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BETTER POLICIES FOR BETTER LIVES

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Conventional signs

$	US dollar	.	Decimal point
¥	Japanese yen	I, II	Calendar half-years
£	Pound sterling	Q1, Q4	Calendar quarters
€	Euro	Billion	Thousand million
mb/d	Million barrels per day	Trillion	Thousand billion
. .	Data not available	s.a.a.r.	Seasonally adjusted at annual rates
0	Nil or negligible	n.s.a.	Not seasonally adjusted
–	Irrelevant		

EDITORIAL

GROWTH HAS PEAKED: CHALLENGES IN ENGINEERING A SOFT LANDING

The global economy is navigating rough seas. Global GDP growth is strong but has peaked. In many countries unemployment is well below pre-crisis levels, labour shortages are biting and inflation remains tepid. Yet, global trade and investment have been slowing on the back of increases in bilateral tariffs while many emerging market economies are experiencing capital outflows and a weakening of their currencies. The global economy looks set for a soft landing, with global GDP growth projected to slow from 3.7% in 2018 to 3.5% in 2019-20. However, downside risks abound and policy makers will have to steer their economies carefully towards sustainable, albeit slower, GDP growth.

Engineering soft landings has always been a delicate exercise and is especially challenging today. As central banks progressively, and appropriately, reduce their liquidity support, markets have started repricing risks as reflected by the return of volatility and the decline of some asset prices. Capital flows, which had fuelled the expansion of emerging market economies, have been reversing towards advanced economies and especially the United States. Trade tensions have heightened uncertainty for businesses and risk disrupting global value chains and investment, especially in regions tightly linked to the United States and China. Political and geopolitical uncertainty has increased in Europe and the Middle East.

An accumulation of risks could create the conditions for a harder-than-expected landing. First, further trade tensions would take a toll on trade and GDP growth, generating even more uncertainty for business plans and investment. Second, tightening financial conditions could accelerate capital outflows from emerging market economies and depress demand further. Third, a sharp slowdown in China would hit emerging market economies, but also advanced economies if the demand shock in China triggered a significant decline in global equity prices and higher global risk premia.

Political tensions other than trade have also grown. In the Middle East and Venezuela, geopolitical and political challenges have translated into more volatile oil prices. In Europe, Brexit is an important source of political uncertainty. It is imperative that the European Union and the United Kingdom manage to strike a deal that maintains the closest possible relationship between the parties. In some euro area countries, the exposure of banks to their government debt could weigh on credit growth if risk premia were to increase further, with dampening effects on consumption, investment, GDP growth, and ultimately jobs.

Against this backdrop, we urge policymakers to restore confidence in international dialogue and institutions. This would help strengthen trade discussions in order to tackle critical new issues and to address concerns with the rules and processes of the existing trading system. Concrete action at the G20 level will send a positive signal and help demonstrate that countries can act in a coordinated and cooperative fashion should growth slow more sharply than envisaged.

It is all the more important to cooperate now that policymakers have limited margins for manoeuvre in case of an abrupt slowdown. In some countries, monetary policy is still very accommodative, while public and private debt-to-GDP ratios are historically high. Fiscal stimulus will be scaled back, which is appropriate. But in the event of a downturn, governments should leverage low interest rates to coordinate a fiscal stimulus. In this *Economic Outlook*, we report simulations showing that a coordinated fiscal stimulus at the global level would be an effective means of quickly responding to a sharper-than-expected global slowdown.

The fragile environment heightens the importance of completing European Monetary Union, as suggested in the latest OECD *Economic Survey of the Euro Area*. It is urgent for Europe to complete the banking union. The lack of progress has led to higher domestic sovereign debt holdings by banks in some countries, magnifying hazards and maintaining the redenomination risk that undermines confidence. Progress towards establishing a common fiscal capacity would help maintain confidence in the ability of the euro area to react to shocks and sustain growth.

The global recovery since the financial crisis has not led to tangible improvements in the standards of living of many people. While absolute poverty has plummeted in a number of emerging market economies, the crisis exposed decades of widening well-being gaps between the higher-skilled mobile part of the population and a larger number of less-mobile, often less-skilled people in many advanced economies. Income gaps pass from one generation to the next: one's future prospects are framed by where one is born, educated and starts looking for a job. These entrenched inequalities threaten growth, inter-generational mobility, and fuel discontent with the integrated global economy, which has brought prosperity across large parts of the world.

The general slowdown in productivity growth in many economies constrains real wage growth. But even in highly productive firms, wage growth has been more sluggish than expected, a result in part of technology driving down investment prices. This can prompt substitution of labour by capital, particularly for low-skilled, high-routine jobs. As digitalisation deepens, the divide between high-skill, low-routine jobs and low-skill, high-routine work risks widening. In addition, slower business dynamics preserve firms which are less productive and accordingly are less able to increase wages. Together with declining redistribution, this trend risks fuelling inequalities.

Governments can do more to foster higher productivity and wages. Strengthening product market competition would not only favour wider diffusion of new technologies, thereby raising productivity growth, but also help transfer productivity gains to wages. Investment in skills can help workers seize the gains from technological progress as higher-skilled labour is less easily replaced by new technologies. Effective active labour market and skills training policies can help those at risk of being excluded from the labour market.

Certain policy decisions are exacerbating many of the headwinds faced by our economies. Better policies, built on greater trust and openness, are needed now more than ever in order to create jobs, sustain growth and raise living standards.

21 November 2018

Laurence Boone
OECD Chief Economist

OECD Economic Outlook, Volume 2018 Issue 2

Chapter 1

GENERAL ASSESSMENT OF THE MACROECONOMIC SITUATION

Introduction

The global expansion has peaked. Global GDP growth is projected to ease gradually from 3.7% in 2018 to around 3½ per cent in 2019 and 2020, broadly in line with underlying global potential output growth (Table 1.1). In the near term, policy support and strong job growth continue to underpin domestic demand. However, macroeconomic policies are projected to become less accommodative over time, and headwinds from trade tensions, tighter financial conditions and higher oil prices are set to continue. Growth in the OECD area is set to slow gradually, from around 2½ per cent in 2017-18 to just under 2% by 2020. Wage and price inflation are projected to rise, but only moderately. Considerable uncertainty remains about the strength of the relationship between capacity and inflation, and there are risks that a sharper inflation upturn could occur. The rise in oil prices this

Table 1.1. **Global growth is set to slow**

OECD area, unless noted otherwise

	Average 2011-2018	2017	2018	2019	2020	2018 Q4	2019 Q4	2020 Q4
		Per cent						
Real GDP growth[1]								
World[2]	3.4	3.6	3.7	3.5	3.5	3.5	3.6	3.5
G20[2]	3.6	3.8	3.8	3.7	3.7	3.7	3.8	3.7
OECD[2]	2.1	2.5	2.4	2.1	1.9	2.2	2.1	1.9
United States	2.3	2.2	2.9	2.7	2.1	3.1	2.4	2.0
Euro area	1.2	2.5	1.9	1.8	1.6	1.5	1.9	1.4
Japan	1.3	1.7	0.9	1.0	0.7	0.6	0.6	1.1
Non-OECD[2]	4.6	4.6	4.7	4.7	4.7	4.6	4.8	4.7
China	7.1	6.9	6.6	6.3	6.0	6.4	6.1	6.0
India[3]	7.0	6.7	7.5	7.3	7.4			
Brazil	0.1	1.0	1.2	2.1	2.4			
Output gap[4]	-1.8	-1.0	-0.6	-0.4	-0.5			
Unemployment rate[5]	6.9	5.8	5.3	5.1	5.0	5.2	5.1	4.9
Inflation[1,6]	1.6	2.0	2.3	2.6	2.5	2.6	2.5	2.5
Fiscal balance[7]	-4.1	-2.3	-2.9	-3.1	-3.0			
World real trade growth[1]	3.6	5.2	3.9	3.7	3.7	3.3	3.8	3.6

1. Percentage changes; last three columns show the increase over a year earlier.
2. Moving nominal GDP weights, using purchasing power parities.
3. Fiscal year.
4. Per cent of potential GDP.
5. Per cent of labour force.
6. Private consumption deflator.
7. Per cent of GDP.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933880014

year has pushed up headline inflation, and import tariffs have begun to raise prices in a few countries. Global trade has already started to ease, with trade restrictions having adverse effects on confidence and investment plans, and global trade growth appears set to remain at under 4% per annum on average over 2018-20.

Outcomes could be weaker still if downside risks materialise. Further moves by the United States and China to raise barriers on bilateral trade would hit output in these economies, with adverse effects on global growth and trade. A supply-driven disruption in oil markets would place upward pressure on inflation, at least temporarily, around the world and slow growth. Financial market pressures on emerging-market economies could intensify, particularly if an upside surprise in inflation in the advanced economies were to trigger a further rise in policy interest rates and a new round of asset repricing. A decade after the financial crisis, vulnerabilities also persist in many economies from elevated asset prices and high debt levels. On the upside, a quick resolution of trade tensions, or stronger structural policy ambition around the world, could improve confidence and limit the drag on investment from high uncertainty.

Recent developments and the projected outlook pose considerable challenges for policymakers. An immediate need is to reduce policy-related uncertainty by arresting the slide towards protectionism and reinforcing the global rules-based international trade system through multilateral dialogue. Macroeconomic policy requirements differ across countries, reflecting the diverging challenges they face. In the main advanced economies, monetary policy accommodation can be reduced gradually, albeit at a differing pace. Fiscal policy is projected to turn broadly neutral in most OECD countries in 2019-20 after the notable easing in recent years. The planned neutral fiscal stance is generally appropriate given the economic outlook; the further easing announced in a few countries with already high public debt could lead to adverse reactions in financial markets. In emerging-market economies, careful choices are required to maintain policy credibility. Those economies with a robust macroeconomic policy framework and flexible exchange rate may need only a modest tightening of monetary policy in line with ongoing asset repricing, and solid fiscal positions provide scope to ease policy if necessary to support demand. There is less scope for such support in emerging-market economies where there are concerns about the sustainability of fiscal or external positions. Other priorities for policy in all countries are to enhance resilience against risks, particularly continued financial vulnerabilities from high debt, and to strengthen reform efforts to improve prospects for longer-term growth that is sustainable and provides opportunities for all.

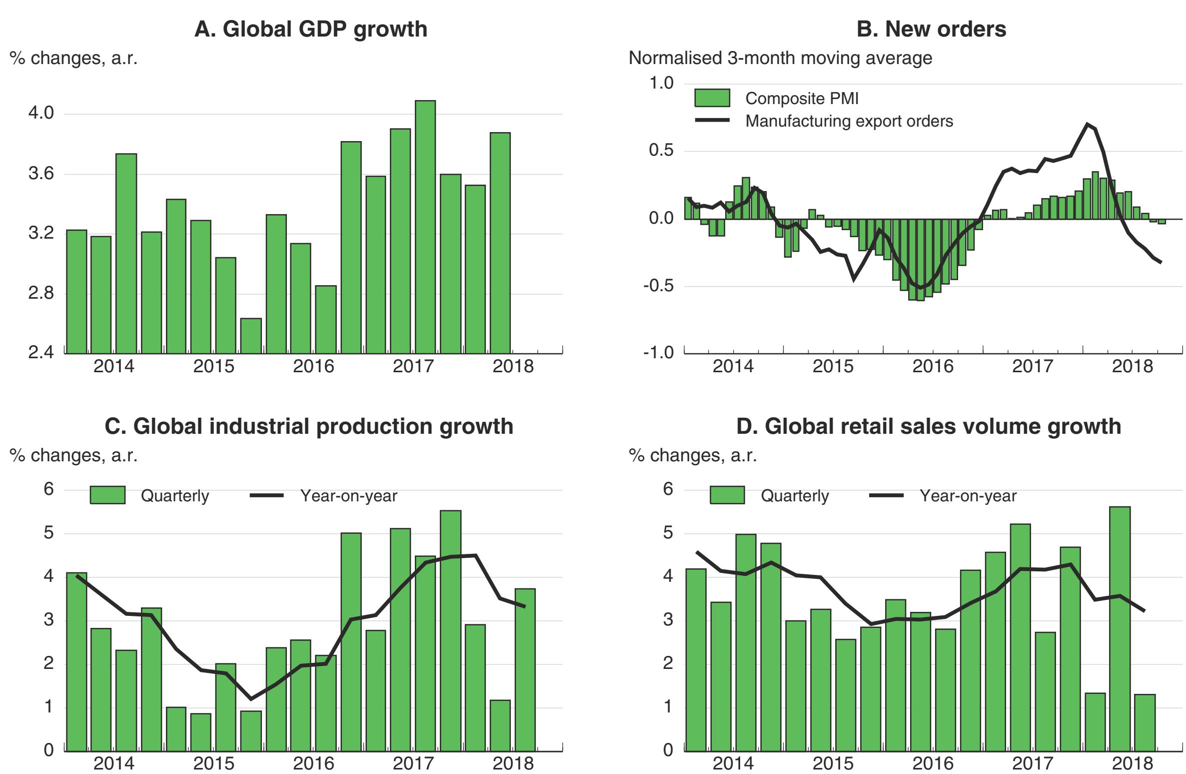
An interaction of the major downside risks would weaken global output and trade growth substantially, with the possibility that the level of global output could be over ½ per cent weaker than projected by 2020. If downside risks were to produce a sharper global downturn than currently projected, co-ordinated policy action across countries would provide the most effective counterweight. With limited scope to use monetary policy in some areas in the near term and the need to use instruments that have swift effects on growth, fiscal policy easing will be likely to have an important role in restoring growth, even if the room for manoeuvre has diminished with high public debt. Preparing for such an eventuality now by planning projects that can be rolled out rapidly would increase the effectiveness of a co-ordinated fiscal response.

Global growth is set to ease

Global growth is projected to moderate in the coming two years

Recent developments suggest that the global expansion has peaked and is likely to slow over the next two years. Global GDP growth has settled at around 3.7% this year (Figure 1.1, Panel A), and developments across countries and sectors have diverged, in contrast to the broad-based expansion seen in 2017. Labour market conditions are still improving, with the OECD-wide unemployment rate now at its lowest level since 1980, but investment and trade growth have proved softer than anticipated, financial market conditions have tightened, and confidence has continued to ease. Preliminary national accounts data for the third quarter of 2018 show continued solid outcomes in the United States, but slower growth in China, the euro area and Japan. Business survey data also point to easing growth in both advanced and emerging-market economies, and incoming new orders have weakened, especially in manufacturing (Figure 1.1, Panel B). Other high frequency indicators of global activity, such as industrial production and retail sales, also suggest that growth is moderating (Figure 1.1, Panels C and D). The slowdown in trade growth, tighter global financial conditions and higher oil prices are all contributing to the underlying easing of the global expansion.

Figure 1.1. **Global growth and confidence have moderated**



Note: GDP, industrial production and retail sales aggregation using PPP weights. Data in Panel D are for retail sales in the majority of countries, but monthly household consumption is used for the United States and the monthly synthetic consumption indicator is used for Japan. Data for India are unavailable for Panel D.

Source: OECD Economic Outlook 104 database; OECD Main Economic Indicators; Thomson Reuters; Markit; and OECD calculations.

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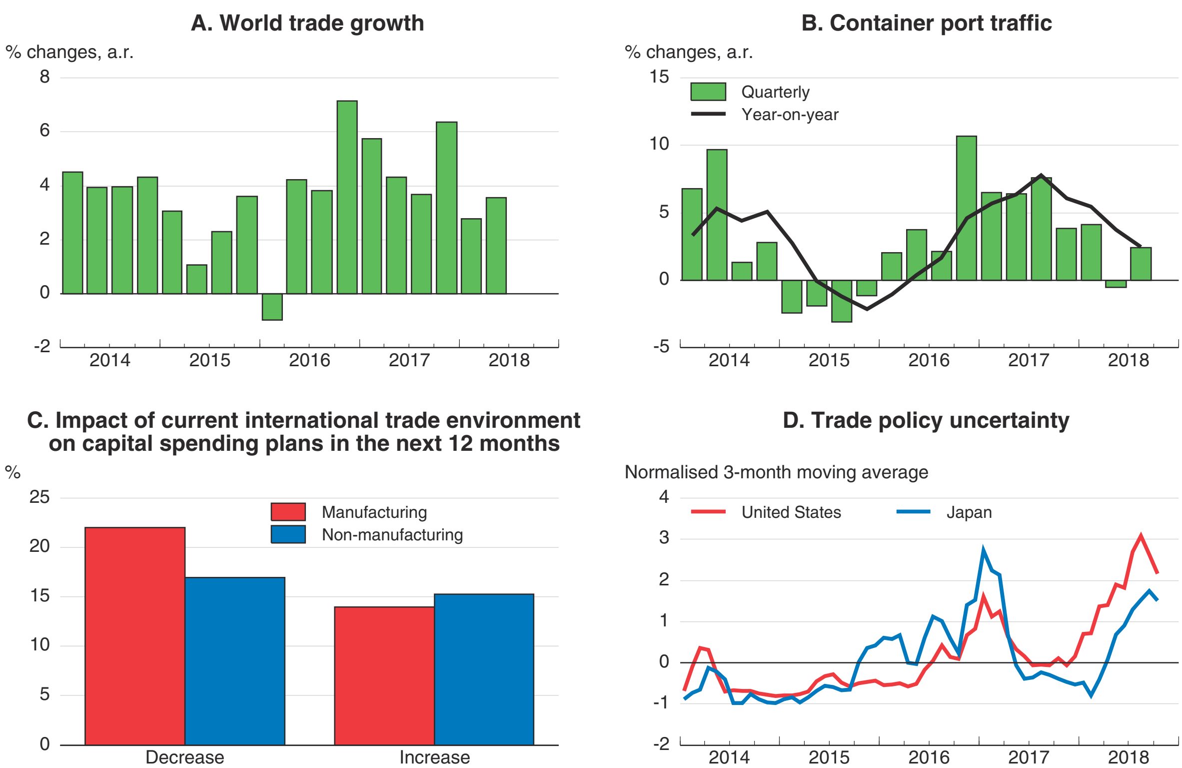
Amidst rising trade tensions, global trade volume growth (goods plus services) has slowed this year, with particularly weak outcomes in the first half of the year (Figure 1.2, Panels A and B). High frequency indicators, such as export orders and container port traffic, suggest that the prospects for future trade growth remain modest. A series of new tariffs and retaliatory counter-measures have already come into effect this year, and there is a risk that more may be implemented next year. New restrictive trade policy measures have resulted in marked changes in trade flows and prices in some targeted sectors, particularly in the United States and China, with some transactions being brought forward ahead of announced tariffs. Policy announcements are also affecting business sentiment and investment plans, especially in manufacturing, and have added to uncertainty (Federal Reserve Bank of Atlanta, 2018; Figure 1.2, Panels C and D).[1]

Financial conditions have tightened this year, with rising long-term interest rates, particularly in the United States, triggering repricing across many asset markets and significant turbulence in a few emerging-market economies. The associated shift in risk sentiment has contributed to sizeable currency depreciations against the US dollar in many emerging-market economies, especially ones with large and rising external

Figure 1.2. **Rising trade tensions have affected capital spending plans and added to uncertainty**



Note: Panel C is based on combined responses of 513 firms, of which 100 are in the manufacturing sector. Decreases (increases) include all firms indicating a slight, moderate and significant decrease (increase) in their capital spending plans.

Source: OECD Economic Outlook 104 database; Institute of Shipping Economics and Logistics (ISL); Duke CFO Global Business Survey, September 2018; policyuncertainty.com; and OECD calculations.

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1. Other factors contributing to the softness of global trade include more moderate investment growth (a relatively trade intensive component of demand) and slower output growth in the euro area (a relatively trade intensive part of the world economy given sizeable intra-area trade).

imbalances. As discussed below, an additional weakening of market sentiment towards emerging-market economies would cut their growth further and place renewed downward pressure on their currencies.

Higher and more volatile oil prices over the past year have added to the challenges for oil-importing economies. Oil prices have been over 30% higher this year (as of mid-November) than in 2017. Production in the United States and Russia has risen to record levels, but continued uncertainty about potential supply disruptions in some OPEC economies, particularly Venezuela and Iran (who collectively account for around 4% of global supply at present), and expectations that demand growth might slow are resulting in considerable price volatility. The rise in prices over the past year is already having a mild negative effect on global growth and adding to inflation. This could intensify if further supply disruptions materialise (see below).

Overall, recent economic and financial developments and intensified downside risks suggest that global growth prospects have moderated, with outcomes diverging across the major economies. Global GDP growth is projected to ease gradually from 3.7% in 2018 to around 3½ per cent in 2019 and 2020, a rate close to global potential output growth. Outcomes could be weaker still if downside risks intensify (see below) or if policy uncertainty acts to restrain investment for a prolonged period.

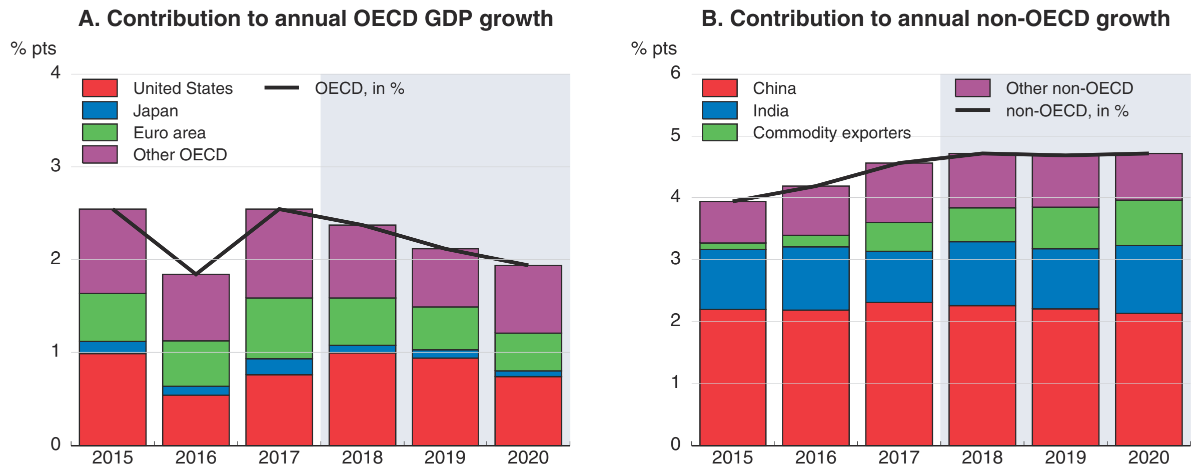
The growth slowdown reflects a move towards less accommodative macroeconomic policies over the coming two years, along with the continued headwinds from trade tensions, tighter financial conditions and higher oil prices. In the median OECD economy, the fiscal stance is projected to be broadly neutral in 2019 and 2020, after easing by 0.4 per cent of GDP in 2018.[2] However, fiscal easing of around 0.4% of GDP is still projected in the United States, the euro area and the United Kingdom in 2019, with easing of 0.5% of GDP or more in Germany, Italy, Korea and a few smaller European economies. Monetary policy normalisation is also set to continue in most economies, including the United States, and get underway in the euro area.

Strong job growth and the effects of current and past fiscal and monetary policy support should continue to help underpin domestic demand in the advanced economies in the near term. However, rising trade tensions, higher oil prices, softer confidence and heightened uncertainty are likely to temper trade and investment outcomes, with adverse effects on medium-term growth prospects. Emerging capacity constraints, particularly from tight labour markets, could also slow growth in a number of countries and add to inflationary pressures. Overall, OECD GDP growth is projected to slow from around 2½ per cent in 2018 to just under 2% by 2020 (Figure 1.3, Panel A).

- GDP growth in the United States is projected to ease from close to 3% in 2018 to just over 2% in 2020, in line with potential growth, as the support from fiscal easing wanes and gradual monetary policy normalisation continues. Tax reforms, higher government spending, elevated confidence and the strong labour market continue to support domestic demand. However, higher tariffs have begun to add to business costs and may moderate investment growth.
- Growth in the euro area is set to moderate slowly from around 2% in 2018 to a little over 1½ per cent by 2020. Accommodative monetary policy, a mildly expansionary fiscal

2. The fiscal stance is measured as the change in the underlying general government primary balance as a per cent of potential GDP.

Figure 1.3. **Global growth is set to ease gradually**



Note: Calculated using PPP weights. Commodity exporters include Argentina, Brazil, Colombia, Indonesia, Russia, Saudi Arabia, South Africa and other oil-producing economies.
Source: OECD Economic Outlook 104 database.

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policy in 2019, solid job growth and favourable financing conditions provide support for domestic demand, but headwinds are appearing from weaker external demand and higher policy uncertainty.

- GDP growth in Japan is set to be around 1% in 2018 and 2019, with high corporate profits and severe labour shortages boosting investment, before slowing to just under ¾ per cent in 2020. Fiscal consolidation will resume, following the scheduled increase in the consumption tax rate in October 2019, but higher social spending will cushion part of the short-term impact.

Growth prospects in the emerging-market and developing economies collectively appear steady over 2018-20 (Figure 1.3, Panel B), but this masks diverging developments in the major economies. The growth outlook is particularly weak in those economies facing substantial financial market pressures and uncertainty about the future pace of reforms. However, prospects are improving in some commodity exporters, particularly oil-producing economies:

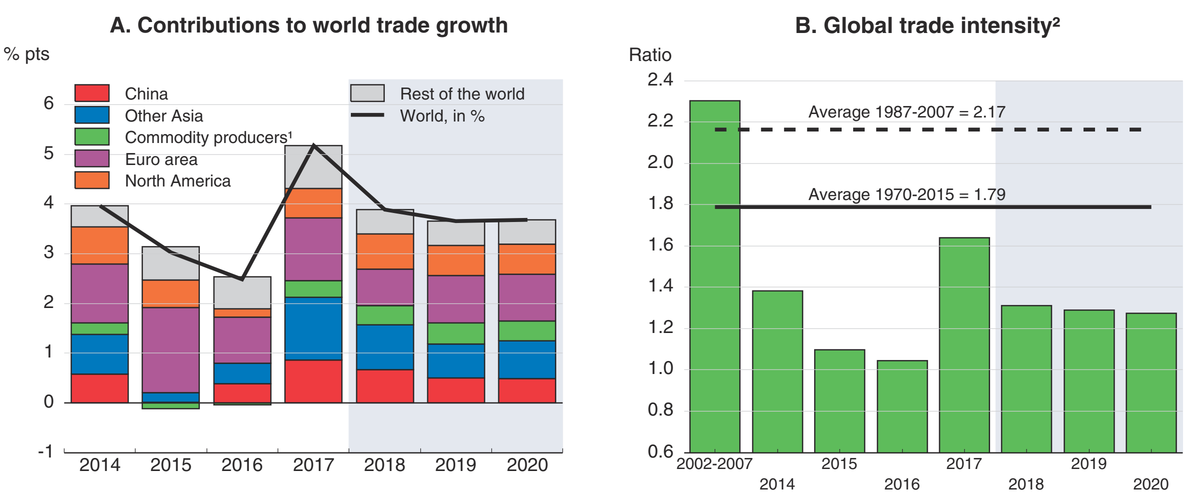
- GDP growth in China is projected to ease slowly to 6% by 2020. Infrastructure investment and credit growth have both moderated, the working-age population is declining, and trade tensions are likely to slow export growth. Recent policy measures have improved financial conditions, and scope remains to expand fiscal support if required, but this could delay the necessary deleveraging of the corporate sector and aggravate risks to financial stability.
- Strong domestic demand growth in India, boosted by new infrastructure programmes and recent structural reforms, is projected to keep GDP growth close to 7½ per cent in 2019 and 2020.
- Growth in Brazil is projected to strengthen gradually to between 2-2½ per cent in 2019-20, with lower inflation and improving labour markets supporting private consumption. Political uncertainty remains high, but restarting reforms, particularly the pension reform, would help to improve confidence.

Global trade growth is projected to remain moderate, easing from around 4% in 2018 to 3¾ per cent in 2019 and 2020, on the assumption that trade tensions do not worsen. At this pace, trade intensity would remain mild by pre-crisis standards, but would be broadly in line with the average pace achieved over 2012-17 (Figure 1.4). Trade growth is projected to slow relatively sharply in China and other Asian economies, in part reflecting the likely impact of the tariff measures included in the projections and the potential disruption to regional supply chains. A further intensification of trade restrictions between the United States and China in 2019, or in other countries, could reduce global trade substantially further by 2020 (see below).

Longer-term growth prospects are modest

The moderate pace of trade growth is consistent with the more subdued outlook for investment in many economies. Higher policy uncertainty, a step-down in consensus expectations of future global GDP growth,[3] a decline in business dynamism in several countries (OECD, 2017a) and the slowdown in reform efforts to tackle regulations that impede product market competition (OECD, 2018a) are all factors that reduce incentives to invest. In the OECD area, business investment growth is projected to ease to just over 3% per annum over 2019-20, from over 4% during 2017-18, amidst higher policy uncertainty. At this pace, growth of the net productive capital stock will remain weaker than in the pre-crisis period in most countries.[4] The prospects for a stronger recovery in investment in future years are closely linked to structural policy choices. In some countries, particularly

Figure 1.4. **Global trade is slowing and trade intensity remains modest**



1. Commodity producers include Argentina, Australia, Brazil, Chile, Colombia, Indonesia, Norway, New Zealand, Russia, Saudi Arabia, South Africa and other oil-producing countries.
2. World trade volumes for goods plus services; global GDP at constant prices and market exchange rates. Period averages are the ratio of average annual world trade growth to average annual GDP growth in the period shown.

Source: OECD Economic Outlook 104 database; and OECD calculations.

StatLink http://dx.doi.org/10.1787/888933879539

3. Consensus growth projections suggest that PPP-weighted global GDP growth is now expected to average only 3½ per cent per annum over the next decade, compared with expectations prior to the crisis and its immediate aftermath that future annual global growth would average between 4-4½ per cent per annum.
4. Higher depreciation rates, in part due to the shorter lifespans of technology investments, mean that much higher gross investment is now required to achieve the same net capital stock growth.

Germany, higher spending on public infrastructure capital is also needed to boost the productive capital stock and help mitigate the build-up of external imbalances.

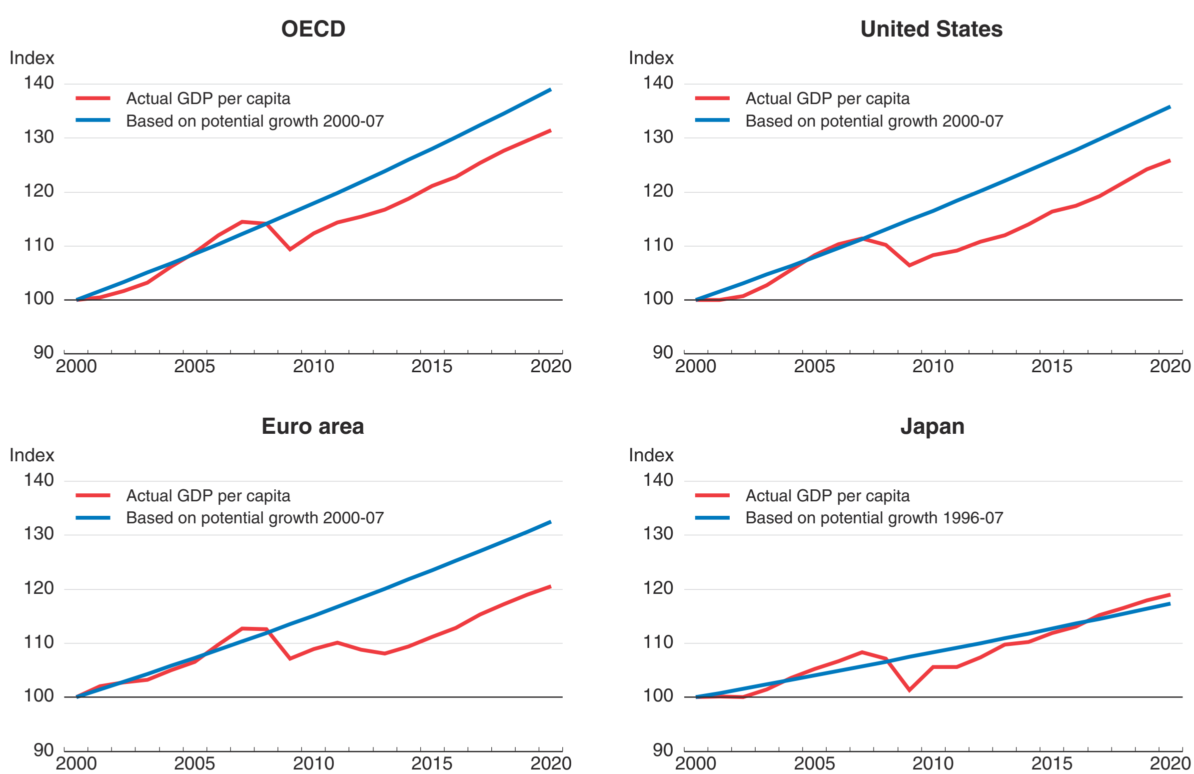
These projections suggest that the global financial crisis is having a persistent adverse impact on living standards in many economies, despite the prolonged period of exceptional policy support in its aftermath. In the majority of OECD and non-OECD economies, per capita incomes continue to fall short of what might have been expected prior to the crisis if growth had continued at pre-crisis potential growth rates over the past decade (Figure 1.5). This reflects less favourable demographic trends and the consequences of the past decade of sub-par investment and productivity outcomes. As a result, the prospects for strong and sustained improvements in living standards and incomes in the medium and long term remain weaker than prior to the crisis in both advanced and emerging-market economies (Figure 1.6).

Wage and price pressures are set to rise

Wage and price pressures are projected to continue to rise in the major advanced economies as spare capacity diminishes, but only modestly given well-anchored inflation expectations. Conventional estimates of economic slack, such as output and unemployment gaps, suggest that spare capacity is now limited in most major advanced economies and is diminishing at the global level. Unemployment rates are already below

Figure 1.5. **The crisis has had a persistent impact on living standards**

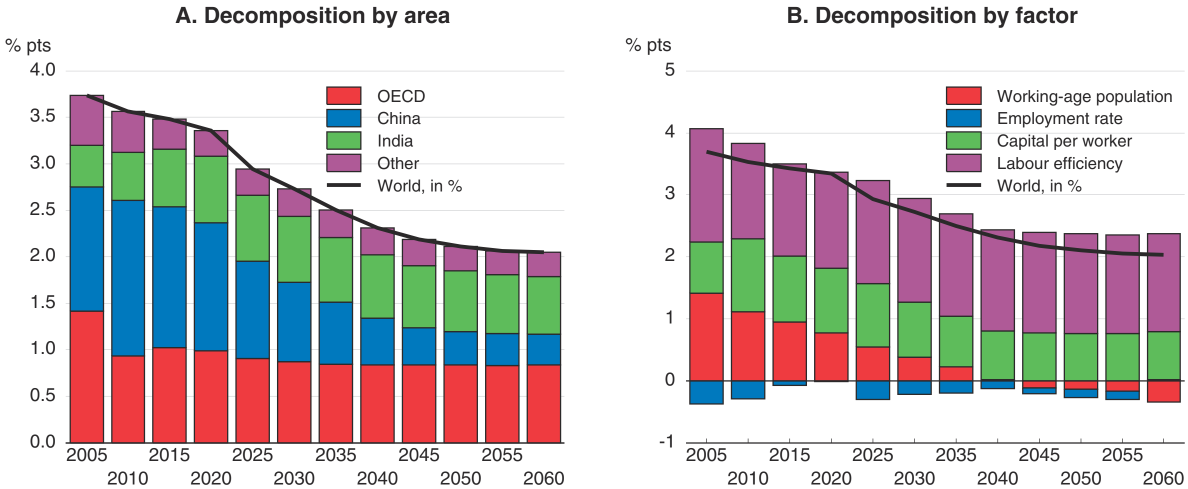
Index 2000=100, per capita incomes in constant prices



Note: The blue line shows a linear projection based on the average annual growth rate of potential GDP per capita in the 2000-2007 period for all countries, apart from Japan where the 1996-2007 average is used to ensure a comparison between cyclical peaks.
Source: OECD Economic Outlook 104 database; and OECD calculations.

StatLink http://dx.doi.org/10.1787/888933879558

Figure 1.6. **Potential output growth is projected to slow under current policies**



Note: 'World' refers to an aggregate of 46 countries, which today account for about 82% of world output at PPPs.
Source: Guillemette, Y. and D. Turner (2018), "The Long View: Scenarios for the World Economy to 2060", *OECD Economic Policy Papers*, No. 22.

StatLink http://dx.doi.org/10.1787/888933879577

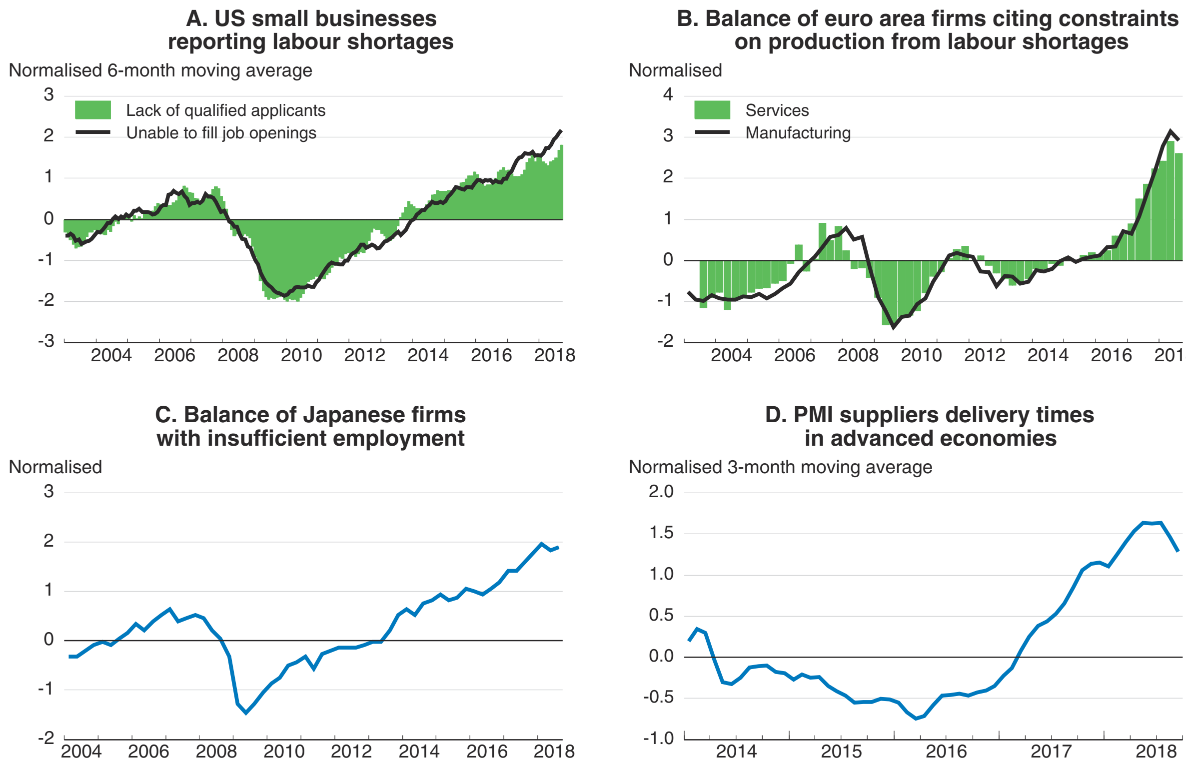
pre-crisis levels in the majority of advanced economies, and in many they are lower than estimated sustainable rates. Survey indicators also point to increasing resource constraints, with signs of labour shortages, particularly for high-skilled workers (OECD, 2018b), and longer delivery times from suppliers (Figure 1.7). However, participation rates remain below pre-crisis levels in some countries, notably in the United States, and scope remains to raise hours worked in other economies, particularly in Europe.

Labour markets are set to tighten further over the projection period. Steady employment growth is projected to continue in most economies over 2019-20, albeit at a slower pace than seen in the past two years, with OECD-wide employment rising by 0.9% per annum on average. The OECD-wide unemployment rate is projected to decline further to 5% by the end of 2020, nearly ¾ percentage point below the estimated long-term sustainable unemployment rate. Wage growth is now rising in most OECD economies, particularly in a number of smaller European economies where rapid demand growth has led to very tight labour markets. Overall, in the OECD economies, real wages are projected to rise by around 0.8% per annum on average in 2019-20, up from around 0.6% per annum on average in 2017-18.

There is a risk that the growth of wages (or other costs) could be stronger than projected, and add to inflationary pressures, given the degree to which wage growth has sometimes strengthened in a non-linear manner in the past as labour markets tighten (Figure 1.8). However, the extent to which this is passed through into prices will also depend on the behaviour of productivity growth and the extent to which firms can absorb higher labour costs in their margins. Stronger labour productivity growth would help to offset the impact of faster wage growth, and limit any increase in unit labour costs.

In many countries, real wage growth has lagged behind productivity growth for some time, holding down labour cost pressures, even though productivity growth has itself been much weaker than prior to the crisis. As discussed in Chapter 2, this is associated with the expansion of global value chains, technological change and the rising market shares of a number of high-productivity, capital-intensive firms with low labour shares. However, the

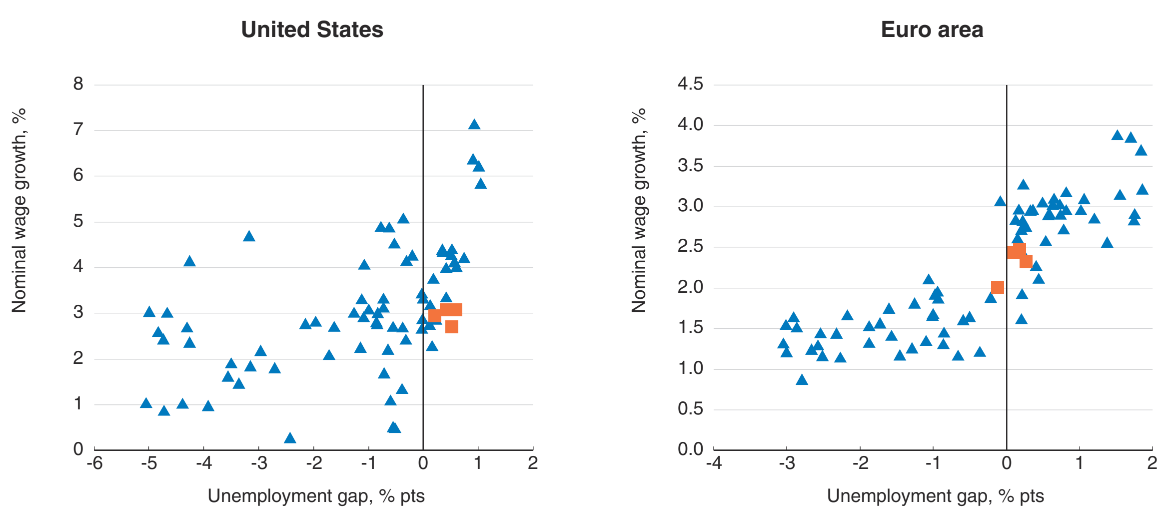
Figure 1.7. **Survey indicators point to rising capacity constraints**



Source: National Federation of Independent Business; European Commission; Bank of Japan; Markit; and OECD calculations.

StatLink http://dx.doi.org/10.1787/888933879596

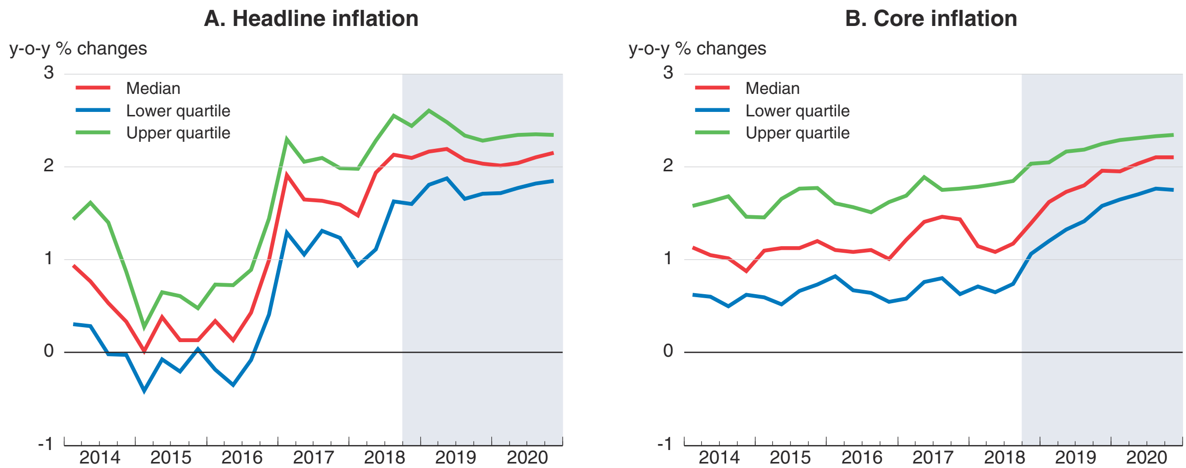
Figure 1.8. **Wage growth could pick up quickly as labour markets tighten**



Note: Year-on-year wage growth and the unemployment gap over 2000Q1-2018Q4. The orange dots are the observations for 2018. The unemployment gap is measured as the estimated NAIRU less the actual unemployment rate; wages are compensation per employee.
Source: OECD Economic Outlook 104 database; and OECD calculations.

StatLink http://dx.doi.org/10.1787/888933879615

Figure 1.9. **Inflation is projected to rise modestly in the advanced economies**



Note: Based on a sample of 31 advanced economies. Data for Japan exclude the impact of the consumption tax increase in 2014 and the increase assumed to be implemented in October 2019.

Source: OECD Economic Outlook 104 database; and OECD calculations.

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extent to which these underlying changes can fully account for the observed moderation of aggregate wage and price pressures remains uncertain.

Headline consumer price inflation is already close to 2% in the median advanced economy, helped by the impact of strong commodity price growth over the past year (Figure 1.9, Panel A). Core inflation is softer – at between 1-1¼ per cent in the median economy – but is projected to rise to over 2% by the latter half of 2020, as spare capacity is eroded and unit labour cost growth slowly strengthens (Figure 1.9, Panel B). In the United States, where the labour market is already tight and new tariffs are adding to price pressures in some sectors, headline and core inflation are projected to peak at just under 2½ per cent. Headline consumer price inflation is currently rising in most emerging-market economies, reflecting the impact of currency depreciations and higher commodity prices, but is likely to moderate as the impact of tighter monetary policy is felt.

Key issues and risks

An intensification of trade restrictions would have significant costs

Increased trade tensions and uncertainty about trade policies remain a significant source of downside risk to global investment, jobs and living standards. Higher trade restrictions reduce living standards for consumers, particularly lower-income households, and add to production costs for businesses. Higher tariffs on intermediate goods (and services) can be particularly costly if products cross borders multiple times as part of global value chains (OECD, 2017b).

A series of tariffs and retaliatory counter-measures have already come into effect since the start of the year, and more may be implemented in the coming months (Box 1.1). Although the direct economy-wide impact of the restrictive trade policies imposed this year is only starting to appear, some effects and distortions are already visible in sectors where higher tariffs have been implemented or announced. Growth in the volume of merchandise imports into the United States from China has started to slow and US domestic prices have risen sharply for some affected products (Figure 1.10).

Box 1.1. **Trade restrictions have increased this year**

In the major economies, the number of new trade restrictive measures has risen in 2017-18 on balance, with a substantially broader coverage than in 2016-17 (OECD-UNCTAD-WTO, 2018). In particular, a significant number of new measures have been taken by the United States and China on their bilateral trade, with a risk that these continue to intensify in the coming months.

- An initial set of new tariffs were imposed by the United States on imports of solar panels and washing machines (February) and steel and aluminium (March), with the latter having some exemptions. Imports of these goods into the United States were around $60 billion in 2017. Retaliatory tariffs have been imposed by some countries affected by the steel and aluminium tariffs.
- The United States has subsequently imposed additional tariffs on a range of imported goods from China. Tariffs of 25% were imposed on $50 billion of imports in July and August and a 10% tariff was imposed in September on another $200 billion of imports, with the latter rate potentially rising to 25% from January 2019. The baseline projections here incorporate the 10% tariff from September, but assume that the increase scheduled for next January is not implemented (Annex 1.1). There is also a risk of tariffs up to 25% being imposed on the remainder of US merchandise imports from China (around $260 billion in 2017). This would increase tariffs on a broad range of consumer goods, as well as the intermediate goods that were the primary focus of the tariffs introduced this year.
- In turn, China has announced a set of higher tariffs on $110 billion of imports from the United States, but has offset this in part by lowering tariffs on imports from other countries. Additional US measures could result in China either raising the tariff rates further on these categories of imports from the United States, or imposing additional tariffs of up to 25% on the remainder of Chinese merchandise imports from the United States (around $40 billion in 2017).
- The European Union, Japan and many other economies in regional supply chains, including commodity exporters, are also affected by these bilateral tariffs and the associated trade diversion effects, especially if additional tariffs were to be imposed on imports of cars, trucks and auto parts.

Figure 1.10. **Tariffs are already visible in US trade and price data**

Source: United States International Trade Commission; Bureau of Labor Statistics; and OECD calculations.

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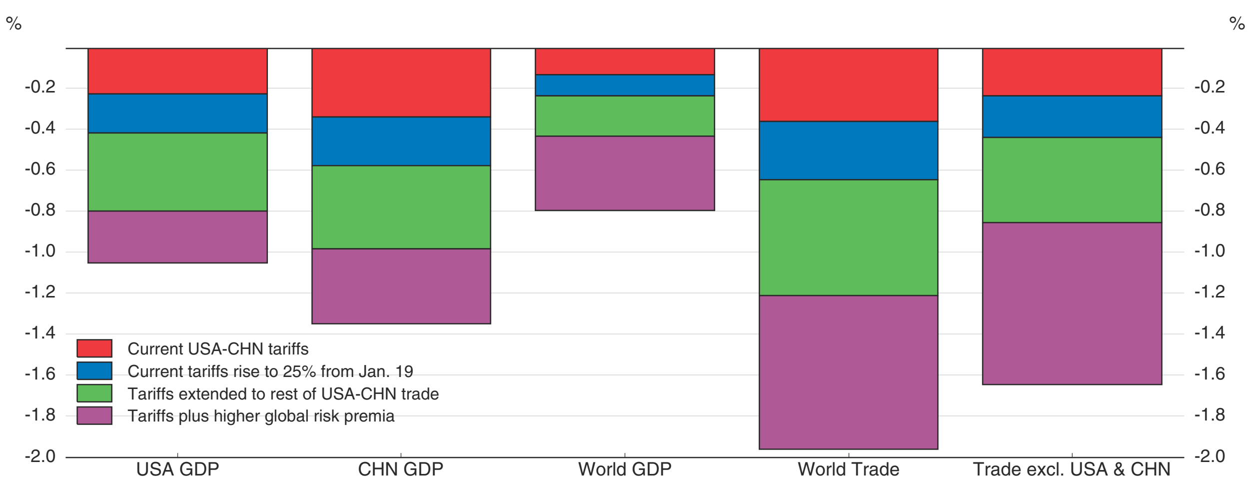
Simulations on the NiGEM global macro-model illustrate the adverse effects that higher tariffs may have on global output and trade in the near term (see also OECD, 2018b) and the extent to which these could be magnified if tariff increases were to induce higher uncertainty that would slow investment around the world.

- The tariffs that have already been imposed by the United States and China this year will slow growth and add to inflation (Figure 1.11). By 2020-21, output in the United States and China could be around 0.2-0.3% lower than otherwise, with world trade reduced by around 0.4% and the combined level of import volumes in the United States and China declining by around ¾ per cent. Higher tariffs also push up costs for producers and the prices paid by consumers. In the United States, consumer price inflation is raised by around 0.2 percentage point in both 2019 and 2020. The effects of the US-China bilateral tariffs on trade and output in other economies are relatively mild, but negative. In the longer run, other countries should benefit from an improved competitive position in the US market, but in the near term the income effect from the overall decline in US and Chinese demand dominates the substitution effect, and trade and output growth decline in all economies.
- The adverse effects from tariffs would rise considerably if the United States raised the tariffs on $200 billion of merchandise imports from China to 25% from January 2019, with retaliatory action taken by China (Box 1.1). This would almost double the impact on GDP in the United States and China by 2020 and 2021 (Figure 1.11), with world trade declining by over 0.6%. Consumer prices in the United States in 2020 would be around 0.6% higher than otherwise.

Figure 1.11. **The adverse effects of higher tariffs could intensify**

Impact on GDP and trade by 2021, per cent difference from baseline



Note: The first scenario shows the impact of the tariffs imposed on bilateral US-China trade in 2018 up to the end of September. The second scenario shows the additional impact of the United States raising tariffs on $200 billion of imports from China from 10% to 25% from January 2019 (with reciprocal action by China on $60 billion of imports from the United States). The third scenario shows the additional impact if tariffs of 25% are imposed on all remaining bilateral non-commodity trade between China and the United States from July 2019. The final scenario adds in the impact from a global rise of 50 basis points in investment risk premia that persists for three years before fading slowly thereafter.

Source: OECD calculations.

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- There is also a risk that tariffs of 25% on all remaining imports from China will be imposed subsequently by the United States, with China imposing tariffs of 25% on all remaining imports from the United States (Box 1.1). Under this scenario (assumed to occur from July 2019), the short-term costs are considerably higher and broader. Global trade would be over 1¼ per cent below baseline, with import volumes in the United States and China declining by over 2% in 2020 and 2021 (Figure 1.11). In the United States, GDP could be around ¾ per cent below baseline by 2021, with business investment declining by around 2% and consumer prices raised by 0.9%. Close trading partners, such as Canada and Mexico, would be adversely affected by the downturn in the United States, with their GDP around ¼ per cent below baseline in 2020 and 2021.
- Heightened uncertainty about trade policies, and concern that stronger tariffs might be applied on a much wider range of items, could adversely affect business investment plans around the world (Berthou et al., 2018; ECB, 2018). A rise of 50 basis points in investment risk premia in all countries for three years would raise the cost of capital and add to the negative effects on output from tariffs, with global GDP 0.8% below baseline by 2021 and global trade declining by around 2% (Figure 1.11). OECD-wide business investment would decline by close to 2¾ per cent on average in 2020-21,[5] with investment down by 3¾ per cent in the United States.
- In these simulations, the majority of the burden of the tariff falls on US consumers in the near term in the form of higher prices. A stronger price response by Chinese exporters, with complete pricing of their products to the US market, would result in exporters (and in turn their suppliers) bearing the cost of the tariff. In this case, the impact on US growth and inflation would be lower, but the adverse effects on growth in China would be higher due to the terms-of-trade loss.

These shocks have implications for macroeconomic policies. The extent to which monetary policy reacts to higher tariffs depends on whether they are a one-off price level change or whether they have broader second-round effects on wages, prices and inflation expectations. This becomes more likely as tariffs are raised on a broad range of consumer goods as well as intermediate inputs. In all the simulations, monetary policy in the United States is tighter than otherwise for some time and there is a mild appreciation of the US dollar. In the scenario with the two further rounds of additional tariffs being imposed in 2019, US policy interest rates rise by around ½ percentage point above baseline, to help limit the extent to which the rise in import costs generates broader wage and price pressures. The US effective exchange rate appreciates by 2%, adding to financial pressures on emerging-market economies. Currency depreciations against the US dollar in other countries also push up import prices and result in mild monetary policy tightening. Tariffs also provide additional revenue for the government – possibly of the order of ¼ per cent of GDP in 2019 from the tariffs imposed this year (including those on steel and aluminium) and more in the scenarios with additional tariff measures next year, but this is offset in part by the decline in activity.

The decline in trade intensity that results from the imposition of higher tariffs could also be expected to have some adverse effects on productivity and living standards in the medium term via lower competition, reduced scope for specialisation, and the slower diffusion of ideas across national borders (Haugh et al., 2016; Guillemette and Turner,

5. This broadly corresponds to the peak impact on investment of a one standard deviation shock to uncertainty found by Caggiano et al (2017).

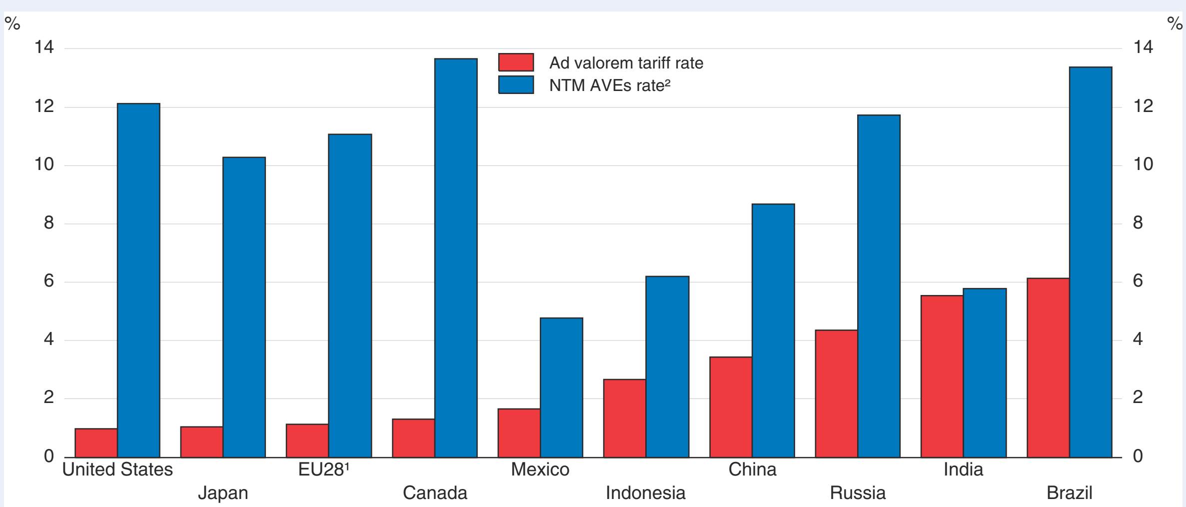
2018).[6] In contrast, steps to lower tariffs could bring widespread gains (OECD, 2018c). Additional actions to raise non-tariff barriers, which in many countries are already higher than tariffs, would spread the impact of trade restrictions into many additional sectors and broaden the medium-term costs (Box 1.2).

Box 1.2. **Non-tariff measures and trade**

Non-tariff measures (NTMs) cover a diverse set of policies in terms of purpose, legal form and economic effect. They comprise all policy measures other than tariffs and tariff-rate quotas that have a more or less direct effect on the price of traded products, the quantity of traded products, or both. Generally, NTMs stem from domestic regulations that aim to overcome or reduce the impacts of market imperfections, such as those related to negative externalities, information asymmetries, and risks for human, animal or plant health. They also tend to increase the cost of production and trade and can influence, positively or negatively, the development of new technologies or production methods.

Recent OECD estimates of the *ad valorem equivalents* (AVEs) of NTMs show that, for most economies, current NTM levels are more than twice that of tariffs (Figure 1.12). Thus, international trade in goods and services can be strongly affected – both positively and negatively – by NTMs. However, because NTMs can have both positive and negative effects on trade, it is not practical to expect governments to eliminate NTMs in the same manner as they would eliminate tariffs. For example, compulsory labelling to address information asymmetries can increase business costs, but at the same time provide a signal of quality, strengthening consumer confidence in foreign products.

Figure 1.12. **Tariff and NTM estimates for selected economies**



1. Excludes Intra-EU trade.
2. Includes 4 types of non-tariff measures (NTMs) – Sanitary and Phytosanitary, Technical Barriers to Trade, border control measures, and quantitative restrictions.

Source: Tariff data are taken from the METRO model database. NTMs estimates are from Cadot et al. (2018), "Estimating Ad Valorem Equivalents of Non-Tariff Measures: Combining Price-Based and Quantity-Based Approaches", *OECD Trade Policy Papers*, No. 215.

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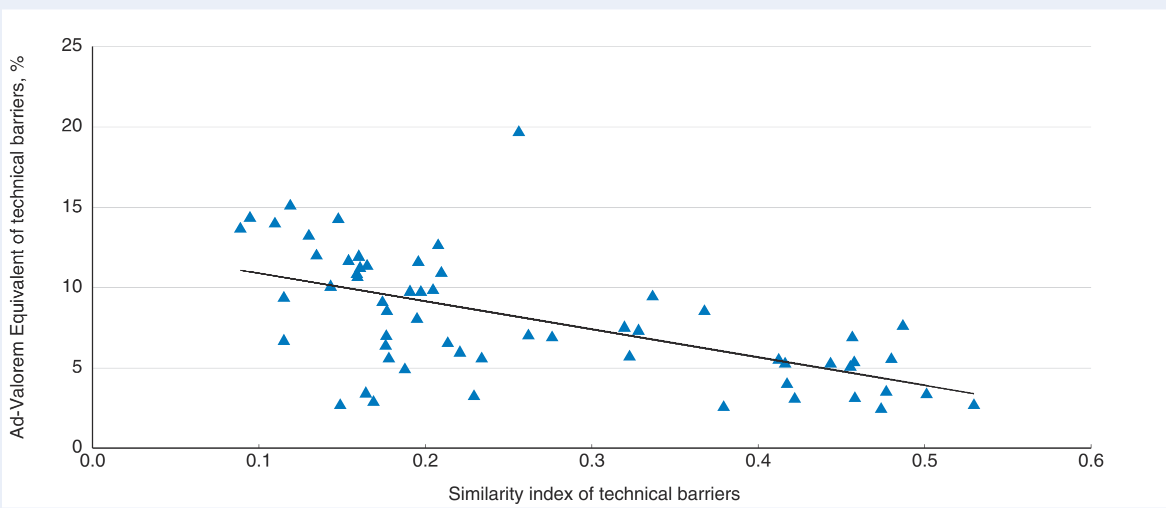
6. OECD estimates suggest that a decline in trade openness of 4 percentage points would lower total factor productivity by around 0.8% after five years, and close to 1.2% after ten years (Égert and Gal, 2017).

Box 1.2. **Non-tariff measures and trade** *(cont.)*

Nevertheless, there is scope to increase international trade by lowering the costs of NTMs, while still allowing governments to meet their objectives. Indeed the issue is not necessarily the regulatory objectives, which may be shared across countries. More frequently, the application of different standards or methods associated with regulatory measures raises costs for businesses seeking to access more than one market. Such costs can be related to different product and production requirements, conformity assessments and certification requirements, or information requirements to enter a new market. These can be especially burdensome for micro, small and medium-sized enterprises, where the cost of gathering the necessary information can be disproportionately high.

A growing body of evidence, including recent estimates by the OECD, suggests that reductions in regulatory heterogeneity lower trade costs (OECD, 2017c, Cadot et al., 2018). Using a measure of regulatory distance between trading partners, Cadot et al. (2018) show that the estimated AVEs for several NTMs tend to be higher when there are larger differences in regulations (Figure 1.13). Thus, there is scope to reduce trade costs by reducing regulatory differences, including through various avenues for international regulatory co-operation. Costs and benefits of increasing cohesion and reducing regulatory heterogeneity have also been identified in ongoing work on Preferential Trade Agreements. This evidence shows a strong, positive impact on bilateral trade flows when countries co-operate on issues such as Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT).

Figure 1.13. **Price effects and regulatory similarity with partners**



Note: Regulatory similarity is measured by scoring if a country pair has the same measure on a given product at six digits of the Harmonized Commodity Description and Coding Systems (index =1) or not (index = 0). The scores are subsequently aggregated and normalised to a number between zero and one.

Source: Cadot et al. (2018), "Estimating Ad Valorem Equivalents of Non-Tariff Measures: Combining Price-Based and Quantity-Based Approaches", *OECD Trade Policy Papers*, No. 215.

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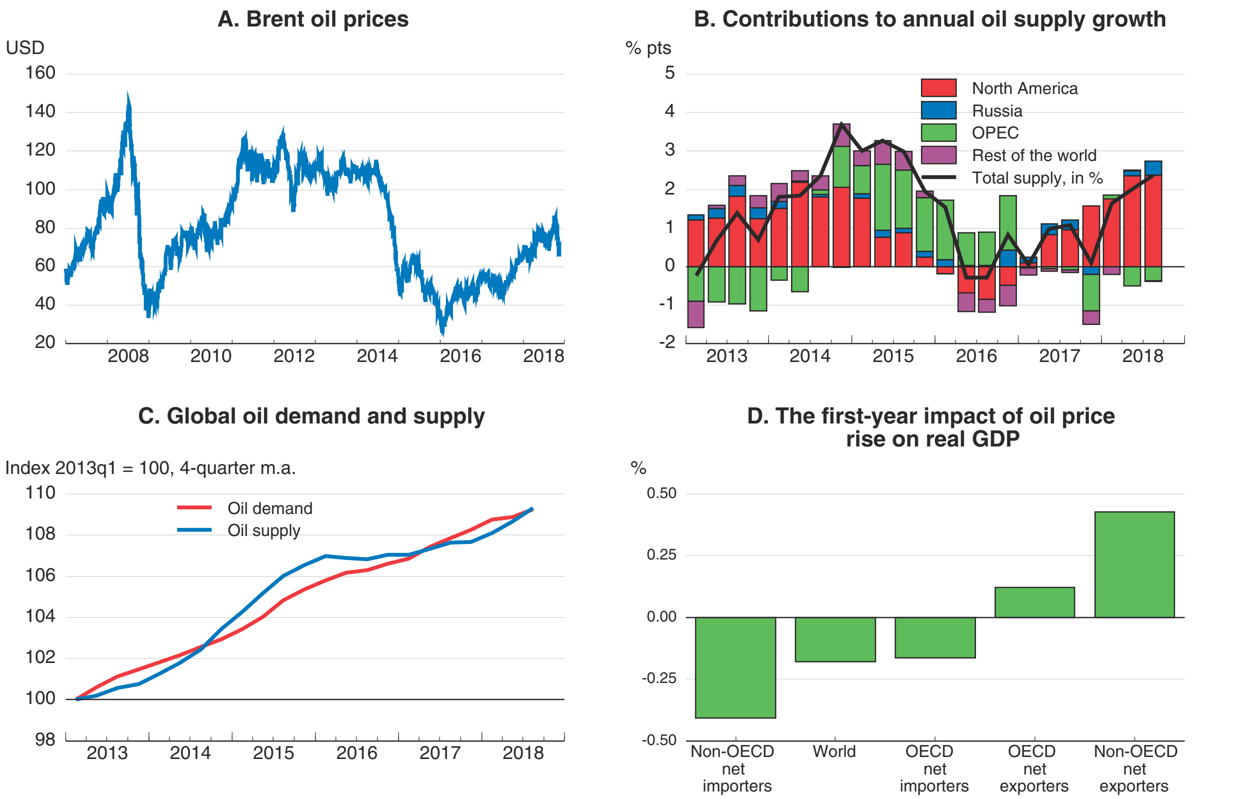
A rise in oil prices remains a downside risk

Despite strong production increases in the United States and Russia, oil prices have risen since the beginning of the year, pushed up by continued demand growth, supply disruption in Venezuela and uncertainties about the impact of sanctions on production in Iran (Figure 1.14, Panels A and B). While OPEC and selected non-OPEC producers agreed in

Figure 1.14. **Supply disruptions could push up oil prices, with a negative impact on global activity**



Note: In panel D, the results are from the NiGEM model based on an increase of 20 USD per barrel in oil prices, beginning in 2019. A negative shock on the investment risk premium is also applied for two years in Canada to better account for the investment boost in the oil sector such a shock is likely to produce. The OECD net importers group includes the euro area, Australia, the Czech Republic, Hungary, Japan, Korea, Mexico, New Zealand, Poland, Sweden, Switzerland, the United Kingdom and the United States. The OECD net exporters group includes Canada, Denmark and Norway. The non-OECD net importers group includes Brazil, China, India, Indonesia and South Africa. The non-OECD net exporting group includes Russia and the NiGEM regional groups for Africa, the Middle East and the CIS countries. Country groups are weighted together using purchasing power parities.

Source: OECD Main Economic Indicators database; Thomson Reuters; IEA, Monthly Oil Data service; and OECD calculations.

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May to ease supply restrictions, spare supply capacity has declined significantly, leaving the oil market vulnerable to major supply disruptions that could increase short-term pressure on prices (Figure 1.14, Panel C).

A rise in oil prices reallocates income between oil producers and oil consumers. Higher oil prices raise production costs and push up consumer prices in all economies, but oil-producing countries should benefit from a boost in investment in the oil sector and higher export revenues. The net impact of rising oil prices on global activity is expected to be negative, however, as the propensity to consume of oil importers is typically higher than that of oil producers.

Simulations on the NiGEM macro-model illustrate the implications of a rise in oil price by 20 USD per barrel starting in 2019 for five years. Monetary policy and exchange rates are both assumed to react endogenously. Such a shock weighs on trade, reducing world trade volumes by 1% by 2020. Global output is also lower in 2019 and 2020 with differentiated impacts across countries (Figure 1.14, Panel D):

- In net oil-importing countries, higher oil prices weigh on investment, consumption and export volumes. The impact is largest in non-OECD net oil-importing countries as energy figures more prominently in consumption baskets and production methods.
- In the United States, which is still a net oil importer, higher oil prices have a negative impact on output, as the pass-through of oil prices to consumer and producer prices is relatively large in the economy. However, model simulations could understate the near-term boost to shale oil investment that could be generated by higher oil prices.
- Net oil-exporting countries benefit from higher oil prices through higher fiscal and export revenues. The boost in activity is especially large in non-OECD net oil-exporting economies, as they are on average less diversified than OECD economies with a larger share of the oil sector in the economy.
- Inflation would also rise substantially in the first year following an oil price shock, by around ¼ percentage point in the OECD economies and 0.4 percentage point in the non-OECD ones.

Some studies suggest that oil price fluctuations can also affect household and market inflation expectations (Coibion and Gordnichenko, 2015). Indeed, the fall in the oil price between 2014 and 2016 coincided with a decline in market-based long-term inflation expectation measures in the same period. This raises concerns about the possible long-term impact of the oil price rise over the past year on inflation expectations. However, the correlation could be due to common underlying factors. Distinguishing between "supply-induced" and "demand-induced" oil price rises is important. Some empirical studies have shown that only the latter typically have a significant impact on longer-term expectations (Perez-Segura and Vigfusson, 2016; Conflitti and Cristadoro, 2018), consistent with the theory that supply-induced increases in prices are a negative drag on economic activity, which could reduce longer-term inflation expectations.

Financial vulnerabilities are resurfacing

Risks of sudden tightening in financial conditions persist

Rising market interest rates and declining asset prices are normal adjustment processes during monetary policy tightening. However, the associated increases in volatility could pose risks to financial stability, as asset price corrections could be amplified and spread across different asset classes and countries, exposing vulnerabilities. Such risks are currently high. Monetary policy in the main OECD economies has been extremely accommodative for an extended period, keeping long-term government bond yields low, notwithstanding recent increases in a few countries, and encouraging risk-taking.

While recent reform efforts have made the banking system more resilient to shocks, some risks have shifted to non-bank financial institutions. Institutional bond investors, including pension funds, have become more vulnerable to interest rate increases, as they have bought riskier debt and extended maturities. Mutual funds and exchange-traded funds, which have grown strongly in recent years, are exposed to risks comparable to bank runs by offering liquid claims on illiquid underlying assets, with implications for broader financial stability (Chen et al., 2010; IMF, 2015). Life insurance companies, especially in the European Union, have accumulated long positions in interest rate swaps in order to hedge interest rate risks embedded in insurance contracts (ESRB, 2015). A sharp rise in interest rates would generate losses on posted collateral and trigger margin calls on interest rate swaps, potentially forcing these companies to sell credit assets and propagating the shock to other asset classes. Over-the-counter derivative markets have become more transparent, but the role of central clearing has been strengthened and central counterparties can now aggravate market volatility (Heller and Vause, 2012; OECD, 2017a).

Financial stress has intensified in many emerging-market economies but to different degrees

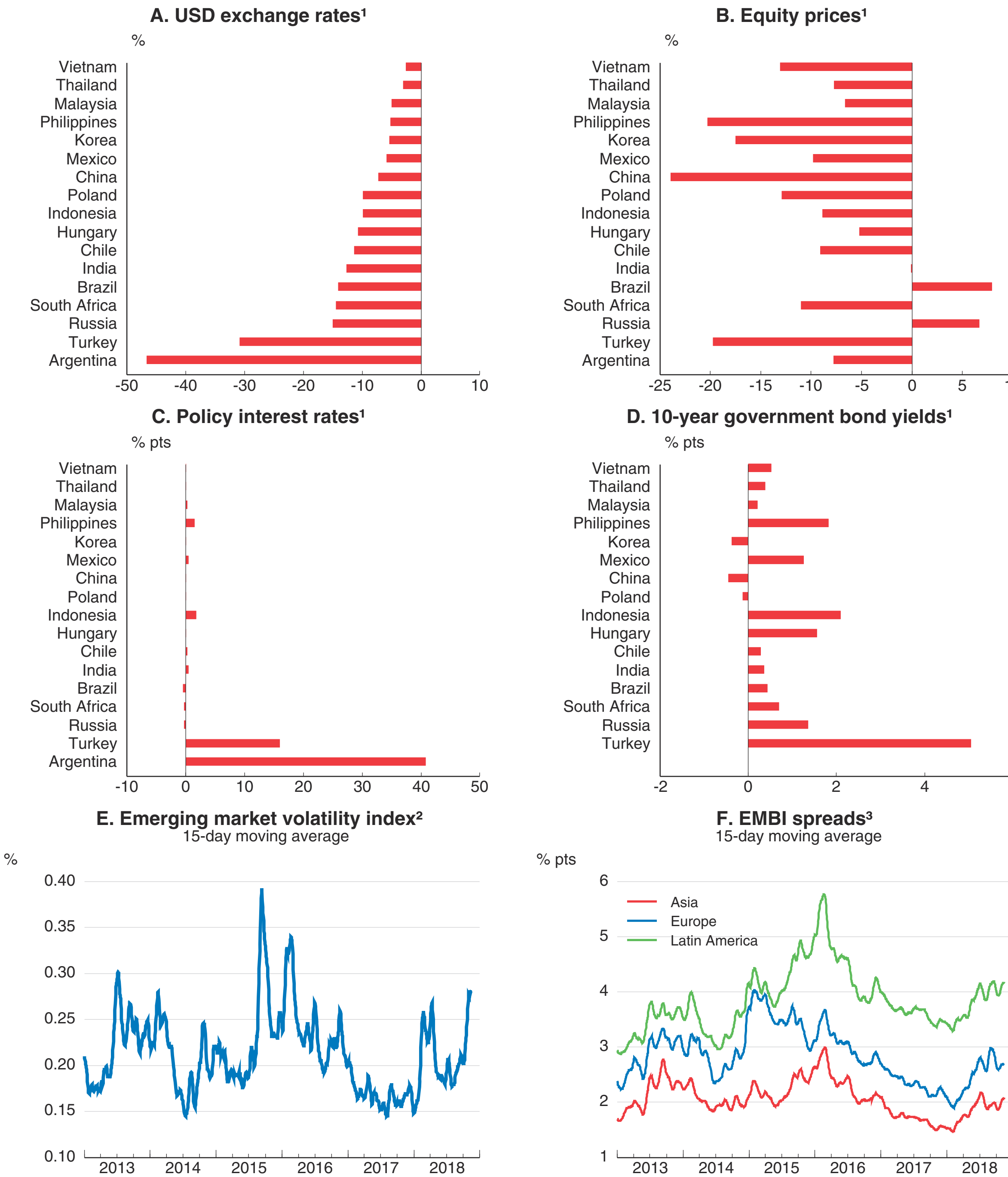
Argentina and Turkey have been experiencing severe financial turmoil (Figure 1.15). Rising tensions in these economies, in the context of US monetary policy normalisation and idiosyncratic domestic factors, led to a sudden change in market sentiment towards emerging-market economies and triggered capital outflows. However, the repricing of financial assets and the associated monetary policy reaction in other emerging-market economies has been more orderly and less extensive, largely reflecting differences in fundamentals (Figures 1.15 and 1.18).[7]

The financial stress in Argentina and Turkey does not necessarily imply systemic risks for the global economy given the extent of existing cross-border financial and trade links with other countries (Figure 1.16). Spillovers could be more consequential if a broader deterioration in investor sentiment were to arise. For instance, a persistent increase in investment risk premia of 100 basis points in emerging-market economies could reduce GDP by around ½ per cent over the next two years in the large emerging-market economies (Figure 1.17). This would have a small impact on the OECD economies in aggregate but countries with large exposures to emerging-market economies could be affected more substantially.

Emerging-market economies remain exposed to a further sudden change in market sentiment, particularly if there is a faster-than-expected normalisation of monetary policy in advanced economies. The impact of such shocks would depend on their magnitude and duration, and on economic fundamentals and political conditions in the affected economies. Countries with large government budget and current account deficits, small foreign currency reserves and a large share of foreign–currency-denominated debt are likely to be particularly exposed (Figure 1.18). Foreign debt and government debt have increased from the mid-1990s (relative to GDP) in many emerging-market economies, with the exception of some Asian economies and Russia, but their economic and financial conditions have generally improved in many other respects. Emerging-market economies have much lower inflation, improved external balances, higher foreign exchange reserves, more developed financial markets and more flexible exchange rate arrangements. The latter two aspects may help explain the generally smaller median decline in equity prices during recent episodes of market turbulence compared with the Asian crisis, and the somewhat larger median depreciation during the taper tantrum and 2018 episodes than in the late 1990s (Figure 1.19). Moreover, emerging-market economies have already adjusted to significant and protracted depreciation of their exchange rates during 2014-16 (Figure 1.19).

7. Government bond yield spreads in emerging-market economies against US bonds have increased, but remain below recent peaks in late 2015 and early 2016. Equity prices have declined in most economies and their volatility has increased.

Figure 1.15. **Financial tensions have risen in emerging-market economies**



1. Change between averages for January and mid-November 2018. For policy interest rates, changes between 1 January 2018 and 15 November 2018. No data are available for 10-year benchmark government bond yields for Argentina.
2. The equity market volatility index measures an expected symmetric range of movements derived from options in the iShares MSCI Emerging Markets Index for emerging-market economies (EMEs).
3. EMBI stands for J.P. Morgan Emerging Market Bond Index, which measures the yield spread between emerging-market economies' government bonds denominated in US dollars and US Treasuries.

Source: Thomson Reuters; and OECD calculations.

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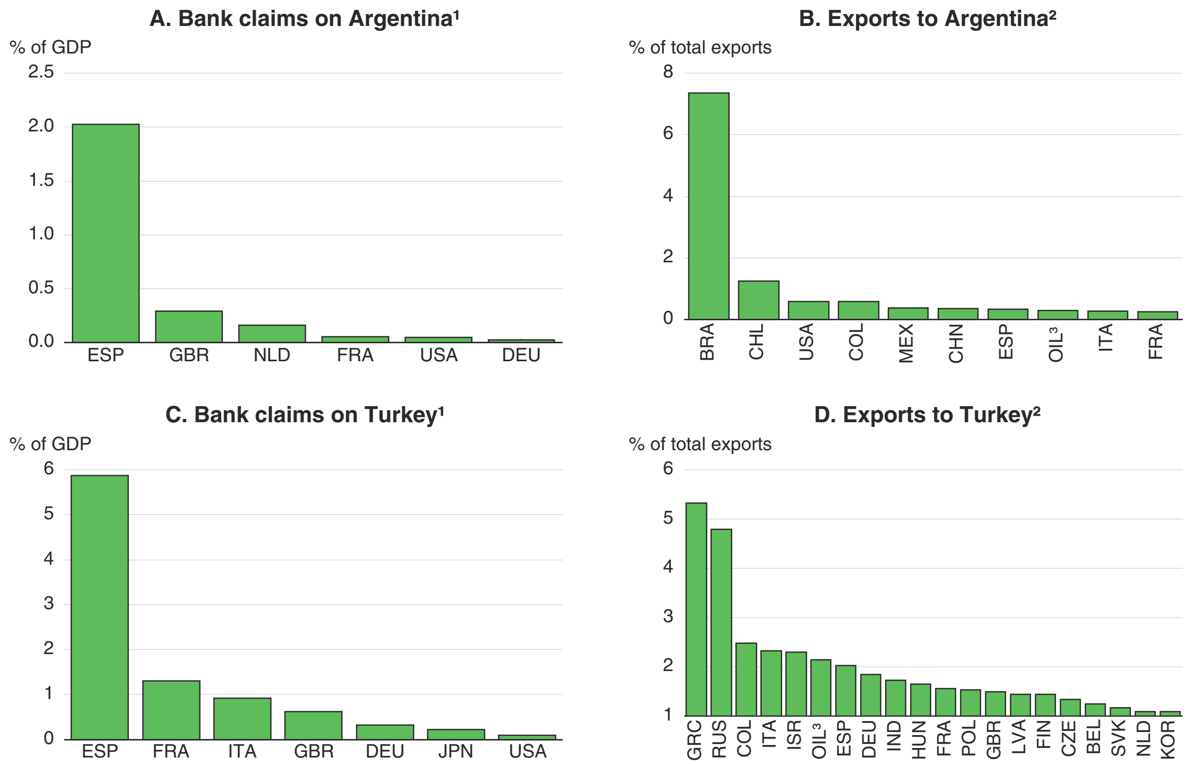
Figure 1.16. **Financial and trade exposures to Argentina and Turkey are generally small**



Note: Percentages of GDP/total exports refer to GDP/total exports of the individual countries.
1. Based on an ultimate risk basis.
2. OECD estimates of bilateral trade in goods and services in 2016.
3. Oil producers include Algeria, Angola, Azerbaijan, Bahrain, Brunei, Chad, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Oman, Qatar, Sudan, Timor-Leste, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Venezuela and Yemen.

Source: OECD Economic Outlook 104 database; Bank for International Settlements; and OECD calculations.

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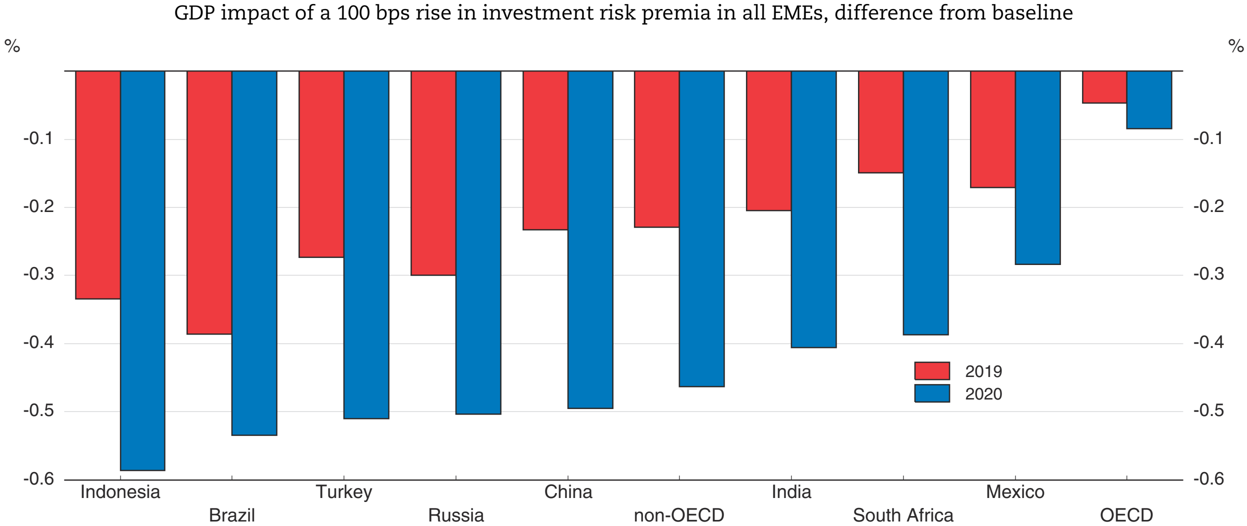
Figure 1.17. **The output effect of higher risk premia in emerging-market economies**

GDP impact of a 100 bps rise in investment risk premia in all EMEs, difference from baseline



Source: OECD calculations.

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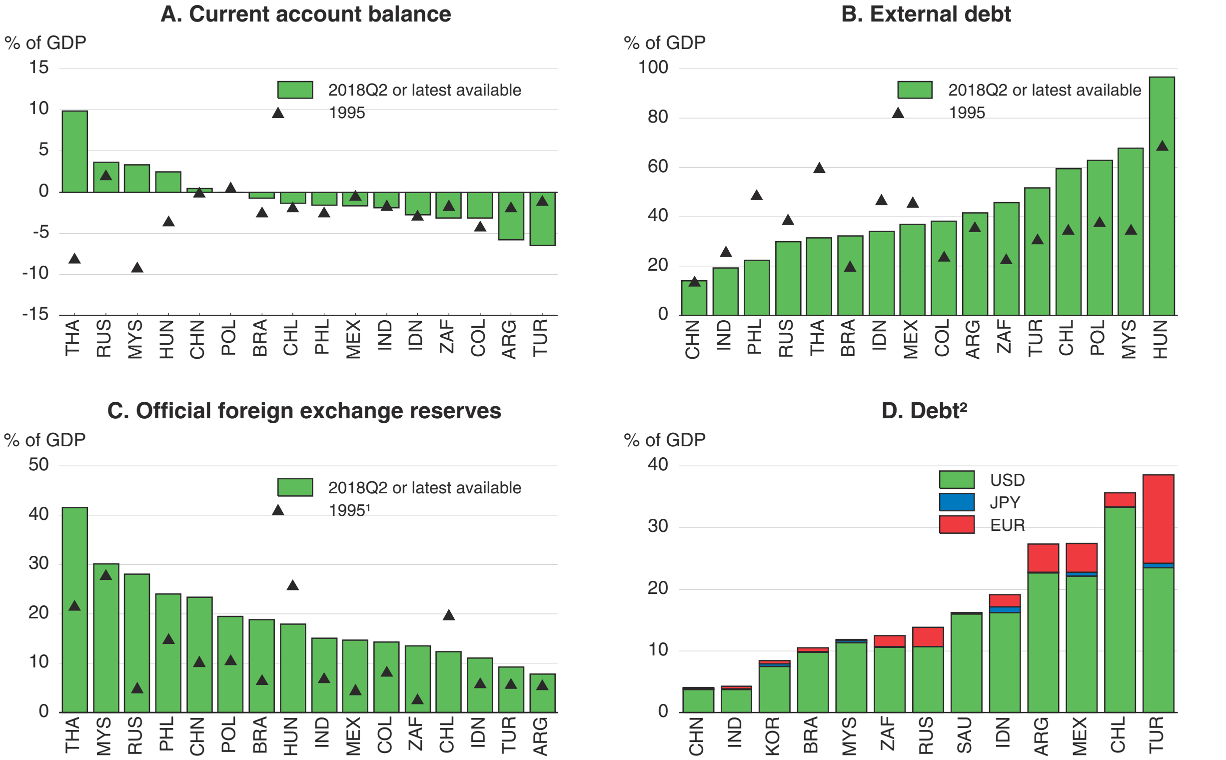
Figure 1.18. **Fundamentals differ across emerging-market economies**



1. Data refer to 2000 for Malaysia and to 1998 for the Philippines.
2. Debt of non-bank borrowers in the form of bank loans and debt securities denominated in foreign currencies as of 2018Q2.

Source: OECD Economic Outlook 104 database; IMF World Economic Outlook database; Bank for International Settlements Global Liquidity Indicators database; World Bank Quarterly External Debt statistics; and OECD calculations.

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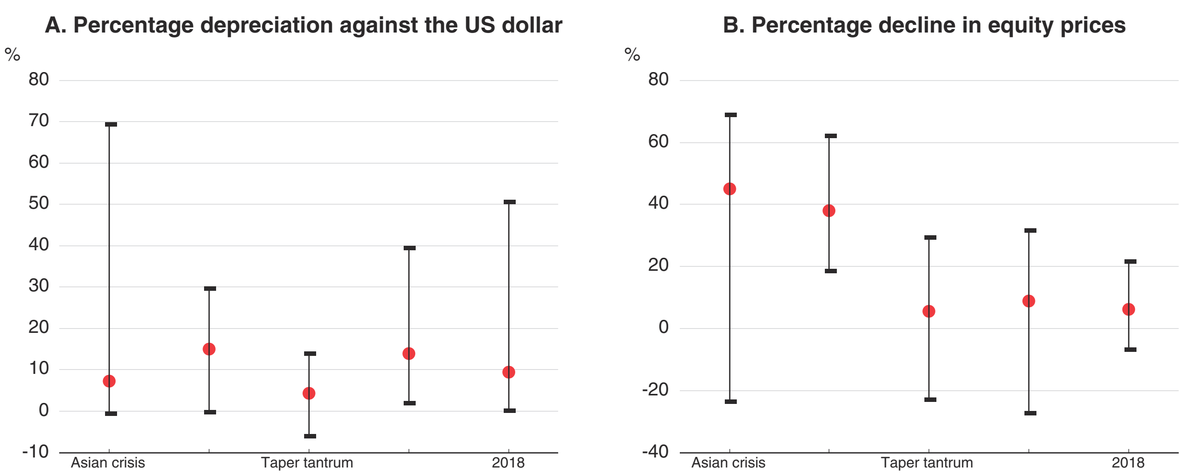
Figure 1.19. **Changes in financial conditions in emerging-market economies during past and recent turbulence**



Note: The dot refers to the median, and the bars show the range, of the countries covered. The "Asian crisis" refers to changes between the minimum for June-July 1997 and the maximum for January-September 1998; The "Great Recession" refers to changes between July 2007 and the maximum for November 2008-March 2009; "Taper tantrum" refers to changes between the minimum for March-April 2013 and the maximum for September 2013-February 2014; "2014-16" refers to changes between the minimum for May August 2014 and the maximum for November 2015 and January 2017; and "2018" refers to changes between January and September 2018. Based on the following countries: Argentina, Brazil, Chile, China, Hungary, India, Indonesia, Malaysia, Mexico, the Philippines, Poland, Russia, South Africa, Thailand, Turkey and Vietnam.

Source: Thomson Reuters; and OECD calculations.

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Risks of a slowdown in China have increased and trade-offs between sustaining high growth and stability persist

Growth in China has eased in the course of 2018, amidst tighter regulatory conditions on shadow banks (resulting in slowing social financing growth), a more rigorous approval process for local government investment, and new US tariffs on Chinese exports to the United States. The latter has weighed on equity prices and industrial production and, together with the narrowing of the interest rate gap with the United States, on the renminbi exchange rate (Figure 1.15). The authorities have begun to announce new stimulus measures, in addition to previously planned tax reductions, including steps by the central bank to ease financial conditions. The People's Bank of China has declared that it will not use exchange rate policy to cope with trade tensions and other external issues. However, perceptions that the currency is being used for such purposes could incite other countries in the region to follow suit, in order to maintain trade competitiveness, and intensify trade frictions more generally. The renminbi depreciation provides some offset to exporters facing higher tariffs in the United States, but potentially adds to challenges for competitors, especially those elsewhere in Asia.

Easier financial conditions may help to foster stronger credit growth and limit the slowdown in GDP growth. However, this could aggravate financial stability risks and delay the needed deleveraging of the corporate sector, increasing the risk of a significant downturn later on. Credit to non-financial corporations has begun to decline slightly but remains very high at around 160% of GDP, following a prolonged period of rapid growth. On the positive side, the authorities now monitor debt threshold levels for state-owned enterprises, potentially helping to limit indebtedness. In addition, the growth of shadow bank assets (entrusted loans, trust loans and bankers' acceptances) has declined. Similarly, any additional fiscal easing could help sustain demand growth but would limit room for fiscal stimulus if a sharp downturn subsequently occurred. Moreover, if the slowdown is of a structural nature, any policy stimulus could prove ineffective unless it is well targeted.

A much sharper slowdown in Chinese GDP growth than in the baseline projections would have significant adverse consequences for global growth, especially if it were to hit confidence in financial markets (OECD, 2015; OECD, 2018d). A decline of 2 percentage points in the growth rate of domestic demand in China for two years could lower annual GDP growth on average by around ¼ percentage point in Japan, East Asia and commodity exporters during these years. Overall, global GDP growth would decline by around 0.3-0.4 percentage point per annum. The impact would be over twice as large if the demand shock was accompanied by a significant decline in global equity prices and higher global risk premia, even with lower commodity prices acting as a shock absorber (OECD, 2015).

Policy requirements

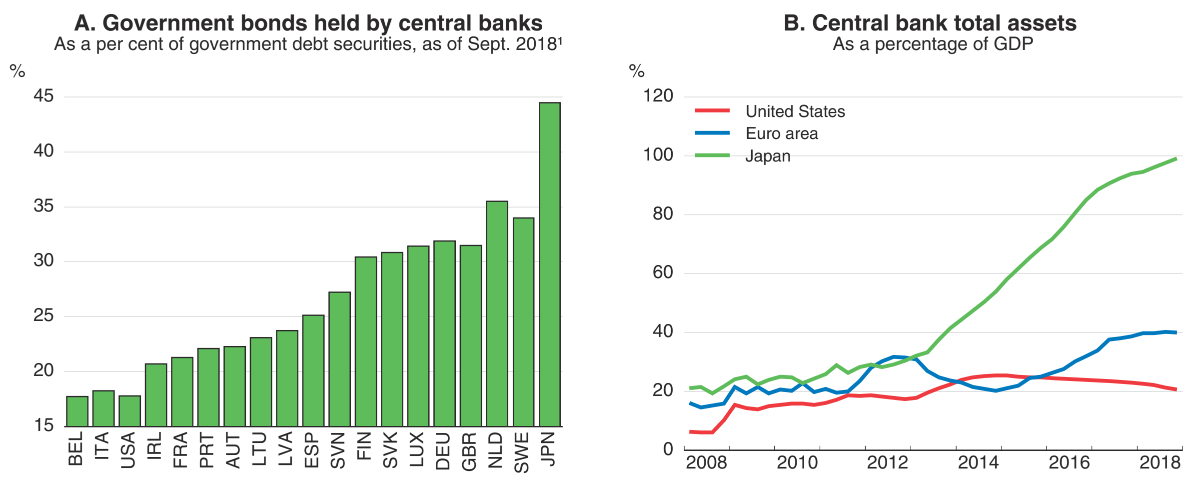
Macroeconomic policies need to maintain the global economic expansion, minimise the build-up of financial vulnerabilities, and ensure sufficient scope for policy support in the event of a future downturn. This calls for a gradual reduction in monetary and fiscal policy support, although at a differing pace across economies, augmented by ambitious supply-side policy reforms to strengthen medium-term growth prospects and enhance opportunities for all. Adequate financial regulation and supervision, including an enhanced deployment of macro-prudential policies, could mitigate some of the trade-offs that arise in reaching these goals.

Monetary and financial policy requirements

Reflecting different inflation, unemployment and output developments, monetary policies in the advanced economies have diverged and are set to diverge further:

- In the United States, monetary policy normalisation needs to be continued as planned, given strong near-term growth and the likelihood of medium-term pressures on inflation from low unemployment even after fiscal easing diminishes. The Federal Reserve has already increased the policy rate by 200 basis points since the end of 2015, taking the ceiling of the target range of the federal funds rate to 2.25%, and has started to reduce gradually its holdings of government bonds and agency mortgage-backed securities (Figure 1.20). On the basis of the projections discussed above, these measures should continue in order to bring the upper bound of the target range of the federal funds rate to 3½ per cent by the end of 2019 and then to keep it unchanged during 2020 provided inflationary pressures stabilise. As the reduction of previously accumulated financial assets will be advanced by 2020, the Federal Reserve should communicate its desired normal level of total assets and the future operating framework of monetary policy, thereby helping to minimise risks of market tensions. It could continue to operate a floor system with a larger balance sheet or return to a corridor system with a smaller balance sheet (OECD, 2017a).

Figure 1.20. **Several central banks have become dominant holders of domestic government bonds**



1. For the United States, marketable treasury securities, excluding treasury bills, held by the Federal Reserve as a share of outstanding marketable treasury securities, excluding treasury bills, at market value. For the United Kingdom, Asset Purchase Facility holdings as a share of outstanding (conventional) gilts, at market value. For Japan, government bonds held by the Bank of Japan as a share of outstanding treasury securities, excluding treasury discount bills and including FILP bonds, at nominal value. For the euro area countries, cumulative net purchases of government bonds in the Eurosystem Public Sector Purchase Programme at book value as a share of outstanding general government bonds at face value. For Sweden, the purchases of government bonds (338.74 billion SEK by 15 September 2018) as a share of outstanding government bonds as of September 2018, at face value.

Source: OECD Economic Outlook 104 database; Board of Governors of the Federal Reserve System; US Department of the Treasury, Bureau of Fiscal Services; Bank of Japan; Ministry of Finance Japan; Sveriges Riksbank; Swedish Central Government Debt statistics; UK Debt Management Office; Bank of England; European Central Bank; and OECD calculations.

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- In the euro area, the monetary policy stance should remain accommodative but the degree of policy accommodation should be reduced gradually. The ECB has already reduced its net asset purchases, and is expected to cease them completely by the end of 2018. With core inflation projected to rise towards 2% by the latter half of 2020, the ECB should start to raise the deposit interest rate in late 2019 from its current negative value to at least 0.2% by the end of 2020. As the normalisation of policy interest rates advances, a well-communicated plan with a gradual reduction of assets would be desirable to minimise the risk of financial market volatility. However, heightened uncertainty may require a more moderate pace of normalisation than otherwise.
- The Bank of Japan has strengthened forward guidance as achieving the 2% inflation target is taking longer than anticipated.[8] Inflation remains well below the target despite the massive stimulus over the past five years and indications that the economy may already be at or above its potential. Against this background, a reappraisal of the monetary policy strategy and framework may be warranted (for instance by introducing an inflation target range with the lower bound below the current inflation target, see OECD, 2018d). This could also include a possible role for non-monetary policy measures, such as stronger increases in minimum wages.[9] Increasing the flexibility in the yield curve control would be warranted if inflation moves closer to the target.

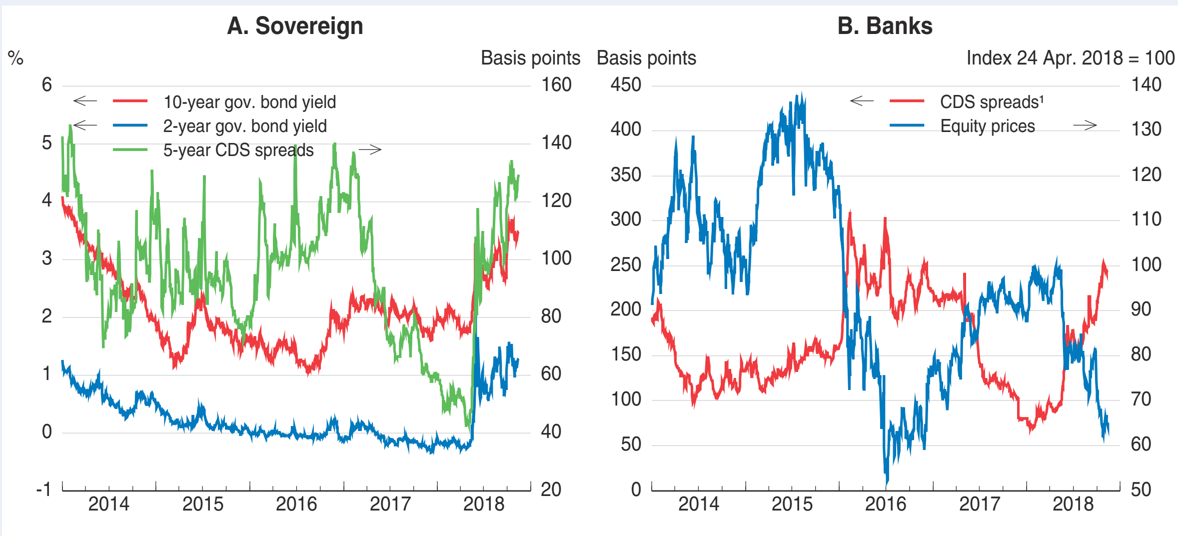
Further financial market volatility could arise during the normalisation of monetary policy in the main advanced economies, calling for measures to strengthen resilience. Financial resilience depends in particular on adequate regulation and supervision to secure sufficient capital and liquidity buffers of banks and other financial institutions. The use of macro-prudential policies has increased after the global financial crisis in emerging-market economies and, to a lesser extent, in advanced economies (OECD, 2018d). However, in the euro area, conditions for strong financial resilience are still missing, with little progress over the past five years. In June, it was agreed that the European Stability Mechanism would become a common backstop of the Single Resolution Fund, but practical details remain to be decided and it is not clear if sufficient resources will be secured. Moreover, no headway has been made with completing the banking union by establishing a common European deposit insurance scheme and severing the negative feedback loop between sovereigns and banks (OECD, 2018e). The recent increase in sovereign and bank risks in Italy (Box 1.3) makes implementing such reforms even more difficult politically.

8. The Bank of Japan has purchased government bonds equivalent to around 80% of GDP and now owns nearly 45% of total outstanding government bonds (Figure 1.20). It has also allowed some flexibility around the 10-year yield target on government bonds and enhanced flexibility in the purchase of exchange-traded funds' and Japan real estate investment funds' assets. As a side effect, this policy has lowered government debt servicing costs.
9. The government has already implemented a three-year tax break to firms that increase employees' pay by more than 3% and expand investment in fixed assets and human resources. In 2016, they also committed to increasing minimum wages by 3% per year, which has been observed so far. As the minimum wage is about 40% of the median wage (i.e. below the OECD average) and the unemployment rate is low, rising minimum wages by more than 3% could be considered but a rapid narrowing of minimum and average wage levels should be avoided.

Box 1.3. **Vulnerabilities of Italian banks**

Policy uncertainty has led to a sell-off of Italian sovereign bonds and depressed confidence in Italian banks. Government bond yields remain over 100 basis points higher than the average in the past three years, equity prices of Italian banks have declined by around 35% since end-April and both sovereign and bank credit default swap spreads have increased considerably, more than doubling from their recent lows (Figure 1.21).

Figure 1.21. **Sovereign and bank riskiness have risen in Italy**



1. The CDS index for Italian banks is the unweighted average of the 5-year CDS indices for: Intesa San Paolo, Unicredit, Mediobanca, Banca Monte dei Paschi and Unione Banche Italiane.

Source: Thomson Reuters; and OECD calculations.

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This renewed turbulence comes at a time when the soundness of Italian banks has improved, even if vulnerabilities persist. The banks on aggregate have doubled their ratio of regulatory Tier 1 capital to risk-weighted assets to 14.6% over the past decade. Few new non-performing loans (NPLs) have been registered and their stock has been reduced considerably, helped by the involvement of international investors and the introduction of a government guarantee for the senior tranches of NPL securitisations. Nevertheless, gross NPLs are still high, at 9% of total gross loans. The governance of Italian banks has also improved and profitability increased, partly due to lower provisions for credit losses.

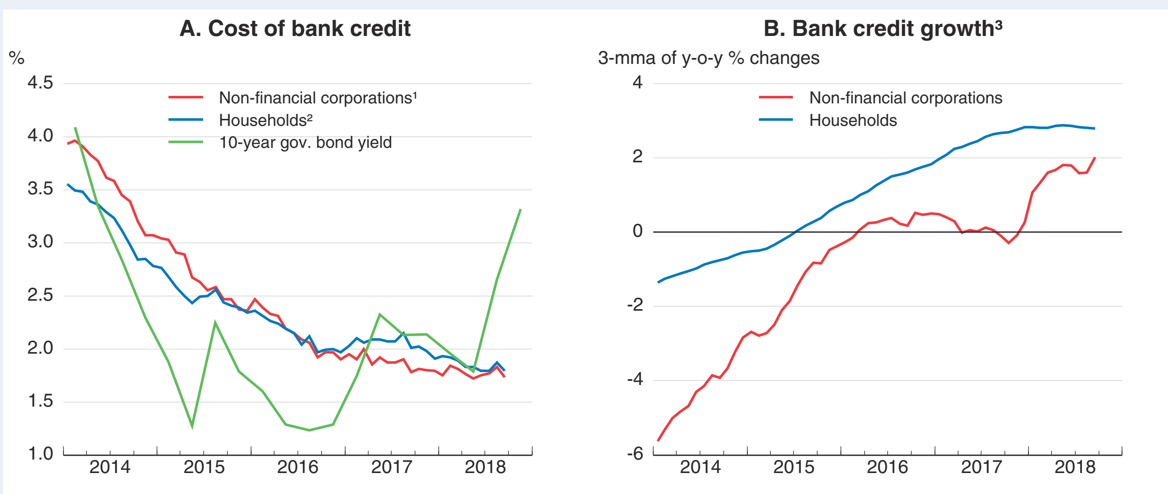
Nevertheless, if sovereign debt tensions persist, they could affect Italian banks negatively, weighing on credit supply conditions and economic growth. Credit to the private sector has been growing but at a slow rate, despite the low and falling cost of bank credit, likely reflecting weak credit demand (Figure 1.22). Higher uncertainty about the Italian economy could slow the disposal of bad loans by banks and increase intermediaries' credit risks, reinforcing the negative feedback loop between the real economy and banks. Three specific mechanisms could play a role:

- Empirical evidence for Italian banks, based on 2011 data, suggests that bank lending rates are likely to rise following increases in sovereign credit risk, especially in banks with lower capital ratios and higher NPLs.[1] So far, higher government bond yields have not yet passed through to bank lending rates to the private sector (Figure 1.22)

Box 1.3. **Vulnerabilities of Italian banks** *(cont.)*

- By June 2020-March 2021 Italian banks will need to repay 240 billion euro of loans from euro area targeted longer-term refinancing operations (TLTRO), accounting for around 7% of their current total liabilities. Although banks have 70 billion euro of excess liquidity and will have access to low cost financing from other ECB loan facilities, this may result in somewhat higher refinancing costs.
- Italian banks maintain significant exposures to Italian sovereign bonds and thus remain vulnerable to mark-to-market impairments on sovereign bond portfolios (Figure 1.23).[2] A decline in sovereign bond prices similar to the one observed over the past year, without any offsetting measures, would reduce capital ratios in the banking system as a whole only marginally on average (Figure 1.23). However, sizeable declines in sovereign bond prices may be more damaging for those banks with the highest sovereign exposures. If banks wanted voluntarily to restore their capital ratios to have adequate buffers to meet future shocks, replenishing capital would be expensive with depressed bank equity prices. Banks might therefore choose to shrink their balance sheets to attain regulatory and desired capital ratios, with the associated reduction in the supply of credit weighing on economic growth.

Figure 1.22. **Cost of bank credit and bank credit growth**



Note: Data are in monthly frequency.
1. Total cost of borrowing.
2. Interest rates on mortgages for households.
3. Bank loans adjusted for sales and securitisation, index of notional stocks.

Source: European Central Bank; Thomson Reuters; and OECD calculations.

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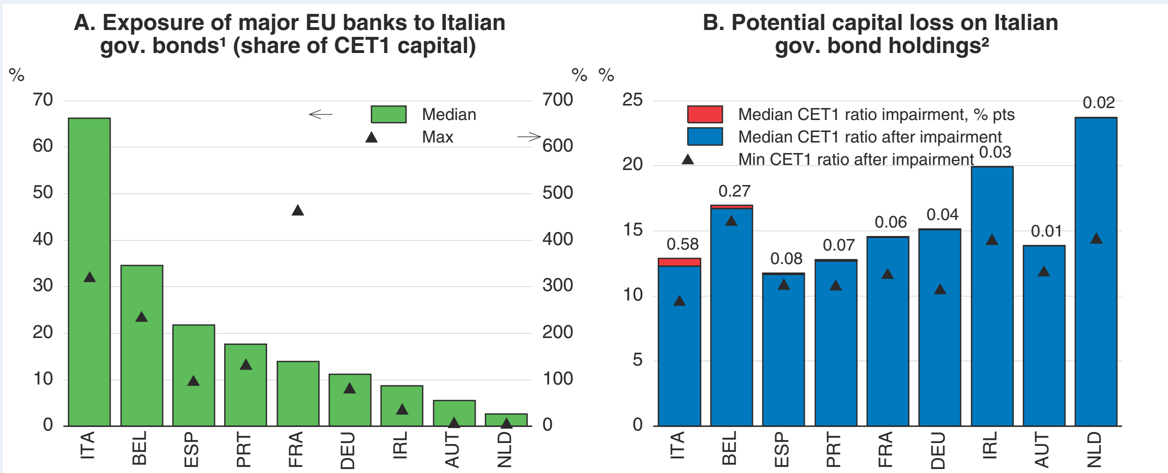
1. Zoli (2013) finds that about 30-40% of the increase in sovereign spreads is transmitted to lending rates for companies within three months, and 50-60% is transmitted within six months, with a somewhat stronger pass-through for small loans. Albertazzi et al. (2014) suggest that a temporary 100-basis points increase in 10-year government bond yield spreads between Italy and Germany raises bank lending rates for companies by around 50 basis points after a quarter, while a permanent increase in sovereign spreads is fully transmitted after one year.
2. For the median Italian bank, holdings of Italian government bonds are well above Core Equity Tier 1 capital. Banks in other European countries are generally less exposed to Italian public debt, but pockets of risk remain in a few intermediaries with large holdings of Italian sovereign bonds (Figure 1.23).

Box 1.3. **Vulnerabilities of Italian banks** *(cont.)*

Figure 1.23. **Italian banks remain exposed to sovereign debt**



1. Exposure refers to both available-for-sale and held-to-maturity debt securities as of June 2017 based on the sample of banks participating in the 2017 EBA EU-wide transparency exercise for which data on Italian government bond holdings are available. It does not account for capital improvements or portfolio adjustments that may have taken place since June 2017.
2. An estimated impact on the Core Equity Tier 1 (CET1) ratio of banks due to a mark-to-market impairment on their holdings of Italian government bonds (classified in available-for-sale, held-for-trading and booked at fair value accounting categories) due to a 100-basis point parallel upward shift of the Italian yield curve. The estimates account for the average maturity of Italian government bond holdings.

Source: European Banking Authority; and OECD calculations.

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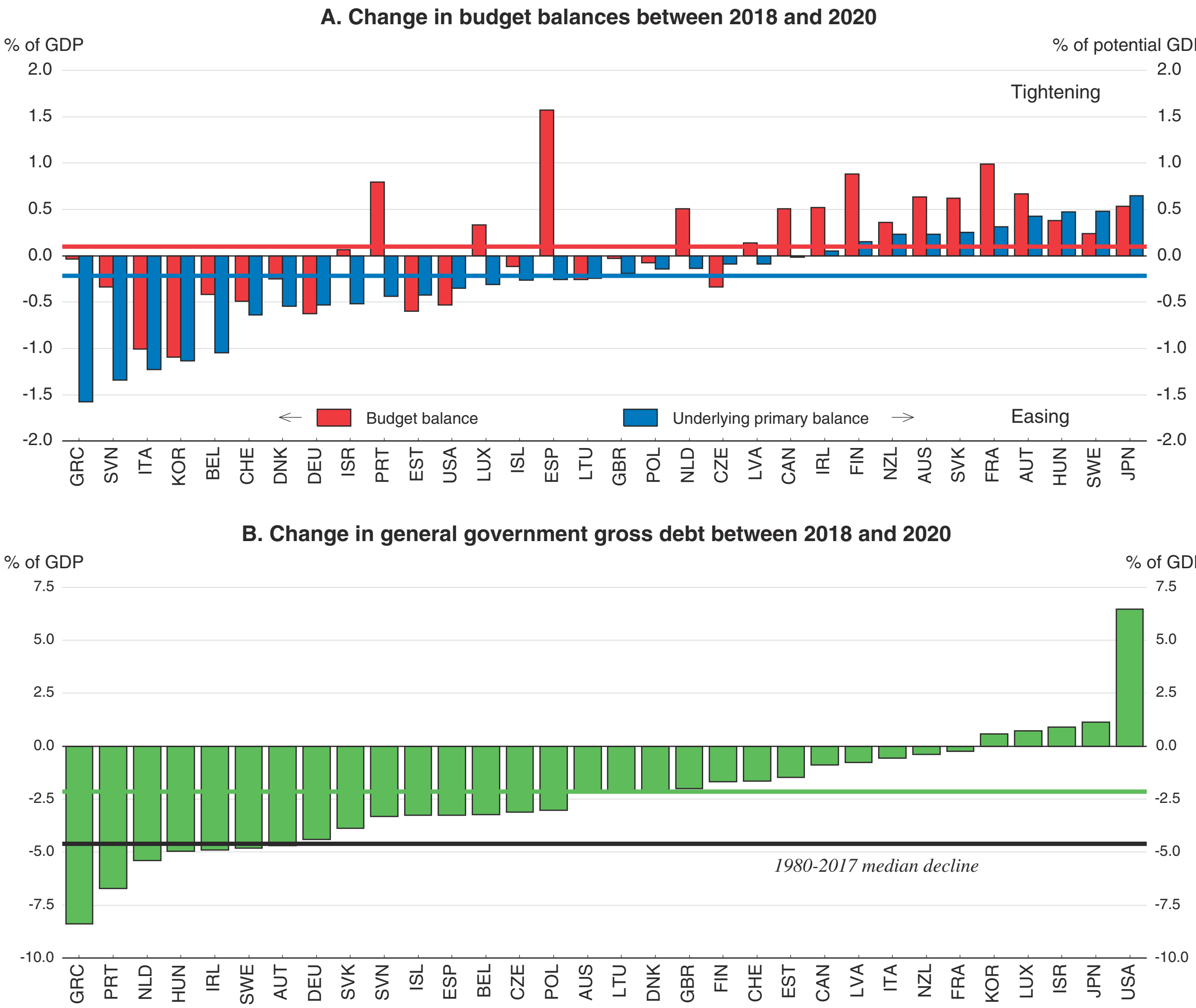
Fiscal policy requirements

Following widespread significant fiscal easing in 2018, fiscal policy is projected to be broadly neutral in most OECD countries in the coming two years (Figure 1.24). Cyclical improvements, together with lower net interest payments, will help strengthen overall budget balances modestly in the majority of OECD countries, with the exception of the United States, Korea and a few euro area countries, including Germany and Italy. Government debt and deficits remain high (in most countries, higher than prior to the global financial crisis) and in many countries debt is not expected to decline by much in the next few years either in absolute terms or in comparison to past experience (Figure 1.24).[10]

The fiscal benefits from the prolonged accommodative monetary policy stance on debt interest costs in many advanced countries are expected to continue in the short term but gradually diminish. Lower and flatter yield curves in many advanced economies have helped to reduce debt servicing costs and thus strengthen overall budget balances.[11] At the

10. The expected median decline in gross government debt in relation to GDP is projected to be below the median pace of reduction observed for the OECD countries between 1980 and 2017.
11. In addition to the direct effect of lower interest rates, some governments have received higher transfers of profits from central banks. In recent years, the profits of the US Federal Reserve have been equivalent to more than 10% of government gross interest payments, i.e. twice as much as in 2008. In Italy, transfers of profits from the Banca d'Italia, that include the Italian share of ECB profits, increased to 7.5% of government gross interest payments in 2017, from around 2% in 2008-10. In the United Kingdom, cash payments from the Asset Purchase Facility Fund to the UK Treasury were around 20% of gross interest payments in the past four years. In Japan, the Bank of Japan payments to the government were around 5% of gross interest payments.

Figure 1.24. **Fiscal policy will be broadly neutral and government debt will fall in most OECD countries**



Note: Horizontal lines indicate median values for the corresponding variables. The median decline in gross government debt in Panel B is the two-year equivalent of an average annual decline in debt which lasted at least for two years across OECD countries between 1980 and 2017.

Source: OECD Economic Outlook 104 database; and OECD calculations.

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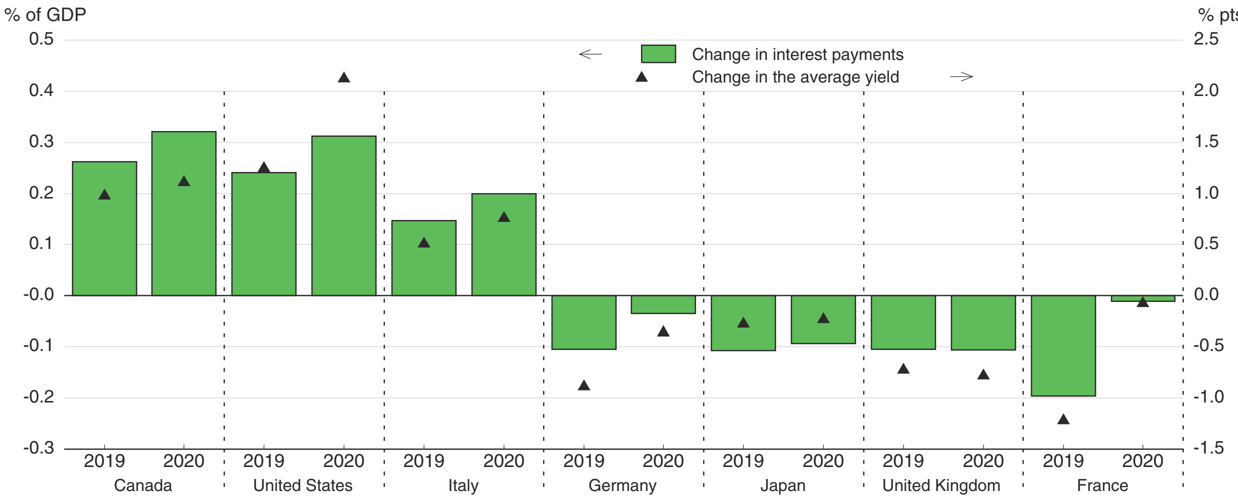
same time, they have made it possible to extend the average maturity of public debt, which helps to reduce rollover risks, at little extra fiscal cost, and slows the pass-through of market interest rates to debt servicing costs (Maravalle and Rawdanowicz, 2018). If longer-term bonds maturing in the next two years are rolled over at the same maturity in G7 economies, they are likely to have lower interest rates, helping to reduce average debt servicing costs in France, Germany, Japan and the United Kingdom (Figure 1.25).

Fiscal priorities differ across economies, reflecting differences in macroeconomic conditions and imbalances, and in policy needs. The neutral stance of fiscal policy in most countries in 2019 and 2020 is generally appropriate given the economic outlook. In some countries, the notable stimulus from fiscal policy in 2019 is warranted. This is the case for Germany, with its solid public debt position, high current account surplus and need to upgrade public infrastructure. However, in Italy, with high public debt and low productivity

Figure 1.25. **Debt servicing costs could still decline in some G7 countries**



Note: Aggregated changes in interest payments and in the average yield refer to individual marketable debt instruments (fixed rate and zero coupon bonds as of October 2018) maturing in the indicated years. They are computed by assuming that maturing debt is rolled over at the same original maturity at yields derived from estimated yield curves based on the OECD projections of short and long-term interest rates.

Source: Bloomberg; and OECD calculations.

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growth, the planned expansionary fiscal policy risks maintaining, or even raising, sovereign risk premia, which will weigh on growth. In the United States, continued fiscal stimulus in 2019 despite solid cyclical conditions will reduce the room for policy responses in the event of a future downturn. Only a few countries are projected to tighten fiscal policy significantly in 2019-20. The fiscal contraction in Japan in 2020 reflects the consumption tax increase, which will be compensated in part by higher social spending. Although this will help to reduce debt accumulation, further fiscal measures will be needed to attain the goal of primary balance by the mid-2020s.

Given the projected fiscal policy stance, governments need to prioritise measures to boost longer-term growth and foster inclusiveness. Countries with still high unemployment, and high inequality and incidence of poverty (like many crisis-hit European countries), should ensure adequate social programmes, including spending on education and active labour market policies. Similarly, economies with low growth and large infrastructure needs should implement fiscal measures that strengthen the supply side, such as increasing the availability of child care facilities to raise labour force participation (like Japan) and strengthening government infrastructure spending, including on digital infrastructure (like Germany and Central and Eastern European countries).

Policy options for emerging-market economies to deal with spillovers from advanced economies

Emerging-market economies remain exposed to a further sudden change in market sentiment, particularly if there is a faster-than-expected normalisation of monetary policy in advanced economies. Many are also experiencing rising inflationary pressures in the aftermath of the currency depreciations that have already occurred in recent months. The appropriate policy response depends on the magnitude of the shift in investor attitudes, the extent to which vulnerabilities have built up, and the policy space available to mitigate these pressures.

- Emerging-market economies with a credible macroeconomic policy framework, flexible exchange rate arrangements and manageable exposures to foreign-currency-denominated debt may not need to implement any discretionary policy measures, leaving it to exchange rate adjustments to buffer shocks. Some further monetary tightening could be required to prevent exchange rate depreciations from adding to inflation (beyond the initial impact), but countries with solid fiscal positions can ease policy if necessary to support demand.
- In contrast, countries with fixed exchange rates or weaker macroeconomic fundamentals may have no choice but to tighten their overall macroeconomic policy stance, with negative implications for domestic demand, to restore investors' confidence.
- Imposing import tariffs and administrative price controls to deal with macro-economic imbalances (including current account deficits and high inflation) should be avoided as they introduce market distortions and are likely to harm growth prospects.

Structural policy ambition needs to be improved

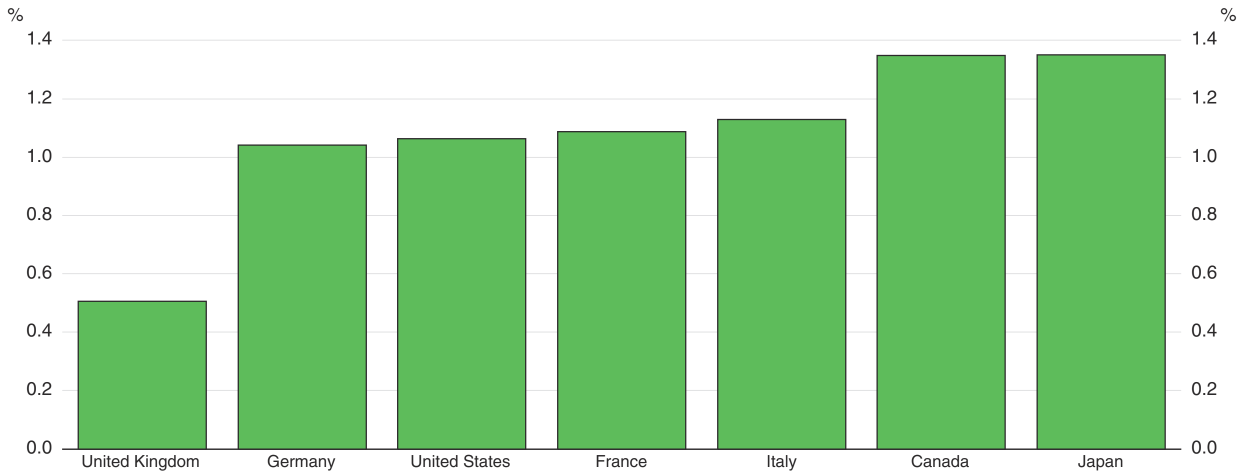
Structural reform efforts have recently stabilised in both advanced and emerging-market economies, but remain at a pace below that achieved in the aftermath of the financial crisis. Collectively, the G20 countries have implemented a number of beneficial reforms since 2014, but these fall short of the objective of achieving a 2% rise in the level of their combined GDP by 2018. Enhancing reform efforts in both advanced and emerging-market economies would help to improve living standards, strengthen the medium-term prospects for investment and productivity, and allow the benefits of growth to be distributed more widely.

Current cyclical conditions, with strong job growth, provide an opportune moment to implement reforms. Such conditions help to maximise the benefits of reforms, whereas acting in crisis periods, which is often when reforms are implemented, can accentuate short-term costs. In all countries, stronger reforms are needed to promote business dynamism and knowledge diffusion, enhance skill acquisition and innovation capacity and help workers benefit from fast-changing labour markets. Improved redistribution through tax and transfer policies also needs to be an integral part of well-designed policy packages to make work pay, provide support for vulnerable groups, and help strengthen real income growth amongst poorer households.

As an illustrative example of the potential gains from stronger reform ambition, structural reforms that ease regulation in the energy, transport and communication sectors and boost spending on active labour market policies in G7 economies could increase the GDP level on average by 1% after five years (Figure 1.26; Égert and Gal, 2017), with slightly higher long-term effects.[12] The reform areas are illustrative but are broadly in line with the

12. These effects would either require changes in the two policy areas on a scale that has been typical among the OECD countries in the past or alignment with the best performer when the typical change is larger than the distance to the best performing country. The typical change refers to an average change in a policy indicator observed in the countries that implemented that particular structural reform in the past (Égert and Gal, 2017). The indicators include: overall regulation in energy, transport and communications (ETCR); and spending on active labour market policies per unemployed (as a % of GDP per capita).

Figure 1.26. **GDP effects of selected structural reforms in G7 countries**



Note: The GDP effects are calculated as a cumulative difference over five years between a country-specific reform scenario as estimated by Égert and Gal (2017), capturing the impact of structural reforms, and the baseline OECD long-term projections. Structural reforms include a typical past improvement observed in the OECD countries, or an improvement to the best performer if the gap with the best performer is smaller than the typical change, in two policy indicators (regulation in energy, transport and communications – ETCR; and spending on active labour market policies – ALMP).

Source: OECD Economic Outlook 104 database; Égert and Gal (2017), "The Quantification of Structural Reforms in OECD Countries: A New Framework", *OECD Journal: Economic Studies*, vol. 2016/1; and OECD calculations.

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main reform priorities identified in *2019 Going for Growth* (OECD, forthcoming). Such GDP gains could also improve government debt sustainability in high debt countries.

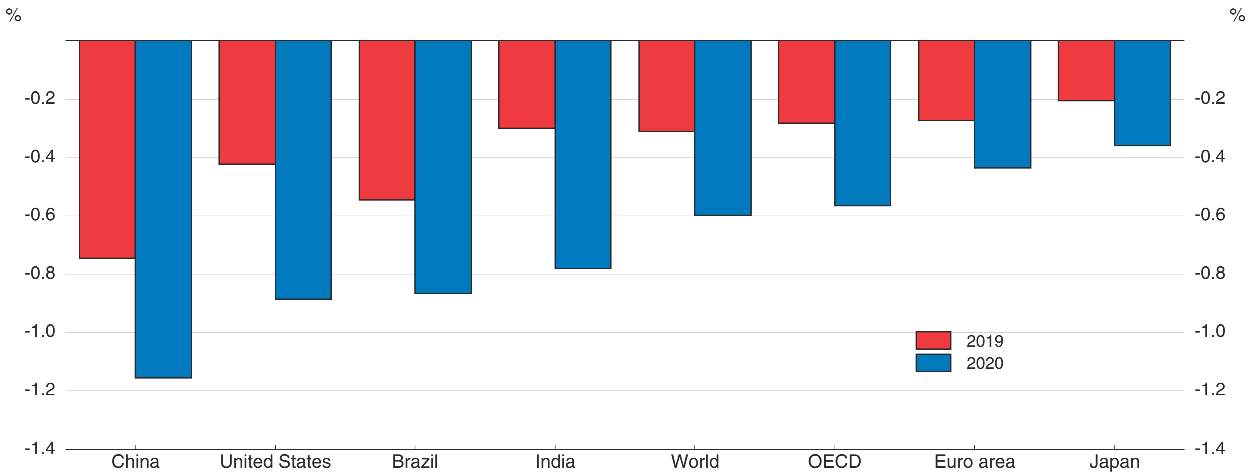
Arresting the slide towards protectionism and reinforcing the global rules-based international trade system through multilateral dialogue would also help to provide business with the confidence to invest and prevent the harm to longer-term growth prospects that would result from a retreat from open markets. Alongside steps to safeguard the rules-based international trading system, more needs to be done to mitigate the impact of stronger global integration on vulnerable workers and regions, helping those most exposed to the impact of global integration to find new jobs and acquire new skills. It is also vital to avoid policy mistakes, such as introducing trade policies that restrain imports rather than promote exports.

Policy options to counteract a future downturn

Increasing downside risks warrant an assessment of the policy options available if growth were to weaken more substantially than currently projected. Downside risks related to heightened trade tensions, financial market pressures on emerging-market economies and higher oil prices could all interact with one another, particular if stronger-than-expected price pressures from higher tariffs or a supply disruption to oil prices were to trigger additional monetary policy tightening in many countries. If substantial downside risks arise, policymakers could be faced with the challenge of having to respond to a significant growth slowdown at a time when inflation is rising and policy space is limited in many countries. For instance, the interaction of some of the risks discussed above could reduce global GDP by over 0.5% by 2020 relative to baseline and global trade by over 2% (Figure 1.27), based on simulations on the NiGEM macromodel. Global inflation would also be higher, by over ½ percentage point in both 2019 and 2020. If

Figure 1.27. **An interaction of downside risks would slow global growth substantially**

Percentage difference from baseline in GDP at constant prices



Note: Combined effects from an increase of 20 USD per barrel in oil prices, an increase of 100 basis points in investment risk premia in all emerging-market economies and a further intensification of tariffs on US-China bilateral trade from 2019 onwards. All shocks are assumed to last for five years.

Source: OECD calculations.

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heightened trade policy uncertainty were to result in even weaker business investment than embodied in this scenario, the decline in global output would be even larger, at close to 1% by the end of 2020, with world trade declining by around 3%.

In many countries, there is less scope to use macroeconomic policy to boost growth than in earlier downturns. Very low policy rates and lower neutral interest rates make it difficult to reduce real interest rates substantially. Fiscal space is also limited in some countries, with a risk that any national fiscal stimulus could increase sovereign risk premia. This suggests that more international co-operation will be needed in the event of a serious downturn that affects a large number of economies, both on monetary and fiscal policies. Such co-operation, even if not formalised, could deliver sufficient collective action to address a global downturn, and make it easier for each country to ease macroeconomic policy, reducing the cost of such measures for individual countries.

Illustrative co-ordinated policy scenarios using the NiGEM global macro model suggest that moves to expand fiscal support could provide a faster way of offsetting a sharp cyclical downturn than steps to ease monetary policy in a co-ordinated fashion. However, the latter would have effects that persist for longer. Two particular forward-looking scenarios are considered:

- A three-year fiscal expansion of 0.5% of GDP in all countries and regions, with government budget targets being lowered by a corresponding amount. In most economies, this is assumed to occur via an increase in the volume of government consumption, but in some emerging-market economies it is a general rise in nominal government expenditure of 0.5% of GDP due to model limitations. Policy interest rates are assumed to remain at their baseline values for three years.
- The second scenario, which is also implemented in all economies and regions, is focused around a temporary monetary policy expansion. This considers the impact of an initial

¼ percentage point decline in policy interest rates in the typical economy plus additional quantitative easing for three years.[13] The quantitative easing is assumed to lower the term premium on ten-year government bonds by 50 basis points for three years, implying a stimulus of around one-half of the initial quantitative easing measures undertaken by some advanced economies in the aftermath of the global financial crisis.

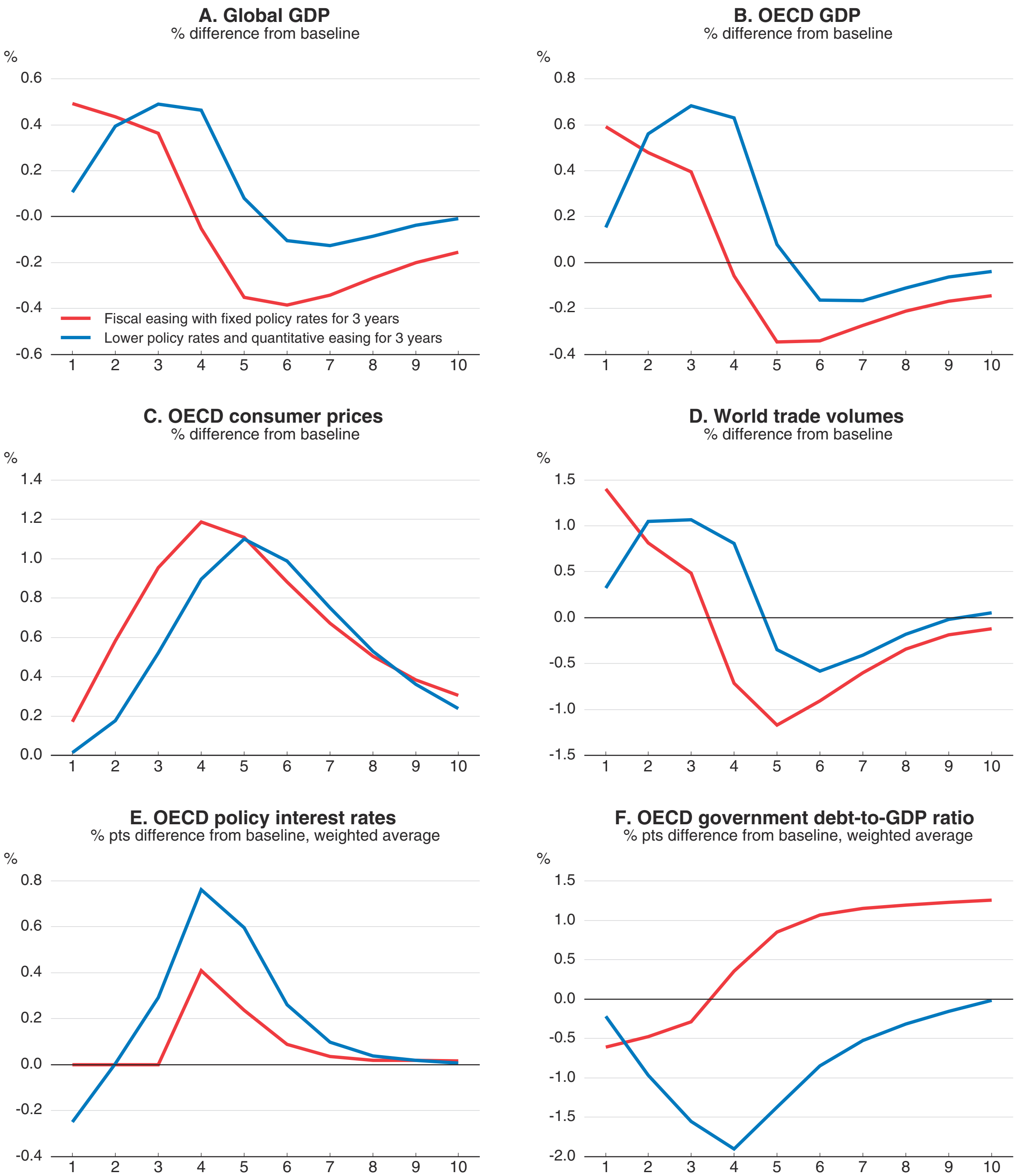
The co-ordinated fiscal expansion raises global output by around 0.5% in the first year, implying a multiplier of 1, but it starts to fade as inflation and policy interest rates rise (Figure 1.28). The co-ordinated monetary stimulus pushes down long-term interest rates relative to the fiscal scenario, and in the OECD economies long-term yields are around 25 basis points below baseline in the near term. This may be challenging to achieve in those economies in which substantive quantitative easing has already taken place and interest rates are at or close to their effective lower bound. The decline in interest rates brings about a sizeable increase in output, but this takes longer to appear than the effects from a pure fiscal shock. Policy interest rates are subsequently raised sharply, given the build-up of global inflation pressures (relative to baseline).

In addition to the different impact of these measures on output and inflation, they also have implications for financial markets and the level and composition of debt. However, the latter are in most cases small, in part reflecting the temporary nature of the downturn and the policy response. The fiscal expansion, focused on government consumption, results in a modest rise in the government debt-to-GDP ratio in the medium term. In contrast, the monetary expansion results in the government debt-to-GDP ratio remaining at or below baseline.

The results suggest that co-ordination could prove an effective counterweight to a sharp global cyclical downturn. Moreover, the effects would probably be larger than shown here, as collective action would help to underpin confidence and reduce uncertainty. Fiscal action involving a temporary period of higher government expenditure would provide the fastest offset to a downturn, but monetary stimulus could have longer lasting effects. However, a monetary stimulus on the scale considered here would be extremely difficult to implement in those economies where interest rates are close to the effective lower bound, reinforcing the importance of fiscal measures. The time lags typically involved in introducing new fiscal actions and in co-ordinating national responses also call for early planning on the possible measures that could be implemented in event of a sharp downturn. Using the margins available while above-trend growth persists to help rebuild fiscal buffers would create additional space for actions in event of a downturn.

13. The change in policy interest rates is brought about by a three-year increase of 1% in the nominal GDP target in the default policy rule on NiGEM.

Figure 1.28. **Policy options to offset a global cyclical downturn**



Note: The fiscal scenario is a co-ordinated global fiscal easing of 0.5% of GDP sustained for three years, with policy interest rates held fixed for three years. The monetary scenario is one in which the nominal GDP target is raised by 1 percentage point for three years and the term premium on long-term government bonds is reduced by 50 basis points for a similar period.
Source: OECD calculations.

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ANNEX 1.1

Policy and other assumptions underlying the projections

Fiscal policy settings for 2018-20 are based as closely as possible on legislated tax and spending provisions and are consistent with growth, inflation and wage projections. Where government plans have been announced but not legislated, they are incorporated if it is deemed clear that they will be implemented in a shape close to that announced. Where there is insufficient information to determine budget outcomes, underlying primary balances are kept unchanged, implying no discretionary change in the fiscal stance. In euro area countries, the stated targets in Stability Programmes are also used.

Regarding monetary policy, the assumed path of policy interest rates represents the most likely outcome, conditional upon the OECD projections of activity and inflation, which may differ from the stated path of the monetary authorities.

- In the United States, the upper bound of the range for the target federal funds rate is assumed to be raised gradually to reach 3.5% in December 2019, up from the current level of 2.25%, and kept constant in 2020.
- In Japan, the short-term policy rate on the Policy-Rate Balances in current accounts held by financial institutions at the Bank is assumed to be kept at -0.1% for the entire projection period.
- In the euro area, the negative deposit rate is assumed to be increased from the current level of -0.4% to 0.2% by end of 2020, starting in the latter part of 2019.
- In China, monetary policy is assumed to be slightly accommodative.
- In India, the repo rate is assumed to be increased gradually from the current level of 6.5% to 7% in mid-2019 and then reduced to 6.75% in 2020.
- In Brazil, the policy rate is assumed to be increased gradually to 8.25% by the end of 2020.

Although their impact is difficult to assess, the following quantitative easing measures are assumed to be taken over the projection period, implicitly affecting long-term interest rates. In the United States, it is assumed that the Federal Reserve reduces, as announced, the stock of asset holdings. In Japan, the Bank of Japan's asset purchases and yield curve control are assumed to continue but with more flexibility in the yield curve control towards the end of 2020, implying a slight increase in the 10-year government bond yield at the end of 2020. In the euro area, it is assumed that the ECB will gradually taper asset purchases in 2018, implying a gradual increase in long-term interest rates in 2019-20.

Structural reforms that have been implemented or announced for the projection period are taken into account, but no further reforms are assumed to take place.

The projections assume unchanged exchange rates from those prevailing on 30 October 2018: one US dollar equals JPY 112.7, EUR 0.88 (or equivalently one euro equals USD 1.14) and 6.97 renminbi.

The price of a barrel of Brent crude oil is assumed to remain constant at USD 80 throughout the projection period, in line with the average price in September and October. Non-oil commodity prices are assumed to be constant over the projection period at their average levels from October 2018.

The projections for the United Kingdom use a technical assumption that the United Kingdom has a transition arrangement with the EU that extends to the end of 2020, following formal exit from the EU at the end of March 2019. This minimises potential disruption to trade. The end of the transition period is assumed to occur smoothly, but the final outcome of the agreement on the future relationship between the European Union and the United Kingdom is assumed to be uncertain through 2020.

Tariffs that have been introduced by the United States and China on their bilateral trade up to October 2018 are incorporated in the projections, but no additional measures are assumed.

The cut-off date for information used in the projections is 14 November 2018.

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Chapter 2

DECOUPLING OF WAGES FROM PRODUCTIVITY: WHAT IMPLICATIONS FOR PUBLIC POLICIES?

Introduction and summary

Several OECD countries have been grappling not only with slow productivity growth but have also experienced a slowdown in real average wage growth relative to productivity growth, which has been reflected in a falling share of wages in GDP. At the same time, growth in low and median wages has been lagging behind average wage growth, contributing to rising wage inequality. Together, these developments have resulted in the decoupling of growth in low and median wages from growth in productivity.

This chapter takes stock of recent OECD research on the drivers of wage-productivity decoupling and discusses implications for public policies. The main results can be summarised as follows:

- In a number of countries, decoupling has gone together with real median wage stagnation. In the United States, for instance, annual real median wage growth over the past two decades has been around ½ per cent whereas it has been between 1½ and 2 per cent in countries with similar productivity growth but no decoupling, such as France, Finland and the United Kingdom.
- Technological progress and the expansion of global value chains have contributed to the decoupling of real median wage growth from productivity growth, but there have been significant differences in firm dynamics across countries. Where real median wage growth has decoupled from labour productivity growth, firms at the technological frontier with low labour shares have pulled away from the remaining firms. The rise of the former firms has been accompanied by high productivity growth and large turnover at the technological frontier, suggesting that it reflects mainly technological dynamism.
- Public policies and institutions are important determinants of the link between productivity and wages. Investment in skills can ensure that the gains from technological progress are broadly shared with workers because capital is less easily substitutable for high-skilled labour as prices for new technologies fall. At the same time, active labour market policies play a useful role in preserving the labour market attachment and skills of workers who lose their jobs. Competition-friendly product market reforms can promote the transmission of productivity gains to wages by compressing product market rents that tend to accrue to capital but may lead to higher wage inequality by raising productivity and wage dispersion across firms. Where minimum wages are low or employment protection rules are particularly weak for some workers, raising minimum wages or strengthening employment protection for these workers could offset adverse effects of product market reform on wage inequality. However, where minimum wages are binding for a large share of workers and employment protection rules are strict, such measures risk triggering the substitution of capital for labour.

The remainder of the chapter is organised as follows. The next section describes the conceptual framework for breaking down the decoupling of real median wages from productivity into contributions from labour share and wage inequality developments. It also provides descriptive evidence on decoupling for the covered OECD countries based on aggregate data (Schwellnus et al., 2017). The following section summarises the results from OECD country, industry and firm-level studies on the effects of structural trends and policy developments for the transmission of productivity gains to real median wages, with a special emphasis on recent firm dynamics (Berlingieri et al., 2017; Pak and Schwellnus, 2018; Schwellnus et al., 2018).

Setting the scene

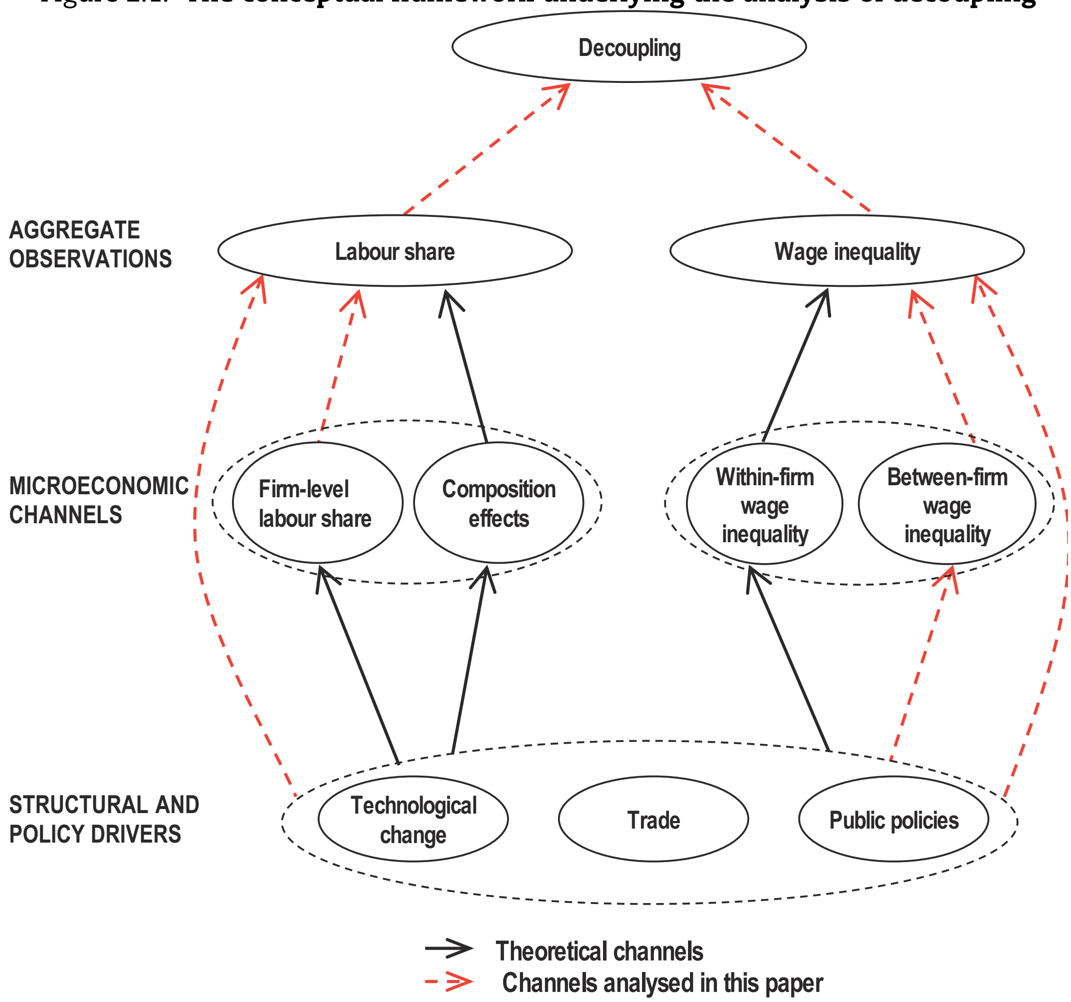
A conceptual framework

From an accounting perspective, aggregate decoupling of real median wage growth from labour productivity growth reflects *(i)* the decoupling of real *average* wage growth from labour productivity growth and/or *(ii)* the decoupling of real *median* wage growth from real *average* wage growth.[1] When real wages are expressed in terms of output prices (as done in this chapter), decoupling of real *average* wage growth from labour productivity growth amounts to a decline in the labour share, while decoupling of real *median* wage growth from real *average* wage growth can be interpreted as a partial measure of wage inequality.[2]

Aggregate labour share and wage inequality developments can in turn be decomposed into within-firm and between-firm developments (Figure 2.1). For instance, a decline in the aggregate labour share may partly reflect a decline in the average labour share within firms (e.g. an increase in mark-ups in all firms) or a shift in composition towards low-labour-share firms (e.g. an increase in market shares of high-mark-up firms). Similarly, an increase in overall worker-level wage inequality may partly reflect an increase in average wage inequality within firms (e.g. an increase in executive compensation) or an increase in between-firm wage inequality (e.g. the highest-wage firms pulling away from the rest or the lowest-wage firms falling behind). Although technological change, the expansion of global value chains and public policies likely affect aggregate decoupling through all of the above microeconomic channels, only some of them are explored in this chapter. Incomplete coverage of small firms in the firm-level data underlying the labour share analysis precludes a fully-fledged shift-share decomposition. The unavailability of cross-country data that match employees to the firms where they work (matched employer-employee data) makes it impossible to decompose worker-level wage inequality into within-firm and between-firm developments.

1. Previous studies on decoupling that use similar accounting decompositions include Bivens and Mishel (2015), Sharpe and Uguccioni (2017) and Pessoa and van Reenen (2013).
2. Labour productivity is computed real gross value added at factor cost per worker. From an income distribution perspective, it may be desirable to base labour productivity on net rather than gross value added, since only value added net of capital depreciation is available for compensation of workers (Bridgman, 2014; Rognlie, 2015; Cho et al., 2017). However, there is large uncertainty around measures of capital depreciation in the national accounts, because depreciation is unobserved and needs to be imputed. The underlying imputation methods also tend to differ across countries, thus making net value added less internationally comparable than gross value added. Moreover, netting out depreciation can lead to highly cyclical measures of value added, thereby distorting measures of medium-term productivity growth (Schwellnus et al., 2017). The measure of wages used in this paper is computed as compensation per worker, which includes non-wage elements, such as employer and employee social security contributions, so that decoupling is not affected by changes in non-wage compensation. It is deflated using the value added price index. Expressing real wages in terms of consumer prices rather than value added prices would typically imply more decoupling, since consumer prices have grown at a higher rate than producer prices in most OECD countries.

Figure 2.1. **The conceptual framework underlying the analysis of decoupling**



Source: OECD.

Given these data limitations, the labour share analysis summarised below provides descriptive evidence on the role of firms at the technological frontier (that are well covered in available firm-level data) for aggregate labour share developments. The role of the structural and policy drivers in labour share developments is explored directly at the country and industry-levels. The wage inequality analysis mainly focuses on between-firm wage inequality, providing both descriptive evidence on its role for worker-level inequality and econometric evidence on its structural and policy determinants using micro-aggregated data from the OECD MultiProd project.[3] Complementary evidence from country-level data directly links aggregate wage inequality to technology, trade and public policies.

Technological change and global value chain expansion may impact labour shares and wage inequality in a similar fashion. They may induce capital-labour substitution (the substitution of capital for labour) and reduce the relative demand for low-skilled workers, thereby simultaneously reducing labour shares and pushing up wage inequality

3. See *http://www.oecd.org/sti/ind/multiprod.htm* and Berlingieri et al. (2017) for more detail about the MultiProd project.

(Karabarbounis and Neiman, 2014; Acemoglu and Autor, 2011). By contrast, public policy reforms may have conflicting effects on labour shares and wage inequality. For instance, an increase in the minimum wage likely reduces wage inequality by raising wages at the lower end of the wage distribution, but it may also induce capital-labour substitution, especially if minimum wages are already binding for a large share of workers, thereby reducing the labour share.

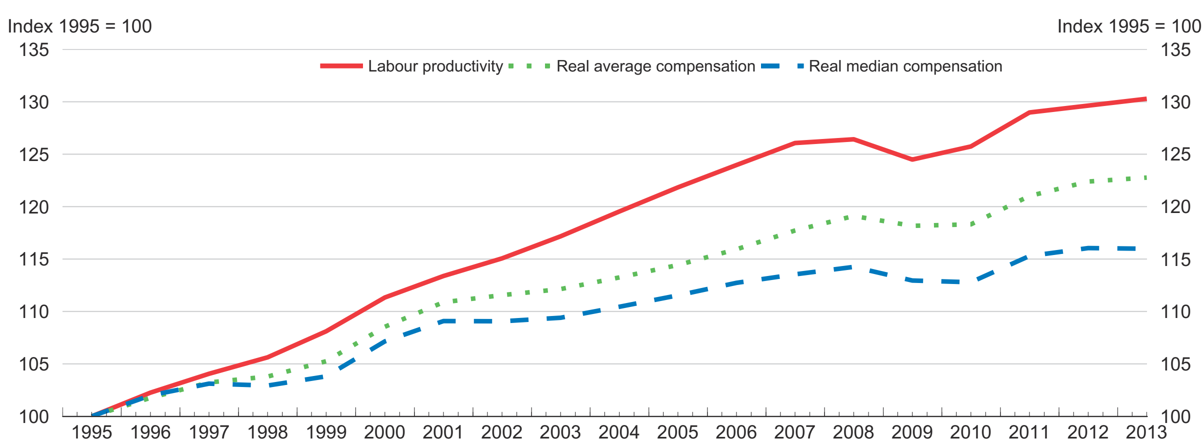
The facts: Aggregate and disaggregated perspectives

On average across 24 OECD countries, there has been significant decoupling of real median wage growth from productivity growth over the past two decades (Figure 2.2). Since labour share fluctuations in the primary, housing and non-market sectors are largely determined by changes in asset prices or imputation choices and may therefore have different distributional implications from those in the production sector, they are excluded from the analysis.[4]

There have been large cross-country differences, both in overall decoupling and the extent to which it has gone together with real median wage stagnation (Table 2.1). In a number of countries with above-average productivity growth, such as Korea, Poland or the Slovak Republic, real median wages have grown well above the OECD average despite

Figure 2.2. **Real median wages have decoupled from labour productivity**

Total economy excluding primary, housing and non-market industries



Note: Employment weighted average of 24 countries (two-year moving averages ending in the indicated years). 1995-2013 for Finland, Germany, Japan, Korea, the United States; 1995-2012 for France, Italy, Sweden; 1996-2013 for Austria, Belgium, the United Kingdom; 1996-2012 for Australia, Spain; 1997-2013 for the Czech Republic, Denmark, Hungary; 1997-2012 for Poland; 1996-2010 for the Netherlands; 1998-2013 for Norway; 1998-2012 for Canada, New Zealand; 1999-2013 for Ireland; 2002-2011 for Israel; 2003-2013 for the Slovak Republic. All series are deflated by the value added price index excluding the primary, housing and non-market industries. The industries excluded are the following (ISIC rev. 4 classification): (1) Agriculture, Forestry and Fishing (A), (2) Mining and quarrying (B), (3) Real estate activities (L), (4) Public administration and defence, compulsory social security (O), (5) Education (P), (6) Human health and social work activities (Q), (7) Activities of households as employers (T), and (8) Activities of extraterritorial organisations and bodies (U).

Source: OECD National Accounts Database, OECD Earnings Distribution Database.

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4. The primary, housing and non-market sectors account for around 30% of value added in OECD countries. Total-economy labour shares include sectors for which labour shares are largely determined by fluctuations in commodity and asset prices, such as the primary and housing sectors, or for which labour shares are driven by imputation choices, such as the non-market sector.

significant wage-productivity decoupling. However, where productivity growth has been around or below the OECD average, such as in Canada, Japan and the United States, decoupling has been associated with near-stagnation of real median wages. In about a third of the covered OECD countries, real median wages have grown at similar or even higher rates than labour productivity. In some countries, such as the Czech Republic or Sweden, this has been associated with above-average real median wage growth, but in some others with below-average productivity growth, including Italy and Spain, real median wages have nonetheless grown at very low rates.

Table 2.1. **There are large cross-country differences in macro-level decoupling**

Excluding primary, housing and non-market sectors, annualised growth rates in percentage points,1995-2013

	Average annual growth rates			Contribution to decoupling of		
	Labour productivity	Real average wages	Real median wages	Labour share	Wage inequality	Total decoupling
	(1)	(2)	(3)	(2) - (1)	(3) - (2)	(3) - (1)
Poland	4.2	2.8	2.2	-1.3	-0.6	-2.0
Korea	4.1	3.1	2.7	-1.1	-0.4	-1.5
United States	1.8	1.2	0.5	-0.6	-0.7	-1.3
Hungary	1.9	1.5	0.6	-0.4	-0.9	-1.3
Ireland	2.5	1.4	1.3	-1.1	-0.1	-1.2
Canada	0.9	0.4	0.2	-0.5	-0.2	-0.7
Netherlands	1.8	1.3	1.1	-0.5	-0.2	-0.7
Australia	1.6	1.2	1.0	-0.4	-0.3	-0.7
Israel	1.6	0.7	0.9	-0.9	0.2	-0.7
Japan	0.7	0.3	0.2	-0.5	-0.1	-0.5
Slovak Republic	3.8	3.6	3.3	-0.2	-0.3	-0.5
Belgium	1.4	1.1	1.0	-0.3	-0.1	-0.4
Germany	0.7	0.6	0.5	-0.1	-0.1	-0.2
Austria	1.1	1.0	0.9	-0.1	-0.1	-0.2
Norway	1.5	1.4	1.3	-0.1	-0.1	-0.2
Czech Republic	3.2	3.6	3.2	0.4	-0.4	0.0
New Zealand	1.0	1.4	1.0	0.4	-0.4	0.1
Denmark	1.1	1.4	1.3	0.3	-0.1	0.2
Sweden	2.4	2.7	2.6	0.3	-0.1	0.2
France	1.1	1.4	1.4	0.3	0.0	0.3
United Kingdom	1.2	1.8	1.6	0.6	-0.2	0.4
Finland	1.5	2.0	1.9	0.5	-0.1	0.4
Spain	0.1	0.3	0.6	0.2	0.3	0.5
Italy	-0.3	0.3	0.2	0.5	0.0	0.5
OECD (weighted average)	1.5	1.2	0.8	-0.3	-0.3	-0.7
OECD (unweighted average)	1.7	1.5	1.3	-0.2	-0.2	-0.4

Note: Countries are ordered in ascending order of the column "Total decoupling". The weighted average is an employment weighted average of 24 countries. Contributions are based on the exact numbers underlying columns (1)-(3) and may therefore differ from those implied by the reported rounded numbers. For most countries, data on real median wages are not available after 2013 in the OECD Earnings Database, which precludes covering the period 2014-17.

Source : OECD National Accounts database, OECD Earnings Distribution database.

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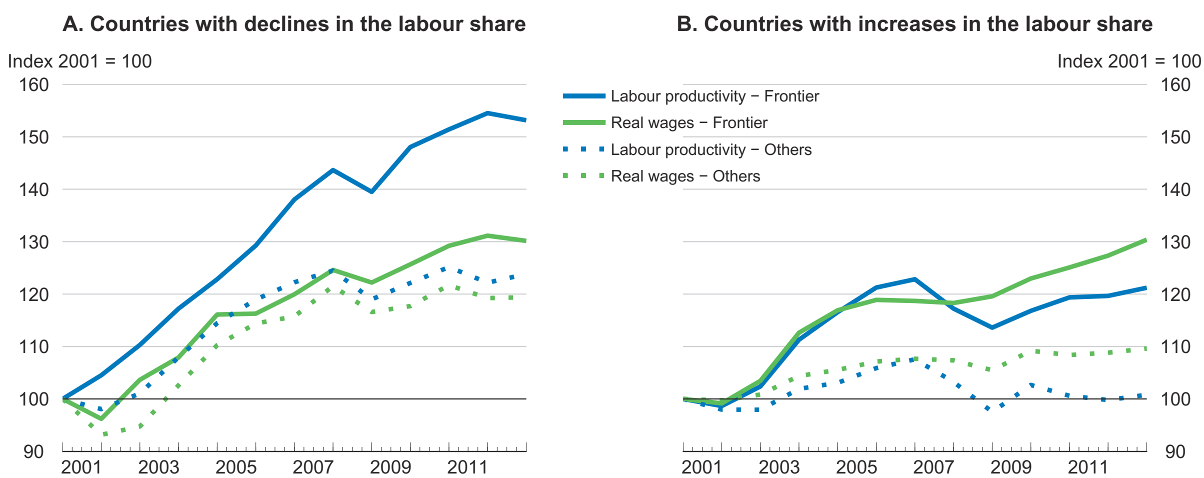
There have also been large differences in the relative contributions of labour shares and wage inequality to overall decoupling, suggesting that country-specific factors matter, including labour and product market policies and the level and distribution of skills in the population (Table 2.1). For instance, in the United States around half of the decoupling (0.6 percentage points of 1.3 percentage points) is explained by the decline in the labour share while it explains virtually all decoupling in Japan.

The aggregate decoupling of median wages from productivity partly reflects declines in labour shares at the technological frontier (defined as the top 5% of firms in terms of labour productivity within each country group in each industry and year). In countries where aggregate labour shares have declined, the decoupling of real wages from productivity has been particularly pronounced in firms at the technological frontier (Figure 2.3).[5] This could indicate the presence of "winner-takes-most" dynamics, as frontier firms take advantage of technology or globalisation-related increases in economies of scale and scope to reduce the share of fixed labour costs in value-added (e.g. related to research and development, product design or marketing) and/or gain a dominant position that allows them to raise their mark-ups (Autor et al., 2017; Calligaris et al., 2018; Philippon, 2018). By contrast, there has been no such decoupling of real wages from productivity in frontier firms in countries where labour shares have increased.

The decoupling of wages from productivity at the technological frontier has been accompanied by increasing market shares of frontier firms (Andrews et al., 2016;

Figure 2.3. **Average wages and productivity in frontier firms and others**



Note: Labour productivity and real wages are computed as the unweighted mean across firms of real value added per worker and real labour compensation per worker. Frontier firms are defined as the top 5% of firms in terms of labour productivity within each country group in each industry and year. The countries with a decline in the labour share excluding the primary, housing, financial and non-market industries, over the period 2001-2013 are: Belgium, Denmark, Germany, Ireland, Japan, Korea, Sweden, the United Kingdom and the United States. The countries with an increase are: Austria, Czech Republic, Estonia, Finland, France, Italy, the Netherlands and Spain.
Source: Schwellnus, C., M. Park, P. Pionnier and E. Crivellaro (2018), "Labour Share Developments Over the Past Two Decades: The Role of Technological Progress, Globalisation and "Winner-Takes-Most" Dynamics", *OECD Economic Department Working Papers*, No. 1503, OECD Publishing, Paris.

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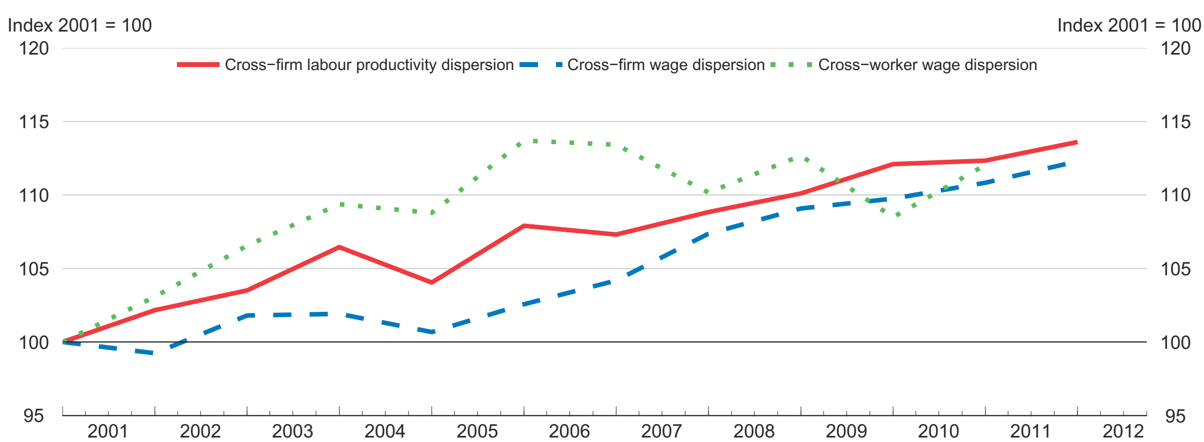
5. The decoupling of wages from productivity in frontier firms is unlikely to reflect increases in stock option compensation, as the sample period 2001-13 was characterised by low average stock returns. Song et al. (2015) show that compensation including stock options of top executives in the largest US firms has moved roughly in line with that of other workers in these firms after 1999.

Schwellnus et al., 2018). Since labour shares in such firms are typically significantly lower than in other firms, this has put further downward pressure on labour shares. In principle, this could indicate a rise in anti-competitive forces, but it could also be related to a temporary rise in market concentration stemming from technological dynamism. Indeed, the decoupling of wages from productivity at the technological frontier primarily reflects the entry of firms with low labour shares into the technological frontier (Schwellnus et al., 2018). Moreover, growing market concentration in the United States appears to occur primarily in industries with rapid technological change (Autor et al., 2017). Similarly, the increase in mark-ups has been particularly pronounced in digital-intensive services sectors, where technological change has been faster (Calligaris et al., 2018). Nevertheless, there is a risk that over time incumbent technological leaders attempt to reduce the threat of market entry through anti-competitive practices.

Productivity and wages in high-performing firms have diverged from the remaining firms, contributing to increasing wage dispersion across workers (Berlingieri et al., 2017) (Figure 2.4).[6] Such cross-firm productivity and wage divergence could partly reflect

Figure 2.4. **'The Great Divergence(s)' in wages and productivity**

90-10 percentile ratio



Note: The solid and dashed lines are based on the estimated year dummies of a regression of, respectively, log-productivity and wage dispersion across firms within country-sector pairs in the following countries: Australia, Austria, Belgium, Chile, Denmark, Finland, France, Hungary, Italy, Japan, the Netherlands, New Zealand, Norway, and Sweden. The dotted line is based on the year dummy estimates of a regression of the overall cross-worker wage dispersion from the OECD Earnings Distribution database within each country (Australia, Finland, France, Hungary, Italy, Japan, the Netherlands, New Zealand, Norway, and Sweden).

Source: Berlingieri G.,P. Blanchenay and C. Criscuolo (2017), "The Great Divergence(s)", *OECD Science, Technology and Industry Policy Papers*, No. 39, OECD Publishing, Paris.

StatLink http://dx.doi.org/10.1787/888933876233

6. The 90-10 percentile ratio of worker-level wages is highly correlated with the ratio of average wages to median wages, i.e. the measure of wage dispersion used in the aggregate analysis. This is consistent with a large body of evidence based on linked employer-employee data suggesting that between-firm wage divergence is a key explanation of wage divergence across individual workers, including for Brazil (Helpman et al., 2017), Denmark (Bagger et al., 2013), Germany (Baumgarten et al., 2016; Card et al.,2013; Goldschmidt and Schmieder, 2015), Italy (Card et al., 2014), Portugal (Card et al., 2016), Sweden (Skans et al., 2009), United Kingdom (Faggio et al., 2010) and the United States (Dunne et al., 2004; Barth et al., 2016; Song et al., 2015).

fundamental performance differences across firms that are passed on to wages because of rent sharing. Alternatively, it could reflect the sorting of high-wage workers into high-pay firms and low-wage workers into low-pay ones, which may in turn be related to increased outsourcing.

The drivers: Aggregate and disaggregated evidence

Technological change

Technology-driven declines in investment prices reduce the labour share (Schwellnus et al., 2018). On average across industries, a decline in investment prices relative to value-added prices of 9% – which is around the average decline in relative investment prices observed over the period 1995-2013 in the OECD – reduces the labour share by approximately 1.7 percentage points. This may be due to technological progress having become more labour displacing over time, with particularly large labour-displacing effects in the 2000s (Autor and Salomons, 2018). On the one hand, new technology extends the range of existing tasks that can be carried out by machines, thereby displacing workers and reducing the labour share. On the other hand, new technology also creates new tasks that cannot be carried out by machines (Acemoglu and Restrepo, 2018). As the nature of technological progress changes, the balance between labour displacement and task creation from new technologies may shift. In particular, information and communication technologies (ICT) may have shifted the balance towards labour displacement and facilitated the emergence of "superstar" firms with very low labour shares.[7]

Technological change also appears to contribute to rising wage inequality. With given endowments of low and high-skilled labour (whose stock can be adjusted only slowly over time), technological change can raise wage inequality if it complements high-skilled workers but substitutes for low-skilled workers. Consistent with this hypothesis, the ratio of R&D spending to GDP is positively associated with wage inequality at the aggregate level (De Serres and Schwellnus, 2018) and digitalisation is positively associated with higher wage dispersion between firms (Berlingieri et al., 2017).

Expansion of global value chains

Recent OECD analysis further suggests that global value chain expansion has compressed labour shares (Schwellnus et al., 2018). Indeed, an increase in global value chain participation of 10 percentage points of value added reduces the labour share by 1 percentage point. Given that the average increase in global value chain participation observed in the OECD over 1995-2013 was around 6 percentage points of value added, this

7. The result that technology-driven declines in relative investment prices reduce the labour share implies an elasticity of substitution between capital and labour above unity. Although Karabarbounis and Neiman (2014) obtain an elasticity of substitution in the range of 1.2-1.5 in a similar setup as the OECD studies summarised in this chapter, most estimates suggest an elasticity of substitution below one (Chirinko, 2008). The high elasticity of substitution implied by recent OECD studies could partly reflect the recent sample period as the elasticity of substitution between ICT capital that emerged in the 1990s and labour is significantly higher than for other capital goods and is well above unity (Tevlin and Whelan, 2003; Bakhshi et al., 2003).

suggests that on average across countries the expansion of global value chains reduced the labour share by 0.6 percentage points. With the caveat that global value chain expansion is unlikely to be independent of technological change (Bloom et al., 2016), quantitatively its effect appears to be only around a third of that from declines in relative investment prices.

Trade integration also appears to play a role in increased wage inequality. At the aggregate level, the ratio of median to average wages is negatively associated with value added imports, especially from China (De Serres and Schwellnus, 2018). This could reflect the fact that increased trade integration with China has reduced labour demand more among low-skilled workers than among high-skilled workers (Autor et al., 2015; Autor et al., 2016). Evidence from micro-aggregated data further suggests that between-firm wage dispersion increased in sectors that became more open to trade (Berlingieri et al., 2017).[8]

Overall, the empirical evidence based on a variety of data sources and methodologies consistently suggests that technological change and increased trade integration have contributed to the decoupling of median wages from productivity, both by lowering labour shares and raising wage inequality. This does not imply that technological change and increased trade integration harm workers, since a large body of evidence suggests that these developments raise aggregate productivity, including through efficiency-enhancing reallocation, reduce prices and expand the range of available products (Melitz and Redding, 2014; OECD, 2015). However, it raises the question of how public policies can contribute to the broader sharing of the productivity gains from technological change and increased trade integration.

The role of public policies and institutions

Public policies play a key role in ensuring that productivity gains from technological change and global value chain expansion are broadly shared with workers. Based on several recent OECD studies, a number of key findings emerge (Table 2.2).[9] In particular, enhancing and preserving workers' skills is crucial not only for raising productivity growth but also for promoting a broader sharing of productivity gains, both by supporting wages at the bottom of the wage distribution and raising labour shares. By contrast, a number of other policies that tend to raise productivity growth can have conflicting effects on labour shares and wage inequality, with the relative size of these effects likely to depend on initial policy settings.

8. This is in line with existing studies on the role of trade on wage inequality based on matched employer-employee data in individual countries, including Germany and Brazil (Baumgarten et al., 2016; Helpman et al., 2017).
9. Taxes may change the relative price of capital to labour and induce capital-labour substitution. However, recent OECD evidence does not provide clear-cut conclusions on the effects of social security taxes and corporate taxes on the labour share. This is consistent with recent IMF evidence that does not find any effect of corporate taxation on the labour share (IMF, 2017).

Table 2.2. **Drivers of decoupling**

Average effects across countries, based on recent OECD research

	Ratio of average wages to labour productivity	Ratio of median to average wages or ratio of bottom to top firm-level wages
	Labour share[1]	**Inverse measure of wage inequality**[2]
Technological change	↘	↘
Trade integration	↘	↘
High skills	↗	↗
Competition-friendly product market reform	↗	↘
Loosening of employment protection	↗	↘
Minimum wage reduction	↗	↘
Collective bargaining decentralisation	⊘	↘
ALMP spending increase	↗	?

Note: The arrows indicate average effects across countries, with country-specific effects likely depending on initial levels of structural and policy drivers. Downward-pointing arrows indicate decoupling of low-/middle-wages from productivity, in the sense of lower real wage growth of low-/middle-wage workers relative to productivity growth. Upward-pointing arrows denote the opposite effect, ⊘ indicate statistical insignificance and question marks indicate that drivers have not been subject to robust empirical analysis in the context of the studies reviewed in this chapter.

1. Based on Schwellnus et al. (2018) and Pak and Schwellnus (2018).
2. Based on De Serres and Schwellnus (2018) and Berlingieri, Blanchenay and Criscuolo (2017).

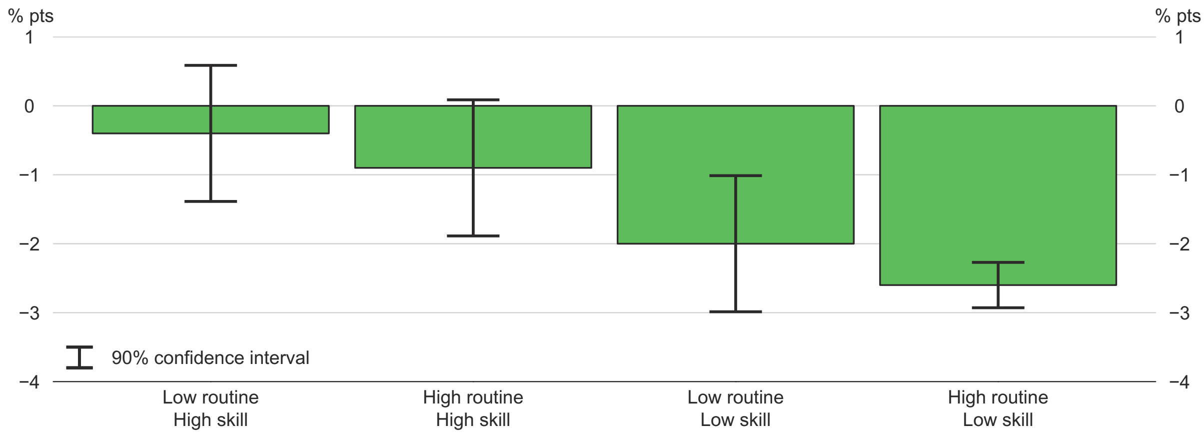
Source: Schwellnus, C., M.Pak, P.Pionnier and E.Crivellaro (2018), "Labour Share Developments Over the Past Two Decades: The Role of Technological Progress, Globalisation and 'Winner-Takes-Most' Dynamics", *OECD Economics Department Working Papers,* No 1503; Pak, M. and C. Schwellnus (2018), "Labour Share Developments Over the Past Two Decades: The Role of Public Policies", *OECD Economics Department Working Papers, forthcoming*; de Serres, A. and C. Schwellnus (2018), "A General Equilibrium (LM and PM reforms) Perspective to Inequality", in Astarita, C. and G. D'Adamo (eds.) "Inequality and Structural Reforms: Methodological Concerns and Lessons from Policy, Workshop Proceedings", *European Economy Discussion Papers* No. 71, European Commission, Brussels; Berlingieri, G., P. Blanchenay and C. Criscuolo (2017), "The Great Divergence(s) ", *OECD Science, Technology and Industry Policy Papers,* No. 39.

Labour share declines associated with relative investment price declines are lower in countries and industries with a high share of high-skilled workers (Figure 2.5). Even in a high-routine industry a decline in the relative investment price results in an only modest decline in the labour share if the industry employs a high share of workers with high numeracy or problem-solving skills (Schwellnus et al., 2018). This is likely due to the fact that skills are a key determinant of the substitutability of capital for labour, with higher skills typically found to reduce capital-labour substitutability (Krusell et al., 2000).

Competition-friendly product market policies do not only raise productivity but also support the transmission of productivity gains to average wages. The impact of competition-friendly product market reforms on the labour share is *a priori* ambiguous: while reductions in product market rents appropriated by capital owners tend to raise the labour share, reductions in regulatory barriers to investment could induce capital-labour substitution. However, the empirical results suggest that the upward effect on the labour share of competition-friendly product market reforms through a reduction in mark-ups outweighs the downward effect through capital-labour substitution, so that the labour share increases in response to such reforms.

Figure 2.5. **High skills reduce capital-labour substitution**

Change in the labour share in response to a 10% decrease in the relative investment price, percentage points



Note: Based on the industry-level result results for numeracy skills reported in Schwellnus et al. (2018).
Source: Schwellnus, C., M. Park, P. Pionnier and E. Crivellaro (2018), "Labour Share Developments Over the Past Two Decades: The Role of Technological Progress, Globalisation and "Winner-Takes-Most" Dynamics", *OECD Economic Department Working Papers*, No. 1503, OECD Publishing, Paris.

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While competition-friendly product market reforms may reduce rents appropriated by capital owners, they are also associated with an increase in between-firm wage dispersion (Berlingieri et al., 2017). This is consistent with previous studies suggesting that such reforms are associated with increases in wage inequality (Braconier and Ruiz-Valenzuela, 2014) and could reflect the fact that, prior to the reforms, workers at the bottom of the firm productivity and wage distribution are more likely to benefit from product market rents due to lack of competition than those at the top.

Labour market policies that strengthen the bargaining position of workers may raise wages, especially for lower-wage workers, but can have unintended side effects on the sharing of productivity gains. The strengthening of workers' bargaining positions tends to raise the labour share through higher wages, but in the medium term the increase in wages may lead to the substitution of capital for labour. If capital and labour are easily substitutable, the increase in labour productivity afforded by the increase in capital intensity may be larger than the initial increase in wages so that the labour share declines.

On average across countries, higher minimum wages and tighter employment protection tend to reduce the labour share in the medium term, but make the distribution of wages less unequal. In the medium term, capital-labour substitution in response to higher labour costs appears to more than offset the direct upward effects of higher wages on the labour share.[10] By contrast, higher minimum wages and tighter employment

10. In the short term, increases in minimum wages raise the labour share if the employment response is modest (Card and Krueger, 1994; Neumark et al., 2014), but in the medium term, which is the focus of the studies summarised in this chapter, the increase in minimum wages triggers capital-labour substitution (Lordan and Neumark, 2017). Based on a different country and time sample, Ciminelli et al. (2018) find that the direct positive effect of stricter employment protection on the labour share through higher wages more than offsets the negative effect through capital-labour substitution.

protection can reduce the decoupling of real median wage growth from productivity growth by reducing wage dispersion between firms (Berlingieri et al., 2017). The overall impact on decoupling from raising minimum wages or tightening employment protection is likely to depend on their initial levels. Where initial levels of minimum wages are low and employment protection for some workers is weak, adverse effects on the broad sharing of productivity gains from capital-labour substitution may be more than offset by reductions in wage inequality.

Strengthening workers' bargaining positions through reviewing collective bargaining institutions can promote the transmission of productivity gains to wages. On average across countries, some degree of centralisation of collective bargaining does not appear to reduce the labour share and may reduce between-firm wage dispersion (Berlingieri et al., 2017).[11] In contrast to minimum wages and employment protection rules which are often set at a single level across industries, centralised collective bargaining typically takes place at the industry level, which may allow workers to appropriate industry-specific rents with minimal impact on capital-labour substitution.

A downside of centralised collective bargaining is reduced flexibility in wage setting for individual firms, which may reduce long-run productivity growth. Indeed, the evidence suggests that more centralised bargaining is associated with a weaker link between productivity and wage dispersion, which could reduce workers' incentives to move to high-productivity firms (Berlingieri et al., 2017). Balancing the beneficial effects of more centralised collective bargaining on the sharing of productivity gains with possibly detrimental effects on long-run productivity growth will require combining centralised industry-level bargaining with some elements of decentralisation, for instance by providing the possibility of controlled opt-outs or allowing explicitly for further adaptation at the firm or individual levels (Carluccio et al., 2015; OECD, 2018).

Promoting the re-employment of workers who lose their jobs through active labour market policies can raise the labour share and support the transmission of productivity gains to wages. Recent OECD analysis suggests that active labour market policies that provide job search assistance to workers with relevant skills and provide training opportunities and work-experience programmes for the least employable promote the transmission of technology- and globalisation-driven productivity gains to wages (Schwellnus et al., 2018).

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11. The result that the centralisation of collective bargaining reduces wage inequality is consistent with evidence from other studies suggesting that it weakens the bargaining position of high-skilled workers (Dahl et al., 2013; Leonardi et al., 2015).

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Chapter 3

DEVELOPMENTS IN INDIVIDUAL OECD AND SELECTED NON-MEMBER ECONOMIES

ARGENTINA

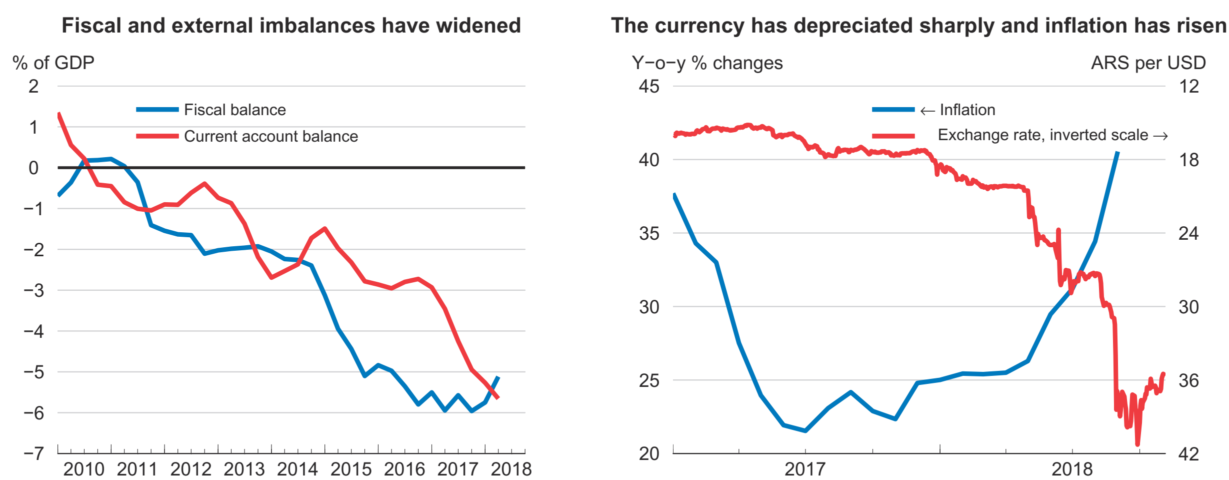
A combination of massive fiscal and monetary tightening will keep the economy in recession during 2018 and 2019. Private consumption and investment will remain depressed due to lower real incomes and high interest rates, and unemployment will rise. However, a better harvest and a lower real exchange rate will support stronger exports.

In the wake of the crisis, Argentina adopted a large IMF programme. Faster fiscal consolidation and tight monetary policy will be a drag on growth in the short run, but are needed to reduce persistent fiscal and current account imbalances. This, and the planned greater independence of the central bank, if implemented, will help to restore confidence. Envisaged increases in social transfers would cushion the social impact of the recession. In the longer term, reforms in taxes, competition and administrative procedures will strengthen productivity. Tariffs have fallen in a few sectors, but more is needed to foster integration into the global economy. Reducing barriers to entrepreneurship is also essential.

The economy is in recession

Against the background of significant vulnerabilities related to persistent imbalances and high foreign-currency debt, a capital flight and a currency run that began in April intensified during August, causing the peso to lose around half of its value this year. As risk premiums rose, financing the large twin deficits became difficult, triggering a large fiscal contraction and recourse to a large IMF programme. Rising interest rates in response to the currency run, as well as faltering confidence, have led to a contraction of investment. A spike in inflation, lower real wages and rising unemployment are depressing domestic demand and growth further. An exceptional drought in 2018 reduced exports, exacerbating the large current account deficit.

Argentina



Source: INDEC; Ministry of Economy; CEIC; and Thomson Reuters.

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Argentina: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices ARS billion	Percentage changes, volume (2004 prices)				
GDP at market prices	5 954.5	-1.8	2.9	-2.8	-1.9	2.3
Private consumption	3 924.4	-1.0	3.5	0.1	-2.1	2.0
Government consumption	1 077.7	0.3	2.2	-2.0	-3.2	-2.5
Gross fixed capital formation	926.8	-4.9	11.0	-3.4	-11.1	4.0
Final domestic demand	5 928.8	-1.4	4.3	-0.8	-3.6	1.4
Stockbuilding[1]	89.7	0.2	1.8	-0.9	-0.2	0.0
Total domestic demand	6 018.5	-1.3	6.3	-2.0	-4.1	1.6
Exports of goods and services	637.5	5.3	0.4	-2.9	9.3	8.3
Imports of goods and services	701.5	5.7	15.0	0.3	-2.7	4.2
Net exports[1]	- 64.0	-0.1	-2.0	-0.4	1.7	0.7
Memorandum items						
GDP deflator	_	40.1	25.3	31.3	17.5	14.7
Current account balance (% of GDP)	_	-2.7	-4.9	-5.0	-2.9	-2.3

1. Contributions to changes in real GDP, actual amount in the first column.
Source: OECD Economic Outlook 104 database.

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Fiscal and monetary policies are aimed at reducing imbalances and restoring confidence

To fight persistently high inflation, in September the central bank committed to cut growth of the monetary base sharply, from 44% to 0%, and to freeze the base in nominal terms until June 2019. Financing constraints and the sharp rise in the public debt burden required revised fiscal targets, which now aim at a balanced primary budget in 2019 and a primary surplus of 1% of GDP in 2020. This is equivalent to a cumulative fiscal tightening of almost 4% of GDP in 2019-2020. Tight macroeconomic policies will depress domestic demand in the short run, but are necessary to restore confidence and reduce imbalances over time. The continued commitment to a floating exchange rate, with interventions limited to cases of extreme volatility, should preserve the more competitive exchange rate and support stronger export performance.

Structural reforms are key for stronger and more inclusive growth

Significant progress has been made in undertaking structural reforms, but more is needed to improve productivity, boost exports and raise growth. Competition remains weak in many sectors, owing to domestic restrictions on firm entry and high import barriers. Lower consumer prices resulting from stronger domestic and foreign competition would improve household purchasing power, especially among low-income households. Better access to intermediate inputs would raise productivity and competitiveness, allowing firms to create better-paying jobs. Lowering barriers to entrepreneurship would also strengthen productivity and job creation. Improving access to quality education and training would help workers prepare for these new opportunities, while more effective unemployment insurance could provide income support for workers as jobs move across firms or sectors. Development of capital markets would diversify sources of funding for investment and public debt.

Emerging from the recession will take time

GDP is projected to continue to fall in 2019 and unemployment will rise until 2020. Exports will lead the recovery, but domestic demand will take longer to recover from tight monetary and fiscal policies. Using the fiscal space foreseen in the IMF agreement to spend more on well-targeted social benefits would mitigate the likely increase in unemployment and poverty. Inflation and the current account deficit are projected to decline. Once completed, the adjustment process will leave the economy with more solid macroeconomic fundamentals and reduced vulnerabilities.

The projection is subject to large downside risks. Domestic demand could contract more than projected, given the large size of the needed macroeconomic policy adjustment. Rising unemployment and a deterioration of social indicators could undermine political support for the adjustment. At the same time, fiscal slippage could cause a further loss in confidence. As 70% of public debt is denominated in foreign currency, the depreciation has raised its domestic currency value relative to GDP. While the currency has been stable in recent weeks, further depreciations cannot be ruled out and would add to public debt risks.

AUSTRALIA

Robust economic growth is set to continue. New capacity coming on stream in the resource sector will support exports and business investment will pick up. Growth of wages and prices will rise gradually, while the unemployment rate will edge lower. Output growth will moderate slightly in 2020 as capacity constraints tighten, export-market growth slows and households become less willing to draw down savings to fuel consumption.

Monetary policy tightening will be required as the pick-up in wages and prices gathers pace. Risks from the housing market and high household indebtedness warrant continued vigilance. The government is projected to reach a budget surplus in 2019, giving sufficient room to support activity and protect the incomes of vulnerable groups in the event of an unexpected downturn.

Domestic and external demand underpin growth

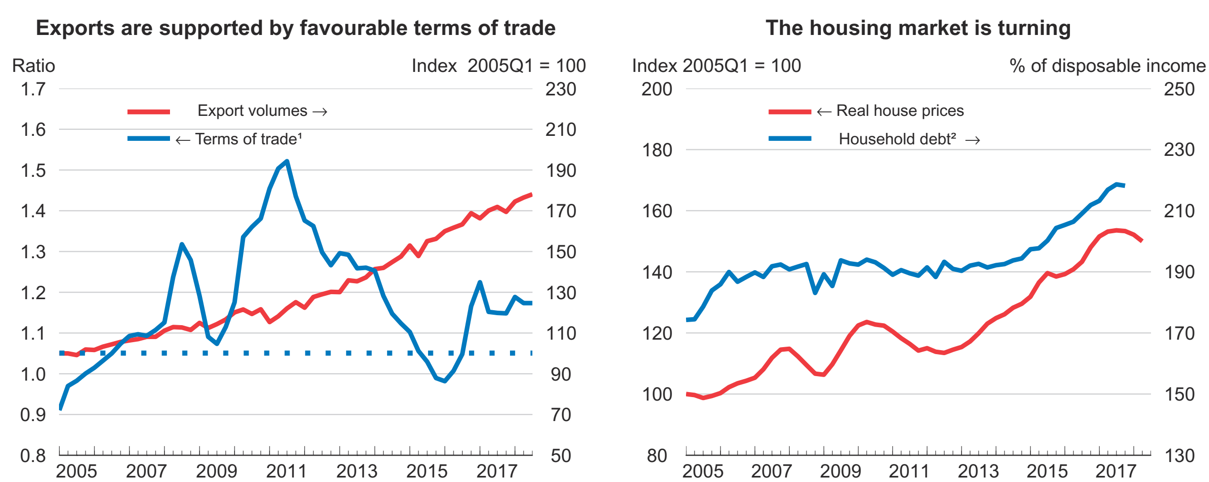
Favourable terms of trade and additional resource exports are supporting the economy. The drag from falling mining investment is coming to end, while other forms of business investment are picking up, partly fuelled by public infrastructure investment. Rising employment is boosting incomes and consumption.

The unemployment rate has reached its lowest level in five years and labour participation has risen to levels last seen during the mining investment boom. Nevertheless, under-employment measures indicate that a significant share of part-time workers would like to work longer hours, suggesting remaining labour market slack. Wage rates have not picked up significantly, and inflation has remained subdued.

Policy support for demand can be withdrawn gradually

Monetary policy remains supportive: the policy rate has been unchanged at 1.5% for more than two years. Withdrawal of stimulus will begin in the coming two years as wage

Australia



1. Terms of trade is the ratio between export and import prices. The dotted line represents the 20-year average of the terms of trade.
2. Household liabilities as percentage of net household disposable income.
Source: OECD Economic Outlook 104 database; and OECD Analytical House Price database.

StatLink http://dx.doi.org/10.1787/888933876309

Australia: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices AUD billion	Percentage changes, volume (2015/2016 prices)				
GDP at market prices	1 638.1	2.6	2.2	3.1	2.9	2.6
Private consumption	949.3	2.9	2.7	2.5	2.1	1.7
Government consumption	300.7	4.1	3.7	4.4	3.2	2.8
Gross fixed capital formation	420.7	-2.2	3.4	3.4	4.0	2.9
Final domestic demand	1 670.6	1.8	3.1	3.1	2.8	2.2
Stockbuilding[1]	4.8	0.1	-0.1	0.0	0.0	0.0
Total domestic demand	1 675.4	1.9	3.0	3.1	2.7	2.2
Exports of goods and services	323.1	6.8	3.7	4.6	4.1	3.8
Imports of goods and services	360.4	0.5	7.8	5.6	6.1	4.9
Net exports[1]	- 37.3	1.2	-0.9	-0.2	-0.4	-0.2
Memorandum items						
GDP deflator	_	1.2	3.4	1.5	1.1	1.4
Consumer price index	_	1.3	2.0	2.0	2.1	2.4
Core inflation index[2]	_	1.5	1.7	1.6	2.0	2.4
Unemployment rate (% of labour force)	_	5.7	5.6	5.4	5.3	5.1
Household saving ratio, net (% of disposable income)	_	4.9	2.8	2.2	2.2	2.1
General government financial balance (% of GDP)	_	-1.5	-0.6	-0.1	0.2	0.5
General government gross debt (% of GDP)	_	42.7	43.6	42.0	39.8	39.8
Current account balance (% of GDP)	_	-3.3	-2.6	-2.9	-3.3	-3.4

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877430

and price growth pick up further and as continued output growth tightens the labour market.

House prices have started to decline and housing credit growth has eased, but household indebtedness remains high. Regulators have taken steps to limit the growth of investor lending and have discouraged loans with high loan-to-value ratios. The banking sector is well capitalised and indicators of household financial stress are low, although some areas – mining regions in particular – remain a concern. Given the potential financial and macroeconomic risks, supervisors should remain vigilant.

The government debt-to-GDP ratio has risen in recent years, but remains relatively low. Furthermore, it is projected to start falling given the federal government's commitment for a deficit reduction of around ½ percentage point of GDP per year over the four-year budget horizon. Budget plans envisage reductions in personal taxation over the short and medium term being financed with strong revenues from economic growth, as well as expenditure control and measures to combat tax avoidance and evasion. Efforts to reduce fiscal imbalances are important. However, the priority on combatting socio-economic exclusion, for instance through education reform and improved support for job seekers, should be maintained.

Growth will remain robust

Economic growth is projected to continue at a robust pace, with a slight moderation in 2020 due to slowing global growth and capacity constraints. Exports and investment will support growth. Household consumption growth will slow, as households become less willing to draw down savings amid falling house prices and tightening financial conditions. Drought in the farming sector will likely have a modest negative effect on growth. Inflation will pick up only gradually and the unemployment rate will fall further. Global commodity markets remain an important source of income gains and growth, but also of uncertainty and risk, particularly through exposure to any slowdown and rebalancing in China. High indebtedness of households remains a risk. Unexpectedly large corrections in house prices could reduce household wealth and consumption, and impact the construction sector.

AUSTRIA

Economic growth is projected to remain solid, but will slow in 2019 and 2020. A deterioration in the external environment will damp export and investment growth. Solid employment growth is fostering wage and private consumption growth. Inflation remains moderate.

Robust economic growth, a low interest rate environment and efforts to constrain government spending have helped to reduce public deficits. Nevertheless, further measures, including addressing inefficiencies in education, health care and public administration would help to address the costs of an ageing society and free up funds to better reconcile work and family life.

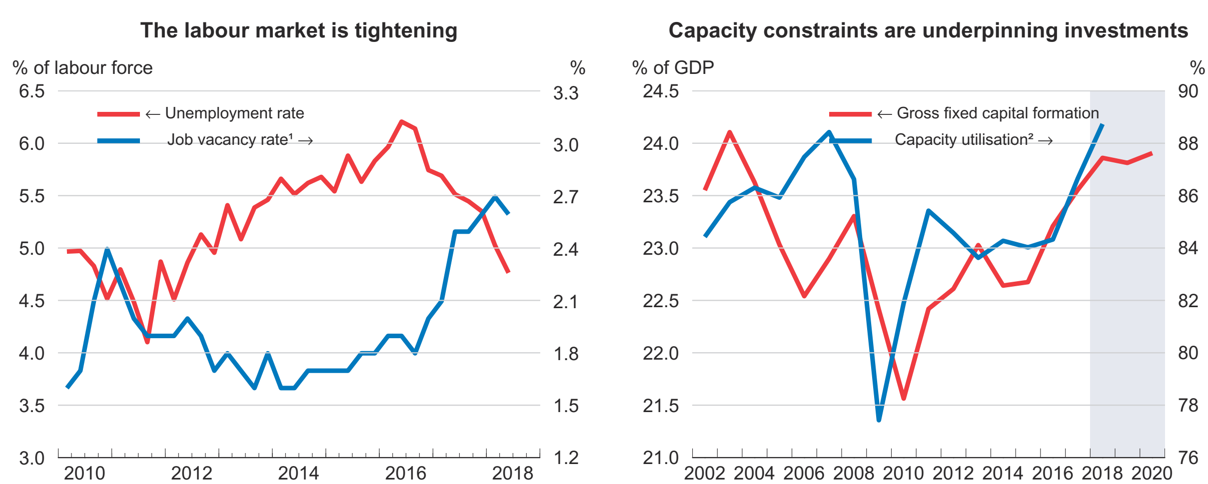
Robust internal and external demand underlie broad-based economic growth

A broad-based combination of internal and external drivers continues to support economic growth. Strong demand and capacity constraints on current production facilities are favouring the expansion of business investment, although skill shortages and regulatory barriers may hold back scope for productivity gains. Further reductions in the unemployment rate and high levels of job vacancies are contributing to wage growth and robust private consumption, although an inflow of foreign labour, rising participation rates of women and the elderly, and collective wage bargaining are helping to moderate the impact of the tightness of the labour market.

Structural reforms are key for greater inclusiveness and stronger long-term growth

The fiscal stance is broadly neutral with revenue growth only slightly outpacing spending increases. With a budget close to balance and low interest rates, the government debt-to-GDP ratio is falling at a steady pace. The tax burden on labour remains high relative to comparable countries, although the reform of the tax system in 2016 has helped to stimulate private consumption by reducing personal income taxation.

Austria



1. Agriculture, activities of households as employers and activities of extraterritorial organisations are excluded.
2. Current capacity level of utilisation in manufacturing industry.

Source: OECD Economic Outlook 104 database; and Eurostat.

StatLink http://dx.doi.org/10.1787/888933876328

Austria: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices*	344.3	2.0	2.7	2.6	1.9	1.9
Private consumption	181.2	1.5	1.6	1.8	1.6	1.5
Government consumption	68.0	1.7	1.5	0.9	0.6	0.5
Gross fixed capital formation	78.1	4.4	3.9	3.4	2.0	2.0
Final domestic demand	327.3	2.2	2.1	2.0	1.5	1.4
Stockbuilding[1]	3.6	-0.2	0.5	-0.1	-0.1	0.0
Total domestic demand	331.0	2.0	2.6	1.9	1.4	1.4
Exports of goods and services	182.8	2.9	4.9	3.9	3.2	3.2
Imports of goods and services	169.5	3.1	5.1	2.3	2.1	2.4
Net exports[1]	13.4	0.0	0.1	0.9	0.7	0.5
Memorandum items						
GDP deflator	_	1.4	1.2	1.6	1.9	2.2
Harmonised index of consumer prices	_	1.0	2.2	2.1	2.1	2.0
Harmonised index of core inflation[2]	_	1.6	2.1	1.8	1.9	1.9
Unemployment rate (% of labour force)	_	6.0	5.5	4.8	4.5	4.5
Household saving ratio, net (% of disposable income)	_	7.8	6.8	5.6	5.0	5.0
General government financial balance (% of GDP)	_	-1.6	-0.8	-0.1	0.3	0.6
General government gross debt (% of GDP)	_	106.1	99.4	97.3	95.1	92.6
General government debt, Maastricht definition (% of GDP)	_	83.0	78.2	76.1	73.9	71.4
Current account balance (% of GDP)	_	2.5	1.9	2.2	2.4	2.8

* Based on seasonal and working-day adjusted quarterly data; may differ from official non-working-day adjusted annual data.

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877449

Impediments to full-time female employment remain high and contribute to women leaving, fully or partially, the workforce after the arrival of the first child. Addressing spending inefficiencies would help to provide funds to improve access to full-day child-care facilities and schooling. Policymakers should further consider tackling fiscal incentives to part-time work in order to raise the labour force participation of women from its current relatively low level. Productivity would benefit from strengthened competition in professions that provide services and a faster transition to digitalisation.

Economic activity is set to be less dynamic

Following the broad-based upswing in 2018, economic growth is projected to revert towards the potential growth rate of around 2% in 2019 and 2020. This reflects capacity constraints holding back production and a weaker external environment. Private consumption will remain solid. Inflation is set to slow to 2% over the coming two years. Uncertainties surrounding global trade, the euro area and Brexit could further damp exports and investment. Private consumption could surprise on the upside if the current positive sentiment persists and strong competitiveness could lead to higher-than-expected export growth.

BELGIUM

Economic growth slowed in 2018 and is projected to remain at around 1½ per cent in 2019 and 2020. Domestic demand will be the main driver of growth. Government investment will be strong in 2020, and private investment will also support growth in the coming two years. Underlying price inflation will pick up gradually due to increasing wage growth in a tight labour market.

Public debt is projected to decline throughout the projection period, despite some loosening of fiscal policy due to a reduction of taxes. Raising skills and work opportunities for disadvantaged groups would make growth more inclusive. To make growth greener, transport infrastructure should be improved and congestion charges extended, while productivity would be enhanced by reducing barriers to firm entry and exit.

Growth has weakened

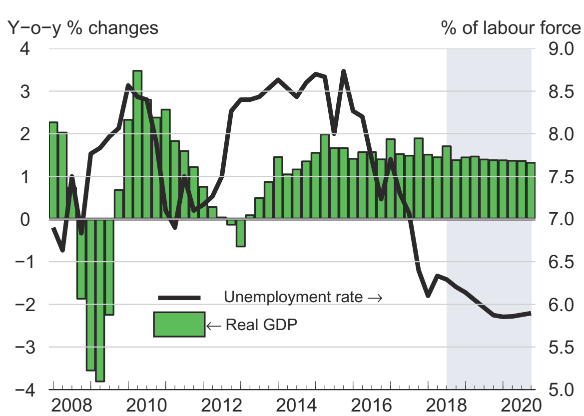
Economic growth has weakened as private consumption growth has decreased, despite continued employment growth supported by labour tax cuts. Consumer and business confidence have weakened somewhat in recent months but remain above average. Government investment has increased and business investment is strengthening. Exports show signs of recovering somewhat after a weak start to 2018. Inflation increased during 2018 reflecting sharp price rises for energy products. Wage growth has increased, outpacing underlying inflation, notwithstanding recent reforms of the wage setting system designed to allow the framework to better take into account international cost competitiveness.

Inclusiveness and productivity could be enhanced

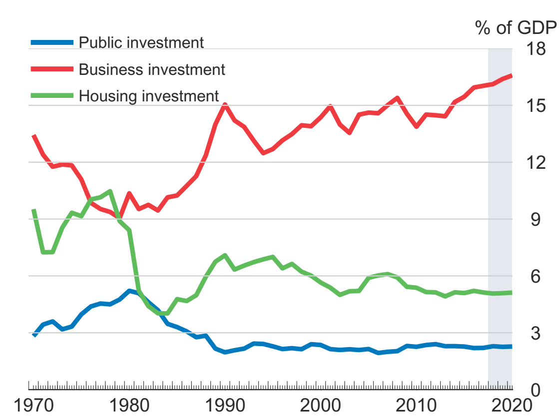
The budget deficit will rise in the coming two years, reaching 1.4% of GDP in 2020. As public debt is high, it is important that the government adheres to its medium-term fiscal targets to ensure a steady reduction of the debt-to-GDP ratio. Public investment, which has

Belgium

GDP growth has weakened but the unemployment rate will remain low



Public investment remains relatively low



Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876347

Belgium: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2016 prices)				
GDP at market prices	411.0	1.5	1.7	1.5	1.4	1.4
Private consumption	210.0	1.7	1.1	1.1	1.6	1.7
Government consumption	98.1	-0.2	0.6	1.0	1.0	0.8
Gross fixed capital formation	95.0	3.8	1.8	2.0	2.5	2.4
Final domestic demand	403.1	1.7	1.1	1.3	1.7	1.7
Stockbuilding[1]	2.1	0.3	0.0	-0.4	-0.1	0.0
Total domestic demand	405.1	2.0	1.1	0.9	1.6	1.6
Exports of goods and services	332.1	7.6	5.0	3.4	3.3	3.2
Imports of goods and services	326.2	8.5	4.3	2.8	3.5	3.5
Net exports[1]	5.9	-0.5	0.6	0.6	-0.2	-0.3
Memorandum items						
GDP deflator	_	1.8	1.7	1.6	2.3	2.0
Harmonised index of consumer prices	_	1.8	2.2	2.3	2.2	2.0
Harmonised index of core inflation[2]	_	1.8	1.5	1.3	1.8	1.9
Unemployment rate (% of labour force)	_	7.9	7.1	6.2	6.0	5.9
Household saving ratio, net (% of disposable income)	_	3.9	4.0	4.4	4.4	4.4
General government financial balance (% of GDP)	_	-2.4	-0.9	-1.0	-1.3	-1.4
General government gross debt (% of GDP)	_	128.5	121.9	120.2	118.3	116.9
General government debt, Maastricht definition (% of GDP)	_	106.1	103.4	101.6	99.8	98.4
Current account balance (% of GDP)	_	-0.6	0.7	-0.4	-0.8	-0.9

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877468

been low for several decades, should be increased to boost productivity growth. To ensure fiscal sustainability, this investment should be financed through reductions in inefficient public spending, higher user fees or through tapping private sources of finance.

Improving transport infrastructure around major urban areas, extending congestion charges and amending the favourable tax treatment of company cars would make growth greener. To make growth more inclusive, the skills and labour market performance of immigrant, low-skilled and older workers should be enhanced. Further reducing labour taxes, especially for low-skilled workers would help, as the tax wedge on labour earnings remains one of the highest in Europe. Further engaging social partners in firm-level diversity plans, including in the public sector where the share of immigrant employees is low, would facilitate the increased employment of immigrants in particular.

Productivity would benefit from increased competition, innovation and business dynamism. Regulatory barriers to firm entry and exit should be reduced and the insolvency regime reformed. Ensuring that appropriate financing tools are available for the scaling up of young, innovative firms and further streamlining public support for R&D and innovation are of particular importance. The regulation of retail services should also be eased, and a single regulator for each network industry established.

Growth is projected to stabilise

GDP growth is projected to remain at around 1½ per cent in 2019 and 2020. Private consumption will be an important driver of growth, supported by past and announced additional reductions in labour taxation. Private investment will remain robust over the projection period, supported by favourable financing conditions and high levels of profitability. Government investment will contribute to economic activity in 2020 with the launch of some major public investment projects. Employment growth is projected to continue, leading to further declines in the unemployment rate to 5.9% in 2020.

Economic growth could be weaker if private consumption growth is lower than expected. On the upside, business investment could be stronger than expected, if the tight labour market leads to more labour-saving investment than projected.

BRAZIL

Growth will gain momentum during 2019 and 2020 as private consumption, supported by improvements in the labour market, will increase. Recovering credit and greater policy certainty as a new administration takes office will buttress the recovery. Political uncertainty around the implementation of reforms remains significant and could derail the recovery, but if uncertainty fades and reforms advance as assumed, investment will become stronger.

Monetary policy is projected to tighten during 2019 as the economy gathers momentum. Without a major expenditure reduction, the sustainability of the fiscal accounts remains at risk, especially due to rising pension spending. Building a political consensus for a pension reform will be an important challenge for the incoming administration. Maintaining strong growth will require further efforts to strengthen productivity, including closer integration into the global economy.

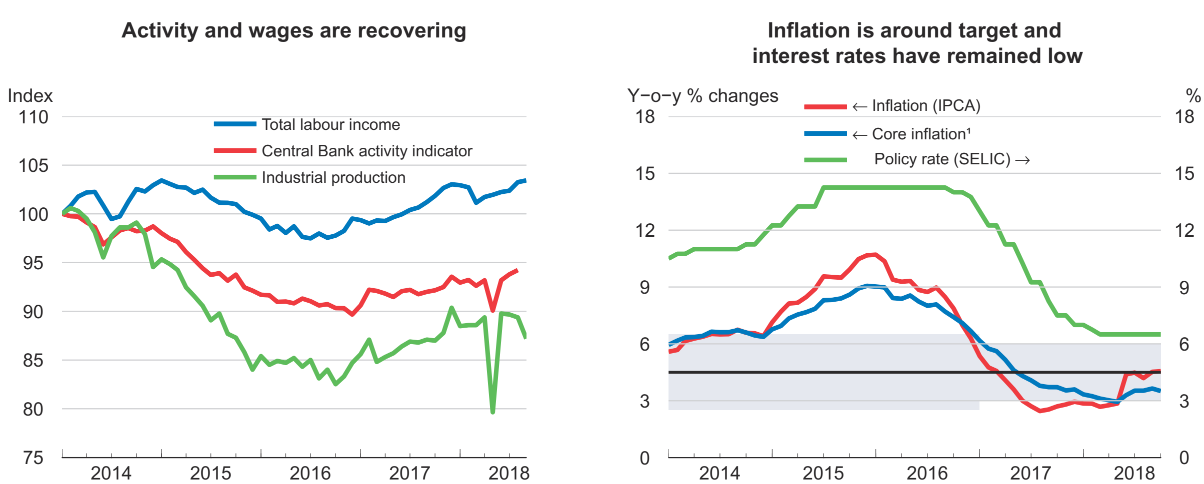
After a temporary setback from a transport strike, the expansion continues

After a temporary strike-related setback, growth momentum appears to be strengthening, supported by recovering credit flows. A repricing of risks in international capital markets has led to capital outflows and a depreciation of the currency, but low foreign debt exposure has limited the impact on the domestic economy. Inflation and core inflation are below target and interest rates have remained low, supporting household spending. Moderate wage growth and improvements in labour markets, though gradual, are adding to private consumption. However, the composition of jobs created has been of low quality so far, with a disproportionate number of jobs created in the informal sector.

Improving the quality of the public finances remains a priority

Gross public debt has risen to 77% of GDP and the primary balance of -1.2% of GDP remains significantly below the estimated +2% required to stabilise public debt.

Brazil



1. Core inflation is defined as the average of the three core inflation measures published by the Central Bank of Brazil.
Source: Central Bank of Brazil; IBGE; and OECD Economic Outlook 104 database.

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Brazil: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices BRL billion	Percentage changes, volume (2000 prices)				
GDP at market prices	5 995.8	-3.4	1.0	1.2	2.1	2.4
Private consumption	3 835.2	-4.4	0.9	1.7	1.8	2.5
Government consumption	1 185.8	0.0	-0.6	0.2	1.1	1.0
Gross fixed capital formation	1 069.4	-10.4	-1.9	4.0	4.9	3.7
Final domestic demand	6 090.4	-4.6	0.2	1.7	2.2	2.4
Stockbuilding[1]	- 25.4	-0.4	0.8	0.2	0.2	0.0
Total domestic demand	6 064.9	-5.0	1.1	2.0	2.4	2.4
Exports of goods and services	773.5	1.7	5.7	-0.3	3.7	4.1
Imports of goods and services	842.6	-10.1	5.5	6.2	5.4	4.0
Net exports[1]	- 69.1	1.6	0.0	-0.8	-0.2	0.0
Memorandum items						
GDP deflator	_	8.1	3.7	3.3	4.4	4.5
Consumer price index	_	8.7	3.4	3.8	4.6	4.3
Private consumption deflator	_	9.2	2.9	3.0	4.9	4.7
General government financial balance (% of GDP)	_	-9.0	-7.8	-7.3	-6.5	-6.1
Current account balance (% of GDP)	_	-1.3	-0.5	-1.2	-1.8	-1.8

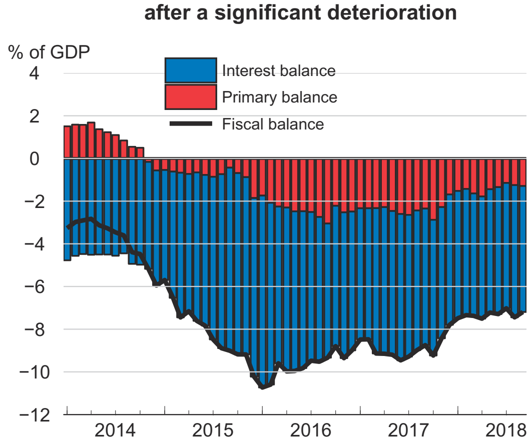
1. Contributions to changes in real GDP, actual amount in the first column.
Source: OECD Economic Outlook 104 database.

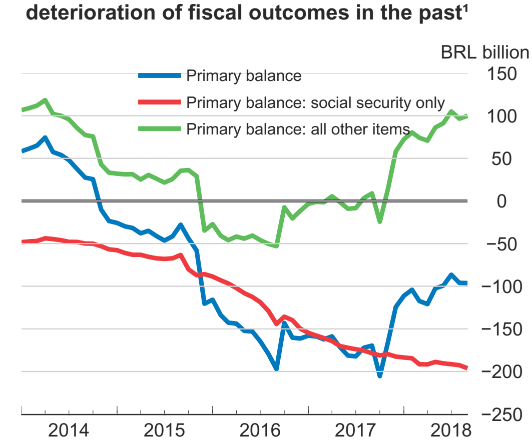
StatLink http://dx.doi.org/10.1787/888933877487

The deterioration of the fiscal accounts over the past years is mainly due to rising social security expenditures and this trend is likely to continue without a reform of social benefits, most notably old-age pensions.

A pension reform remains the key priority to ensure a stabilisation of public debt over the medium term and maintain investor confidence in sound public finances and

Brazil





1. Accumulated over 12 months.
Source: Central Bank of Brazil; and National Treasury.

StatLink http://dx.doi.org/10.1787/888933876385

management of the economy. Increases in pension spending have left fewer resources for social benefits to fight inequality and poverty, which is concentrated among children and youth. The minimum wage serves as a floor for all pension benefits and has increased rapidly over the past years. As a result, rising pension benefits have benefitted mostly middle-class households, while highly effective transfers to poor households have stagnated. Limiting future increases in pension benefits could finance more social transfers to the most needy, while putting fiscal accounts on a more sustainable path.

Raising participation thresholds in the conditional cash transfer programme *Bolsa Família*, which costs only 0.5% of GDP, would also strengthen incentives for school attendance and medical check-ups, thus reducing inequalities with respect to education and health. Efforts to reduce tax expenditures and credit subsidies for private sector enterprises, which have created fertile grounds for corruption without generating any discernible benefits for either well-being or productivity, should continue.

Policies designed in response to the recent trucker strike included lower taxes on diesel fuel and price regulations in cargo transportation services. These measures should eventually be rolled back as they have undermined fiscal consolidation efforts, curtailed competition and hurt export competitiveness by raising input prices for many other sectors. Diesel fuel was already taxed less than petrol, while environmental considerations would suggest the contrary. As the CO_2 intensity of the economy has increased recently, fossil fuel taxes should be raised rather than reduced. Moreover, the poor are most exposed to the negative health effects from air pollution.

Productivity growth will be the main engine of growth in the longer term. Strengthening it will require more competition in many sectors to allow labour and capital to move to activities with strong potential. Closer integration into the global economy would raise efficiency by exposing more firms to foreign competition and improving access to lower cost intermediate and capital goods. Efficiency would also be enhanced by reducing domestic barriers to entry and implementing policies to reduce costs, such as easing tax compliance or improving contract enforcement. A substantial overhaul of the fragmented indirect tax system, with a view towards a unified value added tax, could raise the competitiveness of firms across the country.

Growth is projected to rise

Growth is projected to increase during 2019 and 2020 as low inflation, moderate wage growth and falling unemployment support stronger private consumption and reform progress stimulates investment. As business confidence improves, unemployment is projected to continue to decline, including through the creation of more jobs in the formal sector.

Risks are mainly related to the implementation of reforms. The fragmented political landscape will make it difficult to create political consensus for key reforms, including a pension reform, without which public debt is set to rise. While Brazil's external vulnerabilities are limited due to a low current account deficit and a low share of public debt denominated in foreign currency, spill-overs from a deterioration of the situation in Argentina are conceivable. Argentina accounts for around 7% of Brazil's exports, but is a key destination for industrial exports. The possibility of rising trade tensions also bears risks for Brazil, as China and the United States are Brazil's two major trading partners.

CANADA

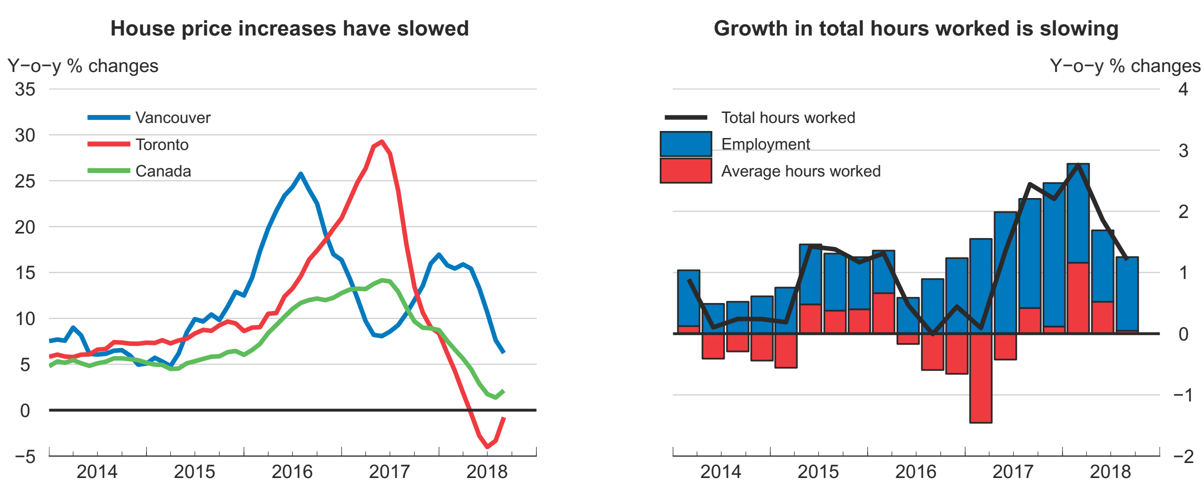
Growth is on course to moderate to slightly below 2% by 2020, with consumption slowing in response to smaller increases in housing wealth, and employment and exports moderating as US growth declines. Unemployment is projected to remain near record lows and inflation to edge up to slightly over 2%.

The Bank of Canada is projected to continue withdrawing monetary stimulus to stabilise inflation around the mid-point of its 1-3% medium-term target band. While fiscal policy is projected to remain neutral, reducing the structural budget deficit would ease the burden on monetary policy and create more room to support the economy in the event of an unexpected downturn. Macro-prudential policies have been tightened and housing markets are stabilising. The government should monitor the effects of recent tightening, especially the prevalence of highly indebted borrowers, and act if it does not decline significantly.

Economic growth remains solid

Economic growth remains strong, even after looking through the rebound from temporary factors (an anticipated adjustment in automobile production and the outage of an oil and gas pipeline) that depressed growth in late 2017. However, its composition is changing. Consumption and residential investment are slowing in response to declining house price gains and rising interest rates. Exports and business investment, in contrast, are strengthening owing to buoyant export markets and growing capacity constraints, respectively. The recently agreed United States-Mexico-Canada Agreement (USMCA) to replace NAFTA reduces uncertainty about access to the US market, which had been weighing on the export and business investment outlook. The legalisation of cannabis in October 2018 has resulted in cannabis activity being included in official economic statistics, increasing the level of real GDP by 0.2 percentage point in 2019; this effect will disappear once GDP is revised to include such activity in earlier periods.

Canada



Source: Teranet and National Bank of Canada, House Price Index; and Statistics Canada.

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Canada: **Demand, output and prices**

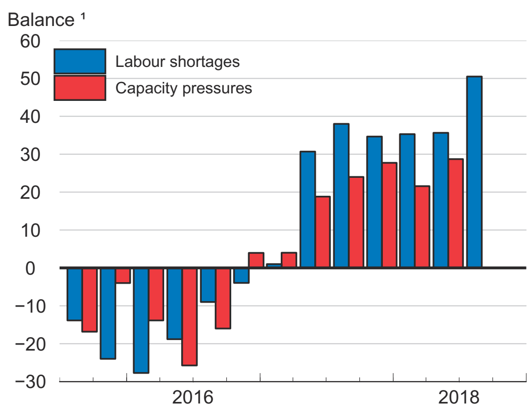
	2015	2016	2017	2018	2019	2020
	Current prices CAD billion	Percentage changes, volume (2007 prices)				
GDP at market prices	1 994.9	1.4	3.0	2.1	2.2	1.9
Private consumption	1 146.2	2.3	3.4	2.3	2.3	1.8
Government consumption	417.0	2.2	2.3	2.4	1.4	1.2
Gross fixed capital formation	476.0	-3.0	2.8	3.8	2.5	2.4
Final domestic demand	2 039.2	1.1	3.0	2.6	2.2	1.8
Stockbuilding[1]	5.0	-0.2	0.8	0.0	0.0	0.0
Total domestic demand	2 044.2	0.8	3.8	2.6	2.1	1.8
Exports of goods and services	629.0	1.0	1.1	2.6	3.4	3.4
Imports of goods and services	678.3	-1.0	3.6	4.2	3.2	3.1
Net exports[1]	- 49.3	0.7	-0.9	-0.6	0.0	0.0
Memorandum items						
GDP deflator	_	0.6	2.3	2.0	2.0	2.1
Consumer price index	_	1.4	1.6	2.3	2.1	2.1
Core consumer price index[2]	_	1.9	1.6	1.9	2.0	2.1
Unemployment rate (% of labour force)	_	7.0	6.3	5.9	5.8	5.8
Household saving ratio, net (% of disposable income)	_	3.4	3.7	3.4	3.1	3.2
General government financial balance (% of GDP)	_	-1.1	-1.1	-0.9	-0.5	-0.4
General government gross debt (% of GDP)	_	97.8	93.8	93.0	92.6	92.1
Current account balance (% of GDP)	_	-3.2	-2.9	-3.1	-3.0	-2.9

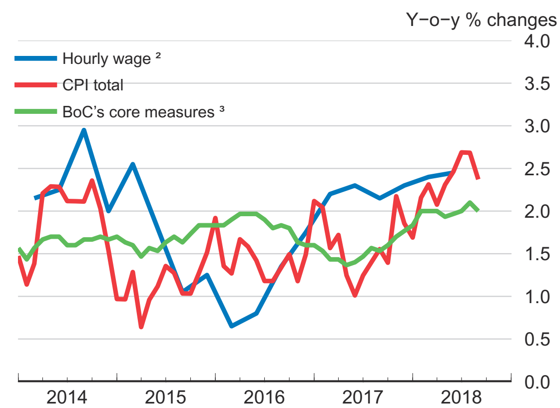
1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877506

Canada





1. Percentage of firms reporting more intense capacity pressures (or labour shortages) minus the percentage of firms reporting less, compared with 12 months ago.
2. Median of hourly wage growth measures from the Labour Force Survey, National Accounts, Productivity Accounts, and Survey of Employment, Payrolls and Hours.
3. Average of the Bank of Canada's three preferred core inflation measures (CPI-trim, median and common).

Source: Bank of Canada (2018), Business Outlook Survey; Bank of Canada (2018), Monetary Policy Report, July; and Statistics Canada, Tables 18-10-0006-01 and 18-10-0256-01.

StatLink http://dx.doi.org/10.1787/888933876423

Employment growth is slowing and the unemployment rate has fallen to less than 6%, near a 40-year low. Hourly wage growth is rising and will receive a further boost from increases in provincial minimum wages over the next few years. Consumer price inflation has increased to above the midpoint of the Bank's 1-3% annual medium-term target band, boosted by rising energy prices. The average of the Bank's preferred underlying inflation measures has edged up to 2.0%. Inflation expectations remain well anchored, with almost all firms expecting inflation to fall within the target band over the next two years, albeit with most seeing inflation in the upper half of the band.

Macroeconomic policies are becoming less accommodative

Monetary policy stimulus has been withdrawn gradually since mid-2017. With core inflation already at the mid-point of the target band and excess capacity being absorbed, further rate increases will be needed to stabilise the inflation rate close to the midpoint of the band over the medium term. The OECD projects additional official rate increases of 125 basis points by the end of 2020, taking the rate to 2.75%, which falls within the Bank's estimate of the neutral rate (2.5-3.5%). Long-term interest rates will also increase in response to rising global term premia, further tightening financing conditions. Interest rate increases are likely to have a greater impact on the housing market and economic activity than in the past owing to high household indebtedness (around 170% of disposable income, compared with 100% two decades ago).

A series of macro-prudential measures, culminating in the tightening of mortgage underwriting requirements for uninsured mortgages that came into effect in January 2018, have mitigated risks from the recent housing boom. Even so, house prices and household debt are high relative to disposable income, especially in Toronto and Vancouver. Many new mortgage holders, especially in those high-priced markets, have such high loan-to-income ratios that they are vulnerable to falling into arrears in the event of a negative economic shock, such as an increase in mortgage rates (few of which are locked in for more than five years). The government should monitor the effects of recent macro-prudential tightening, especially on the prevalence of highly indebted borrowers, and act if it does not decline significantly. Moreover, co-ordination between federal and provincial regulatory authorities needs to be improved, including by encouraging provincially regulated financial institutions to adhere to federal mortgage underwriting standards.

The fiscal policy stance has been expansionary over the past two years, during which time the underlying primary balance has fallen by an estimated 1.1 percentage points of GDP, but it is estimated to be neutral over the next two years. At this advanced stage of the business cycle, greater budget consolidation would be more appropriate – it would ease the burden on monetary policy and create more fiscal space to support the economy in the event of a downturn.

Growth is projected to ease towards potential

The main contribution to slowing growth is private consumption expenditure, which will weaken in response to slower growth in employment and household wealth and rising interest rates. Business investment should remain robust in the face of capacity constraints. The unemployment rate is projected to edge down to 5.8% in 2020, and wage pressures to rise modestly. With production costs rising, inflation should edge up to just over 2% by late 2020. A major downside risk is greater-than-expected increases in mortgage interest rates, which could impair many households' ability to service their mortgages, lead to a housing market correction and, through lost wealth, lower consumption expenditure. Another is that access to the US market becomes less favourable, even if the USMCA is ratified. On the upside, oil-sector income would be boosted by higher global oil prices and a resolution to regulatory difficulties to increasing oil pipeline capacity.

CHILE

Growth is projected to remain strong over the next two years. With an uncertain external environment, solid domestic demand will underpin growth, aided by a stable inflation environment, public infrastructure projects and a tax reform. Inequality, though decreasing, remains high as informality and unemployment remain high and social transfers low.

The central bank has started to tighten monetary policy gradually and is projected to continue doing so as stronger wages and reduced labour market slack start putting pressure on prices. The planned gradual fiscal consolidation is appropriate and will stabilise the public debt-to-GDP ratio in the short-term. However, social spending and public investment needs may require higher revenues. Improving skills, integrating the recent flow of migrants, streamlining licencing and regulations, and increasing competition in network services are key for stronger and more inclusive growth.

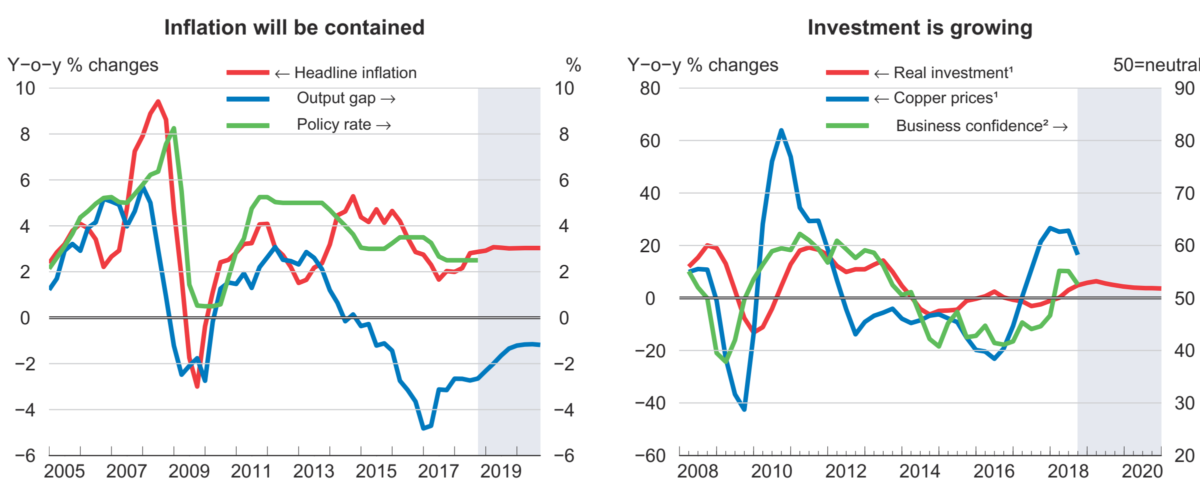
Economic growth is peaking but job creation remains low

Robust domestic demand drove growth in the first half of 2018 as household consumption accelerated amid subdued inflationary pressures and rising confidence. Investment also rose, reflecting buoyant non-mining sector spending. The labour market remains subdued, with a stable unemployment rate, as more migrants are coming into the labour force faster than employment grows. Excess capacity in the labour market has contained wages. Headline inflation has risen, and is around the 3% central bank's target, driven by higher oil prices and the peso depreciation against the dollar.

Measures to boost productivity are needed

The central bank has started increasing its policy rate and is projected to proceed gradually as slack in the labour market shrinks and wages start growing. Fiscal policy is

Chile



1. Four-quarter moving average.
2. Data above (below) 50 indicates optimism (pessimism).
Source: OECD Economic Outlook 104 database; and Central Bank of Chile.

StatLink http://dx.doi.org/10.1787/888933876442

Chile: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices CLP billion	Percentage changes, volume (2013 prices)				
GDP at market prices	159 605.9	1.2	1.6	4.1	3.7	3.4
Private consumption	101 269.2	2.1	2.5	4.3	3.8	3.4
Government consumption	20 732.2	6.3	4.1	2.5	2.7	2.7
Gross fixed capital formation	37 934.3	-0.7	-1.1	5.8	4.3	3.6
Final domestic demand	159 935.7	2.0	1.9	4.4	3.8	3.4
Stockbuilding[1]	20.6	-0.7	1.2	0.8	-0.4	0.0
Total domestic demand	159 956.3	1.5	3.3	5.2	3.3	3.3
Exports of goods and services	46 870.9	-0.2	-1.0	4.9	4.5	4.0
Imports of goods and services	47 221.3	0.2	4.7	9.6	4.9	3.6
Net exports[1]	- 350.3	-0.1	-1.6	-1.2	-0.1	0.1
Memorandum items						
GDP deflator	_	4.8	4.5	2.6	3.1	3.0
Consumer price index	_	3.8	2.2	2.5	3.0	3.0
Private consumption deflator	_	3.4	2.1	2.1	2.9	3.0
Unemployment rate (% of labour force)	_	6.5	6.7	6.8	6.4	6.1
Central government financial balance (% of GDP)	_	-2.7	-2.8	-1.8	-1.7	-1.8
Current account balance (% of GDP)	_	-1.4	-1.5	-2.4	-2.3	-2.3

1. Contributions to changes in real GDP, actual amount in the first column.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877525

broadly appropriate with a gradual consolidation in line with the fiscal rule. The government has set a target of containing spending to reduce the structural deficit of the public sector by around 0.2 percentage points of GDP per year. There is room to increase revenues and change the tax mix to make the tax system more equity and growth friendly by increasing green or property taxes or by broadening the personal income tax base. This would help spread the benefits of growth more broadly.

The structural reform agenda is ambitious. The law that requires banks' compliance with Basel III standards, approved in October 2018, will increase financial stability and resilience. A tax reform, in congress, that seeks to make the tax code simpler and includes accelerated depreciation and faster VAT reimbursement is expected to boost investment. The new office for productivity will seek to reduce procedures and ease the establishment of small businesses. Streamlining regulations and licensing procedures and increasing investment in research and development will be key to boosting medium-term growth. A reform to improve pensions, recently submitted to congress, increases the low contributions and the solidarity pillar while introducing more competition to the system. A public subsidy to encourage delayed retirement is also included. Aligning the retirement age of women and men and linking it to life expectancy would further improve old-age pension sustainability.

Growth will remain robust but external risks are looming

Growth is projected to ease somewhat but still remain robust. Solid macroeconomic fundamentals and improvements in business confidence support growth prospects. Strong investment growth aided by public investment projects, solid copper prices and investment incentives will drive employment and wage growth. A stable inflationary environment and stronger job creation will bolster private consumption. However, the worsening of the external environment – mostly due to escalating global protectionism, regional instabilities and faster-than-expected normalisation of US monetary policy – remains an important downside risk to the outlook. On the upside, full implementation of the ambitious structural reform agenda could raise investment more than anticipated.

CHINA

After having held up well into 2018, growth has recently weakened and is projected to decline in 2019-20. Signs of slowdown include the weakening of industrial production, profits and revenues. Foreign trade flows will lose some momentum following the escalation of trade tensions. The slowdown of activity also reflects the cutback of infrastructure investment, as local government debt has been subject to greater scrutiny, though it could rebound following the recent acceleration of debt issuance and announcement of new projects.

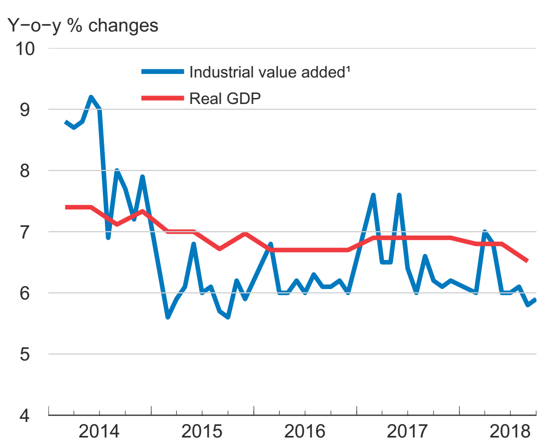
Monetary conditions are now being eased to support economic activity. The escalation of trade tensions resulted in a fall of the exchange rate, which was halted by government interventions, and a decline in stock prices. Fiscal policy will remain supportive to counteract the weakening of growth. Government spending efficiency will benefit from newly introduced comprehensive performance budgeting, but capital allocation efficiency needs to be improved by gradually removing implicit guarantees to state-owned enterprises and other government entities. Measures introduced recently to lower average tariffs are welcome and should continue alongside further easing of the operation of foreign companies.

The economy has remained relatively unscathed by rising global uncertainties

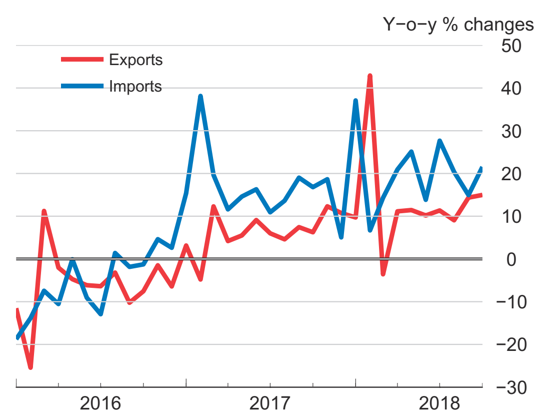
Growth has been holding up well, notwithstanding the escalation of trade tensions and heightening global uncertainties. The frontloading of exports and the depreciation of the renminbi have mitigated the impact of tariff hikes so far. Imports have also held up well on the back of tariff cuts coming into effect earlier this year and subsequent targeted retaliatory tariff increases and as outbound tourism remained robust. As a result, the current account registered its first deficit in two decades in the first half of the year. Domestic demand, in particular consumption, has remained robust and will continue to be a stable driver of growth thanks to rising disposable incomes. Infrastructure investment has slowed following restrictions imposed on shadow banking, a major source of

China

Industrial production growth has moderated



Merchandise trade growth has remained relatively strong



1. Monthly industrial value added data for January and February are not published separately, but for the two months combined. The missing data are computed by linear interpolation.

Source: CEIC.

StatLink http://dx.doi.org/10.1787/888933876461

China: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices CNY trillion	Percentage changes, volume (2015 prices)				
GDP at market prices	68.9	6.7	6.9	6.6	6.3	6.0
Total domestic demand	66.7	7.7	6.0	7.1	6.3	6.0
Exports of goods and services	14.8	1.9	11.0	5.4	5.0	4.8
Imports of goods and services	12.6	6.3	6.9	7.9	4.9	4.7
Net exports[1]	2.3	-0.7	1.0	-0.3	0.1	0.1
Memorandum items						
GDP deflator	_	1.1	4.1	2.9	3.0	3.0
Consumer price index	_	2.1	1.5	2.0	3.0	3.0
General government financial balance[2] (% of GDP)	_	-3.0	-3.1	-3.1	-3.3	-3.5
Headline government financial balance[3] (% of GDP)	_	-2.9	-2.9	-2.9	-3.0	-3.1
Current account balance (% of GDP)	_	1.8	1.4	0.4	0.4	0.3

1. Contributions to changes in real GDP, actual amount in the first column.
2. Encompasses the balances of all four budget accounts (general account, government managed funds, social security funds and the state-owned capital management account).
3. The headline fiscal balance is the official balance defined as the difference between revenues and outlays. Revenues include: general budget revenue, revenue from the central stabilisation fund and sub-national budget adjustment. Outlays include: general budget spending, replenishment of the central stabilisation fund and repayment of principal on sub-national debt.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877544

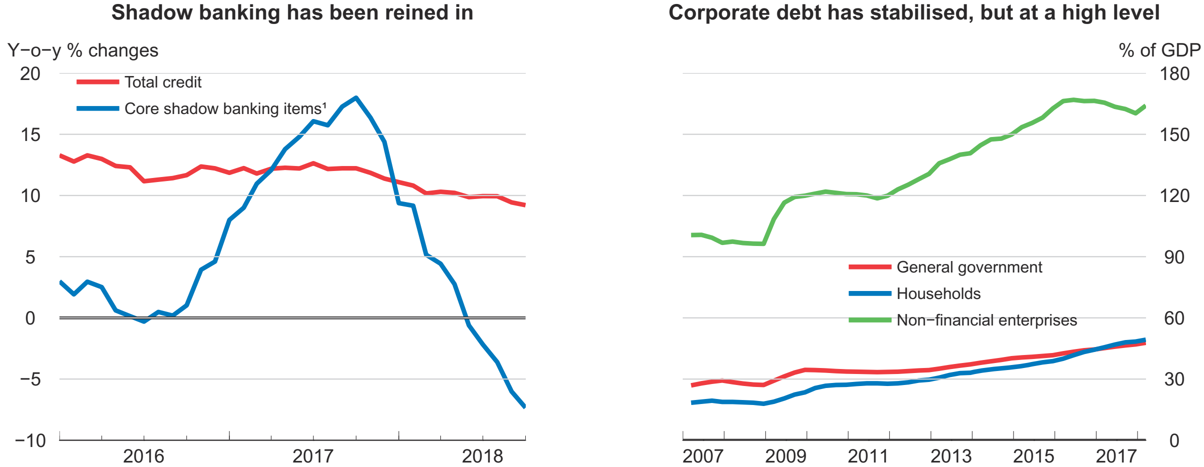
infrastructure financing. Excess capacity still plagues a number of industrial sectors, weighing on business investment. Services, in contrast, are expanding steadily, especially in the digital and sharing economies.

Monetary and fiscal policy may ease, but structural reforms should accelerate

Monetary policy was tightened somewhat by the restrictions put on shadow banking, which were necessary to maintain financial stability. This affected disproportionately

China

Shadow banking has been reined in | **Corporate debt has stabilised, but at a high level**



1. Core shadow banking items include entrusted loans, trusted loans and undiscounted bankers' acceptance.
Source: CEIC; and BIS.

StatLink http://dx.doi.org/10.1787/888933876480

private and smaller firms, which have less access to commercial bank loans, and prompted the authorities to incentivise lending to smaller firms by exempting banks from tax liabilities related to their lending to such firms. Rising bond defaults resulted in a higher credit risk premium. Going forward, moderate easing of monetary policy is envisaged to reduce the debt burden. Corporate debt has levelled off relative to GDP, but deleveraging remains slow. Sliding stock prices will damp confidence.

Fiscal stimulus will hold growth up but better pricing of risk is needed to reduce misallocation of capital. Removal of implicit guarantees to state-owned enterprises and other public entities would help, and the recent announcement to let ailing local government investment vehicles exit the market is pointing in that direction. The impact of tax cuts aimed at boosting consumption may be mitigated by adverse confidence effects and slow progress in structural reforms. A minimum level of public services should be ensured through better allocation of resources to provide more equal opportunities to individuals regardless of their place of birth. Central funding for basic public services, such as education and health, is needed ensure a sufficient level of service provision.

Poverty reduction should focus on equipping people with marketable skills to avoid dependency on social assistance. Expanding low-cost childcare facilities and early childhood education across the country would help to curb child poverty and would provide more equal chances for moving up the social ladder. Furthermore, entrance exams to upper-secondary education should not require knowledge and skills that public education is not providing, so as to avoid leaving behind students whose families cannot afford expensive preparatory schools. Housing prices in the largest cities are unaffordable for low-income earners and there is insufficient social housing.

Growth is projected to remain robust

Growth is projected to slow modestly, which will ease producer price inflation. Consumer price inflation will nonetheless pick up due to surging fresh food prices, partly reflecting African swine fever, but these one-off pressures will remain benign. Goods exports and imports will slow somewhat, though import tariff cuts recently introduced by China and an increased VAT refund on exported products will mitigate the impact of trade tensions. In processing industries, where the share of intermediate inputs is high and value-added is low, this will significantly strengthen competitiveness. Round tripping of exports destined to the US market through third countries not affected by tariff hikes is already picking up. Surging overseas tourism will continue to reduce the current account surplus. Infrastructure investment will rebound thanks to the revival of bond-financed local projects.

Reining in shadow banking would enhance financial stability and transparency, but may cause funding difficulties for smaller firms. Acceleration in corporate deleveraging is necessary to restore balance sheets amid rising debt service costs. Slow deleveraging would result in stronger growth in the short term, but increases imbalances later. A weaker fiscal stimulus might adversely affect growth, but would reduce the risk of a further build-up of implicit government liabilities. Infrastructure investment is mainly financed by public funds, but only partly from the budget, thereby reducing transparency. Trade frictions may disproportionately affect smaller firms that are less able to squeeze profit margins to accommodate the tariff hikes and some geographical regions that are more reliant on exports for their growth. The exchange rate may again depreciate, which will provide some cushion against export restrictions.

COLOMBIA

Growth is projected to pick up as infrastructure projects, lower corporate taxes and higher oil prices will boost investment. Improving confidence and financing conditions will support consumption. As growth gains traction, unemployment will edge down. Social indicators are improving but informality and inequality remain high.

The accommodative monetary policy stance is appropriate. Fiscal policy will need to remain moderately prudent to ensure that the budget deficit declines gradually in line with the fiscal rule. Boosting productivity requires more competition, streamlining regulations and increased openness to trade. Further efforts to reduce labour market informality, by reducing non-wage labour costs, and gender gaps, by expanding the provision of childcare, would make growth more inclusive.

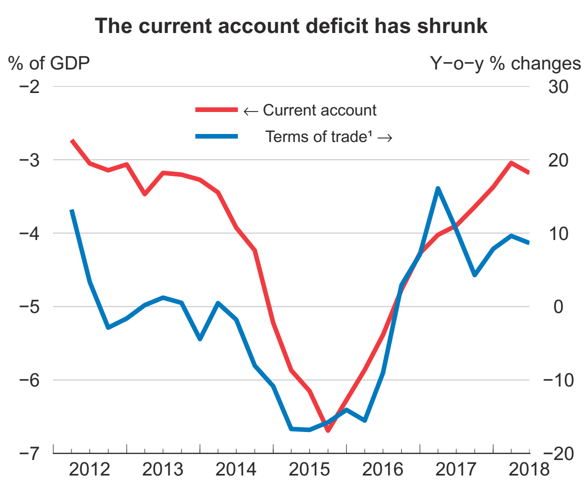
Growth has strengthened

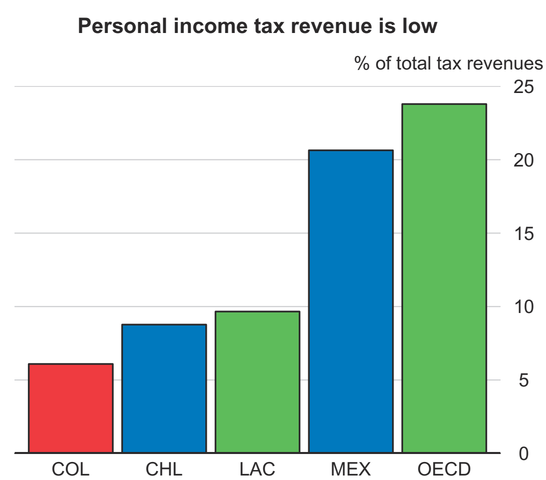
Economic growth is gradually firming up, as investment has been supported by low interest rates, and consumption has picked up as declining inflation boosts household real incomes. The improvement in terms of trade has increased export earnings and contributed to a reduction in the current account deficit, which is financed largely by foreign investment. The unemployment rate has recently edged up, as the labour market has not been flexible enough to accommodate increased labour force participation.

The spending and revenue mix could be more balanced and efficient, and structural reforms would boost medium-term growth

Timely action by the central bank has lowered inflation back to the 3% target. Going forward, monetary policy is projected to remain accommodative, gradually normalising as the output gap closes. Fiscal policy will remain prudent, reducing the central government deficit to 1% of GDP by 2022, in line with the fiscal rule. This strikes an appropriate balance between spending needs, the need to support the gradual recovery and the need to ensure

Colombia





1. Terms of trade is defined as the ratio of export prices to import prices for goods and services.

Source: OECD Economic Outlook 104 database; and OECD Revenue Statistics database.

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Colombia: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices COP trillion	Percentage changes, volume (2015 prices)				
GDP at market prices	804.7	2.0	1.8	2.8	3.3	3.4
Private consumption	551.0	1.4	1.8	2.6	3.2	3.2
Government consumption	119.2	1.8	4.0	4.9	2.7	2.5
Gross fixed capital formation	188.1	-2.7	3.3	-0.7	4.5	4.7
Final domestic demand	858.3	0.5	2.4	2.3	3.3	3.4
Stockbuilding[1]	3.2	0.7	-0.6	0.2	0.0	0.0
Total domestic demand	861.5	1.2	1.8	2.4	3.3	3.3
Exports of goods and services	125.9	-1.4	-0.7	3.3	5.4	4.5
Imports of goods and services	182.8	-4.0	0.3	5.1	3.8	3.5
Net exports[1]	- 56.8	0.7	-0.2	-0.5	0.1	0.0
Memorandum items						
GDP deflator	_	5.3	5.5	3.9	3.4	3.6
Consumer price index	_	7.5	4.3	3.2	3.2	3.3
Core inflation index[2]	_	6.5	4.9	2.9	3.1	3.3
Unemployment rate (% of labour force)	_	9.2	9.4	9.5	9.3	9.2
Current account balance (% of GDP)	_	-4.3	-3.4	-3.2	-3.1	-3.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding primary food, utilities and fuels.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877563

debt sustainability. Oil-related fiscal revenues will increase in 2018, but further measures to improve spending efficiency and raise revenues are needed to meet the fiscal rule. There is also a need to make the tax mix more efficient and fair, as formal sector companies face a high and complex tax burden, while only few individuals pay income taxes.

Stronger and more inclusive growth requires boosting productivity through structural reforms, which would also support more balanced regional development. Improving road, ports and customs logistics and reducing regulatory burdens would make firms more competitive and create better paying jobs. Increasing openness to trade would boost competition and productivity. Educational outcomes have improved over time but there is still significant room to better align skills to labour market needs.

Informality has fallen in recent years, but nearly half of all workers in the main cities still work in the informal sector. This calls for stronger efforts to reduce informality by further reducing non-wage labour costs, reviewing the minimum wage to promote job creation and simplifying procedures for the registration of companies and workers' affiliation to social security. The pension system has low coverage and is very unequal, as it mostly benefits high-income formal workers. A thorough reform of the pension system is needed to foster inclusive growth. Increasing the coverage and benefits of the public minimum income-support programme would particularly help to reduce old-age poverty. Expanding early childhood education would improve school outcomes and allow more women to take up paid work.

Growth will gather pace

Growth is set to rise, supported by higher domestic demand. Investment will be a key driver of growth, aided by higher oil prices and infrastructure projects. Improving confidence and low inflation will support consumption. Upside risks include stronger oil or coal prices, which would boost investment further. Thanks to the end of the armed conflict, the tourism sector holds potential for upside surprises. Downside risks include additional delays in planned large infrastructure projects, increasing global protectionism, policy uncertainty in the region, and a spill over of financial volatility in emerging market economies. Increasing migratory flows from Venezuela may imply higher spending, but, if well managed, can also boost medium-term growth.

COSTA RICA

Growth is projected to recover to around 3¼ per cent in 2020 and be broad-based, underpinned by both domestic and external demand. However, uncertainty, particularly surrounding the planned fiscal reforms, is weighing on growth in the near term. The projections are based on the assumption that the fiscal reforms will be implemented from 2019, with modest fiscal tightening holding back growth in 2019 and 2020.

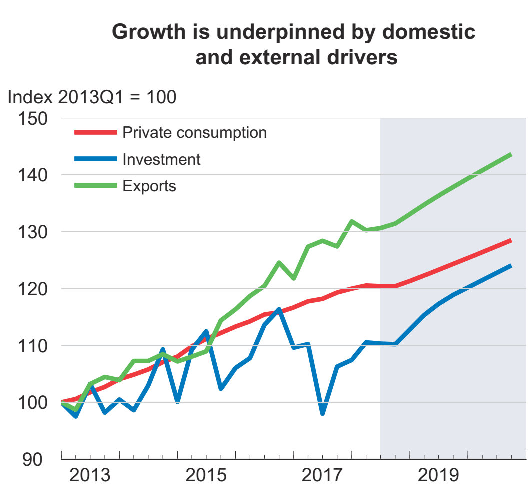
Costa Rica's unsustainable fiscal situation needs to be addressed urgently to avoid a further deterioration in investor sentiment. The fiscal reform bill is an important step in the right direction, but further action will be needed to restore fiscal sustainability. Structural reforms to address labour market mismatches and informality, improve education, lower infrastructure gaps and strengthen competition would boost productivity and reduce inequality.

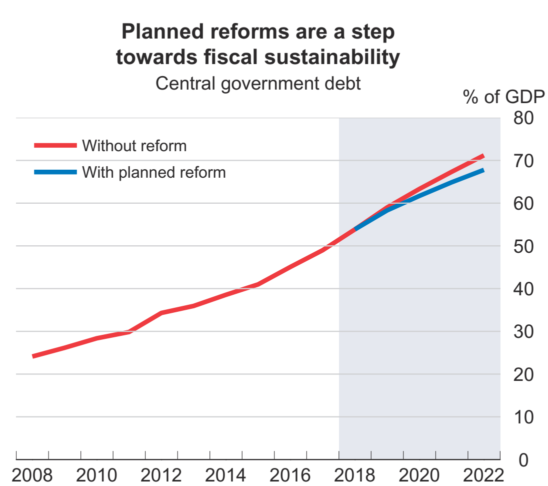
Growth is slowing but remains broad based

Growth continues to slow as the fiscal situation weighs on confidence and global financial conditions tighten. Strike action in protest of proposed fiscal reforms disrupted public services (particularly education) in September and October 2018, but its impact on private sector activity has largely been confined to retail trade. However, the fiscal reform bill has passed its first reading in the legislative assembly and the projections assume that it will be approved by year-end. While the reform will lower growth in the short term, its effects will be limited by the small magnitude of the consolidation and the low fiscal multiplier. External demand will moderate but remain robust, supported by foreign direct investment and increasingly diverse and sophisticated exports.

Import growth is estimated to have contracted in the second half of 2018 as heightened uncertainty lowered spending on durables. However, private investment is recovering and public investment is projected to increase strongly in 2019 and 2020 due to planned infrastructure projects. Uncertainty has also contributed to recent currency depreciation, and to counter pass-through effects the central bank raised the monetary

Costa Rica





Source: OECD Economic Outlook 104 database; and Costa Rican Ministry of Finance.

StatLink http://dx.doi.org/10.1787/888933876518

Costa Rica: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices CRC trillion	Percentage changes, volume (2012 prices)				
GDP at market prices	29.3	4.2	3.3	2.9	3.0	3.3
Private consumption	19.0	4.0	2.9	2.0	2.1	3.4
Government consumption	5.1	2.3	3.1	1.9	1.7	1.7
Gross fixed capital formation	5.5	4.6	-4.4	3.4	5.9	5.2
Final domestic demand	29.6	3.8	1.6	2.2	2.7	3.4
Stockbuilding[1]	0.0	0.4	0.8	-0.1	0.3	0.0
Total domestic demand	29.6	4.3	2.3	1.7	2.9	3.5
Exports of goods and services	9.0	9.5	5.2	3.8	3.4	4.4
Imports of goods and services	9.3	8.9	2.4	0.4	3.0	4.8
Net exports[1]	- 0.3	-0.2	0.9	1.2	0.1	-0.2
Memorandum items						
GDP deflator	_	2.0	1.9	2.5	3.3	2.8
Consumer price index	_	0.0	1.6	2.0	3.1	2.7
Core inflation index[2]	_	0.1	1.2	2.0	3.2	2.7
Unemployment rate (% of labour force)	_	9.5	9.1	9.7	9.7	9.5
Current account balance (% of GDP)	_	-2.3	-2.9	-2.7	-2.4	-2.2

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

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policy rate by 25 basis points, to 5.25%, in November. The planned broadening of the value-added tax base will result in a one-off increase in the price level, but inflation is projected to remain within the central bank's 2-4% target range.

Not everyone has benefited from broad-based growth. Inequality has been rising and labour market informality remains prevalent. Unemployment also remains high, reflecting structural mismatches between the skills demanded and supplied as the economy has moved towards more knowledge-intensive activities.

The unsustainable fiscal situation needs to be addressed urgently

Public debt increased rapidly from 24% of GDP in 2008 to 49% in 2017. Without reforms, official estimates indicate that the debt-to-GDP ratio will grow to 71% of GDP by 2022 as the fiscal deficit rises from 6.2% of GDP in 2017 to a peak of 8.3% in 2020. The government's financing options are becoming increasingly limited. In September, the government resorted to 90-day borrowing from the central bank amounting to 5% of the national budget, which is the maximum allowed by law. The planned reforms are positive but further measures to better control public sector payroll costs and reduce budget rigidity stemming from legally mandated spending and earmarking of government revenues are needed.

The fiscal situation presents a major downside risk to the outlook

Although fiscal measures are projected to moderate growth in the near term, the economy is set to recover in 2020, supported by private consumption, investment and exports. However, the unsustainable public debt trajectory represents a large downside risk. If left unaddressed, this will threaten macroeconomic stability and force more drastic consolidation. Uncertainty about when the fiscal reform bill will be approved remains, with a significant risk that it will be delayed. However, if implemented in a timely manner the planned fiscal reform should ease the immediate pressure, although there is a risk that it will not substantially improve the government's financing options given the modest size of the adjustment. On the positive side, the reforms could boost confidence and therefore domestic demand more than anticipated.

Financial volatility in emerging market economies and faster-than-expected monetary policy normalisation in advanced economies could trigger capital outflows that would lead to unanticipated currency depreciation. This presents a risk to financial stability as the Costa Rican banking sector is still heavily dollarised and the majority of dollar-denominated loans are extended to unhedged borrowers. In addition, it would further weaken the fiscal situation, although the favourable currency composition of Costa Rica's sovereign debt would help moderate the effect.

CZECH REPUBLIC

Economic growth is projected to remain strong in 2019 and 2020, although it will slow. Increasing wages and low unemployment will keep household consumption growth high. Private investment will stay robust, in particular in housing and manufacturing. Export growth will continue to be solid. However, labour shortages will remain a bottleneck to higher economic growth.

Inflation will stay above the target of the central bank. As the exchange rate remains relatively stable, monetary policy should keep on progressively normalising interest rates. Fiscal policy is slightly expansionary and, if needed, further government spending could be used to support long-term growth. Fiscal space is ample to invest in infrastructure, childcare facilities and training to boost productivity, labour participation of women with young children and older workers.

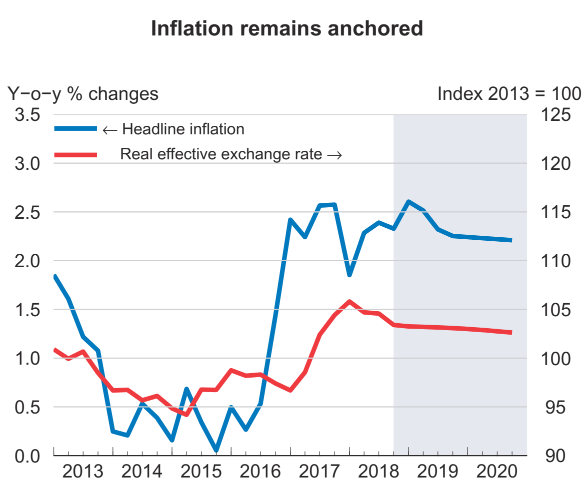
Household consumption and investment are boosting growth

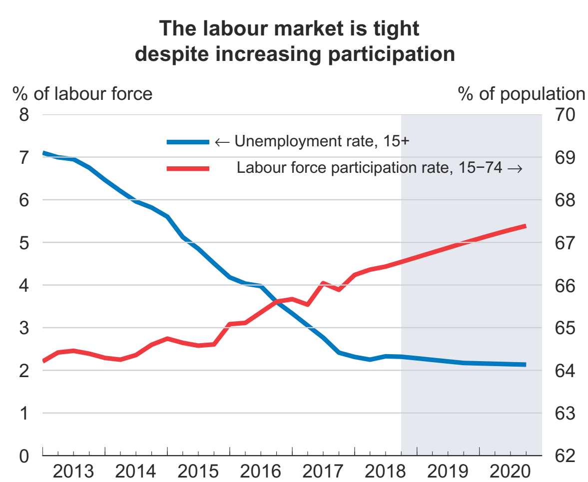
Private investment has increased markedly. Firms are investing to increase capacity but also to augment capital intensity to cope with labour shortage. Government infrastructure projects and high demand for residential housing will keep pushing up construction through 2019. Household consumption remains strong, supported by income and employment growth and lower saving. Imports are growing faster than exports, reflecting import-intensive investment and household demand for imported goods in line with consumption patterns. Exports, though increasing, are impeded by limitations on production capacity, in particular in the car industry. The labour market is tight despite increasing labour participation, in particular from older people.

Policy measures are needed to address labour shortages and rising house prices

High oil prices and strong wage growth will keep inflation slightly above the central bank's target. Therefore, the Czech National Bank is projected to keep raising interest rates throughout 2019 and 2020. Higher rates in the euro area will ease the risk of further

Czech Republic





Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876537

Czech Republic: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices CZK billion	Percentage changes, volume (2010 prices)				
GDP at market prices	4 597.8	2.4	4.5	3.0	2.7	2.6
Private consumption	2 152.8	3.6	4.4	3.9	3.5	3.2
Government consumption	883.1	2.7	1.3	2.7	2.0	1.8
Gross fixed capital formation	1 217.4	-3.3	3.7	8.5	4.4	3.9
Final domestic demand	4 253.4	1.4	3.5	4.9	3.4	3.1
Stockbuilding[1]	67.7	-0.3	0.1	-1.4	-0.2	0.0
Total domestic demand	4 321.0	1.1	3.6	3.3	3.2	3.1
Exports of goods and services	3 728.8	4.1	7.2	4.5	4.0	3.9
Imports of goods and services	3 452.0	2.6	6.3	5.1	4.8	4.7
Net exports[1]	276.8	1.4	1.2	-0.1	-0.3	-0.4
Memorandum items						
GDP deflator	_	1.3	1.5	1.8	1.6	2.1
Consumer price index	_	0.7	2.5	2.2	2.4	2.2
Core inflation index[2]	_	1.6	2.0	2.4	2.4	2.2
Unemployment rate (% of labour force)	_	3.9	2.9	2.3	2.2	2.1
Household saving ratio, net (% of disposable income)	_	6.5	4.3	3.5	3.3	3.2
General government financial balance (% of GDP)	_	0.7	1.5	1.3	1.3	1.0
General government gross debt (% of GDP)	_	47.7	44.0	42.1	40.3	39.0
General government debt, Maastricht definition (% of GDP)	_	36.8	34.6	32.7	31.0	29.6
Current account balance (% of GDP)	_	1.6	1.1	0.8	0.3	0.1

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877601

appreciation of the koruna. Higher domestic interest rates will reduce strong housing demand and household credit. Nevertheless, allowing the central bank to set binding prudential rules applicable to individual loans would limit excessive indebtedness of households and the risks it poses to the financial system.

The fiscal position is strong and continues to be mildly expansionary. The primary balance will remain positive in the next two years, further bringing government debt down. Therefore, government spending could be mobilised to expand and update transport infrastructure, offsetting monetary policy tightening.

To ensure continued economic growth, mobilising all potential sources of labour supply is necessary. The increasing labour shortage has already led to a higher participation of traditionally disadvantaged groups, such as the young, non-native and older people. However, the participation of inactive persons could be enhanced through special training and adaptation programmes. In addition, labour participation of women with young children remains low compared to the OECD average. The strong fiscal position could also be used to finance the development of affordable and quality childcare facilities and to accompany the reduction in the duration of parental leave. Finally, augmenting migration quotas from non-EU countries would ease tensions in the labour market.

Growth is projected to remain robust though slowing down

Economic growth will remain above potential in 2019 and 2020 and rely slightly more on domestic demand than on external sector. In particular, investment and consumption, including government spending, will be the main engines of economic growth. Labour shortages will remain a drag on growth. The main source of internal risk is accelerating wage and price inflation leading to a more aggressive monetary policy response. On the external side, the Czech economy remains exposed to any disruption on trade given its strong integration into global value chains.

DENMARK

The broad-based economic expansion is projected to continue in 2019 and moderate in 2020. Strong real income growth and continued employment gains will support private consumption. Labour shortages are expected to intensify and result in faster wage growth and a pick-up in inflation. Strong domestic demand will bolster imports and help to reduce the very large current account surplus.

The fiscal stance is expansionary in the near term, reflecting previous policy initiatives, after which it will become broadly neutral. Highly accommodative monetary conditions, resulting from the pegging of the krone to the euro, are expected to continue, which warrants prudent fiscal measures if capacity constraints tighten further. Shifting the tax burden further away from labour and corporate incomes would strengthen incentives to work more hours.

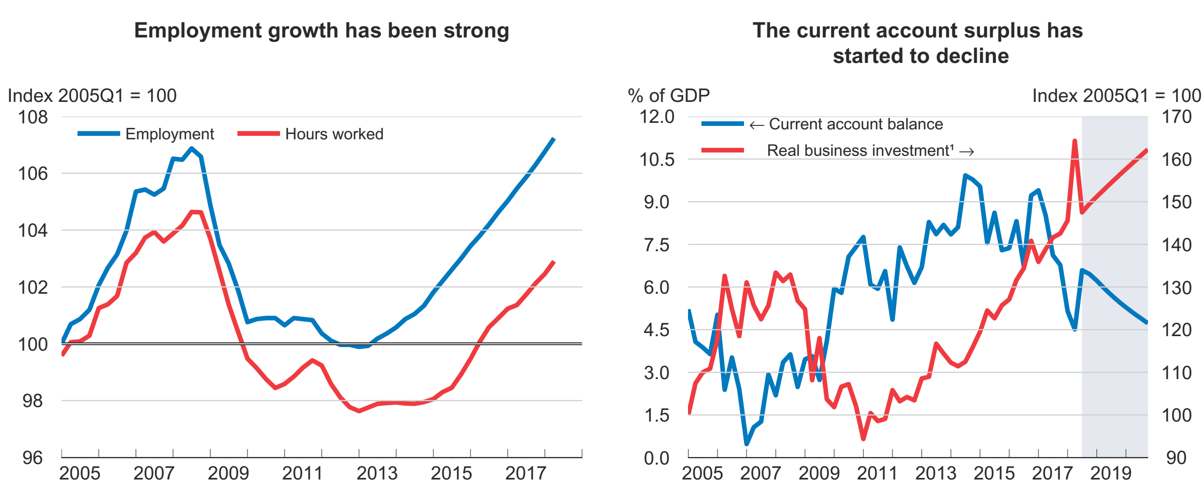
Steady expansion is being led by domestic demand

The economy is on a steady upturn, increasingly supported by private consumption and business investment. Consumer and business confidence is high and rising in manufacturing and construction. Strong employment growth has pushed unemployment well below its estimated structural level and resulted in emerging wage growth. Nevertheless, consumer price inflation remains low, especially due to food prices. GDP data have been distorted by the statistical recording of the export of a single Danish patent, pushing growth up in 2017 and down in 2018. Slowing exports and rising imports are reducing the growth contribution of net exports.

Further structural reforms would help to sustain inclusive growth

Fiscal policy is currently supporting growth, but is set to become neutral to reach the government's target of a structural balance after 2020. The tightening labour market calls for prudent economic policy to reduce the risk of accelerating wage and price inflation,

Denmark



1. Private non-residential gross fixed capital formation.
Source: OECD Economic Outlook 104 database; and Statistics Denmark.

StatLink http://dx.doi.org/10.1787/888933876556

Denmark: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices DKK billion	Percentage changes, volume (2010 prices)				
GDP at market prices	2 036.4	2.4	2.3	1.2	1.9	1.6
Private consumption	959.4	2.1	2.1	2.5	2.2	2.2
Government consumption	518.6	0.2	0.7	0.5	0.5	0.4
Gross fixed capital formation	404.2	7.6	4.6	7.7	1.5	3.3
Final domestic demand	1 882.2	2.7	2.3	3.1	1.6	2.0
Stockbuilding[1]	15.9	-0.2	-0.1	0.0	0.0	0.0
Total domestic demand	1 898.1	2.5	2.2	3.1	1.5	2.0
Exports of goods and services	1 128.5	3.9	3.6	-0.5	2.8	3.0
Imports of goods and services	990.3	4.2	3.6	2.9	2.2	3.8
Net exports[1]	138.2	0.1	0.2	-1.7	0.5	-0.2
Memorandum items						
GDP deflator	_	0.7	1.4	0.3	2.0	1.9
Consumer price index	_	0.3	1.1	0.9	1.8	2.0
Core inflation index[2]	_	0.7	0.9	0.8	1.8	2.0
Unemployment rate (% of labour force)	_	6.2	5.7	5.2	5.1	4.9
Household saving ratio, net (% of disposable income)	_	4.6	5.2	5.1	4.7	4.6
General government financial balance (% of GDP)	_	-0.4	1.1	0.0	-0.3	-0.2
General government gross debt (% of GDP)	_	51.7	49.3	48.4	47.3	46.3
General government debt, Maastricht definition (% of GDP)	_	37.3	35.6	34.6	33.6	32.6
Current account balance (% of GDP)	_	7.9	8.0	5.7	5.8	5.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877620

especially given continued low interest rates, which could fuel a spike in private consumption and overheat the economy. The exceptionally low interest rates pose an ideal opportunity to reduce the tax deductibility of interest payments further, which would mitigate vulnerabilities deriving from excessive household balance sheet expansion.

Sustaining growth, and ensuring sufficient access to labour resources, requires further reforms of the tax mix to boost investment and average hours worked, which are lower than in most OECD countries. Lowering marginal taxes on income further and reducing the debt-bias in corporate income taxation will help in this regard. The statutory retirement age will increase from 65 to 67 during 2019-2022, which will support labour force growth. Previous pension and benefit reforms have been successful in boosting labour market inclusiveness. Stepping up efforts to maintain seniors with reduced work capacities in work and bringing groups with low labour market attachment into jobs could yield additional employment gains in the buoyant labour market. A recent trial integration programme for refugees and migrants, managed with social partners, should be further improved and made permanent, as it has proven to be successful in addressing barriers posed by high entry wages.

Growth is projected to moderate

The economy is projected to grow by around 2% in 2019 followed by a slowdown in 2020. Private consumption will be an important driver of growth, supported by rising real wages and the implementation of income tax reductions. Business investment will continue as capacity constraints intensify. Inflation is set to pick up and return to a level around 2% by the end of 2020. Downside risks to the outlook are large. A hard Brexit would cause substantial disruption given the importance of the United Kingdom as a main trading partner. Recent disclosure of a massive money laundering scandal in the Estonian branch of the largest Danish bank could escalate and trigger financial sector turmoil with consequent economic distress.

ESTONIA

Economic growth is projected to reach 3.5% in 2019, before slowing to 2.3% in 2020 in line with weakening external demand. Increasing real wages will support robust private consumption growth. Investment is set to pick up, supported by strong business confidence and the recovering housing market. Inflation will remain at a high level, sustained by further tightening of the labour market.

The government budget is projected to be in surplus during the projection period, while the public debt-to-GDP ratio will remain among the lowest in the OECD. While procyclical fiscal policy should be avoided, there is space to let fiscal policy play a more active role to boost job creation, invest in infrastructure, and mitigate environmental concerns.

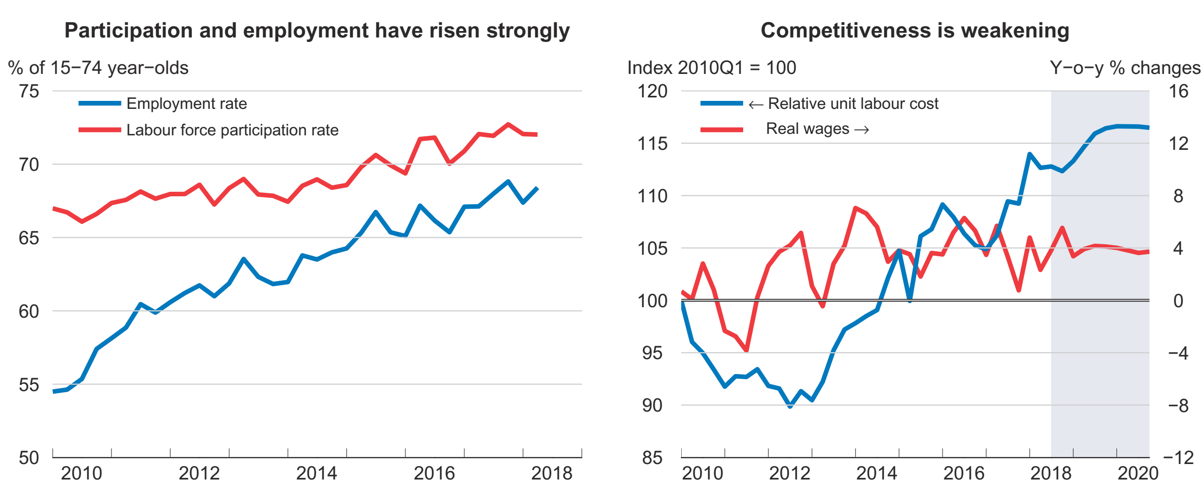
Strong and broad-based growth continues

The economy continues its expansion with relatively broad-based economic growth. Strong household and business confidence is supporting private consumption. Residential investment has picked up following a housing downturn, and now makes a sizeable contribution to growth. Robust foreign demand has supported export growth. As slack is being eliminated from the economy and employment has risen, nominal wage growth has been strong, around 6% a year, and labour shortages are emerging, particularly in sectors such as retail. Thus far, strong wage growth has not given rise to an acceleration of price inflation. Core inflation is currently around 1%, whereas headline is around 3-4%, lifted by higher excise taxes and large movements in energy prices.

Sustainable growth requires productivity-enhancing reforms and immigration

Monetary policy for the euro area is projected to remain very accommodative for a prolonged period. While fiscal policy should avoid being expansionary, which would aggravate labour and product market tensions, there is space to address supply constraints

Estonia



Source: OECD Economic Outlook 104 database; and OECD Labour Force Statistics database.

StatLink http://dx.doi.org/10.1787/888933876575

Estonia: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	20.6	3.5	4.7	3.3	3.5	2.3
Private consumption	10.6	4.1	2.7	4.3	4.0	3.5
Government consumption	4.1	2.1	0.6	0.0	0.9	0.8
Gross fixed capital formation	4.9	3.5	12.9	1.8	6.1	4.6
Final domestic demand	19.6	3.6	4.9	2.8	3.8	3.2
Stockbuilding[1]	0.2	1.0	-0.5	0.2	0.0	0.0
Total domestic demand	19.8	4.7	4.4	3.0	3.8	3.2
Exports of goods and services	16.0	5.2	3.5	4.4	4.4	3.1
Imports of goods and services	15.2	5.4	3.6	5.1	4.3	4.4
Net exports[1]	0.8	0.0	0.1	-0.3	0.2	-0.8
Memorandum items						
GDP deflator	_	1.4	4.0	3.7	3.1	3.2
Harmonised index of consumer prices	_	0.8	3.7	3.1	2.9	2.8
Harmonised index of core inflation[2]	_	1.2	2.0	1.4	2.8	2.8
Unemployment rate (% of labour force)	_	6.8	5.8	5.8	5.8	6.0
Household saving ratio, net (% of disposable income)	_	6.5	7.9	7.9	7.6	7.3
General government financial balance (% of GDP)	_	-0.3	-0.4	0.7	0.3	0.1
General government gross debt (% of GDP)	_	12.7	12.6	11.9	11.2	10.4
General government debt, Maastricht definition (% of GDP)	_	9.2	8.7	8.1	7.4	6.6
Current account balance (% of GDP)	_	1.9	3.1	2.7	2.3	1.5

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877639

and step up redistribution through taxes and transfers to improve opportunities for those currently at risk of poverty.

Negative demographic trends and emigration of workers accentuate labour shortages and make finding labour increasingly expensive. Around a third of the registered unemployed are people with reduced working ability, reflecting implementation of the Work Ability reform to bring individuals back into the labour force. Policy measures to help people into employment can help ease some of the pressures while also boosting household incomes. Labour market tensions will be aggravated further in the future by a shrinking working-age population, limiting the growth potential of the economy. Recent reform of immigration policies has eased access to skilled workers from non-EU countries. Annual quotas remain tight, but could be relaxed further, which would help to ease labour shortages.

Business fixed investment has slowed markedly and is now at historically low levels as a share of GDP. Furthermore, investment is lacking in sectors with low productivity. The weakness of investment has meant that the economy has hit capacity constraints. This puts competitiveness at risk of deteriorating. However, Estonian exports have moved up in the value-added chain, facilitating higher prices, which have partly compensated for higher labour costs. Structural policies to boost productivity growth will help sustain income growth. Improving insolvency procedures to speed up the reallocation of resources will help in this regard.

Growth is projected to slow

The economy is projected to slow to a more sustainable pace during the projection period. Business investment will nevertheless recover, partly with the assistance of EU structural funds. For example, the construction of Rail Baltica will boost both public and business investment in 2020. As the economy slows, inflation will stabilise. With the economy approaching its supply constraints, there is a risk of higher wage and price inflation, which can further deteriorate competitiveness. In addition, Estonia is particularly vulnerable to drops in external demand, being a very open economy.

EURO AREA

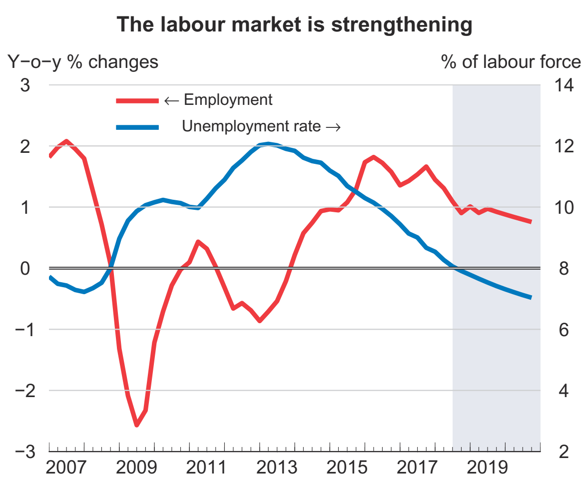
Economic growth is set to moderate, to just above 1½ per cent in 2020. Accommodative monetary policy and some fiscal easing will support domestic demand, in particular private consumption, and employment. Investment will remain reasonably strong, reflecting continued favourable financing conditions and a need to expand capacity. Inflation is projected to rise gradually, as stronger wage growth and dissipating slack translate into sustained increases in core inflation.

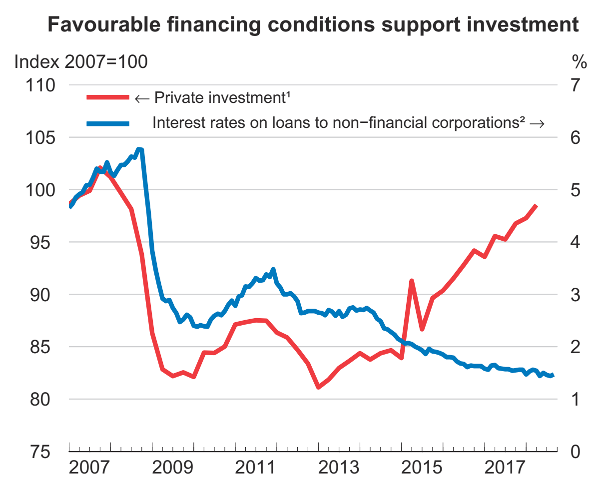
Monetary policy should be firmly committed to remaining accommodative as long as needed to attain the inflation objective, while preparing for a gradual normalisation. The euro area fiscal stance is projected to be slightly expansionary in 2018-20. As the expansion continues, governments should improve their fiscal positions and reduce debt. Improving skills, reforming product markets, completing the single market for goods and services, and progress with the banking union, are the best guarantee for stronger, more resilient and inclusive growth.

The expansion continues

Domestic demand continues to support growth, compensating for uncertainties weighing on global trade. Private consumption has slowed, as inflation has picked up and reduced households' purchasing power, but remains resilient owing to strong employment growth. Capital spending remains solid, supported by favourable financing conditions, robust confidence and the need, in some countries, to expand productive capacity. The recovery in residential investment moderated in 2018, despite continuing support from favourable financing conditions and rising incomes. Export growth has weakened this year, following a strong performance in 2017, as uncertainties in global trade increased.

Euro area





1. Private investment is obtained as gross fixed capital formation of the total economy minus government fixed capital formation (appropriation account), deflated by the GDP deflator.
2. New business loans to non-financial corporations in the euro area (19 countries); loans other than revolving loans and overdrafts, convenience and extended credit card debt, with an initial rate fixation period of less than one year.

Source: OECD Economic Outlook 104 database; and European Central Bank, Statistical Data Warehouse.

StatLink http://dx.doi.org/10.1787/888933876594

Euro area: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2015 prices)				
GDP at market prices	10 502.7	1.9	2.5	1.9	1.8	1.6
Private consumption	5 726.7	1.9	1.7	1.4	1.6	1.5
Government consumption	2 167.9	1.9	1.2	1.1	1.5	1.1
Gross fixed capital formation	2 103.3	3.9	2.8	3.4	3.1	2.8
Final domestic demand	9 997.9	2.3	1.8	1.8	1.9	1.7
Stockbuilding[1]	32.8	0.0	-0.1	0.0	0.0	0.0
Total domestic demand	10 030.7	2.3	1.8	1.8	1.9	1.7
Net exports[1]	472.1	-0.4	0.8	0.2	0.0	0.0
Memorandum items						
GDP deflator	_	0.8	1.1	1.5	1.8	1.9
Harmonised index of consumer prices	_	0.2	1.5	1.8	1.9	1.9
Harmonised index of core inflation[2]	_	0.8	1.0	1.0	1.5	1.8
Unemployment rate (% of labour force)	_	10.0	9.1	8.2	7.6	7.2
Household saving ratio, net (% of disposable income)	_	6.1	5.7	5.6	5.6	5.6
General government financial balance (% of GDP)	_	-1.6	-1.0	-0.7	-0.8	-0.5
General government gross debt (% of GDP)	_	109.0	105.3	103.5	102.0	100.2
General government debt, Maastricht definition (% of GDP)	_	91.3	88.9	87.1	85.6	84.1
Current account balance (% of GDP)	_	3.5	3.9	3.8	3.6	3.6

Note: Aggregation based on euro area countries that are members of the OECD, and on seasonally-adjusted and calendar-days-adjusted basis.

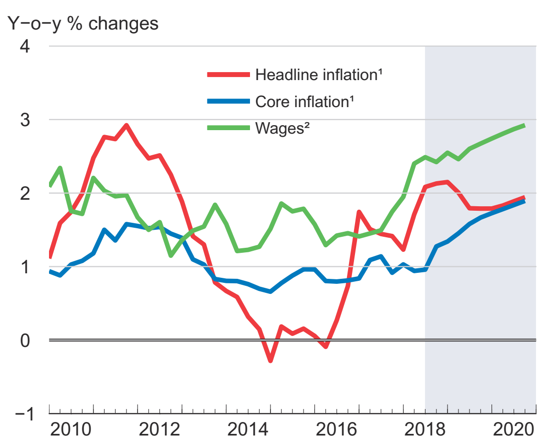
1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877658

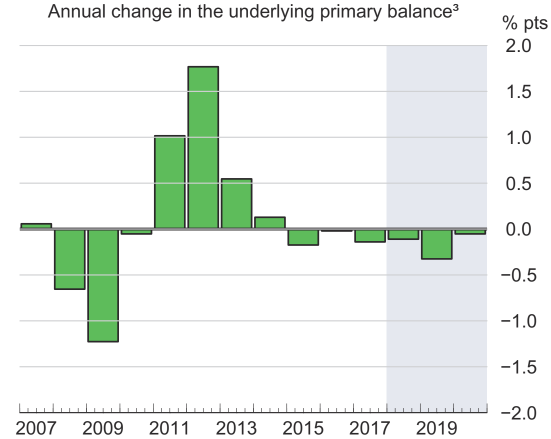
Euro area

Inflation will gradually rise as wage growth strengthens



The fiscal stance will remain slightly expansionary

Annual change in the underlying primary balance³



1. Harmonised consumer price indices, net of energy and food products for core inflation.
2. Nominal wages per employee.
3. Measured in per cent of potential GDP.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876613

Labour market conditions are improving. The unemployment rate has fallen further, to close to the pre-crisis level. Employment has continued to grow, more recently also in terms of average hours worked, and labour force participation has increased in a number of countries, pointing to sustainable improvements in labour supply. Nominal wage growth, mainly reflecting annual growth of negotiated wages, has been strengthening for several quarters, in line with improving labour markets. Nonetheless, there have not yet been signs of strong real wage growth. Headline inflation has temporarily increased to above the ECB objective, but core inflation remains stuck around 1% in annual terms. A gradual build-up in domestic cost pressures from continuing wage growth and dissipating slack will be necessary for a sustainable increase in core inflation.

Resilient and more inclusive growth requires further institutional and structural reforms

In September, the ECB reiterated the timeline for withdrawing its asset purchase programme, which is appropriate given that deflation risks have receded and monetary policy will have to gradually shift to a less accommodative stance as the recovery continues. As inflation is set to progressively return to the objective of below, but close to 2%, the ECB is projected to gradually tighten its policy stance, in line with the guidance that the rates will remain unchanged at least through the summer of 2019. A cautious and gradual reduction of support is warranted in an environment of continuing weakness in core inflation, and to avoid potential disruptions in financial markets. It is assumed that the deposit rate will return to positive levels, reaching 0.2% at the end of the projection period, while the main refinancing rate will reach 0.4%, an increase of, respectively, 60 and 40 basis points between now and end-2020.

In the euro area as a whole, the fiscal stance is expected to be slightly expansionary in 2019 but become neutral in 2020. Public debt-to-GDP ratios remain above historical averages in many countries. As the recovery continues, governments should ensure that debt-to-GDP ratios fall significantly by improving fiscal positions and by introducing structural reforms to strengthen growth. The credibility and effectiveness of the EU fiscal governance should also be strengthened by simplifying fiscal rules. Progress in completion of the banking union, in particular by creating a common fiscal backstop to the Single Resolution Fund and reaching an agreement on the European Deposit Insurance Scheme, remains key to enhancing the resilience of the euro area to a future downturn and financial stability risks. The creation of a common fiscal capacity would also buttress the capacity of the euro area to withstand negative shocks.

Sustained improvements in living standards are held back by weak productivity growth and investment in many countries. Deepening the Single Market requires further product market reforms to boost competition, in particular in the services sector, and to enhance diffusion of new technologies. Swift completion of the single market in network sectors and services would also foster productivity growth and unlock further investment, particularly in trans-European transport and energy networks.

Growth will gradually moderate

GDP growth is projected to ease from 1.9% in 2018 to 1.6% in 2020, supported by strongly accommodative monetary policy, improving job creation and slight fiscal support. Private consumption growth will benefit from rising employment and more wage growth. The recovery in business investment is expected to continue, supported by favourable financing conditions and the need to expand production capacity. Inflation is projected to strengthen gradually in an environment characterised by disappearing slack and higher wage growth.

Policy uncertainty is high and could increase further. An escalation of trade tensions could further undermine trade and investment. Brexit is not a major macroeconomic risk for the euro area as a whole, but countries with the closest trade links to the United Kingdom could be severely impacted if the United Kingdom left the European Union without a negotiated agreement. High-debt countries may have difficulties coping with higher borrowing costs and possible contagion effects in the event of renewed stress in sovereign bond markets or a faster-than-expected withdrawal of monetary policy support. On the upside, a faster labour market recovery and resulting wage growth or stronger confidence generated by an agreement on major euro area institutional reforms could lead to stronger-than-expected growth.

FINLAND

Output growth is projected to remain healthy, albeit moderating after the vigorous 2016-18 upturn. Exports will continue to benefit from expanding external demand and regained competitiveness. Private consumption will be supported by rising wages and improved employment. Inflation will pick up gradually as the economy nears full capacity.

The economic recovery and fiscal consolidation measures are stabilising government debt. Nevertheless, rising ageing-related costs pose a longer-term challenge to fiscal sustainability. Recent pension and labour market reforms strengthen public finances, but enhanced work incentives are needed to lift employment further. Efficiency gains are also key to continue providing high-quality public services in a sustainable way.

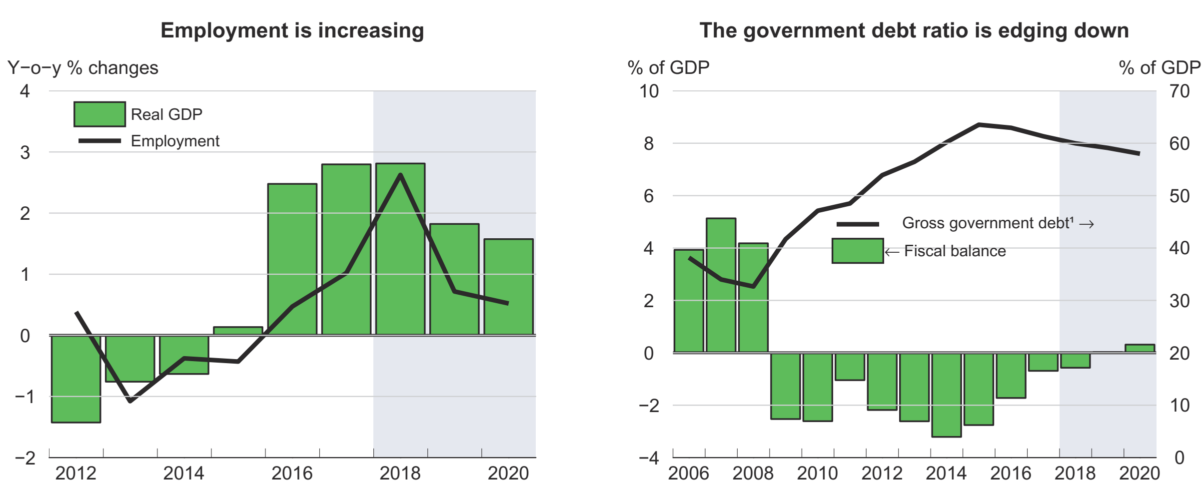
Growth has been strong and broad-based

Following several years of subdued growth, the economy has been expanding strongly over the past three years on the back of robust domestic and foreign demand. Private consumption has been buoyed by earnings and employment gains. Residential investment has risen to an exceptionally high level, thanks to low interest rates and strong income growth. Business investment is being boosted by high capacity utilisation and strong export demand. Employment has risen substantially and the employment rate is now approaching the 72% target set by the government for 2019. The unemployment rate has fallen markedly but remains relatively high, partly due to labour market mismatches. Headline inflation has picked up as energy prices soared, but core inflation remains very muted. However, wage growth is starting to gather speed as productivity picks up and the labour market tightens.

Raising employment further is key for sustainable public finances

The fiscal position of general government has improved on the back of increased tax revenues and consolidation measures. Nevertheless, reducing public debt further is

Finland



1. Maastricht definition.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876632

Finland: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	209.6	2.5	2.8	2.8	1.8	1.6
Private consumption	115.9	2.0	1.3	2.0	1.9	1.3
Government consumption	51.1	1.8	-0.5	2.2	0.0	0.8
Gross fixed capital formation	42.7	8.5	4.0	3.3	1.5	1.7
Final domestic demand	209.8	3.3	1.5	2.4	1.4	1.3
Stockbuilding[1,2]	0.8	-0.2	0.6	-1.0	-0.2	0.0
Total domestic demand	210.6	3.1	2.1	1.3	1.2	1.3
Exports of goods and services	76.5	3.9	7.5	3.3	4.0	3.4
Imports of goods and services	77.5	5.6	3.5	2.3	2.5	2.8
Net exports[1]	- 1.0	-0.6	1.4	0.4	0.6	0.3
Memorandum items						
GDP deflator	_	0.6	0.8	1.5	1.7	1.8
Harmonised index of consumer prices	_	0.4	0.8	1.1	1.3	1.7
Harmonised index of core inflation[3]	_	1.1	0.6	0.3	1.2	1.7
Unemployment rate (% of labour force)	_	8.8	8.6	7.4	6.9	6.5
Household saving ratio, net (% of disposable income)	_	-1.8	-2.1	-2.3	-3.0	-2.6
General government financial balance (% of GDP)	_	-1.7	-0.7	-0.6	0.0	0.3
General government gross debt (% of GDP)	_	75.4	73.8	72.4	71.6	70.7
General government debt, Maastricht definition (% of GDP)	_	62.9	61.3	59.9	59.1	58.0
Current account balance (% of GDP)	_	-0.7	-0.7	-0.3	0.5	0.9

1. Contributions to changes in real GDP, actual amount in the first column.
2. Including statiscal discrepancy.
3. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877677

challenging as population ageing pushes up social spending and shrinks the working-age population. Public spending growth needs to be contained through efficiency gains in public services, notably health and elderly care, and lifting employment further is necessary to increase tax revenue. A range of policy reforms have been implemented. Pension reform entered into force in 2017, a health care and social services reform is set to be implemented in January 2021, taxes on health and environmentally harmful consumption have been raised and measures to contain public expenditure growth have been taken.

Raising employment is key to address long-term fiscal challenges. The employment rate is still lower than in any other Nordic country and structural unemployment remains relatively high. To increase work incentives, the duration of the earnings-related unemployment insurance benefit has been shortened. At the start of 2018, a revised labour activation model, with stricter conditionality, entered into force and early childhood education fees were lowered for low and middle-income families, which should increase opportunities for more women to work in paid employment. However, boosting employment further will require welfare reform, as high tax rates upon return to work and complex benefit rules still undermine work incentives.

Economic growth will slow amid growing uncertainty

Economic growth is expected to slow as the economy approaches full capacity and as uncertainty weakens business and consumer confidence. Private consumption growth will subside somewhat, as rising inflation weighs on household real income. A declining number of building permits suggests residential investment will decelerate. Non-residential investment, however, will be strong in 2020 due to several planned major projects, notably in the forest industry. Exports will continue to grow, with a strong contribution from the forest and shipping industries, while import growth will be supported by the pick-up in non-residential investment. Employment growth will be moderate as the working-age population continues to shrink. The main downside risk to the outlook is a slowdown in external demand. On the upside, private consumption and investment could prove stronger than projected if the external risks recede.

FRANCE

Economic growth is projected to continue at a pace of around 1½ per cent in 2019 and 2020. Still supportive financing conditions and business tax cuts will boost business investment, despite slowing external demand. Lower labour taxes, a more flexible labour market and improved training opportunities will help job creation, notably for low-skilled workers, supporting household consumption. Core inflation will strengthen, underpinned by the firming of the economy and a pick-up in wages.

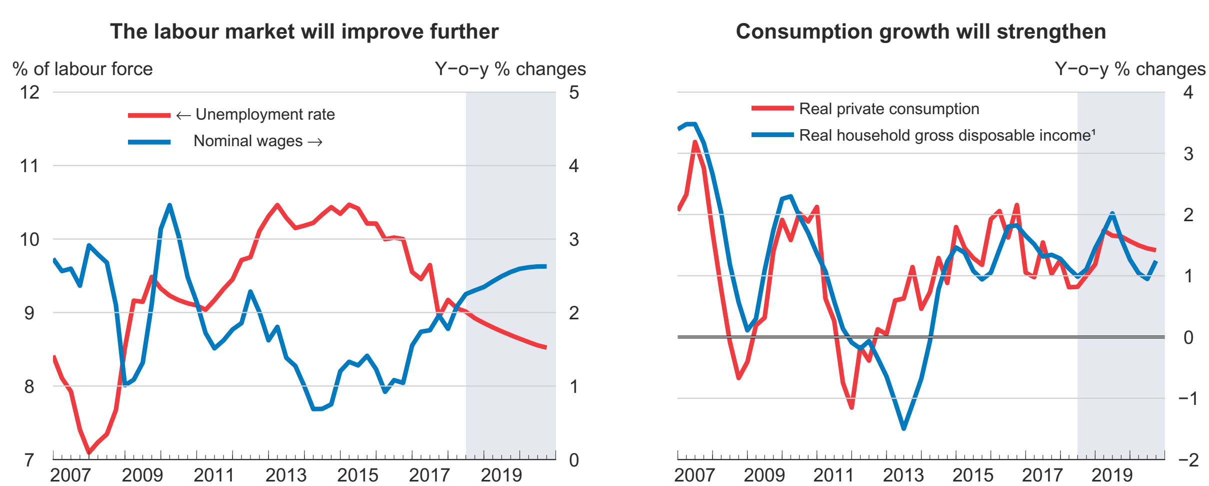
The fiscal deficit will progressively decline, despite a temporary increase due to a tax credit reform in 2019. Consolidation efforts remain limited, though. A further reduction in non-priority spending is needed to put the public debt-to-GDP ratio, currently close to 100% (Maastricht definition), on a firmly declining path and sustainably finance ongoing tax cuts for businesses and households. In parallel, the government should continue to pursue structural reforms to generate more inclusive and sustainable growth.

Growth is solid

Economic activity has rebounded after a temporary slowdown. Warm weather, prolonged strikes and some reduction in household's purchasing power, owing to a peak in inflation and an increase in some taxes, reduced consumption and household investment at the beginning of 2018. However, household purchasing power has risen since then, as employment gains have remained strong and the lowering of the housing tax and some social contributions have taken effect.

The unemployment rate is declining and dependence on subsidised jobs and short-term contracts has diminished. Skills shortages for high-skilled jobs are increasing and wage growth has gathered pace. However, employment rates remain low and lower-skilled workers face higher unemployment, lower quality jobs and worse access to training, limiting well-being and incomes.

France



1. Four-quarter moving average.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876651

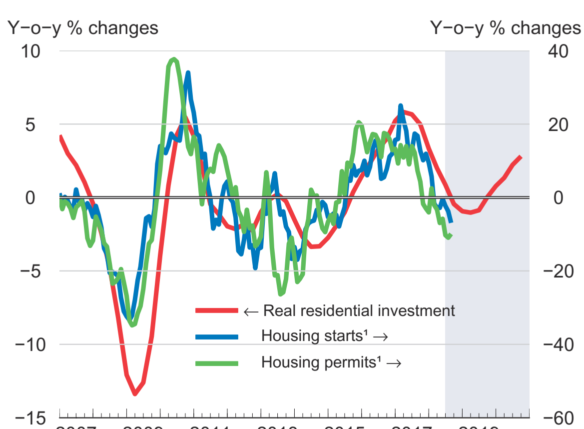
France: **Demand, output and prices**

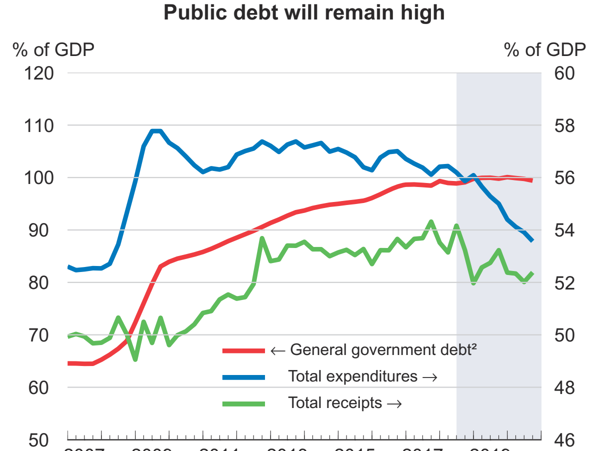
	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2014 prices)				
GDP at market prices	2 198.3	1.1	2.3	1.6	1.6	1.5
Private consumption	1 188.5	1.9	1.2	1.0	1.6	1.5
Government consumption	523.4	1.4	1.4	0.9	0.8	0.4
Gross fixed capital formation	472.6	2.7	4.7	2.9	2.4	2.4
Final domestic demand	2 184.5	2.0	2.0	1.4	1.6	1.4
Stockbuilding[1]	26.4	-0.4	0.2	-0.3	-0.1	0.0
Total domestic demand	2 210.9	1.6	2.2	1.1	1.5	1.4
Exports of goods and services	672.2	1.5	4.7	3.3	3.6	3.4
Imports of goods and services	684.8	3.1	4.1	1.5	3.2	3.3
Net exports[1]	- 12.6	-0.5	0.1	0.5	0.1	0.0
Memorandum items						
GDP deflator	_	0.2	0.7	0.9	1.4	1.6
Harmonised index of consumer prices	_	0.3	1.2	2.2	1.8	1.8
Harmonised index of core inflation[2]	_	0.6	0.6	0.9	1.2	1.6
Unemployment rate[3] (% of labour force)	_	10.1	9.4	9.0	8.8	8.6
Household saving ratio, gross (% of disposable income)	_	13.7	13.8	14.0	14.0	13.8
General government financial balance (% of GDP)	_	-3.6	-2.7	-2.7	-2.9	-1.7
General government gross debt (% of GDP)	_	125.6	124.3	125.0	125.5	124.7
General government debt, Maastricht definition (% of GDP)	_	98.3	98.5	99.1	99.8	99.4
Current account balance (% of GDP)	_	-0.8	-0.6	-0.4	-0.2	0.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
3. National unemployment rate, includes overseas departments.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877696

France





1. Year-on-year percentage changes of 3-month cumulated flows.
2. Maastricht definition.
Source: OECD Economic Outlook 104 database; and Ministry of the Environment.

StatLink http://dx.doi.org/10.1787/888933876670

The effects of the recent oil price increases and gradual tax hikes on tobacco and energy have temporarily raised consumer price inflation this year. The strengthening of the economy, as well as second-round effects from higher energy prices, are supporting a gradual pick-up in core inflation, but it is partly held back by the past appreciation of the euro. Higher oil prices and the recent soft patch of exports have weakened the trade balance, but exports are set to accelerate on the back of stronger aircraft deliveries and a rebound in tourism.

Structural reforms will support more inclusive growth

The fiscal deficit will be increased due to a large one-off business tax reduction in 2019, but is then set to decline to close to 1.7% of GDP in 2020. However, consolidation efforts are limited. Measures to reduce the tax burden for households and firms broadly compensate efforts to lower current public expenditures, as well as welcome hikes in environmental and tobacco taxes, over the projection period. Lower labour and business taxes will enhance employment incentives and boost economic performance. However, public debt will remain historically high, at close to 100% of GDP (Maastricht definition).

Additional efforts to cut inefficient and non-priority spending are key to make room for the ongoing tax reductions, rebuild fiscal buffers and put public debt on a firmly declining path. The effective use of targeted expenditure reviews will be particularly important to reduce overlap in sub-central governments' responsibilities and to identify areas where there is room not to replace every retiring civil servant. The rapid implementation of reforms of adult training, health care and pensions could also foster inclusiveness and long-term growth and reduce debt more rapidly.

Recent labour market reforms will help raise inclusiveness, skills and job quality. The 2017 labour reforms facilitate firm-level negotiations, reduce legal uncertainty surrounding economic dismissals, simplify workers' representation and better take into account the situation of smaller firms in branch-level agreements. Their implementation and the development of new firm and sector-level agreements will better align firm-level wage and productivity developments and encourage hiring on open-ended contracts. Additional financing for the training of low-skilled and unemployed workers, the overhaul of vocational training, and the increased focus on apprenticeships will also improve skills and ensure better job matches. Increasing competition in services would also strengthen employment growth.

Growth is projected to remain robust

Economic growth will remain at 1.6% in 2019 before edging down to 1.5% in 2020. Ongoing labour market and fiscal reforms will sustain business investment and exports. Employment gains and favourable financing conditions, as well as lower taxes on households, will raise private consumption and support housing investment. In turn, the tighter labour market is projected to result in higher wage and price inflation. Public investment will continue to recover. However, weaker international momentum will weigh on exports and business investment towards the end of the projection period.

Consumption growth might turn out stronger or weaker than expected, as the impact of ongoing tax changes on consumer confidence and saving behaviour are hard to predict. The effects of lower taxes and social charges on businesses, and the temporary improvement of their financial situation in 2019, could also be stronger than expected, leading to more dynamic investment, employment growth and consumption. However, businesses may prefer to lower their debt instead, which would weaken growth. Renewed financial market turbulence and economic shocks in large European economies could also reduce exports and investment.

GERMANY

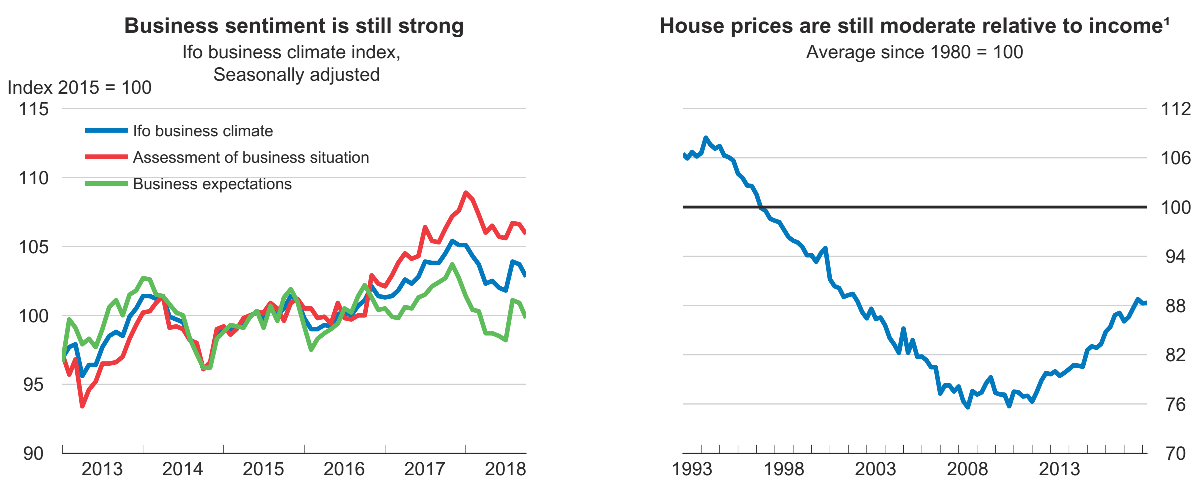
Economic growth is projected to decline but remain solid, backed by strong job creation and a fiscal stimulus. Trade-related uncertainties and moderating world demand will weigh on exports. Private consumption will accelerate due to strong wage growth and fiscal measures that increase household disposable income. Low interest rates, high capacity utilisation and growing housing demand will support residential and business investment. The current account surplus will fall as stronger domestic demand fuels imports.

Strong cyclical revenue growth will keep the fiscal balance in surplus. Fiscal space should be used to increase spending on education, high-speed broadband and low-emission transport infrastructure, which would strengthen productivity growth and inclusiveness. Tax reductions for low-wage and second earners along with higher environmental and real estate taxes would promote greener and more inclusive growth. Strengthening lifelong learning would help workers cope with technological changes and prepare for the future of work.

Economic growth is driven increasingly by domestic demand

Strong export growth came to a halt in 2018, on the back of uncertainties about trade policies. Moreover, new emission tests caused delays in car production. However, business confidence and the appetite for investment are still strong due to high capacity utilisation and low credit costs. Immigration, rising household incomes and low interest rates have boosted housing demand and construction. House prices have risen markedly, especially in urban areas where the supply of buildable land is scarce and inflexible. As a result, access to affordable housing is increasingly difficult for lower and middle-income households in booming cities. While national aggregate house prices are still low by historical standards, residential property is starting to look overpriced in some booming urban areas. Mortgage

Germany



1. The ratio of nominal house prices to nominal disposable income per head normalised by the long-run average since 1980.
Source: Ifo Business Survey, October 2018; and OECD, Analytical House Price database.

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Germany: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	3 046.0	2.2	2.5	1.6	1.6	1.4
Private consumption	1 631.1	1.9	2.0	1.2	1.8	1.7
Government consumption	587.4	4.0	1.6	1.2	2.5	1.8
Gross fixed capital formation	604.1	3.4	3.6	3.0	2.5	2.2
Final domestic demand	2 822.6	2.6	2.3	1.6	2.1	1.8
Stockbuilding[1]	- 19.6	0.3	-0.1	0.3	0.1	0.0
Total domestic demand	2 803.0	2.9	2.2	2.0	2.2	1.8
Exports of goods and services	1 425.3	2.1	5.3	2.5	2.9	3.2
Imports of goods and services	1 182.3	4.0	5.3	3.6	4.4	4.4
Net exports[1]	243.0	-0.5	0.4	-0.2	-0.4	-0.3
Memorandum items						
GDP without working day adjustments	3048.9	2.2	2.2	1.6	1.6	1.8
GDP deflator	_	1.4	1.5	1.9	2.2	2.3
Harmonised index of consumer prices	_	0.4	1.7	1.9	2.2	2.2
Harmonised index of core inflation[2]	_	1.1	1.3	1.3	1.8	2.2
Unemployment rate (% of labour force)	_	4.2	3.8	3.4	3.0	2.7
Household saving ratio, net (% of disposable income)	_	9.8	9.9	9.9	9.9	9.9
General government financial balance (% of GDP)	_	0.9	1.0	1.6	1.1	1.0
General government gross debt (% of GDP)	_	76.1	71.4	68.1	65.8	63.7
General government debt, Maastricht definition (% of GDP)	_	68.0	63.8	60.5	58.1	56.1
Current account balance (% of GDP)	_	8.5	8.0	7.7	7.2	6.8

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877715

lending has only grown in line with income, and household indebtedness, which is moderate relative to other countries, has been stable.

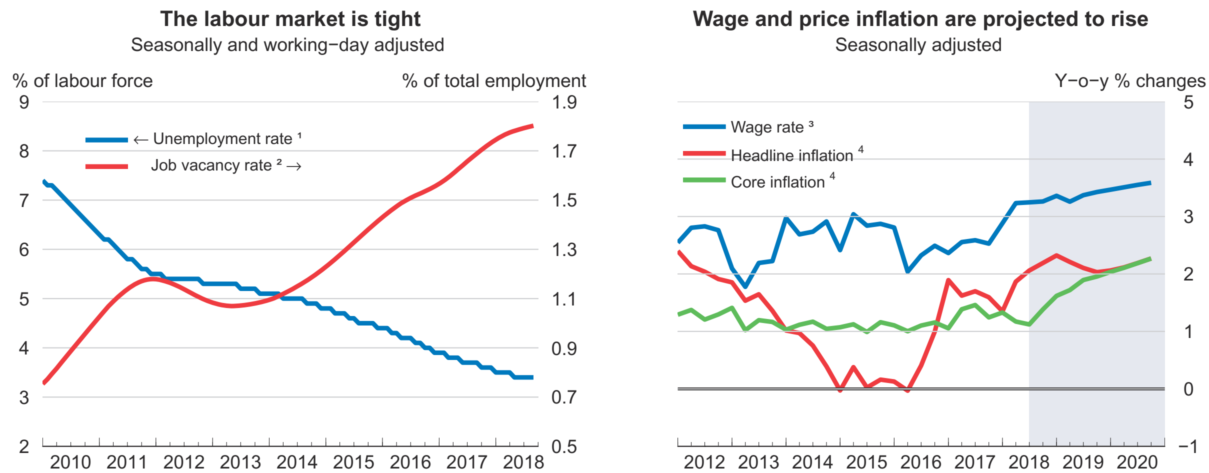
Vigorous employment gains have pushed the unemployment rate to a record low, while the number of vacant jobs has continued to rise, in particular in long-term care and construction. The strong labour market has resulted in a broad-based wage growth, which supports private consumption. Job quality has also improved as the number of full-time permanent contracts has grown strongly. Headline inflation has picked up recently on the back of higher energy prices, but the core inflation rate remains modest.

Fiscal policies should aim to improve productivity growth and inclusiveness

Fiscal policy is supporting the expansion. Child tax allowances and benefits are increasing along with pensions for mothers, while social contributions will be lower, in particular for low-paid jobs. The government plans to invest 37.9 billion euros per year from 2019 in infrastructure, education, housing and digital technology. A fund of 2.4 billion euros was set up to expand high-speed broadband and support municipalities' investment in digital infrastructure in schools. Such discretionary tax cuts and spending increases will reduce the government budget balance in 2019 and 2020.

Most of these fiscal measures are appropriate, as they promote long-run growth and inclusiveness. However, subsidies for families who want to buy homes are likely to further

Germany



1. Population aged 15-74 years. Based on the German labour force survey.
2. Percentage of unfilled job vacancies relative to total employment.
3. Average nominal wage per employee.
4. Harmonised consumer price index (HICP). Core HICP excludes energy, food, alcohol and tobacco. Projection from 2018Q4 for HICP and core HICP.

Source: OECD Economic Outlook 104 database; and Statistisches Bundesamt.

StatLink http://dx.doi.org/10.1787/888933876708

fuel an already booming housing market, which suffers from labour shortages and insufficient flexibility of supply. This would further complicate access to affordable housing for lower-income households. It would be preferable to concentrate on further investment in education and infrastructure that contributes to productivity growth and inclusiveness. Providing more opportunities for young children from disadvantaged socio-economic backgrounds to enrol in high-quality childcare and increasing places in full-day primary schooling will improve human capital in the long term, while making it easier to reconcile family life and longer working hours, especially for women. The government has committed to introduce a legal guarantee of full-day primary schooling by 2025. Financial support for municipalities' investment in physical and digital infrastructure needs to be coupled with simpler procedures to draw on the funds and technical support from federal or regional governments to plan and manage infrastructure projects.

Economic growth will remain solid

Economic growth will decline due to slower growth of external demand and higher uncertainty. It will, however, remain solid, supported by strong private consumption and expansionary fiscal policy. Capacity constraints and labour shortages will constrain production, especially in the construction sector, increasing wage and price inflation. Strong domestic demand will continue to contribute to dynamic import growth and thereby narrow somewhat the large current account surplus. A further rise in protectionism would weigh on economic growth and employment, particularly if it involved slower growth in China or tariffs on Germany's car exports. Renewed financial market turbulence and economic shocks in large European economies would also reduce exports. On the other hand, successful integration of immigrants into the labour market, improved education and training, and an increase in women's working hours as a result of recent reform efforts can alleviate labour shortages and allow companies to expand production.

GREECE

GDP growth is projected to edge up to 2.2% in 2019, before moderating slightly in 2020. The large contribution of exports to growth will decline, but the recovery of household consumption and investment will gain traction with rising confidence. Continued implementation of the government's reform programme will support the recovery. Unemployment, while still high, will continue to fall.

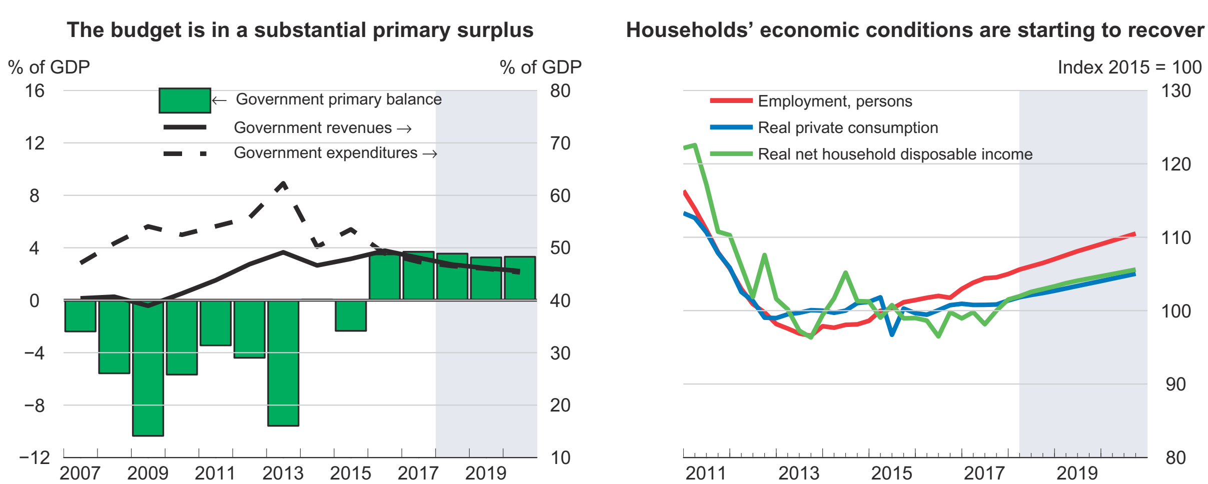
The budget is projected to reach the authorities' medium-term primary surplus targets. Fiscal policy is becoming supportive with reductions in corporate income, dividend and property taxes and in social security contributions. The debt relief and policy measures recently agreed with European partners cap Greece's gross public financing needs, reintegrate Greece into the European Semester framework and establish regular policy monitoring. The accumulated government cash buffer provides security against external volatility.

The recovery continues

Exports have grown strongly, led by tourism and non-oil goods. Industrial production has picked up, and confidence indicators have improved. Employment growth, while solid, has moderated, but unemployment continues to fall and a rising share of new jobs are full-time. Wages are rising and private consumption is growing after prolonged stagnation. Nonetheless, unemployment and spare capacity remain high.

Insufficient financing remains a large constraint on capital spending and progress has been slow in attracting new foreign direct investment and in privatising state-owned assets. Bank lending to the more dynamic sectors, such as tourism and trade, has stabilised, but overall lending is still declining. Deposits are gradually returning as capital controls are eased. Emergency liquidity assistance to banks has been nearly eliminated. Banks are achieving their non-performing loan reduction targets, mostly through sales or write-offs. Non-performing business and consumer loans are being resolved faster than

Greece



Source: OECD Economic Outlook 104 database.

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Greece: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	177.3	-0.2	1.5	2.1	2.2	2.1
Private consumption	123.1	0.0	0.9	1.1	1.2	1.3
Government consumption	36.0	-0.7	-0.4	0.5	1.2	1.2
Gross fixed capital formation	20.5	4.7	9.1	2.4	8.8	7.6
Final domestic demand	179.5	0.6	1.6	1.5	2.3	2.2
Stockbuilding[1,2]	- 2.4	0.1	0.0	-0.3	0.0	0.0
Total domestic demand	177.2	0.4	2.0	0.9	2.3	2.2
Exports of goods and services	55.9	-1.8	6.8	7.7	4.7	2.7
Imports of goods and services	55.8	0.3	7.1	3.5	5.0	3.0
Net exports[1]	0.1	-0.7	-0.1	1.4	-0.1	-0.1
Memorandum items						
GDP deflator	_	-0.2	0.6	0.5	0.8	0.9
Harmonised index of consumer prices	_	0.0	1.1	0.8	1.3	1.5
Harmonised index of core inflation[3]	_	0.6	0.3	0.3	1.0	1.5
Unemployment rate (% of labour force)	_	23.5	21.5	19.5	18.1	17.0
Household saving ratio, net (% of disposable income)	_	-17.1	-17.1	-14.1	-13.7	-13.8
General government financial balance[4] (% of GDP)	_	0.5	0.8	0.3	0.1	0.3
General government gross debt (% of GDP)	_	188.2	190.9	187.6	183.7	179.2
General government debt, Maastricht definition (% of GDP)	_	178.5	176.1	172.8	168.9	164.5
Current account balance[5] (% of GDP)	_	-1.2	-1.0	-0.7	-0.5	-0.6

1. Contributions to changes in real GDP, actual amount in the first column.
2. Including statiscal discrepancy.
3. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
4. National Accounts basis. Data also include Eurosystem profits on Greek government bonds remitted back to Greece. For 2015-2019, data include the estimated government support to financial institutions and privatisation proceeds.
5. On settlement basis.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877734

mortgages, as the latter have greater legal protection. Banks' equity prices remain volatile on concerns over their ability to raise new funds if needed.

Continuing reforms and improving the spending mix support the stability of the public finances

The government expects to exceed the 3.5% of GDP primary surplus target in 2018, as revenues grow faster than spending. The 2019 draft budget projects meeting this target while supporting activity and social inclusion. Policy measures include: lowering corporate income, dividend and property tax rates; lowering social security contribution rates for some self-employed and youth; introducing additional social welfare measures; and halting the reduction in the number of civil servants. If slower growth jeopardises fiscal targets or if the budget balance outperforms targets, the government should prioritise targeted social and infrastructure investments and keep broadening the tax base.

Greece has agreed with its European partners on the arrangements to follow the conclusion of the third Stability Support Programme. Further debt measures that extend loan maturity and defer interest payments improve Greece's debt sustainability into the medium term, and cap Greece's gross financing needs below 20% of GDP at least until 2032. A EUR 24 billion cash buffer can cover medium-term financing needs. Greece has agreed to maintain a primary surplus above 3.5% of GDP until 2022 and 2.2% of GDP on average afterwards. Greece has also agreed on regular policy monitoring and continuing structural reforms in many areas. Following the agreement, ratings agencies upgraded Greek government debt ratings and bond yields have kept trading in a range well below the levels of recent years.

Sustaining Greece's recovery requires stronger investment

GDP growth is projected to edge up in 2019 as the recovery in private consumption and investment gains traction, before moderating somewhat with softer external conditions in 2020. A budget surplus at the level of the medium-term target will support domestic demand in 2019, as well as supporting household incomes and confidence.

While recent growth is encouraging, the recovery remains fragile. Investment remains a key uncertainty for a sustained recovery. The scale of banks' non-performing loans remains a vulnerability. Deteriorating financial market and external conditions, due in part to developments in Italy and Turkey, may limit new investment. While public debt remains high, servicing costs are now capped and cash buffers provide an additional cushion. By maintaining sustainable fiscal policy and the reform momentum, Greece can contain new risks to public finances and growth. Continued improvements in relations with Greece's northern neighbours could further strengthen the investment and trade recovery. Deeper reforms to improve product markets, professional services and competitiveness, and pro-growth public investments and social transfers would strengthen Greece's economic outlook and inclusiveness.

HUNGARY

The strong economic expansion is projected to slow gradually in the next two years. Private consumption will be supported by real-wage gains and record-high employment, while investment will be boosted by housing construction and corporate activity, as well as disbursements of EU structural funds, albeit at a slower rate. Tight labour market conditions will raise inflation, projected to reach 4% in 2019. As capacity constraints bite, demand is increasingly met by imports, and growth will gradually lose momentum.

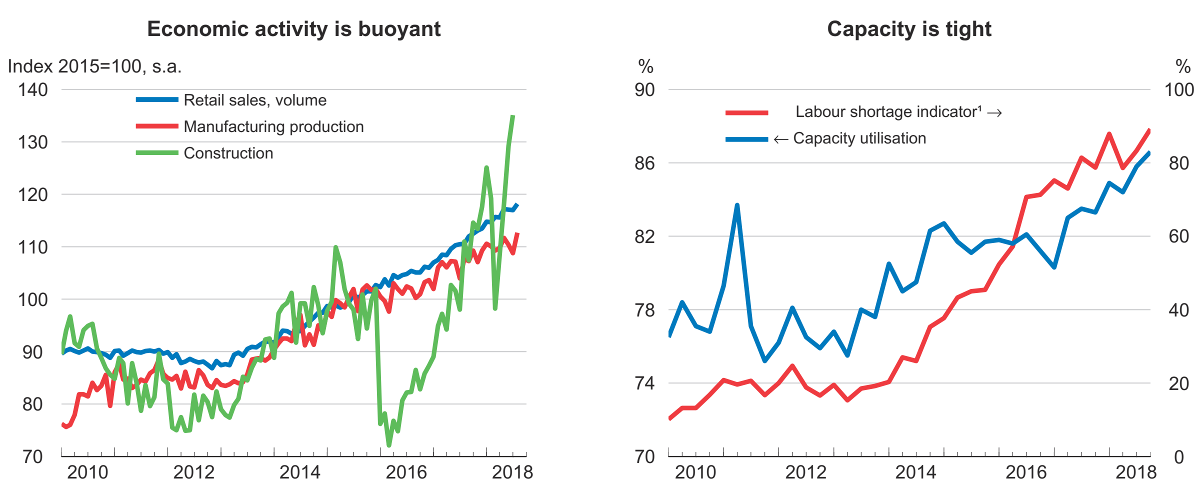
Fiscal and monetary policies are expansionary. Tax cuts and public spending increases were introduced in 2018, and further tax cuts are scheduled for 2019. The central bank has maintained policy rates on hold although headline inflation exceeds its central target of 3%. Macroeconomic policies should be tightened gradually to prevent the economy from overheating. This would also help the authorities to meet their target of reducing public debt below 50% of GDP in the medium term.

Domestic demand will remain strong

Domestic demand is driving growth, underpinned by rising real incomes, high consumer confidence, and supportive macroeconomic policies. Investment is expanding fast thanks to EU disbursements, buoyant residential construction and the need to expand capacity. Still-strong external demand is boosting exports. However, the high import-content of private consumption and manufacturing is increasing imports, reducing the current account surplus.

The unemployment rate fell to 3.6% in 2018, a historical low, and employment rose steadily. The tightening labour market, public sector wage increases and a hike in the minimum wage led to wage growth of 12% in the first eight months of 2018. Headline inflation reached 3.8% in October 2018, reflecting price increases for fuel, food, tobacco and alcohol rather than underlying wage pressures, while core inflation rose less.

Hungary



1. Percentage of manufacturing firms pointing to labour shortages as a factor limiting production.
Source: Eurostat Industry database; and OECD Main Economic Indicators database.

StatLink http://dx.doi.org/10.1787/888933876746

Hungary: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices HUF billion	Percentage changes, volume (2005 prices)				
GDP at market prices	34 378.6	2.2	4.4	4.6	3.9	3.3
Private consumption	17 012.7	4.0	4.8	5.6	4.7	4.0
Government consumption	6 822.6	0.7	1.3	1.1	1.1	0.8
Gross fixed capital formation	7 743.5	-11.7	18.2	15.7	9.5	4.8
Final domestic demand	31 578.8	-0.6	7.0	7.0	5.2	3.6
Stockbuilding[1]	15.3	1.4	-0.2	-1.6	-0.3	0.0
Total domestic demand	31 594.1	0.8	6.7	5.2	4.9	3.6
Exports of goods and services	30 586.2	5.1	4.7	8.3	7.5	5.9
Imports of goods and services	27 801.8	3.9	7.7	9.6	8.8	6.3
Net exports[1]	2 784.5	1.4	-1.9	-0.4	-0.6	-0.1
Memorandum items						
GDP deflator	_	1.0	3.6	4.5	4.9	4.3
Consumer price index	_	0.4	2.3	3.0	4.0	4.0
Core inflation index[2]	_	1.5	1.8	2.1	3.3	3.9
Unemployment rate (% of labour force)	_	5.1	4.2	3.6	3.2	3.1
Household saving ratio, net (% of disposable income)	_	8.1	7.3	10.8	10.6	10.8
General government financial balance (% of GDP)	_	-1.6	-2.2	-2.4	-2.0	-2.0
General government gross debt (% of GDP)	_	99.5	93.9	91.3	88.4	86.3
General government debt, Maastricht definition (% of GDP)	_	75.9	73.3	70.6	67.8	65.7
Current account balance (% of GDP)	_	6.2	3.2	1.7	0.9	0.6

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877753

A tighter policy stance is needed

The risk of overheating means that the stimulatory macro-economic policies should be tightened gradually. Monetary policy interest rates are still close to zero, but the central bank has indicated it will begin to normalise monetary policy. Rates are projected to increase in the first quarter of 2019, to help contain inflation expectations. Expansionary fiscal measures in 2019 include tax-allowances for families, cuts in social security contributions for businesses and VAT reductions. Spending will increase on wages, education, infrastructure, and subsidies for house purchases. As a result, the general government deficit will narrow only gradually, despite robust economic growth.

The period of above-trend growth provides a window of opportunity to address medium-to-long-term fiscal challenges, including increases in ageing-related spending on pensions and health care. Robust growth is expanding employment opportunities, which should enable the government to scale back public work schemes. The mainly foreign-owned export sector has been at the core of the upswing, while the domestic SME sector has low growth, productivity and propensity to innovate. Strengthening SMEs requires improving regulatory policies to improve the business environment, and better development of human capital through skills upgrading.

Growth is projected to slow but inflationary tensions will persist

Economic growth will gradually slow in the next two years as capacity constraints tighten. As a result, domestic demand will be increasingly met by imports. Private consumption will continue to benefit from surging real incomes, while business investment will expand to meet rising capacity pressures. Housing construction will slow in response to the re-introduction of VAT on new dwellings from 2019. New industrial capacity coming on-stream will support exports, but rising unit-labour costs will slow market-share gains and export market growth will slow. The projection is subject to downside risks. Higher-than-expected wage increases could de-anchor inflation expectations and require a sudden tightening of monetary policy, thus harming growth. On the other hand, a faster reduction in public work schemes could reduce wage pressures, sustaining growth. Hungary remains vulnerable to spillovers from financial turmoil in emerging-market economies, which would jeopardise financial stability. A hard Brexit would hurt Hungary's exports and business confidence.

ICELAND

Growth is projected to slow towards more sustainable rates. Consumption growth will ease as employment and wages decelerate. Exports of goods and services, especially tourism, will weaken after a strong 2018, while imports will decline following slowing internal demand. The residential housing boom will ease and the growth of private investment will weaken. The unemployment rate remains low, at around 3%.

Inflation is creeping up, mainly due to a weaker exchange rate and higher import prices. The central bank raised the policy interest rate and is projected to increase it further to anchor rising inflation expectations. Fiscal policy is projected to be broadly neutral. However, a tighter stance via current expenditure containment would be appropriate as price pressures persist and public debt is declining only slightly. The planned tax relief for low-income earners will strengthen work incentives and make the economy even more egalitarian.

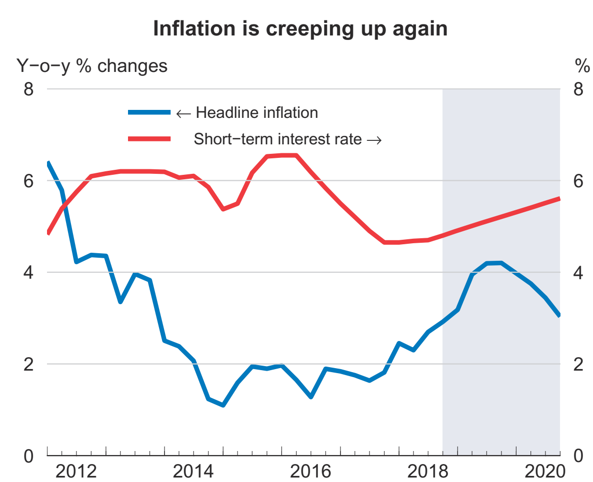
Growth is slowing

Despite strong wage growth, private consumption is slowing because of easing employment growth. Exports of marine products were exceptionally high in 2018, but arrivals at Keflavik airport show weakening foreign tourism. Business investment is recovering from the slump earlier in 2018 but remains weaker than expected as demand momentum is declining. Capital flows remain muted despite a narrowing interest rate differential with other countries. Unemployment remains low and under-employment has edged down further.

Fiscal policy remains accommodative

The projection includes considerable fiscal spending increases, as planned by the government, in particular for infrastructure that boosts potential growth. Relief on income taxes and social contributions for low-income earners will strengthen work incentives and help reduce income inequality. Although the budget remains in surplus and fosters inclusive growth, fiscal policy should be more contractionary, especially by streamlining

Iceland



Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876765

Iceland: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices ISK billion	Percentage changes, volume (2005 prices)				
GDP at market prices	2 288.0	7.4	4.0	3.8	2.8	2.6
Private consumption	1 146.6	7.2	7.9	5.3	3.7	2.5
Government consumption	535.3	1.9	3.1	2.8	1.9	2.1
Gross fixed capital formation	439.0	21.7	9.5	5.9	4.6	3.8
Final domestic demand	2 120.9	8.8	7.1	4.8	3.5	2.7
Stockbuilding[1]	3.5	-0.6	-0.5	0.2	0.2	0.0
Total domestic demand	2 124.3	8.2	6.6	5.0	3.6	2.7
Exports of goods and services	1 188.4	10.9	5.5	2.6	2.8	2.6
Imports of goods and services	1 024.7	14.5	12.5	5.4	5.0	3.4
Net exports[1]	163.7	-0.8	-2.5	-1.1	-1.0	-0.3
Memorandum items						
GDP deflator	_	1.9	0.5	2.2	3.9	3.3
Consumer price index	_	1.7	1.8	2.6	3.9	3.5
Core inflation index[2]	_	2.2	2.4	2.4	3.5	3.5
Unemployment rate (% of labour force)	_	3.0	2.8	2.7	2.7	2.9
General government financial balance (% of GDP)	_	12.3	0.1	1.3	1.3	1.2
General government gross debt[3]	_	64.4	63.9	62.1	60.3	58.8
Current account balance (% of GDP)	_	7.5	3.3	1.3	1.6	1.6

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
3. Includes unfunded liabilities of government employee pension plans.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877772

public consumption, to build fiscal buffers. On current policies, public debt will decline only gradually.

Inflation is below the central bank's target but edged up in the second half of 2018, mainly because of wage drift, a weakening króna, and rising import prices. In November, the central bank raised its policy interest rate by 0.25%, the first increase since end-2015. Rates are projected to rise further to reduce inflationary pressures, which will also help stabilise the króna. Capital inflows to Iceland will ease further as relative rates of return are declining.

Iceland is one of the most egalitarian economies of the OECD thanks to high employment, low pay and employment differences between men and women and a targeted tax and benefit system. Over the past years, income inequality has declined further. The planned tax and social contribution reliefs for low-income earners will help make Iceland even more egalitarian.

Growth continues to slow

Growth is projected to slow to 2.8% in 2019 and 2.6% in 2020, owing to weaker exports, weaker business investment and slowing household consumption. Public investment for roads, schools and a new hospital will partially offset the decline in business investment and increase longer-term potential growth. The small size of the economy makes it volatile and vulnerable, and minor changes to the outlook in the main foreign markets can quickly translate into large internal rebalancing. Risks also remain that a major volcanic eruption could destroy infrastructure and disrupt trade and transport far beyond Iceland.

INDIA

Economic growth will slow somewhat but remain robust, at close to 7½ per cent in 2019 and 2020. Higher oil prices and the rupee depreciation are putting pressure on demand, inflation, the current account and public finances. However, business investment and exports will be strong, as past structural reforms – including the new Insolvency and Bankruptcy Code, smoother implementation of the Goods and Services Tax (GST), better roads and electricity and bank recapitalisation – are paying off.

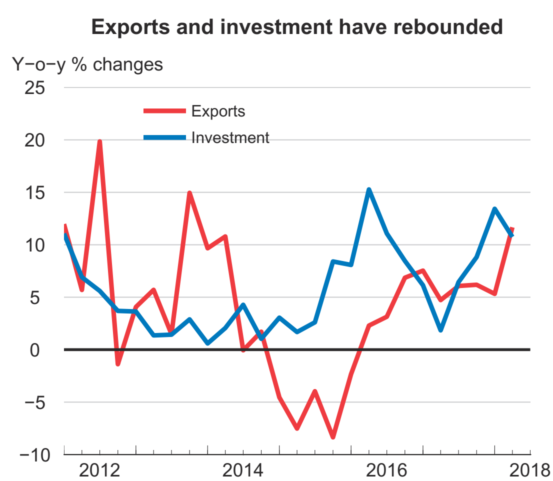
Monetary policy will need to be tightened as inflation expectations are trending up and there are several upside risks to inflation. Containing the relatively high public debt-to-GDP ratio would require controlling contingent liabilities, such as those stemming from public enterprises and banks. Further subsidy reform would help make social spending more effective. Improving public banks' governance is also key to avoid a new wave of non-performing loans and to support the investment recovery.

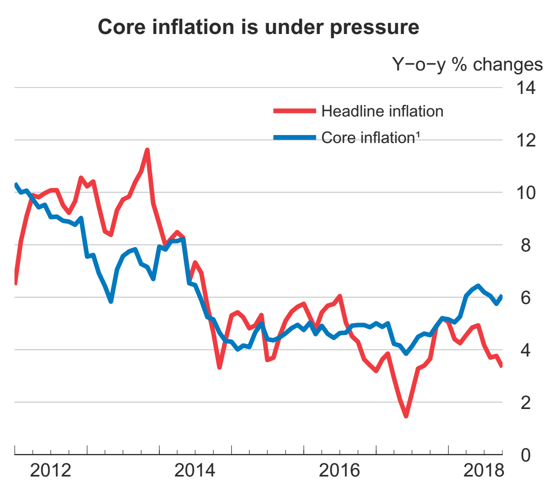
Investment and exports are key growth engines

Investment is growing steadily, driven by the gradual increase in capacity utilisation, large infrastructure programmes and recent structural reforms which are supporting investors' confidence, in particular the new Insolvency and Bankruptcy Code and public bank recapitalisation. The rebound in exports is supported by a weaker rupee and an easier-to-comply-with Goods and Services Tax. Private consumption remains strong, in particular in rural areas where incomes are benefitting from the good monsoon and steady government spending on rural roads, housing and employment programmes.

Consumer price inflation remains within the target band, partly reflecting one-off factors, such as a good monsoon, lower excise taxes on oil products and the government's request to public-sector oil marketing companies to lower their margins. However, pressures on inflation are rising from the rupee depreciation and recent increases in wages and housing allowances for public employees. Core inflation and inflation expectations are edging up.

India





1. Core inflation excludes food, beverages and fuel.
Source: OECD Economic Outlook 104 database; and Central Statistics Office.

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India: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices INR trillion	Percentage changes, volume (2012/2013 prices)				
GDP at market prices	137.6	7.1	6.7	7.5	7.3	7.4
Private consumption	80.9	7.3	6.6	7.2	7.4	7.4
Government consumption	14.3	12.2	10.9	7.0	7.3	5.3
Gross fixed capital formation	39.2	10.1	7.6	6.2	6.0	8.6
Final domestic demand	134.4	8.6	7.3	6.9	7.0	7.5
Stockbuilding[1]	6.4	-1.2	0.0	0.1	0.0	0.0
Total domestic demand	140.8	6.9	8.1	8.3	6.9	7.5
Exports of goods and services	27.3	5.0	5.6	8.9	4.5	6.3
Imports of goods and services	30.4	4.0	12.4	12.0	3.4	6.9
Net exports[1]	- 3.2	0.1	-1.5	-0.9	0.1	-0.3
Memorandum items						
GDP deflator	_	3.5	3.1	4.9	4.7	4.3
Consumer price index	_	4.5	3.6	4.5	5.0	4.5
Wholesale price index[2]	_	1.7	2.9	4.8	4.6	4.3
General government financial balance[3] (% of GDP)	_	-7.0	-6.6	-6.4	-6.2	-6.0
Current account balance (% of GDP)	_	-0.6	-1.9	-2.1	-2.8	-3.0

Note: Data refer to fiscal years starting in April.
1. Contributions to changes in real GDP, actual amount in the first column.
2. WPI, all commodities index.
3. Gross fiscal balance for central and state governments.

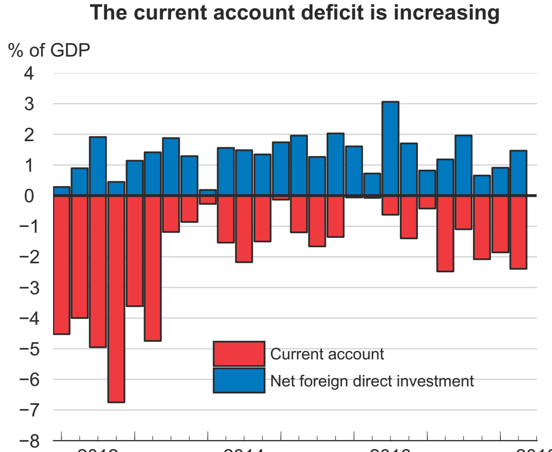
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877791

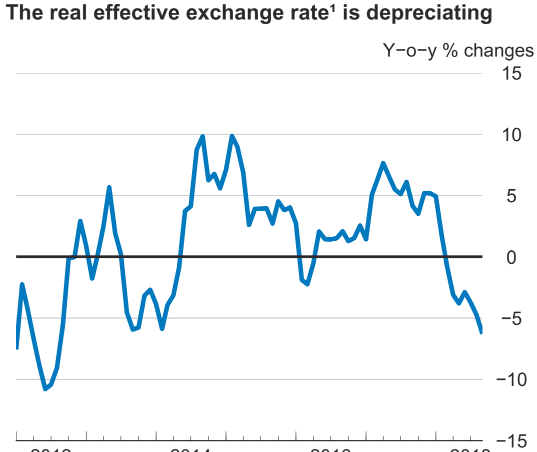
The current account deficit is increasing, driven by India's growth differential with other economies and higher oil prices. Financing the deficit is becoming more challenging as foreign direct investment inflows are sluggish and portfolio capital is being pulled out by higher yields in advanced economies. The government has hiked import duties to limit the current account deficit and lessened constraints on firms' external borrowing. The

India

The current account deficit is increasing



The real effective exchange rate[1] is depreciating



1. Real effective exchange rate calculated using a basket of 36 currencies (trade weighted).

Source: Reserve Bank of India.

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depreciation of the real effective exchange rate remains moderate. External vulnerability is now less of a concern than in previous episodes of financial turmoil as macroeconomic fundamentals have improved and foreign exchange reserves have been replenished.

Further structural reforms are key to improving living standards for all

India has little fiscal and monetary space. Ratios of public deficit and debt to GDP remain high. Demonetisation, GST and tax amnesties have spurred the formalisation of the economy and resulted in an increase in the number of taxpayers. However, the hike in public wages and pensions, stress in corporate and bank balance sheets, debt waivers for farmers and cuts in excise taxes are putting pressure on fiscal outcomes. As a result, there is little scope to finance better infrastructure and social services. To maintain inflation within the target range and anchor inflation expectations, the projections incorporate marginal increases in monetary policy rates.

Structural reforms are vital for sustaining growth and rising living standards. The ongoing subsidy reform – replacing price subsidies by direct cash transfers to households *via* their bank account and using a unique identification number – makes household support more equitable and efficient. It also improves financial inclusion, reduces market distortions and generates public savings. Successful local experiments in reforming food and fertiliser subsidies should be extended. The new Insolvency and Bankruptcy Code (IBC) helps resolve non-performing loans and gradually changes debtors' behaviour. Reaping the full benefits of the IBC would require increasing judicial resources. Getting the financial sector back to health would require that the planned recapitalisation of public banks be accompanied by governance reforms and better systems to avoid bank fraud.

Creating more and better jobs is a priority to raise living standards and reduce informality and income disparities. Adjusting training programmes to meet employers' needs is essential to support job creation in the formal sector, productivity and export performance. Labour regulation reforms at the state level should be assessed and replicated if successful. This would require up-to-date data on employment and the quality of jobs. There is also scope to boost India's participation in global value chains, productivity, and incomes by further improving the ease of doing business and opening India more to trade and investment.

Growth is projected to remain strong in 2019 and 2020

Tighter financial conditions, higher oil prices, adverse terms of trade, lower growth in partner countries, and rising political uncertainties in India and abroad will tend to reduce growth somewhat. Even so, economic activity is projected to slow only marginally from a high level. Recent improvements in the GST administration, enabling exporters to get faster tax refunds, and the depreciation of the rupee will boost exports. Corporate investment will remain vigorous, supported by recent structural reforms and better infrastructure (in particular road and energy provision). Inflation pressures will be reinforced by the decision to raise minimum support prices and government purchases of some agricultural products. The Reserve Bank's credibility in targeting inflation and the projected marginal increases in policy rates will help anchor inflation. Confidence and investment would suffer from unexpected difficulties in non-bank financial institutions and delays in reducing non-performing loans. A further increase in oil prices and contagion from turbulence in other emerging-market economies are the major external risks. On the other hand, the hike in US tariffs on Chinese imports could benefit India's exports, in particular in the textile sector.

INDONESIA

Economic growth is projected to remain above 5% in 2019-20. Rising incomes will lift private consumption. Tighter financial conditions will weigh on firms' investment but ongoing infrastructure investment will provide support. Slower growth in trading partners will be a drag on exports, but improvements in regulations and connectivity, along with greater price competitiveness from currency depreciation, should support gains in market share. Inflation is set to remain relatively subdued notwithstanding the rupiah depreciation and higher fuel prices. Higher import prices have widened the current account deficit.

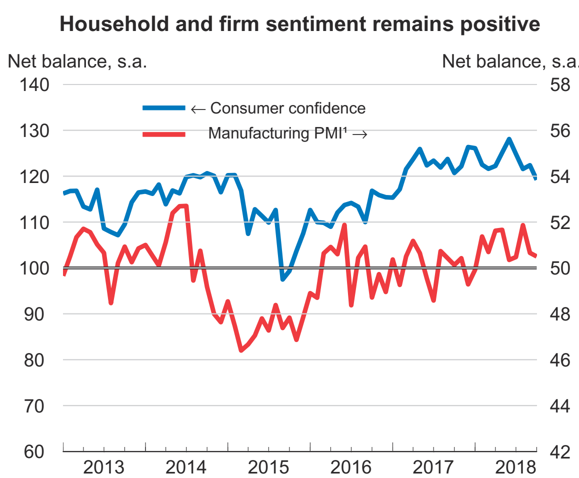
Bank Indonesia has raised interest rates by 175 basis points since mid-May to contain capital outflows. Further pre-emptive tightening is projected as US interest rates rise. The budget deficit is set to narrow slightly. Reforms to improve the efficiency of spending, shift social assistance towards targeted transfers and further lower costs of doing business would support inclusive growth.

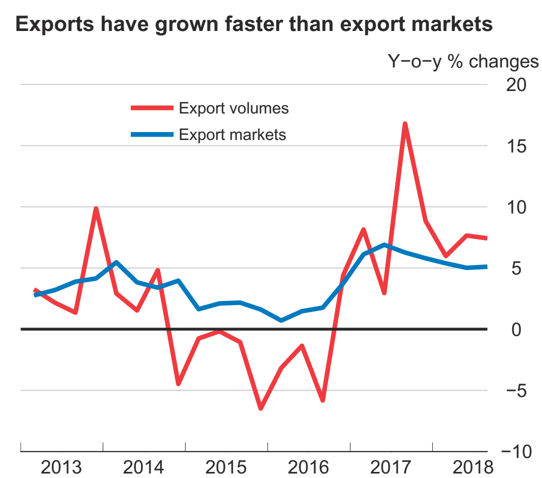
The economy is growing at a healthy pace

Consumption growth has picked up, thanks to ongoing job creation and expanding government social programmes. Confidence indicators have edged down most recently but still point to continued growth. Low headline inflation, at around 3%, is also supporting real income growth. Core inflation is also low and administered energy prices are frozen for 2018-19. Investment growth has eased from high levels but remains supported by infrastructure investment.

Exports have grown faster than export markets. Increased imports of capital goods and higher oil prices pushed the trade balance into deficit during 2018. Consequently, the current account deficit has widened but it remains moderate, at 2.9% of GDP in the first three quarters of 2018.

Indonesia





1. The Manufacturing Purchasing Managers Index is a survey-based leading indicator. An index above 50 indicates an overall increase and below 50 an overall decrease in economic activity.

Source: CEIC; Markit; and OECD Economic Outlook 104 database.

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Indonesia: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices IDR trillion	Percentage changes, volume (2010 prices)				
GDP at market prices	11 526.3	5.0	5.1	5.2	5.2	5.1
Private consumption	6 621.9	5.0	5.0	5.1	5.2	5.3
Government consumption	1 123.7	-0.1	2.1	5.5	4.7	3.6
Gross fixed capital formation	3 782.0	4.5	6.2	6.8	6.1	5.9
Final domestic demand	11 527.6	4.4	5.1	5.7	5.5	5.4
Stockbuilding[1]	- 45.4	0.6	-0.2	0.6	-0.1	0.0
Total domestic demand	11 482.2	5.0	4.8	6.1	5.3	5.2
Exports of goods and services	2 439.0	-1.6	9.1	7.6	5.4	5.2
Imports of goods and services	2 394.9	-2.4	8.1	12.5	5.8	5.7
Net exports[1]	44.1	0.2	0.3	-0.8	0.0	-0.1
Memorandum items						
GDP deflator	_	2.5	4.2	3.9	4.2	4.0
Consumer price index	_	3.5	3.8	3.3	3.7	3.8
Private consumption deflator	_	3.1	3.5	3.5	3.6	3.6
General government financial balance (% of GDP)	_	-2.4	-2.5	-2.0	-2.0	-1.8
Current account balance (% of GDP)	_	-1.8	-1.7	-2.8	-2.6	-2.5

1. Contributions to changes in real GDP, actual amount in the first column.
Source: OECD Economic Outlook 104 database.

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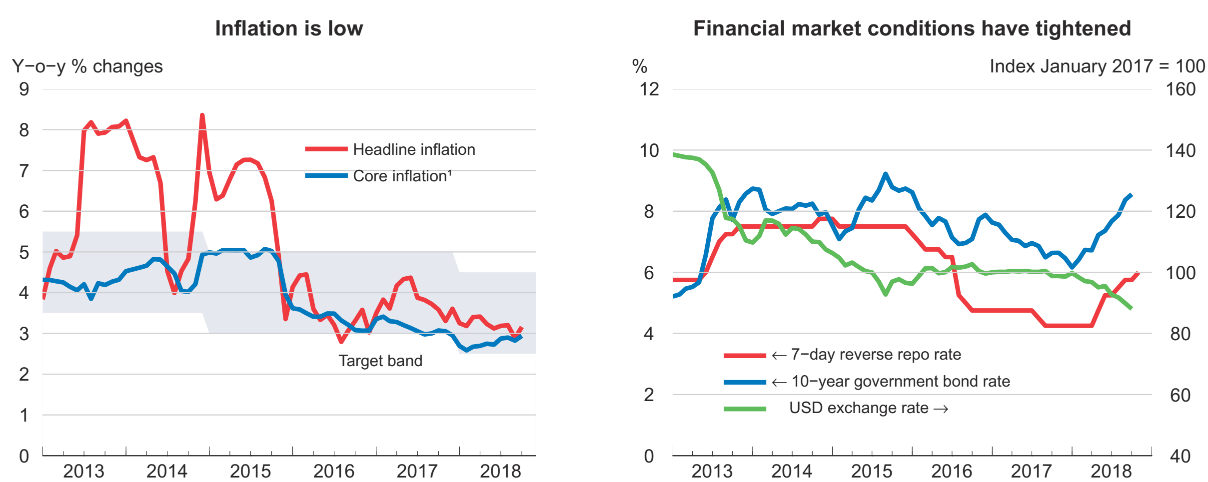
Monetary and fiscal policies are prioritising stability

In the course of 2018, capital outflows have pushed up bond yields and lowered equity prices, tightening financial conditions. Yields on US-dollar-denominated debt have been driven higher by rising US interest rates, but the spread for Indonesian debt has widened only slightly. Rupiah depreciation adds to the cost of servicing foreign-currency-denominated debt. While the coal price is high, palm oil and rubber prices have declined.

Indonesia



1. Excludes administered and volatile food prices.
Source: CEIC; Thomson Reuters; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876841

Bank Indonesia has raised policy rates by 175 basis points since mid-May to stem capital outflows. So far, bank lending rates – which are high relative to deposit rates – are little changed, thereby limiting the effect of this tighter monetary policy on the domestic economy. However, Bank Indonesia will likely need to increase interest rates during the projection period as US interest rates rise. Allowing additional gradual rupiah depreciation would reduce the steepness of the required policy tightening. Bank Indonesia has also been introducing new financial instruments to facilitate hedging, including a new overnight benchmark interest rate and interest rate swaps. Additional financial market deepening would enhance resilience.

The fiscal deficit is projected to narrow, which will widen the buffer *vis-à-vis* the 3%-of-GDP deficit cap and reduce borrowing. Improving the effectiveness of public spending could support growth. The international oil price has increased since the last budget but further increases in the subsidy for diesel should be resisted to avoid crowding out other spending. Restarting energy subsidy reform would free up additional funds for better targeted social assistance. More cost-reflective fuel prices would lower fuel demand, curbing imports and improving environmental outcomes. Improving tax compliance, by investing in tax administration, would help fund infrastructure and social outlays.

The government has announced a range of measures to curtail imports, including: mandating increased use of biodiesel and hiking withholding taxes on 1 147 imported goods (mostly consumer goods). Boosting exports by streamlining regulations and reducing port waiting times, for example, would better support the economy.

Reinvigorating reform momentum could make the economy more resilient and inclusive amid rising global trade tensions. Continuing to reduce the cost of doing business, fight corruption and relax the negative investment list would help attract foreign direct investment. The new Online Single Submission system for licensing is welcome and should be improved based on user feedback. Experimenting with relaxed employment regulations and a discounted minimum wage for youth in special economic zones could increase formal employment.

Growth will remain solid

GDP growth is projected to remain above 5% in the next two years. Income growth will support a pick-up in consumption growth. Investment growth is expected to remain robust, partly due to infrastructure investment projects that are already underway. Slowing trading partner growth will increasingly weigh on exports. Nonetheless, recent exchange rate depreciation will curb imports and improve export competitiveness, supporting output growth and helping to narrow the current account deficit. Earlier improvements to regulation and infrastructure will also support export growth. Higher import prices, including for oil, will likely increase inflation somewhat. Nonetheless, inflation is projected to remain inside the target band, which in 2020 will be lowered to between 2% and 4%.

A key downside risk to the projections is that capital outflows intensify, which would lead to further depreciation and likely require tighter monetary policy. Domestic demand would be softer if banks passed on more of the policy interest rate hikes to lending rates. Although Indonesia is less integrated in global value chains than other countries in the region, heightened trade tensions would slow growth through lower exports as well as indirectly via sentiment and commodity prices. A decline in oil prices would ease cost pressures, boost growth and narrow the current account deficit. Conversely, a rebound in the prices of commodities that Indonesia exports would raise incomes.

IRELAND

Economic activity in Ireland is projected to remain robust, but to ease gradually. Abstracting from volatile activities of multinational enterprises (MNEs), underlying domestic demand will remain strong, underpinned by solid employment growth and consumption. As the economy approaches full employment, job growth will moderate while wage pressures will be significant, feeding into higher inflation. Property prices will remain very high, spurring strong construction investment.

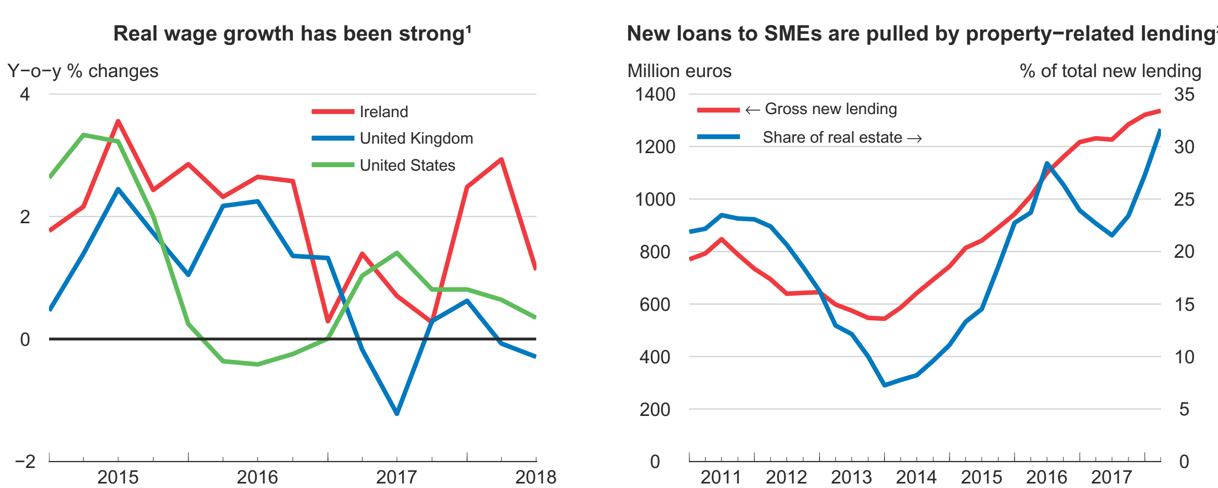
The fiscal position will not improve much over the next two years. The government should remain committed to improving the fiscal position, but be ready to ease the fiscal stance to mitigate the impact of a potentially disorderly conclusion to Brexit negotiations. Ireland would be one of the most negatively impacted EU countries of such an outcome. The implementation of a new development plan aimed at economic, environmental and social progress should be conditional on improving the fiscal position, and the authorities should ensure that the associated projects are carefully prioritised.

The strong expansion continues

Underlying domestic demand has been growing by more than 5% at an annual rate over the past few quarters. Solid consumption has been driven by strong gains in employment and income, and more generally improved consumer confidence. With the unemployment rate having declined rapidly, wage growth has risen markedly. Business confidence remains at high levels in all sectors. Yet inflation remains low largely due to the appreciation of the euro against the pound sterling, although it has been stronger in the non-tradable sector, running at or above 2%.

The property market remains buoyant and has been driving strong credit growth. House prices continue to rise strongly, driven by strong income growth and a shortage of

Ireland



1. Real wages are nominal wages adjusted for headline inflation.
2. 4-quarter average of gross new lending by banks to Irish resident SMEs.

Source: OECD Economic Outlook 104 database; and Central Bank of Ireland.

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Ireland: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2016 prices)				
GDP at market prices	262.1	4.9	7.2	5.9	4.1	3.4
Private consumption	86.9	3.8	1.8	3.2	2.6	2.2
Government consumption	32.2	3.4	3.7	3.5	2.6	1.9
Gross fixed capital formation	62.5	52.8	-30.5	-8.3	6.7	5.2
Final domestic demand	181.7	20.4	-12.3	-0.6	4.0	3.2
Stockbuilding[1]	5.4	2.3	-1.3	0.9	-0.2	0.0
Total domestic demand	187.1	22.0	-16.0	1.4	3.7	3.1
Exports of goods and services[2]	320.1	4.4	7.7	5.3	5.6	4.8
Imports of goods and services	245.0	18.5	-9.3	-0.9	6.1	5.1
Net exports[1]	75.0	-11.9	19.0	7.2	1.6	1.4
Memorandum items						
GVA[3], excluding sectors dominated by foreign-owned multinational enterprises	_	4.9	7.2	4.8	3.9	3.4
GDP deflator	_	-0.8	0.4	0.2	1.1	2.3
Harmonised index of consumer prices	_	-0.2	0.3	0.8	1.9	2.2
Harmonised index of core inflation[4]	_	0.7	0.2	0.3	1.5	2.2
Unemployment rate (% of labour force)	_	8.4	6.7	5.6	5.2	5.1
Household saving ratio, net (% of disposable income)	_	3.8	6.6	5.6	5.2	5.1
General government financial balance[5] (% of GDP)	_	-0.5	-0.2	-0.4	-0.2	0.1
General government gross debt (% of GDP)	_	85.3	78.2	75.7	73.4	70.7
General government debt, Maastricht definition (% of GDP)	_	73.5	68.5	66.0	63.8	61.1
Current account balance (% of GDP)	_	-4.2	8.5	11.5	10.5	9.5

1. Contributions to changes in real GDP, actual amount in the first column.
2. So called "contract manufacturing" (exports of goods produced abroad under contract from an Irish-based entity) by multinational enterprises is assumed to remain at the 2017 level in 2018 and 2019.
3. Gross value added. Data for 2016-2020 are OECD 's estimates.
4. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
5. Includes the one-off impact of recapitalisations in the banking sector.

Source: OECD Economic Outlook 104 database.

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supply, though they are currently at well below pre-crisis levels. New housing completions have been catching up with demand, but there will continue to be shortages in the dwelling stock for some time. Rising property prices are becoming a concern for competitiveness and for housing affordability for low-income households. The construction sector has been increasingly contributing to employment and investment.

Policies should aim at ensuring sustainability

Macro-prudential policy tools that are currently in place, such as loan-to-value caps, have reduced the share of risky loans in the financial system. Given the risk of overheating in the property market, the Central Bank of Ireland will impose an extra capital buffer equivalent to 1% of banks' risk-weighted assets from July 2019, and additional buffers should be added swiftly if needed.

The improvement in the fiscal position will slow over the next two years. Given uncertainties to the outlook, the government should remain committed to improving the fiscal position, but be ready to ease the fiscal stance to mitigate the impact in the event of a disorderly conclusion to Brexit negotiations. The authorities are planning to increase public investment further by EUR 116 billion (39.5% of 2017 GDP) in the National Development Plan over the next ten years, with a focus on education, public transport and housing. The plan should be implemented conditional on pursuing the target of further reducing public debt and only projects with the highest social returns should be implemented.

The economy will face capacity constraints and uncertainties

The economy is projected to grow robustly in the coming two years. Output will however expand at a somewhat more moderate pace due to increasing capacity constraints and high external uncertainty. As the unemployment rate will reach historically low levels, wage pressures will be significant and push up inflation strongly even as the effects from the depreciation of the pound sterling dissipate.

Risks to the outlook are elevated, the most immediate one being a disorderly conclusion to Brexit negotiations. Changes in the international tax regime could affect FDI decisions by multinationals, posing a significant risk for Ireland. Property prices may increase more strongly than projected, which would further boost construction activity in the near term but may lay the foundation for another boom-and-bust cycle if associated with another surge in credit growth. Persistently high private indebtedness also poses a downside risk, as it leaves the economy sensitive to rising interest rates.

ISRAEL*

Strong growth is projected to continue, but to cool slightly through 2020. Expansionary fiscal policy and low interest rates will boost domestic demand. The current account will nevertheless remain in small surplus. Inflation will rise towards the centre of the Bank of Israel's target range.

The planned budget deficits are high for this stage of the cycle. Steady fiscal consolidation will be needed to reduce public debt relative to GDP and ensure room for manoeuvre in the next downturn. With inflation rising back into the target range and unemployment low, the monetary authorities should consider raising currently ultra-low interest rates gradually.

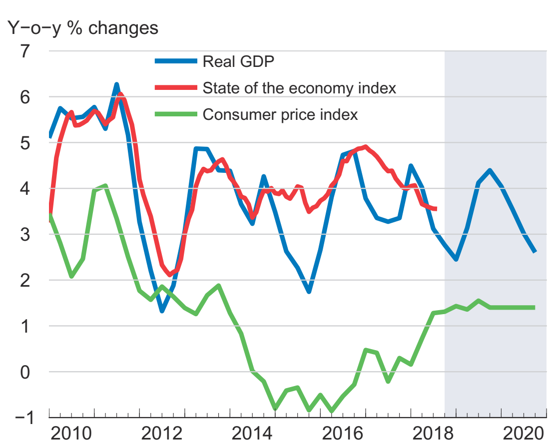
Underlying growth continues despite a mid-year blip

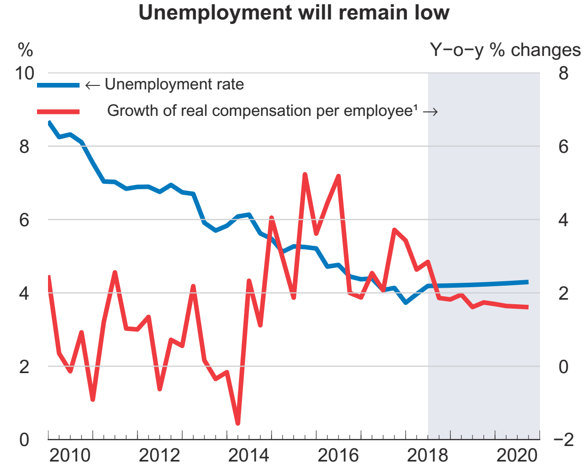
Underlying growth has remained strong despite a temporary slowdown in activity in mid-year. Housing investment has been falling quite fast, while other investment and consumer demand have remained buoyant. Unemployment has reached low levels, but is no longer declining. Inflation has trended up during the year as wage growth has picked up and energy prices have risen, but remains in the lower half of the central bank's 1-3% target range. The goods trade deficit has been rising, with strong import growth early in the year and rising energy prices.

Prudent fiscal policy is needed

Based on current commitments, higher government expenditure will boost growth through 2018-19. This increase in expenditure, which was partly fuelled by one-off

Israel





1. Deflated by the private consumption deflator.

Source: Bank of Israel; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876879

* The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the west Bank under the terms of international law.

Israel: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices NIS billion	Percentage changes, volume (2015 prices)				
GDP at market prices	1 167.9	4.0	3.4	3.6	3.5	3.3
Private consumption	637.2	6.4	3.3	3.8	3.3	3.5
Government consumption	261.5	4.2	3.4	3.8	4.1	2.9
Gross fixed capital formation	221.6	12.8	2.9	3.1	3.0	2.6
Final domestic demand	1 120.3	7.1	3.2	3.6	3.4	3.2
Stockbuilding[1]	10.1	-0.4	0.2	1.3	0.2	0.0
Total domestic demand	1 130.4	6.7	3.4	5.0	3.6	3.1
Exports of goods and services	365.6	1.4	5.1	4.6	4.3	5.0
Imports of goods and services	328.1	10.2	5.0	9.7	4.7	4.4
Net exports[1]	37.5	-2.4	0.1	-1.3	-0.2	0.1
Memorandum items						
GDP deflator	_	1.0	0.2	-0.2	1.2	1.3
Consumer price index	_	-0.5	0.2	0.9	1.4	1.4
Core inflation index[2]	_	0.0	0.0	0.5	0.8	1.4
Unemployment rate (% of labour force)	_	4.8	4.2	4.0	4.1	4.1
General government financial balance[3] (% of GDP)	_	-1.4	-1.0	-3.0	-3.2	-3.0
General government gross debt (% of GDP)	_	62.0	60.4	61.6	62.1	62.5
Current account balance (% of GDP)	_	3.7	2.6	1.0	0.7	0.9

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
3. Excluding Bank of Israel profits and the implicit costs of CPI-indexed government bonds.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877848

revenues, will make it more difficult for the government to meet its current fiscal targets. Furthermore, with a widening positive output gap, fiscal policy should avoid a pro-cyclical position, apart from measures to boost medium-term growth. Hence, expenditure cuts or tax hikes will be needed in the coming years to reduce the ratio of debt to GDP and to ensure sufficient room to manoeuvre in a possible downturn. The Bank of Israel has kept its policy rate at 0.1% since March 2015. With inflation back in the Bank's target range for the first time since 2013, still low unemployment and a widening positive output gap, a gradual increase of the interest rate, as projected, is needed.

Structural reforms to increase the labour market participation and productivity of disadvantaged groups, for example improved training of the Israeli-Arab and Ultra-Orthodox communities, as well as reforms targeting the functioning of product markets and public transport infrastructure, should be implemented to strengthen both supply conditions and social cohesion. Policies to close the relatively large gender wage gaps should also be pursued, for example by encouraging more female participation in science, technology, engineering or mathematical studies in secondary and tertiary education.

Growth is projected to stay robust

The projected increase in policy interest rates will help to slow private consumption and investment growth. Domestic demand will gradually decline, slowly raising unemployment rates towards long-term potential levels. In 2019, the development of new offshore gas fields is expected to reduce energy imports and boost the trade balance. Overall, these forces will support GDP growth which will nonetheless gradually decline towards more sustainable levels. Growing regional geopolitical tensions are a downside risk to the forecast, while a faster-than-expected development of offshore gas fields and new gas export deals could boost GDP growth.

ITALY

GDP growth is projected to be 0.9% in 2019 and 2020. Private consumption will moderate, as lower employment growth and rising consumer price inflation temper real household disposable income gains and offset the positive effect of expansionary fiscal policy. Business investment will slow as domestic and external demand growth weakens. With weak domestic demand, the current account surplus will remain around 2.5% of GDP.

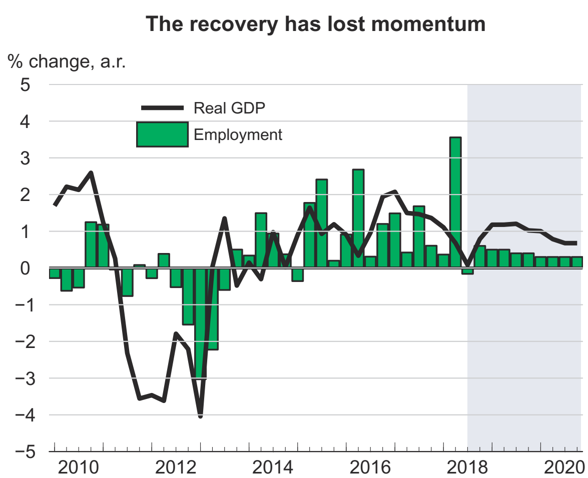
Fiscal policy will turn expansionary in 2019, widening the budget deficit to 2.5% of GDP in 2019 and 2.8% in 2020. Public debt, which has been gradually falling in relation to GDP, will instead stabilise at a high level. Government bond yields have surged by 185 basis points since mid-2018. Policies should ensure that social spending is sustainable, effective and inter-generationally fair. While systemic banks are well capitalised and the stock of non-performing loans is declining, banks' balance sheets are vulnerable to further increases in sovereign bond yields. Measures to strengthen competition in product markets, enhance education and skills, and improve work incentives are a prerequisite to raise economic growth durably.

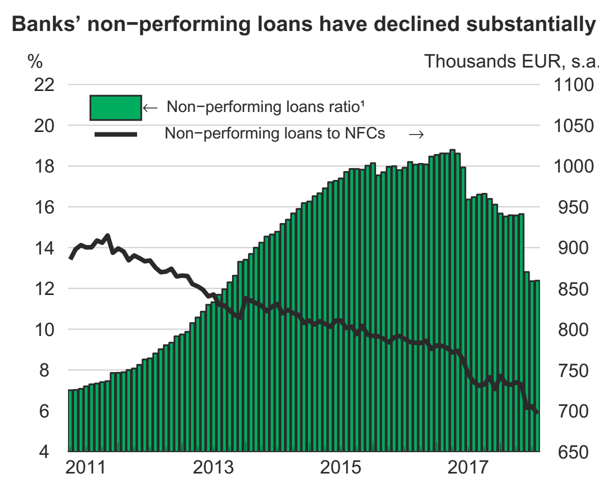
The recovery has lost momentum

Private consumption is slowing and the household saving rate has increased. Job growth continues to be driven largely by temporary contracts and has recently levelled off. Unemployment is declining, but discouraged job seekers are leaving the labour force. Energy prices have pushed up consumer price inflation, which has risen above private-sector wage growth, eroding household purchasing power. Slowing external demand and uncertainty about global trade arrangements have hurt exports.

Private investment is still expanding, supported by fiscal incentives and renewed bank lending to non-financial corporations. Bank lending rates remain low, though they started

Italy





1. Non-performing loans as share of banks' total lending to non-financial corporations (NFCs).
Source: OECD Economic Outlook 104 database; and Bank of Italy.

StatLink http://dx.doi.org/10.1787/888933876898

Italy: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	1 651.4	1.0	1.6	1.0	0.9	0.9
Private consumption	1 006.7	1.4	1.4	0.8	0.7	0.7
Government consumption	311.7	0.6	0.1	0.1	0.2	0.1
Gross fixed capital formation	279.5	3.3	3.9	4.5	3.5	2.9
Final domestic demand	1 597.9	1.6	1.6	1.3	1.1	1.0
Stockbuilding[1]	5.6	-0.3	-0.2	0.1	0.0	0.0
Total domestic demand	1 603.4	1.3	1.3	1.4	1.1	1.0
Exports of goods and services	493.2	2.6	6.0	0.2	2.7	2.8
Imports of goods and services	445.2	3.8	5.7	1.6	3.5	3.1
Net exports[1]	47.9	-0.3	0.3	-0.4	-0.1	0.0
Memorandum items						
GDP deflator	_	0.8	0.6	1.5	1.6	1.4
Harmonised index of consumer prices	_	-0.1	1.3	1.3	1.6	1.4
Harmonised index of core inflation[2]	_	0.5	0.8	0.8	1.2	1.4
Unemployment rate (% of labour force)	_	11.7	11.3	10.4	9.7	9.6
Household saving ratio, net (% of disposable income)	_	3.2	2.3	2.4	2.6	2.1
General government financial balance (% of GDP)	_	-2.6	-2.4	-1.8	-2.5	-2.8
General government gross debt (% of GDP)	_	157.4	154.5	153.3	152.7	152.7
General government debt, Maastricht definition (% of GDP)	_	132.0	131.7	130.5	129.9	129.9
Current account balance (% of GDP)	_	2.5	2.8	2.5	2.5	2.4

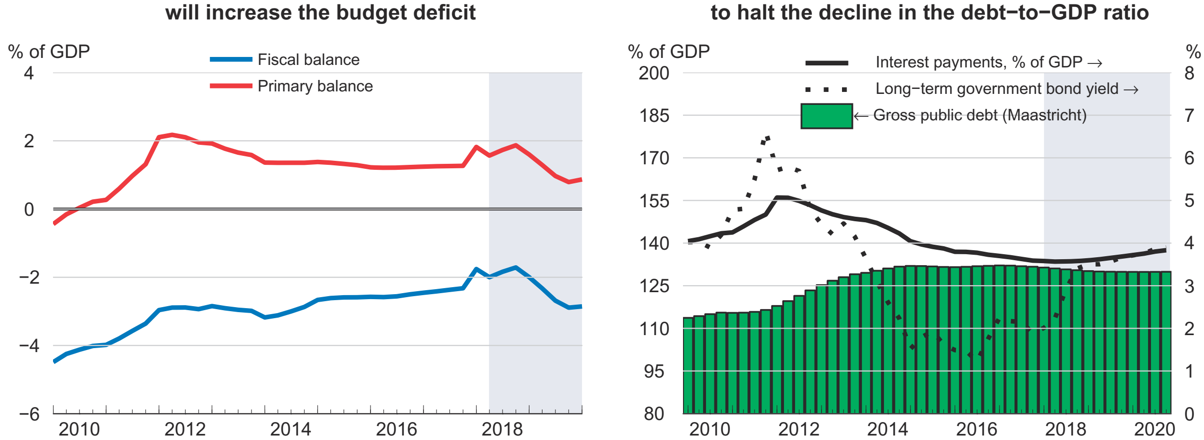
1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877867

Italy

Expansionary fiscal policy will increase the budget deficit

Higher interest payments will contribute to halt the decline in the debt-to-GDP ratio



Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876917

to rise in mid-2018. The stock of non-performing loans on the balance sheet of banks has dropped markedly over the past two years and the ratio of new non-performing loans to outstanding loans has fallen below 2%. The latest EU-wide stress test indicates that Italian systemic banks are well capitalised. However, the share of Italian sovereign bonds in banks' total assets has increased from 9 to 10% since late 2017, strengthening the link between the state of the public finances and banks' health.

Residential investment has yet to recover, though the demand for mortgages is rising and house prices have stopped falling. Construction output has bottomed out and the number of building permits is rising. By contrast, public investment is declining, hampered by long-standing planning and execution delays.

Prudent fiscal policies and structural reforms are needed to boost growth and tackle deep social and regional divides

The general government budget deficit is projected to rise from 1.8% of GDP in 2018 to 2.5% in 2019. For 2019, the government plans to enact an expansionary budget with net new measures amounting to 1.2% of GDP, mostly consisting of higher spending. The main measures include repealing the planned VAT hike, lowering the retirement age, introducing a guaranteed minimum income targeting the poor, and increasing public investment. These expansionary policies will be offset only partly by spending cuts and various revenue-raising measures imposed on banks and corporations. Overall, according to the Draft Budgetary Plan, taxes on business income (excluding taxes on banks) will rise by 0.1% of GDP. The OECD projections assume that the government will take additional measures, as planned, to contain the deficit if output growth in 2019 turns out to be below the government's projections. The budget deficit is projected to rise further to 2.8% of GDP in 2020, assuming no major changes in policies and no VAT hike.

The budget rightly aims to help the poor but given its composition, the growth benefits are likely to be modest, especially in the medium term. The guaranteed minimum income greatly strengthens anti-poverty programmes but to be effective and contain costs the government needs to accelerate the reforms to enhance job-search and training programmes, as well as social inclusion policies. Building on the work already done by many municipalities in the context of the new anti-poverty programme (Inclusive Income Scheme, REI) rolled out in early 2018 would deliver better and faster results. The reduction in the retirement age will worsen inter-generational inequality by increasing already high pension spending and will lower growth in the long run by reducing the working age population. The increase in business income taxation will more than offset the small positive effect of the limited extension of the simplified tax regime (i.e. flat tax) for the self-employed and micro-enterprises. Given slow growth, rising interest costs and a larger deficit, the public debt ratio will cease to decline and remain at nearly 130% of GDP on a Maastricht basis.

Economic and social reforms and a prudent fiscal policy must continue if Italy is to enhance social cohesion and boost growth. Without sustainable fiscal policy, the room for the public sector to provide benefits and help the poor will inevitably narrow. Gradually raising the primary budget surplus and boosting growth is key for a durable reduction of the public debt-to-GDP ratio.

Targeted and well-funded anti-poverty programmes require effective job-search and training policies to encourage participation in the formal labour market and reduce social exclusion. Reforms to increase competition in sectors where entry is still restricted, such as many local public services, would increase business dynamism and provide better services to users. A permanent cut in social security contributions would encourage firms to hire new workers. Strengthening the agency responsible for coordinating active labour market policies across regions (ANPAL) is key to boosting job growth. Improving public administration efficiency – by using digital technologies more extensively and enhancing human resource management – at central and local levels would enhance and equalise the provision of basic public goods and services across the country and increase trust in public institutions. Improving the effectiveness of the public administration is also crucial to accelerate infrastructure projects and strengthen the effectiveness of regional development policies. Simplifying the public procurement code would accelerate public investment and need not undermine measures to fight and prevent corruption. The role and power of the anti-corruption authority (ANAC) should be protected.

Growth will be weak

GDP growth is projected to slow to 0.9% in 2019 and 2020. Rising uncertainty and higher interest rates will lower the propensity of households and firms to consume and invest, offsetting the effects of the fiscal expansion on activity. Slowing growth in Italy's main trading partners will hinder export growth. The investment recovery, though moderating, will continue to support import growth. While consumer price inflation will rise, modest productivity growth will curb wage growth, resulting in real wage losses. This, along with slowing employment growth, will slow household consumption growth.

Renewed financial market turmoil would accelerate the rise in borrowing costs for households and firms and sap confidence, reducing investment and consumption growth. A further sustained increase in government bond yields would hurt banks' balance sheets and capital ratios, which could lead to lower lending. This would also increase public debt servicing costs markedly. The aggravation of protectionism would harm international trade, lowering export growth and leading firms to cut back their investment plans. By contrast, investment could prove more resilient than projected if residential investment and construction rebound. Lower energy prices would boost household purchasing power and private consumption.

JAPAN

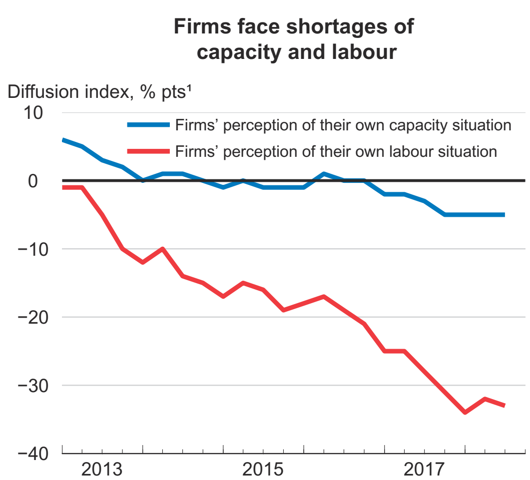
Economic growth is projected to remain around 1% in 2018-19, as record-high corporate profits and labour shortages drive business investment. In addition, stronger wage gains will support a pick-up in private consumption in 2019. Although the October 2019 consumption tax hike will temporarily reduce demand, growth is projected to resume in early 2020, buoyed by additional government spending and the 2020 Olympic Games in Tokyo. Sustained growth, combined with higher oil prices, is expected to boost inflation to 1½ per cent (excluding the impact of the consumption tax hike) in 2020.

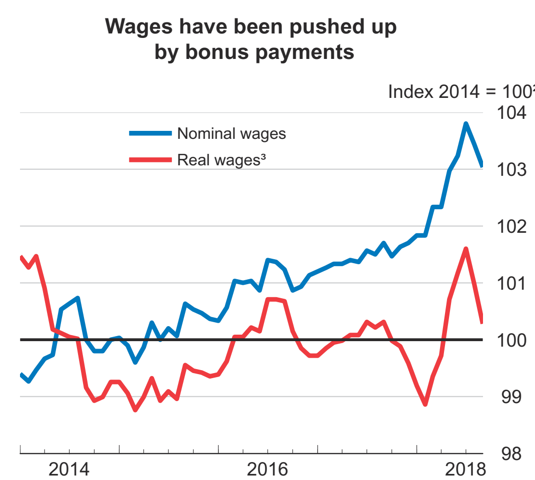
Government debt relative to GDP, which is the highest ever recorded in the OECD area, poses serious risks. Achieving fiscal sustainability requires a detailed consolidation programme that includes gradual hikes in the consumption tax, beginning with the planned increase in 2019, and measures to control spending in the face of rapid population ageing. With the working-age population declining, additional policies to sustain employment and structural reforms to boost productivity are a priority. Monetary policy needs to remain expansionary until the 2% inflation target is achieved.

Private consumption and business investment have been driving growth

The current expansion, which began in December 2012, is on track to become Japan's longest post-war upturn in early 2019. However, the benefits for households have been limited by weak wage growth. Private consumption during this expansion has risen at an annual rate of only 0.6% in per capita terms, well below the 1.5% pace of per capita output. Headline consumer price inflation is around 1% in 2018.

Japan





1. The diffusion indices show the number of firms responding they had an excess number of workers minus those reporting a shortage and the number responding that they had excess capacity minus those with a capacity shortage. A negative number thus indicates an overall shortage of labour and capacity.
2. Seasonally-adjusted data (three-month moving average) based on establishments with 30 or more workers.
3. Deflated by the consumer price index, excluding rent.

Source: Bank of Japan; and Ministry of Health, Labour and Welfare.

StatLink http://dx.doi.org/10.1787/888933876936

Japan: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices YEN trillion	Percentage changes, volume (2011 prices)				
GDP at market prices	532.0	1.0	1.7	0.9	1.0	0.7
Private consumption	301.2	0.1	1.0	0.4	0.9	-0.1
Government consumption	105.3	1.3	0.4	0.5	0.6	1.0
Gross fixed capital formation	126.5	1.1	2.5	1.7	1.5	0.8
Final domestic demand	533.0	0.6	1.2	0.7	1.0	0.4
Stockbuilding[1]	1.2	-0.2	-0.1	0.1	0.0	0.0
Total domestic demand	534.2	0.4	1.2	0.8	1.0	0.4
Exports of goods and services	93.6	1.7	6.7	2.8	1.4	3.8
Imports of goods and services	95.8	-1.6	3.5	2.6	1.4	2.0
Net exports[1]	- 2.2	0.6	0.6	0.1	0.0	0.3
Memorandum items						
GDP deflator	_	0.3	-0.2	-0.1	0.3	1.6
Consumer price index[2]	_	-0.1	0.5	1.0	1.4	1.9
Core consumer price index[3]	_	0.4	-0.1	0.2	1.2	1.9
Unemployment rate (% of labour force)	_	3.1	2.8	2.4	2.4	2.4
Household saving ratio, net (% of disposable income)	_	2.6	3.0	4.2	4.1	4.4
General government financial balance (% of GDP)	_	-3.4	-3.7	-3.2	-3.0	-2.6
General government gross debt (% of GDP)	_	222.3	224.2	226.4	227.9	227.6
Current account balance (% of GDP)	_	3.8	4.0	3.3	2.6	3.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Calculated as the sum of the seasonally adjusted quarterly indices for each year.
3. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877886

Growth has been led by private consumption and business investment. The accelerating decline in the working-age population is exacerbating labour shortages, particularly in services. The unemployment rate is around 2½ per cent, while the ratio of job openings to applicants has risen to its highest level since 1974. Wage growth has been sustained by an 8.6% rise in summer bonuses in 2018 in large firms and by tax incentives, thereby supporting private consumption. Labour shortages, combined with capacity shortages and the record high level of corporate profits in 2018, is stimulating business investment. However, exports declined in the third quarter of 2018 in the context of weaker world trade growth.

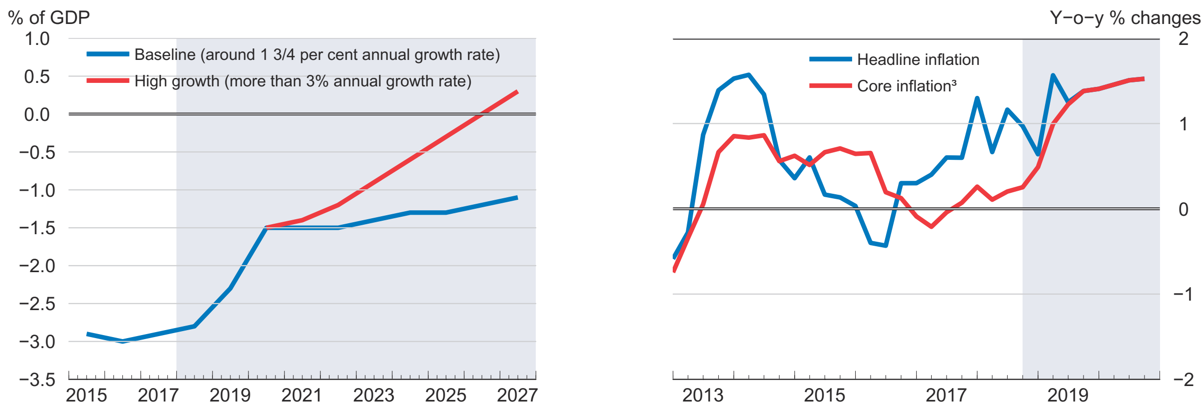
Ensuring fiscal sustainability also depends on monetary policy and structural reforms

Japan's gross general government debt has risen to 226% of GDP. With a primary deficit of around 3% of GDP in 2018, the target of a primary surplus has been pushed back from FY 2020 to FY 2025. To offset the impact of the October 2019 hike in the consumption tax from 8% to 10%, the government is planning exceptional measures, such as a temporary increase in spending and a cut in taxes on cars and housing, in FY 2019-20. The impact of the tax hike on the budget deficit will be limited by the decision to use half of the additional revenue for new spending programmes. Japan needs a detailed and concrete

Japan

The primary budget deficit is likely to continue under current policies[1]

Consumer price inflation remains below the 2% target[2]



1. Government projections in July 2018. It assumes that the hike in the consumption tax rate from 8% to 10% is implemented as planned in 2019. The primary balance is central and local governments, as a percentage of GDP on a fiscal year basis.
2. Excluding the effects of the April 2014 consumption tax hike, which added 2 percentage points to inflation in FY 2014 according to a government estimate. It also excludes the scheduled October 2019 consumption tax hike, which would add 1 percentage point to inflation in the fourth quarter of 2019, and the impact of free childcare for children aged three to five, which would reduce it by 0.5 percentage point, according to an OECD estimate.
3. OECD measure, which excludes food and energy.

Source: Cabinet Office; OECD Economic Outlook 104 database; and Bank of Japan.

StatLink http://dx.doi.org/10.1787/888933876955

consolidation plan to ensure confidence in its fiscal sustainability by achieving a primary surplus and putting the government debt ratio on a downward path. Measures to raise revenues should rely primarily on less-distortive taxes, notably the consumption tax and environmentally-related taxes. The 2019 consumption tax hike should be followed by gradual further increases that raise it towards the 19% OECD average. On the spending side, the key is to contain social spending, notably health and long-term care.

Large-scale government bond purchases by the Bank of Japan, which now owns 45% of the outstanding stock of government bonds, has mitigated the impact of high government debt. Under its "yield curve control" policy, the central bank is keeping the yield on 10-year government bonds close to zero. The Bank of Japan is committed to continue expanding the monetary base until CPI inflation (excluding fresh food) exceeds the 2% target and stays above it in a stable manner. The projection assumes that the supportive monetary stance continues through 2020.

Japan's shrinking and ageing population makes it important to remove obstacles to employment for older persons through labour market reform, including abolishing the mandatory retirement age, which is currently set at 60 by most firms. Breaking down labour market dualism would promote female employment and reduce Japan's large gender wage gap. The government has proposed allowing foreign nationals who have completed training programmes in Japan to remain for up to five additional years to work in sectors facing severe labour shortages, such as construction and long-term care. The New Economic Policy Package set an ambitious target of doubling labour productivity growth to 2% by 2020 through a range of measures, including corporate governance reforms, financial support for investment in ICT by SMEs and tax incentives for wage and investment increases. Japan is promoting trade liberalisation through its leadership in the

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP-11), which should go into effect in 2019.

The tax hike will have only a temporary impact on output

Output growth is projected to remain around 1%, in line with Japan's potential rate, in 2018-19 before slowing to 0.7% in 2020 following the 2019 tax hike. However, the impact of the consumption tax rise will be temporary and partially offset by planned fiscal measures. Growth depends significantly on wage developments. While the jump in bonus payments in 2018 is a positive sign, larger increases in basic wages are important to sustain private consumption. Protectionism remains a risk, though under the new initiative for a Trade Agreement on Goods with the United States, no new trade restrictions are to be introduced while negotiations continue. Japan's unprecedentedly high level of public debt is a key risk. A loss of confidence in Japan's fiscal sustainability could destabilise the financial sector and the real economy, with large negative spillovers to the world economy.

KOREA

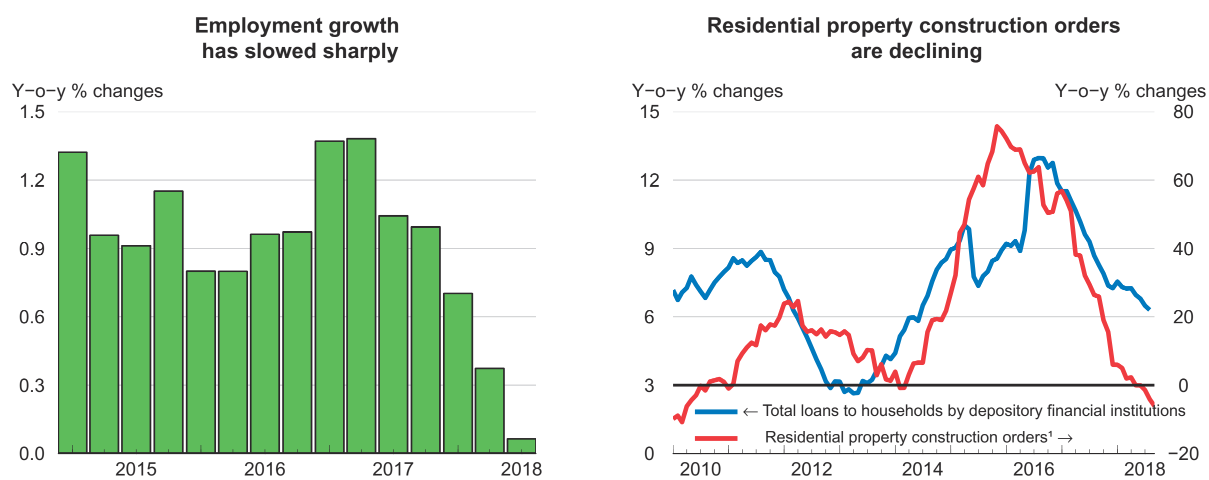
Economic growth is projected to remain close to 3% through 2020, as fiscal stimulus offsets sluggish employment growth, which reflects double-digit hikes in the minimum wage in 2018-19 and restructuring in the manufacturing sector. Measures to stabilise the housing market have led to a decline in construction orders for residential property. Inflation is expected to edge up from 1½ per cent toward the 2% target, while the current account surplus will remain above 5% of GDP.

Hikes in the minimum wage should be moderated to avoid negative effects on employment. The "income-led growth" strategy, driven by minimum wage increases and higher public employment and social spending, needs to be supported by reforms to narrow productivity gaps between manufacturing and services, and between large and small firms. Short-term fiscal stimulus should be accompanied by a long-term framework to cope with population ageing, which will be the fastest in the OECD. With inflation below target, the withdrawal of monetary accommodation should be gradual.

Domestic demand has slowed

Output growth fell below 3% in 2018, reflecting a slowdown in fixed investment and employment. With employment growth dropping from 1.2% in 2017 to 0.4% in the first three quarters of 2018, the unemployment rate reached 4% for the first time since 2010. The 16.4% hike in the minimum wage in 2018 and restructuring in manufacturing have negatively affected the labour market, although a pick-up in wage growth is limiting the impact on household incomes and private consumption. With tighter regulations on mortgage lending, residential property construction orders started to decline in mid-2018. Core inflation has fallen to 1% in the context of sluggish domestic demand, government measures that reduce the cost of education and healthcare and a cut in the consumption tax on cars. Export growth has remained robust despite slowing international trade.

Korea



1. A 24-month moving average.

Source: Statistics Korea; OECD Economic Outlook 104 database; and Bank of Korea.

StatLink http://dx.doi.org/10.1787/888933876974

Korea: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices KRW trillion	Percentage changes, volume (2010 prices)				
GDP at market prices	1 564.1	2.9	3.1	2.7	2.8	2.9
Private consumption	771.2	2.5	2.6	2.8	2.7	2.8
Government consumption	234.8	4.5	3.4	5.2	6.5	5.6
Gross fixed capital formation	458.4	5.6	8.6	-2.2	-0.6	2.1
Final domestic demand	1 464.4	3.8	4.7	1.6	2.3	3.1
Stockbuilding[1,2]	- 9.2	0.0	0.4	0.0	-0.2	0.0
Total domestic demand	1 455.2	3.8	5.1	1.6	2.1	3.1
Exports of goods and services	709.1	2.6	1.9	4.7	4.5	3.4
Imports of goods and services	600.2	4.7	7.0	1.9	3.1	4.1
Net exports[1]	108.9	-0.7	-1.7	1.3	0.8	-0.1
Memorandum items						
GDP deflator	_	2.0	2.3	0.7	2.0	2.1
Consumer price index	_	1.0	1.9	1.6	1.9	1.9
Core inflation index[3]	_	1.9	1.5	1.2	1.6	1.9
Unemployment rate (% of labour force)	_	3.7	3.7	3.9	4.0	4.0
Household saving ratio, net (% of disposable income)	_	8.7	8.8	9.0	8.6	8.4
General government financial balance (% of GDP)	_	2.4	2.8	2.7	2.1	1.6
General government gross debt (% of GDP)	_	45.1	44.5	43.3	43.3	43.8
Current account balance (% of GDP)	_	7.0	5.1	5.2	5.5	5.4

1. Contributions to changes in real GDP, actual amount in the first column.
2. The actual amount for 2015 includes statistical discrepancy equal to KRW -3.1 trillion.
3. Consumer price index excluding food and energy.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877905

Supportive macroeconomic policies should be accompanied by structural reforms

The government is responding to weaker domestic demand with fiscal stimulus. Spending is to increase by 9.7% in 2019, the highest since 2009 in the wake of the global recession. Social welfare spending is the priority, along with outlays for job creation, which are set to rise by 22%. In addition, the government aims to boost public employment by 34% over 2017-22. Despite increased spending, the general government budget will remain in surplus at around 2% of GDP in 2019, while government debt is low at just under 45% of GDP.

The policy interest rate has remained at 1.5% since late 2017. With consumer price inflation below 2%, the normalisation of monetary policy should be gradual. Monetary policy also needs to consider potential risks to financial stability, including capital flows and household debt, which rose at an 8% pace in the first half of 2018. At 186% of net disposable household income in 2017, household debt remains a headwind to private consumption.

Raising labour productivity, which is 46% below that in the top half of OECD countries, is increasingly important for growth as the working-age population peaked in 2017. The priority is regulatory reform, focusing on services, where labour productivity is less than half of that in Korean manufacturing. Policies to promote entrepreneurship and raise productivity in SMEs are also needed to promote inclusive growth. Increasing female employment and reducing the gender wage gap, which is the highest in the OECD at 37%, is another priority.

Growth is projected to be stable

Output growth is projected to remain close to 3%, despite sluggish employment growth in 2019, partly as a result of a hike in the minimum wage by a further 10.9%. Further large increases, as part of the government's commitment to a sharp increase in the minimum wage, would damp employment and output growth. The improved relationship with North Korea is a landmark event that may also have positive economic implications. Moreover, progress with structural reforms to raise productivity in lagging sectors would boost output growth. However, trade protectionism remains a concern: with intermediate goods accounting for four-fifths of Korea's exports to China, its largest trading partner, Korea is vulnerable to higher import barriers on Chinese exports to the United States.

LATVIA

Growth is strong and broad-based, but is projected to moderate to under 3½ per cent by 2020. Private consumption will be supported by a persistently strong labour market. Following a slump, investment rebounded strongly in 2017-18, as investors have drawn on EU structural funds, but growth in capital spending will ease to more sustainable levels in the coming two years.

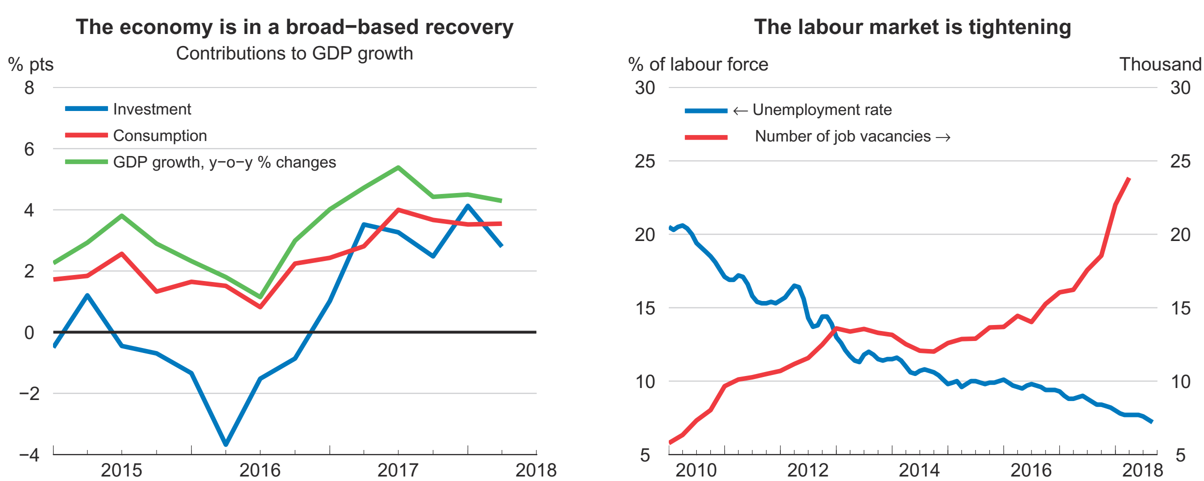
The budget impact of personal and corporate income tax reforms in 2018 and 2019 are compensated only partially by higher excise taxes and some spending restraint. Fiscal policy is mildly expansionary as a result. Higher spending on health helps to improve currently unequal access to health care. The government plans to improve re-training and develop the rental market to strengthen labour mobility, which is a welcome move to address skill shortages and mismatches.

Expansionary monetary and fiscal policies are boosting growth

The economy is growing strongly, led by domestic demand. Strong earnings increases, due to a tightening labour market and a 13% increase in the minimum wage in 2018, are supporting private consumption. Investment surged rapidly, as private and public investors adjusted to the new rules to draw on EU structural funds, pushing GDP growth rates above 4% in 2017 and 2018. Exports have remained strong, as wage growth remains broadly in line with productivity gains in the tradeable sector and Riga has established itself as a centre for business service outsourcing and tourism.

Vacancies are continuing to rise and unemployment has fallen fast to below 8%. Yet, adding involuntary part-time and discouraged workers, and those that are ready to work but not actively searching, still leaves the broad unemployment rate at more than 14%. It is much higher in poorer regions, but a lack of affordable housing makes it difficult for workers to relocate to Riga and other places where labour demand is strongest. Low labour mobility contributes to skill shortages together with continued emigration.

Latvia



Source: Central Statistical Bureau of Latvia; Eurostat; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933876993

Latvia: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	24.3	2.1	4.6	4.7	3.9	3.3
Private consumption	14.7	1.4	4.1	4.4	3.8	3.6
Government consumption	4.4	3.9	4.1	3.5	2.8	2.6
Gross fixed capital formation	5.4	-8.4	13.1	18.6	8.1	4.4
Final domestic demand	24.4	-0.3	5.9	7.2	4.6	3.6
Stockbuilding[1]	0.0	2.3	0.4	-2.1	-0.3	0.0
Total domestic demand	24.4	2.1	6.2	4.9	4.3	3.7
Exports of goods and services	14.7	4.4	6.2	4.7	4.3	4.0
Imports of goods and services	14.8	4.4	8.9	5.0	5.0	4.6
Net exports[1]	- 0.1	0.0	-1.5	-0.2	-0.4	-0.3
Memorandum items						
GDP deflator	_	0.9	3.2	3.4	2.6	3.0
Harmonised index of consumer prices	_	0.1	2.9	2.6	3.0	2.7
Harmonised index of core inflation[2]	_	1.2	1.7	2.0	2.6	2.7
Unemployment rate (% of labour force)	_	9.7	8.7	7.5	7.2	7.0
Household saving ratio, net (% of disposable income)	_	-5.5	-6.5	-3.5	-2.6	-1.0
General government financial balance (% of GDP)	_	0.1	-0.6	-0.8	-0.8	-0.6
General government gross debt (% of GDP)	_	50.3	48.1	47.4	47.1	46.7
General government debt, Maastricht definition (% of GDP)	_	40.3	40.0	39.3	39.0	38.5
Current account balance (% of GDP)	_	1.6	0.7	0.4	-0.8	-1.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877924

Re-training and better access to housing would ease skill shortages

Although wage growth has been rising rapidly, the effect on core inflation has been muted, as productivity has risen in line with labour compensation in the manufacturing sector and high profitability has allowed firms to absorb the rise in labour costs. Bank credit growth to households and non-financial corporations is still very weak. Hence, there are few signs that low interest rates contribute much to demand growth and inflation. As the effects of increases in the minimum wage and excise taxes fade after 2018, inflation is expected to stabilise at below 3%.

There is a mild fiscal stimulus in 2018 and 2019 as the government is phasing in a corporate and personal income tax reform. Higher social contributions are financing a welcome increase in health spending. Somewhat more restrictive fiscal policy in 2020 should contribute to a slowing in GDP growth and inflation.

The reduction of taxes on low wages should strengthen incentives for workers to take up work in the formal labour market, raising job security, skill development and tax revenues. Continuing the government's efforts to improve tax collection is much needed to finance increased spending on healthcare and better access to housing, education and training. Developing the rental housing market and strengthening adult learning and re-training, as planned, would improve inclusiveness and well-being. It should also help to bring more workers into the labour market and address skill shortages and mismatches.

Growth is projected to moderate

GDP growth rate is set to slow towards 3% in 2020. Investment growth should moderate after the strong surge in 2017-18 and export growth will slow along with world trade. Downside risks include the United Kingdom leaving the European Union without an agreement and rising global trade tensions. Both would weigh on Latvia's exports and investment. If the development of the rental market and improved training measures were to take effect faster than expected, employment and economic growth might be stronger for longer.

LITHUANIA

GDP growth is projected to ease gradually as external demand momentum weakens and labour supply constraints bite. Investment will remain robust, albeit below current rates, supported by high capacity utilisation and the implementation of EU-funded projects. Strong wage growth, especially in the service sector, will support consumption but also put pressure on inflation. Informality contributes to inequalities.

After being mildly expansionary in 2018 owing to a package of structural reforms, the fiscal stance will become broadly neutral in 2019-20. The use of fiscal space for measures that boost productivity and reduce inequality and poverty is welcome. More simplified insolvency procedures would promote business dynamism. Tailoring skills closer to labour market needs and ensuring more effective activation programmes for job seekers would make the labour market more inclusive, enhancing well-being.

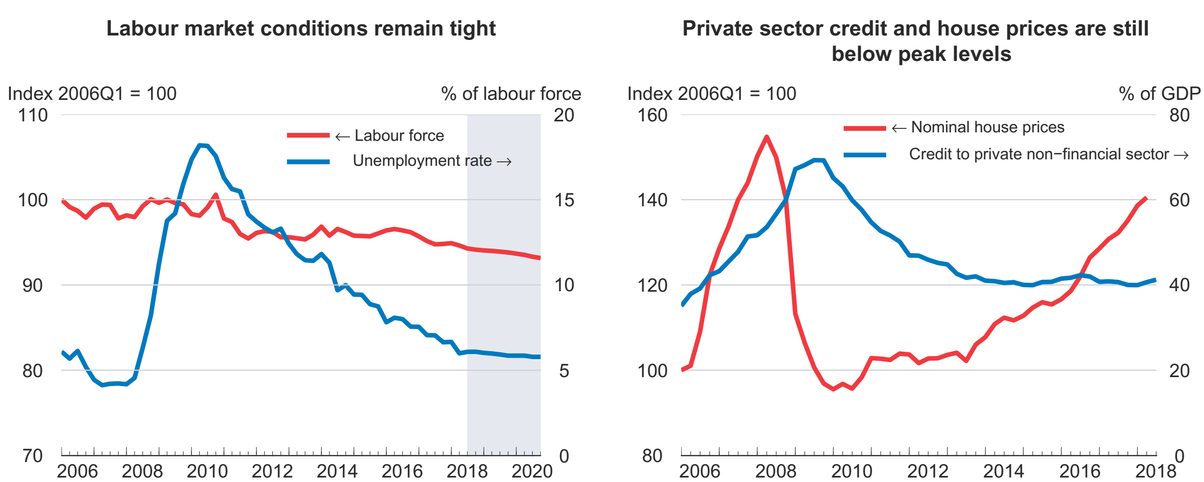
Domestic demand is boosting growth

Economic activity has remained firm. Investment has continued to grow solidly on the back of rising business spending and an acceleration in the implementation of EU-funded projects. Strong wage increases, amid tight labour market conditions, and healthy credit growth are supporting private consumption. Export growth has slowed, however, as external demand has weakened, a poor harvest has affected agricultural exports, and buoyant Russian imports for inventory restocking have come to a halt. Real wage increases in excess of productivity growth, while reducing inequalities, might weaken export performance. Year-on-year inflation has eased as the impact of last year's hike in excise duties has abated, but robust domestic demand and growing wages continue to put pressure on service prices.

Fostering inclusive growth remains a key priority

Euro area monetary policy remains accommodative and credit to the private sector is growing. The relatively low cost of borrowing and increasing incomes fuel housing market

Lithuania



Source: OECD Economic Outlook 104 database; and European Central Bank.

StatLink http://dx.doi.org/10.1787/888933877012

Lithuania: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	37.4	2.4	4.1	3.4	2.9	2.6
Private consumption	23.5	5.0	3.3	4.3	4.1	3.6
Government consumption	6.4	-0.1	-0.4	0.4	0.7	0.6
Gross fixed capital formation	7.3	0.3	6.8	8.3	5.6	4.7
Final domestic demand	37.2	3.2	3.4	4.4	3.8	3.3
Stockbuilding[1]	0.4	-1.0	-0.6	-1.4	-0.4	0.0
Total domestic demand	37.6	2.1	2.9	3.1	3.5	3.3
Exports of goods and services	28.4	4.0	13.6	5.0	4.3	3.2
Imports of goods and services	28.6	3.8	12.0	4.7	4.9	4.1
Net exports[1]	- 0.2	0.1	1.3	0.4	-0.5	-0.7
Memorandum items						
GDP deflator	_	1.4	4.3	2.6	2.5	2.5
Harmonised index of consumer prices	_	0.7	3.7	2.6	2.5	2.5
Harmonised index of core inflation[2]	_	1.7	2.6	2.0	2.3	2.5
Unemployment rate (% of labour force)	_	7.9	7.1	6.2	5.9	5.8
Household saving ratio, net (% of disposable income)	_	-3.6	-5.2	-5.0	-4.8	-4.7
General government financial balance (% of GDP)	_	0.3	0.5	0.5	0.3	0.2
General government gross debt (% of GDP)	_	51.6	47.8	43.1	41.9	40.9
General government debt, Maastricht definition (% of GDP)	_	39.9	39.4	34.6	33.4	32.5
Current account balance (% of GDP)	_	-1.3	1.1	0.6	-0.5	-0.9

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877943

activity and keep the growth of house prices strong, though large regional differences remain. As private sector indebtedness and house prices are still low in a historical perspective, risks to financial stability appear contained. Still, the authorities need to continue using macro-prudential measures pro-actively to prevent imbalances emerging.

The fiscal stance was mildly expansionary in 2018. This was appropriate, despite solid growth, as it financed important structural reforms to reduce inequality and poverty and to boost productivity. Fiscal policy is projected to be broadly neutral in 2019-20. Additional social spending to help the most vulnerable is to be partly offset by a rise in revenues from improved tax administration and increases in some taxes.

Promoting productivity and inclusiveness depends on further improvements in educational outcomes through measures that raise teaching quality and align better vocational and tertiary studies with labour market needs. Employment opportunities can also be enhanced through more effective active labour market programmes and well-designed life-long learning policies, as well as by reducing high labour taxes on less-skilled workers. Helping businesses to become more productive would require more simplified insolvency procedures, wider financing options for smaller firms, and measures that promote business-research collaboration on innovation.

Economic activity will moderate gradually

Output growth is projected to ease to around 2¾ per cent in 2019-20. Weakening external demand growth will continue to be a drag on exports. Domestic demand will also lose momentum as consumption growth will be curbed by a declining labour force, and as investment slows as flows of EU funds return to normal levels. On the other hand, businesses are likely to increase investment in automation in an attempt to mitigate supply-side constraints. The unemployment rate is set to fall to around 6% in 2019-20 and, with wage growth remaining strong, underlying inflation is projected to continue drifting up. Weaker-than-expected euro area growth could damp growth prospects, while Brexit may lower emigrants' remittances. A faster-than-expected rise in unit labour costs could harm competitiveness. On the upside, implementation of productivity-enhancing reforms could boost the outlook.

LUXEMBOURG

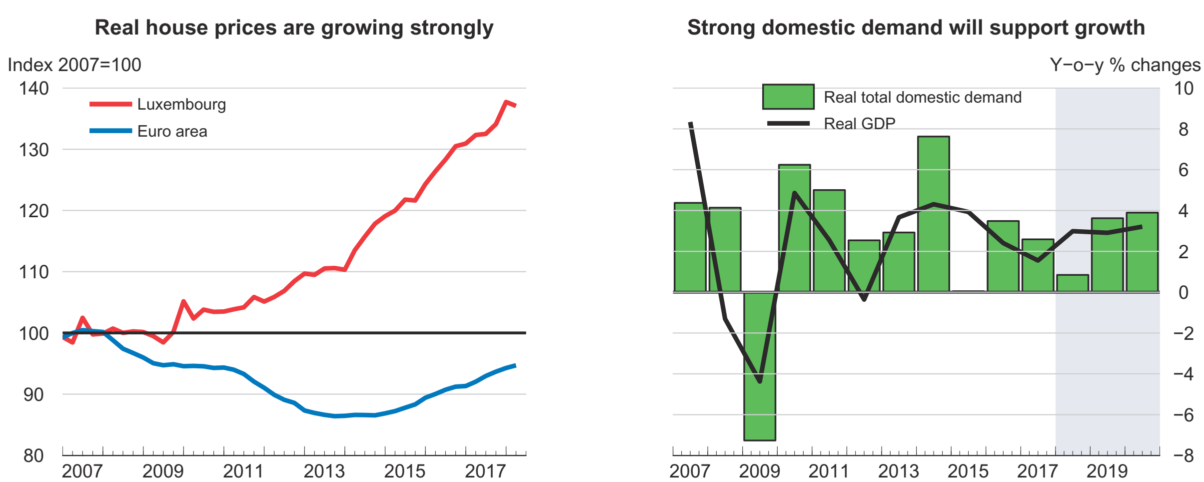
Growth is strong and projected to stay robust in 2019 and 2020. Domestic demand will support economic activity, with private consumption boosted by a buoyant labour market and lasting effects of tax reform. Growth momentum in the euro area will support solid exports of financial and non-financial services. Continued job creation will primarily benefit cross-border workers, but also help to reduce the unemployment rate to just above 5%.

Fiscal policy is sound and could be used to enhance green growth through higher transport fuel taxes. Reliance on the financial sector exposes Luxembourg to increased financial volatility transmitted by international investment funds, which warrants ongoing monitoring of such institutions and the continued diversification of the economy. Constraints on the supply of housing need to be addressed, as house prices continue to increase and household indebtedness is high.

Resilient domestic demand is supporting growth

Robust household consumption continues to support economic growth. Exports of financial services compensate for deficits in goods and non-financial services. Declining unemployment, a high vacancy rate, capacity constraints regarding skilled labour and lasting skill mismatches all indicate a tight labour market. Luxembourg's position as a global financial hub translates into growing assets under the management of investment funds, driven by a search for yield and positive valuation effects. The contribution to growth of the financial sector is set to be positive in 2018, but risks need to be closely monitored in a context of a tightening of financing conditions and possible disruptions from the emergence of non-traditional financial technology, such as mobile banking, lending-based crowdfunding platforms and cryptocurrencies.

Luxembourg



Source: OECD Analytical House Price database; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877031

Luxembourg: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	51.6	2.4	1.6	3.0	2.9	3.2
Private consumption	15.9	1.7	3.0	3.8	3.5	3.9
Government consumption	8.7	2.6	3.4	3.3	3.3	3.2
Gross fixed capital formation	9.4	10.0	4.1	-6.4	5.1	4.7
Final domestic demand	33.9	4.2	3.4	0.8	3.8	3.9
Stockbuilding[1]	0.5	-0.4	-0.5	0.1	-0.1	0.0
Total domestic demand	34.4	3.5	2.6	0.8	3.6	3.9
Exports of goods and services	115.9	3.8	-1.9	5.9	4.4	4.5
Imports of goods and services	98.7	4.5	-2.2	5.7	4.7	4.9
Net exports[1]	17.2	0.1	-0.1	2.3	0.9	0.6
Memorandum items						
GDP deflator	_	1.0	2.1	2.7	1.7	2.1
Harmonised index of consumer prices	_	0.0	2.1	2.0	2.1	2.1
Harmonised index of core inflation[2]	_	1.0	1.4	0.8	1.5	2.1
Unemployment rate (% of labour force)	_	6.3	5.9	5.5	5.2	5.0
Household saving ratio, net (% of disposable income)	_	14.9	14.9	14.4	14.0	13.4
General government financial balance (% of GDP)	_	1.6	1.4	1.8	1.9	2.1
General government gross debt (% of GDP)	_	27.3	28.9	29.9	30.2	30.6
General government debt, Maastricht definition (% of GDP)	_	20.7	23.0	24.0	24.3	24.7
Current account balance (% of GDP)	_	5.1	4.9	5.2	4.1	4.1

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877962

Structural reforms should promote green growth and improve housing supply

Gross public debt, at 24% of GDP, is among the lowest in the OECD. Indeed, net public debt is positive due to significant assets held by the social security administration. The general government budget is in surplus and projected to stay so in the short run, in spite of falling revenues due to the corporate income tax cuts and a loss of e-commerce VAT in 2019. Fiscal policy can improve green growth through higher taxes and excise duties on transport fuel, possibly combined with congestion charges in Luxembourg City. Further structural challenges facing fiscal policy include work disincentives embedded in the tax-benefit system, which are an obstacle to further reduction in unemployment and inactivity traps. Moreover, in the long run, ageing and continued resident inflows may put pressure on the pension system, which is currently in surplus.

Supply constraints in the housing sector have translated into rising real estate prices, eroding housing affordability. Immigration has bolstered demand. However, the supply of housing remains constrained by subdued residential real estate construction. Introducing time-limited building permits and increasing taxation of non-used constructible land would help to address the limited availability of building land by strengthening incentives for owners and developers to use the land available for construction.

Growth is projected to stay robust

Growth is projected to remain steady on the back of resilient domestic and external demand, at 2.9% in 2019 and 3.2% in 2020. Reductions in personal and corporate income taxes will continue to help stimulate domestic demand in the coming two years. Global trade tensions as well as heightened financial volatility represent the main downside risks to the medium-term outlook and could weigh on external demand. On the upside, financial companies have announced the reallocation of some of their activities in Luxembourg after Brexit, which might be the sign that its established financial sector may become even more attractive.

MEXICO

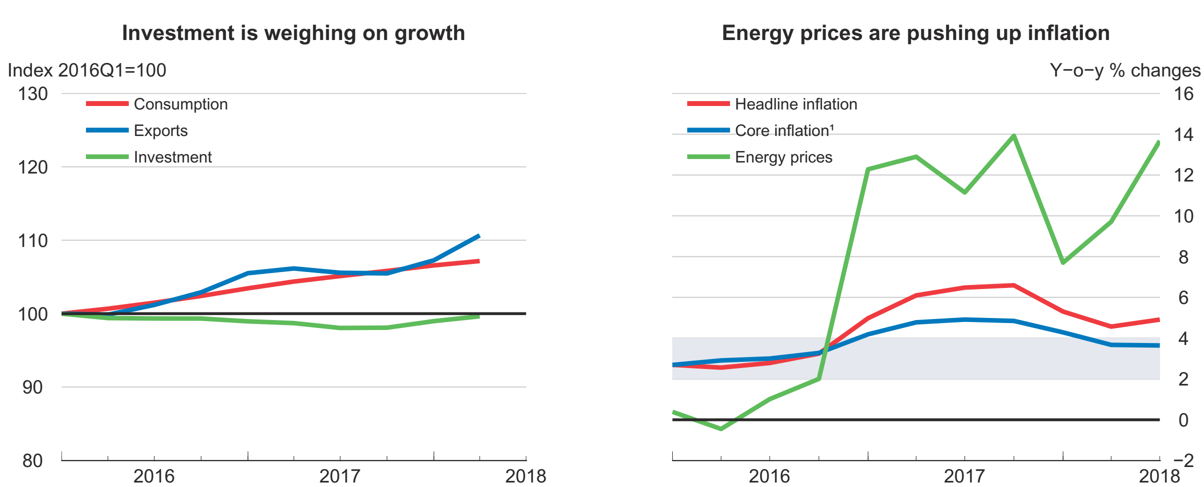
Growth is projected to pick up to 2¾ per cent by 2020. Low unemployment, strong remittances and the recovery of real wages will support household consumption. Investment, which has been persistently low, will strengthen on the back of announced public investment plans and increased confidence associated with the US-Mexico-Canada trade agreement. Export growth will decline owing to less favourable global conditions, especially in the United States. Inflation has been pushed up by rising energy prices, but expectations and core inflation remain anchored and within the central bank's target band. Informality is declining slowly but remains elevated, contributing to persistently high inequalities and low productivity.

Monetary policy is projected to ease slightly as inflation gradually moderates. Risks to inflation are considerable, stemming from energy prices and renewed peso depreciation pressures. Inflation expectations remain well anchored. The authorities would need to raise interest rates should these risks produce higher inflationary pressures. Maintenance of fiscal discipline is important to keep the debt-to-GDP ratio on a declining path. However, large social needs may require better targeting of expenditures and increasing currently low tax collection. Broadening the tax base and changing the mix could also reduce informality.

Domestic consumption and strong exports are driving growth

The economy has continued to benefit from strong external demand, particularly in the United States. Low unemployment and greater job formalisation, especially in the expanding tertiary sector, strong remittances and the recovery of real wages are supporting household consumption. Investment has remained subdued owing to fiscal consolidation and persistent uncertainty about the future course of policies and trade agreements. Declining oil production continues to be a drag on growth. The disinflation process that started early in 2018 has been temporarily reversed due to continuous increases in energy

Mexico



1. Core inflation excludes energy, agricultural, and administered prices.
Source: OECD Economic Outlook 104 database; and Central Bank of Mexico.

StatLink http://dx.doi.org/10.1787/888933877050

Mexico: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices MXN billion	Percentage changes, volume (2013 prices)				
GDP at market prices	18 562.5	2.6	2.3	2.2	2.5	2.8
Private consumption	12 167.2	3.5	3.3	2.6	2.2	2.5
Government consumption	2 287.9	2.3	0.1	2.3	1.2	1.2
Gross fixed capital formation	4 179.1	1.1	-1.5	2.7	2.3	3.3
Final domestic demand	18 634.2	2.8	1.8	2.6	2.1	2.6
Stockbuilding[1]	309.0	0.1	-0.1	-0.1	-0.1	0.0
Total domestic demand	18 943.2	2.8	1.7	2.4	1.9	2.5
Exports of goods and services	6 410.1	3.5	3.9	7.6	6.0	5.3
Imports of goods and services	6 790.7	2.4	7.0	5.9	3.9	4.5
Net exports[1]	- 380.6	0.3	-1.3	0.5	0.8	0.3
Memorandum items						
GDP deflator	_	5.5	6.0	5.7	5.6	4.6
Consumer price index	_	2.8	6.0	4.9	4.2	3.4
Core inflation index[2]	_	3.0	4.7	3.8	3.6	3.4
Unemployment rate[3] (% of labour force)	_	3.9	3.4	3.3	3.3	3.2
Public sector borrowing requirement[4]	_	-0.5	-1.1	-2.5	-2.4	-2.4
Current account balance (% of GDP)	_	-2.2	-1.7	-2.0	-2.1	-2.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding volatile items: agricultural, energy and tariffs approved by various levels of government.
3. Based on National Employment Survey.
4. Central government and public enterprises. In 2016 and 2017, the public sector borrowing requirement includes the operating surplus of the central bank.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877981

prices. However, inflation expectations and core inflation remain stable and within the central bank's target band of 2-4%.

Lifting growth and well-being requires further policy actions

A strong macroeconomic framework underpins stable growth and resilience to external and domestic shocks. The tight monetary policy stance is appropriate in view of persistent upward pressures on inflation. However, in the absence of further shocks, inflation should ease gradually and monetary policy should have room to support credit and investment growth.

Fiscal policy commitments to put the debt-to-GDP ratio on a downward path are on track. However, the adjustment is being achieved by constraining public investment and social spending, which undermine longer-term growth and aggravate inequity. Therefore, announced plans to increase investment in infrastructure and strengthen social programmes are welcome, provided they can be implemented while maintaining fiscal discipline. Improving the quality of spending, by consolidating social programmes and reducing fragmentation in health systems, would allow for a more effective delivery of services. Increasing weak tax collection, by reducing evasion, eliminating exemptions, and making more use of property and green taxes, would raise equity and resources for priority spending.

Modest growth has not permitted significant reductions in high poverty and informality rates. The government has enacted an ambitious programme of structural reforms to boost investment, productivity and further job formalisation. Accelerating reform implementation across the country in key policy areas, such as judicial reforms, is crucial to improve the business environment. Maintaining a supportive business environment is necessary for the reforms to result in higher investment and growth rates. Continuing to enhance women's participation in the labour market, expanding access to good quality education, and reducing informality are all keys to boosting growth and well-being.

Growth is set to rise as risks have diminished but challenges persist

Growth is projected to pick up in the coming two years. Expected increases in real wages, low unemployment and high remittances will support domestic consumption. The US-Mexico-Canada trade agreement, once ratified, will clear the way for deferred private investment plans to go ahead. Announced public investment plans by the incoming administration will also strengthen growth. A projected slowdown in the US economy in 2020 will, however, restrain exports. A risk to the outlook is that an escalation of trade tensions more broadly will prevent deferred investment from materialising and reduce exports. Faster-than-expected tightening of global financial conditions could lead to capital outflows and exchange rate depreciation, which might prompt the central bank to raise interest rates to contain inflation. A positive risk is a faster implementation of oil investment plans, which would boost exports, improve the terms of trade and lower the energy trade deficit.

NETHERLANDS

GDP growth is projected to moderate from around 2¾ per cent in 2018 to just above 2% by 2020, reflecting slowing private consumption and investment. Wage growth and inflation will increase steadily as a result of the tight labour market. The large current account surplus is projected to increase further.

Fiscal spending should focus on measures to stimulate long-term growth. Potential reforms to the occupational pension system should focus on improving the transparency of the system. Labour market reforms, such as expanding supplementary social security coverage for the self-employed, should be implemented to improve inclusiveness, particularly the opportunities for the vulnerable.

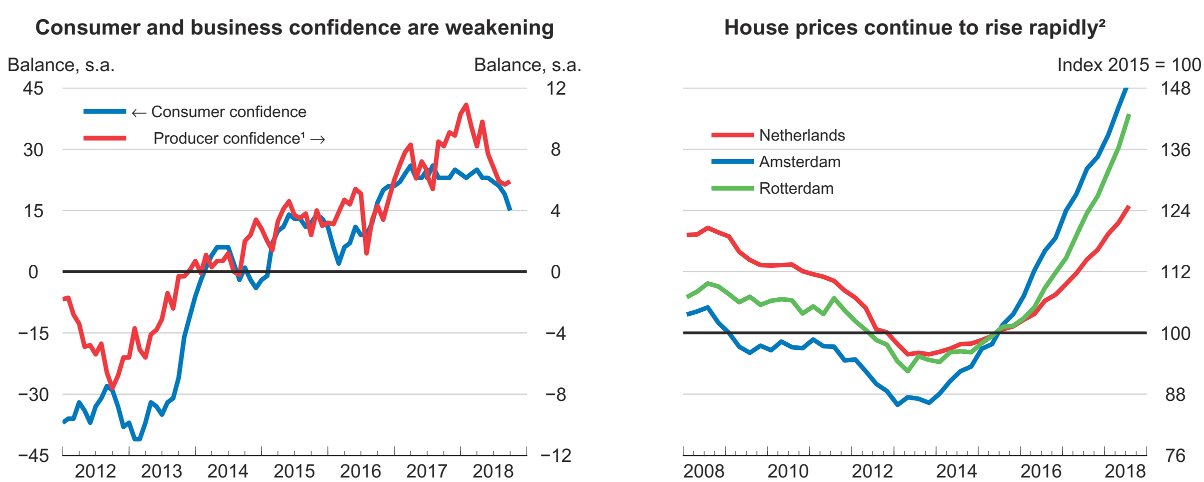
Growth is moderating but still robust

Economic growth has moderated somewhat but still remains robust. Private consumption is strong and residential investment remains very dynamic. Favourable financial conditions have supported both consumption and business investment growth. Low unemployment and increasing labour market shortages are putting upward pressure on labour costs and contributing to the ongoing shift towards hiring more workers on permanent contracts, reversing the trend towards self-employment in recent years. The inflation rate has picked up, but is still low.

Policies should address financial vulnerabilities and improve inclusiveness

The current expansionary fiscal stance remains appropriate, given the widening headline surplus and favourable debt trajectory. However, the strong fiscal position could be further utilised to mitigate the projected slowdown in growth and boost potential output, consequently reducing the largest current account surplus as a share of GDP in the

Netherlands



1. Data refer to the manufacturing sector.
2. Price index of existing own homes that are located on Dutch territory and sold to private individuals.

Source: Statistics Netherlands (CBS).

StatLink http://dx.doi.org/10.1787/888933877069

Netherlands: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2015 prices)				
GDP at market prices	690.1	2.1	3.0	2.7	2.5	2.1
Private consumption	310.8	1.1	1.9	2.7	1.8	1.6
Government consumption	172.4	1.3	1.1	1.3	2.6	1.8
Gross fixed capital formation	152.7	-7.3	6.2	4.5	3.0	3.0
Final domestic demand	635.9	-0.9	2.6	2.7	2.3	2.0
Stockbuilding[1]	2.4	0.1	-0.3	0.0	0.0	0.0
Total domestic demand	638.3	-0.8	2.3	2.8	2.2	2.0
Exports of goods and services	570.4	1.5	5.6	2.6	3.2	3.0
Imports of goods and services	518.6	-2.1	5.2	2.8	3.1	3.0
Net exports[1]	51.8	2.8	0.9	0.2	0.5	0.3
Memorandum items						
GDP deflator	_	0.5	1.2	2.2	2.3	2.3
Harmonised index of consumer prices	_	0.1	1.3	1.7	2.5	2.0
Harmonised index of core inflation[2]	_	0.6	0.8	1.0	1.6	2.0
Unemployment rate (% of labour force)	_	6.0	4.9	3.9	3.7	3.7
Household saving ratio, net[3] (% of disposable income)	_	10.0	9.1	8.8	8.8	8.8
General government financial balance (% of GDP)	_	0.0	1.2	0.9	1.0	1.4
General government gross debt (% of GDP)	_	76.8	69.9	67.2	64.6	61.8
General government debt, Maastricht definition (% of GDP)	_	61.9	56.9	54.2	51.6	48.8
Current account balance (% of GDP)	_	8.1	10.5	10.4	10.6	10.8

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
3. Including savings in life insurance and pension schemes.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878000

OECD. The structure of tax and spending should continue to be adjusted to improve long-run growth.

Low interest rates continue to support rapid house price growth. High levels of household debt and high exposure to mortgages hamper the ability of banks to raise external funding and contribute to vulnerabilities in the financial system. The accelerated phase-out of mortgage interest rate deductibility should be complemented with a further tightening of the loan-to-value ratio for new mortgages to reduce these vulnerabilities.

Tax incentives for self-employment should be reduced and minimum sickness and disability insurance coverage introduced for the self-employed. Employment support should be targeted at vulnerable groups and a more coordinated approach to implementing activation polices would improve inter-regional labour mobility. Paid paternity leave should be expanded further to improve the participation of fathers in early childhood care and address the gender disparity in part-time work.

Growth is projected to moderate further

Growth is projected to moderate, reflecting weakening consumer and business confidence and the impact of increased uncertainties. The pace of investment growth is projected to soften, reflecting rising trade-related uncertainty and the impact of deteriorating business confidence. Projected weaker consumption growth reflects increasing inflation, partly related to the increase of the lower VAT rate in 2019, and the easing momentum in the labour market due to the weaker domestic demand outlook. An intensification of global trade tensions and a disorderly outcome of the Brexit negotiations between the United Kingdom and the European Union represent sizeable downside risks to the projections. Overheating in the housing market is a risk to financial and economic stability.

NEW ZEALAND

Economic growth is projected to edge down to 2.6% by 2020, mainly reflecting slowing private consumption as the boost from increased financial support for families passes, net immigration diminishes and housing wealth gains subside. Export growth is also set to decline once the current rebound from a dry spell is over. Inflation is projected to increase to slightly over 2% in 2019 and 2020, buoyed by higher import prices and domestic wage growth.

Monetary policy is projected to tighten gradually from late 2019. Fiscal policy is also projected to tighten somewhat, which is appropriate for the advanced stage of the business cycle. Better targeting of some recent government initiatives would support the achievement of social goals.

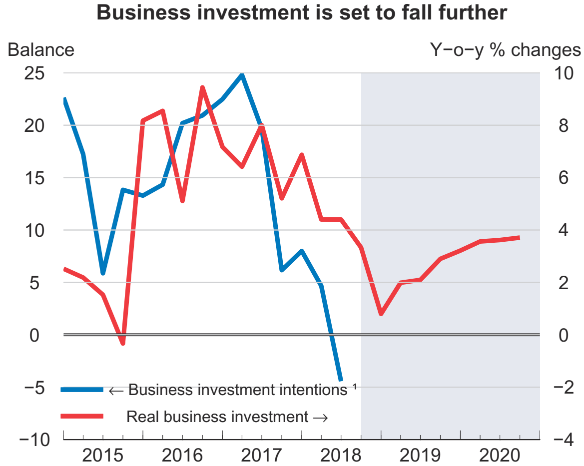
Economic growth remains solid

Economic growth has been solid over the past year, with second quarter growth supported by a rebound in agricultural and related exports following drought in parts of the country in late 2017. Business investment has held up despite business confidence reaching its lowest level since 2009, but has begun to show signs of weakness. Low business confidence reflects concerns about government policy, the cost and availability of labour, and tight profit margins.

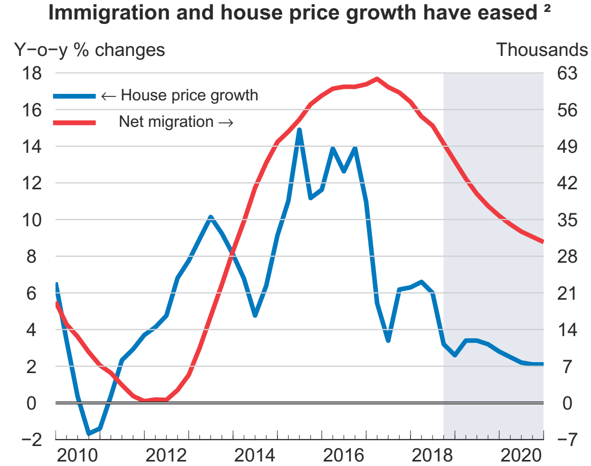
The labour market is tight, with unemployment reaching a ten-year low. However, wage growth is moderate. Inflation has increased to just under the 2% mid-point of the target range, pushed higher by petrol excise duty hikes and rising import prices following exchange rate depreciation and oil price rises. Core inflation is somewhat lower, reflecting the importance of transitory factors. House prices have been flat in Auckland over the past 18 months, but have continued to grow elsewhere.

New Zealand

Business investment is set to fall further



Immigration and house price growth have eased ²



1. Percentage of firms expecting to increase investment in property, plant and equipment in a year's time less percentage expecting to decrease investment.
2. RBNZ projections. Net migration data are for the working-age population.

Source: ANZ Bank, Business Outlook Survey; OECD Economic Outlook 104 database; and Reserve Bank of New Zealand (2018), Monetary Policy Statement, November.

StatLink http://dx.doi.org/10.1787/888933877088

New Zealand: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices NZD billion	Percentage changes, volume (2009/2010 prices)				
GDP at market prices	251.4	4.1	2.7	2.9	2.8	2.6
Private consumption	144.8	4.8	4.4	2.9	2.9	2.4
Government consumption	46.5	1.6	4.5	4.2	2.2	1.7
Gross fixed capital formation	57.5	6.4	3.4	3.8	2.8	3.8
Final domestic demand	248.7	4.6	4.2	3.4	2.7	2.6
Stockbuilding[1]	0.6	0.0	-0.1	0.5	-0.1	0.0
Total domestic demand	249.4	4.6	4.1	3.9	2.6	2.6
Exports of goods and services	70.3	2.1	1.8	4.2	4.2	3.3
Imports of goods and services	68.3	3.4	7.0	7.4	3.4	3.2
Net exports[1]	2.0	-0.3	-1.3	-0.8	0.2	0.0
Memorandum items						
GDP deflator	_	1.8	3.4	1.1	2.0	2.1
Consumer price index	_	0.6	1.9	1.7	2.3	2.2
Core inflation index[2]	_	1.3	1.4	1.2	2.2	2.2
Unemployment rate (% of labour force)	_	5.1	4.7	4.2	4.1	4.2
Household saving ratio, net (% of disposable income)	_	-2.8	-3.3	-1.6	-1.4	-1.2
General government financial balance (% of GDP)	_	1.2	0.9	0.0	0.0	0.4
General government gross debt (% of GDP)	_	37.6	36.0	36.0	36.0	35.6
Current account balance (% of GDP)	_	-2.2	-2.9	-3.6	-3.1	-2.9

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878019

Fiscal and monetary policy settings will become less supportive

Fiscal policy is currently expansionary, driven by higher spending. Additional spending does not threaten fiscal sustainability as government debt continues to decline as a share of GDP. However, some of the new expenditure has been poorly targeted. For example, Winter Energy Payments are not means tested for those aged 65 and over, free tertiary education favours more advantaged socio-economic groups and KiwiBuild delivers the greatest benefits to people who can afford to buy a house. Slower spending growth will yield a mildly contractionary fiscal stance by 2020.

The central bank is projected to raise its policy interest rate in late 2019 and 2020 in order to contain inflation. Higher interest rates will place additional pressure on housing affordability as rapid house price growth since 2011 has pushed up household debt considerably. House price increases have been moderated by government decisions to ban foreign purchases of existing housing, enhance heating and insulation standards for rental properties, and extend taxation of gains on sales of investment properties. If implemented, proposals to tax capital gains on investment properties more generally, ring-fence rental losses and provide greater certainty of tenure would further restrain price increases. Residential investment will be supported from mid-2019 by the KiwiBuild programme, although not all of this activity is assumed to be additional as constraints remain around planning, infrastructure provision and construction industry capacity.

Growth is projected to ease

Tighter monetary and fiscal stances, as well as weaker private consumption, will lead to slower economic growth in 2020, notwithstanding some offset from rising residential and business investment. Wage growth will be supported by gender pay equity decisions, public sector wage increases and plans to increase the minimum wage by 21% by 2021. Consumption growth would be higher if net migration declines less than assumed, particularly if this triggered a resumption of wealth gains through house price growth in Auckland. Risks from high household debt associated with high house prices have eased with improvements in lending standards, but remain the most important domestic risk. There are also downside risks for business investment if business confidence recovers more slowly than anticipated.

NORWAY

Mainland output growth will moderate over the next two years as the boost from recent oil price increases lessens, overall capacity constraints tighten, and unemployment falls further. Housing construction will remain subdued. Consumer price and wage inflation will increase gradually.

The neutral fiscal stance implied by the fiscal rule and proposed in the 2019 budget is appropriate given solid, but moderating, output growth. The central bank is signalling another increase in its policy rate in March 2019, which is appropriate to contain inflationary pressures. Structural reforms should remain focused on improving the business environment, while maintaining good social outcomes, including lighter taxation financed by greater public-spending efficiency. Following through on proposed measures to meet climate-change commitments will be important.

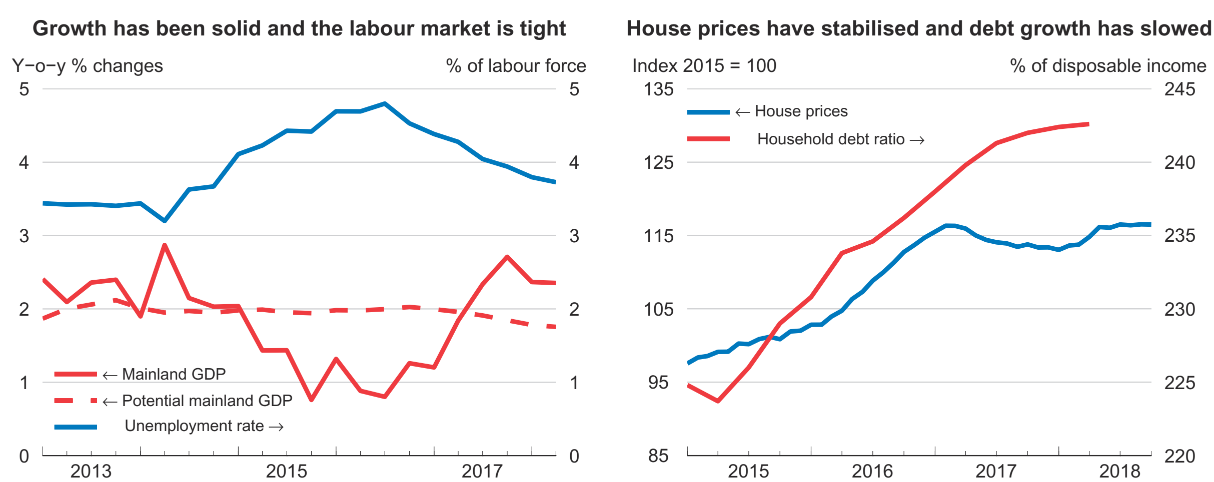
Output growth is solid

Mainland output growth (that is, growth abstracting from oil and gas production) has been supported by recent oil price increases through the associated pick-up in investment and income. Employment growth remains strong, the unemployment rate continues to decline and wage growth is picking up further. A spike in electricity prices over the summer, due to low rainfall reducing hydroelectric generation, pushed up the consumer price index, but underlying inflation remains low. Housing construction activity has continued to contract, reflecting a cooling of the housing market. The resurgence in house prices appears to have ended, the stock of unsold houses is high and properties are taking longer to sell.

Fiscal and monetary support is being reduced

Government budget proposals for 2019 entail a welcome retention of a neutral fiscal stance, reflecting solid output growth and the fiscal rule, which requires the structural deficit over time to equal 3% of the value of the oil fund (the Government Pension Fund

Norway



Source: OECD Economic Outlook 104 database; Statistics Norway; and Real Estate Norway (Eiendom Norge).

StatLink http://dx.doi.org/10.1787/888933877107

Norway: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices NOK billion	Percentage changes, volume (2016 prices)				
Mainland GDP at market prices[1]	2 621.0	1.1	2.0	2.3	2.2	2.0
Total GDP at market prices	3 118.1	1.2	2.0	1.6	1.9	2.3
Private consumption	1 353.7	1.3	2.2	2.0	2.3	1.9
Government consumption	729.3	2.1	2.5	1.9	1.8	2.0
Gross fixed capital formation	741.4	5.2	3.6	-0.3	2.7	2.5
Final domestic demand	2 824.4	2.5	2.6	1.4	2.3	2.1
Stockbuilding[2]	118.3	-0.5	0.1	0.6	-0.3	0.0
Total domestic demand	2 942.7	2.0	2.6	1.9	1.9	2.0
Exports of goods and services	1 176.1	1.1	-0.2	0.3	2.5	3.9
Imports of goods and services	1 000.7	3.3	1.6	1.4	2.5	3.3
Net exports[2]	175.4	-0.7	-0.6	-0.4	0.1	0.5
Memorandum items						
GDP deflator	_	-1.1	3.9	5.9	3.3	2.2
Consumer price index	_	3.6	1.9	2.7	2.3	2.1
Core inflation index[3]	_	3.3	1.7	1.1	1.8	2.1
Unemployment rate (% of labour force)	_	4.7	4.2	3.7	3.5	3.3
Household saving ratio, net (% of disposable income)	_	7.3	7.0	7.3	6.8	6.5
General government financial balance (% of GDP)	_	4.0	5.1	5.3	5.4	5.5
General government gross debt (% of GDP)	_	42.5	43.0	59.1	62.9	75.1
Current account balance (% of GDP)	_	4.0	5.6	9.0	10.0	10.4

1. GDP excluding oil and shipping.
2. Contributions to changes in real GDP, actual amount in the first column.
3. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878038

Global). Given solid growth, Norges Bank raised its policy rate from 0.5% to 0.75% in September and its policy rate forecast signals a gradual increase to 2% by end-2021.

Tax measures are prominent in the budget and include further reducing the tax rate on "ordinary income" that applies to both households and businesses. Increased spending includes measures to reduce greenhouse gas emissions, such as support for rail transport and additional co-financing of investment in emission-reduction technology. Retaining fiscal neutrality, while accommodating tax cuts and spending increases, underscores the importance of improving value-for-money in Norway's public spending, an issue stressed in OECD *Economic Surveys*.

The trend decline in labour-force participation is bringing skills and labour supply issues to the fore. A reform to public sector pensions was agreed in 2018 that will reduce early-retirement incentives. The 2019 budget proposals include measures to support labour-market participation, including of non-EEA immigrants, those with disabilities, and those affected by substance abuse. The continuing priority on strengthening the education system, including vocational education, is also welcome.

Output growth will ease

Mainland output growth will moderate over the next two years. This reflects a tail-off in the income and activity boost from recent oil price increases, weak housing construction activity and tightening capacity constraints in the wider economy, including from declining working-age population growth. Nevertheless, narrowing spare capacity, as suggested by the falling unemployment rate, will gradually increase consumer price inflation and wage growth. A key risk is that the cooling of the housing market may deepen, with substantial consequences for the economy. Meanwhile, there is upside risk in terms of investment activity, as sentiment indicators of investment are high and oil-related investment may pick up more rapidly than expected.

POLAND

Economic growth is projected to remain solid, but ease gradually as labour resources become scarcer and production costs rise. Domestic demand will continue to drive growth: consumption will be supported by a tight labour market and investment by the disbursements of EU structural funds and low real interest rates. Intensifying labour shortages will boost wage growth and inflation.

The budget deficit will remain broadly stable, although a tighter fiscal stance would help confront demographic challenges and strengthen the fiscal position to deal with a potential future downturn. The central bank is projected to raise interest rates gradually to counter rising inflationary pressures. Removing impediments to employment of seniors and females, and making more effective use of workforce skills, would raise medium-term growth and living standards, while investing further in early childhood education would promote more inclusive growth.

Economic growth has been strong

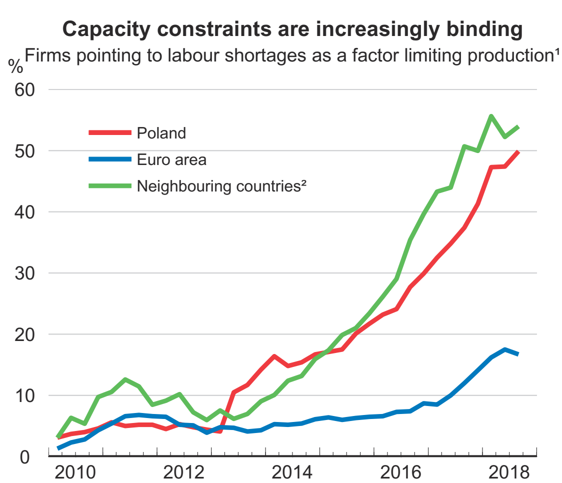
Economic activity has continued to expand at a rapid pace. A booming labour market and rising social transfers have supported private consumption. Investment is recovering, driven by a rebound in public investment and a pick-up in residential construction. Export performance has continued to improve, but the trade surplus is falling as growth in imports has recently outpaced increases in exports.

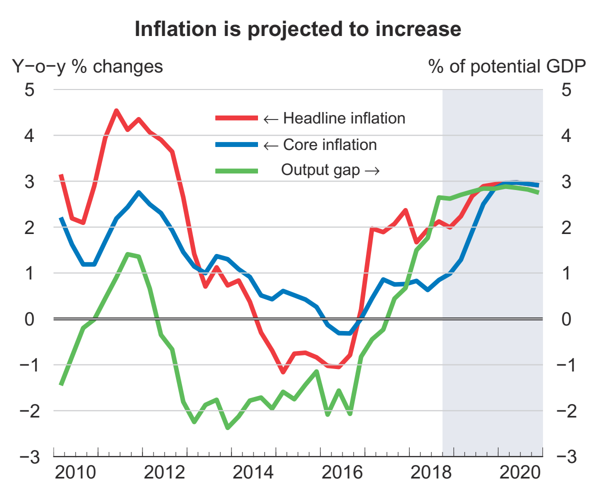
The labour market is increasingly tight as the unemployment rate has reached a record low. Job vacancies are elevated, businesses increasingly report labour shortages, and wages are growing rapidly. However, underlying inflation remains low for the time being.

Revenue-raising reforms would help address medium-term challenges

A pick-up in public investment and an increase in pension spending due to a cut in the statutory retirement age are putting upward pressures on public spending. However, strong

Poland





1. Manufacturing firms.
2. Unweighted average of Hungary, the Czech Republic and Slovak Republic.

Source: Eurostat, Business Survey Database; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877126

Poland: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices PLN billion	Percentage changes, volume (2010 prices)				
GDP at market prices	1 800.2	3.1	4.8	5.2	4.0	3.3
Private consumption	1 051.5	3.9	4.9	4.6	4.2	3.7
Government consumption	324.7	1.9	3.5	3.9	4.2	4.1
Gross fixed capital formation	361.5	-8.2	3.9	6.4	6.9	5.8
Final domestic demand	1 737.7	1.0	4.4	4.8	4.7	4.2
Stockbuilding[1]	6.8	1.2	0.5	1.0	-0.1	0.0
Total domestic demand	1 744.5	2.3	4.9	5.7	4.5	4.1
Exports of goods and services	891.1	8.8	9.5	6.2	7.2	5.7
Imports of goods and services	835.4	7.6	10.0	6.9	8.4	7.3
Net exports[1]	55.7	0.8	0.1	-0.1	-0.4	-0.8
Memorandum items						
GDP deflator	_	0.3	2.0	0.6	2.4	3.3
Consumer price index	_	-0.7	2.1	1.9	2.7	2.9
Core inflation index[2]	_	-0.2	0.7	0.8	2.1	2.9
Unemployment rate (% of labour force)	_	6.1	4.9	3.7	3.2	3.0
Household saving ratio, net (% of disposable income)	_	1.5	-1.2	-1.8	-0.2	1.0
General government financial balance (% of GDP)	_	-2.2	-1.4	-0.8	-0.8	-0.9
General government debt, Maastricht definition (% of GDP)	_	54.2	50.6	49.2	47.6	46.2
Current account balance (% of GDP)	_	-0.5	0.1	-0.2	-0.9	-1.1

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878057

private consumption and measures to improve tax compliance are increasing revenues from indirect taxes, while social security contributions and direct taxes on households benefit from the strong labour market. Given the current strength of the economy and future spending needs due to ageing, revenue-raising reforms would be appropriate. Eliminating reduced VAT rates, raising environmentally-related taxes, and raising the personal income tax by introducing lower initial and more intermediate tax brackets and ending the preferential tax treatment of the self-employed would increase revenues, while promoting a more environmentally sustainable and inclusive growth.

Monetary policy has been appropriately accommodative given subdued inflationary pressures. Yet, wages are projected to accelerate, as capacity constraints become increasingly binding. The central bank is projected to initiate a tightening cycle in early 2019 to counter rising inflationary pressures.

Structural policies could increase growth and inclusiveness. Further developing high-quality childcare services will be vital to support women's labour force participation and child development, particularly for those from disadvantaged backgrounds. Strengthening efforts to make the public aware of the benefits of working longer could induce workers to delay retirement. Making Poland more attractive to domestic and foreign workers alike by developing a migration strategy, while making a more effective use of workforce skills by incentivising employers to promote adult training and vocational education, would also raise growth and provide an opportunity to enhance the lifetime chances of those currently under-privileged.

Growth will decline gradually

Real GDP growth is projected to decline to 4% in 2019 and 3.3% in 2020. Private consumption will continue to grow strongly thanks to a booming labour market, but it will slow as the recent child benefit will no longer support households' disposable income growth. Investment will gather pace thanks to rising disbursements of EU structural funds and low real interest rates. The main upside domestic risks are higher-than-projected private consumption supported by the buoyant labour market or larger-than-expected private investment spurred by capacity constraints. An increase in protectionism would have adverse effects on exports and investment, harming productivity and potential growth.

PORTUGAL

GDP growth is projected to remain broadly stable at around 2% per year in 2019 and 2020. Domestic demand and further export gains will support economic activity. In particular, consumption growth will remain solid as the unemployment rate falls further. Rising labour costs will prompt an increase in inflation.

The fiscal deficit is expected to disappear by 2020 and the debt-to-GDP ratio is on a firmly declining path, which is appropriate owing to long-term fiscal sustainability issues. In case growth surprises on the upside, all windfall revenues should be used to reduce the debt ratio faster. The greening of the economy can be further improved by increasing environmental taxes so that the prices of different energy sources adequately reflect their environmental impact.

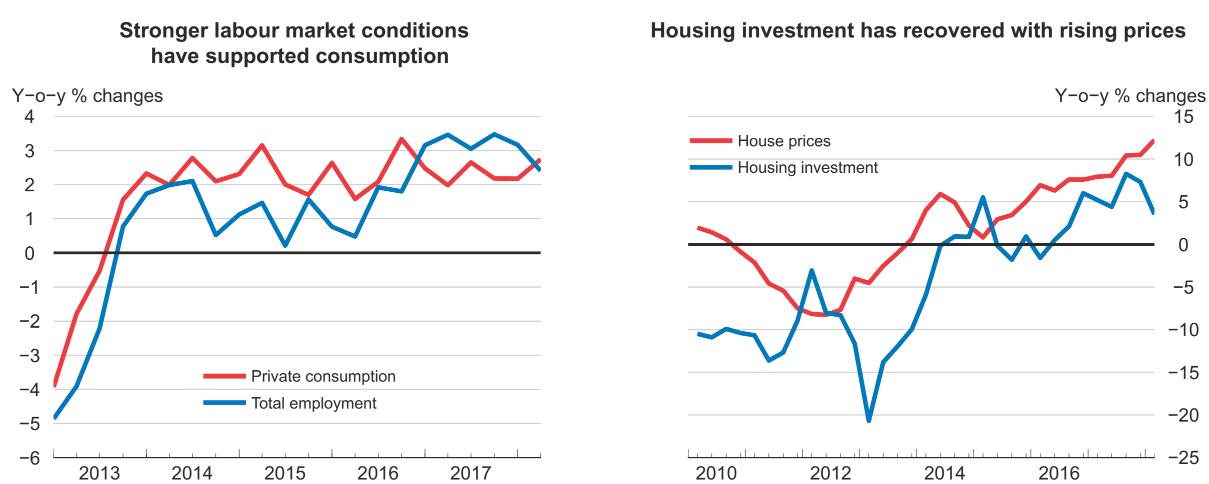
Economic activity remains steady

Business and consumer confidence have eased over the past few months, but both remain at comparatively high levels. Private investment growth is being underpinned by spending on machinery and equipment, with the vehicle manufacturing sector showing notable signs of increased capacity utilisation. Housing investment is rising strongly, responding to strong growth in prices of both new and existing dwellings. Labour market conditions continue to improve, with the unemployment rate having now fallen below 7%.

Policy measures will need to continue buttressing the public finances

After being slightly expansionary in 2018, the fiscal stance is projected to be broadly neutral in 2019 and 2020. The authorities must continue to balance the objectives of improving the fiscal position and sustaining the economic recovery. In this context, the government plans to reach a balanced budget by 2020 are appropriate. Any windfall revenues should be used to reduce the public debt-to-GDP ratio further, which is still extremely high at above 120% of GDP.

Portugal



Source: OECD Economic Outlook 104 database; and Statistics Portugal.

StatLink http://dx.doi.org/10.1787/888933877145

Portugal: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2011 prices)				
GDP at market prices	179.8	1.9	2.8	2.2	2.1	1.9
Private consumption	117.7	2.4	2.3	2.2	1.8	2.0
Government consumption	32.6	0.8	0.2	1.0	0.2	-0.3
Gross fixed capital formation	27.8	2.3	9.2	4.6	6.0	5.0
Final domestic demand	178.2	2.1	3.0	2.4	2.2	2.1
Stockbuilding[1]	0.6	-0.1	0.0	0.0	0.0	0.0
Total domestic demand	178.8	2.0	3.0	2.4	2.2	2.1
Exports of goods and services	72.6	4.4	7.8	5.8	4.3	4.0
Imports of goods and services	71.6	4.7	8.1	6.2	4.8	4.5
Net exports[1]	1.0	-0.1	0.0	-0.1	-0.2	-0.2
Memorandum items						
GDP deflator	_	1.8	1.5	1.4	1.4	1.4
Harmonised index of consumer prices	_	0.6	1.6	1.3	1.5	1.4
Harmonised index of core inflation[2]	_	0.9	1.2	1.1	1.4	1.4
Unemployment rate (% of labour force)	_	11.1	8.9	7.1	6.4	5.7
Household saving ratio, net (% of disposable income)	_	-3.7	-4.1	-5.2	-5.8	-6.0
General government financial balance[3] (% of GDP)	_	-2.0	-3.0	-0.7	-0.2	0.1
General government gross debt (% of GDP)	_	146.7	147.0	144.0	140.6	137.2
General government debt, Maastricht definition (% of GDP)	_	129.2	124.8	121.7	118.4	115.0
Current account balance (% of GDP)	_	0.6	0.5	-0.9	-0.4	-0.1

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
3. Based on national accounts definition.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878076

There is potential for changes in both the tax mix and improvements in the efficiency of government spending that would benefit both the public finances and the economy. For instance, there is scope to raise environmental taxation so that energy pricing properly reflects environmental costs. At the same time, innovation activities of young firms that are often making losses could be better encouraged through allowing unused R&D tax credits to be carried forward indefinitely or refunded in cash.

EU structural funds are expected to contribute positively to investment growth in 2019 and 2020 and the banking sector is now in a better position to fund investment projects. A recent sovereign credit upgrade by Moody's should also lower the cost of investment financing.

Growth is projected to remain stable

The pace of economic activity is projected to be broadly unchanged in 2019 and 2020, at around 2% each year. Employment gains and rising real wages will underpin consumption growth and a slight increase in inflation over the coming years. The projected slowdown in the pace of activity in Portugal's major trading partners will be a headwind to future growth.

Risks to the outlook include a tightening of financial conditions. In particular, an increase in the interest rate paid on government bonds could lead to financial stress given the heightened fragilities that exist from high public debt and an elevated stock of non-performing loans in the banking system. Further increases in oil prices may also weigh on growth given that Portugal is a large net oil importer. On the upside, steps to complete the banking union in the euro area could boost confidence and investment activity in Portugal.

RUSSIA

Growth is projected to remain robust, as private consumption will benefit from rising wages, household credit and employment, the latter following a bold pension reform. Large infrastructure projects will boost both public and private investment. The VAT increase in early 2019 will dent growth temporarily as disposable incomes fall. Export growth will decline as foreign demand weakens, while imports will rebound in 2020. A weaker rouble and the VAT increase will raise inflation temporarily above the 4% target. Unemployment will increase as employment demand will only partly match higher labour supply following the rise of the retirement age.

Monetary policy should be tightened in response to upward-trending inflation expectations. Despite a strong increase in public spending, fiscal policy remains tight to rebuild the fiscal position, increasing the room to respond in event of a future shock. More targeted public spending, in particular a rise in minimum pensions, could mitigate the impact of higher VAT on income inequality. Structural reforms to improve the business environment would boost longer-term growth.

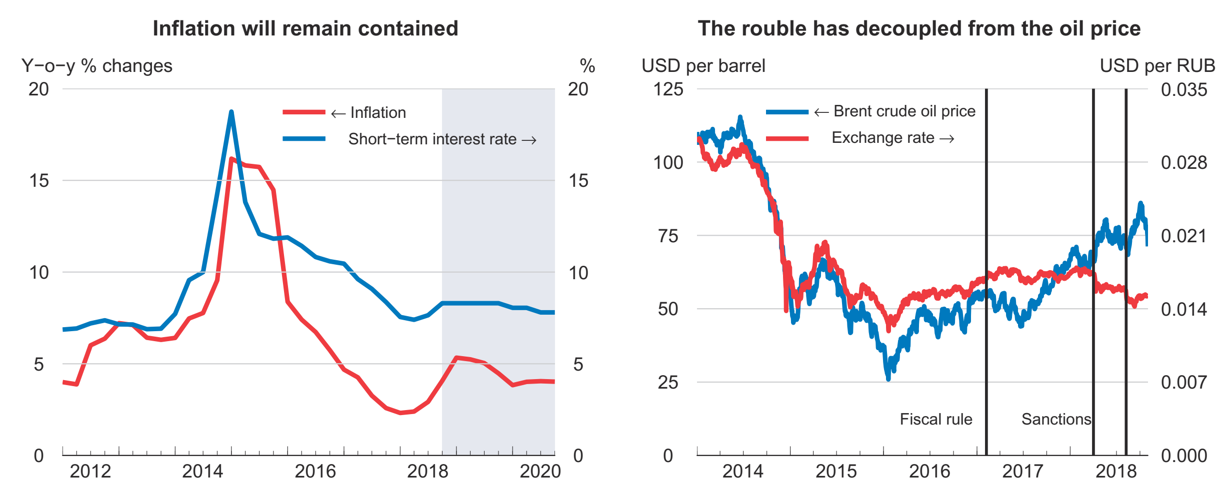
Growth is picking up

Growth is picking up, supported by private consumption, as real disposable incomes are increasing after several years of gradual decline. Rising consumer and mortgage credit also sustain consumption. Higher oil prices are driving export revenues, while growing uncertainty about future sanctions and the higher cost of funding for emerging markets are reducing investment growth and imports of capital goods. The rouble depreciated in April and August amid expectations of potential new sanctions, and capital moved abroad upon turmoil in emerging markets. The depreciation is pushing up inflation, although it remains below the 4% target. The unemployment rate remains low at less than 5%.

Policy remains tight and structural reforms will help raise the economy's potential

The central bank reacted quickly to inflationary pressures by raising its key interest rate in September, and should be ready to raise it further to anchor rising inflation

Russia



Source: OECD Economic Outlook 104 database; and Thomson Reuters.

StatLink http://dx.doi.org/10.1787/888933877164

Russia: **Demand, output and prices**

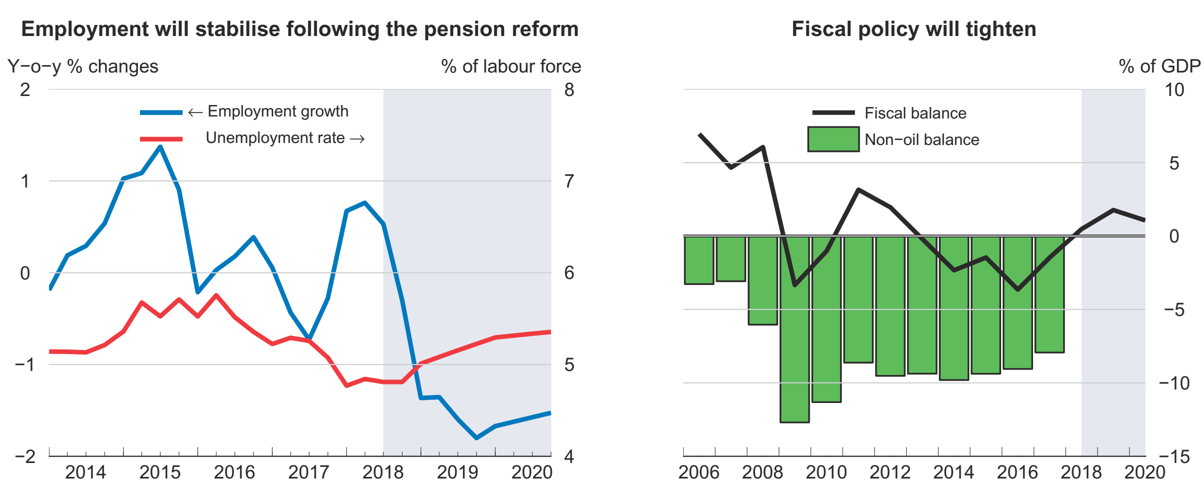
	2015	2016	2017	2018	2019	2020
	Current prices RUB trillion	Percentage changes, volume (2016 prices)				
GDP at market prices	83.4	-0.1	1.5	1.6	1.5	1.8
Private consumption	43.7	-2.3	3.3	2.6	1.3	2.2
Government consumption	14.8	0.8	0.4	-0.9	0.9	1.6
Gross fixed capital formation	16.4	1.7	4.7	2.3	2.4	3.4
Final domestic demand	74.8	-0.8	3.0	1.8	1.5	2.4
Stockbuilding[1]	1.9	-0.5	0.8	-0.7	-0.1	0.0
Total domestic demand	76.7	-1.3	3.8	1.0	1.3	2.3
Exports of goods and services	23.9	3.2	5.1	5.7	2.6	2.2
Imports of goods and services	17.2	-3.8	17.4	5.0	3.0	4.4
Net exports[1]	6.7	1.7	-2.3	0.5	0.2	-0.3
Memorandum items						
GDP deflator	_	3.4	5.2	9.5	5.3	3.4
Consumer price index	_	7.0	3.7	2.9	5.0	4.0
Private consumption deflator	_	6.2	3.0	3.0	4.5	3.5
General government financial balance[2] (% of GDP)	_	-3.6	-1.5	0.5	1.8	1.1
Current account balance (% of GDP)	_	1.9	2.1	5.6	6.3	6.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consolidated budget.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878095

expectations. The authorities also froze fiscal-rule-related foreign currency purchases to limit further rouble depreciation. While smoothing exchange rate volatility is reasonable, the authorities should refrain from currency interventions aimed at influencing long-term exchange rates. The central bank continued the welcome clean-up of the banking sector by

Russia



Source: Ministry of Finance; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877183

withdrawing several banking licences, with no discernible effect on financial markets and the wider economy.

The fiscal stance remains tight. The fiscal balance is in surplus for the first time since 2009, following higher oil revenues and prudent government spending in line with the fiscal rule. The recent pension reform and a planned VAT increase will further enhance sustainability of the public finances. Some easing is appropriate to fund the government's planned investment programme.

The pension reform will raise the retirement age to 65 years for men and 60 years for women by 2029. The planned rise in pensions, especially for those on low incomes, will help reduce inequality. The overall positive effect of the pension reform on GDP growth is estimated at around 0.1 percentage point in 2019 and 0.2 to 0.3 percentage point in 2020. The increase of the value-added tax from 18% to 20% at the beginning of 2019 will reduce household consumption temporarily, in particular for low-income earners.

The government has adopted an ambitious investment programme for the years 2019-2024, aimed at increasing the share of investment in GDP from 21% to 25%. The programme should help improve transport infrastructure, accelerate the digitalisation of the economy, deepen financial markets and complement the pay-as-you-go pension system with a system based on capitalisation. Assigning personal responsibility of a government official for outcomes within their control is commendable and should support effective implementation of the programme.

Improving the business environment via better protection of entrepreneurs' rights, more effective competition, less government involvement in the business sector and improved governance of state-owned enterprises would further boost investment and productivity. Fostering entrepreneurship, strengthening collaboration between the business sector and academia and more public spending on research and development would also add to potential growth. Administrative simplifications, such as the planned one-stop-shop for export firms, are a step in the right direction.

Growth will increase somewhat

The economy is projected to grow by 1.5% in 2019 and 1.8% in 2020, driven by a boost to household consumption from higher real wages and by public investment. Exports will slow as oil prices are no longer rising. The current account will remain in surplus. The VAT hike, tighter monetary policy and more moderate household credit growth will dent growth in 2019 temporarily. However, the pension reform and the infrastructure programme will help boost growth in 2020.

Substantial uncertainty remains about future sanctions and counter-sanctions, which could dent exports and trigger a new wave of capital outflows and further rouble depreciation. Also, the authorities remain cautious about adverse oil market developments, expecting a scenario whereby the oil price falls progressively to less than 60 USD per barrel by 2020 owing to rebounding shale gas production and a petering-out of the OPEC+ agreement. However, the growth effect of an oil price decline of this magnitude would likely be small, thanks to the stabilising role of the fiscal rule and a flexible exchange rate.

SLOVAK REPUBLIC

Robust growth is projected to continue. Significant new capacity in the automotive sector will boost export performance. Labour market buoyancy and solid investment growth, underpinned by favourable financial conditions and increased disbursements of EU funds, will contribute to strong domestic demand. Wage growth will increase and consumer price inflation will reach 3% as the labour market tightens and pressures on production capacity build up.

The government plans to reach a budget balance by 2020, fully in line with EU requirements. Fiscal consolidation is appropriate in the context of intensifying pressures on resources. In the longer term, rapid population ageing will increase public spending significantly. A weakening of the 2012-13 pension reform, currently discussed in the parliament, would make it more difficult to address this challenge.

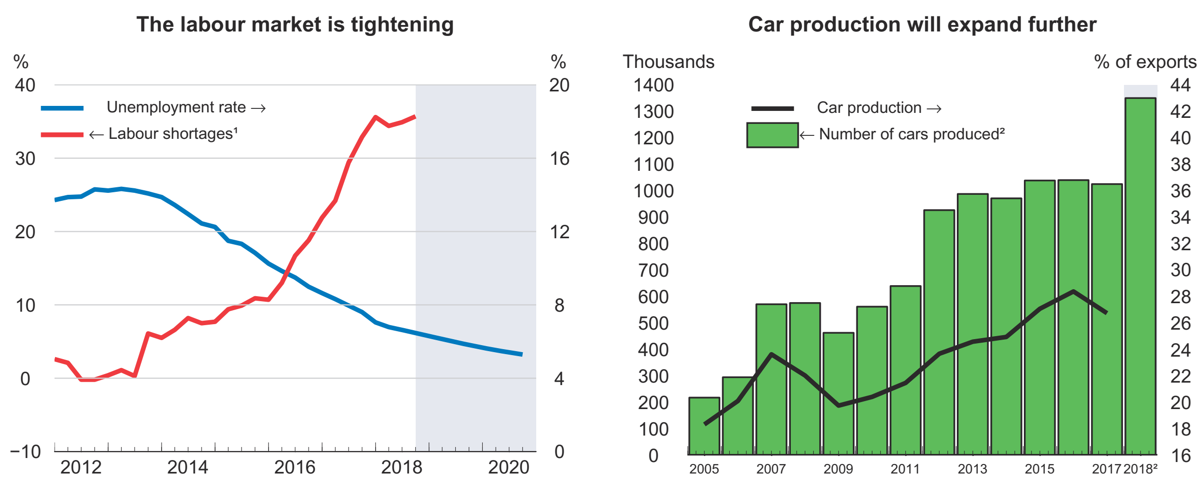
Economic growth is strong

The rapid broad-based economic expansion has continued. New production in the automotive sector has boosted exports. Investment has picked up, thanks to low interest rates, strong business confidence and new foreign investment in the automotive sector. Employment growth has been strong and unemployment has fallen fast. Vacancies are at record levels and labour shortages have intensified, limiting production in some areas. Household debt, particularly mortgage debt, has been growing rapidly. Inflation has risen close to 3% due to rising demand pressures and higher food prices.

Fiscal and macro-prudential policies need to contain credit growth and strong demand

The central bank has been tightening credit standards to contain increasing household indebtedness. This has slowed credit growth but it remains high. Consolidation

Slovak Republic



1. Percentage of manufacturing firms pointing to labour shortages as a factor limiting production.
2. Estimates for 2018 include the launch of new production lines that have started in 2018.

Source: Eurostat, industry database; OECD Trade database; OECD Economic Outlook 104 database; Slovak Investment and Trade Development Agency (SARIO); and Zväz automobilového priemyslu Slovenskej republiky.

StatLink http://dx.doi.org/10.1787/888933877202

Slovak Republic: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	78.9	3.3	3.4	4.1	4.3	3.6
Private consumption	43.2	2.7	3.6	3.0	4.0	4.1
Government consumption	15.3	1.6	0.2	2.3	1.9	2.0
Gross fixed capital formation	18.9	-8.3	3.2	13.2	4.1	4.1
Final domestic demand	77.4	-0.2	2.8	5.2	3.6	3.7
Stockbuilding[1]	0.2	1.1	-0.1	-0.3	0.1	0.0
Total domestic demand	77.6	0.9	2.7	4.7	3.7	3.7
Exports of goods and services	73.3	6.2	4.3	5.8	8.3	6.4
Imports of goods and services	72.1	3.7	3.9	5.9	7.7	6.5
Net exports[1]	1.3	2.4	0.5	0.1	0.8	0.1
Memorandum items						
GDP deflator	_	-0.4	1.3	2.3	2.8	3.0
Harmonised index of consumer prices	_	-0.5	1.4	2.7	2.7	3.0
Harmonised index of core inflation[2]	_	0.9	1.4	2.1	2.5	3.0
Unemployment rate (% of labour force)	_	9.6	8.1	6.7	6.1	5.5
Household saving ratio, net (% of disposable income)	_	3.0	2.4	2.9	2.9	2.9
General government financial balance (% of GDP)	_	-2.2	-0.8	-0.7	-0.4	0.0
General government gross debt (% of GDP)	_	59.8	58.1	57.0	55.1	53.2
General government debt, Maastricht definition (% of GDP)	_	51.8	50.9	49.8	47.9	45.9
Current account balance (% of GDP)	_	-1.5	-2.1	-1.2	0.1	0.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878114

and strong growth helped to bring the deficit to a historically low level (0.8% of GDP) in 2017. The government's fiscal policy objective is to eliminate the budget deficit by 2020. However, most of this budget improvement will be due to strong cyclical growth, with little structural consolidation. The government plans to increase public sector wages by 10% in each of 2019 and 2020. Given significant demand pressures and low euro area policy interest rates, a tighter fiscal policy would be helpful. More fiscal tightening would also increase the room for action in the event of negative shocks as Slovakia's open economy is very exposed to international trade tensions and volatility. In the long term, spending pressure will rise substantially due to population ageing. In this context, the authorities should not weaken the 2012-13 pension reform and should maintain the link between the statutory pension age and life expectancy.

The government should persist in its efforts to improve tax collection and enhance public-sector efficiency in order to create room to finance much needed structural reforms, particularly in education and for Roma integration. To reverse the decline in educational performance, more must be done to improve the chances of children from poorer backgrounds. Early childhood education and better-trained and better-paid teachers are necessary parts of this reform. Improving the well-being of Roma, who suffer from social exclusion, will require stronger and better-coordinated efforts across social, housing, education and employment policies.

Growth is projected to remain robust

Growth is projected to be 4.3% in 2019, and then to decline to 3.6% in 2020 in line with the slowdown in the external environment. New production lines in the car industry will boost productive potential, especially in 2019, and fuel gains in export market shares. Labour market buoyancy and strong consumer confidence will contribute to strong private consumption. Supportive financial conditions, acceleration of the disbursements of EU funds and new public infrastructure projects will boost investment. Inflation will be around 3% by the end of 2020.

There is a risk that rising pressure on capacity could lead to overheating, resulting in higher inflation and undermining competitiveness. Furthermore, the Slovak Republic is vulnerable to escalating global protectionism. Disbursements of EU structural funds could surprise in either direction. If they expand productive capacity faster than expected, strong growth could be sustainable for longer.

SLOVENIA

Economic growth, which moderated in 2018, is projected to slow significantly in 2019 and 2020, as capacity limits become an increasing constraint on output and as investment growth eases towards more sustainable levels. Export-market gains will decelerate as higher wages take their toll on the competitiveness of exporters.

The fiscal policy stance is projected to remain expansionary in 2019 and turn neutral in 2020. The budget surplus, after widening to 0.6% of GDP in 2018, will narrow in 2019 as a result of the discretionary easing and slower economic growth. However, as monetary conditions in the euro area will remain accommodative, a larger surplus is needed to contain inflationary pressures and to ensure continued debt reduction.

The economic recovery has been strong

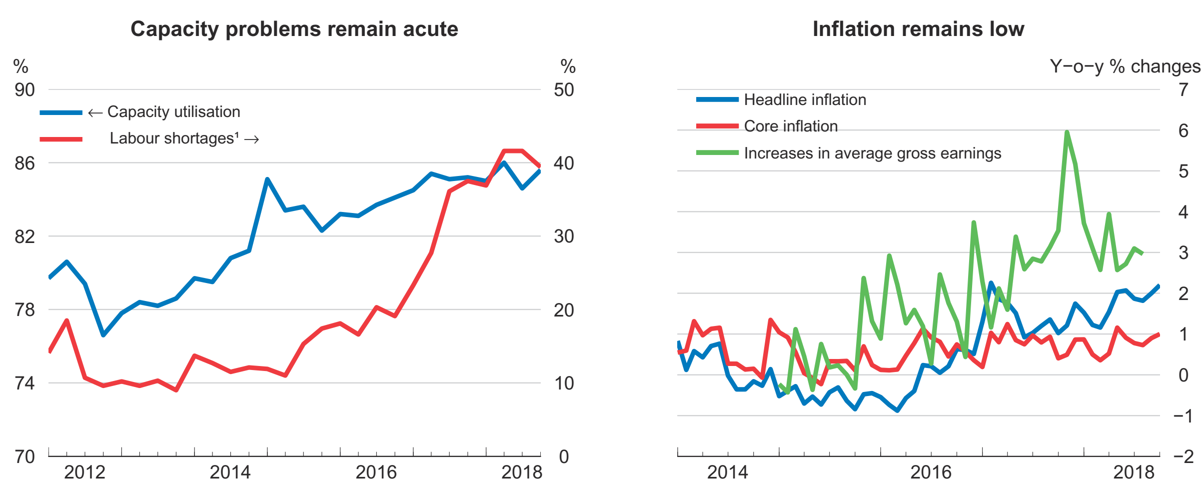
The economy's strong performance continued in 2018, as investment remained buoyant, supported by EU structural funds, the need to expand capacity and the ongoing recovery in housing construction. Growth in public consumption has been firm, reflecting the roll-back of previous austerity measures. Private consumption growth has been more lacklustre, but with high levels of consumer confidence and strong earnings increases it is set to resume. Exporters have gained market share.

The labour market is tightening. Employment increased by nearly 2% in 2018 and more people joined the labour force, including immigrants. The unemployment rate fell to a decade-low of 5.5% in mid-2018. Another sign of tightening is that 40% of manufacturing are reporting labour shortages. On the other hand, wage growth has been modest, reaching 3.6% in early autumn 2018, and consumer price inflation has softened to below 2%, while core inflation has remained flat at around 1%.

Fiscal restraint and structural reforms would make growth more sustainable

Monetary conditions remain favourable with the expected continuation of the accommodative euro area monetary policy and with long-term interest rates fluctuating

Slovenia



1. Percentage of manufacturing firms pointing to labour shortages as a factor limiting production.
Source: Eurostat Industry database; Statistical Office of the Republic of Slovenia.

StatLink http://dx.doi.org/10.1787/888933877221

Slovenia: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	38.9	3.1	4.9	4.4	3.6	2.7
Private consumption	20.8	3.9	1.9	2.3	2.6	2.0
Government consumption	7.2	2.7	0.5	2.7	2.0	1.5
Gross fixed capital formation	7.3	-3.7	10.7	9.0	8.5	6.4
Final domestic demand	35.3	2.1	3.3	3.8	3.8	2.9
Stockbuilding[1]	0.2	0.7	0.6	-0.1	0.0	0.0
Total domestic demand	35.5	2.9	3.9	3.5	3.6	2.8
Exports of goods and services	29.9	6.4	10.7	8.1	6.4	6.3
Imports of goods and services	26.6	6.6	10.3	8.0	6.9	7.0
Net exports[1]	3.3	0.5	1.3	0.9	0.3	0.1
Memorandum items						
GDP deflator	_	0.8	1.6	2.1	2.2	3.3
Harmonised index of consumer prices	_	-0.2	1.6	2.0	2.2	2.8
Harmonised index of core inflation[2]	_	0.7	0.7	1.1	1.9	2.8
Unemployment rate (% of labour force)	_	8.0	6.6	5.3	4.6	4.3
Household saving ratio, net (% of disposable income)	_	5.1	6.2	7.5	7.6	7.9
General government financial balance (% of GDP)	_	-1.9	0.1	0.6	0.2	0.2
General government gross debt (% of GDP)	_	97.7	89.2	86.9	85.2	83.5
General government debt, Maastricht definition (% of GDP)	_	78.7	74.1	70.0	66.1	61.7
Current account balance (% of GDP)	_	5.5	7.2	7.0	6.4	6.2

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878133

around 1%. Fiscal policy has been expansionary, driven by large public investment that benefits from EU structural funds and the roll-back of previous austerity measures, such as the freeze on public sector wages. Nonetheless, the strong economic expansion will result in small public budget surpluses over the projection period. A restrictive fiscal policy would be warranted to counter potential overheating and make room for higher ageing-related spending in the future.

The economic recovery could be strengthened through structural reforms. Stronger privatisation efforts would free up and improve the allocation of resources, particularly if combined with measures to strengthen competition, including more resources to the competition authorities and simplified judicial procedures in competition cases. Pension reform could help bolster the low activity rate of older workers.

Growth will slow

Economic growth is projected to slow in the coming two years as demand will progressively be met through higher imports due to domestic capacity constraints. Private consumption and housing will be bolstered by higher employment and wages. Business investment will continue to expand production capacity and secure continued productivity growth, albeit at a reduced pace. Yet, high wage increases in the tight labour market will reduce export competitiveness and market share gains. The strong labour market will widen the differential between real wage increases and productivity growth and push inflation above 3% in the second half of 2020. Higher-than-expected productivity increases from investments would contain the deterioration in external competitiveness. In contrast, faster and stronger labour market overheating than anticipated could lead to a marked deterioration in external competitiveness and investor confidence. If the United Kingdom left the EU without an agreement, Slovenia's exports and business confidence would suffer.

SOUTH AFRICA

Economic growth is projected to pick up slowly in 2019-20, driven by exports. Private consumption will also expand as wages increase moderately. Unemployment will remain high, however, weighing on demand and confidence. Investment is set to recover as policy uncertainty is assumed to ease gradually. High oil prices and the weak currency will drive inflation to the upper part of the 3-6% target range.

Monetary policy will need to address upward pressures on inflation while growth is low. It should remain accommodative to support growth, but tighten moderately in case inflation continues to rise. The government budget deficit is set to remain high relative to GDP. Credible structural policy reforms are necessary to broaden competition and economic opportunities in order to support growth.

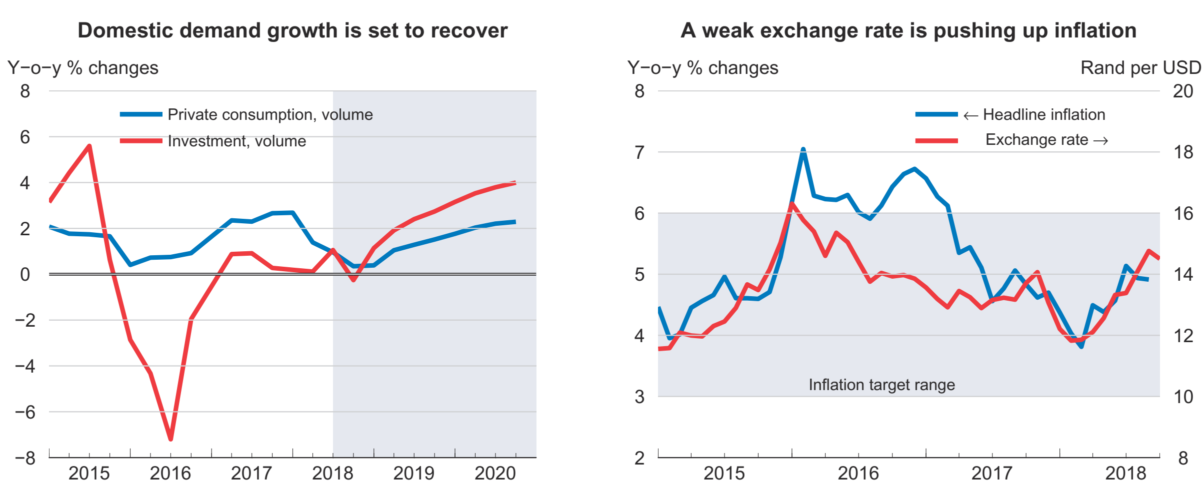
Subdued domestic demand has weakened growth

The economy slowed in 2018. A temporary boost in business and consumer confidence at the beginning of the year gave way to growing policy uncertainty that weakened investment. Private consumption has been constrained due to recent tax changes and slow credit growth. Despite a stabilisation of food prices and moderate wage growth, household consumption is being held back by higher oil prices. Job creation has been insufficient and unemployment remains high at almost 28% of the labour force, contributing to persistent inequalities in income and economic opportunities.

Progress on structural reforms is needed

High oil prices and a weak exchange rate following the emerging market sell-off are pushing inflation to the upper half of the 3-6% target range of the Reserve Bank. Monetary policy is operating in a difficult environment of low growth and upward inflationary pressures. While monetary policy remains accommodative to support investment, the Reserve Bank is committed to gradual increases in the policy interest rate if price pressures increase.

South Africa



Source: OECD Economic Outlook 104 database; and Statistics South Africa.

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South Africa: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices ZAR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	4 044.0	0.6	1.3	0.7	1.7	1.8
Private consumption	2 417.3	0.7	2.2	1.3	1.1	2.1
Government consumption	828.9	1.9	0.6	1.2	1.0	1.0
Gross fixed capital formation	828.2	-4.1	0.4	0.3	2.0	3.6
Final domestic demand	4 074.5	0.0	1.5	1.1	1.2	2.1
Stockbuilding[1]	21.7	-0.8	0.3	-0.2	-0.2	0.0
Total domestic demand	4 096.2	-0.9	1.8	0.8	1.1	2.1
Exports of goods and services	1 221.7	1.0	-0.1	2.0	5.9	2.9
Imports of goods and services	1 273.9	-3.8	1.6	2.3	3.8	4.1
Net exports[1]	- 52.2	1.5	-0.5	-0.1	0.6	-0.4
Memorandum items						
GDP deflator	_	7.2	5.7	4.3	5.6	5.4
Consumer price index	_	6.3	5.3	4.5	5.6	5.5
Core inflation index[2]	_	5.7	4.6	4.2	5.0	5.1
General government financial balance (% of GDP)	_	-3.5	-4.0	-3.7	-3.7	-3.7
Current account balance (% of GDP)	_	-2.8	-2.4	-3.5	-3.5	-3.8

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878152

Fiscal space is tight. Additional revenues from broadening the tax base have been offset by higher public sector wages, investment in free higher education and social benefits. Within the budget, a reprioritisation of spending towards job creation and infrastructure was announced in the economic stimulus and recovery plan in September 2018. To strengthen employment, inclusiveness and tax revenues in the medium to long term, job creation needs to be accompanied by investments that increase productivity, such as improving the quality of education. This is particularly important as 39% of the 15-34 year olds are neither in education, training nor employment, contributing to severe skill shortages.

Advancing structural reforms and reducing policy uncertainty are necessary to support growth in the medium to long term. The economic stimulus and recovery plan includes important structural reforms proposed in the budget, such as reducing barriers to competition in several network sectors. Timely implementation would increase investor confidence and investment.

Growth will remain fragile

Growth is projected to pick up slowly, but will remain vulnerable to policy uncertainties and external shocks. Exports will be the main driver of growth on the back of a weak exchange rate. Investment is expanding, albeit only moderately due to policy uncertainties around the land reform debate and the governance of state-owned enterprises. Stronger investment growth could provide a positive stimulus if policy uncertainties ease and structural reforms progress. Stronger-than-expected job creation could further support growth through increased household consumption. On the external side, the economy will remain vulnerable to faster-than-expected normalisation of US and European monetary policy, escalating global protectionism, global financial tightening and negative investor sentiment towards emerging-market economies. As dependence on foreign financial inflows is relatively high compared to other emerging-market economies, a potential slowdown could threaten growth.

SPAIN

Economic growth has been strong but is projected to moderate in 2019 and 2020. Even so, the unemployment rate will continue to decline, but remain high. Domestic demand, supported by low interest rates and strong employment growth, will remain the main driver of growth.

A durable reduction in the high public debt-to-GDP-ratio will require further reductions in the structural balance and the government should stick to medium-term fiscal consolidation targets. It will also require maintaining strong economic growth. To boost growth, productivity-enhancing reforms to increase competition and innovation, and to improve skills, will be needed. This would also generate better paid jobs and reduce inequalities.

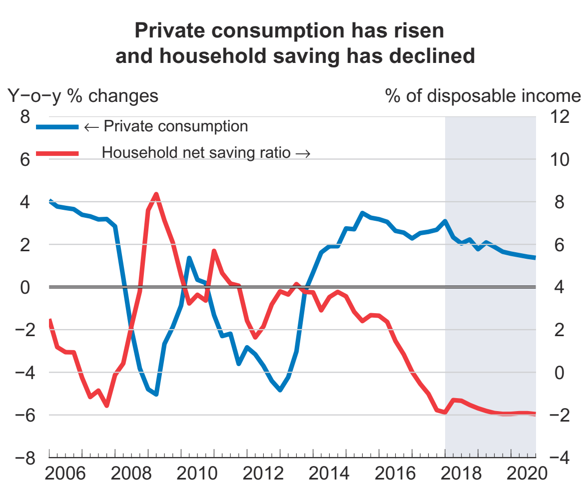
Domestic demand remains the main driver of growth

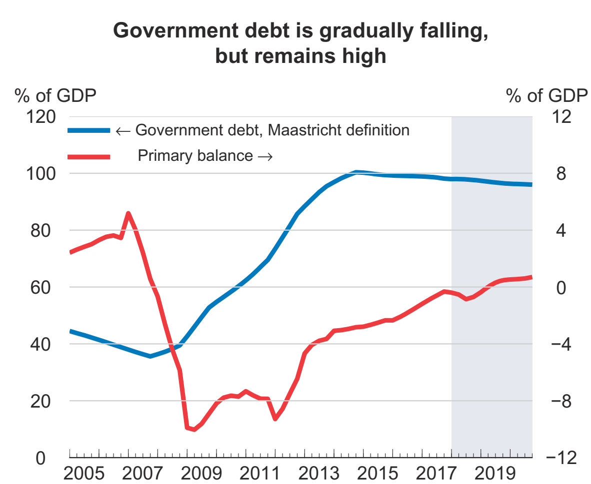
Domestic demand remains robust, even though the effects of past tailwinds from low oil prices and lower taxes have dissipated. Favourable financial conditions, strong employment gains and measures in the 2018 budget, such as wage and pension increases, continue to support private consumption. Business investment continues to grow, supported by low financing costs and improved profit margins. Export growth has moderated, as export market growth has declined.

Policy measures should address remaining imbalances and low productivity growth

Monetary policy in the euro area will remain accommodative, boosting investment and consumption. The fiscal stance has also provided support to growth this year; the deficit will reach 2.7% of GDP in 2018, higher than initially expected. Fiscal policy is projected to be broadly neutral in 2019-20. The government should stick to medium-term fiscal consolidation targets to ensure a durable reduction of the public debt-to-GDP ratio, and any positive growth surprise should be used to reduce debt further.

Spain





Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877259

Spain: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices EUR billion	Percentage changes, volume (2010 prices)				
GDP at market prices	1 081.2	3.2	3.0	2.6	2.2	1.9
Private consumption	626.0	2.9	2.5	2.4	1.8	1.5
Government consumption	208.9	1.0	1.9	2.1	1.6	1.3
Gross fixed capital formation	214.7	2.9	4.8	6.1	3.8	3.8
Final domestic demand	1 049.7	2.5	2.9	3.1	2.2	2.0
Stockbuilding[1]	6.3	-0.1	0.1	0.1	0.0	0.0
Total domestic demand	1 055.9	2.4	3.0	3.2	2.3	1.9
Exports of goods and services	356.1	5.2	5.2	1.6	2.8	4.0
Imports of goods and services	330.9	2.9	5.6	3.5	2.9	4.1
Net exports[1]	25.2	0.8	0.1	-0.5	0.0	0.0
Memorandum items						
GDP deflator	_	0.3	1.2	0.9	1.9	1.8
Harmonised index of consumer prices	_	-0.3	2.0	1.9	1.9	1.7
Harmonised index of core inflation[2]	_	0.7	1.2	1.2	1.6	1.7
Unemployment rate (% of labour force)	_	19.6	17.2	15.3	13.8	12.5
Household saving ratio, net (% of disposable income)	_	1.8	-0.8	-1.5	-1.8	-1.9
General government financial balance (% of GDP)	_	-4.5	-3.1	-2.7	-1.8	-1.2
General government gross debt (% of GDP)	_	116.5	114.7	114.6	113.1	111.4
General government debt, Maastricht definition (% of GDP)	_	99.0	98.1	97.7	96.5	96.0
Current account balance (% of GDP)	_	2.3	1.8	1.0	1.0	1.0

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878171

The labour market remains segmented, with high rates of youth and long-term unemployment and temporary contracts. Continuing efforts to fight against the abuse of temporary contracts is key to reducing labour market duality. Improving co-ordination of social and employment services would lower unemployment and inequalities. Increasing the provision of early childhood education for children between the ages of 0 and 3 would boost labour participation of women and improve future skill formation, especially for children from disadvantaged backgrounds. Improved teacher training and further extensions of dual vocational education and training would also boost skills and enhance the labour market prospects of vulnerable groups.

Low productivity growth is hampering the generation of sustainable and inclusive growth. Ensuring the effective implementation of prior structural reforms addressing the internal fragmentation of product markets is key to creating economies of scale. Further increasing the co-ordination and evaluation of regional and national innovation policies to avoid duplication and encouraging greater scale and specialisation of universities would raise the quality of innovation.

Growth is projected to moderate

GDP growth is projected to gradually slow to 2.2% and 1.9% in 2019 and 2020, respectively. Domestic demand will moderate, as the pace of job creation slows and household saving starts to stabilise at its currently low level. The current account will remain in surplus, but lower than in the past two years, as export growth moderates with weaker export market growth. Given the high share of temporary and part-time jobs, wage growth is set to remain moderate, as the unemployment rate remains high. Inflation will slowly increase as slack dissipates, but remain subdued.

Risks to the outlook remain sizeable. Slower-than-projected global trade growth would undermine exports. Turbulence in international markets and political uncertainty could lower private sector confidence, hampering domestic demand. On the upside, domestic demand could prove more resilient than expected if job creation is stronger than anticipated.

SWEDEN

Strong exports, reflecting both growth among Sweden's main trading partners and a weaker krona, along with solid domestic demand, will continue to support the expansion. Housing investment will keep declining, following earlier house price falls. Employment creation will slow, with labour shortages in a number of occupations. The unemployment rate will level off as difficult-to-hire workers make up a rising proportion of jobseekers.

Fiscal and monetary policies are expansionary. Inflation is roughly on target, partially due to transitory factors. The Riksbank has signalled its intention to start raising interest rates around the turn of the year, which would be appropriate to balance inflation undershooting risks and capital misallocation risks. Housing market, immigrant integration and education reforms are needed to foster inclusive growth.

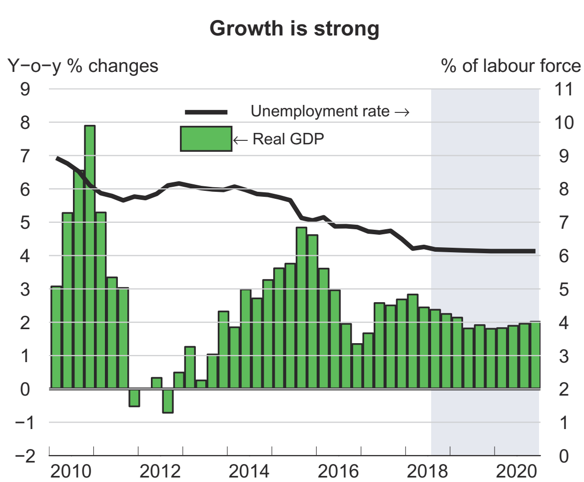
Growth is slowed by weak construction activity

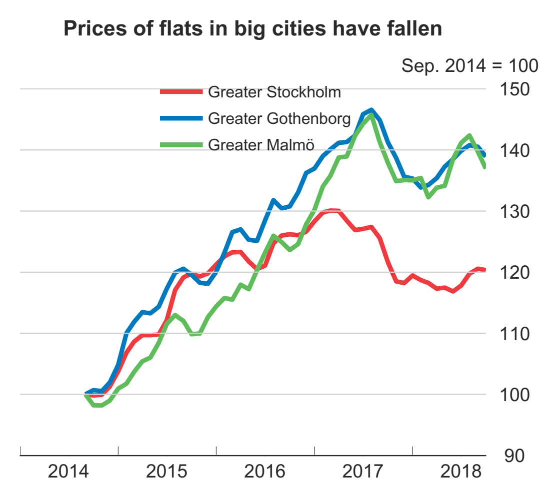
The economy continues to enjoy robust growth. Demand has been holding up among Sweden's main trading partners, while a weaker krona has lifted competitiveness. However, housing investment has contracted following falling housing prices in late 2017 and early 2018. Consumption growth is modest due to still subdued wage growth, reflecting a focus on competitiveness in wage bargaining. Inflation is on target, although partly due to transitory factors, notably rising energy prices. Shortages of qualified labour and an increasing share of hard-to-employ jobseekers, including recently arrived immigrants, prevent a faster decline in the unemployment rate.

Structural weaknesses remain in the housing market

Easy access to credit, rapid income and population growth and low interest rates fuelled rapid housing price growth until recently. In the process, household debt has grown to exceed 180% of disposable income. Macro-prudential policies likely contributed to a welcome correction of about 6% in housing prices in the latter part of 2017, followed by a

Sweden





Source: OECD Economic Outlook 104 database; and Mäklarstatistik.

StatLink http://dx.doi.org/10.1787/888933877278

Sweden: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices SEK trillion	Percentage changes, volume (2017 prices)				
GDP at market prices	4 200.8	2.5	2.4	2.5	1.9	1.9
Private consumption	1 889.3	2.8	2.3	2.5	2.8	2.6
Government consumption	1 085.7	3.2	0.4	1.1	1.2	1.2
Gross fixed capital formation	990.3	3.9	6.5	3.2	0.2	1.6
Final domestic demand	3 965.3	3.2	2.8	2.3	1.7	2.0
Stockbuilding[1]	31.3	-0.1	0.1	0.4	0.1	0.0
Total domestic demand	3 996.6	3.0	2.9	2.7	1.7	1.9
Exports of goods and services	1 913.0	2.6	3.7	3.3	3.5	3.3
Imports of goods and services	1 708.7	4.0	5.1	3.8	3.1	3.5
Net exports[1]	204.2	-0.4	-0.4	-0.1	0.3	0.0
Memorandum items						
GDP deflator	_	1.7	2.2	2.2	2.1	2.2
Consumer price index[2]	_	1.0	1.8	2.0	2.4	2.3
Core inflation index[3]	_	1.4	2.0	2.2	2.3	2.0
Unemployment rate[4] (% of labour force)	_	6.9	6.7	6.2	6.1	6.1
Household saving ratio, net (% of disposable income)	_	16.0	15.1	16.7	16.4	16.3
General government financial balance (% of GDP)	_	1.1	1.6	1.2	1.2	1.5
General government debt, Maastricht definition (% of GDP)	_	42.4	40.8	37.2	34.5	32.3
Current account balance (% of GDP)	_	4.3	3.3	2.6	3.5	3.4

1. Contributions to changes in real GDP, actual amount in the first column.
2. The consumer price index includes mortgage interest costs.
3. Consumer price index with fixed interest rates.
4. Historical data and projections are based on the definition of unemployment which covers 15 to 74 year olds and classifies job-seeking full-time students as unemployed.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878190

stabilisation since early 2018. Structural weaknesses, notably the favourable taxation of property and mortgages, rental regulations and a lack of competition in construction, continue to generate imbalances in the housing market.

Monetary policy is set to remain highly expansionary, notwithstanding signs of high capacity utilisation and inflation is projected to stay close to target going forward. The repo rate has remained at -0.5% since February 2016. The bond purchasing programme has been put on hold, and the first rate hike is projected in late 2018 or early 2019. The Riksbank has pointed to a gradual tightening of monetary policy, which would be welcome to balance the risks of inflation undershooting against those of resource misallocation.

Expansionary fiscal policy fuelled already solid growth in 2018. The fiscal stance is projected to be broadly neutral in 2019, but the current political deadlock may lead to a tightening, as a new government will have little time to introduce new policy measures in the 2019 budget. Overall, fiscal policy remains sustainable, with a robust fiscal framework, gross public debt below 40% of GDP and a fiscal surplus of over 1% of GDP.

Growth is vulnerable to further declines in house prices and to protectionism

GDP growth is set to slow down as residential investment contracts further and capacity constraints become binding in many sectors. Household consumption will continue to expand at a measured pace, as labour market tightness only gradually feeds through to wages due to the social partners' continued aim of maintaining competitiveness, and housing market and global uncertainties encourage household saving. Demand from main trading partners will continue to support exports and business investment, although less intensely as global growth prospects weaken. Spreading protectionism will weigh on the export outlook and poses a major downside risk to Sweden, which is deeply integrated in global value chains. The housing market remains vulnerable, and further house price falls would weigh on consumption. Loose macroeconomic policies during the upturn might feed imbalances and increase vulnerabilities for the next downturn.

SWITZERLAND

GDP growth has been buoyant in recent quarters and is projected to be about 1½ per cent over the next two years. Domestic demand will gain strength, supported by household consumption. However, the boost to exports from the earlier exchange rate depreciation and one-off events will fade. The large current account surplus will narrow slightly. Inflation will pick up gradually but remain moderate.

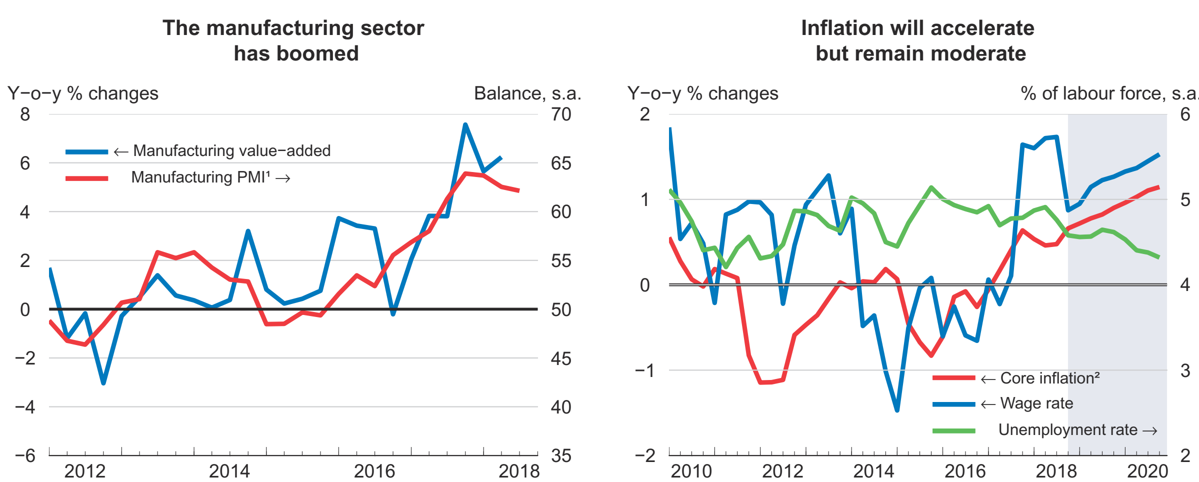
Monetary policy rates are projected to start to increase in the second half of 2019 but to remain negative through 2020. The fiscal stance will become slightly expansionary as exceptional revenues unwind. Pension reform is urgent as population ageing weighs on pension system funding. Reducing the cost of childcare and expanding its supply could encourage women's full participation in the economy.

The manufacturing sector drove the recent surge in GDP growth

The economy has expanded strongly, growing 3.2% year-on-year in the first half of 2018. The manufacturing sector has been the main engine of growth but receipts from special international sports events to their Swiss-based federations also contributed to the exceptional outcome. Faster growth of export markets as well as exchange rate depreciation have boosted manufacturing exports. Gross fixed investment has been solid despite a recent slowdown.

Commodity prices have nudged up consumer price inflation, but core inflation remains low. Wages per employee have started to increase, and household consumption picked up in the first half of 2018, but remains subdued, with a high saving rate. The current account surplus exceeded 12% of GDP in the first half of 2018, partly due to an increase in the trade surplus.

Switzerland



1. The manufacturing Purchasing Managers Index is a survey-based leading indicator providing the prevailing direction of change: an index above 50 indicates an overall increase and below 50 an overall decrease in economic activity.
2. Excluding fresh and seasonal food products, energy and fuels.

Source: SECO; Thomson Reuters; and OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877297

Switzerland: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices CHF billion	Percentage changes, volume (2010 prices)				
GDP at market prices	654.2	1.6	1.7	2.9	1.6	1.6
Private consumption	348.7	1.5	1.2	1.2	1.5	1.7
Government consumption	78.1	1.2	0.9	1.0	1.0	1.1
Gross fixed capital formation	155.6	3.4	3.3	3.1	2.9	2.6
Final domestic demand	582.4	2.0	1.7	1.7	1.8	1.9
Stockbuilding[1]	- 4.8	-1.4	-0.1	0.0	0.7	0.0
Total domestic demand	577.6	0.3	1.5	1.7	2.6	1.9
Exports of goods and services	406.9	6.7	-0.1	1.4	1.9	2.9
Imports of goods and services	330.4	5.9	-0.7	-0.8	3.8	3.5
Net exports[1]	76.5	1.2	0.3	1.4	-0.8	-0.1
Memorandum items						
GDP deflator	_	-0.6	-0.4	0.7	1.2	1.2
Consumer price index	_	-0.4	0.5	1.0	0.9	1.1
Core inflation index[2]	_	-0.3	0.3	0.5	0.8	1.1
Unemployment rate (% of labour force)	_	4.9	4.8	4.8	4.6	4.4
Household saving ratio, net (% of disposable income)	_	18.7	17.8	17.8	17.8	17.6
General government financial balance (% of GDP)	_	0.4	1.3	1.2	1.0	0.8
General government gross debt (% of GDP)	_	42.5	41.2	40.0	39.0	38.3
Current account balance (% of GDP)	_	9.9	9.5	11.1	10.7	10.8

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878209

Monetary policy stimulus will be removed gradually

Monetary policy has been expansionary since the financial crisis. Since late 2014, negative policy interest rates have been effective in boosting inflation and limiting capital inflows associated with the Swiss franc's safe-haven status. However, financial risks from a search for yield and the misallocation of capital are building up. Mortgage lending and apartment prices continue to rise, albeit at a slower pace, but vacancy rates are also rising. As excess capacity is disappearing and inflation is starting to rise, the central bank is projected to begin raising its policy rate in the second half of 2019. Advance communication on the gradual withdrawal of stimulus will be important to avoid potentially disruptive market surprises.

The government's fiscal stance is projected to become mildly expansionary. High withholding tax receipts underpinned the 2017 budget surplus, due to exceptionally high dividends and low refund claims, because negative interest rates are a disincentive to claim refunds. As those net revenues unwind, the fiscal surplus will gradually decrease. In September, the parliament voted for a joint corporate taxation and pension reform, which might, however, be blocked by a possible referendum in 2019. It would add revenues to the pension scheme from 2020 via an increase in social contributions and larger central government transfers. Nonetheless, further reform, such as equalising the retirement age for men and women and linking it to life expectancy, is urgent as population ageing worsens the pension system's financial position. The corporate income tax reform aims to align the regime with Switzerland's international commitments and would remove multinationals' special tax treatment by 2020.

Productivity growth has languished over the past decade. The proposed increase in tax credits for childcare expenses should encourage more full-time female employment. That would expand women's lifetime opportunities, raise labour supply, improve productivity, and help prolong the expansion. Reforms to make childcare more affordable for lower-income households would boost growth and make it more inclusive.

Growth is projected to slow but remain robust

GDP growth is set to slow but remain above potential. Household consumption will gain momentum, supported by real wages gains and falling unemployment. Investment growth will slow but remain strong. Failure of the ongoing negotiations with the European Union to establish a consolidated institutional framework could hamper the close economic relationship Switzerland now enjoys. Rising global tensions could entail a further appreciation of the Swiss franc, damping exports. Conversely, households' optimism may lead to a sharper decline in their saving ratio and higher consumption growth, narrowing the current account surplus.

TURKEY

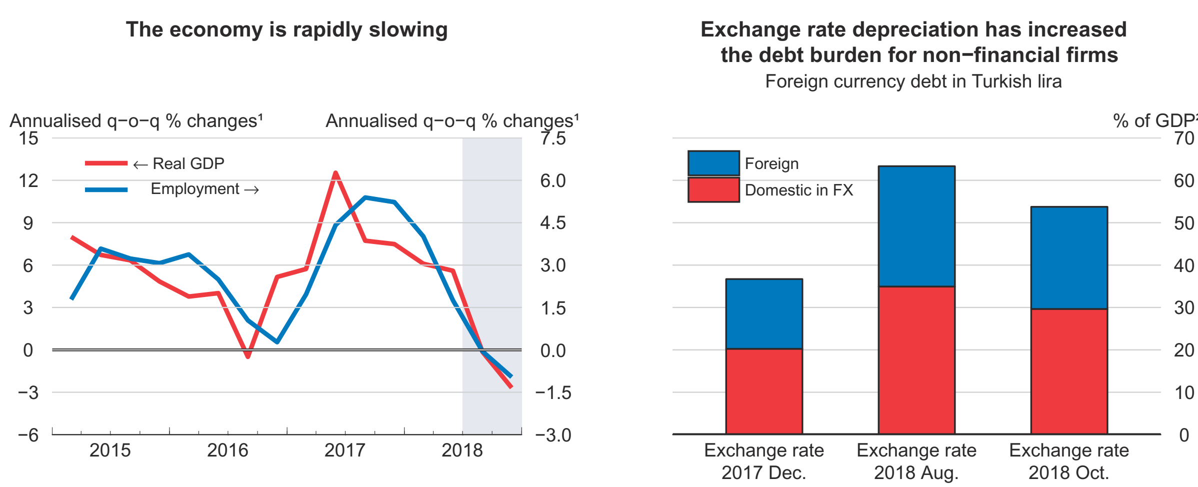
Following several years of strong growth and significant external borrowing, the exchange rate has depreciated steadily since mid-2017. Intensified market pressures in August 2018 led to a further depreciation of around 30%, followed by a partial recovery thereafter. The economy is projected to contract in 2019 as a sharp fall in domestic demand from the second half of 2018 will be offset only partially by an increase in exports. A gradual recovery in domestic confidence and demand is projected to help growth to recover in 2020.

Regaining business, household and investor confidence in monetary and fiscal policies will be crucial. The central bank should remain independent and monetary policy should remain tight to ensure that inflation converges to target. Fiscal targets should be realistic and met to maintain credibility, which would be supported by the publication of quarterly general government accounts according to international standards. These projections assume that the impairment of corporate balance sheets is contained.

The economy has slowed sharply after an exchange rate shock

Following very strong GDP growth in 2017, domestic demand, inflation and the current account deficit continued to increase on the back of policy stimulus until mid-2018. As market pressures increased in response to growing imbalances, the central bank tightened monetary conditions strongly and growth was decelerating when a further confidence shock hit in August. The exchange rate depreciated by nearly 40% in two weeks and risk premia and long-term interest rates rose strongly, reaching highly penalising levels. Inflation has recently surged to close to 25% as a result - from 16% in July.

Turkey



1. Three-quarter moving average.
2. The ratio is calculated using exchange rates prevailing on 31 December 2017, 31 August 2018 and 18 October 2018. OECD estimates.

Source: OECD Economic Outlook 104 database; The Ministry of Treasury and Finance; Banking Regulation and Supervision Agency (BRSA); and OECD calculations.

StatLink http://dx.doi.org/10.1787/888933877316

Turkey: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices TRY billion	Percentage changes, volume (2009 prices)				
GDP at market prices	2 338.6	3.2	7.4	3.3	-0.4	2.7
Private consumption	1 411.8	3.7	6.0	3.6	-4.1	2.3
Government consumption	324.6	9.8	4.7	8.0	2.0	2.2
Gross fixed capital formation	694.8	2.2	7.8	1.0	-5.6	3.7
Final domestic demand	2 431.1	4.1	6.4	3.4	-3.7	2.7
Stockbuilding[1]	- 31.5	0.0	-0.8	-2.0	0.0	0.0
Total domestic demand	2 399.6	4.2	5.7	1.4	-3.6	2.7
Exports of goods and services	546.0	-1.9	11.9	8.3	10.3	5.1
Imports of goods and services	607.0	3.8	10.2	-1.8	-2.3	5.0
Net exports[1]	- 61.0	-1.4	0.1	2.6	3.5	0.0
Memorandum items						
GDP deflator	_	8.1	10.9	16.1	14.2	10.3
Consumer price index	_	7.8	11.1	16.8	19.5	10.7
Core inflation index[2]	_	8.5	10.1	16.9	19.7	10.7
Unemployment rate (% of labour force)	_	10.9	10.9	10.8	12.7	12.8
Current account balance (% of GDP)	_	-3.8	-5.6	-5.3	-2.9	-3.1

1. Contributions to changes in real GDP, actual amount in the first column.
2. Consumer price index excluding food and energy.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878228

Business and household confidence has fallen and, according to high-frequency indicators, private consumption and investment are contracting in the second half of 2018. Exports, in contrast, have accelerated in both manufacturing and tourism on the back of price competitiveness gains. Imports have decelerated and net export growth has turned positive, helping to reduce the large current account deficit.

Employment appears to have peaked in the summer and the unemployment rate has reached 11%, with the youth unemployment rate at 19%. Labour market conditions are expected to deteriorate further, notably in the construction sector, which employs a large share of low-skilled workers. The presence of around 4 million refugees adds to social inclusion challenges.

Managing the adjustment will be challenging and restoring confidence is key

Policymakers responded to financial market pressures by releasing some foreign exchange liquidity by cutting banks' reserve requirements and limiting their engagement in cross-currency swaps. The central bank raised its benchmark policy rate substantially in September to 24%, which will help to support the exchange rate and the required economic adjustment. A "New Economic Programme" aims at fostering exports and increasing domestic saving through fiscal consolidation. The headline fiscal deficit is projected to fall from 2.4% of GDP in 2018 to 1.6% in 2019, mainly through cuts in public investment. A "Comprehensive Plan Against Inflation" was announced in October, based on administrative price freezes and voluntary private sector price cuts in targeted items of the consumer basket over two months, subsequently accompanied by temporary VAT cuts on certain goods and services. Relative prices are expected to be altered during this period, but a durable success with disinflation will ultimately require the trust of market participants in the commitment of the central bank to the inflation target and its independence in pursuing this objective.

Fiscal targets should be realistic so that credibility can be built. The automatic stabilisers should be allowed to function. Improving fiscal transparency by publishing standard quarterly general government accounts would help with this, while also addressing concerns about fiscal profligacy.

Managing financial stability risks will be a major challenge. While the banking sector was broadly hedged against exchange rate movements, many dynamic medium and large-size enterprises have funded their investments with foreign currency loans. The depreciation has increased debt service costs and the increased cost of roll-over of these loans will strain firms' liquidity and solvency. The number of bankruptcy protection filings has already soared. To limit contagion to the banking sector and to the rest of the economy, special interventions may be necessary. The authorities have confirmed that they are running stress tests to gauge the need for such measures, which may entail significant fiscal costs.

The economy will contract, but this is projected to be short-lived

If corporate distress is contained, domestic and international confidence is projected to recover, supporting domestic demand. The large external funding needs, estimated to reach 25% of GDP in 2019, could then be secured, albeit at increased cost. Export growth is projected to remain strong and related investments to be unimpaired. GDP is projected to contract by 0.4% in 2019, before expanding by 2.7% in 2020. Achieving such a rebound requires credible and transparent monetary and fiscal policies and the successful handling of the strains in the corporate and banking sectors, which are assumed to be contained in this projection.

If confidence is restored more swiftly than assumed and delivers faster reductions in risk premia and long-term interest rates, the economy can recover more rapidly and growth could be stronger. However, if disruptions in the business sector spill over and confidence fails to improve, growth would be significantly weaker. If inflation expectations remain unanchored, this could put renewed pressure on the exchange rate, with negative feedback loops. In any case, Turkey remains vulnerable to a tightening in global financial conditions, which could lead to higher interest costs, further exchange rate instability and external funding tensions. Geopolitical risks related to the neighbouring region and beyond could also impact on confidence and trade prospects.

UNITED KINGDOM

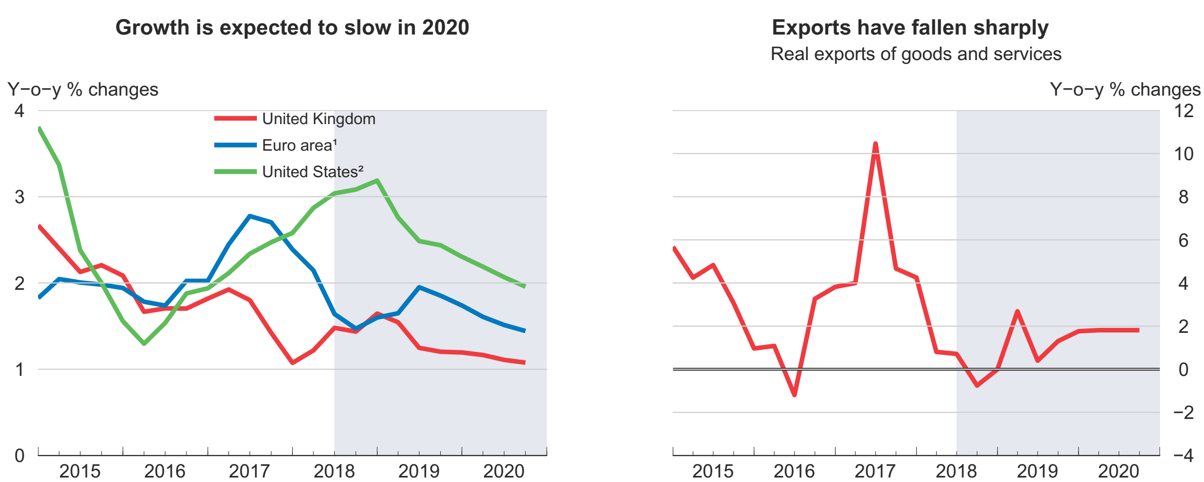
Economic growth is projected to increase slightly in 2019 before slowing in 2020, on the assumption that there is a smooth exit from the European Union. Some Brexit-related uncertainties will remain until there is clarity about future trading arrangements. An expansionary fiscal stance and a slow recovery in exports are expected to support growth, while the monetary stimulus will be gradually withdrawn. Inflation is projected to converge to 2% by the end of 2020.

With inflation above target and large uncertainties remaining, monetary policy should normalise at a very gradual pace. The fiscal impulse is expected to peak in 2019. The authorities should stand ready to respond further if demand weakens significantly as a result of Brexit. Economically, the preferred Brexit option should be to forge an agreement that will ensure the closest possible trading relationship with the European Union and high access for financial services to overseas markets. Temporary measures will be needed to cushion the economy and support displaced workers in the event of a no-deal exit.

Brexit-related uncertainties are holding back economic growth

Both private consumption and investment growth have slowed markedly since 2016, reflecting uncertainties and a decline in households' purchasing power. Activity in the housing market has been subdued. House price inflation has slowed since the start of 2016, although the weakness remains concentrated in London. After two years of buoyant export growth, boosted by the post-referendum depreciation, exports of goods and services have fallen sharply since the beginning of this year, reflecting to some extent one-off factors. Trade flows have rebounded recently and the current account deficit was at 3.2% of GDP in the third quarter of 2018.

United Kingdom



1. Covers 17 countries that are both euro area and OECD members.
2. Projections from 2018Q4.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877335

United Kingdom: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices GBP billion	Percentage changes, volume (2016 prices)				
GDP at market prices	1 895.8	1.8	1.7	1.3	1.4	1.1
Private consumption	1 235.5	3.1	1.8	1.5	1.1	0.6
Government consumption	361.0	0.8	-0.1	0.8	1.9	2.0
Gross fixed capital formation	319.4	2.3	3.3	0.0	0.8	0.4
Final domestic demand	1 915.9	2.5	1.7	1.1	1.2	0.8
Stockbuilding[1]	6.9	-0.1	-0.5	-0.1	-0.1	0.0
Total domestic demand	1 922.8	2.5	1.2	1.0	1.1	0.8
Exports of goods and services	519.6	1.0	5.7	1.2	1.1	1.8
Imports of goods and services	546.6	3.3	3.2	0.2	0.1	0.7
Net exports[1]	- 27.0	-0.7	0.7	0.3	0.3	0.3
Memorandum items						
GDP deflator	_	2.1	2.0	1.9	1.7	1.8
Harmonised index of consumer prices	_	0.6	2.7	2.5	2.3	2.1
Harmonised index of core inflation[2]	_	1.2	2.3	2.2	2.1	2.1
Unemployment rate (% of labour force)	_	4.9	4.4	4.1	4.0	4.1
Household saving ratio, gross (% of disposable income)	_	6.7	4.5	4.6	4.6	4.6
General government financial balance (% of GDP)	_	-2.9	-1.9	-1.3	-1.6	-1.3
General government gross debt (% of GDP)	_	119.5	117.0	115.6	114.6	113.6
General government debt, Maastricht definition (% of GDP)	_	87.9	87.4	87.3	87.0	86.9
Current account balance (% of GDP)	_	-5.2	-3.7	-3.4	-3.3	-2.9

1. Contributions to changes in real GDP, actual amount in the first column.
2. Harmonised index of consumer prices excluding food, energy, alcohol and tobacco.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878247

Inflation has been above the 2% inflation target since 2017, pushed up by past currency depreciation and more recently higher commodity prices. The unemployment rate is at historically low level, at 4% in the second quarter of 2018, and labour shortages have emerged. Real average earnings have risen, but still remain below their pre-crisis levels. Migration from EU countries is falling, but the decline has been compensated by an increase in net migration from non-EU countries.

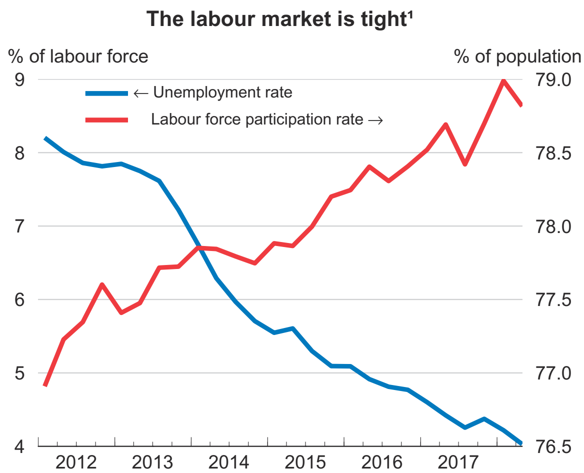
Policy measures will be needed to smooth the transition to a post-Brexit environment

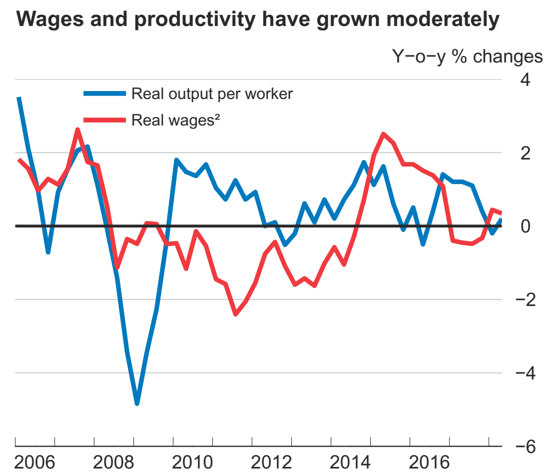
The projection assumes that the United Kingdom and the European Union come to an agreement on the withdrawal conditions and the transition period in the near term, but only define the broad contours of the future trading relationships. This would dissipate some of the near-term uncertainties, but major uncertainties would nevertheless remain.

The Bank of England has suggested that further increases in the policy interest rate and a run-off of its balance sheet may be warranted in the case of smooth exit from the European Union. Given the prevailing uncertainties, the pace of normalisation should be gradual and clearly communicated.

After several years of consolidation, fiscal policy is set to become accommodative in 2019. Increases in health spending, infrastructure and defence, together with cuts in household income tax and other taxes amount to some 0.8% of GDP next year, adding some

United Kingdom





1. Data for the unemployment rate refer to the population aged 16 and over. Data for the labour force participation rate refer to the population aged between 16 and 64.
2. Real average weekly earnings excluding bonuses. Earnings have been deflated by the consumer price index including owner occupiers' housing costs.

Source: Office for National Statistics.

StatLink http://dx.doi.org/10.1787/888933877354

0.3 percentage point to growth. Improvements in the outlook for government receipts mean that the authorities will still meet their fiscal targets.

The authorities should stand ready to react should the United Kingdom and the European Union fail to reach an agreement. Monetary policy conditions should remain accommodative if demand is depressed. In addition to letting the automatic fiscal stabilisers fully operate, the government should focus on measures that foster productivity and inclusive growth in the long term, such as greater spending on training and low-skilled workers.

The authorities should aim to sign a withdrawal agreement with the European Union that ensures the closest possible trade relationship, including for financial services. The government has published a set of technical notices to raise citizens and firms' awareness on the likely impact of a no-deal. It has put forward legislation that will allow UK households and businesses to continue to access financial services provided by EU companies. It will be important to pass legislation establishing temporary regimes to prevent disruption on financial and other markets if needed. Government policies should seek to support workers, not particular sectors or jobs, should trade and production shift as a result of Brexit, including through support for retraining.

Growth is projected to keep slowing

Economic growth is set to increase slightly next year, boosted by fiscal policy, before slowing in 2020, with demand growing below its trend. A tighter monetary stance and receding commodity price effects are expected to bring inflation closer to target. The unemployment rate is projected to edge up slightly. After a peak during the current fiscal year, the public debt-to-GDP ratio is projected to decrease gradually over the coming two years. The current account deficit would narrow as exports of goods and services grow.

The failure to come to a withdrawal agreement with the European Union is by far the greatest risk in the short term. OECD analysis suggests that a no-deal scenario could subtract over 2% from real GDP over two years. The lack of details on the future relationship between the United Kingdom and the European Union or the extension of the transition period, and the resulting uncertainties, could incite businesses to delay investment plans further. By contrast, prospects of maintaining the closest possible economic relationship with the European Union would lead to stronger-than-expected economic growth.

UNITED STATES

Growth is projected to slow in the coming two years as macroeconomic policy becomes less supportive. While employment growth slows, consumption growth remains solid, supported by wage growth picking up as the labour market tightens further. Strong business investment in 2019 and 2020 is underpinned by the recent tax reform and supportive financial conditions. A weaker global outlook and already introduced trade measures weigh on activity.

The large fiscal stimulus enacted in 2017 and 2018 is continuing, albeit more weakly, in 2019; the budget will have a broadly neutral impact on activity in 2020. Monetary policy will tighten to ensure that inflation remains near the target of 2% and that inflation expectations stay well anchored. Further restraints on imports should be avoided as this would weaken domestic growth. Risks to financial stability from elevated asset prices and non-financial corporate sector debt should raise macro-prudential concerns; implementing counter-cyclical capital buffer provisions should be considered if these trends continue.

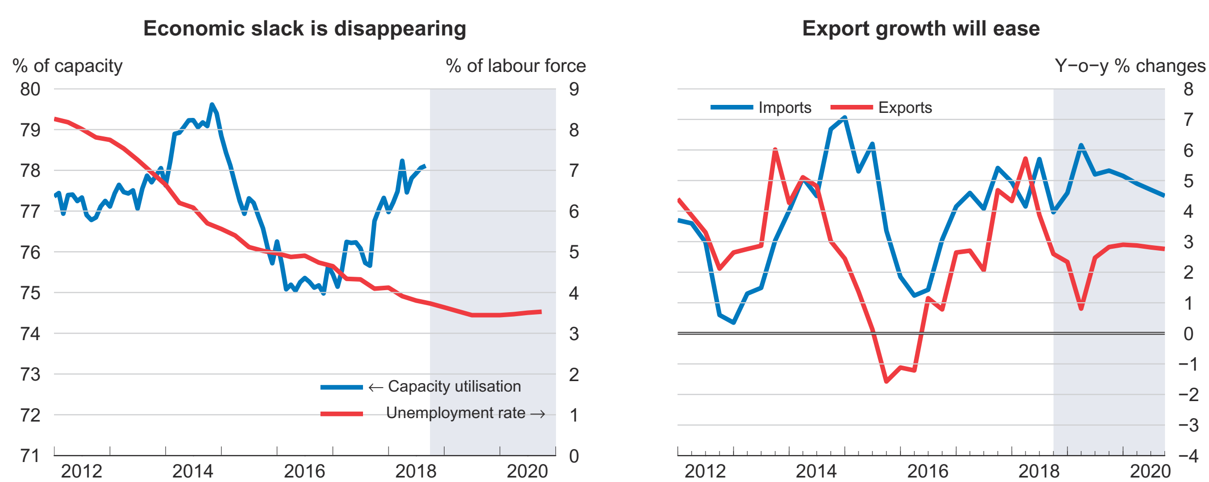
The expansion continues

The long expansion is eliminating slack in the economy. Robust job growth has brought the unemployment rate down to very low levels. Employment growth and wage increases, albeit modest, are supporting consumption growth, while the rise in oil prices and the recent tax reform are boosting investment and with it imports. Measures of consumer and business confidence are high. Despite these positive outcomes, productivity growth remains sluggish, although this is a feature common across OECD countries.

Policy measures are needed to sustain the expansion

The long expansion has largely eliminated the remaining pockets of slack in the labour market and capacity utilisation is rising. With strong job creation and demographic pressures arising from an ageing population, labour shortages are beginning to emerge.

United States



Source: OECD Economic Outlook 104 database; and Federal Reserve Economic Data.

StatLink http://dx.doi.org/10.1787/888933877373

United States: **Demand, output and prices**

	2015	2016	2017	2018	2019	2020
	Current prices USD billion	Percentage changes, volume (2012 prices)				
GDP at market prices	18 219.3	1.6	2.2	2.9	2.7	2.1
Private consumption	12 294.5	2.7	2.5	2.7	2.7	2.0
Government consumption	2 612.7	1.5	-0.1	1.5	3.6	2.7
Gross fixed capital formation	3 704.8	1.7	4.0	4.9	4.2	3.8
Final domestic demand	18 612.0	2.3	2.5	3.0	3.1	2.5
Stockbuilding[1]	128.7	-0.5	0.0	0.1	0.1	0.0
Total domestic demand	18 740.7	1.8	2.5	3.0	3.2	2.5
Exports of goods and services	2 265.0	-0.1	3.0	4.1	2.1	2.8
Imports of goods and services	2 786.5	1.9	4.6	4.7	5.3	4.8
Net exports[1]	- 521.4	-0.3	-0.3	-0.2	-0.6	-0.4
Memorandum items						
GDP deflator	_	1.1	1.9	2.2	2.2	2.5
Personal consumption expenditures deflator	_	1.1	1.8	2.1	2.1	2.4
Core personal consumption expenditures deflator[2]	_	1.7	1.6	1.9	2.1	2.4
Unemployment rate (% of labour force)	_	4.9	4.3	3.9	3.5	3.5
Household saving ratio, net (% of disposable income)	_	6.7	6.7	6.7	6.7	7.0
General government financial balance (% of GDP)	_	-5.4	-4.3	-6.6	-6.9	-7.1
General government gross debt (% of GDP)	_	106.6	105.1	106.8	109.9	113.3
Current account balance (% of GDP)	_	-2.3	-2.3	-2.4	-2.9	-3.3

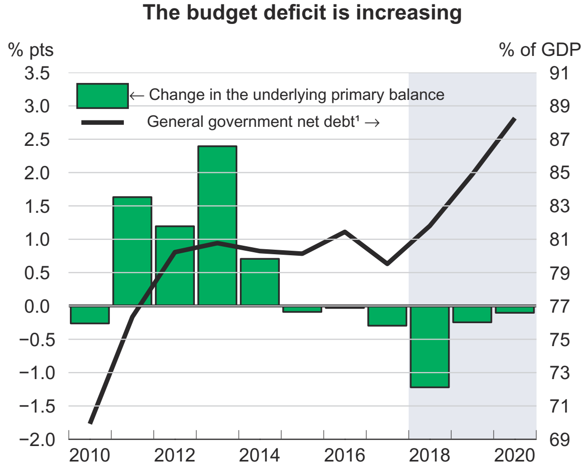
1. Contributions to changes in real GDP, actual amount in the first column.
2. Deflator for private consumption excluding food and energy.

Source: OECD Economic Outlook 104 database.

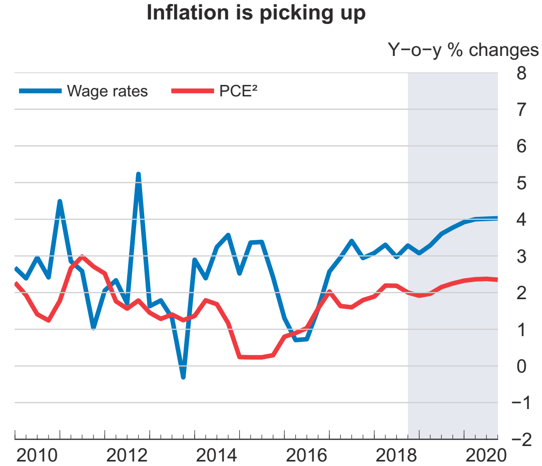
StatLink http://dx.doi.org/10.1787/888933878266

United States

The budget deficit is increasing



Inflation is picking up



1. General government shows the consolidated (i.e. with intra-government amounts netted out) accounts for all levels of government (central plus State/local) based on OECD national accounts. This measure differs from the federal debt held by the public, which was 76.5% of GDP for the 2017 fiscal year.
2. Personal Consumption Expenditures price index.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933877392

This makes it important for fiscal policy to become less expansionary, as planned, so as to mitigate the rising tensions on production capacity.

Growth could be sustained by measures to improve the job opportunities of those still on the margins of the labour market, and by product market reforms that strengthen productivity growth. The employment-to-population ratio is low in comparison with many other OECD countries. Policies such as greater assistance in job search and training would boost job opportunities and reduce inequality. Reducing regulatory burdens and increasing investment in infrastructure would mitigate bottlenecks that have emerged. Strengthening competitive pressures, such as by reducing restrictions that hinder businesses in tradeable services, easing occupational licensing and restricting the use of non-compete contracts, would lift productivity.

Trade growth has recovered from the past appreciation of the dollar, but the outlook is uncertain as external demand is weak and the possibility exists of further trade measures being introduced. In these projections, already implemented tariff measures are assumed to remain in place, but no additional actions are taken. The existing measures have a small upward impact on inflation and create a small drag on growth. Significant further import restraints, including raising tariffs to 25% on imports from China, would raise prices and lower GDP growth further. On a more positive note, the recent United States-Mexico-Canada Agreement reduces uncertainty for North American supply chains.

Fiscal policy loosened substantially in late 2017, as the tax reform had a depressing impact on tax revenue. Federal spending increases in 2018 and 2019 are further contributing to growing budget deficits and pushing up government debt levels. In 2020, fiscal policy becomes broadly neutral for growth as the spending increases are scaled back. Ensuring long-term fiscal sustainability is a concern and efforts to restrain spending growth and raise revenue will be important items on the future reform agenda.

Monetary policy is gradually tightening as price inflation nears the Federal Reserve's 2% target. Inflation is projected to rise to modestly above target as economic slack disappears and prices rise somewhat due to the application of tariffs. The Federal Reserve is projected to raise interest rates to 3.5% by the end of 2019 and then keep them at that level during 2020 as the economy slows. Even with the economy slowing, monetary policy should remain contractionary as inflationary pressures intensify from the labour market. Wages are projected to pick up, rising by over 4% in 2020. Furthermore, a number of financial risks have emerged, notably elevated asset prices in some markets and heightened leverage in the non-financial corporate sector. Increasing the resilience to these risks would require the introduction of macro-prudential measures, such as counter-cyclical capital buffers in the banking system.

Growth is projected to remain strong

As the fiscal boost fades and monetary policy tightens, growth will slow. Against a backdrop of weakening external demand, export growth is projected to remain muted. The trade deficit widens as import demand remains strong due to strong investment growth, notwithstanding the introduction of tariffs. These developments coupled with a decline in national saving due to the fiscal loosening will contribute to a rising current account deficit.

After a long period of low wage and price inflation, there are risks that they could gather stronger pace than projected as economic slack is eliminated. While inflation expectations appear firmly anchored, monetary policy may need to be prompt in addressing inflation risks. Trade also represents a risk to the outlook. Addressing trade-related concerns multilaterally would minimise the risk of retaliatory measures undermining global, and US, trade growth and remove uncertainty that may be clouding investment decisions. Financial risks have built up in some areas, particularly in the non-financial corporate sector where leverage is high. Reform efforts to reduce regulatory burdens in the financial sector should be careful to avoid exacerbating vulnerabilities, particularly at the largest systemically important financial firms.

STATISTICAL ANNEX

This annex contains data on key economic series which provide a background to the recent economic developments in the global economy described in the main body of this report. Data for 2018, 2019 and 2020 are OECD estimates and projections. Data in some of the tables have been adjusted to conform to internationally agreed concepts and definitions in order to make them more comparable across countries, as well as consistent with historical data shown in other OECD publications. Regional aggregates are based on time-varying weights. For details on aggregation, see *OECD Economic Outlook* Sources and Methods.

The OECD projection methods and underlying statistical concepts and sources are described in detail in *OECD Economic Outlook* Sources and Methods (*www.oecd.org/eco/sources-and-methods.htm*).

Corrigenda for the current and earlier issues, as applicable, can be found at *www.oecd.org/about/publishing/corrigenda.htm*.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

NOTE ON QUARTERLY PROJECTIONS

OECD quarterly projections are on a seasonal and working-day-adjusted basis for selected key variables. This implies that differences between adjusted and unadjusted annual data may occur, though these in general are quite small. In some countries, official forecasts of annual figures do not include working-day adjustments. Even when official forecasts do adjust for working days, the size of the adjustment may in some cases differ from that used by the OECD.

Additional information

2017 weights used for real GDP regional aggregates

	OECD euro area[1]	OECD	World		OECD euro area[1]	OECD	World
Australia		2.2	1.0	Slovenia	0.5	0.1	0.1
Austria	3.1	0.8	0.4	Spain	11.9	3.1	1.4
Belgium	3.7	1.0	0.4	Sweden		0.9	0.4
Canada		3.0	1.4	Switzerland		1.0	0.4
Chile		0.8	0.4	Turkey		3.8	1.7
Czech Republic		0.7	0.3	United Kingdom		5.1	2.3
Denmark		0.5	0.2	United States		34.4	15.6
Estonia	0.3	0.1	0.0	Euro area	100.0	26.3	11.9
Finland	1.7	0.4	0.2	Total OECD		100.0	45.2
France	19.3	5.1	2.3				
Germany	28.3	7.4	3.4			**Non-OECD**	**World**
Greece	2.0	0.5	0.2				
Hungary		0.5	0.2	Argentina		1.3	0.7
Iceland		0.0	0.0	Brazil		4.7	2.6
Ireland	2.4	0.6	0.3	China		34.4	18.8
Israel		0.6	0.3	Colombia		1.1	0.6
Italy	16.0	4.2	1.9	Costa Rica		0.1	0.1
Japan		9.7	4.4	India		13.4	7.3
Korea		3.5	1.6	Indonesia		4.7	2.6
Latvia	0.4	0.1	0.0	Russia		5.6	3.0
Lithuania	0.6	0.2	0.1	Saudi Arabia		2.6	1.4
Luxembourg	0.4	0.1	0.0	South Africa		1.1	0.6
Mexico		4.2	1.9	Dynamic Asian Economies		8.7	4.8
Netherlands	6.1	1.6	0.7	Other major oil producers		10.0	5.5
New Zealand		0.3	0.2	Rest of non-OECD		12.3	6.7
Norway		0.6	0.3				
Poland		2.0	0.9	Total non-OECD		100.0	54.8
Portugal	2.2	0.6	0.3				
Slovak Republic	1.2	0.3	0.1	World			100.0

Note: Weights are calculated using nominal GDP at PPP rates in 2017. Regional aggregates are calculated using moving nominal GDP weights evaluated at PPP rates.

1. Countries that are members of both the euro area and the OECD.

Source: OECD Economic Outlook 104 database.

Irrevocable euro conversion rates

National currency unit per euro

Austria	13.7603	Latvia	0.7028
Belgium	40.3399	Lithuania	3.4528
Estonia	15.6466	Luxembourg	40.3399
Finland	5.94573	Netherlands	2.20371
France	6.55957	Portugal	200.482
Germany	1.95583	Spain	166.386
Greece	340.75	Slovak Republic	30.126
Ireland	0.78756	Slovenia	239.64
Italy	1936.27		

Source: European Central Bank.

National accounts reporting systems, base years and latest data updates

The status of national accounts is as follows :

	Expenditure accounts	Household accounts	Benchmark/ base year
Argentina	SNA08 (1993-2017)	..	2004
Australia	SNA08 (1959q3-2018q2)	SNA08 (1959q3-2018q2)	2015/2016
Austria	ESA10 (1996q1-2018q3)	ESA10 (1995-2017)	2010
Belgium	ESA10 (1995q1-2018q2)	ESA10 (1999-2017)	2016
Brazil	SNA08 (1996-2017)	..	2000
Canada	SNA08 (1982q1-2018q2)	SNA08 (1981q1-2018q2)	2007
Chile	SNA08 (1996q1-2018q2)	..	2013
China	SNA93 (1992-2017)	..	2015
Colombia	SNA08 (2005-2017)	..	2015
Costa Rica	SNA08 (1991-2017)	..	2012
Czech Republic	ESA10 (1996q1-2018q2)	ESA10 (1999-2017)	2010
Denmark	ESA10 (1995-2017)	ESA10 (1995-2017)	2010
Estonia	ESA10 (1995q1-2018q2)	ESA10 (1995-2017)	2010
Finland	ESA10 (1990q1-2018q2)	ESA10 (1999-2017)	2010
France	ESA10 (1949q1-2018q3)	ESA10 (1980q1-2018q2)	2014
Germany	ESA10 (1991q1-2018q2)	ESA10 (1991-2017)	2010
Greece	ESA10 (1995-2017)	..	2010
Hungary	ESA10 (1991q1-2018q2)	ESA10 (1995-2017)	2005
Iceland	SNA08 (1997q1-2018q2)	..	2005
Indonesia	SNA08 (2000-2017)	..	2010
India	SNA93 (2011-2017)	..	2011/2012
Ireland	ESA10 (1995q1-2018q2)	ESA10 (1999-2017)	2016
Israel	SNA08 (1995q1-2018q2)	..	2015
Italy	ESA10 (1996q1-2018q2)	ESA10 (1995-2017)	2010
Japan	SNA08 (1994q1-2018q3)	SNA08 (1980-2016)	2011
Korea	SNA08 (1960q1-2018q3)	SNA08 (1975-2017)	2010
Latvia	ESA10 (1995-2017)	ESA10 (1995-2017)	2010
Lithuania	ESA10 (1995q1-2018q2)	ESA10 (1995-2017)	2010
Luxembourg	ESA10 (1995q1-2018q2)	..	2010
Mexico	SNA08 (1993q1-2018q2)	..	2013
Netherlands	ESA10 (1996q1-2018q3)	ESA10 (1995-2017)	2015
New Zealand	SNA08 (1987q2-2018q2)	SNA08 (1986-2016)	2009/2010
Norway	ESA10 (1978q1-2018q3)	ESA10 (1995-2017)	2016
Poland	ESA10 (2002q1-2018q2)	ESA10 (2000-2017)	2010
Portugal	ESA10 (1995q1-2018q2)	ESA10 (1995-2017)	2011
Russia	SNA08 (2003-2017)	..	2016
Slovak Republic	ESA10 (1997q1-2018q2)	ESA10 (1995-2017)	2010
Slovenia	ESA10 (1995q1-2018q2)	ESA10 (1995-2017)	2010
South Africa	SNA08 (2010-2017)	..	2010
Spain	ESA10 (1995q1-2018q3)	ESA10 (1999-2017)	2010
Sweden	ESA10 (1995q1-2018q2)	ESA10 (1993-2017)	2017
Switzerland	ESA10 (1980q1-2018q2)	ESA10 (1995-2017)	2010
Turkey	SNA08 (1998q1-2018q2)	..	2009
United Kingdom	ESA10 (1995q1-2018q3)	ESA10 (1987q1-2018q2)	2016
United States	NIPA (SNA08) (1947q1-2018q3)	NIPA (SNA08) (1947q1-2018q3)	2012

Note: SNA: System of National Accounts. ESA: European Standardised Accounts. NIPA: National Income and Product Accounts. The numbers in brackets indicate the starting year for the time series and the latest available historical data included in this Outlook database.
BPM: Balance of Payments and International Investment Position Manual, edition 6.

National accounts reporting systems, base years and latest data updates *(con't)*

The status of national accounts is as follows :

Government accounts: Financial	Government accounts: Non financial	Balance of payments	
..	..	BPM6 (1994-2018)	Argentina
SNA08 (1988-2017)	SNA08 (1959q3-2018q2)	BPM6 (1959q3-2018q2)	Australia
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (2006q1-2018q2)	Austria
ESA10 (1998-2017)	ESA10 (1995-2017)	BPM6 (2003q1-2018q2)	Belgium
..	..	BPM6 (1995-2017)	Brazil
SNA08 (1990q1-2018q2)	SNA08 (1981q1-2018q2)	BPM6 (1981q1-2018q2)	Canada
..	..	BPM6 (2003q1-2018q2)	Chile
..	..	BPM6 (1998-2017)	China
..	SNA08 (2000-2016)	BPM6 (2000-2017)	Colombia
..	..	BPM6 (2009-2017)	Costa Rica
ESA10 (1999-2017)	ESA10 (1995-2017)	BPM6 (1993q1-2018q2)	Czech Republic
ESA10 (1994-2017)	ESA10 (1995-2017)	BPM6 (1995q1-2018q2)	Denmark
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1993q1-2018q2)	Estonia
ESA10 (1995-2017)	ESA10 (1975-2017)	BPM6 (1995q1-2018q2)	Finland
ESA10 (1995-2017)	ESA10 (1978-2017)	BPM6 (2008q1-2018q2)	France
ESA10 (1991-2017)	ESA10 (1991-2017)	BPM6 (1991q1-2018q2)	Germany
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (2002-2017)	Greece
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1995q1-2018q2)	Hungary
SNA08 (2003-2013)	SNA08 (1998-2017)	BPM6 (1995q1-2018q2)	Iceland
..	SNA08 (2010-2016)	BPM6 (2004-2017)	Indonesia
..	..	BPM6 (2010-2017)	India
ESA10 (1998-2017)	ESA10 (1995-2017)	BPM6 (2002q1-2018q2)	Ireland
SNA08 (1995-2017)	SNA08 (1995-2017)	BPM6 (1995q1-2018q2)	Israel
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1995q1-2018q2)	Italy
SNA08 (1994-2016)	SNA08 (1994-2016)	BPM6 (1996q1-2018q3)	Japan
SNA08 (2008-2016)	SNA08 (1970-2017)	BPM6 (1980q1-2018q3)	Korea
ESA10 (1998-2017)	ESA10 (1995-2017)	BPM6 (2000q1-2018q2)	Latvia
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (2004q1-2018q2)	Lithuania
ESA10 (1999-2017)	ESA10 (1995-2017)	BPM6 (2002q1-2018q2)	Luxembourg
..	..	BPM6 (2010q1-2018q2)	Mexico
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (2003q2-2018q2)	Netherlands
SNA08 (1994-2017)	SNA08 (1986-2016)	BPM6 (1971q2-2018q2)	New Zealand
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1981q1-2018q2)	Norway
ESA10 (1998-2017)	ESA10 (1995-2017)	BPM6 (2004q1-2018q2)	Poland
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1996q1-2018q2)	Portugal
..	..	BPM6 (2000-2017)	Russia
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (2004q1-2018q2)	Slovak Republic
ESA10 (2001-2017)	ESA10 (1995-2017)	BPM6 (1994q1-2018q2)	Slovenia
..	SNA08 (2008-2017)	BPM6 (1990-2017)	South Africa
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1995q1-2018q2)	Spain
ESA10 (1995-2017)	ESA10 (1995-2017)	BPM6 (1982q1-2018q2)	Sweden
ESA10 (1995-2016)	ESA10 (1995-2017)	BPM6 (2000q1-2018q2)	Switzerland
..	..	BPM6 (1992q1-2018q2)	Turkey
ESA10 (1987-2017)	ESA10 (1987q1-2018q2)	BPM6 (1998q1-2018q2)	United Kingdom
NIPA (SNA08) (1952q1-2018q2)	NIPA (SNA08) (1947q1-2018q3)	BPM6 (1960q1-2018q2)	United States

Note: SNA: System of National Accounts. ESA: European Standardised Accounts. NIPA: National Income and Product Accounts. The numbers in brackets indicate the starting year for the time series and the latest available historical data included in this Outlook database.
BPM: Balance of Payments and International Investment Position Manual, edition 6.

Annex Tables

Demand and Output

Inflation, Wages, Costs, Unemployment and Labour

Key Supply-side Data

Saving

Fiscal Balances and Public Indebteness

Interest Rates and Exchange Rates

House prices

External Trade and Payments

Annex Table 1. **Real GDP**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Argentina	1.1	8.9	8.0	9.0	4.1	-5.9	10.1	6.0	-1.0	2.4	-2.5	2.7	-1.8	2.9	-2.8	-1.9	2.3	..	..	..
Australia	3.7	3.0	2.8	4.4	2.5	1.9	2.5	2.7	3.9	2.2	2.5	2.5	2.6	2.2	3.1	2.9	2.6	2.8	3.5	2.0
Austria	2.4	2.5	3.7	3.7	1.2	-3.6	1.9	3.0	0.6	0.0	0.8	1.1	2.0	2.7	2.6	1.9	1.9	1.9	2.4	1.8
Belgium	2.4	2.1	2.5	3.4	0.8	-2.3	2.7	1.8	0.2	0.2	1.3	1.7	1.5	1.7	1.5	1.4	1.4	1.4	1.4	1.3
Brazil	..	3.4	4.0	5.9	5.0	-0.1	7.5	4.1	1.9	3.0	0.5	-3.6	-3.4	1.0	1.2	2.1	2.4	..	..	..
Canada	3.2	3.2	2.6	2.1	1.0	-2.9	3.1	3.1	1.7	2.5	2.9	1.0	1.4	3.0	2.1	2.2	1.9	2.2	2.0	1.9
Chile	5.2	5.8	6.3	4.9	3.5	-1.6	5.9	6.0	5.4	4.1	1.8	2.3	1.2	1.6	4.1	3.7	3.4	3.3	4.2	2.9
China	9.2	11.4	12.7	14.2	9.7	9.4	10.6	9.5	7.9	7.8	7.3	6.9	6.7	6.9	6.6	6.3	6.0	6.4	6.1	6.0
Colombia	2.1	4.7	6.8	6.8	3.3	1.2	4.3	7.4	3.9	4.6	4.7	3.0	2.0	1.8	2.8	3.3	3.4	..	..	..
Costa Rica	4.1	3.9	7.3	8.2	4.6	-1.0	5.0	4.3	4.8	2.3	3.5	3.6	4.2	3.3	2.9	3.0	3.3	..	..	..
Czech Republic	..	6.6	7.0	5.6	2.5	-4.7	2.1	1.8	-0.7	-0.5	2.7	5.4	2.4	4.5	3.0	2.7	2.6	2.9	2.4	2.8
Denmark	2.2	2.3	3.9	0.9	-0.5	-4.9	1.9	1.3	0.2	0.9	1.6	2.3	2.4	2.3	1.2	1.9	1.6	2.2	1.6	1.7
Estonia	..	9.1	10.5	7.2	-5.0	-14.2	1.7	7.5	4.3	2.0	2.8	2.1	3.5	4.7	3.3	3.5	2.3	4.6	0.6	3.4
Finland	4.0	2.8	4.1	5.2	0.7	-8.3	3.0	2.6	-1.4	-0.8	-0.6	0.1	2.5	2.8	2.8	1.8	1.6	2.9	1.5	1.7
France	2.3	1.7	2.6	2.4	0.1	-2.8	1.9	2.2	0.4	0.6	1.0	1.0	1.1	2.3	1.6	1.6	1.5	1.2	1.6	1.4
Germany	1.3	0.9	3.9	3.4	0.8	-5.6	3.9	3.7	0.7	0.6	2.2	1.5	2.2	2.5	1.6	1.6	1.4	1.1	1.8	1.2
Greece	..	0.6	5.7	3.3	-0.3	-4.3	-5.5	-9.1	-7.3	-3.2	0.7	-0.4	-0.2	1.5	2.1	2.2	2.1	2.0	2.6	1.9
Hungary	3.3	4.5	4.0	0.5	0.6	-6.6	0.6	1.7	-1.5	2.2	4.1	3.5	2.2	4.4	4.6	3.9	3.3	4.2	3.9	2.9
Iceland	4.0	6.3	5.2	9.4	2.0	-6.8	-3.4	1.9	1.3	4.1	2.1	4.5	7.4	4.0	3.8	2.8	2.6	2.1	4.4	1.4
India [1]	7.3	9.3	9.3	9.8	3.9	8.5	10.3	6.6	5.5	6.4	7.4	8.2	7.1	6.7	7.5	7.3	7.4	..	..	..
Indonesia	..	5.7	5.5	6.3	6.0	4.7	6.4	6.2	6.0	5.6	5.0	4.9	5.0	5.1	5.2	5.2	5.1	..	..	..
Ireland	7.7	5.7	5.1	5.3	-4.4	-5.1	1.9	3.7	0.2	1.3	8.8	25.0	4.9	7.2	5.9	4.1	3.4	1.7	5.0	2.8
Israel	..	4.1	5.6	6.1	3.3	1.3	5.5	5.6	2.2	4.3	3.9	2.5	4.0	3.4	3.6	3.5	3.3	2.8	4.4	2.6
Italy	1.6	1.1	2.1	1.3	-1.0	-5.5	1.6	0.7	-2.9	-1.7	0.2	0.8	1.0	1.6	1.0	0.9	0.9	0.7	1.1	0.8
Japan	1.2	1.7	1.4	1.7	-1.1	-5.4	4.2	-0.1	1.5	2.0	0.4	1.4	1.0	1.7	0.9	1.0	0.7	0.6	0.6	1.1
Korea	5.7	3.9	5.2	5.5	2.8	0.7	6.5	3.7	2.3	2.9	3.3	2.8	2.9	3.1	2.7	2.8	2.9	3.0	2.8	2.9
Latvia	..	10.7	11.9	10.0	-3.5	-14.4	-3.9	6.4	4.0	2.4	1.9	3.0	2.1	4.6	4.7	3.9	3.3	5.0	3.6	3.1
Lithuania	..	7.7	7.4	11.1	2.6	-14.8	1.6	6.0	3.8	3.5	3.5	2.0	2.4	4.1	3.4	2.9	2.6	3.2	2.7	2.4
Luxembourg	4.3	3.2	5.2	8.3	-1.3	-4.4	4.9	2.5	-0.4	3.7	4.3	3.9	2.4	1.6	3.0	2.9	3.2	2.5	3.2	3.2
Mexico	2.4	2.5	4.5	2.3	0.9	-5.0	5.1	3.7	3.4	1.6	2.8	3.3	2.6	2.3	2.2	2.5	2.8	2.5	2.6	2.9
Netherlands	2.9	2.1	3.6	3.8	2.2	-3.7	1.3	1.5	-1.0	-0.1	1.4	2.0	2.1	3.0	2.7	2.5	2.1	2.4	2.3	2.0
New Zealand	3.7	2.6	2.8	3.9	-0.4	0.3	2.0	1.9	2.6	2.2	3.3	4.2	4.1	2.7	2.9	2.8	2.6	3.2	2.6	2.7
Norway	3.1	2.6	2.4	3.0	0.5	-1.7	0.7	1.0	2.7	1.0	2.0	2.0	1.2	2.0	1.6	1.9	2.3	1.8	1.8	2.8
Poland	4.5	3.5	6.2	7.0	4.2	2.8	3.6	5.0	1.6	1.4	3.3	3.8	3.1	4.8	5.2	4.0	3.3	5.2	3.6	3.2
Portugal	2.8	0.8	1.6	2.5	0.2	-3.0	1.9	-1.8	-4.0	-1.1	0.9	1.8	1.9	2.8	2.2	2.1	1.9	1.9	2.1	1.8
Russia	..	6.4	8.2	8.5	5.2	-7.8	4.5	4.1	3.7	1.8	0.7	-2.8	-0.1	1.5	1.6	1.5	1.8	..	..	..
Slovak Republic	4.2	6.8	8.5	10.8	5.6	-5.4	5.0	2.8	1.7	1.5	2.8	3.9	3.3	3.4	4.1	4.3	3.6	4.3	4.2	3.2
Slovenia	..	4.0	5.7	6.9	3.3	-7.8	1.2	0.6	-2.7	-1.1	3.0	2.3	3.1	4.9	4.4	3.6	2.7	4.0	2.8	2.5
South Africa	3.1	5.3	5.6	5.4	3.2	-1.5	3.0	3.3	2.2	2.5	1.8	1.3	0.6	1.3	0.7	1.7	1.8	..	..	..
Spain	3.6	3.7	4.2	3.8	1.1	-3.6	0.0	-1.0	-2.9	-1.7	1.4	3.6	3.2	3.0	2.6	2.2	1.9	2.5	2.0	1.9
Sweden	3.2	2.8	4.9	3.5	-0.7	-5.1	5.7	2.7	0.0	1.2	2.7	4.2	2.5	2.4	2.5	1.9	1.9	2.2	1.8	2.0
Switzerland	1.6	3.2	4.1	4.1	2.1	-2.2	2.9	1.8	1.0	1.9	2.5	1.3	1.6	1.7	2.9	1.6	1.6	2.4	1.6	1.6
Turkey	4.2	8.9	7.3	5.0	0.9	-4.8	8.9	10.7	4.7	8.9	5.0	5.9	3.2	7.4	3.3	-0.4	2.7	-0.6	2.0	2.7
United Kingdom	3.0	3.1	2.5	2.5	-0.3	-4.2	1.7	1.6	1.4	2.0	2.9	2.3	1.8	1.7	1.3	1.4	1.1	1.4	1.2	1.1
United States	3.4	3.5	2.9	1.9	-0.1	-2.5	2.6	1.6	2.2	1.8	2.5	2.9	1.6	2.2	2.9	2.7	2.1	3.1	2.4	2.0
Euro area	2.2	1.8	3.3	3.1	0.3	-4.5	2.0	1.7	-0.8	-0.2	1.4	2.0	1.9	2.5	1.9	1.8	1.6	1.5	1.9	1.4
Total OECD	2.8	2.9	3.2	2.7	0.3	-3.4	3.0	2.0	1.4	1.6	2.2	2.5	1.8	2.5	2.4	2.1	1.9	2.2	2.1	1.9

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878285

Annex Table 2. **Nominal GDP**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Argentina	5.7	20.1	22.9	25.3	28.2	8.5	33.2	31.1	21.1	26.9	36.8	30.0	37.5	28.9	27.6	15.3	17.3	..	..	..
Australia	6.3	7.9	7.9	9.0	9.2	2.1	8.0	7.7	3.3	3.5	2.9	1.7	3.8	5.8	4.6	4.1	4.1	4.6	4.9	3.5
Austria	3.7	5.0	5.6	6.0	3.1	-1.8	2.8	4.9	2.7	1.6	2.9	3.3	3.5	4.0	4.3	3.9	4.1	3.8	4.3	4.0
Belgium	3.9	4.3	4.9	5.5	2.7	-1.5	4.7	3.8	2.2	1.2	2.0	2.7	3.3	3.4	3.2	3.8	3.4	3.8	3.4	3.4
Brazil	..	10.9	11.0	12.9	14.3	7.2	16.6	12.6	10.0	10.7	8.4	3.8	4.4	4.8	4.5	6.7	7.1	..	..	..
Canada	5.4	6.4	5.3	5.4	5.0	-5.2	6.0	6.5	3.0	4.1	4.9	0.2	2.0	5.4	4.1	4.2	4.0	4.1	4.1	3.9
Chile	9.5	13.8	19.2	10.5	3.5	3.0	15.3	9.4	6.5	6.1	7.8	7.4	6.1	6.2	6.9	6.9	6.6	6.5	7.4	6.0
China	12.8	15.7	17.1	23.1	18.2	9.3	18.3	18.5	10.4	10.2	8.2	7.0	7.9	11.2	9.6	9.5	9.2	9.4	9.3	9.2
Colombia	15.6	10.5	13.0	12.3	11.3	5.5	8.3	13.8	7.7	7.2	6.9	5.5	7.4	7.4	6.9	6.8	7.1	..	..	..
Costa Rica	17.4	17.5	20.7	20.0	16.8	8.4	12.2	8.6	9.5	6.6	9.5	7.6	6.4	5.2	5.6	6.4	6.2	..	..	..
Czech Republic	..	6.7	7.8	9.3	4.6	-2.2	0.7	1.8	0.7	0.9	5.3	6.6	3.7	6.0	4.9	4.4	4.8	3.9	4.6	5.0
Denmark	4.2	5.3	6.1	3.4	3.6	-4.4	5.2	2.0	2.6	1.8	2.7	2.8	3.1	3.7	1.5	3.9	3.6	3.0	3.4	3.7
Estonia	..	15.9	20.0	20.1	1.8	-14.2	3.9	13.3	7.6	5.6	5.9	3.0	5.0	8.9	7.1	6.7	5.5	8.4	3.9	6.6
Finland	5.7	3.7	5.0	8.1	3.8	-6.5	3.4	5.2	1.5	1.8	1.1	2.0	3.1	3.6	4.3	3.5	3.4	4.6	3.2	3.6
France	3.7	3.7	4.8	5.0	2.5	-2.7	3.0	3.2	1.6	1.4	1.6	2.2	1.3	3.0	2.6	3.0	3.1	2.5	3.1	3.1
Germany	2.2	1.5	4.2	5.1	1.7	-3.9	4.7	4.8	2.2	2.6	4.0	3.5	3.6	4.0	3.5	3.9	3.7	3.2	4.0	3.7
Greece	..	2.9	9.3	6.8	4.0	-1.8	-4.8	-8.4	-7.6	-5.5	-1.1	-0.8	-0.4	2.1	2.7	3.0	3.1	2.8	3.5	2.9
Hungary	16.6	6.8	7.6	5.9	5.9	-2.8	3.0	4.0	1.7	5.1	7.7	5.5	3.2	8.1	9.3	8.9	7.7	9.0	9.0	6.8
Iceland	8.0	9.0	14.1	14.1	14.3	3.4	2.8	5.1	4.8	6.4	5.9	10.3	9.4	4.5	6.0	6.8	6.0	3.8	8.5	4.5
India [1]	13.4	13.9	16.3	16.1	12.9	15.1	20.2	15.7	13.8	13.0	11.0	10.4	10.8	10.0	12.8	12.3	12.0	..	..	..
Indonesia	..	20.8	20.4	18.3	25.3	11.0	14.2	14.1	10.0	10.8	10.7	9.1	7.6	9.5	9.3	9.6	9.4	..	..	..
Ireland	12.4	9.0	8.7	6.6	-4.8	-9.4	-1.4	2.0	2.3	2.6	8.5	34.4	4.1	7.6	6.1	5.2	5.9	0.2	7.9	5.2
Israel	..	5.4	7.4	7.0	5.5	5.3	7.1	7.2	6.0	6.5	4.9	5.3	5.0	3.7	3.3	4.8	4.7	3.2	5.8	4.0
Italy	4.7	3.0	4.0	3.8	1.4	-3.7	2.0	2.2	-1.5	-0.6	1.1	1.8	1.8	2.2	2.5	2.5	2.3	2.3	2.5	2.2
Japan	0.4	0.6	0.5	0.9	-2.1	-6.0	2.2	-1.8	0.7	1.7	2.1	3.5	1.2	1.5	0.7	1.2	2.3	0.0	1.8	2.5
Korea	9.1	5.0	5.0	8.0	5.9	4.3	9.9	5.3	3.4	3.8	4.0	5.3	5.0	5.4	3.3	4.8	5.0	4.8	4.7	5.1
Latvia	..	23.1	25.8	32.1	7.8	-22.7	-4.7	13.2	7.8	4.1	3.6	3.0	2.9	8.0	8.2	6.6	6.5	7.7	6.7	6.2
Lithuania	..	15.2	14.6	20.6	12.6	-17.6	4.1	11.6	6.6	4.8	4.6	2.4	3.8	8.6	6.0	5.5	5.1	5.4	5.0	5.1
Luxembourg	6.3	7.5	12.6	10.0	2.6	-3.1	8.7	7.5	2.2	5.4	7.1	3.5	3.4	3.7	5.8	4.7	5.4	4.5	5.1	5.5
Mexico	17.3	8.5	11.2	8.2	7.2	-1.4	9.9	9.7	7.7	3.1	7.4	6.2	8.2	8.5	8.0	8.3	7.6	8.7	7.8	7.6
Netherlands	5.4	4.1	6.2	5.9	4.5	-3.5	2.2	1.8	0.4	1.2	1.7	2.8	2.6	4.2	5.0	4.8	4.5	5.2	4.5	4.5
New Zealand	5.6	5.1	5.2	8.4	3.5	1.2	5.0	4.8	2.2	5.6	5.6	4.4	6.0	6.2	4.1	4.9	4.8	3.5	4.8	4.8
Norway	7.1	11.6	11.4	6.1	11.0	-6.8	6.7	7.8	6.2	3.6	2.3	-0.9	0.0	5.9	7.6	5.2	4.5	8.6	3.8	5.1
Poland	14.2	6.2	8.0	11.0	8.3	6.7	5.3	8.4	4.0	1.7	3.8	4.6	3.4	6.9	5.8	6.5	6.7	5.9	6.8	6.6
Portugal	6.3	4.1	4.8	5.5	1.9	-1.9	2.6	-2.1	-4.4	1.1	1.7	3.9	3.7	4.4	3.6	3.5	3.4	3.2	3.5	3.3
Russia	..	26.9	24.6	23.5	24.2	-6.0	19.3	20.9	13.1	7.3	8.3	5.3	3.3	6.8	11.2	6.9	5.2	..	..	..
Slovak Republic	10.5	9.4	11.6	12.1	8.6	-6.5	5.6	4.5	2.9	2.0	2.6	3.7	2.9	4.7	6.5	7.2	6.8	6.9	7.4	6.3
Slovenia	..	5.6	8.0	11.4	8.0	-4.7	0.2	1.8	-2.2	0.5	3.8	3.4	3.8	6.5	6.6	5.9	6.1	5.7	6.0	6.1
South Africa	11.5	11.0	12.2	14.7	12.3	5.9	9.6	10.0	7.4	9.1	7.2	6.5	7.8	7.1	5.1	7.3	7.3	..	..	..
Spain	7.3	8.0	8.3	7.2	3.3	-3.3	0.2	-1.0	-2.9	-1.4	1.2	4.2	3.5	4.3	3.5	4.2	3.8	3.3	3.9	3.9
Sweden	4.9	3.6	6.8	6.5	2.6	-2.8	6.8	4.0	1.0	2.3	4.5	6.4	4.2	4.6	4.8	4.1	4.2	4.4	4.1	4.3
Switzerland	2.0	4.0	6.2	6.6	4.1	-1.8	3.2	2.2	0.8	1.9	1.8	0.6	1.0	1.2	3.6	2.7	2.8	3.5	2.7	2.8
Turkey	59.8	16.8	17.1	11.6	13.0	0.4	16.1	20.2	12.6	15.3	13.0	14.4	11.5	19.1	19.9	13.7	13.3	17.9	14.0	12.5
United Kingdom	5.0	5.8	5.6	5.2	2.5	-2.7	3.3	3.6	3.0	4.0	4.7	2.8	3.9	3.8	3.2	3.2	2.9	3.2	3.0	2.9
United States	5.3	6.7	6.0	4.6	1.8	-1.8	3.8	3.7	4.2	3.6	4.4	4.0	2.7	4.2	5.2	5.0	4.6	5.3	4.8	4.4
Euro area	4.2	3.7	5.4	5.5	2.3	-3.6	2.7	2.7	0.5	1.0	2.3	3.4	2.7	3.6	3.4	3.6	3.5	3.1	3.7	3.5
Total OECD	6.6	5.4	5.8	5.3	2.7	-2.4	4.3	3.9	3.0	3.1	4.0	4.1	3.3	4.7	4.8	4.7	4.6	4.6	4.7	4.5

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878304

Annex Table 3. **Real private consumption expenditure**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Argentina	0.6	7.4	11.0	9.3	7.2	-5.4	11.2	9.4	1.1	3.6	-4.4	3.7	-1.0	3.5	0.1	-2.1	2.0	..	..	..
Australia	4.2	3.1	4.4	6.0	2.1	1.9	3.7	3.5	2.5	1.9	2.5	2.4	2.9	2.7	2.5	2.1	1.7	1.6	2.5	1.2
Austria	1.8	2.4	2.3	1.1	0.7	0.9	1.0	1.5	0.7	-0.3	0.3	0.3	1.5	1.6	1.8	1.6	1.5	1.8	1.9	1.2
Belgium	1.6	1.2	1.5	1.8	1.7	0.5	2.7	0.3	0.6	0.7	0.6	0.9	1.7	1.1	1.1	1.6	1.7	1.6	1.7	1.7
Brazil	..	4.4	5.3	6.4	6.5	4.4	6.2	4.8	3.5	3.5	2.3	-3.2	-4.4	0.9	1.7	1.8	2.5	..	..	..
Canada	3.3	3.9	4.2	4.4	3.0	0.0	3.6	2.3	1.9	2.6	2.6	2.2	2.3	3.4	2.3	2.3	1.8	2.3	2.0	1.7
Chile	..	7.7	7.5	7.1	4.2	-0.9	10.6	8.3	6.0	4.7	2.7	2.1	2.1	2.5	4.3	3.8	3.4	4.5	3.8	3.2
Colombia	1.4	4.1	6.4	7.2	4.1	0.9	5.1	6.6	5.3	4.0	4.6	3.1	1.4	1.8	2.6	3.2	3.2	..	..	..
Costa Rica	2.9	4.8	5.2	7.6	5.7	0.9	5.0	6.3	6.1	2.9	4.1	4.6	4.0	2.9	2.0	2.1	3.4	..	..	..
Czech Republic	..	3.4	3.9	4.2	2.8	-0.5	0.9	0.3	-1.2	0.5	1.8	3.7	3.6	4.4	3.9	3.5	3.2	3.9	3.0	3.3
Denmark	1.7	3.7	2.9	1.8	0.5	-3.4	0.8	0.3	0.5	0.3	0.9	2.3	2.1	2.1	2.5	2.2	2.2	2.4	2.2	2.2
Estonia	..	9.4	12.9	8.8	-4.8	-14.9	-2.3	3.7	4.5	3.4	3.3	4.4	4.1	2.7	4.3	4.0	3.5	4.5	3.5	3.5
Finland	3.6	3.2	4.1	3.5	2.1	-2.7	3.1	2.9	0.3	-0.5	0.8	1.7	2.0	1.3	2.0	1.9	1.3	2.1	1.4	1.3
France	2.3	2.4	2.3	2.6	0.4	0.4	1.9	0.6	-0.4	0.6	0.8	1.4	1.9	1.2	1.0	1.6	1.5	1.0	1.6	1.4
Germany	1.1	0.6	1.6	0.0	0.4	0.3	0.3	1.3	1.4	0.8	1.1	1.6	1.9	2.0	1.2	1.8	1.7	1.3	2.0	1.5
Greece	..	3.2	2.8	4.1	3.6	-1.7	-6.5	-9.7	-8.0	-2.6	0.6	-0.2	0.0	0.9	1.1	1.2	1.3	1.5	1.3	1.3
Hungary	2.9	2.9	1.6	1.1	-1.2	-6.6	-2.7	0.7	-2.3	0.2	2.8	3.9	4.0	4.8	5.6	4.7	4.0	5.3	4.3	3.9
Iceland	4.6	11.4	3.8	6.6	-6.7	-12.6	-0.4	2.5	1.9	0.9	3.2	4.5	7.2	7.9	5.3	3.7	2.5	4.9	3.1	2.1
India [1]	..	8.6	8.5	9.4	7.2	7.4	8.7	9.3	5.5	7.3	6.4	7.4	7.3	6.6	7.2	7.4	7.4	..	..	..
Indonesia	..	4.0	3.2	5.0	5.3	4.7	4.1	5.1	5.5	5.5	5.3	4.8	5.0	5.0	5.1	5.2	5.3	..	..	..
Ireland	5.9	7.4	6.7	6.6	0.0	-4.9	0.4	-1.6	-1.4	0.1	2.2	3.6	3.8	1.8	3.2	2.6	2.2	2.8	2.4	2.2
Israel	..	3.4	5.0	8.0	1.7	0.9	4.9	3.9	2.9	3.9	4.2	4.3	6.4	3.3	3.8	3.3	3.5	3.0	3.8	3.3
Italy	1.6	1.3	1.4	1.2	-1.1	-1.5	1.2	0.0	-4.0	-2.4	0.2	1.9	1.4	1.4	0.8	0.7	0.7	0.7	0.9	0.5
Japan	1.2	1.2	1.0	0.9	-1.0	-0.7	2.4	-0.4	2.0	2.4	-0.9	0.0	0.1	1.0	0.4	0.9	-0.1	0.7	0.0	0.6
Korea	4.3	4.4	4.6	5.1	1.4	0.2	4.4	2.9	1.9	1.9	1.7	2.2	2.5	2.6	2.8	2.7	2.8	2.3	2.8	2.9
Latvia	..	10.0	19.4	10.2	-7.9	-16.0	2.8	3.0	3.1	5.1	1.4	2.5	1.4	4.1	4.4	3.8	3.6	3.9	3.8	3.4
Lithuania	..	11.6	9.1	12.4	3.9	-17.4	-3.4	4.6	3.1	4.3	4.0	4.0	5.0	3.3	4.3	4.1	3.6	4.7	4.1	3.2
Luxembourg	3.0	-0.1	2.8	2.3	1.3	1.2	1.2	1.5	2.9	2.0	4.1	3.2	1.7	3.0	3.8	3.5	3.9	3.2	3.7	4.0
Mexico	3.5	3.0	4.1	2.5	0.5	-6.1	3.6	3.4	2.1	2.0	2.1	2.7	3.5	3.3	2.6	2.2	2.5	2.5	2.4	2.6
Netherlands	3.0	0.9	-0.1	1.9	0.9	-1.9	0.1	0.1	-1.2	-1.0	0.4	2.0	1.1	1.9	2.7	1.8	1.6	2.6	1.8	1.5
New Zealand	3.9	4.4	3.2	4.0	1.0	-0.6	3.0	2.7	2.6	3.5	3.2	3.8	4.8	4.4	2.9	2.9	2.4	2.8	2.4	2.5
Norway	3.8	4.4	5.0	5.3	1.7	0.0	3.8	2.3	3.5	2.8	2.1	2.6	1.3	2.2	2.0	2.3	1.9	2.1	2.1	1.8
Poland	4.4	1.8	4.8	5.6	6.8	3.6	2.7	3.1	0.7	0.3	2.4	3.0	3.9	4.9	4.6	4.2	3.7	4.6	3.9	3.6
Portugal	2.6	1.6	1.5	2.5	1.4	-2.3	2.4	-3.6	-5.5	-1.2	2.3	2.3	2.4	2.3	2.2	1.8	2.0	1.7	1.9	2.0
Russia	..	11.7	12.0	14.2	10.4	-5.1	5.5	6.7	7.9	5.2	1.9	-9.7	-2.3	3.3	2.6	1.3	2.2	..	..	..
Slovak Republic	4.9	5.8	6.0	7.5	6.0	-0.5	0.4	-0.6	-0.4	-0.8	1.4	2.2	2.7	3.6	3.0	4.0	4.1	3.2	4.1	4.1
Slovenia	..	2.2	1.2	6.4	2.4	0.9	1.3	0.0	-2.4	-4.1	1.9	2.3	3.9	1.9	2.3	2.6	2.0	2.0	2.0	2.0
South Africa	3.7	6.1	8.8	6.5	1.2	-2.6	3.9	5.1	3.7	2.0	0.8	1.8	0.7	2.2	1.3	1.1	2.1	..	..	..
Spain	3.4	4.0	3.8	3.3	-0.7	-3.6	0.3	-2.4	-3.5	-3.1	1.5	3.0	2.9	2.5	2.4	1.8	1.5	2.2	1.7	1.4
Sweden	2.7	2.8	2.8	3.9	0.2	0.4	3.8	1.9	0.9	1.9	2.2	3.0	2.8	2.3	2.5	2.8	2.6	2.7	2.6	2.5
Switzerland	1.4	1.6	1.4	2.3	1.4	1.3	1.7	0.8	2.3	2.6	1.3	1.7	1.5	1.2	1.2	1.5	1.7	1.3	1.6	1.7
Turkey	4.0	6.2	3.9	5.2	0.4	-4.0	12.0	10.3	3.4	9.6	2.7	5.2	3.7	6.0	3.6	-4.1	2.3	-3.3	0.3	2.8
United Kingdom	3.8	3.1	1.6	2.5	-0.6	-2.9	0.7	-0.6	1.5	1.8	2.0	2.6	3.1	1.8	1.5	1.1	0.6	1.6	0.9	0.4
United States	3.8	3.6	3.1	2.2	-0.2	-1.3	1.7	1.9	1.5	1.5	2.9	3.7	2.7	2.5	2.7	2.7	2.0	2.8	2.2	1.9
Euro area	2.1	1.9	2.1	1.8	0.3	-1.0	0.7	0.0	-1.2	-0.6	0.9	1.8	1.9	1.7	1.4	1.6	1.5	1.4	1.7	1.4
Total OECD	3.0	2.9	2.8	2.5	0.2	-1.3	2.1	1.5	1.0	1.4	1.9	2.7	2.4	2.4	2.2	1.9	1.7	2.0	1.8	1.8

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878323

Annex Table 4. **Real public consumption expenditure**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Argentina	0.9	9.9	3.7	7.8	5.0	5.6	5.5	4.6	3.0	5.3	2.9	6.9	0.3	2.2	-2.0	-3.2	-2.5	..	..	..
Australia	3.4	2.1	4.0	2.4	4.1	2.3	3.0	3.9	1.5	1.9	0.1	4.3	4.1	3.7	4.4	3.2	2.8	3.2	4.0	2.0
Austria	1.6	2.2	3.2	1.4	3.7	2.5	0.0	0.1	0.1	0.7	0.8	0.8	1.7	1.5	0.9	0.6	0.5	1.4	0.5	0.5
Belgium	1.8	0.6	1.0	1.9	2.9	1.1	1.0	1.2	1.4	0.3	0.6	0.6	-0.2	0.6	1.0	1.0	0.8	1.0	0.9	0.7
Brazil	..	2.0	3.6	4.1	2.1	2.9	3.9	2.2	2.3	1.5	0.8	-1.4	0.0	-0.6	0.2	1.1	1.0	..	..	..
Canada	1.4	1.1	2.8	2.4	3.8	2.7	2.3	1.3	0.7	-0.7	0.5	1.6	2.2	2.3	2.4	1.4	1.2	1.8	1.3	1.2
Chile	..	5.9	6.4	7.2	0.3	8.4	3.8	2.4	3.8	3.1	3.7	4.7	6.3	4.1	2.5	2.7	2.7	3.1	3.0	2.5
Colombia	6.1	5.2	5.2	4.6	4.7	4.8	5.2	6.5	4.8	8.9	4.7	4.9	1.8	4.0	4.9	2.7	2.5	..	..	..
Costa Rica	2.1	0.8	3.2	2.3	5.2	6.0	4.1	1.0	0.2	3.2	2.9	2.3	2.3	3.1	1.9	1.7	1.7	..	..	..
Czech Republic	..	1.0	0.6	0.6	1.1	2.8	0.5	-3.2	-2.0	2.5	1.1	1.9	2.7	1.3	2.7	2.0	1.8	2.1	2.9	1.2
Denmark	2.1	1.2	2.5	1.2	3.3	3.0	1.6	-0.6	0.8	-0.1	1.9	1.7	0.2	0.7	0.5	0.5	0.4	0.2	0.4	0.4
Estonia	..	3.2	5.6	6.5	4.6	-3.1	-0.4	1.4	2.9	2.7	1.8	3.0	2.1	0.6	0.0	0.9	0.8	-0.3	0.8	0.8
Finland	2.1	1.9	1.1	1.3	1.6	1.6	-0.1	-0.1	0.5	1.1	-0.5	0.2	1.8	-0.5	2.2	0.0	0.8	2.3	0.5	0.9
France	1.3	1.3	1.4	1.8	1.1	2.4	1.3	1.1	1.6	1.5	1.3	1.0	1.4	1.4	0.9	0.8	0.4	0.8	0.7	0.3
Germany	1.1	0.5	1.0	1.5	3.4	3.0	1.3	0.9	1.1	1.4	1.6	2.9	4.0	1.6	1.2	2.5	1.8	1.5	2.5	1.5
Greece	..	4.1	6.8	5.4	-2.3	2.0	-4.2	-7.0	-6.0	-6.4	-1.4	1.6	-0.7	-0.4	0.5	1.2	1.2	0.7	1.3	1.2
Hungary	0.9	3.2	1.3	-6.8	3.1	1.4	-0.4	0.2	-1.4	4.2	5.2	1.3	0.7	1.3	1.1	1.1	0.8	-0.2	0.8	0.8
Iceland	3.5	3.0	4.4	4.3	5.7	-1.0	-3.3	-0.4	-1.8	0.7	1.3	1.1	1.9	3.1	2.8	1.9	2.1	2.4	1.9	2.2
India [1]	..	8.9	3.8	9.6	10.4	13.9	5.8	6.9	0.6	0.6	7.6	6.8	12.2	10.9	7.0	7.3	5.3	..	..	..
Indonesia	..	6.6	9.6	3.9	10.4	11.2	4.0	5.5	4.5	6.7	1.2	5.3	-0.1	2.1	5.5	4.7	3.6	..	..	..
Ireland	5.7	4.5	5.0	6.7	1.4	-2.6	-4.5	-1.8	-2.5	-0.8	3.9	1.8	3.4	3.7	3.5	2.6	1.9	2.9	2.4	1.6
Israel	..	2.1	3.6	2.5	2.0	2.9	2.7	2.2	3.6	3.7	3.8	2.9	4.2	3.4	3.8	4.1	2.9	2.0	6.7	0.9
Italy	1.1	0.6	-0.4	0.4	1.0	0.4	0.6	-1.8	-1.4	-0.3	-0.7	-0.6	0.6	0.1	0.1	0.2	0.1	0.2	0.2	0.0
Japan	2.5	0.8	0.1	1.2	-0.1	2.0	1.9	1.9	1.7	1.5	0.5	1.5	1.3	0.4	0.5	0.6	1.0	0.6	0.6	1.4
Korea	4.2	4.5	7.4	6.1	5.1	5.2	3.8	2.2	3.4	3.3	3.0	3.0	4.5	3.4	5.2	6.5	5.6	5.4	7.5	4.5
Latvia	..	3.0	6.1	3.3	2.4	-10.7	-8.1	3.0	0.3	1.6	1.9	1.9	3.9	4.1	3.5	2.8	2.6	3.2	2.6	2.5
Lithuania	..	3.6	2.1	1.9	0.2	-1.3	-3.2	-0.4	1.3	0.7	0.3	0.2	-0.1	-0.4	0.4	0.7	0.6	1.0	0.6	0.6
Luxembourg	4.7	2.8	1.8	3.7	1.4	3.7	1.1	1.2	3.3	4.2	1.8	2.5	2.6	3.4	3.3	3.3	3.2	2.8	3.2	3.2
Mexico	1.0	2.2	2.7	1.8	2.9	3.0	2.3	3.1	3.4	0.5	2.6	1.9	2.3	0.1	2.3	1.2	1.2	2.5	1.1	1.2
Netherlands	2.5	1.3	8.4	3.1	3.2	4.7	1.0	-0.4	-1.1	0.0	0.5	-0.1	1.3	1.1	1.3	2.6	1.8	2.0	2.1	1.8
New Zealand	2.7	7.1	4.6	4.3	4.3	0.9	0.5	2.8	-0.4	1.4	3.3	2.7	1.6	4.5	4.2	2.2	1.7	3.6	1.9	1.7
Norway	2.5	1.9	1.9	2.0	2.4	4.1	2.2	1.0	1.6	1.0	2.7	2.4	2.1	2.5	1.9	1.8	2.0	1.0	2.0	2.0
Poland	2.8	3.5	5.5	3.0	4.4	3.5	3.1	-1.8	-0.3	2.5	4.3	2.3	1.9	3.5	3.9	4.2	4.1	3.6	4.3	4.1
Portugal	3.2	2.7	-0.2	0.6	0.4	2.6	-1.3	-3.8	-3.3	-2.0	-0.5	1.3	0.8	0.2	1.0	0.2	-0.3	1.3	-0.5	-0.1
Russia	..	1.4	2.3	2.7	3.4	-0.6	-1.5	1.4	2.6	0.9	-2.1	-3.1	0.8	0.4	-0.9	0.9	1.6	..	..	..
Slovak Republic	3.1	7.0	9.2	0.3	6.5	6.2	1.7	-1.8	-2.1	2.2	5.2	5.4	1.6	0.2	2.3	1.9	2.0	1.9	1.9	2.0
Slovenia	..	2.7	3.1	1.9	4.9	2.4	-0.5	-0.7	-2.2	-2.1	-1.2	2.4	2.7	0.5	2.7	2.0	1.5	1.8	3.0	0.6
South Africa	1.9	5.1	4.9	4.0	5.8	4.6	3.0	2.8	3.5	3.1	1.7	-0.3	1.9	0.6	1.2	1.0	1.0	..	..	..
Spain	3.7	5.6	5.0	6.2	5.9	4.1	1.5	-0.3	-4.7	-2.1	-0.3	2.0	1.0	1.9	2.1	1.6	1.3	1.9	1.7	1.1
Sweden	0.7	0.3	1.9	0.7	1.1	2.3	1.0	0.9	1.6	1.3	1.7	2.1	3.2	0.4	1.1	1.2	1.2	1.1	1.1	1.3
Switzerland	1.1	1.8	0.3	0.7	1.2	3.0	1.1	1.7	1.5	2.3	2.2	1.1	1.2	0.9	1.0	1.0	1.1	0.7	1.0	1.2
Turkey	5.0	3.6	10.2	7.0	3.5	8.1	1.7	1.1	6.8	8.0	2.9	3.4	9.8	4.7	8.0	2.0	2.2	3.4	3.0	2.8
United Kingdom	2.8	4.0	1.7	1.0	1.8	1.1	0.3	0.1	1.2	-0.2	2.2	1.4	0.8	-0.1	0.8	1.9	2.0	1.6	1.4	2.3
United States	1.9	0.8	1.2	1.6	2.4	4.1	0.1	-3.0	-1.5	-1.9	-0.8	1.7	1.5	-0.1	1.5	3.6	2.7	2.4	3.8	2.0
Euro area	1.7	1.6	2.1	2.1	2.4	2.4	0.7	-0.1	-0.3	0.4	0.7	1.3	1.9	1.2	1.1	1.5	1.1	1.2	1.4	0.9
Total OECD	2.1	1.6	2.0	2.0	2.3	3.1	1.0	-0.5	0.1	0.2	0.7	1.7	2.1	1.0	1.7	2.3	1.9	1.9	2.4	1.7

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878342

Annex Table 5. **Real total gross fixed capital formation**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019	2020
																			Q4 / Q4	
Argentina	-0.4	15.8	14.5	20.5	8.7	-22.6	26.3	17.4	-7.1	2.3	-6.8	3.5	-4.9	11.0	-3.4	-11.1	4.0	..	..	..
Australia	5.7	8.4	4.0	8.1	7.2	-2.3	4.3	7.1	10.0	-1.9	-2.3	-3.4	-2.2	3.4	3.4	4.0	2.9	2.5	5.0	1.6
Austria	1.6	0.2	1.2	4.8	1.6	-7.3	-2.6	6.6	0.9	1.6	-0.3	2.2	4.4	3.9	3.4	2.0	2.0	3.1	1.9	1.9
Belgium	2.7	6.1	2.0	6.8	1.9	-6.7	-0.8	4.2	0.2	-1.5	5.8	2.7	3.8	1.8	2.0	2.5	2.4	2.9	2.0	2.6
Brazil	..	2.0	6.7	11.9	12.2	-2.2	18.1	6.9	0.8	5.8	-4.2	-13.9	-10.4	-1.9	4.0	4.9	3.7	..	..	..
Canada	4.8	9.1	6.3	3.2	1.6	-11.3	11.5	4.6	4.9	1.3	2.4	-5.1	-3.0	2.8	3.8	2.5	2.4	2.0	2.6	2.3
Chile	6.7	23.7	6.1	10.3	18.8	-13.3	12.7	16.3	11.0	4.1	-5.0	-0.4	-0.7	-1.1	5.8	4.3	3.6	6.3	3.9	3.4
Colombia	-1.1	13.2	19.6	19.8	-3.6	4.6	6.7	14.9	3.0	6.0	9.9	2.8	-2.7	3.3	-0.7	4.5	4.7	..	..	..
Costa Rica	4.9	4.4	7.7	19.0	10.0	-12.7	4.2	3.1	10.0	-0.3	3.1	3.1	4.6	-4.4	3.4	5.9	5.2	..	..	..
Czech Republic	..	6.6	6.3	13.5	2.2	-9.8	1.0	0.9	-2.9	-2.5	3.9	10.4	-3.3	3.7	8.5	4.4	3.9	8.4	4.1	3.9
Denmark	4.2	5.9	13.7	0.7	-2.5	-13.0	-5.7	0.4	3.7	2.7	3.1	5.5	7.6	4.6	7.7	1.5	3.3	4.2	3.4	3.2
Estonia	..	15.0	22.9	10.9	-12.7	-36.6	-4.0	33.9	12.9	1.4	-2.0	-7.6	3.5	12.9	1.8	6.1	4.6	15.7	4.7	4.5
Finland	6.0	3.2	1.3	10.0	0.3	-12.5	1.1	4.1	-1.9	-4.9	-2.6	0.7	8.5	4.0	3.3	1.5	1.7	3.5	1.1	2.1
France	3.0	3.0	3.9	5.5	0.7	-9.0	1.9	2.2	0.4	-0.7	0.0	0.9	2.7	4.7	2.9	2.4	2.4	2.3	2.3	2.4
Germany	0.1	1.0	8.1	4.3	0.9	-10.0	5.1	7.4	-0.1	-1.2	3.9	1.0	3.4	3.6	3.0	2.5	2.2	3.1	2.5	2.1
Greece	..	-11.9	19.4	15.9	-7.2	-13.9	-19.3	-20.5	-23.5	-8.4	-4.7	0.7	4.7	9.1	2.4	8.8	7.6	-13.5	9.2	6.8
Hungary	5.3	3.6	0.7	4.2	1.0	-8.3	-9.5	-1.3	-3.0	9.8	12.3	4.7	-11.7	18.2	15.7	9.5	4.8	17.3	6.7	3.7
Iceland	8.2	31.8	23.7	-10.9	-18.2	-47.9	-8.1	11.5	5.2	2.2	15.9	19.7	21.7	9.5	5.9	4.6	3.8	6.7	4.2	3.6
India [1]	..	16.2	13.8	16.2	3.5	7.7	11.0	12.3	4.9	1.6	2.6	5.2	10.1	7.6	6.2	6.0	8.6	..	..	..
Indonesia	..	10.9	2.6	9.3	11.9	3.9	6.7	8.9	9.1	5.0	4.4	5.0	4.5	6.2	6.8	6.1	5.9	..	..	..
Ireland	10.7	18.5	7.0	-0.9	-12.1	-16.4	-15.2	1.3	15.4	-4.3	18.1	49.7	52.8	-30.5	-8.3	6.7	5.2	-0.8	7.1	4.3
Israel	..	2.0	7.3	10.2	4.9	-3.5	9.1	13.8	4.1	3.8	0.8	0.2	12.8	2.9	3.1	3.0	2.6	3.0	2.9	2.4
Italy	3.4	2.0	3.4	1.3	-3.2	-10.0	-0.6	-1.7	-9.4	-6.6	-2.2	1.9	3.3	3.9	4.5	3.5	2.9	3.1	3.0	2.7
Japan	-0.4	3.1	0.4	-1.9	-3.8	-9.7	-1.6	1.7	3.5	4.9	3.1	1.7	1.1	2.5	1.7	1.5	0.8	2.1	1.1	0.7
Korea	3.3	2.0	3.6	5.0	-0.9	0.3	5.5	0.8	-0.5	3.3	3.4	5.1	5.6	8.6	-2.2	-0.6	2.1	-4.2	2.4	1.8
Latvia	..	20.4	15.1	22.5	-9.1	-33.3	-19.8	24.0	14.4	-6.0	0.1	-0.5	-8.4	13.1	18.6	8.1	4.4	20.8	5.0	4.1
Lithuania	..	11.5	19.6	22.3	-4.0	-38.9	1.5	20.1	-1.8	8.3	5.8	4.9	0.3	6.8	8.3	5.6	4.7	6.6	4.0	5.0
Luxembourg	3.8	-1.0	3.3	12.5	11.9	-12.5	3.6	13.4	6.5	1.5	9.2	-9.6	10.0	4.1	-6.4	5.1	4.7	-0.6	5.1	4.6
Mexico	0.6	6.1	9.3	5.8	6.7	-11.7	4.7	7.8	5.1	-3.3	3.0	5.1	1.1	-1.5	2.7	2.3	3.3	3.3	2.8	3.5
Netherlands	3.4	3.2	7.2	14.8	-2.8	-8.6	-6.9	4.6	-6.3	-1.5	-2.2	29.1	-7.3	6.2	4.5	3.0	3.0	3.7	3.5	2.7
New Zealand	6.6	3.7	-1.2	7.7	-3.0	-12.7	0.7	6.4	6.1	7.9	9.5	4.3	6.4	3.4	3.8	2.8	3.8	1.8	3.3	3.9
Norway	3.9	12.0	9.1	12.2	1.1	-6.8	-6.4	7.5	7.6	6.3	-0.3	-4.0	5.2	3.6	-0.3	2.7	2.5	0.0	1.9	2.9
Poland	6.8	8.3	15.4	19.0	8.8	-2.7	0.0	8.8	-1.8	-1.1	10.0	6.1	-8.2	3.9	6.4	6.9	5.8	6.5	6.5	5.7
Portugal	3.6	0.1	-0.8	3.1	0.4	-7.6	-0.9	-12.5	-16.6	-5.1	2.3	5.8	2.3	9.2	4.6	6.0	5.0	5.4	5.7	4.6
Russia	..	10.2	17.9	21.1	9.7	-14.7	6.4	9.2	5.9	1.3	-2.7	-10.4	1.7	4.7	2.3	2.4	3.4	..	..	..
Slovak Republic	3.4	16.5	9.1	8.9	1.6	-18.7	7.2	12.7	-9.0	-0.9	3.0	19.8	-8.3	3.2	13.2	4.1	4.1	11.0	4.6	3.6
Slovenia	..	3.5	10.2	12.0	7.0	-22.0	-13.3	-4.9	-8.8	3.2	1.0	-1.6	-3.7	10.7	9.0	8.5	6.4	7.7	8.4	5.2
South Africa	5.4	11.0	12.1	13.8	12.8	-6.7	-3.9	5.5	2.6	7.2	0.7	3.4	-4.1	0.4	0.3	2.0	3.6	..	..	..
Spain	6.5	7.5	7.4	4.4	-3.9	-16.9	-4.9	-6.9	-8.6	-3.4	4.7	6.7	2.9	4.8	6.1	3.8	3.8	6.5	3.1	4.2
Sweden	4.4	5.1	9.6	8.3	0.3	-13.3	5.6	5.9	0.2	0.6	5.6	6.3	3.9	6.5	3.2	0.2	1.6	1.9	0.6	2.3
Switzerland	2.3	3.4	4.7	4.8	0.9	-7.4	4.7	4.3	3.4	0.6	2.9	2.3	3.4	3.3	3.1	2.9	2.6	2.9	3.0	2.4
Turkey	6.8	19.6	15.4	5.5	-2.7	-20.5	22.5	23.8	2.7	13.8	5.1	9.3	2.2	7.8	1.0	-5.6	3.7	-6.2	0.8	4.0
United Kingdom	2.2	5.1	2.9	5.7	-5.2	-13.7	4.1	2.6	2.1	3.4	7.2	3.4	2.3	3.3	0.0	0.8	0.4	-0.9	1.1	0.0
United States	4.9	6.1	2.7	-0.6	-4.2	-12.5	2.2	4.6	6.9	3.6	4.9	3.3	1.7	4.0	4.9	4.2	3.8	4.7	4.5	3.4
Euro area	2.7	3.0	5.8	5.3	-1.3	-11.1	-0.5	1.6	-3.2	-2.3	1.7	4.6	3.9	2.8	3.4	3.1	2.8	3.2	2.9	2.7
Total OECD	3.3	5.2	4.4	2.8	-1.8	-11.0	2.2	4.2	2.5	1.9	3.5	3.4	1.9	3.7	3.3	2.6	3.0	2.6	3.1	2.8

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878361

Annex Table 6. **Real gross private non-residential fixed capital formation**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Australia	6.1	12.2	7.9	10.3	7.3	-3.6	-0.2	12.4	17.1	-2.4	-6.0	-6.4	-8.8	3.0	4.0	5.5	4.3	1.3	7.9	2.0
Belgium	3.9	2.9	2.3	6.5	3.4	-7.6	-2.1	6.5	0.0	-0.2	6.5	3.6	4.7	2.3	2.1	3.1	2.5	2.5	2.9	2.4
Canada	5.7	11.2	9.0	2.5	4.0	-20.2	14.0	11.6	7.1	4.3	4.1	-11.0	-9.0	2.6	6.4	3.3	3.2	4.8	3.4	3.1
Denmark	3.8	3.6	15.3	2.2	3.9	-13.3	-8.1	-6.1	6.2	7.7	0.8	8.9	8.4	4.7	8.6	1.3	4.1	4.9	4.4	4.0
Finland	7.2	5.5	2.2	16.6	4.9	-15.6	-6.6	2.6	-3.0	-7.3	-1.8	2.3	7.7	3.8	1.6	2.4	2.6	3.0	2.0	3.0
France	3.4	2.6	5.2	8.1	3.7	-11.6	3.0	4.8	1.0	-1.0	2.9	3.4	3.4	5.2	3.9	3.3	2.6	3.5	2.8	2.5
Germany	1.4	3.7	8.5	7.8	2.1	-15.5	6.2	7.3	-1.8	-0.8	5.2	1.6	2.5	3.2	2.3	1.9	1.8	1.9	1.8	1.8
Iceland	12.2	53.3	26.0	-21.9	-20.1	-51.1	-0.6	23.0	7.0	-2.3	16.8	31.1	25.0	4.7	4.3	2.9	2.0	7.2	2.5	2.0
Japan	1.8	8.5	2.1	1.0	-2.8	-13.4	-0.9	4.0	4.1	3.7	5.4	3.4	0.6	2.8	4.5	2.4	1.7	4.4	1.9	1.7
Korea	3.3	2.0	6.4	7.6	0.9	-3.8	14.1	3.3	0.3	0.9	3.3	2.4	1.9	7.7	-2.2	-0.8	2.2	-4.0	2.6	2.0
Netherlands	4.0	3.8	7.7	25.4	-6.8	-9.7	-3.7	10.3	-3.5	2.4	-4.0	39.1	-16.2	5.7	5.1	2.7	2.4	5.5	3.0	2.1
New Zealand	6.3	7.6	1.2	11.8	-0.3	-21.3	-0.3	14.1	9.6	4.2	11.8	1.4	7.8	6.7	4.7	1.9	3.5	3.3	2.9	3.7
Norway	3.2	16.7	11.0	16.1	2.3	-10.4	-8.5	6.5	9.3	5.2	-1.3	-7.9	4.1	2.2	0.5	4.4	3.3	1.9	2.2	4.0
Sweden	6.0	5.1	9.6	10.2	3.9	-15.2	3.4	7.2	2.9	0.8	4.3	4.8	0.6	5.0	3.9	3.1	2.8	4.5	3.2	2.7
Switzerland	3.4	4.8	6.7	7.0	1.2	-11.0	5.2	5.1	4.2	0.5	3.0	1.9	4.7	3.4	3.2	3.1	2.8	2.9	3.2	2.6
United Kingdom	3.1	19.0	-6.0	9.8	-3.0	-16.6	5.0	5.4	7.2	2.9	5.2	3.7	-0.2	1.8	-0.5	-0.2	0.2	-2.0	0.4	0.1
United States	5.3	7.7	8.0	6.9	0.6	-14.5	4.5	8.7	9.5	4.1	6.9	1.8	0.5	5.3	6.7	4.7	4.1	6.5	4.9	3.6

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878380

Annex Table 7. **Real gross residential fixed capital formation**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019	2020
																			Q4 / Q4	
Australia	4.1	-2.9	-5.5	1.0	1.2	-5.0	4.4	0.7	-5.9	3.8	10.0	9.5	8.7	-2.2	3.7	-1.3	-0.4	4.3	-1.5	0.0
Austria	-0.6	1.7	0.9	2.8	0.6	-6.0	0.6	2.9	-1.3	0.0	-0.3	0.8	2.4	3.8	2.9	2.7	2.5	3.0	2.6	2.7
Belgium	-0.4	15.6	4.8	4.7	-2.2	-10.4	1.8	-2.5	-0.1	-3.9	5.7	1.0	3.7	0.0	0.4	1.8	1.9	2.2	1.9	1.9
Canada	4.1	4.9	2.4	2.6	-4.1	-5.8	7.7	1.3	5.8	0.0	2.6	3.5	3.3	2.7	-0.1	1.2	1.0	-1.9	1.2	0.9
Denmark	6.4	16.7	11.4	-5.5	-16.7	-20.4	-8.9	15.8	-5.5	-7.8	6.8	5.3	6.8	12.9	10.3	1.8	2.8	6.9	2.5	2.6
Finland	5.4	5.0	3.8	-0.3	-10.6	-13.9	24.1	5.3	-3.5	-5.3	-6.5	2.0	10.5	5.9	7.4	1.9	1.8	5.5	1.8	1.8
France	3.3	4.3	4.9	2.6	-3.9	-11.9	1.6	1.1	-2.0	-0.3	-2.7	-1.3	2.8	5.4	1.4	-0.7	1.8	-0.4	0.0	2.8
Germany	-1.9	-4.1	6.8	-1.5	-4.0	-3.3	4.1	10.1	4.2	-0.7	3.0	-1.2	4.7	3.6	3.5	3.1	2.9	4.2	3.0	2.8
Greece	5.9	-9.1	17.6	15.1	-24.0	-19.7	-26.3	-14.4	-38.0	-31.3	-53.2	-25.7	-12.3	-8.7	9.3	2.4	2.8	10.5	2.8	2.8
Iceland	4.3	11.9	16.7	12.8	-21.9	-55.7	-18.0	5.4	6.9	10.8	15.4	-3.2	26.4	18.4	15.0	7.5	7.2	6.5	8.2	6.5
Ireland	10.4	16.9	3.7	-8.1	-16.9	-37.7	-32.9	-31.3	-24.8	7.5	14.4	6.0	21.4	19.6	15.1	13.5	11.3	12.6	12.2	10.9
Italy	1.4	6.2	5.2	1.0	-1.9	-9.3	-0.2	-6.4	-7.7	-4.5	-6.8	-1.7	2.9	2.2	1.5	0.8	1.0	0.4	1.0	1.0
Latvia	..	17.8	34.4	41.4	-11.9	-52.4	-28.9	1.3	13.8	-1.3	9.7	7.6	-19.1	-10.4	24.0	5.0	4.4	35.7	5.0	4.0
Lithuania	..	0.0	21.2	14.9	24.3	-7.2	-29.7	1.0	2.3	11.5	16.9	14.9	6.8	-4.7	6.9	4.6	3.9	7.2	4.4	3.6
Japan	-2.8	-0.5	0.7	-9.5	-6.6	-16.4	-3.7	4.9	2.5	8.0	-4.3	-1.0	5.7	2.7	-6.0	0.4	-1.4	-2.9	-1.5	0.5
Korea	1.9	2.1	-2.3	-3.5	-9.4	-2.5	-12.0	-8.0	-2.9	23.4	11.1	18.9	20.3	14.9	-2.0	-3.0	0.4	-5.8	0.6	0.3
Netherlands	1.2	5.7	5.9	5.1	0.8	-14.8	-15.9	-3.7	-12.9	-12.3	6.3	20.2	21.8	12.0	6.1	4.8	5.2	3.1	5.9	4.9
New Zealand	3.9	-4.0	-2.1	3.1	-18.1	-14.1	1.2	-0.1	18.0	16.9	8.4	7.4	12.5	0.7	1.8	3.2	5.3	1.2	4.2	5.5
Norway	6.6	9.7	4.0	2.7	-9.0	-8.1	-1.6	17.0	10.9	5.3	-1.4	3.2	6.6	7.0	-9.6	-0.8	1.0	-7.6	1.0	1.0
Spain	8.6	6.5	6.7	1.3	-9.2	-20.3	-11.6	-13.3	-10.3	-10.2	11.3	-0.9	7.0	9.0	7.0	3.3	3.5	5.5	3.1	3.6
Sweden	3.7	10.0	14.4	6.6	-13.2	-18.9	12.7	8.0	-11.8	0.9	15.6	18.1	11.2	11.4	1.7	-9.6	-3.6	-3.5	-8.9	0.0
Switzerland	-0.4	1.1	-1.6	-3.0	-4.2	1.8	3.5	2.2	1.5	1.7	2.3	3.8	-1.1	3.3	3.2	2.1	1.5	2.5	2.0	1.3
United Kingdom	1.5	2.8	0.7	0.8	-19.3	-22.3	4.9	3.4	-2.1	9.8	10.9	5.1	8.6	7.3	1.0	0.1	-0.7	-0.1	-0.5	-0.8
United States	4.4	6.6	-7.5	-18.7	-24.2	-21.7	-3.1	-0.1	13.0	12.4	3.9	10.1	6.5	3.3	0.1	1.7	3.7	-1.7	3.4	3.6

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878399

Annex Table 8. **Real total domestic demand**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 (Q4 / Q4)	2019 (Q4 / Q4)	2020 (Q4 / Q4)
Argentina	-0.1	9.1	9.3	11.3	6.9	-7.9	14.2	10.2	-1.3	4.0	-3.9	4.2	-1.3	6.3	-2.0	-4.1	1.6	..	..	..
Australia	4.4	4.2	3.7	6.7	3.4	0.3	4.1	5.0	4.2	0.4	0.9	1.3	1.9	3.0	3.1	2.7	2.2	2.3	3.4	1.4
Austria	1.8	2.1	2.1	2.7	1.4	-2.1	0.9	2.7	0.0	0.0	0.5	1.1	2.0	2.6	1.9	1.4	1.4	1.9	1.6	1.3
Belgium	2.0	2.9	1.9	3.3	2.1	-1.8	2.1	2.2	0.0	-0.3	2.0	1.6	2.0	1.1	0.9	1.6	1.6	1.2	1.6	1.6
Brazil	..	2.8	5.4	7.5	7.1	-0.2	9.8	4.7	1.9	3.5	0.3	-6.1	-5.0	1.1	2.0	2.4	2.4	..	..	..
Canada	3.2	5.0	4.2	3.6	2.8	-3.0	5.3	2.2	2.1	3.4	1.8	0.1	0.8	3.8	2.6	2.1	1.8	2.0	2.0	1.7
Chile	..	11.7	9.1	7.1	8.9	-6.7	13.9	9.8	7.5	4.1	-0.4	2.7	1.5	3.3	5.2	3.3	3.3	4.7	3.6	3.1
China	9.1	9.2	10.7	12.6	8.9	14.0	8.8	9.6	8.1	8.0	8.3	8.3	7.7	6.0	7.1	6.3	6.0	6.9	6.2	6.0
Colombia	1.9	6.3	8.7	8.3	5.0	0.1	5.9	9.1	4.8	5.2	6.4	2.4	1.2	1.8	2.4	3.3	3.3	..	..	..
Costa Rica	3.5	4.2	7.2	9.0	6.1	-4.8	7.8	5.6	5.6	1.7	3.5	4.2	4.3	2.3	1.7	2.9	3.5	..	..	..
Czech Republic	..	3.4	5.1	6.6	1.9	-5.4	1.7	-0.1	-2.1	-0.6	3.4	5.9	1.1	3.6	3.3	3.2	3.1	2.7	3.3	3.0
Denmark	2.4	3.5	5.2	1.9	-0.2	-6.1	0.7	1.0	1.0	0.9	2.0	2.8	2.5	2.2	3.1	1.5	2.0	2.4	2.0	2.0
Estonia	..	7.3	17.4	9.3	-8.7	-20.8	0.2	9.2	8.7	1.4	3.5	1.4	4.7	4.4	3.0	3.8	3.2	3.6	3.2	3.2
Finland	3.8	4.1	2.4	4.8	0.9	-6.3	3.3	3.9	-1.1	-1.1	-0.1	1.4	3.1	2.1	1.3	1.2	1.3	1.0	1.2	1.4
France	2.3	2.3	2.5	3.3	0.4	-2.5	1.9	2.2	-0.4	0.7	1.5	1.5	1.6	2.2	1.1	1.5	1.4	1.1	1.6	1.4
Germany	0.8	0.3	3.0	1.8	1.0	-3.1	2.9	3.0	-0.8	1.0	1.6	1.4	2.9	2.2	2.0	2.2	1.8	2.1	2.2	1.6
Greece	..	0.2	7.9	5.4	-0.6	-6.3	-6.6	-11.1	-9.8	-4.0	1.0	-1.2	0.4	2.0	0.9	2.3	2.2	1.9	2.4	2.1
Hungary	3.2	1.7	1.8	-1.1	0.3	-9.4	-0.7	-0.3	-3.0	2.3	5.4	2.0	0.8	6.7	5.2	4.9	3.6	6.0	4.2	3.2
Iceland	5.0	13.7	9.7	1.6	-6.5	-17.1	-2.9	2.7	1.3	1.5	4.1	5.5	8.2	6.6	5.0	3.6	2.7	5.6	3.1	2.5
India [1]	..	10.5	9.7	10.7	6.1	8.5	9.7	8.5	5.3	1.8	7.1	7.9	6.9	8.1	8.3	6.9	7.5	..	..	..
Indonesia	2.8	5.9	5.3	6.4	6.1	3.0	6.5	6.1	7.7	5.0	5.3	4.0	5.0	4.8	6.1	5.3	5.2	..	..	..
Ireland	7.1	10.1	6.8	3.9	-3.9	-8.1	-3.6	-0.4	2.2	-1.5	9.1	14.5	22.0	-16.0	1.4	3.7	3.1	5.1	3.9	2.8
Israel	..	3.4	4.9	6.3	2.0	0.1	5.4	5.5	3.8	3.1	4.0	3.7	6.7	3.4	5.0	3.6	3.1	3.9	4.2	2.5
Italy	1.9	1.0	2.0	1.2	-1.2	-4.2	1.9	-0.5	-5.7	-2.7	0.3	1.4	1.3	1.3	1.4	1.1	1.0	1.5	1.2	0.9
Japan	1.0	1.4	0.6	0.6	-1.3	-4.0	2.4	0.7	2.3	2.4	0.4	1.0	0.4	1.2	0.8	1.0	0.4	0.7	0.4	0.8
Korea	4.0	3.8	5.1	5.0	1.1	-2.7	8.3	3.0	0.7	1.4	3.0	3.9	3.8	5.1	1.6	2.1	3.1	0.3	3.5	2.9
Latvia	..	9.2	18.3	12.5	-8.9	-23.3	-4.0	11.9	1.7	2.0	-0.9	2.4	2.1	6.2	4.9	4.3	3.7	5.8	4.0	3.5
Lithuania	..	9.0	8.9	15.3	3.3	-21.7	2.4	6.0	-0.4	2.5	3.3	6.7	2.1	2.9	3.1	3.5	3.3	3.7	3.5	3.2
Luxembourg	3.8	3.8	0.9	4.4	4.1	-7.3	6.2	5.0	2.5	2.9	7.6	0.0	3.5	2.6	0.8	3.6	3.9	0.3	3.9	3.9
Mexico	2.6	2.8	5.4	3.0	1.8	-6.5	4.2	4.0	3.1	0.9	2.1	3.0	2.8	1.7	2.4	1.9	2.5	2.5	2.3	2.6
Netherlands	2.9	1.6	3.6	5.2	0.6	-2.7	-0.1	0.3	-2.2	-0.6	0.1	6.6	-0.8	2.3	2.8	2.2	2.0	2.4	2.3	1.8
New Zealand	4.2	4.6	1.5	5.3	1.0	-4.7	3.8	3.3	2.7	3.7	4.6	3.2	4.6	4.1	3.9	2.6	2.6	3.2	2.5	2.7
Norway	3.5	5.4	6.2	6.2	1.6	-3.4	3.2	2.7	3.4	3.5	1.6	0.7	2.0	2.6	1.9	1.9	2.0	0.9	1.9	2.1
Poland	4.8	2.4	7.4	9.5	5.4	-0.3	4.2	4.2	-0.4	-0.6	4.7	3.3	2.3	4.9	5.7	4.5	4.1	5.4	4.4	4.0
Portugal	3.2	1.3	0.9	2.2	1.1	-3.6	1.9	-5.7	-7.3	-2.0	2.2	2.7	2.0	3.0	2.4	2.2	2.1	2.5	2.1	2.1
Russia	..	9.3	11.4	14.0	9.8	-14.1	8.5	9.0	6.0	1.5	-0.8	-9.3	-1.3	3.8	1.0	1.3	2.3	..	..	..
Slovak Republic	4.9	8.6	6.7	6.8	6.5	-7.1	4.5	1.1	-4.0	0.3	3.5	5.6	0.9	2.7	4.7	3.7	3.7	6.1	3.8	3.6
Slovenia	..	1.9	4.7	9.0	3.1	-9.5	-0.8	-0.7	-5.7	-2.0	1.7	1.9	2.9	3.9	3.5	3.6	2.8	2.3	3.6	2.4
South Africa	3.4	5.7	8.5	5.8	3.6	-1.4	3.7	5.6	3.2	2.8	0.6	2.1	-0.9	1.8	0.8	1.1	2.1	..	..	..
Spain	4.2	5.1	5.1	4.1	-0.4	-6.0	-0.5	-3.1	-5.1	-3.2	2.0	4.0	2.4	3.0	3.2	2.3	1.9	3.1	2.0	1.9
Sweden	2.4	2.6	4.4	4.8	-0.1	-4.3	5.7	3.0	-0.3	1.6	3.0	4.0	3.0	2.9	2.7	1.7	1.9	2.6	1.7	2.1
Switzerland	1.2	4.2	2.3	0.6	2.5	2.2	-0.6	3.9	-1.4	-0.7	2.7	2.2	0.3	1.5	1.7	2.6	1.9	5.2	1.9	1.9
Turkey	5.7	12.2	9.0	6.1	-0.4	-7.5	13.3	10.1	1.9	9.9	2.7	4.6	4.2	5.7	1.4	-3.6	2.7	-5.4	0.8	3.2
United Kingdom	3.5	3.1	2.2	2.1	-0.9	-4.4	2.4	0.1	1.9	2.5	3.4	2.7	2.5	1.2	1.0	1.1	0.8	1.4	1.0	0.7
United States	3.8	3.6	2.8	1.3	-1.1	-3.5	3.0	1.5	2.2	1.6	2.6	3.6	1.8	2.5	3.0	3.2	2.5	3.3	2.8	2.3
Euro area	2.1	1.9	3.2	2.9	0.2	-3.9	1.4	0.7	-2.3	-0.5	1.4	2.3	2.3	1.8	1.8	1.9	1.7	2.0	1.9	1.6
Total OECD	3.0	3.2	3.2	2.4	-0.1	-3.8	3.1	1.8	0.9	1.4	2.1	2.8	2.0	2.4	2.3	2.1	2.0	2.1	2.2	2.0

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878418

Annex Table 9. **Foreign balance contributions to changes in real GDP**

Percentage points

	Average 1991-2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019	2020
																		Fourth quarter[1]		
Argentina	0.2	0.4	-0.6	-1.5	-2.3	1.3	-2.4	-2.7	0.0	-1.1	0.7	-1.1	-0.1	-2.0	-0.4	1.7	0.7	..	..	..
Australia	-0.7	-1.3	-1.2	-2.2	-1.4	2.4	-2.2	-2.3	0.1	1.6	1.7	0.9	1.2	-0.9	-0.2	-0.4	-0.2	-0.3	-0.5	0.0
Austria	0.6	0.9	1.4	1.1	0.1	-1.3	0.6	0.4	0.4	-0.1	0.2	0.1	0.0	0.1	0.9	0.7	0.5	-0.3	0.5	0.7
Belgium	0.5	-0.7	0.7	0.2	-1.2	-0.4	0.7	-0.3	0.2	0.5	-0.8	0.1	-0.5	0.6	0.6	-0.2	-0.3	-0.5	-0.2	-0.4
Brazil	0.8	0.7	-1.4	-1.4	-2.0	-0.1	-2.6	-0.7	-0.1	-0.6	0.2	2.7	1.6	0.0	-0.8	-0.2	0.0	..	..	..
Canada	..	-1.6	-1.4	-1.5	-1.8	-0.4	-2.2	-0.3	-0.3	0.3	1.1	0.9	0.7	-0.9	-0.6	0.0	0.0	-0.2	0.0	0.1
Chile	0.3	-4.4	-1.7	-0.9	-3.9	4.8	-6.6	-2.8	-1.7	0.5	2.2	-0.2	-0.1	-1.6	-1.2	-0.1	0.1	-0.3	0.6	-0.3
China	0.2	2.4	2.5	2.4	1.5	-3.4	2.2	0.5	0.2	0.2	-0.5	-1.0	-0.7	1.0	-0.3	0.1	0.1	0.3	0.1	0.1
Colombia	0.3	-1.5	-2.3	-1.8	-1.9	1.0	-1.7	-1.9	-1.0	-0.6	-1.6	0.5	0.7	-0.2	-0.5	0.1	0.0	..	..	..
Costa Rica	0.7	-0.3	0.0	-0.9	-1.6	3.9	-2.8	-1.4	-1.0	0.5	-0.1	-0.7	-0.2	0.9	1.2	0.1	-0.2	..	..	..
Czech Republic	-0.5	3.2	2.1	-0.8	0.7	0.6	0.5	1.8	1.3	0.1	-0.5	-0.1	1.4	1.2	-0.1	-0.3	-0.4	0.1	-0.8	-0.1
Denmark	..	-0.9	-1.0	-0.9	-0.3	1.1	1.2	0.4	-0.7	0.2	-0.2	-0.2	0.1	0.2	-1.7	0.5	-0.2	0.1	-0.3	-0.2
Estonia	-2.4	0.5	-8.6	-1.7	4.9	8.1	3.0	-0.7	-3.6	0.6	-0.3	0.1	0.0	0.1	-0.3	0.2	-0.8	1.2	-1.7	0.8
Finland	0.7	-1.0	1.6	1.0	-0.2	-2.1	0.0	-1.5	-0.2	0.3	-0.5	-0.9	-0.6	1.4	0.4	0.6	0.3	0.7	0.3	0.3
France	0.1	-0.6	0.1	-0.8	-0.3	-0.3	-0.1	0.0	0.7	-0.1	-0.5	-0.4	-0.5	0.1	0.5	0.1	0.0	0.4	0.0	0.0
Germany	0.5	0.6	1.1	1.6	-0.1	-2.6	1.2	0.9	1.4	-0.4	0.7	0.2	-0.5	0.4	-0.2	-0.4	-0.3	-0.1	-0.3	-0.4
Greece	-0.8	0.4	-2.8	-2.7	0.3	3.0	1.9	2.9	3.2	1.2	-0.2	0.9	-0.7	-0.1	1.4	-0.1	-0.1	0.4	0.1	-0.2
Hungary	..	2.7	2.2	1.5	0.7	2.6	1.3	2.0	1.3	0.0	-0.8	1.6	1.4	-1.9	-0.4	-0.6	-0.1	-3.1	-0.1	-0.4
Iceland	-1.0	-8.6	-5.6	8.3	9.7	12.9	-1.3	-1.1	-0.2	3.6	-2.8	-1.6	-0.8	-2.5	-1.1	-1.0	-0.3	-2.8	0.9	-1.4
India [2]	0.0	-1.3	-0.6	-1.2	-2.4	-0.5	0.0	-2.2	-0.2	4.5	0.2	0.2	0.1	-1.5	-0.9	0.1	-0.3	..	..	..
Indonesia	0.1	-0.1	0.2	-0.1	-0.1	1.7	0.0	0.2	-1.5	0.6	-0.2	0.9	0.2	0.3	-0.8	0.0	-0.1	..	..	..
Ireland	..	-4.0	-1.5	0.4	-1.1	5.2	5.1	1.0	-0.2	2.2	2.7	12.6	-11.9	19.0	7.2	1.6	1.4	1.8	1.6	0.8
Israel	0.8	0.6	0.8	-0.2	1.4	1.1	0.3	0.1	-1.5	1.3	-0.1	-1.0	-2.4	0.1	-1.3	-0.2	0.1	-0.4	0.3	0.0
Italy	..	0.2	0.1	0.2	0.2	-1.3	-0.2	1.2	2.9	0.9	-0.1	-0.5	-0.3	0.3	-0.4	-0.1	0.0	0.0	0.0	-0.1
Japan	0.2	0.3	0.9	1.1	0.2	-1.4	1.8	-0.8	-0.8	-0.4	0.0	0.4	0.6	0.6	0.1	0.0	0.3	0.0	1.0	0.3
Korea	1.6	0.3	0.2	0.5	1.7	3.2	-1.4	0.8	1.5	1.5	0.4	-1.0	-0.7	-1.7	1.3	0.8	-0.1	-0.3	-0.5	0.3
Latvia	-1.8	0.0	-9.1	-5.0	7.1	11.5	0.2	-5.7	2.3	0.4	2.8	0.6	0.0	-1.5	-0.2	-0.4	-0.3	-1.2	-0.2	-0.5
Lithuania	-1.9	-1.3	-1.9	-5.4	-0.9	11.9	-0.2	0.0	4.1	0.7	0.2	-4.7	0.1	1.3	0.4	-0.5	-0.7	3.6	-0.8	-0.7
Luxembourg	1.3	2.3	5.3	5.1	-5.1	0.4	0.6	-0.5	-2.1	1.9	0.5	3.3	0.1	-0.1	2.3	0.9	0.6	0.2	0.6	0.6
Mexico	-0.3	0.0	-0.4	-0.8	-1.1	1.7	1.2	0.6	0.4	-0.4	0.3	0.7	0.3	-1.3	0.5	0.8	0.3	0.7	0.3	0.3
Netherlands	0.2	0.6	0.4	-1.0	1.5	-1.2	1.4	1.2	1.0	0.4	1.3	-4.2	2.8	0.9	0.2	0.5	0.3	0.3	0.3	0.4
New Zealand	-0.5	-2.0	1.2	-1.4	-1.3	5.3	-2.0	-1.1	-0.2	-1.5	-1.2	1.0	-0.3	-1.3	-0.8	0.2	0.0	0.2	0.0	0.0
Norway	-0.1	-2.0	-2.8	-2.2	-0.9	1.1	-2.1	-1.4	-0.2	-2.0	0.5	1.3	-0.7	-0.6	-0.4	0.1	0.5	-0.1	-0.2	0.8
Poland	-0.4	1.1	-1.1	-2.5	-1.3	3.1	-0.6	0.7	2.1	1.9	-1.3	0.6	0.8	0.1	-0.1	-0.4	-0.8	-0.6	-0.7	-0.8
Portugal	-0.6	-0.6	0.6	0.1	-1.1	0.9	-0.1	4.3	3.6	0.9	-1.3	-0.9	-0.1	0.0	-0.1	-0.2	-0.2	-0.3	0.0	-0.4
Russia	0.1	-1.3	-1.8	-3.1	-2.8	4.8	-3.0	-3.8	-1.5	0.5	1.6	6.3	1.7	-2.3	0.5	0.2	-0.3	..	..	..
Slovak Republic	-0.9	-2.1	1.5	3.8	-0.5	2.1	0.5	1.7	5.7	1.2	-0.6	-1.5	2.4	0.5	0.1	0.8	0.1	0.6	0.4	-0.4
Slovenia	-0.7	2.1	1.0	-2.0	0.2	1.9	2.0	1.3	3.0	0.8	1.4	0.6	0.5	1.3	0.9	0.3	0.1	0.8	-0.1	0.6
South Africa	..	-0.6	-2.9	-0.6	-0.4	0.5	-0.8	-2.3	-1.0	-0.4	1.2	-0.8	1.5	-0.5	-0.1	0.6	-0.4	..	..	..
Spain	-0.6	-1.6	-1.2	-0.6	1.6	2.8	0.5	2.1	2.2	1.5	-0.5	-0.3	0.8	0.1	-0.5	0.0	0.0	0.9	0.0	0.1
Sweden	1.0	0.4	0.8	-0.9	-0.7	-1.0	0.3	-0.1	0.3	-0.3	-0.1	0.4	-0.4	-0.4	-0.1	0.3	0.0	0.2	0.1	0.0
Switzerland	0.5	-0.7	2.0	3.6	-0.1	-4.3	3.3	-1.6	2.2	2.5	0.2	-0.7	1.2	0.3	1.4	-0.8	-0.1	-0.4	-0.1	0.0
Turkey	-0.6	-1.2	-0.5	-0.9	1.5	3.1	-4.5	-0.4	2.9	-2.7	1.9	0.6	-1.4	0.1	2.6	3.5	0.0	6.3	0.3	-0.5
United Kingdom	-0.5	0.0	0.3	0.4	0.6	0.3	-0.8	1.6	-0.5	-0.5	-0.5	-0.4	-0.7	0.7	0.3	0.3	0.3	-0.1	0.3	0.4
United States	-0.5	-0.3	-0.1	0.5	1.0	1.2	-0.5	0.0	0.0	0.2	-0.3	-0.8	-0.3	-0.3	-0.2	-0.6	-0.4	-0.5	-0.4	-0.4
Euro area	0.1	-0.1	0.2	0.2	0.2	-0.5	0.6	0.9	1.5	0.3	0.1	-0.2	-0.4	0.8	0.2	0.0	0.0	0.2	0.0	-0.1
Total OECD	-0.1	-0.2	0.1	0.2	0.4	0.5	-0.1	0.2	0.5	0.1	0.0	-0.2	-0.2	0.0	0.1	0.0	-0.1	0.1	-0.1	-0.1

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Contributions to per cent change from the previous period, seasonnally adjusted at annual rates.
2. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878437

Annex Table 10. **Quarterly demand and output projections**

Percentage changes, seasonally adjusted at annual rates, volume

	2018	2019	2020	2018	2019				2020				2018	2019	2020
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Q4 / Q4	
Private consumption															
Canada	2.3	2.3	1.8	3.2	2.4	2.0	1.9	1.9	1.7	1.7	1.7	1.7	2.3	2.0	1.7
France	1.0	1.6	1.5	1.6	1.8	1.7	1.6	1.5	1.4	1.4	1.4	1.4	1.0	1.6	1.4
Germany	1.2	1.8	1.7	2.2	2.2	2.1	2.0	1.7	1.6	1.5	1.5	1.4	1.3	2.0	1.5
Italy	0.8	0.7	0.7	0.4	1.0	1.0	1.0	0.7	0.6	0.5	0.5	0.5	0.7	0.9	0.5
Japan	0.4	0.9	-0.1	1.5	0.9	0.9	3.8	-5.2	0.8	0.6	0.5	0.6	0.7	0.0	0.6
United Kingdom	1.5	1.1	0.6	1.2	1.2	0.8	0.8	0.6	0.6	0.5	0.4	0.3	1.6	0.9	0.4
United States	2.7	2.7	2.0	2.7	2.5	2.2	2.1	2.0	2.0	2.0	2.0	1.9	2.8	2.2	1.9
Euro area	1.4	1.6	1.5	1.7	1.8	1.8	1.7	1.5	1.4	1.4	1.3	1.3	1.4	1.7	1.4
Total OECD	2.2	1.9	1.7	1.9	2.0	1.9	2.2	1.3	1.8	1.8	1.8	1.7	2.0	1.8	1.8
Public consumption															
Canada	2.4	1.4	1.2	1.4	1.3	1.3	1.3	1.3	1.2	1.2	1.2	1.2	1.8	1.3	1.2
France	0.9	0.8	0.4	0.9	0.8	0.7	0.6	0.4	0.4	0.3	0.3	0.2	0.8	0.7	0.3
Germany	1.2	2.5	1.8	2.4	2.8	2.8	2.3	2.0	1.6	1.5	1.4	1.4	1.5	2.5	1.5
Italy	0.1	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.0	0.0	0.2	0.2	0.0
Japan	0.5	0.6	1.0	0.5	0.5	0.5	0.5	0.7	0.8	1.3	1.7	1.7	0.6	0.6	1.4
United Kingdom	0.8	1.9	2.0	4.5	1.4	1.4	1.4	1.4	2.3	2.3	2.3	2.3	1.6	1.4	2.3
United States	1.5	3.6	2.7	4.3	4.2	3.9	3.9	3.5	2.4	2.1	1.9	1.7	2.4	3.8	2.0
Euro area	1.1	1.5	1.1	1.6	1.6	1.5	1.3	1.2	1.0	0.9	0.9	0.8	1.2	1.4	0.9
Total OECD	1.7	2.3	1.9	2.5	2.7	2.5	2.3	2.2	1.8	1.7	1.6	1.6	1.9	2.4	1.7
Business investment															
Canada	6.4	3.3	3.2	3.5	3.6	3.5	3.4	3.2	3.2	3.2	3.0	3.0	4.8	3.4	3.1
France	3.9	3.3	2.6	3.0	2.9	2.8	2.7	2.7	2.7	2.5	2.4	2.3	3.5	2.8	2.5
Germany	2.3	1.9	1.8	1.9	1.9	1.9	1.9	1.8	1.8	1.8	1.8	1.8	1.9	1.8	1.8
Japan	4.5	2.4	1.7	3.0	2.0	2.0	2.0	1.7	1.7	1.7	1.7	1.7	4.4	1.9	1.7
United Kingdom	-0.5	-0.2	0.2	1.6	0.6	0.5	0.4	0.2	0.1	0.1	0.0	0.0	-2.0	0.4	0.1
United States	6.7	4.7	4.1	5.1	5.1	5.1	4.7	4.6	4.0	3.7	3.5	3.3	6.5	4.9	3.6
Total investment															
Canada	3.8	2.5	2.4	2.7	2.7	2.7	2.6	2.4	2.4	2.4	2.3	2.2	2.0	2.6	2.3
France	2.9	2.4	2.4	1.8	2.1	2.3	2.2	2.5	2.4	2.2	2.5	2.5	2.3	2.3	2.4
Germany	3.0	2.5	2.2	2.6	2.8	2.7	2.5	2.3	2.2	2.1	2.0	2.0	3.1	2.5	2.1
Italy	4.5	3.5	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5	2.5	3.1	3.0	2.7
Japan	1.7	1.5	0.8	2.9	1.6	2.1	-0.7	1.6	0.8	0.9	0.6	0.5	2.1	1.1	0.7
United Kingdom	0.0	0.8	0.4	-1.1	1.2	1.1	1.1	1.0	0.1	0.0	0.0	0.0	-0.9	1.1	0.0
United States	4.9	4.2	3.8	4.5	4.5	4.6	4.4	4.3	3.7	3.4	3.3	3.1	4.7	4.5	3.4
Euro area	3.4	3.1	2.8	2.9	2.9	3.0	2.9	2.8	2.8	2.7	2.7	2.7	3.2	2.9	2.7
Total OECD	3.3	2.6	3.0	3.0	2.9	3.4	3.0	3.3	2.9	2.8	2.7	2.6	2.6	3.1	2.8

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878456

Annex Table 10. **Quarterly demand and output projections (cont.)**

Percentage changes, seasonally adjusted at annual rates, volume

	2018	2019	2020	2018 Q4	2019 Q1	Q2	Q3	Q4	2020 Q1	Q2	Q3	Q4	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Total domestic demand															
Canada	2.6	2.1	1.8	2.7	2.2	2.0	1.9	1.9	1.8	1.8	1.7	1.7	2.0	2.0	1.7
France	1.1	1.5	1.4	1.4	1.6	1.6	1.5	1.5	1.4	1.3	1.4	1.4	1.1	1.6	1.4
Germany	2.0	2.2	1.8	2.3	2.4	2.4	2.1	1.9	1.7	1.6	1.6	1.6	2.1	2.2	1.6
Italy	1.4	1.1	1.0	0.8	1.2	1.2	1.2	1.0	1.0	0.9	0.8	0.8	1.5	1.2	0.9
Japan	0.8	1.0	0.4	1.7	1.0	1.2	2.0	-2.4	0.8	0.8	0.8	0.8	0.7	0.4	0.8
United Kingdom	1.0	1.1	0.8	1.4	1.3	1.0	1.0	0.8	0.8	0.7	0.7	0.6	1.4	1.0	0.7
United States	3.0	3.2	2.5	2.9	3.1	2.8	2.8	2.6	2.4	2.3	2.2	2.1	3.3	2.8	2.3
Euro area	1.8	1.9	1.7	2.0	2.0	2.0	1.9	1.7	1.6	1.6	1.5	1.5	2.0	1.9	1.6
Total OECD	2.3	2.1	2.0	2.0	2.3	2.3	2.4	1.9	2.0	2.0	1.9	1.9	2.1	2.2	2.0
Exports of goods and services															
Canada	2.6	3.4	3.4	2.6	3.8	3.8	3.6	3.6	3.3	3.3	3.3	3.3	3.9	3.7	3.3
France	3.3	3.6	3.4	5.5	3.0	4.0	3.9	3.7	3.5	3.2	2.9	2.7	1.8	3.7	3.1
Germany	2.5	2.9	3.2	2.8	3.6	3.6	3.5	3.4	3.3	3.0	2.6	2.4	1.1	3.5	2.8
Italy	0.2	2.7	2.8	2.2	3.2	3.2	3.0	3.0	3.0	2.5	2.5	2.5	-1.1	3.1	2.6
Japan	2.8	1.4	3.8	2.5	2.5	3.0	3.3	3.5	3.6	4.1	5.1	4.1	-0.4	3.1	4.2
United Kingdom	1.2	1.1	1.8	-1.8	0.0	1.6	1.8	1.8	1.8	1.8	1.8	1.8	-0.8	1.3	1.8
United States	4.1	2.1	2.8	1.5	2.5	2.9	3.0	2.9	2.8	2.8	2.7	2.7	2.6	2.8	2.8
Total OECD [1]	3.7	3.7	3.6	3.6	3.7	3.9	3.8	3.7	3.6	3.5	3.5	3.4	3.0	3.8	3.5
Imports of goods and services															
Canada	4.2	3.2	3.1	3.0	3.9	3.7	3.5	3.3	2.9	2.9	2.8	2.8	3.2	3.6	2.8
France	1.5	3.2	3.3	4.2	2.8	3.8	3.7	3.5	3.3	3.0	2.8	2.7	1.5	3.5	3.0
Germany	3.6	4.4	4.4	3.7	4.5	4.7	4.7	4.6	4.4	4.3	3.9	3.6	3.3	4.6	4.1
Italy	1.6	3.5	3.1	2.5	3.5	3.5	3.2	3.2	3.0	3.0	3.0	3.0	1.5	3.3	3.0
Japan	2.6	1.4	2.0	2.5	2.2	2.5	4.3	-2.0	2.4	2.9	2.9	2.4	0.3	1.7	2.6
United Kingdom	0.2	0.1	0.7	-1.4	0.2	0.8	0.8	0.8	0.6	0.6	0.6	0.6	-0.8	0.7	0.6
United States	4.7	5.3	4.8	4.6	5.5	5.5	5.2	5.1	4.8	4.5	4.4	4.3	4.0	5.3	4.5
Total OECD [1]	3.4	3.7	4.0	3.3	4.2	4.3	4.3	4.0	4.1	3.9	3.8	3.7	2.3	4.2	3.9
GDP															
Canada	2.1	2.2	1.9	2.6	2.2	2.0	1.9	2.0	1.9	1.9	1.9	1.8	2.2	2.0	1.9
France	1.6	1.6	1.5	1.8	1.7	1.6	1.6	1.5	1.4	1.4	1.4	1.4	1.2	1.6	1.4
Germany	1.6	1.6	1.4	2.0	2.1	2.0	1.7	1.5	1.3	1.1	1.1	1.1	1.1	1.8	1.2
Italy	1.0	0.9	0.9	0.8	1.2	1.2	1.2	1.0	1.0	0.8	0.7	0.7	0.7	1.1	0.8
Japan	0.9	1.0	0.7	1.6	1.0	1.2	1.8	-1.4	1.0	1.0	1.2	1.1	0.6	0.6	1.1
United Kingdom	1.3	1.4	1.1	1.3	1.2	1.2	1.3	1.1	1.2	1.1	1.0	1.0	1.4	1.2	1.1
United States	2.9	2.7	2.1	2.5	2.6	2.4	2.4	2.3	2.1	2.0	1.9	1.8	3.1	2.4	2.0
Euro area	1.9	1.8	1.6	2.1	2.0	2.0	1.8	1.7	1.6	1.4	1.4	1.4	1.5	1.9	1.4
Total OECD	2.4	2.1	1.9	2.1	2.1	2.2	2.2	1.8	1.9	1.9	1.9	1.8	2.2	2.1	1.9

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Includes intra-regional trade.

Source: OECD Economic Outlook 104 database.

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Annex Table 11. **Contributions to changes in real GDP in OECD countries**

	2017	2018	2019	2020		2017	2018	2019	2020
Australia					**Germany**				
Final domestic demand	3.1	3.1	2.7	2.2	Final domestic demand	2.1	1.5	1.9	1.7
Stockbuilding	-0.1	0.0	0.0	0.0	Stockbuilding	-0.1	0.3	0.1	0.0
Net exports	-0.9	-0.2	-0.4	-0.2	Net exports	0.4	-0.2	-0.4	-0.3
GDP	2.2	3.1	2.9	2.6	GDP	2.5	1.6	1.6	1.4
Austria					**Greece**				
Final domestic demand	2.0	1.9	1.4	1.4	Final domestic demand	1.6	1.5	2.3	2.2
Stockbuilding	0.5	-0.1	-0.1	0.0	Stockbuilding	0.0	-0.3	0.0	0.0
Net exports	0.1	0.9	0.7	0.5	Net exports	-0.1	1.4	-0.1	-0.1
GDP	2.7	2.6	1.9	1.9	GDP	1.5	2.1	2.2	2.1
Belgium					**Hungary**				
Final domestic demand	1.1	1.3	1.7	1.6	Final domestic demand	6.2	6.5	4.9	3.4
Stockbuilding	0.0	-0.4	-0.1	0.0	Stockbuilding	-0.2	-1.6	-0.3	0.0
Net exports	0.6	0.6	-0.2	-0.3	Net exports	-1.9	-0.4	-0.6	-0.1
GDP	1.7	1.5	1.4	1.4	GDP	4.4	4.6	3.9	3.3
Canada					**Iceland**				
Final domestic demand	3.1	2.7	2.2	1.9	Final domestic demand	6.6	4.6	3.4	2.7
Stockbuilding	0.8	0.0	0.0	0.0	Stockbuilding	-0.5	0.2	0.2	0.0
Net exports	-0.9	-0.6	0.0	0.0	Net exports	-2.5	-1.1	-1.0	-0.3
GDP	3.0	2.1	2.2	1.9	GDP	4.0	3.8	2.8	2.6
Chile					**Ireland**				
Final domestic demand	1.9	4.3	3.7	3.3	Final domestic demand	-10.0	-0.4	2.6	2.1
Stockbuilding	1.2	0.8	-0.4	0.0	Stockbuilding	-1.3	0.9	-0.2	0.0
Net exports	-1.6	-1.2	-0.1	0.1	Net exports	19.0	7.2	1.6	1.4
GDP	1.6	4.1	3.7	3.4	GDP	7.2	5.9	4.1	3.4
Czech Republic					**Israel**				
Final domestic demand	3.2	4.5	3.2	3.0	Final domestic demand	3.2	3.6	3.4	3.2
Stockbuilding	0.1	-1.4	-0.2	0.0	Stockbuilding	0.2	1.3	0.2	0.0
Net exports	1.2	-0.1	-0.3	-0.4	Net exports	0.1	-1.3	-0.2	0.1
GDP	4.5	3.0	2.7	2.6	GDP	3.4	3.6	3.5	3.3
Denmark					**Italy**				
Final domestic demand	2.1	2.9	1.5	1.9	Final domestic demand	1.5	1.3	1.1	1.0
Stockbuilding	-0.1	0.0	0.0	0.0	Stockbuilding	-0.2	0.1	0.0	0.0
Net exports	0.2	-1.7	0.5	-0.2	Net exports	0.3	-0.4	-0.1	0.0
GDP	2.3	1.2	1.9	1.6	GDP	1.6	1.0	0.9	0.9
Estonia					**Japan**				
Final domestic demand	4.7	2.7	3.6	3.0	Final domestic demand	1.2	0.7	1.0	0.4
Stockbuilding	-0.5	0.2	0.0	0.0	Stockbuilding	-0.1	0.1	0.0	0.0
Net exports	0.1	-0.3	0.2	-0.8	Net exports	0.6	0.1	0.0	0.3
GDP	4.7	3.3	3.5	2.3	GDP	1.7	0.9	1.0	0.7
Finland					**Korea**				
Final domestic demand	1.5	2.4	1.4	1.3	Final domestic demand	4.4	1.5	2.2	2.9
Stockbuilding	0.6	-1.0	-0.2	0.0	Stockbuilding	0.4	0.0	-0.2	0.0
Net exports	1.4	0.4	0.6	0.3	Net exports	-1.7	1.3	0.8	-0.1
GDP	2.8	2.8	1.8	1.6	GDP	3.1	2.7	2.8	2.9
France					**Latvia**				
Final domestic demand	2.0	1.4	1.6	1.4	Final domestic demand	5.8	7.1	4.6	3.6
Stockbuilding	0.2	-0.3	-0.1	0.0	Stockbuilding	0.4	-2.1	-0.3	0.0
Net exports	0.1	0.5	0.1	0.0	Net exports	-1.5	-0.2	-0.4	-0.3
GDP	2.3	1.6	1.6	1.5	GDP	4.6	4.7	3.9	3.3

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex. Totals may not add up due to rounding and/or statistical discrepancy.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878475

Annex Table 11. **Contributions to changes in real GDP in OECD countries (cont.)**

	2017	2018	2019	2020		2017	2018	2019	2020
Lithuania					**Spain**				
Final domestic demand	3.4	4.4	3.8	3.3	Final domestic demand	2.8	3.0	2.2	1.9
Stockbuilding	-0.6	-1.4	-0.4	0.0	Stockbuilding	0.1	0.1	0.0	0.0
Net exports	1.3	0.4	-0.5	-0.7	Net exports	0.1	-0.5	0.0	0.0
GDP	4.1	3.4	2.9	2.6	GDP	3.0	2.6	2.2	1.9
Luxembourg					**Sweden**				
Final domestic demand	2.2	0.5	2.5	2.6	Final domestic demand	2.7	2.2	1.6	1.9
Stockbuilding	-0.5	0.1	-0.1	0.0	Stockbuilding	0.1	0.4	0.1	0.0
Net exports	-0.1	2.3	0.9	0.6	Net exports	-0.4	-0.1	0.3	0.0
GDP	1.6	3.0	2.9	3.2	GDP	2.4	2.5	1.9	1.9
Mexico					**Switzerland**				
Final domestic demand	1.8	2.6	2.1	2.5	Final domestic demand	1.5	1.5	1.6	1.7
Stockbuilding	-0.1	-0.1	-0.1	0.0	Stockbuilding	-0.1	0.0	0.7	0.0
Net exports	-1.3	0.5	0.8	0.3	Net exports	0.3	1.4	-0.8	-0.1
GDP	2.3	2.2	2.5	2.8	GDP	1.7	2.9	1.6	1.6
Netherlands					**Turkey**				
Final domestic demand	2.4	2.4	2.0	1.8	Final domestic demand	6.6	3.5	-3.8	2.7
Stockbuilding	-0.3	0.0	0.0	0.0	Stockbuilding	-0.8	-2.0	0.0	0.0
Net exports	0.9	0.2	0.5	0.3	Net exports	0.1	2.6	3.5	0.0
GDP	3.0	2.7	2.5	2.1	GDP	7.4	3.3	-0.4	2.7
New Zealand					**United Kingdom**				
Final domestic demand	4.1	3.3	2.7	2.6	Final domestic demand	1.7	1.1	1.2	0.8
Stockbuilding	-0.1	0.5	-0.1	0.0	Stockbuilding	-0.5	-0.1	-0.1	0.0
Net exports	-1.3	-0.8	0.2	0.0	Net exports	0.7	0.3	0.3	0.3
GDP	2.7	2.9	2.8	2.6	GDP	1.7	1.3	1.4	1.1
Norway					**United States**				
Final domestic demand	2.5	1.3	2.1	1.9	Final domestic demand	2.5	3.0	3.2	2.6
Stockbuilding	0.1	0.6	-0.3	0.0	Stockbuilding	0.0	0.1	0.1	0.0
Net exports	-0.6	-0.4	0.1	0.5	Net exports	-0.3	-0.2	-0.6	-0.4
GDP	2.0	1.6	1.9	2.3	GDP	2.2	2.9	2.7	2.1
Poland									
Final domestic demand	4.2	4.5	4.5	4.0					
Stockbuilding	0.5	1.0	-0.1	0.0					
Net exports	0.1	-0.1	-0.4	-0.8					
GDP	4.8	5.2	4.0	3.3					
Portugal					**Euro area**				
Final domestic demand	3.0	2.3	2.2	2.1	Final domestic demand	1.7	1.7	1.8	1.6
Stockbuilding	0.0	0.0	0.0	0.0	Stockbuilding	-0.1	0.0	0.0	0.0
Net exports	0.0	-0.1	-0.2	-0.2	Net exports	0.8	0.2	0.0	0.0
GDP	2.8	2.2	2.1	1.9	GDP	2.5	1.9	1.8	1.6
Slovak Republic					**Total OECD**				
Final domestic demand	2.7	4.9	3.5	3.5	Final domestic demand	2.4	2.4	2.1	2.0
Stockbuilding	-0.1	-0.3	0.1	0.0	Stockbuilding	0.0	0.0	0.0	0.0
Net exports	0.5	0.1	0.8	0.1	Net exports	0.0	0.1	0.0	-0.1
GDP	3.4	4.1	4.3	3.6	GDP	2.5	2.4	2.1	1.9
Slovenia									
Final domestic demand	3.0	3.4	3.3	2.6					
Stockbuilding	0.6	-0.1	0.0	0.0					
Net exports	1.3	0.9	0.3	0.1					
GDP	4.9	4.4	3.6	2.7					

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex. Totals may not add up due to rounding and/or statistical discrepancy.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878475

Annex Table 12. **Output gaps**

Deviations of actual GDP from potential GDP as a per cent of potential GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	-0.3	0.6	0.1	0.8	0.7	0.3	1.5	0.9	0.1	-0.4	-0.9	-0.2	-1.0	-1.2	-1.3	-1.3	-1.4	-0.8	-0.2	0.0
Austria	1.1	0.2	-1.0	-0.8	-0.5	1.1	2.9	2.3	-2.7	-1.9	0.0	-0.5	-1.6	-2.1	-2.3	-1.8	-0.8	0.0	0.0	-0.1
Belgium	0.0	-0.4	-1.6	0.0	0.1	0.7	2.3	1.3	-2.4	-0.9	-0.4	-1.3	-2.1	-1.9	-1.4	-1.1	-0.7	-0.4	-0.2	-0.1
Canada	1.9	2.1	1.3	1.9	2.6	2.7	2.4	1.2	-3.5	-2.4	-1.4	-1.8	-1.6	-0.9	-1.9	-2.2	-1.0	-0.6	-0.1	0.1
Chile	-1.7	-2.4	-2.1	0.9	2.3	4.0	4.6	3.6	-1.9	0.0	1.7	2.7	2.5	0.5	-0.7	-2.8	-3.9	-2.7	-1.8	-1.2
Czech Republic	-0.5	-2.6	-3.0	-2.4	-0.3	2.4	4.3	3.8	-2.6	-1.5	-0.4	-1.8	-3.3	-2.4	0.4	0.0	1.8	2.0	1.7	1.1
Denmark	1.4	0.1	-1.0	0.3	1.4	4.1	3.8	2.2	-3.5	-2.2	-1.4	-1.9	-2.0	-1.6	-0.6	0.3	1.0	0.6	0.9	0.9
Estonia	-1.1	-1.8	-1.2	-0.9	2.6	8.3	12.0	4.1	-10.8	-9.1	-3.2	-0.9	-1.1	-0.7	-1.0	-0.1	1.8	2.1	2.5	1.5
Finland	1.2	-0.3	-1.1	0.2	0.7	2.8	6.3	5.2	-4.5	-2.2	-0.3	-2.4	-3.6	-4.6	-5.1	-3.5	-1.8	-0.1	0.5	1.0
France	2.0	1.1	0.1	1.0	1.0	2.1	2.9	1.4	-2.5	-1.8	-0.7	-1.4	-1.8	-1.9	-1.9	-1.9	-0.7	-0.4	-0.1	0.0
Germany	0.4	-0.6	-2.0	-1.9	-1.7	0.6	2.1	1.4	-4.7	-1.8	0.6	0.1	-0.4	0.3	0.1	0.5	1.1	0.8	0.7	0.3
Greece	-1.2	-0.5	2.1	4.6	3.3	7.6	9.8	8.6	3.9	-1.1	-9.0	-14.2	-15.7	-14.0	-13.7	-13.5	-12.0	-10.2	-8.6	-7.4
Hungary	0.0	1.2	1.6	3.2	4.9	6.5	4.6	3.4	-4.3	-4.4	-3.7	-6.1	-5.5	-3.3	-2.0	-1.9	0.3	2.2	2.9	3.0
Iceland	1.9	-0.6	-1.4	2.8	4.6	4.7	9.3	7.6	-1.9	-6.7	-6.3	-6.5	-4.3	-4.1	-2.3	1.9	2.8	3.7	3.7	3.6
Ireland	3.5	3.5	1.2	3.0	4.5	6.0	8.3	1.3	-5.3	-5.2	-3.7	-6.3	-8.1	-4.0	3.2	-2.2	-0.3	2.1	2.8	2.8
Israel	0.3	-3.0	-5.2	-3.6	-2.9	-0.9	1.4	1.1	-0.9	0.7	2.2	0.4	1.0	1.1	0.2	0.7	0.8	1.1	1.4	1.7
Italy	2.4	1.6	0.9	1.3	1.7	3.1	3.8	2.3	-3.5	-1.9	-1.3	-4.1	-5.6	-5.3	-4.5	-3.6	-2.3	-1.6	-1.1	-0.7
Japan	-3.1	-3.9	-3.2	-1.8	-0.8	0.0	1.2	-0.3	-5.9	-2.2	-2.6	-1.5	-0.1	-0.6	-0.2	-0.4	0.1	-0.3	-0.7	-1.2
Korea	-1.0	1.4	-0.1	0.5	0.4	1.6	3.0	2.0	-1.0	1.6	1.5	0.0	-0.6	-0.7	-1.2	-1.5	-1.6	-2.0	-2.0	-1.9
Latvia	-4.6	-4.6	-2.5	-0.6	2.5	7.8	14.5	7.5	-8.2	-10.5	-4.8	-3.1	-2.9	-3.2	-2.9	-3.1	-1.2	0.4	1.0	0.9
Lithuania	..	-3.4	-0.8	-1.0	0.4	2.3	8.9	8.7	-8.1	-6.9	-2.5	-0.9	-0.1	0.7	0.0	-0.3	1.3	1.8	1.7	1.3
Luxembourg	1.8	1.3	-0.8	-0.7	-0.8	1.4	6.9	2.7	-3.9	-1.4	-1.5	-4.6	-4.0	-3.0	-2.2	-2.7	-4.0	-3.6	-3.2	-2.4
Mexico	-0.3	-2.4	-2.8	-1.1	-0.4	2.1	2.5	1.5	-5.2	-2.1	-0.6	0.3	-0.6	-0.4	0.1	0.0	-0.2	-0.5	-0.5	-0.3
Netherlands	2.7	0.5	-1.3	-1.4	-1.0	0.9	3.1	3.7	-1.3	-0.9	-0.3	-2.3	-3.2	-2.9	-2.3	-1.8	-0.7	0.1	0.6	0.9
New Zealand	-0.8	0.8	1.8	2.6	1.8	1.5	2.6	-0.3	-1.6	-1.4	-1.6	-1.2	-1.5	-1.1	0.1	1.1	0.8	0.7	0.8	0.7
Norway [1]	-0.5	-2.0	-3.8	-1.9	-0.3	1.5	4.1	2.7	-1.8	-2.2	-2.4	-0.8	-0.5	-0.2	-0.8	-1.7	-1.6	-1.1	-0.6	-0.2
Poland	-3.8	-6.1	-6.0	-4.6	-4.9	-2.8	0.0	0.1	-0.8	-0.6	1.0	-0.5	-2.1	-1.9	-1.5	-1.6	0.1	2.1	2.8	2.8
Portugal	3.7	2.2	-0.4	0.0	-0.5	0.0	1.6	0.9	-2.6	-1.1	-3.0	-6.7	-7.6	-7.1	-6.1	-5.2	-3.7	-2.9	-2.2	-1.3
Slovak Republic	-4.3	-4.4	-3.7	-3.8	-2.9	-0.7	3.6	4.1	-4.8	-2.5	-2.1	-2.7	-3.5	-3.2	-2.1	-1.4	-0.5	0.0	0.5	0.9
Slovenia	-1.2	-1.1	-1.7	-0.7	0.4	3.2	7.3	8.0	-2.1	-1.9	-2.0	-5.3	-7.3	-5.8	-5.2	-4.1	-1.3	0.9	2.2	2.4
Spain	2.6	2.3	2.2	2.1	2.4	3.3	3.9	2.1	-3.6	-5.0	-7.0	-10.3	-12.2	-11.2	-8.2	-5.6	-3.2	-1.4	0.0	1.0
Sweden	-0.1	-0.8	-0.8	0.5	0.9	3.3	4.4	1.4	-5.4	-1.6	-0.6	-2.3	-2.8	-2.0	0.1	0.4	0.7	1.1	0.9	0.8
Switzerland	1.1	-0.6	-2.3	-1.7	-0.6	1.2	2.9	2.7	-1.7	-0.8	-0.9	-1.8	-1.7	-0.9	-1.3	-1.3	-1.1	0.3	0.4	0.7
Turkey	-9.3	-6.1	-3.5	1.5	5.5	7.4	6.8	2.0	-7.6	-4.4	-0.1	-1.2	1.5	0.5	0.3	-2.2	-0.7	-3.0	-8.2	-10.2
United Kingdom	0.2	0.0	0.8	0.8	1.8	2.3	3.1	1.3	-3.9	-3.1	-2.5	-2.3	-1.8	-0.7	-0.1	0.1	0.3	0.2	0.3	0.1
United States	0.3	-0.6	-0.2	1.1	2.3	2.8	2.3	-0.2	-4.5	-3.7	-3.9	-3.5	-3.4	-2.8	-1.9	-2.1	-1.7	-0.7	0.1	0.2
Euro area	1.5	0.6	-0.3	0.2	0.4	2.0	3.4	2.2	-3.3	-2.2	-1.4	-2.9	-3.7	-3.2	-2.6	-2.1	-0.9	-0.4	0.0	0.1
Total OECD	-0.1	-0.7	-0.8	0.3	1.1	2.2	2.7	1.0	-4.0	-2.6	-2.2	-2.5	-2.5	-2.2	-1.6	-1.6	-1.0	-0.6	-0.4	-0.5

Note: For methodological details, see Sources & Methods of the *OECD Economic Outlook* (*http://www.oecd.org/eco/sources-and-methods.htm*).

1. Mainland Norway.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878494

Annex Table 13. **GDP deflators**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Q4 / Q4	2019 Q4 / Q4	2020 Q4 / Q4
Argentina	4.5	10.3	13.7	14.9	23.2	15.4	20.9	23.7	22.3	23.9	40.3	26.6	40.1	25.3	31.3	17.5	14.7	..	..	..
Australia	2.5	4.7	4.9	4.4	6.5	0.3	5.4	4.9	-0.6	1.2	0.4	-0.8	1.2	3.4	1.5	1.1	1.4	1.7	1.4	1.5
Austria	1.2	2.5	1.9	2.2	1.9	1.9	0.9	1.8	2.1	1.7	2.2	2.2	1.4	1.2	1.6	1.9	2.2	1.9	1.9	2.2
Belgium	1.5	2.1	2.3	2.0	1.9	0.8	1.9	2.0	2.0	1.0	0.7	1.0	1.8	1.7	1.6	2.3	2.0	2.4	2.0	2.0
Brazil	..	7.2	6.8	6.6	8.9	7.2	8.4	8.2	8.0	7.5	7.8	7.6	8.1	3.7	3.3	4.4	4.5	..	..	..
Canada	2.1	3.1	2.6	3.3	4.0	-2.3	2.9	3.2	1.2	1.6	2.0	-0.8	0.6	2.3	2.0	2.0	2.1	1.8	2.0	2.1
Chile	4.1	7.6	12.2	5.3	0.0	4.6	8.9	3.2	1.1	1.9	5.9	5.0	4.8	4.5	2.6	3.1	3.0	3.1	3.2	3.0
China	3.3	3.9	3.9	7.8	7.8	-0.1	6.9	8.2	2.4	2.2	0.8	0.1	1.1	4.1	2.9	3.0	3.0	2.8	3.0	3.0
Colombia	13.2	5.6	5.8	5.1	7.7	4.2	3.7	6.0	3.7	2.5	2.1	2.4	5.3	5.5	3.9	3.4	3.6	..	..	..
Costa Rica	12.7	13.1	12.5	10.9	11.7	9.5	6.9	4.1	4.5	4.2	5.8	3.8	2.0	1.9	2.5	3.3	2.8	..	..	..
Czech Republic	..	0.1	0.7	3.5	2.1	2.6	-1.4	0.0	1.5	1.4	2.5	1.2	1.3	1.5	1.8	1.6	2.1	1.0	2.2	2.1
Denmark	2.0	2.9	2.1	2.4	4.1	0.5	3.2	0.6	2.4	0.9	1.0	0.4	0.7	1.4	0.3	2.0	1.9	0.8	1.8	2.0
Estonia	..	6.2	8.7	12.0	7.1	0.0	2.2	5.3	3.1	3.5	3.1	0.9	1.4	4.0	3.7	3.1	3.2	3.7	3.3	3.1
Finland	1.7	0.9	0.9	2.8	3.1	1.9	0.4	2.6	3.0	2.6	1.7	1.9	0.6	0.8	1.5	1.7	1.8	1.6	1.7	1.9
France	1.4	1.9	2.2	2.6	2.4	0.1	1.1	0.9	1.2	0.8	0.6	1.1	0.2	0.7	0.9	1.4	1.6	1.2	1.5	1.7
Germany	0.8	0.6	0.3	1.7	0.8	1.8	0.8	1.1	1.5	2.0	1.8	2.0	1.4	1.5	1.9	2.2	2.3	2.1	2.2	2.5
Greece	..	2.2	3.5	3.4	4.3	2.6	0.7	0.8	-0.4	-2.4	-1.8	-0.3	-0.2	0.6	0.5	0.8	0.9	0.8	0.9	1.0
Hungary	12.9	2.2	3.4	5.4	5.2	4.0	2.4	2.3	3.2	2.9	3.5	2.0	1.0	3.6	4.5	4.9	4.3	4.6	4.9	3.8
Iceland	3.8	2.5	8.4	4.3	12.0	10.9	6.4	3.1	3.4	2.1	3.7	5.6	1.9	0.5	2.2	3.9	3.3	1.7	3.9	3.1
India [1]	5.7	4.2	6.4	5.8	8.7	6.1	9.0	8.5	7.9	6.2	3.3	2.1	3.5	3.1	4.9	4.7	4.3	..	..	..
Indonesia	..	14.3	14.1	11.3	18.1	6.0	7.3	7.5	3.8	5.0	5.4	4.0	2.5	4.2	3.9	4.2	4.0	..	..	..
Ireland	4.3	3.1	3.5	1.3	-0.4	-4.6	-3.2	-1.6	2.1	1.3	-0.2	7.5	-0.8	0.4	0.2	1.1	2.3	-1.5	2.8	2.4
Israel	..	1.2	1.7	0.9	2.2	3.9	1.6	1.4	3.8	2.2	1.0	2.7	1.0	0.2	-0.2	1.2	1.3	0.4	1.3	1.3
Italy	3.0	1.9	1.9	2.4	2.5	2.0	0.3	1.5	1.4	1.2	1.0	0.9	0.8	0.6	1.5	1.6	1.4	1.6	1.3	1.4
Japan	-0.9	-1.0	-0.9	-0.7	-1.0	-0.6	-1.9	-1.7	-0.8	-0.3	1.7	2.1	0.3	-0.2	-0.1	0.3	1.6	-0.6	1.2	1.5
Korea	3.3	1.0	-0.1	2.4	3.0	3.5	3.2	1.6	1.0	0.9	0.6	2.4	2.0	2.3	0.7	2.0	2.1	1.7	1.9	2.1
Latvia	..	11.2	12.4	20.1	11.8	-9.7	-0.8	6.4	3.6	1.6	1.8	0.0	0.9	3.2	3.4	2.6	3.0	2.6	3.0	3.0
Lithuania	..	6.9	6.7	8.6	9.7	-3.3	2.4	5.2	2.7	1.3	1.0	0.3	1.4	4.3	2.6	2.5	2.5	2.1	2.2	2.6
Luxembourg	1.9	4.2	7.1	1.5	4.0	1.3	3.6	4.8	2.5	1.7	2.7	-0.4	1.0	2.1	2.7	1.7	2.1	2.0	1.9	2.2
Mexico	14.6	5.8	6.4	5.8	6.3	3.9	4.6	5.8	4.2	1.4	4.4	2.8	5.5	6.0	5.7	5.6	4.6	6.1	5.1	4.6
Netherlands	2.4	2.0	2.5	2.1	2.3	0.2	0.9	0.2	1.4	1.3	0.2	0.8	0.5	1.2	2.2	2.3	2.3	2.7	2.1	2.4
New Zealand	1.8	2.5	2.3	4.3	3.9	0.9	2.9	2.9	-0.3	3.3	2.3	0.2	1.8	3.4	1.1	2.0	2.1	0.3	2.2	2.1
Norway	3.9	8.8	8.8	3.1	10.4	-5.2	6.0	6.8	3.4	2.5	0.3	-2.8	-1.1	3.9	5.9	3.3	2.2	6.7	2.0	2.3
Poland	9.3	2.6	1.7	3.7	3.9	3.8	1.7	3.2	2.3	0.3	0.5	0.8	0.3	2.0	0.6	2.4	3.3	0.7	3.2	3.3
Portugal	3.4	3.3	3.2	3.0	1.7	1.1	0.6	-0.3	-0.4	2.3	0.8	2.0	1.8	1.5	1.4	1.4	1.4	1.3	1.4	1.5
Russia	..	19.3	15.2	13.8	18.0	2.0	14.2	16.1	9.1	5.4	7.5	8.4	3.4	5.2	9.5	5.3	3.4	..	..	..
Slovak Republic	6.1	2.4	2.9	1.1	2.8	-1.2	0.5	1.6	1.3	0.5	-0.2	-0.2	-0.4	1.3	2.3	2.8	3.0	2.4	3.0	3.1
Slovenia	..	1.6	2.2	4.2	4.5	3.4	-1.0	1.1	0.5	1.6	0.8	1.0	0.8	1.6	2.1	2.2	3.3	1.6	3.1	3.5
South Africa	8.2	5.4	6.3	8.8	8.8	7.5	6.4	6.5	5.0	6.4	5.3	5.2	7.2	5.7	4.3	5.6	5.4	..	..	..
Spain	3.5	4.1	4.0	3.3	2.1	0.3	0.2	0.0	0.1	0.4	-0.2	0.5	0.3	1.2	0.9	1.9	1.8	0.9	1.9	1.9
Sweden	1.6	0.8	1.8	2.8	3.3	2.4	1.0	1.2	1.0	1.1	1.7	2.1	1.7	2.2	2.2	2.1	2.2	2.1	2.2	2.2
Switzerland	0.4	0.8	2.1	2.4	1.9	0.5	0.3	0.3	-0.2	0.1	-0.7	-0.6	-0.6	-0.4	0.7	1.2	1.2	1.1	1.1	1.2
Turkey	53.3	7.2	9.2	6.2	11.9	5.6	6.6	8.6	7.5	5.9	7.6	8.0	8.1	10.9	16.1	14.2	10.3	18.6	11.7	9.5
United Kingdom	1.9	2.6	2.9	2.5	2.8	1.6	1.5	1.9	1.6	1.9	1.7	0.4	2.1	2.0	1.9	1.7	1.8	1.7	1.7	1.8
United States	1.9	3.1	3.0	2.7	1.9	0.8	1.2	2.1	1.9	1.8	1.9	1.1	1.1	1.9	2.2	2.2	2.5	2.2	2.4	2.4
Euro area	1.9	1.9	1.9	2.4	2.0	1.0	0.7	1.0	1.3	1.2	0.9	1.4	0.8	1.1	1.5	1.8	1.9	1.6	1.8	2.0
Total OECD	3.6	2.4	2.5	2.5	2.4	1.0	1.3	1.8	1.6	1.4	1.8	1.5	1.4	2.1	2.3	2.5	2.6	2.4	2.6	2.6

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878513

Annex Table 14. **Private consumption deflators**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019 Q4 / Q4	2020
Argentina	4.0	9.6	11.2	13.3	20.5	14.6	22.1	19.9	21.0	24.5	41.7	26.5	38.9	24.4	31.2	31.6	19.4	..	..	..
Australia	2.2	2.2	3.6	3.1	3.2	2.6	2.2	2.4	2.4	2.4	1.9	1.5	0.9	1.2	1.4	1.6	2.0	1.3	2.0	2.0
Austria	1.4	2.4	2.1	2.5	2.1	0.5	1.7	3.1	2.4	2.1	2.0	1.6	1.3	1.7	2.1	2.3	2.2	2.2	2.3	2.2
Belgium	1.7	2.7	3.1	2.9	3.2	-0.4	1.7	3.0	2.0	0.8	0.5	0.7	1.7	1.8	1.9	2.2	2.0	2.5	2.0	2.0
Brazil	..	6.7	5.3	5.1	7.1	6.5	6.7	7.5	8.3	7.5	8.1	8.9	9.2	2.9	3.0	4.9	4.7	..	..	..
Canada	1.7	1.7	1.3	1.6	1.5	0.2	1.4	2.1	1.3	1.4	1.9	1.1	1.0	1.2	1.9	2.0	1.9	2.2	1.9	1.9
Chile	..	4.8	3.2	4.0	8.1	1.7	3.5	4.1	3.1	3.0	5.7	5.7	3.4	2.1	2.1	2.9	3.0	2.8	3.0	3.0
Colombia	11.8	4.4	4.7	4.5	5.9	4.2	2.4	4.6	2.6	2.6	3.4	6.2	6.8	4.3	3.0	3.2	3.4	..	..	..
Costa Rica	13.4	15.2	13.8	11.6	12.5	1.4	5.1	4.6	2.4	3.6	4.9	0.9	1.0	2.5	2.1	3.4	3.0	..	..	..
Czech Republic	..	1.1	1.8	2.9	4.7	0.9	0.5	1.7	2.2	0.8	0.6	0.1	0.5	2.4	2.6	2.4	2.3	2.6	2.3	2.2
Denmark	1.8	1.7	2.2	1.7	2.9	1.3	2.5	2.3	2.4	0.8	0.6	0.4	0.5	1.2	0.9	1.9	2.0	1.4	1.8	2.0
Estonia	..	4.4	5.9	7.8	8.2	-0.3	3.9	5.5	3.8	3.0	0.9	-0.1	1.1	3.5	3.1	3.3	3.0	3.4	3.0	3.0
Finland	1.5	1.0	1.3	1.9	3.4	1.8	1.4	3.2	2.8	2.5	1.3	0.3	0.7	1.1	1.2	1.6	1.8	1.5	1.7	1.9
France	1.2	1.8	2.2	2.1	2.8	-1.5	1.1	1.8	1.4	0.7	0.1	0.3	-0.1	1.3	1.7	1.6	1.8	1.8	1.7	1.9
Germany	1.1	1.5	1.1	1.6	1.7	-0.4	2.0	2.0	1.5	1.0	0.9	0.6	0.7	1.6	1.7	2.2	2.2	2.0	2.1	2.4
Greece	..	3.0	3.2	3.6	4.3	0.9	3.6	2.2	0.4	-1.8	-2.5	-1.7	-0.8	0.6	0.1	0.5	0.7	0.3	0.6	0.8
Hungary	12.7	3.6	3.2	6.6	5.7	4.1	3.7	3.7	6.2	1.9	0.9	-0.2	-0.2	2.6	3.2	3.9	4.0	3.8	3.9	4.0
Iceland	3.3	1.3	7.2	4.8	14.4	15.8	3.8	3.7	5.9	3.7	2.4	0.3	0.6	-1.4	2.2	3.0	2.5	2.4	3.1	2.0
India [1]	..	3.3	6.1	4.9	6.7	6.2	8.2	8.0	8.4	7.5	5.2	3.9	3.8	3.3	4.5	4.9	4.3	..	..	..
Indonesia	..	12.1	13.6	14.2	13.4	6.0	7.9	7.1	6.1	5.9	5.7	4.6	3.1	3.5	3.5	3.6	3.6	..	..	..
Ireland	3.6	1.2	2.5	3.1	1.9	-6.7	-2.1	0.9	1.9	1.5	1.2	0.4	1.1	1.0	1.5	2.0	2.4	1.8	2.3	2.4
Israel	..	1.6	2.4	1.3	5.5	1.8	2.9	3.2	1.8	1.5	0.4	-0.5	-0.6	0.3	0.9	1.4	1.4	1.4	1.4	1.4
Italy	3.0	2.1	2.6	2.3	3.1	-0.4	1.4	2.9	2.7	1.2	0.3	0.2	0.1	1.2	1.2	1.5	1.4	1.6	1.4	1.5
Japan	-0.5	-0.4	0.0	-0.4	0.7	-2.2	-1.4	-0.6	-0.6	-0.1	2.0	0.4	-0.5	0.1	0.5	0.9	1.6	0.5	1.1	1.6
Korea	4.7	2.2	1.5	2.0	4.5	2.6	2.5	3.7	2.2	1.0	1.0	0.9	1.0	1.5	1.4	1.8	1.8	1.8	1.8	1.8
Latvia	..	9.7	10.0	11.7	13.4	-3.7	-2.5	6.1	3.4	0.2	1.7	-1.0	1.1	3.1	2.7	3.2	2.9	3.2	3.0	2.9
Lithuania	..	2.4	4.7	5.9	10.9	4.3	1.3	4.1	3.1	1.0	0.1	-0.9	0.9	3.3	2.5	2.5	2.5	2.2	2.4	2.5
Luxembourg	1.9	3.3	2.5	2.2	3.1	-0.5	1.2	3.0	2.0	1.6	0.5	-0.1	0.4	1.6	1.4	1.6	2.1	1.6	1.8	2.2
Mexico	13.3	6.0	4.7	5.4	6.2	3.4	5.3	5.3	5.2	3.9	4.2	2.9	4.4	5.3	4.9	4.4	3.7	5.3	4.0	3.5
Netherlands	2.3	1.9	2.7	2.1	2.1	-1.5	1.7	2.1	1.3	2.1	0.9	0.2	0.6	1.5	1.8	2.8	2.3	2.1	2.7	2.5
New Zealand	1.6	1.9	2.9	1.6	3.8	2.6	1.2	2.9	0.8	0.6	0.9	0.7	0.6	1.5	1.4	2.2	2.1	1.7	2.1	2.1
Norway	2.1	1.1	1.8	1.3	3.5	2.5	2.1	1.1	1.1	2.1	2.2	2.4	3.0	2.0	2.2	2.1	1.9	2.3	1.7	2.0
Poland	9.7	2.2	1.5	2.2	4.1	2.7	2.5	4.9	3.3	0.4	-0.1	-1.1	-0.4	2.1	1.7	2.7	2.9	1.7	2.9	2.9
Portugal	3.2	3.8	3.5	3.4	2.8	-1.9	1.8	1.7	1.8	0.8	0.3	0.9	1.0	1.2	1.2	1.4	1.4	1.4	1.3	1.4
Russia	..	12.5	8.6	8.2	12.7	10.7	6.6	7.8	6.8	6.0	7.2	14.3	6.2	3.0	3.0	4.5	3.5	..	..	..
Slovak Republic	6.4	2.7	4.9	2.6	4.5	0.1	1.0	3.9	3.4	1.3	-0.1	-0.1	-0.3	1.4	2.6	2.8	2.9	2.7	2.9	2.9
Slovenia	..	2.2	2.4	4.1	5.6	0.9	1.4	1.8	1.7	2.1	-0.1	-0.6	-0.5	1.7	2.3	2.2	2.8	2.2	2.5	2.9
South Africa	7.5	4.8	3.0	7.0	8.3	7.7	4.6	5.6	6.2	6.0	5.6	4.0	6.2	4.6	4.4	5.2	5.2	..	..	..
Spain	3.1	3.4	3.6	3.3	3.6	-0.9	2.0	2.4	2.4	1.0	0.2	-0.2	0.0	1.6	1.6	1.9	1.9	1.8	1.8	2.0
Sweden	1.4	1.1	1.2	1.4	3.1	2.2	1.5	1.7	0.5	0.7	1.1	0.9	1.0	1.7	1.9	2.2	2.3	2.0	2.3	2.4
Switzerland	0.7	1.1	1.2	1.3	1.9	-0.6	0.4	0.0	-1.1	-0.5	-0.2	-0.7	-0.1	0.5	0.6	0.9	1.1	0.7	1.0	1.1
Turkey	53.5	8.4	9.6	6.6	10.7	5.2	5.4	9.2	7.5	4.4	7.9	8.0	6.6	10.9	14.5	17.0	10.4	20.0	11.9	9.9
United Kingdom	1.5	2.0	2.8	2.0	4.0	0.9	1.7	3.8	2.1	2.3	1.9	0.5	1.5	2.1	2.1	2.2	2.2	2.1	2.4	2.2
United States	1.8	2.8	2.7	2.5	3.0	-0.1	1.7	2.5	1.9	1.3	1.5	0.3	1.1	1.8	2.1	2.1	2.4	2.0	2.2	2.3
Euro area	1.9	2.1	2.3	2.3	2.7	-0.7	1.6	2.3	1.9	1.0	0.5	0.3	0.4	1.4	1.6	1.9	1.9	1.8	1.9	2.0
Total OECD	3.8	2.4	2.5	2.4	3.2	0.1	1.7	2.6	2.0	1.4	1.6	0.8	1.1	2.0	2.3	2.6	2.5	2.6	2.5	2.5

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878532

Annex Table 15. **Consumer price indices**

Percentage changes

	Average 1994-04	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019	2020
																			Q4 / Q4	
Argentina	4.3	9.6	10.9	8.8	8.6	6.3	10.5	9.8	10.1	10.6	38.4	27.7	40.7	28.6	32.1	31.2	18.8	..	..	..
Australia	2.7	2.7	3.6	2.4	4.3	1.8	2.9	3.3	1.7	2.5	2.5	1.5	1.3	2.0	2.0	2.1	2.4	1.8	2.4	2.4
Austria	1.5	2.1	1.7	2.2	3.2	0.4	1.7	3.6	2.6	2.1	1.5	0.8	1.0	2.2	2.1	2.1	2.0	2.0	2.0	1.9
Belgium	1.7	2.5	2.3	1.8	4.5	0.0	2.3	3.4	2.6	1.2	0.5	0.6	1.8	2.2	2.3	2.2	2.0	2.7	2.0	2.0
Brazil	..	6.9	4.2	3.6	5.7	4.9	5.0	6.6	5.4	6.2	6.3	9.0	8.7	3.4	3.8	4.6	4.3	..	..	..
Canada	2.0	2.2	2.0	2.1	2.4	0.3	1.8	2.9	1.5	0.9	1.9	1.1	1.4	1.6	2.3	2.1	2.1	2.4	2.1	2.1
Chile	4.4	3.1	3.4	4.4	8.7	0.4	1.4	3.3	3.0	1.9	4.4	4.3	3.8	2.2	2.5	3.0	3.0	2.9	3.0	3.0
China	2.5	1.8	1.6	4.8	5.9	-0.7	3.2	5.5	2.6	2.6	2.1	1.5	2.1	1.5	2.0	3.0	3.0	2.4	3.0	3.0
Colombia	12.5	5.0	4.3	5.5	7.0	4.2	2.3	3.4	3.2	2.0	2.9	5.0	7.5	4.3	3.2	3.2	3.3	..	..	..
Costa Rica	12.8	13.8	11.5	9.4	13.4	7.8	5.7	4.9	4.5	5.2	4.5	0.8	0.0	1.6	2.0	3.1	2.7	..	..	..
Czech Republic	5.2	1.9	2.5	2.9	6.4	1.0	1.5	1.9	3.3	1.4	0.3	0.3	0.7	2.5	2.2	2.4	2.2	2.3	2.3	2.2
Denmark	2.2	1.8	1.9	1.7	3.4	1.3	2.3	2.8	2.4	0.8	0.6	0.5	0.3	1.1	0.9	1.8	2.0	1.3	1.8	2.0
Estonia	..	4.1	4.4	6.7	10.6	0.2	2.7	5.1	4.2	3.2	0.5	0.1	0.8	3.7	3.1	2.9	2.8	2.9	2.8	2.8
Finland	1.4	0.8	1.3	1.6	3.9	1.6	1.7	3.3	3.2	2.2	1.2	-0.2	0.4	0.8	1.1	1.3	1.7	1.4	1.5	1.8
France	1.6	1.9	1.9	1.6	3.2	0.1	1.7	2.3	2.2	1.0	0.6	0.1	0.3	1.2	2.2	1.8	1.8	2.4	1.7	1.9
Germany	..	1.9	1.8	2.3	2.8	0.2	1.1	2.5	2.1	1.6	0.8	0.1	0.4	1.7	1.9	2.2	2.2	2.2	2.0	2.3
Greece	..	3.5	3.3	3.0	4.2	1.3	4.7	3.1	1.0	-0.9	-1.4	-1.1	0.0	1.1	0.8	1.3	1.5	1.1	1.4	1.6
Hungary	12.7	3.6	3.9	8.0	6.0	4.2	4.9	3.9	5.7	1.7	-0.2	-0.1	0.4	2.3	3.0	4.0	4.0	3.7	3.9	4.0
Iceland [1]	3.2	4.0	6.7	5.1	12.7	12.0	5.4	4.0	5.2	3.9	2.0	1.6	1.7	1.8	2.6	3.9	3.5	2.9	4.2	3.0
India [2]	6.4	3.7	6.8	5.9	9.2	10.6	9.5	9.3	9.9	9.4	5.9	4.9	4.5	3.6	4.5	5.0	4.5	..	..	..
Indonesia	..	10.5	13.1	6.4	10.2	4.4	5.1	5.4	4.3	6.4	6.4	6.4	3.5	3.8	3.3	3.7	3.8	..	..	..
Ireland	..	2.2	2.7	2.9	3.1	-1.7	-1.6	1.2	1.9	0.5	0.3	0.0	-0.2	0.3	0.8	1.9	2.2	1.3	2.0	2.3
Israel	4.8	1.3	2.1	0.5	4.6	3.3	2.7	3.5	1.7	1.6	0.5	-0.6	-0.5	0.2	0.9	1.4	1.4	1.3	1.4	1.4
Italy	2.7	2.2	2.2	2.0	3.5	0.8	1.6	2.9	3.3	1.2	0.2	0.1	-0.1	1.3	1.3	1.6	1.4	1.9	1.3	1.5
Japan	-0.1	-0.6	0.2	0.1	1.4	-1.4	-0.6	-0.3	0.0	0.3	2.8	0.8	-0.1	0.5	1.0	1.4	1.9	1.0	2.0	1.5
Korea	3.8	2.8	2.2	2.5	4.7	2.8	2.9	4.0	2.2	1.3	1.3	0.7	1.0	1.9	1.6	1.9	1.9	1.9	1.8	1.9
Latvia	..	6.9	6.6	10.1	15.3	3.3	-1.2	4.2	2.3	0.0	0.7	0.2	0.1	2.9	2.6	3.0	2.7	3.1	2.7	2.7
Lithuania	..	2.7	3.8	5.8	11.1	4.2	1.2	4.1	3.2	1.2	0.2	-0.7	0.7	3.7	2.6	2.5	2.5	2.4	2.4	2.5
Luxembourg	..	3.8	3.0	2.7	4.1	0.0	2.8	3.7	2.9	1.7	0.7	0.1	0.0	2.1	2.0	2.1	2.1	2.5	1.8	2.3
Mexico	14.8	4.0	3.6	4.0	5.1	5.3	4.2	3.4	4.1	3.8	4.0	2.7	2.8	6.0	4.9	4.2	3.4	4.6	3.7	3.2
Netherlands	2.3	1.5	1.6	1.6	2.2	1.0	0.9	2.5	2.8	2.6	0.3	0.2	0.1	1.3	1.7	2.5	2.0	2.0	2.3	2.3
New Zealand	2.0	3.0	3.4	2.4	4.0	2.1	2.3	4.0	1.1	1.1	1.2	0.3	0.6	1.9	1.7	2.3	2.2	2.1	2.2	2.2
Norway	2.1	1.5	2.4	0.7	3.8	2.2	2.4	1.3	0.7	2.1	2.1	2.2	3.6	1.9	2.7	2.3	2.1	3.3	1.9	2.2
Poland	10.0	2.2	1.3	2.5	4.2	3.8	2.6	4.2	3.6	1.0	0.1	-0.9	-0.7	2.1	1.9	2.7	2.9	2.0	2.9	2.9
Portugal	3.0	2.1	3.0	2.4	2.7	-0.9	1.4	3.6	2.8	0.4	-0.2	0.5	0.6	1.6	1.3	1.5	1.4	1.4	1.3	1.5
Russia	..	12.7	9.7	9.0	14.1	11.6	6.8	8.4	5.1	6.8	7.8	15.5	7.0	3.7	2.9	5.0	4.0	..	..	..
Slovak Republic	..	2.8	4.3	1.9	3.9	0.9	0.7	4.1	3.7	1.5	-0.1	-0.3	-0.5	1.4	2.7	2.7	3.0	2.7	3.0	3.0
Slovenia	..	2.4	2.5	3.8	5.5	0.8	2.1	2.1	2.8	1.9	0.4	-0.8	-0.2	1.6	2.0	2.2	2.8	2.1	2.5	2.9
South Africa	..	3.4	4.6	7.2	11.5	6.6	4.3	5.0	5.6	5.8	6.1	4.6	6.3	5.3	4.5	5.6	5.5	..	..	..
Spain	3.0	3.4	3.6	2.8	4.1	-0.2	2.0	3.0	2.4	1.5	-0.2	-0.6	-0.3	2.0	1.9	1.9	1.7	2.3	1.7	1.8
Sweden [3]	1.2	0.5	1.4	2.2	3.4	-0.5	1.2	3.0	0.9	0.0	-0.2	0.0	1.0	1.8	2.0	2.4	2.3	2.5	2.3	2.3
Switzerland	0.9	1.2	1.1	0.7	2.4	-0.5	0.7	0.2	-0.7	-0.2	0.0	-1.1	-0.4	0.5	1.0	0.9	1.1	1.2	0.9	1.1
Turkey	56.5	8.2	9.6	8.8	10.4	6.3	8.6	6.5	8.9	7.5	8.9	7.7	7.8	11.1	16.8	19.5	10.7	24.1	12.8	10.2
United Kingdom	1.6	2.0	2.3	2.3	3.6	2.2	3.3	4.5	2.8	2.6	1.5	0.1	0.6	2.7	2.5	2.3	2.1	2.4	2.2	2.0
United States	2.5	3.4	3.2	2.9	3.8	-0.3	1.6	3.1	2.1	1.5	1.6	0.1	1.3	2.1	2.5	2.3	2.4	2.4	2.3	2.4
Euro area	..	2.2	2.2	2.1	3.3	0.3	1.6	2.7	2.5	1.3	0.4	0.0	0.2	1.5	1.8	1.9	1.9	2.1	1.8	1.9

Note: For the euro area countries, the euro area aggregate and the United Kingdom: harmonised index of consumer prices (HICP).

1. Excluding rent, but including imputed rent.
2. Fiscal year.
3. The consumer price index includes mortgage interest costs.

Source: OECD Economic Outlook 104 database.

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Annex Table 16. **Oil and other primary commodity markets**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Oil market conditions[1]	Million barrels per day																			
Demand																				
Total OECD	48.5	48.6	49.1	50.0	50.4	50.2	50.1	48.3	46.3	46.9	46.5	46.0	46.0	45.8	46.5	47.0	47.4	47.8	48.1	..
of which: OECD North America	24.3	24.3	24.8	25.6	25.8	25.7	25.9	24.6	23.7	24.3	24.1	23.7	24.1	24.2	24.6	24.9	25.1	25.5	25.7	..
OECD Europe	15.6	15.5	15.7	15.8	15.9	15.9	15.6	15.5	14.8	14.7	14.3	13.8	13.6	13.5	13.8	14.0	14.3	14.3	14.4	..
OECD Asia and Pacific	8.6	8.7	8.7	8.7	8.7	8.6	8.5	8.2	7.8	7.9	8.1	8.5	8.3	8.1	8.1	8.1	8.1	8.0	7.9	..
Total non-OECD	29.4	30.1	31.0	33.2	34.2	35.5	36.9	38.1	39.0	41.2	42.4	43.9	45.7	47.3	48.7	49.4	50.5	51.4	52.5	..
World	77.9	78.7	80.1	83.2	84.6	85.7	87.0	86.4	85.3	88.2	88.8	89.9	91.7	93.0	95.2	96.4	97.9	99.2	100.6	..
Supply																				
Total OECD	21.7	21.7	21.4	21.1	20.2	19.8	19.4	18.7	18.8	18.9	18.9	19.8	21.0	22.9	23.9	23.4	24.2	26.4	27.7	..
Total OPEC	31.0	29.5	31.8	34.2	35.7	36.0	35.8	36.9	35.0	35.4	36.4	38.2	37.2	37.3	38.6	39.8	39.5	..	..	..
Former USSR	8.6	9.5	10.5	11.4	11.8	12.3	12.8	12.8	13.2	13.5	13.6	13.6	13.8	13.9	14.0	14.2	14.3	14.6	15.0	..
Rest of the world	16.1	16.4	16.6	16.7	17.0	17.3	17.5	18.1	18.4	19.3	19.3	19.0	19.2	19.6	19.9	19.5	19.4	..	..	..
World	77.4	77.2	80.3	83.4	84.7	85.4	85.6	86.6	85.3	87.1	88.1	90.6	91.2	93.6	96.4	96.9	97.5	..	..	..
Trade																				
OECD net imports	27.1	26.6	27.9	29.1	30.4	30.7	30.4	29.9	27.6	28.1	27.3	26.4	24.9	23.3	23.4	23.6	22.7	..	..	..
Former USSR net exports	4.9	5.8	6.7	7.6	8.0	8.3	8.9	8.8	9.4	9.6	9.5	9.5	9.5	9.3	9.5	9.7	9.8	9.9	10.2	..
Other non-OECD net exports	22.2	20.8	21.3	21.5	22.4	22.4	21.5	21.1	18.2	18.5	17.8	16.9	15.4	14.0	13.9	13.9	12.9	..	..	..
Prices[2]	fob, USD per barrel																			
Brent crude oil price[3]	24.5	25.0	28.8	38.3	54.4	65.2	72.5	97.0	61.5	79.5	111.2	111.6	108.7	99.0	52.4	43.7	54.2	74.1	80.0	80.0
Prices of other primary commodities[2]	USD indices, 2010 = 100																			
Food and tropical beverages	42	46	50	57	56	62	78	103	90	100	129	120	106	104	85	87	85	81	79	79
Agricultural raw materials	53	51	61	68	70	77	92	88	73	100	122	93	85	74	61	60	70	76	69	69
Minerals, ores and metals	34	33	38	50	59	85	95	98	68	100	118	99	96	86	64	61	75	79	77	77
Total[4]	40	41	46	56	59	74	88	99	78	100	123	107	98	91	72	72	78	80	76	76

1. Based on data published in various issues of International Energy Agency, Oil Market Report.
2. Indices through October 2018 are based on data compiled by the International Energy Agency for oil and by the Hamburg Institute of International Economics (HWWI) for the prices of other primary commodities. From November 2018 onwards, OECD assumptions.
3. North Sea Dated, London close, midpoint.
4. OECD calculations. The total price index for non-energy primary commodities is a weighted average of the individual HWWI non-oil commodity price indices with the weights based on the commodity's share in total non-energy commodities world trade.

Source: OECD Economic Outlook 104 database; and International Energy Agency, Oil Market Report.

StatLink http://dx.doi.org/10.1787/888933878570

A corrigendum has been issued for this page. See:
http://www.oecd.org/about/publishing/Corrigendum-Mitigating-Droughts-Floods-Agriculture.pdf

Annex Table 17. **Compensation per employee**

Percentage changes from previous period

	Average 1991-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	3.7	3.6	3.6	5.3	..	4.5	6.2	4.0	1.1	5.5	5.7	3.2	1.7	2.7	0.9	0.8	0.6	1.4	1.9	2.8
Austria	2.7	2.1	1.7	2.1	..	3.1	2.9	3.3	1.7	1.0	2.1	2.7	2.2	1.9	2.0	2.4	1.5	2.4	2.3	2.4
Belgium	3.1	3.9	2.0	1.7	..	3.6	3.5	3.7	1.1	1.4	3.4	3.1	2.5	1.0	0.0	0.5	2.0	2.0	2.4	2.5
Canada	2.7	1.4	1.8	4.0	..	4.3	4.1	3.2	1.3	1.4	3.4	3.1	2.8	3.1	2.0	0.8	1.9	3.3	3.1	3.3
Czech Republic	..	7.8	7.7	7.9	..	5.9	6.1	4.1	-0.6	3.5	2.7	1.7	-0.3	2.6	3.0	4.0	6.4	7.8	6.8	6.2
Denmark	3.2	3.8	3.5	3.1	..	3.5	3.7	3.9	2.8	3.2	1.4	1.8	1.6	1.5	1.7	1.3	1.2	2.3	2.6	2.8
Estonia	..	10.7	11.1	12.2	..	14.9	25.6	10.7	-3.0	2.6	0.8	7.7	4.9	6.5	3.4	6.2	6.9	7.4	6.8	6.6
Finland	3.0	1.7	2.2	3.6	..	3.4	3.3	4.3	2.0	2.2	3.6	2.8	1.3	1.0	1.4	1.1	-1.2	1.7	2.7	3.2
France	2.1	3.5	2.9	3.4	..	3.2	2.5	2.6	1.6	2.9	2.3	2.2	1.8	1.2	1.1	0.8	1.7	2.2	0.3	2.5
Germany	2.7	1.3	1.5	0.2	..	1.0	0.9	2.1	0.2	2.6	3.0	2.5	1.8	2.8	2.7	2.2	2.6	2.9	3.3	3.4
Greece	..	11.0	7.9	3.9	..	3.1	4.6	3.7	3.1	-2.0	-3.8	-3.0	-7.5	-2.0	-2.3	-0.9	0.1	1.8	1.3	1.5
Hungary	..	11.3	11.7	10.9	..	5.2	5.4	7.2	-1.4	1.4	3.2	1.7	1.8	0.8	-1.6	4.5	6.2	10.9	8.1	7.5
Iceland	5.3	8.8	2.2	10.2	..	12.3	7.9	2.0	-3.4	6.3	9.7	5.3	5.1	4.4	7.5	9.5	8.5	4.5	4.0	2.5
Ireland	5.9	5.2	6.5	5.2	..	4.4	5.8	4.0	-1.1	-2.5	0.6	1.1	-0.5	0.5	2.4	2.1	0.7	2.8	3.0	3.8
Israel	..	0.1	-2.5	0.8	..	6.5	2.6	2.9	-0.7	3.9	4.2	2.4	2.1	0.8	3.0	3.2	2.9	3.6	3.2	3.1
Italy	3.4	2.4	3.0	3.2	..	2.3	2.1	2.9	0.5	2.3	1.1	-1.1	0.8	0.2	0.9	0.5	0.2	1.7	0.8	0.9
Japan	0.3	-2.8	-1.0	-0.9	..	-0.2	-0.5	0.6	-3.5	0.0	0.2	0.0	-0.6	0.7	0.5	1.2	0.7	0.8	1.7	2.2
Korea	8.6	6.1	7.1	4.8	..	3.3	4.2	3.8	2.3	3.8	3.4	3.2	2.5	1.8	3.2	3.8	3.0	5.0	4.5	4.4
Latvia	..	2.5	12.0	15.0	..	22.2	36.7	16.8	-11.5	-6.9	2.6	7.5	5.7	8.2	7.9	7.3	7.7	8.2	8.1	7.8
Lithuania	..	5.0	8.9	11.9	14.0	20.7	14.1	14.0	-9.2	-0.2	6.4	4.1	5.6	4.7	5.9	6.5	8.7	8.9	7.6	7.6
Luxembourg	3.6	3.9	1.3	3.9	3.8	4.2	4.2	2.8	1.7	1.9	1.9	1.8	2.3	3.6	1.6	0.9	3.3	2.2	2.6	2.3
Mexico	16.9	4.7	5.8	3.9	5.6	4.4	5.4	5.4	3.7	-1.4	6.1	3.2	4.2	4.3	4.2	4.2	4.9	5.1	5.8	6.2
Netherlands	3.0	4.2	3.2	3.1	1.1	1.4	2.8	4.0	2.4	0.7	1.9	1.9	1.9	1.7	-0.3	1.7	1.2	1.6	2.6	3.7
Norway	4.5	4.3	4.1	4.2	4.7	5.5	6.2	6.3	3.4	3.2	4.7	4.6	4.4	3.2	2.7	1.4	2.2	3.1	3.4	3.0
Poland	..	2.5	1.6	2.4	2.1	2.0	5.8	8.6	3.2	5.5	5.3	3.6	1.7	2.2	1.7	5.1	6.0	7.2	8.7	8.8
Portugal	..	3.6	3.6	2.8	4.7	1.8	3.5	2.6	2.4	2.1	-1.8	-3.1	3.6	-1.8	0.4	1.7	1.6	1.9	2.5	2.9
Slovak Republic	..	8.9	8.1	8.0	9.1	8.0	8.7	6.6	2.6	5.4	2.0	2.6	2.6	1.8	3.5	2.3	4.1	6.2	6.6	7.1
Slovenia	..	8.3	7.7	7.5	6.1	5.6	6.2	7.0	1.9	3.9	1.6	-0.8	0.5	1.2	1.3	3.0	3.2	4.4	4.8	5.4
Spain	4.3	3.5	2.8	2.3	2.9	3.3	4.6	6.7	4.5	0.2	0.7	-1.4	0.3	0.1	1.4	-0.2	0.6	1.4	2.0	2.0
Sweden	4.1	3.2	3.7	4.3	3.1	3.1	5.3	3.7	2.7	2.3	3.2	3.0	2.0	2.2	2.7	2.5	2.0	4.1	4.3	4.4
Switzerland	2.3	1.5	-0.1	0.3	2.5	1.5	3.3	1.6	0.7	1.1	0.7	0.5	1.1	-0.3	-0.3	-0.5	0.5	1.5	1.1	1.5
United Kingdom	4.7	2.4	4.7	4.7	3.5	5.8	5.4	0.6	2.3	3.0	1.1	1.9	2.7	0.6	1.1	2.9	3.1	2.0	2.3	2.2
United States	3.8	2.7	3.8	4.7	3.4	3.9	4.2	2.8	0.6	2.8	2.5	2.4	1.5	2.7	2.7	0.9	2.9	3.0	3.3	3.8
Euro area	3.5	3.0	2.9	2.5	2.5	2.8	3.1	3.6	1.3	1.8	1.8	1.1	1.4	1.4	1.6	1.3	1.7	2.4	2.2	2.7
Total OECD	4.5	2.4	3.1	3.3	3.1	3.2	3.6	3.1	0.8	2.0	2.5	1.9	1.6	2.0	2.0	1.7	2.5	2.9	3.2	3.6

Source: OECD Economic Outlook 104 database.

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Annex Table 18. **Labour productivity**

Percentage changes from previous period

	Average 1991-2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	2.2	2.1	0.5	2.3	-0.4	0.3	1.3	-0.3	1.2	0.5	0.9	2.6	1.2	1.7	0.5	0.9	-0.1	0.4	0.7	0.6
Austria	1.9	1.6	0.4	1.8	1.2	1.8	1.8	-0.7	-3.1	1.1	1.5	-0.4	-0.4	-0.1	0.5	0.8	1.0	0.9	0.8	0.8
Belgium	1.4	2.0	0.9	2.6	0.6	1.4	1.8	-1.0	-2.1	2.1	0.4	-0.2	0.5	0.8	0.8	0.2	0.3	0.3	0.4	0.7
Canada	1.7	0.7	-0.6	1.4	1.9	0.9	-0.2	-0.4	-1.4	1.6	1.6	0.5	1.1	2.2	0.1	0.7	1.2	0.9	1.2	1.2
Chile	4.2	1.2	0.3	4.4	1.9	4.6	2.1	0.5	-0.9	-1.9	0.9	3.4	1.9	0.2	0.8	-0.1	-0.2	2.2	1.6	1.6
Czech Republic	..	0.9	4.4	5.0	4.6	5.6	3.4	0.3	-2.9	3.2	2.1	-1.1	-0.8	2.2	3.9	0.8	2.9	1.6	2.3	2.2
Denmark	2.0	0.4	1.3	3.2	0.9	1.6	-1.4	-1.7	-1.8	4.3	1.4	0.9	0.9	0.7	0.9	0.8	0.7	-0.4	0.9	0.7
Estonia	..	6.3	5.2	6.7	6.7	5.4	7.0	-4.8	-4.5	7.0	1.0	2.6	0.8	2.0	-0.7	3.2	2.1	2.4	2.7	1.6
Finland	3.2	0.6	1.9	3.3	1.2	2.2	3.0	-1.5	-6.0	3.7	1.3	-2.3	0.0	-0.2	0.3	2.0	1.6	0.4	1.1	1.1
France	1.3	0.6	0.8	2.5	1.0	1.5	1.0	-0.4	-1.7	1.8	1.5	0.0	0.4	0.5	0.8	0.4	1.1	0.7	0.9	0.9
Germany	1.4	0.5	0.4	0.3	0.9	3.1	1.6	-0.5	-5.6	3.6	2.3	-0.5	0.0	1.3	0.5	0.8	1.0	0.3	0.8	0.7
Greece	..	1.4	4.3	2.6	-0.3	3.8	1.9	-1.6	-3.8	-3.0	-2.4	-1.0	-0.6	-0.2	-1.2	-0.7	-0.6	0.5	0.3	0.3
Hungary	..	4.7	3.7	5.8	4.8	3.6	0.4	2.7	-4.2	1.7	1.6	-1.7	1.1	-0.7	1.0	-0.8	2.3	2.7	2.6	2.6
Iceland	1.6	2.2	2.1	8.6	2.9	0.2	4.6	1.1	-0.6	-3.1	1.9	0.3	0.6	0.5	1.1	3.5	2.2	1.5	1.2	1.9
Ireland	3.4	4.3	1.1	3.1	0.7	0.4	0.9	-3.8	3.0	6.2	6.0	0.7	-1.6	5.9	20.6	1.1	4.1	2.7	1.9	1.5
Israel	..	-0.9	-0.1	3.4	0.7	2.8	1.7	-0.3	-0.6	2.4	2.6	-1.8	1.6	1.0	0.3	1.6	0.9	1.7	1.7	1.5
Italy	1.5	-1.4	-1.2	0.8	0.6	0.1	0.1	-1.3	-3.9	2.3	0.4	-2.5	0.0	0.1	0.2	-0.3	0.4	0.2	0.3	0.6
Japan	1.0	1.4	1.8	2.0	1.2	0.9	1.0	-0.8	-4.0	4.5	0.0	1.7	1.2	-0.3	0.9	0.0	0.7	-1.0	0.7	0.6
Korea	4.8	4.6	3.1	2.8	2.6	3.8	4.2	2.2	1.0	5.1	1.9	0.5	0.4	0.9	1.7	2.0	1.8	2.4	2.5	2.4
Latvia	..	5.6	7.8	8.1	9.7	5.8	5.9	-2.7	-0.1	2.9	4.8	2.6	0.1	3.3	1.5	2.4	4.7	3.5	4.0	3.2
Lithuania	..	3.0	8.1	7.6	7.0	7.8	8.8	3.9	-7.6	7.3	5.6	1.9	2.3	1.5	0.7	0.2	4.8	3.3	3.2	3.0
Luxembourg	0.7	0.9	-0.1	1.3	0.4	1.3	3.7	-5.7	-5.3	2.9	-0.4	-2.7	1.8	1.7	1.3	-0.6	-1.8	-0.3	0.5	0.7
Mexico	..	-2.3	0.6	0.2	1.9	1.0	0.6	-1.4	-4.0	-2.8	3.0	-1.1	1.0	3.0	1.0	0.7	0.9	-0.5	1.0	1.1
Netherlands	1.4	-0.5	0.8	2.9	1.4	1.4	0.8	0.6	-2.9	2.0	0.7	-0.8	1.0	1.6	1.0	1.0	0.8	0.2	0.8	1.0
New Zealand	1.6	2.0	1.8	1.1	-1.7	0.5	2.9	-2.8	2.3	1.5	0.4	2.8	0.3	-0.2	2.0	0.5	-2.0	-0.1	1.2	1.4
Norway	2.2	1.0	2.1	3.3	1.3	-1.0	-1.1	-2.7	-1.2	1.2	-0.5	0.6	0.0	0.8	1.6	1.0	0.9	-0.1	0.7	1.4
Poland	..	4.6	4.8	3.9	1.3	2.9	2.5	0.5	2.5	3.1	4.4	1.5	1.5	1.6	2.3	2.5	3.4	4.2	3.4	3.1
Portugal	1.6	0.4	0.0	2.5	1.2	1.2	2.5	-0.2	-0.3	3.4	0.1	0.1	1.8	-0.5	0.4	0.3	-0.5	0.0	0.9	0.9
Slovak Republic	..	4.4	4.3	5.5	5.1	6.2	8.5	2.3	-3.5	6.7	1.0	1.6	2.3	1.3	1.8	0.9	1.2	2.3	3.5	2.9
Slovenia	..	2.2	3.2	4.1	4.3	4.1	3.5	0.7	-6.3	3.6	2.2	-1.7	0.0	2.5	1.0	1.2	1.9	1.7	2.0	2.1
Spain	1.0	0.3	-0.1	-0.6	-0.5	0.0	0.5	0.9	2.9	1.8	1.7	1.1	0.9	0.4	0.8	0.6	0.4	0.4	0.3	0.2
Sweden	2.8	2.0	3.1	4.6	2.5	3.2	1.2	-1.6	-2.8	4.7	0.6	-0.7	0.3	1.2	2.7	0.6	0.0	0.9	1.2	1.3
Switzerland	1.2	-0.5	0.4	2.3	2.4	1.9	1.5	-0.3	-2.7	2.6	-0.7	-0.7	0.6	0.6	-0.2	0.2	0.8	1.9	0.3	0.4
Turkey	1.8	6.7	6.7	7.3	6.6	5.5	3.5	-0.8	-5.1	2.7	4.3	1.6	5.8	-0.2	3.0	1.0	3.7	1.3	0.1	1.2
United Kingdom	2.3	1.6	2.3	1.2	2.0	1.5	1.7	-1.2	-2.7	1.5	1.1	0.4	0.9	0.6	0.6	0.4	0.7	0.2	1.0	0.8
United States	1.8	2.9	2.8	2.7	1.9	1.1	1.0	0.6	1.7	3.3	0.6	0.6	0.5	0.6	0.8	-0.2	0.8	1.3	1.5	1.4
Euro area	1.5	0.4	0.6	1.5	0.9	1.7	1.4	-0.4	-2.7	2.5	1.4	-0.4	0.3	0.8	0.9	0.5	0.9	0.5	0.8	0.8
Total OECD	1.9	1.7	1.9	2.3	1.7	1.7	1.4	-0.2	-1.4	2.5	1.3	0.4	0.9	0.8	1.0	0.4	1.0	0.7	1.2	1.2

Note: Labour productivity measured as GDP per person employed.

Source: OECD Economic Outlook 104 database.

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Annex Table 19. **Employment and labour force**

Percentage changes from previous period

	Employment									Labour force								
	Average 1994-03	Average 2004-13	2014	2015	2016	2017	2018	2019	2020	Average 1994-03	Average 2004-13	2014	2015	2016	2017	2018	2019	2020
Australia	1.9	2.0	0.8	2.0	1.7	2.3	2.6	2.2	2.0	1.5	2.1	1.2	2.0	1.3	2.2	2.4	2.1	1.9
Austria	0.3	1.2	0.2	0.9	1.7	1.0	1.3	1.2	1.1	0.4	1.2	0.5	1.0	2.1	0.4	0.5	0.9	1.0
Belgium	0.9	0.9	0.4	0.9	1.3	1.4	1.2	1.0	0.7	0.7	0.9	0.5	0.8	0.5	0.6	0.3	0.8	0.5
Canada	2.0	1.2	0.6	0.9	0.7	1.9	1.2	1.0	0.6	1.7	1.2	0.4	0.9	0.8	1.1	0.7	0.9	0.6
Chile	1.6	3.0	1.5	1.5	1.2	1.9	1.9	2.0	1.8	1.8	2.5	1.9	1.4	1.5	2.1	2.0	1.6	1.4
Czech Republic	-0.4	0.6	0.7	1.4	1.9	1.6	1.3	0.4	0.4	0.0	0.4	-0.2	0.2	0.8	0.5	0.7	0.3	0.3
Denmark	0.6	-0.2	1.0	1.4	3.2	-0.8	1.9	1.0	0.9	0.4	0.0	0.5	1.0	3.2	-1.3	1.3	1.0	0.7
Estonia	-1.2	0.4	0.6	2.6	0.6	2.2	0.6	0.6	0.6	-0.9	0.2	-0.8	1.3	1.2	1.1	0.6	0.7	0.8
Finland	1.8	0.4	-0.4	-0.4	0.5	1.0	2.6	0.7	0.5	0.6	0.3	0.1	0.3	-0.1	0.8	1.2	0.2	0.1
France	1.0	0.4	0.1	0.2	0.6	1.1	0.9	0.7	0.5	0.7	0.6	0.1	0.3	0.3	0.4	0.5	0.4	0.3
Germany	-0.1	1.2	0.9	0.8	2.4	1.1	0.2	0.6	0.6	0.0	0.6	0.7	0.4	1.9	0.6	-0.2	0.2	0.3
Greece	..	-2.4	0.7	2.1	1.7	2.2	1.8	1.9	1.8	..	-0.2	-0.7	-0.1	-0.1	-0.5	-0.8	0.3	0.4
Hungary	0.7	0.0	5.4	2.7	3.3	1.6	1.4	1.2	0.7	0.1	0.5	2.6	1.6	1.5	0.6	0.8	0.8	0.6
Iceland	1.5	1.3	1.6	3.4	3.7	1.8	2.3	1.7	0.7	1.2	1.5	1.1	2.3	2.7	1.5	2.2	1.7	0.9
Ireland	4.4	-0.1	2.6	3.5	3.6	2.9	3.1	2.1	1.9	3.1	1.1	0.5	1.2	1.9	1.1	1.9	1.7	1.7
Israel	..	3.2	3.0	2.5	2.7	2.2	2.1	1.8	1.8	..	2.4	2.7	1.8	2.2	1.7	1.8	1.9	1.8
Italy	0.7	-0.1	0.4	0.8	1.3	1.1	1.1	0.6	0.3	0.4	0.4	1.0	0.0	1.0	0.7	0.2	-0.2	0.2
Japan	-0.2	0.0	0.7	0.5	1.0	1.0	1.9	0.2	0.0	0.0	-0.1	0.2	0.2	0.7	0.7	1.4	0.3	0.0
Korea	1.3	1.2	2.4	1.1	0.9	1.2	0.3	0.2	0.5	1.4	1.2	2.8	1.2	1.0	1.2	0.5	0.4	0.4
Latvia	..	-0.8	-1.0	1.3	-0.3	0.2	0.8	-0.1	0.1	..	-0.8	-2.2	0.2	-0.6	-0.9	-0.5	-0.4	-0.1
Lithuania	..	-1.0	2.0	1.2	2.0	-0.5	0.3	-0.3	-0.4	..	-0.9	0.8	-0.6	0.6	-1.3	-0.7	-0.6	-0.6
Luxembourg	1.7	2.0	2.3	2.1	2.3	2.8	2.7	2.4	2.5	1.8	2.3	2.6	1.8	1.8	2.3	2.3	2.1	2.3
Mexico	2.0	2.3	0.4	2.4	1.9	1.4	2.7	1.5	1.7	2.0	2.3	0.3	1.9	1.5	1.0	2.6	1.5	1.7
Netherlands	1.8	0.7	-0.6	1.0	1.3	2.1	2.2	1.7	1.1	1.3	0.9	-0.4	0.4	0.4	0.8	1.2	1.4	1.1
New Zealand	2.2	1.1	3.5	2.3	4.6	4.2	3.0	1.7	1.2	1.7	1.3	3.1	2.2	4.3	3.7	2.5	1.6	1.2
Norway	1.2	1.5	1.0	0.5	-0.1	0.2	1.5	1.2	0.9	1.1	1.5	1.0	1.4	0.3	-0.3	1.0	1.0	0.7
Poland	-0.8	1.7	1.8	1.4	0.9	1.2	0.4	0.4	0.2	-0.1	0.6	0.3	-0.3	-0.5	-0.1	-0.8	0.0	0.0
Portugal	1.0	-1.5	1.6	1.1	1.2	3.3	2.3	1.1	1.1	0.9	-0.3	-1.1	-0.6	-0.3	0.8	0.3	0.4	0.4
Slovak Republic	0.3	0.8	1.5	2.6	2.8	1.5	1.1	0.8	0.7	0.8	0.3	0.2	0.6	0.7	-0.1	-0.5	0.1	0.1
Slovenia	..	-0.5	1.2	0.1	-0.3	4.8	2.6	1.5	0.5	..	0.0	0.7	-0.7	-1.3	3.2	1.2	0.8	0.3
Spain	3.9	-0.6	1.2	3.0	2.7	2.6	2.6	2.0	1.8	2.8	1.4	-1.0	-0.1	-0.4	-0.4	0.2	0.2	0.3
Sweden	0.9	0.9	1.4	1.4	1.5	2.3	1.6	0.7	0.6	0.3	1.0	1.3	0.8	1.0	2.0	1.1	0.7	0.6
Switzerland	0.8	1.2	1.7	1.5	1.5	0.7	1.3	1.2	1.2	0.8	1.1	1.8	1.5	1.6	0.6	1.2	1.0	1.0
Turkey	0.7	2.8	5.1	2.8	2.2	3.6	1.9	-0.5	1.5	0.9	2.7	6.2	3.2	2.9	3.6	1.8	1.6	1.6
United Kingdom	1.1	0.6	2.4	1.7	1.4	1.0	1.1	0.4	0.3	0.6	0.9	0.8	0.9	0.9	0.5	0.7	0.3	0.4
United States	1.3	0.4	1.7	1.7	1.7	1.3	1.5	1.2	0.7	1.2	0.6	0.3	0.8	1.3	0.7	1.0	0.8	0.6
Euro area	1.0	0.3	0.6	1.1	1.7	1.5	1.2	1.0	0.8	0.8	0.6	0.2	0.2	0.8	0.4	0.2	0.3	0.4
Total OECD	..	0.8	1.4	1.5	1.6	1.5	1.5	0.9	0.8	..	0.9	0.8	0.8	1.1	0.9	1.0	0.7	0.7

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878627

Annex Table 20. **Labour force, employment and unemployment**

Millions

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Labour force																				
Total of major countries	347.1	348.7	351.0	352.5	355.8	359.4	362.3	364.6	364.6	364.5	364.9	367.5	369.1	370.7	372.7	376.9	379.4	382.5	384.4	386.0
Total of smaller countries	199.2	202.4	204.2	208.1	212.2	215.6	219.0	222.7	225.9	229.0	232.0	235.4	237.6	240.7	243.7	246.5	249.3	252.4	254.9	257.5
Euro area	146.8	148.3	149.7	151.0	152.9	154.5	156.1	157.7	158.0	158.1	158.5	159.7	159.9	160.1	160.5	161.7	162.4	162.8	163.3	163.9
Total OECD	546.3	551.1	555.2	560.7	568.0	575.0	581.3	587.3	590.5	593.5	596.9	602.9	606.7	611.4	616.5	623.4	628.7	634.9	639.3	643.5
Employment																				
Total of major countries	326.9	326.3	327.8	330.2	333.9	338.7	342.7	343.3	335.4	334.9	337.0	340.4	342.9	347.0	351.1	356.3	360.5	365.2	368.0	369.8
Total of smaller countries	184.7	186.7	188.1	191.5	196.6	201.4	205.9	209.0	207.0	209.1	212.3	214.4	215.8	219.4	223.6	227.6	231.9	236.1	238.6	241.6
Euro area	134.9	135.7	136.2	137.1	139.0	141.7	144.4	145.8	142.8	142.0	142.3	141.5	140.7	141.6	143.1	145.5	147.7	149.4	150.9	152.1
Total OECD	511.5	513.1	515.9	521.7	530.5	540.1	548.6	552.3	542.4	543.9	549.3	554.8	558.7	566.4	574.7	583.9	592.4	601.3	606.6	611.4
Unemployment																				
Total of major countries	20.2	22.3	23.2	22.4	21.9	20.7	19.6	21.3	29.2	29.7	27.9	27.1	26.2	23.7	21.7	20.6	18.9	17.3	16.4	16.2
Total of smaller countries	14.5	15.7	16.1	16.6	15.6	14.2	13.1	13.7	18.9	19.9	19.8	21.0	21.8	21.3	20.1	18.9	17.4	16.2	16.3	15.9
Euro area	12.0	12.6	13.5	13.9	13.8	12.9	11.7	11.9	15.2	16.1	16.2	18.2	19.2	18.6	17.4	16.2	14.7	13.3	12.4	11.7
Total OECD	34.7	38.0	39.3	39.0	37.5	34.9	32.7	35.0	48.2	49.6	47.7	48.1	48.0	45.0	41.8	39.5	36.3	33.6	32.7	32.1

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878646

Annex Table 21. **Unemployment rates: national definitions**

Per cent of labour force

	2017 Unemployment thousands	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018 Fourth quarter	2019 Fourth quarter	2020 Fourth quarter
Australia	726.7	5.0	4.8	4.4	4.2	5.6	5.2	5.1	5.2	5.7	6.1	6.1	5.7	5.6	5.4	5.3	5.1	5.3	5.3	5.0
Austria	247.9	5.6	5.2	4.9	4.1	5.3	4.8	4.6	4.9	5.3	5.6	5.7	6.0	5.5	4.8	4.5	4.5	4.7	4.5	4.5
Belgium	368.0	8.5	8.3	7.5	7.0	7.9	8.3	7.2	7.6	8.4	8.6	8.5	7.9	7.1	6.2	6.0	5.9	6.2	5.9	5.9
Canada	1243.0	6.8	6.3	6.0	6.1	8.3	8.0	7.5	7.3	7.1	6.9	6.9	7.0	6.3	5.9	5.8	5.8	5.9	5.8	5.8
Chile	591.0	9.2	7.8	7.1	7.8	9.7	8.1	7.1	6.4	6.0	6.3	6.2	6.5	6.7	6.8	6.4	6.1	6.7	6.3	6.0
Czech Republic	155.4	7.9	7.1	5.3	4.4	6.7	7.3	6.7	7.0	6.9	6.1	5.0	3.9	2.9	2.3	2.2	2.1	2.3	2.2	2.1
Denmark	171.2	4.8	3.9	3.8	3.5	6.0	7.5	7.6	7.5	7.0	6.5	6.2	6.2	5.7	5.2	5.1	4.9	5.4	5.0	4.9
Estonia	40.3	8.0	5.9	4.6	5.5	13.5	16.7	12.3	10.0	8.6	7.4	6.2	6.8	5.8	5.8	5.8	6.0	5.8	5.9	6.0
Finland	234.0	8.4	7.7	6.9	6.4	8.2	8.4	7.8	7.7	8.2	8.7	9.4	8.8	8.6	7.4	6.9	6.5	7.2	6.8	6.3
France	2787.9	8.8	8.8	8.0	7.3	9.1	9.2	9.2	9.8	10.3	10.3	10.4	10.1	9.4	9.0	8.8	8.6	8.9	8.7	8.5
Germany	1617.5	11.0	10.0	8.6	7.4	7.6	7.0	5.9	5.4	5.2	5.0	4.6	4.2	3.8	3.4	3.0	2.7	3.3	2.9	2.6
Greece	1027.1	10.0	9.0	8.4	7.8	9.6	12.7	17.9	24.4	27.5	26.5	24.9	23.5	21.5	19.5	18.1	17.0	18.9	17.7	16.6
Hungary	191.5	7.2	7.5	7.4	7.8	10.1	11.2	11.0	11.0	10.2	7.7	6.8	5.1	4.2	3.6	3.2	3.1	3.5	3.1	3.2
Iceland	5.5	2.6	2.9	2.3	3.0	7.2	7.6	7.0	6.0	5.4	4.9	4.0	3.0	2.8	2.7	2.7	2.9	2.5	2.7	3.0
Ireland	157.7	4.6	4.7	5.0	6.8	12.6	14.5	15.4	15.4	13.7	11.9	9.9	8.4	6.7	5.6	5.2	5.1	5.4	5.1	5.0
Israel	169.4	11.3	10.5	9.1	7.7	9.5	8.3	7.1	6.9	6.3	5.9	5.3	4.8	4.2	4.0	4.1	4.1	4.1	4.1	4.2
Italy	2921.4	7.7	6.8	6.1	6.7	7.7	8.3	8.4	10.7	12.1	12.6	11.9	11.7	11.3	10.4	9.7	9.6	9.9	9.6	9.5
Japan	1896.7	4.4	4.1	3.8	4.0	5.0	5.0	4.6	4.3	4.0	3.6	3.4	3.1	2.8	2.4	2.4	2.4	2.3	2.6	2.3
Korea	1022.1	3.7	3.5	3.2	3.2	3.6	3.7	3.4	3.2	3.1	3.5	3.6	3.7	3.7	3.9	4.0	4.0	4.1	4.0	4.0
Latvia	85.4	10.0	7.0	6.0	7.8	17.5	19.5	16.2	15.0	11.8	10.8	9.9	9.7	8.7	7.5	7.2	7.0	7.4	7.2	7.0
Lithuania	103.1	8.3	5.8	4.2	5.8	13.8	17.8	15.4	13.4	11.8	10.7	9.1	7.9	7.1	6.2	5.9	5.8	6.1	5.9	5.8
Luxembourg	16.2	4.1	4.2	4.2	4.1	5.5	5.8	5.7	6.1	6.8	7.1	6.8	6.3	5.9	5.5	5.2	5.0	5.4	5.1	4.9
Mexico [1]	1863.5	3.6	3.6	3.6	3.9	5.4	5.3	5.2	4.9	4.9	4.8	4.3	3.9	3.4	3.3	3.3	3.2	3.3	3.3	3.2
Netherlands	437.7	5.9	5.0	4.2	3.7	4.4	5.0	5.0	5.8	7.3	7.4	6.9	6.0	4.9	3.9	3.7	3.7	3.7	3.7	3.7
New Zealand	126.5	3.8	3.9	3.6	4.0	5.8	6.1	6.0	6.4	5.8	5.4	5.4	5.1	4.7	4.2	4.1	4.2	4.0	4.1	4.2
Norway	114.8	4.4	3.4	2.5	2.5	3.1	3.5	3.2	3.1	3.4	3.5	4.3	4.7	4.2	3.7	3.5	3.3	3.6	3.4	3.2
Poland	842.5	17.7	13.8	9.6	7.1	8.1	9.6	9.6	10.1	10.3	9.0	7.5	6.1	4.9	3.7	3.2	3.0	3.5	3.1	3.0
Portugal	462.8	7.6	7.6	8.0	7.6	9.4	10.8	12.7	15.5	16.2	13.9	12.4	11.1	8.9	7.1	6.4	5.7	6.8	6.1	5.5
Slovak Republic	224.0	16.2	13.3	11.0	9.6	12.1	14.4	13.6	13.9	14.2	13.2	11.5	9.6	8.1	6.7	6.1	5.5	6.5	5.8	5.3
Slovenia	67.7	6.6	6.0	4.9	4.4	5.9	7.2	8.2	8.9	10.1	9.7	9.0	8.0	6.6	5.3	4.6	4.3	5.1	4.4	4.3
Spain	3916.9	9.1	8.5	8.2	11.3	17.9	19.9	21.4	24.8	26.1	24.4	22.1	19.6	17.2	15.3	13.8	12.5	14.6	13.3	12.0
Sweden	358.5	7.7	7.1	6.1	6.2	8.3	8.6	7.8	8.0	8.0	7.9	7.4	6.9	6.7	6.2	6.1	6.1	6.2	6.1	6.1
Switzerland	233.5	5.1	4.6	4.2	3.9	4.8	4.8	4.4	4.5	4.7	4.8	4.8	4.9	4.8	4.8	4.6	4.4	4.6	4.6	4.3
Turkey	3451.3	9.5	9.0	9.2	10.0	13.0	11.1	9.1	8.4	9.0	9.9	10.3	10.9	10.9	10.8	12.7	12.8	11.6	12.9	12.7
United Kingdom	1479.8	4.8	5.4	5.3	5.7	7.6	7.9	8.1	8.0	7.6	6.2	5.4	4.9	4.4	4.1	4.0	4.1	4.0	4.1	4.1
United States	6973.2	5.1	4.6	4.6	5.8	9.3	9.6	8.9	8.1	7.4	6.2	5.3	4.9	4.3	3.9	3.5	3.5	3.7	3.4	3.5
Euro area	14715.5	9.0	8.3	7.5	7.5	9.6	10.2	10.2	11.4	12.0	11.6	10.9	10.0	9.1	8.2	7.6	7.2	7.9	7.4	7.0
Total OECD	36331.5	6.6	6.1	5.6	6.0	8.2	8.4	8.0	8.0	7.9	7.4	6.8	6.3	5.8	5.3	5.1	5.0	5.2	5.1	4.9

Note: Labour market data are subject to differences in definitions across countries and to many breaks in series, though the latter are often of a minor nature.

1. Based on National Employment Survey.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878665

Annex Table 22. **Harmonised unemployment rates**

Per cent of civilian labour force

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Australia	7.7	6.9	6.3	6.7	6.4	5.9	5.4	5.0	4.8	4.4	4.2	5.6	5.2	5.1	5.2	5.7	6.1	6.1	5.7	5.6
Austria	4.7	4.2	3.9	4.0	4.4	4.8	5.5	5.6	5.3	4.9	4.1	5.3	4.8	4.6	4.9	5.4	5.6	5.7	6.0	5.5
Belgium	9.3	8.4	6.9	6.6	7.5	8.2	8.4	8.4	8.3	7.5	7.0	7.9	8.3	7.2	7.6	8.5	8.5	8.5	7.9	7.1
Canada	8.3	7.6	6.8	7.2	7.7	7.6	7.2	6.8	6.3	6.1	6.1	8.4	8.1	7.5	7.3	7.1	6.9	6.9	7.0	6.3
Chile	6.4	10.1	9.7	9.9	9.8	9.5	10.0	9.2	7.8	7.1	7.8	9.7	8.2	7.1	6.4	5.9	6.4	6.2	6.5	6.7
Czech Republic	6.5	8.7	8.8	8.1	7.3	7.8	8.3	7.9	7.1	5.3	4.4	6.7	7.3	6.7	7.0	7.0	6.1	5.1	4.0	2.9
Denmark	4.9	5.2	4.3	4.5	4.6	5.4	5.5	4.8	3.9	3.8	3.5	6.0	7.5	7.6	7.5	7.0	6.5	6.2	6.2	5.7
Estonia	9.2	11.4	14.5	13.0	11.3	10.4	10.1	8.0	5.9	4.6	5.5	13.6	16.7	12.4	10.0	8.6	7.4	6.2	6.8	5.8
Finland	11.4	10.2	9.8	9.1	9.1	9.0	8.8	8.4	7.7	6.9	6.4	8.2	8.4	7.8	7.7	8.2	8.7	9.4	8.8	8.6
France	12.1	11.3	9.6	8.7	8.6	8.5	8.9	8.9	8.8	8.0	7.4	9.1	9.3	9.2	9.8	10.3	10.3	10.4	10.1	9.4
Germany	9.5	8.6	8.0	7.9	8.7	9.8	10.5	11.3	10.3	8.5	7.4	7.6	7.0	5.8	5.4	5.2	5.0	4.6	4.1	3.8
Greece	..	12.0	11.2	10.7	10.3	9.7	10.6	10.0	9.0	8.4	7.8	9.6	12.8	17.9	24.5	27.5	26.6	25.0	23.6	21.5
Hungary	8.7	6.9	6.3	5.6	5.6	5.7	6.1	7.2	7.5	7.4	7.8	10.0	11.2	11.1	11.0	10.1	7.7	6.8	5.1	4.2
Iceland	..	..	..	..	..	3.4	3.1	2.6	2.9	2.3	3.0	7.2	7.6	7.1	6.0	5.4	5.0	4.0	3.0	2.8
Ireland	7.6	5.8	4.5	4.2	4.7	4.9	4.7	4.6	4.8	5.0	6.8	12.7	14.6	15.4	15.5	13.8	11.9	9.9	8.4	6.7
Israel	8.5	8.9	8.8	9.3	10.3	10.7	10.4	9.0	8.4	7.3	6.1	7.5	6.6	5.6	6.9	6.2	5.9	5.2	4.8	4.2
Italy	11.3	10.9	10.1	9.0	8.5	8.4	8.0	7.7	6.8	6.1	6.7	7.8	8.4	8.4	10.6	12.1	12.7	11.9	11.7	11.2
Japan	4.1	4.7	4.7	5.0	5.4	5.3	4.7	4.4	4.1	3.8	4.0	5.1	5.1	4.6	4.4	4.0	3.6	3.4	3.1	2.8
Korea	7.0	6.6	4.4	4.0	3.3	3.6	3.7	3.8	3.5	3.3	3.2	3.6	3.7	3.4	3.2	3.1	3.5	3.6	3.7	3.7
Latvia	..	14.1	14.3	13.5	12.5	11.6	11.8	10.1	7.0	6.1	7.7	17.6	19.5	16.2	15.0	11.9	10.9	9.9	9.6	8.7
Lithuania	..	14.6	16.4	17.4	13.8	12.4	10.9	8.3	5.8	4.3	5.8	13.8	17.8	15.4	13.4	11.8	10.7	9.1	7.9	7.1
Luxembourg	2.7	2.4	2.2	1.9	2.6	3.8	5.0	4.7	4.6	4.2	4.9	5.1	4.6	4.8	5.1	5.9	6.1	6.5	6.3	5.6
Mexico	3.2	2.5	2.5	2.8	3.0	3.4	3.9	3.6	3.6	3.7	4.0	5.5	5.4	5.2	5.0	4.9	4.8	4.4	3.9	3.4
Netherlands	5.1	4.2	3.7	3.1	3.7	4.8	5.7	5.9	5.0	4.2	3.7	4.4	5.0	5.0	5.8	7.2	7.4	6.9	6.0	4.9
New Zealand	7.7	7.0	6.2	5.5	5.3	4.8	4.0	3.8	3.9	3.6	4.0	5.8	6.2	6.0	6.4	5.8	5.4	5.4	5.1	4.7
Norway	3.1	3.0	3.2	3.4	3.7	4.2	4.3	4.5	3.4	2.6	2.7	3.3	3.7	3.4	3.3	3.8	3.6	4.5	4.8	4.2
Poland	10.2	13.4	16.1	18.3	20.0	19.8	19.1	17.9	14.0	9.6	7.0	8.1	9.7	9.7	10.1	10.3	9.0	7.5	6.2	4.9
Portugal	6.1	5.6	5.1	5.1	6.1	7.4	7.8	8.8	8.9	9.1	8.8	10.7	12.0	12.9	15.8	16.5	14.1	12.7	11.2	9.0
Slovak Republic	12.7	16.5	18.9	19.5	18.8	17.7	18.4	16.4	13.5	11.2	9.6	12.1	14.5	13.7	14.0	14.2	13.2	11.5	9.7	8.1
Slovenia	7.4	7.4	6.7	6.2	6.3	6.7	6.3	6.5	6.0	4.9	4.4	5.9	7.3	8.2	8.9	10.1	9.7	9.0	8.0	6.6
Spain	16.4	13.6	11.9	10.6	11.4	11.5	11.0	9.2	8.5	8.2	11.3	17.9	19.9	21.4	24.8	26.1	24.5	22.1	19.7	17.2
Sweden	8.2	6.7	5.6	5.8	6.0	6.6	7.4	7.6	7.0	6.1	6.2	8.3	8.6	7.8	8.0	8.0	7.9	7.4	7.0	6.7
Switzerland	..	..	..	..	..	..	..	..	..	..	..	..	4.8	4.4	4.5	4.7	4.8	4.8	4.9	4.8
Turkey	..	..	..	..	..	..	..	9.2	8.8	8.8	9.7	12.6	10.7	8.8	8.2	8.7	10.0	10.3	10.9	10.9
United Kingdom	6.1	5.9	5.4	5.0	5.1	5.0	4.7	4.8	5.4	5.3	5.6	7.6	7.8	8.1	7.9	7.6	6.1	5.3	4.8	4.4
United States	4.5	4.2	4.0	4.7	5.8	6.0	5.5	5.1	4.6	4.6	5.8	9.3	9.6	9.0	8.1	7.4	6.2	5.3	4.9	4.4
Euro area	10.6	9.8	8.9	8.3	8.6	9.1	9.3	9.1	8.4	7.5	7.6	9.6	10.2	10.2	11.4	12.0	11.6	10.9	10.0	9.1
Total OECD	..	6.6	6.2	6.4	6.9	7.1	6.9	6.6	6.1	5.6	6.0	8.1	8.4	8.0	8.0	7.9	7.4	6.8	6.3	5.8

Note: In so far as possible, the data have been adjusted to ensure comparability over time and to conform to the guidelines of the International Labour Office. Annual figures are calculated by averaging the monthly and/or quarterly estimates (for both unemployed and the labour force). Further information is available from OECD.stat *(http://stats.oecd.org/index.aspx),* see the metadata relating to the harmonised unemployment rate.

Source: OECD, Main Economic Indicators.

StatLink http://dx.doi.org/10.1787/888933878684

Annex Table 23. **Quarterly price, cost and unemployment projections**

Percentage changes, seasonally adjusted at annual rates

	2018	2019	2020	2018	2019				2020				2018	2019	2020
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Q4 / Q4	
Consumer price index[1]															
Canada	2.3	2.1	2.1	2.1	2.1	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.4	2.1	2.1
France	2.2	1.8	1.8	1.3	1.8	1.7	1.5	1.8	2.1	1.8	1.7	1.9	2.4	1.7	1.9
Germany	1.9	2.2	2.2	2.4	2.1	2.0	2.0	2.1	2.2	2.2	2.3	2.4	2.2	2.0	2.3
Italy	1.3	1.6	1.4	1.4	1.4	1.4	1.3	1.3	1.4	1.4	1.5	1.5	1.9	1.3	1.5
Japan	1.0	1.4	1.9	1.1	1.2	1.3	1.4	3.9	1.3	1.5	1.6	1.7	1.0	2.0	1.5
United Kingdom	2.5	2.3	2.1	2.3	2.2	2.2	2.2	2.1	2.0	2.0	2.0	2.0	2.4	2.2	2.0
United States	2.5	2.3	2.4	2.5	2.4	2.2	2.3	2.4	2.4	2.4	2.4	2.3	2.4	2.3	2.4
Euro area	1.8	1.9	1.9	1.8	1.9	1.7	1.7	1.8	1.9	1.9	1.9	2.0	2.1	1.8	1.9
GDP deflator															
Canada	2.0	2.0	2.1	2.1	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.0	1.8	2.0	2.1
France	0.9	1.4	1.6	1.3	1.4	1.5	1.4	1.6	1.8	1.7	1.6	1.7	1.2	1.5	1.7
Germany	1.9	2.2	2.3	1.9	2.3	2.4	2.2	1.9	2.3	2.5	2.6	2.6	2.1	2.2	2.5
Italy	1.5	1.6	1.4	1.3	1.4	1.2	1.3	1.3	1.4	1.3	1.5	1.5	1.6	1.3	1.4
Japan	-0.1	0.3	1.6	-0.8	0.1	0.8	0.8	3.1	1.2	1.5	1.4	1.7	-0.6	1.2	1.5
United Kingdom	1.9	1.7	1.8	1.7	1.7	1.7	1.8	1.8	1.7	1.8	1.8	1.8	1.7	1.7	1.8
United States	2.2	2.2	2.5	2.0	2.2	2.3	2.4	2.5	2.5	2.5	2.4	2.4	2.2	2.4	2.4
Euro area	1.5	1.8	1.9	1.9	1.9	1.9	1.8	1.8	2.0	2.0	2.1	2.1	1.6	1.8	2.0
Total OECD	2.3	2.5	2.6	2.5	2.2	2.4	2.6	2.9	2.3	2.5	2.8	2.7	2.4	2.6	2.6
Unit labour costs (total economy)															
Canada	2.3	1.9	2.0	1.8	2.0	2.1	1.9	1.9	2.0	2.0	2.0	2.0	1.8	2.0	2.0
France	1.6	-0.3	1.8	1.6	-6.2	1.8	1.8	1.5	1.8	1.8	1.7	1.7	2.0	-0.3	1.8
Germany	3.0	2.7	2.9	2.3	2.3	2.4	2.5	2.5	2.9	3.2	3.3	3.3	3.3	2.5	3.2
Italy	1.8	0.3	0.4	-0.4	0.0	0.0	0.0	0.2	0.3	0.6	0.7	0.7	1.7	0.1	0.6
Japan	2.0	1.1	1.5	-0.2	1.3	1.4	0.6	3.7	1.1	1.1	1.0	1.1	2.0	1.7	1.1
United Kingdom	2.1	1.6	1.9	1.8	1.8	1.8	1.7	1.9	1.9	1.9	2.0	2.0	1.7	1.8	1.9
United States	1.6	1.8	2.3	2.3	1.7	2.5	2.5	2.1	2.2	2.3	2.5	2.5	1.5	2.2	2.4
Euro area	2.2	1.4	2.0	1.3	0.1	1.7	1.7	1.7	2.0	2.2	2.2	2.2	2.4	1.3	2.2
Total OECD	2.3	2.1	2.5	1.9	1.7	2.4	2.3	2.5	2.4	2.5	2.5	2.5	2.3	2.2	2.5
Unemployment				Per cent of labour force											
Canada	5.9	5.8	5.8	5.9	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8			
France	9.0	8.8	8.6	8.9	8.9	8.8	8.7	8.7	8.6	8.6	8.6	8.5			
Germany	3.4	3.0	2.7	3.3	3.2	3.1	3.0	2.9	2.8	2.7	2.6	2.6			
Italy	10.4	9.7	9.6	9.9	9.8	9.7	9.7	9.6	9.6	9.6	9.5	9.5			
Japan	2.4	2.4	2.4	2.3	2.2	2.5	2.4	2.6	2.5	2.4	2.4	2.3			
United Kingdom	4.1	4.0	4.1	4.0	4.0	4.0	4.0	4.1	4.1	4.1	4.1	4.1			
United States	3.9	3.5	3.5	3.7	3.6	3.5	3.4	3.4	3.4	3.5	3.5	3.5			
Euro area	8.2	7.6	7.2	7.9	7.8	7.7	7.5	7.4	7.3	7.2	7.1	7.0			
Total OECD	5.3	5.1	5.0	5.2	5.2	5.1	5.1	5.1	5.0	5.0	5.0	4.9			

Note: For information on the national accounts reporting systems, base years and latest data updates, see table at the beginning of the Statistical Annex.

1. For the United Kingdom, the euro area countries and the euro area aggregate, the Harmonised Index of Consumer Prices (HICP) is used.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878703

Annex Table 24. **Potential GDP and productive capital stock**

Percentage changes from previous period

	Potential GDP									Productive capital stock [1]								
	Average 1994-03	Average 2004-13	2014	2015	2016	2017	2018	2019	2020	Average 1994-03	Average 2004-13	2014	2015	2016	2017	2018	2019	2020
Argentina	1.5	3.7	2.3	2.1	1.8	1.7	1.6	1.3	1.1	0.5	2.2	2.0	1.9	1.5	1.5	1.5	0.8	0.6
Australia	3.6	3.1	2.8	2.6	2.6	2.4	2.4	2.4	2.4	2.8	4.7	3.8	3.0	2.4	2.3	2.3	2.5	2.6
Austria	2.4	1.5	1.2	1.3	1.5	1.7	1.8	1.9	2.0	2.7	1.8	1.3	1.2	1.2	1.4	1.5	1.5	1.5
Belgium	2.3	1.5	1.1	1.2	1.1	1.3	1.3	1.3	1.2	3.9	2.7	1.9	2.2	2.1	2.2	2.2	2.2	2.2
Brazil	2.8	3.4	2.6	2.2	1.8	1.6	1.5	1.5	1.5	0.6	1.5	2.1	1.4	0.3	-0.2	-0.1	0.1	0.3
Canada	2.9	2.2	2.1	2.0	1.8	1.7	1.7	1.7	1.7	2.6	3.0	2.7	2.4	1.8	1.7	1.9	2.0	2.1
Chile	..	4.3	3.8	3.5	3.3	2.9	2.8	2.8	2.8	..	6.8	6.6	5.6	4.8	4.1	4.0	4.1	4.0
China	9.9	9.8	7.6	7.2	6.7	6.3	6.2	6.1	6.0	10.4	12.5	11.1	10.5	9.6	8.9	8.5	8.2	7.8
Colombia	..	4.7	3.9	3.6	3.2	2.8	2.6	2.5	2.4	..	5.3	5.8	6.0	5.1	4.6	4.2	4.0	4.0
Costa Rica	..	4.3	3.5	3.8	3.6	3.3	3.3	3.4	3.4	5.1	4.6	3.8	3.9	3.7	3.1	2.8	3.0	3.1
Czech Republic	..	2.2	1.7	2.5	2.7	2.6	2.8	3.0	3.2	..	1.9	0.7	1.2	1.0	0.7	1.0	1.3	1.4
Denmark	2.2	0.9	1.2	1.3	1.5	1.5	1.6	1.6	1.6	2.8	1.4	0.8	0.9	1.0	1.2	1.4	1.5	1.6
Estonia	..	2.3	2.3	2.4	2.5	2.8	3.0	3.1	3.3	..	5.7	3.5	2.7	2.0	2.4	2.5	2.6	2.7
Finland	3.3	1.2	0.5	0.6	0.8	1.0	1.1	1.1	1.1	1.8	1.6	0.5	0.4	0.5	0.8	0.8	0.9	0.9
France	2.1	1.3	1.0	1.0	1.1	1.1	1.3	1.3	1.3	2.2	1.7	1.2	1.1	1.2	1.3	1.5	1.6	1.7
Germany	1.5	1.2	1.4	1.7	1.8	1.8	1.8	1.8	1.8	1.6	0.7	0.4	0.4	0.6	0.6	0.7	0.8	0.9
Greece	..	0.0	-1.2	-0.8	-0.5	-0.2	0.1	0.4	0.7	..	1.5	-1.4	-1.0	-0.9	-0.7	-0.5	-0.2	0.2
Hungary	..	1.6	1.7	2.1	2.0	2.2	2.7	3.1	3.3	..	2.3	2.0	2.4	1.6	1.6	2.6	3.3	3.6
Iceland	3.1	2.9	1.9	2.5	2.9	3.1	2.9	2.8	2.7	2.9	2.3	-0.1	1.1	2.3	2.9	2.6	2.2	2.2
India [2]	..	7.8	7.3	7.5	7.4	7.2	7.1	6.9	6.8	..	9.2	7.5	7.2	7.1	6.9	7.1	6.9	6.9
Indonesia	4.1	5.2	5.5	5.4	5.3	5.3	5.3	5.3	5.3	3.6	4.1	4.9	5.0	4.8	4.6	4.8	5.0	5.0
Ireland	6.9	2.7	4.1	16.3	10.7	5.1	3.4	3.4	3.4	..	..	..	..	..	..	..	..	..
Israel	..	3.7	3.7	3.5	3.5	3.3	3.3	3.2	3.0	..	2.9	2.9	2.7	3.0	3.2	3.5	3.6	3.4
Italy	1.2	0.3	-0.1	0.0	0.1	0.1	0.3	0.4	0.5	2.1	1.1	-0.6	-0.6	-0.5	-0.4	-0.1	0.1	0.2
Japan	1.3	0.4	0.8	1.0	1.1	1.2	1.3	1.3	1.2	2.6	0.3	0.1	0.1	0.1	0.1	0.2	0.3	0.3
Korea	5.9	3.8	3.4	3.3	3.2	3.2	3.1	2.8	2.7	8.6	4.6	3.7	3.5	3.4	3.6	3.4	3.0	3.0
Lithuania	..	2.9	2.7	2.7	2.6	2.6	2.8	3.1	3.0	..	5.4	3.2	3.4	3.0	3.0	3.4	3.7	3.7
Latvia	..	2.5	2.1	2.7	2.3	2.6	3.0	3.3	3.4	..	7.4	3.1	2.9	2.2	2.3	3.3	4.1	4.2
Luxembourg	..	2.7	3.2	3.1	3.0	2.9	2.6	2.4	2.4	..	3.3	3.4	3.1	3.0	3.1	2.4	2.2	2.4
Mexico	..	2.0	2.6	2.8	2.7	2.5	2.5	2.6	2.6	2.1	2.0	1.8	2.2	2.0	1.6	1.4	1.5	1.5
Netherlands	3.0	1.3	1.1	1.4	1.6	1.8	1.9	1.9	1.8	2.2	1.4	0.7	0.9	1.1	1.0	1.1	1.2	1.2
New Zealand	3.4	2.4	2.9	3.0	3.1	3.1	3.0	2.8	2.7	2.8	3.4	2.9	3.1	3.0	3.0	3.1	3.1	3.0
Norway	3.2	2.6	2.0	2.0	2.0	1.9	1.8	1.7	1.5	2.1	2.3	1.5	1.5	1.7	2.1	2.2	2.3	2.3
Poland	..	3.6	3.1	3.4	3.2	3.0	3.1	3.3	3.2	..	4.0	3.4	4.1	3.4	2.7	2.7	3.0	3.1
Portugal	2.6	0.5	0.4	0.7	0.9	1.2	1.3	1.3	1.1	5.7	3.0	0.5	0.7	0.7	1.0	1.2	1.5	1.6
Russia	..	3.5	1.3	0.8	0.6	0.5	0.9	1.0	1.1	..	5.7	4.4	3.4	2.7	2.5	2.6	2.5	2.5
Slovak Republic	..	4.0	2.5	2.7	2.6	2.5	3.5	3.8	3.3	..	2.7	1.4	2.4	2.2	1.7	2.3	2.5	2.6
Slovenia	..	1.8	1.4	1.7	1.8	1.9	2.1	2.3	2.4	..	2.4	0.2	0.3	-0.1	0.0	0.5	1.0	1.3
South Africa	..	3.0	2.4	2.4	2.3	2.2	2.1	2.0	2.0	0.9	2.8	2.7	2.7	2.4	2.1	1.9	1.8	1.9
Spain	3.2	2.1	0.2	0.3	0.3	0.4	0.6	0.8	0.9	4.4	3.7	1.4	1.5	1.7	1.7	1.8	1.9	2.0
Sweden	2.7	2.0	1.9	2.1	2.1	2.1	2.1	2.1	2.0	2.3	2.1	1.7	2.0	1.9	2.0	2.2	2.2	2.3
Switzerland	1.7	2.1	1.7	1.7	1.6	1.5	1.4	1.4	1.4	2.4	1.5	1.2	1.2	1.3	1.4	1.5	1.6	1.7
Turkey	..	5.5	6.0	6.1	5.9	5.8	5.7	5.3	5.0	4.6	6.8	7.1	7.3	6.8	6.4	6.1	5.0	4.6
United Kingdom	2.8	1.4	1.7	1.8	1.6	1.5	1.4	1.3	1.3	3.2	2.4	2.3	2.4	2.3	2.3	2.1	2.0	2.0
United States	3.1	2.0	1.8	1.9	1.8	1.8	1.9	2.0	2.0	3.2	1.8	1.4	1.5	1.3	1.3	1.5	1.7	1.8
Total OECD	2.7	1.8	1.8	1.9	1.9	1.9	1.9	2.0	2.0	3.4	1.9	1.4	1.6	1.5	1.4	1.5	1.5	1.6

Note: For methodological details, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. Total economy less housing.
2. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878722

Annex Table 25. **Structural unemployment and unit labour costs**

	Structural unemployment rate									Unit labour costs								
	Average 1994-03	Average 2004-13	2014	2015	2016	2017	2018	2019	2020	Average 1994-03	Average 2004-13	2014	2015	2016	2017	2018	2019	2020
	Per cent									*Percentage changes*								
Australia	7.0	5.2	5.6	5.6	5.4	5.3	5.3	5.3	5.2	2.3	3.5	0.9	0.3	0.2	0.8	1.4	1.3	2.0
Austria	4.1	4.8	5.1	5.1	5.1	5.1	5.1	5.1	5.1	0.2	2.1	2.0	2.0	1.8	0.6	2.0	1.6	1.5
Belgium	8.0	7.4	7.3	7.3	7.3	7.2	7.1	7.0	7.0	1.4	2.3	0.1	-0.9	0.2	1.6	1.5	1.9	1.8
Canada	8.3	6.9	6.7	6.6	6.6	6.5	6.5	6.5	6.5	1.5	2.5	1.0	1.8	0.2	0.8	2.3	1.9	2.0
Chile	7.3	7.4	6.8	6.8	6.7	6.7	6.6	6.6	6.6	..	5.3	5.5	5.5	5.4	2.8	1.0	2.1	3.1
Czech Republic	..	6.3	5.5	5.1	4.6	4.3	4.1	4.1	4.0	..	1.5	0.8	-0.4	3.4	3.7	6.7	5.5	4.8
Denmark	5.8	5.7	6.1	6.1	6.1	6.0	6.0	6.0	5.9	2.3	2.3	0.8	0.8	0.7	0.7	2.8	1.7	2.2
Estonia	..	9.2	8.0	7.7	7.5	7.4	7.3	7.3	7.3	..	5.7	4.6	4.0	2.8	3.9	4.8	4.8	4.8
Finland	10.9	8.1	8.1	8.2	8.2	8.1	8.0	7.9	7.9	1.2	2.7	0.9	1.0	-0.8	-2.1	1.4	1.6	2.2
France	9.3	8.8	9.1	9.2	9.2	9.1	8.9	8.6	8.4	1.5	1.7	0.6	0.3	0.5	0.8	1.6	-0.3	1.8
Germany	7.9	7.5	5.0	4.6	4.3	3.9	3.7	3.6	3.5	0.4	1.1	1.7	2.4	1.6	1.8	3.0	2.7	2.9
Greece	..	13.4	15.7	16.0	16.2	16.3	16.3	16.1	15.9	..	1.6	-1.6	-0.9	0.2	0.8	2.4	1.6	1.4
Hungary	..	8.2	8.3	8.2	8.2	8.1	8.1	7.9	7.8	..	3.0	1.7	-2.1	5.6	3.8	7.9	5.1	4.4
Iceland	3.6	3.9	4.0	3.9	3.9	3.9	3.8	3.8	3.8	5.4	5.2	4.0	6.4	4.3	5.7	1.5	2.0	0.6
Ireland	8.7	9.0	9.7	9.3	9.0	8.7	8.6	8.5	8.4	2.6	0.5	-4.7	-14.8	1.2	-2.3	0.0	1.2	2.3
Israel	..	8.9	5.8	5.2	4.8	4.5	4.4	4.3	4.3	..	1.8	-0.2	2.5	1.4	2.3	1.9	1.5	1.6
Italy	9.4	9.0	9.2	9.2	9.2	9.3	9.3	9.3	9.2	2.4	2.3	0.2	1.1	1.5	0.8	1.8	0.3	0.4
Japan	3.5	3.9	4.0	3.9	3.8	3.7	3.5	3.3	3.2	-1.4	-0.6	1.2	0.0	1.7	0.2	2.0	1.1	1.5
Korea	3.6	3.4	3.4	3.4	3.5	3.5	3.5	3.5	3.5	2.8	2.2	1.7	2.8	2.2	1.3	3.0	2.1	1.9
Latvia	..	11.7	10.4	9.5	9.2	8.6	8.3	8.2	8.1	..	6.9	5.2	5.0	4.4	3.5	5.1	4.0	4.5
Lithuania	..	11.3	11.1	10.6	10.2	9.9	9.6	9.3	9.0	..	4.2	2.8	4.9	6.3	4.2	4.9	4.1	4.2
Luxembourg	2.6	4.9	6.1	6.1	6.0	6.0	5.9	5.8	5.7	2.4	3.3	1.8	0.3	1.5	5.3	2.9	2.0	1.1
Mexico	3.4	4.2	4.5	4.4	4.2	4.1	4.1	4.0	4.0	15.2	4.6	2.5	2.5	3.0	3.9	4.1	4.6	4.9
Netherlands	5.6	5.2	6.1	6.1	6.0	5.7	5.3	4.9	4.7	2.3	1.4	-0.3	-1.3	1.0	0.7	1.7	1.7	2.8
New Zealand	6.5	5.0	5.3	5.1	5.0	4.9	4.8	4.8	4.8	1.7	2.8	2.4	0.4	0.5	2.4	3.3	2.2	2.4
Norway	3.9	3.2	3.4	3.5	3.5	3.5	3.5	3.4	3.4	3.4	5.4	2.6	1.1	0.5	1.5	3.1	2.7	1.7
Poland	..	10.1	7.4	7.0	6.5	6.0	5.5	5.0	5.0	..	2.7	1.1	-0.5	3.3	3.0	2.9	4.9	5.8
Portugal	6.3	9.3	11.0	10.4	9.8	9.0	8.1	7.4	7.1	3.6	1.0	-0.6	0.9	2.2	2.4	2.4	1.7	2.0
Slovak Republic	..	12.5	11.9	11.2	10.7	10.2	9.7	9.0	9.0	6.2	1.6	1.3	2.1	1.8	3.2	4.4	3.3	3.9
Slovenia	..	6.2	7.3	7.3	7.0	6.6	6.4	6.2	6.0	..	2.0	-1.2	0.4	2.1	1.6	3.1	2.5	3.3
Spain	13.8	14.5	15.5	15.5	15.6	15.5	15.3	15.0	14.8	3.4	1.5	-0.1	1.0	-0.4	0.5	1.5	1.5	1.5
Sweden	7.4	7.1	7.3	7.2	7.1	7.0	7.0	6.9	6.9	1.7	2.4	1.1	0.2	2.4	2.2	3.3	3.0	3.1
Switzerland	3.8	4.4	4.4	4.4	4.4	4.4	4.5	4.5	4.5	0.8	1.1	-0.7	0.6	-0.5	-0.2	-0.7	0.8	1.1
Turkey	..	9.3	10.0	10.1	10.3	10.3	10.4	10.3	10.3	..	..	..	..	..	..	..	..	..
United Kingdom	6.8	6.4	6.4	6.1	5.8	5.7	5.6	5.6	5.5	2.7	2.1	-0.7	0.8	1.9	2.5	2.1	1.6	1.9
United States	5.1	4.9	4.5	4.4	4.4	4.3	4.3	4.3	4.3	1.9	1.5	2.2	1.9	1.1	2.3	1.6	1.8	2.3
Euro area	9.1	9.2	8.9	8.8	8.7	8.5	8.3	8.1	8.0	2.0	1.7	0.6	0.9	1.1	1.1	2.2	1.4	2.0
Total OECD	6.4	6.4	6.2	6.1	6.0	5.9	5.8	5.7	5.6	2.9	1.9	1.4	1.3	1.6	1.8	2.3	2.1	2.5

Note: For more information about sources and definitions, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*
Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878741

Annex Table 26. **Household saving rates**

Per cent of disposable household income

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net saving																				
Australia	3.5	-0.1	-0.6	0.2	1.2	-0.1	1.2	5.4	7.3	6.8	8.4	7.0	7.3	7.8	6.7	4.9	2.8	2.2	2.2	2.1
Austria	9.0	9.4	9.6	9.5	11.1	11.6	12.4	12.4	11.4	9.6	7.9	8.9	7.1	7.3	6.8	7.8	6.8	5.6	5.0	5.0
Belgium	11.9	11.0	10.6	8.9	8.5	9.2	9.4	10.0	11.3	8.1	6.5	5.7	5.1	5.1	4.3	3.9	4.0	4.4	4.4	4.4
Canada	4.5	2.9	1.9	2.3	1.3	2.4	1.9	3.2	4.4	4.0	4.1	4.7	4.8	3.6	4.6	3.4	3.7	3.4	3.1	3.2
Czech Republic	6.2	6.3	5.7	4.9	6.1	7.8	7.0	6.3	8.5	7.8	6.0	6.0	5.6	6.6	6.8	6.5	4.3	3.5	3.3	3.2
Denmark	0.4	1.4	2.2	-1.9	-4.3	-1.5	-3.0	-4.1	0.7	1.8	0.8	0.1	2.3	-2.9	4.3	4.6	5.2	5.1	4.7	4.6
Estonia	-1.9	-9.5	-9.3	-9.7	-8.6	-10.9	-6.9	1.9	7.2	4.2	4.8	5.1	4.4	6.5	6.8	6.5	7.9	7.9	7.6	7.3
Finland	2.7	2.7	2.3	3.0	1.0	-0.4	-0.4	-0.2	3.4	3.2	1.3	0.7	1.3	-0.4	-0.7	-1.8	-2.1	-2.3	-3.0	-2.6
Germany	9.6	9.6	10.1	10.1	10.1	10.1	10.2	10.5	10.0	10.0	9.6	9.3	8.9	9.5	9.7	9.8	9.9	9.9	9.9	9.9
Hungary	7.3	4.4	3.2	6.7	8.0	8.6	4.4	3.7	5.5	6.1	7.0	5.2	7.1	8.0	6.2	8.1	7.3	10.8	10.6	10.8
Ireland	1.1	-0.6	0.2	0.9	1.5	-0.7	-1.0	4.8	9.6	8.2	4.2	7.0	5.2	3.6	4.2	3.8	6.6	5.6	5.2	5.1
Italy	8.9	9.6	9.1	9.6	9.1	8.5	8.1	7.8	7.1	4.2	3.7	2.0	3.6	3.9	3.2	3.2	2.3	2.4	2.6	2.1
Japan	5.6	4.9	4.4	3.6	3.4	2.5	2.5	2.5	4.0	3.7	4.0	2.7	0.3	-0.3	0.8	2.6	3.0	4.2	4.1	4.4
Korea	5.5	1.1	4.8	8.2	6.7	5.5	3.5	3.8	4.8	4.7	3.9	3.9	5.6	7.2	9.3	8.7	8.8	9.0	8.6	8.4
Latvia	-9.8	-9.2	-7.1	-7.7	-6.5	-11.5	-10.8	3.3	6.3	-1.3	-15.9	-14.5	-15.3	-12.5	-9.9	-5.5	-6.5	-3.5	-2.6	-1.0
Lithuania	-0.5	-0.4	-2.8	3.7	-0.2	1.1	-8.8	-4.7	1.1	4.1	0.9	-2.0	-1.2	-3.6	-3.4	-3.6	-5.2	-5.0	-4.8	-4.7
Luxembourg	..	..	..	..	..	..	..	11.5	12.5	15.3	13.1	14.4	14.5	14.6	14.6	14.9	14.9	14.4	14.0	13.4
Netherlands	5.2	5.3	4.8	4.4	2.6	1.9	1.9	3.7	7.6	5.9	6.8	8.4	8.6	9.9	9.6	10.0	9.1	8.8	8.8	8.8
New Zealand	-1.4	-6.7	-4.4	-3.8	-6.0	-4.1	-0.4	-2.2	1.2	2.1	2.4	0.5	0.1	-1.5	-1.3	-2.8	-3.3	-1.6	-1.4	-1.2
Norway	3.1	8.2	8.8	6.9	9.7	-0.4	0.9	3.8	5.2	4.0	5.9	7.1	7.4	8.2	10.3	7.3	7.0	7.3	6.8	6.5
Poland	12.3	8.9	7.8	2.7	2.2	2.0	2.1	0.3	2.8	2.4	-1.1	-1.1	-0.1	-0.4	-0.4	1.5	-1.2	-1.8	-0.2	1.0
Slovak Republic	3.7	3.4	1.1	0.3	1.1	0.1	1.9	0.8	2.3	2.4	0.8	0.7	0.2	1.4	3.0	3.0	2.4	2.9	2.9	2.9
Spain	5.5	5.2	6.7	5.0	3.2	1.4	-1.0	1.6	7.3	3.7	4.6	2.3	3.8	3.5	2.9	1.8	-0.8	-1.5	-1.8	-1.9
Sweden	8.4	8.1	7.3	6.0	5.4	7.1	9.5	11.8	11.0	11.8	12.5	14.4	15.0	16.4	15.0	16.0	15.1	16.7	16.4	16.3
Switzerland	14.3	14.0	13.3	12.3	12.8	14.5	16.1	15.4	15.8	15.7	16.8	17.4	17.5	18.9	18.2	18.7	17.8	17.8	17.8	17.6
United States	5.0	5.8	5.6	5.2	3.2	3.8	3.7	5.0	6.1	6.5	7.2	8.9	6.4	7.3	7.6	6.7	6.7	6.7	6.7	7.0
Gross saving																				
France	13.9	14.8	14.2	14.5	13.5	14.0	14.5	14.6	15.8	15.6	15.3	15.3	13.9	14.2	13.8	13.7	13.8	14.0	14.0	13.8
Portugal	11.0	10.9	10.0	10.0	9.2	8.0	7.0	6.8	10.4	9.2	7.5	7.7	7.8	5.2	5.3	5.0	4.7	3.8	3.5	3.3
United Kingdom	9.4	9.0	7.9	8.0	7.5	7.4	8.5	7.6	10.8	10.9	9.2	9.2	8.6	8.6	9.4	6.7	4.5	4.6	4.6	4.6

Note: For information on the National Accounts Reporting Systems, base years and latest data updates, see table at the beginning of the Statistical Annex. Most countries report household saving on a net basis (i.e. gross saving minus consumption of fixed capital by households and unincorporated businesses). In most countries "households" refer to the household sector plus non-profit institutions servicing households (in some cases referred to as personal saving).

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878760

Annex Table 27. **Gross national saving**

Per cent of nominal GDP

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Australia	21.6	20.6	21.3	21.2	21.5	21.4	21.0	21.8	21.2	21.2	24.0	22.1	23.0	23.7	23.8	23.7	23.1	21.5	20.5	21.0
Austria	24.4	23.8	24.8	24.4	26.0	25.7	26.3	25.7	26.7	28.2	28.8	24.9	25.8	26.1	25.8	25.5	26.0	25.7	26.9	27.4
Belgium	26.8	27.5	27.7	26.7	26.7	26.5	27.0	27.0	27.6	28.4	27.1	22.5	26.4	24.2	24.7	23.3	23.1	23.1	23.9	..
Canada	19.6	21.0	23.6	22.5	21.7	22.0	23.5	24.4	24.5	24.2	24.2	18.4	19.1	20.7	20.8	21.6	22.1	19.9	19.2	19.9
Chile	22.0	21.1	21.1	21.3	21.5	20.8	22.6	23.4	25.4	25.3	22.7	22.9	24.6	23.1	22.5	21.6	21.6	21.4	20.9	20.6
Czech Republic	28.6	26.9	27.8	27.5	25.4	24.6	25.3	26.4	26.2	27.4	26.1	22.7	22.0	22.3	23.9	23.6	24.6	26.4	26.1	26.2
Denmark	22.0	23.1	24.0	25.0	24.4	24.4	24.8	26.4	27.6	26.7	26.9	22.6	24.6	25.7	25.7	27.4	29.0	28.7	27.8	28.6
Estonia	22.4	21.2	23.8	23.6	22.1	22.9	21.7	23.6	23.9	23.8	22.3	23.0	23.2	26.5	27.2	27.4	27.5	26.6	26.2	28.7
Finland	27.1	28.7	30.7	31.3	30.2	27.3	28.8	28.0	28.4	29.6	27.8	23.2	23.1	22.0	20.6	19.5	19.6	20.0	21.3	22.9
France	23.4	24.3	23.8	24.0	22.9	22.4	22.8	22.6	23.3	23.7	23.5	20.9	21.2	22.1	21.5	21.3	21.5	22.3	21.8	22.7
Germany	22.6	22.1	22.2	22.0	21.8	21.1	23.7	23.5	25.5	27.6	26.5	24.0	25.4	27.3	26.4	26.2	27.2	28.2	28.4	28.3
Greece	..	16.9	16.6	16.4	15.9	16.4	16.6	12.6	13.9	11.6	8.7	5.8	5.7	4.8	8.4	9.3	9.8	9.9	9.8	10.4
Hungary	22.5	19.8	20.4	20.8	19.0	16.5	17.4	16.7	18.3	17.0	17.9	19.5	20.9	21.4	21.2	24.8	24.8	25.3	26.2	25.7
Ireland	..	24.3	24.9	23.4	22.5	24.6	25.4	25.7	26.2	22.9	17.7	14.0	15.8	15.0	16.0	20.9	24.2	30.2	34.8	34.1
Israel	22.6	22.2	21.4	21.0	19.7	20.2	21.5	23.8	25.0	24.3	21.2	22.0	22.2	22.8	21.7	22.8	24.6	25.2	24.7	23.7
Italy	21.2	20.8	20.4	20.8	20.9	20.3	20.7	20.2	20.4	20.8	19.0	17.5	17.1	17.4	17.5	17.9	18.9	18.7	20.1	20.4
Japan	31.5	30.1	30.2	28.2	27.5	27.8	28.3	28.9	29.0	29.6	27.7	24.3	25.3	24.2	23.6	24.1	24.5	26.7	..	..
Korea	37.7	35.5	34.1	32.1	31.6	33.1	35.2	33.4	32.6	33.0	32.8	32.7	34.8	34.7	34.4	34.5	34.5	35.6	36.0	36.1
Latvia	..	12.9	19.1	19.8	20.9	21.6	20.1	22.6	17.8	20.4	22.4	29.9	21.4	22.1	22.6	21.8	20.9	21.8	22.3	23.0
Lithuania	12.8	10.7	12.9	14.3	15.4	15.0	15.3	17.0	16.5	17.2	14.7	14.5	17.7	17.9	18.4	20.9	23.0	18.6	17.0	18.7
Mexico	26.8	24.9	25.6	23.1	22.4	21.9	22.9	22.5	23.2	24.1	25.7	23.8	23.3	24.4	25.2	24.9	23.7	25.8	25.9	24.8
Netherlands	27.1	28.4	28.9	27.1	25.9	26.6	26.9	25.6	28.4	28.6	26.5	26.3	27.4	28.8	29.0	28.5	27.4	28.7	28.5	31.1
New Zealand	18.0	18.5	20.0	22.1	21.1	21.7	20.4	17.8	17.3	18.5	15.6	18.4	17.5	17.5	17.4	19.9	19.6	20.8	21.7	14.2
Norway	..	..	..	..	32.8	31.6	34.0	38.8	40.3	39.5	41.7	35.4	36.3	38.2	39.0	38.1	38.6	35.5	32.7	33.8
Poland	20.7	19.8	18.6	18.0	16.2	17.1	13.9	17.1	17.5	18.2	18.1	17.1	16.3	17.4	17.5	18.4	18.9	21.2	19.8	20.0
Portugal	20.6	20.2	17.8	17.9	17.2	16.2	15.4	13.4	12.5	13.0	11.0	10.7	10.8	13.1	13.7	15.4	15.0	14.9	15.9	17.1
Slovak Republic	25.8	25.3	25.0	24.3	23.2	19.4	20.7	21.2	20.6	22.9	22.1	17.7	19.3	19.5	21.3	22.5	23.0	23.2	23.0	22.9
Slovenia	..	24.2	24.4	25.1	25.4	24.9	25.4	26.1	28.2	28.5	27.3	22.4	21.5	21.3	20.4	22.7	25.4	23.8	24.2	27.3
Spain	22.3	22.5	22.5	22.4	23.1	23.9	23.1	22.5	22.3	21.7	20.4	20.3	19.7	18.6	19.5	20.2	20.4	21.5	22.6	23.0
Sweden	25.1	26.3	27.4	27.8	27.2	28.2	28.3	29.1	31.6	33.0	32.5	27.4	29.4	29.0	28.1	27.5	28.0	28.8	29.6	30.0
Switzerland	32.9	33.5	35.9	33.5	30.7	34.7	34.7	37.7	38.9	34.2	27.3	33.5	38.4	34.6	34.9	34.1	32.0	34.3	32.4	..
United Kingdom	18.1	15.6	16.2	15.9	15.8	15.7	15.0	15.4	14.8	14.7	12.9	11.0	12.4	13.7	12.1	11.4	12.3	12.3	12.0	13.4
United States	21.3	20.9	20.7	19.6	18.3	17.4	17.7	18.1	19.2	17.6	15.2	13.9	15.4	16.5	18.7	19.2	20.3	20.1	18.6	18.9

Source: National accounts of OECD countries database.

StatLink http://dx.doi.org/10.1787/888933878779

Annex Table 28. **Household wealth and indebtedness**

Per cent of nominal disposable income

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Canada												
Net wealth	694	701	638	682	706	713	743	771	810	819	868	870
Net financial wealth	304	299	243	273	291	286	304	321	350	346	370	378
Non-financial assets	390	402	395	409	415	427	439	451	460	473	498	492
Financial assets	441	444	394	432	452	448	466	484	515	513	542	549
of which: Equities	67	80	56	77	88	79	84	89	94	80	93	93
Liabilities	137	145	150	159	161	162	163	163	165	167	172	172
of which: Mortgages	82	88	91	96	99	101	102	103	105	107	111	111
France												
Net wealth	803	811	737	749	788	796	800	810	802	813	834	844
Net financial wealth	236	232	198	214	222	218	232	243	250	263	277	282
Non-financial assets	568	579	539	535	566	578	567	567	552	551	557	562
Financial assets	333	334	301	323	335	332	341	354	361	378	394	401
of which: Equities	112	110	78	85	88	82	90	94	95	107	108	114
Liabilities	97	101	103	109	113	113	108	110	111	115	118	120
of which: Long-term loans	70	74	77	81	84	86	87	90	90	92	94	97
Germany												
Net wealth	586	611	597	621	626	625	636	656	666	676	..	..
Net financial wealth	176	190	173	186	193	189	197	206	213	220	225	231
Non-financial assets	410	421	423	435	433	436	438	450	453	456	..	..
Financial assets	282	292	273	287	291	285	292	300	307	314	318	324
of which: Equities	68	71	50	54	55	50	53	57	59	63	66	70
Liabilities	106	103	99	100	98	97	95	95	94	93	93	93
of which: Mortgages	71	70	67	68	67	66	65	..	..	..	..	..
Italy												
Net wealth	917	899	895	922	926	908	952	954	945	931	916	..
Net financial wealth	347	307	281	283	273	257	284	303	310	316	316	326
Non-financial assets	570	591	613	639	654	651	668	651	635	615	600	..
Financial assets	410	374	350	356	349	333	362	380	386	391	390	400
of which: Equities	174	140	110	106	99	88	102	123	132	142	139	150
Liabilities	63	67	68	73	77	76	78	77	76	75	74	74
of which: Medium and long-term loans	50	54	55	60	63	63	64	63	62	61	61	62
Japan												
Net wealth	865	845	807	814	809	807	819	856	875	869	866	..
Net financial wealth	462	438	405	424	428	431	450	485	501	502	497	..
Non-financial assets	403	408	402	391	381	375	369	371	374	368	369	..
Financial assets	571	545	513	531	534	539	556	593	611	613	609	..
of which: Equities	101	78	49	55	59	54	63	88	96	100	96	..
Liabilities	108	107	108	107	106	108	106	108	110	111	113	..
of which: Mortgages[1]	61	62	62	62	62	63	63	64	64	64	64	..
United Kingdom												
Net wealth	744	759	656	676	692	716	700	705	764	758	812	836
Net financial wealth	300	297	271	284	299	330	324	319	356	340	374	377
Non-financial assets	443	462	385	393	394	386	376	387	408	418	439	459
Financial assets	461	462	434	440	454	484	472	463	501	481	520	526
of which: Equities	76	76	63	74	77	71	66	70	76	74	78	83
Liabilities	161	165	163	157	155	155	148	144	145	141	146	149
of which: Mortgages	115	120	119	117	116	114	111	108	107	103	105	106
United States												
Net wealth	678	651	539	555	568	550	567	651	653	650	672	699
Net financial wealth	383	384	316	340	365	355	369	436	439	432	448	471
Non-financial assets	295	266	223	215	203	195	197	215	214	218	224	228
Financial assets	518	522	448	471	489	472	481	548	547	538	554	576
of which: Equities	138	135	78	103	116	107	118	150	156	146	156	178
Liabilities	135	138	132	131	124	117	111	112	109	105	106	105
of which: Mortgages	101	103	99	98	90	84	78	78	73	71	71	70

Note: Assets and liabilities are amounts outstanding at the end of the period, in per cent of nominal disposable income. For a more detailed description of the variables, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. Fiscal year.

Source: Canada: Statistics Canada; France: INSEE; Germany: Deutsche Bundesbank, Federal Statistical Office (Destatis); Italy: Banca d'Italia; Japan: Economic Planning Agency; United Kingdom: Office for National Statistics; United States: Federal Reserve.

StatLink http://dx.doi.org/10.1787/888933878798

Annex Table 29. **General government total outlays**

Per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	34.9	34.2	33.4	34.2	33.8	33.6	33.6	34.2	37.4	36.4	36.0	36.0	35.5	35.5	35.9	36.3	35.7	35.4	35.5	35.5
Austria	51.3	51.1	51.3	53.9	51.2	50.3	49.2	50.0	54.2	52.9	50.9	51.2	51.7	52.4	51.1	50.3	49.1	48.0	47.4	46.7
Belgium	49.2	49.5	50.7	48.9	51.6	48.4	48.2	50.3	54.2	53.3	54.5	55.9	55.8	55.3	53.7	53.0	52.2	51.6	51.2	51.1
Canada	41.2	40.5	40.4	39.3	38.6	38.8	38.6	38.9	43.5	43.2	41.7	41.0	40.1	38.5	39.9	40.7	40.3	40.3	40.0	40.1
Czech Republic	43.2	44.8	49.4	42.6	42.3	41.3	40.4	40.7	44.2	43.6	43.1	44.5	42.6	42.4	41.7	39.5	38.9	39.3	39.1	38.7
Denmark	52.8	53.2	53.6	53.0	51.2	49.8	49.6	50.4	56.5	56.7	56.4	58.0	55.8	55.2	54.5	52.7	51.2	51.5	50.6	49.5
Estonia	35.0	36.1	35.2	34.3	34.0	33.6	34.1	39.8	46.0	40.5	37.4	39.3	38.5	37.9	39.6	39.5	39.3	39.8	40.2	40.6
Finland	47.3	48.5	49.4	49.3	49.3	48.3	46.8	48.3	54.8	54.8	54.4	56.2	57.5	58.1	57.1	55.9	54.0	52.7	51.8	51.3
France	51.7	52.8	53.2	53.1	53.4	52.8	52.5	53.3	57.1	56.9	56.3	57.1	57.2	57.2	56.8	56.8	56.4	56.2	55.5	54.0
Germany	46.8	47.2	47.7	46.5	46.3	44.7	42.8	43.6	47.6	47.4	44.8	44.3	44.6	43.9	43.8	44.0	43.9	43.9	44.2	44.2
Greece	46.0	45.8	46.6	47.6	45.6	45.1	47.1	50.8	54.1	52.5	54.1	55.7	62.3	50.2	53.5	48.9	47.3	46.5	46.0	45.3
Hungary	47.1	50.8	49.0	48.7	49.4	51.4	49.9	48.7	50.4	49.3	49.5	48.5	49.4	49.5	50.1	46.8	46.9	46.6	46.4	46.1
Iceland	41.5	42.8	44.3	42.6	41.3	40.7	40.6	54.5	47.4	47.8	44.2	43.8	42.4	43.8	41.5	44.3	42.5	40.8	40.2	40.0
Ireland	32.5	33.2	33.0	33.2	33.3	33.8	35.9	41.8	47.0	65.0	46.5	42.0	40.4	37.5	29.0	27.5	26.3	26.1	25.8	25.3
Israel	48.4	52.4	47.8	45.1	44.5	43.7	42.1	42.8	42.8	41.1	40.4	41.0	41.0	39.6	38.4	38.6	39.5	40.0	40.1	40.2
Italy	47.5	46.8	47.2	46.9	47.1	47.6	46.8	47.8	51.2	49.9	49.4	50.8	51.1	50.9	50.3	49.3	48.9	48.8	49.3	49.2
Japan	36.8	37.0	36.6	35.2	35.1	34.6	34.6	35.6	40.2	39.3	40.2	40.2	40.3	39.7	38.8	38.7	38.7	38.4	38.4	38.2
Korea	26.5	26.2	32.6	29.7	29.6	30.2	29.8	32.1	34.9	31.1	32.4	32.7	31.8	32.0	32.4	32.3	32.5	33.3	34.3	34.8
Latvia	34.8	35.1	33.4	34.7	34.2	36.0	34.0	37.6	44.2	45.5	40.5	38.0	37.7	38.1	38.2	37.0	37.8	37.6	37.1	36.8
Lithuania	37.1	35.1	33.6	34.0	34.1	34.4	35.3	38.1	44.9	42.3	42.5	36.2	35.5	34.7	34.9	34.1	33.1	34.0	33.6	33.6
Luxembourg	38.3	41.4	43.5	43.8	43.6	39.7	37.8	39.7	45.2	44.1	42.4	44.1	43.3	42.0	42.0	41.9	43.1	42.8	42.8	42.6
Netherlands	42.9	43.6	44.5	43.5	42.3	43.0	42.3	43.1	47.6	47.9	46.8	46.8	46.5	45.7	44.6	43.6	42.5	41.6	41.2	40.6
New Zealand	37.2	36.5	37.0	36.6	37.7	39.0	38.7	40.7	41.9	48.1	44.9	43.8	42.6	41.4	40.7	40.7	40.6	41.6	41.6	41.1
Norway	43.8	46.7	47.9	45.0	42.1	40.8	41.4	40.2	46.1	44.9	43.8	42.9	44.0	45.8	48.8	50.8	49.9	48.6	48.0	47.5
Poland	44.9	45.4	45.8	43.6	44.4	44.7	43.2	44.3	45.0	45.8	43.9	42.9	42.6	42.4	41.7	41.1	41.1	41.4	41.7	42.0
Portugal	44.1	43.7	45.3	46.1	46.7	45.2	44.5	45.3	50.2	51.8	50.0	48.5	49.9	51.8	48.2	44.8	45.7	44.4	43.6	42.7
Slovak Republic	44.4	45.1	39.9	37.8	39.8	38.8	36.3	36.9	44.1	42.1	40.8	40.6	41.4	42.0	45.2	41.5	40.1	39.8	39.4	39.2
Slovenia	47.0	45.8	45.8	45.3	44.9	44.2	42.2	43.9	48.2	49.3	50.0	48.5	59.5	49.9	47.7	45.3	43.2	42.7	42.7	41.9
Spain	38.5	38.6	38.3	38.7	38.3	38.3	39.0	41.2	45.8	45.6	45.8	48.1	45.6	44.8	43.7	42.2	41.0	41.2	40.7	40.2
Sweden	52.7	53.8	53.9	52.5	52.4	51.0	49.2	50.0	52.7	50.9	50.3	51.2	51.9	51.0	49.6	49.8	49.3	49.0	48.7	48.1
Switzerland	33.2	35.7	34.8	34.6	33.8	31.9	30.7	31.3	33.2	33.0	32.9	33.3	34.2	33.7	34.0	34.2	34.2	33.6	33.4	33.3
United Kingdom	36.5	37.6	38.8	40.1	41.1	40.9	40.9	44.4	47.6	47.6	45.9	45.8	43.9	43.0	42.2	41.4	40.9	40.0	39.8	39.4
United States [1]	35.8	36.9	37.5	37.0	37.1	36.8	37.6	40.0	43.5	43.4	42.2	40.4	39.2	38.5	38.1	38.3	38.1	37.8	37.9	38.1
Euro area	46.8	47.0	47.4	46.9	46.8	46.1	45.4	46.6	50.7	50.6	49.3	49.8	49.8	49.1	48.3	47.6	47.1	46.8	46.6	46.1
Total OECD	39.6	40.3	40.0	39.4	39.3	39.0	39.0	40.8	44.4	44.0	43.2	42.6	42.0	41.4	40.9	40.7	40.3	40.1	40.0	39.9

Note: Data refer to the general government sector, which is a consolidation of accounts for the central, state and local governments plus social security.

1. These data include outlays net of operating surpluses of public enterprises.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878817

Annex Table 30. **General government total tax and non-tax receipts**

Per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	34.8	35.9	36.0	35.7	36.1	36.2	35.7	34.1	33.2	32.3	32.2	33.0	33.5	33.7	34.7	34.8	35.1	35.3	35.7	36.0
Austria	50.7	49.7	49.5	49.0	48.7	47.8	47.9	48.5	48.9	48.4	48.3	49.0	49.7	49.7	50.1	48.7	48.3	47.9	47.8	47.3
Belgium	49.4	49.6	49.0	48.8	48.9	48.7	48.3	49.2	48.8	49.3	50.3	51.6	52.7	52.2	51.3	50.6	51.3	50.7	49.9	49.7
Canada	41.8	40.3	40.3	40.0	40.2	40.6	40.4	39.1	39.6	38.4	38.4	38.5	38.6	38.6	39.8	39.6	39.2	39.4	39.5	39.7
Czech Republic	37.7	38.5	42.5	40.2	39.3	39.2	39.7	38.7	38.7	39.4	40.3	40.6	41.4	40.3	41.1	40.2	40.5	40.6	40.4	39.7
Denmark	54.0	53.2	53.5	55.1	56.2	54.8	54.6	53.6	53.7	54.0	54.4	54.5	54.6	56.4	53.1	52.3	52.3	51.6	50.4	49.3
Estonia	35.2	36.5	37.0	36.7	35.1	36.5	36.9	37.1	43.8	40.7	38.6	39.1	38.3	38.6	39.7	39.2	38.9	40.5	40.5	40.8
Finland	52.3	52.6	51.8	51.5	51.9	52.3	51.9	52.4	52.2	52.1	53.3	54.0	54.9	54.9	54.4	54.2	53.3	52.1	51.8	51.6
France	50.3	49.6	49.2	49.5	50.0	50.4	49.9	50.1	50.0	50.0	51.2	52.1	53.1	53.3	53.2	53.2	53.8	53.5	52.6	52.3
Germany	43.7	43.3	43.6	42.7	42.8	43.0	42.9	43.5	44.4	43.1	43.8	44.2	44.5	44.5	44.5	44.9	44.9	45.5	45.3	45.2
Greece	40.5	39.8	38.8	38.8	39.4	39.2	40.4	40.7	38.9	41.3	43.8	46.9	49.1	46.6	47.9	49.5	48.1	46.8	46.1	45.6
Hungary	43.1	42.0	41.9	42.1	41.6	42.2	44.8	45.0	45.9	44.8	44.1	46.1	46.7	46.9	48.2	45.1	44.7	44.2	44.3	44.1
Iceland	40.6	40.1	41.2	42.3	45.7	46.5	45.5	41.6	37.9	38.3	38.8	40.2	40.6	43.7	40.7	56.7	42.5	42.1	41.5	41.2
Ireland	33.5	32.7	33.4	34.5	34.9	36.6	36.2	34.8	33.2	33.0	33.7	34.0	34.2	33.8	27.0	27.0	26.1	25.7	25.6	25.4
Israel	44.1	43.9	42.5	41.5	41.6	42.5	41.6	39.2	36.3	37.4	37.4	36.6	36.9	37.2	37.3	37.2	38.6	37.0	36.9	37.2
Italy	44.1	43.8	43.9	43.4	43.0	44.1	45.3	45.2	45.9	45.7	45.7	47.9	48.2	47.8	47.7	46.7	46.5	47.0	46.8	46.3
Japan	30.5	29.6	29.1	29.9	30.7	31.6	31.8	31.5	30.5	30.1	31.1	31.9	32.7	34.4	35.3	35.2	35.1	35.3	35.3	35.6
Korea	29.5	29.7	30.7	30.0	31.1	32.6	34.0	34.4	33.6	32.0	33.3	33.7	33.1	33.3	33.6	34.7	35.3	36.1	36.3	36.5
Latvia	32.8	32.8	31.9	33.8	33.8	35.5	33.5	33.4	35.0	36.8	36.2	36.8	36.6	36.6	36.9	37.0	37.2	36.8	36.3	36.2
Lithuania	33.6	33.3	32.3	32.6	33.7	34.1	34.5	35.0	35.8	35.4	33.6	33.0	32.9	34.0	34.6	34.4	33.6	34.4	33.9	33.9
Luxembourg	44.2	43.8	43.7	42.6	43.7	41.6	42.0	43.0	44.5	43.5	42.9	44.4	44.3	43.3	43.3	43.6	44.5	44.6	44.8	44.7
Netherlands	42.4	41.4	41.4	41.7	41.9	43.1	42.2	43.3	42.5	42.6	42.4	42.9	43.6	43.6	42.6	43.6	43.7	42.6	42.1	42.0
New Zealand	38.6	39.8	40.5	40.5	42.3	44.2	43.0	41.2	39.0	40.7	40.7	41.6	41.9	41.6	40.9	41.9	41.5	41.6	41.6	41.5
Norway	57.0	55.8	55.1	55.9	56.9	58.8	58.5	58.9	56.4	55.9	57.2	56.7	54.7	54.5	54.9	54.8	55.0	53.8	53.4	53.0
Poland	40.1	40.6	39.7	38.5	40.4	41.1	41.4	40.7	37.8	38.5	39.1	39.1	38.5	38.7	39.0	38.9	39.7	40.6	40.9	41.1
Portugal	39.3	40.4	40.9	39.9	40.5	40.9	41.5	41.6	40.4	40.6	42.6	42.9	45.1	44.6	43.8	42.8	42.7	43.7	43.3	42.7
Slovak Republic	38.0	37.1	37.2	35.5	36.9	35.2	34.4	34.5	36.3	34.7	36.5	36.3	38.7	39.3	42.7	39.3	39.4	39.1	39.0	39.1
Slovenia	43.1	43.4	43.2	43.4	43.6	43.0	42.1	42.5	42.4	43.6	43.3	44.5	44.8	44.4	44.9	43.4	43.2	43.2	42.9	42.2
Spain	37.9	38.2	37.9	38.7	39.5	40.5	41.0	36.7	34.8	36.2	36.2	37.6	38.6	38.9	38.5	37.7	37.9	38.5	38.9	39.0
Sweden	54.1	52.4	52.6	52.8	54.2	53.2	52.6	51.9	52.0	50.8	50.1	50.3	50.5	49.4	49.8	50.9	50.9	50.2	49.9	49.6
Switzerland	33.4	33.9	33.4	33.1	33.1	32.8	32.3	33.2	33.7	33.4	33.6	33.6	33.8	33.5	34.7	34.6	35.4	34.9	34.5	34.1
United Kingdom	36.8	35.7	35.6	37.0	38.1	38.0	38.3	39.2	37.2	38.3	38.4	37.6	38.6	37.6	37.9	38.4	39.0	38.7	38.2	38.1
United States [1]	33.9	31.6	31.0	31.2	32.6	33.4	33.5	32.5	30.2	30.8	31.1	31.0	33.2	33.1	33.3	33.0	33.8	31.2	30.9	31.0
Euro area	44.7	44.3	44.2	44.0	44.2	44.6	44.7	44.5	44.5	44.4	45.0	46.1	46.8	46.6	46.3	46.1	46.1	46.2	45.8	45.6
Total OECD	37.6	36.4	35.5	35.6	36.4	37.1	37.2	36.9	35.7	35.8	36.2	36.5	37.6	37.7	37.8	37.7	38.1	37.1	36.9	36.8

Note: Data refer to the general government sector, which is a consolidation of accounts for the central, state and local governments plus social security.

1. Excludes the operating surpluses of public enterprises.

Source: OECD Economic Outlook 104 database.

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Annex Table 31. **General government financial balances**

Surplus (+) or deficit (-) as a per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	-0.1	1.7	2.6	1.5	2.3	2.6	2.1	0.0	-4.2	-4.1	-3.8	-3.0	-2.0	-1.8	-1.1	-1.5	-0.6	-0.1	0.2	0.5
Austria	-0.7	-1.4	-1.8	-4.8	-2.5	-2.5	-1.4	-1.5	-5.3	-4.4	-2.6	-2.2	-2.0	-2.7	-1.0	-1.6	-0.8	-0.1	0.3	0.6
Belgium	0.2	0.0	-1.8	-0.2	-2.8	0.2	0.1	-1.1	-5.4	-4.0	-4.2	-4.2	-3.1	-3.1	-2.5	-2.4	-0.9	-1.0	-1.3	-1.4
Brazil	-3.3	-4.4	-5.2	-2.9	-3.5	-3.6	-2.7	-2.0	-3.2	-2.4	-2.5	-2.3	-3.0	-6.0	-10.2	-9.0	-7.8	-7.3	-6.5	-6.1
Canada	0.5	-0.2	-0.1	0.8	1.6	1.8	1.8	0.2	-3.9	-4.7	-3.3	-2.5	-1.5	0.2	-0.1	-1.1	-1.1	-0.9	-0.5	-0.4
China	-2.2	-2.2	-1.8	-0.8	-0.6	0.2	1.8	1.3	-0.4	-0.4	0.2	0.5	-0.3	-0.3	-1.3	-3.0	-3.1	-3.1	-3.3	-3.5
Czech Republic	-5.5	-6.4	-6.9	-2.4	-3.0	-2.2	-0.7	-2.0	-5.4	-4.2	-2.7	-3.9	-1.2	-2.1	-0.6	0.7	1.5	1.3	1.3	1.0
Denmark	1.1	0.0	-0.1	2.1	5.0	5.0	5.0	3.2	-2.8	-2.7	-2.1	-3.5	-1.2	1.1	-1.5	-0.4	1.1	0.0	-0.3	-0.2
Estonia	0.2	0.4	1.8	2.4	1.1	2.9	2.7	-2.7	-2.2	0.2	1.2	-0.3	-0.2	0.7	0.1	-0.3	-0.4	0.7	0.3	0.1
Finland	5.0	4.1	2.4	2.2	2.6	3.9	5.1	4.2	-2.5	-2.6	-1.0	-2.2	-2.6	-3.2	-2.8	-1.7	-0.7	-0.6	0.0	0.3
France	-1.4	-3.2	-4.0	-3.6	-3.4	-2.4	-2.6	-3.3	-7.2	-6.9	-5.2	-5.0	-4.1	-3.9	-3.6	-3.6	-2.7	-2.7	-2.9	-1.7
Germany	-3.1	-3.9	-4.2	-3.8	-3.4	-1.7	0.2	-0.2	-3.2	-4.2	-1.0	0.0	-0.1	0.6	0.8	0.9	1.0	1.6	1.1	1.0
Greece	-5.5	-6.0	-7.8	-8.8	-6.2	-5.9	-6.7	-10.2	-15.1	-11.2	-10.3	-8.9	-13.2	-3.6	-5.6	0.5	0.8	0.3	0.1	0.3
Hungary	-4.1	-8.8	-7.1	-6.5	-7.8	-9.3	-5.0	-3.7	-4.5	-4.5	-5.4	-2.4	-2.6	-2.6	-1.9	-1.6	-2.2	-2.4	-2.0	-2.0
Iceland	-1.0	-2.8	-3.1	-0.3	4.4	5.8	4.9	-12.9	-9.5	-9.5	-5.4	-3.6	-1.8	-0.1	-0.8	12.3	0.1	1.3	1.3	1.2
India [1]	-10.0	-9.6	-8.5	-7.4	-6.7	-5.5	-4.1	-8.6	-9.6	-7.1	-7.8	-6.9	-6.7	-6.7	-6.9	-7.0	-6.6	-6.4	-6.2	-6.0
Indonesia	..	..	..	..	..	..	..	0.1	-1.7	-0.3	-1.0	-1.3	-2.1	-1.9	-2.8	-2.4	-2.5	-2.0	-2.0	-1.8
Ireland	1.0	-0.5	0.4	1.3	1.6	2.8	0.3	-7.0	-13.8	-32.0	-12.8	-8.1	-6.1	-3.6	-1.9	-0.5	-0.2	-0.4	-0.2	0.1
Israel	-4.2	-8.6	-5.3	-3.5	-2.9	-1.2	-0.5	-3.6	-6.5	-3.7	-3.0	-4.4	-4.0	-2.4	-1.0	-1.4	-1.0	-3.0	-3.2	-3.0
Italy	-3.4	-3.0	-3.3	-3.5	-4.1	-3.5	-1.5	-2.6	-5.3	-4.2	-3.7	-2.9	-2.9	-3.0	-2.6	-2.6	-2.4	-1.8	-2.5	-2.8
Japan	-6.2	-7.4	-7.5	-5.3	-4.4	-3.0	-2.8	-4.1	-9.8	-9.1	-9.1	-8.3	-7.6	-5.4	-3.6	-3.4	-3.7	-3.2	-3.0	-2.6
Korea	3.0	3.5	-2.0	0.2	1.6	2.3	4.2	2.3	-1.3	1.0	1.0	1.0	1.3	1.3	1.3	2.4	2.8	2.7	2.1	1.6
Latvia	-1.9	-2.3	-1.5	-0.9	-0.4	-0.5	-0.5	-4.2	-9.1	-8.7	-4.3	-1.2	-1.2	-1.5	-1.4	0.1	-0.6	-0.8	-0.8	-0.6
Lithuania	-3.5	-1.9	-1.3	-1.4	-0.3	-0.3	-0.8	-3.1	-9.1	-6.9	-8.9	-3.1	-2.6	-0.6	-0.3	0.3	0.5	0.5	0.3	0.2
Luxembourg	5.9	2.4	0.2	-1.3	0.1	1.9	4.2	3.3	-0.7	-0.7	0.5	0.3	1.0	1.3	1.3	1.6	1.4	1.8	1.9	2.1
Netherlands	-0.5	-2.1	-3.1	-1.8	-0.4	0.1	-0.1	0.2	-5.1	-5.2	-4.4	-3.9	-2.9	-2.2	-2.0	0.0	1.2	0.9	1.0	1.4
New Zealand	1.4	3.3	3.5	3.9	4.6	5.2	4.3	0.4	-2.9	-7.3	-4.2	-2.3	-0.7	0.2	0.2	1.2	0.9	0.0	0.0	0.4
Norway	13.2	9.1	7.2	10.9	14.8	18.0	17.1	18.7	10.3	11.0	13.4	13.8	10.8	8.7	6.1	4.0	5.1	5.3	5.4	5.5
Poland	-4.8	-4.8	-6.1	-5.0	-4.0	-3.6	-1.9	-3.6	-7.3	-7.3	-4.8	-3.7	-4.1	-3.7	-2.7	-2.2	-1.4	-0.8	-0.8	-0.9
Portugal	-4.8	-3.3	-4.4	-6.2	-6.2	-4.3	-3.0	-3.8	-9.8	-11.2	-7.4	-5.7	-4.8	-7.2	-4.4	-2.0	-3.0	-0.7	-0.2	0.1
Russia	..	-0.6	1.4	5.0	5.0	6.9	4.7	6.1	-3.3	-1.0	3.2	2.0	-0.2	-2.3	-1.5	-3.6	-1.5	0.5	1.8	1.1
Slovak Republic	-6.4	-8.1	-2.7	-2.3	-2.9	-3.6	-1.9	-2.4	-7.8	-7.5	-4.3	-4.3	-2.7	-2.7	-2.6	-2.2	-0.8	-0.7	-0.4	0.0
Slovenia	-3.9	-2.4	-2.6	-2.0	-1.3	-1.2	-0.1	-1.4	-5.8	-5.6	-6.7	-4.0	-14.7	-5.5	-2.8	-1.9	0.1	0.6	0.2	0.2
South Africa	-2.5	-3.3	-4.5	-4.6	-2.4	-1.7	-0.7	-1.7	-3.9	-3.3	-2.5	-3.6	-3.6	-3.8	-3.8	-3.5	-4.0	-3.7	-3.7	-3.7
Spain	-0.5	-0.4	-0.4	0.0	1.2	2.2	1.9	-4.4	-11.0	-9.4	-9.6	-10.5	-7.0	-6.0	-5.3	-4.5	-3.1	-2.7	-1.8	-1.2
Sweden	1.4	-1.4	-1.3	0.4	1.8	2.2	3.4	1.9	-0.7	0.0	-0.2	-1.0	-1.4	-1.5	0.2	1.1	1.6	1.2	1.2	1.5
Switzerland	0.2	-1.8	-1.4	-1.4	-0.7	0.9	1.6	2.0	0.5	0.4	0.8	0.3	-0.4	-0.2	0.6	0.4	1.3	1.2	1.0	0.8
United Kingdom	0.2	-1.9	-3.2	-3.1	-3.0	-2.9	-2.6	-5.2	-10.4	-9.3	-7.4	-8.1	-5.3	-5.4	-4.2	-2.9	-1.9	-1.3	-1.6	-1.3
United States	-1.9	-5.3	-6.5	-5.8	-4.5	-3.4	-4.1	-7.5	-13.3	-12.6	-11.1	-9.4	-6.0	-5.3	-4.7	-5.4	-4.3	-6.6	-6.9	-7.1
Euro area	-2.0	-2.7	-3.2	-3.0	-2.6	-1.5	-0.7	-2.2	-6.2	-6.2	-4.2	-3.7	-3.1	-2.5	-2.0	-1.6	-1.0	-0.7	-0.8	-0.5
Total OECD	-2.0	-3.8	-4.5	-3.8	-2.9	-1.9	-1.8	-3.9	-8.7	-8.2	-7.0	-6.1	-4.4	-3.7	-3.1	-3.0	-2.3	-2.9	-3.1	-3.0
General government financial balances excluding social security																				
United States	-3.4	-6.9	-7.8	-7.1	-5.8	-4.8	-5.4	-8.7	-14.1	-13.0	-11.6	-9.7	-6.2	-5.5	-4.9	-5.6	-4.6	-6.8	-7.1	-7.2
Japan	-6.5	-7.3	-7.7	-5.8	-4.6	-3.0	-2.6	-3.6	-8.7	-8.1	-8.3	-7.6	-7.2	-5.7	-4.5	-4.6	-4.6	-3.9	-3.4	-2.6

Note: Financial balances include one-off factors, such as those resulting from the sale of mobile telephone licenses. Data for OECD countries are on a national accounts basis, while data for non-OECD countries are based on country-specific definitions. For more details, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878855

Annex Table 32. **General government cyclically-adjusted balances**

Surplus (+) or deficit (-) as a per cent of potential GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	0.1	1.4	2.6	1.0	2.0	2.4	1.3	-0.5	-4.2	-3.9	-3.3	-2.9	-1.4	-1.2	-0.4	-0.8	0.2	0.3	0.3	0.5
Austria	-1.3	-1.5	-1.2	-4.3	-2.2	-3.2	-3.0	-2.9	-3.7	-3.3	-2.5	-1.9	-1.0	-1.4	0.4	-0.5	-0.3	-0.1	0.3	0.6
Belgium	0.2	0.3	-0.7	-0.2	-2.8	-0.2	-1.4	-2.0	-3.7	-3.4	-3.9	-3.3	-1.6	-1.7	-1.4	-1.7	-0.4	-0.7	-1.2	-1.3
Canada	-0.5	-1.4	-0.9	-0.3	0.2	0.4	0.5	-0.5	-1.8	-3.3	-2.5	-1.5	-0.6	0.6	0.9	0.2	-0.5	-0.6	-0.5	-0.5
Czech Republic	-5.2	-5.1	-5.4	-1.3	-2.9	-3.2	-2.5	-3.6	-4.3	-3.5	-2.5	-3.1	0.2	-1.0	-0.8	0.7	0.8	0.5	0.6	0.5
Denmark	0.2	-0.1	0.5	1.8	4.0	2.4	2.6	1.8	-0.4	-1.2	-1.1	-2.1	0.2	2.3	-1.0	-0.6	0.4	-0.4	-0.9	-0.8
Estonia	0.7	1.2	2.3	2.8	0.0	-0.4	-2.2	-4.5	3.6	4.6	2.6	0.2	0.3	1.0	0.6	-0.3	-1.2	-0.3	-0.9	-0.6
Finland	4.3	4.2	3.1	2.1	2.2	2.4	1.9	1.5	0.1	-1.3	-0.9	-0.8	-0.4	-0.3	0.4	0.4	0.4	-0.5	-0.3	-0.3
France	-2.5	-3.8	-4.1	-4.2	-4.0	-3.7	-4.4	-4.2	-5.6	-5.7	-4.7	-4.1	-2.9	-2.7	-2.4	-2.3	-2.2	-2.5	-2.8	-1.8
Germany	-3.3	-3.7	-3.2	-2.8	-2.6	-2.0	-0.8	-0.8	-0.8	-3.3	-1.2	-0.1	0.1	0.4	0.7	0.7	0.5	1.2	0.8	0.8
Greece	-5.0	-5.8	-8.8	-10.9	-7.6	-9.2	-11.0	-14.3	-17.2	-10.6	-5.5	-0.9	-3.8	3.4	1.6	7.1	6.5	5.0	4.0	3.6
Hungary	-4.1	-9.5	-8.0	-8.3	-10.5	-13.0	-7.6	-5.6	-2.2	-2.2	-3.5	0.7	0.2	-1.0	-0.9	-0.7	-2.3	-3.4	-3.4	-3.4
Iceland	-2.0	-2.4	-2.2	-1.9	1.8	3.1	-0.3	-18.1	-8.3	-5.2	-1.6	0.3	0.8	2.5	0.5	11.5	-1.6	-0.8	-0.8	-0.9
Ireland	-0.4	-1.9	-0.1	0.1	-0.3	0.3	-3.3	-7.6	-10.8	-28.2	-10.7	-4.9	-2.2	-1.8	-3.1	0.2	-0.1	-1.1	-1.1	-0.7
Israel	-4.4	-6.8	-2.5	-1.7	-1.4	-0.7	-1.2	-4.2	-6.1	-4.0	-4.0	-4.6	-4.5	-3.0	-1.1	-1.7	-1.3	-3.6	-3.9	-3.8
Italy	-4.6	-3.8	-3.8	-4.2	-4.9	-5.1	-3.4	-3.8	-3.4	-3.2	-3.0	-0.8	0.1	-0.2	-0.3	-0.7	-1.2	-1.0	-1.9	-2.5
Japan	-4.9	-5.8	-6.2	-4.6	-4.1	-3.0	-3.2	-4.0	-7.1	-8.2	-7.9	-7.6	-7.6	-5.1	-3.4	-3.2	-3.7	-3.0	-2.8	-2.1
Korea	3.3	3.1	-1.9	0.1	1.4	1.8	3.2	1.6	-0.9	0.4	0.5	1.0	1.6	1.5	1.7	2.9	3.4	3.5	2.9	2.5
Latvia	-0.3	-0.6	-0.6	-0.7	-1.2	-3.3	-5.5	-7.2	-5.6	-4.2	-2.5	-0.1	-0.1	-0.3	-0.3	1.2	-0.1	-0.9	-1.2	-1.0
Lithuania	..	-0.6	-1.0	-1.0	-0.5	-1.1	-4.1	-6.6	-5.6	-4.2	-7.9	-2.8	-2.6	-0.8	-0.3	0.4	0.1	-0.1	-0.2	-0.2
Luxembourg	5.1	1.8	0.6	-0.9	0.5	1.3	1.1	2.1	1.4	0.1	1.3	2.8	3.1	2.8	2.4	3.0	3.5	3.7	3.6	3.4
Netherlands	-1.9	-2.4	-2.4	-1.1	0.1	-0.4	-1.7	-1.7	-4.4	-4.7	-4.2	-2.7	-1.2	-0.6	-0.8	1.0	1.6	0.9	0.6	0.9
New Zealand	1.7	3.0	2.6	2.7	3.7	4.4	3.0	0.6	-2.1	-6.5	-3.3	-1.6	0.1	0.7	0.1	0.6	0.5	-0.4	-0.4	0.0
Norway [1]	1.0	-0.6	-1.6	-0.8	-0.3	0.8	1.7	1.1	0.1	0.6	1.0	0.6	0.0	-0.5	0.4	0.8	-0.1	-0.1	-0.2	-0.1
Poland	-3.0	-2.0	-3.2	-3.0	-1.7	-2.3	-1.8	-3.7	-6.9	-7.1	-5.3	-3.5	-3.2	-2.8	-2.1	-1.5	-1.5	-1.8	-2.1	-2.2
Portugal	-6.7	-4.4	-4.2	-6.2	-5.9	-4.3	-3.8	-4.2	-8.3	-10.5	-5.6	-1.9	-0.2	-2.7	-0.8	0.9	-0.9	0.8	0.9	0.7
Slovenia	-3.4	-1.9	-1.9	-1.7	-1.5	-2.6	-3.2	-4.8	-4.9	-4.8	-5.7	-1.7	-10.7	-2.9	-0.6	-0.2	0.6	0.2	-0.7	-0.7
Spain	-2.0	-1.8	-1.6	-1.3	-0.3	0.2	-0.5	-5.7	-8.5	-6.0	-4.9	-3.1	1.3	1.6	0.2	-0.8	-1.0	-1.9	-1.8	-1.8
Sweden	1.5	-0.9	-0.7	0.0	1.3	0.0	0.6	1.1	2.9	1.0	0.2	0.5	0.5	-0.3	0.1	0.8	1.1	0.6	0.7	1.0
Switzerland	-0.2	-1.5	-0.4	-0.7	-0.4	0.4	0.5	0.9	1.2	0.7	1.1	1.0	0.3	0.2	1.2	0.9	1.8	1.1	0.9	0.5
United Kingdom	0.1	-1.9	-3.6	-3.5	-4.0	-4.2	-4.4	-6.0	-7.9	-7.4	-5.9	-6.7	-4.3	-5.0	-4.2	-3.0	-2.1	-1.4	-1.7	-1.4
United States	-2.0	-5.0	-6.4	-6.4	-5.6	-4.8	-5.2	-7.4	-10.8	-10.5	-9.0	-7.5	-4.2	-3.9	-3.8	-4.3	-3.4	-6.3	-7.0	-7.2
Euro area	-2.9	-3.1	-3.0	-3.1	-2.9	-2.6	-2.4	-3.3	-4.4	-4.9	-3.4	-1.9	-0.8	-0.5	-0.5	-0.3	-0.4	-0.4	-0.8	-0.6
Total OECD	-2.2	-3.7	-4.4	-4.2	-3.7	-3.1	-3.2	-4.6	-7.0	-7.1	-5.8	-4.8	-2.9	-2.4	-2.1	-2.1	-1.8	-2.8	-3.2	-3.2

Note: For more details on the methodology used for estimating the cyclical component of government balances, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. As a percentage of mainland potential GDP. The financial balances shown are adjusted to exclude net revenues from petroleum activities.

Source: OECD Economic Outlook 104 database.

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Annex Table 33. **General government underlying balances**

Surplus (+) or deficit (-) as a per cent of potential GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	0.2	1.5	2.4	0.9	1.8	2.2	1.2	-0.8	-4.2	-3.6	-3.3	-2.9	-1.7	-1.3	-1.1	-1.0	0.2	0.3	0.3	0.5
Austria	-0.9	-1.5	-1.3	-0.8	-2.5	-3.4	-3.2	-3.1	-3.2	-3.3	-2.7	-1.7	-1.5	-0.2	0.9	-0.3	-0.3	-0.1	0.3	0.6
Belgium	0.1	0.1	-0.3	-0.5	-0.7	-0.5	-1.3	-1.8	-3.3	-3.0	-3.1	-2.2	-1.6	-1.4	-1.1	-1.6	-0.4	-0.7	-1.2	-1.3
Canada	-0.7	-1.5	-0.9	-0.2	0.3	0.5	0.5	-0.4	-1.6	-3.1	-2.3	-1.2	-0.5	0.7	1.0	0.2	-0.5	-0.6	-0.5	-0.5
Czech Republic	-4.5	-3.8	-7.3	-1.9	-2.6	-3.7	-2.8	-3.6	-4.9	-4.0	-2.9	0.1	0.0	-1.0	-0.5	0.7	0.8	0.5	0.6	0.5
Denmark	-0.1	-0.1	0.6	1.7	3.9	2.2	2.5	2.2	-0.4	-1.2	-0.9	-0.8	-1.2	-0.4	-1.8	-0.5	0.5	-0.1	-0.9	-0.5
Estonia	0.7	1.2	2.2	2.6	0.1	-0.9	-2.1	-3.3	0.9	1.3	0.6	1.1	0.1	1.4	1.1	0.0	-0.9	-0.1	-0.7	-0.6
Finland	4.4	4.3	3.0	2.1	2.3	2.4	1.9	1.4	0.2	-1.3	-0.8	-0.7	-0.5	-0.2	0.5	0.4	0.4	-0.5	-0.3	-0.3
France	-2.5	-3.7	-4.3	-4.3	-4.1	-3.7	-4.4	-4.0	-5.4	-5.7	-4.8	-4.1	-2.9	-2.7	-2.5	-2.2	-2.1	-2.2	-1.9	-1.7
Germany	-2.7	-3.1	-2.7	-2.5	-2.3	-1.9	-0.8	-0.5	-0.7	-2.3	-1.2	-0.2	-0.1	0.4	0.5	0.6	0.5	1.2	0.8	0.8
Greece	-6.1	-5.9	-9.4	-11.2	-9.4	-11.7	-13.0	-14.9	-17.1	-11.3	-6.2	0.5	3.4	2.1	4.8	6.8	6.1	5.0	4.0	3.6
Hungary	-3.9	-8.0	-8.1	-8.9	-10.8	-12.8	-6.9	-5.0	-2.0	-2.2	-2.3	0.8	0.2	-1.3	-1.3	-1.4	-2.3	-3.4	-3.4	-3.4
Iceland	-1.9	-2.5	-2.2	-2.0	1.7	2.9	-0.7	-5.2	-8.1	-2.2	-0.9	0.7	0.5	3.6	1.8	-4.0	-1.6	-0.8	-0.8	-0.9
Ireland	-0.3	-2.1	-0.2	0.2	-0.2	0.0	-3.7	-7.1	-8.1	-7.8	-7.0	-4.9	-2.9	-2.1	-2.4	0.1	0.0	-1.1	-1.1	-0.7
Israel	-4.2	-6.6	-2.5	-1.5	-1.2	-0.6	-1.0	-4.0	-5.7	-4.1	-4.2	-4.6	-4.6	-3.1	-1.3	-1.7	-1.3	-3.6	-3.9	-3.8
Italy	-4.2	-3.5	-4.7	-4.5	-4.8	-3.9	-3.1	-3.6	-3.5	-3.2	-3.4	-0.5	-0.1	-0.1	0.1	-0.6	-1.2	-1.0	-1.9	-2.5
Japan	-5.5	-5.9	-5.7	-5.3	-4.0	-4.4	-3.3	-4.8	-7.2	-8.4	-7.7	-7.5	-7.4	-5.6	-4.2	-3.4	-3.7	-3.0	-2.8	-2.1
Korea	3.0	2.8	2.5	0.8	1.8	2.3	2.6	1.0	-0.4	0.1	0.8	1.2	1.3	1.6	1.8	2.9	3.4	3.5	2.9	2.5
Latvia	0.3	0.0	-1.3	-0.8	-1.7	-2.8	-5.3	-7.7	-5.6	-3.0	-2.3	-0.6	-0.3	-0.3	-0.2	1.2	-0.2	-0.9	-1.2	-1.0
Lithuania	..	-0.6	-1.0	-1.0	-0.5	-1.1	-4.1	-6.6	-5.6	-4.2	-4.3	-2.8	-2.0	-1.1	-0.5	0.3	0.1	-0.1	-0.3	-0.2
Luxembourg	3.5	1.9	0.7	-0.6	0.6	1.7	1.0	1.8	1.5	0.2	1.2	2.8	3.2	2.7	2.4	3.0	3.5	3.7	3.6	3.4
Netherlands	-1.4	-2.2	-2.2	-1.1	-0.1	-0.7	-1.8	-1.7	-3.7	-4.3	-4.4	-2.7	-1.8	-0.8	-1.2	1.0	1.6	0.9	0.6	0.9
New Zealand	1.8	3.0	2.6	2.7	3.6	4.5	2.9	0.8	-2.0	-2.5	-1.7	-0.8	0.6	0.8	0.1	0.6	0.5	-0.4	-0.4	0.0
Norway [1]	0.9	-0.6	-1.6	-0.9	-0.3	0.7	1.7	1.2	0.2	0.6	1.1	0.6	-0.1	-0.5	0.4	0.8	-0.1	-0.1	-0.2	-0.1
Poland	-3.1	-2.1	-2.8	-3.1	-1.8	-2.2	-2.0	-3.4	-6.5	-7.5	-6.3	-4.0	-3.3	-3.0	-2.4	-2.1	-1.5	-1.8	-2.1	-2.2
Portugal	-6.7	-5.2	-4.6	-5.8	-5.9	-4.1	-3.8	-4.6	-8.1	-8.2	-5.6	-3.4	-1.0	0.1	-0.1	0.9	1.0	0.8	0.9	0.7
Slovenia	-3.4	-2.1	-1.6	-1.8	-1.6	-3.0	-3.3	-4.8	-5.2	-5.4	-5.1	-2.3	-1.7	-3.1	-0.6	-0.2	0.6	0.2	-0.7	-0.7
Spain	-1.9	-1.7	-1.7	-0.7	-0.1	0.5	0.0	-5.0	-7.6	-5.4	-4.1	0.0	1.6	1.4	0.1	-0.8	-1.0	-1.9	-1.8	-1.8
Sweden	1.4	-0.9	-0.7	0.0	1.3	0.0	0.7	1.1	2.9	1.0	0.3	0.4	0.3	-0.2	0.0	0.8	1.1	0.6	0.7	1.0
Switzerland	0.1	-0.1	-0.5	-0.7	-0.6	0.0	0.2	1.1	1.0	0.5	0.9	0.6	0.6	0.0	0.9	0.9	1.7	1.1	0.9	0.5
United Kingdom [2]	0.0	-2.1	-3.7	-4.0	-3.5	-4.6	-5.1	-6.1	-7.4	-7.7	-6.5	-7.0	-6.2	-5.0	-4.2	-3.0	-2.1	-1.4	-1.7	-1.4
United States	-2.1	-5.1	-6.3	-6.3	-5.5	-4.9	-5.2	-7.1	-10.1	-10.2	-8.8	-7.5	-4.3	-4.0	-4.1	-4.3	-4.7	-6.3	-7.0	-7.2
Euro area	-2.6	-2.9	-3.1	-3.0	-2.7	-2.4	-2.4	-3.1	-4.1	-4.1	-3.3	-1.5	-0.8	-0.5	-0.4	-0.3	-0.4	-0.4	-0.6	-0.6
Total OECD	-2.3	-3.6	-4.2	-4.2	-3.5	-3.3	-3.3	-4.6	-6.5	-6.8	-5.7	-4.6	-3.1	-2.5	-2.3	-2.2	-2.3	-2.8	-3.2	-3.2

Note: The underlying balances are adjusted for the cycle and for one-offs. For more details, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. As a percentage of mainland potential GDP. The financial balances shown are adjusted to exclude net revenues from petroleum activities.
2. Revenues due to quantitative easing that have accumulated in a special fund for several years, and that will be transferred to the UK Treasury in well-identified instalments over the projection period, are treated as fiscal one-offs and excluded from underlying fiscal measures.

Source: OECD Economic Outlook 104 database.

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Annex Table 34. **General government underlying primary balances**

Surplus (+) or deficit (-) as a per cent of potential GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	0.6	1.8	2.5	1.2	1.7	2.0	0.8	-1.3	-4.4	-3.6	-3.2	-2.8	-1.5	-0.9	-0.8	-0.7	0.5	0.7	0.7	0.9
Austria	1.8	1.1	1.1	1.4	-0.1	-1.0	-0.9	-0.9	-1.0	-1.2	-0.6	0.4	0.5	1.7	2.7	1.3	1.1	1.2	1.4	1.6
Belgium	6.1	5.4	4.5	3.9	3.3	3.3	2.3	1.7	0.0	0.2	0.1	1.0	1.3	1.4	1.6	0.9	1.7	1.2	0.4	0.1
Canada	2.2	1.1	0.9	1.3	1.3	1.1	1.1	-0.2	-0.5	-2.3	-1.7	-0.6	0.0	1.0	1.7	0.9	-0.2	-0.2	-0.3	-0.2
Czech Republic	-4.2	-3.5	-6.9	-1.3	-1.9	-3.0	-2.1	-3.0	-4.0	-3.0	-1.9	1.2	1.0	0.1	0.4	1.5	1.5	1.1	1.1	1.0
Denmark	2.3	2.2	2.6	3.5	5.4	3.4	3.5	2.7	0.4	-0.4	0.0	0.0	-0.5	0.2	-0.9	0.2	0.9	0.1	-0.7	-0.5
Estonia	0.7	1.2	2.0	2.4	-0.1	-1.2	-2.5	-3.8	0.7	1.1	0.4	1.0	0.1	1.3	1.0	-0.1	-0.9	-0.2	-0.8	-0.6
Finland	4.9	4.3	3.0	2.1	2.2	2.2	1.5	0.9	-0.1	-1.2	-0.7	-0.5	-0.4	0.0	0.7	0.6	0.6	-0.4	-0.2	-0.2
France	0.2	-1.1	-1.7	-1.8	-1.7	-1.3	-1.9	-1.3	-3.2	-3.5	-2.3	-1.7	-0.8	-0.7	-0.7	-0.5	-0.4	-0.6	-0.4	-0.3
Germany	-0.1	-0.6	-0.2	-0.1	0.1	0.4	1.6	1.8	1.5	-0.2	0.8	1.6	1.4	1.6	1.5	1.5	1.3	1.8	1.3	1.3
Greece	-0.1	-0.6	-4.6	-6.3	-4.6	-7.1	-8.3	-9.9	-12.1	-5.8	0.0	4.4	6.4	5.2	7.6	9.4	8.7	8.0	6.9	6.4
Hungary	0.0	-4.4	-4.4	-4.8	-6.9	-9.0	-3.0	-1.2	1.8	1.4	1.3	4.7	4.2	2.4	2.1	1.7	0.4	-0.9	-0.9	-0.5
Iceland	-0.2	-1.3	-0.7	-0.6	2.9	3.3	-0.5	-5.3	-5.2	0.3	1.5	3.7	3.7	7.0	5.4	-0.9	1.5	2.5	2.3	2.2
Ireland	0.8	-0.9	0.9	1.2	0.7	0.7	-3.0	-6.4	-6.7	-5.6	-4.5	-1.8	0.4	1.1	0.0	2.2	1.9	0.7	0.6	0.8
Israel	0.6	0.8	1.5	2.9	3.5	3.7	3.2	0.8	-1.2	-0.5	-0.6	-1.5	-1.5	-1.0	0.5	0.1	0.6	-1.8	-2.4	-2.4
Italy	1.7	1.8	0.1	0.0	-0.4	0.5	1.7	1.2	0.5	0.9	1.0	4.3	4.3	4.0	3.8	3.0	2.4	2.5	1.7	1.3
Japan	-4.5	-5.1	-5.1	-4.9	-3.8	-4.4	-3.3	-4.5	-6.7	-7.8	-7.0	-6.6	-6.7	-5.1	-3.8	-2.9	-3.3	-2.7	-2.6	-2.1
Korea	2.1	2.1	2.4	0.7	1.2	1.5	1.7	0.9	-1.3	-0.4	0.2	0.9	0.8	1.5	1.7	2.6	3.0	3.0	2.3	1.9
Latvia	0.8	0.5	-0.7	-0.2	-1.3	-2.4	-5.1	-7.4	-4.7	-1.8	-1.1	0.8	0.8	0.8	0.8	2.0	0.6	-0.3	-0.6	-0.4
Lithuania	..	0.1	-0.2	-0.4	0.0	-0.7	-3.7	-6.2	-4.6	-2.7	-2.7	-0.9	-0.3	0.5	1.0	1.6	1.2	0.9	0.7	0.7
Luxembourg	2.1	0.8	-0.2	-1.4	-0.1	0.9	-0.1	0.6	1.0	-0.1	1.0	2.6	3.0	2.4	2.2	2.8	3.3	3.6	3.5	3.3
Netherlands	0.8	-0.2	-0.5	0.5	1.5	0.7	-0.4	-0.3	-2.5	-3.2	-3.1	-1.6	-0.7	0.2	-0.3	1.9	2.4	1.5	1.2	1.4
New Zealand	3.2	4.1	3.6	3.5	4.3	4.9	3.0	1.1	-1.4	-1.7	-0.8	0.4	1.4	1.6	0.8	1.3	1.0	0.1	0.0	0.3
Norway [1]	-1.1	-2.8	-3.7	-3.0	-2.4	-1.5	-1.4	-2.1	-2.4	-1.7	-1.2	-1.4	-2.2	-2.9	-2.4	-1.9	-2.7	-2.7	-2.8	-2.7
Poland	-0.4	-0.1	-0.6	-0.8	0.4	-0.1	-0.1	-1.8	-4.4	-5.4	-4.1	-1.7	-1.2	-1.4	-0.8	-0.5	0.0	-0.4	-0.6	-0.5
Portugal	-4.1	-2.6	-2.2	-3.6	-3.6	-1.7	-1.2	-1.8	-5.4	-5.5	-1.9	0.6	2.8	4.2	3.9	4.6	4.6	4.2	4.1	3.8
Slovenia	-1.6	-0.3	-0.2	-0.4	-0.3	-1.8	-2.2	-4.1	-4.4	-4.3	-3.7	-0.9	0.2	-0.5	2.1	2.3	2.7	2.0	0.8	0.6
Spain	0.7	0.7	0.4	1.1	1.5	1.8	1.1	-3.9	-6.3	-3.9	-2.3	2.3	4.2	4.1	2.6	1.5	1.2	0.2	0.1	0.0
Sweden	3.1	1.0	0.6	0.9	2.3	0.8	1.4	1.6	3.2	1.3	0.6	0.4	0.4	-0.2	-0.1	0.7	0.9	0.4	0.5	0.8
Switzerland	1.0	0.9	0.4	0.2	0.3	0.9	0.8	1.6	1.5	1.0	1.3	1.0	0.8	0.2	1.2	1.1	1.9	1.3	1.0	0.6
United Kingdom [2]	1.8	-0.5	-2.1	-2.3	-1.7	-2.9	-3.2	-4.4	-6.0	-5.3	-3.8	-4.5	-3.7	-2.7	-2.2	-0.8	0.3	0.7	0.2	0.5
United States	0.9	-2.1	-3.1	-3.3	-2.5	-2.0	-2.3	-4.3	-7.2	-7.4	-5.8	-4.6	-2.2	-1.5	-1.6	-1.6	-1.9	-3.1	-3.4	-3.5
Euro area	0.7	0.2	-0.3	-0.2	-0.1	0.1	0.2	-0.5	-1.7	-1.8	-0.7	1.0	1.6	1.7	1.5	1.5	1.4	1.3	0.9	0.9
Total OECD	0.3	-1.2	-1.9	-2.0	-1.4	-1.3	-1.2	-2.5	-4.5	-4.7	-3.5	-2.4	-1.3	-0.7	-0.6	-0.4	-0.5	-1.0	-1.2	-1.2

Note: Adjusted for the cycle and for one-offs, and excludes net interest payments. For more details, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. As a percentage of mainland potential GDP. The financial balances shown are adjusted to exclude net revenues from petroleum activities.
2. Revenues due to quantitative easing that have accumulated in a special fund for several years, and that will be transferred to the UK Treasury in well-identified instalments over the projection period, are treated as fiscal one-offs and excluded from underlying fiscal measures.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878912

Annex Table 35. **General government net debt interest payments**

Per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	0.4	0.4	0.1	0.3	-0.1	-0.2	-0.3	-0.5	-0.3	0.0	0.1	0.1	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Austria	2.7	2.6	2.4	2.3	2.4	2.3	2.2	2.2	2.2	2.2	2.1	2.2	2.1	2.0	1.9	1.7	1.5	1.3	1.1	1.0
Belgium	6.0	5.3	4.9	4.4	4.0	3.7	3.6	3.5	3.4	3.3	3.2	3.2	2.9	2.9	2.7	2.5	2.2	1.9	1.6	1.5
Canada	2.9	2.5	1.8	1.5	1.0	0.6	0.5	0.3	1.1	0.8	0.6	0.7	0.5	0.3	0.6	0.7	0.3	0.4	0.2	0.2
Czech Republic	0.3	0.3	0.4	0.6	0.6	0.6	0.6	0.6	0.9	1.0	1.1	1.2	1.1	1.1	0.9	0.8	0.6	0.6	0.5	0.4
Denmark	2.4	2.3	2.0	1.8	1.4	1.2	0.9	0.5	0.8	0.8	0.9	0.8	0.7	0.6	0.9	0.7	0.4	0.2	0.1	0.1
Estonia	0.0	0.0	-0.3	-0.2	-0.2	-0.2	-0.4	-0.5	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0
Finland	0.5	0.0	0.0	0.0	0.0	-0.2	-0.3	-0.5	-0.4	0.1	0.0	0.2	0.1	0.2	0.2	0.2	0.2	0.1	0.1	0.0
France	2.6	2.6	2.5	2.5	2.4	2.4	2.5	2.7	2.2	2.3	2.5	2.4	2.2	2.1	1.9	1.8	1.7	1.6	1.5	1.4
Germany	2.6	2.5	2.5	2.5	2.4	2.3	2.4	2.3	2.3	2.1	2.0	1.7	1.5	1.2	1.0	0.9	0.8	0.7	0.5	0.5
Greece	6.0	5.4	4.8	4.7	4.6	4.3	4.3	4.6	4.8	5.5	6.8	4.5	3.6	3.6	3.3	3.0	2.9	3.3	3.2	3.1
Hungary	4.0	3.6	3.7	3.9	3.8	3.6	3.7	3.6	4.0	3.8	3.7	4.2	4.3	3.8	3.4	3.1	2.7	2.4	2.5	2.8
Iceland	1.6	1.2	1.5	1.3	1.2	0.4	0.2	-0.1	3.0	2.7	2.6	3.2	3.3	3.5	3.6	3.0	3.1	3.2	3.0	3.0
Ireland	1.1	1.1	1.1	1.0	0.9	0.7	0.6	0.7	1.4	2.3	2.6	3.3	3.5	3.4	2.4	2.2	1.9	1.7	1.6	1.5
Israel	4.8	7.6	4.2	4.5	4.9	4.3	4.2	4.7	4.5	3.6	3.5	3.1	3.1	2.1	1.8	1.8	1.9	1.7	1.5	1.4
Italy	5.8	5.2	4.8	4.5	4.3	4.2	4.5	4.7	4.2	4.1	4.5	5.0	4.7	4.4	3.9	3.8	3.6	3.6	3.6	3.8
Japan	1.0	0.8	0.7	0.5	0.1	0.0	0.0	0.3	0.5	0.6	0.7	0.8	0.7	0.5	0.4	0.5	0.4	0.3	0.2	0.0
Korea	-0.9	-0.7	-0.1	-0.1	-0.6	-0.8	-0.9	-0.1	-0.8	-0.5	-0.5	-0.2	-0.4	-0.1	-0.1	-0.3	-0.5	-0.5	-0.6	-0.6
Lithuania	0.6	0.8	0.8	0.6	0.5	0.5	0.3	0.4	1.1	1.6	1.6	1.9	1.7	1.6	1.5	1.3	1.1	1.0	0.9	0.9
Luxembourg	-1.3	-1.1	-0.9	-0.8	-0.7	-0.8	-1.0	-1.2	-0.5	-0.2	-0.2	-0.2	-0.2	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1
Netherlands	2.1	1.9	1.8	1.7	1.6	1.4	1.3	1.4	1.2	1.2	1.3	1.2	1.1	1.1	1.0	0.9	0.8	0.6	0.5	0.5
New Zealand	1.5	1.1	1.0	0.8	0.7	0.4	0.1	0.3	0.6	0.8	1.0	1.2	0.8	0.8	0.8	0.7	0.6	0.4	0.3	0.3
Norway	-2.0	-2.3	-2.2	-2.2	-2.1	-2.2	-2.9	-3.2	-2.6	-2.3	-2.3	-2.0	-2.1	-2.5	-2.7	-2.7	-2.6	-2.7	-2.7	-2.6
Poland	2.8	2.2	2.4	2.4	2.3	2.2	1.9	1.6	2.1	2.1	2.2	2.3	2.2	1.7	1.6	1.5	1.4	1.4	1.4	1.6
Portugal	2.5	2.5	2.4	2.3	2.3	2.5	2.6	2.7	2.7	2.7	3.8	4.3	4.2	4.4	4.3	3.9	3.7	3.5	3.2	3.1
Slovak Republic	3.0	2.9	1.6	1.4	1.1	0.9	0.9	0.9	1.1	1.1	1.3	1.6	1.7	1.6	1.5	1.4	1.2	1.0	1.0	1.0
Slovenia	1.8	1.7	1.4	1.4	1.3	1.2	1.0	0.7	0.9	1.1	1.4	1.4	2.0	2.8	2.8	2.6	2.2	1.8	1.5	1.3
Spain	2.5	2.3	2.0	1.8	1.5	1.3	1.1	1.0	1.3	1.5	2.0	2.5	2.9	3.0	2.7	2.5	2.3	2.1	1.9	1.8
Sweden	1.7	2.0	1.2	0.9	0.9	0.8	0.7	0.5	0.3	0.2	0.3	0.1	0.1	0.0	-0.1	-0.1	-0.2	-0.2	-0.2	-0.2
Switzerland	0.9	1.0	0.9	0.9	0.9	0.8	0.6	0.5	0.5	0.5	0.4	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
United Kingdom	1.8	1.6	1.6	1.6	1.7	1.7	1.8	1.7	1.5	2.5	2.8	2.6	2.5	2.4	2.0	2.1	2.4	2.1	1.9	1.9
United States	3.0	3.0	3.1	3.0	3.0	2.9	2.9	2.9	3.0	2.9	3.1	3.0	2.2	2.6	2.5	2.8	2.8	3.1	3.6	3.7
Euro area	3.2	3.0	2.9	2.7	2.6	2.5	2.5	2.6	2.4	2.4	2.6	2.6	2.4	2.3	2.0	1.9	1.8	1.6	1.5	1.5
Total OECD	2.5	2.4	2.3	2.2	2.1	2.0	2.0	2.0	2.1	2.1	2.2	2.2	1.8	1.9	1.8	1.8	1.8	1.9	2.0	2.0

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878931

Annex Table 36. **General government gross financial liabilities**

Per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	25	22	19	17	15	13	14	16	22	25	30	34	36	40	41	43	44	42	40	40
Austria	72	76	74	73	81	78	75	80	93	96	97	103	99	107	106	106	99	97	95	93
Belgium [1]	119	118	115	110	108	100	94	101	110	108	111	120	118	131	128	128	122	120	118	117
Canada	85	84	80	76	76	75	71	72	84	86	89	93	90	92	97	98	94	93	93	92
Czech Republic	28	31	34	33	33	32	31	35	42	46	49	58	58	55	52	48	44	42	40	39
Denmark	58	58	56	52	45	40	35	42	49	53	60	61	57	59	54	52	49	48	47	46
Estonia	7	8	8	9	8	8	7	8	13	12	10	13	14	14	13	13	13	12	11	10
Finland	48	48	49	50	46	44	40	39	50	56	57	64	65	71	75	75	74	72	72	71
France	71	75	79	81	82	77	76	83	98	101	104	112	112	120	121	126	124	125	125	125
Germany	59	61	64	68	70	68	64	68	76	85	84	88	83	83	79	76	71	68	66	64
Greece	116	119	113	117	119	119	116	121	138	130	112	166	183	184	185	188	191	188	184	179
Hungary	60	61	61	65	68	71	72	76	85	86	95	99	97	100	99	99	94	91	88	86
Iceland	44	40	39	34	26	32	30	69	84	88	94	92	84	77	70	64	64	62	60	59
Ireland	36	34	33	32	32	28	28	48	68	85	114	132	133	122	90	85	78	76	73	71
Israel	84	90	93	91	88	80	73	72	75	71	69	68	67	66	64	62	60	62	62	63
Italy	118	117	114	116	119	116	112	115	127	126	120	138	146	158	159	157	155	153	153	153
Japan [2]	137	145	150	156	159	157	155	164	181	187	202	210	213	218	217	222	224	226	228	228
Korea	..	..	..	..	..	..	..	29	32	33	36	38	41	44	46	45	45	43	43	44
Latvia	16	16	17	18	14	14	13	23	41	53	49	48	45	51	47	50	48	47	47	47
Lithuania	34	32	29	27	25	22	19	17	34	45	46	51	48	53	54	52	48	43	42	41
Luxembourg	16	16	18	19	17	16	16	24	22	27	27	28	29	29	29	27	29	30	30	31
Netherlands	57	58	59	59	58	52	49	62	65	69	73	79	78	83	79	77	70	67	65	62
New Zealand	34	32	30	28	27	26	25	28	33	37	40	41	40	40	40	38	36	36	36	36
Norway	31	39	48	50	47	58	56	54	48	48	34	35	35	34	39	43	43	59	63	75
Poland	44	53	56	53	55	54	51	53	57	61	61	64	65	71	70	72	68	67	65	64
Portugal	63	67	71	77	80	79	78	83	96	104	108	139	143	153	151	147	147	144	141	137
Slovak Republic	57	49	48	45	38	36	35	34	42	47	50	58	61	60	60	60	58	57	55	53
Slovenia	37	38	37	37	35	35	30	30	44	48	52	62	80	100	103	98	89	87	85	84
Spain	61	59	54	53	50	46	42	47	62	67	78	93	106	118	116	117	115	115	113	111
Sweden	59	59	58	58	58	52	47	47	49	46	47	47	49	56	54	53	50	47	44	42
Switzerland	54	60	59	60	57	51	46	46	44	43	43	44	43	43	43	42	41	40	39	38
United Kingdom	42	45	45	48	49	48	50	62	76	87	101	104	100	110	110	119	117	116	115	114
United States	53	55	58	66	65	64	64	73	86	95	99	103	104	104	104	107	105	107	110	113
Euro area	75	76	77	78	79	76	72	77	89	93	94	105	106	112	110	109	105	104	102	100
Total OECD	69	71	73	77	77	75	73	80	91	97	101	107	109	112	111	113	111	111	111	111

Note: Gross debt data are not always comparable across countries due to different definitions or treatment of debt components. Maastricht debt for European Union countries is shown in Annex Table 38. Financial liabilities are measured at market value. For more details, see Sources & Methods of the *OECD Economic Outlook* (*http://www.oecd.org/eco/sources-and-methods.htm*).

1. Includes the debt of the Belgium National Railways Company (SNCB) from 2005 onwards.
2. Includes the debt of the Japan Railway Settlement Corporation and the National Forest Special Account.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878950

Annex Table 37. **General government net financial liabilities**

Per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Australia	-13	-15	-19	-21	-22	-25	-26	-26	-23	-19	-12	-9	-10	-8	-10	-12	-12	-12	-11	-11
Austria	34	38	36	38	45	43	40	44	50	51	53	57	57	59	57	57	53	51	49	46
Belgium [1]	99	100	96	91	89	81	74	77	83	82	83	92	90	98	95	94	89	87	85	84
Canada	44	44	40	35	31	27	24	23	29	31	34	35	31	31	29	29	25	23	23	22
Czech Republic	-20	-11	-4	-7	-9	-9	-12	-4	1	9	9	17	18	20	20	17	12	10	9	7
Denmark	22	21	18	14	9	1	-5	-7	-6	-3	1	7	4	5	5	4	1	1	1	1
Estonia	-29	-29	-29	-32	-32	-31	-28	-25	-28	-35	-33	-31	-31	-31	-41	-39	-38	-36	-34	-33
Finland	-30	-30	-37	-45	-56	-67	-70	-50	-60	-62	-49	-49	-52	-53	-53	-53	-59	-56	-54	-52
France	35	40	42	43	41	36	32	43	51	56	61	69	68	75	77	83	80	81	81	81
Germany	33	37	40	44	46	45	40	41	46	48	50	50	46	46	43	41	36	34	31	29
Greece	90	95	87	89	88	88	83	93	105	94	75	105	125	135	147	147	149	144	140	136
Hungary	32	36	37	41	44	51	53	51	58	60	62	69	70	71	67	66	63	60	57	55
Ireland	12	13	11	8	7	2	0	13	26	48	64	80	81	80	58	56	51	48	46	43
Italy	96	95	92	93	95	91	88	91	102	100	95	111	117	129	131	129	126	125	124	124
Japan [2]	57	66	71	74	71	70	72	87	99	108	120	123	120	121	121	126	128	130	132	132
Korea [3]	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Latvia	-11	-11	-8	-6	-5	-4	-4	-1	5	13	15	14	15	18	21	20	19	18	18	17
Lithuania	-10	-5	-8	-8	-9	-11	-11	-7	3	13	21	26	26	25	24	22	17	16	15	14
Luxembourg	-54	-53	-53	-50	-49	-51	-55	-52	-56	-51	-45	-48	-49	-49	-49	-51	-51	-50	-50	-49
Netherlands	28	32	33	34	31	28	25	24	28	33	38	41	42	45	44	42	38	35	32	30
New Zealand	21	17	13	8	4	-1	-5	-5	-1	2	4	7	6	5	5	3	1	0	0	0
Norway	-87	-82	-96	-104	-122	-135	-140	-124	-154	-164	-160	-169	-207	-249	-285	-289	-308	-292	-283	-276
Poland	19	24	26	22	23	21	16	16	21	27	30	35	38	42	42	43	40	39	37	36
Portugal	40	44	47	54	56	55	55	60	70	71	67	91	100	110	110	104	108	105	102	98
Slovak Republic	11	1	2	5	10	15	14	15	22	28	33	31	33	35	35	36	35	34	32	30
Slovenia	-11	-10	-6	-7	-7	-9	-16	-5	0	1	4	11	16	24	28	31	29	27	25	24
Spain	40	39	36	33	28	22	17	22	34	39	48	59	69	81	81	83	81	81	80	78
Sweden	-2	4	1	-1	-7	-16	-21	-16	-24	-25	-26	-29	-29	-28	-27	-31	-34	-34	-34	-34
Switzerland	8	14	15	17	15	11	6	9	5	8	7	5	6	0	4	0	-1	-2	-3	-4
United Kingdom	24	27	26	29	28	28	30	38	47	53	68	70	68	78	78	88	85	84	83	82
United States	34	36	39	48	46	45	45	51	63	70	76	80	81	80	80	81	80	82	85	88
Euro area	46	49	49	50	50	46	41	46	54	56	58	65	66	72	71	71	67	66	64	63
Total OECD	36	39	40	44	42	39	38	43	51	56	62	66	66	68	67	69	66	67	67	68

Note: Net debt measures are not always comparable across countries due to different definitions or treatment of debt (and asset) components. Financial liabilities are measured at market value. For more details, see Sources & Methods of the *OECD Economic Outlook* (*http://www.oecd.org/eco/sources-and-methods.htm*).

1. Includes the debt of the Belgium National Railways Company (SNCB) from 2005 onwards.
2. Includes the debt of the Japan Railway Settlement Corporation and the National Forest Special Account.
3. Consolidated data on SNA 2008 basis are not available.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878969

Annex Table 38. **Maastricht definition of general government gross public debt**

Per cent of nominal GDP

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Austria	66.7	66.8	65.8	65.4	68.7	67.2	65.0	68.9	79.9	82.7	82.4	81.9	81.3	84.0	84.8	83.0	78.2	76.1	73.9	71.4
Belgium	107.6	104.7	101.1	96.5	94.7	91.0	87.0	92.5	99.5	99.7	102.6	104.3	105.5	107.6	106.5	106.1	103.4	101.6	99.8	98.4
Czech Republic	22.8	25.9	28.3	28.6	27.9	27.7	27.5	28.3	33.5	37.4	39.9	44.5	44.9	42.2	39.9	36.8	34.6	32.7	31.0	29.6
Denmark	48.5	49.1	46.2	44.2	37.4	31.5	27.3	33.3	40.2	42.6	46.1	44.9	44.0	44.3	39.8	37.3	35.6	34.6	33.6	32.6
Estonia	4.8	5.7	5.6	5.1	4.6	4.4	3.7	4.5	7.0	6.6	6.1	9.7	10.2	10.5	9.9	9.2	8.7	8.1	7.4	6.6
Finland	41.0	40.2	42.8	42.7	40.0	38.2	34.0	32.7	41.7	47.1	48.5	53.9	56.5	60.2	63.5	62.9	61.3	59.9	59.1	58.0
France	58.3	60.2	64.4	66.0	67.5	64.6	64.5	68.8	83.0	85.3	87.9	90.6	93.4	94.8	95.6	98.3	98.5	99.1	99.8	99.4
Germany	57.7	59.3	63.0	65.0	67.1	66.5	63.6	65.2	72.6	81.1	78.7	79.8	77.3	74.4	70.9	68.0	63.8	60.5	58.1	56.1
Greece	107.1	104.9	101.5	102.9	107.4	103.6	103.1	109.4	126.7	146.2	172.1	159.6	177.4	178.9	175.9	178.5	176.1	172.8	168.9	164.5
Hungary	51.9	55.3	57.9	58.7	60.5	64.5	65.5	71.6	77.8	80.2	80.5	78.4	77.1	76.6	76.6	75.9	73.3	70.6	67.7	65.7
Ireland	33.2	30.6	29.9	28.2	26.1	23.6	23.9	42.4	61.5	86.0	110.9	119.9	119.8	104.3	76.9	73.5	68.5	66.0	63.8	61.1
Italy	104.8	102.0	100.4	100.2	101.9	102.4	99.8	102.4	112.6	115.5	116.5	123.4	129.0	131.7	131.6	132.0	131.7	130.5	129.9	129.9
Latvia	13.8	13.0	13.7	14.0	11.4	9.6	8.0	18.2	35.8	46.8	42.7	41.2	39.0	40.9	36.8	40.3	40.0	39.3	39.0	38.5
Lithuania	22.9	22.1	20.4	18.7	17.6	17.2	15.9	14.6	28.0	36.2	37.2	39.8	38.8	40.5	42.6	39.9	39.4	34.6	33.4	32.5
Luxembourg	6.9	6.8	6.9	7.3	7.4	7.8	7.7	14.9	15.7	19.8	18.7	21.7	23.7	22.8	22.2	20.7	23.0	24.0	24.3	24.7
Netherlands	49.4	48.8	50.0	50.3	49.8	45.2	43.0	54.7	56.8	59.3	61.7	66.3	67.7	67.9	64.6	61.9	56.9	54.2	51.6	48.8
Poland	37.2	41.8	46.6	45.0	46.4	46.9	44.2	46.3	49.4	53.1	54.1	53.7	55.7	50.4	51.3	54.2	50.6	49.2	47.6	46.2
Portugal	53.4	56.2	58.7	62.0	67.4	69.2	68.4	71.7	83.6	96.2	111.4	126.2	129.0	130.6	128.8	129.2	124.8	121.7	118.4	115.0
Slovak Republic	48.3	42.9	41.6	40.6	34.1	31.0	30.1	28.5	36.3	41.2	43.7	52.2	54.7	53.5	52.3	51.8	50.9	49.8	47.9	45.9
Slovenia	26.1	27.3	26.7	26.8	26.3	26.0	22.8	21.8	34.6	38.4	46.6	53.8	70.4	80.4	82.6	78.7	74.1	70.0	66.1	61.7
Spain	54.2	51.3	47.6	45.3	42.3	38.9	35.6	39.5	52.8	60.1	69.5	85.7	95.5	100.4	99.3	99.0	98.1	97.7	96.5	96.0
Sweden	52.2	50.2	49.6	48.9	49.2	43.9	39.2	37.8	41.3	38.7	37.9	38.0	40.7	45.4	44.2	42.4	40.8	37.2	34.5	32.3
United Kingdom	34.3	34.4	35.6	38.6	39.8	40.7	41.7	49.7	63.7	75.2	80.8	84.1	85.2	87.0	87.9	87.9	87.4	87.3	87.0	86.9
Euro area	67.1	66.9	68.1	68.6	69.3	67.4	65.0	68.8	79.3	84.9	87.4	91.6	93.8	94.1	92.1	91.3	88.9	87.1	85.6	84.1

Note: For the period before 2014, gross debt figures are provided by Eurostat, the Statistical Office of the European Communities, unless more recent data are available, while GDP figures are provided by national authorities.This explains why these ratios can differ significantly from the ones published by Eurostat. For the projection period, debt ratios are in line with the OECD projections for general government gross financial liabilities and GDP.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933878988

Annex Table 39. **Short-term interest rates**

Per cent, per annum

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019	2020
																		Fourth quarter		
Australia	5.5	5.6	6.0	6.7	7.0	3.4	4.7	4.8	3.7	2.8	2.7	2.3	2.0	1.7	2.0	2.0	2.4	2.0	2.2	2.5
Brazil	16.4	19.1	15.1	12.0	12.5	9.9	10.0	11.8	8.5	8.4	11.0	13.5	14.2	9.9	6.6	7.2	8.2	..	..	..
Canada	2.3	2.8	4.2	4.6	3.3	0.7	0.8	1.2	1.2	1.2	1.2	0.8	0.8	1.1	1.8	2.3	2.8	2.1	2.6	3.1
Chile	1.8	3.5	4.8	5.2	7.4	1.7	1.8	4.9	5.0	4.9	3.7	2.9	3.5	2.7	2.6	3.5	3.9	2.8	3.9	3.9
China	5.4	5.6	5.9	6.8	7.0	5.3	5.4	6.4	6.3	6.0	5.9	4.9	4.4	4.4	4.4	4.4	4.4	4.4	4.4	4.4
Colombia	7.8	7.0	6.3	8.0	9.7	6.1	3.7	4.2	5.4	4.2	4.1	4.6	6.8	6.0	4.7	4.6	5.0	..	..	..
Czech Republic	2.4	2.0	2.3	3.1	4.0	2.2	1.3	1.2	1.0	0.5	0.4	0.3	0.3	0.4	1.1	1.6	1.9	1.4	1.6	1.9
Denmark	2.2	2.2	3.2	4.4	5.3	2.5	1.2	1.4	0.6	0.3	0.3	-0.1	-0.1	-0.3	-0.3	-0.2	0.2	-0.3	-0.1	0.3
Estonia	2.5	2.4	3.2	4.9	6.7	5.9	1.6													
Hungary	11.3	7.0	6.9	7.6	8.9	8.5	5.4	6.0	6.9	4.2	2.2	1.2	0.7	0.0	0.2	2.3	4.6	0.6	3.4	4.9
Iceland	6.3	9.4	12.4	14.3	15.8	11.3	6.8	4.3	5.5	6.2	6.1	5.9	6.3	5.1	4.7	5.1	5.5	4.8	5.2	5.6
India [1]	6.0	6.2	7.1	7.8	7.4	4.8	6.0	8.1	7.9	7.6	7.9	7.0	6.4	6.1	6.5	7.0	6.8	..	..	..
Indonesia	6.4	8.1	11.4	8.0	8.5	9.3	7.0	6.9	5.9	6.3	8.8	8.3	7.2	6.5	6.0	6.6	7.0	..	..	..
Israel	4.3	3.9	5.5	4.3	3.6	0.6	1.6	2.8	2.3	1.3	0.5	0.1	0.1	0.1	0.1	0.3	0.8	0.1	0.6	1.0
Japan	0.1	0.1	0.3	0.8	0.9	0.5	0.2	0.2	0.2	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Korea	3.8	3.6	4.5	5.2	5.5	2.6	2.7	3.4	3.3	2.7	2.5	1.8	1.5	1.4	1.7	1.8	2.0	1.7	1.9	2.2
Latvia	4.2	3.1	4.4	8.7	8.0	13.1	2.0	1.0	0.9	0.4										
Lithuania	2.7	2.4	3.1	5.1	6.0	7.1	1.8	1.7	1.1	0.5	0.3									
Mexico	7.1	9.3	7.3	7.4	7.9	5.5	4.6	4.4	4.4	3.8	3.1	3.1	4.3	6.9	7.8	7.6	7.2	7.9	7.4	7.2
New Zealand	6.1	7.1	7.5	8.3	8.0	3.0	3.0	2.8	2.7	2.7	3.4	3.2	2.3	2.0	1.9	2.0	2.4	1.9	2.2	2.4
Norway	2.0	2.2	3.1	5.0	6.2	2.5	2.5	2.9	2.2	1.8	1.7	1.3	1.1	0.9	1.0	1.3	1.9	1.1	1.6	2.1
Poland	6.2	5.2	4.2	4.8	6.3	4.3	3.9	4.6	4.9	3.0	2.5	1.7	1.7	1.7	1.7	2.1	3.1	1.7	2.5	3.5
Slovak Republic	4.7	2.9	4.3	4.3																
Slovenia	4.7	4.0	3.6																	
South Africa	7.5	6.9	7.3	9.1	10.9	7.8	6.4	5.5	5.3	5.1	5.8	6.1	7.2	7.3	7.1	7.3	7.3	..	..	..
Sweden	2.3	1.9	2.6	3.9	4.7	0.9	0.9	2.5	2.0	1.2	0.7	-0.2	-0.5	-0.5	-0.4	0.0	0.4	-0.4	0.2	0.5
Switzerland	0.5	0.8	1.6	2.6	2.5	0.4	0.2	0.1	0.1	0.0	0.0	-0.8	-0.7	-0.7	-0.7	-0.6	-0.2	-0.7	-0.5	-0.1
Turkey	24.1	16.8	17.5	18.6	18.2	10.1	7.6	8.8	8.9	6.9	10.3	11.0	10.3	12.8	19.7	27.5	24.5	28.0	27.0	23.0
United Kingdom	4.6	4.8	4.8	6.0	5.7	1.3	0.7	0.9	0.8	0.5	0.5	0.6	0.5	0.4	0.7	1.2	1.6	0.8	1.6	1.6
United States	1.6	3.5	5.2	5.3	3.2	0.9	0.5	0.4	0.4	0.3	0.3	0.5	0.9	1.3	2.4	3.4	4.0	2.7	3.7	4.0
Euro area	2.1	2.2	3.1	4.3	4.6	1.3	0.8	1.4	0.6	0.2	0.2	0.0	-0.3	-0.3	-0.3	-0.2	0.2	-0.3	-0.1	0.3

Note: Three-month money market rates where available, or rates on similar financial instruments. For further information, see Sources & Methods of the *OECD Economic Outlook* (*http://www.oecd.org/eco/sources-and-methods.htm*).
Individual euro area countries are not shown (after 2006 for Slovenia, 2007 for the Slovak Republic, 2010 for Estonia, 2014 for Latvia and 2015 for Lithuania) since their short-term interest rates are equal to the euro area rate.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879007

Annex Table 40. **Long-term interest rates**

Per cent, per annum

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2018	2019	2020
																		Fourth quarter		
Australia	5.6	5.3	5.6	6.0	5.8	5.0	5.4	4.9	3.4	3.7	3.7	2.7	2.3	2.6	2.7	2.9	3.1	2.7	3.1	3.1
Austria	4.1	3.4	3.8	4.3	4.4	3.9	3.2	3.3	2.4	2.0	1.5	0.7	0.4	0.6	0.7	0.8	1.1	0.7	0.9	1.1
Belgium	4.2	3.4	3.8	4.3	4.4	3.9	3.5	4.2	3.0	2.4	1.7	0.8	0.5	0.7	0.8	0.9	1.2	0.8	1.0	1.3
Canada	4.6	4.1	4.2	4.3	3.6	3.2	3.2	2.8	1.9	2.3	2.2	1.5	1.3	1.8	2.3	3.2	3.9	2.5	3.6	3.9
Chile	..	6.0	6.2	6.1	7.0	5.7	6.3	6.0	5.4	5.3	4.7	4.5	4.4	4.2	4.5	5.4	5.6	4.7	5.7	5.6
Colombia	14.6	11.8	9.2	10.0	11.9	9.6	8.5	8.1	6.9	6.4	7.0	7.8	8.0	6.8	7.0	7.1	7.5	..	..	..
Czech Republic	4.8	3.5	3.8	4.3	4.6	4.8	3.9	3.7	2.8	2.1	1.6	0.6	0.4	1.0	2.0	2.7	2.7	2.2	2.7	2.7
Denmark	4.3	3.4	3.8	4.3	4.3	3.6	2.9	2.7	1.4	1.7	1.3	0.7	0.3	0.5	0.5	0.6	0.8	0.4	0.6	0.9
Finland	4.1	3.4	3.8	4.3	4.3	3.7	3.0	3.0	1.9	1.9	1.4	0.7	0.4	0.5	0.7	0.8	1.0	0.6	0.9	1.1
France	4.1	3.4	3.8	4.3	4.2	3.6	3.1	3.3	2.5	2.2	1.7	0.8	0.5	0.8	0.8	0.9	1.2	0.8	1.0	1.2
Germany	4.0	3.4	3.8	4.2	4.0	3.2	2.7	2.6	1.5	1.6	1.2	0.5	0.1	0.3	0.4	0.5	0.8	0.4	0.6	0.8
Greece	4.3	3.6	4.1	4.5	4.8	5.2	9.1	15.7	22.5	10.1	6.9	9.6	8.4	6.0	4.1	3.9	4.0	4.0	3.8	4.1
Hungary	8.3	6.6	7.1	6.7	8.2	9.1	7.3	7.6	7.9	5.9	4.8	3.4	3.1	3.0	3.2	4.6	6.5	3.9	5.4	6.9
Iceland	7.5	8.6	8.8	9.4	11.1	8.3	6.1	6.0	6.2	5.8	6.4	6.3	5.6	4.9	5.2	5.6	6.0	5.3	5.7	6.1
India [1]	6.3	7.2	7.8	7.9	7.6	7.3	7.9	8.4	8.2	8.5	8.3	7.8	7.2	7.0	8.0	8.2	7.8	..	..	..
Ireland	4.1	3.3	3.8	4.3	4.6	5.2	6.0	9.6	6.0	3.8	2.3	1.1	0.7	0.8	0.9	1.0	1.2	0.8	1.1	1.3
Israel	7.6	6.4	6.3	5.6	5.9	5.1	4.7	5.0	4.4	3.8	2.9	2.1	1.9	1.9	2.0	2.4	2.9	2.2	2.6	3.0
Italy	4.3	3.6	4.0	4.5	4.7	4.3	4.0	5.4	5.5	4.3	2.9	1.7	1.5	2.1	2.6	3.6	3.8	3.4	3.7	3.9
Japan	1.5	1.4	1.7	1.7	1.5	1.3	1.2	1.1	0.8	0.7	0.6	0.4	0.0	0.1	0.1	0.1	0.2	0.1	0.1	0.3
Korea	4.7	5.0	5.2	5.4	5.6	5.2	4.8	4.2	3.4	3.3	3.2	2.3	1.7	2.3	2.6	2.7	2.9	2.5	2.8	3.0
Latvia	4.9	3.9	4.1	5.3	6.4	12.4	10.3	5.9	4.6	3.3	2.5	1.0	0.5	0.8	0.9	1.2	1.4	1.0	1.3	1.5
Lithuania	4.5	3.7	4.1	4.5	5.6	14.0	5.6	5.2	4.8	3.8	2.8	1.4	0.9	0.3	0.3	0.5	0.8	0.4	0.6	0.8
Luxembourg	2.8	2.4	3.3	4.5	4.6	4.2	3.2	2.9	1.8	1.8	1.3	0.4	-0.2	0.5	0.6	0.7	0.9	0.5	0.8	1.0
Mexico	9.5	9.4	8.4	7.8	8.3	7.9	7.2	7.0	6.4	5.9	6.2	6.1	6.2	6.9	7.0	7.2	7.5	7.0	7.3	7.6
Netherlands	4.1	3.4	3.8	4.3	4.2	3.7	3.0	3.0	1.9	2.0	1.5	0.7	0.3	0.5	0.6	0.7	0.9	0.5	0.8	1.0
New Zealand	6.1	5.9	5.8	6.3	6.1	5.5	5.6	4.9	3.7	4.1	4.3	3.4	2.8	3.0	2.8	3.0	3.4	2.8	3.2	3.6
Norway	4.4	3.7	4.1	4.8	4.5	4.0	3.5	3.1	2.1	2.6	2.5	1.6	1.3	1.6	1.9	2.0	2.4	1.8	2.1	2.5
Poland	6.9	5.2	5.2	5.5	6.1	6.1	5.8	6.0	5.0	4.0	3.5	2.7	3.0	3.4	3.2	3.6	4.6	3.2	4.0	5.0
Portugal	4.1	3.4	3.9	4.4	4.5	4.2	5.4	10.2	10.5	6.3	3.8	2.4	3.2	3.1	1.8	2.0	2.3	1.9	2.1	2.4
Slovak Republic	5.0	3.5	4.4	4.5	4.7	4.7	3.9	4.4	4.6	3.2	2.1	0.9	0.5	0.9	0.9	1.1	1.4	1.0	1.2	1.5
Slovenia	4.7	3.8	3.9	4.5	4.6	4.4	3.8	5.0	5.8	5.8	3.3	1.7	1.1	1.0	0.9	1.1	1.6	0.8	1.3	1.8
South Africa	9.5	8.1	7.9	8.0	9.1	8.7	8.6	8.5	7.9	7.7	8.3	8.2	9.0	9.1	9.1	9.6	9.7	..	..	..
Spain	4.1	3.4	3.8	4.3	4.4	4.0	4.3	5.4	5.8	4.6	2.7	1.7	1.4	1.6	1.4	1.6	1.8	1.4	1.7	1.9
Sweden	4.4	3.4	3.7	4.2	3.9	3.2	2.9	2.6	1.6	2.1	1.7	0.7	0.5	0.7	0.7	1.0	1.2	0.7	1.2	1.2
Switzerland	2.7	2.1	2.5	2.9	2.9	2.2	1.6	1.5	0.6	0.9	0.7	-0.1	-0.4	-0.1	0.1	0.3	0.5	0.1	0.4	0.6
Turkey	..	..	16.0	16.8	19.3	13.5	9.5	9.4	8.5	7.7	9.2	9.3	9.8	11.2	17.9	22.5	20.5	23.0	22.0	20.0
United Kingdom	4.9	4.4	4.5	5.0	4.6	3.6	3.6	3.1	1.9	2.4	2.6	1.9	1.3	1.2	1.5	1.7	1.8	1.5	1.8	1.8
United States	4.3	4.3	4.8	4.6	3.7	3.3	3.2	2.8	1.8	2.4	2.5	2.1	1.8	2.3	3.0	3.9	4.5	3.3	4.3	4.5
Euro area	4.1	3.4	3.8	4.3	4.3	3.8	3.6	4.2	3.7	2.9	2.0	1.1	0.8	1.0	1.1	1.3	1.6	1.2	1.4	1.6

Note: 10-year benchmark government bond yields where available or yield on similar financial instruments (for Korea a 5-year bond is used). The long-term interest rates refer to yields in secondary bond markets and are not representative of average government funding costs. For more details, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879026

Annex Table 41. **Nominal exchange rates (vis-à-vis the US dollar)**

Average of daily rates

	Monetary unit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[1]	2019[1]	2020[1]
Argentina	*Argentinean pesos*	3.116	3.162	3.728	3.910	4.126	4.548	5.478	8.122	9.258	14.767	16.559	28.038	36.730	36.730
Australia	*Australian Dollar*	1.195	1.198	1.282	1.090	0.969	0.966	1.036	1.109	1.331	1.345	1.305	1.342	1.410	1.410
Brazil	*Brazilian Real*	1.947	1.835	2.000	1.760	1.674	1.953	2.158	2.354	3.331	3.489	3.192	3.632	3.702	3.702
Canada	*Canadian Dollar*	1.074	1.068	1.141	1.030	0.989	0.999	1.030	1.105	1.278	1.325	1.298	1.293	1.313	1.313
Chile	*Chilean Peso*	522.2	523.5	558.9	510.0	483.4	486.0	495.3	570.6	654.3	676.5	648.7	644.2	694.8	694.8
China	*Yuan Renminbi*	7.607	6.950	6.831	6.769	6.463	6.309	6.148	6.160	6.284	6.645	6.761	6.625	6.969	6.969
Colombia	*Colombian Peso*	2 077.7	1 966.1	2 156.8	1 899.8	1 847.9	1 797.7	1 869.7	2 002.6	2 744.5	3 053.9	2 951.3	2 955.4	3 198.8	3 198.8
Costa Rica	*Costa Rican Colon*	517.24	526.53	570.56	521.89	502.39	503.13	500.96	537.22	534.59	543.96	567.78	577.43	606.00	606.000
Czech Republic	*Czech Koruna*	20.29	17.08	19.05	19.08	17.67	19.54	19.56	20.76	24.59	24.44	23.39	21.73	22.75	22.750
Denmark	*Danish Krone*	5.443	5.099	5.359	5.622	5.357	5.790	5.618	5.619	6.725	6.731	6.602	6.314	6.561	6.561
Estonia	*Estonian Kroon*	11.4	10.7	11.3	11.8										
Hungary	*Forint*	183.6	172.5	202.1	207.8	200.9	224.8	223.6	232.6	279.2	281.5	274.5	270.6	285.7	285.7
Iceland	*Iceland Krona*	64.07	88.00	123.66	122.24	116.06	125.12	122.17	116.69	131.90	120.84	106.82	108.12	121.00	121.00
India	*Indian Rupee*	41.3	43.5	48.3	45.7	46.6	53.4	58.6	61.0	64.2	67.2	65.1	68.8	73.7	73.7
Indonesia	*Rupiah*	9 139.4	9 663.9	10 376.8	9 078.0	8 760.8	9 355.1	10 450.0	11 866.3	13 386.1	13 307.6	13 381.5	14 340.2	15 237.0	15 237.0
Israel	*New Israeli Sheqel*	4.11	3.58	3.93	3.73	3.57	3.85	3.61	3.58	3.89	3.84	3.60	3.59	3.70	3.70
Japan	*Yen*	117.8	103.4	93.6	87.8	79.7	79.8	97.6	105.8	121.0	108.8	112.2	110.4	112.8	112.8
Korea	*Won*	929.5	1 100.9	1 274.9	1 155.4	1 107.3	1 125.9	1 094.9	1 053.1	1 131.3	1 160.6	1 130.6	1 102.7	1 140.6	1 140.6
Latvia	*Lats*	0.512	0.480	0.508	0.535	0.508	0.543	0.529							
Lithuania	*Lithuanian Litas*	2.523	2.360	2.485	2.608	2.484	2.687	2.601	2.600						
Mexico	*Mexican Peso*	10.93	11.15	13.50	12.63	12.43	13.15	12.77	13.31	15.87	18.63	18.87	19.15	19.95	19.95
New Zealand	*New Zealand Dollar*	1.361	1.425	1.600	1.388	1.266	1.235	1.220	1.206	1.434	1.437	1.407	1.454	1.524	1.524
Norway	*Norwegian Krone*	5.858	5.648	6.290	6.042	5.605	5.815	5.877	6.302	8.064	8.400	8.271	8.109	8.392	8.392
Poland	*Zloty*	2.765	2.410	3.119	3.015	2.962	3.252	3.160	3.154	3.770	3.944	3.779	3.616	3.806	3.806
Russia	*Russian Ruble*	25.57	24.87	31.77	30.37	29.40	31.05	31.86	38.59	61.26	67.05	58.33	62.57	65.59	65.59
Slovak Republic	*Slovak Koruna*	24.68													
South Africa	*Rand*	7.056	8.263	8.417	7.305	7.249	8.202	9.648	10.846	12.765	14.703	13.306	13.322	14.626	14.626
Sweden	*Swedish Krona*	6.758	6.597	7.653	7.202	6.489	6.769	6.513	6.860	8.429	8.556	8.547	8.707	9.138	9.138
Switzerland	*Swiss Franc*	1.200	1.084	1.086	1.043	0.887	0.937	0.927	0.915	0.962	0.985	0.985	0.979	1.002	1.002
Turkey	*New Turkish Lira*	1.300	1.299	1.547	1.499	1.672	1.792	1.905	2.189	2.723	3.022	3.649	4.871	5.525	5.525
United Kingdom	*Pound Sterling*	0.500	0.546	0.641	0.647	0.624	0.631	0.640	0.607	0.654	0.741	0.777	0.750	0.785	0.785
United States	*US Dollar*	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Euro area	*Euro*	0.730	0.681	0.718	0.754	0.719	0.778	0.753	0.753	0.901	0.904	0.885	0.847	0.880	0.880

1. On the technical assumption that exchange rates remain at their levels of 30 October 2018.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879045

Annex Table 42. **Effective exchange rates**

Indices 2010 = 100, average of daily rates

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018[1]	2019[1]	2020[1]
Argentina	492.1	176.6	170.5	161.7	152.5	139.4	128.9	121.6	109.9	100.0	91.0	88.1	75.4	52.7	54.5	35.3	30.6	19.6	14.6	14.6
Australia	69.5	72.5	81.1	87.6	89.7	88.5	94.2	92.5	88.8	100.0	107.2	109.4	104.4	99.4	90.2	90.7	93.6	89.8	88.6	88.6
Austria	93.8	95.1	99.1	100.4	99.5	99.5	100.5	101.4	102.9	100.0	100.1	98.6	100.4	102.0	99.9	101.4	101.7	103.7	103.8	103.8
Belgium	89.4	91.8	97.2	99.2	98.5	98.6	100.1	102.3	103.6	100.0	100.6	98.3	100.9	102.7	99.6	101.8	102.5	105.4	105.6	105.6
Brazil	78.8	71.9	62.0	62.2	74.3	82.5	88.9	92.8	89.6	100.0	102.3	90.7	83.3	79.7	62.6	62.8	68.5	61.9	63.8	63.8
Canada	71.2	70.3	77.4	81.8	87.3	92.9	96.4	95.5	91.7	100.0	101.9	102.5	100.0	94.4	86.6	85.1	86.9	86.8	87.3	87.3
Chile	83.9	88.1	83.4	90.8	96.8	101.2	98.4	96.3	93.6	100.0	101.8	104.4	104.7	94.1	90.7	91.3	95.0	97.2	93.8	93.8
China	98.0	98.3	92.4	88.1	87.6	89.6	90.6	97.0	103.0	100.0	99.9	105.5	111.7	115.0	126.1	120.9	117.0	119.3	116.9	116.9
Colombia	92.6	87.6	72.4	76.6	84.9	82.8	90.5	94.0	90.2	100.0	100.1	106.1	103.0	99.3	79.6	73.9	76.1	76.9	73.4	73.4
Costa Rica	180.4	165.9	144.1	127.2	114.8	106.4	101.6	97.3	93.1	100.0	101.1	103.3	104.6	99.6	108.3	109.0	104.0	102.1	99.8	99.8
Czech Republic	70.1	78.7	79.0	79.7	84.5	88.7	90.9	101.9	98.5	100.0	103.3	99.4	97.8	93.8	93.6	96.2	98.9	103.9	103.3	103.3
Denmark	90.6	92.6	97.6	99.3	98.4	98.3	99.8	101.9	104.7	100.0	99.8	97.2	99.3	101.5	99.2	101.7	102.5	105.3	105.4	105.4
Estonia	88.4	91.1	96.5	98.2	97.7	97.3	98.4	100.2	104.1	100.0	100.1	97.9	100.1	104.4	107.6	110.5	109.2	113.3	113.7	113.7
Finland	88.1	90.6	96.6	98.7	97.8	97.5	99.2	101.6	105.3	100.0	100.0	97.1	99.7	103.6	104.2	107.1	106.6	110.7	111.0	111.0
France	90.1	92.3	97.5	99.3	98.6	98.7	100.2	102.2	103.4	100.0	100.4	98.2	100.4	101.8	98.6	100.4	101.3	103.7	103.8	103.8
Germany	89.5	91.8	97.8	99.9	98.8	98.9	100.5	102.4	104.4	100.0	100.4	97.8	100.5	102.6	99.3	101.6	102.3	105.4	105.6	105.6
Greece	89.6	92.1	97.1	98.9	98.0	98.1	99.5	101.7	103.6	100.0	100.8	98.3	100.8	104.1	103.4	106.3	106.8	111.5	112.1	112.1
Hungary	99.7	107.3	107.6	109.9	110.5	103.5	109.8	110.9	101.7	100.0	99.2	93.7	93.2	91.5	89.7	91.0	91.8	91.2	89.8	89.8
Iceland	166.9	172.1	181.3	183.7	203.8	182.4	184.6	134.4	98.2	100.0	100.3	98.2	100.3	107.4	111.9	125.6	139.5	135.9	125.6	125.6
India	120.9	117.3	113.2	110.6	112.3	107.8	112.2	103.5	96.9	100.0	94.1	84.1	77.6	76.1	80.0	78.5	80.6	76.0	73.4	73.4
Indonesia	112.5	123.4	126.0	115.6	104.9	109.7	105.2	96.1	91.8	100.0	98.4	93.4	86.3	77.6	75.0	76.8	76.3	70.5	68.6	68.6
Ireland	84.2	86.6	93.7	96.1	95.7	95.8	98.2	102.6	104.5	100.0	100.9	97.1	100.0	101.0	95.2	97.7	99.2	101.9	101.5	101.5
Israel	108.6	95.6	91.4	87.6	86.6	86.8	89.5	99.7	95.4	100.0	101.4	97.9	105.0	108.3	110.7	115.2	122.4	122.7	123.5	123.5
Italy	89.1	91.9	97.5	99.4	98.5	98.6	100.1	102.0	104.0	100.0	100.5	98.2	100.8	103.2	100.7	103.1	103.6	107.1	107.3	107.3
Japan	86.1	82.8	85.3	88.6	85.9	79.6	75.3	84.5	97.0	100.0	105.7	107.2	88.0	83.1	79.0	90.9	87.3	88.2	89.5	89.5
Korea	108.4	112.3	111.8	112.0	124.5	133.1	131.7	107.4	93.4	100.0	99.8	99.9	105.3	113.0	115.4	115.0	117.8	120.3	120.5	120.5
Latvia	112.5	111.5	106.3	103.7	97.9	97.4	97.8	98.8	105.1	100.0	100.9	100.2	102.3	108.5	115.6	120.2	116.9	122.5	123.2	123.2
Lithuania	83.6	90.0	96.6	98.3	96.7	96.1	97.4	99.0	104.5	100.0	100.7	98.5	101.3	106.2	109.6	113.4	111.5	116.3	116.8	116.8
Luxembourg	93.1	94.5	98.3	99.5	98.9	99.0	100.0	101.4	102.6	100.0	100.2	98.6	100.0	100.9	98.4	99.6	100.2	101.8	101.8	101.8
Mexico	148.1	143.9	125.1	117.3	120.5	119.6	116.9	113.6	94.9	100.0	100.0	95.4	98.9	96.0	84.5	72.8	71.7	70.3	68.6	68.6
Netherlands	89.8	91.9	97.2	99.0	98.3	98.3	99.8	102.0	103.8	100.0	100.4	98.1	100.5	102.4	99.8	102.0	102.6	105.3	105.5	105.5
New Zealand	77.0	83.8	96.1	103.2	107.9	99.4	106.5	99.9	92.5	100.0	103.3	107.5	111.6	116.7	109.1	111.0	112.6	108.4	107.3	107.3
Norway	88.8	97.1	96.1	93.2	97.0	96.5	98.2	99.0	95.8	100.0	102.7	104.0	101.9	96.3	87.4	86.0	86.5	86.5	86.9	86.9
Poland	101.4	98.2	89.4	87.8	98.0	101.0	104.8	114.5	95.2	100.0	97.3	94.0	95.5	98.1	97.9	95.8	98.0	100.2	99.1	99.1
Portugal	93.6	95.2	98.5	99.5	98.9	98.9	99.8	101.3	102.3	100.0	100.3	98.9	100.7	101.9	99.7	101.3	102.0	104.2	104.3	104.3
Russia	138.2	126.1	115.2	114.6	115.3	118.7	117.5	114.6	95.2	100.0	99.2	98.7	95.9	81.8	58.0	54.0	61.5	56.6	56.2	56.2
Slovak Republic	66.6	68.0	72.9	76.4	77.9	80.3	88.8	96.2	103.4	100.0	100.2	99.1	101.0	103.3	102.4	104.3	104.0	106.1	106.5	106.5
Slovenia	102.9	100.4	101.1	100.2	99.2	99.2	100.0	101.1	103.3	100.0	100.5	98.9	101.0	103.2	101.8	103.7	103.8	106.5	106.9	106.9
South Africa	108.8	87.8	111.4	122.4	122.9	115.5	103.9	86.1	88.6	100.0	97.0	88.7	76.1	69.1	65.4	58.2	63.8	63.5	59.8	59.8
Spain	90.9	93.3	97.6	99.0	98.4	98.5	99.7	101.6	103.1	100.0	100.5	98.5	100.9	102.6	99.8	102.2	103.1	106.1	106.4	106.4
Sweden	92.4	95.3	101.7	103.8	101.1	101.5	103.0	101.3	93.4	100.0	106.1	107.4	110.8	107.5	102.5	103.5	102.1	98.0	97.0	97.0
Switzerland	81.9	86.6	88.5	89.0	88.2	86.8	84.6	89.5	94.9	100.0	113.0	112.3	112.9	115.9	126.4	127.2	126.3	124.4	126.1	126.1
Turkey	168.6	126.6	112.8	110.5	116.2	108.2	111.0	106.8	96.6	100.0	86.2	84.4	79.2	70.8	67.1	62.2	50.2	38.1	34.0	34.0
United Kingdom	124.9	126.8	122.2	127.9	125.8	126.5	128.5	112.5	100.7	100.0	99.3	103.3	101.4	109.1	116.7	105.4	98.8	100.5	99.6	99.6
United States	121.8	122.7	115.6	110.4	107.5	105.8	101.1	97.8	103.9	100.0	95.7	98.6	99.7	102.9	116.3	121.7	121.3	120.6	125.3	125.3
Euro area	80.2	84.3	94.9	98.6	96.9	96.8	99.8	103.9	107.9	100.0	100.6	96.3	100.8	104.5	99.7	103.9	105.0	110.5	110.9	110.9

Note: For details on the method of calculation, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. It is assumed that exchange rates remain at their levels of 30 October 2018.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879064

Annex Table 43. **Nominal house prices**

Percentage changes from previous period

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Australia	7.3	7.3	8.3	11.2	18.7	18.0	6.2	1.8	6.9	10.5	3.9	4.0	11.7	-2.2	-0.3	6.6	9.1	9.0	5.5	8.3
Austria	..	..	..	0.9	0.6	0.3	-1.9	5.0	4.1	4.7	1.1	3.9	9.4	6.3	7.3	5.2	3.5	4.9	8.5	5.3
Belgium	6.3	7.1	5.4	4.8	6.4	6.9	8.7	11.7	9.8	7.8	4.4	-0.5	3.1	4.0	2.2	1.2	-0.6	1.6	2.6	3.6
Canada	-1.3	2.8	4.3	4.7	8.1	8.3	8.2	8.0	11.7	11.6	5.5	-2.8	8.9	5.0	4.8	2.6	5.3	5.4	9.9	12.1
Chile	..	..	..	..	..	2.3	5.1	3.7	-0.5	7.1	-1.0	3.1	7.6	5.4	5.2	8.4	6.2	9.5	3.8	4.2
Czech Republic	..	..	..	..	..	..	..	..	..	..	..	-3.8	-1.8	0.0	-1.5	0.0	2.5	4.0	7.2	11.7
Denmark	9.0	6.7	6.5	5.8	3.6	3.2	8.9	18.6	24.1	2.7	-5.2	-12.0	2.8	-1.7	-2.7	3.9	3.8	7.0	5.2	4.5
Estonia	..	..	..	..	..	..	..	..	49.5	20.8	-9.6	-37.2	5.7	8.5	7.3	10.7	13.7	6.9	4.7	5.5
Finland	8.8	7.1	3.9	-1.4	6.0	6.3	8.2	7.9	7.0	5.9	0.8	1.4	6.3	3.2	2.4	1.2	-0.4	0.0	0.4	1.6
France	2.1	6.9	8.6	8.0	8.7	11.9	15.1	15.5	12.0	6.5	0.9	-7.1	5.1	5.9	-0.5	-2.1	-1.8	-1.9	1.0	3.0
Germany	-0.9	0.1	0.5	0.1	-1.3	0.4	-1.6	1.2	-0.4	-2.1	1.4	0.8	1.0	3.5	3.4	3.1	3.1	4.7	6.0	4.6
Greece	14.4	8.9	10.6	14.4	13.9	5.4	2.3	10.9	13.0	6.2	1.5	-4.3	-4.4	-5.5	-11.8	-10.9	-8.0	-5.1	-2.4	-1.0
Hungary	..	..	..	..	..	..	..	..	..	..	2.4	-5.2	-2.4	-3.4	-3.7	-2.6	4.2	13.1	13.4	6.0
Iceland	..	..	..	..	..	..	..	..	16.8	9.4	6.2	-9.7	-3.0	4.6	6.9	5.8	8.4	8.2	9.8	19.5
Ireland	24.1	21.5	20.6	12.4	7.0	14.2	11.2	8.6	14.9	7.5	-6.9	-19.2	-13.5	-17.1	-13.5	1.2	16.5	11.5	7.5	10.9
Israel	3.8	4.2	-4.8	-3.5	5.3	-5.7	-0.7	0.2	0.5	-1.6	7.6	13.7	17.6	10.5	3.2	9.1	6.4	5.9	7.5	3.9
Italy	2.1	5.6	8.3	8.2	9.6	10.3	9.9	7.5	6.4	5.2	1.7	-3.7	-0.5	1.4	-2.5	-6.5	-4.7	-3.8	0.2	-1.1
Japan	-1.7	-3.1	-3.8	-4.4	-5.3	-6.2	-6.1	-4.9	-3.0	-1.0	0.7	-5.8	1.4	0.1	-0.9	1.6	1.6	2.4	2.2	2.6
Korea	-9.2	-1.3	1.8	3.9	16.6	9.0	0.7	1.0	6.7	10.0	7.1	0.9	2.2	4.9	1.2	-1.1	1.6	2.8	1.6	1.2
Latvia	..	..	..	..	..	..	..	..	..	36.3	1.1	-37.3	-11.0	10.4	3.0	6.8	6.0	-3.4	8.5	8.8
Lithuania	..	..	..	..	..	..	..	..	..	26.3	9.0	-29.9	-7.4	6.6	-0.2	1.2	6.4	3.7	5.4	8.9
Luxembourg	..	..	..	..	..	..	..	..	..	..	3.3	-1.2	5.4	3.7	4.2	5.0	4.4	5.4	6.0	5.6
Mexico	..	..	..	..	..	..	..	..	6.7	7.6	4.6	5.4	3.9	4.2	4.8	3.8	4.4	6.6	7.5	6.1
Netherlands	10.9	16.4	18.2	11.1	6.4	3.6	4.3	3.8	4.3	4.8	2.2	-4.5	-1.7	-2.0	-6.7	-6.0	0.8	3.6	5.0	7.5
New Zealand	-1.7	2.2	-0.4	1.8	10.2	19.6	17.9	13.5	10.5	10.9	-4.4	-1.6	2.0	1.2	4.7	9.1	6.5	11.8	13.1	6.4
Norway	11.1	11.1	15.9	6.9	5.0	1.7	10.2	8.3	13.7	12.6	-1.1	1.9	8.2	8.0	6.8	4.0	2.7	6.1	7.0	5.0
Poland	..	..	..	..	..	..	..	..	..	..	..	..	..	0.1	-3.5	-4.4	1.0	1.5	1.9	3.9
Portugal	4.5	9.0	7.7	5.4	0.6	1.1	0.6	2.3	2.1	0.5	-6.3	0.2	0.8	-4.9	-7.1	-1.9	4.2	3.1	7.1	9.2
Slovak Republic	..	..	..	..	..	..	..	..	16.7	29.0	17.9	-12.8	-4.0	-1.5	-2.7	0.9	1.4	5.4	6.7	5.9
Slovenia	..	..	..	..	..	..	..	..	..	..	7.0	-9.5	0.1	2.7	-6.9	-5.2	-6.6	0.8	3.3	8.0
Spain	4.9	7.0	7.5	9.5	17.0	20.0	18.3	14.6	13.6	9.8	-1.4	-6.6	-1.8	-7.6	-14.8	-9.1	0.3	3.6	4.6	6.2
Sweden	9.5	9.4	11.2	7.9	6.3	6.6	9.3	9.0	12.4	12.5	1.1	3.0	8.0	2.5	1.2	5.5	9.4	13.1	8.6	6.4
Switzerland	-0.9	-0.1	0.0	0.9	-0.2	1.4	3.6	3.7	6.2	5.9	3.8	0.5	2.8	6.4	4.9	3.0	2.7	2.6	1.6	1.9
Turkey	..	..	..	..	..	..	..	..	..	..	..	..	..	7.3	9.4	10.5	12.2	14.5	12.2	10.5
United Kingdom	11.5	10.9	14.9	8.1	16.2	15.7	11.9	6.9	7.9	9.9	-4.5	-8.9	5.7	-1.4	0.4	2.6	8.0	6.0	7.0	4.6
United States	4.8	6.1	6.7	6.9	7.1	7.7	9.4	10.5	5.9	0.0	-8.1	-5.9	-3.0	-4.2	2.9	7.1	5.1	5.4	6.0	6.7
Euro area	2.9	5.5	6.5	5.8	6.3	7.6	7.3	8.0	6.9	4.5	1.0	-3.9	0.9	1.1	-2.2	-2.1	0.2	1.5	3.6	3.9
Total OECD	3.2	4.6	5.4	4.9	6.2	6.4	6.4	6.9	5.7	3.3	-2.2	-4.1	0.8	-0.3	1.1	3.0	3.7	4.5	5.2	5.4

Source: OECD, Analytical house price database.

StatLink http://dx.doi.org/10.1787/888933879083

Annex Table 44. **Real house prices**

Percentage changes from previous period

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Australia	5.9	6.1	4.7	7.6	15.4	15.4	4.7	-0.3	3.2	7.2	0.8	1.4	9.3	-4.4	-2.7	4.1	7.0	7.4	4.6	7.0
Austria	..	..	..	-1.5	-0.5	-1.2	-3.6	2.5	2.0	2.1	-1.0	3.4	7.5	3.1	4.8	3.0	1.5	3.3	7.1	3.5
Belgium	5.1	6.4	2.1	2.7	4.9	5.2	6.1	8.7	6.5	4.8	1.2	-0.1	1.4	1.0	0.2	0.3	-1.1	0.9	0.9	1.8
Canada	-2.6	1.1	2.0	2.6	6.0	6.5	6.6	6.2	10.2	9.8	3.9	-3.0	7.4	2.8	3.5	1.2	3.3	4.3	8.8	10.8
Chile	..	..	..	..	..	-0.2	3.2	-1.1	-3.6	3.0	-8.3	1.2	4.0	1.2	2.0	5.2	0.4	3.6	0.4	2.1
Czech Republic	..	..	..	..	..	..	..	..	..	..	..	-4.7	-2.2	-1.7	-3.6	-0.8	1.8	3.9	6.6	9.1
Denmark	7.4	4.8	3.6	3.4	1.7	1.9	7.7	16.6	21.4	0.9	-7.8	-13.1	0.3	-3.9	-4.9	3.1	3.2	6.6	4.7	3.3
Estonia	..	..	..	..	..	..	..	..	41.2	12.2	-16.5	-37.1	1.7	2.8	3.3	7.4	12.7	7.0	3.6	1.9
Finland	7.0	5.5	0.8	-4.0	4.3	5.3	7.8	6.8	5.6	3.9	-2.5	-0.4	4.8	0.0	-0.4	-1.3	-1.7	-0.3	-0.2	0.5
France	1.8	7.4	6.2	5.9	7.8	10.0	12.7	13.4	9.6	4.3	-1.8	-5.7	4.0	4.0	-1.9	-2.8	-1.9	-2.1	1.1	1.7
Germany	-1.4	-0.3	-0.3	-1.7	-2.6	-1.4	-2.5	-0.3	-1.4	-3.7	-0.3	1.2	-0.9	1.4	1.9	2.1	2.2	4.1	5.3	2.9
Greece	16.5	4.4	10.7	12.6	11.4	2.8	-1.0	7.7	9.4	2.5	-2.8	-5.2	-7.7	-7.6	-12.2	-9.3	-5.6	-3.4	-1.6	-1.6
Hungary	..	..	..	..	..	..	..	..	..	..	-3.1	-9.0	-5.9	-6.9	-9.3	-4.4	3.3	13.4	13.6	3.3
Iceland	..	..	..	..	..	..	..	..	8.9	4.4	-7.2	-21.9	-6.7	0.9	1.0	2.0	5.9	7.9	9.2	21.1
Ireland	19.2	18.0	14.7	8.1	1.7	9.9	8.8	7.3	12.0	4.3	-8.7	-13.4	-11.6	-17.8	-15.1	-0.2	15.2	11.1	6.3	9.8
Israel	-1.7	-1.3	-6.5	-4.1	0.9	-6.0	-1.2	-1.4	-1.9	-2.8	1.9	11.7	14.3	7.1	1.4	7.5	5.9	6.4	8.1	3.6
Italy	0.2	3.6	4.7	5.4	6.5	7.2	7.3	5.3	3.7	2.8	-1.4	-3.3	-1.9	-1.5	-5.1	-7.6	-5.0	-4.0	0.1	-2.2
Japan	-1.7	-2.5	-2.9	-3.4	-4.0	-5.2	-5.6	-4.4	-2.9	-0.6	0.0	-3.6	2.9	0.6	-0.3	1.8	-0.5	2.0	2.8	2.4
Korea	-14.5	-3.8	-2.5	-0.5	13.1	5.6	-2.4	-1.1	5.1	7.9	2.4	-1.6	-0.3	1.2	-1.0	-2.0	0.5	1.9	0.6	-0.3
Latvia	..	..	..	..	..	..	..	..	..	22.0	-10.7	-35.0	-8.7	4.1	-0.4	6.6	4.3	-2.4	7.3	5.5
Lithuania	..	..	..	..	..	..	..	..	..	19.4	-1.7	-32.9	-8.5	2.4	-3.2	0.2	6.3	4.6	4.5	5.4
Luxembourg	..	..	..	..	..	..	..	..	..	..	0.2	-0.7	4.1	0.6	2.1	3.3	3.9	5.5	5.6	4.0
Mexico	..	..	..	..	..	..	..	..	1.9	2.1	-1.5	1.9	-1.3	-1.0	-0.3	-0.1	0.2	3.6	3.1	0.8
Netherlands	8.9	14.3	14.8	7.6	2.9	1.2	2.9	2.0	1.5	2.7	0.1	-3.0	-3.3	-4.0	-7.9	-7.9	-0.1	3.4	4.4	5.9
New Zealand	-3.1	1.3	-2.4	-0.3	8.0	19.0	16.4	11.4	7.3	9.1	-7.8	-4.2	0.7	-1.6	3.9	8.4	5.6	11.0	12.4	4.9
Norway	8.4	8.9	12.7	4.6	3.6	-1.2	8.9	7.0	11.6	11.2	-4.4	-0.6	6.0	6.8	5.6	1.9	0.5	3.6	3.9	3.0
Poland	..	..	..	..	..	..	..	..	..	..	..	..	..	-4.6	-6.6	-4.8	1.1	2.7	2.3	1.7
Portugal	2.0	6.3	3.9	1.6	-2.8	-2.4	-1.6	-1.5	-1.4	-2.8	-8.9	2.2	-1.0	-6.5	-8.8	-2.7	3.9	2.1	6.0	7.9
Slovak Republic	..	..	..	..	..	..	..	..	11.3	25.7	13.0	-12.8	-4.9	-5.2	-5.9	-0.4	1.5	5.5	7.0	4.4
Slovenia	..	..	..	..	..	..	..	..	..	..	1.3	-10.2	-1.3	0.9	-8.5	-7.2	-6.6	1.4	3.8	6.2
Spain	3.2	4.8	3.3	5.8	13.8	16.3	14.2	10.9	9.6	6.3	-4.8	-5.8	-3.6	-9.8	-16.8	-10.1	0.1	3.8	4.7	4.5
Sweden	9.0	7.8	10.1	5.6	4.8	4.9	8.5	7.8	11.1	10.9	-2.0	0.7	6.4	0.8	0.7	4.7	8.2	12.1	7.5	4.6
Switzerland	-1.1	-0.4	-1.4	0.3	0.2	0.4	3.1	2.6	4.9	4.5	1.9	1.1	2.3	6.4	6.0	3.5	2.9	3.3	1.8	1.4
Turkey	..	..	..	..	..	..	..	..	..	..	..	..	..	-1.7	1.7	5.8	4.0	6.0	5.3	-0.3
United Kingdom	9.9	10.3	14.1	7.7	15.5	14.3	10.2	4.8	4.9	7.8	-8.1	-9.8	4.0	-5.0	-1.7	0.2	5.9	5.5	5.4	2.4
United States	4.0	4.6	4.1	4.9	5.7	5.6	6.8	7.4	3.1	-2.4	-10.8	-5.8	-4.6	-6.5	1.0	5.7	3.6	5.1	4.9	4.8
Euro area	1.9	4.4	4.0	3.3	4.3	5.3	5.2	5.8	4.5	2.1	-1.7	-3.2	-0.7	-1.1	-4.0	-3.2	-0.3	1.2	3.2	2.4
Total OECD	2.1	3.5	3.4	3.2	4.9	4.7	4.5	4.7	3.3	1.1	-4.9	-4.1	-0.8	-2.8	-0.9	1.6	2.0	3.7	4.2	3.4

Source: OECD, Analytical house price database.

StatLink http://dx.doi.org/10.1787/888933879102

Annex Table 45. **House price-to-rent ratio**

Long-term average = 100

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Australia	78.7	82.2	86.3	93.1	107.9	125.0	129.6	129.1	133.6	140.0	135.2	131.7	141.0	131.9	126.2	130.3	138.6	148.7	155.7	167.6
Austria	..	..	100.9	98.9	97.9	94.0	89.1	90.5	92.1	94.5	94.4	93.7	98.5	101.3	104.2	106.3	105.8	106.3	111.9	113.1
Belgium	84.5	89.2	92.6	95.2	98.8	103.4	110.2	120.7	128.0	135.4	138.6	135.2	137.8	141.7	142.6	142.4	138.7	139.6	141.9	145.5
Canada	74.7	75.9	78.3	80.7	85.5	91.3	97.8	104.7	115.8	127.2	131.9	126.3	135.9	141.1	145.9	147.2	152.8	159.2	173.9	193.7
Denmark	91.5	95.2	98.6	101.6	102.6	103.0	109.3	126.5	153.9	154.8	142.9	122.0	122.1	116.5	110.5	112.4	114.7	120.4	125.0	128.6
Finland	94.3	99.7	97.8	93.0	99.1	106.0	113.6	119.2	122.1	121.9	117.9	123.9	131.9	131.7	130.1	127.9	123.6	120.0	117.8	117.3
France	69.9	73.5	79.9	85.9	91.1	99.1	111.0	123.7	133.9	138.3	136.5	124.3	128.6	134.7	131.9	127.0	123.5	120.4	121.2	124.6
Germany	90.9	90.2	89.6	88.6	86.3	85.7	83.7	83.9	82.7	80.0	80.1	79.9	79.8	81.5	83.3	84.8	86.2	89.2	93.4	96.0
Greece	84.0	87.5	93.1	102.5	111.2	111.4	108.2	115.1	124.6	126.6	123.6	114.2	106.6	99.9	90.0	86.0	85.7	85.1	85.3	86.4
Ireland	92.2	134.9	145.5	135.2	148.1	179.5	194.2	194.0	181.9	148.7	123.1	149.7	126.4	91.8	81.8	83.4	98.0	108.4	113.4	121.2
Israel	96.6	92.9	90.1	84.1	79.4	77.5	78.5	79.9	79.7	82.2	89.9	91.4	103.3	109.7	109.3	116.5	121.7	126.7	134.4	137.6
Italy	77.2	78.9	83.3	88.2	94.5	101.4	108.4	114.0	118.4	121.8	120.9	112.7	110.0	109.7	104.6	96.6	92.3	88.7	88.6	87.5
Japan	108.2	105.1	101.3	97.0	92.1	86.6	81.6	77.9	75.6	75.0	75.5	71.4	72.8	73.1	72.8	74.3	75.8	77.8	79.8	82.0
Korea	76.6	78.8	80.6	80.5	88.8	93.5	92.6	93.8	99.7	107.7	112.8	112.0	112.4	113.4	110.2	106.1	105.3	105.6	105.3	104.9
Netherlands	93.9	105.9	121.9	131.9	136.6	137.2	138.8	140.6	143.2	147.2	148.0	138.1	132.8	127.9	116.7	105.7	102.0	102.3	105.2	111.1
New Zealand	71.3	73.7	73.2	82.3	89.0	103.2	118.0	130.7	141.3	152.3	141.3	136.9	137.6	136.8	139.9	149.5	155.9	170.2	188.4	196.2
Norway	80.5	87.0	97.0	99.8	100.4	98.1	106.0	112.4	125.0	138.1	132.7	130.7	137.5	145.2	152.2	153.5	153.5	158.5	166.4	171.1
Portugal	97.5	104.8	110.2	113.1	110.2	108.8	106.7	106.6	106.1	103.8	94.4	92.1	90.9	85.7	78.1	75.6	75.5	77.0	81.0	87.7
Spain	82.4	85.2	88.3	92.7	103.9	119.5	135.9	149.3	162.6	171.1	161.8	146.6	142.4	130.2	110.3	100.4	101.5	105.6	110.6	116.9
Sweden	62.9	68.8	76.2	80.8	84.1	87.4	92.7	98.7	110.0	121.8	120.1	119.8	127.3	127.6	125.8	129.8	139.5	155.6	167.5	176.8
Switzerland	81.6	81.0	79.8	78.4	77.5	78.3	80.2	82.1	85.6	88.6	89.8	88.0	89.4	93.9	97.8	100.3	101.8	103.6	104.9	105.9
United Kingdom	72.9	78.5	87.4	91.5	103.5	117.8	128.8	133.1	139.2	148.4	137.2	122.6	127.9	123.0	119.5	119.6	126.2	130.0	136.7	141.6
United States	91.8	94.7	97.9	100.9	104.1	109.5	116.6	125.6	128.6	124.0	111.2	103.5	100.6	94.8	95.0	99.0	100.9	102.6	104.8	107.7
Euro area	84.0	87.0	90.9	94.2	97.8	102.8	107.7	113.4	117.6	119.2	117.2	111.2	110.7	110.2	106.1	102.5	101.6	102.1	104.9	107.8
Total OECD	88.6	91.0	93.9	96.1	99.3	103.6	108.0	113.1	116.4	116.9	111.6	105.4	105.2	103.1	101.9	102.9	104.5	106.7	109.9	113.2

Source: OECD, Analytical house price database.

StatLink http://dx.doi.org/10.1787/888933879121

Annex Table 46. **House price-to-income ratio**

Long-term average = 100

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Australia	86.0	88.1	90.7	93.2	108.5	122.7	121.8	117.9	119.8	121.7	117.6	116.9	125.7	115.6	113.4	117.5	123.9	133.3	140.3	151.9
Austria	..	..	95.7	95.2	94.2	91.6	87.1	86.3	86.2	86.4	85.0	88.6	96.3	100.1	103.8	109.7	111.3	116.5	123.3	127.8
Belgium	85.7	89.6	90.0	90.3	95.8	101.3	108.3	117.5	123.2	127.5	127.3	125.7	130.2	134.1	135.6	136.5	134.8	136.7	136.8	138.0
Canada	86.4	84.9	83.7	84.9	89.0	94.0	97.7	102.0	107.7	114.9	116.0	112.2	118.0	119.7	122.2	121.8	125.4	127.8	139.4	150.7
Denmark	93.9	101.0	104.6	104.7	103.8	103.5	109.1	124.3	148.2	151.4	141.9	121.0	117.7	112.2	107.3	109.6	112.8	115.7	117.0	118.2
Finland	95.7	95.9	95.5	90.1	91.5	92.8	96.0	101.7	105.0	105.8	101.4	100.4	102.7	102.1	102.4	101.2	100.7	99.4	98.4	98.4
France	73.9	77.4	79.9	82.4	86.7	95.4	106.2	120.0	128.9	131.2	129.2	120.3	123.6	129.1	127.7	126.2	122.9	119.7	119.2	120.1
Germany	97.5	95.2	94.2	90.2	88.6	86.7	83.8	83.2	81.0	77.8	76.9	78.1	76.8	77.2	78.1	79.7	80.5	82.9	86.0	87.3
Greece	81.8	87.5	94.4	102.2	109.0	104.5	99.8	108.7	113.0	112.8	108.9	102.6	107.3	111.5	108.1	104.8	95.4	93.2	92.7	90.5
Ireland	95.9	107.3	117.5	116.7	118.3	128.1	135.6	137.8	151.9	154.1	135.1	117.4	105.1	91.8	77.2	78.6	90.9	97.5	100.9	107.0
Italy	79.6	81.7	84.9	87.6	92.7	99.4	106.1	111.8	115.3	117.7	118.7	118.2	118.6	117.8	119.0	111.5	105.7	100.1	98.9	96.1
Japan	102.8	100.9	98.5	97.2	92.6	88.2	82.5	78.3	75.9	74.8	75.7	72.1	72.7	73.1	72.1	73.4	74.2	74.7	75.3	75.9
Korea	73.6	69.6	67.7	66.8	73.1	75.1	70.7	68.1	69.8	73.5	74.9	73.2	70.8	70.8	69.4	65.7	64.2	62.7	62.0	60.3
Netherlands	95.0	106.0	119.7	122.1	127.2	131.4	135.4	139.2	139.4	140.8	140.0	135.2	131.6	126.3	117.1	109.3	107.7	109.9	113.1	119.2
New Zealand	86.3	81.9	83.6	80.6	88.3	97.9	109.7	120.0	124.6	128.8	122.7	115.5	113.5	108.9	112.5	120.2	128.3	137.9	153.3	160.2
Norway	82.3	87.8	95.9	101.4	97.5	92.6	98.2	97.8	117.6	124.6	116.8	113.9	119.5	124.2	127.4	126.5	125.0	124.1	132.3	135.0
Portugal	109.6	111.8	114.2	115.0	111.2	110.6	106.2	104.0	102.8	98.7	89.1	89.8	88.1	87.2	83.5	81.6	84.9	84.2	87.3	92.2
Spain	83.7	85.5	84.2	86.6	97.2	110.8	125.8	138.9	152.1	164.1	156.0	143.8	144.2	132.1	116.6	106.2	105.0	106.3	109.4	114.7
Sweden	80.5	83.5	87.2	87.4	89.3	93.3	100.3	105.7	113.2	120.0	114.8	114.6	119.8	117.8	115.2	118.9	126.4	139.7	146.8	152.8
Switzerland	81.5	79.2	76.0	74.6	75.6	77.0	79.0	79.9	81.7	83.0	84.7	84.8	86.9	91.5	94.8	96.3	98.4	101.5	101.5	103.8
United Kingdom	71.8	77.1	82.9	86.5	97.6	110.2	119.2	123.2	128.0	135.2	125.2	111.7	117.7	115.1	110.7	110.4	116.8	117.8	125.5	129.6
United States	92.5	94.8	95.0	98.0	101.4	105.3	109.8	117.2	117.3	113.0	100.8	95.9	90.4	83.2	81.9	88.3	88.6	90.1	93.6	96.3
Euro area	87.5	89.5	91.4	92.0	95.3	99.7	104.0	109.6	113.0	114.2	112.1	108.6	108.9	108.5	106.3	104.0	102.8	102.8	104.5	106.0
Total OECD	90.3	91.9	92.6	94.0	97.2	100.7	103.3	107.3	108.8	108.3	102.7	98.4	97.0	93.8	92.1	94.2	94.7	95.8	98.5	100.8

Source: OECD, Analytical house price database.

StatLink http://dx.doi.org/10.1787/888933879140

Annex Table 47. **Export volumes of goods and services**

National accounts basis, percentage changes from previous period

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	2.7	3.1	6.0	8.1	12.9	5.6	8.2	0.7	-9.3	13.9	4.1	-4.1	-3.5	-7.0	-2.8	5.3	0.4	-2.9	9.3	8.3
Australia	3.0	0.9	-1.5	4.0	3.3	3.5	3.5	4.3	2.3	5.3	-0.4	5.9	5.8	6.9	6.3	6.8	3.7	4.6	4.1	3.8
Austria	5.4	4.0	0.8	7.8	7.1	8.5	7.2	1.1	-13.2	12.2	6.4	1.5	0.5	3.1	3.4	2.9	4.9	3.9	3.2	3.2
Belgium	0.4	3.7	1.6	6.2	5.0	5.3	5.7	1.7	-9.4	10.3	6.7	0.3	0.9	5.2	3.5	7.6	5.0	3.4	3.3	3.2
Brazil	8.4	6.5	11.1	13.5	11.3	4.7	5.6	-0.2	-8.5	11.6	5.4	-0.3	2.7	-1.0	6.7	1.7	5.7	-0.3	3.7	4.1
Canada	-3.0	1.2	-1.7	5.5	2.2	0.9	1.1	-4.6	-13.0	6.6	4.8	2.6	2.7	5.9	3.5	1.0	1.1	2.6	3.4	3.4
Chile	6.8	2.3	6.7	14.4	2.8	5.1	7.2	-0.6	-4.3	2.3	5.4	0.2	3.5	0.4	-1.8	-0.2	-1.0	4.9	4.5	4.0
China	6.0	26.5	28.0	24.4	23.5	25.1	20.2	9.7	-10.8	24.9	14.0	6.2	9.1	4.2	-2.3	1.9	11.0	5.4	5.0	4.8
Colombia	2.8	-2.4	7.4	9.8	5.7	9.3	6.7	3.7	-4.3	2.1	12.3	4.9	4.7	-0.3	1.7	-1.4	-0.7	3.3	5.4	4.5
Costa Rica	1.4	2.9	5.8	10.2	6.1	8.1	7.5	2.1	-8.4	9.0	6.8	5.5	3.4	5.0	2.7	9.5	5.2	3.8	3.4	4.4
Czech Republic	9.4	0.8	8.8	29.2	18.4	14.7	11.0	3.9	-9.5	14.3	9.2	4.5	0.2	8.7	6.2	4.1	7.2	4.5	4.0	3.9
Denmark	3.4	4.4	-1.2	3.0	7.8	10.3	3.7	3.9	-9.2	2.9	7.2	1.2	1.6	3.1	3.6	3.9	3.6	-0.5	2.8	3.0
Estonia	6.3	2.8	10.2	17.3	20.0	9.5	12.6	0.9	-20.3	24.0	24.2	4.8	2.7	2.8	-1.4	5.2	3.5	4.4	4.4	3.1
Finland	1.3	3.7	-1.2	8.7	6.9	10.1	9.1	6.6	-20.1	6.2	2.0	1.2	1.1	-2.7	0.9	3.9	7.5	3.3	4.0	3.4
France	3.2	1.9	-0.9	4.9	4.1	6.3	2.9	0.0	-10.8	8.4	6.6	3.0	2.1	3.4	4.4	1.5	4.7	3.3	3.6	3.4
Germany	6.1	4.3	1.8	10.3	7.0	12.8	9.7	1.3	-14.3	14.2	8.4	3.5	1.9	4.6	4.7	2.1	5.3	2.5	2.9	3.2
Greece	0.1	-7.3	-0.7	18.6	3.3	5.2	10.6	3.5	-18.5	4.9	0.0	1.2	1.5	7.7	3.1	-1.8	6.8	7.7	4.7	2.7
Hungary	8.8	5.7	6.3	17.9	12.9	19.5	16.1	6.9	-11.4	11.3	6.5	-1.8	4.2	9.1	7.2	5.1	4.7	8.3	7.5	5.9
Iceland	6.7	3.4	0.9	8.2	7.1	-4.7	23.3	3.3	8.3	1.0	3.4	3.6	6.7	3.2	9.1	10.9	5.5	2.6	2.8	2.6
India [1]	4.3	21.1	9.6	27.2	26.1	20.4	5.9	14.6	-4.7	19.6	15.6	6.8	7.8	1.8	-5.6	5.0	5.6	8.9	4.5	6.3
Indonesia	0.6	-1.2	5.9	13.5	16.6	9.4	8.5	9.5	-2.0	15.3	14.8	1.6	4.2	1.1	-2.1	-1.6	9.1	7.6	5.4	5.2
Ireland	14.1	6.5	-1.8	6.6	5.5	6.1	8.9	-3.9	4.6	5.9	3.2	-0.9	2.9	14.5	39.3	4.4	7.7	5.3	5.6	4.8
Israel	-11.1	-2.0	8.2	17.6	5.0	5.3	10.4	5.8	-11.2	15.3	10.5	-2.1	4.8	1.8	-2.9	1.4	5.1	4.6	4.3	5.0
Italy	2.3	-2.5	-1.5	5.4	4.3	8.6	5.5	-3.3	-17.9	11.4	6.1	2.0	0.9	2.4	4.2	2.6	6.0	0.2	2.7	2.8
Japan	-6.7	7.8	9.5	14.3	7.2	10.3	8.7	1.6	-23.4	24.9	-0.2	-0.1	0.8	9.3	2.9	1.7	6.7	2.8	1.4	3.8
Korea	-2.3	13.0	13.9	20.6	7.8	12.1	12.7	7.5	-0.3	12.7	15.1	5.1	4.3	2.0	-0.1	2.6	1.9	4.7	4.5	3.4
Latvia	9.0	5.0	4.0	13.7	23.5	7.5	13.8	2.4	-12.9	13.4	12.0	9.8	1.1	6.0	3.1	4.4	6.2	4.7	4.3	4.0
Lithuania	24.1	20.2	9.1	4.2	20.5	12.6	3.2	13.5	-12.8	18.9	15.4	12.4	9.9	3.3	0.9	4.0	13.6	5.0	4.3	3.2
Luxembourg	6.2	2.7	2.7	9.1	6.4	13.7	8.4	4.8	-11.4	10.3	4.0	2.7	5.2	16.4	5.3	3.8	-1.9	5.9	4.4	4.5
Mexico	-0.5	0.4	1.9	9.9	6.2	7.9	1.9	-0.9	-11.0	22.4	7.8	6.5	1.3	7.0	8.5	3.5	3.9	7.6	6.0	5.3
Netherlands	1.4	0.6	2.1	7.6	5.8	7.5	5.3	1.6	-8.6	9.6	5.2	3.2	2.6	4.5	7.4	1.5	5.6	2.6	3.2	3.0
New Zealand	3.3	6.9	2.4	5.2	-0.6	1.7	4.9	-1.1	1.9	3.3	2.6	1.8	1.0	3.4	7.3	2.1	1.8	4.2	4.2	3.3
Norway	4.3	-0.3	-0.1	1.0	0.5	-0.8	1.4	0.1	-4.1	0.6	-0.8	1.6	-1.7	3.1	4.7	1.1	-0.2	0.3	2.5	3.9
Poland	2.4	4.7	14.1	4.9	9.9	15.6	10.0	7.1	-5.9	13.1	7.9	4.6	6.1	6.7	7.7	8.8	9.5	6.2	7.2	5.7
Portugal	2.3	3.1	3.3	4.5	0.5	12.4	7.3	-0.3	-10.2	9.5	7.0	3.4	7.0	4.3	6.1	4.4	7.8	5.8	4.3	4.0
Russia	4.2	10.3	12.6	11.8	6.5	7.3	6.3	0.6	-4.7	7.0	0.3	1.4	4.6	0.5	3.7	3.2	5.1	5.7	2.6	2.2
Slovak Republic	10.6	7.0	18.4	20.9	12.9	22.9	14.6	3.0	-16.8	15.7	12.0	9.3	6.7	3.9	6.4	6.2	4.3	5.8	8.3	6.4
Slovenia	7.2	7.8	3.2	13.0	11.4	14.1	13.6	4.2	-16.6	10.2	6.9	0.6	3.1	5.7	5.0	6.4	10.7	8.1	6.4	6.3
South Africa	2.4	1.0	0.1	2.8	8.6	7.5	7.8	1.5	-17.0	7.7	3.5	0.8	4.0	3.6	2.8	1.0	-0.1	2.0	5.9	2.9
Spain	3.7	1.4	3.4	4.3	1.8	4.9	8.3	-0.8	-11.0	9.4	7.4	1.1	4.3	4.3	4.2	5.2	5.2	1.6	2.8	4.0
Sweden	0.9	1.3	4.4	9.8	6.6	9.1	4.7	1.6	-14.3	11.4	6.2	1.5	-0.8	5.4	5.2	2.6	3.7	3.3	3.5	3.3
Switzerland	0.0	-2.1	-1.1	9.1	6.8	6.5	11.2	3.8	-10.0	12.6	5.2	1.1	15.2	-6.1	2.5	6.7	-0.1	1.4	1.9	2.9
Turkey	4.6	7.8	6.7	11.6	8.1	6.5	7.3	3.8	-3.7	1.7	13.4	14.9	1.1	8.2	4.3	-1.9	11.9	8.3	10.3	5.1
United Kingdom	1.9	2.3	3.0	5.4	7.9	12.1	-1.0	0.4	-8.3	5.7	6.4	1.4	1.5	2.3	4.4	1.0	5.7	1.2	1.1	1.8
United States	-5.8	-1.7	2.2	9.7	7.1	9.3	8.7	5.7	-8.4	12.1	7.1	3.4	3.6	4.3	0.6	-0.1	3.0	4.1	2.1	2.8
Total OECD	0.6	2.0	2.4	8.7	6.1	8.7	6.7	1.9	-10.9	11.4	6.4	2.8	2.8	4.5	4.4	2.4	4.6	3.4	3.3	3.5

Note: Regional aggregates are calculated inclusive of intra-regional trade as the sum of volumes expressed in 2010 USD.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879159

Annex Table 48. **Import volumes of goods and services**

National accounts basis, percentage changes from previous period

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-13.9	-50.1	37.6	40.1	15.8	11.0	19.6	13.6	-18.4	35.2	22.0	-4.7	3.9	-11.5	4.7	5.7	15.0	0.3	-2.7	4.2
Australia	-4.6	11.1	11.0	15.5	9.1	8.7	13.3	10.3	-8.0	15.6	10.6	5.7	-2.0	-1.4	1.7	0.5	7.8	5.6	6.1	4.9
Austria	5.2	0.2	3.2	8.0	5.6	6.0	5.4	0.9	-11.6	11.8	6.0	0.9	0.8	2.9	3.4	3.1	5.1	2.3	2.1	2.4
Belgium	-1.0	0.9	1.5	6.2	6.4	4.6	5.7	3.5	-9.0	9.6	7.3	0.1	0.3	6.2	3.4	8.5	4.3	2.8	3.5	3.5
Brazil	2.7	-13.5	-0.7	9.7	8.9	17.7	18.5	16.4	-7.3	33.9	10.5	0.3	6.9	-1.9	-14.0	-10.1	5.5	6.2	5.4	4.0
Canada	-4.9	1.8	4.2	8.5	7.3	5.3	5.8	0.9	-12.4	13.8	5.6	3.6	1.6	2.3	0.7	-1.0	3.6	4.2	3.2	3.1
Chile	5.4	1.9	5.7	19.4	18.4	11.8	13.8	11.7	-16.7	25.5	15.3	5.1	2.1	-6.5	-1.2	0.2	4.7	9.6	4.9	3.6
China	9.3	25.0	32.5	23.3	12.9	16.9	13.7	5.7	4.0	18.1	16.0	7.1	11.0	8.3	2.6	6.3	6.9	7.9	4.9	4.7
Colombia	8.7	0.3	8.2	10.3	11.9	18.8	13.5	12.1	-8.6	10.8	22.0	9.4	7.4	7.8	-1.1	-4.0	0.3	5.1	3.8	3.5
Costa Rica	-0.1	5.9	4.7	4.8	6.9	8.0	10.1	6.6	-18.8	18.8	10.7	7.9	1.7	4.9	4.4	8.9	2.4	0.4	3.0	4.8
Czech Republic	11.2	4.7	8.6	25.7	13.0	11.8	12.8	3.0	-10.8	14.4	6.7	2.8	0.1	10.1	6.9	2.6	6.3	5.1	4.8	4.7
Denmark	2.4	6.4	-1.0	7.2	11.4	14.0	5.8	4.8	-11.9	0.5	7.4	2.7	1.5	3.9	4.6	4.2	3.6	2.9	2.2	3.8
Estonia	12.5	13.4	13.9	15.7	17.0	20.9	13.2	-6.0	-30.6	20.7	27.4	9.7	2.1	3.3	-1.7	5.4	3.6	5.1	4.3	4.4
Finland	1.4	4.3	4.1	8.1	11.2	6.7	7.4	7.9	-16.9	6.5	6.0	1.6	0.5	-1.3	3.2	5.6	3.5	2.3	2.5	2.8
France	2.3	1.9	0.9	5.7	6.4	6.0	5.8	1.0	-9.2	8.5	6.2	0.4	2.5	4.9	5.7	3.1	4.1	1.5	3.2	3.3
Germany	1.2	-2.5	5.7	7.1	6.0	11.5	6.5	1.8	-9.6	12.6	7.2	0.4	3.1	3.6	5.2	4.0	5.3	3.6	4.4	4.4
Greece	1.0	-3.4	7.4	4.4	0.9	13.3	15.5	1.3	-20.4	-3.4	-9.4	-9.1	-2.4	7.7	0.4	0.3	7.1	3.5	5.0	3.0
Hungary	5.8	8.7	9.5	17.3	7.8	15.5	13.9	6.0	-14.7	10.2	4.4	-3.5	4.5	11.0	5.8	3.9	7.7	9.6	8.8	6.3
Iceland	-10.0	-2.7	10.3	13.7	28.8	9.8	-2.3	-20.3	-22.4	4.4	6.8	4.6	0.1	9.8	13.8	14.5	12.5	5.4	5.0	3.4
India [1]	2.8	12.3	13.8	22.2	32.6	21.5	10.2	22.7	-2.1	15.6	21.1	6.0	-8.1	0.9	-5.9	4.0	12.4	12.0	3.4	6.9
Indonesia	4.2	-4.2	1.6	26.7	17.8	8.6	9.1	10.0	-9.3	16.6	15.0	8.0	1.9	2.1	-6.2	-2.4	8.1	12.5	5.8	5.7
Ireland	13.1	5.3	-2.4	1.9	12.8	9.3	9.3	-2.8	-1.7	0.5	2.7	-0.9	1.0	14.5	33.2	18.5	-9.3	-0.9	6.1	5.1
Israel	-5.5	-1.1	-0.9	11.8	3.4	3.4	11.1	2.4	-13.9	15.5	10.9	2.1	1.3	2.3	0.3	10.2	5.0	9.7	4.7	4.4
Italy	1.7	0.9	1.3	4.2	3.7	8.2	4.8	-3.9	-12.8	12.1	1.1	-8.2	-2.3	3.0	6.6	3.8	5.7	1.6	3.5	3.1
Japan	1.0	0.7	3.4	8.1	6.1	4.7	2.2	0.7	-15.7	11.2	5.8	5.4	3.3	8.3	0.8	-1.6	3.5	2.6	1.4	2.0
Korea	-3.6	15.0	10.6	12.3	7.8	12.4	11.6	3.2	-6.8	17.3	14.3	2.4	1.7	1.5	2.1	4.7	7.0	1.9	3.1	4.1
Latvia	15.6	2.7	11.9	21.0	16.9	21.4	17.3	-10.7	-31.7	12.4	22.0	5.4	0.4	1.2	2.1	4.4	8.9	5.0	5.0	4.6
Lithuania	19.7	20.1	9.6	15.5	20.3	14.3	10.8	12.2	-28.0	18.7	15.0	6.6	9.1	3.1	6.8	3.8	12.0	4.7	4.9	4.1
Luxembourg	6.6	1.1	4.6	11.6	5.7	12.4	6.8	9.3	-13.8	12.2	5.3	4.8	5.0	19.4	4.4	4.5	-2.2	5.7	4.7	4.9
Mexico	-0.3	1.2	2.6	5.8	5.9	8.8	4.8	2.9	-15.7	17.1	5.7	4.9	2.6	5.9	5.9	2.4	7.0	5.9	3.9	4.5
Netherlands	2.4	0.2	2.2	5.8	5.5	8.0	7.8	-0.7	-7.8	8.3	3.8	2.2	2.4	3.3	14.5	-2.1	5.2	2.8	3.1	3.0
New Zealand	2.3	9.8	8.6	16.8	6.2	-2.4	9.3	3.3	-14.4	10.9	6.9	2.7	6.4	7.9	3.8	3.4	7.0	7.4	3.4	3.2
Norway	1.7	1.0	1.2	9.0	7.9	9.1	10.0	3.2	-10.3	8.4	3.9	3.0	5.0	2.4	1.6	3.3	1.6	1.4	2.5	3.3
Poland	-3.8	2.6	9.6	8.1	6.3	18.1	15.8	9.5	-12.4	14.3	5.8	-0.3	1.7	10.0	6.6	7.6	10.0	6.9	8.4	7.3
Portugal	1.1	-0.2	-0.4	7.6	2.2	7.5	5.4	2.5	-9.9	7.8	-5.8	-6.3	4.7	7.8	8.5	4.7	8.1	6.2	4.8	4.5
Russia	18.7	14.6	17.3	23.3	16.6	21.3	26.2	14.8	-30.4	25.8	20.3	9.7	3.5	-7.3	-25.8	-3.8	17.4	5.0	3.0	4.4
Slovak Republic	18.9	5.8	8.0	21.6	15.3	19.5	9.4	3.6	-18.8	14.7	9.6	2.5	5.6	4.8	8.4	3.7	3.9	5.9	7.7	6.5
Slovenia	3.6	5.6	6.5	14.0	7.3	12.4	16.8	3.8	-18.8	6.8	5.0	-3.7	2.1	4.1	4.7	6.6	10.3	8.0	6.9	7.0
South Africa	0.2	5.3	8.1	15.5	10.9	18.3	9.4	2.8	-17.7	10.8	11.9	4.2	5.0	-0.6	5.4	-3.8	1.6	2.3	3.8	4.1
Spain	3.5	3.6	5.9	10.1	7.0	8.2	8.6	-5.6	-18.3	6.9	-0.8	-6.4	-0.5	6.6	5.4	2.9	5.6	3.5	2.9	4.1
Sweden	-1.6	-1.3	4.0	5.8	7.0	8.7	7.9	3.5	-14.0	12.3	7.4	1.0	-0.2	6.4	4.9	4.0	5.1	3.8	3.1	3.5
Switzerland	0.9	-2.2	0.3	3.6	9.8	3.3	5.8	4.9	-3.8	7.9	9.3	-2.5	13.6	-7.7	4.3	5.9	-0.7	-0.8	3.8	3.5
Turkey	-24.2	20.8	24.2	20.2	11.9	7.7	9.4	-2.6	-14.6	21.0	12.3	1.3	10.2	-0.4	1.7	3.8	10.2	-1.8	-2.3	5.0
United Kingdom	4.8	5.7	3.1	6.8	7.2	9.8	-2.3	-1.8	-8.6	8.1	0.7	3.0	3.2	3.8	5.5	3.3	3.2	0.2	0.1	0.7
United States	-2.8	3.6	4.9	11.4	6.5	6.6	2.5	-2.2	-13.1	13.1	5.6	2.7	1.5	5.1	5.5	1.9	4.6	4.7	5.3	4.8
Total OECD	0.2	2.5	4.2	8.6	6.9	8.1	5.5	0.5	-11.7	11.4	5.7	1.3	2.3	4.3	5.3	3.0	4.5	3.2	3.8	3.9

Note: Regional aggregates are calculated inclusive of intra-regional trade as the sum of volumes expressed in 2010 USD.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879178

Annex Table 49. **Export prices of goods and services**

National accounts basis, percentage changes from previous period, national currency terms

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-3.0	176.6	3.7	9.2	3.7	15.3	14.0	23.8	6.2	13.2	22.7	11.1	18.4	44.9	-0.6	53.5	14.1	56.4	45.1	18.7
Australia	5.9	-2.1	-5.3	4.1	11.8	12.4	1.0	21.8	-11.9	8.1	11.0	-9.5	-0.1	-3.9	-8.5	-2.4	10.7	5.4	2.6	2.4
Austria	0.5	0.1	0.0	1.1	2.0	2.5	1.9	2.6	-2.8	2.9	4.2	1.3	0.0	-0.1	-0.7	-0.7	1.8	1.6	1.7	1.8
Belgium	1.4	-1.1	-1.3	2.1	3.7	2.6	2.2	3.9	-5.4	4.6	3.9	2.7	-0.3	-1.9	-3.0	-1.7	2.2	1.3	2.1	2.0
Brazil	22.9	22.2	10.8	9.4	-8.3	-0.1	-0.8	16.4	-6.1	3.4	14.2	12.7	7.1	3.6	13.9	-0.6	-0.2	15.9	2.1	1.9
Canada	1.3	-1.8	-1.6	2.1	2.8	0.2	0.8	10.6	-9.7	1.7	6.9	-0.8	1.2	3.5	-3.2	-0.8	4.0	3.2	2.1	1.9
Chile	6.6	5.5	10.9	12.8	11.7	23.7	6.1	-4.3	-3.8	14.8	3.9	-3.9	-3.3	10.4	-3.0	1.9	9.3	1.6	2.8	2.4
China	1.4	-3.3	5.1	9.0	2.0	-0.2	0.6	-0.9	-7.9	1.8	4.9	-0.5	-3.3	0.6	0.1	-3.3	1.0	-0.4	2.0	2.4
Colombia	1.8	7.1	15.7	4.1	5.0	7.9	-2.4	18.2	-0.3	5.7	19.6	0.2	-1.6	-1.5	-2.4	1.2	8.3	9.4	3.4	3.6
Costa Rica	5.6	7.1	13.1	11.3	14.0	11.7	4.1	9.3	6.2	-2.6	1.0	1.4	0.3	7.3	0.1	1.3	4.1	2.2	3.2	2.0
Czech Republic	0.3	-4.8	0.1	2.8	-2.2	-1.3	0.3	-4.2	0.5	-1.0	0.8	3.1	1.5	4.0	-1.3	-2.4	-0.6	-1.4	0.7	1.1
Denmark	1.6	-1.1	-1.1	2.0	5.5	2.8	1.2	5.0	-8.4	9.5	1.3	3.0	0.6	-0.8	0.7	-4.0	1.9	1.0	2.1	2.1
Estonia	5.9	3.1	0.0	1.2	4.4	5.6	6.3	6.6	-2.2	3.1	5.4	2.2	0.7	-0.1	-1.1	0.0	3.9	1.8	1.8	1.9
Finland	-1.3	-2.5	-1.4	-0.4	1.2	2.3	1.0	-0.2	-5.9	3.8	4.5	1.1	-1.1	-0.4	-0.9	-2.1	3.1	3.2	1.8	2.5
France	-0.3	-1.4	-1.6	0.4	1.8	2.1	1.9	3.1	-3.7	2.2	2.9	1.4	-0.2	-0.7	0.8	-1.6	0.8	0.9	1.9	1.6
Germany	0.7	-0.6	-1.3	-0.2	1.1	1.1	0.3	1.0	-2.6	2.3	2.6	1.8	-0.5	-0.2	1.2	-0.8	1.6	0.9	1.4	1.6
Greece	2.2	2.3	1.7	2.0	2.4	3.3	2.7	4.3	-2.1	5.7	5.8	2.5	-1.5	-2.1	-6.2	-3.4	5.0	3.1	1.4	1.6
Hungary	3.0	-4.1	0.1	-1.0	-0.5	6.4	-3.9	0.8	2.9	1.8	3.4	3.1	0.0	1.1	-0.1	-1.0	1.5	2.1	3.2	2.9
Iceland	21.8	-1.2	-6.4	1.7	-4.4	21.4	-0.9	36.1	14.3	8.8	7.0	1.6	-3.1	-1.2	1.9	-10.0	-3.6	5.0	4.0	2.1
India [1]	0.3	1.0	6.9	7.1	-0.7	5.8	6.3	13.7	2.7	9.9	8.9	6.4	8.7	-1.4	0.9	2.9	2.7	7.5	3.9	3.3
Indonesia	12.1	-6.2	-2.7	6.2	9.6	0.2	3.4	15.8	-5.8	1.9	7.7	1.1	3.5	8.4	-0.4	-1.2	7.0	7.7	6.7	2.8
Ireland	-0.4	-0.6	-2.7	0.3	2.1	1.7	0.1	3.1	-4.0	2.8	-0.6	4.2	-1.1	0.4	7.4	-1.9	-0.3	1.0	2.5	2.9
Israel	0.9	11.9	-1.9	0.9	4.5	1.9	-3.8	-5.2	2.6	-2.4	-0.3	8.3	-4.9	-0.8	4.7	-0.9	-3.7	0.7	2.1	1.3
Italy	2.4	1.4	-0.1	1.1	1.9	2.2	2.4	2.9	-2.0	2.3	4.0	1.9	-0.3	-0.1	-0.4	-1.1	1.7	1.8	2.1	1.8
Japan	2.5	-1.4	-3.7	-1.4	1.4	3.2	2.3	-3.9	-11.8	-1.7	-2.3	-1.8	10.4	3.0	0.8	-8.5	4.1	1.3	3.1	3.0
Korea	3.7	-7.7	-0.9	4.9	-6.4	-5.4	1.1	25.6	-0.4	1.3	3.2	-0.6	-4.8	-4.9	-5.0	-4.5	5.4	0.7	2.3	2.6
Latvia	3.1	3.0	8.0	10.0	10.1	8.3	11.7	8.3	-4.4	5.8	8.8	4.1	1.3	-1.5	-0.7	-2.1	3.5	3.8	2.9	2.3
Lithuania	-2.2	-4.2	-2.0	7.7	8.6	5.1	5.8	12.5	-14.1	10.1	11.0	3.3	-1.7	-2.3	-5.1	-2.5	4.4	2.4	1.8	1.2
Luxembourg	-3.7	-0.8	-0.9	6.1	8.1	8.5	5.2	-0.6	-4.1	5.3	5.3	4.2	2.4	2.7	4.0	-1.0	5.6	1.6	1.4	2.1
Mexico	-5.1	4.3	12.0	8.3	3.5	7.3	6.9	9.1	8.3	-1.8	6.3	5.4	-1.5	2.2	6.1	12.4	6.5	4.1	4.5	4.7
Netherlands	0.7	-1.8	-0.9	0.7	3.0	3.0	1.4	4.4	-5.7	4.3	4.6	2.4	-0.8	-1.9	-1.8	-2.8	3.1	2.5	4.0	3.7
New Zealand	7.3	-6.9	-7.4	0.8	1.1	7.3	1.0	15.3	-8.0	3.0	5.7	-5.3	2.4	1.7	-3.9	-1.5	7.2	2.3	1.2	1.8
Norway	-2.2	-10.2	2.0	12.9	17.4	15.5	1.5	17.5	-17.0	7.5	12.8	2.9	1.6	-1.7	-8.0	-7.6	9.2	13.2	5.0	2.4
Poland	2.7	4.6	6.2	7.9	-2.4	2.3	2.7	-0.7	11.4	0.3	6.8	3.8	-0.1	0.0	1.1	0.2	1.6	-0.1	2.2	2.9
Portugal	0.6	0.1	-1.5	1.7	1.6	4.4	1.9	2.7	-5.0	3.3	5.0	1.7	-1.0	-1.2	-1.3	-1.6	3.3	1.0	0.6	0.7
Russia	-1.6	4.8	8.4	12.6	21.9	11.2	3.9	28.1	-11.9	16.6	24.8	7.2	-1.6	13.0	7.4	-10.1	3.0	26.3	9.0	2.6
Slovak Republic	4.9	1.0	1.5	1.8	1.6	2.1	0.5	1.4	-5.1	3.0	4.0	1.2	-1.9	-3.3	-1.4	-1.5	2.2	2.3	1.6	1.9
Slovenia	8.0	4.5	2.8	3.0	2.8	2.7	2.5	1.4	-1.1	2.2	4.2	1.0	-0.7	-0.1	-0.1	-1.4	2.5	2.2	2.0	2.5
South Africa	16.8	24.7	-8.0	2.6	6.2	15.6	13.3	26.4	0.0	4.3	13.2	4.2	9.0	5.5	-0.8	8.3	3.8	-0.3	0.9	1.6
Spain	1.7	0.4	-0.3	1.8	4.0	4.1	2.4	2.6	-2.7	3.0	4.5	2.0	-0.7	-1.5	0.7	-1.1	2.7	1.3	2.3	1.6
Sweden	2.6	-1.5	-2.0	-0.3	2.6	3.0	2.0	4.0	1.3	-0.6	-1.0	-1.0	-2.5	2.0	2.1	-1.2	3.3	3.6	2.5	2.2
Switzerland	-0.1	-1.9	0.6	0.7	1.8	4.9	3.9	2.5	-0.4	2.3	-0.5	2.2	-5.1	-3.0	-5.0	0.1	0.2	2.9	1.2	1.5
Turkey	87.9	25.1	10.9	13.0	-0.2	13.3	1.9	17.1	3.2	3.4	15.4	4.2	7.3	11.5	7.7	6.9	20.1	20.7	15.5	10.0
United Kingdom	0.7	-1.5	1.7	-0.8	3.4	1.9	-1.1	9.7	3.8	5.3	5.2	-0.6	2.2	-2.8	-4.4	6.1	4.9	2.7	2.3	2.7
United States	-0.8	-0.8	1.5	3.6	3.5	3.2	3.8	4.7	-6.0	4.1	6.3	0.8	0.2	0.0	-5.0	-2.0	2.9	3.9	2.4	2.0
Total OECD	2.3	-0.4	0.3	2.3	2.2	3.0	1.9	5.0	-3.2	2.8	4.3	1.2	0.1	0.0	-1.1	-0.8	3.5	2.7	2.8	2.7

Note: Regional aggregates are calculated inclusive of intra-regional trade. They are calculated as the geometric averages of prices weighted by 2010 GDP volumes expressed in USD.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

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Annex Table 50. **Import prices of goods and services**

National accounts basis, percentage changes from previous period, national currency terms

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-3.0	203.2	-3.8	6.1	6.5	11.4	10.0	13.2	5.2	9.0	12.3	8.4	25.8	47.0	4.5	49.5	14.6	49.0	39.2	20.9
Australia	5.9	-4.1	-8.5	-5.0	0.6	4.2	-4.0	7.4	-2.4	-7.6	-1.4	0.9	3.7	4.1	3.3	-3.1	-0.3	4.6	3.0	2.4
Austria	0.3	-0.6	-0.8	1.7	2.8	3.6	2.3	3.9	-4.6	4.7	6.0	1.9	-0.1	-1.1	-1.8	-1.3	2.8	2.3	2.2	2.0
Belgium	1.3	-1.8	-1.0	3.0	4.4	3.3	2.0	6.6	-8.3	6.3	5.1	2.8	-0.6	-2.1	-3.8	-2.3	3.1	2.7	2.2	2.0
Brazil	25.0	20.3	12.5	5.3	-8.2	-7.1	-2.3	12.6	-5.2	-8.8	5.8	17.1	10.5	8.5	24.0	-0.2	-5.0	16.1	4.4	1.9
Canada	2.5	0.5	-6.7	-2.2	-0.7	-0.8	-2.2	6.0	-0.6	-3.4	3.4	0.7	1.2	4.9	4.0	1.2	1.0	2.0	2.3	1.9
Chile	8.7	4.1	3.2	-5.5	1.0	-0.6	3.8	16.4	-8.0	-1.8	4.4	0.5	-0.3	13.1	0.0	-2.2	0.2	1.5	3.1	2.1
China	-0.5	-3.1	5.2	9.5	2.2	0.4	1.7	4.6	-15.1	12.5	8.9	-3.0	-4.2	-2.1	-11.2	-3.4	8.3	2.1	2.7	3.0
Colombia	10.1	6.2	12.7	-1.9	-2.8	1.8	-6.7	1.1	2.5	-6.3	5.1	-2.4	-0.9	3.9	16.1	5.3	-1.2	1.9	2.9	2.4
Costa Rica	5.3	9.4	14.2	13.9	16.8	14.2	7.2	13.4	-1.1	-6.4	2.8	-0.4	-0.3	5.6	-6.1	-1.9	6.5	3.7	3.3	3.1
Czech Republic	-2.5	-8.1	0.0	1.6	0.0	0.7	-0.8	-3.1	-1.5	0.9	2.5	3.5	0.5	2.5	-1.7	-3.4	0.4	-0.7	2.3	1.1
Denmark	1.7	-2.2	-1.9	1.1	3.6	3.5	1.7	3.1	-8.6	6.9	3.3	2.4	-0.4	-2.4	0.3	-4.7	1.4	2.4	2.2	2.1
Estonia	1.4	-1.0	-1.6	1.0	1.8	3.2	4.0	6.2	-2.6	5.7	4.7	2.5	-0.1	-1.5	-1.8	-0.2	2.9	1.5	2.2	1.9
Finland	-2.9	-2.7	0.0	1.8	4.7	5.6	1.1	1.7	-7.1	6.0	6.1	2.1	-1.7	-1.6	-4.3	-2.5	3.5	3.2	1.9	2.5
France	-0.5	-3.1	-1.6	1.4	3.2	3.6	0.7	3.8	-6.2	3.7	5.4	1.7	-1.4	-1.9	-2.4	-2.2	2.1	2.1	1.8	0.9
Germany	0.6	-2.6	-2.5	-0.4	3.0	2.8	0.1	2.8	-6.9	4.8	5.5	2.0	-1.6	-1.5	-1.5	-2.5	2.6	1.5	1.8	1.7
Greece	1.3	0.8	-0.1	2.1	3.4	3.3	2.2	5.5	-1.4	5.3	6.4	4.2	-3.1	-3.7	-10.5	-3.0	5.4	4.6	1.1	1.6
Hungary	2.4	-5.2	0.4	-0.9	1.3	7.8	-4.4	2.0	1.6	1.7	4.9	4.1	-0.7	0.3	-0.8	-2.1	1.6	2.8	3.3	3.0
Iceland	21.7	-1.7	-2.4	3.2	-5.3	17.7	2.8	45.7	23.9	4.1	10.0	4.8	-1.2	-4.3	-4.5	-12.1	-5.2	8.0	1.7	1.3
India [1]	1.8	8.7	1.0	17.1	-1.9	5.3	6.2	8.0	4.1	7.9	9.6	8.0	11.9	0.4	0.0	1.3	2.5	5.8	7.7	4.2
Indonesia	14.8	-0.8	-4.6	7.2	11.5	-5.1	7.5	28.9	-7.7	3.8	5.6	6.7	7.6	7.1	-1.0	-2.7	6.1	12.9	6.4	2.7
Ireland	-1.7	-2.7	-1.6	6.0	0.4	2.7	-0.4	2.0	-2.6	6.4	-2.5	6.0	-0.9	2.6	2.6	-1.5	1.6	1.8	4.4	3.1
Israel	1.8	12.2	0.5	3.7	6.7	3.2	-1.8	-2.7	-4.1	-0.6	4.2	5.3	-6.9	-1.7	-3.4	-4.7	-3.1	4.4	2.4	1.3
Italy	1.2	-0.3	-1.7	2.0	5.3	5.4	1.3	5.1	-7.8	6.6	6.8	3.5	-1.8	-2.6	-2.6	-3.4	3.1	1.9	2.2	1.9
Japan	2.3	-1.0	-0.6	3.0	8.3	11.0	6.6	5.8	-21.4	4.3	5.8	-0.6	11.5	3.5	-7.5	-13.2	8.4	6.0	6.6	2.5
Korea	6.4	-9.4	0.7	8.0	-2.9	-1.1	1.2	34.7	-4.1	1.1	8.1	-0.4	-6.8	-5.7	-12.1	-7.5	4.8	3.7	2.5	2.4
Latvia	1.7	5.7	5.9	7.3	11.1	9.0	6.7	10.2	-4.6	5.7	5.6	7.1	0.7	-0.2	-1.2	-4.8	2.8	1.7	3.1	2.3
Lithuania	-1.8	-4.5	-2.0	-0.8	7.5	8.2	4.9	8.6	-10.7	9.9	11.9	4.1	-1.5	-3.2	-7.5	-4.6	4.0	4.4	1.9	1.2
Luxembourg	-3.0	-1.5	-1.7	6.3	7.9	6.2	6.8	-1.8	-5.3	4.1	4.7	4.2	2.3	2.0	5.4	-1.9	6.0	1.2	1.7	2.1
Mexico	-3.8	2.3	10.3	13.6	2.6	6.1	5.0	7.2	11.8	1.2	8.4	6.4	-2.8	3.3	10.9	12.9	2.8	5.0	5.2	5.2
Netherlands	-0.7	-2.5	-0.9	1.1	2.7	2.8	1.7	4.5	-6.2	5.9	6.3	2.4	-1.2	-1.8	-2.9	-3.4	3.4	2.7	4.7	3.7
New Zealand	2.2	-5.9	-11.4	-4.4	0.8	9.9	-4.9	12.5	-1.4	-4.1	2.6	-1.0	-4.6	-3.3	0.7	-3.4	2.1	3.5	1.8	1.8
Norway	-0.1	-5.0	1.4	4.7	1.5	3.2	3.9	4.2	-0.3	0.8	3.3	0.0	1.6	4.9	5.1	1.3	2.7	4.1	2.2	2.0
Poland	0.2	5.5	6.7	4.6	-3.6	2.4	1.1	0.8	8.0	1.8	8.5	5.1	-1.1	-1.9	-1.3	-0.3	1.4	1.4	2.4	2.1
Portugal	0.3	-1.6	-1.5	2.1	2.9	3.8	1.4	5.1	-9.3	4.7	7.1	1.1	-2.7	-2.3	-4.4	-3.2	4.0	1.2	0.5	0.6
Russia	3.9	6.6	1.6	-2.9	5.6	0.3	0.4	10.8	25.5	-2.2	3.3	4.7	4.5	18.2	41.4	7.1	-8.3	13.3	8.4	2.4
Slovak Republic	6.1	1.0	1.9	2.1	1.7	3.6	1.6	3.0	-4.1	3.6	5.3	2.5	-1.4	-3.4	-1.1	-1.1	2.7	2.7	1.6	1.9
Slovenia	6.2	2.5	2.1	4.2	5.0	3.3	1.5	2.7	-4.4	6.5	5.7	2.1	-1.5	-1.1	-1.4	-2.2	3.0	2.4	2.4	2.5
South Africa	15.5	21.6	-11.7	0.7	4.4	10.2	10.0	25.1	-5.1	-1.6	6.5	8.6	10.6	7.1	-3.6	6.8	-0.9	1.7	1.0	1.9
Spain	-0.1	-2.4	-1.7	2.2	3.1	3.9	1.7	5.1	-7.4	5.5	8.5	4.0	-1.8	-0.7	-0.2	-1.6	3.5	3.0	2.3	1.6
Sweden	4.0	0.1	-2.0	0.8	4.5	3.4	0.5	4.4	0.5	-0.2	-0.2	-1.0	-2.8	1.8	1.3	-1.8	4.0	4.7	2.7	2.2
Switzerland	-0.1	-4.8	-1.0	1.9	3.5	6.2	4.9	3.6	-2.8	2.5	0.0	2.7	-5.1	-3.1	-7.3	2.4	1.7	3.9	0.8	1.5
Turkey	91.9	22.1	6.5	11.4	0.4	18.1	0.3	20.5	1.4	4.5	27.9	4.4	2.7	11.6	5.6	2.9	27.5	26.8	18.0	10.7
United Kingdom	-0.1	-2.8	0.1	-1.4	3.4	2.6	0.5	12.4	2.0	3.6	6.9	-0.8	1.0	-4.1	-5.8	4.1	5.6	2.6	3.2	2.9
United States	-2.6	-1.3	3.0	4.8	5.9	3.8	3.5	10.1	-11.1	5.5	7.6	0.2	-1.4	-0.9	-8.2	-3.6	2.3	3.5	2.2	2.1
Total OECD	1.9	-1.3	0.1	2.8	3.4	4.1	1.8	7.8	-5.8	3.6	6.6	1.8	-0.7	-0.3	-3.0	-2.0	3.8	3.9	3.4	2.7

Note: Regional aggregates are calculated inclusive of intra-regional trade. They are calculated as the geometric averages of prices weighted by 2010 GDP volumes expressed in USD.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879216

Annex Table 51. **Indicators of competitiveness based on relative consumer prices**

Indices, 2010 = 100

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	269.4	114.2	122.3	117.2	116.8	114.8	111.9	109.2	102.6	100.0	95.6	98.5	90.2	79.0	99.9	86.7	91.5	74.2	71.6	83.1
Australia	65.6	69.4	78.4	84.9	87.4	87.2	92.7	90.8	88.2	100.0	106.9	108.4	103.7	99.2	90.4	90.8	93.7	89.7	88.3	88.4
Austria	98.3	99.0	102.3	103.4	102.5	101.7	102.1	102.2	103.0	100.0	100.4	98.8	100.8	102.7	100.5	101.8	102.4	104.5	104.6	104.5
Belgium	92.5	94.1	99.0	100.9	100.6	100.2	100.9	103.5	103.6	100.0	100.9	98.7	100.2	100.6	96.8	99.5	100.1	102.7	102.6	102.2
Brazil	58.8	55.8	53.7	55.9	69.2	77.6	83.6	87.9	87.9	100.0	104.7	94.8	89.9	88.3	73.4	77.2	84.0	75.4	78.5	79.6
Canada	74.4	73.8	81.6	85.7	90.8	95.8	98.7	96.0	92.0	100.0	101.5	101.1	97.6	92.1	84.6	83.1	84.3	84.1	84.4	84.0
Chile	85.5	87.9	82.0	87.6	93.1	97.5	95.9	97.3	94.8	100.0	101.1	103.7	103.1	94.1	92.5	93.8	97.0	98.6	94.9	95.1
China	97.6	95.7	89.3	86.7	85.6	87.0	90.1	97.9	102.0	100.0	102.3	108.1	114.9	117.8	129.0	124.0	119.5	121.1	117.8	117.0
Colombia	75.2	73.7	63.4	69.1	78.0	77.0	86.3	91.6	90.4	100.0	99.8	106.0	102.4	98.7	81.5	79.3	83.2	84.1	80.4	80.8
Costa Rica	94.8	93.0	86.1	83.3	83.1	83.5	84.7	88.0	90.1	100.0	102.4	106.6	111.3	108.5	117.4	116.0	109.8	107.6	106.1	106.7
Czech Republic	71.6	79.8	78.2	79.1	83.4	87.6	89.9	102.9	99.0	100.0	101.9	98.7	96.6	91.5	90.5	92.7	95.9	101.1	100.5	100.3
Denmark	92.8	95.0	100.1	100.9	99.7	99.4	99.9	101.4	104.4	100.0	99.4	96.7	97.7	98.9	96.0	97.2	97.6	99.1	98.8	98.5
Estonia	84.3	86.5	89.6	91.2	91.4	92.2	95.8	101.7	103.4	100.0	101.2	100.1	102.8	104.8	104.5	105.5	105.6	110.4	111.5	112.0
Finland	101.7	103.1	107.8	107.5	104.2	102.6	103.6	105.1	106.7	100.0	99.6	96.9	98.6	101.4	99.3	100.4	98.7	101.8	101.2	100.6
France	95.8	97.6	103.0	104.8	103.4	102.7	103.1	103.8	104.0	100.0	99.3	96.3	97.4	97.8	93.7	94.4	94.4	96.5	95.8	95.4
Germany	99.1	100.3	105.2	106.7	104.5	103.5	104.8	104.8	105.7	100.0	99.0	95.7	97.8	99.1	94.7	96.0	96.1	98.6	98.4	98.3
Greece	85.3	88.0	93.5	95.7	95.9	96.6	98.0	99.8	101.4	100.0	100.7	96.8	95.9	95.5	90.9	90.9	90.2	92.1	90.4	88.8
Hungary	79.1	87.3	89.5	95.3	96.9	92.1	102.5	105.2	99.2	100.0	99.8	96.8	96.0	92.5	89.3	89.7	91.0	91.4	91.3	92.7
Iceland	117.6	125.4	132.1	135.6	153.3	143.1	148.7	116.4	95.0	100.0	101.0	101.5	105.4	113.1	118.0	132.5	147.6	144.9	134.7	134.9
India	88.7	88.5	87.0	86.0	88.1	87.2	93.5	88.9	90.2	100.0	99.1	94.3	93.2	95.5	103.3	104.3	108.5	104.9	103.9	106.5
Indonesia	66.7	81.0	86.9	82.9	81.6	94.7	94.2	90.4	89.5	100.0	99.8	96.0	92.1	86.3	87.7	91.6	93.0	87.5	86.7	88.3
Ireland	84.7	89.4	98.1	100.7	100.3	102.0	107.0	112.0	107.8	100.0	100.2	95.7	97.2	96.8	90.1	91.3	90.9	92.7	92.1	92.2
Israel	114.4	103.5	97.0	90.2	87.7	87.2	87.5	97.5	95.3	100.0	101.1	96.3	102.3	103.7	103.6	105.2	109.8	108.7	107.8	106.6
Italy	94.0	96.5	102.4	104.3	102.8	102.3	102.8	103.6	104.9	100.0	99.8	97.9	99.5	100.1	96.1	96.7	96.3	98.5	97.7	96.7
Japan	112.2	104.9	105.5	106.8	100.4	90.7	83.1	89.7	100.5	100.0	101.2	99.9	80.2	76.1	71.7	80.8	76.6	76.6	76.8	76.6
Korea	101.8	106.8	108.1	109.7	122.6	130.9	129.0	104.9	93.1	100.0	100.0	99.7	103.8	110.2	111.3	109.9	112.6	114.4	114.4	114.1
Latvia	95.3	92.0	87.7	88.2	85.9	88.2	93.8	103.0	109.6	100.0	100.6	99.0	98.0	101.5	103.6	105.0	102.6	107.8	108.5	108.7
Lithuania	89.7	92.1	94.1	93.5	90.8	90.4	93.1	98.9	106.1	100.0	100.7	98.5	99.6	101.8	100.4	102.5	102.3	106.9	106.9	106.8
Luxembourg	92.9	94.3	98.0	99.4	99.1	99.7	100.6	101.5	102.3	100.0	100.5	99.0	100.4	100.8	98.1	98.5	99.0	100.1	99.4	99.4
Mexico	123.1	123.4	109.7	105.0	108.9	108.8	107.6	105.5	92.8	100.0	100.1	97.3	102.7	101.9	91.5	79.8	81.1	81.6	81.4	82.5
Netherlands	95.4	98.6	104.2	105.1	103.5	102.1	102.5	103.0	104.8	100.0	99.4	96.9	99.8	101.0	97.7	98.8	98.9	101.3	101.9	101.9
New Zealand	74.9	82.2	94.2	101.2	106.6	99.0	105.9	98.9	92.6	100.0	103.8	106.6	109.5	113.2	104.8	105.6	107.2	102.9	102.1	102.3
Norway	91.2	98.8	98.2	93.9	97.3	96.8	96.8	97.4	95.5	100.0	100.6	100.2	98.5	93.8	86.3	87.0	87.4	87.4	87.7	87.4
Poland	104.1	99.6	88.9	88.0	97.8	99.3	102.6	111.7	94.8	100.0	98.2	95.7	96.0	97.1	94.3	90.3	92.7	94.5	93.6	94.1
Portugal	95.2	97.9	102.1	103.2	102.3	102.8	103.5	103.6	102.9	100.0	100.8	99.5	99.6	99.3	96.7	97.9	98.3	99.9	99.1	98.3
Russia	64.6	66.3	67.2	72.5	80.4	88.7	93.0	99.3	91.1	100.0	104.0	105.9	107.6	97.1	79.0	77.7	90.2	83.7	84.7	85.6
Slovak Republic	60.0	61.2	69.4	76.1	77.7	81.6	90.0	97.5	104.7	100.0	100.9	100.4	101.8	102.5	99.9	100.0	99.2	101.7	102.3	102.8
Slovenia	93.8	95.8	99.3	99.5	98.4	98.4	100.0	102.3	103.8	100.0	99.0	97.2	98.8	99.5	96.2	96.6	96.7	99.9	99.8	100.2
South Africa	85.4	74.0	97.0	103.8	104.0	98.5	91.6	80.0	87.4	100.0	98.1	92.3	81.8	77.0	75.0	69.8	79.3	80.8	78.3	80.6
Spain	88.3	91.0	95.8	98.0	98.5	99.8	101.3	103.4	103.4	100.0	100.5	98.2	99.9	99.8	95.2	95.9	96.5	98.9	98.6	98.2
Sweden	101.3	104.1	110.8	111.3	106.4	105.6	106.8	104.3	94.4	100.0	105.8	105.3	106.4	101.4	95.4	95.9	94.3	90.5	89.4	89.5
Switzerland	94.8	98.5	99.0	98.0	95.9	93.1	88.8	92.3	96.3	100.0	109.7	105.6	103.7	104.8	111.7	110.6	108.5	105.5	105.5	104.3
Turkey	67.4	73.7	78.2	80.9	89.6	88.8	96.0	97.0	91.3	100.0	88.4	91.7	90.3	86.1	85.8	84.1	74.7	63.4	65.1	70.3
United Kingdom	127.0	127.4	121.6	126.2	123.8	124.4	125.9	109.6	99.4	100.0	100.6	104.9	103.6	111.3	117.8	105.5	99.5	101.6	100.5	100.5
United States	123.9	124.0	116.7	111.7	109.9	109.1	104.2	100.3	104.8	100.0	95.3	97.7	97.8	100.1	111.4	115.9	115.4	114.7	118.7	118.8
Euro area	89.8	93.6	104.4	107.8	104.9	103.8	105.7	107.7	109.6	100.0	99.2	94.3	97.3	98.8	91.9	93.9	93.9	98.1	97.5	96.9

Note: Competitiveness-weighted relative consumer prices in dollar terms. Competitiveness weights take into account the structure of competition in both export and import markets of the goods sector of 53 countries. An increase in the index indicates a real effective appreciation and a corresponding deterioration of the competitive position. For details on the method of calculation, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

Source: OECD Economic Outlook 104 database.

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Annex Table 52. **Indicators of competitiveness based on relative unit labour costs**

Indices, 2010 = 100

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	168.5	58.1	64.5	74.0	79.4	84.4	88.6	94.4	90.0	100.0	103.8	120.3	116.1	94.0	112.4	84.2	84.6	61.6	53.6	61.8
Australia	58.9	61.6	70.5	77.8	81.4	82.4	90.7	89.6	84.4	100.0	110.1	111.4	105.8	100.1	89.8	89.1	91.3	87.1	85.4	85.5
Austria	99.4	98.5	101.6	101.8	100.3	100.4	100.5	101.0	102.7	100.0	99.2	98.5	101.4	103.5	102.0	103.4	102.4	103.5	102.6	101.4
Belgium	94.7	96.7	101.4	101.3	100.2	100.8	101.7	104.2	104.6	100.0	101.4	99.7	102.3	102.7	97.4	98.1	98.4	100.2	100.0	99.3
Brazil	61.8	58.1	53.8	56.2	70.0	77.0	82.0	88.3	90.4	100.0	108.9	101.3	95.8	95.1	77.3	80.6	91.0	84.8	90.5	93.4
Canada	67.7	66.8	74.3	79.1	84.7	91.2	95.5	94.6	91.6	100.0	101.6	102.7	100.3	93.8	86.1	83.6	84.2	84.4	84.6	84.3
Chile	77.9	82.6	77.1	80.5	84.3	87.2	86.6	89.6	91.7	100.0	102.9	107.0	109.0	100.6	99.8	103.4	107.7	107.9	103.4	103.5
China	79.8	83.4	79.7	78.7	79.1	81.1	83.7	92.6	98.6	100.0	102.6	110.4	118.8	123.7	137.5	133.3	130.6	134.1	132.5	133.5
Colombia	71.3	71.2	60.3	65.5	74.2	73.9	82.6	87.3	87.9	100.0	98.3	106.8	105.4	101.9	82.8	79.3	82.3	84.8	82.5	83.9
Costa Rica	219.7	199.0	170.0	147.3	130.0	117.3	108.5	99.6	93.4	100.0	98.4	97.7	97.3	90.8	96.9	95.8	89.4	85.8	82.0	79.9
Czech Republic	70.9	81.9	81.8	84.4	88.7	92.0	94.6	105.5	99.2	100.0	101.7	98.2	95.9	91.1	89.3	93.1	97.3	105.9	108.2	110.2
Denmark	87.2	89.8	94.9	95.7	95.6	95.8	99.4	102.4	105.7	100.0	97.6	93.1	93.9	95.2	92.7	93.9	93.5	96.2	95.5	95.0
Estonia	73.8	75.3	80.4	82.3	83.2	86.4	96.2	107.5	108.4	100.0	96.4	94.9	97.6	103.4	108.7	111.6	111.8	117.5	119.8	121.3
Finland	99.4	100.1	104.2	104.5	103.2	100.9	98.6	100.6	107.3	100.0	98.7	97.2	98.7	101.0	100.9	100.4	95.5	97.4	96.5	95.7
France	92.9	95.6	100.8	102.0	101.4	101.3	101.7	102.1	102.5	100.0	99.0	96.2	97.7	98.4	94.4	95.1	94.9	96.4	93.9	93.2
Germany	108.8	108.8	114.0	113.9	108.9	103.9	101.5	101.2	105.8	100.0	98.6	96.4	99.6	101.9	99.8	101.9	102.4	105.8	106.4	106.6
Greece	74.9	82.3	87.6	90.0	92.5	91.8	94.3	97.4	101.7	100.0	96.8	89.2	83.5	83.0	80.3	80.8	79.8	82.7	82.0	80.8
Hungary	83.7	93.5	99.9	106.0	108.9	102.6	111.8	112.6	101.9	100.0	98.9	93.8	93.2	91.4	86.4	90.7	92.9	96.8	97.7	99.2
Iceland	136.0	146.9	156.9	159.2	183.6	179.0	183.5	130.6	90.0	100.0	105.8	105.8	110.2	120.7	132.2	151.8	174.8	168.2	154.9	151.8
India	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Indonesia	85.7	101.5	106.0	101.4	98.2	112.6	107.3	98.5	92.6	100.0	95.3	89.0	81.5	72.5	69.5	70.3	69.2	63.0	60.6	59.8
Ireland	85.9	87.7	98.7	101.6	104.7	107.6	111.7	120.8	113.9	100.0	94.2	88.9	90.9	86.4	68.5	70.1	68.2	68.5	67.6	67.5
Israel	128.1	110.7	100.5	92.5	90.7	91.5	92.5	101.7	94.6	100.0	100.2	97.4	103.3	104.4	107.7	111.5	118.6	117.9	117.4	116.2
Italy	85.8	89.6	96.5	98.9	99.3	99.7	100.5	102.1	105.0	100.0	98.9	95.5	97.0	97.7	95.1	96.9	96.1	98.4	96.4	94.1
Japan	119.7	108.3	106.6	105.6	99.2	89.6	81.5	89.2	101.6	100.0	103.1	100.1	79.6	74.9	70.1	80.7	76.4	77.2	77.8	77.4
Korea	101.4	106.4	110.7	113.1	127.8	135.0	132.7	106.1	93.2	100.0	99.3	99.4	105.4	112.9	116.7	116.8	119.1	122.8	123.2	123.0
Latvia	89.3	83.1	80.7	81.1	86.3	94.8	115.6	131.6	116.9	100.0	94.2	93.7	96.7	103.8	113.1	118.2	115.2	121.8	122.5	123.1
Lithuania	85.1	87.0	90.1	94.2	96.6	103.1	105.8	113.0	111.9	100.0	98.0	93.6	95.2	99.4	105.3	112.5	112.1	118.5	119.9	120.7
Luxembourg	83.9	85.9	88.9	91.4	92.7	94.2	93.6	99.3	103.6	100.0	100.9	101.2	101.4	103.0	99.8	101.2	105.3	107.5	107.3	106.0
Mexico	110.6	114.4	102.9	98.4	103.7	104.5	103.8	104.7	93.9	100.0	101.2	98.6	104.3	101.8	90.3	79.0	79.2	79.4	79.5	81.5
Netherlands	95.2	99.7	105.9	106.0	102.8	100.5	101.2	102.4	105.6	100.0	99.3	96.6	97.5	97.3	92.4	93.7	93.1	94.7	94.1	94.3
New Zealand	69.0	75.3	87.5	95.9	103.5	96.5	105.0	100.2	92.0	100.0	102.1	104.4	108.9	114.7	106.3	107.1	109.5	106.9	106.3	106.6
Norway	72.5	80.2	79.4	76.8	81.5	85.0	90.8	95.9	93.6	100.0	106.2	109.1	110.0	105.3	95.8	93.0	93.3	93.7	94.5	93.7
Poland	113.6	103.4	90.0	86.1	96.2	98.0	103.1	116.4	93.3	100.0	96.0	92.4	92.4	94.2	92.1	91.0	93.8	95.8	96.7	99.5
Portugal	95.4	98.0	102.3	102.9	104.0	102.8	102.3	102.0	102.4	100.0	97.2	90.9	93.8	93.3	91.0	93.3	94.6	96.7	96.4	96.1
Russia	43.4	48.4	49.6	57.1	64.0	75.8	87.3	97.6	88.5	100.0	112.5	120.2	126.3	116.0	85.2	83.5	98.7	93.7	96.3	99.6
Slovak Republic	71.8	72.8	78.0	80.3	83.2	85.6	91.5	97.0	105.0	100.0	99.9	97.2	97.6	99.4	99.3	100.7	101.5	104.7	105.4	106.2
Slovenia	92.9	93.0	95.7	96.8	95.8	95.5	96.3	98.6	104.0	100.0	97.4	93.6	92.5	91.8	89.5	91.2	90.8	93.3	93.5	94.0
South Africa	68.7	58.6	77.9	89.0	91.6	89.0	84.9	74.4	82.1	100.0	100.6	95.5	86.7	82.7	82.0	77.3	88.3	91.1	89.3	92.6
Spain	83.5	86.6	91.8	94.9	96.3	98.7	102.2	105.7	104.8	100.0	97.8	90.4	89.9	90.1	87.3	87.4	86.8	88.3	87.9	87.0
Sweden	100.1	101.9	107.6	107.9	103.5	101.4	103.9	102.8	95.9	100.0	106.8	109.3	112.5	108.5	102.4	104.2	103.2	99.6	99.2	99.7
Switzerland	93.8	99.3	99.5	97.1	94.4	90.8	87.2	90.4	96.4	100.0	112.6	110.7	109.8	110.3	119.5	117.5	114.3	109.0	109.1	107.7
Turkey	67.8	74.0	78.7	81.7	90.9	90.0	97.1	97.5	89.7	100.0	89.1	92.4	91.2	87.0	87.2	85.3	74.9	64.0	67.4	72.8
United Kingdom	122.9	122.6	117.2	125.3	122.8	125.7	128.6	109.4	99.5	100.0	96.9	99.2	97.4	102.6	109.8	99.4	94.0	95.4	94.0	93.4
United States	136.3	133.9	124.2	118.7	114.7	113.4	108.9	103.0	104.6	100.0	95.2	96.9	97.5	101.1	114.6	119.1	119.1	117.4	121.3	121.0
Euro area	90.6	94.7	106.1	108.3	105.0	102.5	102.8	105.4	110.2	100.0	97.5	91.5	94.5	96.3	90.9	93.3	92.8	96.7	95.4	94.4

Note: Competitiveness-weighted relative unit labour costs for the overall economy in dollar terms. Competitiveness weights take into account the structure of competition in both export and import markets of the goods sector of 53 countries. An increase in the index indicates a real effective appreciation and a corresponding deterioration of the competitive position. For details on the method of calculation, see Sources & Methods of the *OECD Economic Outlook* *(http://www.oecd.org/eco/sources-and-methods.htm).*

Source: OECD Economic Outlook 104 database.

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Annex Table 53. **Export market growth in goods and services**

Percentage changes from previous period

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	2.8	0.5	5.8	12.1	10.0	11.8	12.2	8.1	-9.8	16.8	9.7	3.4	4.5	1.9	-1.9	-0.8	5.0	5.0	4.1	3.7
Australia	1.0	6.6	9.8	13.8	9.7	9.9	7.8	5.2	-8.7	14.7	10.2	5.3	4.5	5.2	1.5	2.5	6.1	5.4	3.6	3.9
Austria	2.2	1.4	5.4	9.4	7.7	10.7	8.4	3.0	-11.4	11.9	7.0	0.8	3.2	3.4	3.8	3.4	5.4	3.7	4.3	4.2
Belgium	2.0	1.8	4.3	8.3	7.3	9.5	6.9	2.3	-10.7	10.8	6.1	1.6	2.6	4.6	5.0	2.7	4.5	3.3	3.6	3.8
Brazil	0.5	-0.4	9.5	14.1	10.0	10.7	10.7	5.7	-10.5	14.1	10.3	3.5	4.1	2.7	2.3	2.1	6.0	4.2	3.1	3.7
Canada	-1.8	3.8	5.2	11.3	7.0	7.4	3.5	-0.9	-12.2	13.0	6.2	3.0	2.2	4.9	4.7	2.0	4.7	4.5	4.8	4.5
Chile	0.9	3.8	8.5	12.2	8.6	10.2	8.7	4.3	-8.8	15.1	9.8	3.8	4.7	4.6	1.7	2.3	5.8	5.0	3.8	3.9
China	-0.5	3.7	6.2	12.2	8.5	8.9	7.5	3.9	-12.0	13.6	7.3	3.6	2.8	3.5	2.0	1.4	5.7	4.2	3.8	3.8
Colombia	0.0	3.5	5.6	11.4	8.0	8.1	7.1	2.5	-11.2	12.2	7.2	3.5	3.0	3.9	3.2	1.7	4.4	4.1	4.2	3.9
Costa Rica	-0.9	4.3	6.3	12.3	7.6	8.2	6.7	2.6	-11.3	13.5	6.9	3.4	3.4	4.0	4.3	2.7	5.6	4.5	4.1	3.8
Czech Republic	2.8	1.3	5.3	9.2	7.7	11.2	8.1	2.9	-12.1	11.8	6.9	1.1	2.9	3.8	4.3	3.5	5.4	3.8	4.4	4.3
Denmark	1.3	1.7	4.8	8.6	7.7	9.7	7.4	2.4	-11.5	11.2	6.3	1.8	2.6	4.3	4.4	3.4	4.6	3.3	3.6	3.7
Estonia	3.2	3.7	5.8	10.4	10.6	11.2	10.7	4.9	-17.5	11.9	9.6	3.4	2.3	1.6	0.2	3.2	6.5	3.4	3.3	3.7
Finland	1.6	3.0	6.1	10.2	8.8	10.8	9.3	3.7	-13.4	12.9	8.7	3.1	2.9	3.0	1.1	2.6	5.9	3.8	3.6	3.9
France	1.8	2.3	5.3	9.3	7.8	9.7	8.1	2.6	-11.2	10.9	6.1	1.3	2.9	4.0	3.7	2.8	4.7	3.3	3.5	3.7
Germany	2.1	3.0	4.9	9.6	8.0	9.4	8.0	2.9	-11.3	11.2	6.7	1.6	3.1	3.8	3.6	3.0	5.0	3.4	3.6	3.8
Greece	1.9	3.6	6.0	10.3	7.9	9.7	10.0	4.4	-11.5	10.6	7.5	2.4	3.0	2.9	3.2	3.0	5.3	3.0	2.9	3.2
Hungary	3.1	2.0	5.5	9.7	7.7	10.8	8.6	3.0	-12.3	11.7	7.1	1.5	2.7	3.4	3.7	3.4	5.6	3.5	3.8	3.9
Iceland	2.3	1.9	3.7	7.9	7.1	9.2	6.9	1.3	-10.9	9.6	5.2	1.9	3.0	3.4	6.2	1.6	4.7	2.8	3.1	3.3
India	2.3	5.0	7.7	13.2	9.9	10.1	11.4	6.1	-9.4	10.8	8.0	4.7	4.3	4.5	1.3	0.8	4.4	3.9	3.4	3.3
Indonesia	-0.9	5.3	8.1	13.2	9.1	9.3	7.4	4.8	-10.5	14.9	8.4	4.4	3.5	4.2	1.9	1.9	6.3	4.8	3.7	3.8
Ireland	0.5	2.8	4.1	8.7	7.0	7.9	4.4	0.5	-10.8	10.9	5.4	1.5	2.7	4.1	4.6	3.3	4.4	3.1	3.5	3.5
Israel	-0.8	4.1	6.6	11.6	8.3	9.0	6.2	2.6	-11.0	13.7	7.8	3.2	2.8	3.7	3.0	2.7	5.6	4.5	4.2	4.2
Italy	1.9	2.5	5.4	9.7	8.1	9.6	8.9	3.5	-11.4	10.6	6.9	1.9	3.4	3.4	2.9	2.6	4.9	3.3	3.6	3.7
Japan	-0.6	7.0	9.9	14.6	9.4	10.3	8.7	4.2	-8.5	15.4	9.3	4.2	4.9	4.2	2.5	3.0	6.2	5.3	4.3	4.2
Korea	1.1	6.3	10.5	14.8	10.0	10.9	9.6	5.3	-8.6	14.8	9.7	5.0	5.3	4.9	1.6	2.6	6.1	5.7	4.2	4.1
Latvia	6.4	7.0	7.6	12.2	12.3	13.8	12.2	6.2	-19.8	14.5	12.3	5.1	3.7	1.7	-1.2	2.8	7.5	4.0	3.8	4.0
Lithuania	5.1	4.2	6.8	12.1	8.9	11.7	13.5	7.4	-14.2	10.9	10.3	4.7	2.7	1.6	1.1	3.4	6.2	3.7	3.1	2.9
Luxembourg	1.7	1.4	3.7	7.3	7.1	9.0	6.5	1.7	-10.3	10.3	5.9	0.5	2.8	3.7	4.8	3.6	4.4	2.6	3.5	3.6
Mexico	-2.2	3.2	5.2	11.4	6.9	7.2	3.7	-1.0	-12.7	13.3	6.3	2.8	2.0	4.7	4.7	1.7	4.6	4.6	5.0	4.6
Netherlands	1.6	1.6	4.4	8.3	7.3	9.4	6.9	2.2	-10.9	10.8	6.2	1.0	2.5	4.3	4.2	3.9	4.6	3.1	3.6	3.7
New Zealand	-0.3	6.6	8.7	13.6	9.4	9.7	9.6	6.1	-9.2	13.6	9.0	5.0	2.5	3.1	1.9	1.4	6.0	4.9	4.2	4.0
Norway	2.2	2.9	3.8	7.7	7.5	9.4	4.5	0.9	-10.3	9.9	4.9	1.9	2.5	4.2	5.7	3.2	4.2	2.5	2.8	3.1
Poland	3.1	2.0	5.1	9.6	7.9	10.7	8.2	2.6	-12.5	11.5	7.0	1.3	2.7	3.7	3.8	3.3	5.4	3.4	3.7	3.8
Portugal	2.8	2.4	4.7	8.9	7.5	8.9	8.2	0.5	-12.5	9.0	4.4	-0.1	2.1	4.7	4.2	2.5	4.5	2.9	3.2	3.5
Russia	1.5	3.6	6.1	10.1	8.2	9.8	9.2	3.5	-10.9	11.1	7.5	2.3	3.3	3.6	4.5	2.7	5.5	3.5	3.5	3.6
Slovak Republic	3.0	2.1	5.6	10.5	7.6	10.7	9.1	2.9	-12.1	11.9	6.4	0.6	2.2	5.0	4.3	3.5	6.1	4.0	4.4	4.3
Slovenia	3.3	2.0	5.1	9.5	7.4	10.6	9.3	3.6	-12.4	11.5	7.1	1.1	2.4	3.5	3.4	3.3	5.7	3.6	3.9	3.8
South Africa	1.8	4.3	7.2	11.3	9.2	10.3	7.4	5.0	-9.5	12.4	8.6	4.4	3.0	4.1	2.3	2.5	5.5	4.5	3.4	3.6
Spain	1.7	1.7	3.6	8.1	6.9	9.0	7.3	2.6	-10.6	10.5	5.3	0.6	2.9	4.0	4.4	2.9	5.0	3.0	3.5	3.6
Sweden	1.7	3.0	4.2	9.2	8.6	10.1	7.6	3.2	-11.5	9.9	6.5	2.4	2.9	3.4	3.5	3.0	4.4	3.2	3.3	3.6
Switzerland	1.3	2.4	5.4	9.6	7.5	9.6	7.1	2.2	-10.9	12.0	6.6	1.8	2.8	4.2	3.5	2.6	5.1	3.7	3.7	3.8
Turkey	4.3	3.3	5.7	10.5	9.2	10.5	11.9	6.0	-11.1	8.8	7.0	3.5	3.1	3.6	0.9	1.0	4.1	2.9	3.1	3.0
United Kingdom	2.3	2.6	3.8	8.4	8.5	9.0	8.1	1.9	-9.7	9.6	6.3	1.5	2.7	5.0	8.0	5.1	2.2	2.8	4.2	4.1
United States	-0.2	2.9	5.9	10.3	8.5	9.0	8.2	4.3	-10.6	13.9	7.9	3.9	3.6	3.7	2.3	1.6	5.0	4.3	3.5	3.6
Total OECD	1.1	3.1	5.7	10.2	8.1	9.4	7.7	2.9	-10.7	12.1	7.1	2.5	3.3	4.1	3.6	2.8	4.9	3.9	3.9	3.9
Dynamic Asian Economies[1]	-0.2	5.8	9.0	14.2	9.4	9.6	8.0	4.6	-9.1	15.0	9.0	4.5	4.5	4.4	2.3	2.6	6.2	5.4	4.1	4.1
Other oil producers[2]	0.4	4.8	7.7	12.3	9.4	10.0	8.1	5.1	-10.3	13.3	8.8	4.2	2.7	4.1	1.6	1.9	5.9	4.9	3.8	3.9
Rest of non-OECD	2.3	3.7	6.8	11.5	9.1	10.6	10.8	5.4	-12.0	11.9	8.5	3.4	3.3	2.7	0.5	1.6	5.5	3.7	3.4	3.6

Note: Regional aggregates are calculated inclusive of intra-regional trade.

1. Chinese Taipei, Hong Kong - China, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

2. Algeria, Angola, Azerbaijan, Bahrain, Brunei, Chad, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Sudan, Timor-Leste, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Venezuela and Yemen.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879273

Annex Table 54. **Export performance for total goods and services**

Percentage changes from previous period

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-0.1	2.6	0.2	-3.5	2.6	-5.6	-3.6	-6.8	0.5	-2.5	-5.0	-7.3	-7.6	-8.7	-0.9	6.1	-4.3	-7.6	5.1	4.4
Australia	2.0	-5.3	-10.3	-8.7	-5.8	-5.9	-4.0	-0.9	12.0	-8.2	-9.6	0.6	1.2	1.6	4.8	4.3	-2.3	-0.8	0.5	0.0
Austria	3.2	2.6	-4.4	-1.5	-0.5	-1.9	-1.2	-1.8	-2.0	0.3	-0.6	0.7	-2.6	-0.3	-0.4	-0.5	-0.5	0.1	-1.1	-0.9
Belgium	-1.6	1.8	-2.6	-2.0	-2.1	-3.9	-1.1	-0.6	1.4	-0.4	0.5	-1.2	-1.7	0.6	-1.4	4.8	0.4	0.1	-0.3	-0.6
Brazil	7.9	7.0	1.5	-0.5	1.2	-5.4	-4.7	-5.6	2.2	-2.2	-4.5	-3.7	-1.4	-3.6	4.4	-0.4	-0.4	-4.3	0.5	0.3
Canada	-1.2	-2.5	-6.6	-5.1	-4.5	-6.0	-2.3	-3.7	-0.8	-5.6	-1.3	-0.4	0.5	1.0	-1.2	-1.0	-3.4	-1.8	-1.3	-1.0
Chile	5.9	-1.4	-1.6	1.9	-5.4	-4.7	-1.4	-4.7	4.9	-11.1	-4.0	-3.5	-1.1	-4.0	-3.4	-2.4	-6.4	-0.1	0.6	0.1
China	6.5	22.0	20.5	10.9	13.8	14.9	11.8	5.6	1.4	9.9	6.3	2.5	6.1	0.7	-4.3	0.5	5.1	1.2	1.2	1.0
Colombia	2.8	-5.7	1.7	-1.4	-2.1	1.1	-0.4	1.1	7.8	-9.0	4.7	1.3	1.7	-4.1	-1.5	-3.1	-4.9	-0.8	1.2	0.5
Costa Rica	2.3	-1.3	-0.5	-1.8	-1.4	-0.1	0.8	-0.5	3.3	-3.9	-0.1	2.0	0.1	1.0	-1.5	6.6	-0.4	-0.7	-0.7	0.6
Czech Republic	6.4	-0.5	3.4	18.4	10.0	3.1	2.7	0.9	2.9	2.2	2.1	3.3	-2.7	4.7	1.9	0.6	1.7	0.7	-0.4	-0.3
Denmark	2.0	2.6	-5.7	-5.1	0.1	0.6	-3.5	1.5	2.6	-7.4	0.8	-0.6	-1.0	-1.1	-0.8	0.5	-0.9	-3.7	-0.7	-0.7
Estonia	3.0	-0.8	4.1	6.3	8.5	-1.5	1.7	-3.8	-3.3	10.9	13.2	1.4	0.4	1.2	-1.7	1.9	-2.8	0.9	1.0	-0.5
Finland	-0.3	0.6	-6.9	-1.4	-1.7	-0.6	-0.2	2.8	-7.7	-6.0	-6.2	-1.8	-1.7	-5.6	-0.1	1.3	1.5	-0.5	0.4	-0.4
France	1.4	-0.4	-5.8	-4.1	-3.4	-3.1	-4.8	-2.5	0.5	-2.3	0.5	1.7	-0.8	-0.6	0.7	-1.3	0.0	0.0	0.1	-0.2
Germany	3.9	1.2	-2.9	0.7	-1.0	3.1	1.5	-1.5	-3.4	2.6	1.6	1.9	-1.2	0.8	1.1	-0.8	0.3	-0.9	-0.7	-0.6
Greece	-1.7	-10.6	-6.3	7.4	-4.2	-4.1	0.6	-0.9	-8.0	-5.2	-7.0	-1.2	-1.5	4.7	-0.1	-4.7	1.4	4.6	1.7	-0.4
Hungary	5.6	3.7	0.7	7.4	4.8	7.9	6.9	3.7	1.0	-0.4	-0.5	-3.3	1.4	5.5	3.4	1.6	-0.8	4.7	3.6	1.9
Iceland	4.3	1.4	-2.6	0.3	-0.1	-12.7	15.4	2.0	21.5	-7.9	-1.7	1.7	3.6	-0.3	2.7	9.2	0.7	-0.2	-0.3	-0.7
India	4.3	11.0	2.9	9.2	16.1	11.4	-3.4	9.5	4.8	2.9	10.1	3.9	2.0	0.9	-7.4	1.6	1.6	4.5	1.2	2.8
Indonesia	1.6	-6.2	-2.1	0.3	6.9	0.1	1.0	4.5	9.5	0.3	5.9	-2.7	0.6	-3.0	-3.9	-3.4	2.7	2.7	1.6	1.3
Ireland	13.5	3.6	-5.6	-2.0	-1.4	-1.6	4.4	-4.3	17.3	-4.5	-2.1	-2.4	0.2	10.0	33.2	1.1	3.1	2.2	2.1	1.2
Israel	-10.3	-5.9	1.5	5.4	-3.0	-3.3	4.0	3.2	-0.1	1.4	2.5	-5.2	1.9	-1.9	-5.8	-1.3	-0.5	0.1	0.1	0.7
Italy	0.4	-4.8	-6.6	-3.9	-3.6	-1.0	-3.1	-6.6	-7.4	0.6	-0.8	0.1	-2.4	-1.0	1.2	0.0	1.0	-3.0	-0.8	-0.9
Japan	-6.1	0.7	-0.3	-0.3	-2.0	0.0	-0.1	-2.5	-16.3	8.3	-8.7	-4.1	-4.0	4.9	0.4	-1.3	0.5	-2.3	-2.7	-0.4
Korea	-3.3	6.3	3.1	5.0	-2.0	1.0	2.8	2.1	9.1	-1.9	4.9	0.1	-1.0	-2.7	-1.7	0.0	-4.0	-0.9	0.3	-0.7
Latvia	2.5	-1.9	-3.4	1.3	10.0	-5.5	1.4	-3.6	8.7	-0.9	-0.2	4.5	-2.5	4.2	4.4	1.5	-1.2	0.7	0.5	0.1
Lithuania	18.1	15.3	2.1	-7.0	10.7	0.8	-9.1	5.7	1.7	7.3	4.6	7.3	7.0	1.6	-0.3	0.5	6.9	1.3	1.1	0.2
Luxembourg	4.4	1.3	-1.0	1.6	-0.6	4.4	1.9	3.1	-1.2	-0.1	-1.7	2.3	2.4	12.2	0.5	0.2	-6.1	3.2	0.9	0.9
Mexico	1.8	-2.8	-3.1	-1.3	-0.6	0.7	-1.7	0.0	1.9	8.1	1.4	3.6	-0.6	2.2	3.7	1.7	-0.7	2.9	0.9	0.7
Netherlands	-0.2	-0.9	-2.2	-0.6	-1.4	-1.7	-1.5	-0.6	2.6	-1.1	-1.0	2.3	0.1	0.3	3.0	-2.3	0.9	-0.4	-0.4	-0.7
New Zealand	3.6	0.2	-5.8	-7.4	-9.1	-7.2	-4.2	-6.8	12.2	-9.1	-5.9	-3.1	-1.4	0.2	5.4	0.6	-4.0	-0.7	-0.1	-0.7
Norway	2.1	-3.1	-3.7	-6.2	-6.5	-9.4	-3.0	-0.8	6.9	-8.5	-5.5	-0.3	-4.1	-1.1	-0.9	-2.1	-4.3	-2.2	-0.3	0.8
Poland	-0.6	2.6	8.6	-4.3	1.8	4.4	1.7	4.4	7.5	1.4	0.8	3.2	3.3	2.9	3.8	5.4	3.8	2.8	3.4	1.8
Portugal	-0.6	0.6	-1.4	-4.1	-6.5	3.2	-0.8	-0.8	2.7	0.5	2.6	3.6	4.8	-0.3	1.8	1.9	3.2	2.9	1.1	0.5
Russia	2.6	6.5	6.1	1.6	-1.6	-2.3	-2.7	-2.8	6.9	-3.7	-6.7	-0.9	1.2	-3.0	-0.8	0.5	-0.4	2.1	-0.8	-1.4
Slovak Republic	7.5	4.9	12.2	9.3	4.9	11.0	5.0	0.1	-5.3	3.4	5.3	8.6	4.4	-1.0	2.0	2.6	-1.8	1.7	3.8	2.0
Slovenia	3.7	5.7	-1.8	3.3	3.7	3.2	4.0	0.6	-4.8	-1.2	-0.2	-0.5	0.7	2.2	1.5	3.0	4.8	4.4	2.4	2.5
South Africa	0.6	-3.2	-6.6	-7.6	-0.5	-2.5	0.4	-3.3	-8.3	-4.2	-4.7	-3.4	1.0	-0.5	0.5	-1.5	-5.3	-2.4	2.4	-0.7
Spain	1.9	-0.4	-0.2	-3.6	-4.8	-3.7	0.9	-3.3	-0.5	-0.9	2.0	0.5	1.4	0.3	-0.2	2.2	0.3	-1.4	-0.6	0.4
Sweden	-0.7	-1.7	0.2	0.6	-1.8	-0.9	-2.7	-1.6	-3.2	1.4	-0.3	-0.8	-3.5	2.0	1.7	-0.4	-0.7	0.1	0.1	-0.3
Switzerland	-1.3	-4.4	-6.2	-0.4	-0.6	-2.8	3.8	1.6	1.0	0.5	-1.3	-0.7	12.1	-9.9	-1.0	4.0	-5.0	-2.2	-1.7	-0.9
Turkey	0.3	4.3	1.0	1.0	-1.0	-3.6	-4.1	-2.1	8.3	-6.6	6.0	11.0	-2.0	4.4	3.4	-2.8	7.5	5.2	7.0	2.0
United Kingdom	-0.4	-0.4	-0.8	-2.7	-0.5	2.8	-8.4	-1.5	1.5	-3.6	0.2	-0.1	-1.2	-2.6	-3.3	-3.8	3.5	-1.6	-3.0	-2.2
United States	-5.6	-4.5	-3.5	-0.6	-1.2	0.3	0.5	1.3	2.5	-1.5	-0.7	-0.5	0.0	0.6	-1.7	-1.7	-1.9	-0.2	-1.3	-0.8
Total OECD	-0.4	-1.1	-3.1	-1.4	-1.9	-0.6	-0.9	-1.0	-0.2	-0.7	-0.7	0.3	-0.4	0.4	0.8	-0.3	-0.3	-0.5	-0.5	-0.4
Dynamic Asian Economies[1]	-3.3	2.0	1.8	2.2	0.9	0.6	0.2	-0.9	0.1	1.9	-3.0	-1.7	0.7	-0.6	-0.1	0.0	1.1	-0.9	-0.2	-0.4
Other oil producers[2]	-0.6	-6.3	5.0	-1.9	-0.7	-6.4	-4.2	0.0	3.0	-7.6	-0.8	-0.9	-0.8	-1.8	3.1	1.9	-7.7	-4.4	-1.4	-1.9
Rest of non-OECD	3.2	0.3	0.1	1.0	-4.0	-4.6	-2.8	-0.5	6.5	-3.6	-1.1	0.4	1.8	0.2	2.2	2.1	1.2	0.2	-1.0	-1.6

Note: Regional aggregates are calculated inclusive of intra-regional trade. Export performance is measured as actual growth in exports relative to the growth of the country's export market. For more details, see Sources & Methods of the *OECD Economic Outlook (http://www.oecd.org/eco/sources-and-methods.htm).*

1. Chinese Taipei, Hong Kong - China, Malaysia, the Philippines, Singapore, Thailand and Vietnam.
2. Algeria, Angola, Azerbaijan, Bahrain, Brunei, Chad, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Sudan, Timor-Leste, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Venezuela and Yemen.

Source: OECD Economic Outlook 104 database.

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Annex Table 55. **Import penetration**

Goods and services import volume as a percentage of total final expenditure, constant prices

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	15.6	9.4	11.6	14.4	15.2	15.6	16.8	18.1	16.1	19.0	21.3	20.6	20.9	19.3	19.6	20.8	22.7	23.3	23.1	23.5
Australia	11.5	12.2	13.0	14.2	14.8	15.6	16.6	17.7	16.2	17.9	19.1	19.3	18.7	18.0	18.0	17.6	18.4	18.8	19.4	19.8
Austria	29.4	29.2	29.6	30.8	31.4	31.9	32.2	32.1	30.2	32.3	32.9	33.0	33.2	33.7	34.2	34.5	35.1	35.0	35.0	35.1
Belgium	37.5	37.4	37.5	38.1	39.0	39.5	40.0	40.6	39.0	40.5	41.7	41.7	41.7	42.9	43.2	44.9	45.5	45.8	46.3	46.8
Brazil	11.2	9.6	9.5	9.8	10.2	11.4	12.6	13.9	13.0	15.8	16.7	16.5	17.0	16.7	15.1	14.1	14.7	15.3	15.8	16.0
Canada	21.4	21.2	21.6	22.5	23.2	23.6	24.3	24.3	22.5	24.2	24.9	25.2	24.8	24.7	24.7	24.2	24.3	24.7	24.9	25.1
Chile	17.3	17.1	17.2	18.6	20.3	21.0	22.3	23.5	20.9	23.7	25.2	25.1	24.7	23.1	22.5	22.3	22.8	23.8	24.1	24.1
China	9.9	11.2	13.2	14.6	14.7	15.2	15.1	14.7	14.0	14.8	15.6	15.5	15.9	16.0	15.4	15.4	15.4	15.6	15.4	15.2
Colombia	12.0	11.8	12.2	12.6	13.3	14.5	15.3	16.3	15.0	15.8	17.6	18.3	18.7	19.1	18.5	17.6	17.4	17.8	17.9	17.9
Costa Rica	24.2	24.7	24.7	24.8	25.4	25.5	25.8	26.2	22.5	24.8	25.9	26.5	26.4	26.6	26.8	27.7	27.5	27.0	27.0	27.3
Czech Republic	28.4	28.9	29.9	33.7	34.9	35.9	37.4	37.5	35.9	38.6	39.7	40.6	40.7	42.3	42.7	42.8	43.2	43.7	44.2	44.7
Denmark	25.1	26.1	25.9	26.7	28.3	30.2	31.2	32.3	30.6	30.4	31.6	32.1	32.2	32.7	33.2	33.6	33.8	34.2	34.3	34.8
Estonia	33.4	34.9	35.8	37.7	39.4	41.7	42.7	42.3	37.0	40.7	44.8	45.9	46.0	46.0	45.2	45.4	45.2	45.9	46.0	46.6
Finland	23.2	23.7	24.2	25.0	26.4	27.0	27.3	28.7	26.7	27.2	27.9	28.5	28.8	28.6	29.2	29.8	29.8	30.0	30.1	30.3
France	19.4	19.6	19.6	20.0	20.8	21.3	21.8	22.0	20.9	21.9	22.6	22.6	22.9	23.6	24.4	24.7	25.1	25.1	25.4	25.7
Germany	21.6	21.2	22.2	23.3	24.2	25.5	26.1	26.3	25.4	27.0	27.6	27.6	28.1	28.3	29.1	29.5	30.1	30.5	31.1	31.7
Greece	24.1	22.8	23.1	22.9	23.0	24.2	26.3	26.7	23.2	23.5	23.4	23.1	23.2	24.3	24.5	24.6	25.5	25.8	26.3	26.4
Hungary	34.1	34.9	36.1	38.6	39.3	41.9	45.0	46.2	43.9	46.3	47.0	46.5	47.1	48.8	49.4	49.8	50.8	52.1	53.4	54.3
Iceland	24.1	23.5	24.9	25.8	29.7	30.6	28.2	23.5	20.1	21.3	22.1	22.6	21.9	23.2	24.7	25.9	27.5	27.8	28.2	28.4
India [1]	12.4	13.2	13.8	15.3	18.0	19.6	19.6	22.4	20.7	21.5	23.7	23.8	21.3	20.2	18.1	17.6	18.4	19.0	18.5	18.4
Indonesia	15.3	14.2	13.8	16.2	17.7	18.1	18.5	19.1	17.0	18.3	19.5	19.8	19.3	18.8	17.2	16.2	16.5	17.5	17.6	17.7
Ireland	43.9	43.8	42.1	40.8	42.6	43.8	45.0	45.5	45.6	45.2	45.7	45.1	45.1	46.1	47.8	51.1	47.7	45.3	45.8	46.2
Israel	22.8	22.6	22.2	23.3	23.2	22.8	23.6	23.4	20.8	22.3	23.1	23.1	22.6	22.3	21.9	22.9	23.2	24.3	24.5	24.7
Italy	18.9	19.0	19.1	19.6	20.0	20.9	21.5	21.0	19.7	21.3	21.4	20.5	20.4	20.8	21.8	22.2	22.9	23.1	23.5	23.9
Japan	11.3	11.4	11.6	12.2	12.6	13.0	13.1	13.3	12.0	12.7	13.4	13.8	14.0	14.9	14.8	14.5	14.7	14.9	15.0	15.2
Korea	23.5	24.8	26.2	27.6	28.4	29.8	31.1	31.1	29.6	31.6	33.8	33.8	33.5	33.1	33.0	33.4	34.4	34.2	34.2	34.5
Latvia	32.4	31.5	32.1	34.6	35.8	37.7	39.2	37.3	32.0	35.5	38.7	39.1	38.6	38.4	38.2	38.8	39.7	39.8	40.1	40.4
Lithuania	31.4	34.0	33.8	35.7	38.0	39.4	39.2	41.4	36.6	40.2	42.1	42.8	44.1	44.0	45.2	45.6	47.5	47.8	48.3	48.7
Luxembourg	53.4	52.5	53.2	55.5	55.6	56.9	56.7	59.2	56.9	58.6	59.2	60.3	60.6	63.3	63.6	64.0	63.2	63.7	64.0	64.4
Mexico	21.8	21.9	22.0	22.0	22.5	23.2	23.6	24.0	21.9	23.7	23.9	24.1	24.5	25.1	25.5	25.4	26.6	27.1	27.3	27.6
Netherlands	33.9	33.9	34.4	35.3	36.0	37.0	37.9	37.2	36.2	37.8	38.3	39.1	39.6	40.1	42.9	41.9	42.4	42.4	42.6	42.8
New Zealand	19.2	19.9	20.4	22.3	22.9	22.0	22.9	23.5	20.7	22.2	23.0	23.0	23.8	24.6	24.5	24.4	25.1	26.0	26.1	26.2
Norway	19.6	19.5	19.5	20.3	21.1	22.2	23.3	23.8	22.1	23.4	24.0	24.0	24.7	24.8	24.8	25.1	25.1	25.0	25.1	25.3
Poland	24.0	24.2	25.2	25.7	26.2	28.3	29.9	30.9	27.6	29.6	29.8	29.4	29.4	30.7	31.3	32.2	33.3	33.6	34.5	35.4
Portugal	25.5	25.4	25.5	26.5	26.8	28.0	28.5	29.0	27.5	28.7	27.8	27.3	28.5	29.9	31.3	31.9	33.0	33.9	34.5	35.1
Russia	11.9	12.8	13.8	15.4	16.5	18.2	20.4	21.8	17.3	20.1	22.6	23.6	23.9	22.3	17.6	17.0	19.2	19.8	20.0	20.4
Slovak Republic	37.7	37.9	38.5	42.0	43.9	46.3	46.0	45.4	41.6	43.8	45.3	45.5	46.5	47.0	48.1	48.2	48.4	48.7	49.4	50.2
Slovenia	32.8	33.2	33.9	35.9	36.7	38.1	40.1	40.3	37.3	38.6	39.6	39.3	40.1	40.3	40.9	41.7	42.9	43.8	44.6	45.7
South Africa	17.5	17.7	18.4	20.0	20.8	22.7	23.4	23.3	20.3	21.5	22.9	23.2	23.7	23.2	23.9	23.1	23.2	23.5	23.9	24.3
Spain	20.5	20.6	21.0	22.1	22.6	23.3	24.1	22.8	20.1	21.2	21.2	20.6	20.8	21.6	21.9	21.9	22.3	22.4	22.5	22.9
Sweden	24.7	24.1	24.3	24.7	25.4	26.1	26.8	27.6	25.8	26.9	27.8	28.0	27.7	28.4	28.5	28.8	29.4	29.6	29.9	30.2
Switzerland	32.0	31.5	31.6	31.8	33.2	33.0	33.4	34.0	33.6	34.8	36.4	35.5	38.0	35.4	36.1	37.2	36.6	35.8	36.3	36.7
Turkey	16.0	17.7	19.7	20.8	20.9	20.7	21.3	20.7	18.9	20.6	20.9	20.4	20.7	19.9	19.4	19.5	20.1	19.2	18.9	19.2
United Kingdom	19.7	20.2	20.2	20.8	21.5	22.7	21.8	21.5	20.8	21.8	21.6	21.9	22.1	22.2	22.7	23.0	23.2	23.0	22.8	22.7
United States	12.3	12.6	12.8	13.6	13.9	14.4	14.5	14.2	12.9	14.0	14.5	14.6	14.5	14.8	15.2	15.2	15.5	15.7	16.1	16.4
Total OECD	17.9	18.0	18.3	19.1	19.7	20.4	20.9	20.9	19.5	20.8	21.4	21.4	21.6	21.9	22.4	22.6	23.0	23.2	23.5	23.8

Note: The OECD aggregate is calculated inclusive of intra-regional trade as the sum of import volumes expressed in 2010 USD divided by the sum of total final expenditure expressed in 2010 USD.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879311

Annex Table 56. **Shares in world exports and imports**

Percentage, value of goods and services, national accounts basis

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
A. Exports																				
Canada	4.1	3.8	3.6	3.4	3.4	3.2	2.9	2.7	2.5	2.5	2.5	2.5	2.4	2.4	2.3	2.3	2.3	2.2	2.2	2.2
France	5.2	5.2	5.3	5.0	4.7	4.4	4.4	4.2	4.3	3.8	3.7	3.5	3.6	3.6	3.6	3.6	3.5	3.5	3.5	3.4
Germany	8.3	8.6	8.9	8.9	8.5	8.5	8.7	8.4	8.3	7.7	7.6	7.3	7.4	7.6	7.5	7.8	7.7	7.7	7.4	7.4
Italy	4.0	3.9	4.0	3.9	3.6	3.5	3.6	3.3	3.1	2.9	2.8	2.6	2.7	2.7	2.6	2.7	2.7	2.6	2.6	2.5
Japan	5.8	5.7	5.6	5.6	5.3	4.9	4.6	4.5	4.2	4.6	4.2	4.0	3.6	3.6	3.7	3.9	3.8	3.7	3.7	3.7
United Kingdom	5.3	5.3	5.2	5.1	4.9	4.9	4.5	4.0	4.0	3.7	3.6	3.6	3.5	3.6	3.8	3.7	3.5	3.5	3.3	3.3
United States	13.6	12.6	11.3	10.6	10.3	10.1	9.8	9.5	10.1	9.9	9.5	9.8	9.8	10.1	10.8	10.8	10.4	10.3	10.4	10.3
Total of smaller countries	27.6	27.9	28.4	28.5	27.9	27.6	28.1	28.0	28.4	27.4	27.1	26.4	26.7	26.8	27.0	27.6	27.7	27.6	27.5	27.6
Total OECD	73.9	73.1	72.2	70.8	68.4	67.0	66.4	64.5	64.8	62.5	60.8	59.6	59.6	60.3	61.2	62.1	61.5	61.1	60.5	60.3
Brazil	0.9	0.9	0.9	1.0	1.1	1.1	1.1	1.2	1.2	1.3	1.4	1.3	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.1
China	3.6	4.2	4.9	5.4	6.1	6.8	7.4	7.7	8.0	8.6	9.1	9.7	10.2	10.5	11.3	10.7	10.7	10.6	10.4	10.5
India	0.8	0.9	0.9	1.0	1.2	1.3	1.4	1.5	1.6	1.8	2.0	2.0	2.0	2.0	2.0	2.1	2.1	2.1	2.1	2.2
Indonesia	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.9	1.0	1.1	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Russia	1.5	1.5	1.6	1.8	2.1	2.3	2.3	2.7	2.2	2.4	2.6	2.6	2.6	2.4	1.9	1.6	1.8	2.1	2.1	2.1
Dynamic Asian Economies [1]	9.9	10.0	9.6	9.5	9.5	9.5	9.3	8.9	9.4	10.0	9.7	9.9	10.0	10.0	10.6	10.8	10.8	10.9	11.2	11.4
Other oil producers [2]	4.2	4.2	4.5	5.0	6.1	6.5	6.5	7.4	6.4	6.8	7.8	8.1	7.8	7.2	5.6	5.2	5.3	5.8	6.1	5.9
Rest of the world [3]	4.3	4.4	4.5	4.6	4.6	4.8	4.9	5.3	5.5	5.5	5.7	5.8	5.7	5.6	5.5	5.6	5.6	5.5	5.6	5.6
Total non-OECD	26.0	26.8	27.7	29.1	31.5	32.8	33.5	35.3	35.0	37.4	39.1	40.3	40.3	39.6	38.7	37.7	38.3	38.8	39.4	39.5
B. Imports																				
Canada	3.6	3.4	3.2	3.1	3.1	3.0	2.8	2.6	2.7	2.8	2.6	2.7	2.6	2.6	2.6	2.6	2.5	2.4	2.4	2.4
France	4.9	4.9	5.0	4.9	4.7	4.6	4.6	4.5	4.5	4.1	4.0	3.8	3.8	3.8	3.7	3.8	3.8	3.7	3.6	3.6
Germany	7.8	7.5	8.0	7.7	7.4	7.5	7.5	7.3	7.4	6.9	6.9	6.5	6.6	6.6	6.4	6.6	6.7	6.7	6.6	6.6
Italy	3.8	3.8	4.0	3.8	3.7	3.7	3.7	3.5	3.3	3.2	3.0	2.6	2.5	2.5	2.4	2.5	2.5	2.5	2.4	2.4
Japan	5.5	5.1	4.9	4.8	4.8	4.6	4.2	4.5	4.1	4.3	4.4	4.6	4.2	4.2	3.9	3.8	3.7	3.8	3.8	3.8
United Kingdom	5.8	6.0	5.8	5.7	5.5	5.5	5.0	4.4	4.4	4.1	3.9	3.8	3.9	4.0	4.1	4.0	3.8	3.7	3.5	3.4
United States	18.4	18.1	16.9	16.3	16.2	15.6	14.3	13.4	13.0	13.0	12.4	12.6	12.3	12.6	13.6	13.7	13.3	13.2	13.7	13.7
Total of smaller countries	26.3	26.7	27.4	27.5	27.3	27.3	28.2	28.1	27.5	26.6	26.6	25.6	25.6	25.6	25.5	26.1	26.1	26.1	25.8	25.9
Total OECD	76.0	75.4	75.0	73.7	72.6	71.6	70.2	68.1	66.7	64.8	63.7	62.1	61.4	61.7	62.0	62.8	62.2	62.0	61.7	61.5
Brazil	1.1	0.9	0.8	0.8	0.8	0.9	1.0	1.2	1.2	1.4	1.5	1.5	1.5	1.5	1.2	1.1	1.1	1.1	1.1	1.1
China	3.2	3.7	4.5	5.0	5.2	5.5	5.7	6.0	6.7	7.6	8.5	8.9	9.5	9.8	9.8	9.7	10.1	10.4	10.2	10.3
India	0.9	0.9	1.0	1.1	1.4	1.5	1.6	1.9	2.1	2.4	2.5	2.6	2.4	2.4	2.3	2.3	2.5	2.5	2.6	2.7
Indonesia	0.7	0.7	0.6	0.7	0.7	0.7	0.7	0.8	0.8	0.9	1.0	1.1	1.0	0.9	0.9	0.9	0.9	1.0	1.0	1.0
Russia	1.0	1.1	1.1	1.2	1.3	1.4	1.7	1.9	1.6	1.7	1.9	2.0	2.1	1.9	1.4	1.3	1.5	1.5	1.5	1.5
Dynamic Asian Economies [1]	9.1	9.2	8.8	8.9	8.9	8.8	8.5	8.4	8.6	9.4	9.2	9.5	9.6	9.5	9.9	10.0	10.1	10.3	10.6	10.8
Other oil producers [2]	3.1	3.2	3.3	3.4	3.8	4.0	4.6	5.0	5.7	5.2	5.1	5.4	5.5	5.7	5.7	5.2	4.8	4.6	4.6	4.4
Rest of the world [3]	5.0	4.9	5.0	5.2	5.4	5.6	6.0	6.6	6.5	6.5	6.7	6.9	6.9	6.7	6.8	6.7	6.8	6.7	6.7	6.6
Total non-OECD	23.9	24.5	24.9	26.2	27.3	28.2	29.7	31.7	33.2	35.1	36.1	37.8	38.4	38.1	37.8	37.1	37.6	37.9	38.1	38.3

Note: Regional aggregates are calculated inclusive of intra-regional trade.

1. Chinese Taipei, Hong Kong - China, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

2. Algeria, Angola, Azerbaijan, Bahrain, Brunei, Chad, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Sudan, Timor-Leste, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Venezuela and Yemen.

3. Other non-OECD countries which are non listed.

Source: OECD Economic Outlook 104 database.

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Annex Table 57. **Geographical structure of world trade growth**

Average of export and import volumes

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Percentage changes from previous period																			
A. Trade growth																				
Total OECD	0.4	2.3	3.3	8.7	6.5	8.4	6.1	1.1	-11.3	11.4	6.1	2.0	2.5	4.4	4.8	2.7	4.6	3.3	3.5	3.7
of which: OECD America [1]	-3.4	1.4	3.1	9.8	6.3	6.9	4.6	0.6	-11.6	13.0	6.2	3.3	2.4	4.6	3.4	1.1	3.8	4.6	4.0	4.0
OECD Europe	2.8	1.9	2.6	7.4	6.5	9.1	6.3	0.9	-11.0	9.8	5.8	1.2	2.7	4.2	6.2	3.6	4.8	2.7	3.5	3.6
OECD Asia and Pacific [2]	-2.1	6.4	7.1	12.0	6.7	8.3	7.7	3.2	-12.1	15.4	6.9	3.5	2.4	5.3	2.0	1.9	4.9	3.4	2.9	3.5
Total non-OECD	2.0	6.7	12.6	16.1	12.1	11.6	11.3	7.8	-8.5	14.4	9.8	5.0	5.3	3.2	0.1	2.1	6.2	4.8	3.9	3.7
of which: Brazil	5.6	-2.9	6.2	12.0	10.4	9.7	10.8	7.0	-7.9	22.2	8.1	0.0	5.0	-1.5	-4.6	-4.1	5.6	2.7	4.5	4.0
China	7.6	25.8	30.2	23.8	18.2	21.2	17.2	7.9	-4.3	21.7	15.0	6.6	10.0	6.1	0.1	4.1	8.9	6.7	5.0	4.8
India	3.9	10.9	13.8	21.3	30.0	23.8	7.3	24.7	-6.8	16.1	18.5	10.3	-0.7	2.6	-6.0	1.8	8.8	10.2	4.8	6.3
Indonesia	2.3	-2.7	3.8	19.6	17.2	9.0	8.8	9.8	-5.6	15.9	14.9	4.7	3.0	1.6	-4.2	-2.0	8.6	9.9	5.6	5.4
Russia	8.1	11.6	14.0	15.4	9.8	12.2	13.9	6.6	-16.4	14.2	8.7	5.2	4.1	-3.2	-9.9	0.6	9.5	5.4	2.8	3.0
Dynamic Asian Economies [3]	-4.4	7.4	10.2	17.3	9.8	9.1	7.7	4.3	-10.3	18.1	5.4	3.0	5.5	3.3	2.4	2.8	7.7	4.8	4.0	3.7
Other oil producers [4]	3.2	1.0	12.0	11.9	11.7	6.8	11.2	9.0	-7.3	3.6	7.4	5.7	3.0	4.2	1.1	-1.0	-1.8	0.6	2.1	1.8
Rest of the world [5]	4.8	2.1	6.7	12.0	7.1	8.8	11.5	7.3	-10.3	9.0	9.6	4.0	3.7	1.5	3.0	3.3	5.3	3.3	2.8	2.4
World	0.8	3.4	5.9	10.9	8.2	9.4	7.8	3.4	-10.3	12.5	7.4	3.1	3.6	4.0	3.0	2.5	5.2	3.9	3.7	3.7
B. Contribution to world trade growth	Percentage points																			
Total OECD	0.3	1.6	2.4	6.1	4.5	5.7	4.1	0.8	-7.4	7.3	3.9	1.3	1.6	2.7	3.0	1.7	2.9	2.1	2.2	2.3
of which: OECD America [1]	-0.7	0.3	0.6	1.8	1.1	1.2	0.8	0.1	-1.9	2.1	1.0	0.5	0.4	0.7	0.5	0.2	0.6	0.7	0.6	0.6
OECD Europe	1.2	0.8	1.1	3.2	2.7	3.7	2.6	0.4	-4.3	3.8	2.2	0.4	1.0	1.5	2.3	1.4	1.8	1.0	1.3	1.3
OECD Asia and Pacific [2]	-0.2	0.6	0.6	1.1	0.6	0.7	0.7	0.3	-1.1	1.3	0.6	0.3	0.2	0.5	0.2	0.2	0.4	0.3	0.3	0.3
Total non-OECD	0.5	1.8	3.5	4.7	3.7	3.7	3.7	2.6	-3.0	5.1	3.6	1.8	2.0	1.2	0.0	0.8	2.3	1.8	1.4	1.4
of which: Brazil	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	0.3	0.1	0.0	0.1	0.0	-0.1	0.0	0.1	0.0	0.0	0.0
China	0.2	0.8	1.1	1.1	0.9	1.2	1.1	0.5	-0.3	1.6	1.2	0.6	0.9	0.6	0.0	0.4	0.9	0.7	0.5	0.5
India	0.0	0.1	0.1	0.2	0.4	0.3	0.1	0.4	-0.1	0.3	0.4	0.2	0.0	0.1	-0.1	0.0	0.2	0.2	0.1	0.1
Indonesia	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1
Russia	0.1	0.2	0.2	0.3	0.2	0.2	0.3	0.1	-0.4	0.3	0.2	0.1	0.1	-0.1	-0.2	0.0	0.2	0.1	0.1	0.1
Dynamic Asian Economies [3]	-0.4	0.6	0.8	1.5	0.9	0.8	0.7	0.4	-0.9	1.7	0.5	0.3	0.5	0.3	0.2	0.3	0.7	0.5	0.4	0.4
Other oil producers [4]	0.2	0.1	0.6	0.7	0.7	0.4	0.7	0.5	-0.5	0.2	0.4	0.3	0.2	0.3	0.1	-0.1	-0.1	0.0	0.1	0.1
Rest of the world [5]	0.3	0.1	0.4	0.7	0.4	0.5	0.6	0.4	-0.6	0.5	0.6	0.2	0.2	0.1	0.2	0.2	0.3	0.2	0.2	0.1
World	0.8	3.4	5.9	10.9	8.2	9.4	7.8	3.4	-10.3	12.5	7.4	3.1	3.6	4.0	3.0	2.5	5.2	3.9	3.7	3.7

Note: Regional aggregates are calculated inclusive of intra-regional trade as the sum of volumes expressed in 2010 USD.

1. Canada, Chile, Mexico and the United States.
2. Australia, Japan, Korea and New Zealand.
3. Chinese Taipei, Hong Kong - China, Malaysia, the Philippines, Singapore, Thailand and Vietnam.
4. Algeria, Angola, Azerbaijan, Bahrain, Brunei, Chad, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Sudan, Timor-Leste, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Venezuela and Yemen.
5. Other non-OECD countries which are non listed.

Source: OECD Economic Outlook 104 database.

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Annex Table 58. **Trade balances for goods and services**

USD billion, national accounts basis

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	3.8	15.2	14.6	11.6	11.9	13.1	12.6	13.7	17.0	12.3	9.0	11.4	-0.5	2.0	-6.8	-5.3	-16.8	-16.1	-3.1	-1.8
Australia	1.9	-4.8	-14.3	-19.3	-15.0	-12.5	-22.8	-12.5	-10.2	5.7	11.5	-23.8	-10.5	-9.9	-27.9	-10.1	7.4	7.5	0.6	-2.9
Austria	3.3	7.6	7.5	8.1	9.7	12.9	17.8	17.6	14.1	13.2	12.3	11.9	12.1	14.9	14.8	15.9	14.9	18.3	19.8	22.2
Belgium	8.1	14.4	16.8	17.7	14.0	15.0	18.0	3.0	11.1	8.7	2.8	3.1	6.5	3.4	6.5	6.3	5.8	3.0	1.7	0.6
Brazil	-12.7	2.7	12.6	22.8	30.5	30.0	18.8	-3.7	-7.3	-22.9	-20.2	-33.4	-57.2	-65.2	-23.2	7.1	20.9	5.6	-5.5	-5.5
Canada	41.8	32.8	34.1	44.9	45.6	35.2	30.5	28.3	-20.3	-30.9	-21.6	-35.9	-30.3	-17.6	-38.6	-37.2	-37.8	-42.2	-43.1	-42.8
Chile	1.2	1.5	3.9	9.8	10.8	22.4	23.8	4.8	13.6	14.1	8.4	-0.1	-1.7	2.5	-0.4	2.1	4.8	1.7	0.9	1.6
China	28.1	37.4	35.8	51.2	124.6	208.9	308.0	348.8	220.1	223.0	181.9	231.8	235.4	221.3	357.9	255.7	210.7	108.2	96.5	89.4
Colombia	-4.5	-4.7	-4.7	-4.5	-5.1	-6.8	-8.7	-7.1	-5.4	-4.6	-3.1	-4.5	-6.9	-15.9	-20.5	-19.3	-16.2	-14.6	-13.4	-13.1
Costa Rica	0.0	-0.3	-0.3	-0.1	-0.4	-0.7	-1.4	-2.7	-0.1	-0.7	-1.6	-1.8	-1.5	-1.3	-0.5	0.2	0.3	0.6	0.7	0.4
Czech Republic	-0.8	-1.1	-1.2	1.0	3.2	4.3	4.7	5.2	8.2	6.4	8.5	10.2	12.0	13.2	11.3	15.0	16.4	16.0	11.8	11.1
Denmark	11.8	12.3	14.9	14.2	14.6	11.6	9.3	12.6	14.5	22.4	22.0	19.7	22.7	24.5	20.6	21.0	23.3	16.6	18.0	17.5
Estonia	-0.2	-0.6	-0.8	-1.0	-0.7	-1.7	-2.0	-1.0	1.0	1.2	1.3	0.4	0.7	0.9	0.9	1.0	1.2	1.3	1.2	1.0
Finland	11.9	12.5	11.1	12.2	8.0	9.0	12.3	10.5	5.2	3.1	-2.3	-3.7	-2.4	-2.6	-1.1	-2.2	0.9	2.1	3.6	4.5
France	21.9	29.9	26.5	21.3	2.0	-5.4	-18.9	-33.9	-21.4	-33.4	-55.5	-34.6	-29.8	-32.8	-14.0	-20.3	-28.3	-26.1	-21.7	-15.3
Germany	35.2	92.7	93.0	139.7	143.8	160.3	231.5	224.3	169.8	174.8	180.7	217.1	226.5	271.4	269.5	271.2	281.5	279.0	249.9	241.4
Greece	-14.4	-15.7	-22.5	-20.4	-20.5	-28.8	-39.9	-45.0	-32.4	-25.9	-19.6	-10.9	-6.7	-5.7	0.1	-1.4	-2.0	-0.4	-0.5	-0.6
Hungary	-0.7	-1.4	-3.3	-4.1	-2.5	-1.2	1.0	0.5	5.4	7.0	8.6	8.5	9.4	8.9	10.0	12.6	10.6	9.5	8.1	8.0
Iceland	-0.1	0.1	-0.3	-0.7	-2.0	-2.9	-2.0	-0.7	1.2	1.4	1.2	0.9	1.2	1.1	1.2	1.3	1.0	0.5	0.4	0.5
India [1]	-4.3	-5.1	-4.2	-12.6	-23.0	-30.0	-50.0	-62.0	-74.2	-74.7	-119.0	-123.2	-56.4	-60.9	-48.4	-39.1	-77.5	-89.9	-110.8	-132.3
Indonesia	12.7	11.5	16.7	10.8	10.3	18.3	15.6	1.7	15.2	14.4	22.2	-3.6	-8.1	-6.8	3.2	7.5	12.2	-7.0	-7.8	-9.5
Ireland	17.1	22.2	25.0	27.9	23.2	18.9	22.5	23.7	32.0	36.8	44.5	38.9	44.3	46.2	83.4	46.5	100.6	128.8	126.7	134.6
Israel	-3.1	-3.5	-1.0	0.1	-0.2	0.2	-1.7	-1.4	5.5	5.0	1.4	0.0	5.4	5.8	9.7	5.9	5.9	-2.7	-3.7	-3.2
Italy	14.5	9.8	7.6	9.5	-1.7	-16.2	-8.2	-18.7	-14.3	-42.4	-35.3	20.3	49.2	61.4	53.2	59.7	59.9	54.6	49.9	50.0
Japan	28.4	55.7	75.9	97.4	72.0	64.0	85.4	21.5	29.2	83.2	-34.1	-95.8	-119.0	-120.9	-18.4	49.1	45.1	10.3	-21.6	0.2
Korea	8.3	9.0	13.8	29.2	21.9	8.0	12.7	-2.1	41.4	34.7	17.8	34.5	64.9	74.1	96.4	96.7	82.5	87.5	98.0	100.7
Latvia	-0.9	-1.0	-1.5	-2.3	-2.5	-4.5	-5.9	-4.6	-0.4	-0.3	-1.4	-1.3	-1.1	-0.5	-0.1	0.3	0.0	0.4	0.2	0.1
Lithuania	-0.7	-0.8	-1.1	-1.6	-1.9	-3.1	-5.2	-5.7	-0.6	-0.7	-1.1	0.4	0.6	1.0	-0.2	0.5	1.3	0.8	0.5	0.1
Luxembourg	5.1	6.1	7.1	7.9	9.5	13.9	17.4	16.8	16.1	17.4	19.5	17.6	19.8	21.4	19.0	19.9	20.8	24.2	23.8	24.8
Mexico	-13.8	-11.7	-10.5	-13.9	-13.0	-14.1	-18.3	-25.5	-14.8	-14.5	-16.6	-15.1	-15.2	-15.8	-23.8	-21.6	-21.1	-19.4	-13.6	-13.3
Netherlands	28.4	32.6	38.9	50.8	57.7	63.2	59.6	81.3	64.8	68.4	77.1	81.6	89.5	99.0	57.7	79.9	89.7	96.3	95.6	101.6
New Zealand	2.2	1.8	1.7	0.6	-1.3	-0.8	-0.2	-1.1	2.8	3.4	3.5	0.8	1.8	2.3	1.4	1.8	2.0	-0.3	-0.2	-0.1
Norway	29.0	25.8	29.1	34.9	49.3	58.5	54.2	80.0	44.5	48.5	64.3	66.5	56.4	45.2	21.9	6.1	12.6	25.1	30.2	33.7
Poland	-6.8	-6.8	-5.8	-6.8	-3.2	-7.1	-15.2	-27.3	-3.7	-9.6	-10.4	-2.2	10.2	7.8	14.7	19.1	21.3	17.4	14.0	12.7
Portugal	-12.4	-11.1	-11.5	-15.7	-18.0	-17.2	-18.4	-25.6	-16.9	-18.0	-10.5	-1.1	2.3	0.4	1.2	2.3	1.8	1.4	1.1	0.9
Russia	39.4	37.7	49.6	73.2	105.5	127.0	114.3	158.0	94.0	125.4	165.0	146.6	123.7	133.0	110.9	67.1	84.4	148.7	160.4	160.5
Slovak Republic	-1.7	-1.8	-0.6	-1.2	-2.2	-2.2	-0.9	-2.7	-1.2	-1.3	-0.9	3.4	4.2	3.5	1.4	3.1	3.3	3.2	4.0	4.2
Slovenia	-0.2	0.2	-0.1	-0.5	-0.2	0.0	-0.6	-1.1	0.9	0.7	0.9	2.0	2.7	3.7	3.7	4.1	4.7	5.4	5.3	5.5
South Africa	4.9	4.4	4.1	-0.4	-0.7	-4.6	-4.0	-4.9	1.3	4.7	3.5	-5.7	-8.5	-5.3	-4.0	1.9	5.1	2.6	4.5	3.3
Spain	-14.7	-14.5	-20.3	-41.3	-57.7	-74.9	-88.9	-84.9	-17.6	-18.6	-3.8	19.6	44.3	33.3	28.0	39.0	38.5	25.9	25.4	26.4
Sweden	14.9	16.8	21.2	29.0	28.0	31.9	34.1	32.4	24.8	26.8	26.6	26.8	26.2	25.0	24.2	22.6	19.7	17.1	17.6	18.2
Switzerland	15.8	20.6	23.6	34.8	29.7	37.0	54.4	59.0	41.6	62.2	58.9	70.0	83.4	83.5	79.5	77.6	73.8	82.2	77.5	78.2
Turkey	7.2	3.4	-3.4	-10.7	-17.1	-26.8	-33.2	-34.0	-5.4	-38.9	-68.4	-43.0	-55.2	-36.2	-22.7	-25.0	-38.4	-28.6	-4.4	-6.5
United Kingdom	-39.0	-50.0	-49.1	-61.6	-63.7	-63.2	-70.1	-73.6	-44.2	-54.3	-29.6	-40.6	-45.9	-48.7	-41.2	-41.8	-29.1	-21.3	-19.7	-12.3
United States	-367.9	-425.4	-503.1	-619.1	-721.2	-770.9	-718.4	-723.1	-396.5	-513.9	-579.5	-568.6	-490.8	-508.3	-521.4	-520.6	-578.4	-628.8	-754.5	-863.6
Euro area	100.2	182.6	175.2	211.2	162.4	139.2	190.2	153.9	210.1	183.7	208.7	364.5	462.6	518.9	524.1	525.8	594.7	618.0	586.5	601.9
Total OECD	-169.6	-142.2	-198.7	-229.1	-401.7	-487.5	-381.6	-503.2	-52.3	-157.6	-318.9	-222.8	-12.3	55.6	120.7	200.5	216.3	166.3	2.8	-60.6

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879368

Annex Table 59. **Balance of primary income**

USD billion

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-7.8	-7.6	-8.1	-9.5	-7.6	-7.7	-7.6	-9.0	-10.3	-14.5	-15.1	-13.8	-13.2	-11.6	-12.1	-12.1	-16.3	-15.1	-12.6	-13.1
Australia	-10.5	-11.7	-15.3	-22.2	-28.2	-32.7	-41.3	-38.1	-38.5	-49.7	-55.4	-41.3	-39.0	-32.9	-28.8	-30.1	-42.4	-46.8	-45.3	-45.3
Austria	-2.0	-0.2	0.4	0.6	0.2	0.8	-0.4	3.6	-0.2	3.3	1.4	0.5	1.3	0.4	-3.8	-0.4	-1.1	-1.9	-2.3	-2.3
Belgium	4.2	4.1	6.1	5.0	4.5	4.8	6.3	10.3	-2.5	8.8	5.8	11.4	7.3	3.7	-2.5	0.5	6.0	5.2	1.1	1.7
Brazil	-19.3	-17.7	-18.1	-20.1	-25.6	-27.0	-29.0	-41.8	-35.0	-67.1	-70.5	-54.3	-32.5	-52.2	-42.9	-41.1	-42.6	-35.1	-40.1	-42.1
Canada	-26.5	-20.7	-23.5	-21.1	-22.3	-15.6	-17.4	-23.4	-17.3	-23.4	-24.4	-25.6	-25.1	-22.4	-14.4	-9.5	-9.0	-8.6	-8.7	-8.7
Chile	-2.7	-3.0	-4.7	-8.1	-10.7	-18.8	-19.4	-14.7	-12.0	-15.5	-15.3	-12.6	-12.0	-9.1	-7.2	-7.0	-10.8	-12.4	-11.5	-13.0
China	-19.2	-14.9	-10.2	-5.1	-16.1	-5.1	8.0	28.6	-8.5	-25.9	-70.3	-19.9	-78.4	13.3	-41.1	-44.0	-34.4	-36.4	-28.7	-28.7
Colombia	-2.4	-2.6	-3.2	-4.1	-5.3	-5.7	-7.8	-9.6	-8.4	-11.2	-15.5	-15.0	-14.2	-12.5	-5.7	-5.2	-8.4	-8.4	-7.7	-8.0
Costa Rica	-0.7	-0.8	-0.8	-0.8	-0.8	-0.7	-0.7	-0.6	-1.0	-1.2	-1.4	-1.5	-1.8	-2.2	-2.5	-2.5	-2.9	-3.1	-2.8	-2.8
Czech Republic	-2.2	-3.5	-4.3	-5.0	-5.1	-6.9	-11.9	-8.8	-11.3	-13.1	-12.8	-12.2	-12.7	-12.6	-10.4	-10.3	-11.3	-13.1	-10.0	-9.7
Denmark	-3.5	-2.6	-2.4	-2.0	2.1	3.4	1.6	4.0	3.2	5.3	7.3	7.4	10.9	12.8	9.3	8.0	7.3	8.8	7.1	5.3
Estonia	-0.3	-0.3	-0.5	-0.6	-0.6	-0.8	-1.4	-1.3	-0.6	-1.0	-1.2	-0.9	-0.6	-0.7	-0.5	-0.5	-0.5	-0.6	-0.6	-0.6
Finland	-1.0	-0.6	-2.6	0.8	0.2	1.2	-0.4	-1.5	2.1	2.3	0.3	0.1	0.3	1.6	2.3	3.5	-0.1	-0.2	-0.1	-0.1
France	25.7	14.0	23.3	29.2	40.1	49.6	56.3	65.5	61.0	68.0	79.1	58.1	62.4	59.7	50.7	51.7	59.5	70.7	62.3	62.3
Germany	-15.6	-24.6	-22.2	20.3	25.0	50.7	50.2	37.6	77.2	65.5	96.3	82.6	79.4	74.4	76.7	67.4	76.8	85.7	88.4	91.9
Greece	-2.0	0.5	-1.4	-2.1	-3.3	-5.3	-9.1	-11.1	-9.4	-7.7	-9.1	1.0	-0.6	1.9	0.4	-0.4	-0.3	-0.3	-0.2	-0.4
Hungary	-2.8	-3.6	-4.1	-5.0	-5.4	-5.7	-9.0	-9.8	-6.0	-6.1	-6.8	-5.4	-3.6	-5.9	-5.5	-3.2	-5.6	-6.1	-5.9	-6.1
Iceland	-0.3	0.0	-0.2	-0.6	-0.7	-1.1	-1.0	-3.7	-2.3	-2.1	-1.8	-1.3	-0.2	-0.3	0.0	0.4	0.0	0.0	0.0	0.0
India [1]	-4.2	-3.5	-4.4	-5.0	-5.7	-7.4	-5.2	-7.0	-8.1	-17.8	-16.0	-21.5	-23.0	-24.2	-24.5	-26.2	-28.6	-30.7	-34.3	-38.7
Indonesia	..	..	..	-10.8	-12.8	-13.7	-15.3	-15.0	-15.0	-20.7	-26.5	-26.6	-27.1	-29.7	-28.4	-29.6	-32.8	-30.2	-29.2	-29.9
Ireland	-17.4	-23.5	-26.2	-29.6	-32.9	-32.6	-41.4	-40.2	-41.4	-36.8	-47.0	-43.7	-37.2	-40.4	-67.5	-55.2	-67.5	-75.4	-81.0	-90.3
Israel	-5.5	-4.6	-4.7	-4.1	-1.4	-0.8	-0.3	-4.1	-5.2	-4.4	-3.6	-6.6	-6.0	-1.9	-2.6	-3.0	-3.6	-1.5	-1.1	-1.1
Italy	-2.8	-5.0	-6.9	-2.4	3.9	9.2	2.6	-20.4	-2.4	-5.1	-7.0	-3.4	-3.4	0.6	-9.1	5.8	12.3	13.0	10.3	8.3
Japan	67.1	62.3	74.9	96.1	109.0	123.3	138.9	138.8	135.2	156.4	184.8	174.9	181.2	184.5	176.6	171.4	177.8	183.5	181.8	183.5
Korea	-3.5	-2.2	-2.5	-1.3	-7.3	-4.0	-3.4	-1.2	-2.4	0.5	6.6	12.1	9.1	4.2	3.6	3.9	0.1	-1.9	-3.8	-3.6
Latvia	0.0	0.0	0.0	-0.3	-0.2	-0.6	-1.2	-0.9	1.6	0.2	0.0	-0.2	-0.1	-0.1	-0.1	-0.1	-0.2	-0.6	-0.8	-0.8
Lithuania	..	..	..	-0.5	-0.4	-0.7	-1.6	-1.7	0.7	-0.7	-1.6	-1.3	-1.3	-0.7	-1.7	-1.7	-1.9	-2.0	-2.0	-2.0
Luxembourg	-1.9	-3.7	-5.3	-3.7	-4.7	-7.9	-11.1	-13.7	-11.2	-11.4	-12.7	-14.2	-16.4	-19.0	-18.9	-18.7	-18.7	-22.6	-22.4	-23.2
Mexico	-13.0	-12.2	-12.2	-10.0	-16.5	-15.5	-18.1	-16.1	-14.5	-12.3	-18.6	-26.5	-37.7	-31.3	-30.1	-28.4	-28.3	-32.4	-33.1	-34.1
Netherlands	-6.9	-5.7	-6.9	9.3	1.5	17.3	0.6	-17.3	-4.2	2.7	15.6	19.7	10.4	-5.7	0.6	-11.6	3.6	-1.5	-0.8	-0.6
New Zealand	-2.8	-3.1	-3.9	-5.4	-6.9	-7.5	-9.4	-10.1	-5.7	-6.8	-7.9	-7.3	-7.4	-8.2	-6.4	-5.5	-7.5	-6.7	-5.9	-5.9
Norway	0.2	0.6	1.4	0.5	3.3	0.3	-1.1	-2.7	2.4	4.5	4.7	4.2	5.5	18.3	16.1	15.7	16.5	22.6	23.7	24.2
Poland	-0.4	-0.8	-2.2	-8.1	-5.1	-7.2	-13.1	-10.2	-12.7	-15.6	-17.1	-15.6	-15.9	-18.6	-16.3	-19.6	-21.1	-21.4	-22.3	-22.3
Portugal	-2.7	-1.8	-1.6	-1.9	-2.8	-6.1	-7.3	-8.7	-9.3	-7.6	-6.5	-5.5	-2.7	-4.5	-4.8	-4.8	-5.5	-6.3	-4.7	-3.7
Russia	-3.9	-6.5	-13.4	-13.5	-18.2	-28.0	-28.2	-46.0	-39.6	-47.0	-60.9	-68.3	-79.5	-68.6	-38.0	-35.2	-42.2	-44.1	-44.3	-44.3
Slovak Republic	-0.2	-0.4	-1.5	-1.9	-1.7	-2.2	-3.0	-2.8	-0.8	-2.5	-3.3	-1.6	-0.7	-1.0	-1.5	-2.1	-2.2	-1.7	-1.6	-1.8
Slovenia	0.1	-0.1	-0.2	-0.4	-0.3	-0.5	-1.1	-1.5	-0.7	-0.5	-0.4	-0.7	-0.6	-0.6	-1.4	-1.3	-1.0	-1.2	-1.4	-1.5
South Africa	-3.8	-2.8	-4.6	-4.3	-4.9	-5.2	-9.8	-9.1	-6.7	-8.0	-10.7	-10.8	-9.6	-9.4	-7.9	-8.2	-10.5	-12.9	-14.7	-15.5
Spain	-8.2	-7.4	-6.9	-9.3	-16.6	-21.4	-36.5	-44.7	-26.7	-20.1	-25.5	-9.1	-7.0	-4.6	-3.2	1.1	-1.3	-1.3	-1.2	-1.2
Sweden	-1.1	-0.8	5.3	1.4	4.8	11.0	15.4	18.3	10.6	13.6	11.9	12.8	11.9	11.1	6.0	5.8	7.7	8.3	8.9	8.9
Switzerland	12.2	9.3	24.5	25.8	34.6	32.7	3.2	-35.9	9.8	34.1	9.3	16.8	16.8	2.3	15.5	5.0	9.6	9.8	11.6	13.2
Turkey	-5.0	-4.6	-5.6	-5.6	-5.4	-6.0	-6.3	-7.6	-7.7	-6.5	-7.2	-6.6	-8.6	-8.2	-9.8	-9.2	-11.1	-11.6	-13.6	-16.0
United Kingdom	11.9	23.4	26.4	25.4	34.9	2.7	-14.4	-24.6	-17.1	1.6	10.6	-28.3	-56.9	-62.1	-65.6	-67.6	-42.5	-43.9	-43.4	-43.0
United States	27.5	22.7	34.7	53.9	53.9	26.9	85.0	129.7	115.2	168.2	211.1	207.5	206.0	218.4	203.6	193.0	221.7	241.9	232.6	223.5
Euro area	-31.0	-54.8	-52.6	12.5	12.2	55.5	1.6	-48.7	33.2	57.6	84.0	92.9	90.5	65.0	15.6	33.0	57.8	58.9	42.9	35.7
Total OECD	8.3	-10.0	29.0	117.2	139.8	134.0	79.6	31.2	156.7	286.2	359.1	339.3	306.4	302.9	249.4	242.7	305.7	327.6	304.0	285.5

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879387

Annex Table 60. **Balance of secondary income**

USD billion

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	0.5	0.6	0.6	0.6	0.6	1.0	1.1	1.1	0.9	0.6	0.5	0.7	0.7	1.5	1.1	1.2	0.5	0.5	0.5	0.5
Australia	0.0	0.0	0.4	-0.3	-0.4	-0.6	0.0	-0.1	-0.7	-1.5	-2.3	-2.2	-1.6	-2.6	-0.8	-0.8	-1.3	-0.9	-1.0	-1.1
Austria	-3.6	-3.2	-3.7	-3.5	-3.7	-3.5	-3.7	-4.5	-3.8	-4.0	-4.2	-4.1	-5.2	-4.2	-3.5	-3.8	-3.2	-5.4	-5.7	-5.7
Belgium	-4.0	-4.1	-6.1	-6.0	-5.9	-5.9	-5.3	-8.3	-7.8	-6.8	-7.9	-7.7	-9.1	-8.5	-7.5	-8.4	-7.4	-8.0	-7.1	-7.3
Brazil	1.6	2.4	2.9	3.2	3.6	4.3	4.0	4.2	3.3	2.9	3.0	2.8	3.7	2.7	2.8	2.9	2.6	2.8	3.0	3.1
Canada	0.4	0.3	-0.2	-0.5	-1.5	-1.7	-2.2	-1.5	-3.1	-3.8	-3.7	-4.2	-3.9	-3.1	-3.1	-2.6	-2.1	-2.1	-2.3	-2.3
Chile	0.4	0.6	0.6	1.1	1.8	3.4	3.1	2.9	1.6	4.4	2.9	2.1	2.2	2.1	1.9	1.4	1.8	3.5	3.8	4.1
China	8.5	13.0	17.4	22.9	23.9	28.1	37.1	43.2	31.7	40.7	24.5	3.4	-8.7	1.4	-12.6	-9.5	-11.4	-13.8	-14.5	-14.5
Colombia	2.4	2.7	3.3	3.7	4.1	4.7	5.2	5.5	4.6	4.7	5.1	4.8	4.9	4.6	5.4	5.9	6.6	7.0	6.9	7.4
Costa Rica	0.1	0.2	0.2	0.2	0.3	0.3	0.5	0.4	0.3	0.4	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.7	1.0
Czech Republic	0.5	0.9	0.6	0.0	-0.7	-0.8	-1.1	-0.7	-1.1	-0.6	-1.0	-1.4	-0.5	-0.4	0.0	-1.1	-2.0	-0.9	-0.8	-0.9
Denmark	-3.3	-3.2	-4.4	-5.5	-5.5	-5.6	-6.2	-6.1	-6.5	-6.5	-6.6	-6.6	-6.9	-5.9	-4.9	-4.3	-4.5	-5.3	-4.6	-4.6
Estonia	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.2	0.1	0.1	0.1
Finland	-0.8	-0.8	-1.2	-1.8	-2.1	-2.2	-2.4	-2.9	-3.0	-2.7	-2.7	-2.2	-3.2	-3.3	-2.9	-2.8	-2.3	-2.5	-2.3	-2.3
France	-22.3	-24.7	-32.1	-37.1	-41.0	-41.1	-47.2	-50.2	-51.0	-48.1	-51.7	-54.2	-59.6	-64.5	-49.9	-51.8	-49.7	-50.3	-47.1	-47.1
Germany	-26.0	-27.5	-35.2	-37.2	-39.1	-40.1	-47.8	-52.8	-51.8	-53.3	-50.0	-50.6	-55.7	-53.8	-42.8	-43.6	-61.4	-55.8	-51.4	-48.6
Greece	3.5	1.2	1.2	1.1	0.1	0.5	-1.6	-0.5	-1.3	-2.4	-2.1	-1.2	2.4	-0.4	-0.6	-0.7	-0.7	-0.4	-0.3	-0.3
Hungary	0.4	0.5	0.7	-0.5	-1.2	-1.2	-1.6	-1.9	-0.4	-0.5	-0.8	-1.0	-0.7	-0.9	-1.0	-1.6	-0.4	-0.7	-0.7	-0.7
Iceland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.3	-0.1	-0.2	-0.1	-0.1	-0.1
India [1]	15.8	16.8	22.3	20.7	24.6	30.0	41.8	45.0	52.3	53.3	63.6	64.0	65.3	65.6	62.6	56.0	62.4	65.8	70.2	79.0
Indonesia	..	..	..	1.1	4.8	4.9	5.1	5.4	4.6	4.6	4.2	4.1	4.2	5.2	5.5	4.5	4.5	6.5	6.5	7.2
Ireland	-0.3	-0.7	-1.5	-1.6	-2.2	-2.6	-3.5	-4.0	-4.1	-3.6	-3.7	-3.4	-3.9	-3.7	-3.7	-4.2	-5.2	-6.3	-6.7	-7.1
Israel	6.7	6.9	6.5	6.2	6.1	7.6	7.4	8.1	7.3	8.2	8.4	8.1	9.2	9.8	9.2	8.9	7.9	7.7	7.6	7.7
Italy	-5.0	-7.4	-9.0	-13.8	-17.4	-20.5	-24.6	-26.4	-25.7	-26.5	-26.8	-25.1	-24.0	-21.1	-17.0	-18.5	-16.6	-17.2	-10.3	-9.7
Japan	-8.1	-5.6	-7.8	-8.0	-7.3	-10.6	-11.6	-13.2	-11.9	-12.7	-15.2	-14.1	-10.0	-18.8	-16.6	-20.2	-19.2	-19.4	-20.2	-20.2
Korea	-1.3	-2.1	-3.2	-3.0	-3.3	-4.4	-4.4	-1.3	-2.2	-5.3	-4.7	-5.5	-4.2	-5.0	-5.0	-5.8	-7.1	-9.2	-11.2	-11.2
Latvia	0.1	0.3	0.5	0.7	0.5	0.4	0.3	0.5	0.6	0.6	0.5	0.5	0.4	0.0	0.2	0.2	0.4	0.4	0.5	0.5
Lithuania	..	..	..	0.4	0.4	0.6	0.8	0.7	0.5	0.9	0.8	0.4	1.1	1.3	1.1	0.9	1.0	1.1	1.2	1.3
Luxembourg	-0.7	-0.4	0.2	-0.1	0.1	0.1	0.3	0.2	-0.9	0.2	0.1	-0.4	0.3	0.3	0.8	0.8	0.7	1.1	1.1	1.1
Mexico	9.3	10.3	15.6	18.8	22.1	25.9	26.3	25.3	21.5	21.4	22.9	22.4	21.5	22.8	24.1	26.5	29.7	28.8	20.1	19.6
Netherlands	-2.0	-2.8	-2.8	-11.0	-12.1	-14.2	-16.5	-15.7	-11.4	-14.0	-14.8	-13.8	-17.7	-14.5	-9.8	-5.3	-5.5	-4.6	-2.7	-2.8
New Zealand	0.1	0.1	0.2	0.1	0.2	0.4	0.4	0.7	0.3	0.0	-0.2	-0.4	-0.4	-0.4	-0.2	-0.2	-0.3	-0.4	-0.2	-0.2
Norway	-1.7	-2.4	-3.3	-2.9	-2.7	-3.0	-3.5	-3.8	-4.8	-5.9	-7.1	-6.7	-7.9	-7.8	-6.9	-7.0	-6.7	-6.6	-6.6	-6.8
Poland	0.6	1.3	2.2	0.7	0.2	0.7	1.1	1.4	-1.4	-0.1	1.1	-0.2	-0.5	-0.5	-1.0	-1.5	-0.1	-1.4	-2.4	-2.4
Portugal	2.2	1.4	1.1	1.5	0.7	0.9	1.5	1.5	0.2	0.3	0.8	1.3	2.0	2.1	1.7	1.8	2.5	2.7	2.5	2.6
Russia	-0.8	-0.7	-0.4	-0.9	-1.5	-2.5	-5.5	-7.0	-5.5	-6.2	-5.8	-6.1	-9.2	-8.4	-5.7	-6.2	-9.0	-9.3	-7.7	-7.7
Slovak Republic	-0.1	-0.1	0.0	-0.1	-0.2	-0.3	-0.6	-1.1	-1.4	-0.7	-1.1	-1.3	-2.0	-1.8	-1.4	-1.5	-1.4	-2.1	-2.3	-2.3
Slovenia	0.1	0.1	0.0	-0.1	-0.2	-0.3	-0.4	-0.4	-0.5	-0.2	-0.1	-0.1	-0.5	-0.4	-0.4	-0.4	-0.3	-0.4	-0.3	-0.3
South Africa	-0.7	-0.6	-1.0	-1.7	-2.5	-2.4	-2.3	-2.3	-2.7	-2.3	-2.0	-3.8	-3.2	-3.2	-2.6	-1.9	-2.9	-2.8	-2.4	-2.4
Spain	-4.7	-4.9	-8.6	-9.6	-12.7	-18.0	-18.2	-22.7	-20.5	-17.7	-19.1	-14.7	-17.1	-14.8	-11.6	-13.0	-12.4	-10.7	-10.2	-10.2
Sweden	-3.1	-3.6	-4.2	-5.4	-6.0	-6.4	-6.8	-8.4	-6.3	-8.1	-9.2	-10.8	-10.3	-10.3	-8.3	-7.0	-8.3	-8.5	-7.5	-7.5
Switzerland	-4.0	-4.4	-3.7	-3.9	-8.4	-6.3	-6.2	-9.1	-8.3	-8.4	-8.8	-8.7	-12.6	-18.9	-13.1	-9.9	-13.5	-9.4	-9.3	-9.3
Turkey	3.0	2.4	1.0	1.1	1.5	1.9	2.2	2.1	2.4	1.5	1.8	1.4	1.2	1.3	1.4	1.7	2.7	-1.2	-2.7	-2.9
United Kingdom	-9.3	-13.4	-16.8	-19.2	-22.2	-22.0	-26.2	-24.8	-23.1	-30.4	-32.4	-32.4	-39.5	-38.4	-35.4	-30.4	-27.0	-29.2	-27.5	-27.5
United States	-55.7	-54.5	-59.6	-75.6	-84.9	-71.1	-90.7	-102.3	-103.9	-104.3	-107.0	-96.9	-93.6	-94.0	-112.8	-123.9	-118.6	-116.2	-118.6	-118.9
Euro area	-63.2	-73.6	-97.1	-118.3	-134.8	-146.2	-169.0	-186.5	-181.8	-177.7	-181.7	-176.6	-191.8	-187.3	-147.4	-150.3	-161.3	-158.1	-141.1	-138.2
Total OECD	-128.2	-139.6	-172.6	-215.3	-246.8	-240.1	-288.8	-319.1	-322.5	-330.3	-343.9	-333.7	-350.6	-358.5	-320.2	-328.4	-330.7	-329.7	-325.3	-323.4

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879406

Annex Table 61. **Current account balances**

USD billion

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-3.8	8.7	8.1	3.1	5.1	6.5	6.0	5.4	7.3	-1.6	-5.3	-2.1	-13.1	-9.2	-17.6	-14.7	-31.3	-26.6	-12.1	-11.4
Australia	-8.6	-16.5	-29.2	-41.8	-43.6	-45.8	-64.2	-50.7	-49.3	-45.5	-46.2	-67.4	-51.2	-45.4	-57.5	-41.0	-36.3	-40.2	-45.7	-49.2
Austria	-2.0	6.9	5.3	7.8	8.0	11.1	14.8	19.5	10.4	11.2	7.0	6.1	8.3	10.6	6.6	9.8	8.2	10.2	10.8	13.2
Belgium	6.9	10.2	11.3	12.2	8.2	8.0	9.0	-4.7	-5.0	8.2	-5.7	-0.3	-1.5	-4.8	-4.7	-2.8	3.8	-2.1	-4.2	-5.0
Brazil	-23.7	-8.1	3.8	11.3	13.5	13.0	0.4	-30.6	-26.3	-75.8	-77.0	-74.2	-74.8	-104.2	-59.4	-23.5	-9.8	-21.6	-36.1	-38.0
Canada	15.8	12.5	10.3	23.2	21.9	17.9	10.9	3.3	-40.7	-58.2	-49.7	-65.7	-59.4	-43.1	-56.1	-49.4	-48.9	-52.8	-54.0	-53.8
Chile	-0.6	0.0	-0.2	2.8	1.8	7.0	7.4	-6.7	3.2	3.1	-4.1	-10.5	-11.2	-4.3	-5.5	-3.5	-4.1	-7.1	-6.8	-7.3
China	17.4	35.4	43.1	68.9	132.4	231.8	353.2	420.6	243.3	237.8	136.1	215.4	148.2	236.0	304.2	202.2	164.9	58.0	53.3	46.2
Colombia	-1.0	-1.3	-0.9	-0.8	-1.9	-2.9	-6.0	-6.5	-4.6	-8.7	-9.8	-11.4	-12.5	-19.8	-18.6	-12.0	-10.6	-10.8	-10.4	-10.7
Costa Rica	-0.5	-0.8	-0.9	-0.7	-0.8	-0.9	-1.5	-2.6	-0.5	-1.2	-2.3	-2.4	-2.5	-2.5	-2.1	-1.3	-1.7	-1.6	-1.5	-1.4
Czech Republic	-3.3	-4.2	-5.7	-4.4	-2.9	-3.9	-8.8	-4.4	-4.5	-7.4	-5.0	-3.3	-1.1	0.3	0.5	3.1	2.3	1.9	0.8	0.2
Denmark	4.1	5.0	7.3	5.7	11.2	9.4	4.7	10.4	11.2	21.2	22.7	20.5	26.7	31.4	25.0	24.7	26.1	19.9	20.5	18.1
Estonia	-0.4	-0.8	-1.3	-1.5	-1.2	-2.6	-3.4	-2.1	0.5	0.3	0.3	-0.4	0.1	0.2	0.4	0.5	0.8	0.8	0.7	0.5
Finland	10.4	11.5	7.9	11.4	6.2	8.0	9.5	6.1	4.0	2.8	-4.8	-5.9	-5.3	-4.2	-1.7	-1.8	-1.7	-0.8	1.4	2.7
France	21.7	17.0	15.5	11.2	2.4	6.0	-3.1	-20.4	-15.0	-16.6	-24.4	-25.9	-14.4	-27.9	-8.9	-18.7	-14.3	-11.1	-5.9	0.5
Germany	-6.0	40.8	35.5	122.3	129.5	169.8	233.6	209.1	195.3	185.7	226.3	250.5	254.7	292.9	302.5	296.2	297.1	311.0	286.9	284.7
Greece	-10.8	-10.6	-17.2	-18.5	-21.9	-31.5	-48.6	-53.8	-41.0	-34.3	-28.9	-9.5	-4.9	-3.8	-0.5	-2.4	-2.0	-1.5	-1.0	-1.3
Hungary	-3.1	-4.3	-6.8	-8.8	-7.9	-8.0	-9.9	-11.1	-0.9	0.4	1.0	2.2	5.2	2.1	3.5	7.8	4.4	2.7	1.4	1.1
Iceland	-0.4	0.1	-0.6	-1.4	-2.7	-4.0	-3.0	-4.4	-1.3	-0.9	-0.8	-0.6	0.9	0.7	0.9	1.6	0.8	0.3	0.4	0.4
India [1]	3.3	6.4	13.9	-3.5	-10.3	-9.5	-15.8	-26.2	-37.4	-48.2	-78.3	-88.4	-32.9	-26.8	-22.4	-14.7	-49.0	-55.5	-79.8	-98.2
Indonesia	6.9	7.8	8.1	1.6	0.3	10.9	10.5	0.1	10.6	5.1	1.7	-24.4	-29.1	-27.5	-17.5	-17.0	-17.3	-29.3	-28.2	-29.7
Ireland	-0.7	-1.2	0.8	-0.2	-7.4	-12.4	-17.6	-17.4	-11.1	-2.7	-3.9	-7.6	3.8	2.7	12.9	-12.6	29.0	42.5	39.0	37.3
Israel	-1.9	-1.1	0.8	2.0	4.4	6.3	5.6	2.2	6.8	9.1	5.3	1.5	8.7	13.3	15.9	11.9	9.3	3.6	2.8	3.3
Italy	6.1	-3.7	-9.4	-6.4	-16.6	-29.2	-30.9	-66.6	-41.2	-72.5	-68.4	-7.1	21.1	40.8	27.0	47.4	54.6	52.3	50.7	49.4
Japan	87.0	108.6	139.3	182.3	170.2	175.7	212.9	142.2	146.5	221.3	128.1	62.5	46.3	36.6	136.4	189.2	196.6	163.6	129.6	153.1
Korea	2.7	4.7	11.9	29.7	12.7	3.6	11.8	3.2	33.6	28.9	18.7	50.8	81.1	84.4	105.9	99.2	78.5	83.3	90.7	93.7
Latvia	-0.6	-0.6	-0.9	-1.8	-2.0	-4.6	-6.4	-4.5	2.1	0.5	-0.9	-1.0	-0.8	-0.5	-0.1	0.4	0.2	0.1	-0.3	-0.4
Lithuania	..	..	..	-1.7	-1.9	-3.2	-6.1	-6.4	0.4	-0.6	-1.9	-0.5	0.5	1.4	-1.0	-0.6	0.5	0.3	-0.3	-0.5
Luxembourg	1.5	2.1	2.0	4.1	4.1	4.2	5.0	4.2	3.7	3.5	3.6	3.2	3.4	3.3	2.9	3.0	2.9	3.6	2.9	3.0
Mexico	-17.8	-14.9	-8.3	-7.0	-9.1	-3.8	-10.1	-17.0	-7.9	-5.2	-12.5	-18.7	-31.2	-24.6	-30.3	-23.9	-19.5	-25.0	-26.6	-27.8
Netherlands	10.3	11.8	30.1	49.9	48.3	66.6	58.3	48.1	47.5	58.8	77.3	85.5	85.4	75.5	48.5	63.1	87.9	94.9	98.0	104.1
New Zealand	-0.4	-1.3	-2.0	-4.7	-8.0	-7.9	-9.1	-10.4	-2.8	-3.3	-4.7	-6.9	-5.8	-6.2	-5.0	-4.0	-5.8	-7.4	-6.2	-6.2
Norway	27.5	24.2	27.6	32.8	50.7	56.5	50.3	74.1	42.3	47.4	62.5	63.4	53.4	55.0	31.0	14.8	22.5	39.3	44.6	48.5
Poland	-6.2	-5.8	-5.7	-13.8	-8.0	-13.9	-27.4	-35.8	-17.9	-25.9	-27.4	-18.6	-6.7	-11.4	-2.7	-2.5	0.6	-1.4	-5.5	-6.9
Portugal	-12.7	-11.4	-11.9	-15.8	-19.5	-22.2	-23.5	-31.9	-25.5	-24.2	-14.8	-3.9	3.6	0.2	0.2	1.2	1.0	-2.1	-1.0	-0.1
Russia	33.2	27.7	33.3	58.0	84.9	94.8	73.6	104.7	49.5	69.8	96.4	71.2	33.2	55.8	67.5	24.9	33.3	90.8	105.3	105.4
Slovak Republic	-1.7	-1.9	-1.9	-3.3	-4.1	-4.4	-4.1	-6.1	-3.0	-4.2	-4.9	0.9	1.8	1.2	-1.5	-1.3	-2.0	-1.3	0.1	0.1
Slovenia	0.0	0.2	-0.2	-0.9	-0.6	-0.7	-2.0	-3.0	-0.3	-0.1	0.1	1.0	2.1	2.9	2.0	2.5	3.5	3.8	3.5	3.6
South Africa	0.3	1.1	-1.5	-6.4	-8.1	-12.1	-16.2	-16.3	-8.1	-5.6	-9.2	-20.2	-21.2	-17.8	-14.5	-8.1	-8.3	-13.1	-12.6	-14.5
Spain	-27.5	-26.5	-35.3	-59.8	-86.7	-114.0	-143.3	-152.5	-64.0	-56.0	-47.2	-3.3	20.6	14.6	13.9	28.0	24.3	14.1	14.2	15.2
Sweden	11.4	11.8	19.6	22.9	23.5	34.5	40.0	40.8	26.0	29.2	31.5	30.4	30.3	26.1	22.6	21.8	17.7	14.3	19.0	19.6
Switzerland	22.7	25.6	44.7	57.7	55.0	61.6	48.0	13.0	40.7	86.1	54.5	71.3	79.7	60.2	75.6	66.1	64.4	78.6	75.8	79.1
Turkey	3.8	-0.6	-7.6	-14.2	-21.0	-31.2	-36.9	-39.4	-11.4	-44.6	-74.4	-48.0	-63.6	-43.6	-32.2	-33.2	-47.4	-43.2	-22.0	-26.7
United Kingdom	-36.5	-40.0	-39.4	-55.4	-51.0	-82.5	-110.7	-123.0	-84.4	-83.0	-51.5	-101.3	-142.3	-149.3	-142.1	-139.7	-98.6	-94.4	-90.6	-82.8
United States	-389.7	-450.8	-518.8	-631.6	-745.2	-806.0	-711.0	-681.4	-372.5	-431.3	-445.7	-426.8	-348.8	-365.2	-407.8	-432.9	-449.1	-486.4	-626.0	-744.6
Euro area	-5.4	43.7	30.3	108.9	44.8	49.1	41.1	-82.2	57.9	59.8	108.8	281.7	378.7	404.8	398.5	411.9	493.9	514.8	495.4	506.7
Total OECD	-298.9	-303.4	-332.5	-315.0	-503.1	-585.3	-558.4	-777.2	-225.5	-198.8	-288.8	-183.4	-10.2	21.8	76.6	122.1	207.4	164.4	-2.7	-81.4

Note: Balance-of-payments data in this table are based on the concepts and definition of the International Monetary Fund, Fifth and Sixth Balance of Payments Manual.

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879425

Annex Table 62. **Current account balances as a percentage of GDP**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Argentina	-1.3	8.4	5.8	1.8	2.5	2.8	2.1	1.4	2.2	-0.4	-1.0	-0.4	-2.2	-1.6	-2.8	-2.7	-4.9	-5.0	-2.9	-2.3
Australia	-2.3	-3.9	-5.4	-6.4	-6.0	-5.9	-6.8	-4.7	-4.8	-3.6	-3.1	-4.3	-3.4	-3.1	-4.7	-3.3	-2.6	-2.9	-3.3	-3.4
Austria	-1.0	3.2	2.0	2.6	2.5	3.3	3.8	4.5	2.6	2.9	1.6	1.5	1.9	2.5	1.7	2.5	1.9	2.2	2.4	2.8
Belgium	2.9	4.0	3.5	3.3	2.1	1.9	2.0	-1.0	-1.1	1.8	-1.1	-0.1	-0.3	-0.9	-1.0	-0.6	0.7	-0.4	-0.8	-0.9
Brazil	-4.2	-1.3	0.7	1.7	1.5	1.2	0.1	-1.8	-1.5	-3.4	-2.9	-3.0	-3.0	-4.2	-3.1	-1.3	-0.5	-1.2	-1.8	-1.8
Canada	2.1	1.7	1.1	2.3	1.8	1.4	0.8	0.1	-2.9	-3.6	-2.8	-3.6	-3.2	-2.4	-3.6	-3.2	-2.9	-3.1	-3.0	-2.9
Chile	-0.7	-0.1	-0.3	2.9	1.5	4.5	4.3	-4.0	1.9	1.4	-1.6	-3.9	-4.0	-1.6	-2.3	-1.4	-1.5	-2.4	-2.3	-2.3
China	1.3	2.4	2.6	3.5	5.8	8.4	9.9	9.1	4.8	3.9	1.8	2.5	1.5	2.3	2.8	1.8	1.4	0.4	0.4	0.3
Colombia	-1.1	-1.4	-1.0	-0.7	-1.3	-1.8	-2.9	-2.7	-2.0	-3.0	-2.9	-3.1	-3.3	-5.2	-6.3	-4.3	-3.4	-3.2	-3.1	-3.0
Costa Rica	-3.2	-5.1	-5.1	-3.6	-4.2	-4.1	-5.5	-8.3	-1.7	-3.2	-5.4	-5.3	-4.9	-5.0	-3.8	-2.3	-2.9	-2.7	-2.4	-2.2
Czech Republic	-4.8	-5.1	-5.7	-3.7	-2.1	-2.5	-4.6	-1.9	-2.3	-3.6	-2.1	-1.6	-0.5	0.2	0.2	1.6	1.1	0.8	0.3	0.1
Denmark	2.5	2.8	3.4	2.3	4.2	3.3	1.4	2.9	3.5	6.6	6.6	6.3	7.8	8.9	8.2	7.9	8.0	5.7	5.8	5.0
Estonia	-7.1	-11.4	-12.9	-12.3	-8.9	-15.1	-15.3	-8.7	2.3	1.7	1.2	-1.9	0.6	0.9	1.7	1.9	3.1	2.7	2.3	1.5
Finland	8.1	8.2	4.6	5.8	3.0	3.7	3.7	2.1	1.6	1.1	-1.7	-2.3	-1.9	-1.5	-0.7	-0.7	-0.7	-0.3	0.5	0.9
France	1.6	1.1	0.8	0.5	0.1	0.3	-0.1	-0.7	-0.6	-0.6	-0.9	-1.0	-0.5	-1.0	-0.4	-0.8	-0.6	-0.4	-0.2	0.0
Germany	-0.3	1.9	1.4	4.3	4.5	5.6	6.8	5.5	5.7	5.4	6.0	7.1	6.8	7.5	9.0	8.5	8.0	7.7	7.2	6.8
Greece	-7.9	-6.8	-8.5	-7.7	-8.9	-11.5	-15.2	-15.1	-12.3	-11.4	-10.0	-3.8	-2.0	-1.6	-0.2	-1.2	-1.0	-0.7	-0.5	-0.6
Hungary	-5.8	-6.3	-8.0	-8.5	-7.0	-7.0	-7.1	-7.0	-0.8	0.3	0.7	1.7	3.8	1.5	2.8	6.2	3.2	1.7	0.9	0.6
Iceland	-4.3	1.1	-4.9	-9.8	-15.8	-23.1	-13.8	-22.3	-9.4	-6.4	-5.1	-3.8	5.8	3.9	5.2	7.5	3.3	1.3	1.6	1.6
India [1]	0.7	1.3	2.3	-0.5	-1.3	-1.0	-1.3	-2.2	-2.8	-2.9	-4.3	-4.8	-1.7	-1.3	-1.1	-0.6	-1.9	-2.1	-2.8	-3.0
Indonesia	3.9	3.7	3.1	0.6	0.1	2.7	2.2	0.0	1.8	0.7	0.2	-2.7	-3.1	-3.1	-2.0	-1.8	-1.7	-2.8	-2.6	-2.5
Ireland	-0.6	-1.0	0.5	-0.1	-3.5	-5.4	-6.5	-6.2	-4.6	-1.2	-1.6	-3.4	1.6	1.1	4.4	-4.2	8.5	11.5	10.5	9.5
Israel	-1.5	-0.9	0.6	1.5	3.1	4.1	3.2	1.1	3.2	3.9	2.0	0.6	3.0	4.3	5.3	3.7	2.6	1.0	0.7	0.9
Italy	0.5	-0.3	-0.6	-0.3	-0.9	-1.5	-1.4	-2.8	-1.9	-3.4	-3.0	-0.3	1.0	1.9	1.5	2.5	2.8	2.5	2.5	2.4
Japan	2.0	2.6	3.1	3.8	3.6	3.9	4.7	2.8	2.8	3.9	2.1	1.0	0.9	0.8	3.1	3.8	4.0	3.3	2.6	3.0
Korea	0.5	0.8	1.7	3.9	1.4	0.3	1.1	0.6	3.8	2.7	1.6	4.1	6.2	6.0	7.7	7.0	5.1	5.2	5.5	5.4
Latvia	-7.5	-6.5	-7.8	-12.3	-11.9	-20.9	-20.8	-12.4	7.8	2.0	-3.2	-3.6	-2.7	-1.7	-0.5	1.6	0.7	0.4	-0.8	-1.0
Lithuania	..	..	..	-7.7	-7.3	-10.6	-15.1	-13.1	0.9	-1.6	-4.3	-1.2	1.2	2.9	-2.4	-1.3	1.1	0.6	-0.5	-0.9
Luxembourg	7.1	9.3	6.5	11.8	11.0	9.9	9.7	7.6	7.2	6.7	6.0	5.6	5.4	5.2	5.1	5.1	4.9	5.2	4.1	4.1
Mexico	-2.3	-1.9	-1.1	-0.9	-1.0	-0.4	-1.0	-1.6	-0.9	-0.5	-1.1	-1.5	-2.4	-1.9	-2.6	-2.2	-1.7	-2.0	-2.1	-2.0
Netherlands	2.4	2.4	5.1	7.6	7.1	9.1	6.9	5.0	5.4	6.9	8.5	10.2	9.8	8.4	6.3	8.1	10.5	10.4	10.6	10.8
New Zealand	-0.8	-2.2	-2.4	-4.6	-7.1	-7.1	-6.8	-7.7	-2.3	-2.2	-2.8	-3.9	-3.1	-3.1	-2.8	-2.2	-2.9	-3.6	-3.1	-2.9
Norway	15.8	12.3	12.1	12.4	16.5	16.3	12.4	15.8	10.7	11.0	12.5	12.4	10.2	11.0	8.0	4.0	5.6	9.0	10.0	10.4
Poland	-3.2	-2.9	-2.6	-5.5	-2.6	-4.0	-6.4	-6.6	-4.0	-5.4	-5.2	-3.7	-1.3	-2.1	-0.6	-0.5	0.1	-0.2	-0.9	-1.1
Portugal	-10.4	-8.5	-7.2	-8.3	-9.9	-10.7	-9.7	-12.1	-10.4	-10.1	-6.0	-1.8	1.6	0.1	0.1	0.6	0.5	-0.9	-0.4	-0.1
Russia	10.0	7.5	7.2	9.1	10.3	8.9	5.2	5.8	3.7	4.2	4.7	3.2	1.4	2.7	4.9	1.9	2.1	5.6	6.3	6.0
Slovak Republic	-8.1	-7.7	-5.8	-7.6	-8.3	-7.7	-5.2	-6.2	-3.4	-4.7	-5.0	0.9	1.9	1.1	-1.7	-1.5	-2.1	-1.2	0.1	0.0
Slovenia	0.0	0.9	-0.8	-2.7	-1.8	-1.8	-4.1	-5.3	-0.6	-0.1	0.2	2.1	4.4	5.8	4.5	5.5	7.2	7.0	6.4	6.2
South Africa	0.3	0.9	-0.8	-2.8	-3.1	-4.5	-5.4	-5.5	-2.7	-1.5	-2.2	-5.1	-5.8	-5.1	-4.6	-2.8	-2.4	-3.5	-3.5	-3.8
Spain	-4.4	-3.7	-3.9	-5.6	-7.5	-9.0	-9.6	-9.3	-4.3	-3.9	-3.2	-0.2	1.5	1.1	1.2	2.3	1.8	1.0	1.0	1.0
Sweden	4.7	4.5	5.9	6.0	6.1	8.2	8.2	7.8	6.0	6.0	5.6	5.6	5.2	4.5	4.5	4.3	3.3	2.6	3.5	3.4
Switzerland	8.1	8.3	12.6	14.7	13.4	14.3	10.0	2.3	7.3	14.7	7.8	10.7	11.6	8.5	11.1	9.9	9.5	11.1	10.7	10.8
Turkey	2.0	-0.3	-2.4	-3.5	-4.2	-5.7	-5.4	-5.0	-1.7	-5.7	-8.9	-5.5	-6.7	-4.7	-3.7	-3.8	-5.6	-5.3	-2.9	-3.1
United Kingdom	-2.2	-2.3	-1.9	-2.3	-2.0	-3.0	-3.6	-4.2	-3.6	-3.4	-2.0	-3.8	-5.1	-4.9	-4.9	-5.2	-3.7	-3.4	-3.3	-2.9
United States	-3.7	-4.1	-4.5	-5.2	-5.7	-5.8	-4.9	-4.6	-2.6	-2.9	-2.9	-2.6	-2.1	-2.1	-2.2	-2.3	-2.3	-2.4	-2.9	-3.3
Euro area	-0.1	0.6	0.3	1.1	0.4	0.4	0.3	-0.6	0.4	0.5	0.8	2.2	2.9	3.0	3.4	3.5	3.9	3.8	3.6	3.6
Total OECD	-1.1	-1.1	-1.1	-0.9	-1.4	-1.5	-1.3	-1.7	-0.5	-0.4	-0.6	-0.4	0.0	0.1	0.2	0.3	0.4	0.3	0.0	-0.1

1. Fiscal year.

Source: OECD Economic Outlook 104 database.

StatLink http://dx.doi.org/10.1787/888933879444

Annex Table 63. **Structure of current account balances of major world regions**

USD billion

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Goods and services trade balance[1]																				
Total OECD	-170	-142	-199	-229	-402	-487	-382	-503	-52	-158	-319	-223	-12	56	121	200	216	166	3	-61
Brazil	-13	3	13	23	30	30	19	-4	-7	-23	-20	-33	-57	-65	-23	7	21	6	-6	-6
China	28	37	36	51	125	209	308	349	220	223	182	232	235	221	358	256	211	108	96	89
India	-5	-3	-7	-11	-21	-28	-36	-71	-60	-84	-103	-121	-80	-59	-53	-40	-68	-82	-106	-126
Indonesia	13	12	17	11	10	18	16	2	15	14	22	-4	-8	-7	3	8	12	-7	-8	-10
Russia	39	38	50	73	106	127	114	158	94	125	165	147	124	133	111	67	84	149	160	161
Dynamic Asian Economies [2]	55	67	83	78	97	126	160	124	152	154	157	143	148	182	207	211	213	198	204	207
Other oil producers [3]	82	81	118	181	309	367	335	477	140	316	630	622	567	403	-4	29	141	331	413	430
Rest of the world [4]	-48	-35	-40	-59	-80	-103	-162	-237	-139	-150	-184	-230	-239	-230	-233	-207	-218	-247	-245	-255
World [5]	-18	57	70	118	174	259	372	296	362	418	530	533	678	634	486	531	613	622	512	429
Balance of primary income																				
Total OECD	8	-10	29	117	140	134	80	31	157	286	359	339	306	303	249	243	306	328	304	286
Brazil	-19	-18	-18	-20	-26	-27	-29	-42	-35	-67	-70	-54	-33	-52	-43	-41	-43	-35	-40	-42
China	-19	-15	-10	-5	-16	-5	8	29	-9	-26	-70	-20	-78	13	-41	-44	-34	-36	-29	-29
India	-4	-4	-5	-4	-6	-6	-7	-5	-8	-15	-16	-21	-22	-25	-23	-27	-26	-31	-34	-37
Indonesia	..	..	..	-11	-13	-14	-15	-15	-15	-21	-27	-27	-27	-30	-28	-30	-33	-30	-29	-30
Russia	-4	-7	-13	-13	-18	-28	-28	-46	-40	-47	-61	-68	-79	-69	-38	-35	-42	-44	-44	-44
Dynamic Asian Economies [2]	-2	-7	-2	-7	-14	-5	-2	-6	-6	-9	-7	-29	-37	-27	-27	-26	-18	-76	-97	-95
Other oil producers [3]	-7	-16	-14	-12	1	9	7	-13	-25	-53	-105	-75	-91	-93	-63	-42	-47	-60	-68	-72
Rest of the world [4]	-30	-30	-39	-45	-50	-57	-61	-72	-67	-92	-110	-110	-119	-104	-86	-106	-116	-111	-112	-116
World [5]	-78	-106	-72	0	-2	1	-49	-139	-48	-44	-107	-66	-179	-83	-101	-108	-53	-96	-149	-180
Balance of secondary income																				
Total OECD	-128	-140	-173	-215	-247	-240	-289	-319	-322	-330	-344	-334	-351	-359	-320	-328	-331	-330	-325	-323
Brazil	2	2	3	3	4	4	4	4	3	3	3	3	4	3	3	3	3	3	3	3
China	8	13	17	23	24	28	37	43	32	41	25	3	-9	1	-13	-10	-11	-14	-14	-14
India	15	16	22	20	24	29	37	49	49	52	60	65	65	65	64	57	60	66	68	77
Indonesia	..	..	..	1	5	5	5	5	5	5	4	4	4	5	6	4	4	6	7	7
Russia	-1	-1	0	-1	-2	-2	-5	-7	-6	-6	-6	-6	-9	-8	-6	-6	-9	-9	-8	-8
Dynamic Asian Economies [2]	2	3	4	5	7	10	13	16	15	15	19	22	23	24	16	23	25	27	29	31
Other oil producers [3]	-20	-20	-19	-19	-20	-11	-20	-28	-38	-42	-49	-56	-68	-74	-76	-71	-69	-68	-69	-70
Rest of the world [4]	51	58	67	78	89	103	120	139	127	138	150	158	167	174	168	175	181	190	200	209
World [5]	-72	-69	-78	-106	-116	-74	-97	-98	-135	-125	-137	-140	-173	-169	-158	-153	-147	-129	-110	-89
Current balance																				
Total OECD	-299	-303	-333	-315	-503	-585	-558	-777	-225	-199	-289	-183	-10	22	77	122	207	164	-3	-81
Brazil	-24	-8	4	11	14	13	0	-31	-26	-76	-77	-74	-75	-104	-59	-24	-10	-22	-36	-38
China	17	35	43	69	132	232	353	421	243	238	136	215	148	236	304	202	165	58	53	46
India	2	7	10	1	-10	-9	-8	-31	-26	-54	-63	-92	-49	-28	-23	-12	-38	-55	-76	-93
Indonesia	7	8	8	2	0	11	10	0	11	5	2	-24	-29	-28	-18	-17	-17	-29	-28	-30
Russia	33	28	33	58	85	95	74	105	49	70	96	71	33	56	67	25	33	91	105	105
Dynamic Asian Economies [2]	51	62	84	73	79	120	153	116	150	149	161	129	131	173	191	207	221	197	188	199
Other oil producers [3]	55	41	82	145	289	365	322	436	77	221	477	491	408	233	-137	-88	31	202	274	286
Rest of the world [4]	-24	-3	-7	-21	-36	-52	-98	-165	-75	-101	-139	-179	-187	-157	-149	-130	-143	-159	-151	-157
World [5]	-182	-134	-75	23	50	189	249	73	177	252	304	353	371	404	253	286	449	447	327	238

Note: Historical data for the OECD area are aggregates of reported balance-of-payments data of each individual country. Because of various statistical problems as well as a large number of non-reporters among non-OECD countries, trade and current account balances estimated on the basis of these countries' own balance-of-payments records may differ from corresponding estimates shown in this table.

1. National-accounts basis for OECD countries and balance-of-payments basis for the non-OECD regions.
2. Chinese Taipei, Hong Kong - China, Malaysia, the Philippines, Singapore, Thailand and Vietnam.
3. Algeria, Angola, Azerbaijan, Bahrain, Brunei, Chad, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kazakhstan, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Sudan, Timor-Leste, Trinidad and Tobago, Turkmenistan, United Arab Emirates, Venezuela and Yemen.
4. Other non-OECD countries which are non listed.
5. Reflects statistical errors and asymmetries. Given the very large gross flows of world balance-of-payments transactions, statistical errors and asymmetries easily give rise to world totals (balances) that are significantly different from zero.

Source: OECD Economic Outlook 104 database.

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