



NOTE ON THE GREEK ECONOMY

March 21, 2025

Economic Analysis and Research Department

Recent Economic Developments: an overview

Economic activity continued to expand at a satisfactory pace in 2024 (2.3%), 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 February 2025, HICP inflation decelerated to 3.0% due to declines in the inflation rates of energy, services and unprocessed food. In the **housing market**, apartment prices continued rising at a strong, though decelerating pace in the course of 2024. **Labour market developments** remained positive in 2024, with employment rising and unemployment falling further. The **current account deficit** narrowed significantly in 2023, but deteriorated in 2024 (by €1.2 bn y-o-y). The 2023 **primary fiscal outcome** came in at a surplus of 2.1% 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 13.1 pp compared to 2022 to 163.9% 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. Private sector deposits continued to rise in 2024 but the growth of **household deposits** decelerated. **Bank lending rates** have been on a declining path since mid-2023. **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 in the context of March 2025 Eurosystem staff projections, the Greek economy is expected to grow by 2.3% 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 is assessed to have been mildly contractionary and it is expected to turn expansionary in 2025 and 2026 on the back of RRF implementation. **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.

Latest economic information - available in the last three weeks

Economic Activity

According to ELSTAT 1st estimate, **real GDP** rose by 2.3% in 2024, as in 2023, mainly due to an increase in private consumption, gross fixed capital formation and exports of services.

Real GDP increased by 2.6% y-o-y in 2024:Q4 (at constant 2020 prices, sa data), at a stronger pace compared to 2024:Q3 (2.3% y-o-y) mainly due to higher growth in gross fixed capital formation and exports of goods and services.

Industrial production increased by 2.0% y-o-y in January 2025, mostly due to the rise in manufacturing and electricity production (1.4% and 4.3% y-o-y, respectively).

The turnover of enterprises increased by 7.4% y-o-y in January 2025, due to a broad-based rise across sectors,

with the highest rise in turnover registered in the “electricity supply” sector.

Prices

HICP inflation decelerated to 3.0% in February, from 3.1% in January 2025, because of slower increases in the inflation rates of energy, unprocessed food and services, which overcompensated for the increase in the inflation rate of processed food.

In the **housing market**, apartment prices have continued to increase at a decelerating pace in 2024 (8.7% from 13.9% in 2023).

Labour market

Total employment increased by 2.3% y-o-y in 2024:Q4 (compared to an increase of 1.2% y-o-y in 2023:Q4) mainly due to employment growth in the construction, trade and tourism sectors. The unemployment rate decreased to 9.5% in 2024:Q4, down by 1.0 pp compared to 2023:Q4.

Dependent employment net flows in the private sector were negative by 15,540 jobs in January 2025 due to dismissals in restaurants and retail trade.

Fiscal developments

In January-February 2025, **the state budget primary outcome** came in at a surplus of 1.1% of GDP, against a surplus of 1.4% of GDP in January-February 2024. Compared to the annual target (according to the 2025 Budget), the primary balance over-performed by €0.7 bn due to higher revenue as well as lower primary expenditure.

In January 2025, **the general government cash primary outcome** came in at a surplus of 0.6% of GDP, against a surplus of 0.9% of GDP in January 2024, mainly due lower public investment revenue and RRF receipts.

Money and Credit

In January 2025, **bank lending rates** declined for corporate loans, but rose for housing loans to households (to stand at 4.70% and 3.78%, respectively).

Financial market developments

The Hellenic Republic tapped successfully the international bond market, for a total of €3.5 bn, by reopening two GGBs issuances, with maturities of 15 years (€2 bn at 4.057%) and 30-years (€1.5 bn at 4.408%); investor bids reached 16 times the amount asked.

Morningstar-DBRS upgraded the sovereign credit rating it assigns to Greece by one notch to ‘BBB’ (with a stable outlook), citing as the main driver the continued improvement in bank fundamentals and fiscal overperformance.

Moody’s upgraded the sovereign credit rating it assigns to Greece to the investment grade (to Baa3 from Ba1, with a stable outlook). The move reflects the agency’s view that the sovereign has built up greater resilience to potential future shocks on the basis of improved public finances and a healthier banking sector.

Yields on medium- to long-run Greek government bonds rose significantly, in line with yields of other euro area sovereign bonds, after news that Germany and other European countries will boost defence spending. **Greek equity prices** rose overall, as did prices in European bourses. **Greek corporate bond yields** rose but significantly less than yields on euro area lower-rated corporate bonds, benefiting from the positive news on the ratings concerning the sovereign and Greek banks.

Banks

Moody’s upgraded Greek banks: NBG’s and Eurobank’s long-term deposit ratings rose by one notch (to Baa1, with a stable outlook), as did those of Alpha Bank and Piraeus (to Baa2); Attica Bank’s long-term deposit rating was upgraded by two notches to Ba2, maintaining a positive outlook. The sovereign rating upgrade to investment grade contributed to this development.

Morningstar-DBRS raised the long-term deposit ratings of NBG and Eurobank by one notch to ‘BBB’ (both with a stable outlook), after assigning the Greek sovereign a ‘BBB’ status.

As a result of the rating upgrades, **yields on Greek bank bonds rose less than other EA bank bond yields.**

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SUMMARY OF ECONOMIC DEVELOPMENTS AND OUTLOOK

	2022	2023	2024	2024				2024				2025		
				Q1	Q2	Q3	Q4	Sep	Oct	Nov	Dec	Jan	Feb	Mar
GDP, % y-o-y	5.7	2.3	2.3	2.1	2.1	2.3	2.6	-	-	-	-	-	-	-
Exports, % y-o-y	6.6	1.9	1.0	-4.9	2.3	3.3	3.6	-	-	-	-	-	-	-
Industrial production, % y-o-y	2.4	2.3	5.2	3.6	9.6	5.7	2.1	2.6	-2.6	3.3	5.8	2.0	...	...
Retail sales volume, % y-o-y	3.3	-3.3	-1.6	-4.7	3.2	-2.8	-2.1	-0.6	-1.6	1.1	-5.4	...	...	...
PMI (50=no change)	51.8	51.6	53.6	55.8	54.7	52.1	51.8	50.3	51.2	50.9	53.2	52.8	52.6	...
ESI (average=100)	104.8	107.6	107.7	107.3	110.4	107.6	106.4	110.2	107.8	106.9	106.4	108.6	106.9	...
HICP, % y-o-y	9.3	4.2	3.0	3.2	2.7	3.1	3.0	3.1	3.1	3.0	2.9	3.1	3.0	...
Total employment, % y-o-y	5.4	1.3	2.0	1.8	2.2	1.6	2.3	2.3	2.0	3.6	1.0	1.3	...	...
Unemployment rate, %	12.4	11.1	10.1	12.1	9.8	9.0	9.5	9.6	9.7	9.5	9.3	8.7	...	...
Current Account, bn	-21.2	-13.9	-15.1	-3.8	-4.5	0.3	-7.1	-0.3	-0.4	-3.2	-3.6	...	...	...
(% of GDP)	-10.2%	-6.2%	-6.4%											
Gen. Gov. primary balance (% of GDP - Q cumulatively)	0.0	2.1	...	-0.6	1.5	3.7	-	-	-	-	-	-	-	-
Public Debt (% of GDP - Q cumulatively)	177.0	163.9	...	155.5	155.9	156.5	153.8	-	-	-	-	-	-	-
Bank deposits, private, % y-o-y	4.8	3.0	4.5	2.6	2.9	3.3	4.5	3.3	3.3	5.0	4.4	4.8	...	...
Bank credit to NFCs, % y-o-y	11.8	5.8	13.8	6.6	9.4	9.2	13.8	9.2	13.4	16.0	13.8	15.9	...	...
Bank credit to HHs, % y-o-y	-2.5	-2.0	-0.5	-1.4	-0.9	-0.9	-0.5	-0.8	-0.7	-0.7	-0.5	-0.5	...	...
10y GR yield, %	4.59	3.08	3.25	3.29	3.74	3.12	3.25	3.12	3.35	2.95	3.25	3.27	3.30	3.64

Economic Activity

Real GDP rose by 2.3% in 2024, as in 2023, mainly due to an increase in private consumption, gross fixed capital formation and exports of services.

Economic activity continued growing in 2024:Q4, at a stronger pace compared to 2024:Q3 mainly due to higher growth in gross fixed capital formation and exports of goods and services.

Soft data (PMI, ESI) point to a continuation of growth standing at high levels in January and February 2025 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. HICP inflation decelerated to 3.0% in February 2025 from 3.1% in January, because of declines in the inflation rates of energy, services and unprocessed food.

The positive trend of **real estate prices** of 2023 continued into 2024, especially in the residential market. In 2024, apartment prices continued to increase at a strong, though decelerating, rate (8.7%). 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:Q4 largely due to higher demand for labour in the tourist, construction, trade and professional services sectors. **The unemployment rate** in 2024:Q4 decreased by 1.0 percentage point compared to 2023:Q4. LFS monthly data for January 2025 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 much lower in 2024 compared to 2023. In January 2025, net flows were negative by 15,540 jobs due to dismissals in restaurants and retail trade.

External Balances, Competitiveness

The **current account deficit** widened in 2024, compared to 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 balance of services but also in the secondary income account.

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 2nd 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.

Financial markets

The **developments in Greek sovereign and bank ratings are positive**, with further rating upgrades in 2024 and 2025 to date. This stems from the sustained overperformance of the Greek economy in the fiscal and economic activity fronts, which fosters the prospect of further rating upgrades.

Greek government bond yields overall rose somewhat in 2024, following the broader euro area developments. Greek government bond yields follow a rising trend since 2024:Q4, in line with developments in euro area sovereign bond yields.

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 March 2025 Eurosystem staff projections

Latest BoG projections					
(year-on-year % changes)					
	2023	2024	2025 ^f	2026 ^f	2027 ^f
Real GDP	2.3	2.3	2.3	2.1	2.0
Private consumption	1.8	2.1	2.0	2.0	2.0
Government consumption	2.6	-4.1	-0.2	-0.1	0.6
Gross fixed capital formation	6.6	4.5	6.0	6.8	1.5
Exports (goods and services)	1.9	1.0	3.8	3.2	3.8
Imports (goods and services)	0.9	5.5	3.5	3.7	2.9
HICP (non-SA)	4.2	3.0	2.9	2.3	2.5
HICP excluding food & energy (non-SA)	5.3	3.6	3.6	2.8	2.2
Total employment (NA data)	1.2	1.2	1.3	1.1	1.2
Unemployment rate (% of labour force)	11.1	10.1	9.9	9.2	8.6
Current account (% of nom.GDP)	-6.2	-6.4	-5.7	-5.1	-5.1

Source: ELSTAT and Bank of Greece.

f:forecasts

Over 2025-2026, the Greek economy is projected to grow by 2.3% and 2.1% 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 3.5% over 2025-2026. However, the contribution of the external sector to GDP will be broadly neutral on average 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 export 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 a one-off uptick in HICP inflation to 2.5% is expected 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 a 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 geopolitical struggles, (c) a 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	2023	2024	2024			
			Q1	Q2	Q3	Q4
1. GDP	2.3	2.3	2.1	2.1	2.3	2.6
-Private consumption	1.8	2.1	2.3	2.0	2.5	0.8
-Gov. expenditure	2.6	-4.1	-6.9	-4.2	-1.8	-3.4
-Gross fixed capital formation	6.6	4.5	2.6	4.3	1.3	9.0
-Exports	1.9	1.0	-4.9	2.3	3.3	3.6
-Imports	0.9	5.5	4.6	9.7	5.4	2.4
2. Gross Value Added	2.2	1.8	0.9	2.2	2.1	2.1
-Services	3.3	1.0	0.4	0.8	1.5	0.8
3. Private sector savings*	8.0	...	7.9	7.2	6.9	...
4. Real disposable income	3.3	...	1.0	1.8	3.0	...

* Savings of households and non-financial companies, as a % of GDP, four-quarter moving sum data.

Source: ELSTAT, national accounts.

Economic activity continued growing in 2024 supported by private consumption, gross fixed capital formation and exports of services.

Real GDP rose in 2024:Q4, at a stronger pace compared to 2024:Q3 mainly due to higher growth in gross fixed capital formation and exports of goods and services.

Gross fixed capital formation increased (y-o-y) at an accelerating rate in 2024:Q4 due to the rise in housing and other construction investment (29.1% y-o-y and 11.8% y-o-y, respectively) in ICT investment (8.0% y-o-y) and in machinery and equipment investment (6.4% y-o-y). This development is likely related to the acceleration in RRF disbursements in 2024:Q4.

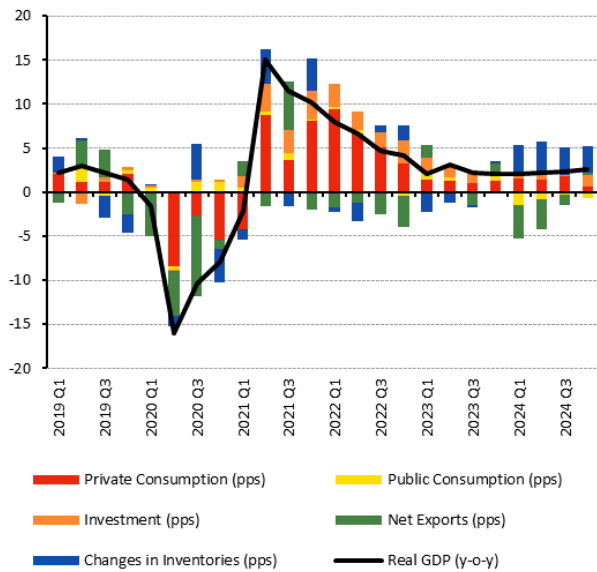
Output (as measured by gross value added) increased in 2024:Q4 due to the good performance across all sectors of economic activity, and in particular in the industrial and the services sectors.

Savings of the non-financial private sector (4-quarter moving sum) continued their downward trend reaching 6.9% of GDP in 2024:Q3 down from 8.0% in 2023 and 8.4% in 2022. Households' dissaving stood at -1.1% of GDP in 2024:Q3, while savings by non-financial corporations (NFCs) decreased to 8.0% in the same period. Notably, in 2024:Q3, household as well as business savings remained slightly above the 2019 pre-pandemic levels.

In 2024:Q3, the **household savings** became slightly less negative (-1.1% of GDP) compared to 2024:Q2 (-1.3%), as the growth rate of disposable income was stronger than that of consumption. The withdrawal of COVID-19 and energy support measures, and the repayment of debt and tax liabilities, have significantly weighed on household savings keeping them in a negative territory. **Business savings** (retained earnings) declined gradually, following a peak in 2022 (10.6% of GDP to 8.9% in 2023 and 8.0% in 2024:Q3). This trend reflects several factors, including the withdrawal of government support measures for the pandemic and energy crises and rising labour costs. Nevertheless, in recent years, the strong performance of the tourism sector and the economy overall has helped offset the slowdown in business savings, along with disbursements from the Recovery and Resilience Facility (RRF).

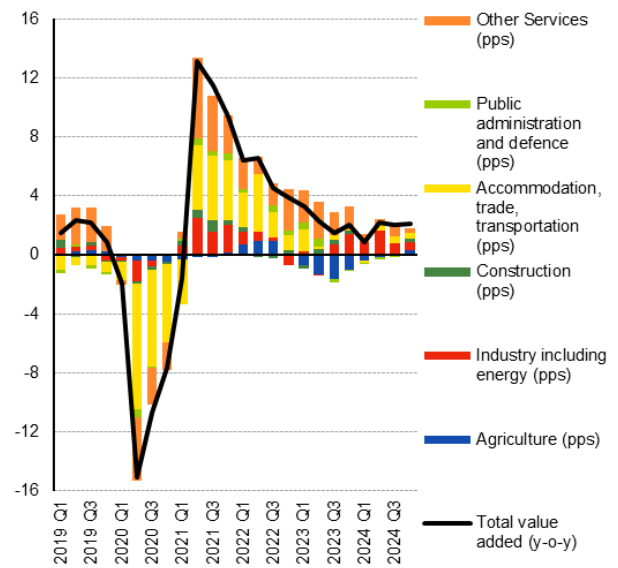
Nominal **disposable income of households** increased by 7.3% y-o-y in 2024:Q3 due to the positive contribution of labour income, i.e. compensation of employees and self-employed income, while real disposable income of households rose by less, up by 3.0% y-o-y, reflecting the effect of elevated inflation.

Chart 1: Real GDP growth decomposition (percent contribution)



Source: ELSTAT, Quarterly National Accounts, March 2025.

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



Source: ELSTAT, Quarterly National Accounts, March 2025.

Table 1.2: Monthly Conjunctural Indicators

	2022	2023	2024	2024							2024 y-t-d	2025	
				June	July	Aug	Sep	Oct	Nov	Dec		Jan	Feb
1. ESI (average=100)	104.9	107.2	107.7	109.8	106.2	106.1	110.2	107.8	106.9	106.4	107.7	108.6	106.9
-Consumer confidence	-50.7	-40.0	-46.0	-42.7	-43.9	-48.1	-51.3	-50.3	-47.3	-44.5	-46.0	-43.4	-42.0
2. PMI (50=no change)	51.8	51.6	53.6	54.0	53.2	52.9	50.3	51.2	50.9	53.2	53.6	52.8	52.6
3. Industrial Production, % y-o-y	2.4	2.3	5.2	9.7	10.2	3.6	2.6	-2.6	3.3	5.8	5.3	2.0	...
-Manufacturing Production, % y-o-y	4.6	4.2	3.8	5.5	9.6	3.8	5.4	-2.5	-1.5	3.6	3.8	1.4	...
4. Turnover of enterprises, % y-o-y	36.0	-3.3	4.1	2.7	12.7	2.9	1.9	4.2	3.4	8.1	4.1	7.4	...
5. Building permits, % y-o-y	-2.2	15.9	...	-12.0	-2.9	-13.9	23.5	46.7	-20.7	...	10.2	...	...
6. Real VAT revenues, % y-o-y	12.2	5.5	9.6	5.6	10.5	1.3	10.8	12.1	1.2	53.4	9.6	8.7	...
7. Retail sales volume, % y-o-y	3.3	-3.3	-1.6	6.0	-2.5	-5.1	-0.6	-1.6	1.1	-5.4	-1.6	...	...
8. New car registrations, % y-o-y	6.7	16.5	3.4	2.3	5.8	-14.5	-5.6	-3.8	4.8	6.1	3.4	-5.7	-8.9
9. Tourist arrivals, % y-o-y	96.0	20.8	...	8.8	4.1	6.6	6.6	8.6	23.6	15.3	9.8	...	...
10. Travel receipts, % y-o-y	68.3	16.5	...	5.1	-6.6	-5.4	6.9	19.7	44.7	33.3	5.4	...	...

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 January and February 2025 and remaining above euro area average.

The **ESI** declined in February (to 106.9, from 108.6 in January) due to a deterioration in business expectations across all sectors; by contrast, consumer confidence improved for the fifth consecutive month, albeit still remaining at low levels.

The **PMI** posted 52.6 in February 2025 (marginally down from 52.8 in January) pointing to continued growth in Greek manufacturing for the last two years. Manufacturing output increased at a steeper pace compared to the previous month despite slower growth in domestic new orders, while new export orders

continued rising at a modest pace. Employment increased at the quickest pace since May 2024 due to increased production requirements. On the prices front, cost burdens rose sharply, while output prices rose at a slower pace m-o-m as some companies sought to price more competitively and boost new sales.

Hard data are overall positive.

A recovery of the industrial sector has been underway since November 2020. Industrial production continued rising in 2024 and in January 2025, mainly due to the increase in manufacturing and electricity production.

The rise in manufacturing production in January can be mostly attributed to the performance of the “food and beverages”, “basic metals”, “rubber and plastics” and “machinery and equipment” sectors.

The turnover of enterprises of the economy as a whole, which are obliged to keep double-entry accounting, increased in January 2025, in year on year terms, due to a broad-based rise across sectors, with the highest rise registered in the “electricity, gas, steam and air conditioning supply” sector (26.4% y-o-y).

The volume of building permits declined in November 2024, but remained on a positive path in the January-November 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), continued to increase strongly in the last quarter of 2024 and in January 2025 pointing to ongoing strong consumption growth.

The retail sales volume index declined in December due to a fall across all its sub-indices and remained on a negative territory in 2024 as a whole.

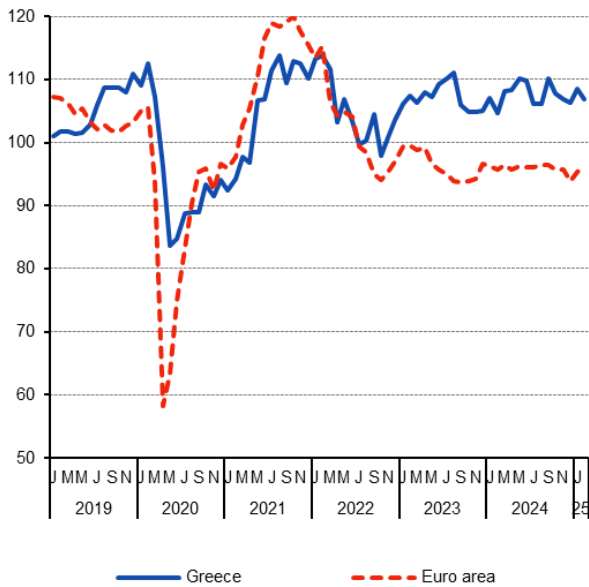
New private passenger car registrations following an increase in 2024, declined in the first two months of 2025, in year on year terms.

Both tourist arrivals and receipts set a historical record in 2024, as tourism maintained its momentum through winter, with December 2024 showing a significant double-digit growth in revenue (33.3%). More specifically, inbound traveller flows reached 35.9 mn in 2024, representing an increase of 9.8% compared to 32.7 mn arrivals recorded in 2023. Travel receipts in 2024 stood at €21.7 bn (a rise of 5.4% compared to 2023), despite a decrease in the average spending per trip. Germany and the UK remained the key tourist revenue sources. Among non-European markets, US visitor spending surged by 15.1%, continuing the upward trend recorded in all the years following the pandemic. According to Eurostat, Greece secured the 5th place among EU countries with the highest number of overnight stays across all types of tourist accommodations, a 3.5% increase in 2024 compared to 2023, outperforming the European average. Despite recent seismic activity, Santorini is steadily returning to normal and preparing for the upcoming tourist season, which will be further supported by the newly established Destination Management and Marketing Organization.¹

International arrivals at Greek airports showed a 8.4% y-o-y increase in the first two months of 2025, while international arrivals at the Athens International Airport continued the positive momentum in February 2025, showing an increase of 12% y-o-y, even before the start of the tourist season.

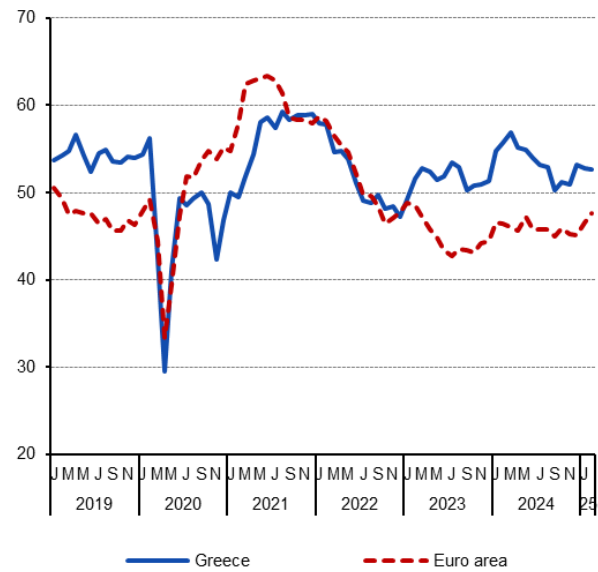
¹ The Destination Management and Marketing Organization is established to promote Santorini as an attractive tourist destination, raising funds of 1 mn euros from the Recovery and Resilience Fund.

Chart 3: Economic Sentiment Indicator (average=100)



Source: European Commission.

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



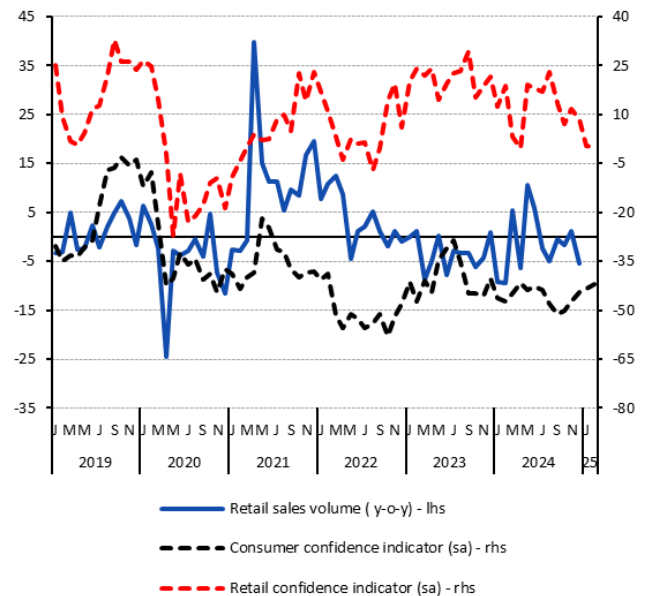
Source: S&P Global.

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



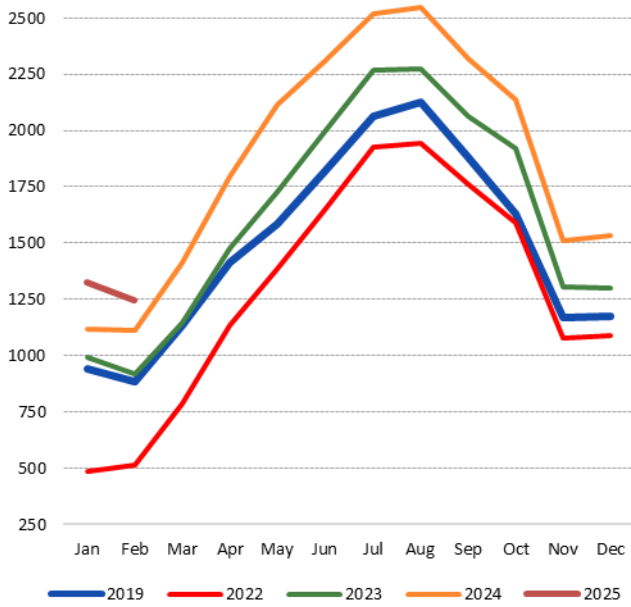
Sources: ELSTAT and Ministry of Finance, State General Accounting Office.

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



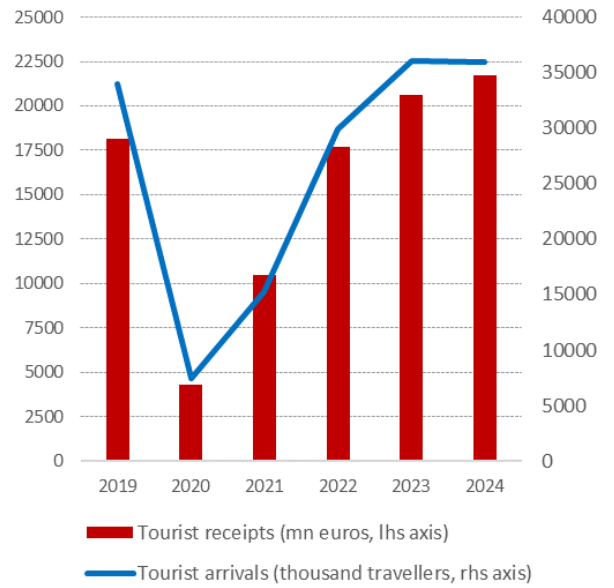
Source: Athens International Airport (AIA).

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



Source: Athens International Airport (AIA).

Chart 8: Tourist arrivals and receipts



Source: Frontier Survey of the Bank of Greece.

2. PRICES AND REAL ESTATE MARKET

Table 2.1: Prices

% y-o-y, nsa data	2023	2024	2024							2025	
			Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
1. HICP Headline	4.2	3.0	2.5	3.0	3.2	3.1	3.1	3.0	2.9	3.1	3.0
- Energy	-13.4	-1.4	-2.4	1.4	2.3	-0.8	-1.6	-2.3	0.7	2.6	1.6
- Unprocessed food	11.1	3.4	-1.7	-1.2	2.0	4.4	1.5	1.7	0.0	0.8	0.2
- Processed food	9.3	2.5	2.7	2.5	2.1	2.3	0.8	0.0	-0.3	-0.3	0.5
2. HICP Core (HICP excl. energy and food)	5.3	3.6	3.4	3.7	3.7	3.6	4.4	4.5	4.4	4.4	4.2
- Non-energy industrial goods	6.4	1.7	1.1	0.9	1.4	1.8	1.6	2.1	1.7	1.4	1.4
- Services	4.5	4.4	4.4	5.0	4.7	4.4	5.6	5.6	5.6	5.6	5.3
3. PPI - Domestic market	-6.5	-2.4	-2.4	-0.5	-0.8	-1.4	-0.2	0.1	-0.4	0.5	...
4. Imports Price Index	-12.3	-2.0	4.4	-1.6	-4.3	-10.6	-5.5	-2.8	0.6	0.1	...

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 February 2025, it ticked down to 3.0% from 3.1% in January 2025 because of declines in the inflation rates of energy, services and unprocessed food, which were partly offset by the increase in the annual rate of processed food. Greece reported the 9th highest headline inflation among euro area countries in February 2025.

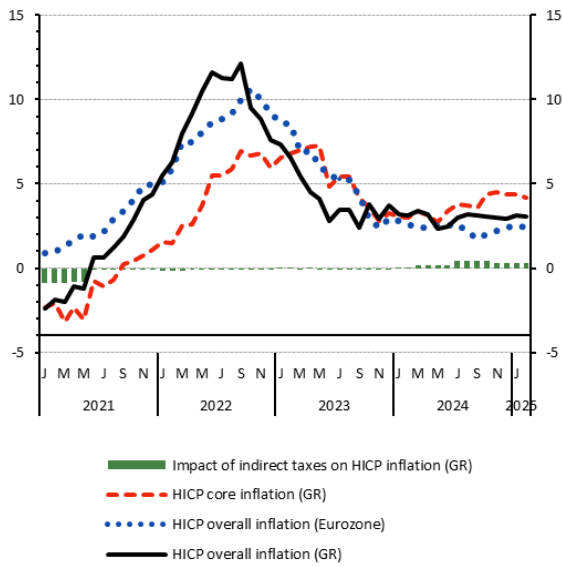
Core inflation (HICP excluding energy and food) stood at 3.6% in 2024, down from 5.3% in 2023, remaining though, at elevated levels. In February 2025, core inflation decelerated to 4.2% from 4.4% in January due to the decline in services inflation.

PPI inflation for the domestic market turned negative in March 2023 mainly because of deflationary rates in the energy sub-index. In 2024, on average, it remained in negative territory (-2.4%). In January 2025, it returned to positive ground again.

Import prices inflation had also been negative since February 2023, reflecting the reversal of energy prices. In March 2024 import price inflation returned to positive territory and in the course of 2024, import prices inflation oscillated in line with import energy inflation and overall remained in negative territory (-2.0%). In January 2025, it recorded an increase of 0.1%.

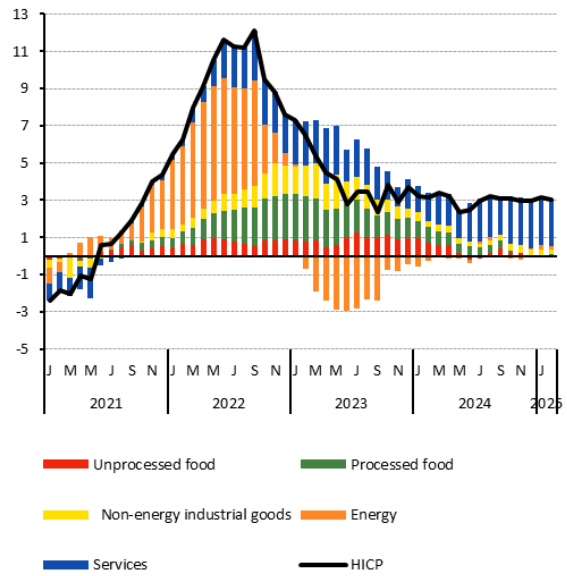
Domestic price pressures, as captured by changes in GDP deflator, had started increasing in 2021 and picked up further in 2022 and 2023. Up to mid-2023, unit profits had contributed the largest share of the increase in the GDP deflator showing that firms had managed to pass on cost shocks associated 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 9: HICP Inflation
(percent, y-o-y)



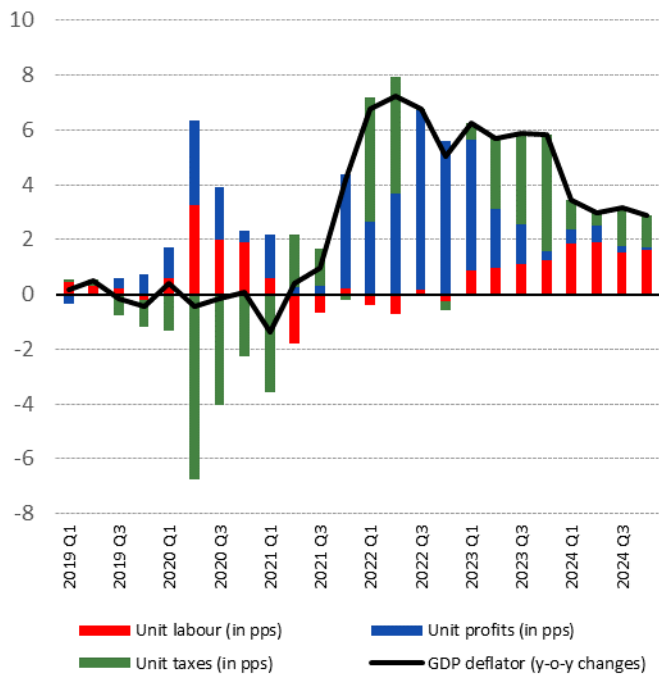
Sources: ELSTAT and Bank of Greece calculations.

Chart 10: HICP inflation and main contributions



Source: ELSTAT and Bank of Greece calculations.

Chart 11: Domestic price pressures
(percent contribution)



Sources: ELSTAT and Bank of Greece calculations.

Real Estate Market

2.2 Real estate market

% y-o-y	2022	2023	2024	2023		2024		2023				2024			
				H1	H2	H1	H2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1. Residential property															
- Apartment prices	11.9	13.9	8.7	15.2	12.6	10.2	7.3	15.6	14.8	12.7	12.5	10.8	9.6	8.1	6.6
- Residential Investment	57.8	24.7	2.7	57.1	0.8	-10.3	17.8	61.5	52.9	29.5	-19.0	-13.7	-6.8	7.5	29.1
2. Commercial property															
- Prime office prices	3.6	6.0	-	7.0	4.9	4.2	-	-	-	-	-	-	-	-	-
- Prime retail prices	6.2	7.0	-	7.0	6.9	7.8	-	-	-	-	-	-	-	-	-
- Office rents	3.0	6.2	-	6.5	5.8	2.2	-	-	-	-	-	-	-	-	-
- Retail rents	4.4	5.9	-	6.0	5.7	6.2	-	-	-	-	-	-	-	-	-

Source: Bank of Greece, ELSTAT.

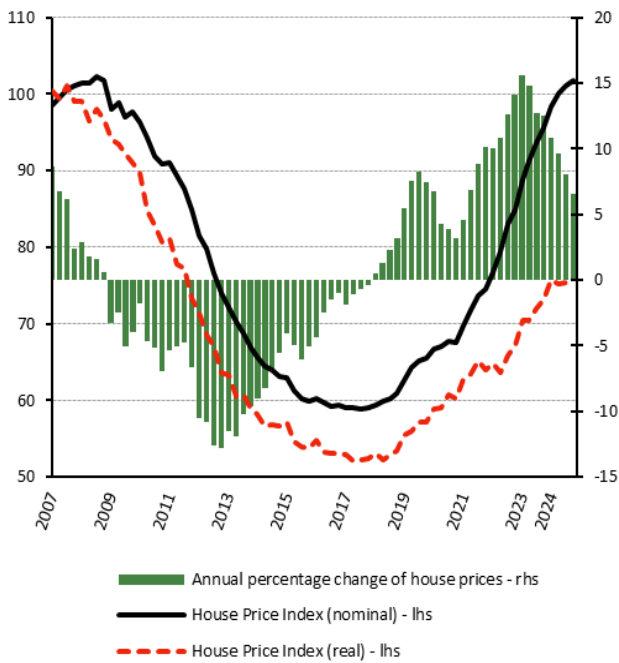
Real estate market trends remain positive.

In 2023, both **housing and commercial property prices** (prime office and retail) increased at a strong pace and continued rising in 2024 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:Q4 by 6.6% y-o-y, though at a decelerating pace for the last seven consecutive quarters, registering a cumulative rise of 73% since 2017:Q3 (lowest level), although still 0.4% lower compared to their historical peak in 2008:Q3. Residential investment (seasonally adjusted ELSTAT data at constant prices) increased, on an annual basis, by 29.1% in 2024:Q4 but still remains at a low level as a percentage of GDP (2.7%). Housing affordability has emerged as a major concern, driven by a limited supply of quality, affordable residential stock.

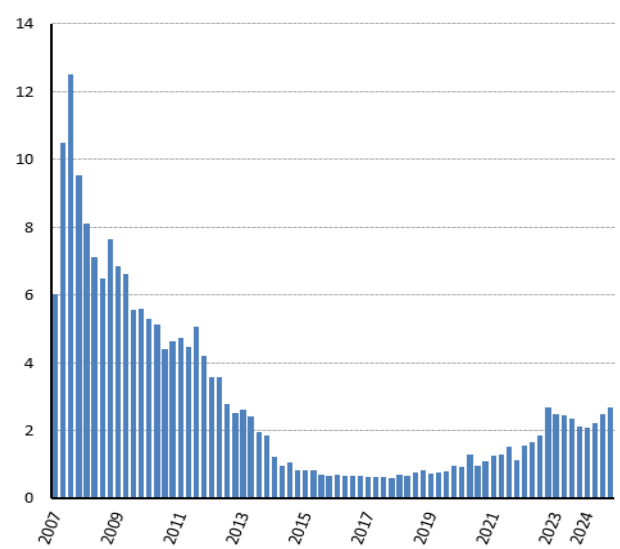
In 2024:H1, **prime office prices** increased by 4.2% y-o-y and **prime retail prices** increased by 7.8% y-o-y. An increase was also recorded in both office and retail rents, by 2.2% and 6.2% y-o-y, respectively.

Chart 12: House price index
(index 2007=100 and y-o-y growth)



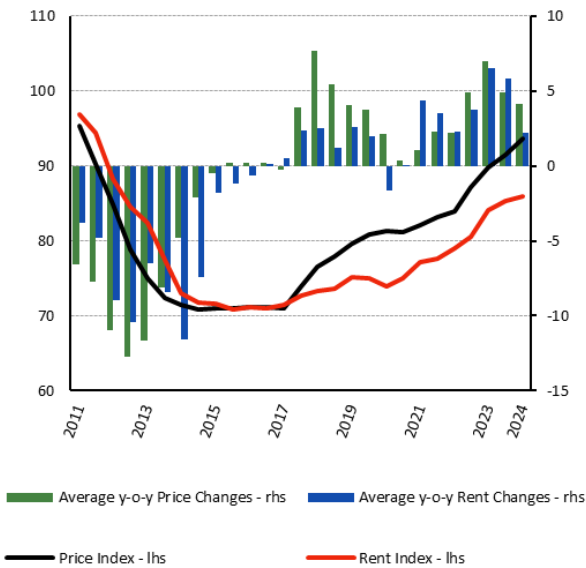
Source: Bank of Greece.

Chart 13: Residential Investment as % of GDP
(seasonally adjusted data at constant prices)



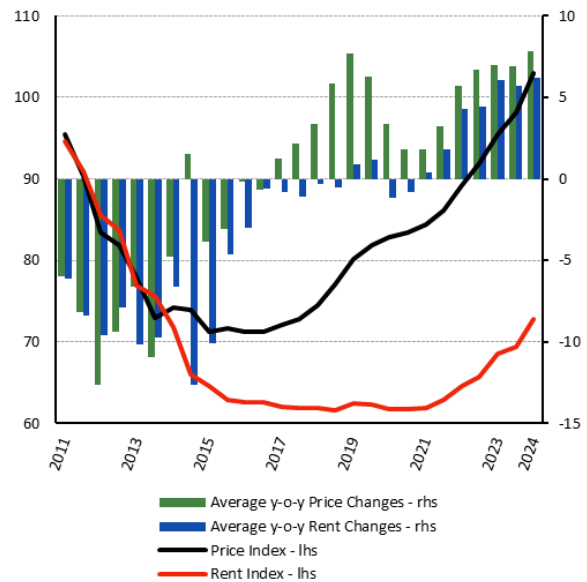
Source: ELSTAT.

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



Source: Bank of Greece.

Chart 15: 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

	2024	2024				2024				2025	
		Q1	Q2	Q3	Q4	Sep	Oct	Nov	Dec	Jan	Feb
1. Labour Force Survey											
- Total employment (% y-o-y)	2.0	1.8	2.2	1.6	2.3	2.3	2.0	3.6	1.0	1.3	...
- Employees (% y-o-y)	2.3	1.2	1.6	2.6	3.8	...	...	...	...	...	...
- Self-employed (% y-o-y)	0.8	3.1	2.0	-0.9	-0.8	...	...	...	...	...	...
- Unemployment rate ¹	10.1	12.1	9.8	9.0	9.5	9.6	9.7	9.5	9.3	8.7	...
- Long-term unemployed (as % of unemployed)	56.0	52.0	53.2	56.5	53.5	...	...	...	...	...	...
2. ERGANI Information System											
- Net dependent employment flows in the private sector (thousands)	70.3	56.2	283.0	-36.5	-232.4	3.6	-131.5	-86.7	-14.2	-15.5	...
- Share of part-time and intermittent jobs (% new hirings)	45.8	47.1	43.0	51.2	52.4	52.4	53.8	51.2	51.7	46.5	...
3. Registered unemployed (DYPA) (%y-o-y)											
- Registered unemployed (DYPA) (%y-o-y)	-5.9	-5.0	-6.4	-7.5	-6.2	-6.8	-7.1	-6.1	-5.7	-5.6	...
4. Employment Expectations Index											
- Employment Expectations Index	114.7	114.9	119.4	113.3	111.3	112.2	111.4	109.4	113.0	110.1	112.3
5. Labour Costs											
- Compensation per employee (% y-o-y)	6.0	6.7	7.3	5.1	4.8	...	...	...	...	...	...
- Labour productivity (% y-o-y)	1.2	0.6	1.2	1.2	1.2	...	...	...	...	...	...
- Unit labour cost (% y-o-y)	3.6	6.0	6.1	3.8	3.6	...	...	...	...	...	...

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

2 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:Q4, mainly due to employment growth in construction, trade, tourism and professional services sectors. Latest monthly LFS data suggest that employment continued growing in January 2025.

The **unemployment rate** decreased in 2024:Q4 by 1.0 percentage point compared to 2023:Q4. The share of long-term unemployed declined by 2.7 percentage points. In January 2025, 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 2024 and much lower compared to 2023. In January 2025, dependent employment net flows in the private sector were negative due to dismissals in restaurants and retail trade.

The number of registered unemployed (DYPA data) decreased in January 2025, 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) decreased in February 2025 compared to January 2025, mainly due to a deterioration of employment expectations in retail sector.

Regarding the **tightness in the labour market**, its upward trend continued in 2024 and the job vacancy rate increased to 2.2%, from 1.6% in 2023. In particular, an increase in tightness was recorded in most sectors of the economy, while the highest vacancy rates were recorded in accommodation and food service activities, construction, manufacturing, transport and wholesale and retail trade. On the contrary, the only sector that recorded a decrease in the job vacancy rate compared to 2023 was the information and technology sector.

Labour costs are rising.

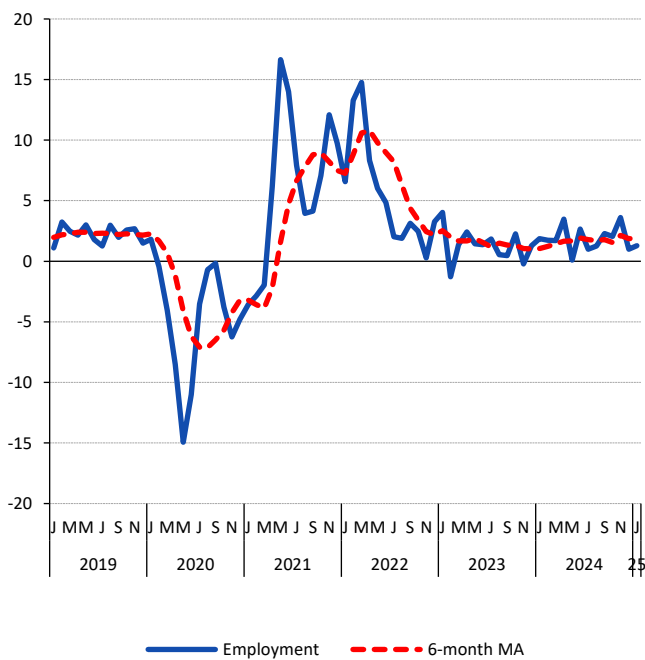
Unit Labour Costs (ULC) increased in 2024:Q4, as labour productivity increased at a slower pace than compensation per employee.

The ELSTAT Index of Wages for the total economy increased by 5.4% in 2024:Q4.

Outlays for the remuneration of employees in the general government (incl. social security contributions) rose by 6.0% in 2024. They had risen by 3.1% in 2023 as a whole.

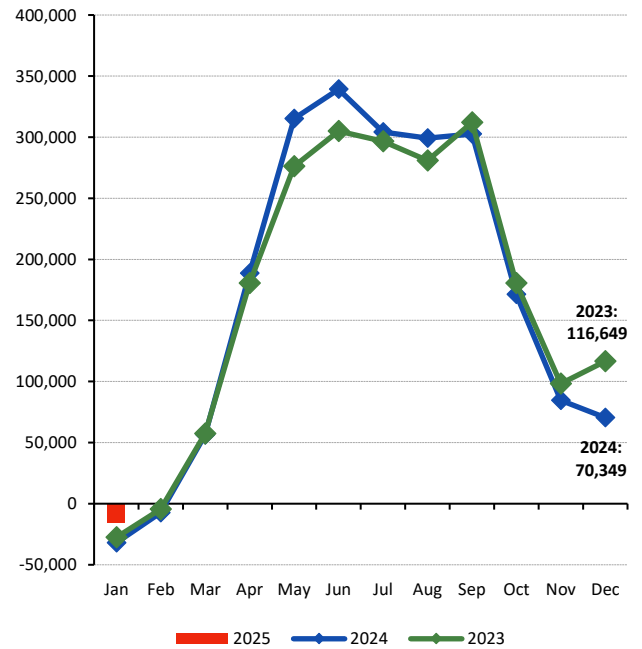
According to annual accounts data from the **ERGANI information system**, the average monthly earnings stood at €1,342 in 2024, increasing by 7.3% compared to 2023. Accordingly, the number of employees earning more than €900 per month increased. In particular, compared to 2023, the number of employees with salaries between €901-1200 per month increased by 16.7%. Also, reflecting the rise of the minimum wage to €830, the share of employees earning less than €800 per month (gross) fell to 17.8%, from 30.9% in 2022.

Chart 16: Employment
(y-o-y change)



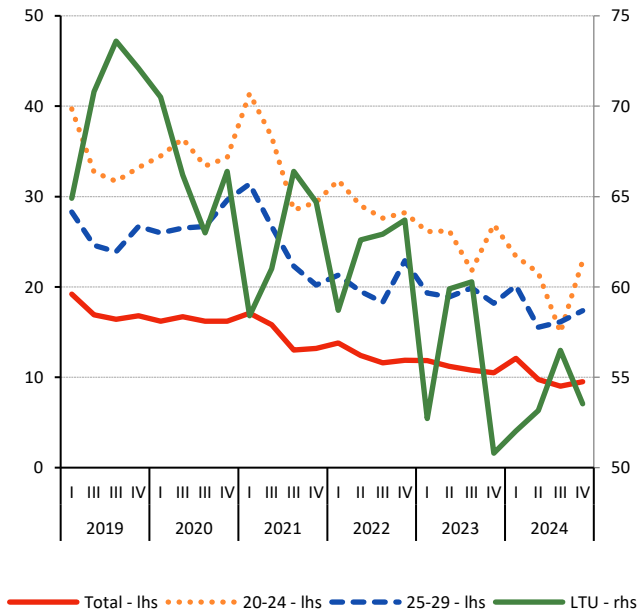
Source: ELSTAT, Labour Force Survey.

Chart 17: Private sector dependent employment flows
(cumulative net flows; in thousands)



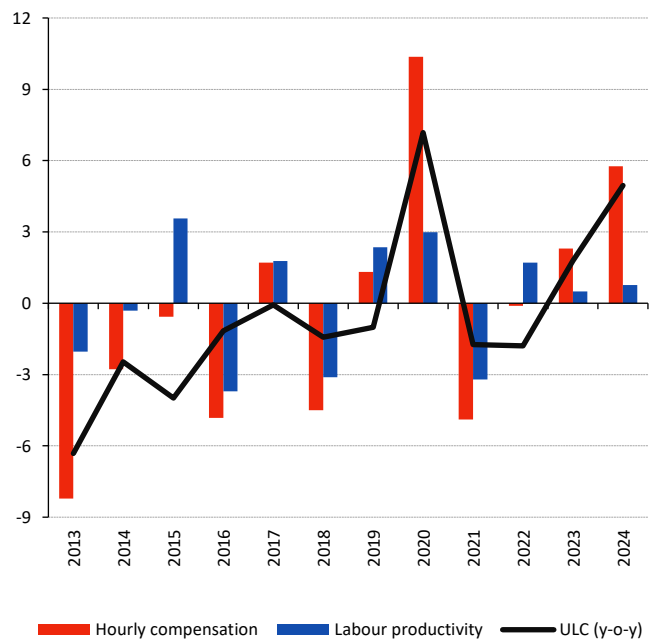
Source: ERGANI.

Chart 18: Total unemployment rate, youth unemployment rate and share of long-term unemployed (in percent)



Source: ELSTAT, Labour Force Survey.

Chart 19: 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 **January 2025**, 18 new firm-level agreements were signed, covering 13,004 employees; of these, 6 agreements provided for wage increases, whereas the rest did not provide for any wage changes. In 2024, 238 new firm-level agreements were signed, covering 171,161 employees; of these, 82 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

	2022	2023	2024	2024		
				Oct	Nov	Dec
Current Account , bn (%GDP)	-21.2 (-10.2%)	-13.9 (-6.2%)	-15.1 (-6.4%)	-0.4	-3.2	-3.6
Goods balance , bn (%GDP)	-39.6 (-19.0%)	-33.0 (-14.7%)	-35.7 (-15.0%)	-3.2	-3.2	-3.2
Exports of goods (% y-o-y)	36.7	-6.9	-2.8	-10.1	-5.8	7.6
- Exports of non-fuel goods (% y-o-y)	24.2	-1.9	1.0	3.8	2.5	13.0
Imports of goods (% y-o-y)	41.3	-11.0	1.5	-1.8	2.3	0.6
- Imports of non-fuel goods (% y-o-y)	25.0	-1.6	3.9	11.1	3.5	1.4
Real trade in goods flows (% y-o-y)						
Real exports of goods (% y-o-y)	4.7	-2.7	-2.4	2.8	-2.0	9.1
- Real exports of non-fuel goods (% y-o-y)	7.7	-5.7	-1.2	7.3	3.1	14.2
Real imports of goods (% y-o-y)	17.9	-3.5	2.8	14.9	3.8	-0.1
- Real imports of non-fuel goods (% y-o-y)	16.8	-2.8	4.0	13.0	3.2	1.1
Services balance , bn (%GDP)	19.4 (9.3%)	21.8 (9.7%)	22.7 (9.6%)	2.3	0.7	0.5
Exports of services (% y-o-y)	36.2	2.7	5.2	8.4	9.0	11.0
- Travel receipts (% y-o-y)	68.3	16.5	5.4	19.7	44.7	33.3
- Transportation receipts (% y-o-y)	25.1	-10.4	1.0	-5.7	-5.6	-0.8
Imports of services (% y-o-y)	27.7	-4.0	5.9	2.2	1.0	9.0
Non-residents' arrivals (% y-o-y)	89.3	17.6	9.8	8.6	23.6	15.3
Average expenditure per trip (% y-o-y)	-11.7	-2.7	-5.1	10.7	20.9	16.0
Income balance , bn (%GDP)	-1.1 (-0.5%)	-2.7 (-1.2%)	-2.2 (-0.9%)	0.5	-0.6	-0.9
FDI inflows, bn	7.5	4.4	6.0	0.1	1.6	1.2

Source: Bank of Greece

In 2024, the current account deficit widened mainly due to the deterioration in the balance of goods.

The **current account deficit** rose in 2024, compared to 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. Pharmaceuticals, food and beverages as well as textiles exports mainly contributed to the decrease, despite the positive contribution by the basic metals and 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 9.8% and 5.4%, 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 6.0% y-o-y; dry bulk rates increased by 22.5%, while tanker rates decreased by 12.8%.

FDI inflows were supported by the stronger investment in new shares and real estate sector. They were mainly directed to manufacturing, real estate, financial and transportation and storage. The main countries of origin were the United Arab Emirates, Germany, Italy, Hong Kong and France.

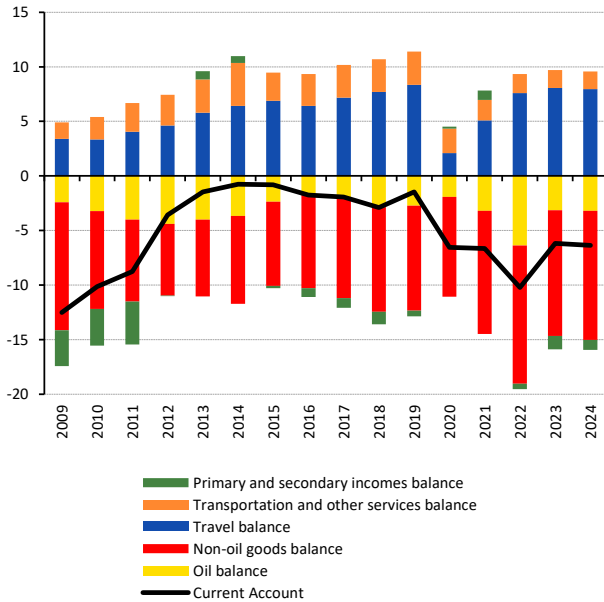
FDI outflows mainly refer to new equity and mergers and acquisitions. The main country of destination is United Kingdom. One of the main transactions is the purchase of shares of Hellenic Bank Public Company Limited from Eurobank SA.

In **December**, the **current account** deficit increased y-o-y, mainly due to a deterioration in the secondary and, to a lesser extent, in the primary income accounts, which was partly offset by an improvement in the balances of goods and services.

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

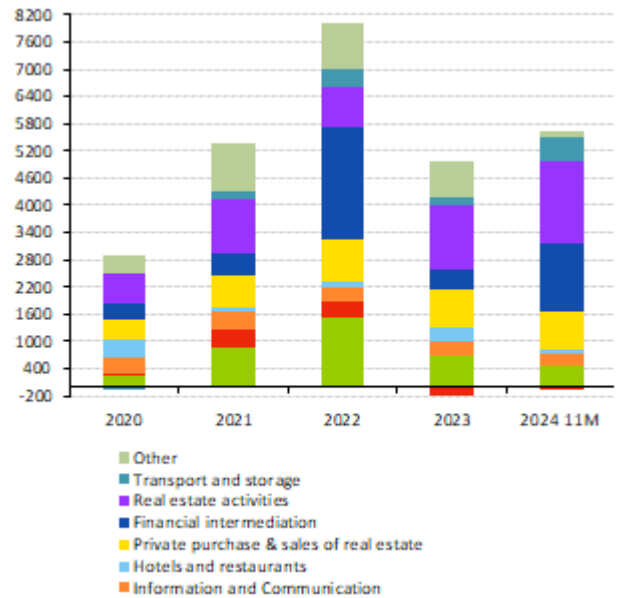
The surplus of the services balance increased due to an improvement in all subaccounts but primarily in the travel balance. Non-residents' arrivals and receipts increased by 15.3% and by 33.3%, respectively.

Chart 20: Components of the current account as % of GDP



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

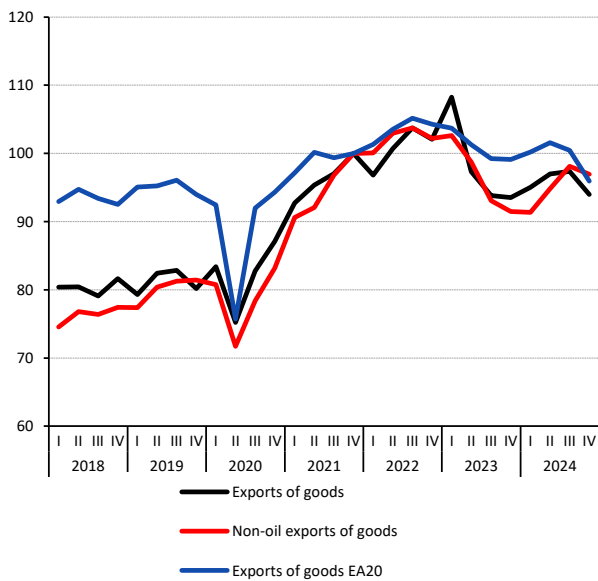
Chart 21: Non-residents' Direct Investment flows in Greece by sector of economic activity (mn euros)



Source: Bank of Greece, Statistics Department. Provisional data 2023 – 2024

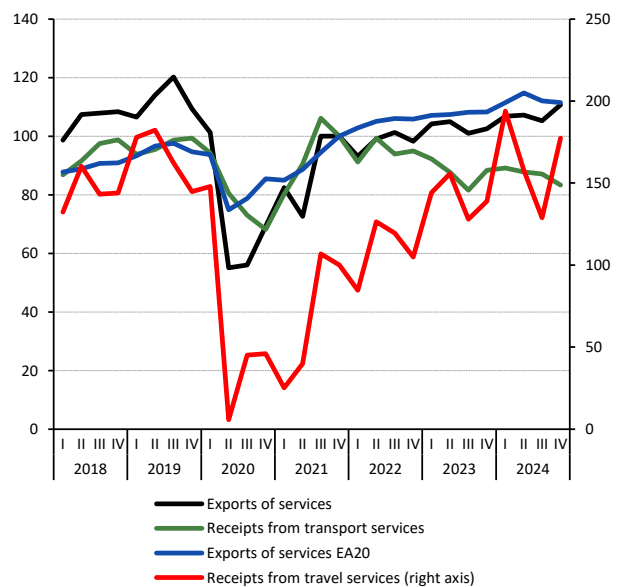
Note 1: The FDI components in the chart do not add up to the total amount of direct investment inflows reported in Table due to the different underlying methodologies.

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



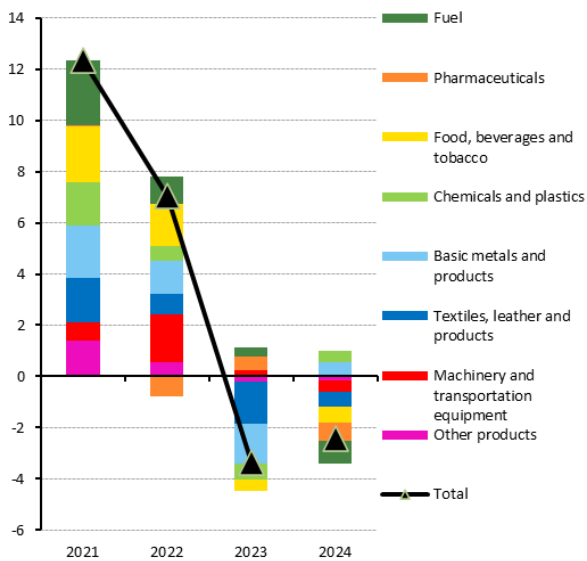
Sources: Bank of Greece (BoP statistics) and Eurostat (for EA 20). Bank of Greece calculations.

Chart 23: Real exports of services (Greece and EA20) (index 2021:Q4=100, sa)



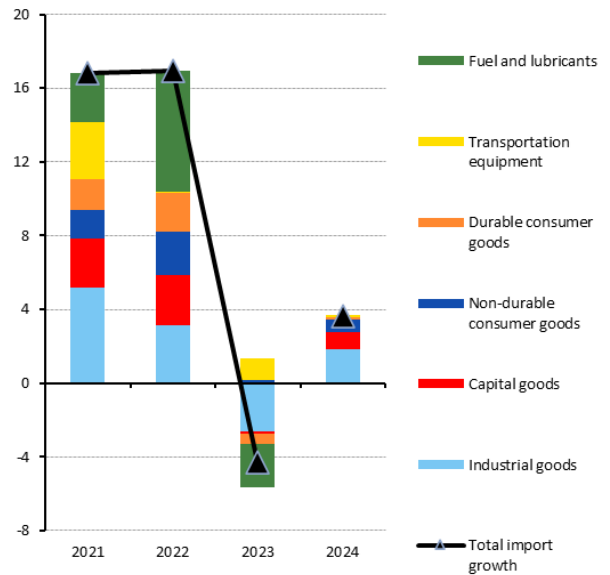
Sources: Bank of Greece (BoP statistics) and Eurostat (for EA 20). Bank of Greece calculations.

Chart 24: Contribution of each sector to total export growth (%) - constant prices



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

Chart 25: 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)

	2022	2023	2024*	2024		
				Oct	Nov	Dec
- Structural funds	2318	1256	0	0.0	0.0	0.0
- Farmers' subsidies	1963	2493	1902	0.7	9.2	31.9
- NGEU						
° Recovery and Resilience Facility (RRF)-grants **	1718	3405	1157	999	...	...
° Recovery and Resilience Facility (RRF)-loans	1845	3793	2327	...	...	...

*provisional data

**including REPowerEU

Source: Bank of Greece

In 2024, 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, The European Commission endorsed a positive preliminary assessment of this request on March 19, 2025.

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 ¹	3.8	2.0	3.4	2.4	1.4	0.9
HCI REER-ULC based competitiveness ²	-1.7	...	1.8	2.3	1.5	...
HCI REER-HICP based competitiveness ²	1.5	0.7	2.0	0.4	0.5	-0.2

Source: ECB

1: + appreciation of euro

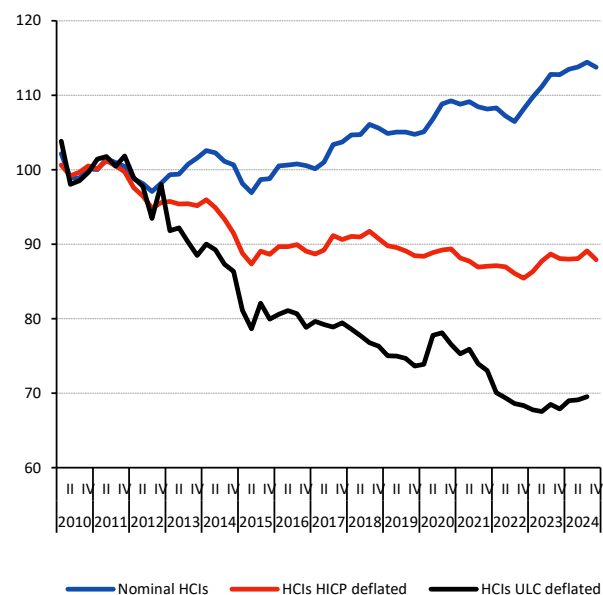
2: + deterioration of competitiveness

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



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

Chart 27a: Euro area countries: Harmonised consumer price index competitiveness indices (index 2010=100; quarterly, period averages)

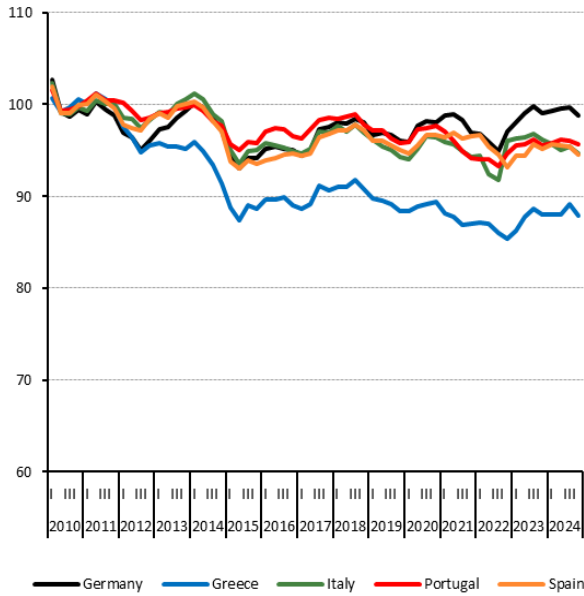
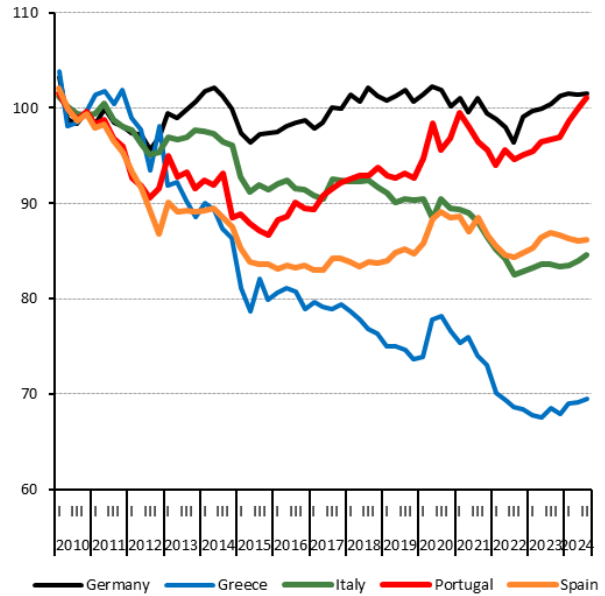


Chart 27b: Euro area countries: Unit labour cost competitiveness indices (index 2010=100; quarterly, period averages)



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

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 latest **Democracy Index of Economist** (published on 27 February 2025), Greece ranks 25th among 167 countries and its ranking deteriorated by 5 positions. However, its regime type remains within the full democracy group.

Indicator	International Organization	Date published	Latest Ranking (Total countries)	Previous Ranking (Total countries)	Positions Moved
World Competitiveness Ranking	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, the main challenges for Greece 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.				
Tax International Competitiveness Index	Tax Foundation	22.10.2024	27 (38)	27 (38)	-
	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. Strengths: 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. Weaknesses: 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.				

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	-	-	-
Memo items:						
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

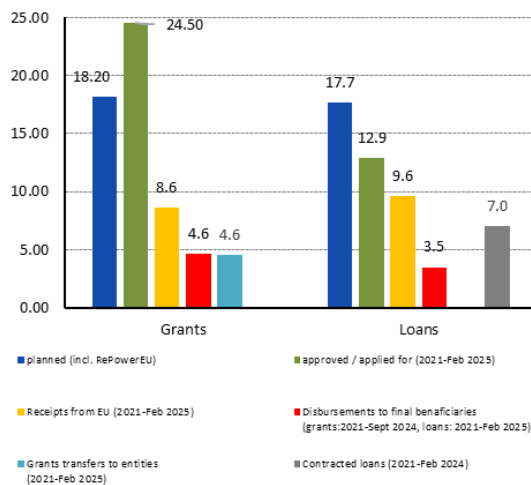
Absorption: Greece is progressing well compared to peers regarding the **RRF receipts based** on the successfully completion of the respective **milestones and targets**. So far Greece has received €18.2bn from the RRF (€8.6 for grants and €9.6 for loans), that is 51% out of the total envelop of €36 bn (being among the top countries above EU average), having successfully completed 28% of the total landmarks. In March 2025, preliminary approval was granted by the European Commission for the 5th 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 59% of the total envelop having successfully completed 35% of the total landmarks.

Execution: The **loan component** (signing of contracts) is progressing broadly 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 September 2024, the entire project envelope has been approved with a margin, of which €4.6 bn have been disbursed to the final beneficiaries. Another €4.3 bn have been transferred from the state to other entities inside and outside the general government until January 2025.

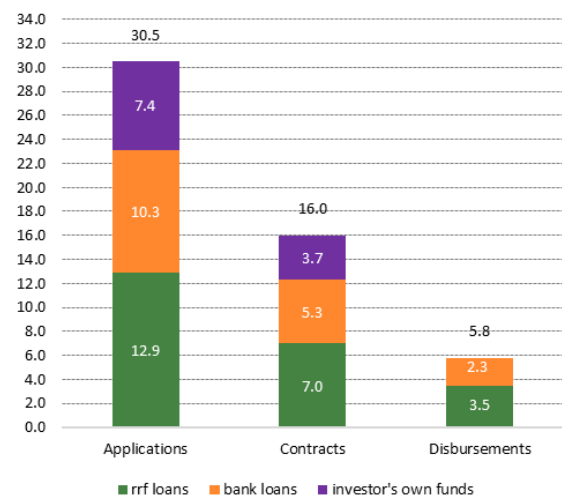
Loans: Out of a total envelope of €17.7 bn, cash receipts from the EU amount to €9.6 bn. Until January 2025 €3.2 bn had been disbursed to the final beneficiaries. The contracted projects amount to €6.7 bn.

Chart 28: RRF funds
(€ bn)



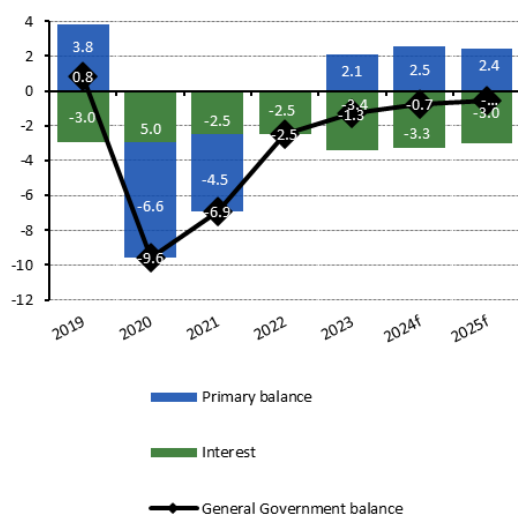
Source: Ministry of Finance

Chart 29: RRF loans with leverage
(€ bn – up to February 2025)



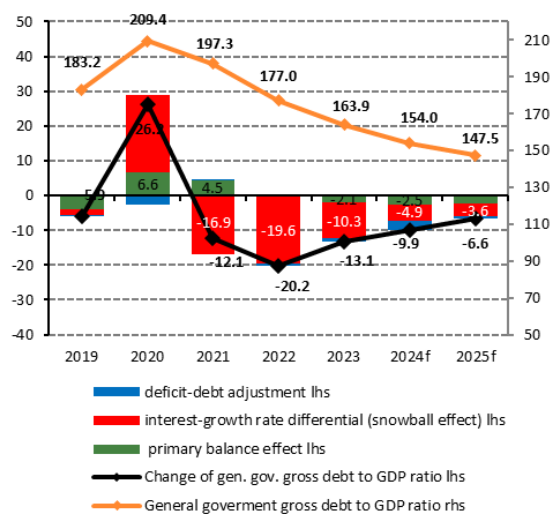
Source: Ministry of Finance, Bank of Greece

Chart 30: General Government deficit decomposition (% of GDP)



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

Chart 31: Gen. Government gross Debt to GDP ratio decomposition (percentage points)



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

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

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

	Annual				Quarterly	
	2021	2022	2023	2024	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	153.8*	165.0	156.5

Source: ELSTAT, PDMA

*PDMA estimates (Public Debt Bulletin Feb 2025)

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 1st 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.

According to PDMA estimates, the general government debt in 2024 was €365.5 bn (154.2% of GDP), 100% of which was at a fixed rate. The weighted average maturity stood at 18.79 years, while the time to next refixing of the debt portfolio at 18.17 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%.

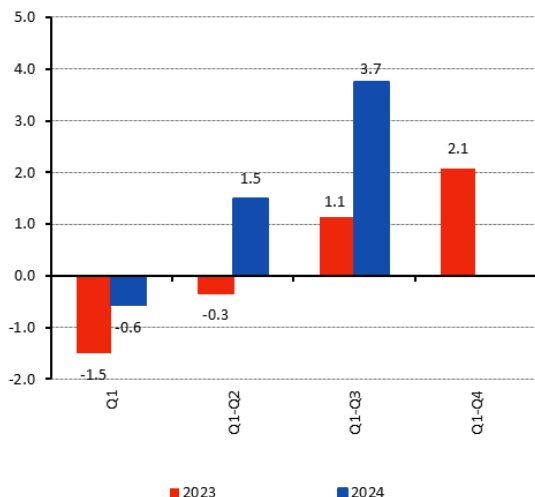
Quarterly General Government figures – ESA 2010 (2024 Q1-Q3) - Improvement

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.

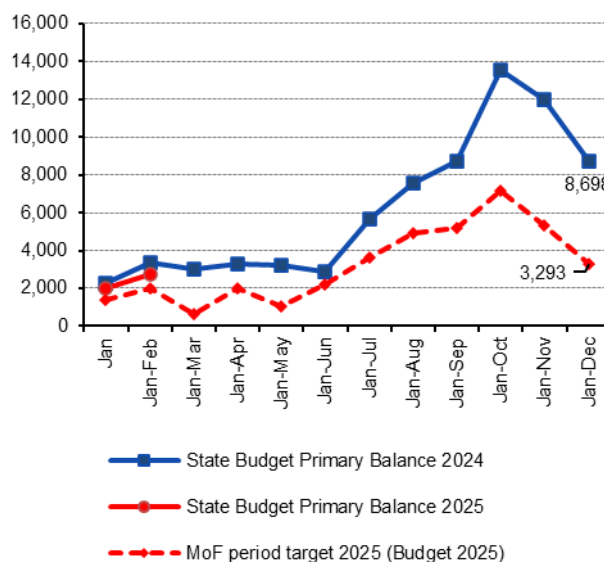
The Public debt ratio decreased by 7.4 pp of GDP compared to 2023:Q4, due to the rise in nominal GDP.

Chart 32: General government primary balance (quarterly, cumulative) (% of GDP)



Source: ELSTAT.

Chart 33: Evolution of State budget primary balance against MoF's period targets in 2024-2025 (EUR mn)



Source: Ministry of Finance.

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

5.3 Cumulative cash fiscal data

(% GDP)	2024	2025	2024	2025
	January		February	
General Government primary balance	0.9	0.6		
Stock of arrears (€ bn)	2.9	3.4		
Central Government debt	170.5	162.9		
State budget primary balance	1.0	0.8	1.4	1.1
State budget primary balance period target	0.5	0.6	0.8	0.8

Source: Ministry of Finance

In January 2025, **the primary general government cash outcome** recorded a lower surplus than the surplus achieved in January 2024. The deterioration is largely due to lower revenues from the public investment budget and from the RRF . Expenditure increased mainly on account of higher social transfers related to increases in pensions through the indexation mechanism (+2.4%), the increase in the rate of new pension awards and pension arrears' clearance.

In January 2025, **the stock of arrears** (excluding pension claims) increased by €0.4bn (mainly in hospitals) compared to December 2024. About 50% of total arrears (excluding tax refunds) originate in hospitals due to their reporting pre-clawback². Post-clawback, hospital arrears are much lower and

² 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

follow a downward trend since 2023.

The Central Government Debt at end-January 2025 was €403.2 bn (162.9% of GDP) compared to €403.9 bn (170.0% of GDP) at end-December 2024.

The **State primary balance** in January-February 2025 recorded a surplus (1.1 % of GDP) compared to a higher surplus (1.4% of GDP) in the same period in 2024. Compared to the period target (according to the 2025 Budget), the primary balance over-performed by €0.7 bn mainly due to (i) higher taxes largely due to higher receipts from the 7th installment of personal income tax of 2024 and VAT, accruing back to 2024, and (ii) lower primary expenditure owing to lower transfers to hospitals.

Financing

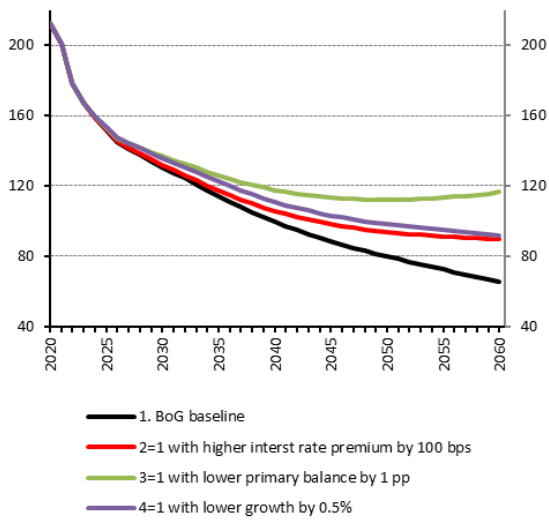
In 2024, Greece attracted €9.6 bn from the **capital markets**. In **December 2024** Greece proceeded with an early repayment of the Greek Loan Facility (GLF) loans due in 2026-2028 amounting €7.9 bn facilitated by ESM's and EFSF waiver grants. According to PDMA's funding strategy for 2025, the Hellenic 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%. In February 2025, another €250 mn was attracted from the re-opening of the January 10-year bond with a yield of 3.24%. In March 2025, €3bn was attracted from the re-opening of the 15 and 30 -year bond issuance with a yields of 4.06% and 4.41% respectively.

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.

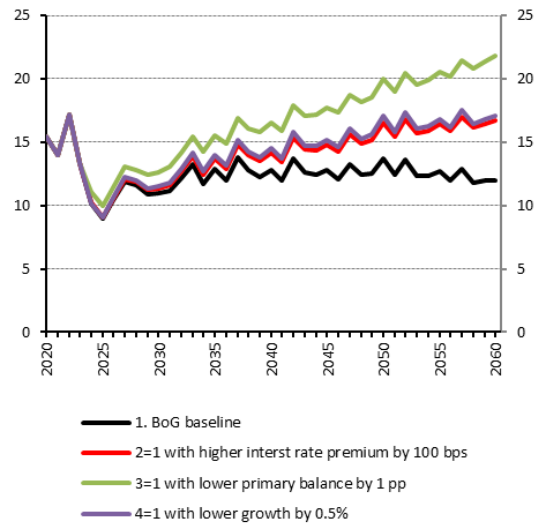
relating to hospitalization and pharmaceuticals up to a certain pecuniary limit. Essentially, when the respective public spending exceeds the thresholds of the relevant closed budgets, any surplus is 'repaid' by hospitals and pharmaceutical companies to the National Organisation for Healthcare (EOPYY), 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.

**Chart 34: General Government Maastricht debt
(% of GDP)**



Source: Bank of Greece.

**Chart 35: 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 %						
		2022	2023	2024	2024		2025	2022	2023	2024	2024			2025
					Nov	Dec					Jan	Nov	Dec		Jan
Private sector	198,822	8,047	5,752	8,671	2,269	5,592	-4,787	4.5	3.0	4.5	5.0	4.4	4.8	
-NFCs	45,159	3,469	324	5,069	1,368	2,858	-3,843	8.6	0.7	11.5	11.6	11.4	11.2	
-HHs	149,352	5,444	4,984	3,468	551	2,493	-1,002	4.0	3.5	2.4	2.8	2.4	3.1	

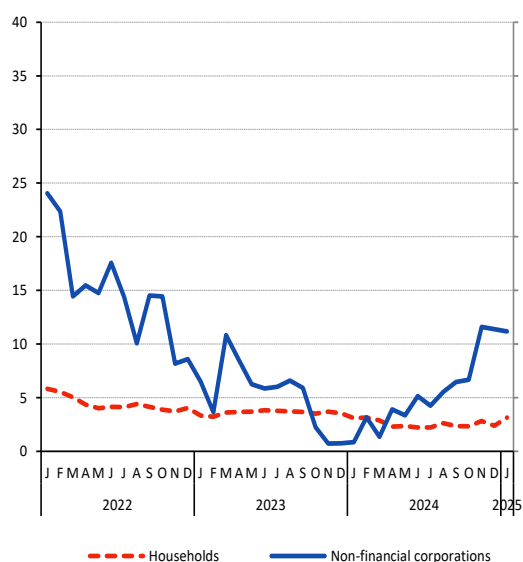
Source: Bank of Greece.

Limited rises in bank deposits

In 2024, **private sector deposits** continued to rise overall (by €8.7 bn) mostly reflecting an increase in corporate deposits (Charts 36 and 37). **Household deposits** also increased in 2024, but the increase has been limited compared to previous years mainly due to transfers of funds into other saving options, such as TBs and mutual funds, offering considerably higher returns.

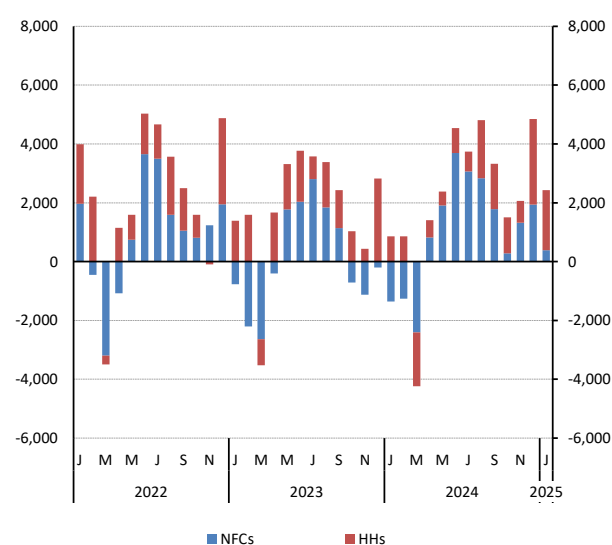
In January 2025, **bank deposits** of non-financial corporations and households declined by €3.8 bn and €1.0 bn respectively consistent with the seasonal pattern at the start of the year.

Chart 36: Bank deposits
(annual rate of change %)



Source: Bank of Greece.

Chart 37: 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 %					
	2025 Jan	2022	2023	2024	2024		2025	2022	2023	2024	2024		
					Nov	Dec	Jan				Nov	Dec	Jan
NFCs	73,439	6,837	3,739	9,279	1,706	2,005	-876	11.8	5.8	13.8	16.0	13.8	15.9
Sole proprietors	3,967	-44	-60	31	12	102	-102	-0.9	-1.3	0.7	0.5	0.7	0.2
HHs	35,132	-1,008	-771	-211	21	55	-144	-2.5	-2.0	-0.5	-0.7	-0.5	-0.5
-Housing loans	26,357	-1,113	-1,049	-734	-22	7	-122	-3.6	-3.5	-2.6	-2.7	-2.6	-2.5
-Consumer loans	8,577	112	294	527	42	48	-19	1.2	3.4	6.3	6.0	6.3	6.0
New bank term loans to NFCs (gross flow)	-	22,200	16,957	23,972	1,774	2,494	907	-	-	-	-	-	-
New bank term loans to HHs (gross flow)	-	2,405	2,497	3,181	289	321	231	-	-	-	-	-	-

Source: Bank of Greece.

*Data on the volume of bank loans do not include the amount of loans provided with public funds in the context of loan co-financing schemes ran by institutions such as Hellenic Development Bank, the EIB Group (e.g. TEPIX III loans or My Home loans) or the RRF. Volumes contain only the commercial bank participation in these loans towards NFCs or households.

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

Corporate bank credit expansion accelerated considerably during 2024 under the favourable impact of solid economic growth, declining interest rates and supportive public programmes, underpinning both increased loan demand and supply (Chart 38).

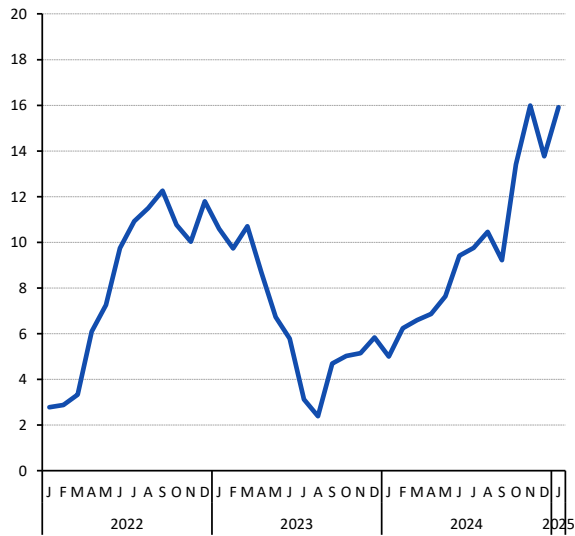
In January 2025, **bank credit to NFCs** (based on net flows) decreased by €0.9 bn but the annual rate of growth accelerated to 15.9%.

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 39).

In January 2025, the contraction rate of **housing loans** continued to decelerate to -2.5% while the annual growth rate of consumer loans stood at 6.0%.

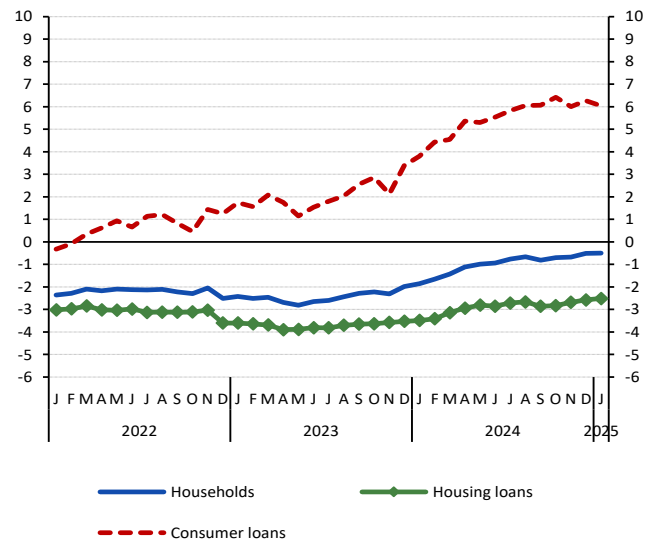
According to the **AnaCredit data**, in 2024, new corporate loan disbursements stood at €12.2 bn, well above the corresponding amount in 2023 (€9.9) (Chart 40).

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



Source: Bank of Greece.

Chart 39: Bank credit to households
(annual rate of change %)



Source: Bank of Greece.

6.3 Bank interest rates on new loans* and deposits

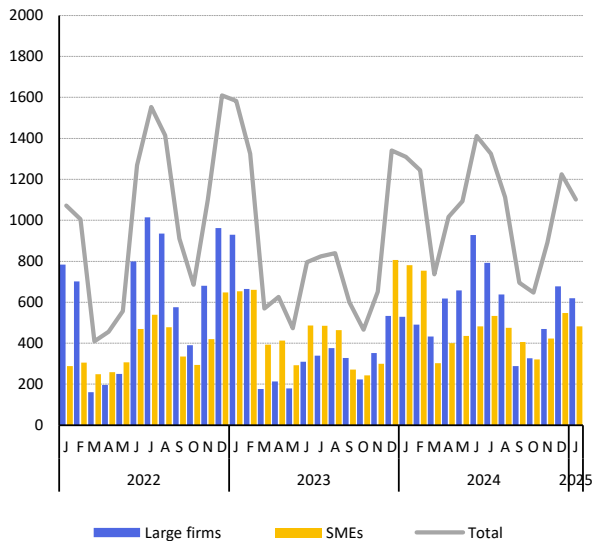
(end of period, percentages per annum)

	2022	2023	2024	2024		
				Nov	Dec	Jan
Bank lending rate	5.05	6.13	5.21	5.27	5.21	5.10
-to NFCs	4.64	6.01	4.93	4.98	4.93	4.70
-to HHs	5.59	6.35	5.78	5.86	5.79	5.90
-Housing loans	3.60	4.37	3.65	3.72	3.65	3.78
-Consumer term loans	10.71	11.00	10.64	10.86	10.64	10.82
Bank deposit rate for HHs	0.14	0.47	0.39	0.42	0.39	0.38

Source: Bank of Greece.

*Data on bank loan rates do not reflect the concessionary rates charged by institutions such as the Hellenic Development Bank, the EIB Group or the RRF, on the part of the loan provided with public funds in the context of co-financing schemes (such as TEPIX III loans or My Home loans). The above loan rates reflect only the market rate charged by commercial banks on their participation in these loans.

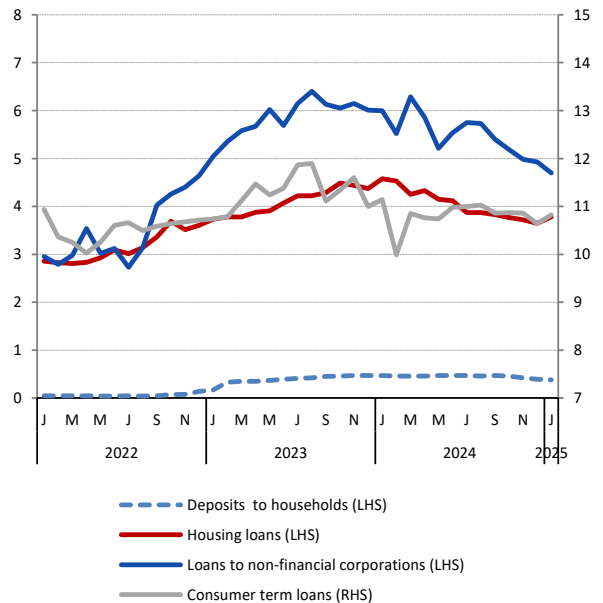
Chart 40: Amounts of new loans to large firms and to SMEs¹
(3-month moving average, EUR mn)



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 41: Bank interest rates
(percentages per annum)



Source: Bank of Greece.

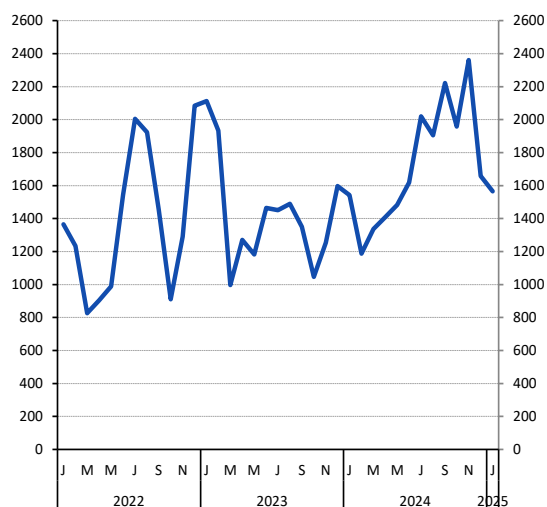
Bank lending rates declining but still high

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 January 2025, **bank lending rates** decreased further for new corporate loans (to 4.70%) but rose for new housing loans (to 3.78%) (Chart 41).

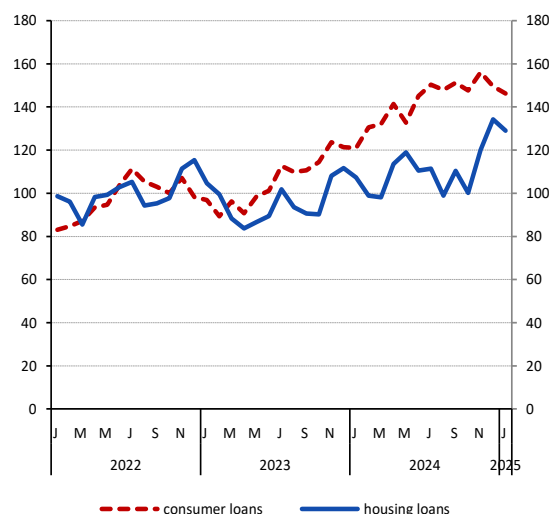
Data on gross flows of bank loans show that in 2024 **new bank corporate term loan agreements** rose significantly to around €24 bn compared to €17 bn in 2023 (Chart 42). In January 2025, these loan agreements stood at €0.9 bn significantly above the respective month in 2024 (€0.5 bn).

Chart 42: New bank corporate term loan agreements
(Gross flow, 3-month moving average, EUR mn)



Source: Bank of Greece, MFI interest rate statistics.

Chart 43: 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 4th 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, up to February 2025, 420 loan agreements had been signed financing investments with a total budget of €16.0 bn (RRF loans: €7.0 bn, bank loans: €5.3 bn, investors’ own participation: €3.7 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 2024, **bank loan disbursements to NFCs** supported by these financial instruments amounted to almost €3.7 bn (2023: € 2.0 bn) thus representing 14% of total new bank business loans (40% of new bank loans to SMEs respectively).

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:Q3	2024:Q4	2024:Q3	2024:Q4	2024:Q3	2024:Q4	2024:Q3	2024:Q4
Loans to enterprises	3.25	3.75	3.00	3.00	3.00	3.00	3.00	3.00
Loans for house purchase	2.50	2.75	3.00	3.25	3.00	3.00	3.00	3.00
Consumer credit	3.25	3.00	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:Q4 compared to 2024:Q3):

Increased demand for corporate loans, credit standards overall unchanged but some easing on terms and conditions for housing loans

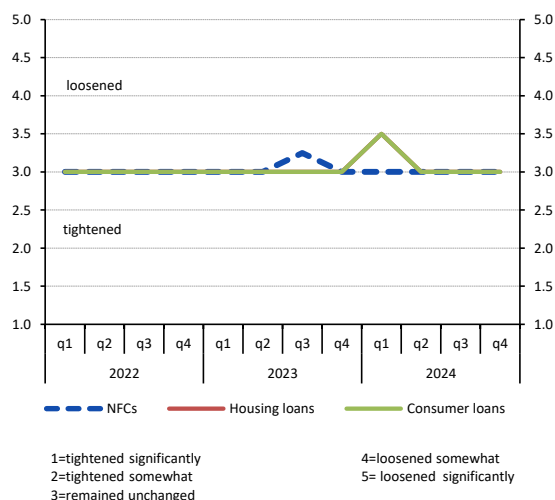
In 2024Q4, Greek banks kept **credit standards** unchanged (Chart 44). As far as overall lending **terms and conditions** are concerned, they remained unchanged in the case of corporate and consumer loans; still, an easing of interest rate margins on corporate loans has been reported. Terms and conditions on housing loans were seen to have eased slightly regarding non-interest rate charges and margins on average housing loans owing to pressure from competition.

Greek credit institutions assessed that there was an expansion in the **demand for bank credit** by NFCs during 2024Q4 comparing with 2024Q3 (Chart 45) mainly as far as longer-term loans and loans for large firms are concerned. According to survey responses, factors that contributed positively to demand included increased need for NFCs to finance fixed investment, inventories and working capital, M&A activity, and lower interest rates.

According to the responding institutions there was a decrease in the demand for housing loans during 2024Q4, whereas the demand for consumer credit remained unchanged (Chart 45). The level of interest rates and households' recourse to own savings and other sources of finance were seen as factors that continued to exert a negative influence on housing loan demand.

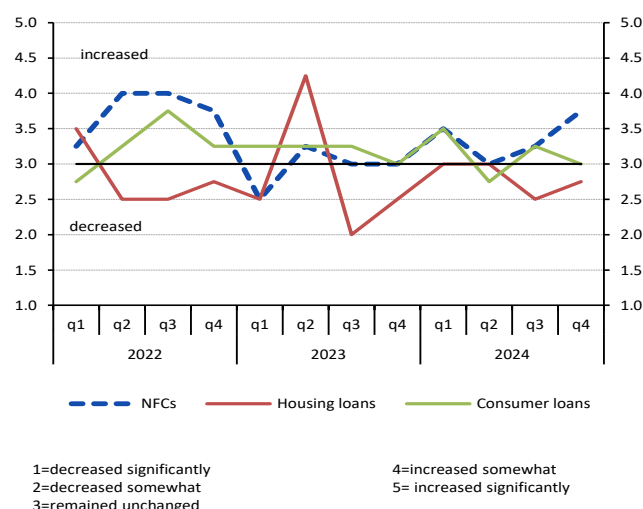
In response to one of the ad hoc questions regarding their **funding sources**, Greek banks stated that their access to funds from longer-term bond issues continued to improve while some improvement has also been reported for short-term retail deposits and for very short-term money market funding. In connection with the effect from NPLs, Greek banks in the survey reported that there was no impact in the second half of 2024 on credit standards and terms and conditions.

Chart 44: Change in bank credit standards
(average response)



Source: Bank of Greece, ECB.

Chart 45: Change in bank loan demand
(average response)



Source: Bank of Greece, ECB.

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

(net percentage of respondents)

	Needs			Availability			Approval rate ^{1 2}		Rejection rate ²			
	2024:Q3	2024:Q4		2024:Q3	2024:Q4		2024:Q3	2024:Q4	2024:Q3	2024:Q4		
Bank loans	6	3	↓	12	8	↓	50	52	↑	8	7	↓
Credit lines	11	11	-	6	10	↑	71	54	↓	9	11	↑

Source: EC/ECB, SAFE.

¹ Applications satisfied mostly or in full.

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

II. SAFE results for Greece: October-December 2024 compared to July-September 2024

Declining interest rates, improved availability of bank loans against a moderate loan demand from SMEs

The **external financing gap faced by 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 remained negative in 2024:Q4 as well as for the most part of 2024 (Chart 46).

The **availability (supply)** of bank credit was seen to have continued to expand compared to the previous survey round. At the same time, SMEs' **needs (demand)** for bank credit have been less intense overall, standing at very low levels in the case bank loans while SMEs' needs for credit lines remained rather stable (Chart 47).

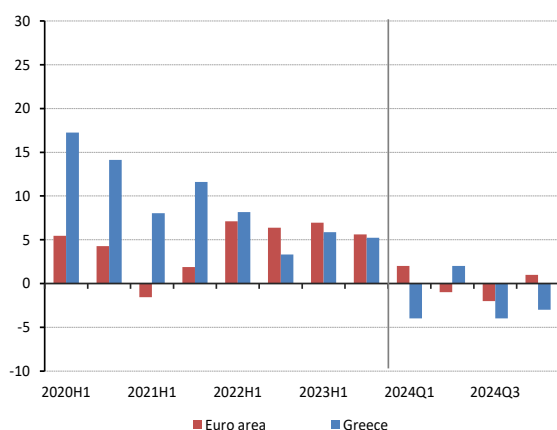
Among the **factors affecting the supply of external financing**, the influence of the general economic outlook has remained negative while SMEs continued to report a strong positive impact of the factors related to their own creditworthiness (namely firms' specific outlook, capital, and credit history). More firms indicated an increase in the willingness of banks to lend as well as in the willingness of trading

partners to provide credit. However, SMEs continued reporting that their access to public financial support programmes deteriorated.

The percentage of firms which applied for a bank loan remained broadly stable compared to the previous survey round (19% from 20%). The most frequently cited reason for not applying for a bank loan was sufficiency of internal funds with the respective share of firms rising to a high level of 53% (up from 40%). At the same time firms' discouragement for fear of rejection by the bank rose (11% up from 7%) but remained low overall.

As far as the **outcome of bank term loan applications** is concerned, the rejection rate decreased slightly (7% down from 8%) while the approval rate (percentage of applications satisfied mostly or in full) increased (52% from 50%). Regarding **terms and conditions of bank loans**, firms reported a decline in the interest rate for bank loans (-13% down from 3%), for the first time since the start of the quarterly conduct of the survey in 2024Q1, which is an indication that bank interest rates charged to SMEs have started to decline as a result of the monetary policy easing cycle. However, SMEs also indicated stricter collateral requirements and a tightening in other loan terms and conditions (loan covenants etc.).

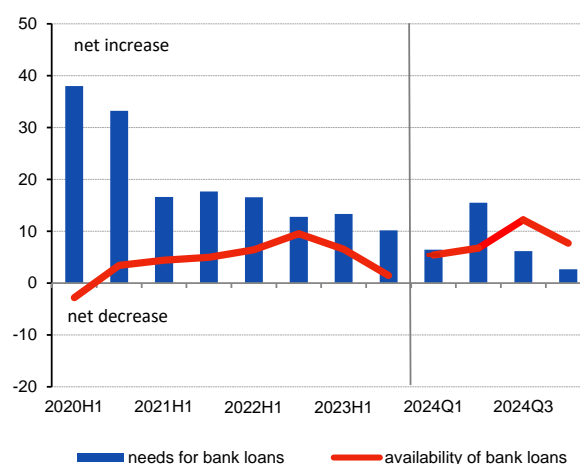
Chart 46: External financing gap faced by SMEs in Greece and the euro area (weighted net balances)



* 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 47: 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 20/3/2025	27/2/2025	3-weeks	y-t-d	3-months	6-months	12-months	2024	2023
<i>Greek Government Bonds</i>									
GR 2y	2.28	2.23	5	8	8	19	-56	-18	-112
GR 5y	2.86	2.64	22	31	34	45	-13	-5	-115
GR 10y	3.61	3.30	31	36	37	51	15	17	-152
<i>Euro area bonds</i>									
DE 2y	2.17	2.04	13	8	10	9	-74	-31	-33
FR 2y	2.28	2.16	12	0	2	-4	-72	-18	-39
IT 2y	2.46	2.36	10	0	2	-1	-100	-54	-29
DE 10y	2.78	2.41	37	42	45	64	34	34	-53
FR 10y	3.48	3.14	34	29	35	56	61	64	-56
IT 10y	3.85	3.49	36	33	36	39	13	-18	-101
ES 10y	3.43	3.09	34	36	40	50	18	7	-67
PT 10y	3.30	2.94	36	45	49	59	22	6	-81
EA BEIR 5y	1.88	1.75	13	20	17	30	-9	-18	-34
EA 5y-5y FILS	2.15	2.05	10	13	13	5	-14	-25	-10
<i>Spreads</i>									
GR 10y - 2y (bps)	133	107	26	28	29	32	71	36	-39
GR 10y - Bund (bps)	83	89	-6	-6	-8	-13	-20	-16	-98
GR 10y - IT 10y (bps)	-24	-18	-6	3	1	12	2	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 euro-area developments closely.

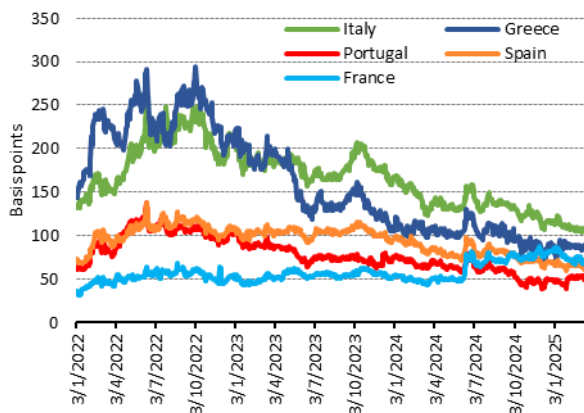
In 2023, Greek government bond (GGB) yields and spreads, vis-à-vis euro area benchmark bonds, declined, amid upgrades of Greece's sovereign credit ratings; in 2024, GGB yields moved broadly in line with yields of other euro area sovereigns, with a rise early in the year being reversed after investors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

In the last three weeks, euro area sovereign bond yields rose significantly and yield curves steepened (Table 7.1 and Chart 48), after news that European countries intend to increase defense spending.

Broadly in line with these developments, yields on medium- to long-term GGBs rose and the yield curve steepened compared to three weeks ago (Chart 49).

Chart 48: 10-year sovereign bond spreads

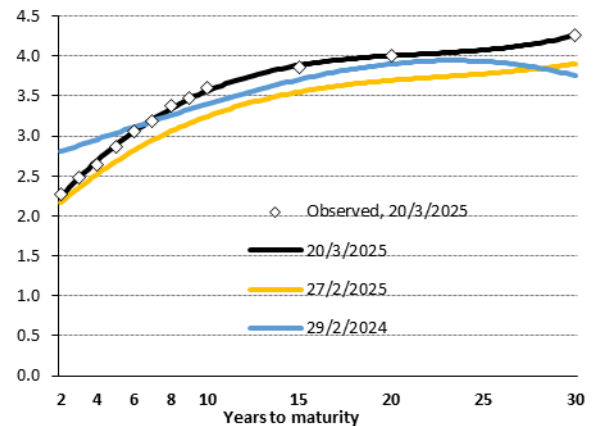
(yield differentials vis-à-vis the Bund in bps; daily data)



Source: LSEG. Latest obs. 20/3/2025.

Chart 49: Greek sovereign yield curve

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



Source: Bank of Greece. Latest obs. 20/3/2025.

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	Baa3	Stable	Ba1	Stable	Ba3	Stable	Ba3	Positive
S&P	BBB-	Positive	BBB-	Stable	BB+	Stable	BB	Stable
M.DBRS	BBB	Stable	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	83	102	10	156	30	229	29
BBB	153	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.

All rating agencies now assign Greece a rating in investment grade...

The **sovereign credit ratings assigned to Greece** have followed an upward trend for a long period of time, almost uninterrupted since 2015, resulting to regaining the Investment Grade (IG) in 2023 (see Chart 50).

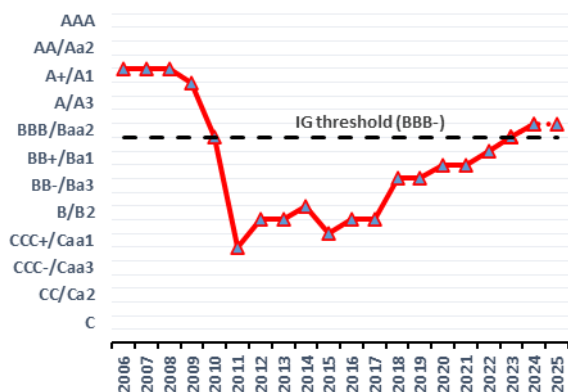
On 13 March 2025, Moody's upgraded the Greek sovereign to investment grade ('Baa3' from 'Ba1'), with a stable outlook, citing better public finance and bank fundamentals. **On 7 March 2025, DBRS also upgraded the sovereign by one notch to 'BBB'** (with a stable outlook), reflecting the agency's view of lower legacy risks in the banking sector as well as fiscal overperformance. As a result, all rating agencies assign to the Greek sovereign investment grade status. DBRS and Scope Ratings assign Greece a credit rating of 'BBB' (outlook both stable) while Fitch, S&P and Moody's, assign a rating of BBB-/Baa3 (S&P's outlook is positive).

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 favorably compared to other BBB-rated sovereign bonds.

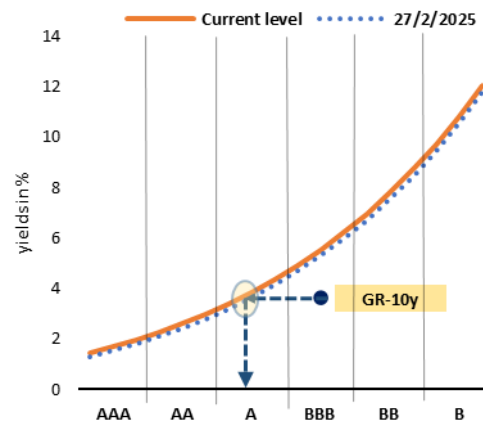
Markets price Greek sovereign bonds more favourably than the median of BBB-rated sovereign bonds; in particular, the GGB 10-year yield lays firmly at single-A levels (see Chart 51).

Chart 50: Greece's sovereign credit rating
(highest rating; alphanumeric scale harmonized)



Sources: Rating agencies & Bank of Greece. Latest obs. 20/3/2025.

Chart 51: Sovereign bond yields per rating categories
(yields in %; median per rating; model-implied)



Sources: LSEG; BoG's model. Latest obs. 19/3/2025.

Table 7.3 Corporate bonds

	Levels		Changes (bps)						
	Latest 20/3/2025	27/2/2025	3-weeks	y-t-d	3-months	6-months	12-months	2024	2023
GR NFC bonds	3.69	3.57	12	1	-1	-40	-90	-73	0
EA BBB-rated NFC bonds	3.60	3.29	31	20	23	17	-23	-16	-79
EA liquid HY NFC bonds	5.60	5.24	36	0	0	-23	-85	-75	-164
<i>Spreads</i>									
GR NFC - EA BBBs (bps)	9	28	-19	-19	-24	-57	-67	-57	79
GR NFC - EA liquid HY (bps)	-190	-167	-23	1	-1	-17	-6	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.

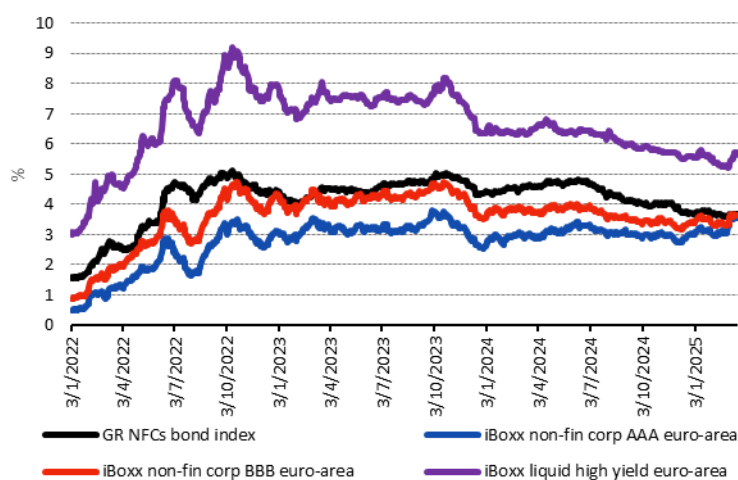
Large Greek NFCs are sustainably funded by international investors...

Bonds issued by Greek non-financial corporations (NFCs) have largely followed the developments in other euro-area corporate bonds (Chart 52). 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 cost of funding is close to that of BBB-rated EA NFCs.

Yields of GCBs rose in the period under review, however significantly less than yields on euro-area lower-rated corporate bonds (see Table 7.3).

Chart 52: 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. 19/3/2025.

Table 7.4 Stock market indices

	Levels		Returns (%)						
	20/3/2025	27/2/2025	3-weeks	y-t-d	3-months	6-months	12-months	2024	2023
ATHEX General Index	1,703	1,598	6.6	15.9	17.5	15.7	19.0	13.7	39.1
Banks	1,669	1,462	14.2	29.8	30.9	29.8	35.8	21.1	65.7
Basic Materials	5,679	5,303	7.1	13.2	15.3	14.0	12.7	3.0	24.2
Consumer Discretionary	5,489	5,313	3.3	9.0	10.5	6.0	2.5	0.4	41.7
Consumer Staples	7,842	7,900	-0.7	17.2	18.3	21.6	29.8	31.5	25.3
Energy & Utilities	5,521	5,254	5.1	10.9	13.2	8.1	4.7	-0.2	20.3
Industrials	7,525	7,379	2.0	5.1	6.1	12.2	26.9	40.9	68.9
Real Estate	4,828	4,758	1.5	-1.1	0.5	-3.1	-1.6	-1.6	-0.4
Tech & telecommunications	5,817	5,669	2.6	2.6	4.7	0.1	7.1	11.8	27.5
Transaction volume (monthly average, in mn €)	234.6	156.5	49.9	70.9	89.2	140.2	11.9	27.8	96.9
Euro Stoxx	564	561	0.5	11.5	12.4	8.6	9.2	6.6	15.7
MSCI World	3,694	3,767	-2.0	-0.4	-2.2	-0.7	7.5	17.0	21.8
GR volatility (%)^a	0.8	1.0	-21.8	17.6	-5.6	45.4	-6.3	59.0	-38.8
GR intraday volatility (%)^b	1.1	0.9	14.0	48.5	32.1	31.5	13.0	-2.7	-14.3
Euro Stoxx volatility (%)^a	1.2	0.8	48.5	124.3	105.0	22.4	128.3	25.8	-60.1
MSCI World volatility (%)^a	1.1	0.7	56.5	45.5	49.7	39.5	73.5	53.3	-52.1
VIX	19.8	21.1	-6.3	14.1	38.8	28.8	53.3	39.4	-42.5

Source: LSEG, Bank of Greece.

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

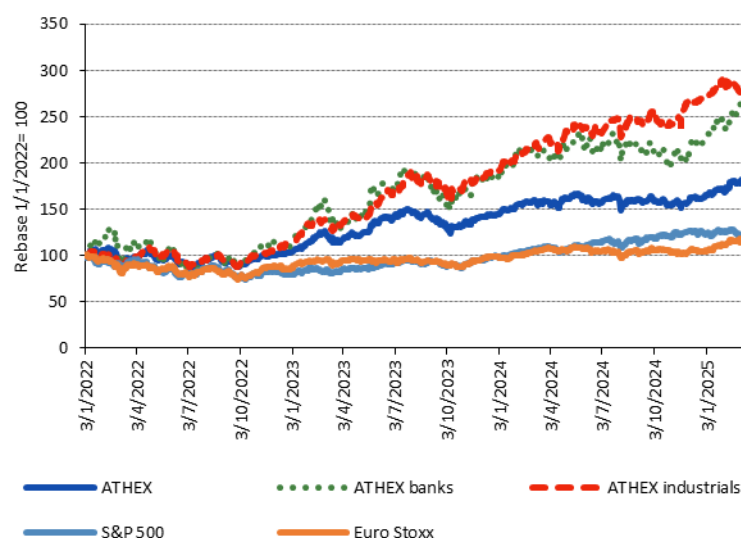
b) Intraday volatility is the range of intraday prices, relative to the closing price.

Share prices of listed Greek companies have posted strong positive returns in 2023 & 2024, in line with the good performance of the economy.

Share prices in the Athens Stock Exchange (ASE) recorded strong positive returns in 2024, outperforming euro area stock markets (Chart 53); this development took place in an environment of low, by historical standards, market volatility in the ASE.

Share prices of Greek listed companies rose, overall, vis-à-vis three weeks ago, as did prices in other euro area stock markets (see Table 7.4).

Chart 53: Stock exchange indices



Source: LSEG.

Latest obs. 19/3/2025.

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	2023	2024	2023	2024	2023	Dec 2024	Dec 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)	8.6	8.1	2.1	1.8	0.4	0.3	3.4	4.0	213.9	217.8

	Pre-Provision Income		Operating Expenses		Net profits		CET1		MREL	
	2024	2023	2024	2023	2024	2023	Dec 2024	Dec 2023	Dec 2024	Dec 2023
	GR banks (SIs & LSIs)*	5.7	5.2	2.9	2.8	3.3	3.0	15.5	14.3	--
GR banks (SIs)	7.5	6.9	3.6	3.3	4.3	3.7	16.0	15.5	28.8	24.7

* These data are for 2024:9M because LSIs have not yet published results for fiscal year 2024.

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 Sep. 2024.

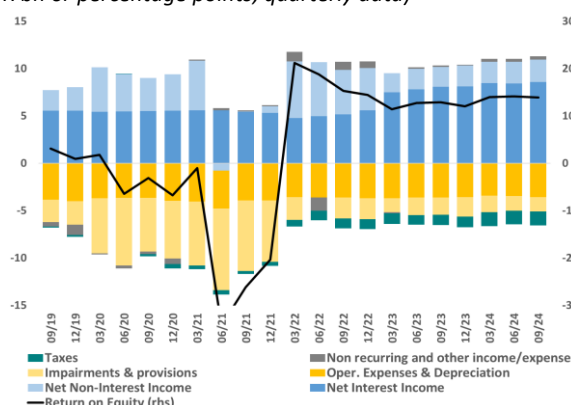
Greek banks' profitability increased, while their financial resilience also strengthened...

The growth in the net profits of the four Greek systemically important banks continued in 2024 (Chart 54), as a result of a continued rise in net interest income, as well as higher net fees & commissions income and trading & other income. The overall bottom line was also supported by a significant decline in impairment losses on loans & advances to customers.

The aggregate capital position of systemically important banks rose in December 2024 compared to a year earlier, as CET1 capital increased relatively more than risk weighted assets. Banks' capital quality is also expected to benefit from higher profitability, as banks' plans for an acceleration in deferred tax credit (DTC) amortization materialize. Greek systemic banks' liquidity positions remained strong at end-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 went further down in December 2024 vis-à-vis end-2023 (Chart 55).

Greek systemic banks, according to their announced results, have already met their final MREL targets.

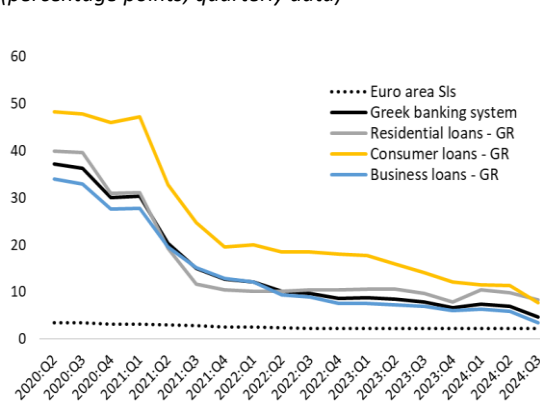
Chart 54: GR banks' profitability
(EUR bn or percentage points; quarterly data)



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 55: 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 20/3/2025	27/2/2025	3-weeks	y-t-d	2023-end	2022-end	2025:3M	2024:3M
GR bank senior bonds	3.34	3.25	9	1	-163	-433	0.4	1.0
GR bank subordinated bonds	4.38	4.48	-10	-39	-320	-709	0.6	1.3
EA BBB bank bonds	3.74	3.40	34	-7	-24	-147	--	--

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 improving bank ratings...

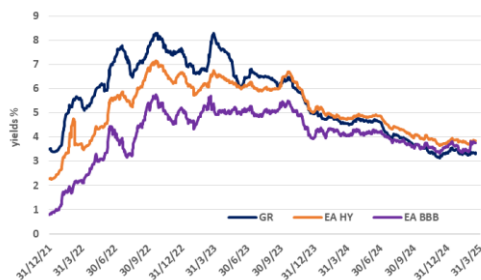
Credit ratings of Greek banks continue to benefit from the sovereign's upgrades (see Chart 57). Following the sovereign upgrade to investment grade, Moody's upgraded the deposit ratings of NBG and Eurobank by one notch to 'Baa1', those of Alpha Bank and Piraeus Bank by one notch to 'Baa2' and that of Attica Bank by two notches to 'Ba2'. Following a similar move for the sovereign, DBRS upgraded the deposit ratings of NBG and Eurobank by one notch to 'BBB'. At present, Greek banks' highest long-term issuer rating ranges from one notch below IG (BB+) to IG (BBB-), putting downward pressure on bank bond yields.

...and in declining market-based cost of funding.

Yields on senior bonds issued by Greek banks rose somewhat in the period under review (Chart 56), while those of euro area peers increased significantly.

Overall, Greek banks' funding costs remained broadly unchanged (w.a. funding rate at around 1.3% in Sep. 2024, see Charts 55 & 56) vis-à-vis June levels (1.4%), reflecting the pass-through of lower policy rates and improved credit ratings to the cost incurred from deposits, interbank borrowing and bond selling.

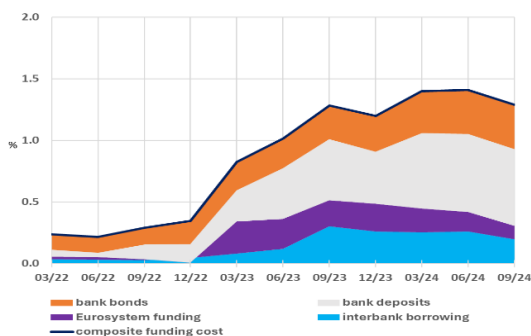
Chart 56: GR and EA bank bond yields
(percentage points; quarterly data)



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. 19/3/2025.

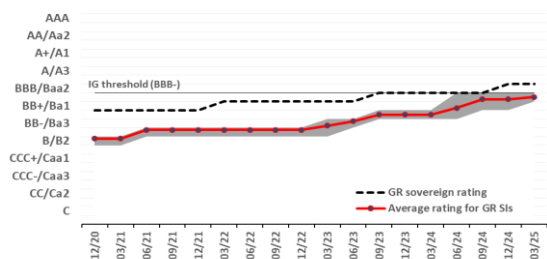
Chart 58: GR banks' funding costs
(percentage points; quarterly data)



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.

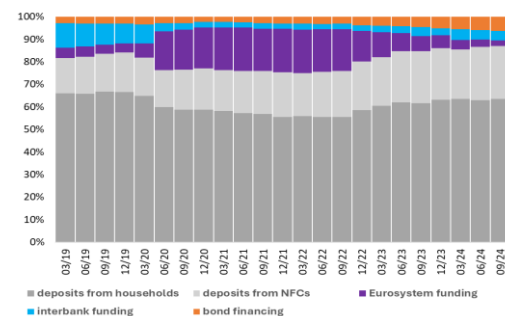
Chart 57: GR banks' issuer ratings
(quarterly data)



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 59: 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.

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)

	2021					2022					2023					2024				
	2021	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	Q4	2023	Q1	Q2	Q3	Q4	2024	Q1	Q2	Q3	Q4
Private consumption	5.4	-6.0	12.3	5.0	11.7	8.8	14.1	9.6	7.4	4.6	1.7	2.1	1.7	1.5	1.7	1.9	2.3	2.0	2.5	0.8
Public consumption	1.9	2.1	2.0	3.2	0.3	0.1	1.1	2.1	-0.7	-1.9	2.5	4.4	2.4	-0.7	4.0	-4.1	-6.9	-4.2	-1.8	-3.4
Gross fixed capital formation	20.8	11.2	23.7	21.1	27.3	16.2	19.6	15.0	12.4	18.2	7.0	10.7	8.7	9.0	0.1	4.3	2.6	4.3	1.3	9.0
Dwellings	32.6	31.1	14.7	77.7	14.5	58.0	34.2	36.3	27.6	147.6	23.9	61.5	52.9	29.5	-19.0	3.2	-13.7	-6.8	7.5	29.1
Other construction	16.2	4.3	17.3	17.8	26.1	8.7	14.7	10.5	7.2	3.3	9.7	6.2	9.9	11.0	11.5	8.7	10.8	5.8	6.5	11.8
Equipment	20.6	-0.1	22.5	15.7	46.2	16.7	33.8	12.6	11.7	12.3	4.6	2.3	3.6	11.5	1.1	5.0	7.2	15.6	-2.9	2.1
Domestic demand	6.5	-2.4	11.3	6.5	11.0	8.0	12.0	8.7	6.4	5.1	2.6	3.7	2.8	2.1	1.9	1.1	0.5	1.2	1.5	1.2
Exports of goods and services	24.4	-0.9	24.9	48.7	30.0	6.6	16.0	14.2	-0.8	-0.6	1.9	8.5	-1.9	0.1	1.1	1.0	-4.9	2.3	3.3	3.6
Exports of goods	14.7	11.2	20.6	15.8	11.5	4.5	6.9	5.6	3.8	2.0	-0.4	8.8	-2.9	-2.8	-4.2	-1.8	-10.2	1.1	0.9	1.6
Exports of services	37.6	-17.9	53.9	95.1	62.0	9.4	21.6	27.6	-1.7	-3.5	3.9	6.9	-0.1	3.7	5.2	3.8	1.6	2.9	4.8	5.9
Imports of goods and services	17.4	-5.0	25.5	21.6	31.0	11.0	18.0	15.0	4.9	7.4	0.9	3.9	-1.3	3.1	-1.9	5.5	4.6	9.7	5.4	2.4
Imports of goods	16.5	-2.2	25.3	16.8	28.5	13.2	19.4	18.7	9.7	6.3	-0.3	2.0	-4.0	2.6	-1.7	5.1	4.0	11.0	3.5	2.0
Imports of services	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	6.7	4.4	5.2	12.7	4.8
Real GDP at market prices	8.3	-2.2	15.0	11.5	10.2	5.8	8.0	6.7	4.7	4.1	2.3	2.0	3.1	2.2	2.0	2.3	2.1	2.1	2.3	2.6

Source: ELSTAT (quarterly national accounts March 2025, provisional data).

Table 2: Value added decomposition, seasonally adjusted

Percentage changes (chain linked volumes, reference year 2020)

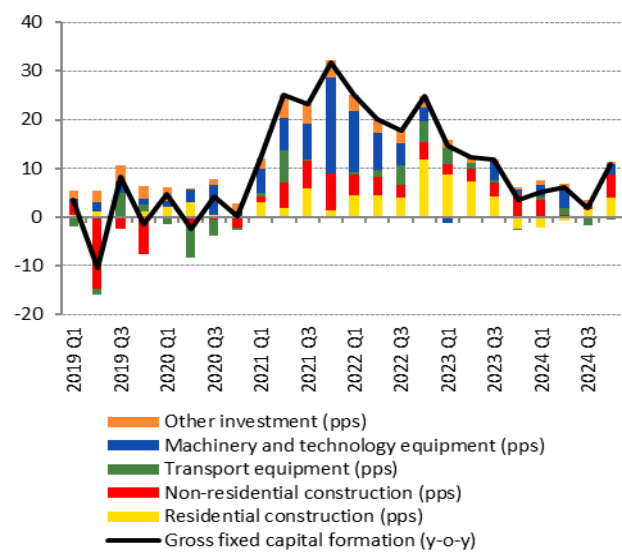
	2021					2022					2023					2024				
	2021	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	Q4	2023	Q1	Q2	Q3	Q4	2024	Q1	Q2	Q3	Q4
Agricultural sector	-2.9	-7.0	-3.1	-3.9	2.8	16.0	16.3	22.5	23.5	2.1	-26.8	-16.2	-28.8	-35.9	-25.4	-1.9	-11.9	-3.9	0.8	9.6
Industry and construction	12.9	5.9	18.7	14.0	13.5	1.7	7.4	2.9	0.1	-3.1	4.6	0.2	2.0	6.3	10.1	6.0	5.4	9.5	4.6	4.8
Industry	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	4.6	9.7	6.4	5.8	11.3	4.7	4.0
Construction	30.7	20.5	31.8	53.6	19.7	1.7	17.0	-8.4	-11.0	11.4	10.4	-10.4	23.4	20.0	13.3	3.5	2.4	-2.9	3.7	11.0
Services	7.1	-3.0	13.0	10.6	9.0	5.6	5.9	6.4	4.6	5.3	3.3	5.2	4.0	2.2	2.0	0.9	0.4	0.8	1.5	0.8
Trade, hotels and restaurants, transport	10.4	-12.2	21.5	20.5	18.7	9.7	10.2	17.8	7.3	4.3	2.0	6.4	0.5	1.1	0.3	1.2	-0.6	1.8	1.8	1.7
Information & communication	9.2	11.3	14.3	8.6	3.2	7.1	1.8	4.6	9.7	12.4	5.2	8.8	7.3	1.3	3.7	3.4	5.0	3.9	3.4	1.4
Financial services	2.9	4.8	8.2	3.1	-4.4	3.9	-3.5	-4.7	3.5	22.3	4.4	6.6	8.1	4.0	-0.4	2.6	2.4	1.3	3.4	3.4
Real estate related services	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	0.4	0.4
Professional services	18.4	8.1	35.5	26.3	7.7	10.2	6.8	8.4	7.1	18.6	8.2	13.2	11.4	3.9	4.8	1.8	0.5	0.1	6.7	0.1
Public admin	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	-0.9	-0.2	-0.4	-0.3	-0.5	-0.8	0.0
Arts and recreation	13.9	-21.9	66.5	9.3	27.7	12.5	37.3	11.9	7.6	-1.3	4.2	-1.1	5.9	3.8	8.3	1.3	2.8	1.4	2.1	-1.1
Value added at basic prices	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	2.0	1.8	0.9	2.2	2.1	2.1
Taxes on products	9.4	-4.0	26.1	6.2	13.1	9.2	16.0	7.6	6.2	7.5	-3.3	-9.0	-5.2	4.8	-3.5	3.8	5.2	11.9	-4.9	4.2
Subsidies on products	-12.8	14.1	-6.0	-28.5	-35.3	8.3	-36.1	-17.8	52.9	93.6	-19.8	3.8	-45.0	-14.9	-21.5	-11.9	-20.3	57.0	-41.8	-8.6
GDP at market prices	8.3	-2.2	15.0	11.5	10.2	5.8	8.0	6.7	4.7	4.1	2.3	2.0	3.1	2.2	2.0	2.3	2.1	2.1	2.3	2.6

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

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

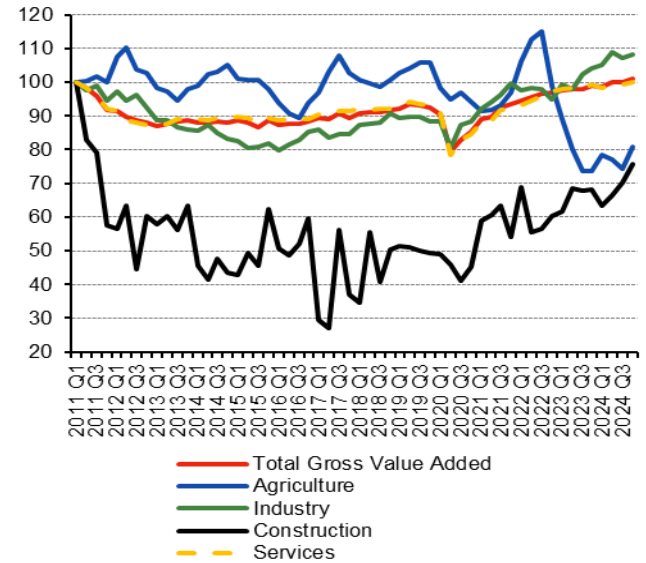
Sources: OECD (OECD Economic Outlook, December 2024), European Commission (European Commission, Autumn 2024 Economic Forecasts, November 2024), IMF (World Economic Outlook, October 2024), Consensus Economics (Consensus Forecasts, March 2025).

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



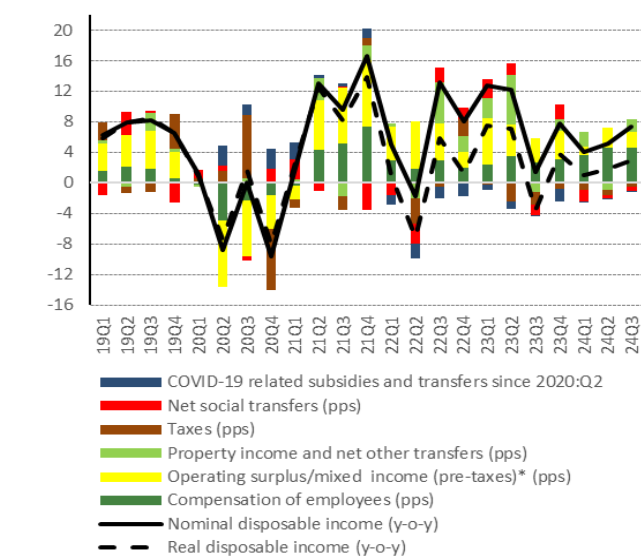
Source: ELSTAT, National Accounts (provisional, nsa data, at current prices), March 2025.

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



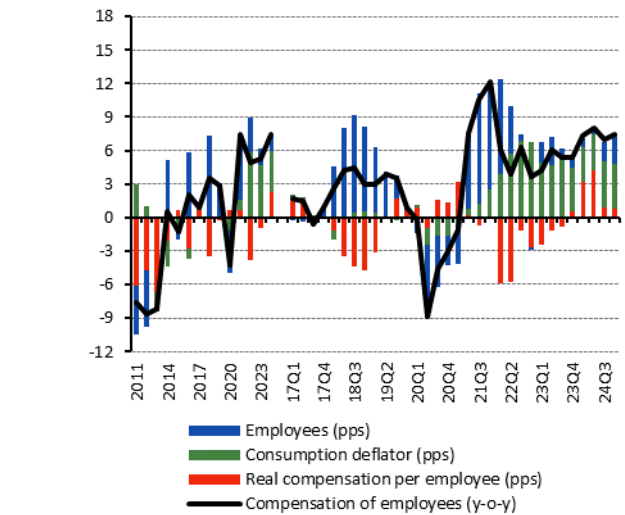
Source: ELSTAT, National Accounts, March 2025.

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



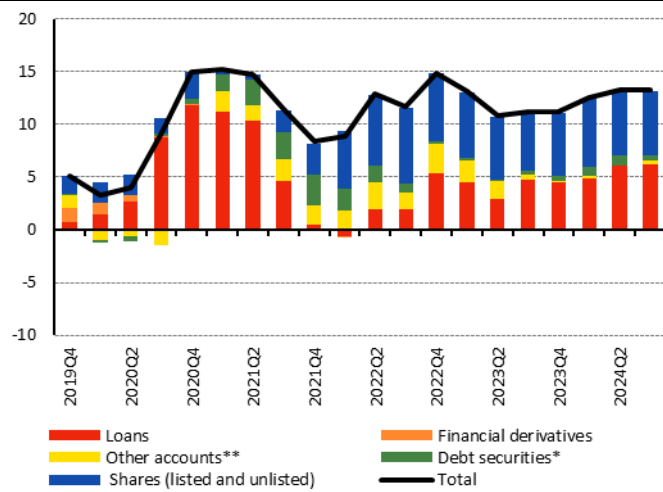
Source: ELSTAT, quarterly non-financial accounts of institutional sectors and Bank of Greece calculations.
 Note: Taxes = Current taxes on income, wealth + Taxes on production and imports (including ENFIA).
 *Excluding exceptional subsidies and transfers from general government to deal with COVID-19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

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



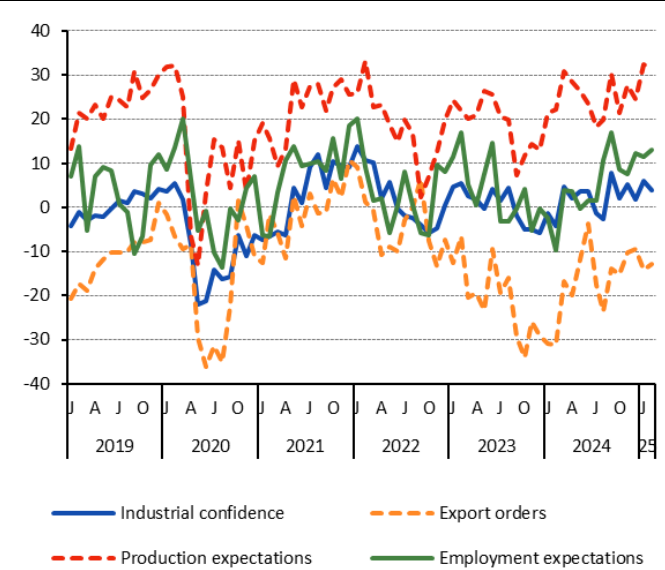
Source: ELSTAT, National Accounts, March 2025.

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



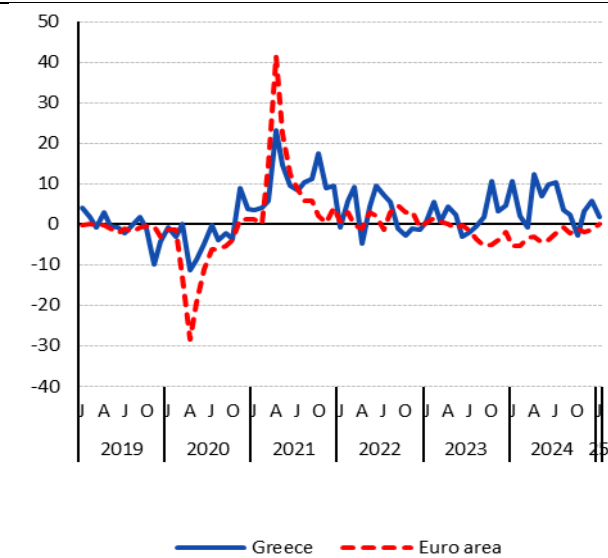
Sources: ECB (SDW), Bank of Greece, Financial Accounts.
 *Does not include corporate bonds issued by Greek companies' subsidiaries residing abroad. In the period Dec. 2012-Oct. 2020 the gross (net) amount of these bond issues stood at around €10.8 (5.5) bn.
 **Includes trade credit and advances and other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

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



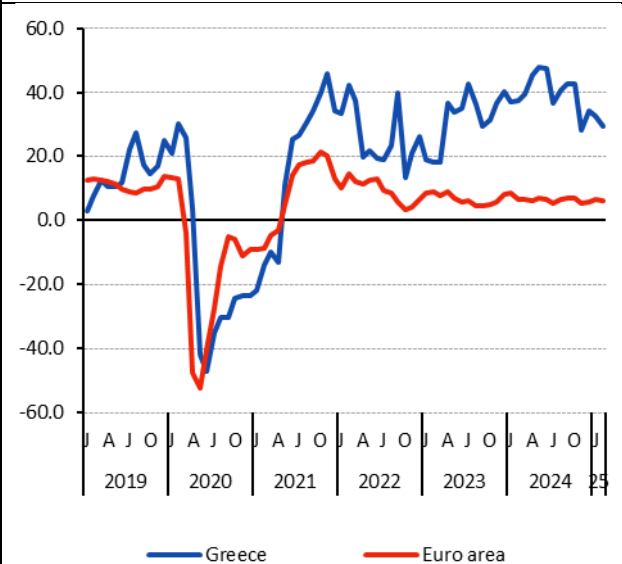
Source: European Commission (business and consumer surveys).

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



Source: Eurostat.

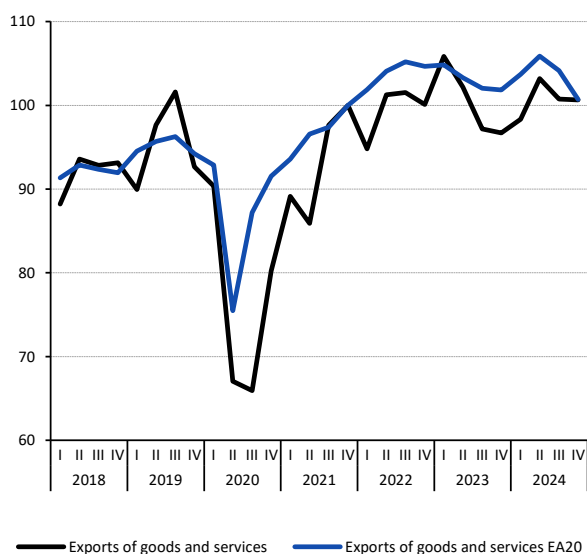
Chart 8: Greek and Euro Area Services Confidence Indicator (balance)



Source: European Commission (business and consumer surveys).

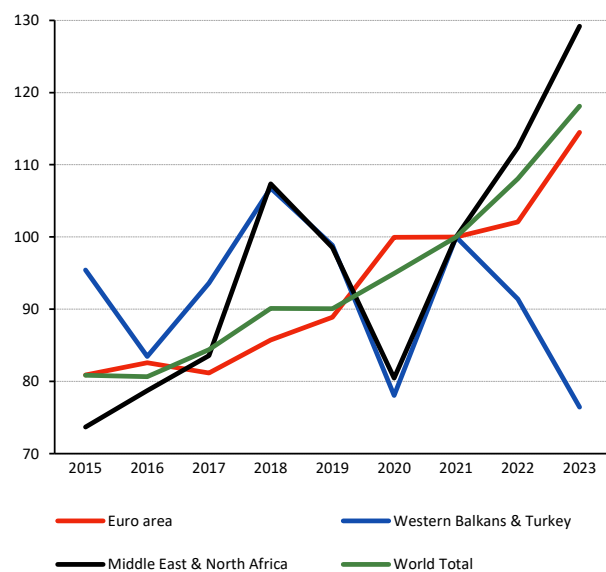
EXTERNAL BALANCES, COMPETITIVENESS

Chart 9: 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.

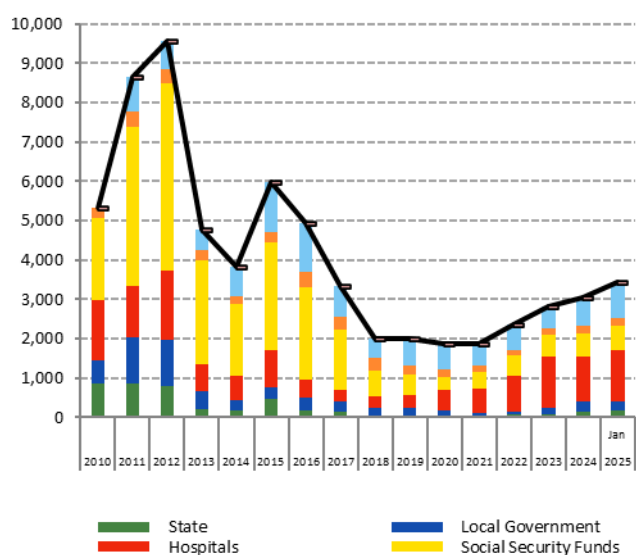
Chart 10: Greek goods export market shares
(Imports from Greece as percentage of world imports; Index 2021=100)



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

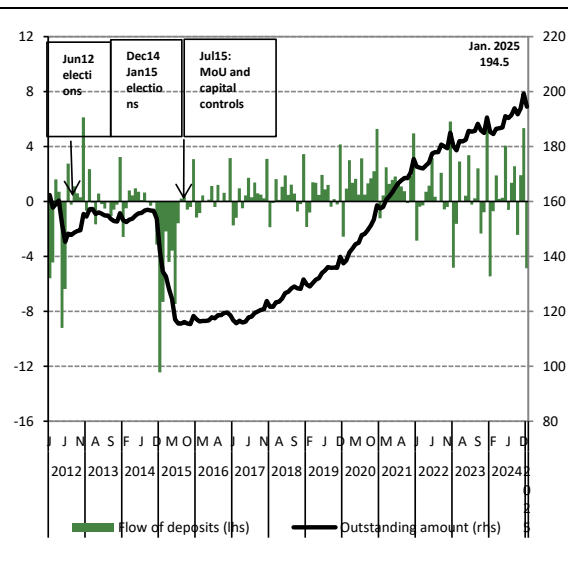
FISCAL

Chart 11: General Government stock of arrears (incl. tax arrears)
(EUR mn)



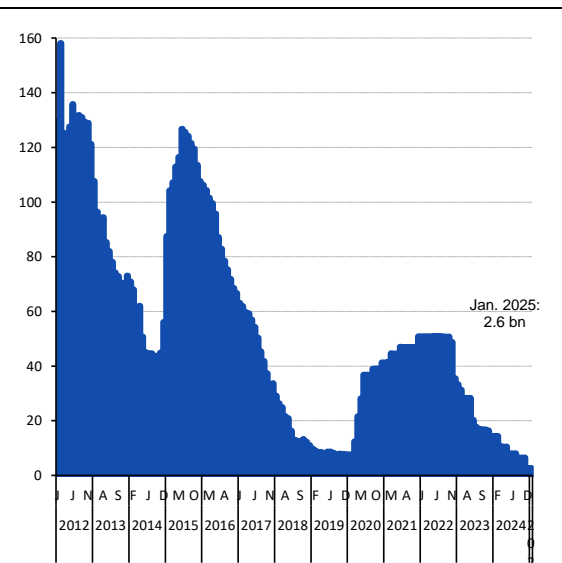
Source: Ministry of Finance.

Chart 12: Bank deposits* of non-financial corporations and households (in EUR bn)



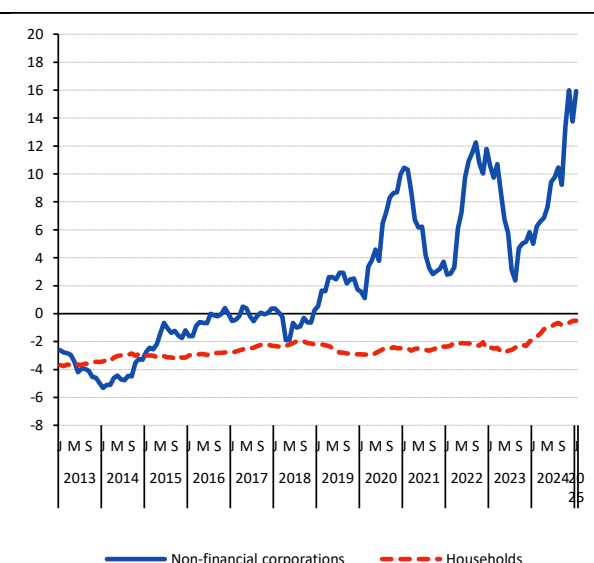
*As of December 2016, deposits held in the Consignment Deposits and Loan Fund by the private sector (€4.2 bn) were excluded from the outstanding amount of bank deposits, as the institution has been reclassified from the financial sector to the general government sector. The net flows of deposits are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

Chart 13: Central bank financing to Greek commercial banks (in EUR bn, end of month)



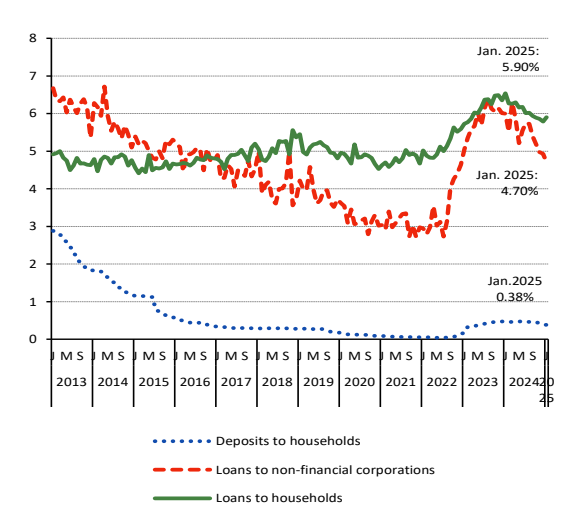
Source: Bank of Greece.

Chart 14: Bank credit to non-financial corporations and households (annual percentage change %)



Source: Bank of Greece.

Chart 15: 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)

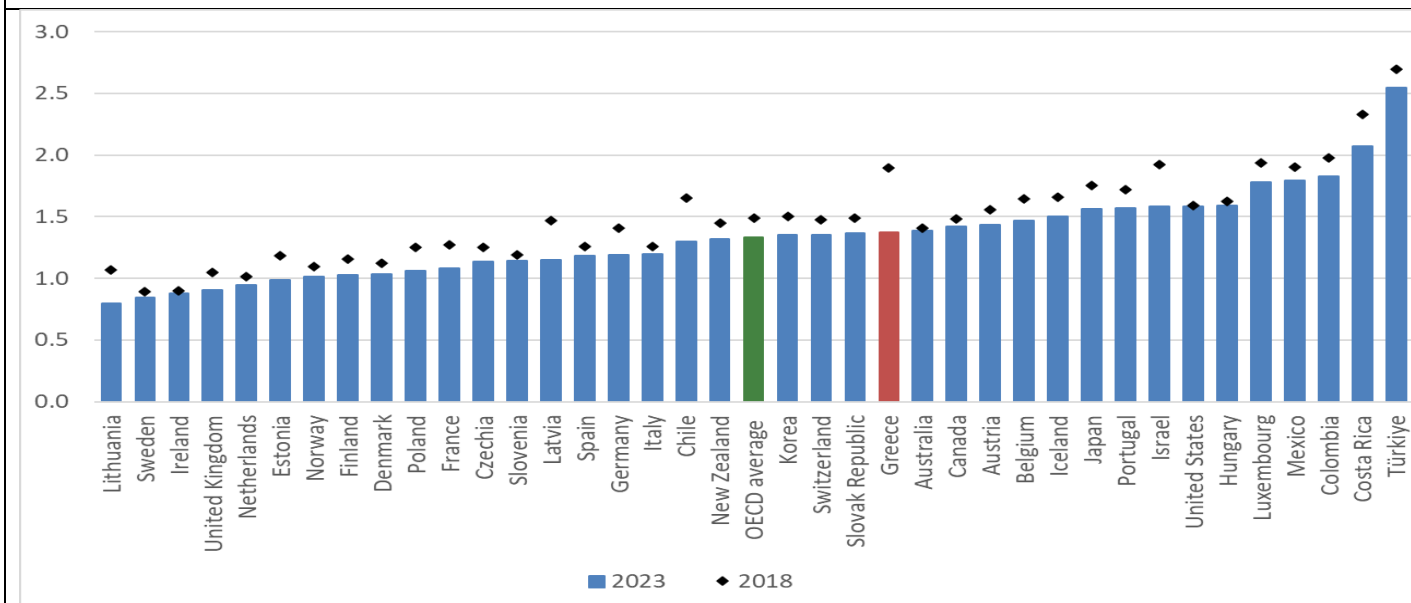


*Before June 2014 interest rates agreed in the context of most loan modifications were recorded as interest rates on new lending. As of June 2014, interest rates in the context of loan modifications, if set below market conditions in response to financial distress of the borrower, are no longer reflected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

Source: Bank of Greece.

STRUCTURAL REFORM INDICATORS

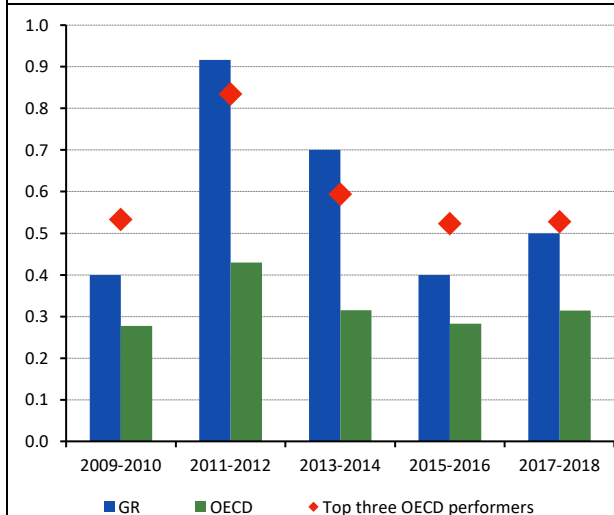
Chart 16: OECD Product Market Regulation Indicator



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 17: 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: 21 March 2025, Next update: 11 April 2025					
			2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
1. Economic activity															
Real GDP	ELSTAT	%y-o-y	5.7	2.3	2.3	2.1	2.1	2.3	2.6	...	...	...	...	...	...
Real government consumption	ELSTAT	%y-o-y	0.1	2.6	-4.1	-6.9	-4.2	-1.8	-3.4	...	...	...	...	...	...
Real private consumption	ELSTAT	%y-o-y	8.6	1.8	2.1	2.3	2.0	2.5	0.8	...	...	...	...	...	...
Real gross fixed capital formation	ELSTAT	%y-o-y	16.4	6.6	4.5	2.6	4.3	1.3	9.0	...	...	...	...	...	...
Real exports of goods and services	ELSTAT	%y-o-y	6.6	1.9	1.0	-4.9	2.3	3.3	3.6	...	...	...	...	...	...
<i>Real exports of goods</i>		%y-o-y	4.1	0.1	-1.7	-10.2	1.1	0.9	1.6	...	...	...	...	...	...
<i>Real exports of services</i>		%y-o-y	9.4	3.9	3.8	1.6	2.9	4.8	5.9	...	...	...	...	...	...
Real imports of goods and services	ELSTAT	%y-o-y	11.0	0.9	5.5	4.6	9.7	5.4	2.4	...	...	...	...	...	...
<i>Real imports of goods</i>		%y-o-y	13.2	-0.3	5.1	4.0	11.0	3.5	2.0	...	...	...	...	...	...
<i>Real imports of services</i>		%y-o-y	4.4	4.8	6.7	4.4	5.2	12.7	4.8	...	...	...	...	...	...
Contribution to GDP growth (in GDP pts)	ELSTAT														
Domestic demand (excl. inventories)			8.5	2.9	1.3	0.6	1.2	1.6	1.3	...	...	...	...	...	...
Net exports			-2.3	0.3	-2.1	-3.8	-3.3	-1.2	0.2	...	...	...	...	...	...
Changes in inventories			-0.2	-0.9	3.2	3.4	3.6	3.0	3.0	...	...	...	...	...	...
Economic Sentiment Indicator	EC		104.9	107.2	107.7	106.6	109.4	107.5	107.0	110.2	107.8	106.9	106.4	108.6	106.9
Consumer confidence indicator (% balance)	IOBE/EC		-50.7	-40.0	-46.0	-46.1	-42.7	-47.8	-47.4	-51.3	-50.3	-47.3	-44.5	-43.4	-42.0
Industrial confidence indicator (% balance)	IOBE/EC		2.0	0.6	1.8	-0.3	3.1	1.3	3.0	7.8	2.0	5.2	1.8	6.0	4.0
Industrial production (total industry)	ELSTAT	%y-o-y	2.4	2.3	5.2	3.6	9.6	5.6	2.1	2.6	-2.6	3.3	5.8	2.0	...
Retail sales (total including fuel)	ELSTAT	%y-o-y	3.3	-3.3	-1.6	-4.7	3.2	-2.8	-2.1	-0.6	-1.6	1.1	-5.4	...	...
2. Prices and costs (annual % changes)															
HICP	ELSTAT	%y-o-y	9.3	4.2	3.0	3.2	2.7	3.1	3.0	3.1	3.1	3.0	2.9	3.1	3.0
GDP deflator	ELSTAT	%y-o-y	6.5	5.9	3.2	3.4	3.0	3.2	2.9	...	...	...	...	...	...
Profits (gross operating surplus)	ELSTAT	%y-o-y	15.5	6.5	3.0	3.1	3.3	2.8	2.8	...	...	...	...	...	...
Real compensation per employee*	ELSTAT	%y-o-y	-3.8	-0.9	2.2	3.1	3.7	1.1	0.9	...	...	...	...	...	...
Unit labour costs, whole economy**	ELSTAT	%y-o-y	-1.4	2.5	4.9	6.0	6.1	3.8	3.6	...	...	...	...	...	...
Compensation per employee		%y-o-y	1.8	3.7	6.0	6.7	7.3	5.1	4.8	...	...	...	...	...	...
Labour productivity		%y-o-y	3.2	1.1	1.0	0.6	1.2	1.2	1.2	...	...	...	...	...	...
Import price index (ind.goods)	ELSTAT	%y-o-y	27.7	-12.3	-2.0	-2.7	3.0	-5.6	-2.6	-10.6	-5.5	-2.8	0.6	0.1	...
Export producer prices index (ind. goods)	ELSTAT	%y-o-y	39.8	-9.0	-1.5	-0.4	5.4	-6.4	-4.9	-13.2	-8.3	-4.9	-1.3	-0.2	...
Industrial producer prices (total excl.constr.)	ELSTAT	%y-o-y	33.5	-6.5	-2.4	-5.3	-3.1	-0.9	-0.2	-1.4	-0.2	0.1	-0.4	0.5	...
Residential property prices	BOG	%y-o-y	11.9	13.9	8.7	10.8	9.6	8.1	6.6	...	...	...	...	...	...
Commercial property prices: Retail	BOG	%y-o-y	6.2	7.0	...	...	...	...	...	...	...	...	...	...	...
Commercial property prices: Office	BOG	%y-o-y	3.6	6.0	...	...	...	...	...	...	...	...	...	...	...
3. Labour market developments															
Unemployment rate (% of labour force)(nsa)	ELSTAT		12.4	11.1	10.1	12.1	9.8	9.0	9.5	8.5	9.3	9.8	9.5	8.9	...
Total employment (nsa)	ELSTAT	%y-o-y	5.4	1.3	2.0	1.8	2.2	1.6	2.3	2.3	2.0	3.6	1.0	1.3	...
Employees	ELSTAT	%y-o-y	7.7	0.4	2.3	1.2	1.6	2.6	3.8	...	...	...	...	...	...
Hourly labour earnings (nsa)***	ELSTAT	%y-o-y	5.5	6.0	4.4	7.5	8.6	-2.9	5.4	...	...	...	...	...	...
4. Balance of payments (BOG-Current Prices)															
Exports of goods and services	BOG	%y-o-y	36.5	-2.4	1.1	-5.0	6.0	0.6	2.4	-0.6	-0.8	0.2	9.0	...	...
<i>Exports of goods</i>		%y-o-y	36.7	-6.9	-2.8	-11.5	4.7	-0.1	-3.3	-5.0	-10.1	-5.8	7.6	...	...
<i>Exports of services</i>		%y-o-y	36.2	2.7	5.2	6.7	7.3	1.1	9.3	2.7	8.4	9.0	11.0	...	...
Exports of G&S as a percentage of GDP	BOG		48.8	44.0	42.2	38.6	44.0	48.6	36.7	...	...	...	...	...	...
Imports of goods and services	BOG	%y-o-y	37.9	-9.4	2.6	-1.9	8.1	3.0	1.3	2.0	-0.8	1.9	2.8	...	...
<i>Imports of goods</i>		%y-o-y	41.3	-11.0	1.5	-3.2	8.0	1.1	0.3	1.7	-1.8	2.3	0.6	...	...
<i>Imports of services</i>		%y-o-y	27.7	-4.0	5.9	2.4	8.4	8.7	4.1	2.7	2.2	1.0	9.0	...	...
Imports of G&S as a percentage of GDP	BOG		58.5	49.0	47.6	51.9	49.3	43.4	46.8	...	...	...	...	...	...
Current account balance (eur bn)	BOG		-21.2	-13.9	-15.1	-3.8	-4.5	0.3	-7.1	-0.3	-0.4	-3.2	-3.6	...	...
as a percentage of GDP			-10.2	-6.2	-6.4	-7.2	-7.7	0.5	-11.6	...	...	...	...	...	...
5. Credit and financial indicators															
M3 (broad money, without currency in circulation)	BOG	%y-o-y	4.1	2.6	5.5	3.0	3.8	4.3	5.5	4.3	4.7	5.6	5.5	6.0	...
Credit to the private sector	BOG	%y-o-y	6.3	3.6	8.9	4.5	6.1	6.6	8.9	6.6	9.1	10.0	8.9	10.0	...
Euro short-term rate €STR	ECB		1.6	3.2	3.6	3.9	3.7	3.6	3.2	3.6	3.3	3.2	3.1	2.9	2.7
10-year government bond yield (%)	Reuters	%y-o-y	4.6	3.3	3.1	3.4	3.7	3.2	3.1	3.2	3.2	3.2	3.1	3.4	3.3
Stock prices: ATHEX Composite Index	ASE	%y-o-y	4.1	39.1	13.3	34.9	10.1	20.1	13.3	20.1	15.9	9.6	13.3	13.3	12.8
6. General government finances (% of GDP)															
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: 21 March 2025, Next update: 11 April 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
1. Private consumption			2001-2008													
1.1 Private consumption	ELSTAT	% y-o-y	4.4	8.6	1.8	2.1	2.3	2.0	2.5	0.8	...	...	...	...	...	...
2. Disposable income of households and NPISH			2001-2008													
2.1 Disposable income of households and NPISH (current prices)	ELSTAT	% y-o-y	6.8	6.2	8.1	...	4.1	5.1	7.3	...	...	...	...	...	...	...
2.2 Real disposable income of households and NPISH	ELSTAT	% y-o-y	3.5	0.3	3.4	...	1.0	1.8	3.0	...	...	...	...	...	...	...
3. Retail sales sub-indices			2005-2008													
3.1 General index	ELSTAT	% y-o-y	4.3	3.3	-3.3	-1.6	-4.7	3.2	-2.8	-2.1	-0.6	-1.6	1.1	-5.4	...	...
3.1.1 General index (excluding automotive fuel)	ELSTAT	% y-o-y	3.0	1.9	-2.1	-0.8	-4.2	3.0	-1.3	-0.6	1.0	0.8	2.7	-4.8	...	...
3.1.2 Food-beverages-tobacco	ELSTAT	% y-o-y	3.8	-1.4	-1.3	0.6	-0.3	3.1	-0.1	-0.1	0.3	2.3	5.3	-6.7	...	...
3.1.3 Clothing-footwear	ELSTAT	% y-o-y	-0.6	2.5	0.9	-1.0	-0.2	6.2	-3.1	-5.7	-1.0	-3.0	-4.0	-9.1	...	...
3.1.4 Furniture, elct and household eqpt.	ELSTAT	% y-o-y	5.2	10.8	2.4	-10.6	-13.8	-12.3	-10.4	-6.2	-1.1	-6.2	-8.2	-4.1	...	...
3.1.5 Books, stationery, other goods	ELSTAT	% y-o-y	2.0	13.0	-0.6	-2.9	-10.8	2.6	-0.6	-3.1	0.8	-4.5	-1.2	-3.7	...	...
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	-5.6	-3.8	4.8	6.1	-5.7	-8.9
4. Bank credit			2003-2008													
4.1 Loans to househds for consumption purposes (nsa)	BOG	% y-o-y	24.2	1.2	3.4	6.3	4.6	5.5	5.9	6.3	6.1	6.4	6.0	6.3	6.0	...
5. VAT Receipts			2003-2008													
5.1 In current prices	MoF	% y-o-y	7.3	22.9	9.2	12.7	4.7	11.7	10.5	22.8	14.1	14.7	3.6	57.3	11.6	...
5.2 In constant prices	MoF	% y-o-y	3.9	12.2	5.5	9.6	1.6	8.9	7.4	19.9	10.8	12.1	1.2	53.4	8.7	...
6. Confidence indicators			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	-51.3	-50.3	-47.3	-44.5	-43.4	-42.0
Present conditions																
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	-54.5	-52.4	-48.5	-48.8	-51.5	-46.1
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	-2.1	-1.8	-1.7	-5.7	-2.7	-1.8
Past 12 months																
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	-52.2	-49.1	-49.2	-47.6	-41.2	-41.2
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	81.4	82.5	81.2	76.1	74.5	69.5
Next 12 months																
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	-48.9	-46.5	-44.7	-42.6	-38.8	-38.8
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	-55.6	-54.3	-50.3	-43.4	-46.1	-44.7
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	43.1	40.7	37.4	31.4	27.6	31.9
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	25.2	23.3	20.9	15.1	13.9	13.2
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	-48.6	-51.4	-45.1	-44.5	-47.5	-43.4
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	-62.9	-66.6	-66.9	-68.7	-69.2	-63.3

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: 21 March 2025, Next update: 11 April 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
1. Gross fixed capital formation	ELSTAT	%y-o-y	3.7	16.4	6.6	4.5	2.6	4.3	1.3	9.0	...	...	...	...	...	...
1.1 Equipment			9.7	16.1	1.8	4.5	4.8	12.3	-2.8	3.3	...	...	...	...	...	...
1.2 Construction			1.3	22.7	15.6	5.7	0.3	0.6	6.9	18.4	...	...	...	...	...	...
2. Public Investment Programme (nsa)																
	BOG	%y-o-y	...	22.5	1.6	18.9	38.6	-12.4	11.7	31.1	-5.1	-1.5	81.2	29.3	-25.3	...
3. Capital goods production index (nsa)																
	ELSTAT	%y-o-y	-3.5	5.5	6.0	0.2	-0.7	1.7	3.1	-2.4	4.3	-1.1	-4.9	-1.4	13.9	...
4. Capacity utilization-capital goods industry (nsa)																
	IOBE/EC	Ind	77.0	68.7	71.0	75.1	74.8	75.8	75.0	75.0	...	...	...	...	...	...
5. Cement Production (nsa)																
	ELSTAT	%y-o-y	-1.8	2.5	0.5	7.6	14.4	0.0	15.0	2.9	12.4	7.3	19.0	-16.2	-1.2	...
6. Construction production index (nsa)																
	ELSTAT	%y-o-y	-5.9	12.7	9.6	19.9	20.6	15.5	18.6	23.6	...	...	...	...	...	...
7. Construction confidence indicator (sa)	IOBE/EC	bln	-19.3	-19.1	0.5	7.0	10.7	5.6	8.3	3.4	6.2	2.1	-5.2	13.3	13.2	6.9
7.1 Evolution of current overall order books			-37.9	-51.2	-38.7	-13.7	-4.5	-17.3	-12.2	-20.7	-17.1	-24.7	-25.9	-11.6	-14.3	-14.6
7.2 Employment expectations over the next 3 months			-0.7	13.1	39.7	27.7	25.9	28.4	28.8	27.5	29.5	28.9	15.4	38.1	40.7	28.4
8. New construction permits (nsa)																
	ELSTAT	%y-o-y	-1.9	-2.2	15.9	...	26.7	5.4	2.1	...	23.5	46.7	-20.7	...	...	...
9. Housing loans (nsa)																
	BOG	%y-o-y	22.2	-3.6	-3.5	-2.6	-3.1	-2.9	-2.9	-2.6	-2.9	-2.8	-2.7	-2.6	-2.5	...
10. Credit to non-financial corporations over 1 year (nsa)																
	BOG	%y-o-y	25.8	10.7	6.4	15.2	6.6	8.6	9.0	15.2	9.0	14.8	16.9	14.7	16.7	...
*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: 21 March 2025, Next update: 11 April 2025					
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
1. Gross value added (at 2020 prices)			2001-08													
1.1 Industry (Mining-Manufacturing-Electricity)	ELSTAT	%y-o-y	2.0	1.7	3.9	6.4	5.8	11.3	4.7	4.0	...	...	...	...	...	...
2. Industrial production			2001-08													
2.1 General index	ELSTAT	%y-o-y	-0.5	2.4	2.3	5.2	3.6	9.6	5.6	2.1	2.6	-2.6	3.3	5.8	2.0	...
2.1.1 Manufacturing			-0.9	4.6	4.2	3.8	1.7	7.4	6.4	-0.1	5.4	-2.5	-1.5	3.6	1.4	...
2.1.2 Mining-quarrying			-0.6	-7.9	9.0	-1.5	2.5	-0.4	0.0	-7.7	7.0	-11.3	-6.8	-4.3	-6.4	...
2.1.3 Electricity			1.0	-3.7	-5.5	12.1	12.5	22.4	3.8	13.0	-8.9	-2.7	26.0	16.4	4.3	...
2.1.4 Water supply			1.4	-2.2	0.1	4.6	2.7	7.0	3.8	4.7	4.4	3.0	5.5	5.7	4.3	...
2.1.a Energy			0.8	-2.5	-1.9	7.9	6.0	20.3	2.9	4.3	-6.7	-5.4	10.9	7.9	2.3	...
2.1.b Intermediate goods			-0.6	1.8	0.3	5.0	4.5	4.0	8.9	3.0	11.6	3.2	2.6	3.2	2.5	...
2.1.c Capital goods			-4.3	5.5	6.0	0.2	-0.7	1.7	3.1	-2.4	4.3	-1.1	-4.9	-1.4	13.9	...
2.1.d Durable consumer goods			-3.2	22.9	7.1	5.1	18.3	8.6	-0.1	-3.1	-1.6	-21.6	-18.8	27.4	-32.1	...
2.1.e Non-durable consumer goods			0.0	6.4	6.6	4.3	1.2	7.1	7.3	1.3	5.5	-3.3	0.8	7.1	0.4	...
3. Industrial turnover (at current prices)			2001-08													
3.1 Total market	ELSTAT	%y-o-y	9.7	30.5	-3.6	2.0	-1.3	8.3	0.5	0.5	-6.8	1.0	-5.1	5.7	2.2	...
3.1.1 Domestic market			11.6	32.2	-1.7	4.2	2.7	7.4	3.8	2.8	-3.4	3.5	-2.5	7.7	7.2	...
3.1.2 Non-domestic market			6.7	28.0	-6.4	-1.6	-6.9	10.0	-5.1	-3.7	-12.4	-3.4	-9.2	2.2	-4.8	...
3.1.2.1 Euro area			9.4	30.2	3.5	-5.6	-12.3	-0.1	-8.9	0.0	-6.3	-5.2	0.7	6.0	-0.3	...
3.1.2.2 Non-euro area			5.3	26.8	-11.9	0.9	-3.1	17.4	-2.7	-5.9	-15.9	-2.2	-15.0	0.3	-7.7	...
4. Industrial confidence indicator			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	7.8	2.0	5.2	1.8	6.0	4.0
4.1.1 Production expectations			22.6	18.1	18.8	24.5	24.8	26.0	22.8	24.5	30.2	21.5	27.6	24.5	32.5	31.7
4.1.2 Order books			-11.7	-5.2	-10.8	-9.6	-15.9	-6.7	-9.7	-6.3	-1.6	-8.7	-3.9	-6.3	-6.7	-8.5
4.1.3 Stocks of finished products			12.2	7.0	6.4	9.5	9.7	10.0	9.1	9.3	5.1	6.8	8.2	12.8	7.9	11.3
4.2 Employment expectations	IOBE/EC	ind	-3.6	3.5	4.0	4.5	-2.7	1.6	9.7	9.4	17.0	8.5	7.5	12.2	11.4	12.9
4.3 Export order books	IOBE/EC	ind	-15.0	-3.8	-20.5	-17.0	-26.2	-11.7	-18.3	-11.6	-13.9	-15.2	-10.2	-9.4	-14.1	-12.8
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	...	...	...	...	...	...
5. Capacity utilization			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	...	...	...	...	...	...
6. Purchasing managers index (PMI)			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	50.3	51.2	50.9	53.2	52.8	52.6
6.1.1 Output			54.9	49.4	53.4	54.0	57.2	55.7	51.3	51.9	49.6	51.3	50.2	54.0	52.2	53.5
6.1.2 New Orders			53.7	47.7	51.9	53.3	56.6	54.5	51.0	51.0	48.9	48.8	50.6	53.6	53.1	51.3
6.1.3 Stocks of finished goods			47.8	45.6	46.9	47.9	46.2	47.1	47.6	50.6	48.1	50.7	51.2	49.8	49.4	48.0
6.1.4 Employment			50.6	52.4	52.2	53.2	54.0	55.4	51.9	51.4	49.5	51.9	49.0	53.2	53.1	54.9
6.1.5 Suppliers' delivery times			48.4	32.5	48.9	43.0	40.7	44.0	42.4	45.1	44.1	43.9	44.3	47.2	44.7	47.4
6.2 New Export Orders			53.5	48.2	50.5	52.2	53.3	52.9	51.3	51.5	50.5	48.8	51.0	54.5	51.6	51.5
6.3 Future Output			...	59.9	63.9	65.0	69.4	65.9	60.3	64.4	61.7	62.9	64.7	65.8	69.1	64.6

Table 5: Key indicators for Services in Greece										This update: 21 March 2025, Next update: 11 April 2025						
			LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
1. Gross value added (2020 prices)			2001-2008													
1.1 Tertiary sector	ELSTAT	% y-o-y	4.5	5.5	3.3	1.0	0.4	0.8	1.5	0.8	...	...	...	...	...	...
2. Turnover indices (curr.prices)			2005-2008													
2.1 Wholesale trade	ELSTAT	% y-o-y	10.8	21.4	-2.2	-7.2	-11.5	-4.6	-9.4	-3.2	-10.7	-6.0	-5.2	1.5	...	...
2.2 Tourism (accmd & food serv.activities)	ELSTAT	% y-o-y	...	50.6	9.8	7.5	7.9	8.4	7.8	5.3	9.1	10.0	3.2	0.0	...	...
2.3 Transport	ELSTAT	% y-o-y														
2.3.a Water transport		% y-o-y	6.3	32.9	1.7	5.3	-13.5	10.9	16.3	-0.2	16.0	2.0	-0.2	-2.8	...	...
2.3.b Land transport		% y-o-y	16.4	21.3	15.8	7.7	2.3	11.2	14.5	3.0	22.8	17.1	6.9	-10.6	...	...
2.3.c Air transport		% y-o-y	7.0	94.2	22.6	48.0	63.5	45.7	31.4	68.0	51.1	64.5	62.8	78.3	...	...
2.4 Telecommunication	ELSTAT	% y-o-y	2.5	5.8	5.5	-0.5	3.6	4.5	-2.2	-6.7	3.0	-24.8	-6.6	13.1	...	...
2.5 Legal-accounting activities and management consultancy services	ELSTAT	% y-o-y	10.1	22.2	6.9	4.8	2.8	-0.5	15.7	2.9	14.2	-1.4	-2.1	8.7	...	...
2.6 Travel agencies and other activities	ELSTAT	% y-o-y	12.7	96.6	24.1	10.4	24.1	15.2	3.9	12.4	12.1	4.9	16.6	22.4	...	...
3. Bank credit			2003-2008													
3.1 Loans to sole proprietors	BOG	% y-o-y	...	-0.9	-1.3	0.7	-0.6	-0.5	0.3	0.7	0.3	0.4	0.5	0.7	0.2	...
4. Confidence indicators			2003-2008													
4.1 Retail trade confidence indicator	IOBE/EC	ind	17.1	5.3	21.2	12.6	11.5	12.2	17.7	9.0	13.5	6.9	11.8	8.4	0.3	0.0
4.1.1 Present business situation		ind	25.6	-4.2	47.4	25.0	44.0	15.2	28.9	11.8	10.4	8.2	16.6	10.7	12.4	14.6
4.1.2 Volume of stocks		ind	14.4	-6.0	10.4	19.1	23.2	20.5	16.5	16.0	21.0	19.2	11.8	17.1	18.3	19.0
4.1.3 Expected business situation		ind	40.0	14.2	26.8	32.0	13.8	41.8	40.9	31.3	51.2	31.7	30.7	31.5	6.9	4.4
4.2 Services confidence indicator	IOBE/EC	ind	18.2	26.4	31.5	40.0	38.0	46.9	40.1	34.9	42.8	42.5	28.2	34.1	32.8	29.4
4.2.1 Assessment of business situation over the past 3 months		ind	17.5	28.4	28.2	35.5	32.6	43.8	34.5	31.3	41.5	36.1	22.8	35.0	40.1	26.4
4.2.2 Evolution of demand over the past 3 months		ind	17.2	21.2	31.4	42.4	39.9	51.1	45.2	33.5	51.1	47.4	29.0	24.2	20.0	20.5
4.2.3 Evolution of demand expected over the next 3 months		ind	19.9	29.7	34.9	41.9	41.4	45.9	40.4	39.9	35.8	44.0	32.8	43.0	38.5	41.4

Table 6: Business and consumer surveys (balances, seasonally adjusted data)															
This update: 21 March 2025, Next update: 11 April 2025															
		LTA	2022	2023	2024	24Q1	24Q2	24Q3	24Q4	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25
1. Economic sentiment indicator		2003-08													
Economic sentiment indicator	IOBE/EC	105.1	104.9	107.2	107.7	106.6	109.4	107.5	107.0	110.2	107.8	106.9	106.4	108.6	106.9
Industrial confidence indicator	IOBE/EC	-0.4	2.0	0.6	1.8	-0.3	3.1	1.3	3.0	7.8	2.0	5.2	1.8	6.0	4.0
Retail confidence indicator	IOBE/EC	17.1	5.3	21.2	12.6	11.5	12.2	17.7	9.0	13.5	6.9	11.8	8.4	0.3	0.0
Services confidence indicator	IOBE/EC	18.2	26.4	31.5	40.0	38.0	46.9	40.1	34.9	42.8	42.5	28.2	34.1	32.8	29.4
Construction confidence indicator	IOBE/EC	-14.4	-19.1	0.5	7.0	10.7	5.6	8.3	3.4	6.2	2.1	-5.2	13.3	13.2	6.9
Consumer confidence indicator	IOBE/EC	-26.8	-50.7	-40.0	-46.0	-46.1	-42.7	-47.8	-47.4	-51.3	-50.3	-47.3	-44.5	-43.4	-42.0
Employment expectations index	IOBE/EC	103.4	105.8	114.9	114.7	114.9	119.4	113.3	111.3	112.2	111.4	109.4	113.0	110.1	112.3
2. Industrial confidence indicator															
Production expectations	IOBE/EC	22.6	18.1	18.8	24.5	24.8	26.0	22.8	24.5	30.2	21.5	27.6	24.5	32.5	31.7
Order books	IOBE/EC	-11.7	-5.2	-10.8	-9.6	-15.9	-6.7	-9.7	-6.3	-1.6	-8.7	-3.9	-6.3	-6.7	-8.5
Stocks of finished products	IOBE/EC	12.2	7.0	6.4	9.5	9.7	10.0	9.1	9.3	5.1	6.8	8.2	12.8	7.9	11.3
Purchasing managers index (PMI)	MARKIT	52.1	51.8	51.6	53.6	55.8	54.7	52.1	51.8	50.3	51.2	50.9	53.2	52.8	52.6
3. Retail confidence indicator															
Present business situation	IOBE/EC	25.6	-4.2	47.4	25.0	44.0	15.2	28.9	11.8	10.4	8.2	16.6	10.7	12.4	14.6
Volume of stocks	IOBE/EC	14.4	-6.0	10.4	19.1	23.2	20.5	16.5	16.0	21.0	19.2	11.8	17.1	18.3	19.0
Expected business situation	IOBE/EC	40.0	14.2	26.8	32.0	13.8	41.8	40.9	31.3	51.2	31.7	30.7	31.5	6.9	4.4
4. Services indicator															
Business situation over the past 3m.	IOBE/EC	17.5	28.4	28.2	35.5	32.6	43.8	34.5	31.3	41.5	36.1	22.8	35.0	40.1	26.4
Demand over the past 3m.	IOBE/EC	17.2	21.2	31.4	42.4	39.9	51.1	45.2	33.5	51.1	47.4	29.0	24.2	20.0	20.5
Expected demand over the next 3m.	IOBE/EC	19.9	29.7	34.9	41.9	41.4	45.9	40.4	39.9	35.8	44.0	32.8	43.0	38.5	41.4
5. Construction confidence indicator															
Order books	IOBE/EC	-33.4	-51.2	-38.7	-13.7	-4.5	-17.3	-12.2	-20.7	-17.1	-24.7	-25.9	-11.6	-14.3	-14.6
Employment expectations	IOBE/EC	4.5	13.1	39.7	27.7	25.9	28.4	28.8	27.5	29.5	28.9	15.4	38.1	40.7	28.4
6. Consumer confidence indices															
Financial situation over next 12 mnths	IOBE/EC	-20.8	-49.4	-35.6	-43.2	-44.4	-39.1	-44.9	-44.6	-48.9	-46.5	-44.7	-42.6	-38.8	-38.8
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	-55.6	-54.3	-50.3	-43.4	-46.1	-44.7
Savings over next 12 months	IOBE/EC	-45.9	-67.3	-64.3	-66.4	-68.0	-64.7	-65.6	-67.4	-62.9	-66.6	-66.9	-68.7	-69.2	-63.3
Unemployment over next 12 months	IOBE/EC	43.0	35.6	13.7	18.5	15.7	16.0	22.5	19.8	25.2	23.3	20.9	15.1	13.9	13.2

ANNEX 2: DATA RELEASES

LAST THREE WEEKS' NEWS AND DATA RELEASES (03 – 21 March 2025)

Real Economy

- 04/03/2025: S&P Global released PMI for February 2025.
- 04/03/2025: ELSTAT released Labour Force Survey (monthly estimates) for January 2025.
- 04/03/2025: ELSTAT released Monthly Turnover Indices for Motor Trade (of the quarterly period) for 2024:Q4.
- 04/03/2025: ELSTAT released Monthly Turnover Indices in the Services Sector (of the quarterly period) for 2024:Q4.
- 04/03/2025: ELSTAT released Monthly Turnover Indices in Wholesale Trade (of the quarterly period) for 2024:Q4.
- 06/03/2025: The draft bill on support of the agricultural sector, interprofessional organizations in the same sector, the restart of the agricultural economy, and various organizational matters of the Ministry of Agricultural Development, after its adoption by Parliament on 4 March, is published in the Government Gazette of 6 March as Law 5184. In section 41, it includes provisions submitted to Parliament by the Ministry of Labor on 26 February which reduce (employees' and employers') social security contributions on overtime pay and on pay for night-time work and work during holidays.
- 07/03/2025: ELSTAT released Labour Force Survey for 2024:Q4.
- 07/03/2025: ELSTAT released Quarterly National Accounts (provisional data) for 2024:Q4 and Annual National Accounts (estimates) for 2024.
- 10/03/2025: ELSTAT released Industrial Production Index for January 2025.
- 10/03/2025: ELSTAT released Harmonised Index of Consumer Prices for February 2025.
- 13/03/2025: ELSTAT released Issuing of Motor Vehicle Licences for February 2025.
- 14/03/2025: ELSTAT released Index of Wages Cost for 2024:Q4.
- 14/03/2025: ELSTAT released Production Index in Construction for 2024:Q4.
- 14/03/2025: ELSTAT released Import Price Index in Industry for January 2025.
- 14/03/2025: ELSTAT released Evolution of Turnover of Enterprises for January 2025.
- 20/03/2025: ELSTAT released Turnover Index in Industry for January 2025.

External Sector

- 10/03/2025: ELSTAT released merchandise trade for January 2025.

Fiscal

- 07/03/2025: MoF, general government cash balance for January 2025.
- 18/03/2025: MoF, state budget execution for January-February 2025 (preliminary data).
- 19/03/2025: BoG, central government net borrowing requirements on a cash basis for January – February 2025.

Monetary & Financial

- 05/03/2025: ECB released data on MFI interest rate statistics in the euro area for January 2025.
- 07/03/2025: DBRS upgraded the sovereign rating by one notch to 'BBB', assigning a stable outlook. The decision reflects the agency's view that legacy risks on the banking sector and public finance have receded. Bank asset quality has improved significantly, with the non-performing loans ratio moving closer to the euro area average while fiscal performance has been strong, facilitating further declines in the public debt-to-GDP ratio.
- 13/03/2025: The Greek PDMA tapped the bond market, with two syndicated bond re-openings, of existing 15- and 30-year GGBs. The amounts of the re-openings were €2 and €1 bn, respectively, and bids amounted to €35 and €21.5 bn, respectively. The re-offer yields were priced at 4.057% (coupon

rate at 4.375%) for the 15-year GGB and 4.408% (coupon rate at 4.125%) for the 30-year GGB. The transaction included a switch option for bond holders of the 0% Feb 2026 and the 1.875% Jul 2026 GGBs.

- 13/03/2025: DBRS upgraded the (long-term) deposit ratings of NBG and Eurobank to 'BBB' from 'BBB (low)' previously, changing the outlook to stable from positive. The rating decision came on the back of a similar one-notch upgrade to 'BBB' for the Greek sovereign a few days earlier.
- 14/03/2025: Moody's upgraded the Greek sovereign by one notch to investment grade ('Baa3', equivalent to 'BBB-'), with a stable outlook. According to the agency, the upgrade reflects the sovereign's greater resilience to expected future shocks due to continued improvements in fiscal performance and the health of the banking sector.
- 17/03/2025: Moody's upgraded the (long-term) deposit ratings of NBG and Eurobank to 'Baa1' ('BBB+' equivalent) from 'Baa2' ('BBB' equivalent), changing the outlook to stable from positive. The upgrade follows the agency's decision a few days earlier to bring the sovereign to investment grade (i.e. 'Baa3'). It also reflects the agency's view that both banks have been benefiting from continued improvement in capital adequacy, asset quality and profitability metrics amid a favourable macroeconomic environment. Moody's also raised the (long-term) deposit ratings of Attica Bank by two notches to 'Ba2' ('BB' equivalent), maintaining a positive outlook, reflecting the bank's improved bank fundamentals.
- 18/03/2025: Moody's upgraded the (long-term) deposit ratings of Piraeus Bank and Alpha Bank to 'Baa2' ('BBB' equivalent) from 'Baa3' ('BBB-' equivalent), changing the outlook to stable for the former and maintaining a positive outlook for the latter. According to the agency, both banks have benefited from an improvement in underlying financial fundamentals, reflecting better asset quality feeding into capital metrics and a favourable funding and liquidity profile.

NEXT THREE WEEKS' NEWS AND DATA RELEASES (24 March – 11 April 2025)

Real Economy

- 20/03/2025: BoG releases Indices of Residential Property Prices for 2024:Q4.
- 28/03/2025: ELSTAT releases Producer Price Index in Industry for February 2025.
- 28/03/2025: ELSTAT releases Building Activity Survey for December 2024.
- 28/03/2025: European Commission releases ESI for March 2025.
- 31/03/2025: ELSTAT releases Services Producer Price Indices for 2024:Q4.
- 31/03/2025: ELSTAT releases Turnover Index in Retail Trade for January 2025.
- 01/04/2025: S&P Global releases PMI for March 2025.
- 01/04/2025: ELSTAT releases Labour Force Survey (monthly estimates) for February 2025.
- 10/04/2025: ELSTAT releases Industrial Production Index for February 2025.
- 10/04/2025: ELSTAT releases Harmonised Index of Consumer Prices for March 2025.
- 11/04/2025: ELSTAT releases Import Price Index in Industry for February 2025.
- 11/04/2025: ELSTAT releases the Evolution of Turnover of Enterprises for February 2025.
- 11/04/2025: ELSTAT releases Issuing of Motor Vehicle Licences for March 2025.

External Sector

- 24/03/2025: BoG releases BoP data for January 2025.
- 26/03/2025: BoG releases travel services data for January 2025.
- 07/04/2025: ELSTAT releases merchandise trade data for February 2025.

Fiscal

26/03/2025: MoF, state budget execution for January-February 2025 (final data) 07/04/2025: MoF, general government cash balance for January-February 2025.

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