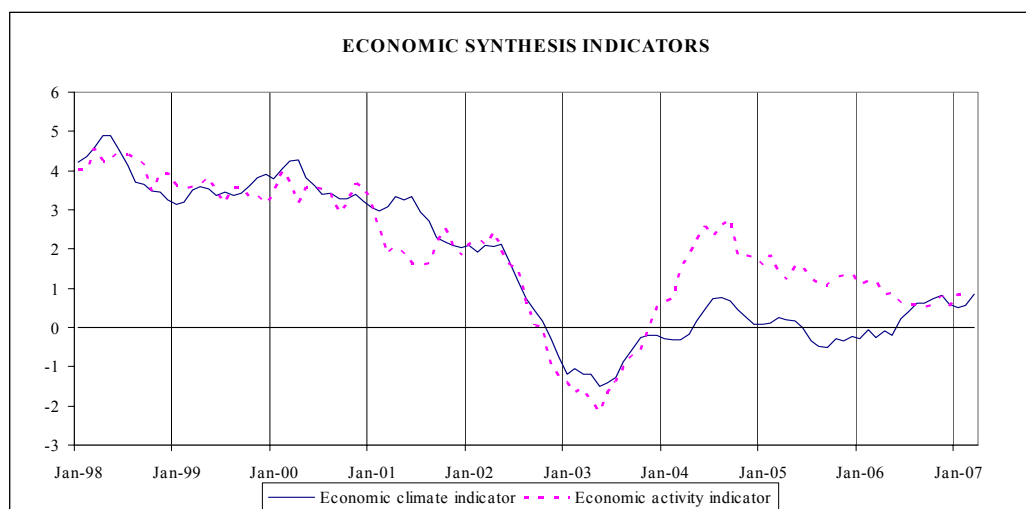


19th April 2007

Economic Short-term Synthesis

March 2007

The indications given by the latest data on the external background continued to be favourable. On the domestic side, the economic climate indicator recovered in February and March, reaching the maximum since July of 2002. The economic activity indicator, with information up to February, stabilized on the highest value of the last nine months. In February the short-term indicators' data revealed positive signs in the main sectors, industry, services and construction. In February, the consumption indicator recovered as a result of the favourable evolution observed in the current consumption component, contrasting with the deterioration of the former months. However, the qualitative data already available for March continues to reveal no signs of improvement. In February the investment indicator stabilized due to the deterioration of the construction component that offset the recovery of the remaining components, although most of the information already available for March points to a favourable evolution. International trade data, with preliminary results up to February, showed a deceleration in the value of imports and exports, but with greater intensity in the first case and maintaining a high growth rate in the second. In the labour market, indications have been globally favourable since the beginning of the year, with exception of the consumers' unemployment expectations, which got worse in a significant way in March. In the reference month, inflation was 2.3%, 0.1 percentage points (p.p.) less than in February, mainly due to the slowdown observed in the food prices. The core inflation indicator was 1.7%, 0.1 p.p. more than in the previous month.



Report based on information available up to April 18, 2007.

Next report will be released on May 22, 2007.

NOTES

With exception of situations duly identified, the values presented in tables and graphs and others that also serve for the analysis are, in the case of quantitative series, year-on-year rates of change (y.r.) under three-month moving average (3-mma) or, in the case of qualitative series, 3-mma of seasonally adjusted values (s.a.) or of effective values (e.v). Annual information correspond to 12-mma, with the exception of variables presented as y.r. on stocks, where the annual value corresponds to the variation of the balance at the end of the year.

Balances: differences between the percentage of respondents giving positive and negative replies. Annualised variation (a.v.). Weight (w.).



		Year 2005	Year 2006	Quarter 1 2006	Quarter 2 2006	Quarter 3 2006	Quarter 4 2006	Quarter 1 2007	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
International background															
Industrial production index of customer countries	s.a./y.r./3-mma	0.8	3.4	2.9	3.5	3.6	3.7	-	3.6	3.9	3.6	3.7	3.2	3.3	-
Order books in industry of EU	balance/s.a.-mm3m	-18.0	-3.5	-12.5	-4.2	0.0	2.7	4.3	0.0	0.5	2.0	2.7	3.1	3.4	4.3
Consumer confidence indicator in EU	balance/s.a.-mm3m	-10.7	-7.5	-8.6	-7.9	-7.4	-6.1	-5.0	-7.4	-7.1	-6.7	-6.1	-6.1	-5.5	-5.0
Unemployment rate in EU	s.a./%	8.7	7.9	8.2	8.0	7.9	7.6	-	7.8	7.7	7.6	7.5	7.5	7.4	-
Harmonised index of consumer price in EU	y.r.	2.2	2.2	2.3	2.5	2.1	1.8	1.9	1.7	1.6	1.9	1.9	1.8	1.8	1.9
Production price index of supplying countries	y.r./3-mma	3.8	4.2	4.3	4.8	4.5	3.2	-	4.5	3.8	3.3	3.2	3.0	2.8	-
Economic activity															
Economic climate indicator	balance/3-mma	-0.1	0.3	-0.2	0.2	0.6	0.6	0.9	0.6	0.7	0.8	0.6	0.5	0.6	0.9
Economic activity indicator	3-mma	1.4	0.7	1.2	0.6	0.5	0.5	-	0.5	0.6	0.8	0.5	0.9	0.9	-
Total turnover index	y.x./3-mma	0.6	2.6	1.6	1.5	4.4	2.7	-	4.4	3.8	2.9	2.7	3.2	5.2	-
Manufacturing industry production index	y.x./3-mma	-1.6	2.0	1.8	1.3	2.5	2.2	-	2.5	3.2	3.1	2.2	3.0	3.4	-
Production index in construction	y.x./3-mma	-4.9	-6.6	-3.6	-7.6	-8.1	-7.3	-	-8.1	-7.2	-6.8	-7.3	-8.1	-7.1	-
Retail trade turnover index (real)	y.x./3-mma	1.7	0.7	-0.1	-0.6	2.7	0.6	-	2.7	1.4	0.9	0.6	0.6	0.1	-
Consumption															
Consumer confidence indicator	balance/3-mma	-37.7	-34.2	-37.8	-36.2	-31.9	-31.0	-33.2	-31.9	-30.6	-31.0	-31.0	-31.3	-31.4	-33.2
Quantitative indicator of consumption	y.x./3-mma	2.6	1.2	1.1	1.0	1.8	1.1	-	1.8	1.6	1.1	1.1	0.9	1.2	-
Indicator of non-durable consumer goods	y.x./3-mma	2.4	1.6	1.1	1.8	1.9	1.4	-	1.9	1.6	1.4	1.4	1.4	1.7	-
Indicator of durable consumer goods	y.x./3-mma	3.8	-1.0	1.2	-5.2	1.4	-1.3	-	1.4	1.3	-0.6	-1.3	-2.8	-2.9	-
Sales of passenger vehicles	y.x./3-mma	3.3	-5.8	-2.5	-9.3	-3.3	-7.3	-4.8	-3.3	-1.4	-5.4	-7.3	-9.7	-9.9	-4.8
Credit for consumption	y.x./stocks	3.8	21.0	6.3	17.2	23.2	21.0	-	23.2	22.6	22.7	21.0	24.0	-	-
Investment															
GF CF indicator		-2.3	-3.8	-1.9	-5.3	-3.0	-4.8	-	-3.0	-1.5	-3.4	-4.8	-5.3	-5.3	-
Cement sales	y.x./3-mma	-6.0	-8.4	-3.3	-10.9	-9.6	-9.9	-	-9.6	-9.7	-12.5	-9.9	-10.6	-	-
Sales of steel for concrete	y.x./3-mma	-6.8	5.9	9.5	12.8	15.6	-12.5	-	15.6	24.8	12.4	-12.5	-16.2	-	-
Adjudication of public works	y.x./acumul2m	-32.2	-	-43.6	-41.1	-52.1	-	-	-52.1	-55.6	-59.5	-	-	-	-
Credit for purchase of habitation	y.x./stocks	11.9	15.6	17.2	16.2	15.2	15.6	-	15.2	14.9	14.5	15.6	15.0	-	-
Licenses for construction of new habitations	y.x./3-mma	-3.4	-5.1	1.2	-2.8	-6.8	-12.3	-	-6.8	-5.0	-8.4	-12.3	-14.1	-16.1	-
Machinery and equipment indicator		-1.9	0.0	0.0	-3.5	0.2	3.3	3.4	0.2	2.8	3.5	3.3	3.1	3.3	3.4
Sales of light commercial vehicles	y.x./3-mma	-1.8	-7.3	-5.5	-15.7	-6.4	-1.0	1.5	-6.4	-2.2	-1.5	-1.0	-1.1	-3.3	1.5
Sales of new heavy commercial vehicles	y.x./3-mma	0.1	12.9	9.3	26.0	52.0	-31.9	2.7	52.0	40.7	27.5	-31.9	-17.6	-5.2	2.7
External demand															
External demand indicator in value	s.a./y.x./3-mma	10.4	10.7	14.3	12.1	9.1	7.7	-	9.1	9.5	7.8	7.7	-	-	-
External order books	balance/3-mma	-23.7	-14.4	-19.3	-14.0	-13.7	-10.7	-7.0	-13.7	-14.0	-11.7	-10.7	-9.7	-10.3	-7.0
Forecasted evolution of exports	balance	-4.8	-0.2	-0.7	-1.7	0.0	1.7	-	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Exports of merchandises in value	y.x./3-mma	2.8	12.4	11.5	12.3	13.1	12.6	-	13.1	14.1	12.0	12.6	12.3	12.0	-
Imports of merchandises in value	y.x./3-mma	5.5	8.0	10.9	7.0	8.6	5.7	-	8.6	7.1	5.9	5.7	5.3	3.0	-
Labour market															
Unemployment rate	%	7.6	7.7	7.7	7.3	7.4	8.2	-	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.
Unemployed registration along the month	s.a./y.x./3-mma	4.1	1.2	3.9	-0.6	-1.1	2.9	-	-1.1	1.8	2.1	2.9	-1.0	-2.6	-
Unemployment expectations	balance/3-mma	49.0	43.8	50.6	45.2	40.0	39.3	40.5	40.0	39.3	39.3	39.3	38.4	38.0	40.5
Vacancies along the month	s.a./y.x./3-mma	5.3	3.6	4.4	3.8	7.2	-0.9	-	7.2	8.3	7.0	-0.9	3.1	7.8	-
Employment indicator (short-term indicators)	y.x./3-mma	-2.2	-1.8	-2.0	-1.8	-1.7	-1.7	-	-1.7	-1.7	-1.6	-1.7	-1.4	-1.0	-
Wage negotiation	a.v./3-mma/w.	2.7	2.8	2.8	3.1	2.6	2.6	2.5	2.6	2.8	2.7	2.6	2.6	2.7	2.5
Prices and exchange rates															
Consumer price index	y.r.	2.3	3.1	3.2	3.7	3.0	2.5	2.4	3.0	2.7	2.4	2.5	2.6	2.4	2.3
Core inflation indicator	y.r.	1.5	1.9	2.0	1.9	2.0	1.9	1.7	2.0	1.9	1.8	1.9	1.7	1.6	1.7
Consumer price index - goods	y.r.	1.9	3.2	3.2	4.0	3.2	2.5	2.3	3.2	2.6	2.3	2.5	2.6	2.2	2.3
Consumer price index - services	y.r.	3.0	2.9	3.1	3.1	2.7	2.6	2.6	2.8	2.7	2.6	2.6	2.6	2.6	2.4
Manufacturing industry production price index	y.x./3-mma	3.5	4.6	5.0	5.6	4.9	2.8	-	4.9	3.9	3.2	2.8	2.8	2.2	-
Expectations of prices in manufacturing industry	bal./s.a./3-mma	1.3	6.2	8.3	6.7	2.7	5.7	5.0	2.7	3.3	4.3	5.7	6.7	6.0	5.0
Exchange rate euro/USD	y.r.	0.1	0.9	-8.3	0.0	4.5	8.5	9.0	3.8	5.0	9.3	11.4	7.4	9.5	10.2
Exchange rate euro/JPY	y.r.	1.8	6.6	2.6	0.0	9.2	8.9	11.3	9.5	8.4	8.3	10.1	12.0	12.0	10.1