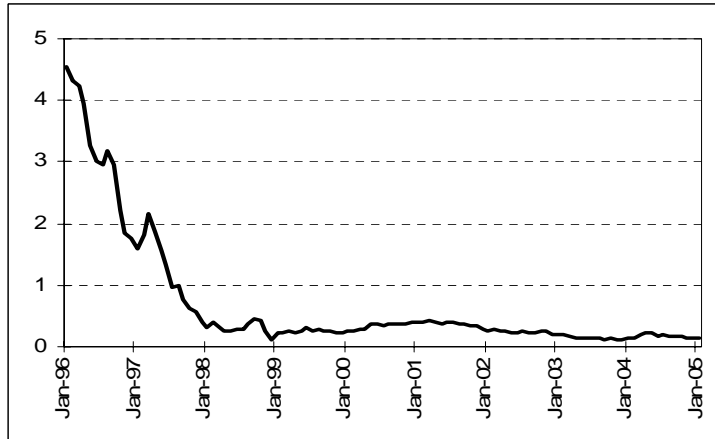




EUROPEAN CENTRAL BANK

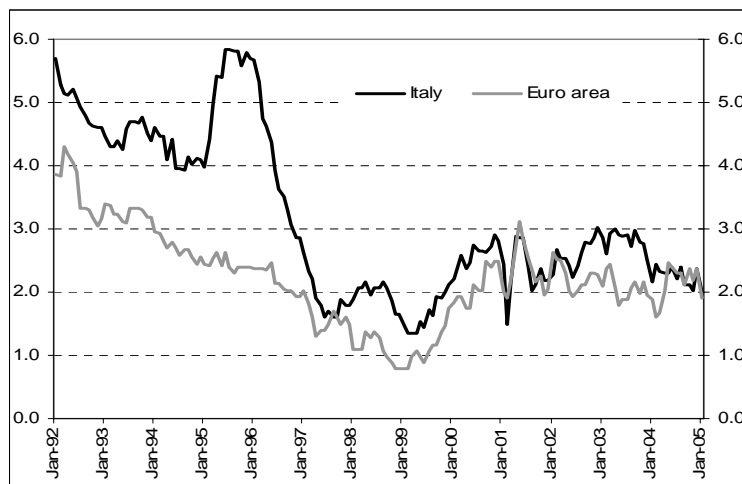
Annex to the speech “The success of the euro and its impact on European companies”

Chart 1 – Italy: Ten-year interest rate spread versus the “best performers” (pp)



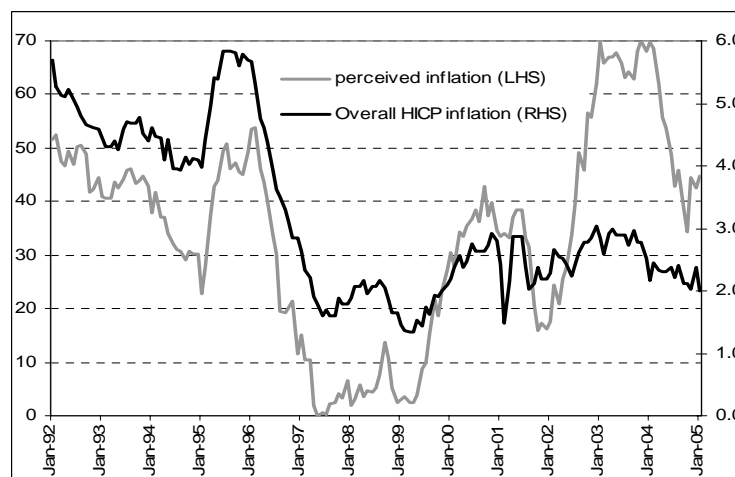
Source: Datastream

Chart 2 – HICP inflation



Source: EUROSTAT

Chart 3 - Italy: HICP inflation and perceived inflation



Source: EUROSTAT

Table 1: Real GDP growth and contribution to growth (averages over the periods)

		1994-1998	1999-2004
Real GDP growth	Italy	2.0	1.4
	France	2.0	2.0
	Germany	1.6	1.1
	Euro area	2.2	1.8
Domestic demand (*)	Italy	1.9	1.8
	France	1.5	2.2
	Germany	1.3	0.8
	Euro area	1.9	1.8
Net exports	Italy	-0.3	-0.3
	France	0.2	-0.1
	Germany	0.2	0.5
	Euro area	0.0	0.1

(*) Excluding stock building

Source : ECB computations on AMECO database

Table 2(a) - Evolution of Costs, Labour Productivity, Value added and Employment in the manufacturing sector
(Cumulated growth rates, 1999-2004)

	ULC	Compensation per employee	Labour Productivity	Value added	Employment
Italy	15.7	16.7	1.1	1.2	0.1
Germany	-3.4	15.4	18.8	14.1	-4.7
France	1.3	15.2	13.9	7.1	-6.8
Euro area	3.1	16.7	13.6	9.8	-3.8
United States	0.8	30.6	29.8	13.7	-16.1

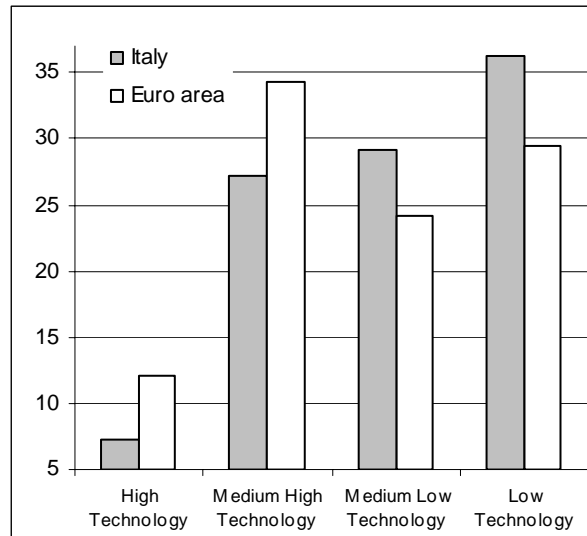
Source : European Commission - 2004 European Commission estimates

Table 2(b) - Evolution of Costs, Labour Productivity, Value added and Employment in the total economy
(Cumulated growth rates, 1999-2004)

	ULC	Compensation per employee	Labour Productivity	real GDP	Employment
Italy	15.3	14.8	-0.5	8.5	9.0
Germany	3.1	8.0	4.9	7.1	2.2
France	9.4	15.1	5.7	13.4	7.7
Euro area	10.5	15.1	4.6	11.2	6.6
United States	9.6	23.8	14.2	18.2	4.0

Source : ECB and European Commission - 2004 European Commission estimates

Chart 4: Production specialisation in % of total manufacturing (year 2001)



Source: EUROSTAT

Table 3: Italy: Business Environment

	Italy	Euro area average
Cost of Starting Business (in pct per capita GDP)	16.2	11.4
Rigidity of Employment Index (1)	50	49
Legal Framework to Facilitate Lending (2)	3	5.7
Time needed to Enforce Contracts (days)	1390	183
Cost of Foreclosing a Business (pct of estate value)	18	6.5

Source: World Bank (2004), Doing Business Indicators

(1) An overall measure that captures hiring and firing costs, plus rigidity of hours worked. Higher numbers indicate a more rigid environment.

(2) Measures how well collateral and bankruptcy laws facilitate lending. Higher numbers denote a more supportive environment for granting credit

(3) Excluding Italy and, due to lack of data, Luxemburg