



# NOTE ON THE GREEK ECONOMY

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Economic Analysis and Research Department

## Recent Economic Developments: an overview

**Economic activity** continued to expand at a satisfactory pace in 2024:Q3 (2.4% y-o-y), outperforming the euro area average. **HICP inflation** came down fast from its 2022 peak due to falling energy prices in 2023, but it remained relatively elevated at 3.0% in 2024 due to persistent services inflation. In the **housing market**, apartment prices increased at an accelerating pace in the course of 2023 and continued rising at a strong, though somewhat decelerating pace y-o-y in 2024:9M period. **Labour market developments** remained positive in 2024, with employment rising and unemployment falling to single-digit numbers. The **current account deficit** narrowed significantly in 2023, but deteriorated in the first eleven months of 2024 (by €510.9 mn y-o-y). The 2023 **primary fiscal outcome** came in at a surplus of 1.9% of GDP, significantly larger than the 1.1% target, due to higher tax revenue as well as lower primary spending. The **debt to GDP ratio** decreased by 10.8 pp compared to 2022 to 161.9% of GDP on account of economic growth and elevated inflation. **Corporate bank credit expansion** accelerated significantly in 2024 in line with economic growth and also declining interest rates. The growth rate of **household deposits** decelerated in 2024 through to November 2024. **Bank lending rates** have decreased since mid-2023 but remain high compared to the last ten years. **Government bond yields and spreads** have retreated as the impact of higher interest rates was tempered by Greece's sovereign credit rating upgrades to the Investment Grade.

**Looking ahead**, according to the latest BoG projections, growth is expected to peak in 2025 and converge thereafter towards potential growth. Growth will be mainly driven by private consumption and investment supported by available European resources. Inflation is expected to further decelerate in 2025. The **fiscal stance** in 2024-2026 is expected to be slightly expansionary, on the back of increased investment expenditure financed by the RRF. **The risks** surrounding the growth projections are mainly downward and primarily related to climate change and elevated global policy uncertainty that could lead to lower world trade and investment, amid fears of new protectionist policies.

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## Latest economic information - available in the last seven weeks

### Economic Activity

The **ESI** marginally declined in December (to 106.0, from 106.2 in November), but remained at relatively high levels compared to the euro area average.

The **PMI** improved to 53.2 in December (from 50.9 in November) pointing to a pick-up in the growth momentum in manufacturing on the back of quicker increases in output and new orders, as demand conditions improved.

**Industrial production** increased by 4.9% y-o-y in November mostly due to the rise in electricity production (26.1% y-o-y). In the January-November 2024 period, industrial production grew by 5.4% mainly due to the rise in manufacturing and electricity production.

**The turnover of enterprises** increased by 3.4% y-o-y in November 2024 mainly due to the rise in turnover of enterprises in the construction and the accommodation and food services sectors. In the January-November 2024

period, the turnover of enterprises increased by 4.6% y-o-y.

**The volume of building permits** increased in September 2024 by 23.5% y-o-y, after three months of decline, and remained on a positive path in the January-September 2024 period (+10.7% y-o-y) suggesting rising building activity.

**Retail sales volume** decreased for the fourth consecutive month in October, down by 1.5% y-o-y; in the January-October 2024 period, retail sales volume declined by 1.5% y-o-y.

**New private passenger car registrations** increased in December by 6.1% y-o-y and remained on a positive trend in 2024 as a whole (3.4% y-o-y).

## Prices

**HICP headline inflation** ticked down to 2.9% in December 2024 from 3.0% in November, as further declines in the annual rates of unprocessed food, processed food and non-energy industrial goods were partly offset by increases in energy inflation.

In the commercial real estate sector, in 2024:H1 **prime office prices** increased by 4.2% y-o-y, while **prime retail prices** increased by 7.8% y-o-y.

## Labour market

**Employment** increased by 1.6% y-o-y in 2024:Q3, while the unemployment rate decreased to 9.0%.

**Employment** increased by 3.4% y-o-y in November 2024, while the monthly unemployment rate (sa) decreased to 9.6%.

**Net flows of dependent employment in the private sector** decreased by 131,491 jobs in October 2024 compared to a decrease of 131,496 jobs in October 2023.

## External Balances, Competitiveness

The **current account deficit** rose in the January-November 2024 period, compared to the corresponding period of 2023, due to a deterioration in the balance of goods and, to a lesser extent, in the primary income account, which was partly offset by an improvement mainly in the secondary income account but also in the balance of services.

The **nominal effective exchange rate** continued to appreciate further in 2024:Q4. Nevertheless, the **unit labour cost competitiveness** indicator deteriorated in the first three quarters of 2024 due to wage increases. The **price competitiveness** indicator posted a small improvement in 2024:Q4 as price differentials remained favourable for Greece.

## Fiscal developments

According to the quarterly non-financial accounts of the general government for 2024:Q3, **the general government primary balance** improved by 2.6 p.p. of GDP in the first nine months of 2024 against the same period in 2023 mainly due to lower primary spending and marginally increased revenues. The general government debt decreased to 156.5% of GDP at the end of September 2024, from 163.9% of GDP at the end of December 2023.

In January-November 2024, **the general government cash primary outcome** came in at a surplus of 6.1% of GDP, against a surplus of 2.7% of GDP in January-November 2023, mainly due to higher tax revenue.

**The State primary balance in January-December 2024** recorded a surplus (3.6% of GDP) compared to a lower surplus (1.7% of GDP) in the same period in 2023. Compared to the period target (according to the Budget 2025), the primary balance over-performed by €4.0 bn in 2024 owing to (i) higher taxes largely due to an accounting entry reflecting the VAT corresponding to the Attica road concession agreement and (ii) lower primary expenditure owing to the time differentiation of transfers to social security funds and military expenditure as well as the under execution of the public investment budget.

## Money and Credit

In November 2024, **bank deposits** of the private sector increased by €2.3 bn, to stand at €198 bn, mostly reflecting a rise in corporate deposits. The growth rate of **bank credit** to non-financial corporations accelerated further to 15.8% y-o-y, while the contraction of housing loans continued at a slower pace (-2.7%). **Bank lending rates** declined both for corporate and for housing loans (to stand at 4.98% and 3.72%, respectively).

## Financial market developments

**Scope Ratings, a Eurosystem-eligible ECAI, upgraded the sovereign credit rating it assigns to Greece to BBB from BBB-**, citing as drivers strong fiscal performance and bank sector improvements.

**Greece issued on 21.1.2025 a €4 bn 10-year bond with a coupon rate of 3.625% (yield 3.637%).** The order book stood in excess of €40.5 bn, with around 89% of the transaction allocated to non-domestic international investors.

**Yields on Greek government bonds** rose, broadly in line with yields of other euro area sovereign bonds, as the outlook for expected policy rates in the euro area was revised upwards. **Greek equity prices** rose, as did euro area equity prices; **Greek corporate bond** yields were broadly unchanged, while yields on euro area lower-rated corporate bonds rose.

## Banks

**Yields on Greek senior bank bonds rose**, broadly in line with yields of euro area peers.

**Eurobank** priced, on 21.1.2025, a 10¼-year €400 mn Subordinated Tier 2 bond callable in 5 years with a coupon rate of 4.25% (yield 4.377%).

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## SUMMARY OF ECONOMIC DEVELOPMENTS AND OUTLOOK

	2021	2022	2023	2024	2024				2024							2025	
					Q1	Q2	Q3	Q4	June	July	Aug	Sep	Oct	Nov	Dec		Jan
GDP, % y-o-y	8.7	5.7	2.3	...	2.2	2.3	2.4	...	-	-	-	-	-	-	-	-	-
Exports, % y-o-y	24.4	6.6	1.9	...	-5.3	1.7	3.3	...	-	-	-	-	-	-	-	-	-
Industrial production, % y-o-y	10.1	2.4	2.3	...	3.6	9.6	5.4	...	9.8	10.3	3.8	2.5	-2.5	4.9	...	...	...
Retail sales volume, % y-o-y	10.2	3.3	-3.3	...	-4.7	3.2	-2.8	...	6.0	-2.5	-5.1	-0.6	...	...	...	...	...
PMI (50=no change)	56.2	51.8	51.6	53.6	55.8	54.7	52.1	51.8	54.0	53.2	52.9	50.3	51.2	50.9	53.2	...	...
ESI (average=100)	105.9	104.8	107.6	107.9	107.3	110.4	107.6	106.4	110.6	106.6	106.0	110.1	106.9	106.2	106.0	...	...
HICP, % y-o-y	0.6	9.3	4.2	3.0	3.2	2.7	3.1	3.0	2.5	3.0	3.2	3.1	3.1	3.0	2.9	...	...
Total employment, % y-o-y	1.4	5.4	1.3	...	1.8	2.2	1.6	...	2.7	1.0	1.3	2.3	1.8	3.4	...	...	...
Unemployment rate, %	14.7	12.4	11.1	...	12.1	9.8	9.0	...	9.4	9.6	9.4	9.4	9.8	9.6	...	...	...
Current Account, bn	-12.3	-21.2	-13.9	...	-3.8	-4.5	0.3	...	0.3	0.2	0.5	-0.3	-0.4	-3.2	...	...	...
(% of GDP)	-6.6%	-10.2%	-6.2%	...													
Gen. Gov. primary balance (% of GDP - Q cumulatively)	-4.5	0.0	2.1	...	-0.6	1.5	3.7	-	-	-	-	-	-	-	-	-	-
Public Debt (% of GDP - Q cumulatively)	197.3	177.0	163.9	...	155.5	155.9	156.5	-	-	-	-	-	-	-	-	-	-
Bank deposits, private, % y-o-y	9.9	4.8	3.0	...	2.6	2.9	3.3	...	2.9	2.7	3.3	3.3	3.3	5.0	...	...	...
Bank credit to NFCs, % y-o-y	3.7	11.8	5.8	...	6.6	9.4	9.2	...	9.4	9.7	10.5	9.2	13.4	15.8	...	...	...
Bank credit to HHs, % y-o-y	-2.4	-2.5	-2.0	...	-1.4	-0.9	-0.9	...	-0.9	-0.8	-0.7	-0.8	-0.7	-0.7	...	...	...
10y GR yield, %	1.31	4.59	3.08	...	3.29	3.74	3.12	3.25	3.74	3.35	3.33	3.12	3.35	2.95	3.25	3.27	

### Economic Activity

**The economy continued growing** in 2024:Q3, at a slightly stronger pace compared to 2024:Q2, mainly due to the rise in private consumption and exports of goods and services.

**Soft data** (PMI, ESI) point to a continuation of growth standing at high levels in December 2024 and remaining above euro area average.

**Hard data** are overall positive. Most indicators continue to move in positive territory (industrial production, construction, tourism, employment). Weaker growth of goods exports along with accelerating growth rates of imports are among the main weaknesses currently.

### Prices and real estate market

**HICP inflation** came down fast from its 2022 peak owing to falling energy prices in 2023. In 2024, the disinflation process weakened with HICP and core inflation (HICP excluding energy and food) standing at 3.0% and 3.6%, respectively mainly due to persistent increases in services prices.

The positive trend of **real estate prices** of 2023 continued into 2024, especially in the residential market. In 2024:9M, apartment prices continued to increase at a strong, though decelerating, rate (9.3% y-o-y). In 2024:H1 prime office prices increased by 4.2% y-o-y, while prime retail prices increased by 7.8% y-o-y.

### Labour market and costs

**Total employment** growth remained positive in 2024:Q3 largely due to higher demand for labour in the tourist, construction, trade and tourist sectors. **The unemployment rate** in 2024:Q3 decreased by 1.8 percentage points compared to 2023:Q3. LFS monthly data for November 2024 show an increase in employment growth, while the unemployment rate (sa) decreased compared to the previous month.

**Net flows of dependent employment** in the private sector were positive but lower in the January-October 2024 period compared to the corresponding period of 2023.

### External Balances, Competitiveness

The **current account deficit** widened in the January-November 2024 period, compared to the corresponding period of 2023, due to a deterioration in the balance of goods and, to a lesser extent, in the

primary income account, which was partly offset by an improvement mainly in the secondary income account but also in the balance of services.

The **nominal effective exchange rate** continued to appreciate further in 2024:Q4. Nevertheless, the **unit labour cost competitiveness indicator** deteriorated in the first three quarters of 2024 due to wage increases. The **price competitiveness indicator** posted a small improvement in 2024:Q4 as price differentials remained favourable for Greece.

### Fiscal developments

The 2023 **general government primary outcome** recorded a surplus of 2.1% of GDP against a balanced primary outcome in 2022. The **debt to GDP ratio** decreased to 163.9% in 2023 from 177.0% of GDP in 2022 (lowest since 2010) due primarily to the denominator effect (higher nominal GDP).

Both indicators are expected to further improve in 2024 primarily on the back of economic growth.

In the 2<sup>nd</sup> EDP notification (22.10.2024), a methodological change as regards the statistical recording of deferred interest on EFSF loans increasing the face value of general government gross debt was implemented for the period 2013-2023, following [Eurostat's advice](#). However, the statistical treatment of deferred interest does not affect the public debt sustainability.

### Money and Credit

During 2024, the growth rate of **household deposits** decelerated as the interest rate on bank deposits remained significantly below the return on alternative financial assets.

**Corporate bank credit growth** strengthened considerably during 2024 consistent with underlying economic growth and declining interest rates. **Bank loans to households** continue to decline due to net repayment of outstanding housing loans. However, the dynamics of housing loans continue becoming less negative.

**Bank lending rates** have started to decline since mid-2023 initially as a result of expectations for ECB policy rate cuts and then in line with the implementation of ECB policy rate cuts but remain high compared to the last ten years.

### Financial markets

The outlook of sovereign and bank ratings is positive, largely in line with the overperformance of the Greek economy in the fiscal and economic activity fronts.

**Greek government bond yields** overall rose somewhat in 2024, following broader euro area developments.

**Greek shares** posted a strong positive return in 2024, supported by the favourable growth prospects of the economy.

## Latest published projections by the BoG in the context of the December 2024 Eurosystem staff projections

### Latest BoG projections

(year-on-year % changes)

	2023	2024 <sup>f</sup>	2025 <sup>f</sup>	2026 <sup>f</sup>	2027 <sup>f</sup>
Real GDP	2.3	2.3	2.5	2.3	2.0
Private consumption	1.8	2.1	2.1	2.1	2.1
Government consumption	2.6	1.1	0.1	0.1	0.7
Gross fixed capital formation	6.6	9.5	8.2	7.3	0.9
Exports (goods and services)	1.9	1.7	3.7	3.8	3.9
Imports (goods and services)	0.9	3.7	3.8	3.9	2.9
HICP (non-SA)	4.2	3.0	2.5	2.2	2.5
HICP excluding food & energy (non-SA)	5.3	3.5	3.1	2.4	2.2
Total employment (NA data)	1.2	1.4	1.3	1.2	1.1
Unemployment rate (% of labour force)	11.1	10.6	9.8	9.1	8.5
Current account (% of nom.GDP)	-6.2	-6.5	-6.0	-5.2	-5.2

Source: ELSTAT and Bank of Greece.

f:forecasts

**Over 2025-2026, the Greek economy** is projected to grow by 2.5% and 2.3% correspondingly, recording a significantly higher growth rate compared to the euro area. The main drivers of economic activity will continue to be investment spending, also thanks to the contribution of European funds, and private consumption benefiting from the strengthening of real disposable income due to continued employment growth, wage growth amid a still tight labour market and minimum wage increases, as well as lower inflation.

Furthermore, the **expected reduction in the public debt-to-GDP ratio** (below 150% of GDP) in 2025, alongside the achievement of primary fiscal surpluses, is estimated to lead to a further improvement of the investment climate and to further sovereign credit rating upgrades.

**Total exports of goods and services** are expected to continue to grow on average by 3.8% over 2025-2026. However, the contribution of the external sector to GDP will be negative in the coming years due to the strong investment activity that is expected to increase imports.

For 2027, the end of the RRF grant component will affect government investment growth negatively. However, the economy is projected to grow by 2.0%, supported by private consumption and exports growth.

**HICP inflation** will decline significantly over the next two years. By the end of 2026, inflation will converge towards the 2% mark but will remain slightly above it. However, in 2027 it is expected a one-off uptick in HICP inflation to 2.5% due to the impact of ETS2 on the energy component. Core inflation is expected to decline to 2.2% by 2027, reflecting mainly the decline in non-energy industrial goods inflation and to lesser extent services inflation.

**The risks surrounding the growth projections** are mainly downward and related to: (a) a worsening of the economic climate in the eurozone and in the rest of the world (b) a rise in protectionism and a deterioration of the geopolitical crisis in Ukraine and the Middle, (c) lower than expected rate of absorption and utilisation of the Recovery and Resilience Facility funds, (d) natural disasters linked to the effects of the climate crisis, (e) intensifying tightness in the labour market and (f) a delay in implementing reforms that would slow down the process of enhancing the competitiveness of firms. A positive risk relates to stronger than expected tourist revenues.

## Supportive EU and ECB policies and measures

Over the period 2021-2027, Greece is entitled to receive more than €70 bn of **EU funds**. About half of these funds (€36 bn) are related to the EU Recovery Plan (NGEU). The rest is structural funds from the EU budget 2021-2027.

**NGEU funds** are targeted at growth-enhancing high value-added projects in the areas of energy saving, the transition to green energy, the digital transformation of the public and the private sector, employment, social cohesion, and private investment.

According to BoG estimates, full execution of the **EU Recovery Plan** will contribute to a significant increase of 7% in real GDP by 2026, primarily due to the increase in total investment and total factor productivity. At the same time, it will contribute to the increase of employment, private investment, exports and tax revenue.

**The implementation of the reforms associated with the NGEU** is projected to bring about a permanent increase of real GDP and total factor productivity (in the course of ten years).

## Key Challenges

### Short-term economic policy challenges:

- Controlling inflation.
- Accelerating investment, in part by mobilizing available European resources.
- Addressing emerging labour market shortages and skills mismatch.
- Designing climate adaptation strategies and disaster preventive measures.
- Ensuring energy security through investment in clean energy.
- Maintaining fiscal sustainability.
- Efficiently managing non-performing loans.

### Medium to long-term economic policy challenges:

- Maintaining primary surpluses over an extended horizon to ensure public debt sustainability.
- Implementing structural reforms to support long-term growth.
- Addressing the current account deficit through the strengthening of the Greek economy's competitiveness.
- Stepping up the pace of the privatisation and reforms programme and continuing to improve the management of state assets in order to attract foreign direct investment.
- Promoting innovation, education and knowledge-based capital.



## BACKGROUND INFORMATION

### 1. ECONOMIC ACTIVITY

Table 1.1: National accounts data

% y-o-y	2022	2023	2023 Q4	2024		
				Q1	Q2	Q3
<b>1. GDP</b>	5.7	2.3	2.1	2.2	2.3	2.4
-Private consumption	8.6	1.8	1.4	1.6	1.8	2.1
-Gov. expenditure	0.1	2.6	4.0	-6.8	-4.2	-1.4
-Gross fixed capital formation	16.4	6.6	0.6	2.6	3.7	0.3
-Exports	6.6	1.9	0.9	-5.3	1.7	3.3
-Imports	11.0	0.9	-2.4	3.7	8.7	4.2
<b>2. Gross Value Added</b>	5.3	2.2	2.1	1.1	2.4	2.3
-Services	5.5	3.3	2.0	0.7	1.2	1.9
<b>3. Private sector savings*</b>	10.1	8.4	8.4	7.4	...	...
<b>4. Real disposable income</b>	1.0	2.5	3.9	-2.2	...	...

\* Savings of households and non-financial companies, as a % of GDP, annualized data.

Source: ELSTAT, revised annual national accounts and quarterly national accounts.

#### Economic activity continued growing in 2024:Q3 mainly supported by private consumption and exports of goods and services, while there was a deceleration in investment growth.

**Economic activity** continued growing in 2024:Q3, at a slightly higher pace compared to 2024:Q2, mainly due to the rise in private consumption and exports of goods and services. By contrast, investment declined on a q-o-q basis, while it increased at a decelerating rate y-o-y.

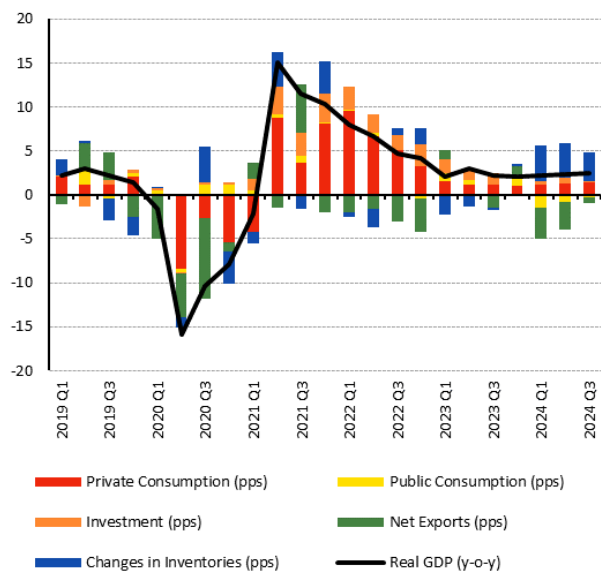
**Gross fixed capital formation** increased (y-o-y) at a decelerating rate in 2024:Q3 due to the fall in investment in transport and ICT equipment (-19.3% y-o-y and -3.7% y-o-y, respectively) and the deceleration in machinery equipment investment (2.4% y-o-y, as against 14.2% y-o-y in 2023:Q3). On the other hand, housing and other construction investment continued growing (+7.2% y-o-y and +3.3% y-o-y, respectively).

**Output** (as measured by gross value added) increased in 2024:Q3 due to the good performance of the services as well as of the industry and construction sectors.

**Savings of the non-financial private sector continued their downward trend**, reaching 7.4% of GDP in 2024:Q1, down from 8.4% in 2023 and 10.1% in 2022. Households' dissaving deepened, while savings by non-financial corporations (NFCs) stabilized, remaining above their pre-pandemic levels (2016-2019 average: 8.0% of GDP). The strong performance of the tourism and construction sectors, among other factors, has recently fuelled corporate profits. Additionally, disbursements from the Recovery and Resilience Facility (RRF) have further boosted business savings. In contrast, the withdrawal of COVID-19 and energy support measures, the continued easing of pent-up demand, and the repayment of debt and tax liabilities have significantly weighed on household savings, keeping them more negative than the pre-pandemic four-year average (2016-2019: -2.1% of GDP).

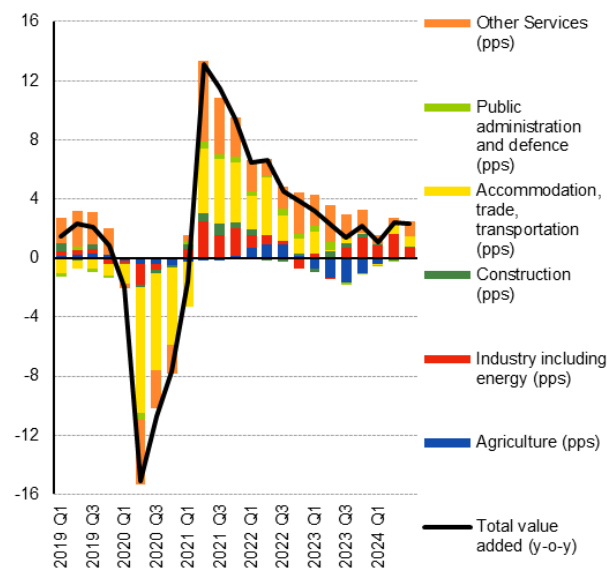
Nominal **disposable income of households increased** by 1.1% y-o-y in 2024:Q1 due to the positive contribution of labour income, i.e. compensation of employees and self-employed income, while real disposable income of households declined by 2.2% y-o-y reflecting the effect of elevated inflation.

**Chart 1: Real GDP growth decomposition (percent contribution)**



Source: ELSTAT, Quarterly National Accounts, December 2024.

**Chart 2: Gross value added by sector of economic activity (percent contribution)**



Source: ELSTAT, Quarterly National Accounts, December 2024.

**Table 1.2: Monthly Conjunctural Indicators**

	2021	2022	2023	2024	2024												2024 y-t-d
					Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	
1. ESI (average=100)	105.8	104.8	107.6	107.9	107.7	105.2	108.9	109.2	111.3	110.6	106.6	106.0	110.1	106.9	106.2	106.0	107.9
-Consumer confidence	-35.4	-50.7	-40.0	-46.0	-46.3	-47.2	-44.7	-41.7	-43.8	-42.7	-43.9	-48.1	-51.3	-50.3	-47.3	-44.5	-46.0
2. PMI (50=no change)	56.2	51.8	51.6	53.6	54.7	55.7	56.9	55.2	54.9	54.0	53.2	52.9	50.3	51.2	50.9	53.2	53.6
3. Industrial Production, % y-o-y	10.1	2.4	2.3	...	10.3	2.0	-0.6	12.3	6.9	9.8	10.3	3.8	2.5	-2.5	4.9	...	5.4
-Manufacturing Production, % y-o-y	9.0	4.6	4.2	...	5.3	2.8	-2.3	12.2	4.6	5.6	9.7	4.0	5.4	-2.5	0.5	...	4.1
4. Turnover of enterprises, % y-o-y	21.6	36.0	-2.8	...	-1.5	9.7	-2.0	16.1	1.5	2.7	12.7	2.9	1.9	4.2	3.4	...	4.6
5. Building permits, % y-o-y	45.9	-2.2	15.9	...	9.6	75.6	13.1	27.3	3.8	-12.0	-2.9	-13.9	23.5	...	...	...	10.7
6. Real VAT revenues, % y-o-y	14.6	12.2	5.5	...	3.2	7.2	-7.6	13.4	6.9	5.6	10.5	1.3	10.8	12.1	1.2	...	6.2
7. Retail sales volume, % y-o-y	10.2	3.3	-3.3	...	-9.3	-9.5	5.3	-6.5	10.5	6.0	-2.5	-5.1	-0.6	-1.5	...	...	-1.5
8. New car registrations, % y-o-y	22.2	6.7	16.5	3.4	9.4	18.5	-7.0	28.9	-0.1	2.3	5.8	-14.5	-5.6	-3.8	4.8	6.1	3.4
9. Tourist arrivals, % y-o-y	105.9	96.0	20.8	...	16.0	26.0	31.2	13.9	21.3	8.8	4.1	6.6	6.6	8.6	23.6	...	9.7
10. Travel receipts, % y-o-y	143.2	68.3	16.5	...	28.3	23.9	62.4	26.7	5.4	5.1	-6.6	-5.4	6.9	19.7	44.7	...	4.9

Sources: ESI, Consumer confidence (European Commission), PMI (Markit Economics), Industrial production, Manufacturing production, Turnover of Enterprises, Building permits, Retail sales, New car registrations (ELSTAT), VAT revenues (Ministry of Finance), Frontier Survey of the Bank of Greece (for tourist arrivals and travel receipts).

### Soft data point to a continuation of growth, standing at high levels in December 2024 and remaining above euro area average.

The **ESI** marginally declined in December (to 106.0, from 106.2 in November) due to a deterioration in business expectations in the manufacturing and retail trade sectors; by contrast, business expectations were higher in the services and construction sectors, while consumer confidence improved.

The **PMI** improved to 53.2 in December (from 50.9 in November) pointing to a pick-up in growth momentum in manufacturing on the back of quicker increases in output and new orders, as demand conditions improved. Employment also increased at the quickest pace since July. On the prices front, inflationary pressures intensified as input costs and output charges accelerated amid material shortages.

### Hard data are overall positive.

A recovery of the industrial sector has been underway since November 2020. Industrial production

continued rising in the January-November 2024 period, in year on year terms, mainly due to the increase in manufacturing and electricity production. In November, industrial production increased mostly due to the rise in electricity production.

**Manufacturing production** remained on a rising path in the January-November 2024 period, in year on year terms, due to a rise across most sectors and in particular in the “food and beverages”, “coke and refined petroleum products”, “chemical and other chemical products” and “other non-metallic mineral products” sectors.

**The turnover of enterprises** increased in November 2024, in year on year terms, mainly due to the rise in turnover of enterprises in the construction (15.9% y-o-y) and the accommodation and food services (11.2% y-o-y) sectors.

**The volume of building permits** increased in September 2024, after three months of decline, and remained on a positive path in the January-September 2024 period suggesting rising building activity.

**VAT revenues at constant prices**, which is an encompassing indicator for private consumption (it includes retail sales, car sales and services consumption), has continued to increase strongly in the last quarter of the year pointing to ongoing strong consumption growth.

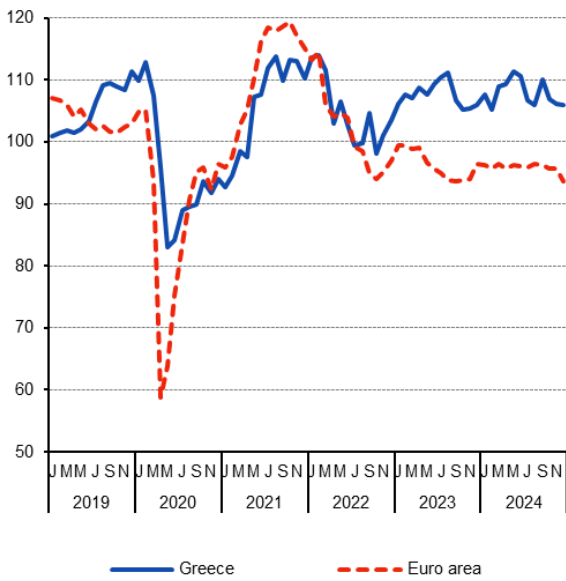
**The retail sales volume index** decreased for the fourth consecutive month in October; in the January-October 2024 period, retail sales volume declined by 1.5% y-o-y.

**New private passenger car registrations** increased in December, in year on year terms, and remained on a positive trend in 2024 as a whole.

**Both tourist arrivals and receipts** increased in the period January-November 2024 by 9.7% and 4.9% y-o-y, respectively. More specifically, tourism revenue for the first eleven months reached €21.3 bn, having already exceeded the 2023 record (€20.6 bn) a month earlier. Notably, November witnessed significant double-digit growth in revenue (44.7%). The y-t-d figures show that Greece’s tourism sector is closing 2024 on a high level, setting new records in both revenue and non-resident arrivals.

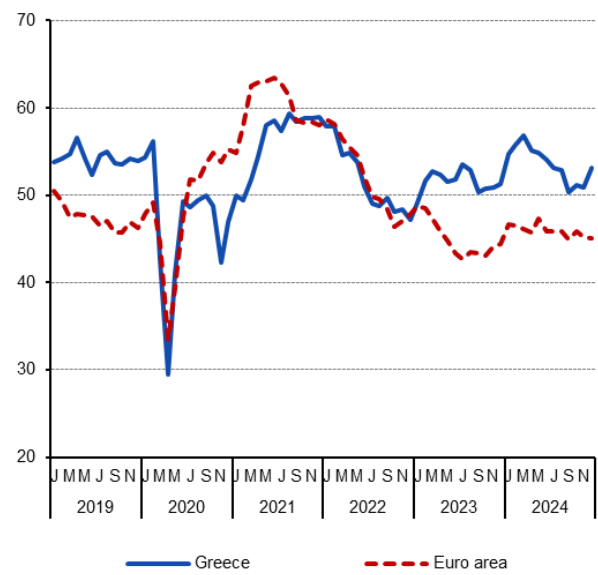
**International arrivals at Greek airports** showed a 9.7% increase in 2024 compared to 2023 (24% compared to 2019), while international arrivals at the Athens International Airport increased by 15.7% in 2024 as a whole.

**Chart 3: Economic Sentiment Indicator (average=100)**



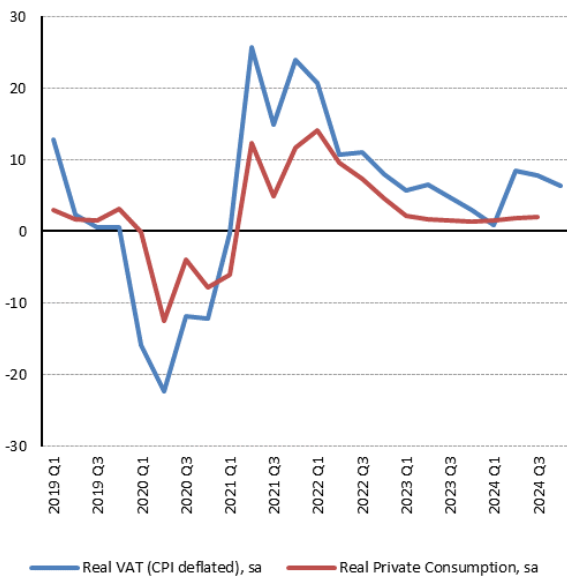
Source: European Commission.

**Chart 4: Purchasing Managers Index (PMI; 50 = no change)**



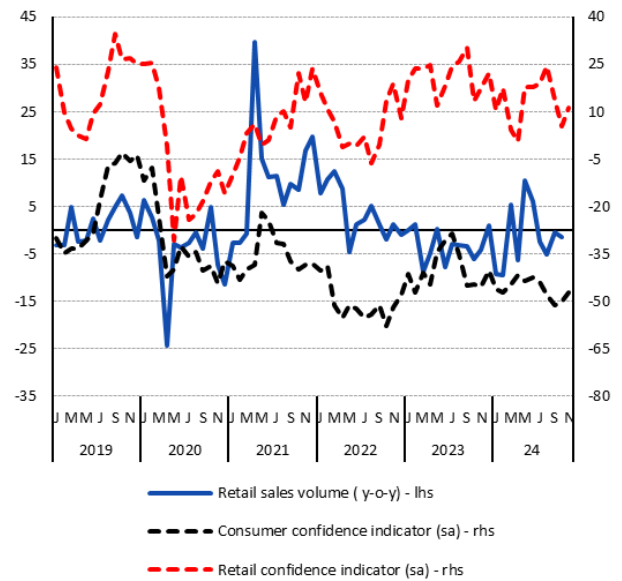
Source: S&P Global.

**Chart 5: VAT revenues and private consumption (annual percentage changes)**



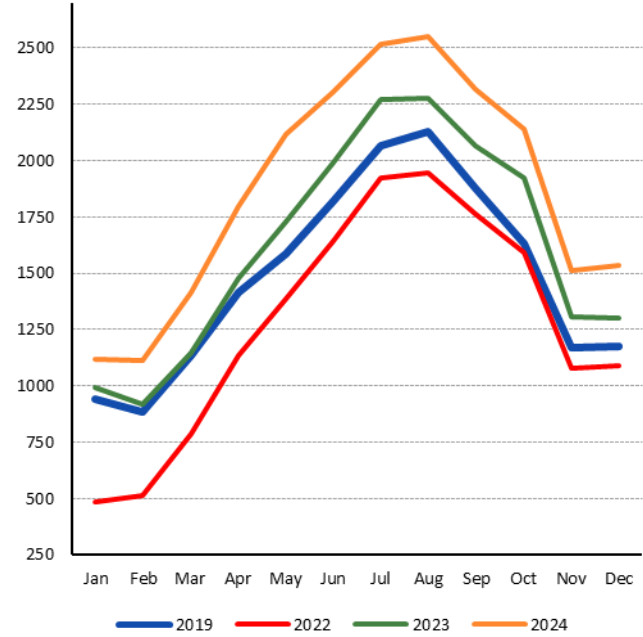
Sources: ELSTAT and Ministry of Finance, State General Accounting Office.

**Chart 6: Retail sales, retail sector confidence and consumer confidence indicators (annual percentage change and balances)**



Source: Athens International Airport (AIA).

**Chart 7: International arrivals at Athens International Airport**  
(in thousand travelers)



Source: Athens International Airport (AIA).

## 2. PRICES AND REAL ESTATE MARKET

**Table 2.1: Prices**

% y-o-y, nsa data	2023	2024	2024								
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1. HICP Headline	4.2	3.0	3.2	2.4	2.5	3.0	3.2	3.1	3.1	3.0	2.9
- Energy	-13.4	-1.4	-1.4	-1.8	-2.4	1.4	2.3	-0.8	-1.6	-2.3	0.7
- Unprocessed food	11.1	3.4	6.9	2.2	-1.7	-1.2	2.0	4.4	1.5	1.7	0.0
- Processed food	9.3	2.5	3.9	2.5	2.7	2.5	2.1	2.3	0.8	0.0	-0.3
2. HICP Core (HICP excl. energy and food)	5.3	3.6	3.1	2.8	3.4	3.7	3.7	3.6	4.4	4.5	4.4
- Non-energy industrial goods	6.4	1.7	1.8	1.5	1.1	0.9	1.4	1.8	1.6	2.1	1.7
- Services	4.5	4.4	3.7	3.3	4.4	5.0	4.7	4.4	5.6	5.6	5.6
3. PPI - Domestic market	-6.5	...	-3.2	-3.7	-2.4	-0.5	-0.8	-1.4	-0.2	0.1	...
4. Imports Price Index	-12.3	...	2.0	2.8	4.4	-1.6	-4.3	-10.6	-5.5	-2.8	...

Source: ELSTAT and Bank of Greece computations.

**HICP headline inflation remained at elevated levels in 2024 mainly due to persistent services inflation. On average, in 2024, headline inflation for Greece (3.0%) was above euro area inflation (2.4%) and ranked as the fifth highest among euro area countries.**

**HICP headline inflation** stood at 3.0% in 2024 compared to 4.2% in 2023. In December 2024, it ticked down to 2.9% from 3.0% in November, as further declines in the annual rates of unprocessed food, processed food and non-energy industrial goods were partly offset by increases in energy inflation. Greece reported the 9th highest headline inflation among euro area countries in December.

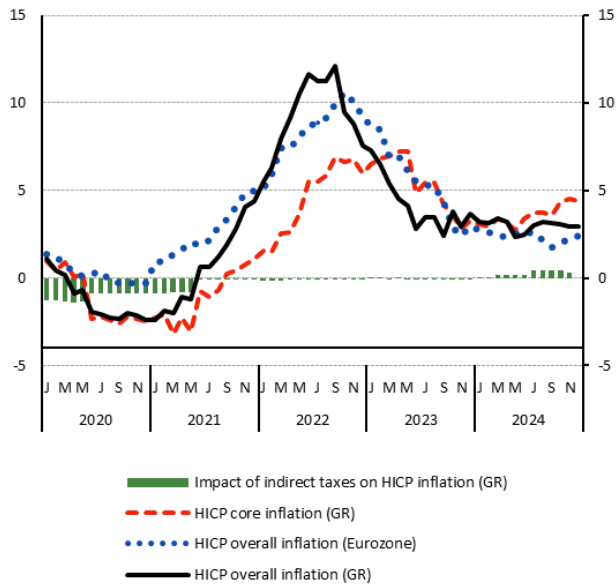
**Core inflation** (HICP excluding energy and food) stood at 3.6% in 2024, down from 5.3% in 2023, remaining though, at elevated levels. In December 2024, core inflation ticked down to 4.4% from 4.5% in November, because of the decline posted in non-energy industrial goods' inflation. On average, in 2024, core inflation for Greece (3.6%) was above euro area inflation (2.8%) and also ranked as the fifth highest among euro area countries.

**PPI inflation** for the domestic market has turned negative since March 2023 mainly because of deflationary rates in the energy sub-index.

**Import prices inflation** had also been negative since February 2023, reflecting the reversal of energy prices. Nevertheless, in March 2024 import price inflation returned to positive territory being thus in line with the import prices energy sub-index which also turned positive after 14 consecutive months of negative readings. In July-November 2024, import prices inflation turned negative again, moving in line with import energy inflation.

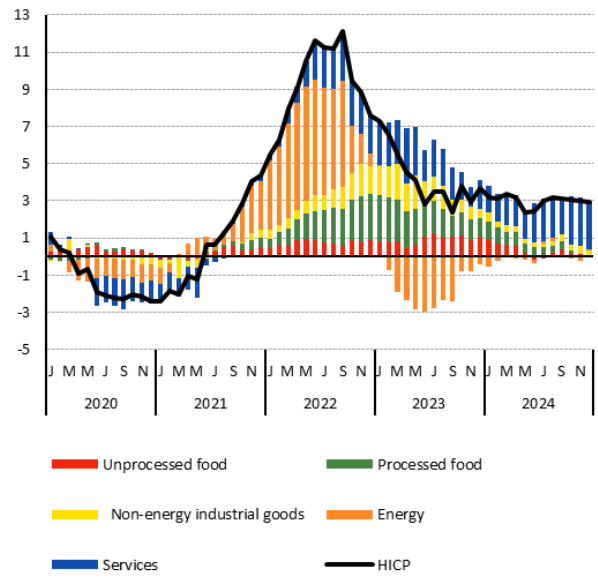
**Domestic price pressures**, as captured by changes in GDP deflator, had started increasing in 2021 and picked up further in 2022 and 2023. Up to mid-2023, unit profits had contributed the largest share of the increase in the GDP deflator showing that firms had managed to pass on cost shocks associated with the surge in energy and other intermediate production prices to final prices. In 2024, the GDP deflator remained relatively elevated largely on account of the rise in unit labour costs.

**Chart 8: HICP Inflation**  
(percent, y-o-y)



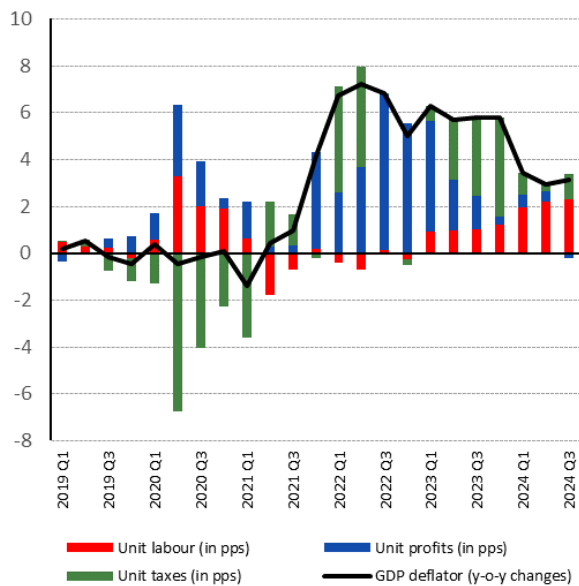
Sources: ELSTAT and Bank of Greece calculations.

**Chart 9: HICP inflation and main contributions**



Source: ELSTAT and Bank of Greece calculations.

**Chart 10: Domestic price pressures**  
(percent contribution)



Sources: ELSTAT and Bank of Greece calculations.

## Real Estate Market

### 2.2 Real estate market

% y-o-y	2021	2022	2023	2023		2024	2023				2024		
				H1	H2	H1	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Residential property</b>													
- Apartment prices	7.6	11.9	13.8	15.2	12.6	10.0	15.6	14.8	12.7	12.5	10.6	9.4	7.8
- Residential Investment	31.8	57.8	24.7	57.1	0.7	-10.3	61.6	52.8	29.2	-18.7	-13.7	-6.9	7.2
<b>2. Commercial property</b>													
- Prime office prices	1.7	3.6	6.0	7.0	4.9	4.2	-	-	-	-	-	-	-
- Prime retail prices	2.5	6.2	7.0	7.0	6.9	7.8	-	-	-	-	-	-	-
- Office rents	3.9	3.0	6.2	6.5	5.8	2.2	-	-	-	-	-	-	-
- Retail rents	1.1	4.4	5.9	6.0	5.7	6.2	-	-	-	-	-	-	-

Source: Bank of Greece, ELSTAT.

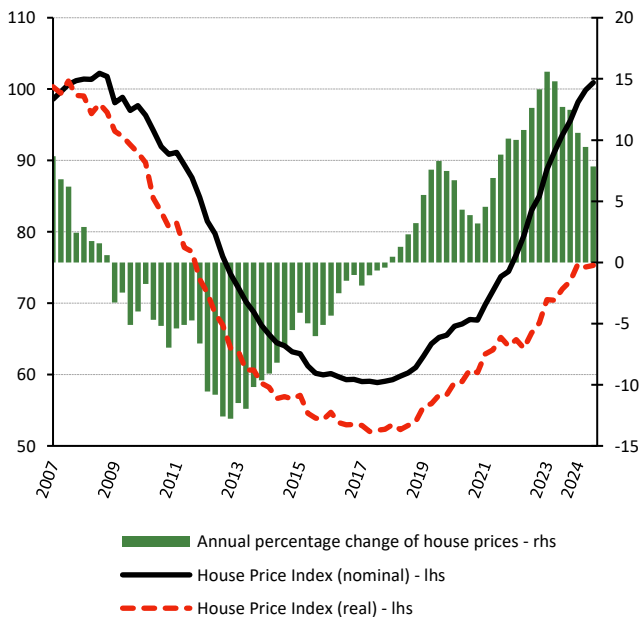
### Real estate market trends remain positive.

In 2023, both **housing and commercial property prices** (prime office and retail) increased at a strong pace and continued rising in the period of 2024:9M due to both high external and internal demand. Prime locations and investment characteristics property are leading the market.

**Apartment prices** (in nominal terms) further increased in 2024:Q3 by 7.8% y-o-y, though at a decelerating pace for the last five consecutive quarters, registering a cumulative rise of 71.4% since 2017:Q3 (lowest level), although still 1.3% lower compared to their historical peak in 2008:Q3. On the contrary, residential investment (seasonally adjusted ELSTAT data at constant prices) decreased, on an annual basis, by 4.6% in 2024:9M due to base effect and still remains at a low level as a percentage of GDP (2.3%).

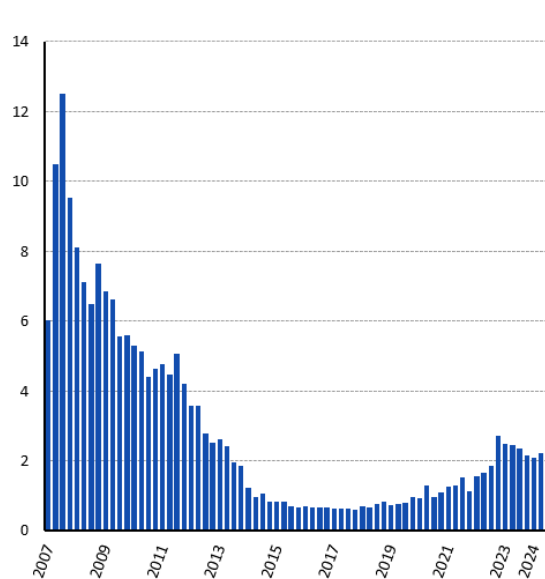
In 2024:H1, **prime office prices** increased by 4.2% y-o-y and **prime retail prices** increased by 7.8% y-o-y. An increase was also recorded in both office and retail rents, by 2.2% and 6.2% y-o-y, respectively.

**Chart 11: House price index**  
(index 2007=100 and y-o-y growth)



Source: Bank of Greece.

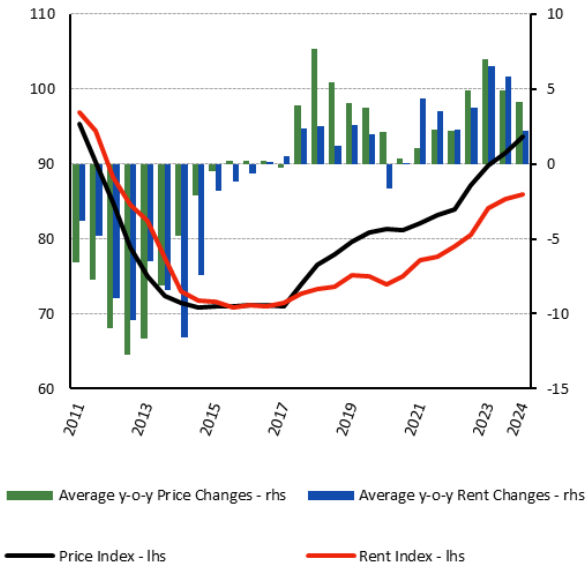
**Chart 12: Residential Investment as % of GDP**  
(seasonally adjusted data at constant prices)



Source: ELSTAT.

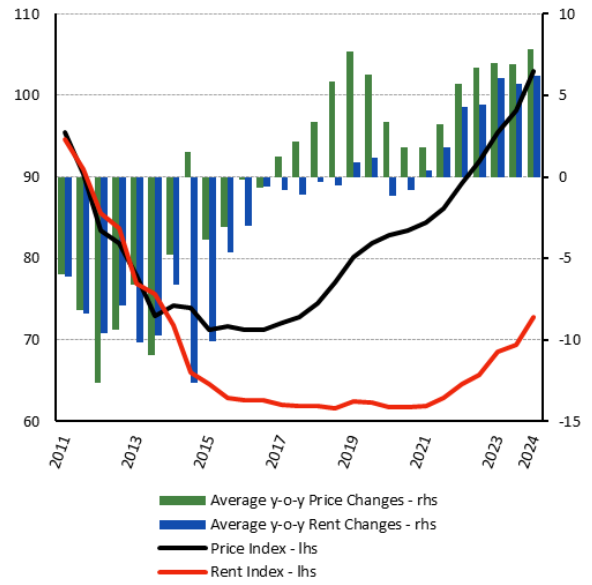


**Chart 13: Prime office price and rent indices**  
(indices 2010=100, and y-o-y growth)



Source: Bank of Greece.

**Chart 14: Prime retail price and rent indices**  
(indices 2010=100, and y-o-y growth)



Source: Bank of Greece.

### 3. LABOUR MARKET AND COSTS

Table 3: Labour market developments

	2023	2024				2024					y-t-d
		Q1	Q2	Q3	Q4	Aug	Sep	Oct	Nov	Dec	
<b>1. Labour Force Survey</b>											
- Total employment (% y-o-y)	1.3	1.8	2.2	1.6	...	1.3	2.3	1.8	3.4	...	1.9
- Employees (% y-o-y)	0.4	1.2	1.6	2.6	...	...	...	...	...	...	1.8
- Self-employed (% y-o-y)	2.0	3.1	2.0	-0.9	...	...	...	...	...	...	1.4
- Unemployment rate <sup>1</sup>	11.1	12.1	9.8	9.0	...	9.4	9.4	9.8	9.6	...	...
- Long-term unemployed (as % of unemployed)	56.0	52.0	53.2	56.5	...	...	...	...	...	...	...
<b>2. ERGANI Information System</b>											
- Net dependent employment flows in the private sector (thousands)	116.6	56.2	283.0	-36.5	...	-5.1	3.6	-131.5	...	...	171.3
- Share of part-time and intermittent jobs (% new hirings)	48.6	47.1	43.0	51.2	...	51.8	52.4	53.8	...	...	47.5
<b>3. Registered unemployed (DYPA) (%y-o-y)</b>											
	-4.5	-5.0	-6.4	-6.2	...	-6.0	-6.8	-7.1	-6.1	...	-6.0
<b>4. Employment Expectations Index</b>											
	110.3	116.2	120.5	114.1	112.2	117.0	113.1	112.4	110.1	114.0	...
<b>5. Labour Costs</b>											
- Compensation per employee (% y-o-y)	3.7	7.1	8.4	7.3	...	...	...	...	...	...	...
- Labour productivity (% y-o-y)	1.1	0.8	1.3	1.3	...	...	...	...	...	...	...
- Unit labour cost (% y-o-y)	2.5	6.3	7.0	6.0	...	...	...	...	...	...	...

<sup>1</sup> Monthly and quarterly LFS data are not compatible due to the different survey samples.

<sup>2</sup> Unemployment rate on an annual and quarterly frequency is based on non seasonally-adjusted data, while monthly unemployment rate is based on seasonally-adjusted data.

#### Labour market developments remain positive, with employment rising and unemployment falling, but there are challenges related to labour market tightness.

**Total employment** rose in 2024:Q3, mainly due to employment growth in construction, trade and tourism sectors. Latest monthly LFS data suggest that employment continued growing in November 2024.

The **unemployment rate** decreased in 2024:Q3 by 1.8 percentage points compared to 2023:Q3. The share of long-term unemployed declined by 3.8 percentage points. In November 2024, the unemployment rate (sa) decreased compared to the previous month.

**Dependent employment flows in the private sector** (Ministry of Labour, ERGANI Information System) were positive in 2023 and much higher compared to 2022. In October 2024, dependent employment net flows in the private sector were negative due to dismissals in the hotels and restaurants sector. In addition, in the January-October 2024 period, net flows of dependent employment in the private sector were positive, but lower compared to the corresponding period of 2023.

**The number of registered unemployed (DYPA data)** decreased in November 2024, due to a decline in the number of both long-term and short-term unemployed. The number of those receiving unemployment benefits increased compared to the previous month.

The **Employment Expectations Index** (European Commission) increased in December 2024 compared to November 2024, due to an improvement of employment expectations in all sectors.

Regarding **the tightness in the labour market**, its upward trend continued in the first nine months of 2024, when an increase in tightness was recorded in most sectors of the economy. In particular, the highest rates of tightness are recorded in construction, wholesale and retail trade, transport, accommodation and food service activities and manufacturing. On the contrary, the only sectors that recorded a decrease in the job

vacancies rates compared to the corresponding period in 2023 were the information and technology sector and the financial services sector.

**Labour costs are rising.**

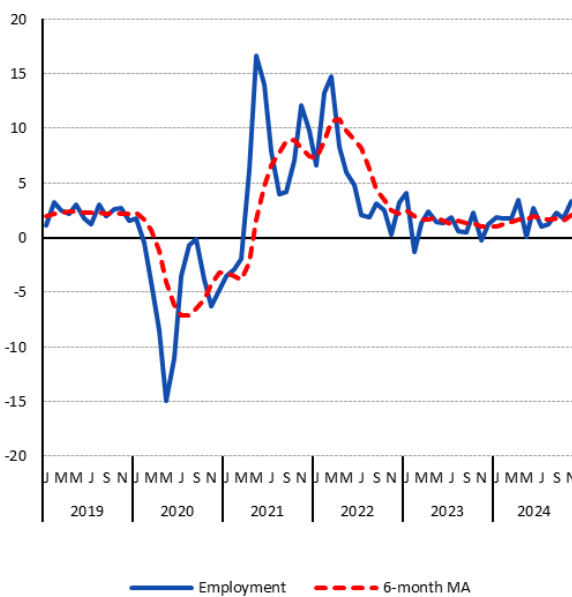
**Unit Labour Costs (ULC)** increased in 2024:Q3, as labour productivity increased at a slower pace than compensation per employee.

**The ELSTAT Index of Wages** for the total economy decreased by -2.9% in 2024:Q3.

**Outlays for the remuneration of employees in the general government** (incl. social security contributions) rose by 5.8 % y-o-y in the January-November 2024 period. They had risen by 3.1% in 2023 as a whole.

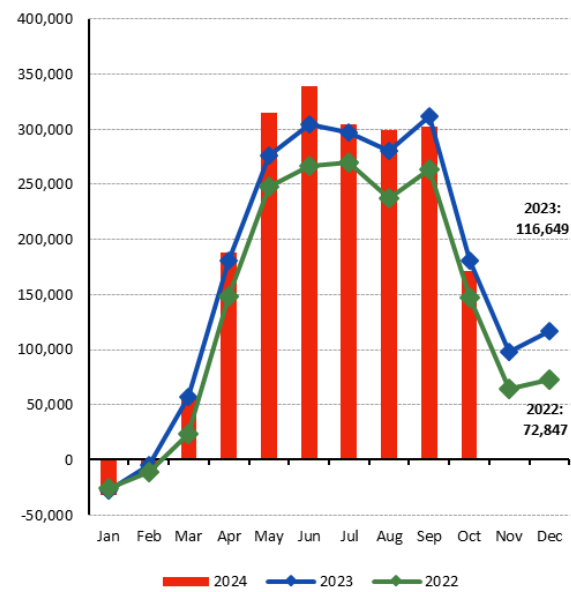
According to annual accounts data from the **ERGANI information system**, the average monthly earnings stood at €1,251 in 2023, increasing by 6.3% compared to 2022. Accordingly, the number of employees earning more than €900 per month increased. In particular, compared to 2022, the number of employees with salaries between €901-1200 per month increased by 33.3%. Also, reflecting the rise of the minimum wage to €780, the share of employees earning less than €800 per month (gross) fell to 30.9%, from 37.3% in 2022.

**Chart 15: Employment**  
(y-o-y change)



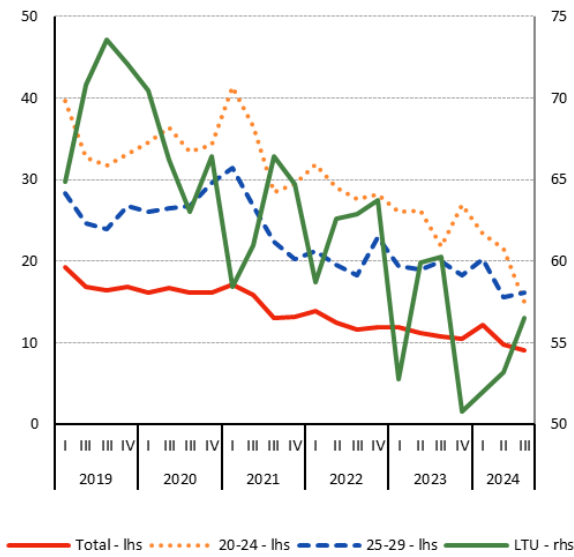
Source: ELSTAT, Labour Force Survey.

**Chart 16: Private sector dependent employment flows**  
(cumulative net flows; in thousands)



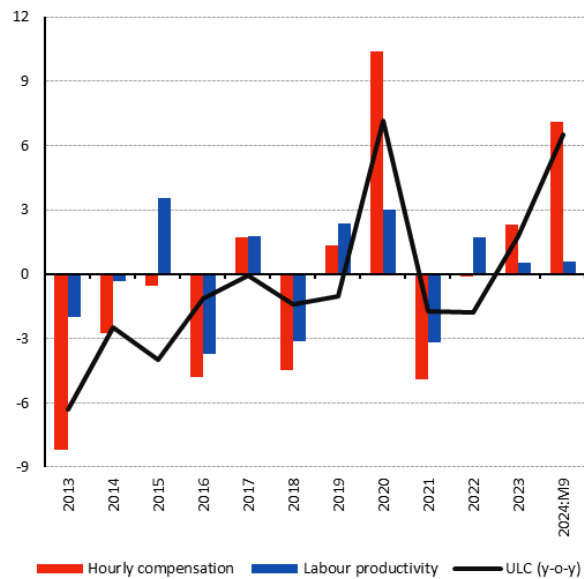
Source: ERGANI.

**Chart 17: Total unemployment rate, youth unemployment rate and share of long-term unemployed (in percent)**



Source: ELSTAT, Labour Force Survey.

**Chart 18: Nominal ULC growth and components**



Source: ELSTAT, Annual National Accounts.

Note: Labour productivity is real GDP (2020 prices) per hour worked. Hourly compensation is compensation of employees per hour worked (by employees).

### Collective wage agreements

In the January - October 2024 period, 205 **new firm-level agreements** were signed, covering 145,374 employees; of these, 73 agreements provided for wage increases, whereas the rest did not provide for any wage changes. In 2023, 209 new firm-level agreements were signed, covering 137,179 employees; of these, 59 agreements provided for wage increases, whereas the rest did not provide for any wage changes.

#### Recent selected wage agreements:

According to a decision signed by the Minister of Labour on 29 April 2024, the coverage of the branch **collective agreement in private insurance enterprises** was extended to all employees in the sector.

In December 2023, a **two-year branch agreement for the cement industry** provided for increases of 5% as of 1 Jan. 2023 and 5% as of 1 April 2023 (both retroactively), and of 4% as of 1 Jan. 2024; there had been no increases during 2021 and 2022.

In June 2023, a **two-year branch agreement for the food and beverage industry**, covering approximately 400,000 employees, provides for increases of 5.5% as of 1 June 2023 and 5% as of 1 June 2024.

In April 2023, a **two-year branch collective agreement for the tobacco industry**, provided for increases of 4% to 6.8% for 2023 and 2024.

In December 2022, a **two-year agreement for hotel employees** provided for a 5.5% wage increase as of 1 Jan. 2023 and an additional 5.0% as of 1 Jan. 2024.

In April 2022, a **three-year agreement for banks** provided for increases of 2% as of 1 Oct. 2022, 1% as of 1 Dec. 2023 and 2.5% as of 1 Dec. 2024.

## Minimum wages

The statutory minimum wage rate increased by 9.4% as of 1 April 2023, bringing the minimum monthly salary to €780. Previous minimum wage increases: in 2022 (9.5%), in 2019 (11%). **As of 1 April 2024, the statutory minimum wage rises by 6.4%**, bringing the minimum monthly salary to €830. **Overall, since end-2018, the minimum wage increased by a total of 41.6%**. In January 2025, the procedure for a new minimum wage increase has been initiated. The new minimum wage will be implemented in April 2025.

On December 5, a law was voted that incorporates the European Directive 2022/2041 on adequate minimum wages in the European Union and introduces a new way of calculating the statutory minimum wage and minimum daily wage. The new calculation method will apply from 2028 and the minimum wage will cover all private and public sector employees. In particular, the minimum wage and the minimum daily wage are adjusted, after consultation conducted every year, based on a rate resulting from the sum a) of the annual rate of change in the consumer price index between July 1 of the previous year and June 30 of the current year for the lower twenty percent (20%) of the household income distribution and b) half of the annual percentage change in the purchasing power of the general wage index over the same time period. Also, the law introduces provisions to strengthen the role of social partners in the wage determination process, as well as regulations to strengthen collective bargaining.

## Labour market policies

As of July 1, 2024, the **digital work card** in industry and retail is fully implemented. Gradually, the application of the measure will be extended to all businesses in the country.

At the same time, **the possibility of declaring and applying six-day work** has been activated in businesses that by their nature are in continuous operation and in those that already operate on a 24-hour basis five or six days a week. The possibility of six-day work was established by articles 25 and 26 of Law 5053/2023 with the aim of combating undeclared work and also increasing the income of employees, since their daily wage for the 6th day is increased by 40%.

From January 1, 2025, insurance contributions have been reduced by 1 percentage point (0.5 percentage points in employee contributions and 0.5 percentage points in employer contributions), which will contribute to strengthening the competitiveness of Greek businesses and maintaining jobs.

## 4. EXTERNAL BALANCES, COMPETITIVENESS

### 4.1 Current account

	2021	2022	2023	2024			
				Sep	Oct	Nov	y-t-d
<b>Current Account</b> , bn (%GDP)	-12.3 (-6.6%)	-21.2 (-10.2%)	-13.9 (-6.2%)	-0.3	-0.4	-3.2	-11.5
<b>Goods balance</b> , bn (%GDP)	-26.7 (-14.5%)	-39.6 (-19.0%)	-33.0 (-14.7%)	-3.1	-3.2	-3.2	-32.5
Exports of goods (% y-o-y)	36.1	36.7	-6.9	-5.0	-10.1	-5.8	-3.6
- Exports of non-fuel goods (% y-o-y)	27.7	24.2	-1.9	10.0	3.8	2.5	0.1
Imports of goods (% y-o-y)	39.2	41.3	-11.0	1.7	-1.8	2.3	1.5
- Imports of non-fuel goods (% y-o-y)	31.0	25.0	-1.6	2.4	11.1	3.5	4.2
<b>Real trade in goods flows</b> (% y-o-y)							
Real exports of goods (% y-o-y)	17.8	4.9	-3.0	4.1	-5.0	-2.0	-3.3
- Real exports of non-fuel goods (% y-o-y)	21.0	7.7	-5.7	8.2	1.4	3.1	-2.3
Real imports of goods (% y-o-y)	23.9	17.5	-3.3	6.2	14.9	3.8	3.0
- Real imports of non-fuel goods (% y-o-y)	27.5	16.8	-2.8	1.7	13.0	3.2	4.2
<b>Services balance</b> , bn (%GDP)	12.8 (7.0%)	19.4 (9.3%)	21.8 (9.7%)	3.6	2.3	0.7	22.3
Exports of services (% y-o-y)	54.4	36.2	2.7	2.7	8.4	9.0	4.8
- Travel receipts (% y-o-y)	143.2	68.3	16.5	6.9	19.7	44.7	4.9
- Transportation receipts (% y-o-y)	35.6	25.1	-10.4	-7.5	-5.7	-5.6	1.2
Imports of services (% y-o-y)	43.9	27.7	-4.0	2.7	2.2	1.0	5.6
Non-residents' arrivals (% y-o-y)	99.4	89.3	17.6	6.6	8.6	23.6	9.7
Average expenditure per trip (% y-o-y)	20.2	-11.7	-2.7	0.3	10.7	20.9	-5.4
<b>Income balance</b> , bn (%GDP)	1.6 (0.9%)	-1.1 (-0.5%)	-2.7 (-1.2%)	-0.8	0.5	-0.6	-1.3
FDI inflows, bn	5.6	7.5	4.4	0.4	0.1	1.6	4.8

Source: Bank of Greece

### The 11-month current account deficit widened mainly due to the deterioration in the balance of goods.

The **current account deficit** rose, compared to the corresponding period of 2023, due to a deterioration in the balance of goods and, to a lesser extent, in the primary income account, which was partly offset by an improvement mainly in the secondary income account but also in the balance of services.

**Real exports of goods** decreased as fuel and non-fuel goods exports declined. Food and beverages, pharmaceuticals and textiles exports mainly contributed to the decrease, despite the positive contribution by the basic metals and the chemical products.

**Real imports of goods** recorded an increase, mainly driven by imports of industrial and capital goods as well as of non-durable consumer goods.

The **services balance surplus** recorded an increase y-o-y, reflecting an improvement primarily in travel and other services balances, while the surplus of transport balance posted a decrease. Non-residents' arrivals and receipts increased by 9.7% and 4.9%, respectively.

The **transport surplus** posted a small decrease despite the improvement in the sea transport balance. Freight rates (based on the ClarkSea Index) increased by 8.6% y-o-y; dry bulk rates increased by 34.9%, while tanker rates decreased by 10.0%.

**FDI inflows** were mainly directed to manufacturing, real estate, financial and transportation and storage. The main countries of origin were Germany, Italy, United Arab Emirates and Hong Kong.

**FDI outflows** mainly refer to new equity and mergers and acquisitions. The main country of destination is United Kingdom. One of the main transactions is the purchase of shares of Hellenic Bank Public Company Limited from Eurobank SA.

In **November**, the **current account** deficit posted a small decrease y-o-y, mainly due to an improvement in the balance of services and the primary income account, which was almost fully offset by a deterioration in the balance of goods and, to a lesser extent, in the secondary income account.

The goods deficit widened reflecting a drop in exports and a parallel increase in imports. In real terms, both exports and imports of non-oil goods increased.

The surplus of the services balance increased due to an improvement in, primarily, the travel balance and, secondarily, the other services balance, while the transport services balance deteriorated. Non-residents' arrivals and receipts increased by 23.6% and by 44.7%, respectively.

In October, the current account deficit decreased y-o-y, mainly due to an improvement in the balance of services and the primary and secondary income accounts, which was partly offset by a deterioration in the balance of goods.

The goods deficit widened reflecting a larger drop in exports than in imports. In real terms, both exports and imports of non-oil goods increased.

The surplus of the services balance increased due to an improvement in, primarily, the travel balance and, secondarily, the other services balance, while the transport services balance deteriorated. Non-residents' arrivals and receipts increased by 8.6% and by 19.7%, respectively.

Chart 19: Components of the current account as % of GDP

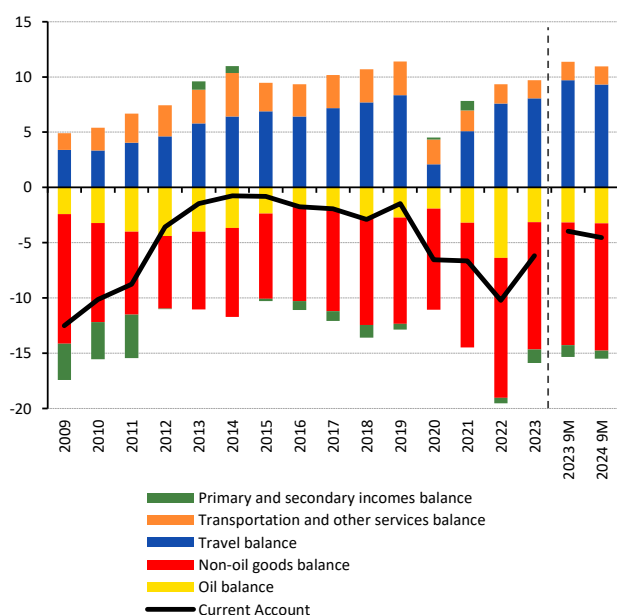
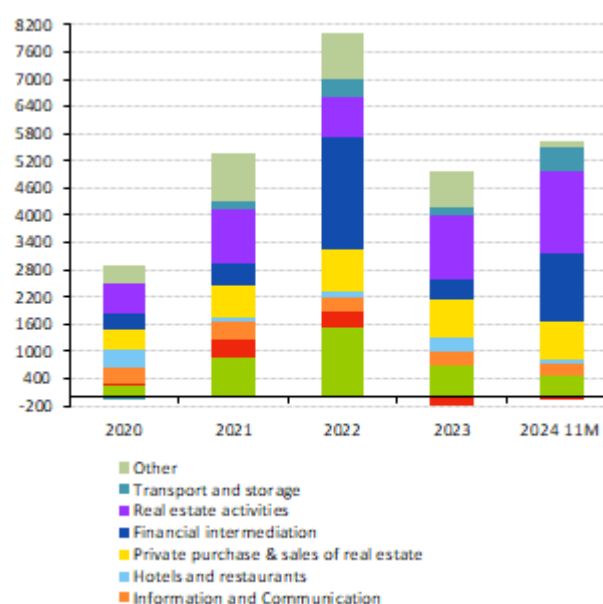


Chart 20: Non-residents' Direct Investment flows in Greece by sector of economic activity (mn euros)



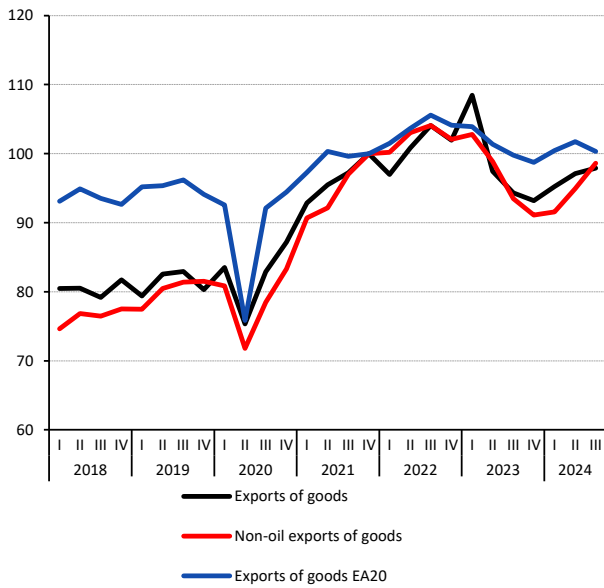
Source: Bank of Greece (for BoP statistics) and EL.STAT. (for GDP).

Source: Bank of Greece, Statistics Department.

Provisional data Jun. 2023 – Oct. 2024

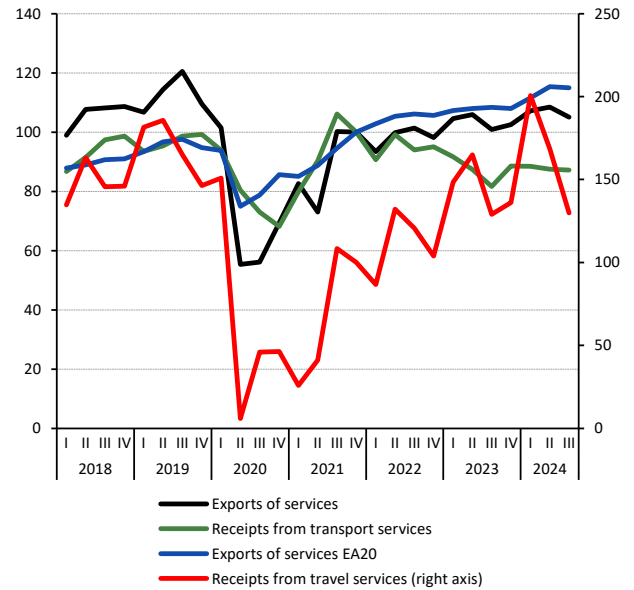
Note 1: The FDI components in the chart do not add up to the total amount of direct investment inflows reported in Table due to the different underlying methodologies.

**Chart 21: Real exports of goods (Greece and EA20)**  
(index 2021:Q4=100,sa)



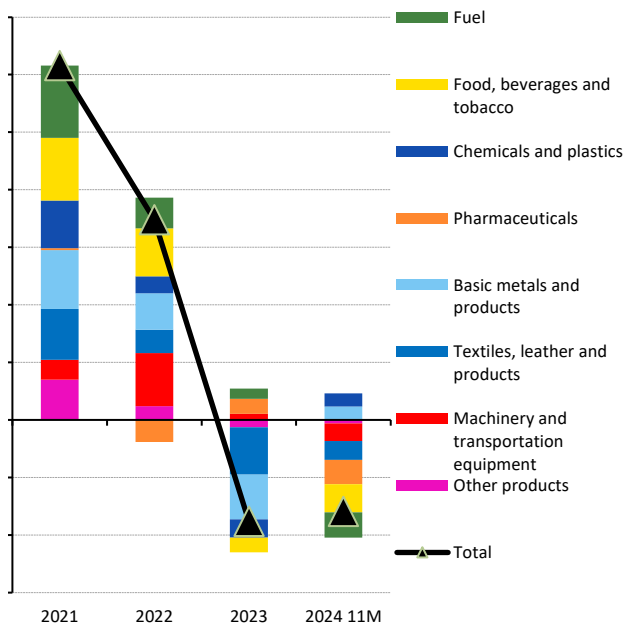
Sources: Bank of Greece (BoP statistics) and Eurostat (for EA 20). Bank of Greece calculations.

**Chart 22: Real exports of services (Greece and EA20)**  
(index 2021:Q4=100, sa)



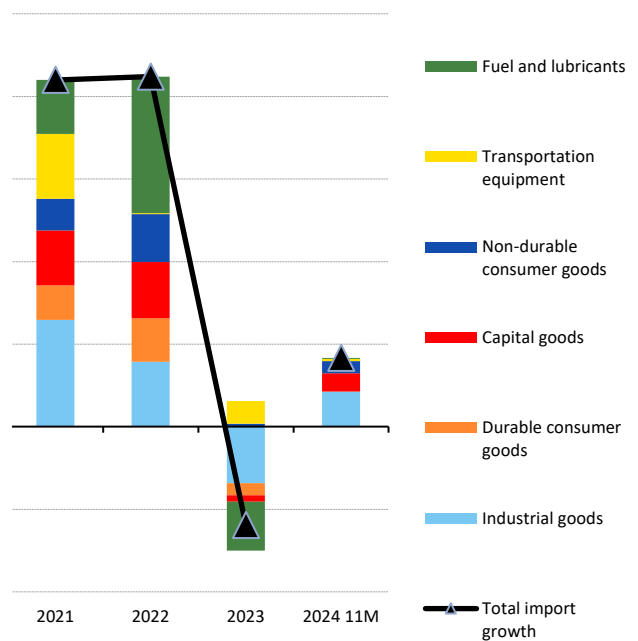
Sources: Bank of Greece (BoP statistics) and Eurostat (for EA 20). Bank of Greece calculations.

**Chart 23: Contribution of each sector to total export growth (%) - constant prices**



Source: Eurostat, Comext database. Bank of Greece calculations.

**Chart 24: Contribution of each type of use to total import growth (%) - constant prices**



Source: Eurostat, Comext database. Bank of Greece calculations.



## EU funds

### 4.2 EU funds (mn euro)

	2021	2022	2023	2024			
				Sep	Oct	Nov	y-t-d
- Structural funds	2391	2318	1256	0.0	0.0	0.0	0.0
- Farmers' subsidies	2213	1963	2493	72.8	0.7	9.2	1870.4
- NGEU							
° Recovery and Resilience Facility (RRF)-grants*	2310	1718	3405	...	999	...	1157
° Recovery and Resilience Facility (RRF)-loans	1655	1845	3793	...	...	...	2327

\*including REPowerEU

Source: Bank of Greece

In the January-November 2024 period, Greece received €1.9 bn from **farmers' subsidies**, following the receipt of €2.5 bn in 2023, whereas no significant disbursements were made regarding structural funds that had reached €1.3 bn in the previous year.

The implementation of the **Multiannual Financial Framework (MFF) 2021-2027** has already started, though still at a slow pace. According to EU data (as of December 23, 2024) €2.2 bn have been disbursed since the beginning of the program.

Regarding the **Recovery and Resilience Facility (RRF)**, €8.6 bn in grants and €9.6 bn in loans have already been received by Greece since 2021 (NGEU including REPowerEU). On January 25, 2024 Greece received €158.7 mn as pre-financing under REPowerEU – €5.0 bn loans and €0.8 bn grants were made available for Greece under the specific plan. On July 24 and October 16, 2024 the country received €2.3 bn in RRF loans and €1.0 bn in RRF grants, respectively. The fifth payment request for €3.1 bn RRF grants and loans combined, was submitted on December 20, 2024, having completed the related milestones.

## Cost competitiveness gains remain thanks to lower ULC vis-à-vis the main Greece's trading partners.

### 4.3 Price competitiveness indices (% y-o-y)

	2023	2024	2024			
			Q1	Q2	Q3	Q4
HCI NEER <sup>1</sup>	3.8	2.0	3.4	2.4	1.4	0.9
HCI REER-ULC based competitiveness <sup>2</sup>	-1.7	...	1.8	2.3	1.5	...
HCI REER-HICP based competitiveness <sup>2</sup>	1.5	0.7	2.0	0.4	0.5	-0.2

Source: ECB

1: + appreciation of euro

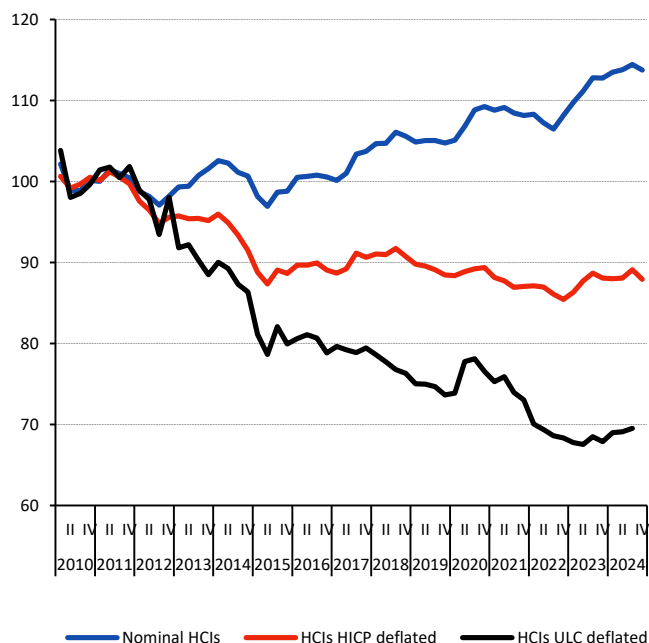
2: + deterioration of competitiveness

**The nominal effective exchange rate:** Based on ECB Harmonised Competitiveness Indicators (HCIs), the nominal effective exchange rate (NEER) for Greece continued to appreciate further, although with a decreasing growth rate, due to the appreciation of the euro.

**Labour cost competitiveness:** ULC-based competitiveness having improved significantly in 2022, mainly driven by strong gains in productivity relative to Greece's main trading partners, remained almost unchanged in 2023 despite the strong appreciation of the nominal effective exchange rate. In 2024:Q3 labour cost competitiveness deteriorated in Greece, as ULC differential overcompensated for the 1.4% appreciation of the NEER.

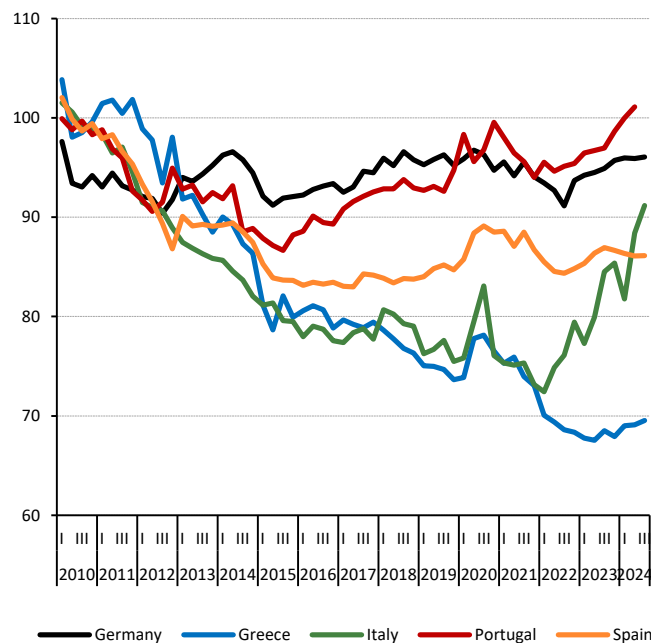
**Price competitiveness:** the deterioration in price competitiveness registered in 2023 continued, though at a decelerating rate, in 2024, as the impact of the significant nominal appreciation during these quarters was only partly offset by Greece’s lower inflation relative to its main trading partners inside and outside eurozone.

**Chart 25: Greece: Price and cost competitiveness indices**  
(index 2010=100; quarterly, period averages)



Sources: ECB, Harmonised Competitiveness Indicators (effective exchange rates).

**Chart 26: Euro area countries: Unit labour cost competitiveness indices**  
(index 2010=100; quarterly, period averages)



Sources: ECB, Harmonised Competitiveness Indicators based on ULC in total economy.

### Non-price or structural competitiveness

Non price/structural competitiveness indices recently published provide a rather positive picture as progress in some areas is evident, namely in the tax wedge front, government performance, business efficiency and digital transformation of the economy.

#### *Latest publications*

According to the **first Business Ready Report of World Bank Group** (published on 3 October 2024), which replaces the *Doing Business* Report that has been discontinued (since 16 September 2021), Greece ranks 8th in Regulatory Framework, 10th in Public Services and 35th in Operational Efficiency (among only 50 countries, the 2025 report will cover 100 countries and 2026 report 180 countries). Greece scores highest in Business Entry, International Trade, and Utility Services and lowest in Business Insolvency, Taxation, and Business Location.

Indicator	International Organization	Date published	Latest Ranking (Total countries)	Previous Ranking (Total countries)	Positions Moved
<b>World Competitiveness Ranking</b>	IMD	20.06.2024	47 (64)	49 (64)	+2
	Improvement was recorded in the sub-index of government efficiency (up to 52nd from 53rd), business efficiency (up to 44th from 48th) and economic performance (up to 52nd from 58th) while infrastructure remained stable (40th). According to IMD, <b>the main challenges for Greece</b> now include: the need for increasing investments aimed at expanding the production base of the country, reforming the vocational education and training system in order to address labor shortages and skills mismatches, introducing policies that support the green and digital transition of enterprises, reforming the judiciary system in order to speed up the overall time for reaching decisions and simplifying the regulatory framework concerning entrepreneurship.				

Indicator	International Organization	Date published	Latest Ranking (Total countries)	Previous Ranking (Total countries)	Positions Moved
<b>Tax International Competitiveness Index</b>	<i>Tax Foundation</i>	22.10.2024	27 (38)	27 (38)	-
	<p>Greece's rank remained stagnant according to the new methodology used and its overall absolute rank lowered by 1.3 points as its consumption and property taxes ranks deteriorated, while corporate taxes and cross border tax rules marked an improvement. Individual tax rank remained stable.</p> <p><b>Strengths:</b> The net personal tax rate of 5 percent on dividends is significantly below the OECD average of 24.7 percent; corporate income tax rate of 22 percent is below the OECD average of 23.9 percent; and controlled foreign corporation rules in Greece are modest and only apply to passive income.</p> <p><b>Weaknesses:</b> Companies are severely limited in the amount of net operating losses they can use to offset future profits; companies cannot use losses to reduce past taxable income; there is a relatively narrow tax treaty network (58 treaties compared to an OECD average of 74 treaties); and VAT rates at 24 percent, is one of the highest in the OECD on one of the narrowest bases, covering only 37 percent of final consumption.</p>				

## 5. FISCAL DEVELOPMENTS

Table 5.1: General Government fiscal outlook (% of GDP)

	2023	2024f	2025f	2026f	2027f	2028f
Primary outcome*	2.1	2.5	2.4	2.4	2.4	2.4
Public Debt*	163.9	154.0	147.5	-	-	-
<b>Memo items:</b>						
Net nationally financed primary expenditure (growth rate)*		2.6	3.6			
Net nationally financed primary expenditure (growth rate, upper limit)**		2.6	3.7	3.6	3.1	3.0

Sources: \*ELSTAT (2023) and Ministry of Finance: 2025 Budget (2024-25) and Medium-term fiscal structural plan 2025-2028 (2026-28). The debt projections of the Medium-term fiscal structural plan are not presented as they are not consistent with the methodological change in the recording of public debt introduced in the 2nd EDP Notification (22.10.2024). \*\* Medium-term fiscal structural plan 2025-2028.

### General government primary outcome in 2023 came out better than expected

The 2023 **general government primary outcome**, as published in the context of the 2nd EDP notification (22.10.2024), recorded a surplus of 2.1% of GDP (higher than in the first notification, 1.9% of GDP) mainly on account of higher receivables relating to EU grants.

### Medium term fiscal outlook in line with the revised fiscal framework

According to the **Medium Term Fiscal-Structural Plan (MTP) 2025-2028**, which was published on September 30, in the context of the revised fiscal framework: (i) The fiscal balance is safely under the 3% of GDP threshold level of the SGP preventive arm and, moreover, an improvement of 0.6 p.p. is marked against the 2024 Stability Program projections for years 2024 and 2025; (ii) The structural primary balance is expected to reach 2% of GDP in 2025 and thereafter increase by 0.1p.p. per annum; (iii) Public debt as a % of GDP maintains a downward trajectory owing to primary surpluses and a beneficial snowball effect. Moreover, the debt sustainability analysis indicates that the downward debt trajectory remains intact under three adverse scenarios; (iv) Net primary expenditure is projected to increase by more than 3% yearly. The Commission assessed that **the MTP fulfils the requirements of Regulation (EU) 2024/1263** as Greece's net expenditure growth path is consistent with EU recommendations to ensure government debt remains on a plausibly downward trajectory while maintaining deficits below the 3% of GDP threshold.

### Budget 2025 projections in line with the revised fiscal framework

According to the **2025 Budget**, which was published on November 20, the general government primary outcome is estimated at a primary surplus of 2.5% of GDP in 2024 and 2.4% of GDP in 2025 (on the back of economic growth +2.2% in 2024 and +2.3% in 2025). Public debt as a share of GDP is projected to decline by 9.9 pp, to 154.0% of GDP, in 2024 and further by 6.5 pp, to 147.5% of GDP, in 2025, due primarily to the snowball effect and, to a smaller extent, to primary surpluses. In 2024, there is also a significant downward contribution (of 2.5 pp) of the deficit-debt adjustment due to privatization receipts and cash reserves used for early debt repayment. The fiscal outlook is assessed to be in line with the provisions of the existing Stability and Growth Pact, reactivated as of 2024.

### Fiscal measures in 2025 include tax cuts and pension increases

**New measures for 2025** amount to €1.1 bn including mainly the reduction of the social security contribution rate by 1 pp (€440 mn), the abolition of the self-employed contribution (€125 mn) and pension increases (€398 mn). These measures serve four broad purposes: (i) to support household disposable income, (ii) to address the ageing population implications, (iii) to mitigate the tightness in the housing market and (iv) to address the adverse consequences of natural disasters.

## RRF funds are being absorbed yet backloading is witnessed

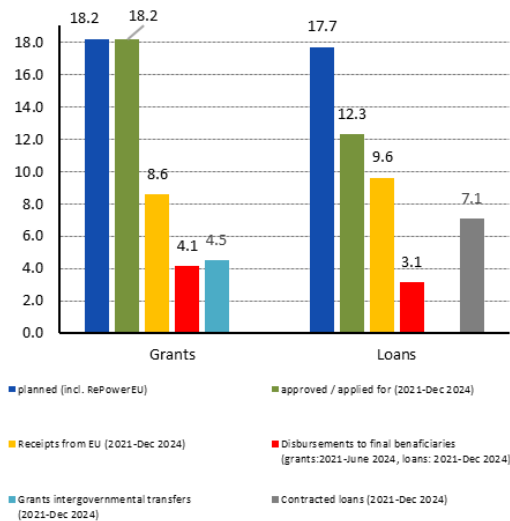
**Absorption:** Greece is progressing well compared to peers regarding the **RRF receipts based** on the successfully completion of the respective **milestones and targets**. So far Greece has received €18.2bn from the RRF (€8.6 for grants and €9.6 for loans), that is 51% out of the total envelop of €36 bn (being among the top countries above EU average), having successfully completed 28% of the total landmarks. In December 2024 Greece submitted the 5<sup>th</sup> payment request for a total of €3,1 bn (of which €1.3 bn for grants and €1.8 bn for loans). Including this amount, Greece will have received a total of €21.3 bn or 64% of the total envelop having successfully completed 36% of the total landmarks.

**Execution:** The **loan component** (signing of contracts) is progressing in line with the original schedule. However, the **grant component** (payment execution) has become more backloaded than originally projected mainly due to administrative burden heavier than originally anticipated, as also witnessed in most EU countries. More specifically:

**Grants:** Out of a total envelope of €18.2 bn, cash receipts from the EU amount to €8.6 bn. Until June 2024, the entire project envelope has been approved, of which €4.13 bn have been disbursed to firms. Another €4.5 bn have been transferred from the state to other general government entities until December 2024.

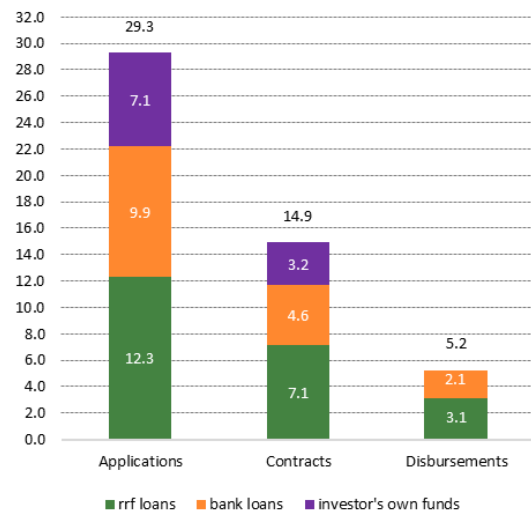
**Loans:** Out of a total envelope of €17.7 bn, cash receipts from the EU amount to €9.6 bn. Until December 2024 €3.1 bn had been disbursed to firms. The contracted projects amount to €7.1 bn.

**Chart 27: RRF funds**  
(€ bn)



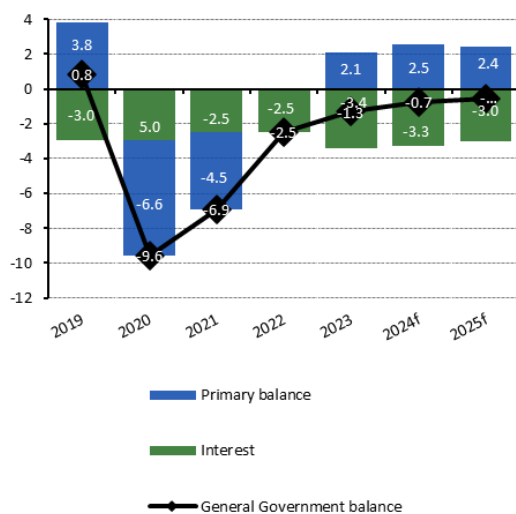
Source: Ministry of Finance

**Chart 28: RRF loans with leverage**  
(€ bn – up to November 2024)



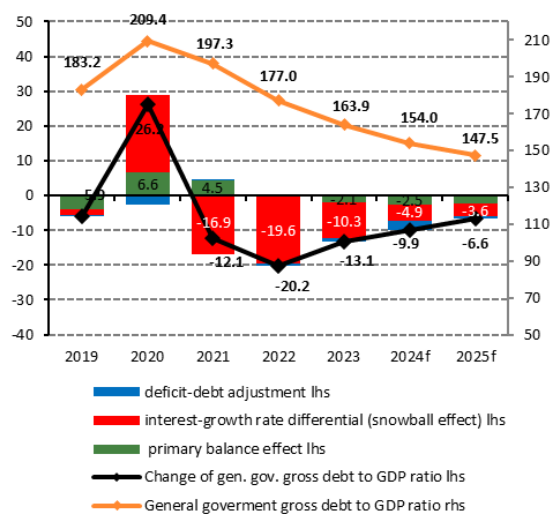
Source: Ministry of Finance, Bank of Greece

**Chart 29: General Government deficit decomposition (% of GDP)**



Source: Ministry of Finance (2025 Budget), ELSTAT.

**Chart 30: Gen. Government gross Debt to GDP ratio decomposition (percentage points)**



Source: Ministry of Finance (2025 Budget), ELSTAT.

**Table 5.2: General Government (% GDP) - ESA 2010**

	Annual			Quarterly	
	2021	2022	2023	2023 Q1-Q3	2024 Q1-Q3
Balance	-6.9	-2.5	-1.3	-1.3	1.1
Primary balance	-4.5	0.0	2.1	1.1	3.7
Revenue	49.8	50.4	48.2	33.7	34.5
Primary expenditure	54.3	50.4	46.2	32.6	30.8
Public Debt (stock)	197.3	177.0	163.9	165.0	156.5

Source: ELSTAT

### Annual General Government figures – ESA 2010 (2023) – Improvement and overachievement

According to the 2nd EDP notification (22.10.2024), **both the general government balance and the primary balance marked an improvement in 2023 relative to 2022**, recording a smaller deficit and a significant primary surplus respectively as a share of GDP, overshooting the annual target, largely as a result of growth in the economy as well as the inflation increase.

The improvement in the **primary balance** mainly reflects a decrease in the share of primary expenditure as a % of GDP (by 3.5 p.p.) which overcompensated the decrease in the share of revenue (by 1.4 p.p.). Y-o-y, primary expenditure decreased by 0.7%, mainly driven by a decrease in subsidies (-64.4%), due to the unwinding of the pandemic and energy measures. On the opposite direction, there was an increase in social payments (+6.0%) due to the increase in pensions and the distribution of social benefits to low-income groups, in compensation of public employees (+3.2%), in intermediate consumption (+4.7%) attributed to the price increases and an increase in public investment (+13.8%)

Revenue also increased y-o-y (+3.7%) due to increased economic activity, and the overhaul of the tax and social insurance contribution deferral schemes.

The **debt to GDP ratio** decreased to 163.9% in 2023, from 177.0% of GDP in 2022 (lowest since 2010), due primarily to the denominator effect (higher nominal GDP).

Please note that a methodological change as regards the statistical recording of deferred interest on EFSF loans increasing the face value of general government gross debt was implemented in 2013-2023, following [Eurostat's advice](#). Specifically, for 2023 compared to the 1<sup>st</sup> EDP notification (22.04.2024), the debt ratio was revised upwards by 2.0 p.p. to 163.9% of GDP at the end of 2023, owing to an increase in the debt by 5.5 p.p due to the inclusion of the deferred interest, which was partially offset by the decreasing effect (-3.5 pp) of the upward revisions in nominal GDP. However, the statistical treatment of deferred interest does not affect the public debt sustainability.

### Quarterly General Government figures – ESA 2010 (2024 Q1-Q3) - Improvement

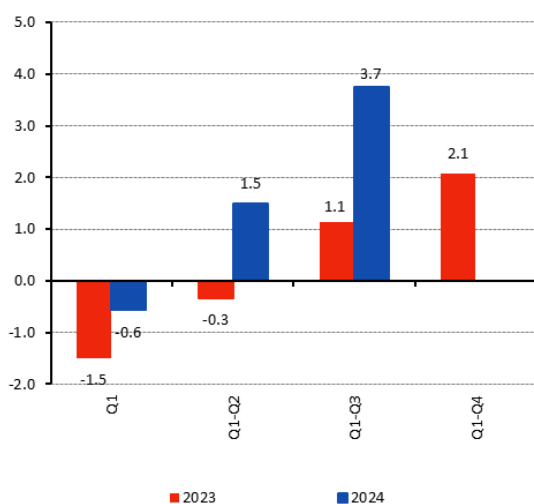
The **general government primary balance improved** as a % of GDP (by 2.6 pp) in the first three quarters of 2024 against the same period in 2023 primarily due to a base effect arising from the unwinding of 2023 energy measures.

**Revenues increased y-o-y (+7.7%)** in the first semester of 2024 due to increased tax and EU revenues. **Primary expenditure decreased (-0.6%)** mainly due to the withdrawal of subsidies in the context of energy support measures, the decrease in intermediate consumption due to subsiding inflation and a base effect in capital transfers owing to the Attica Bank recapitalization last year.

**The Public debt ratio decreased** by 7.4 pp of GDP compared to 2023:Q4, due to the rise in nominal GDP.

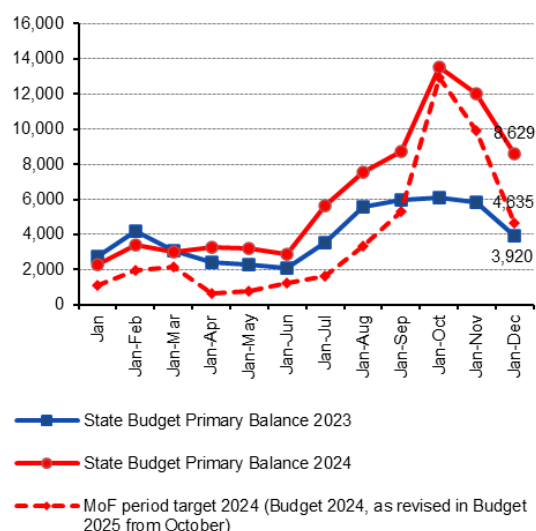
According to PDMA estimates in 2024: Q3 the weighted average maturity of general government debt stood at 18.93 years, while the time to next refixing at 18.44 years. The cost of debt, as measured by the actual general government debt annual interest payments after swap (cash basis) as a proportion of public debt stood at 1.33%.

**Chart 31: General government primary balance (quarterly, cumulative) (% of GDP)**



Source: ELSTAT.

**Chart 32: Evolution of State budget primary balance against MoF's period targets in 2023-2024 (EUR mn)**



Source: Ministry of Finance.

## General Government cash fiscal data – Better than expected pointing to a primary balance in 2024 better than the annual target in ESA terms.

### 5.3 Cumulative cash fiscal data

(% GDP)	2023	2024	2023	2024
	November		December	
General Government primary balance	2.7	6.1		
Stock of arrears (€ bn)	2.9	3.4		
Central Government debt	178.7	170.0		
State budget primary balance	2.6	5.1	1.7	3.6
State budget primary balance period target	1.7	4.2	-0.4	2.0

Source: Ministry of Finance

In January-November 2024, **the primary general government cash outcome** recorded a higher surplus than the surplus achieved in January-November 2023. The improvement is largely due to increased tax revenue -on account of direct taxes as a result of both higher business profits and increased civil servant wages, as well as indirect taxes-, increased social security contributions as well as higher privatization receipts. Expenditure increased mainly on account of higher social transfers related to increases in pensions through the indexation mechanism (+2.95%) and pension arrears' clearance, higher compensation of employees mainly due to the increases in wages, as well as higher intermediate consumption.

In January-November 2024, **the stock of arrears** (excluding pension claims) increased by €0.6bn (mainly in hospitals) compared to December 2023. About 46% of total arrears (excluding tax refunds) originate in hospitals due to their reporting pre-clawback<sup>1</sup>.

**The Central Government Debt** at end-November 2024 was €402.9bn (170.0% of GDP) compared to €406.5 bn (180.5% of GDP) at end-December 2023.

The **State primary balance** in January-December 2024 recorded a surplus (3.6 % of GDP) compared to a lower surplus (1.7% of GDP) in the same period in 2023. Compared to the period target (according to the 2025 Budget), the primary balance over-performed by €4.0 bn mainly due to (i) higher taxes largely due to an accounting entry reflecting the VAT corresponding to the Attica road concession agreement, (ii) higher EU transfers and (iii) lower primary expenditure owing to the time differentiation of transfers to social security funds and military expenditure.

### Financing

In 2024, Greece attracted €9.6 bn from the **capital markets**. **In December** Greece proceeded with an early repayment of the Greek Loan Facility (GLF) loans due in 2026-2028 amounting €7.9 bn facilitated by ESM's and EFSF waiver grants. According to PDMA's funding strategy for 2025, the Hellenic Republic plans to issue €8bn in GGBs in 2025. In January 2025, Greece attracted €4 bn from the issue of a 10-year bond with a yield of 3.64%.

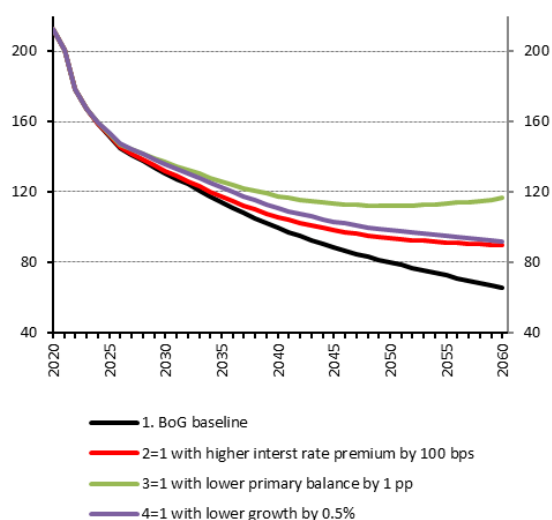
<sup>1</sup> The clawback mechanism, introduced by the Greek legislator in 2012 as part of the effort to reduce excessive health expenditure weighing on public debt, safeguards the level of public expenditure relating to hospitalization and pharmaceuticals up to a certain pecuniary limit. Essentially, when the respective public spending exceeds the thresholds of the relevant closed budgets, any surplus is 'repaid' by hospitals and pharmaceutical companies to the National Organisation for Healthcare (EOPYY), on the basis of a specific formula. When hospital arrears are reported pre-clawback, they are inflated as they do not take into account the surplus repayment to EOPYY.



## Debt Sustainability Analysis - Risks to debt sustainability remain contained in the medium term

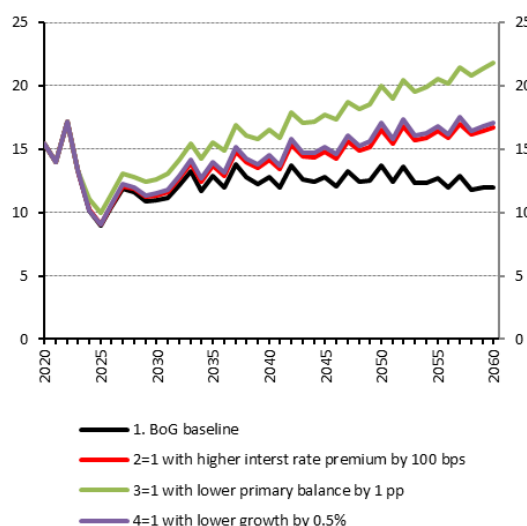
This mainly reflects (i) the highly concessional terms of official sector loans (involving grace periods, long maturities and interest deferrals) comprising the bulk of the accumulated debt stock, (ii) a 100% share of fixed-rate debt of the central government (at end-Sept 2024) and (iii) a very sizeable cash buffer in excess of 15% of GDP (at end-Sept 2024). In the longer term, however, sustainability risks remain elevated. As concessional loans get rolled over on market terms, exposure to adverse shocks will increase, demanding firm commitment to fiscal vigilance. Under the baseline assumptions of commitment to fiscal targets and effective utilization of NGEU funds, the debt to GDP ratio remains firmly on a downward trajectory and Gross Financing Needs over GDP stay safely below the 15% and 20% thresholds.

**Chart 33: General Government Maastricht debt**  
(% of GDP)



Source: Bank of Greece.

**Chart 34: General Government Gross Financing Needs**  
(% of GDP)



Source: Bank of Greece.

## 6. MONEY AND CREDIT

### 6.1 Bank deposits

EUR mn	End-of-month stock	Cumulative net flow			Monthly net flow			Annual rate of change %					
		2021	2022	2023	2024			2021	2022	2023	2024		
					Sep	Oct	Nov				Sep	Oct	Nov
Private sector	198,012	16,158	8,047	5,752	2,324	-2,258	2,269	9.9	4.5	3.0	3.3	3.3	5.0
-NFCs	46,112	7,822	3,469	324	2,239	-2,286	1,368	24.2	8.6	0.7	6.5	6.7	11.6
-HHs	147,059	8,528	5,444	4,984	330	-137	551	6.8	4.0	3.5	2.4	2.3	2.8

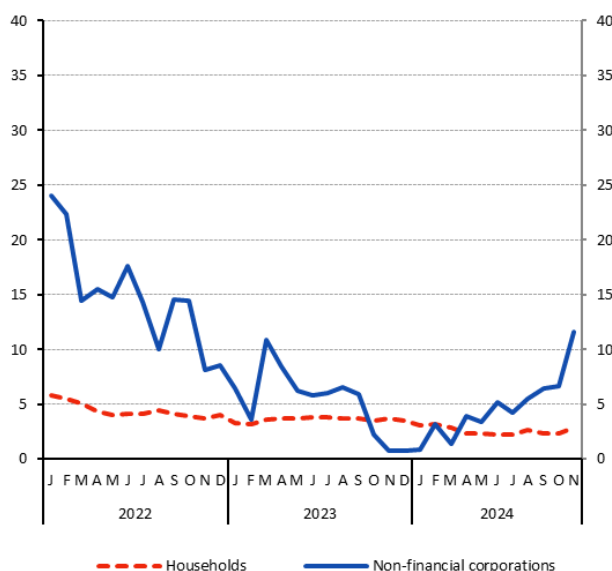
Source: Bank of Greece.

### Limited rises in bank deposits

In the January-November 2024 period, **private sector deposits** continued to rise overall (by €3 bn) mostly reflecting an increase in corporate deposits (Charts 35 and 36). **Household deposits** also increased in 2024, but the increase has been limited compared to previous years due to transfers of funds into other saving options, such as TBs and mutual funds, offering considerably higher returns.

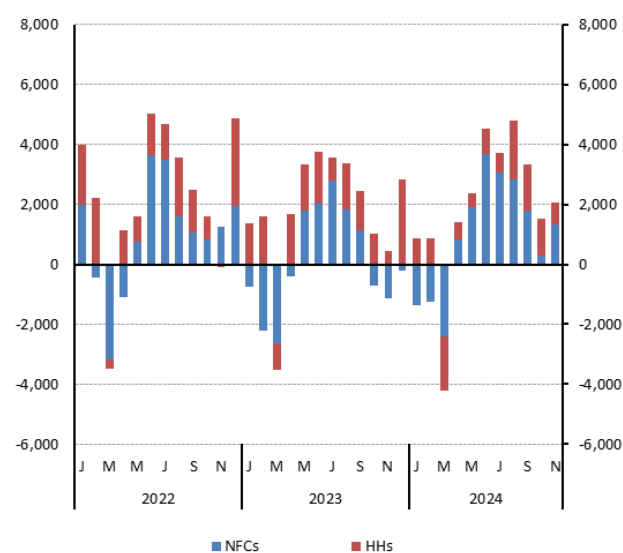
In November 2024, **bank deposits** of non-financial corporations and households rose by €1.4 bn and €0.6 bn respectively.

**Chart 35: Bank deposits**  
(annual rate of change %)



Source: Bank of Greece.

**Chart 36: Bank deposits**  
(net flow, 3-month moving sum, in EUR millions)



Source: Bank of Greece.

## 6.2 Bank credit

EUR mn	End-of-month stock	Cumulative net flow			Monthly net flow			Annual rate of change %					
	2024 Nov	2021	2022	2023	2024			2021	2022	2023	2024		
					Sep	Oct	Nov				Sep	Oct	Nov
NFCs	73,884	2,477	6,837	3,759	1,610	2,198	1,558	3.7	11.8	5.9	9.2	13.4	15.8
Sole proprietors	4,344	155	-44	-60	48	-61	12	2	-0.9	-1.3	0.3	0.4	0.5
HHs	35,960	-1,437	-1,008	-769	-21	-78	21	-2.4	-2.5	-2.0	-0.8	-0.7	-0.7
-Housing loans	26,986	-1,376	-1,113	-1,046	-86	-73	-22	-3.0	-3.6	-3.5	-2.9	-2.8	-2.7
-Consumer loans	8,758	-44	112	294	69	-5	42	-0.3	1.2	3.4	6.1	6.4	6.0
New bank term loans to NFCs (gross flow)	-	11,851	22,200	16,957	4,364	1,292	1,774	-	-	-	-	-	-
New bank term loans to HHs (gross flow)	-	2,022	2,405	2,497	301	259	289	-	-	-	-	-	-

Source: Bank of Greece.

### Robust corporate loan growth – Less negative dynamics in loans to households

**Corporate bank credit** expansion has accelerated considerably (since September 2023) under the favourable impact of solid economic growth, declining interest rates and supportive public programmes, underpinning both increased loan demand and supply (Chart 37).

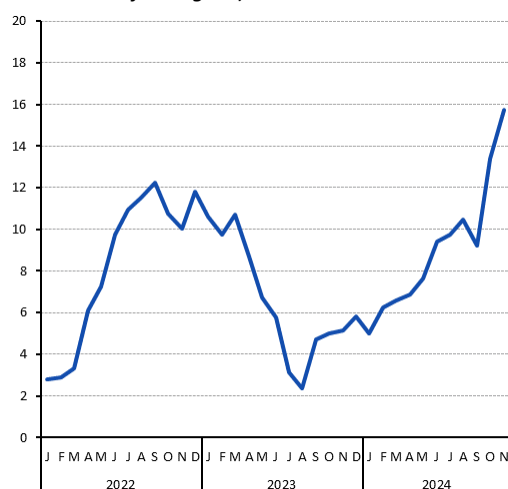
In November 2024, **bank credit to NFCs** rose (based on net flows) by €1.6 bn and the annual rate of growth accelerated to 15.8%.

The contraction of **bank loans to households** continued in 2024 reflecting a shrinking stock of housing loans, albeit at a somewhat decelerating pace; consumer loans have been recording positive rates of growth already since mid-2022 (Chart 38).

In November 2024, the contraction rate of **housing loans** decelerated somewhat to -2.7% while the annual growth rate of consumer loans stood at 6.0%.

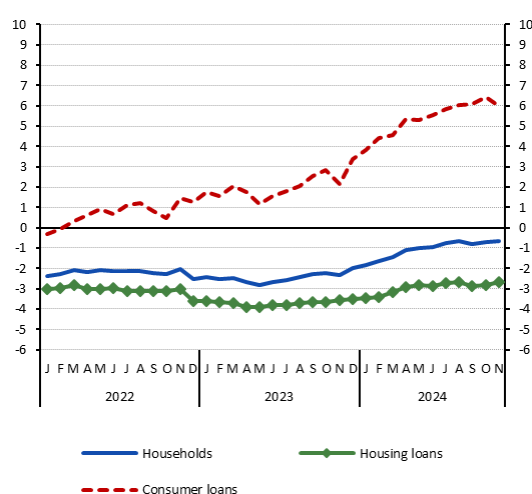
According to the **AnaCredit data**, in January-November 2024, new corporate loan disbursements stood at €10.2 bn, well above the corresponding amount in the same period of 2023 (€7.1) (Chart 39).

**Chart 37: Bank credit to NFCs**  
(annual rate of change %)



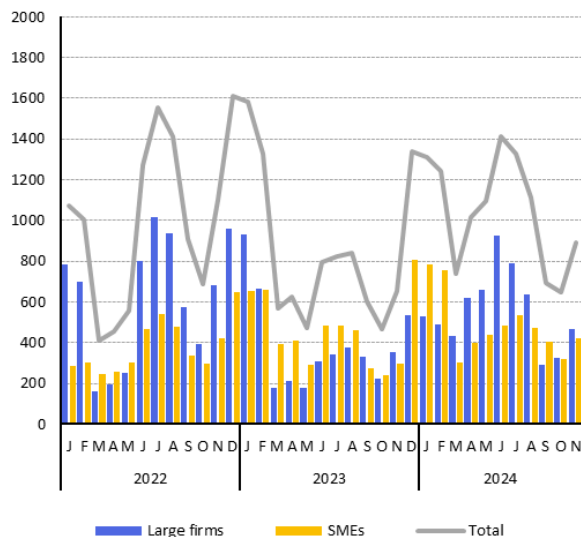
Source: Bank of Greece.

**Chart 38: Bank credit to households**  
(annual rate of change %)



Source: Bank of Greece.

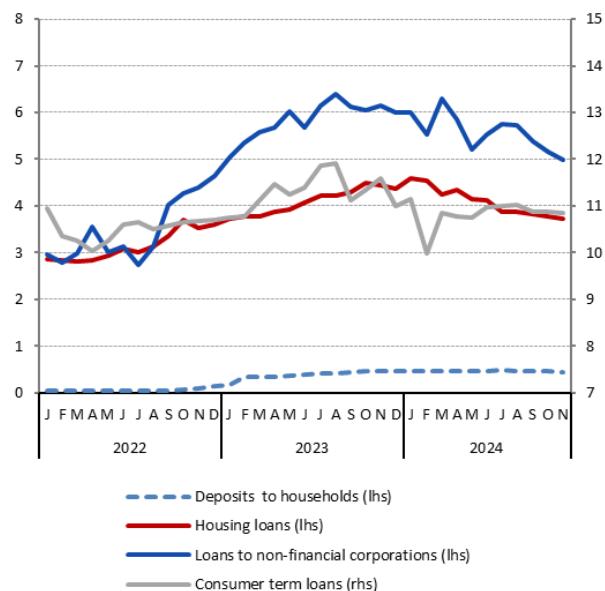
**Chart 39: Amounts of new loans to large firms and to SMEs<sup>1</sup>**  
(3-month moving average, EUR mn)



Source: Bank of Greece, AnaCredit.

Note: AnaCredit is a common dataset with detailed information on individual bank loans in the euro area. Data solely concern loans to legal persons (corporations).

**Chart 40: Bank interest rates**  
(percentages per annum)



Source: Bank of Greece.

### 6.3 Bank interest rates on new loans and deposits

(end of period, percentages per annum)

	2021	2022	2023	2024		
				Sep	Oct	Nov
Bank lending rate	3.70	5.05	6.13	5.6	5.41	5.27
-to NFCs	2.98	4.64	6.01	5.39	5.15	4.98
-to HHS	4.74	5.59	6.33	5.94	5.89	5.86
-Housing loans	2.54	3.60	4.37	3.83	3.77	3.72
-Consumer term loans	10.40	10.71	11.00	10.86	10.87	10.86
Bank deposit rate for HHS	0.05	0.14	0.47	0.47	0.46	0.43

Source: Bank of Greece.

#### Bank lending rates declining but still high

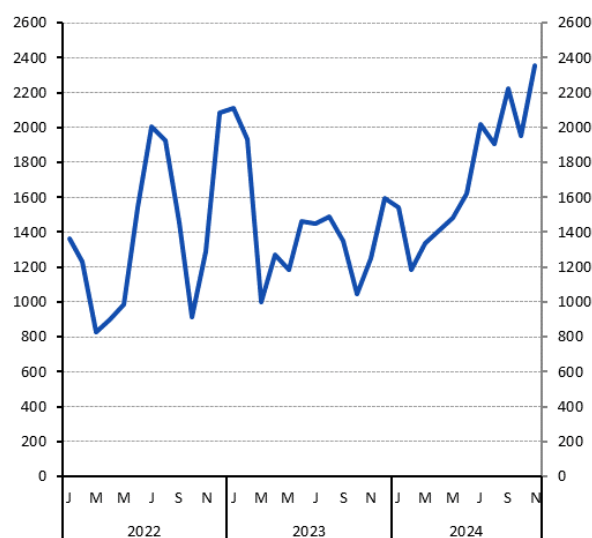
Bank lending rates have been on a gradual declining path initially owing to expectations for ECB policy rate cuts and subsequently in tandem with actual policy rate cuts. Specifically, **the cost of new bank loans** to NFCs peaked in August 2023 at 6.4% and has been on a broadly downward path since then. The average **bank interest rate on new housing loans** peaked somewhat later, in January 2024 at 4.6%, and it has been declining since then.

In November 2024, **bank lending rates** decreased further mainly for new corporate loans (to 4.98%) and to a lesser extent for new housing loans (to 3.72%) (Chart 40).

Data on gross flows of bank loans show that in January-November 2024 **new bank corporate term loan agreements** rose significantly to around €21 bn compared to €15 bn in the same period of 2023 (Chart 41).

**Chart 41: New bank corporate term loan agreements**

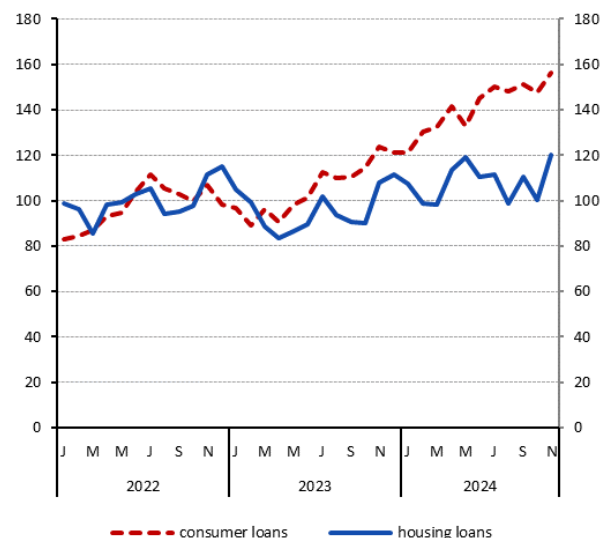
*(Gross flow, 3-month moving average, EUR mn)*



Source: Bank of Greece, MFI interest rate statistics.

**Chart 42: New household term loan agreements**

*(Gross flow, 3-month moving average, EUR mn)*



Source: Bank of Greece, MFI interest rate statistics.

### Continued support to bank lending from financial instruments and the RRF

During 2022-2026, credit provision to the economy is expected to be buoyed by the **resources provided through the Recovery and Resilience Facility (RRF) of the NGEU, and the implementation of the National Recovery and Resilience Plan (NRRP) "Greece 2.0"**. After the approval by the EC of the modified NRRP, total available investment resources reach up to €36 bn, comprising €18.3 bn in subsidies and €17.7 bn in loans. After the disbursement of the 4<sup>th</sup> instalment of RRF funds toward Greece, the total inflow of RRF loan funds amounts to €9.6 bn.

**Greek banks and European financial institutions participate in the process of channelling to the economy the loan segment of the NRRP.** They co-finance, with the State, investments in prioritized sectors of the economy (such as green and digital economy, exports, research, and innovation). Investments financed through RRF loans are covered by RRF funds (up to a maximum of 50% of the investment plan), by financial institutions participation (commercial banks and/or European financial institutions, at least 30% of the investment plan) and investor's own funds (at least 20% of the investment plan).

As far as **RRF loans** through Greek commercial banks are concerned, until December 2024, 372 loan agreements had been signed financing investments with a total budget of €14.9 bn (RRF loans: €7.1 bn, bank loans: €4.6 bn, investors' own participation: €3.2 bn). Since the start of the implementation of the NRRP in July 2022, the amount of bank loan agreements co-financing RRF projects represents around 10% of total new bank term loan agreements over the same period.

In addition, **financial resources**, partly intermediated through local banks, continue being directed to

the economy through financial instruments offered **in the context of various European and national initiatives**. Specifically, the Hellenic Development Bank (HDB), the EIB and the EIF co-finance or guarantee loans extended by commercial banks, mostly to non-financial corporations and secondarily to households. In the first ten months of 2024, **bank loan disbursements to NFCs** supported by these financial instruments amounted to almost €2.9 bn (2023: € 2.0 bn) mostly targeting SMEs.

## Survey evidence on financing

### 6.4 The euro area bank lending survey: Greek banks

(Changes over the past three months - average reply)

	Demand		Terms & conditions		Credit standards		Share of rejections	
	2024:Q2	2024:Q3	2024:Q2	2024:Q3	2024:Q2	2024:Q3	2024:Q2	2024:Q3
Loans to enterprises	3.00	3.25	3.50	3.00	3.00	3.00	3.00	3.00
Loans for house purchase	3.00	2.50	3.00	3.00	3.00	3.00	3.00	3.00
Consumer credit	2.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00

Source: Bank of Greece.

1 = decreased/tightened significantly    2 = decreased/tightened somewhat    3 = remained unchanged  
4 = increased/loosened somewhat    5 = increased/loosened significantly

### I. Bank Lending Survey results for Greece (2024:Q3 compared to 2024:Q2):

#### **Easing in corporate loan terms and conditions but overall terms and conditions as well as credit standards unchanged**

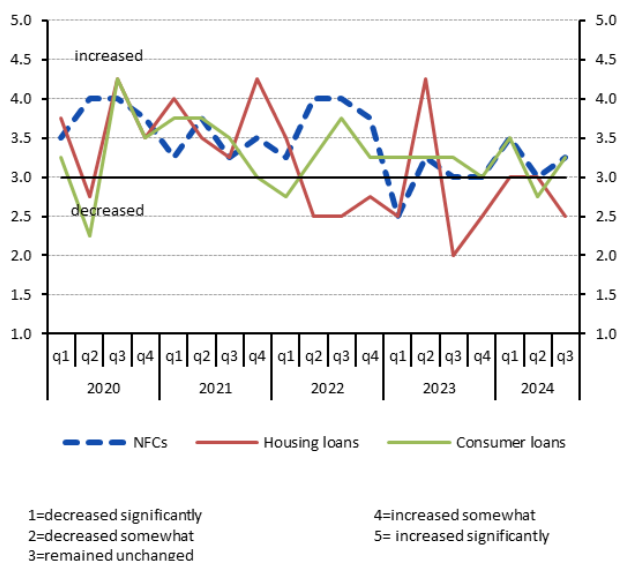
In 2024:Q3, Greek banks kept **credit standards** as well as overall **terms and conditions** on loans broadly unchanged compared to the previous quarter for all loan categories. Nonetheless, regarding corporate credit, a slight loosening of credit standards was reported with regard to SMEs. Banks also mentioned narrowing their lending margins with respect to average-risk corporate loans.

Greek credit institutions estimate that the **demand for bank credit** by NFCs picked up during 2024:Q3 comparing with 2024:Q2. According to survey responses, the factor that contributed positively to demand was the higher needs of NFCs associated with mergers and acquisitions and corporate restructuring. On the contrary, the high level of internal funds of NFCs contributed negatively to loan demand.

Greek banks suggested that there was a slight increase in the **demand for consumer credit** from household borrowers during 2024:Q3, whereas the **demand for housing loans** decreased. The reasons reported by individual banks for the decline in the demand for housing loans include the level of interest rates (which despite its recent decline remains high) and households' recourse to other sources of financing including personal savings.

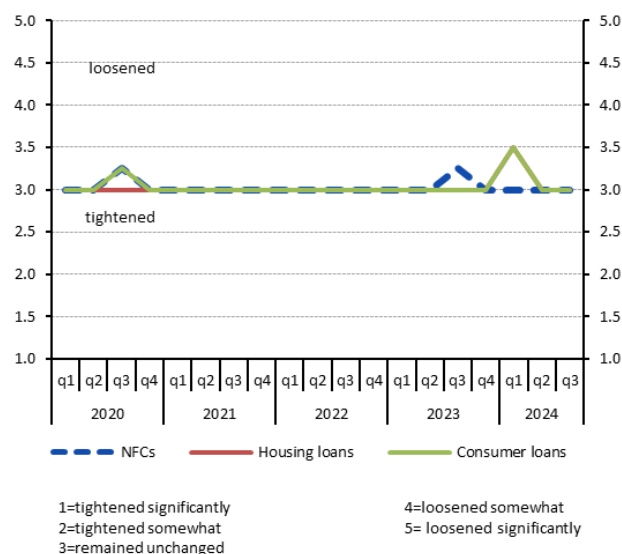
In response to one of the ad hoc questions regarding their **funding sources**, Greek banks stated that there was an increase in their access to funds from long-term bond issues and short-term retail deposits. With respect to the question on the impact of the TLTRO III, in 2024:Q2-2024:Q3, the repayment of funds drawn from earlier TLTRO III operations --as these continue to expire-- reportedly carried no impact on the volume of loans nor on credit standards and terms and conditions; however, they contributed to a deterioration in bank cost of funding and a decrease in profitability.

**Chart 43: Change in loan demand**  
(average response)



Source: Bank of Greece, ECB.

**Chart 44: Change in banks credit standards**  
(average response)



Source: Bank of Greece, ECB.

## II. SAFE results for Greece: July-September 2024 compared to April-June 2024 (and April-September 2024 compared to October 2023-March 2024)

### 6.5 Survey on the Access to Finance of Enterprises in the euro area: Greek SMEs

(net percentage of respondents)

	Needs			Availability			Approval rate <sup>1 2</sup>			Rejection rate <sup>2</sup>		
	2024:Q2	2024:Q3		2024:Q2	2024:Q3		2024:Q2	2024:Q3		2024:Q2	2024:Q3	
Bank loans	15	6	↓	7	12	↑	44	50	↑	10	8	↓
Credit lines	17	11	↓	1	6	↑	35	71	↑	16	9	↓

Source: EC/ECB, SAFE.

<sup>1</sup> Applications satisfied mostly or in full.

<sup>2</sup> As a percentage of firms which applied for bank loan/credit line.

### Improvements in availability of bank loans against a moderate loan demand from SMEs

**The external financing gap faced SMEs** – i.e., the difference between the change in financing needs of firms and the change in the availability of bank loans – was perceived to have turned negative in 2024:Q3, for the second time since the inception of the survey (Chart 45).

**Greek SMEs reported that during April to September 2024, the lack of skilled labour continued to be their main concern.** In this round, access to finance is ranked as their second most important problem followed by the rise in costs of production, competition, regulation, and finding customers.

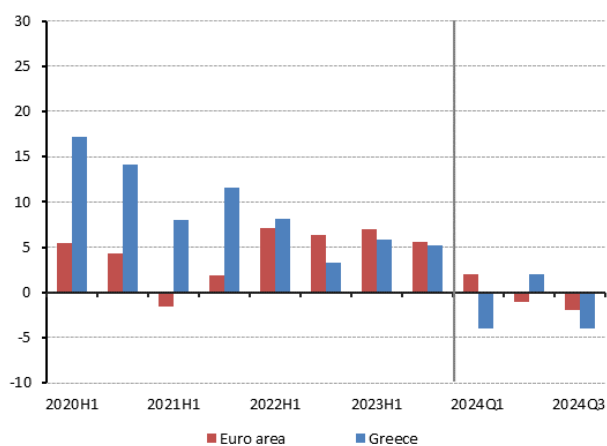
The **availability (supply)** of bank loans and credit lines was seen to have markedly risen both q-o-q as well as over the last six months. At the same time, SMEs' **needs (demand)** for bank credit decreased q-o-q but compared to the previous semester they were somewhat higher for credit lines and marginally lower for bank loans (Chart 46).

Among the **factors affecting the supply of external financing**, the influence of the general economic outlook was perceived to have turned positive during the past six-month period, while q-o-q it remained in negative territory. Both on quarterly and on semi-annual basis, SMEs continued to report a strong positive impact of the factors related to their own creditworthiness (namely firms' specific outlook, capital, and credit history). The willingness of banks to provide credit was perceived to have continued being supportive. SMEs continued reporting that their access to public financial support programmes deteriorated.

**The percentage of firms which applied for a bank loan** increased compared to the previous survey round, both q-o-q (20% up from 16%) and on semi-annual basis (20% up from 14%). The main reason provided for not applying for a bank loan was sufficiency of internal funds, while at the same time firms' discouragement for fear of rejection by the bank remained low. In another related question concerning the reasons for which bank loans are not relevant for the firm in the previous semester, fewer respondents claimed that there was no need for this type of financing and also fewer were those mentioning the high interest rate cost of bank loans.

As far as the **outcome of bank term loan applications** is concerned, both q-o-q and during the past six-month period, the rejection rate decreased, while the approval rate (percentage of applications satisfied mostly or in full) increased q-o-q but it was perceived somewhat lower compared to the previous semester. **Terms and conditions of bank financing** were perceived to be less discouraging regarding the level of interest rates, as SMEs reported a lower net increase in bank loan interest rates mainly for the past six months (7% down from 33%) and to a lesser extent on a quarterly basis (3% down from 5%). At the same time, both q-o-q and during the past six-month period, SMEs reported a broadly unchanged net increase in charges, fees and commissions. During the past six-month period SMEs reported an unchanged net increase in collateral requirements, while q-o-q they recorded a net decrease. Available size and maturity of loans decreased, both q-o-q and on semi-annual basis.

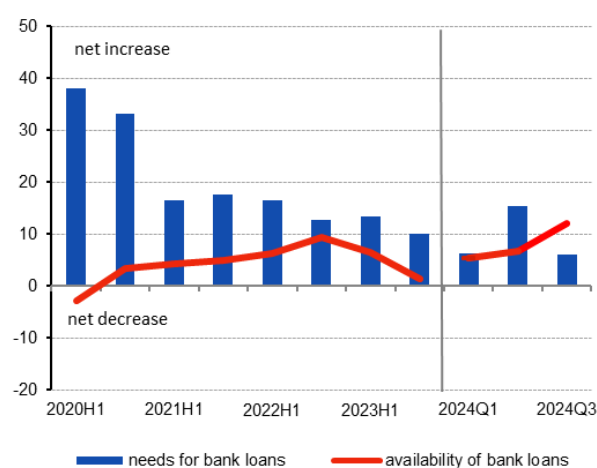
**Chart 45: External financing gap faced by SMEs in Greece and the euro area (weighted net balances)**



\* Since 2024Q1, the financing gap indicator of the SAFE shows the difference between the change in needs and the change in availability for bank loans as reported by SMEs. Up to 2023H2, it referred to five instruments of external financing (bank loans, credit lines, trade credit, equity and debt securities issuance). A positive value of the indicator points to an increase in the financing gap.

Source: EC/ECB, SAFE.

**Chart 46: Needs and availability of bank loans for SMEs in Greece (net percentage)**



\* Net percentage of firms is defined as the difference between the percentage of firms which replied that their needs/the availability of bank loans increased minus the percentage of firms which replied that their needs/the availability of bank loans decreased.

Source: EC/ECB, SAFE.



## 7. FINANCIAL MARKET DEVELOPMENTS

**Table 7.1 Government bonds yields**

	Levels		Changes (bps)						
	Latest 22/1/2025	6/12/2024	7-weeks	y-t-d	3-months	6-months	12-months	2024	2023
<i>Greek Government Bonds</i>									
GR 2y	2.31	2.12	19	12	8	-17	-41	-18	-112
GR 5y	2.63	2.27	36	8	14	-19	-24	-5	-115
GR 10y	3.27	2.90	37	2	11	-8	-12	17	-152
<i>Euro area bonds</i>									
DE 2y	2.24	2.02	22	15	11	-30	-48	-31	-33
FR 2y	2.41	2.17	24	13	10	-38	-43	-18	-39
IT 2y	2.56	2.37	19	10	-5	-42	-68	-54	-29
DE 10y	2.50	2.12	38	14	21	20	15	34	-53
FR 10y	3.26	2.88	38	7	25	25	42	64	-56
IT 10y	3.60	3.19	41	8	10	-5	-32	-18	-101
ES 10y	3.15	2.76	39	8	17	3	-12	7	-67
PT 10y	2.94	2.53	41	9	23	1	-14	6	-81
EA BEIR 5y	1.86	1.70	16	17	17	7	-1	-18	-34
EA 5y-5y FILS	2.08	1.99	9	7	-3	-12	-17	-25	-10
<i>Spreads</i>									
GR 10y – 2y (bps)	96	78	18	-9	3	9	29	36	-39
GR 10y - Bund (bps)	77	78	-1	-11	-11	-28	-27	-16	-98
GR 10y - IT 10y (bps)	-33	-30	-3	-6	0	-3	21	35	-51

Source: LSEG.

Note: EA BEIR is the euro area benchmark breakeven inflation rate and EA FILS is the Euro 5 Year - 5 Year forward inflation linked swap.

### Market pricing of Greek government bonds follows closely euro-area developments

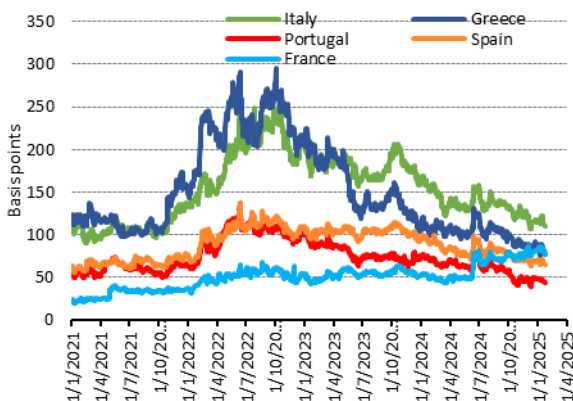
In 2023, Greek government bond (GGB) yields and spreads, vis-à-vis euro area benchmark bonds, declined, amid upgrades of Greece’s sovereign credit ratings; in 2024, GGB yields moved broadly in line with yields of other euro area sovereigns, with a rise early on in the year being reversed after investors formed expectations for upcoming policy rate cuts.

In December 2024 and the beginning of 2025, euro area sovereign bond yields rose (Table 7.1 and Chart 47) as investor expectations for policy rates were revised upwards. This development came on the back of FOMC members projection for slower pace of rate cuts in 2025, and the loss of a confidence vote by the German government.

In line with these developments, yields on GGBs rose compared to their level six weeks ago. Yields in the long-term maturity segment rose relatively more than short-term ones, as the latter are more sensitive to the policy rate outlook; as a result, the Greek yield curve steepened (Chart 48).

**Chart 47: 10-year sovereign bond spreads**

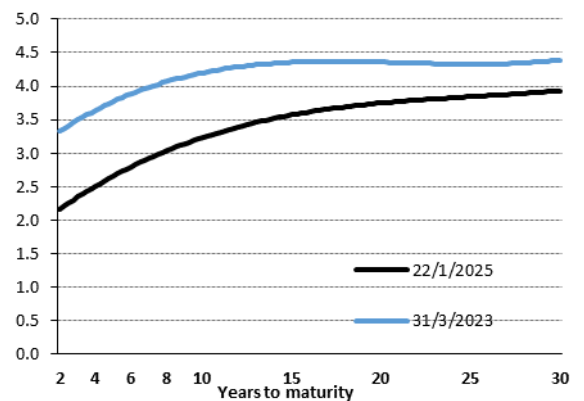
(yield differentials vis-à-vis the Bund in bps; daily data)



Source: LSEG. Latest obs. 22/1/2025.

**Chart 48: Greek sovereign yield curve**

(yields in % across maturities; BoG’s cubic spline model)



Source: Bank of Greece. Latest obs. 22/1/2025.

**Table 7.2 Sovereign credit ratings**

Sovereign credit ratings	Latest		1 January 2024		1 January 2023		1 January 2022	
	Rating	Outlook	Rating	Outlook	Rating	Outlook	Rating	Outlook
Fitch	BBB-	Stable	BBB-	Stable	BB	Positive	BB	Stable
Moody's	Ba1	Positive	Ba1	Stable	Ba3	Stable	Ba3	Positive
S&P	BBB-	Positive	BBB-	Stable	BB+	Stable	BB	Stable
M.DBRS	BBB (low)	Positive	BBB (low)	Stable	BB (high)	Stable	BB	Positive
Scope	BBB	Stable	BBB-	Stable	BB+	Positive	BB+	Stable

Spreads	Latest	2024		2023		2022	
		Average	St. dev.	Average	St. dev.	Average	St. dev.
Greece	77	102	10	156	30	229	29
BBB	118	125	19	130	64	205	30

Notes: 1) The abovementioned ratings correspond to the long-term issuer ratings for bonds. The sources for these data are the rating agencies referred to in the first column on the left. 2) The spread of Greece corresponds to the Greek-10y vs German-10y spread, while the across-countries average BBB spread, adjusted for exchange rate risk, is calculated against the US 10 year yield. 3) The BBB-average spread is calculated by grouping a sample of 75 countries in rating classes.

### The outlook of Greece's sovereign credit ratings is positive...

The **sovereign credit ratings assigned to Greece** have followed an upward trend for a long period of time, almost uninterruptedly since 2015, resulting to regaining the Investment Grade (IG) in 2023 (see Chart 49).

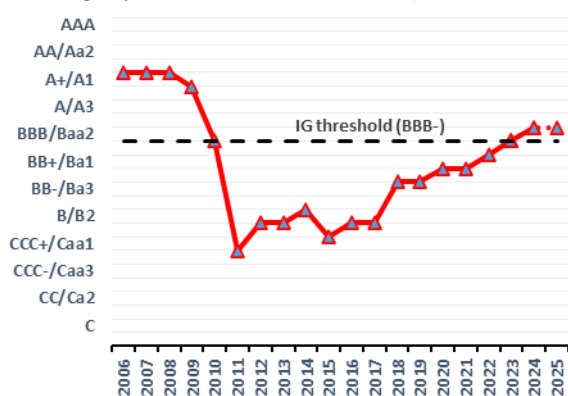
On 6 December 2024, **Scope Ratings upgraded Greece's rating to BBB (stable outlook) from BBB- (positive outlook)**, citing declining public debt, improved banking system resilience and stronger trend growth as drivers of the upgrade. After a series of rating upgrades, **all other rating agencies that are Eurosystem-eligible ECAs** assign Greece a sovereign credit rating of BBB-/BBB-low, i.e. at the boundary of investment grade (an exception is Moody's that still rates Greece below IG, at Ba1 with a positive outlook). Additionally, the outlook of the rating assigned to Greece by S&P, Morningstar-DBRS and Scope Ratings is positive, while that assigned by Fitch is stable.

According to rating agencies, **further upgrades of the sovereign may result** from sustained economic performance, prudent fiscal policies, a continuation of structural reforms fostering the competitiveness of the Greek economy and a further reduction of banks' stock of NPLs, with the latter thus moving closer to the EU average.

### ...while GGBs' pricing is favorable compared to other BBB-rated sovereign bonds.

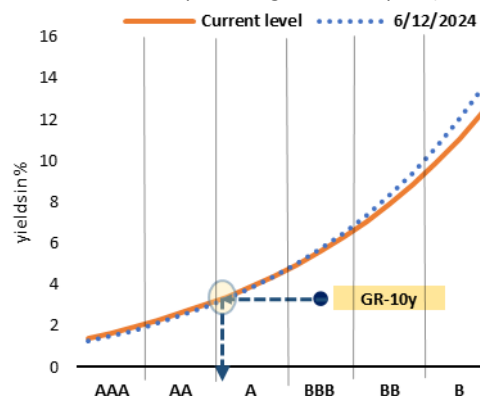
**Markets price Greek sovereign bonds** more favourably than the median of BBB-rated sovereign bonds; in particular, the GGB 10-year yield is at levels comparable to the single-A rating median yield (see Chart 50).

**Chart 49: Greece's sovereign credit rating**  
(highest rating; alphanumeric scale harmonized)



Sources: Rating agencies & Bank of Greece. Latest obs. 20/1/2025.

**Chart 50: Sovereign bond yields per rating categories**  
(yields in %; median per rating; model-implied)



Sources: LSEG; BoG's model. Latest obs. 20/1/2025.

**Table 7.3 Corporate bonds**

	Levels		Changes (bps)						
	Latest 22/1/2025	6/12/2024	7-weeks	y-t-d	3-months	6-months	12-months	2024	2023
GR NFC bonds	3.78	3.79	-1	10	-27	-48	-67	-73	0
EA BBB-rated NFC bonds	3.49	3.20	29	9	10	-11	-35	-16	-79
EA liquid HY NFC bonds	5.61	5.58	3	1	-19	-63	-81	-75	-164
<i>Spreads</i>									
GR NFC - EA BBBs (bps)	29	58	-29	1	-37	-36	-31	-57	79
GR NFC - EA liquid HY (bps)	-183	-179	-4	9	-8	15	14	2	164

Source: LSEG, Bank of Greece.

Note: Data on yields of the Greek corporate bonds refer to the yield of the GR NFC bond index of the Bank of Greece (Bloomberg ticker: BOGGRNFC). Data on other euro-area corporate bonds (namely EA NFC BBB-rate bonds and EA liquid HY NFC bonds) correspond to the yields of the indices iBoxx EA BBB NFC and iBoxx EA liquid HY NFC bonds, respectively.

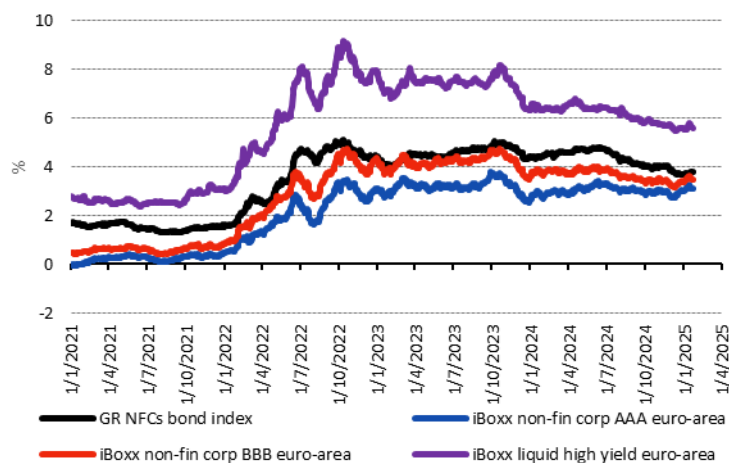
### Large Greek NFCs are actively funded by international bond investors...

Bonds issued by Greek non-financial corporations (NFCs) have largely followed the developments in other euro-area corporate bonds (Chart 51). In 2023, Greek NFCs' bond issuance activity was low, reaching in total €600mn, in line with their low refinancing needs, while in 2024 Greek companies issued new bonds for a total amount of €2.1 bn.

### ...while their market-based cost of funding is near that of BBB-rated EA NFCs.

Yields of GCBs were broadly unchanged in the period under review, while yields on euro-area lower-rated corporate bonds rose (see Table 7.3).

**Chart 51: GR NFCs bond index & iBoxx indices for EA non-financial corporates**  
(percentage points; daily data, 2019 to date)



Sources: Bank of Greece & LSEG.  
Latest obs. 22/1/2025.

**Table 7.4 Stock market indices**

	Levels		Returns (%)						
	22/1/2025	6/12/2024	7-weeks	y-t-d	3-months	6-months	12-months	2024	2023
<b>ATHEX General Index</b>	1,531	1,457	5.1	4.2	10.1	3.6	12.4	13.7	39.1
Banks	1,389	1,281	8.4	8.0	20.9	6.4	21.4	21.1	65.7
Basic Materials	5,291	4,962	6.6	5.4	13.3	5.8	-3.3	3.0	24.2
Consumer Discretionary	5,192	5,078	2.2	3.1	4.4	0.9	-2.9	0.4	41.7
Consumer Staples	6,782	6,726	0.8	1.4	3.3	5.2	29.7	31.5	25.3
Energy & Utilities	5,067	4,800	5.6	1.8	6.3	-1.2	-4.6	-0.2	20.3
Industrials	7,623	7,047	8.2	6.5	20.2	16.0	43.0	40.9	68.9
Real Estate	4,825	4,759	1.4	-1.1	-0.6	-2.4	-4.0	-1.6	-0.4
Tech & telecommunications	5,796	5,597	3.6	2.2	2.2	2.4	12.6	11.8	27.5
<b>Transaction volume</b> (monthly average, in mn €)	139.1	126.3	10.1	1.3	-17.4	34.6	50.2	27.8	96.9
<b>Euro Stoxx</b>	532	514	3.6	5.3	3.8	5.6	11.7	6.6	15.7
<b>MSCI World</b>	3,838	3,855	-0.4	3.5	3.3	7.5	19.8	17.0	21.8
<b>GR volatility (%)<sup>a</sup></b>	0.6	0.9	-38.3	-17.4	-23.3	-15.3	-15.9	59.0	-38.8
<b>GR intraday volatility (%)<sup>b</sup></b>	0.8	1.0	-25.4	7.1	-13.6	1.0	-17.7	-2.7	-14.3
<b>MSCI World volatility (%)<sup>a</sup></b>	0.7	0.4	70.9	-4.4	49.5	-10.6	26.8	53.3	-52.1
<b>VIX</b>	15.1	12.8	18.2	-13.0	-23.7	-7.7	14.9	39.4	-42.5

Source: LSEG, Bank of Greece.

a) Volatility measures are standard deviations of daily returns with a fixed monthly rolling window.

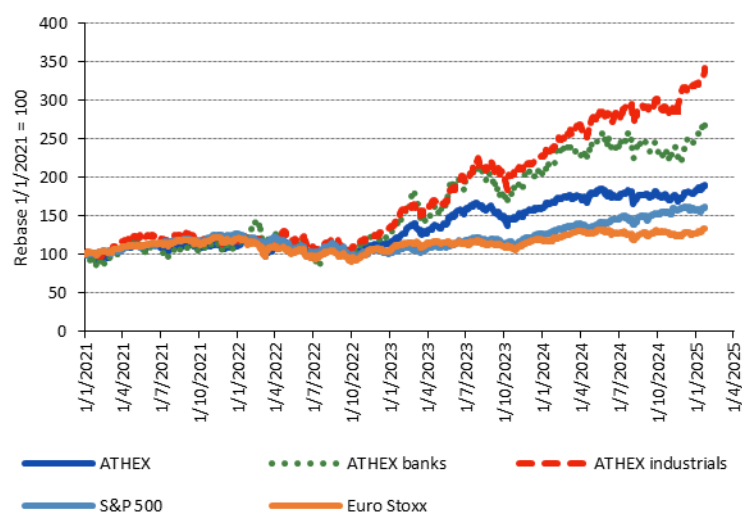
b) Intraday volatility is the range of intraday prices, relative to the closing price.

### Share prices of listed Greek companies have posted strong positive returns in recent years, in line with the strong performance of the Greek economy

Share prices in the Athens Stock Exchange (ASE) recorded strong positive returns in 2024, outperforming euro area stock markets (Chart 52); this development came in an environment of low, by historical standards, market volatility in the ASE.

Share prices of Greek listed companies rose compared to six weeks ago, as did prices in other euro area stock markets. The rise in prices was broad based across ASE's sectors (see Table 7.4).

**Chart 52: Stock exchange indices**



Source: LSEG.

Latest obs. 22/1/2025.

## 8. BANKING SECTOR

Table 8.1: Banking sector fundamentals

	Income statement items (in bn euros)						Financial ratios (in %)			
	Net Interest Income		Net Fees & Commissions		Net Trading & other income		NPE		LCR	
	2024:9M	2023:9M	2024:9M	2023:9M	2024:9M	2023:9M	Sep 2024	Sep 2023	Sep 2024	Sep 2023
GR banks (SIs & LSIs)	6.7	6.3	1.5	1.3	0.4	0.4	4.6	7.9	219.8	215.6
GR banks (SIs)	6.4	5.9	1.5	1.4	0.2	0.2	4.0	5.2	217.8	211.8

	Pre-Provision Income		Operating Expenses		Net profits		CET1		MREL	
	2024:9M	2023:9M	2024:9M	2023:9M	2024:9M	2023:9M	Sep 2024	Sep 2023	Sep 2024	Sep 2023
	GR banks (SIs & LSIs)	5.7	5.2	2.9	2.8	3.3	3.0	15.5	14.3	--
GR banks (SIs)	5.6	4.9	2.6	2.5	3.5	2.8	16.2	14.3	28.2	23.5

Sources: 1) income statement items, NPE ratio, and CET1 ratio (consolidated data; solo data for NPE ratio of SIs and LSIs): banks' financial statements, ECB, and Bank of Greece, 2) MREL ratio: SRB and banks' financial statements.

Notes: CET1 ratio: fully loaded CET1 regulatory capital divided by total risk weighted assets; Latest available data for LCR is for June 2024.

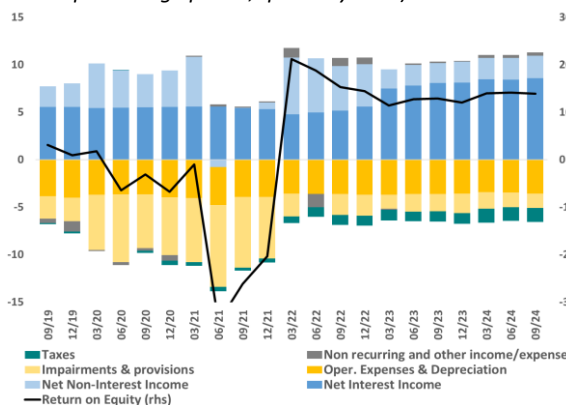
### Greek banks' profitability has increased, while their financial resilience also strengthens...

The net profits of the four Greek systemically important banks continued to rise in 2024:9M (Chart 53), as a result of a continued rise in net interest income, as well as higher net fees & commissions income and trading & other income, while impairment losses on loans & advances to customers decreased significantly. On the other hand, total operating expenses rose somewhat.

The aggregate capital position of systemically important banks rose in September 2024 compared to end-2023 and September 2023, as CET1 capital increased relatively more than risk weighted assets. Banks' capital quality is also expected to benefit from higher profitability through an acceleration in deferred tax credit (DTC) amortization. Greek systemic banks' liquidity positions remain strong in September 2024, with the LCR (liquidity coverage) ratio more than double the required threshold (100%) and well above that of euro area peers. The aggregate NPE ratio of systemically important banks stood at 4% in September 2024, down from 5.2% in September 2023 (Chart 54).

Most Greek systemic banks are close to or have already met their final MREL targets.

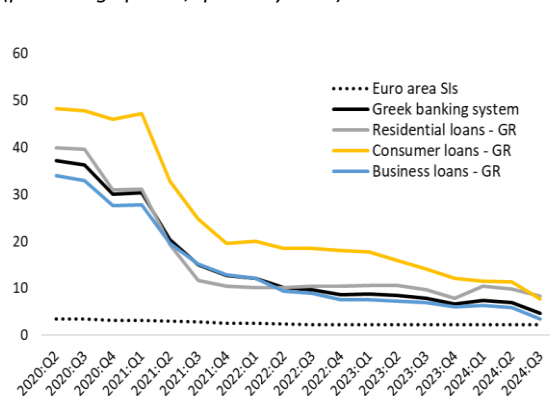
Chart 53: GR banks' profitability  
(EUR bn or percentage points; quarterly data)



Sources: ECB, Bank of Greece & LSEG.

Note: Profitability components in EUR bn and Return on Equity (RoE) in percentages for Greek systemically important banks.

Chart 54: GR and EA NPE ratios  
(percentage points; quarterly data)



Sources: Bank of Greece & ECB.

**Table 8.2: Bank Ratings and Bonds**

Bank Issuer Ratings	Latest	1 January 2024	1 January 2023	1 January 2022
All Rating Agencies	BB to BBB-	BB- to BB	B to BB-	B- to BB-

Bank Bonds	Bond yields (Levels, %)		Bond yields (changes, bps)				Bond issuances (EUR bn)	
	Latest 22/1/2025	6/12/2024	7-weeks	y-t-d	2023-end	2022-end	2024	2023
GR bank senior bonds	3.45	3.15	30	12	-152	-422	5.0	2.6
GR bank subordinated bonds	4.83	4.60	23	6	-275	-663	2.8	0.9
EA BBB bank bonds	3.61	3.38	23	-19	-36	-159	--	--

Sources: Rating agencies and LSEG. Range of ratings: range of SI's highest long-term issuer rating across rating agencies.

...and these developments are reflected in the upward trend of Greek bank ratings...

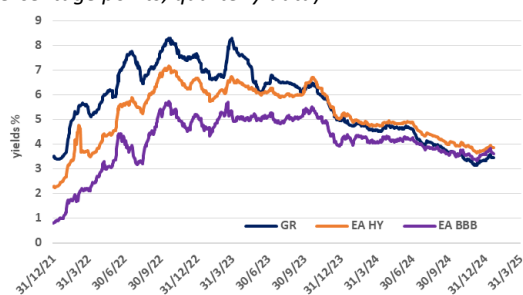
Credit ratings of Greek banks are on an upward trend (see Chart 56). At present, they range from two notches below investment grade (BB) to investment grade (BBB-), putting downward pressure on Greek bank bond yields.

...and the decline in Greek banks' market-based cost of funding.

Yields on senior bonds issued by Greek banks rose in the period under review (Chart 55), broadly in line with those of euro area peers. On 21.1.2025, Eurobank priced a 10¼-year €400 mn Subordinated Tier 2 bond callable in 5 years with a coupon rate of 4.25% (yield 4.377%).

Overall, Greek banks' funding costs have remained broadly unchanged (w.a. funding rate at around 1.3% in September 2024, see Charts 54 & 55) vis-à-vis June levels (1.4%), reflecting the pass-through of lower policy rates to the cost incurred from deposits, interbank borrowing and bond financing.

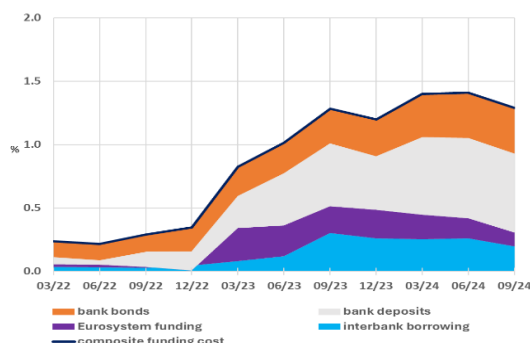
**Chart 55: GR and EA bank bond yields**  
(percentage points; quarterly data)



Source: Bank of Greece & LSEG.

Note: Blue lines: the weighted average yield of senior bonds issued by Greek systemic banks. Orange (purple) lines: the yields of iBoxx EUR indices of non-IG (BBB) bank bonds issued in the euro area. Latest obs. 22/1/2025.

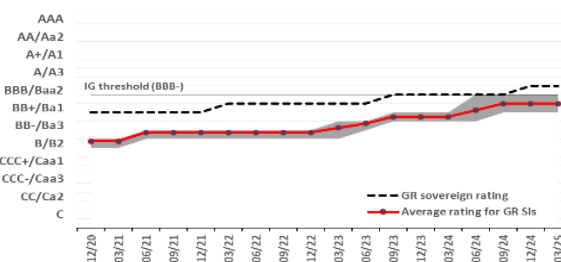
**Chart 57: GR banks' funding costs**  
(percentage points; quarterly data)



Source: Bank of Greece.

Note: The composite funding cost is the w.a. cost of individual cost components, with the weights capturing their importance in the total funding mix.

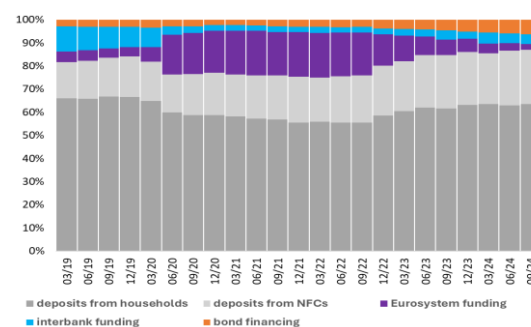
**Chart 56: GR banks' issuer ratings**  
(quarterly data)



Source: LSEG, credit rating agencies.

Note: The chart shows the average long-term issuer rating of systemic and the Greek sovereign credit rating. Entities are assigned the highest rating among the four rating agencies (Moody's, S&P, Fitch, M. DBRS and Scope) at the end of each quarter.

**Chart 58: GR banks' funding composition**  
(percentage points; quarterly data)



Source: Bank of Greece.

Note: Banks' liability structure is built out of banks' funding components.

## 9. PRIVATISATIONS AND STRUCTURAL REFORMS

### Privatisations

**The implementation of the revised Asset Development Plan of the Hellenic Republic Asset Development Fund (HRADF)** (as last revised on 29 December 2023) is the keystone for the privatisation strategy. It includes 34 on-going projects, with some of them at an advanced stage (Attiki Odos, Egnatia Odos, ports of Alexandroupolis, Igoumenitsa, Heraklio and Volos), some marinas, properties, and healing springs.

According to the State Budget 2025, **public revenues from privatisations** amounted to €586.6 mn in 2022 and €497.3 mn in 2023, mainly due to revenues from Hellinikon and DEPA Infrastructure. For 2024, public revenues from privatizations are estimated at €4,180.4 mn, mainly from the concession contract for the operation and exploitation of Attiki Odos motorway (€3,270.0 mn). The forecast for 2025, according to the State Budget 2025, is €1,881.0 mn mainly attributed to the concession contract for the operation and exploitation of Egnatia Odos motorway (€1,350.0 mn). The forecast for 2026 and 2027 is €178.4 mn and €172.1 mn, respectively.

The HRADF bought a 35% stake in the share capital of DEPA Commercial S.A., owned by HelleniQ Energy.

The HRADF announced the launch of the tender process for the development of the property “Coast and Camping Possidi Kalandra”, with a total surface of approximately 129,000 m<sup>2</sup>, located in Possidi, in the Municipality of Kassandra.

### Structural reforms

On 11 April 2023, the Ministry of Labour and Social Affairs announced the **completion of the codification of labour legislation**. Thus, the provisions for individual and collective labour law, as well as for the administrative supervision of the labour market, are now included in a single text.

**The new labour law (L.5053/2023)** establishes rules to simplify administrative procedures and protect the employees. In particular, it provides, inter alia: the possibility to work for more than one employer, new flexible employment contracts, six-day work with an increased daily wage, increased fines for violations of undeclared work, a probationary period of six months instead of one year for a hired employee, counting in-house training as paid work time, simplification of bureaucratic procedures for businesses that choose to implement the digital work card, criminalization of labour obstruction, creation of a digital job-finding platform. Also, the suspension of the seniority allowance is lifted from 1/1/2024 for employees in the private sector, without retroactivity (restoration of the three-year allowances, which have been suspended since 2012).

Reform and Investment projects relating to all four pillars of the **National Recovery and Resilience Plan** are in progress. Most notably major projects that have been funded so far concern: household energy upgrades, electrical interconnection of islands, electric energy storage facilities, telecommunications (microsatellites network), upskilling and reskilling of unemployed, digitalization of education and construction of central Greece highway.

According to the **2024 Ageing Report** (2024 AR), public pension expenditure as % of GDP in Greece is expected to decline by 2.5p.p. over the projection horizon (from 14.5% of GDP in 2022 to 12.0% of GDP in 2070). This represents the largest fall amongst EU member states, for whom public pension expenditure as % of GDP is on average projected to marginally increase by 0.4 p.p. by 2070. The projections are in line with the pension system sustainability clause, which requires that 2060 public pension expenditure may rise by up to 2.5 percentage points of GDP when compared to 2009 expenditure (according to the 2024 AR, in 2060 pension expenditure in Greece will be lower by 1.6 p.p. when compared to 2009). Age retirement thresholds have been revised upwards (from 67) to reflect the increases marked in the life expectancy at 65 years of age (by one year in 2027, 2036, 2045, 2054 and 2066).

According to the **fourth post-programme surveillance report** (June 2024):

- **Arrears:** The total stock of arrears in the public sector has increased, almost entirely due to arrears in hospitals; at the same time, the stock of pension arrears has further decreased.

- Labour legislation: The codification of the labour legislation is underway and still needs to be completed.
- Financial sector: Financial sector policies to tackle various legacy issues are being implemented broadly on schedule and are set to be completed in 2024. These policies refer to clearing the backlog of household insolvency cases, setting up the organisation of sale & lease back, clearing the backlog of called state guarantees and out-of-court workout restructurings of non-performing loans.
- Banking sector: The workout of legacy debt by servicers is advancing but continues to face difficulties. This is in particular due to judicial obstacles, mainly in the context of liquidation proceedings.

The new release of **OECD's Product Market Regulation indicator**, which measures the distortions to competition, suggests that Greece noted the greatest improvement among the OECD members during the period 2018-2023. The regulatory framework of Greece is now close to the OECD average, as a result of significant reforms. However, there is considerable room to make the regulatory framework of the professional services (especially for lawyers) and retail sector more competition-friendly. In addition, the country should consider improving its mechanisms for assessing the impact of new and existing laws and regulations on competition, address its high non-tariff trade barriers and further align the governance of state-owned enterprises with key OECD best practices aimed at ensuring a level playing field with private firms.



# ANNEX 1: ADDITIONAL CHARTS AND TABLES

## ECONOMIC ACTIVITY

Table 1: GDP and main components, seasonally adjusted

Percentage changes (chain linked volumes, reference year 2020)

Source:	2020					2021					2022					2023					2024		
	2020	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	Q4	2023	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Private consumption	-6.1	-0.1	-12.4	-3.9	-7.8	5.4	-6.0	12.3	5.0	11.6	8.8	14.1	9.5	7.4	4.5	1.7	2.1	1.7	1.6	1.4	1.6	1.8	2.1
Public consumption	3.0	2.7	-1.6	5.6	5.4	1.9	2.1	2.0	3.1	0.4	0.1	1.1	2.1	-0.8	-1.8	2.5	4.4	2.4	-0.8	4.0	-6.8	-4.2	-1.4
Gross fixed capital formation	1.6	2.1	-1.2	2.9	2.8	20.8	11.2	23.7	21.0	27.4	16.2	19.6	15.0	12.2	18.4	7.0	10.7	8.6	8.6	0.6	2.6	3.7	0.3
Dwellings	18.3	25.6	39.9	7.4	4.2	32.5	31.1	14.6	77.5	14.7	58.2	34.2	36.2	27.4	148.1	23.8	61.6	52.8	29.2	-18.7	-13.7	-6.9	7.2
Other construction	-6.4	-14.0	-1.6	-7.1	-1.1	16.2	4.3	17.3	17.8	26.1	8.7	14.7	10.5	7.2	3.3	10.1	6.2	9.9	10.1	14.2	10.4	3.3	3.3
Equipment	-2.5	2.0	-9.5	-0.2	-2.3	20.6	-0.1	22.5	15.7	46.2	16.7	33.8	12.6	11.7	12.4	4.6	2.2	3.6	11.5	1.1	6.8	15.2	-3.3
Domestic demand	-3.4	0.7	-9.0	-1.2	-4.0	6.4	-2.4	11.3	6.5	11.0	8.0	12.0	8.7	6.4	5.1	2.6	3.8	2.8	2.1	1.7	0.1	1.0	1.1
Exports of goods and services	-21.5	-10.3	-28.7	-32.5	-12.7	24.4	-0.9	24.9	48.7	30.0	6.6	15.9	14.2	-0.8	-0.5	1.9	8.7	-1.7	0.0	0.9	-5.3	1.7	3.3
Exports of goods	4.3	4.5	-2.5	2.9	12.7	14.7	11.2	20.6	15.8	11.5	4.5	6.9	5.6	3.8	2.0	-0.4	8.8	-2.8	-2.8	-4.3	-10.2	1.2	1.2
Exports of services	-42.8	-17.7	-55.5	-56.5	-40.9	37.6	-17.9	53.9	95.1	62.0	9.4	21.6	27.6	-1.7	-3.6	3.9	6.9	-0.1	3.3	5.6	1.7	2.7	5.1
Imports of goods and services	-7.4	3.1	-15.7	-8.4	-8.8	17.3	-5.3	25.2	21.6	31.3	11.9	18.8	16.1	6.0	8.3	1.0	4.5	-1.0	3.1	-2.4	3.7	8.7	4.2
Imports of goods	-3.9	2.9	-14.5	-3.8	-0.1	16.5	-2.2	25.3	16.8	28.4	13.2	19.3	18.7	9.8	6.4	-0.3	2.2	-3.8	2.7	-2.1	3.1	9.9	2.3
Imports of services	-16.7	4.4	-18.9	-20.3	-30.4	19.5	-14.7	25.2	37.0	40.5	4.5	13.7	4.6	-7.7	9.9	4.9	13.2	8.2	2.5	-2.8	4.4	5.2	12.5
Real GDP at market prices	-9.0	-1.6	-16.0	-10.4	-8.0	8.3	-2.2	15.0	11.5	10.3	5.8	8.0	6.7	4.7	4.1	2.3	2.0	3.0	2.2	2.1	2.2	2.3	2.4

ELSTAT (quarterly national accounts December 2024, provisional data).

Table 2: Value added decomposition, seasonally adjusted

Percentage changes (chain linked volumes, reference year 2020)

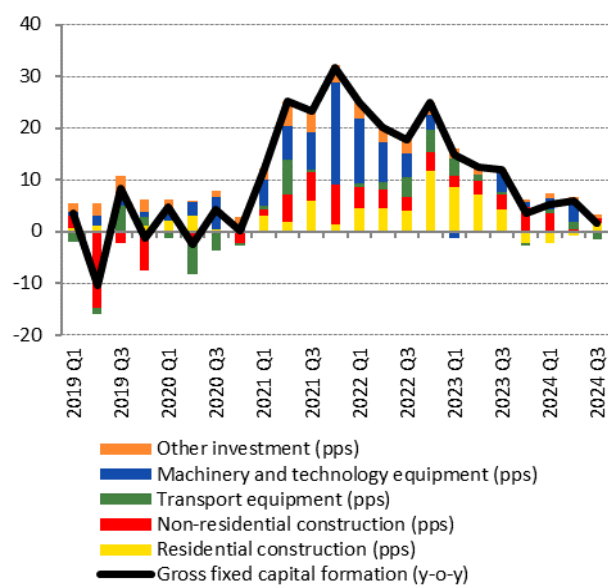
	2020					2021					2022					2023					2024		
	2020	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	Q4	2023	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Agricultural sector	-8.2	-4.3	-9.0	-8.6	-10.8	-2.9	-7.0	-3.1	-4.0	2.9	15.9	16.4	22.5	23.4	2.3	-26.8	-16.2	-28.9	-36.0	-25.2	-11.8	-3.6	0.7
Industry and construction	-4.3	-1.7	-10.3	-4.3	-0.9	12.9	5.9	18.7	14.0	13.6	1.7	7.4	2.9	0.2	-3.0	4.6	0.2	2.0	6.3	10.2	5.4	9.4	4.3
Industry	-3.6	-1.3	-10.3	-2.8	0.0	10.9	4.2	17.1	10.1	12.9	1.7	6.1	4.4	1.7	-4.7	3.8	1.7	-0.5	4.7	9.6	5.8	11.3	4.5
Construction	-10.1	-4.9	-10.1	-17.3	-8.4	30.7	20.4	31.7	53.4	20.0	1.8	17.0	-8.5	-11.2	11.8	10.4	-10.5	23.2	19.6	14.1	2.3	-3.2	3.2
Services	-9.8	-2.0	-16.6	-11.4	-8.9	7.1	-3.1	13.0	10.7	9.0	5.6	6.0	6.5	4.6	5.3	3.3	5.1	4.0	2.2	2.0	0.7	1.2	1.9
Trade, hotels and restaurants, transport	-21.2	-4.9	-33.1	-25.7	-20.9	10.4	-12.2	21.5	20.5	18.7	9.7	10.2	17.8	7.4	4.3	2.0	6.4	0.5	1.2	0.2	-0.3	2.4	3.0
Information & communication	10.0	15.5	5.8	8.9	10.2	9.2	11.3	14.3	8.6	3.2	7.1	1.8	4.7	9.6	12.4	5.1	8.8	7.4	1.0	3.8	5.3	4.2	5.4
Financial services	-3.7	-3.3	-6.3	-3.8	-1.5	2.9	4.8	8.2	3.1	-4.4	3.9	-3.5	-4.8	3.4	22.5	4.4	6.7	8.0	3.8	-0.1	2.5	1.1	2.6
Real estate related services	-7.5	-4.4	-8.8	-9.7	-7.0	5.7	0.9	6.0	8.3	7.6	2.2	3.8	1.8	1.2	2.0	5.1	4.3	5.5	5.7	4.8	0.4	0.4	0.4
Professional services	-5.6	4.5	-17.8	-8.3	-0.7	18.3	7.6	34.4	26.6	8.3	10.3	7.4	8.7	7.1	18.0	8.1	12.3	11.1	4.3	5.2	2.5	2.0	8.1
Public admin	-0.7	-0.1	-2.6	-0.1	0.2	1.6	1.0	2.0	1.4	2.1	1.5	1.5	0.2	2.6	1.6	1.0	2.3	2.8	-1.0	-0.1	-0.3	-0.5	-0.7
Arts and recreation	-21.0	-1.4	-46.4	-12.3	-23.6	13.9	-21.9	66.5	9.3	27.7	12.5	37.3	11.9	7.6	-1.3	4.2	-1.1	5.8	4.3	8.0	2.3	1.2	0.6
Value added at basic prices	-8.9	-2.0	-15.1	-10.7	-7.7	7.8	-1.6	13.1	11.5	9.4	5.3	6.4	6.6	4.5	3.9	2.2	3.2	2.3	1.4	2.1	1.1	2.4	2.3
Taxes on products	-9.2	-0.4	-20.9	-6.4	-9.0	9.4	-4.0	26.1	6.1	13.2	9.2	16.1	7.5	6.1	7.6	-3.3	-9.0	-5.3	4.7	-3.3	5.0	11.9	-4.6
Subsidies on products	-1.9	10.1	6.4	-7.1	-15.9	-12.7	14.2	-6.0	-28.9	-35.0	8.3	-36.0	-17.8	51.9	94.8	-19.8	4.0	-45.0	-15.6	-20.9	-20.3	56.9	-34.1
GDP at market prices	-9.0	-1.6	-16.0	-10.4	-8.0	8.3	-2.2	15.0	11.5	10.3	5.8	8.0	6.7	4.7	4.1	2.3	2.0	3.0	2.2	2.1	2.2	2.3	2.4

Source: ELSTAT (quarterly national accounts December 2024, provisional data).

Percentage changes compared to a year earlier	Release date	<b>2023</b>	<b>2024f</b>	<b>2025f</b>	<b>2026f</b>
<b>OECD</b>	Dec 2024	2.3	2.3	2.2	2.5
<b>European Commission</b>	Nov 2024	2.3	2.1	2.3	2.2
<b>IMF</b>	Oct 2024	2.0	2.3	2.0	-
<b>Consensus</b>	Dec 2024	2.0	2.3	2.1	-

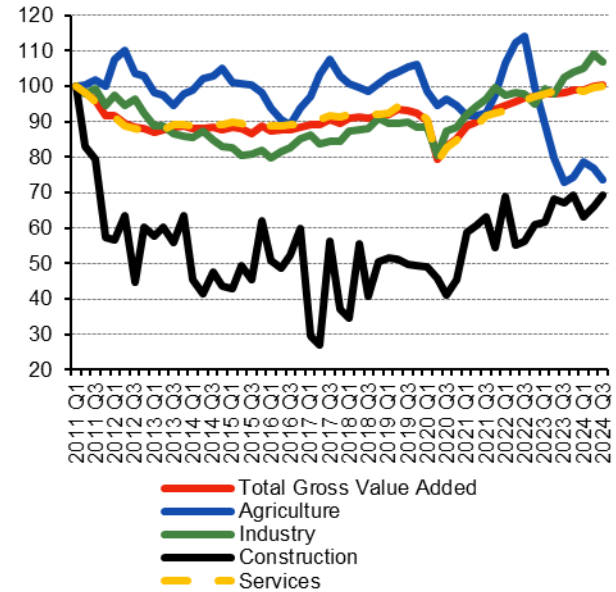
Sources: OECD (OECD Economic Outlook, December 2024), European Commission (European Commission, Autumn 2024 Economic Forecasts, November 2024), IMF (World Economic Outlook, October 2024), Consensus Economics (Consensus Forecasts, December 2024).

**Chart 1: Decomposition of gross fixed capital formation by investment component (contribution)**



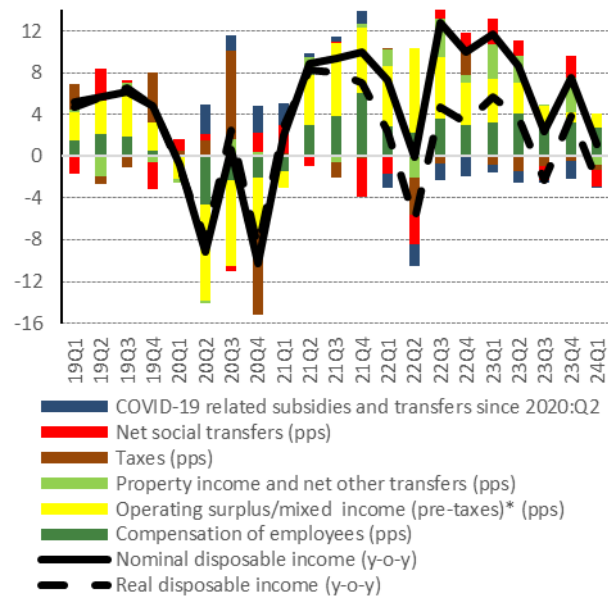
**Source:** ELSTAT, National Accounts (provisional, nsa data, at current prices), December 2024.

**Chart 2: Real gross value added by economic activity (index: 2011:Q1=100)**



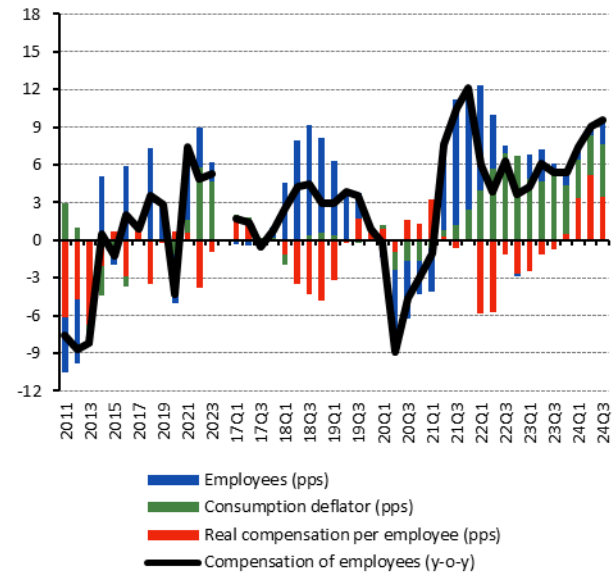
**Source:** ELSTAT, National Accounts, December 2024.

**Chart 3: Household disposable income growth and components (percent contributions)**



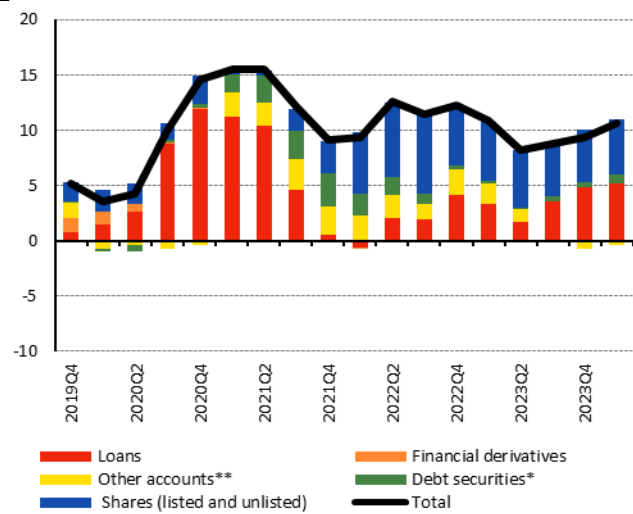
**Source:** ELSTAT, quarterly non-financial accounts of institutional sectors and Bank of Greece calculations.  
 Note: Taxes = Current taxes on income, wealth + Taxes on production and imports (including ENFIA).  
 \*Excluding exceptional subsidies and transfers from general government to deal with COVID-19 since 2020:Q2.

**Chart 4: Compensation of employees growth and components (percent contributions)**



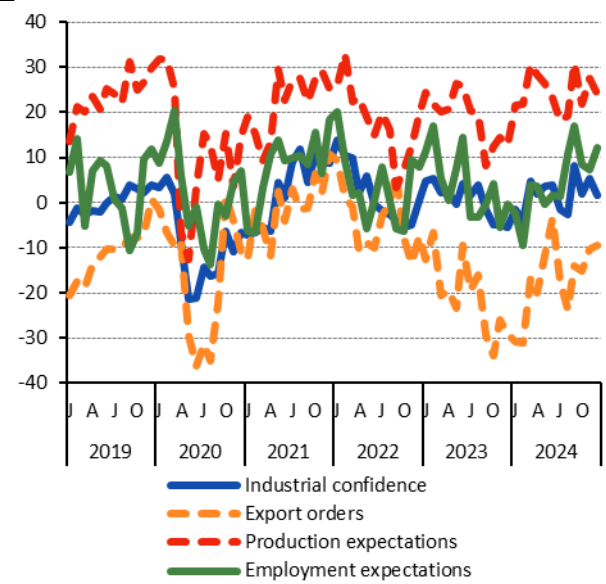
**Source:** ELSTAT, National Accounts, December 2024.

**Chart 5: External financing of Non-Financial Corporations by instrument**  
(flows, 4 quarter moving sum, EUR bn)



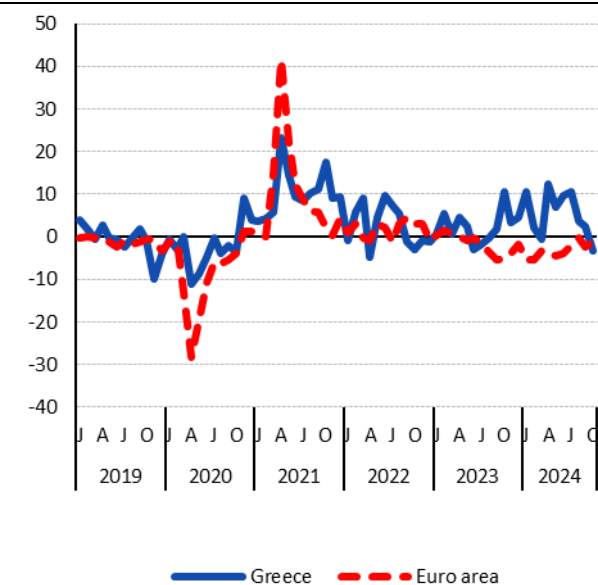
**Sources:** ECB (SDW), Bank of Greece, Financial Accounts.  
\*Does not include corporate bonds issued by Greek companies' subsidiaries residing abroad. In the period Dec. 2012-Oct. 2020 the gross (net) amount of these bond issues stood at around €10.8 (5.5) bn.  
\*\*Includes trade credit and advances and other accounts receivable/payable.

**Chart 6: Industrial confidence, production, employment and export orders**  
(balances; sa data)



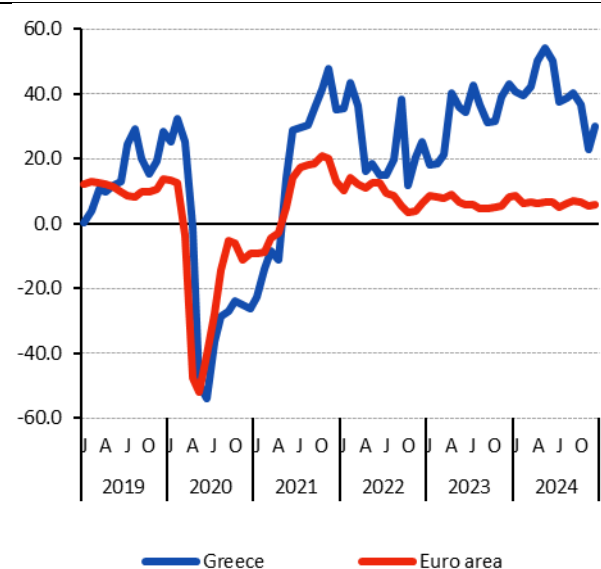
**Source:** European Commission (business and consumer surveys).

**Chart 7: Industrial production**  
(annual percentage change of industrial production index)



**Source:** Eurostat.

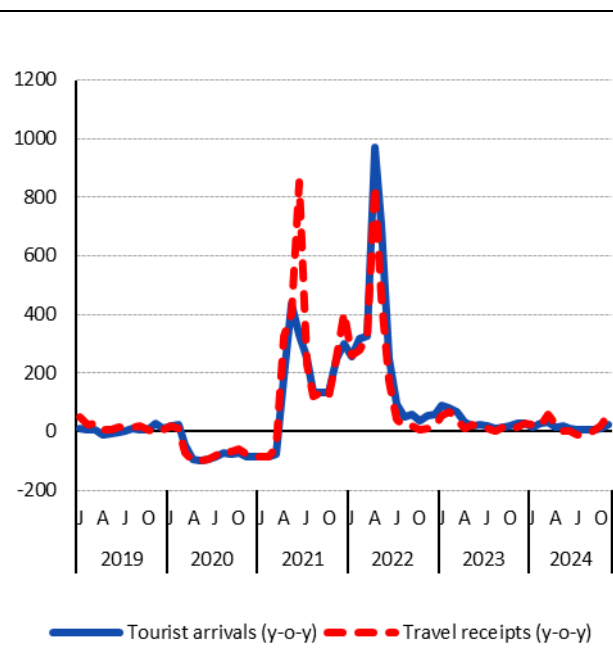
**Chart 8: Greek and Euro Area Services Confidence Indicator** (balance)



**Source:** European Commission (business and consumer surveys).

**Chart 9: Tourist activity indicators**

(annual percentage changes)

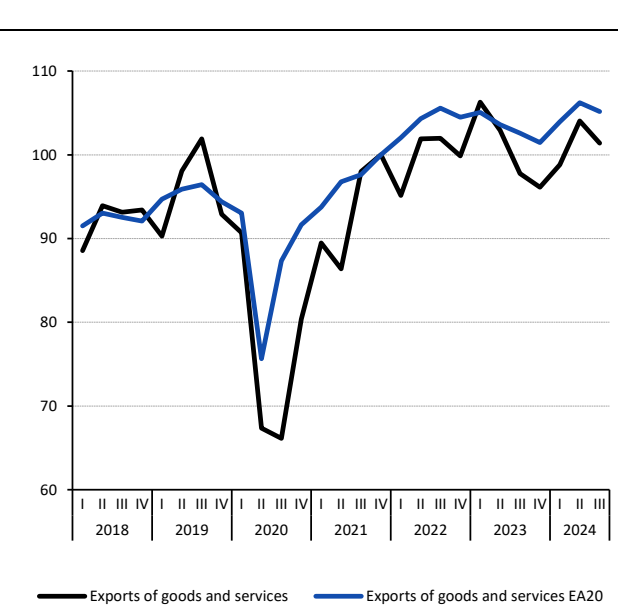


**Sources:** Frontier Survey of the Bank of Greece (for tourist arrivals and travel receipts).

**EXTERNAL BALANCES, COMPETITIVENESS**

**Chart 10: Real exports of goods and services (Greece and EA20)**

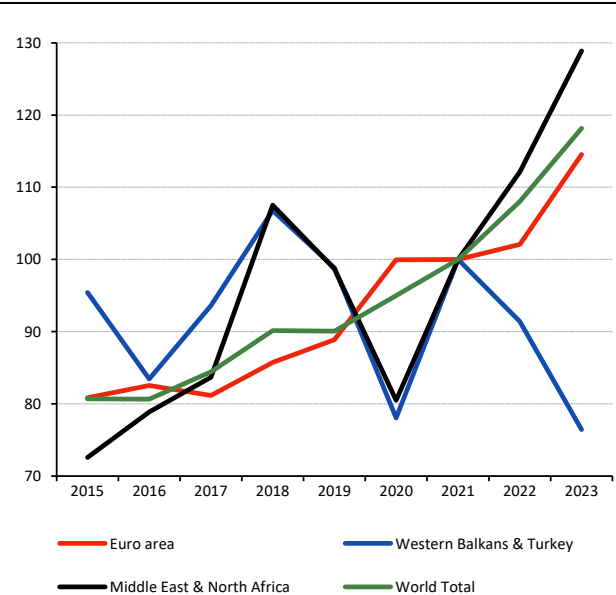
(index 2021:Q4=100, sa)



**Sources:** Bank of Greece (BoP statistics) and Eurostat (for EA 20). Bank of Greece calculations.

**Chart 11: Greek goods export market shares**

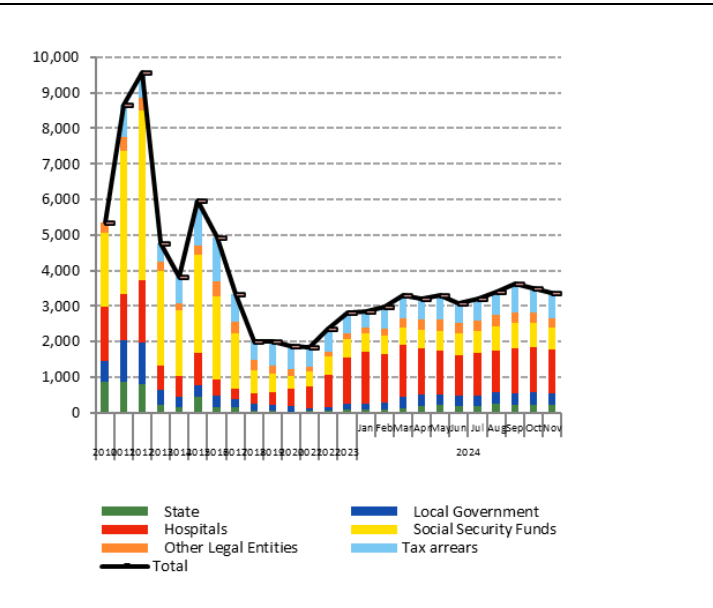
(Imports from Greece as percentage of world imports; Index 2021=100)



**Source:** IMF - Direction of trade statistics database. Bank of Greece calculations.

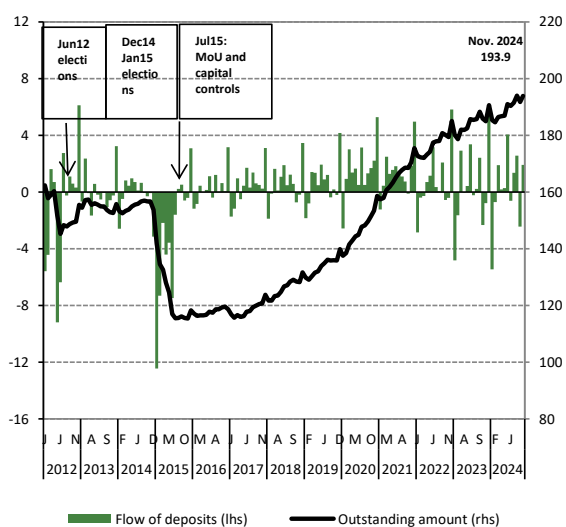
FISCAL

Chart 12: General Government stock of arrears (incl. tax arrears)  
(EUR mn)



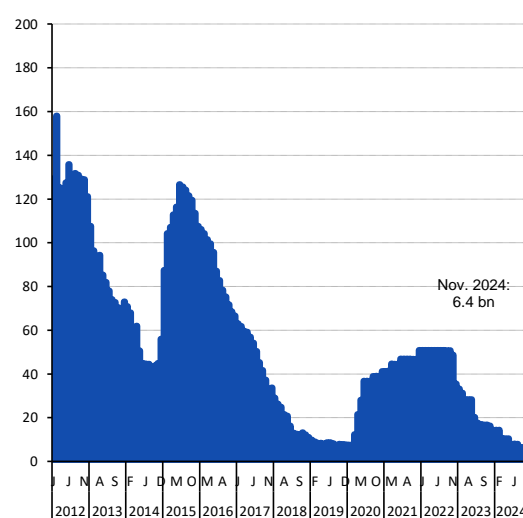
Source: Ministry of Finance.

**Chart 13: Bank deposits\* of non-financial corporations and households (in EUR bn)**



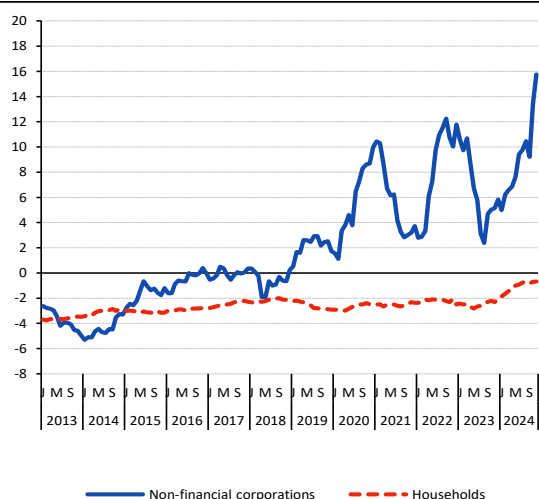
\*As of December 2016, deposits held in the Consignment Deposits and Loan Fund by the private sector (€4.2 bn) were excluded from the outstanding amount of bank deposits, as the institution has been reclassified from the financial sector to the general government sector. The net flows of deposits are not affected by such reclassifications.  
**Source:** Bank of Greece.

**Chart 14: Central bank financing to Greek commercial banks (in EUR bn, end of month)**



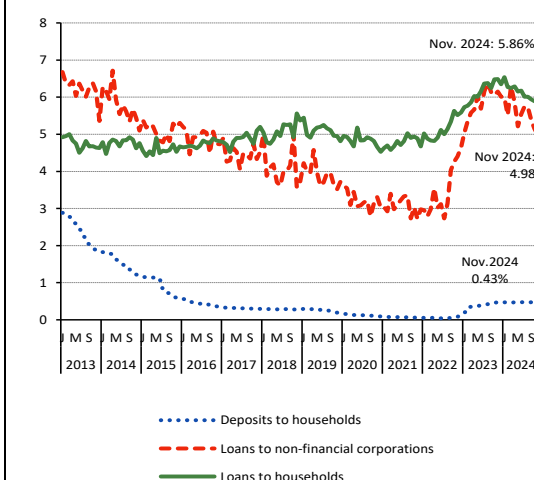
**Source:** Bank of Greece.

**Chart 15: Bank credit to non-financial corporations and households (annual percentage change %)**



**Source:** Bank of Greece.

**Chart 16: Bank interest rates of new loans and deposits to euro area residents (annual percentages, weighted averages of interest rates on the various loan and deposit categories)**

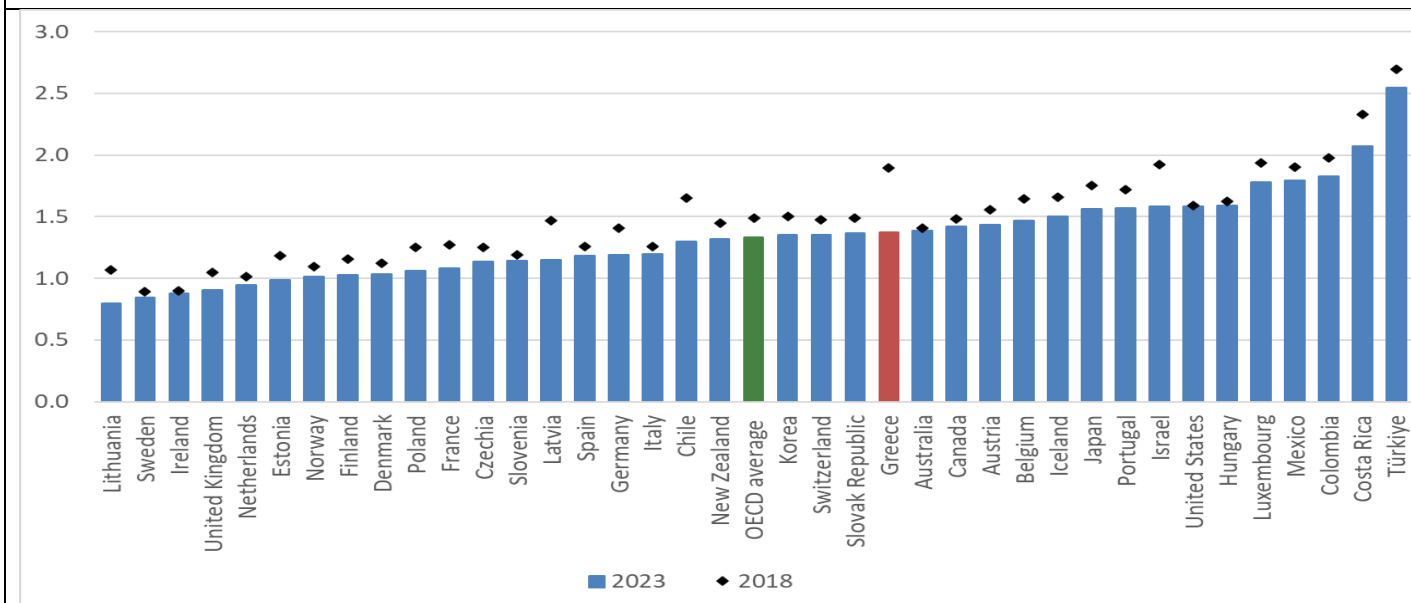


\*Before June 2014 interest rates agreed in the context of most loan modifications were recorded as interest rates on new lending. As of June 2014, interest rates in the context of loan modifications, if set below market conditions in response to financial distress of the borrower, are no longer reflected in the series for the bank lending rate.

**Source:** Bank of Greece.

## STRUCTURAL REFORM INDICATORS

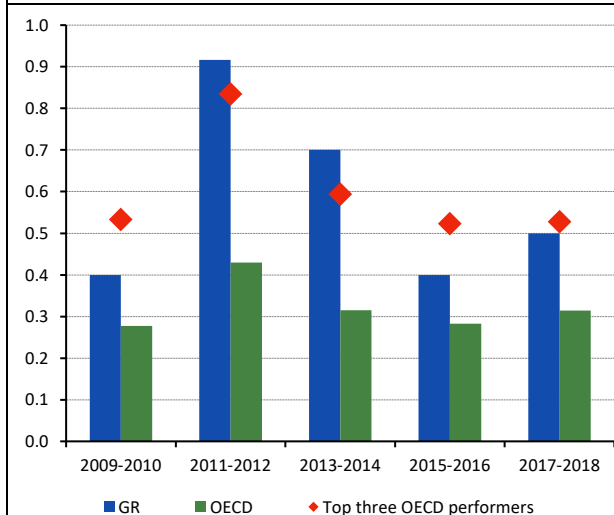
**Chart 17: OECD Product Market Regulation Indicator**



Source: OECD.

Notes: The PMR economy-wide indicator measures the regulatory barriers to firm entry and competition in a broad range of key policy areas, ranging from licensing and public procurement, to governance of SOEs, price controls, evaluation of new and existing regulations, and foreign trade. The information used to construct the indicator is collected through a questionnaire. Low (high) values suggest few (many) regulatory barriers.

**Chart 18: Responsiveness to OECD Going for Growth recommendations**



Source: OECD Going for Growth 2010, 2013, 2017 and 2019.



Table 1: Main macroeconomic indicators for Greece										This update: 24 January 2025, Next update: 14 February 2025					
			2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>1. Economic activity</b>															
Real GDP	ELSTAT	%y-o-y	5.7	2.3	...	2.2	2.3	2.4	...	...	...	...	...	...	...
Real government consumption	ELSTAT	%y-o-y	0.1	2.6	...	-6.8	-4.2	-1.4	...	...	...	...	...	...	...
Real private consumption	ELSTAT	%y-o-y	8.6	1.8	...	1.6	1.8	2.1	...	...	...	...	...	...	...
Real gross fixed capital formation	ELSTAT	%y-o-y	16.4	6.6	...	2.6	3.7	0.3	...	...	...	...	...	...	...
Real exports of goods and services	ELSTAT	%y-o-y	6.6	1.9	...	-5.3	1.7	3.3	...	...	...	...	...	...	...
<i>Real exports of goods</i>		%y-o-y	4.1	0.1	...	-10.2	1.2	1.2	...	...	...	...	...	...	...
<i>Real exports of services</i>		%y-o-y	9.4	3.9	...	1.7	2.7	5.1	...	...	...	...	...	...	...
Real imports of goods and services	ELSTAT	%y-o-y	11.0	0.9	...	3.7	8.7	4.2	...	...	...	...	...	...	...
<i>Real imports of goods</i>		%y-o-y	13.2	-0.3	...	3.1	9.9	2.3	...	...	...	...	...	...	...
<i>Real imports of services</i>		%y-o-y	4.4	4.8	...	4.4	5.2	12.5	...	...	...	...	...	...	...
Contribution to GDP growth (in GDP pts)	ELSTAT														
Domestic demand (excl. inventories)			8.5	2.9	...	0.1	1.0	1.2	...	...	...	...	...	...	...
Net exports			-2.3	0.3	...	-3.6	-3.1	-0.7	...	...	...	...	...	...	...
Changes in inventories			-0.2	-0.9	...	4.1	4.0	3.3	...	...	...	...	...	...	...
Economic Sentiment Indicator			104.8	107.6	107.9	107.3	110.4	107.6	106.4	106.6	106.0	110.1	106.9	106.2	106.0
Consumer confidence indicator (% balance)	IOBBE/EC		-50.7	-40.0	-46.0	-46.1	-42.7	-47.8	-47.4	-43.9	-48.1	-51.3	-50.3	-47.3	-44.5
Industrial confidence indicator (% balance)	IOBBE/EC		2.0	0.6	1.8	-0.3	3.1	1.3	3.0	-1.5	-2.7	8.1	2.0	5.2	1.7
Industrial production (total industry)	ELSTAT	%y-o-y	2.4	2.3	...	3.6	9.6	5.7	...	10.3	3.8	2.5	-2.5	4.9	...
Retail sales (total including fuel)	ELSTAT	%y-o-y	3.3	-3.3	...	-4.7	3.2	-2.8	...	-2.5	-5.1	-0.6	-1.5	...	...
<b>2. Prices and costs (annual % changes)</b>															
HICP	ELSTAT	%y-o-y	9.3	4.2	3.0	3.2	2.7	3.1	3.0	3.0	3.2	3.1	3.1	3.0	2.9
GDP deflator	ELSTAT	%y-o-y	6.5	5.9	...	3.4	2.9	3.2	...	...	...	...	...	...	...
Profits (gross operating surplus)	ELSTAT	%y-o-y	15.5	6.5	...	3.4	3.2	2.0	...	...	...	...	...	...	...
Real compensation per employee*	ELSTAT	%y-o-y	-3.8	-0.9	...	3.6	4.8	3.3	...	...	...	...	...	...	...
Unit labour costs, whole economy**	ELSTAT	%y-o-y	-1.4	2.5	...	6.3	7.0	6.0	...	...	...	...	...	...	...
Compensation per employee		%y-o-y	1.8	3.7	...	7.1	8.4	7.3	...	...	...	...	...	...	...
Labour productivity		%y-o-y	3.2	1.1	...	0.8	1.3	1.3	...	...	...	...	...	...	...
Import price index (ind.goods)	ELSTAT	%y-o-y	27.7	-12.3	...	-2.7	3.0	-5.6	...	-1.6	-4.3	-10.6	-5.5	-2.8	...
Export producer prices index (ind. goods)	ELSTAT	%y-o-y	39.8	-9.0	...	-0.4	5.4	-6.4	...	1.7	-7.1	-13.2	-8.3	-4.9	...
Industrial producer prices (total excl.constr.)	ELSTAT	%y-o-y	33.5	-6.5	...	-5.3	-3.1	-0.9	...	-0.5	-0.8	-1.4	-0.2	0.1	...
Residential property prices	BOG	%y-o-y	11.9	13.8	...	10.6	9.4	7.8	...	...	...	...	...	...	...
Commercial property prices: Retail	BOG	%y-o-y	6.2	7.0	...	...	...	...	...	...	...	...	...	...	...
Commercial property prices: Office	BOG	%y-o-y	3.6	6.0	...	...	...	...	...	...	...	...	...	...	...
<b>3. Labour market developments</b>															
Unemployment rate (% of labour force)(nsa)	ELSTAT		12.4	11.1	...	12.1	9.8	9.0	...	9.1	9.6	8.5	9.2	9.7	...
Total employment (nsa)	ELSTAT	%y-o-y	5.4	1.3	...	1.8	2.2	1.6	...	1.0	1.3	2.3	1.8	3.4	...
Employees	ELSTAT	%y-o-y	7.7	0.4	...	1.2	1.6	2.6	...	...	...	...	...	...	...
Hourly labour earnings (nsa)***	ELSTAT	%y-o-y	5.5	6.0	...	7.5	8.6	-2.9	...	...	...	...	...	...	...
<b>4. Balance of payments (BOG-Current Prices)</b>															
Exports of goods and services	BOG	%y-o-y	36.5	-2.4	...	-5.0	6.0	0.6	...	3.1	-0.9	-0.6	-0.8	0.2	...
<i>Exports of goods</i>		%y-o-y	36.7	-6.9	...	-11.5	4.7	-0.1	...	6.1	-1.7	-5.0	-10.1	-5.8	...
<i>Exports of services</i>		%y-o-y	36.2	2.7	...	6.7	7.3	1.1	...	1.2	-0.4	2.7	8.4	9.0	...
Exports of G&S as a percentage of GDP	BOG	%y-o-y	48.8	44.0	...	38.5	44.0	48.5	...	...	...	...	...	...	...
Imports of goods and services	BOG	%y-o-y	37.9	-9.4	...	-1.9	8.1	3.0	...	9.3	-2.3	2.0	-0.8	1.9	...
<i>Imports of goods</i>		%y-o-y	41.3	-11.0	...	-3.2	8.0	1.1	...	6.7	-5.3	1.7	-1.8	2.3	...
<i>Imports of services</i>		%y-o-y	27.7	-4.0	...	2.4	8.4	8.7	...	17.3	6.4	2.7	2.2	1.0	...
Imports of G&S as a percentage of GDP	BOG	%y-o-y	58.5	49.0	...	51.8	49.2	43.4	...	...	...	...	...	...	...
Current account balance (eur bn)	BOG		-21.2	-13.9	...	-3.8	-4.5	0.3	...	0.2	0.5	-0.3	-0.4	-3.2	...
as a percentage of GDP			-10.2	-6.2	...	-7.2	-7.7	0.5	...	...	...	...	...	...	...
<b>5. Credit and financial indicators</b>															
M3 (broad money, without currency in circulation)	BOG	%y-o-y	4.1	2.6	...	3.0	3.8	4.3	...	3.8	4.3	4.3	4.7	5.6	...
Credit to the private sector	BOG	%y-o-y	6.3	3.6	...	4.5	6.1	6.6	...	6.4	6.9	6.6	9.1	10.0	...
Euro short-term rate €STR	ECB		1.6	3.2	3.6	3.9	3.7	3.6	3.2	3.7	3.7	3.6	3.3	3.2	3.1
10-year government bond yield (%)	Reuters	%y-o-y	4.6	3.3	3.1	3.4	3.7	3.2	3.1	3.5	3.3	3.2	3.2	3.2	3.1
Stock prices: ATHEX Composite Index	ASE	%y-o-y	4.1	39.1	13.3	34.9	10.1	20.1	13.3	10.8	9.0	20.1	15.9	9.6	13.3
<b>6. General government finances (% of GDP)</b>															
Surplus (+) / Deficit (-)	ELSTAT	cumulative	-2.5	-1.3	...	-1.4	-0.2	1.1	...	...	...	...	...	...	...
Primary balance (surplus (+), deficit (-))	ELSTAT	cumulative	0.0	2.1	...	-0.6	1.5	3.7	...	...	...	...	...	...	...
Consolidated gross debt	ELSTAT	cumulative	177.0	163.9	...	155.5	155.9	156.5	...	...	...	...	...	...	...

National Accounts variables on an annual frequency are based on non-adjusted annual data. National Accounts variables on a quarterly frequency are seasonally adjusted by ELSTAT. National Accounts based definitions for employment. Confidence indicators are net percentage balances of positive and negative replies to each situation described by the variable.

\* Deflated with private consumption deflator.

\*\* Eurostat definition.

\*\*\* ELSTAT "Index of Wages" for the total economy excluding agriculture and private households.

Table 2: Key indicators for Consumption in Greece											This update: 24 January 2025, Next update: 14 February 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q3	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>1. Private consumption</b>			2001-2008													
1.1 Private consumption	ELSTAT	% y-o-y	4.4	8.6	3.7	...	1.6	1.8	2.1	...	...	...	...	...	...	...
<b>2. Disposable income of households and NPISH</b>			2001-2008													
2.1 Disposable income of households and NPISH (current prices)	ELSTAT	% y-o-y	6.8	7.6	7.3	...	1.1	...	...	...	...	...	...	...	...	...
2.2 Real disposable income of households and NPISH	ELSTAT	% y-o-y	3.5	1.0	2.5	...	-2.2	...	...	...	...	...	...	...	...	...
<b>3. Retail sales sub-indices</b>			2005-2008													
3.1 General index	ELSTAT	% y-o-y	4.3	3.3	-3.3	...	-4.7	3.2	-2.8	...	-2.5	-5.1	-0.6	-1.5	...	...
3.1.1 General index (excluding automotive fuel)	ELSTAT	% y-o-y	3.0	1.9	-2.1	...	-4.2	3.0	-1.3	...	-0.7	-4.1	1.0	0.9	...	...
3.1.2 Food-beverages-tobacco	ELSTAT	% y-o-y	3.8	-1.4	-1.3	...	-0.3	3.1	-0.1	...	0.7	-1.1	0.3	2.8	...	...
3.1.3 Clothing-footwear	ELSTAT	% y-o-y	-0.6	2.5	0.9	...	-0.2	6.2	-3.1	...	-1.3	-6.4	-1.0	-3.1	...	...
3.1.4 Furniture, elct and household eqpt.	ELSTAT	% y-o-y	5.2	10.8	2.4	...	-13.8	-12.3	-10.4	...	-13.9	-15.6	-1.1	-6.3	...	...
3.1.5 Books, stationery, other goods	ELSTAT	% y-o-y	2.0	13.0	-0.6	...	-10.8	2.6	-0.6	...	0.2	-2.8	0.8	-4.8	...	...
3.2 New private passenger cars	ELSTAT	% y-o-y	-1.3	6.7	16.5	3.4	5.8	9.0	-4.1	1.9	5.8	-14.5	-5.6	-3.8	4.8	6.1
<b>4. Bank credit</b>			2003-2008													
4.1 Loans to househds for consumption purposes (nsa)	BOG	% y-o-y	24.2	1.2	3.4	...	4.6	5.5	5.9	...	5.8	6.0	6.1	6.4	6.0	...
<b>5. VAT Receipts</b>			2003-2008													
5.1 In current prices	MoF	% y-o-y	7.3	22.9	9.2	...	4.7	11.7	10.5	...	13.5	4.3	14.1	14.7	3.6	...
5.2 In constant prices	MoF	% y-o-y	3.9	12.2	5.5	...	1.6	8.9	7.4	...	10.5	1.3	10.8	12.1	1.2	...
<b>6. Confidence indicators</b>			2003-2008													
6.1 Consumer confidence	IOBE/EC	ind	-26.8	-50.7	-40.0	-46.0	-46.1	-42.7	-47.8	-47.4	-43.9	-48.1	-51.3	-50.3	-47.3	-44.5
<b>Present conditions</b>																
6.2 Major purchases at present	IOBE/EC	ind	-45.0	-54.7	-52.9	-52.4	-53.6	-53.5	-52.5	-49.9	-50.9	-52.0	-54.5	-52.4	-48.5	-48.9
6.3 Statement on fin. situation of hsh.	IOBE/EC	ind	-1.2	-2.8	-3.6	-3.3	-3.1	-2.3	-4.7	-3.1	-4.8	-7.1	-2.1	-1.8	-1.7	-5.7
<b>Past 12 months</b>																
6.4 Financial situation over last 12 months	IOBE/EC	ind	-30.1	-50.4	-45.5	-48.7	-52.7	-43.9	-49.6	-48.6	-44.5	-52.2	-52.2	-49.1	-49.2	-47.6
6.5 Price trends over last 12 months	IOBE/EC	ind	68.9	82.8	85.3	83.2	88.4	83.2	81.3	79.9	77.7	84.8	81.4	82.5	81.2	76.1
<b>Next 12 months</b>																
6.6 Financial situation over next 12 months	IOBE/EC	ind	-20.8	-49.4	-35.6	-43.2	-44.4	-39.1	-44.9	-44.6	-40.1	-45.7	-48.9	-46.5	-44.7	-42.6
6.7 General economic situation over next 12 months	IOBE/EC	ind	-28.3	-56.8	-35.4	-47.2	-43.9	-45.2	-50.4	-49.3	-45.7	-49.8	-55.6	-54.3	-50.3	-43.4
6.8 Price trends over next 12 months	IOBE/EC	ind	30.2	42.5	27.2	32.8	29.0	31.7	33.8	36.5	26.5	31.9	43.1	40.7	37.4	31.4
6.9 Unemployment expectations over next 12 months	IOBE/EC	ind	43.0	35.6	13.7	18.5	15.7	16.0	22.5	19.8	17.4	25.0	25.2	23.3	20.9	15.1
6.10 Major purchases over next 12 mn.	IOBE/EC	ind	-28.0	-46.0	-43.4	-44.8	-43.3	-42.8	-46.1	-47.0	-45.3	-44.5	-48.6	-51.4	-45.1	-44.5
6.11 Savings over next 12 months	IOBE/EC	ind	-45.9	-67.3	-64.3	-66.4	-68.0	-64.7	-65.6	-67.4	-66.5	-67.4	-62.9	-66.6	-66.9	-68.7

Confidence indicators are net percentage balances of positive and negative replies to each situation described by the variable. For all indices except for those referring to the unemployment rate and prices, a higher value suggests an improvement.

Table 3: Key indicators for Investment in Greece											This update: 24 January 2025, Next update: 14 February 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>1. Gross fixed capital formation</b>	ELSTAT	%y-o-y	3.7	16.4	6.6	...	2.6	3.7	0.3	...	...	...	...	...	...	...
1.1 Equipment			9.7	16.1	1.8	...	4.6	11.9	-3.3	...	...	...	...	...	...	...
1.2 Construction			1.3	22.7	15.6	...	0.1	-0.9	4.8	...	...	...	...	...	...	...
<b>2. Public Investment Programme (nsa)</b>	BOG	%y-o-y	...	22.5	1.6	18.9	38.6	-12.4	11.7	31.1	50.2	-11.6	-5.1	-1.5	81.2	29.3
<b>3. Capital goods production index (nsa)</b>	ELSTAT	%y-o-y	-3.5	5.5	6.0	...	-0.7	1.7	3.1	...	10.9	-9.6	4.3	-0.3	-4.6	...
<b>4. Capacity utilization-capital goods industry (nsa)</b>	IOBE/EC	Ind	77.0	68.7	71.0	...	74.8	75.8	75.0	...	...	...	...	...	...	...
<b>5. Cement Production (nsa)</b>	ELSTAT	%y-o-y	-1.8	2.5	0.5	...	14.4	0.0	15.0	...	11.6	21.9	12.4	7.3	...	...
<b>6. Construction production index (nsa)</b>	ELSTAT	%y-o-y	-5.9	12.7	9.6	...	19.9	14.8	17.9	...	...	...	...	...	...	...
<b>7. Construction confidence indicator (sa)</b>	IOBE/EC	bln	-19.3	-19.1	0.5	7.0	12.1	6.5	7.5	1.8	7.6	9.8	5.1	-0.5	-7.2	13.1
7.1 Evolution of current overall order books			-37.9	-51.2	-38.7	-13.7	-2.0	-16.7	-13.8	-22.4	-11.9	-10.6	-19.0	-28.6	-28.3	-10.2
7.2 Employment expectations over the next 3 months			-0.7	13.0	39.8	27.7	26.2	29.7	28.8	26.0	27.0	30.2	29.2	27.6	14.0	36.3
<b>8. New construction permits (nsa)</b>	ELSTAT	%y-o-y	-1.9	-2.2	15.9	...	26.7	5.4	2.1	...	-2.9	-13.9	23.5	...	...	...
<b>9. Housing loans (nsa)</b>	BOG	%y-o-y	22.2	-3.6	-3.5	...	-3.1	-2.9	-2.9	...	-2.7	-2.7	-2.9	-2.8	-2.7	...
<b>10. Credit to non-financial corporations over 1 year (nsa)</b>	BOG	%y-o-y	25.8	10.7	6.4	...	6.6	8.6	9.0	...	10.2	11.4	9.0	14.8	16.6	...
*LTA over the period 2004-2008																
Confidence indicators are net percentage balances of positive and negative replies to each situation described by the variable.																

Table 4: Key indicators for Industry in Greece											This update: 24 January 2025, Next update: 14 February 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>1. Gross value added (at 2020 prices)</b>			2001-08													
1.1 Industry (Mining-Manufacturing-Electricity)	ELSTAT	%y-o-y	2.0	1.7	3.9	...	5.8	11.3	4.5	...	...	...	...	...	...	...
<b>2. Industrial production</b>			2001-08													
2.1 General index	ELSTAT	%y-o-y	-0.5	2.4	2.3	...	3.6	9.6	5.7	...	10.3	3.8	2.5	-2.5	4.9	...
2.1.1 Manufacturing			-0.9	4.6	4.2	...	1.7	7.4	6.5	...	9.7	4.0	5.4	-2.5	0.5	...
2.1.2 Mining-quarrying			-0.6	-7.9	9.0	...	2.5	-0.4	-0.1	...	-1.6	-5.7	6.9	-11.6	-6.7	...
2.1.3 Electricity			1.0	-3.7	-5.5	...	12.5	22.4	3.8	...	14.5	3.9	-8.9	-2.7	26.1	...
2.1.4 Water supply			1.4	-2.2	0.1	...	2.6	7.0	4.0	...	3.8	3.9	4.4	3.0	5.5	...
2.1.a Energy			0.8	-2.5	-1.9	...	6.0	20.3	2.9	...	11.3	3.3	-6.7	-5.4	10.9	...
2.1.b Intermediate goods			-0.6	1.8	0.3	...	4.4	4.0	8.9	...	10.0	4.3	11.4	2.9	3.0	...
2.1.c Capital goods			-4.3	5.5	6.0	...	-0.7	1.7	3.1	...	10.9	-9.6	4.3	-0.3	-4.6	...
2.1.d Durable consumer goods			-3.2	22.9	7.1	...	18.3	8.7	0.0	...	9.8	-15.6	-1.4	-22.0	-19.3	...
2.1.e Non-durable consumer goods			0.0	6.4	6.6	...	1.2	7.2	7.6	...	9.5	7.4	5.5	-3.2	5.2	...
<b>3. Industrial turnover (at current prices)</b>			2001-08													
3.1 Total market	ELSTAT	%y-o-y	13.5	30.5	-3.6	...	-1.3	8.3	0.6	...	11.9	-4.2	-6.6	1.1	-5.0	...
3.1.1 Domestic market			15.2	32.2	-1.7	...	2.7	7.4	3.9	...	12.0	2.2	-3.2	3.5	-2.3	...
3.1.2 Non-domestic market			10.8	28.0	-6.4	...	-6.9	10.0	-5.0	...	11.7	-14.6	-12.3	-3.2	-9.4	...
3.1.2.1 Euro area			16.8	30.2	3.5	...	-12.3	-0.1	-8.7	...	3.7	-24.8	-5.9	-3.1	1.2	...
3.1.2.2 Non-euro area			7.5	26.8	-11.9	...	-3.1	17.4	-2.7	...	17.0	-8.0	-16.0	-3.3	-15.5	...
<b>4. Industrial confidence indicator</b>			2003-08													
4.1 Industrial confidence	IOBE/EC	ind	-0.4	2.0	0.6	1.8	-0.3	3.1	1.3	3.0	-1.5	-2.7	8.1	2.0	5.2	1.7
4.1.1 Production expectations			22.6	18.1	18.9	24.5	24.7	26.0	22.8	24.5	18.2	19.3	30.9	21.9	27.5	24.1
4.1.2 Order books			-11.7	-5.1	-10.7	-9.7	-15.9	-6.7	-9.8	-6.3	-11.9	-16.0	-1.4	-9.1	-3.6	-6.3
4.1.3 Stocks of finished products			12.2	7.0	6.4	9.5	9.7	10.0	9.1	9.3	10.7	11.5	5.1	6.8	8.2	12.8
4.2 Employment expectations	IOBE/EC	ind	-3.6	3.5	4.0	4.5	-2.7	1.6	9.7	9.3	1.3	10.7	17.0	8.4	7.4	12.1
4.3 Export order books	IOBE/EC	ind	-15.0	-3.8	-20.5	-17.0	-26.2	-11.7	-18.3	-11.6	-17.5	-23.6	-13.9	-15.2	-10.2	-9.4
4.4 Factors limiting the production (% of firms answering "none")	IOBE/EC	bln	57.3	45.6	41.5	41.5	36.7	40.5	13.3	41.5	...	...	...	...	...	...
<b>5. Capacity utilization</b>			1990-08													
5.1 Capacity utilization	IOBE/EC	ind	76.1	75.5	74.8	74.8	72.9	80.7	78.8	78.4	...	...	...	...	...	...
<b>6. Purchasing managers index (PMI)</b>			1999-08													
6.1. PMI	S&P Globc	Ind	52.6	51.8	51.6	53.6	55.8	54.7	52.1	51.8	53.2	52.9	50.3	51.2	50.9	53.2
6.1.1 Output			54.9	49.4	53.4	54.0	57.2	55.7	51.3	51.9	52.2	52.0	49.6	51.3	50.2	54.0
6.1.2 New Orders			53.7	47.7	51.9	53.3	56.6	54.5	51.0	51.0	52.1	51.9	48.9	48.8	50.6	53.6
6.1.3 Stocks of finished goods			47.8	45.6	46.9	47.9	46.2	47.1	47.6	50.6	48.4	46.2	48.1	50.7	51.2	49.8
6.1.4 Employment			50.6	52.4	52.2	53.2	54.0	55.4	51.9	51.4	53.9	52.3	49.5	51.9	49.0	53.2
6.1.5 Suppliers' delivery times			48.4	32.5	48.9	43.0	40.7	44.0	42.4	45.1	42.9	40.3	44.1	43.9	44.3	47.2
6.2 New Export Orders			53.5	48.2	50.5	52.2	53.3	52.9	51.3	51.5	52.7	50.7	50.5	48.8	51.0	54.5
6.3 Future Output			...	59.9	63.9	65.0	69.4	65.9	60.3	64.4	61.6	57.5	61.7	62.9	64.7	65.8

Table 5: Key indicators for Services in Greece											This update: 24 January 2025, Next update: 14 February 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>1. Gross value added (2020 prices)</b>			2001-2008													
1.1 Tertiary sector	ELSTAT	% y-o-y	4.5	5.5	3.3	...	0.7	1.2	1.9	...	...	...	...	...	...	...
<b>2. Turnover indices (curr.prices)</b>			2005-2008													
2.1 Wholesale trade	ELSTAT	% y-o-y	10.8	21.4	-2.2	...	-11.5	-4.6	-9.5	...	-3.8	-14.5	-10.7	...	...	...
2.2 Tourism (accmd & food serv.activities )	ELSTAT	% y-o-y	...	0.0	0.0	...	30.9	-12.7	-23.5	...	-27.3	-21.2	-21.4	...	...	...
2.3 Transport	ELSTAT	% y-o-y														
2.3.a Water transport		% y-o-y	6.3	32.9	1.7	...	-13.5	10.9	14.8	...	17.6	13.8	12.6	...	...	...
2.3.b Land transport		% y-o-y	16.4	21.3	15.8	...	2.3	11.2	14.6	...	7.0	15.4	23.0	...	...	...
2.3.c Air transport		% y-o-y	7.0	94.2	22.6	...	63.5	45.7	31.4	...	30.1	14.0	51.1	...	...	...
2.4 Telecommunication	ELSTAT	% y-o-y	2.5	5.8	5.5	...	3.7	4.5	-2.2	...	4.2	-12.6	3.0	...	...	...
2.5 Legal-accounting activities and management consultancy services	ELSTAT	% y-o-y	10.1	22.2	6.9	...	2.8	-0.5	13.1	...	19.1	10.2	9.5	...	...	...
2.6 Travel agencies and other activities	ELSTAT	% y-o-y	12.7	96.6	24.1	...	24.1	15.2	3.6	...	0.8	-0.2	11.2	...	...	...
<b>3. Bank credit</b>			2003-2008													
3.1 Loans to sole proprietors	BOG	% y-o-y	...	-0.9	-1.3	...	-0.6	-0.5	0.3	...	0.2	0.4	0.3	0.4	0.5	...
<b>4. Confidence indicators</b>			2003-2008													
4.1 Retail trade confidence indicator	IOBE/EC	ind	17.1	5.5	21.3	12.6	10.7	12.0	18.9	8.7	18.9	24.3	13.6	5.5	11.2	9.4
4.1.1 Present business situation		ind	25.6	-4.2	47.4	25.0	42.4	17.0	27.6	12.8	30.5	42.6	9.8	9.2	17.7	11.6
4.1.2 Volume of stocks		ind	14.4	-6.6	10.3	19.2	27.0	19.1	13.6	16.9	11.3	9.1	20.5	23.0	12.2	15.5
4.1.3 Expected business situation		ind	40.0	14.2	26.8	32.0	16.7	38.2	42.7	30.2	37.4	39.5	51.3	30.2	28.2	32.1
4.2 Services confidence indicator	IOBE/EC	ind	18.4	24.6	32.8	40.3	40.8	51.6	38.9	29.8	37.6	38.9	40.2	36.6	22.8	30.1
4.2.1 Assessment of business situation over the past 3 months		ind	17.5	28.4	28.2	35.5	31.6	44.7	34.7	31.2	34.1	28.5	41.6	36.1	22.7	34.8
4.2.2 Evolution of demand over the past 3 months		ind	17.2	21.3	31.4	42.5	39.5	51.2	45.3	33.8	40.3	44.5	51.2	47.7	29.2	24.5
4.2.3 Evolution of demand expected over the next 3 months		ind	20.4	24.1	38.9	42.9	51.4	59.0	36.6	24.4	38.5	43.7	27.7	25.9	16.4	30.9

Table 6: Business and consumer surveys (balances, seasonally adjusted data)																
											This update: 24 January 2025, Next update: 14 February 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
<b>1. Economic sentiment indicator</b>			2003-08													
Economic sentiment indicator	IOBE/EC		105.3	104.8	107.6	107.9	107.3	110.4	107.6	106.4	106.6	106.0	110.1	106.9	106.2	106.0
Industrial confidence indicator	IOBE/EC		-0.4	2.0	0.6	1.8	-0.3	3.1	1.3	3.0	-1.5	-2.7	8.1	2.0	5.2	1.7
Retail confidence indicator	IOBE/EC		17.1	5.5	21.3	12.6	10.7	12.0	18.9	8.7	18.9	24.3	13.6	5.5	11.2	9.4
Services confidence indicator	IOBE/EC		18.4	24.6	32.8	40.3	40.8	51.6	38.9	29.8	37.6	38.9	40.2	36.6	22.8	30.1
Construction confidence indicator	IOBE/EC		-14.5	-19.1	0.5	7.0	12.1	6.5	7.5	1.8	7.6	9.8	5.1	-0.5	-7.2	13.1
Consumer confidence indicator	IOBE/EC		-26.8	-50.7	-40.0	-46.0	-46.1	-42.7	-47.8	-47.4	-43.9	-48.1	-51.3	-50.3	-47.3	-44.5
Employment expectations index	IOBE/EC		104.1	106.7	116.0	115.8	116.2	120.5	114.1	112.2	112.2	117.0	113.1	112.4	110.1	114.0
<b>2. Industrial confidence indicator</b>																
Production expectations	IOBE/EC		22.6	18.1	18.9	24.5	24.7	26.0	22.8	24.5	18.2	19.3	30.9	21.9	27.5	24.1
Order books	IOBE/EC		-11.7	-5.1	-10.7	-9.7	-15.9	-6.7	-9.8	-6.3	-11.9	-16.0	-1.4	-9.1	-3.6	-6.3
Stocks of finished products	IOBE/EC		12.2	7.0	6.4	9.5	9.7	10.0	9.1	9.3	10.7	11.5	5.1	6.8	8.2	12.8
Purchasing managers index (PMI)	MARKIT		52.1	51.8	51.6	53.6	55.8	54.7	52.1	51.8	53.2	52.9	50.3	51.2	50.9	53.2
<b>3. Retail confidence indicator</b>																
Present business situation	IOBE/EC		25.6	-4.2	47.4	25.0	42.4	17.0	27.6	12.8	30.5	42.6	9.8	9.2	17.7	11.6
Volume of stocks	IOBE/EC		14.4	-6.6	10.3	19.2	27.0	19.1	13.6	16.9	11.3	9.1	20.5	23.0	12.2	15.5
Expected business situation	IOBE/EC		40.0	14.2	26.8	32.0	16.7	38.2	42.7	30.2	37.4	39.5	51.3	30.2	28.2	32.1
<b>4. Services indicator</b>																
Business situation over the past 3m.	IOBE/EC		17.5	28.4	28.2	35.5	31.6	44.7	34.7	31.2	34.1	28.5	41.6	36.1	22.7	34.8
Demand over the past 3m.	IOBE/EC		17.2	21.3	31.4	42.5	39.5	51.2	45.3	33.8	40.3	44.5	51.2	47.7	29.2	24.5
Expected demand over the next 3m.	IOBE/EC		20.4	24.1	38.9	42.9	51.4	59.0	36.6	24.4	38.5	43.7	27.7	25.9	16.4	30.9
<b>5. Construction confidence indicator</b>																
Order books	IOBE/EC		-33.4	-51.2	-38.7	-13.7	-2.0	-16.7	-13.8	-22.4	-11.9	-10.6	-19.0	-28.6	-28.3	-10.2
Employment expectations	IOBE/EC		4.5	13.0	39.8	27.7	26.2	29.7	28.8	26.0	27.0	30.2	29.2	27.6	14.0	36.3
<b>6. Consumer confidence indices</b>																
Financial situation over next 12 mnths	IOBE/EC		-20.8	-49.4	-35.6	-43.2	-44.4	-39.1	-44.9	-44.6	-40.1	-45.7	-48.9	-46.5	-44.7	-42.6
Gen. econ. sit. over next 12 mnths	IOBE/EC		-28.3	-56.8	-35.4	-47.2	-43.9	-45.2	-50.4	-49.3	-45.7	-49.8	-55.6	-54.3	-50.3	-43.4
Savings over next 12 months	IOBE/EC		-45.9	-67.3	-64.3	-66.4	-68.0	-64.7	-65.6	-67.4	-66.5	-67.4	-62.9	-66.6	-66.9	-68.7
Unemployment over next 12 months	IOBE/EC		43.0	35.6	13.7	18.5	15.7	16.0	22.5	19.8	17.4	25.0	25.2	23.3	20.9	15.1

## ANNEX 2: DATA RELEASES

### LAST SEVEN WEEKS' NEWS AND DATA RELEASES (09 December 2024 – 23 January 2025)

#### Real Economy

- 10/12/2024: ELSTAT released Industrial Production Index for October 2024.
- 10/12/2024: ELSTAT released HICP for November 2024.
- 10/12/2024: ELSTAT released Monthly Turnover Indices in the Services Sector (of the quarterly period) for 2024:Q3.
- 11/12/2024: BoG released Commercial Property Indices for 2024:H1.
- 11/12/2024: ELSTAT released Evolution of Turnover of Enterprises for October 2024.
- 11/12/2024: ELSTAT released Issuing of Motor Vehicle Licences for November 2024.
- 13/12/2024: ELSTAT released Production Index in Construction for 2024:Q3.
- 13/12/2024: ELSTAT released Import Price Index in Industry for October 2023.
- 13/12/2024: ELSTAT released Index of Wages Cost for 2024:Q3.
- 17/12/2024: ELSTAT released the Evolution of Turnover of Enterprises in Accommodation and Food Service Activities for October 2024.
- 17/12/2024: The Ministry of Labour announced the start of a new programme to support entrepreneurship by unemployed persons, with emphasis on women, 30-59 years old; it will benefit 5,880 persons.
- 20/12/2024: A joint ministerial decision was published in the Government Gazette: it provided for a pilot action concerning the terms and conditions of regular unemployment insurance. The action will last for 16 months and will affect 15,000 unemployed persons (to be chosen randomly).
- 20/12/2024: ELSTAT released Turnover Index in Industry for October 2024.
- 20/12/2024: ELSTAT released the Evolution of Turnover of Enterprises in Retail Trade for October 2024.
- 27/12/2024: ELSTAT released Building Activity Survey for September 2024.
- 30/12/2024: ELSTAT released Producer Price Index in Industry for November 2024.
- 30/12/2024: ELSTAT released Services Producer Price Indices for 2024:Q3.
- 31/12/2024: ELSTAT released Turnover Index in Retail Trade for October 2024.
- 02/01/2025: S&P Global released Manufacturing PMI for December 2024.
- 03/01/2025: ELSTAT released Labour Force Survey (monthly estimates) for November 2024.
- 08/01/2025: European Commission released ESI for December 2024.
- 08/01/2025: ELSTAT released House Price Indices for 2024:Q3.
- 10/01/2025: ELSTAT released Industrial Production Index for November 2024.
- 13/01/2025: ELSTAT released HICP for December 2024.
- 13/01/2025: The Ministry of Labor announced that it started the procedure of Law 5163 of 2024 for setting up (a) the Consultation Committee (made up of representatives of the social partners and presided by the chairman of the Organization for Mediation and Arbitration) and (b) the Scientific Committee, which will submit recommendations for the increase of the minimum wage in 2025.
- 14/01/2025: ELSTAT released Import Price Index in Industry for November 2024.
- 15/01/2025: ELSTAT released Issuing of Motor Vehicle Licences for December 2024.
- 17/01/2025: The bill on the ratification of the Protocol of 10 Oct. 2018 amending the Council of Europe Convention which concerns the protection of the individual from the automated treatment of personal data, following its adoption by Parliament, was published in the Government Gazette as Law 5169.
- 16/01/2025: ELSTAT released the Evolution of Turnover of Enterprises for November 2024.
- 20/01/2025: the bill on specifications for short-term renting of dwellings; the environmental classification of accommodation; the simplification of establishing tourism businesses; more specific provisions for controlling and strengthening the framework governing infrastructures in tourism, following its adoption by Parliament, was published in the Government Gazette as Law 5170.

## External Sector

- 20/12/2024: BoG released BoP data for October 2024.
- 23/12/2024: BoG released travel services data for October 2024.
- 09/01/2025: ELSTAT released merchandise trade data for November 2024.
- 20/01/2025: BoG released BoP data for November 2024.
- 21/01/2025: BoG released travel services data for November 2024.

## Fiscal

- 16/12/2024: MoF, state budget execution for January-November 2024 (preliminary data).
- 18/12/2024: BoG, central government net borrowing requirements on a cash basis for January – November 2024.
- 27/12/2024: MoF, state budget execution for January-November 2024 (final data).
- 09/01/2025: MoF, general government cash balance for January-November 2024.
- 17/01/2025: MoF, state budget execution for January-December 2024 (preliminary data).
- 21/01/2025: BoG, central government net borrowing requirements on a cash basis for January – December 2024.
- 21/01/2025: ELSTAT, Quarterly Non-Financial Accounts of General Government (3<sup>rd</sup> quarter 2024).

## Monetary & Financial

- 06/12/2024: Scope Ratings upgraded Greece's sovereign credit rating to BBB from BBB-. According to the rating agency, the rating change was the result of (i) strong fiscal performance, with reduction in the debt-to-gdp and deficit supported by strong growth, inflation and fiscal prudence and (ii) bank sector improvements, with the NPL ratio coming down to 4.6% and plans to accelerate the amortization of the deferred tax credits (DTCs).
- 02/01/2025: ECB released data on monetary and credit developments in the euro area for November 2024.
- 07/01/2025: ECB released data on MFI interest rate statistics in the euro area for November 2024.
- 14/01/2025: Greece priced a €4 bn 10-year bond with a coupon rate of 3.625% (yield 3.637%). The orderbook stood in excess of €40.5 bn, with around 89% of the transaction allocated to non-domestic international investors.
- 21/01/2025: Eurobank priced a €400 mn Subordinated Tier 2 bond callable in 5 years and due in April 2035. The issue, which met strong investor demand (5x oversubscribed), came at a coupon rate of 4.25% (yield 4.377%).

## NEXT THREE WEEKS' NEWS AND DATA RELEASES (24 January – 14 February 2025)

### Real Economy

- 24/01/2025: ELSTAT releases Quarterly Non-Financial Accounts of Institutional Sectors for 2024:Q3.
- 28/01/2025: ELSTAT releases Building Activity Survey for October 2024.
- 30/01/2025: the European Commission releases ESI for January 2025.
- 30/01/2025: ELSTAT releases Producer Price Index in Industry for December 2024.
- 30/01/2025: ELSTAT releases Labour Force Survey (monthly estimates) for December 2024.
- 31/01/2025: ELSTAT releases Turnover Index in Retail Trade for November 2024.
- 03/02/2025: S&P Global releases PMI for January 2025.
- 10/02/2025: ELSTAT releases Industrial Production Index for December 2024.
- 13/02/2025: ELSTAT releases Issuing of Motor Vehicle Licences for January 2025.
- 14/02/2025: ELSTAT releases Import Price Index in Industry for December 2024.
- 14/02/2025: ELSTAT releases Harmonised Index of Consumer Prices for January 2025.



### External Sector

- 07/02/2025: ELSTAT releases merchandise trade data for December 2024.

### Fiscal

- 24/01/2025: MoF, state budget execution for January-December 2024 (final data).
- 05/02/2025: MoF, general government cash balance for January-December 2024.

### Monetary & Financial

- 29/01/2025: ECB releases data on monetary developments in the euro area for December 2024.
- 04/02/2025: ECB releases data on MFI interest rate statistics in the euro area for December 2024.

### **Disclaimer**

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