

GREECE

ECONOMIC & FINANCIAL OUTLOOK

ECONOMIC RESEARCH DIVISION

December
2022

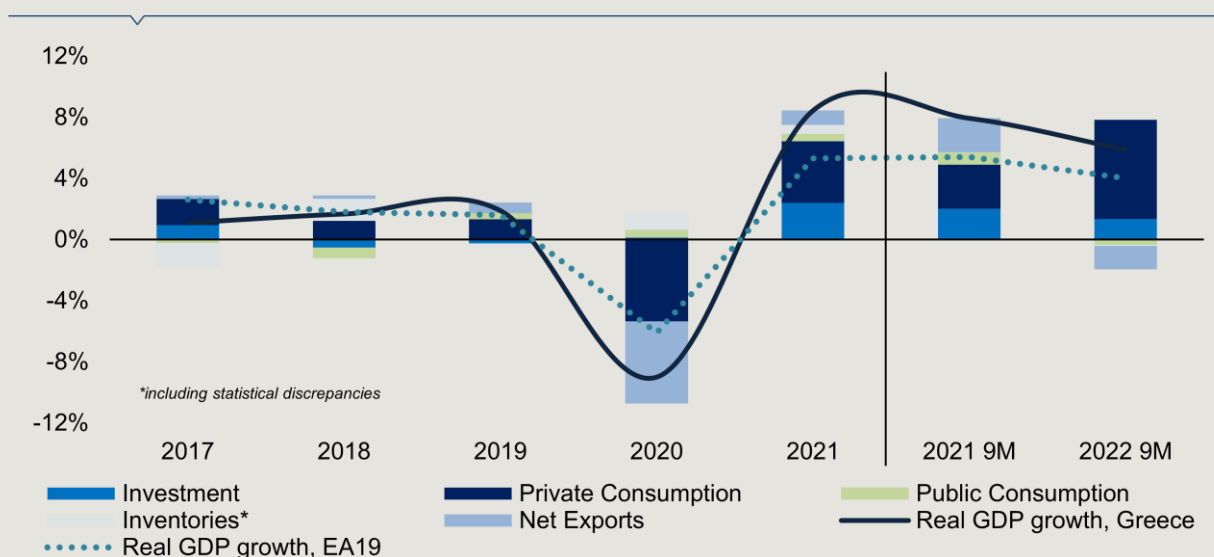
GDP growth runs faster than the Eurozone average as foreign direct investment reaches record highs and tourism rebounds

Following the strong rebound in the first half of the year (7.5% y-o-y), economic activity in Greece slowed down in Q3 2022, growing by 2.8% y-o-y from 7.1% y-o-y in Q2 2022, supported by the ongoing, albeit at a slower pace, rise of private consumption (6.2% y-o-y) and investment (7.7% y-o-y). On a quarterly basis, real GDP posted a decline of 0.5%, after eight consecutive quarters on a rising path. Private consumption continued to be the main growth driver, adding 4.2 pps to the overall increase in real GDP, supported by employment gains and the positive effects of the fiscal measures implemented to underpin households against soaring energy costs (see Box 1 for a summary of the energy-related measures in 2022). Public consumption declined by 2.9% y-o-y, making a negative contribution to economic growth (-0.6 pps). Gross fixed capital formation contributed 1.0 pps to overall real GDP growth, bolstered by the sizeable increases in transport equipment (35.3% y-o-y) and construction, both residential and other buildings, investment (13.4% y-o-y), while investment in machinery and technological equipment dropped by 2.5% y-o-y. Total imports rose by 5.2% on an annual basis, outpacing the total exports growth (0.9% y-o-y), enabling a negative contribution of net exports by 2.0 pps to real GDP growth.

Overall, in the first nine months of 2022, output expanded by 5.9% on an annual basis, considerably above the respective Euro area (4.0% y-o-y) and EU-27 (4.1% y-o-y) averages. Private consumption and investment added 6.5 pps and 1.3 pps respectively, to overall output growth. Net exports weighed down the overall growth figure, subtracting 1.5 pps, as the rise in imports (12% y-o-y), primarily of goods (14.1% y-o-y), offset the rise in exports (9.5% y-o-y). Solid growth dynamics in the first nine months of the year, supported by strong performance in tourism (9-months 2022 travel receipts: €15.6 billion), the material rise in foreign direct investment and the ongoing decline in unemployment, reflect the resilience of the Greek economy to adverse external developments following the war in Ukraine, supply chain disruptions and inflationary pressures.

GRAPH 1

Real GDP growth: demand-side contributions



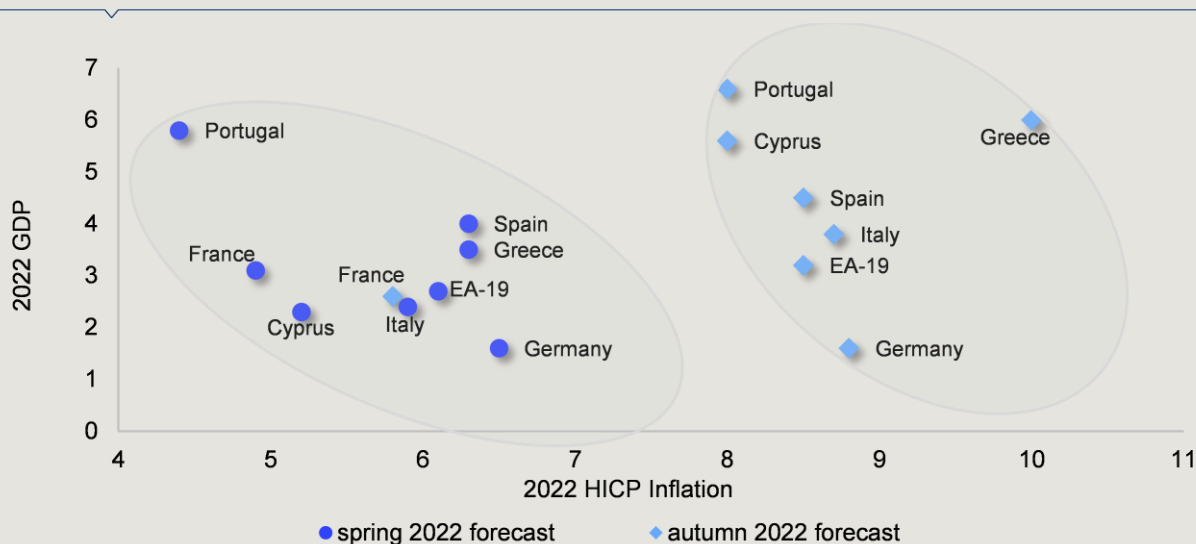
Sources:
ELSTAT,
Eurostat

In its latest economic forecasts (November 2022), the European Commission (EC) revised its GDP growth projections upwards for Greece in 2022 by 2.5% since last spring, marking the third highest revision (after Cyprus and Croatia) in GDP growth dynamics across the euro area countries within the year (*Graph 2*). At the same time, inflation forecasts for Greece have also markedly increased during the year to 10% on average in 2022.

Domestic labour market conditions continued to improve during 2022 in line with the ongoing strong economic performance. The seasonally adjusted unemployment rate decelerated further to 11.6% in October 2022 (0.4 pps lower than in September 2022), standing at its lowest level in the last 12 years (February 2010: 11.7%). The decline in unemployment rate in October 2022 was driven by the significant employment gains, with the number of employed persons rising by 2.5% on an annual basis (+110 thousand persons). Looking ahead, the unemployment rate is expected to remain on a declining path in the coming years, though at a slower pace, as it approaches its natural level.

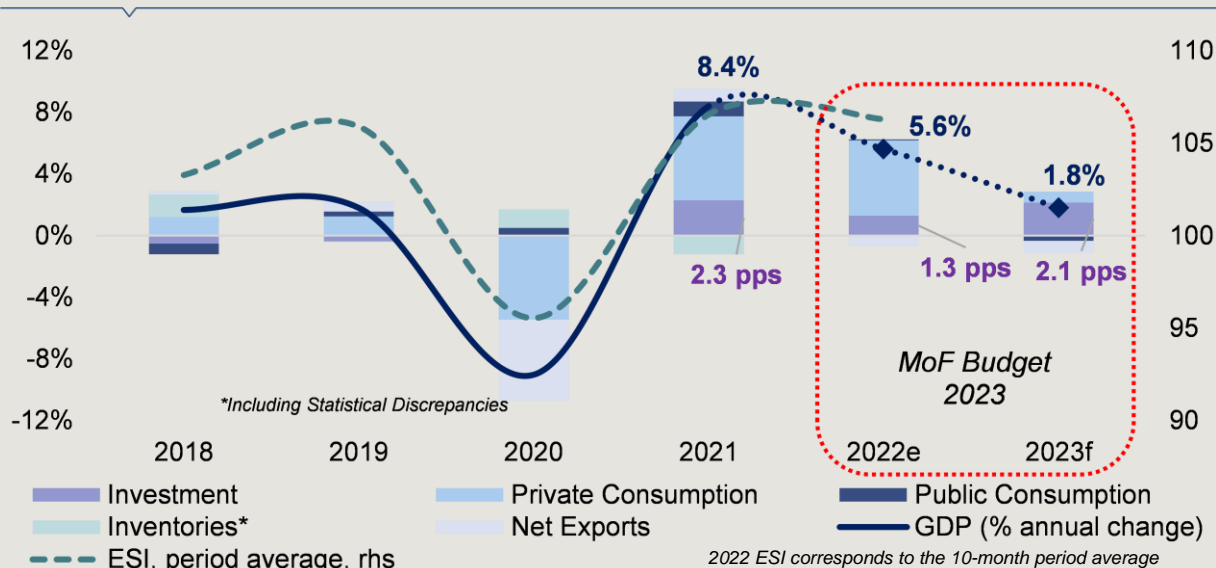
Going forward, according to the Ministry of Finance (MoF) 2023 Budget, real GDP growth is expected to decelerate to 1.8% in 2023, from an estimate of 5.6% in 2022 (*Graph 3*). Economic growth in 2023 is expected to be mainly supported by investment, and is set to rise by more than 15%, making the largest contribution to GDP growth. Although domestic and external demand is expected to weaken on the back of the adverse effects of the energy crisis on the purchasing power of households, private consumption and exports of services are expected to continue supporting economic growth in 2023, though to a lesser extent, compared to previous years. The recent performance of several factors supports the forecast of rising contribution of investment to the future growth mix. Of note:

- **First, the remarkable improvement in business environment during the last three years:** According to the Economist Intelligence Unit report, Greece was reported as the most improved country among 82 economies, moving upwards by 16 places in relevant rankings. In addition, Greece ranked 29th overall among OECD countries on the 2022 International Tax Competitiveness Index, four spots better than in 2021.
- **Second, the strong upward dynamics in Foreign Direct Investment (FDI) readings:** Net FDI inflows could hit a new record in 2022, taking into account that in H1 2022 have already exceeded 82% of the 2021 level, the latter signifying a record year in more than two decades as a share of GDP (2.9%). In more detail, according to the latest OECD data, FDI inflows in H1 2022 amounted to €4.4 billion (4.3% of GDP), significantly higher compared to FDI inflows in H1 2021 (€2.3 billion; 2.6% of GDP). This percentage is more than twice the OECD average (1.4%) and exceeds the corresponding performance of Belgium (1.9%), Turkey (1.5%), Spain (1.3%), France (0.9%) and Germany (0.7%), but remains lower compared to Portugal and Ireland (3.5% and 3.2% of GDP, respectively). The sectors of economic activity that attracted FDI were: real estate management (22.8%), manufacturing (15.8%), wholesale and retail trade (9.4%) and financial and insurance activities (9.1%), while 13.3% of FDI related to private real estate sales.

GRAPH 2
Solid GDP growth in 2022 amid rising inflation


Sources:
European
Commission
Economic
Forecasts
November 2022
and May 2022

- **Third, the expected sizeable injection of investment in 2023 via the Public Investment Budget (PIB) and Recovery and Resilience Funds (RRF)** (see the next Section). The improved liquidity conditions, in conjunction with the banking sector's efficiency to optimize money allocation through RRF loans, are expected to increase future credit expansion. In particular:
 - In October 2022, system-wide private sector deposits outstanding reached €184.8 billion, standing at its highest level since 2011. Following their remarkable accumulation during pandemic, as a result of the precautionary and forced (*lockdown-related*) savings (2020: €20.6 billion; 2021: €16.2 billion), private sector deposits continued to rise, by €4.2 billion since the beginning of the year (of which non-financial corporations (NFCs): €0.8 billion; households: €3.2 billion).
 - In the RRF loan facility, 224 investment projects have been submitted so far, with a total budget of €8.44 billion (of which €3.58 billion correspond to RRF loans, €2.04 billion are own investor funds and €2.82 billion bank funds). Regarding grants, 440 projects have so far been included, with a total budget of €13.7 billion, falling under the four main pillars of the plan, i.e., "Green transition", "Digital transition", "Employment-Skills-Social Cohesion" and "Private investments and transformation of the economy". Greece has already received a total amount of €7.6 billion, i.e., the pre-financing of €4 billion in August 2021 and the first installment in April 2022 of €3.6 billion, while the EC's preliminary assessment of the second payment request (€3.6 billion), which was issued at the end of last month, was positive. These developments, combined with the adoption of key horizontal structural reforms that address institutional weaknesses (e.g., speeding up the administration of justice and conflict resolution processes and a stable tax regime), are expected to accelerate future investment in the long term.
 - In October 2022, the total outstanding amount of credit to the private sector in the domestic banking system reached €113 billion, with the annual credit growth¹ gaining pace during the year (Oct.2022: 5.3%¹; Dec.2021: 1.4%¹), driven by strong credit expansion to NFCs (Oct. 2022: 10.8%¹). Domestic credit growth to individuals and private non-profit institutions remained in negative territory, standing at -2.3%¹, as a result of negative annual credit growth in housing loans (-3.1%¹), the latter currently accounting for 80% of domestic credit to individuals (incl. private non-profit institutions) and 30% of total private sector credit.
- **Fourth, the prudent adjustment of labour cost in the inflationary environment**, which gives breathing space for firms to tackle the energy crisis and ensures that a wage-price spiral will be avoided. Thus, the wage inflation in 2022 and 2023 is expected to run slower than price inflation and the losses of labour are expected to be fully restored gradually.

GRAPH 3
Economic growth fueled by investment in 2023


Sources: Ministry of Finance Budget 2023, European Commission, Alpha Bank Economic Research calculations

- o **Fifth, a marked improvement in debt sustainability is underway**, compressing sovereign risk and increasing business confidence. A lower debt-to-GDP ratio is expected, supported by, the investment-led growth in 2023, the inflationary pressures (11-month 2022 average HICP: 9.5%) and the fiscal tightening following the 2023 State Budget (*see also the next Section*).

Box 1: Summary of energy-related measures in 2022

Energy-related Fiscal Interventions	€ billion
Electricity and natural gas bills subsidies for businesses	4.8
Electricity and natural gas bills subsidies for households	3.3
Financial support to vulnerable households (*)	0.8
Other (**)	0.5
Heating allowance increase and petrol subsidies	0.5
Fuel pass	0.3
Reimbursement of 60% of the electricity cost increase for households	0.3
Subsidies and tax reductions for farmers and breeders	0.2
Tax reductions for farmers animal foods and fertilizers (***)	0.1
Total	10.7

(*) incl. pensioners, uninsured elderly, disabled

(**) incl. energy costs for GG

(***) Income-related fiscal interventions

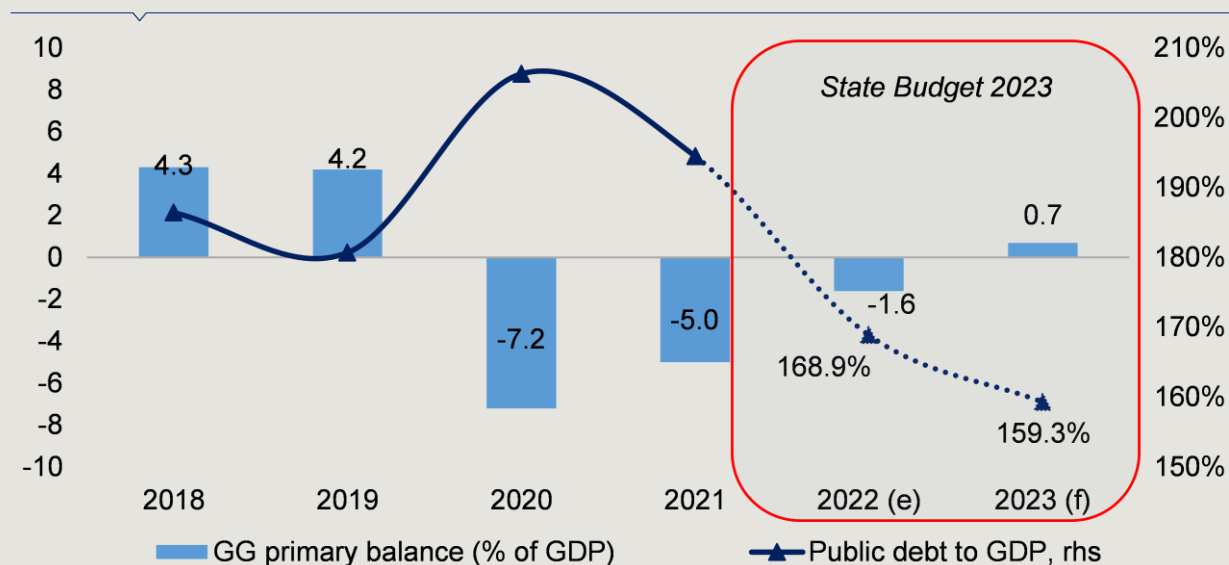
Source: Ministry of Finance Budget 2023

Public finances ahead: fiscal tightening and inflationary dynamics de-escalate the debt-to-GDP ratio

According to the MoF 2023 Budget, the main elements of the fiscal policy in the next year are expected to be (i) the return to primary surpluses, despite the ongoing support of households and businesses aiming to alleviate the negative consequences of the energy crisis and (ii) the gradual shift of the growth mix from 2023 onwards, characterized by the increasing contribution of investment as opposed to private consumption and exports of services. A lower debt-to-GDP ratio is expected, supported by: (i) the investment-led growth in 2023, (ii) inflationary pressures and (iii) fiscal tightening as presented in the State Budget.

GRAPH 4

Inflationary pressures and fiscal tightening compress the debt-to-GDP ratio



Source: Ministry of Finance, State Budget 2023

Regaining investment grade status in 2023 is a feasible target as the distance from this milestone is just one step and Greece's credit profile improves in the context of the still low average borrowing cost and the evidence that the country proves resilient to the energy crisis despite the worsening macroeconomic outlook in eurozone. The improvement in Greece's creditworthiness over recent years is remarkable; the three major rating agencies have upgraded Greece's credit rating from 2017 onwards, as depicted in *Graph 5*, leaving Greece on the eve of the investment grade. More specifically, Standard & Poor's credit rating for Greece stands at BB+ with stable outlook, Moody's credit rating was last set at Ba3 with stable outlook, while Fitch's credit rating was last reported at BB with positive outlook. As seen on *Graph 5*, according to Standard & Poor's, Greece is one notch away (BB+) from achieving the investment grade (BBB-) and two notches away from Italy's rank (BBB), while it is two to three notches below investment grade at Fitch and Moody's.

Materializing the following two fiscal targets is expected to be the main catalyst for Greece to achieve the milestone of the investment grade:

(a) the return to primary surpluses in 2023, estimated at 0.7% of GDP according to the MoF Budget 2023, as well as

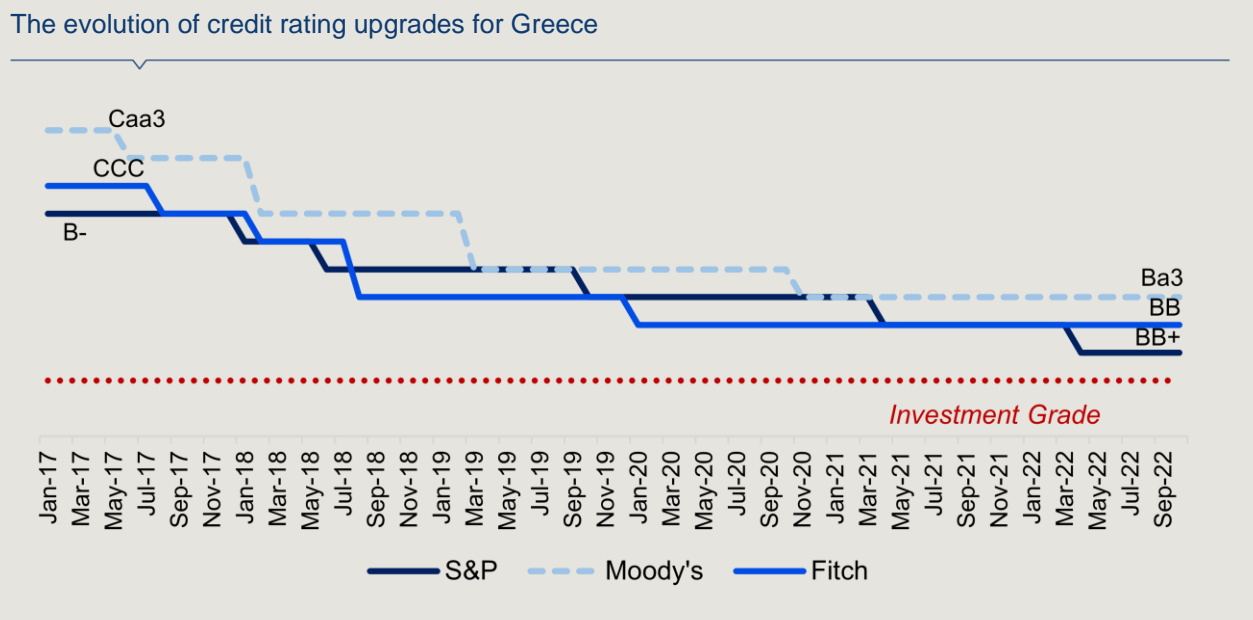
(b) the gradual drop in public debt-to-GDP ratio by more than 40 percentage points from the historically high level of 206.3% in 2020 (to 159.3% in 2023, based on the MoF Budget 2023).

Moreover, the end of the enhanced surveillance status for the Greek economy in August 2022, which was decided at the Eurogroup of June 16, 2022 following a proposal from the EC on the basis of the positive 14th evaluation report, sparks optimism for a further improvement of public finances, as the Greek State has implemented most of the commitments, despite the adverse effects of the pandemic and energy crisis. Henceforth, the country enters a stage of simple post-programme monitoring, like other countries that have completed respective economic adjustment programmes.

Fiscal tightening, the favorable debt profile and high inflation put downward pressure on public debt-to-GDP ratio

The outbreak of the Covid-19 pandemic necessitated a massive fiscal policy response from the European Union governments, with the objective of addressing the adverse effects of the recession in 2020 due to strict containment measures. The European-wide need for supporting fiscal packages led the EC to activate the general escape clause of the Stability and Growth Pact (SGP), loosening fiscal rules and allowing the creation of fiscal deficits for 2020 and 2021, as well as for 2022, mainly due to the energy crisis that eroded the purchasing power of households and the smooth operation of businesses.

GRAPH 5

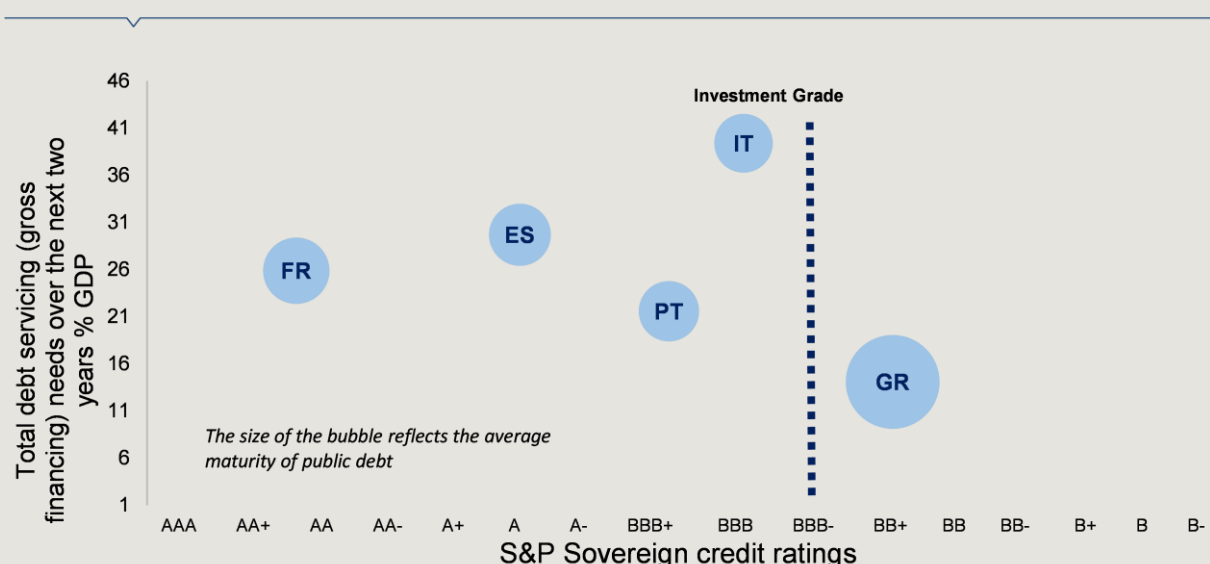


The general escape clause of the SGP is expected to remain in place in 2023 as member states are expected to continue fiscal policy interventions in response to the strong inflationary pressures, stemming from soaring energy and food prices, and the subdued growth prospects for the next year. In 2022, the Greek Government has implemented a series of fiscal measures to address the energy crisis, totaling €10.7 billion (see *Box 1 for a summary of the energy-related measures in 2022*), one of the highest, as percent to GDP, among European countries, without any material fiscal cost as a great part was financed by the Energy Transition Fund (€5.9 billion), while tax revenues are running faster than targets in 2022, creating necessary room to adopt additional supporting for fiscal measures. Fiscal stimulus is expected to continue in 2023, aiming to underpin the households' purchasing power against the skyrocketing energy cost.

Consequently, as depicted in *Graph 4*, general government primary deficit is expected to narrow to 1.6% of GDP in 2022 (€3.4 billion), lower than initially expected (2% of GDP in the Stability Programme 2022, published in April 2022), from 5% in 2021 (€9 billion). In 2023, the primary balance is expected to return to a positive territory (0.7% of GDP) after three years, on the back of the gradual compression of fiscal cost of the energy-related interventions, the fact that pandemic-related support measures are expected to be phased out, and solid economic growth which broadens tax base and increases tax revenues.

These developments compress public debt-to-GDP ratio, while fiscal support is expected to remain in place to some extent, aiming to support the vulnerable households and the operation of businesses against rising energy costs. As a result, according to the 2023 State Budget, the general government debt-to-GDP ratio is expected to decline in 2022 and 2023 to 168.9% and 159.3%, respectively, while, according to EC (Post-Programme Surveillance Report, Autumn 2022), it is expected to fall to 171.1% and 161.9% in 2022 and 2023, respectively. Apart from the gradual return to fiscal discipline, other drivers of the compression of public debt-to-GDP ratio are the solid growth envisaged as well as the persistent inflationary pressures which increase further nominal GDP growth.

Furthermore, Greece has a favorable debt profile, which is also expected to contribute to debt sustainability in the short and medium term. General government debt is marked by long maturities, with the average maturity reaching 18.2 years in 2022 (depicted by the size of the ball in *Graph 6*) from 6.3 years in 2011 and characterized by the fact that its largest part (77%) is owed to official lenders with fixed interest rates, a crucial characteristic especially in a rising interest rate environment. Moreover, although public debt as percent of GDP in Greece is significantly higher, its gross financing needs in the next two years are significantly lower than those of its peers, due to the lower interest rates of the loans taken in the context of Economic Adjustment Programmes.

GRAPH 6
Sovereign credit risk in a downward trend; debt profile and flexibility to maneuver


Source: ECB, PDMA, Trading Economics

Execution of Public Investment Budget (PIB)

According to the MoF 2023 Budget, investment is expected to rise by 15.5% in 2023, making the largest contribution to GDP growth, also supported by the increasing share of public investment through taking advantage of national and EU funds from PIB as well as the mobilized investment from the RRF. PIB is a significant tool for the Greek government to support the achievement of robust economic growth rates in the coming years. As depicted in *Graph 7*, PIB has increased significantly since 2020, mainly supported by the rising participation of EU co-financed projects, while, it is expected to increase during the next two years.

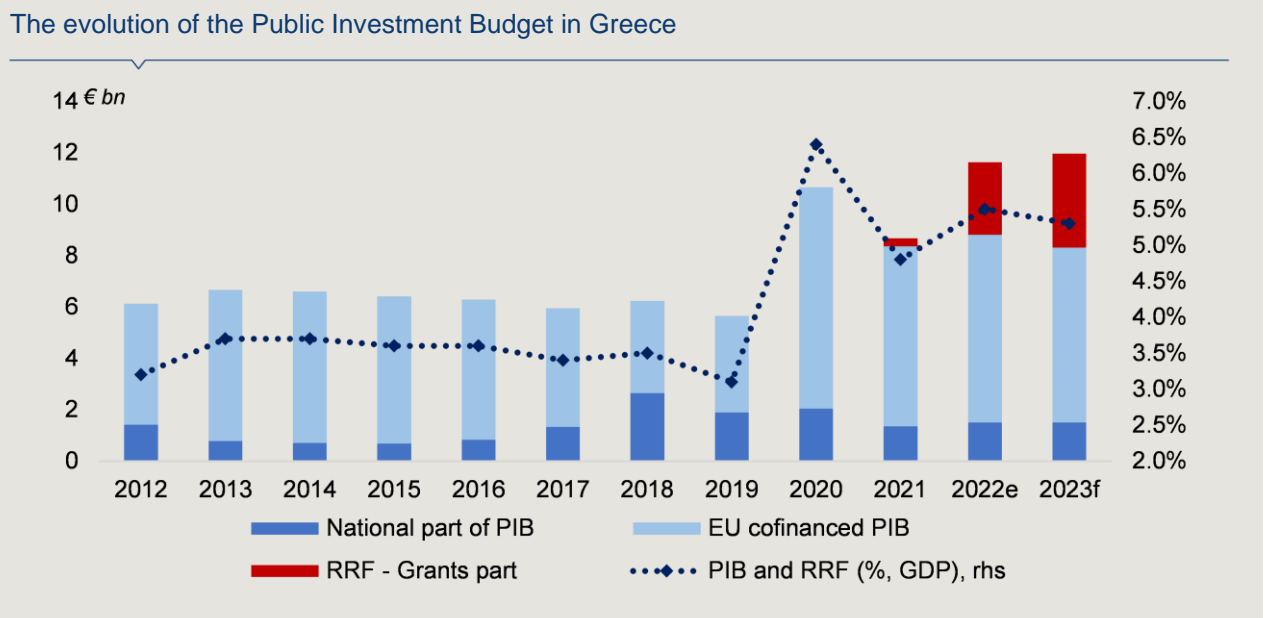
The 2022 Public Investment Budget estimates €8.8 billion for investment projects, divided to €7.3 billion for co-financed projects and €1.5 billion for projects financed purely from national resources, while, it also provided for €2.8 billion for projects financed by the RRF. The total amount reaches €11.6 billion (5.5% of GDP). For 2023, the total amount is projected to rise to €12 billion (5.3% of GDP), of which € 8.3 billion are from the PIB (of which €6.8 billion for EU co-financed projects and €1.5 billion for projects financed purely from national resources) and €3.7 billion from the RRF.

According to the State Budget 2023, the main sectors that are expected to be benefitted by the PIB are: transport and environment, enhancement of entrepreneurship and private investments, human capital development, energy and utilization of energy resources, digital transformation and local government administration. Moreover, with the utilization of national resources, state policies for the maintenance and expansion of social infrastructures, the financing of emergencies and other actions are strengthened.

Downside risks ahead

Lingering uncertainty surrounds the projections for fiscal variables with downside risks dominating in the medium term. The main risks are related to the current geopolitical developments and, in particular, the evolution of the war in Ukraine and its impact on economic activity, especially through soaring energy prices. Uncertainty remains elevated due to the duration and the intensity of the war, the degree of EU countries' dependence on the Russian gas imports, the reduction of gas and electricity consumption, as well as of the severe weather conditions which are a determining factor to overall energy demand. Finally, the tightening of monetary policy is expected to affect public finances through the increase in interest rates and its effects on economic activity.

GRAPH 7



Domestic real estate prices remain resilient against adverse developments

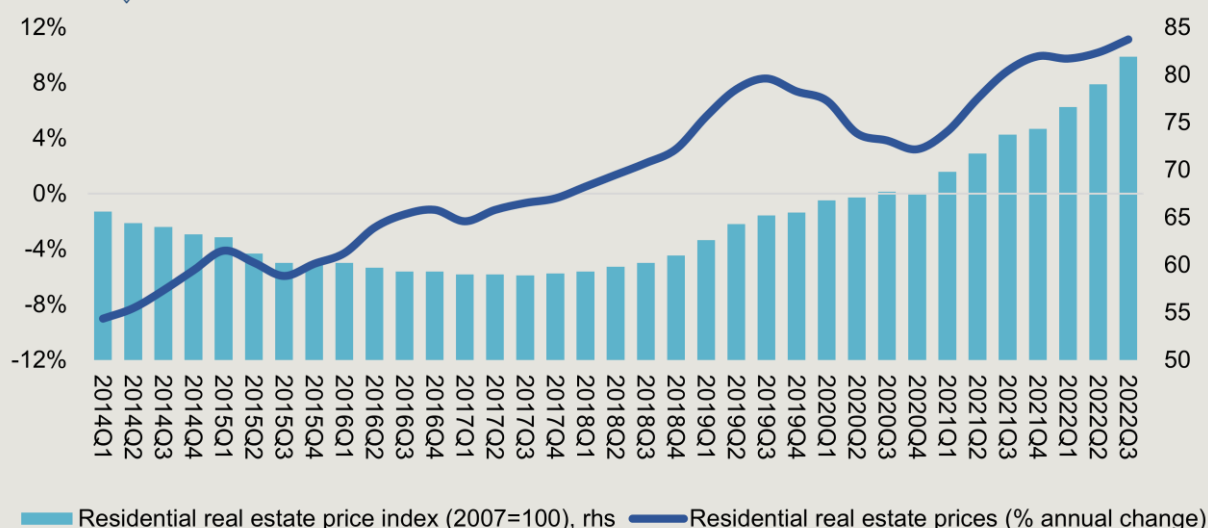
Residential real estate prices continued to trend upwards in 2022. According to the latest figures released by the Bank of Greece, nominal house prices across the country rose by 11.2% y-o-y in Q3 2022 (9 months 2022: 10.4% y-o-y), at an accelerating pace during the year (*Graph 8*). The rise in house prices was broad-based across Greece, though more pronounced in Athens (13% y-o-y) compared to Thessaloniki (11.1% y-o-y) and other urban areas (9.4% y-o-y). Additionally, residential investment remained on an upward trajectory (9-months 2022: 13.3% y-o-y). It is also worth noting that the net capital inflows from abroad for property purchasing in Greece in H1 2022, rose by 71% y-o-y, reaching €0.8 billion (2021: €1.2 billion; 2020: €0.8 billion). Since the onset of the recovery in the domestic housing market in 2018 and up until the third quarter of the year, nominal house prices have risen cumulatively by around 38%.

Despite the weakening economic outlook along with the elevated and more persistent inflation than earlier foreseen, also reflected in the increasing trend of construction price expectations over the next three months from Q2 2020, the expansion in the real estate cycle is expected to continue in the short-term, as suggested by survey indicators reflecting expectations for housing demand. More specifically, the intention to buy or build a house within the next 12 months remains on an upward trajectory from Q1 2022, while the expected credit demand over the next three months has increased markedly in Q3 2022. However, the recent rises in borrowing costs and the expected further tightening of financial conditions are likely to reduce demand going forward.

Commercial real estate prices continued to rise in H1 2022; prime office prices grew by 1.8% on an annual basis (2021: 1.6%; 2020: 1.2%) while prime retail (shops) price growth accelerated to 3.8% y-o-y (2021: 2.3%; 2020: 2.6%). During the first two years of the recovery in the commercial property market, the rebound of prime office prices (H1 2017- H2 2018 annual average growth: 4.2%) was stronger than the one recorded by retail prices (H1 2017-H2 2018 annual average growth: 3.2%). This trend was reversed from 2019 onwards, also remaining during the pandemic and current energy crisis, as retail price growth (H1 2019- H1 2022 annual average growth: 3.9%) outpaced office price growth (H1 2019- H1 2022 annual average growth: 2.2%).

GRAPH 8

Domestic real estate market shows signs of resilience against recent adverse developments



Source: Bank of Greece

Annual data	2017	2018	2019	2020	2021	Annual % Changes
GDP at constant prices 2015 (annual % change)	1.1	1.7	1.9	-9.0	8.4	
Private Consumption	2.5	1.7	1.9	-7.7	5.8	
Public Consumption	-1.1	-3.5	2.1	2.6	2.2	
Gross Fixed Capital Formation	8.5	-4.3	-2.2	1.1	20.0	
Exports of Goods and Services	8.5	9.1	4.9	-21.5	24.1	
Imports of Goods and Services	7.4	8.1	2.9	-7.3	17.7	
National CPI, (annual % change, period average)	1.1	0.6	0.3	-1.2	1.2	
Unemployment Rate (% , period average)	21.5	19.3	17.3	16.3	14.7	
G.G. Primary Balance (% of GDP)	3.8	4.4	4.0	-6.9	-4.9	
G.G. Gross Debt (% of GDP)	179.5	186.4	180.6	206.3	194.5	
Current Account Balance (% of GDP)	-1.9	-2.9	-1.5	-6.6	-6.8	

Business Environment	2021	2022			Last available period	Quarterly data (annual % changes)
		Q1	Q2	Q3		
Economic Activity (annual % change)						
Volume Index in Retail Trade (excl. automotive fuel)	10.5	7.2	0.9	2.1	3.2 (Jan.-Sep. 22)	
New Passenger Car Registrations	22.2	13.5	4.5	9.4	8.3 (Jan.-Oct. 22)	
Private Building Activity (volume in '000 m3)	45.9	13.8	-11.2		-4.4 (Jan.-Aug. 22)	
Manufacturing Production Index	9.0	5.6	4.6	4.2	4.8 (Jan.-Sep. 22)	
Confidence indicators						
Purchasing Managers' Index (PMI)	56.2	56.8	53.2	49.2	48.4 (Nov. 22)	
Economic Sentiment Indicator (ESI)	106.5	113.5	105.6	102.9	101.4 (Nov. 22)	
Index of Bus. Expect. in Industry	106.3	116.9	108.0	99.6	95.5 (Nov. 22)	
Index of Consumer Confidence	-35.4	-43.6	-53.0	-53.6	-51.9 (Nov. 22)	
Credit Growth (% annual change, period end)						
Private Sector	1.4	1.6	4.5	6.0	5.3 (Oct. 22)	
Non-financial corporations	3.7	3.3	9.7	12.3	10.8 (Oct. 22)	
Individuals	-2.4	-2.1	-2.1	-2.2	-2.3 (Oct. 22)	
- Consumer Loans	-0.3	0.4	0.7	0.8	0.5 (Oct. 22)	
- Housing Loans	-3.0	-2.9	-3.0	-3.1	-3.1 (Oct. 22)	
Prices and Labour Market						
National CPI, (annual % change, period average)	1.2	7.4	11.2	11.7	9.1 (Oct. 22)	
Index of Apartment Prices (annual % change)	7.6	9.8	10.1	11.2	11.2 (Q3 22)	
Unemployment Rate (% , period average, sa)	14.7	13.2	12.6	12.2	11.6 (Oct. 22)	
GDP at constant prices 2015 (annual % change)						
Private Consumption	8.4	8.0	7.7	2.8	2.8 (Q3 22)	
Public Consumption	5.8	13.7	8.9	6.2	6.2 (Q3 22)	
Gross Fixed Capital Formation	2.2	-0.9	-1.3	-2.9	-2.9 (Q3 22)	
Exports of Goods and Services	20.0	13.2	9.8	7.7	7.7 (Q3 22)	
Imports of Goods and Services	24.1	10.0	18.8	0.9	0.9 (Q3 22)	
	17.7	17.4	14.5	5.2	5.2 (Q3 22)	

Sources: Bank of Greece, ELSTAT, IOBE, IHS Markit

1/ Primary balance defined here as General Government balance (according to ESA 2010) minus interest expenditure of General Government entities to other sectors. The effect of support to financial institutions is excluded in this measure of the primary balance. The measure of the primary balance presented here differs from the definition of primary balance used under the Enhanced Surveillance Framework for Greece.

2/ Growth rates are derived from the differences in outstanding amounts corrected for loan write-offs, exchange rate valuations and reclassifications.

3/ Provisional historical figures for residential real estate prices since Q4 2021.

4/ Provisional historical figures for real GDP since 2019.

^{1/} Credit flows and growth rates are calculated from differences in outstanding amounts adjusted for reclassifications, other revaluations, foreign exchange differences from the valuation in euro of economic aggregates in foreign currency and any other changes which do not arise from transactions.

Alpha Bank Economic Research

Panayotis Kapopoulos
Chief Economist
panayotis.kapopoulos@alpha.gr

Eirini Adamopoulou
Senior Economist
eirini.adamopoulou@alpha.gr

Dimitrios Anastasiou
Research Economist
dimitrios.anastasiou@alpha.gr

Gerasimos Mouzakis
Research Economist
gerasimos.mouzakis@alpha.gr

Anastasios Rizos
Senior Economist
anastasios.rizos@alpha.gr

Kalliopi-Maria Zekente
Senior Economist
kalliopi-maria.zekente@alpha.gr

ALPHA BANK ECONOMIC RESEARCH AND ANALYSIS

11, Sophocleous Street

GR 105 59 Athens

T +30 210 517 8963, F +30 210 348 7873

Email: AlphaBankEconomicResearch@alpha.gr

Website: www.alpha.gr

This report, issued by Alpha Bank, is provided for information purposes only. The information it contains has been obtained from sources believed to be reliable but not verified by Alpha Bank and consist of opinions based on available data at a particular date. This report does not constitute an advice or recommendation nor is it an offer or a solicitation of an offer for any kind of transaction and therefore factors as knowledge, experience, financial situation and investment targets- of each one of the potential or existing clients- have not been taken into consideration and have not been tested for potential taxation of the issuer at the source neither for any other tax consistency arising from the participation to them. Furthermore, it does not constitute an investment research and therefore it has not been prepared in accordance with the legal requirements regarding the safeguarding of independence of an investment research. Alpha Bank has no obligation to review, update, modify or amend this report or to make announcements or notifications in the event that any matter stated herein or any opinion, projection, forecast or estimate set forth herein, changes or is subsequently found to be inaccurate. Eventual predictions related to the evolution of the economic variables and values referred to this report, consist views of Alpha Bank based on the data contained in it. No representation or warranty, express or implied, is made as to the accuracy, completeness or correctness of the information and the opinions contained herein, or the suitability thereof for any particular use, and no responsibility or liability whatsoever is accepted by Alpha Bank and its subsidiaries, or by their directors, officers and employees for any direct or indirect damage that may result from the use of this report or the information it contains, in whole or in part. Any reproduction or republication of this report or part thereof must mention Alpha Bank as its source.