

Table 1. Luxembourg: Selected Economic Indicators, 2019-29

	Projections										
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Real Economy (percent change)											
Gross domestic product	2.9	-0.9	7.2	1.4	-1.1	1.3	2.9	2.5	2.3	2.3	2.3
Total domestic demand	4.9	-4.0	10.9	-1.0	2.4	1.9	3.3	2.7	2.6	2.5	2.5
Foreign balance 1/	-0.3	1.8	0.0	2.0	-2.6	-0.2	0.6	0.7	0.6	0.6	0.6
Labor Market (thousands, unless indicated)											
Unemployed (average)	15.4	18.7	17.1	14.6	16.2	18.6	18.9	18.6	18.3	18.3	18.4
(Percent of total labor force)	5.4	6.4	5.7	4.8	5.2	5.9	5.9	5.7	5.5	5.4	5.3
Total employment	463.3	471.6	485.1	501.4	512.7	519.5	529.6	541.3	553.4	565.4	577.5
(Percent change)	3.5	1.8	2.9	3.4	2.2	1.3	2.0	2.2	2.2	2.2	2.1
Prices and costs (percent change)											
CPI (harmonized), p.a.	1.7	0.0	3.5	8.2	2.9	2.6	3.1	2.1	2.0	2.0	2.1
CPI core (harmonized), p.a.	1.8	1.2	1.5	4.2	3.9	2.8	2.9	2.2	1.9	2.0	2.0
CPI (national definition), p.a.	1.7	0.8	2.5	6.3	3.7	2.7	3.2	1.8	2.1	2.0	2.0
Wage growth 2/	1.9	1.2	5.1	5.9	7.3	3.5	2.9	2.3	2.3	2.3	2.3
Public finances (percent of GDP)											
General government revenues	45.3	43.5	43.4	43.5	46.8	47.0	47.9	48.0	48.2	48.4	48.7
General government expenditures	43.1	47.0	42.8	43.9	48.1	49.2	49.4	49.2	49.5	49.9	50.2
General government balance	2.2	-3.4	0.5	-0.4	-1.3	-2.2	-1.5	-1.3	-1.3	-1.5	-1.6
General government cyclically-adjusted balance	0.6	-2.0	0.0	-0.5	-1.4	-1.7	-1.4	-1.3	-1.4	-1.5	-1.6
General government structural balance	0.6	1.8	1.1	0.3	0.2	-0.9	-1.4	-1.3	-1.4	-1.5	-1.6
General government gross debt	22.4	24.6	24.5	24.7	25.7	28.1	28.8	29.5	30.1	30.8	31.4
Balance of Payments (percent of GDP)											
Current account	8.9	8.6	7.9	7.6	6.8	7.0	7.3	7.3	7.2	7.3	7.2
Balance on goods	2.6	2.3	1.2	0.1	-0.2	-0.8	-0.8	-0.9	-0.9	-1.0	-1.0
Balance on services	33.7	37.0	37.3	37.2	34.4	33.9	33.5	33.5	33.4	33.2	33.1
Net factor income	-27.7	-30.7	-30.2	-29.1	-26.9	-26.3	-25.6	-25.6	-25.4	-25.2	-25.0
Balance on current transfers	0.3	0.0	-0.4	-0.6	-0.5	0.2	0.2	0.2	0.2	0.2	0.2
Exchange rates, period averages											
U.S. dollars per euro	1.12	1.14	1.18	1.05	1.08	...	...	...	...	...	...
Nominal effective exchange rate (percent change)	-0.6	1.7	0.6	-1.3	2.5	...	...	...	...	...	...
Real effective exchange rate (percent change)	-0.7	1.4	0.2	-3.0	0.1	...	...	...	...	...	...
Credit growth and interest rates											
Nonfinancial private sector credit (eop, percent change) 3/	7.2	5.0	5.3	4.4	-3.0	2.2	6.3	4.8	4.8	4.7	4.6
Government bond yield, annual average (percent)	-0.1	-0.4	-0.4	1.5	3.1	...	...	...	...	...	...

Sources: Luxembourg authorities and IMF staff estimates and projections.

1/ Contribution to GDP growth.

2/ Overall economy.

3/ Including a reclassification of investment companies from financial to non-financial institutions in 2015.

[1] Under Article IV of the IMF's Articles of Agreement, the IMF holds bilateral discussions with members, usually every year. A staff team visits the country, collects economic and financial information, and discusses with officials the country's economic developments and policies. On return to headquarters, the staff prepares a report, which forms the basis for discussion by the Executive Board.

[2] 2 At the conclusion of the discussion, the Managing Director, as Chairman of the Board, summarizes the views of Executive Directors, and this summary is transmitted to the country's authorities. An explanation of any qualifiers used in summing up can be found here:

<http://www.imf.org/external/np/sec/misc/qualifiers.htm>.