

ZVEI Foreign Trade Report

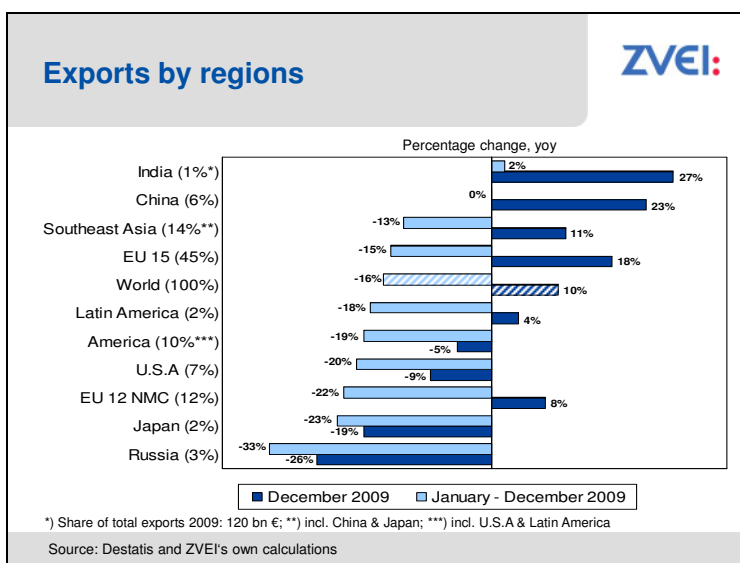
Exports and export expectations

In December 2009 exports of the German Electrical and Electronic Industry rose by ten percent. It was the return to a positive year-on-year growth rate for the first time since summer 2008. Nevertheless, during the entire course of last year exports fell back by 16 percent onto a level of 120 billion euro. As the decline rate within the German industry sector as a whole has been even larger, the E&E Industry's export volume in 2009 exceeded those of all the other manufacturing branches. ZVEI expects that this year exports of the E&E Industry will recover in the range of five percent.

Export expectations of the E&E Industry's firms have further improved in February 2010. On balance one fifth of the sector's companies await an enlivenment of its export transactions within the next three months to come.



Development of exports by regions and imports



The E&E Industry's exports to China and India increased by approximately one fourth in December 2009 (year over year), respectively. Likewise, exports into the EU member states as well as to Southeast Asia rose by comparatively high (year-on-year) growth rates.

Between January and December 2009 exports to nearly all important countries and regions have been in a slump. Beside the trade with China and India only exports to the Middle East have been an exception.

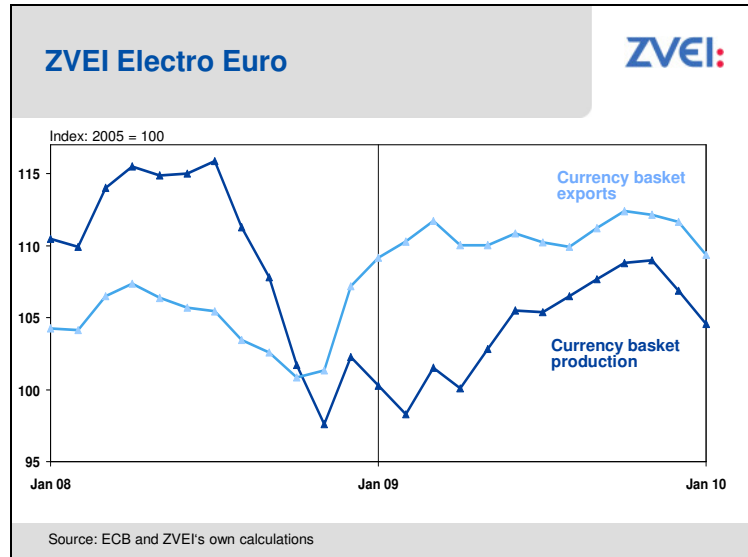
German imports of electrical and electronic products exceeded their previous year level by five percent in December. During the course of the entire year 2009 they sagged by 13 percent onto a level of 106 billion euro.

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"Electro Euro"

At last merely 1.35 US dollar had to be paid for one unit of the European currency. Due to the coupling of a whole clutch of important currencies to the greenback – to mention last but not least the Chinese Renminbi Yuan – the euro currently devaluates against these currencies as well.

Between December 2009 and January 2010 the European currency has lost two percent in value as measured by the basket comprising the currencies of the ten most important export countries from the E&E Industry's point of view. Furthermore, the euro's depreciation against the basket covering the currencies of the ten prime E&E production countries all over the world also mounts up to two percent. Accordingly, the decline in import prices has lastly further slowed down.



Key Figures of Foreign Trade

	Unit	2008	2009 December	2009 Jan - Dec		Unit	2008	2009 December	2009 Jan - Dec	
Exports total	bn €	143.5	11.2	120.0	Imports total	bn €	121.4	9.4	105.6	
yoy		-3.0%	9.5%	-16.4%	yoy		-2.4%	-5.0%	-13.0%	
Top ten receiving countries					Export prices					
U.S.A.	bn €	10.6	0.7	8.5	yoy		-3.1%	0.4%	-0.5%	
yoy		-6%	-9%	-20%	Import prices					
France	bn €	10.4	1.0	9.4	yoy		-7.2%	-3.8%	-4.4%	
yoy		-5%	30%	-8%	"Electro Euro"					
United Kingdom	bn €	8.6	0.8	7.3						
yoy		-8%	32%	-12%						
Spain	bn €	8.2	0.5	5.0						
yoy		0%	17%	-35%						
Italy	bn €	8.1	0.6	6.7						
yoy		-5%	9%	-15%						
China	bn €	7.0	0.7	6.9						
yoy		16%	23%	0%						
Austria	bn €	6.8	0.5	5.8						
yoy		-2%	-3%	-9%						
Netherlands	bn €	6.7	0.6	6.1						
yoy		2%	14%	-3%						
Poland	bn €	6.1	0.4	4.1						
yoy		4%	-23%	-29%						
Switzerland	bn €	5.2	0.4	4.5						
yoy		0%	0%	-13%						
							€ compared to export basket* change Jan 2010 / Dec 2009 -2.1%			Jan 2010 / Jan 2009 0.2%
							€ compared to production basket** change Jan 2010 / Dec 2009 -2.2%			Jan 2010 / Jan 2009 4.3%
*) Export basket (€ performance vis-à-vis weighted basket of currencies of 10 most important receiving countries out of € area: U.S.A., United Kingdom, China, Poland, Switzerland, Russia, Czech Republik, Sweden, Hungary, Turkey)										
**) Production basket (€ performance vis-à-vis weighted basket of currencies of 10 most important E&E production countries out of € area: China, U.S.A., Japan, South Korea, United Kingdom, Taiwan, Singapore, Brasilia, Malaysia, Mexico)										