



Press release

Statistics Netherlands

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Producer confidence falling sharply

Producer confidence, the mood indicator among industrial entrepreneurs, fell sharply in September to -4.9. This is the first survey measuring producer confidence after the terrorist attacks in the USA of 11 September. The sharp decrease by 3.3 points is of the same calibre as the decrease after the Asia crisis started in September 1998, according to the latest figures by Statistics Netherlands.

Work in store under pressure

The entrepreneurs attracted fewer new orders both domestic and international in September. This means the index of the order position fell for the tenth month in a row. Dutch entrepreneurs are therefore increasingly dissatisfied with their order position. Likewise the entrepreneurs feel that the stock of finished products is becoming too large. Due to the large stocks of finished products and the diminishing stock of new work the Dutch entrepreneurs do not foresee an increase in production for the months October-December. The latest figures of the production index on July/August already show that production is lower than a year ago.

Competitive situation hardly changed

The competitive situation has hardly changed for Dutch entrepreneurs in recent months. In their opinion there has only been a slight deterioration in the markets outside the European Union. This is expressed in the negative expectations the entrepreneurs have for their sales on the international market in the period October-December.

Lower degree of capacity utilisation

The utilisation of the production means was 83.7% in September, down about 1% than in the preceding quarters. This reduces the need for investments for expanding. The main reason for the limited use of their production capacity according to the producers is the lack of demand for their products. Lack of labour as a factor hindering production has been stable during the last three quarters. About 5% of the entrepreneurs say this factor causes them problems.

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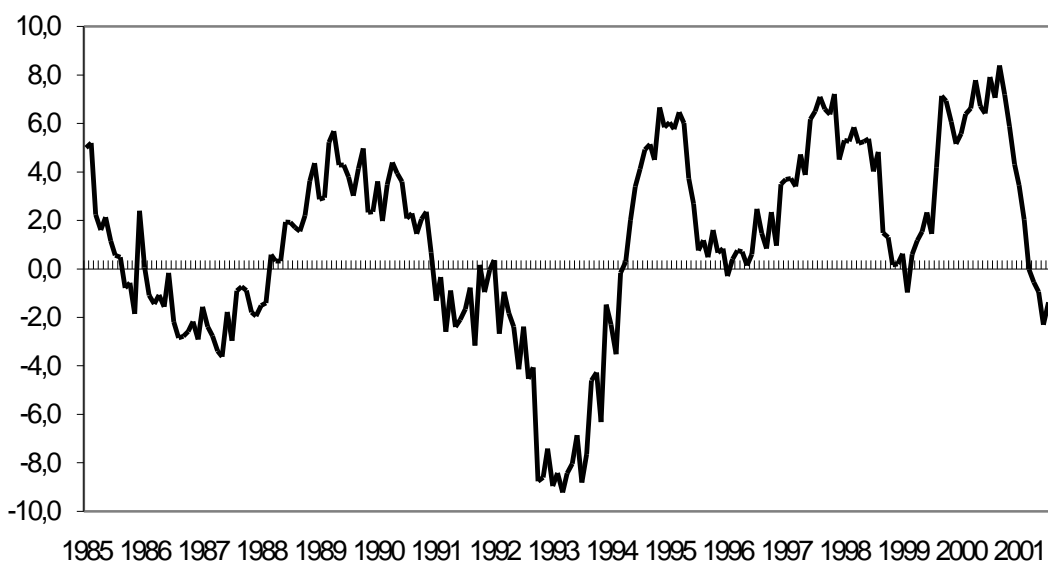
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For more information on producer confidence, please check <http://www.cbs.nl/nl/producten/artikelen/bedrijfsleven/industrie>.

or contact J.F.M. Pijpers, tel. (070) 337 48 73.

Producer confidence (seasonally corrected figures)



| | Jan | Feb | Mar | Apr | Ma | Jun | Jul | Aug | Sep | Oc | Nov | Dec | Yr |
|------|-----|------|-----|------|------|------|------|------|------|-----|-----|-----|-----|
| 1999 | 0.6 | -1.0 | 0.6 | 1.2 | 1.5 | 2.3 | 1.4 | 4.2 | 7.1 | 6.9 | 6.1 | 5.2 | 3.0 |
| 2000 | 5.6 | 6.4 | 6.6 | 7.8 | 6.7 | 6.4 | 7.9 | 7.1 | 8.4 | 7.2 | 5.9 | 4.3 | 6.7 |
| 2001 | 3.5 | 2.0 | 0.0 | -0.5 | -0.9 | -2.3 | -1.4 | -1.6 | -4.9 | | | | |

Source: Statistics Netherlands