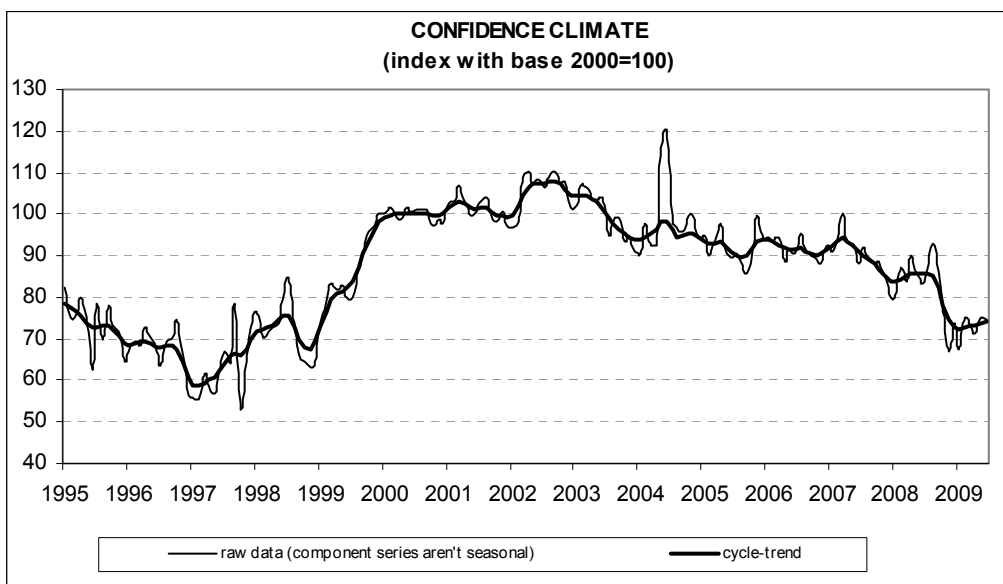




Date: July 29, 2009

CONSTRUCTION FIRMS' CONFIDENCE STAYS VIRTUALLY FLAT IN JUNE

- In June, the seasonally adjusted confidence index (2000=100) moved from 74.9 to 74.8, remaining practically unchanged with respect to May. Assessments on construction plans improved, while employment prospects worsened
- The balance for the opinions on construction activity clearly recovered, regaining its March 2008 value. Prospects for construction plans confirmed the fairly favourable picture emerged from surveyed entrepreneurs' evaluation of the current situation: the related balance bettered, remaining however in negative territory. Moreover, the share of respondents who predicted a fall in prices charged in the sector increased slightly
- The number of entrepreneurs stating they did not find obstacles limiting their construction activity started to increase once more; the related percentage neared 50%, the highest value since August 2008. Among declared obstacles, insufficient demand was considered the main constraint
- Also forecasts for the length of assured production, which is surveyed quarterly and seasonally adjusted, were optimistic compared to the first quarter of 2009. The related value reached the highest level since March 2005
- The slip in the overall confidence indicator was the result of heterogeneous trends across sectors. Confidence worsened in residential and non residential building, whereas it markedly recovered in civil engineering



Data on July shall be released on September 1, 2009

The next ISAE surveys are scheduled as follows:

August 27, 2009: ISAE Monthly Consumer Survey (reference period: August)

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)

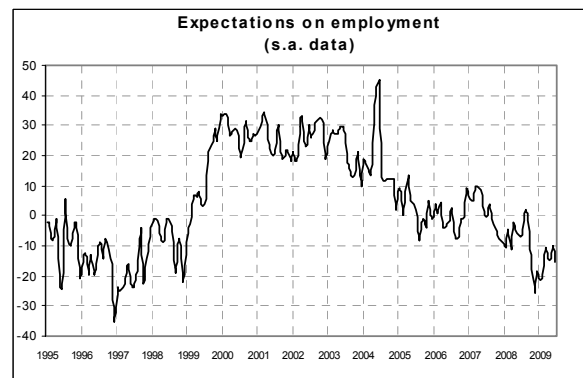
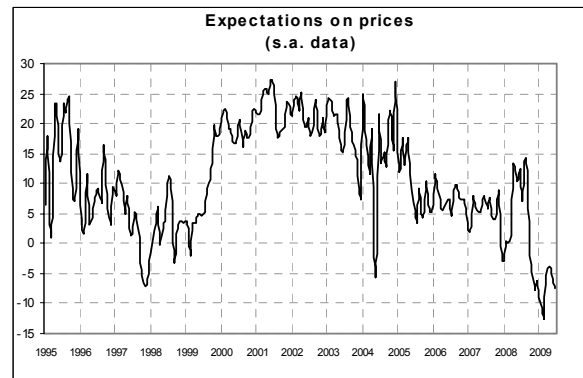
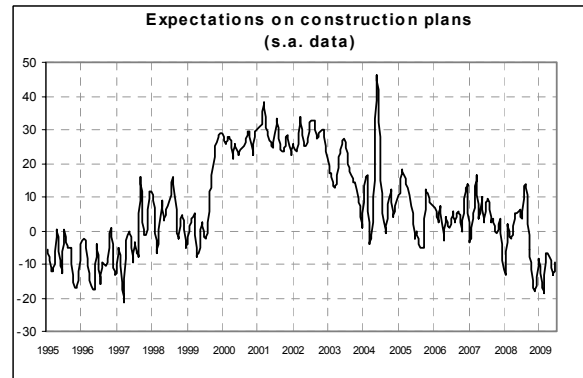
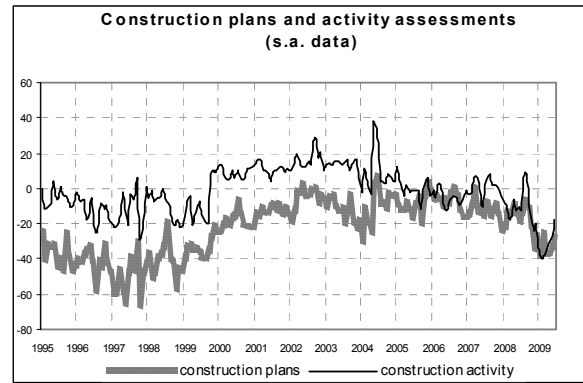
General results

According to the ISAE Survey carried out on a panel of approximately 500 firms, in June the seasonally adjusted confidence index (2000=100) did not show significant changes. The indicator moved from 74.9 to 74.8, remaining practically unchanged with respect to May. Among the variables included in the calculation of the confidence climate, assessments on construction plans improved, while employment prospects worsened.

The balance for the opinions on construction activity clearly recovered, regaining its March 2008 value. Prospects for construction plans confirmed the fairly favourable picture emerged from surveyed entrepreneurs' opinions on the current situation: the related balance bettered, remaining however in negative territory. Moreover, the share of respondents who predicted a fall in prices charged in the sector rose slightly. The number of entrepreneurs stating they did not find obstacles limiting their construction activity started to increase once more; the related percentage neared 50%, the highest level since August 2008. Among declared obstacles, insufficient demand was considered the main constraint.

Also forecasts for the length of assured production, which is surveyed quarterly and seasonally adjusted, were optimistic compared to the first quarter of 2009. The related value reached the highest level since the first quarter of 2005.

The slip in the overall confidence indicator was the result of heterogeneous trends across sectors. Confidence worsened in residential and non residential building, whereas it markedly recovered in civil engineering.

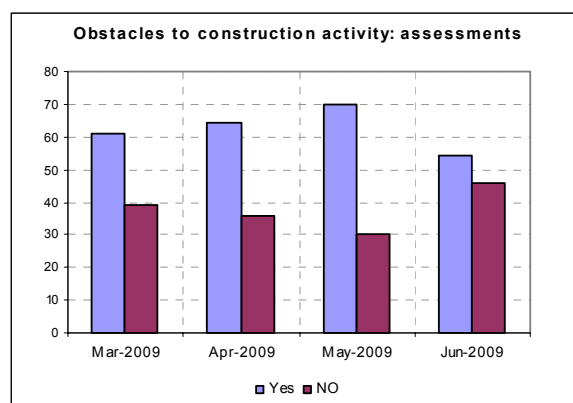


Situation in the reference period (June 2009)

After the sharp deterioration posted between February and April, the opinions on construction plans improved once more: the related balance reached -28, compared to -33 in the previous month, reverting to its December 2008 value. Also assessments on construction activity gave positive indications: the seasonally adjusted balance hit -18 from -27 in May, attaining, also in this case, the level posted last December. In line with the positive indications for construction plans and activity, a net increase distinguished the number of entrepreneurs who did not find obstacles limiting construction activity (the percentage rose from 30% to 46%). Moreover, among those who declared they did find obstacles (in this case the share moved from 70% to 54%), insufficient demand was again considered the main constraint.

Forecasts for the following three months

Prospects partially confirmed the improvement posted by entrepreneurs' opinions on the current situation. In June, forecasts for construction plans bettered (the balance moved from -13 to -10). Also the projections for a fall in prices charged in the sector increased for the second consecutive month (the balance moved from -6 to -7, going back to its November-December 2008 average). The expected trend for employment sent negative signals: the related balance moved from -10 to -16, reaching its February 2009 showing. Lastly, the length of assured production, which is surveyed quarterly, seasonally adjusted and measured in months, rose from 15.3 in the first quarter of 2009 to 16.9 in the second quarter, the highest level since the first quarter of 2005.



Confidence climate and balances of the component series index (s.a. data)

	Confidence climate (index base 2000=100)	Assessments on construction plans	Expectations on employment
Mar. 2009	73.1	-36	-11
Apr. 2009	71.3	-36	-15
May 2009	74.9	-33	-10
June 2009	74.8	-28	-16