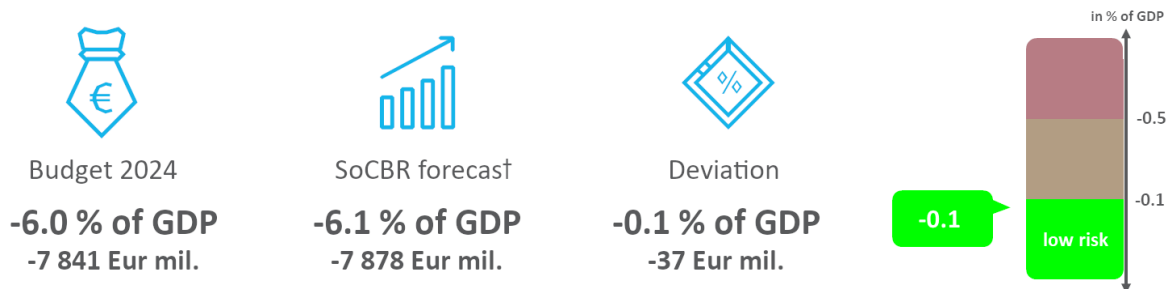


The first estimate of the deficit is slightly above the budget target, compliance with expenditure ceilings requires consolidation measures



note: negative impact of change in denominator (nominal GDP) on deficit equals 0.1 ppt

Secretariat of the Council for Budget Responsibility estimates the 2024 general government deficit at 6.1 % of GDP

- Secretariat of the Council for Budget Responsibility (SoCBR) publishes its first release of the budgetary traffic light, a monthly forecast of the 2024 general government (GG) deficit.
- **According to the SoCBR, the deficit can reach the level of 0.1 % of GDP (EUR 7 878 million),** based on current information and under the assumption that the government does not take additional measures.
- **Negative deviation from the approved budget amounts to 0,1 % of GDP,** which means that the risk of the public deficit level rising above the government objective is low. However, contrary to budgeted year-on-year decrease in the deficit level, **SoCBR estimates an increase of 0.4 ppt of GDP in the GG deficit level relative to a value expected in 2023.**
- The estimate corresponds to a forecast published by the CBR in [the evaluation of the General Government Budget for 2024-2026](#), which also provides an expected deviation from expenditure ceilings. An alignment of the budget with the ceilings would lead to a decrease in the deficit level below 6 % of GDP.
- We expect the most significant negative impact on the GG balance in government measures to compensate high energy prices, since a reserve in the budget does not suffice to finance overall expected costs of compensation schemes.
- On the other hand, expected savings in current expenditures of the state budget represent the most significant positive impact on the GG balance. SoCBR in its forecast does not expect to use the total budgeted amount based on developments observed in previous years.

Underlying data are published [in a data file available on the CBR website](#).

Contact: rozpocet@rrz.sk