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EUROSISTEMA
CENTRAL BANK OF MALTA

ECONOMIC UPDATE 6/2019

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ECONOMIC UPDATE 6/2019

Summary¹

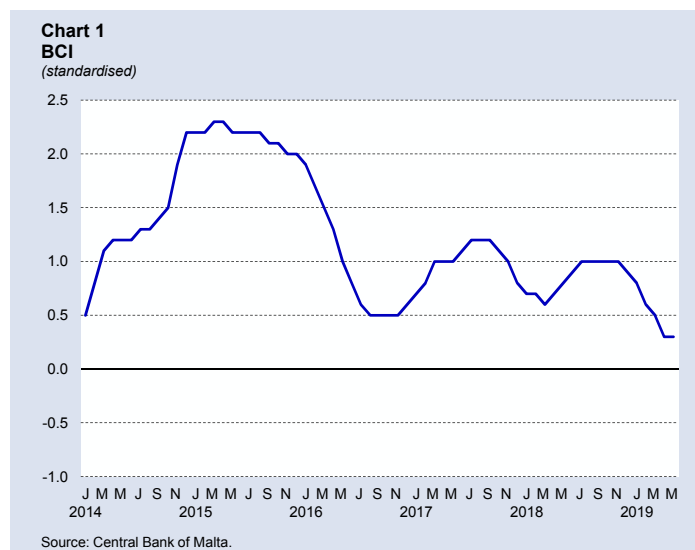
In May, the Bank's Business Conditions' Index (BCI) remained unchanged when compared with the previous month, while continuing to suggest above-average conditions. Economic sentiment edged up when compared with April. Sentiment improved in industry and among consumers, but fell in the retail, construction and services sectors. In April, the number of tourist arrivals rose moderately on the preceding year. However, tourist expenditure in Malta grew strongly, after rising marginally in March. Retail trade also grew at a faster pace. In contrast, industrial production contracted on a year earlier, although the rate of decrease eased compared with March. Conditions in the labour market remained favourable, with the number of registered unemployed and the unemployment rate remaining low from a historical perspective. The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) rose to 1.7% in April. Meanwhile, inflation based on the Retail Price Index (RPI) stood unchanged at 1.9%. Maltese residents' deposits expanded further, rising by 6.1% in annual terms, while credit to residents rose by 5.8%. As regards fiscal developments, in April the deficit on the cash-based Consolidated Fund narrowed compared with a year earlier.

Central Bank's BCI²

In May, the Central Bank's BCI remained unchanged from its updated value of 0.3 in April (see Chart 1). It thus continued to indicate above-average economic conditions. The BCI was affected by a year-on-year fall in economic sentiment, but was supported by higher government revenue and favourable conditions in the labour market.

Business and consumer confidence indicators

In May, the Economic Sentiment Indicator (ESI) edged up to 96 from 92 in the preceding month, but continued to stand below its long-term average of 100 (see Table 1).^{3,4} The ESI stood 9 points lower than that recorded in the euro area. Confidence



¹ The cut-off date for information in this note is 10 June 2019.

² The methodology underlying the BCI has been updated for the sake of clarity. For further details on the changes carried out in the index, see Ellul, R. (2018), "Updates to the BCI," Central Bank of Malta.

³ The ESI summarises developments in confidence in five surveyed sectors (industry, services, construction, retail and consumers). Weights are assigned as follows: industry 40%, services 30%, consumers 20%, construction 5% and retail trade 5%.

⁴ Long-term averages are calculated over the entire period for which data are available. For the consumer and industrial confidence indicators, data became available in November 2002, while the services and construction confidence indicator data became available in May 2007 and May 2008, respectively. The long-term average of the retail confidence indicator is calculated as from May 2011, when it was first published. However, the long-term average of the ESI is computed from November 2002.

Table 1
BUSINESS AND CONSUMER SURVEYS

Balances; percentage points; seasonally adjusted

	2017		2018			2019		
			Dec.	Jan.	Feb.	Mar.	Apr.	May
ESI	112	112	108	102	110	102	92	96
<i>Industrial confidence indicator</i>	8	7	-1	-5	1	-3	-22	-10
Assessment of order-book levels	-5	-1	-13	-15	-3	-20	-31	-15
Assessment of stocks of finished products	-2	6	13	17	4	8	29	14
Production expectations for the months ahead	27	28	25	18	10	20	-8	-1
<i>Consumer confidence indicator</i>	8	10	8	4	6	-1	3	7
Financial situation past 12 months	14	17	15	15	18	11	16	12
Financial situation next 12 months	9	17	16	13	16	11	13	12
Economic situation next 12 months	19	29	25	23	24	24	27	23
Major purchases next 12 months	-8	-23	-25	-34	-32	-49	-43	-20
<i>Retail trade confidence indicator</i>	9	8	-12	-1	5	29	6	-11
Business activity, past 3 months	15	15	-6	0	40	69	32	-19
Stocks of finished goods	5	8	9	11	36	19	18	17
Business activity, next 3 months	16	17	-22	7	10	35	3	4
<i>Construction confidence indicator</i>	13	21	17	33	38	32	22	11
Evolution of your current overall order books	2	17	9	39	30	26	9	0
Employment expectations over the next 3 months	24	26	24	26	46	38	34	21
<i>Services confidence indicator</i>	31	35	38	25	40	22	21	10
Business situation development over the past 3 month	27	31	36	20	43	21	25	13
Evolution of the demand over the past 3 months	33	36	42	22	43	26	21	11
Expectation of the demand over the next 3 months	32	37	36	32	35	20	16	7

Source: European Commission.

improved in industry and among consumers. However, it weakened in construction and services and turned negative in the retail sector.

Industrial confidence rose to -10 in May from -22 a month earlier. However, it continued to stand below its long-term average of -3.⁵ The rise in sentiment was driven by all sub components. A larger share of respondents reported improved order book levels and production expectations. Meanwhile, the net balance of firms reporting increasing stocks halved.⁶ Additional survey data show that a smaller share of respondents expected employment levels to rise in subsequent months. The share of firms anticipating selling prices to increase in the three months ahead turned negative.

Consumer confidence increased to 7 from 3 in the preceding month, thus remaining well-above its long-term average of -12.⁷ On balance, a smaller share of respondents expected to make fewer purchases over the next 12 months. Consumers' assessment of their financial situation and the general economic situation, while still positive, weakened. Additional data show that, when compared with April, a marginally higher share of respondents anticipated selling prices to increase.

⁵ The industrial confidence indicator is the arithmetic average of the seasonally adjusted balances (in percentage points) of replies to a subset of survey questions relating to expectations about production over the subsequent three months, to current levels of order books and to stocks of finished goods.

⁶ Above normal stocks of finished goods have a negative effect on the overall indicator. Thus, a rise in the balance of firms reporting above normal stock levels has a negative effect on the overall indicator.

⁷ The consumer confidence indicator is the arithmetic average of the seasonally adjusted balances (in percentage points) of replies to a subset of survey questions relating to households' assessment and expectations of their financial situation, their expectations about the general economic situation and their intention to make major purchases over the subsequent 12 months. The computation of this indicator was changed as reflected in the [January 2019 release](#) of the European Commission.

Meanwhile, the share of respondents foreseeing a fall in unemployment over subsequent months edged down, while fewer consumers on balance expected an increase in savings.

Sentiment within the retail sector turned negative. It declined to -11 from 6 in April, and fell below its long-term average of 3.⁸ The recent fall in sentiment was mainly driven by a negative assessment of past business activity. The assessment of stock levels and expectations of business activity in the near term remained broadly unchanged from April. Supplementary data indicate that on balance, fewer respondents predicted a fall in employment levels and prices.

In the construction sector, confidence fell to 11, from 22 in the preceding month, but remained above its long-term average of -14.⁹ The recent fall in sentiment mainly reflected less optimistic employment expectations, although the share of respondents reporting increased order book levels also decreased significantly. Additionally, fewer respondents expected prices to increase in the next three months.

Sentiment in the services sector fell to 10 from 21 a month earlier, and stood below its long-term average of 23.¹⁰ Lower sentiment reflected a less upbeat assessment with regard to demand and firms' assessment of the business situation over the previous 3 months. Firms' demand expectations also weakened. Supplementary survey data indicate that in May, employment expectations were less optimistic than in the preceding month. Meanwhile, the share of firms anticipating higher prices remained broadly unchanged.

In April, the index of industrial production, which is a measure of economic activity in the quarrying, manufacturing and energy sectors, fell by 1.9% in annual terms, following a contraction of 3.0% in the preceding month (see Table 2).¹¹ This contraction was largely driven by lower production

Table 2
ACTIVITY INDICATORS

Annual percentage changes

	2017 2018		2018										2019		
			Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Industrial production	8.5	1.2	-2.8	2.4	2.7	2.9	-1.2	-7.0	2.0	10.6	-1.2	-0.5	-0.7	-3.0	-1.9
Retail trade	5.1	0.7	-1.8	1.3	0.0	-0.3	0.4	-0.6	1.0	1.3	-1.1	5.4	5.1	3.8	8.7
Number of tourist arrivals	15.7	14.3	17.0	19.3	13.8	15.2	10.2	15.1	10.5	7.8	11.0	2.4	2.3	3.5	3.6
Number of nights stayed	10.3	12.5	16.9	20.2	15.5	12.9	5.7	10.2	8.0	8.0	10.1	7.6	3.5	2.2	2.6
Private accommodation ⁽¹⁾	16.7	19.7	26.7	21.9	28.1	18.4	5.1	18.1	18.0	32.2	29.7	33.6	23.1	7.6	4.7
Collective accommodation	6.0	7.1	11.0	19.0	6.9	8.0	6.3	2.8	1.2	-3.9	-4.8	-10.4	-6.9	-1.0	1.1
Tourist expenditure	13.9	8.0	3.9	16.6	9.7	9.5	7.2	4.8	3.3	2.6	1.1	3.0	-2.8	0.5	7.7
Package expenditure	3.2	16.6	15.1	29.7	10.2	41.6	25.4	3.7	-0.3	-7.1	5.4	0.8	-22	-6.2	-11.9
Non-package expenditure	19.8	13.3	3.4	10.6	16.7	5.1	10.9	11.1	23.6	25.2	12.9	-6.8	6.8	4.5	23.8
Other	17.3	-2.2	-3.6	12.6	3.6	-6.8	-6.5	0.3	-9.0	-7.4	-9.8	13.8	3.2	2.8	9.1

Sources: National Statistics Office; Eurostat.

⁽¹⁾ Private accommodation includes stays in both rented and non-rented accommodation.

⁸ The retail confidence indicator is the arithmetic average of the seasonally adjusted balances (in percentage points) of replies to survey questions relating to the present and future business situation and stock levels.

⁹ The construction confidence indicator is the arithmetic average of the seasonally adjusted balances (in percentage points) of replies to two survey questions, namely those relating to order books and employment expectations over the subsequent three months.

¹⁰ The services confidence indicator is the arithmetic average of the seasonally adjusted balances (in percentage points) of replies to survey questions relating to the business climate, the evolution of demand in the previous three months and demand expectations in the subsequent three months.

¹¹ The annual growth rates of the overall industrial production index are based on working-day adjusted data. Unadjusted data however, are used for the components.

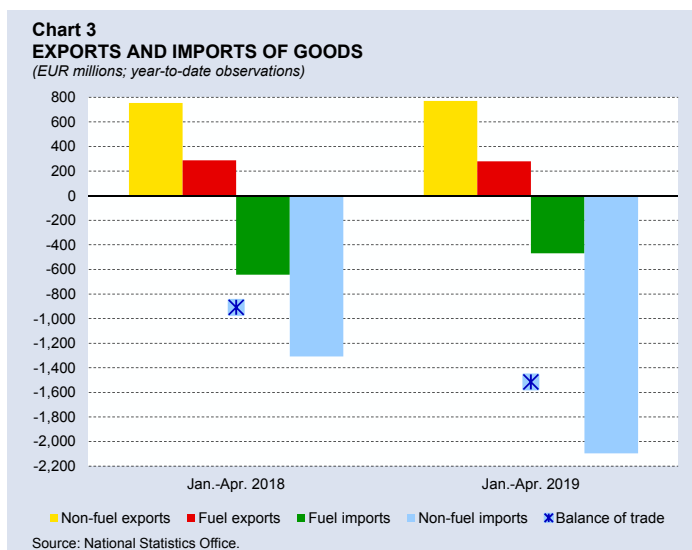
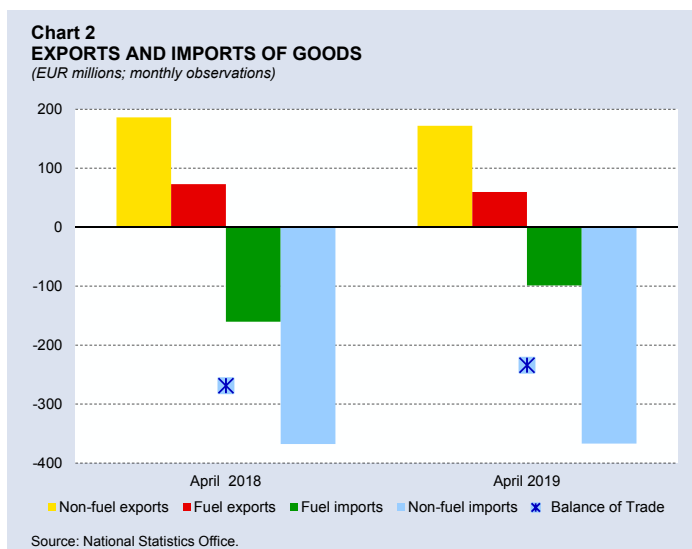
among firms involved in the printing and reproduction of recorded media as well as in the food and pharmaceutical sectors. Smaller declines were also registered among firms producing rubber and plastics, as well as in the “other manufacturing” sub-sector, which includes firms involved in the production of medical and dental instruments, toys and related products. On the other hand, output rose in the energy sector and among firms that produce computer, electronics and optical products. Output also rose among firms involved in the repair and installation of machinery and equipment as well as in the quarrying sector.

In April, annual growth in retail trade, which is a short-term indicator of final domestic demand, rose to 8.7%, from 3.8% in the preceding month.

Meanwhile, the number of inbound tourists increased by 3.6% on the previous year, following a 3.5% rise in March. Nights stayed grew by 2.6%, mostly reflecting an increase in privately rented premises, as nights stayed in collective accommodation increased only marginally. Tourist spending in Malta rose by 7.7% in annual terms, after increasing by 0.5% in March. Spending on package holidays continued to fall, while higher expenditure was recorded on non-package holidays and in the ‘other’ expenditure category.

Customs data show that the merchandise trade deficit stood at €234.2 million in April, improving slightly when compared with a deficit of €268.9 million a year earlier. This narrowing was driven by a decline in imports, which outweighed a smaller drop in exports. Imports fell by €62.3 million, predominantly on account of lower trade in fuels. In contrast, exports edged down by €27.6 million on the same month of 2018, reflecting a contraction in fuel re-exports as well as a decline in exports of electrical machinery (see Chart 2).

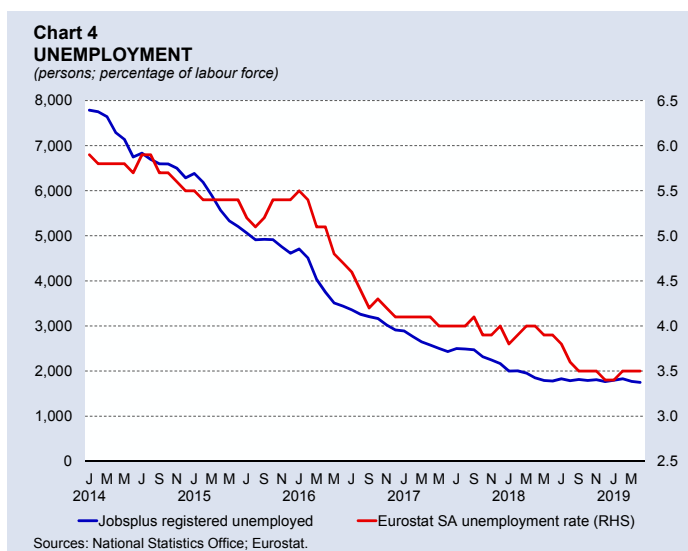
In the first four months of 2019, the visible trade gap widened by €606.6 million on the same period of 2018, reaching €1,515.4 million, as the rise in imports outpaced that of exports by a wide margin (see Chart 3). Although fuel imports decreased



significantly, this drop was more than offset by a significant increase in registration of ships and boats. In fact, largely as a result of the latter, excluding trade in fuels, the trade balance would have widened by €771.8 million.

Labour market

Jobsplus data show that the number of persons on the unemployment register stood at 1,748 in April, down from 1,772 in March and 1,847 a year earlier (see Chart 4).



The seasonally-adjusted unemployment rate was unchanged from the previous two months at 3.5%, and below 4.0% a year earlier.

BOX 1: GAINFULLY OCCUPIED POPULATION

Jobsplus records show that in November 2018, the gainfully occupied population, defined to include all persons in full-time employment, rose by 6.3% on a year earlier, reaching 210,613 (see Chart 5). The rate of growth exceeded slightly the 6.1% registered in the preceding month, but was lower than 6.9% observed a year earlier.

In line with developments in recent months, growth in employment continued to be mainly driven by the private sector. Although public sector employment also rose on an annual basis (see Table 3), the share of public sector employment in the gainfully occupied declined further.

The number of full-timers in the private sector went up by 11,288, or 7.4% compared with November 2017. Employment growth in this sector continued to be driven by market services, where the number of full-time job holders increased by 9,977, or 8.5% in annual terms. This rise was distributed among all major sectors within this category.

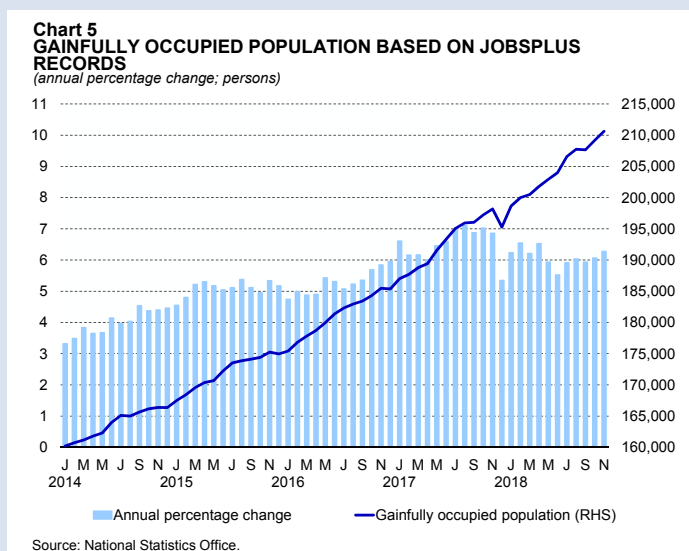


Table 3
LABOUR MARKET INDICATORS BASED ON JOBSPLUS RECORDS

Persons; annual percentage changes

	2017	2018	Annual change	
	November	November	Number of persons	%
Labour supply	200,429	212,421	11,992	6.0
Gainfully occupied ⁽¹⁾	198,183	210,613	12,430	6.3
Registered unemployed	2,246	1,808	-438	-19.5
Unemployment rate (%)	1.1	0.9		
Private sector	151,694	162,982	11,288	7.4
Direct production⁽²⁾	34,561	35,872	1,311	3.8
Of which:				
Manufacturing	21,319	21,713	394	1.8
Construction	10,549	11,395	846	8.0
Market services	117,133	127,110	9,977	8.5
Wholesale and retail trade	26,423	26,910	487	1.8
Transportation and storage	8,562	9,237	675	7.9
Accommodation and food service activities	12,752	14,056	1,304	10.2
Information and communication	6,791	7,070	279	4.1
Financial and insurance activities	9,219	10,137	918	10.0
Real estate, professional and administrative activities ⁽³⁾	29,676	33,152	3,476	11.7
Arts, entertainment and recreation	8,363	9,369	1,006	12.0
Education	5,474	5,683	209	3.8
Other	9,873	11,496	1,623	16.4
Public sector	46,489	47,631	1,142	2.5

Source: National Statistics Office.

⁽¹⁾ This category measures full-time employment.

⁽²⁾ This includes employment in agriculture, fishing, mining and quarrying, manufacturing, electricity, gas and water supply, and construction.

⁽³⁾ This includes employment in real estate activities, professional, scientific and technical activities, and administrative and support service activities.

The sector incorporating real estate, professional and administrative activities registered the largest absolute increase. Employed persons in this sector went up by 3,476 in the year to November 2018, and accounted for more than a third of the overall rise in private market services employment. The number of persons employed in the accommodation and food service activities sector also grew significantly in annual terms, going up by 1,304. Employment also increased significantly within the arts, entertainment and recreation sector, in the financial and insurance service activities as well as within the health care sector.

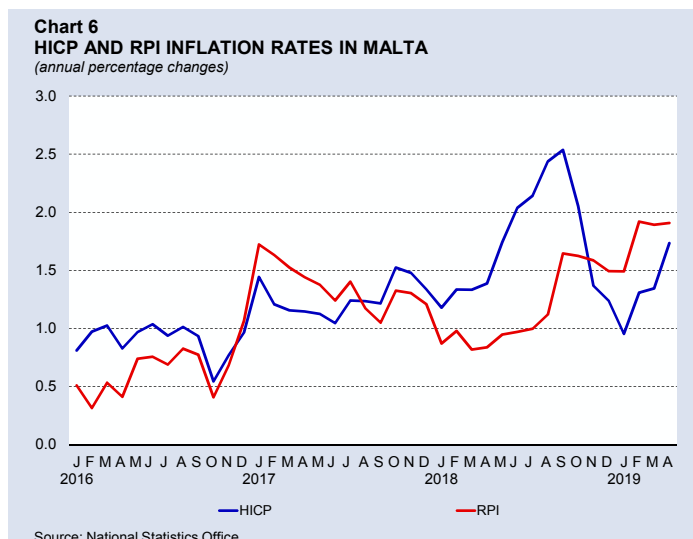
Meanwhile, the number of persons employed in direct production rose by 1,311 persons on a year earlier, or 3.8%. Growth was recorded in both the construction and manufacturing sectors.

Public sector jobs rose by 1,142, or 2.5%, on a year earlier. Employment increased mostly in public administration and defence, education and health care. The share of public sector employment in the total gainfully occupied population edged down to 22.6% in November 2018, from 23.5% a year earlier.

Prices, costs and competitiveness

Annual HICP inflation accelerated in April, reaching 1.7% from 1.3% in the previous month (see Chart 6).

This pick-up was largely driven by faster growth in the prices of unprocessed food and services. The increase in services inflation stemmed mainly from an acceleration in restaurant prices. On the other hand, prices of non-energy industrial goods continued to contract on an annual basis, mainly reflecting weakness in prices for imported products. Energy inflation remained unchanged when compared with March.



Inflation as measured by the RPI index stood at 1.9% in April, unchanged when compared with March (see Chart 6).¹² Price pressures once more originated mainly from the food component, although prices for recreation and culture accelerated during the month.

Annual cost inflation for producers, measured by the Industrial Producer Price Index, continued to ease, falling to 1.1% in April, from 2.1% in March.¹³ This reflected a drop in the contribution from the intermediate goods subcomponent, which nonetheless remains the main contributor to overall producer cost inflation. Consumer goods prices also contributed positively to inflation, while the contribution of capital goods and energy remained nil.

Malta's harmonised competitiveness indicators (HCI) continued to signal an improvement in international competitiveness during April.¹⁴ The nominal HCI contracted by 1.0% in annual terms while the real HCI, which also takes into account relative price changes, contracted by 3.1%. This suggests that the recent improvement in Malta's competitiveness was driven both by movements in the euro exchange rate and by developments in relative prices vis-à-vis international trading partners.

Public finance

During April 2019, the Consolidated Fund balance recorded a deficit of €9.8 million, or €25.2 million lower than the deficit registered in April 2018 (see Table 4). This occurred as the rise in government revenue outweighed that in primary expenditure. In turn, the primary balance reached a surplus of €6.7 million, from a deficit of €16.1 million in the same month a year earlier.

Total government revenue increased by €57.8 million, or 19.8% when compared with the corresponding period of 2018. This was due to higher tax revenue, reflecting a €63.2 million increase in

¹² The RPI differs from the HICP in that HICP weights are based on total expenditure in Malta, including that by tourists. In contrast, RPI weights only take into account expenditure by Maltese households, thereby excluding tourism-related expenditure such as accommodation services.

¹³ The Industrial Producer Price Index measures the prices of goods at the factory gate and is commonly used to monitor inflationary pressures at the production stage.

¹⁴ HCIs act as an effective exchange rate measure for countries operating within the euro area monetary union. The nominal HCI tracks movements in the euro exchange rate against the currencies of Malta's main trading partners, weighted according to the direction of trade in manufactured goods. The real HCI also takes into account the relative inflation rate of Malta vis-à-vis its main trading partners. A higher (or lower) score in the HCI indicates a deterioration (or improvement) in Malta's international price competitiveness.

Table 4
CONSOLIDATED FUND BALANCE

EUR millions

	2018	2019	2018	2019	Change	
	Jan.-Apr.	Jan.-Apr.	Apr.	Apr.	Amount	%
Revenue	1,151.5	1,299.3	292.7	350.6	57.8	19.8
Direct tax	571.2	664.9	181.6	244.8	63.2	34.8
Income tax	378.6	454.4	132.1	189.0	56.9	43.1
Social security contributions ⁽¹⁾	192.6	210.4	49.5	55.8	6.2	12.6
Indirect tax	466.1	495.0	88.3	84.6	-3.7	-4.2
Value Added Tax	238.8	267.1	20.5	27.1	6.7	32.6
Customs and excise duties	93.9	98.1	24.4	21.8	-2.7	-10.9
Licences, taxes and fines	133.3	129.8	43.4	35.7	-7.7	-17.8
Non-tax⁽²⁾	114.1	139.4	22.8	21.2	-1.6	-7.1
Expenditure	1,247.3	1,443.3	327.7	360.3	32.6	9.9
Recurrent	1,154.2	1,298.9	281.9	321.9	40.1	14.2
Personal emoluments	270.7	295.1	68.5	72.1	3.6	5.3
Operational and maintenance	61.0	73.7	14.6	17.7	3.0	20.8
Programmes and initiatives ⁽¹⁾	618.8	709.1	144.4	175.6	31.2	21.6
Contributions to entities	128.8	154.9	35.4	40.1	4.7	13.1
Interest payments	74.7	66.2	18.9	16.5	-2.4	-12.8
Capital	93.2	144.4	45.9	38.4	-7.5	-16.3
Primary balance⁽³⁾	-21.1	-77.8	-16.1	6.7	22.8	-
Consolidated Fund balance	-95.9	-144.0	-35.0	-9.8	25.2	-

Source: National Statistics Office.

⁽¹⁾ Government contributions to the social security account in terms of the Social Security Act 1987 are netted out from both revenue and expenditure.

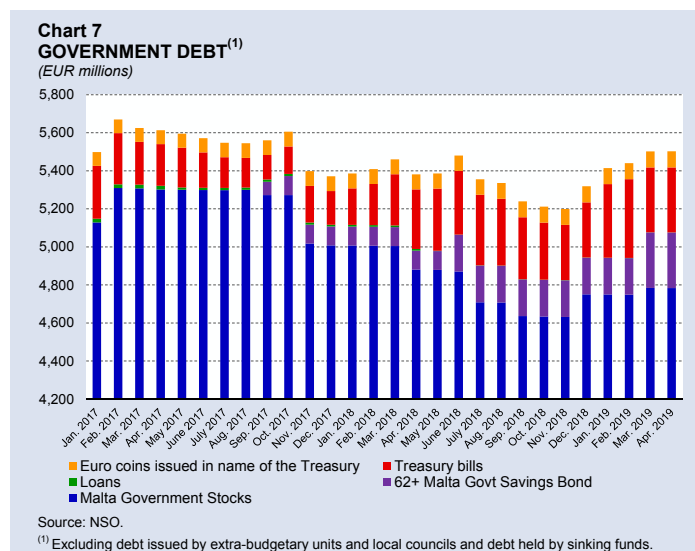
⁽²⁾ Includes grants but excludes proceeds from sale of assets, sinking funds of converted loans and borrowings.

⁽³⁾ Revenue less expenditure excluding interest payments.

direct taxes, namely higher revenue from income taxes. Meanwhile, non-tax revenue decreased by €1.6 million, due to lower inflows from rents and reimbursements.

Government expenditure increased by €32.6 million, or 9.9% when compared with April 2018, due to higher recurrent spending. The latter increased by €40.1 million, mainly due to higher outlays on programmes and initiatives. This partly reflected the timing of the tax refund to persons in employment. Meanwhile, capital expenditure declined by €7.5 million on a year earlier.

In April, the total stock of government debt amounted to €5,503.0 million, broadly unchanged from the level outstanding in March (see Chart 7).



Deposits, credit and financial markets

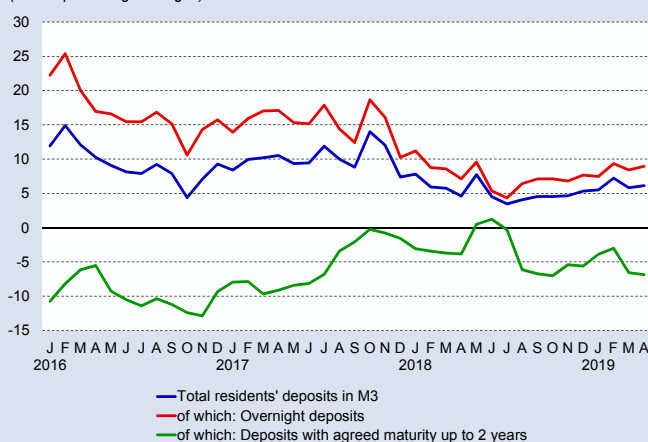
Residents' M3 deposits held with monetary and financial institutions (MFI) based in Malta continued to expand in April, standing 6.1% above their year-ago level (see Chart 8). The prolonged expansion in deposits reflects the high level of liquidity across sectors, supported by robust income growth.

Overnight deposits remained the largest component of residents' M3 deposits, comprising over 80% of the total amount. This component, which is the most liquid form of deposits, grew by 8.9% in the year to April, up from 8.4% in March. On the other hand, time deposits with a maturity of up to two years continued to contract, falling by 6.9% in annual terms. This suggests that residents continued to shift their demand away from longer-term time deposits and towards overnight deposits, a process that has been ongoing for a number of years.

Credit to Maltese residents grew at an annual rate of 5.8% in April, up from 5.1% in March (see Chart 9). Credit to general government grew by 1.0%, while credit to residents outside general government rose by 7.2% in annual terms.

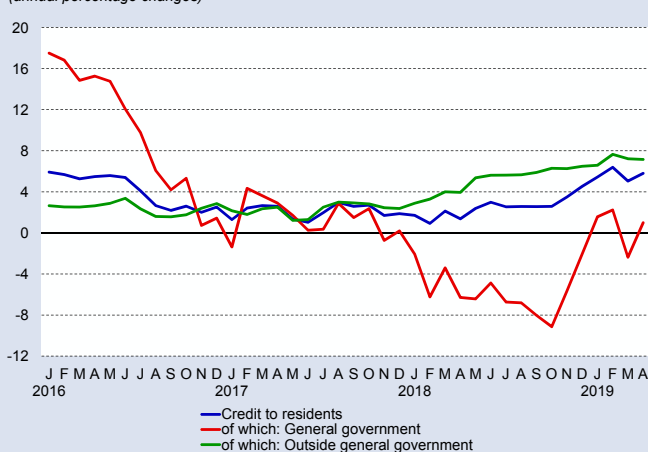
The continued strength in credit to residents outside general government is underpinned by growth in loans to households and to non-financial corporations (NFCs). Loans

Chart 8
SELECTED DEPOSITS OF MALTESE RESIDENTS
(annual percentage changes)



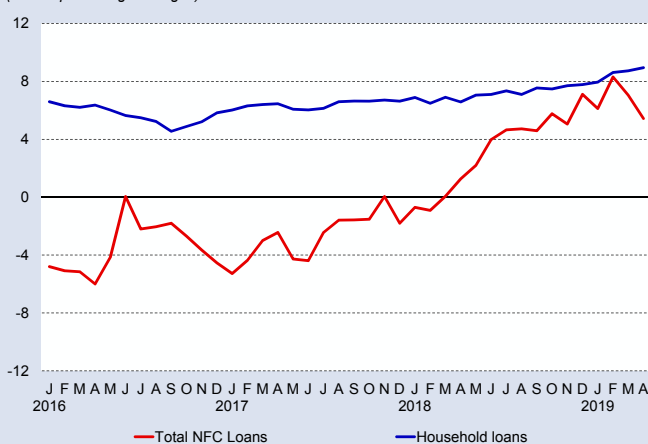
Source: Central Bank of Malta.

Chart 9
CREDIT TO RESIDENTS OF MALTA
(annual percentage changes)



Source: Central Bank of Malta.

Chart 10
LOANS BY SECTOR
(annual percentage changes)



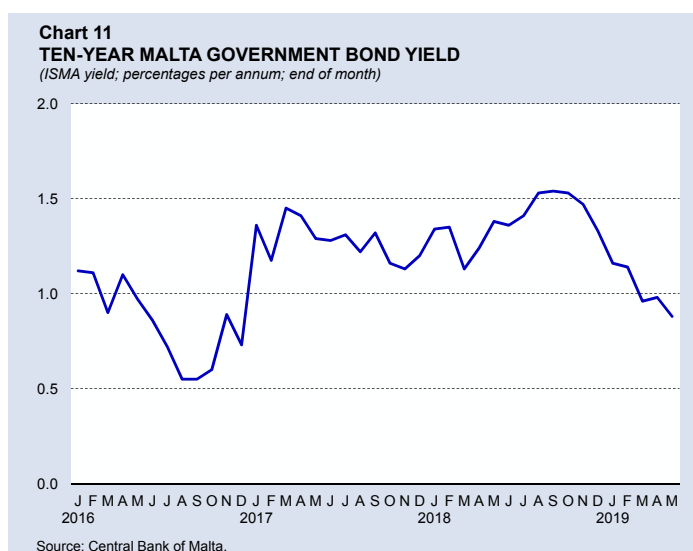
Source: Central Bank of Malta.

to households grew by 8.9%, mainly supported by mortgage lending (see Chart 10). At the same time, loans to NFCs grew by 5.4% on an annual basis. Growth was observed across a number of sectors, including construction and real estate, and professional, scientific, and technical activities.

With regard to interest rates, the composite interest rate paid by MFIs on residents' outstanding deposits dropped marginally to 0.31% between March and April. The composite rate

charged on outstanding loans also dropped, going to 3.51%. The spread between the two rates stood at 320 basis points, slightly lower than 325 points 12 months earlier.

In the capital market, the secondary market yield on ten-year Maltese government bonds continued to fall, reaching 0.9% in May from 1.0% in April (see Chart 11). The Malta Stock Exchange (MSE) Equity Price Index gained 2.2% during the same period. The MSE Total Return Index, which accounts for dividends as well as changes in equity prices, rose by 2.8%.



Annex 1

MACROECONOMIC INDICATORS FOR MALTA																			
<i>(annual percentage changes; non-seasonally adjusted data)</i>																			
	2017	2018	2018	2018	2018	2019	2018	2018	2018	2018	2018	2018	2018	2018	2019	2019	2019	2019	2019
			Q2	Q3	Q4	Q1	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
Prices and costs																			
HICP inflation	1.3	1.7	1.7	2.4	1.6	1.2	1.7	2.0	2.1	2.4	2.5	2.1	1.4	1.2	1.0	1.3	1.3	1.7	-
RPI inflation	1.4	1.2	0.9	1.3	1.6	1.8	0.9	1.0	1.0	1.1	1.6	1.6	1.6	1.5	1.5	1.9	1.9	1.9	-
Industrial producer price inflation	1.6	4.7	6.6	3.9	3.7	2.9	6.2	6.6	4.1	3.7	3.9	3.4	3.9	3.8	3.7	3.1	2.1	1.1	-
HCI (nominal)	1.7	3.6	4.1	2.9	2.1	-0.2	3.5	3.1	3.0	2.4	3.3	2.6	1.9	1.9	1.1	-0.7	-1.1	-1.0	-
HCI (real)	1.8	5.2	6.3	4.2	2.4	-1.7	5.3	4.4	4.3	3.4	4.9	3.3	1.9	2.1	0.4	-2.2	-3.1	-3.1	-
Unit labour costs, whole economy ⁽¹⁾	0.7	0.8	2.1	2.2	0.8	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-
Compensation per employee ⁽¹⁾	-0.5	2.1	1.3	2.1	2.1	1.6	-	-	-	-	-	-	-	-	-	-	-	-	-
Labour productivity (per person) ⁽¹⁾	-1.2	1.3	-0.8	0.0	1.3	1.4	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Price Index (Eurostat)	5.3	5.7	6.0	5.6	6.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic activity																			
Nominal GDP	9.3	9.0	9.1	9.6	9.8	7.4	-	-	-	-	-	-	-	-	-	-	-	-	-
Real GDP	6.8	6.7	6.7	7.3	7.6	4.9	-	-	-	-	-	-	-	-	-	-	-	-	-
Real private consumption	3.4	7.3	8.7	8.2	7.5	3.9	-	-	-	-	-	-	-	-	-	-	-	-	-
Real government consumption	2.1	12.8	12.2	7.0	28.6	24.2	-	-	-	-	-	-	-	-	-	-	-	-	-
Real gross fixed capital formation	-7.5	-1.6	10.0	3.7	-0.1	31.8	-	-	-	-	-	-	-	-	-	-	-	-	-
Real exports of goods and services	5.4	1.7	1.2	4.4	-2.3	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-
Real imports of goods and services	0.4	2.4	5.4	4.8	-1.7	6.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Labour market developments																			
LFS unemployment rate (% of labour force)	4.0	3.7	3.8	3.6	3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LFS employment	6.0	6.2	6.0	6.8	5.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jobsplus gainfully occupied	6.5	-	6.0	6.0	-	-	5.9	5.5	5.9	6.0	5.9	6.1	6.3	-	-	-	-	-	-
Balance of payments																			
Current account (as a % of GDP) ⁽²⁾	10.4	11.2	10.8	11.5	11.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit and financial indicators																			
Maltese residents' deposits and loans																			
Overnight deposits	10.2	7.7	5.4	7.1	7.7	8.4	9.6	5.4	4.3	6.4	7.1	7.1	6.8	7.7	7.5	9.4	8.4	8.9	-
Deposits with agreed maturity up to 2 years	-1.6	-5.6	1.2	-6.7	-5.6	-6.6	0.5	1.2	-0.3	-6.1	-6.7	-7.0	-5.4	-5.6	-3.9	-3.0	-6.6	-6.9	-
Total residents' deposits in M3	7.4	5.3	4.5	4.5	5.3	5.8	7.7	4.5	3.5	4.1	4.5	4.5	4.7	5.3	5.5	7.2	5.8	6.1	-
Credit to general government	0.2	-2.0	-4.9	-8.0	-2.0	-2.4	-6.4	-4.9	-6.7	-6.8	-8.0	-9.1	-5.6	-2.0	1.6	2.2	-2.4	1.0	-
Credit to residents (excl. general government)	2.4	6.5	5.6	5.9	6.5	7.2	5.4	5.6	5.6	5.7	5.9	6.3	6.3	6.5	6.6	7.6	7.2	7.2	-
Total credit	1.9	4.5	3.0	2.6	4.5	5.1	2.4	3.0	2.5	2.6	2.6	2.6	3.5	4.5	5.4	6.4	5.1	5.8	-
10-year interest rate (%) ⁽³⁾	1.2	1.3	1.4	1.5	1.3	1.0	1.4	1.4	1.4	1.5	1.5	1.5	1.5	1.3	1.2	1.1	1.0	1.0	0.9
Stock prices: Malta Stock Exchange Index ⁽⁴⁾	-3.3	0.1	-2.5	0.5	3.0	4.3	0.5	1.3	-0.8	-1.1	2.4	1.6	0.6	0.8	-1.8	2.0	4.1	0.1	2.2
General government finances (% of GDP)																			
Surplus (+) / deficit (-) ⁽²⁾	3.4	2.0	3.8	3.4	2.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross debt ⁽⁵⁾	50.3	46.0	49.0	46.0	46.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sources: Central Bank of Malta; European Commission; Malta Stock Exchange; National Statistics Office.

⁽¹⁾ Four-quarter moving averages.

⁽²⁾ Four-quarter moving sums.

⁽³⁾ End of period.

⁽⁴⁾ Period-on-period percentage changes, based on end-of-month data.

⁽⁵⁾ GDP data are four-quarter moving sums.