

**EMBASSY OF INDIA
ATHENS**

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Economic and Commercial Report for April 2017

- Eurogroup President J. Dijsselboem remarked after the **Eurogroup** in Valletta on 7 April 2017 that the Institutions (European Commission, ECB, ESM and IMF) and Greek Government achieved significant progress to complete the second review since the last Eurogroup in March. Greece agreed to legislate on reform package of cutting pensions in 2019 and increasing income tax base in 2020. It was also agreed that the Greek government will legislate “expansionary measures” in case the economy is getting better. The negotiations continued the whole month and the two sides agreed on energy, education, health and the taxation (lowering the income tax threshold).
- **Piraeus Bank** and **Alpha Bank** signed an agreement with the European Investment Fund (EIF) to provide €420million loans with low collateral requirements and favorable repayment conditions to more than 2,000 small companies as part of the EU Commission’s investment plan for Greece.
- On 21 April 2017, Hellenic Statistical Authority (ELSTAT) announced the following **fiscal data** for the years 2013-2016 on the basis of the new Regulation ESA 2010 (549/2013).

		2013	2014	2015	2016
Gross Domestic Product (GDP) (based on market prices)	(million euro)	180,654	177,941	175,697	175,888
General Government balance deficit(-) / surplus (+)	(million euro)	-23,749	-6,516	-10,427	1,288
	(% of GDP)	-13.1	-3.7	-5.9	0.7
General Government primary balance deficit(-) / surplus (+)	(million euro)	-16,473	581	-4,105	6,937
	(% of GDP)	-9.1	0.3	-2.3	3.9
General Government expenditure	(million euro)	112,473	90,048	95,247	86,185
	(% of GDP)	62.26	50.61	54.21	49.00
General Government revenue	(million euro)	88,724	83,532	84,820	87,473
	(% of GDP)	49.11	46.94	48.28	49.73
General Government debt	(million euro)	320,511	319,728	311,668	314,897
	(% of GDP)	177.4	179.7	177.4	179.0



- Greece posted a robust primary surplus after seven years of severe recession. ELSTAT pegged the annual primary surplus at €6937million (3.9% GDP) while European Commission announced that it was 4.2% of GDP, that is well above the target of 0.5% of GDP for 2016 set by EC under bailout program.
- According to the Ministry of Finance, the **state budget balance** for January-March 2017 showed a deficit of €1,364million (€44million less than target) and the primary surplus was €1,070million (€78million higher than the target). The net revenues amounted to €11,417million (€998million lower than the target); and the expenditures was €12,782million (€1,041million lower than the target).
- The European Central Bank reduced the **emergency liquidity assistance (ELA)** for Greece from €46.6billion to €46.5billion.
- The **total imports** in February 2017 added to €4,085.2million showing a rise of 13.8% compared with February 2016. The **total exports** in February 2017 were €2,107.4million with a rise of 10.4% compared with February 2016. The **trade deficit** in January 2017 amounted to €1,977.8million (17.7% increase compared with February 2016). (www.statistics.gr)
- The **unemployment rate** in January 2017 was 23.5% compared to 24.3% in January 2016 and 23.5% in December 2016. (<http://www.statistics.gr/en/statistics/-/publications/SJO02/->)
- The **Industrial Production Index (IPI)** in February 2017 increased by 10.8% compared with February 2016. (www.statistics.gr)
- The **Overall Turnover Index in Industry** (both domestic and non-domestic market) in February 2017 increased by 20.9% and 6.5% compared with February 2016 and January 2017 respectively. (www.statistics.gr)

