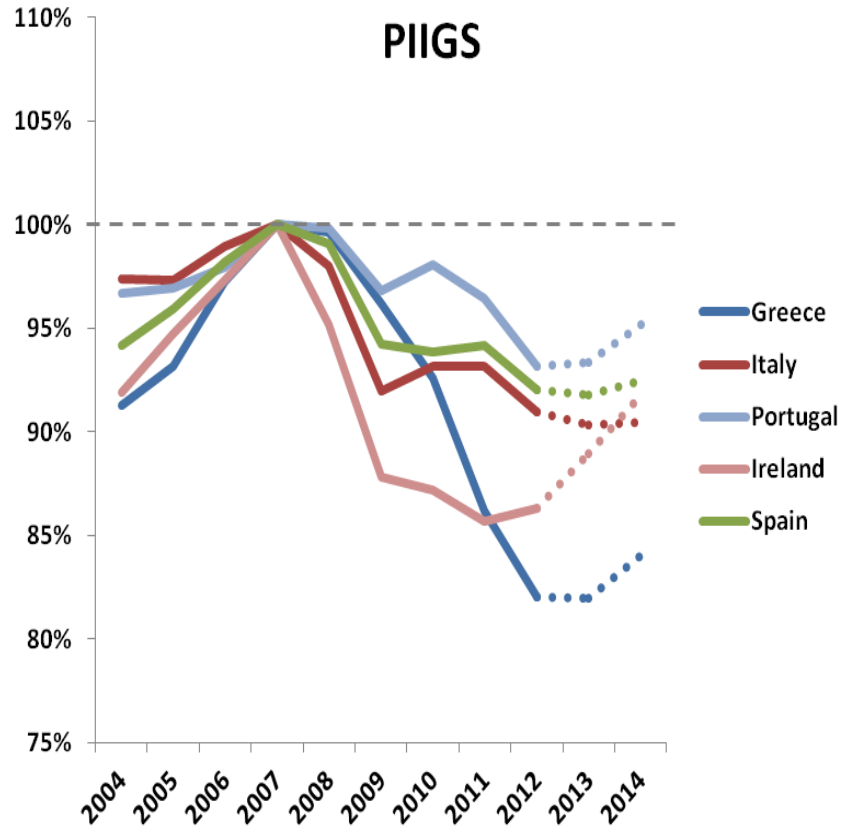
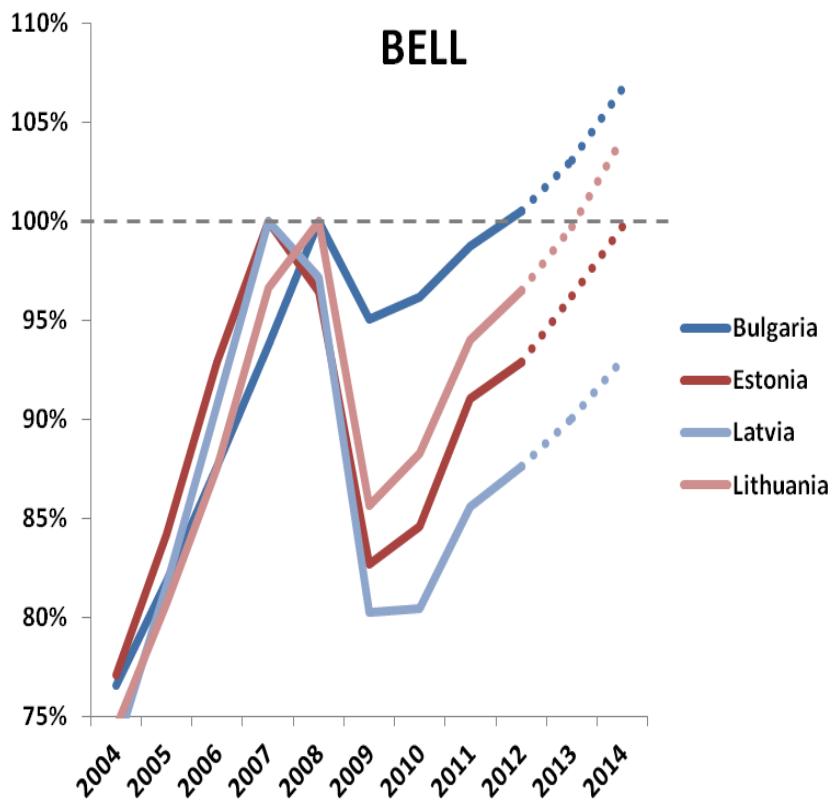


PIIGS versus BELL*

Vienna, 12 July, 2012

****I am grateful to Aleksander Laszek for preparing this presentation***

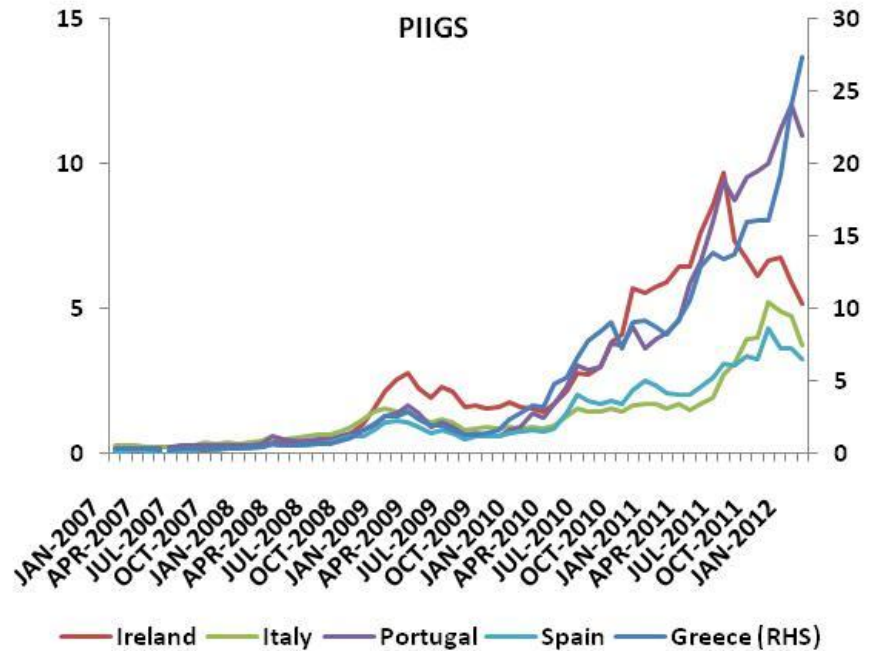
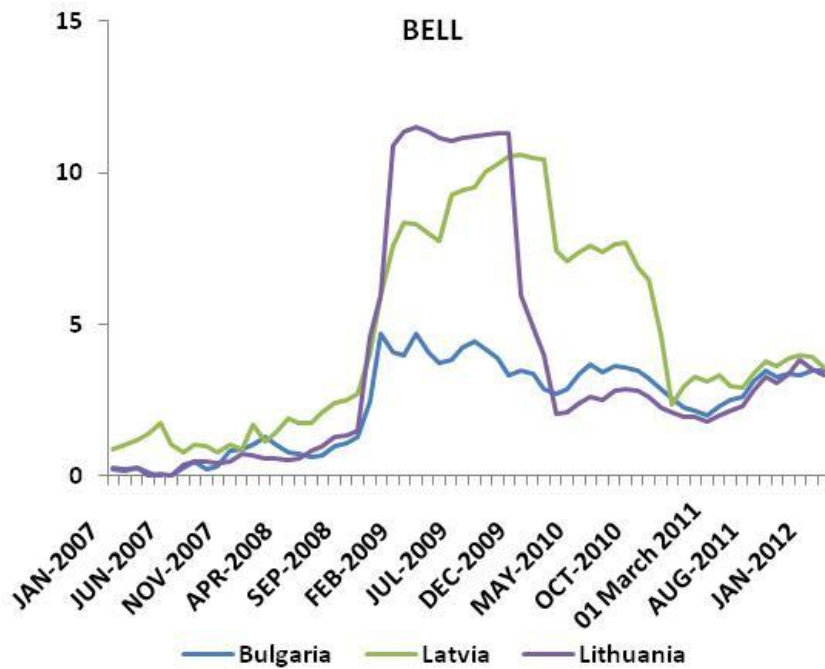
1. GDP (peak = 100%)



(Estonia, Latvia, Greece, Italy, Portugal, Ireland and Spain: 2007 = 100%; Bulgaria and Lithuania: 2008 = 100%)
 Source: IMF WEO IV 2012

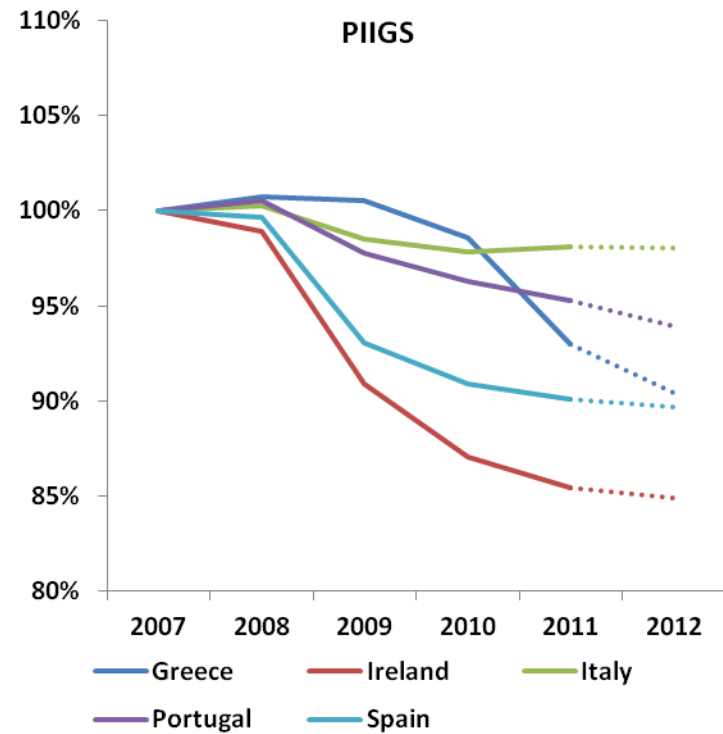
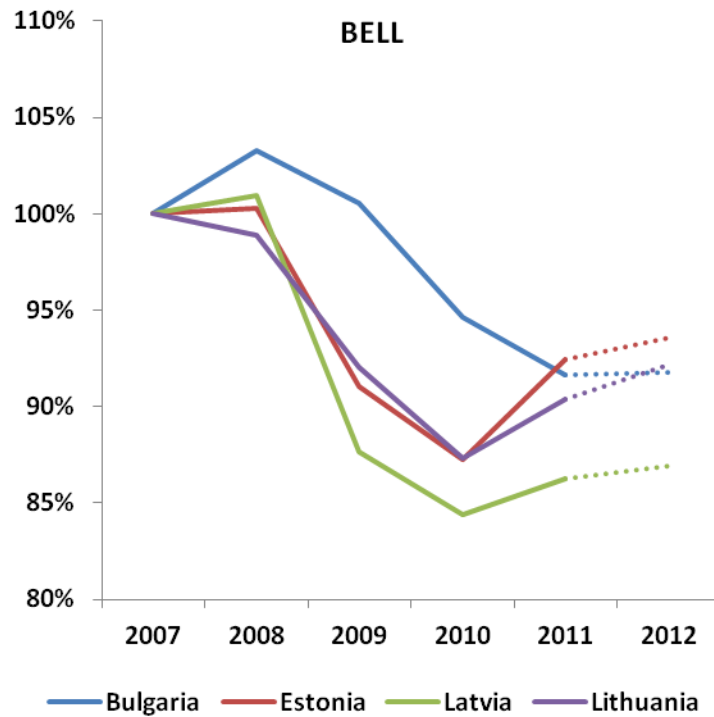
**I am grateful to Aleksander Laszek for preparing this presentation*

2. 10Y Bond yields spreads relative to Germany



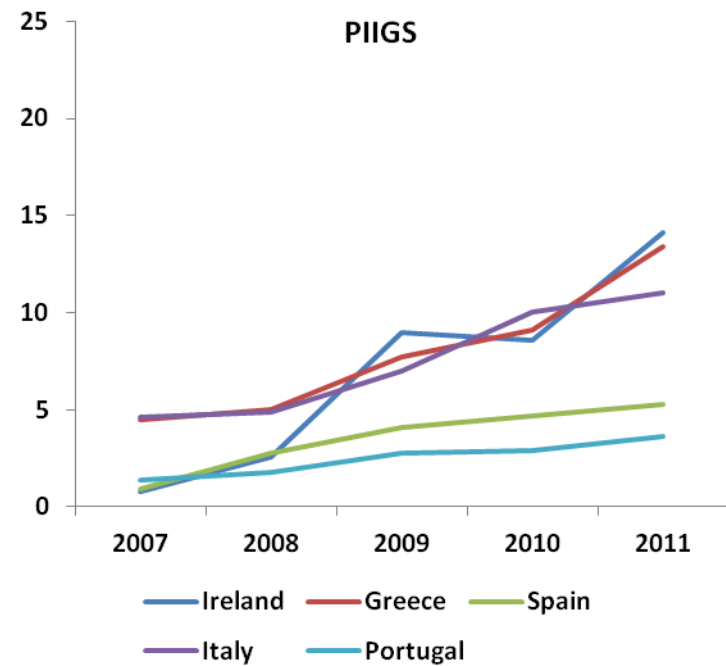
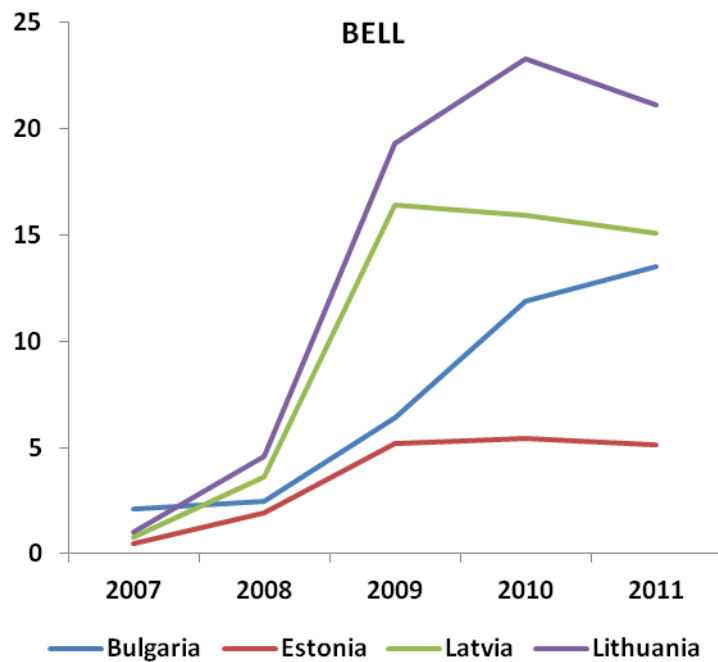
Source: ECB SDW

3. Employment, 2007=100%



Source: AMECO

4. Non-performing loans (% of total loans)



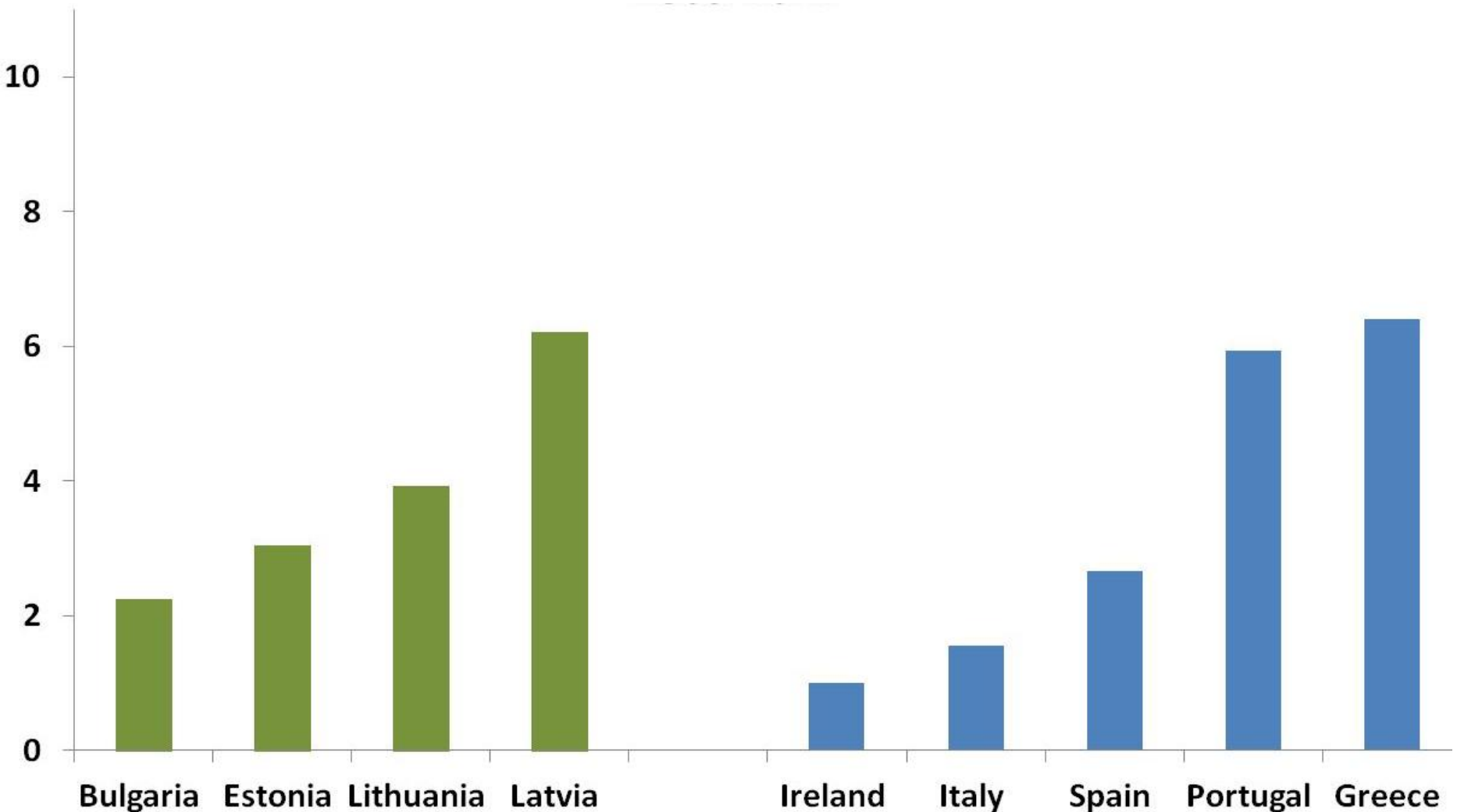
Source: European Commission

5. The Imbalances in PIIGS and BELL

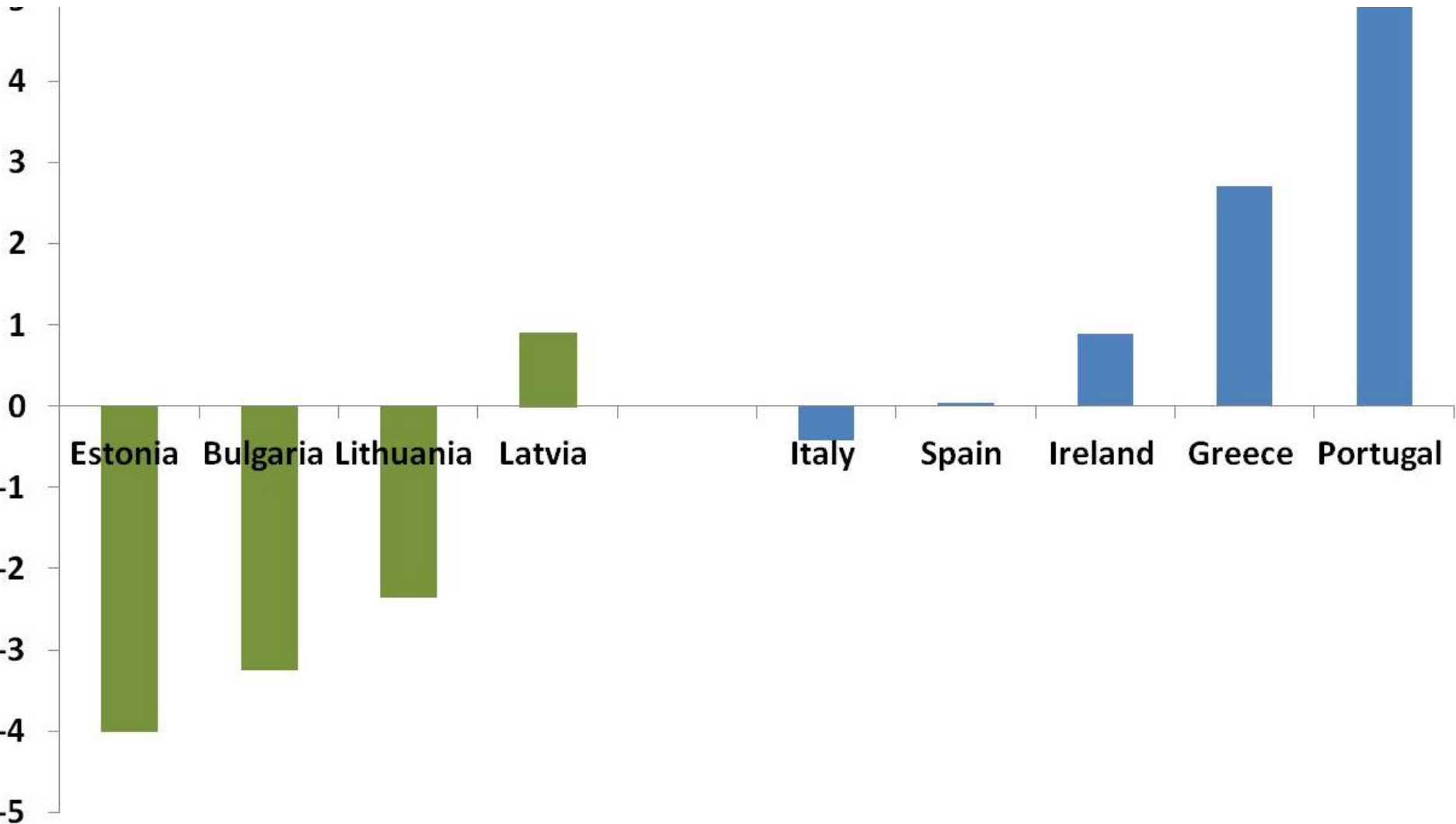
	3 year average of Current Account balance as % of GDP	Net Investment Position a % of GDP	% Change (3 years) of Real Effective Exchange Rates (REER) with HICP deflators	% change (5 years) in Export Market Shares	% change (3 years) in Nominal Unit Labour Costs	% y-o-y change in House Prices	Private sector Credit flow as % of GDP	Private sector debt as percent of GDP	Public sector debt as percent of GDP
Bulgaria	-18,1	-81,1	12,1	43,5	19	18,3	39,9	131,8	17,2
Estonia	-13,8	-72	9,5	39,3	32,9	5,9	32,1	158,9	3,7
Latvia	-19,2	-74,7	11,0	45,9	71,4	26,8	36,6	127,5	9
Lithuania	-10,7	-55,8	4,5	30,8	24,5	29,9	27,3	81,5	16,8
średnia	-15,5	-70,9	9,3	39,9	37,0	20,2	34,0	124,9	11,7
Ireland	-4,1	-19,4	4,1	-15,7	14,6	4,0	25,7	215,3	24,8
Greece	-11,2	-96,3	1,9	3,8	5,8	1,8	15,8	107,6	107,4
Spain	-8,8	-78,1	4,2	-3,2	11	6,4	27	215,1	36,2
Italy	-1,2	-24,5	0,7	-9,4	6,1	0,1	12,2	114,9	103,1
Portugal	-10,4	-88,9	1,5	-5,5	5,7	-1,7	24,6	223,1	68,3
średnia	-7,1	-61,4	2,5	-6,0	8,6	2,1	21,1	175,2	68,0

Source: European Commission

6. The change in the General Government budget deficit (in percent of GDP) 2009-2001

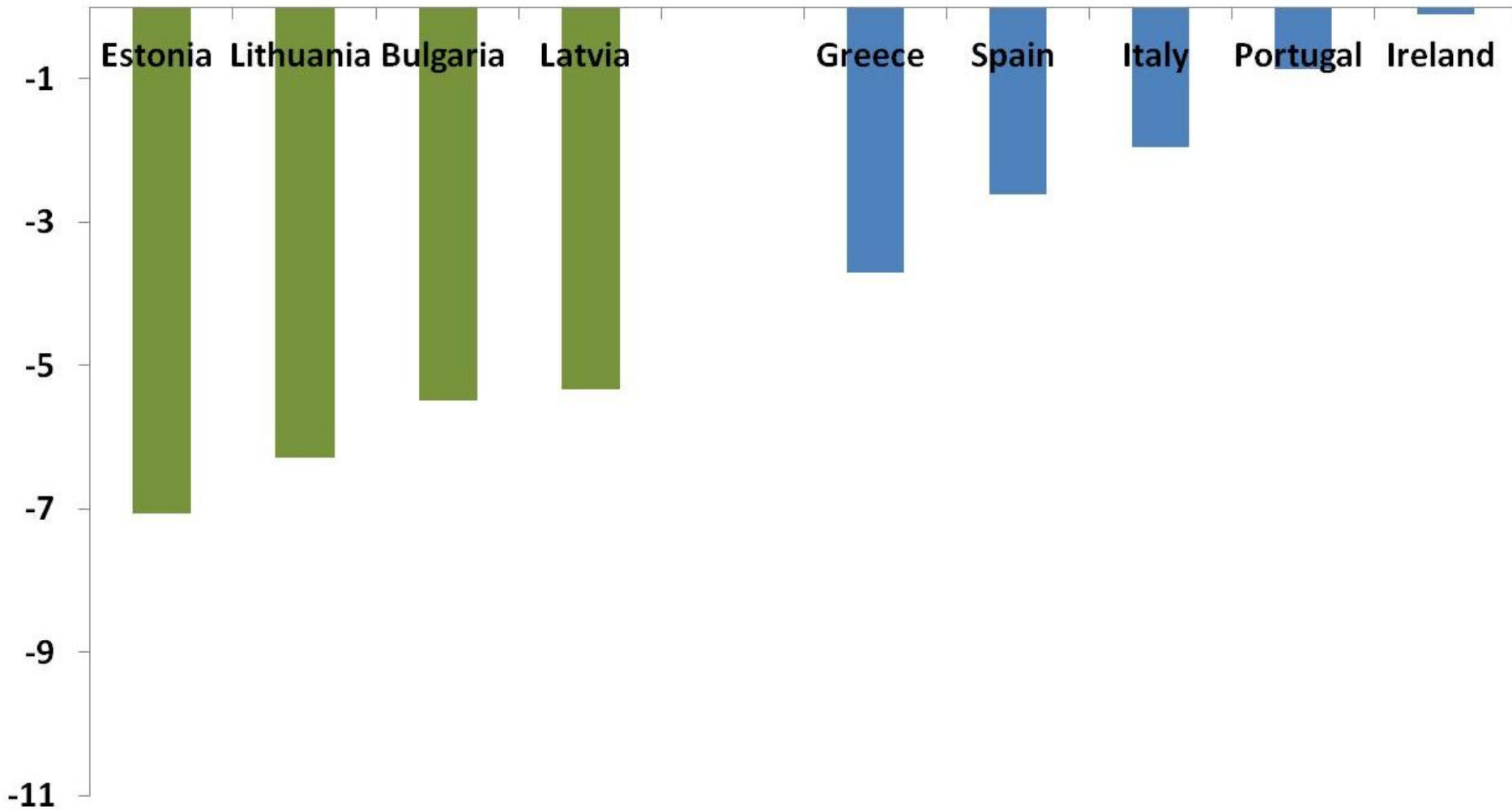


7. Change in the revenues (in percent of GDP) 2009 - 2011



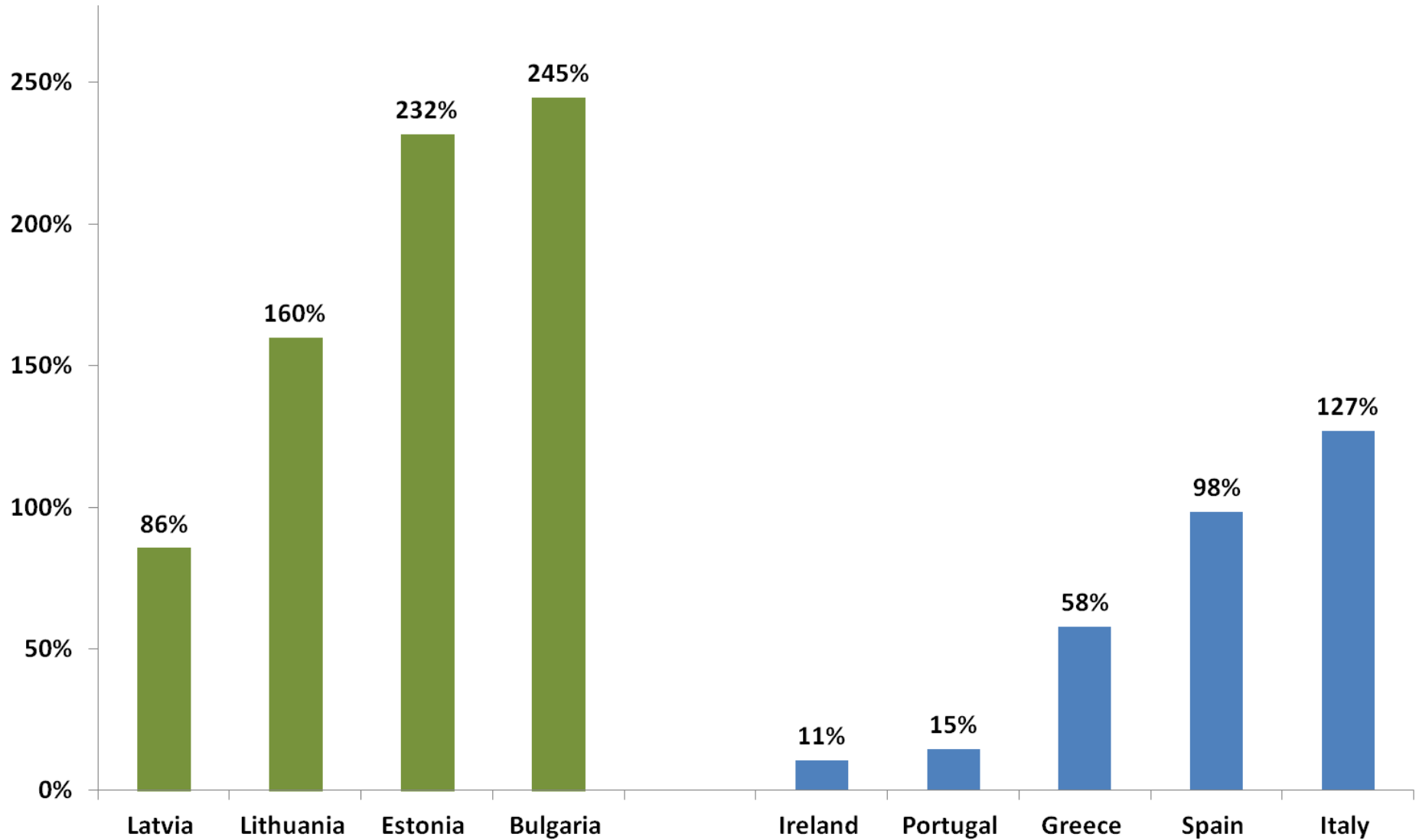
Source: AMECO

8. Change in General Government spending (in percent of GDP) 2009 - 2011

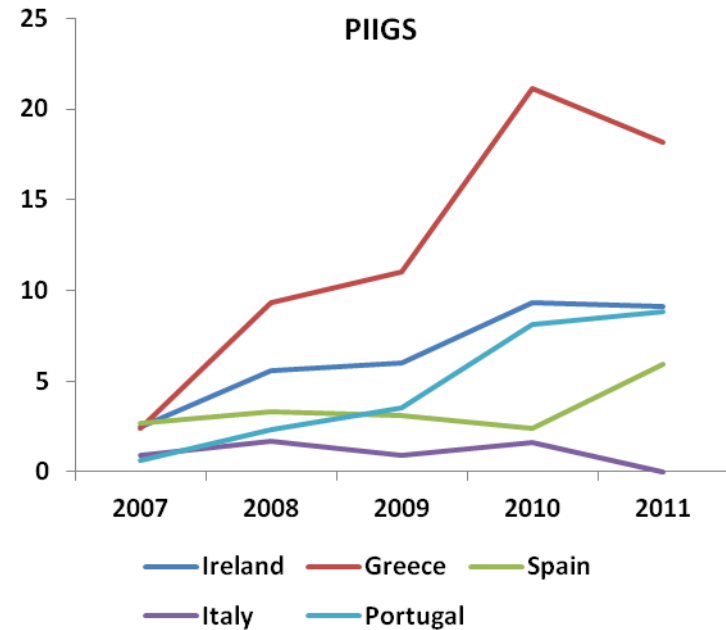
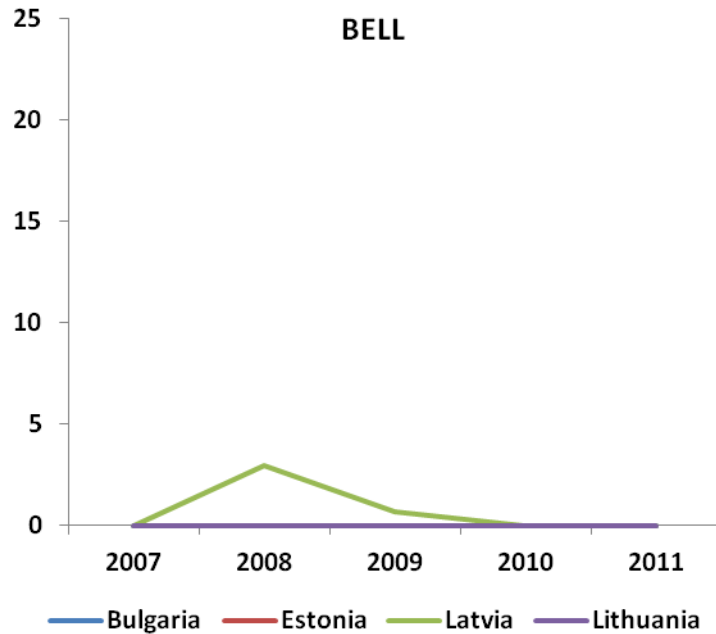


Source: AMECO

9. The ratio of the spending cuts to the reduction in the budget deficit 2009 - 2001

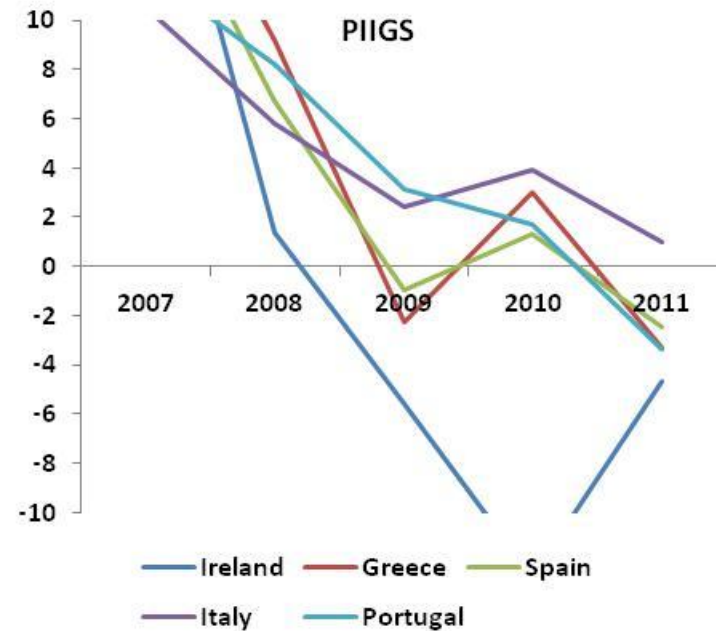
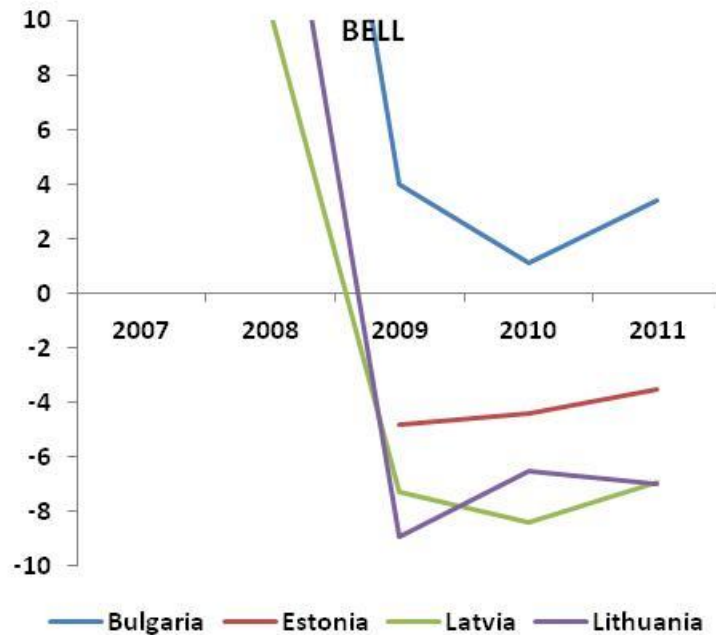


10. Central Bank liquidity as % of liabilities of the commercial banks



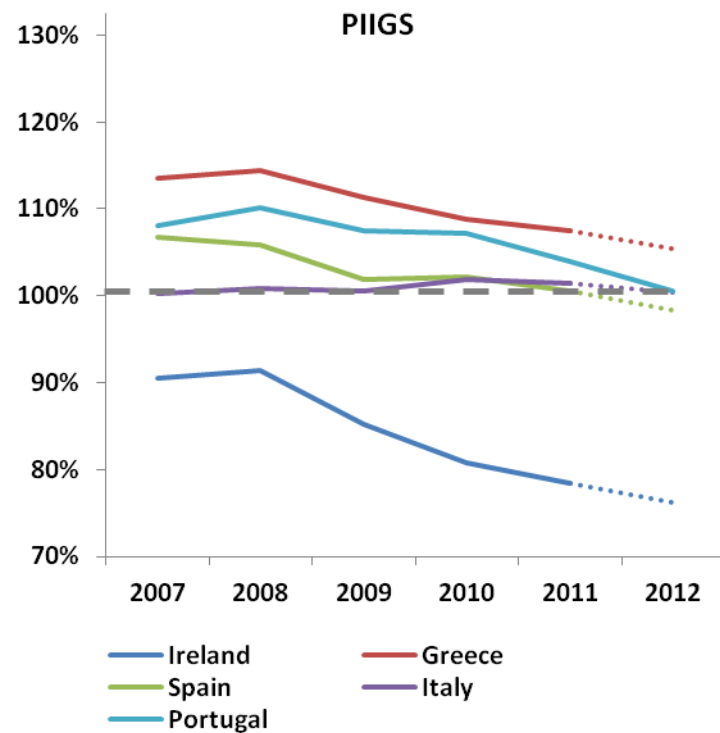
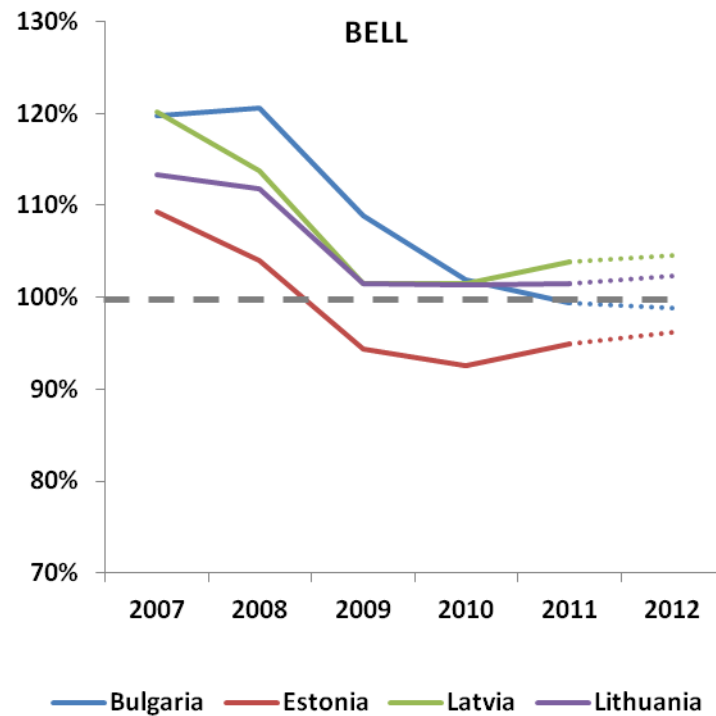
Source: European Commission

11. Bank loans to the private sector (year-on-year % change)



Source: AMECO

12. Ratio of domestic demand to GDP (current process)



Source: AMECO