

Ambrosetti Club Economic Indicator

Press Release

June 25, 2014

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The European House-Ambrosetti prepares and publishes the **Ambrosetti Club Economic Indicator**, a tool that provides **advance insight on sentiments and economic prospects in Italy, as well as on employment and corporate investment**.¹

We make available to companies, institutions and policy makers sentiment information on the future of the Italian economy, on employment and on investments before official statistics are released, something that usually takes place 30 to 100 days later.

The set of indicators has been created in such a way that the variations in the indicators themselves provide an advance look at the changes in the entire economic system. The time frame of the indicators (and as a result, the forecasts) is medium-to-short-term (6 months maximum).

The sample utilized is particularly significant and unique among the entire panorama of sentiment indicators currently published.

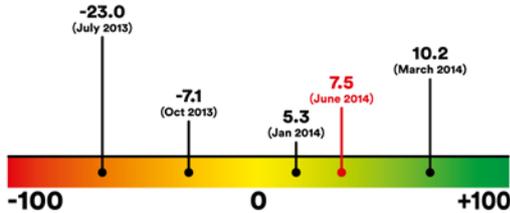
The possibility of The European House-Ambrosetti to have access to a select target of entrepreneurs, CEOs, general managers and top management executives in the most important Italian companies is the strongest asset of the indicator. In this way we obtain sentiment information from a select target and can benefit from a comprehensive view of its business, i.e. on investments planned, on the expertise at the company's disposal, on plans for development as regards the recruiting and training of new personnel, on new orders and market developments.

¹ The work behind the preparation of the indicators has solid scientific roots and, since 2012, a team of experts of The European House-Ambrosetti has been occupied in preparing, evaluating and statistically improving the reliability and consistency of the set of indicators drawn up.

The results

Economic situation in Italy

Current situation of the Italian economy according to *leaders* and top management of the nation's leading companies



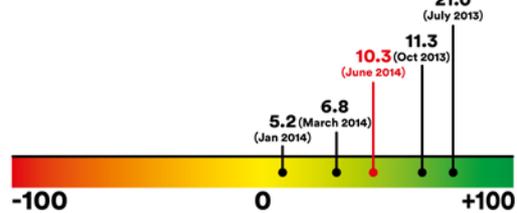
N.B.: values above zero indicate expansion/positive sentiment, values below zero indicate contraction/negative sentiment

The indicator referring to the current situation of the Italian economy remains positive at 7.5, slightly lower than the 10.2 registered in March.

The sentiment indicator confirms a positive situation with the economy, even if a sign of a strong increase has yet to emerge: the recovery does exist, but remains weak.

Economic outlook

6-month outlook for the Italian economy according to *leaders* and top management of the nation's leading companies



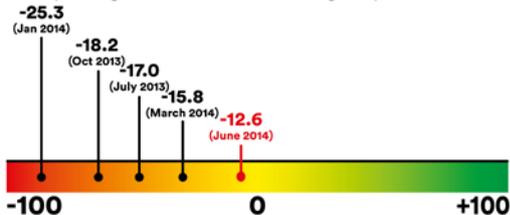
N.B.: values above zero indicate that the economic outlook is for growth; values below zero that the economic outlook is for contraction

The economic outlook indicator is at 10.3, marking a rise over January (5.2) and March (6.8).

In the coming months, the prospect is for a further acceleration compared with the first quarter of 2014, indicating a potential strengthening of the growth underway.

Focus on employment

6-month outlook for the job market according to *leaders* and top management of the nation's leading companies



N.B.: values above zero indicate expansion/positive sentiment, values below zero indicate contraction/negative sentiment

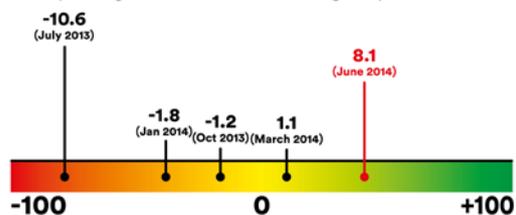
The indicator regarding the 6-month outlook for employment continues to be negative, a trend that has been in effect since July 2013.

The indicator is currently at -12.6 compared with -15.8 in March 2014, showing signs of improvement, despite the overall negative level.

These figures are the initial confirmation of the risk that has emerged in recent months: we are faced with "jobless growth", i.e., a situation in which there is economic growth but without creation of new jobs.

Focus on investment

6-month outlook for new investment according to *leaders* and top management of the nation's leading companies



N.B.: values above zero indicate expansion/positive sentiment, values below zero indicate contraction/negative sentiment

The indicator of corporate investment rose to 8.1 compared with 1.1 in March.

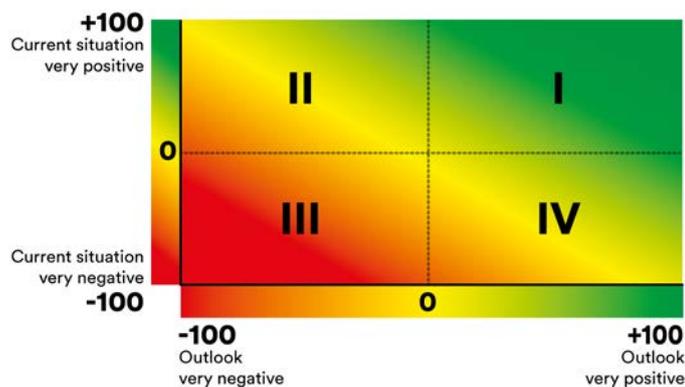
This represents a confirmation of the current trend of increase in new investment.

In fact, after having become positive for the first time in March 2014, the indicator continues to expand.

An overview of the economic cycle with the Ambrosetti Club Economic Indicator

The results of our indicator are applied to the economic cycle and show us the phase we are in at the current time.

Current Overview

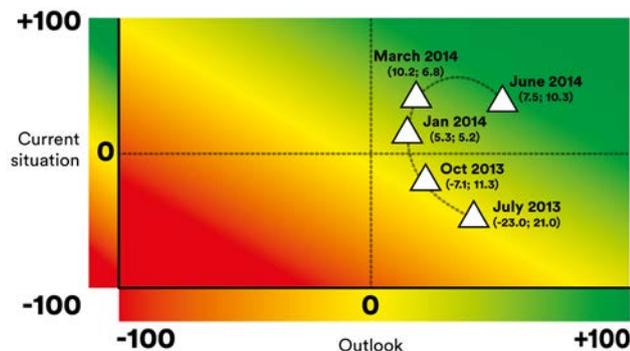


Medium-to-long term Economic Cycle



The Ambrosetti Club Economic Indicator figures show which phase the economic cycle is in and the outlook for the future

Medium-to-long term Economic Cycle



The figures for June confirm that there is currently an increase in economic activity and the forecast is for a further acceleration in coming months.