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Weekly Economic Outlook

GREECE

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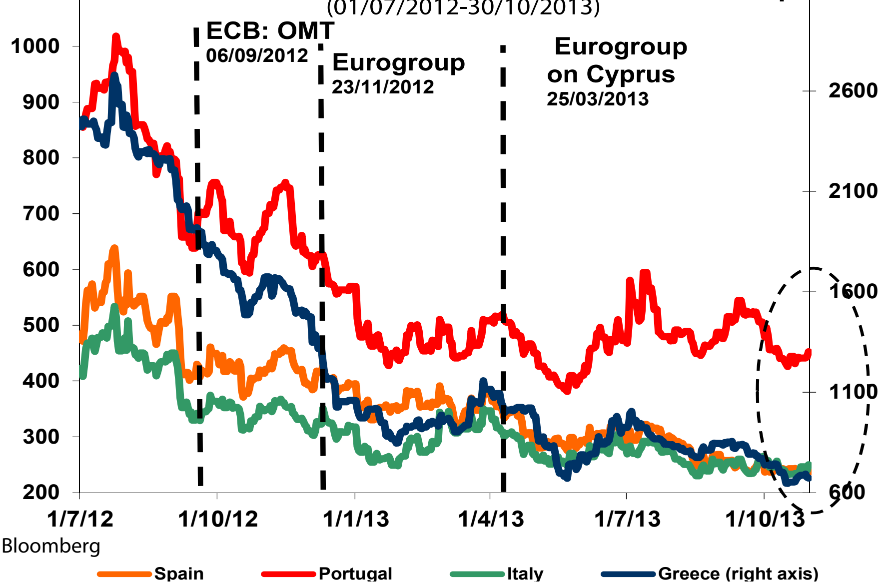
Clear signals for competitiveness improvement even though the current fiscal issues of the Greek economy remain unresolved

- Doing Business 2014 index signals competitiveness improvement, even though the structural reform gap is still significant:
  - Greece was ranked in the 72th place for 2013 from the 89th in 2012 among 189 countries due to the structural reforms implemented already.
  - The structural reform gap, measured in Doing Business 2014 terms, at 37.5 percentage points while at the same time the respective OECD index is at 23.5 percentage points.
- Key elements for an agreement between the Greek Government and the lenders' representatives, should include:
  - Full implementation of the prerequisite structural reforms
  - Agreement over the 2014 fiscal and financing gaps, avoidance of new horizontal fiscal measures.
  - Credible solution for the debt overhang by the end-of-April 2014 at the latest, incorporating the financing gap for 2015-16.
- Deposits of the domestic private sector: in September declined by €719 mn due to increased tax obligations. Over the next few months, private sector deposits are expected to decline further for the same reasons.
- Credit to the domestic private sector: continued its downward trend in September 2013 (-3.9% annual change), but the rate of decline remained unchanged compared to the previous month.

Figure 1: 10-YR Bonds Spreads ove German Bunds
(01/07/2012-30/10/2013)



Source: Bloomberg

Greece: Progress on the Doing Business Index between 2012 and 2013												
	RANK DB2014	Δ(2012-13)	Starting a Business		Protecting Investors		Trading Across Borders		Resolving Insolvency		Paying Taxes	
			2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
OECD	29	-1	60	60	56	56	31	32	27	26	55	53
USA	4	0	20	11	6	6	22	21	17	16	64	69
GR	72	17	36	147	80	113	52	60	87	63	53	56
CY	39	-1	44	35	34	32	27	27	24	25	33	34
DN	5	0	40	32	34	32	8	7	10	10	12	13
IT	65	2	90	84	52	51	56	58	33	30	138	135
ES	52	-6	142	136	98	95	32	35	22	20	67	33
IE	15	0	12	9	6	6	20	20	8	9	6	6
PT	31	-2	32	25	52	51	25	17	23	22	81	81

Source: Doing Business database (World Bank), Eurobank Research

Doing Business 2014 index signals competitiveness improvement, even though the structural reform gap is still significant

The World Bank published, on October 29th 2013, its Doing Business 2014 (DB2014) index. The index captures the progress achieved from June 2012 through May 2013 regarding structural reform implementation aiming to improve the business environment of a given country. Greece[1] was ranked in the 72th position for 2013 from the 89th in 2012 among 189 countries[2] due to the structural reforms implemented by the current Greek Government and under the pressure (and the 3-month reviews & respective loan disbursements) of the country's official lenders (EU/ECB/IMF, the troika in what follows).

Table 1 above presents the details of the DB2014 for Greece, Cyprus and a number of other OECD countries (as well as the OECD average). Greece achieved the most significant improvements in the following sub-indices:

- **Starting a Business**: Improvement in rank by 111 positions (from 147th to 36th). This was due to the legislation and implementation of a new law[3] (Law N. 4072/2012 and the ministerial & administrative decisions that followed it until March 2013) that permitted the creation of a new legal entity for start-up firms.
- **Protecting Investors**: Improvement in rang by 33 positions. Greece strengthened investor protections by introducing a requirement for director approval of related-party transactions.
- **Trading Across Borders**: Improvement in rang by 8 positions. This was mainly due to the creation of an e-portal for the registering of exports (see the recent review (July 2013) of the 2nd Adjustment Programme for Greece).

However, the total picture is not so rosy for the Greek economy regarding structural reforms. There was little progress or no progress at all for a number of sub-indices. For example in the Paying Taxes sub-index there was a worsening relative to 2012 because of an increase in the firms' tax rate. In the Resolving Insolvency sub-index no reform was recorded for the sample period of DB2014. The same is also true for the Registering Property sub-index (not depicted in Table 1 above). Observe that Greece despite the progress achieved during 2012 and 2013 still needs to cover the largest distance among the Eurozone South (and Ireland) countries in order to reach the OECD average ranking. A lot more effort is need in order to close the structural reform gap. The Distance to Frontier (DTF) index that was introduced for the first time in the DB2014 supports our view.

The DTF index captures the distance of each economy to the "frontier." The frontier represents the highest performance observed or each of the indicators across all economies measured in *Doing Business* since the inclusion of the indicator[4]. Figure 2 shows the DTF Gap, the distance that the Greek economy has to cover until the DB 2014 frontier. The DTF Gap index is defined as

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[1] For more information:
http://www.doingbusiness.org/data/exploreeconomies/greece

[2] In the DB2013 index Greece was ranked 72th. The DB2013 rankings are not directly comparable with the DB2014 because of the inclusion of four more countries on the DB2014 index, changes in the methodology and the number of indices used as well as data corrections.

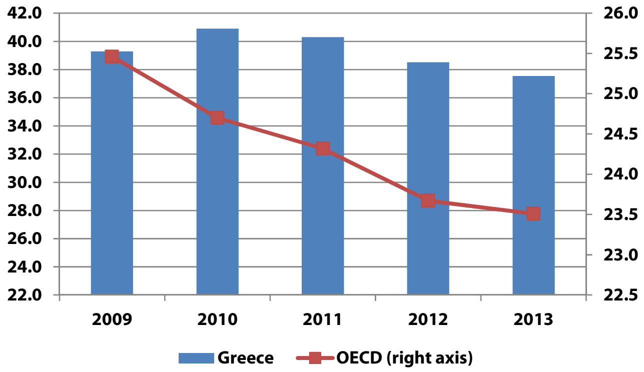
[3] Note here that the Law passed in Parliament in April 2012 (which is out of the sample period of the DB2014 index). However, as it is common knowledge in Greece, a law alone is not enough. Usually, a long list of further actions (ministerial decisions, other administrative acts, etc) is required in order for the law to deliver results. The implementation of the required actions, for the law to be fully operational, ended in March 2013 almost one year (and two general elections) after the law passed in parliament.

[4] For more information:
http://www.doingbusiness.org/data/distance-to-frontier

the distance that the Greek economy needs to cover in order to reach the frontier. Note that the DTF is defined as the distance covered so far until the frontier. For example, the DTF Gap index for 2013 is calculated as the difference between 100% (the frontier) and the DTF index recorded in DB2014 (i.e. for 2013: 37.5%=100%-62.5%). The purpose of the DTF Gap index is to stress the structural reform gap that the Greek economy needs to cover in the following years.

Figure 2: Distance to Frontier Gap Index for Greece

(2009-2013, %)



Note: The DTF GAP index is calculated as the difference between 100% (the frontier) and the DTF index recorded in DB2014.
Source: Doing Business 2014 (World Bank), Eurobank Research

Observe that the DTF Gap follows a diminishing trend from 2010 onwards but it is still at 37.5 percentage points while at the same time the OECD average DTF Gap index is at 23.5 percentage points.

The improvement on the DB 2014 together with: a) the improvement in cost competitiveness by 20 percentage points between 2010 and 2013, b) the improvement in the export sector of the economy (exports of goods increase in nominal terms by 38 percentage points between 2009 and 2012) signal a significant improvement in the competitiveness of the Greek economy. However, the DTF Gap is out there and we have to mention that the structural reforms implementation is not an issue of the last four years only. Structural reforms implementation was delayed for almost a decade. Already in 2008 the OECD was recording serious delays on the implementation of a number of required reforms.

The implementation of the structural reforms agenda, even though it jump-started in the first months of the 1st Adjustment Programme for the Greek Economy (May 2010), almost stopped in early 2011 due mainly to the limited ownership of the programme by the then current Government. The first coalition Government under PM L. Papadimos revived the process with significant results in late 2011 and the first months of 2012[5]. After the double elections in mid-2012 and the time lost because of them, the current Government continued the implementation process at a significant political cost. The reforms hurt special interest groups and parts of the Greek public sector while at the same time they have no significant tangible results in the short term (the export sector mentioned above is still small in terms of GDP). This highlights the major risk regarding the structural reforms agenda implementation, reform fatigue.

Consensus between Greek Government and the troika on avoidance of horizontal cuts, however prerequisite reforms not completed yet

The Greek government, in the following weeks, needs to:

- Fully implement a number of prerequisite structural reforms in order to receive the next disbursement of the ESM loan.
- Complete the 2014 Budget with the incorporation of the solutions for the fiscal and the financing gaps identified already for that year.
- Complete the Medium Term Fiscal Strategy 2014-17 (MTFS2014-17) with the inclusion of a mixture of fiscal measures (if they will be deemed as necessary) and financing so as to close the already identified 2015-16 financing gap.
- Prepare the ground for a solution to the debt sustainability problem.

Table 2, below presents the progress achieved since last week (if any), the required tasks to be completed by the Greek Authorities, the respective deadlines for their implementation, the main issues regarding their implementation as well as our view on it. We expect that a solution regarding the 2014 Budget and the MTFS2014-17 will be reached in the following weeks without the implementation of additional horizontal fiscal measures. There is a consensus on this issue. We cannot rule out measures targeted to specific groups (higher pensions and/or social security funds expenses) in order to close the 2014 the recently identified 2014 fiscal gap. The plan B, which according to the press was proposed by the Greek government in order to close the 2014 fiscal gap, includes revenues from the fight against tax and social contribution evasion as well as cost cuts from the restructuring of the public sector. Plans similar to this were proposed by previous governments too (from 2009 onwards). However, they did not deliver significant results and lost credibility. Unless the Greek government is better prepared this time, we do not expect the approval of the new plan by the troika.

The new tax on real estate was on the center of public discussion during last week. The new tax that replaces the special tax on

[5] In the DB2013 the Greek economy was ranked in the 78th position in 2012 from the 89th in 2011, an improvement of 11 positions. The sample period for DB2013 was June 2011-May 2012 and mostly included reforms implemented by the first coalition Government (November 2011-May 2012) under PM L. Papadimos. For more information refer to the 2nd Adjustment programme for Greece (March 2013).

houses (via the electricity bills) implemented in late 2011, covers all property and has different tax rates depending on the position of the property urban vs. non-urban), the type (building, agricultural use, empty urban area property etc.), the value, and a variety of the other factors of the real estate asset under question. The Government with the new real estate tax intends to collect ca €3,0 bn revenues for 2014. Even though there is a lot of reluctance from taxpayers – that previously under the old tax regime were

Table 2: Timeline of the Tasks to be completed by the Greek Government

	TASK	Timeline	Comments
1	Prerequisite structural reforms for the disbursement of the €1 bn according with the decisions of the end-of November 2013 Eurogroup: • Plan for the restructuring of the state owned defense industries and nickel producer LARKO • Legislation on the new code for lawyers • Transfer of 12,500 public sector employees in the mobility scheme. • Plan for the payment of arrears owed to EYDAP and EYATH (water utilities).	The initial deadline for this task was late-September 2013. It has to be completed by mid-November the latest.	• The plan for the payment of the state arrears to EYDAP and EYATH has been completed • Stalemate on the restructuring of the defense industries. The plan submitted by the government was rejected by the troika that requires drastic solutions. • The transfer of the 12,500 public sector employees has not finished yet. There is a serious delay with the public employees at a number of Greek universities. Decisions on the second wave of the mobility scheme still pending. The same is true for the lay-offs of public sector employees. • New legislation on the Lawyers' Code that increases competition and opens-up various aspects of the profession, passed already. However, there is criticism from the troika on a number of issues. For example the legislation for the mediation of non-Layers was postponed again. • No progress on an additional series of structural reforms (to be evaluated in the December 2013 review)
2	Fiscal gap for 2014. There is agreement between the Greek authorities and the troika on the existence of a fiscal gap for 2014 that is mainly due to an overestimation of the social security funds revenues and a number of measures agreed but not implemented (solidarity surcharge on the self-employed & reform of the wage grid of the military).	It has to be completed by mid-November 2013, at the latest. The Government needs to pass in Parliament the 2014 Budget by that date.	• There is still dispute on the size of the fiscal gap. The Greek Authorities insist on an estimation of ca €0.5 bn while the troika's respective figure is at ca €2.0 bn. • We expect an agreement to be reached in the following days. Consensus on avoidance of horizontal fiscal measures. There is an ambiguous Plan B that includes closure of the fiscal gap via revenues from fight against tax and social contributions evasion and restructuring of the public sector.
3	Financing gap for 2014 for the second half of 2014. The gap is identified in the latest review of the 2nd Adjustment Programme (July 2013). Note that the IMF requires a credible solution to the fiscal gap in order to continue the financing of the programme (2 installments of €3.6 bn remain for 2013 while the IMF financing continues until the end-of-2016).	It has to be completed by mid-November 2013, at the latest. The Government needs to pass in Parliament the 2014 Budget by that date.	• According with the Draft 2014 Budget the Greek Authorities intend to fund the 2014 financing gap via access to the international markets (issuance of new GGBs). We consider such a solution as unattainable given the uncertainty that surrounds the Greek debt sustainability. • The Greek Authorities proposed an alternative plan that included **a)** the rollover of some special bonds given for bank recapitalization back in 2008 and b) the roll-over of the ANFA holdings held by the national central banks of the Eurozone member states. The ECB rejected this proposal already. • We expect that a solution will be reached and will probably include a credit line from the ESM in order to cover – at least – the gap created by the non-rollover of the ANFA holdings. According with the 2nd Adjustment Programme the Eurozone member states need to find an alternative relief of the Greek debt in the case of the non-implementation of the rollover of the ANFA holdings.
4	Medium Term Fiscal Strategy 2014-17 (MTFS2014-17). According with the 2nd Adjustment programme there is a financing gap of €6.5 bn for 2015-16. Closure of the gap requires a combination of fiscal measures and financing by the markets and / or a 3rd Bailout.	It has to be completed by mid-November 2013, at the latest. The Government needs to pass in Parliament the 2014 Budget by that date.	• The Greek Authorities intend to include the 2015-16 gap issue on the debt relief negotiations that will start at the earliest in April 2014. As of now they intent to include a non-binding wording in the upcoming MTFS2014-17, i.e. without the identification of new fiscal measures that will put additional political pressure to the Greek Government. We consider such a solution as plausible.
5	A solution to the debt sustainability problem. Under the decision taken at the Eurogroup in November 2012, the Eurozone member countries are expected to assist Greece to achieve the target debt-to-GDP ratio of 110% in 2022, given that the primary balance returns to a positive path.	April 2014 after the verification of the primary surplus for 2013 by Eurostat	• The IMF presses for a direct haircut on the face value of the official sector loans. Such an approach would be helpful in improving the public debt profile and reduce investor risk in the country. It does not appear politically feasible, since it requires parliamentary approval by member states. • An indirect method, including the extension of loan maturities and the lowering of interest payments, is more plausible at the moment. Such a "haircut" of the present value of debt, not its face value, would also allow a third financial package for 2014-16 (3rd Bailout) without adding too much extra debt to the already high debt burden. • We expect that the indirect approach will materialize. However we emphasize the need for a quick solution. A debt relief solution needs to be taken without any waste of time (beyond April 2014). Any delay will increase uncertainty over the Greek economy and endanger the return to positive growth rates for 2014.

Source: Eurobank Research

paying lower, or no taxes at all - the new tax eases the burden for the homeowners. We have to mention though that the new tax is just a way to fix the chronic avoidance of consecutive Greek Governments to successfully fight tax (and social security contribution) evasion and at the same time restructure the costly public sector and abolish altogether parts of it that are obsolete.

There are two assumptions underlying Table 2:

1. A primary surplus of 0.2% of GDP for 2013 and sustainable (and increased relative to the 2013 figure) surpluses for the period beyond 2013. For 2014 the primary surplus is expected at €2.8 bn or 1.6 % of GDP, 3.0% for 2015 and 4.5% for 2016. There will be no changes in the size of the surpluses for 2014 and beyond, at least before the final agreement on the debt sustainability, which we expect that will take place in late April 2014. So the fiscal gap for 2014 should be covered in the current discussions, while the final confrontation of the gaps for 2015-16 will have to be postponed for April 2014.

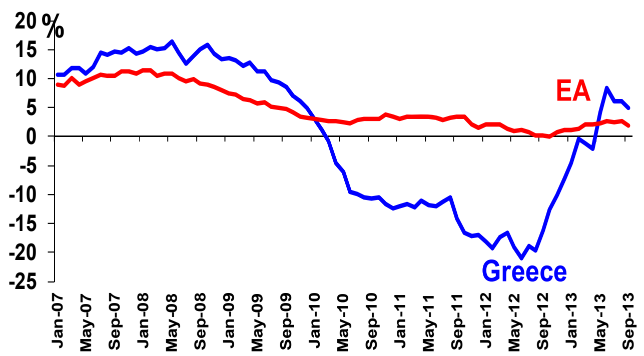
2. Continuation of the implementation of the structural reform agenda. In addition to the fulfillment of the prerequisite reforms for the disbursement of the €1,0 bn of the loan, there are at least three more troika reviews out there (December 2013, March 2014 and June 2016) before the Eurozone funding under the current programme ends. At the same time the IMF's funding continues until the end of 2016. The time margin until the end of the programme is limited. We expect that the troika will put more pressure on the Greek authorities for the implementation of the reforms. The Greek authorities so far have limited results regarding the ownership of the programme. As a result, the troika expects that elements of the programme that will not be implemented by the end of the funding period will not be implemented at all. The only solution to such a situation will be the continuation (after June 2014) of the reviews under a 3rd Bailout Programme that should be focused only on structural reforms and institutions building.

For the time being we do not expect from the lenders' representatives any step-back regarding the implementation of the structural reform agenda. In addition to the structural reforms mentioned in Table 1, another "wave" of 12,500 public sector employees needs to be transferred to the mobility scheme by the end of December 2013,[6] while a number of reforms regarding the fiscal structures, the business environment, the external sector of the economy etc. are still pending. At the same time the progress regarding the privatization agenda seriously lags behind with consequences not only for the debt sustainability but also for growth. Privatizations will be the main source of foreign direct investments for the medium term. The troika will press for the implementation of the above reforms before any credible solution for the Greek debt sustainability will be put on the table for discussion.

Statistical Appendix

Deposits: According to the latest data from the Bank of Greece, in September 2013, total deposits (private, general government, domestic and non-euro area residents) in domestic monetary financial institutions (MFIs) decreased by €809 mn (net monthly flow7), reaching €214.4 bn (6.7% 12-month rate of change[8]). This decline is due to the drop in deposits of non-euro area residents (by €434 mn) and the decline in deposits of the domestic private sector (by €719 mn), which is attributed to increased tax obligations. Indeed, for the remaining months of 2013, private sector deposits are expected to decline further, given the delays in the clearance of personal income tax declarations and the delayed until recently invoices for the 2011-12 special real estate taxes. At the end of Sep. 2013, total deposits of the domestic private sector in MFIs in Greece were €161.3 bn (12-month rate of change[9]: 4.9%) (Figure A1). In the Euro area, the annual growth rate of private sector deposits fell to 1.9% in Sep. 2013 from 2.7% in Aug. 2013.

Figure A1: Private sector deposits, Greece – Euro area
(Jan. 2007 – Sep. 2013,% 12-month rate of change)



Note: Data are not absolutely comparable between Greece and the Euro area
Source: Bank of Greece, ECB

Credit to the private sector: Financing of the Greek private sector by domestic MFIs continued its declining trend in September 2013 due to the ongoing recession and the subsequent reduction in both the demand and supply of loans. However, the rate of decline did not worsen for a third consecutive month. In September, the annual growth rate of

[6] The government has already applied for an extension but with no results so far.

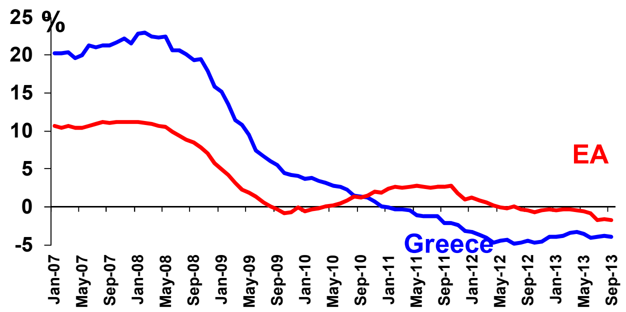
[7] Flows are derived from changes in outstanding amounts corrected for foreign exchange valuations and reclassifications adjustments.

[8] Rates of changes are derived from changes in outstanding amounts corrected for foreign exchange valuations and reclassifications adjustments.

[9] See footnote 8.

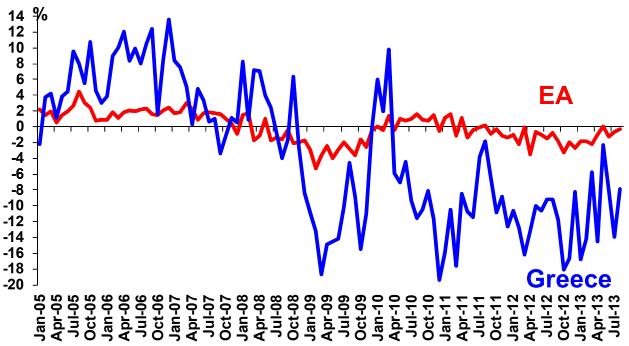
credit to the private sector[10] remained unchanged at -3.9% compared to the previous month (Figure A2) (outstanding amounts of loans: €220.9 bn). In the Euro area, credit to the private sector declined further in September by 1.8% yoy (August 2013: -1.6%).

Figure A2: Credit to the private sector, Greece – Euro area
(Jan. 2007 – Sep. 2013,% 12-month rate of change)



Note: Data are not absolutely comparable between Greece and the Euro area
Source: Bank of Greece, ECB

Figure A3: Volume Index in Retail Trade, Greece & Euro area
(Jan. 2005 – Aug. 2013, % annual change, monthly data)



Source: EL.STAT., Eurostat

Producer Price Index in Industry (PPI)[11]: In September 2013, prices in which the Greek industries sell their products in both the domestic and non-domestic market continued their downward trend which started at the beginning of the year. In particular, the PPI declined by 1.7% yoy (September 2012: +5.0%), with the sub-index of the non-domestic market falling by 2.8% and the prices for the domestic market declining by 1.4%.

Retail Trade[12]: The decline in private consumption continued in August 2013, as indicated also by the latest data from the Hellenic Statistical Authority on retail sales, the turnover of which decreased by 8.9% compared to last year (-9.5% except automotive fuel), with all store categories moving downward. The volume (deflated prices) of retail trade also fell by -7.8% yoy in August (-9.1% except automotive fuel) (Figure A3). In the Euro area, the annual change of retail trade volume was -0.3% and -0.1% in nominal values in August.

[10] The rates of change and the flows are derived from changes in outstanding amounts corrected for loan write-offs, impairments of securities, foreign exchange valuations and reclassifications/transfers of loans.

[11] For more details see the press release by the Hellenic Statistical Authority: http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0503/PressReleases/A0503_DKT15_DT_MM_09_2013_01_F_EN.pdf

[12] For more details see the press release by the Hellenic Statistical Authority: http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0508/PressReleases/A0508_DKT39_DT_MM_08_2013_01_F_EN.pdf

Table A1: Greece-Key Indicators
Last period 2012-13

	Last	Respective 2012 period	2012	2011	2010	2009	2008	2007
Macroeconomic indicators								
GDP growth (%YoY, %YoY)*	-3.8 (Q2 13)	-6.4 (Q2 12)	-6.4	-7.1	-4.9	-3.1	-0.2	3.5
Budget deficit (% of GDP, forecast for 2013)	-4.1	-	-6.0	-9.8	-11.1	-15.8	-9.9	-6.8
Gross public debt (% of GDP,2012 forecast for last)	175.2	-	156.9	170.3	148.3	129.7	112.9	107.2
CPI (%YoY, %YoY, end of year)	-1.1 (09/ 13)	0.9 (09/12)	1.5	3.3	4.7	1.2	4.2	2.9
HCPI constant taxes (%YoY, %YoY, end of year)	-0.8 (09/13)	0.1 (09/12)	0.1	1.3	1.4	1.1	4.2	2.9
Unemployment rate (%YoY, %YoY, end of year)	27.6 (07/13)	25.0 (07/12)	26.4	21.0	14.8	10.2	8.9	8.9
Economic Sentiment (index level, index level, period average)	91.2 (10/13)	79.2 (10/12)	80.0	72.8	75.1	76.3	76.1	94.9
Competitiveness Indicators								
Real harmonised comp/ness indicator CPI deflated (%YoY)	-1.8 (Q1 13)	-2.3 (Q1 12)	-3.8	-0.5	-1.7	3.4	0.3	1.5
Unit Labor Cost (%YoY)	-8.0 (Q4 12)	-0.1 (Q4 11)	-8.0	-0.1	-2.0	11.6	5.0	1.5
Labor Cost (%YoY)	-7.4 (Q1 13)	-11.1 (Q1 12)	-12.3	-6.0	-2.7	5.3	2.4	3.4
Consumer indicators								
Private consumption in constant prices (% YoY)	-9.6 (Q4 12)	--7.3 (Q4 11)	-	-6.9	-3.5	-3.2	-0.2	3.0
Retail sales excl. fuels & lubricants volume (% YoY)	-14.9 (07/13)	-11.8 (07/12)	-	-8.7	-6.9	-9.3	-1.4	2.3
New private passenger car registrations (cum. ytd)	-3.3 (09/13)	-45.3 (09/12)	-29.8	-31.0	-35.6	-17.8	-4.5	4.5
Consumer confidence (index level, index level, period average)	-66.2 (10/13)	-77.5 (10/12)	-74.8	-74.1	-63.4	-45.7	-46.0	-28.5
Retail trade expectations (index level, index level, period average)	-22.8 (10/13)	-48.4 (10/12)	-36.1	-35.4	-33.7	-15.4	14.2	34.2
Industrial-activity indicators								
Industrial production (% YoY)	-7.1 (08/13)	2.9 (08/12)	-3.2	-7.8	-5.9	-6.8	-8.2	2.0
Capacity utilization in industry (index level, index level, period average)	67.6 (08/13)	63.6 (08/12)	64.3	67.4	68.6	70.5	75.9	77.0
Industrial confidence (index level, index level, period average)	-9.9 (10/13)	- 20.1(10/12)	-21.5	-20.6	-22.5	-28.4	-5.9	5.2
Manufacturing PMI (index level, index level, period average)	47.5 (09/13)	42.2 (09/12)	41.2	43.6	43.8	45.4	50.4	53.8
Construction sector & other investment-activity indicators								
Cross fixed capital formation in constant prices (% YoY)	-11.4 (Q1 13)	-22.8 (Q1 12)	-17.6	-14.3	-9.2	-23.1	-5.5	13.1
Housing investment in constant prices (% YoY)	-34.5 (Q1 13)	-31.2 (Q1 12)	-32.9	-23.4	-18.4	-20.2	-25.8	-5.8
Other construction in constant prices (% YoY)	0.7 (Q1 13)	-9.6 (Q2 12)	-8.0	-18.9	-5.9	18.2	44.3	-5.5
Private building permits volume (%YoY, %YoY)	-15.2 (06/13)	-40.0 (06/12)	-26.1	-37.1	-24.1	-26.8	-17.3	-5.0
Construction confidence (index level, index level, period average)	-37.1 (10/13)	-53.3 (10/12)	-58.3	-68.3	-55.4	-39.5	-9.6	-9.2
Balance-of-Payments statistics *(Bank of Greece Data)*								
Current Account (%YoY, %YoY, cum ytd, %YoY)	-87.6 (08/13)	-72.9 (08/12)	-72.9	-8.3	-11.0	-25.8	6.7	37.2
Tourism revenues (%YoY, %YoY, cum ytd, %YoY)	12.4 (08/13)	4.3 (08/12)	-4.6	-2.7	-7.6	-10.6	2.8	-0.3
Transportation revenues (%YoY, %YoY, cum ytd, %YoY)	-10.6 (08/13)	-6.6 (08/13)	-5.7	-8.6	13.8	-29.4	13.3	18.3
Gross External Debt (% of GDP, % of GDP, cum ytd, % of GDP)	222.7 (Q1 13)	201.3 (Q1 12)	-	171.2	177.6	178.4	155.7	138.5
Customs-based statistics *(ELSTAT data)***								
Goods exports excl. oil ((%YoY)	-7.6 (08/13)	1.4 (08/12)	5.1	37.0	11.6	-18.1	4.5	3.8
Goods exports to EU excl. oil ((%YoY)	-4.6 (08/13)	-4.1 (08/12)	-3.4	8.1	10.4	-20.1	4.1	25.0
Goods exports to non-EU countries excl. oil ((%YoY)	-12.4 (08/13)	14.5 (08/12)	10.5	62.2	13.5	-14.6	3.5	-20.9
Goods imports excl. oil ((%YoY)	-1.2 (07/13)	-9.2 (08/12)	-6.0	-10.1	-3.3	-19.2	11.2	9.3
Goods imports from EU excl. oil ((%YoY)	-9.3 (07/13)	-11.7 (08/12)	-10.2	-7.3	-12.9	-17.4	5.4	16.4
Goods imports from non-EU countries excl. oil ((%YoY)	16.0 (07/13)	-1.5 (08/12)	-1.5	-32.7	16.6	-32.7	10.9	0.6
Domestic MFI credit to domestic enterprises & households *(oustanding balances and net flows)* & NPLs								
Private sector (% YoY)	-4.0 (07/13)	-4.9 (07/12)	-	-3.6	0.0	4.2	15.9	21.5
Enterprises (% YoY)	-4.6 (07/13)	-5.3 (07/12)	-	-2.5	1.1	5.2	18.9	20.8
Households (% YoY)	-3.7 (07/13)	-4.3 (07/12)	-	-4.3	-1.2	3.1	12.6	22.2
Housing loans (% YoY)	-3.3 (07/13)	-3.5 (07/12)	-	-2.6	-0.3	3.7	11.2	21.5
Consumer credit (% YoY)	-5.0 (07/13)	-5.9 (07/12)	-	-5.6	-4.2	2.0	16.0	22.4
Non Performimg Loans (NPLs) (% of total gross loans)	27.8 (Q1 2013)	-	-	-	10.4	7.7	5.0	4.5
Private-sector credit outstanding (% GDP) ***								
Total domestic enterprices & households	114.0 (07/13)	113.8 (07/12)	-	143.1	113.40	107.80	107.20	96.68
Domestic households	56.3 (07/13)	56.0 (07/12)	-	52.40	52.00	51.70	50.30	46.70
Stock Indices****								
Athex General Index (level)	1174.4	-	907.9	680.4	1413.9	2196.2	1786.5	5178.8
FTSE/ASE 20 Index (level)	391.4	-	309.7	264.9	663.1	1125.4	932.5	2752.5
Athex Banks Index (level)	196.6	-	226.3	262.9	1251.0	2661.7	1899.4	7296.4
Baltic Dry Index (level)	1708.0	-	699.0	1738.0	1773.0	3005.0	774.0	9143.0
Bond/CDS spreads **, †**								
10yr Bond Spead over Bund (bp)	683.2	-	1058.4	3313.4	950.9	238.7	227.4	32.2
5yr Bond Spread over Bund (bp)	-	-		5163.1	1163.1	254.2	264.3	21.2
2yr Bond Spread over Bund (bp)	-	-		13408.3	1134.4	211.9	240.1	26.8
5yr CDS Spread (bp)	-	-		10231.4	1037.3	282.8	238.0	-
T-Bills, Auction Rate								
26-Weeks average rate (%, last auction, last auction of year)	4.15 (08/10/2013)	-		4.95	4.82	0.35	5.09	4.18
13-Weeks average rate (%, last auction, last auction of year)	3.95 (15/10/2013)	-		4.68	4.10	0.59	4.46	4.14

Source: Hellenic Statistical Authority, PDMA, Bank of Greece, ECOWIN, AMECO, Bloomberg, Eurobank EFG Research

* Non-seasonally adjusted GDP data were used . Seasonally adjusted data not available. Growth rates for 2007-9 include the recent ELSTAT's revision.

**Note that custom based statistics (Source: ELSTAT) on imports and exports are subject to frequent revisions.

***For 2013 the respective GDP forecast of EuroBank Research (€ 183.3 bn) was used . For 2007-2012 the respective AMECO figures were used

****Stocks, BDI and Bond spread as of 30/10/2013

† Note that according with the Private Sector Involvement (PSI) process, the Greek bonds swap took place on 12/03/2012.

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