



## Key indicators for Bulgaria\*

Key indicators for Bulgaria*										
This update: 2 April 2014										
Next update: 2 July 2014										
		2011	2012	2013	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Febr.-14
<b>1. Output</b>										
Industrial confidence <sup>1.1</sup>	%	-4.2	-6.0	-8.7	-8.6	-7.9	-9.8	-9.9	-8.9	-8.3
Industrial production <sup>1.2</sup>	yoy % ch.	6.0	-0.2	0.0	2.2	4.2	4.4	0.0	2.3	
		2011	2012	2013	12Q3	12Q4	13Q1	13Q2	13Q3	13Q4
Gross domestic product <sup>1.3</sup>	yoy % ch.	1.8	0.6	0.9	0.4	0.3	0.5	0.5	1.0	1.2
<b>2. Private consumption</b>										
Consumer confidence <sup>2.1</sup>	%	-41.0	-42.9	-39.6	-42.3	-40.0	-37.7	-39.8	-40.7	-34.8
		2011	2012	2013	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Febr.-14
Turnover in retail trade <sup>2.2</sup>	yoy % ch.	0.5	5.4	2.9	7.0	7.7	6.9	5.5	5.5	
		2011	2012	2013	12Q3	12Q4	13Q1	13Q2	13Q3	13Q4
Private consumption <sup>2.3</sup>	yoy % ch.	1.7	3.2	-1.8	2.7	1.0	-2.2	-1.5	-1.8	-1.5
<b>3. Investment</b>										
Capacity utilization in industry <sup>3.1</sup>	%	70.9	70.5	69.5	69.5	71.4	68.0	69.5	69.8	70.8
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.	-6.5	4.0	-0.3	1.8	3.3	-2.1	-4.6	-0.4	2.5
Change in stocks <sup>3.3</sup>	% of GDP	0.4	2.4	0.2	1.1	1.4	-0.7	0.8	0.2	0.5
<b>4. Labour market</b>										
Unemployment rate <sup>4.1</sup>	%	11.3	12.3	12.9	11.5	12.4	13.8	12.9	12.0	13.0
Employed persons <sup>4.2</sup>	yoy % ch.	-2.9	-1.1	0.0	-0.6	-0.7	0.1	0.9	-0.1	-0.7
Labour costs <sup>4.3</sup>	yoy % ch.	7.5	7.5	3.6	7.9	7.5	4.7	3.4	2.8	4.3
		2011	2012	2013	Sept-13	Oct-13	Nov-13	Dec-13	Jan-14	Febr.-14
Shortage of labour in industry <sup>4.4</sup>	%	7.5	8.7	8.6	9.2	9.1	9.5	9.8	9.7	9.1
Wages <sup>4.5</sup>	yoy % ch.	5.8	6.6	10.5	3.1	3.8	3.4	2.2		
<b>5. International transactions</b>										
Export order books in industry <sup>5.1</sup>	balance	-40.6	-46.5	-49.0	-52.3	-38.1	-37.6	-38.0	-51.2	-54.4
Exports of goods <sup>5.2</sup>	mln. EUR	20264.3	20770.2	22228.2	1937.4	2016.4	2015.7	1584.8	1583.7	
Imports of goods <sup>5.3</sup>	mln. EUR	-22420.4	-24230.4	-24581.5	-2216.3	-2201.9	-2197.8	-1945.2	-1907.8	
Trade balance <sup>5.4</sup>	mln. EUR	-2156.1	-3460.3	-2353.3	-278.9	-185.5	-182.1	-360.4	-324.1	
Current account <sup>5.5</sup>	mln. EUR	33.2	-333.9	751.3	37.7	-37.8	-59.2	-354.4	-282.0	
Direct investment (net) <sup>5.6</sup>	mln. EUR	1212.7	802.0	957.3	20.0	31.5	253.5	-315.0	46.0	
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	-357.4	-898.4	-128.2	-57.0	-64.3	942.0	-97.7	1.3	
		2011	2012	2013	12Q3	12Q4	13Q1	13Q2	13Q3	13Q4
Exports of goods and services <sup>5.8</sup>	yoy % ch.	12.3	-0.4	8.9	-1.5	-1.4	11.1	4.5	10.7	9.6
Imports of goods and services <sup>5.9</sup>	yoy % ch.	8.8	3.3	5.7	2.0	-0.3	6.8	1.9	7.4	6.9
<b>6. Prices</b>										
HICP <sup>6.1</sup>	yoy % ch.	3.4	2.4	0.4	-1.3	-1.1	-1.0	-0.9	-1.4	-2.1
Producer prices on domestic market (in industry) <sup>6.2</sup>	yoy % ch.	8.6	5.3	-1.3	-3.5	-3.9	-4.0	-2.9	-2.0	-2.5
Selling prices expectations in industry <sup>6.3</sup>	balance	8.8	9.7	2.4	2.4	3.7	2.5	4.7	3.9	1.2
Selling prices expectations in retail trade <sup>6.4</sup>	balance	4.7	5.3	0.2	1.6	-2.8	1.5	0.4	-2.2	-3.9
<b>7. Monetary and financial indicators</b>										
SOFIBOR (3 months) <sup>7.1</sup>	index	3.76	2.25	1.14	1.05	1.03	0.97	0.97	0.96	0.89
M3 <sup>7.2</sup>	yoy % ch.	12.2	8.4	8.9	8.1	9.5	9.6	8.9	10.1	9.2
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.	3.3	2.8	0.0	0.7	0.7	-0.6	-0.2	-0.4	0.7
Exchange rate USD/BGN <sup>7.4</sup>	value	1.41	1.52	1.47	1.46	1.43	1.44	1.42	1.45	1.43
Nominal effective exchange rate <sup>7.5</sup>	index	132.1	131.0	134.1	132.1	133.4	133.5	134.1	134.6	

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 February 2014 the **industrial confidence indicator** increased by 0.6% compared to January.

In January 2014 the working day adjusted **Industrial Production Index** increased by 2.3% compared to the same month of 2013 (preliminary data). An increase by 18.0% was recorded in mining and quarrying and by 1.7% in manufacturing, whereas a decrease by 1.5% was registered in electricity, gas, steam and air conditioning supply.

According to the preliminary data, the **Gross Domestic Product (GDP)** at current prices in the fourth quarter of 2013 amounted to BGN 21 463 million and the GDP per person amounted to BGN 2 954. At average exchange rate for the quarter of BGN 1.43749 for 1 US dollar, the GDP amounted to USD 14 931 million or USD 2 055 per person. GDP recalculated in Euro was EUR 10 974 million or EUR 1 511 per person. In the fourth quarter of 2013, the GDP increased by 1.2% compared to the same quarter of the previous year.

### 2. Private consumption

In January 2014 the total **consumer confidence indicator** increased by 5.9 percentage points compared to the October 2013 level; an increase by 6.2% was registered among urban population and by 5.0% - among rural one. Compared to October 2013, the pessimism of consumers in respect the changes occurred in their households' financial situation during the last 12 months decreased as well as in their expectations for the next 12 months.

In January 2014 the working day adjusted **turnover in Retail trade** increased by 5.5% compared to the same month of the previous year (preliminary data). The turnover increased in all economic activities. More significant growth was observed in „Retail sale via mail order houses or via Internet” - 16.0%, in “Retail sale of computers, peripheral units and software; telecommunications equipment” - 13.8%, in „Retail sale of audio and video equipment; hardware, paints and glass; electrical household appliances” - 12.1% and in „Dispensing chemist; retail sale of medical and

orthopaedic goods, cosmetic and toilet articles” - 9.8%.

In the fourth quarter of 2013 for **individual consumption** were spent 73.2% of the produced GDP. According to seasonally adjusted data, the real change of the indicator compared to the respective quarter of 2012 was -1.5%

### 3. Investment

The average **capacity utilization in industry** increased in January 2014 by 1.0% compared to October 2013 and reached 70.8%.

According to seasonally adjusted data, in the fourth quarter of 2014 the **gross fixed capital formation** increased in real terms by 2.5% in comparison with the same period of the previous year. The relative share of that category in GDP in 2013 is 20.7%.

### 4. Labour market

The total **number of employed persons** in 2013 was 2 934.9 thousand or 46.9% of the population aged 15 years and over. The employed persons aged 15-64 completed years were 2 889.4 thousand. The employment rate of population aged 15-64 years was 59.5%, 62.1% for male and 56.8% for female respectively.

The **number of unemployed in 2013** was 436.3 thousand, of which 249.8 thousand - male and 186.5 thousand - female. The unemployment rate increased by 0.6 percentage points compared to 2012 and reached 12.9%. The unemployment rate for male increased by 0.4 percentage points and for female - 1.0 percentage points, reaching 13.9 and 11.8% respectively.

According to the NSI business inquiries in February 2014 9.1% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

Compared to the previous quarter, in the fourth quarter of 2013 the **average wage and salary** increased by 4.7% and reached 828 BGN. Increase of 3.1% was observed compared to the fourth quarter of 2012.



## 5. International transactions

According to the industrial managers' assessments in February 2014 the **orders from abroad** decreased by 3.2% compared to January.

**The current account** in January 2014 was negative and amounted to EUR 282 million (0.7% of GDP), against a deficit of EUR 87.7 million (0.2% of GDP) in January 2013.

The **trade balance** deficit in January 2014 amounted to EUR 324.1 million (0.8% of GDP), against a deficit of EUR 33.5 million (0.1% of GDP) in January 2013.

**Exports of goods (FOB)** in January 2014 amounted to EUR 1583.7 million, decreasing by EUR 192.8 million (10.9%) compared to January 2013 (1776.5 million). In January 2013 the export increased by 23.6% year-on-year. **Imports of goods (FOB)** in January 2014 amounted to EUR 1907.8 million, increasing by EUR 97.7 million (5.4%) compared to January 2013 (EUR 1810 million). In January 2013 the imports increased by 6.3% on a year-on-year basis.

**Direct investment abroad increased** in January 2014 by EUR 12.3 million compared to an increase of EUR 4.4 million in January 2013. According to preliminary data, **the foreign direct investment** in Bulgaria were positive in January 2014 and amounted to EUR 58.3 million (0.1% of GDP), compared to EUR 70.8 million (0.2% of GDP) in January 2013.

**The portfolio investment assets** decreased by EUR 33 million compared to an increase of EUR 36.2 million in January 2013. **Portfolio investment liabilities** decreased by EUR 31.7 million, compared to a decrease of EUR 300.2 million in January 2013.

The external balance (exports - imports of goods and services) in January 2014 was negative according to preliminary data and amounted to BGN 836.7 million or BGN 585.2 million more than in January 2013.

## 6. Prices

In February 2014 the **harmonized index of consumer prices** decreased by 2.1% compared to the same month of 2013. Decrease was registered for all commodity groups except "Food and non-alcoholic beverages" and "Education". The prices of alcoholic

beverages and tobacco remained at the previous month level.

The **Producer Price Index on Domestic Market** in February 2014 remains at the previous month level. The domestic prices increased in the mining and quarrying industry by 0.8%, in the manufacturing a decrease is observed by 0.1% and in the electricity, gas, steam and air conditioning supply no change is registered.

According to the conjuncture inquiry in February 2014 the industrial entrepreneurs expect the **selling prices** to remain unchanged over the next 3 months.

## 7. Monetary and financial indicators

In February 2014 the **three-month interbank market index SOFIBOR** decreased from 0.96 to 0.87% compared to the previous month and a value of 1.23% in February 2013.

In February 2014 the annual growth rate of broad money (**aggregate M3**) was 9.2% compared to 10.1% in January 2014. At the end of February 2014 M3 was BGN 67.602 billion (83.9% of GDP) compared to BGN 67.652 billion (83.9% of GDP) in January 2014.

The volume of **loans to Non-financial corporations, households and NPISHs** in February 2014 amounted to BGN 53.757 billion (66.7% of the projected GDP for 2014).

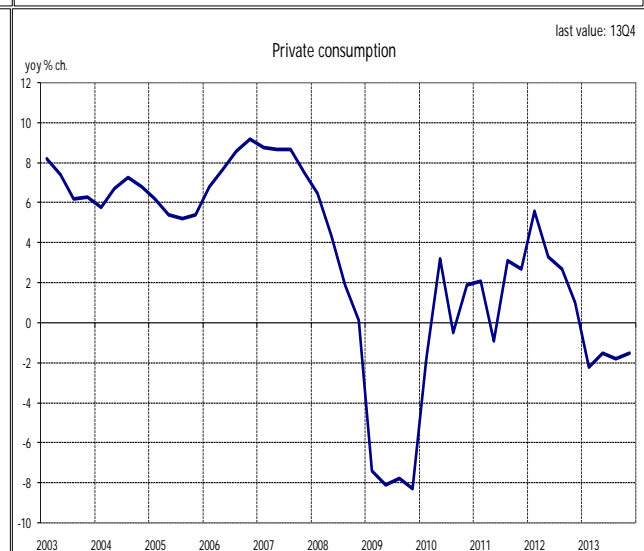
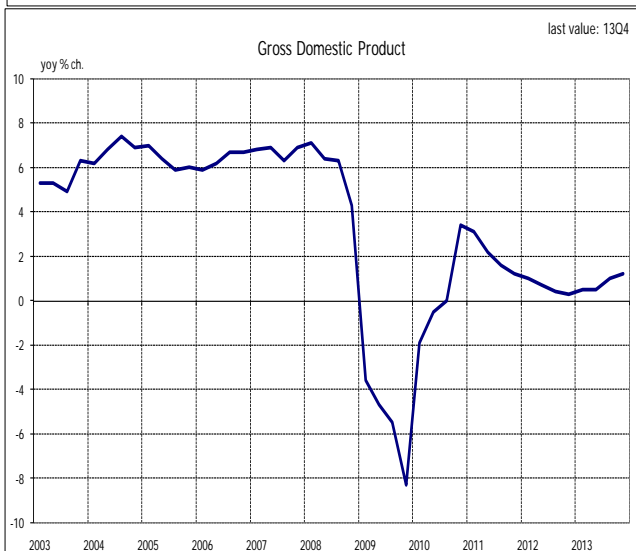
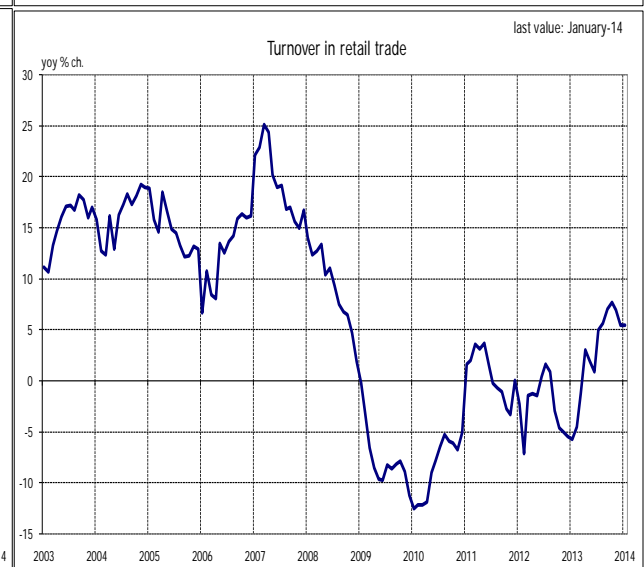
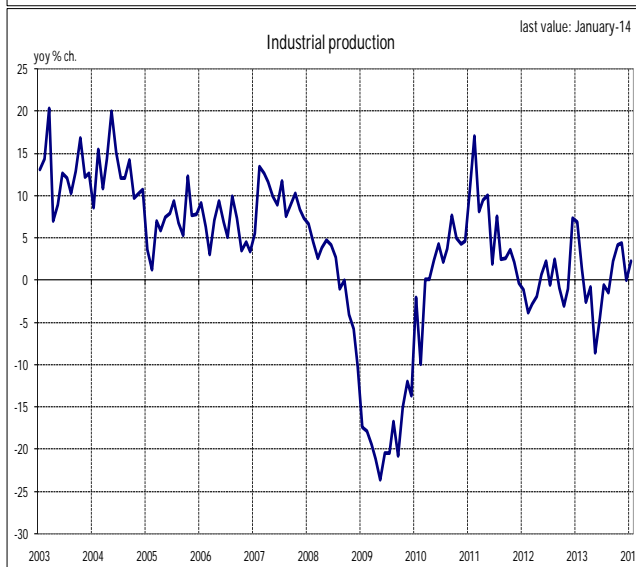
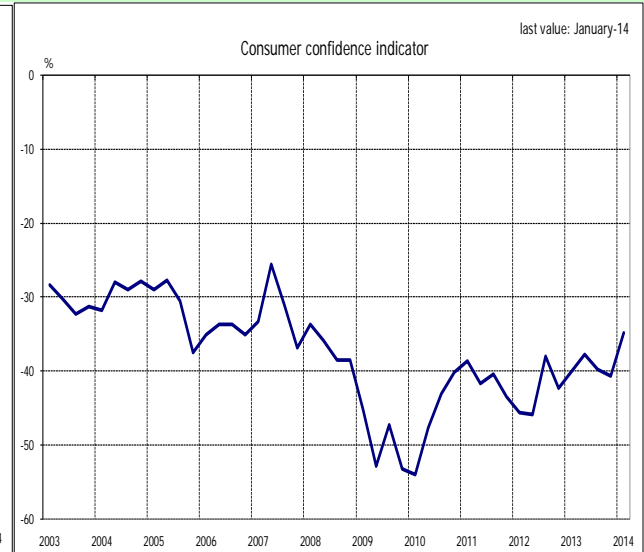
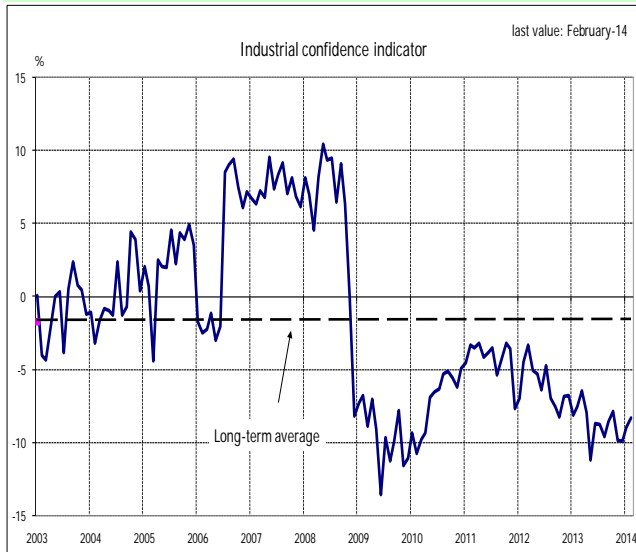
In February 2014 the loans to Non-financial corporations increased by 1% on annual basis (0.6% decrease in January 2014) and at the end of month amounted to BGN 35.219 billion (43.7% of GDP). Loans to Households and NPISHs were BGN 18.538 billion (23% of GDP) at the end of February 2014. An increase of 0.04% compared to the same month of 2013 was registered (0.2% annual decline in January 2014).

In February 2014 the **exchange rate BGN against the US dollar** remained the same as the previous month - 1.43.



## 1. OUTPUT

## 2. PRIVATE CONSUMPTION

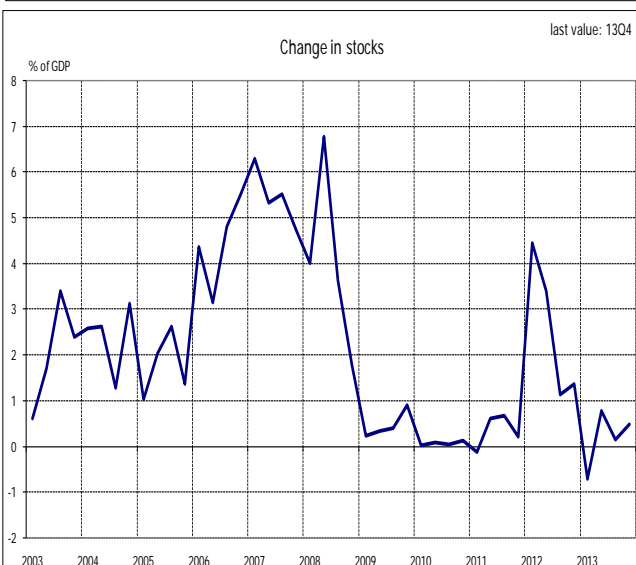
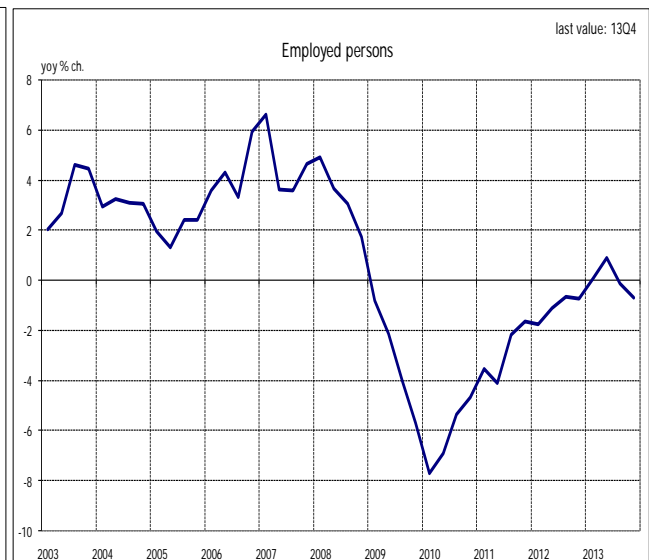
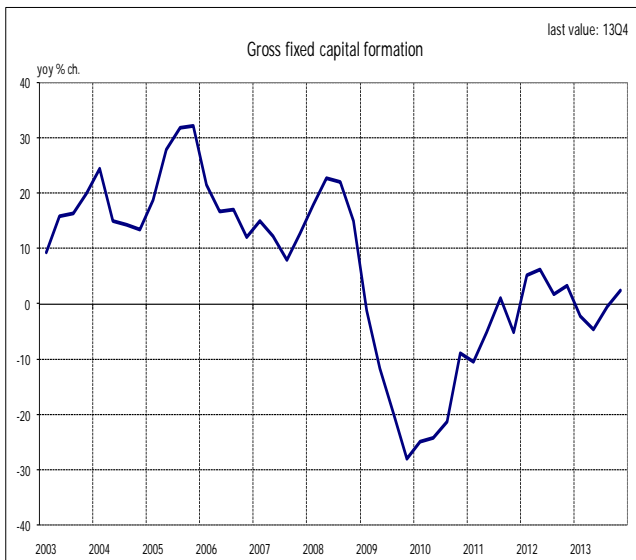
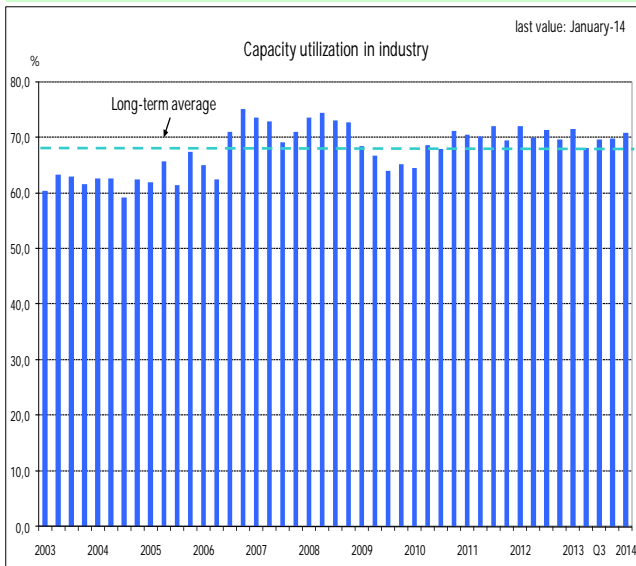


Note: yoy % ch. - growth rate compared to the same period of the previous year.



### 3. INVESTMENT

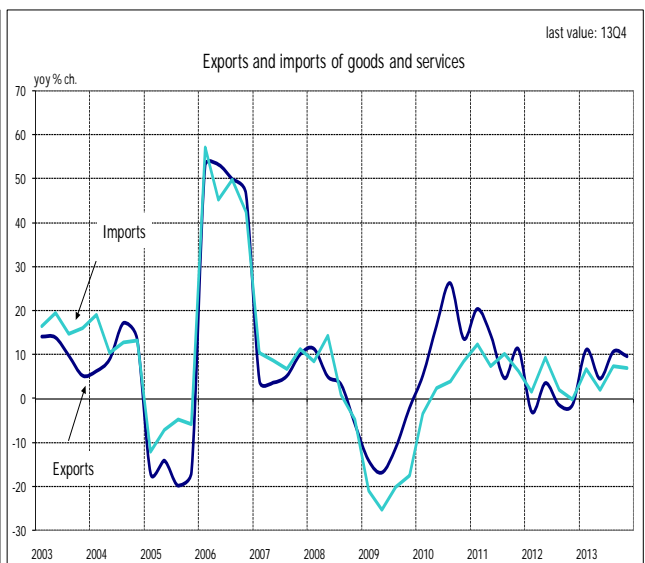
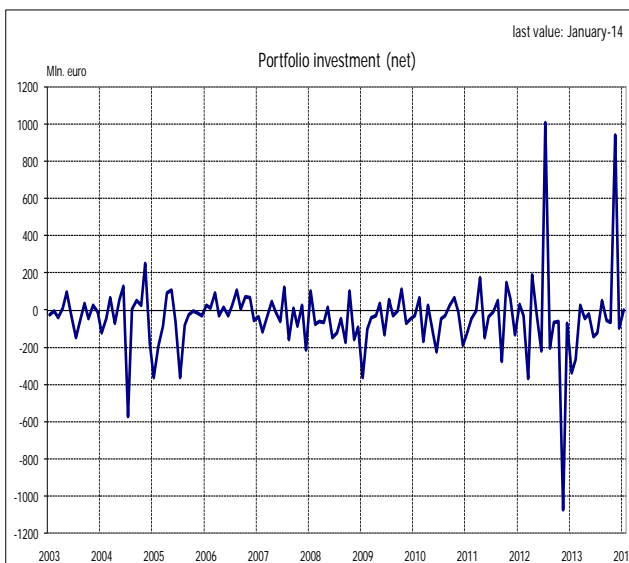
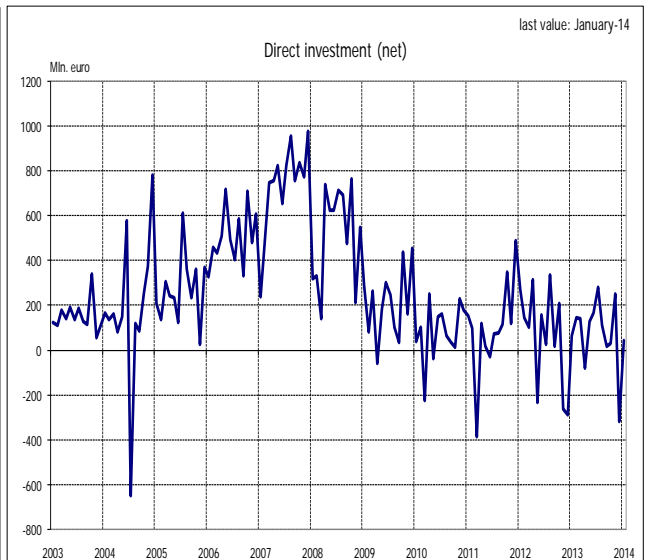
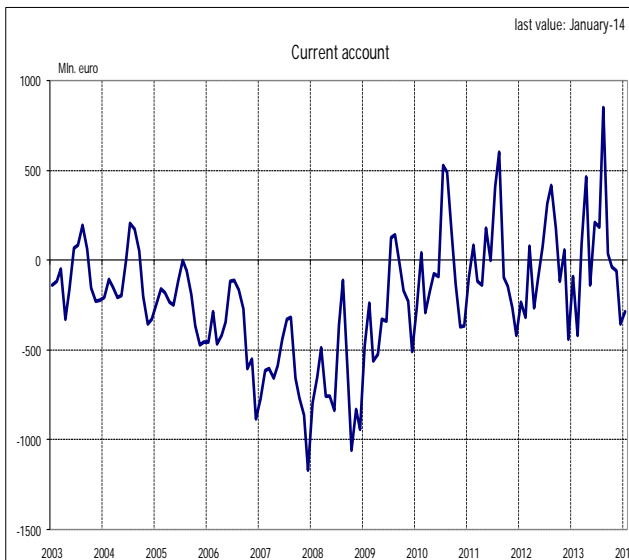
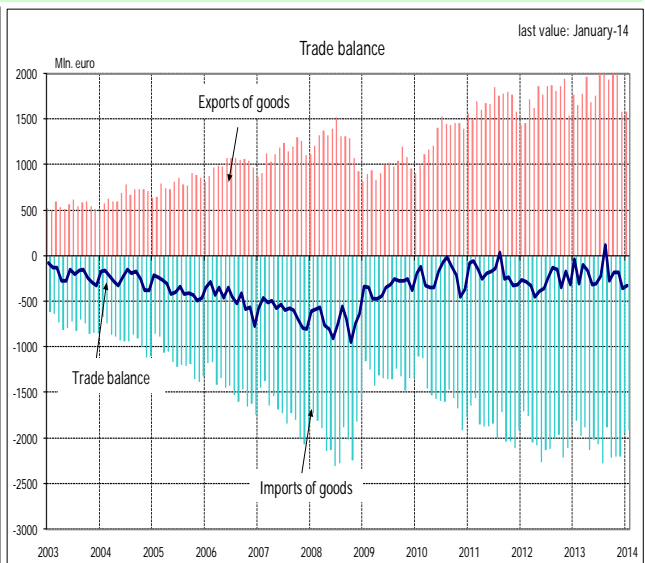
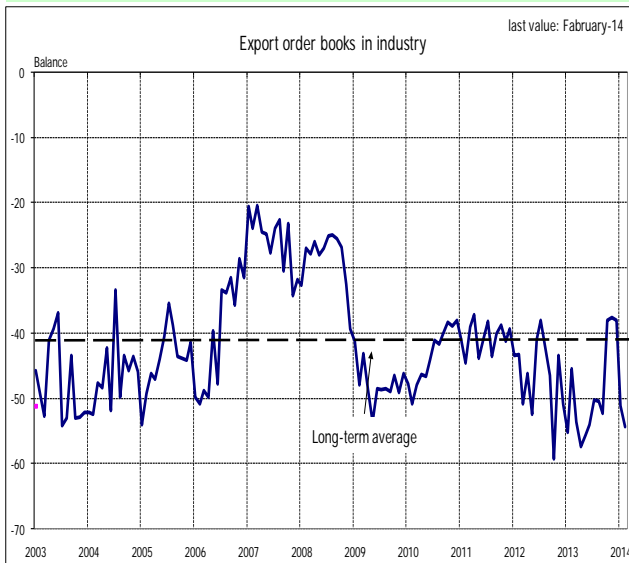
### 4. LABOUR MARKET



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



## 5. INTERNATIONAL TRANSACTIONS



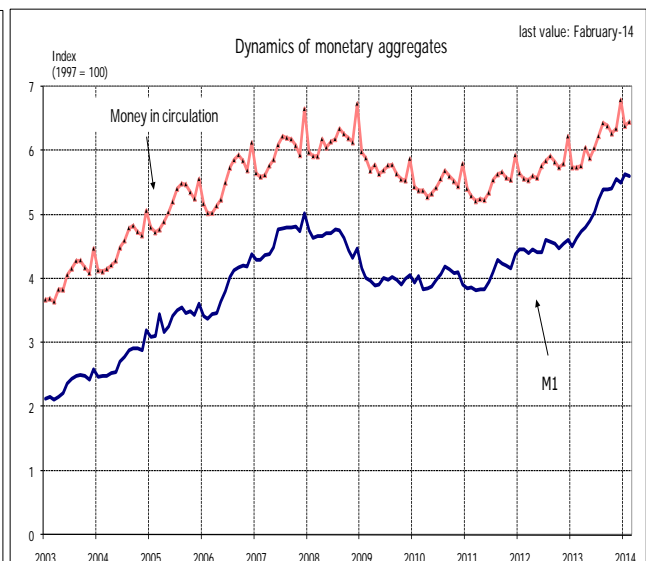
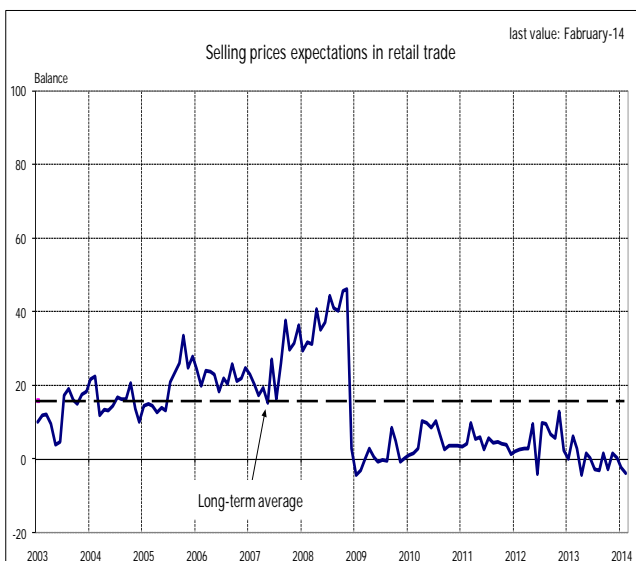
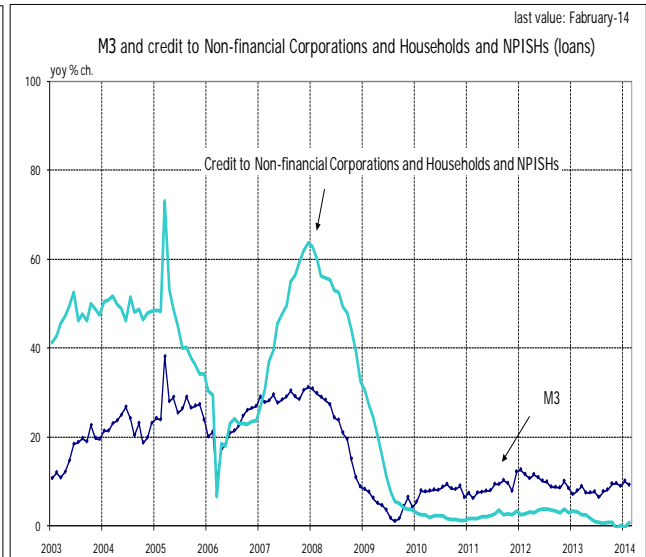
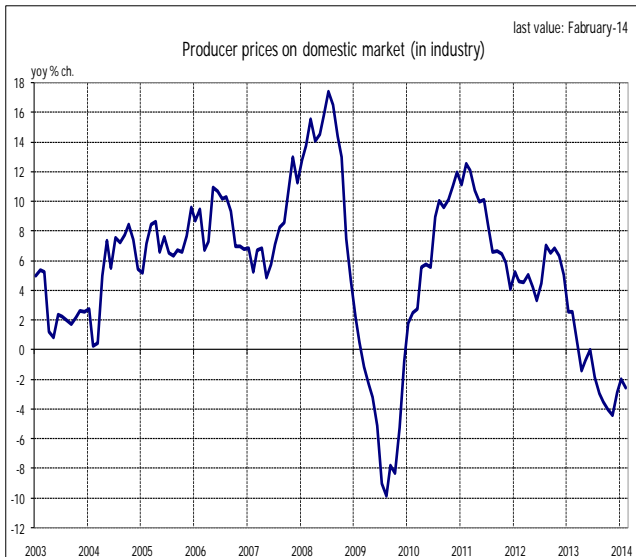
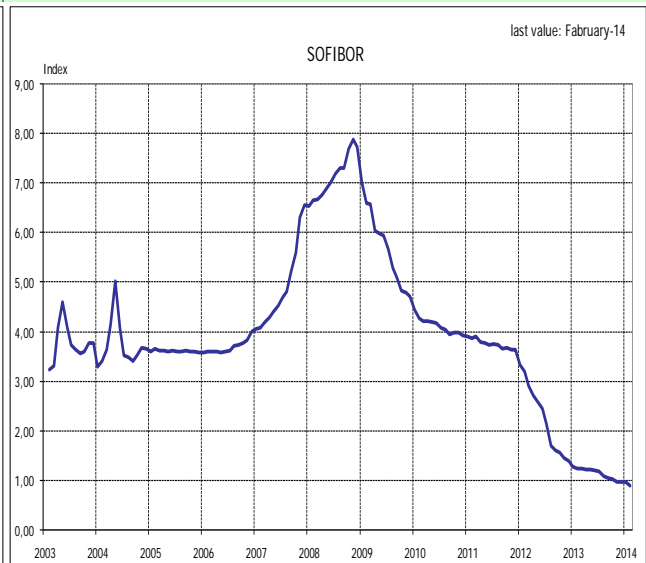
Note: yoy % ch. - growth rate compared to the same period of the previous year.



## 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 - Methodological notes

№	Indicator	Note	Source
<b>1.</b>	<b>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 (2010=100)	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.</b>	<b>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 (2010=100)	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.</b>	<b>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.</b>	<b>Labour market</b>		
4.1.	Unemployment rate	Relative share of the unemployed persons of the economically active population 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.</b>	<b>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.</b>	<b>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 (2010=100)	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.</b>	<b>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