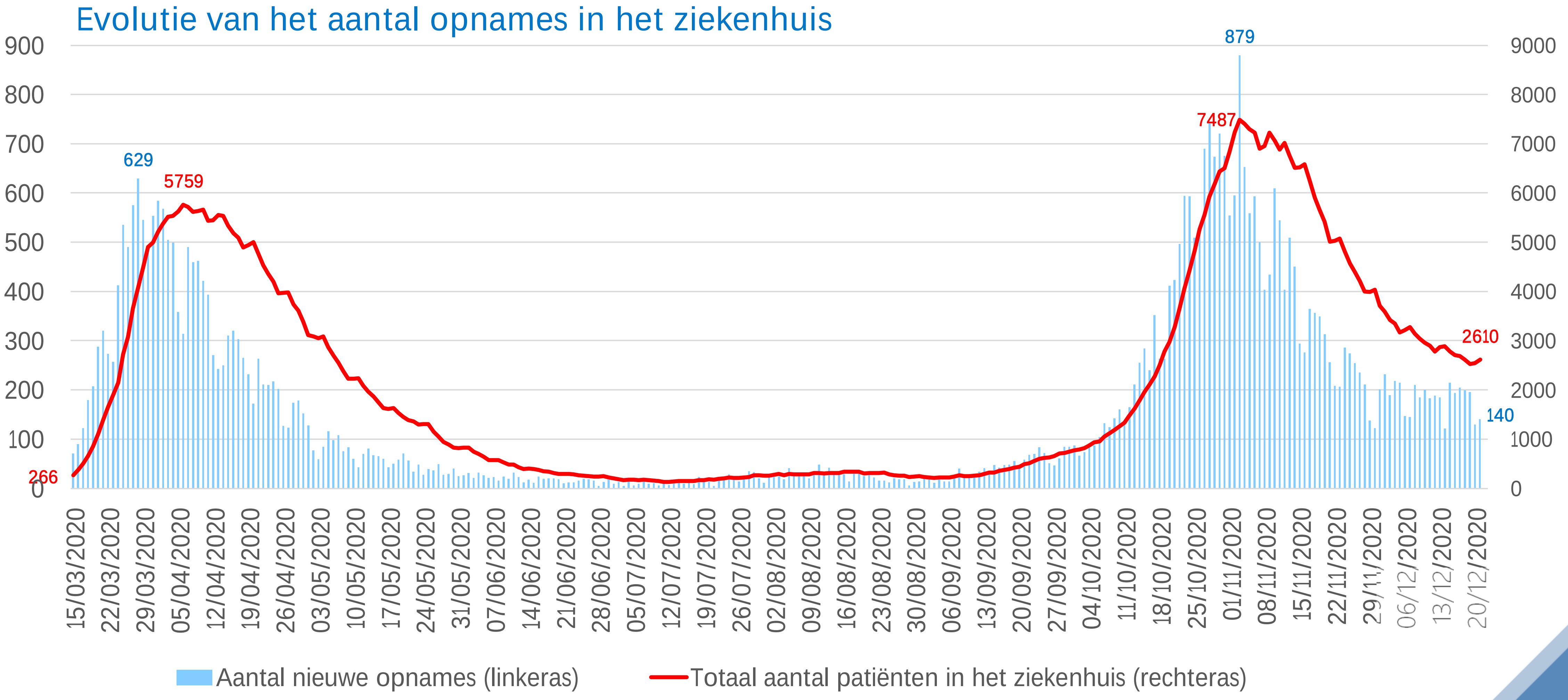
COVID-19 Dashboard of Economic Indicators

22 December 2020

Economic Risk Management Group

COVID-19 in België

1. COVID-19 in België: aantal gehospitaliseerde patiënten daalt traag en bevindt zich nog op een veel te hoog niveau



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Bron: Sciensano, Belgisch Instituut voor de Volksgezondheid: 22 december 2020.
https://epidemio.wiv-isp.be/ID/Documents/Covid19/Meest%20recente%20update.pdf

GDP and confidence indicators for Belgium

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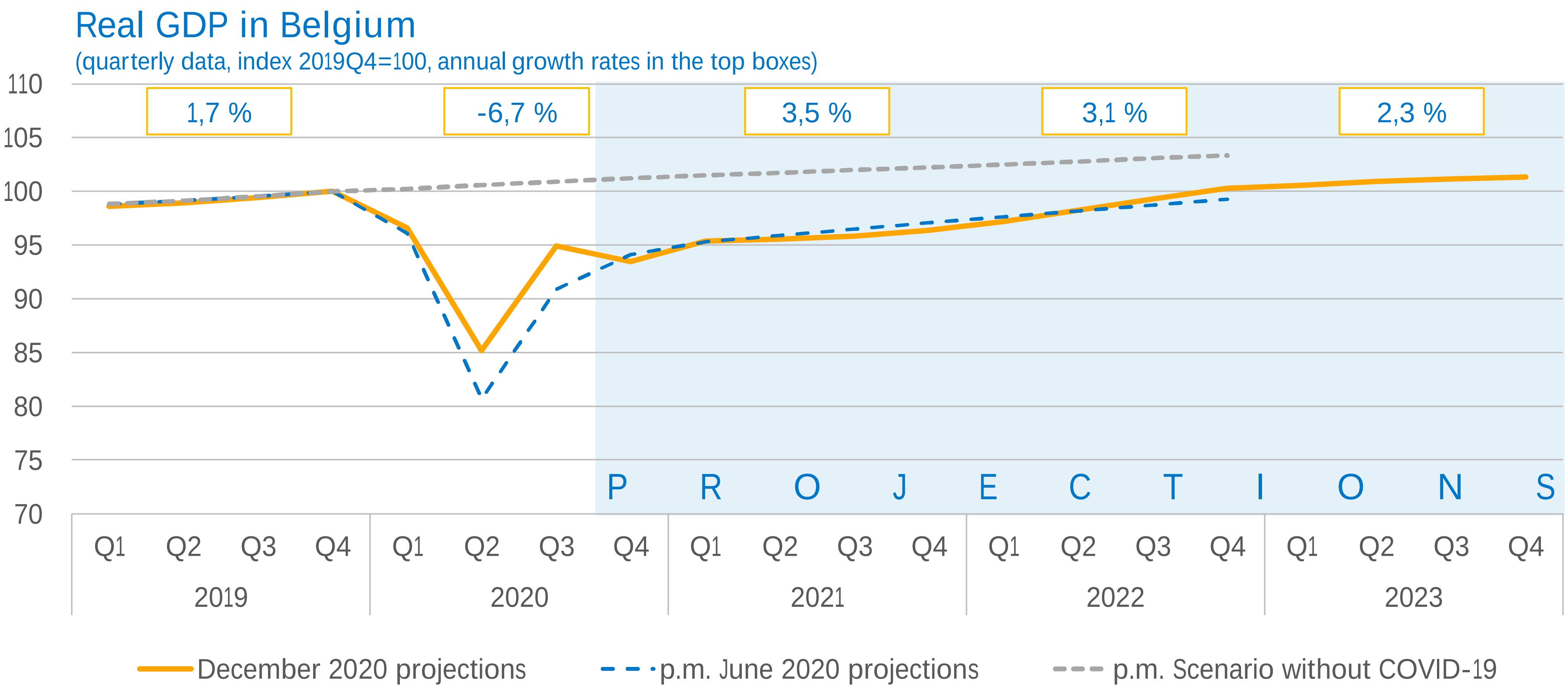
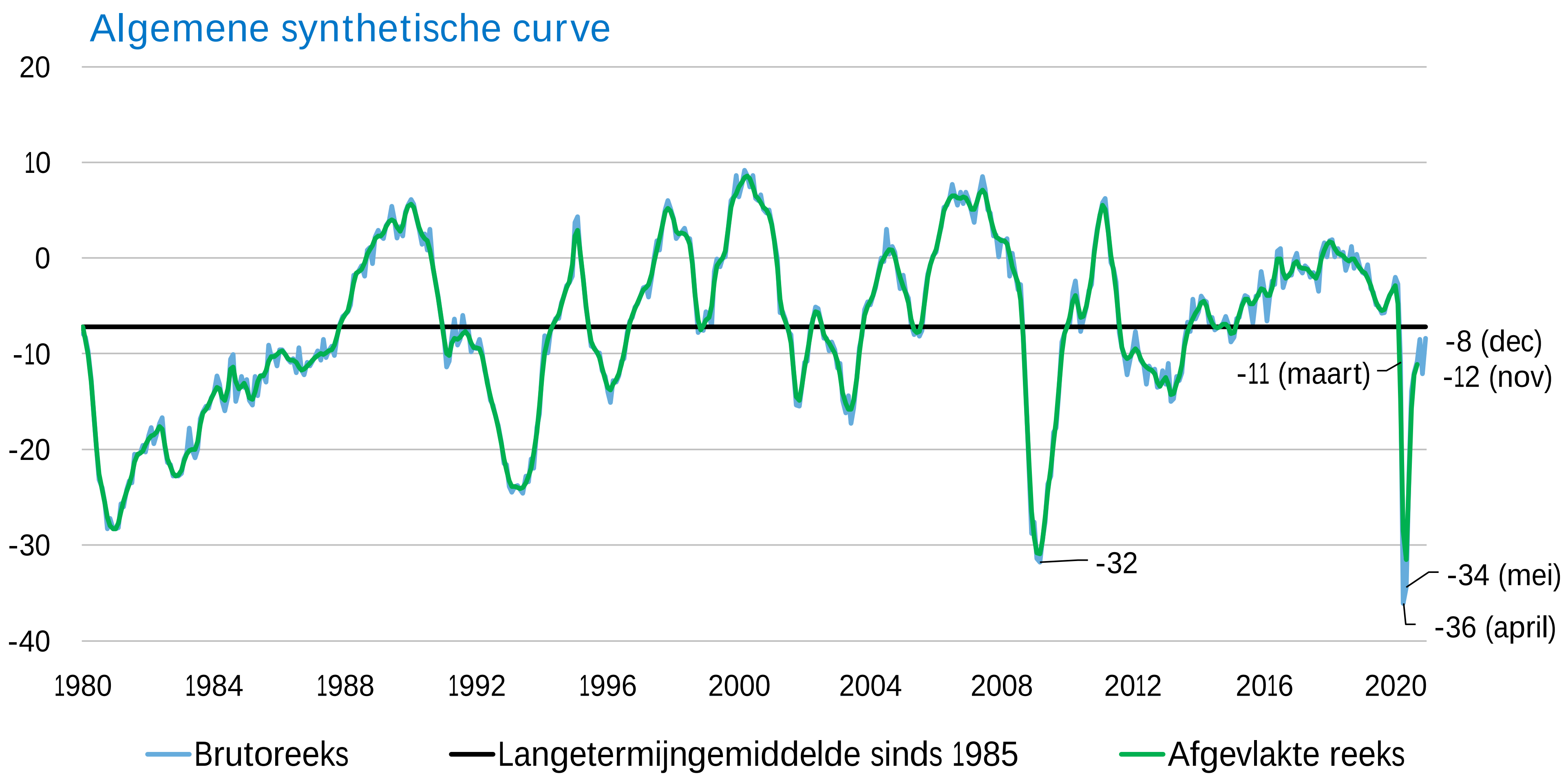
The Belgian economy is expected to return to its pre-crisis level at the end of 2022, but it will remain below the scenario without COVID-19



Sources: National Accounts Institute (NAI), National Bank of Belgium (NBB).

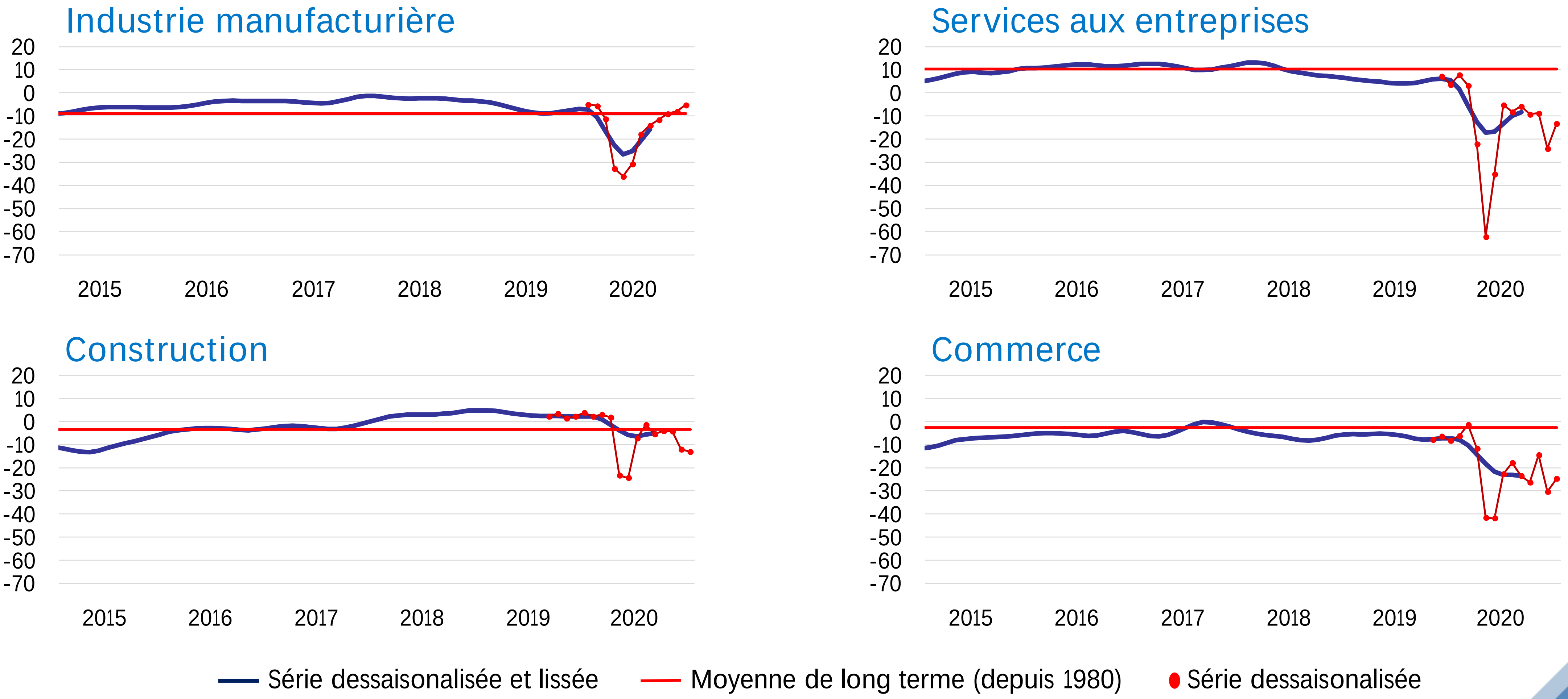
Het ondernemersvertrouwen veert op in december na de verzwakking in november



Bron: Nationale Bank van België (NBB), laatst beschikbare gegevens: december 2020, perscommuniqué maandelijkse conjunctuurenquête bij de bedrijven.

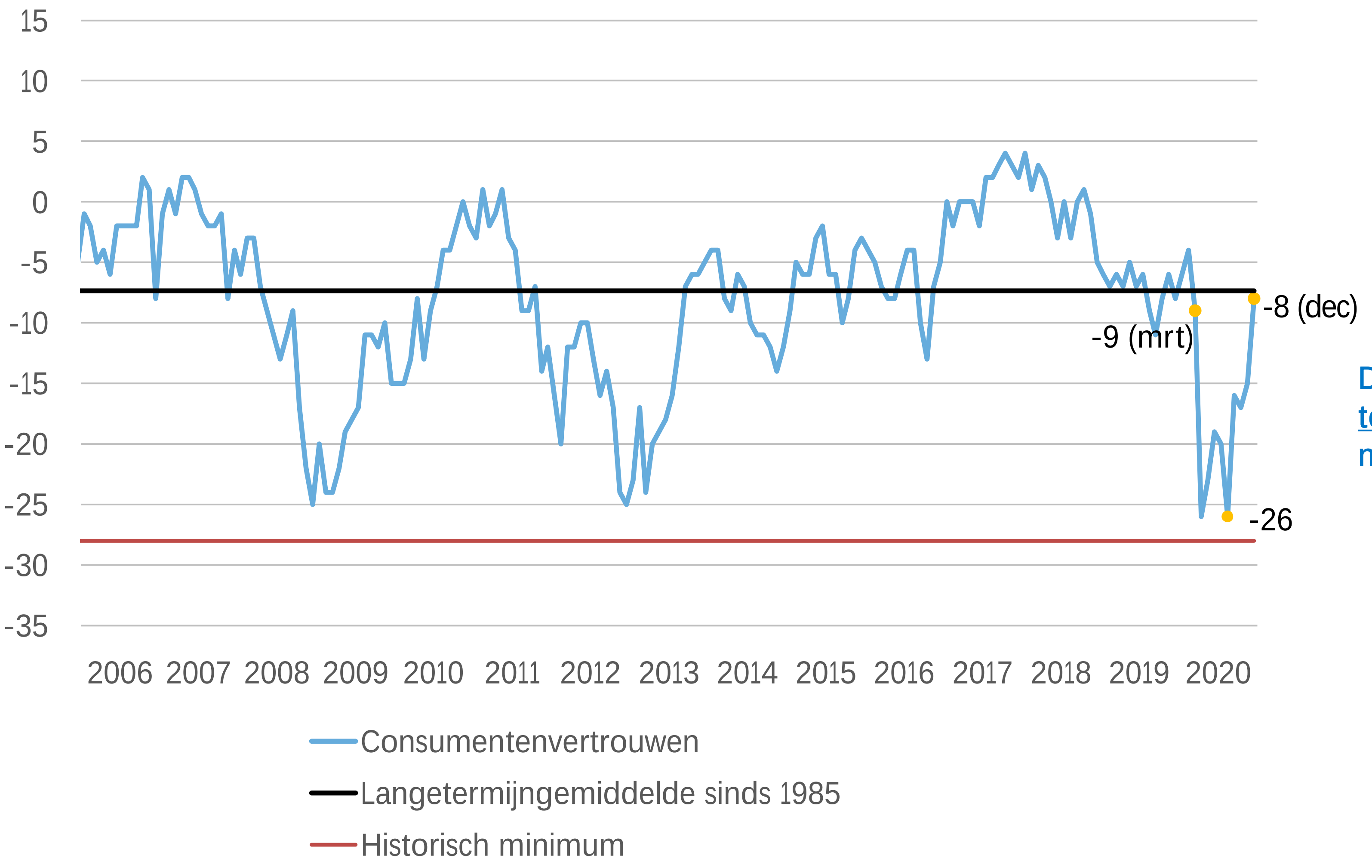
Embellie dans toutes les branches d'activité, sauf dans la construction

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



Source: Banque nationale de Belgique (BNB), dernières données disponibles: décembre 2020.

Het consumentenvertrouwen neemt opnieuw toe in december



De vertrouwensindicator benadert, door zijn toekomstgerichte karakter, opnieuw zijn niveau van voor de crisis.

Bron: NBB, laatst beschikbare gegevens: december 2020, perscommuniqué maandelijkse consumentenenquête.

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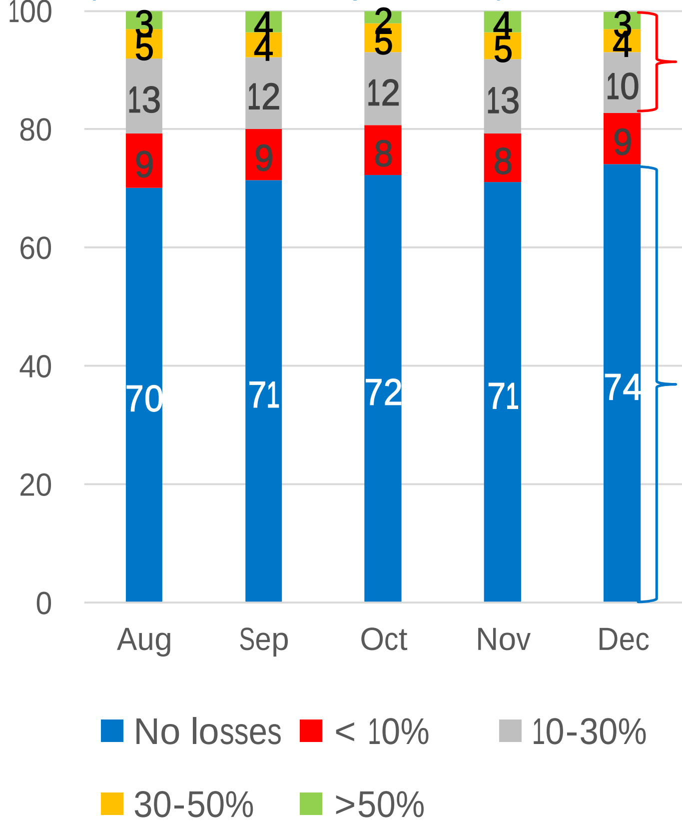
Around 17 % of households suffer an income loss of more than 10 % and 40 % of them have a savings buffer of less than 3 months[1]

Is your household suffering a loss of income?

(in % of 1 850 respondents)

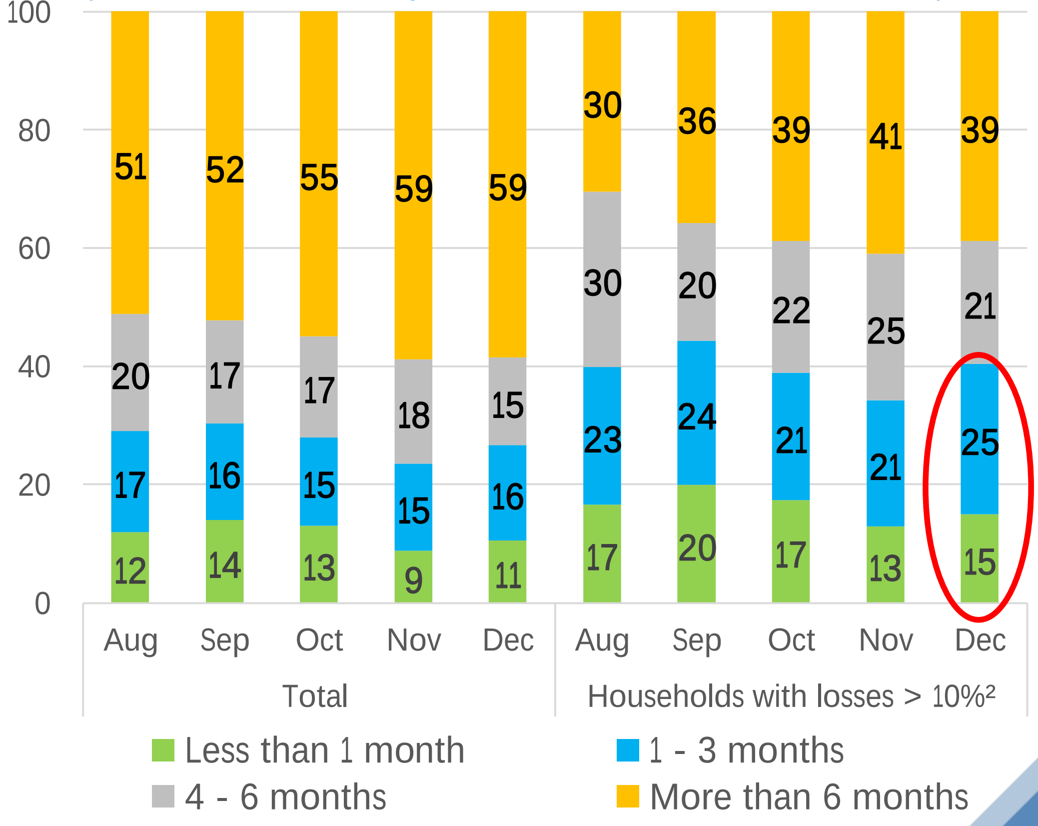


Yes:
More than >10 %:
17 %

No losses: 74 %
A large majority of Belgian households has been unaffected (so far)

How long can you cover your expenses through a savings buffer?

(in % of the 1 850 respondents, unless otherwise stated)



Source: NBB, replies to December 2020 consumer survey (additional COVID-19 questions).

[1] Households with losses >10% (17 %) and less than three months savings (40 %) = 7 % of the total of households.

[2] 22 % of total respondents.

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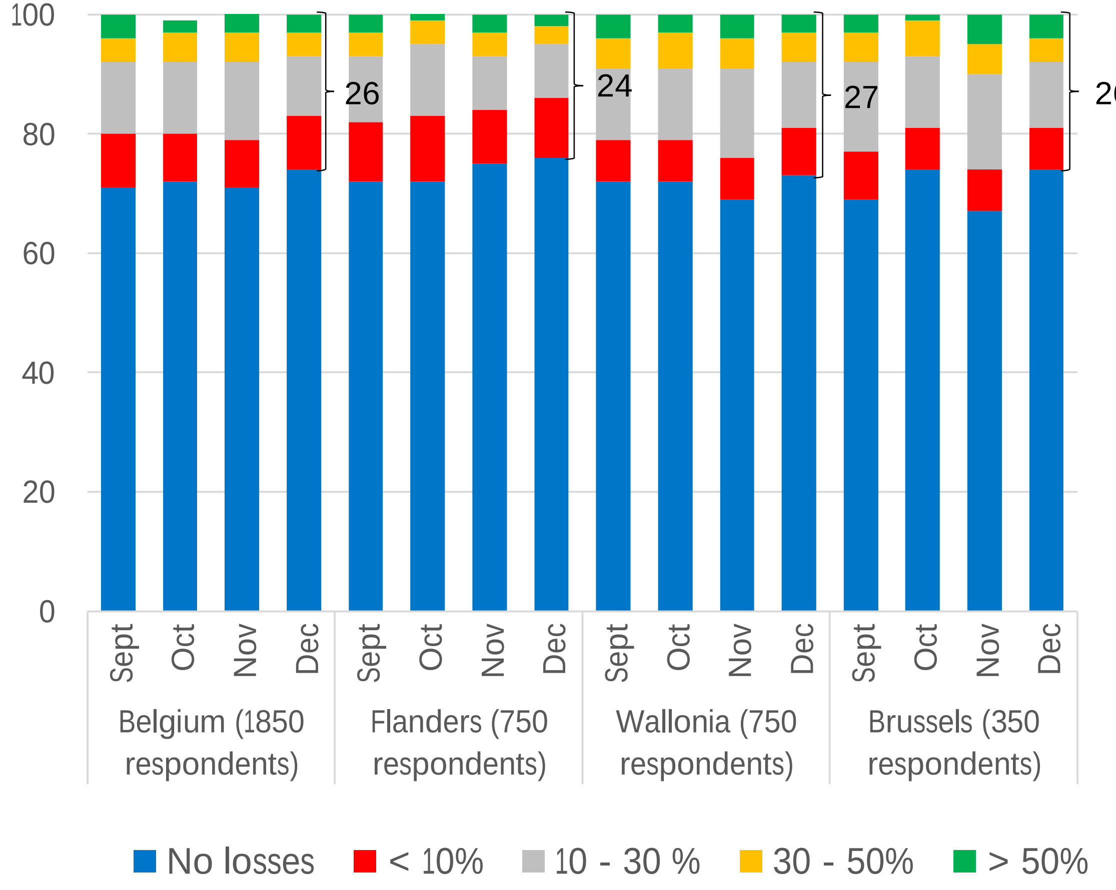
Flemish households still hold a more favourable position (especially regarding savings buffer)

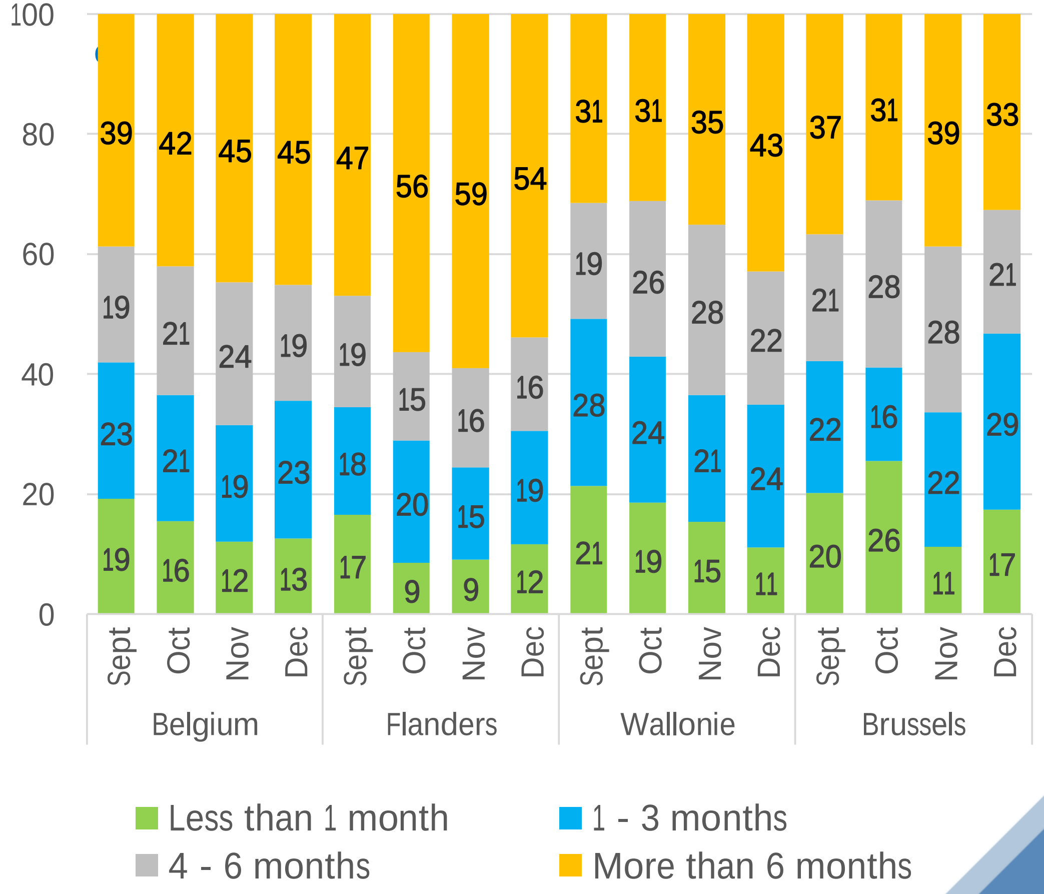
In December, the proportion of households suffering no loss of income increases in all regions

(in % of respondents)



Savings buffer decreases sharply in Brussels in December

(in % of respondents with loss of income)



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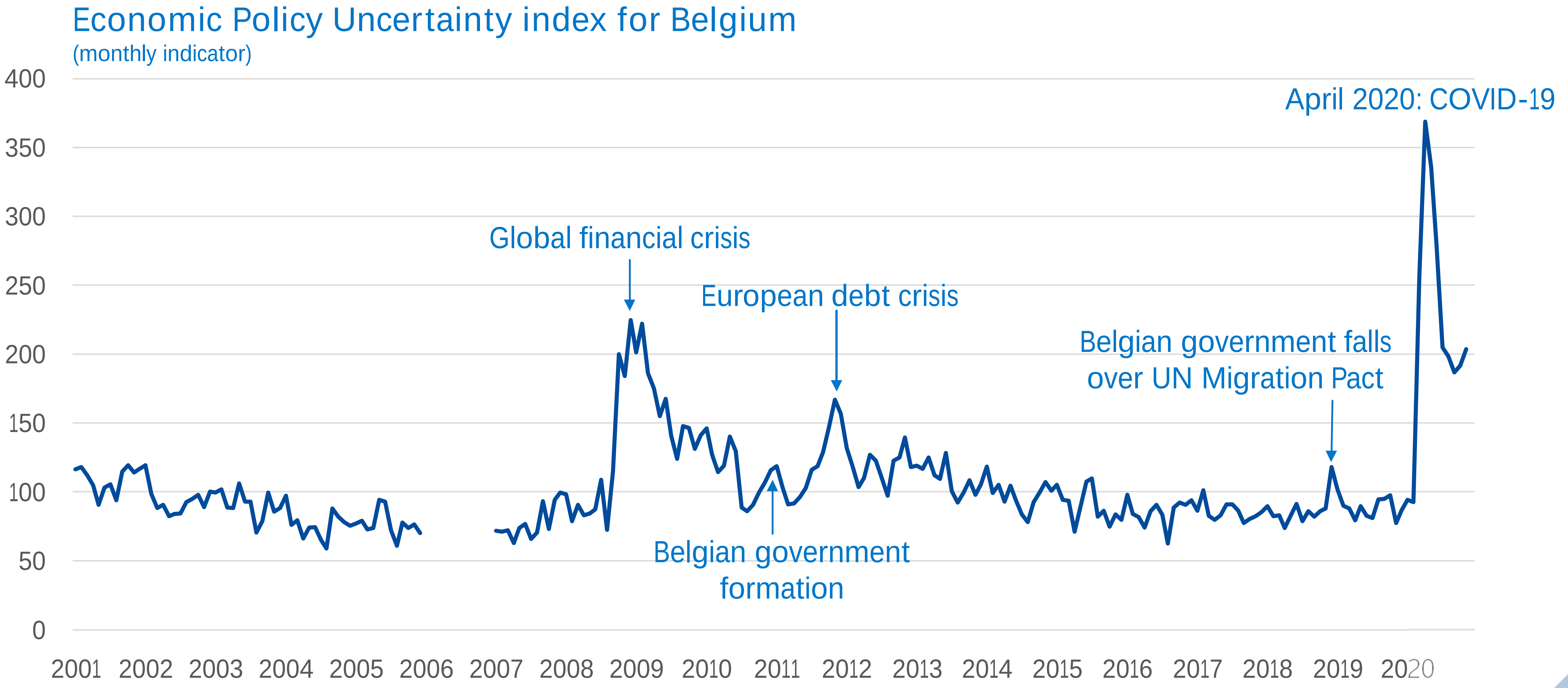
Source: NBB, replies to December 2020 consumer survey (additional COVID-19 questions).

Economic policy uncertainty has increased again since October and it remains very elevated (at the level of the global financial crisis)

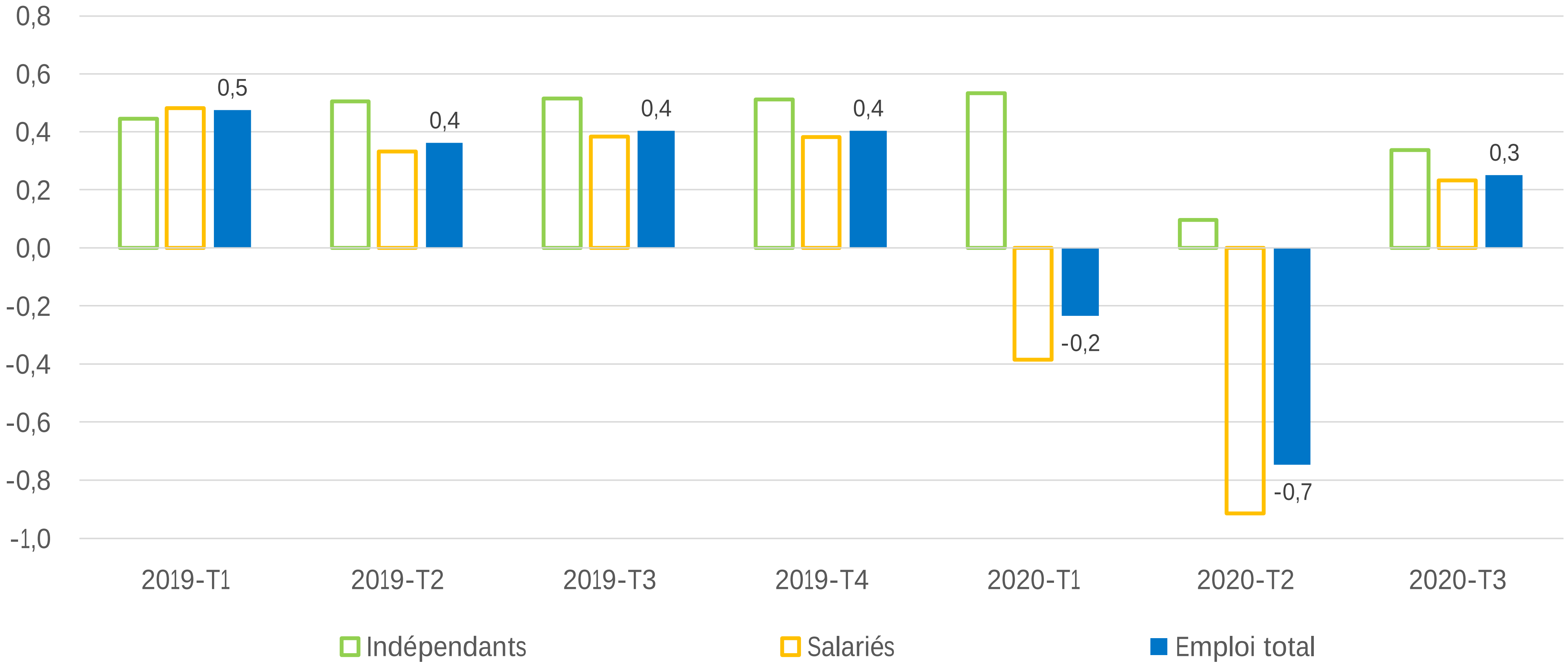


Source: Algaba, A., Borms, S., Boudt, K. & Van Pelt, J. (2020). The Economic Policy Uncertainty index for Flanders, Wallonia and Belgium. Research note. doi: 10.2139/ssrn.3580000.
The index reflects normalized frequency counts of news articles related to economic policy uncertainty, latest available data: November 2020.

Labour market

L’emploi salarié plus durement impacté que l’emploi indépendant

(emploi en personnes - variation trimestrielle en %)



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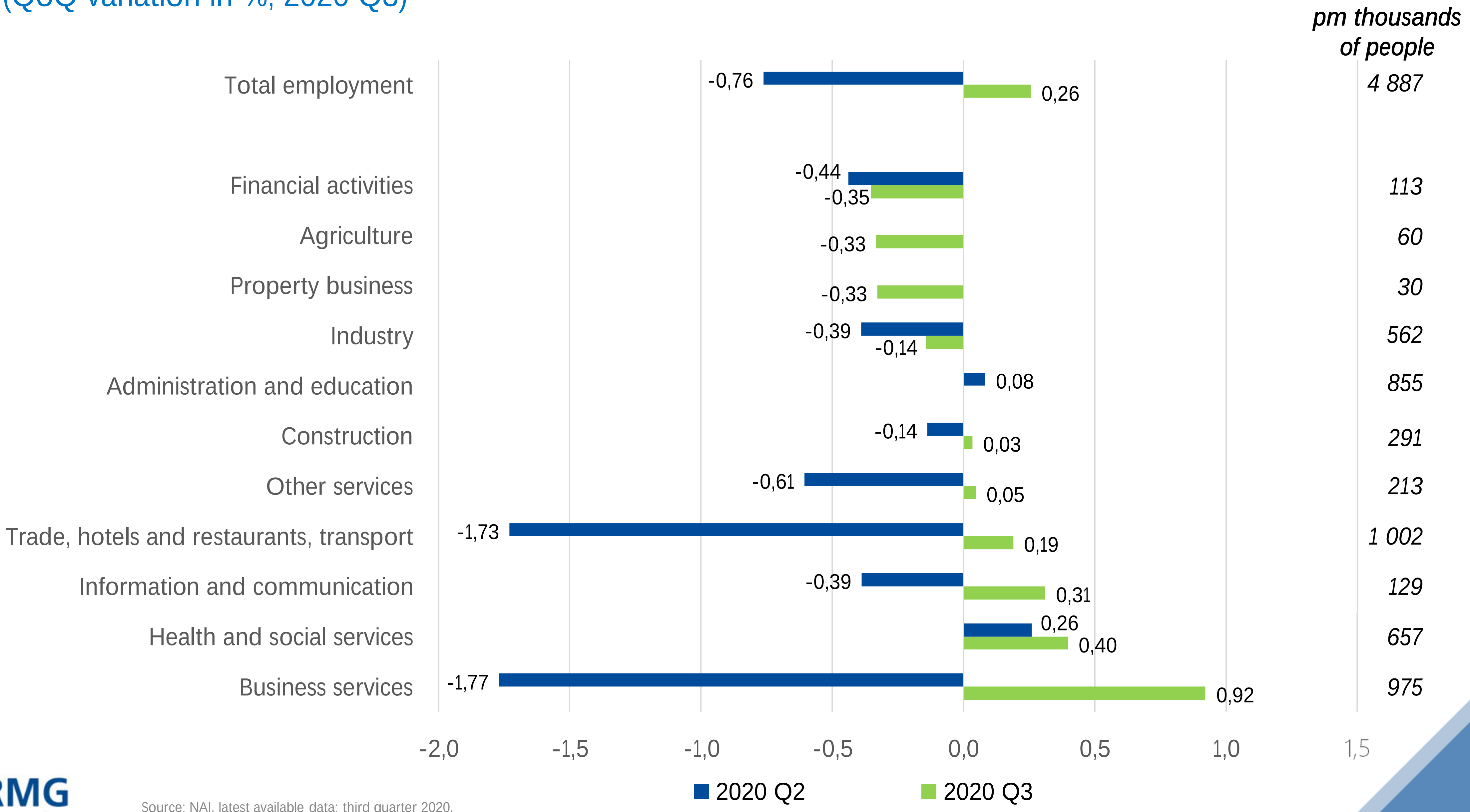
Source: Institut des Comptes Nationaux (ICN), dernières données disponibles: troisième trimestre 2020.

Impact on employment stronger for some branches of activity
(QoQ variation in %, 2020 Q3)



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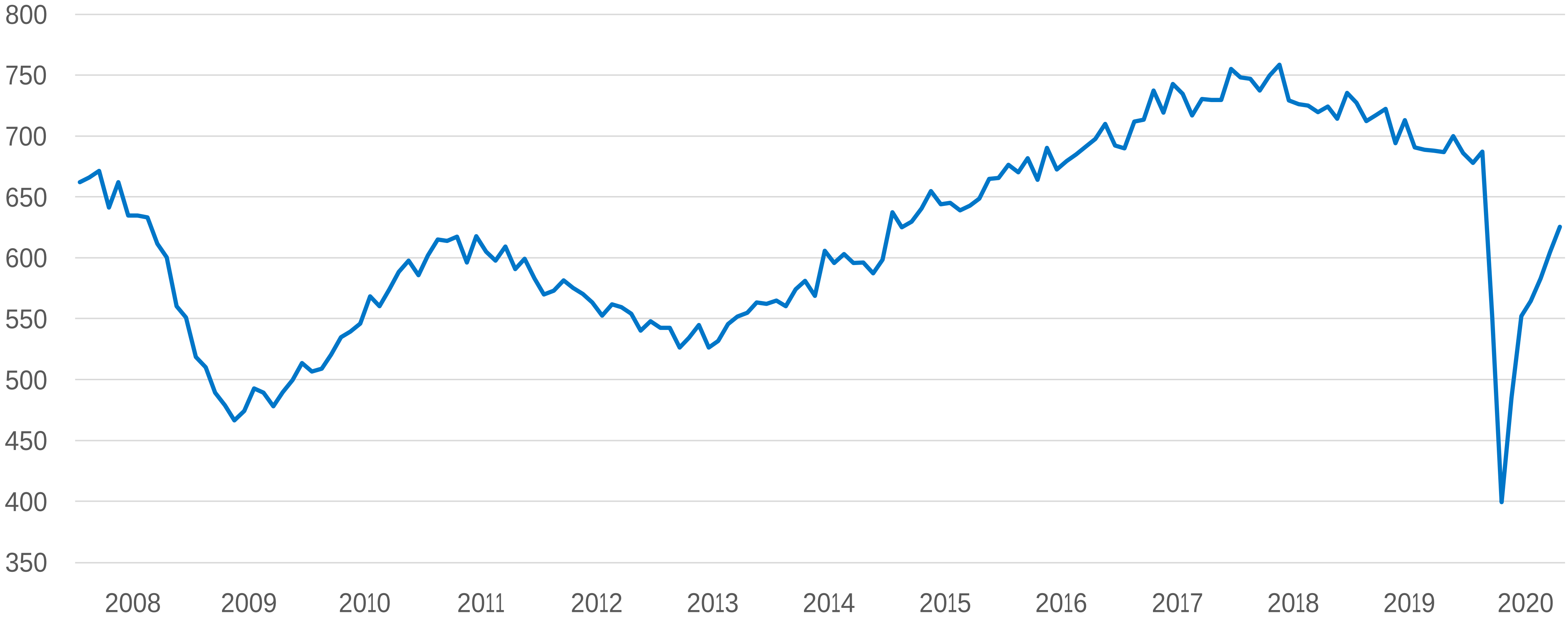
Source: NAI, latest available data: third quarter 2020.

Chute brutale du travail intérimaire en avril, reprise partielle par après

(données mensuelles, en milliers d'heures)



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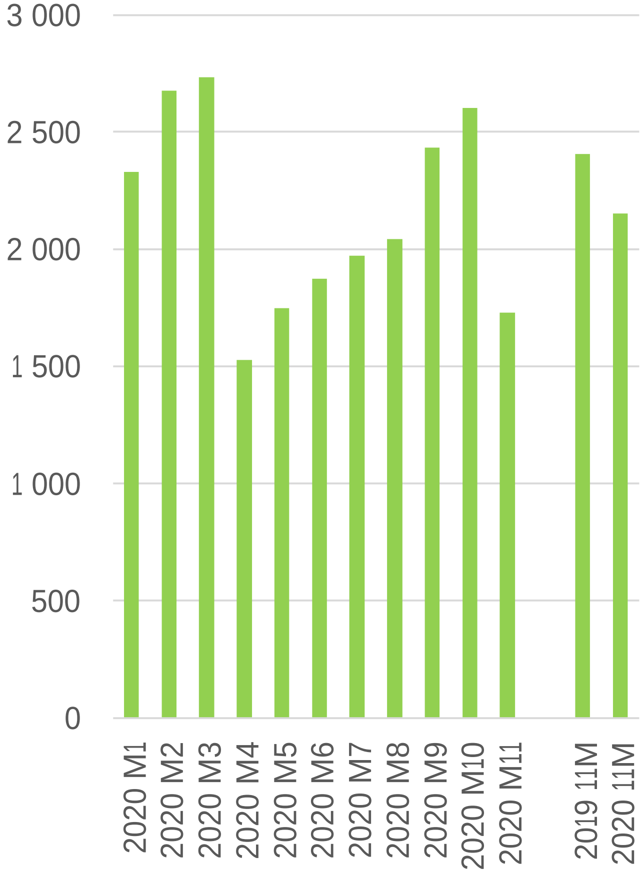
Source: Federgon, dernières données disponibles: octobre 2020.

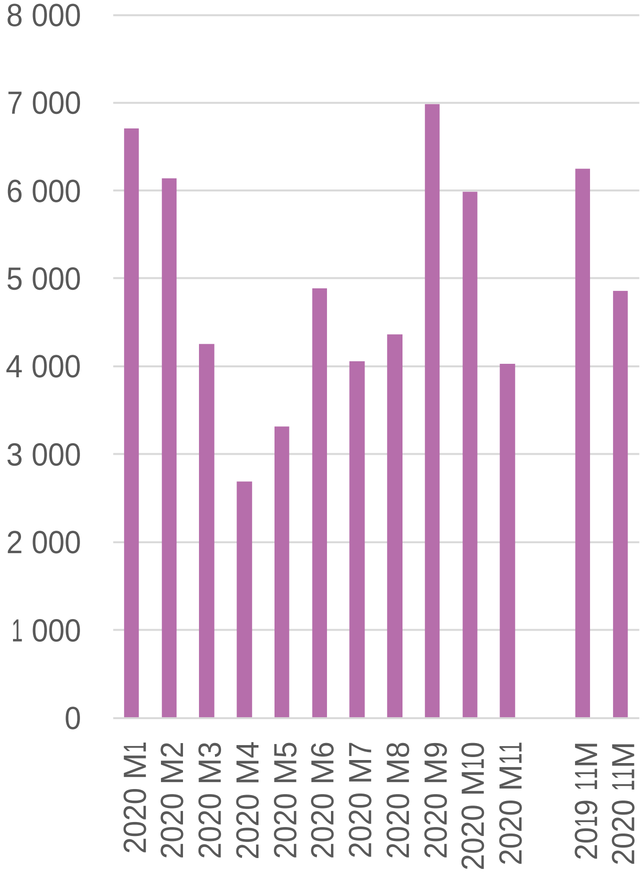
L’évolution des opportunités d’emplois suit les mesures de (dé)confinement

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

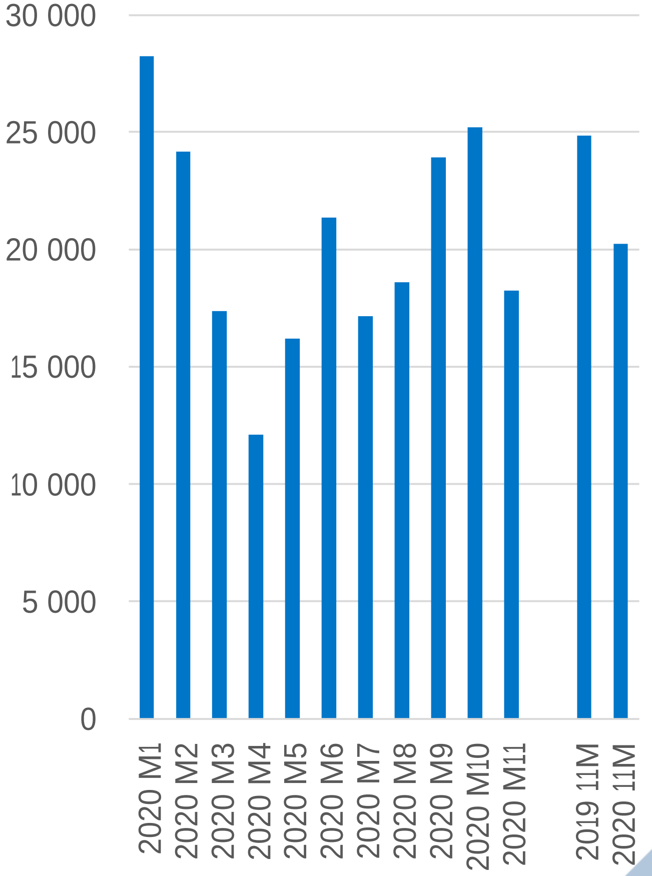
Actiris



Forem



VDAB



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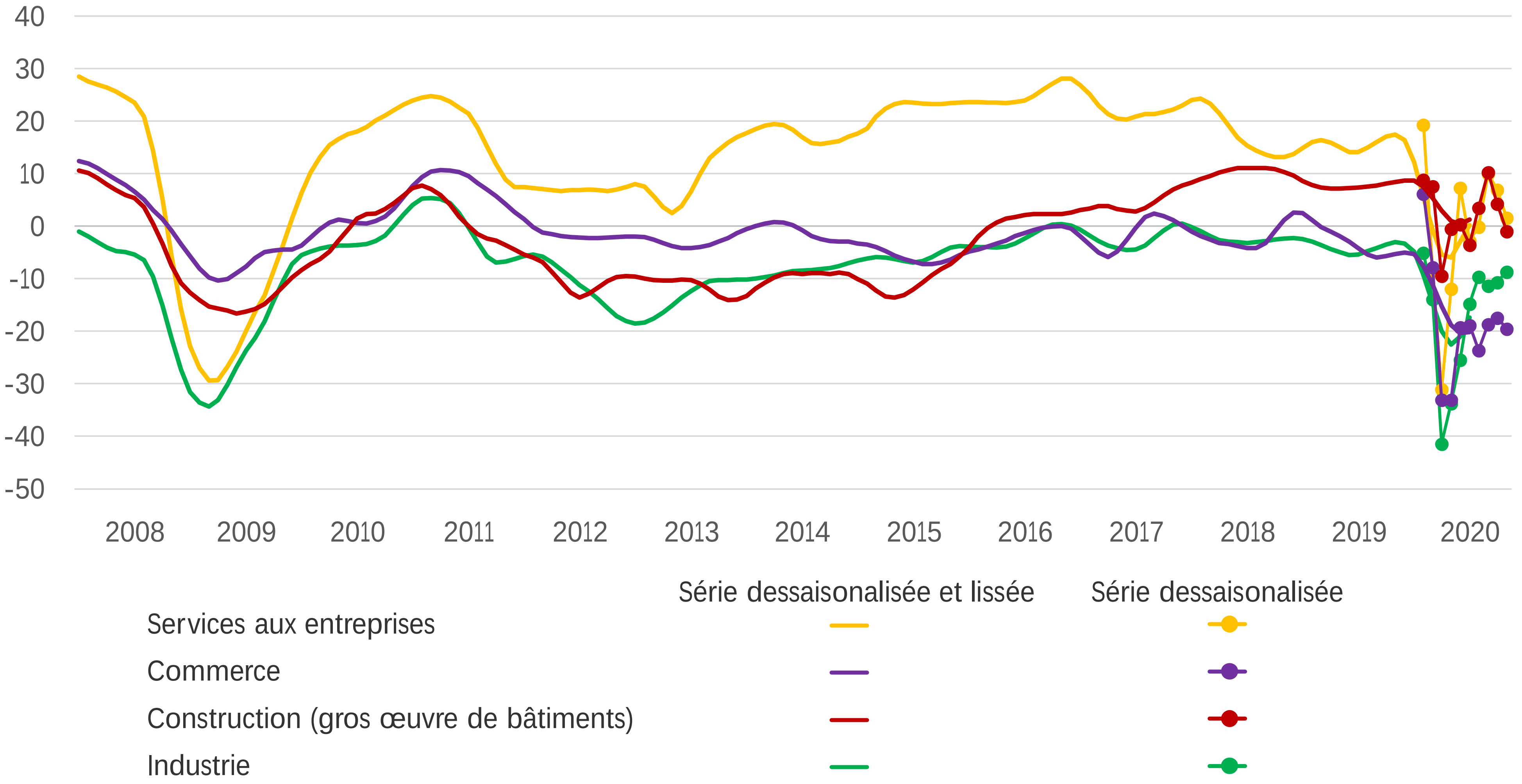
Sources: Actiris, Forem, VDAB, dernières données disponibles: novembre 2020.

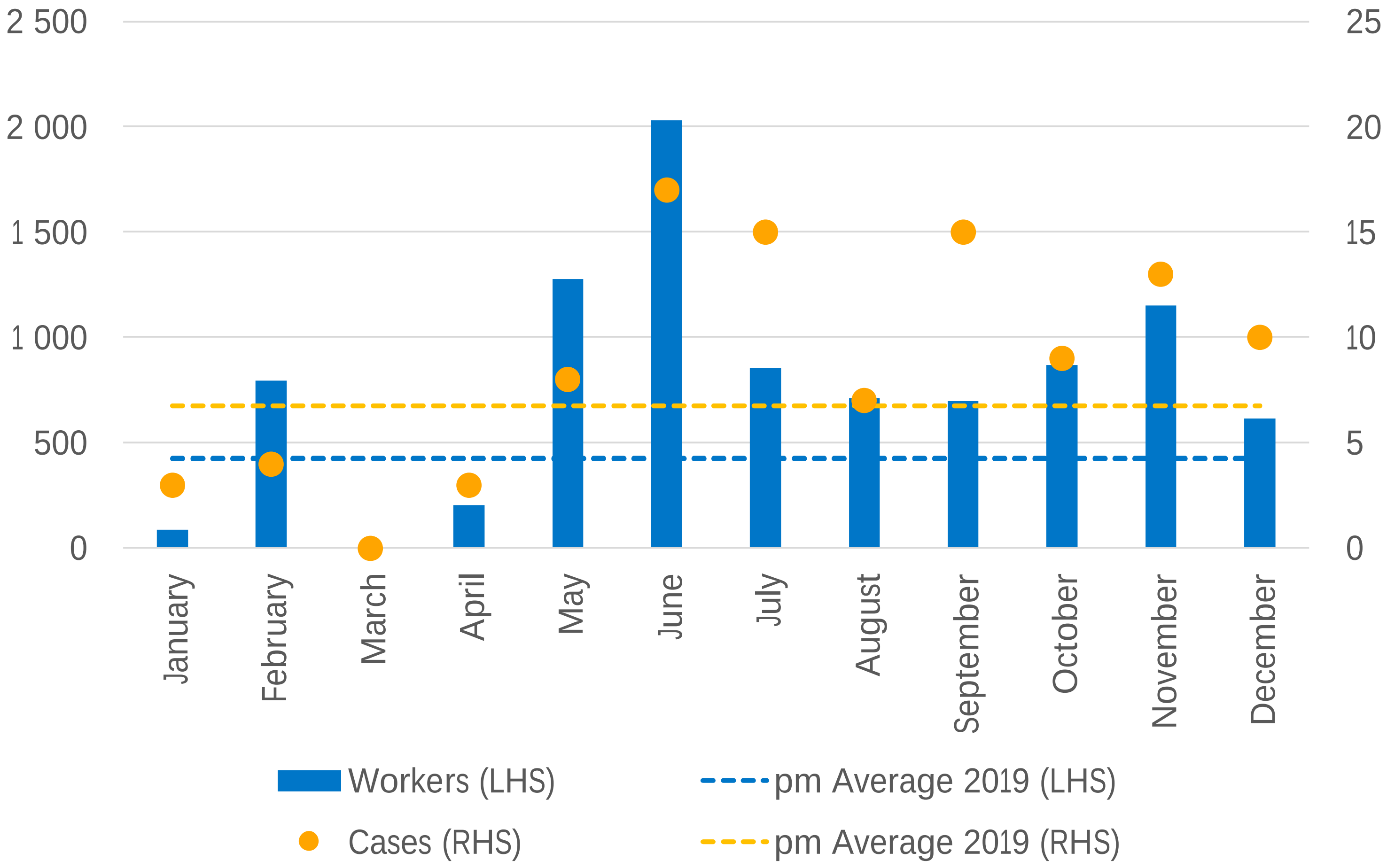
Les prévisions d’emplois issues des enquêtes de conjoncture également

(données désaisonnalisées et lissées)



Source: Federgon, dernières données disponibles (séries dessaisonalisées): novembre 2020.

Mass redundancy procedures: above 2019 average



- Since lockdown (April 2020)
  - 97 procedures
  - 8 394 workers concerned
- *pm January 2019 – December 2019*
  - *81 procedures*
  - *5 087 workers concerned*

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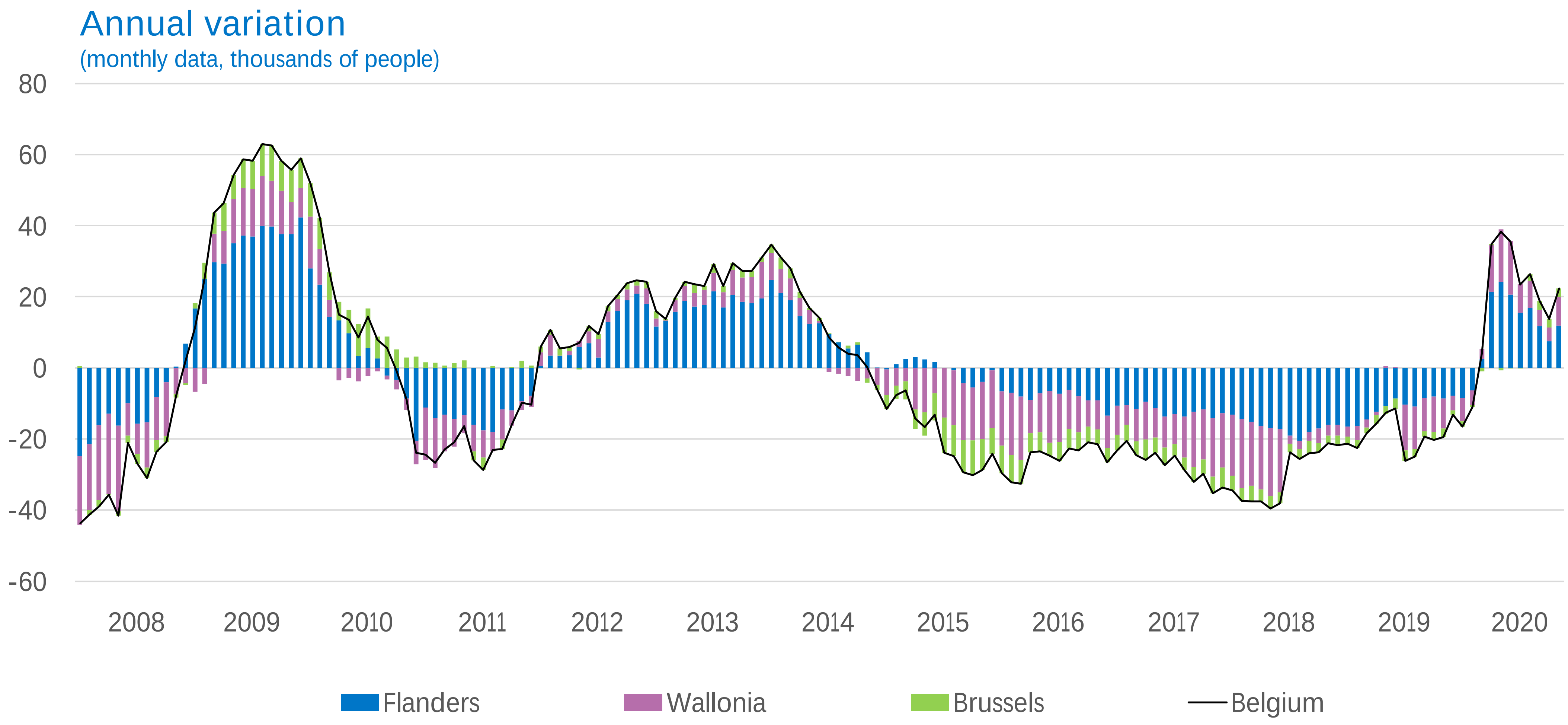
Source: Federal Public Service Employment, Labour and Social Dialogue (FPS ELSD), latest data available: 17 December 2020.

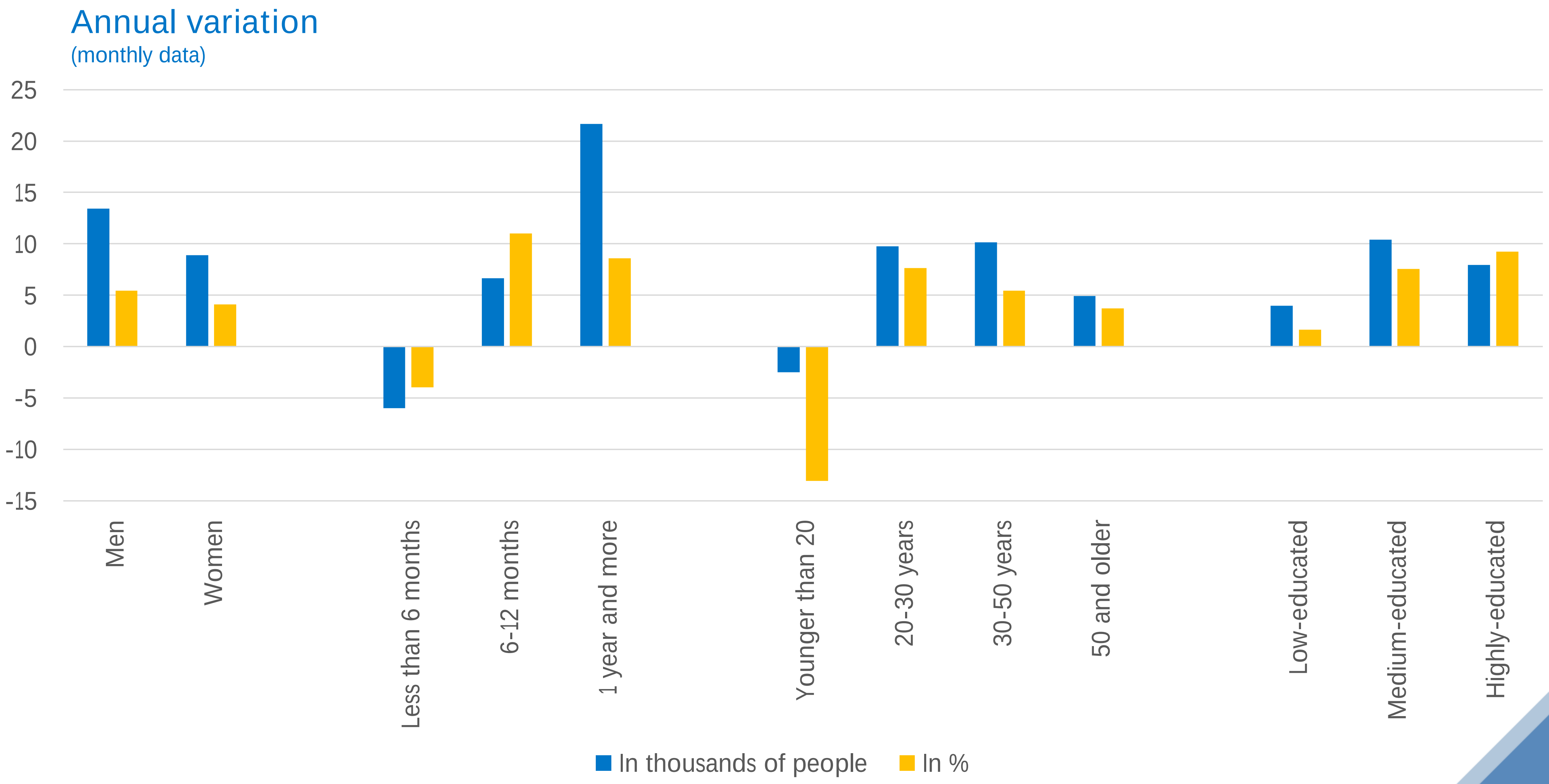
Limited rise in unemployment for the time being …



- Peak observed in May: +38 000, situation in November: +22 000

Source: NEO, latest available data: November 2020.

... concentrated on men and medium and highly-educated people

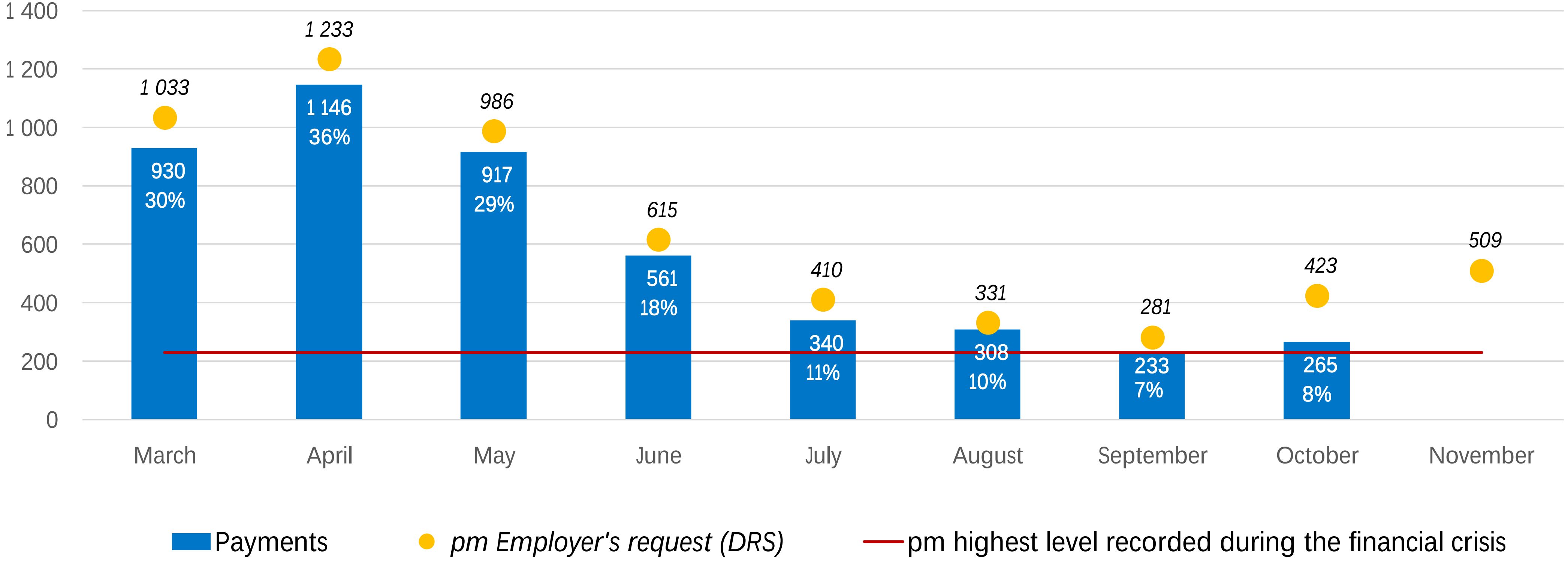


Source: NEO, latest available data: November 2020.

Temporary unemployment: following lockdown measures

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							
March	April	May	June	July	August	September	October
8.9	15.5	11.1	9.8	8.6	8.7	9.2	9.5

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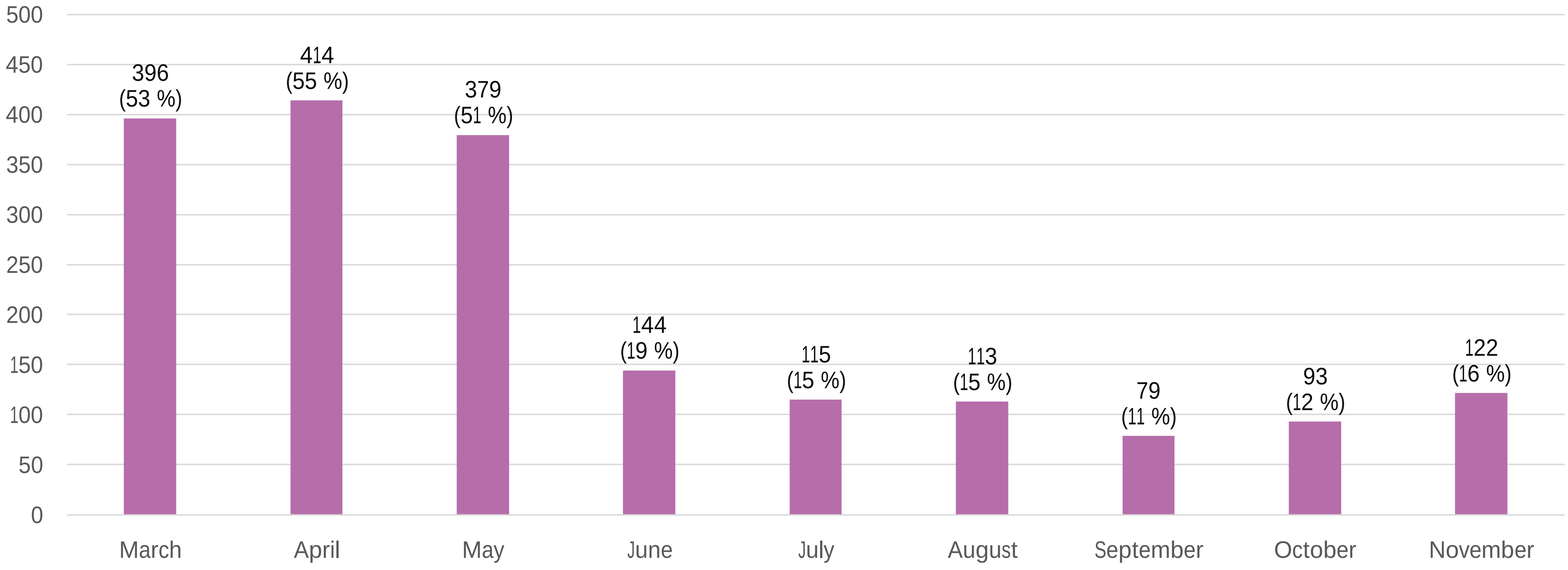
Source: NEO, latest available data: November 2020.

Self-employed: unprecedent use of financial support

Bridging right, provisional data[1]

(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 414 000.

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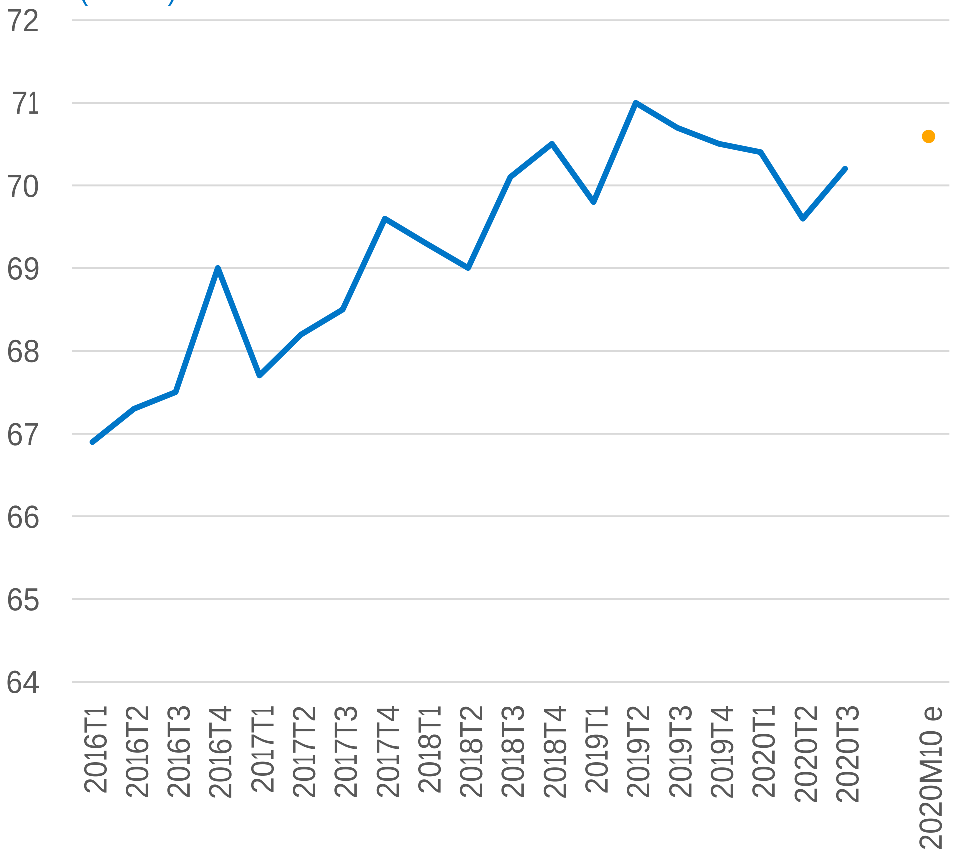
Source: Federal Public Service Social Security, confidential data, latest available data: November 2020.

[1] Data related to payments.

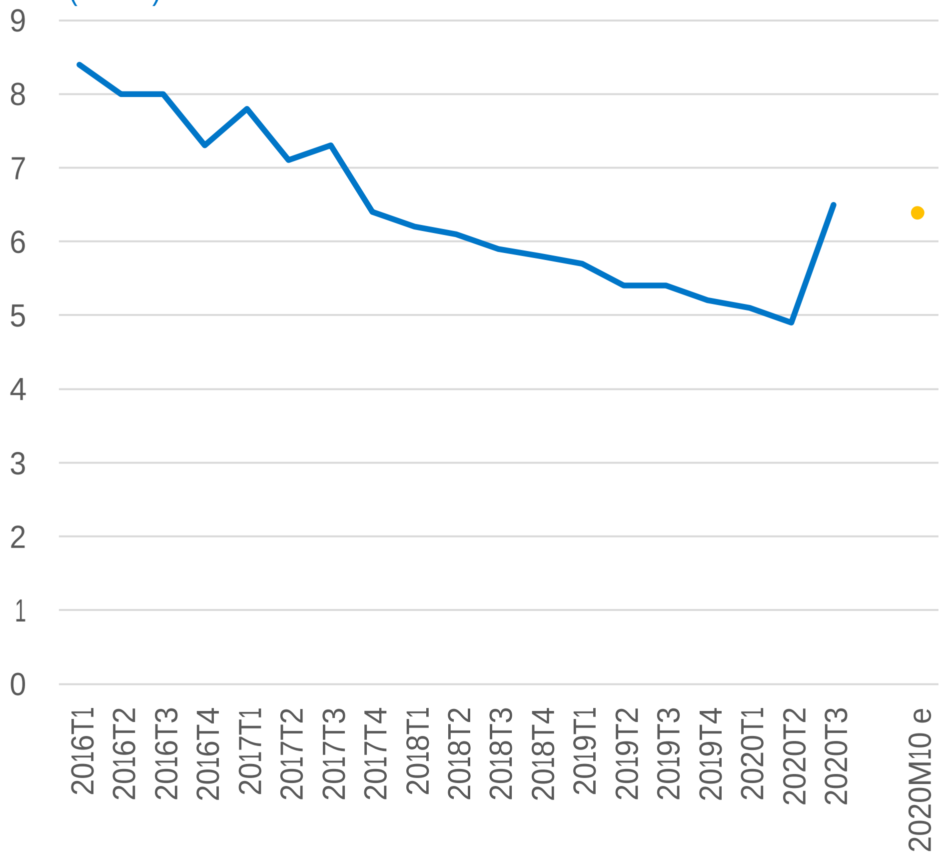
La crise sanitaire a interrompu une dynamique positive

(taux harmonisés issus des enquêtes force de travail[1])

Taux d'emploi
(20-64)



Taux de chômage
(15-64)



Trimestriel   Mensuel

Source: Statbel, dernières données disponibles: en trimestriel: 3ème trimestre – en mensuel: octobre 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. Les variations d'une période à l'autre doivent être interprétées avec prudence..

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ERMG survey

The ERMG survey allows to monitor the COVID-19 impact on companies and self-employed in real time[1]

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

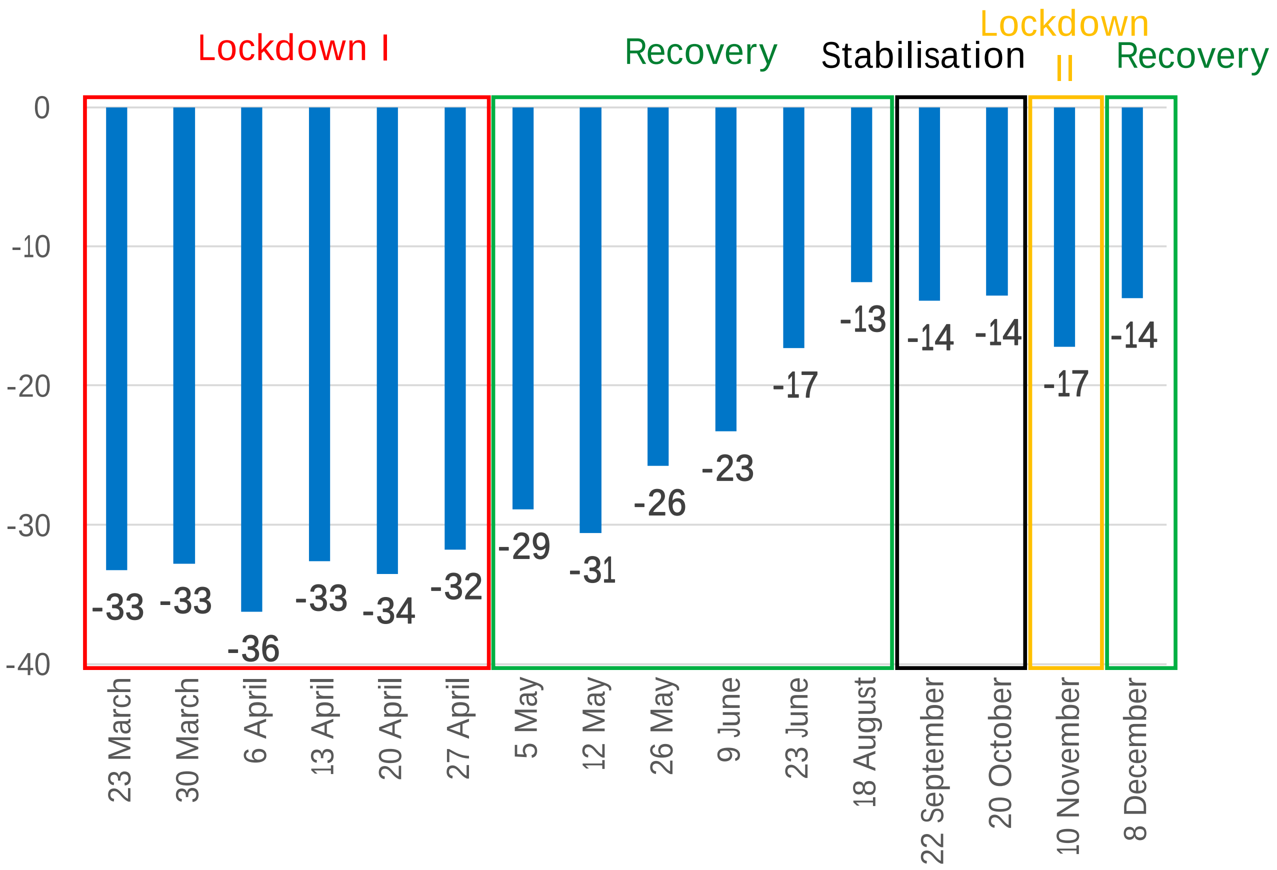
Round	Period	Federations	Replies	Comment
1	23-24 March	BECI, UWE, VOKA	1 700	Results not published
2	30-31 March	BECI, UNIZO, UWE, VOKA	4 725	First press release
3	6-7 April	BECI, BOERENBOND, NSZ, UNISOC, UNIZO, UWE, VOKA	6 900	UNISOC was analysed separately
4	14-15 April	BECI, NSZ, UNIZO, UWE, VOKA	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, UCM, UNIZO, UWE, VOKA	4 430	
13	21-23 September	BECI, NSZ, UNIZO, UWE, VOKA	2 868	
14	19-21 October	BECI, UCM, UNIZO, UWE, VOKA	5 131	
15	9-10 November	BECI, NSZ, UCM, UNIZO, UWE, VOKA	5 631	
16	7-9 December	BECI, UCM, UNIZO, UWE, VOKA	3 798	

Source: ERMG survey, latest available data: 8 December 2020.

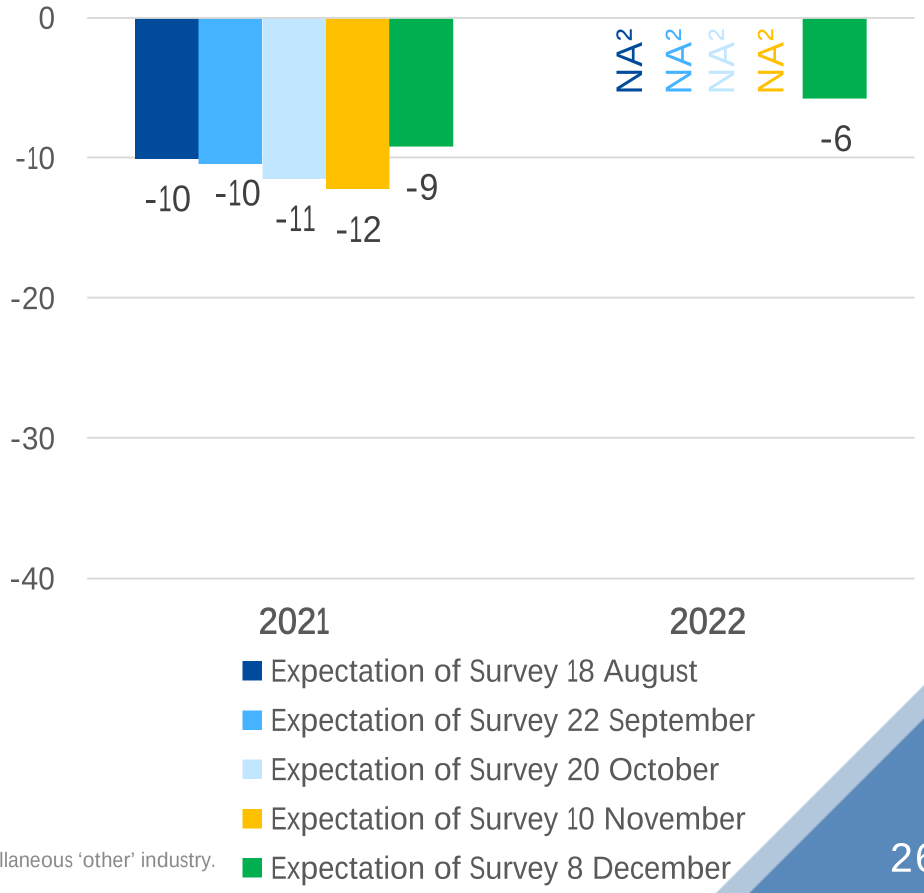
[1] Note that changes over time should be interpreted with care as the companies participating to the survey and the composition of the sample can differ from one week to another.

While the current revenue loss and the 2021 outlook have improved, the recovery is still expected to remain slow and only partial

COVID-19 impact on weekly turnover
(in %, weighted average based on revenues and industry value added[1])



Expected impact on next years' turnover
(in %, weighted average based on revenues and industry value added[1])



Source: ERMG survey, latest available data: 8 December 2020.

[1] This approach excludes the human health industry, the public sector and firms that were identified as belonging to a miscellaneous 'other' industry.

[2] 2022 revenue expectations were not asked in the surveys before December.

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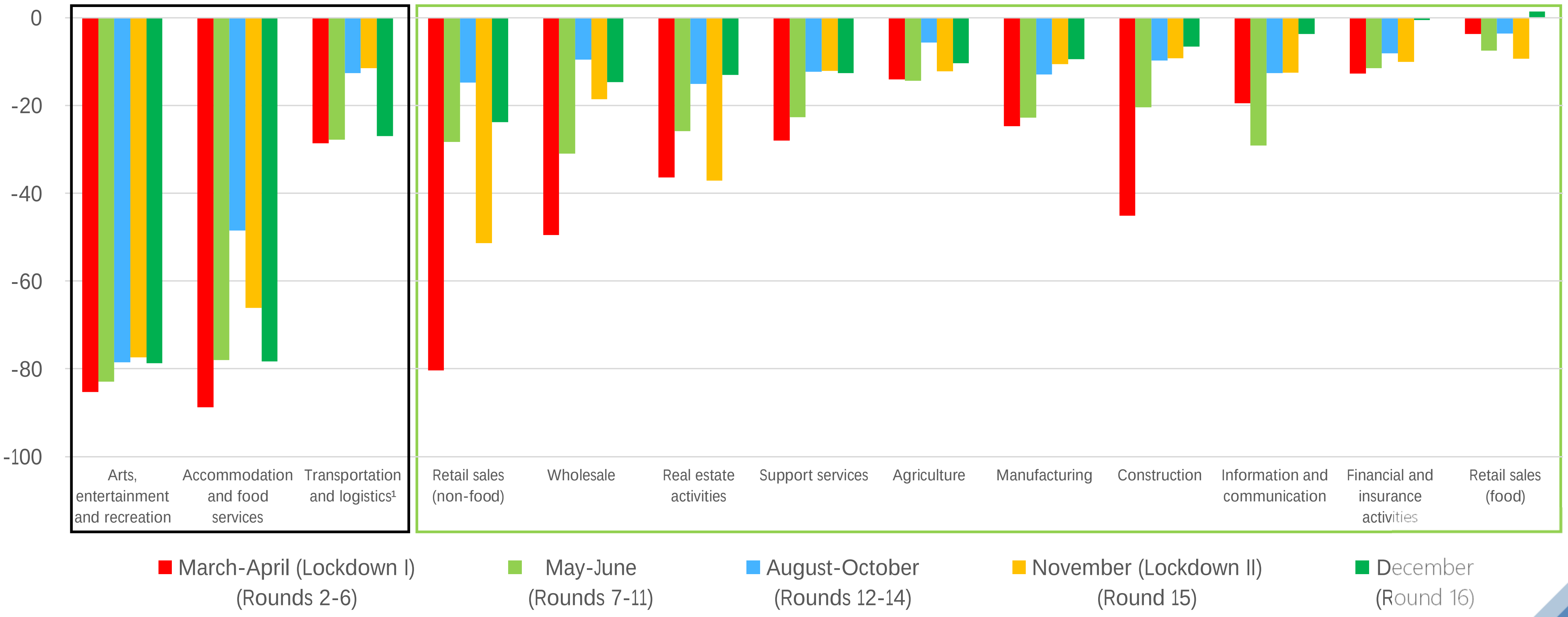
Revenues have improved in most industries (especially in non-food retail and real estate activities), but not in the worst-hit industries

COVID-19 impact on weekly turnover

(in %, weighted average based on revenues)



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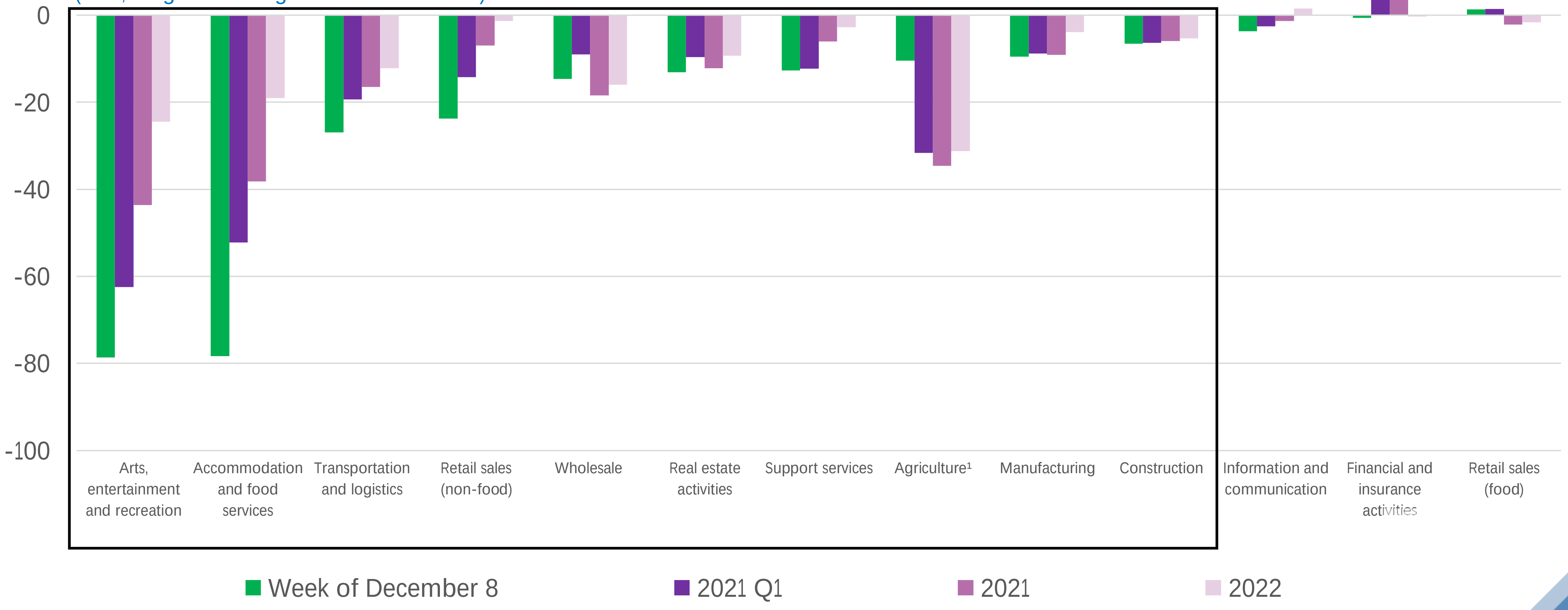
Source: ERMG survey, latest available data: 8 December 2020.

[1] The changes of the revenue loss in the transport and logistics sector over time should be interpreted with caution because the hard-hit passenger aviation companies seem to have been underrepresented in the survey rounds between August and November.

Most industries do not expect a full recovery even by 2022

Expected COVID-19 impact on current and next years' turnover (Survey 8 December)
(in %, weighted average based on revenues)



Source: Round 16 of ERMG survey, latest available data: 8 December 2020

[1] The expectations in agriculture should be interpreted with care, as it is largely driven by one very large agriculture firm with a pessimistic outlook.

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	Survey 10 Nov	Survey 8 Dec	
Aviation[2]	-20	-40	-77	-63	-53	-61	-87	-88	-57	-6	-34	-32	-13	-15	-85	
Events and recreation	-74	-92	-84	-88	-88	-84	-89	-92	-63	-86	-81	-81	-74	-77	-79	< -50%
Accommodation and food service activities	-93	-83	-88	-95	-84	-87	-93	-85	-75	-50	-42	-39	-65	-66	-78	
Retail sales (non-food)	-86	-85	-78	-70	-82	-70	-25	-29	-12	-6	-9	-16	-19	-51	-24	-20 to -50%
Road transport (persons)	-28	-45	-71	-67	-67	-84	-69	-34	-61	-35	-11	-11	-24	-13	-23	
Human Resources	-40	-46	-20	-36	-33	-37	-36	-35	-33	-12	-14	-13	-12	-11	-19	
Engineering services	-34	-62	-13	-30	-27	-20	-16	-14	-10	-17	-10	-25	-21	-12	-16	
Wholesale	-50	-48	-59	-47	-44	-34	-43	-17	-36	-24	-6	-8	-15	-19	-15	
Liberal professions	-25	-21	-15	-28	-27	-22	-27	-12	-11	-15	-14	-8	-10	-12	-13	-10 to -20%
Real estate activities	-36	-44	-43	-31	-28	-60	-38	0	-9	-21	-10	-24	-12	-37	-13	
Manufacture of transport equipment[2]	-32	-63	-74	-29	-75	-59	-47	-36	-16	-23	-4	-16	-15	-21	-12	
Manufacture of machinery and electrical equipment	-25	-29	-29	-30	-32	-30	-24	-35	-20	-10	-19	-9	-14	-10	-11	
Agriculture and fishing	-34	-23	-11	1	-3	-33	0	-17	-4	-19	-2	-10	-5	-12	-10	
Manufacture of textiles, wearing apparel and shoes	-48	-57	-70	-70	-57	-62	-50	-50	-29	-23	-9	-4	-7	-19	-10	
Manufacture of wood and paper products, and printing	-52	-20	-26	-49	-32	-26	-23	-30	-30	-28	-11	-6	-15	-14	-10	
Manufacture of pharmaceutical and chemical products	-14	-20	-24	-11	-11	-23	-18	-21	-19	-21	-12	-10	-11	-8	-10	
Manufacture of food products	-14	-17	-24	-20	-15	-21	-17	-22	-21	-12	-8	-9	-11	-12	-9	
Consultancy	-8	-16	-15	-28	-20	-23	-25	-20	-12	-19	-12	-10	-10	-14	-9	
Logistics	-29	-26	-23	-15	-16	-24	-10	-39	-25	-34	-7	-17	-10	-11	-8	0 to -10%
Manufacture of plastic and non-metallic products	-24	-14	-20	-15	-23	-21	-17	-22	-22	-11	-14	-12	-11	-10	-8	
Construction	-47	-46	-43	-46	-44	-29	-34	-14	-20	-5	-11	-9	-9	-9	-7	
Metallurgy	-21	-12	-34	-18	-33	-31	-25	-36	-27	-31	-25	-24	-18	-10	-6	
Manufacture of computer, electronic and optical products	-43	-9	-17	-37	-34	-14	-27	-27	-9	-21	-43	-21	-10	-11	-5	
Information and communication	-15	-21	-18	-23	-21	-29	-43	-27	-30	-17	-9	-21	-8	-13	-4	
Manufacture of furniture	-61	-63	-80	-58	-67	-36	-60	-30	-21	-6	-19	-19	-1	-7	-3	
Financial and insurance activities	-20	-9	-8	-17	-10	-10	-17	-11	-10	-10	-9	-7	-9	-10	-1	
Retail sales (food)	-3	-4	-8	0	-5	-8	-16	1	-9	-6	1	-11	-1	-9	1	> 0%

Source: ERMG survey, latest available data: 8 December 2020.

[1] Weighted average based on the industry value added.

[2] The results for this sector are based on only a few respondents and should therefore be interpreted with caution. In addition, the changes of the aviation revenue loss over time should be interpreted with caution because the hard-hit passenger aviation companies seem to have been underrepresented in many survey rounds before December.

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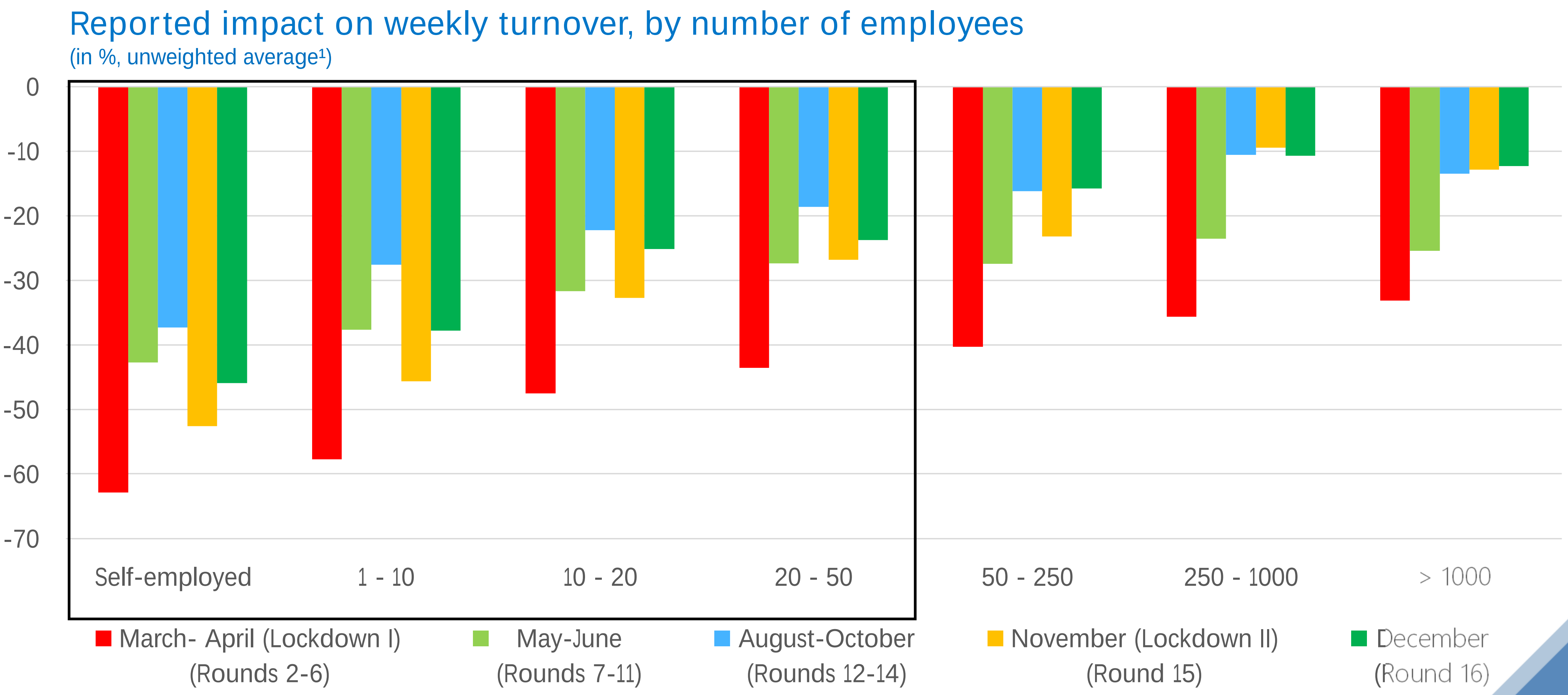
Revenues recover somewhat for the smaller firms/self-employed, but they remain the hardest hit by far ...

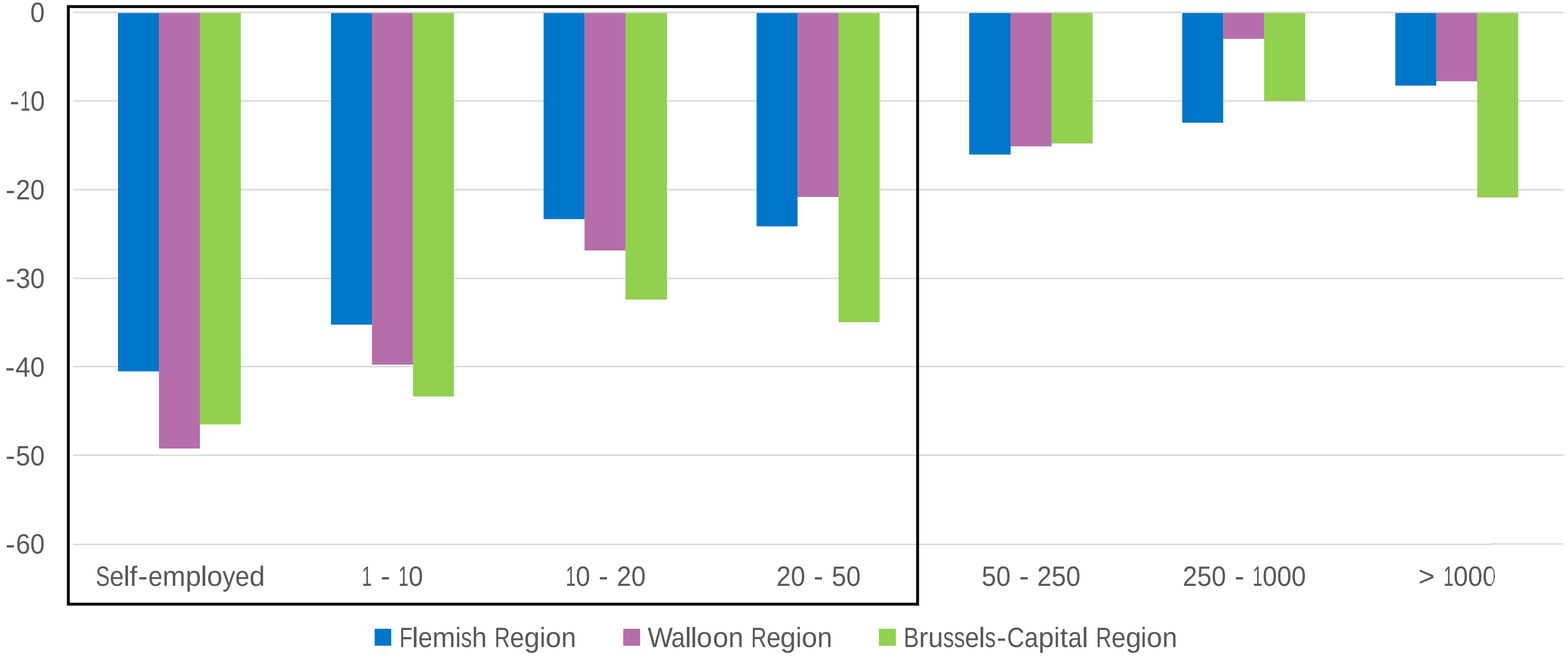


Source: ERMG survey, latest available data: 8 December 2020.
[1] Results are not stratified by industry.

... and small Brussels firms suffer more, which could be explained by the drop in commuters (due to telework) and (tourism/business) travel

Reported impact on weekly turnover by number of employees (Survey 8 December)

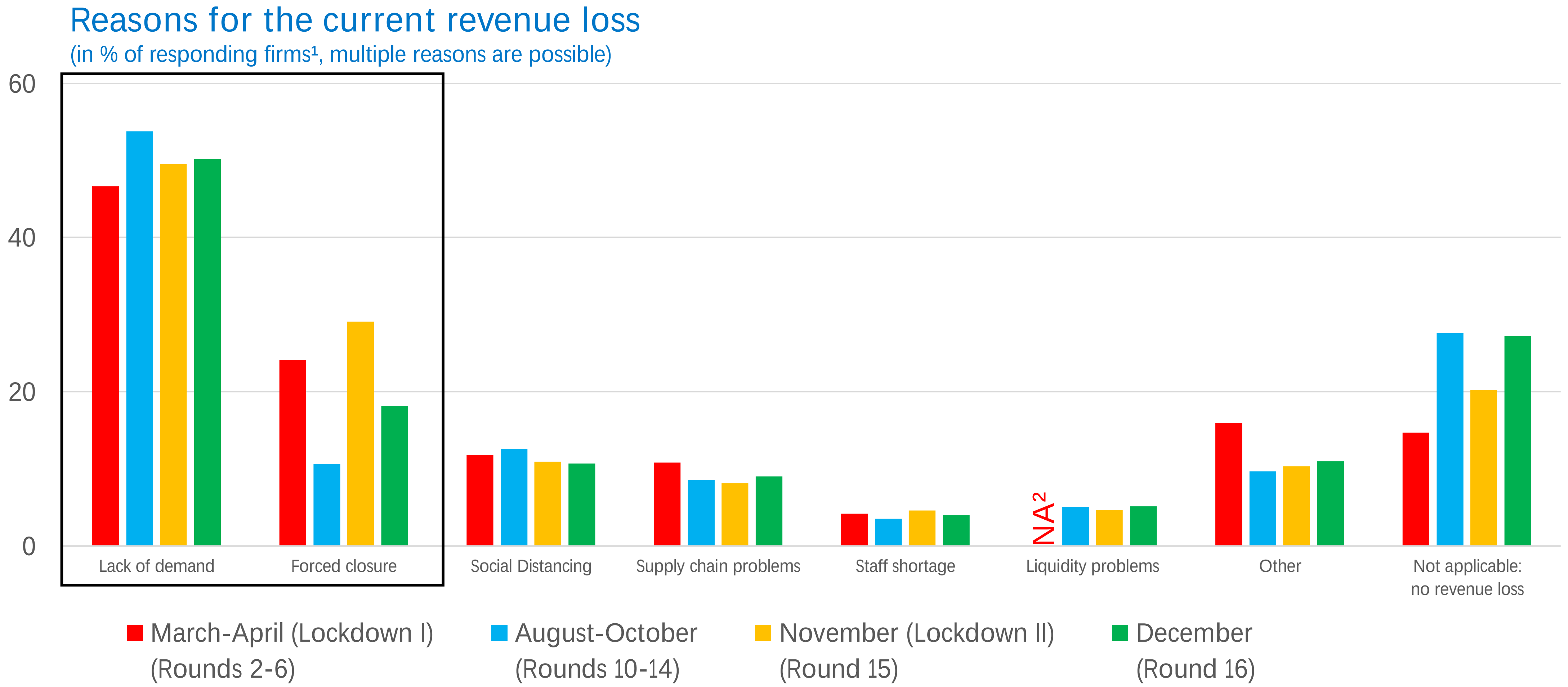
(in %, unweighted average[1])



Source: Round 16 of ERMG survey, latest available data: 8 December 2020.

[1] Results are not stratified by industry.

Lack of demand remains the key issue of the revenue loss, while the forced closure of the activities is cited less but remains important …



Source: ERMG survey, latest available data: 8 December 2020.

[1] Weighted average based on industry value added. Please note that there are no results for the surveys in May and June.

[2] Liquidity problems was not included in the surveys of March and April.

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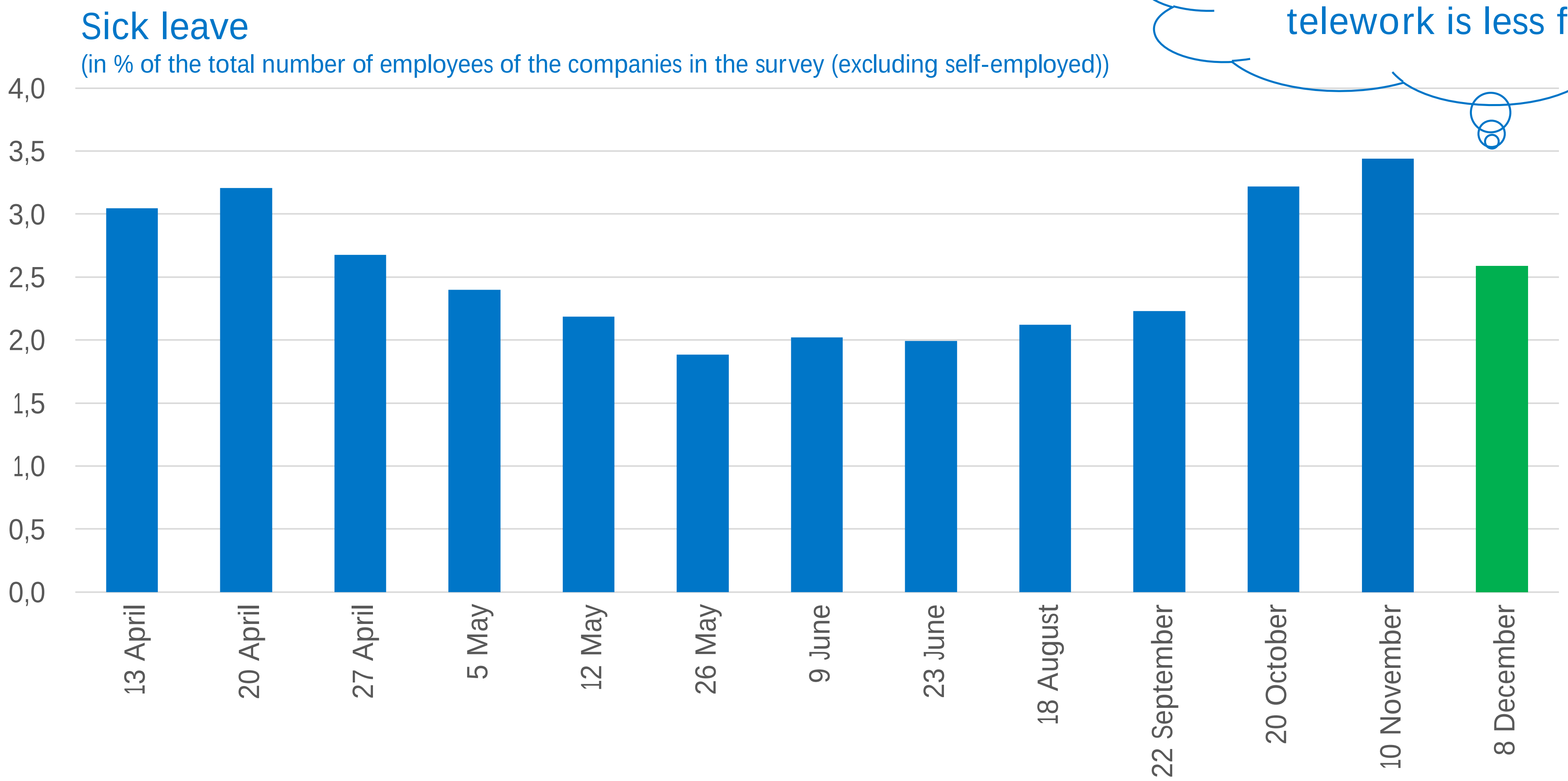
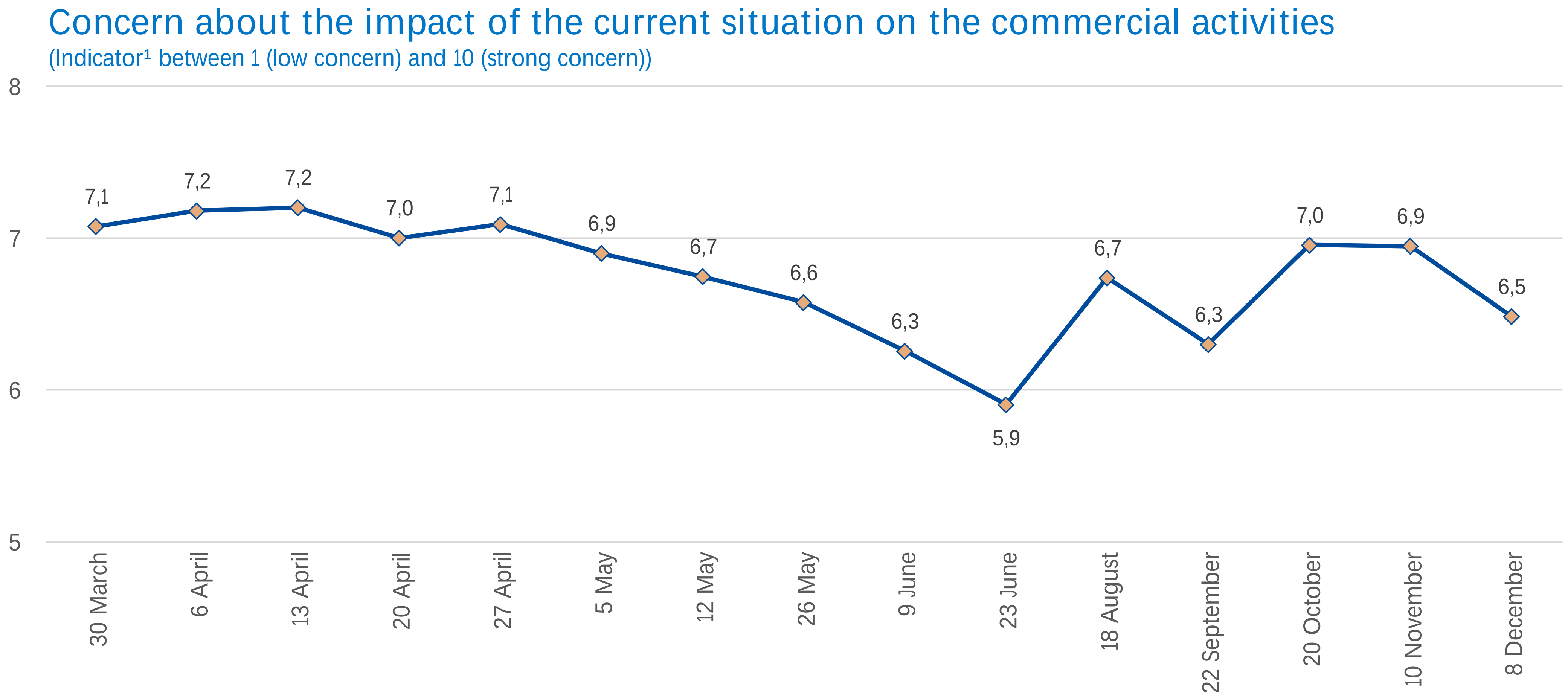
... and less staff is absent in December due to illness

Higher sick leave in Wallonia and in industries where telework is less feasible



Source: ERMG survey of 8 December.

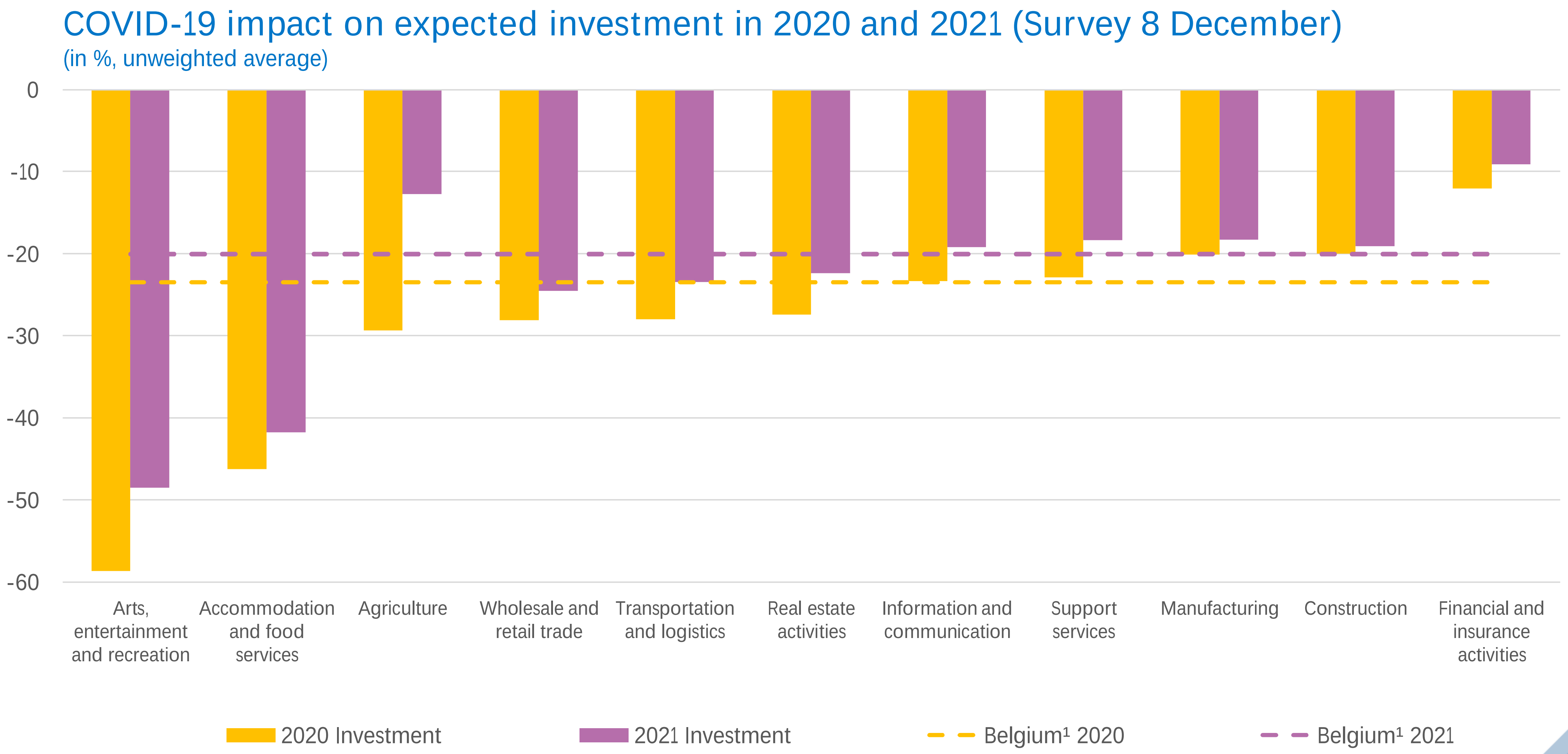
The concern indicator has decreased in December



Source: ERMG survey, latest available data: 8 December 2020.

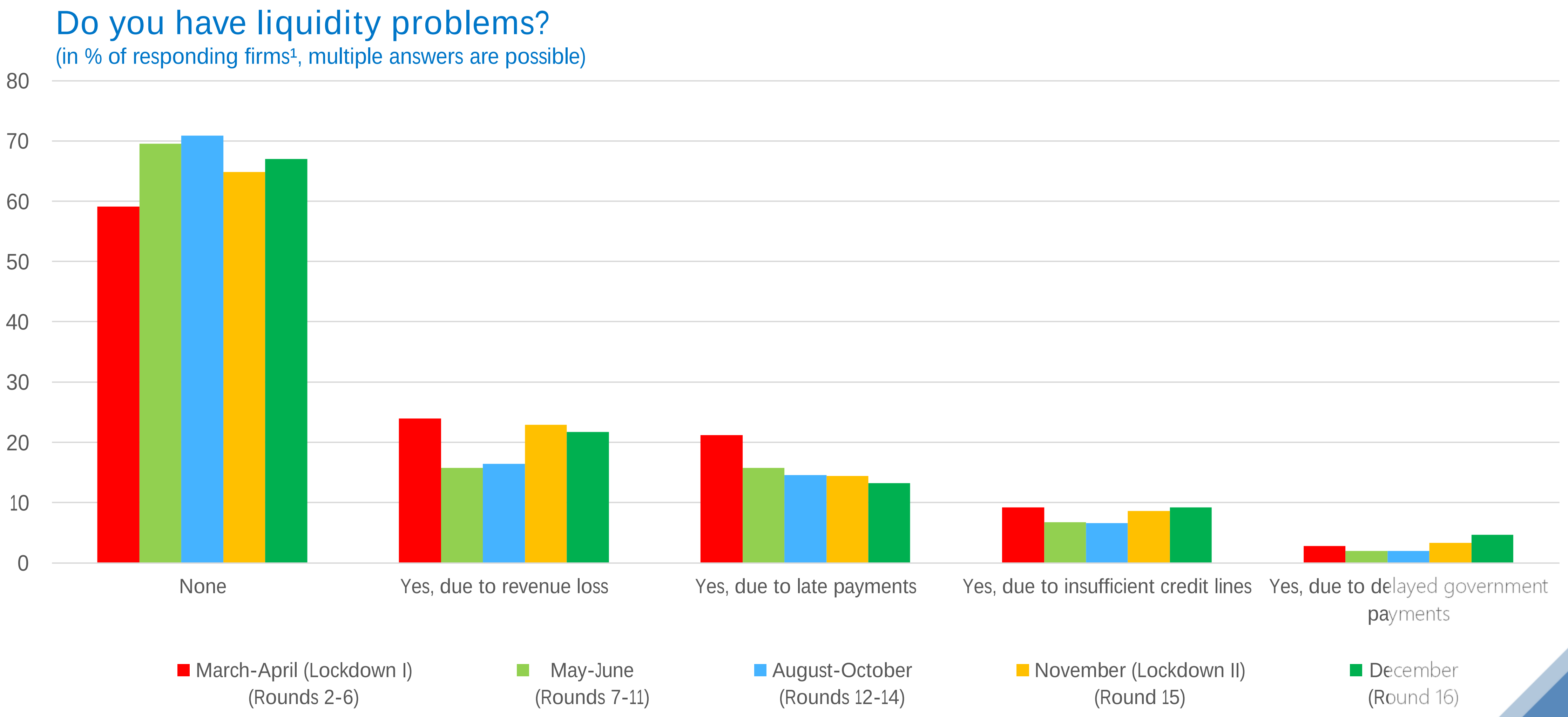
[1] Weighted average based on the industry value added.

The investment outlook has become a little less gloomy: the average firm expects its investment to be about 20 % below normal in 2021



Source: Round 16 of ERMG survey, latest available data: 8 December 2020.
[1] Weighted average based on the industry value added.

Liquidity problems have eased somewhat in December, except for those related to credit access and delayed government payments …



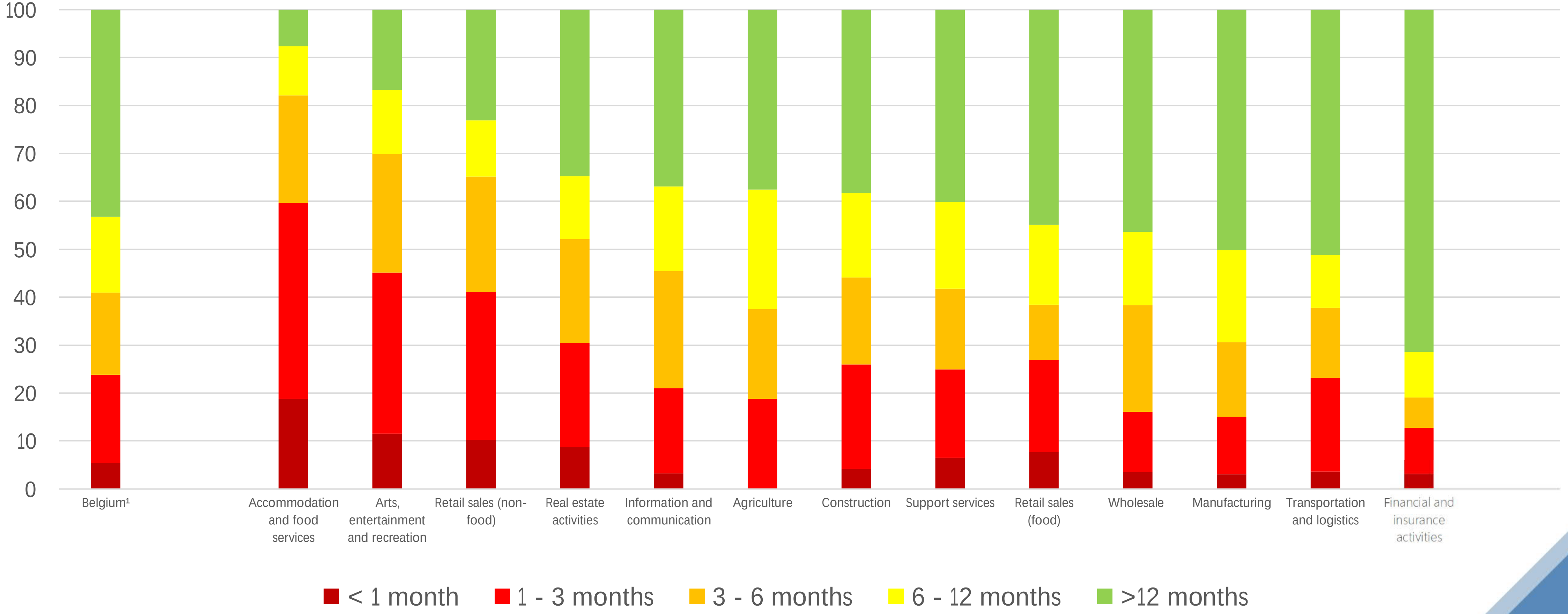
Source: ERMG survey, latest available data: 8 December 2020.

[1] Weighted average based on the industry value added.

... and almost 60 % of firms need additional financing within one year

How long can you still meet your current financial obligations without having to rely on additional capital injections or additional loans?

(in % of responding firms)



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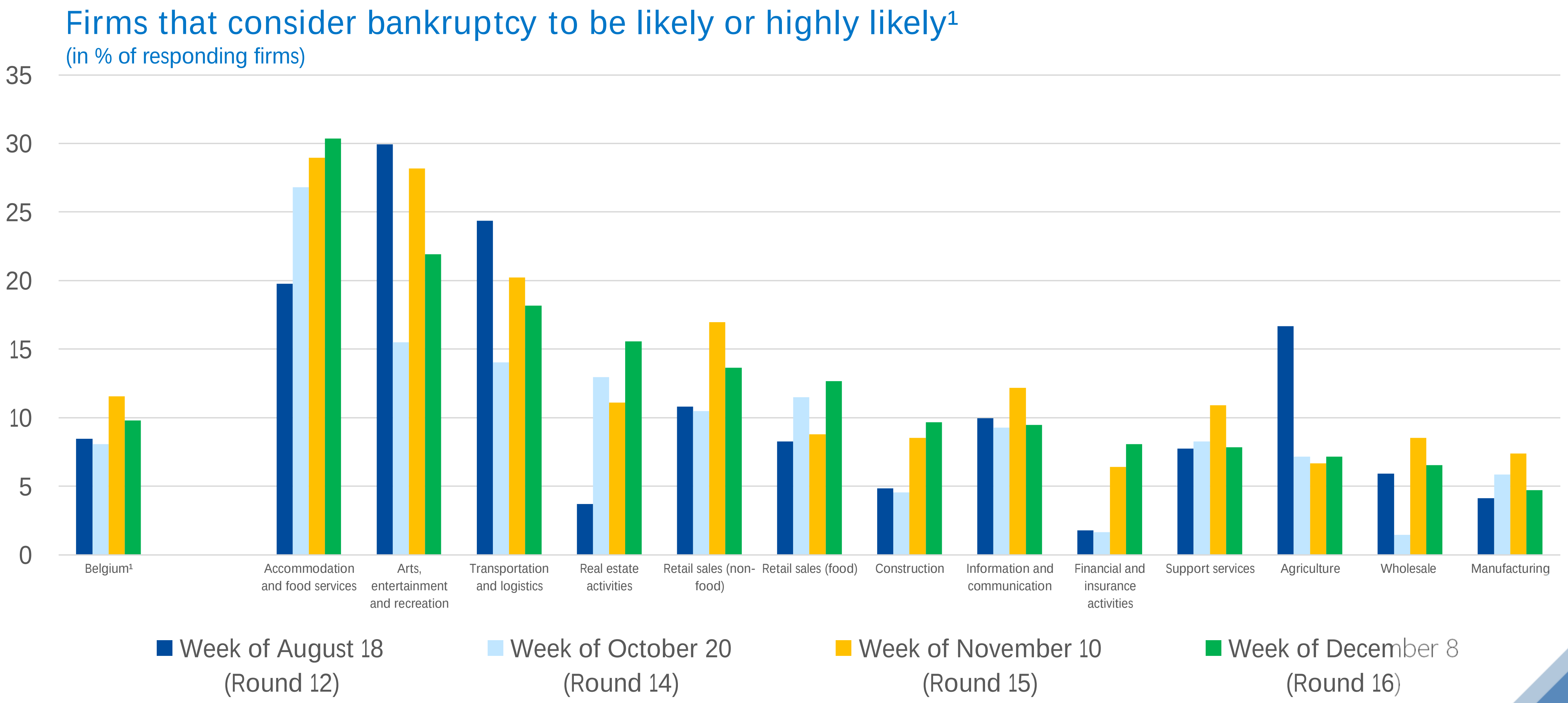
Source: Round 16 of ERMG survey, latest available data: 8 December 2020.
[1] Weighted average based on the industry value added.

Bankruptcy risk has decreased again in December but remains elevated …



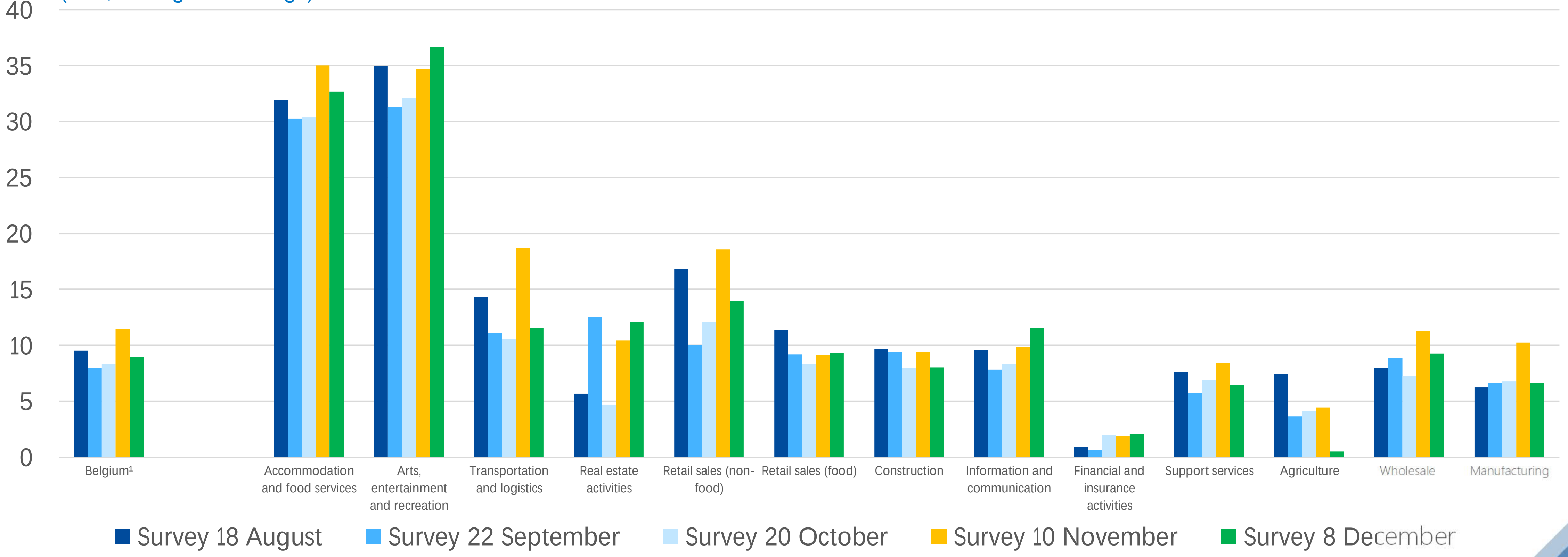
Source: ERMG survey, latest available data: 8 December 2020.

[1] The results of the September survey were left out as the sample was not representative (small firms based in Wallonia and Brussels, which regard the risk of bankruptcy as higher, were much less represented in that survey).

[2] Weighted average based on the industry value added.

… and firms estimate that many companies in their industry are currently in a bankruptcy process or already went bankrupt

Estimate of respondents on the proportion of companies in their sector that already are currently in a bankruptcy process or that already went bankrupt
(in %, unweighted average)



Source: ERMG survey, latest available data: 8 December 2020.
[1] Weighted average based on the industry value added.

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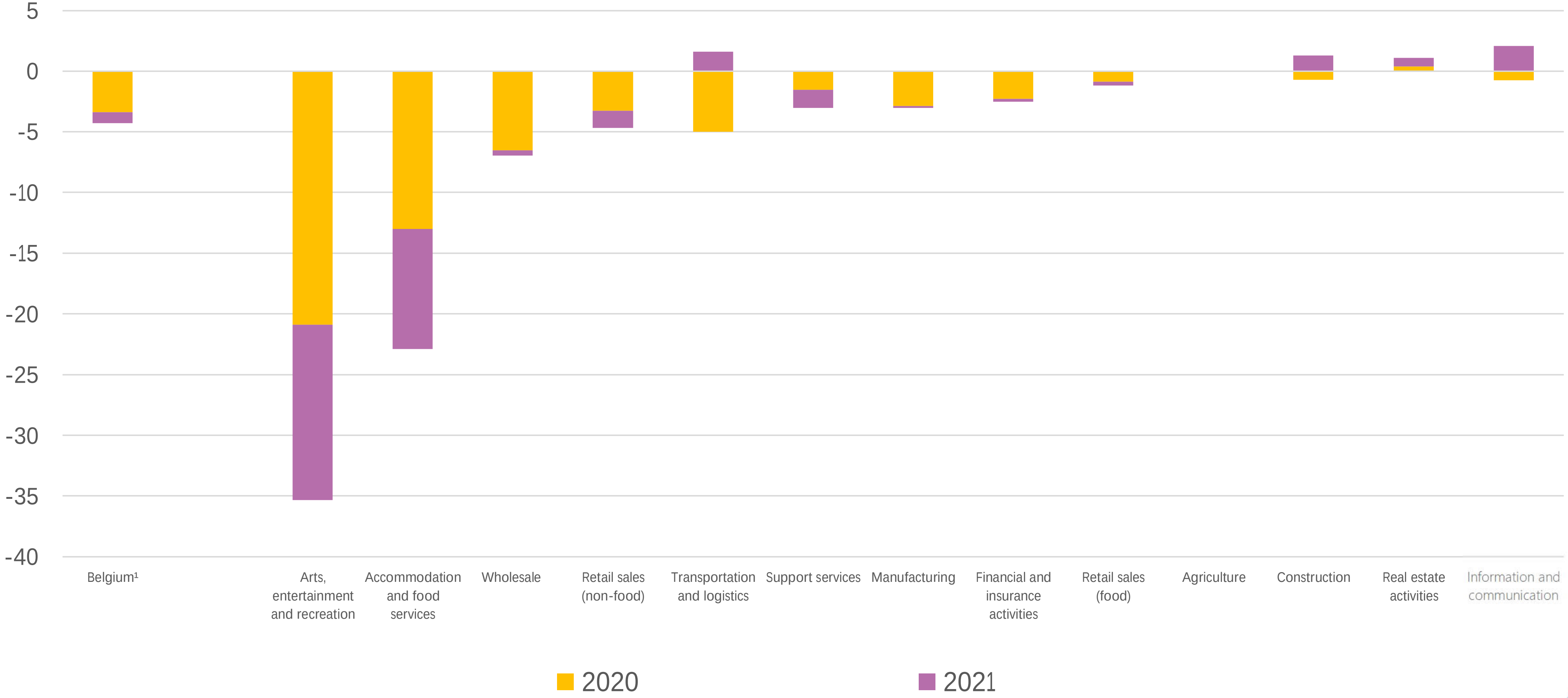
The number of employees in the private sector is expected to decline by almost 5 % by the end of 2021 …

Expected change in staff size in 2020 and 2021 (Survey 8 December)

(in % of total staff size of the firms in the survey, excluding self-employed)



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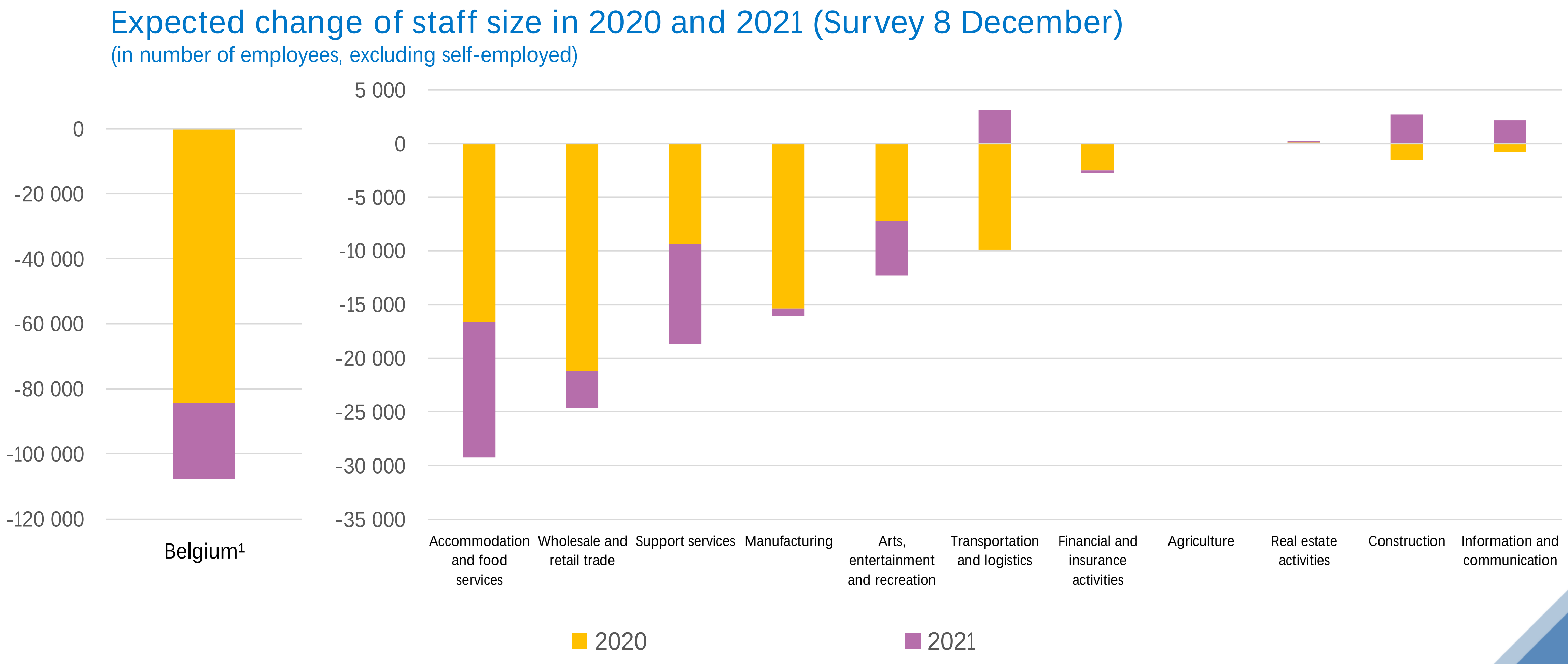
Source: Round 16 of ERMG survey, latest available data: 8 December 2020.

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

… corresponding to an expected decline by about 110 000 employees in the private sector



Source: Round 16 of ERMG survey, latest available data: 8 December 2020.

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

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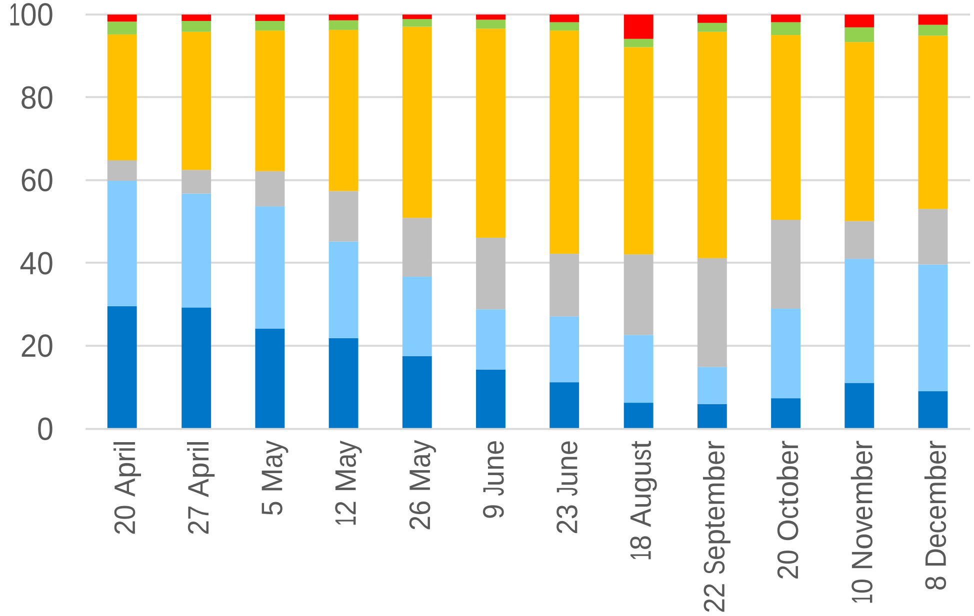
The number of employees in full- and part-time telework has further increased, while the number of temporary unemployed has declined

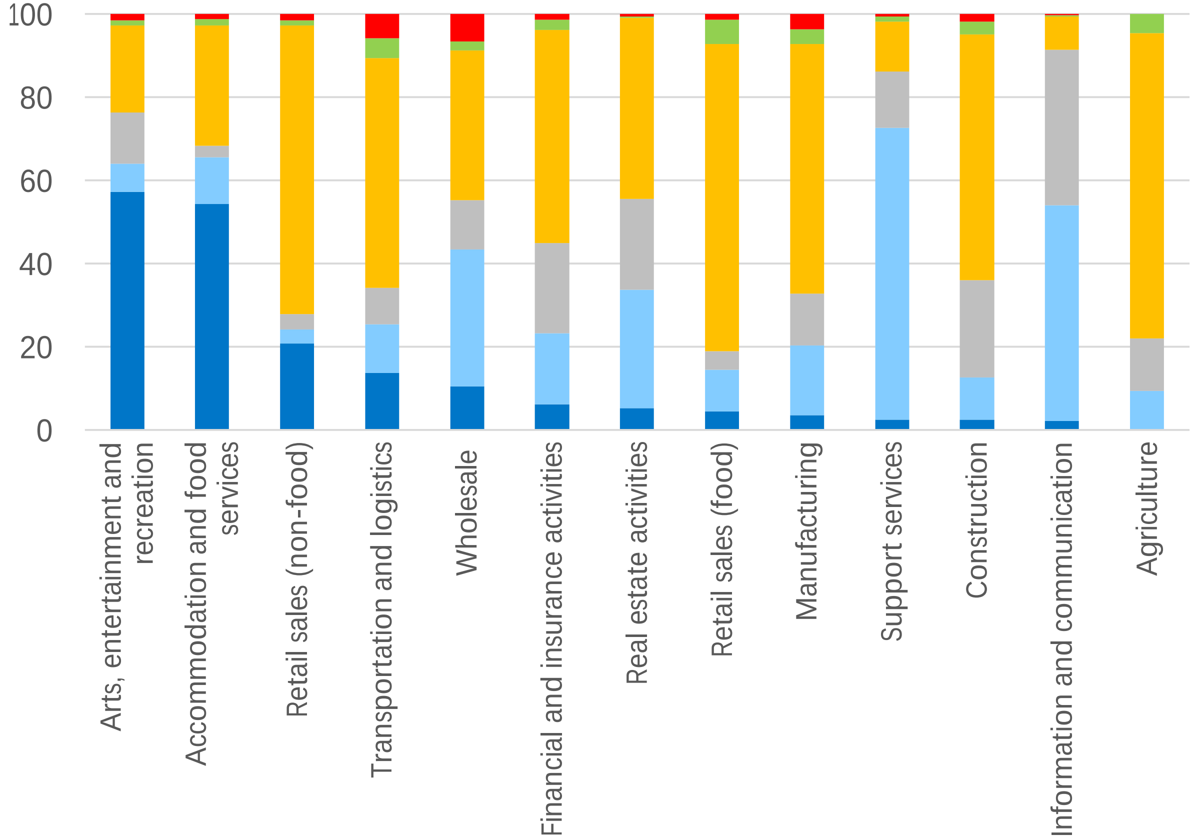
Workforce organisation over time, Belgium[1]

(in % of total staff size of the firms in the survey, excl. self-employed)



Workforce organisation by industry (8 December)

(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

Source: ERMG survey, latest available data: 8 December 2020.

[1] Average, weighted by the number of the private sector employees of the industries in the Belgian economy.

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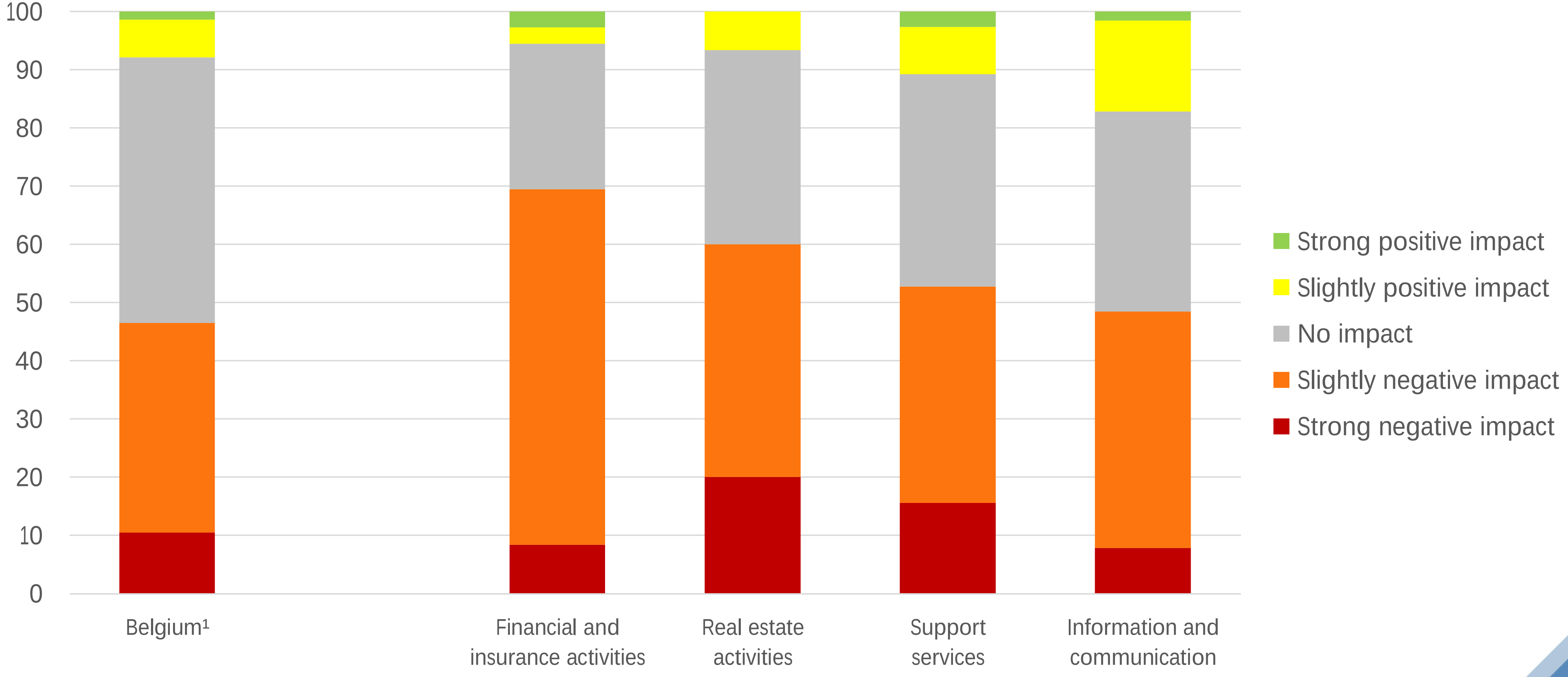
The current use of telework decreases productivity in about half of the firms

Impact of current recourse to teleworking on workers' productivity (Survey 8 December)

(in % of firms polled, at aggregate level and in the four sectors making the most use of teleworking)



Source: Round 16 of ERMG survey, latest available data: 8 December 2020.

[1] Average, weighted by the estimated number of private sector employees of the industries in the Belgian economy

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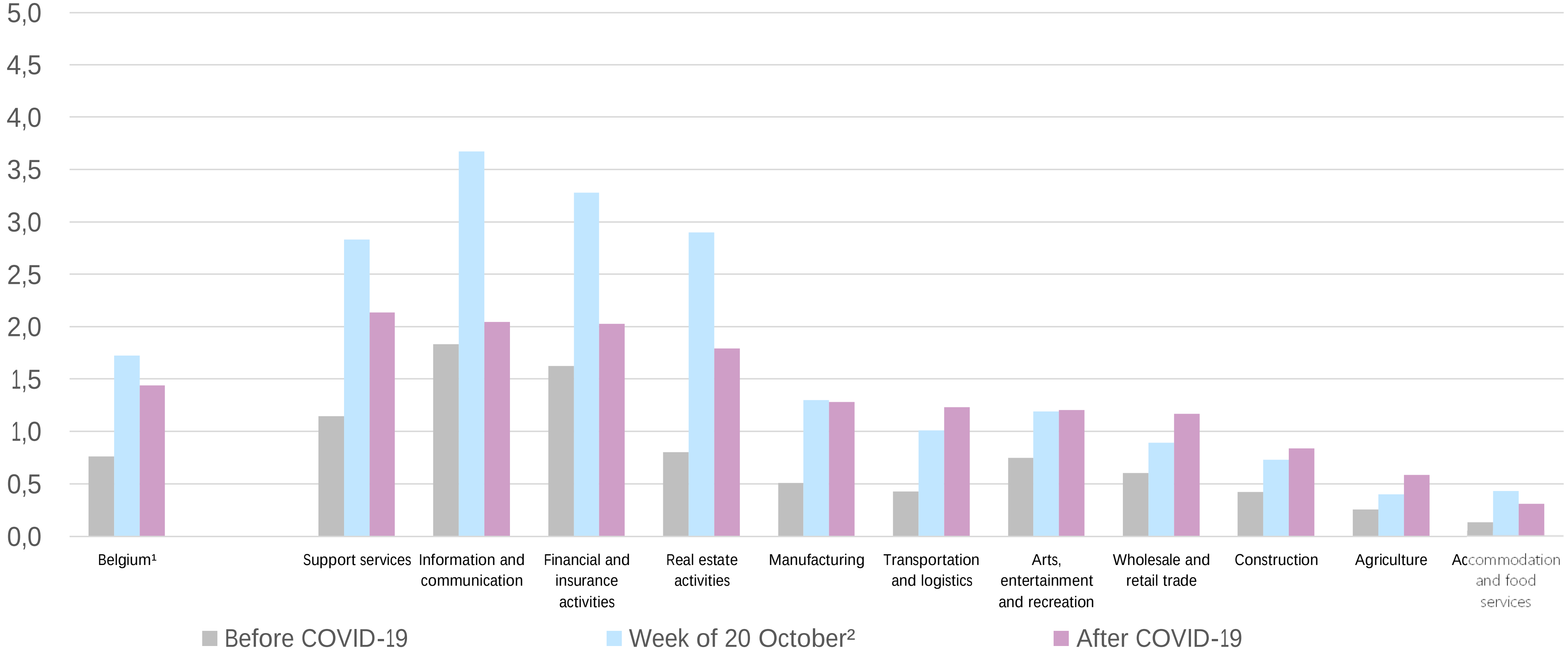
The use of telework is expected to remain almost twice as large after the COVID-19 crisis …

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.

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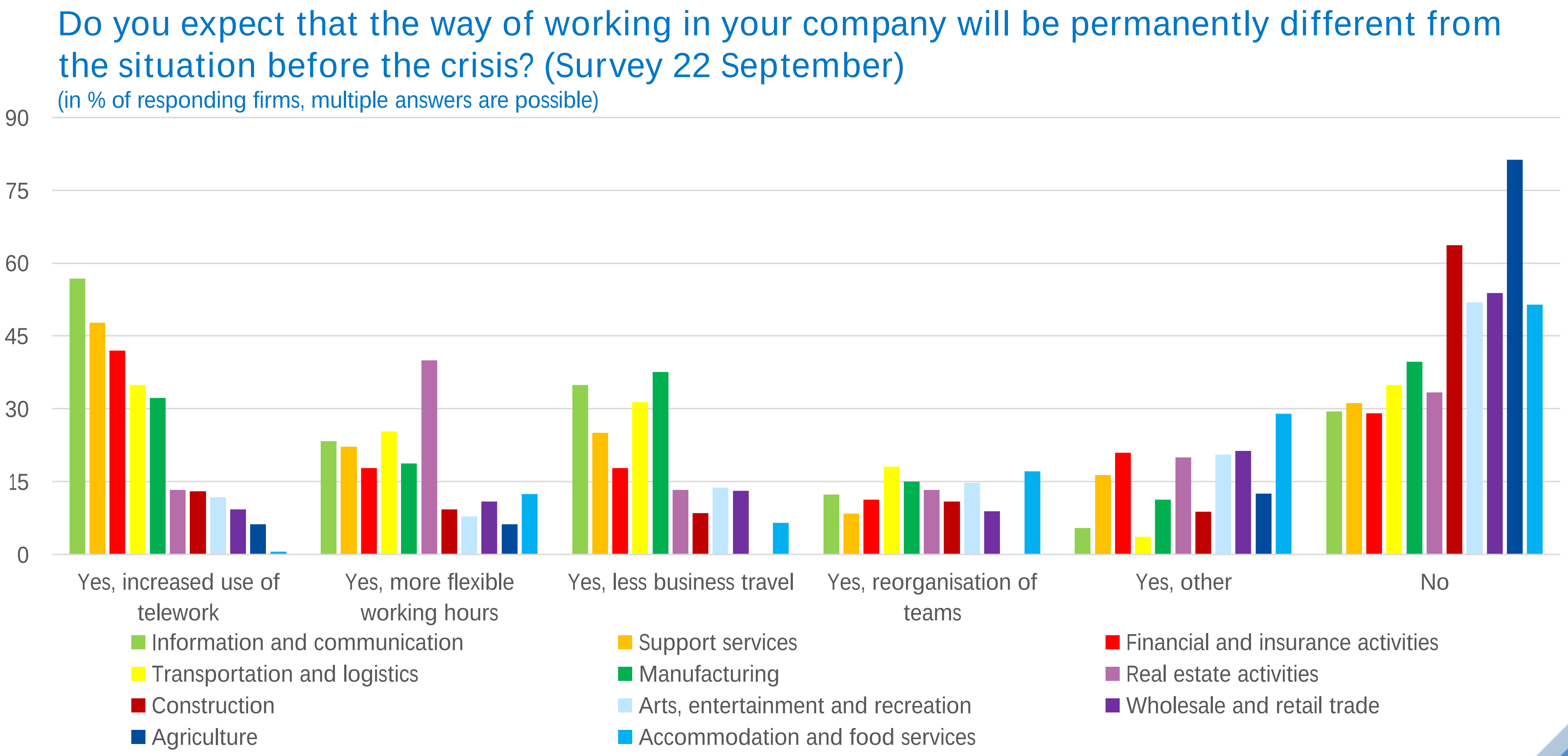
... as the crisis will have a lasting impact on the way of working with increased use of telework, more flexible working hours and less travel



Source: Round 13 of ERMG survey, latest available data: 22 September 2020.

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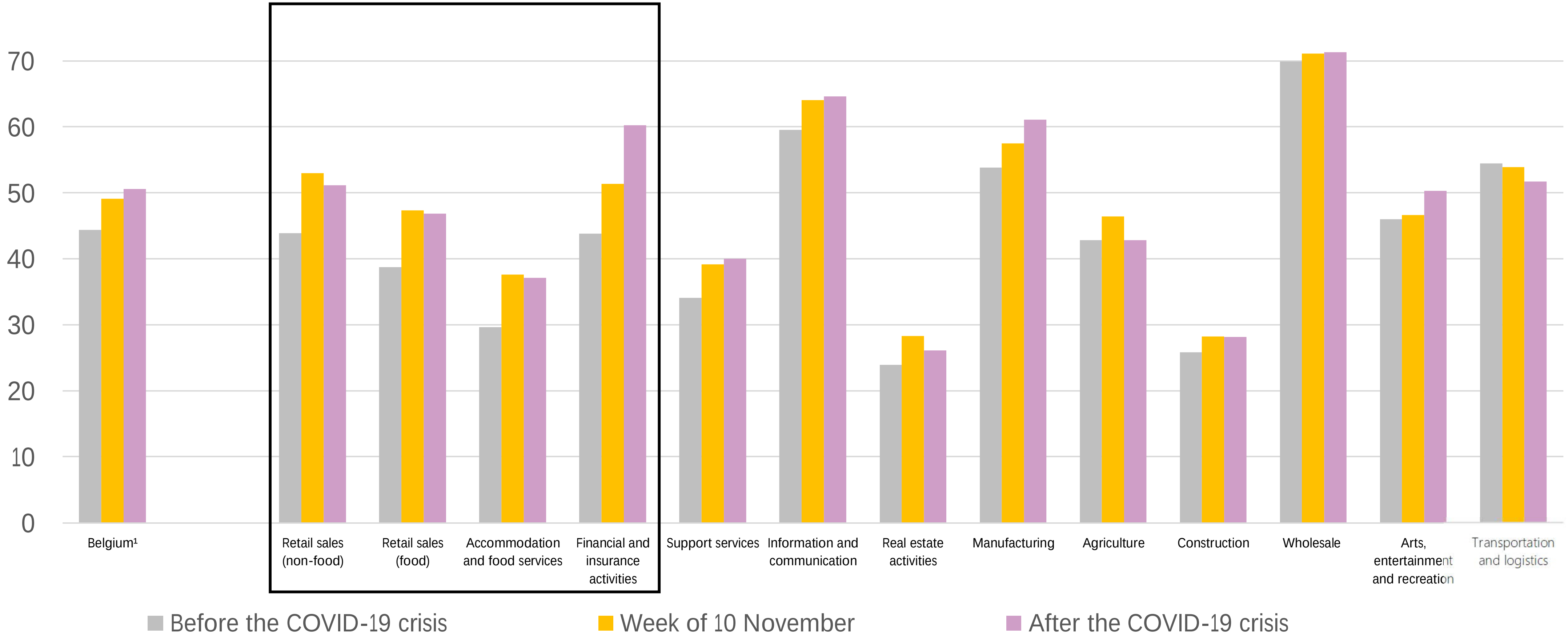
The COVID-19 crisis has led to a structural increase in E-sales/distance orders, especially in retail, accommodation and financial services

Share of companies that generate sales through distance orders or online sales (Survey 10 November)

(in % of responding firms, sectors are ranked by increase from the pre-COVID-19 situation)



Source: Round 15 of ERMG survey, latest available data: 10 November 2020.

[1] Weighted average based on the industry value added

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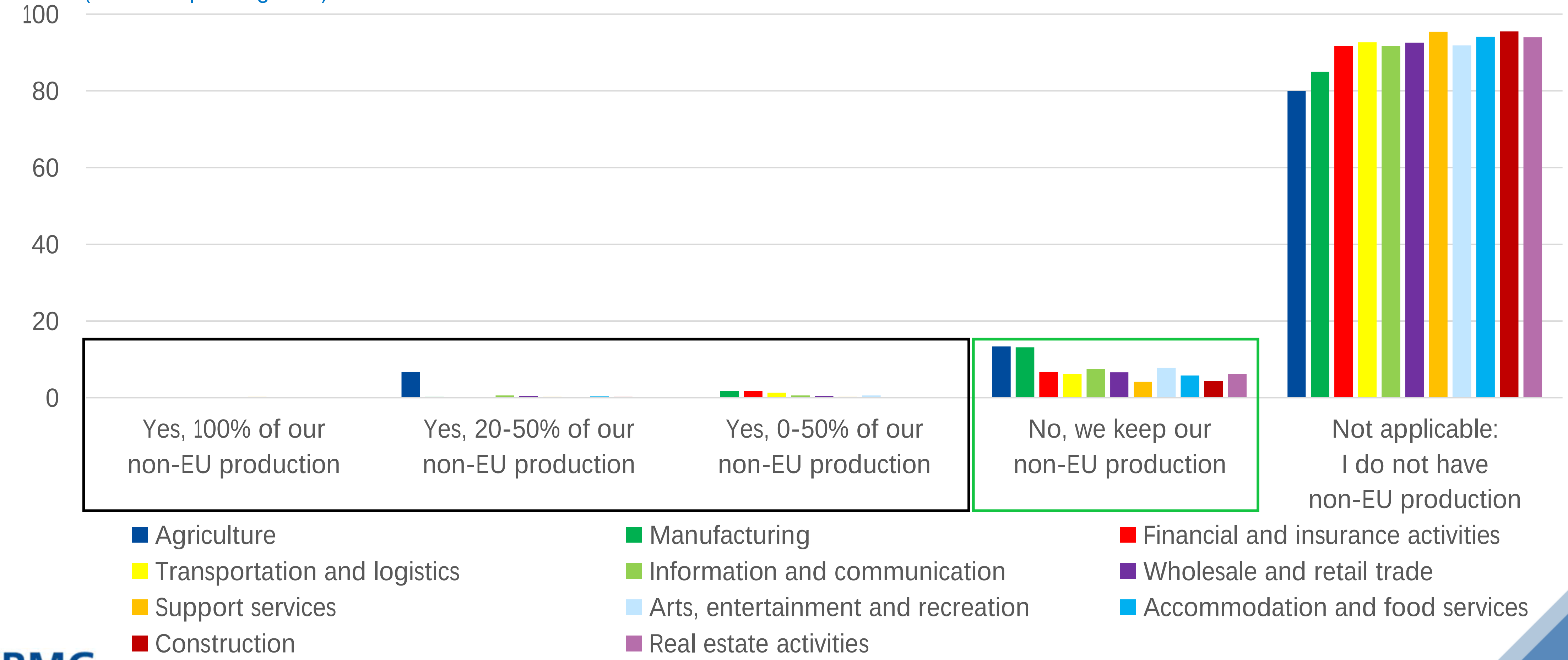
Only few firms have non-EU production and the vast majority of these firms will not reshore this production

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? (Survey 18 August)
(In % of responding firms)



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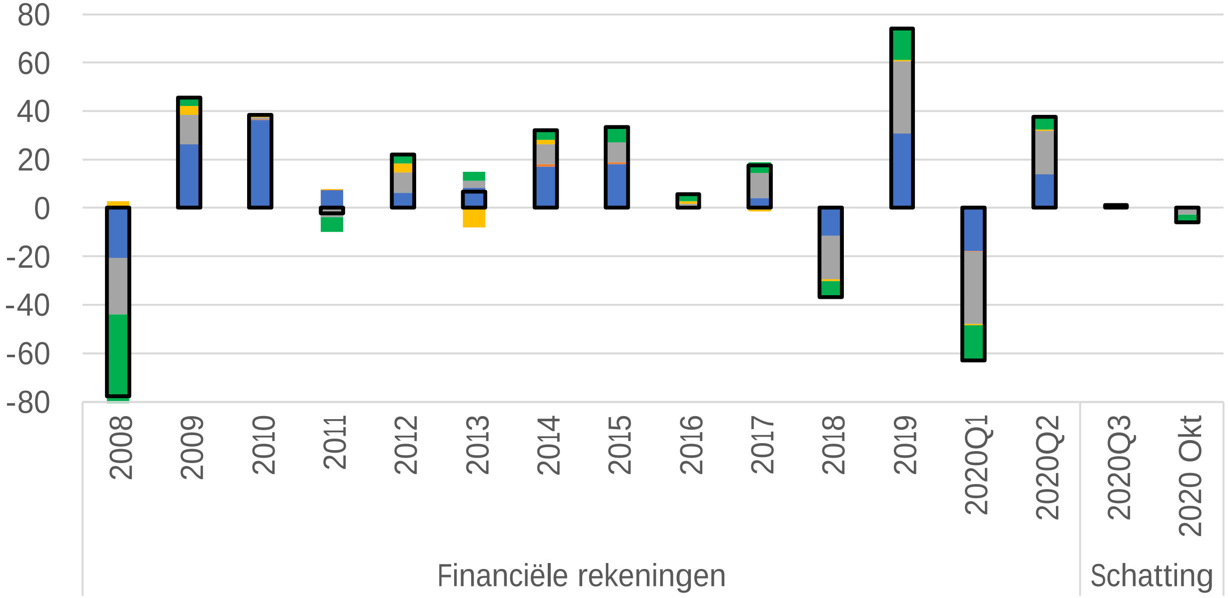
Source: Round 12 of ERMG survey, latest available data: 18 August 2020.

Credit indicators households

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

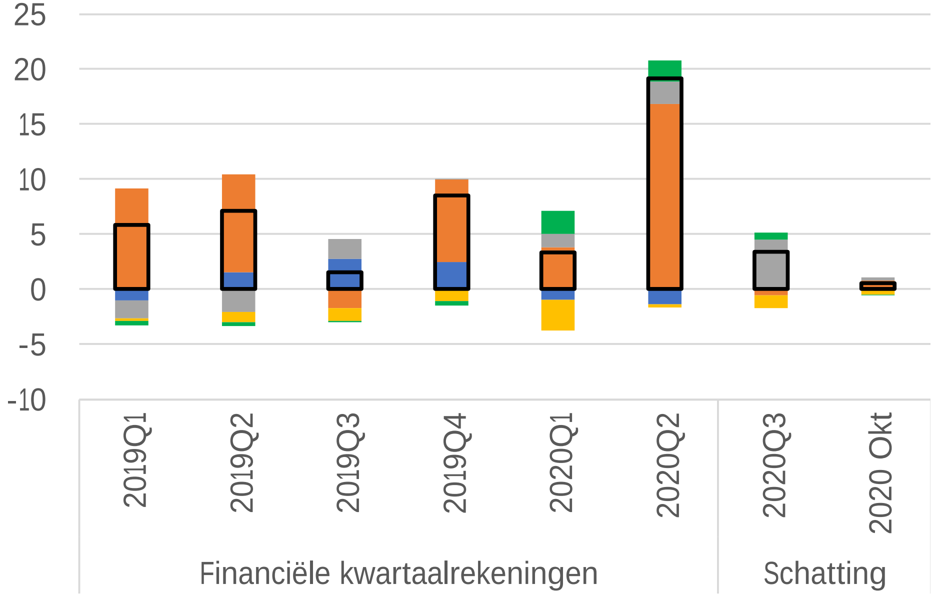
Min- en meerwaarden op financiële activa van huishoudens

(in € miljard)



Netto financiële investeringen

(in € miljard)



Andere activa[1] | 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.
  Oktober toont een beperkte daling. In november herstellen de beurskoersen echter fors.
  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.

- 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, illustratief voor het "geforceerd sparen" van de gezinnen. In het tweede kwartaal werd er voornamelijk in beleggingsfondsen geïnvesteerd. Zoals vaak in het derde kwartaal daalden de deposito's ook in 2020Q3, maar minder uitgesproken dan in de voorgaande jaren.

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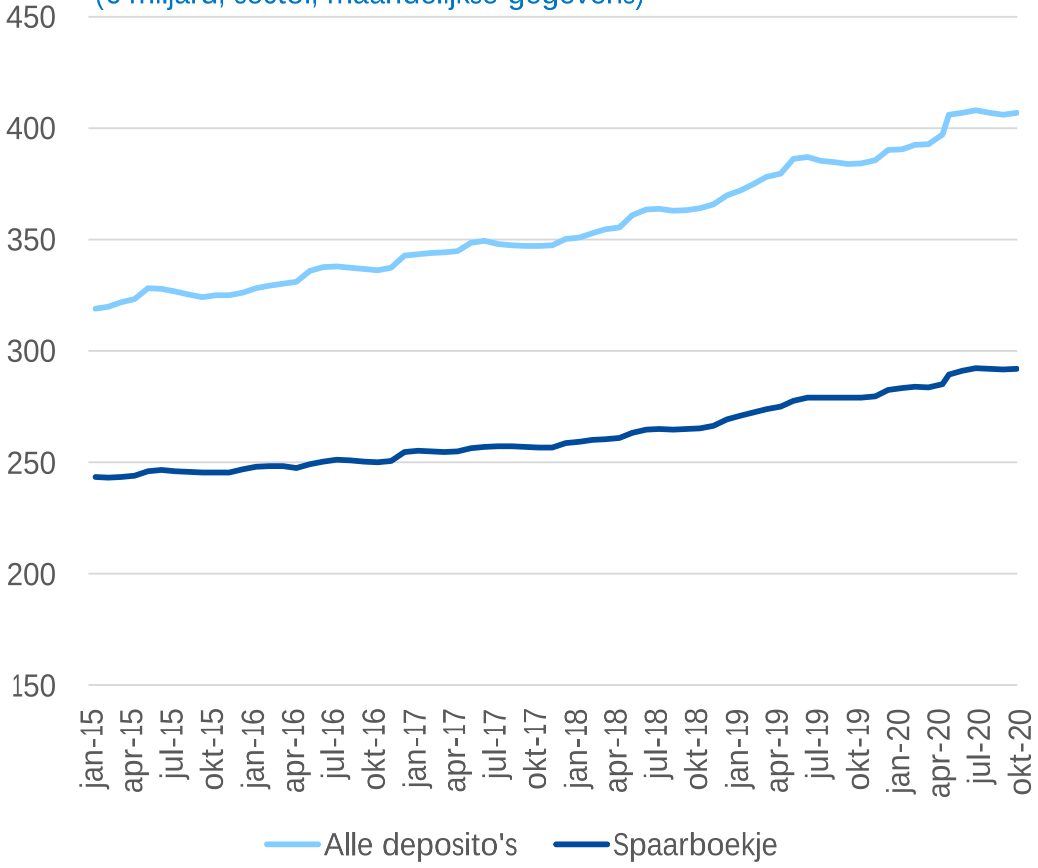
Bron: NBB, laatste beschikbare gegevens: oktober 2020 (laatste bijwerking: 11 december 2020).

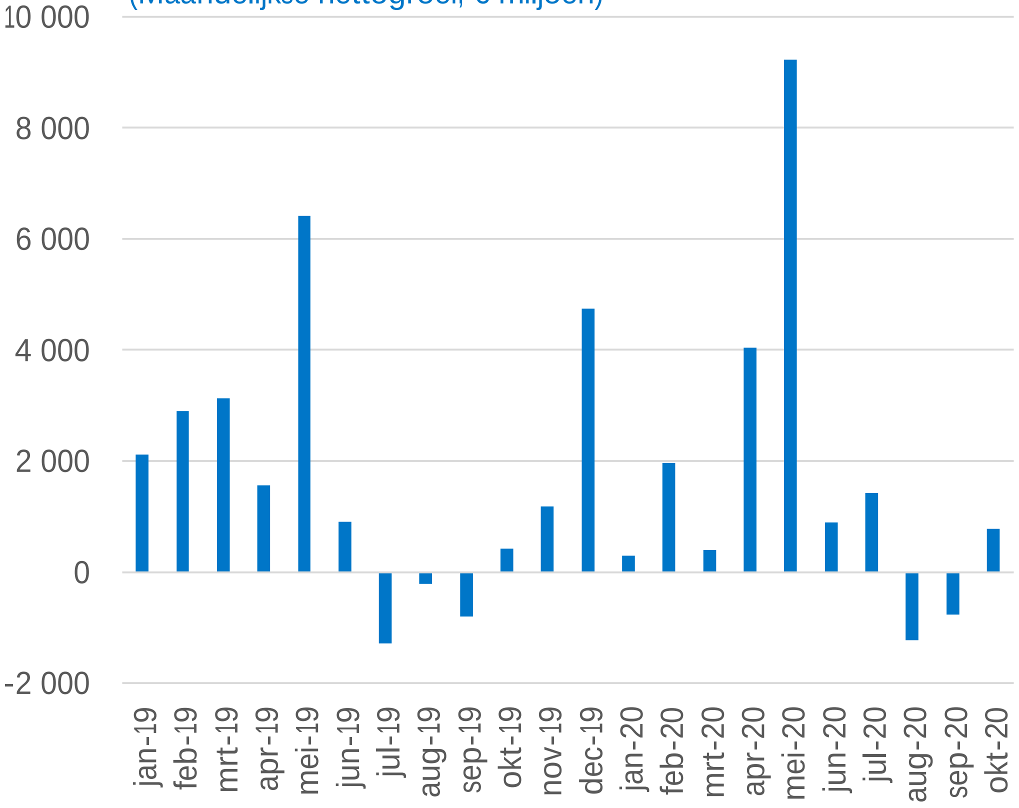
[1] Andere activa bevatten voornamelijk verzekeringsproducten en niet-genoteerde aandelen.

Deposito's van Belgische huishoudens

Deposito's Belgische huishoudens
(€ miljard, sector, maandelijkse gegevens)



Alle deposito's
(Maandelijkse nettogroei, € miljoen)



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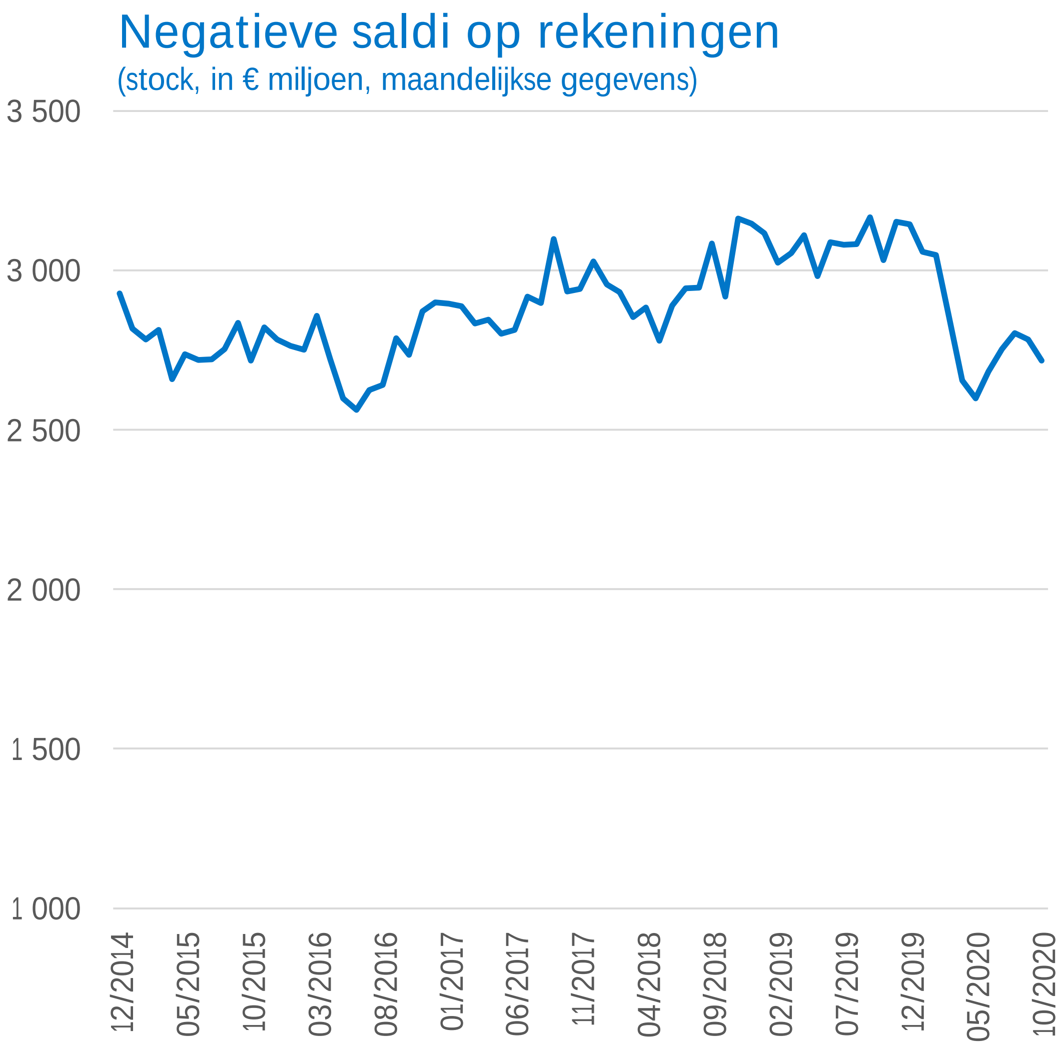
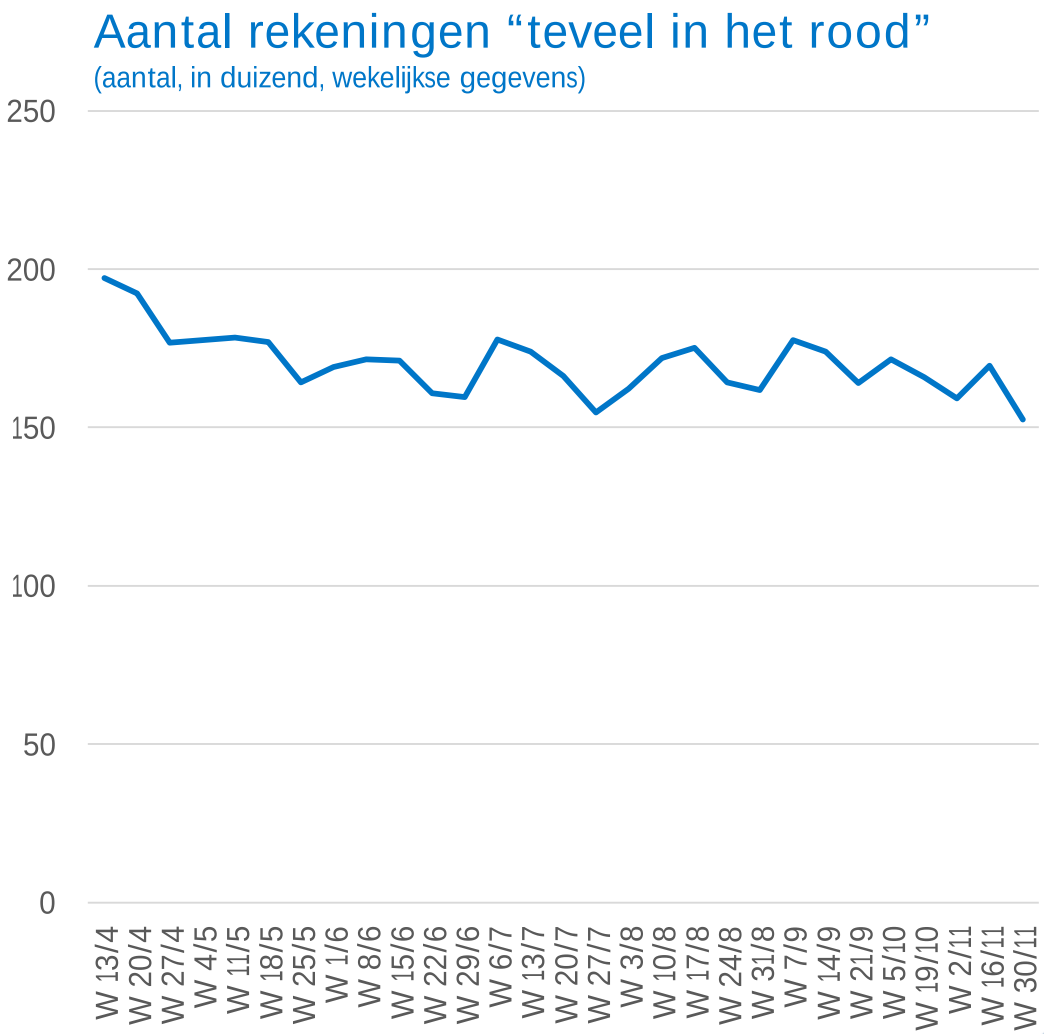
Bron: Schema A, laatste beschikbare gegevens: oktober 2020.

Negatieve saldi op rekeningen / kredietkaarten



Bron: Schema A, voorschotten rekening courant, laatste beschikbare gegevens: oktober 2020.



Bron: Ad hoc rapportering, Febelfin, op basis van 7 banken, laatst beschikbare gegevens: 30 november 2020.

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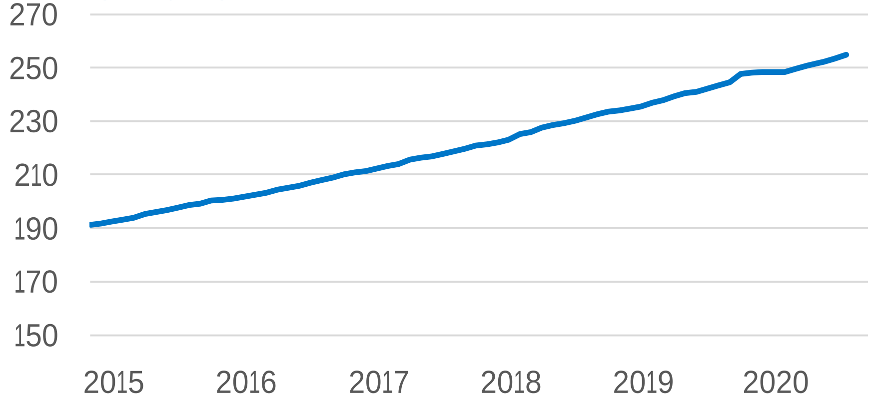
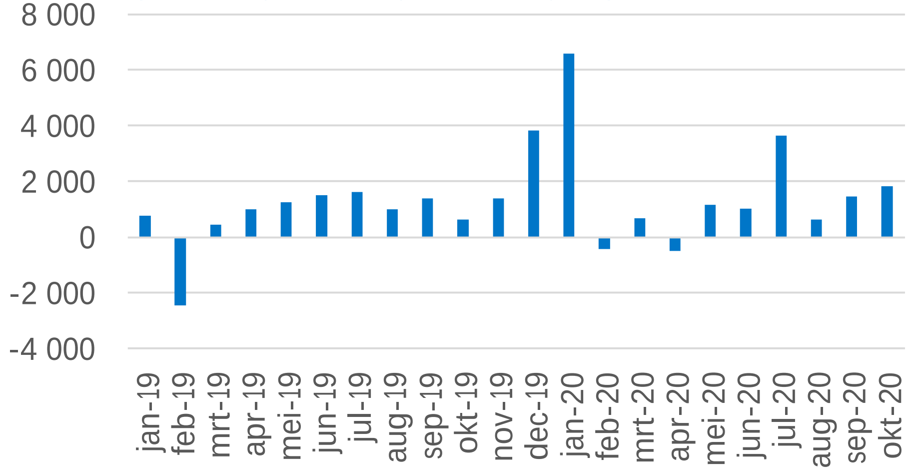
Bankkredieten van Belgische huishoudens

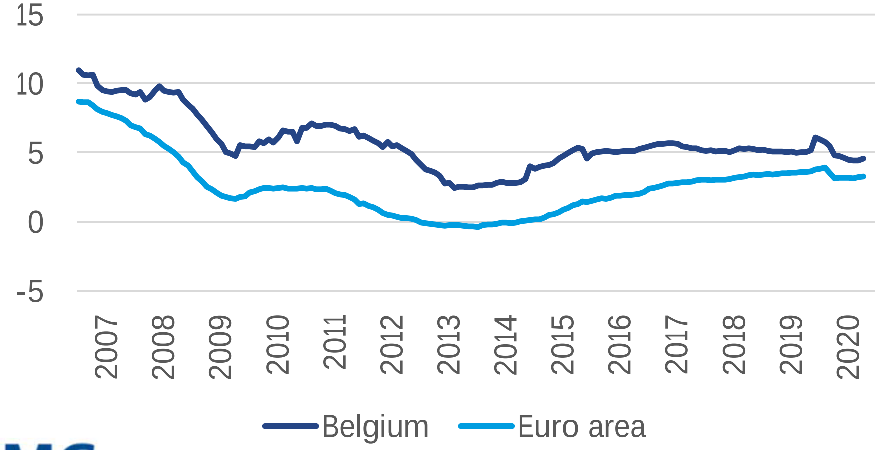
Stock
(€ miljard)



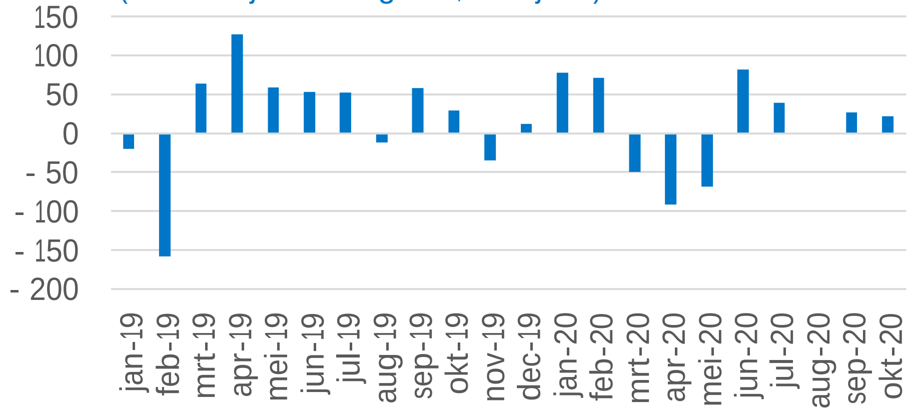
Hypothecaire leningen
(maandelijkse nettogroei , € miljoen)



Groeivoet
(op jaarbasis, %)



Consumentenleningen
(maandelijkse nettogroei , € miljoen)



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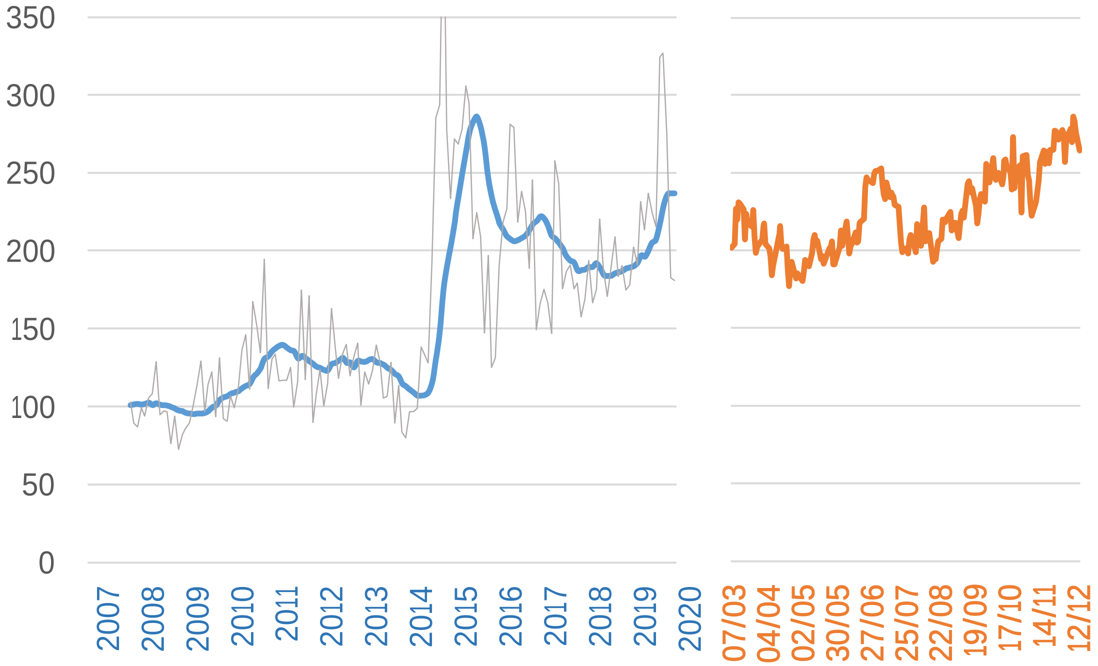
Bron: Schema A, laatste beschikbare gegevens: oktober 2020.

Hypotheekleningen: nieuwe leningen en wanbetalingsgraad

Nieuwe leningen

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



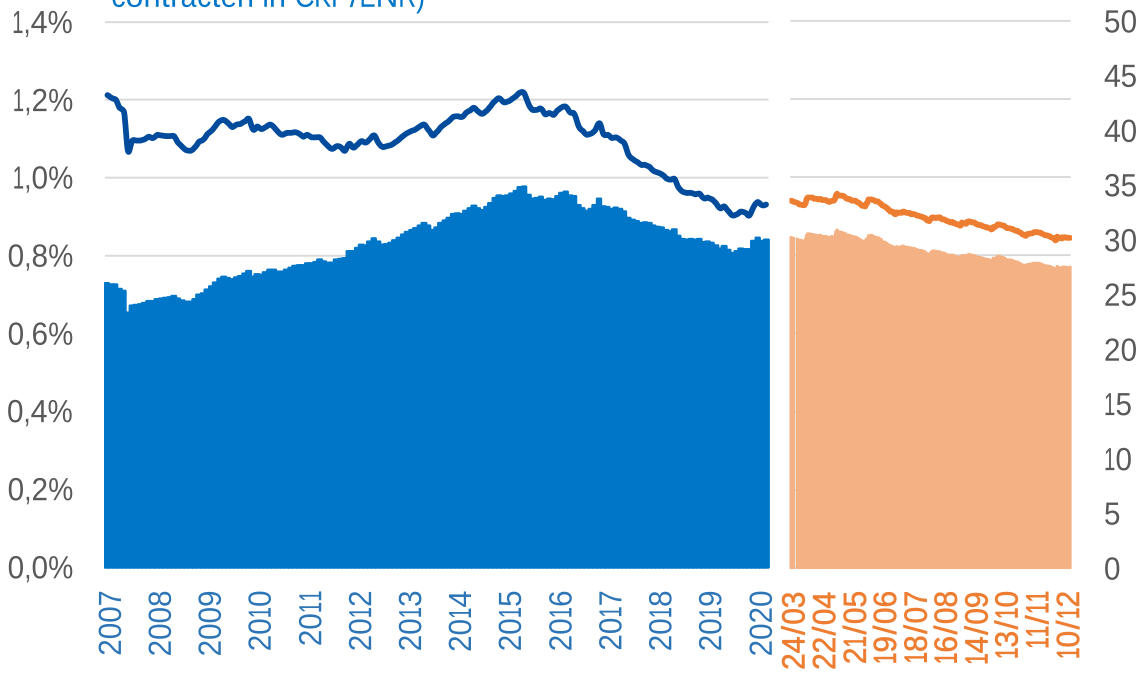
Gemiddelde per werkdag over de laatste 12 maanden

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, linkerschaal in %)

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

Wanbetalingsgraad (dagelijkse gegevens, linkerschaal in %)

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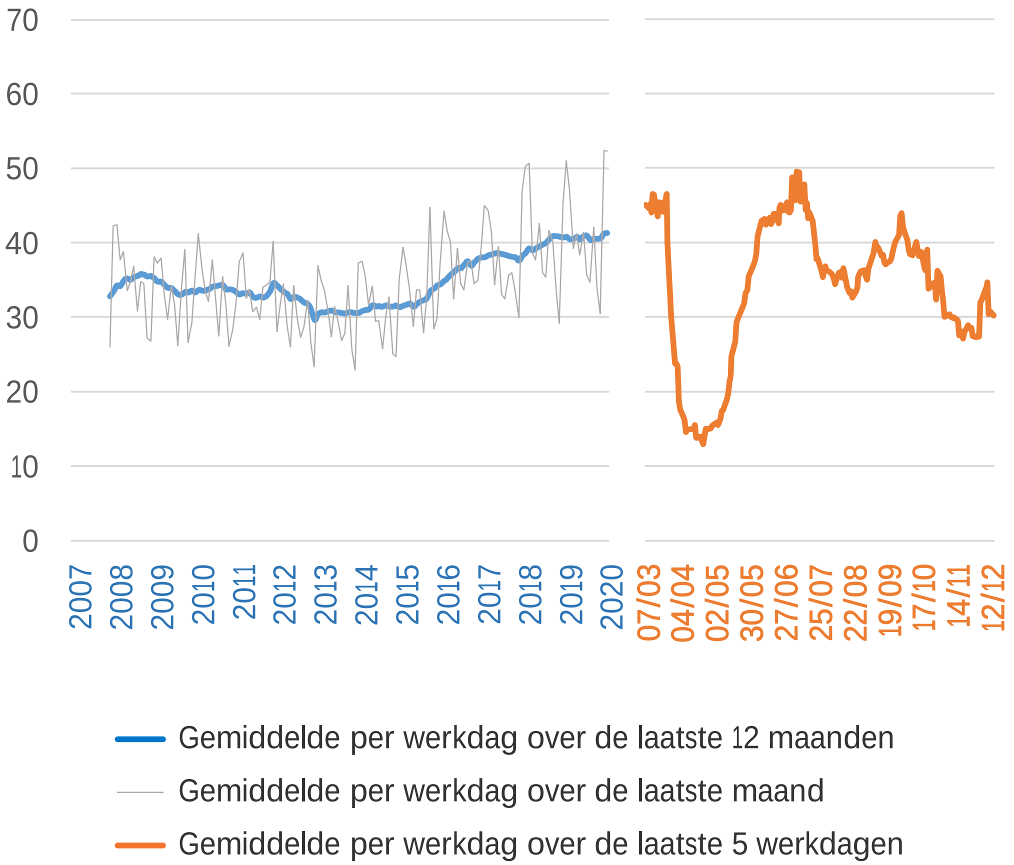
Bron: Centrale voor Kredieten aan Particulieren (CKP), laatste beschikbare gegevens: 15 december 2020

Consumentenkredieten[1]: nieuwe leningen en wanbetalingsgraad

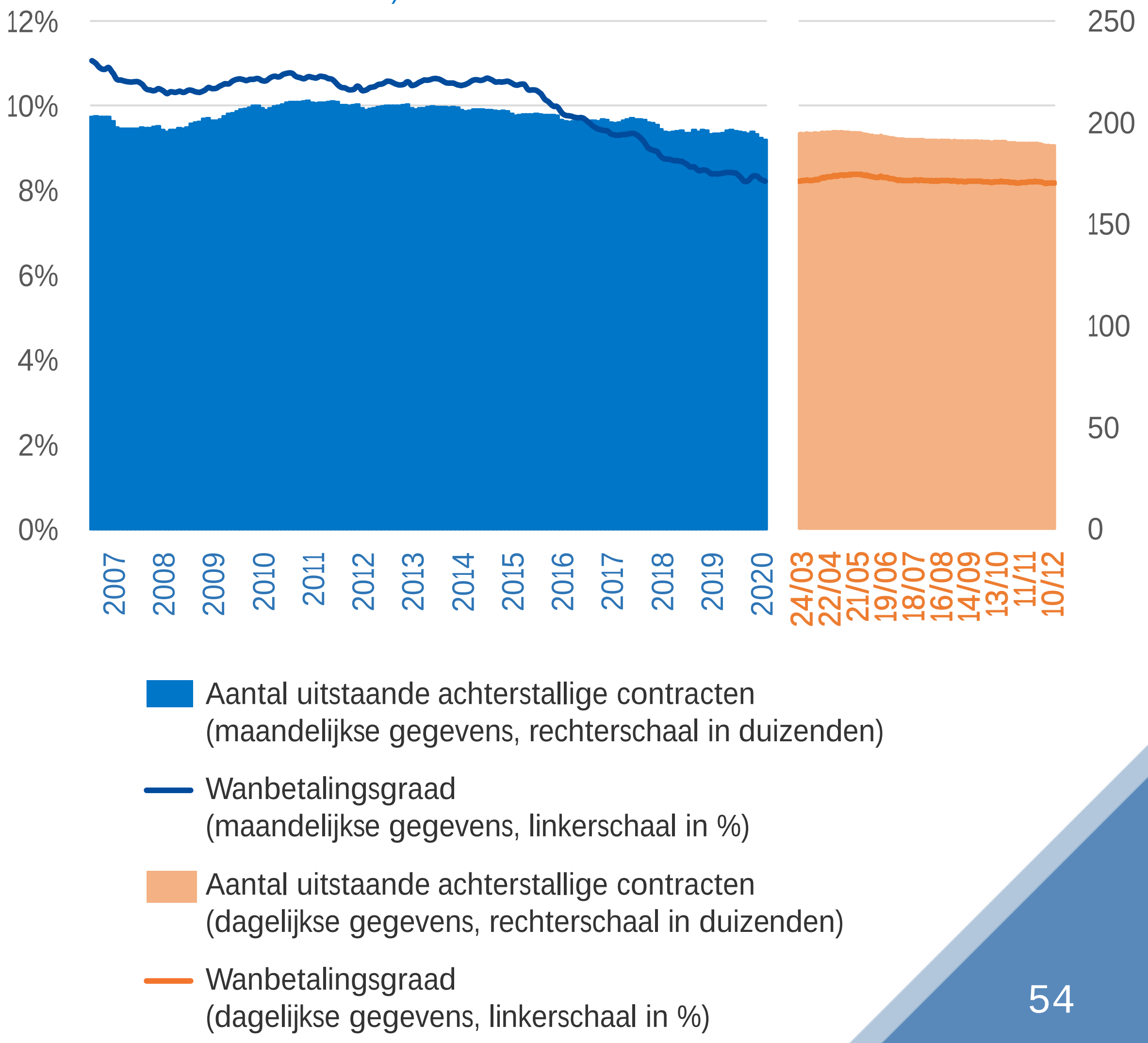
Nieuwe leningen

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



Wanbetalingsgraad

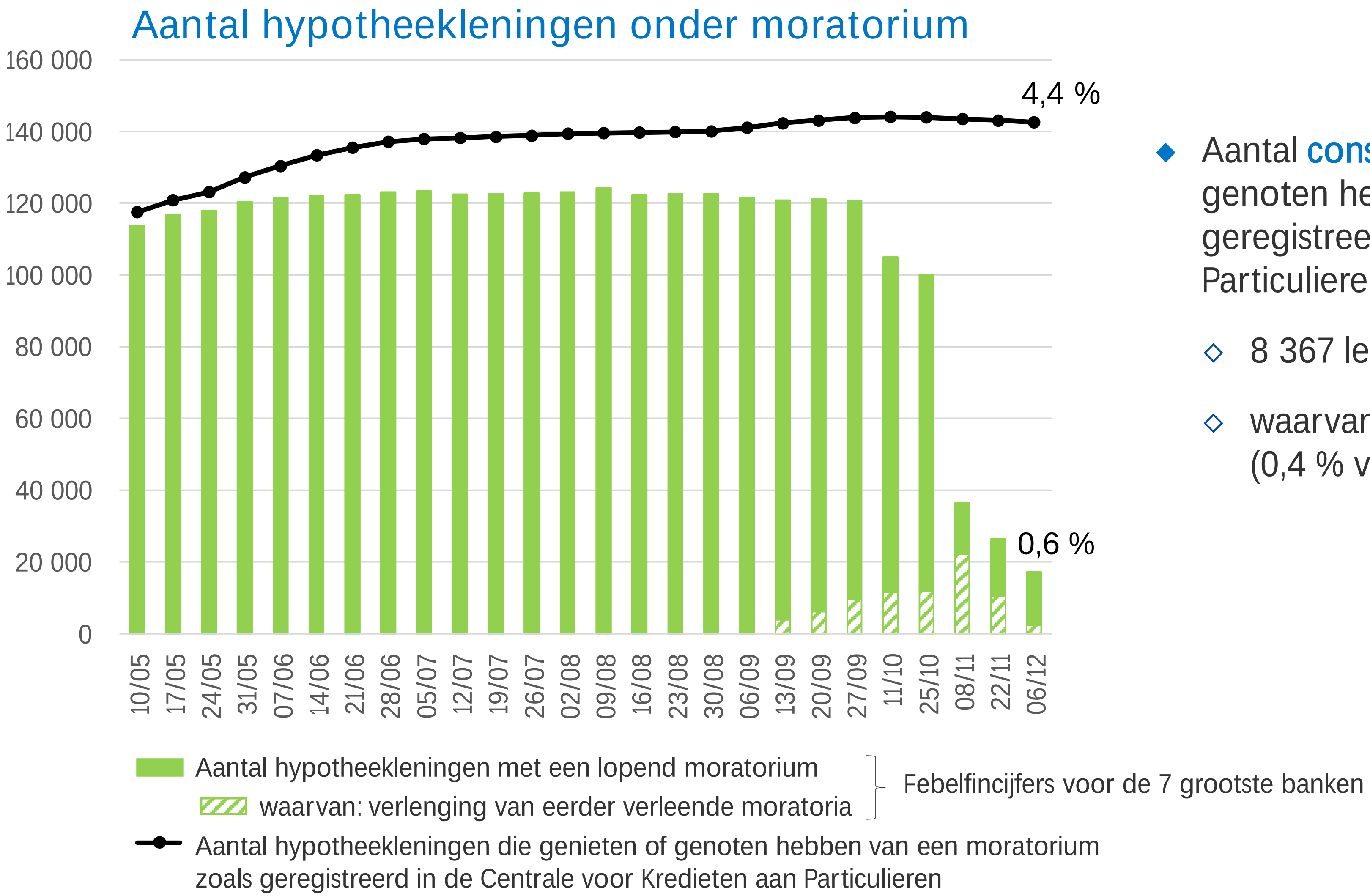
(Aantal uitstaande achterstallige contracten, % van alle uitstaande contracten in CKP/ENR)



Bron: CKP, laatste beschikbare gegevens: 15 december 2020.

[1] Leningen en verkopen op afbetaling (uitgezonderd kredietopeningen).

Moratoria voor leningen aan gezinnen



- Aantal consumentenleningen die genieten of genoten hebben van een moratorium zoals geregistreerd in de Centrale voor Kredieten aan Particulieren (op 6 december)
  - 8 367 leningen
  - waarvan 8 111 leningen op afbetaling (0,4 % van alle leningen op afbetaling)

Bronnen: CKP, Febelfin.

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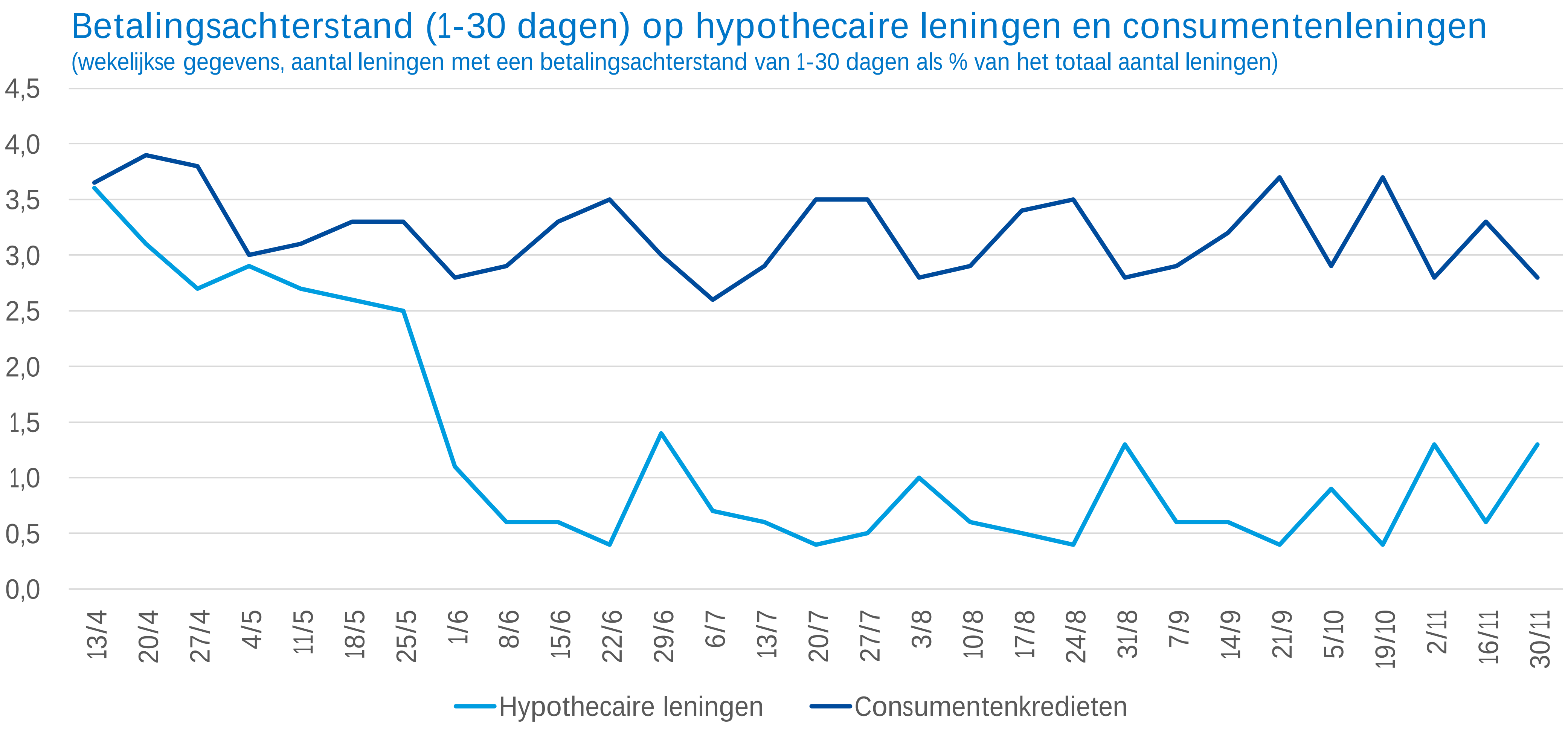
Achterstanden bij leningen aan huishoudens stabiel sinds juni



Bron: Febelfin, laatste beschikbare gegevens: 30 november 2020.

Credit indicators corporates

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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 now lower than that observed before the pandemic
  - The annual growth rate of used credits in September and in October are influenced by a base effect due to a large one-off transaction that took place one year earlier (only in the Central Corporate Credit Register data)
  - Monthly growth rates of utilised and authorised loans have been low since June, with some monthly growth rates being negative
  - 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 October 2020 Bank lending survey:**
  - Demand for loans from Belgian enterprises in 2020Q3 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

Sources: ECB, NBB.

Firms perceived less favorable credit conditions

- **Belgian firms reported a slight improvement of their credit conditions in 2020Q3 compared to 2020Q2**
  - Slight improvement in the assessment of the general credit conditions by firms
    - Mainly due to the industry sector and large firms
    - From 2020, the balance of the opinions (favorable vs unfavorable) is below the historical average
  - Small deterioration with respect to 2020Q2 regarding requirements for collateral

    (source: NBB survey on credit conditions)

- **SMEs feared a significant impact on bank loan availability in 2020Q4 and 2021Q1**
  - Small deterioration regarding obstacles impeding access to bank financing between April and September 2020 compared to the previous six months
    - 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 = 7.2 % (against 5,9 % on average in 2017-2019 and 5.2 % from October 2019 to March 2020)
  - But SMEs expected a sharp deterioration in availability of bank loans over the next six months (October 2020-March 2021)
    - Widespread across sectors

    (source: SAFE survey, conducted between 7 September and 16 October 2020)

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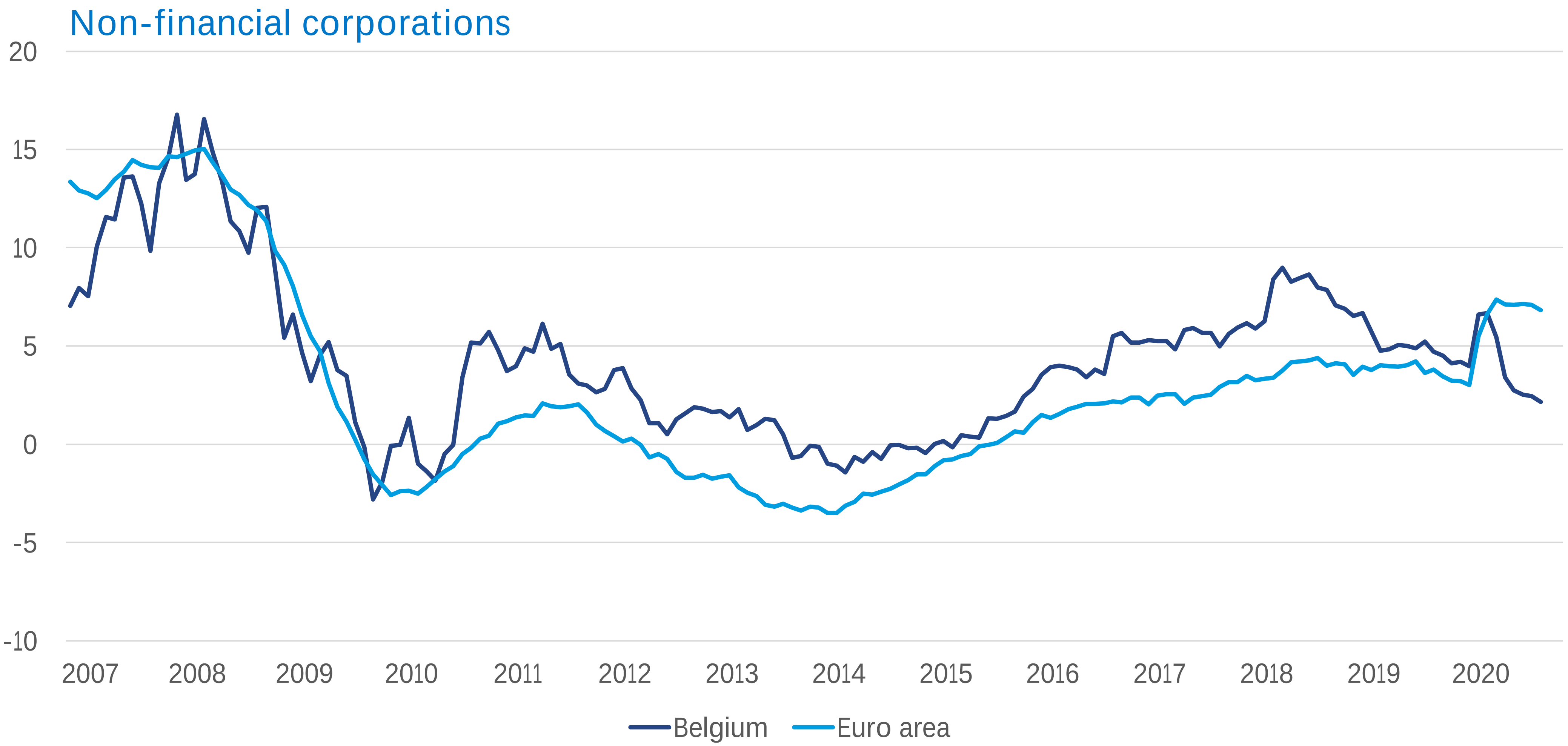
Sources: ECB, NBB.

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

(year-on-year % changes[1], up to October 2020)



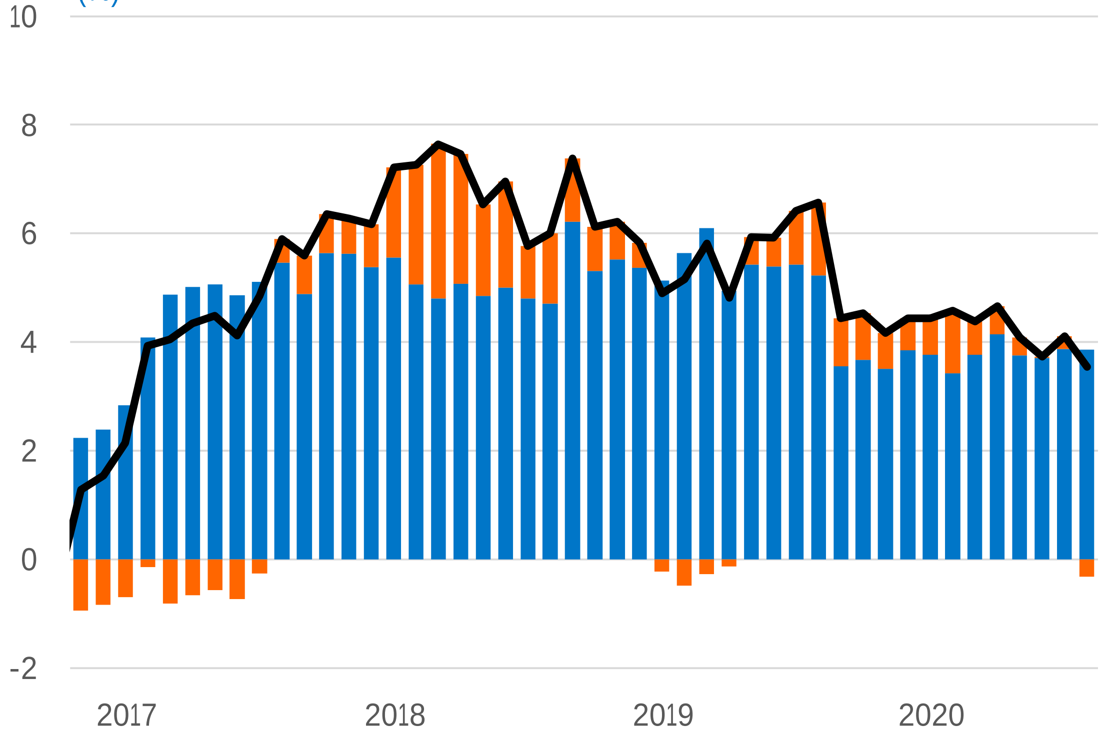
Sources: European Central Bank (ECB), NBB (Balance Sheet Items), latest available data: 31 October 2020.

[1] Loans granted by resident MFIs to residents, including securitised loans and loans otherwise transferred.

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

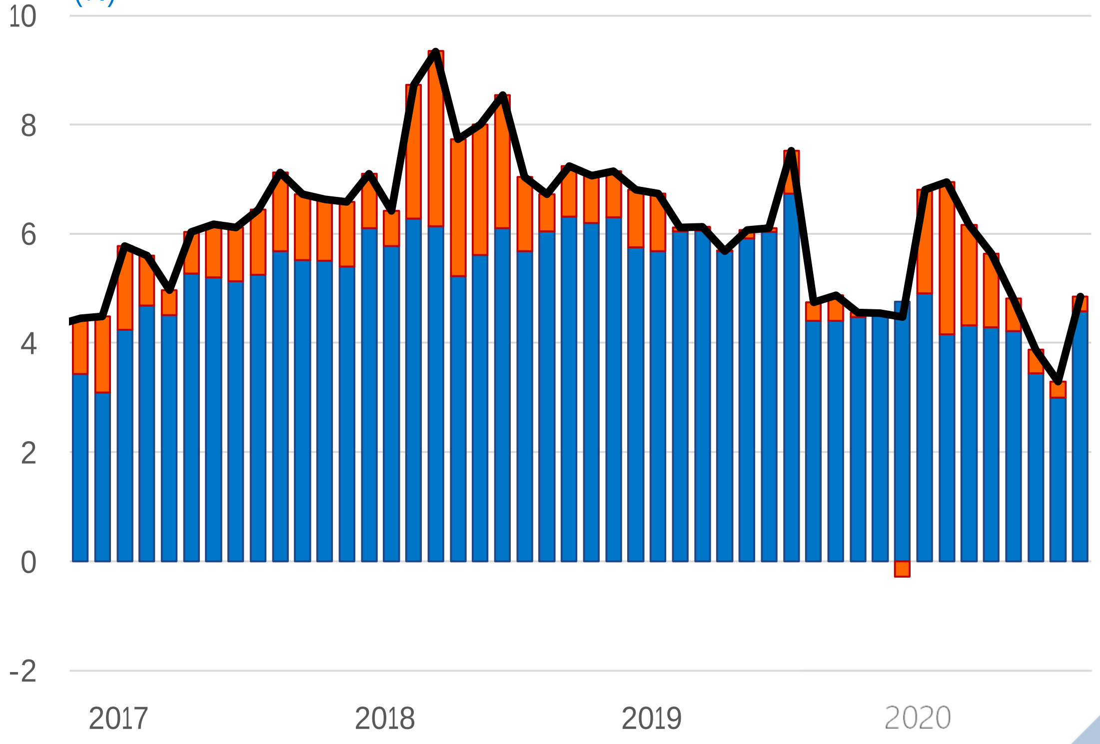
Year-on-year growth rates for authorised credit

(%)



Year-on-year growth rates for utilised credit

(%)



Local corporations Multinational corporations[1] Total

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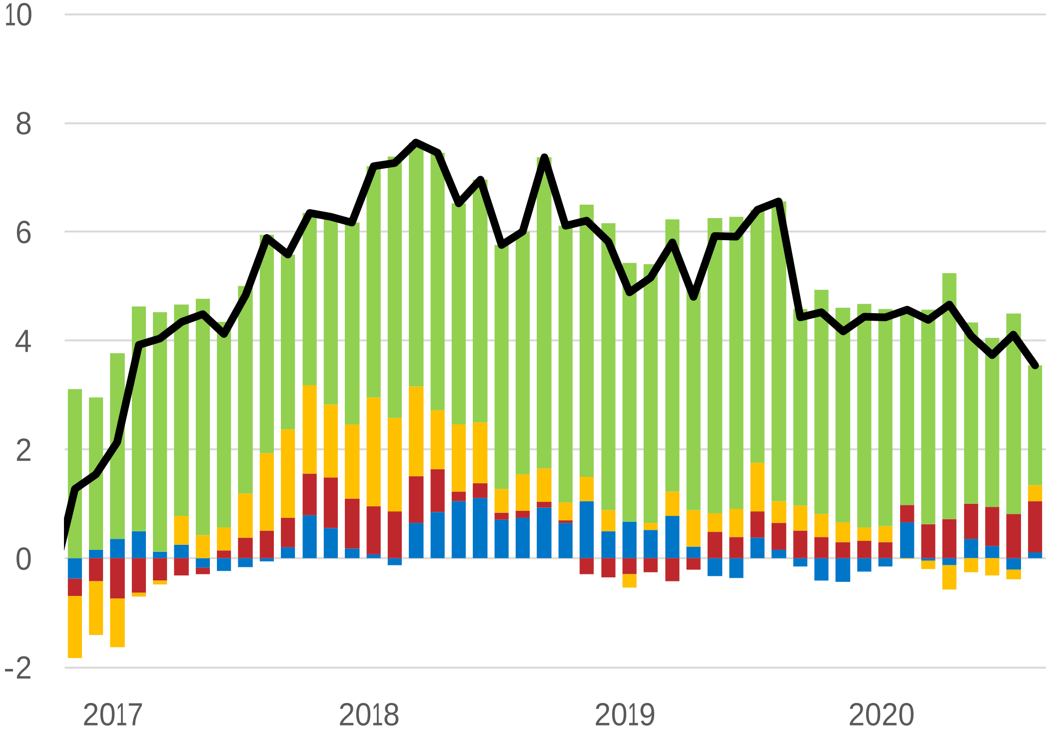
Sources: NBB (Central Corporate Credit Register), latest available data: 31 October 2020.

[1] Firms with direct investment abroad or at least partially owned by foreign investors (10 % threshold), identified by SX.

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

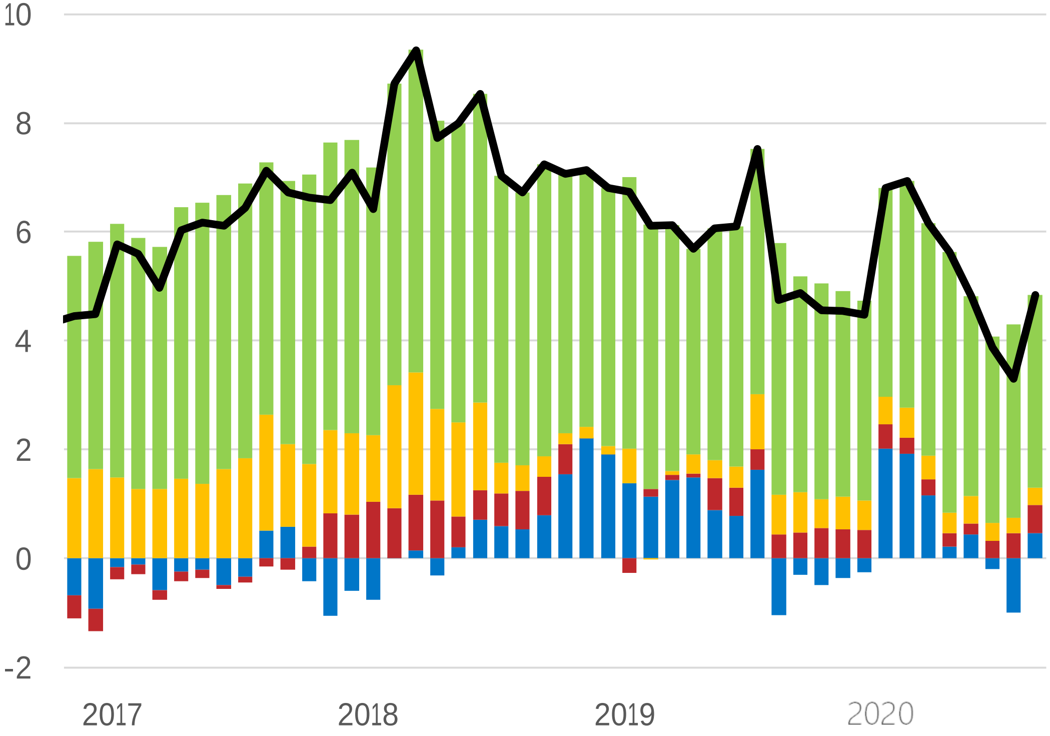
Decomposition of YoY authorized corporate credit growth by maturity

(%)



Decomposition of YoY used corporate credit growth by maturity

(%)



Source: NBB (Central Corporate Credit Register), latest available data: 31 October 2020.

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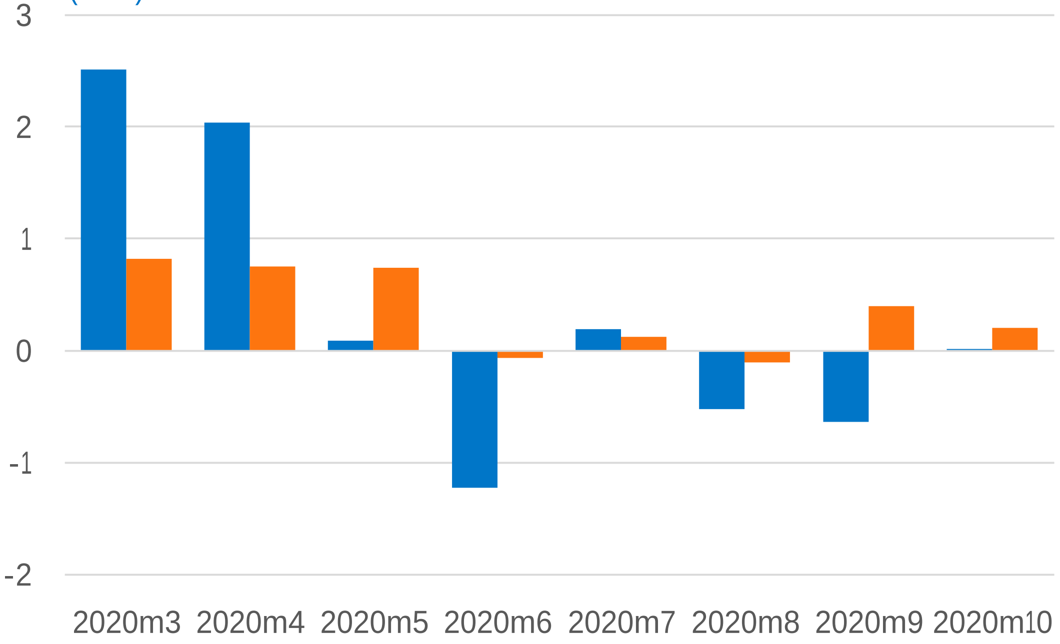
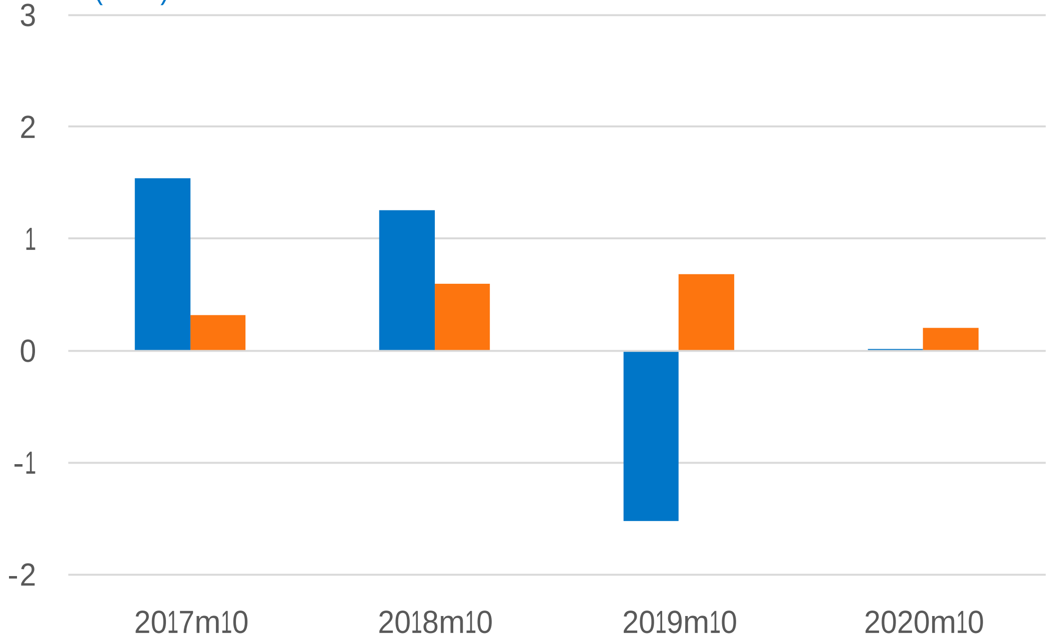
Slightly positive growth of authorised loans in October; no further decline in utilised loans

Monthly growth rates of authorised and utilised loans
(in %)



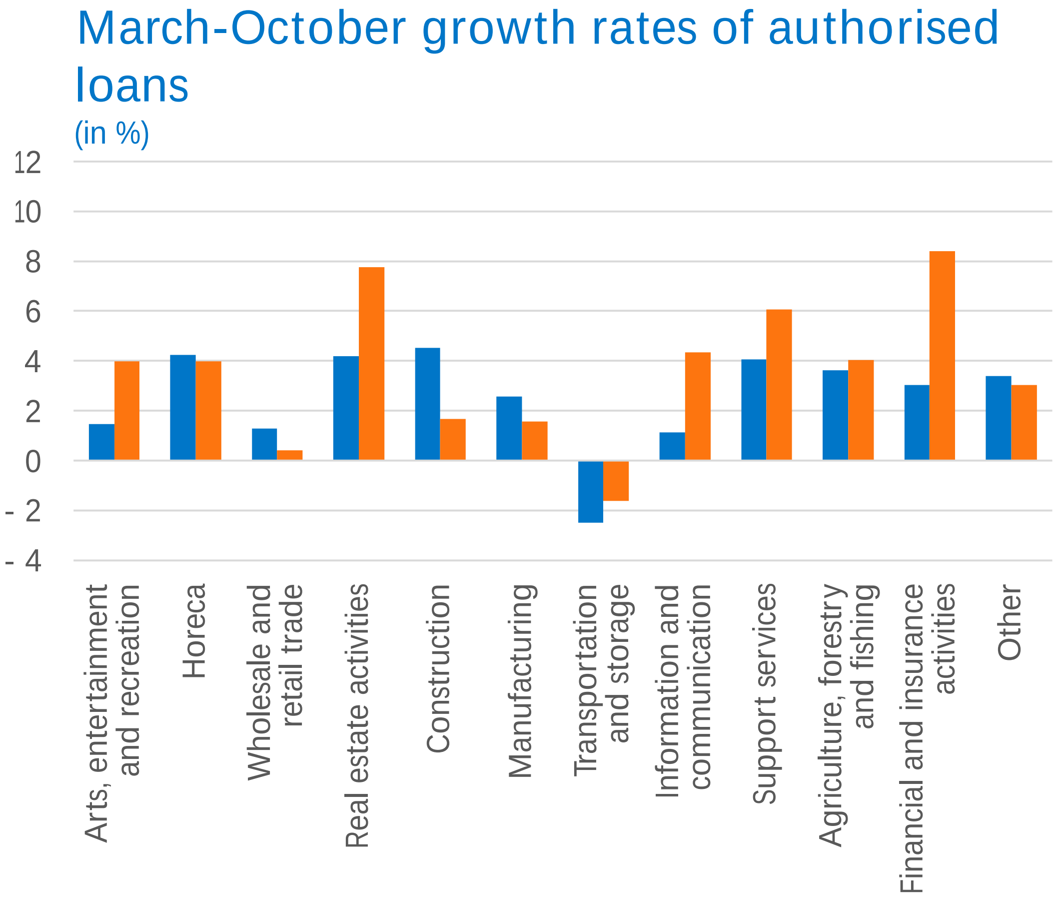
Monthly growth rates of loans for October of previous years
(in %)

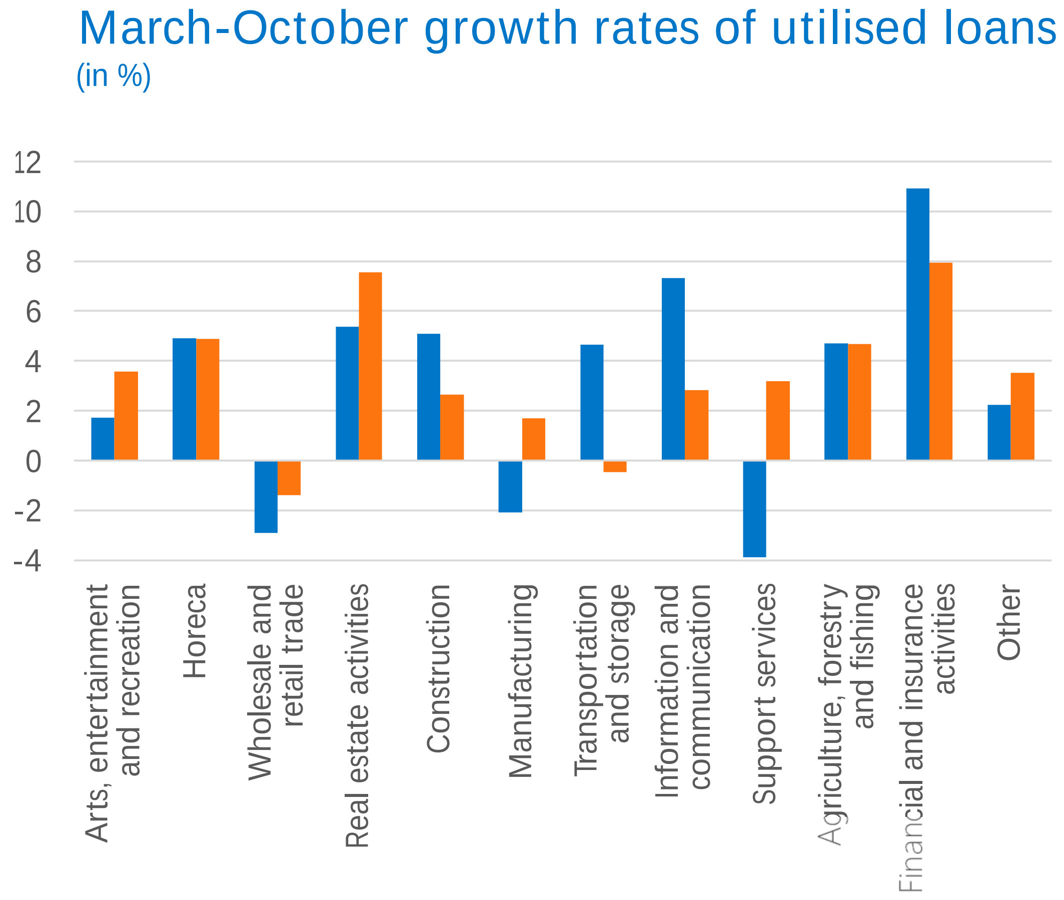


utilised authorised

Source: NBB (Central Corporate Credit Register), latest available data: October 2020.

Growth in authorised and utilised loans since start of crisis is below historical averages for many vulnerable sectors





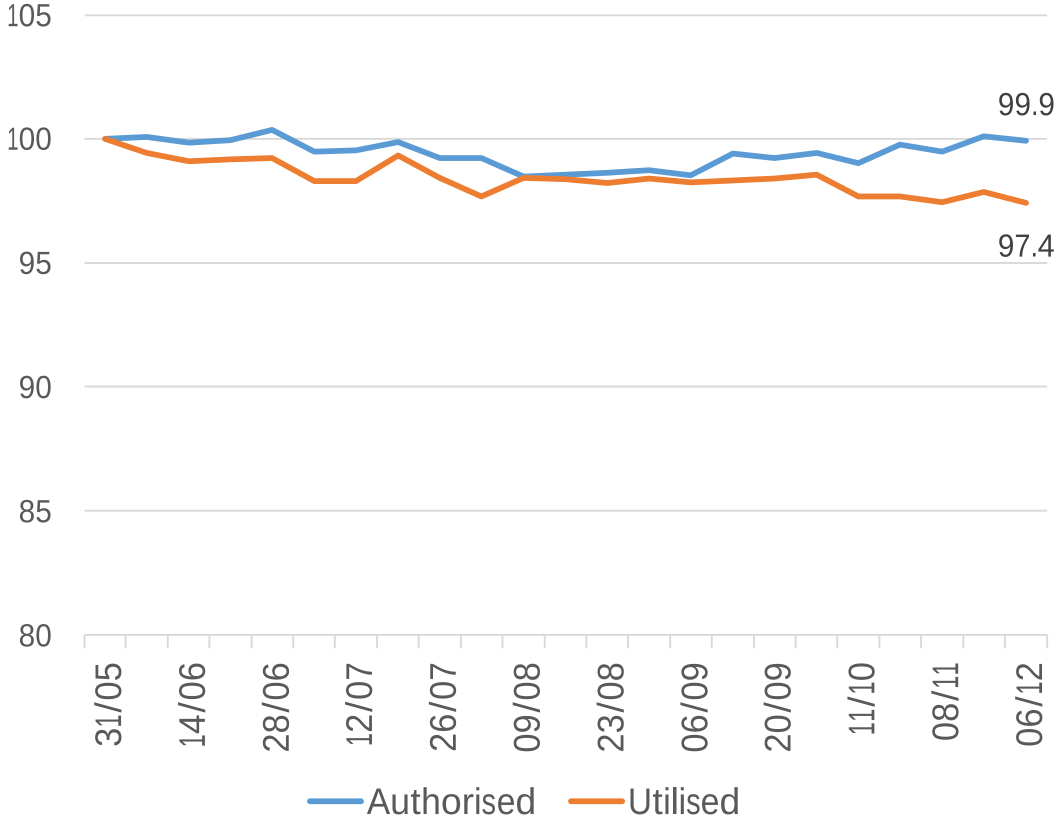
Mar-Oct 2020 4-y avg Mar-Oct

Source: NBB (Central Corporate Credit Register), latest available data: October 2020.
Note: Sectors are ordered based on the initial fall in sales due to the crisis (greater declines from right to left). “Other” contains all other sectors in the economy.

Loan developments - weekly

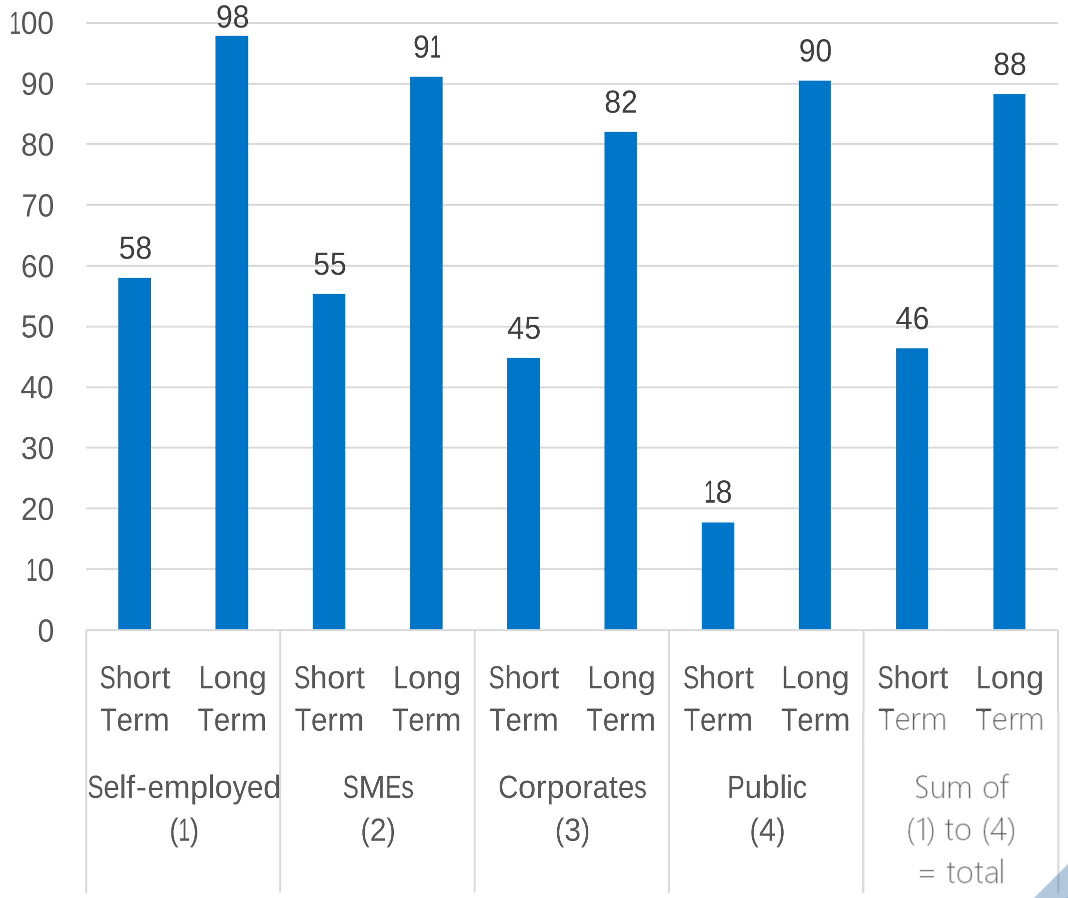
NFCs in weekly reporting = Self-employed + SMEs + Corporates + Public Sector Entities

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 %)



Source: NBB/Febelfin ad hoc weekly reporting, latest available data: 6 December 2020.
Note: Firm classification was provided by the banks on a best effort basis. It may differ from the official firm classification.

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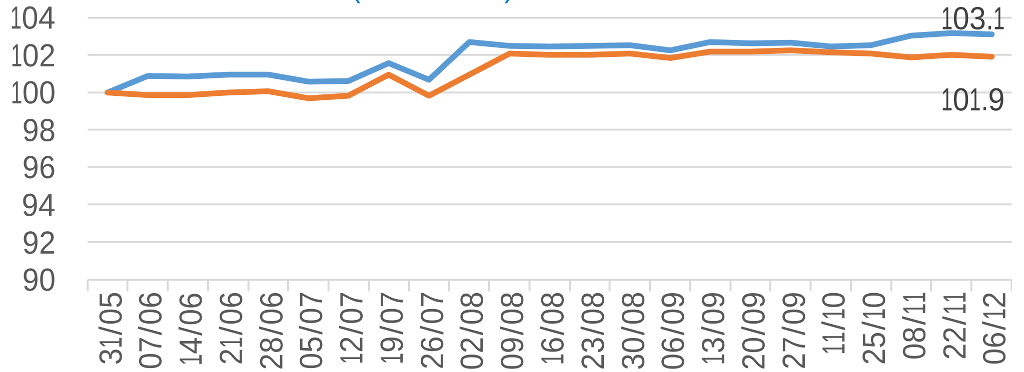
Stable loans for firms except for a slight decline for corporates

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

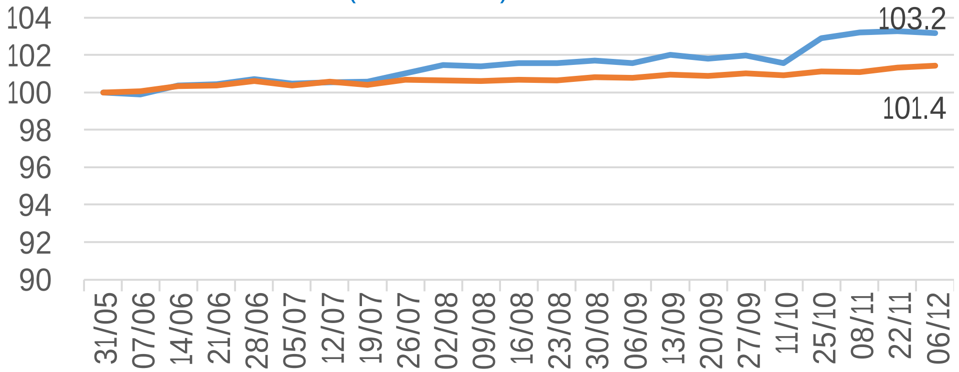
Evolution of total loans to self-employed

Latest observation (authorized) 23 billion EUR



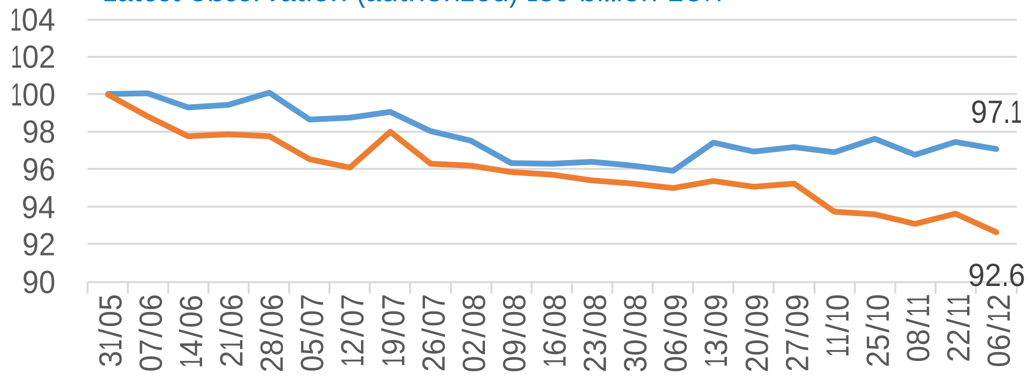
Evolution of total loans to SMEs

Latest observation (authorized) 83 billion EUR



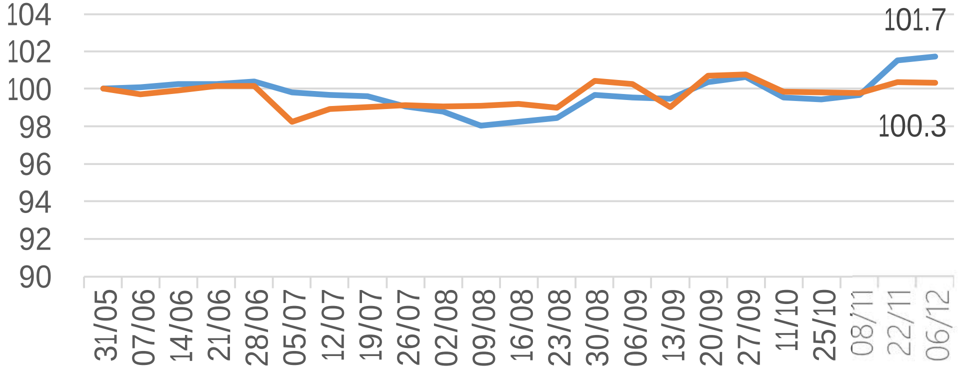
Evolution of total loans to corporates

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

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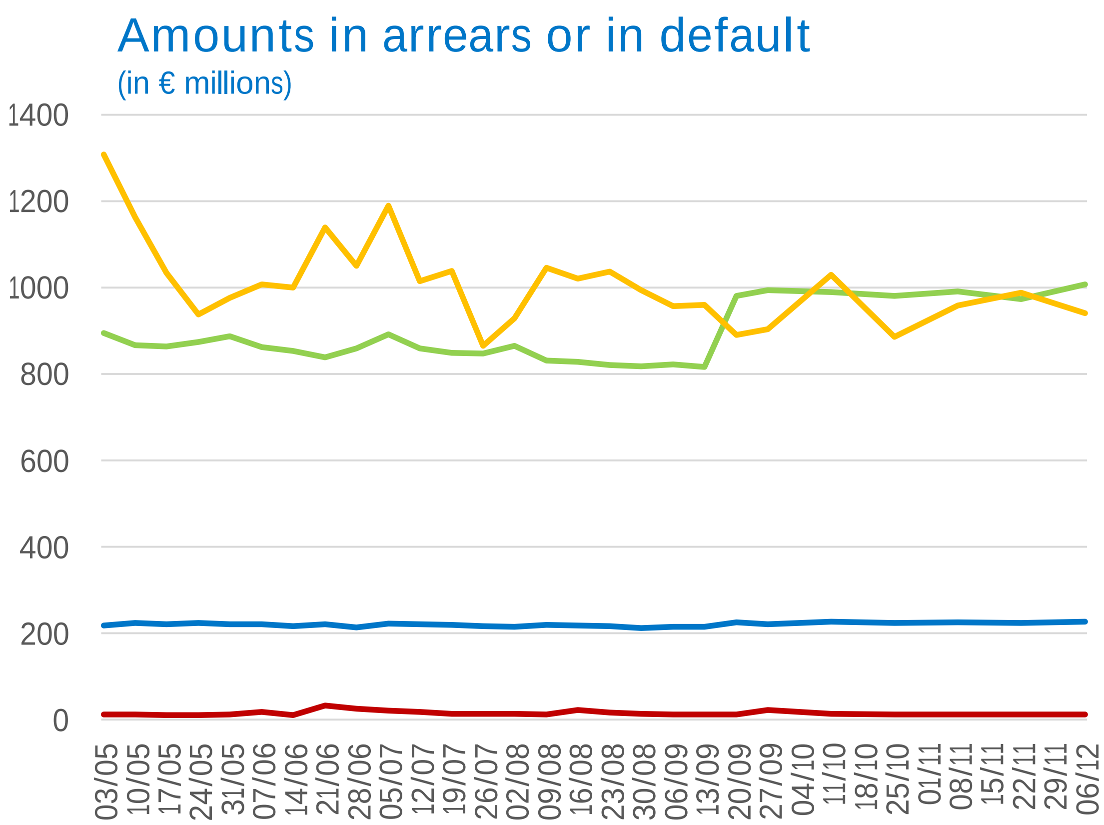
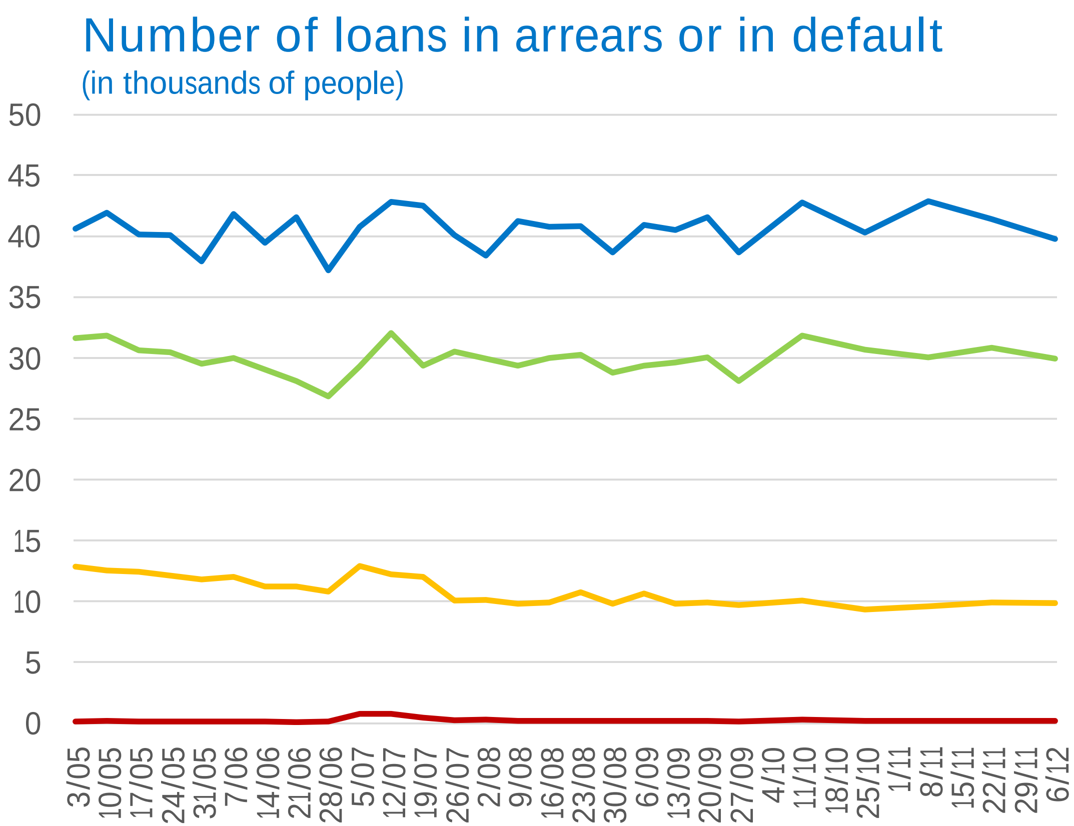
Source: NBB/Febelfin ad hoc weekly reporting, latest available data: 6 December 2020.
Note: Firm classification was provided by the banks on a best effort basis. It may differ from the official firm classification.

Number of loans in arrears or in default are not increasing (yet?)
(arrears – weekly)





Self-employed SMEs Corporates Public

Source: NBB/Febelfin ad hoc weekly reporting, latest available data: 6 December 2020.
Note: Firm classification was provided by the banks on a best effort basis. It may differ from the official firm classification.
The observed increase for SMEs on 20th September is due to a technical correction.

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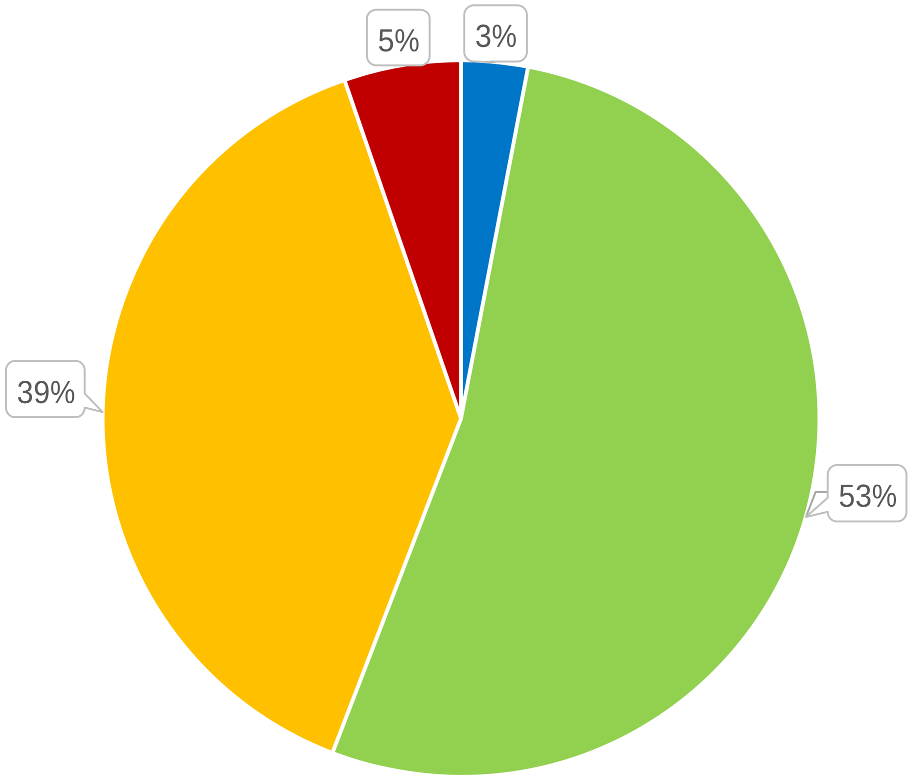
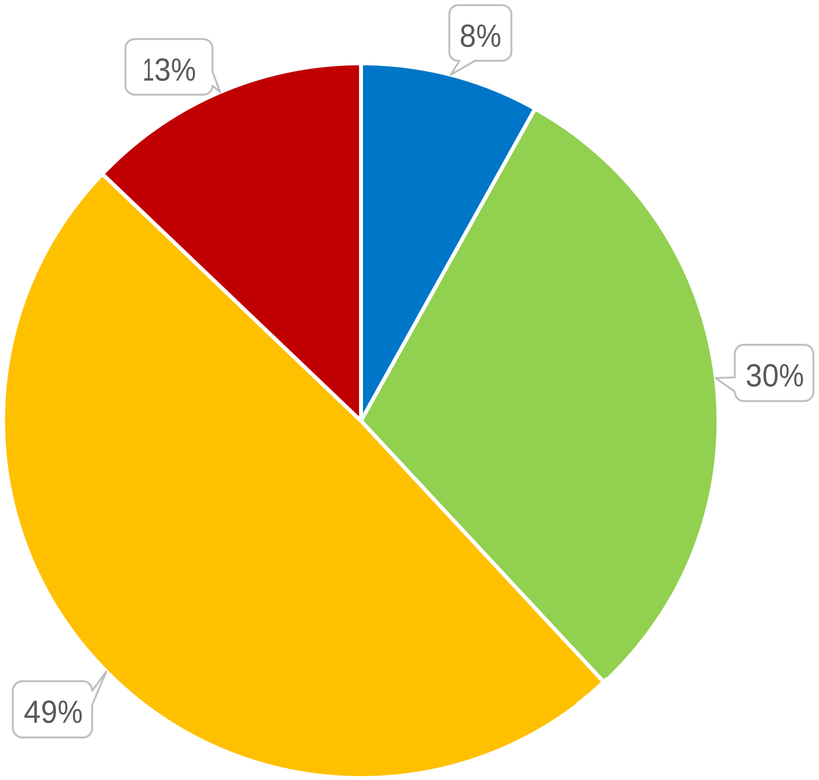
SMEs are the main beneficiaries of moratorium relative to their share of total loans
(moratorium – weekly)

Loan amounts in moratorium by type of counterparty



Total loan amounts by type of counterparty

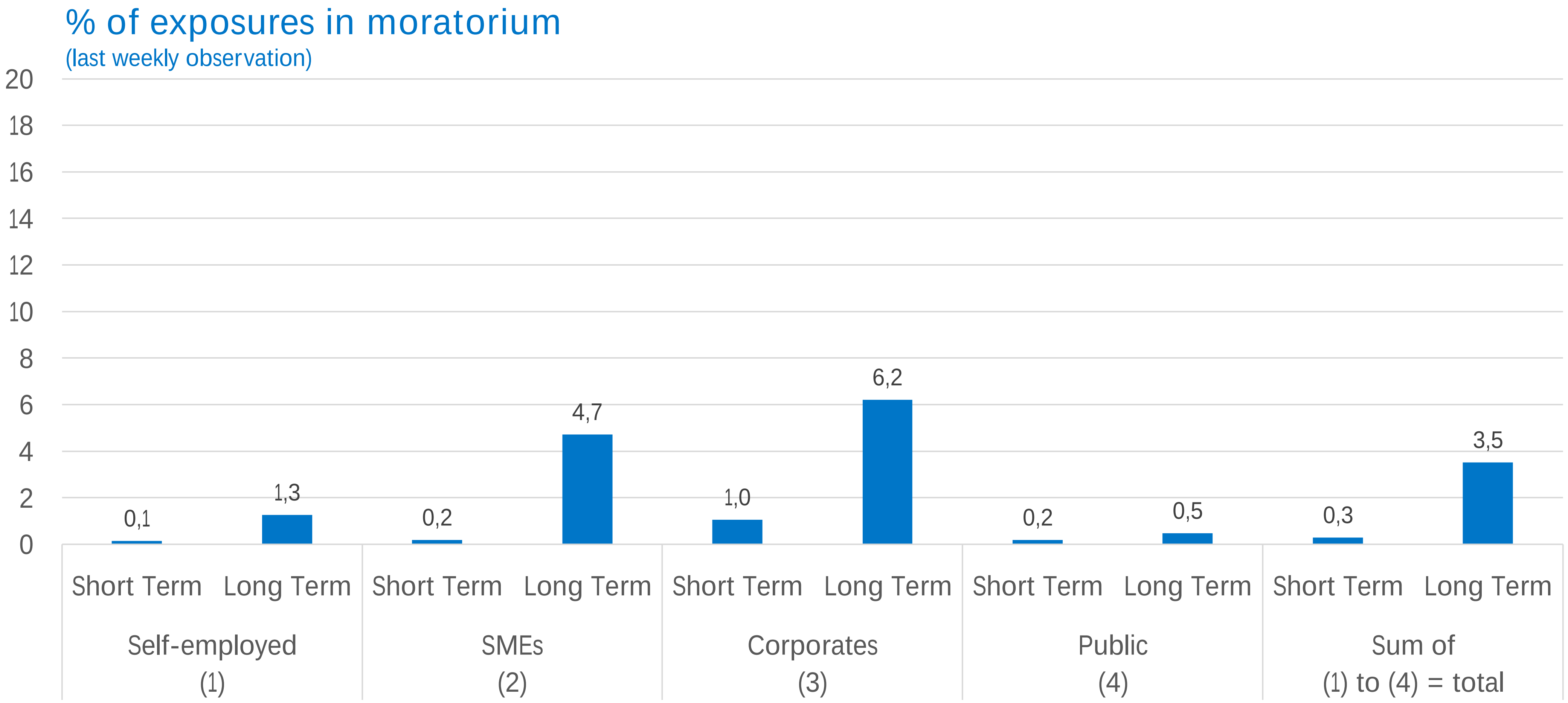


■ Self-employed ■ SMEs ■ Corporates ■ Public

Source: NBB/Febelfin ad hoc weekly reporting, latest available data: 6 December 2020.
Note: Firm classification was provided by the banks on a best effort basis. It may differ from the official firm classification.

Long term loans are the main type of loans in moratorium

(moratorium – weekly)



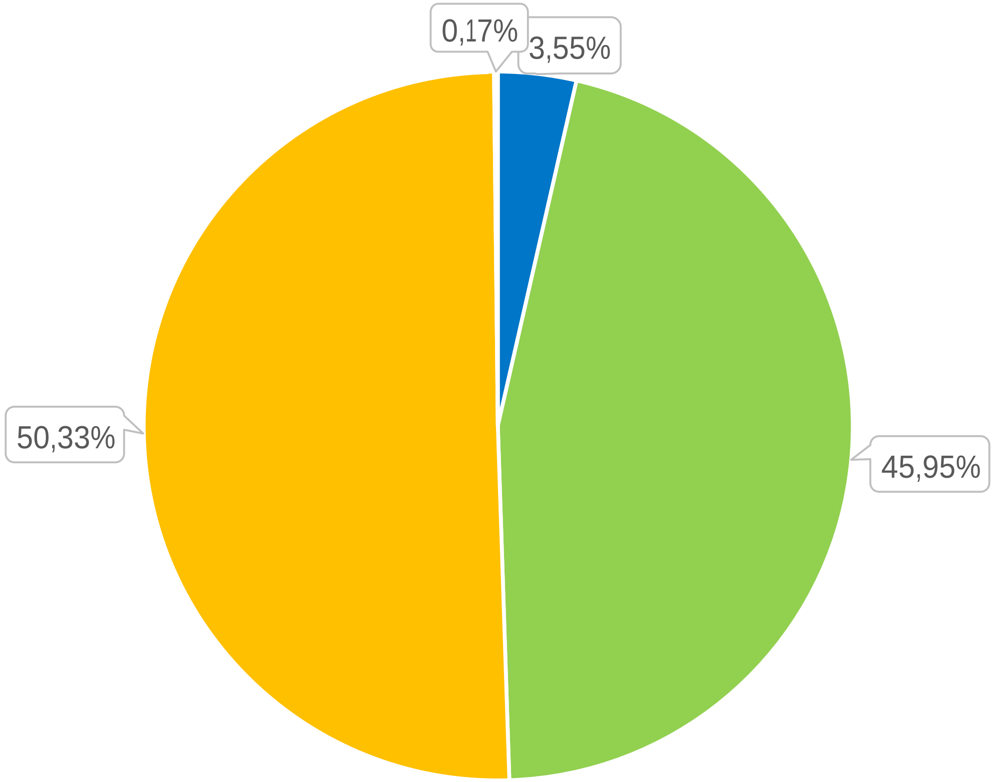
Source: NBB/Febelfin ad hoc weekly reporting, latest available data: 6 December 2020.
Note: Firm classification was provided by the banks on a best effort basis. It may differ from the official firm classification.

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

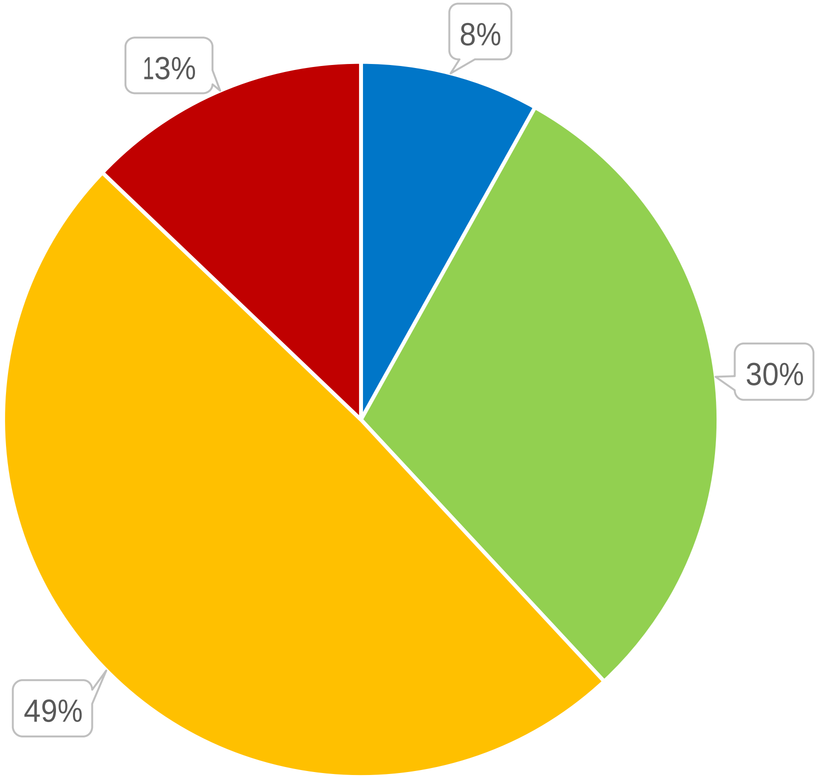
Results, taking into account only state guarantee I

(weekly data)

Loan amounts under state guarantee by type of counterparty



Total loan amounts by type of counterparty



■ Self-employed ■ SMEs ■ Corporates ■ Public

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Source: NBB/Febelfin ad hoc weekly reporting, latest available data: 6 December 2020.
Note: Firm classification was provided by the banks on a best effort basis. It may differ from the official firm classification.

Bankruptcies and new business registrations

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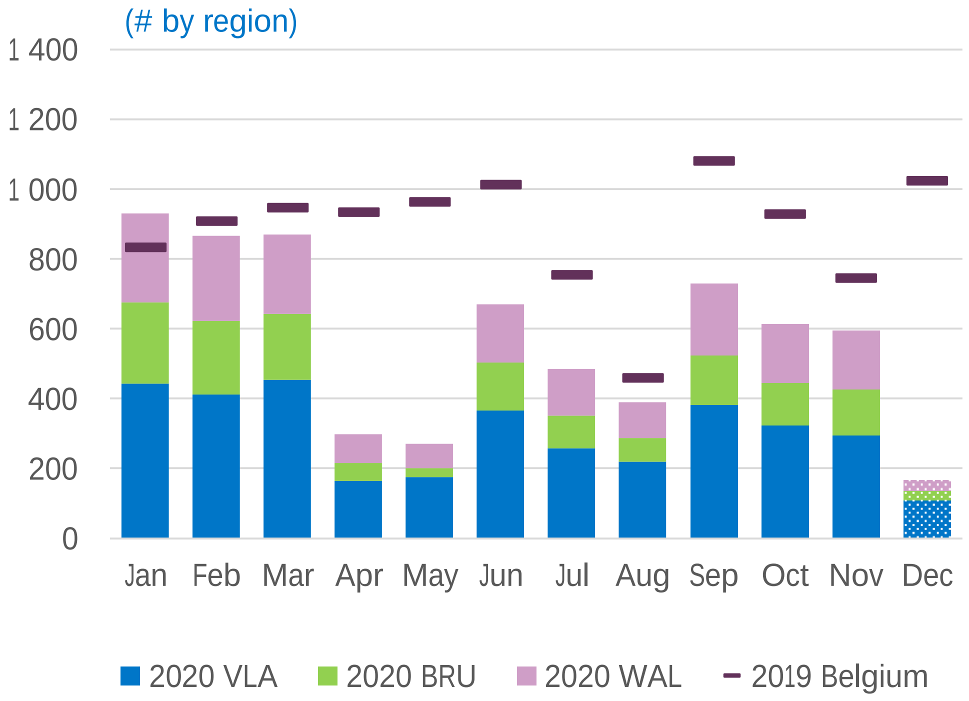
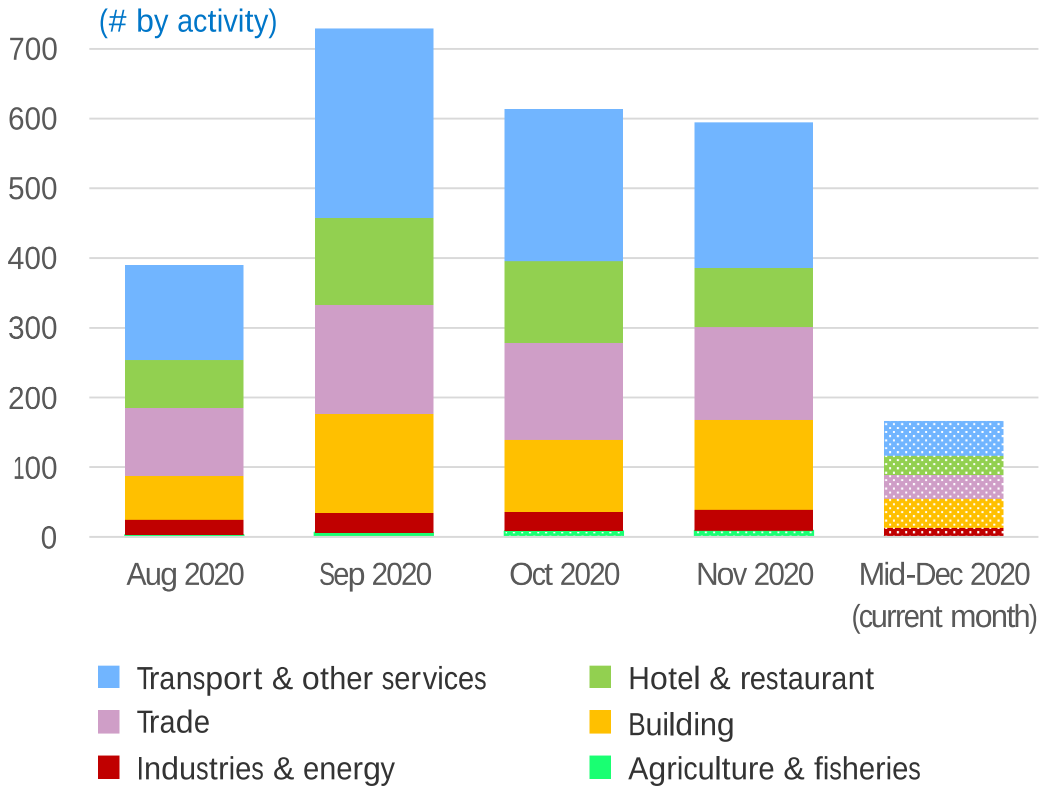
The number of bankruptcies[1] stabilises in November and remains below the 2019 level …

… since several provisions adopted to support businesses are still in place[2]

Bankruptcies





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

Source: Statbel, latest available data: 13 December 2020.

1 Declaration of bankruptcy by the company court.

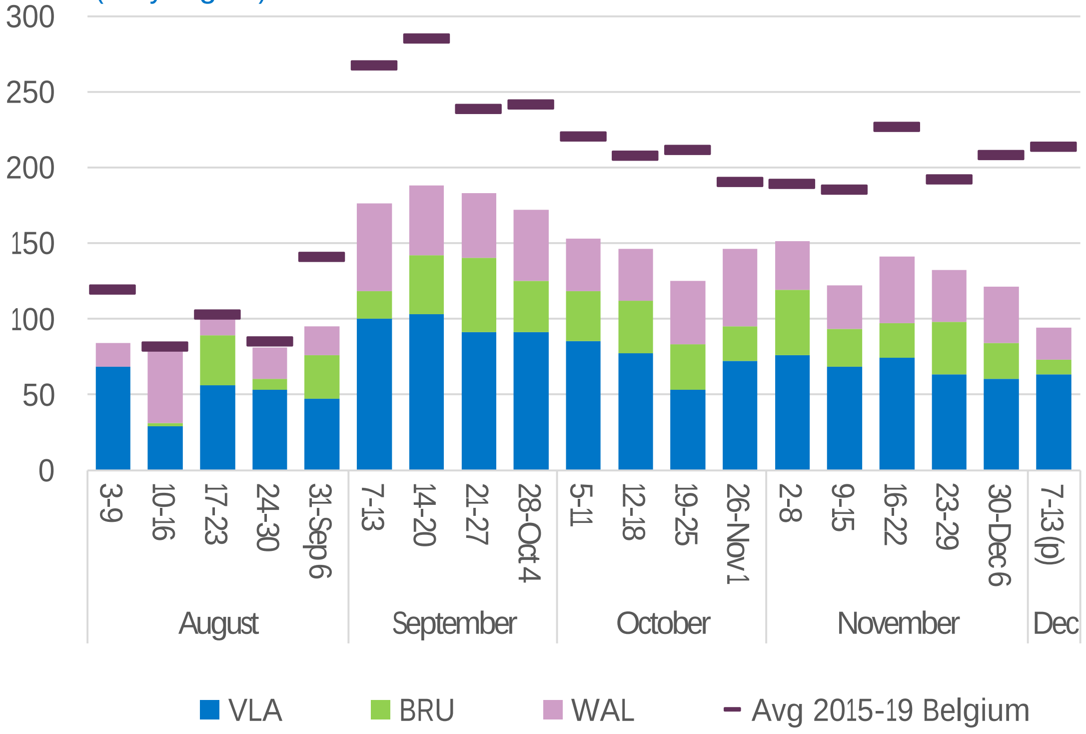
2 Although the moratorium on filings for bankruptcies came to an end on 17 June 2020, the tax administration and the ONSS applied a de facto moratorium on tax and social security debts. Other measures taken were the deferment of payment of the annual company contribution (until 31 October 2020) and the social security contributions (until 15 December 2020), and the reintroduction of a temporary suspension of seizures. On Friday 6 November 2020, a new moratorium on bankruptcies until 31 January 2021 was approved towards businesses forced to close temporarily following the emergency measures taken to limit COVID-19 and a further extension to 31 December for the payment of the annual company contribution. A new draft judicial reorganisation procedure is expected by 31 January 2021. For employers struggling with the crisis, the ONSS agrees to an exceptional amicable payment plan with a maximum duration of 24 months for the settlement of sums due for the year 2020 (a.o. holiday pay for the 2019 financial year, the 1st, 2nd, 3rd and 4th quarters of 2020). At the level of the FPS Finance, companies in difficulty as a result of the coronavirus can apply for support measures until 31 March 2021 by means of a payment plan, exemption from interest on arrears and remission of fines for non-payment regarding several taxes..

Weekly bankruptcies figures falling steadily since mid-November …

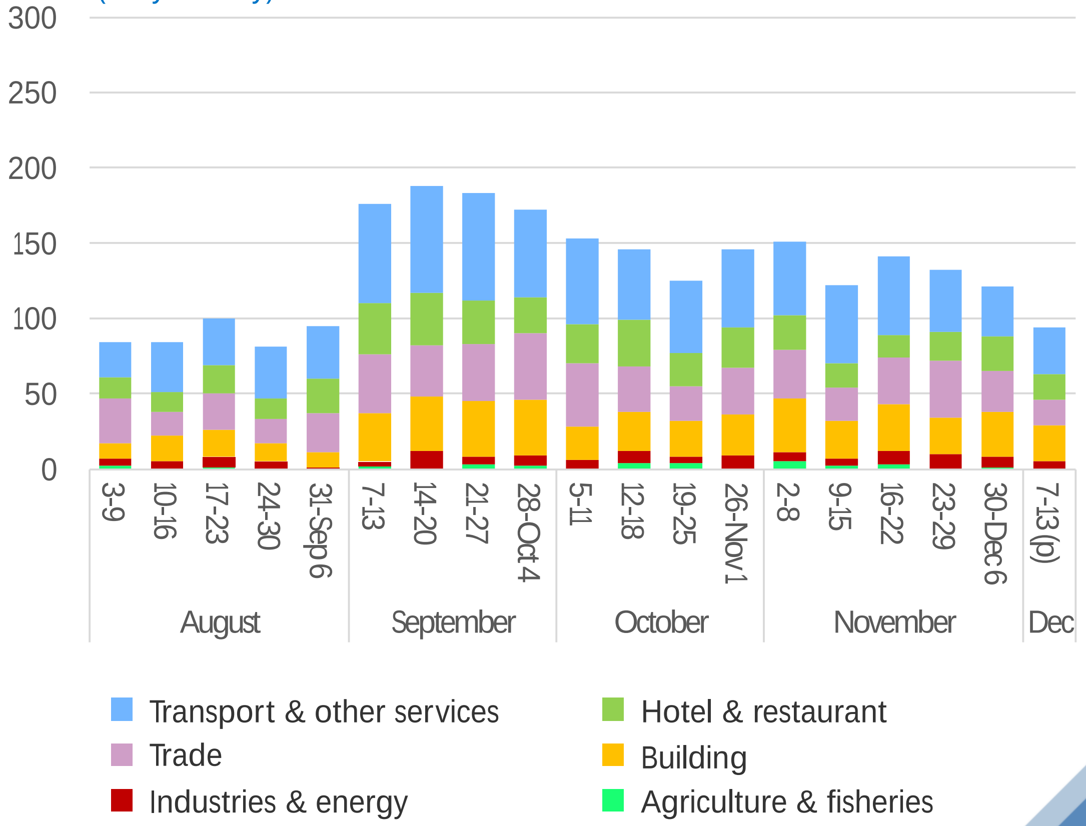
… increasingly below the 2015-19 average

Bankruptcies[1]

(# by region)



(# by activity)



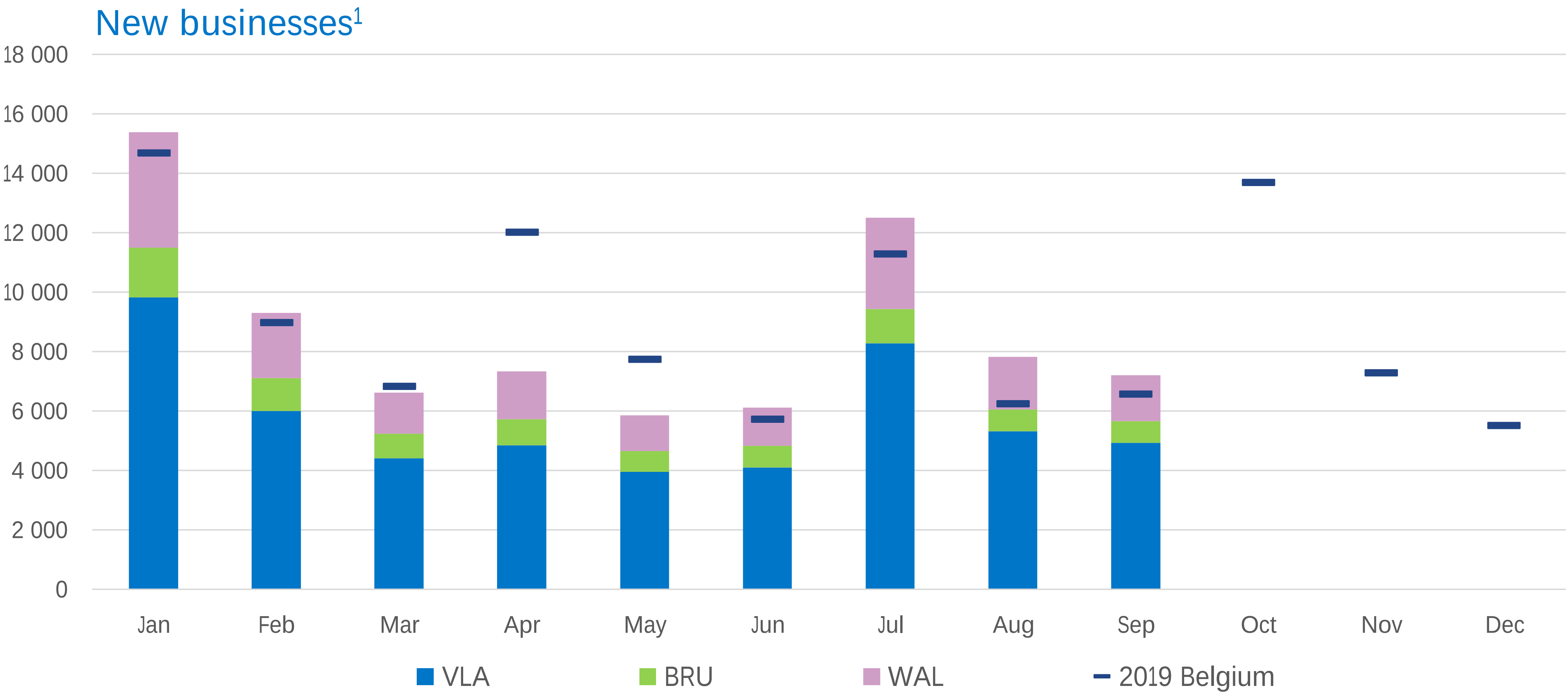
- Since August 31, the number of bankruptcies remains 33 % below the 2015-19 average while in August, declared bankruptcies were close to it

Source: Statbel, latest available data: 13 December 2020.

[1] Declaration of bankruptcy by the company court.

Business startups remain low in September according to seasonal patterns

… but are still higher than in 2019



Source: Statbel, latest available data: September 2020.

[1] Business creation as measured by entities registering (first registrations & re-registrations) as a VAT unit in the Crossroads Bank for Enterprises.

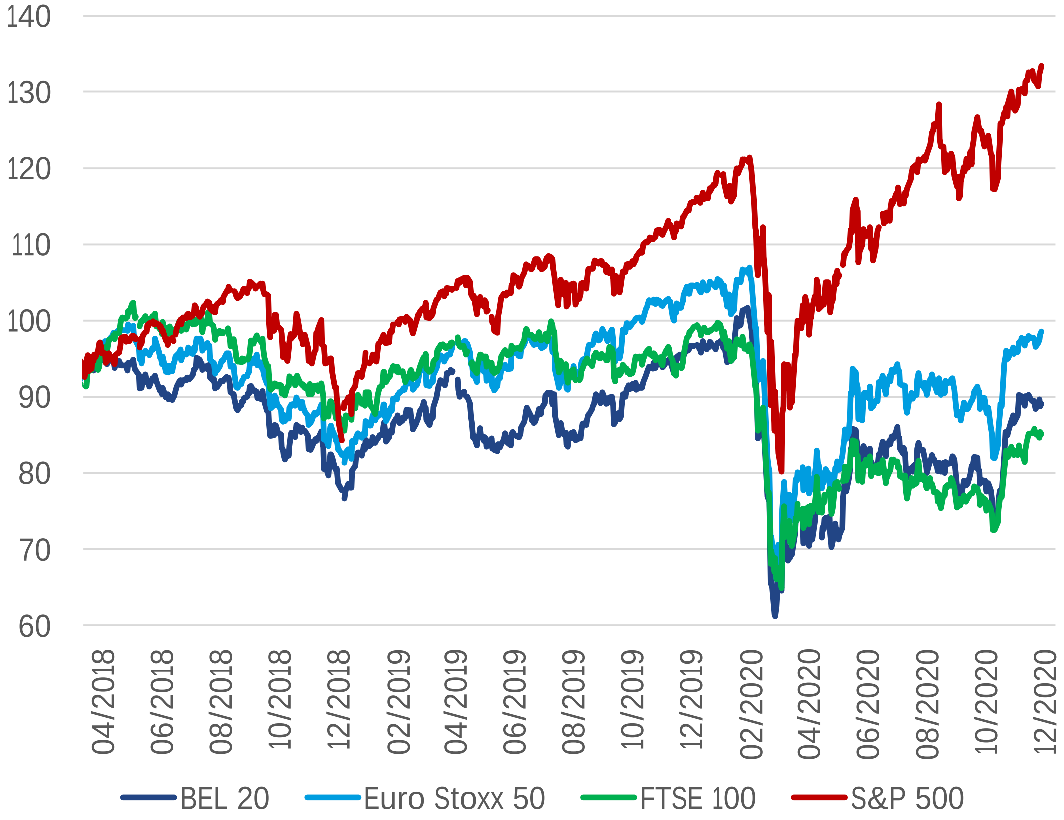
Financial markets

Financial markets supported by vaccine prospects

- Despite increasing number of COVID-19 cases and mobility restrictions in the US and Europe (and disappointing US job and retail sales data for November), markets performed well due to prospects of successful vaccines.
- Progress made towards a new fiscal stimulus in the US, optimism over a Brexit deal and the ECB decision to extend its PEPP also had a favorable impact in December.
- However, volatility remains above its historical average.

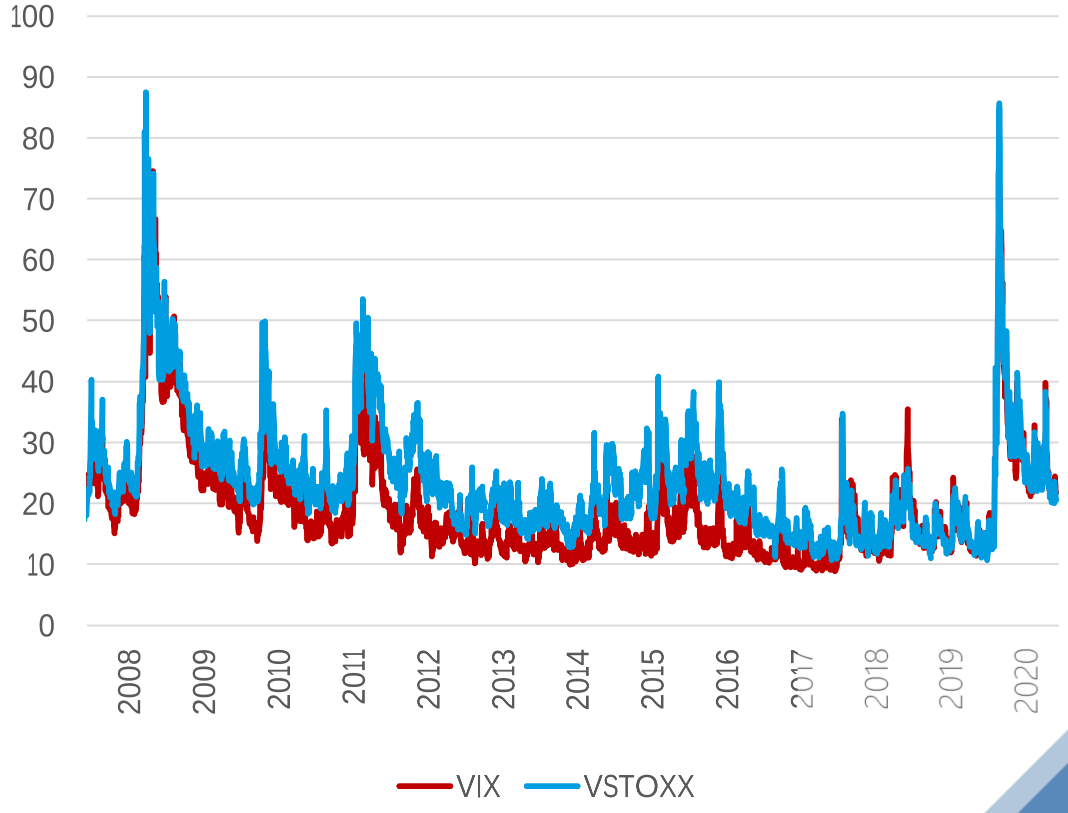
Major stock market indices

(01/2018=100)



Implied stock market volatility

(in %)



Source: Refinitiv, latest available data: 17 December 2020.

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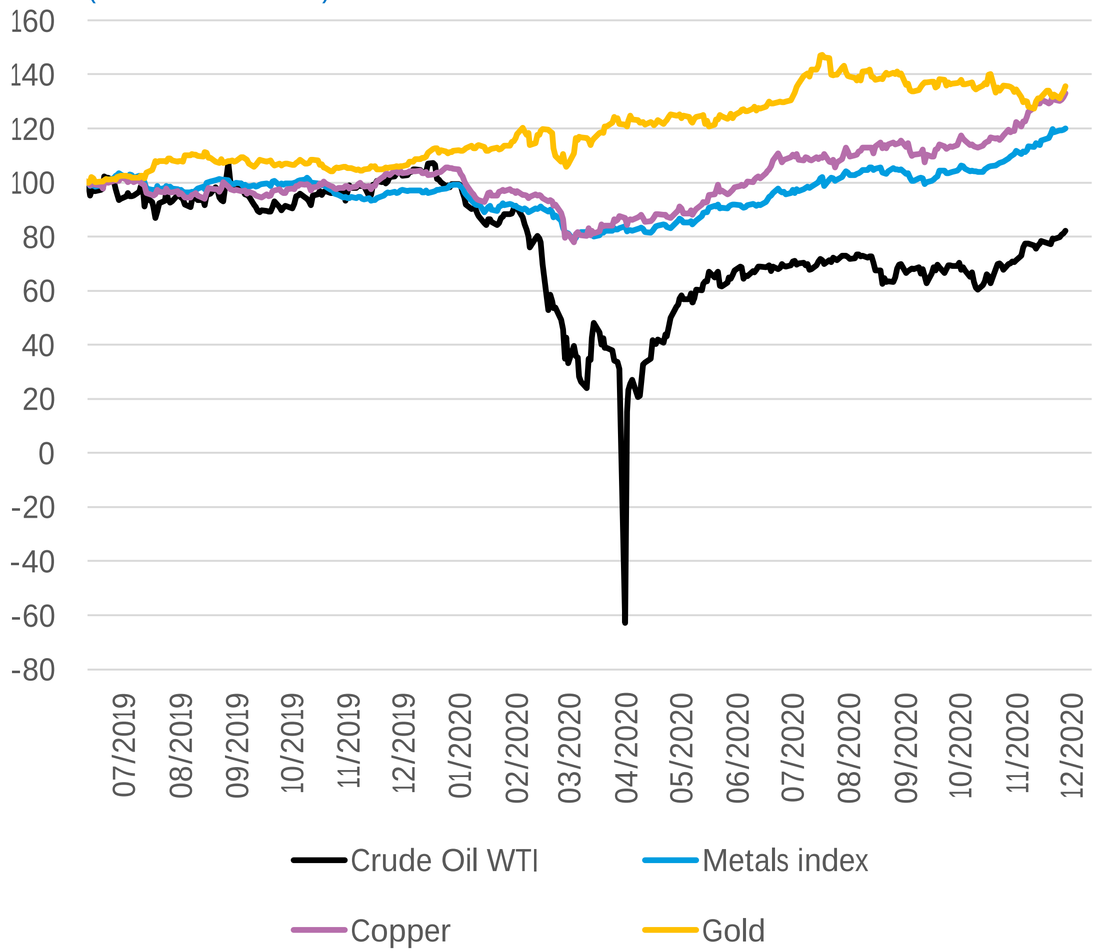
Oil prices responded positively to vaccination plans

Commodity price indices

(01/07/2019 = 100)



- The announcement of positive vaccine clinical trial results and fast-tracked vaccination plans raised the prospects of future demand, which sustained oil prices. Moreover, OPEC and Russia agreed to a smaller than initially planned increase in supply from January onwards.
- Despite declining from its August peak, gold price remains high in an uncertain environment.
- Prices of other metals tied to industrial demand are benefitting from the prospect of a post-pandemic recovery and investments in green technologies.

Source: Datastream, latest available data: 17 December 2020.
Note: the metals index includes aluminium, copper, lead, iron ore, tin, nickel and zinc.

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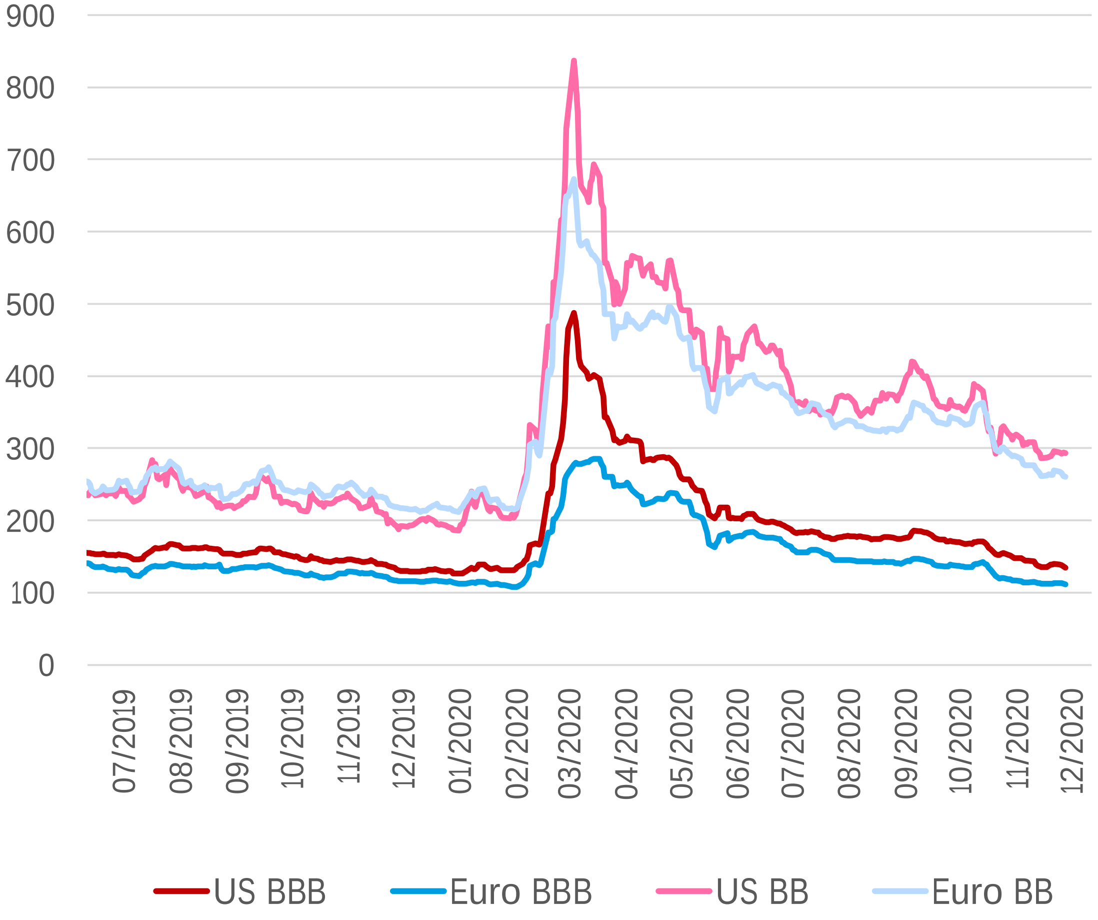
Corporate spreads closer to their pre-crisis level

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 the increase in COVID-19 cases and the uncertainty around the US fiscal stimulus and elections, corporate spreads recently eased following US elections results and the favorable vaccine trial results

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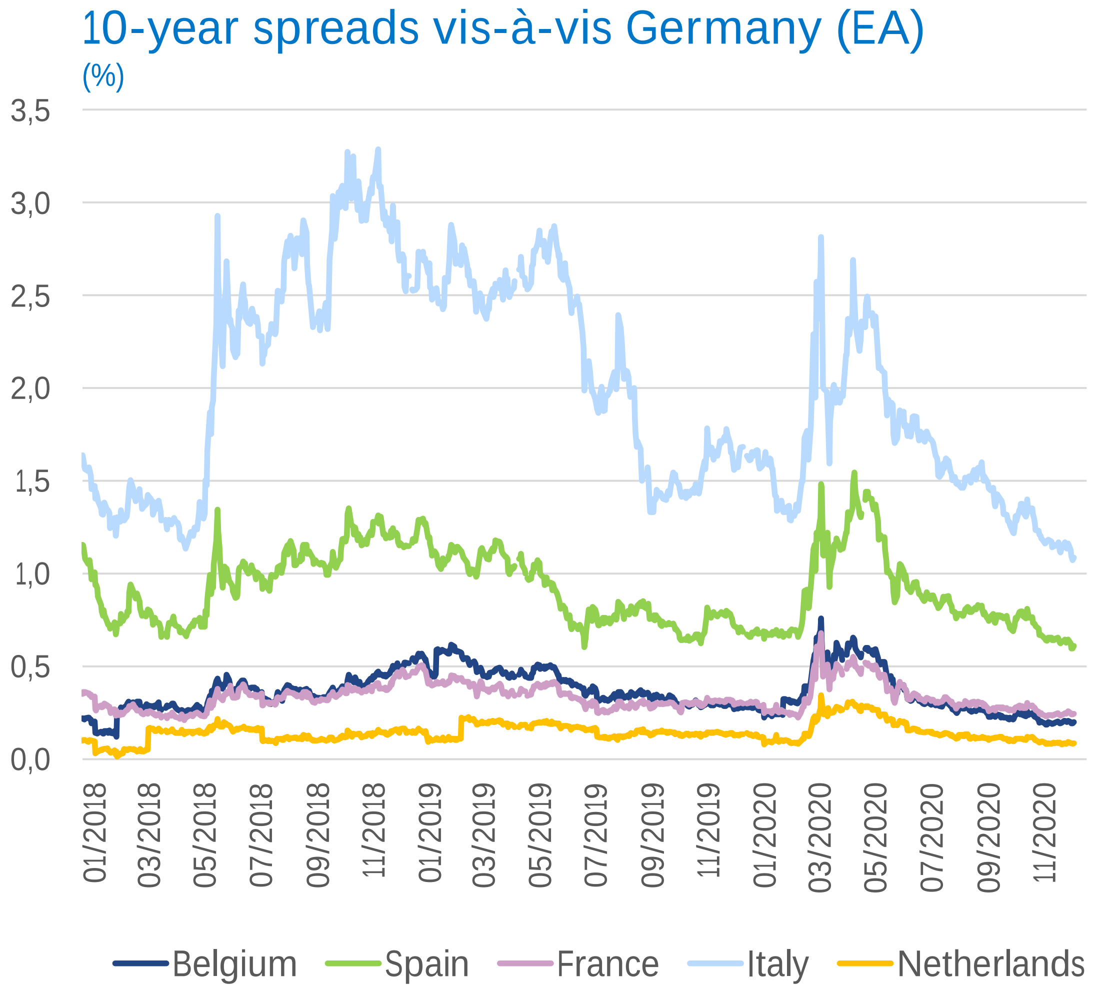
Source: BofA Merrill Lynch from Datastream, latest available data: 17 December 2020.

Sovereign bond spreads trending downwards



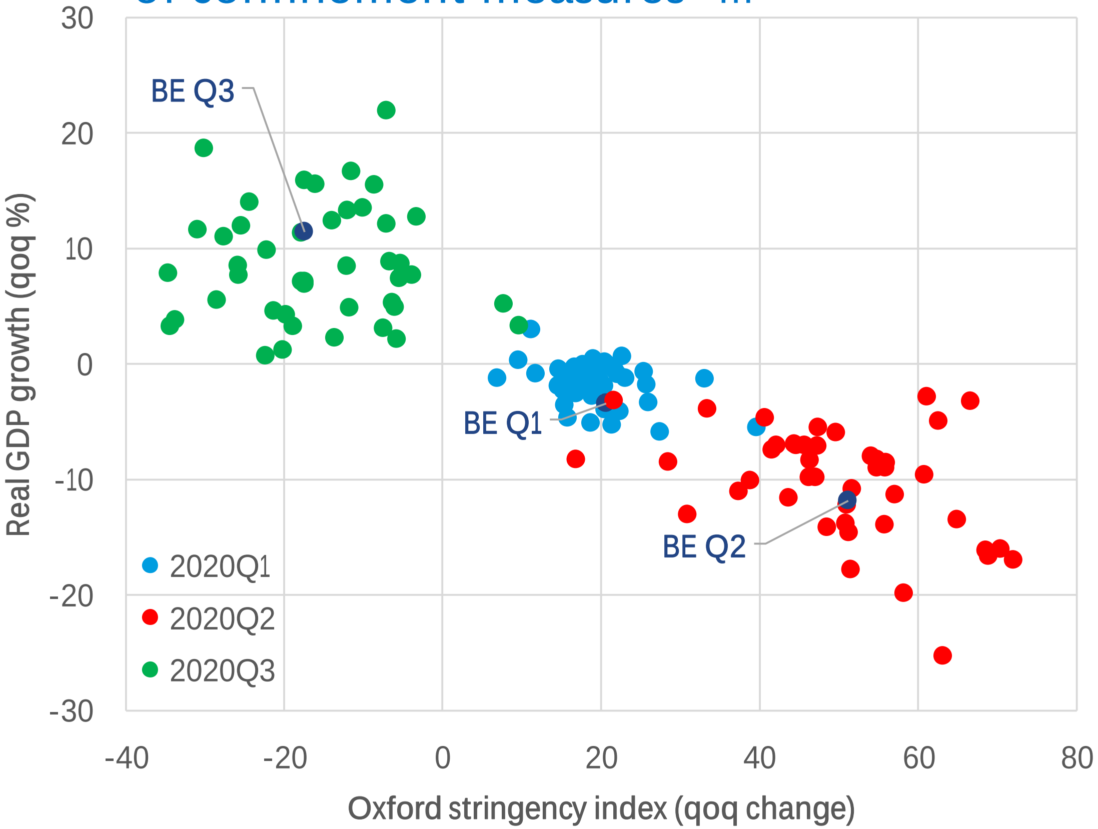
- Sovereign spreads now closer to their pre-crisis levels with IT spread reaching a two-year low.
- Despite the increase in new COVID-19 cases in Europe and the following mobility restrictions, sovereign spreads still follow a downward trend, also helped by favorable vaccine prospects and an extension of the ECB's PEPP duration and amount (by €500 billion).

Source: Refinitiv, latest available data: 17 December 2020.

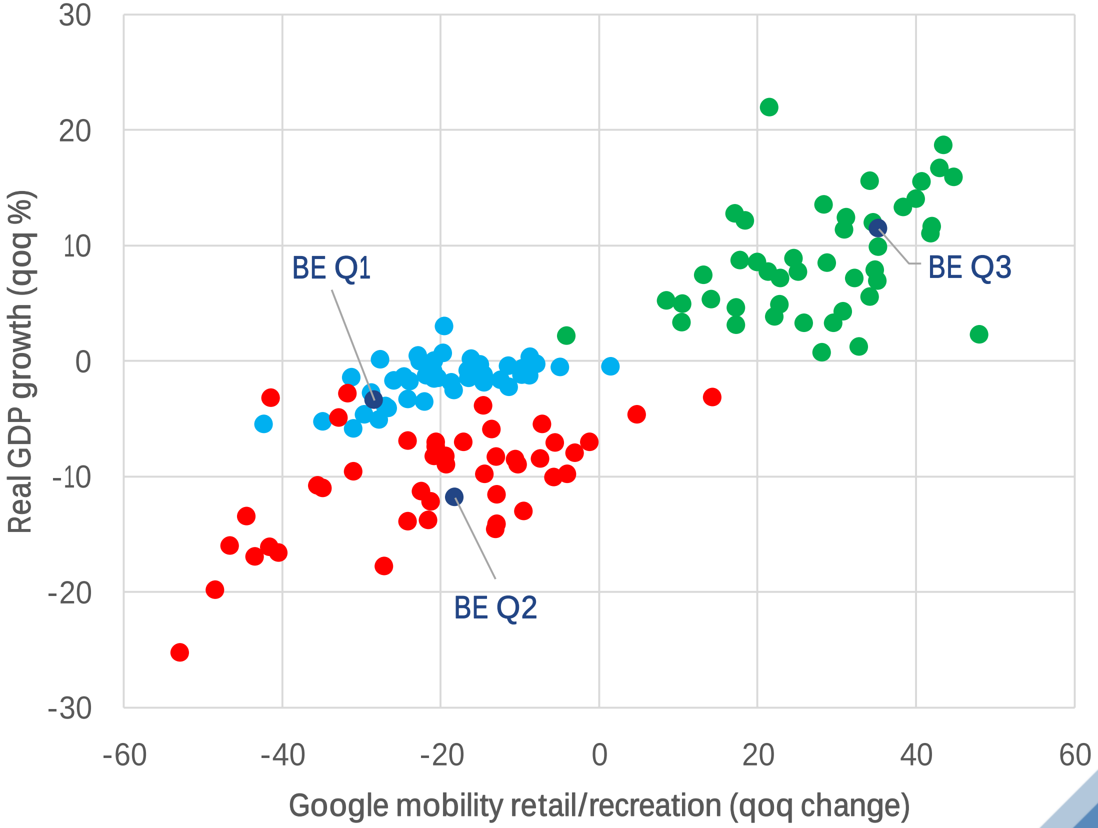
International outlook

Cross-country growth disparities correlate with lockdown stringency, and mobility

Overall, GDP growth disparities[1] are associated with changes in intensity of confinement measures[2] ...



... and changes in mobility[3]



Sources: OECD, OxCGRT, Google.

[1] Country sample consists of 45 OECD and major non-OECD countries. Each dot represents a country-quarter. China is excluded because of lack of Google mobility data.

[2] Oxford Stringency index codifies 9 types of containment measures. Index levels take values between 0 (no restrictions) and 100 (hard nationwide lockdown).

[3] Google mobility report scores for category "retail and recreation". Level scores indicate percentage deviation from pre-COVID baseline.

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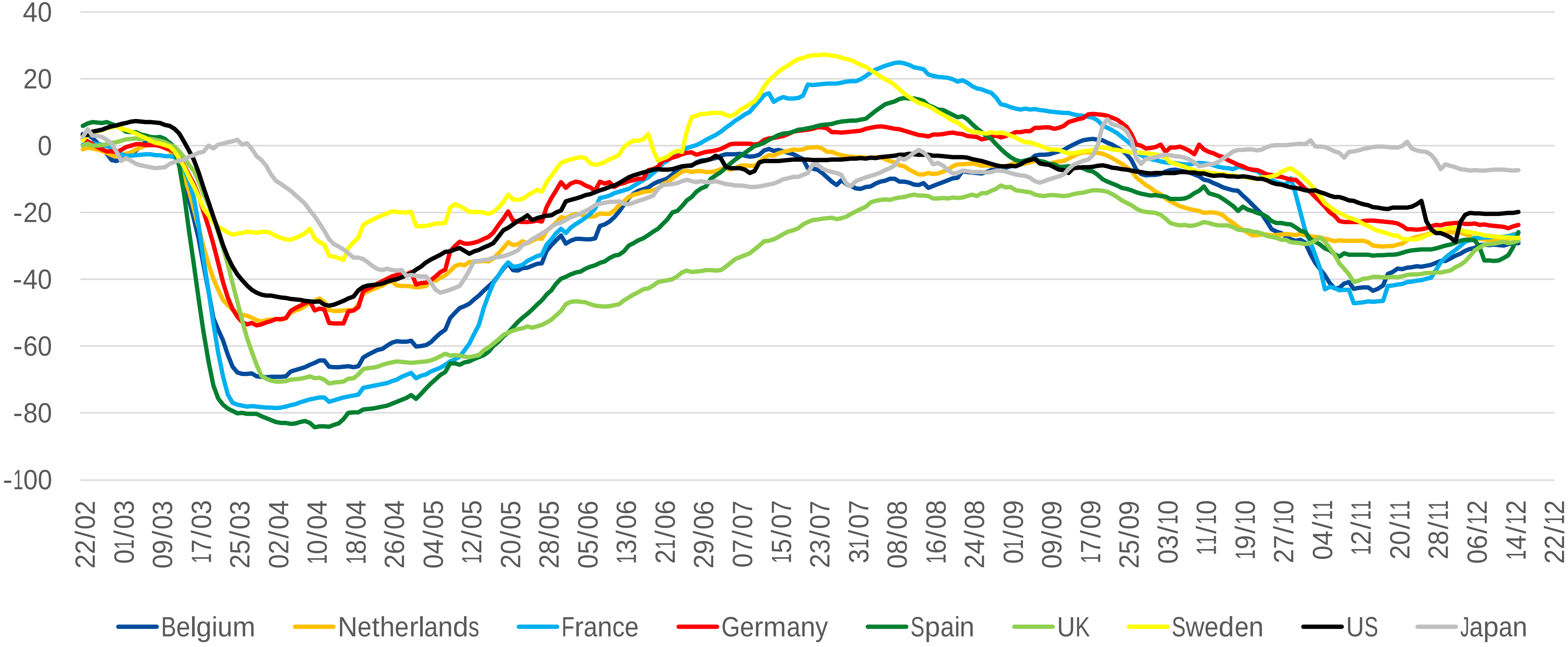
New COVID infections and lockdowns weigh on mobility, but less so than during first wave

Composite mobility indicator[1]

(% change from pre-COVID-19 baseline; 7-day moving average)



Sources: Google, Apple. Construction of mobility composite inspired by Capital Economics.

[1] Composite indicator is a simple average of changes in Google mobility report scores for categories “retail and recreation”, “workplaces”, and “transit stations”, and changes in Apple routing requests for driving. Pre-COVID-19 baseline is the median value (for the corresponding day of the week) of each sub-indicator over the period January – 6 February. Latest values are for 17 November.

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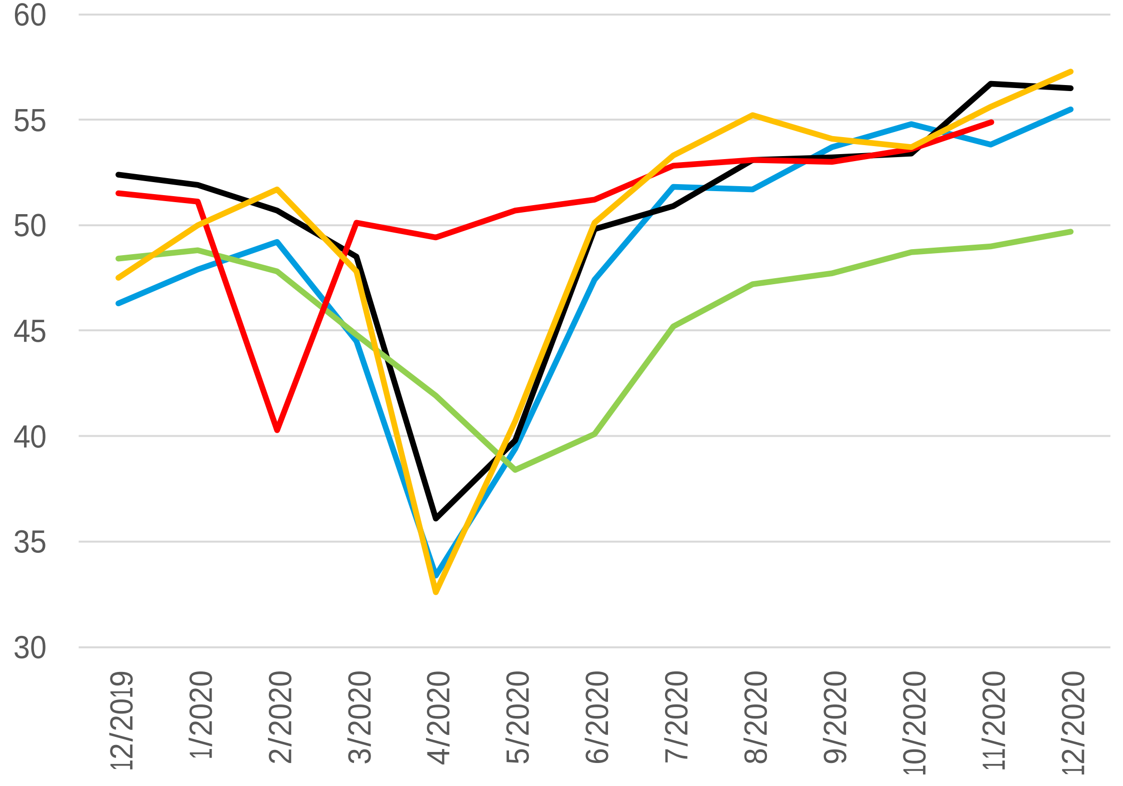
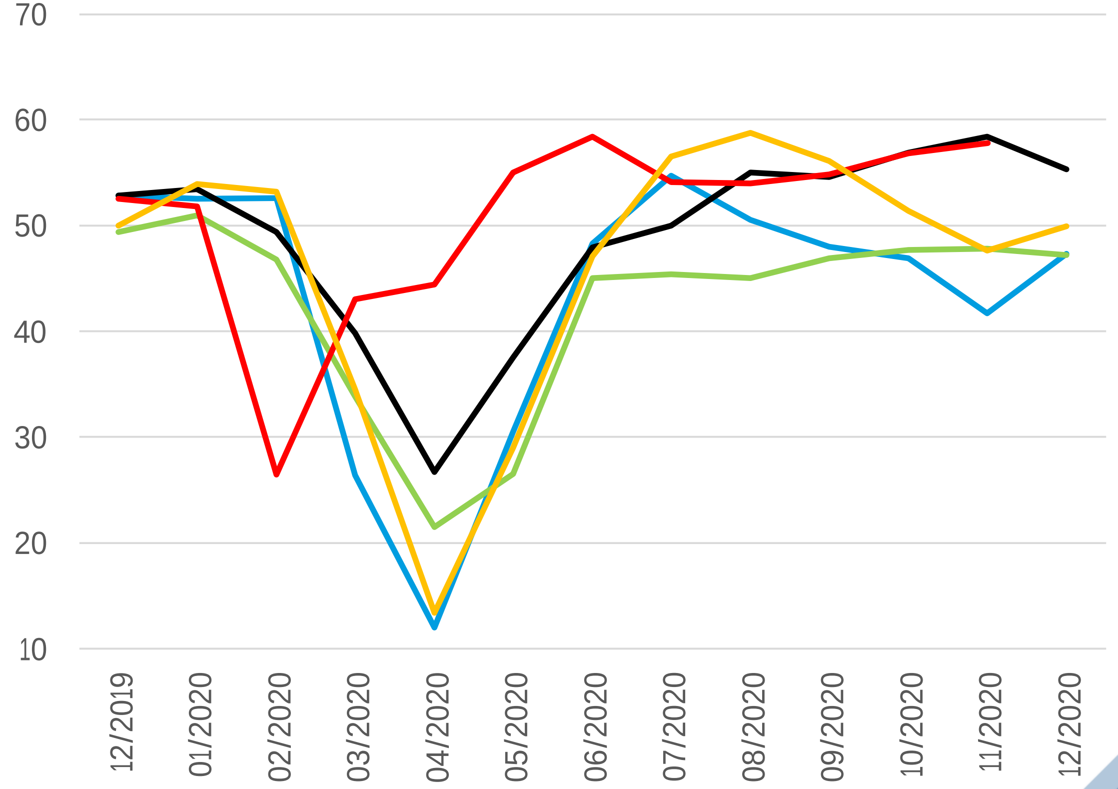
Second wave of COVID infections and lockdowns weigh on sentiment in services sector

Manufacturing PMIs
(diffusion index; 50+ signals expected expansion)



Service sector PMIs
(diffusion index; 50+ signals expected expansion)



Euro area US Japan China(Caixin) UK

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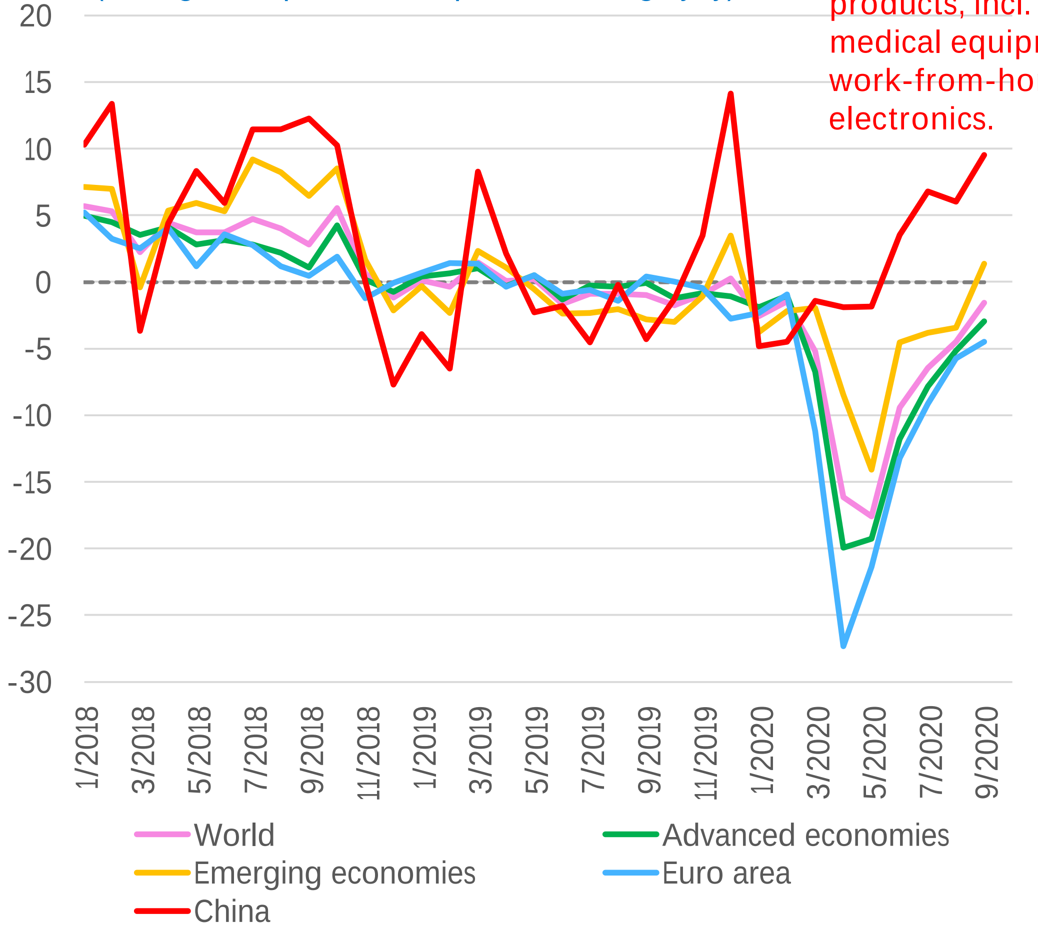
Source: Refinitiv.

World trade regains some momentum, with China leading the way

World goods trade volumes[1]

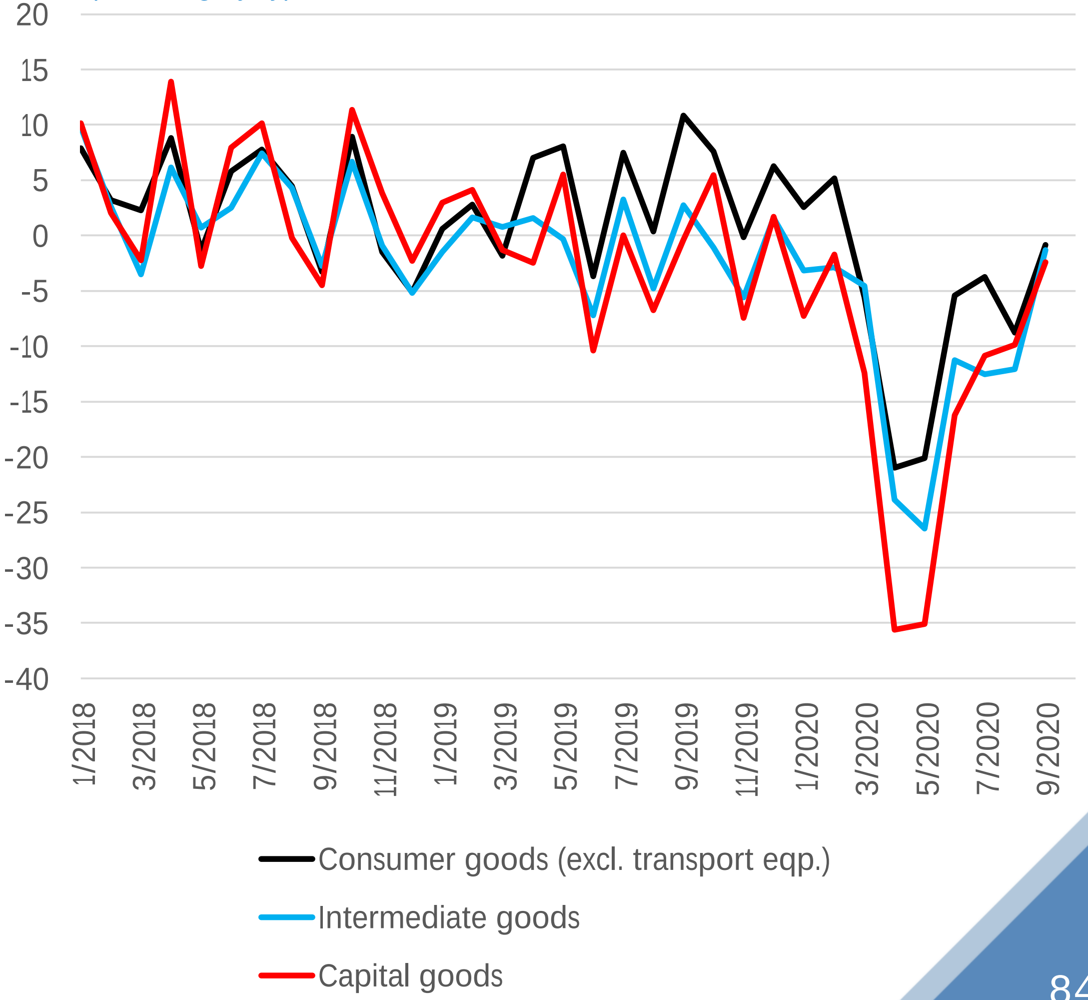
(average of exports and imports, % change yoy)



Chinese exports boosted by demand for COVID-19-related products, incl. PPE, medical equipment, work-from-home electronics.

Euro area: extra-EA-19 goods export volumes[2]

(% change yoy)



Sources: Netherlands Bureau for Economic Policy Analysis (CPB), Eurostat, Refinitiv.

[1] Latest available data: September 2020.

[2] Latest available data: August 2020.

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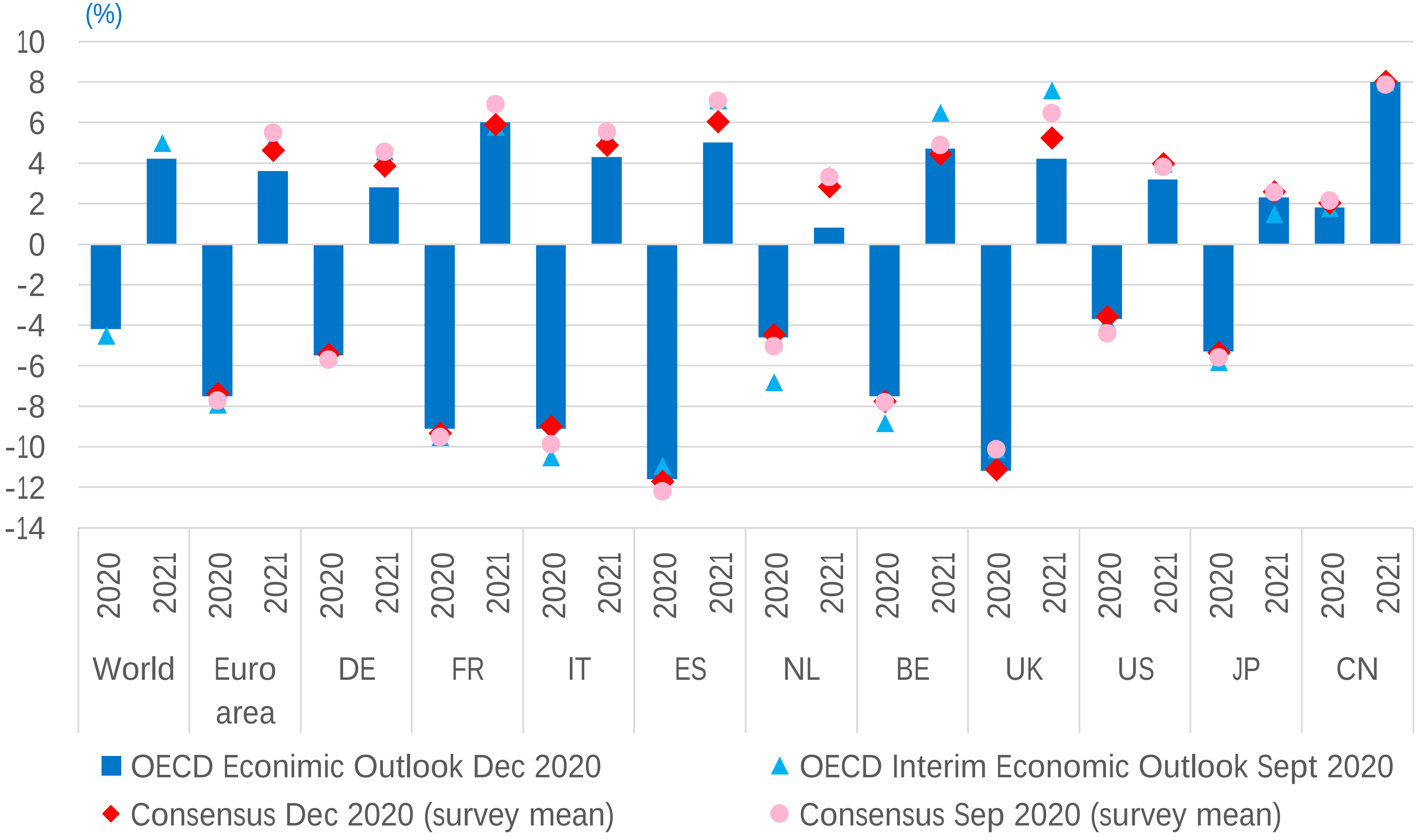
Forecasts for 2020/2021

OECD Economic Outlook: “Turning hope into reality“

Real GDP forecasts



Moderate upward revisions for 2020 since September reflect:

- Progress with vaccines and treatment
- Continued fiscal and monetary policy support, leading to rapid recovery in some sectors
- Assumption that renewed virus outbreaks remain contained

Sources: OECD, Consensus Economics.

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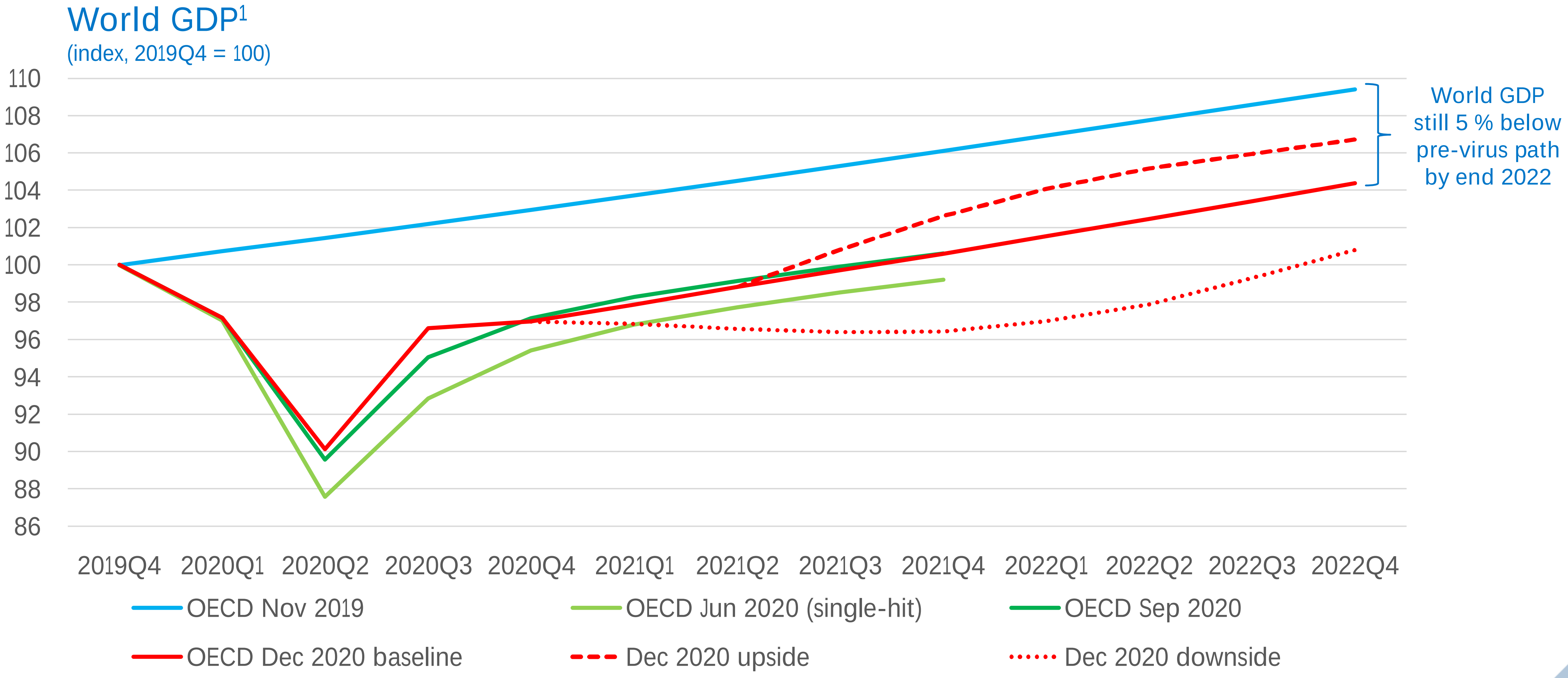
Towards a 95 % world economy

Considerable uncertainty remains around baseline projections



Source: OECD

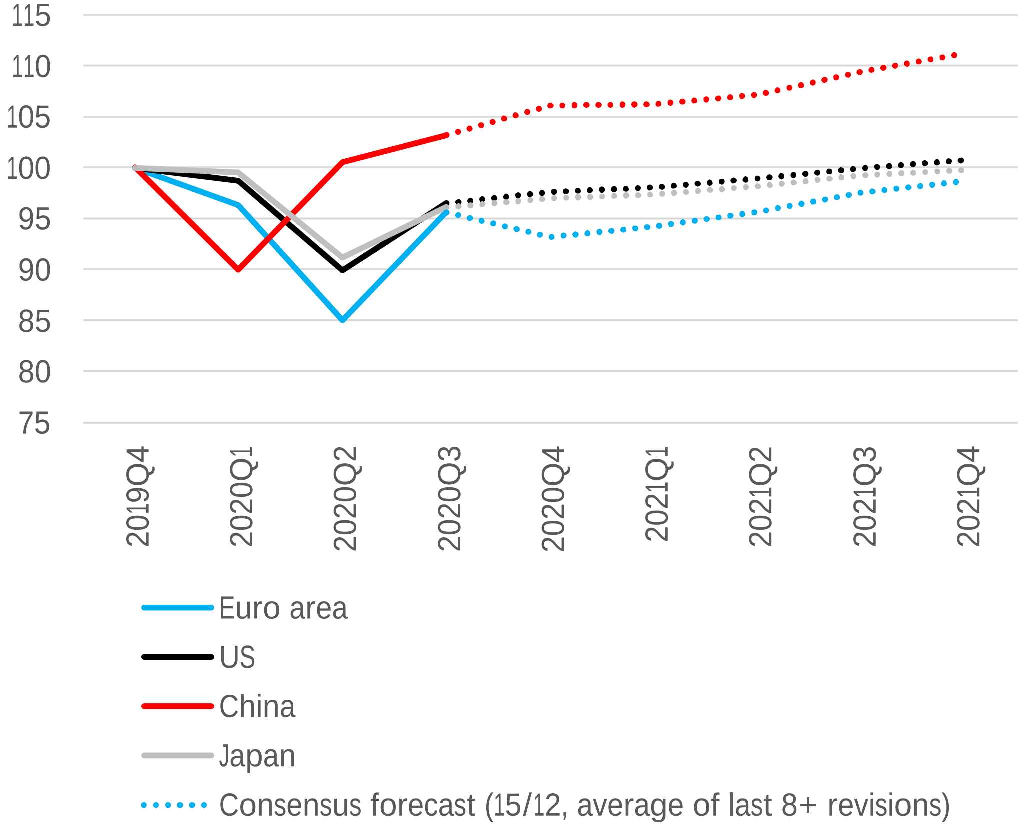
[1] Dashed lines represent upside scenario (resurgence in business and consumer confidence) and downside scenario (heightened uncertainty under receding prospects for early deployment of vaccine) around baseline OECD (December) projections.

Expected recovery

Variations across countries

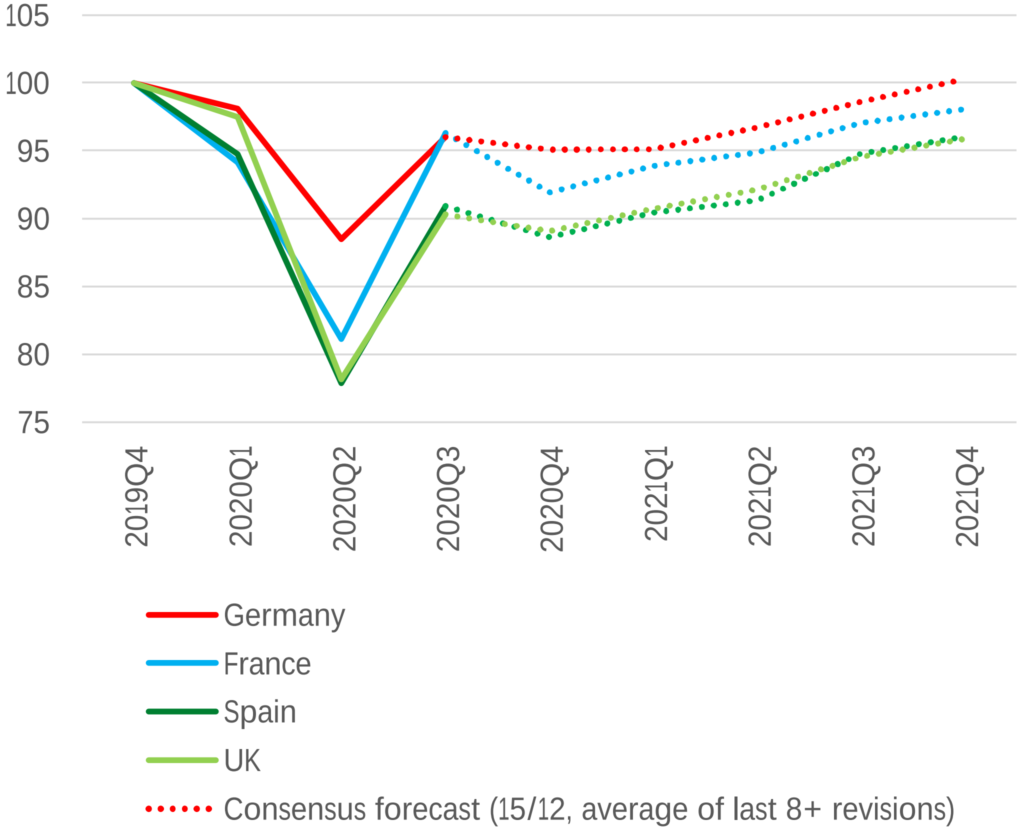
Major blocs: Real GDP[1]

(index, 2019Q4 = 100)



Selected European countries: Real GDP[1]

(index, 2019Q4 = 100)



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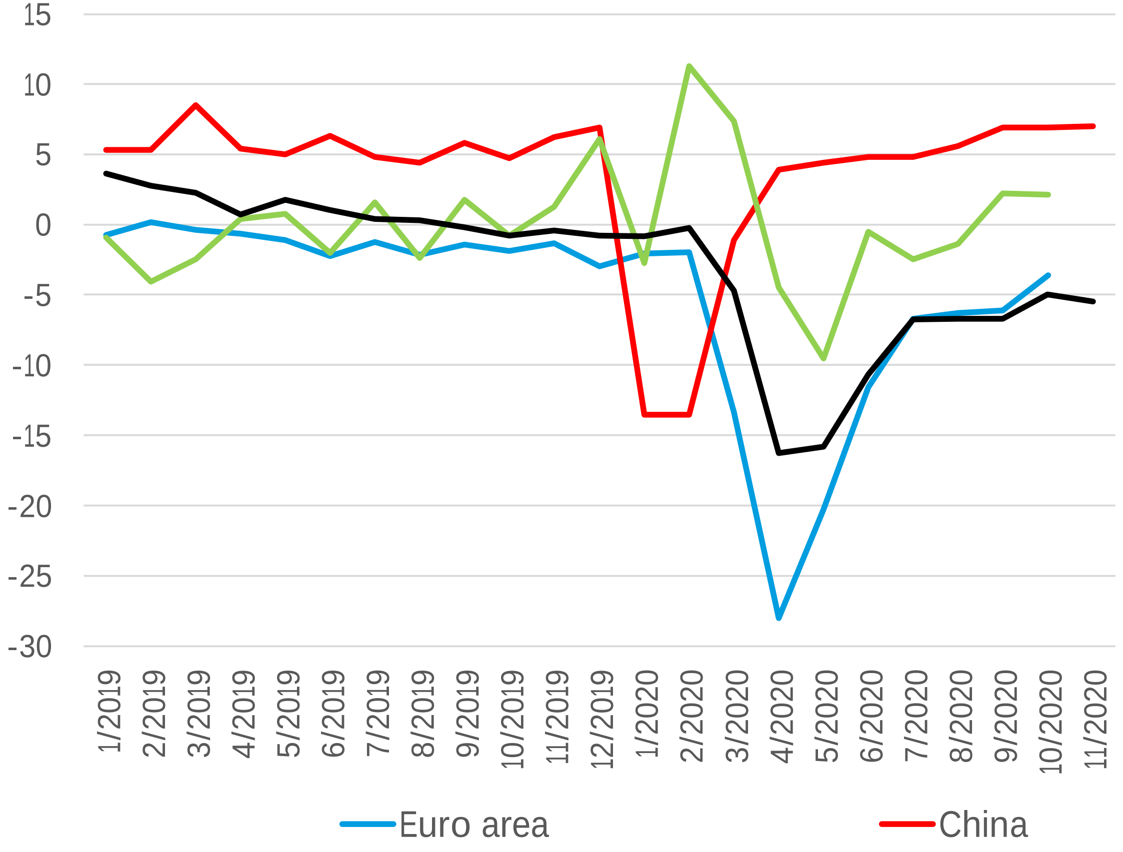
Sources: US Bureau of Economic Analysis (BEA), Consensus Economics, Destatis, Eurostat, Institut national de la statistique et des études économiques (INSEE), Instituto Nacional de Estadística (INE), Japanese Cabinet Office (JP CAO), National Bureau of Statistics of China (NBS), Office for National Statistics (ONS), Refinitiv.

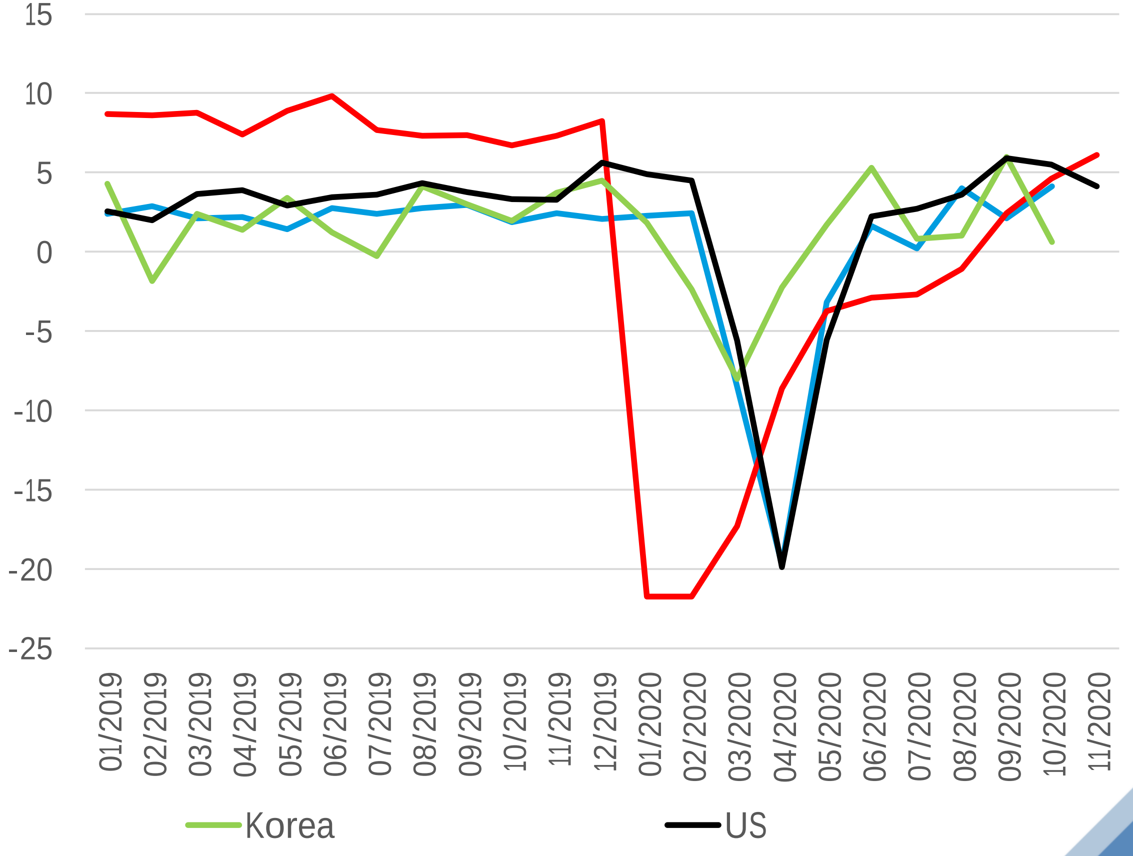
[1] Consensus levels implied from forecasted yoy changes.

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

Industrial production
(% change, yoy)



Retail sales
(% change, yoy)



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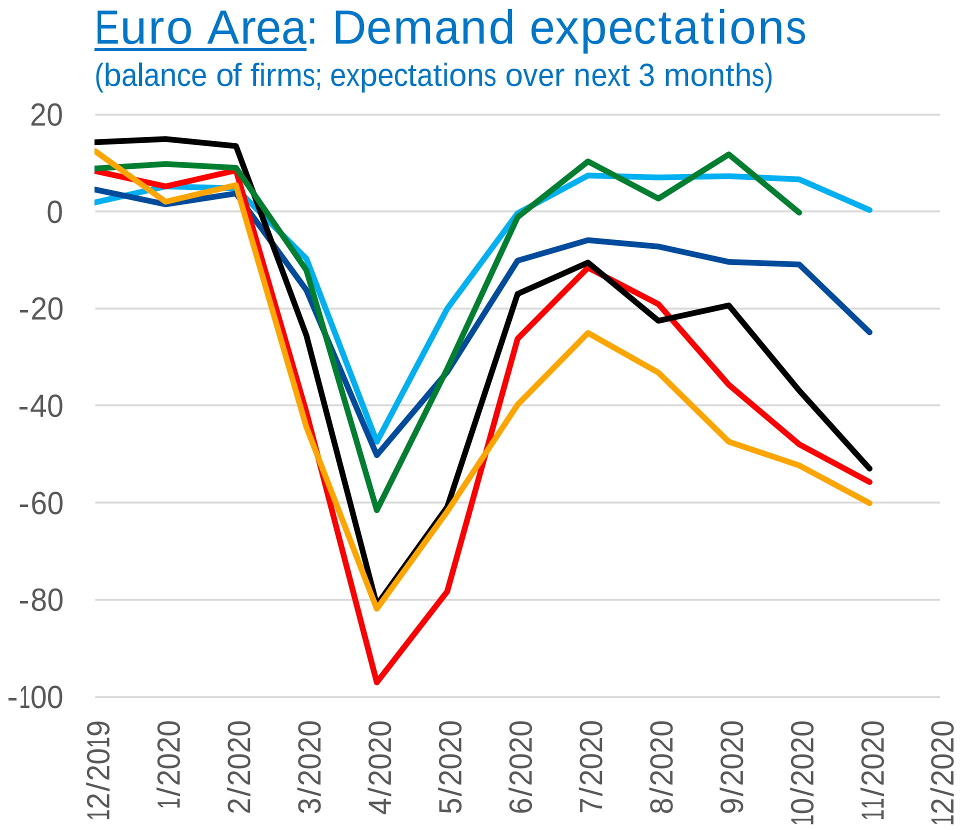
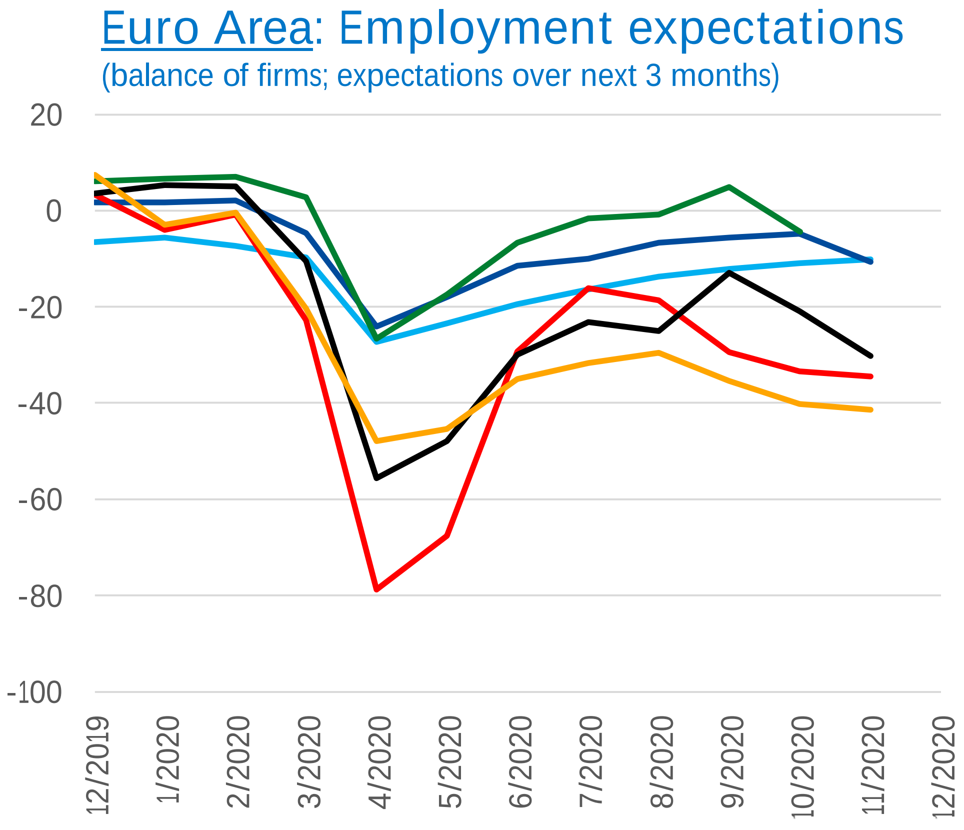
Sources: CEIC, Refinitiv. Latest available data: October/November 2020.

Euro-Area: K-recovery in the making?

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





Industry Retail Accommodation Food & drink services Finance Travel services

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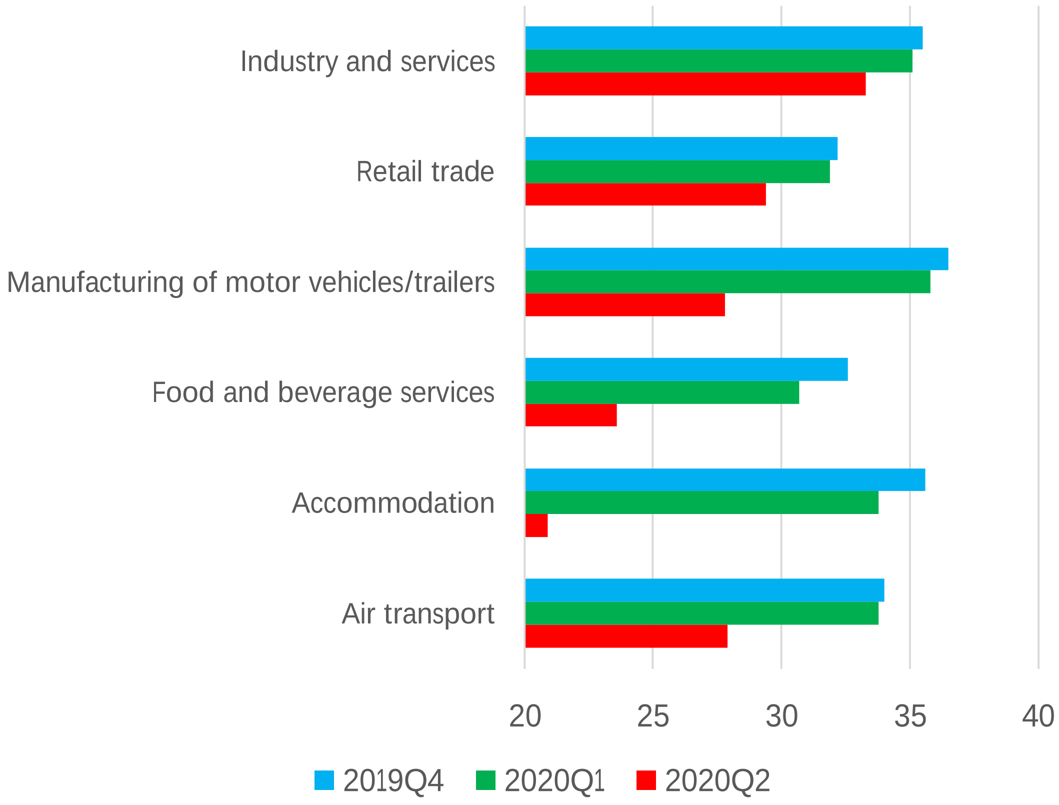
Sources: OECD, European Commission (EC), Refinitiv. Latest available data: November 2020.

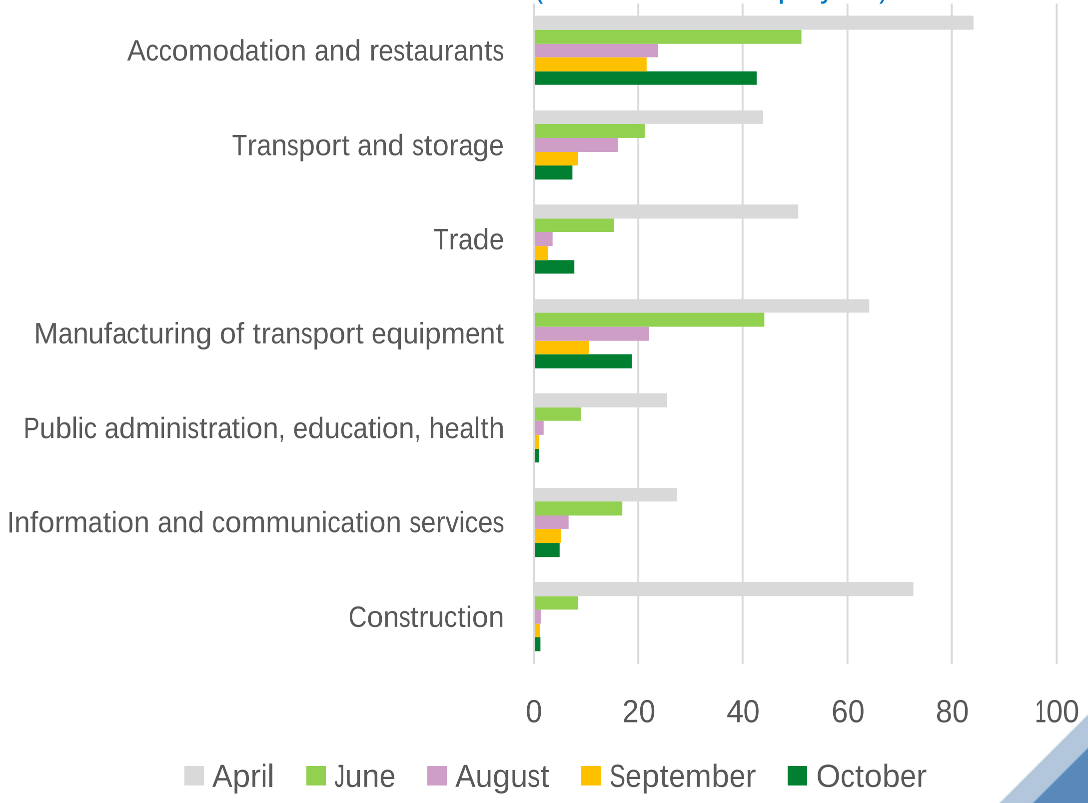
Euro Area: K-recovery in the making?

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)



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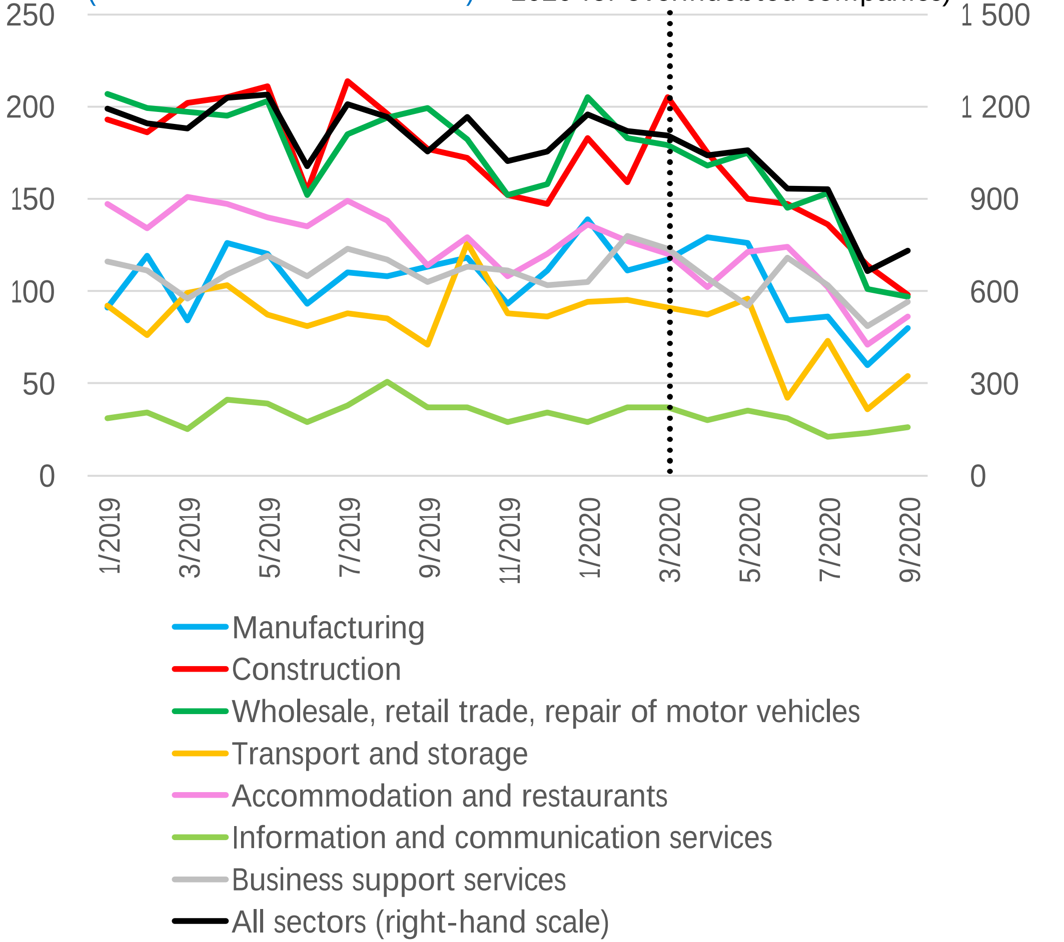
Sources: Destatis, Dares. Latest available data: October 2020.

Euro Area: Zombification or creative destruction?

Too early to tell as temporary measures protect against destruction

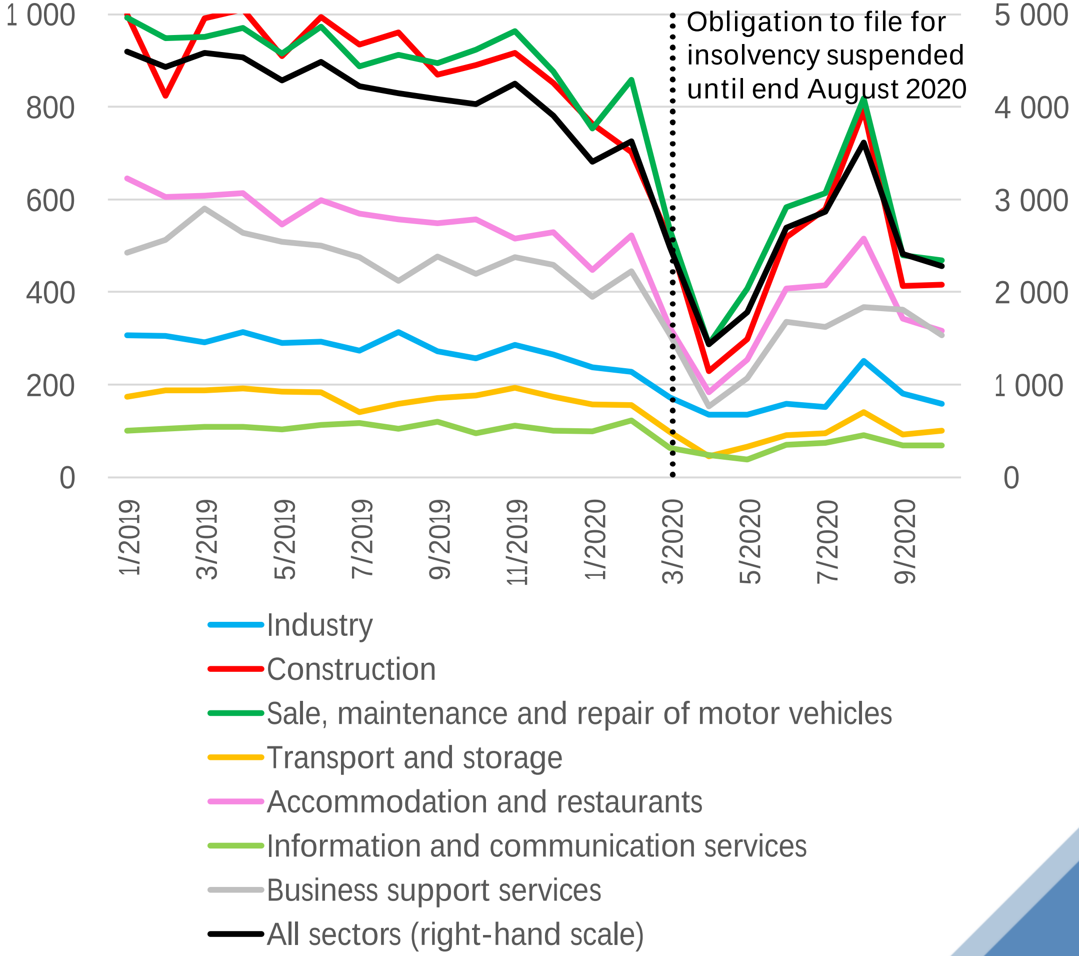
Germany: Company insolvency proceedings

(number of insolvencies filed)



France: Company failures

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



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Sources: Destatis, Banque de France (BdF). Latest available data: September (Germany) - October 2020 (France).

NBB online surveys in cooperation with the Microsoft Innovation Center

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NBB Survey on impact on households' income

7-24 May

[Press release]()

[Perscommuniqué]()

[Communiqué de presse]()

NBB Survey on changes in consumer patterns

14 – 21 July

Perscommuniqué

Communiqué de presse