



## Key indicators for Bulgaria\*

This update: 1 October 2012										
Next update: 28 December 2012										
		2009	2010	2011	March-12	April-12	May-12	June-12	July-12	August-12
<b>1. Output</b>										
Industrial confidence <sup>1.1</sup>	%	-9.5	-7.2	-4.2	-3.3	-5.0	-5.3	-6.4	-4.7	-7.0
Industrial production <sup>1.2</sup>	yoy % ch.	-17.9	1.8	6.2	-3.1	0.5	0.4	2.2	0.4	
		2009	2010	2011	11Q1	11Q2	11Q3	11Q4	12Q1	12Q2
Gross domestic product <sup>1.3</sup>	yoy % ch.	-5.5	0.4	1.7	2.8	2.1	1.4	0.9	0.5	0.5
<b>2. Private consumption</b>										
Consumer confidence <sup>2.1</sup>	%	-49.6	-46.2	-41.0	-41.7	-40.4	-43.4	-45.6	-45.8	-38.0
		2009	2010	2011	March-12	April-12	May-12	June-12	July-12	August-12
Turnover in retail trade <sup>2.2</sup>	yoy % ch.	-7.5	-8.4	-1.8	-1.8	-0.3	-1.8	0.4	1.6	
		2009	2010	2011	11Q1	11Q2	11Q3	11Q4	12Q1	12Q2
Private consumption <sup>2.3</sup>	yoy % ch.	-7.6	0.6	-0.2	0.0	0.0	1.2	-0.4	1.0	2.9
<b>3. Investment</b>										
Capacity utilization in industry <sup>3.1</sup>	%	66.0	68.0	70.5	70.1	72.0	69.4	71.9	69.9	71.3
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.	-17.6	-18.3	-9.7	-6.7	-7.0	-7.4	-10.5	-5.4	-2.1
Change in stocks <sup>3.3</sup>	% of GDP	0.5	0.1	2.2	-1.1	4.2	6.3	3.5	3.8	4.8
<b>4. Labour market</b>										
Unemployment rate <sup>4.1</sup>	%	6.8	10.2	11.2	12.0	11.2	10.2	11.4	12.9	12.3
Employed persons <sup>4.2</sup>	yoy % ch.	-3.2	-6.2	-3.4	-3.5	-4.1	-2.8	-2.3	-1.8	-1.1
Labour costs <sup>4.3</sup>	yoy % ch.	13.0	9.1	8.6	7.4	9.8	7.7	9.3	6.0	4.8
		2009	2010	2011	March-12	April-12	May-12	June-12	July-12	August-12
Shortage of labour in industry <sup>4.4</sup>	%	11.1	6.5	7.5	7.8	9.6	9.6	8.9	8.8	8.8
Wages <sup>4.5</sup>	yoy % ch.	11.8	6.4	9.1	9.4	7.0	8.6	9.4		
<b>5. International transactions</b>										
Export order books in industry <sup>5.1</sup>	balance	-47.6	-43.5	-40.6	-50.8	-46.2	-52.4	-41.0	-38.1	-42.3
Exports of goods <sup>5.2</sup>	mln. EUR	11699.2	15561.2	20264.3	1722.7	1629.6	1867.8	1767.0	1864.2	
Imports of goods <sup>5.3</sup>	mln. EUR	15873.1	18324.8	22420.4	-2081.2	-2089.4	-2282.5	-2141.7	-2092.7	
Trade balance <sup>5.4</sup>	mln. EUR	-4173.9	-2763.7	-2156.1	-358.5	-459.8	-414.7	-374.7	-228.5	
Current account <sup>5.5</sup>	mln. EUR	-3116.2	-533.1	103.5	49.5	-275.9	-141.8	122.8	360.6	
Direct investment (net) <sup>5.6</sup>	mln. EUR	2505.3	977.3	1576.5	71.3	294.1	-187.8	137.8	28.8	
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	-619.1	-635.4	-353.5	-369.2	189.4	-27.1	-219.1	1003.4	
		2009	2010	2011	11Q1	11Q2	11Q3	11Q4	12Q1	12Q2
Exports of goods and services <sup>5.8</sup>	yoy % ch.	-11.2	14.7	12.8	21.9	13.5	5.3	11.9	-0.1	3.9
Imports of goods and services <sup>5.9</sup>	yoy % ch.	-21.0	2.4	8.5	13.5	8.7	8.9	5.2	0.0	8.6
<b>6. Prices</b>										
HICP <sup>6.1</sup>	yoy % ch.	2.5	3.0	3.4	1.7	2.0	1.8	1.6	2.4	3.1
Producer prices on domestic market (in industry) <sup>6.2</sup>	yoy % ch.	-4.2	7.2	8.7	4.5	5.0	4.3	3.3	4.5	
Selling prices expectations in industry <sup>6.3</sup>	balance	1.6	5.5	8.8	8.6	5.7	11.4	13.2	16.1	12.5
Selling prices expectations in retail trade <sup>6.4</sup>	balance	0.7	5.4	4.7	2.8	3.0	9.7	-4.0	9.9	9.5
<b>7. Monetary and financial indicators</b>										
SOFIBOR (3 months) <sup>7.1</sup>	index	5.72	4.12	3.76	2.91	2.71	2.59	2.45	2.14	1.69
M3 <sup>7.2</sup>	yoy % ch.	4.2	6.4	12.2	10.7	11.6	10.9	10.2	10.0	
Credit to Non-financial Corporations and NPISHs <sup>7.3</sup>	yoy % ch.	3.6	1.2	3.4	3.2	3.0	3.5	3.8	3.9	
Exchange rate USD/BGN <sup>7.4</sup>	value	1.41	1.48	1.41	1.48	1.49	1.53	1.56	1.59	1.58
Nominal effective exchange rate <sup>7.5</sup>	index	134.0	130.5	132.1	131.0	130.9	130.5	130.4	129.6	

Note: yoy % ch. - growth rate compared to the same period of the previous year.

\* The key indicators are elaborated in accordance with the euro zone indicators system. The analytical document is quarterly updated. Source of the data are the NSI statistical surveys and BNB data.



## Comments

### 1. Output

According to the NSI business inquiries in September 2012 the **industrial confidence indicator** decreases by 0.5 percentage points in comparison with August.

In July 2012 working day adjusted **Industrial Production Index** rose by 0.4% as compared to the respective month of 2011 (by preliminary data). An increase was recorded in the electricity, gas, steam and air conditioning supply increased by 3.1% and in the mining and quarrying industry by 1.5%, while in the manufacturing a decrease by 1.0% was seen.

According to the preliminary data, the **Gross Domestic Product (GDP)** in the second quarter of 2012 amounted to BGN 19 007 million at current prices and GDP per person amounted to BGN 2 602. At average exchange rate for the quarter of BGN 1.52636 for 1 US dollar, the GDP amounted to USD 12 452 million or USD 1 705 per person. GDP recalculated in Euro was EUR 9 718 million or EUR 1 330 per person. In comparison with the second quarter of 2011 the real volume of GDP increased by 0.5% according to the seasonally adjusted data

### 2. Private consumption

In July 2012 the **total consumer confidence indicator** increases by 7.8 percentage points compared to its April level, as for the urban population the increase is 9.1 percentage points and for the rural population - 4.6 percentage points. The consumers' opinions of the development of the general economic situation in the country over the last 12 months and the expectations about the next 12 months are less negative than they are in the previous survey.

In July 2012 the working day adjusted **turnover in Retail trade, except of motor vehicles and motorcycles** growth by 1.6% in comparison with the same month of the previous year (by preliminary data). An increase was observed in the 'Retail sale via mail order houses or via Internet' by 19.7%, in the 'Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles' by 10.9%, in the 'Retail sale of automotive fuel' by 6.6% and in the 'Retail sale of computers, peripheral units and software; telecommunications equipment' by 6.4% and in the 'Retail sale of food, beverages and

tobacco' by 1.8%. A drop in the turnover was recorded in the 'Retail sale of textiles, clothing, footwear and leather goods' by 15.8%, in the 'Other retail sale in non-specialised stores' by 7.1% and in the 'Retail sale of audio and video equipment; hardware, paints and glass; electrical household appliances' by 6.5%.

In the second quarter of 2012 for **individual consumption of the population** were spent 73.3% of the produced GDP. The real increase of the indicator was by 2.9% in comparison with the respective quarter of 2011 (according to the seasonally adjusted data).

### 3. Investment

The average **capacity utilization in industry** in July 2012 increases by 1.4 percentage points in comparison with April and it reaches 71.3%.

In the second quarter of 2012 the **gross fixed capital formation** decreased in real terms (according to the seasonally adjusted data) by 2.1% in comparison with the same period of the previous year. The relative share of that category in GDP is 23.1%.

### 4. Labour market

In the second quarter of 2012, the total number of **employed persons** (aged 15 years and over) was 2 913.7 thousand, representing 46.2% of population in the same age group. In comparison with the second quarter of 2011 the number of employed declined by 32.3 thousand or by 1.1%, while their proportion of the population aged 15 years and over remained almost unchanged.

The **number of unemployed persons** in the second quarter of 2012 was 409.5 thousand persons, and the unemployment rate - 12.3%. In comparison with the same quarter of 2011 the number of unemployed rose by 10.0% and the unemployment rate - by 1.1 percentage points.

According to the NSI business inquiries in September 2012 7.8% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In June 2012 the **average wage and salary** was BGN 755 (by preliminary data) which is by 0.4% higher than the previous month. In comparison with June 2011 the growth rate is 9.4%.



## 5. International transactions

According to the industrial managers' assessments in September 2012 compared to August a reduction of the **orders from abroad** by 4.2 percentage points was registered.

In the period January - July 2012 the **current account** was negative and amounted to EUR 487.7 million (1.2% of the predicted GDP for 2012), against a surplus of EUR 291.8 million (0.8% of GDP) in the period January - July 2011.

The **trade balance** deficit for the period January - July 2012 amounted to EUR 2 417 million (6.1% of the projected GDP for 2012), compared with a deficit of EUR 1 047.9 million (2.7% of GDP) in the same period of 2011.

**Exports of goods (FOB)** in the period January - July 2012 totalled EUR 11 753.8 million, growing by 1.7% (EUR 191.9 million) year-on-year (from EUR 11 561.9 million). The exports in January - July 2011 increased by 38.3% year-on-year. **Imports (FOB)** in the period January - July 2012 amounted to EUR 14 170.9, growing by 12.4% (EUR 1 561.1 million) against the same period of 2011 (EUR 12 609.8 million). The growth of the imports in January - July 2011 on a year-on-year basis was 26.7%.

**Direct investment abroad** in the period January - July 2012 totalled EUR 103.3 million against EUR 88.5 million in the same period of 2011. The **Foreign direct investment in the country** in the period January - July 2012 totalled EUR 846.2 million (2.1% of the predicted GDP for 2012), against EUR 376.5 million (1% of GDP) in the same period of 2011.

In the period January - July 2012 **portfolio investment assets** increased by EUR 4.7 million compared with an increase of EUR 31.3 million in the same period of 2011. **Portfolio investment liabilities** grew by EUR 580.1 million, compared with a decline of EUR 170.8 million in the same period of 2011.

The external balance (exports-imports) in the second quarter of 2012 was negative amounting to BGN 1 363 million. **Imports of goods and services** rose by 8.6% compared to the corresponding quarter of the previous year and the **exports of goods and services** increased by 3.9%.

## 6. Prices

In August 2012 the **harmonized index of consumer prices** increased by 3.1% compared to the same month of 2011. A rise of prices was observed in all groups, with the exception of "Leisure time, recreational and cultural services", "Clothing and footwear" and "Communication". The highest increase was registered in "Housing, water, electricity, gas and other fuels" - by 9.7%.

The **Producer Price Index on Domestic Market** in July 2012 grew by 4.5% compared to the same month of 2011. The domestic prices increased in the mining and quarrying industry by 2.4% and in the electricity, gas, steam and air conditioning supply by 10.6%, while in the manufacturing the prices remain at the level of the respective month of 2011.

According to the conjuncture inquiry in September 2012 the industrial entrepreneurs expect the **selling prices** to remain without change over the next 3 months.

## 7. Monetary and financial indicators

In August 2012 the **three-month interbank market index SOFIBOR** decreased from 2.14 to 1.69% in comparison with the previous month, whereas the value in August 2011 was 3.74%.

In July 2012, the annual growth rate of **broad money (aggregate M3)** was 10.0% compared to 10.2% in June 2012, as at the end of July 2012 M3 was BGN 59.949 billion (77.2% of GDP projected for 2012) compared to BGN 58.528 billion (75.3% of GDP) in June 2012.

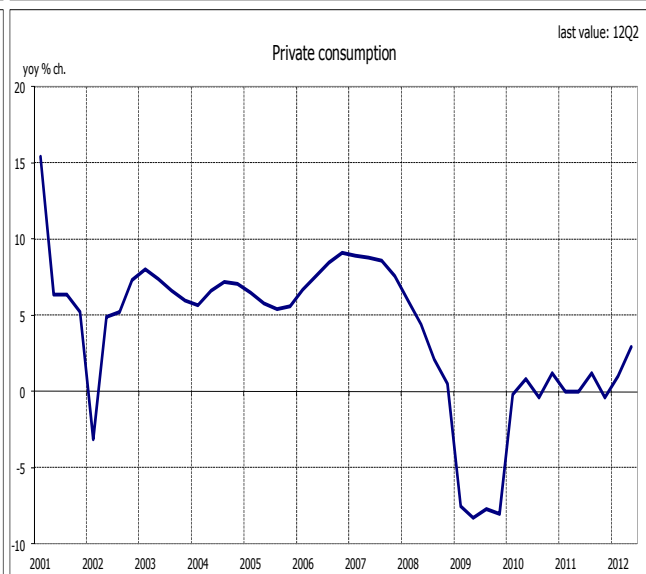
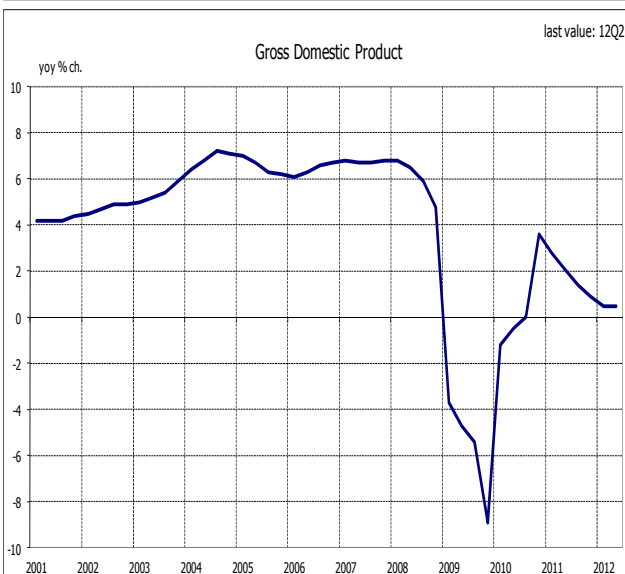
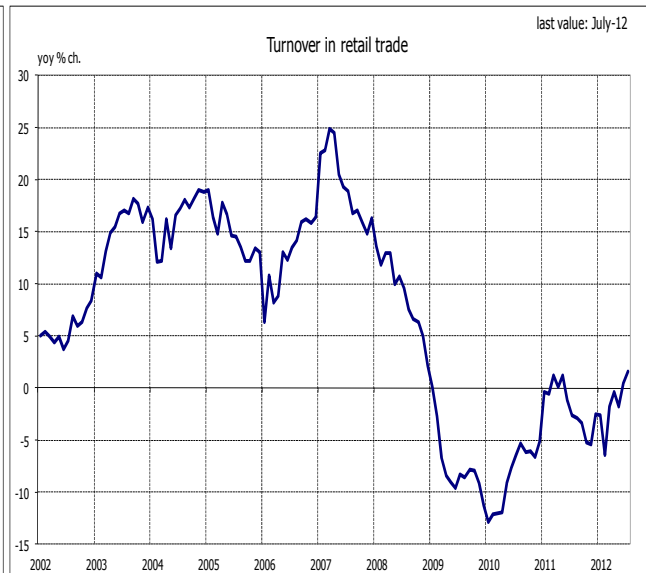
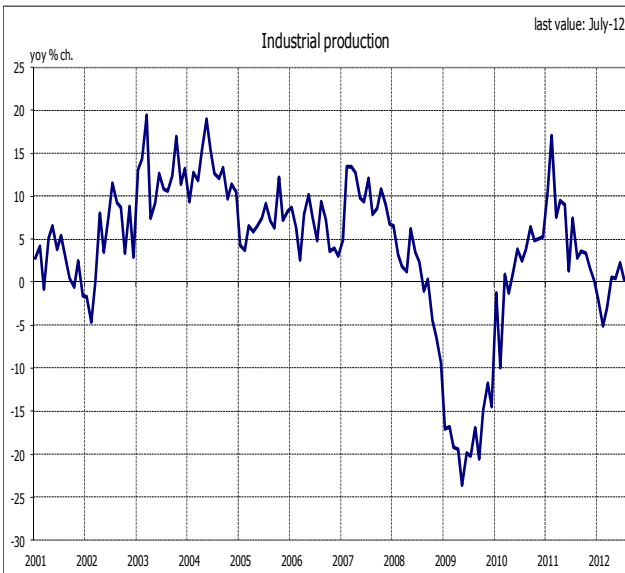
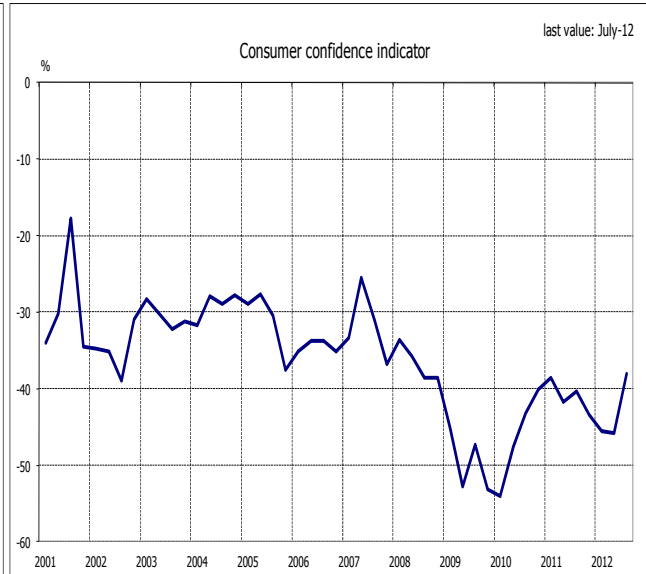
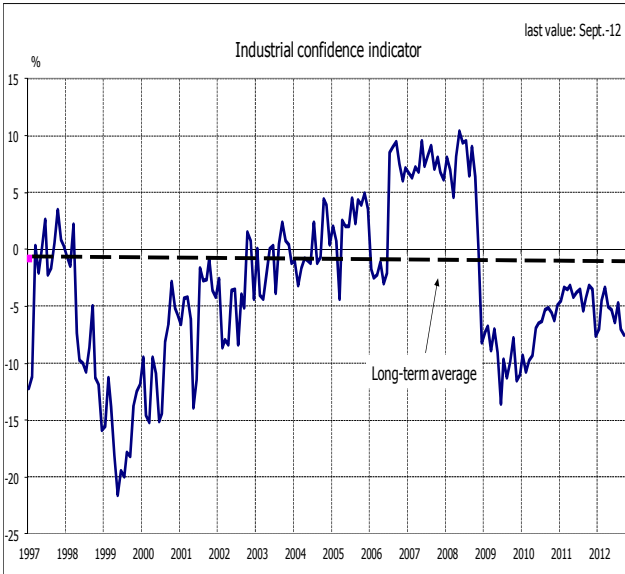
The volume of the **loans to non-financial corporations, households and NPISHs** in July 2012 amounted to BGN 53.266 billion (68.5% of the GDP projected for 2012). In July 2012, loans to Non-financial corporations increased by 6.9% annually (6.8% annual growth in June 2012) and at the end of the month amounted to BGN 34.559 billion (44.5% of GDP). Loans to Households and NPISHs were BGN 18.707 billion (24.1% of GDP) at the end of July 2012. They decreased by 1.3% compared to the same month of 2011.

In August 2012 the **exchange rate BGN against the US dollar** decreased in comparison with the previous month from 1.59 to 1.58.



**1. OUTPUT**

**2. PRIVATE CONSUMPTION**

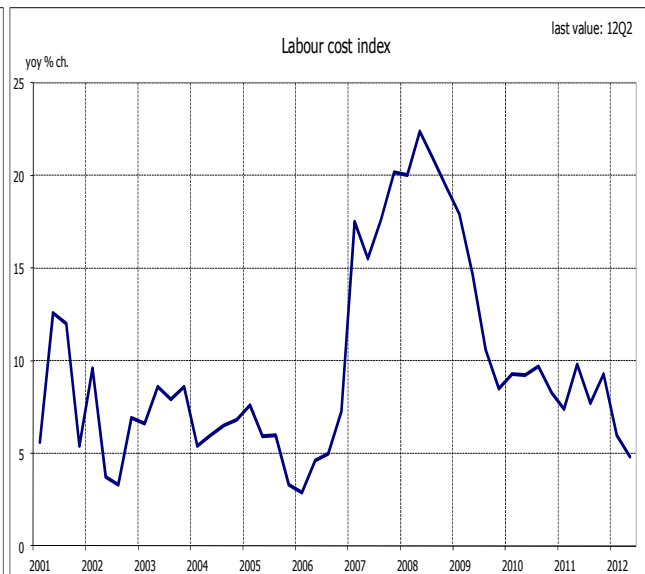
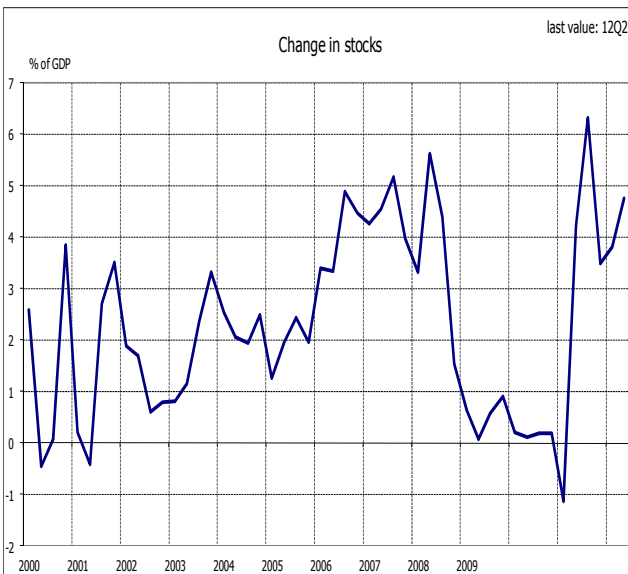
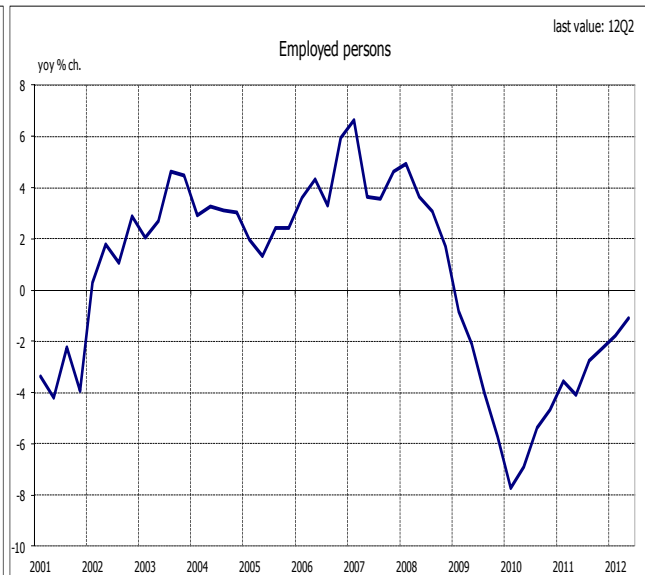
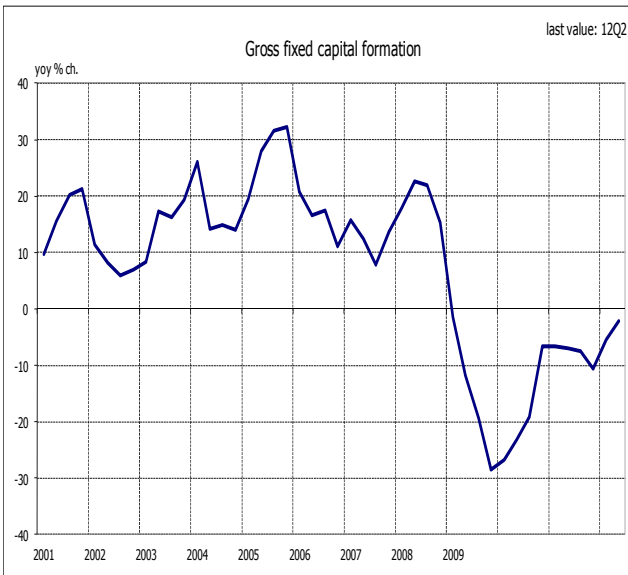
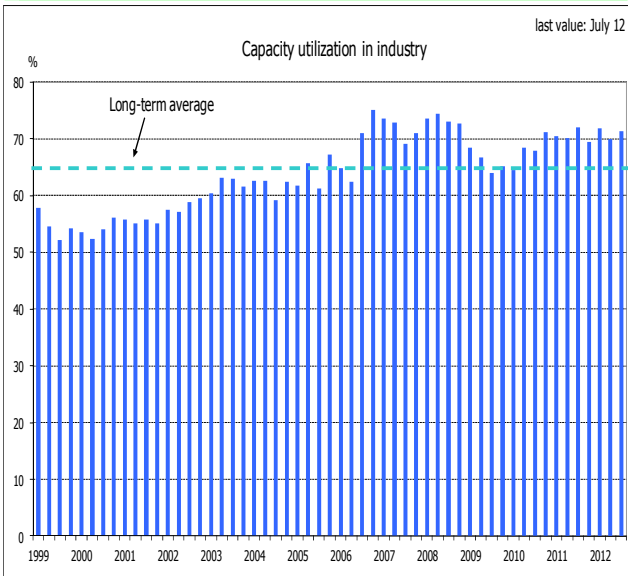


**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



**3. INVESTMENT**

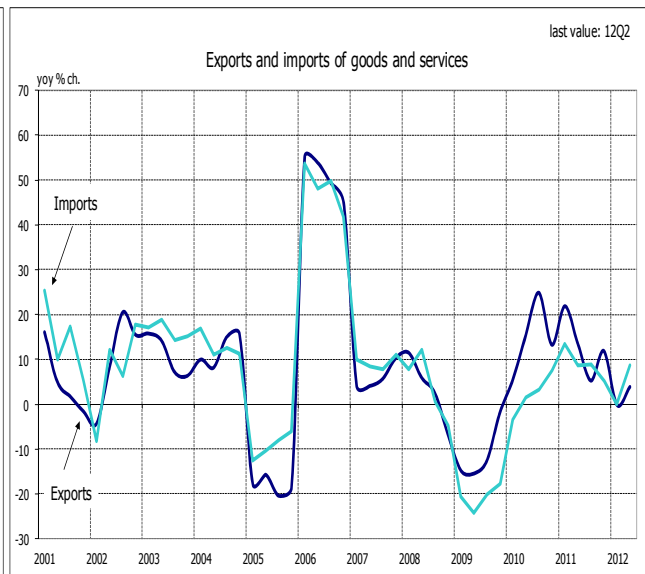
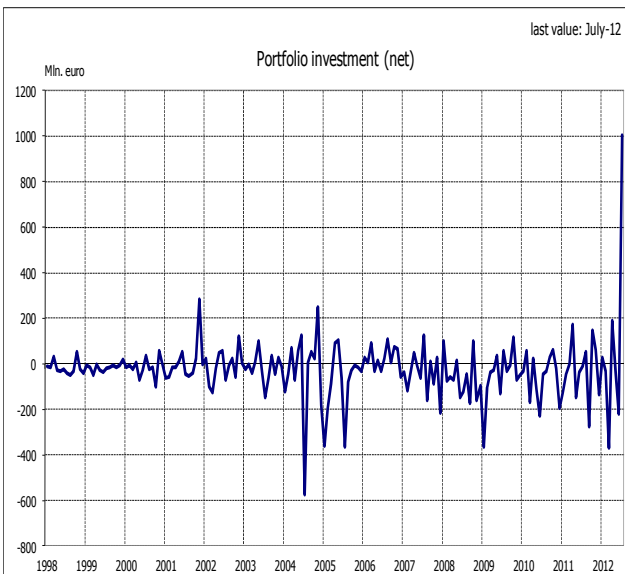
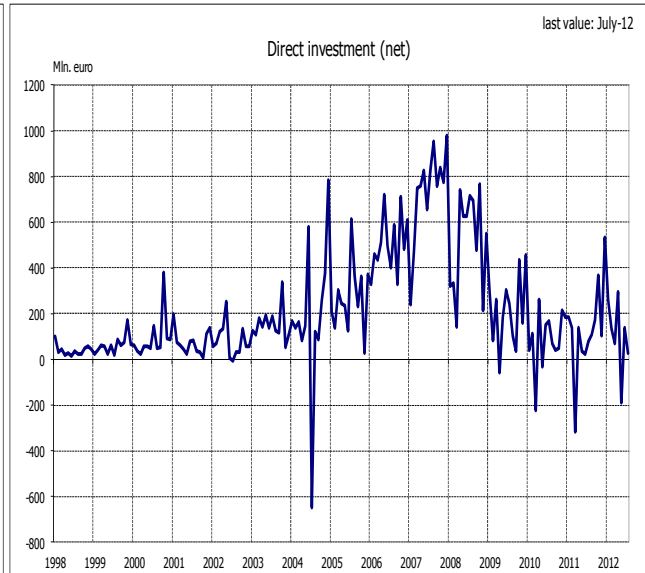
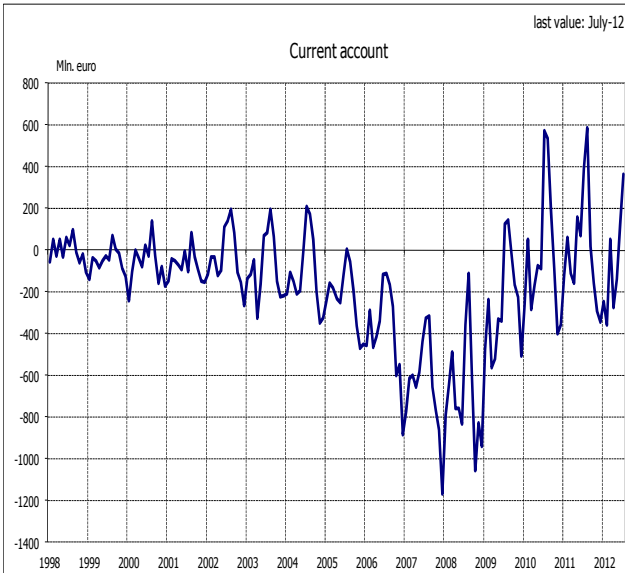
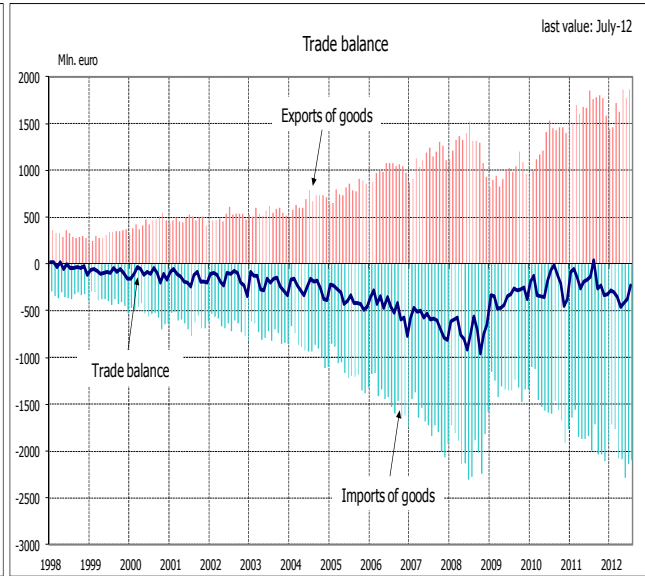
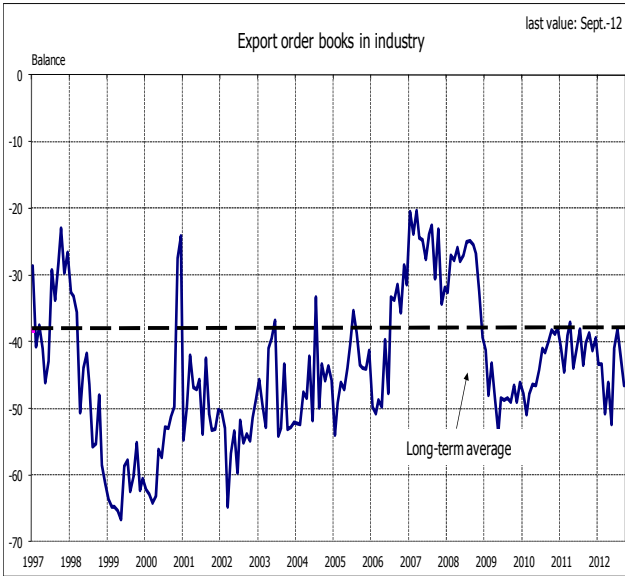
**4. LABOUR MARKET**



**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



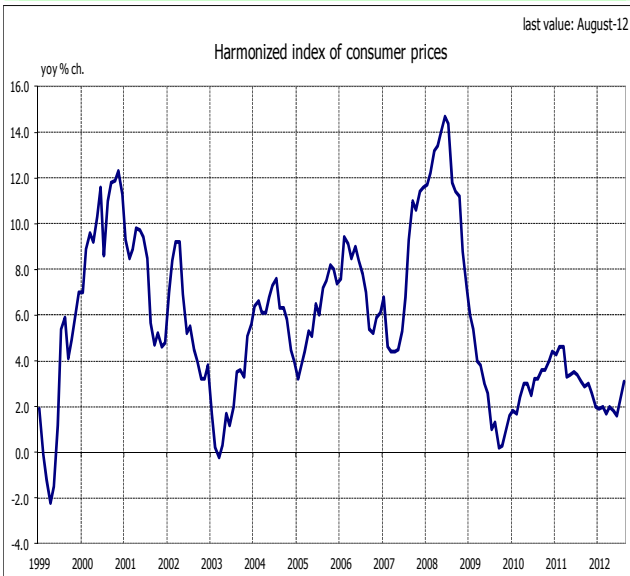
**5. INTERNATIONAL TRANSACTIONS**



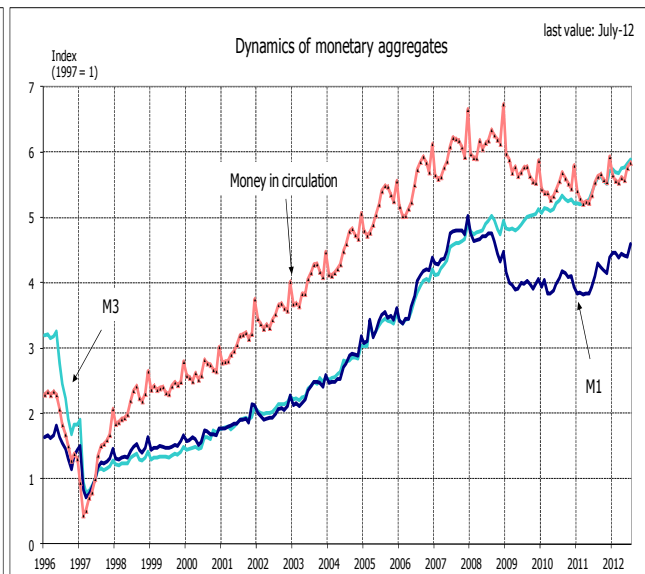
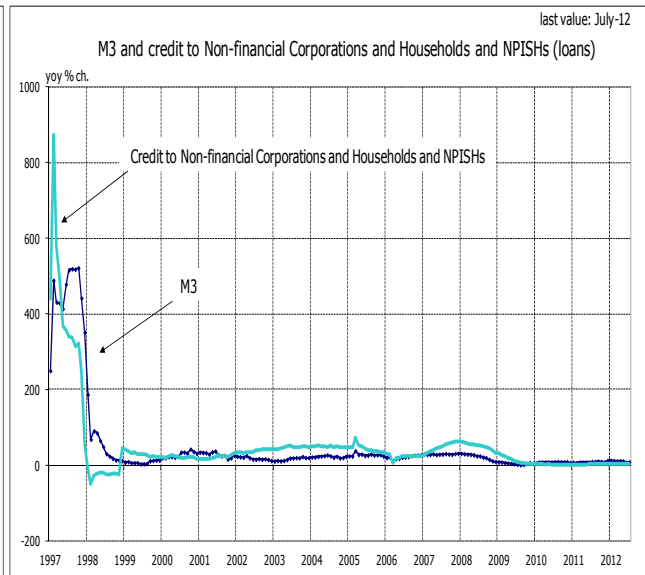
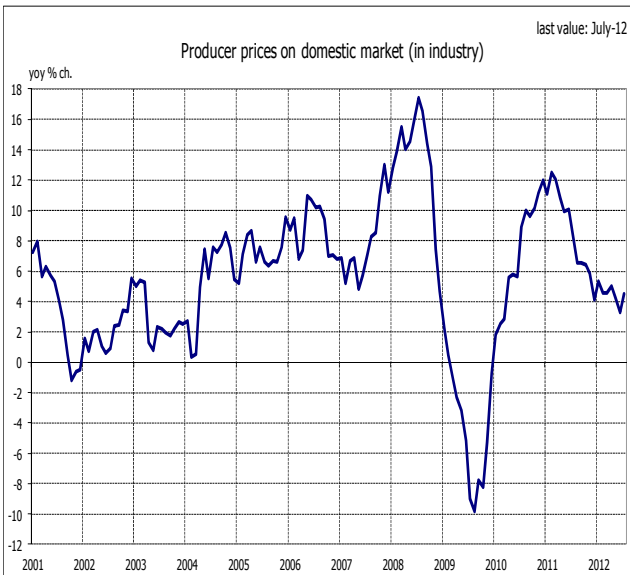
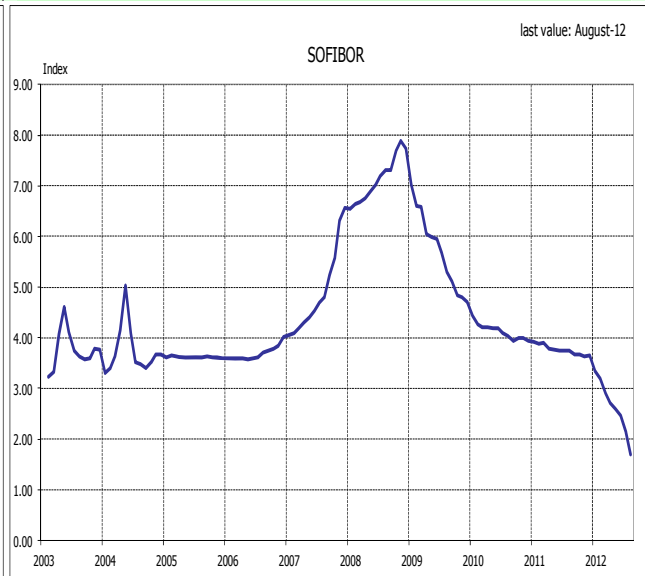
**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



**6. PRICES**



**7. MONETARY AND FINANCIAL INDICATORS**



Note: yoy % ch. - growth rate compared to the same period of the previous year.



### Key indicators for Bulgaria - Explanatory notes

No	Indicator	Note	Source
<b>1. Output</b>			
1.1.	Industrial confidence indicator	Business survey in industry. The industrial confidence indicator is an arithmetic average of balances to replies on production expectations, order books and stocks of finished products (the latter with negative sign).	NSI
1.2.	Industrial production	Growth rate compared to the same period of the previous year, working day adjusted data	NSI
1.3.	Gross Domestic Product	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects	NSI
<b>2. Private consumption</b>			
2.1.	Consumer confidence indicator	Consumer survey. The consumer confidence indicator is an arithmetic average of balances of the expectations about the economic and financial situation, unemployment and savings of households over the next 12 months.	NSI
2.2.	Turnover in retail trade	Turnover in retail trade (excluding motor vehicles), growth rate compared to the same period of the previous year, working day adjusted data	NSI
2.3.	Private consumption	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects	NSI
<b>3. Investment</b>			
3.1.	Capacity utilization	Average capacity utilization in industry, as a percentage of full capacity (Data are collected each January, April, July and October.).	NSI
3.2.	Gross fixed capital formation	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects	NSI
3.3.	Change in stocks	As a percentage of GDP	NSI
<b>4. Labour market</b>			
4.1.	Unemployment	As a percentage of labour force in Bulgaria (data from Labour force survey)	NSI
4.2.	Employed persons	Growth rate compared to the same period of the previous year (data from Labour force survey)	NSI
4.3.	Labour costs	Index of hourly labour costs incurred by the employers as a result of engaging the workforce, growth rate compared to the same period of previous year, working day adjusted data	NSI
4.4.	Shortage of labour	Percentage of firms in industry pointing out shortage of labour as a constraint to production	NSI
4.5.	Wages	Nominal value, growth rate compared to the same period of the previous year, average monthly wages of the employees under labour contract	NSI
<b>5. International transactions</b>			
5.1.	Export order books	Business survey in industry. Balance of positive and negative replies	NSI
5.2.	Exports of goods	Balance of payment, million EUR	BNB
5.3.	Imports of goods	Balance of payment, million EUR	BNB
5.4.	Trade balance	Balance of payment, million EUR	BNB
5.5.	Current account	Balance of payment, million EUR	BNB
5.6.	Direct investment	(net) million EUR, balance of payment	BNB
5.7.	Portfolio investment	(net) million EUR, balance of payment	BNB
5.8.	Exports of goods and services	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects	NSI
5.9.	Imports of goods and services	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects	NSI
<b>6. Prices</b>			
6.1.	Harmonized Index of Consumer Prices	Growth rate compared to the same period of the previous year	NSI
6.2.	Producer prices on domestic market (in industry)	Growth rate compared to the same period of the previous year	NSI
6.3.	Selling price expectations in industry	Business survey in industry. Balance of positive and negative replies	NSI
6.4.	Selling price expectations in retail trade	Business survey in retail trade. Balance of positive and negative replies	NSI
<b>7. Monetary and financial indicators</b>			
7.1.	SOFIBOR	Three-month interbank market index SOFIBOR (SOFIBOR: Sofia Interbank Offered Rate is a fixing of the quotations for unsecured BGN deposits offered in the Bulgarian interbank market)	BNB
7.2.	M3	Growth rate compared to the same period of the previous year (monthly value: value at the end of the month)	BNB
7.3.	Credit to Non-financial Corporations and Households and NPISHs (loans)	Growth rate compared to the same period of the previous year (monthly value: value at the end of the month)	BNB
7.4.	Exchange rate USD/BGN	Period averages	BNB
7.5.	Nominal effective exchange rate	Index (June 1997=100)	BNB