


NOVEMBER 2011 ECONOMIC OUTLOOK FOR GREECE: ANSWERS FROM SEV
MAIN FORECAST

<i>Annual % change</i>	2011	2012
Real GDP growth	-5,5	-2,8
Consumer price inflation	3,0	0,7
Unemployment rate	15,7	17,5
Employment growth	-5,7	-2,8
government net lending (% of GDP)	-9,0	-7,0
gross public debt (% of GDP)	162,8	181,4
current account balance (% of GDP)	-8,2	-7,1

Components of aggregate demand - in real terms

<i>Annual % change</i>		
Private consumption	-6,2	-4,3
Public consumption	-8,5	-9,0
Investment (Gross Fixed Capital Formation)	-15,9	-3,6
Private non-residential investment	-14,7	-0,4
Exports	4,8	6,5
Imports	-6,2	-3,2

ECONOMIC SENTIMENT

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>
Trend in business climate over the next 6 months		Industry	
		Services	

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>
Trend in profitability over the next 6 months		Industry	
			Services

	<i>Increase (faster pace)</i>	<i>Increase (slower pace)</i>	<i>Unchanged</i>	<i>Decrease (slower pace)</i>	<i>Decrease (faster pace)</i>
Investment intentions over the next 6 months				Industry	
				Services	

	<i>Global demand</i>	<i>Domestic demand</i>	<i>Cost of finance</i>	<i>Availability of finance</i>	<i>Company Profitability</i>	<i>Capacity Utilisation</i>
Influence on companies' investment decisions	neutral	negative	negative	negative	negative	neutral

	<i>Replacement</i>	<i>Extension</i>	<i>Rationalisation</i>	<i>Innovation</i>
Driving force behind investment decisions in the next 6 months	positive	positive	positive	positive

	<i>Industry: past 6 months</i>	<i>Industry: next 6 months</i>	<i>Services: past 6 months</i>	<i>Services: next 6 months</i>
Overall trend in employment	Down	Down	Down	Down

ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH

Compared to 6 months ago, cost/access to finance has been...	sharply up / restrained	up / more difficult	same	down / easier
<i>for SMEs</i>	Cost Access			
<i>for larger companies (>250 employees)</i>	Cost Access			

Over the next 6 months, cost /access to finance will be...	sharply up / restrained	up / more difficult	same	down / easier
<i>for SMEs</i>	Cost Access			
<i>for larger companies (>250 employees)</i>	Cost Access			

	Consolidation of banking sector balance sheets	Access to capital markets	Engcouraging equity financing through tax reforms	Better use of existing EU instruments (including EIB)	Greater potential for Public-Private-Partnerships
Measures to alleviate current financial difficulties for SMEs	Important effect	Important effect	Important effect	Important effect	Important effect
	Consolidation of banking sector balance sheets	Access to capital markets	Encouraging equity financing through tax reforms	Better use of existing EU instruments (including EIB)	Greater potential for Public-Private-Partnerships
Measures to alleviate current financial difficulties for midsize and large companies	Important effect	Important effect	Important effect	Important effect	Important effect



POLICY MIX

	<i>Tight, appropriate for the euro area</i>	<i>Tight</i>	<i>Appropriate</i> yes	<i>Loose</i>	<i>Loose, appropriate for the euro area</i>
<i>Monetary policy is...</i>					
<i>Consistency between fiscal and monetary policies</i>	<i>adequate</i>	<i>inadequate</i> yes			
<i>Regarding the sustainability of public</i>	excellent committment	satisfactory committment	neither satisfactory nor unsatisfactory	unsatisfactory committment yes	no clear committment creating an extremely
<i>Exit Strategies</i>	excessive focus	sufficient focus	satisfactory nor unsufficier	unsufficient focus	so far ignored
<i>Tight fiscal rules and more effective institutions</i>				yes	
<i>Greater efficiency of public</i>				yes	
<i>Credible cost-cutting measures</i>				yes	
<i>Increased scope of public-private</i>				yes	
<i>Reform of pension systems</i>		yes			
<i>Improved efficiency of healthcare sector</i>		yes			
<i>Entry Strategies</i>	excessive focus	sufficient focus	satisfactory nor unsufficier	unsufficient focus	so far ignored
<i>More and better-targeted education and training</i>			yes		
<i>More and better targeted R&D and Prioritisation of infrastructure investments</i>					yes
<i>Growth enhancing tax reforms</i>			yes		yes
<i>In 2015, the government deficit will...</i>	respect the 3% limit yes	be in balance yes			