

# KWAZULU-NATAL PROVINCIAL TREASURY IGR UNIT

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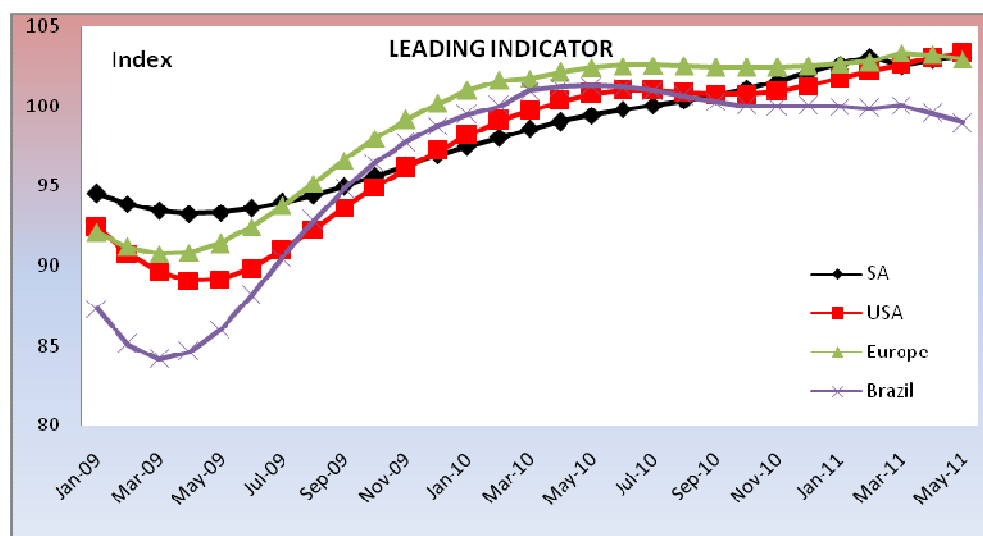


## MONTHLY ECONOMIC NEWS LETTER July 2011

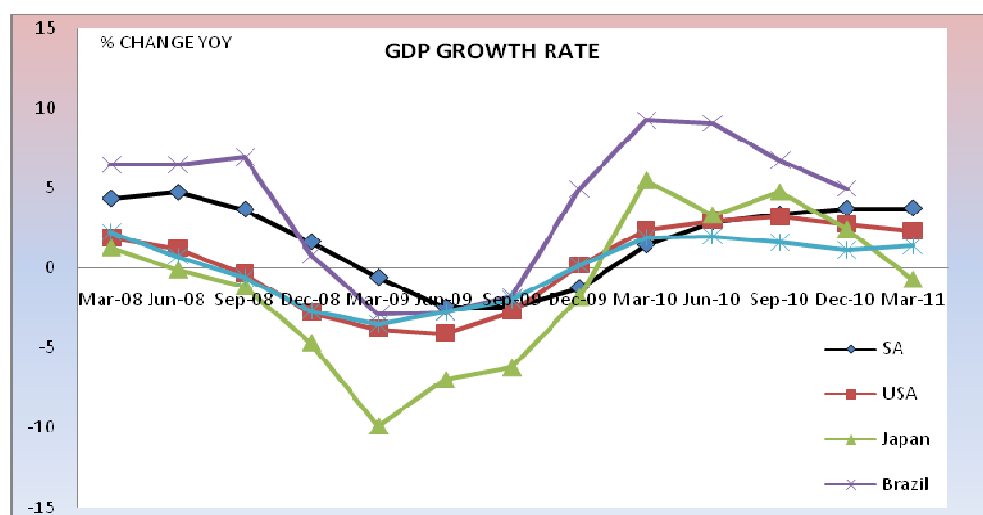
Italy has one of the “worst” labour markets in Europe. This statement is often made by analysts and labour experts. One may disagree with that statement, but it is unquestionable, as the statistics show rather well, that Italy shares with some other southern European countries a series of negative records, such as the highest rate of long-term unemployment, the highest youth unemployment rate, the lowest participation rate of women and older workers, and, lastly, the lowest employment rate, which is very far from the target of 70% of the working age population that the European Union has set for 2010. The list of the underlying factors includes: union power, the features of the collective bargaining system, the tax benefit system, active labour market policies, employment protection legislation, and regulations of the product markets (Carlo Dell’Ariaga, and IMF, 2009). The IMF suggests that labour market reforms must address the broad-ranging asymmetries in labor market regulations, including those in employment protection legislation and social safety nets, and help wages better respond to different conditions across firms and regions.

**Sounds Familiar???? And look at the mess of the Italian Economy.**

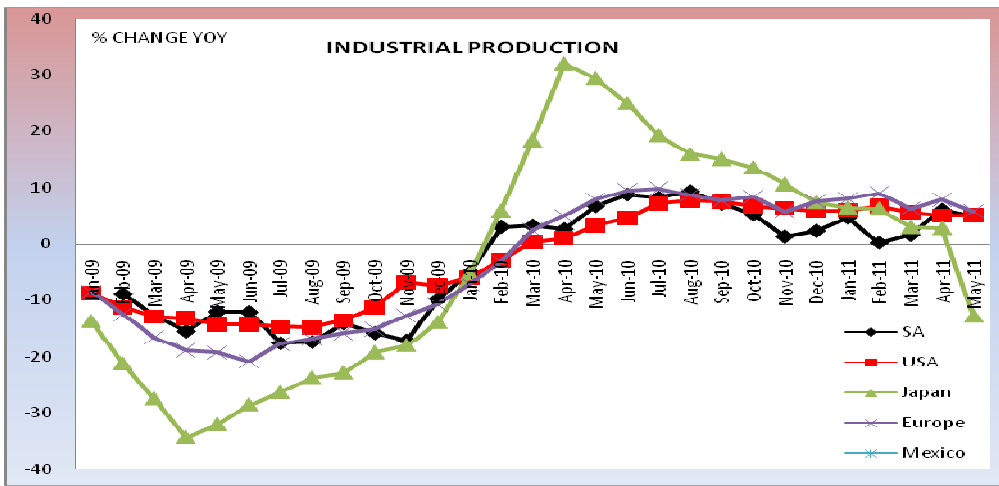
### MACROECONOMIC INDICATORS



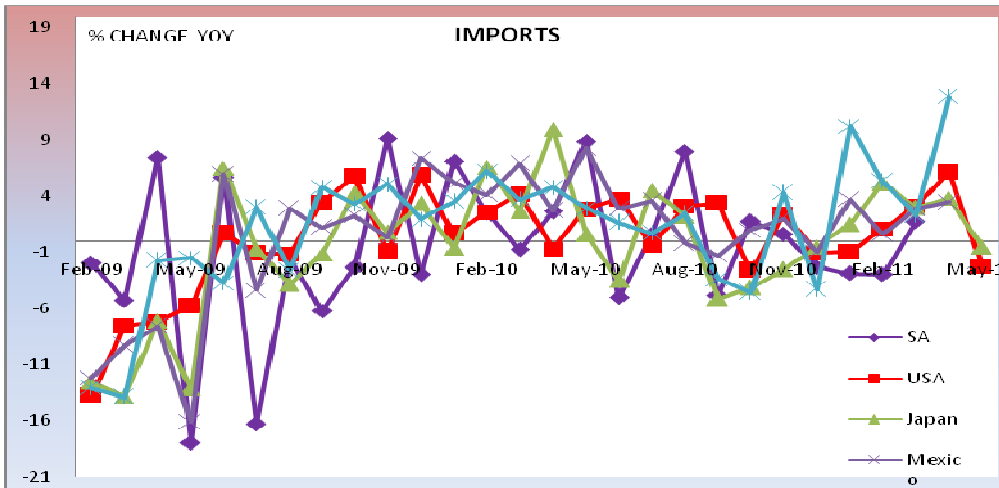
	Apr-11	May-11
Russia	104.00	103.90
Sweden	102.38	102.52
India	98.15	97.45
Turkey	102.70	102.07
Hungary	102.62	101.74
Indonesia	100.25	100.09
Australia	101.50	101.00
Korea	100.17	99.80
China	98.34	97.61



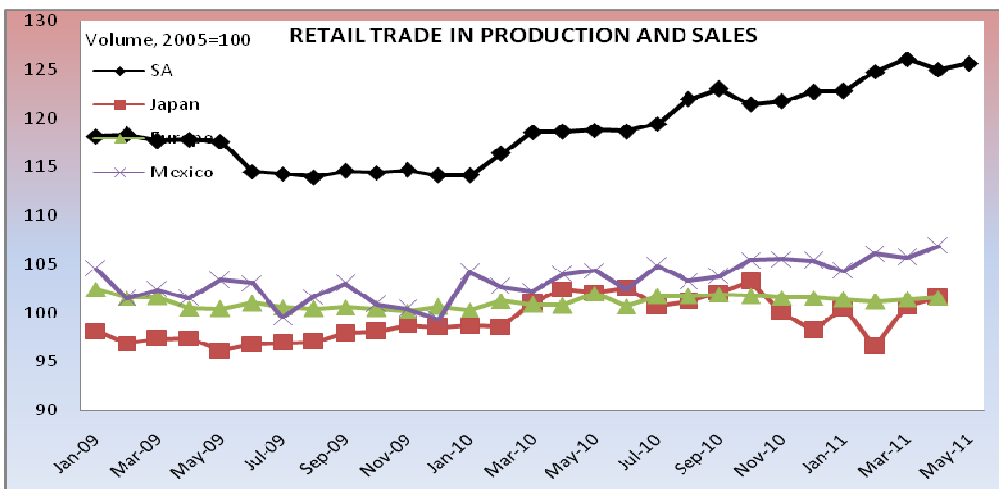
	Dec-10	Mar-11
Russia	4.32	3.81
Sweden	7.63	6.45
Brazil	4.99	4.11
India	-	-
Turkey	9.68	10.14
Hungary	2.64	2.23
Australia	2.32	0.98
Korea	4.71	0.98
China	-	-



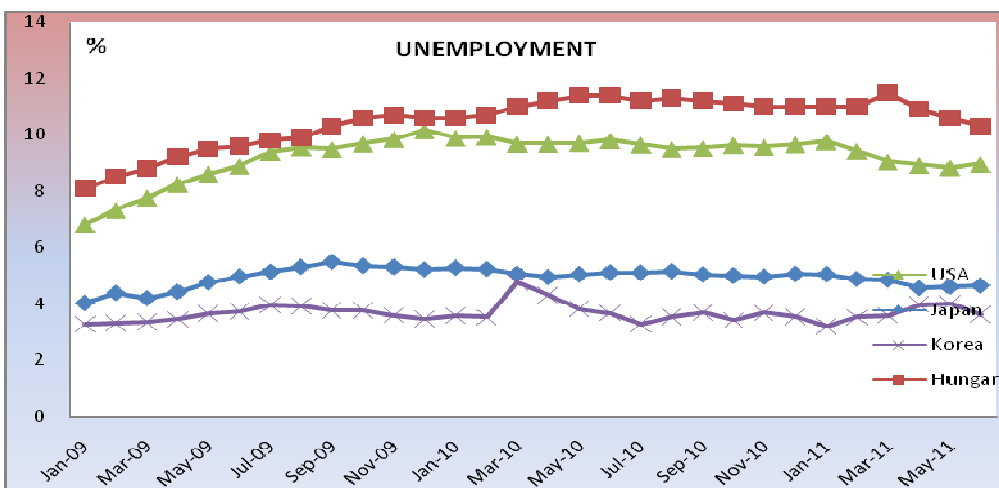
	Apr-11	May-11
Russia	5.14	4.24
Sweden	10.49	8.04
Chile	11.11	-
Poland	9.07	8.66
Hungary	9.72	-
New Zealand	-	-
Korea	7.15	6.79
China	-	-



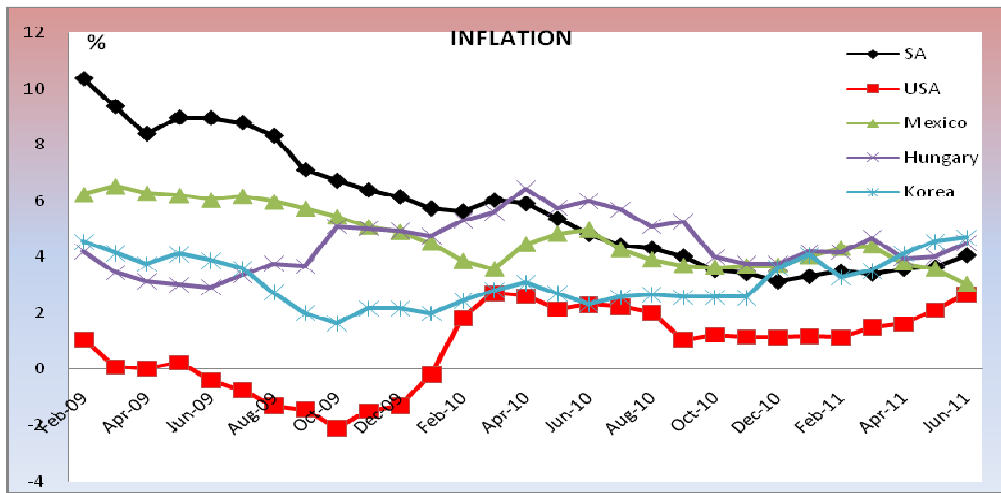
	Apr-11	May-11
Europe	-	-
Sweden	4.75	2.41
Chile	-	-
Poland	-	-
Hungary	-3.32	-
New Zealand	-8.06	-
Australia	5.17	-2.54



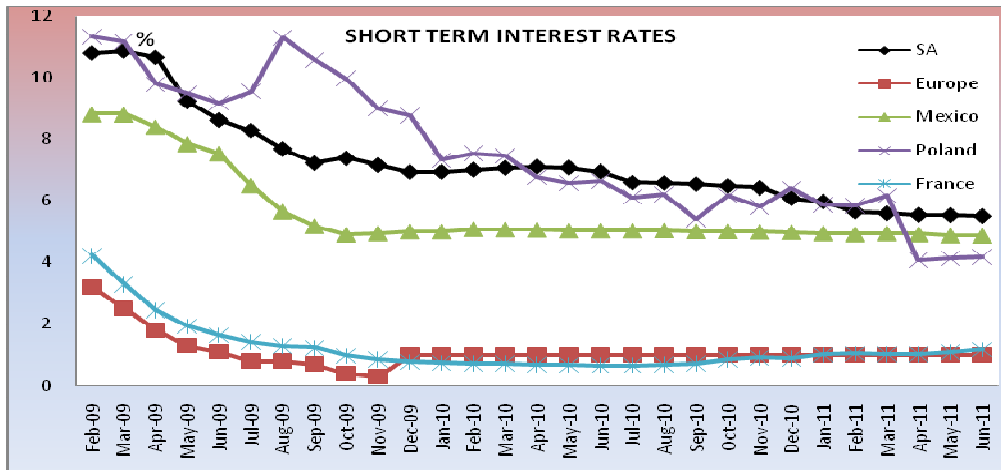
	Apr-11	May-11
USA	98.19	-
Mexico	106.54	-
Sweden	122.78	119.98
Hungary	93.40	-
China	-	-
Russia	159.67	161.22
Korea	123.81	125.01



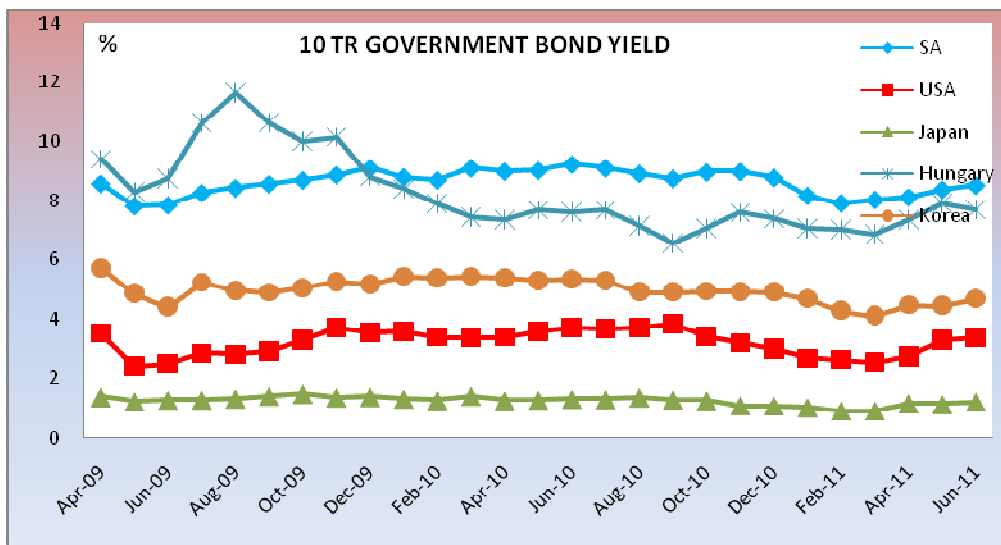
	Apr-11	May-11
Russia	-	-
Europe	9.90	9.90
Sweden	7.50	7.70
Japan	4.66	4.53
Australia	4.86	4.93
South Africa	20.34	20.34
USA	8.96	9.05
Korea	3.62	3.34



	May-11	Jun-11
Japan	0.30	-
Russia	9.59	-
Europe	2.70	2.70
Sweden	3.34	3.08
Chile	3.26	3.44
Poland	4.84	4.13
Hungary	3.94	3.52
Indonesia	5.98	5.54
France	2.03	2.12
China	5.50	6.40



	May-11	Jun-11
USA	-	-
Japan	0.34	-
Russia	-	-
Sweden	-	-
Chile	-	-
Poland	4.45	4.69
Indonesia	-	-
Korea	3.46	-
China	-	-

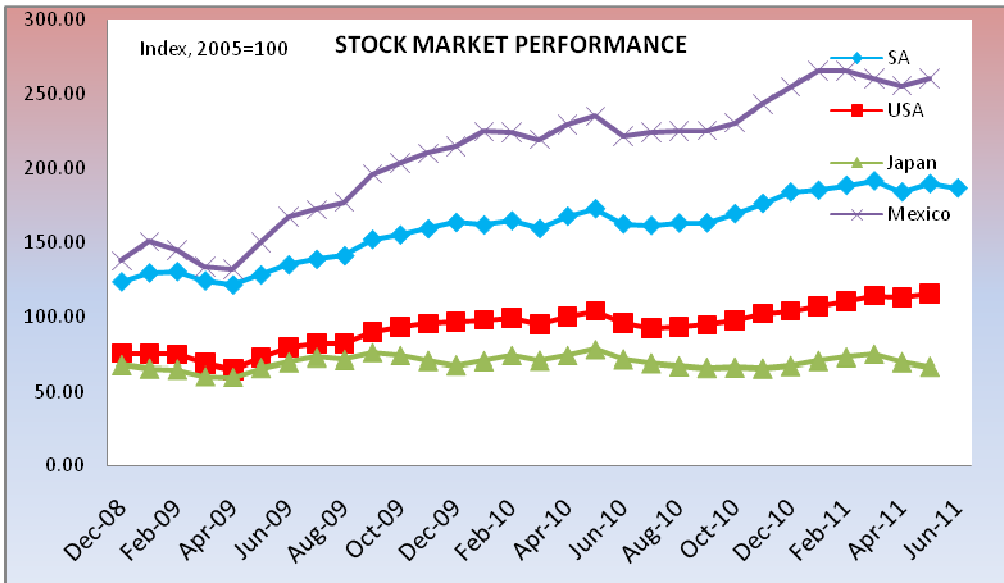


	May-11	Jun-11
Russia	8.02	-
Sweden	3.01	2.88
Mexico	4.84	4.73
Chile	6.24	-
Hungary	7.11	7.22
Australia	5.33	5.16

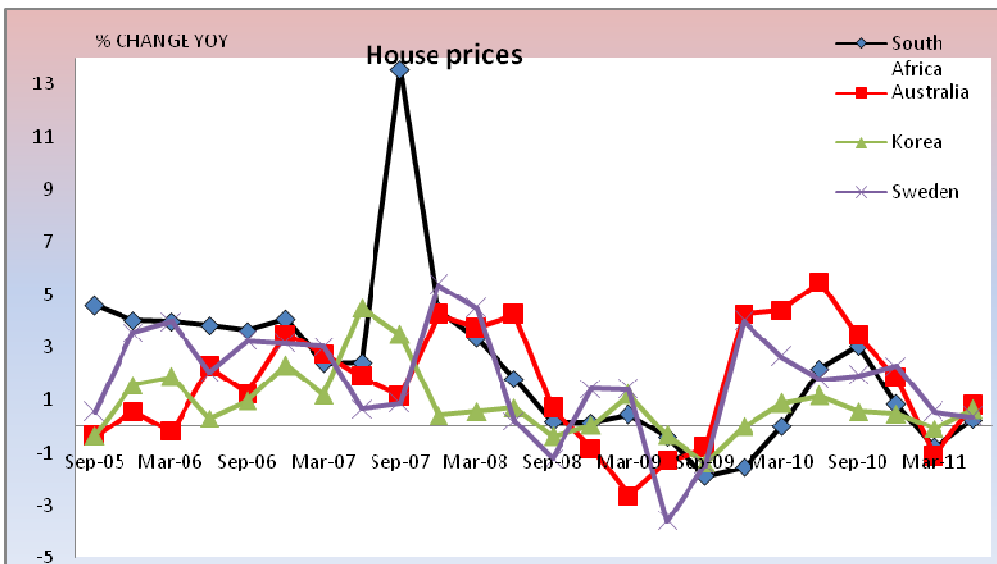
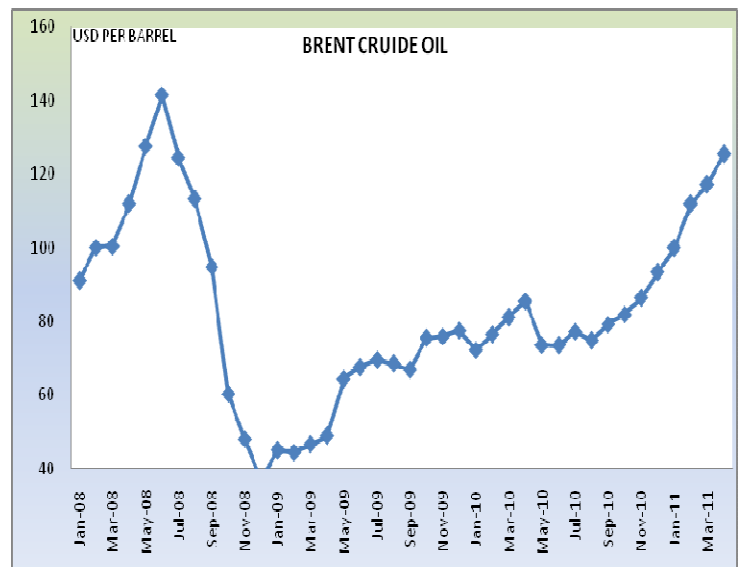
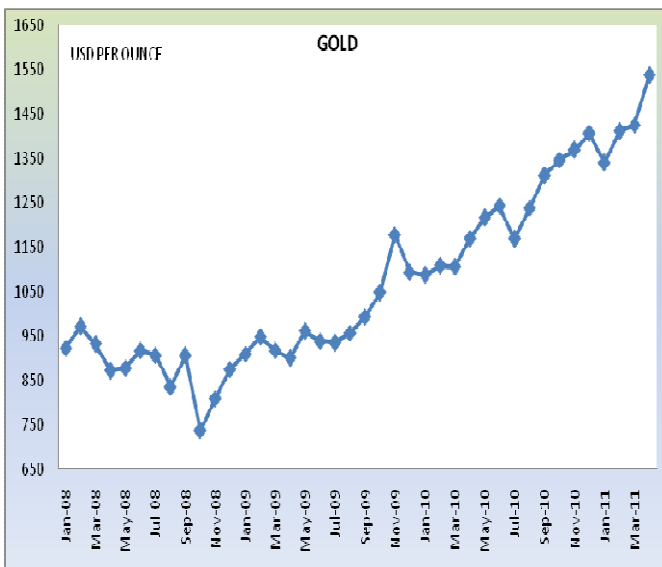
## FINANCIAL INDICATORS

	EXCHANGE RATES(PER 1 USD END OF THE MONTH)									
	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
SA	7.13	6.91	6.98	6.84	6.92	7.17	6.92	6.74	6.87	
USA	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Japan	84.37	81.80	82.55	83.27	82.58	82.54	81.66	83.17	81.08	80.40
Russia	30.84	30.32	30.97	30.85	30.08	29.29	28.43	28.10	27.91	..
Europe	0.76	0.72	0.73	0.76	0.75	0.73	0.71	0.69	0.70	0.69
Sweden	7.04	6.68	6.83	6.85	6.67	6.43	6.35	6.20	6.25	6.32
Mexico	12.80	12.44	12.33	12.39	12.12	12.07	12.00	11.70	11.65	11.80
Chile	493.41	484.61	482.59	473.52	490.21	474.82	479.32	469.71	467.89	469.50
Poland	3.01	2.84	2.90	3.02	2.91	2.87	2.86	2.74	2.75	2.75
Hungary	214.98	197.17	202.07	209.73	205.95	198.15	193.11	183.24	186.45	184.89

France										
Indonesia	8965.30	8928.50	8948.00	9016.30	9049.50	8894.00	8748.00	8629.50	8537.00	..
Korea	1160.06	1121.50	1129.36	1145.14	1118.64	1117.66	1118.92	1083.03	1084.16	1079.85
China	6.74	6.67	6.66	6.65	6.60	6.58	6.57	6.53	6.50	..

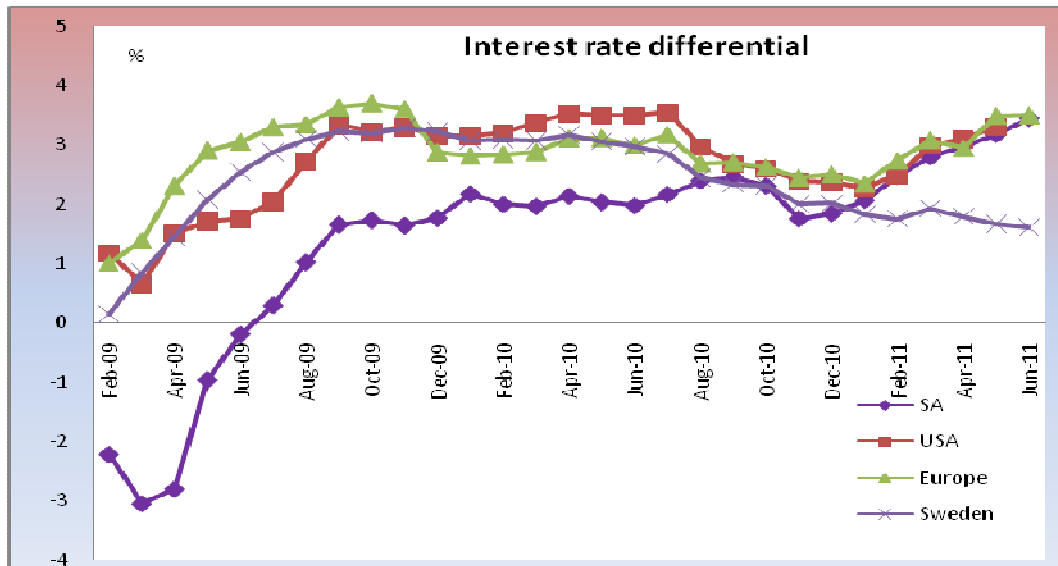


	May-11	Jun-11
Russia	229.38	231.81
Europe	96.73	92.94
Sweden	142.49	134.26
Chile	242.15	-
Poland	166.37	166.08
Hungary	122.47	120.16
Australia	108.45	106.15
Korea	198.05	-
China	-	-

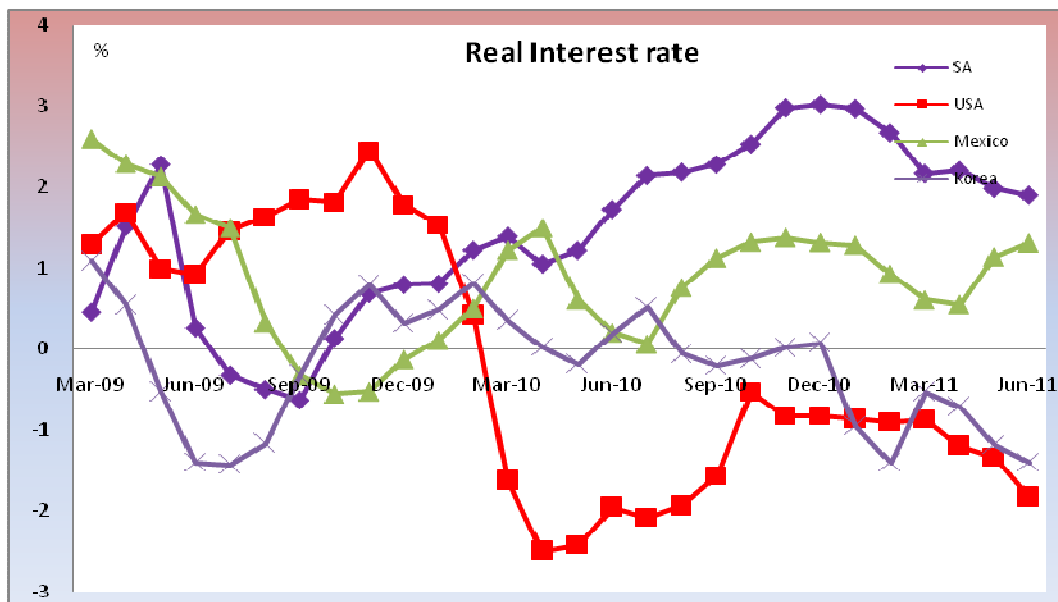


	Dec-10	Mar-11
Hong Kong	5.33	7.14
Portugal	-1.67	0.83
Colombia	1.54	-

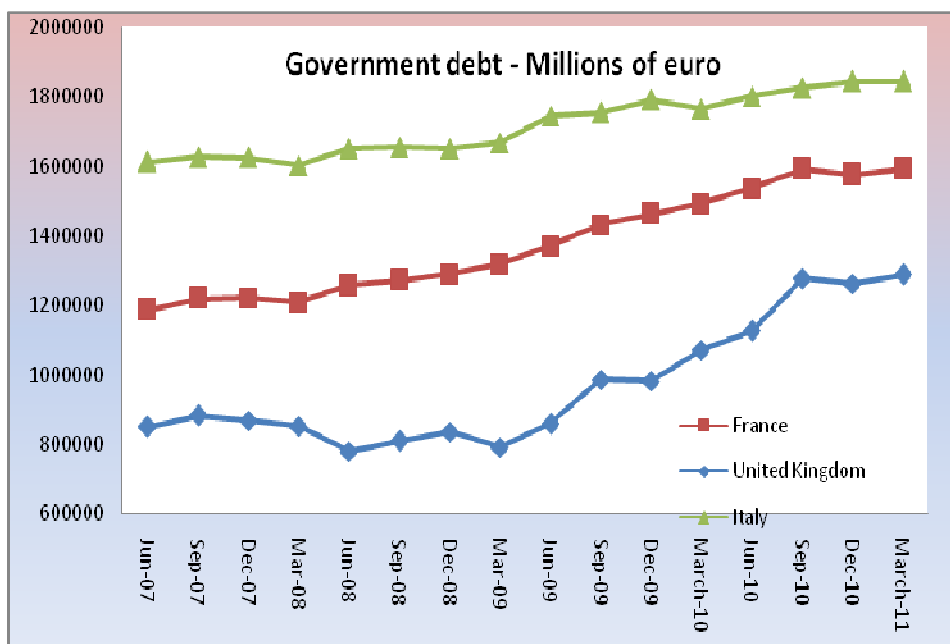
## MONETARY AND FISCAL ANALYSIS



	May-11	Jun-11
Japan	-0.34	-
Mexico	4.84	4.73
Chile	6.24	-
Poland	1.61	1.19
Hungary	0.23	0.95
New Zealand	5.23	5.04
Korea	0.88	4.24
China	-	-



	May-11	Jun-11
Europe	-	-
Sweden	-	-
Chile	-	-
Poland	-0.39	0.56
Hungary	2.94	2.75
Indonesia	-	-
France	-	-
China	-	-



	Dec11	Mar-11
Europe	9,742,420.70	9,936,459.80
Hungary	78,250.40	84,517.50
France	1,591,169.00	1,646,111.00
United Kingdom	1,287,263.40	1,279,428.50
Slovenia	13,703.90	16,384.50
Portugal	160,470.10	162,583.80
Italy	1,843,015.00	1,868,265.00
Sweden	146,137.50	140,807.00