

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

Assolombarda Quarterly Survey on Business Services Sector of the Milan Area

(reference period: April – June 2007)

By Maria Grazia De Maglie

Research Department

Giuseppe Panzeri
Head of Department

Maria Grazia De Maglie
Macroeconomy and service sector

Andrea Fioni
Social issues and labour market

Edoardo Della Torre
Labour market

Valeria Negri
Macroeconomy and industrial sector

www.assolombarda.it
stud@assolombarda.it
main tel: 02.58370.328

During the second quarter of 2007 the business services' firms outlined a consolidation of activity on the high level of the last year.

The consumptive assessment, in fact, pointed out an important increase in orders and turnover balances; the employment balance, instead, decreased and the value returned negative after eight quarters.

The confidence climate² slowdown for the second quarter, but it remained at the high value of the second quarter of 2006. This result was due, above all, to the deterioration of expectations on orders and economic situation; the orders balance, instead, increased.

The expectation for the third quarter of 2007 was less optimistic: the balances values showed a decrease in orders, turnover and employment balances.

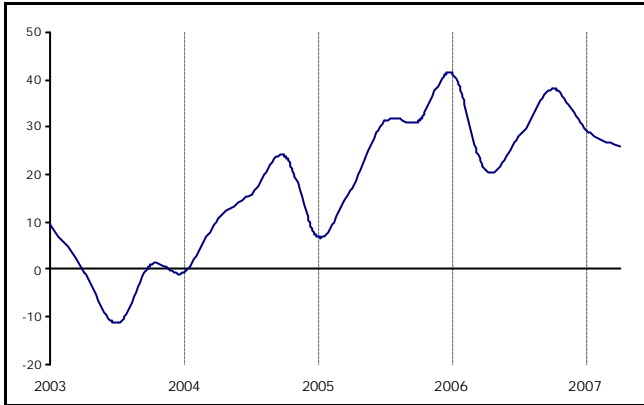
Finally, the entrepreneurs reported a stability in service price balance both in the second and the third quarter.

¹ Tables 4 and 5 show statistic information about each sector within business services (information technology, engineering, marketing and advertising, administrative and executive advice).

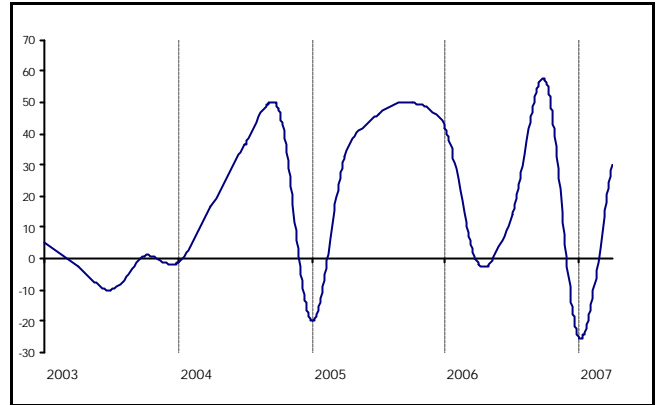
² The confidence climate is calculated by an arithmetic mean with the balances of the following variables: consumptive orders, orders forecast and general economic trend forecast.

1 Graphs

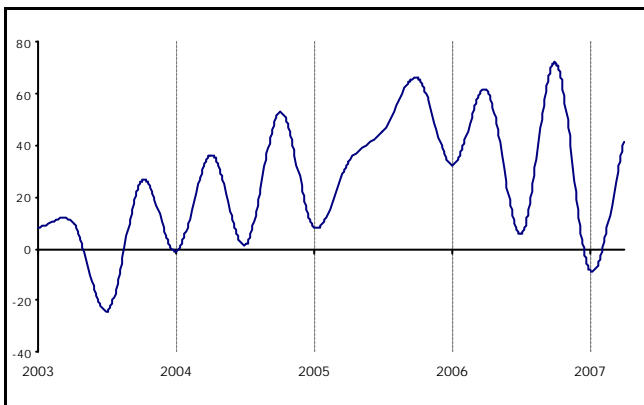
Graph 1 – Confidence climate²



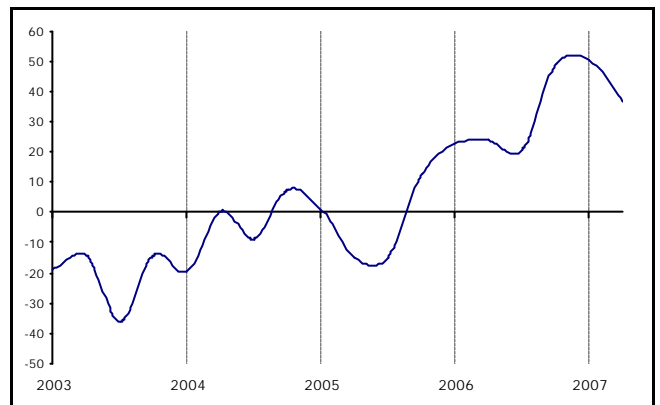
Graph 2 – Assessment on orders



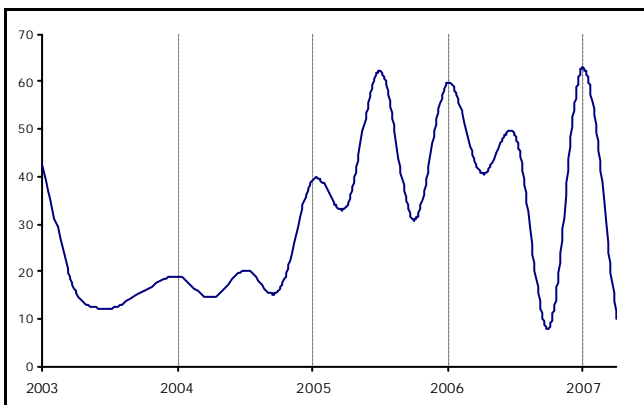
Graph 3 – Assessment on turnover



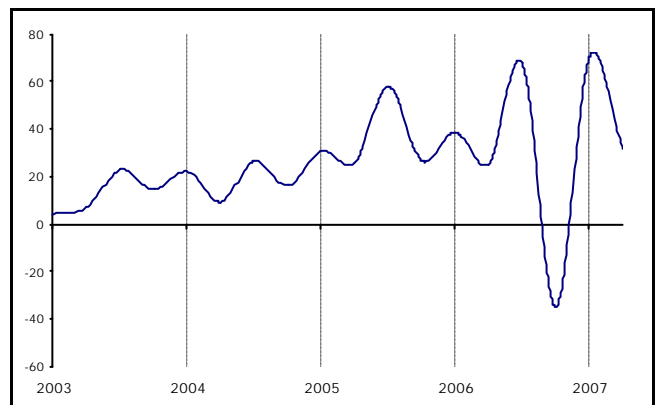
Graph 4 – Expectations on economic situation



Graph 5 – Expectation on orders



Graph 6 – Expectation on Turnover



2 Raw data

Table 1 – Confidence climate

Reference period	Saldo
second quarter 2006	20.8
third quarter 2006	27.8
fourth quarter 2006	38.0
first quarter 2007	29.4
second quarter 2007	25.8

Table 2 – Assessment on consumptive balance

Reference period	Orders	Turnover	Employment	Service price
second quarter 2006	-1.9	61.3	34.8	23.2
third quarter 2006	14.0	5.8	23.6	19.6
fourth quarter 2006	56.8	72.1	18.4	-19.5
first quarter 2007	-25.3	-8.4	32.1	15.2
second quarter 2007	30.3	41.2	-4.0	0.8

Table 3 – Short term expectation balance

Reference period	Orders	Turnover	Employment	Service price	Forecast of general economic trend
Second quarter 2006	40.7	25.4	21.9	17.4	23.7
third quarter 2006	48.7	67.7	30.8	45.5	20.6
fourth quarter 2006	8.1	-35.4	22.7	1.0	49.1
first quarter 2007	63.0	70.2	28.7	4.3	50.4
second quarter 2007	10.2	31.3	4.0	0.6	36.9

Table 4 - Assessment on consumptive balance: sector data

Sector	Orders	Turnover	Employment	Service price
Information technology	-33.8	3.7	-49.4	1.8
Administrative and executive advice	95.9	94.9	3.9	0.5
Engineering	53.7	45.1	67.9	0.0
Marketing and advertising	-5.5	-8.1	-1.4	0.0
Business service	30.3	41.2	-4.0	0.8

Table 5 - Short term expectation balance: sector data

Sector	Orders	Turnover	Employment	Service price	Forecast of general economic trend
Information technology	59.0	58.2	-25.5	1.1	11.6
Administrative and executive advice	4.3	2.7	2.1	0.5	98.1
Engineering	-68.8	56.0	67.7	0.2	-9.5
Marketing and advertising	2.7	0.0	1.4	0.0	4.1
Business service	10.2	31.3	4.0	0.6	36.9

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