

ITALY'S ECONOMIC OUTLOOK 2019

In 2019, GDP is expected to increase by 0.3 percent in real terms. The domestic demand will provide a contribution of 0.3 percentage points while foreign demand and inventories will provide a null contribution.

In 2019, exports will increase by 1.7 percent and imports will grow by 1.8 percent. Residential households consumption expenditure is expected to grow by 0.5 percent in 2019. The stabilisation in employment and the wages increase will support households purchasing power. Investment are expected to decelerate (+0.3%).

Labour market conditions will stabilize over the forecasting period. Employment growth is expected to increase at 0.1 percent in 2019. At the same time, the rate of unemployment will slightly increase at 10.8 percent in the current year.

This projections take into account the less favourable international framework.

TABLE 1: FORECAST FOR THE ITALIAN ECONOMY - 2016-2019
(% change on previous year)

	2016	2017	2018	2019
Gross Domestic Product	1.1	1.7	0.9	0.3
Imports of goods and services (fob)	3.6	5.5	2.3	1.8
Exports of goods and services (fob)	2.1	5.9	1.9	1.7
DOMESTIC DEMAND (INCLUDING INVENTORIES)	1.5	1.4	0.9	0.3
Residential households consumption expenditure	1.3	1.6	0.6	0.5
Government Consumption	0.1	0.3	0.2	-0.2
Gross fixed capital formation	3.5	4.3	3.4	0.3
CONTRIBUTION TO GDP				
Domestic demand (net of Inventories)	1.4	1.7	1.0	0.3
Foreign balance	-0.3	0.3	-0.1	0.0
Inventories	0.0	-0.4	0.0	0.0
Households consumption expenditure deflator	0.2	1.1	1.1	0.9
Gross domestic product deflator	1.2	0.5	0.8	0.8
Compensation of employees per full-time equivalent	0.6	0.3	1.7	0.9
Full time equivalent employment	1.3	0.9	0.8	0.1
Unemployment rate	11.7	11.2	10.6	10.8
Trade balance (level as % of GDP)	3.2	2.9	2.5	2.4

For more details please refer to the Italian version

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