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Assolombarda Quarterly Survey on Industrial Trade Sector of the Milan Area

(reference period: July – September 2007)

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During the third quarter of 2007, consistent with the trend of the business services sector, the surveyed enterprises reported a slowdown in their activity.

In fact, the balances for orders and turnover dropped; employment, instead, showed a rise.

The confidence climate¹ registered another loss. The result was due, above all, to the deterioration of the orders balance and negative expectation on regarding general economic trends.

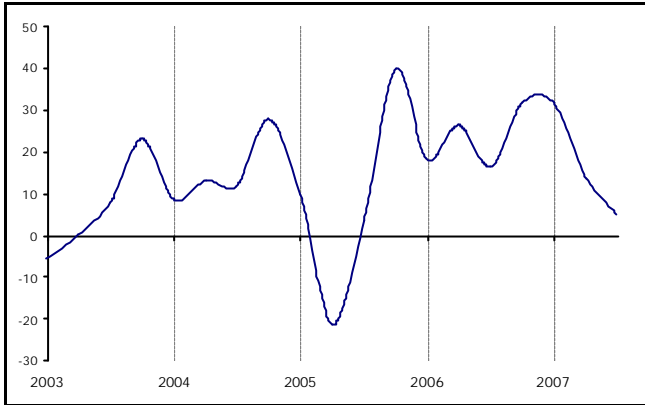
The entrepreneurs' expectations for the last quarter of the year showed an improvement in orders, turnover and employment balances.

Finally, prices for services showed a drop in the third and in the fourth quarters.

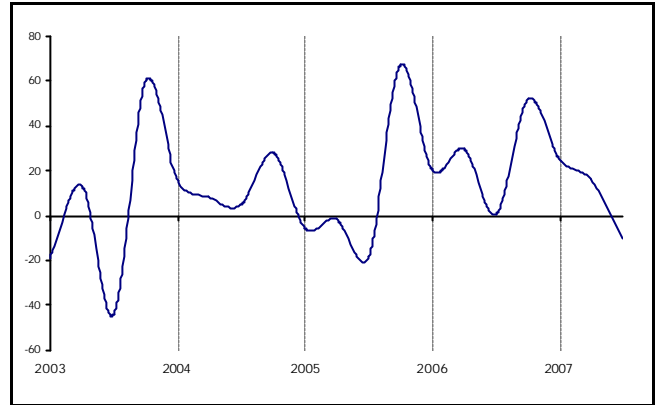
¹ The confidence climate is calculated by an arithmetic mean with the balances of the following variables: consumptive orders, orders forecast and general economic trend forecast.

1 Graphs

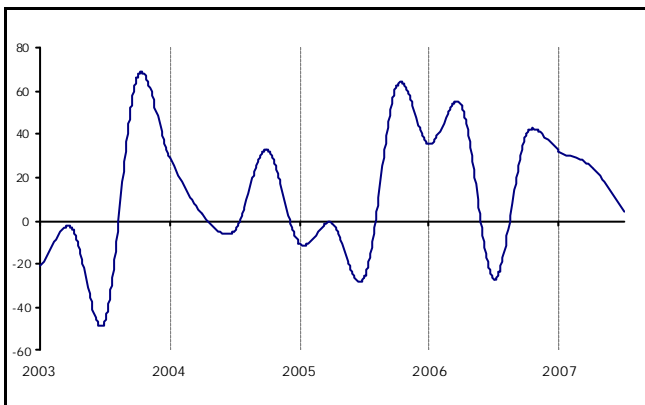
Graph 1 – Confidence climate¹



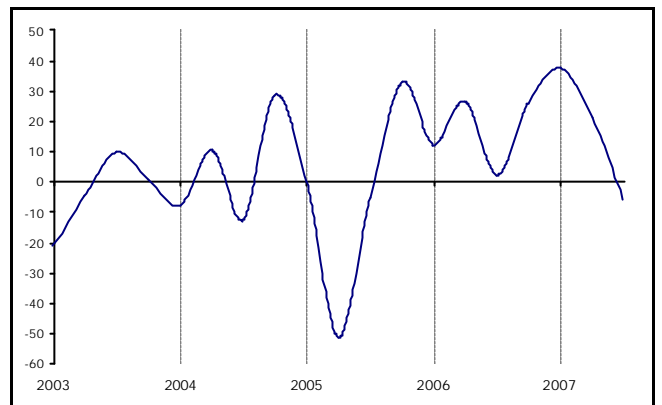
Graph 2 – Assessment on orders



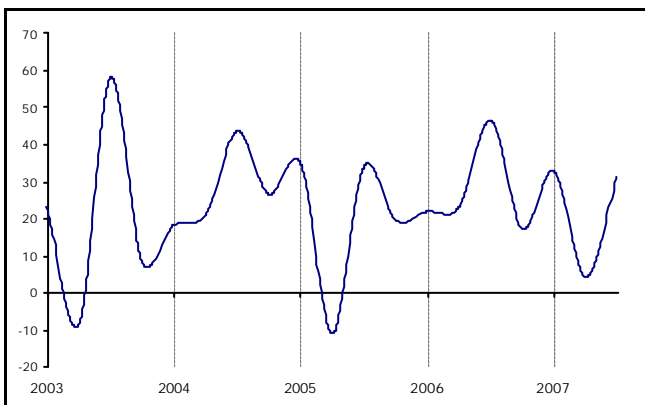
Graphic 3 – Assessment on turnover



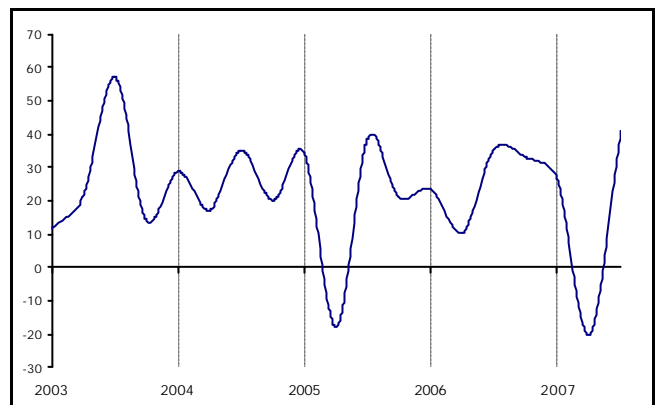
Graphic 4 – Expectation on economic situation



Graphic 5 – Expectation on orders



Graphic 6 – Expectation on Turnover



2 Raw data

Table 1 – Confidence climate

Reference period	index
third quarter 2006	16.5
fourth quarter 2006	31.8
first quarter 2007	31.7
second quarter 2007	13.9
third quarter 2007	5.2

Table 2 – Assessment on consumptive balance

Reference period	Orders	Turnover	Employment	Service price
third quarter 2006	0.6	-27.1	9.0	6.5
fourth quarter 2006	52.1	40.3	14.7	9.7
first quarter 2007	24.7	32.1	12.5	6.3
second quarter 2007	16.3	24.6	0.7	5.7
third quarter 2007	-10.1	4.4	20.5	0.2

Table 3 – Short term expectation balance

Reference period	Orders	Turnover	Employment	Service price	Forecast of general economic trend
Third quarter 2006	46.6	35.5	12.2	11.2	2.3
fourth quarter 2006	17.3	33.0	25.7	16.0	26.1
first quarter 2007	32.9	26.8	-8.5	3.9	37.5
second quarter 2007	4.3	-20.1	9.3	9.3	21.0
third quarter 2007	31.6	40.9	29.6	1.3	-5.8