NATIONAL BANK OF GREECE

GREECE

Special Focus Report

Identifying the Drivers of Fiscal Overperformance

July 2026

A primary surplus of c. 5% of GDP reflecting tax efficiency gains and macro tailwinds places Greece's fiscal performance among the strongest in Europe

- Greece delivered an exceptionally strong fiscal performance in 2025, for a fourth consecutive year, recording a primary surplus of 4.9% of GDP – the highest on record for Greece and the largest in the EU for 2025. Fiscal outcomes also exceeded official targets by a wide margin, reinforcing fiscal credibility.
- Stronger-than-expected tax revenue accounted for around two-thirds of the fiscal overperformance in 2022-25. Tax receipts rose by €22 bn cumulatively, reaching 28.4% of GDP and surpassing the EU average for the first time, despite the implementation of permanent tax relief measures of €1.2 bn.
- The overperformance reflects a combination of structural reforms, improved tax administration and compliance, transaction digitalization, and supportive macro conditions. Importantly, the rapid expansion of cashless payments – from 9.3% of GDP in 2016 to c. 30% in 2025 – played a key role in curbing tax evasion. Indeed, 40% of the improvement reflects tax efficiency gains.
- VAT receipts were the main driver of tax revenue growth, rising by 12% y-o-y, on average, in 2022-25, and reaching a record 9.5% of GDP in 2025. An empirical decomposition suggests that around half of the increase was driven by real private consumption. Strong tourism and a reallocation of spending towards discretionary categories taxed at higher VAT rates provided additional tailwinds.
- A residual component of VAT growth arises from significant gains in compliance and enforcement efficiency. These gains are estimated to have generated around €1.5 bn in additional revenue, cumulatively, since 2022. Indeed, the VAT gap declined sharply to below 10% – similar to EU peers – from 25% in 2018.
- Direct tax revenue grew by a solid +13% y-o-y in 2022–25, reaching an all-time high of 11% of GDP in 2024-25 (up by 2pps of GDP in the past 4 years), reflecting broadly equal contributions from personal income tax (PIT) and corporate income tax (CIT) revenue.
- PIT receipts were primarily supported by strong employment growth, rising real wages, and increasing non-wage income. Collection efficiency also improved markedly, as indicated by a positive residual of c. 6 pps between PIT revenue growth and the combined growth of its underlying tax base drivers. Nevertheless, PIT collections remain significantly below that of EU peers (6.9% of GDP vs 9.8% for the EU) despite broadly similar statutory rates.
- Similarly, corporate income tax revenue (CIT) expanded rapidly due to higher profitability, stronger business formalization, and improved compliance, with revenue growth also exceeding the expansion of the underlying profit base.
- Primary expenditure declined sharply as a per cent of GDP, following the withdrawal of pandemic and energy-related support measures. Despite increases in public wages, pensions, and PIB spending, expenditure fell below the EU average as a percent of GDP.
- Looking ahead, Greece's strong fiscal trajectory is set to continue, despite a fiscal impact of 0.6% of GDP from the PIT reform enacted in January 2026 and new measures to cushion the impact of the ongoing Middle East conflict.
- An analysis of the key determinants and latest fiscal trends indicates that total tax revenue in 2026 could exceed the upwardly revised targets of the latest Annual Progress Report (APR) by more than €1.0 bn. This would be consistent with primary surpluses above 4.0% of GDP in 2026 and c. 3.5% in 2027 (vs official targets of 3.2% and 2.7%, respectively).
- This solid fiscal performance, under the new EU fiscal framework, should translate into a recalibration of expenditure targets. while also providing additional scope for further tax cuts in the years ahead, taking into account the structural factors driving fiscal overperformance, as well as the sustained debt reduction (with the debt-to-GDP ratio declining by 51 pps during 2022-2025).

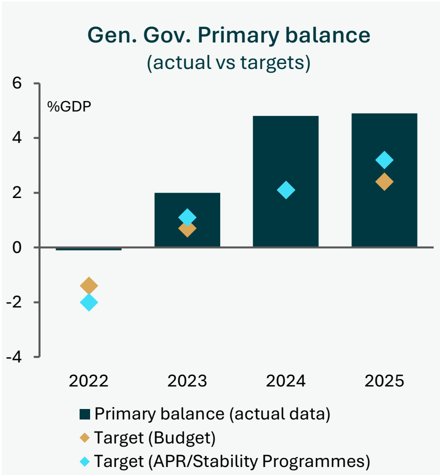
Tax revenue trends (% GDP)

	Greece			EU27
	2021	2025	change in pps	2021-2025 avg
Total tax revenue*	**26,2**	**28,4**	**2,2**	**26,5**
VAT	8,2	9,5	1,3	7,2
PIT	5,8	6,9	1,1	9,5
CIT	1,7	2,9	1,2	3,1
Taxes on products (excl. VAT)	5,5	5,1	-0,4	3,4
Other tax revenue	5,0	4,0	-1,0	3,2

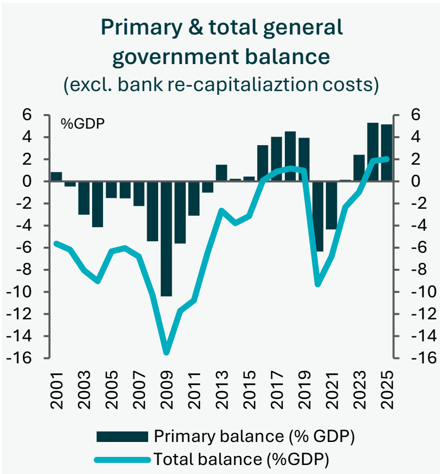
** Excluding employers' & households' social contributions*

NBG | Economic Analysis Division
Greece Macro Analysis Team
86 Aiolou Str., 105 59 Athens, Greece

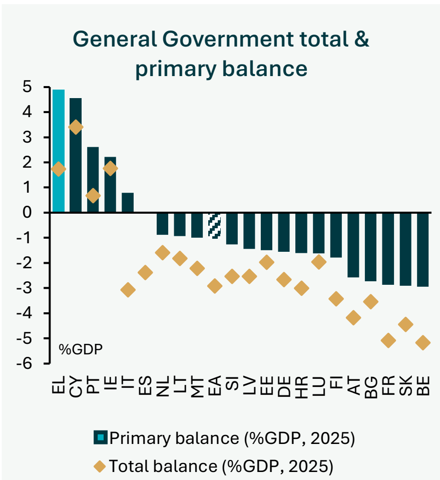
The Greek economy has significantly surpassed its fiscal targets for a 4th consecutive year



Both the primary and total fiscal balances have reached their highest levels on record



Greece achieved the largest primary surplus among all EU countries in 2025



Sources: Ministry of Finance, European Commission & NBG Economic analysis

A primary surplus of c. 5% of GDP reflecting tax efficiency gains and macro tailwinds places Greece's fiscal performance among the strongest in Europe

The Greek economy outperformed its fiscal targets by a significant margin in 2025, for a 4th consecutive year, achieving the highest general government primary surplus in the EU, as well as one of the largest fiscal surpluses among European countries.

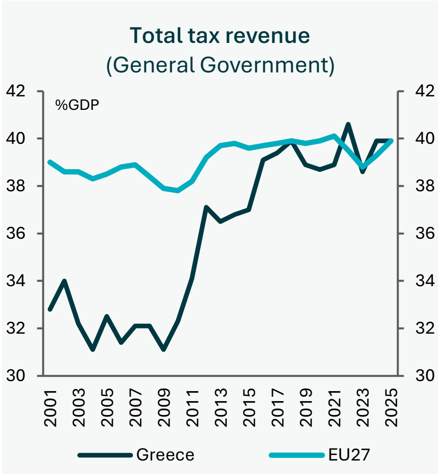
Specifically, the primary surplus in the General Government Budget reached a new high of 4.9% of GDP in 2025 (according to the ESA10 definition), up from 4.8% in 2024 (€12.1 bn vs €11.4 bn), significantly exceeding both the revised 2026 Budget estimate of 3.7% of GDP as well as the updated target of 3.2% for 2025, of the last year's Annual Progress Report (APR, April 2025). The average overperformance relative to the respective annual APR or Stability Program targets for the period 2022-25 amounted to c. 2.0% of GDP annually, underscoring Greece's strong fiscal credibility.

This outstanding performance reflects a combination of robust tax revenue growth and reduced government expenditure, as a percent of GDP, following the withdrawal of temporary support measures implemented under the general escape clause activated during the COVID-19 pandemic and the 2022-23 energy crisis. NBG Economic Analysis estimates indicate that approximately 2/3rds of the primary surplus overperformances relative to initial targets can be attributed to stronger-than-expected tax revenue, and within that, 40% from gains in tax efficiency.

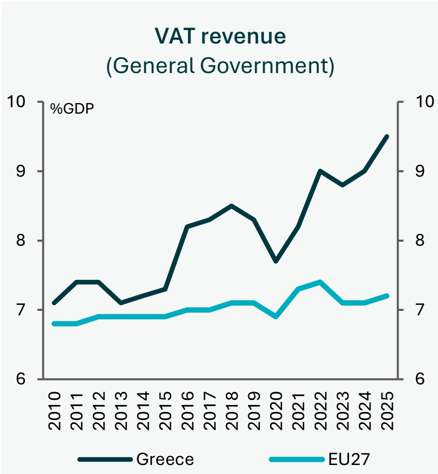
Total tax revenue (including social security contributions) rose cumulatively by €27.1 bn (+37.8%) over the 2022-25 period and stabilized at historically high levels of around 40% of GDP, exceeding the EU average for the first time. Excluding SSC, tax receipts rose by €22.0 bn cumulatively, to a record high of 28.4% of GDP (an increase of 2.2 pps of GDP in 4 years). The combined increase in VAT, PIT and CIT receipts as a share of GDP reached 3.6 pps, more than offsetting a 1.4 pps decline in revenue from other tax categories (primarily property taxes and "other taxes" on products, reflecting lower tax rates and shifts in the composition of final demand).

During this period, permanent tax relief measures of €1.2 bn in net fiscal terms were implemented, implying that tax revenue growth was even stronger than headline figures suggest. This performance demonstrates the accumulated benefits of structural fiscal reforms carried out over the past decade,

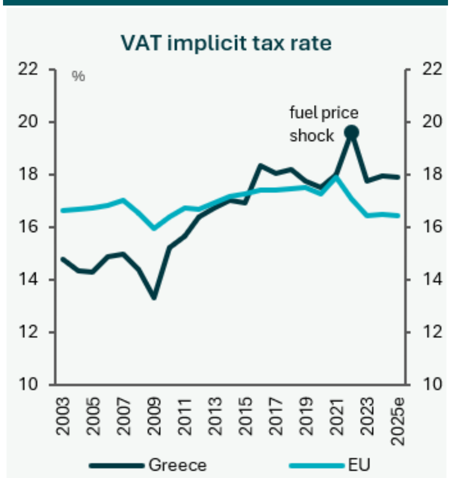
Tax revenue at record highs...



...with VAT revenue making the largest positive contribution, further widening its lead over the EU average



Greece's higher implicit VAT rate – proxied by the consumption-weighted statutory rate – does not account for the increase in the VAT revenue-to-GDP ratio



Sources: Eurostat & NBG Economic Analysis

complemented by recent measures to enhance tax compliance and collection efficiency. The effectiveness of these interventions has been further reinforced by supportive macroeconomic conditions and the sustained increase in cashless payments, whose value has surged over the last 10 years to c. 30.0% of GDP in 2025, up from 9.3% in 2016.

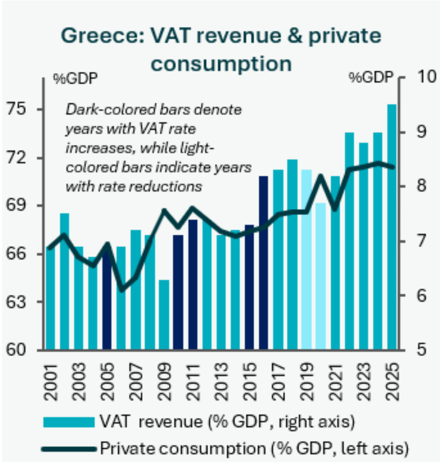
Regarding the composition of tax revenue, VAT made the most substantial contribution, recording annual increases of 10.0% in 2025 and 12.0%, on average, in 2022-25 compared with average nominal GDP growth of 7.7%, during the same period. VAT revenue as a share of GDP followed a steady upward trend, reaching 9.5% in 2025 (an all-time high) compared with an EU average of 7.2%, while in value terms it increased by €8.4 bn over the past four years (or by 1.3% of GDP). The comparison with the EU27 reflects the fact that Greece has a slightly higher implicit tax rate on consumption – estimated at 17.9% vs 16.4% in 2025 – a higher private consumption to GDP ratio (69% vs 53% for the EU average), as well as improved tax efficiency (see below).

In order to gain a deeper insight into these trends, we analyse how VAT performance, as a percentage of GDP, is linked to the main drivers of its tax base; the findings highlight the following key contributions.

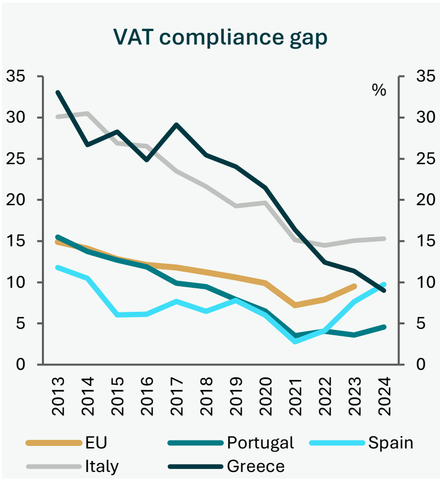
- Around half (or c. 0.7% of GDP) of the increase in VAT revenue as a percentage of GDP in 2022-25 is due to real private consumption growth of 4.0% y-o-y, on average, during this period versus average real GDP growth of 3.0% y-o-y over the same period.
- The marked recovery in inbound tourism revenue (+25.0% y-o-y in 2022-25) contributed an estimated 0.25 pps to the increase in the VAT revenue-to-GDP ratio (equivalent to €0.3 bn y-o-y), reflecting higher expenditure by non-residents on goods and services.
- In addition, a structural shift in the composition of domestic consumption towards more discretionary goods and services – typically subject to higher VAT rates – has also lifted the VAT revenue ratio, adding a further 0.1 pps, with the share of such expenditures rising to a new high of 48.0% of total final spending, from 44.0% over the previous decade.

Overall, these factors account for c. 3/4 ths of the increase in VAT collections, over the past 4 years. The residual of 0.3 pps reflects the role of improvements in tax compliance and efficiency, as evidenced by a decline in the VAT gap to below 10.0%, similar to that of the EU (from around 25.0% in 2018),

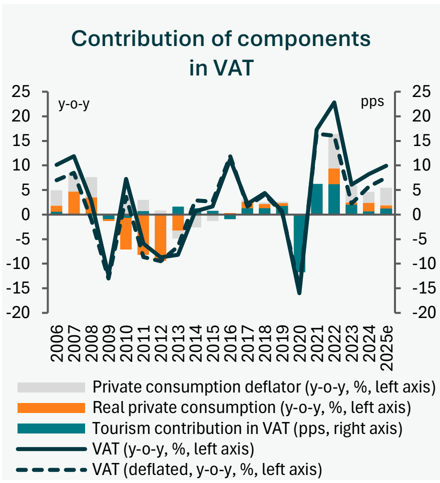
VAT revenue trajectory outpaced that of its implicit base by an increasing margin in recent years



Marked narrowing of the VAT compliance gap relative to EA peers



VAT revenue growth has outpaced its core tax base components, indicating rising efficiency



Sources: ELSTAT, Bank of Greece, European Commission & NBG Economic Analysis

according to EC estimates, resulting in a cumulative increase in revenue of c. €1.5 bn relative to 2022.

Similarly, **revenue from direct taxes** (current taxes on income and wealth) reached a record 11.2% of GDP on average in 2024-2025 (from 9.3% in 2022), exhibiting strong average annual growth of 13.4% over the past four years, underpinned by a broadly balanced contribution from CIT and PIT.

PIT revenue increased by an average annual rate of 13.2% in 2024-25 and by 1.1% of GDP cumulatively over the past four years, reaching an all-time high of 6.9% of GDP.

It is important to highlight that even though statutory PIT rates across income brackets are at comparable levels with other euro area countries (see table), the share of PIT receipts in GDP remains significantly below the EU average (6.9% in 2025 vs 9.8% for the EU). This primarily reflects the fact that nearly 45.0% of taxpayers – based on the latest detailed data from 2023 tax filings – report incomes taxed at, or below, the implicit tax-free threshold of €8,600 per year. A cross-country comparison with Portugal, focusing on the distribution of reported income across PIT statements, highlights this distortion, as evidenced by a markedly higher share of the population in Greece reporting annual income below €10K.

The key determinants of PIT revenue growth, as a percentage of GDP, during the period 2022-2025 can be summarized as follows:

- Strengthened growth in real compensation per employee (approximated by the inflation-adjusted LCI index), averaging 1.7% y-o-y over the reference period.
- Solid employment growth of 2.5% y-o-y, on average, in this period.

The total value of the PIT tax base, including total employee compensation, household mixed income, and pension receipts, grew at an average rate of c. 5.0% in 2022-25 in nominal terms compared with a PIT revenue growth of 12.5% y-o-y, on average, contributing 0.4 pps to the increase in the PIT revenue share in GDP in this period. The positive gap between PIT revenue growth and the estimated expansion of the corresponding tax base primarily reflects improved tax efficiency and, to a lesser extent, bracket creep. This latter effect was partially mitigated by the removal of the social solidarity surcharge (eliminated for private sector employees by 2022 and universally by 2023), although it is still estimated to have added around 2.0 pps to annual PIT revenue growth (+0.2 pps to the change in the PIT proceeds-to-GDP ratio). Accordingly, efficiency gains are estimated to have

Harmonised PIT rates for a single taxpayer without children (2025, %, marginal)

	EL* (2026)	EL	ES	PT	DE[1]	FR
Implied tax-free threshold	€ 8.633	€ 8.633	€5.550	€12.180	€12.096	€11.600
Taxable income (€)	Statutory rate per bracket					
€0-10K	9%	9%	19%	16%	0%	0%
€10-20K	20%	22%	19-24%	16-24%	0-8%	0-11%
€20-30K	26%	28%	24-31%	24-35%	8-14%	11-30%
€30-40K	34%	36%	31-39%	35%	14-18%	30%
€40-50K	39%	44%	39%	35-45%	18-21%	30%
€50-60K	39%	44%	39%	45%	21-24%	30%
€60K+	44%	44%	47%	45-48%	24-44%	30-45%

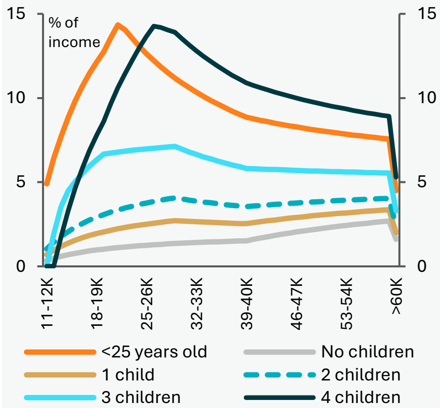
*Tax rates applying to labor compensation and pension income. Since 2026 there is an exemption of income tax up to €20K for tax payers under 25. The same exemption applies to tax payers with more than three kids.

1 The tax rates of Germany are formula-based.

Sources: IAPR, MinFin, OECD, Tax authorities of selected countries & NBG Economic Analysis

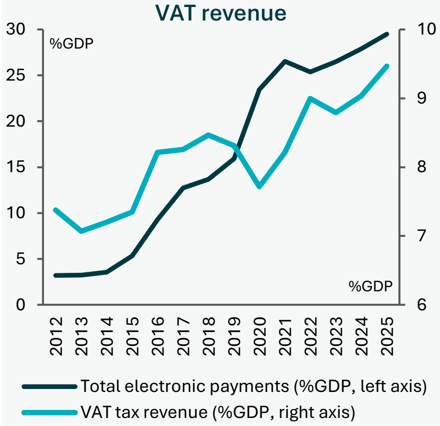
A considerable relief for a broad range of taxpayers from the PIT reform

Reduction in tax burden per income bracket and social group



The rapid expansion of cashless payments reduced grey economic activity and contributed to a broadening of the tax base

Cashless payments & VAT revenue



Sources: Ministry of Finance, ELSTAT, ECB & NBG Economic Analysis

contributed around 6.0 pps to annual PIT revenue growth over the period 2022-25, corresponding to +0.5 pps of the increase in its ratio to GDP.

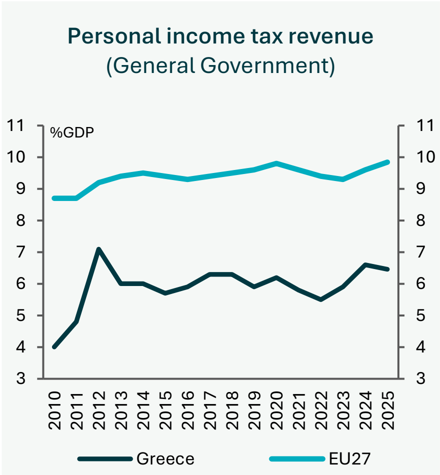
With a view to alleviating the burden on the middle class, a reduction in the effective PIT rate of c. 1.5 pps was introduced from January 2026 for those reporting more than €10,000 per year. The relief is higher for individuals with annual incomes between €20K and 40K, while significantly more generous provisions apply to younger individuals and family size. The annualized value of this relief is estimated at €1.6 bn corresponding to a 1.7% increase in household disposable income on an annual basis. Additional tax relief could be accommodated over the coming years, conditional on sustained revenue overperformance and further improvements in tax efficiency.

Corporate income tax revenue also recorded a strong average annual growth of 24.4% in 2022-25, corresponding to a cumulative increase of €4.2 bn, or c. 1.2% of GDP. The key drivers behind this strong outturn include:

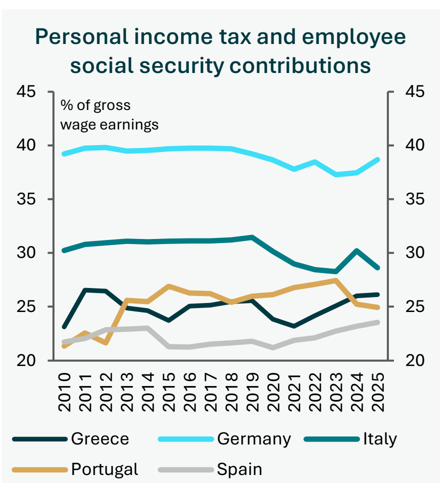
- A sharp increase in corporate profitability, with gross operating surplus of non-financial corporations rising by an annual average of 9.9% in 2022-25 (stabilizing at a 10-year high of 13.5% of GDP), with a cumulative increase of €8.6 bn over the same period, reversing the €15.4 bn drop between 2010 and 2021.
- Accelerating new business formation and increased formalization. According to ERGANI data, the number of legally incorporated firms increased to 97.4K in 2025 (from 84.2K in 2022), whereas unincorporated enterprises declined slightly by 3.5K. This contributed to higher reported corporate profits and a shift in income from the mixed income component (associated with unincorporated business activity) to gross operating surplus.
- A temporary boost to CIT revenue in 2023-2024, reflecting one-off taxes/levies on windfall profits of energy producers and oil refining companies, amounting to c. €1.0 bn.

As in the previous cases, the annual increase in CIT revenue significantly exceeds the estimated growth of its tax base over 2022-25 (+25.1% or +19.4% excluding windfall profit taxes vs 10.7% y-o-y, on average, respectively), indicating substantial gains in tax efficiency. In fact, efficiency gains accounted for over one third (+0.5 pps of GDP) of the rise in this tax category's GDP ratio in 2022-25.

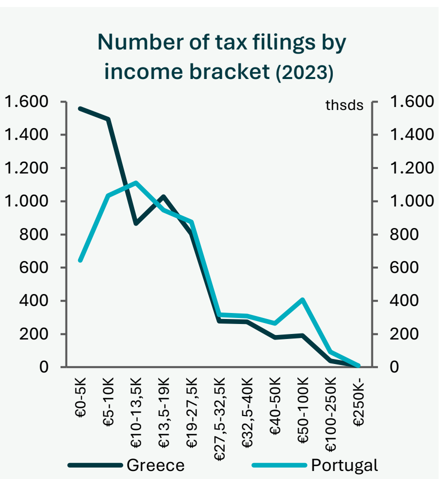
PIT revenue – despite its increase – continues to fall below the EU average as a percentage of GDP…



…reflecting underlying income distribution patterns, as well as persistently higher levels of tax evasion, notwithstanding a relatively comparable statutory PIT rate



A significant share of taxpayers reports incomes below the tax-free threshold in Greece, although there are signs of improvement in recent years



Sources: IAPR, Eurostat & Portuguese Tax and Customs Authority, & NBG Economic Analysis

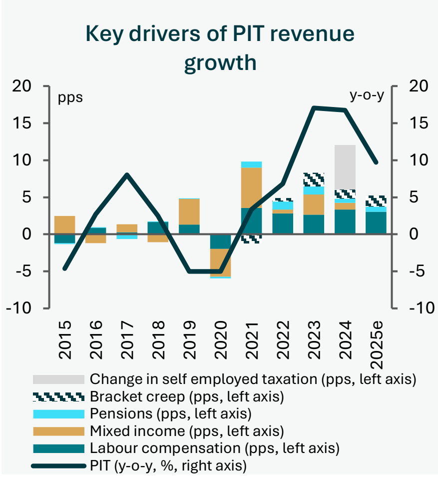
Aggregated results from the above analysis of key taxes suggest that nearly 40% of the combined increase in VAT, PIT and CIT revenue in 2022-2025 reflects efficiency gains, while macroeconomic drivers – namely increased real consumption, profits, real wages, as well as tourism and compositional shifts in final demand and business population – account for the bulk of the increase. In this context, tax revenue dynamics are expected to remain favourable even as supportive cyclical factors weaken, with the economy gradually converging towards its potential growth trajectory in the coming years. Indeed, the observed structural shift in tax buoyancy suggests that tax revenues face limited downside risks during periods of pronounced cyclical weakening, as evidenced by their relative resilience during the Covid shock in 2021-22.

Against this backdrop, maintaining the positive momentum and achieving further gains in tax efficiency – particularly with respect to tax avoidance and income underreporting in PIT, as well as in corporate taxation and the remaining VAT gap – could secure additional fiscal space to finance new tax relief measures beyond 2027. Indicatively, a further reduction of the VAT gap by one-third from its current level of approximately 10%, alongside a one-third narrowing of the gap vis-à-vis Portugal in terms of the share of income declared below €10,000, could generate additional tax revenues exceeding €2.0 bn annually.

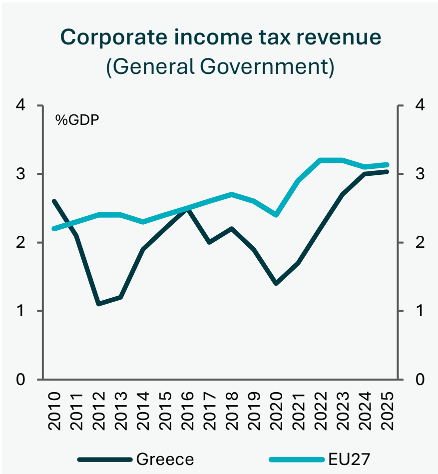
The scope for additional reforms remains substantial, given the exceptionally high share of taxpayers currently below the tax-free threshold – a phenomenon only partly explained by genuine social criteria. In addition, the systematic underreporting of income at the lower end of the tax scale points to distortions across the entire distribution, representing a significant potential source of additional revenue through further improvements in tax efficiency. At the same time, a more accurate recording of actual personal income flows and asset holdings would allow for improved targeting of social benefits and support measures towards genuinely vulnerable population groups.

In the corporate sector, policy priorities should extend beyond the traditional challenge of undeclared activity among small businesses to also address the expanding range of instruments and corporate structures that facilitate tax avoidance, including artificial multinational structures, corporate domicile transfer schemes, and similar strategies – particularly among firms whose economic activity remains predominantly linked to the Greek economy.

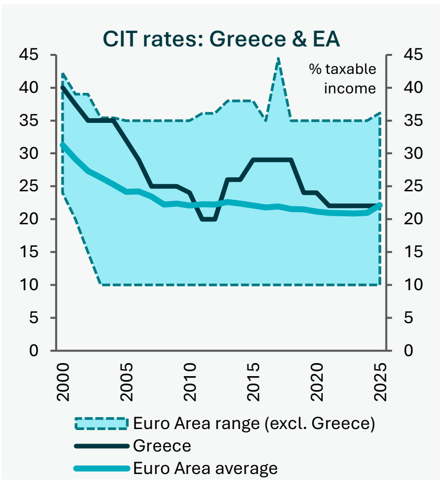
PIT revenue experienced robust average growth of 12.5% in 2022-25, driven by higher disposable income and improved tax compliance



CIT revenue rose to pre-crisis levels, despite successive reductions in the statutory rate…



… from 29% in 2018 to 22% currently



Sources: Ministry of Finance, IAPR, European Commission & NBG Economic Analysis

Efficient expenditure control, despite successive external shocks, bolsters the credibility of fiscal adjustment

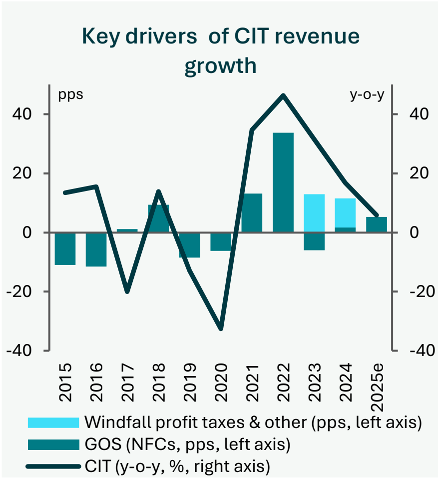
Primary expenditure (as a percentage of GDP) declined, on average, to multi-year lows in 2024-25, reflecting the phasing-out of temporary measures adopted during the pandemic and the Ukraine crisis.

Credible control over primary expenditure played a key role in the strong fiscal outturn, as primary spending declined, on average, to 45.1% of GDP in 2024-25 (compared with an EU average of 47.4%), down from a peak of 56.3% in 2020 and an average of 49.0% over the previous decade (EU average: 46.3%). Excluding PIB-related expenditure, the gap widens further, with primary spending in Greece declining to 37.7% of GDP in 2025, from 44.8% in 2022, compared with 42.6% and 43.0%, respectively, for the euro area.

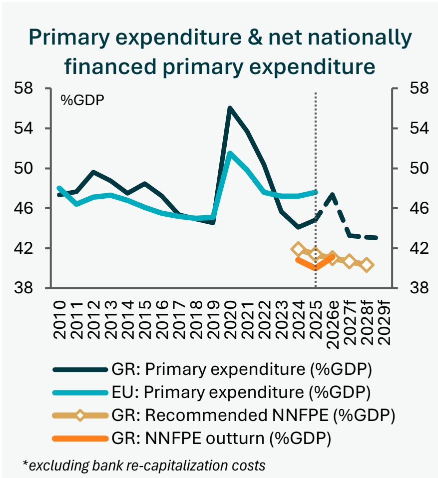
Despite c. €27.0 bn in temporary fiscal support measures during the COVID-19 and 2022 energy shock period, expenditure discipline remained strong. In the subsequent period, favourable cyclical conditions, the withdrawal of extraordinary support measures, and the calibration of pension increases at levels below nominal GDP growth resulted in an average primary expenditure growth of 2.9% over 2022–25, compared with an average nominal GDP growth of 7.7% in the same period. These outcomes were achieved despite higher expenditure due to public sector wage increases, as well as increased spending on pensions, reflecting a significant rise in the number of pensioners.

Over the same period however, public investment activity increased markedly, with annual expenditure on gross fixed capital formation and investment-related capital transfers averaging 6.5% of GDP (4.9% in the EU), up from 6.1% over the previous decade (€16.8 bn in 2024–25 compared with €11.4 bn in 2010–19). This increase was financed through EU resources, with final RRF payments over 2022–25 amounting to €3.5 bn annually – including grants and state financing *via* the RRF loan facility – representing around 1.6% of GDP. This influx of funding boosted final demand, generating c. €0.4 bn in additional annual tax revenue (already captured in the breakdown of macroeconomic drivers of the tax base), excluding supportive second-round effects. The positive impact on final expenditure is projected to increase further, in line with the accelerating use of RRF funds in 2026-27, reaching €8.0 bn annually and generating an estimated €1.0 bn in additional annual revenue. This effect is expected to persist until 2028, albeit at a somewhat reduced rate.

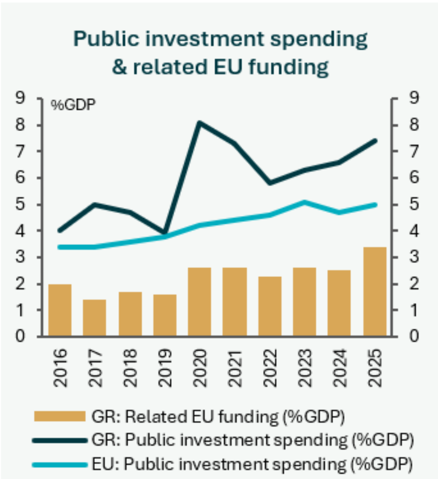
Rising profitability and increased business formalization boosted CIT revenue



Primary spending, measured as a % of GDP, remains close to 18-year lows reflecting efficient management and favorable cyclical conditions



A significant portion of Greece's primary spending reflects public investment, with the most part of it funded by EU resources



Sources: Ministry of Finance, ELSTAT, European Commission & NBG Economic Analysis

Greece also outperformed the targets embedded in the new EU fiscal framework, with the annual growth in net nationally financed primary expenditure (NNFPE) at 1.4%, on average, during 2024-25, compared with a target of 3.2%. An acceleration in NNFPE to 7.5% y-o-y is planned for 2026 to align with the agreed spending ceiling targets under the new EU fiscal rules for the 2024-26 period. NNFPE is the key operational fiscal indicator in the post-2024 EU fiscal framework (see box on page 11), focusing on the core primary spending undertaken by the Government, i.e. excluding items beyond the government's control as well as expenditure items financed by EU resources.

On track for continued fiscal overperformance in 2026-27

The strong fiscal outturn, underpinned by notable efficiency gains, provides a rare opportunity for active fiscal policy management. Against this backdrop, the 2026 Budget includes €1.3 bn in new tax relief measures for 2026, focused primarily on the restructuring of the PIT scale and more relaxed criteria for presumptive taxation. Furthermore, the tax reform entails substantial and targeted relief for groups such as younger taxpayers and families, with the level of support linked to the number of dependent children. Moreover, additional tax relief is planned for 2027, with a net fiscal cost of €0.7 bn, mainly comprising a further reduction in the social security contribution rate and other secondary measures.

Nonetheless, despite the PIT reform, monthly State budget execution data show that PIT revenue increased by 3.1% y-o-y in 5M:2026, compared with a 5M target of -0.5% y-o-y, thereby already exceeding the target by €0.2 bn and suggesting that this tax category is again on track to exceed expectations this year. Indeed, in view of the solid start to the year in employment growth, the prospects for further wage increases, and the additional 4.5% increase in the minimum wage since April 2026, together with continued growth in non-wage income streams – including rental income, interest income, amid steady or rising policy and market rates, dividends, and business income – suggest that the base for direct taxation will expand more strongly than initially projected. According to NBG projections, PIT receipts are expected to increase by nearly 2% y-o-y in 2026, exceeding the Budget's forecast by about €0.4 bn.

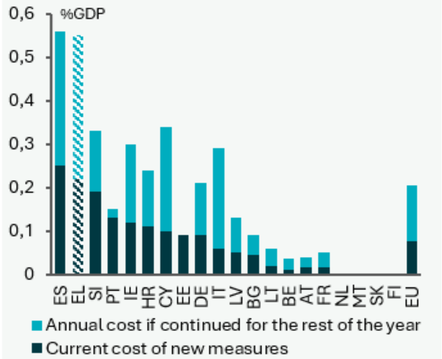
Similarly, despite heightened uncertainty stemming from the ongoing crisis in the Middle East, the corporate sector – according to available survey data – continues to display confidence regarding both domestic and external demand

Main fiscal measures for 2026-2027 (in €bn)		
	2026	**2027**
Revenue		
Increased taxation on online gambling	0,05	0,05
PIT reform with emphasis on families, young people & the middle class	-1,22	-0,40
Reduction of social security contributions by 1 pp from Jan-25	0,00	-0,23
Reform of the objective living expenses tax system	-0,04	0,00
Gradual abolition of ENFIA for main residence communities (population up to 1500 inhabitants) by 2027	-0,04	-0,04
Other measures	-0,06	-0,13
Net fiscal cost (Revenue-side)	**-1,30**	**-0,75**
Expenditure		
Increase of pensions based on GDP growth and inflation	-0,57	-0,55
Increase of the public sector wages so as to maintain the basic salary equal to the minimum wage	-0,36	-0,31
One-off allowance of €150/child to families, subject to income criteria	-0,24	0,00
Reform of the wage grid of the armed & security forces	-0,22	0,02
Increased social allowance to €300 for vulnerable groups & pensioners	-0,20	0,00
Prepaid card for fuels to households, April-May 2026	-0,13	0,00
Subsidy on diesel fuel, April-June 2026	-0,15	0,00
Gradual elimination of the pensioners' personal difference offset	-0,08	-0,14
Other measures	-0,22	0,00
Net fiscal cost (Expenditure-side)	**-2,17**	**-0,97**
Total net fiscal cost	**-3,47**	**-1,72**

Source: Greek Ministry of Finance

New set of measures to cushion pressures from the Middle East crisis

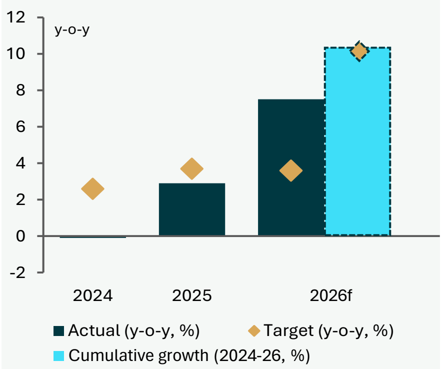
Energy crisis: budgetary cost of measures in 2026*



*European Commission Spring 2026 Forecast

A step-up in primary expenditure is planned for 2026, ensuring alignment with the cumulative target embedded into the new fiscal framework

Net nationally financed primary expenditure



Sources: Ministry of Finance & European Commission

conditions, as well as its ability to sustain elevated profitability levels. Consequently, the shortfall in CIT in 5M:2026 – with receipts declining by 17.9% y-o-y and falling €0.1 bn short of the target – is expected to be recovered over the rest of the year, especially if geopolitical tensions continue to ease sustainably from mid-year onwards, in line with our baseline scenario. As a result, CIT revenue is expected to increase by c. €0.2 bn above initial targets.

As regards VAT revenue, upside potential remains evident. This assessment remains valid even after accounting for the adverse effect of the acceleration in inflation on real final demand. Based on detailed State Budget execution data for 5M:2026, VAT revenue rose by c. 10% y-o-y, or €1.0 bn, excluding one-off positive effects mainly linked to state concession agreements, and was already €0.65 bn above the target.

The annual State budget target for VAT revenue is projected to be surpassed by over €0.5 bn this year, according to NBG estimates with revenue growth expected to exceed 7.0% y-o-y and lead to a new record for VAT receipts due to the following factors:

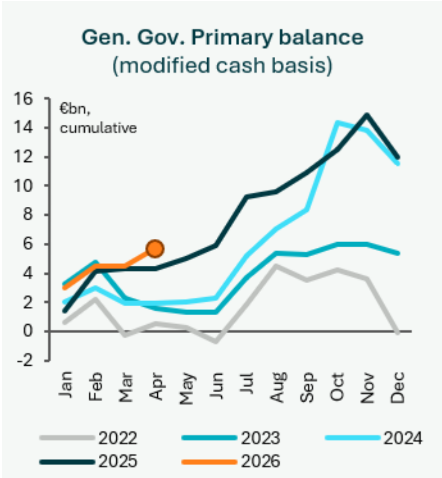
i. Sustained support to final expenditure from strong wage increases, coupled with steady employment growth.

ii. Tourism receipts remain resilient, as firms in the sector continue to exhibit strong pricing power despite stagnation in arrivals (in annual terms) in April, assuming no further escalation of geopolitical tensions. Latest flight planning and booking data for the core months of the tourism season point to low single-digit growth in arrivals, alongside a pick-up in services inflation.

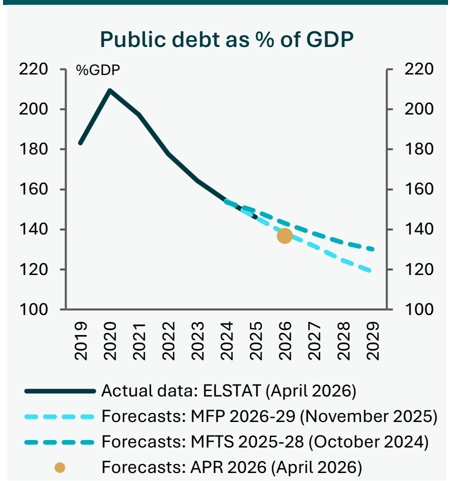
iii. The additional momentum in tax revenue driven by the completion and full operational rollout of the cash register–POS interconnection system, which has already supported revenue in 2024-25.

The combined positive contribution of the above factors implies upside potential for total tax revenue of more than €1.0 bn on an annual basis in 2026, relative to the already upwardly revised targets in the new APR. This would be consistent with a primary surplus of c. 4.0% of GDP in FY:2026, compared with the APR target of 3.2% of GDP. The strong revenue momentum, combined with the stabilization of primary expenditure as a share of GDP, is (according to our estimates) consistent with the attainment of a primary surplus of 3.5% in 2027 against an official target of 2.7%.

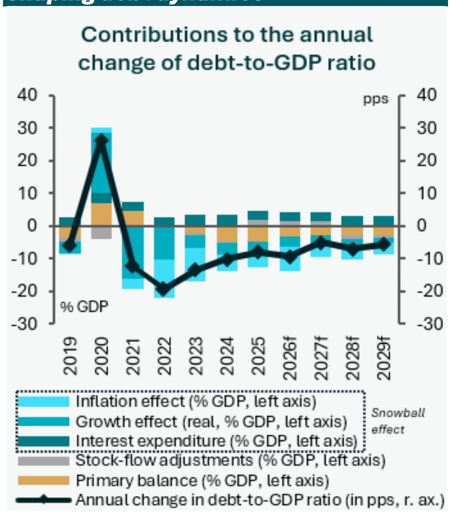
Strong start to FY:2026 with General Government primary surplus in 4M:2026 in line with the record year of 2025



Public debt-to-GDP ratio forecasts have been revised further downwards...



... reflecting the pivotal role of sustained primary surpluses in shaping debt dynamics



Utilizing the hard-won fiscal space

Looking further ahead, expenditure targets for the coming years are expected to take into account the structural drivers of fiscal overperformance, leading to a corresponding upward adjustment of the NNFPE ceilings. Specifically, the exceptionally strong fiscal performance in 2025 and the expected outperformance in 2026 place public finances on a stronger trajectory than that envisaged under the Multiannual Fiscal Planning (2026-2029), thereby creating room for additional permanent interventions.

The projected fiscal path implies a structural overperformance of around €0.7 bn annually, over the coming years, according to our estimates. However, EU fiscal rules constrain the immediate use of this overperformance for additional fiscal easing. Over time, however, sustained outperformance – together with the rapid reduction in public debt, which is explicitly incorporated into the setting of public expenditure targets under the new fiscal framework – is expected to progressively permit greater fiscal flexibility.

Indeed, the other pillar of EU fiscal rules is also performing very well. High and sustained primary surpluses accounted for around 12 pps of the impressive 51-pp decline in Greece's debt-to-GDP ratio between 2022-25, while real GDP growth contributed a further 20 pps and inflation another 31 pps. These favourable effects were partly offset by a 12 pps increase linked to interest payments. This strong fiscal and macroeconomic performance culminated in Greece's sovereign credit rating being upgraded to one notch above investment grade by five international rating agencies in 2025, following a series of upgrades that restored investment-grade status during 2023-24. The upgrades generated favourable second-round effects through lower sovereign borrowing costs, and improved broader financial conditions and stronger private capital inflows over the same period.

Under the current fiscal and macroeconomic trajectory – with the average primary fiscal surplus expected to exceed 3.0% of GDP in 2027-2029 and assuming nominal GDP growth of c. 4.0% y-o-y over this period – the debt-to-GDP ratio is projected to decline by more than 20 pps (to below 120.0% of GDP) by 2029. This estimation takes into account the existing announced plans to early repay a portion of the official loans from Financial Support Programmes for Greece in this period through the use of State cash reserves.

Sources: Ministry of Finance, ELSTAT, European Commission & NBG Economic Analysis

The role of net nationally financed primary expenditure (NNFPE) targets in the new EU fiscal governance framework

NNFPE target is the key operational fiscal indicator in the post-2024 EU fiscal framework measuring the underlying spending of General Government excluding items beyond the government's control as well as expenditure items financed by EU resources. Specifically, NNFPE comprises total general government primary spending excluding, agreed one-off or temporary expenditures, and any expenditure financed by EU funds (including EU-backed investment programs and their national co-financing). It is also adjusted for the effect of discretionary revenue measures (e.g. tax increases or cuts) to capture spending on a "net" basis. By removing these components, NNFPE focuses on the core primary spending directly controlled by national authorities, stripping out volatile or externally funded items like crisis-related one-offs, interest costs, or EU-funded investments. NNFPE growth is capped at a country-specific rate (a "net expenditure path") typically agreed over a 4-year horizon designed to ensure steady debt reduction and sustainable finances, while providing some flexibility to prioritize spending and revenue measures in a multi-year plan. Under the reformed rules, each country agrees to a multi-year NNFPE growth ceiling serves as a medium-term budgetary guide indicating the government is adhering to its debt-reducing expenditure plan. In practice, the framework allows moderate year-to-year deviations as long as the overall path is respected. Lower NNFPE growth in initial years (spending less than the maximum allowed) creates fiscal space that can be used for higher spending later without breaching rules. Greece's NNFPE outperformance has probably been aided by the surge of RRF grants, which provide a temporary boost to public spending without been recorded as expenditure.

Greek Economy: Selected Indicators

	2023					2024					2025					2026			2026f
	Q1	Q2	Q3	Q4	year aver.	Q1	Q2	Q3	Q4	year aver.	Q1	Q2	Q3	Q4	year aver.	Q1	Most recent		
GDP components - spending side (y-o-y period average, constant prices)																			
GDP	2,2	3,1	1,8	1,5	2,1	1,8	1,8	2,4	2,2	2,1	2,5	1,7	2,1	2,3	2,2	2,0	Q1:26	2,0	1,7
Domestic demand	2,0	2,0	1,6	-0,3	1,3	2,8	4,0	3,3	2,3	3,1	2,5	-0,1	-0,2	1,8	1,0	1,3	Q1:26	1,3	1,8
Final consumption	3,8	2,3	1,2	2,4	2,4	0,3	2,0	2,7	0,6	1,4	2,7	1,1	1,0	1,6	1,6	1,0	Q1:26	1,0	1,0
Gross fixed capital formation	13,8	7,7	6,9	-0,4	6,8	3,1	5,4	1,4	6,1	4,0	-0,5	7,9	12,7	13,0	8,3	12,1	Q1:26	12,1	7,4
Exports of goods and services	4,4	0,1	2,8	1,5	2,2	-0,3	2,1	1,1	1,0	1,0	1,4	1,1	1,5	2,6	1,7	2,4	Q1:26	2,7	1,2
Imports of goods and services	3,6	-2,0	2,2	-2,9	0,1	2,6	7,5	3,5	1,5	3,8	1,7	-3,1	-3,9	1,1	-1,1	0,5	Q1:26	1,1	1,5
Conjunctural and leading indicators (period average)																			
Economic sentiment indicator (15-yr. average: 97,9)	106,3	108,1	108,9	104,7	107,0	106,3	109,2	107,1	106,5	107,3	107,2	106,5	108,0	106,5	107,1	106,7	June	108,3	...
Business turnover (double-entry bookkeeping, y-o-y)	10,7	-0,7	-8,2	-6,0	-2,1	3,0	7,5	7,1	6,6	6,1	4,8	3,8	3,5	3,3	3,8	3,8	Apr	8,3	...
Retail sales volume (y-o-y)	-2,6	-4,4	-3,2	-3,1	-3,3	-4,7	3,2	-2,8	-2,1	-1,6	3,0	0,7	1,5	3,2	2,1	3,8	Apr	-0,1	...
Retail confidence (15-yr. average: -2,2)	21,8	19,7	24,7	19,0	21,3	12,0	12,5	17,7	8,6	12,7	-1,4	3,1	0,0	1,1	0,7	7,7	May	10,9	...
Car registrations (y-o-y)	23,6	6,1	13,4	27,6	16,5	5,8	9,0	-4,1	1,9	3,4	-3,9	8,0	9,5	8,2	5,3	5,9	Mar	17,8	...
Consumer confidence (15-yr. average: -50,1)	-43,3	-36,7	-36,3	-43,5	-40,0	-46,1	-42,7	-47,8	-47,4	-46,0	-43,1	-45,5	-47,3	-48,4	-46,1	-50,7	June	-52,8	...
Industrial production (y-o-y)	1,0	1,3	-0,4	5,8	1,9	3,6	9,0	5,7	3,1	5,4	4,2	-0,2	1,8	3,2	2,2	5,1	Apr	2,1	...
Manufacturing production (y-o-y)	6,3	2,3	0,1	5,4	3,5	1,8	6,6	6,5	1,2	4,0	2,6	2,1	3,1	4,6	3,1	3,4	Apr	1,0	...
Capacity utilization in industry (15-yr. average: 71,0)	75,1	73,5	76,3	75,9	75,2	73,7	80,8	78,2	78,0	77,7	77,8	79,1	77,6	78,0	78,1	77,2	Q2:26	76,0	...
Industrial confidence (15-yr. average: -5,5)	3,9	1,9	1,3	-4,9	0,6	-0,5	3,1	1,3	3,2	1,8	4,8	4,8	7,9	4,0	5,4	3,4	June	4,5	...
PMI Manufacturing (base=50)	51,2	51,9	52,2	51,0	51,6	55,8	54,7	52,1	51,8	53,6	53,5	53,2	52,7	53,0	53,1	54,4	June	53,8	...
Construction permits (y-o-y)	25,2	8,3	20,8	12,1	15,9	26,7	5,4	2,1	3,9	8,7	-33,3	-0,1	13,9	9,3	-2,4	60,4	March	35,5	...
Construction confidence (15-yr. average: -31,9)	0,0	2,8	-9,0	8,3	0,5	11,7	5,7	8,2	2,3	7,0	12,5	18,0	19,4	12,3	15,6	24,1	June	24,6	...
PIB & RRF Disbursements (y-o-y)	6,7	0,0	-24,3	16,2	1,6	38,5	-12,3	11,8	31,1	18,9	-36,3	38,8	50,8	5,8	9,7	15,5	May	11,5	...
Stocks of finished goods (15-yr. average: 9,4)	3,8	9,4	2,8	9,6	6,4	9,7	10,0	9,1	9,3	9,5	9,0	11,6	7,1	9,5	9,3	6,9	June	6,3	...
External sector (period average, FY data correspond to the sum of quarterly observations)																			
Current account balance (% of GDP)	-1,8	-1,9	0,4	-3,4	-6,8	-1,8	-2,1	0,0	-3,3	-7,2	-2,0	-1,4	0,6	-2,8	-5,7	-2,6	Apr	-0,5	-6,2
Current account balance (EUR mn)	-4066	-4353	888	-7750	-15281	-4160	-4964	-106	-7713	-16944	-4954	-3543	1412	-6993	-14078	-6956	Apr	-1389	...
Services balance, net (EUR mn)	1005	5615	12360	2827	21808	1374	5985	11973	3340	22672	918	6457	12099	3311	22785	1202	Apr	914	...
Non-oil goods balance (EUR mn)	-5452	-6277	-6753	-7513	-25996	-6701	-6960	-6608	-7777	-28047	-6792	-7264	-6779	-8239	-29074	-7469	Apr	-2306	...
Merchandise exports – non-oil (y-o-y cum.)	12,7	5,1	0,4	-2,1	-2,1	-8,9	-4,5	-0,7	0,9	0,9	4,2	4,3	2,9	2,5	2,5	3,4	Apr	5,3	...
Merchandise imports – non-oil (y-o-y cum.)	0,6	-2,3	-2,1	-1,5	-1,5	2,8	3,6	3,5	3,8	3,8	3,0	3,7	2,9	2,4	2,4	6,2	Apr	5,4	...
Gross tourism revenue (y-o-y)	61,2	18,1	11,8	14,9	14,4	42,6	7,0	-3,1	26,9	4,3	-1,3	12,8	7,1	15,5	9,7	65,0	Apr	9,5	...
International tourist arrivals (y-o-y)	74,7	18,5	12,9	19,2	17,6	24,5	13,5	5,8	12,8	9,8	5,4	-0,6	6,2	14,4	5,6	38,3	Apr	10,6	...
International arrivals at Athens International Airport (y-o-y)	70,6	24,9	17,4	20,5	26,4	19,4	19,5	11,7	14,5	15,7	15,0	6,8	6,8	8,8	8,6	8,5	May	3,7	...
Labor Market																			
Unemployment rate	11,0	11,4	11,4	10,5	11,1	11,2	10,0	9,7	9,7	10,1	9,3	8,9	8,8	8,6	8,9	9,6	May	8,1	8,6
Employment growth (y-o-y)	1,4	1,6	1,1	1,1	1,3	1,8	1,8	1,7	2,2	1,9	1,0	1,4	1,8	1,7	1,5	1,2	May	0,5	1,0
Employment expectations indicator (15-yr. average: 100,2)	112,7	118,2	111,4	113,9	114,1	114,5	118,5	112,2	110,3	113,9	112,6	116,0	112,7	113,0	113,6	114,5	June	118,0	...
Consumer and producer prices (y-o-y period average)																			
Headline inflation (CPI)	5,9	2,5	2,3	3,3	3,5	3,1	2,6	2,9	2,4	2,7	2,6	2,4	2,6	2,3	2,5	3,0	May	5,2	4,4
Core inflation	6,4	5,9	4,9	3,3	5,1	3,0	2,9	3,5	3,9	3,3	3,5	3,5	3,8	2,9	3,4	3,2	May	3,4	3,5
Producer prices excl. energy	8,5	4,5	3,8	2,2	4,7	1,7	2,2	1,6	1,8	1,8	1,7	1,3	1,2	1,8	1,5	2,4	Apr	3,4	...
Real estate prices (y-o-y, change)																			
Residential house prices (y-o-y)	15,6	14,8	12,7	12,5	13,9	10,9	9,8	8,6	7,4	9,1	7,5	8,0	8,6	8,3	8,1	5,7	Q1:26	5,7	3,7
Office prices (y-o-y, bi-annual data)[1]	...	7,0	...	4,8	5,9	...	3,7	...	6,5	5,1	...	5,0	...	5,1	5,1	...	H2:25	5,1	...
Retail prices (y-o-y, bi-annual data)[1]	...	7,0	...	7,4	7,2	...	8,4	...	9,2	8,8	...	4,8	...	4,7	4,8	...	H2:25	5,2	...
Fiscal position (% of GDP, end of period, FY forecasts correspond to EC estimates)																			
General Government balance (% of GDP)[2]	-2,2	-1,9	-1,2	-1,4	-1,4	-1,4	-0,4	0,8	1,3	1,3	-0,3	0,4	1,9	1,7	1,7	...	Q4:25	1,7	0,8
General Government primary balance (% of GDP)[2]	-1,5	-0,4	1,2	2,0	2,0	-0,6	1,3	3,4	4,8	4,8	0,4	2,0	4,3	4,9	4,9	...	Q4:25	4,9	4,0
General Government debt (% of GDP)[2]	174,0	171,5	168,9	164,3	164,3	162,1	160,3	158,6	154,2	154,2	152,9	152,0	149,8	146,1	146,1	...	Q4:25	146,1	140,7
Monetary & financial indicators (y-o-y, end of period)																			
Deposits of domestic private sector	4,5	3,5	3,4	3,0	3,0	2,6	2,9	3,3	4,4	4,4	4,8	5,3	5,5	5,1	5,1	5,4	May	7,8	...
Loans to private sector (incl. sec. & bond loans)	5,2	2,8	2,1	3,6	3,6	4,5	6,1	6,6	8,9	8,9	10,3	10,5	10,7	7,9	7,9	7,7	May	7,4	...
Mortgage loans (including securitized loans)	-3,7	-3,8	-3,7	-3,5	-3,5	-3,1	-2,9	-2,9	-2,6	-2,6	-2,4	-1,3	-0,3	0,7	0,7	1,2	May	1,2	...
Consumer credit (including securitized loans)	2,1	1,5	2,6	3,4	3,4	4,5	5,5	6,1	6,3	6,3	5,6	6,0	6,6	7,0	7,0	7,7	May	7,0	...
Credit to non-financial corporations	10,7	5,8	4,7	5,8	5,8	6,6	9,4	9,2	13,8	13,8	16,8	15,9	16,1	11,3	11,3	10,4	May	9,8	...
Non-performing loans ratio (NPL ratio, in % of total)	8,8	8,4	7,9	6,6	6,6	7,4	6,9	4,6	3,8	3,8	3,8	3,6	3,6	3,3	3,3	3,4	Q1:26	3,4	...
Interest rates (per cent, period average)																			
10-year government bond yield	4,3	4,0	3,9	3,8	4,0	3,4	3,6	3,3	3,1	3,4	3,4	3,4	3,4	3,3	3,4	3,5	June	3,6	...
Spread between 10 year and bunds (bps)	194	160	136	129	155	106	108	104	88	101	83	80	67	62	73	66	June	69	...
Exchange rate (period average)																			
USD/euro	1,1	1,1	1,1	1,1	1,1	1,1	1,1	1,1	1,1	1,1	1,1	1,1	1,2	1,2	1,1	1,2	June	1,2	...
Stock market																			
ASE General index (aop)	1039	1168	1286	1232	1181	1386	1437	1436	1425	1421	1590	1757	2019	2066	1860	2216	June	2426	...
ASE Banks (aop)	789	902	1033	1001	932	1189	1250	1263	1224	1231	1474	1699	2192	2326	1927	2517	June	2758	...

[1] Quarterly figures correspond to bi-annual data for office and retail prices

[2] Forecasts according to the European Commission

Sources: BoG, ELSTAT, MoF, AIA, ECB, FRED, Athens Exchange Group and NBG estimates unless otherwise indicated

Greece: Indicators of Economic Activity in high frequency

Indicator	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
PMI (index level)	51,8	53,5	52,9	50,3	50,8	50,9	51,3	54,7	55,7	56,9	55,2	54,9	54,0	53,2	52,9	50,3	51,2	50,9	53,2
Industrial confidence (index level)	4,1	1,6	3,8	-1,4	-4,6	-4,8	-5,4	-1,8	-4,5	4,7	2,0	3,4	3,8	-1,4	-3,0	8,4	2,3	5,5	1,9
Manufacturing production (y-o-y)	0,8	0,3	3,1	-2,6	8,4	3,0	5,0	4,7	3,8	-2,2	11,5	4,5	4,1	10,5	2,8	5,5	-0,9	-1,7	6,2
Industrial production (y-o-y)	-1,8	-2,1	0,8	0,3	9,8	3,3	4,5	9,7	2,8	-0,7	11,9	6,7	8,4	11,0	2,9	2,7	-1,2	2,9	7,7
Services confidence (index level)	35,1	42,7	36,6	29,7	31,0	36,3	40,4	37,4	37,5	39,7	46,0	48,9	46,9	36,3	40,1	42,0	40,9	26,3	33,0
Consumer confidence (index level)	-31	-29	-35	-45	-45	-46	-40	-46	-47	-45	-42	-44	-43	-44	-48	-51	-50	-47	-45
Retail confidence (index level)	20,0	22,3	22,7	29,1	15,7	19,3	22,0	12,7	19,3	4,1	0,3	19,4	17,9	16,8	22,7	13,7	6,7	11,3	7,9
Retail trade volume (y-o-y)	-7,8	-2,9	-3,3	-3,4	-6,1	-4,3	0,8	-9,3	-9,5	5,3	-6,5	10,5	6,0	-2,5	-5,1	-0,6	-1,7	1,1	-5,3
Construction Permits (y-o-y)	27	19	17	28	38	26	-13	10	76	13	27	4	-12	-3	-14	23	47	-21	-5
House prices (y-o-y, quarterly series)	14,8	12,7	12,7	12,7	12,5	12,5	12,5	10,9	10,9	10,9	9,8	9,8	9,8	8,6	8,6	8,6	7,4	7,4	7,4
Construction confidence (index level)	-7	-6	-6	-15	4	6	15	20	7	8	-3	5	15	9	11	5	0	-7	13
Employment (y-o-y)	1,6	1,3	1,2	0,9	1,1	0,8	1,2	1,3	2,1	1,8	2,4	1,3	1,8	1,2	1,6	2,1	2,4	2,4	1,7
Interest rate on new private sector loans (CPI deflated)	4,1	3,8	3,6	4,5	2,8	3,2	2,6	3,0	2,8	3,0	2,9	3,1	3,5	3,2	2,9	2,7	3,1	2,9	2,6
Credit to private sector (y-o-y)	2,8	1,2	0,9	2,1	2,1	2,8	3,6	3,0	3,8	4,5	4,5	4,8	6,1	6,4	6,9	6,6	9,1	10,0	8,9
Deposits of domestic private sector (y-o-y)	3,5	3,4	3,4	3,4	2,5	2,4	3,0	2,7	3,0	2,6	2,8	2,5	2,9	2,7	3,3	3,3	3,3	5,0	4,4
Interest rate on new time deposits (households, CPI deflated)	-0,3	-1,0	-1,2	0,1	-1,6	-1,2	-1,7	-1,3	-1,1	-1,5	-1,2	-0,6	-0,4	-0,8	-1,1	-1,1	-0,5	-0,6	-0,9
Economic sentiment index (EU Commission, Greece)	109	110	111	106	105	105	105	107	104	108	108	110	110	106	106	110	107	106	106
Economic sentiment index (EU Commission, Euro area)	96	95	94	94	94	94	97	96	95	96	96	96	96	96	97	96	96	96	94
Exports (excl. oil & shipping, y-o-y, 6m mov.avg)	4,7	1,3	-1,4	-5,2	-4,9	-6,4	-9,1	-9,7	-7,7	-9,0	-6,6	-6,1	-4,4	-2,2	-1,3	3,5	1,7	3,3	6,8
Imports (excl. oil & shipping, y-o-y, 6m mov.avg)	-2,5	-3,3	-2,8	-3,5	-2,9	-1,8	-0,2	0,3	1,7	2,1	5,6	4,5	3,5	5,6	3,0	3,8	2,2	3,7	4,2
BoG - Tourist arrivals (y-o-y)	18	16	10	13	14	28	32	16	26	31	14	21	9	4	7	7	9	24	15
AIA - International passenger traffic development (y-o-y)	21	18	17	17	21	21	19	13	22	24	22	22	15	11	12	12	11	16	18
Estimation of total electricity demand in the network (y-o-y)	-10,6	11,1	6,1	-1,9	0,9	1,7	3,0	7,0	-4,2	-3,4	-2,8	0,2	28,8	4,3	3,5	3,9	3,2	7,3	4,7
VAT on other goods & services (y-o-y)	5,9	6,1	5,9	17,6	0,1	19,9	10,5	6,1	-8,8	41,6	12,4	15,9	6,7	13,9	0,4	14,1	11,0	6,4	63,7
Business Turnover (y-o-y, double-entry bookkeeping)	-3,2	-4,8	-8,6	-10,9	-1,9	-0,6	-13,5	-0,1	11,0	-1,1	17,4	2,4	3,7	14,0	3,9	3,1	5,3	4,5	9,5

Indicator	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
PMI (index level)	52,8	52,6	55,0	53,2	53,2	53,1	51,7	54,5	52,0	53,5	52,7	52,9	54,2	54,4	54,5	52,4	53,3	53,8
Industrial confidence (index level)	5,5	3,6	5,2	6,3	4,9	3,2	9,4	11,0	3,2	3,7	2,6	5,6	2,7	4,2	3,3	2,6	7,9	4,5
Manufacturing production (y-o-y)	2,1	1,8	3,7	-0,4	1,5	5,4	0,3	0,0	9,0	3,9	6,5	3,6	1,4	3,1	5,5	1,0		
Industrial production (y-o-y)	2,5	6,7	3,2	-3,6	0,1	2,8	-0,5	-2,1	8,2	2,9	2,6	4,0	5,5	1,8	8,2	2,1		
Services confidence (index level)	31,5	27,6	28,3	30,5	29,6	27,5	28,3	29,0	29,4	34,5	35,2	31,4	31,2	33,7	28,5	28,7	23,8	39,5
Consumer confidence (index level)	-43	-42	-44	-47	-43	-47	-48	-49	-46	-48	-51	-47	-50	-49	-53	-55	-52	-53
Retail confidence (index level)	0,6	-0,1	-4,6	-3,2	-1,5	13,9	1,7	-1,5	-0,1	4,0	6,7	-7,4	10,3	9,6	3,1	6,6	10,9	7,1
Retail trade volume (y-o-y)	3,3	5,6	0,3	6,9	-5,8	1,8	2,2	3,8	-1,7	4,2	0,7	4,7	4,1	4,4	3,0	-0,1		
Construction Permits (y-o-y)	-38	-16	-44	-31	14	23	22	15	5	-4	15	22	108	54	35			
House prices (y-o-y, quarterly series)	7,5	7,5	7,5	8,0	8,0	8,0	8,6	8,6	8,6	8,3	8,3	8,3	5,7	5,7	5,7			
Construction confidence (index level)	13	9	16	15	16	23	19	26	13	8	13	16	21	30	21	32	35	25
Employment (y-o-y)	1,2	1,1	0,9	0,9	1,7	1,7	2,3	1,6	1,6	1,3	2,1	1,8	2,0	0,9	0,8	0,3	0,5	
Interest rate on new private sector loans (CPI deflated)	2,4	2,5	2,3	2,8	2,2	1,8	1,4	1,5	2,6	2,4	2,2	1,6	2,2	1,9	0,5	-0,7		
Credit to private sector (y-o-y)	10,0	10,5	10,3	10,9	11,3	10,5	10,5	10,6	10,7	7,8	7,2	7,9	7,6	7,4	7,7	6,8	7,4	
Deposits of domestic private sector (y-o-y)	4,8	4,5	4,8	4,3	4,8	5,3	5,1	5,4	5,5	5,6	4,9	5,1	5,0	5,6	5,4	5,8	7,8	
Interest rate on new time deposits (households, CPI deflated)	-1,1	-1,0	-1,0	-0,6	-1,2	-1,6	-1,9	-1,8	-0,7	-0,8	-1,3	-1,5	-1,4	-1,6	-2,8	-4,3		
Economic sentiment index (EU Commission, Greece)	108	106	107	107	107	106	109	110	106	107	106	107	105	108	107	106	108	108
Economic sentiment index (EU Commission, Euro area)	95	96	96	95	96	95	96	96	96	97	97	97	99	98	96	93	94	95
Exports (excl. oil & shipping, y-o-y, 6m mov.avg)	7,1	5,9	5,2	4,4	5,9	4,5	4,5	3,7	2,5	3,3	1,0	1,0	-0,8	0,2	2,4	3,6		
Imports (excl. oil & shipping, y-o-y, 6m mov.avg)	3,5	3,9	4,1	1,5	2,0	3,4	2,3	2,2	2,3	2,7	1,1	2,1	1,1	3,1	4,5	5,7		
BoG - Tourist arrivals (y-o-y)	11	-1	5	6	-3	-2	6	8	4	7	10	49	33	45	38	11		
AIA - International passenger traffic development (y-o-y)	19	12	14	10	5	6	5	8	7	6	12	10	9	14	3	-1	4	
Estimation of total electricity demand in the network (y-o-y)	-2,1	9,3	1,9	4,2	-0,6	-8,6	-1,5	-9,0	4,6	-0,4	-6,7	-0,3	5,4	-10,1	8,2	-0,8	1,0	
VAT on other goods & services (y-o-y)	-23,1	10,5	25,4	0,3	-1,9	12,7	8,3	9,1	9,1	9,4	11,9	-24,9	48,7	9,6	15,7	14,3		
Business Turnover (y-o-y, double-entry bookkeeping)	8,0	3,2	3,4	-2,4	6,4	7,3	3,5	-0,1	7,0	3,6	0,0	6,0	0,0	-1,0	12,0	8,3		

Color map scale

Rapid contraction | Moderate contraction | Slow contraction | Stabilization | Slow expansion | Moderate expansion | Rapid expansion

Sources: NBG, BoG, ELSTAT, Ministry of Finance, EU Commission, IHS Markit, IOBE, AIA, ADMIE

NATIONAL BANK OF GREECE

NATIONAL BANK OF GREECE | ECONOMIC ANALYSIS DIVISION

Nikos S. Magginas, PhD | Chief Economist,
Head of NBG Economic Analysis Division
e-mail: nimagi@nbg.gr

NBG GREECE MACRO ANALYSIS TEAM

Katerina Gouveli, MSc
(+30210) 334 2359
e-mail: gouveli.aikaterini@nbg.gr

Eleni Balikou, MSc
(+30210) 334 1198
e-mail: balikou.eleni@nbg.gr

Eleftherios Athanasiou, MSc
(+30210) 334 1453
e-mail: athanasiou.eleftherios@nbg.gr

Sofia Tsaroucha, MSc
(+30210) 334 1626
e-mail: tsaroucha.sofia@nbg.gr

Christina Tsouka, MSc
(+30210) 334 1455
e-mail: tsouka.christina@nbg.gr

Pavlos Tsiokas, MSc
(+30210) 334 1475
e-mail: tsiokas.pavlos@nbg.gr

Pavlos Botsoglou Filopoulos, MSc
(+30210) 334 1515
e-mail: mpotsogloufilopoulos.pavlos@nbg.gr