

WRITTEN QUESTION E-4029/03
by Juan Naranjo Escobar (PPE-DE)
to the Commission

Subject: Euro-dollar exchange rate

The rise of the euro against the dollar is reaching levels which threaten the recent timid resumption of economic growth in the EU. The 6% fall in German exports registered from September to October 2003 is seen by analysts as a clear consequence of the euro's appreciation.

Some experts think the ECB may be obliged to reduce its rates if the European currency goes on rising. The Commission, in its autumn forecasts, had to scale back its growth forecast for the Community economy, to 0.8% for 2003 and 2% for 2004.

Does the Commission believe the euro will continue to appreciate over the coming months? Does it believe that a level exists for the euro-dollar exchange rate which would reflect the real bases of both EU and US economies? Are the Commission's most recent economic growth forecasts for the next two years still valid?