

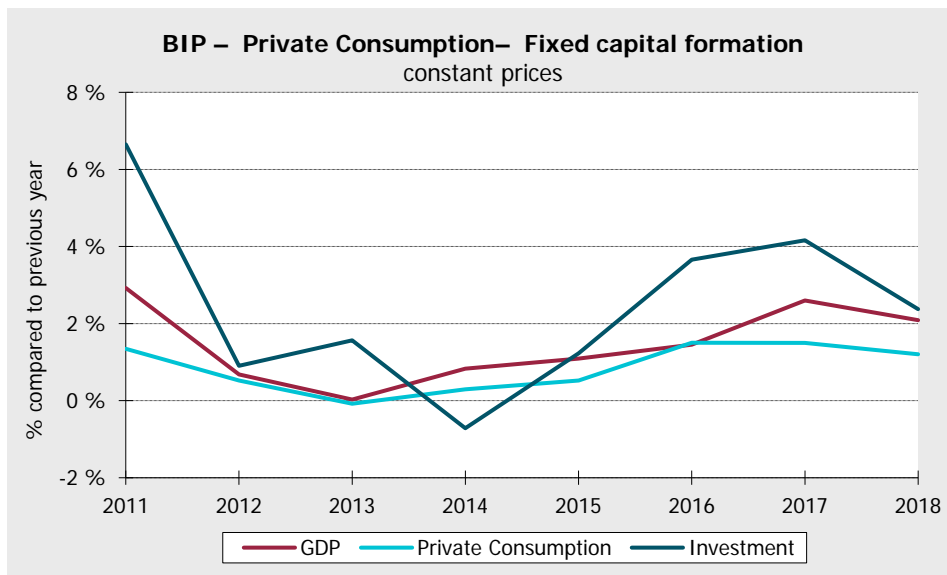
Vienna, Thursday, 28<sup>th</sup> September 2017

# Forecast of the Austrian Economy 2017 – 2018

## Strong growth in Austria supported by a global upturn

Embargo: Friday, 29<sup>th</sup> September 2017, 10:30 a.m.

The global economy is experiencing an upturn that covers almost all regions. Gross domestic product in Austria is projected to increase by 2.6% in 2017 and by 2.1% in 2018. Gross fixed capital formation and exports should increase strongly and private consumption remains robust. Inflation is projected at 2%. Due to strong employment growth, the number of unemployed is likely to decline, but the unemployment rate remains at a high level.



## Main results

### Annual percentage change

	2016	2017	2018
Gross domestic product, real	1.5	2.6	2.1
Private consumption, real	1.5	1.5	1.2
Gross capital formation, real	3.5	5.0	2.6
Gross fixed capital formation, real	3.7	4.2	2.4
of which: equipment, real	6.0	5.0	2.7
of which: construction, real	1.1	3.2	2.0
Domestic demand, real	2.1	2.2	1.6
Exports of goods and services, real	1.9	5.4	4.0
of which: goods, real	1.3	6.3	4.5
of which: tourism, real	2.3	0.8	0.8
Imports of goods and services, real	3.1	4.8	3.2
of which: goods, real	3.2	4.8	3.2
of which: tourism, real	3.1	2.5	1.0
Employment (employees)	1.6	1.9	1.4
Unemployment rate: national definition *	9.1	8.6	8.3
Unemployment rate: Eurostat definition *	6.0	5.6	5.4
Compensation per employee	2.2	1.5	2.5
GDP deflator	1.1	1.6	1.7
Consumer price index	0.9	2.0	2.1
Budget balance in % of GDP (Maastricht definition) *	-1.6	-0.7	-0.6
3-months Euribor <sup>*)</sup>	-0.3	-0.3	-0.2
10-year government bond yields <sup>*)</sup>	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	1.9	1.4	4.2	4.0
GDP, real					
Germany	1.9	1.7	1.9	1.9	2.1
Italy	0.1	0.8	0.9	1.4	1.4
France	0.9	1.1	1.2	1.5	1.7
United Kingdom	3.1	2.2	1.8	1.5	1.2
Switzerland	2.4	1.2	1.4	1.0	1.7
USA	2.6	2.9	1.5	2.2	2.3
Japan	0.3	1.1	1.0	1.6	1.3
China	7.3	6.9	6.7	6.7	6.4
Poland	3.3	3.8	2.7	4.0	3.6
Slovakia	2.6	3.8	3.3	3.2	3.5
Czech Republic	2.7	5.3	2.6	3.5	3.0
Hungary	4.0	3.1	2.0	3.6	3.4
Slovenia	3.0	2.3	3.1	4.7	3.5
MOEL-5*	3.1	3.7	2.6	3.8	3.4
Bulgaria	1.3	3.6	3.4	3.5	3.3
Romania	3.1	3.9	4.8	5.3	4.7
Croatia	-0.5	2.2	3.0	3.0	2.8
Russia	0.7	-2.8	-0.2	1.5	1.5
Euro Area	1.3	2.0	1.8	2.0	2.1
NMS-6*	2.8	3.5	2.9	4.0	3.6
EU-28	1.7	2.2	1.9	2.1	2.1
OECD	2.0	2.2	1.8	2.3	2.3
World	3.5	3.4	3.2	3.6	3.7
Export markets Austria	3.4	3.5	3.1	4.5	4.0
USD/EUR exchange rate**	1.33	1.11	1.11	1.13	1.17
Oil price (Brent, USD/barrel)**	99.3	53.0	45.0	52.8	54.0

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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