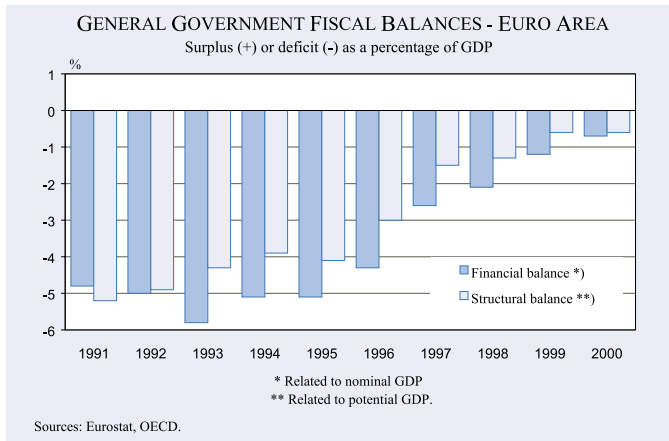
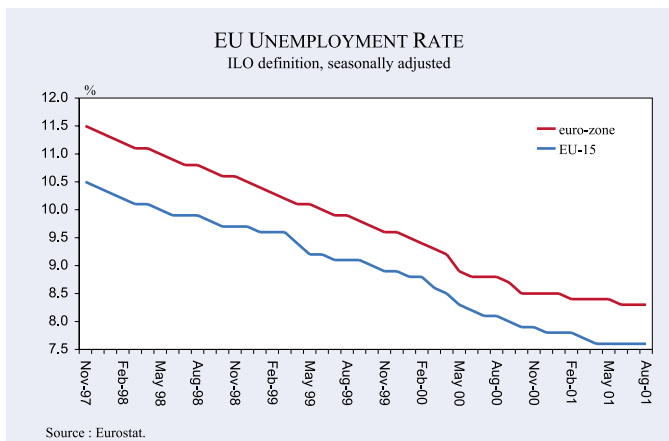


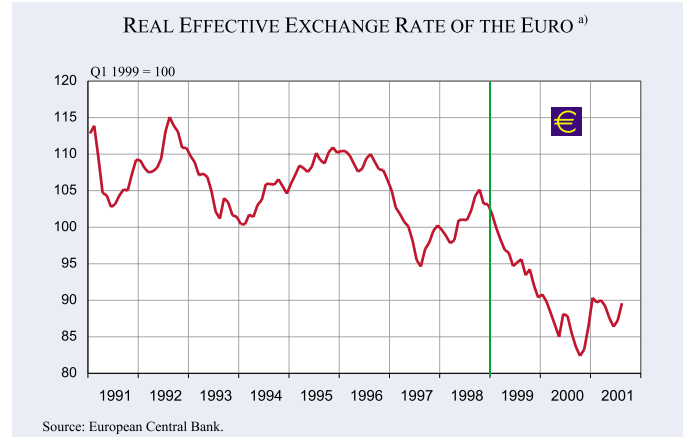
# EURO AREA INDICATORS



In 2000, the general government fiscal deficit of the euro area stood at 0.8% of GDP. The structural deficit was smaller, at 0.6% of potential GDP. Figures for 2001 are likely to reverse the trend of consolidation, reflecting the economic slowdown and the expansionary countermeasures of some governments.

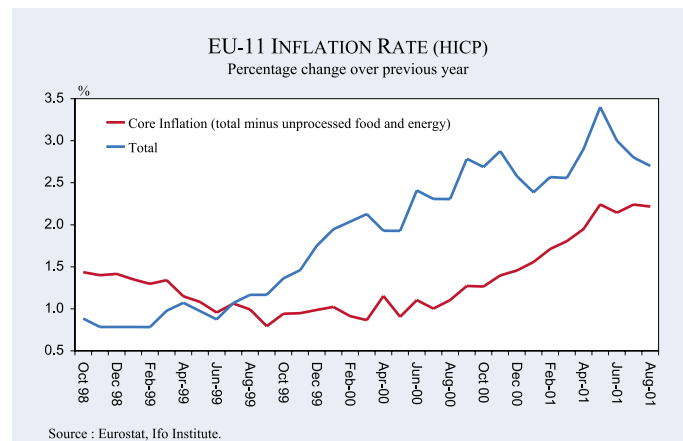


Unemployment in the euro-zone remained at 8.3% in August, unchanged from July. A year earlier it had stood at 8.7% of the labour force. The EU-15-countries recorded an unemployment rate of 7.6%, also unchanged from July. In August 2000 this rate was 8.1%. The lowest unemployment rates were achieved by the Netherlands (2.2%), Luxembourg (2.5%), Ireland (3.8%), Austria (3.9%), Denmark (4.3%) and Portugal (4.4%). At 13.0%, Spain continued at the top end of the range.



a) BIS calculations; to December 1998, based on weighted averages of the euro area countries' effective exchange rates; from January 1999, based on weighted averages of bilateral euro exchange rates. Weights are based on 1990 manufactured goods trade with the trading partners United States, Japan, Switzerland, United Kingdom, Sweden, Denmark, Greece, Norway, Canada, Australia, Hong Kong, South Korea and Singapore and capture third market effects. Real rates are calculated using national CPIs. Where CPI data are not yet available, estimates are used.

The appreciation of the euro against most major currencies, which had started in July, continued in August and September when the US dollar fluctuated rather erratically as a result of conflicting data releases on the U.S. economy and the terrorist attacks in New York and Washington, DC. In real effective terms, the euro has been approaching the level reached in the early months of the year.



In the euro-zone, the annual inflation rate continued its decline from the peak in May (3.4%), receding from 2.8% in July to 2.7% in August, driven by falling energy prices. A year earlier it had stood at 2.3%. Core inflation (excluding food and energy) remained constant in August, at 2.2%. The highest inflation rates were recorded by the Netherlands (5.2%), Greece and Portugal (4.0% each). The lowest rates were achieved by France (2.0%), Denmark, Luxembourg and Belgium (2.5% each).