

The Greek economy, global trade and investment prospects

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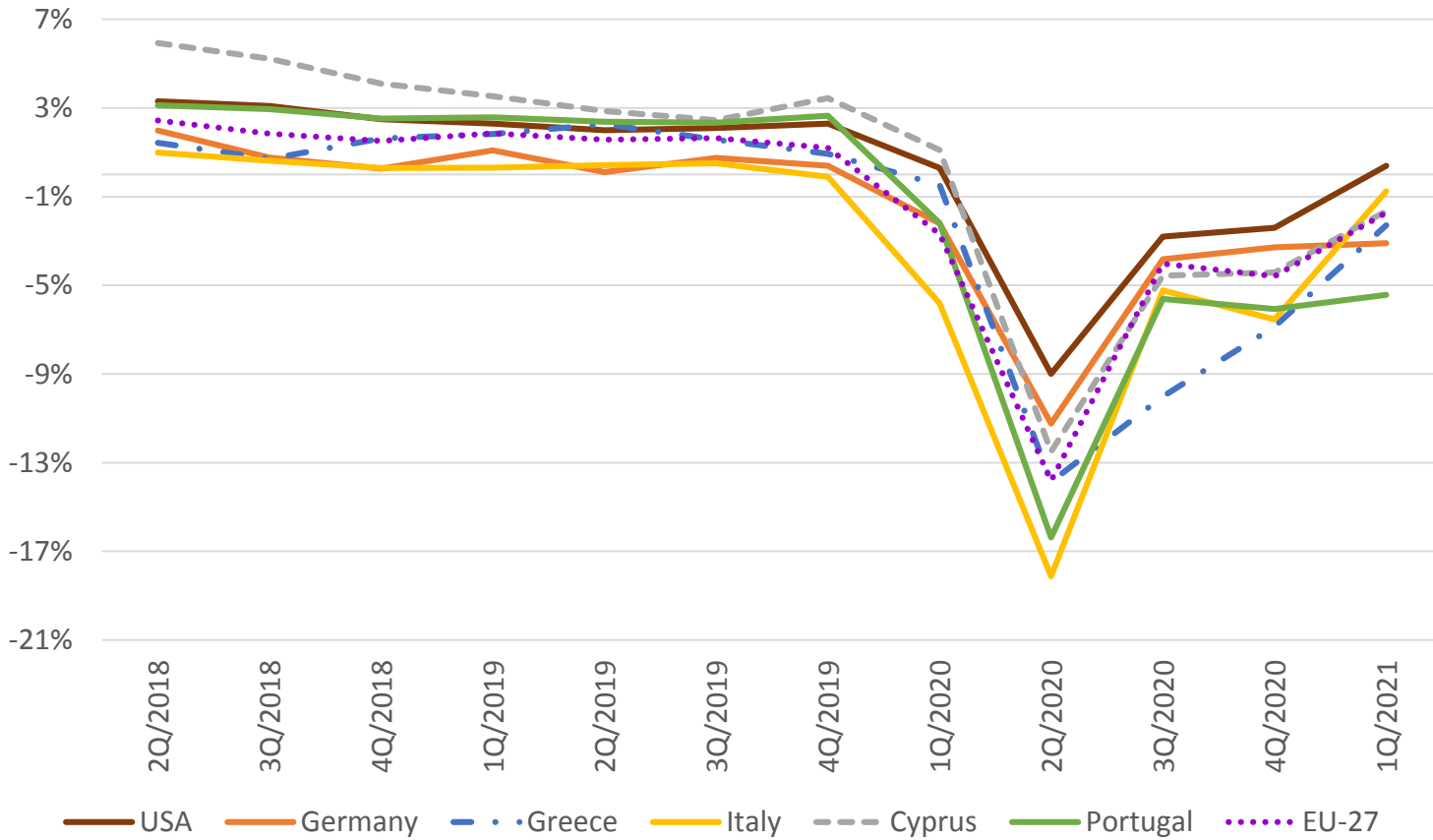
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Athens, 30 June 2021

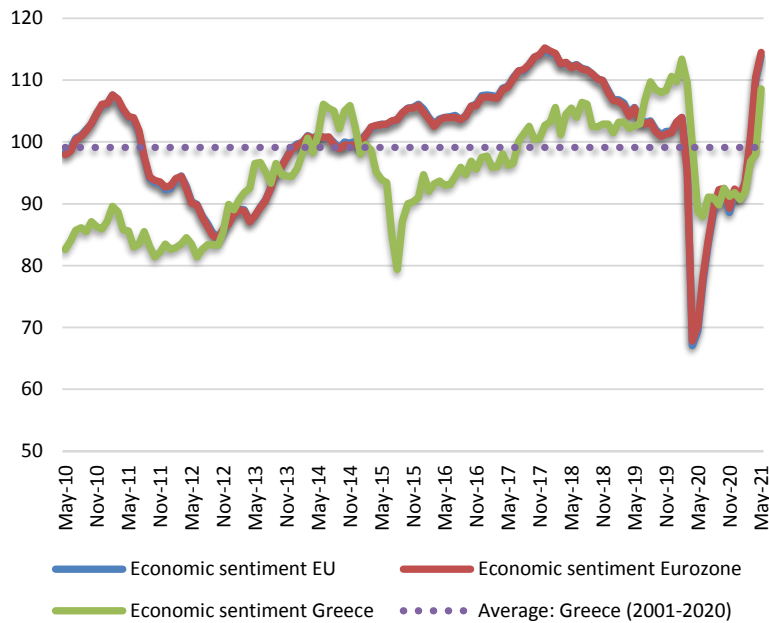
Covid-19 effect: significant weakening of the recession in Greece in Q1 2021 (-2.3%), with stronger investment. Compared to drop in the EU of -1.7%.



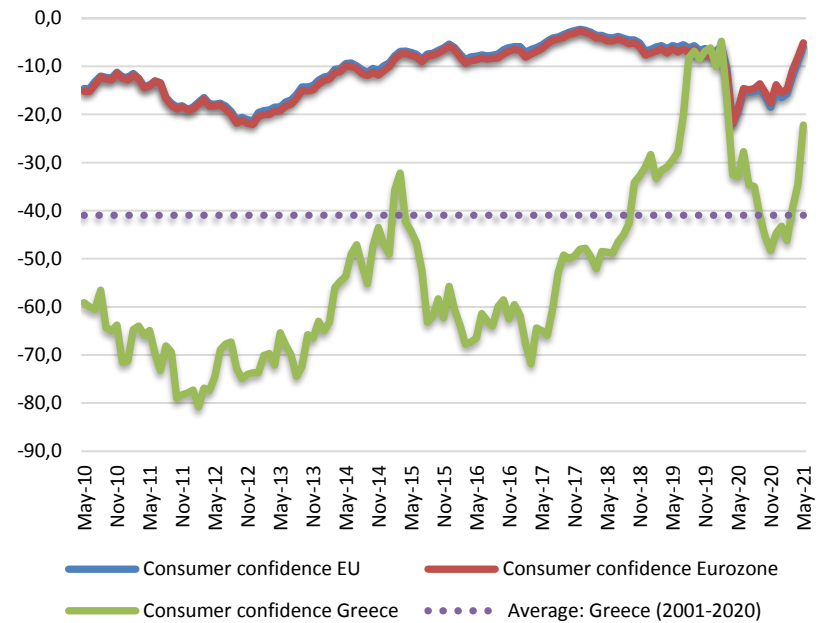
Sources: Eurostat, ELSTAT

Significant improvement of economic climate and strengthening of consumer confidence

Strong rise of the economic sentiment index at the pre-pandemic level



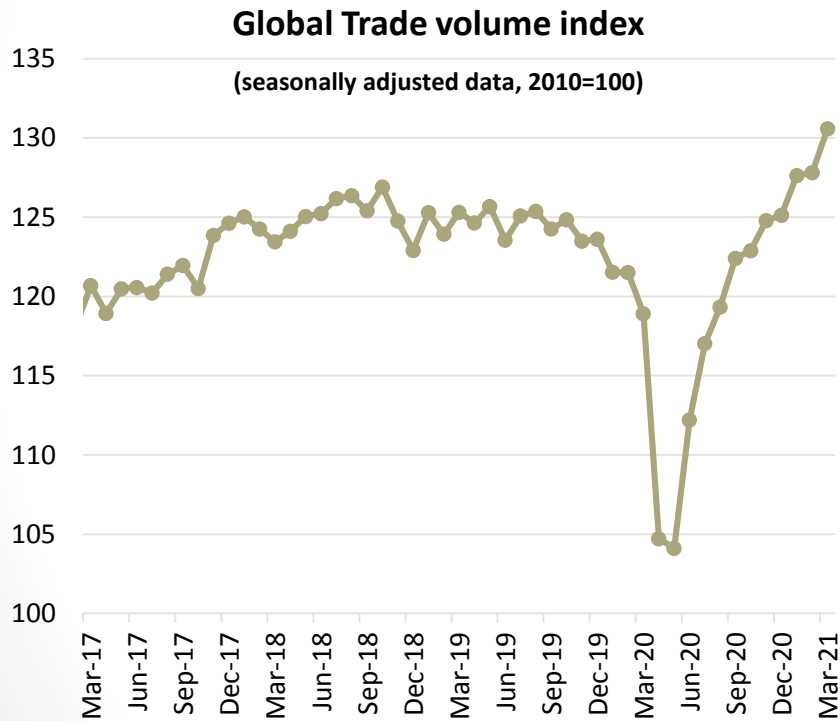
Enhancement of consumer confidence at the maximum level of the last 14 months



Sources: European Commission, IOBE

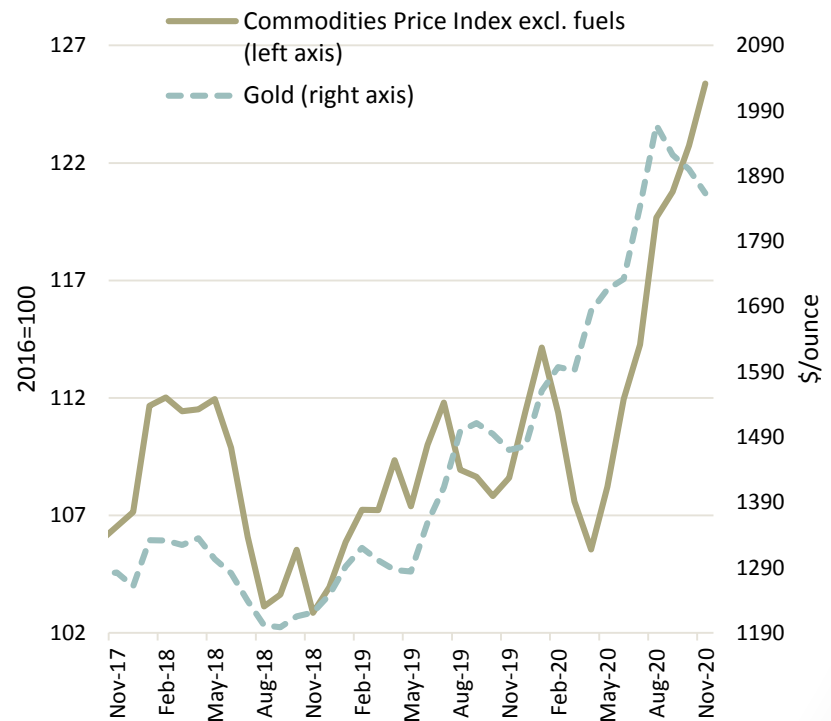
Global economic trade and commodities prices on a strong upward trend

- Global Trade Volume at an all-time high level (since 2000)



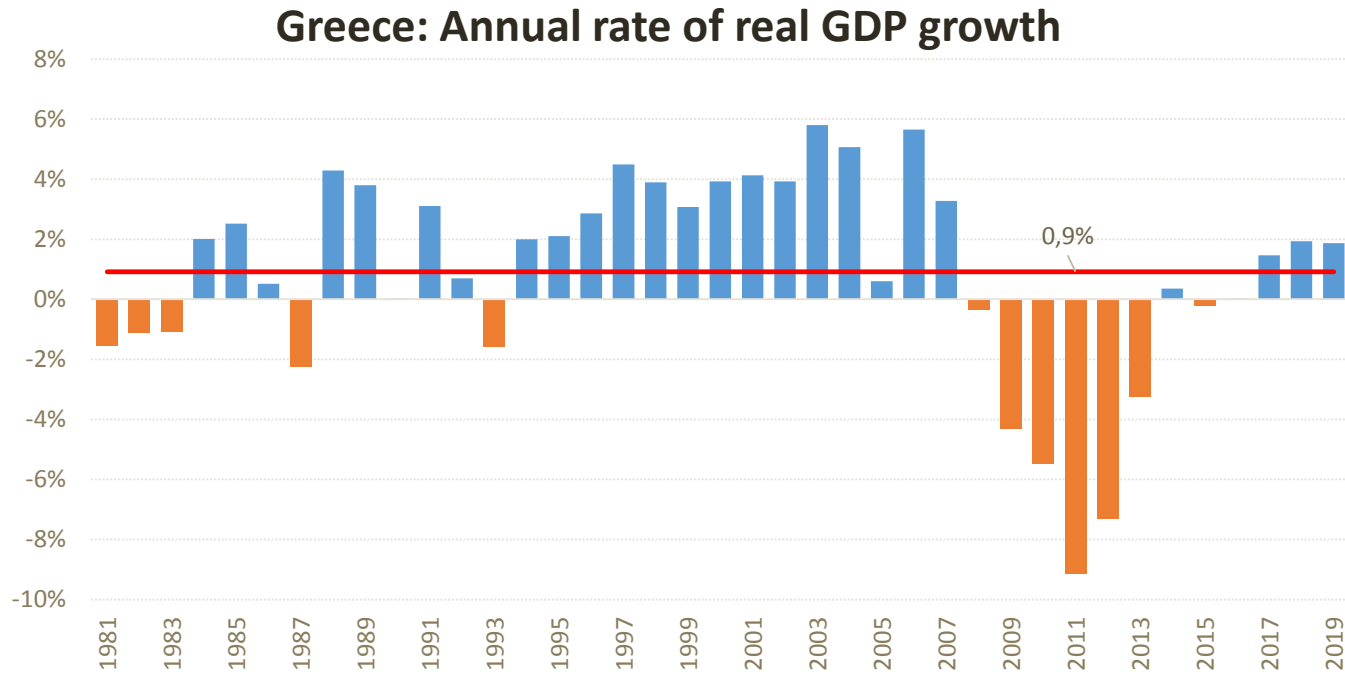
Source: CPB Netherlands Bureau for Economic Policy Analysis

- Continuous, significant increase of commodities prices



Source: IMF, Commodity data portal,

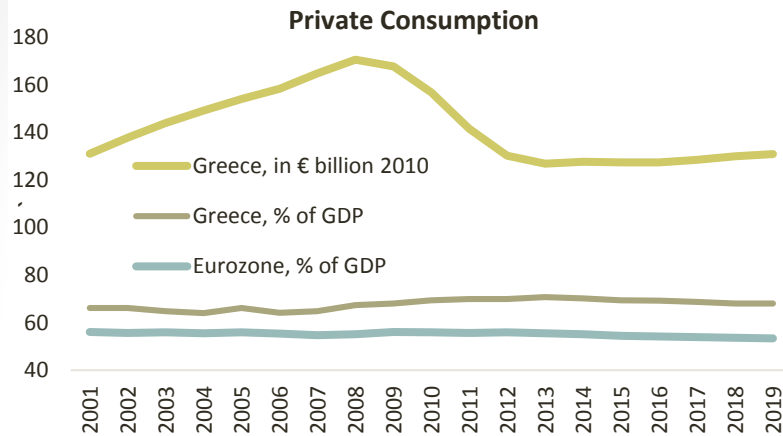
Long term growth dynamics and prospects



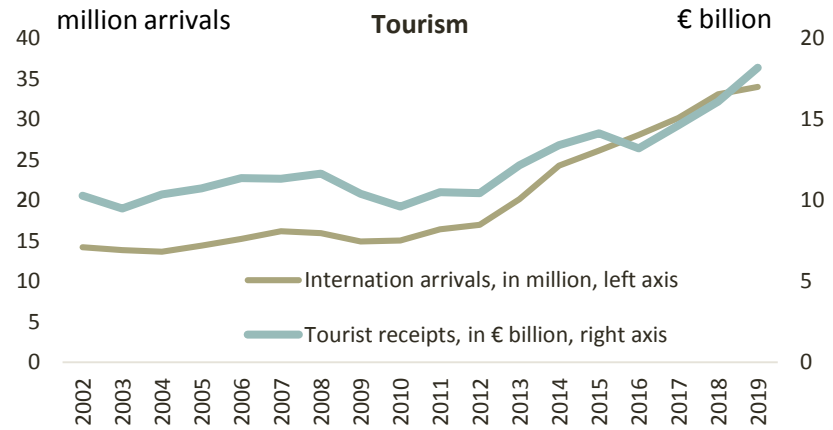
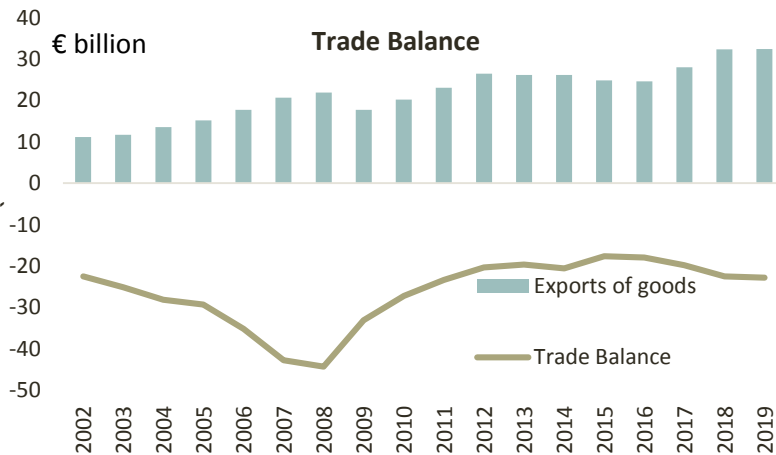
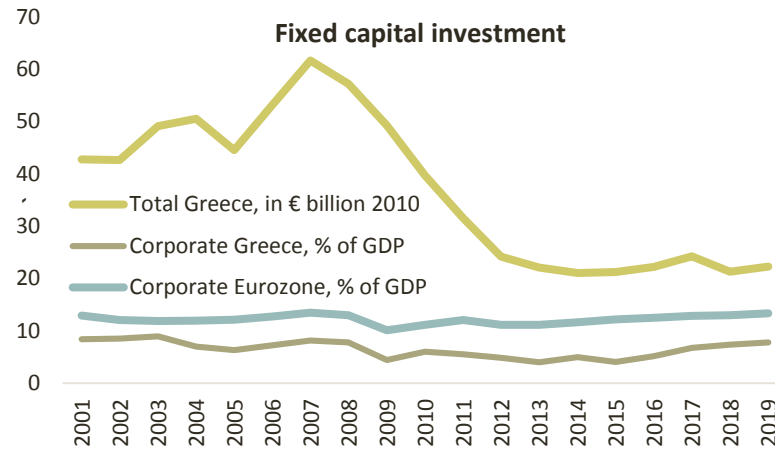
Sources: Eurostat, Ameco

Challenges and improvement in the Greek economy since 2001

- Private consumption still constitutes a significant share of GDP, higher than the Eurozone average



- Fixed corporate investment has systematically been below the Eurozone average as a percentage of GDP



- The value of goods exports has more than tripled in two decades, but the trade balance remains in deficit

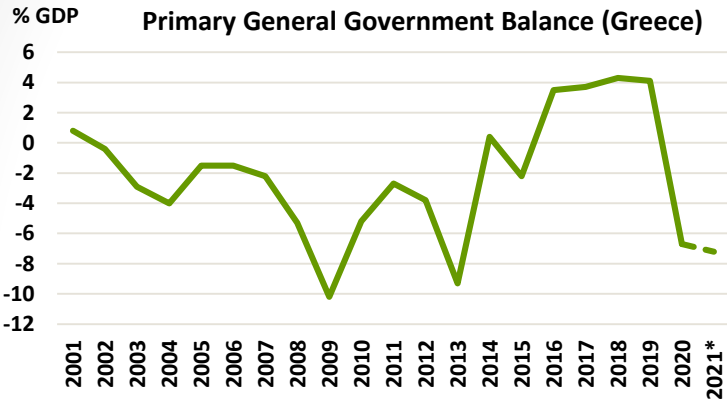
- Revenues from tourism have more than doubled in the last decade, significantly easing the effects of the crisis

Sources: ELSTAT, Eurostat, Bank of Greece

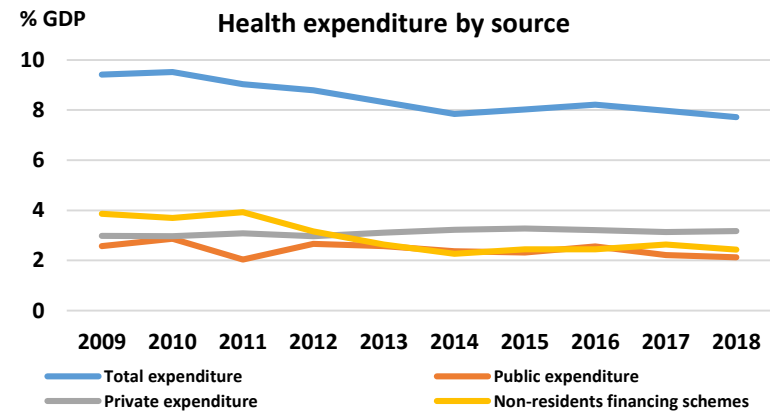
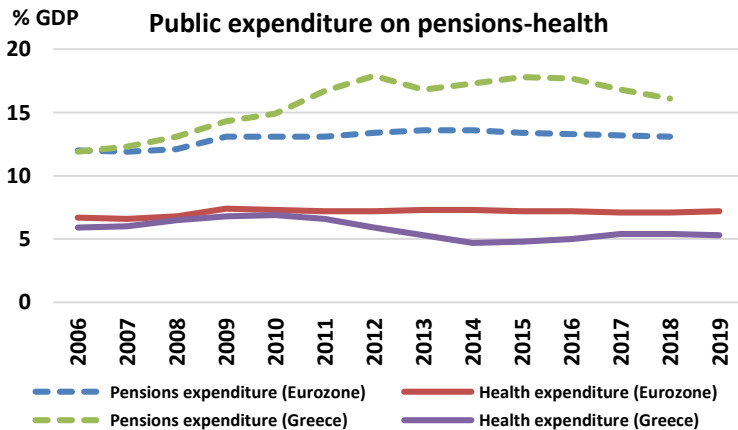
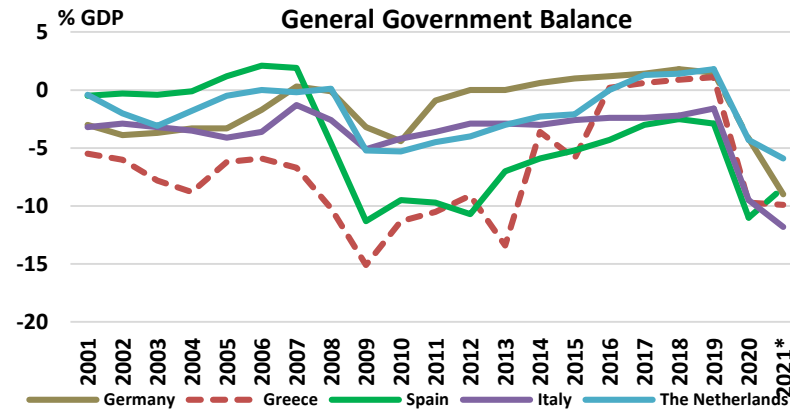
Convergence to the "core" of the Eurozone, regarding fiscal balance.

Systematically high pension expenditures, low health expenditures.

- Fiscal adjustment was effective, but with disproportionate weight between revenue and expenditure



- Since 2017, Greece has been at the average of Eurozone's "core", in terms of the General Government Balance



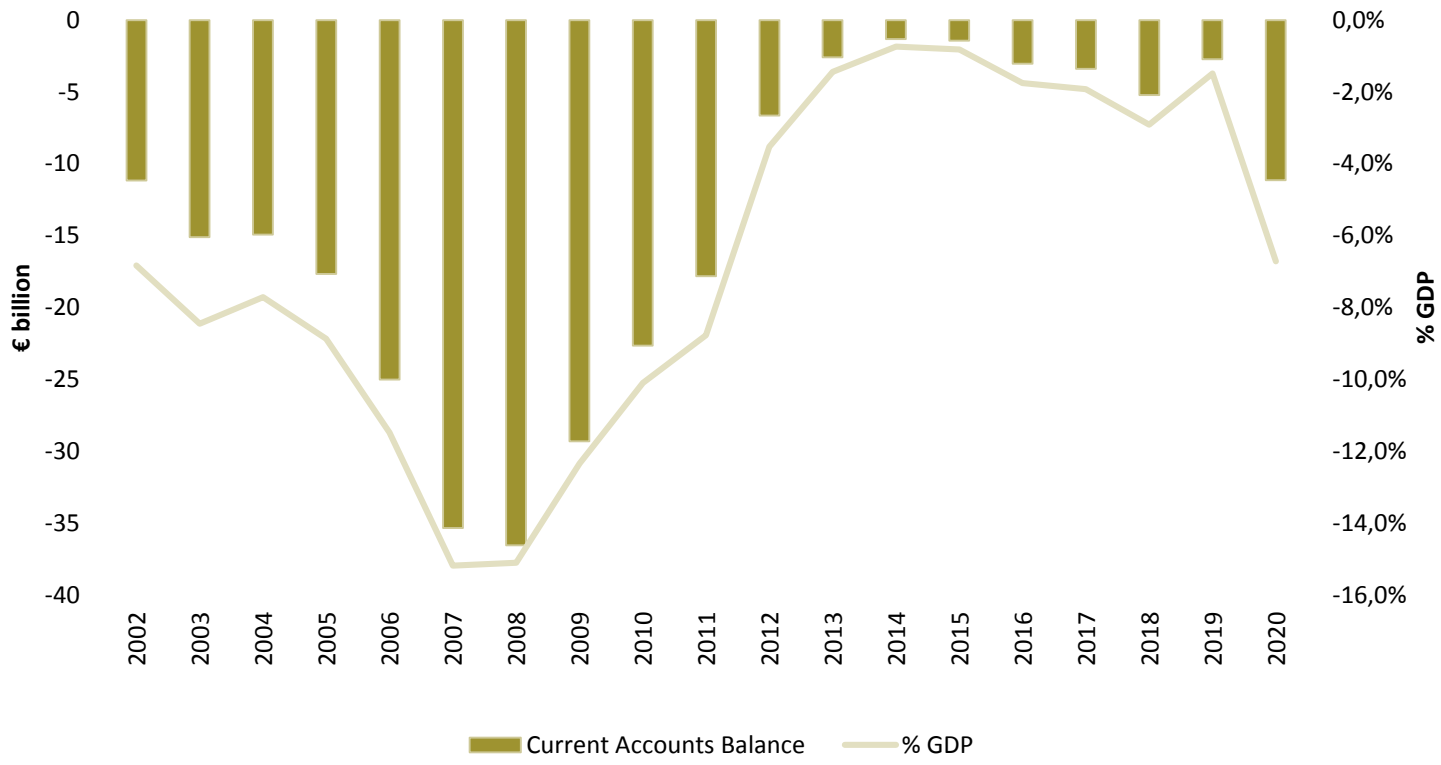
- Higher pension spending over time compared to Eurozone and lower health spending, as % of GDP

- Public health spending determines the trend of total health spending

* Forecasts: Stability Programme 2021

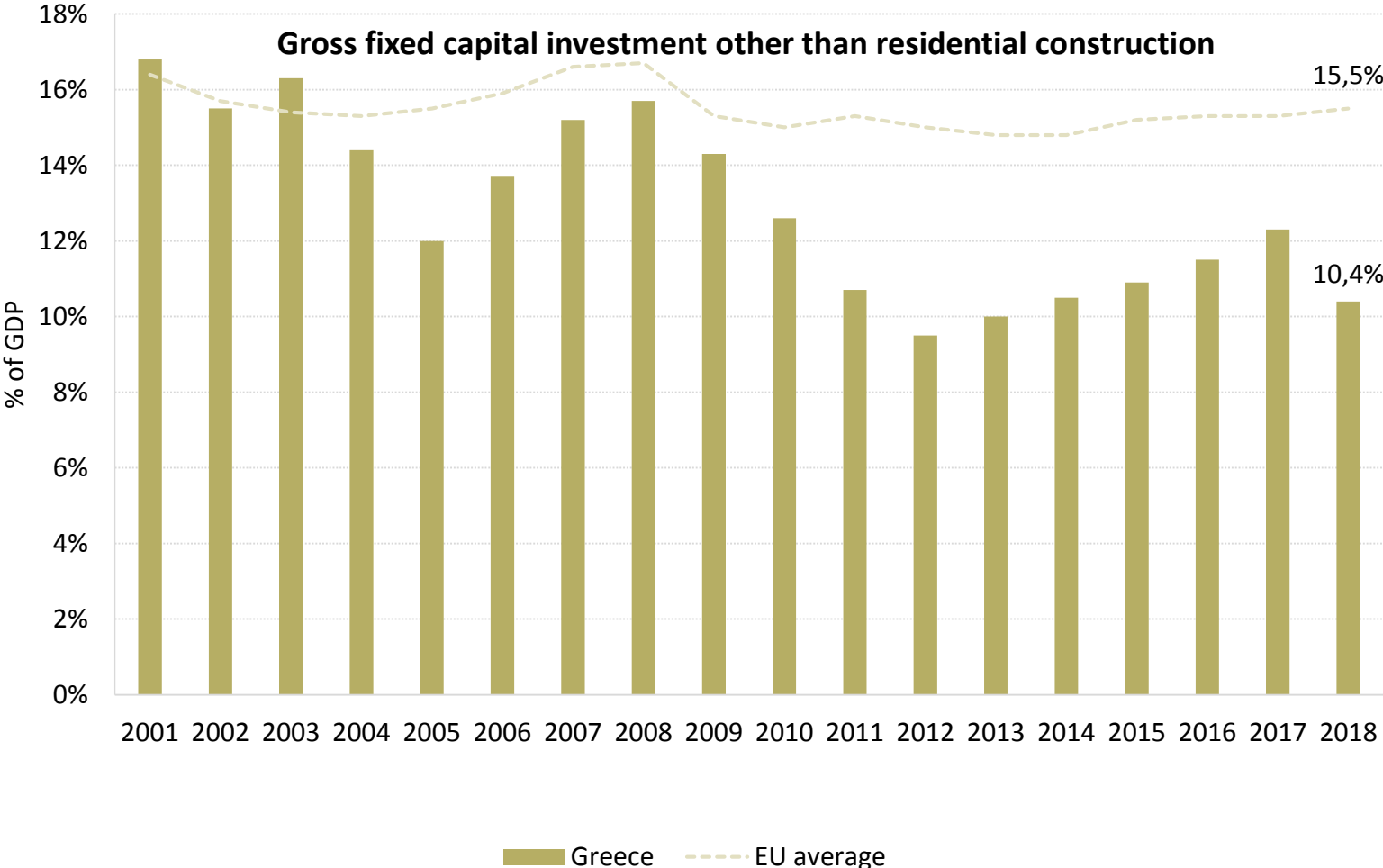
Source: Eurostat

Current Account Balance

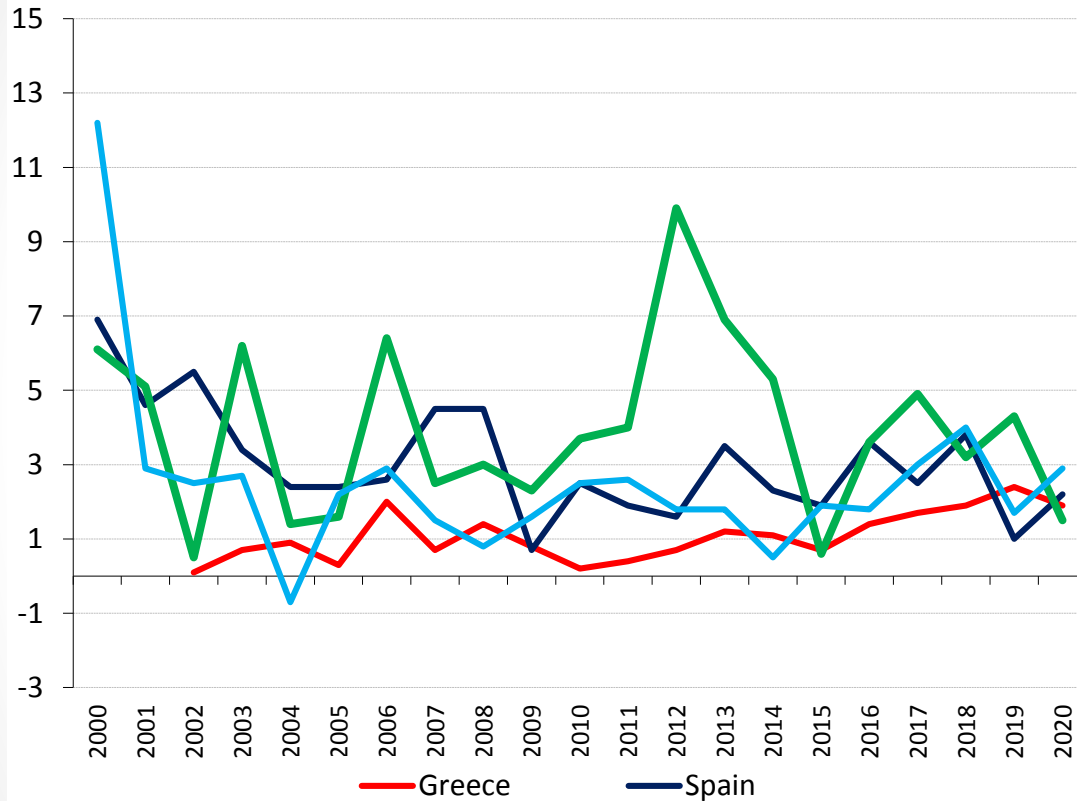


Source: Bank of Greece

Investment Gap and Opportunities



Foreign Direct Investment (% GDP)

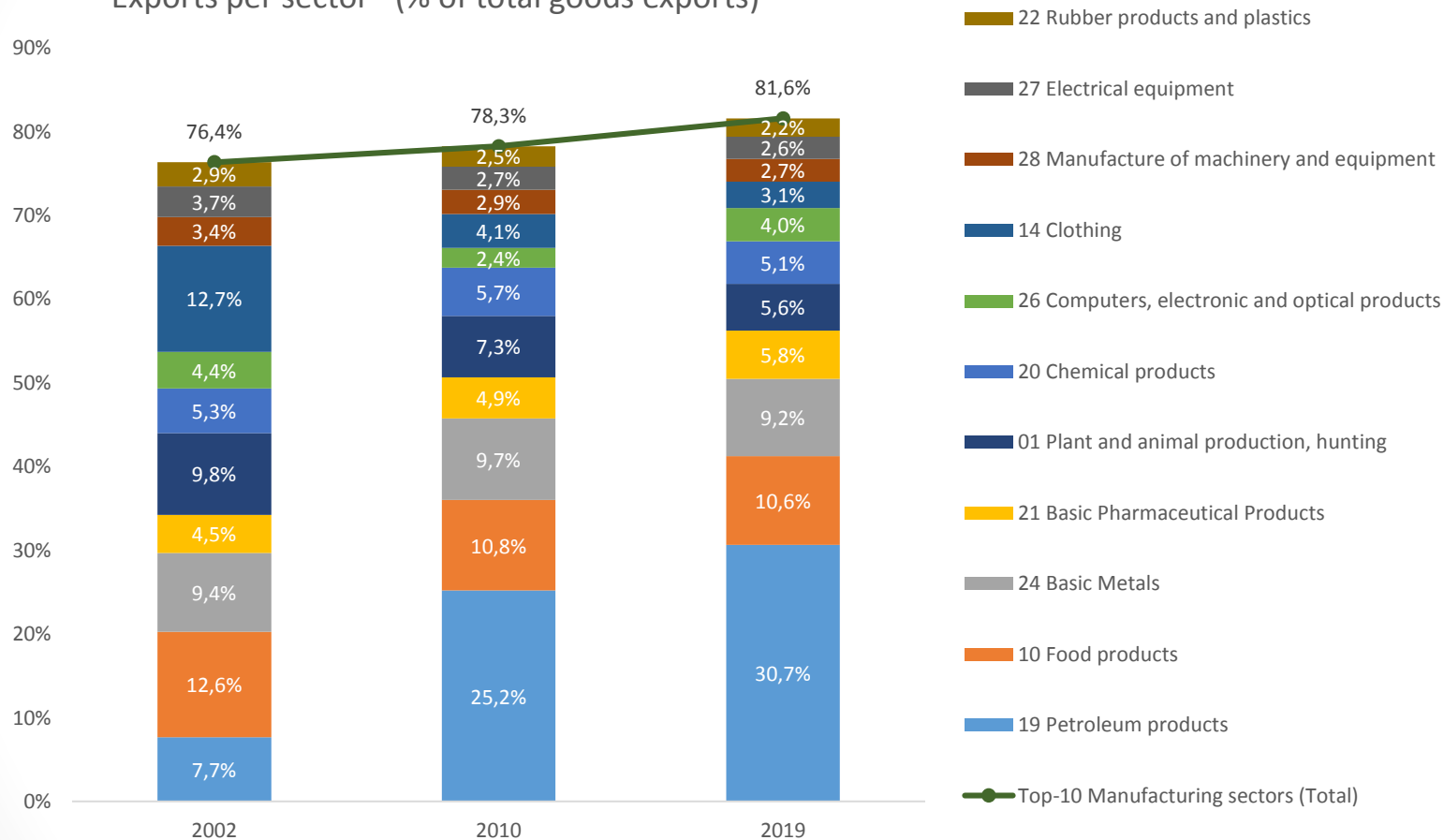


FDI (% GDP)		
	2002-2008	2009-2019
Germany	1.7%	2.1%
Greece	0.9%	1.1%
Spain	3.6%	2.3%
Portugal	3.7%	4.4%

Source: Eurostat

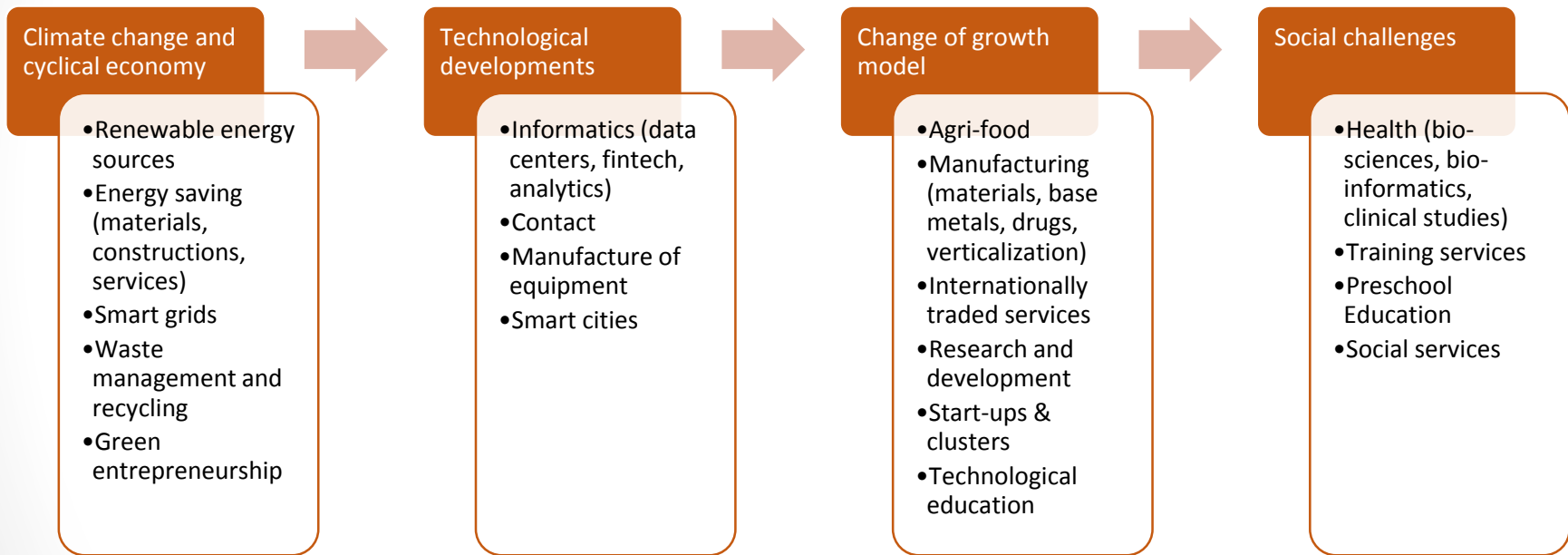
Greek exports of goods. Petroleum products, food, pharmaceuticals, etc.

Exports per sector* (% of total goods exports)



* 2-digit NACE Rev.2 sectors. Source: Eurostat, International Trade by CPA

Significant growth opportunities



Overall assessment and prospects

- The covid-19 pandemic crisis is not over, but the prospects for recovery are strong
- Strong growth prospects in Greece in the next few years
- The role of the investment gap and opportunities
- Digital transformation, tourism and transport
- Technology and manufacturing
- Evolving role of Greece in the European and local economy