

**LUXEMBOURG: PRIOR GUIDANCE TABLE**

This document contains one table that summarises the main initial conditions and underlying assumptions used in the Commission's medium-term government debt projection framework, as referred to in Art. 9(1)b of Regulation (EU) 2024/1263.

Table 1: Main budgetary, macroeconomic and financial variables, Luxembourg

Budgetary variables: initial conditions	2023	2024
Government budget balance (% of GDP)	-1.3	-1.7
Government debt (% of GDP)	25.7	27.1
Net expenditure growth (%)	13.1	6.8
Structural primary balance (% of GDP)	0.3	0.1

Main assumptions for a plan without extension (4 years)	Assumption	Period
Change in the cost of ageing (pp. of GDP)	1.8	2028-2038
Stock-flow adjustment (% of GDP)	0.2	2025-2038 average
Real GDP growth (%)	2.0	2025-2038 average
Inflation (change in the GDP deflator, %)	2.5	2025-2038 average
Nominal implicit interest rate (%)	2.3	2025-2038 average

Main assumptions for a plan with extension (7 years)	Assumption	Period
Change in the cost of ageing (pp. of GDP)	1.7	2031-2041
Stock-flow adjustment (% of GDP)	0.0	2025-2041 average
Real GDP growth (%)	2.1	2025-2041 average
Inflation (change in the GDP deflator, %)	2.5	2025-2041 average
Nominal implicit interest rate (%)	2.4	2025-2041 average