

## TEPE INCREASED IN JULY 2010

A. TEPE which tended downwards over the last two months started to increase again as of July 2010. The Index improved by 6.2 points compared to the month before and by 4.3 points compared to the same month in the year before. The recovery in expectations played a crucial role in the improvement.

Figure-1. TEPE (July 2009, July 2010)

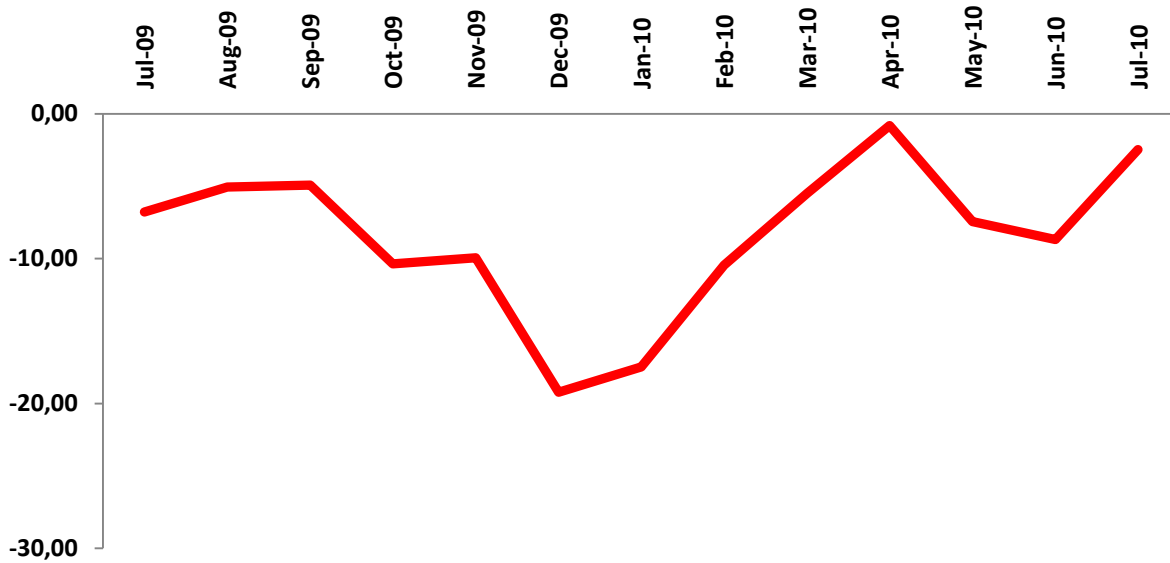


Table-1. TEPE

	January	February	March	April	May	June	July	August	September	October	November	December
2008					-19,6	-23,8	-20,6	-7,8	-9,4	-20,7	-27,2	-30,8
2009	-29,5	-26,0	-17,1	-9,8	-10,1	-8,8	-6,8	-5,1	-4,9	-10,3	-9,9	-19,2
2010	-17,5	-10,4	-5,5	-0,8	-7,4	-8,7	-2,5					

B. In July 2010 expectations for the next three months ameliorated achieving the positive zone. 36.3 percent of TEPE participants expect an improvement in their business activities over the next three months whereas 33.3 percent expect deterioration in business activities. This implies an improvement by 18.1 points compared to June 2010 and by 6.2 points compared to July 2009.

Figure-2: Expectations for the three months ahead (%increased- %decreased)

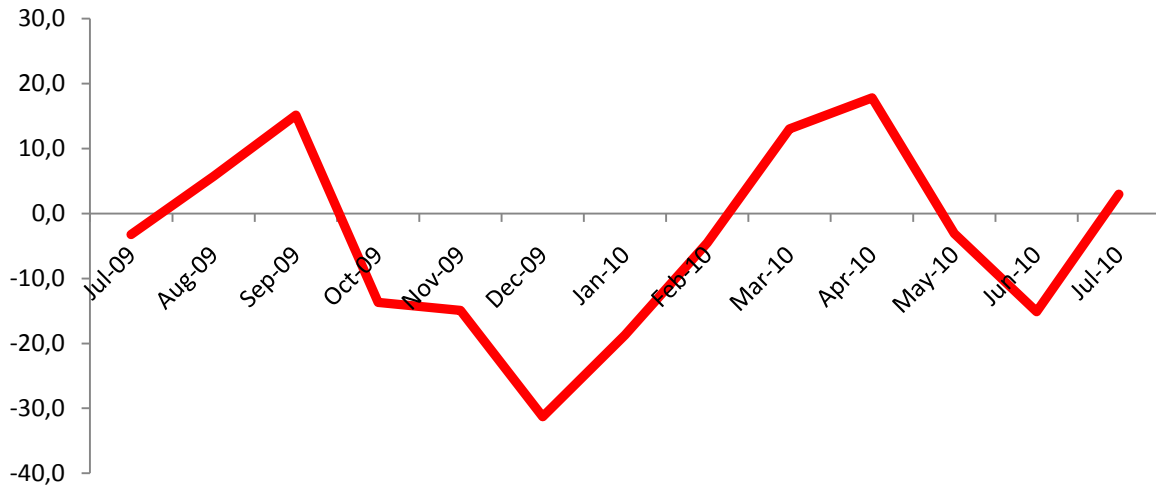


Table-2. TEPE – Expectations for the three months ahead (%increase- %decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008					-26,3	-39,0	-21,6	4,9	0,9	-31,5	-44,0	-53,2
2009	-40,1	-27,6	-24,0	-1,3	-11,9	-7,5	-3,2	5,7	15,1	-13,7	-14,9	-31,3
2010	-18,7	-4,5	13,0	17,8	-3,1	-15,1	3,0					

C. TEPE surpassed the EU-27 average for the first time since October 2009. EU-27 average which stood 4.5 points above TEPE in June 2010 fell below TEPE by 0.2 points in July 2010. The average for the Eurozone varies 3.4 points below the EU-27 average.

Figure-3. Comparison of TEPE with EU-27 Retail Confidence Index (July-2009, July-2010)

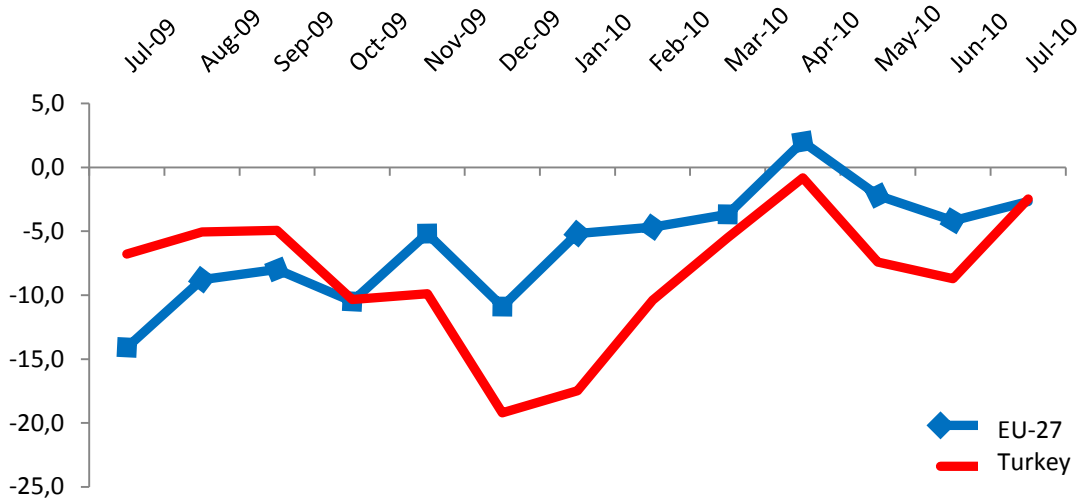


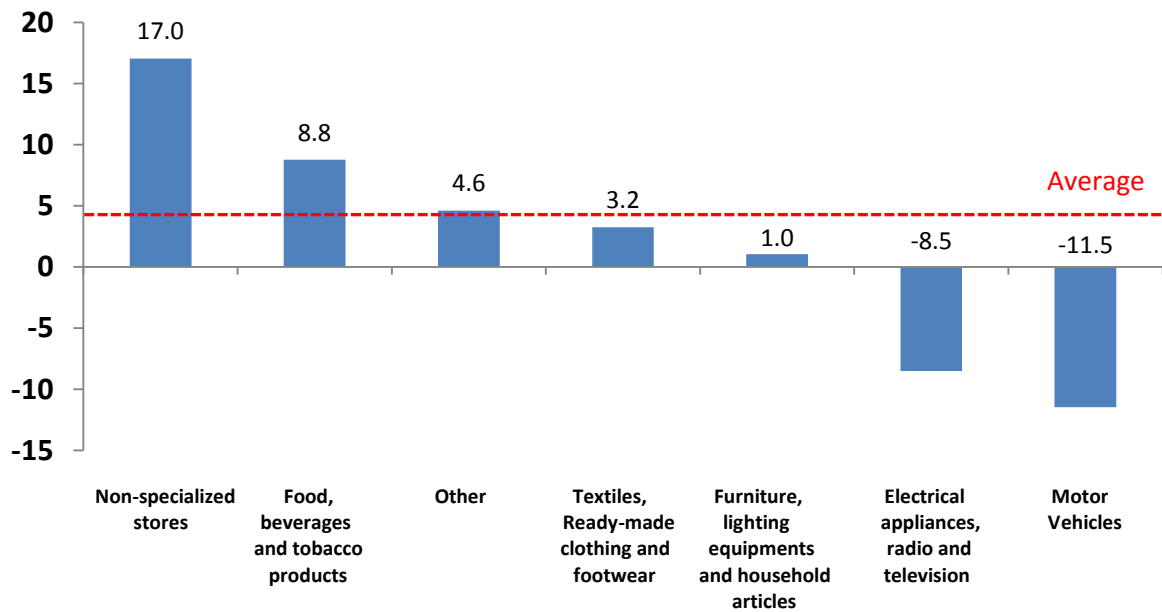
Table-3. EU-27

%	January	February	March	April	May	June	July	August	September	October	November	December
2008					-1,7	-4,8	-13,9	-13,2	-12,4	-16,3	-18,8	-29,0
2009	-25,9	-22,1	-18,8	-17,1	-11,9	-13,7	-14,1	-8,8	-8,0	-10,5	-5,2	-10,9
2010	-5,2	-4,7	-3,7	2,0	-2,2	-4,2	-2,7					

\* EU-27 uses NACE Rev 2.2 classification since May 2010.

D. Considering the performance of sub-sectors, it is seen that in July 2010 non-specialized stores; food, beverages and tobacco products; other; and textiles and ready-made clothing sectors demonstrated a better performance. On the other hand, survey results reveal that electrical household appliances and motor vehicles sectors recorded decreases by 8.5 and 11.5 points, respectively.

**Figure-3.** Change in TEPE in July-2010 compared to the same period in the last year (points)



**E. The improvements in expectations and the increases in the orders placed with suppliers were striking in July 2010. The recovery in expectations for employment taking place since June 2010 continues.**

**Table-4.** Details results by questions (%)

Questions	Index 07/2009	Index 06/2010	Index 07/2010	Change comp. to the month before 07/2010	Change comp. to the same month in the year before 07/2010
How has your business activity developed over the past three months? It has...	-37,0	-28,5	<b>-25,5</b>	3,0	11,5
Do you consider the volume of inventories you currently hold to be...? <sup>1</sup>	19,8	17,6	<b>15,1</b>	-2,5	-4,7
How do you expect your orders placed with suppliers to change over the next 3 months? They will...	-17,0	-17,0	<b>-5,1</b>	11,9	11,8
How do you expect your business activity (sales) to change over the next 3 months? It will...	-3,2	-15,1	<b>3,0</b>	18,1	6,2
How do you expect your firm's total employment to change over the next 3 months? It will...	-6,0	1,3	<b>3,0</b>	1,7	9,0
How do you expect the prices you charge to change over the next 3 months? They will...	3,2	-5,1	<b>2,5</b>	7,5	-0,7
How has your business activity developed this year compared to the same period in the last year? It has...	-39,6	-30,8	<b>-25,0</b>	5,8	14,7
Do you expect an increase in the number of your stores next year?	-5,0	11,9	<b>11,8</b>	-0,2	16,8

<sup>1</sup> Positive inventory level indicates that current level of inventory stands below the normal.  
The (-) values in Table-4 implies that negative expectations are more dominant than positive expectations.