NATIONAL BANK OF GREECE

GREECE Macro Flash

Draft Budget 2023

October 2022

Draft Budget 2023: Credible target for a primary surplus with strong cyclical tailwinds helping to offset the energy-related stress

- The Draft Government Budget for 2023 aims at restoring a fiscal primary surplus in 2023, continuing on the improving trend experienced in 2022, despite the higher-than-expected fiscal support implemented in 2022 to cushion the impact of energy crisis and surging inflation

- Despite a less supportive economic environment, the General Government primary balance is expected to swing back to a primary surplus of 0.7% of GDP in 2023, from an estimated primary deficit of 1.7% of GDP in 2022, significantly improved compared with a deficit of 5.0% in 2021

- The strength of the economic recovery in 2022, in conjunction with improved fiscal efficiency, led to a much better-than-expected rebound in tax revenue in FY:2022; estimated at €4.6 bn above the respective Budget 2022 target (+13% y-o-y). A surge in VAT revenue accounts for 2/3rds of the increase, with PIT and CIT revenue also outperforming the original targets

- Primary expenditure is envisaged to drop by 4.0% of GDP on an annual basis in 2022, on the back of favourable cyclical effects. Primary expenditure reduction will be the main source of fiscal adjustment in 2023 (3.4% of estimated GDP) arising from the non-renewal (and frontloading in late-2022) of some energy support measures and the elimination of the remaining Covid-19 support schemes

- In 2023 the increase in tax revenue is conservatively assumed to be moderate (+2.9% y-o-y), due to slowing economic growth and lower inflation, as well as the introduction of new tax relief measures (abolition of the social solidarity surcharge on public servants and pensioners)

- Nevertheless, the fiscal support to the economy in 2023 will remain significant but will be more targeted than in 2022. The gross value of fiscal support is estimated at €13.4 bn in 2022 and at c. €10 bn in 2023, with around €7 bn of financing raised through the national Energy Transition Fund (ETF) in 2023 broadly similar to the level in 2022, thus reducing the impact on the Budget

- The key fiscal risks for 2023 include: i) worse-than-expected developments on the energy front; e.g. crude oil prices significantly above $96 per barrel (assumed in the Budget) and natural gas prices higher than €200/MWh, resulting to higher and more persistent inflation and additional need for support, and ii) a deeper recession in the euro area from the energy and geopolitical stress, which would take a heavier toll on Greece's external demand conditions and tourism

- Public debt is projected to decline to a 13-year low of 161.6% of GDP in 2023 from 169.1% in 2022 and 193.3% in 2021, and, in conjunction with the prospective achievement of a primary surplus, is expected to support the effort to regain investment grade status

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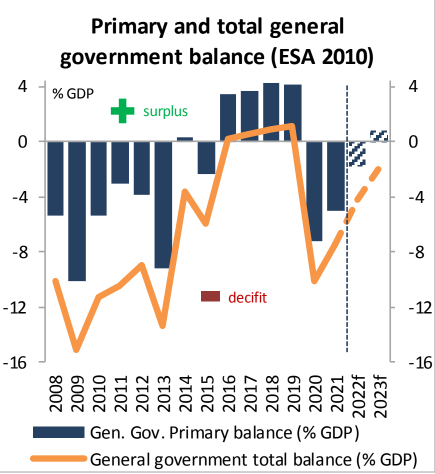
The General Government primary deficit is expected to shrink to 1.7% of GDP in 2022, from 5.0% in 2021, and swing back to a primary surplus of 0.7% of GDP in 2023



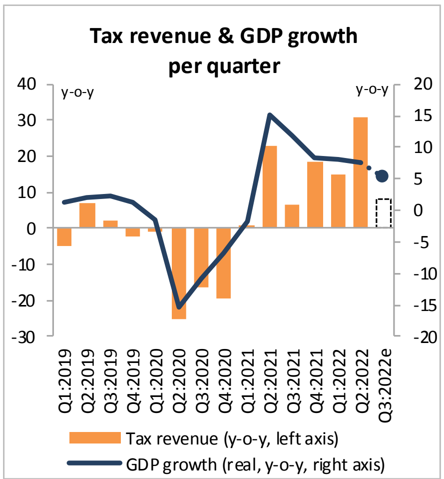
Extremely supportive economic conditions bolstered the fiscal adjustment in 2022

GDP growth forecasts underlying the fiscal projections for Greece

	2022e	2023f
Stability Programme 2022		
GDP nominal (y-o-y)	7.6%	6.4%
GDP real (y-o-y)	3.1%	4.8%
Draft Budget 2023		
GDP nominal (y-o-y)	14.8%	5.3%
GDP real (y-o-y)	5.3%	2.1%

Sources: Greek Ministry of Finance

Tax revenue growth is estimated at 13.2% y-o-y in 2022 – €4.6 bn above the original target – closely tracking nominal GDP growth



Sources: *ELSTAT, Ministry of Finance*

Credible target for a primary surplus in 2023 with strong cyclical tailwinds helping to offset the energy-related stress

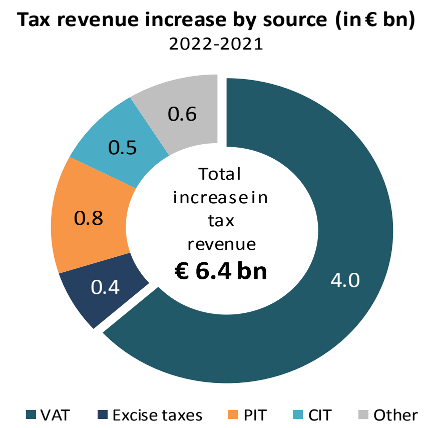
The Draft Government Budget for 2023 aims at returning to fiscal primary surplus, following a substantial decrease in the General Government primary deficit in 2022, after two years of Covid-19 pandemic-related fiscal disequilibrium. This rebalancing is planned to be achieved despite the maintenance of substantial fiscal support to businesses and households in order to cushion the impact of the energy crisis.

The General Government primary balance in 2023 is projected to swing back to a primary surplus of 0.7% of GDP (€1.6 bn, ESA 2010 definition). In FY:2022 the primary deficit is expected to shrink by 60% y-o-y, to 1.7% of GDP (€3.6 bn), broadly in line with the respective Stability Programme 2022 estimate of 2.0% of GDP. In 2021, the respective outcome was a primary deficit of 5.0% of GDP (€9.1 bn). The improvement is already reflected in the position of the primary State Budget in 8M:2022; balanced in comparison with a 3.5% of GDP deficit in 8M:2021.

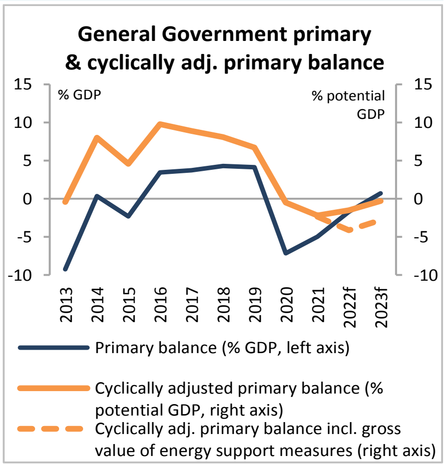
The encouraging fiscal performance in 2022 is driven by the following factors:

- The strength of the economic recovery has led to a stronger-than-expected rebound in tax revenue, which has been bolstered by increased tax efficiency following several years of fiscal reforms. Tax revenue is anticipated to increase by 13.2% y-o-y in FY:2022, at a broadly similar pace as nominal GDP (estimated at +14.8% in FY:2022), exceeding by €4.6 bn (+9.1%) the respective Budget 2022 target. More specifically:
    - VAT revenue is expected to have a significant contribution to the overperformance – up by an estimated 23.3% y-o-y or +€4.0 bn in FY:2022 (+25% y-o-y in 8M:2022) – accounting for around 2/3rds of the increase in total tax revenue by €6.4 bn in FY:2022 vs FY:2021.
    - PIT and CIT revenue are projected to increase by 7.7% y-o-y and 15.3% y-o-y, respectively, in FY:2022 – jointly adding €1.3 bn in y-o-y revenue growth – on the back of favorable labor market conditions and strong corporate profitability (labor compensation increased by 7.8% y-o-y in H1:2022 and gross operating surplus and mixed income by 13.9% y-o-y, with Q3 trends remaining robust).
    - This strong revenue performance has been achieved despite reductions in tax rates enacted in 2022 (e.g. real estate taxes)

An impressive 23% y-o-y surge in VAT revenue accounts for 2/3rds of the increase in total tax revenue



Accounting for the gross amount of energy support and cyclical effects, the fiscal adjustment is much more benign



A 4.0% of GDP decline in primary spending in 2022 – reflecting highly supportive cyclical effects – the key driver of fiscal adjustment

Key components of General Government balance

	2019	2020	2021	2022e	2023f
	% GDP				
State budget primary balance	2,2	-9,4	-6,5	-2,6	-0,4
Revenue	*29,2*	*28,7*	*29,1*	*29,0*	*27,8*
of which tax revenue	*27,9*	*26,9*	*26,4*	*26,0*	*25,4*
Primary expenditure	*27,0*	*38,0*	*35,6*	*31,7*	*28,2*
Primary expenditure excl. PIB & RRF	*23,9*	*31,5*	*30,7*	*25,9*	*22,9*
Other Gen.Gov. Entities balance	2,3	2,3	1,5	0,9	1,2
Gen. Gov. Primary balance (ESA 2010)	**4,5**	**-7,1**	**-5,0**	**-1,7**	**0,7**
Interest payments	3,0	3,0	2,5	2,4	2,8
Gen. Government balance (ESA 2010)	**1,5**	**-10,1**	**-7,4**	**-4,1**	**-2,0**

Sources: *Greek MinFin & NBG Econ. Analysis calculations*

and the new extension of some transitory tax relief measures (such as lowered VAT rates on specific services and regions applied since 2020 due to the pandemic).

- General Government revenue is expected to post an even stronger increase in FY:2022 (+14.4% y-o-y), as transfers to the State Budget exceeded the initial target by €1.5 bn, mainly due to increased refunds of ANFA/SMP revenue and higher-than-budgeted EU financing of the PIB.
- Primary expenditure is envisaged to drop by 4.0% of GDP in 2022 compared to 2021, accounting for the entire decline in primary deficit as percent of GDP. Indeed, the level of primary spending in FY:2022 is projected to be €6.5 bn above the Budget 2022 target, due to unforeseen fiscal outlays and the need to maintain increased contingency reserves related to the energy crisis. However, the significantly higher-than-expected nominal GDP growth in 2022 (+14.8% y-o-y compared with 6.9%, estimated in the 2022 Budget), offsets the impact of new fiscal support measures on the expenditure-to-GDP ratio.
- In 2022, the combined primary surplus in the balances of other General Government entities (social security funds, local government and extra budgetary funds) is projected to decrease by 0.6 pps to 0.9% of GDP, remaining broadly in line with the Budget 2022 target, despite the upward pressure on spending components due to increasing costs. Notably, the surplus in social security funds was by 85% higher than the Budget 2022 target, with revenue from social security contributions expected to rise by 4.4% y-o-y in FY:2022 despite a further 0.5-pp reduction in the social security contribution rates in 2022. The substantial increase in the minimum wage in 2022 (+9.7% since July 2022) should further bolster social security system revenue in 2023.

Returning to a primary surplus in 2023 despite persistent energy headwinds

The Draft Budget aims at a General Government primary surplus of €1.6 bn (0.7% of GDP) in 2023, from an estimated €3.6 bn deficit in 2022. This adjustment needs to occur in a less favorable economic environment than in 2022, with nominal GDP growth at 5.3% y-o-y (+2.1% in constant price terms) and will be driven by a reduction in primary expenditure by €4.1 bn (-6.1% y-o-y or 3.4% of estimated GDP). The bulk of these savings will come from the non-renewal, and frontloading in late 2022, of some energy support measures, the elimination of the remaining Covid-19 support schemes, the clawback of extraordinary profits

Sources: *ELSTAT, Ministry of Finance, EU Commission, NBG Econ. Analysis estimates*

Around €12 bn of gross fiscal support to combat the energy crisis has been activated in 2022 with a fiscal cost of €4.7 bn

Measures against energy crisis (FY:2022)	€ bn	% GDP
Firms		
Subsidies for electricity & natural gas costs	5,9	2,8%
Total for Firms	***5,9***	***2,8%***
Households		
Subsidies for electricity & natural gas bills	3,7	1,8%
Increased heating allowances	0,2	0,1%
Retroactive increase in the subsidization of electricity bills (power pass)	0,3	0,1%
Increased allowances to vulnerable citizens	0,8	0,4%
Prepaid card for fuels	0,5	0,2%
Other (mainly support to farmers)	0,3	0,1%
Total for Households	***5,8***	***2,8%***
Coverage of increased energy needs of General Government entities	0,5	0,2%
Gross value of energy measures	12,1	5,8%
Energy Transition Fund Revenue	***7,5***	***3,6%***
Net Fiscal Cost of energy measures	4,7	2,2%

***Sources**: Greek Ministry of Finance, Draft Budget 2023*

Targeted relief, with a net fiscal cost of €3.3 bn, is planned for 2023, which corresponds to a gross value of measures of €10.3 bn, compared with €13.4 bn in 2022, when accounting for financing through the national ETF

Support measures		
€ bn	**2022**	**2023**
Energy support measures		
Gross value of energy support measures*	12,1	8,1
Net fiscal cost of energy support measures*	4,7	1,1
Other fiscal measures		
New ENFIA reduction	0,3	0,0
Abolishment of solidarity contribution for public employees & pensioners	0,0	0,5
Pension increases	0,0	0,8
Installation of solar panels	0,7	0,0
"Renewing-Saving" program for young people aged 18 to 39	0,0	0,3
Low-interest loan scheme for the acquisition of primary residence for young people up to 39 years old	0,0	0,4
Other measures (including 2022 SSC reduction)	0,3	0,2
Total value of other fiscal measures	1,3	2,2
Gross value of support measures	**13,4**	**10,3**
Net fiscal cost of support measures	**6,0**	**3,3**
Net fiscal cost of support measures (% of GDP)	**2,8%**	**1,5%**

*For 2023 the estimations are based on ETF revenue and projections included in 2023 Draft Budget

***Source** : Greek MinFin, Draft Budget 2023*

of energy producers along the lines of the framework applied in H2:2022, and a more efficient adjustment of government subsidies to electricity costs (see next section).

The increase in tax revenue in 2023 is expected to be more moderate (+2.9% y-o-y), due to slowing nominal GDP and the introduction of new tax relief measures. Specifically, the abolition of the social solidarity surcharge on public servants and pensioners will negatively impact PIT revenue (entailing a fiscal cost of €1.2 bn). This surcharge has already been suspended for private sector employees since 2020 and will henceforth be abolished from 2023 and onwards. Nonetheless, the positive carryover effect from the strong revenue overperformance in 2022 will be substantial, with tax revenue exceeding in 2023 their 2019 level by 9.8%. VAT revenue growth is conservatively projected at +2.6% y-o-y, reflecting the risk of a drop in the volume of demand in income elastic categories (where the high VAT rate applies), and a decreasing business sales growth, compared with the rapid pace in 2022.

As regards the total General Government deficit, it is expected to decrease to 2.0% of GDP in 2023 from 4.1% in 2022 and 7.4% in 2021, compared to the Stability Programme estimates of 1.4% in 2023 and 4.4% in 2022, mainly reflecting the above described adjustment in primary balance.

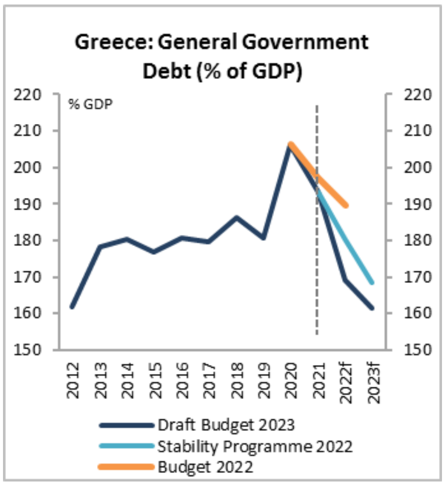
Key measures of fiscal support to soften the blow from higher energy prices

The gross value of fiscal support to the economy in 2022 is estimated at €13.4 bn (6.4% of GDP), of which €12.1 bn correspond to measures against the energy crisis. In 2023, the gross value of support is estimated by the NBG Economic Analysis Division to decline to a still respectable €10.3 bn. However, a significant part of the above-mentioned cost for 2022 is financed – according to Draft Budget estimates – by €9.5 bn from the national Energy Transition Fund, of which €7.5 bn correspond to current revenue coming from emissions trade and interventions in wholesale electricity market. Similarly, for 2023, the NBG Economic Analysis Division estimates that another €7.0 bn of funding could be secured through the ETF.

Accordingly, the net cost of the total fiscal support in 2022 is estimated at €6.0 bn. In 2023, the total value of net fiscal support is estimated at €3.3, of which c. €1.0 bn reflects a contingency reserve for energy-related fiscal needs (see table).

***Sources**: Ministry of Finance, NBG Econ. Analysis estimates*

Public debt is projected to decline to a 13-year low of 161.6% of GDP in 2023, significantly lower than the respective 2022 Stability Programme estimate of 168.6% of GDP



The key risks to the fiscal scenario of the Draft Budget for 2023 include: i) worse-than-expected developments in the energy front, e.g. crude oil prices significantly above the budget estimates of $95.6 per barrel and natural gas prices (Dutch TTF) of €200/MWh, resulting into higher inflation, as well as depressed consumption and production levels domestically, and ii) a deeper recession in the euro area which would take a heavier toll on Greece's external demand conditions and tourism. These tensions would entail additional needs for fiscal support.

General Government debt as percent of GDP is projected to decline to a 13-year low of 161.6% in 2023, following a steep drop to 169.1% in 2022 from 206.3% in 2020; significantly lower than the Stability Programme estimates of 168.6% and 180.2% of GDP for 2023 and 2022, respectively. This performance, in conjunction with the achievement of the ambitious fiscal target for 2023, are expected to support the effort to regain investment grade status, while bolstering credibility in a period of increasing sovereign yields, due to the accelerating normalization of monetary policy.

***Sources**: ELSTAT, Ministry of Finance*

Greece – Indicators of Economic Activity in high frequency

Indicator	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
PMI (index level)	54,4	56,2	42,5	29,5	41,1	49,4	48,6	49,4	50,0	48,7	42,3	46,9
Industrial confidence (index level)	3,1	5,2	2,3	-8,1	-20,7	-19,2	-13,3	-16,3	-16,7	-8,3	-11,8	-6,6
Manufacturing production (y-o-y)	4,7	-1,0	1,4	-12,3	-9,3	-0,6	0,1	-0,9	-3,7	-2,4	7,1	0,8
Industrial production (y-o-y)	-0,6	-2,9	0,0	-10,8	-8,2	-4,6	-0,1	-3,9	-2,1	-3,2	8,9	3,8
Services confidence (index level)	23,0	31,6	25,6	2,1	-47,2	-51,6	-35,3	-28,1	-28,3	-25,6	-27,9	-27,8
Consumer confidence (index level)	-12	-8	-24	-42	-40	-33	-36	-34	-41	-39	-45	-37
Retail confidence (index level)	23,0	25,1	17,7	-1,2	-30,7	-12,5	-24,6	-21,5	-17,3	-10,7	-4,6	-11,6
Retail trade volume (y-o-y)	6,2	2,5	-2,4	-24,6	-3,0	-3,8	-2,8	-0,6	-4,0	4,7	-7,4	-11,5
Construction Permits (y-o-y)	44	71	54	-18	5	11	18	-11	-14	-13	-15	14
House prices (y-o-y, quarterly series)	6,7	6,7	6,7	4,3	4,3	4,3	3,9	3,9	3,9	3,2	3,2	3,2
Construction confidence (index level)	-25	-29	-29	-88	-82	-57	-30	-43	-52	-47	-30	-38
Employment (y-o-y)	1,3	0,2	-3,9	-9,4	-13,9	-11,4	-4,3	-0,3	-0,7	-3,5	-6,0	-4,3
Interest rate on new private sector loans (CPI deflated)	3,5	4,1	4,1	5,6	5,4	5,6	5,9	6,0	5,9	5,9	6,2	6,1
Credit to private sector (y-o-y)	-0,6	-0,8	0,1	0,3	0,7	0,4	1,5	1,9	2,4	2,5	2,6	3,5
Deposits of domestic private sector (y-o-y)	6,3	7,7	8,8	8,6	9,4	8,4	9,5	9,0	10,3	11,6	14,0	14,4
Interest rate on new time deposits (households, CPI deflated)	-0,5	0,1	0,3	1,7	1,4	1,8	2,1	2,2	2,2	2,0	2,3	2,5
Economic sentiment index (EU Commission, Greece)	110	113	107	97	84	86	90	90	90	93	92	95
Economic sentiment index (EU Commission, Euro area)	105	105	95	61	65	76	84	91	95	95	92	97
Exports (excl. oil & shipping, y-o-y, 6m mov.avg)	5,6	6,3	4,2	1,3	-1,9	-3,8	-6,0	-8,7	-8,0	-6,2	-2,8	-1,5
Imports (excl. oil & shipping, y-o-y, 6m mov.avg)	0,5	1,4	-1,7	-4,4	-9,2	-9,9	-12,0	-12,8	-10,9	-9,1	-4,5	-3,8
BoG - Tourist arrivals (y-o-y)	19,7	24,6	-46,8	-96	-98	-93,8	-85,4	-73,3	-73,9	-65,6	-81,1	-86,0
AIA - International passenger traffic development (y-o-y)	10,2	6,4	-62,0	-99,2	-98,4	-93,4	-76,1	-66,2	-72,3	-72,2	-86,0	-87,7
Estimation of total electricity demand in the network (y-o-y)	-3,2	-1,5	0,3	-6,9	-4,5	-13,1	-0,8	-7,9	1,2	-0,6	4,4	-4,9
VAT on other goods & services (y-o-y)	-0,8	1,1	-23,7	9,1	-51,1	-17,1	-15,4	-10,0	-10,8	-15,1	-12,8	-7,5
Business Turnover (y-o-y, double-entry bookkeeping)	9,8	-2,6	-10,5	-31,7	-26,7	-15,6	-16,6	-19,8	-11,1	-7,3	-7,2	-6,4

Indicator	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
PMI (index level)	50,0	49,4	51,8	54,4	58,0	58,6	57,4	59,3	58,4	58,9	58,8	59,0
Industrial confidence (index level)	-5,2	-4,4	-4,6	-5,2	5,4	2,1	7,7	9,5	2,5	8,6	8,9	8,6
Manufacturing production (y-o-y)	1,6	2,7	3,5	23,1	14,5	7,2	5,7	6,2	12,1	14,7	9,6	6,0
Industrial production (y-o-y)	3,6	4,3	5,8	22,7	14,1	9,1	8,1	10,1	10,1	16,5	8,4	8,4
Services confidence (index level)	-25,1	-14,8	-7,9	-7,6	16,6	31,5	30,8	30,9	34,5	39,8	44,7	33,8
Consumer confidence (index level)	-39	-43	-40	-38	-22	-25	-31	-32	-38	-40	-39	-38
Retail confidence (index level)	-8,9	-6,9	-0,2	2,7	0,3	3,4	9,5	10,2	3,4	19,8	12,4	21,6
Retail trade volume (y-o-y)	-2,5	-2,8	-0,7	39,8	15,0	11,3	11,3	5,3	9,6	8,4	16,7	19,6
Construction Permits (y-o-y)	4	22	33	116	100	51	20	57	39	61	76	14
House prices (y-o-y, quarterly series)	4,5	4,5	4,5	6,9	6,9	6,9	8,7	8,7	8,7	9,7	9,7	9,7
Construction confidence (index level)	-14	-9	-5	-4	-9	-10	3	-5	10	2	-3	-7
Employment (y-o-y)	-4,0	-3,1	-1,0	5,3	17,1	15,0	7,1	4,3	4,9	6,8	11,1	9,8
Interest rate on new private sector loans (CPI deflated)	5,8	5,1	5,7	4,1	3,8	2,9	2,7	2,3	1,6	0,5	-1,1	-1,4
Credit to private sector (y-o-y)	3,7	3,7	2,9	2,4	2,2	2,3	1,2	0,8	0,8	0,9	1,1	1,4
Deposits of domestic private sector (y-o-y)	15,3	14,9	13,8	14,8	13,7	14,5	13,2	13,9	13,3	11,5	10,4	9,9
Interest rate on new time deposits (households, CPI deflated)	2,2	1,5	1,8	0,4	0,0	-0,9	-1,2	-1,7	-2,1	-3,3	-4,7	-5,0
Economic sentiment index (EU Commission, Greece)	94	96	100	99	109	109	112	114	109	113	114	111
Economic sentiment index (EU Commission, Euro area)	96	98	103	106	110	116	118	117	118	118	116	114
Exports (excl. oil & shipping, y-o-y, 6m mov.avg)	-1,2	1,5	7,1	14,0	18,6	22,9	27,9	32,0	32,2	29,7	32,1	31,3
Imports (excl. oil & shipping, y-o-y, 6m mov.avg)	-3,7	-3,4	2,8	11,3	18,1	23,7	29,3	35,6	34,0	31,3	31,7	32,1
BoG - Tourist arrivals (y-o-y)	-87,9	-87,8	-75,9	186	414	317	240	125	124	125	219	294
AIA - International passenger traffic development (y-o-y)	-88,2	-89,8	-72,2	1292	1083	435	139	91	122	139	389	388
Estimation of total electricity demand in the network (y-o-y)	-10,6	-6,8	2,7	6,2	3,6	11,7	14,9	15,2	-3,8	3,1	3,2	9,1
VAT on other goods & services (y-o-y)	-10,0	-8,6	28,6	-1,4	72,3	29,2	14,9	14,4	18,2	21,2	29,9	29,9
Business Turnover (y-o-y, double-entry bookkeeping)	-16,0	-9,2	13,2	42,3	24,1	22,4	24,4	32,6	30,0	28,6	39,9	33,7

Indicator	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
PMI (index level)	57,9	57,8	54,6	54,8	53,8	51,1	49,1	48,8	49,7
Industrial confidence (index level)	13,2	9,8	9,7	3,1	5,3	0,3	0,2	-1,6	-5,2
Manufacturing production (y-o-y)	1,9	8,4	5,1	-0,6	5,9	8,3	6,5		
Industrial production (y-o-y)	-0,7	5,3	8,6	-4,5	3,9	8,9	7,0		
Services confidence (index level)	32,9	42,3	36,6	19,8	20,9	17,8	16,4	20,2	37,2
Consumer confidence (index level)	-41	-39	-51	-55	-51	-53	-55	-54	-51
Retail confidence (index level)	14,3	8,8	6,1	0,6	2,3	0,2	3,9	-3,7	-0,8
Retail trade volume (y-o-y)	7,6	10,8	12,3	8,7	-4,6	1,2	1,7		
Construction Permits (y-o-y)	24	32	-6	2	-15	-19			
House prices (y-o-y, quarterly series)	9,3	9,3	9,3	9,4	9,4	9,4			
Construction confidence (index level)	-10	-3	1	-7	-25	-15	-35	-32	-29
Employment (y-o-y)	7,7	12,0	13,4	10,3	5,1	4,1	3,1	1,2	
Interest rate on new private sector loans (CPI deflated)	-2,3	-3,5	-5,0	-6,0	-7,5	-8,1	-7,9	-7,4	
Credit to private sector (y-o-y)	0,9	1,4	1,6	2,8	3,3	4,5	5,5	5,8	
Deposits of domestic private sector (y-o-y)	9,3	8,7	7,0	5,8	6,3	6,9	6,1	5,2	
Interest rate on new time deposits (households, CPI deflated)	-6,1	-7,1	-8,7	-10,0	-11,2	-12,0	-11,5	-11,3	
Economic sentiment index (EU Commission, Greece)	114	114	112	105	108	105	102	102	105
Economic sentiment index (EU Commission, Euro area)	113	114	106	105	104	103	99	97	94
Exports (excl. oil & shipping, y-o-y, 6m mov.avg)	30,5	30,1	27,8	26,3	26,7	27,6	27,2		
Imports (excl. oil & shipping, y-o-y, 6m mov.avg)	35,3	36,1	34,1	33,2	34,2	32,4	29,4		
BoG - Tourist arrivals (y-o-y)	257	315	319	884	673	241	87		
AIA - International passenger traffic development (y-o-y)	297	436	556	616	355	157	63	42	52
Estimation of total electricity demand in the network (y-o-y)	8,8	3,4	10,4	-6,3	1,6	0,0	-11,8	-13,9	
VAT on other goods & services (y-o-y)	-4,2	58,9	27,7	20,9	25,6	15,0	22,4	23,8	
Business Turnover (y-o-y, double-entry bookkeeping)	36,4	45,1	47,8	37,1	51,8	45,1	44,4		

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

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The analysis is based on data up to October 5, 2022, unless otherwise indicated