



Key indicators for Bulgaria

This update: 30 December 2010

Next update: 1 April 2011

		2007	2008	2009	June-10	July-10	Aug-10	Sept.-10	Oct.-10	Nov.-10
1. Output										
Industrial confidence ^{1.1}	%	7.5	5.9	-9.5	-6.5	-6.3	-5.3	-5.1	-5.6	-6.2
Industrial production ^{1.2}	yoy % ch.	9.6	0.8	-18.2	4.2	2.4	4.0	8.8	4.3	
		2007	2008	2009	09Q2	09Q3	09Q4	10Q1	10Q2	10Q3
Gross domestic product ^{1.3}	yoy % ch.	6.4	6.2	-4.9	-4.6	-6.0	-6.7	-0.8	-0.3	0.5
2. Private consumption										
Consumer confidence ^{2.1}	%	-31.7	-36.6	-49.6	-47.3	-53.2	-54.0	-47.6	-43.1	-40.1
		2007	2008	2009	June-10	July-10	Aug-10	Sept.-10	Oct.-10	Nov.-10
Turnover in retail trade ^{2.2}	yoy % ch.	19.3	9.1	-8.6	-6.8	-4.7	-4.3	-4.7	-4.8	
		2007	2008	2009	09Q2	09Q3	09Q4	10Q1	10Q2	10Q3
Private consumption ^{2.3}	yoy % ch.	8.3	3.0	-4.0	-3.1	-2.8	-4.6	-3.5	-3.7	-5.9
3. Investment										
Capacity utilization in industry ^{3.1}	%	71.6	73.4	66.0	63.9	65.1	64.5	68.5	67.9	71.1
Gross fixed capital formation ^{3.2}	yoy % ch.	11.8	21.9	-29.0	-23.1	-31.1	-33.7	-19.9	-15.6	-5.3
Change in stocks ^{3.3}	% of GDP	5.4	3.9	1.2	0.9	1.0	2.3	0.6	1.7	1.1
4. Labour market										
Unemployment ^{4.1}	%	6.9	5.6	6.8	6.3	6.7	7.9	10.2	10.0	9.5
Employed persons ^{4.2}	yoy % ch.	4.6	3.3	-3.2	-2.1	-4.0	-5.7	-7.7	-6.9	-5.4
Labour costs ^{4.3}	yoy % ch.	16.9	19.1	13.3	14.7	9.8	7.6	10.0	9.2	10.7
		2007	2008	2009	June-10	July-10	Aug-10	Sept.-10	Oct.-10	Nov.-10
Shortage of labour in industry ^{4.4}	%	15.6	19.5	11.1	7.2	5.8	6.0	5.7	5.8	6.8
Wages ^{4.5}	yoy % ch.	19.5	26.5	11.6	8.3	10.2	9.4	9.3		
5. International transactions										
Export order books in industry ^{5.1}	balance	-25.7	-28.5	-47.6	-44.2	-41.1	-41.6	-40.0	-38.3	-38.9
Exports of goods ^{5.2}	mln. EUR	13511.9	15203.8	11699.4	1409.9	1514.0	1453.1	1433.6	1449.3	
Imports of goods ^{5.3}	mln. EUR	20757.2	23801.1	15872.7	-1564.7	-1560.3	-1436.3	-1522.7	-1640.1	
Trade balance ^{5.4}	mln. EUR	-7245.3	-8597.3	-4173.5	-154.8	-46.3	16.8	-89.1	-190.8	
Current account ^{5.5}	mln. EUR	-7755.1	-8190.8	-3476.9	-17.4	503.2	514.0	260.7	-111.3	
Direct investment (net) ^{5.6}	mln. EUR	8838.1	6203.1	3371.6	111.6	182.9	61.6	96.8	-44.7	
Portfolio investment (net) ^{5.7}	mln. EUR	-518.4	-730.7	-570.5	-225.3	-45.5	-32.8	27.8	-2.9	
		2007	2008	2009	09Q2	09Q3	09Q4	10Q1	10Q2	10Q3
Exports of goods and services ^{5.8}	yoy % ch.	6.1	3.0	-10.3	-14.6	-10.2	-1.7	5.5	12.6	18.5
Imports of goods and services ^{5.9}	yoy % ch.	9.6	4.2	-21.5	-24.8	-20.3	-18.9	-2.8	0.3	3.0
6. Prices										
HICP ^{6.1}	yoy % ch.	7.6	12.0	2.5	2.5	3.2	3.2	3.6	3.6	4.0
Producer prices on domestic market (in industry) ^{6.2}	yoy % ch.	7.9	13.3	-4.2	5.6	9.0	10.0	9.6	10.1	
Selling prices expectations in industry ^{6.3}	balance	18.1	17.7	1.6	7.1	-0.7	4.5	3.0	3.9	7.0
Selling prices expectations in retail trade ^{6.4}	balance	25.0	35.5	0.7	8.5	10.3	6.7	2.7	3.7	3.6
7. Monetary and financial indicators										
SOFIBOR (3 months) ^{7.1}	index	4.90	7.14	5.72	4.18	4.09	4.04	3.94	3.99	3.99
M3 ^{7.2}	yoy % ch.	31.2	8.8	4.2	8.0	8.8	9.4	8.4	8.2	9.0
Credit to Non-financial Corporations and Households and NPISHs ^{7.3}	yoy % ch.	63.7	32.5	3.6	2.2	2.2	1.6	1.4	1.3	1.1
Exchange rate USD/BGN ^{7.4}	value	1.43	1.34	1.41	1.60	1.53	1.52	1.50	1.41	1.43
Nominal effective exchange rate ^{7.5}	index	127.5	131.2	134.0	128.9	129.8	129.6	130.0	131.5	

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



Comments

1. Output

According to the NSI business inquiries in December 2010 the **industrial confidence indicator** increased in comparison with November. This is due to the improved managers' expectations about the production activity over the next 3 months. At the same time the production assurance with orders in December was 1.1 percentage points above its long-term average value.

In October 2010 the working-day-adjusted **Industrial Production Index** rose by 4.3% in comparison with the same month of the previous year (by preliminary data). An increase was recorded in Manufacturing - by 6.5%, and in Electricity, gas, steam and air conditioning supply - by 3.9%, while Mining and quarrying registered a drop of 12.3%.

By preliminary operative data the **gross domestic product (GDP)** in the third quarter of 2010 amounted to BGN 19 403.0 million at current prices and GDP per capita was BGN 2 581.2. At the average exchange rate for the quarter of BGN 1.516360 for 1 US dollar, GDP amounted to USD 12 795.8 million and respectively USD 1 702.3 per capita. GDP recalculated in Euro was EUR 9 920.6 million or EUR 1 319.8 per capita. In comparison with the third quarter of 2009 the real volume of GDP increased by 0.5% according to the seasonally adjusted data.

2. Private consumption

In October 2010 the total **consumer confidence indicator** increased by 3.0 percentage points in comparison with its July level, which was due to the increased confidence of both urban and rural inhabitants. In comparison with July there is a certain positive change in the consumers' assessments and expectations regarding the general economic situation in the country and the financial situation of households.

In October 2010 the working-day-adjusted **turnover in retail trade** decreased by 4.8% compared to the same month of 2009 (by preliminary data). An increase was observed only in "Retail sale of food, beverages and tobacco" - by 0.4%. All the other activities had negative growth rates, as the decrease was higher than the average in "Retail sale of

automotive fuel in specialized stores" - 8.6%, in "Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles in specialized stores" - 8.0%, and in "Retail sale of computers, peripheral units and software; telecommunications equipment, etc. in specialized stores" - 6.0%.

In the third quarter of 2010 for **individual consumption of the population** were spent 61.9% of the produced GDP. The real decrease of the indicator was by 5.9% in comparison with the respective quarter of 2009 (according to the seasonally adjusted data).

3. Investment

The **average capacity utilization in industry** in October 2010 increased by 3.2 percentage points in comparison with July and was assessed to be 71.1%.

In the third quarter of 2010 the **gross fixed capital formation** decreased in real terms (according to the seasonally adjusted data) by 5.3% in comparison with the same period of the previous year. The relative share of that category in GDP is 18.6%.

4. Labour market

In the third quarter of 2010 the **total number of employed persons** aged 15 and over was 3 104.2 thousand and their relative share of the population of the same age group was 47.5%. In comparison with the same period of 2009 the number of persons employed decreased by 175.8 thousand and the employment rate - by 2.3 percentage points.

In the third quarter of 2010 the **unemployed persons** were 326.6 thousand or 9.5% of the labour force. The unemployment rate compared to the same quarter of the previous year increased by 2.8 percentage points and the number of unemployed persons - by 92.1 thousand.

According to the NSI business inquiries in December 2010 6.4% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In September 2010 the **average wage and salary** was BGN 649 (by preliminary data) which is by 3.0% higher than the previous month. In comparison with September 2009 the growth rate is 9.3%.



5. International transactions

According to the industrial managers' assessments in December 2010 there was a slight improvement of the production assurance with **orders from abroad** in comparison with November.

In the period January - October 2010 **the current account** was positive - EUR 348.3 million (1.0% of the projected GDP for 2010), against a deficit of EUR 2 749.5 million (7.8% of GDP) for January - October 2009.

The trade balance in the period January - October 2010 was negative and it amounted to EUR 1 658.3 million (4.6% of the projected GDP for 2010) compared to a deficit of EUR 3 542.6 million (10.1% of GDP) for January - October 2009.

Exports of goods (FOB) in January - October 2010 amounted to EUR 12 701.9 million against EUR 9 650.8 million for January - October 2009, increasing by 31.6% annually against an annual decrease of 26.9% for January - October 2009.

Imports of goods (FOB) in January - October 2010 amounted to EUR 14 360.2 million, against EUR 13 193.4 million for January - October 2009, increasing by 8.8% annually against an annual decrease of 35.3% for January - October 2009.

Foreign direct investment abroad for January - October 2010 was EUR 127.2 million against a decrease of investment by EUR 135.6 million for the same period of 2009. **Foreign direct investment in Bulgaria** was EUR 844.9 million (2.3% of projected GDP) against EUR 2 526.3 million (7.2% of GDP) for January - October 2009.

In January - October 2010 the **portfolio investment - assets** increased by EUR 401.9 million, compared to an increase of EUR 437.2 million for the same period of 2009. **Portfolio investment - liabilities** decreased by EUR 105.0 million, compared to a decrease of EUR 21.0 million for January - October 2009.

In the third quarter of 2010 the external balance of goods and services was positive. **The exports of goods and services** exceeded the value of the imports by BGN 2 376.7 million. In comparison with the respective quarter of 2009 the exports increased in real terms by 18.5%, while the **imports of goods and services** increased by 3.0% (according to the seasonally adjusted data).

6. Prices

In November 2010 the **harmonized index of consumer prices** increased by 4.0 compared to the same month of 2009. A rise of prices was observed in all groups, with the exception of "Communications", "Clothing and footwear" and "Restaurants and hotels". The highest increase was registered in "Alcoholic beverages and tobacco" - by 25.7%.

The Producer Price Index on Domestic Market in October 2010 increased by 10.1% compared to the same month of 2009. In mining and quarrying the prices rose by 18.9%, in manufacturing - by 8.6%, and in electricity, gas, steam and air conditioning supply - by 12.0%.

According to the conjuncture inquiry in December 2010 the expectations of the enterprises with regard to the **prices** in industry were for an increase over the next 3 months.

7. Monetary and financial indicators

In November 2010 the **three-month interbank market index SOFIBOR** preserved its level from the previous month (3.99%), whereas the value in November 2009 was 4.80%.

The annual growth rate of **the broad money (monetary aggregate M3)** was 9.0% in November 2010 against 8.2% in October, as at the end of November M3 amounted to BGN 50.966 billion (72.1% of the projected GDP for 2010) against BGN 50.394 billion in October 2010 (71.3% of GDP). The narrow money M1 amounted to BGN 19.069 billion, as it increased by 7.5% annually against an increase of 8.7% in October 2010.

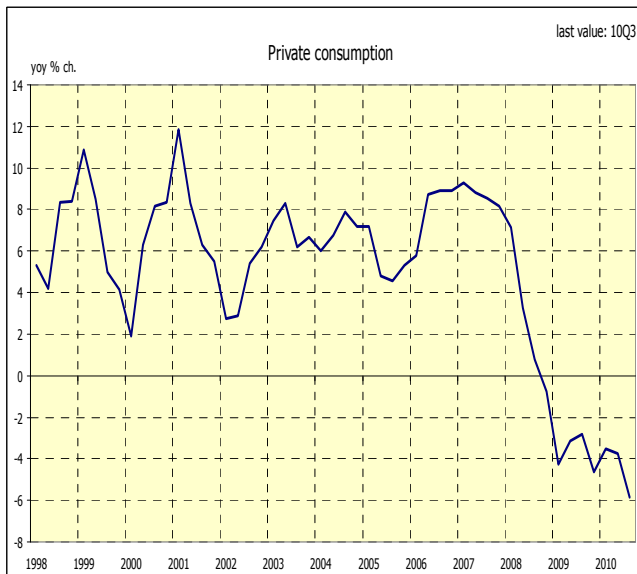
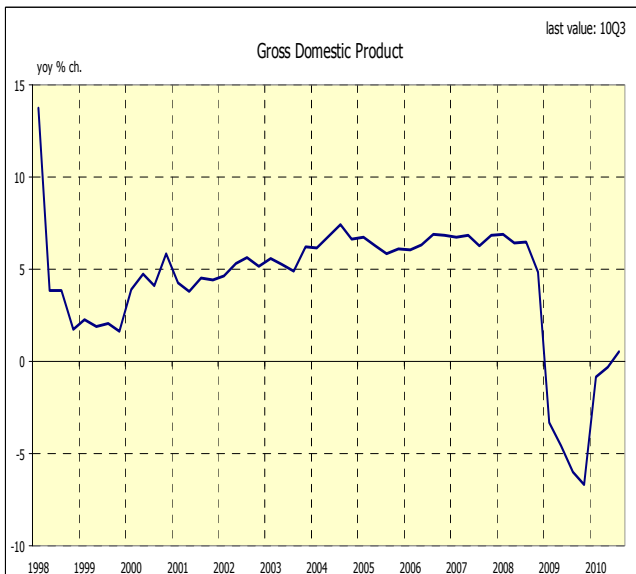
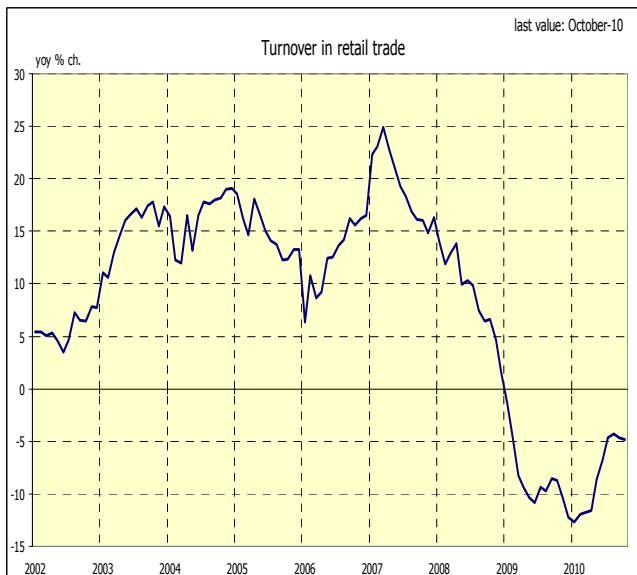
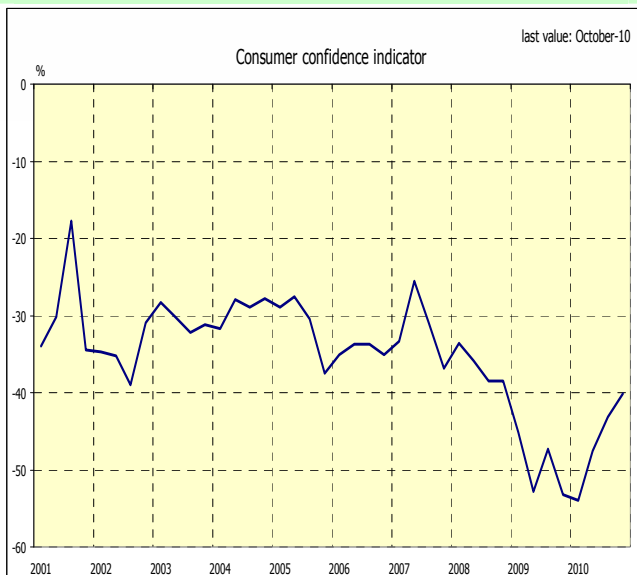
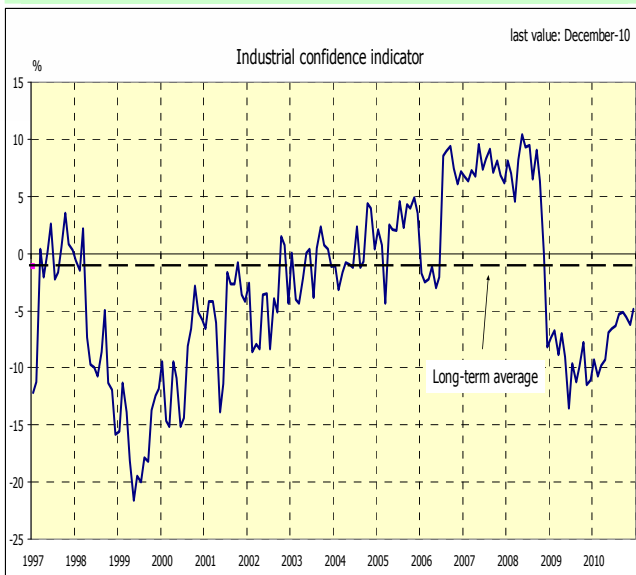
In November 2010 the volume of the **loans to non-financial corporations, households and NPISHs** amounted to BGN 50.622 billion (71.6% of the projected GDP for 2010) and the annual increase was by 1.1% against 1.3% in October 2010. The annual growth rate of the loans to non-financial corporations in November was 2.5% against 2.2% in the previous month; the loans to the households and NPISHs in November decreased by 1.1% in comparison with the same month of 2009 against an annual decrease of 0.2% in October.

In November 2010 the **exchange rate BGN against the US dollar** increased in comparison with the previous month from 1.41 to 1.43.



1. OUTPUT

2. PRIVATE CONSUMPTION

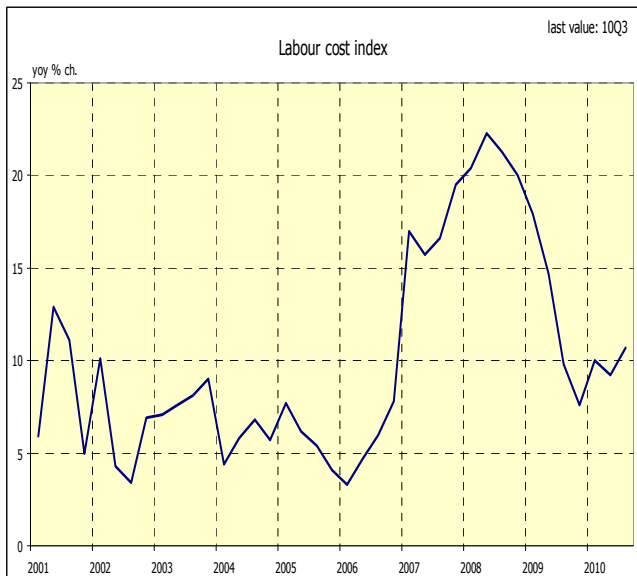
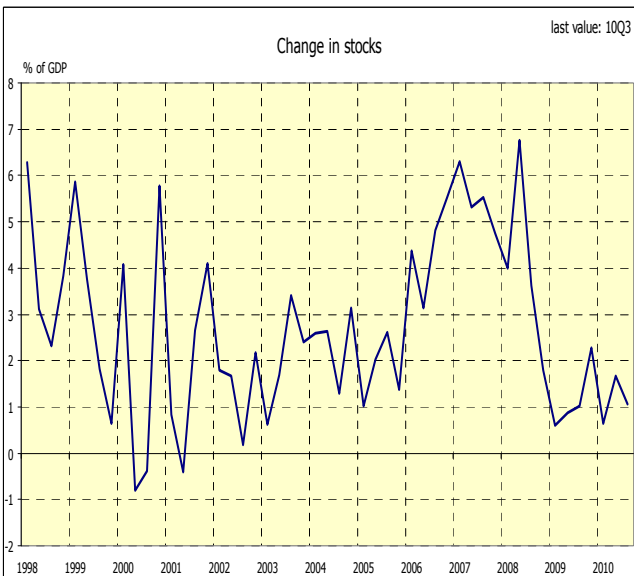
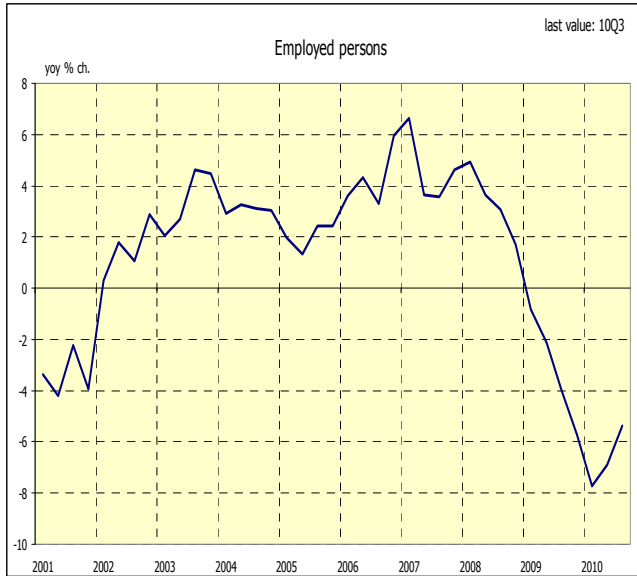
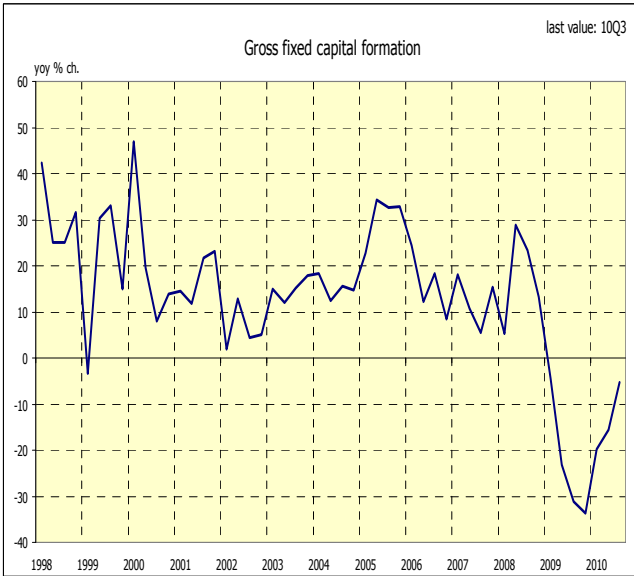
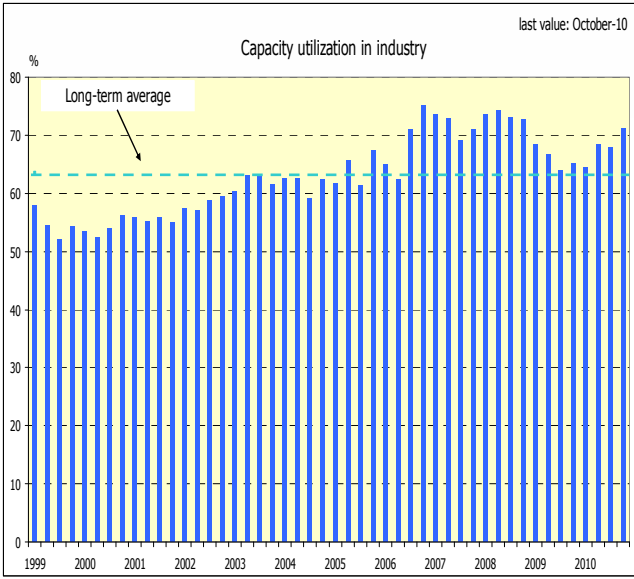


Note: yoy % ch. - growth rate compared to the same period of the previous year.



3. INVESTMENT

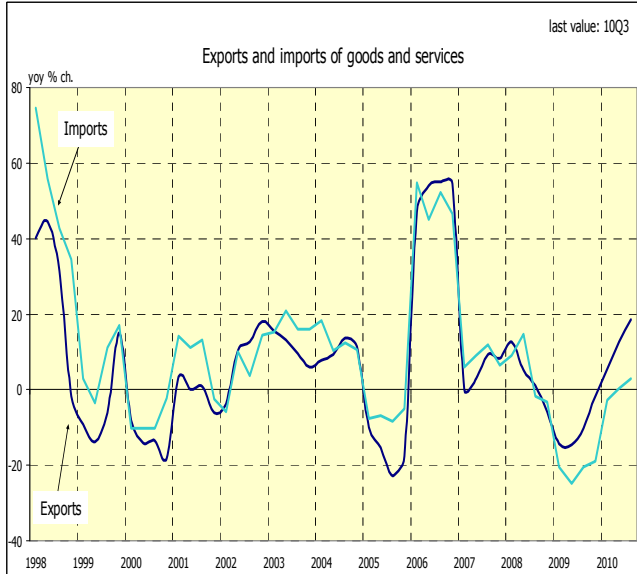
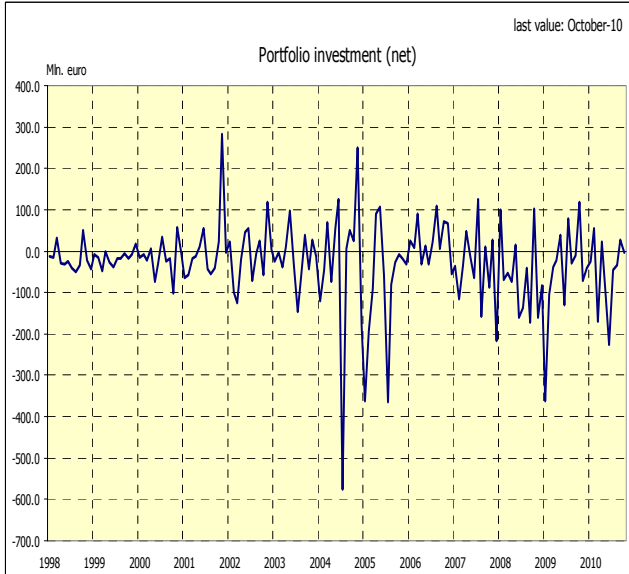
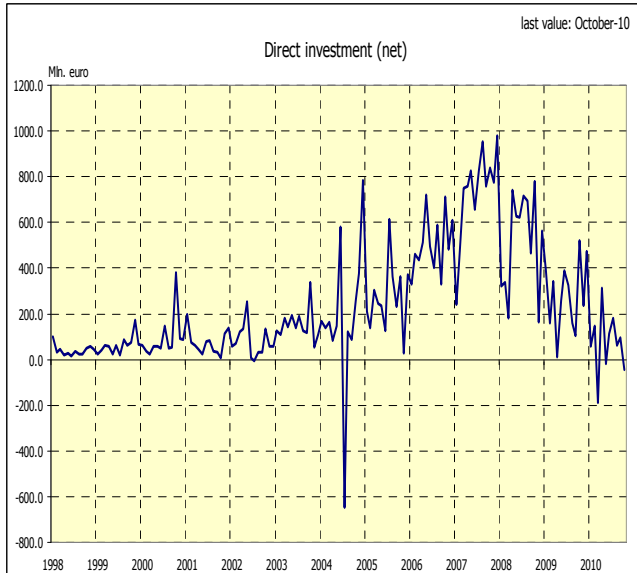
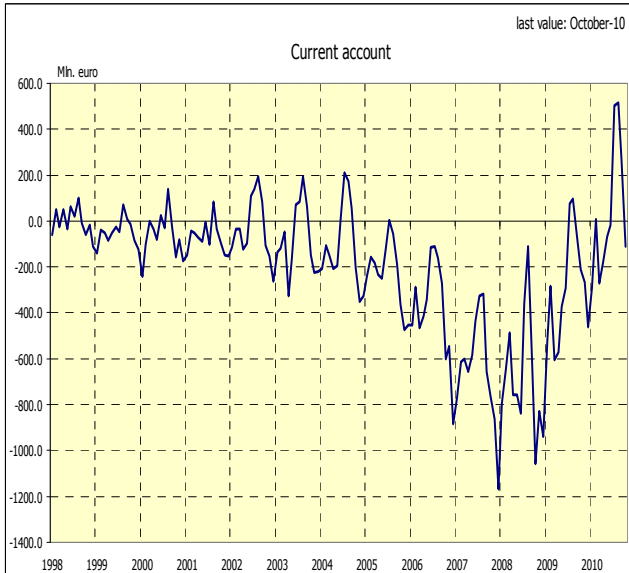
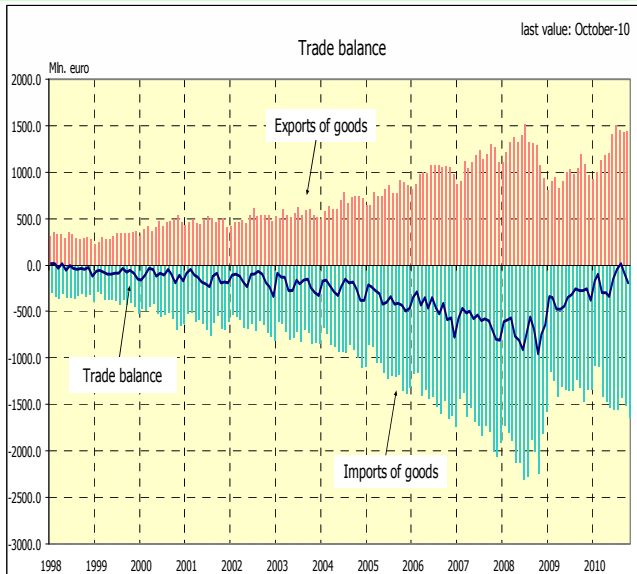
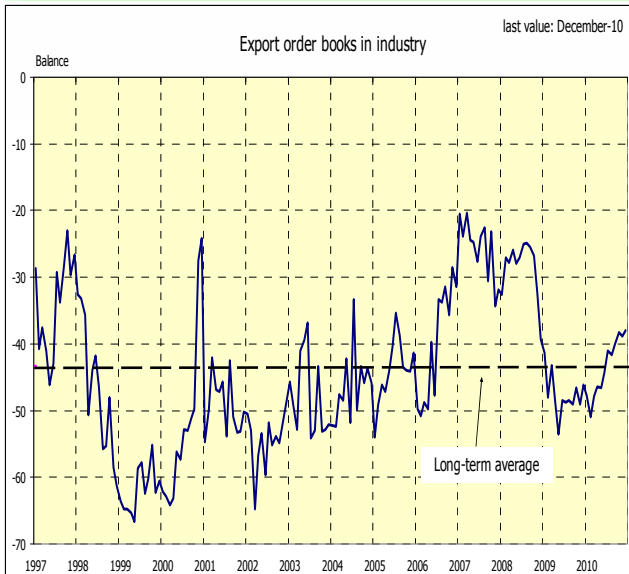
4. LABOUR MARKET



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



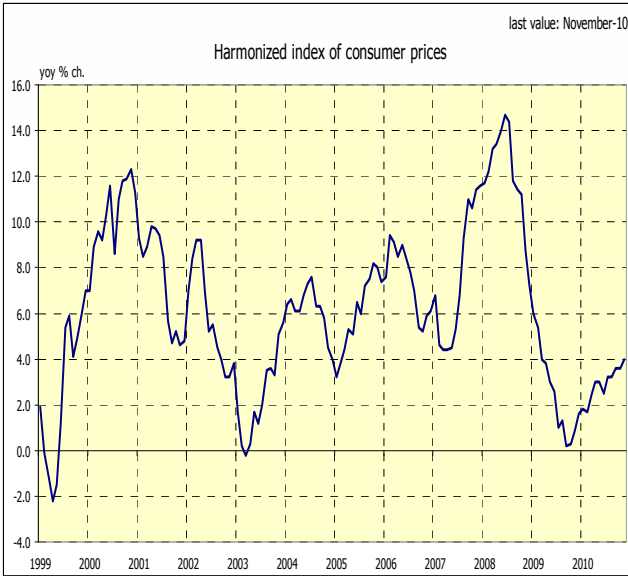
5. INTERNATIONAL TRANSACTIONS



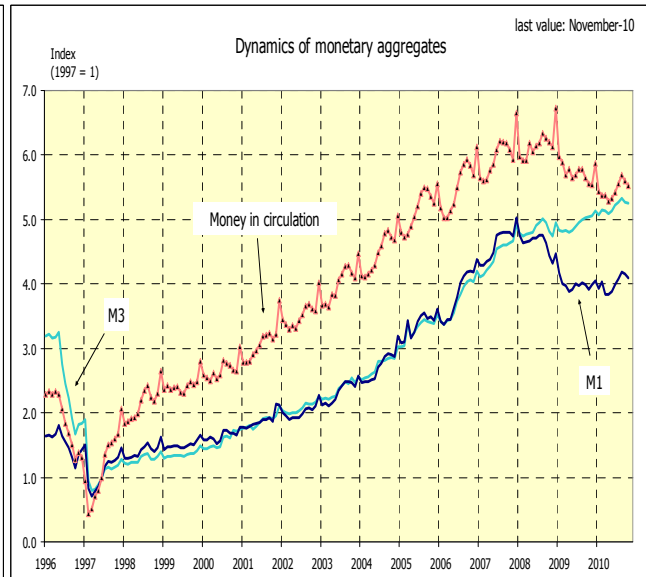
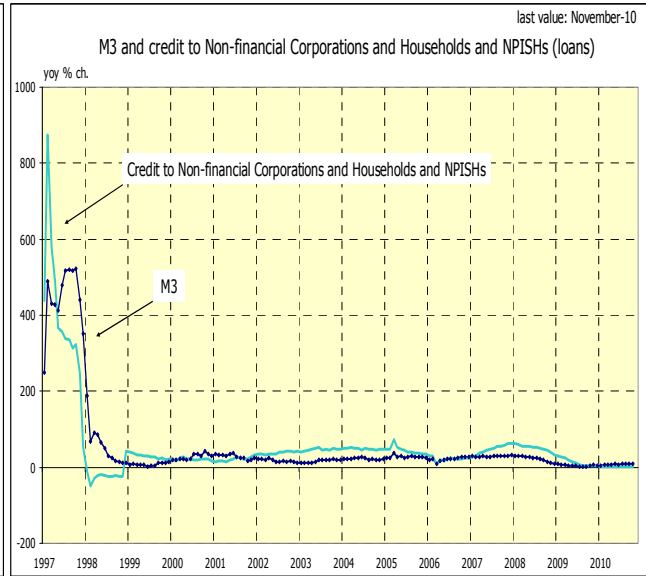
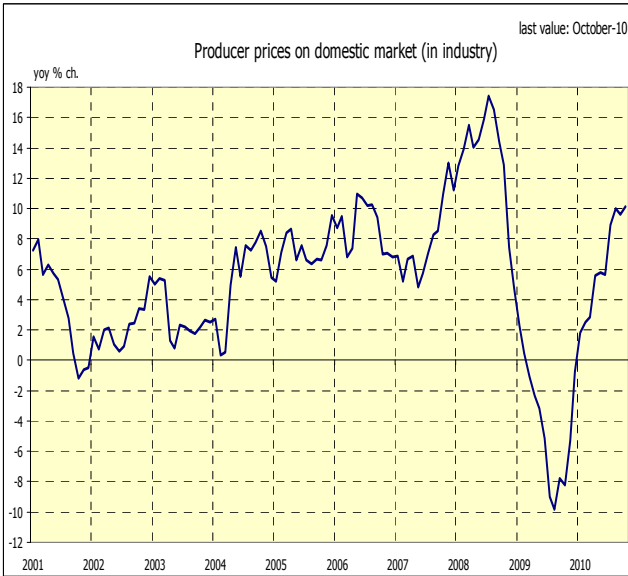
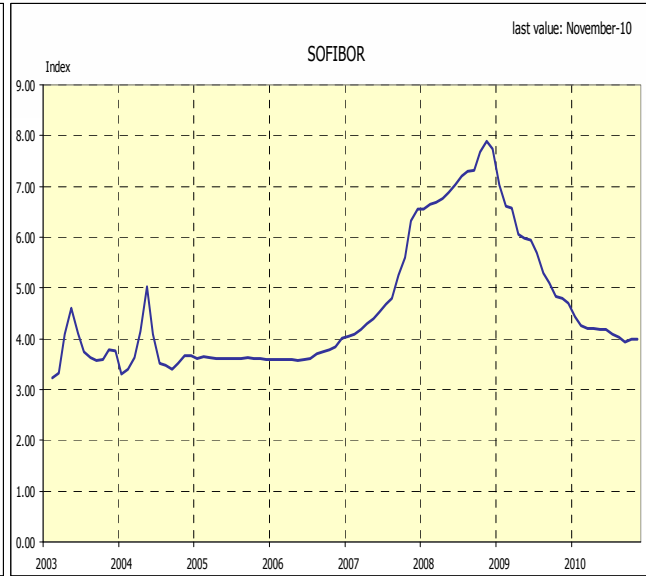
Note: yoy % ch. - growth rate compared to the same period of the previous year.



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 - Explanatory notes

№	Indicator	Note	Source
1. Output			
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
2. Private consumption			
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
3. Investment			
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
4. Labour market			
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
5. International transactions			
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
6. Prices			
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
7. Monetary and financial indicators			
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