



BANK ĊENTRALI TA' MALTA  
EUROSISTEMA  
CENTRAL BANK OF MALTA



# CENTRAL BANK OF MALTA ECONOMIC UPDATE

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6/2023

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*The cut-off date for information in this note is 16 June 2023. However, the cut-off date for the RPI is 21 June 2023. Figures in tables may not add up due to rounding.*

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## ECONOMIC UPDATE 6/2023

### Summary<sup>1</sup>

*The Bank's Business Conditions Index (BCI) indicates that in May, annual growth in business activity was broadly unchanged compared to the previous month, and stood above its long-term average, estimated since January 2000.*

*The European Commission confidence surveys show that sentiment in Malta decreased in May compared to April, but stood above its long-term average, estimated since November 2002. In month-on-month terms, sentiment fell across all sectors, with the strongest decline recorded in the retail sector.*

*Additional survey information shows that price expectations stood firmly below their year-ago level in the retail sector, and to a lesser degree, in industry and the services sector. By contrast, price expectations in the construction sector were significantly above the level recorded in May 2022.*

*In May, the European Commission's Economic Uncertainty Indicator (EUI) for Malta turned negative when compared with April, indicating lower uncertainty. Uncertainty declined mostly in industry.*

*In April, industrial production grew at a faster rate compared to March, while retail trade grew at a slower pace. The unemployment rate returned to the historic low of 2.8% in April, marginally lower than the rate of 2.9% registered in the previous month, and that of 3.0% registered in April 2022.*

*Commercial building permits in April fell, relative to their year-ago, and month-ago levels. By contrast residential permits increased. In May, the number of promise-of-sale agreements rose on a year-on-year basis, while the number of final deeds of sales fell.*

*The annual inflation rate based on the Harmonised Index of Consumer Prices (HICP) stood at 6.3% in May, down from 6.4% in the previous month. Inflation based on the Retail Price Index (RPI) decreased to 5.7%, from 5.8% in April.*

*Maltese residents' deposits expanded at an annual rate of 1.4% in April, following an increase of 1.6% in the previous month, while annual growth in credit to Maltese residents moderated to 4.2%, from 5.4% a month earlier.*

*In April, the Consolidated Fund recorded a higher deficit compared to a year earlier, as higher government expenditure more than outweighed a rise in government revenue.*

### Central Bank's Business Conditions Index<sup>2</sup>

The Bank's BCI indicates that in May, annual growth in business activity stood above its long-term average estimated since January 2000, and remained broadly unchanged from the previous

<sup>1</sup> The cut-off date for information in this note is 16 June 2023. However, the cut-off date for the RPI is 21 June 2023. Most of the data reported in this issue of the *Economic Update* refer to April 2023. However, European Commission survey data, inflation data, the BCI, residential transactions and liquidity support measures refer to May.

<sup>2</sup> The methodology underlying the BCI can be found [here](#). A zero value of the BCI is consistent with average business conditions, which in the case of Malta tends to be consistent with a real GDP growth rate of close to 4%. When the value of the BCI falls repeatedly below -1, economic activity would be significantly below normal. From June 2020, the BCI methodology was updated to include a new variable: monthly development permits.

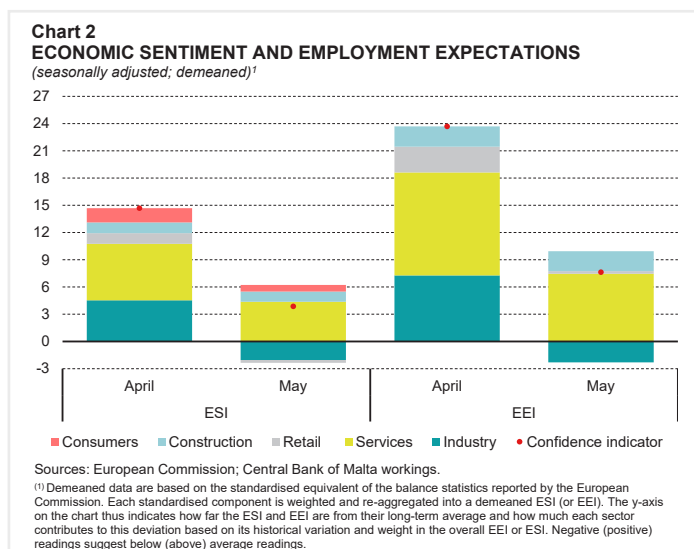
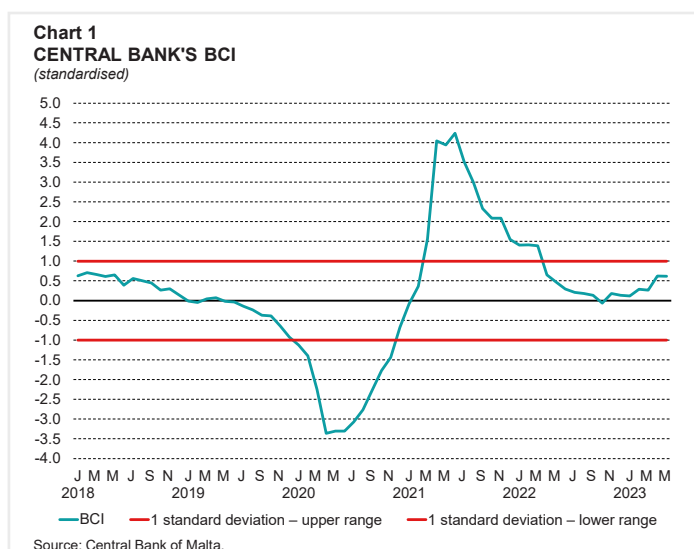
month (see Chart 1). Among BCI components, tourist arrivals, industrial production, and tax revenue experienced strong year-on-year growth and contributed to the above-average BCI level. Furthermore, the unemployment rate remained low from a historical perspective. On the other hand, although the ESI stood slightly above its long-term average, it declined marginally when compared to May 2022.

## Business and consumer confidence indicators

In May, the European Commission’s Economic Sentiment Indicator (ESI) for Malta fell to 103.9, from 114.7 in April. Notwithstanding this decline, the ESI remained above its long-term average of around 100.0, estimated since November 2002 (see Table 1).<sup>3,4,5,6</sup> Furthermore, sentiment stood above the euro area average of 96.5.

In month-on-month terms, sentiment decreased across all sectors. The strongest decline was recorded in the retail sector, followed by industry. The confidence indicator for retail and industry fell into negative territory in May. Meanwhile, consumer confidence stood more negative, relative to April. At the same time, sentiment in the services and construction sector edged down, though it remained elevated from a historical perspective.

Demeaned data – which account for the variation in weights assigned to each sector in the overall index – show that most of the deterioration in overall sentiment in May was driven by industry (see Chart 2). This was followed by a less positive



<sup>3</sup> 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%.

<sup>4</sup> 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 December 2002, while the services and construction confidence indicators’ 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 December 2002.

<sup>5</sup> In January 2022, data were revised for previous periods following the annual updating of country weights and the inclusion of 2021 in the standardisation sample.

<sup>6</sup> From May 2022, the seasonal adjustment method of all survey data has changed. As a result, all seasonally-adjusted past readings were revised slightly. See [BCS User Guide](#) for further details on the methodology used by the European Commission.

**Table 1**  
**BUSINESS AND CONSUMER SURVEYS – MALTA**

Balances; percentage points; seasonally adjusted

|   | 2021         | 2022         | 2022         |              | 2023         |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|   |              |              | May          | Dec.         | Jan.         | Feb.         | Mar.         | Apr.         | May          |
| <b>ESI</b>  | <b>104.8</b> | <b>100.9</b> | <b>104.5</b> | <b>98.0</b>  | <b>102.3</b> | <b>105.6</b> | <b>112.0</b> | <b>114.7</b> | <b>103.9</b> |
| <b>Retail trade confidence indicator</b>              | <b>-8.4</b>  | <b>6.0</b>   | <b>17.9</b>  | <b>27.4</b>  | <b>25.5</b>  | <b>-0.5</b>  | <b>23.8</b>  | <b>36.2</b>  | <b>-9.0</b>  |
| Business activity, past 3 months                      | -13.6        | 21.1         | 43.1         | 57.7         | 41.8         | 21.8         | 47.2         | 55.2         | -0.1         |
| Stocks of finished goods                              | 12.8         | -3.2         | -2.4         | 3.1          | 15.9         | 22.9         | 1.9          | 1.1          | 19.6         |
| Business activity, next 3 months                      | 1.2          | -6.3         | 8.1          | 27.5         | 50.5         | -0.2         | 26.1         | 54.4         | -7.3         |
| <b>Industrial confidence indicator</b>                | <b>2.1</b>   | <b>-9.4</b>  | <b>-14.8</b> | <b>-23.5</b> | <b>-8.6</b>  | <b>-3.2</b>  | <b>6.8</b>   | <b>8.5</b>   | <b>-11.4</b> |
| Assessment of order-book levels                       | -28.2        | -21.5        | -34.8        | -10.1        | -4.3         | -7.2         | -50.3        | -49.0        | -39.6        |
| Assessment of stocks of finished products             | -3.2         | 9.1          | 4.2          | 2.2          | 2.6          | 19.2         | 3.6          | -3.6         | 4.6          |
| Production expectations for the months ahead          | 31.3         | 2.2          | -5.4         | -58.1        | -18.8        | 16.8         | 74.1         | 70.9         | 9.9          |
| <b>Services confidence indicator</b>                  | <b>13.7</b>  | <b>20.5</b>  | <b>29.9</b>  | <b>25.8</b>  | <b>23.8</b>  | <b>34.3</b>  | <b>45.8</b>  | <b>44.2</b>  | <b>37.8</b>  |
| Business situation development over the past 3 months | 4.9          | 15.7         | 17.1         | 16.6         | 25.3         | 38.8         | 48.0         | 36.5         | 32.4         |
| Evolution of the demand over the past 3 months        | 10.8         | 26.1         | 30.2         | 18.6         | 19.6         | 39.7         | 33.2         | 41.2         | 44.0         |
| Expectation of the demand over the next 3 months      | 25.4         | 19.7         | 42.5         | 42.1         | 26.7         | 24.3         | 56.3         | 55.0         | 37.1         |
| <b>Consumer confidence indicator</b>                  | <b>3.4</b>   | <b>-7.4</b>  | <b>-0.6</b>  | <b>-11.8</b> | <b>-10.3</b> | <b>-6.8</b>  | <b>-10.9</b> | <b>-6.9</b>  | <b>-9.9</b>  |
| Financial situation past 12 months                    | -8.8         | -19.7        | -16.2        | -22.7        | -19.1        | -16.2        | -22.9        | -21.3        | -19.3        |
| Financial situation next 12 months                    | 7.3          | -11.8        | -11.4        | -13.4        | -11.3        | -8.8         | -12.0        | -8.6         | -7.3         |
| Economic situation next 12 months                     | 18.6         | -3.5         | 3.5          | -9.2         | -10.0        | -4.2         | -11.0        | -4.7         | -11.5        |
| Major purchases next 12 months                        | -3.4         | 5.6          | 21.5         | -1.8         | -0.6         | 1.9          | 2.4          | 6.8          | -1.3         |
| <b>Construction confidence indicator</b>              | <b>7.3</b>   | <b>7.0</b>   | <b>18.1</b>  | <b>-4.3</b>  | <b>2.9</b>   | <b>17.5</b>  | <b>-0.2</b>  | <b>24.7</b>  | <b>22.5</b>  |
| Evolution of your current overall order books         | 1.4          | 8.7          | 12.0         | -6.6         | 2.4          | 6.3          | -15.9        | 3.6          | -0.3         |
| Employment expectations over the next 3 months        | 13.2         | 5.4          | 24.3         | -2.0         | 3.4          | 28.8         | 15.5         | 45.7         | 45.2         |
| <b>EI</b>   | <b>103.5</b> | <b>106.4</b> | <b>111.6</b> | <b>110.8</b> | <b>112.0</b> | <b>111.3</b> | <b>123.5</b> | <b>123.2</b> | <b>108.3</b> |
| Industry  | 14.8         | 12.0         | 53.1         | -37.4        | 8.2          | 13.6         | 60.2         | 57.1         | -2.7         |
| Retail  | 4.4          | 15.8         | 3.7          | 26.7         | 16.1         | 10.6         | 38.9         | 20.8         | 5.0          |
| Services  | 25.1         | 30.2         | 31.4         | 56.9         | 46.7         | 41.6         | 46.8         | 50.4         | 39.4         |
| Construction  | 13.2         | 5.4          | 24.3         | -2.0         | 3.4          | 28.8         | 15.5         | 45.7         | 45.2         |
| <b>EUI<sup>(1,2)</sup></b>                            | <b>21.3</b>  | <b>28.1</b>  | <b>35.2</b>  | <b>24.4</b>  | <b>14.0</b>  | <b>2.9</b>   | <b>5.5</b>   | <b>19.4</b>  | <b>-3.2</b>  |
| Industry  | 21.0         | 39.4         | 55.3         | 32.0         | 10.9         | -14.8        | -10.8        | 35.8         | -13.6        |
| Construction  | 30.1         | 19.5         | 7.0          | 35.2         | 19.7         | 14.5         | 36.6         | 25.2         | 9.0          |
| Consumers   | -3.5         | 13.7         | 12.3         | 13.5         | 13.9         | 12.2         | 11.9         | 19.8         | 12.3         |
| Services  | 32.2         | 20.3         | 26.5         | 17.2         | 16.4         | 16.4         | 17.2         | -1.7         | -6.8         |
| Retail  | 48.8         | 50.8         | 45.9         | 40.4         | 18.7         | 14.2         | 9.0          | 7.3          | 27.9         |
| <b>ESI demeaned</b>                                   | <b>4.8</b>   | <b>0.9</b>   | <b>4.5</b>   | <b>-2.0</b>  | <b>2.3</b>   | <b>5.6</b>   | <b>12.0</b>  | <b>14.7</b>  | <b>3.9</b>   |
| <b>EI demeaned</b>                                    | <b>3.4</b>   | <b>6.2</b>   | <b>12.3</b>  | <b>9.1</b>   | <b>11.4</b>  | <b>11.0</b>  | <b>24.1</b>  | <b>23.7</b>  | <b>7.6</b>   |

Source: European Commission.

<sup>(1)</sup> Non-seasonally adjusted data.

<sup>(2)</sup> Data for Malta are available from May 2021 onwards.

contribution from services firms, while the contribution of the retail sector turned negative in the month under review. Furthermore, the confidence indicator for the services sector largely explains why the ESI stood above its long-term average in May.

In May, sentiment in the retail sector fell below its long-term average of -0.2.<sup>7</sup> The indicator decreased to -9.0, from 36.2 in April. The latest decline in confidence largely reflects a sharp deterioration in retailers' expectations of business activity over the next three months, and their assessment of sales in recent months. Furthermore, the share of respondents assessing their stock levels to be above normal, increased compared with April.<sup>8</sup>

<sup>7</sup> 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.

<sup>8</sup> Above normal stocks of finished goods have a negative effect on the overall indicator, and vice versa.



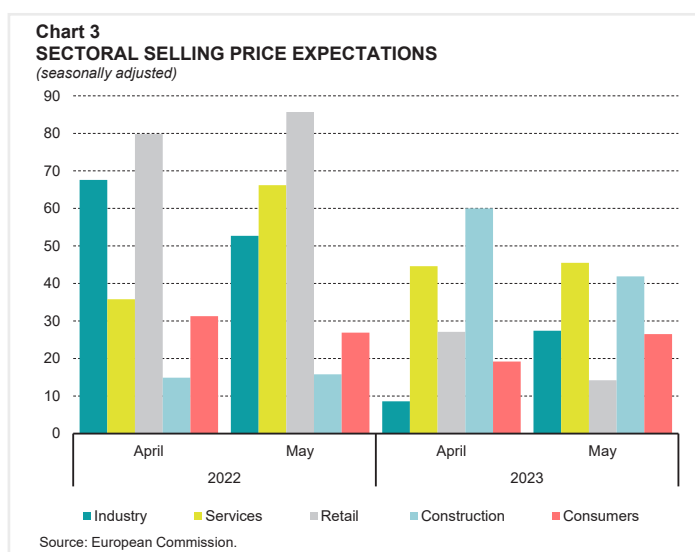
Confidence in industry turned negative in May, standing at -11.4, down from 8.5 a month earlier. Following this decline, sentiment fell below its long-term average of -4.2.<sup>9</sup> Production expectations for the months ahead decreased strongly from the very high level recorded in April. Furthermore, in contrast to the previous month, firms assessed their stocks of finished products to be above normal. Meanwhile, the share of respondents assessing their order book levels to be below normal, edged down.

The sentiment indicator for the services sector stood at 37.8, below the 44.2 recorded in the previous month, but still well above its long-term average of 19.6.<sup>10</sup> The latest decrease was driven by firms' expectations of demand over the next three months, and to a lesser extent, their assessment of the business situation over the past three months, although both remained positive. This offset an increase in firms' assessment of demand over the past three months.

The consumer confidence indicator decreased to -9.9, from -6.9 in April, while remaining somewhat above its long-term average of -10.2.<sup>11</sup> Expectations of major purchases turned negative in May. At the same time, consumers' expectations of the general economic situation over the next 12 months stood more negative. These developments offset a less negative assessment of respondents' financial situation over the last 12 months, and a small improvement in expectations of their financial situation over the next 12 months.

The confidence indicator for the construction sector eased to 22.5, from 24.7 a month earlier, but remained well above its long-term average of -8.2.<sup>12</sup> While in April respondents perceived an increase in their order books, in May they considered them to have remained broadly stable. At the same time, employment expectations eased marginally, but remained elevated.

Additional survey information shows that, in month-on-month terms, price expectations increased in industry, and to a smaller extent among consumers and the services sector. By contrast, price expectations declined in the construction and retail sectors (see Chart 3). Differences across sectors



<sup>9</sup> 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.

<sup>10</sup> 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 for the subsequent three months.

<sup>11</sup> 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.

<sup>12</sup> 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.

remained wide. While the net share of firms signalling price increases ranged between 42% and 46% in the construction and services sectors, respectively, that in other sectors ranged between 14% and 27%.

Price expectations stood firmly below their year-ago level in the retail sector, and to a lesser degree, in industry and the services sector. Price expectations among consumers eased only marginally, compared with a year earlier. By contrast, price expectations in the construction sector were significantly above the level recorded in May 2022.

The European Commission's Employment Expectations Indicator (EEI) – which is a composite indicator of employment expectations in industry, services, retail trade and construction – edged down to 108.3 in May, from 123.2 a month earlier.<sup>13</sup> The indicator remained above its long-term average of around 100.0 and exceeded the euro area average of 104.7.

Demeaned data suggest that the decrease in employment expectations was mainly driven by industry, whose contribution turned negative. The contributions of the services and retail sectors also declined on a month earlier, albeit to a lower extent, and in fact remained positive. Meanwhile, the contribution of the construction sector was broadly unchanged compared with April.

The services sector largely explains why the overall EEI stood above its long-term average in May, followed by construction (see Chart 2).

In May, the European Commission's EUI – which is a composite indicator of how difficult it is for sectors to make predictions about their future financial or business situation – turned negative. It stood at -3.2, down from 19.4 in April, signalling lower uncertainty (see Table 1). The uncertainty indicator stood well below its level recorded in May 2022, when the index averaged 35.2. It was also significantly below that of the euro area.<sup>14,15</sup>

In month-on-month terms, the decline in Malta's uncertainty indicator was largely driven by developments in industry, where in contrast to April, respondents reported that they were able to predict their business situation with ease. At the same time, a larger share of services firms reported that they had no difficulty in predicting their business situation. Meanwhile, uncertainty declined in the construction sector, and among consumers. By contrast, uncertainty in the retail sector increased.

When accounting for the variation in weights of each sector, consumers accounted for most of the uncertainty observed in May.

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<sup>13</sup> The EEI is based on question 7 of the industry survey, question 5 of the services and retail trade surveys, and question 4 of the construction survey, which gauge the respondent firms' expectations as regards changes in their total employment over the next three months. Before being summarised in one composite indicator, each balance series is weighted on the basis of the respective sector's importance in overall employment. The weights are applied to the four balance series expressed in standardised form. Further information on the compilation of the EEI is available in: European Commission (2020), *The Joint Harmonised EU Programme of Business and Consumer Surveys User Guide*.

<sup>14</sup> The EUI is made up of five balances (in percentage points) which summarise managers'/consumers' answers to a question asking them to indicate how difficult it is to make predictions about their future business/financial situation. The series are not seasonally adjusted. The five-balance series are summarised in one composite indicator using the same weights used to construct the ESI. The questions asked correspond to Q51 of the industry survey, Q31 of the services survey, Q41 of the retail trade and construction surveys and Q21 of the consumer survey.

<sup>15</sup> Data on consumer uncertainty became available in October 2020, while data for industry, services, retail, and construction became available in May 2021.

## Activity indicators

In April, annual growth in the index of industrial production – which is a measure of economic activity in the quarrying, manufacturing, and energy sectors – stood at 14.3%. This followed a rise of 13.2% in March (see Table 2).<sup>16</sup>

In the manufacturing sector, the most significant increases were recorded among firms that manufacture basic pharmaceutical products, as well as machinery and equipment. Other strong increases in output were registered among firms that manufacture food products, and computer, electronic and optical products. Output was also higher among firms involved in the printing and reproduction of recorded media. By contrast, output fell among firms involved in the manufacture of textiles and wearing apparel, non-metallic mineral products, and chemicals and chemical products.

Meanwhile, production in the energy sector increased at a faster pace of 31.9% in April, compared with 2.7% a month earlier. Activity also rose in the quarrying sector.

In April, the volume of retail trade – which is a short-term indicator of final domestic demand – increased at a slower pace of 3.2% in year-on-year terms, after rising by 3.5% in March.

In April, the tourism sector continued to register gains, as tourist arrivals, expenditure, and nights spent in Malta were all above pre-pandemic levels. The number of inbound tourists amounted to

**Table 2**  
**ACTIVITY INDICATORS**

*Annual percentage changes*

|   | 2021  | 2022  | 2022    |         | 2023  |      |
|---|-------|-------|---------|---------|-------|------|
|   |       |       | Mar.    | Apr.    | Mar.  | Apr. |
| Industrial production                   | -0.2  | 3.0   | 1.7     | -11.2   | 13.2  | 14.3 |
| Retail trade                            | 9.3   | 9.6   | 18.4    | 18.2    | 3.5   | 3.2  |
| Number of tourist arrivals              | 47.0  | 136.2 | 978.0   | 1,810.3 | 57.2  | 37.1 |
| Number of nights stayed                 | 60.5  | 98.0  | 381.0   | 592.2   | 43.1  | 32.9 |
| Rented accommodation                    | 73.8  | 111.3 | 584.2   | 965.5   | 45.7  | 34.5 |
| Collective <sup>(1)</sup>               | 74.3  | 109.9 | 1,314.4 | 1,640.3 | 47.4  | 26.5 |
| Other rented <sup>(2)</sup>             | 72.9  | 113.8 | 220.2   | 458.3   | 42.0  | 53.2 |
| Non-rented accommodation <sup>(3)</sup> | 26.5  | 50.8  | 88.7    | 156.6   | 29.5  | 25.4 |
| Tourist expenditure                     | 91.3  | 131.1 | 670.0   | 1,465.7 | 57.7  | 44.9 |
| Package expenditure                     | 108.7 | 129.8 | 1,329.7 | 3,234.1 | 139.2 | 71.1 |
| Non-package expenditure                 | 89.4  | 145.9 | 490.0   | 1,288.2 | 61.6  | 46.8 |
| Other                                   | 85.4  | 118.3 | 708.6   | 1,261.3 | 25.9  | 29.4 |

Sources: National Statistics Office; Eurostat.

<sup>(1)</sup> Collective accommodation comprises hotels, guesthouses, hostels, tourist villages, holiday complex, bed & breakfast and campsites.

<sup>(2)</sup> Other rented accommodation comprises holiday furnished premises (farmhouses, flats and villas), host families, marinas, paid-convents, rented yachts and student dormitories.

<sup>(3)</sup> Non-rented accommodation includes own private residence, staying with friends or relatives and other private accommodation (e.g. free-convents or timeshare).

<sup>16</sup> 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.



266,798, up from 194,545 a year earlier. Guest nights also rose on a year earlier, although the average length of stay declined marginally. Total expenditure by tourists in Malta increased over the level recorded in the corresponding period of 2022, with the largest increase in spending stemming from non-package holidays.

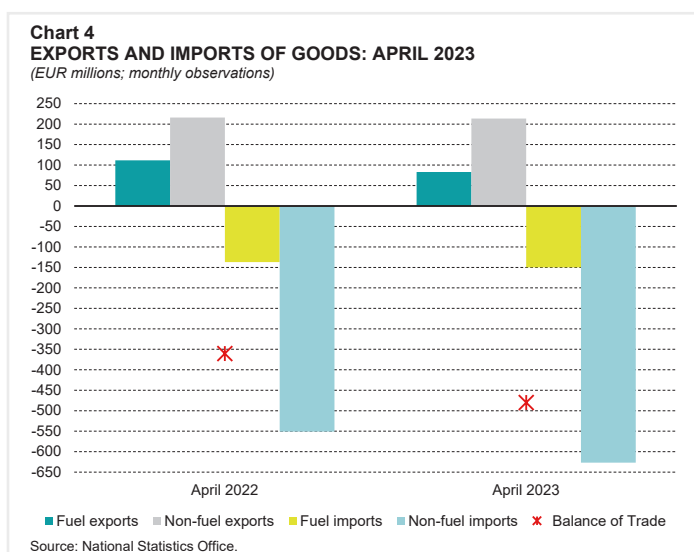
In April, 183 development permits for commercial buildings were issued, 141 less than the number of permits issued in the same month of 2022 (see Table 3). Meanwhile, 878 new residential permits were issued, 17 more than the number issued in April 2022. In month-on-month terms, residential permits were higher while commercial permits declined.

Data on residential property transactions show that 1,080 final deeds of sale were concluded in May, 150 more than the number concluded a month earlier, and 171 less than a year earlier. At 1,304, the number of promise-of-sale agreements was 243 more than a month earlier, and 179 more compared with a year earlier.

Customs data show that the merchandise trade deficit stood at €480.1 million in April, from a deficit of €360.4 million a year earlier. This was due to a €88.8 million rise in imports and a €30.9 million decline in exports (see Chart 4).

Higher imports were mainly on account of a substantial increase in the registration of sea vessels. Imports of fuels, and machinery and mechanical appliances, also increased, but to a lesser extent. These offset lower registrations of aircraft and imports of iron and steel, and cereals.

The decline in exports was mainly due to lower fuel re-exports. Exports of pharmaceutical products, printed books and toys also decreased, but



**Table 3**  
**PROPERTY MARKET**

Levels

|                                 | 2021   | 2022   | 2022  |       |       | 2023  |       |       |
|---------------------------------|--------|--------|-------|-------|-------|-------|-------|-------|
|                                 |        |        | Mar.  | Apr.  | May   | Mar.  | Apr.  | May   |
| <b>Permits</b>                  |        |        |       |       |       |       |       |       |
| Commercial permits              | 2,770  | 2,984  | 478   | 324   | 278   | 218   | 183   | -     |
| Residential permits             | 7,578  | 9,599  | 1,060 | 861   | 786   | 723   | 878   | -     |
| <b>Residential transactions</b> |        |        |       |       |       |       |       |       |
| Promise of sale                 | 15,639 | 12,171 | 1,112 | 1,016 | 1,125 | 1,172 | 1,061 | 1,304 |
| Final deeds of sale             | 14,368 | 14,331 | 1,190 | 1,122 | 1,251 | 1,049 | 930   | 1,080 |

Sources: National Statistics Office; Planning Authority.

to a lesser extent. These offset higher exports of inorganic chemicals and components, and of electrical machinery.

## Labour market

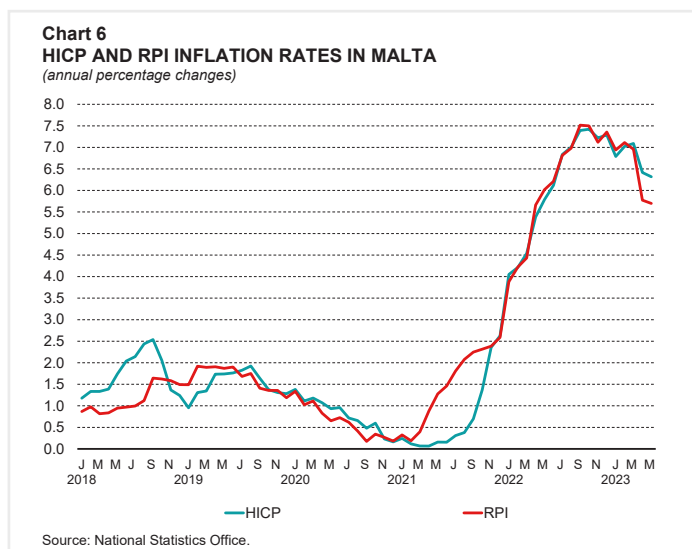
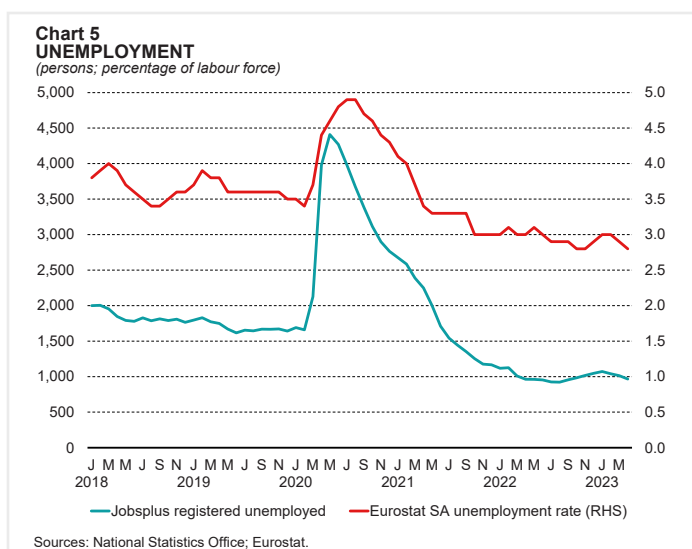
Jobsplus data show that the number of persons on the unemployment register stood at 966 in April, down from 1,013 in March, and up slightly from 963 recorded a year earlier (see Chart 5).

The seasonally-adjusted unemployment rate returned to the historic low of 2.8% in April. This is marginally lower than the rate of 2.9% registered in the previous month, and the rate of 3.0% registered in April 2022.

## Prices, costs and competitiveness

Annual HICP inflation edged down marginally in May, reaching 6.3%, from 6.4% in the previous month (see Chart 6). The easing reflects a decline in food and NEIG inflation. On the other hand, services inflation edged up slightly, while energy inflation remained unchanged. Food inflation stood at 9.6% in May, down from 10.1% in April, reflecting a decline in both processed and unprocessed food inflation. Processed food inflation decreased to 10.4% from 10.6% a month earlier, while unprocessed food inflation stood at 7.0% from 8.3% in April mainly due to lower inflation of poultry and fresh fish. At the same time, NEIG inflation declined to 5.1%, from 5.4% in the previous month, mainly reflecting lower inflation in non-durable goods. Meanwhile, services inflation stood at 6.1% in May, up from 6.0% in April. Energy prices remain unchanged, reflecting government measures aimed at shielding consumers from foreign price pressures.

Annual inflation according to the RPI stood at 5.7% in May, down from 5.8% in April (see Chart 6).<sup>17</sup> The decline was driven by lower inflation in several sub-components. Food inflation, the main contributor to overall



<sup>17</sup> The RPI and the HICP both measure changes in consumer prices but through different methodologies. The HICP index weights are based on total expenditure in Malta, including that by tourists. In contrast, RPI weights only consider expenditure by Maltese households.

inflation, edged down to 10.0%, from 10.2% in April. Housing inflation decreased to 9.7% in May, after increasing by 10.2% in April. At the same time, inflation in household equipment and house maintenance fell to 7.2%. Furthermore, there was a marginal slowdown in personal care and health services inflation, as well as in alcohol and tobacco. Inflation in these subcomponents stood at 5.6% and 6.9%, respectively. On the other hand, inflation in transport and communication rose while clothing and footwear prices fell by 0.8% year-on-year, after declining by 1.2% in April. Energy prices remained unchanged.

The difference between HICP and RPI inflation mostly stems from services inflation and reflects the structure of weights applied to these indices. Different weight levels are allocated to each sub-component in the respective indices, such that RPI includes only domestic related activity whilst HICP also includes tourism related activity. Moreover, the 2023 set of weights applied to the HICP index have been revised compared with the 2022 weights. The weights of the RPI are not updated annually and are hence not affected by such changes.

Producer output inflation, as measured by the industrial producer price index, stood at 4.6% in April, up from 3.9% in March.<sup>18</sup> This increase partly reflects movements in the prices of intermediate goods, which grew by 3.6% on a year earlier, following a contraction in the last month. Producer prices of consumer goods and capital goods decelerated when compared to the previous month. The former rose at a slower rate of 7.9% from 8.9% in March, mirroring developments in the prices of both durable and non-durable consumer goods. Indeed, prices of durable consumer goods were unchanged in annual terms, following an inflation of 4.1% in March, while inflation of non-durable goods edged down in April. Capital goods inflation decelerated to 5.2%, from 10.2% in the previous month. As in recent months, energy producer prices remained unchanged, having no impact on producer prices.

## Public finance

During April 2023, the Consolidated Fund recorded a deficit of €57.0 million, a deterioration of €39.5 million from the deficit registered a year earlier (see Table 4). These developments mainly reflect a rise in government expenditure, which more than outweighed a rise in government revenue. In turn, the primary balance registered a deficit of €36.4 million, compared with a small primary surplus registered in April 2022.

Government revenue increased by €7.1 million, or 1.7%, due to an increase in tax revenue. Revenue from direct taxes rose by €25.6 million, reflecting higher inflows from income taxes, which in turn was mainly driven by higher taxes paid by companies. Moreover, revenue from indirect taxes increased by €12.7 million, mainly on the back of higher inflows from licences and fees. Meanwhile, inflows from non-tax revenue decreased by €31.2 million, mainly due to lower transfer of profits by the Central Bank of Malta, and lower inflows from grants.

Government expenditure increased by €46.5 million, or 10.7% due to increases in both recurrent and capital expenditures. Recurrent expenditure increased by €28.6 million, mainly due to a rise in outlays on programmes and initiatives, which increased by €24.5 million. This is largely due to increases in outlays on retirement pensions, and timing issues regarding payments to church schools and energy support measures. These were partly offset by a decline in expenditure due

<sup>18</sup> 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.

**Table 4**  
**CONSOLIDATED FUND BALANCE**

EUR millions

|  | 2022           |                | 2023         |              | Change       |              |
|--|----------------|----------------|--------------|--------------|--------------|--------------|
|  | Jan.-Apr.      | Jan.-Apr.      | Apr.         | Apr.         | Amount       | %            |
| <b>Revenue</b>                               | <b>1,492.9</b> | <b>1,788.1</b> | <b>416.5</b> | <b>423.6</b> | <b>7.1</b>   | <b>1.7</b>   |
| <b>Direct tax</b>                            | <b>809.5</b>   | <b>1,004.2</b> | <b>268.2</b> | <b>293.8</b> | <b>25.6</b>  | <b>9.5</b>   |
| Income tax                                   | 550.0          | 729.2          | 200.9        | 225.2        | 24.2         | 12.1         |
| Social security contributions <sup>(1)</sup> | 259.4          | 274.9          | 67.3         | 68.6         | 1.4          | 2.0          |
| <b>Indirect tax</b>                          | <b>534.1</b>   | <b>583.1</b>   | <b>95.1</b>  | <b>107.8</b> | <b>12.7</b>  | <b>13.4</b>  |
| Value Added Tax                              | 333.6          | 366.6          | 45.1         | 46.4         | 1.3          | 2.9          |
| Customs and excise duties                    | 84.5           | 90.5           | 21.1         | 22.1         | 0.9          | 4.3          |
| Licences, taxes and fines                    | 116.0          | 126.0          | 28.8         | 39.3         | 10.5         | 36.3         |
| <b>Non-tax<sup>(2)</sup></b>                 | <b>149.3</b>   | <b>200.8</b>   | <b>53.2</b>  | <b>22.0</b>  | <b>-31.2</b> | <b>-58.7</b> |
| <b>Expenditure</b>                           | <b>1,881.9</b> | <b>1,980.7</b> | <b>434.0</b> | <b>480.5</b> | <b>46.5</b>  | <b>10.7</b>  |
| <b>Recurrent</b>                             | <b>1,722.5</b> | <b>1,807.2</b> | <b>399.3</b> | <b>427.9</b> | <b>28.6</b>  | <b>7.2</b>   |
| Personal emoluments                          | 345.1          | 363.0          | 87.2         | 90.0         | 2.9          | 3.3          |
| Operational and maintenance                  | 73.3           | 97.7           | 21.5         | 23.4         | 1.9          | 8.7          |
| Programmes and initiatives                   | 1,035.6        | 1,035.7        | 216.8        | 241.3        | 24.5         | 11.3         |
| Contributions to entities                    | 213.8          | 244.8          | 55.8         | 52.6         | -3.2         | -5.7         |
| Interest payments                            | 54.7           | 66.0           | 18.0         | 20.6         | 2.6          | 14.3         |
| <b>Capital</b>                               | <b>159.5</b>   | <b>173.5</b>   | <b>34.7</b>  | <b>52.6</b>  | <b>17.9</b>  | <b>51.6</b>  |
| <b>Primary balance<sup>(3)</sup></b>         | <b>-334.3</b>  | <b>-126.7</b>  | <b>0.5</b>   | <b>-36.4</b> | <b>-36.9</b> | <b>-</b>     |
| <b>Consolidated Fund balance</b>             | <b>-389.1</b>  | <b>-192.6</b>  | <b>-17.5</b> | <b>-57.0</b> | <b>-39.5</b> | <b>-</b>     |

Source: National Statistics Office.

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

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

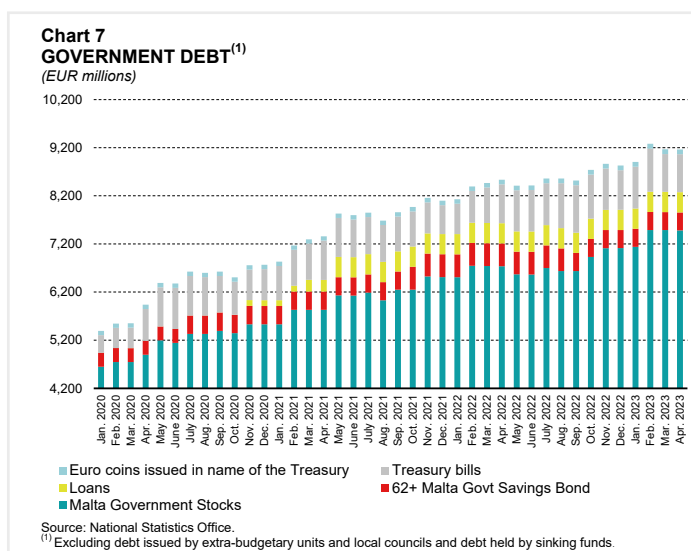
<sup>(3)</sup> Revenue less expenditure excluding interest payments.

to the end of COVID-19 support measures.

Outlays on personal emoluments and operational and maintenance increased by €2.9 million and €1.9 million, respectively. Moreover, outlays on interest payments also increased by €2.6 million. Meanwhile, outlays on contributions to entities declined by €3.2 million.

Capital expenditure increased by €17.9 million, partly reflecting higher expenditure on ICT systems.

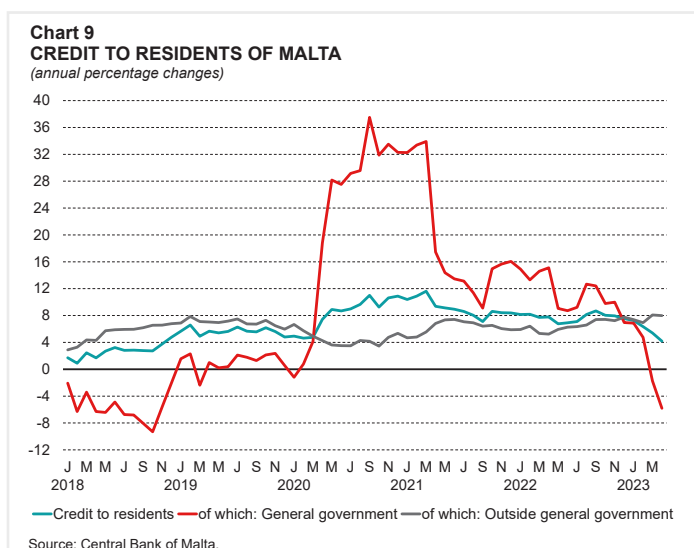
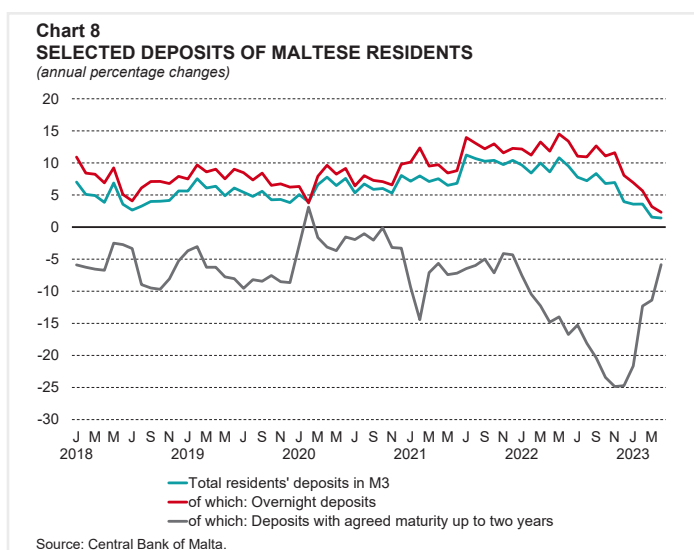
In April 2023, the total stock of outstanding government debt amounted to €9,163.0 million, a decrease of €3.4 million when compared with March 2023 (see Chart 7).



## Deposits, credit and financial markets

In April, residents' deposits held with monetary financial institutions (MFI) and forming part of broad money (M3), expanded at an annual rate of 1.4%, slightly below the 1.6% recorded a month earlier (see Chart 8).

Overnight deposits remained the largest component of residents' M3 deposits, comprising around 90% of their M3 balances. This deposit category – which is the most liquid – grew by 2.3% in the year to April, slowing from 3.2% in the previous month. Time deposits with agreed maturity of up to two years – the second largest deposit category – fell by 5.9% in annual terms, following a contraction of 11.4% in the year to March. The contraction in this category has slowed down in recent months, possibly due to more attractive terms on fixed deposit accounts by certain credit institutions.



Credit to Maltese residents grew by 4.2% in April, after increasing by an annual 5.4% a month earlier (see Chart 9). This deceleration was largely driven by a faster decline in credit to general government. This credit component fell by 5.8%, following a contraction of 1.7% in March. Meanwhile, annual growth in credit to residents outside general government eased to 8.0%, down from 8.1% registered in the year to March.

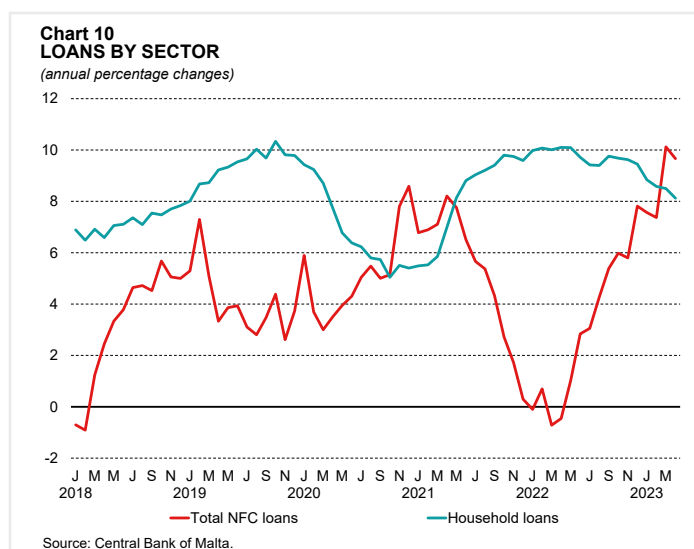
The annual rate of change in loans to households stood at 8.1% in April, below the 8.5% recorded in the previous month (see Chart 10). Growth in mortgage lending edged down to 8.2%, from 8.6% in the year to March. By contrast, growth in consumer credit and other lending remained broadly unchanged, standing at 7.3% in April.

Meanwhile, the annual rate of change in loans to non-financial corporations stood at 9.7% in April, down from 10.1% in the year to March. The deceleration was largely driven by a sharp slowdown in loans to the real estate sector. Slower growth was also recorded in loans to the wholesale and



retail trade sector. By contrast, loans to the construction sector, and to a lesser extent, in the transportation storage, information and communication sector, increased at a faster pace compared to March.

By end-May, 622 facilities were approved and still outstanding under the COVID-19 Guarantee Scheme (CGS), covering total sanctioned lending of €482.6 million.<sup>19</sup> The number and value of facilities approved and still outstanding was unchanged from the previous month. The outstanding value of loans stood at €308.0 million.



In May 2022, the Malta Development Bank (MDB) launched the first of three support measures in response to the war in Ukraine and high inflation. The Subsidised Loans Scheme (SLS) provides temporary urgent liquidity support, backed by government guarantees, to importers and wholesalers of grains and animal feed, thereby ensuring the security of supply of such products. By end-May, three facilities were approved, with total sanctioned lending of €14.2 million. The outstanding level of disbursements in terms of this scheme stood at €8.1 million, down from €8.8 million in April.

In June 2022, the MDB launched the Liquidity Support Guarantee Scheme (LSGS), which consists of two measures: LSGS-A provides bank financing support to all undertakings affected by the extraordinary circumstances caused by the war in Ukraine, while LSGS-B is specific to fuel and oil importers. A total portfolio of €100 million and €50 million in working capital loans are available under LSGS-A and LSGS-B, respectively. Government guarantees cover 90% of each working capital loan under LSGS-A, and 80% under LSGS-B. By the end of May 2023, a total of €24.5 million was approved under one of these schemes, an unchanged amount compared to a month earlier. Meanwhile, the outstanding level of disbursement stood at €21.8 million by end-May.

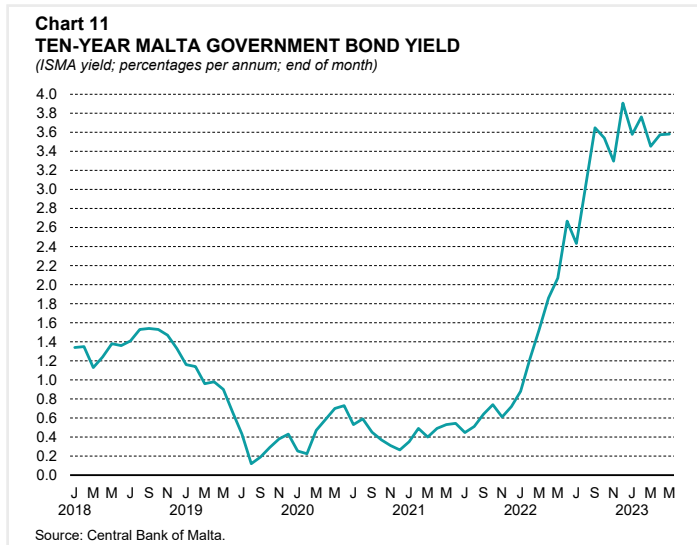
As regards interest rates, in April, the composite interest rate paid by MFIs on Maltese residents' outstanding deposits edged up to 0.21%, 2 basis point higher than that recorded a month earlier. Meanwhile, the composite rate charged on outstanding loans remained unchanged from a month earlier, standing at 3.41% in April. As a result, the spread between narrowed marginally to 321 basis points.

On the capital market, the secondary market yield on ten-year Maltese government bonds stood at 3.58% at the end of May, broadly unchanged from a month earlier. It also stood 151 basis

<sup>19</sup> The CGS is administered by the Malta Development Bank for the purpose of guaranteeing new loans granted by commercial banks for working capital purposes to businesses facing liquidity shortfalls because of the pandemic. The scheme enables credit institutions to leverage government guarantees up to a total portfolio volume of €777.8 million. It was approved by the European Commission on 2 April 2020. See [MDB CGS](#) for further details.

points above its year-ago level (see Chart 11). This reflects the transmission of increases in ECB policy rates to government bond yields.

Meanwhile, the Malta Stock Exchange (MSE) Equity Price Index rose by 3.4% when compared with end-April. Similar movements were recorded in the MSE Total Return Index, which accounts for dividends as well as changes in equity prices.



## Annex 1

### MACROECONOMIC INDICATORS FOR MALTA

Annual percentage changes; non-seasonally adjusted data

|  | 2020  | 2021  | 2022  | 2021  | 2022  | 2022  | 2022  | 2022  | 2023  | 2022  | 2022  | 2022  | 2022  | 2022  | 2022  | 2023  | 2023  | 2023  | 2023  | 2023  |  |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|
|  |       |       |       | Q4    | Q1    | Q2    | Q3    | Q4    | Q1    | July  | Aug.  | Sep.  | Oct.  | Nov.  | Dec.  | Jan.  | Feb.  | Mar.  | Apr.  | May   |  |
| <b>Prices and costs</b>  |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| HICP inflation   | 0.8   | 0.7   | 6.1   | 2.1   | 4.3   | 5.8   | 7.1   | 7.3   | 7.0   | 6.8   | 7.0   | 7.4   | 7.4   | 7.2   | 7.3   | 6.8   | 7.0   | 7.1   | 6.4   | 6.3   |  |
| RPI inflation  | 0.6   | 1.5   | 6.2   | 2.4   | 4.2   | 6.0   | 7.1   | 7.3   | 7.0   | 6.8   | 7.0   | 7.5   | 7.5   | 7.1   | 7.4   | 6.9   | 7.1   | 7.0   | 5.8   | 5.7   |  |
| Industrial producer price inflation                                  | 0.3   | 3.2   | 5.5   | 6.5   | 6.8   | 5.4   | 4.6   | 5.3   | 3.9   | 5.2   | 3.9   | 4.6   | 5.7   | 6.0   | 4.3   | 3.3   | 4.6   | 3.9   | 4.6   | -     |  |
| HCI (nominal)  | 1.8   | 0.4   | -1.5  | -1.7  | -1.3  | -2.2  | -2.4  | -0.1  | 1.6   | -2.5  | -2.6  | -2.1  | -1.0  | 0.0   | 0.8   | 1.4   | 1.3   | 2.0   | 3.8   | 3.5   |  |
| HCI (real)   | 1.5   | -1.9  | -3.7  | -4.5  | -3.2  | -4.7  | -4.8  | -2.2  | 0.4   | -4.8  | -4.9  | -4.5  | -3.6  | -2.2  | -0.8  | -0.5  | -0.1  | 1.8   | 3.3   | 3.0   |  |
| Unit labour costs, whole economy <sup>(1)</sup>                      | 12.1  | -3.6  | 1.8   | -3.6  | -4.6  | -3.0  | -0.7  | 1.8   | 3.3   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Compensation per employee <sup>(1)</sup>                             | -0.4  | 4.7   | 2.7   | 4.7   | 4.1   | 3.3   | 2.8   | 2.7   | 2.1   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Labour productivity (per person) <sup>(1)</sup>                      | -11.1 | 8.6   | 0.8   | 8.6   | 9.0   | 6.5   | 3.4   | 0.8   | -1.2  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Property Price Index (Eurostat)                                      | 3.4   | 5.1   | 6.7   | 4.5   | 6.8   | 7.6   | 6.3   | 5.9   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| <b>Economic activity</b>   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| Nominal GDP  | -7.1  | 13.9  | 12.7  | 16.0  | 12.1  | 15.5  | 11.9  | 11.6  | 9.1   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Real GDP   | -8.6  | 11.7  | 7.1   | 13.2  | 8.3   | 9.6   | 5.6   | 5.2   | 3.1   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Real private consumption   | -10.6 | 8.2   | 9.8   | 10.2  | 11.7  | 13.5  | 7.8   | 6.8   | 3.2   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Real government consumption  | 15.8  | 6.9   | 2.4   | 4.4   | -1.4  | 11.9  | 1.3   | -1.4  | 1.1   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Real gross fixed capital formation                                   | -6.6  | 11.0  | 29.5  | 13.7  | 24.1  | 19.1  | 33.8  | 40.7  | -16.5 | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Real exports of goods and services                                   | -1.7  | 6.2   | 6.3   | 7.3   | 7.8   | 7.1   | 8.7   | 1.4   | -3.0  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Real imports of goods and services                                   | 1.9   | 3.8   | 9.2   | 5.1   | 9.0   | 9.6   | 12.9  | 5.4   | -6.6  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| <b>Labour market developments</b>                                    |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| LFS unemployment rate (% of labour force)                            | 4.4   | 3.4   | 2.9   | 3.0   | 2.9   | 2.9   | 2.9   | 2.9   | 2.9   | 2.9   | 2.9   | 2.9   | 2.8   | 2.8   | 2.9   | 3.0   | 3.0   | 2.9   | 2.8   | -     |  |
| LFS employment   | 2.6   | 3.1   | 5.2   | 5.6   | 5.3   | 4.9   | 5.1   | 5.5   | 5.3   | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Jobsplus registered employed   | 4.2   | 2.6   | 6.2   | 3.6   | 5.0   | 5.5   | 6.2   | 7.9   | -     | 6.1   | 6.2   | 6.4   | 7.4   | 8.0   | 8.4   | 8.6   | -     | -     | -     | -     |  |
| <b>Balance of payments</b>   |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| Current account (as a % of GDP) <sup>(2)</sup>                       | 2.2   | 1.2   | -5.8  | 1.2   | -0.4  | -1.7  | -4.0  | -5.8  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| <b>Credit and financial indicators</b>                               |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| <b>Maltese residents' deposits and loans</b>                         |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| Overnight deposits   | 9.8   | 12.3  | 8.1   | 12.3  | 13.3  | 13.4  | 12.7  | 8.1   | 3.2   | 11.0  | 10.9  | 12.7  | 11.1  | 11.6  | 8.1   | 6.9   | 5.7   | 3.2   | 2.3   | -     |  |
| Deposits with agreed maturity up to 2 years                          | -3.3  | -4.3  | -24.7 | -4.3  | -12.3 | -16.7 | -20.4 | -24.7 | -11.4 | -15.3 | -18.1 | -20.4 | -23.4 | -24.9 | -24.7 | -21.6 | -12.3 | -11.4 | -5.9  | -     |  |
| Total residents' deposits in M3                                      | 8.0   | 10.4  | 4.0   | 10.4  | 10.0  | 9.5   | 8.4   | 4.0   | 1.6   | 7.8   | 7.2   | 8.4   | 6.8   | 7.0   | 4.0   | 3.6   | 3.6   | 1.6   | 1.4   | -     |  |
| Credit to general government   | 32.3  | 16.1  | 7.0   | 16.1  | 14.6  | 8.7   | 12.4  | 7.0   | -1.7  | 9.2   | 12.7  | 12.4  | 9.8   | 10.0  | 7.0   | 6.9   | 4.7   | -1.7  | -5.8  | -     |  |
| Credit to residents (excl. general government)                       | 5.3   | 5.9   | 7.8   | 5.9   | 5.3   | 6.3   | 7.4   | 7.8   | 8.1   | 6.4   | 6.6   | 7.4   | 7.4   | 7.2   | 7.8   | 7.4   | 6.9   | 8.1   | 8.0   | -     |  |
| Total credit   | 10.9  | 8.4   | 7.5   | 8.4   | 7.7   | 6.9   | 8.7   | 7.5   | 5.4   | 7.1   | 8.2   | 8.7   | 8.0   | 8.0   | 7.5   | 7.3   | 6.3   | 5.4   | 4.2   | -     |  |
| Ten-year interest rate (%) <sup>(3)</sup>                            | 0.3   | 0.7   | 3.9   | 0.7   | 1.5   | 2.7   | 3.6   | 3.9   | 3.5   | 2.4   | 3.0   | 3.6   | 3.5   | 3.3   | 3.9   | 3.6   | 3.8   | 3.5   | 3.6   | 3.6   |  |
| Stock prices: Malta Stock Exchange Equity Price Index <sup>(4)</sup> | -12.4 | -4.5  | -9.9  | 1.8   | -8.2  | 1.1   | -0.7  | -2.2  | -0.4  | 0.4   | -1.6  | 0.5   | 0.9   | -3.1  | 0.0   | -0.1  | 2.5   | -2.7  | 2.3   | 3.4   |  |
| <b>Liquidity support measures related to COVID-19</b>                |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| Outstanding loans subject to a moratorium <sup>(5)</sup>             | 691.9 | 14.1  | -     | 14.1  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Sanctioned amount under the MDB CGS <sup>(5)</sup>                   | 408.1 | 505.9 | 482.6 | 505.9 | 489.3 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 | 482.6 |  |
| Disbursed amount under the MDB CGS <sup>(5)</sup>                    | 287.1 | 453.0 | 470.2 | 453.0 | 459.6 | 468.9 | 470.2 | 470.2 | 470.7 | 469.5 | 469.7 | 470.2 | 470.2 | 470.2 | 470.2 | 470.7 | 470.7 | 470.7 | 470.7 | 470.7 |  |
| <b>General government finances (% of GDP)</b>                        |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |  |
| Surplus (+) / deficit (-) <sup>(2)</sup>                             | -9.7  | -7.8  | -5.8  | -7.8  | -7.7  | -6.5  | -5.6  | -5.8  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |
| Gross debt <sup>(6)</sup>  | 52.9  | 55.1  | 53.2  | 55.1  | 56.0  | 53.7  | 52.8  | 53.2  | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     | -     |  |

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

<sup>(1)</sup> Four-quarter moving averages.

<sup>(2)</sup> Four-quarter moving sums.

<sup>(3)</sup> End of period.

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

<sup>(5)</sup> Stock in EUR millions.

<sup>(6)</sup> GDP data are four-quarter moving sums.