



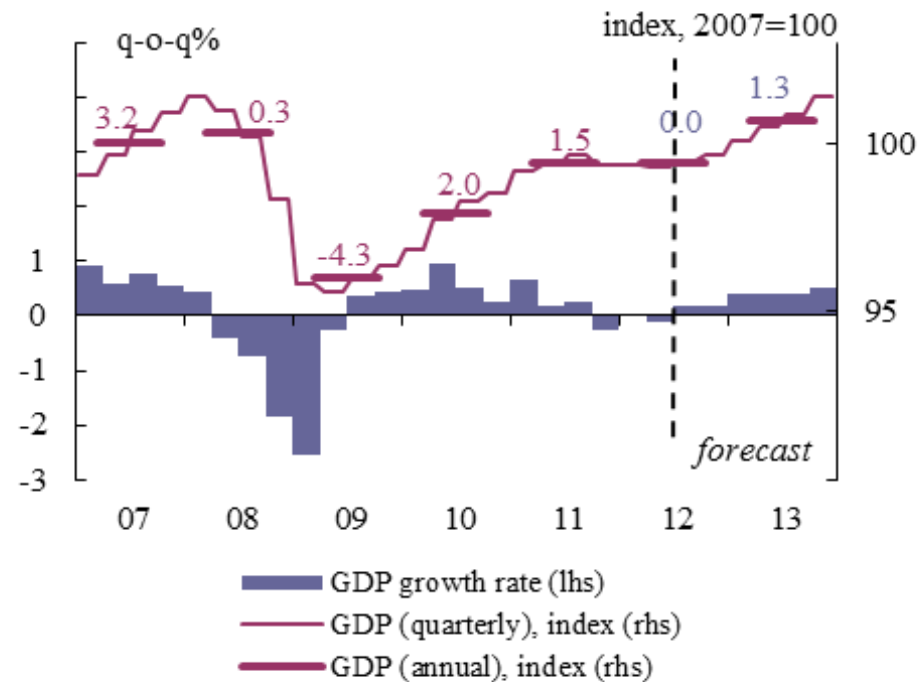
# **Rebalancing Europe, rebuilding the EMU**

**ECMI Annual Conference  
18 October 2012**

**Olli REHN,  
Vice-President of the European Commission  
for Economic and Monetary Affairs and the Euro**

# The EU: A slow and subdued recovery SF2012

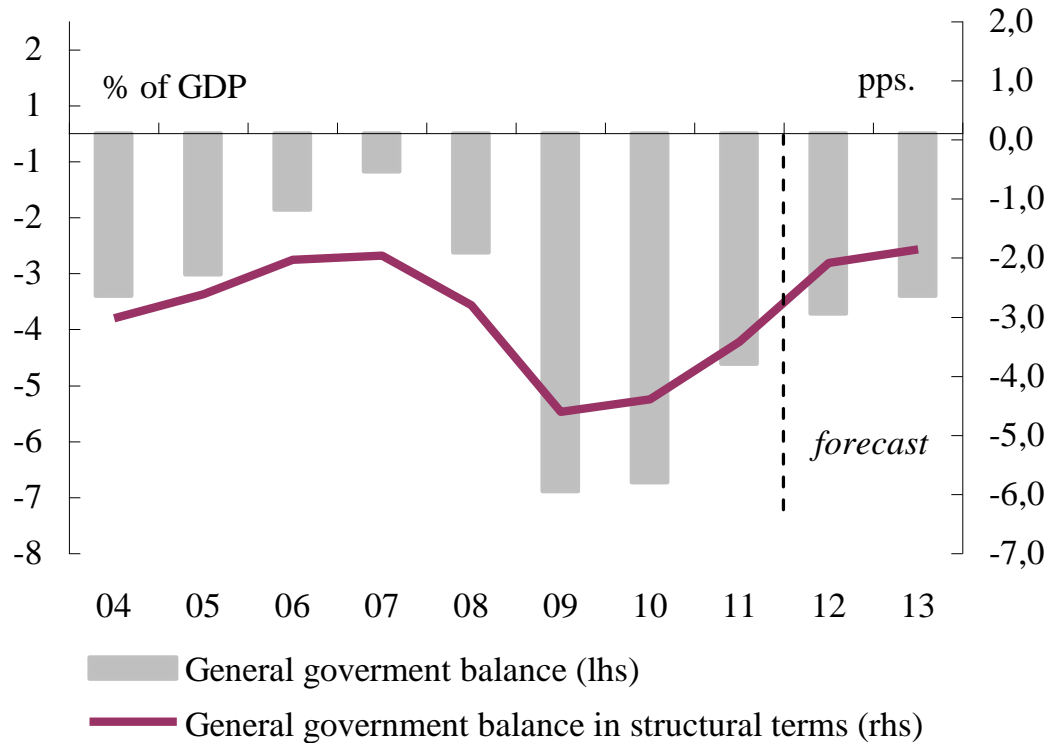
Graph I.1: Real GDP, EU



Figures above horizontal bars are annual growth rates.

# Public deficits continue to narrow

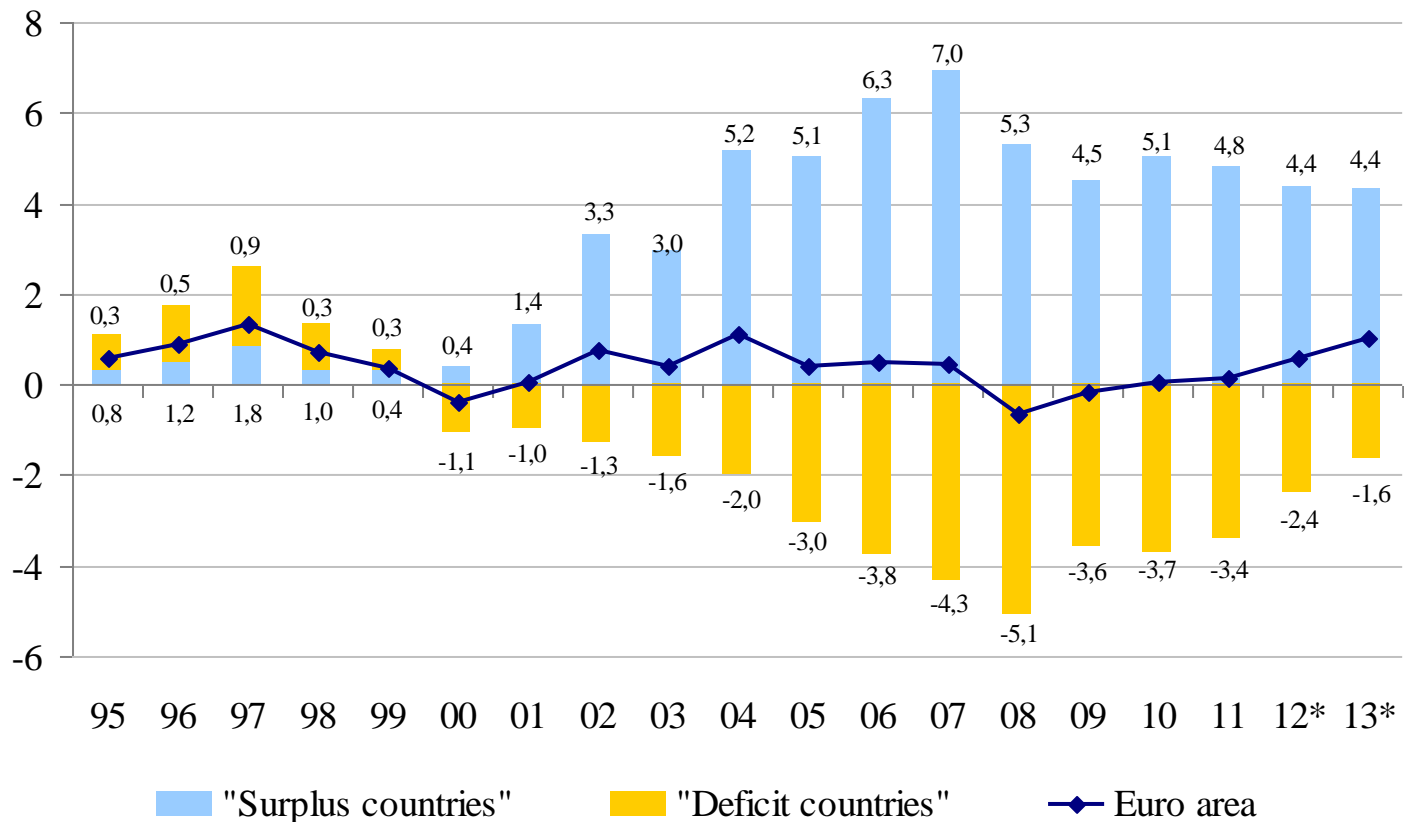
**General government budget balance, euro area**



Source: Commission services' 2012 Spring Forecast

# Intra-euro area rebalancing...

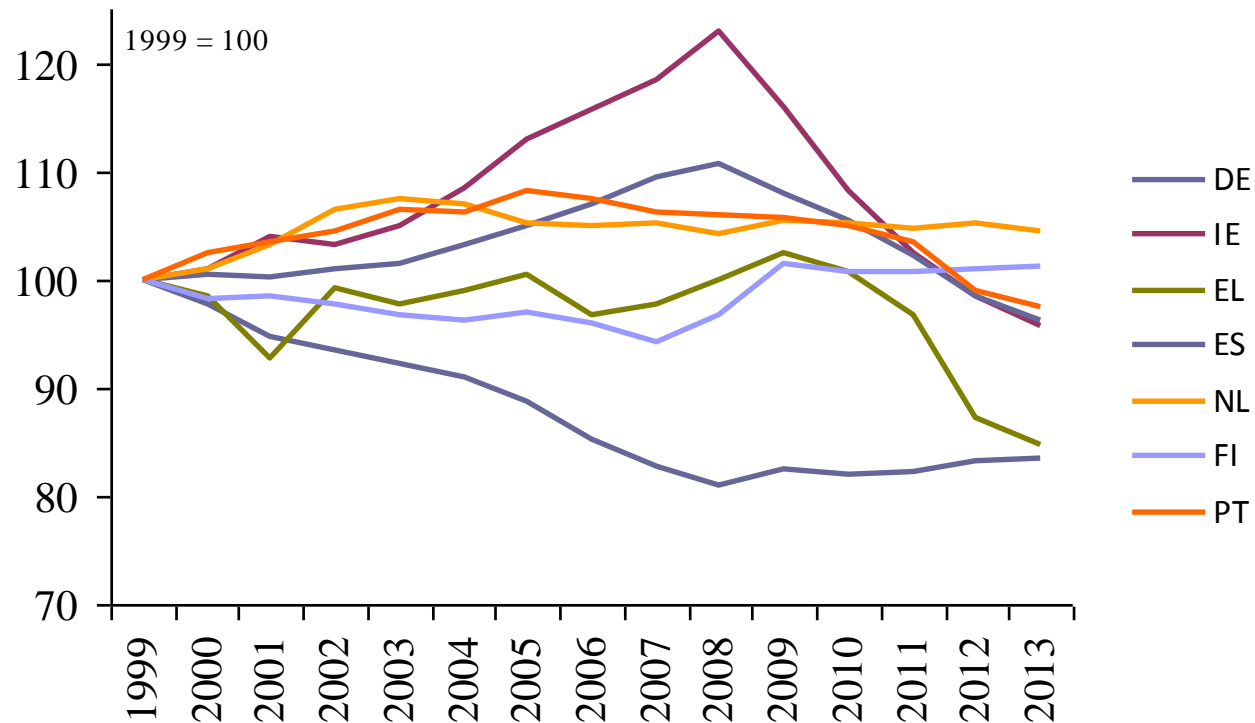
## Current account developments, euro area



Source: \* Commission services' 2012 Spring Forecast

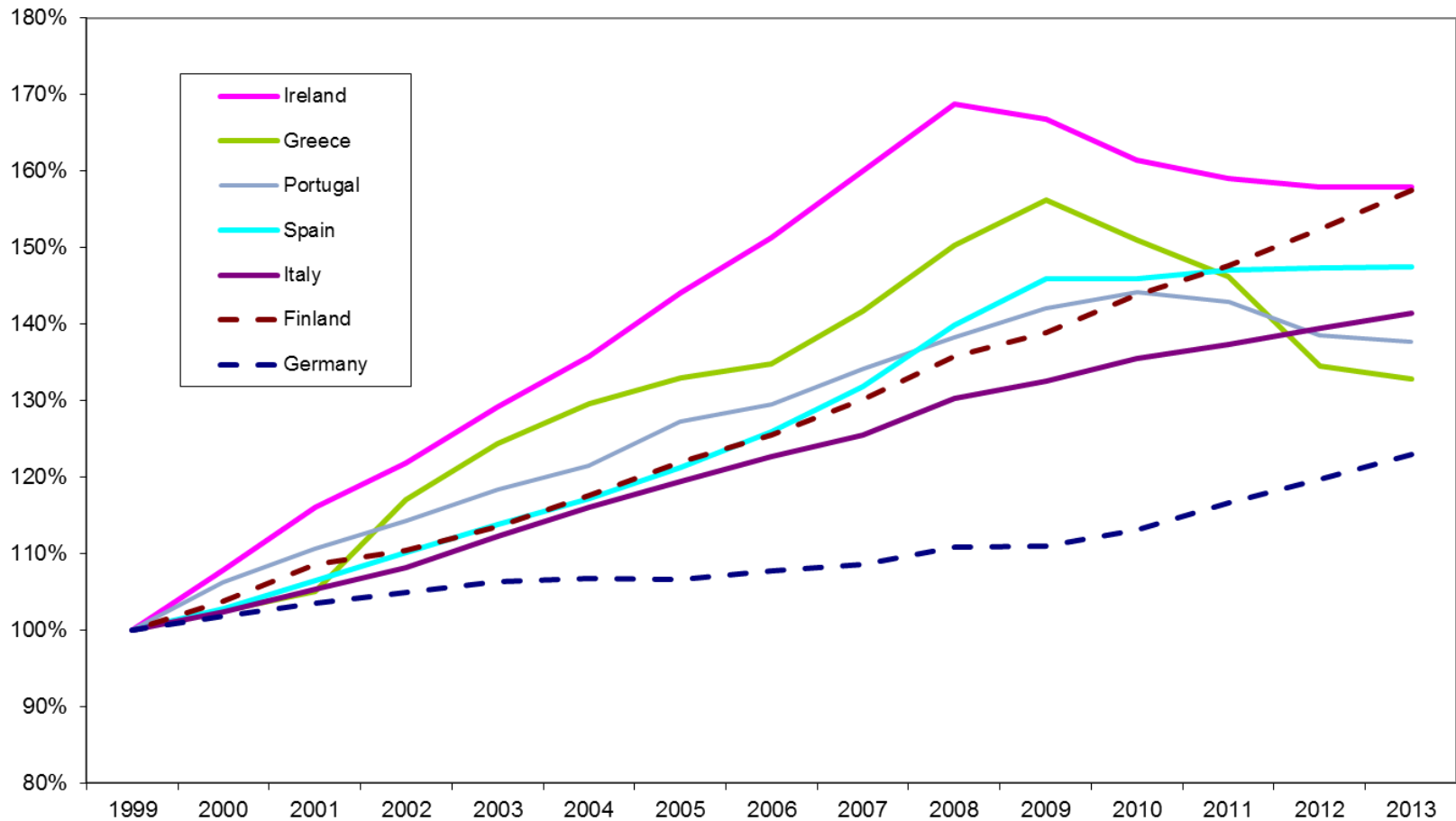
# ...with adjustments in labour markets

## Changes in relative unit labour costs, selected Member States

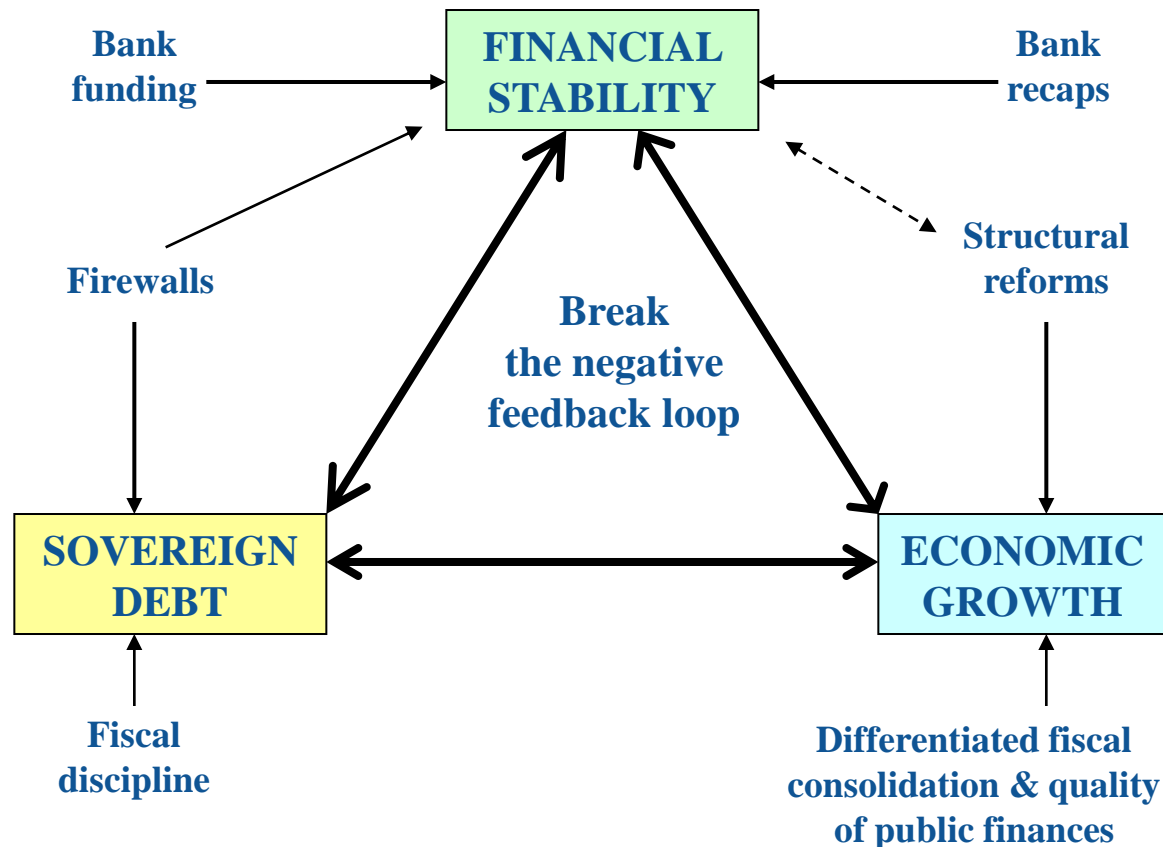


Source: Commission services' 2012 Spring Forecast

# Nominal compensation per employee



# The European comprehensive response to the sovereign debt crisis



**Thank you for your attention !**