

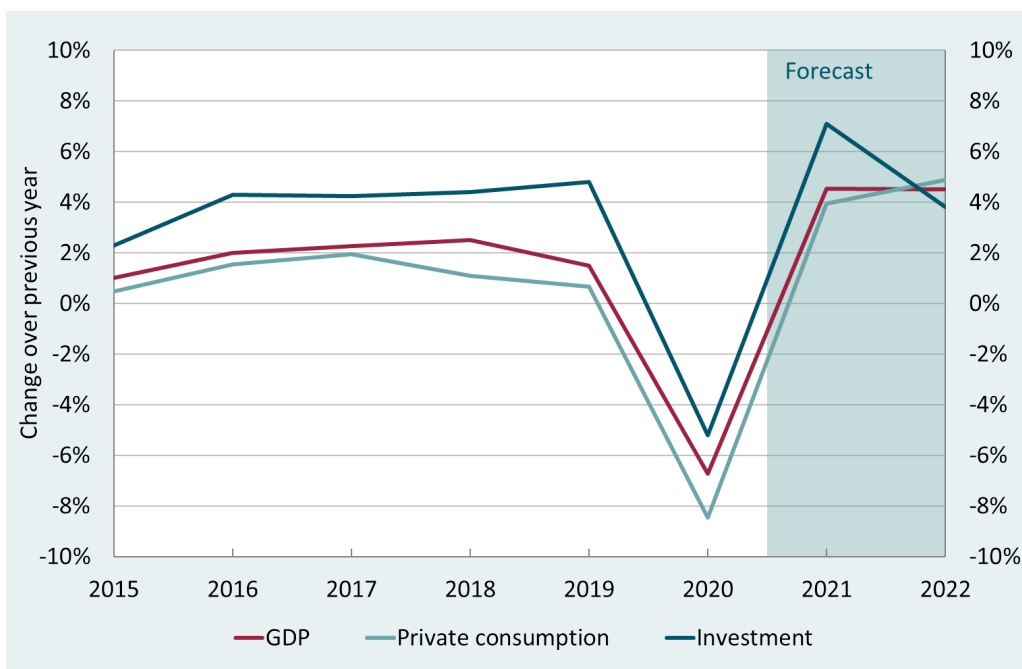
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# Autumn Forecast of the Austrian Economy 2021–2022

## Upswing with obstacles

After the slump in economic output of 6.7 % last year, caused by the coronavirus pandemic, the Austrian economy has gained surprising momentum since spring this year. Hence, output returned to its pre-crisis level already in mid-2021. The Institute therefore raises its forecast for economic growth in the current year to 4.5 %. For the coming year, again a growth rate of 4.5 % is expected. With the strong economic recovery, the unemployment rate should fall to 8.1 % in the current year and to 7.2 % next year. Annual inflation in 2021 is projected to climb to 2.6 % on average this year and should then decline to 2.3 %.

**Figure 1: GDP, private consumption, investment**



Sources: Statistics Austria, from 2021 IHS forecast

**Table 1: Main results***Change over previous year in percent*

	2020	2021	2022
Gross domestic product, real	-6.7	4.5	4.5
Private consumption, real	-8.5	4.0	4.9
Gross capital formation, real	-4.6	7.0	4.1
Gross fixed capital formation, real	-5.2	7.1	3.8
of which: equipment, real	-6.5	8.5	5.0
of which: construction, real	-3.7	5.5	2.5
Domestic demand, real	-5.8	4.4	3.8
Exports of goods and services, real	-10.8	9.4	7.7
of which: goods, real	-7.8	11.6	4.0
of which: tourism, real	-43.9	-15.0	95.0
Imports of goods and services, real	-9.4	9.4	6.6
of which: goods, real	-6.4	9.8	4.0
of which: tourism, real	-63.6	25.0	110.0
Employment (employees)	-2.0	2.4	2.0
Unemployment rate: national definition <sup>i</sup>	9.9	8.1	7.2
Unemployment rate: Eurostat definition 2021 <sup>i</sup>	6.1	6.4	5.8
Compensation per employee	1.7	1.5	2.5
GDP deflator	2.3	1.3	1.8
Consumer price index	1.4	2.6	2.3
Budget balance in % of GDP (Maastricht definition) <sup>i</sup>	-8.3	-6.7	-2.8
3-month Euribor <sup>i</sup>	-0.4	-0.5	-0.5
10-year government bond yield <sup>i</sup>	-0.3	-0.3	0.1

<sup>i</sup>absolute values

Sources: Statistics Austria, Refinitiv Datastream, from 2021 IHS forecast

**Table 2: International environment**  
*Change over previous year in percent*

	2018	2019	2020	2021	2022
GDP, real					
Germany	1.1	1.1	-4.6	2.8	5.0
Italy	0.9	0.3	-8.9	5.5	4.5
France	1.9	1.8	-7.9	6.0	4.0
United Kingdom	1.7	1.7	-9.7	6.5	5.5
Switzerland	2.9	1.2	-2.5	3.5	3.3
USA	2.9	2.3	-3.4	5.8	4.0
Japan	0.6	0.3	-4.8	2.5	2.3
China	6.7	6.0	2.3	8.0	5.3
Poland	5.4	4.7	-2.7	4.8	5.0
Slovakia	3.7	2.5	-4.8	3.5	4.8
Czech Republic	3.2	3.0	-5.8	3.3	4.8
Hungary	5.4	4.6	-5.0	6.8	5.0
Slovenia	4.4	3.3	-4.2	6.8	4.5
MOEL-5 <sup>i</sup>	4.8	4.1	-3.9	4.8	4.9
Bulgaria	3.1	3.7	-4.2	4.3	4.3
Romania	4.5	4.1	-3.9	7.0	5.0
Croatia	2.8	2.9	-8.0	7.5	4.3
Russia	2.8	2.0	-3.0	4.0	2.8
Euro area	1.9	1.5	-6.3	4.8	4.5
NMS-6 <sup>ii</sup>	4.6	4.2	-4.0	5.3	4.9
EU-27	2.1	1.8	-5.9	5.0	4.7
OECD	2.3	1.6	-4.9	4.9	4.0
World	3.4	2.7	-3.4	5.5	4.4
World trade (goods, CPB)	3.4	-0.3	-5.4	10.4	3.2
Austrian export markets	4.0	2.1	-8.8	8.2	6.7
USD/EUR exchange rate <sup>iii</sup>	1.18	1.12	1.14	1.19	1.19
Oil price (Brent, USD/barrel) <sup>iii</sup>	71.7	64.2	41.8	70.0	71.5

<sup>i</sup>MOEL-5: Poland, Slovakia, Czech Republic, Hungary, Slovenia

<sup>ii</sup>NMS-6: Poland, Czech Republic, Hungary, Bulgaria, Romania, Croatia

<sup>iii</sup>absolute values

Sources: Eurostat, IMF, OECD, CPB, national statistical offices, from 2021 IHS forecast

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