



Press release

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Producer confidence improving slightly

Producer confidence, the mood indicator among entrepreneurs in the manufacturing industry stands at - 0.7 in March 2002. This is almost 1 point higher than in February. In November 2001 producer confidence reached its low with -5.6 In December confidence among entrepreneurs started to improve gradually. The economic survey conducted by Statistics Netherlands shows that the order position in March was slightly better than in February. The entrepreneurs in industry expect production to recover during the period April-June. Both industry and business services received fewer new orders in the first quarter of this year than in the fourth quarter. The slowdown is more substantial in business services than it is in industry.

Some improvement in order portfolio

Due to the increase in orders received in March 2002 the order position of the Dutch manufacturing industry improved slightly. The index for the order position in March came to 92.7 (June 2000=100). The entrepreneurs in the manufacturing industry are more positive about the order position than in February. The opinions expressed about their stocks remain the same. On balance 6% of the entrepreneurs feel their stocks of finished products are too big, just like in the last few months. They expect an increase in production for the period April-June, stimulated by more international orders.

Lower degree of capacity utilisation

Earlier this month Statistics Netherlands published figures on industrial production. These showed that the year-on-year production in the manufacturing industry has been falling since May 2001. These lower production figures led to a lower degree of capacity utilisation, which reached 83.0% on 31 March 2002. The major cause of the lower production figures is the expected lack of demand. The entrepreneurs also expect a reduction in the work force within the next six months.

Fewer orders in business services

The entrepreneurs in business services saw their orders and their turnover

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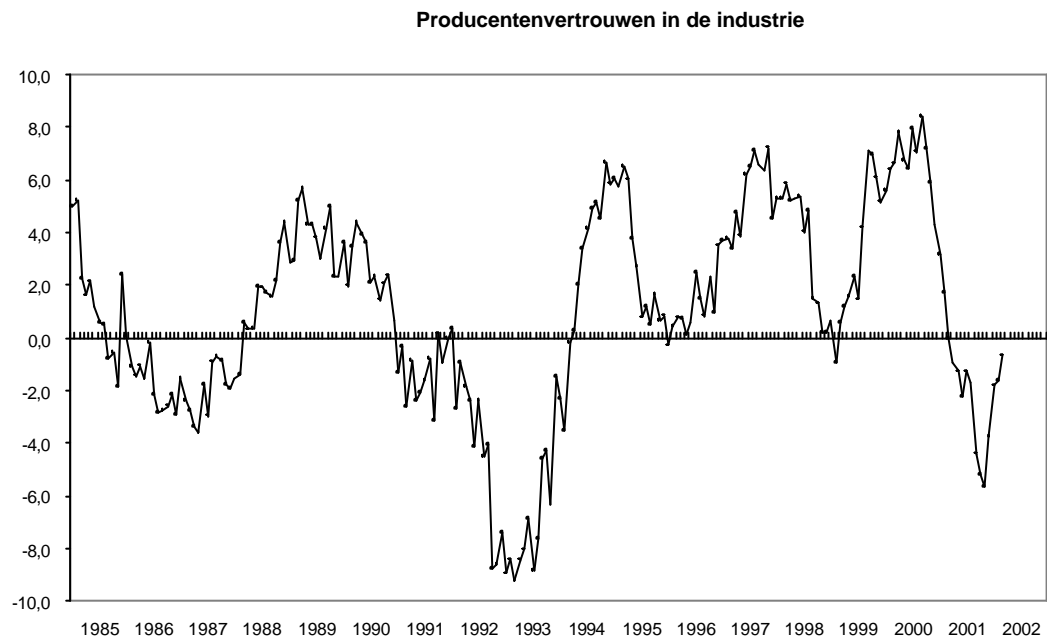
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reduced in the first quarter of 2002 compared to the fourth quarter of 2001. Orders were also slowing down in the previous two quarters. Turnover on the other hand were still on the increase then. However, the expectations for the second quarter of 2002 are that the new orders and turnovers will go up. Cuts in the work force are also expected in business services, as is the case in industry

Producer confidence in the manufacturing industry



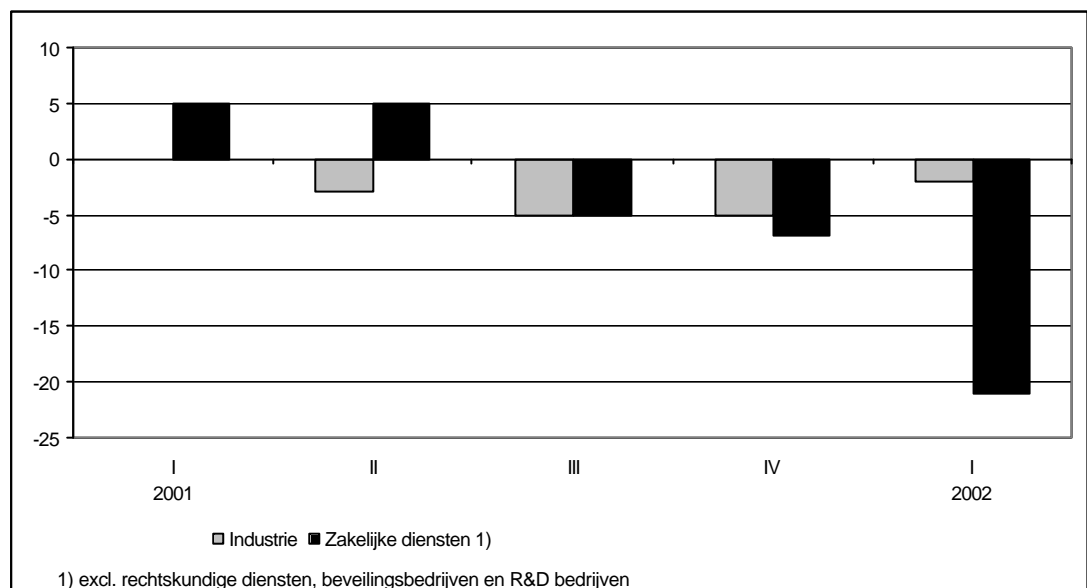
Producer confidence in industry (seasonally corrected figures)

	Jan	Feb	Mr	Apr	Ma	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Yr
1999	0,6	-1,0	0,6	1,2	1,5	2,3	1,4	4,2	7,1	6,0	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	7,0	5,9	4,3	6,7
2001*	3,2	1,7	0,0	-1,0	-1,3	-2,2	-1,3	-1,7	-4,4	-5,2	-5,6	-3,8	-1,8
2002	-1,8	-1,6	-0,7										

* The figures on 2001 are slightly adjusted because new seasonal factors have been applied.

Source: Statistics Netherlands

Orders received in the manufacturing industry and business services



Source: Statistics Netherlands