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ECONOMIC UPDATE

FEBRUARY 2016

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Address

Pjazza Kastilja
Valletta VLT 1060
Malta

Telephone

(+356) 2550 0000

Fax

(+356) 2550 2500

Website

<https://www.centralbankmalta.org>

E-mail

info@centralbankmalta.org

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ECONOMIC UPDATE FEBRUARY 2016

Summary¹

Economic activity in Malta continued to expand robustly in the third quarter of 2015, with real gross domestic product (GDP) increasing by 5.4% on a year earlier. Growth was driven by domestic demand. Tourism indicators point to further expansion in the fourth quarter of 2015. Buoyant economic activity is being reflected in the labour market, with employment expanding and the unemployment rate remaining at historically low levels. Price pressures were moderate. The annual rate of inflation, based on the Harmonised Index of Consumer Prices (HICP), eased to 0.8% in January 2016. Maltese residents' deposits continued to expand at a rapid annual rate in December, while the annual rate of growth of credit to residents edged up to 5.2%. As regards fiscal developments, the general government deficit narrowed substantially in the third quarter of 2015, while the deficit on the Consolidated Fund also decreased during the first eleven months of the year. On the external side, the current account of the balance of payments remained in surplus in the third quarter of 2015.

Output, demand and the labour market

Economic activity in Malta continued to grow strongly during the third quarter of 2015, with real GDP rising at an annual rate of 5.4%, following a revised growth rate of 5.8% in the previous quarter (see Table 1).

During the quarter under review, growth was driven by domestic demand, which rose by 9.1% on a year earlier. In turn, the main driver was a rise in gross fixed capital formation, which grew sharply when compared with the third quarter of 2014. Private consumption also had a positive impact. In contrast, government consumption fell. Overall, domestic demand contributed 7.5 percentage points to real GDP growth.

Gross fixed capital formation rose sharply for the second consecutive quarter. In the third quarter it increased by 39.7% on a year earlier. This mostly reflected higher spending on machinery and

Table 1
GROSS DOMESTIC PRODUCT⁽¹⁾

Annual percentage changes

| | 2014 | | 2015 | | |
|--|------------|------------|------------|------------|------------|
| | Q3 | Q4 | Q1 | Q2 | Q3 |
| Private final consumption expenditure | 3.0 | 3.5 | 5.6 | 2.5 | 5.1 |
| Government final consumption expenditure | 5.9 | 9.9 | 4.8 | 5.7 | -5.4 |
| Gross fixed capital formation | 3.1 | 12.2 | 0.3 | 28.4 | 39.7 |
| Domestic demand | 2.3 | 9.1 | 4.6 | 6.0 | 9.1 |
| Exports of goods and services | -2.7 | 1.6 | -0.3 | 4.3 | 3.4 |
| Imports of goods and services | -4.1 | 3.6 | -0.6 | 4.4 | 5.3 |
| Gross domestic product | 3.4 | 5.8 | 5.2 | 5.8 | 5.4 |

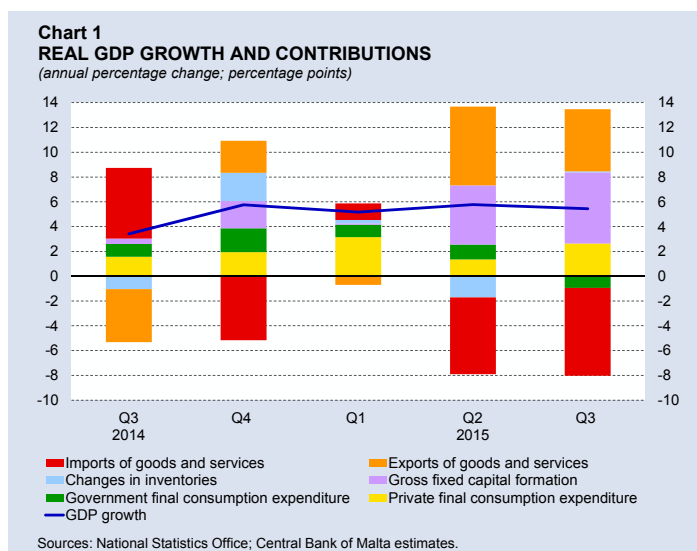
⁽¹⁾ Chain-linked volumes, reference year 2010.

Source: National Statistics Office.

¹ The cut-off date for information in this note is 19 February 2016, except for data on house prices, which were updated on 24 February 2016.

transport equipment. Spending on dwellings also increased. In contrast, non-residential investment declined, while the other components of investment, which include investment in software, were broadly stable. Overall, investment contributed 5.7 percentage points to real GDP growth (see Chart 1).

Private consumption also went up, expanding at an annual rate of 5.1% in the third quarter, reflecting continued growth in compensation of employees. It added 2.6 percentage points to GDP growth.



In contrast, following several quarters of strong growth, government consumption declined by 5.4% on the third quarter of 2014, lowering GDP growth by 0.9 percentage points. Although government wages and intermediate consumption increased, receipts from sales of government services, which are netted against such expenditure, rose even faster.

Exports rose by 3.4% year-on-year, mainly as a result of an increase in foreign sales of services. Meanwhile, reflecting strong growth in aggregate demand, imports rose by 5.3%, supported by goods imports in particular. With imports growing faster than exports, net exports declined, dampening GDP growth by 2.1 percentage points.

Changes in inventories had a slight positive impact on growth.²

Nominal GDP expanded at an annual rate of 8.0% in the third quarter of 2015, marginally slower than the 8.1% recorded in the second quarter, largely reflecting developments in the annual rate of growth of gross value added (GVA). The latter eased to 8.4%, from 8.6% in the previous quarter. Services remained the main contributor to growth in GVA. In turn, the strongest contributions came from the sector comprising wholesale and retail trade, the sector incorporating professional and scientific activities and the sector incorporating financial and insurance activities. The GVA of the sector which incorporates public administration, health and education also contributed significantly. Smaller positive contributions were also recorded in utilities, the real estate sector and the sector comprising arts and entertainment. In contrast, GVA in the manufacturing sector fell in annual terms.

The available information for the fourth quarter of 2015 indicates continued growth in tourism and a moderating pace of activity in manufacturing.

² The contribution to GDP growth of changes in inventories, which includes both the statistical discrepancy and acquisitions and disposals of valuables, is based on the Bank's calculations.

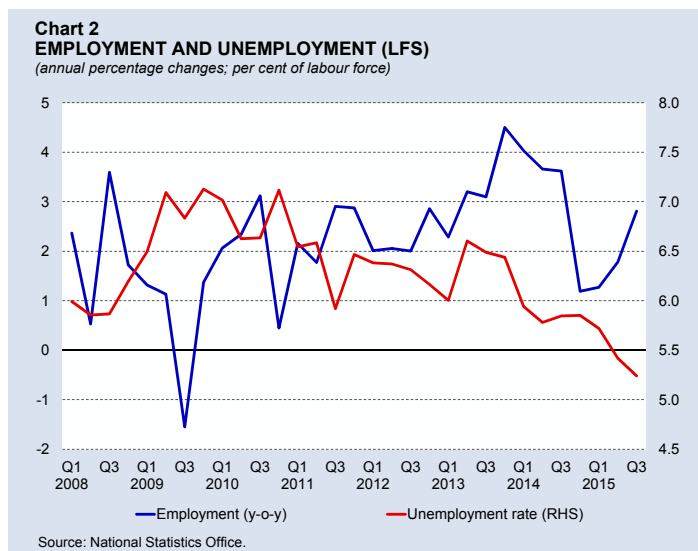
As regards manufacturing, the index of industrial production rose by 5.8% in year-on-year terms during December 2015, following a 1.9% increase in November.³ As a result, the three-month moving average growth rate rose to 4.6%, from 4.3% a month earlier. Annual growth in industrial production during the last quarter of the year mainly reflected strong increases in output in the rubber and plastics, and pharmaceutical sectors. Smaller increases were also recorded among firms involved in the production of food and beverages as well as in the energy sector. In contrast, output fell among firms involved in the manufacture of computer, electronic and optical products as well as those involved in printing.

Turning to tourism, the buoyancy in the industry continued in December as arrivals rose by 9.6% on a year earlier, while nights stayed and expenditure also increased. As a result, during 2015 as a whole, tourist arrivals increased by 6.0% on a year earlier, while nights stayed and total spending went up by 5.1% and 7.5%, respectively. Increased spending was spread across all major categories of tourist expenditure, in particular the non-package holiday category, which advanced by 13.4%, with significant increases in both accommodation and travel fares. At the same time, spending on package holidays rose by 4.9%, while the “other” component of tourist expenditure went up by 5.6%.

Meanwhile, during the last quarter of 2015, cruise liner calls declined to 88 from 100. Nonetheless, foreign passengers increased to 175,355, up by 15.2% on a year earlier. Partly reflecting these developments, over 2015 as a whole, the number of foreign cruise passengers went up by 27.1% to 591,682.

As regards the labour market, according to the Labour Force Survey (LFS), employment expanded by 2.8% during the third quarter of 2015 compared with the same period a year earlier. This followed a 1.8% increase in the previous quarter (see Chart 2). Similar to the second quarter, employment growth in the third quarter solely reflected developments in full-time employment, as the number of part-time employees and those working on reduced hours fell.

On the basis of records maintained by the Employment and Training Corporation (ETC), employment increased even more strongly. In August 2015 the gainfully occupied population rose by 4.5% on a year earlier, up from 4.0% in July.⁴



³ Based on the industrial production index adjusted for working days.

⁴ The LFS is a household survey conducted by the NSO on the basis of definitions set by the International Labour Organization and Eurostat. ETC data are based on administrative records according to definitions established by domestic legislation on employment and social security benefits.

According to the LFS, the unemployment rate stood at 5.2% in the third quarter of 2015, down from 5.8% a year earlier.⁵

The available information suggests that labour market conditions continued to improve in the last quarter of the year. Indeed, Eurostat's estimate of the seasonally-adjusted unemployment rate, which had dropped to an average of 5.1% in the third quarter, remained stable around that rate in October and November.

ETC data also show a fall in the number of registered unemployed. In December 2015 the number of people on the unemployment register decreased by 1,672 compared with the corresponding month of 2014, to 4,615. The number of registered unemployed fell across all age groups.

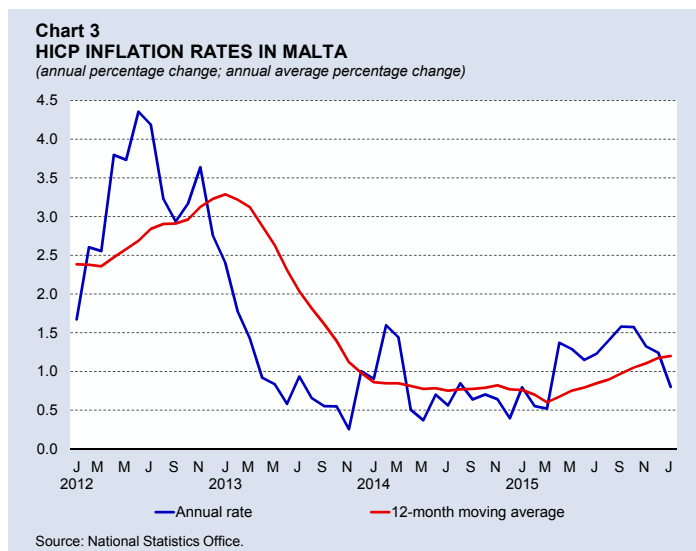
Prices, costs and competitiveness⁶

In January, the annual rate of HICP inflation eased to 0.8%, from 1.2% a month earlier. At 1.2%, the twelve-month moving average rate was unchanged when compared with December (see Chart 3).

The largest upward impacts on annual inflation were brought about by the alcoholic beverages and tobacco index (0.2 percentage points), the furniture, household equipment and routine maintenance of the house index (0.2 percentage points) and the food and non-alcoholic beverages index (0.2 percentage points). These were mainly due to higher prices of cigarettes, household appliances and meat, respectively.

The main downward impacts were recorded in the transport index (0.4 percentage points) and the communication index (0.1 percentage points), mainly due to lower fuel prices and cheaper mobile phones.

As regards cost indicators, Central Bank of Malta estimates suggest that during the third quarter of 2015 Malta's unit labour costs (ULC), measured as a four-quarter moving average, fell by 0.4% on a year earlier.⁷ This represents the first



⁵ This unemployment rate is based on the number of unemployed aged 15 and over, which is consistent with NSO data on employment and the labour force. It may differ slightly from that published by the NSO, which is based on the number of unemployed in the 15-74 age bracket.

⁶ HICP data for January 2016 were published with 2015 as base year. Data with base year 2015 will replace the previously available series with reference year 2005, with the new series expected to be available as from 25 February 2016. Sub-indices for the five main HICP categories, namely services, non-energy industrial goods, energy, processed and unprocessed food for January 2016 are also expected to become available after this date.

⁷ Unit labour costs measure the average labour cost of a unit of output and are based on the ratio of compensation per employee to productivity.

decrease in ULC since 2005, and follows the moderation seen in recent quarters. The decrease in ULC was the result of strong productivity growth. In the third quarter, productivity increased by 2.4% on a year earlier, whereas compensation per employee rose by a more modest 1.9%.

Residential property prices continued to rise during the third quarter of 2015. Eurostat's House Price Index for Malta – which is based on transactions covering terraced houses, apartments and maisonettes – indicates that residential property prices increased by 6.7% compared with the same quarter of 2014. The Central Bank of Malta's advertised property price index also shows growth in house prices. It rose at an annual rate of 5.0% in the third quarter of 2015, following a 4.8% increase in the previous quarter. Prices of apartments – the major component – continued to grow strongly, though at a slower pace than in the previous quarter. Although they indicate trends, advertised property prices may not accurately reflect the prices at which sales actually take place.

Deposits, credit and financial markets

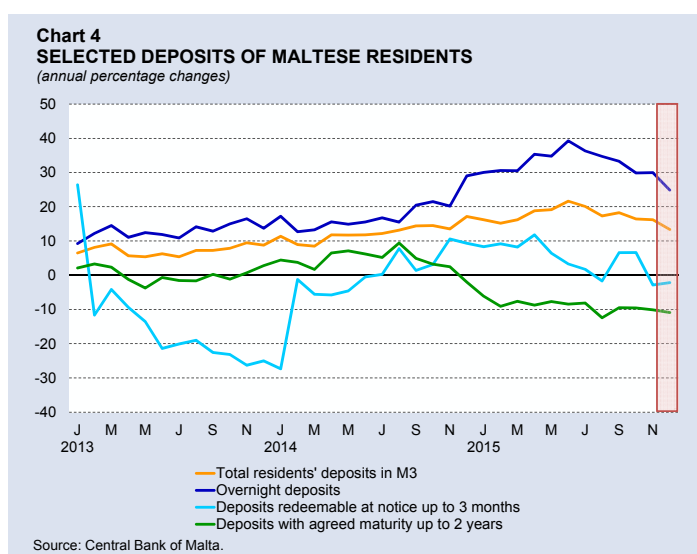
The annual growth rate of residents' deposits forming part of broad money (M3) edged down further in December, falling to 13.4% from 16.2% in November. Nonetheless, growth remains strong from a historical perspective.

The year-on-year increase in M3 deposits continued to be supported by robust growth in residents' overnight deposits, which rose by 24.9% following a 30.0% annual increase in November (see Chart 4). This robust growth reflects the low opportunity cost of holding liquid assets in an environment of low interest rates. Households remained the main contributors to the increase in overnight deposits.

The other major component of M3 deposits, those with an agreed maturity of up to two years, continued to decline, with the annual rate of change falling further to -10.9% in December from -10.1% in November. Deposits redeemable at notice up to 3 months, the smallest component of M3 deposits, also fell on a year earlier

On the asset side of banks' balance sheets, annual growth in credit to Maltese residents rose to 5.2% in December, from 4.8% in November (see Chart 5). This acceleration reflected faster growth in both credit to government and credit to other residents.

The annual rate of growth of credit to general government reached 15.2% in December, from 15.0% a month earlier. This was driven by an increase in banks' holdings of government



securities. In turn, this partly reflected Central Bank of Malta purchases of government debt under the Eurosystem's Public Sector Purchase Programme as well as the take-up of issues of Malta Government Stocks by the banks in recent months.

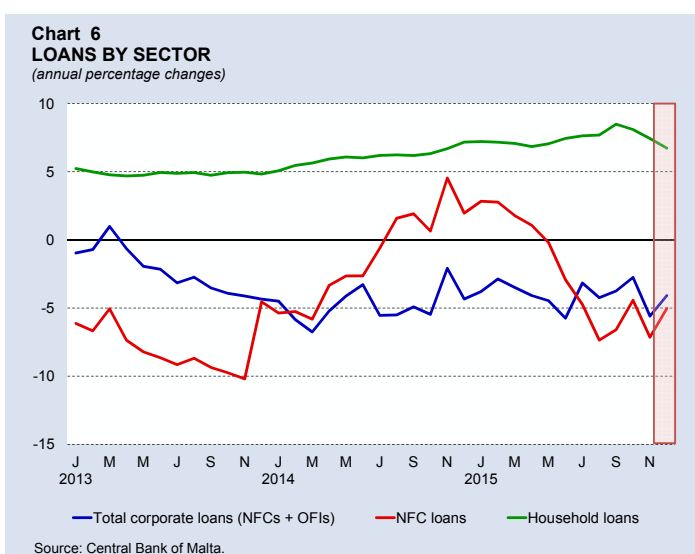
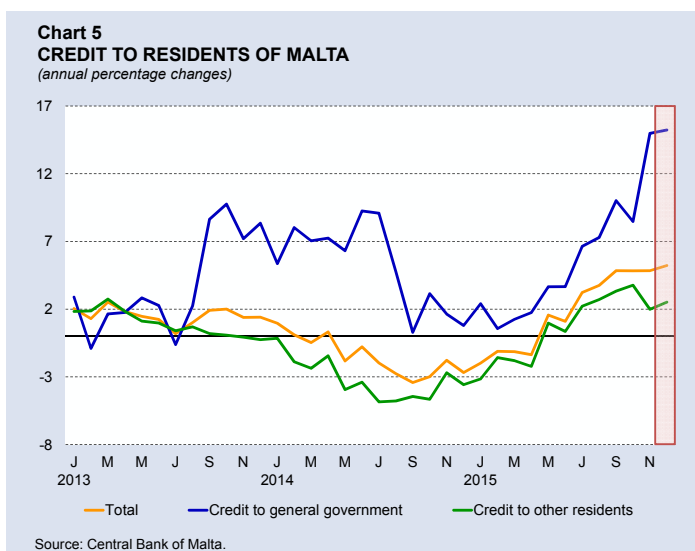
Credit to all other residents – which comprise non-financial corporations (NFCs), households, and non-bank financial institutions (OFIs) – grew by 2.5% year-on-year in December, up from 2.0% in November.

The year-on-year increase was mainly driven by loans and, to a lesser extent, shares and other equities. Loans grew at an annual rate of 1.0%, up from 0.5% in the previous month.

In more detail, NFC loans, which comprise lending to both public and private NFCs, contracted by 5.0% on an annual basis in December, following a stronger drop of 7.1% in November. Meanwhile, annual growth in loans to households decelerated once more, although it remained robust, standing at 6.7% in December (see Chart 6). As in recent months, strong year-on-year growth in loans for house purchase offset drops in consumer credit and other lending. Meanwhile, loans to OFIs, the other component of loans, continued to grow, though at a much slower pace than in recent months.

Bank deposit rates extended their downward trend in December, with the composite interest rate paid by monetary financial institutions (MFIs) on all euro-denominated deposits belonging to resident households and NFCs dropping by 3 basis points to 0.69%. The comparable rate charged on outstanding loans also edged down by 2 basis points to 3.81%. As a result, the composite deposit rate was 34 basis points below its level in December 2014, while the corresponding lending rate went down by 21 basis points.

In the secondary market, the yield on ten-year government bonds dropped by 24 basis points to 1.12% in January 2016, following an increase in



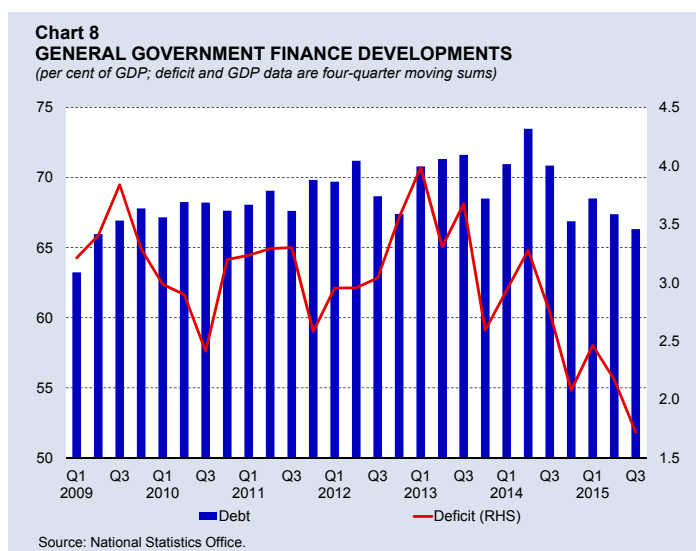
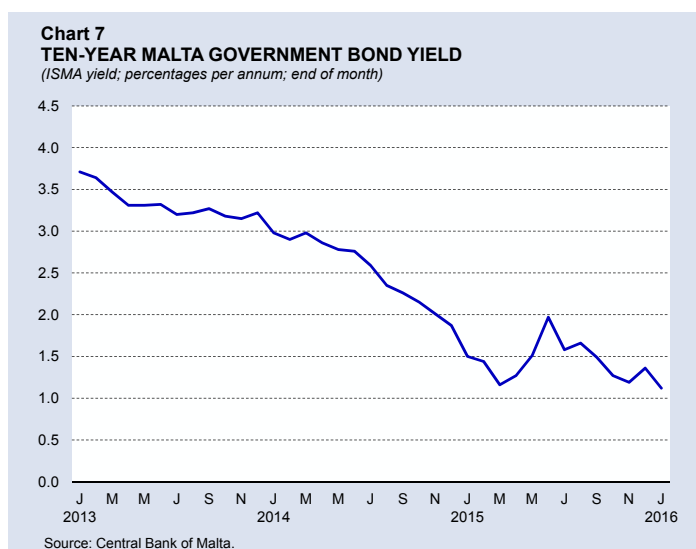
the previous month (see Chart 7). These movements were broadly in line with those in euro area benchmark yields. Meanwhile, equity prices rose slightly in January, with the MSE index rising by 0.93%.

Public finance⁸

In the third quarter of 2015, the general government deficit narrowed by €35.0 million compared with the same period a year earlier, to €6.5 million. As a result, the deficit-to-GDP ratio, computed on the basis of four-quarter moving sums, declined to 1.7% from 2.2% in the previous quarter.⁹

During the third quarter of 2015, general government revenue grew by 11.2%, boosted by tax revenue as well as inflows under the International Investor Programme. Income tax receipts also increased strongly, growing by 17.6%, while social security contributions rose to a lesser extent. Meanwhile, intakes from taxes on production and imports grew by 2.9%. On the other hand, receipts from capital and current transfers contracted by 20.1% mainly because of a drop in current transfers.

General government expenditure rose by 6.4% on a year earlier, mainly reflecting higher current spending. In turn, this was mainly driven by increased outlays on compensation of employees and social benefits, which rose by 6.3% and 8.3%, respectively. Growth in the former mainly reflected increased outlays on public administration, health and education. Spending on intermediate consumption and on subsidies also rose. Conversely, current transfers payable contracted. Capital expenditure was



⁸ The general government accounts, which are compiled in line with the ESA 2010 methodology, cover central government, including extra-budgetary units, as well as local councils, on an accrual basis. The Consolidated Fund captures most of the transactions of general government on a cash basis.

⁹ Deficit and debt ratios are based on deficit and debt levels published in NSO *News Release* 004/2016 and GDP data published in NSO *News Release* 224/2015.

significantly higher during the quarter under review, propelled by higher spending on gross fixed capital formation.

In the third quarter of 2015, the general government debt-to-GDP ratio stood at 66.3% down from 67.4% in the previous quarter (see Chart 8).

Consolidated Fund data also show an improvement in the fiscal balance. In the first eleven months of 2015, the Consolidated Fund deficit narrowed by €27.9 million when compared with the same period of 2014, to €160.9 million. Revenue grew by 8.5%, mainly on the back of higher intakes from taxes. Total expenditure went up by 7.0%, driven largely by higher recurrent spending.

Balance of payments

During the third quarter of 2015, the surplus on the current account of the balance of payments widened by €199.2 million, to €357.2 million.¹⁰ This increase was driven by a positive swing of €233.8 million on the primary income component, as well as an increase of €130.4 million in net services receipts. These developments were partly offset by a widening of €159.7 million in the merchandise trade deficit, and by a €5.2 million decrease in net secondary income inflows (see Table 2).¹¹ The capital account posted net inflows of €2.0 million, down from €34.2 million in the third quarter of 2014.

The financial account showed net borrowing of €204.4 million, in contrast to net lending flows of €372.0 million during the same period of 2014.

During the first nine months of the year, the current account surplus widened by €431.2 million to €733.3 million, as an increase in the deficit on the goods account was offset by improvements in the other components. At the same time, inflows on the capital account rose by €19.0 million, whereas net lending was €239.0 million lower than it was a year earlier.

Table 2
EXTERNAL TRANSACTIONS

EUR millions

| | 2014 Q3 | 2015 Q3 | 2014 Q1-Q3 | 2015 Q1-Q3 |
|--|--------------|---------------|---------------|---------------|
| Current account | 158.0 | 357.2 | 302.2 | 733.3 |
| Goods | -293.7 | -453.5 | -832.9 | -1,159.6 |
| Services | 594.1 | 724.4 | 1,381.8 | 1,699.0 |
| Primary income | -201.0 | 32.8 | -398.7 | 36.0 |
| Secondary income | 58.7 | 53.5 | 151.9 | 157.9 |
| Capital account | 34.2 | 2.0 | 130.1 | 149.1 |
| Financial account⁽¹⁾ | 372.0 | -204.4 | 781.1 | 542.1 |

⁽¹⁾ Net lending (+) / net borrowing (-).

Source: National Statistics Office.

¹⁰ As from September 2014, the NSO started publishing the balance of payments statement according to the guidelines provided in the Sixth Edition of the IMF's BOP and IIP manual (BPM6). The most notable difference resulting from the implementation of the latest manual relates to the inclusion of Special Purpose Entities as residents of Malta.

¹¹ The primary income account shows income flows related mainly to cross-border investment and compensation of employees. The secondary income account shows current transfers between residents and non-residents.

More recently, the trade gap narrowed in December, as exports contracted at a substantially slower pace than imports.¹² As a result, during 2015 as a whole the merchandise trade deficit narrowed by €161.2 million when compared with 2014, to €2,500.7 million. Although both imports and exports declined, the former fell at a faster pace, largely mirroring a reduction in the value of fuel imports.

¹² Goods exports and imports in the balance of payments differ from merchandise trade data from Customs sources due to adjustments for differences in coverage, valuation and timing. For example, Customs data cover all goods which cross Maltese borders, whereas balance of payments data only include transactions involving changes in ownership. These differences are especially pronounced in the case of trade in fuel, aircraft and ships.

Annex 1

| MACROECONOMIC INDICATORS FOR MALTA | | | | | | | | | | | | | | | | | | | | | |
|--|------|------|-------|------|------|------|------|------|-------|------|------|------|------|------|------|-------|------|------|-------|-------|------|
| <i>(annual percentage changes; non-seasonally adjusted data)</i> | | | | | | | | | | | | | | | | | | | | | |
| | 2013 | 2014 | 2015 | 2014 | 2014 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2015 | 2016 | |
| | | | | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Feb. | Mar. | Apr. | May | June | July | Aug. | Sep. | Oct. | Nov. | Dec. | Jan. |
| Prices and costs | | | | | | | | | | | | | | | | | | | | | |
| HICP | 1.0 | 0.8 | 1.2 | 0.7 | 0.6 | 0.6 | 1.3 | 1.4 | 1.4 | 0.6 | 0.5 | 1.4 | 1.3 | 1.1 | 1.2 | 1.4 | 1.6 | 1.6 | 1.3 | 1.2 | 0.8 |
| Unit labour costs, whole economy ⁽¹⁾ | 1.1 | 1.5 | - | 1.6 | 1.5 | 1.4 | 0.4 | -0.4 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Compensation per employee ⁽¹⁾ | 1.3 | 0.6 | - | 0.3 | 0.6 | 1.0 | 1.3 | 1.9 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Labour productivity (per person) ⁽¹⁾ | 0.2 | -0.9 | - | -1.3 | -0.9 | -0.5 | 0.8 | 2.4 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Residential property prices | 2.1 | 7.0 | - | 7.6 | 4.7 | 5.3 | 4.8 | 5.0 | - | - | - | - | - | - | - | - | - | 4.7 | - | 4.8 | - |
| Economic activity | | | | | | | | | | | | | | | | | | | | | |
| Nominal GDP | 5.9 | 5.9 | - | 5.3 | 8.1 | 7.2 | 8.1 | 8.0 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Real GDP | 4.0 | 4.1 | - | 3.4 | 5.8 | 5.2 | 5.8 | 5.4 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Real private consumption | 2.0 | 2.8 | - | 3.0 | 3.5 | 5.6 | 2.5 | 5.1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Real government consumption | 0.2 | 7.8 | - | 5.9 | 9.9 | 4.8 | 5.7 | -5.4 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Real gross fixed capital formation | -0.2 | 7.6 | - | 3.1 | 12.2 | 0.3 | 28.4 | 39.7 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Real exports of goods and services | 0.8 | 0.0 | - | -2.7 | 1.6 | -0.3 | 4.3 | 3.4 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Real imports of goods and services | -0.8 | -0.1 | - | -4.1 | 3.6 | -0.6 | 4.4 | 5.3 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Tourist arrivals | 9.6 | 6.8 | 6.0 | 7.2 | 2.5 | 7.7 | 4.2 | 4.5 | 10.1 | 14.1 | 4.1 | 2.5 | 6.4 | 3.6 | 4.7 | 4.8 | 3.8 | 10.5 | 9.8 | 9.6 | - |
| Labour market developments (LFS) | | | | | | | | | | | | | | | | | | | | | |
| Unemployment rate (% of labour force) | 6.4 | 5.9 | - | 5.8 | 5.9 | 5.7 | 5.4 | 5.2 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total employment | 3.3 | 3.1 | - | 3.6 | 1.2 | 1.3 | 1.8 | 2.8 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance of payments | | | | | | | | | | | | | | | | | | | | | |
| Current account (as a % of GDP) ⁽²⁾ | 3.6 | 3.9 | - | 3.8 | 3.9 | 5.7 | 6.5 | 8.7 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Credit and financial indicators | | | | | | | | | | | | | | | | | | | | | |
| Maltese residents' deposits and loans | | | | | | | | | | | | | | | | | | | | | |
| Overnight deposits | 13.7 | 29.0 | 24.9 | 20.4 | 29.0 | 30.5 | 39.3 | 33.3 | 24.9 | 30.6 | 30.5 | 35.3 | 34.8 | 39.3 | 36.3 | 34.7 | 33.3 | 29.9 | 30.0 | 24.9 | - |
| Deposits with agreed maturity up to 2 years | 2.8 | -2.0 | -10.9 | 4.9 | -2.0 | -7.6 | -8.4 | -9.5 | -10.9 | -9.1 | -7.6 | -8.7 | -7.7 | -8.4 | -8.1 | -12.4 | -9.5 | -9.5 | -10.1 | -10.9 | - |
| Total residents' deposits in M3 | 8.8 | 17.2 | 13.4 | 14.4 | 17.2 | 16.2 | 21.6 | 18.3 | 13.4 | 15.2 | 16.2 | 18.8 | 19.1 | 21.6 | 20.1 | 17.3 | 18.3 | 16.4 | 16.2 | 13.4 | - |
| Credit to general government | 8.3 | 0.8 | 15.2 | 0.3 | 0.8 | 1.2 | 3.7 | 10.0 | 15.2 | 0.6 | 1.2 | 1.7 | 3.7 | 3.7 | 6.6 | 7.3 | 10.0 | 8.5 | 15.0 | 15.2 | - |
| Credit to other residents | -0.2 | -3.6 | 2.5 | -4.4 | -3.6 | -1.8 | 0.4 | 3.3 | 2.5 | -1.6 | -1.8 | -2.2 | 1.0 | 0.4 | 2.2 | 2.7 | 3.3 | 3.8 | 2.0 | 2.5 | - |
| Total credit | 1.4 | -2.7 | 5.2 | -3.4 | -2.7 | -1.1 | 1.1 | 4.8 | 5.2 | -1.1 | -1.1 | -1.4 | 1.6 | 1.1 | 3.2 | 3.8 | 4.8 | 4.8 | 4.8 | 5.2 | - |
| 10-year interest rate (%) ⁽³⁾ | 3.2 | 1.9 | 1.4 | 2.3 | 1.9 | 1.2 | 2.0 | 1.5 | 1.4 | 1.4 | 1.2 | 1.3 | 1.5 | 2.0 | 1.6 | 1.7 | 1.5 | 1.3 | 1.2 | 1.4 | 1.1 |
| Stock prices: Malta Stock Exchange Index ⁽⁴⁾ | 14.8 | -9.6 | 33.0 | 1.1 | -0.1 | 13.4 | 8.3 | 5.9 | 2.2 | 0.8 | 9.5 | -0.2 | 2.9 | 5.5 | 2.9 | 0.0 | 3.0 | 0.1 | 3.1 | -0.9 | 0.9 |
| General government finances (% of GDP) | | | | | | | | | | | | | | | | | | | | | |
| Surplus (+) / deficit (-) ⁽²⁾ | -2.6 | -2.1 | - | -2.7 | -2.1 | -2.5 | -2.2 | -1.7 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gross debt ⁽⁵⁾ | 68.5 | 66.9 | - | 70.9 | 66.9 | 68.5 | 67.4 | 66.3 | - | - | - | - | - | - | - | - | - | - | - | - | - |

⁽¹⁾ Four-quarter moving averages.

⁽²⁾ Four-quarter moving sums.

⁽³⁾ End of period.

⁽⁴⁾ Period-on-period percentage changes.

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

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