

The macroeconomic scenario and the levers for relaunching growth

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According to the study presented by Gregorio De Felice, Chief Economist at Intesa Sanpaolo, a gradual return to normality is expected for the two-year period 2021-22 with a more stable recovery starting in the third quarter. Vaccinations in the United States are proceeding at an accelerated pace compared to Europe and herd immunity could be achieved in July. Global GDP growth is expected to be 5.3% in 2021, after a 4.1% drop in 2020, with Asia and the US leading the way. International trade flows are expected to rebound sharply at +12.4% after a 9.4% drop in 2020.

The Italian economy is expected to partially recover from the fall in GDP suffered in 2020 (+3.7% after an 8.9% drop). However, laying the foundations for steadily higher and more sustainable growth now, once the effects of the Next Generation EU investments are over, will be an important step. Reforms that increase productivity and growth potential are essential for Italy: action is needed in the areas of public administration, civil justice, taxation and competition. The savings surplus that was created in 2020 provides further support. Indeed, if the household saving rate were to return to 2019 levels this year, this would result in additional growth in consumption of 80 billion euro.

The leverage of businesses has increased, but less than during the 2011 crisis. The pharmaceutical and food sectors are well positioned in terms of turnover recovery, along with advanced services. The construction sector is expected to recover well, thanks to the Ecobonus. Policy measures have reduced liquidity needs and boosted business loans: during 2020, net lending to non-financial companies amounted to 63 billion euro, supported by government-backed loans.

However, a real change of pace will only be possible by increasing the level of investment, especially intangible investment, narrowing the gap that has accumulated over the last decade: 128 billion euro of additional investments would have been made, if Italy had followed Germany's strategy. There is a need to invest in the green and digital economies. Environmental transition is a tremendous opportunity to accelerate growth and make it more sustainable by stopping the exploitation of natural and environmental resources. The green transition will become increasingly strong and desired by populations, particularly younger ones.

Demand for investments that take into account environmental, social and governance factors is growing steadily: globally, sustainable investment funds have reached total assets of 1 trillion dollars, with a 35% increase since the end of December 2019.

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