hitting -34 compared to -33 in the previous month and reaching a negative record since 1985
- Deterioration characterized Germany, while the confidence climate improved instead in France and Spain. Outside the Euro Area, in the United Kingdom confidence plunged to its lowest level since May 1991

IN THE UNITED STATES THE TREND IN CONSUMER CONFIDENCE SENDS CONTRASTING SIGNALS

- In January, the index calculated by the Conference Board posted a new drop, going to 37.7 from 38.6 in December. Deterioration characterized both the expectations and the present situation components (the related gauges declined to 43 from 44.2 and to 29.9 from 30.2, respectively)
- The University of Michigan consumer sentiment index, instead, moved up to 61.2 from 60.1. The sub-index measuring expectations improved (to 57.8 from 54 in December), while the one for current conditions deteriorated (moving to 66.5 from 69.5)



Data on February shall be released on March 10, 2009

The next ISAE surveys are scheduled as follows:

February 24: ISAE Monthly Consumer Survey (reference period: February)

February 26: ISAE Monthly Business Survey on Manufacturing and Extractive Firms (reference period: February)

February 27: ISAE Monthly Business Services Survey (reference period: February); ISAE Monthly Survey on Traditional Retail Trade and Large Distribution (reference period: February) and ISAE Monthly Survey on Construction (reference period: January)

The full text of ISAE Surveys (either hardcopy or electronic format) is available for sale (for further information see the web site www.isae.it)

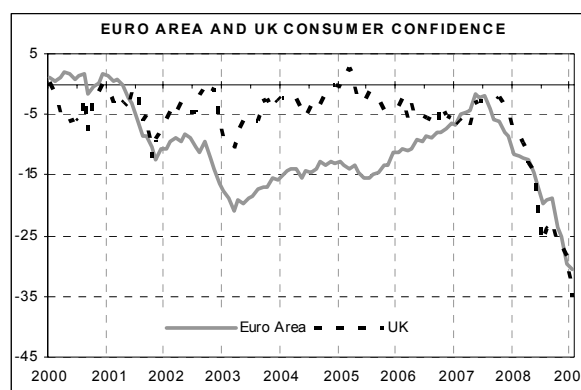
Consumer confidence in the Euro Area, the United States and the United Kingdom

According to the European Commission survey, in the average of the Euro Area, consumer confidence continued to fall in January, reaching -31 (from -30 in the previous month), its lowest level since 1985, start year for the related historical series. Only prospects for general economic conditions improved slightly (to -38 from -39). Pessimism about expected unemployment spread further (the related balance rose to 58 from 55 in December) and the balance for future saving opportunities deteriorated (to -15 from -14). Forecasts for the family economic situation remained stable (at -11) for the third month running, while inflation expectations eased further (the balance lowered to 5 from 7). The worsening of the indicator characterized most main countries. Germany recorded again the sharpest fall, hitting -27 (from -22 in December). In France, confidence reached -35 (from -34 in the previous month), the lowest level since February 1985. In Spain, instead, the index recovered to -44 from -46. In particular, in Germany deterioration distinguished all the underlying components of the indicator and, mainly, the balances for general and personal economic prospects (which declined to -8 from -5 and to -46 from -41, respectively). Forecasts for labour market developments also gave negative indications (the balance moved from 43 to 53, a level last seen in December 1993). In France and Spain, instead, expectations for the family economic situation improved slightly (to -10 from -11 in the previous month and to -25 from -26, respectively), while predictions for general economic conditions held steady at -42 in France and moderately recovered in Spain (to -43 from -44). Expectations for labour market developments were negative in all countries except for Spain. The balance for unemployment prospects hit the highest level in Germany (53, compared to 43 in December) and France (68 from 64). Predictions for future saving opportunities got worse everywhere aside from Spain, where the related balance recovered to -42 from -45 in December. Expectations for inflationary

pressures in the following twelve months distinguished most Euro Area countries. An exception was Germany, where the balance jumped back from 11 to 17, going above the value recorded in the last months of 2008.

In the United Kingdom, the confidence index tumbled to -35 (-29 in December), reaching a trough unseen since 1985. The result reflected growing pessimism about expectations for general and personal economic conditions and employment developments. Future saving opportunities also worsened and inflationary pressures increased.

In the United States, consumer confidence continued to decline according to the Conference Board. In January the index lowered to 37.7 from 38.6 in December. Deterioration distinguished both the expectations component (to 43 from 44.2) and the present situation gauge (to 29.9 from 30.2). The University of Michigan consumer sentiment index increased instead to 61.2 from 60.1, driven by the significant improvement of the expectations sub-index (to 57.8 from 54 in December). The majority of consumers, however, continued to consider their financial situation as the worst of the last two years, thus pushing down the present situation gauge to 66.5 from 69.5.



Business confidence in the Euro Area and the United Kingdom

In January, the European Commission survey showed that, in the average of the Euro Area, manufacturing firms' confidence, which had already hit a record low in 1985 (start date for the related historical series), continued to decline, reaching -34 (compared to -33 in December). The result mirrored the deterioration in most underlying components of the indicator. Once more, the worsening came along with lower selling price pressures, for which the balance fell from -7 to -11, close to the level posted at the end of 1998.

In Germany, the confidence indicator decreased from -34 to -38, while in France and Spain it improved instead (moving to -36 from -39 and to -33 from -38, respectively). In the non-Euro Area countries, confidence sharply receded in the United Kingdom, going back to -37 (from -30), a low last reached in May 1991.

In particular, the balance for the opinions on order books improved in France and Spain (from -56 to -50 and from -56 to -49, respectively) and worsened in Germany (to -48 from -41). All considered countries also recorded a de-stocking of inventories. Production short-term prospects remained stable in France (at -32), became less negative in Spain (moving from -25 to -22), and were characterized by growing pessimism in Germany (to -42 from -38).

Lastly, with regard to prices, inflationary pressures significantly eased in all main Euro Area economies.

As for the United Kingdom, the balance for the opinions on the level of orders and production expectations deteriorated (from -33 to -43 and from -35 to -40, respectively) and, in the meanwhile, the restocking of inventories sharply accelerated. Lastly, the balance for selling price expectations nose-dived from 9 to -10.

