NATIONAL BANK OF GREECE

GREECE Macro Flash

Government Budget 2022

December 2021

Rapid fiscal rebalancing in 2022 on the back of strong macroeconomic tailwinds and reduced Covid-related spending; nevertheless accompanied by surging public investment to support the economy's competitiveness

- The Government's Budget for 2022 aims at taking large steps toward restoring fiscal equilibrium, after two years of strong accommodation due to the Covid-19 pandemic.
- Indeed, fiscal support in FY:2021 amounted to nearly €16 bn or c. 9.0% of GDP, provided mainly in H1:2021. However, the strong GDP recovery since Q2:2021, bolstered by the continuation of targeted fiscal stimulus, supported tax revenue, and allowed a gradual unwinding of expansion measures in the second half of the year. In fact, primary expenditure as per cent of GDP decreased, on an annual basis, by 1.2% in FY:2021, and 5.3% in H2:2021.
- Tax revenue in FY:2021 increased by a respectable 4.7% y-o-y, due to robust VAT revenue (+11.4% y-o-y) and surprisingly strong proceeds from CIT (+20.5% y-o-y), supported by resilient profitability. These increases have been partially offset by the drop in PIT revenue (-0.7% of GDP or -5.2% y-o-y in FY:2021).
- The 2022 Budget envisages a substantial decrease in the primary deficit, by €10.6 bn, to 1.2% of GDP in 2022 from an estimated 7.3% in 2021. Supportive cyclical conditions and the temporary nature of €9.5 bn of fiscal stimulus provided in 2021 will lead the adjustment effort.
- Specifically, primary spending (excluding PIB and RRF) is expected to decline by €7.3 bn (or by 5.5% of annual GDP) in 2022, also providing some fiscal space to finance targeted expenditure on active labor market policies (€0.2 bn), military equipment (€0.8 bn) and the setup of a contingency reserve of c. €2 bn.
- The remaining part of the fiscal improvement in 2022 reflects an increase in tax revenue of €3.5 bn (equivalent to a change in the revenue share in GDP of 0.5%) – a 7.5% y-o-y increase. Around two thirds will come from higher VAT and consumption tax revenue (+9.6% y-o-y and 7.7% y-o-y respectively) while the remainder is linked to income taxes (+9.3% y-o-y) as CIT and PIT revenue both recover.
- Notably, a substantial increase in public investment is planned for 2022 (including expenditure financed by the RRF), with PIB spending up by 23% y-o-y to €11 bn. Thus, the share of public investment in GDP is expected to climb to an 18-year high of nearly 6%, supporting economic growth and giving rise to positive second-round effects on activity, given the high multiplier effect of public investment on GDP.
- Overall, the primary deficit is expected to decline from 7.3% to 1.2% of GDP, while the decrease in the cyclically adjusted primary deficit is estimated at 3.8% of GDP between 2022 and 2021.

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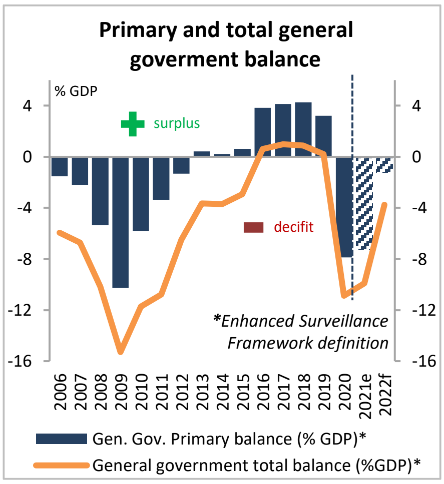
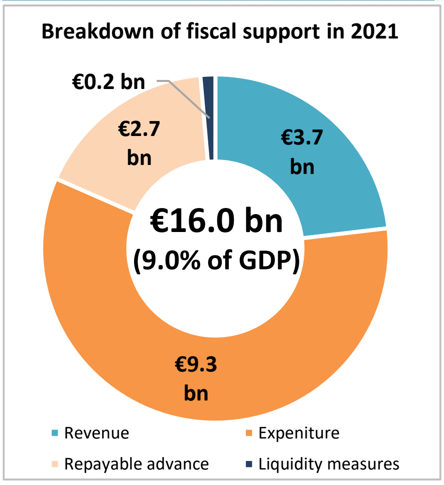
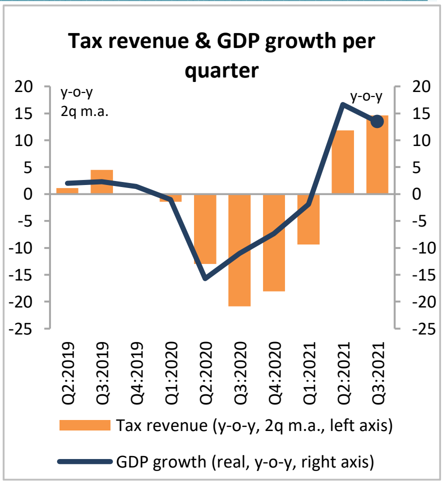
Returning to a broadly balanced fiscal position after two years of strongly expansionary policy



Covid-19-related support remained sizeable in 2021 and was disbursed mainly in H1



A strong cyclical turnaround in revenue since mid-2021



Rapid fiscal rebalancing in 2022 on the back of strong macroeconomic tailwinds and reduced Covid-related spending; surging public investment to support the economy's competitiveness

The Government's Budget for 2022 aims at taking large steps toward restoring fiscal equilibrium after two years of strong expansion, due to the Covid-19 pandemic. The strong GDP recovery in 2021, bolstered by the continuation of targeted fiscal stimulus in H1:2021, supported tax revenue and allowed a gradual unwinding of support measures in the second half of the year. In fact, the General Government primary deficit (Enhanced Surveillance definition) is expected to decline to 7.3% of GDP in 2021 from 7.9% in 2020. This improvement is already evident in the State Budget figures for 11M:2021, with the primary deficit contracting by 43% y-o-y and outperforming by 0.6% of GDP the respective Budget target. Indeed, the fiscal trends reversed in 2021, with the deficit decreasing to 4.4% in 11M:2021 from 5.3% in H1:2021, while in 2020 for the corresponding periods the deficit increased from 3.5% of GDP in H1:2020 to 8.2% in 11M:2020.

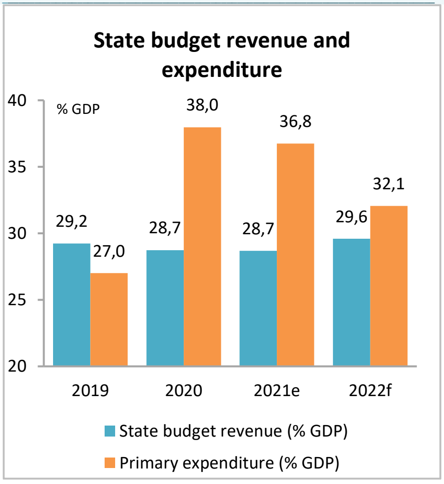
The GDP growth forecast in the Budget is 6.9% y-o-y for 2021, which is likely to be exceeded by a wide margin, and could lead to stronger revenue base effects in 2022, when GDP is expected to grow by a solid 4.5% y-o-y. Indeed, NBG's updated estimate (see NBG Greece Macro Flash December 9, 2021) of annual GDP growth of 8.5% in FY:2021 (+9.1% in nominal terms) would lower the estimated General Government primary deficit to 7.1% of GDP in 2021 excluding any positive cyclical impact on revenue.

Covid-19 related stimulus remained sizeable in H1:2021 and started to unwind in H2:2021, when increasingly positive cyclical effects lowered financing needs and bolstered revenue

Fiscal policy remained highly accommodative in 2021 so as to counteract the Covid-19 impact, with the combined value of fiscal support amounting to €15.8 bn or c. 9% of GDP, which was for the most part provided in H1:2021. In 2020 support measures exceeded €17 bn (about 10.5% of 2020 GDP). This objective was more than met as the General Government's, cyclically adjusted, primary deficit is expected to exceed 4.8% of GDP in 2021, from 2.3% in 2020, roughly corresponding to a direct boost of 2.5 pps to economic activity in FY:2021.

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

The small decline in the primary deficit in 2021 mainly reflects a decrease in spending, as per cent of GDP, of 1.2 pp – due to the gradual unwinding of Covid-19 measures in H2:2021



	2021	2022
	% GDP	
Fiscal measures	**8.9**	**1.8**
Revenue	**2.1**	**1.1**
A 3pps decrease in the social security contribution rate for private sector	0.5	0.5
Suspension of the solidarity contribution for employees in the private sector	0.4	0.4
Reduction of advanced CIT payment	0.6	0.0
Suspension of tax and social security contribution payments	0.2	0.0
Lower VAT rate for transport. serviced food & beverage. cinemas and tourist services	0.1	0.1
Other revenue measures	0.3	0.1
Expenditure	**6.8**	**0.7**
Repayable advance scheme	1.5	0.0
Repayable advance subsidy to very small enterprises through local government	0.5	0.0
A 6-month coverage by the State of contributions for employers & employees (150K new job positions)	0.2	0.1
Economic support to wage earners and the self-employed (incl.Christmas&Easter bonus)	1.2	0.0
Coverage of Social Security Contributions by the State	0.6	0.0
SYN-ERGASIA	0.1	0.0
Extension of the regular and long-term unemployment benefit	0.1	0.0
Support to the healthcare system	0.8	0.4
First residence subsidy cost for borrowers hit by coronavirus (GEFYRA)	0.1	0.0
New program for SMEs borrowers hit by coronavirus (GEFYRA)	0.1	0.0
Subsidization of interest payments on performing loans of SMEs	0.1	0.0
Economic support to SMEs	0.3	0.0
Economic support to owners affected by rent decrease	0.4	0.0
Other expenditure measures	0.8	0.1
Liquidity support measures	**0.1**	**0.0**
Guarantees through the Development bank	0.1	0.0
Total	**9.0**	**1.8**

Sources: Greek Ministry of Finance & NBG Economic Analysis calculations

Tax revenue in FY:2021 is expected to increase by 4.7% y-o-y, due to robust VAT and CIT revenue (+11.4% and 20.5% y-o-y, respectively in 2021) but decline as per cent of GDP by 0.7%, as its growth had been outpaced by the nominal GDP growth. This decline partly arises from the decrease in personal income tax (PIT) revenue as per cent of GDP (-0.7% of GDP or -5.2% y-o-y in FY:2021), primarily reflecting: i) the suspension of the social solidarity surcharge on personal incomes with a fiscal cost of €0.8 bn in 2021, ii) the lowering of the tax rate for the first income bracket to 9% (from 22%) for annual incomes of up to €10.000 (with a fiscal impact of €0.3 bn), and iii) the drop in taxable personal income in 2020 – when the contraction in the market-based personal income was largely offset by tax-free government support schemes.

However, indirect tax revenue outperformed their initial targets. The strength of economic recovery led to a stronger-than-expected rebound in VAT revenue – up by 11.4% y-o-y or €1.8 bn in FY:2021 – accounting for more than 80% of the estimated annual increase of €2.1 bn in tax revenue in FY:2021.

Moreover, a positive surprise came from corporate income tax (CIT) revenue, which increased by a robust 20.5% y-o-y (+€0.5 bn y-o-y). Notably, this improvement was achieved despite the lowering of the CIT rate by 4 pps to 24% in 2019 (impacting CIT revenue from 2020 onwards). Corporate profitability (approximated by the gross operating surplus in national accounts), declined at the same pace as business turnover (c. -13% y-o-y) in 2020. However, it should be noted that the profitability of larger, more competitive firms -- which effectively determines CIT revenue outcomes – was more resilient than suggested by economy-wide profits in 2020, with the latter being dragged down by the deteriorating performance of loss-making firms which does not affect CIT revenue. CIT revenue in 2021 was also supported by deferred tax payments from 2020 to 2021.

As mentioned above, mainly due to additional Covid-19 related expenditure, but also due to support to households and firms for damages related to natural disasters and subsidies to counteract increasing energy costs, primary expenditure increased by 4.0% y-o-y in FY:2021 (albeit declining by 1.2% of GDP).

Sources: *Greek Ministry of Finance, NBG Economic Analysis estimates*

The General Government primary deficit is expected to shrink by 0.6% of GDP in 2021 and by 6.0% in 2022 (Enhanced Surveillance definition)

Key components of General Government balance

	2019	2020	2021e	2022f
	% GDP			
State budget primary balance	2,2	-9,4	-8,1	-2,5
Revenue	*29,2*	*28,7*	*28,7*	*29,6*
of which tax revenue	*27,9*	*26,9*	*26,2*	*26,7*
Primary expenditure	*27,0*	*38,0*	*36,8*	*32,1*
Primary exp.excl. PIB & RRF	*23,9*	*31,5*	*31,7*	*26,2*
Other Gen.Gov. Entities balance	2,3	2,3	1,1	1,0
Enhanced Surv. adjustments	-0,9	-0,8	-0,3	0,2
Gen. Gov. Primary balance (Enhanced Surveillance definition)	**3,2**	**-7,9**	**-7,3**	**-1,2**
Interest payments	3,0	3,0	2,7	2,5
Gen. Government balance (Enhanced Surveillance definition)	**0,2**	**-10,9**	**-9,9**	**-3,8**

Sources: Greek Ministry of Finance & NBG Econ. Analysis calculations

A €10.6 bn decline in primary balance in 2022, mainly due to the non-renewal of most Covid-19 measures

Major drivers of fiscal adjustment 2022

	Difference 2022-2021
	in bn
Savings from non-recurring Covid-19 expenditure	9.5
Tax revenue	3.5
Savings from purchases of goods & services	0.8
Contingency reserves	-2.3
Military expenditure	-0.8
Total	**10.6**

*Positive sign corresponds to fiscal savings and negative to fiscal cost

Sources: Greek Ministry of Finance & NBG Economic Analysis calculations

The buoyancy of VAT and CIT revenue and higher EU transfers are going to support the fiscal adjustment in 2022

Developments in major revenue components

	2019	2020	2021e	2022f
	% GDP			
VAT	9.6	9.3	9.6	10.0
PIT	6.0	6.2	5.5	5.5
CIT	2.4	1.6	1.8	2.0
Transfers (mostly EU)	2.5	3.4	3.3	4.0

Sources: Greek Ministry of Finance & NBG Economic Analysis calculations

Overall, the General Government primary deficit is expected to decline by 0.6% of GDP (Enhanced Surveillance definition), to 7.3% in 2021 recording a marginal contraction in nominal terms (-€0.2 bn).

The strong recovery momentum, compounded by increased public investment, will support the fiscal adjustment in 2022

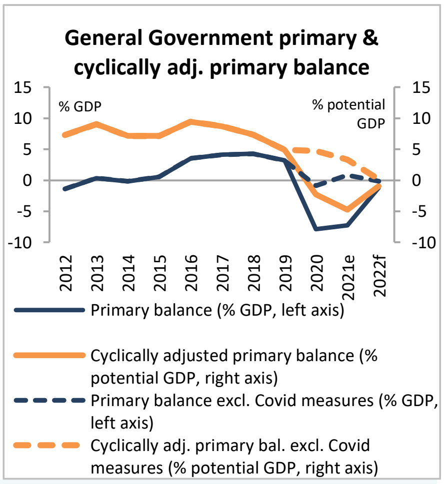
The Budget envisages a substantial €10.6 bn decrease in the primary deficit, from €12.9 bn in 2021 (7.3% of GDP) to €2.3 bn in 2022 (1.2% of GDP). However, supportive cyclical conditions in conjunction with the increased share of public investment in government spending in 2022, limit the risk of significant fiscal drag from the unwinding of Covid-19 measures.

Specifically, the bulk of the adjustment in 2022, will come from the non-renewal of most Covid-19 measures. Primary spending (excluding public investment spending and RRF grants) is expected to decline by about €7.3 bn to 26.2% of GDP from 31.7% of GDP in 2021, through the non-recurrence of €9.5 bn of payments related to Covid-19 support schemes in 2021. These savings, also provide some fiscal space to finance targeted increases in expenditure mainly on military equipment (€0.8 bn) and the built up of around €2 bn of contingency reserves, which could be partly used to finance new support measures to counteract increasing energy costs or renewed pressure from Covid-19.

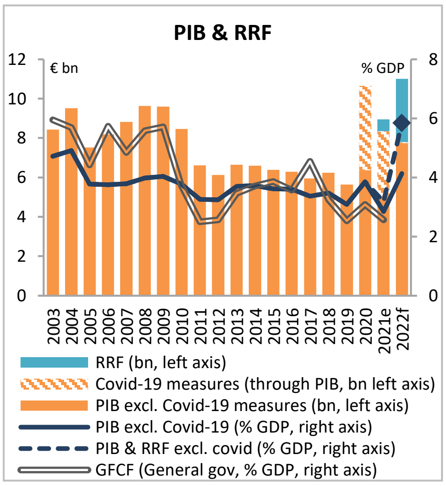
Most of the remaining part of the fiscal improvement in 2022 will reflect a €3.5 bn increase in tax revenue to 26.7% of GDP from 26.2% in 2021 -- a 7.5% y-o-y increase -- buoyed by the ongoing turnaround in economic activity. Around two thirds of this increase will come from higher VAT and consumption tax revenue (+9.6% y-o-y and 7.7% y-o-y respectively) while the remainder is linked to income taxes (+9.3% y-o-y in 2022 from +1.2% in 2021). CIT revenue will account again for a major part of the improvement in direct tax revenue, increasing by 19.3% y-o-y or by 0.2% of GDP.

Most notably, a substantial increase in public investment is planned for 2022, with related spending increasing by 23% y-o-y to €11 bn, through the combination of conventional PIB, and RRF spending. Furthermore, excluding PIB expenses related to Covid-19 measures in 2021 (mostly related to labor market

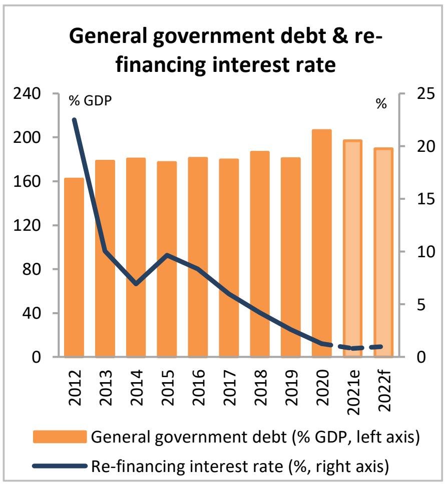
The contraction in the cyclically adjusted deficit in 2022 is rather modest



A strong increase in public investment, including RRF spending, to an 18-year high, will bolster the recovery



General Government debt peaked in 2020 – a year earlier than previously estimated – to 206.3% of GDP and declined to 197.1% in 2021 on the back of strong GDP growth



subsidy schemes and the part of repayable advances paid through the PIB), the annual increase in public investment reaches an impressive level (+94% y-o-y or +€5.3bn), corresponding to the highest public investment-to-GDP ratio in, at least, 18-years. Its achievement is expected to have a significant positive impact on economic growth, provided that the fiscal multiplier of public investment on GDP is substantially higher than other expenditure categories.

Accordingly, the Budget estimates that the economy-wide gross fixed capital formation will increase by 21.9% y-o-y or €4.8 bn in 2022 to 14.3% of GDP from 12.2% in 2021, whereas the average EU contribution to public investment financing will rise to 63% compared with 50-55% in the period 2017-2019.

Against this backdrop of partial substitution of Covid-19 spending with higher investment, the new reduction of the CIT rate by 2 pps and maintenance of major tax reliefs enacted in 2021 -- namely suspension of the social solidarity surcharge, and the renewal of lower VAT rates on specific services activities -- it is expected that the underlying fiscal drag in 2022 will be substantially smaller than suggested by the headline budget figures.

Indeed, the adjustment in the cyclically adjusted primary balance between 2022 and 2021 is estimated at 3.8% of GDP but decreases to only 1.5% when excluding non-recurring spending related to Covid-19 which is not counted in the measurement of the structural balance.

Higher GDP growth has also been the key determinant of the better-than-expected public debt outcome. General Government debt peaked in 2020 – a year earlier than previously estimated – to 206.3% of GDP (€341 bn) and is projected to decline to 197.1% (€350 bn) in 2021. In fact, the debt to GDP ratio declines to 194% in 2021, if we take into account our latest estimate for higher GDP growth in FY:2021. In 2022, the general government debt is projected to fall to 189.6% of GDP (€355 bn) or to 185% when adjusting for higher GDP growth in 2021. The decline will be supported by the continuing economic recovery (GDP increase of 4.5% y-o-y according to Budget estimates) and the use of about €10 bn of cash reserves in 2022 for the earlier payment of debt categories with higher servicing costs (i.e., IMF, GLF loans).

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

Greek Economy: Selected Indicators

	2019					2020					2021					2021e	2022f
	Q1	Q2	Q3	Q4	year aver.	Q1	Q2	Q3	Q4	year aver.	Q1	Q2	Q3	Most recent		year aver.	year aver.
GDP components - spending side (y-o-y period average, constant prices)																	
GDP	1,4	2,0	2,3	1,4	1,8	-1,0	-15,7	-11,0	-7,3	-8,8	-1,9	16,6	13,4	Q3:21	13,4	8,5	4,4
Domestic demand	2,2	1,5	-0,2	1,5	1,3	-1,1	-9,8	-0,4	-7,1	-4,6	-2,9	16,4	7,4	Q3:21	7,4	6,7	2,7
Final consumption	0,3	1,8	0,7	2,2	1,2	0,9	-11,1	-5,2	-4,9	-5,1	-2,3	12,4	7,3	Q3:21	7,3	5,3	2,8
Gross fixed capital formation	-5,7	-18,8	8,9	0,1	-4,8	-3,9	1,6	0,6	3,4	0,4	13,1	17,7	18,1	Q3:21	18,1	15,8	17,2
Exports of goods and services	5,7	3,9	7,7	1,3	4,6	0,5	-30,0	-34,7	-10,7	-18,9	-0,8	26,3	48,6	Q3:21	48,6	19,6	16,5
Imports of goods and services	7,8	2,6	1,1	1,3	3,1	0,4	-14,5	-7,4	-9,9	-7,9	-3,4	23,7	21,7	Q3:21	21,7	13,2	10,9
Conjunctural and leading indicators (period average)																	
Business turnover (double-entry bookkeeping)	9,6	5,9	6,7	0,7	5,5	-2,4	-25,1	-16,4	-7,3	-13,2	-4,6	28,7	28,6	Oct	28,5	…	…
Retail sales volume (y-o-y)	-0,5	-0,8	1,6	2,8	0,8	2,0	-10,4	-2,4	-5,0	-4,0	-2,0	20,5	8,8	Sep	10,1	…	…
Retail confidence (15-yr. average: -3,7)	14,6	3,3	23,1	24,4	16,3	23,4	-8,5	-19,9	-17,2	-5,5	-10,1	3,7	7,4	Nov	9,7	…	…
Car registrations (y-o-y)	4,9	13,1	23,7	12,2	13,2	-12,4	-54,2	-14,3	-16,5	-26,6	-5,3	93,9	4,4	Sep	0,1	…	…
Consumer confidence (15-yr. average: -47,9)	-31,1	-29,4	-11,7	-7,1	-19,8	-10,4	-31,1	-36,9	-46,2	-31,2	-43,0	-27,5	-35,4	Nov	-40,8	…	…
Industrial production (y-o-y)	1,7	0,5	-0,1	-4,7	-0,7	-1,1	-7,8	-1,9	3,1	-2,0	4,6	15,1	9,3	Oct	16,5	…	…
Manufacturing production (y-o-y)	1,8	2,1	1,2	-1,4	0,9	1,6	-7,4	-1,5	1,8	-1,5	2,6	14,6	7,8	Oct	14,7	…	…
Capacity utilization (15-yr. average: 69,9)	70,4	71,6	72,1	72,8	71,7	71,3	65,9	70,6	73,6	70,3	73,8	75,0	78,6	Oct	77,6	…	…
Industrial confidence (15-yr. average: -9,5)	-2,7	-0,6	1,1	1,8	-0,1	3,4	-13,0	-15,6	-10,6	-9,0	-9,4	1,4	7,1	Nov	9,3	…	…
PMI Manufacturing (base=50)	54,2	54,4	54,4	53,8	54,2	51,0	40,0	49,3	46,0	46,6	50,4	57,0	58,4	Nov	58,8	…	…
Construction permits (y-o-y)	-18,6	2,2	37,9	10,2	9,8	55,7	0,3	-1,7	-4,7	5,9	20,6	84,7	57,0	Sep	95,5	…	…
Construction confidence (15-yr. average: -40,2)	-53,5	-52,9	-52,2	-42,1	-50,2	-31,3	-69,4	-41,6	-40,5	-45,7	-18,2	-1,1	3,8	Nov	1,4	…	…
PIB Disbursements (y-o-y)	56,6	52,6	22,2	-27,8	-9,5	48,4	241,5	172,9	30,0	88,7	171,0	-37,6	-5,7	Nov	-57,9	…	…
Stocks of finished goods (15-yr. average: 12,4)	8,6	13,5	12,5	11,4	11,5	9,8	13,9	15,7	14,1	13,4	19,1	12,4	1,9	Nov	4,9	…	…
External sector (period average, FY data correspond to the sum of quarterly observations)																	
Current account balance (% of GDP)	-2,1	-0,2	2,2	-1,4	-1,5	-2,1	-2,1	-0,8	-1,6	-6,6	-1,5	-2,6	1,0	Sep	-0,1	-4,8	-4,2
Current account balance (EUR mn)	-3777	-363	4050	-2635	-2725	-3518	-3453	-1379	-2614	-10964	-2642	-4741	1790	Sep	-177	…	…
Services balance, net (EUR mn)	1496	5267	11658	2695	21116	1144	1030	3600	1505	7278	739	1492	8126	Sep	2400	…	…
Primary income balance, net (EUR mn)	754	-599	-1344	-403	-1592	760	-370	-691	25	-276	1590	38	-777	Sep	-72	…	…
Merchandise exports – non-oil (y-o-y cum.)	4,3	4,1	4,6	4,5	4,5	4,5	-3,9	-3,9	-2,4	-2,4	13,4	23,1	25,7	Sep	25,7	…	…
Merchandise imports – non-oil (y-o-y cum.)	6,2	5,5	5,3	3,7	3,7	-2,5	-10,1	-8,6	-7,3	-7,3	9,2	23,5	25,2	Sep	25,2	…	…
Gross tourism revenue (y-o-y)	34,3	9,2	14,6	3,7	12,9	-19,6	-96,9	-72,1	-68,3	-75,8	-86,0	603,1	156,2	Sep	148,4	…	…
International tourist arrivals (y-o-y)	7,8	-2,5	6,3	5,5	4,1	-5,6	-95,3	-77,4	-72,1	-76,5	-85,2	318,3	149,0	Sep	124,4	…	…
Labor Market																	
Unemployment rate	18,5	17,2	16,9	16,6	17,3	16,0	16,8	16,8	16,1	16,4	16,5	16,0	13,6	Oct	13,3	15,0	13,8
Employment growth (y-o-y)	2,5	2,5	1,9	1,8	2,2	1,0	-2,7	-1,2	-0,4	-0,8	-5,9	1,8	4,7	Oct	2,5	0,5	2,0
Consumer and producer prices (y-o-y period average)																	
Headline inflation	0,7	0,3	-0,1	0,1	0,3	0,4	-1,4	-1,9	-2,1	-1,2	-1,6	0,3	1,8	Nov	4,8	1,3	2,7
Core inflation	0,2	-0,1	0,0	0,3	0,1	0,4	0,0	-0,7	-1,2	-0,4	-1,2	-0,9	0,2	Nov	2,9	0,2	2,2
Producer prices excl. energy	0,3	0,4	0,4	0,1	0,3	-0,1	-0,1	-0,2	0,1	-0,1	1,0	2,0	2,7	Oct	3,5	…	…
Real estate prices (y-o-y, change)																	
Residential house prices (y-o-y)	5,5	7,6	8,3	7,5	7,2	6,7	4,3	3,9	3,0	4,5	4,3	6,2	7,9	Q3:21	7,9	…	…
Office prices (y-o-y, bi-annual data)[1]	…	4,1	…	3,8	3,9	…	2,1	…	0,3	1,2	…	1,3	…	H1:21	1,3	…	…
Retail prices (y-o-y, bi-annual data)[1]	…	7,7	…	6,3	7,0	…	3,4	…	1,6	2,5	…	1,4	…	H1:21	1,4	…	…
Fiscal position																	
Gen. Gov. balance (% of GDP, ESA 2010, annual average corresponds to the Enhanced Surveillance definition)[2]	-1,1	-0,1	1,3	1,0	0,2	-1,8	-3,4	-1,5	-3,3	-10,9	-4,0	-2,2	…	Q2:21	-2,2	-9,9	-3,8
General Government primary balance (% of GDP, ESA 2010, annual average corresponds to the Enh. Surv. Fram.)[2]	-0,3	0,7	2,0	1,7	3,2	-1,1	-2,7	-0,8	-2,6	-7,9	-3,4	-1,5	…	Q2:21	-1,5	-7,3	-1,2
General Government debt (% of GDP)[2]	184,1	183,1	182,4	180,7	180,7	199,4	201,9	204,2	206,3	206,3	191,3	196,8	…	Q2:21	196,8	197,1	189,6
Monetary & financial indicators (y-o-y, end of period)																	
Deposits of domestic private sector	5,5	6,0	5,8	6,7	6,7	8,8	8,4	10,3	14,4	14,4	13,8	14,5	13,3	Oct	11,5	…	…
Loans to private sector (incl. sec. & bond loans)	-0,6	-0,2	-0,5	-0,6	-0,6	0,1	0,4	2,4	3,5	3,5	2,9	2,3	0,8	Oct	0,9	…	…
Mortgage loans (including securitized loans)	-2,9	-3,1	-3,3	-3,4	-3,4	-3,4	-3,0	-2,8	-2,7	-2,7	-2,8	-2,8	-2,9	Oct	-2,8	…	…
Consumer credit (including securitized loans)	-0,7	-0,9	-1,1	-1,6	-1,6	-1,7	-1,7	-1,6	-2,2	-2,2	-2,8	-1,7	-1,8	Oct	-1,4	…	…
Credit to non-financial corporations	1,6	2,5	2,2	1,7	1,7	3,4	3,8	8,3	10,0	10,0	8,7	6,2	2,8	Oct	3,0	…	…
Non-performing loans ratio (NPL ratio, in % of total)	45,1	43,6	42,1	40,6	40,6	37,8	37,2	36,3	30,1	30,1	30,3	20,3	15,0	Q3:21	15,0	…	…
Interest rates (per cent, period average)																	
10-year government bond yield	4,0	3,2	1,9	1,4	2,6	1,5	1,8	1,1	0,8	1,3	0,8	0,9	0,7	Nov	1,2	…	…
Spread between 10 year and bunds (bps)	382	327	239	173	280	190	222	158	134	176	121	111	108	Nov	148	…	…
Exchange rate (period average)																	
USD/euro	1,14	1,12	1,11	1,11	1,12	1,10	1,10	1,17	1,19	1,14	1,21	1,21	1,18	Nov	1,14	…	…
Stock market																	
ASE General index (aop)	666	784	860	876	796	802	627	637	691	689	802	898	889	Nov	904	…	…
ASE Banks (aop)	464	677	760	851	690	683	336	328	369	427	490	577	549	Nov	590	…	…

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

[2] Forecasts according to State Budget 2022

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

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The analysis is based on data up to December 16, 2021, unless otherwise indicated