October 2022

GREECE

ECONOMIC & FINANCIAL OUTLOOK

ECONOMIC RESEARCH DIVISION

ALPHA BANK

GDP growth surprises to the upside in Q2 2022 amid elevated risks surrounding the economic outlook

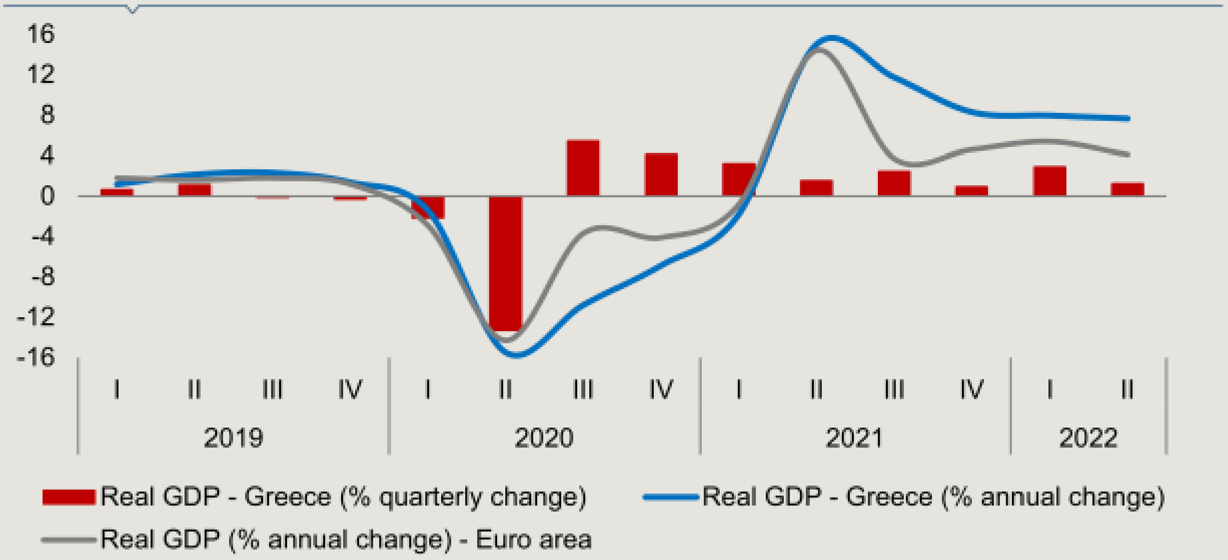
In Q2 2022 Greek real GDP expanded by 7.7 y-o-y (*Graph 1*), underpinned by strong growth in private consumption, the ongoing rise in investment as well as gains in the exports of goods and services. On a quarterly read, it continued to recover for the 8th consecutive period, up by 1.2%. Private consumption grew by 11% y-o-y, contributing 7.7 pps to the overall increase in real GDP, fueled by the use of savings accumulated during the pandemic to support living standards, the continued employment gains and the positive effects of additional fiscal measures implemented to support households against rising energy costs. As a result, public consumption rose by 0.8% y-o-y, contributing 0.2 pps. A new set of fiscal support measures was recently announced by the Prime Minister at the 86th Thessaloniki International Fair (*see Box 1*).

Gross fixed capital formation rose by 8.7% y-o-y, mainly driven by the rise in machinery and technological equipment (5.3% y-o-y) and construction (both residential and other buildings) investment (11.9% y-o-y), contributing overall 1.1 pps to real GDP growth. Net exports provided a positive contribution of 0.7 pps to real GDP growth, as total exports increased by 20.8% on an annual basis, outpacing imports' growth (15.5% y-o-y). It is worth noting that the export orientation of the Greek economy has improved markedly in the recent years (*Graph 2a*); the exports-to-GDP ratio rose from 19% in 2009 to 40.7% in 2021, exceeding the respective ratios in 2021 of Italy (32.8%) and Spain (35%).

The robust Greek real GDP growth in H1 2022 (7.8% y-o-y) (*see, also, the last Section*), which outpaced both the respective EU-27 (4.9% y-o-y) and euroarea (4.8% y-o-y) averages, combined with (i) increased tourism revenues (7-months 2022: € 8.8 billion), (ii) persistent employment gains and (iii) the further acceleration of fresh investment on the back of the RRF funds along with the hike in corporate lending, paves the way for a stronger-than-expected expansion of domestic economic activity in 2022 as a whole. However, lingering uncertainty surrounds the economic outlook with downside risks dominating in the medium term, related, *inter alia,* to:

GRAPH 1

Greek GDP growth surprises to the upside in Q2 2022 amid elevated risks



Sources: ELSTAT, Eurostat

(i) the developments regarding natural gas exports from Russia to Europe and the adverse effects of persistently higher energy prices on households' disposable income (*see the next Section*), (ii) the rising borrowing cost and (iii) the tightening monetary policy.

Turning to the underlying factors which are expected to support economic growth this year:

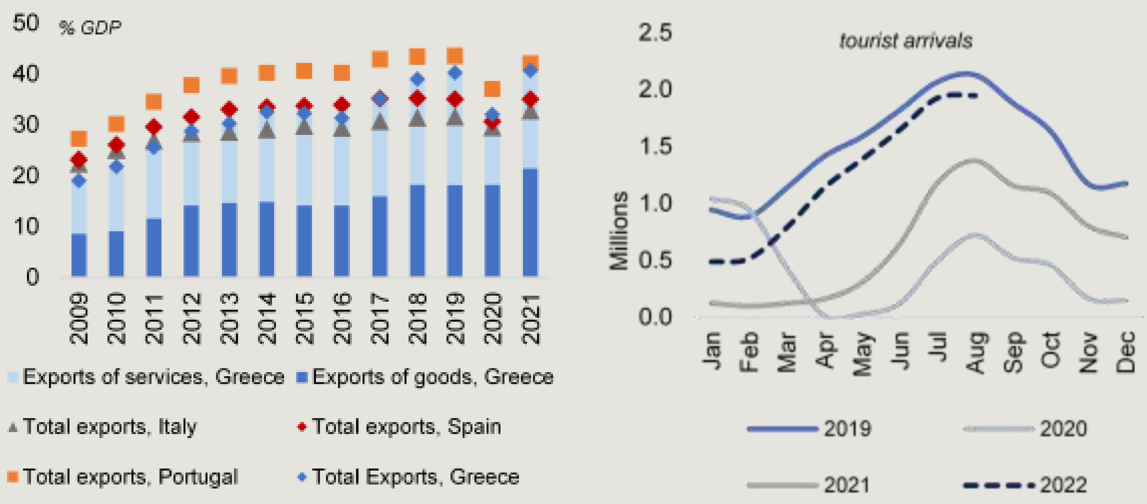
(i) *Incoming data sparks optimism for a record year in tourism* in terms of travel receipts, expected to reach €20 billion in 2022, surpassing the 2019 record high pre-pandemic level (€18.2 billion). According to the Border Survey by the Bank of Greece, in July 2022, tourism receipts amounted to €3.7 billion, rising by 0.5% compared to July 2019, while travel arrivals reached 5.3 million persons, down by 7% compared to 2019. International passenger traffic in the Athens International Airport (AIA) during January-August 2022 amounted to 9.8 million arrivals, reaching 82% of those recorded in the corresponding period of 2019, while, in August 2022 only, arrivals reached 1.9 million persons, around 92% of the respective month of 2019 (*Graph 2b*). In H1 2022, the services surplus widened to €6.2 billion (H1 2021: €2.2 billion), mainly on account of the strong annual second-round rebound in travel receipts (329.3% y-o-y), counterbalancing, in part, the widening in the trade deficit (H1 2022: €17.9 billion; H1 2021: €10.9 billion) as a result of surging inflation and rising consumption. In H1 2022, the overperformance of tourism revenues supported, *inter alia*, General Government revenues (H1 2022: €41.8 billion; H1:2021: €35.3 billion), offering some additional fiscal policy space to cushion the negative effects of soaring energy prices on households and businesses.

(ii) *Labour market conditions continued to improve*, with the unemployment rate remaining on a declining path, standing at 12.6% in July 2022. The steep drop in unemployment is mainly driven by the significant employment gains in the first seven months of 2022 with the number of employed persons rising by 7.9% on an annual basis. In July 2022, employment reached 4.12 million persons.

(iii) *Investment is expected to contribute markedly to GDP growth in the coming years*, supported primarily by the Recovery and Resilience Facility (RRF) funds. Greece is one of the largest beneficiaries from the unprecedented funding package from the EU that is expected to contribute both directly and indirectly to GDP growth and facilitate the financial, technological and institutional transformation of the Greek economy. Greece is currently expected to receive around €31 billion from the RRF, while total mobilized investment is estimated to approach € 59 billion in 2021-2026. As of the end of August 2022, 107 investment projects with a total budget of €3.9 billion have been submitted under the RRF loan facility, of which €1.7 biilion corresponded to RRF loans, €0.9 billion are own investor funds and €1.3 billion bank funds. Furthermore, since the beginning of the year, credit growth[1] to non-financial corporations in the domestic banking system accelerated strongly (August 2022: 11.6%), supporting business confidence and the attraction of fresh investment. In January – August 2022, credit flows[1] to non-financial corporations amounted to €4.4 billion.

GRAPHS 2a & 2b

Improved export orientation of the Greek Economy in the last decade while the strong tourism performance supports the 2022 growth momentum



Sources: Eurostat and Athens International Airport (AIA)

Against the background of soaring energy prices and elevated uncertainty, the Economic Sentiment Indicator (ESI) in Greece eased further in July 2022 to 101.1 (Q2 2022:105.7) though remained above the respective EU-27 (97.6) and euroarea (99.0) averages which dropped below their long-term average values for the first time since February 2021. Turning to the sectoral breakdown, the fall in ESI was attributed to the deterioration in industry, construction and consumer confidence, while the services and retail trade confidence indicators improved. Furthermore, survey data from the IHS Markit in August 2022 signaled a further deterioration in the manufacturing sector as the Purchasing Managers' Index (PMI) fell further to 48.8 from 49.1 in July 2022, remaining below the threshold of 50 for the second consecutive month, after 16 months in an expansionary phase.

Downside risks to the growth outlook are primarily related to:

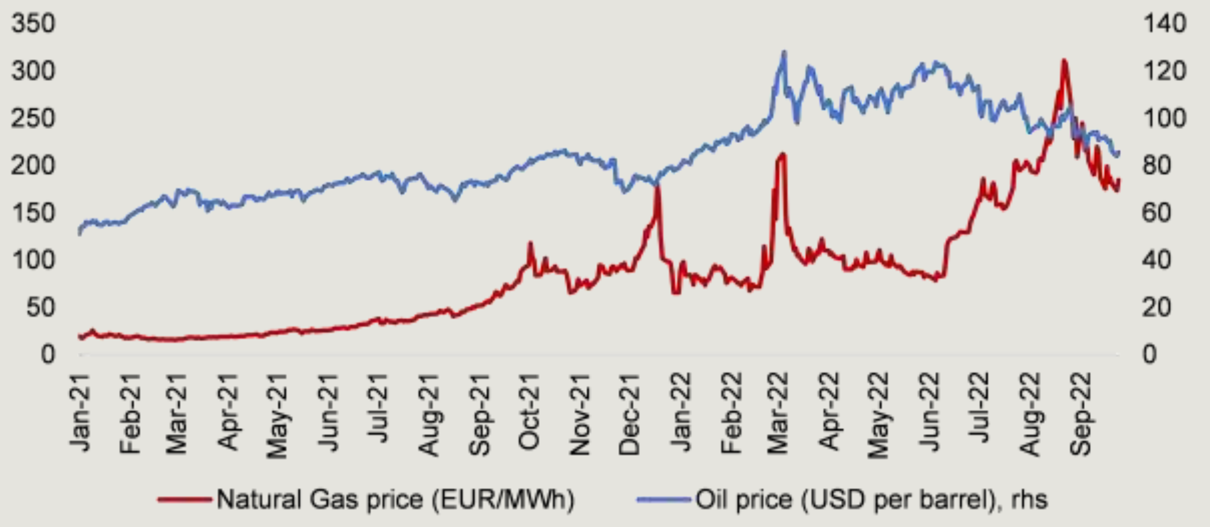
(i) *the developments regarding natural gas exports from Russia to Europe and the adverse effects of persistently higher energy prices on households' disposable income*, especially in the case of a permanent cut-off of Russian gas from Autumn 2022 (*see also the next Section*). However, the impact of a cut-off of Russian gas on Greece is expected to be milder as the Greek industry structure is less energy consuming, the country typicaly experiences a more moderate winter and exhibits a lower reliance on Russian gas (39%) compared to other large European countries (Germany 65%, Italy 43%) (2020 data). It is worth noting that Greece receives natural gas *via* Turkstream (Russian gas), from Azerbaijan (23%) and shipping LNG (32%) (2021 data). HICP inflation in the first 8 months of 2022 continued to increase, reaching 9.2% on average, driven mainly by the upsurge in energy and food prices. The recent upsurge in energy prices raises concerns about strong adverse effects on the purchasing power of households in light of the upcoming winter. Natural gas prices skyrocketed to a record high of 307.5 EUR/MWh on 26/8/2022 from 88.1 EUR/MWh in January 2022 (4/1/2022), with the latest data showing a fluctuation around 200 EUR/MWh (204 EUR/MWh in 14/9/2022), while oil prices hovered around 100 USD/per barrel over the last 2 months (*Graph 3*).

(ii) the *tightening monetary policy*, as the ECB adopts a more hawkish shift which may depress growth. The ECB Governing Council decided to raise the three key ECB interest rates by 75 bps in September 2022, aiming to address inflationary pressures.

(iii) the *increase in borrowing costs,* as reflected in the widening of 10-year Greek government bond spreads. 10-year Greek government bond yields exceeded 4.9% in 27/09/2022, reflecting expectations for the tightening of monetary policy as well as heightened uncertainty and broader geopolitical turbulence. However, the rise in government bond yields is not expected to heavily impact Greek debt sustainability due to the favorable structure of the Greek public debt, marked by long maturities, low debt servicing cost and by the fact that its largest part (over 75%) is owed to official lenders.

GRAPH 3

Brent crude oil and natural gas prices



Source: Bloomberg

Box 1: New fiscal measures for 2022-2023 announced at the Thessaloniki International Fair, amounting to around €5.5 billion

Categories	Measures effective immediately	Measures effective by year's end
Allowances	Increase of student housing allowance from €1,000 to €1,500 Heating allowance set to reach €300 million, with broadened criteria, covering around 1.3 million households	Extension of the maternity allowance to 9 months
Pensions and Payroll		Increase in pensions of 1.5 million persons by around 6% 10% increase in the salary of the 20,000 doctors in the National Health Service Increase of mimimum wage on May 1, 2023 Reform of the payroll of almost 600,000 civil servants
Subsidies	A €250 one-off cash aid to 2.3 million vulnerable citizens including low income pensioners, unsecured elderly Financial aid of € 60 million to farmers and € 89 million to livestock farmers	
Employment	All companies that convert part-time employee contracts to full-time ones to be exempted from 40% of their SSC Start-ups and small businesses planning new hirings are exempted from a start-up fee for that year	
Tax and SSC		Permanent reduction of SSC by 3 pps Special Solidarity Contribution tax to be abolished Extension of the reduced VAT on transport, coffee and non-alcoholic drinks until June 2023, while 24% VAT on new buildings to remain suspended until the end of 2024 Abolishment of the non-remunerative contribution tax in favor of the so-called 'former civil servants welfare fund'
Other	Increase in beneficiaries of the 'Recycle & Change Electrical Device' program by 200,000 Financing 250,000 small solar panels on residential roofs, in businesses, in farms, which will consume their own energy for free Supporting measures for Armed Forces staff Expansion of the 'Tourism for All' program to cover another 200,000 new beneficiaries	Reform of the operating framework for the Greek Capital Market with investment and tax incentives State-funded local government financial resources to be boosted by € 120 million annually as of January 1, 2023

Energy crisis: structural factors for the Greek energy market and fiscal support measures

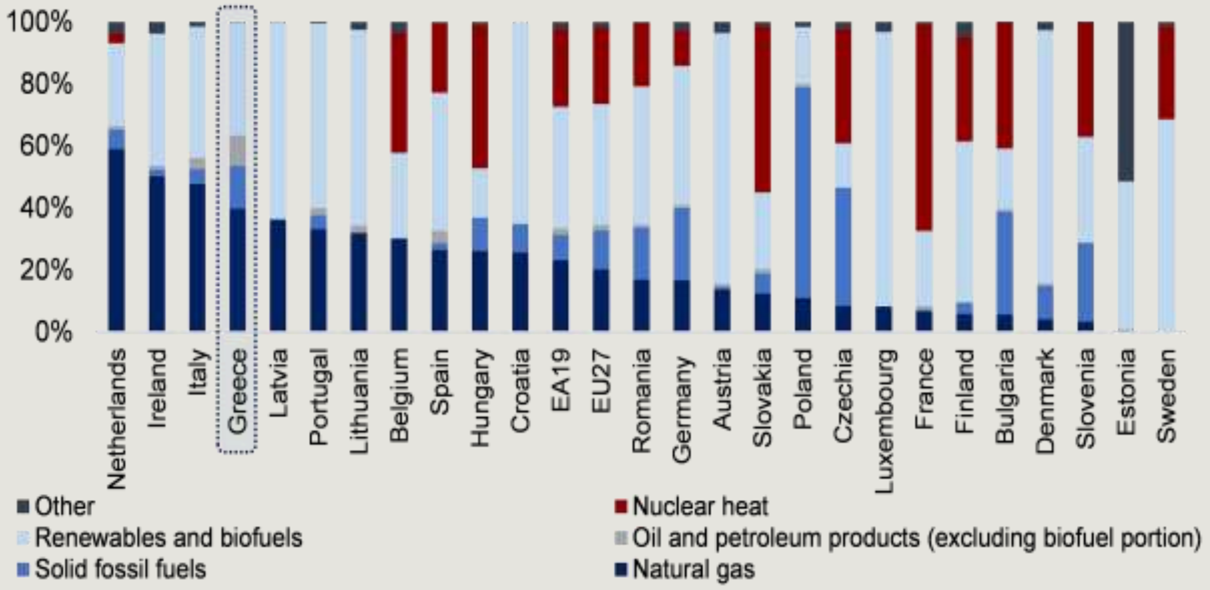
Skyrocketing energy costs weigh substantially on the disposable income of households and the operation of businesses. In this environment of elevated uncertainty and a rising cost of living, initiatives are being taken both at a national and a European level in order to safeguard the energy security of EU member states in light of the coming winter. Furthermore, the following factors are expected to partially moderate the adverse effects of the energy crisis on Greek businesses and households and ensure, to a certain extent, the country's energy security:

- Greek industry consumes less than 20% (17.4%) of final energy consumption, compared to EU27 and other large industrial countries such as Germany, Belgium and Sweden, which exceeds 25%.
- Transport is the most energy-consuming sector of the Greek economy (35.5% of final energy consumption for energy use), using primarily oil and oil derivatives, followed by households (29.6%), commercial and public services (13.1%) and other sectors (4.3%).
- Natural gas consumption represents 7.6% of total energy consumption in Greece, one of the lowest among EU countries. 50.8% of final energy consumption in Greece concerns oil and oil-derived products. Electricity consumption in Greece (28%), is higher compared to the EU27 average (24%), while energy consumption from renewable sources and biofuels stood at 12% in 2020, broadly at the same levels as the EU27.
- Greece's dependence on Russian natural gas has gradually declined on an annual basis in H1 2022, with its share reaching 35% from 42% in the same period last year, while LNG imports have significantly increased (+54% on an annual basis).
- Greece has the infrastructure to use lignite in electricity production, at least temporarily, in order to meet its energy needs and reduce its dependency on natural gas (*Graph* 4). It is noted that already, from June onwards, the share of lignite in electricity production has increased, compared to the same period last year. More specifically, in June, lignite reached 10.9% of the total electricity generation mix, compared to 6% in June 2021, while, in July, lignite rose to 13.4%, from 8% in the same month of 2021.

The estimated fiscal cost of support measures adopted by the Greek government against rising energy costs from September 2021 up to July 2022 is the highest among EU27 countries. According to Bruegel, the total government support reached € 6.8 billion, corresponding to 3.7% of GDP (*Graph 5*).

GRAPH 4

Structure of electricity production per fuel, EU 27 economies, 2020



Source: Eurostat, Energy Statistics

Notably, the main measures that have already been adopted include, among others, subsidies on electricity and gas bills for households and businesses, the broadening of the upper limits of heating allowances and the criteria for inclusion in them, and a € 200 one-off payment to low income pensioners, uninsured elderly and beneficiaries of unemployment benefits. The energy consumption subsidies for households and businesses in September reached €1.9 billion. In addition, a new package was recently announced at the Thessaloniki International Fair (*see Box 1*).

In contrast, the risk of exposure for Greece amidst an escalation of the energy crisis, with energy shortages and a further rise in inflation, could be increased due to:

- the fact that industry and households mainly consume electricity (40% and 35% of their consumption, respectively),
- natural gas is still an important raw material for electricity production.

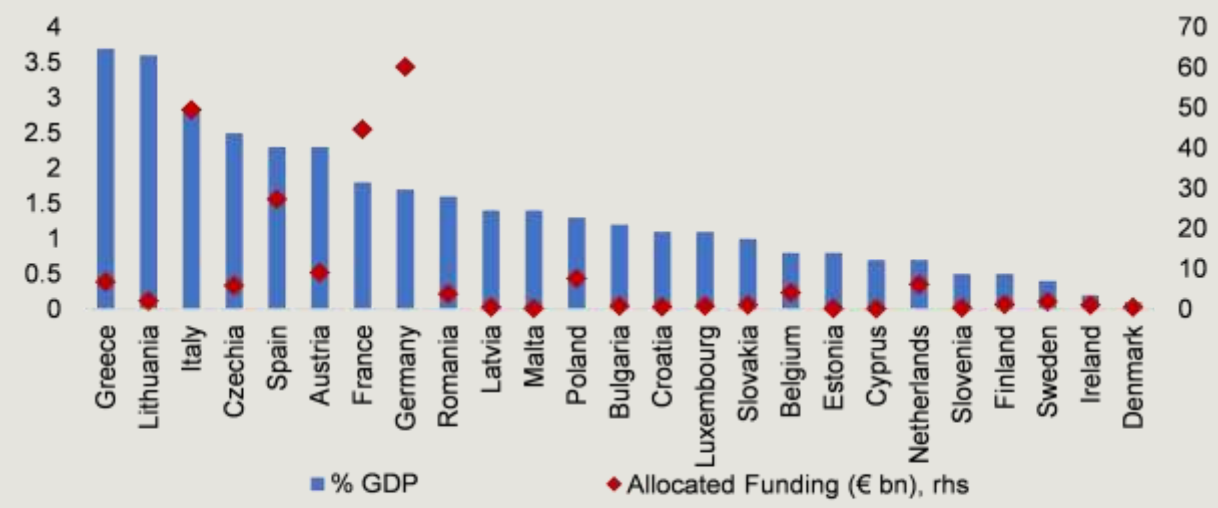
Public debt sustainability: geopolitical uncertainty, persistent inflationary pressures and interest rate hikes

The euro area economy has entered a new, volatile environment marked by (i) elevated geopolitical uncertainty, (ii) the fear of recession from the fourth quarter of the current year in several industrialized European economies, particularly in terms of a permanent cut-off of natural gas from Russia, (iii) soaring energy prices that fuel inflationary pressures, highlighting the need for governments to further support households and firms against higher prices that erode their disposable income and (iv) the tightening monetary policy through rising interest rates from the ECB that aims to alleviate inflationary pressures and underpin the euro's exchange rate. This environment increases the fragmentation risk within financial markets in the euro area, reflected in the asymmetric hike in government bond yields.

The sensitivity of Greek government bonds amid rising borrowing costs is higher compared to other euro area countries, mainly due to the lack of the investment grade for Greece's creditworthiness. For instance, the German 10yr government bond yield returned to positive territory within 2022, reaching 1.92% in October (3/10/2022) from -0.12% in January (3/1/2022). The Greek government bond yield reached 4.8% in October (3/10/2022), recording an increase of 343 bps compared to January 2022 (3/1/2022), while the increase of the 10yr government bond yields for Italy, Spain and Portugal was milder, reaching 304 bps, 248 bps and 246 bps, respectively. However: (i) the resilience of the Greek economy to external shocks, evident in the solid economic growth in the first half of 2022, (ii) the optimism for a stronger than initially expected growth performance in 2022, supported by the strong rise of tourism revenues which are expected to be higher than those of 2019 and (iii) the end of the enhanced surveillance status for the Greek economy in August 2022 are expected to contribute to the achievement of the investment grade.

GRAPH 5

Government allocated funding (September 2021-July 2022) to support households and businesses from the energy crisis



Source: Bruegel

According to the Stability Programme (April 2022), the primary deficit is expected to decrease to 2% in 2022 before turning positive in 2023, putting public debt-to-GDP ratio on a downward course. However, intensified inflationary pressures, combined with disruptions in energy markets, could trigger an additional government response that aims to support households' purchasing power and the operation of firms, delaying the return to fiscal discipline.

Furthermore, the overperformance of tourism revenues, in conjunction with the further increase in investment, supported by the inflow of RRF funds, are expected to contribute to solid economic growth in 2022. This development, combined with inflationary pressures, is expected to lead to an upsurge in nominal GDP growth, pushing public debt-to-GDP on a downward path. On the other hand, the prolonged duration of the war and persistent inflationary pressures, combined with the devaluation of the euro, are expected to weigh on the disposable income of European households (who account for around 2/3 of the inbound tourist arrivals in Greece), with potentially adverse effects on tourist receipts in 2023.

Public debt sustainability is determined by a series of factors, including (a) the size of the primary surplus/deficit, (b) the nominal GDP growth rate, determined by the real GDP growth rate and inflation, (c) the cost of borrowing of the Greek State, and (d) other stock-flow adjustments, i.e., expenditure or revenues which do not affect the deficit but increase or decrease the debt, respectively, such as the privatization receipts.

As depicted in *Graph 6a*, public debt-to-GDP increased by 25.6 pps in 2020, exceeding 200% (206.3%), mainly due to the strong fiscal impetus during the pandemic and the return to primary deficits, as well as the sharp contraction of domestic economic activity. However, in 2021, despite the primary deficit recorded this year, public debt-to-GDP has resumed a downward trajectory, reaching 193.3% as a result of the strong economic recovery which, in tandem with the inflationary pressures that prevailed in the H2 2021, led to a significant increase in nominal GDP.

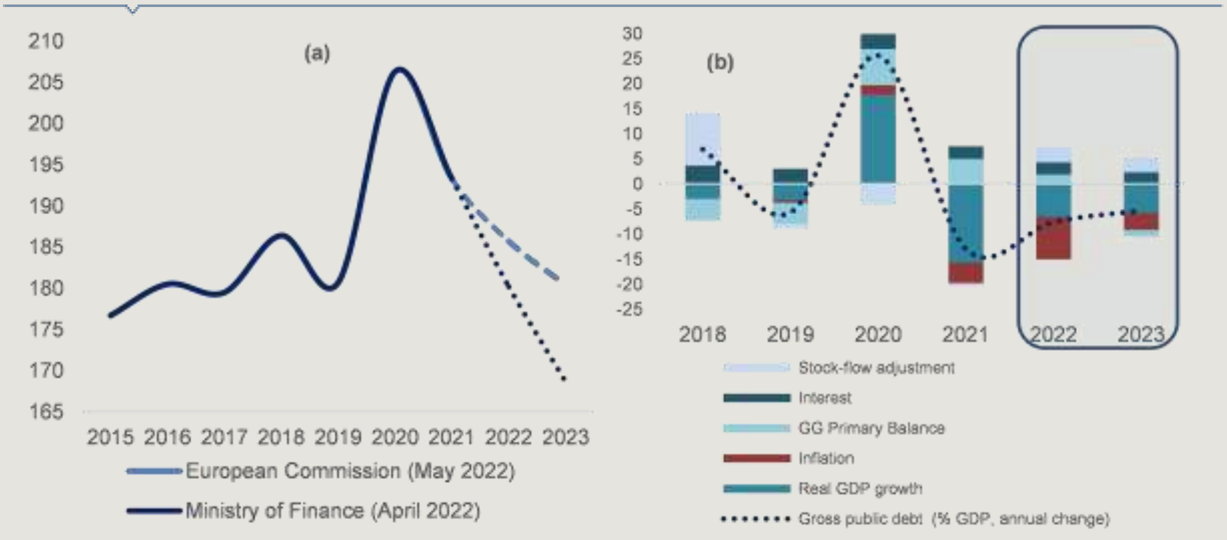
According to the EC Spring Economic Forecasts, public debt is expected to gradually de-escalate to 180.4% in 2023 (*Graphs 6a & 6b*), supported by solid growth dynamics, inflationary pressures and a gradual return to primary balances from 2023 onwards. Furthermore, according to the Stability Programme 2022, the Ministry of Finance foresees a sharp reduction of public debt, reaching 168.6% of GDP in 2023.

The impact of inflation on public debt dynamics is expected to be decreasing in the short run; a higher nominal GDP growth compresses public debt to GDP ratio. On the other hand, the tightening monetary policy in response to strong inflationary pressures is expected to narrow the difference in the government's nominal interest rate from the nominal GDP growth rate (snowball effect) as it increases the borrowing cost of the Greek State, partially offsetting the decline in public debt.

GRAPHS

6a & 6b

Public debt-to-GDP evolution and determinants



Source: European Commission, Ministry of Finance, Alpha Bank Economic Research

However, in the long run, persistent inflationary pressures could delay the further reduction of public debt. Higher prices could erode the purchasing power and the disposable income of households, as well as undermine business confidence and the undertaking of new investment plans, compressing consumption and investment. This development could lead to lower economic growth rates, while it could also trigger the return to fiscal deficits through the rise in government expenses aiming to support households and businesses.

Persistent cost-driven inflationary pressures

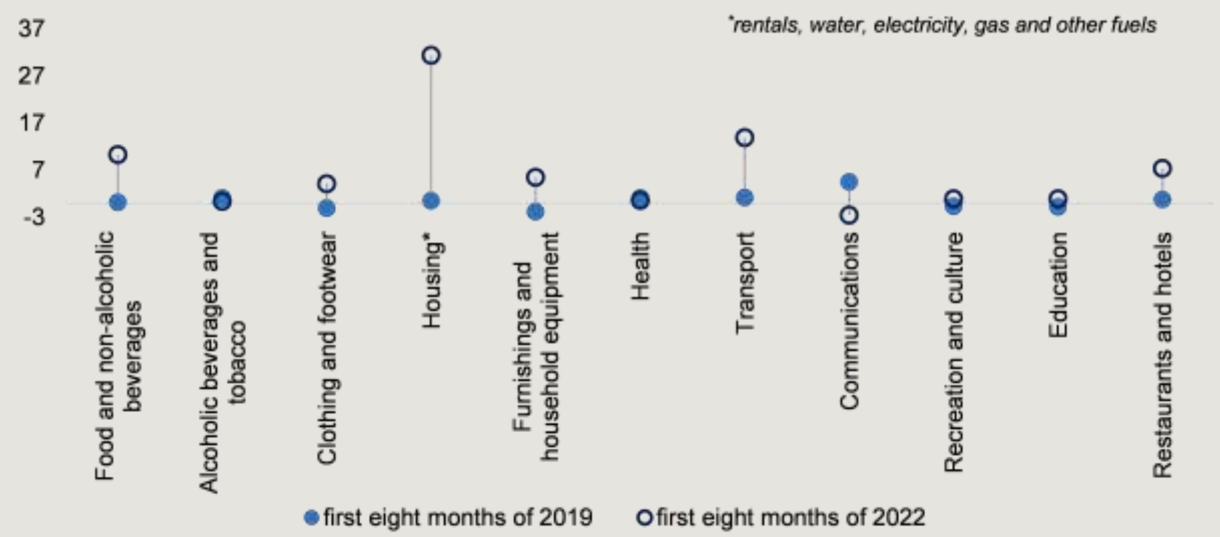
Rising energy and food prices in 2022 related to supply chain disruptions magnified by the Russia-Ukraine war are the main drivers of surging inflation to historically high levels. Second-round effects are gradually spreading throughout the economy by means of increased production costs in many products and services and inflation expectations pass-through. In addition, the gradual weakening of the euro has led to the acceleration of imported inflation. The uncertainty surrounding the volume of the Russian natural gas flows to the European Union is expected to be a key determinant of future inflation and growth dynamics during the second half of the year. The repeated suspensions in the operations of the Nord Stream 1 natural gas pipeline, through which almost one third of the Russian natural gas is supplied to Europe, intensifies the uncertainty on a complete shutoff or reductions of natural gas flows from Russia to Europe in the coming winter.

In the first 8 months of 2022, Greek HICP inflation averaged to 9.2%, standing above the respective EU-27 (8.3%) and euro area averages (7.6%). During this period, energy prices surged by 52.5%, followed by substantial increases in food prices (10.3%), for both processed (7.7%) and unprocessed food (10.3%), with the latter being typically more volatile. Food price inflation also accelerated in the EU-27 and the euro area since the beginning of the year, averaging to 7.5% and 6.4% respectively. As depicted in *Graph 7*, in the first 8 months of 2022, HICP inflation for housing (including rentals, water, electricity, gas and other fuels) recorded the highest increase (31.4%), followed by transport (13.9%).

In August 2022, HICP inflation in Greece stood at 11.2%, remaining broadly at the July 2022 levels (11.3%). Prices increased in all individual products and services categories, except for communications (-2.1%), being more pronounced in housing (+33.4%), food (+13%) and transport.

GRAPH 7

HICP Inflation by category



Source: Eurostat

Greek real GDP growth developments in H1 2022

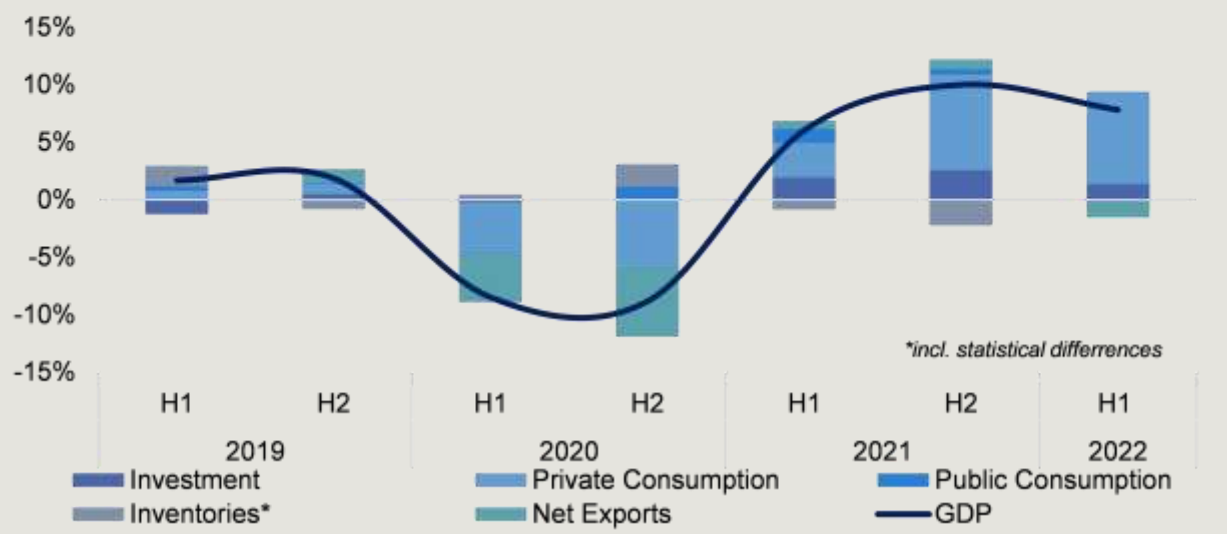
According to the latest data published by ELSTAT, in H1 2022, real GDP expanded by 7.8% on annual basis, following the upward revision of Q1 2022 annual reading (to 8% y-o-y from 7% y-o-y) and the strong growth performance in Q2 2022 (7.7% y-o-y). As depicted in *Graph 8*, the strong expansion of Greek economic activity is mainly attributed to the strong private consumption growth (11.4% y-o-y), which made the largest contribution to overall GDP growth (7.9 pps), underpinned by the use of accumulated savings, the continued employment gains and the supporting fiscal measures against the energy crisis. In H1 2022, the volume index in retail trade increased by 5.1% y-o-y, while during Jan.-July 2022 new passenger car registrations rose by 3.8% on an annual basis. Public consumption rose by 0.3% y-o-y, contributing 0.1 pps. Net exports made a negative contribution to real GDP growth (-1.3 pps), as the growth rate of imports (16.8% y-o-y) exceeded exports' growth (15.1% y-o-y).

Gross fixed capital formation increased by 10.9% y-o-y (+1.4 pps), mainly driven by the rise in investment in machinery and technological equipment by 15.5% y-o-y, contributing 5.7 pps to investment growth. Residential investment remained on an upward trend, rising by 17.3% y-o-y, contributing 1.7 pps, while non-residential construction rose by 13.5% y-o-y, contributing 3.2 pps to gross fixed capital formation. On the contrary, investment in transport equipment decreased by 0.3% y-o-y, making a negative contribution to investment growth by 4 pps.

Turning to the production side of the economy, the services (tertiary) sector, which accounts for the largest part of the Gross Value Added (Q1 2022: 77.2%), made the largest contribution (5.2 pps) to the GVA increase in H1 2022, rising by 6.7% y-o-y. More specifically, tourism, trade and transport contributed 4.8 pps to the overall GVA increase in H1 2022, rising by 20.3% on an annual basis, while services excl. tourism, trade and transport rose by 0.6% y-o-y, contributing 0.3 pps. The secondary sector made a positive contribution to the GVA increase (1.1 pps), mainly attributed to the secondary sector excluding construction, i.e., industry (by 0.7 pps), while construction made a marginally positive contribution (0.4 pps). Finally, the contribution of the primary sector, which accounts for almost 4% of total GVA, was slightly negative (-0.2 pps), dropping by 4.1% y-o-y in H1 2022.

GRAPH 8

Real GDP growth: demand-side components analysis (pps, annual % change)



Sources: ELSTAT, Alpha Bank Economic Research

Annual data	2017	2018	2019	2020	2021	Annual % Changes
GDP at constant prices 2015 (annual % change)	1.1	1.7	1.8	-9.0	8.3	
Private Consumption	2.5	1.7	1.8	-7.9	7.8	
Public Consumption	-1.1	-3.5	1.6	2.6	3.7	
Gross Fixed Capital Formation	8.5	-4.3	-3.3	-0.3	19.6	
Exports of Goods and Services	8.5	9.1	4.9	-21.5	21.9	
Imports of Goods and Services	7.4	8.1	3.1	-7.6	16.1	
National CPI, (annual % change, period average)	1.1	0.6	0.3	-1.2	1.2	
Unemployment Rate (%, period average)	21.5	19.3	17.3	16.3	14.7	
G.G. Primary Balance (% of GDP)	0.0	0.0	4.1	0.0	0.0	
G.G. Gross Debt (% of GDP)	179.5	186.4	180.7	206.3	193.3	
Current Account Balance (% of GDP)	-1.9	-2.9	-1.5	-6.6	-5.9	

Business Environment	2021	2021	2022		*Latest available data*	Quarterly data (annual % changes)
		Q4	Q1	Q2		
Economic Activity (annual % change)						
Volume Index in Retail Trade (excl. automotive fuel)	10.5	12.5	7.2	1.0	3,9 (Jan.-June. 22)	
New Passenger Car Registrations	22.2	19.7	13.5	4.7	8,8 (Jan.-Aug. 22)	
Private Building Activity (volume in '000 m3)	45.9	46.6	13.8		3,0 (Jan.-May. 22)	
Manufacturing Production Index	8.8	10.0	5.2	4.5	5,1 (Jan.-July 22)	
Confidence indicators						
Purchasing Managers' Index (PMI)	56.2	58.9	56.8	53.2	48,8 (Aug. 22)	
Economic Sentiment Indicator (ESI)	106.6	112.7	113.4	105.1	101,5 (Aug. 22)	
Index of Bus. Expect. in Industry	106.3	110.7	116.9		101,2 (July 22)	
Index of Consumer Confidence	-35.4	-38.8	-43.6	-53.0	-55,2 (Aug. 22)	
Credit Growth (% annual change, period end)						
Private Sector	1.4	1.4	1.6	4.5	5,6 (July 22)	
Non-financial corporations	3.7	3.7	3.3	9.7	10,8 (July 22)	
Individuals	-2.4	-2.4	-2.1	-2.1	-2,1 (July 22)	
- Consumer Loans	-0.3	-0.3	0.4	0.7	1,1 (July 22)	
- Housing Loans	-3.0	-3.0	-2.9	-3.0	-3,2 (July 22)	
Prices and Labour Market						
National CPI, (annual % change, period average)	1.2	4.4	7.4	11.2	11,4 (Aug. 22)	
Index of Apartment Prices (annual % change)	7.4	9.5	8.6		8,6 (Q122)	
Unemployment Rate (%, period average, sa)	14.7	13.0	13.2	12.4	12,6 (Jul. 22)	
GDP at constant prices 2015 (annual % change)	8.3	8.3	8.0	7.7	7,7 (Q222)	
Private Consumption	7.8	12.0	11.9	11.0	11,0 (Q222)	
Public Consumption	3.7	-0.2	-0.1	0.8	0,8 (Q222)	
Gross Fixed Capital Formation	19.6	24.2	13.0	8.7	8,7 (Q222)	
Exports of Goods and Services	21.9	24.0	9.8	20.8	20,8 (Q222)	
Imports of Goods and Services	16.1	33.3	18.1	15.5	15,5 (Q222)	

Sources: Bank of Greece, ELSTAT, IOBE, IHS Markit

1/ Primary balance defined here as General Government balance (according to ESA 2010) minus interest expenditure of General Government entities to other sectors. The effect of support to financial institutions is excluded in this measure of the primary balance. The measure of the primary balance presented here differs from the definition of primary balance used under the Enhanced Surveillance Framework for Greece.

2/ Growth rates are derived from the differences in outstanding amounts corrected for loan write-offs, exchange rate valuations and reclassifications.

3/ Provisional historical figures for residential real estate prices since Q2 2021.

4/ Provisional historical figures for real GDP since 2019.

[1/] Credit flows and growth rates are calculated from differences in outstanding amounts adjusted for reclassifications, other revaluations, foreign exchange differences from the valuation in euro of economic aggregates in foreign currency and any other changes which do not arise from transactions.

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