

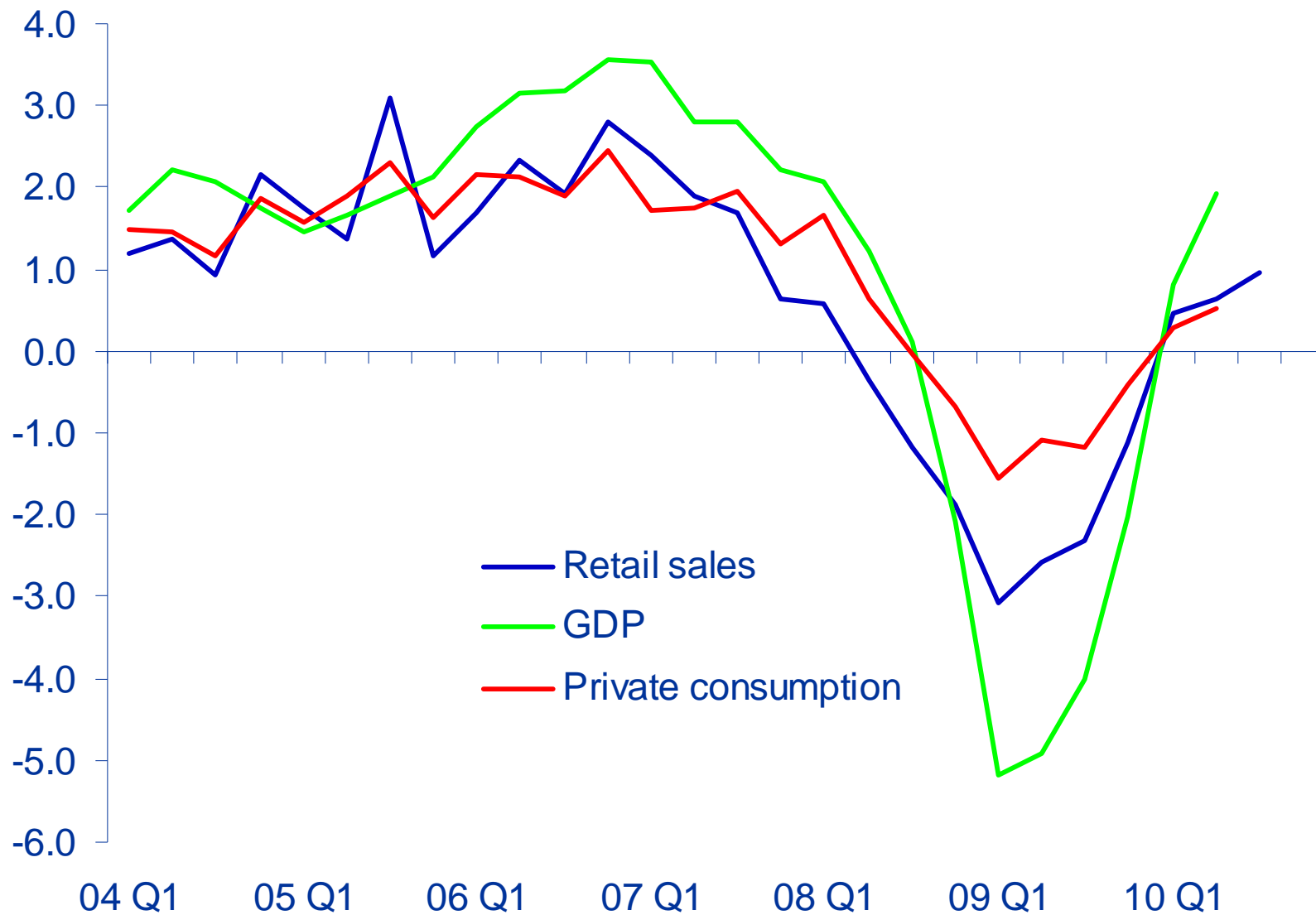
# **Retail Sales from a Euro Area Perspective**

**World Retail Congress, Berlin**

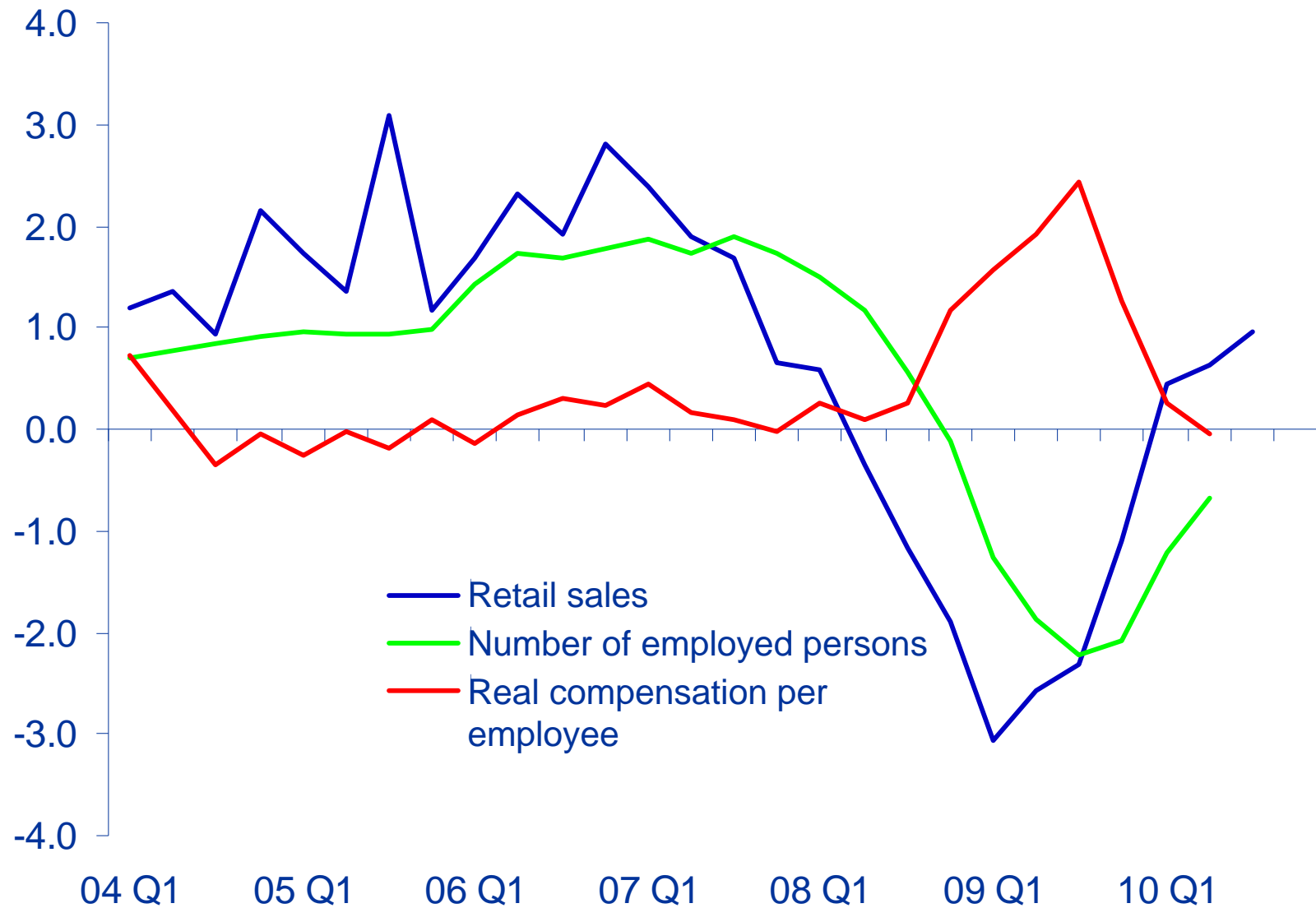
**Gertrude Tumpel-Gugerell  
Member of the Executive Board  
European Central Bank**

**25 October 2010**

# Chart 1: Euro area GDP, private consumption and retail sales (annual percentage change)

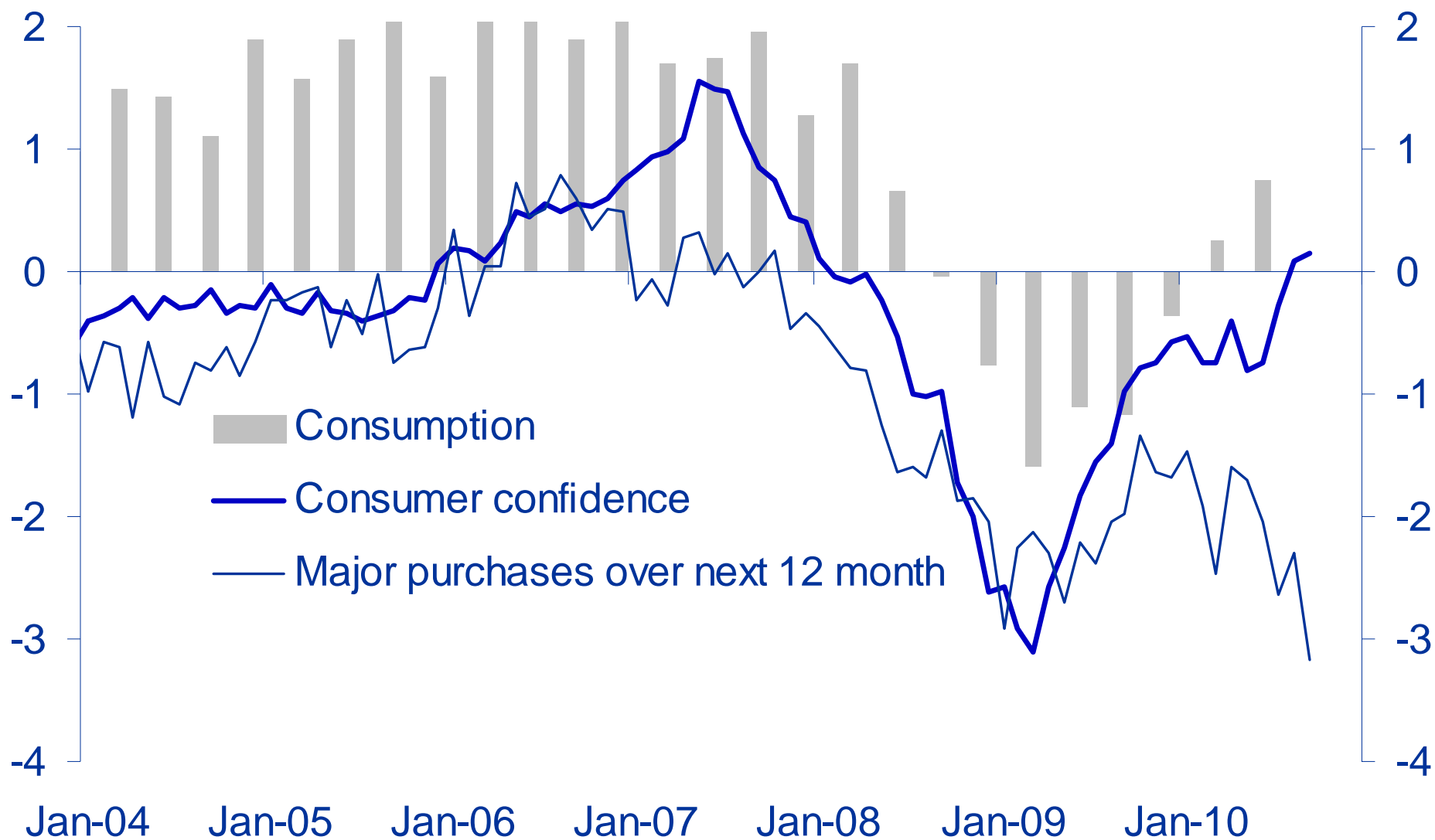


# Chart 2: Retail sales and real labour income breakdown *(year-on-year change, %)*

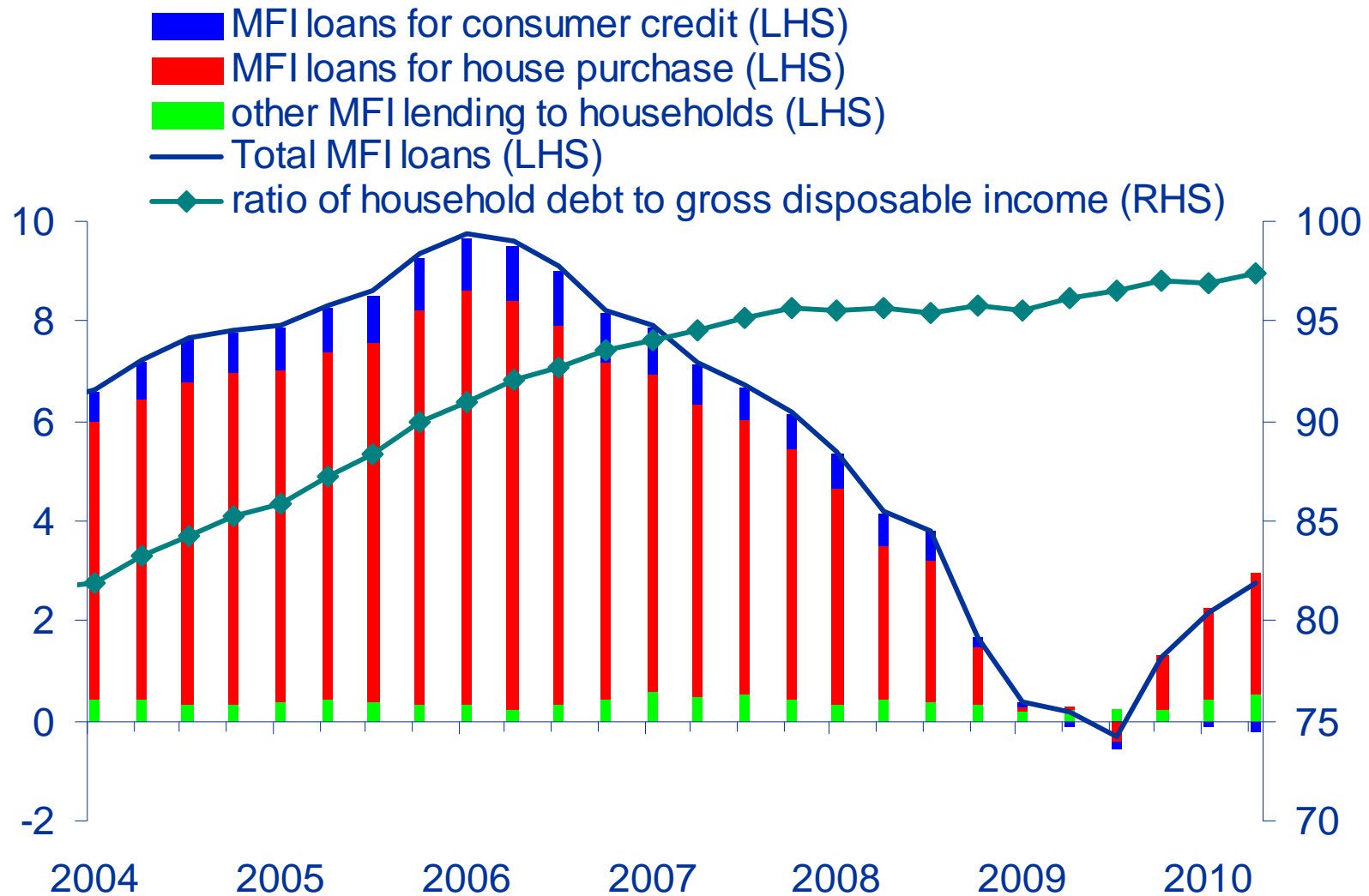


# Chart 3: Consumption and surveys

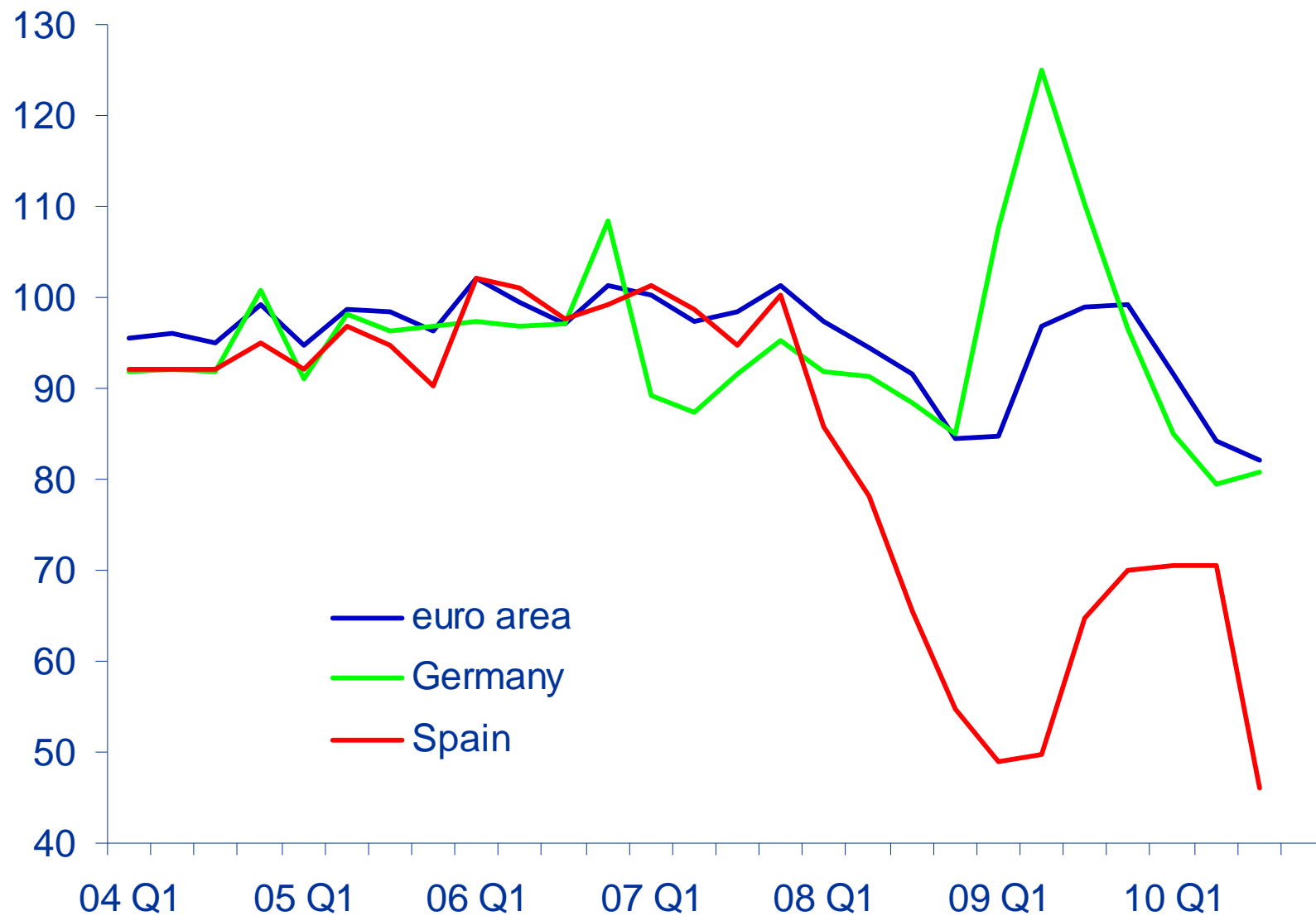
(year on year growth; standard deviations from series means)



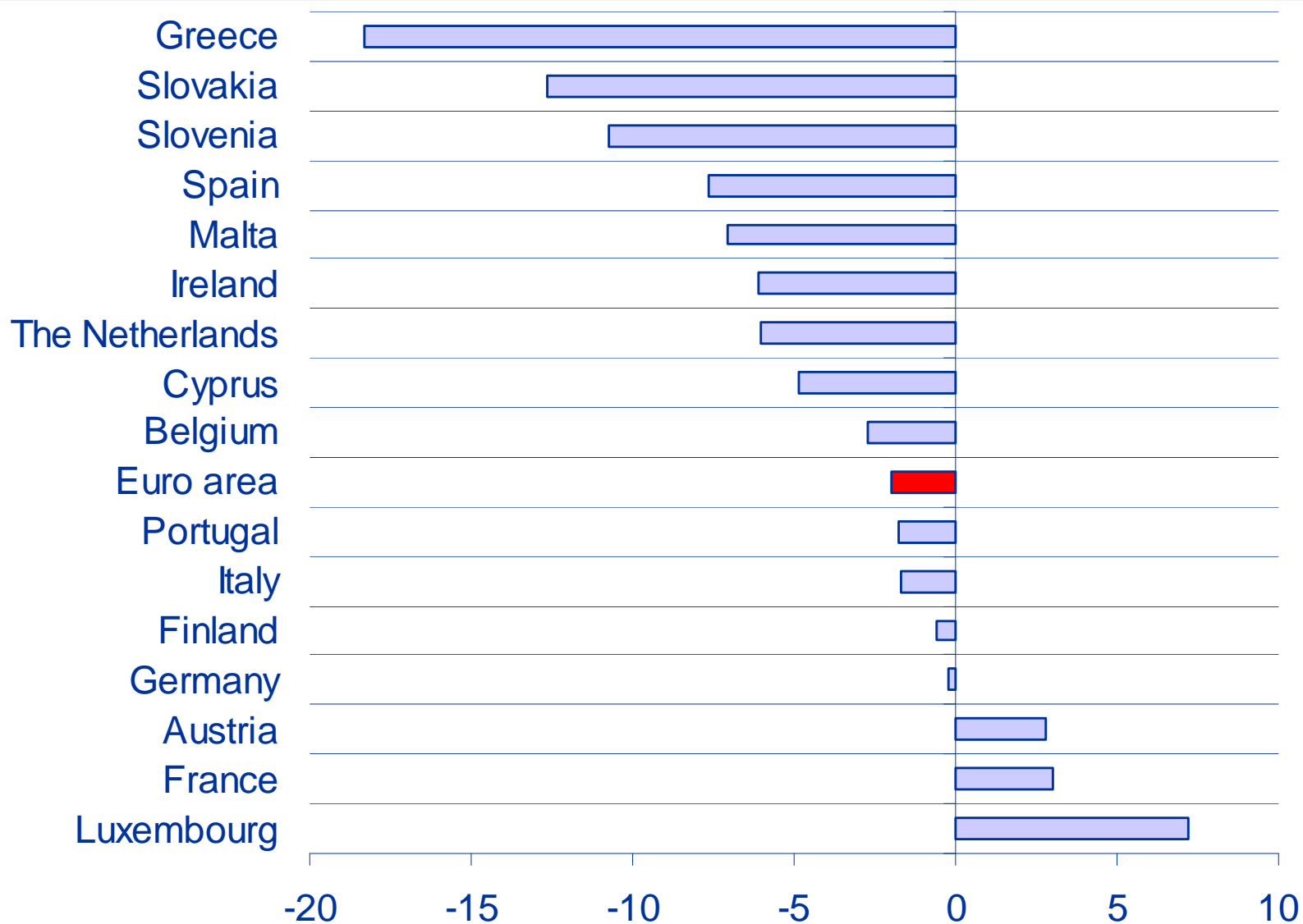
# Chart 4: Lending to households and household debt in the euro area *(annual percentage changes; pp. contributions; %)*



# Chart 5: New car registrations (index: 1996 = 100)



# Chart 6: Retail sales - percentage difference between 2008Q2 and 2010Q2



# Concluding remarks and outlook

- Positive underlying momentum of the recovery in the euro area.
- Private consumption is expected to display moderate growth due to...
  - ... weak labour markets;
  - ... low growth in compensation per employee;
  - ... higher savings due to economic uncertainty; and
  - ... muted loan growth reflecting high debt levels and subdued house prices.
- Consumption should, however, benefit from...
  - ... real income developments due to higher profitability and declines in inflation; and
  - ... a lower degree of net tightening of credit standards.



**Thank you**