



"Studi e Analisi" presents surveys and analyses carried out by the Research Department in its areas of interest

Assolombarda Business Survey of the Manufacturing Sector in the Milan Area

April 2011¹

by Valeria Negri

In April 2011 manufacturing confidence in the Milan Area rose slightly after a tumble in March, but it remained low compared to last year's trends.

The confidence climate index grew from 102.4 in March to 102.9 in April 2011. This trend stems from demand recovery which was particularly high in the domestic market; now back to its historically high levels. On the contrary, production expectation for the next 3-4 months continued to shrink, while finished-product inventories continued to accumulate (the balance remained the same, slightly above normal levels for the third consecutive month).

In terms of assessments, production partly recovered from its decline in the previous month. Turnover climbed both in the domestic market and in foreign markets. Also the employment balance mounted, reaching 0, the result of an equal number of positive and negative indications collected in April.

With reference to forecasts for the next 3-4 months, orders expectations reduced further, while foreign orders remained the same compared to March.

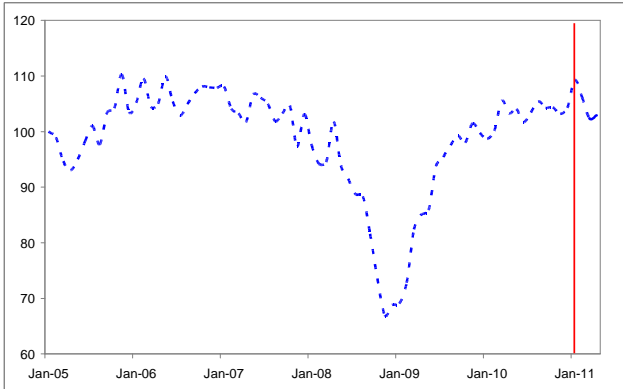
Finally, opinions about the Italian economic situation worsened for the second consecutive month, showing a very negative balance again.

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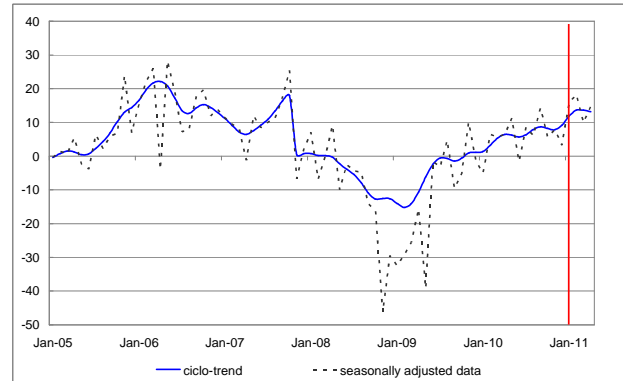
¹ Since January 2011 the sample of the survey has been revised and expanded: the number of the firms interviewed grew from 220 to 350, with a statistical significance of 95% and a standard error of 0,05%. However, the new data are consistent and comparable with the historical series.

1 Graphs²

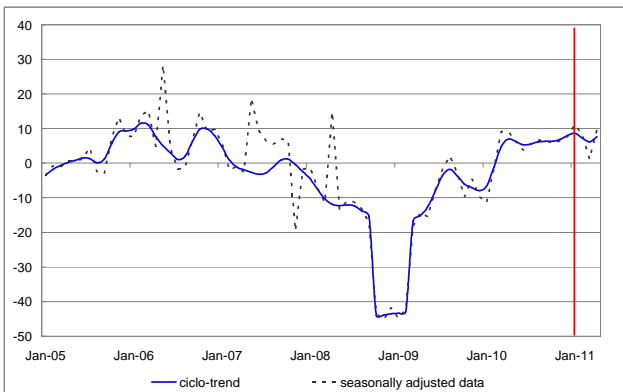
Graph 1 - Confidence Climate¹



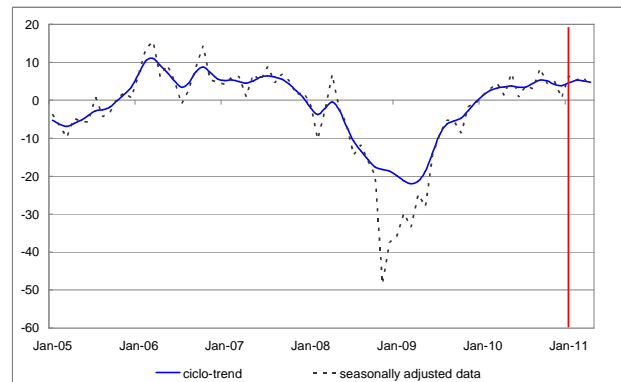
Graph 2 - Production assessment



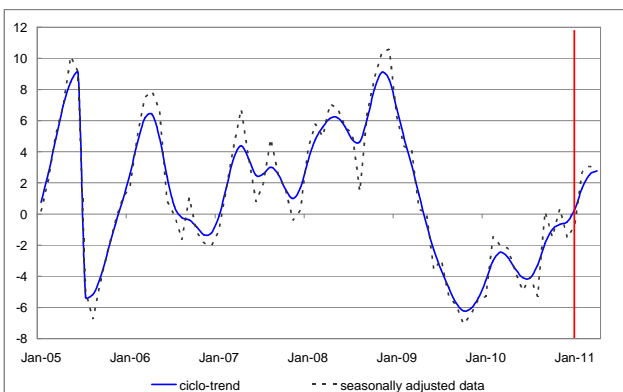
Graph 3 - Assessment on domestic orders



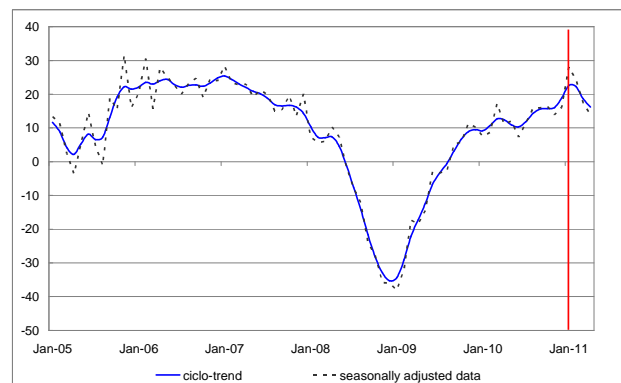
Graph 4 - Assessment on foreign orders



Graph 5 - Inventories



Graph 6 - Production expectations



² In the graphs a red vertical line is drawn next to January 2011, month in which the sample of the survey has been revised and expanded.

2 Data

Table 1 - Confidence climate¹

Reference period	Index (2005=100)
January-11	109.3
February-11	106.2
March-11	102.4
April-11	102.9

Table 2 - Production

Reference period	Assessment seasonally adj. data	Assessment raw data	Expectations seasonally adj. data	Expectations raw data
January-11	16	13	28	37
February-11	18	38	24	31
March-11	10	38	17	26
April-11	15	2	14	19

Table 3 - Domestic orders

Reference period	Assessment seasonally adj. data	Assessment raw data	Expectations seasonally adj. data	Expectations raw data
January-11	11	15	18	28
February-11	8	27	18	24
March-11	1	15	15	18
April-11	10	2	13	13

Table 4 - Foreign orders

Reference period	Assessment seasonally adj. data	Assessment raw data	Expectations seasonally adj. data	Expectations raw data
January-11	6	12	16	6
February-11	5	17	19	23
March-11	6	23	23	33
April-11	4	-9	22	27

Table 5 - Domestic turnover

Reference period	Assessment seasonally adj. data	Assessment raw data
January-11	16	9
February-11	14	33
March-11	1	28
April-11	20	-1

Table 6 - Foreign turnover

Reference period	Assessment seasonally adj. data	Assessment raw data
January-11	10	5
February-11	11	27
March-11	4	27
April-11	13	-3

Table 7 - Other balances

Reference period	Inventories seasonally adj. data	Inventories raw data	Employment seasonally adj. data	Employment raw data	Expectations on economic situation seasonally adj. data	Expectations on economic situation raw data
January-11	-1	-2	6	0	-1	-1
February-11	3	6	2	4	1	1
March-11	3	1	-3	-1	-6	-5
April-11	3	2	0	1	-10	-11

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¹ The industrial confidence indicator is the arithmetic average of the seasonally adjusted data on production expectations, order books and stocks of finished products (with inverted sign). The index base is 2005=100.