Assolombarda Business Survey of the Manufacturing Sector in the Milan Area March 2012[1]

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in collaboration with Valeria Pizzati

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

In March 2012 manufacturing confidence in the Milan Area dropped considerably, reaching its lowest value since June 2009.

The confidence climate index diminished from 91.5 in February to 87.7 in March 2012. The index fall was linked to a production expectations shrinking (that showed a negative balance, on its minimum value since the middle of 2009) and to an orders lowering. In particular, national orders went down to the middle 2009 value, while foreign orders plummeted, resetting the February recovery. On the other hand, stocks stayed stable above normal levels.

In terms of assessments, industrial production remained on February negative balances. Domestic turnover rose again, whilst the foreign one was steady (both balances were still negative). Employment dropped below zero after it had been unvarying for the last three months.

With reference to forecasts for the next 3-4 months, national orders expectations went down to its lowest value since the mid-2009. On the contrary, expectations on foreign orders held steady on a positive balance for the third consecutive month.

Finally, opinions about the Italian economic situation plunged, so the recovery recorded between December 2011 and February 2012 was zeroed out.
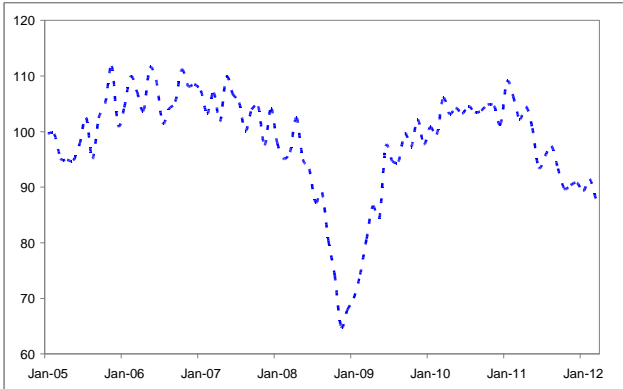
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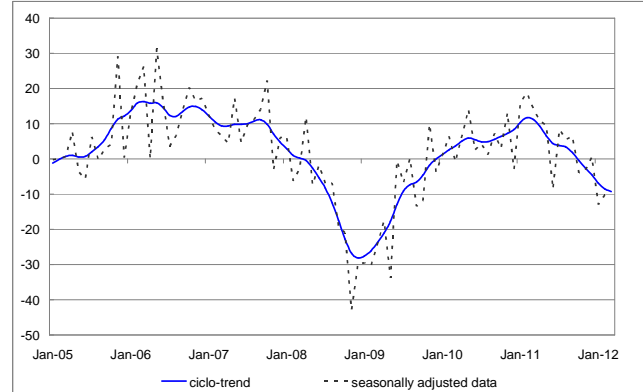mailto:stud@assolombarda.it
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[1] *Since January 2011 the sample of the survey has been revised and expanded: the number of the firms interviewed grew from 220 to 350, with a statistical significance of 95% and a standard error of 0,05%. However, the new data are consistent and comparable with the historical series.*
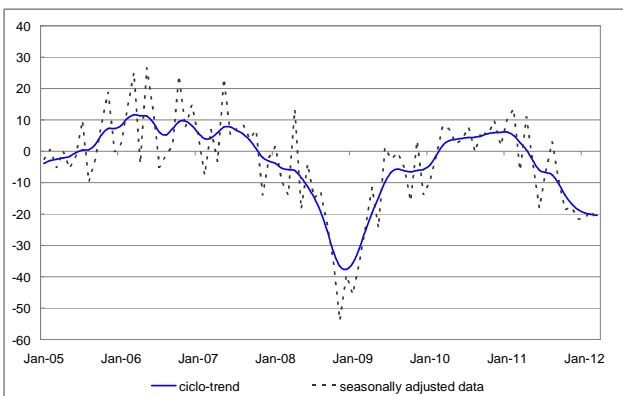
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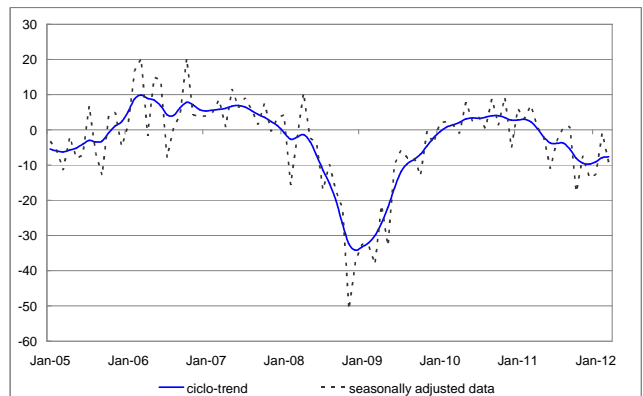
1   Graphs[2]

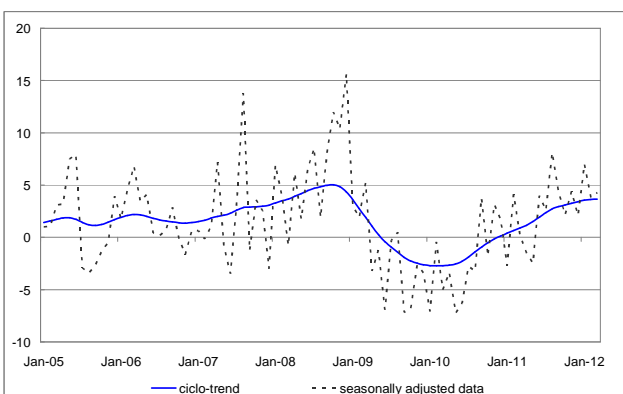## Graph 1 - Confidence Climate[1]

Graph 2 - Production assessment
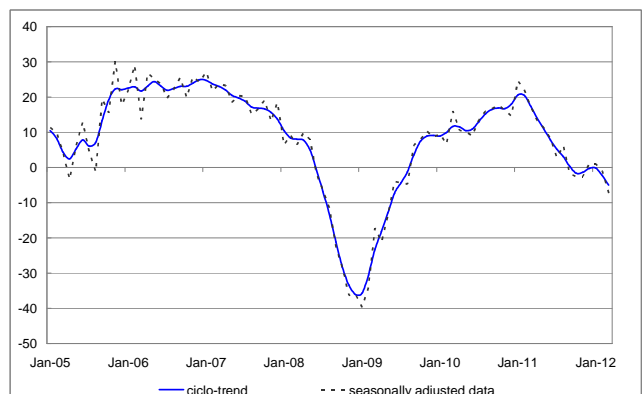
Graph 3 - Assessment on domestic orders

Graph 4 - Assessment on foreign orders

Graph 5 - Inventories

Graph 6 - Production expectations

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[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 climate[1]

Reference period	Index (2005=100)
December-11	90.8
January-12	89.3
February-12	91.5
March-12	87.7

Table 2 - Production

Reference period	Assessment seasonally adj. data	Assessment raw data	Expectations seasonally adj. data	Expectations raw data
December-11	1	-41	1	1
January-12	-13	-6	1	11
February-12	-10	12	-1	4
March-12	-10	9	-7	0

Table 3 - Domestic orders

Reference period	Assessment seasonally adj. data	Assessment raw data	Expectations seasonally adj. data	Expectations raw data
December-11	-22	-48	-7	-4
January-12	-21	-9	-7	2
February-12	-19	1	-5	-2
March-12	-22	-7	-13	-10

Table 4 - Foreign orders

Reference period	Assessment seasonally adj. data	Assessment raw data	Expectations seasonally adj. data	Expectations raw data
December-11	-14	-41	16	6
January-12	-13	-1	19	23
February-12	-1	10	23	33
March-12	-9	3	22	27

Table 5 - Domestic turnover

Reference period	Assessment seasonally adj. data	Assessment raw data
December-11	-4	-37
January-12	-23	-19
February-12	-23	3
March-12	-15	7

Table 6 - Foreign turnover

Reference period	Assessment seasonally adj. data	Assessment raw data
December-11	-1	-34
January-12	-10	-5
February-12	-6	18
March-12	-6	11

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
December-11	2	1	0	-8	-41	-40
January-12	7	5	1	-5	-33	-29
February-12	4	7	1	2	-27	-24
March-12	4	7	-2	-3	-41	-37

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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.*