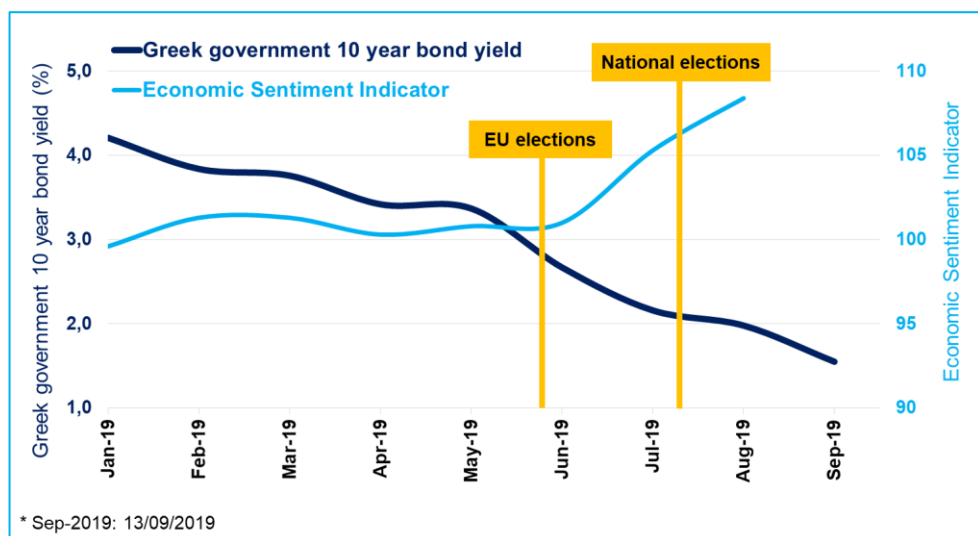


Greek 10 year government bond yield and economic sentiment
(Eurostat, Bloomberg, 13 Sep. 2019 - DG ECFIN, Aug. 2019)
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**Strong growth prospects despite H1 2019 GDP slowdown
and global downside risks**

The first measures taken by the newly elected (7/7/2019) Greek government are likely to strengthen growth and employment in the months ahead. The announced tax cuts in ENFIA (real estate ownership tax), VAT, personal and corporate income tax, etc. and the improvement of the business environment through simplified procedures and limiting the time needed for decisions relating to strategic investments, are creating a more optimistic environment in global markets, as reflected in a significant decline in Greek bond yields. The climate is also improving for businesses and households. This is expected to lead to increases in investment, employment and wages, especially from 2020 onwards, although there are already signs that the recovery is speeding up in the second half of 2019. **Consumer and investment spending is expected to increase, as households and businesses anticipate an increase in disposable income over the coming years.** In any case, 2019 will be a year of mixed results, in which the GDP slowdown, already recorded in the 1st half, and its expected increase in the 2nd half, as a result of measures to stimulate economic activity, will coexist. Almost all measures taken are permanent and will have lasting effects, and by the expectation that they will be further enhanced in the future. In this context, **GDP growth in 2019 as a whole is expected to remain below, but close to, 2%, with the economy achieving growth rates above 3% from 2020 onwards.**

In Q2 2019, GDP growth was at 1.9%, although, overall, in the 1st half of the year growth was slower compared to the 1st half of 2018 (+1.5% in H1 2019 vs +2.1% in H1 2018). More specifically, according to ELSTAT's provisional data, in Q1 2019 GDP growth reached +1.9 % vs +1.1% in the previous quarter and +1.5% in H1 2019, vs +2.1% in H1 2018.

The weakening of growth in H1 2019 was mainly due to the **decline in private consumption (-0.1% vs +1% in H1 2018)** and the negative contribution of the external sector. **Exports' growth slowed down (+1.8% vs +9.4% in H1 2018), while imports increased faster (+4.2% vs -5.7% in H1 2018).** Tourism's contribution remained almost unchanged. On the contrary, **public consumption contributed positively to GDP growth, following a strong increase in Q2**

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The first measures taken by the newly elected (7/7/2019) Greek government are likely to strengthen growth and employment in the months ahead. The announced tax cuts and the improvement of the business environment through simplified procedures and limiting the time needed for decisions relating to strategic investments, are creating a more optimistic environment in global markets, as reflected in a significant decline in Greek bond yields. The climate is also improving for businesses and households.

2019 (+5.3%), which is related to pre-election allowances. It is noted that public consumption contributed 0.4 pp to GDP growth in H1 2019. Therefore, without this increase in public consumption, GDP growth would be closer to 1%. At the same time, **investment grew (+7.6% vs -13.8% in H1 2018), yet mainly due to the increase in stocks (+€2 bn. at current prices), while fixed investment was stagnant (+0.7% vs +4.3% in H1 2018 (D01 and D02))**. More specifically, investment in residential construction and in transport equipment recorded a satisfactory increase (+13.1% vs +8.4% in H1 2018 and +43.6% vs -51.6% in H1 2018 respectively), while investment growth in machinery and in ICT equipment decelerated (+3.1% vs +21.9% in H1 2018 and +1.1% vs +21.3% in H1 2018 respectively). However, investment in non-residential construction declined (-26.9% vs +21.6% in H1 2018, **D03**). It should be noted that investment in transport equipment is affected by changes in ship imports which fluctuate significantly. Moreover, data on ship imports have already been revised downwards (see ELSTAT related press release [here](#)). This revision is expected to affect imports and investment in national accounts data, but not GDP. Non-residential construction data are also affected by major infrastructure projects and these are also highly volatile. In any case, excluding transport and non-residential construction, fixed investment grew by +11.3% in H1 2019 vs +23.6% in H1 2018.

On the supply side, **Gross Value Added increased by +0.9% in H1 2019** (vs +2.1% in H1 2018). Manufacturing (+1.3%), construction (+34.5%), trade, transport and tourism (+3.2%) and professional services (+3.2%) are on the rise. On the contrary, Gross Value Added declined in the other sectors, with the largest losses being recorded in banks (-10.1%, **D04 and D05**).

At the same time, **labor productivity (gross value added per hour) declined** (-0.9% vs +0.7% in H1 2018 and +1.1% in 2018 as a whole), while nominal employee compensation per hour rose by +1.2% (vs +1.1% in H1 2018 and +3% in 2018 as a whole, **D06 and D07**). **Hourly employment increased for both employees and total employment (employees plus self-employed) in H1 2019 by +3.3% and +1.8% respectively (D08)**.

At the same time, among short-term indicators, economic climate and consumer confidence rose significantly in July and August 2019, manufacturing production and exports growth decelerated, and retail sales weakened in H1 2019, though rebounded in June 2019, while tourism kept on showing a satisfactory performance. Additionally, unemployment continued to decline, while inflation turned marginally negative in August 2019, reflecting a relative weakening of domestic demand.

More specifically:

- The **economic climate indicator** rose to 108.4 points in August 2019 from 105.3 points in the previous month and 104.7 points in August 2018, reaching its highest level since November 2007. This is mainly due to improving expectations in retail trade and services. In industry, the climate declined marginally and in construction it deteriorated. More specifically, expectations in **industry** fell slightly, mainly due to declining expectations both from domestic market and export orders, while forecasts on employment improved marginally. In **retail trade**, business expectations improved significantly in August 2019 for the 3rd consecutive month, mainly due to positive estimations on current sales and their short term evolution. A similar trend is shown in **services**, while the business climate deteriorated in construction, as business expectations on the level of their activity and employment remain extremely low.
- **Consumer Confidence climbed to -8.2 points** in August 2019 from -20 points in the previous month and -45 points in August 2018. This is the best performance since September 2000 when it was at -6 points. The optimism of households is reflected in all sub-indicators, particularly in their estimates on the evolution of their financial situation and the general economic situation



of the country: the percentage of those expecting deterioration fell sharply to 16.2% and 16% respectively in August 2019, from 32.1% and 29.3% in the previous month and 56.6% and 61.7% in August 2018.

- Despite the slight drop in economic sentiment in industry, **manufacturing expectations based on the Purchasing Managers' Index (PMI) stayed positive in August 2019**. The indicator reached 54.9 points from 54.6 in the previous month, marking 27 consecutive months above 50 points (no-change threshold). All sub-indicators improved, particularly business estimates on production growth and new orders, thus creating expectations for a recovery of manufacturing output in the coming period, after the slowdown recorded in July 2019 (see below).
- **Non- oil manufacturing production fell marginally in July 2019 (-0.3%), after 10 consecutive months of growth and vs an increase of +6.1% in July 2018**. This evolution was mainly due to the decline in food production (-7.6% vs +11.1% in July 2018) and non-metallic minerals (-10.6% vs +2.8% in July 2018). Yet, in the period Jan – Jul 2019, non-oil manufacturing production increased by +3.6%, on top of +3% in Jan – July 2018, with most sectors being on the rise.
- **Exports of goods excluding oil and ships recovered in July 2019**, recording an increase of +9.3% in value and +10.2% in volume after a drop in June (-4.9% in value and -3, 4% by volume). Overall, in the period Jan – Jul 2019 exports of goods excluding oil and ships reached €13.5 bn., increased by +5.1% on top of +12.6% in Jan – Jul 2018. However, imports of goods excluding oil and ships increased faster (+6.5%) over the same period, widening the trade deficit by €781 million (-€10.1 bn. in Jan – Jul 2019 vs -€9.3 bn. in the same period in 2018).
- **The recovery of private building activity slowed down in H1 2019**, as the volume of new building permits fell by -6.9% (vs an increase of +13.3% in H1 2018), despite the rise in the number of new permits by +1.3% (vs -13.3% in H1 2018). This is partly due to the increase in new permits mainly for improvements, which do not affect the volume of construction. This trend has been strengthened by the rise of tourism and the rapid expansion of short-term residential rentals through online applications in the sharing economy. At the same time, the production in construction dropped by -11.9% in H1 2019 (on top of -2.7% in H1 2018).
- **Non-fuel retail sales volume rose by +1.9% in June 2019**, after a drop of -2.5% in the previous two months. Overall in H1 2019, the volume of retail sales, excluding fuel, fell by 1.2%, mainly due to the sales decline in food, beverages and tobacco stores (-3.1%) and department stores (-16%). On the other hand, sales in book, stationery and technology stores (+12.2%) and furniture stores (+4.5%) were on the rise. The weakening of retail sales volume in H1 2019 was reflected in private consumption, which stagnated during the same period, while in the coming months it is expected to rise given the peak of the tourist season and the significant improvement in consumer confidence and business expectations in retail trade in July and August 2019.
- **Tourism receipts rose by +15.3% in H1 2019**, as a result of the increase in average expenditure per trip by +15.9%, while inbound traveler flows fell slightly by -0.5%. Even though the dynamism of tourism is being constrained, these figures indicate a satisfactory tourism performance throughout the year. At the same time, in H1 2019 transport **receipts increased by +7.3 % (on top of +7% in H1 2018) and receipts from other services by +0.7% (vs a reduction of -2.3% in H1 2019)** .
- **Seasonally adjusted unemployment fell marginally to 17% in June 2019**, from 17.1% in the previous month and 19.2% in June 2018. The decline in unemployment has been accelerated throughout this year, following the

Consumer and investment spending is expected to increase, as households and businesses anticipate an increase in disposable income over the coming years. In any case, 2019 will be a year of mixed results, in which the GDP slowdown, already recorded in the 1st half, and its expected increase in the 2nd half, as a result of measures to stimulate economic activity, will coexist.



The Greek economy has the potential to reach high growth rates. In order to achieve this, efforts in the coming years must be focused on the transformation of the Greek economy, particularly with regard to the reconstruction of Greek industry, the development of new skills in line with technological trends and the shift towards a more export-oriented production structure.

seasonal slowdown in the last quarter of 2018. At the same time, according to ERGANI data, net hirings reached 284.9 thousand in the period Jan - Aug 2019 (compared to 281.8 thousand in 2018), of which 251 thousand in tourism. Specifically, in August 2019 net hirings reached 3.1 thousand (compared to -7.7 thousand in August 2018), hitting the highest August level since 2013.

- **Inflation was marginally negative in August 2019 (-0.2%)**, mainly due to the downward trend in goods' prices (-0.8%), while prices in services were on the rise (+0.6%). Overall, in the period Jan – Aug 2019 the consumer price index rose by +0.4%. Among the main categories, price trends are mixed, with communications recording the highest increase (+4.3%). Prices declined in clothing and footwear (-1.0%), furniture and home appliances (-1.8%) and leisure services (-1.6%).
- **Bank credit to businesses kept on expanding for the 8th consecutive month in July 2019 (+2.9%)**, enhancing prospects for improved liquidity in the period ahead. At the same time, **households' deposits increased by €561 mil.**, with their stock outstanding reaching €13.2 bn. vs €110 bn. at the end of 2018.

The above developments are indicative of an anemic recovery thus far, while in the global environment there are mixed trends and new emerging uncertainties. The Greek economy has the potential to reach high growth rates. In order to achieve this, efforts in the coming years must be focused on the transformation of the Greek economy, particularly with regard to the reconstruction of Greek industry, the development of new skills in line with technological trends and the shift towards a more export-oriented production structure.



D01: GDP and components – demand side (ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

YoY % change, 2010 prices, seasonally adjusted	2017	2018	2018 Jan - Jun	2019 Jan - Jun
GDP	1.5%	1.9%	2.1%	1.5%
Final consumption expenditure	0.5%	0.4%	0.3%	0.5%
Private consumption	0.9%	1.1%	1.0%	-0.1%
Public consumption	-0.4%	-2.5%	-2.1%	1.9%
Investment	10.0%	1.8%	-13.8%	7.6%
Fixed investment	9.1%	-12.2%	4.3%	0.7%
Exports	6.8%	8.7%	8.9%	4.8%
Goods	5.7%	8.4%	9.4%	1.8%
Services	8.0%	9.0%	8.4%	9.0%
Imports	7.1%	4.2%	-2.5%	6.7%
Goods	6.7%	2.0%	-5.7%	4.2%
Services	9.0%	14.4%	14.2%	4.6%

D02: Contribution to GDP growth (ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

	2017	2018	2018 Jan - Jun	2019 Jan - Jun
GDP	1.5%	1.9%	2.1%	1.5%
Final consumption expenditure	0.5%	0.3%	0.3%	0.4%
Private consumption	0.6%	0.8%	0.7%	0.0%
Public consumption	-0.1%	-0.5%	-0.5%	0.4%
Investment	1.2%	0.2%	-1.8%	1.8%
Fixed investment	1.1%	-1.6%	0.5%	0.1%
Exports	2.1%	2.8%	2.8%	1.6%
Goods	1.0%	1.5%	1.6%	0.3%
Services	1.1%	1.3%	1.0%	1.1%
Imports	-2.3%	-1.4%	0.9%	-2.3%
Goods	-1.8%	-0.6%	1.8%	-1.2%
Services	-0.5%	-0.8%	-0.8%	-0.3%

D03: Investment by asset type (ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

(values in € mil., 2010 prices, seasonally adjusted)	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total investment (including changes in inventories)	22.449.5	22.846.6	10.789.3	11.605.3
% change	10.0%	1.8%	-13.8	7.6
Total fixed investment	24.255.9	21.291.4	11.095.0	11.169.4
% change	9.1%	-12.2%	4.3%	0.7%
Residential	1.171.7	1.373.3	646.8	731.5
% change	-5.5%	17.2%	8.4%	13.1%
Non-residential	9.445.9	7.286.6	4.162.3	3.041.8
% change	1.2%	-22.9%	21.6%	-26.9%
Cultivated biological resources	98.6	102.3	40.5	39.4
% change	19.3%	3.8%	3.4%	-2.9%
Transport equipment*	4.618.1	2.609.3	1.271.4	1.825.9
% change	50.9%	-43.5%	-51.6%	43.6%
ICT equipment	1.401.3	1.636.9	798.2	806.9
% change	6.6%	16.8%	21.3%	1.1%
Machinery*	4.437.7	5.144.8	2.535.6	2.615.2
% change	6.2%	15.9%	21.9%	3.1%
Other	3.018.6	3.017.0	1.509.7	1.501.1
% change	-1.0%	-0.1%	0.0%	-0.6%
Total excl. transport eq. and non-residential construction	10.191.9	11.395.4	5.661.3	6.301.7
% change	3.5%	11.8%	23.6%	11.3%

* Including investment in weapons.



D04: GDP and components – supply side

(ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

YoY % change, 2010 prices, seasonally adjusted	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total Gross Value Added	2.0%	1.8%	2.1%	0.9%
Agriculture	10.0%	2.9%	5.7%	-1.8%
Industry	3.6%	1.8%	1.5%	0.6%
Manufacturing	3.0%	2.0%	1.7%	1.3%
Construction	0.4%	7.9%	7.1%	34.5%
Wholesale and retail trade, tourism, transportation	4.1%	4.3%	4.2%	3.2%
Information and communication	-1.3%	0.3%	-0.7%	0.0%
Financial and insurance activities	-6.6%	-10.0%	-9.3%	-10.1%
Real estate activities	2.3%	0.2%	0.2%	0.2%
Professional, scientific and technical activities	3.2%	5.4%	6.3%	3.2%
Public administration, defence, education, human health	-0.9%	0.7%	1.8%	-1.3%
Arts, entertainment and recreation	0.5%	2.0%	6.7%	-0.6%

D05: Contribution to Gross Value Added growth

(ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total Gross Value Added	2.0%	1.8%	2.1%	0.9%
Agriculture	0.4%	0.1%	0.2%	-0.1%
Industry	0.4%	0.2%	0.2%	0.1%
Manufacturing	0.3%	0.2%	0.1%	0.1%
Construction	0.0%	0.2%	0.2%	1.0%
Wholesale and retail trade, tourism, transportation	0.9%	0.9%	0.9%	0.7%
Information and communication	0.0%	0.0%	0.0%	0.0%
Financial and insurance activities	-0.3%	-0.4%	-0.4%	-0.4%
Real estate activities	0.5%	0.0%	0.0%	0.0%
Professional, scientific and technical activities	0.1%	0.3%	0.3%	0.2%
Public administration, defence, education, human health	-0.2%	0.2%	0.4%	-0.3%
Arts, entertainment and recreation	0.0%	0.1%	0.3%	0.0%

Note: Any discrepancies are due to sectoral deflators.

D06: Gross Value Added per hour

(ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

YoY % change, 2010 prices, seasonally adjusted	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total	2.1%	1.1%	0.7%	-0.9%
Agriculture	10.4%	3.3%	1.5%	2.2%
Industry	3.0%	0.8%	3.1%	-2.9%
Manufacturing	2.4%	1.0%	4.0%	-2.9%
Construction	-0.3%	7.6%	1.4%	33.4%
Wholesale and retail trade, tourism, transportation	4.2%	2.9%	4.4%	0.5%
Information and communication	-3.5%	-1.8%	-3.0%	-9.0%
Financial and insurance activities	-6.9%	-10.2%	-2.9%	-6.5%
Real estate activities	3.7%	1.7%	-12.2%	3.9%
Professional, scientific and technical activities	3.7%	4.4%	3.5%	1.1%
Public administration, defence, education, human health	-0.1%	1.2%	-1.5%	-4.8%
Arts, entertainment and recreation	0.8%	0.6%	4.8%	1.4%



D07: Employee compensation per hour (ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

YoY % change, current prices, seasonally adjusted	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total	2.6%	3.0%	1.1%	1.2%
Agriculture	0.5%	4.1%	-2.0%	10.7%
Industry	0.8%	2.0%	3.2%	0.2%
Manufacturing	2.9%	1.8%	3.5%	1.1%
Construction	-6.5%	1.7%	-4.4%	2.2%
Wholesale and retail trade, tourism, transportation	7.4%	3.2%	2.0%	1.7%
Information and communication	1.7%	8.3%	2.6%	5.4%
Financial and insurance activities	4.5%	-5.0%	-1.5%	1.6%
Real estate activities	7.7%	22.9%	-11.1%	13.0%
Professional, scientific and technical activities	0.5%	1.3%	2.2%	3.2%
Public administration, defence, education, human health	0.5%	4.2%	1.3%	-0.2%
Arts, entertainment and recreation	2.7%	5.2%	-0.9%	3.8%

Δ08: Employment (hours) (ELSTAT, Eurostat, Quarterly National Accounts, Q2 2019)

Total employment

YoY % change, seasonally adjusted	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total	-0.1%	0.7%	1.4%	1.8%
Agriculture	-0.4%	-0.3%	4.1%	-3.9%
Industry	0.6%	1.0%	-1.5%	3.6%
Manufacturing	0.6%	0.9%	-2.2%	4.2%
Construction	0.7%	0.4%	5.7%	0.9%
Wholesale and retail trade, tourism, transportation	-0.1%	1.3%	-0.1%	2.7%
Information and communication	2.3%	2.2%	2.3%	10.0%
Financial and insurance activities	0.2%	0.2%	-6.6%	-3.8%
Real estate activities	-1.4%	-1.5%	14.0%	-3.6%
Professional, scientific and technical activities	-0.4%	1.0%	2.7%	2.1%
Public administration, defence, education, human health	-0.4%	-0.4%	3.3%	3.8%
Arts, entertainment and recreation	-0.7%	1.4%	1.8%	-2.0%

Employees

YoY % change, seasonally adjusted	2017	2018	2018 Jan - Jun	2019 Jan - Jun
Total	-0.3%	0.6%	2.2%	3.3%
Agriculture	-2.3%	-1.6%	3.0%	-1.1%
Industry	1.0%	1.0%	0.2%	4.1%
Manufacturing	1.0%	0.9%	-0.4%	5.1%
Construction	-0.8%	-1.5%	1.6%	2.4%
Wholesale and retail trade, tourism, transportation	-0.4%	1.4%	1.7%	5.7%
Information and communication	1.7%	2.5%	4.8%	7.9%
Financial and insurance activities	0.1%	-0.1%	-5.0%	-3.9%
Real estate activities	-3.9%	-5.5%	29.6%	3.5%
Professional, scientific and technical activities	1.2%	1.9%	0.9%	2.5%
Public administration, defence, education, human health	-0.5%	-0.4%	2.6%	3.8%
Arts, entertainment and recreation	-2.0%	0.8%	8.3%	-5.2%



Main indicators

Economic sentiment

	2016	2017	2018	2019		
	Average	Average	Average	June	July	Aug
Economic climate	91.8	96.6	102.1	101.0	105.3	108.4
Consumer confidence	-62.9	-58.9	-44.0	-27.8	-20.2	-8.2
% stating that their own economic situation will get worse	72%	67%	55%	38%	32%	16%
% stating that the country's economic situation will get worse	79%	74%	59%	41%	29%	16%
% stating that unemployment will rise	77%	68%	50%	42%	35%	22%
% stating that they are unlikely to save	90%	91%	87%	83%	81%	76%

Employment, Unemployment, prices, wages

	2017	2018	2019	Period
Employment (persons, change year-to-date, seasonally adjusted)	+115,700	+97,500	+87,700	Jan – Jun
Employment (persons, change during month, seasonally adjusted)	+10,400	+13,900	+5,700	Jun
Registered unemployed seeking job (change year-to-date)	-80,003	-52,027	-42,139	Jan – Jul
Registered unemployed seeking job (change during month)	+8,341	+22,623	+35,241	Jul
Net hirings (year-to-date)	+248,743	+281,813	+284,886	Jan – Aug
Net hirings (current month)	-14,402	-7,748	+3,111	Aug
Unemployment rate (seasonally adjusted)	21.3%	19.2%	17.0%	Jun
Year to date average rate (seasonally adjusted)	22.1%	20.0%	17.8%	Jan – Jun
Consumer Price Index	0.9%	1.0%	-0.2%	Aug
Change Year to date	1.2%	0.4%	0.4%	Jan – Aug
Labour productivity per hour (2010 = 100)	92.4	92.6	92.9	Q2
Year to date average	92.6	93.2	93.0	Jan – Jun
Competitiveness (real effective exchange rate, 2010 = 100)*	81.7	83.2	82.6	Q2
Year to date average	81.6	83.2	82.6	Jan – Jun

GDP

(seasonally adjusted, at constant prices, yoy % change)

	2017	2018	2019		
			Q1	Q2	Jan - Jun
GDP	1.5%	1.9%	1.1%	1.9%	1.5%
Domestic demand	1.6%	0.4%	1.7%	0.7%	1.2%
Private consumption	0.9%	1.1%	0.5%	-0.7%	-0.1%
Public consumption	-0.4%	-2.5%	-1.4%	5.3%	1.9%
Investment (including inventory change)	10.0%	1.8%	14.5%	1.1%	7.6%
Fixed investment	9.1%	-12.2%	8.3%	-5.8%	0.7%
Residential construction	-5.5%	17.2%	6.7%	19.5%	13.1%
Non – residential construction	1.2%	-22.9%	-2.5%	-45.5%	-26.9%
Machinery and equipment (incl. weapons)	6.2%	15.9%	3.3%	3.0%	3.1%
Transport equipment (incl. weapons)	50.9%	-43.5%	20.3%	73.6%	43.6%
Exports of goods and services	6.8%	8.7%	4.3%	5.4%	4.8%
Exports of goods	5.7%	8.4%	-0.4%	4.0%	1.8%
Exports of services	8.0%	9.0%	9.1%	6.9%	8.0%
Imports of goods and services	7.1%	4.2%	9.8%	3.7%	6.7%
Imports of goods	6.7%	2.0%	10.1%	3.9%	6.9%
Imports of services	9.0%	14.4%	6.3%	2.8%	4.5%

Short term conjunctural indicators

(yoy % change)

	2017 (full-year)	2018 (full-year)	2019	Period	2019	Period
Industrial production	3.9%	1.6%	0.8%	Jan – Jul	-2.1%	Jul
Manufacturing (excluding oil)	2.6%	2.6%	3.6%	Jan – Jul	-0.3%	Jul
Production in construction	-14.6%	0.8%	-11.9%	Jan – Jun	-5.8%	Q2
Building	-10.2%	17.7%	-12.0%	Jan – Jun	-9.3%	Q2
Non – building	-17.9%	-13.1%	-11.7%	Jan – Jun	-1.7%	Q2
Private building activity – building permits (volume in m³)	19.4%	21.3%	-6.9%	Jan – Jun	1.1	Jun
Retail sales (volume)	1.2%	1.5%	-0.7%	Jan – Jun	2.3%	Jun
Excluding automotive fuel	1.3%	1.7%	-1.2%	Jan – Jun	1.9%	Jun
New vehicle licenses	20.8%	22.6%	12.0%	Jan – Aug	20.2%	Aug
Exports of goods excl. Oil & ships (ELSTAT, current prices)	7.2%	10.5%	5.1%	Jan – Jul	9.3%	Jul
Exports of goods excl. Oil & ships, volume***	3.7%	9.1%	5.3%	Jan – Jul	10.2%	Jul
Imports of goods excl. oil & ships (ELSTAT, current prices)	7.8%	8.4%	6.5%	Jan – Jul	6.2%	Jul
Imports of goods excl. oil & ships, volume***	7.9%	8.7%	2.9%	Jan – Jul	2.4%	Jul
Tourism – receipts	10.8%	10.1%	15.3%	Jan – Jun	16.4%	Jun
Transportation – receipts	16.9%	14.9%	7.3%	Jan – Jun	0.5%	Jun
Other services* – receipts	13.8%	-2.5%	0.7%	Jan – Jun	-11.2%	Jun
Inbound travelers (excl. cruises)	9.7%	10.8%	-0.5%	Jan – Jun	0.0%	Jun

* deflator: unit labour costs in the total economy - 37 trading partners - industrial countries, fall = competitiveness improvement

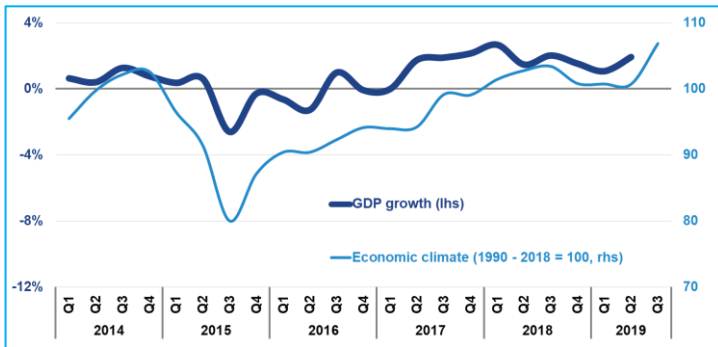
** includes construction business activity abroad, software and technology exports, etc

*** SEV estimation

Source: IOBE, ELSTAT, Bank of Greece, Ministry of Labour and Social Solidarity, DG ECFIN, European Commission

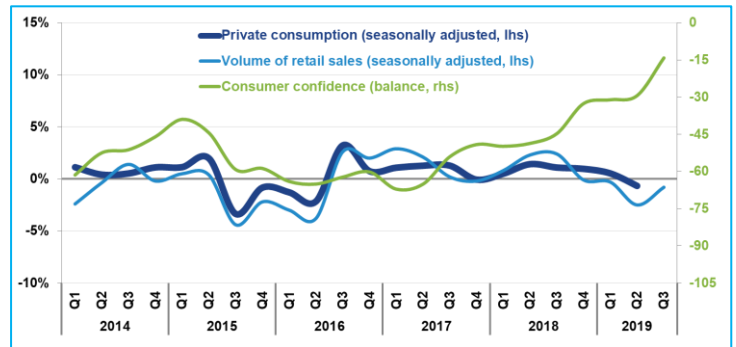


Economic climate



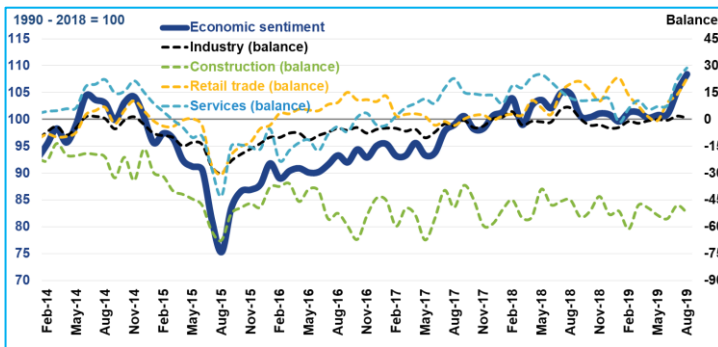
GDP AND ECONOMIC CLIMATE

(ELSTAT, Q2 2019, IOBE-DG ECFIN, Aug. 2019)



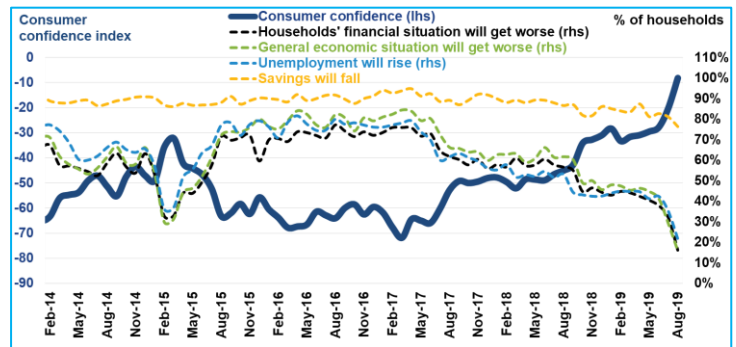
PRIVATE CONSUMPTION, RETAIL SALES, CONSUMER CONFIDENCE

(ELSTAT, Q2 2019, IOBE-DG ECFIN, Aug. 2019)



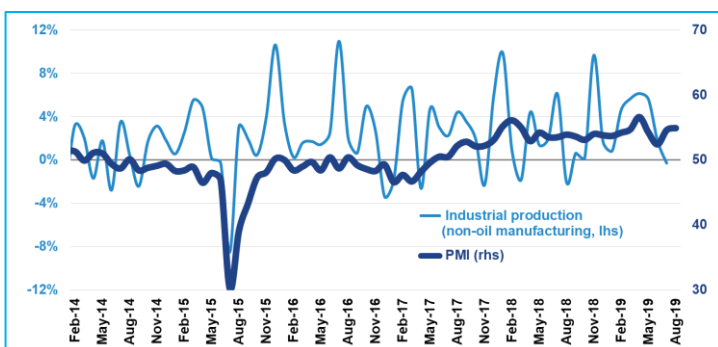
ECONOMIC CLIMATE AND BUSINESS EXPECTATIONS

(IOBE-DG ECFIN, Aug. 2019)



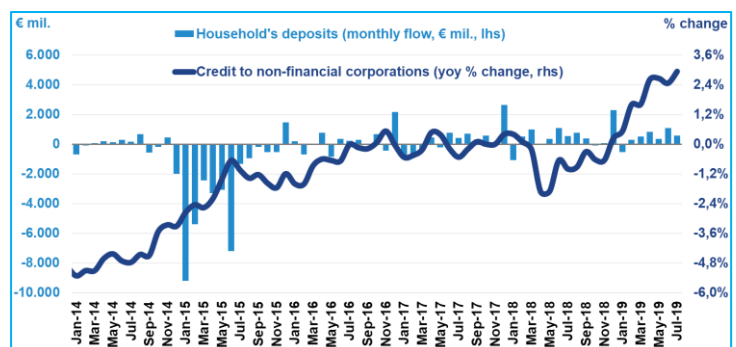
CONSUMER CONFIDENCE

(IOBE-DG ECFIN, Aug. 2019)



PURCHASING MANAGERS' INDEX (PMI)

(Markit, Aug. 2019)

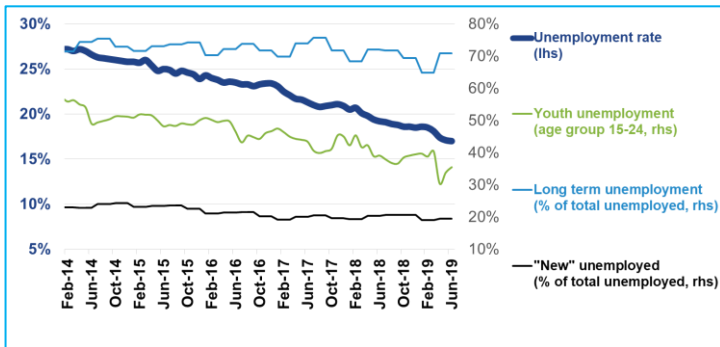


CREDIT TO BUSINESSES AND HOUSEHOLDS DEPOSITS

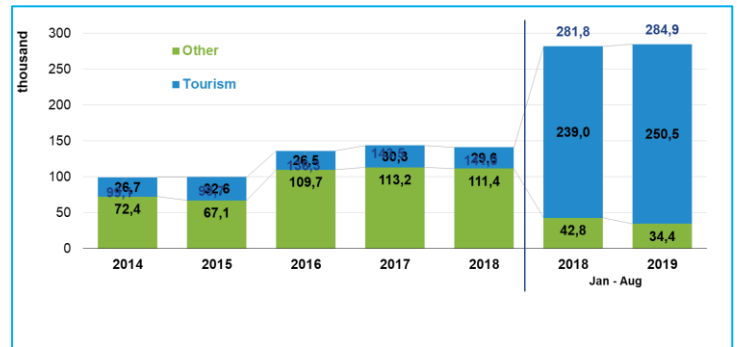
(Bank of Greece, July 2019)



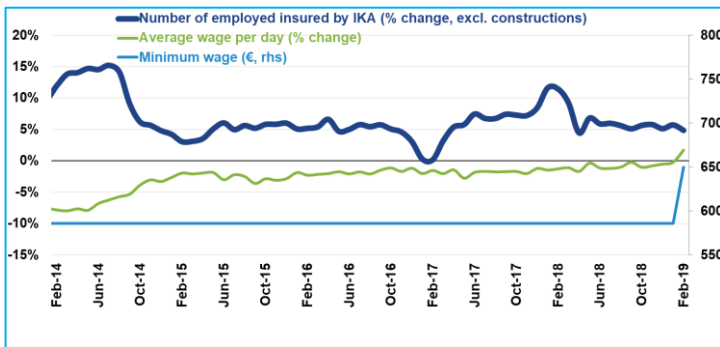
Employment, prices, wages



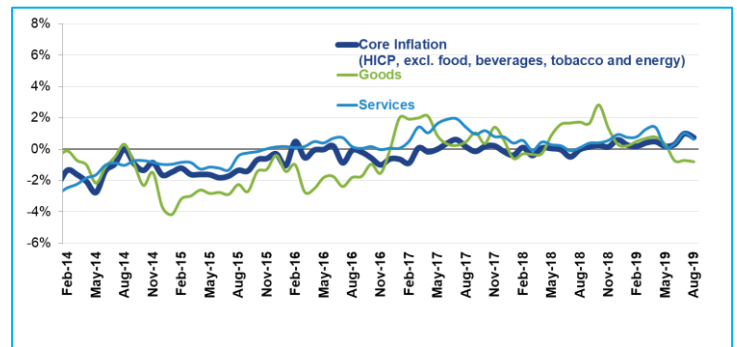
UNEMPLOYMENT RATE (SEASONALLY ADJUSTED)
(ELSTAT, June 2019)



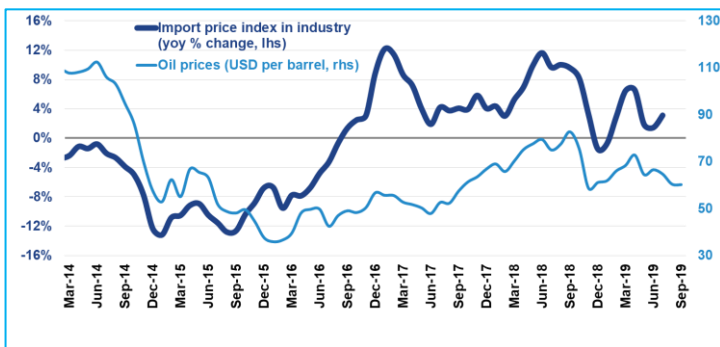
NET HIRINGS
(ERGANI, Aug. 2019)



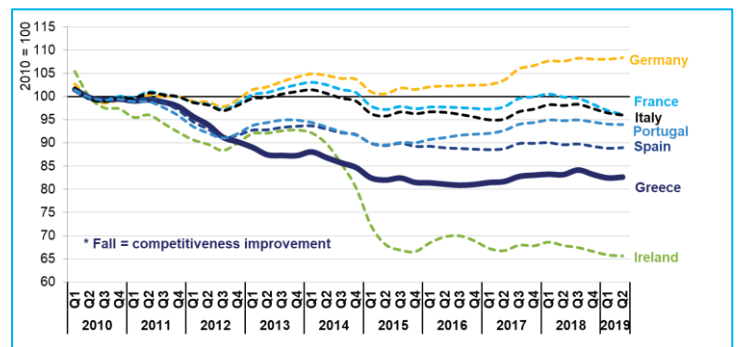
NUMBER OF EMPLOYED INSURED BY IKA AND AVERAGE WAGE
(Yoy % change, EFKA, Feb. 2019)



GOODS AND SERVICES INFLATION, CORE INFLATION
(ELSTAT, Aug. 2019)



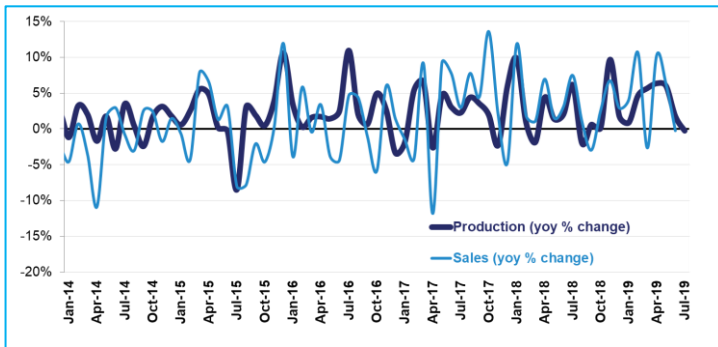
IMPORT PRICE INDEX IN INDUSTRY AND OIL PRICES
(ELSTAT, July 2019, Bloomberg, 13 Sep. 2019)



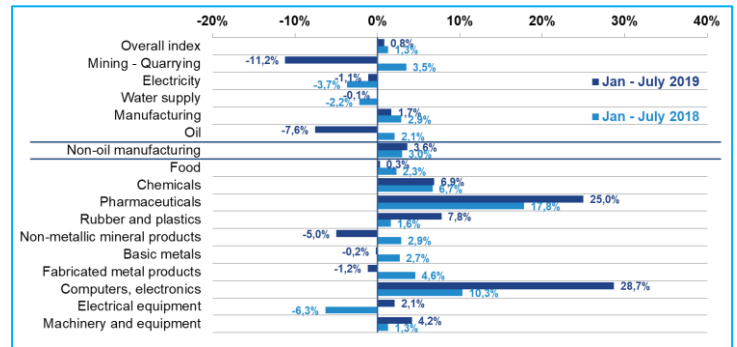
PRICE AND COST COMPETITIVENESS: REAL EFFECTIVE EXCHANGE RATE
(Eurostat, Q2 2019)



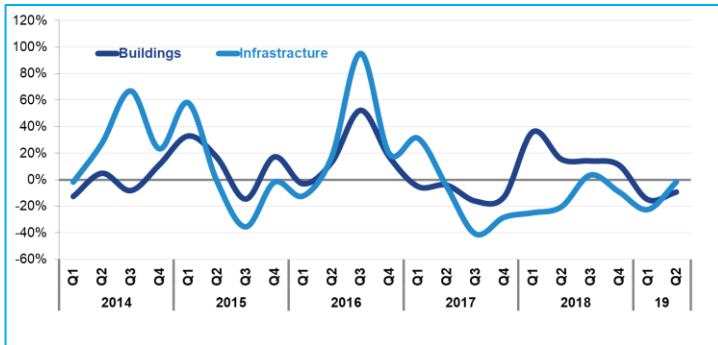
Industry, trade, services



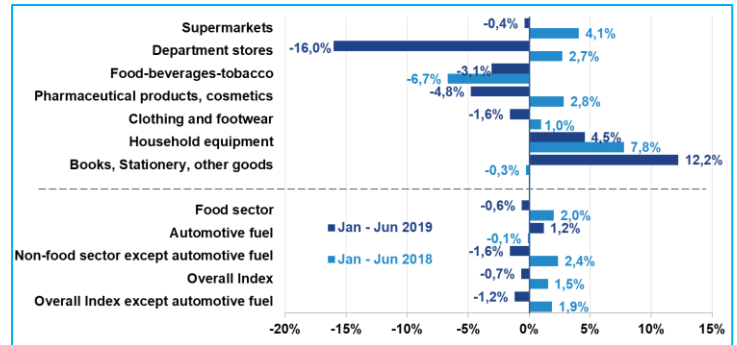
PRODUCTION AND TURNOVER IN NON-OIL MANUFACTURING
(ELSTAT, July 2019)



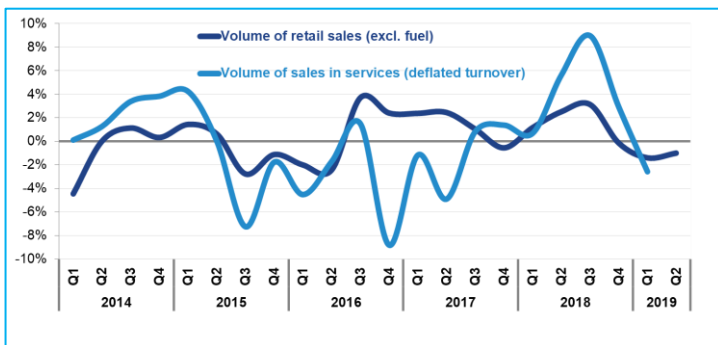
INDUSTRIAL PRODUCTION BY SECTOR
(ELSTAT, July 2019)



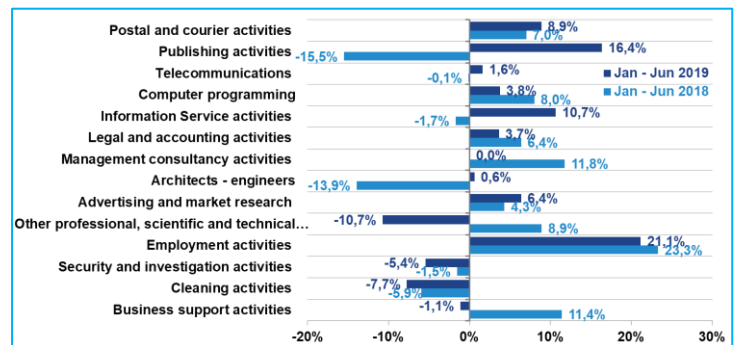
VOLUME OF PRODUCTION IN CONSTRUCTION
(Yoy % change, ELSTAT, Q2 2019)



VOLUME OF RETAIL SALES
(% change by store category, ELSTAT, June 2019)



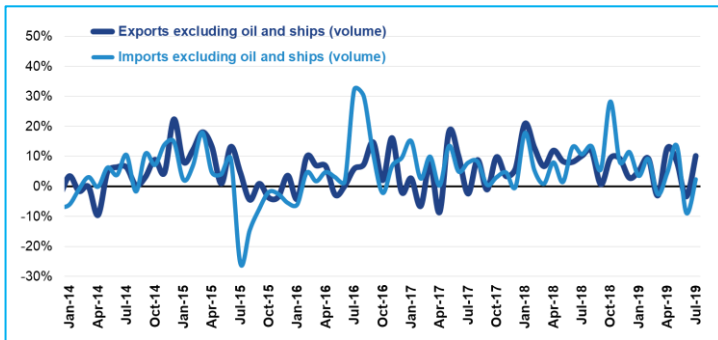
VOLUME OF RETAIL AND SERVICES SALES
(ELSTAT, Eurostat, Q1 2019, ELSTAT, June 2019)



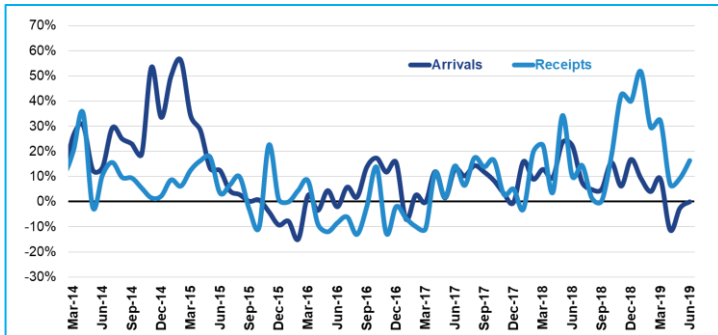
TURNOVER INDICES IN SERVICES
(ELSTAT, Q2 2019)



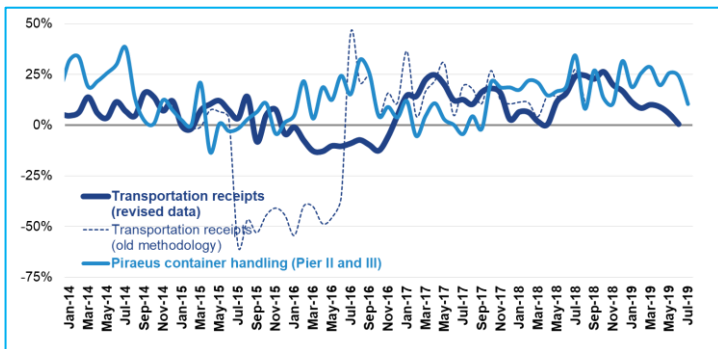
Exports, tourism



VOLUME OF NON-OIL EXPORTS AND NON-OIL IMPORTS OF GOODS
(ELSTAT, July 2019)



TOURIST ARRIVALS AND RECEIPTS
(Bank of Greece, June 2019)

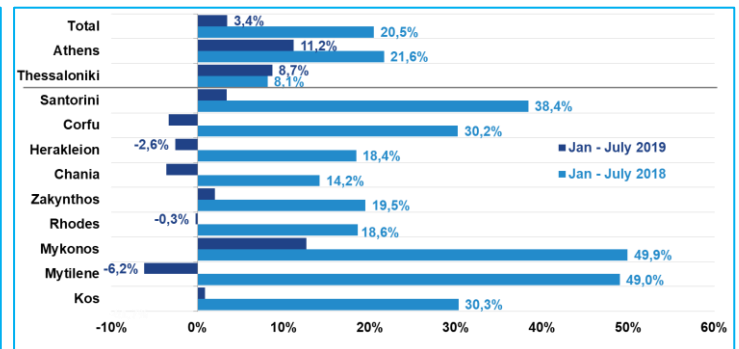


TRANSPORTATION RECEIPTS
(BoG, June 2019, Piraeus container handling: COSCO, July 2019)

Group of products	Jan – July		%Δ
	(€ mil.)		
	2018	2019	
Agricultural products	3,624.6	3,508.8	-3.2%
Food	2,743.2	2,818.0	2.7%
Beverages / Tobacco	418.5	448.6	7.2%
Animal and vegetable oil	462.9	242.2	-47.7%
Crude Materials	746.2	847.3	13.6%
Mineral Fuels	6,464.7	6,449.3	-0.2%
Industrial products	8,240.6	8,933.3	8.4%
Chemicals	2,053.5	2,397.4	16.7%
Goods classified by material	3,128.1	3,112.8	-0.5%
Machinery & transport equipment	1,774.4	1,813.1	2.2%
Misc. manufactured articles	1,284.7	1,610.0	25.3%
Not classified commodities	350.0	268.1	-23.4%
Total	19,426.0	20,006.8	3.0%
Total excl. Oil	12,961.3	13,557.5	4.6%

Memo item:	Jan – June		%Δ
	2018	2019	
Manufactured products	19,976,9	20,078,0	0,5%
of which: Food / Beverages	1,847,9	1,671,4	-9,6%
Crude materials & primary products	1,711,7	1,759,3	2,8%
of which: Agricultural products	1,011,4	1,000,3	-1,1%
Total excl. Oil	21,688,6	21,837,3	0,7%
Oil	5,272,0	5,127,1	-2,7%
Total	26,960,6	26,964,4	0,0%

EXPORTS BY PRODUCT
(ELSTAT, Eurostat, July 2019)



INTERNATIONAL ARRIVALS AT MAIN AIRPORTS
(SETE, July 2019)



SEV Members Financial Data

ASSETS
€325 bn
69% of total*



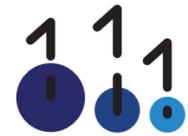
EQUITY
€61 bn
51% of total*



TURNOVER
€66 bn
46% of total*



PROFITS BEFORE TAXES
€4.0 bn**
41% of total**



EMPLOYEES
197,000
10% employees insured by EFKA



WAGES
€4.9 bn
18% of total***



SOCIAL SECURITY CONTRIBUTIONS
€2.1 bn
23% of total***



TAXES ON PROFITS
€1.1 bn
27% of total****



* 21,075 financial statements for fiscal year 2017 included in ICAP database

** sum of reported profits

*** % of total regular earnings (excluding bonuses and overtime)/social security contributions of employees insured by EFKA

**** % of total revenues from corporate income tax

Source: ICAP, Hellastat, Ministry of Finance, EFKA, ELSTAT



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