

TEPE IN THE NEGATIVE ZONE IN NOVEMBER 2010: -2.7

A. Achieving positive values since August 2010, TEPE went to the negative zone in November and stood at -2.7. TEPE dropped by 3.8 points month-on-month and increased by 7.2 points year-on-year.

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

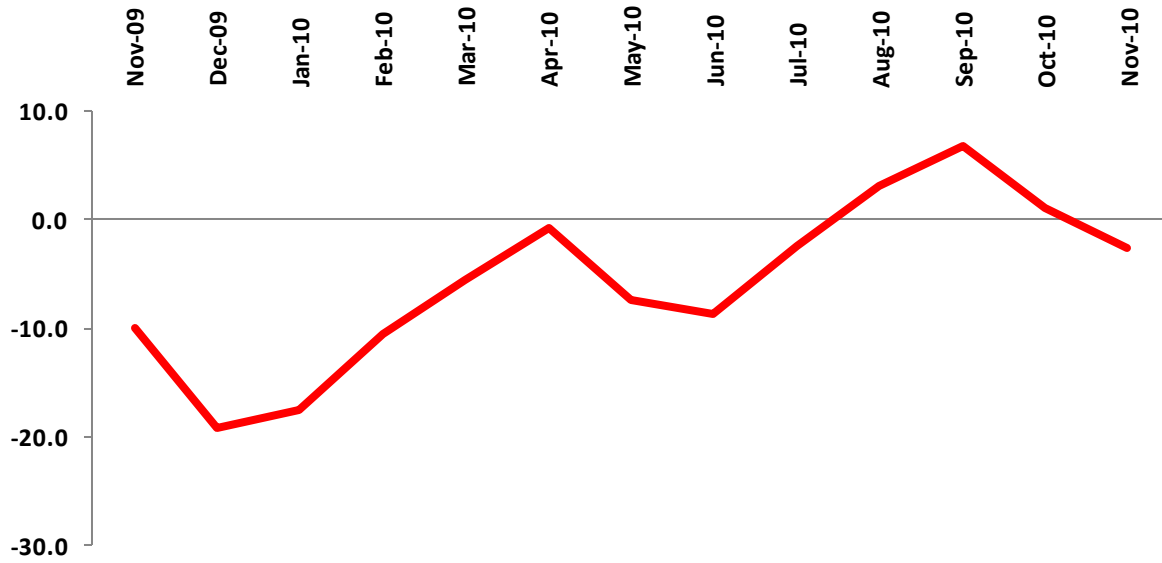


Table-1. TEPE

%	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	3.2	6.8	1.1	-2.7	

B. In November 2010 expectations for the next 3 months decreased by 3.9 points month-on-month. 28 percent of TEPE survey participants expect recovery in their business activities while 33.7 percent expect deterioration in business activities. This implies a 9.2 points of recovery compared to November 2009.

Figure-2. TEPE – Expectations for the next three months (% increase- % decrease)

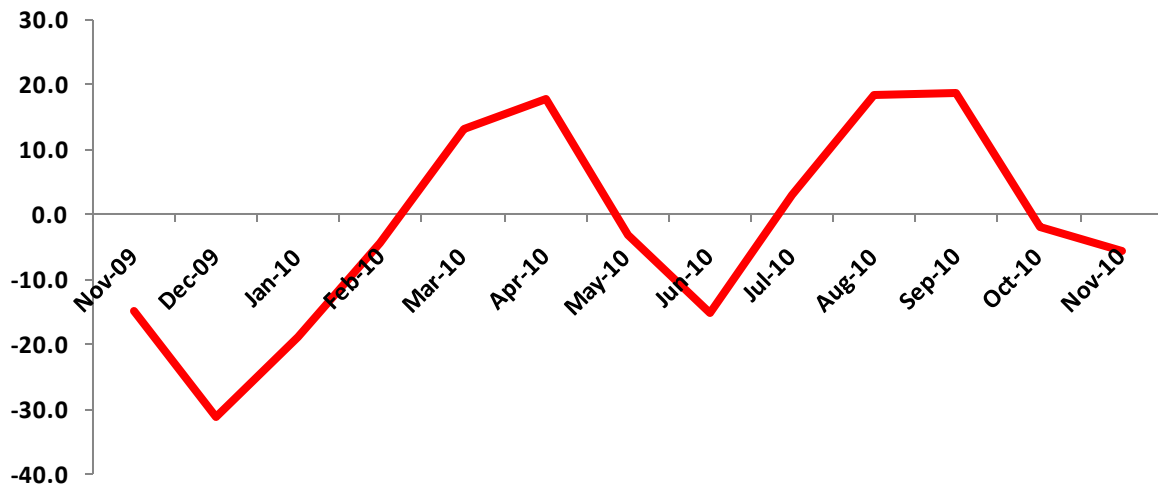


Table-2. TEPE – Expectations for the next three months (% increase- % decrease)

%	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	18.5	18.6	-1.8	-5.7	

C. The difference between the participants who declared an improvement in business activities and who declared a deterioration in business activities compared to the same period in the year before increased by 31.9 points year-on-year and by 7.0 points compared to October 2010.

Figure-3. TEPE - Year-on-year change in business activities (%increase- %decrease)

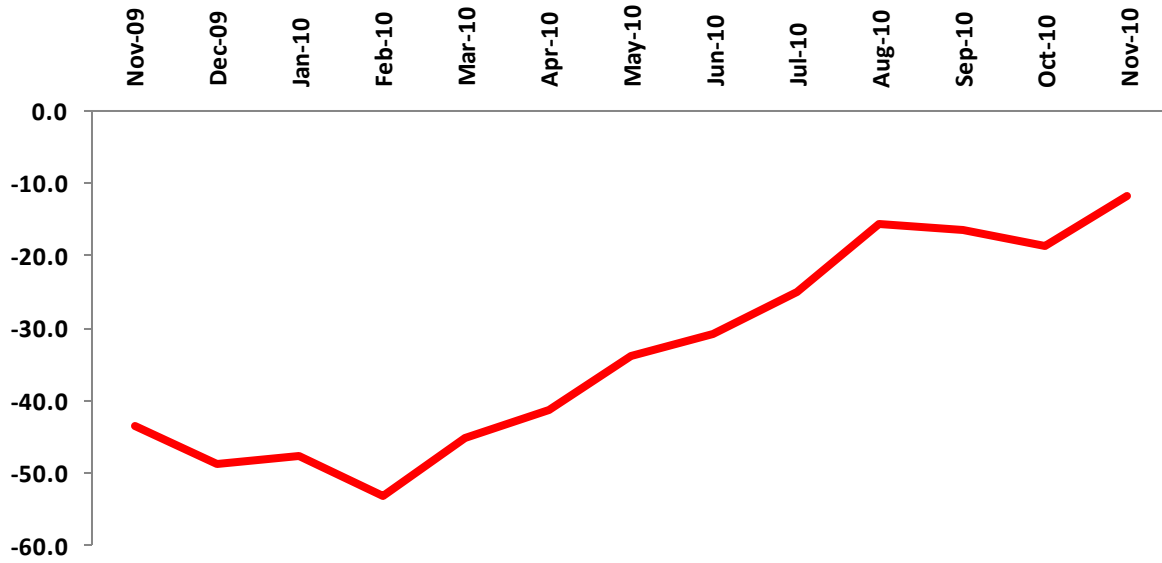


Table-3. TEPE - Year-on-year change in business activities (%increase- %decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008					-60.1	-60.7	-61.5	-47.6	-55.5	-57.1	-62.7	-68.1
2009	-73.4	-73.2	-64.6	-66.4	-56.8	-35.3	-39.6	-42.5	-60.1	-52.1	-43.6	-48.9
2010	-47.7	-53.1	-45.2	-41.4	-33.9	-30.8	-25.0	-15.6	-16.3	-18.7	-11.7	

D. TEPE stood below the EU27 average in November 2010. EU27 Retail Index was recorded at 1.2 in November 2010 which implied 6.4 points of increase year-on-year.

Figure-4. TEPE Comparison of TEPE and EU-27 Retail Index (November-2009, November -2010)

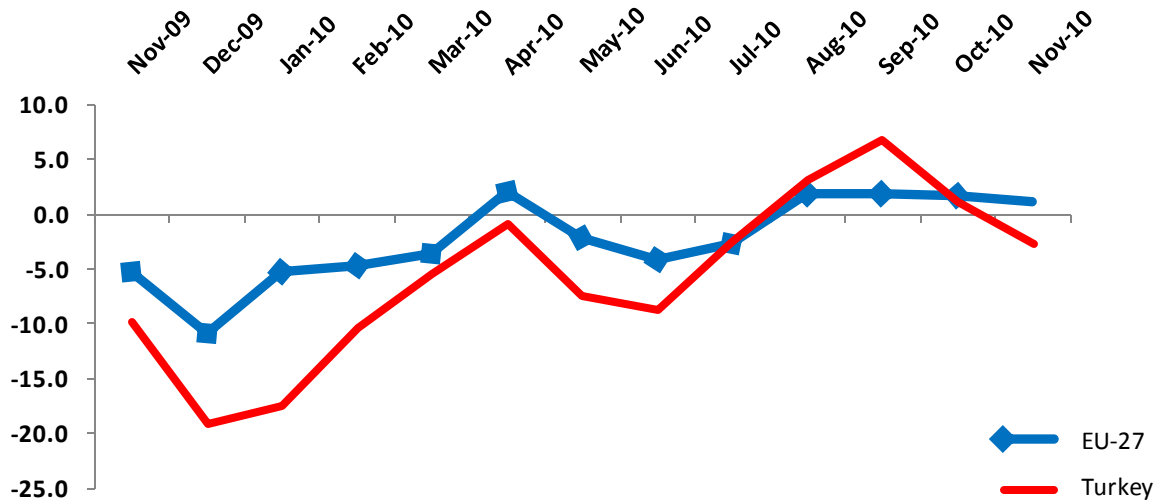


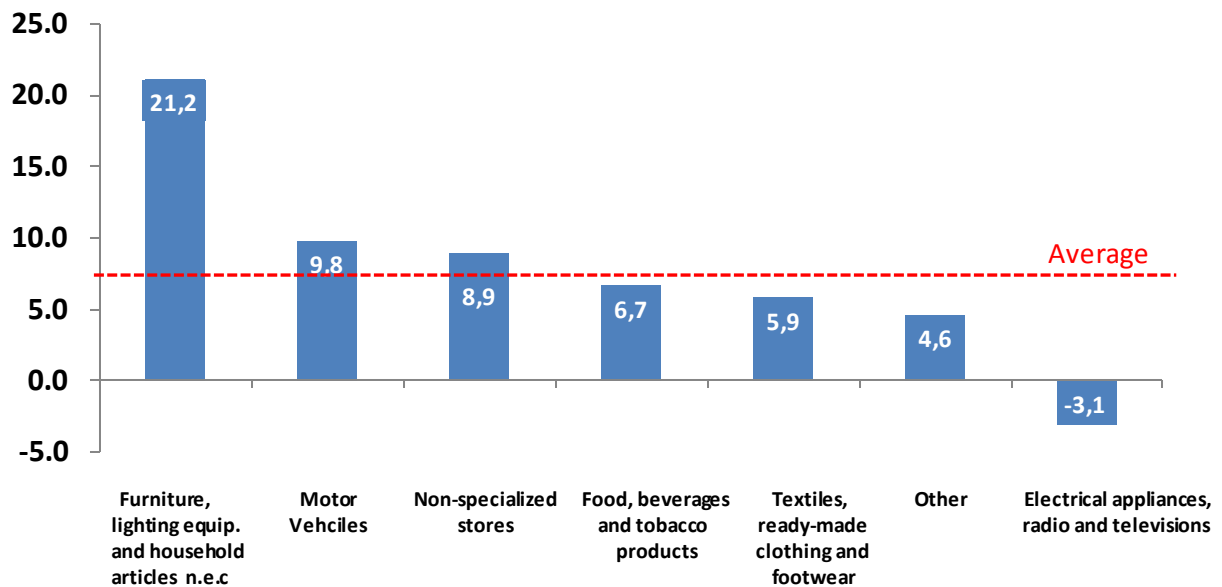
Table-4. EU27

%	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	1.8	1.8	1.6	1.2	

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

E. Analysis of the performance of sub-sectors indicates that in November 2010, furniture, lighting equipments n.e.c., motor vehicles and non-specialized stores demonstrated a successful performance. On the other hand food, beverages and tobacco products, ready-made clothing and other sectors performed relatively worse. Electrical household articles, radio and television sectors demonstrated a drop compared to the year before.

Figure-5. Year-on-year change in TEPE, November 2010 (points)



F. Detailed results of the TEPE survey for particular questions reveal that in November 2010, business activities, orders placed with suppliers, expectations for sales over the next three months, employment expectations, expectation for the prices over the next period and expectations for the number of stores over the next period worsened. On the other hand, it is observed that business activities recovered in comparison with the year before and that the current level of inventory is below normal.

Table-5. Detailed results by TEPE questions (%)

Questions	Index 10/2009	Index 09/2010	Index 10/2010	Month-on- month change 10/2010	Year-on-year change 10/2010
How has your business activity developed over the past three months ? It has...	-39.4	-15.5	-15.8	-0.3	23.6
Do you consider the volume of inventories you currently hold to be...? ¹	24.5	20.4	13.4	-7.0	-11.1
How do you expect your orders placed with suppliers to change over the next 3 months? They will...	-26.8	-0.1	-10.9	-10.8	15.9
How do you expect your business activity (sales) to change over the next 3 months? It will...	-14.9	-1.8	-5.7	-3.9	9.2
How do you expect your firm's total employment to change over the next 3 months? It will...	-6.1	5.6	0.6	-5.0	6.7
How do you expect the prices you charge to change over the next 3 months? They will...	-4.3	6.0	3.6	-2.4	7.9
How has your business activity developed this year compared to the same period in the last year? It has...	-43.6	-18.7	-11.7	7.0	31.9
Do you expect an increase in the number of your stores next year?	6.4	10.8	9.3	-1.5	2.9

¹ Positive inventory level indicates that current level of inventory stands below the normal.

The (-) values in Table-5 implies that negative expectations are more dominant than positive expectations.