

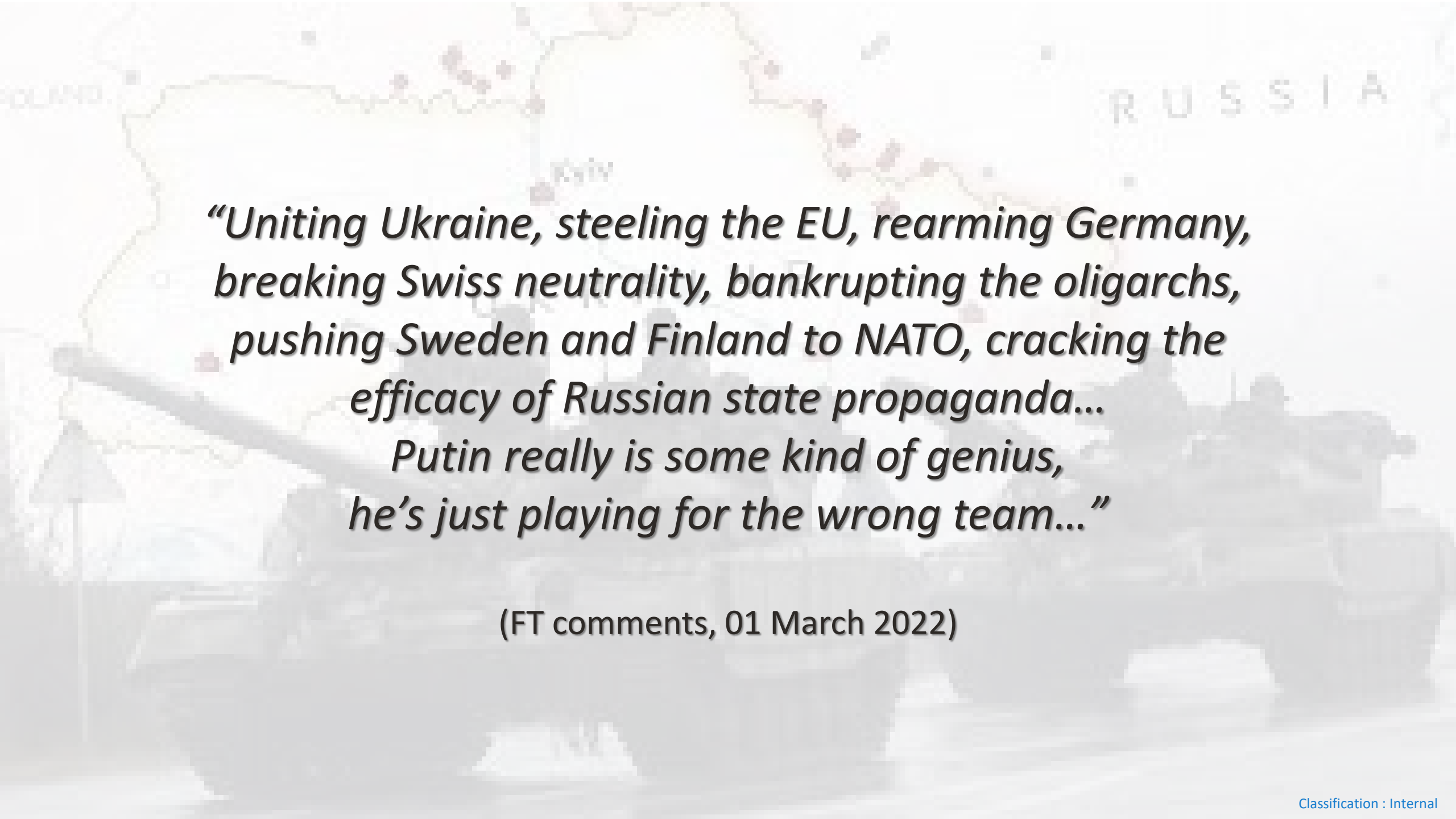


ECONOMIC OUTLOOK

KOEN DE LEUS

CHIEF ECONOMIST, BNP PARIBAS FORTIS

FEB-2023, ROAD FEDERATION BELGIUM



*“Uniting Ukraine, steeling the EU, rearming Germany,
breaking Swiss neutrality, bankrupting the oligarchs,
pushing Sweden and Finland to NATO, cracking the
efficacy of Russian state propaganda...
Putin really is some kind of genius,
he’s just playing for the wrong team...”*

(FT comments, 01 March 2022)

A faded, light blue portrait of Olaf Scholz, the German Chancellor, serves as the background for the slide. He is shown from the chest up, wearing a dark suit, a white shirt, and a dark tie. His expression is neutral, and he is looking directly at the camera.

“It is a new world”

Chancellor Olaf Scholz



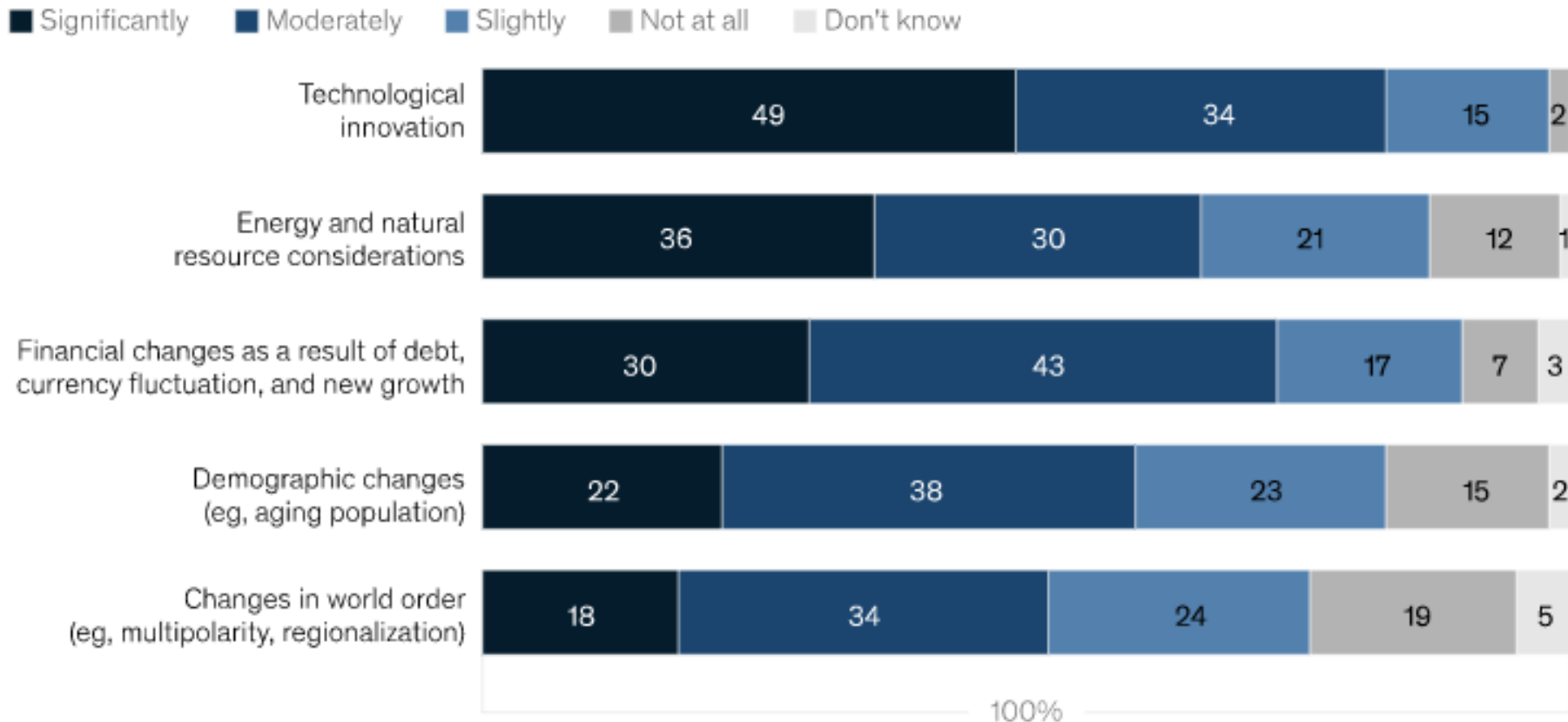




Organizations are preparing for the global forces that survey respondents see as most likely to affect their organizations in the coming decades.

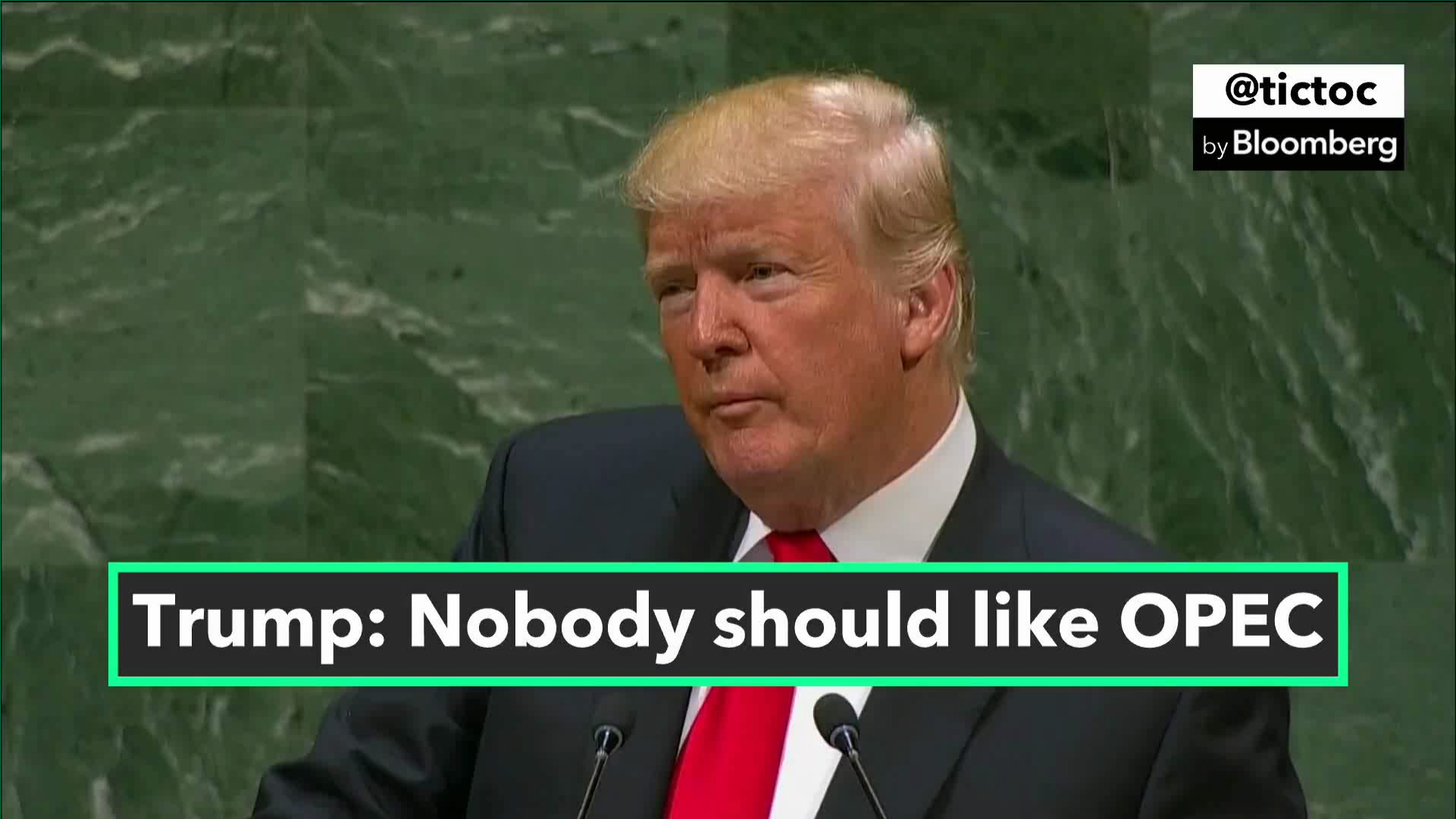


Extent to which respondents' organizations are preparing for given potential global force,
% of respondents



Source: McKinsey Global Survey on economic conditions, 1,192 participants at all levels of the organization, Nov 28–Dec 2, 2022



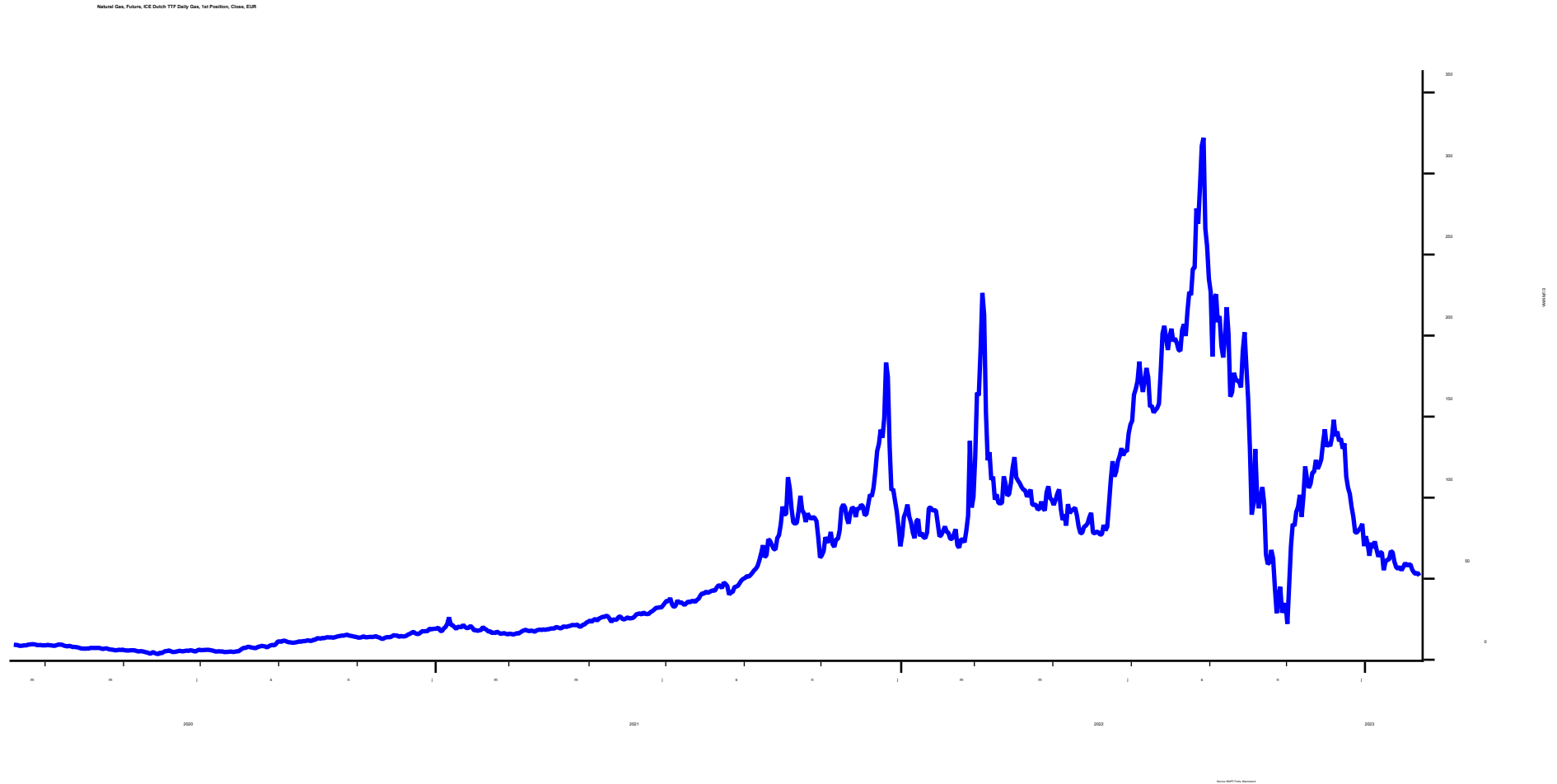
A video frame showing Donald Trump from the chest up, wearing a dark suit, white shirt, and red tie. He is looking slightly to his left. The background is a green, textured wall. Two microphones are visible in front of him.

@tictoc

by **Bloomberg**

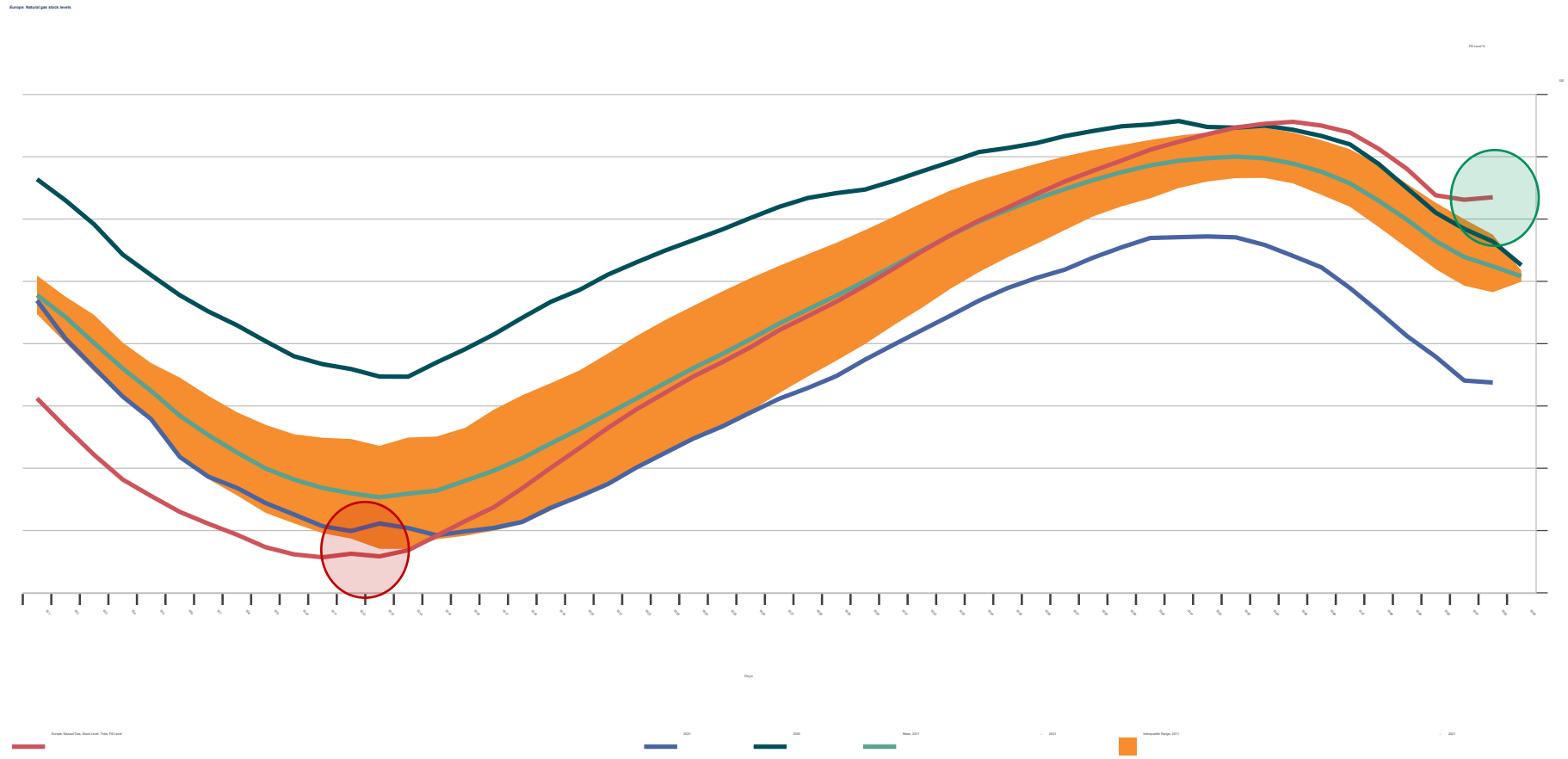
Trump: Nobody should like OPEC

GAS PRICE 'NORMALISING' IN EUROPE

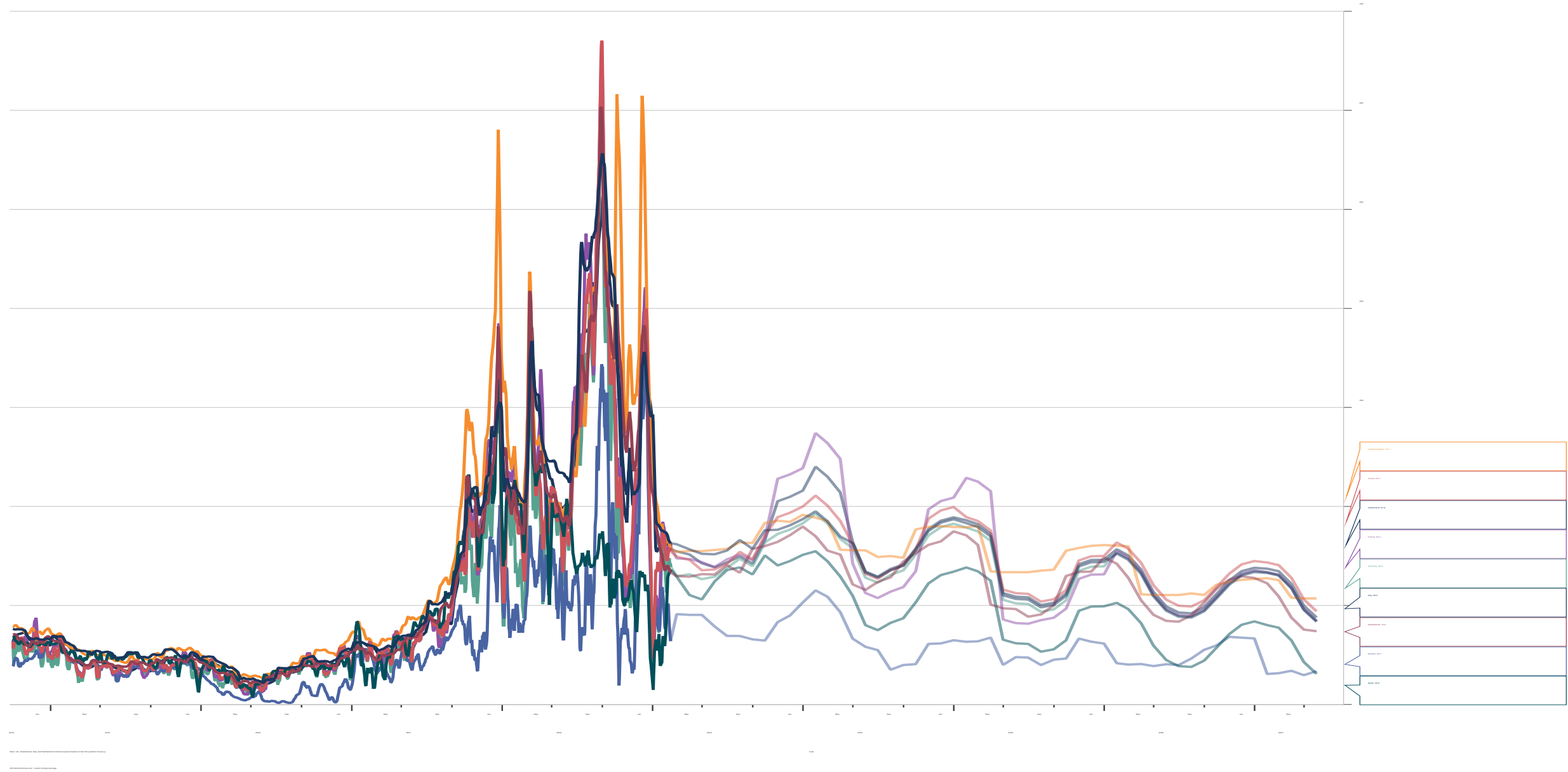




STOCKS FILLED FOR >80%



Source: International Energy Agency (IEA)

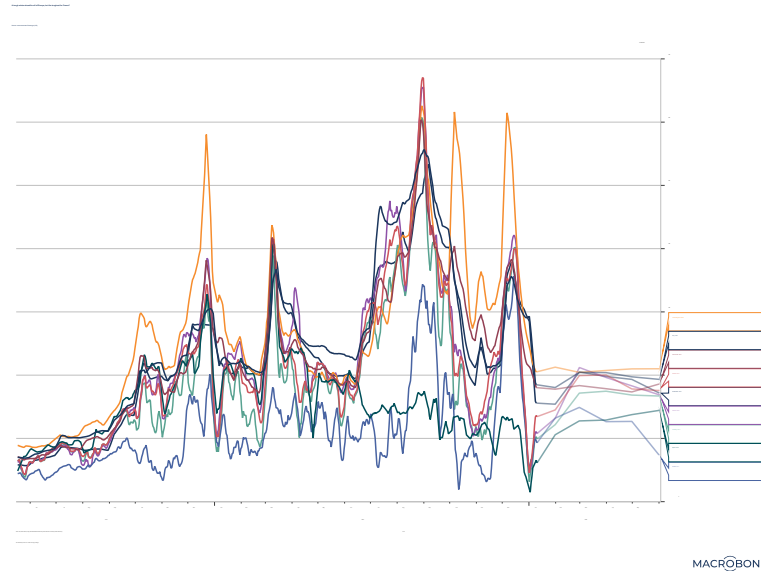


...als Timmermans. 'Europa staat voor drie moeilijke winters'



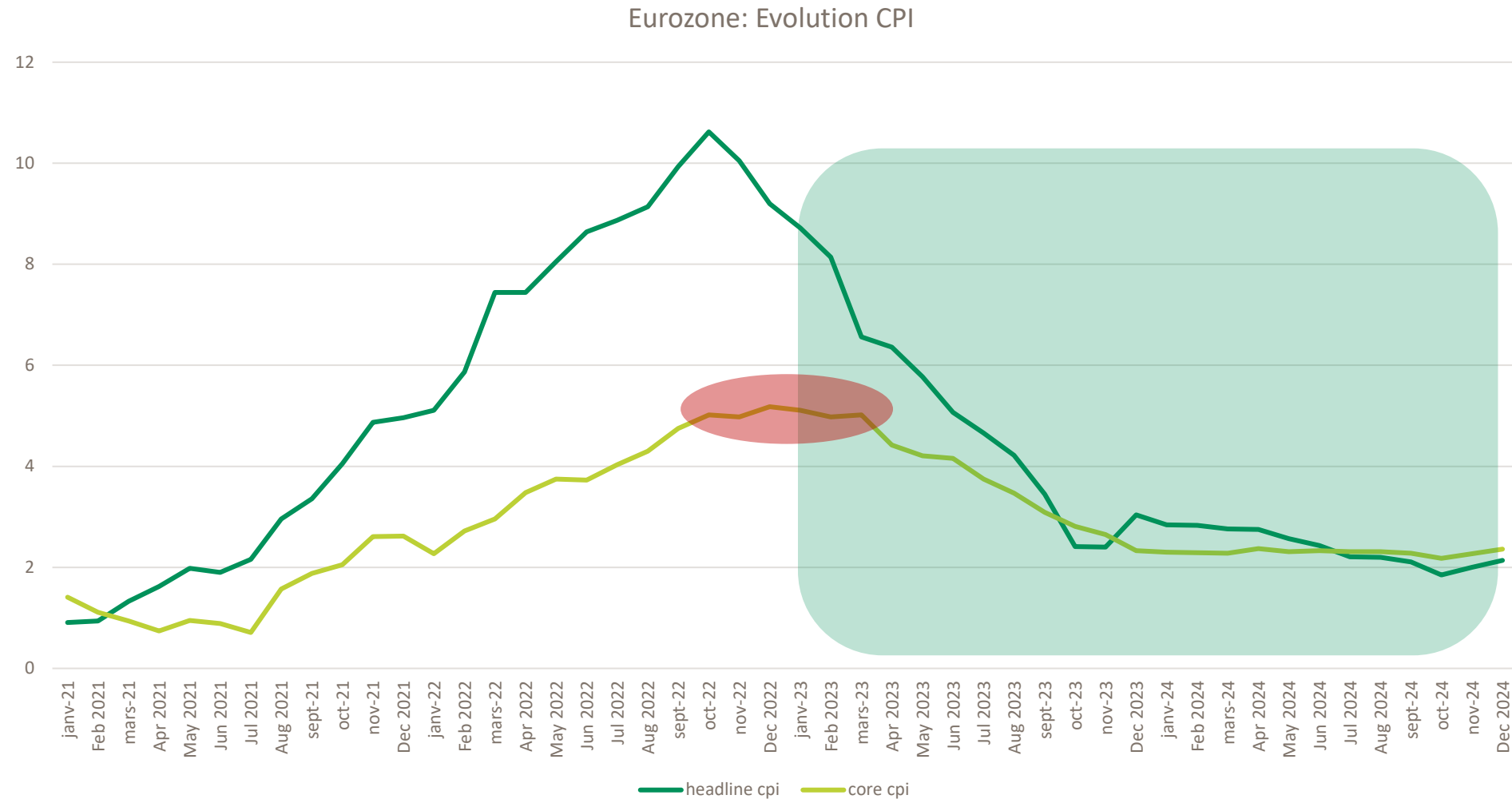


2023: RISKS TO ECONOMIC GROWTH ?





INFLATION PATH EUROPE



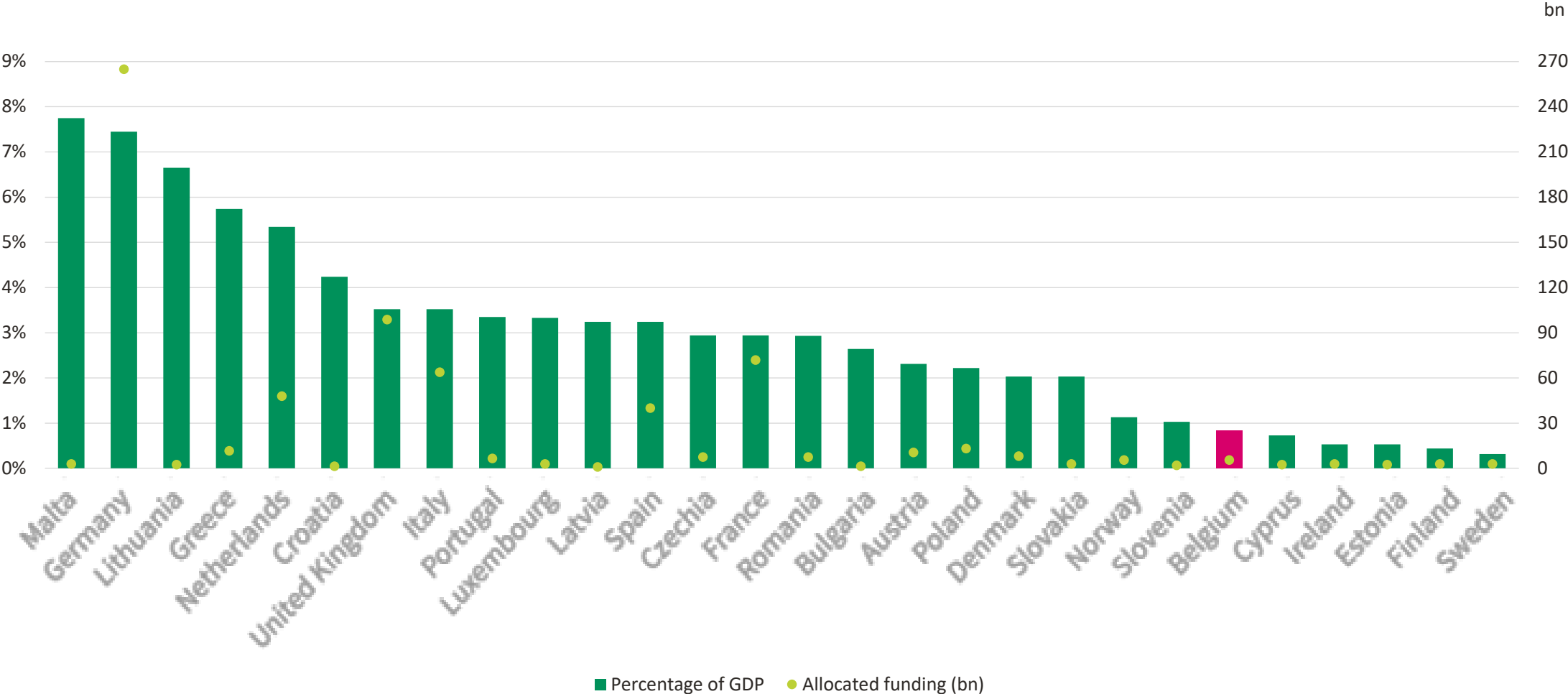
25% KORTING
op alle meubelen¹
>

al vanaf **18,71**



GOVERNMENT MEASURES

Percentage of GDP



Sources: Breugel

MONETARY VS. FISCAL POLICY





European Parliament
Europäisches Parlament
Parlament européen
Parlamentul European
Europäisches Parlament
Parlamento europeo







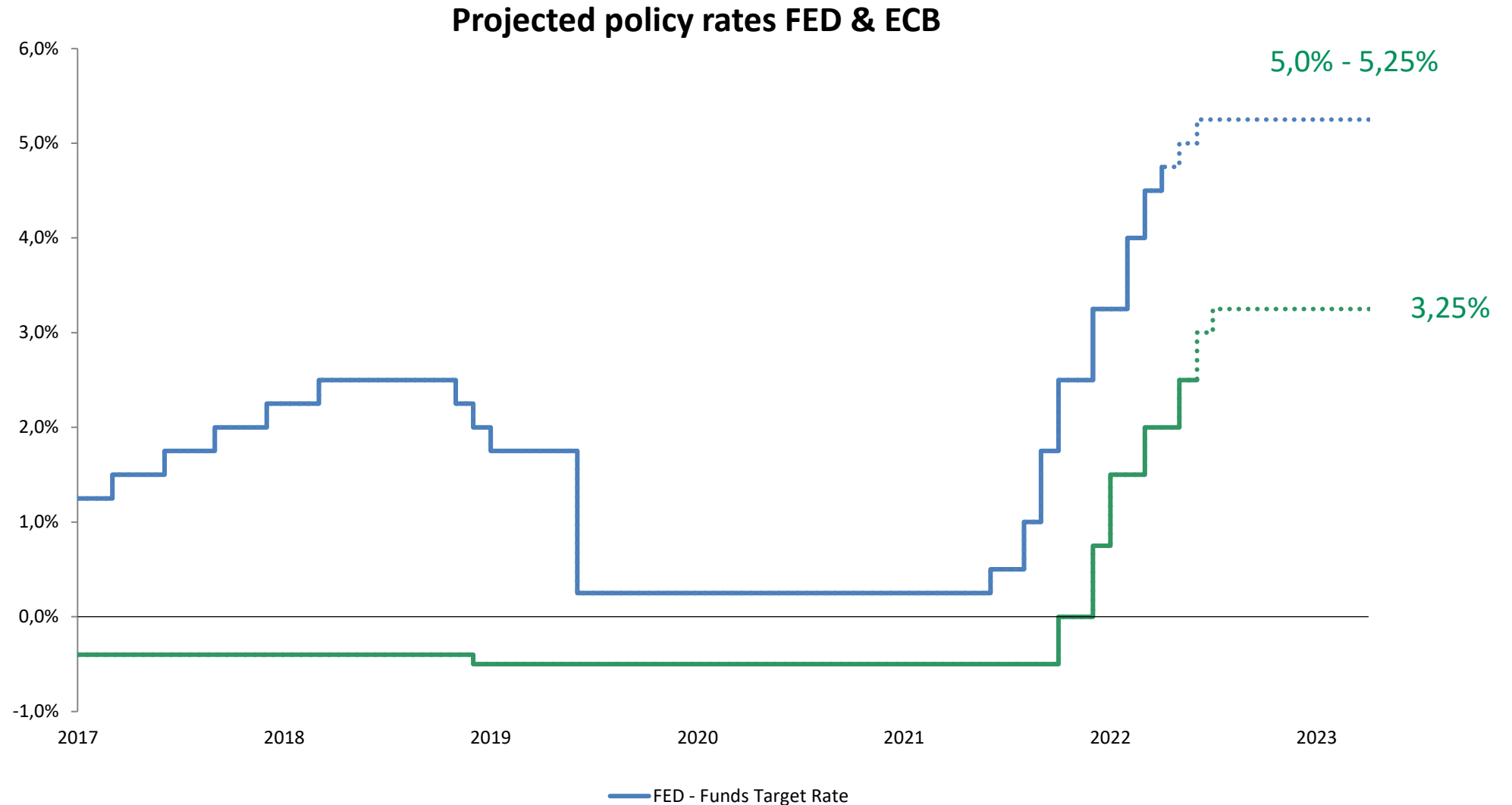


ECONOMY





CENTRAL BANKS: TOO FAR ?



BNP PARIBAS GDP GROWTH FORECASTS

Developed Markets

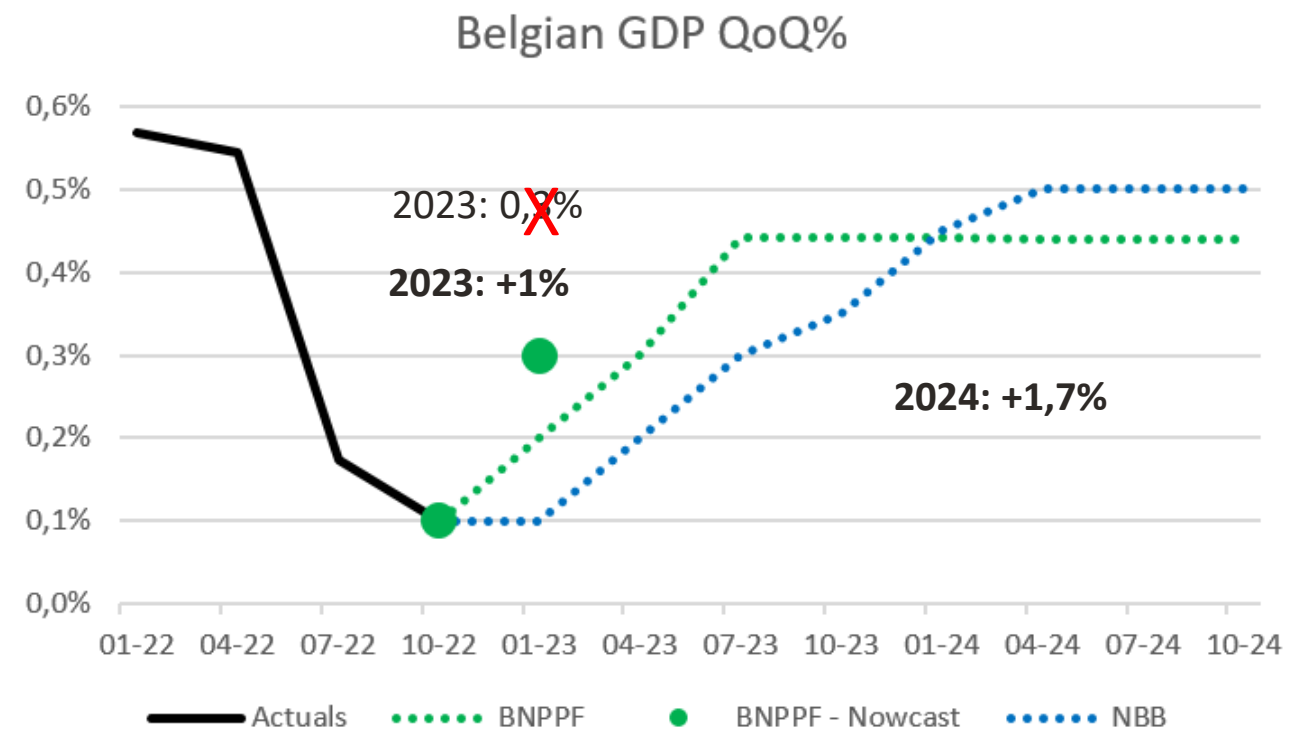
	ANNUAL GROWTH (% y/y)			QUARTERLY GROWTH (% q/q)			
	2022	2023	2024	2023 Q1	2023 Q2	2023 Q3	2023 Q4
US	2.1	0.7	0.2	0.3	-0.3	-0.3	-0.1
Eurozone	3.4	0.2	1.3	-0.3	0.1	0.2	0.2
Germany	1.9	-0.2	1.2	-0.4	0.0	0.1	0.2
France	2.5	0.0	1.0	-0.4	0.2	0.2	0.1
Italy	3.9	0.2	1.2	-0.4	0.1	0.2	0.3
Spain	5.3	0.6	1.4	-0.3	0.2	0.2	0.3
China	2.6	5.1	5.3	2.1	1.8	1.4	1.0
Japan	1.2	0.9	0.3	0.2	0.1	-0.1	-0.1
UK	4.4	-0.9	0.8	-0.6	-0.2	0.2	0.2

Source: National statistical agencies, BNP Paribas forecasts



BELGIUM: AVOIDING A RECESSION

	Actuals	BNPPF	BNPPF NC	NBB
01-01-22	0,6%			
01-04-22	0,5%			
01-07-22	0,2%			
01-10-22	0,10%	0,1%	0,1%	0,1%
01-01-23		0,2%	0,3%	0,1%
01-04-23		0,3%		0,2%
01-07-23		0,4%		0,3%
01-10-23		0,4%		0,4%
01-01-24		0,4%		0,5%
01-04-24		0,4%		0,5%
01-07-24		0,4%		0,5%
01-10-24		0,4%		0,5%

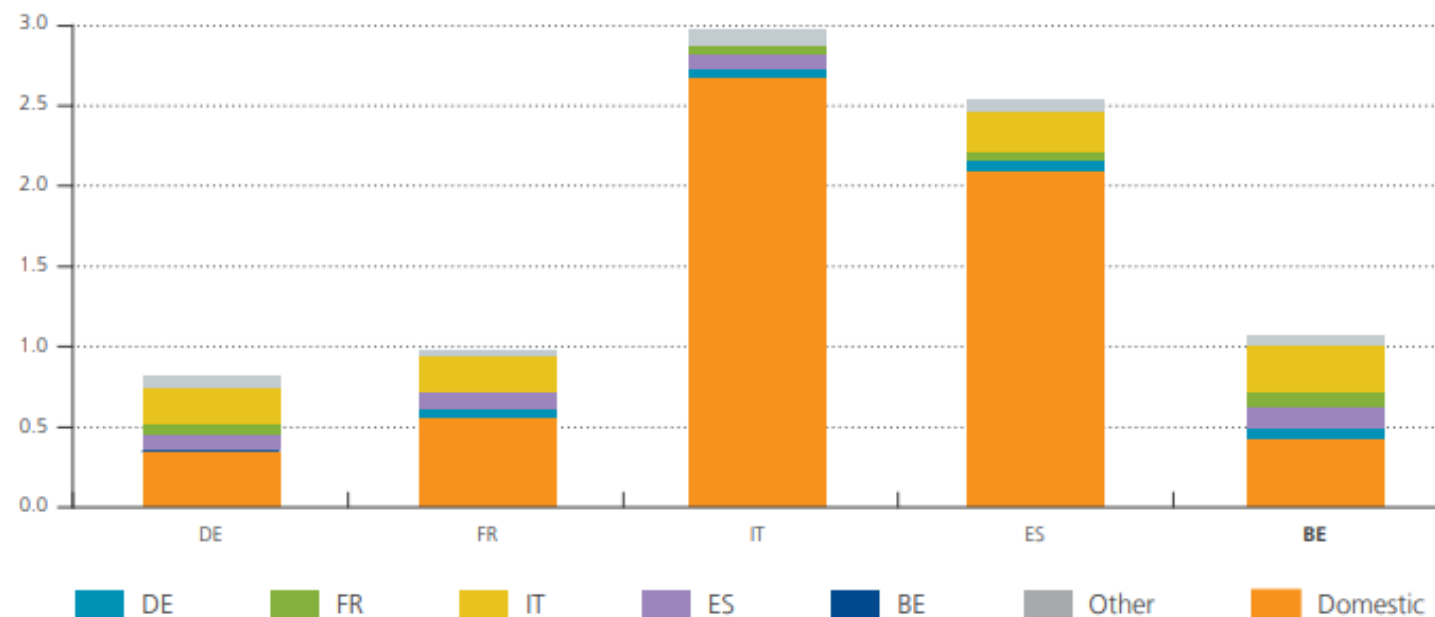


HELPED BY NEXT GENERATION-EU



The four big euro area economies are generating most of the fiscal spillovers

(contribution in percentage points to the deviation of real GDP after four years from a no-NGEU baseline, implementation over 2021-2024)



Sources: Pfeiffer et al. (2021), own calculations.

The Belgian National Recovery and Resilience Plan is structured around six strategic axes

(in € million)

Axes	Components ¹	Planned expenditure			
		Total	Federal state	Flemish community	Other communities and regions ²
1. Climate, sustainability and innovation	Total	2 020	256	783	981
	1.1 Renovation of buildings	1 012	11	298	703
	1.2 Emerging energy technologies	608	245	169	194
	1.3 Climate and environment	400	0	316	84
2. Digital transformation	Total	763	396	121	246
	2.1 Cyber security	79	79	0	0
	2.2 Public administration	585	318	121	146
	2.3 Optic fibre, 5G and new technologies	100	0	0	100
3. Mobility	Total	1 292	428	468	396
	3.1 Cycling and walking infrastructure	411	32	345	34
	3.2 Modal shift	672	365	0	307
	3.3 Greening road transport	209	32	122	55
4. Social and living together	Total	834	45	422	367
	4.1 Education 2.0	442	0	372	70
	4.2 Training and employment of vulnerable groups	165	45	50	70
	4.3 Social infrastructure	227	0	0	227
5. Economy of the future and productivity	Total	1 008	124	453	431
	5.1 Training and labour market	371	0	118	252
	5.2 Supporting economic activity	439	95	280	64
	5.3 Circular economy	198	29	55	114
6. Public finances	Total	8	0	8	0
	6.1 Spending reviews	8	0	8	0
Total RRP		5 925	1 250	2 255	2 420

22%

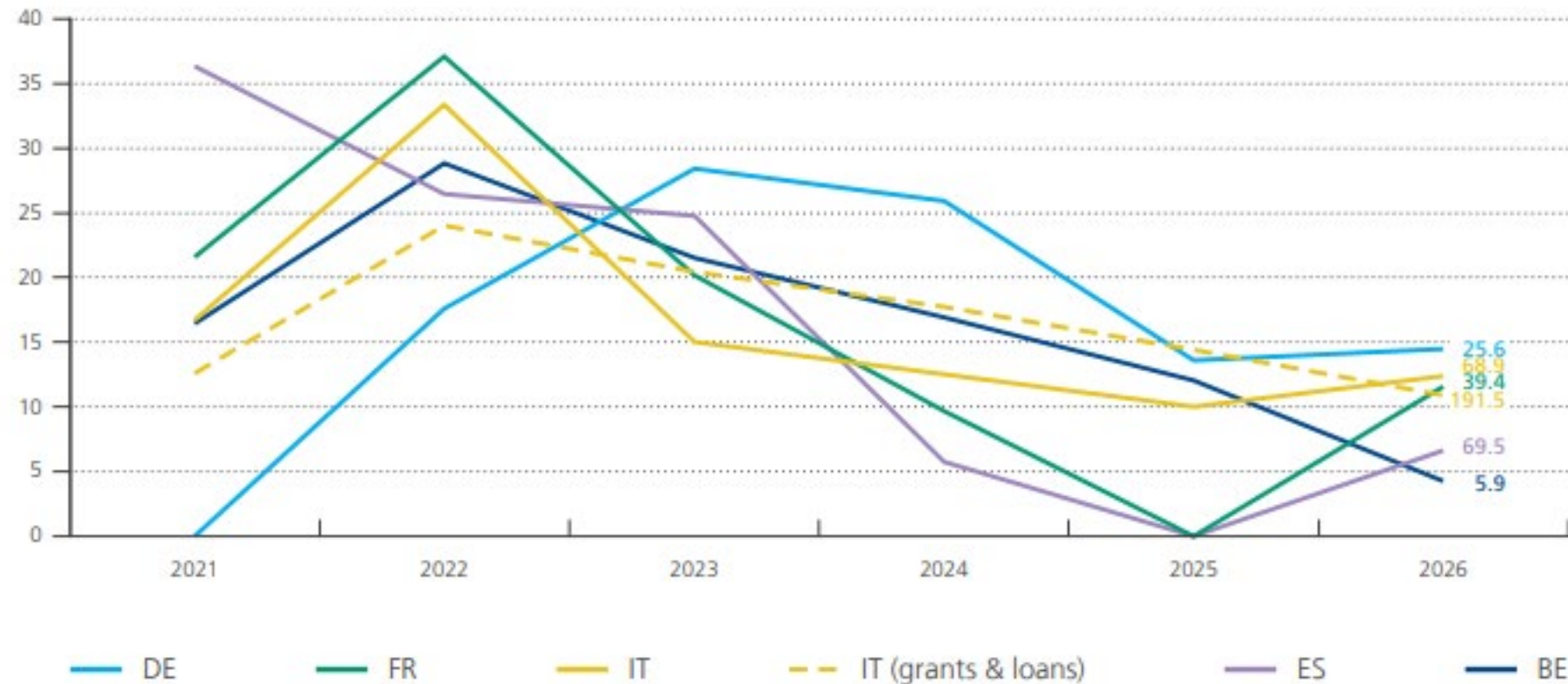
Sources: Belgian National Recovery and Resilience Plan, own calculations.

¹ Only components with an indicated expenditure in the Plan are mentioned.

² Walloon Region, French Community, Brussels-Capital Region and German-speaking Community.

The time profile of RRF grants and loans is hump-shaped and frontloaded in the five countries

(percentage of the total amount to be received, in € billion on the right)



Sources: EC (2021m, n, o, p and q), Ecofin (2021b), own calculations.

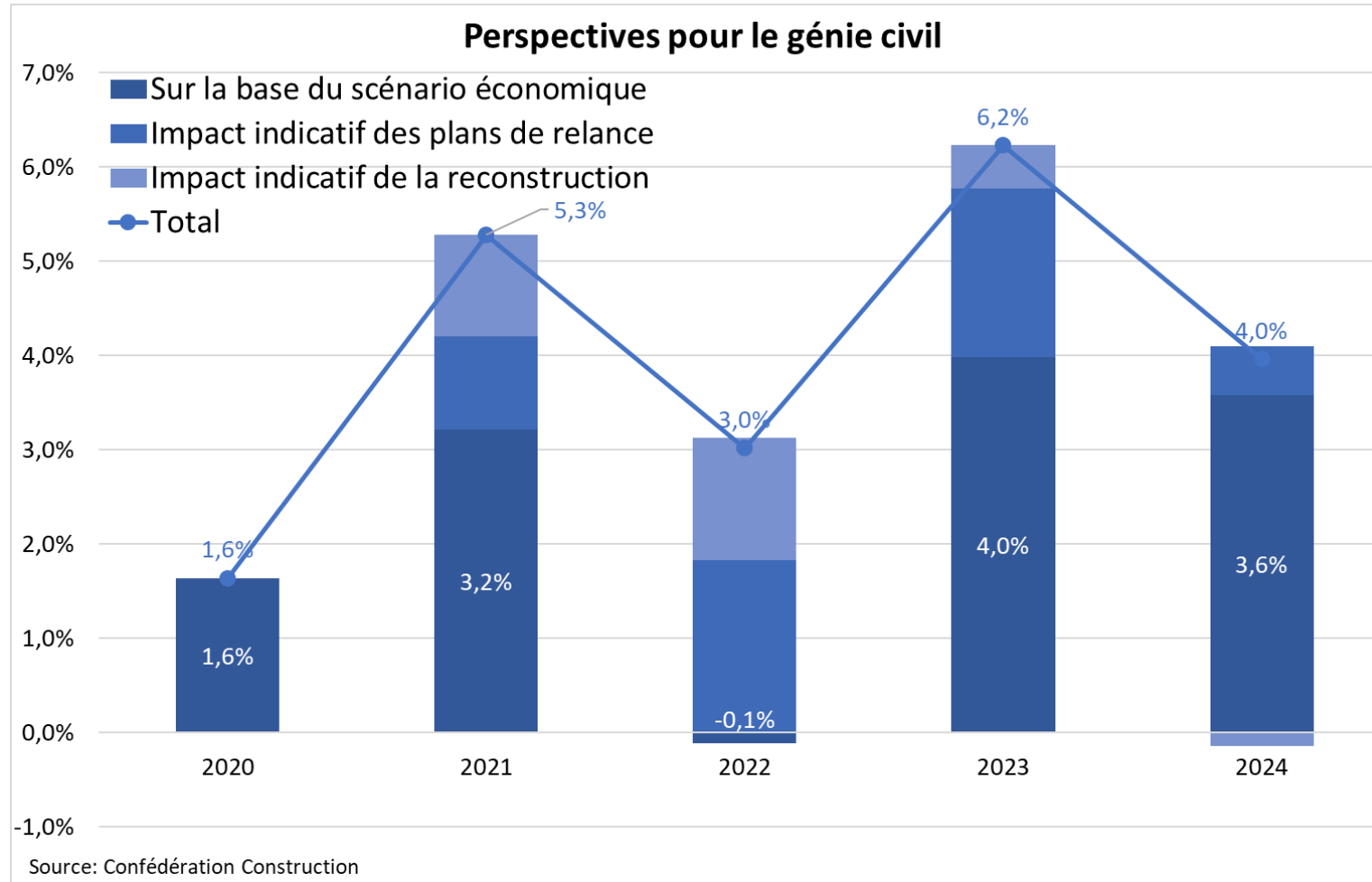
In this chart and in the text, we don't take the prefinancing of 13 % into account.







2023: WHAT TO EXPECT ?



ENERGY CRISIS IS UNDER CONTROL



INFLATION COMING DOWN, GROWTH PICKING UP



NEXTGENERATION EU WILL BOOST GENDER EQUALITY



NEXTGENERATION EU WILL BOOST GROWTH & MOBILITY BUDGET



BNP PARIBAS
FORTIS

The bank for a changing world



ECONOMIC OUTLOOK

KOEN DE LEUS

CHIEF ECONOMIST, BNP PARIBAS FORTIS

FEB-2023, ROAD FEDERATION BELGIUM

STAND
VAN
ZAKEN



ON FAIT
LE POINT



THANK YOU

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