

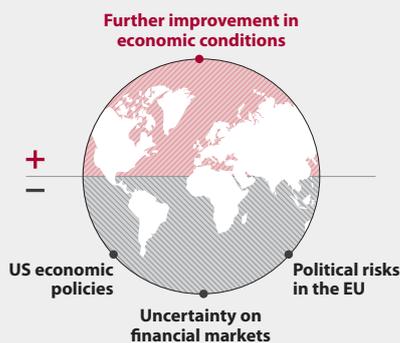
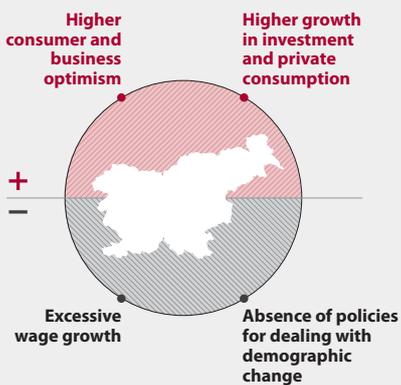
SPRING FORECAST OF ECONOMIC TRENDS 2018

STARTING POINTS

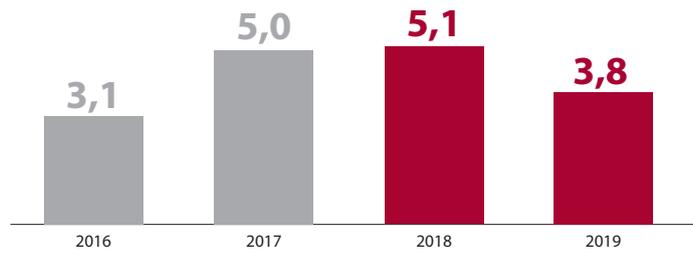
- Continuation of favourable economic developments in the international environment
- Favourable borrowing conditions
- A further improvement in the general government balance
- Absence of shocks on commodity markets

RISKS

Risks to the baseline scenario of the economic forecast are broadly balanced. The possibilities of higher economic growth in the short term are mainly related to domestic factors; in the international environment, downside risks predominate.

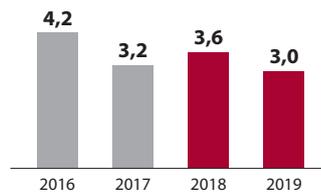


ECONOMIC GROWTH

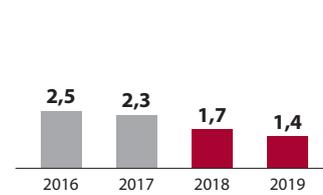


Strong broad-based economic growth will continue.

Private consumption, real growth in %

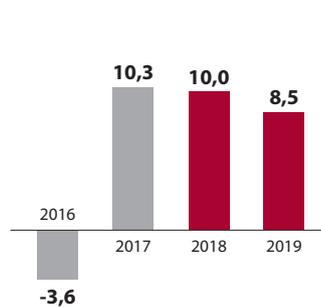


Government consumption, real growth in %

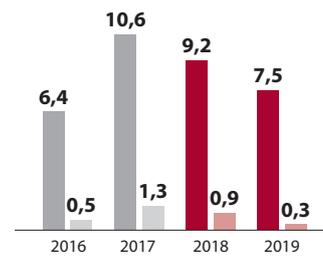


Export growth will remain high; domestic consumption will also remain a significant factor of growth.

Gross fixed capital formation, real growth in %



Exports, real growth %
External trade balance, contribution to GDP growth, in pps



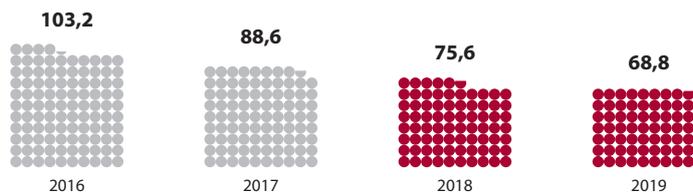
LABOUR MARKET

Employment, growth in %



Employment growth will remain fairly high this year, before easing gradually in subsequent years mainly under the impact of demographic change.

Number of registered unemployed, average in '000



INFLATION

Annual average, in %



Inflation will remain relatively low this year, before rising moderately in 2019 and 2020.