

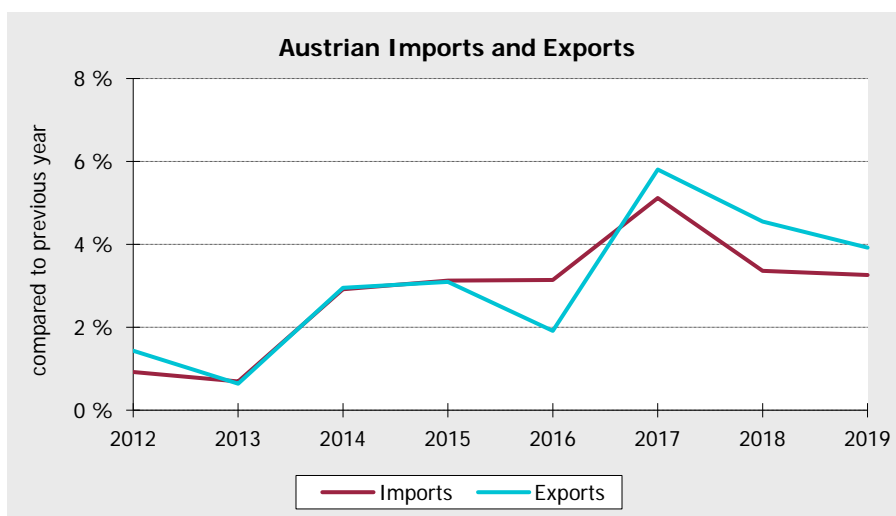
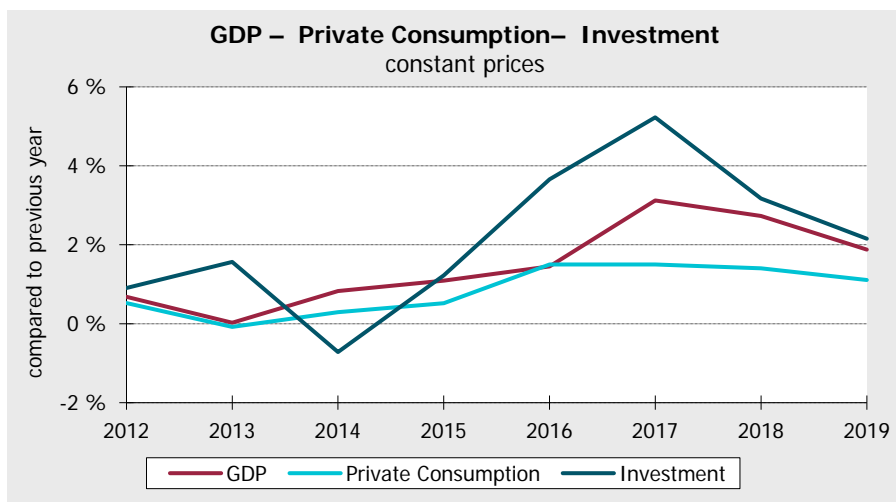
Vienna, Wednesday, 20th December 2017

Forecast of the Austrian Economy 2017 – 2019

High growth remains broad-based

Embargo: Thursday, 21st December 2017, 10:30 a.m.

The Austrian economy is expected to have grown by 3.1 % in 2017. As the global economy should continue to expand vigorously, and robust domestic growth can be anticipated, the Austrian economy is expected to grow by 2.7 % and 1.9 % respectively, in 2018 and 2019. The labour market is benefiting from the high economic activity, with unemployment expected to fall to 8 % by 2019, down from 9 % in 2016. Over the forecasting horizon, inflation should amount to slightly above 2 % and thus remain well above the euro area average. The period of high growth should be used to achieve a sustainable budgetary stance and to implement urgently needed structural reforms.



Main results

Annual percentage change

	2017	2018	2019
Gross domestic product, real	3.1	2.7	1.9
Private consumption, real	1.5	1.4	1.1
Gross capital formation, real	6.2	3.7	2.2
Gross fixed capital formation, real	5.2	3.2	2.2
of which: equipment, real	7.0	3.8	2.5
of which: construction, real	3.2	2.5	1.8
Domestic demand, real	2.6	2.0	1.4
Exports of goods and services, real	5.8	4.6	3.9
of which: goods, real	6.0	5.0	4.3
of which: tourism, real	1.8	1.5	1.5
Imports of goods and services, real	5.1	3.4	3.3
of which: goods, real	4.8	3.3	3.3
of which: tourism, real	2.5	1.0	1.0
Employment (employees)	2.0	1.5	1.2
Unemployment rate: national definition *	8.5	8.0	8.0
Unemployment rate: Eurostat definition *	5.5	5.3	5.3
Compensation per employee	1.9	2.8	2.5
GDP deflator	1.5	2.0	1.9
Consumer price index	2.1	2.2	2.1
Budget balance in % of GDP (Maastricht definition) *	-0.6	-0.6	-0.5
3-months Euribor ^{*)}	-0.3	-0.2	0.1
10-year government bond yields ^{*)}	0.6	0.8	1.1

Source: Statistik Austria, own calculations

* absolute value

International Environment

Annual percentage change

	2015	2016	2017	2018	2019
World trade	1.9	1.4	4.5	4.5	4.0
GDP, real					
Germany	1.7	1.9	2.3	2.2	1.9
Italy	1.0	0.9	1.5	1.5	1.3
France	1.1	1.2	1.7	1.8	1.6
United Kingdom	2.3	1.8	1.5	1.2	1.1
Switzerland	1.2	1.4	1.0	1.7	1.7
USA	2.9	1.5	2.2	2.4	2.3
Japan	1.2	1.0	1.6	1.4	1.1
China	6.9	6.7	6.8	6.5	6.2
Poland	3.8	2.9	4.5	3.6	3.3
Slovakia	3.9	3.3	3.2	3.5	4.0
Czech Republic	5.3	2.6	4.2	3.4	3.0
Hungary	3.4	2.2	3.8	3.4	3.2
Slovenia	2.3	3.1	4.8	3.5	3.4
MOEL-5*	4.0	2.8	4.2	3.5	3.3
Bulgaria	3.6	3.9	3.8	3.5	3.5
Romania	4.0	4.6	6.4	4.7	4.5
Croatia	2.3	3.2	3.2	2.8	2.8
Russia	-2.8	-0.2	1.6	1.7	1.8
Euro Area	2.1	1.8	2.3	2.1	1.9
NMS-6*	4.0	3.1	4.6	3.7	3.4
EU-28	2.3	1.9	2.4	2.1	1.9
OECD	2.4	1.8	2.4	2.3	2.1
World	3.4	3.2	3.6	3.7	3.5
Export markets Austria	3.5	3.5	4.8	4.5	3.8
USD/EUR exchange rate**	1.11	1.11	1.13	1.18	1.18
Oil price (Brent, USD/barrel)**	53.0	45.0	54.8	61.0	62.0

Source: Eurostat, IMF, OECD, CPB, national statistical office, own calculations

* MOEL-5: Poland, Slovakia, Czech Republic, Hungary, Slovenia; NMS-6: Poland, Czech Republic, Hungary, Bulgaria, Romania, Croatia

** absolute values

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