



Università degli Studi di Cagliari
Facoltà di Scienze Economiche, Giuridiche e
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Corso di Studi in Economia, Finanza e Politiche
Pubbliche

Lingua Inglese
A.A. 2019/2020

WINTER 2020
ECONOMIC FORECAST
EUROPEAN COMMISSION
ITALY

Complete the following text.

Fill in the gaps with the following words:

amid – inventory – rebound – aggregate
underpin – propped up – outturn – wage –
coupled – dampened – picking up – stagnant

Based on quarterly 1) _____ data, the Italian economy grew by 0.2% in 2019. After four quarters of slowly rising economic activity, real GDP in Italy fell by 0.3% in the final quarter, according to the preliminary estimate by Istat, the national statistical office. Both agriculture and industrial production declined, while the services sector remained 2) _____. Economic sentiment has remained muted 3) _____ the fragile external environment, thus weighing on trade and investment activity.

Business surveys suggest a slow start into 2020. Industrial confidence improved in January but does not yet suggest an imminent 4) _____ in industrial production. Services activity, though not unaffected by the weak industrial cycle, should support real GDP growth in the near term. The tentative stabilisation of manufacturing output associated with the turn of the 5) _____ cycle, 6) _____ with reduced domestic policy uncertainty and favourable financing conditions are likely to 7) _____ domestic demand beyond the short term.

Private consumption 8) _____ by the new minimum income is expected to support growth over the forecast period. However, real disposable incomes are forecast to rise only moderately, as households are likely to feel repercussions from the softening of the labour market, while precautionary savings are expected to remain high. Business investment is set to slow down in 2020, as indicated by recent investment surveys, before 9) _____ pace slightly in 2021 on the back of improving demand prospects and favourable financing conditions. The projected rise in public investment is set to help stabilise 10) _____ investment growth over the forecast period. The external environment is likely to remain challenging but should gradually become more supportive to growth. Exports are expected to grow broadly in line with export market growth, which is forecast to pick up more meaningfully only towards the end of the forecast period.

Overall, real GDP growth is forecast to pick up only slightly to 0.3% in 2020, also due to a negative carry-over effect, and to 0.6% in 2021. Downside risks to the growth outlook remain pronounced. HICP inflation averaged 0.6% in 2019 and is set to rise to only 0.8% in 2020 and to 1.0% in 2021, as price pressures are 11) _____ by falling energy prices. Core inflation is expected to gradually increase over the forecast period, as firms' profit margins are forecast to recover in line with accelerating economic activity, while 12) _____ growth is projected to remain moderate.

Based on quarterly 1) _____ data, the Italian economy grew by 0.2% in 2019.

Based on quarterly 1) **outturn** data, the Italian economy grew by 0.2% in 2019.

Both agriculture and industrial production declined, while the services sector remained 2) _____

Both agriculture and industrial production declined, while the services sector remained 2) **stagnant**

Economic sentiment has remained muted 3) _____ the fragile external environment

Economic sentiment has remained muted 3) **amid** the fragile external environment

Industrial confidence improved in January but does not yet suggest an imminent 4) _____ in industrial production.

Industrial confidence improved in January but does not yet suggest an imminent 4) **rebound** in industrial production.

The tentative stabilisation of manufacturing output associated with the turn of the 5) _____ cycle, 6) _____ with reduced domestic policy uncertainty and favourable financing conditions are likely to 7) _____ domestic demand beyond the short term.

The tentative stabilisation of manufacturing output associated with the turn of the 5) **inventory** cycle, 6) **coupled** with reduced domestic policy uncertainty and favourable financing conditions are likely to 7) **underpin** domestic demand beyond the short term.

Private consumption 8)_____ by the new minimum income is expected to support growth over the forecast period.

Private consumption 8) **propped up** by the new minimum income is expected to support growth over the forecast period.

Business investment is set to slow down in 2020, as indicated by recent investment surveys, before 9) _____ pace slightly in 2021 on the back of improving demand prospects and favourable financing conditions.

Business investment is set to slow down in 2020, as indicated by recent investment surveys, before 9) **picking up** pace slightly in 2021 on the back of improving demand prospects and favourable financing conditions.

The projected rise in public investment is set to help stabilise 10) investment growth over the forecast period.

The projected rise in public investment is set to help stabilise 10) **aggregate** investment growth over the forecast period.

HICP inflation averaged 0.6% in 2019 and is set to rise to only 0.8% in 2020 and to 1.0% in 2021, as price pressures are 11) _____ by falling energy prices

HICP inflation averaged 0.6% in 2019 and is set to rise to only 0.8% in 2020 and to 1.0% in 2021, as price pressures are 11) **dampened** by falling energy prices

as firms' profit margins are forecast to recover in line with accelerating economic activity, while 12) _____ growth is projected to remain moderate.

as firms' profit margins are forecast to recover in line with accelerating economic activity, while 12) **wage** growth is projected to remain moderate.

Based on quarterly 1) **outturn** data, the Italian economy grew by 0.2% in 2019.

a. production

b. loss

c. external

Based on quarterly 1) **outturn** data, the Italian economy grew by 0.2% in 2019.

a. production

b. loss

c. external

Both agriculture and industrial production declined, while the services sector remained 2) **stagnant**

a. inefficient

b. inactive

c. strong

Both agriculture and industrial production declined, while the services sector remained 2) **stagnant**

a. inefficient

b. inactive

c. strong

Economic sentiment has remained muted 3) **amid** the fragile external environment

a. like

b. in the middle of

c. despite

Economic sentiment has remained muted 3) **amid** the fragile external environment

a. like

b. in the middle of

c. despite

Industrial confidence improved in January but does not yet suggest an imminent 4) **rebound** in industrial production.

a. increase

b. decline

c. reorganization

Industrial confidence improved in January but does not yet suggest an imminent 4) **rebound** in industrial production.

a. increase

b. decline

c. reorganization

The tentative stabilisation of manufacturing output associated with the turn of the inventory cycle, coupled with reduced domestic policy uncertainty and favourable financing conditions are likely to **underpin** domestic demand beyond the short term.

a. Compromise

b. enhance

c. Support

The tentative stabilisation of manufacturing output associated with the turn of the inventory cycle, coupled with reduced domestic policy uncertainty and favourable financing conditions are likely to **underpin** domestic demand beyond the short term.

a. compromise

b. enhance

c. support

Private consumption 8) **propped up** by the new minimum income is expected to support growth over the forecast period.

a. hindered

b. reinforced

c. pushed away

Private consumption 8) **propped up** by the new minimum income is expected to support growth over the forecast period.

a. hindered

b. reinforced

c. pushed away

Business investment is set to slow down in 2020, as indicated by recent investment surveys, before 9) **picking up** slightly in 2021 on the back of improving demand prospects and favourable financing conditions.

a. disappearing

b. improving

c. remaining strong

Business investment is set to slow down in 2020, as indicated by recent investment surveys, before 9) **picking up** slightly in 2021 on the back of improving demand prospects and favourable financing conditions.

a. disappearing

b. improving

c. remaining strong

HICP inflation averaged 0.6% in 2019 and is set to rise to only 0.8% in 2020 and to 1.0% in 2021, as price pressures are 11) **dampened** by falling energy prices

a. reduced

b. ruined

c. helped

HICP inflation averaged 0.6% in 2019 and is set to rise to only 0.8% in 2020 and to 1.0% in 2021, as price pressures are 11) **dampened** by falling energy prices

a. reduced

b. ruined

c. helped

Services activity, though not unaffected by the weak industrial cycle, **should support** real GDP growth in the near term. The tentative stabilisation of manufacturing output associated with the turn of the inventory cycle, coupled with reduced domestic policy uncertainty and favourable financing conditions **are likely to underpin** domestic demand beyond the short term.

Private consumption propped up by the new minimum income **is expected to support** growth over the forecast period. However, real disposable incomes **are forecast to rise** only moderately, as households **are likely to feel** repercussions from the softening of the labour market, while precautionary savings **are expected to remain** high. Business investment **is set to slow down** in 2020, as indicated by recent investment surveys, before picking up pace slightly in 2021 on the back of improving demand prospects and favourable financing conditions. [...]

Core inflation **is expected to gradually** increase over the forecast period, as firms' profit margins **are forecast to recover** in line with accelerating economic activity, while wage growth **is projected to remain** moderate.

OTHER WAYS TO EXPRESS THE FUTURE

FORECASTING – future possibility and probability

forecast, expect, be set to, be due to, be (un)likely to, be projected to, be bound to

Forecast and expect can have an active or a passive form:

ACTIVE – two options:

We expect private consumption propped up by the new minimum income to support/will support growth over the forecast period.

PASSIVE – one option:

Private consumption propped up by the new minimum income is expected to support growth over the forecast period

OTHER WAYS TO EXPRESS THE FUTURE

FORECASTING – future possibility and probability

forecast, expect, be set to, be due to, be (un)likely to, be projected to, be bound to

Forecast and expect can have an active or a passive form:

ACTIVE – two options:

We forecast real disposable incomes to rise/will rise only moderately.

PASSIVE – one option:

Real disposable incomes are forecast to rise only moderately.

OTHER WAYS TO EXPRESS THE FUTURE

Change the company forecasts below from the active to the passive.

1. We expect the sector to recover next year.
2. We forecast sales of our new range to be strong.
3. Analysts expect the market will decline by 2%.
4. We expect profits to rise by 20%.
5. We forecast costs will fall over the next quarter.
6. The sales team expect demand will improve.

OTHER WAYS TO EXPRESS THE FUTURE

Change the company forecasts below from the active to the passive.

1. We expect the sector to recover next year. → The sector is expected to recover next year
2. We forecast sales of our new range to be strong. → Sales of our new range are forecast to be strong.
3. Analysts expect the market will decline by 2%. → The market is expected to decline by 2%
4. We expect profits to rise by 20%. → Profits are expected to rise by 20%.
5. We forecast costs will fall over the next quarter. → Costs are forecast to fall over the next quarter.
6. The sales team expect demand will improve. → Demand is expected to improve.

OTHER WAYS TO EXPRESS THE FUTURE

FORECASTING – future possibility and probability

forecast, expect, be set to, be due to, be (un)likely to, be projected to, be bound to

- A) certain to happen
- B) strong probability
- C) low probability
- D) zero probability

1. *Favourable financing conditions are likely to underpin domestic demand*
2. *Business investment is set to slow down in 2020, as indicated by recent investment surveys.*
3. *Profits are unlikely to recover this quarter*
4. *wage growth is projected to remain moderate*
5. *The new computer is due to arrive tomorrow.*
6. *Services activity should support real GDP growth in the near term.*
7. *Prices of raw materials are bound to rise.*
8. *There is no chance of winning any new contracts before January.*

OTHER WAYS TO EXPRESS THE FUTURE

FORECASTING – future possibility and probability

forecast, expect, be set to, be due to, be (un)likely to, be projected to, be bound to

- A) certain to happen
- B) strong probability
- C) low probability
- D) zero probability

1. *Favourable financing conditions are likely to underpin domestic demand B)*
2. *Business investment is set to slow down in 2020, as indicated by recent investment surveys. B)*
3. *Profits are unlikely to recover this quarter C)*
4. *wage growth is projected to remain moderate B)*
5. *The new computer is due to arrive tomorrow. B)*
6. *Services activity should support real GDP growth in the near term. B)*
7. *Prices of raw materials are bound to rise. A)*
8. *There is no chance of winning any new contracts before January. D)*

OTHER WAYS TO EXPRESS THE FUTURE

BE + TO INFINITIVE: formal language - news, instructions, orders

The President is to talk to the nation tomorrow.

The witness is to appear in court in a week.

The new shopping centre is to be opened next month.

BE ABOUT + TO INFINITIVE: immediate future

Oh, there you are! I was about to call you.

I can't talk right now, I'm about to leave.

MORE PRACTICE ON THE FUTURE

<https://learnenglish.britishcouncil.org/grammar/intermediate-to-upper-intermediate/future-continuous-and-future-perfect>

<https://www.bbc.co.uk/learningenglish/english/course/upper-intermediate/unit-24/tab/grammar>