

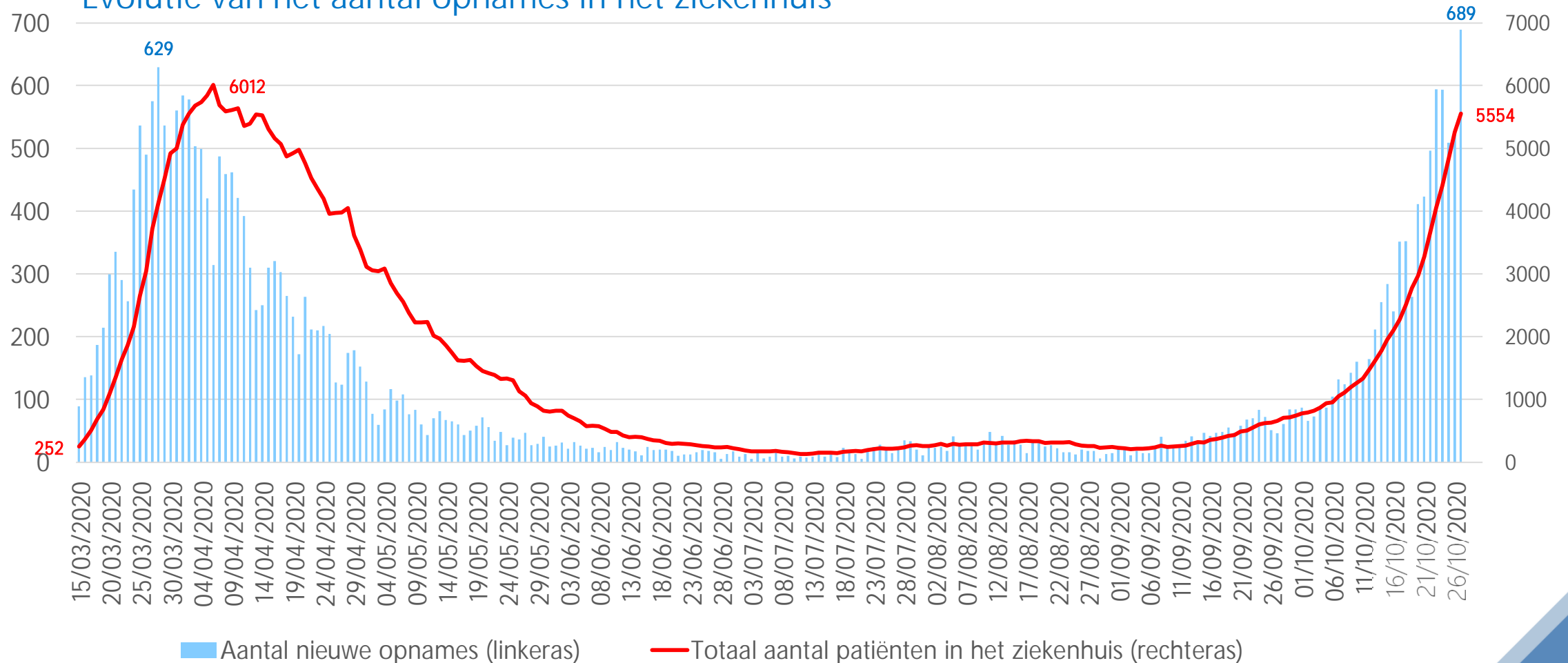
COVID-19 Dashboard of Economic Indicators

28 October 2020

COVID-19 in België

1. COVID-19 in België: aantal gehospitaliseerde patiënten stijgt onrustwekkend en de situatie is stilaan dezelfde als eind maart

Evolutie van het aantal opnames in het ziekenhuis



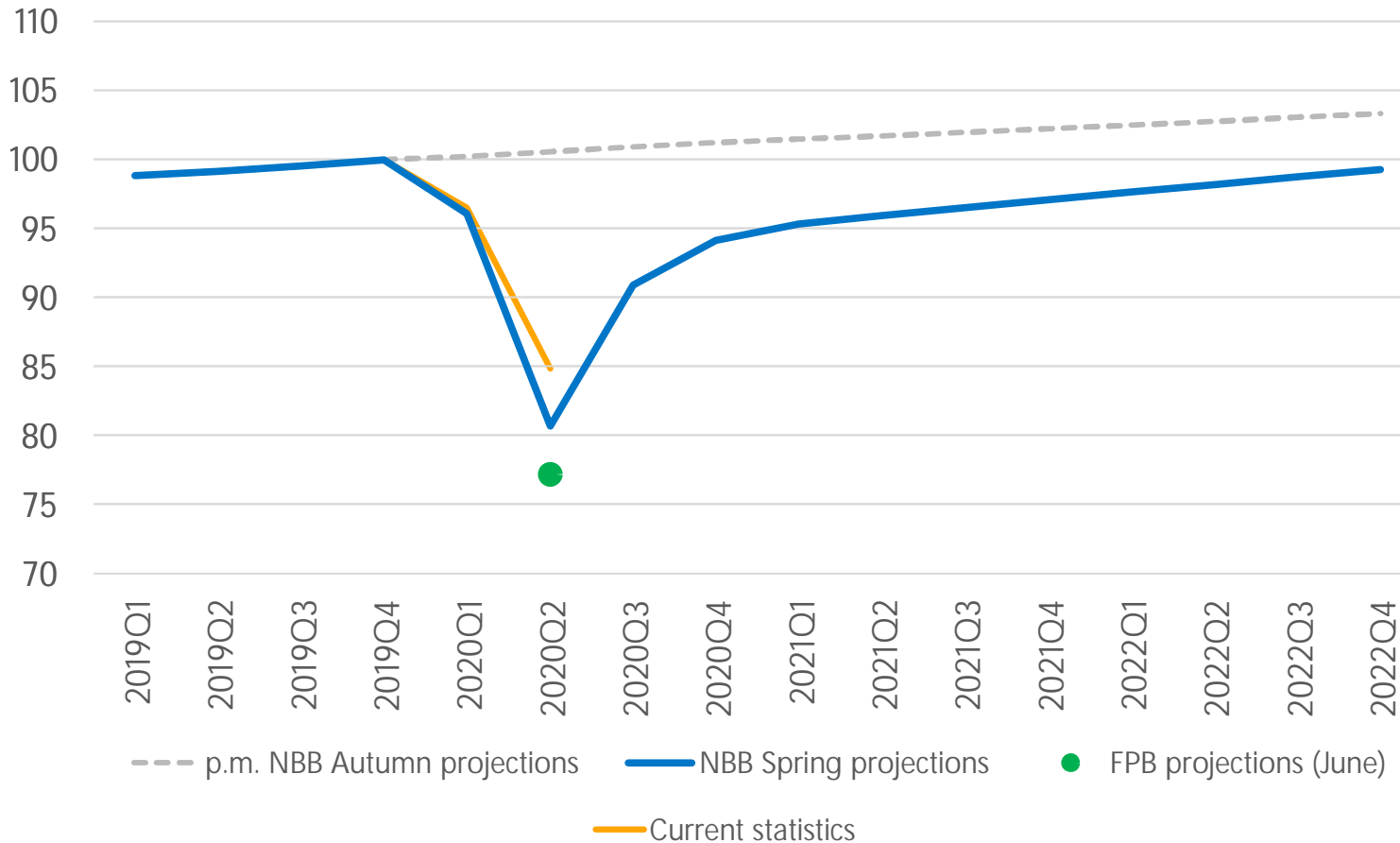
The background of the slide features a large, detailed, and semi-transparent image of a coronavirus particle, showing its characteristic spherical shape and numerous spike proteins. The particle is centered and slightly tilted, with a soft blue and white color palette. The overall background is a light blue gradient.

GDP and confidence indicators for Belgium

The downturn in 2020 Q2 appears to have been less severe than predicted

Real GDP in Belgium

(quarterly data, index 2019Q4=100, unless otherwise stated)

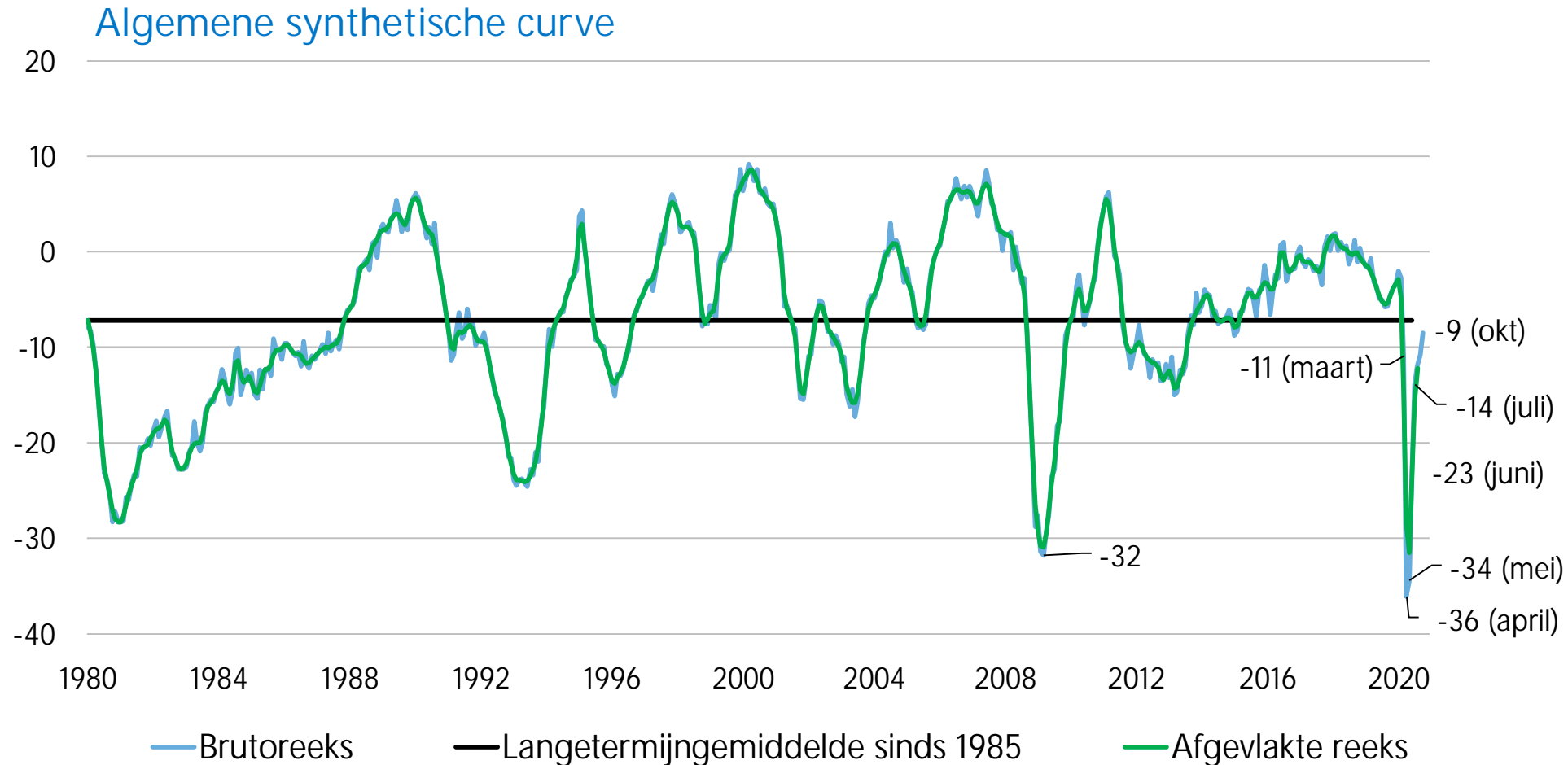


Real GDP in Belgium

(quarterly data, QoQ growth rate in %)

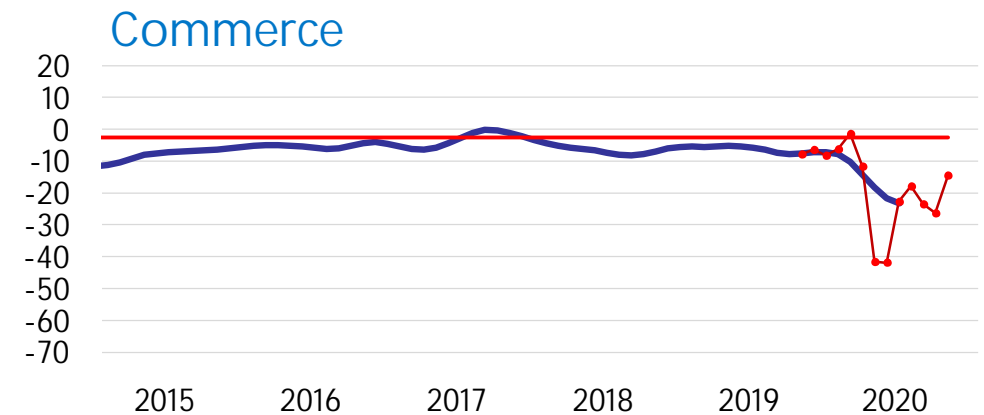
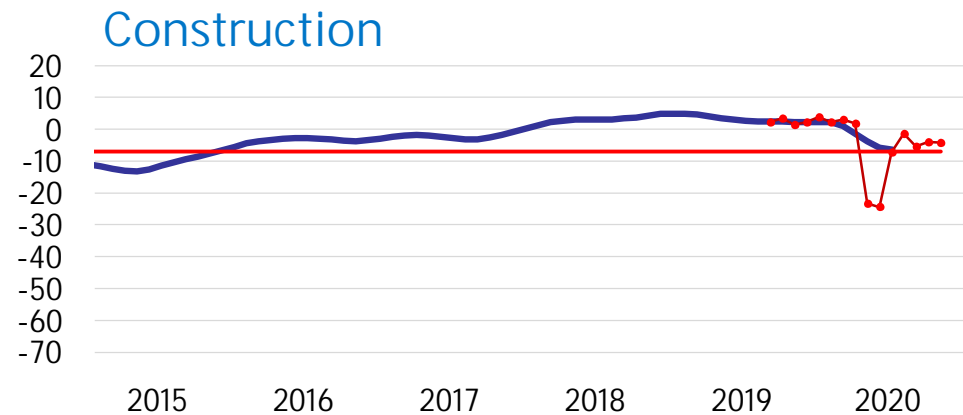
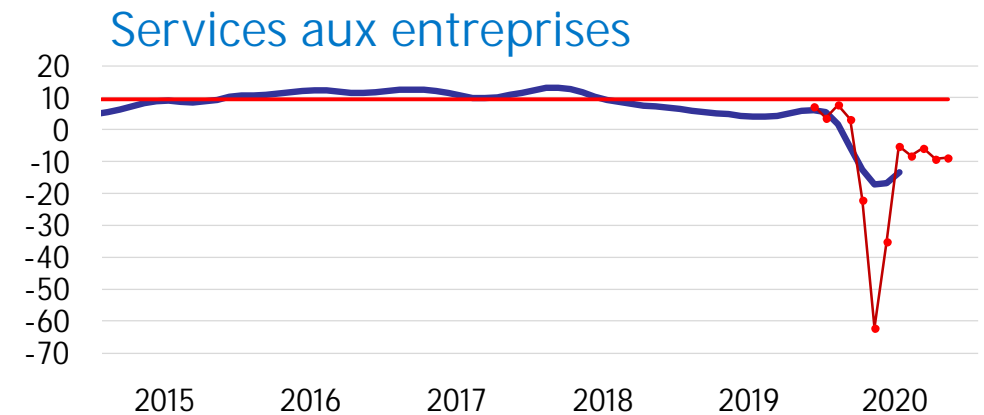
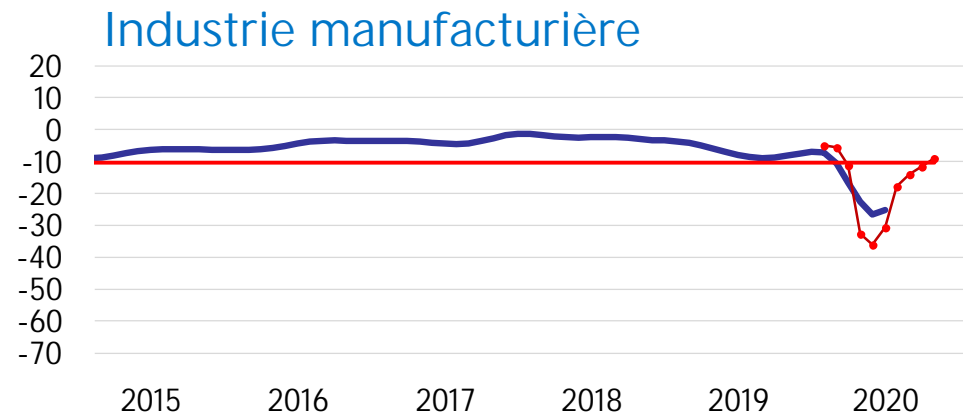
2019Q1	0.10
2019Q2	0.29
2019Q3	0.41
2019Q4	0.48
2020Q1	-3.51
2020Q2	-12.07

Het NBB-ondernemersvertrouwen blijft ook in oktober aantrekken, voor de vijfde maand op rij



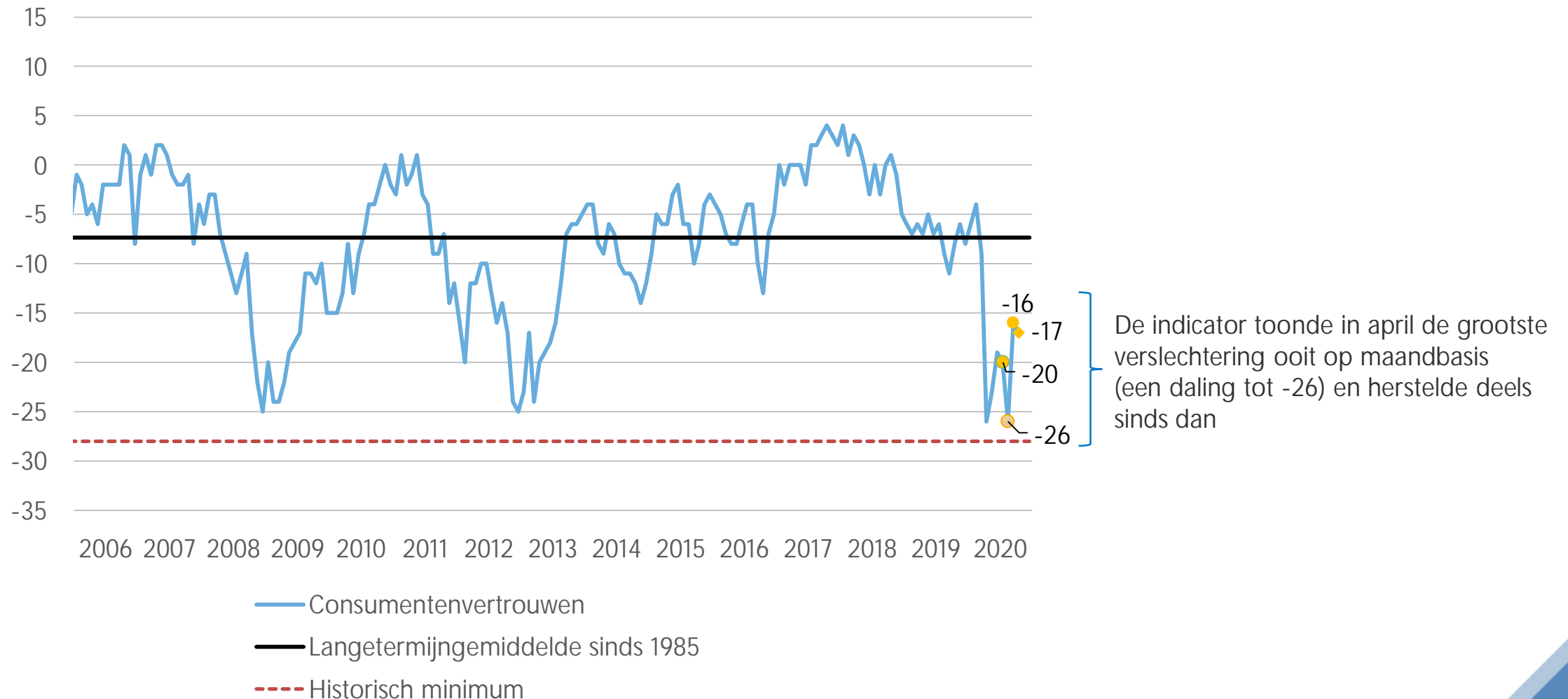
Poursuite de l'amélioration graduelle dans l'industrie manufacturière ; pas de mouvements clairs depuis l'été dans les autres secteurs

Baromètre de conjoncture – Belgique : Branches d'activité – octobre 2020

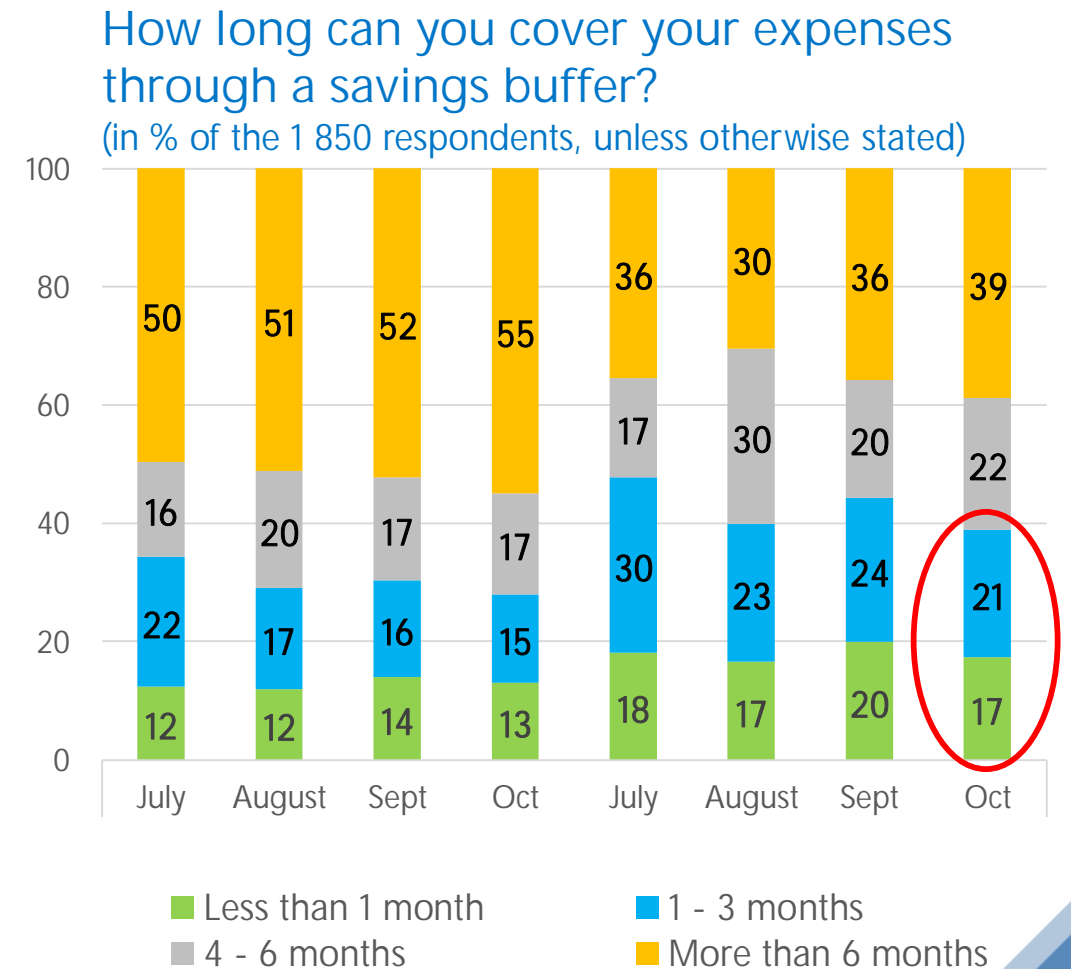
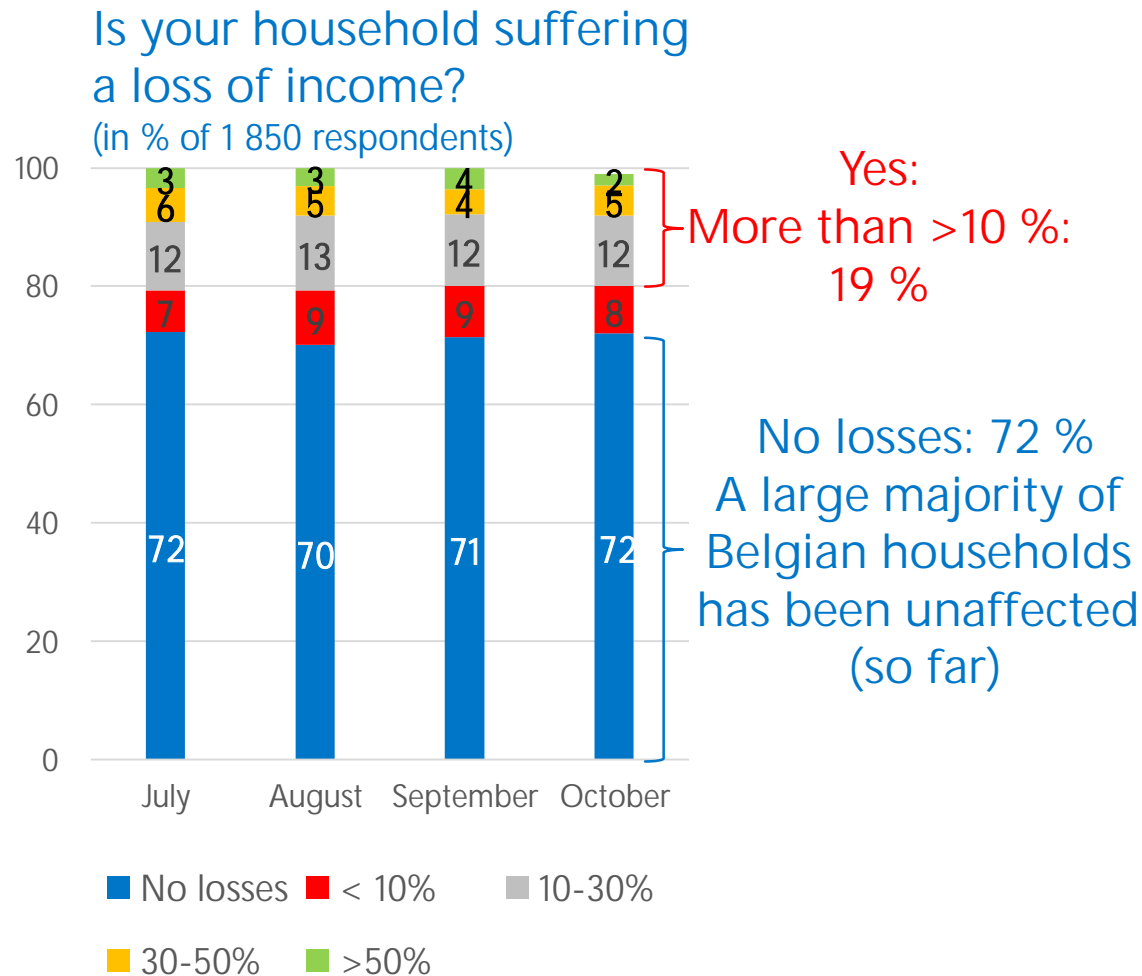


— Série dessaisonnalisée et lissée — Moyenne de long terme (depuis 1980) ● Série dessaisonnalisée

NBB-consumentenvertrouwen liep licht terug in oktober en blijft op een laag niveau

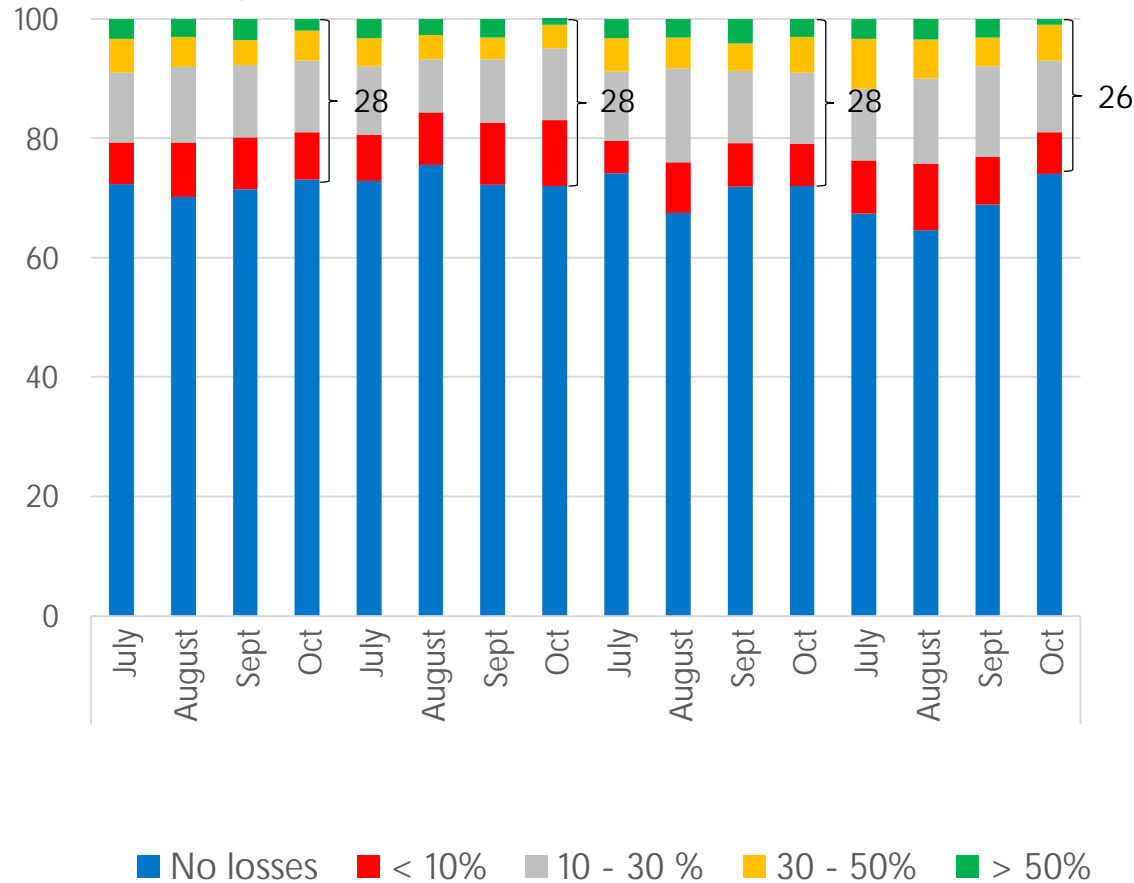


Around 19 % of households suffer an income loss of more than 10 % and 39 % of them have a savings buffer of less than 3 months¹

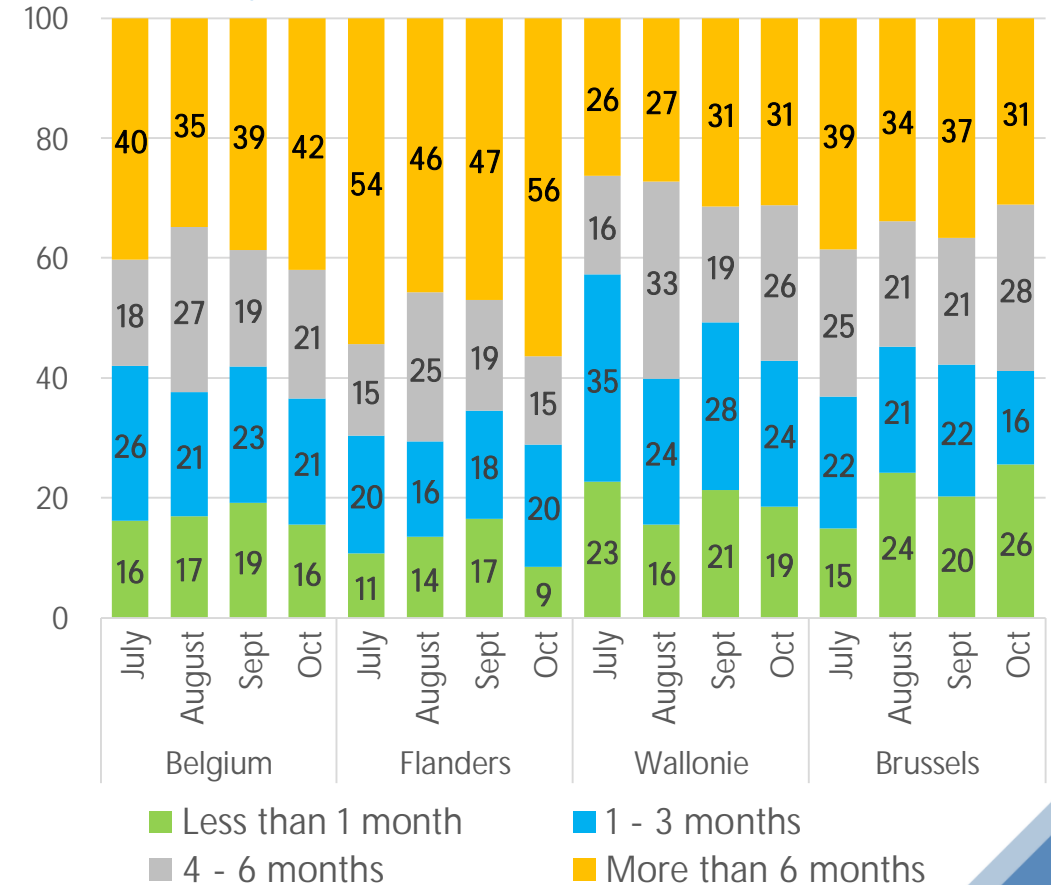


For the first time, lower losses of income in Brussels

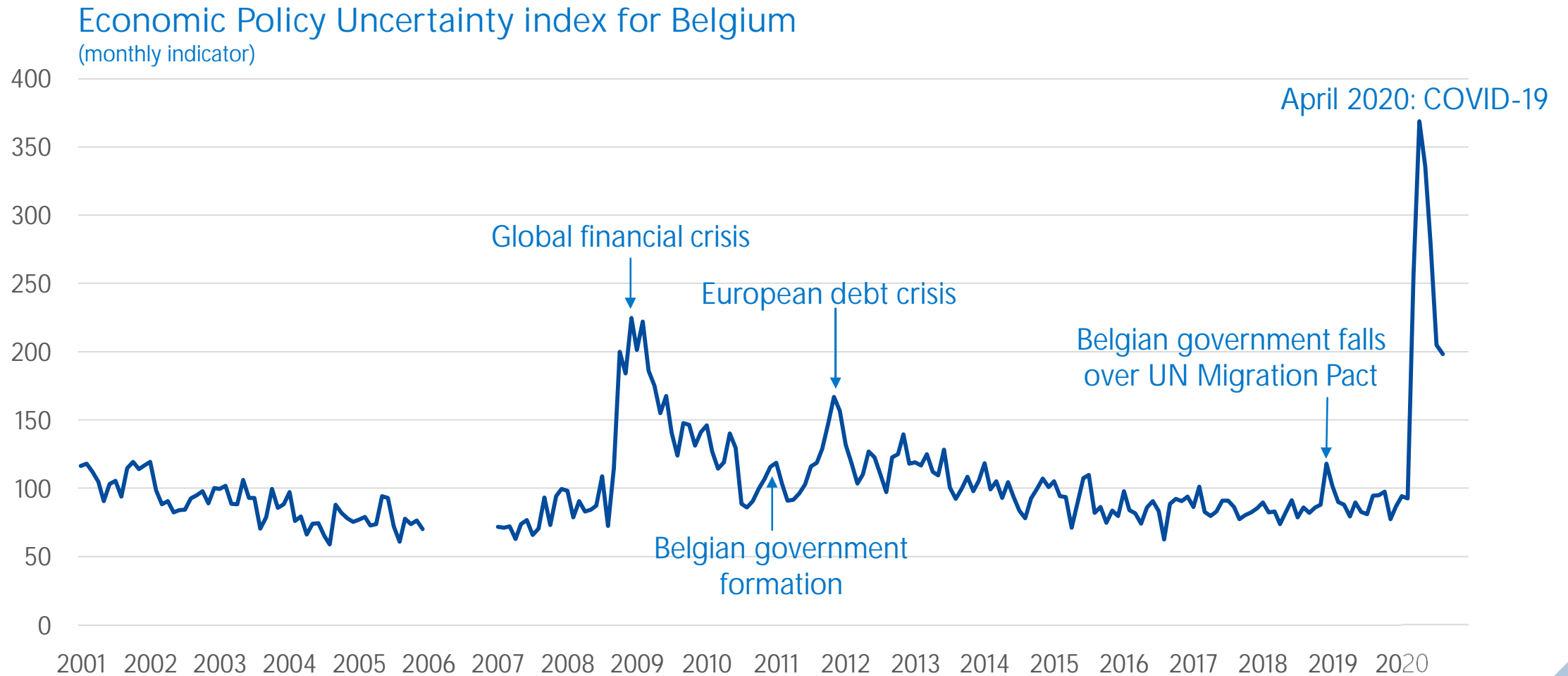
In October, lower share of households suffering a loss of income in Brussels
(in % of respondents)



Lower savings buffer in Wallonia and in Brussels
(in % of respondents with loss of income)



Economic policy uncertainty is improving, but remains very high (in July/August at the level of the global financial crisis)

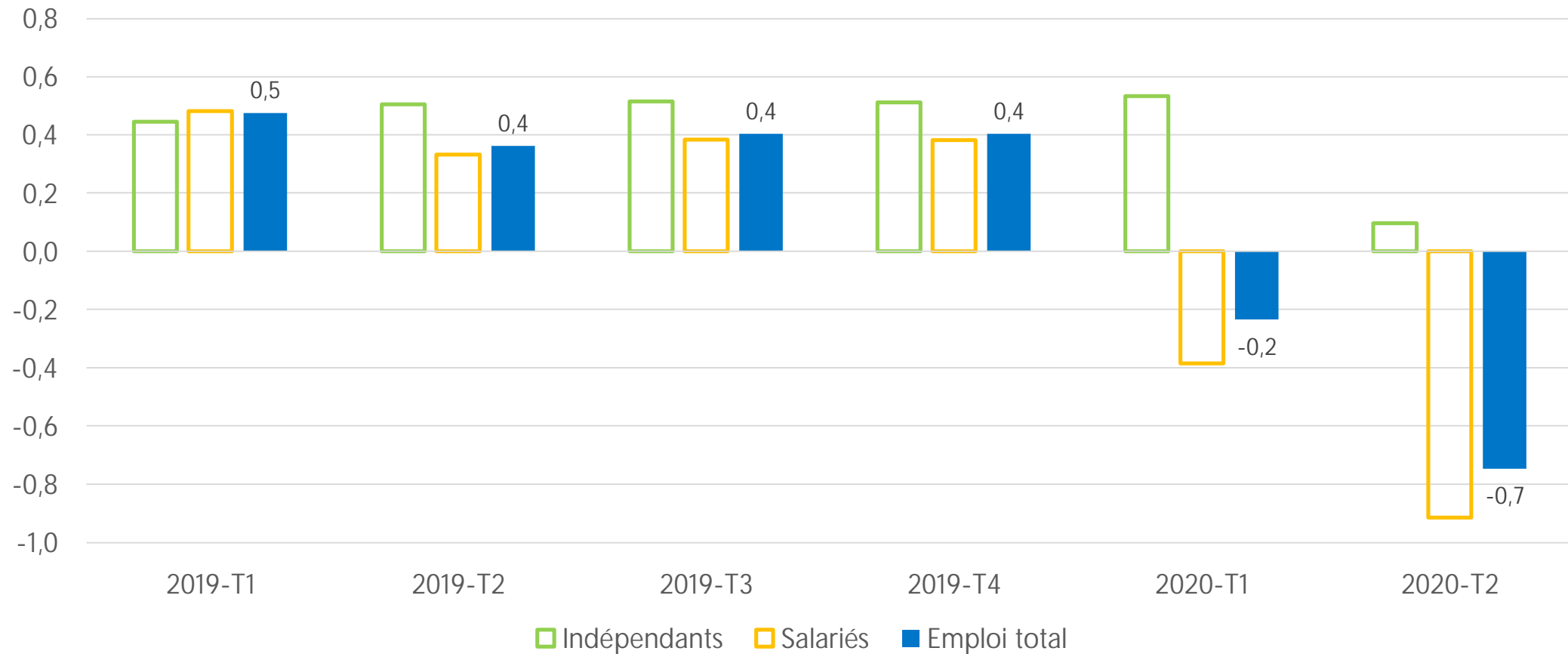


The background of the slide features a light blue gradient with several stylized, semi-transparent images of coronavirus particles. These particles are spherical with numerous spike-like protrusions on their surfaces, rendered in a slightly darker blue or greyish tone. They are scattered across the frame, with one large, detailed particle centered behind the main text.

Labour market

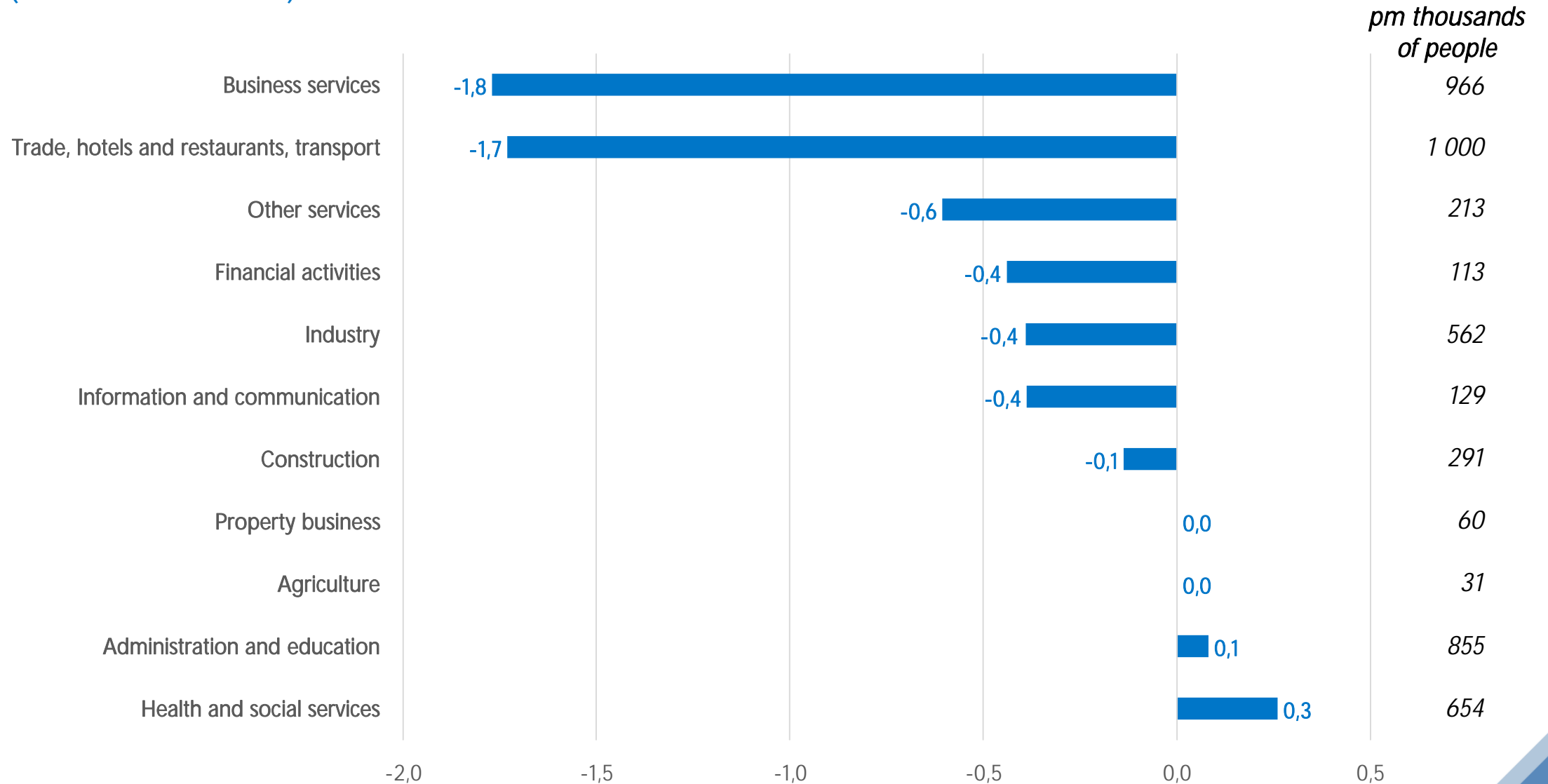
L'emploi salarié plus durement impacté au 1^{er} semestre 2020 que l'emploi indépendant

(emploi en personnes - variation trimestrielle en %)

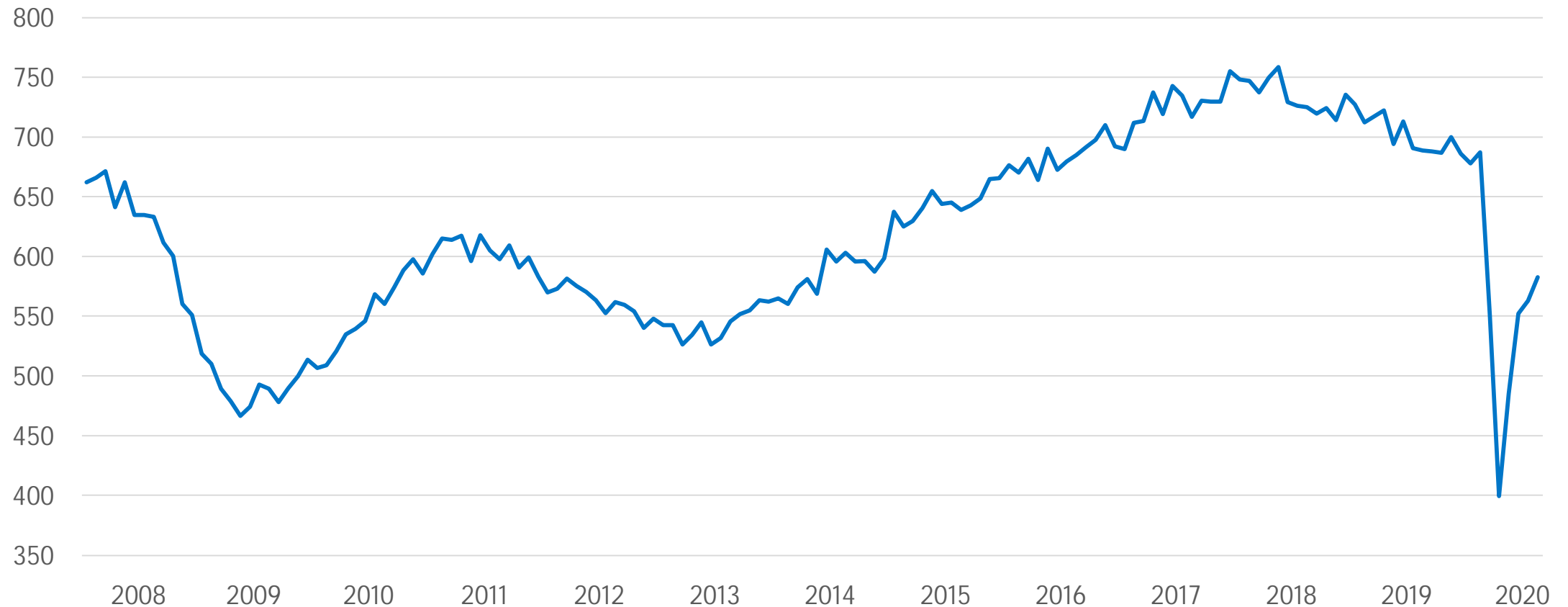


Impact on employment stronger for some branches of activity

(QoQ variation in %)

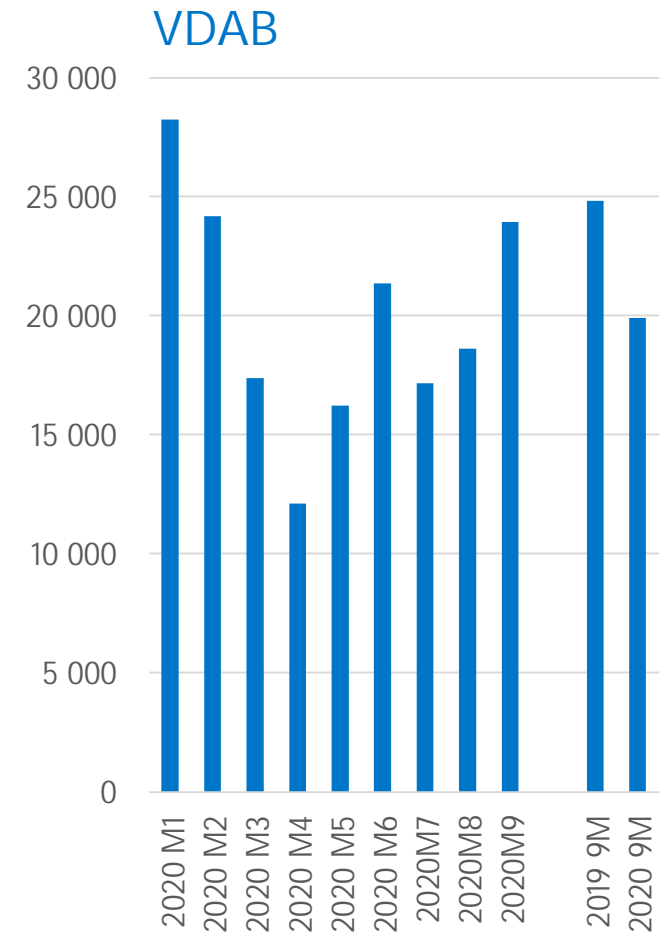
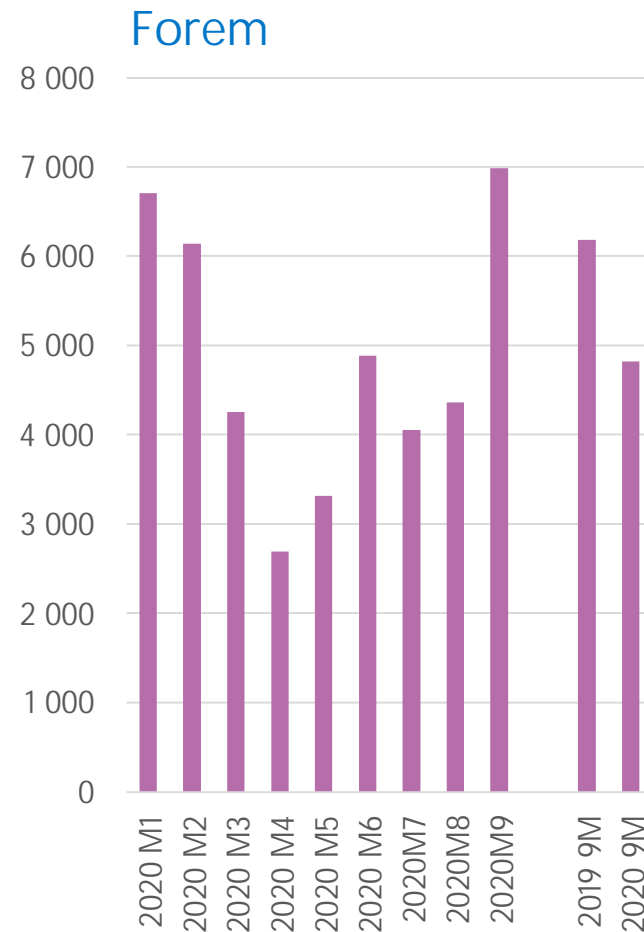
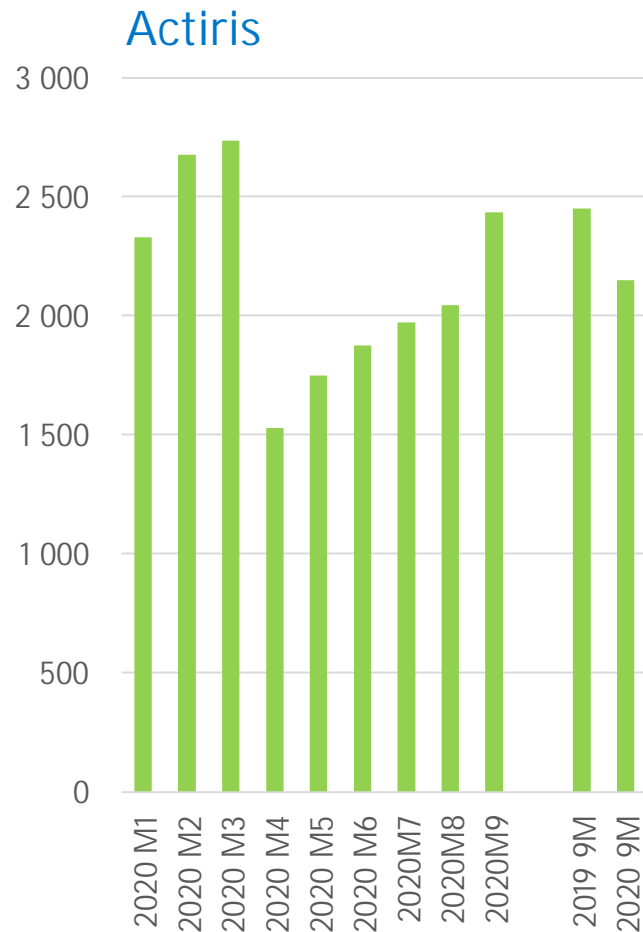


Chute brutale du travail intérimaire en avril, reprise partielle par après (données mensuelles, en milliers d'heures)



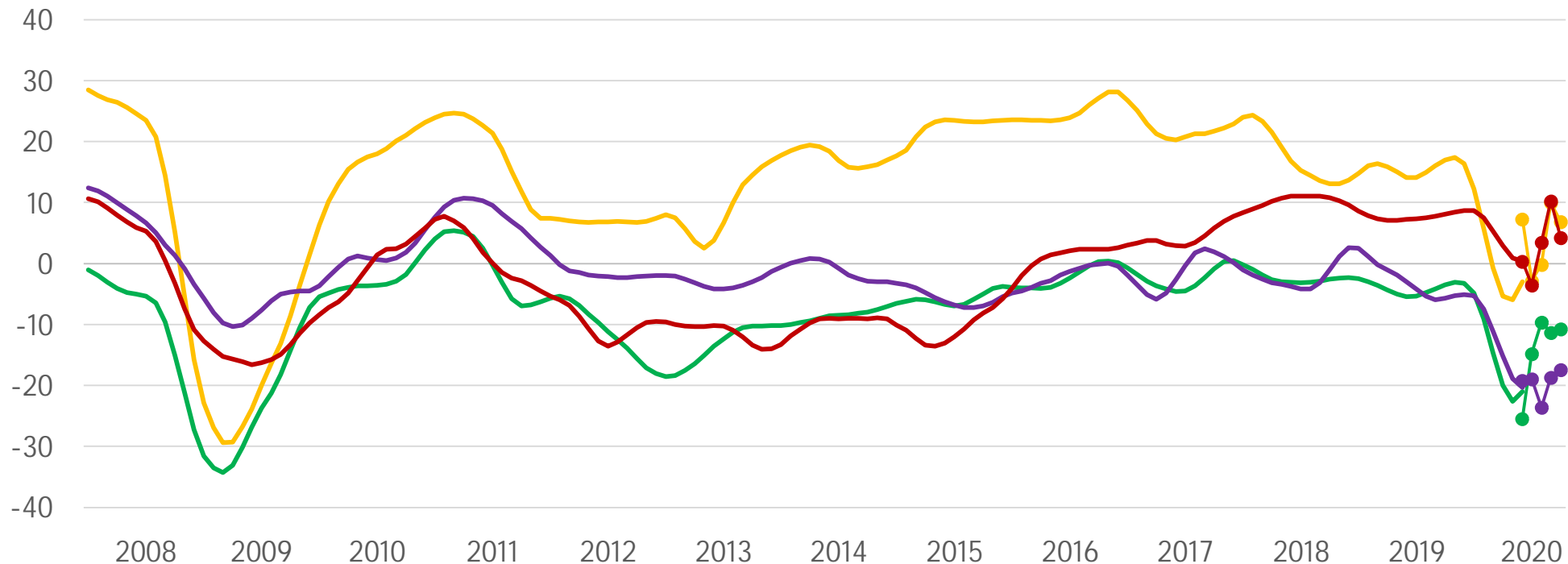
Net recul des opportunités d'emplois en avril, puis reprise progressive

(moyenne mensuelle des offres d'emplois reçues par les services publics de l'emploi régionaux via le circuit ordinaire)



Les prévisions d'emplois issues des enquêtes de conjoncture repartent à la hausse

(données désaisonnalisées et lissées)



Services aux entreprises

Commerce

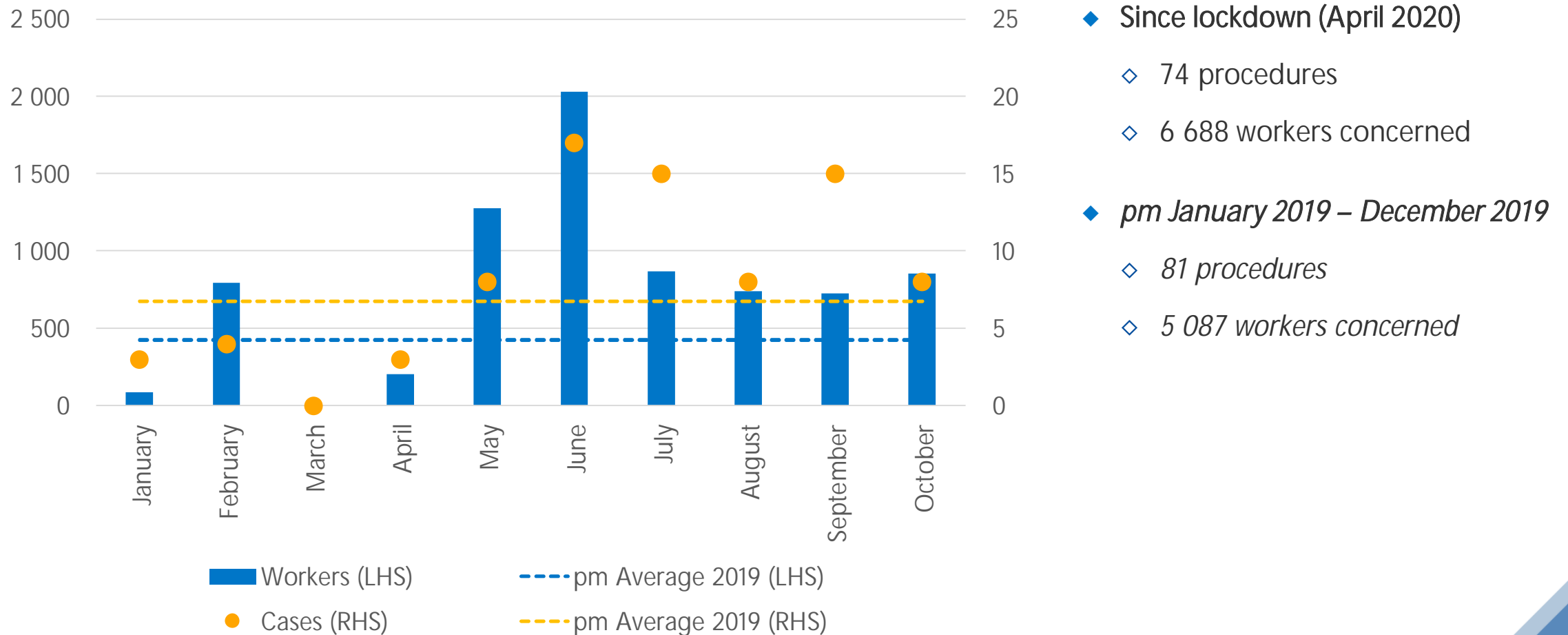
Construction (gros œuvre de bâtiments)

Industrie

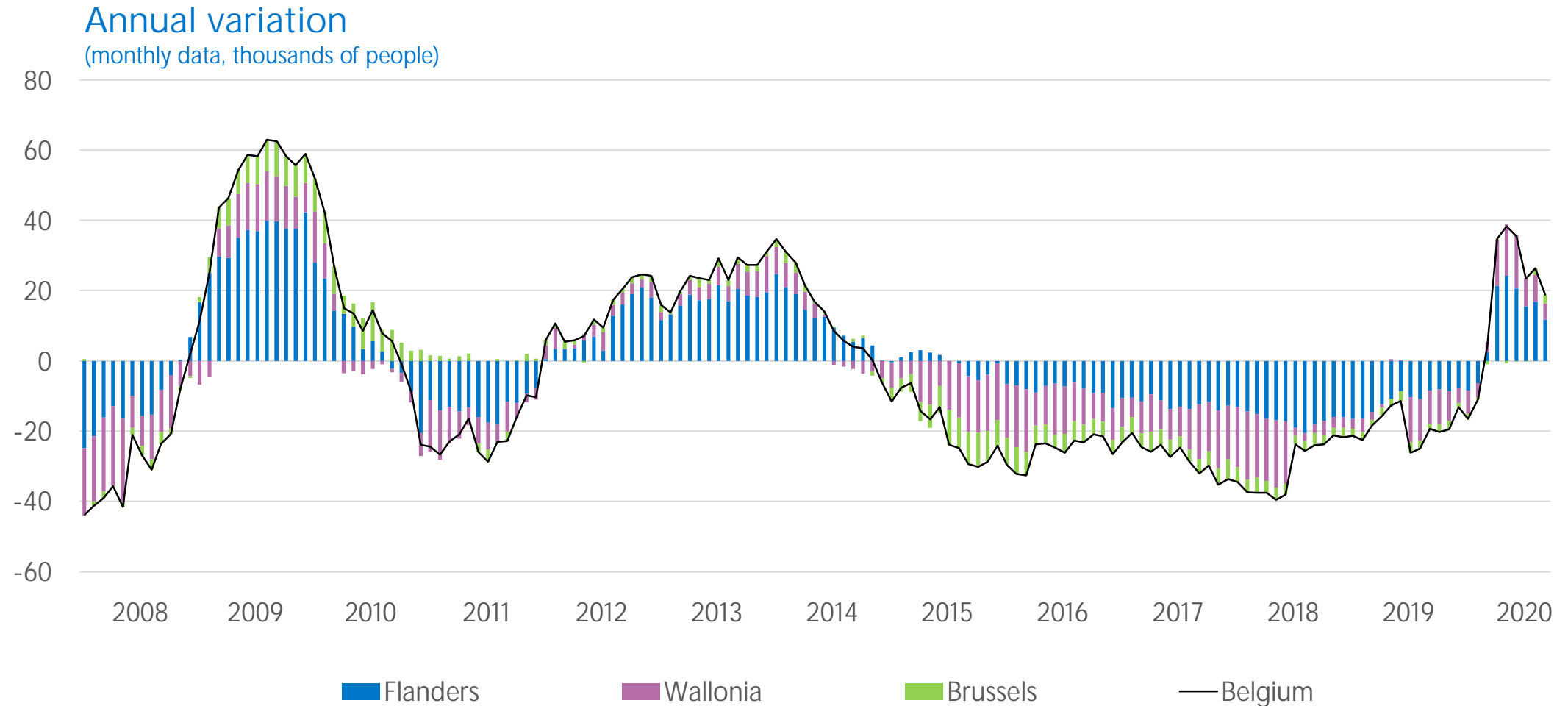
Série dessaisonnalisée et lissée

Série dessaisonnalisée

Mass redundancy procedures: already above 2019 average



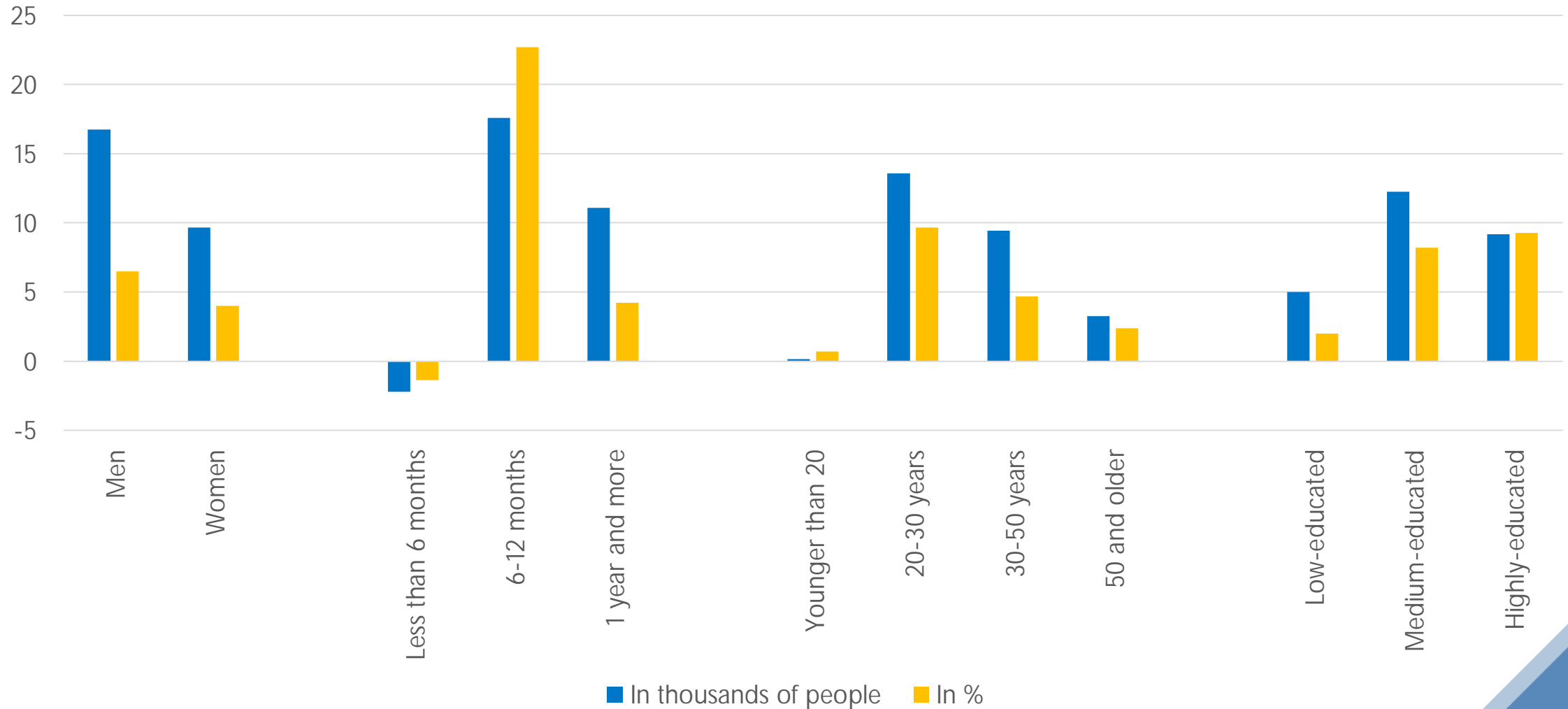
Limited rise in unemployment for the time being ...



◆ Peak observed in May: +38 000, situation in September: +19 000

... concentrated on young educated people

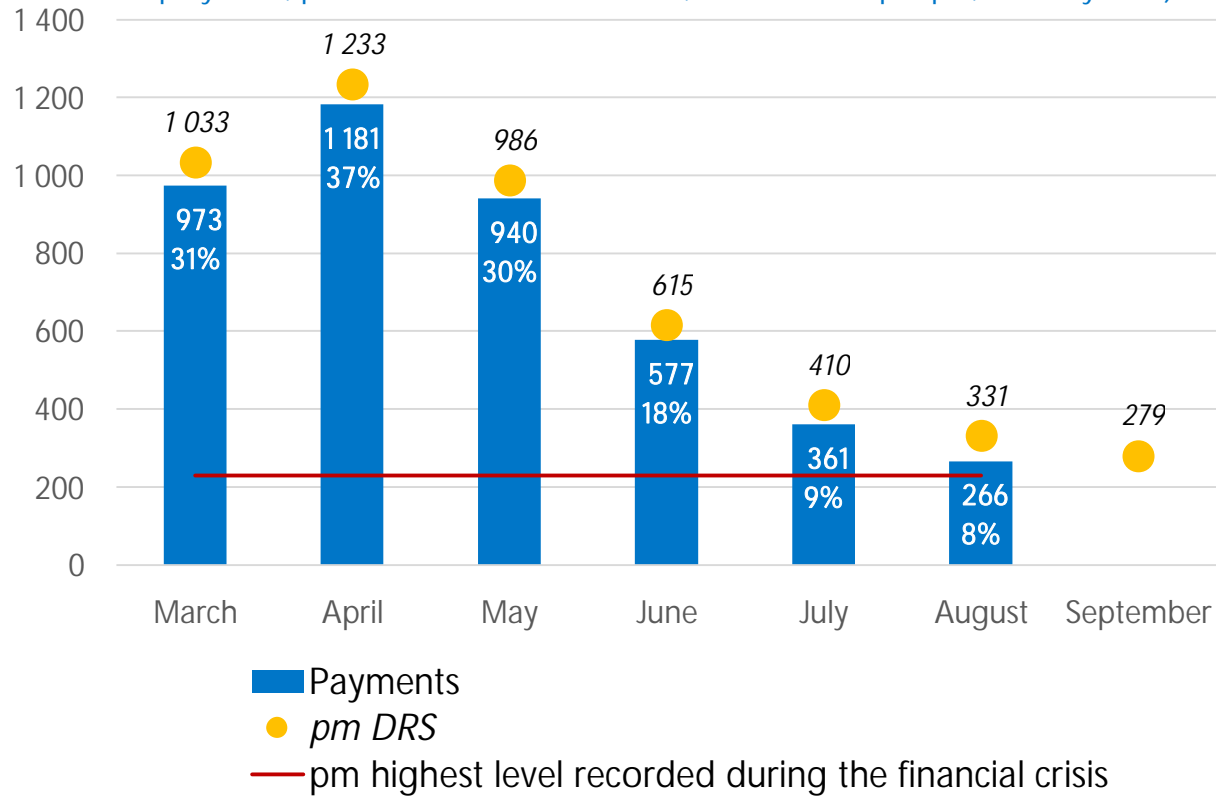
Annual variation
(monthly data)



Temporary unemployment: peak in April, decreasing but still high

Monthly effective use and access demands

(payments linked to COVID 19, thousands of people and % of private salaried employment, p.m. DRS linked to COVID 19, thousands of people, monthly data)

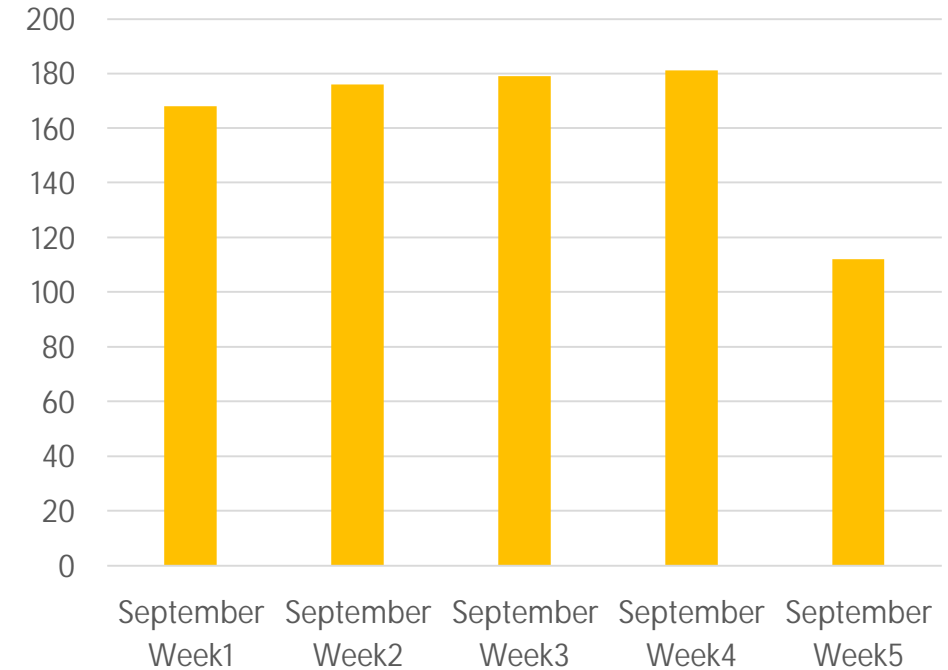


Average number of days per worker

Month	March	April	May	June	July	August
Average number of days per worker	8.9	15.8	10.9	9.4	8.1	8.4

Weekly access demands

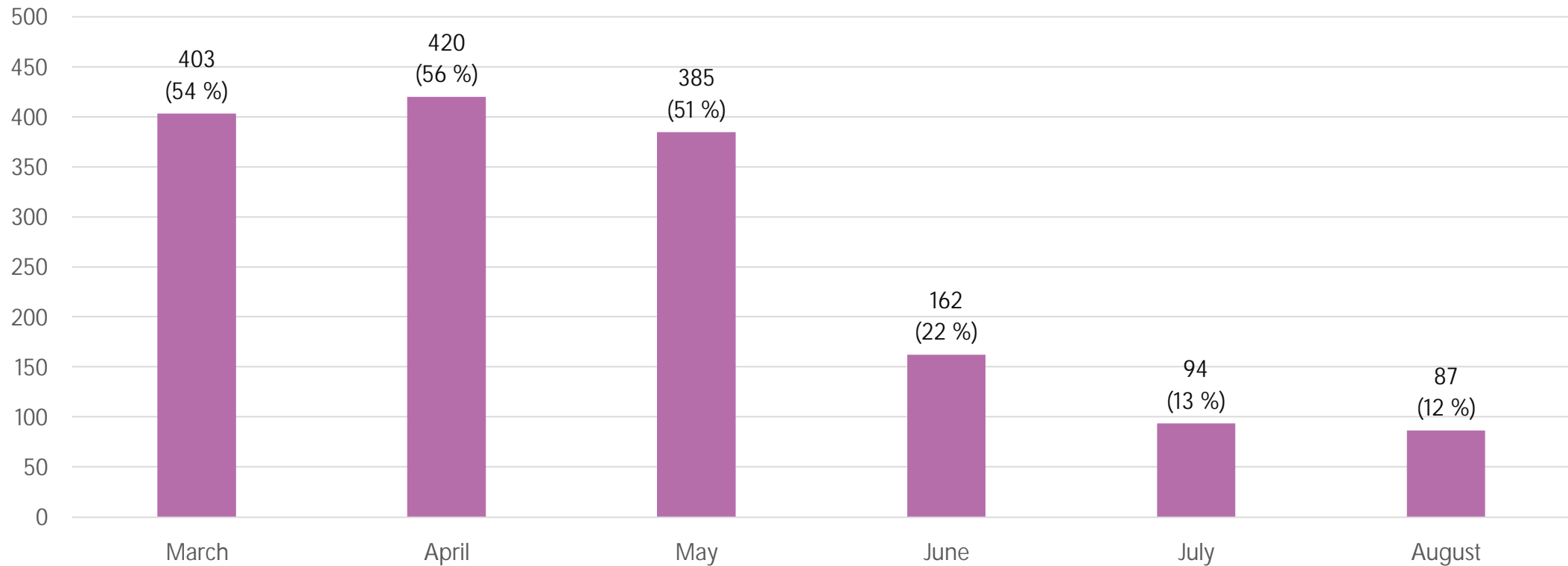
(DRS linked to COVID 19, thousands of people, weekly data)



Self-employed: unprecedented use of financial support

Bridging right, provisional data¹

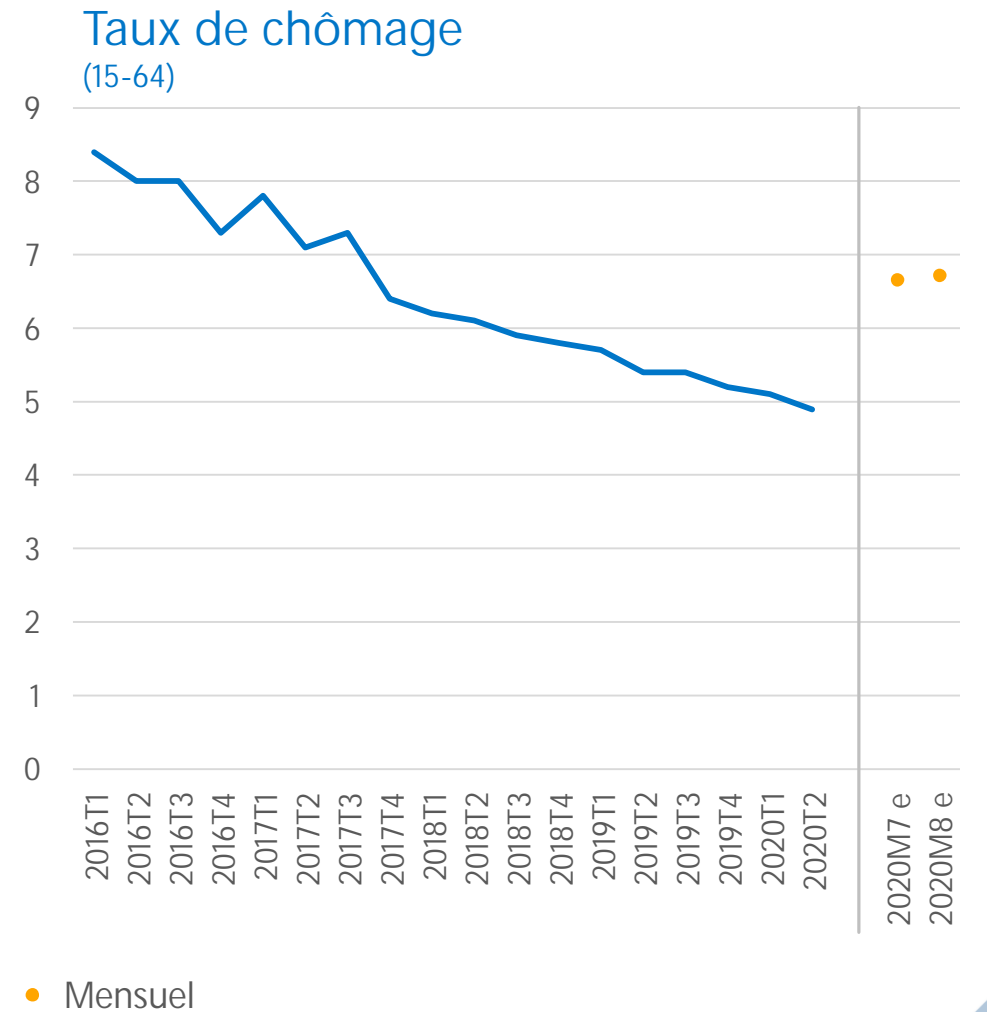
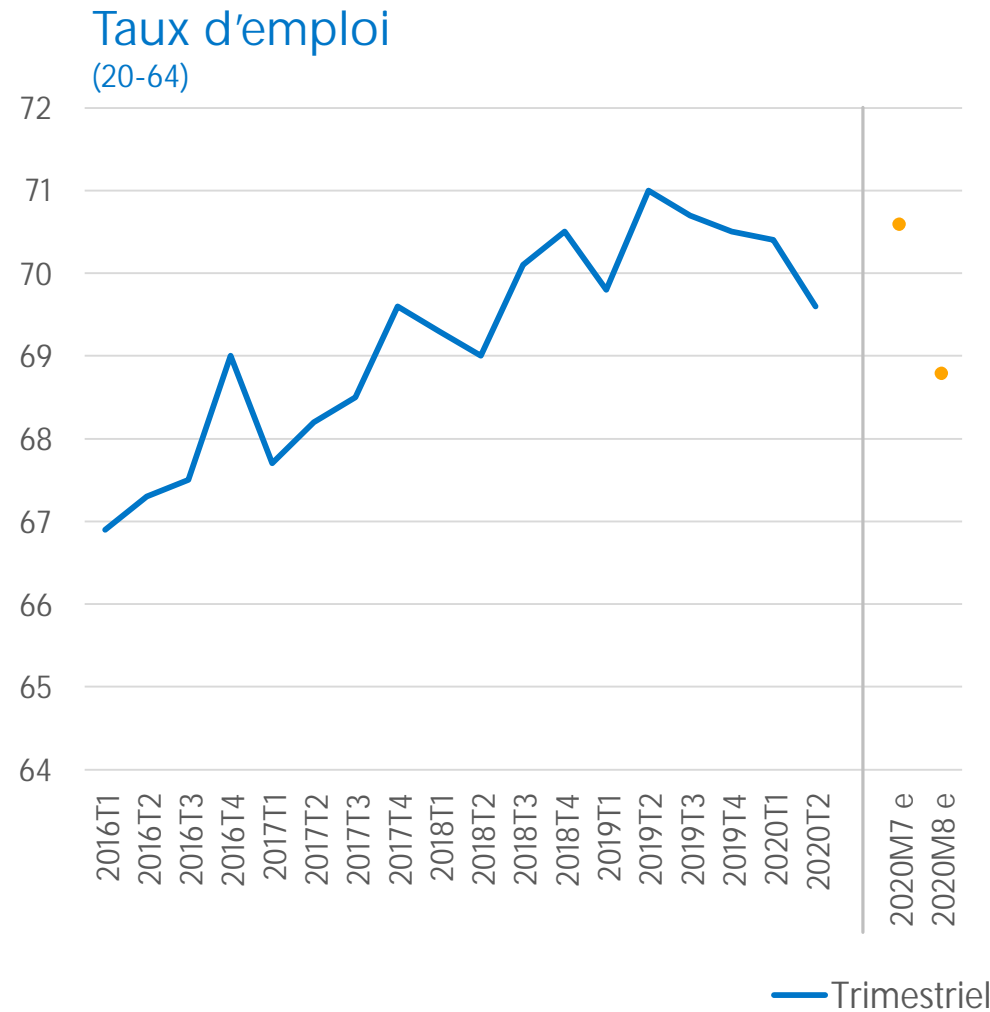
(thousands of people and % of self-employed in principal activity)



Before the crisis, about 90 self-employed benefited of the bridging right.
At the peak of the crisis, in April, they were 420 000.

La crise sanitaire a interrompu une dynamique positive

(taux harmonisés issus des enquêtes force de travail¹)



Source: Statbel, dernières données disponibles: août 2020.

¹ Les indicateurs mensuels sont sujets à de plus fortes fluctuations aléatoires que les résultats trimestriels et annuels car ils reposent sur un douzième de l'échantillon annuel. Pour juin 2020 par exemple, il s'agit d'environ 8 600 répondants. Les variations d'une période à l'autre doivent être interprétés avec prudence.

The background of the slide features a light blue gradient with several stylized, semi-transparent images of coronavirus particles. These particles are spherical with prominent, irregular spikes protruding from their surfaces. One large particle is centered in the upper half of the frame, while several smaller, out-of-focus particles are scattered in the foreground and background.

ERMIG survey

The ERMG survey allows to monitor the COVID-19 impact on companies and self-employed in real time¹

- Surveys conducted by (selection of) the following federations:

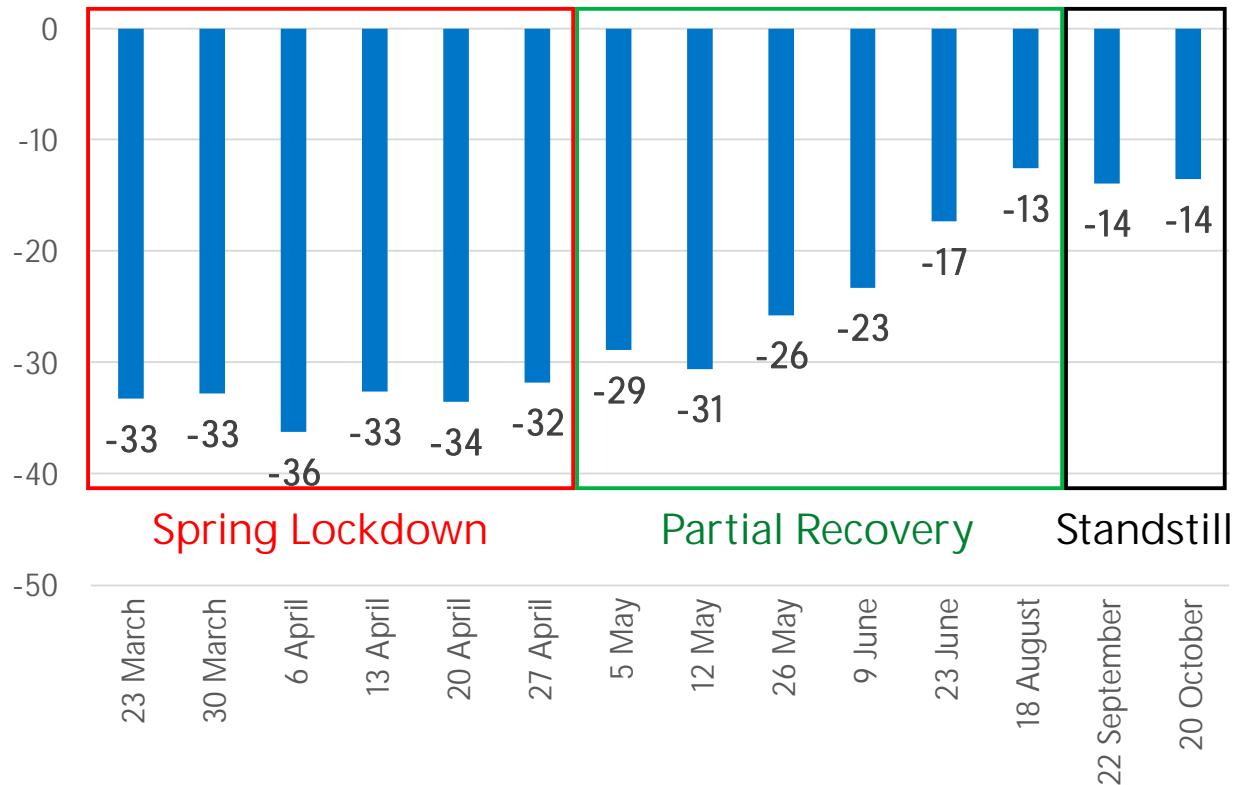


Round	Period	Federations	Replies	Comment
1	23-24 March	BECI, UWE, VOKA	1 700	Results not published
2	30-31 March	BECI, UNIZO, UWE, VOKA	4 725	First press release
3	6-7 April	BECI, BOERENBOND, NSZ, UNISOC, UNIZO, UWE, VOKA	6 900	UNISOC was analysed separately
4	14-15 April	BECI, NSZ, UNIZO, UWE, VOKA	5 500	
5	20-21 April	BECI, NSZ, UNIZO, UWE, VOKA	3 528	
6	27-28 April	BECI, NSZ, UNIZO, UWE, VOKA	4 208	
7	5-6 May	BECI, BOERENBOND, UNIZO, UWE, VOKA	2 675	
8	12-13 May	BECI, UNIZO, UWE, VOKA	2 185	
9	25-27 May	BECI, NSZ, UNIZO, UWE, VOKA	2 993	
10	8-10 June	BECI, NSZ, UNIZO, UWE, VOKA	2 365	
11	22-24 June	BECI, NSZ, UNIZO, UWE, VOKA	3 136	
12	17-19 August	BECI, NSZ, UNIZO, UWE, VOKA, UCM	4 430	
13	21-23 September	BECI, NSZ, UNIZO, UWE, VOKA	2 868	
14	19-21 October	BECI, UNIZO, UWE, VOKA, UCM	5 131	The impact of the recent measures is not yet fully reflected in the survey results

The slow revenue recovery has come to a halt at the end of August and only a small improvement is expected for 2021

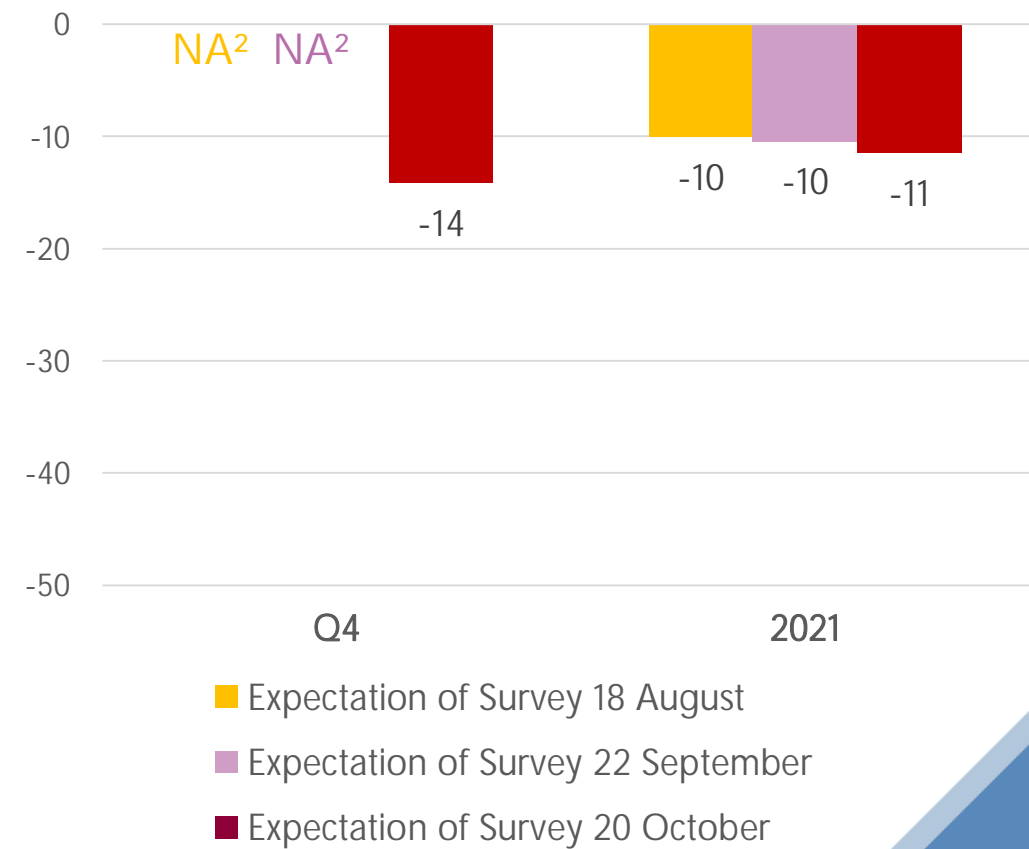
COVID-19 impact on weekly turnover

(in %, weighted average based on revenues and industry value added¹)

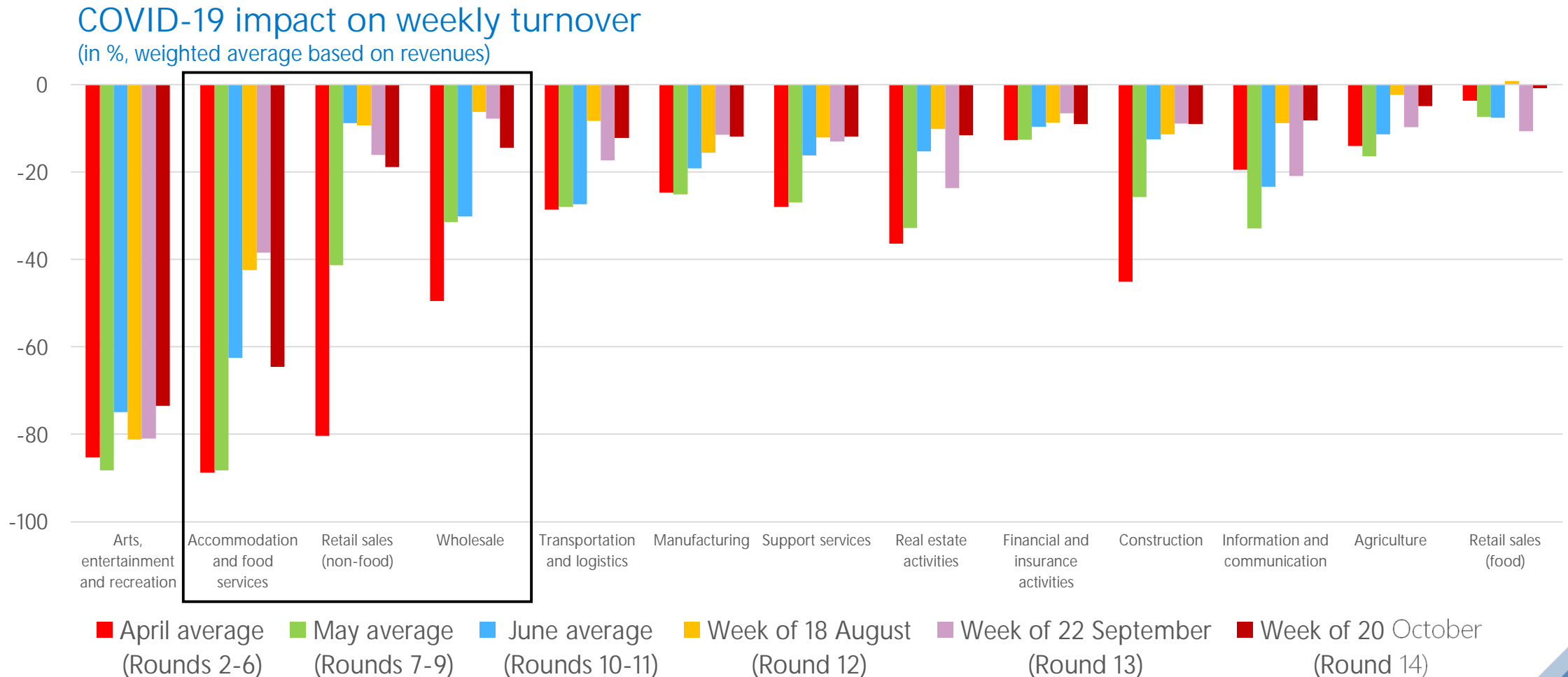


Expected impact on Q4 and 2021 turnover

(in %, weighted average based on revenues and industry value added¹)



Revenue loss remains broadly constant for most industries, but it worsens in accommodation, non-food retail and wholesale



The worst hit sectors expect to partially narrow their losses in 2021 but revenue of non-food retail will first worsen in Q4

Expected COVID-19 impact on turnover in the current week, Q4 and in 2021 (Survey 20 October)
(in %, weighted average based on revenues)



Impact of the COVID-19 crisis on company turnover by industry

(in %, weighted average based on revenues)

	Survey 30 March	Survey 6 April	Survey 13 April	Survey 20 April	Survey 27 April	Survey 5 May	Survey 12 May	Survey 26 May	Survey 9 June	Survey 23 June	Survey 18 Aug	Survey 22 Sept	Survey 20 Oct
Events and recreation	-74	-92	-84	-88	-88	-84	-89	-92	-63	-86	-81	-81	-74
Accommodation and food service activities	-93	-83	-88	-95	-84	-87	-93	-85	-75	-50	-42	-39	-65
Road transport (persons)	-28	-45	-71	-67	-67	-84	-69	-34	-61	-35	-11	-11	-24
Engineering services	-34	-62	-13	-30	-27	-20	-16	-14	-10	-17	-10	-25	-21
Retail sales (non-food)	-86	-85	-78	-70	-82	-70	-25	-29	-12	-6	-9	-16	-19
Metallurgy	-21	-12	-34	-18	-33	-31	-25	-36	-27	-31	-25	-24	-18
Manufacture of transport equipment ²	-32	-63	-74	-29	-75	-59	-47	-36	-16	-23	-4	-16	-15
Manufacture of wood and paper products, and printing	-52	-20	-26	-49	-32	-26	-23	-30	-30	-28	-11	-6	-15
Wholesale	-50	-48	-59	-47	-44	-34	-43	-17	-36	-24	-6	-8	-15
Manufacture of machinery and electrical equipment	-25	-29	-29	-30	-32	-30	-24	-35	-20	-10	-19	-9	-14
Aviation ²	-20	-40	-77	-63	-53	-61	-87	-88	-57	-6	-34	-32	-13
Human Resources	-40	-46	-20	-36	-33	-37	-36	-35	-33	-12	-14	-13	-12
Real estate activities	-36	-44	-43	-31	-28	-60	-38	0	-9	-21	-10	-24	-12
Manufacture of food products	-14	-17	-24	-20	-15	-21	-17	-22	-21	-12	-8	-9	-11
Manufacture of pharmaceutical and chemical products	-14	-20	-24	-11	-11	-23	-18	-21	-19	-21	-12	-10	-11
Manufacture of plastic and non-metallic products	-24	-14	-20	-15	-23	-21	-17	-22	-22	-11	-14	-12	-11
Logistics	-29	-26	-23	-15	-16	-24	-10	-39	-25	-34	-7	-17	-10
Manufacture of computer, electronic and optical products	-43	-9	-17	-37	-34	-14	-27	-27	-9	-21	-43	-21	-10
Consultancy	-8	-16	-15	-28	-20	-23	-25	-20	-12	-19	-12	-10	-10
Liberal professions	-25	-21	-15	-28	-27	-22	-27	-12	-11	-15	-14	-8	-10
Financial and insurance activities	-20	-9	-8	-17	-10	-10	-17	-11	-10	-10	-9	-7	-9
Construction	-47	-46	-43	-46	-44	-29	-34	-14	-20	-5	-11	-9	-9
Information and communication	-15	-21	-18	-23	-21	-29	-43	-27	-30	-17	-9	-21	-8
Manufacture of textiles, wearing apparel and shoes	-48	-57	-70	-70	-57	-62	-50	-50	-29	-23	-9	-4	-7
Agriculture and fishing	-34	-23	-11	1	-3	-33	0	-17	-4	-19	-2	-10	-5
Retail sales (food)	-3	-4	-8	0	-5	-8	-16	1	-9	-6	1	-11	-1
Manufacture of furniture	-61	-63	-80	-58	-67	-36	-60	-30	-21	-6	-19	-19	-1
Belgium¹	-33	-36	-33	-34	-32	-29	-31	-26	-23	-17	-13	-14	-14

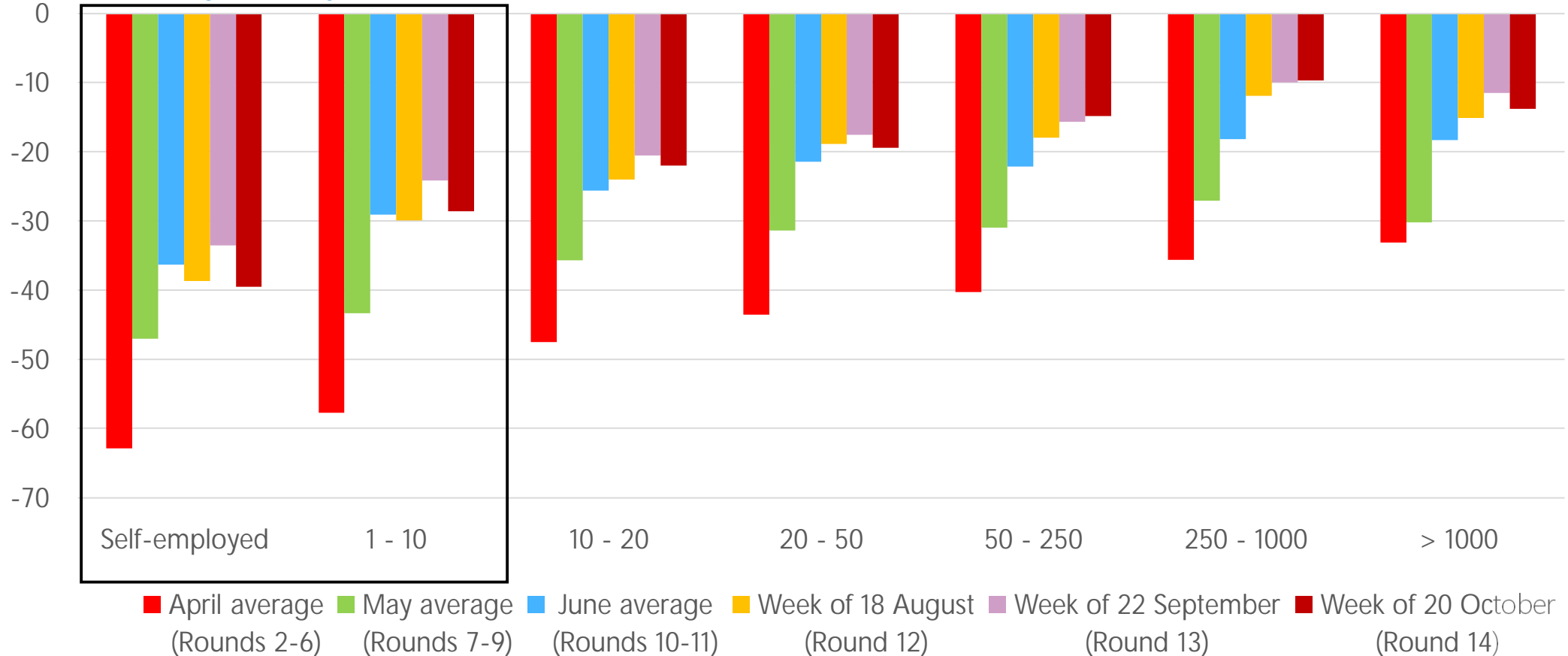
< -25%
in October

-10 to -25%
in October

≥ -10%
in October

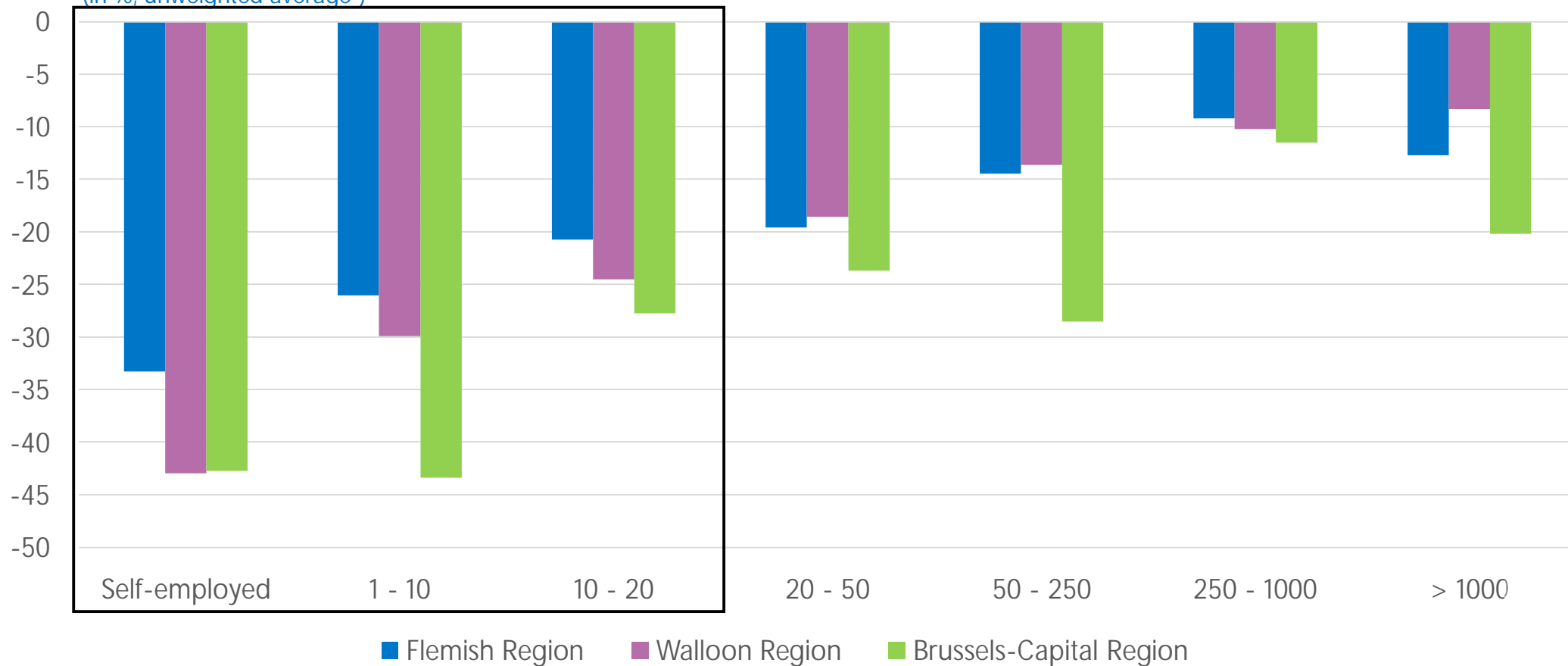
Small firms took the largest hit during the spring lockdown, they had recovered less and they worsen again in October

Reported impact on weekly turnover, by number of employees
(in %, unweighted average¹)



Brussels firms suffer more, because of the stronger COVID-19 upsurge and the drop in commuters (due to telework) and (business) travel

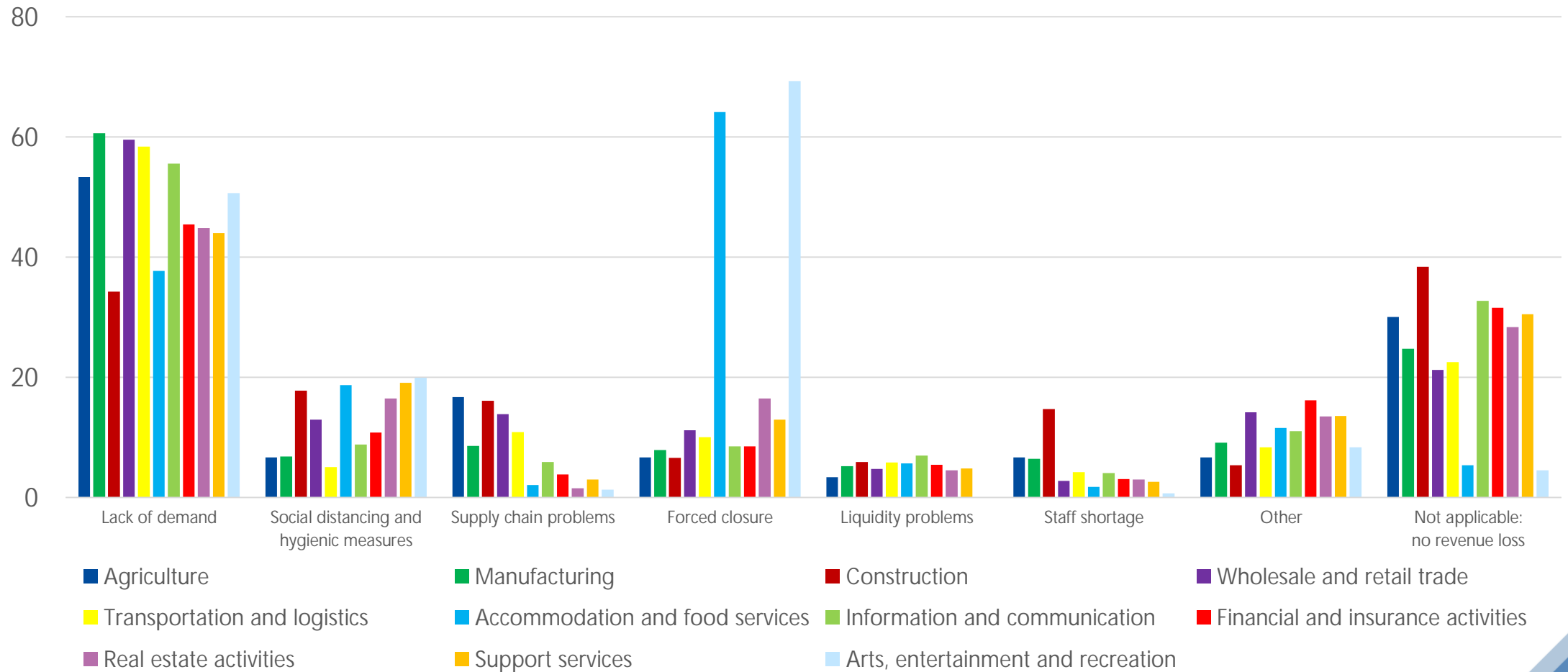
Reported impact on weekly turnover by number of employees (Survey 20 October)
(in %, unweighted average¹)



Lack of demand remains the key reason for the revenue loss, while forced closure (for food services) and staff shortage have increased ...

Reasons for the current revenue loss (Survey 20 October)

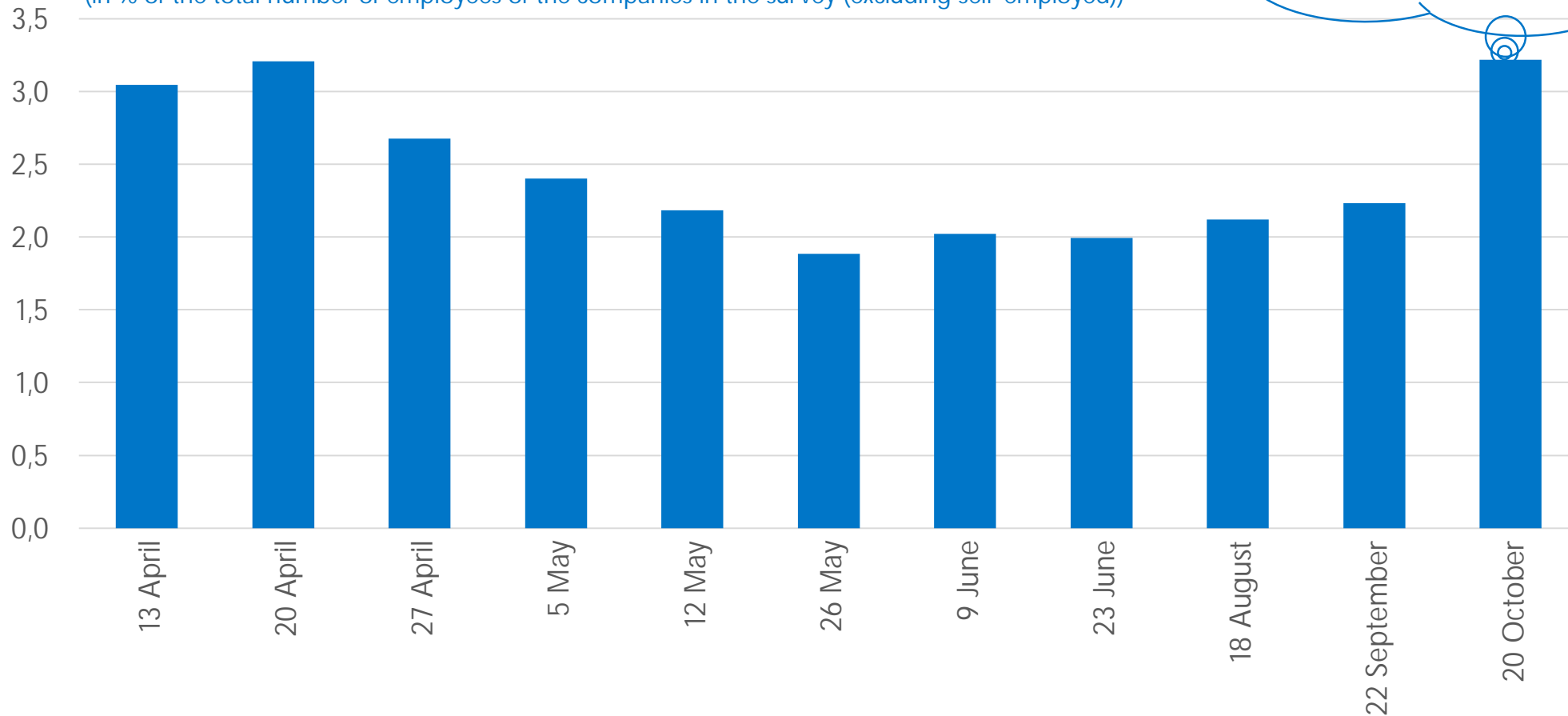
(in % of responding firms, multiple reasons are possible)



... as rising sick leave (also due to quarantines) is starting to weigh on companies

Sick leave

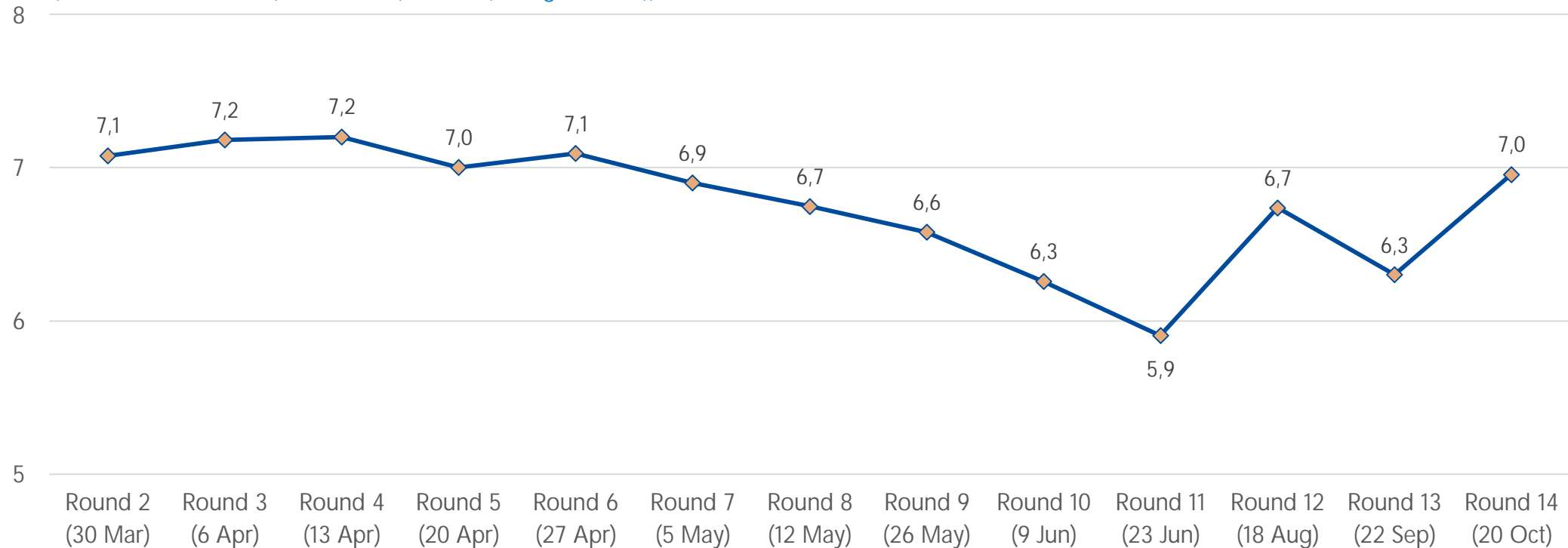
(in % of the total number of employees of the companies in the survey (excluding self-employed))



The concern indicator has surged since August and it is now again at the level of the spring lockdown

Indicator of concern about current situation

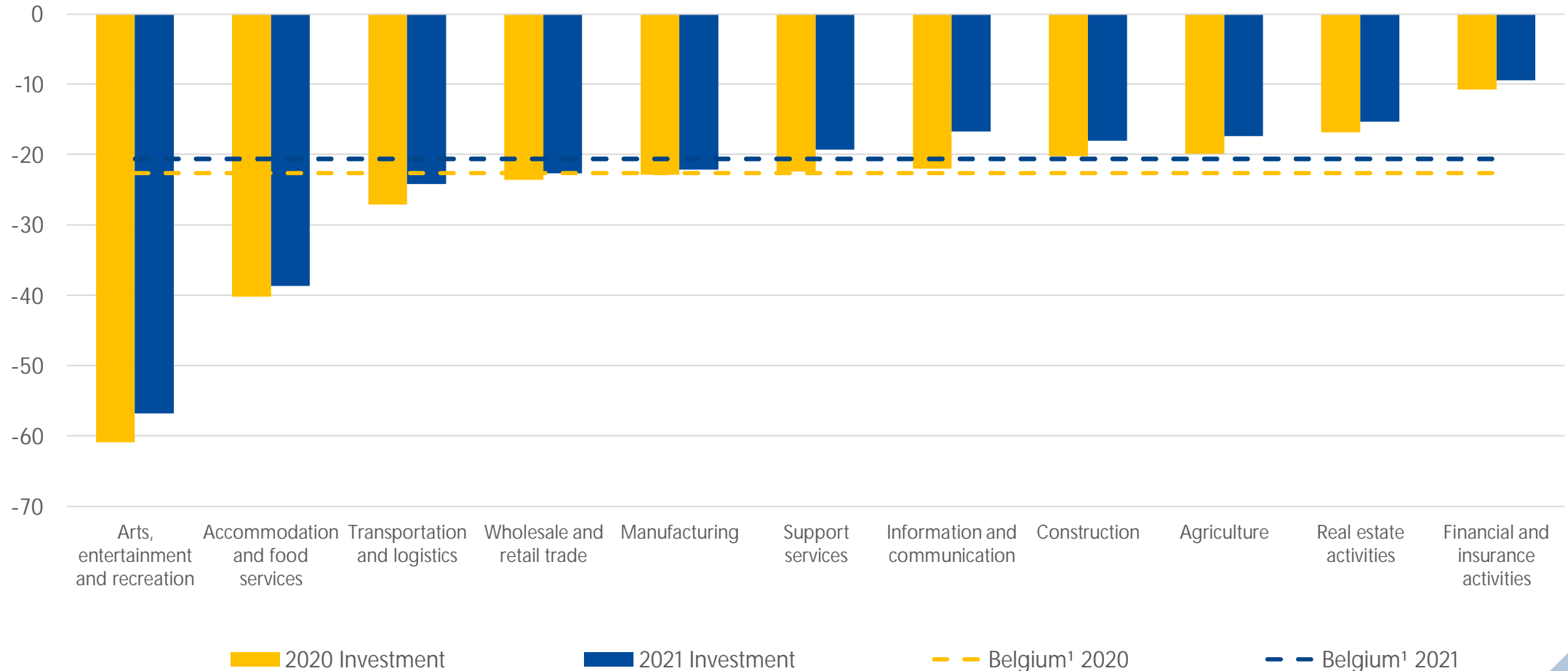
(Indicator¹ between 1 (low concern) and 10 (strong concern))



The average company expects its investment to be more than 20 % below normal in both 2020 and 2021

COVID-19 impact on expected investment in 2020 and 2021 (Survey 20 October)

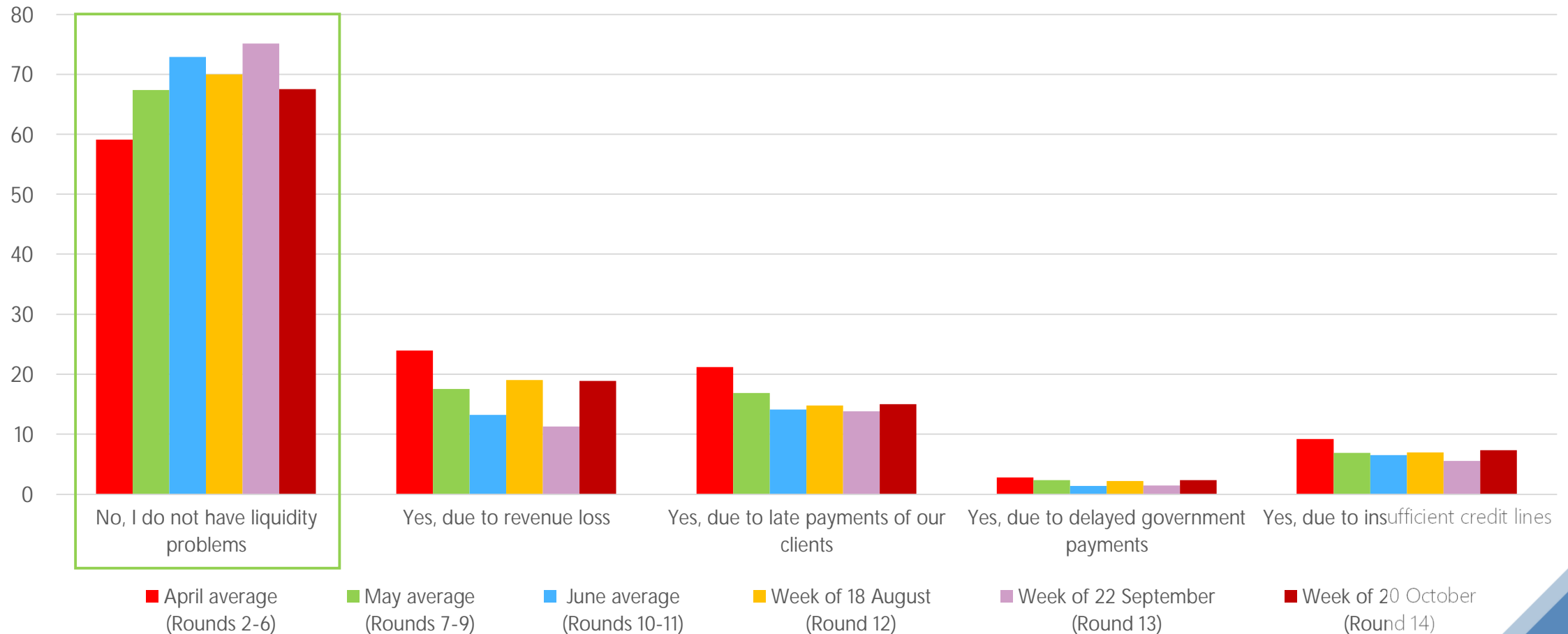
(in %, unweighted average change in investments of the responding firms with investment plans)



The liquidity of the companies had improved since the lockdown, but it deteriorates again in October ...

Do you have liquidity problems?

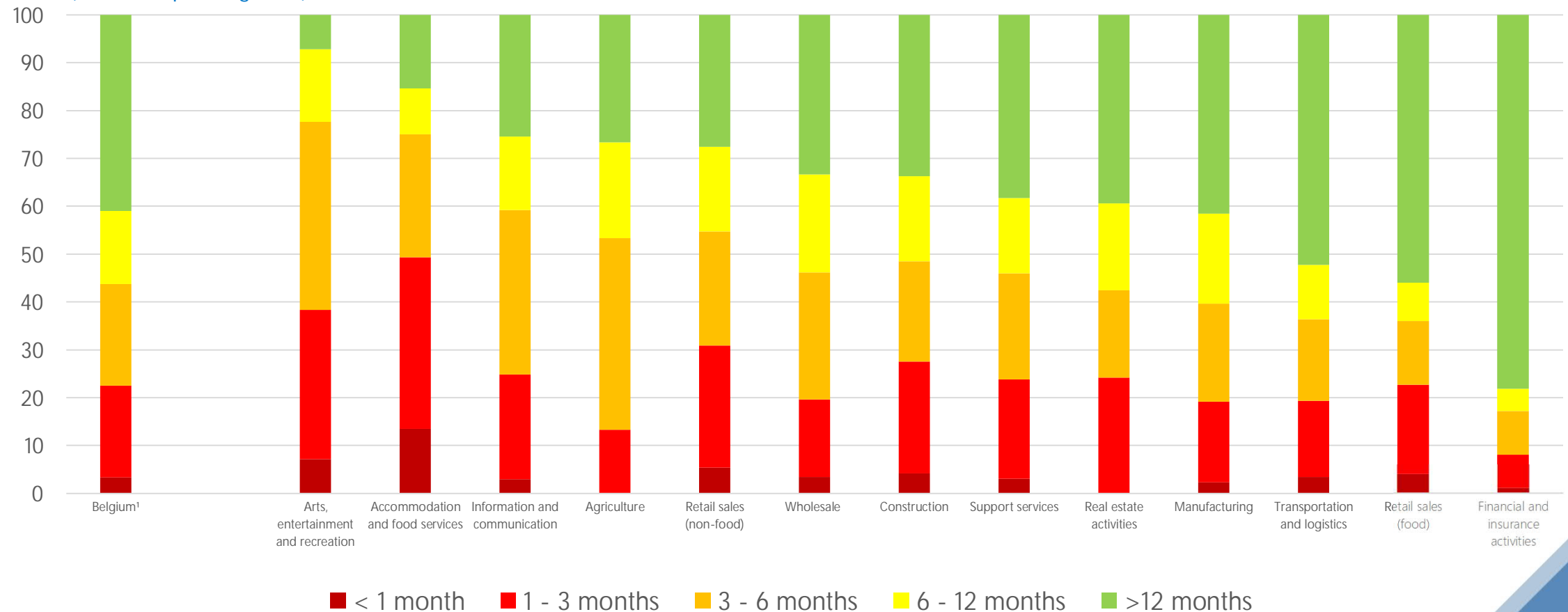
(in % of responding firms¹, multiple answers are possible)



... as 60 % of firms need additional financing in the short run to meet their current financial obligations

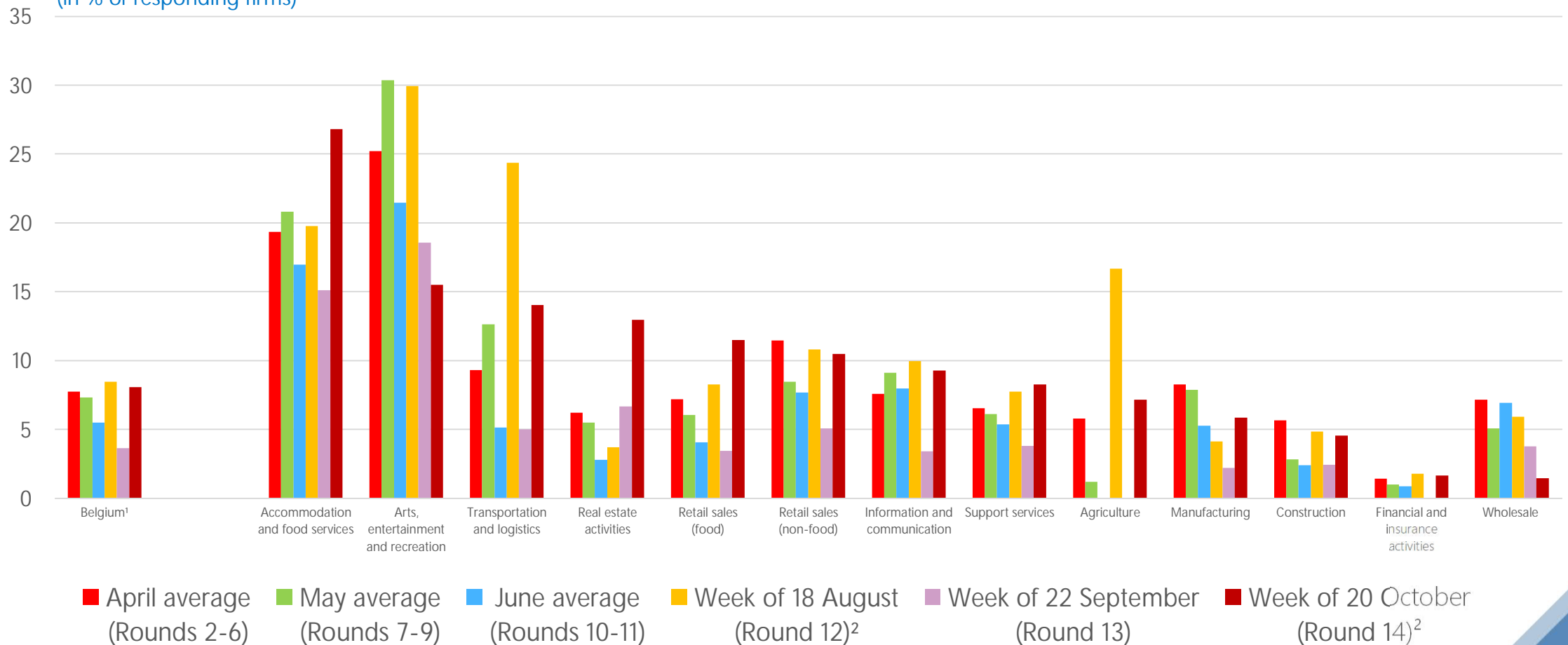
How long can you still meet your current financial obligations (debt repayment, rent, taxes, ...) without having to rely on additional equity or credit? (Survey 20 October)

(in % of responding firms)



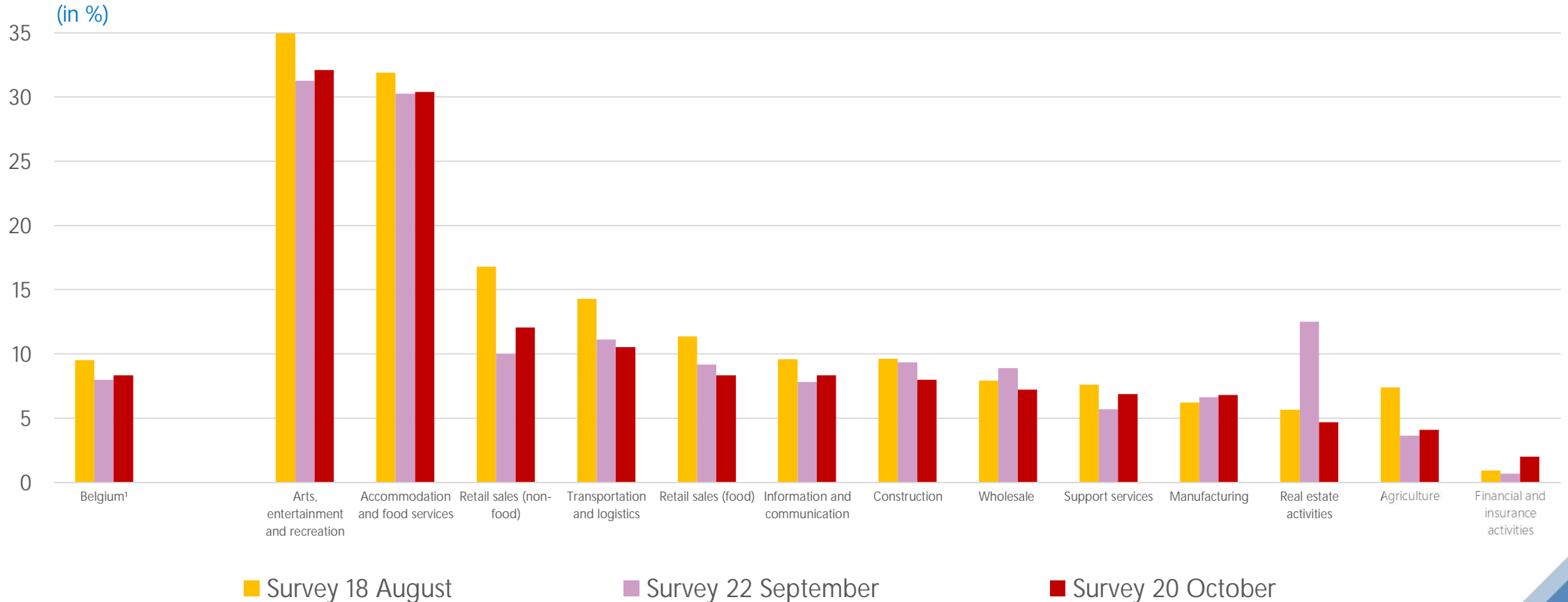
Perceived bankruptcy risk has increased but changes over time are affected by the sample composition² and a survival bias³ ...

Firms that consider bankruptcy to be likely or highly likely
(in % of responding firms)



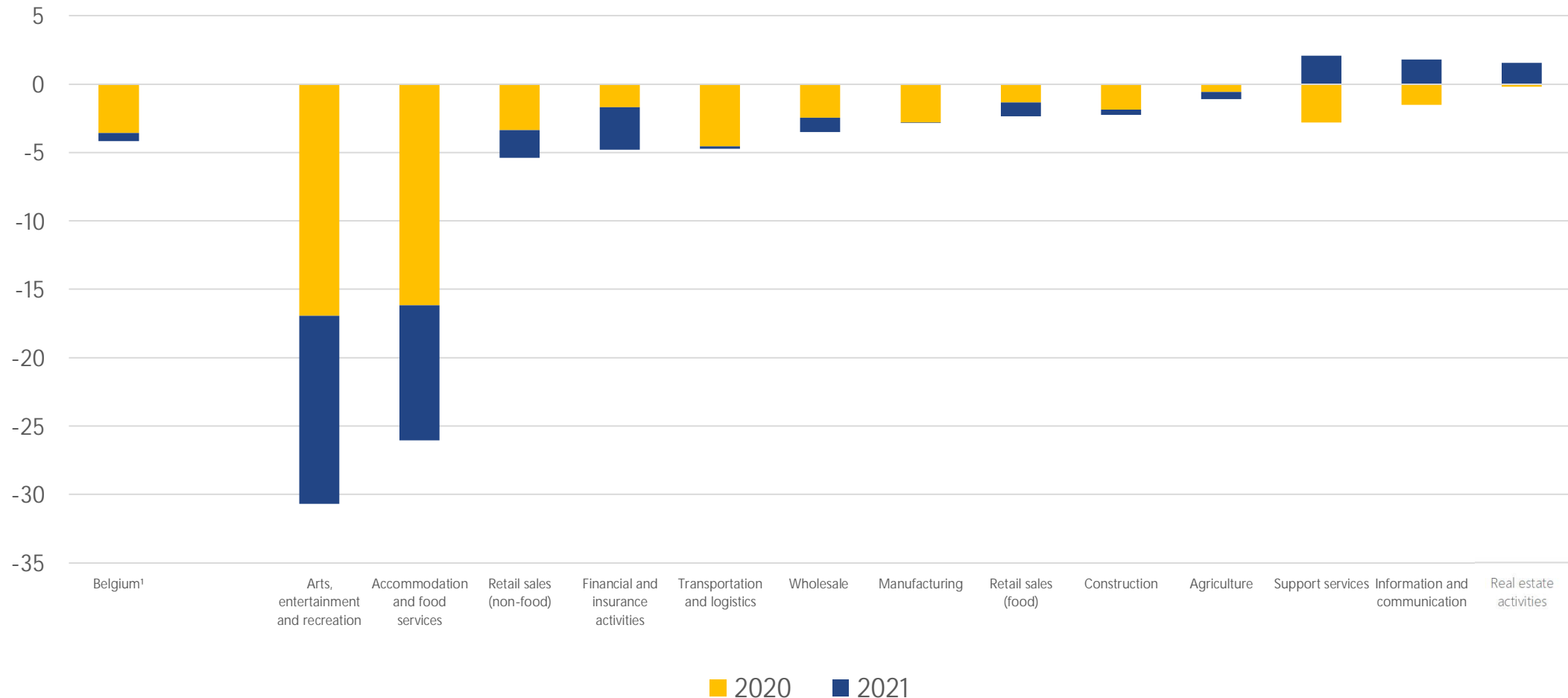
... as firms estimate that many companies in their sector already went bankrupt or are now in a bankruptcy process

Estimate of respondents on the proportion of companies in their sector that already went bankrupt or that are currently in a bankruptcy process



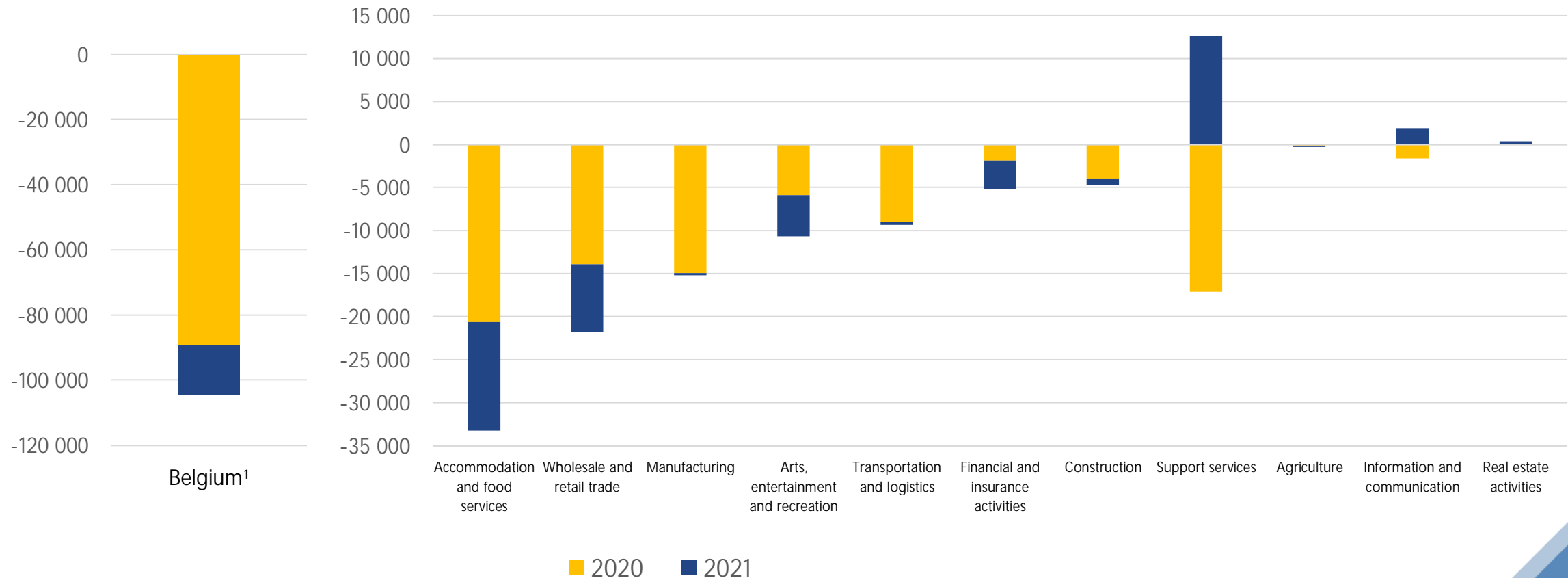
Employment is expected to strongly decrease in 2020 and to fall further in 2021 in sectors that rely on temporary unemployment ...

Expected change in staff size in 2020 and 2021 (Survey 20 October)
(in % of total staff size of the firms in the survey, excluding self-employed)



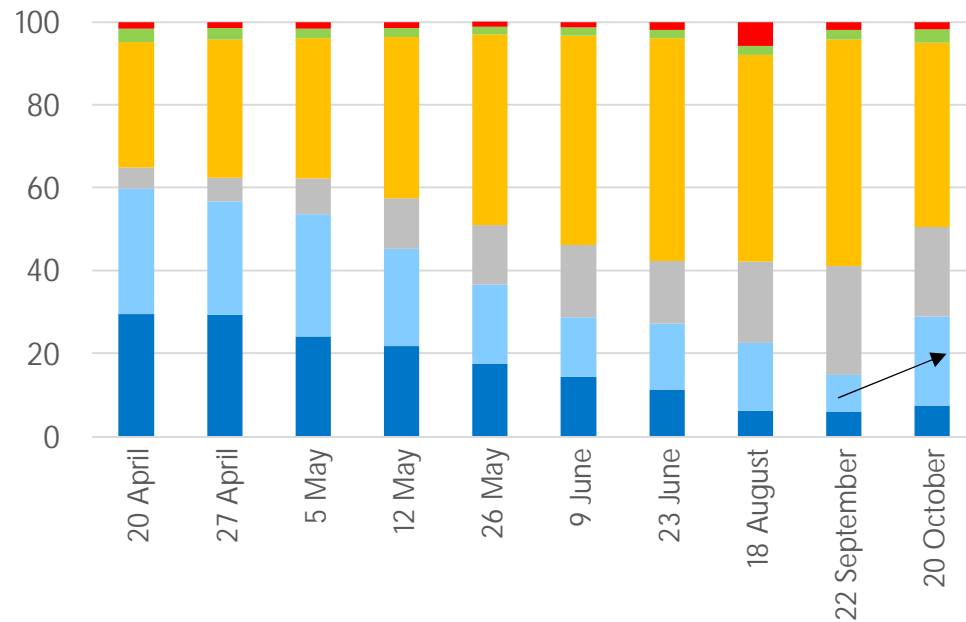
... pointing to an expected decline by about 100 000 employees in the private sector by the end of 2021

Expected change of staff size in 2020 and 2021 (Survey 20 October)
(in number of employees, excluding self-employed)

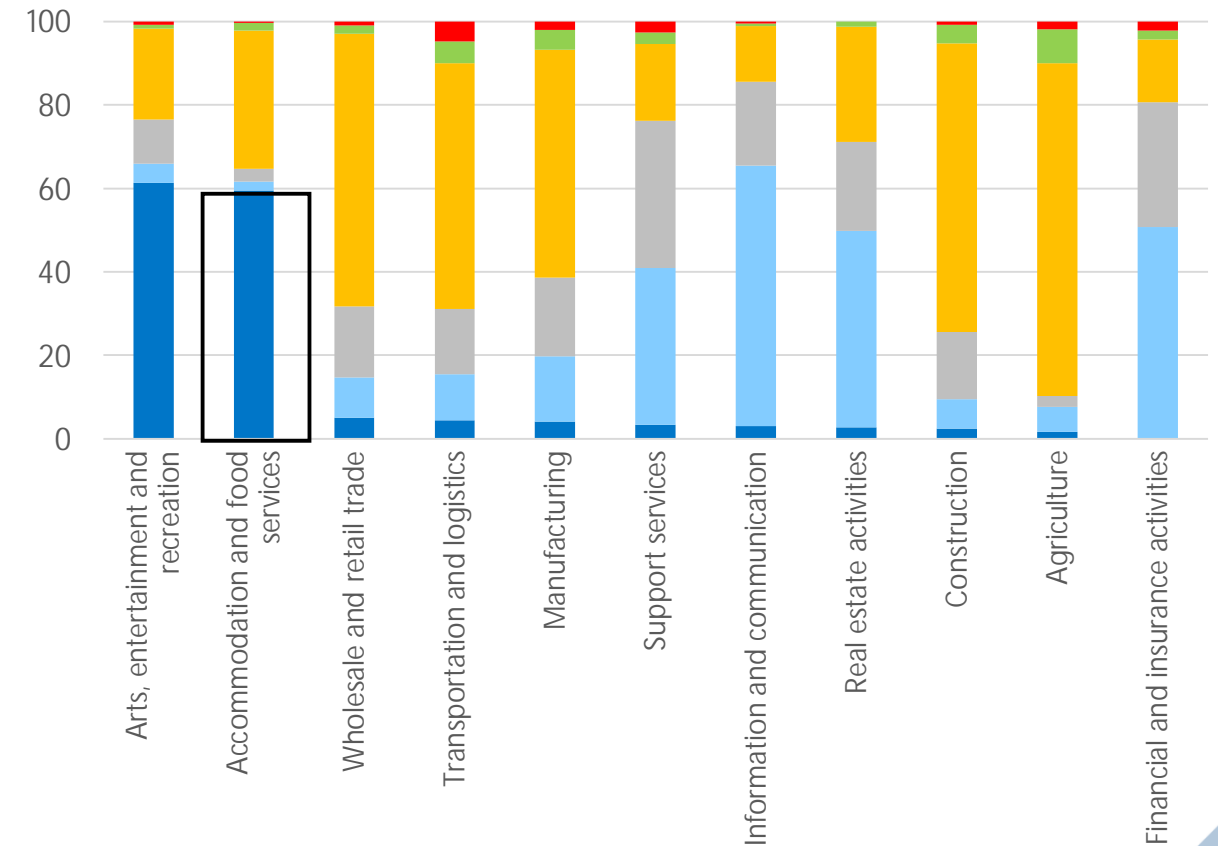


Temporary unemployment in accommodation and full-time telework strongly increase (even before the full impact of the recent measures)

Workforce organisation over time, Belgium¹
(in % of total staff size of the firms in the survey, excl. self-employed)



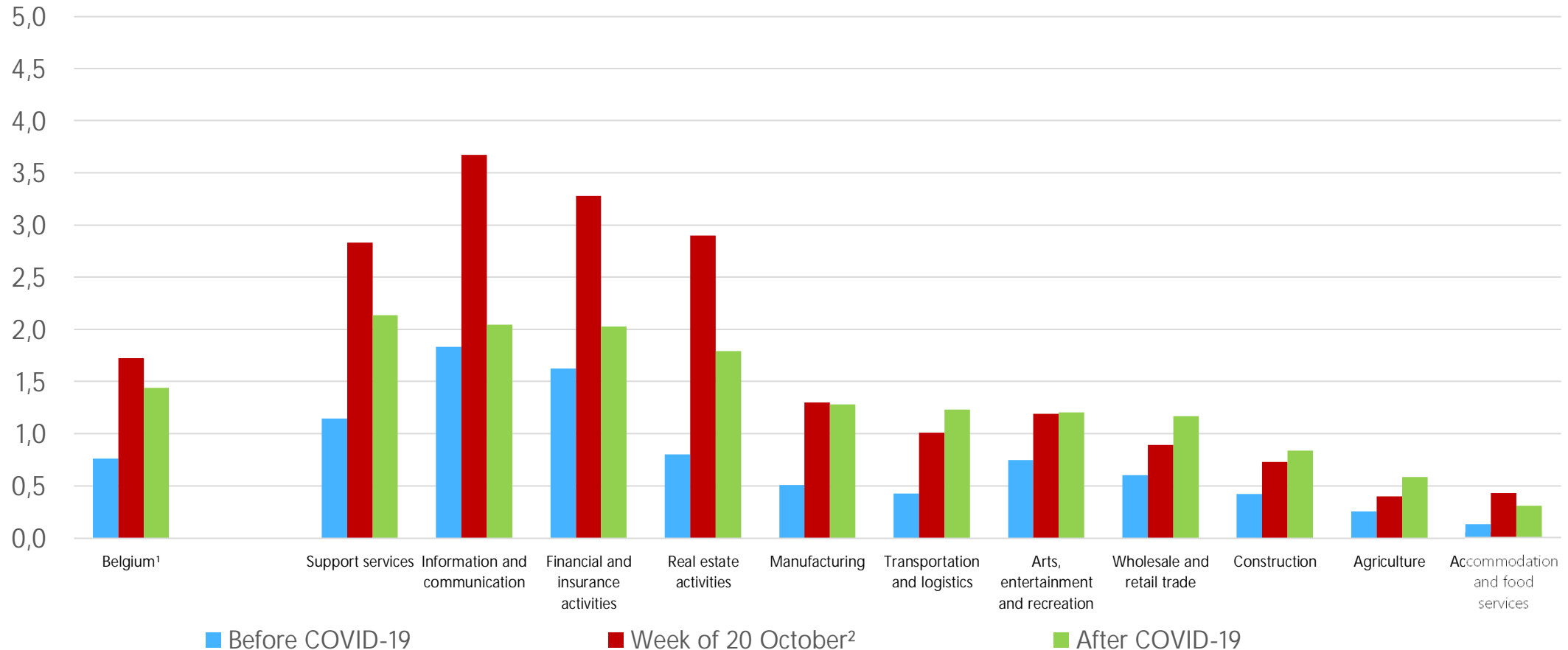
Workforce organisation by industry (20 October)
(in % of total staff size of the firms in the survey, excl. self-employed)



■ temporarily unemployed ■ telework ■ mix telework/workplace ■ at workplace ■ sick leave ■ on leave

The use of telework is expected to remain almost twice as large after the COVID-19 crisis ...

Use of telework in October and before and after the COVID-19 crisis (Survey 20 October)
(average number of days per week, weighted averages based on staff size, excluding self-employed)



Source: Round 14 of ERMG survey, latest available data: 20 October 2020.

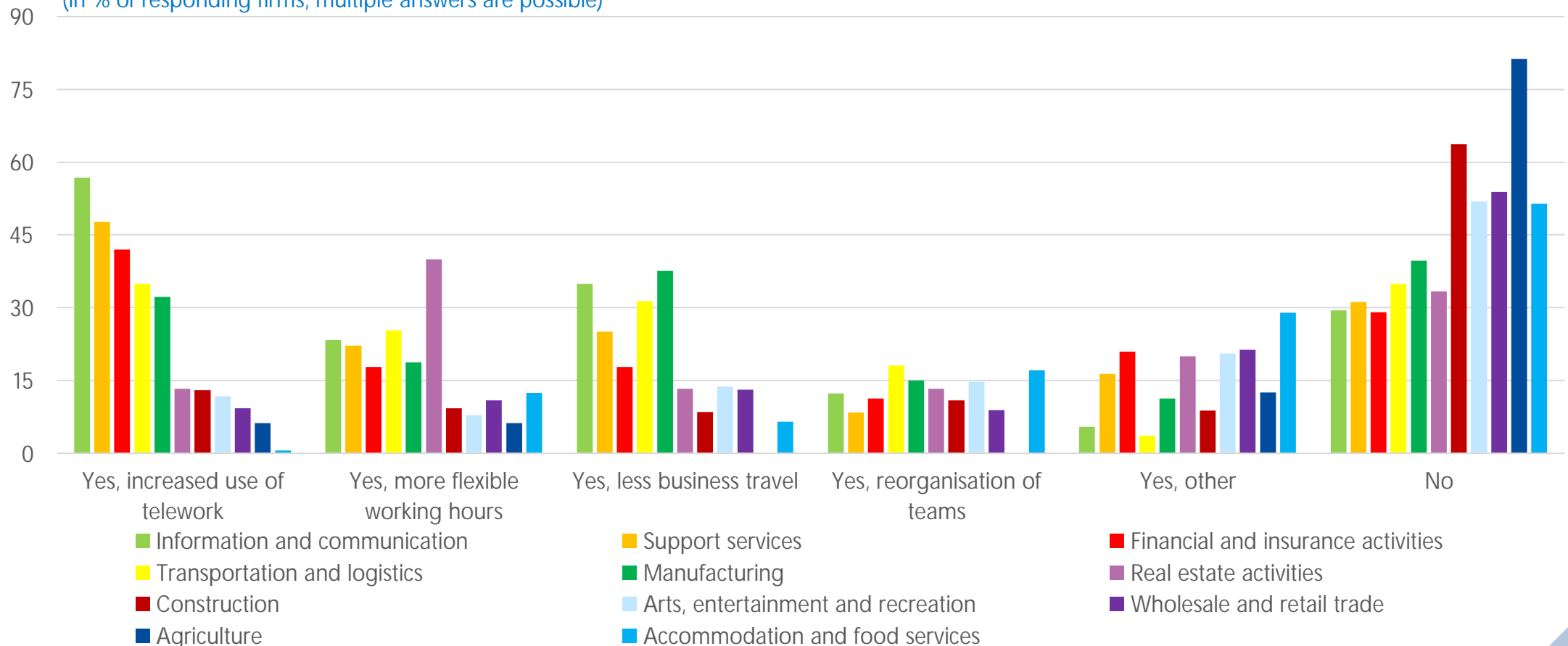
¹ Average, weighted by the number of private sector employees in the industries.

² The average days of telework for the week of 20 October is computed based on the survey question on the workforce organisation. It pertains to the staff that is currently working (thus excluding temporarily unemployed and absent staff) and it assumes that partial telework corresponds to 2 days a week.

... as the crisis will have a lasting impact on the way of working with increased use of telework, more flexible working hours and less travel

Do you expect that the way of working in your company will be permanently different from the situation before the crisis? (Survey 22 September)

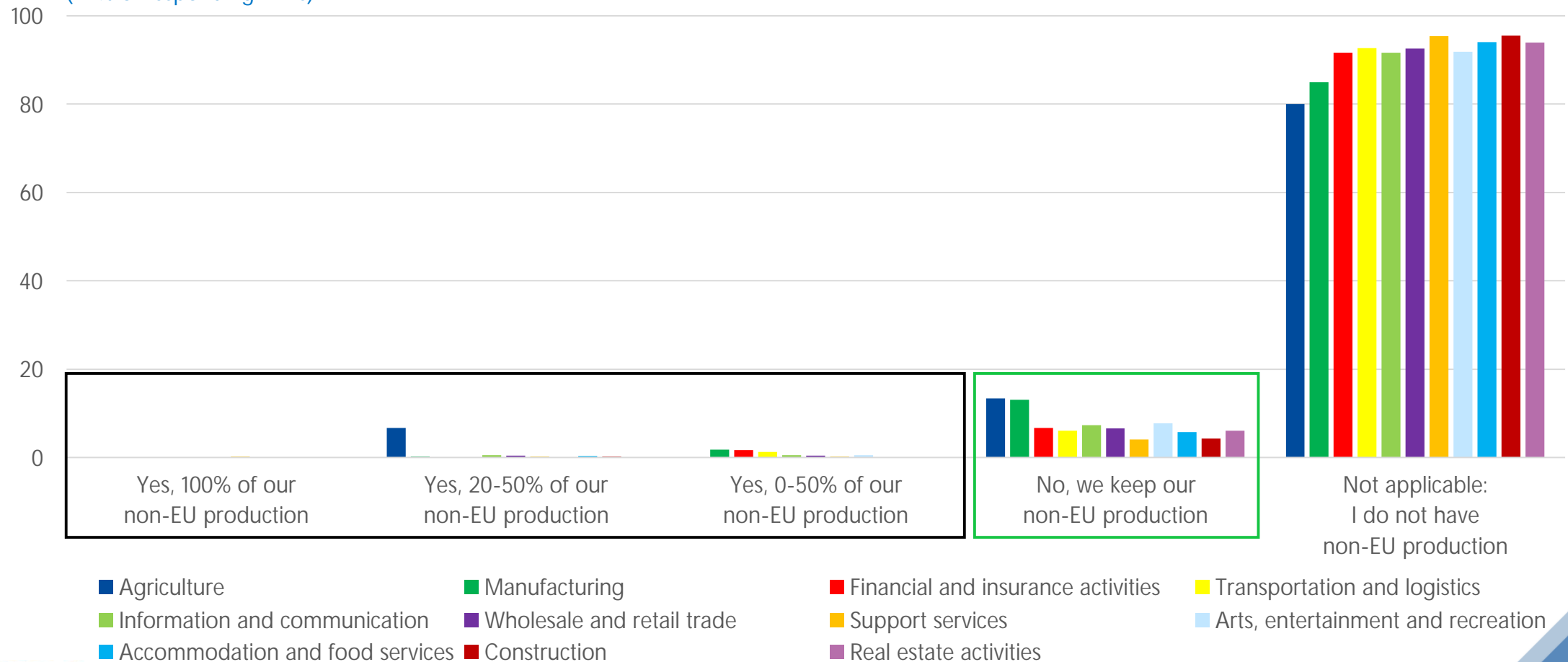
(in % of responding firms, multiple answers are possible)



Few firms have non-EU production and the vast majority of these firms will not reshore this production

Do you expect that, as a result of the COVID-19 crisis, the production of your company that is currently produced outside the EU will be moved to a country within the EU? (Round 12)

(In % of responding firms)

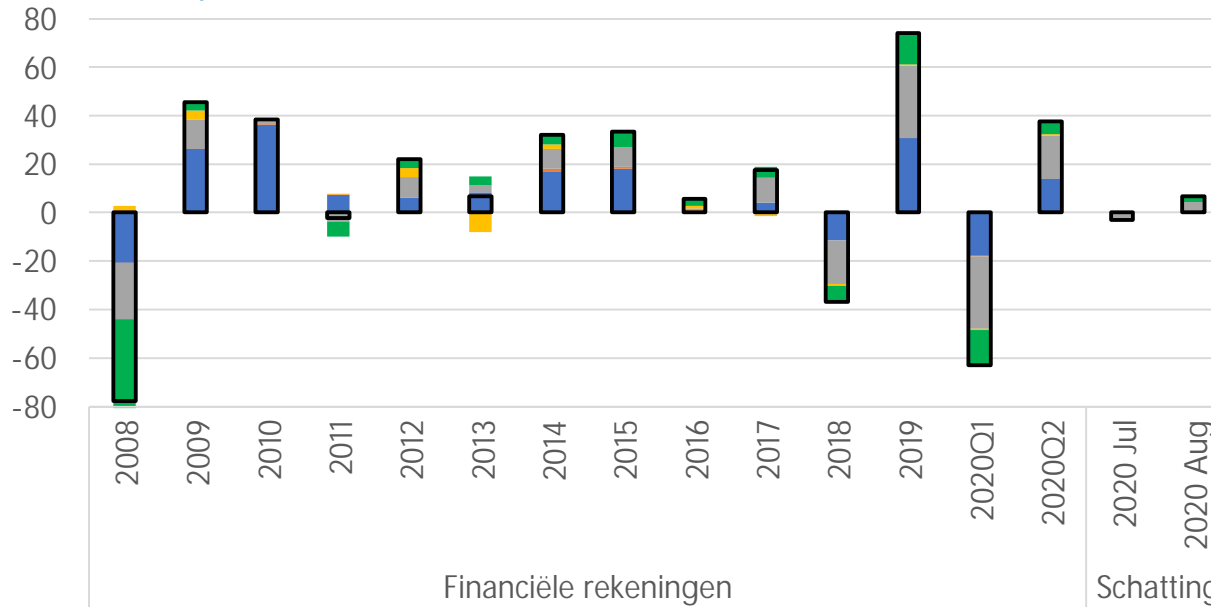




Credit indicators households

Minwaarden op bestaande beleggingen maar meer deposito's en aankoop aandelen en beleggingsfondsen door gezinnen in 2020

Min- en meerwaarden op financiële activa van huishoudens
(in € miljard)



■ Andere activa¹

■ Deposito's

■ Beleggingsfondsen

■ Schuldbewijzen

■ Genoteerde aandelen

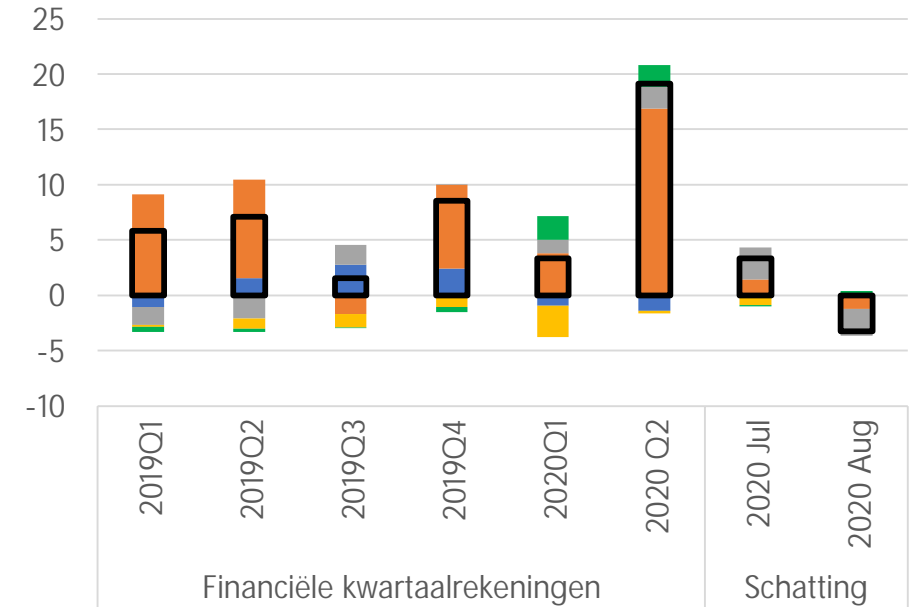
■ Totaal

- ◆ In 2020Q1 veroorzaakten de sterke daling in de beurskoersen waardedalingen in de financiële activa van de particulieren voor 63,1 miljard euro.

Door het herstel van de beurzen vertoont 2020Q2 positieve herwaarderingen van 37,1 miljard. Negatieve prijseffecten waren beduidend hoger tijdens de financiële crisis van 2008.

- ◆ p.m. de totale financiële activa van de particulieren bedroegen 1 406 miljard eind juni 2020.

Netto financiële investeringen
(in € miljard)

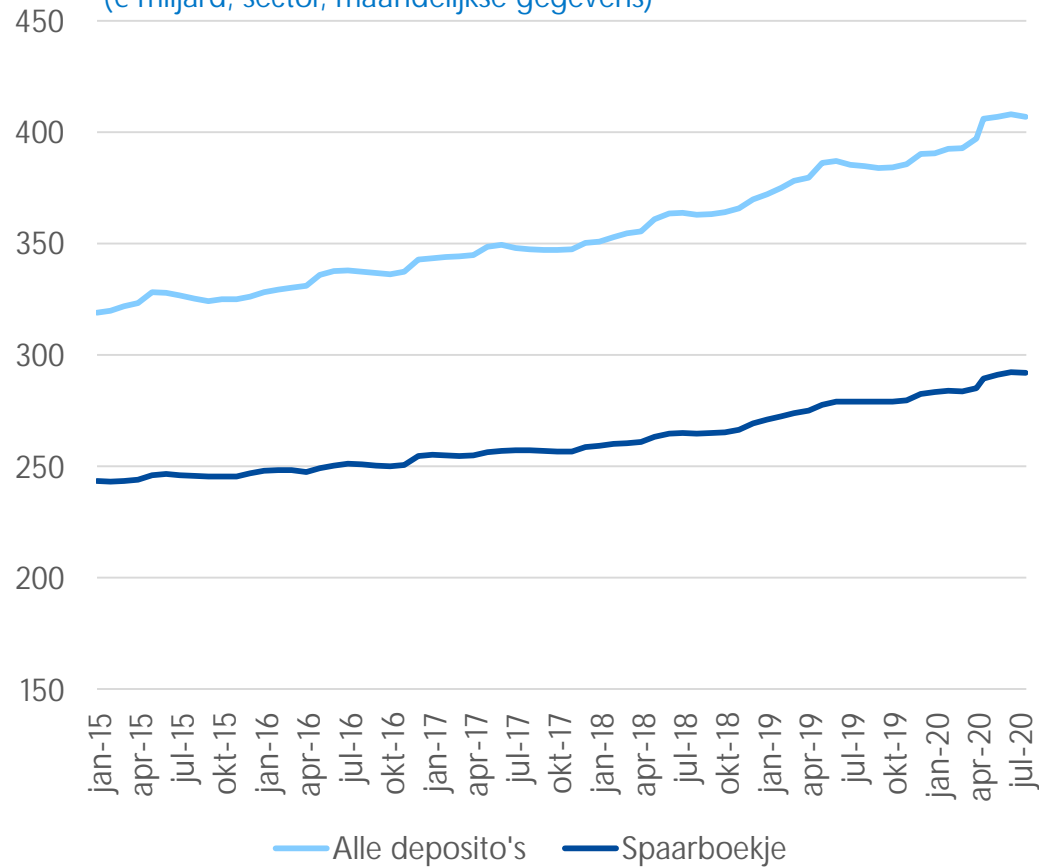


- ◆ De transacties in financiële activa van de particulieren in het tweede kwartaal tonen forse investeringen voor totaal 19,1 miljard euro, voornamelijk door de stijging van de deposito's, en in mindere mate van de beleggingsfondsen en genoteerde aandelen, illustratief voor het "geforceerd sparen" van de gezinnen. In juli en augustus zijn de evoluties minder uitgesproken.

Deposito's van Belgische huishoudens

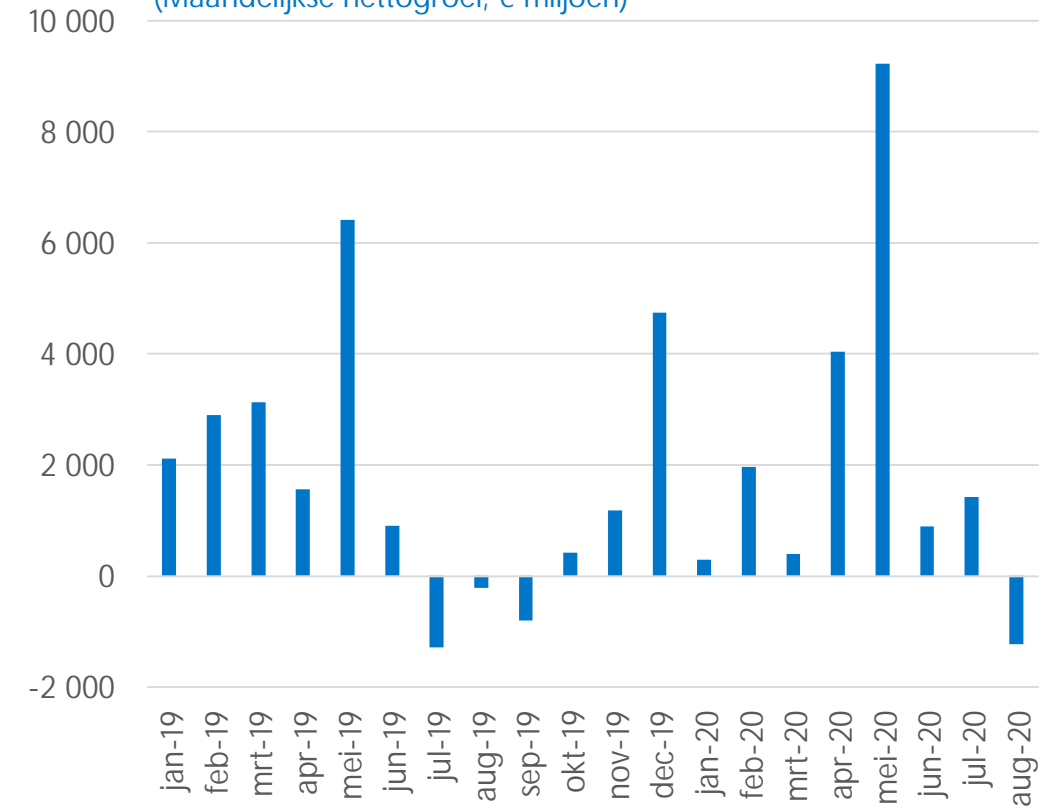
Deposito's Belgische huishoudens

(€ miljard, sector, maandelijkse gegevens)



Alle deposito's

(Maandelijkse nettogroei, € miljoen)



Negatieve saldi op rekeningen / kredietkaarten

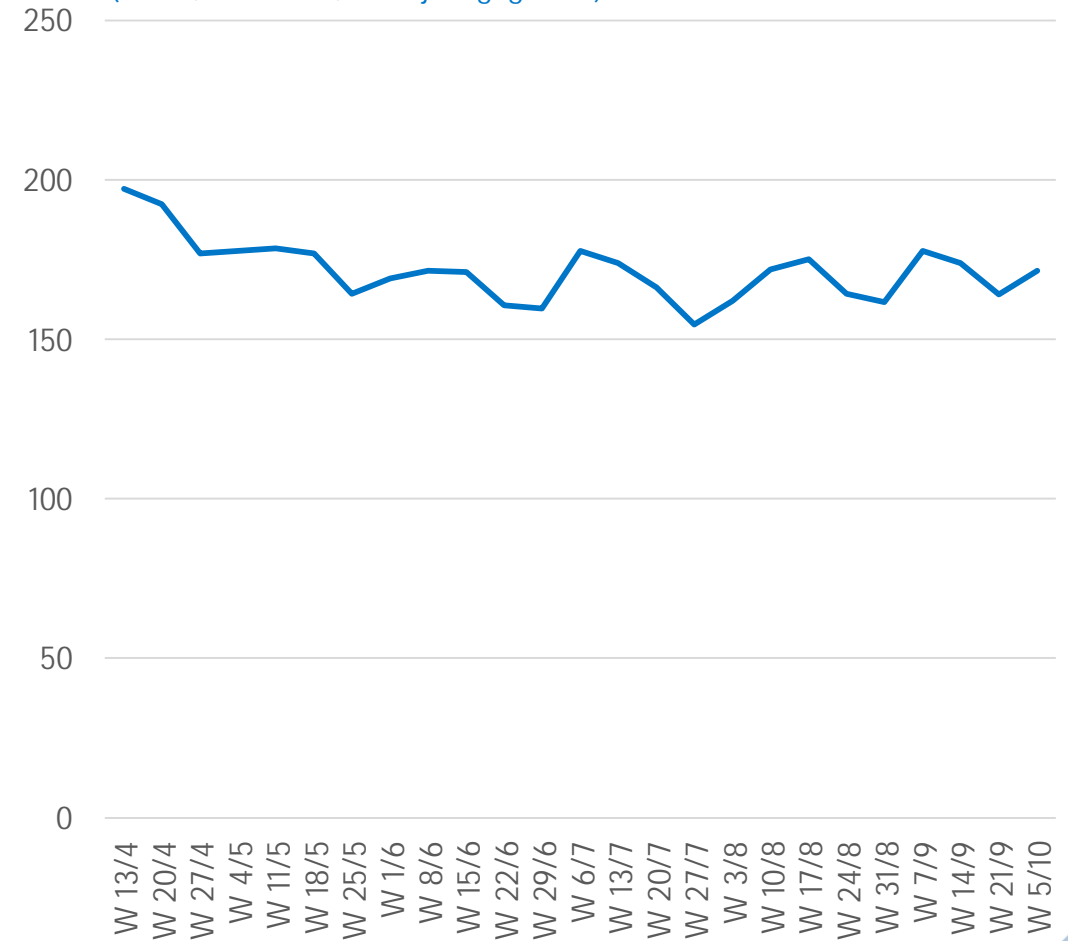
Negatieve saldi op rekeningen

(stock, in € miljoen, maandelijkse gegevens)



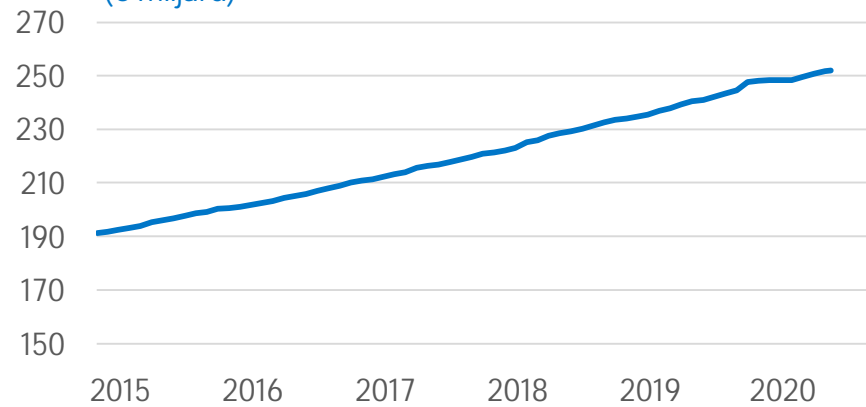
Aantal rekeningen "teveel in het rood"

(aantal, in duizend, wekelijkse gegevens)

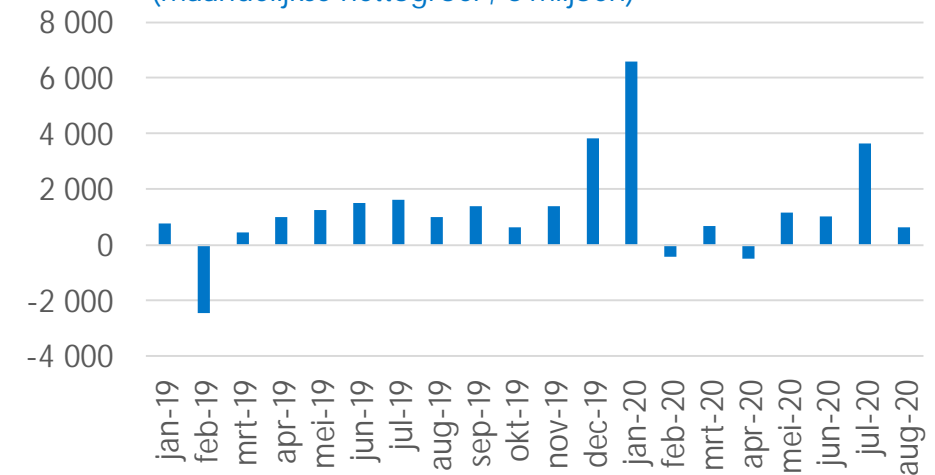


Bankkredieten van Belgische huishoudens

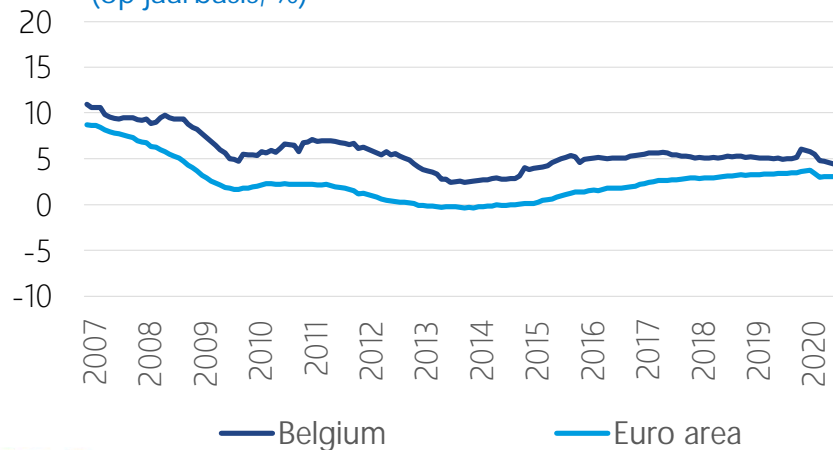
Stock
(€ miljard)



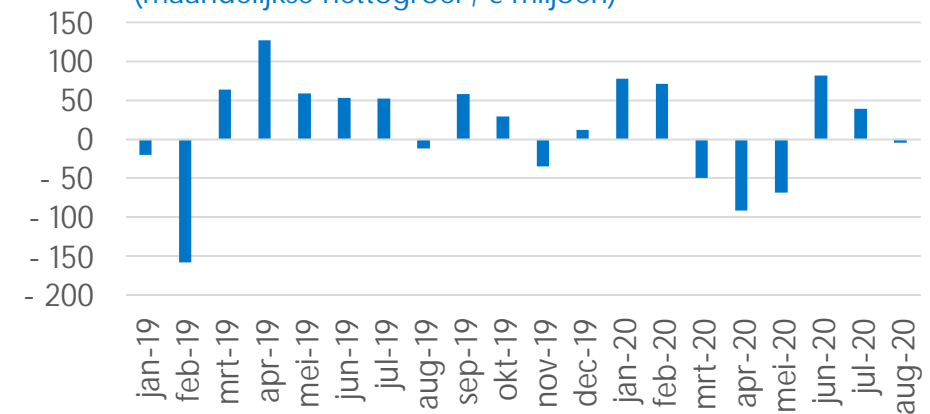
Hypothecaire leningen
(maandelijkse nettogroei, € miljoen)



Groeivoet
(op jaarbasis, %)



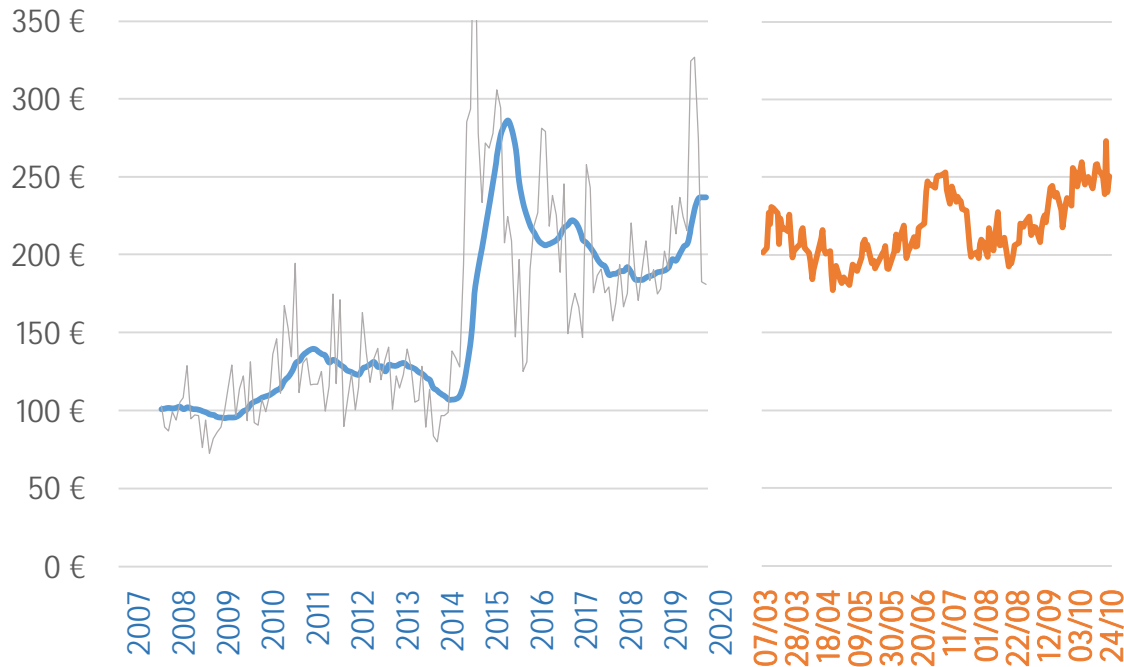
Consumentenleningen
(maandelijkse nettogroei, € miljoen)



Hypotheekleningen: nieuwe leningen en wanbetalingsgraad

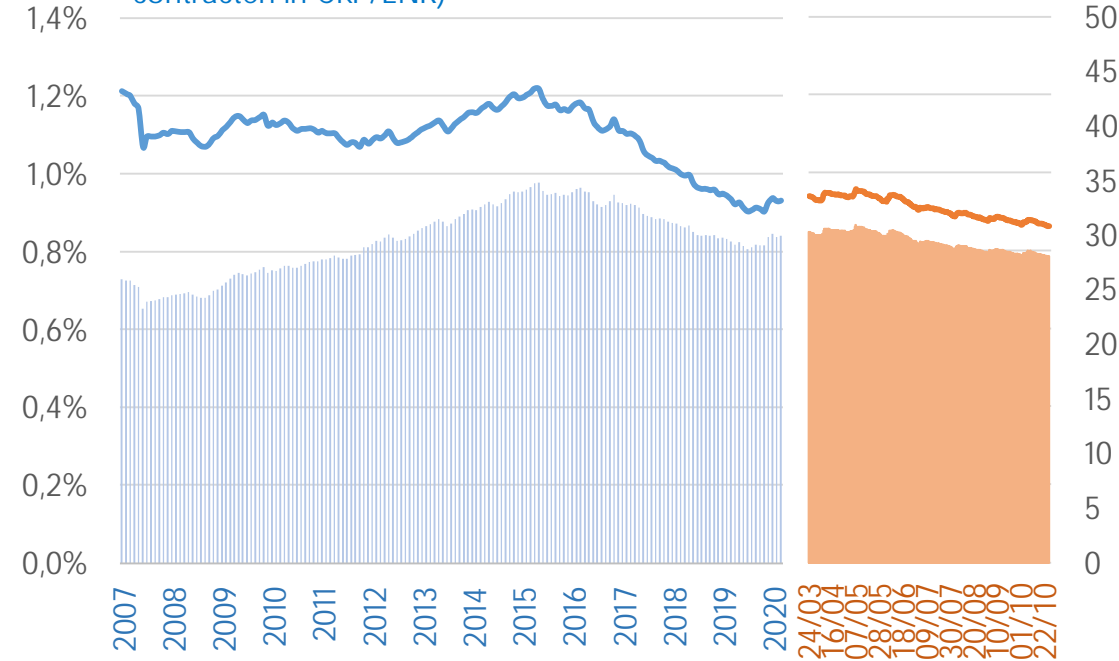
Nieuwe leningen

(geregistreerd bedrag per werkdag in CKP, in € miljoenen)

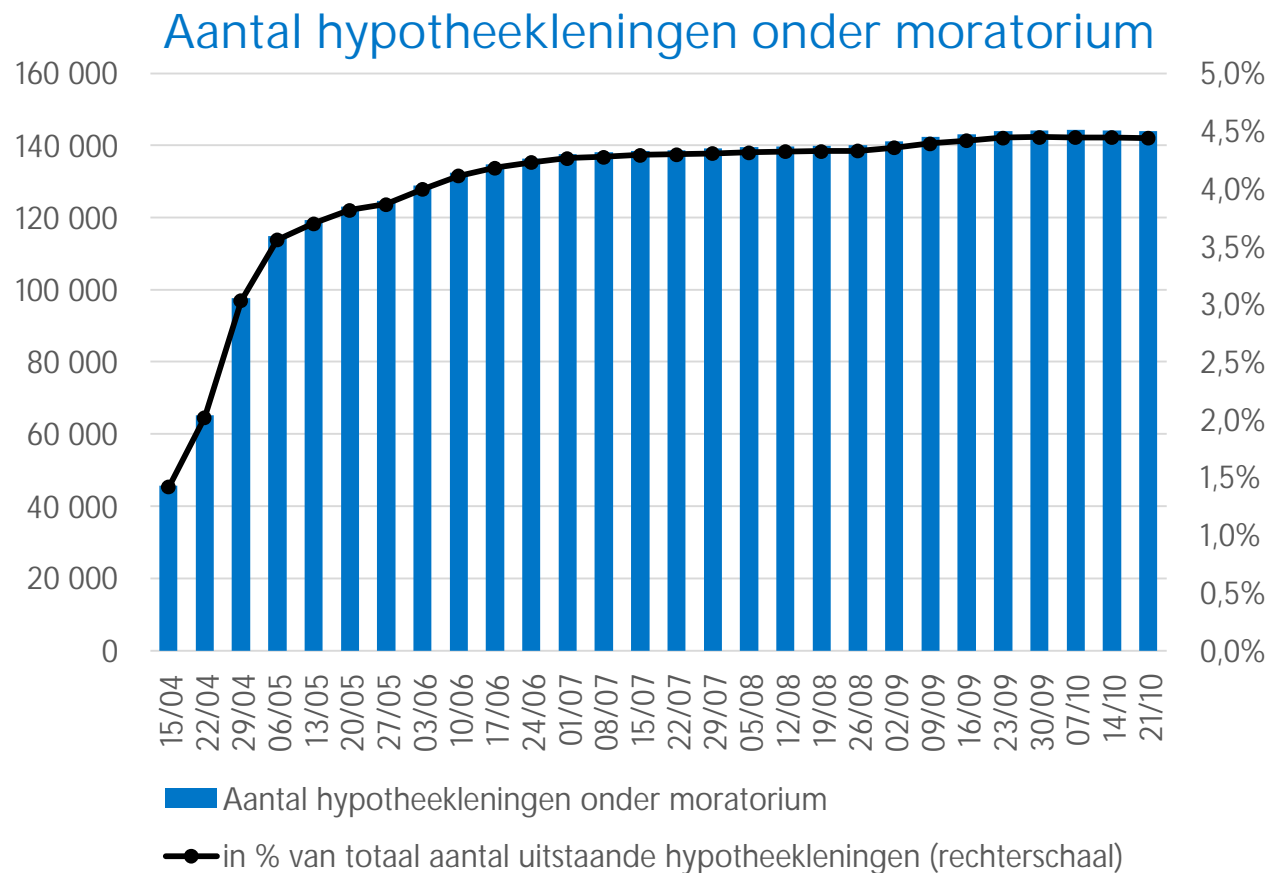


Wanbetalingsgraad

(Aantal uitstaande achterstallige contracten, % van alle uitstaande contracten in CKP/ENR)



Hypotheekleningen: moratoria geregistreerd in CKP¹



Cijfers 21/10

kredieten

♦ in duizend 144 007

♦ in % stock 4,4 %

€ initieel kredietbedrag²

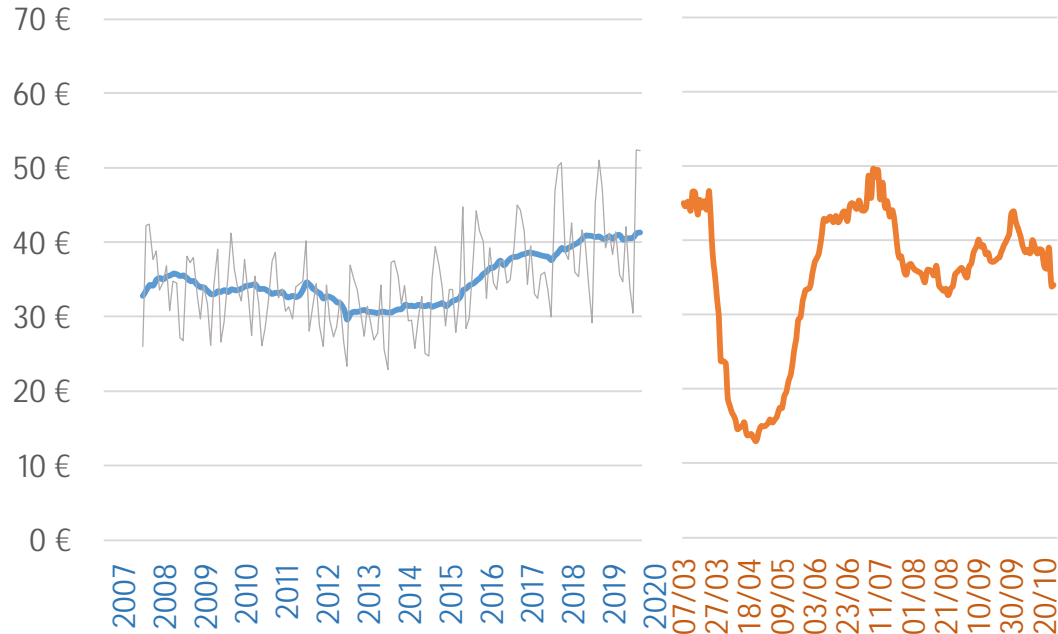
♦ in miljard 17,0

♦ in % stock 5,0 %

Consumentenkredieten¹: nieuwe leningen en wanbetalingsgraad

Nieuwe leningen

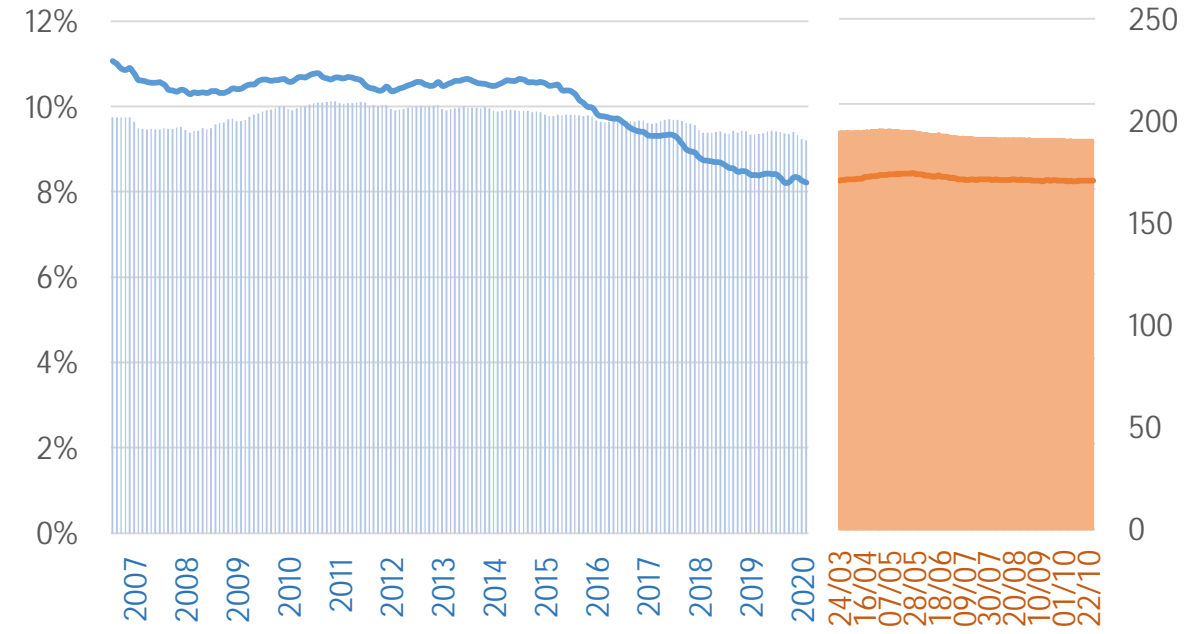
(geregistreerd bedrag per werkdag in CKP, in € miljoenen)



- Gemiddelde per werkdag over de laatste 12 maanden
- Gemiddelde per werkdag over de laatste maand
- Gemiddelde per werkdag over de laatste 5 werkdagen

Wanbetalingsgraad

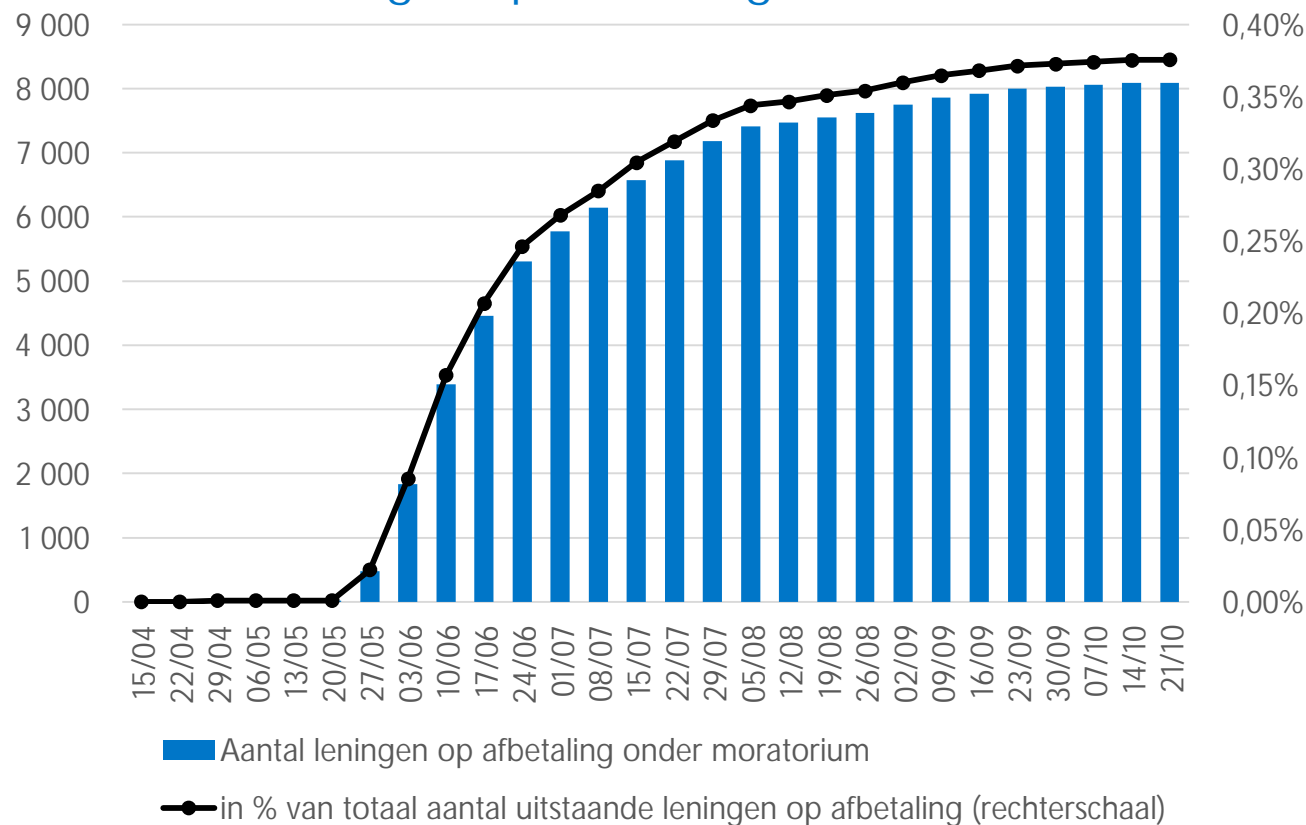
(Aantal uitstaande achterstallige contracten, % van alle uitstaande contracten in CKP/ENR)



- Aantal uitstaande achterstallige contracten (maandelijkse gegevens, rechterschaal in duizenden)
- Wanbetalingsgraad (maandelijkse gegevens)
- Aantal uitstaande achterstallige contracten (dagelijkse gegevens, rechterschaal in duizenden)
- Wanbetalingsgraad (dagelijkse gegevens)

Consumentenkredieten: moratoria geregistreerd in CKP¹

Aantal leningen op afbetaling onder moratorium



Cijfers 21/10

kredieten

♦ in aantal	8 331
- Lening op afbetaling	8 090
- Verkoop op afbetaling	36
- Kredietopening	205
♦ in % v/d stock	
- Lening op afbetaling	0,4 %

€ kredieten (initieel ontleend bedrag)

♦ in miljoen	237,2
- Lening op afbetaling	235,5
- Verkoop op afbetaling	1,0
- Kredietopening	0,7
♦ in % v/d stock	
- Lening op afbetaling	0,6 %

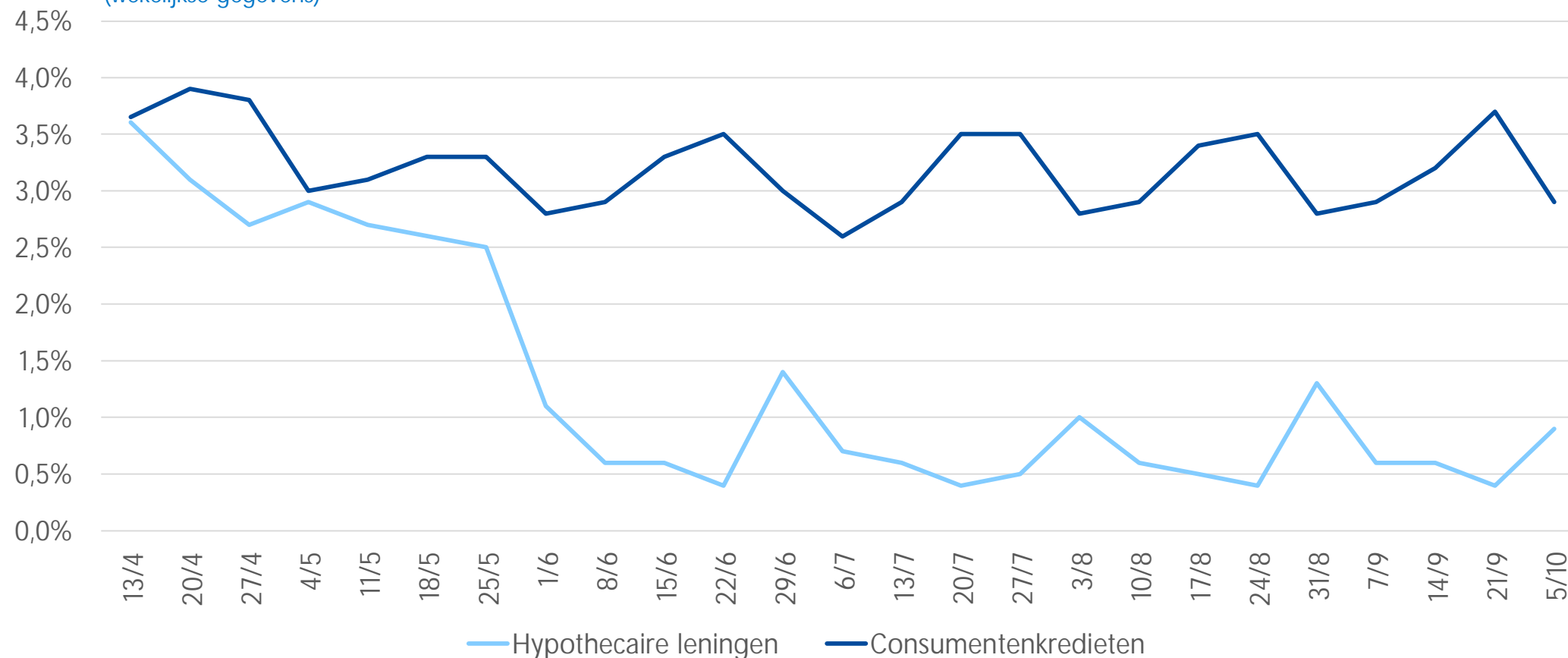
Bron: CKP, laatste beschikbare gegevens: 21 oktober 2020

¹ De cijfers meten het totaal aantal geregistreerde moratoria in CKP, dus exclusief de aangevraagde moratoria waarvoor de verwerking nog loopt en de verleende moratoria die nog geregistreerd moeten worden in CKP.

² Het resterend uitstaand kredietbedrag is niet beschikbaar in CKP.

Achterstanden bij leningen aan huishoudens stabiel sinds juni

Betalingsachterstand (1-30 dagen) op hypothecaire leningen en consumentleningen
(wekelijkse gegevens)



The background of the slide features a large, detailed illustration of a coronavirus particle in the center, with several smaller, less detailed particles scattered around it. The entire scene is set against a light blue gradient background. The text 'Credit indicators corporates' is overlaid on the central virus particle.

Credit indicators corporates

Impact of the COVID-19 crisis on lending to non-financial corporations (NFCs)

- ◆ Credit developments: (see next slides)

- ◇ While annual NFC growth of utilised loans had accelerated in March and April (in large part due to drawdowns of credit lines by multinationals), it has slowed since May.
- ◇ The annual growth rate of authorised (granted) credit is comparable to that observed before the pandemic
- ◇ Monthly growth rates of utilised and authorised were negative in June
- ◇ Loan arrears have been stable since May
- ◇ Small or medium-sized enterprises (SMEs) have larger proportions of loans in moratorium than larger firms

- ◆ According to the July 2020 Bank lending survey:

- ◇ Demand for loans from Belgian enterprises in 2020Q2 was driven by liquidity needs, but also curbed by a decline in fixed investment
- ◇ Slight tightening in credit standards prompted by higher risk perception and lower risk tolerance

Firms perceived less favorable credit conditions

◆ Belgian firms reported for the second time a deterioration of their credit conditions in 2020Q2

- ◇ Deterioration in the assessment of the general credit conditions by firms
 - In all branches of activity and all categories of firms irrespective of size
 - From 2020, the balance of the opinions (favorable vs unfavorable) is below the historical mean
- ◇ Small deterioration with respect to 2020Q1 regarding requirements for collateral, costs other than interest rates and level of interest rates

(source: NBB survey on credit conditions)

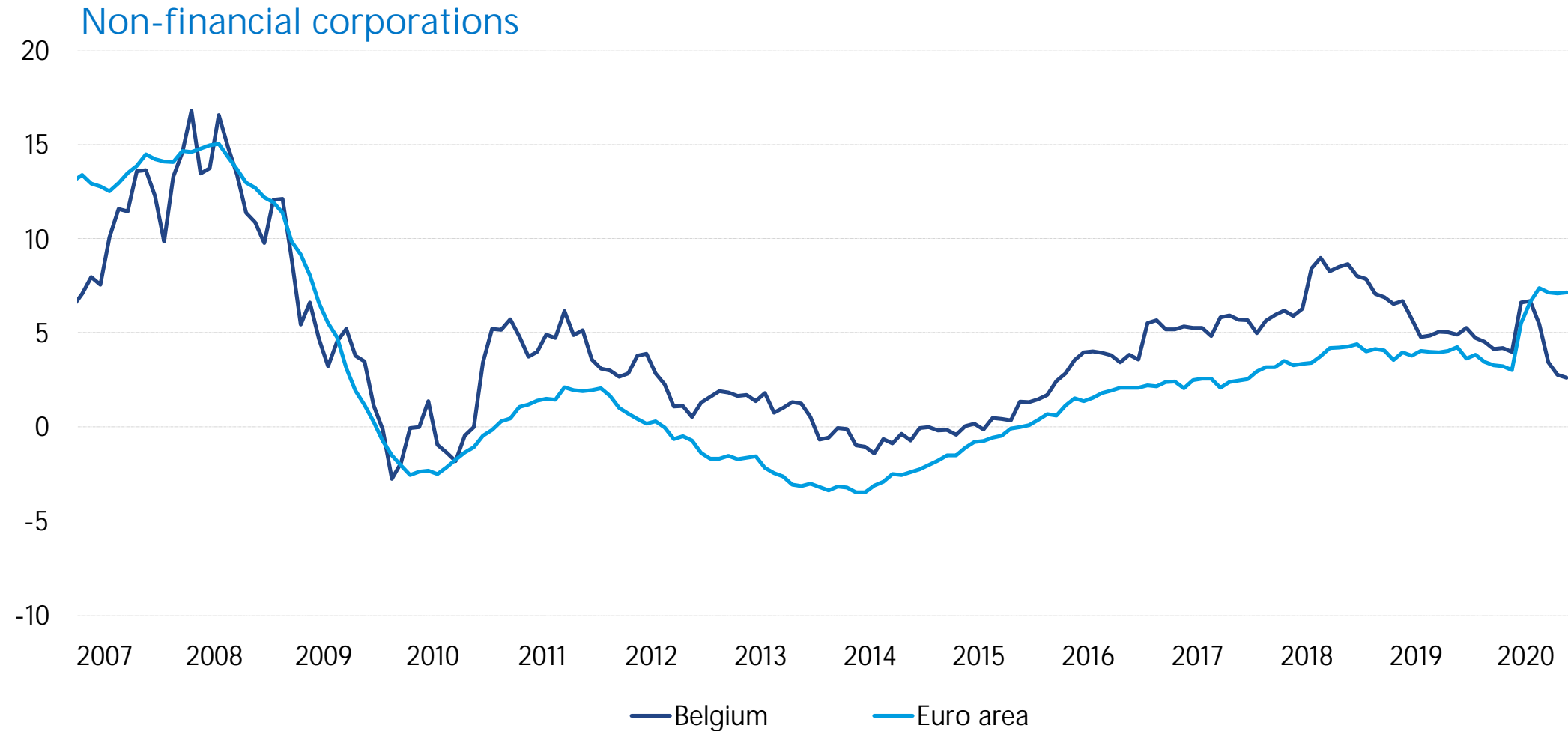
◆ SMEs feared a significant impact on bank loan availability in 2020Q2

- ◇ No significant changes regarding obstacles impeding access to bank financing between October 2019 and March 2020
 - Proportion of SMEs not applying for bank credit because of possible rejection, or applying for a loan but only receiving a limited part of the amount requested, refusing credit because the cost was too high, or having their application rejected = 5,2 % (against 5,9 % on average in 2017-2019)
- ◇ But SMEs expected a sharp deterioration in availability of bank loans over the next six months (April-September 2020)
 - Widespread across sectors

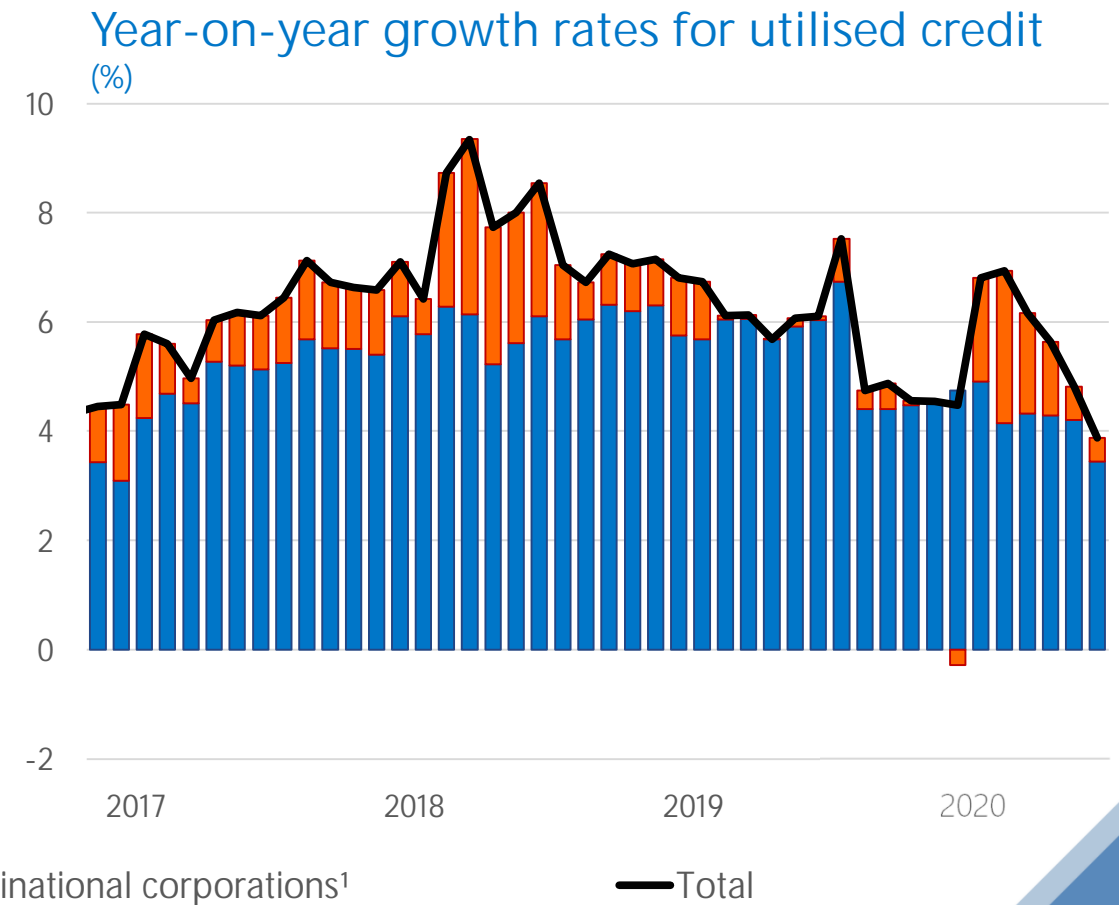
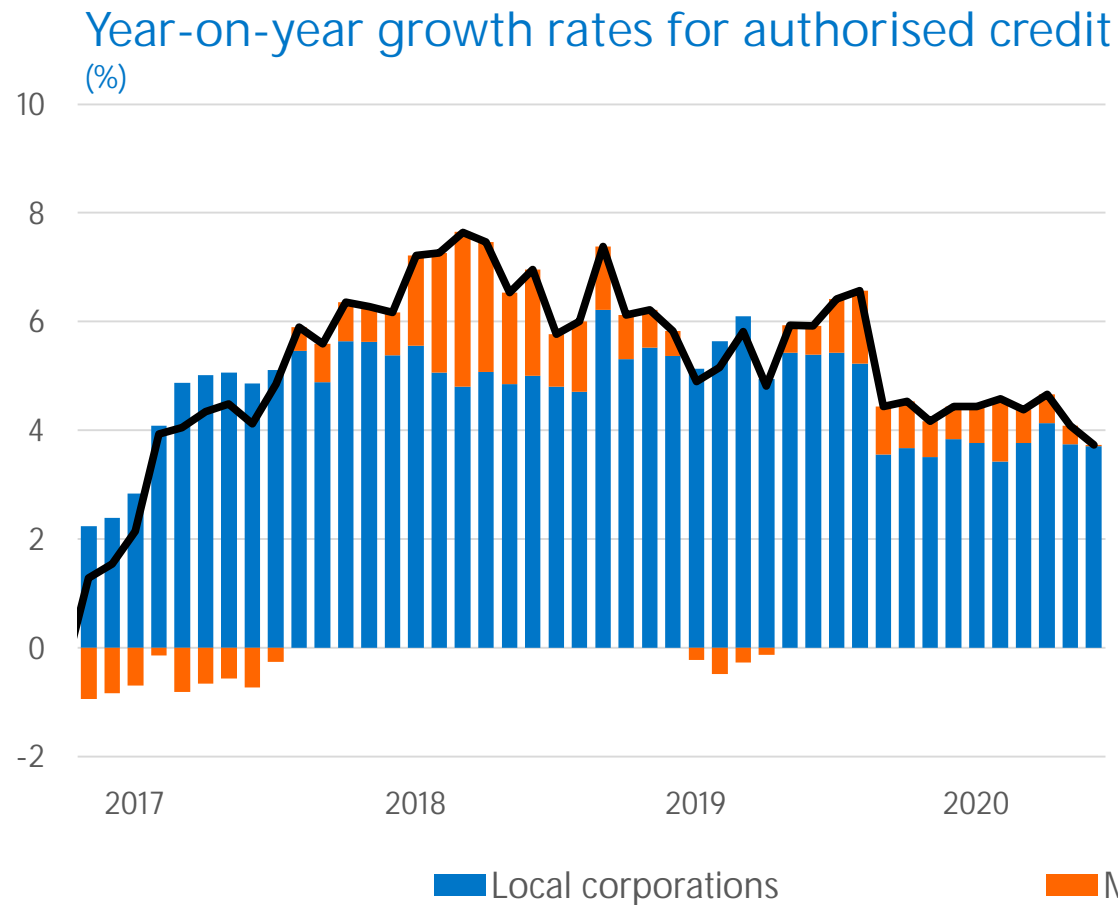
(source: SAFE survey, conducted between 2 March and 8 April 2020.)

NFC credit growth in Belgium: slowdown after the peak in March and April

(year-on-year % changes¹, up to August 2020)

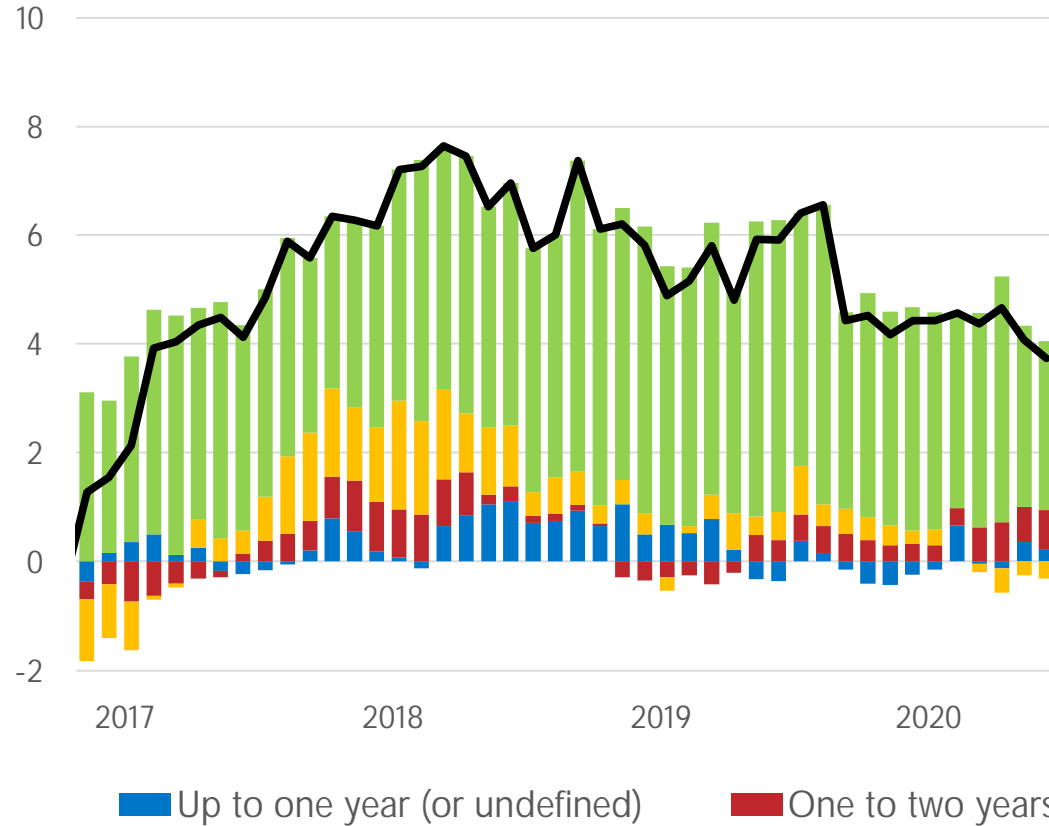


Reduced contribution of multinational corporations to total credit growth, after massive drawdowns of credit lines in March and April ...

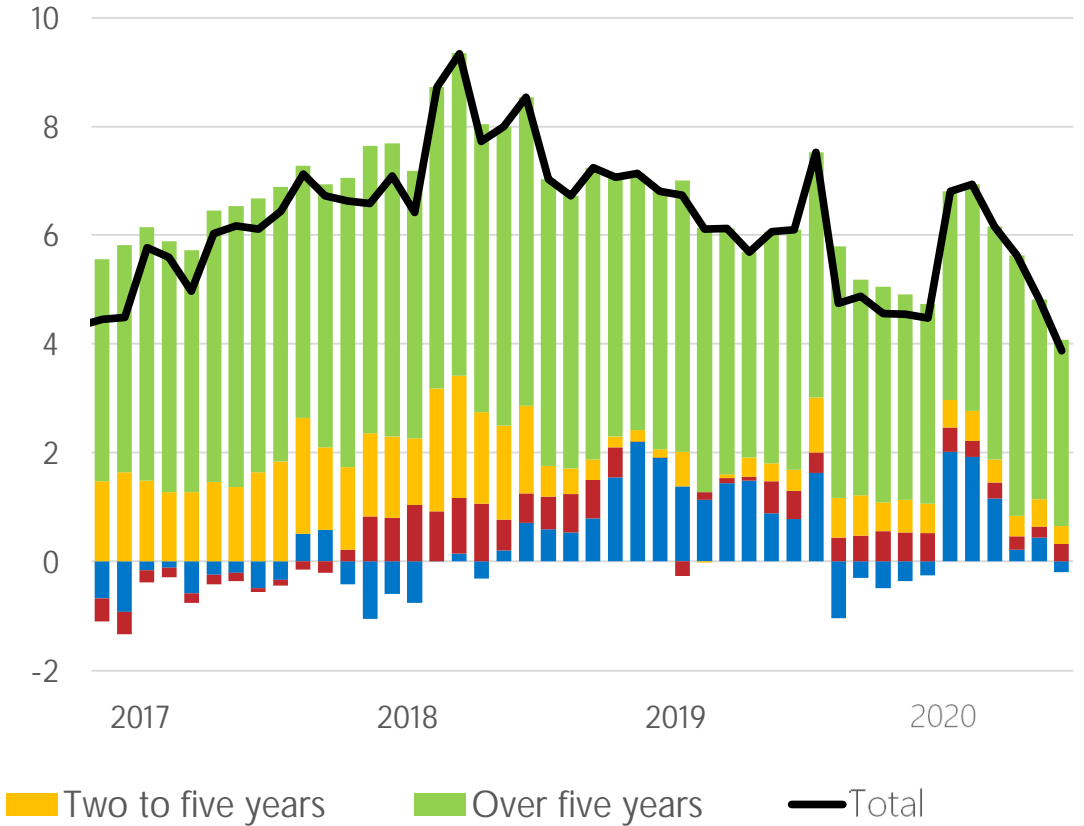


... which also translates into a lower contribution of short-term loans

Decomposition of YoY authorized corporate credit growth by maturity (%)



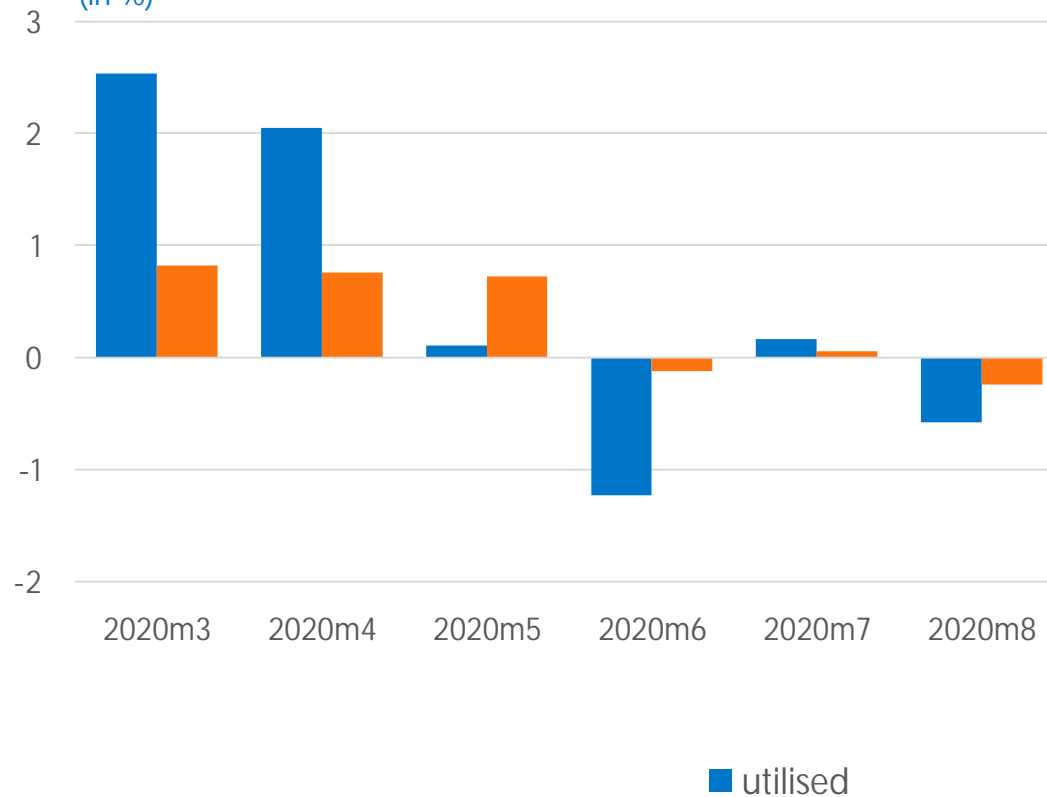
Decomposition of YoY used corporate credit growth by maturity (%)



Zero or negative monthly growth in authorised and utilised loans in period June–August

Monthly growth rates of authorised and utilised loans

(in %)

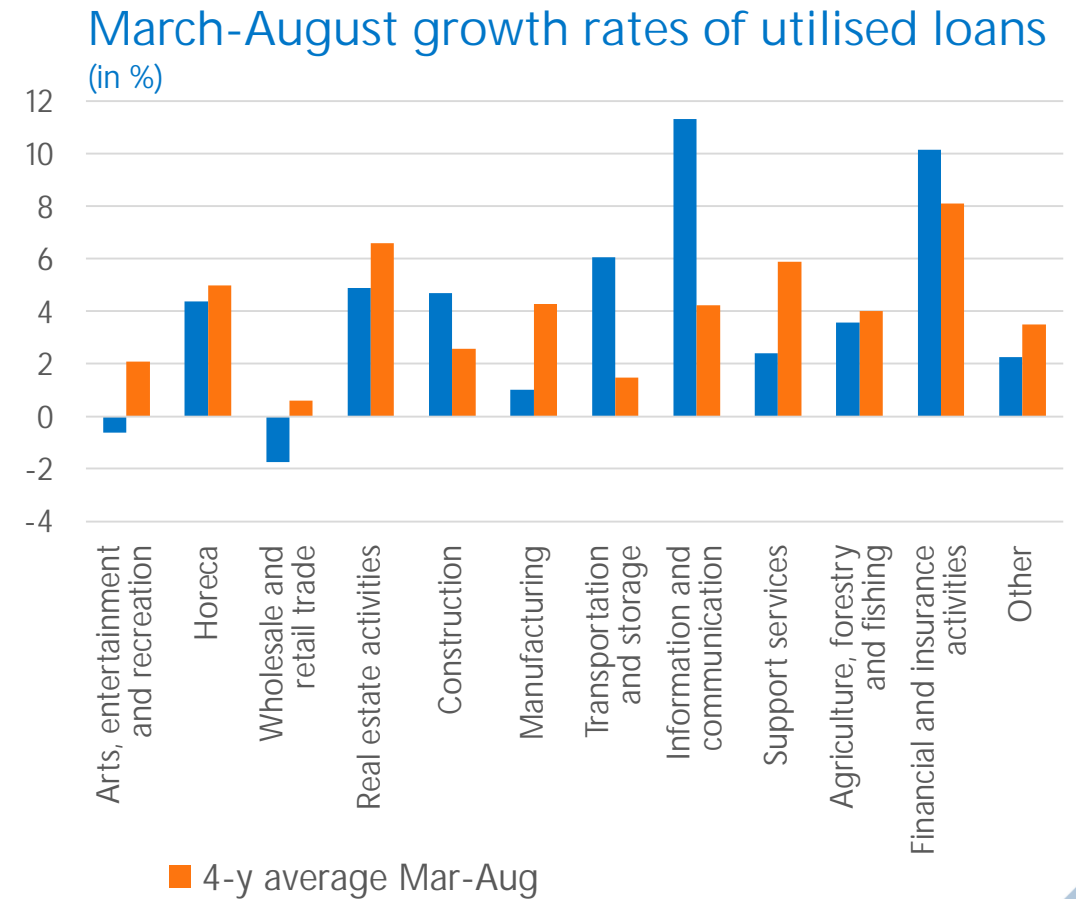
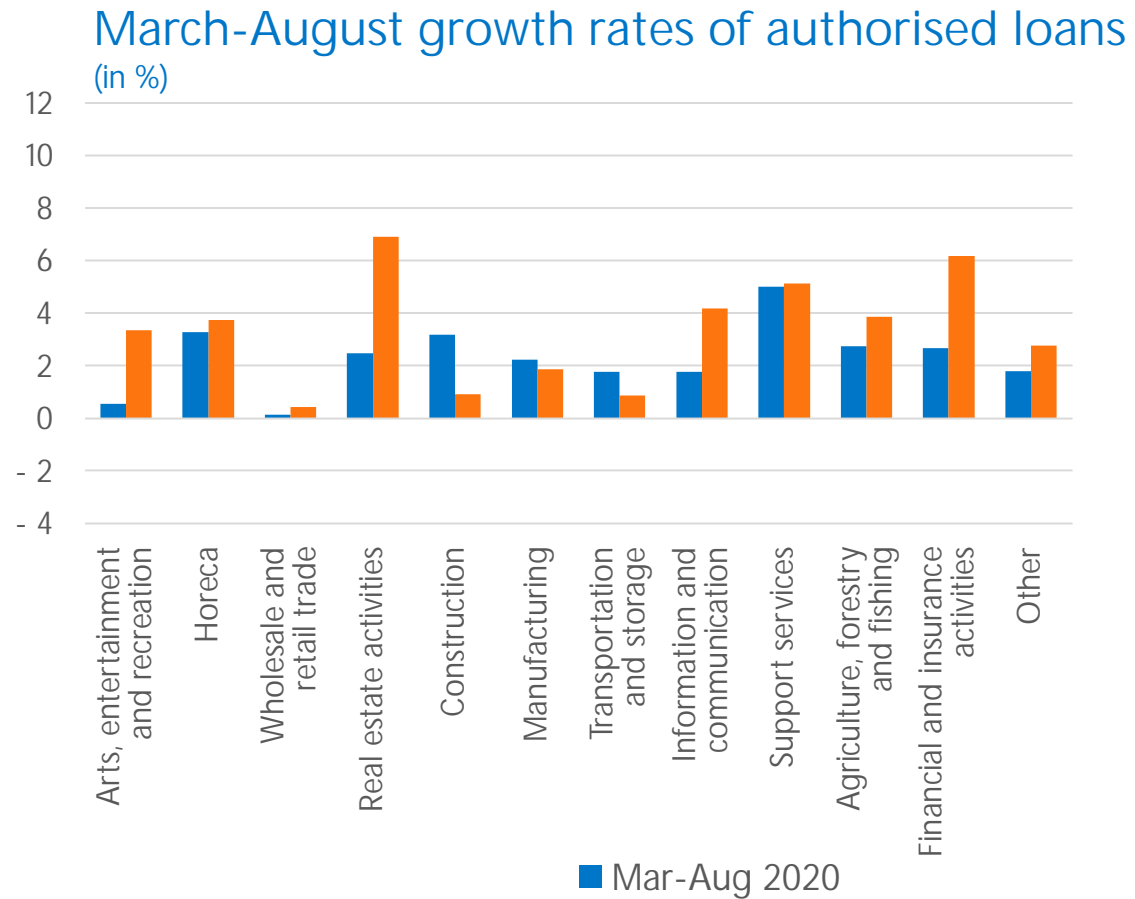


Monthly growth rates of loans for August of previous years

(in %)



March–August growth in authorised and utilised loans is below historical averages for many vulnerable sectors

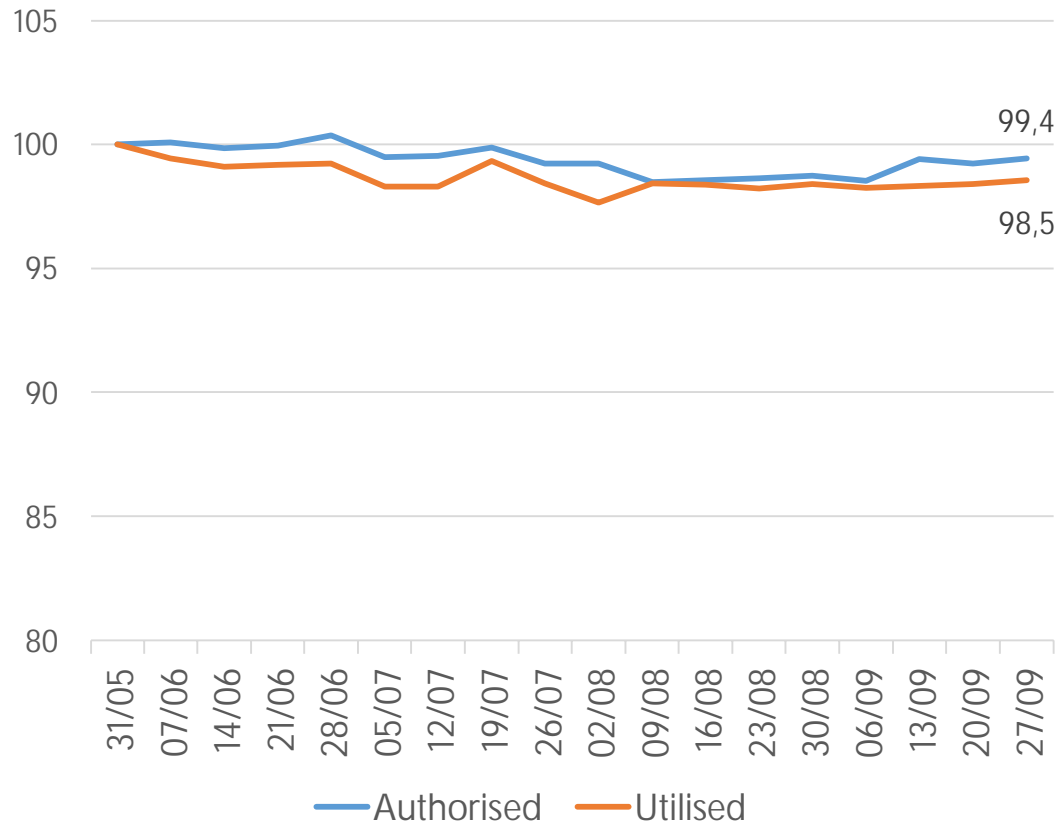


Loan developments - weekly

NFCs in weekly reporting = Self-employed + SMEs + Corporates + Public Sector Entities

Evolution of total loans to NFCs

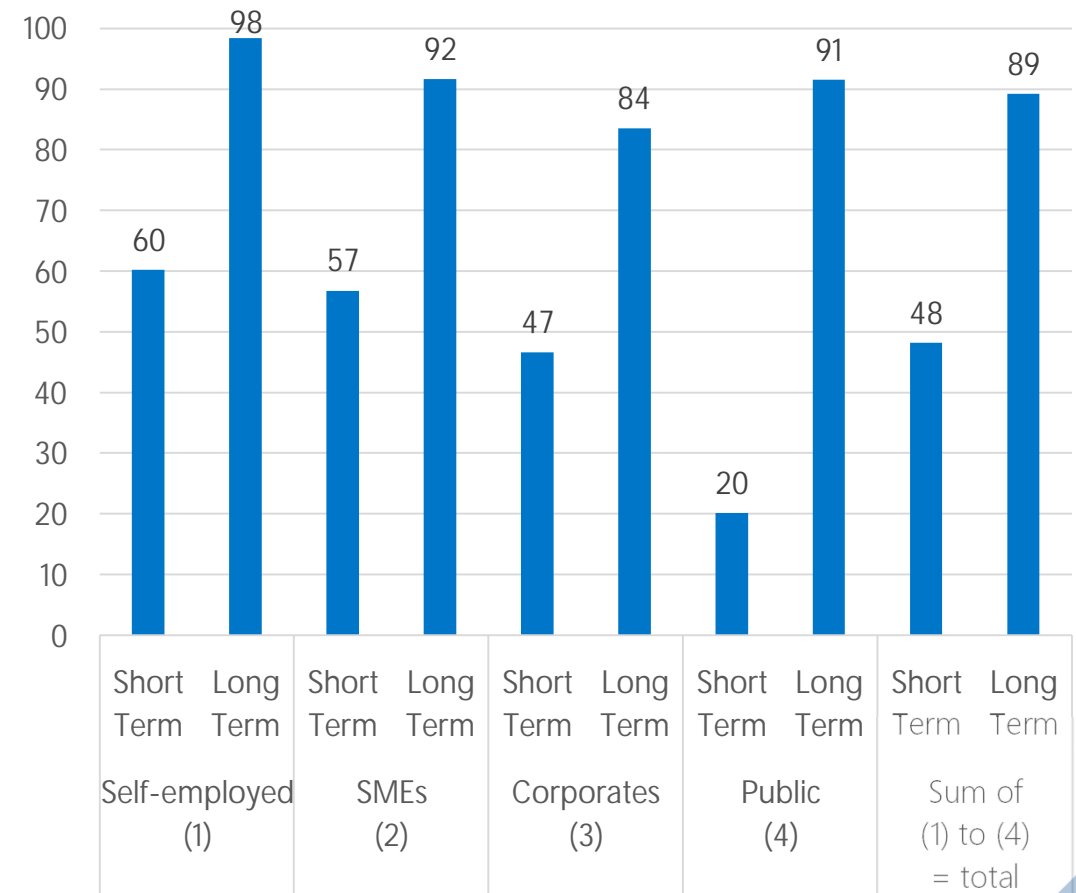
(in %)



Total loans to NFCs represented as an index normalized to 100 % by end May stock of loans

Utilisation rate (=utilised/authorized)

(last weekly observation, in %)

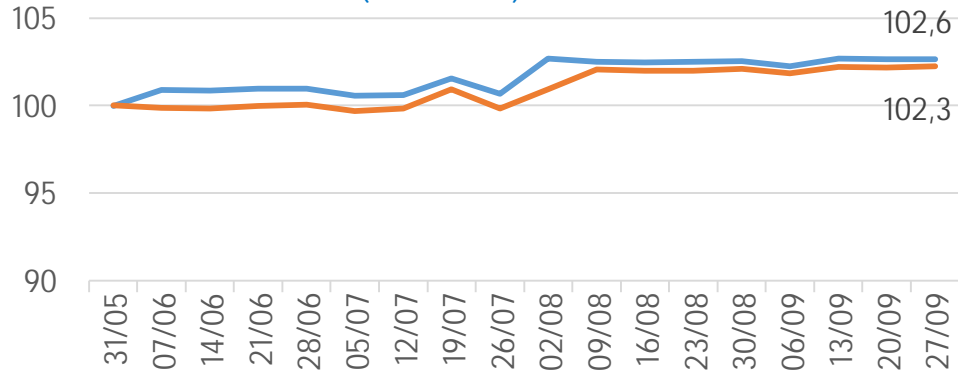


Stable loans for firms except for a slight decline for corporates

NFCs in weekly reporting = Self-employed + SMEs + Corporates + Public Sector Entities

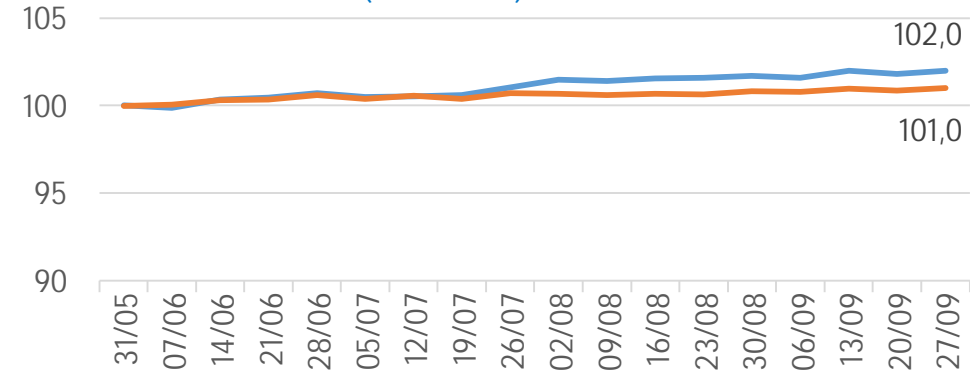
Evolution of total loans to self-employed

Latest observation (authorized) 23 billion EUR



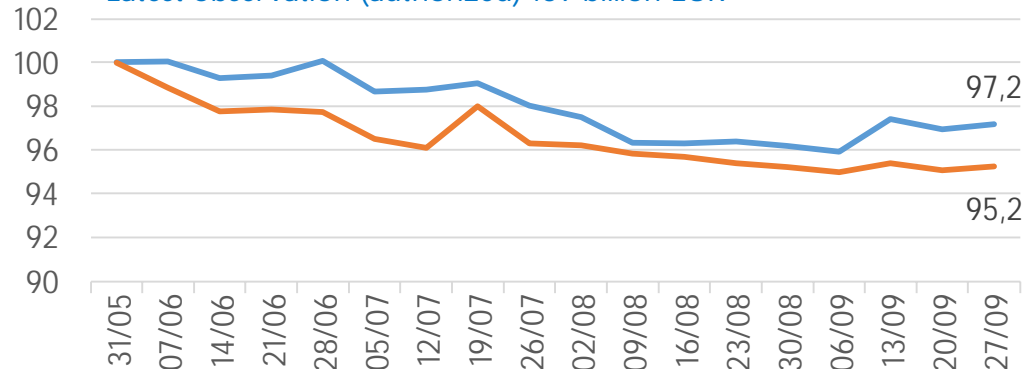
Evolution of total loans to SMEs

Latest observation (authorized) 83 billion EUR



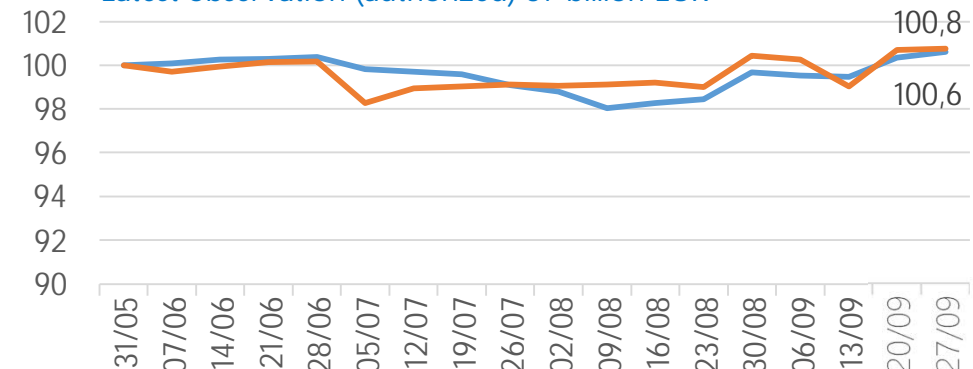
Evolution of total loans to corporates

Latest observation (authorized) 139 billion EUR



Total loans to public sector entities

Latest observation (authorized) 37 billion EUR



— Authorised

— Utilised

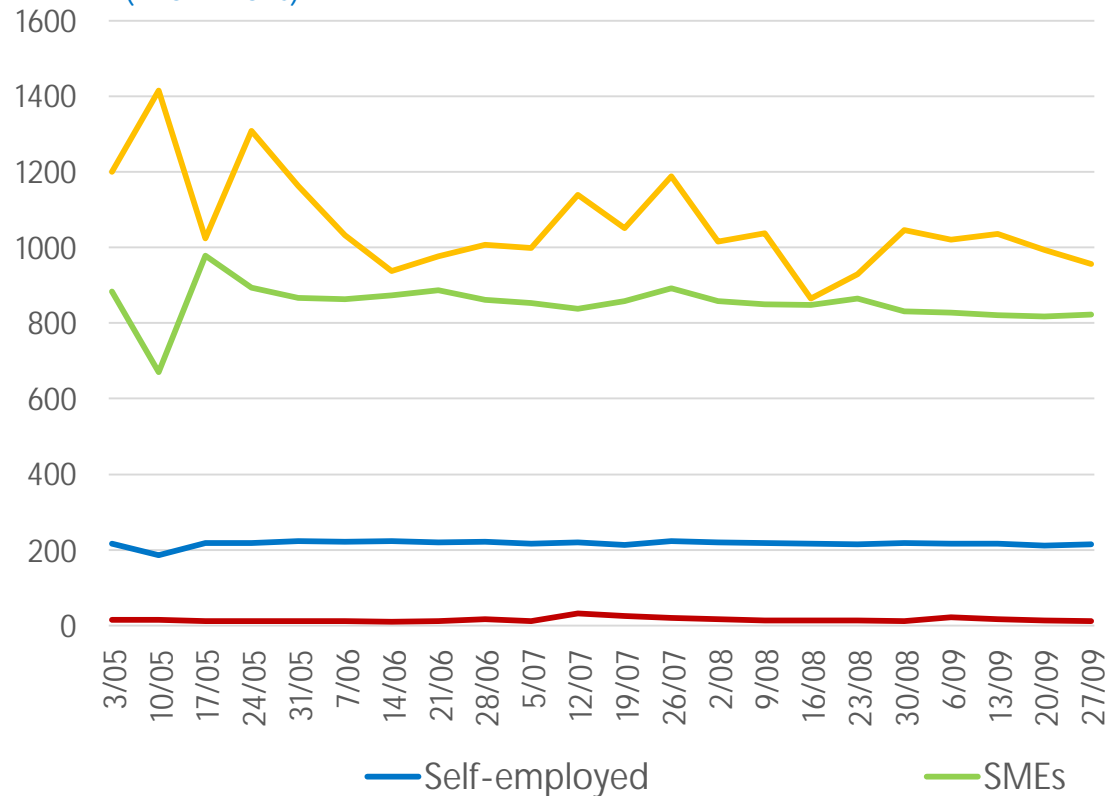
Total loans to NFCs represented as an index normalized to 100 % by end May stock of loans

Amounts and number of loans in arrears or in default are not increasing (yet?)

(arrears – weekly)

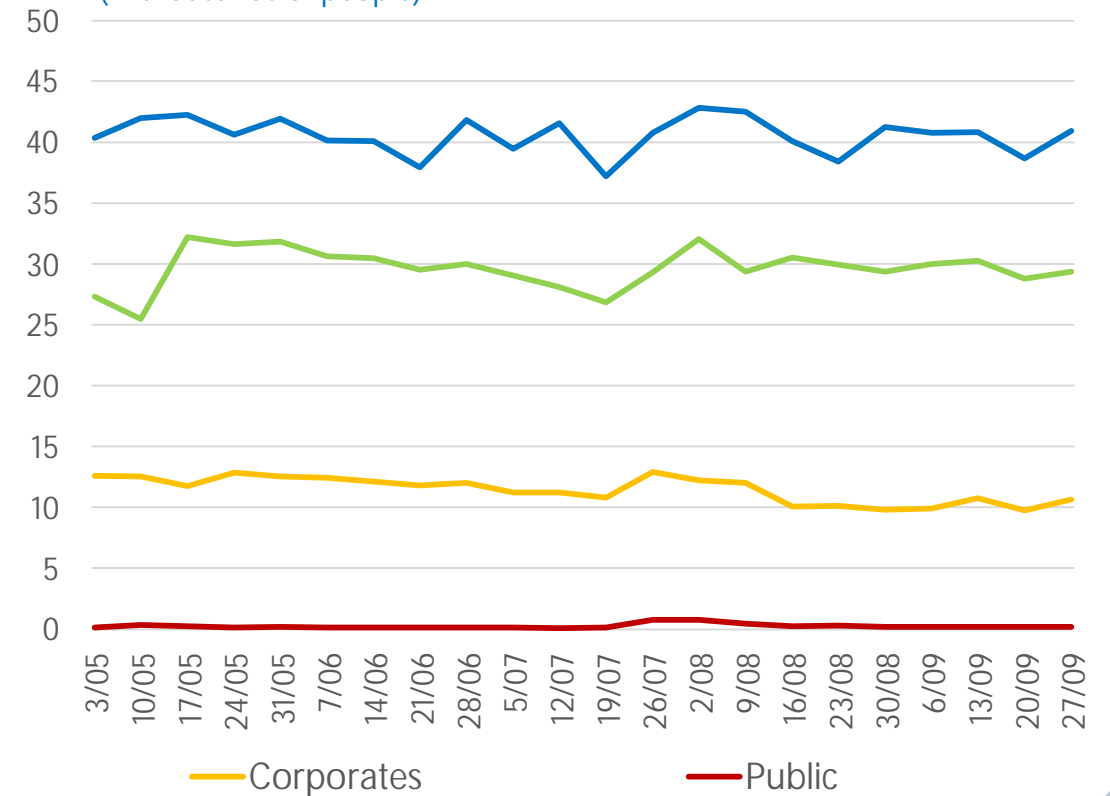
Amounts in arrears or in default

(in € millions)



Number of loans in arrears or in default

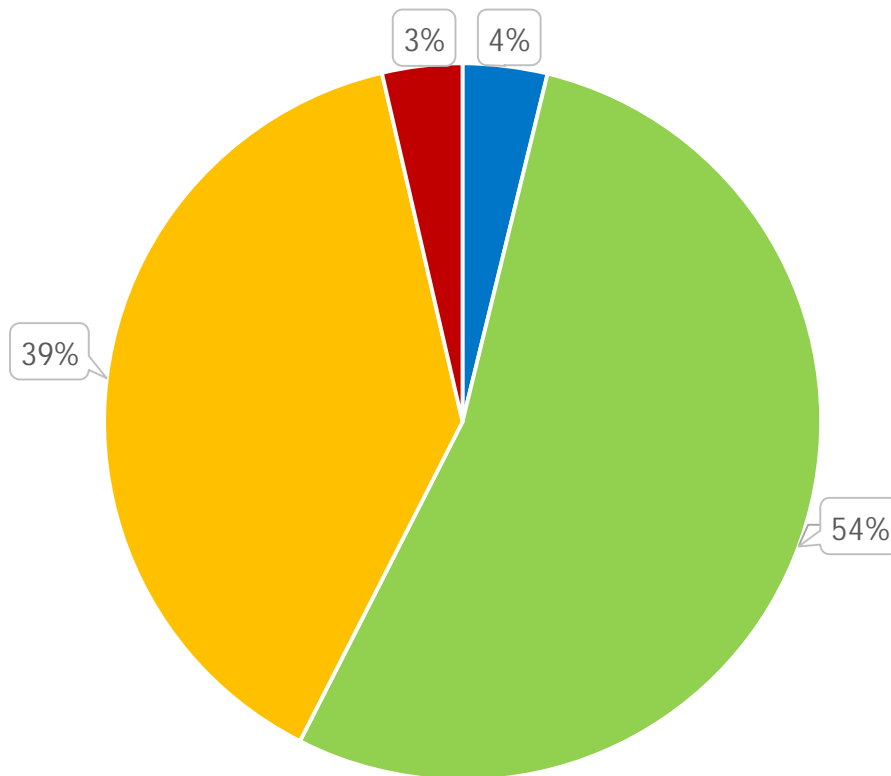
(in thousands of people)



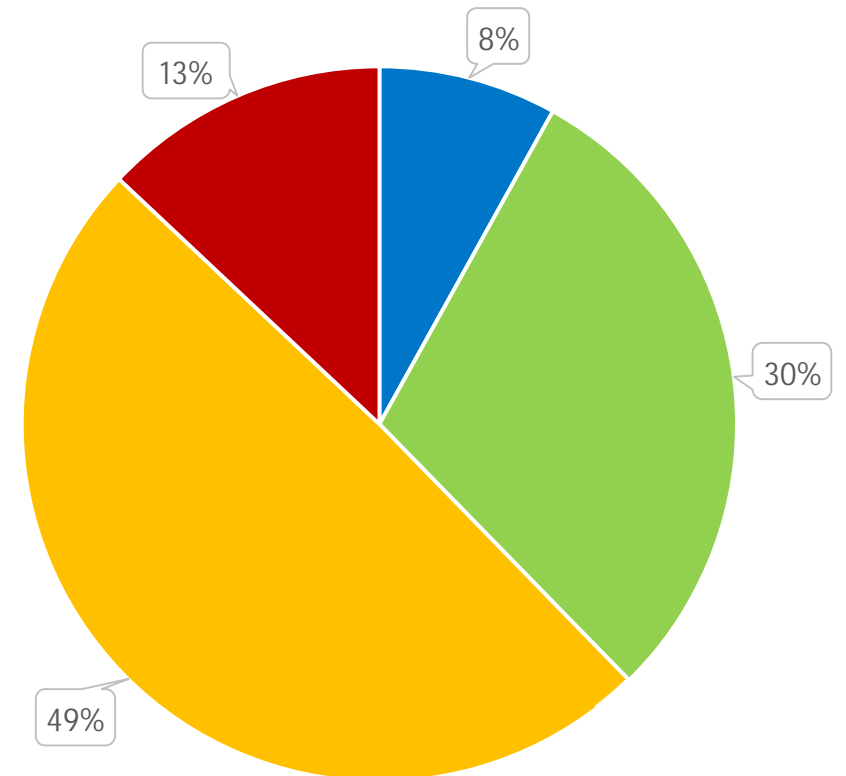
SMEs are the main beneficiaries of moratorium relative to their share of total loans

(moratorium – weekly)

Loan amounts in moratorium by type of counterparty



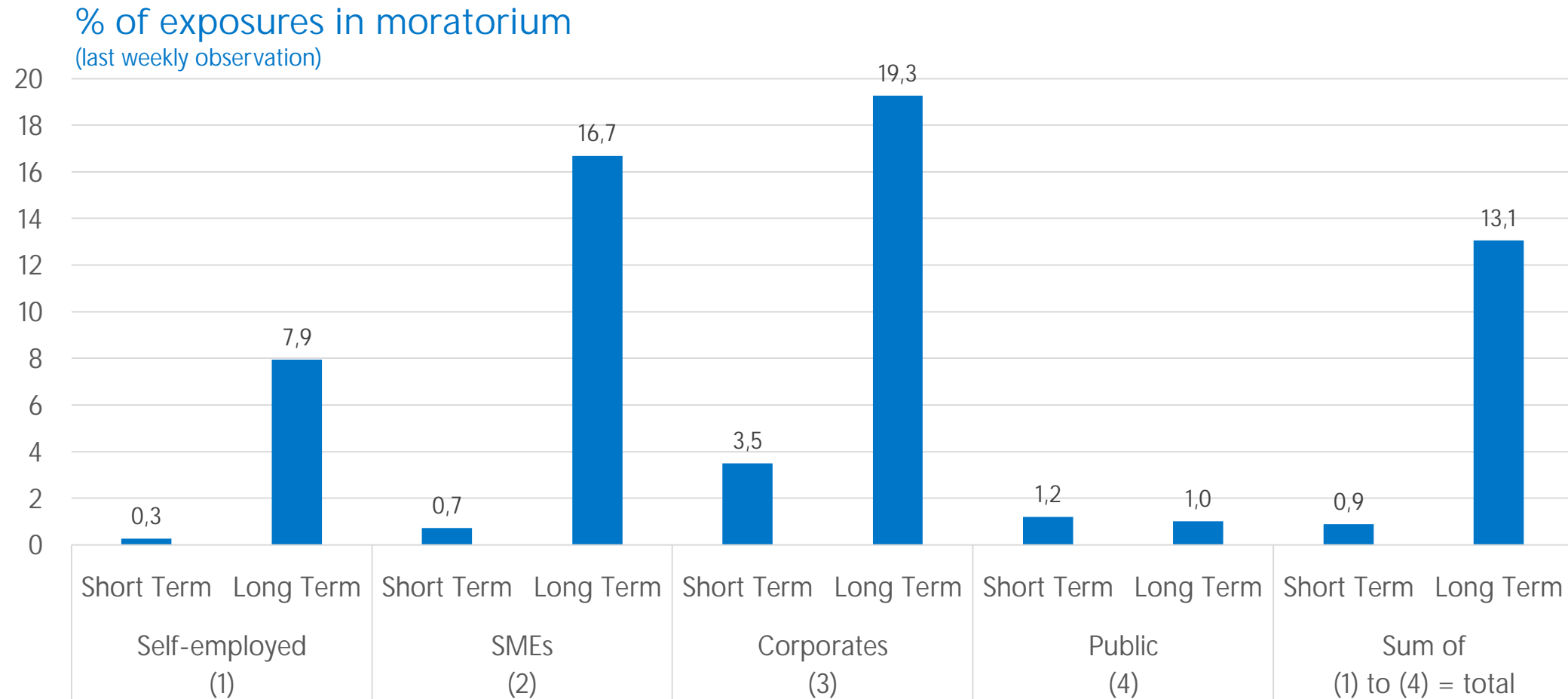
Total loan amounts by type of counterparty



■ Self-employed ■ SMEs ■ Corporates ■ Public

Long term loans are the main type of loans in moratorium

(moratorium – weekly)

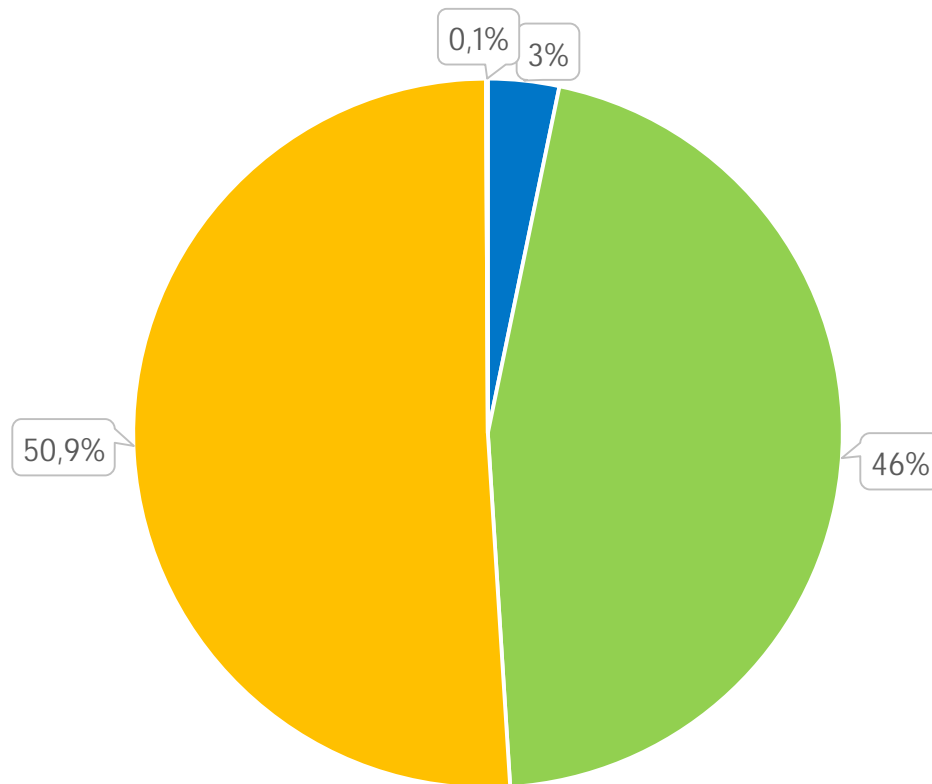


Take-up of the state guarantee - by type of counterparty

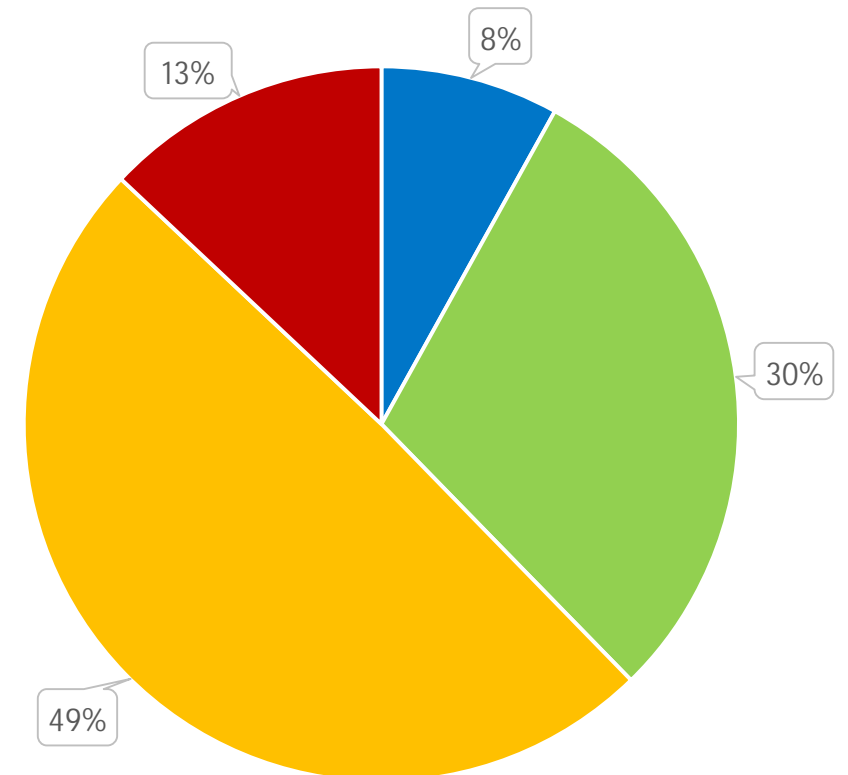
Results, taking into account only state guarantee I

(weekly data)

Loan amounts under state guarantee by type of counterparty



Total loan amounts by type of counterparty



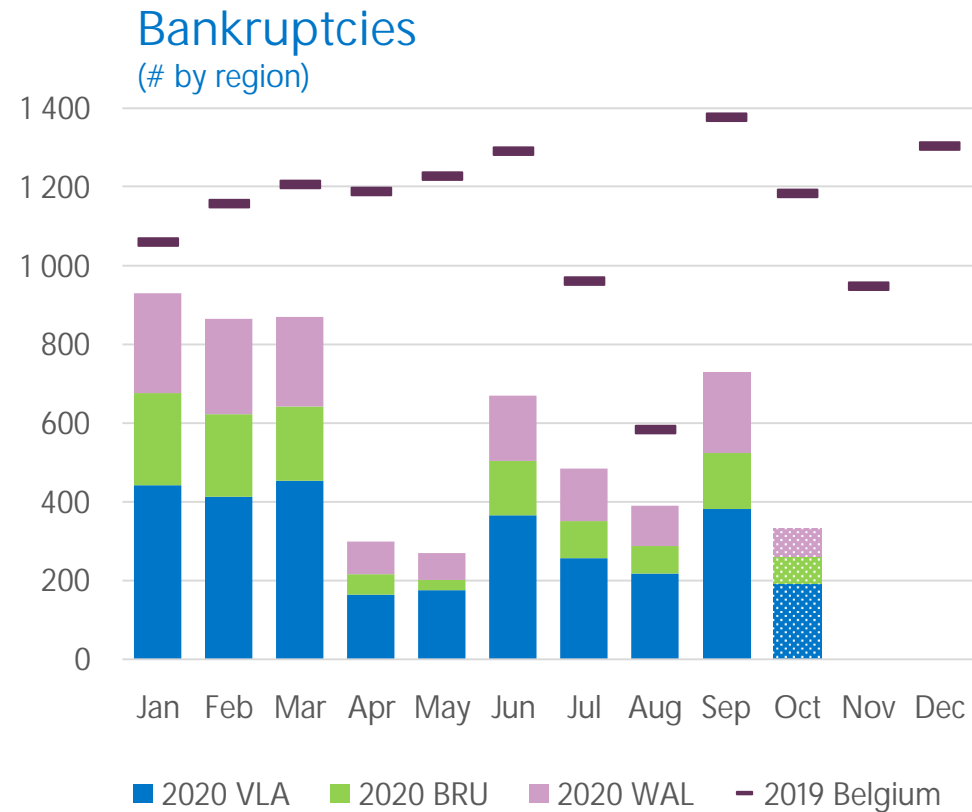
■ Self-employed ■ SMEs ■ Corporates ■ Public

The background of the slide features a large, detailed, and semi-transparent image of a coronavirus particle, showing its characteristic spherical shape and numerous spike proteins. The particle is centered and slightly tilted, with other smaller, less distinct particles visible in the background, creating a sense of depth. The overall color palette is light blue and white, with a dark blue triangle in the top-left corner and a dark blue triangle in the bottom-right corner.

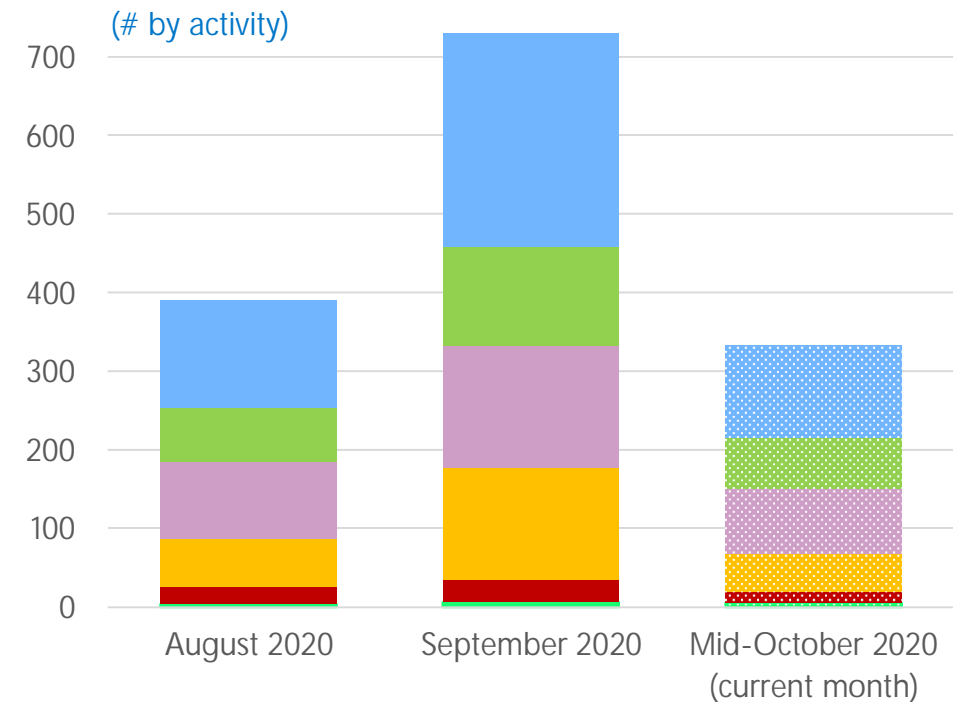
Bankruptcies and new business registrations

Despite a marked growth in September after the summer recess¹, the number of bankruptcies² remains lower than in September 2019

... with some supporting measures to enterprises still in place³



◆ About 96 % of bankruptcies are within the '0 to 9 workers' company size class



Source: Statbel, latest available data: 18 October 2020.

¹ March, April & May: limited activities from business courts. 24 April to 17 June: temporary moratorium on filings for bankruptcy. July & August: judicial summer recess.

² Declaration of bankruptcy by the company court.

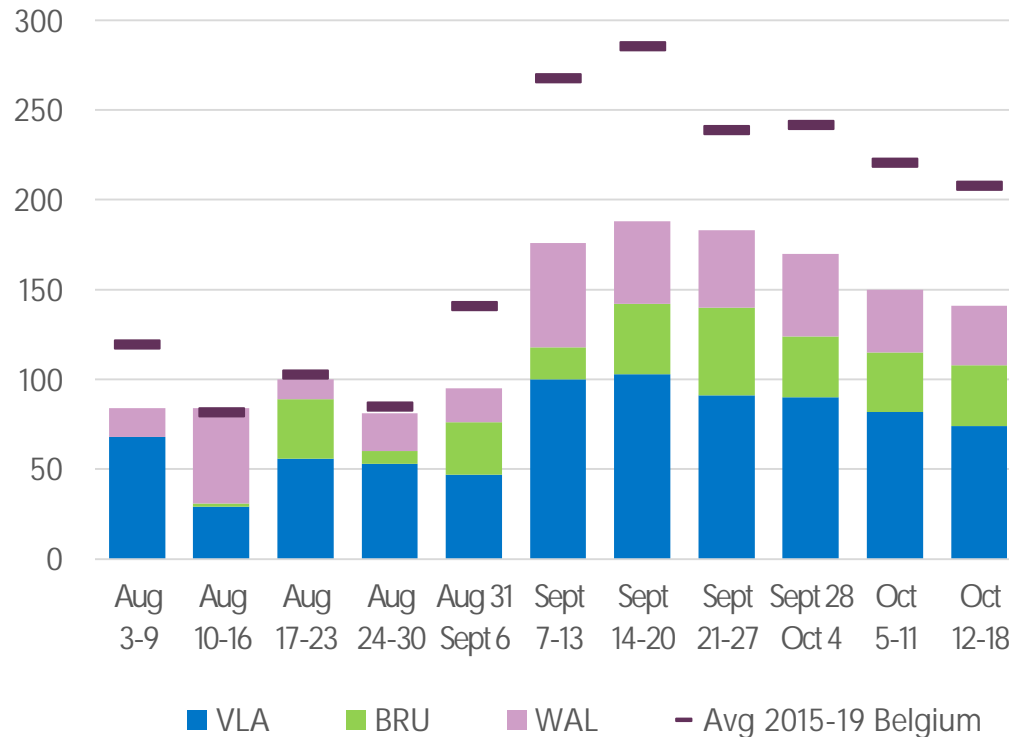
³ Such as the deferment of payment of social security contributions (until 15 December 2020) and of the annual company contribution (until 31 October 2020).

By mid-October weekly bankruptcies figures recede

... and are 1/3rd below their 2015-19 average

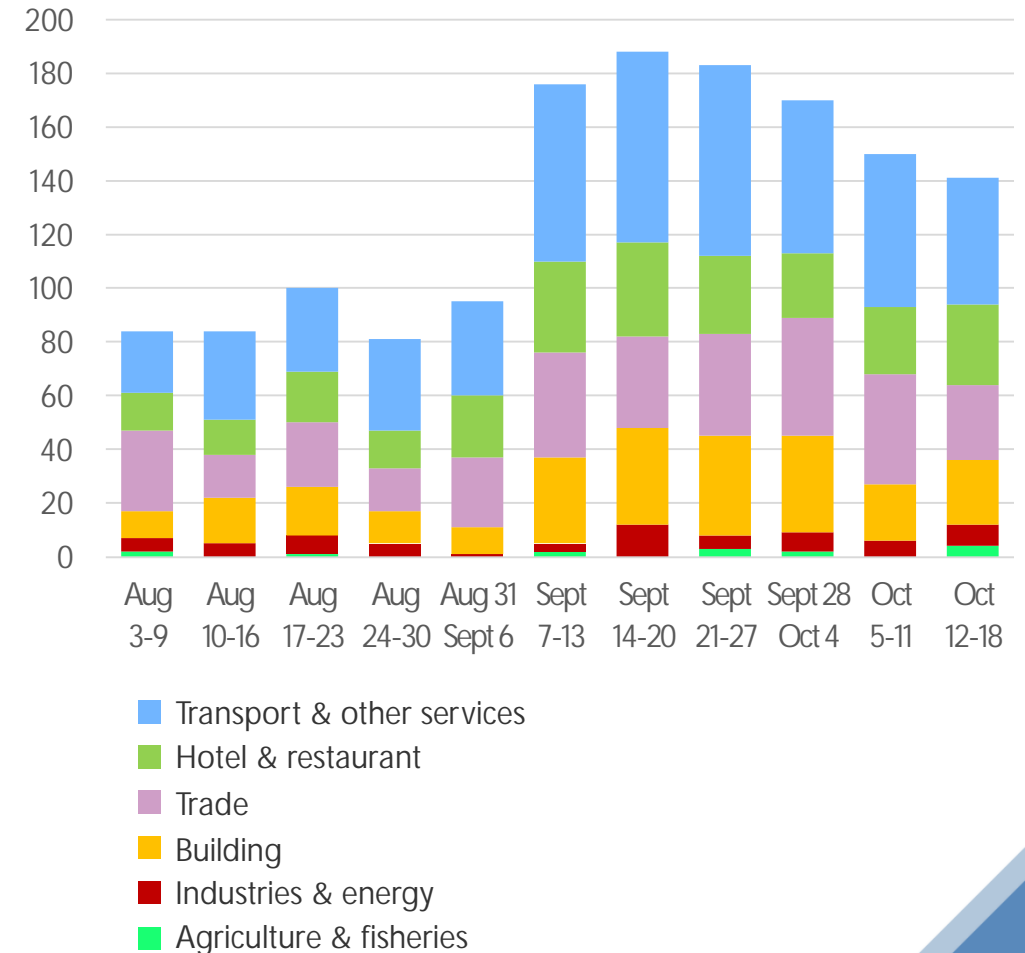
Bankruptcies¹

(# by region)

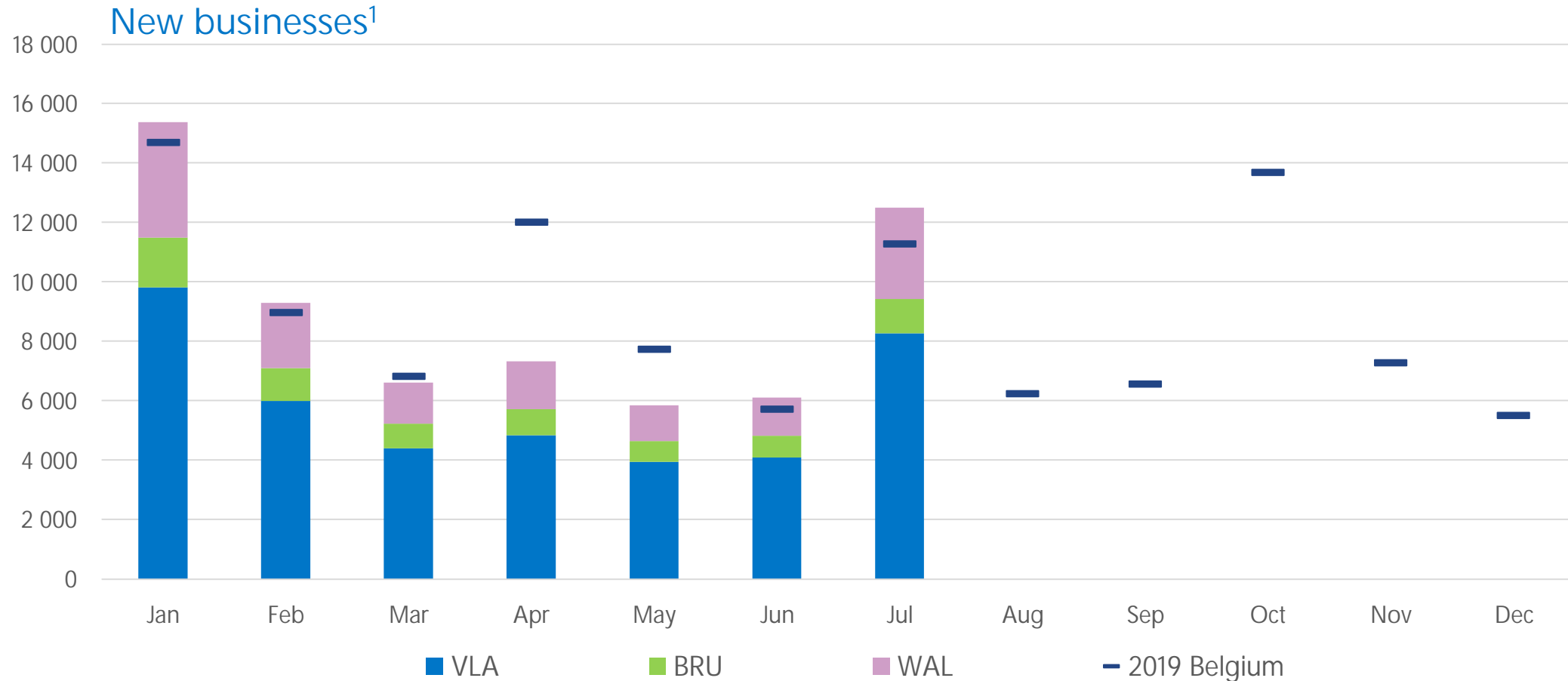


- ◆ Since August 31, the number of bankruptcies is 31 % below the 2015-19 average while in August, declared bankruptcies were close to it

(# by activity)



Significant number of business startups after three months marked by the lockdown





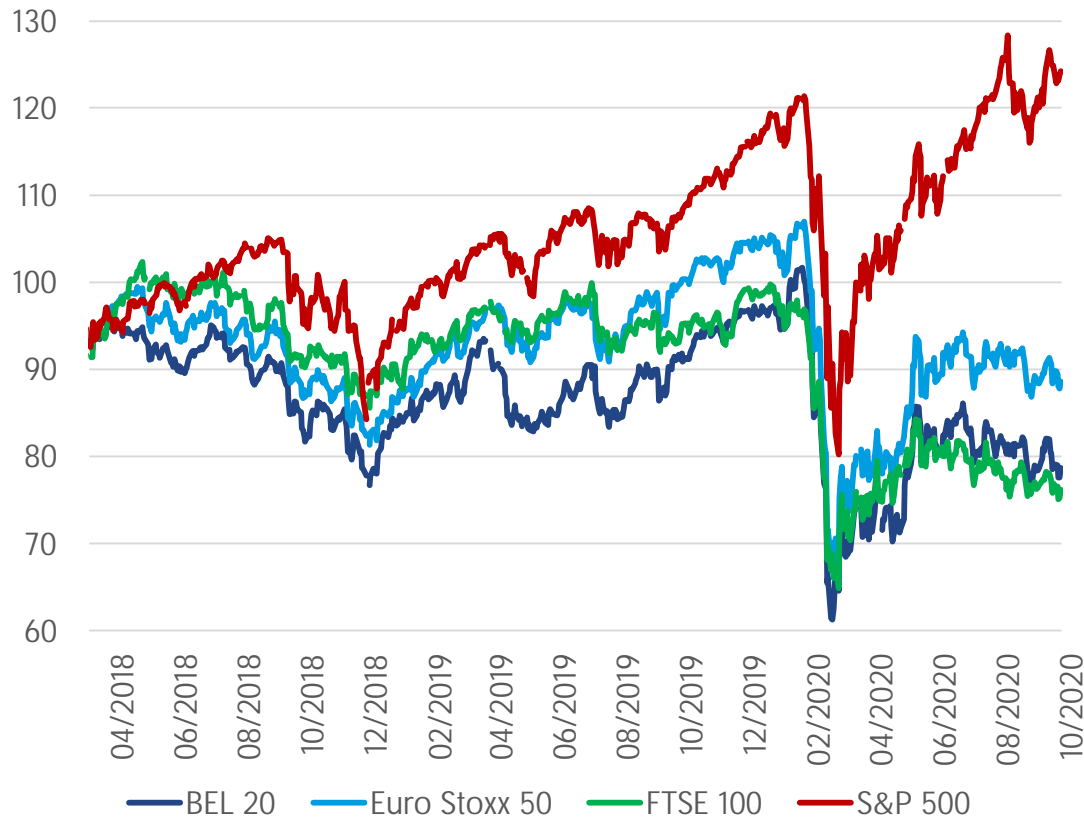
Financial markets

Financial markets are still affected by the pandemic

- ◆ Stock markets affected by patchy recovery and uneven evolution in equity returns, with some sectors performing better than others ...
- ◆ Volatility remains elevated in an uncertain environment. Markets remain sensitive to both positive and negative news, such as vaccine breakthroughs, advances on US fiscal stimulus talks, but also rise in Covid-19 cases and mobility restrictions, new policy announcements and Brexit

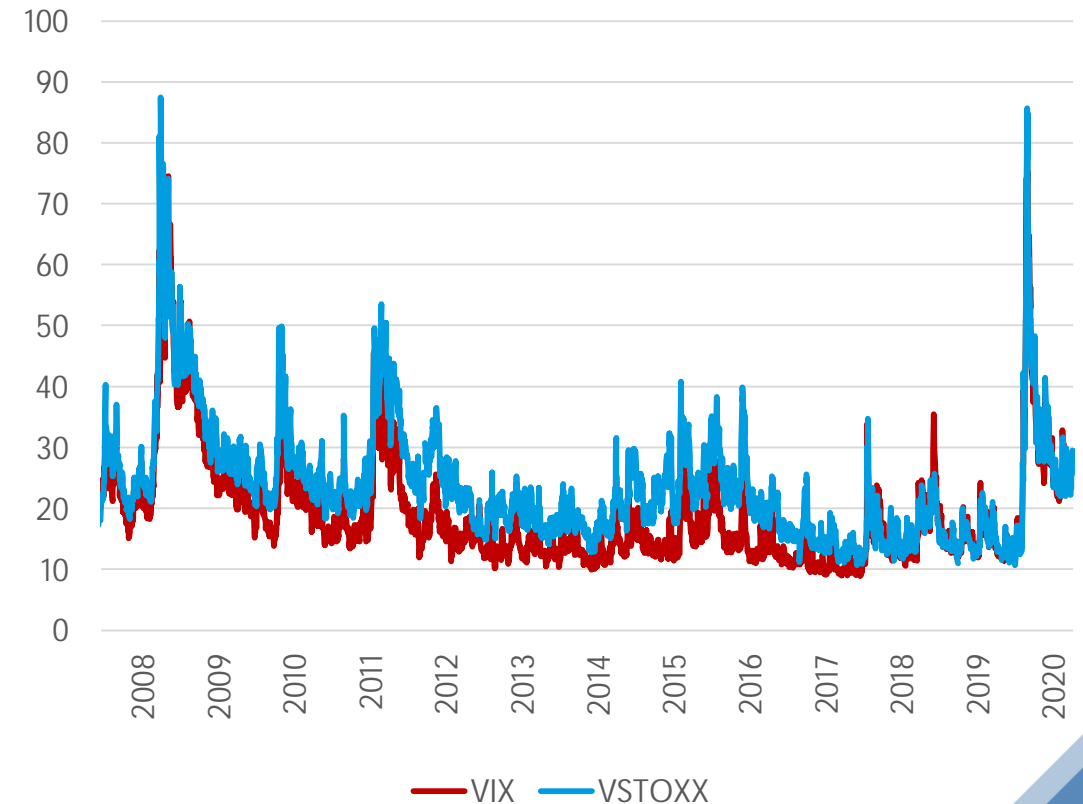
Major stock market indices

(01/2018=100)



Implied stock market volatility

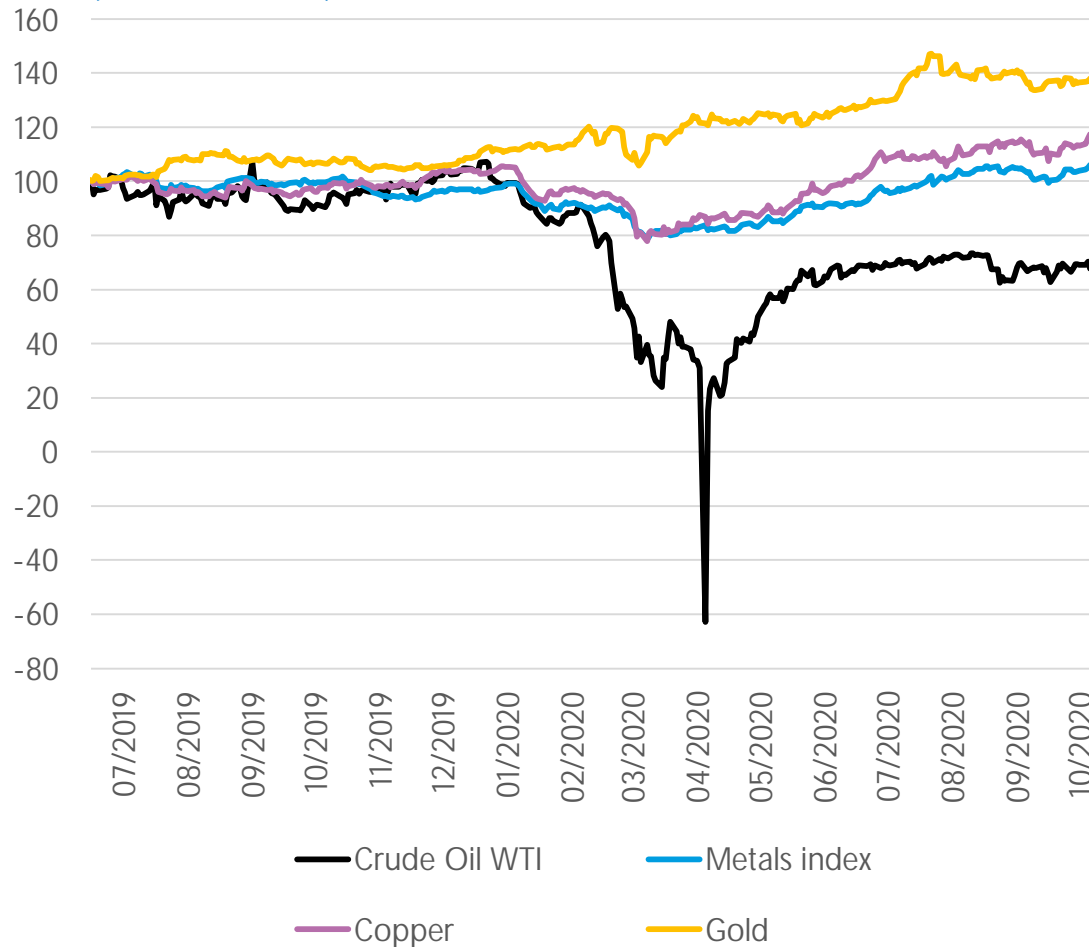
(in %)



Oil price fell while gold price remains elevated

Commodity price indices

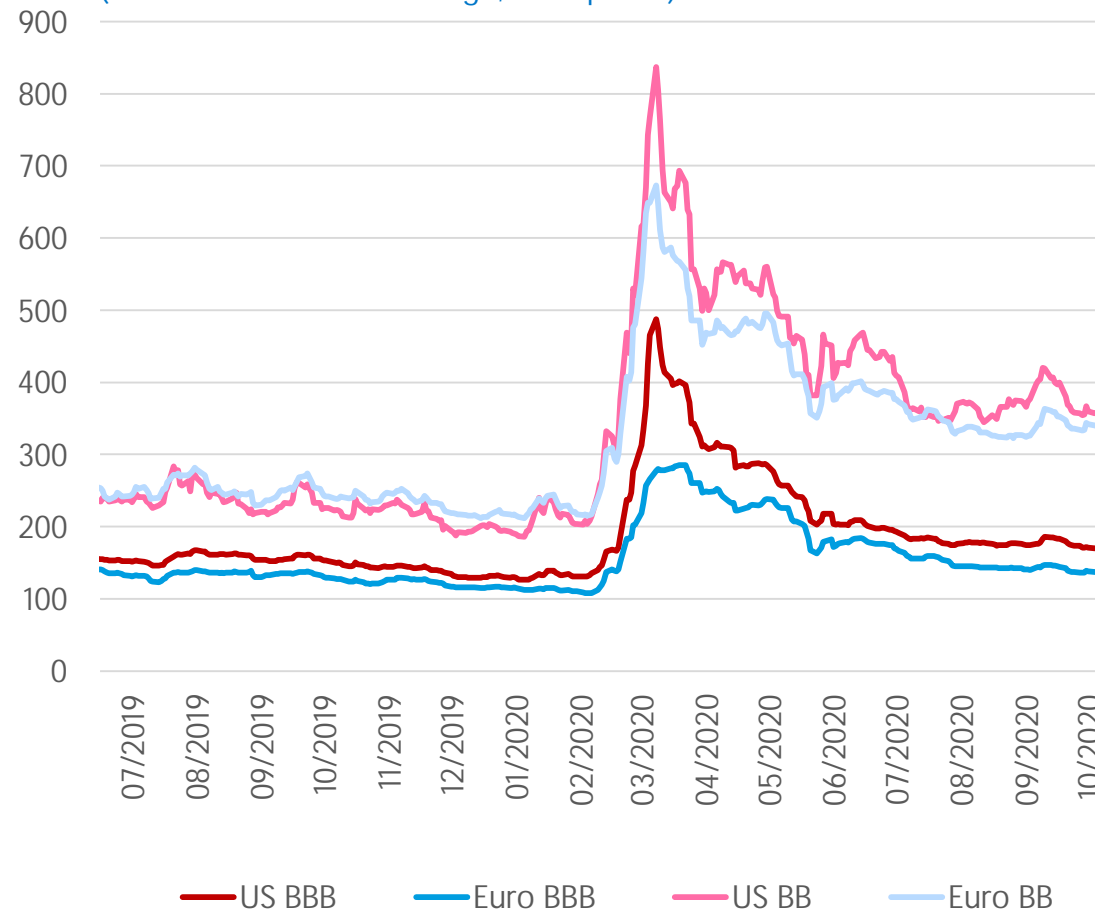
(01/07/2019 = 100)



- ◆ Oil demand recovery is losing steam, due to (among other factors) low global mobility, while OPEC+ cuts are set to gradually ease. Lately, several members have produced more than their respective quotas
- ◆ Gold price remains high in an uncertain environment, stabilising slightly below its highest level in August due to signs of weakening demand
- ◆ Copper price increased with Chinese demand and supply disruptions (from Chile)

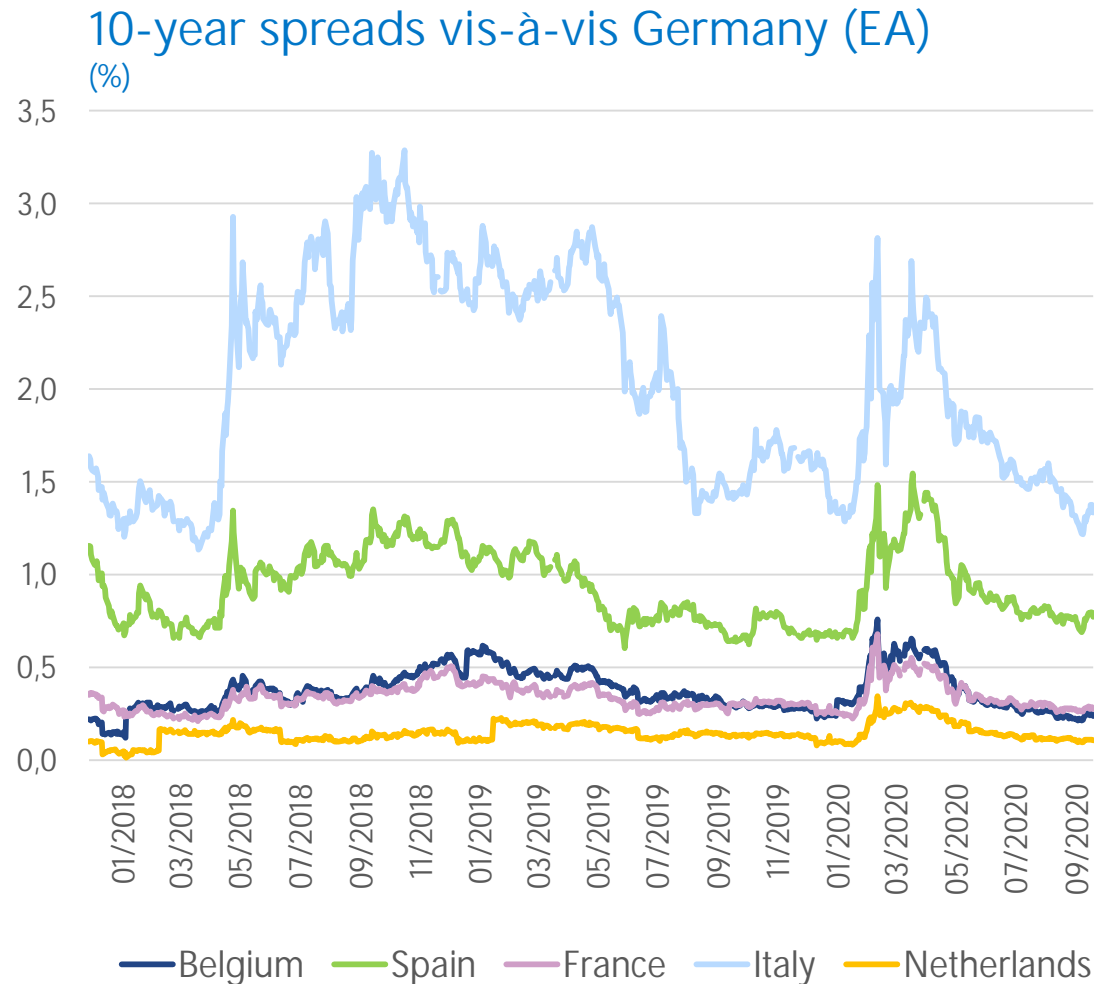
Corporate spreads still above their pre-crisis level for the most vulnerable companies

Corporate bond spreads (€ or \$ denominated)
(Difference vis-à-vis sovereign, basis points)



- ◆ Despite episodes of renewed uncertainty related to the sanitary and economic prospects, spreads eased gradually since late March, helped by supportive monetary and fiscal policies
- ◆ After a temporary surge related to uncertainty over the pace of the recovery in the US and euro area, corporate spreads recently eased following improved earnings reports for the third quarter

Sovereign bond spreads trending downwards



- ◆ Sovereign spreads now closer to their pre-crisis levels
- ◆ Recent resurgence in Covid cases, new rounds of lockdown restrictions and their potential (budgetary) consequences may be behind the recent rise in IT and SP spreads.

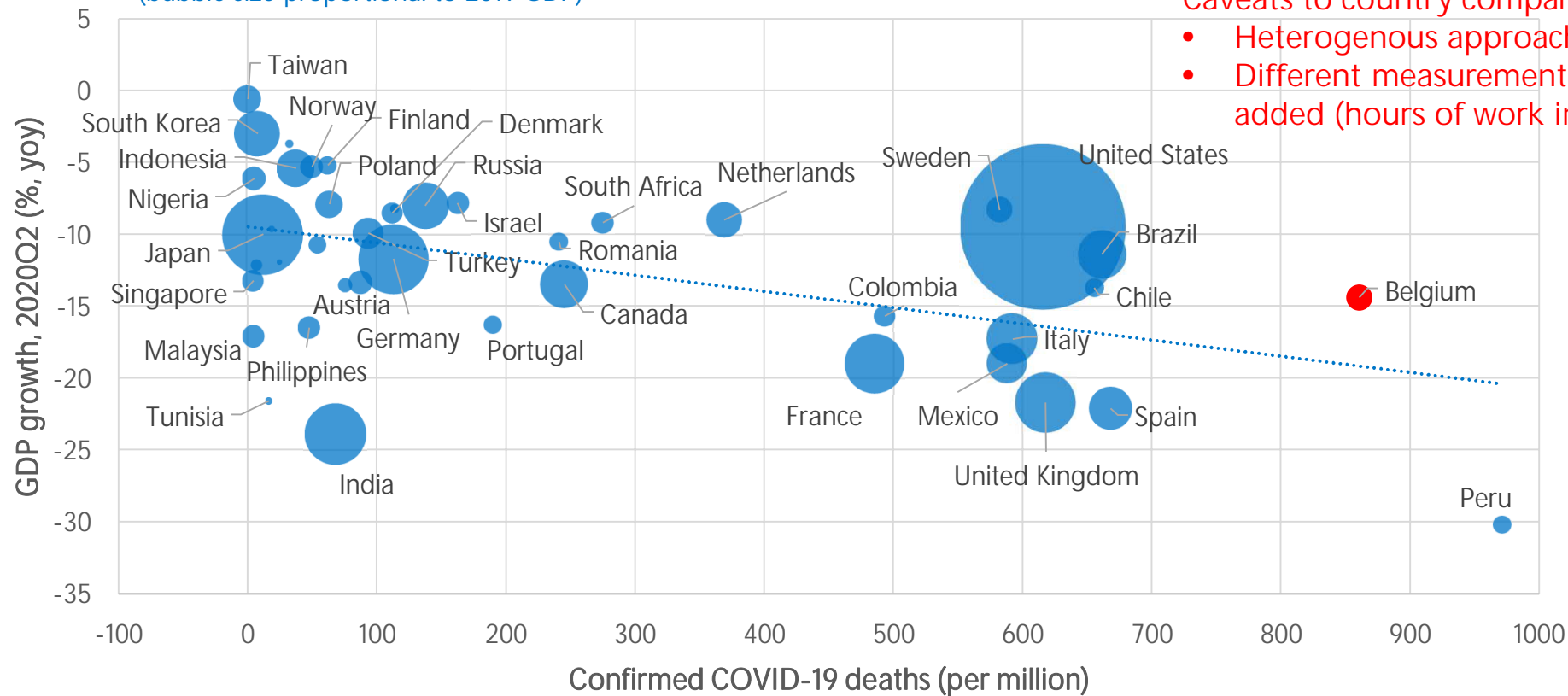
The background of the slide features a light blue gradient with several stylized, semi-transparent images of coronavirus particles. These particles are spherical with prominent, irregular spikes protruding from their surfaces. One large particle is centered in the upper half of the slide, while several smaller, out-of-focus particles are scattered in the foreground and background, creating a sense of depth.

International outlook

The great dive: the harder the sanitary shock, the deeper Q2 GDP contraction

Economic decline in 2020Q2 vs confirmed COVID-19 deaths¹

(bubble size proportional to 2019 GDP)



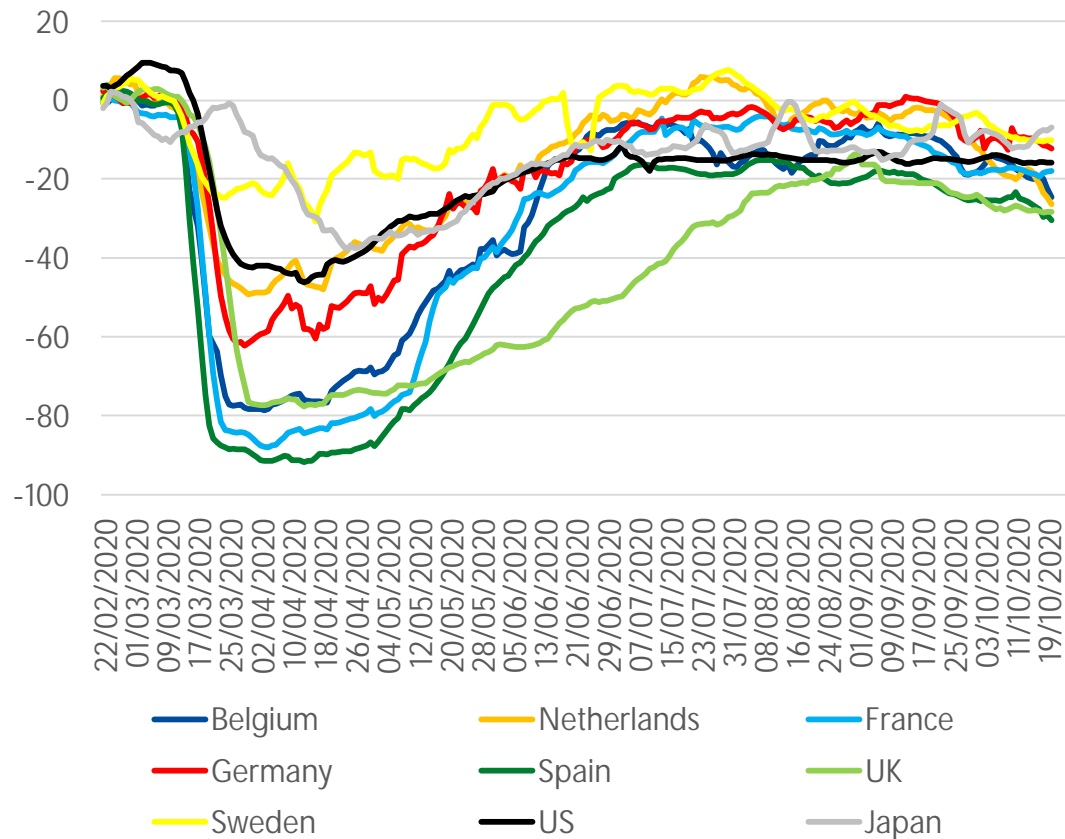
Caveats to country comparisons:

- Heterogenous approaches to COVID death count.
- Different measurement of public sector value added (hours of work in FR, UK vs. wages in DE).

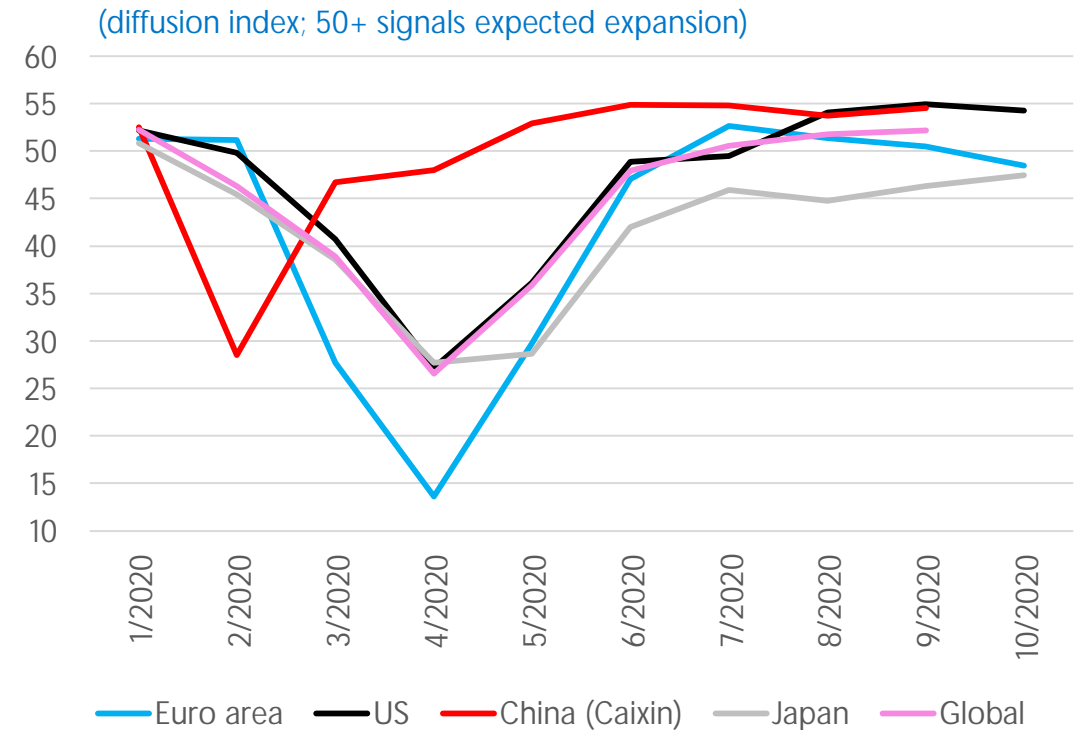
Rebound hinges on epidemiologic dynamics

Fear of virus, mobility and economic activity

Google retail and recreation mobility trend¹
(% change from pre-COVID-19 baseline; 7-day moving average)



Composite Purchasing Manager Index – new orders
(diffusion index; 50+ signals expected expansion)

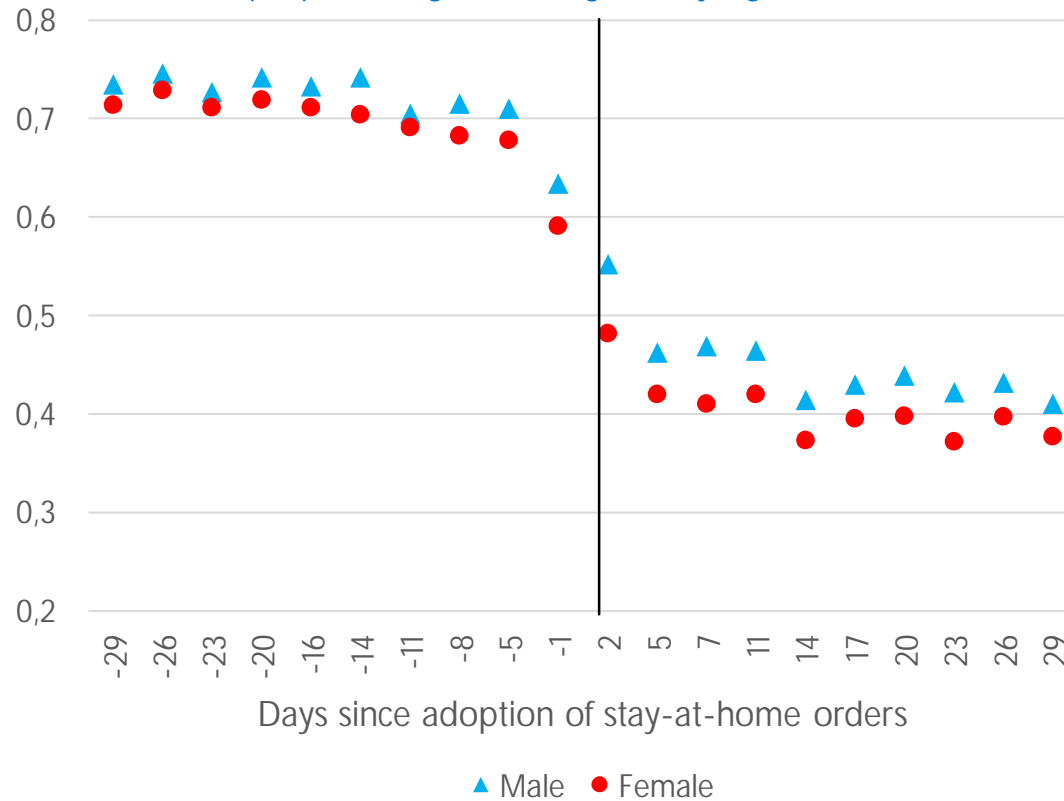


Unequal: impact of lockdowns by gender and age group

Women and younger workers were relatively more affected in March-May

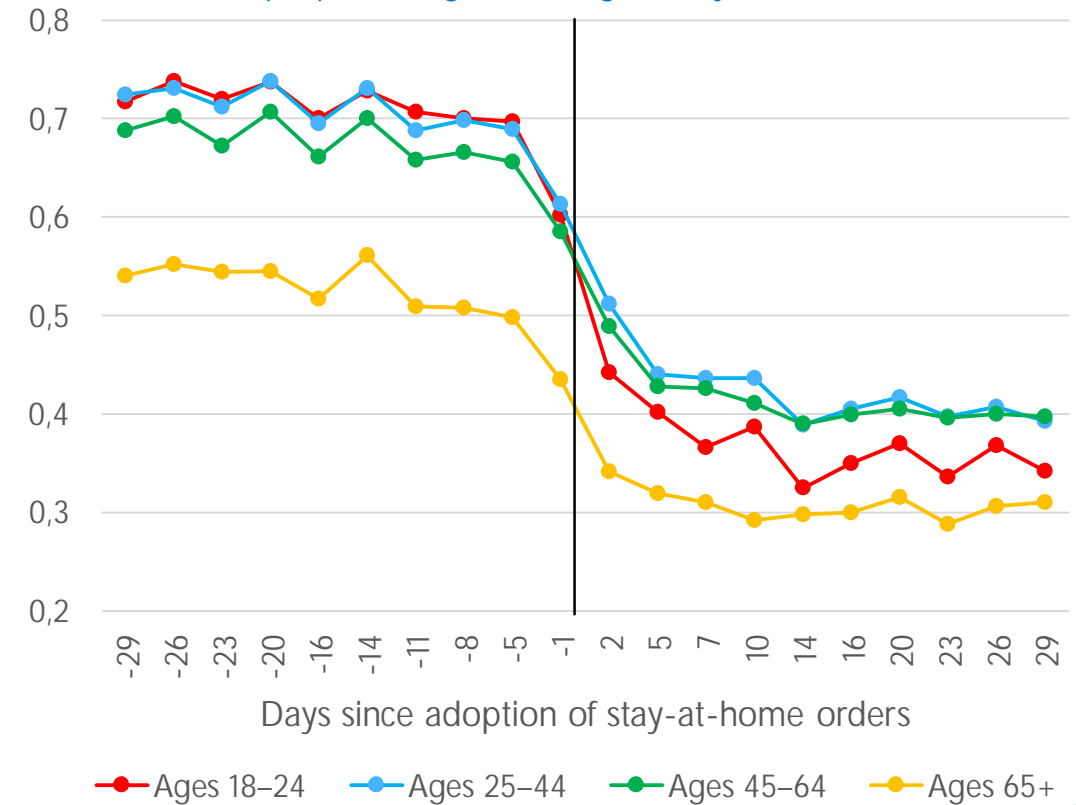
Italy, Portugal, Spain: Mobility around time of stay-at-home orders, by gender¹

(fraction of people leaving home on given day; ages 25-44)



Italy, Portugal, Spain: Mobility around time of stay-at-home orders, by age group¹

(fraction of people leaving home on given day)



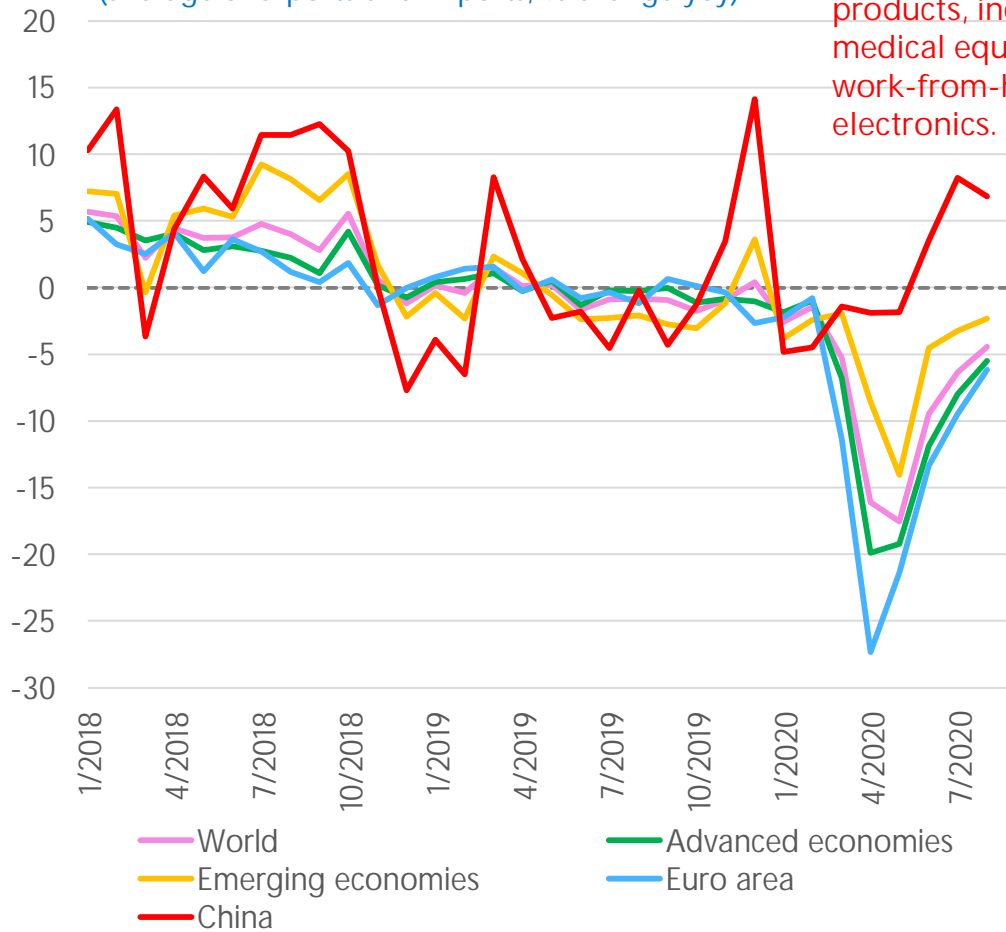
Sources: IMF calculations based on Vodafone data.

¹ Underlying mobile phone data from Italy, Portugal and Spain is aggregated at the provincial level. The dots shown represent mean values (by gender or age group) calculated within 20 equally sized time intervals. They are obtained from event study regression with the mobility data (the fraction of Vodafone customers leaving their home on a given day) as the dependent variable and including province and day-of-week dummies. The post-stay-at-home-order difference between men and women is statistically significant. For more details, see IMF WEO October 2020, Chapter 2 + online Annex.

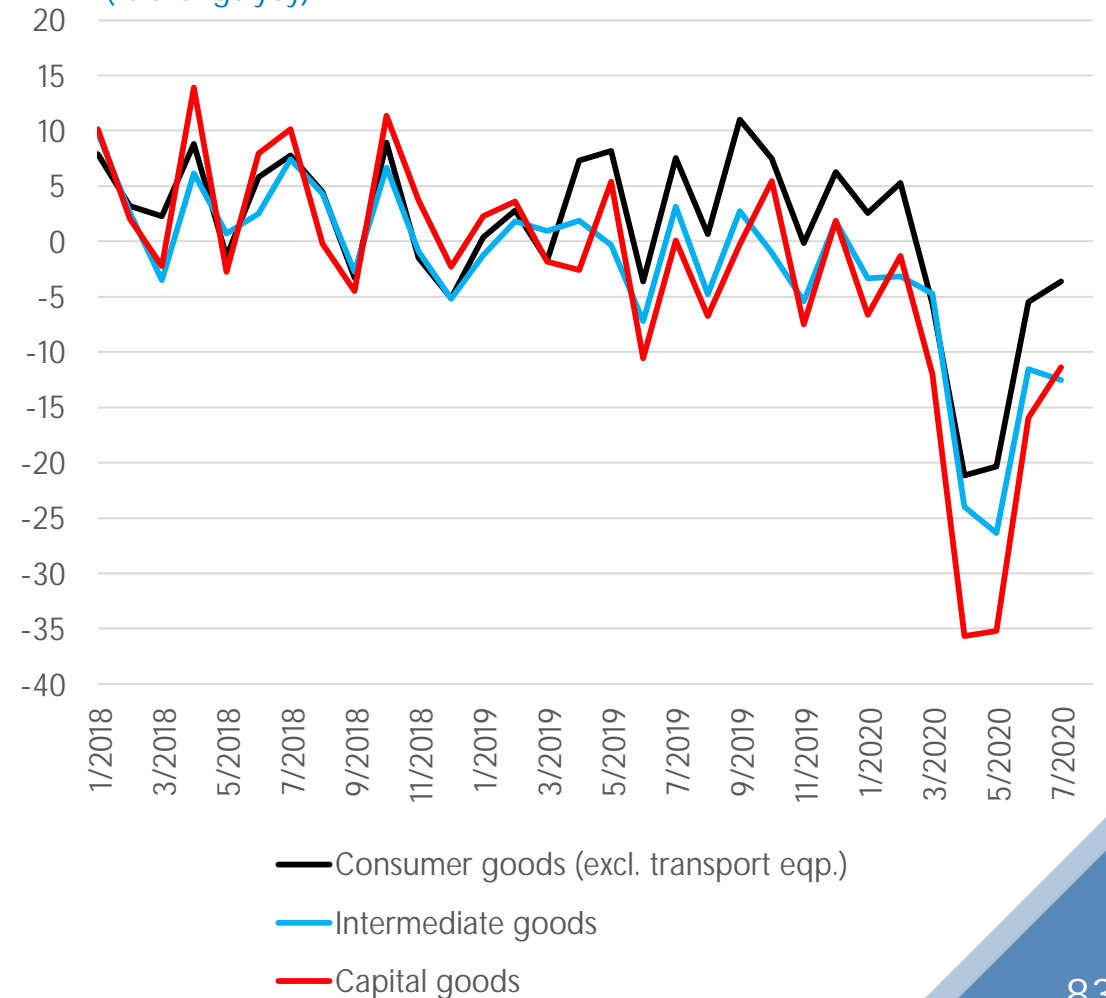
World trade

Towards a protracted repair of global value chains?

World goods trade volumes¹
(average of exports and imports, % change yoy)

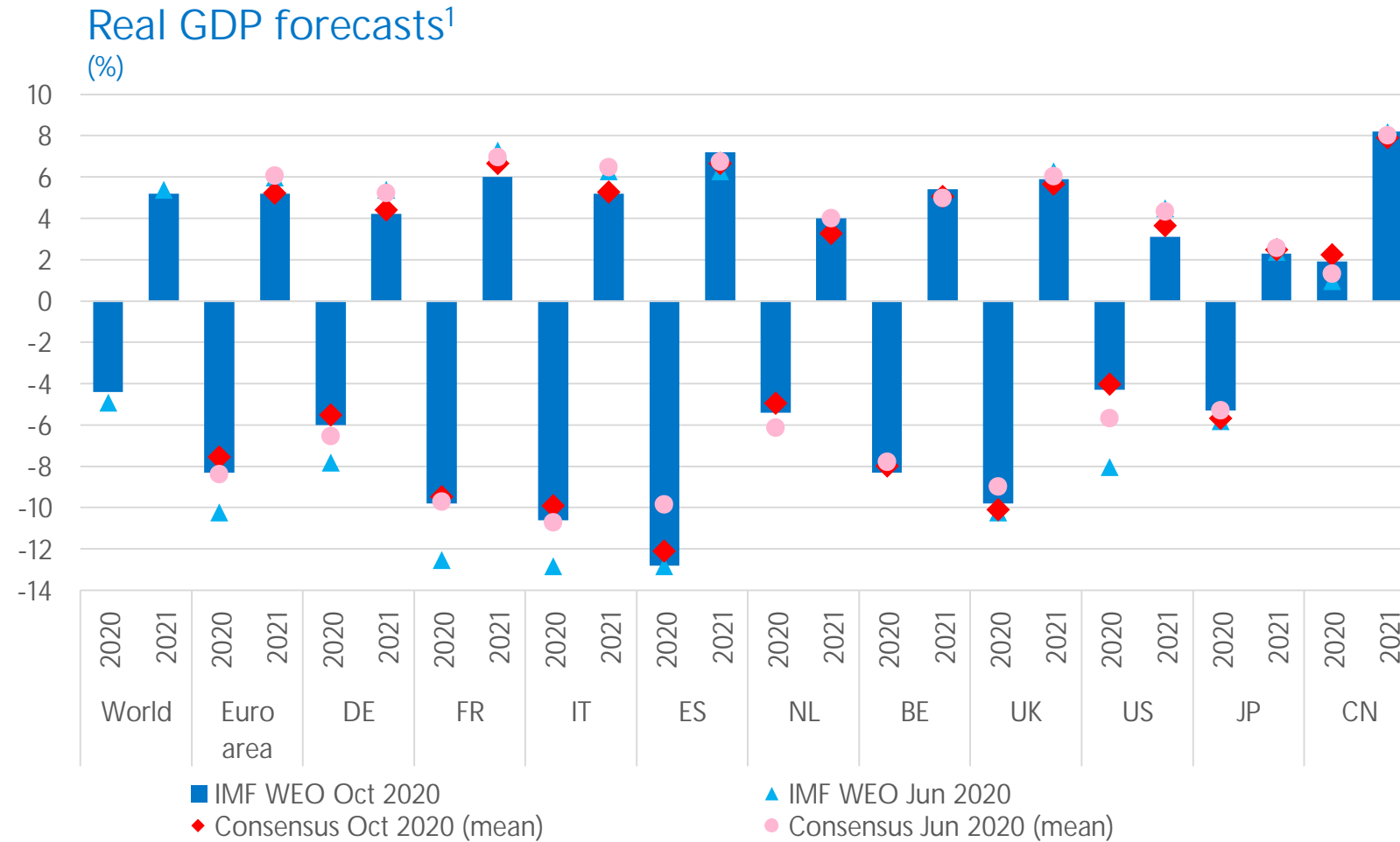


Euro area: extra-EA-19 goods export volumes²
(% change yoy)



Forecasts for 2020/2021

Is the bottom shallower than expected in June?

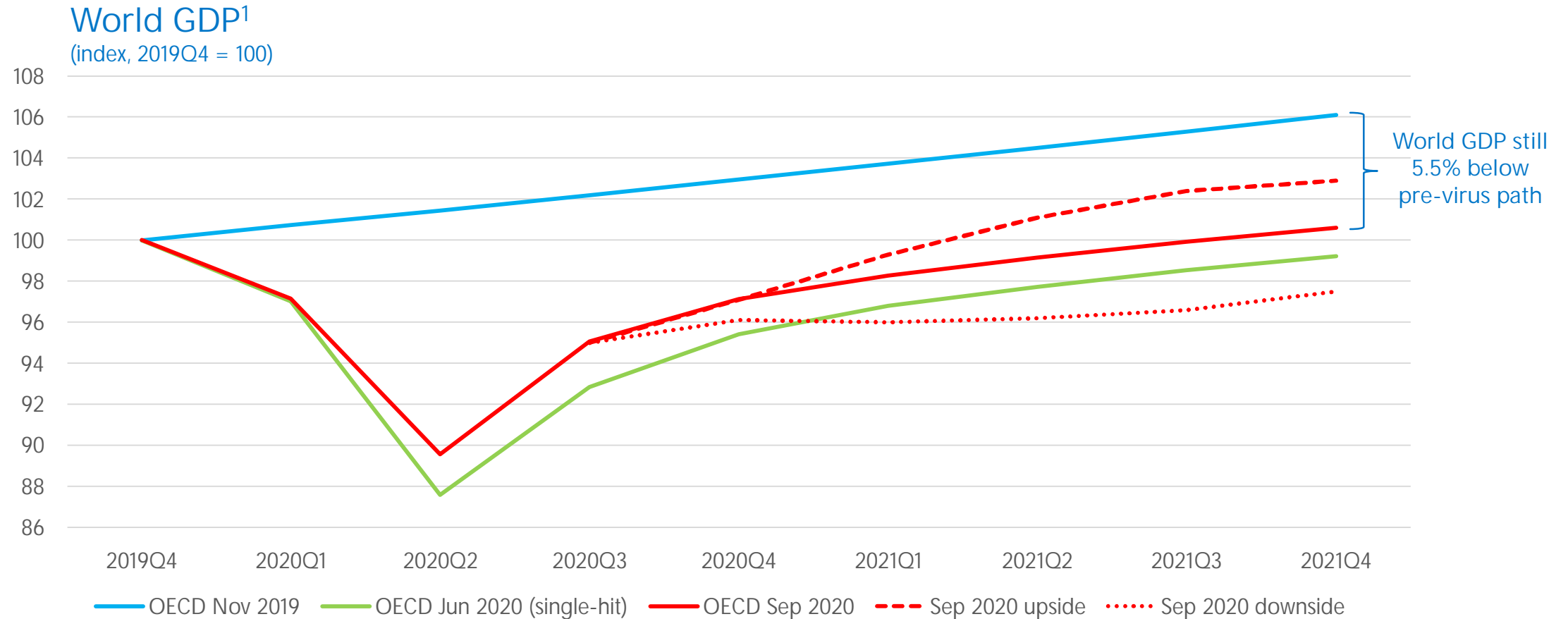


Upward revisions since June reflect:

- ◆ Massive deployment of emergency measures
- ◆ Faster than expected recovery in some sectors, incl. consumption of durable goods (pent-up demand), and in China
- ◆ Absence of new broad-based lockdowns (for now)

World economy

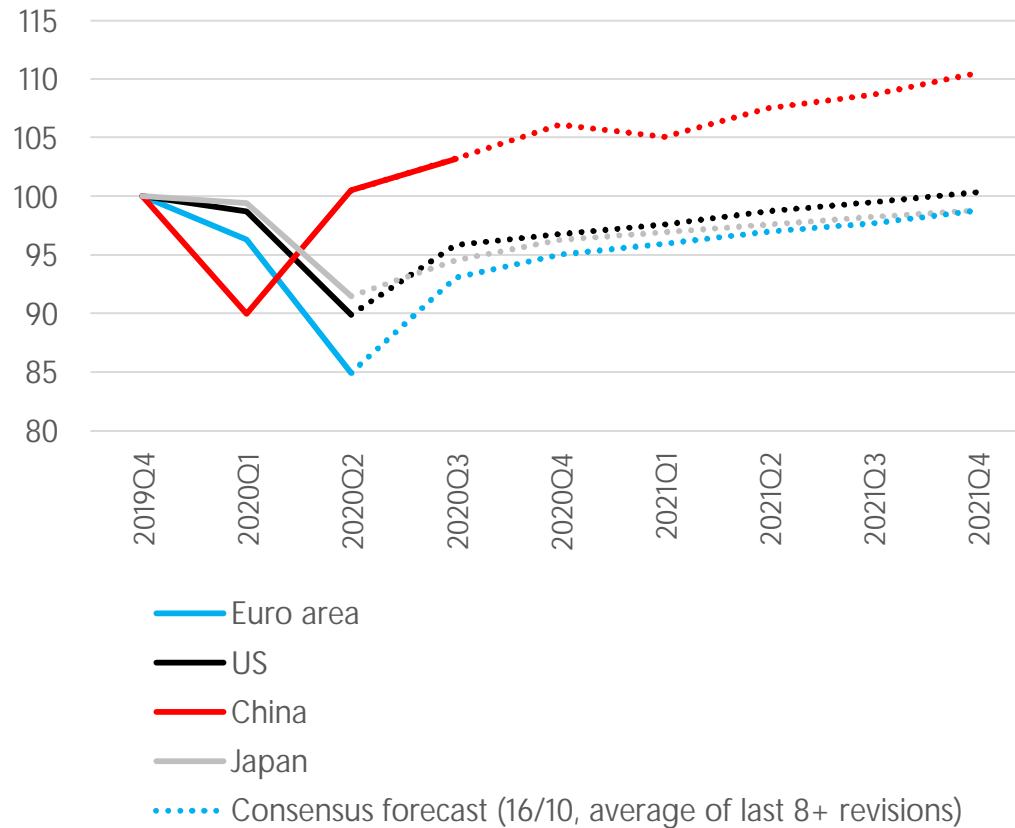
Bottoming out along an uncertain path



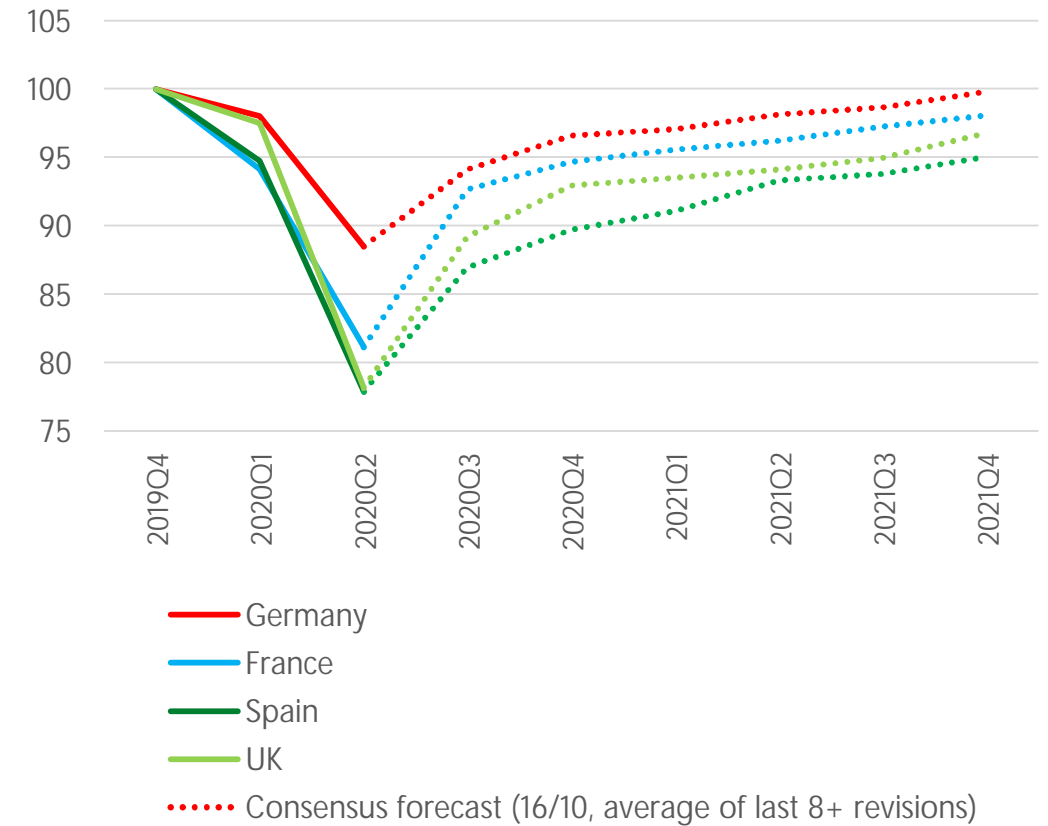
Expected recovery

Variations across countries

Major blocs: Real GDP¹
(index, 2019Q4 = 100)

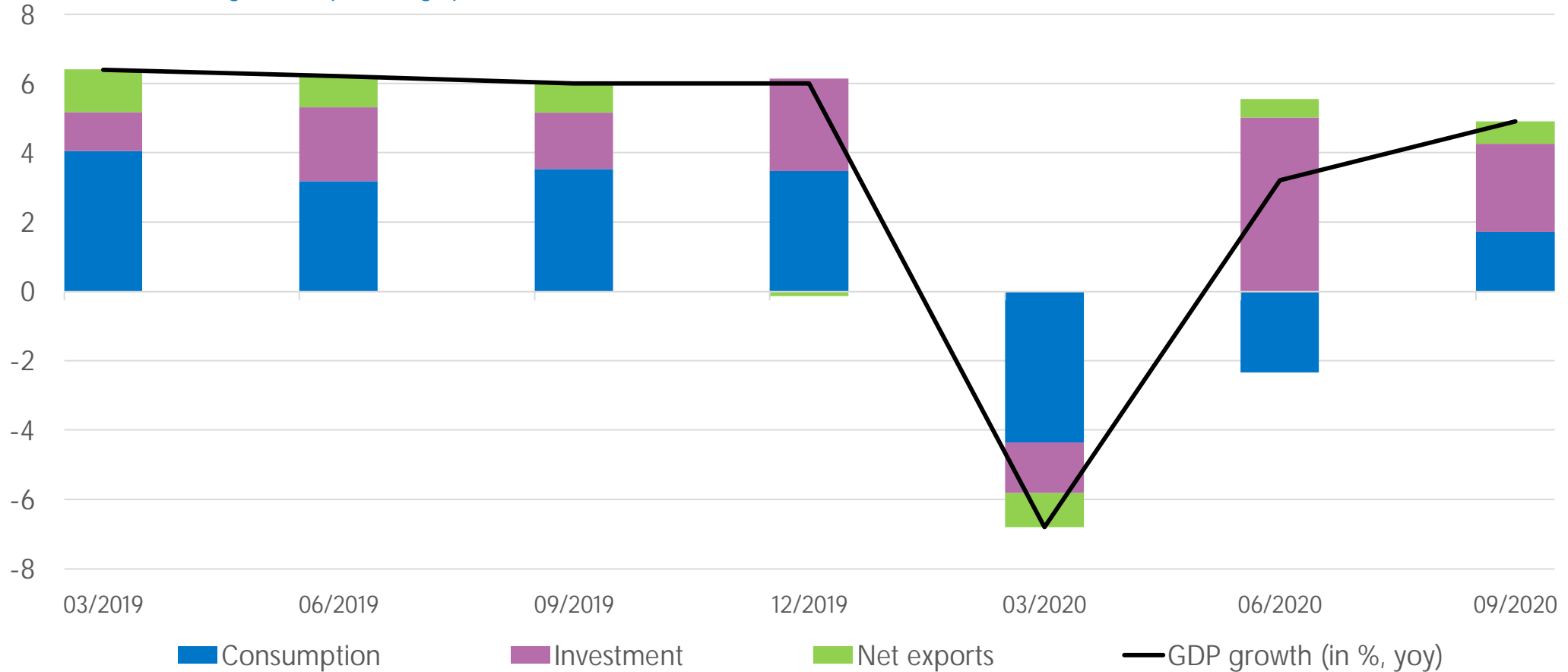


Selected European countries: Real GDP¹
(index, 2019Q4 = 100)



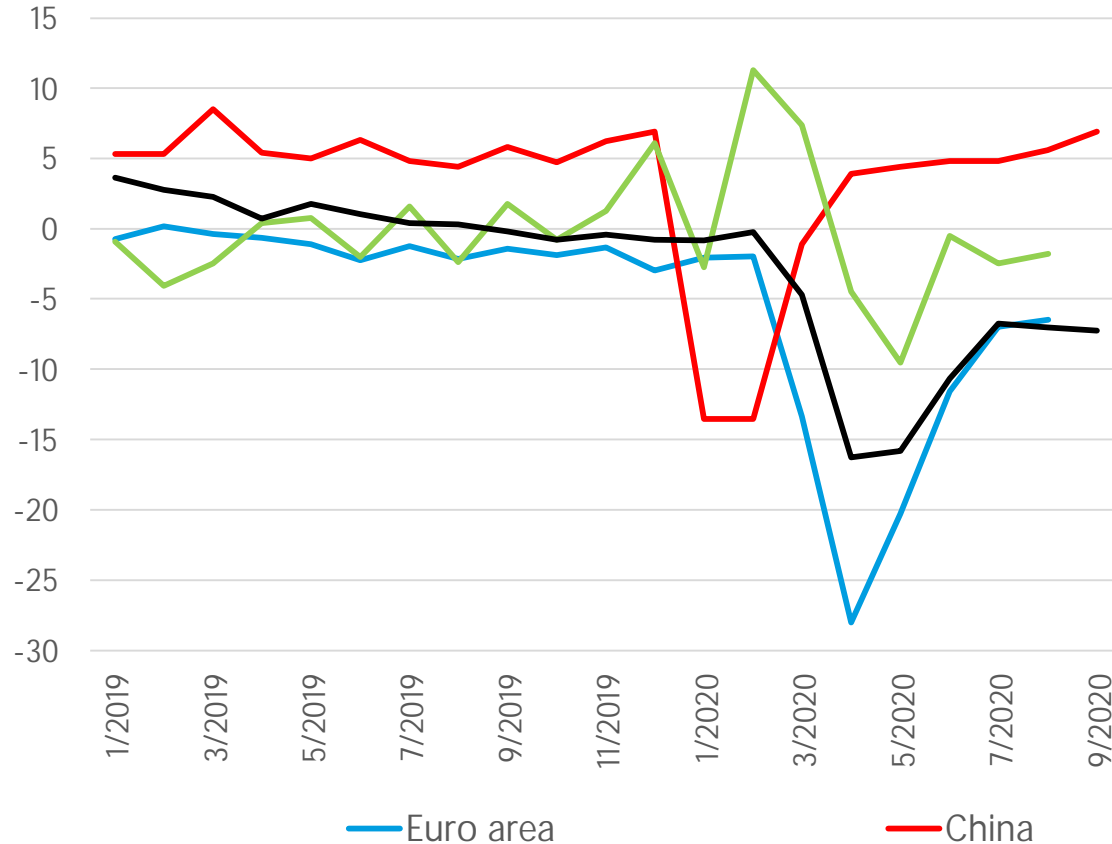
China seems to engineer a V-shaped recovery

Investment-driven growth, while private consumption improves
(contribution to growth in percentage points)

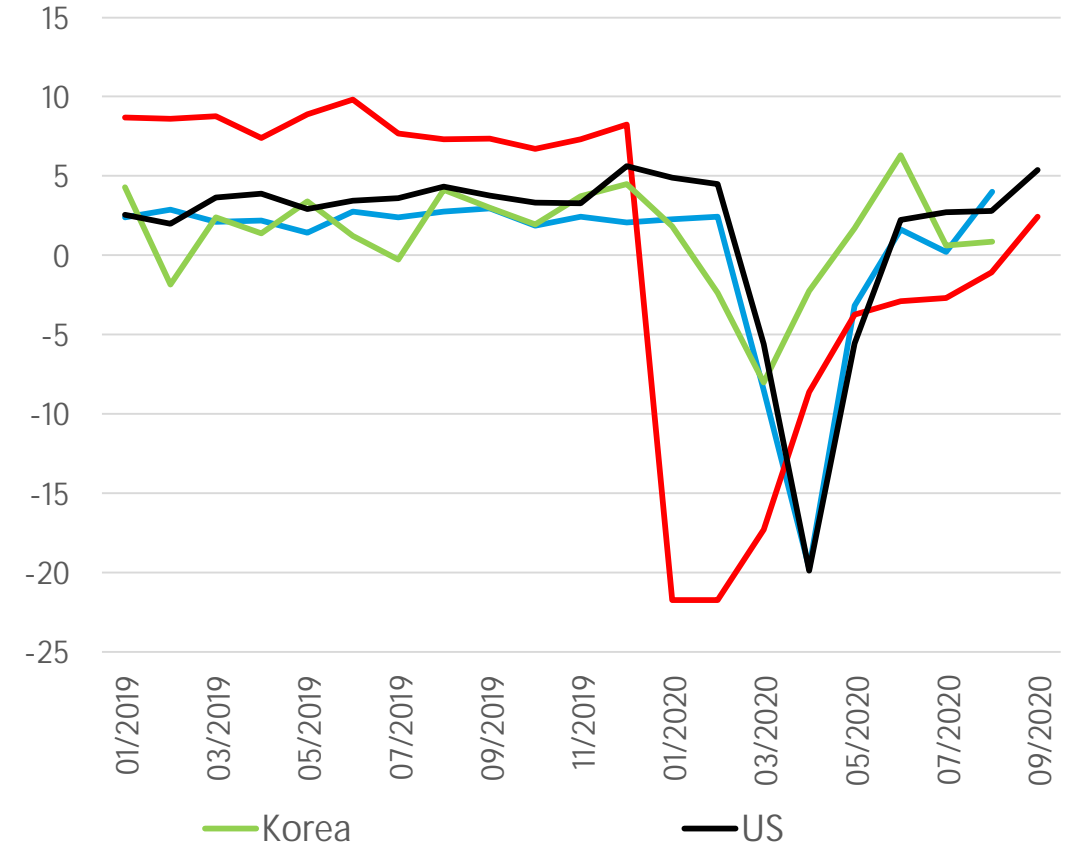


China vs the rest: more resilient supply, more hesitant demand?

Industrial production
(% change, yoy)



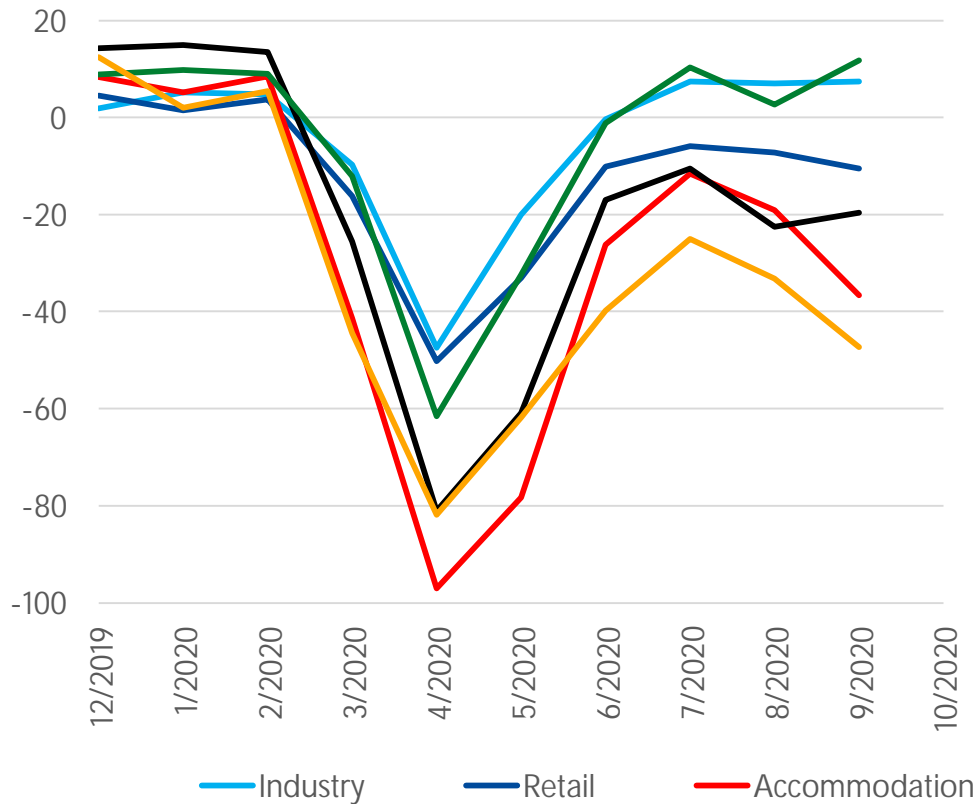
Retail sales
(% change, yoy)



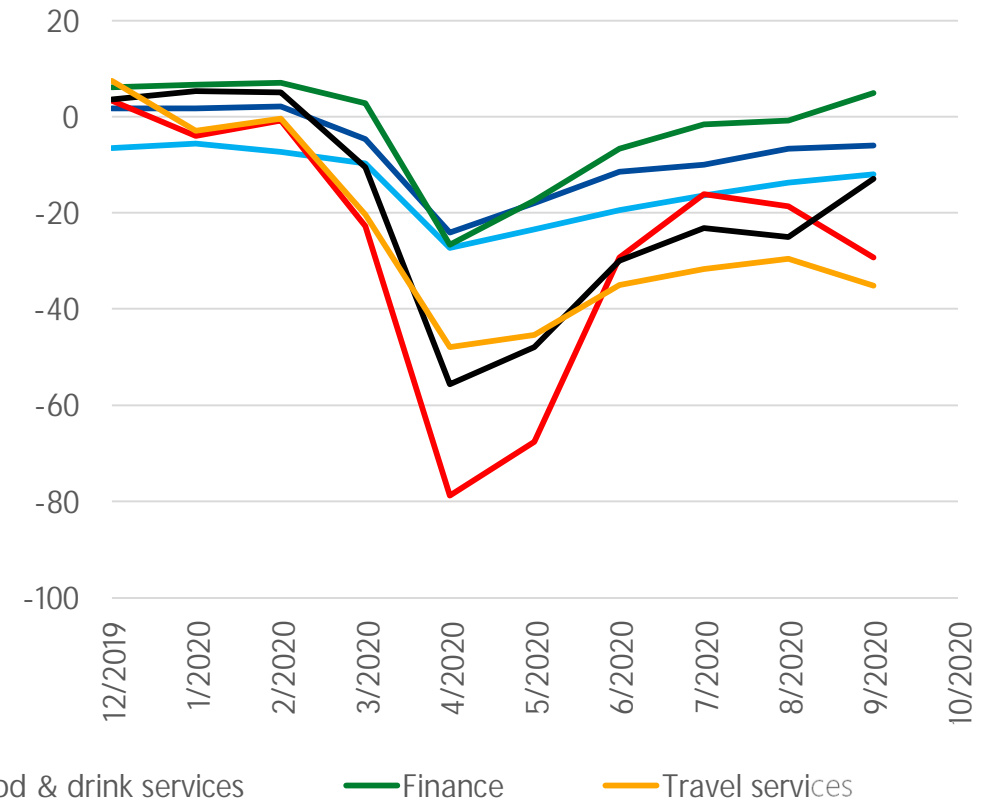
Euro-Area: K-recovery in the making?

Heterogeneity across sectors: V for some, long-lasting scars for others

Euro Area: Demand expectations
(balance of firms; expectations over next 3 months)



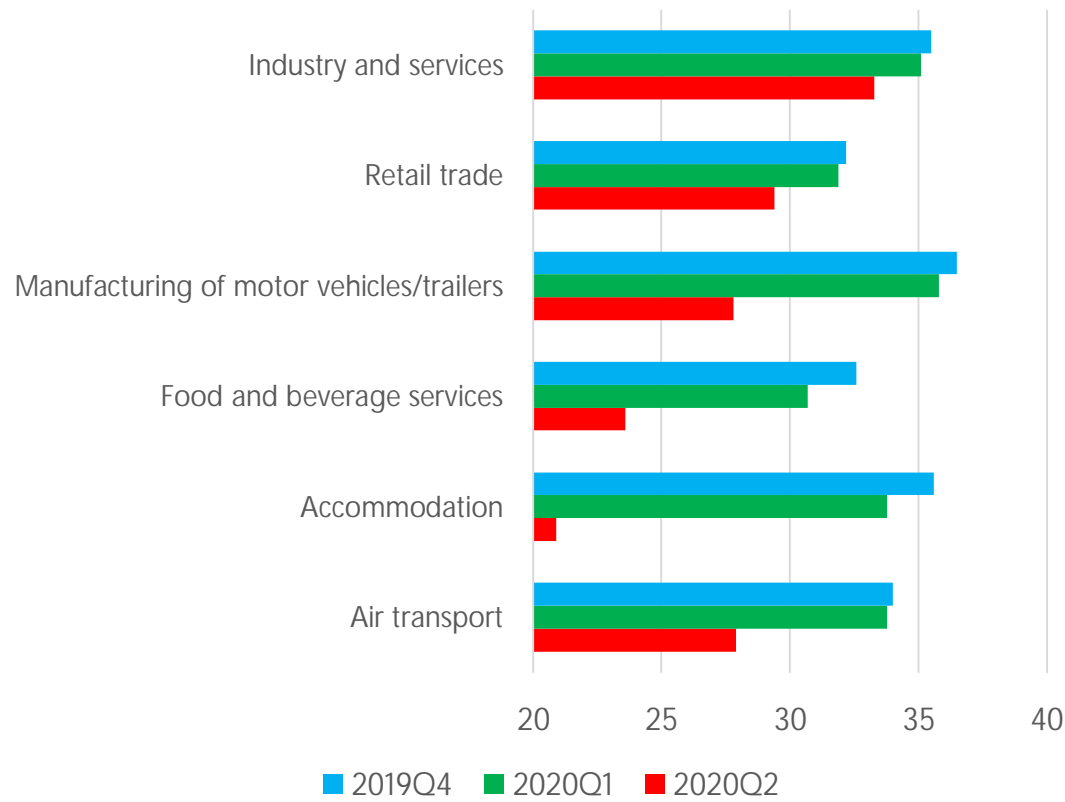
Euro Area: Employment expectations
(balance of firms; expectations over next 3 months)



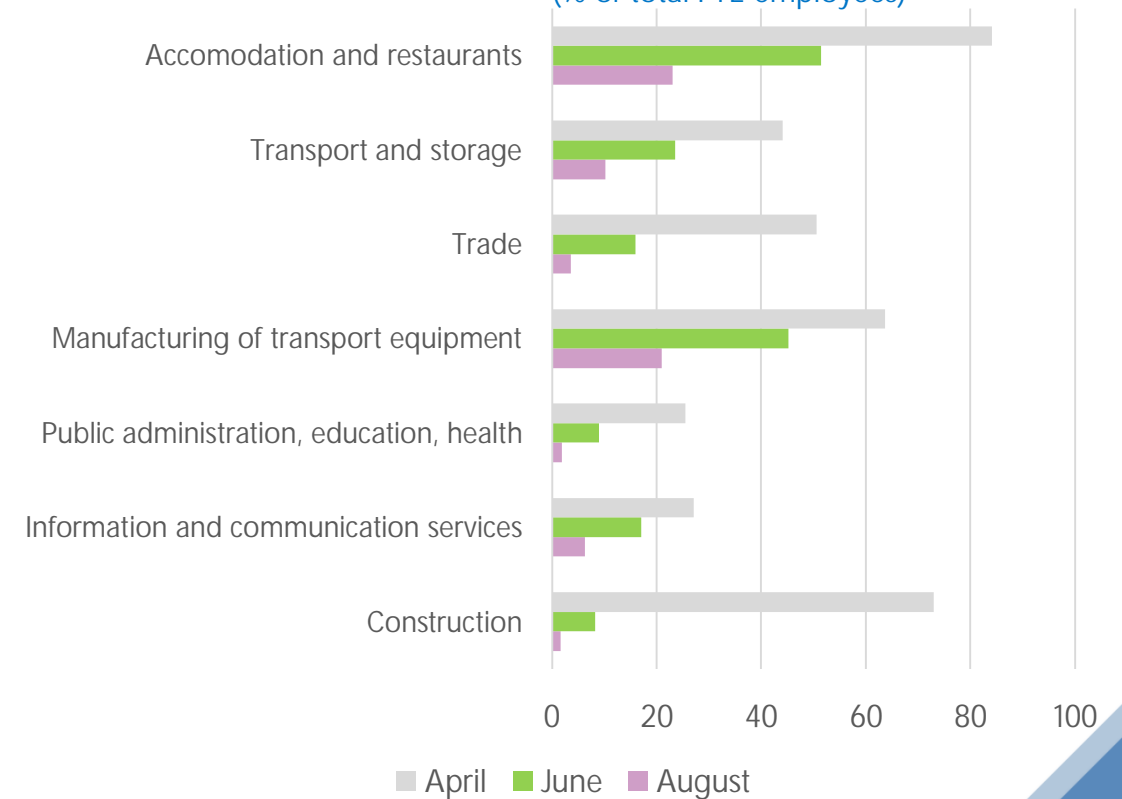
Euro Area: K-recovery in the making?

Labour market view ... paving the way for sectoral reallocations?

Germany:
Average weekly paid
working hours



France:
Share of employees in
temporary unemployment
(% of total FTE employees)



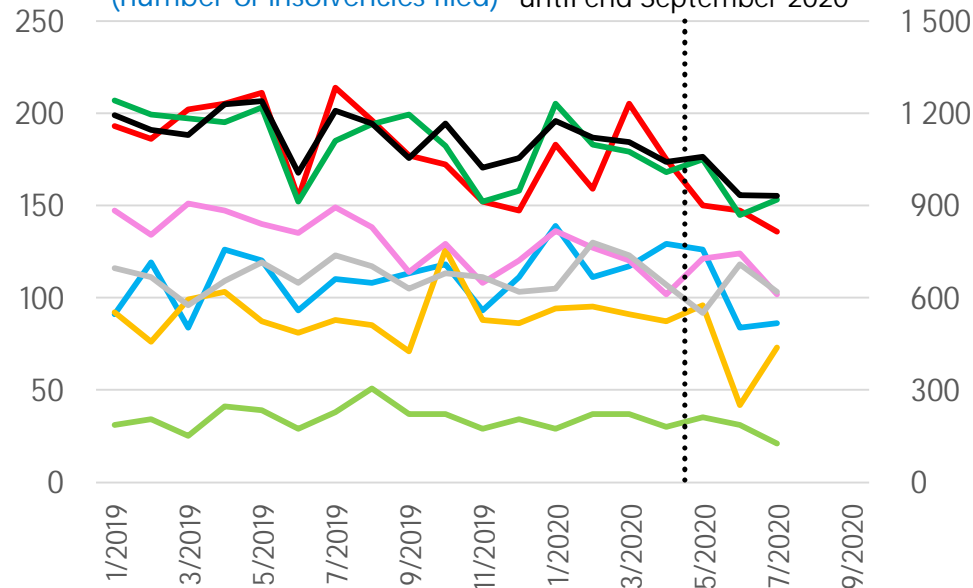
Euro Area: Zombification or creative destruction?

Too early to tell as temporary measures protect against destruction

Germany: Company insolvency proceedings

(number of insolvencies filed)

Obligation to file for insolvency suspended until end September 2020

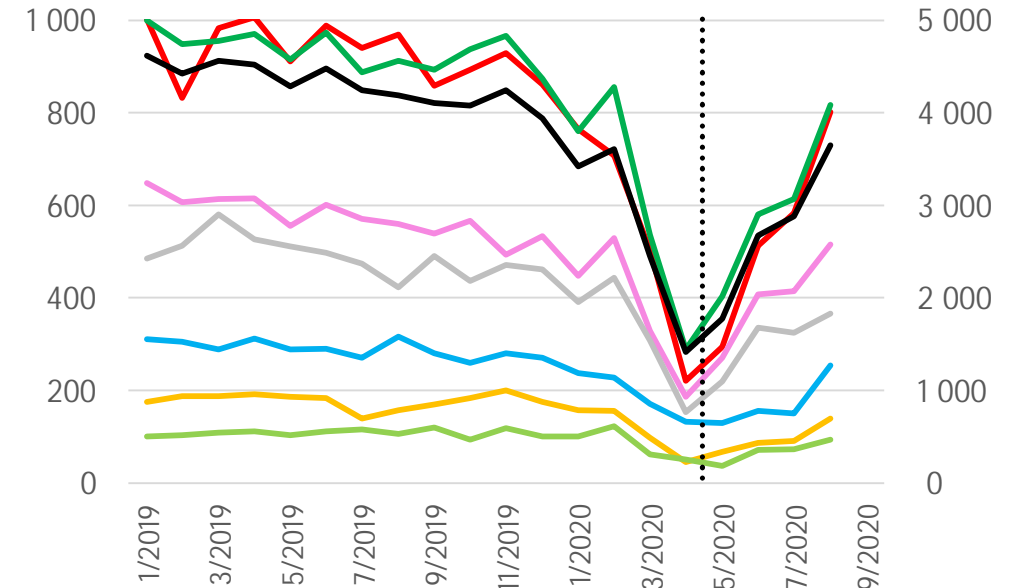


- Manufacturing
- Construction
- Wholesale, retail trade, repair of motor vehicles
- Transport and storage
- Accommodation and restaurants
- Information and communication services
- Business support services
- All sectors (right-hand scale)

France: Company failures

(number of legal entities, seasonally and working day-adjusted)

Obligation to file for insolvency suspended until end August 2020



- Industry
- Construction
- Sale, maintenance and repair of motor vehicles
- Transport and storage
- Accommodation and restaurants
- Information and communication services
- Business support services
- All sectors (right-hand scale)

The background of the slide features a large, detailed, and somewhat translucent image of a virus particle, likely representing the COVID-19 virus, centered behind the text. The virus has a spherical shape with numerous spike-like protrusions on its surface. The overall color scheme is light blue and white, with a subtle grid pattern.

NBB online surveys in cooperation with the Microsoft Innovation Center

NBB Survey on impact on households' income

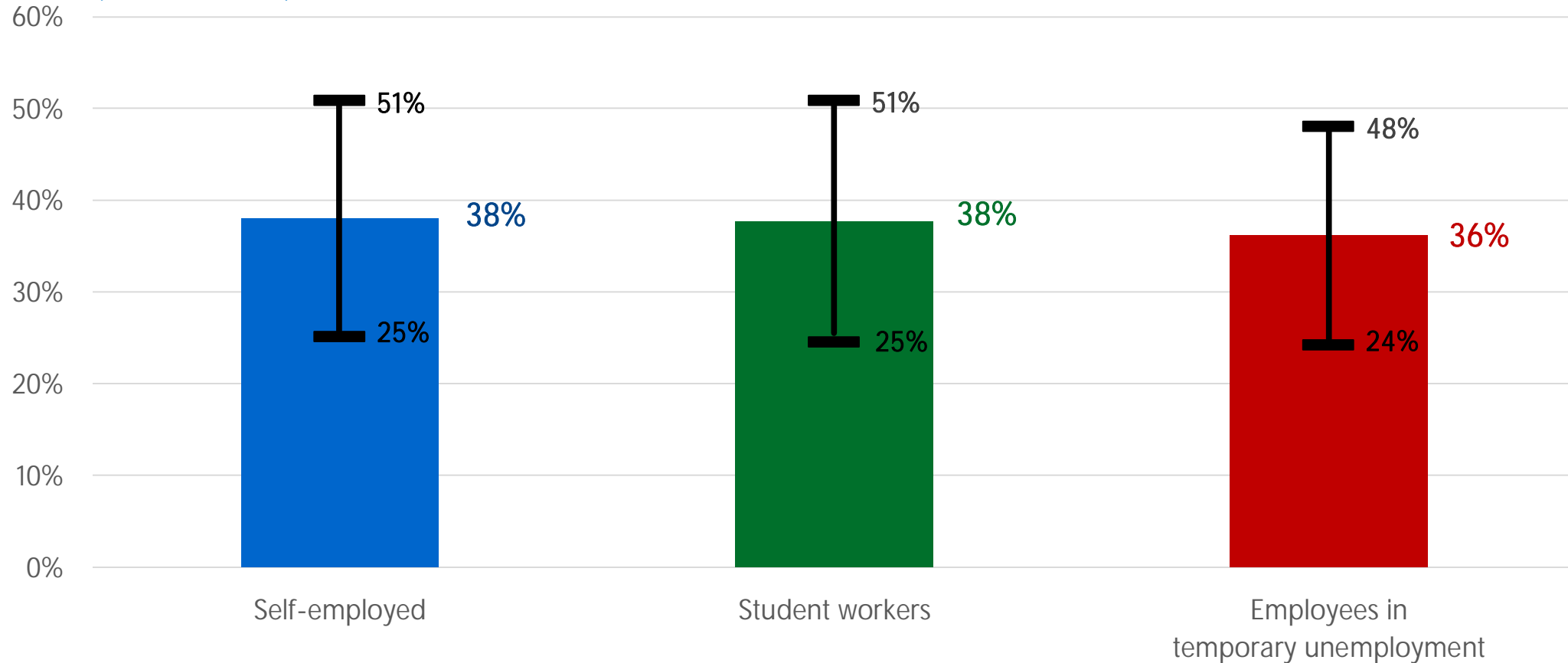
7-24 May

[Press release](#)



Large average income losses for specific groups

Average loss of income by job categories
(households losses)

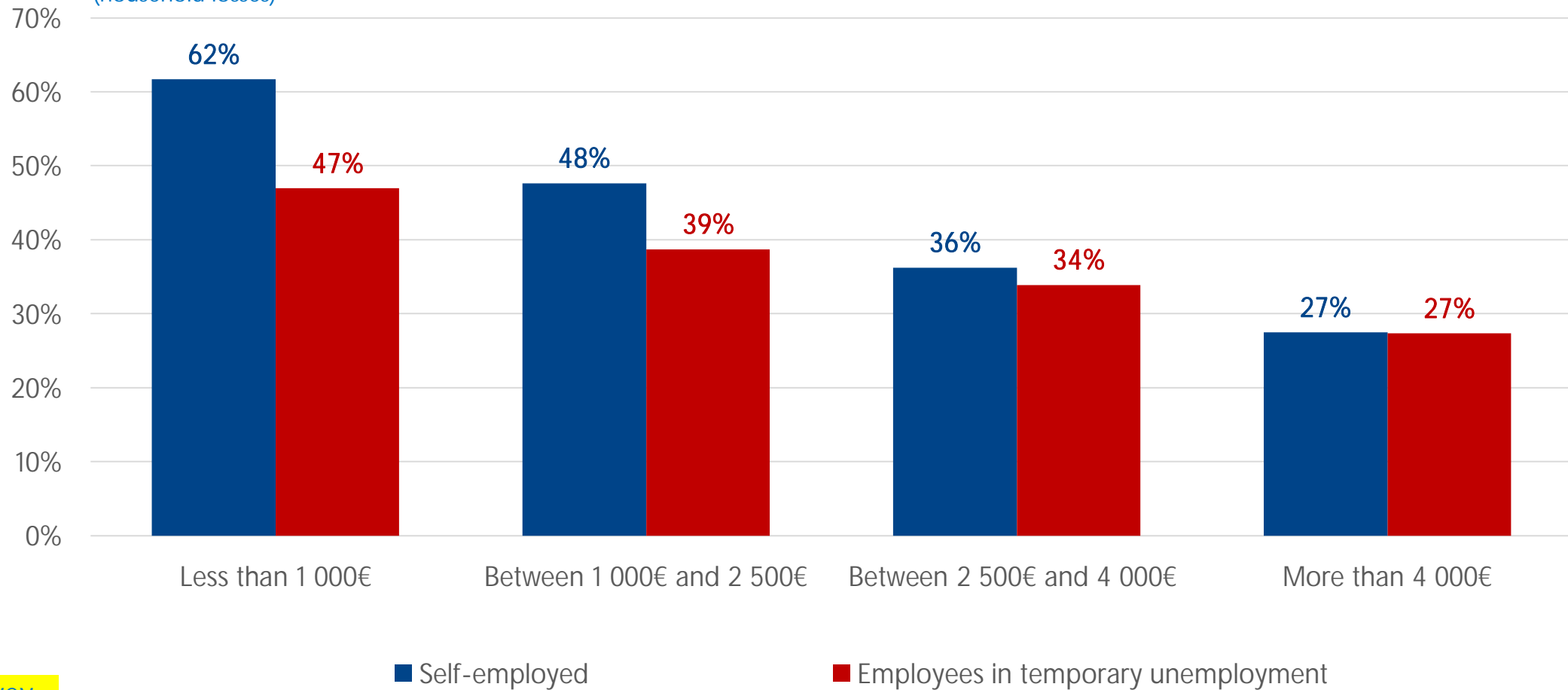


- ◇ Average levels based on midpoints of income intervals in replies
- ◇ p.m. Margins of uncertainty due to replies in terms of ranges

Survey
7-24 May

Low-income households suffer higher relative income losses

Average loss of income by (monthly) net income ranges and job categories
(household losses)



Survey
7-24 May

NBB Survey on changes in consumer patterns

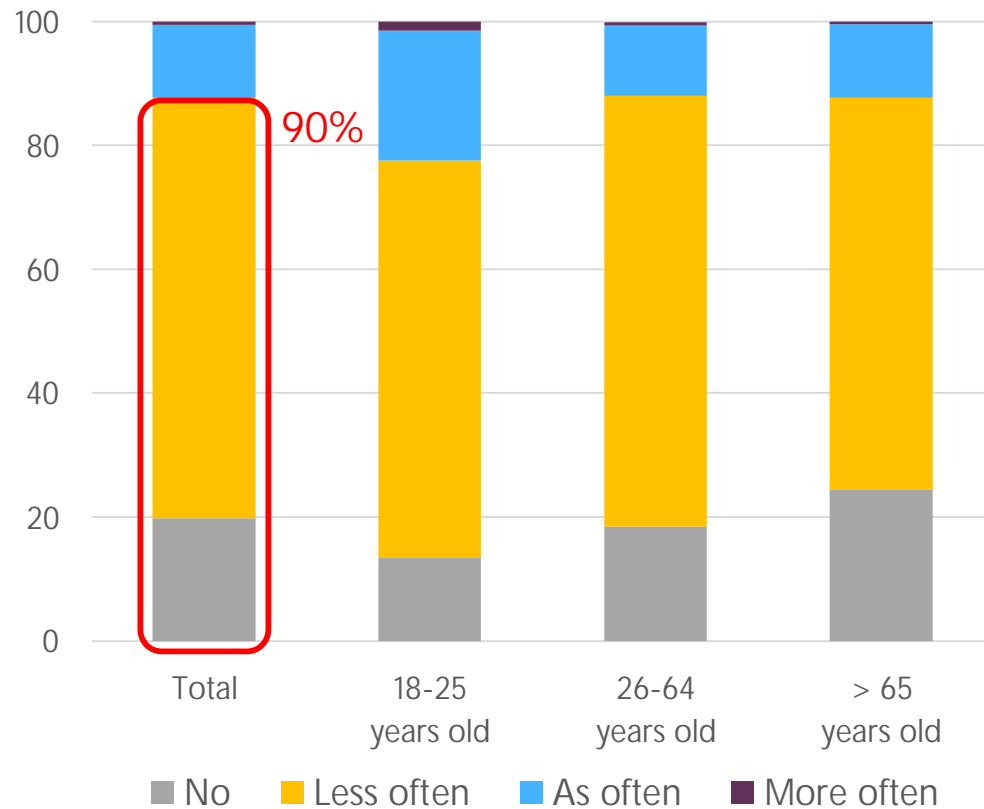
14 – 21 July

Perscommuniqué

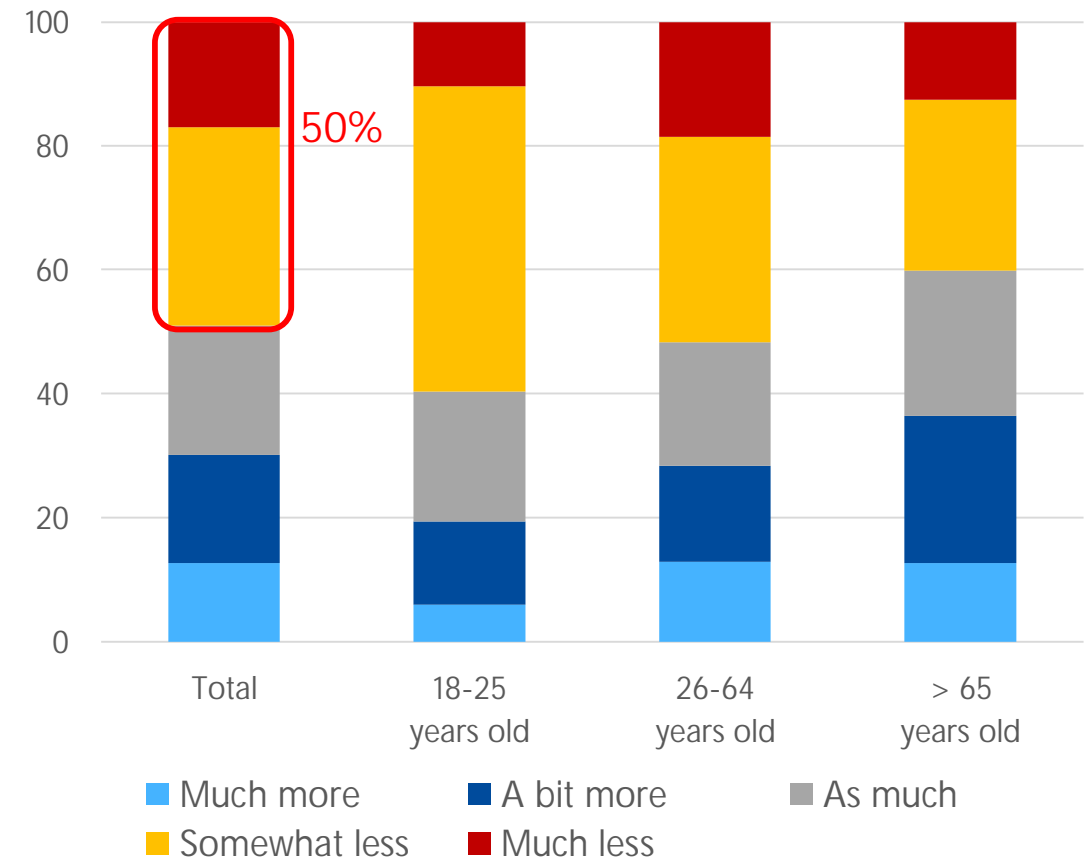


Most people go to the shops less often and 50 % spend less

Did you go back to the shops?
(in %, since the stores have reopened)



How has your consumer spending evolved?
(in %, compared to the period before the containment)

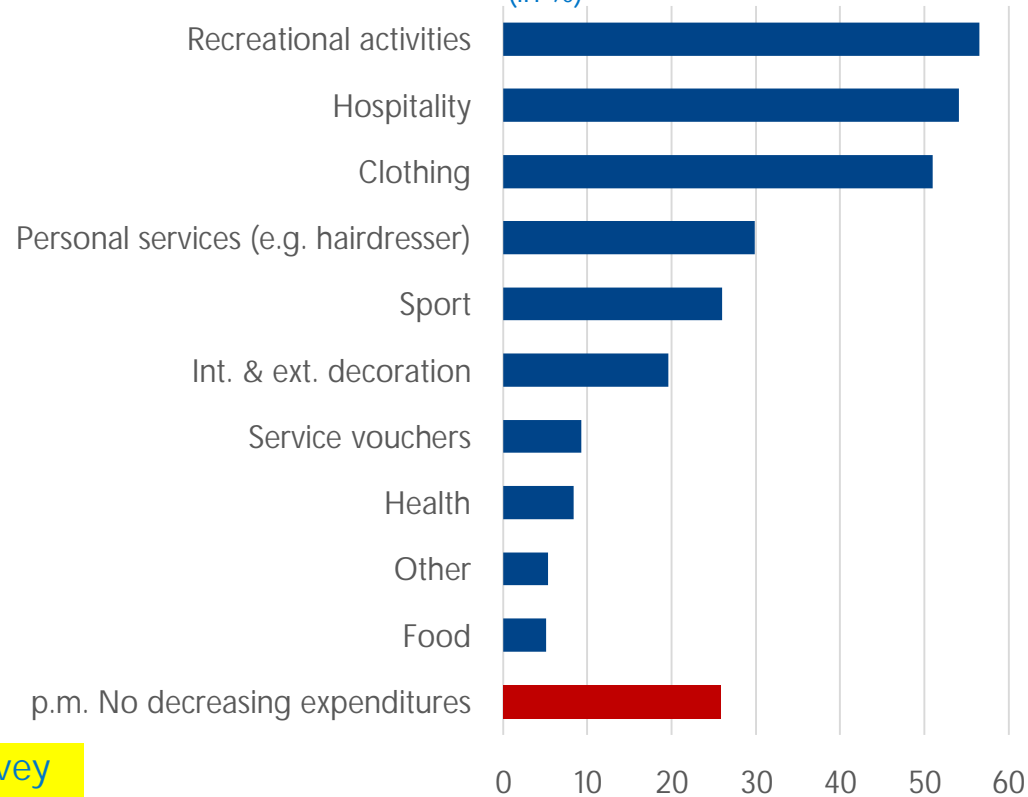


Survey
14-21 July

Lower spending mostly reflects remaining measures and health concerns (much lower impact of purchasing power issues)

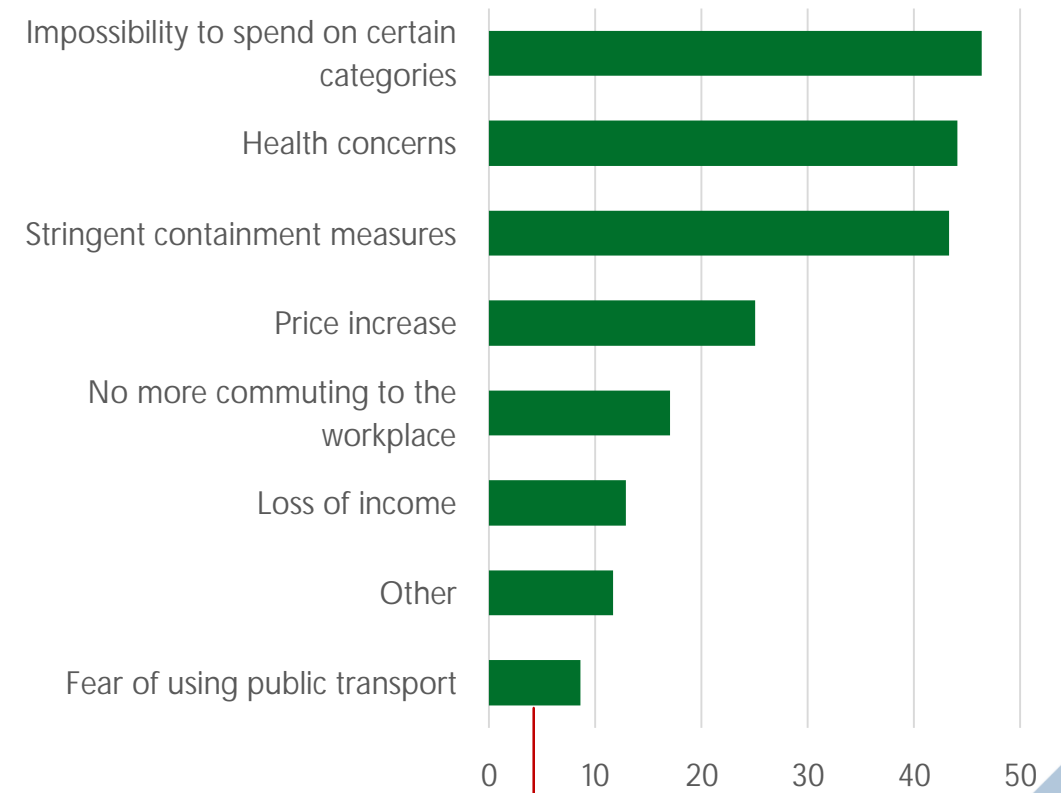
Which of your spending categories are currently decreasing ?

(in %)



Why is your spending decreasing?

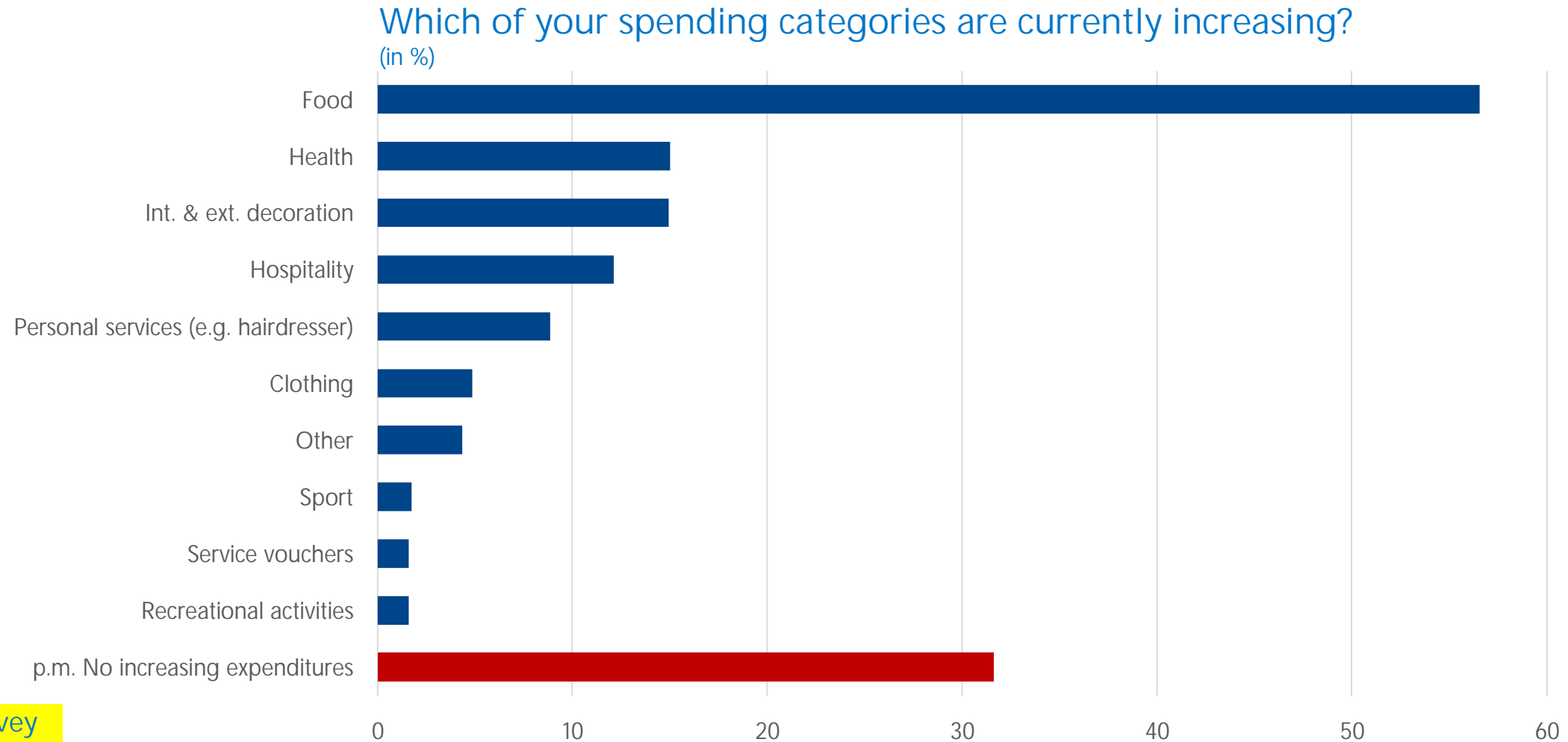
(in %)



Higher fear of using public transport in Brussels: 23 %

Survey
14-21 July

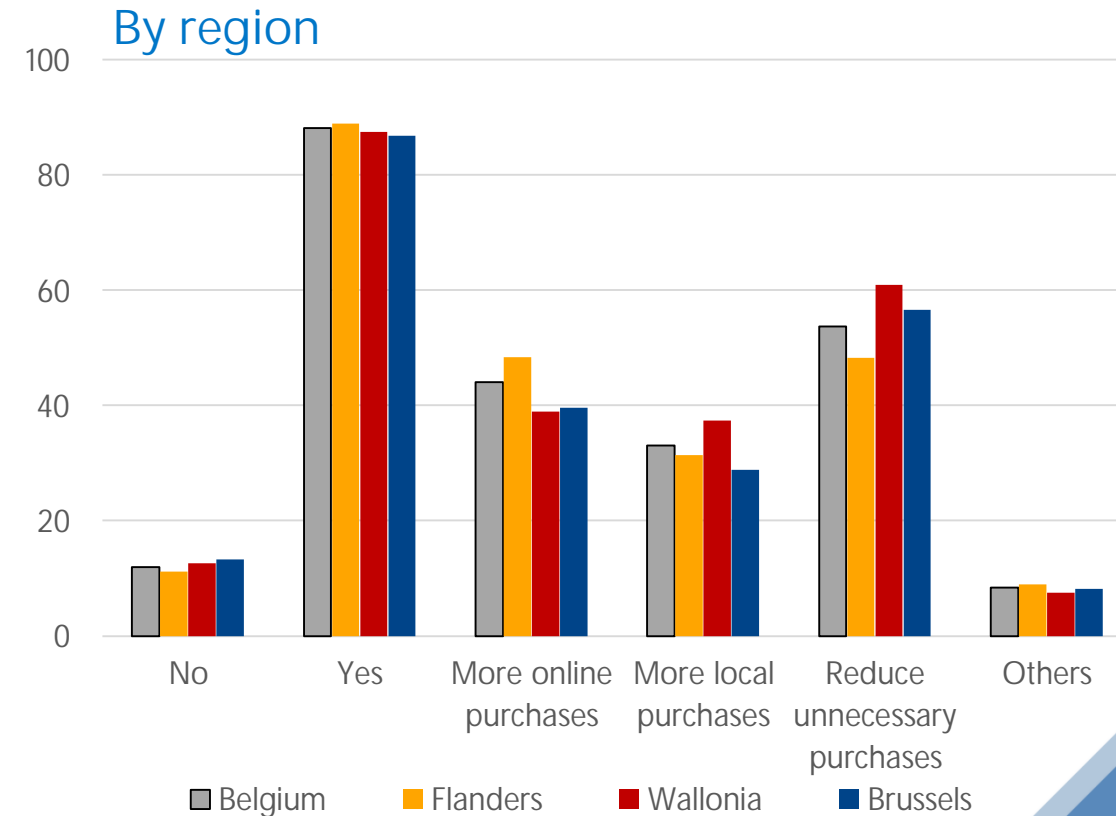
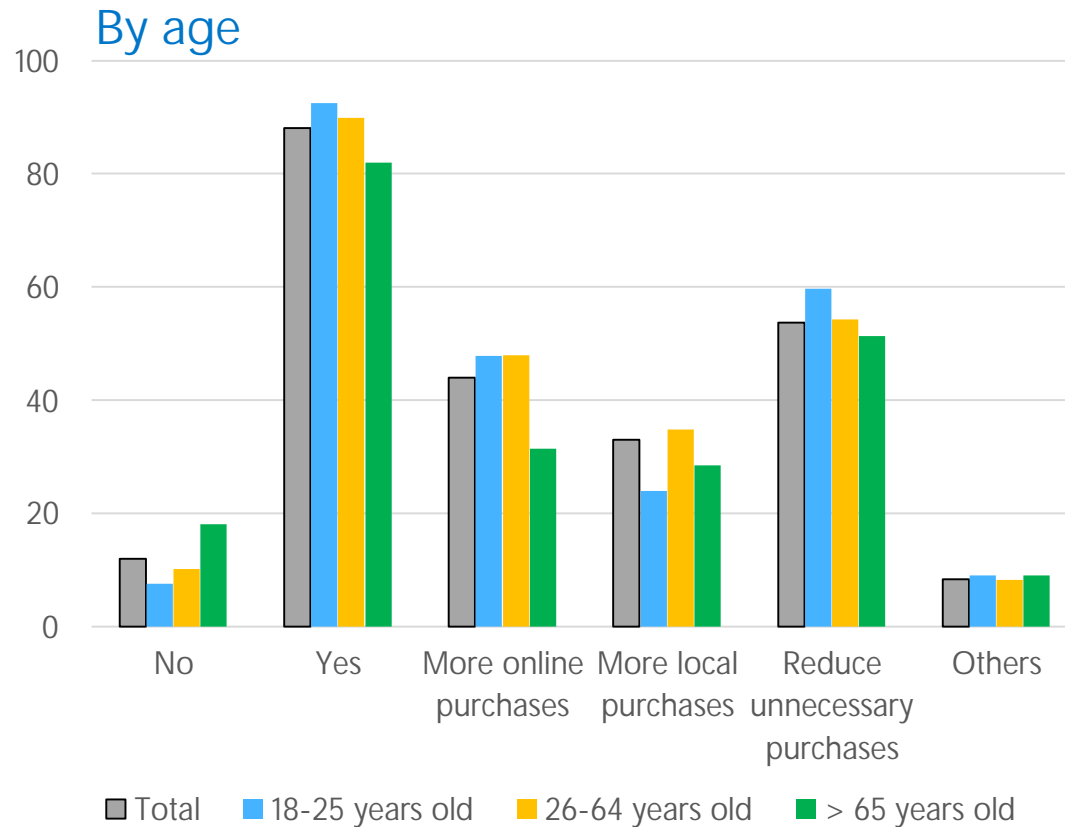
Significant increase in food spending: related to homeworking or also price increases?



Survey
14-21 July

Consumption patterns have changed during the crisis and more than 75 % of them intend to maintain them in the future

Did you change your consumption pattern?
(in %, during the containment period)



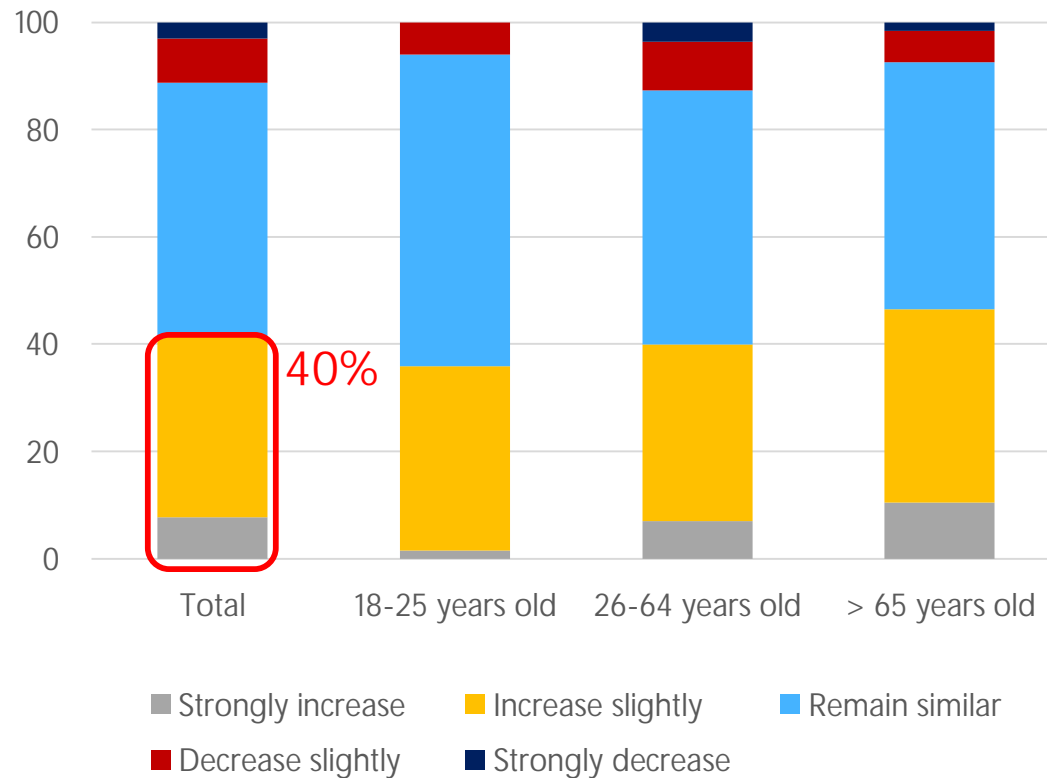
Survey
14-21 July

Online and local purchases have increased while 'unnecessary' expenditures have decreased: no strong differences between ages and regions

Only 40 % of respondents expect to spend more in the coming weeks, particularly in the hospitality industry

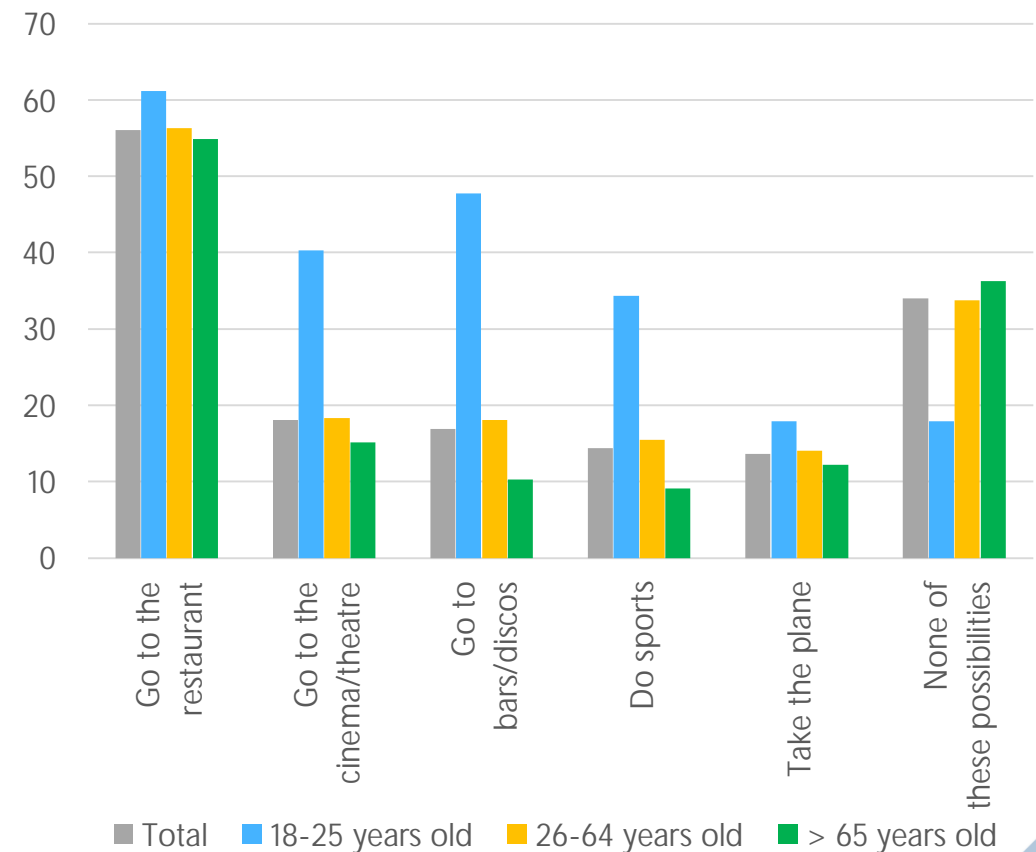
How your household's consumer spending will evolve?

(in %, by age, compared to the period before the containment)



What activities are you planning in the coming weeks?

(in %, by age)



Survey
14-21 July

Younger respondents plan to do more activities in the coming weeks

p.m. these results do not yet reflect the current deterioration in the health situation