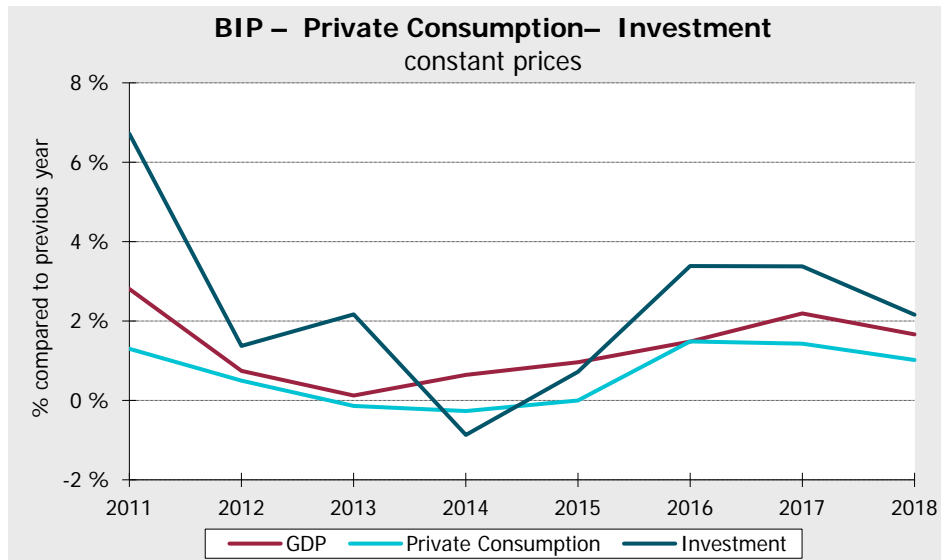


Forecast of the Austrian Economy 2017 – 2018

Strong growth in Austria

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Supported by the buoyant expansion of the world economy, economic growth in Austria is accelerating strongly. Gross domestic product in Austria is projected to increase by 2.2 % in 2017 and by 1.7 % in 2018. Exports should grow markedly and domestic demand remains robust. The inflation rate should reach 2 % in each of the two years and registered unemployment is expected to decline for the first time in six years.



Main results

Annual percentage change

	2016	2017	2018
Gross domestic product, real	1.5	2.2	1.7
Private consumption, real	1.5	1.4	1.0
Gross capital formation, real	3.0	3.7	2.4
Gross fixed capital formation, real	3.4	3.4	2.2
of which: equipment, real	5.1	4.8	2.5
of which: construction, real	1.4	1.8	1.8
Domestic demand, real	2.2	1.8	1.4
Exports of goods and services, real	1.6	4.0	3.5
of which: goods, real	1.2	4.9	3.8
of which: tourism, real	1.5	0.5	0.8
Imports of goods and services, real	3.1	3.5	3.0
of which: goods, real	3.3	3.8	3.0
of which: tourism, real	0.3	1.0	1.0
Employment (employees)	1.6	1.8	1.4
Unemployment rate: national definition ^{*)}	9.1	8.6	8.4
Unemployment rate: Eurostat definition ^{*)}	6.0	5.7	5.6
Compensation per employee	1.3	1.3	2.1
GDP deflator	1.3	1.7	1.8
Consumer price index	0.9	2.0	2.0
Budget balance in % of GDP (Maastricht definition) ^{*)}	-1.6	-0.8	-0.7
3-months Euribor ^{*)}	-0.3	-0.3	-0.2
10-year government bond yields ^{*)}	0.4	0.7	0.9

Source: Statistik Austria, own calculations

^{*)} absolute value

International Environment

Annual percentage change

	2014	2015	2016	2017	2018
World trade	2.7	2.0	1.4	4.3	4.0
GDP, real					
Germany	1.6	1.7	1.9	1.7	1.8
Italy	0.1	0.8	0.9	1.1	1.0
France	0.9	1.1	1.2	1.4	1.4
United Kingdom	3.1	2.2	1.8	1.4	1.2
Switzerland	2.0	0.8	1.3	1.5	1.8
USA	2.4	2.6	1.6	2.2	2.4
Japan	0.3	1.1	1.0	1.3	1.1
China	7.3	6.9	6.7	6.5	6.2
Poland	3.3	3.8	2.7	3.7	3.2
Slovakia	2.6	3.8	3.3	3.2	3.5
Czech Republic	2.7	4.5	2.4	2.7	2.7
Hungary	4.0	3.1	2.0	3.6	3.4
Slovenia	3.1	2.3	2.5	3.7	3.0
MOEL-5*)	3.1	3.7	2.6	3.4	3.1
Bulgaria	1.3	3.6	3.4	3.3	3.0
Romania	3.1	3.9	4.8	4.0	4.0
Croatia	-0.5	2.2	3.0	3.0	2.8
Russia	0.7	-2.8	-0.2	1.1	1.5
Euro Area	1.2	2.0	1.8	1.9	1.8
NMS-6*)	2.8	3.5	2.9	3.5	3.2
EU-28	1.7	2.2	1.9	2.0	1.9
OECD	2.0	2.2	1.8	2.2	2.2
World	3.5	3.4	3.1	3.5	3.6
Export markets Austria	3.4	3.5	3.1	4.3	3.8
USD/EUR exchange rate**)	1.33	1.11	1.11	1.10	1.10
Oil price (Brent, USD/barrel)**)	99.3	53.0	45.0	52.0	53.0

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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