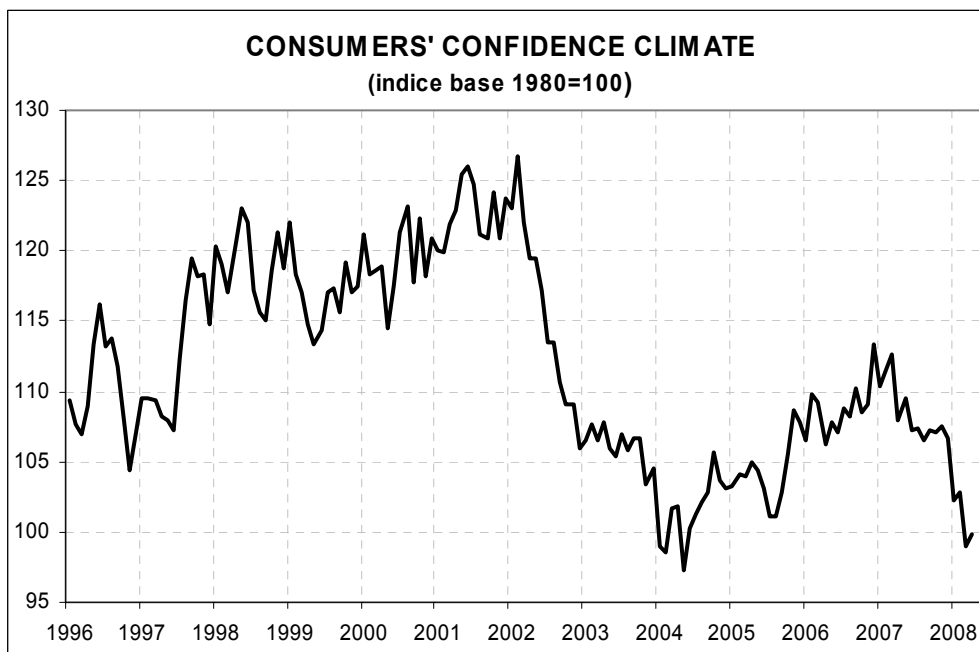




Date: April 24, 2008
TEL.: 06/444821

CONSUMER CONFIDENCE RECOVERS MARGINALLY IN APRIL

- The overall confidence index rose to 99.8 from 99 in March. The improvement mainly characterized the forecasts on the country's economic conditions and on the convenience to buy consumer durables. In contrast, the opinions on the current economic situation of the consumers' own family remained critical
- The indicator related to short-term expectations showed the sharpest recovery, moving from 93.5 to 95.4. The gauge summarizing the opinions on the present situation remained, instead, virtually unchanged at 104.4 (compared to 104.3 in April)
- Confidence in the country's economic conditions improved from 78.3 to 79.2, while the one about the respondents' personal situation rose from 108.7 to 109.3
- As for prices, the opinions on current inflation worsened further, whereas expectations for the following twelve months improved
- Furthermore, according to the ISAE traditional quarterly survey, home buying intentions increased slightly, but house maintenance and car purchase expenditures declined
- On a regional basis, confidence clearly improved in the North East and the *Mezzogiorno*, but continued to deteriorate in the North West and the Centre



Data on May shall be released on May 22, 2008

The next ISAE surveys are scheduled as follows:

April 28: ISAE Monthly Business Survey on Manufacturing and Extractive Firms (reference period: April)

April 29: ISAE Monthly Survey on Traditional Retail Trade and Large Distribution (reference period: April), ISAE Monthly Business Services Survey (reference period: April), and ISAE Monthly Survey on Construction (reference period: March)

May 6: ISAE International Comparison of Consumer and Business Surveys (reference period: April)

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)

Italian consumers' confidence

According to the ISAE Survey, carried out between April 1 and April 18, Italian consumers' confidence increased to 99.8 from 99 in the previous month, remaining however at record low since May 2004. The indicator related to the country's economic situation improved from 78.3 to 79.2, the one for the respondents' personal situation moved from 108.7 to 109.3. The gauge summarizing the opinions on the current situation remained virtually unchanged at 104.4 (compared to 104.3 in March), while the one for short-term expectations posted the sharpest pick up, moving from 93.5 to 95.4. With regard to the single ISAE Survey questions, forecasts for the country's economic situation and for the convenience to buy consumer durables recovered. In contrast, the opinions on the current economic situation of the consumers' own family remained critical. As for prices, the opinions on current inflation worsened further, whereas expectations for the following twelve months were more favourable.

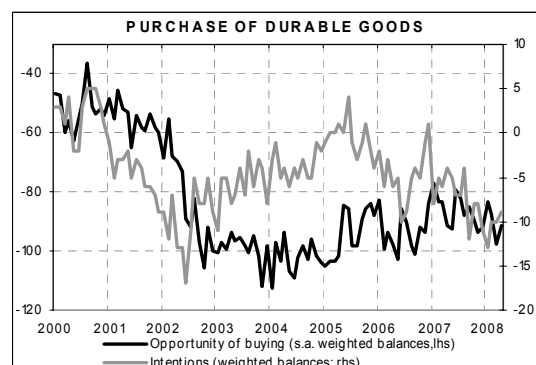
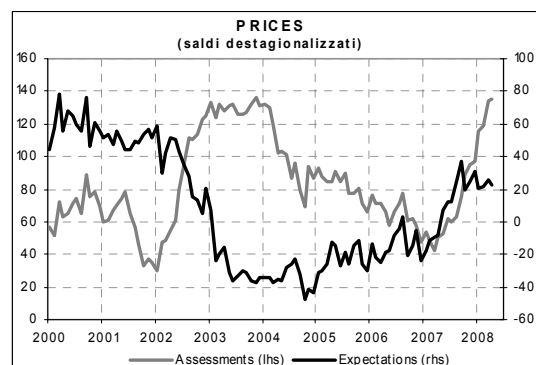
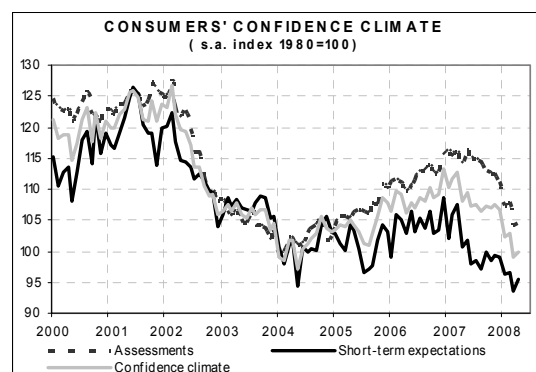
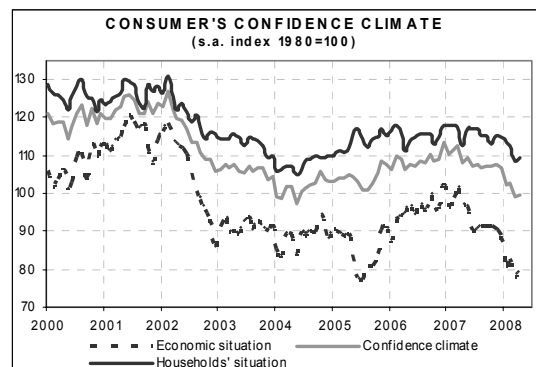
Overall economic situation

In April, the evaluation of general economic conditions showed a slight improvement, which was entirely due to expectations for the Italian economic situation (the balance picked up from -43 to -38, the value reached last December. The opinions on current economic conditions and forecasts for the labour market remained instead critical. The balance for the former variable stayed at -132, while the one for unemployment expectations increased from 46 to 47.

Personal situation

Also with regard to their personal situation, respondents became slightly more optimistic. The improvement mainly characterized the opinions on consumer durables buying convenience, the forecasts for the family's economic situation, and the assessments on the family budget (the related balances rose from -97 to -91, from -18 to -16, and from -4 to -2, respectively). However, the opinions on the family's current economic situation showed a moderate deterioration (from -62 to -63). Future saving

opportunities recovered (from -90 to -89), but the present convenience to save worsened (from 128 to 125). Consumer durables future buying intentions remained instead stable (the balance stayed at -10). Lastly, according to the ISAE traditional quarterly survey, home buying intentions increased slightly, but house maintenance and car purchase expenditures declined.



Regional breakdown of consumer confidence

The recovery in confidence posted at the national level was not evenly spread across areas. A clear improvement distinguished the North East and the *Mezzogiorno*, whereas in the North West and the Centre the indicator continued to decline. In the North and the *Mezzogiorno*, the opinions on both current and future economic conditions became more optimistic, whereas assessments and forecasts on the personal situation sent contrasting signals. In the Centre, instead, the opinions on both the general and the personal economic situations worsened again.

North West: the fall in the consumer confidence index (from 100.1 to 99) was mainly due to deterioration in the opinions and the forecasts on the personal economic situation. The evaluation of general economic conditions showed, instead, signs of moderate optimism.

North East: in this area, consumer confidence improved markedly. The index rose from 100.3 to 103, prompted by a noticeable recovery in the assessments on the personal economic situation and, mainly, on future conditions. Following the deterioration posted in the previous month, also the opinions on the country's economic situation and on current conditions became more optimistic.

Centre: the indicator continued to decline, moving from 100 to 98.7. The fall was mainly related to widespread pessimism about both the general economic conditions and the personal situation.

Mezzogiorno: following the marked worsening posted in March, the confidence indicator of consumers in the *Mezzogiorno* started to improve once more, moving from 97.8 to 100.8. The recovery was mainly driven by the improvement in the opinions on the general economic situation and on future conditions. Assessments on the personal situation and on current conditions were instead less optimistic.

