

# KEY INDICATORS FOR BULGARIA



National statistical institute

## Key indicators for Bulgaria

This update: 30 September 2009

Next update: 30 December 2009

		2006	2007	2008	Mar.-08	Apr.-09	May-09	June-09	July-09	Aug.-09
<b>1. Output</b>										
Industrial confidence <sup>1.1</sup>	%	4.1	8.7	6.6	-9.0	-6.2	-8.2	-11.8	-9.2	-9.9
Industrial production <sup>1.2</sup>	yoy % ch.*	6.2	9.7	0.9	-16.9	-20.2	-22.0	-18.2	-18.9	
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>08Q1</b>	<b>08Q2</b>	<b>08Q3</b>	<b>08Q4</b>	<b>09Q1</b>	<b>09Q2</b>
Gross domestic product <sup>1.3</sup>	yoy % ch.*	6.3	6.2	6.0	7.0	7.1	6.8	3.5	-3.5	-4.9
<b>2. Private consumption</b>										
Consumer confidence <sup>2.1</sup>	%	-34.4	-31.7	-36.6	-35.8	-38.5	-38.5	-45.2	-52.8	-47.3
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Mar.-08</b>	<b>Apr.-09</b>	<b>May-09</b>	<b>June-09</b>	<b>July-09</b>	<b>Aug.-09</b>
Retail sales <sup>2.2</sup>	yoy % ch.*	12.7	19.4	3.5	-8.3	-9.3	-10.4	-10.5	-9.2	
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>08Q1</b>	<b>08Q2</b>	<b>08Q3</b>	<b>08Q4</b>	<b>09Q1</b>	<b>09Q2</b>
Private consumption <sup>2.3</sup>	yoy % ch.*	8.5	5.1	4.5	5.7	5.3	5.9	1.8	-6.0	-5.0
<b>3. Investment</b>										
Capacity utilization in industry <sup>3.1</sup>	%	68.4	72.6	74.9	75.7	74.4	74.5	70.6	67.4	63.9
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.*	14.7	21.7	20.4	15.5	28.6	22.3	15.8	-14.1	-16.3
Change in stocks <sup>3.3</sup>	% of GDP	5.8	7.0	5.0	5.0	8.6	4.6	2.2	0.7	1.0
<b>4. Labour market</b>										
Unemployment <sup>4.1</sup>	%	9.0	6.9	5.6	6.5	5.8	5.1	5.0	6.4	6.3
Employed persons <sup>4.2</sup>	yoy % ch.*	4.4	4.6	3.3	4.9	3.7	3.1	1.7	-0.8	-2.1
Labour costs <sup>4.3</sup>	yoy % ch.*	4.7	16.9	19.1	21.2	21.5	19.5	18.9	19.2	15.6
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Mar.-08</b>	<b>Apr.-09</b>	<b>May-09</b>	<b>June-09</b>	<b>July-09</b>	<b>Aug.-09</b>
Shortage of labour in industry <sup>4.4</sup>	%	11.7	16.3	20.0	12.5	9.0	12.2	12.2	10.5	10.5
Wages <sup>4.5</sup>	yoy % ch.*	11.3	19.5	21.7	15.8	15.8	16.3	14.0		
<b>5. International transactions</b>										
Export order books in industry <sup>5.1</sup>	balance	-39.7	-23.3	-23.1	-44.5	-48.6	-53.6	-47.7	-46.8	-47.7
Exports of goods <sup>5.2</sup>	mln. EUR	12011.9	13511.86	15203.84	966.5	830.7	904.1	997.7	1027.7	
Imports of goods <sup>5.3</sup>	mln. EUR	17574.1	20757.18	23801.11	-1414.6	-1304.2	-1338.5	-1339.5	-1450.2	
Trade balance <sup>5.4</sup>	mln. EUR	-5562.3	-7245.3	-8597.3	-448.1	-473.5	-434.4	-341.8	-422.5	
Current account <sup>5.5</sup>	mln. EUR	-4647.8	-7274.0	-8653.1	-554.7	-550.9	-354.2	-234.6	102.0	
Direct investment (net) <sup>5.6</sup>	mln. EUR	6021.5	8283.6	5685.0	347.3	45.6	196.4	429.4	342.6	
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	292.2	-518.4	-469.7	-41.1	-30.0	85.3	-95.7	119.4	
		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>08Q1</b>	<b>08Q2</b>	<b>08Q3</b>	<b>08Q4</b>	<b>09Q1</b>	<b>09Q2</b>
Exports of goods and services <sup>5.8</sup>	yoy % ch.*	8.7	5.2	2.9	9.2	5.1	3.8	-6.0	-17.4	-15.8
Imports of goods and services <sup>5.9</sup>	yoy % ch.*	14.0	9.9	4.9	5.8	13.7	4.2	-3.2	-21.1	-24.3
<b>6. Prices</b>										
HICP <sup>6.1</sup>	yoy % ch.*	7.4	7.6	12.0	4.0	3.8	3.0	2.6	1.0	1.3
Producer prices on domestic market (in industry) <sup>6.2</sup>	yoy % ch.*	8.7	7.9	13.3	-1.1	-2.3	-3.2	-5.1	-9.0	-9.8
Selling price expectations in industry <sup>6.3</sup>	balance	10.8	17.3	17.1	-3.7	1.8	1.0	-2.9	-2.1	0.2
Selling price expectations in retail trade <sup>6.4</sup>	balance	18.0	27.5	36.4	-1.0	2.0	0.7	-0.6	-0.2	-0.3
<b>7. Monetary and financial indicators</b>										
SOFIBOR (3 months) <sup>7.1</sup>	index	3.69	4.90	7.14	6.58	6.05	5.98	5.94	5.69	5.30
M3 <sup>7.2</sup>	yoy % ch.*	26.9	31.2	8.8	6.3	5.1	4.6	3.6	1.7	1.0
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.*	23.7	63.7	32.5	24.5	20.2	15.5	11.2	7.6	5.4
Exchange rate USD/BGN <sup>7.4</sup>	value	1.56	1.43	1.34	1.50	1.48	1.43	1.40	1.39	1.37
Nominal effective exchange rate <sup>7.5</sup>	index	126.4	127.5	131.2	133.3	132.6	132.7	133.0	132.9	

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

## Comments

### 1. Output

According to the NSI business inquiries in September 2009 the **industrial confidence indicator** remained approximately at its August level. The managers' expectations about production over the next 3 months tended to its preservation at the current level. At the same time the level of orders was insufficient and that of the stocks of finished products increased.

In July 2009 the **Industrial Production Index** decreased by 18.9% in comparison with the same month of the previous year (by preliminary data). A drop was recorded in Manufacturing (by 24.3%) and in Mining and quarrying (by 13.0%). At the same time in Electricity, gas, steam and air conditioning supply was registered an increase of 1.3%.

By preliminary operative data the **gross domestic product (GDP)** in the second quarter of 2009 amounted to BGN 16 321.6 million at current prices and GDP per capita was BGN 2 150. At the average exchange rate for the quarter of BGN 1.433737 for 1 US dollar, GDP amounted to USD 11 384.0 million and respectively USD 1 500 per capita. GDP recalculated in Euro was EUR 8 345.1 million or EUR 1 099 per capita. The real volume of GDP dropped by 4.9% compared to the second quarter of 2008.

### 2. Private consumption

In July 2009 the total **consumer confidence indicator** increased by 5.5 percentage points as the increase in "confidence" is relatively higher for the rural population - a rise of the indicator of 6.4 percentage points in comparison with 5.0 percentage points for the urban population. Significantly more favorable in comparison with April were also the consumers' expectations about the development of the economic situation in the country over the next 12 months.

In July 2009 the **receipts from sales in Retail Trade** decreased by 9.2% compared to the same month of 2008 (by preliminary data). The drop was observed in all constituent groups except in Retail sale of food, beverages and tobacco where was registered an

increase of 2.9%. The decrease rates ranged from 0.5% for "Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles in specialised stores" to 20.9% for and "Retail sale of computers, peripheral units and software; telecommunications equipment".

In the second quarter of 2009 for **individual consumption of the population** was spent 72.3% of the produced GDP. The real decrease of the indicator was by 5.0% in comparison with the respective quarter of 2008.

### 3. Investment

In July 2009 the **average capacity utilization in industry** continued to decrease and reached 63.9%.

In the second quarter of 2009 the **gross fixed capital formation** decreased in a real terms by 16.3% compared to the same period of the previous year. The relative share of that category in GDP was 29.2%.

### 4. Labour market

In the second quarter of 2009 the **total number of employed persons** aged 15 and over was 3 300.1 thousand and their relative share of the population of the same age group was 50.1%. In comparison with the same period of 2008 the number of persons employed decreased by 72.0 thousand and the employment rate - by 0.9 percentage points.

In the second quarter of 2009 the **unemployed persons** were 222.6 thousand or 6.3% of the labour force. The unemployment rate compared to the same quarter of the previous year increased by 0.5 percentage points and the number of unemployed persons - by 15.4 thousand.

According to the NSI business inquiries in September 2009 10.4% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In June 2009 the **average wage and salary** was BGN 587 (by preliminary data) which is 0.3% higher than the previous month. In comparison with June 2008 the growth rate is 14.0%.

## 5. International transactions

According to the industrial managers' assessments in September 2009 the production assurance with **orders from abroad** in comparison with August was insufficient.

In the period January - July 2009 the **current account deficit** was EUR 2 450.3 million (7.2% of the projected GDP for 2009), against a deficit of EUR 4 840.3 million (14.2% of GDP) for the same period of 2008.

**The trade balance** in January - July 2009 was negative and it amounted to EUR 2 817.1 million (8.3% of projected GDP for 2009) compared to a deficit of EUR 4 997.9 million (14.6% of GDP) for the same period of 2008.

**Exports of goods (FOB)** in January - July 2009 amounted to EUR 6 436.7 million against EUR 9 271.4 million for the same period of 2008, decreasing by 30.6% annually against an annual growth rate of 23.9% for January - July 2008.

**Imports of goods (FOB)** amounted to EUR 9 253.8 million, against EUR 14 269.4 million for January - July 2008, decreasing by 35.1% annually against an annual growth rate of 26.9% for the same period of 2008.

**Foreign direct investment abroad** was EUR 50.2 million against EUR 491.3 million for January - July 2008. **Foreign direct investment in Bulgaria** was EUR 1 881.4 million (5.6% of projected GDP) against EUR 3 954.1 million (11.6% of GDP) for the same period of 2008. The direct investment covered 76.8% of the current account deficit against 81.7% for January - July 2008.

In January - July 2009 the **portfolio investment - assets** increased by EUR 65.6 million, compared to an increase of EUR 142.7 million for January - July 2008. **Portfolio investment – liabilities** decreased by EUR 102.1 million, compared to a decrease of EUR 123.8 million for the same period of 2008.

In the second quarter of 2009 the external balance of goods and services was negative. **The imports of goods and services** exceeded the value of the exports by BGN 1 978.2 million. Compared to the respective quarter of 2008 the **exports of goods and services** decreased in real terms by 15.8% and the imports - by 24.3%.

## 6. Prices

In August 2009 the **harmonized index of consumer prices** increased by 1.3% compared to the same month of 2008, as there was an increase of prices in all observed groups with the exception of Food and non-alcoholic beverages, Transport and Communications.

**Producer Price Index on Domestic Market** in August 2009 decreased by 9.8% compared to the same month of 2008. The domestic prices in August decreased in the manufacturing industry by 13.3%, in the mining industry by 9.8% and in the electricity, gas, steam and air conditioning supply by 1.6%.

According to the conjuncture inquiry in September 2009 the share of managers expecting a rise of prices increased in comparison with August and the share of managers expecting a reduction decreased which is why the balance indicator went up by 2.2 percentage points.

## 7. Monetary and financial indicators

In August 2009 the **three-month interbank market index SOFIBOR** decreased from 5.69 to 5.30% compared to the previous month, whereas the value in August 2008 was 7.31%.

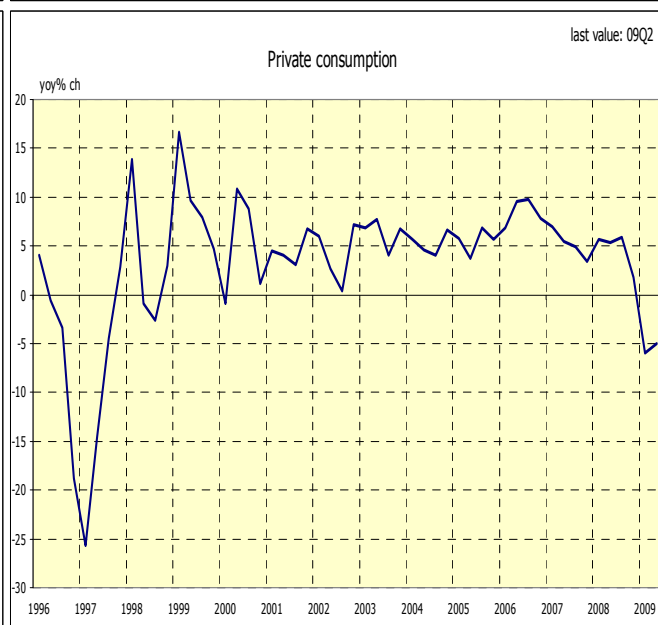
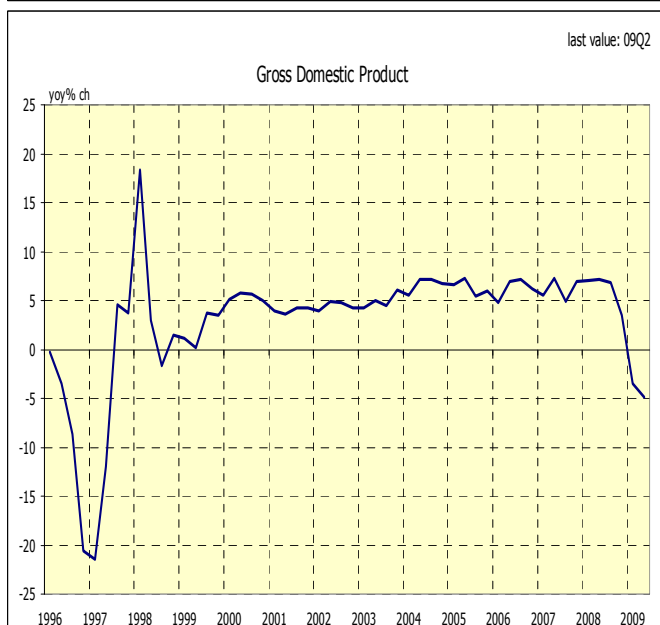
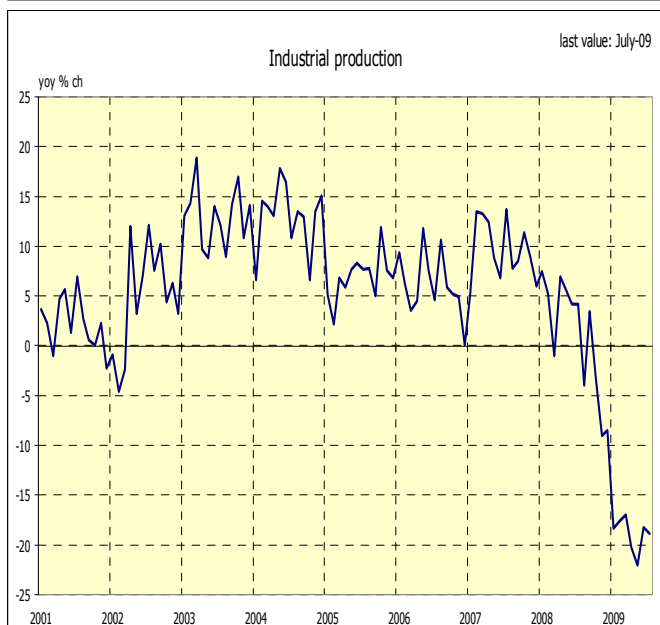
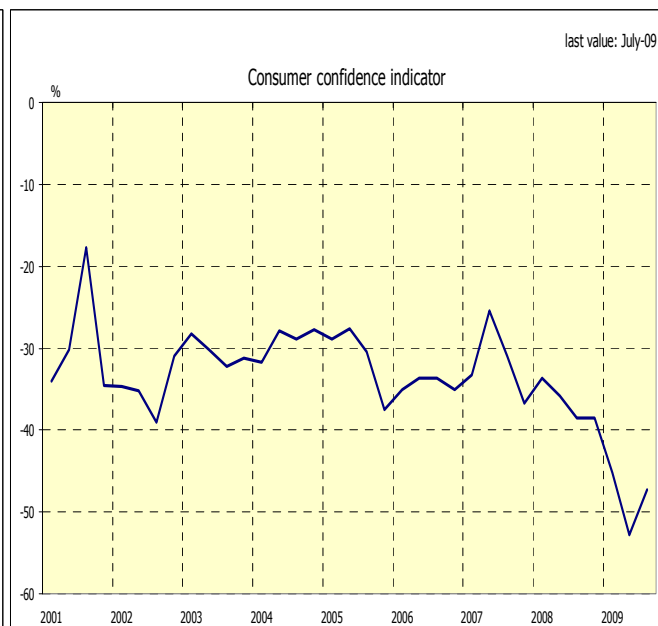
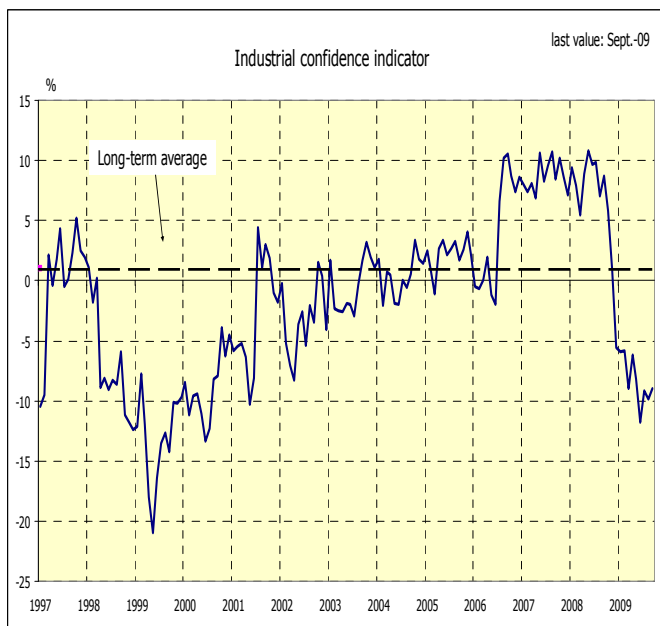
The annual growth rate of **the broad money (monetary aggregate M3)** was 1.0% in August 2009 against 1.7% in July, as at the end of August M3 amounted to BGN 46.189 billion (69.7% of the projected GDP for 2009) against BGN 45.822 billion in July (69.1% of GDP). The narrow money M1 amounted to BGN 17.869 billion as it decreased by 14.2% annually against a drop of 15.1% in July.

In August 2009 the volume of the **loans to non-financial corporations, households and NPISHs** amounted to BGN 48.846 billion (73.7% of the projected GDP for 2009) and the annual increase was by 5.4% against 7.6% in July 2009. The annual growth rate of the loans to non-financial corporations in August was 4.3% against 6.8% in the previous month and to the households and NPISHs - 7.2% in August compared to 9.1% in July.

In August 2009 the **exchange rate BGN against the US dollar** decreased in comparison with the previous month from 1.39 to 1.37.

## 1. OUTPUT

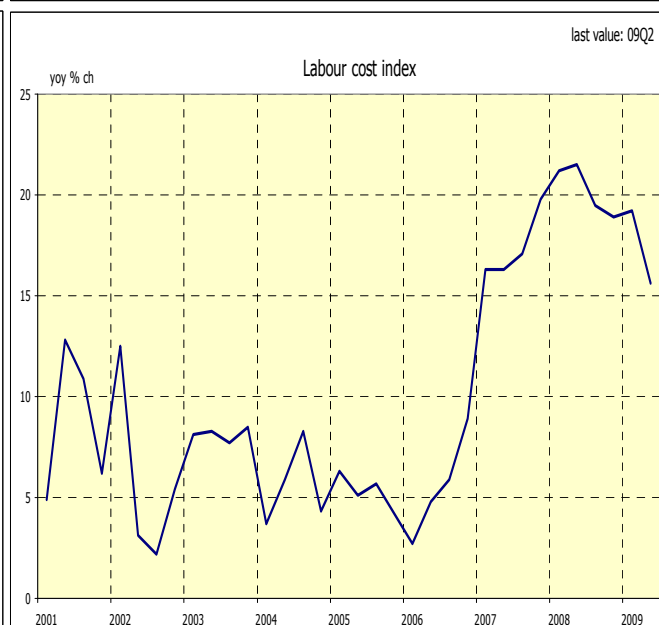
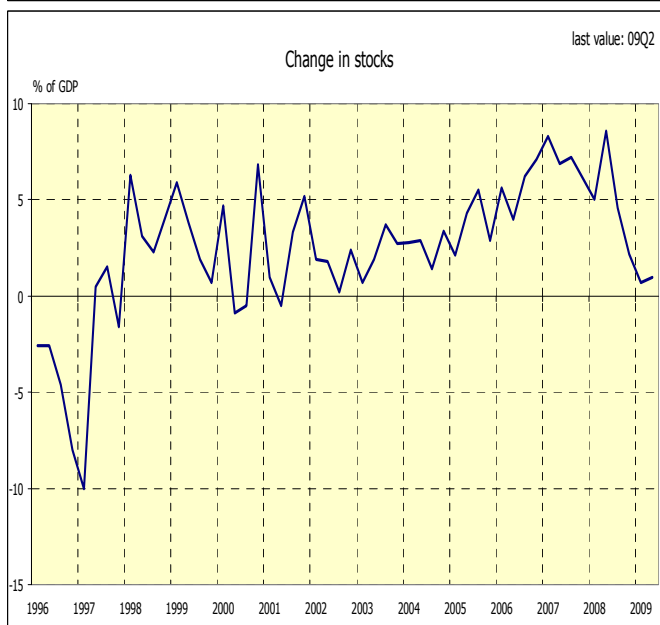
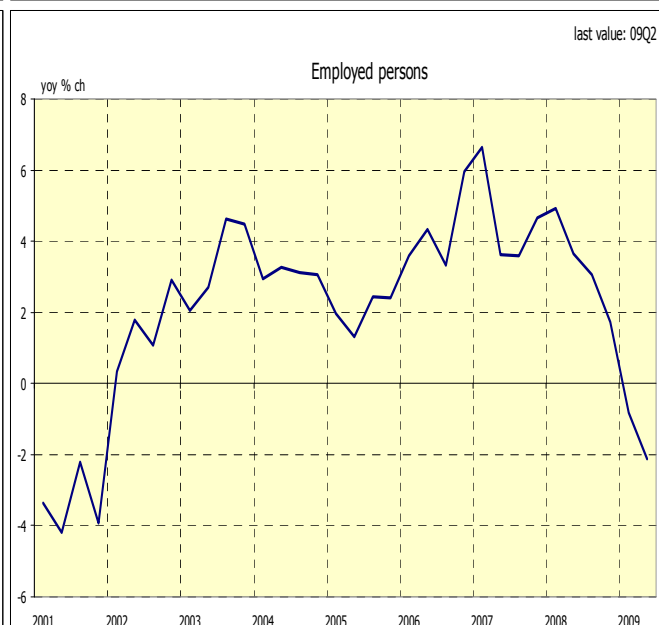
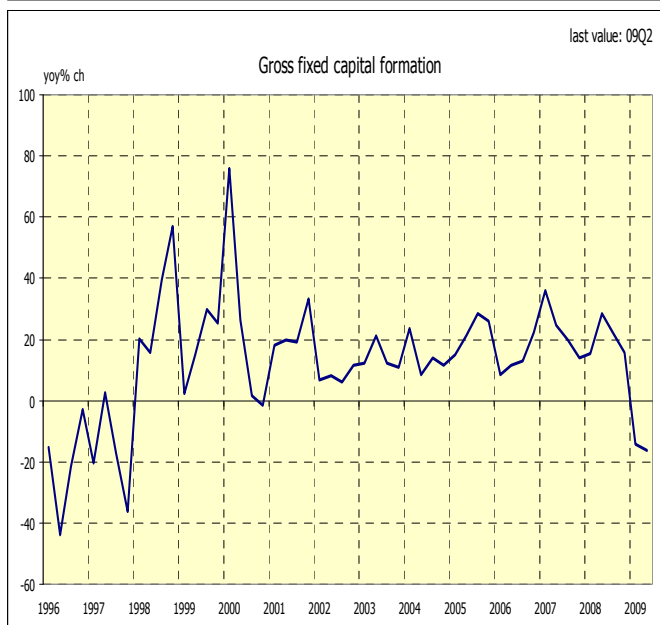
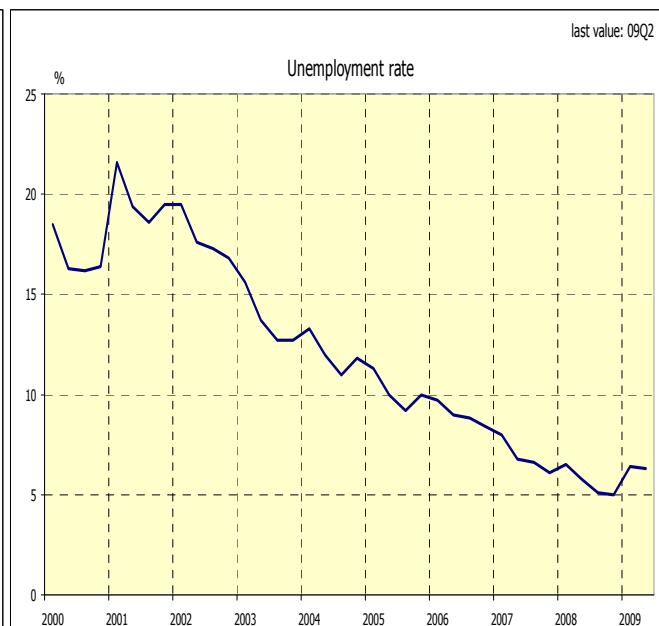
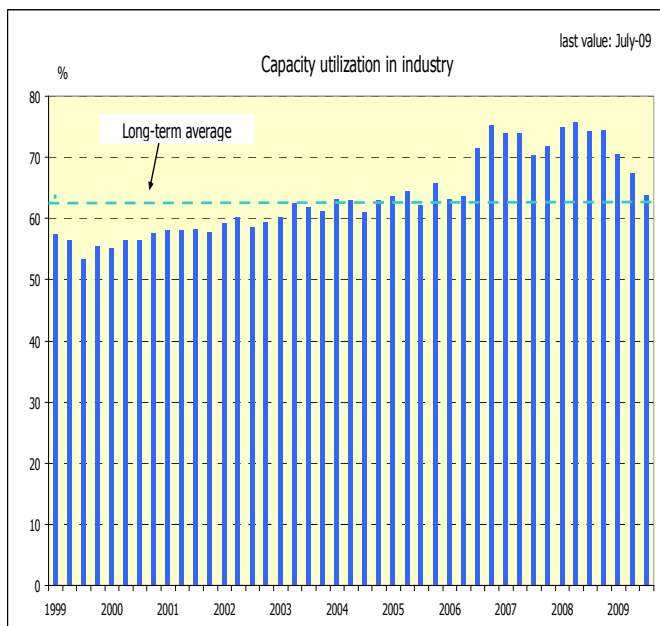
## 2. PRIVATE CONSUMPTION



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

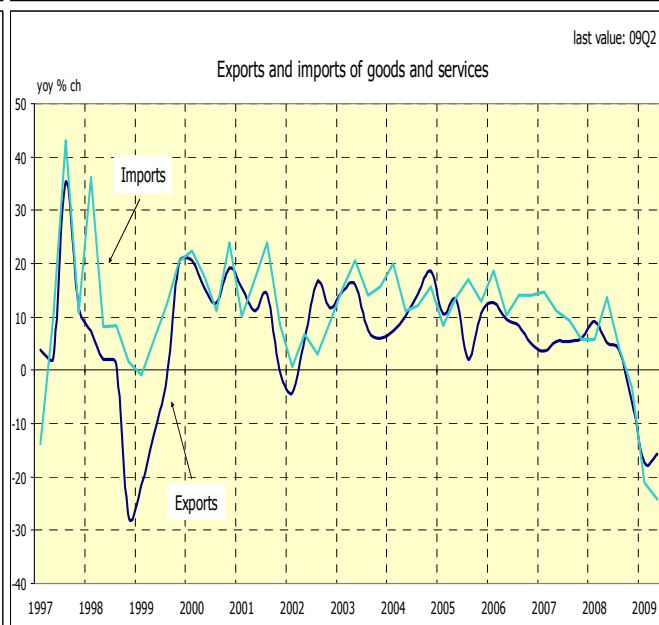
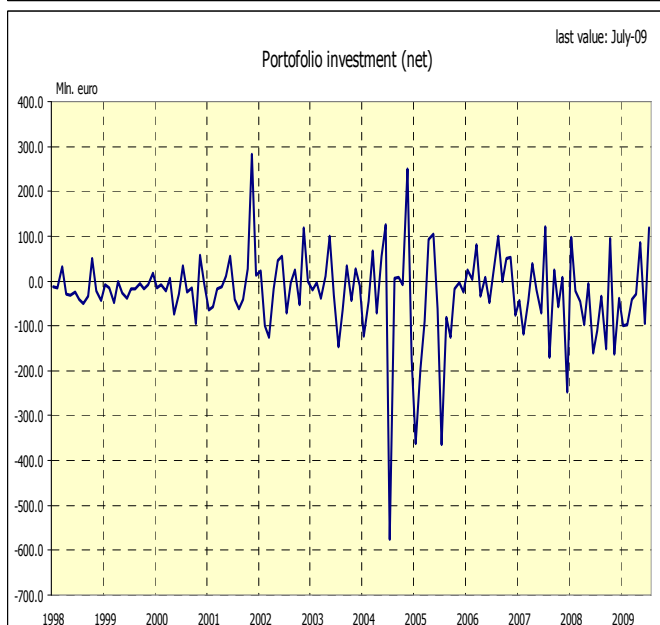
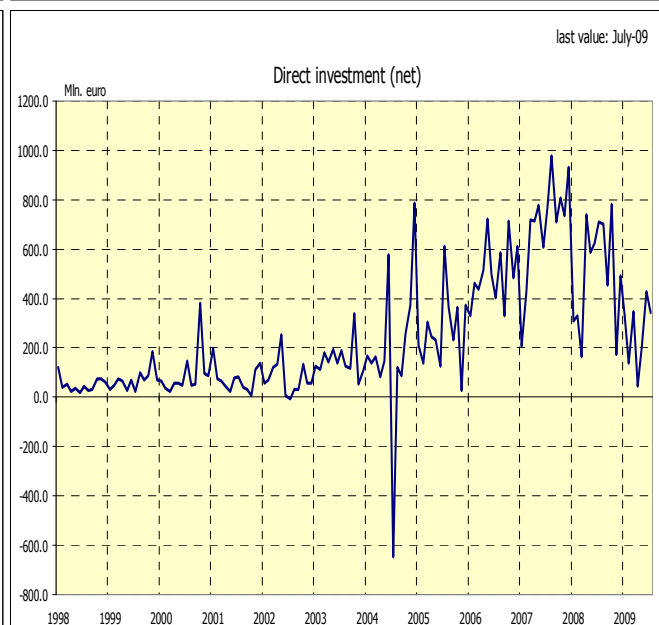
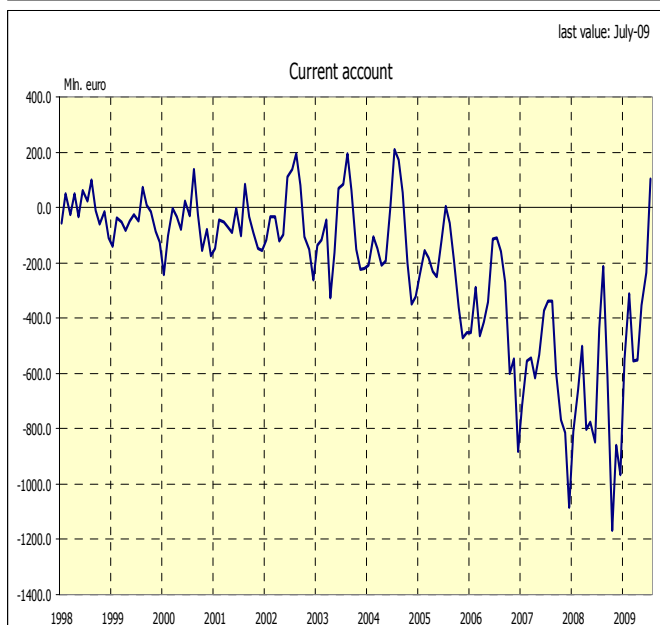
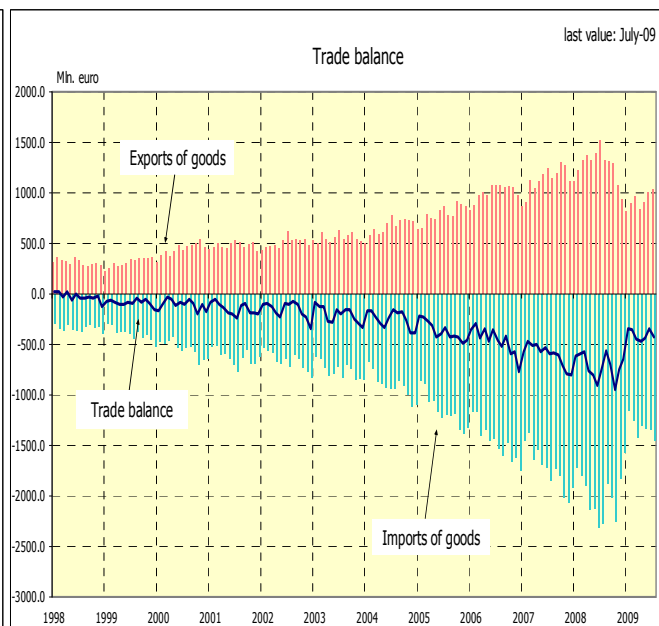
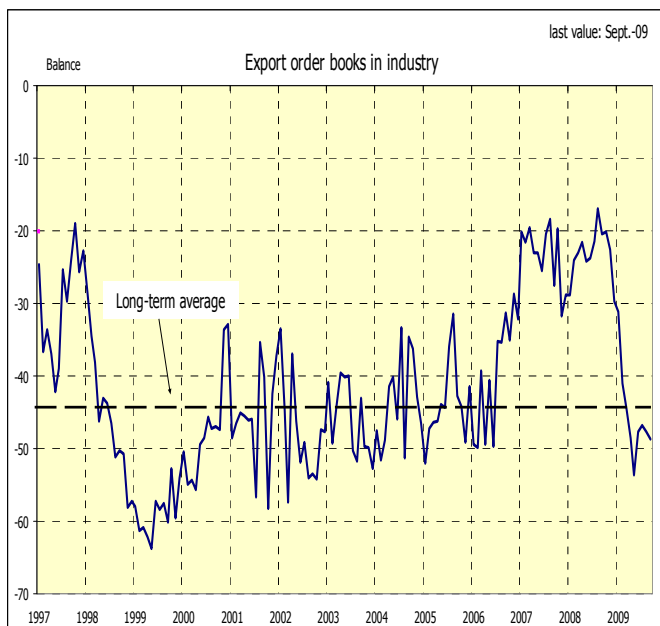
3. INVESTMENT

4. LABOUR MARKET



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

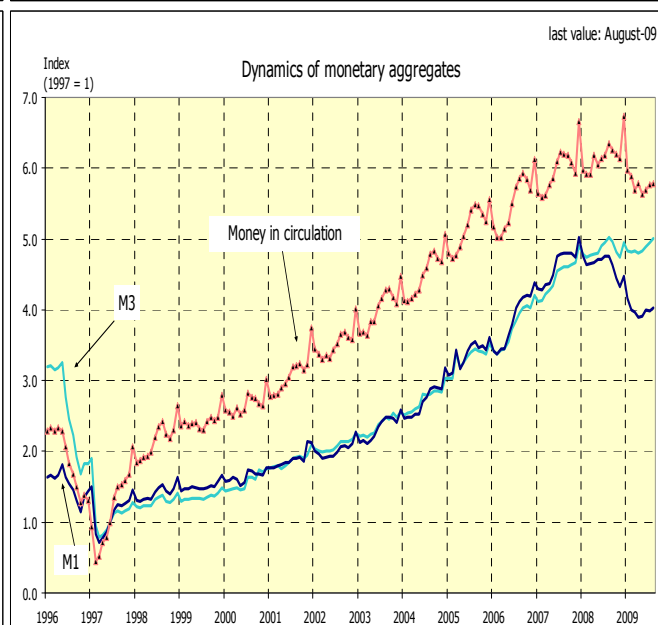
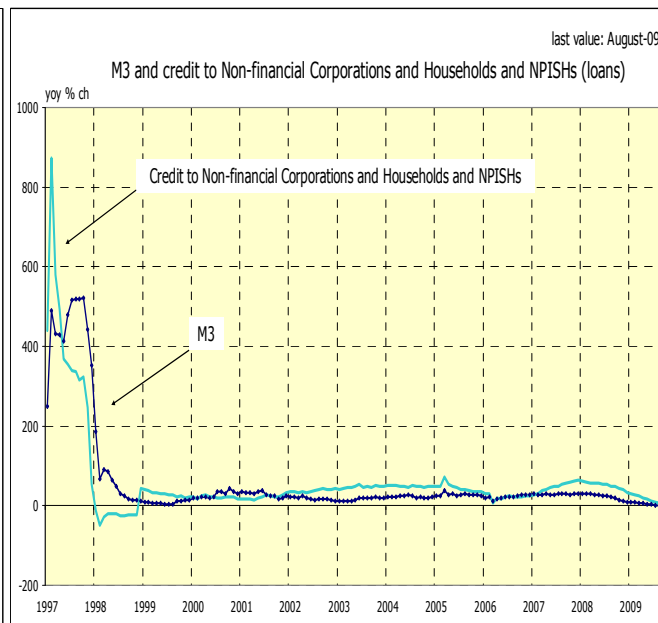
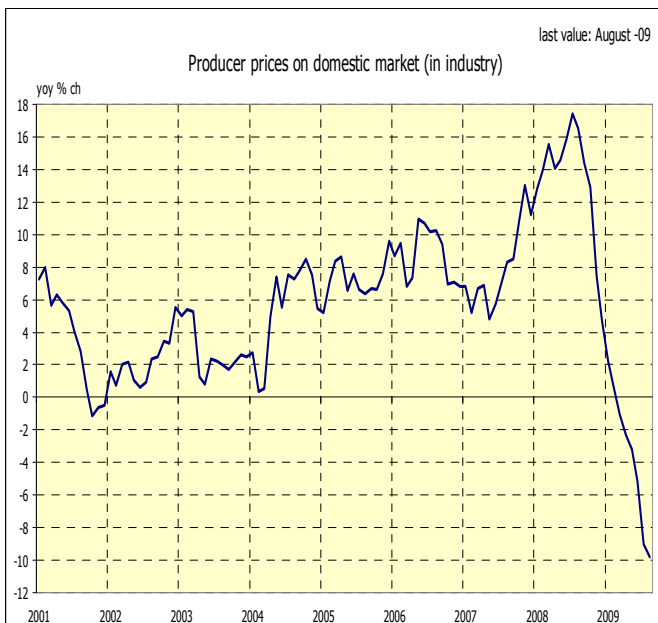
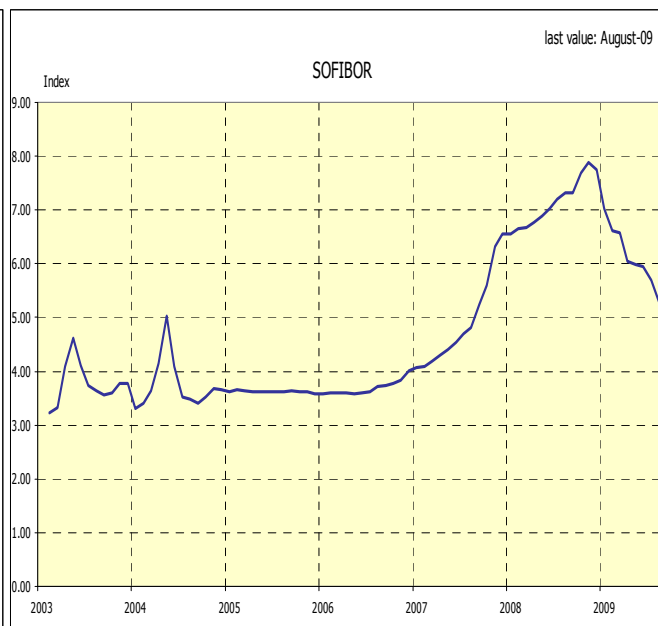
5. INTERNATIONAL TRANSACTIONS



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



<b>Key indicators for Bulgaria - Explanatory notes</b>			
№	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	NSI
1.3.	Gross Domestic Product	Growth rate compared to the same period of the previous year	NSI
<b>2. Private consumption</b>			
2.1.	Consumer confidence indicator	Consumer survey. The consumer confidence indicator is an arithmetic average of balances to replies to four questions (financial and economic situation, unemployment and savings over the next 12 months)	NSI
2.2.	Retail sales	Sales in retail trade (excluding motor vehicles), growth rate compared to the same period of the previous year	NSI
2.3.	Private consumption	Growth rate compared to the same period of the previous year	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	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	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	NSI
5.9.	Imports of goods and services	Growth rate compared to the same period of the previous year	NSI
<b>6. Prices</b>			
6.1.	Harmonized Index of Consumer Prices	Growth rate compared to the same period of previous year	NSI
6.2.	Producer prices on domestic market (in industry)	Growth rate compared to the same period of 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