

**ZEW - Financial Market Survey: Results December 2018**

<b>Current economic situation</b>	<b>good</b>		<b>normal</b>		<b>bad</b>		<b>balance</b>	
Eurozone	15.6	(- 5.5)	80.9	(+ 4.9)	3.5	(+ 0.6)	12.1	(- 6.1)
Germany	47.8	(-12.3)	49.7	(+11.7)	2.5	(+ 0.6)	45.3	(-12.9)
USA	79.8	(- 6.7)	19.7	(+ 6.7)	0.5	(+/- 0.0)	79.3	(- 6.7)
Japan	13.5	(- 7.8)	78.3	(+ 3.7)	8.2	(+ 4.1)	5.3	(-11.9)
United Kingdom	3.7	(- 3.4)	70.4	(- 7.2)	25.9	(+10.6)	-22.2	(-14.0)
France	8.6	(- 6.0)	79.0	(- 1.9)	12.4	(+ 7.9)	-3.8	(-13.9)
Italy	1.1	(+ 0.6)	34.7	(-10.7)	64.2	(+10.1)	-63.1	(- 9.5)
<b>Economic expectations</b>	<b>improve</b>		<b>no change</b>		<b>get worse</b>		<b>balance</b>	
Eurozone	13.5	(+ 1.4)	52.0	(- 1.8)	34.5	(+ 0.4)	-21.0	(+ 1.0)
Germany (ZEW Indicator)	17.0	(+ 5.4)	48.5	(- 4.2)	34.5	(- 1.2)	-17.5	(+ 6.6)
USA	9.6	(+ 0.4)	48.5	(- 8.0)	41.9	(+ 7.6)	-32.3	(- 7.2)
Japan	10.8	(+ 5.1)	73.5	(- 4.3)	15.7	(- 0.8)	-4.9	(+ 5.9)
United Kingdom	4.8	(- 0.3)	22.9	(- 5.5)	72.3	(+ 5.8)	-67.5	(- 6.1)
France	8.5	(- 2.8)	54.7	(- 2.7)	36.8	(+ 5.5)	-28.3	(- 8.3)
Italy	3.7	(- 1.9)	40.7	(+ 0.9)	55.6	(+ 1.0)	-51.9	(- 2.9)
<b>Inflation rate</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Eurozone	31.0	(-10.0)	44.0	(+ 0.5)	25.0	(+ 9.5)	6.0	(-19.5)
Germany	31.9	(-11.8)	43.4	(+ 3.1)	24.7	(+ 8.7)	7.2	(-20.5)
USA	49.8	(-10.2)	36.5	(+ 5.8)	13.7	(+ 4.4)	36.1	(-14.6)
Japan	15.6	(- 3.1)	74.4	(+ 0.4)	10.0	(+ 2.7)	5.6	(- 5.8)
United Kingdom	53.3	(+ 1.0)	29.0	(- 4.3)	17.7	(+ 3.3)	35.6	(- 2.3)
France	26.4	(- 9.2)	50.8	(+ 2.9)	22.8	(+ 6.3)	3.6	(-15.5)
Italy	29.1	(- 8.1)	46.2	(+ 1.2)	24.7	(+ 6.9)	4.4	(-15.0)
<b>Short-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Eurozone	15.7	(- 0.2)	82.8	(- 1.3)	1.5	(+ 1.5)	14.2	(- 1.7)
USA	80.7	(- 5.7)	18.3	(+ 4.7)	1.0	(+ 1.0)	79.7	(- 6.7)
Japan	5.0	(- 3.8)	94.4	(+ 3.2)	0.6	(+ 0.6)	4.4	(- 4.4)
United Kingdom	38.7	(- 7.7)	53.2	(+ 5.7)	8.1	(+ 2.0)	30.6	(- 9.7)
<b>Long-term interest rates</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Germany	61.0	(- 5.3)	35.0	(+ 3.7)	4.0	(+ 1.6)	57.0	(- 6.9)
USA	60.8	(-10.7)	34.2	(+ 9.6)	5.0	(+ 1.1)	55.8	(-11.8)
Japan	21.6	(- 2.9)	76.7	(+ 2.2)	1.7	(+ 0.7)	19.9	(- 3.6)
United Kingdom	58.3	(- 5.6)	34.1	(+ 2.6)	7.6	(+ 3.0)	50.7	(- 8.6)
<b>Stock market indices</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
STOXX 50 (Eurozone)	54.1	(+ 4.3)	29.7	(- 3.1)	16.2	(- 1.2)	37.9	(+ 5.5)
DAX (Germany)	55.7	(+ 1.8)	28.1	(- 1.1)	16.2	(- 0.7)	39.5	(+ 2.5)
TecDax (Germany)	58.1	(+ 7.0)	27.4	(- 3.8)	14.5	(- 3.2)	43.6	(+10.2)
Dow Jones Industrial (USA)	50.8	(+ 4.2)	31.5	(- 2.0)	17.7	(- 2.2)	33.1	(+ 6.4)
Nikkei 225 (Japan)	48.0	(+ 9.5)	40.9	(- 6.6)	11.1	(- 2.9)	36.9	(+12.4)
FT-SE-100 (UK)	30.2	(- 0.5)	32.6	(- 3.2)	37.2	(+ 3.7)	-7.0	(- 4.2)
CAC-40 (France)	45.3	(+ 6.5)	34.1	(- 6.5)	20.6	(+/- 0.0)	24.7	(+ 6.5)
MIStel (Italy)	31.1	(+ 2.9)	37.1	(+ 4.5)	31.8	(- 7.4)	-0.7	(+10.3)
<b>Exchange rates (vs. Euro)</b>	<b>appreciate</b>		<b>no change</b>		<b>depreciate</b>		<b>balance</b>	
Dollar	36.9	(- 6.5)	36.8	(+ 4.7)	26.3	(+ 1.8)	10.6	(- 8.3)
Yen	11.9	(- 4.7)	77.4	(+ 6.4)	10.7	(- 1.7)	1.2	(- 3.0)
UK Pound	10.4	(- 6.6)	27.3	(- 0.9)	62.3	(+ 7.5)	-51.9	(-14.1)
Swiss Franc	16.0	(- 3.2)	70.7	(+ 6.5)	13.3	(- 3.3)	2.7	(+ 0.1)
<b>Commodities</b>	<b>increase</b>		<b>no change</b>		<b>decrease</b>		<b>balance</b>	
Oil (Brent Crude)	35.1	(+ 9.4)	52.0	(- 2.1)	12.9	(- 7.3)	22.2	(+16.7)
<b>Sectors</b>	<b>improve</b>		<b>no change</b>		<b>get worse</b>		<b>balance</b>	
Banks	10.9	(- 2.7)	46.6	(- 3.1)	42.5	(+ 5.8)	-31.6	(- 8.5)
Insurance companies	14.9	(- 0.9)	57.5	(- 0.1)	27.6	(+ 1.0)	-12.7	(- 1.9)
Automobile	11.5	(+ 4.2)	29.5	(- 4.2)	59.0	(+/- 0.0)	-47.5	(+ 4.2)
Chemicals / Pharmaceuticals	21.5	(+ 1.8)	58.7	(- 0.1)	19.8	(- 1.7)	1.7	(+ 3.5)
Steel	12.8	(+ 3.8)	55.2	(- 1.1)	32.0	(- 2.7)	-19.2	(+ 6.5)
Electronics	18.6	(- 6.9)	66.3	(+ 4.9)	15.1	(+ 2.0)	3.5	(- 8.9)
Mechanical engineering	19.0	(- 3.0)	59.0	(+ 0.8)	22.0	(+ 2.2)	-3.0	(- 5.2)
Retail / Consumer goods	37.0	(- 9.0)	53.2	(+ 6.0)	9.8	(+ 3.0)	27.2	(-12.0)
Construction	38.7	(- 2.6)	49.7	(+ 1.7)	11.6	(+ 0.9)	27.1	(- 3.5)
Utilities	17.6	(+ 3.5)	71.9	(- 1.0)	10.5	(- 2.5)	7.1	(+ 6.0)
Services	32.0	(+ 1.7)	64.5	(- 1.2)	3.5	(- 0.5)	28.5	(+ 2.2)
Telecommunications	22.6	(+ 2.0)	70.5	(+ 1.4)	6.9	(- 3.4)	15.7	(+ 5.4)
Information technology	53.6	(+ 0.4)	43.5	(+ 1.8)	2.9	(- 2.2)	50.7	(+ 2.6)

Note: 201 analysts participated in the December-survey which was conducted during the period 26 Nov 2018 - 10 Dec 2018. Analysts were asked about their expectations for the next 6 months. Numbers displayed are percentages (month-over-month percentage point changes in parentheses). Balances refer to the difference between positive and negative assessments.