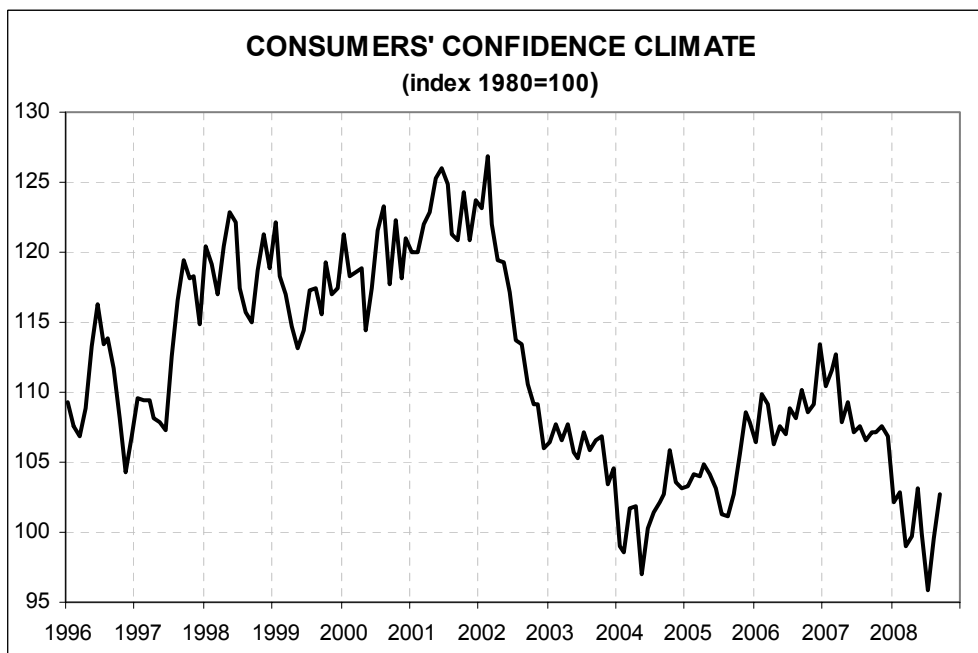




Date: **September 23, 2008**
TEL.: **06/444821**

CONSUMER CONFIDENCE RECOVERS FURTHER IN SEPTEMBER

- The index increased by over three points, rising from 99.6 to 102.8 and coming back close to the value posted last May
- The overall indicator for the opinions on the respondents' personal situation moved from 111.9 to 114.4, its highest level for the year. The one for the general economic situation picked up from 77.2 to 80.4, approaching its June value
- The indicator for the sole current situation increased from 106.5 to 107.3, a value not seen since last February. Lastly, the one related to the future situation moved from 92.0 to 96.7, above the average recorded in the first nine months of the year
- Recovery mainly characterized the opinions on the country's economic conditions and the respondents' personal situation, as well as future saving opportunities
- The recent lowering of international commodity prices was reflected also in the decline of assessments on current and mainly expected future inflation
- Confidence recovered all over the country, but mostly in the North West



Data on October shall be released on October 23, 2008

The next ISAE surveys are scheduled as follows:

September 24: ISAE Monthly Business Survey on Manufacturing and Extractive Firms (reference period: September)

September 25: ISAE Monthly Survey on Traditional Retail Trade and Large Distribution (reference period: September), ISAE Monthly Business Services Survey (reference period: September), and ISAE Monthly Survey on Construction (reference period: August)

October 7: ISAE International Comparison of Consumer and Business Surveys (reference period: September)

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)

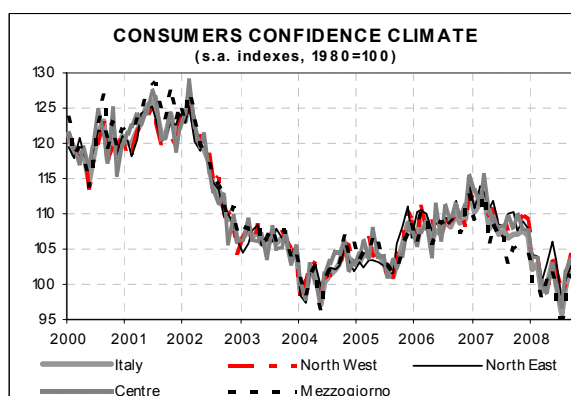
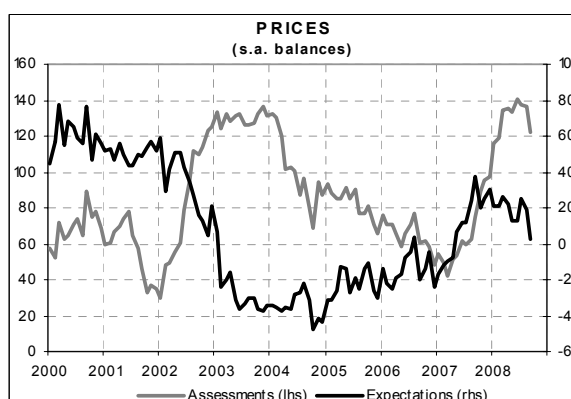
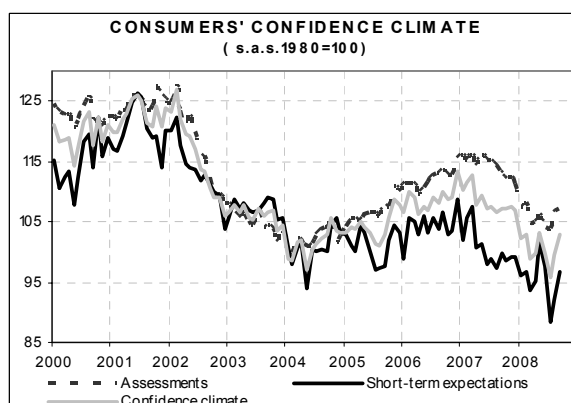
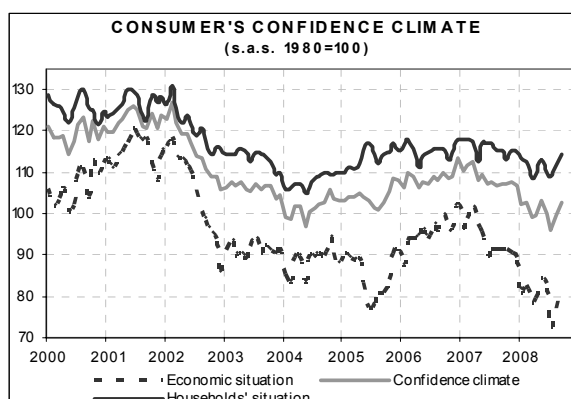
Italian consumers' confidence

According to the ISAE Survey carried out between September 1 and September 15 – thus before the recent worsening of the international financial crisis – Italian consumers' confidence increased further in September, reaching 102.4 (from 99.6) and coming back close to its May 2008 level. The improvement was broadly dispersed across all variables. The indicator related to the general economic situation picked up, reaching 80.4 (from 77.2 in August), and the one for the respondents' personal situation jumped to 114.4 (from 111.9), the highest level since December 2007. The indicator for the sole current situation increased from 106.5 to 107.3 and the one related to the future situation moved from 92.0 to 96.7, above the average recorded in the first nine months of the year. Recovery mainly characterized the opinions on the country's economic conditions and the respondents' personal situation, as well as future saving opportunities. Assessments on the consumer durables market remained instead unchanged at a historical low level. Respondents perceived a marked slowdown in inflation: an easing distinguished both the opinions on the rise in prices in the last twelve months and short-term inflation forecasts.

Confidence recovered all over the country, but mostly in the North West and to a lesser extent in the Centre.

Overall economic situation

Signs of recovery which emerged in August heightened in September, mainly for the opinions and also (though less so) for the forecasts on the country's economic situation. Labour market prospects moderately bettered as well. More in detail, the balance for the current economic situation recovered from -128 to -120, the best result since last February, while short-term expectations moved from -45 to -39. The balance related to expectations for a rise in unemployment lowered from 56 to 54, remaining however at a three-year high.



The opinions on the price trend in the last twelve months markedly improved: the balance declined to 122 (from 136), a low last seen in February 2008. Short-term inflation expectations declined from 18 to 3, the best result since April 2007.

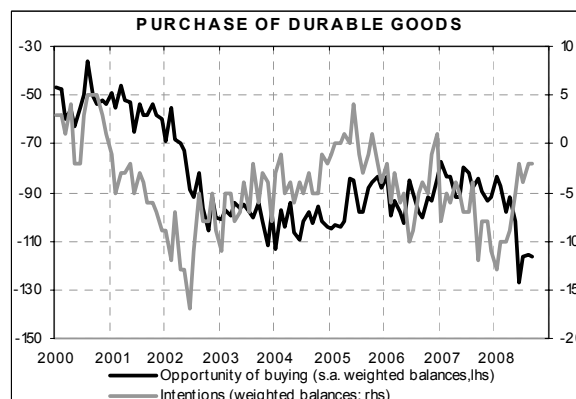
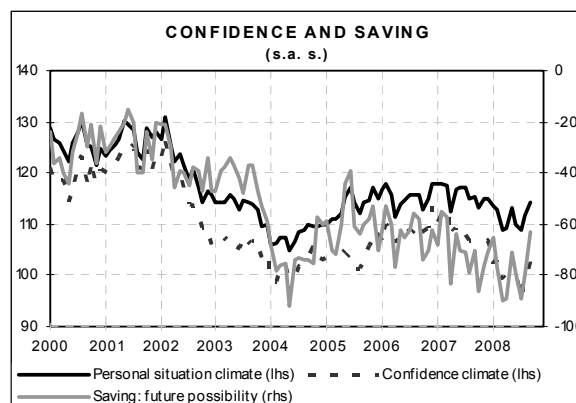
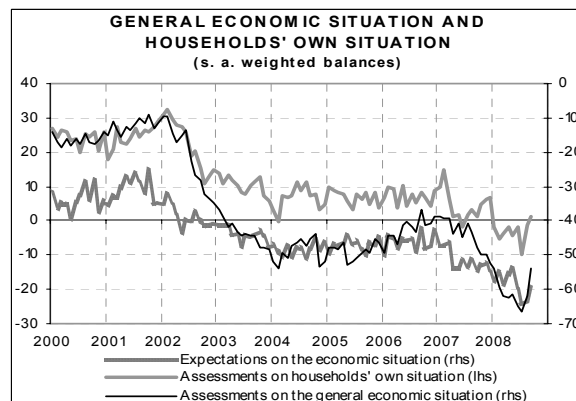
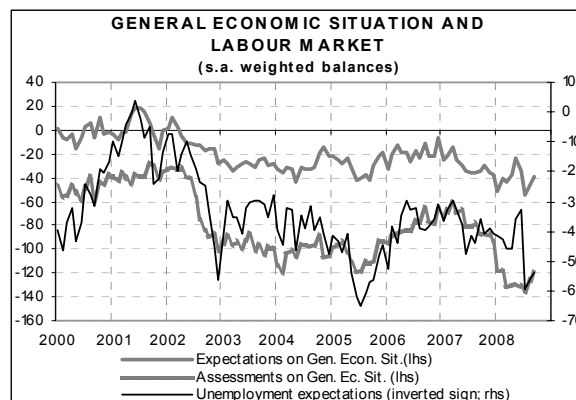
Personal situation

Opinions and forecasts on the respondents' personal situation recovered over the previous month, mainly regarding future saving opportunities. More in detail, the balance for the families' economic situation in the last twelve months recuperated from -62 to -54, hitting the best result since the start of the year, while the one related to the forecasts for the following year moved from -23 to -19. Opinions on the family budget also improved. The related balance turned positive for the first time in 2008 (it rose from -2 to +1). However, consumers considered slightly less convenient to save at present (the balance lowered from 158 to 153), though they intended to do so in the future (the balance recovered from -80 to -63). On the other hand, for the third month in a row, assessments on current purchases of consumer durables remained stable at a historical low level (-116). Also future buying intentions held steady (the balance stayed at -2, its August value).

Regional breakdown of consumer confidence

In September, the recovery in consumer confidence recorded at the national level spread all over the country, though at different rates. The rise in the confidence index was more moderate in the Centre, whereas it was the highest in the North West.

North West: in this area, confidence improved for the second straight month (from 100.3 to 104.5). The recovery was attributable to improved opinions and forecasts on the general economic situation and to widespread optimism which distinguished respondents' opinions on the current personal situation and future conditions. The recovery was instead less noticeable for the opinions on the current situation.



North East: also in this area, confidence recovered for the second consecutive month. The index rose from 100.5 to 102.8, reaching the level posted last April. Higher optimism was due to the general improvement in opinions and forecasts mainly on the personal economic situation and future conditions. The opinions on the general economic situation and current conditions sent instead positive, though more moderate, signals.

Centre: in this case, the increase in confidence was the lowest. The indicator moved from 101.8 to 103.5, returning to its February value. Consumers gave a decidedly more favourable evaluation of the general economic situation and future conditions. The improvement was instead less marked for the opinions on the personal situation and current conditions.

Mezzogiorno: in the South, the confidence index rose, remaining however below the level recorded last May: the indicator rose from 98.4 to 101.4. The recovery was basically due to higher optimism about the opinions on the general economic situation and future conditions. Optimism was more moderate with regard to assessments on the personal economic situation and current conditions.

