



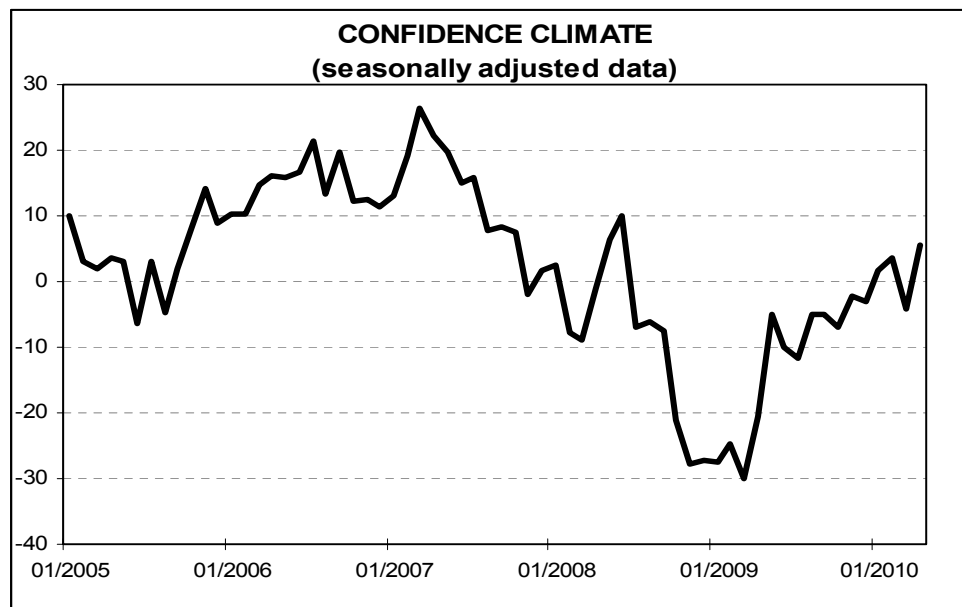
Date: April 28, 2010

CONFIDENCE AMONG MARKET SERVICES TURNS POSITIVE IN APRIL

- The seasonally adjusted confidence indicator increased to 5 (from -4 in March), thanks to favourable opinions and forecasts for orders and to the recovery of prospects for the Italian economy
- The improvement in confidence was homogenous at regional and sector level: the confidence climate increased to 4 (from -7) in household services, to 2 (from -10) in financial services, and to 11 (from 6) in business services
- On a regional basis, the index rose to 8 (from 2) in the North West, to 12 (from -2) in the North East, to 5 (from -3) in the Centre, and to 4 (from -12) in the South
- With regard to the variables excluded from the calculation of the confidence indicator, both assessments and forecasts for employment bettered

IN THE FIRST QUARTER 2010, THE PERCENTAGE OF FIRMS PERCEIVING THE EXISTENCE OF FACTORS LIMITING BUSINESS ACTIVITY EDGES DOWN

- According to the traditional ISAE quarterly survey, in the first quarter of this year, the share of operators perceiving the existence of obstacles limiting their business activity diminished to 60% (from 61% in the previous survey)
- In this quarter as well, insufficient demand was considered the main obstacle (76% of the responses), followed, in the order, by “other unspecified factors” (24%) and financial constraints (9%)



Data on May shall be released on May 27, 2010

The next ISAE surveys are scheduled as follows:

May 25, 2010: ISAE Monthly Consumer Survey (reference period: May)

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)

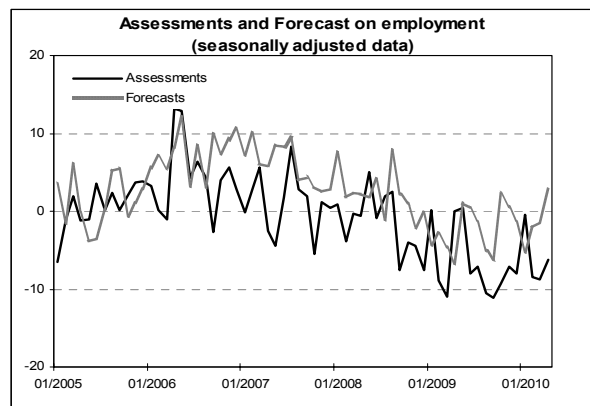
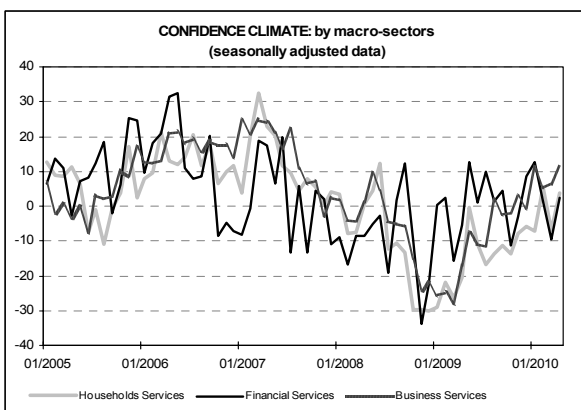
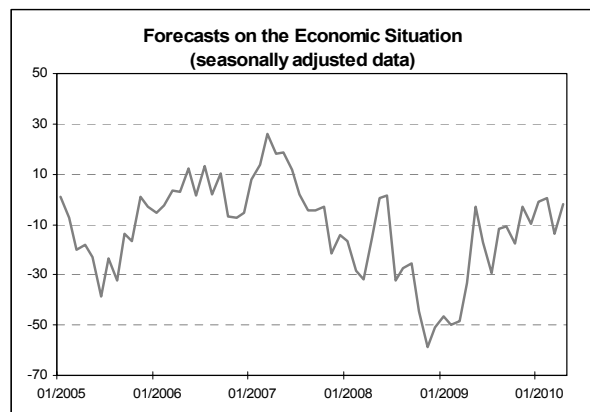
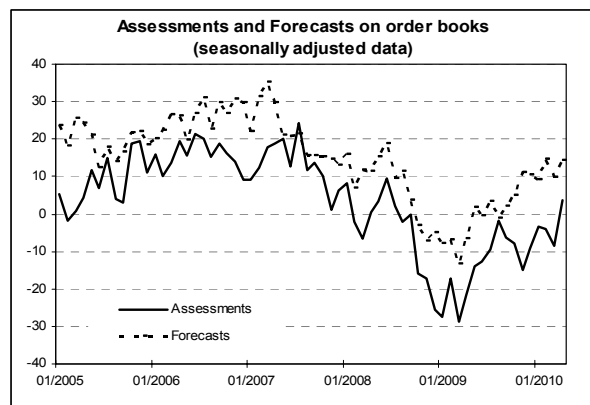
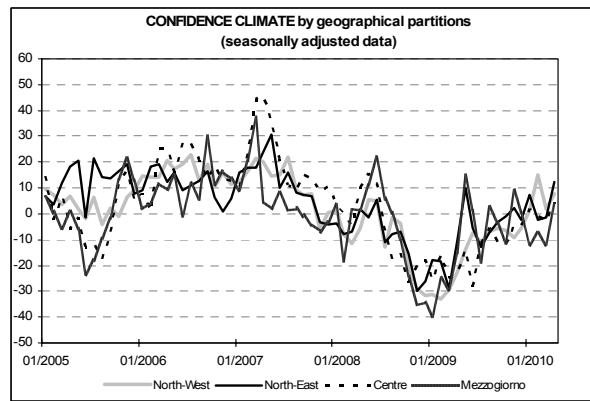
General results

The ISAE Survey, carried out on a panel of about 2,000 firms between April 1 and April 20, showed that market services firms' confidence improved in April. The seasonally adjusted indicator actually increased to 5 (from -4 in March), thanks to more favourable opinions and forecasts for orders and to the recovery of prospects for the Italian economy.

The improvement in confidence was homogenous at regional and sector level: the confidence climate increased to 4 (from -7) in household services, to 2 (from -10) in financial services, and to 11 (from 6) in business services.

On a regional basis, the index rose to 8 (from 2) in the North West, to 12 (from -2) in the North East, to 5 (from -3) in the Centre, and to 4 (from -12) in the South.

According to the traditional ISAE quarterly survey, conducted among the same panel of firms interviewed monthly, in the first quarter of this year, the share of operators perceiving the existence of obstacles limiting their business activity diminished to 60% (from 61% in the previous survey).



Situation in the reference period

In April, market services' opinions on orders improved, while those on employment recovered. In detail, the balance for demand rose to 4 (from -8) and the one for employment moved to -6 (from -9).

At sector level, some slight differences emerged. In household services recovery distinguished the balances for assessments on orders (to -3 from -13) and employment (to -5 from -15). In financial services, optimistic opinions prevailed: the balances for orders and employment reached 8 and 19 respectively (compared to -10 and 5 in March). Operators in business services were instead more optimistic than in March about orders (the balance increased to 12 from 5) and more pessimistic about employment (the balance worsened, lowering to -10 from -2).

At the regional level, in the North West the balance for the opinions on orders increased to 10 (from -2) and the one for employment recovered, reaching -6 (from -10). In the North East, the opinions on orders bettered (to 4 from -7) and those for employment remained stable at slightly negative value (-2). In the Centre, operators were more optimistic than in March about orders (the balance rose to 5 from -4), whereas the balance for employment held steady (at -14). Lastly, in the South, the balance for both orders and employment recovered (to -11 from -21 and to -2 from -5).

Outlook for the next three months

In April, improvement distinguished surveyed firms' expectations for both company variables and the overall economy. The balances for orders and employment increased to 14 and 3 (from 10 and -1, respectively in the previous month). The balance for the Italian economy recovered, reaching -2 (from -14). As for prices, moderate inflationary pressures resumed and the balance rose to 2 (from 0).

Also with regard to forecasts, the breakdown of data by macro-sectors and regions showed some differences. In household services, the balances for orders and employment increased (to 17 from 13 and to 3 from 2) and the balance for the Italian economy recovered (to -3 from -21). In contrast, in financial services, operators were pessimistic about orders and employment (the balances lowered to -2 from 0 and to 6 from 13, respectively); the balance for the trend in the overall economy increased instead (to 1 from -19). In business services, the balances for both company variables and the overall economy bettered. In detail, the balances for orders, employment and the economy increased, in the order, to 22, 2 and -1, respectively (from 18, -2 and -4 in the previous month).

At the regional level, in the North West operators were more pessimistic than in the previous month about orders (the balance diminished to 11 from 12) and employment (to -2 from -1); in contrast the balance for the overall economy recovered (to 1 from -4). In the North East, the balances for orders, employment and the overall economic trend improved (in the order, to 24 from 5, to 2 from -2, and to 9 from -3). In the Centre, the balance for orders bettered (to 17 from 9) and the ones for employment and the Italian economy recovered (to -10 from -12 and to -8 from -13, respectively). Finally, in the South, progress distinguished the balances for orders, employment and the overall economy (to 38 from 25, to 32 from 23, and to -14 from -40, respectively).

Quarterly survey results (first quarter 2010)

In the first quarter of 2010 the share of firms perceiving the existence of factors limiting business activity decreased to 60% (from 61% in the fourth quarter of 2009). The percentage lowered to 61% in household services (from 66%), and increased instead to 80% (from 50%) in financial services and to 59% (from 56%) in business services.

Also in this survey, insufficient demand was considered the main obstacle (76% of the responses), followed, in the order, by “other unspecified factors” (24%) and financial constraints (9%). As in previous surveys, firms did not consider labour shortage and inadequate space and machinery significant constraints to their activity.

