

# KEY INDICATORS FOR BULGARIA



National statistical institute

## Key indicators for Bulgaria

This update: 30 June 2010

Next update: 30 September 2010

		2007	2008	2009	Dec.-09	Jan.-10	Feb.-10	Mar.-10	Apr.-10	May-10
<b>1. Output</b>										
Industrial confidence <sup>1.1</sup>	%	8.7	6.6	-8.4	-9.8	-8.7	-9.6	-7.9	-7.6	-5.7
Industrial production <sup>1.2</sup>	yoy % ch.*	9.7	0.9	-18.2	-12.2	-1.2	-10.0	1.5	0.2	
		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>08Q4</b>	<b>09Q1</b>	<b>09Q2</b>	<b>09Q3</b>	<b>09Q4</b>	<b>10Q1</b>
Gross domestic product <sup>1.3</sup>	yoy % ch.*	6.2	6.0	-5.0	3.5	-3.5	-4.9	-5.4	-5.9	-3.6
<b>2. Private consumption</b>										
Consumer confidence <sup>2.1</sup>	%	-31.7	-36.6	-49.6	-45.2	-52.8	-47.3	-53.2	-54.0	-47.6
		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Dec.-09</b>	<b>Jan.-10</b>	<b>Feb.-10</b>	<b>Mar.-10</b>	<b>Apr.-10</b>	<b>May-10</b>
Turnover in Retail trade <sup>2.2</sup>	yoy % ch.*	19.4	9.3	-8.8	-12.1	-12.9	-11.9	-11.6	-11.7	
		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>08Q4</b>	<b>09Q1</b>	<b>09Q2</b>	<b>09Q3</b>	<b>09Q4</b>	<b>10Q1</b>
Private consumption <sup>2.3</sup>	yoy % ch.*	5.1	4.5	-6.2	1.8	-6.0	-5.0	-4.7	-8.7	-5.7
<b>3. Investment</b>										
Capacity utilization in industry <sup>3.1</sup>	%	72.6	74.9	66.7	70.6	67.4	63.9	64.8	64.5	68.9
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.*	21.7	20.4	-26.9	15.8	-14.1	-16.3	-36.5	-35.4	-14.9
Change in stocks <sup>3.3</sup>	% of GDP	7.0	5.0	1.4	2.2	0.7	1.0	1.1	2.6	0.7
<b>4. Labour market</b>										
Unemployment <sup>4.1</sup>	%	6.9	5.6	6.8	5.0	6.4	6.3	6.7	7.9	10.2
Employed persons <sup>4.2</sup>	yoy % ch.*	4.6	3.3	-3.2	1.7	-0.8	-2.1	-4.0	-5.7	-7.7
Labour costs <sup>4.3</sup>	yoy % ch.*	16.9	19.1	13.3	18.9	19.5	15.7	10.8	7.1	9.4
		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Dec.-09</b>	<b>Jan.-10</b>	<b>Feb.-10</b>	<b>Mar.-10</b>	<b>Apr.-10</b>	<b>May-10</b>
Shortage of labour in industry <sup>4.4</sup>	%	16.3	20.0	10.9	8.8	8.5	6.1	5.6	5.4	5.9
Wages <sup>4.5</sup>	yoy % ch.*	19.5	26.5	8.5	10.4	9.7	10.3	9.8		
<b>5. International transactions</b>										
Export order books in industry <sup>5.1</sup>	balance	-23.3	-23.1	-45.6	-46.1	-47.7	-50.5	-47.1	-46.1	-44.9
Exports of goods <sup>5.2</sup>	mln. EUR	13511.9	15203.8	11786.6	978.7	920.0	1001.8	1120.8	1137.4	
Imports of goods <sup>5.3</sup>	mln. EUR	20757.2	23801.1	15889.3	-1341.6	-1096.5	-1113.4	-1432.3	-1463.4	
Trade balance <sup>5.4</sup>	mln. EUR	-7245.3	-8597.3	-4102.7	-362.8	-176.5	-111.5	-311.5	-326.0	
Current account <sup>5.5</sup>	mln. EUR	-7755.1	-8198.9	-3196.0	-371.1	-280.9	11.6	-252.6	-174.4	
Direct investment (net) <sup>5.6</sup>	mln. EUR	8838.1	6213.5	3310.5	458.3	57.8	142.0	-91.2	35.1	
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	-518.4	-747.4	-593.5	-50.1	-18.1	58.5	-158.2	15.1	
		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>08Q4</b>	<b>09Q1</b>	<b>09Q2</b>	<b>09Q3</b>	<b>09Q4</b>	<b>10Q1</b>
Exports of goods and services <sup>5.8</sup>	yoy % ch.*	5.2	2.9	-9.8	-6.0	-17.4	-15.8	-6.7	0.8	5.9
Imports of goods and services <sup>5.9</sup>	yoy % ch.*	9.9	4.9	-22.3	-3.2	-21.1	-24.3	-23.4	-20.0	-2.6
<b>6. Prices</b>										
HICP <sup>6.1</sup>	yoy % ch.*	7.6	12.0	2.5	1.6	1.8	1.7	2.4	3.0	3.0
Producer prices on domestic market (in industry) <sup>6.2</sup>	yoy % ch.*	7.9	13.3	-4.2	-0.7	1.8	2.5	2.8	5.6	
Selling price expectations in industry <sup>6.3</sup>	balance	17.3	17.1	2.5	7.0	6.3	5.0	8.0	7.5	6.7
Selling price expectations in retail trade <sup>6.4</sup>	balance	27.5	36.4	0.9	-0.6	-0.2	0.6	2.9	10.3	9.8
<b>7. Monetary and financial indicators</b>										
SOFIBOR (3 months) <sup>7.1</sup>	index	4.90	7.14	5.72	4.71	4.44	4.27	4.21	4.21	4.19
M3 <sup>7.2</sup>	yoy % ch.*	31.2	8.8	4.3	4.3	5.5	8.1	7.8	7.9	8.2
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.*	63.7	32.5	3.6	3.6	2.9	2.4	2.3	1.7	2.3
Exchange rate USD/BGN <sup>7.4</sup>	value	1.43	1.34	1.41	1.34	1.37	1.43	1.44	1.46	1.56
Nominal effective exchange rate <sup>7.5</sup>	index	127.5	131.2	134.0	134.0	132.9	131.9	131.6	130.8	

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

## Comments

### 1. Output

According to the NSI business inquiries in June 2010 the **industrial confidence indicator** decreased by 0.7 percentage points in comparison with May. This is due to the more unfavorable managers' expectations about the production activity over the next 3 months. With regard to the production assurance with orders a slight improvement in comparison the previous month was registered.

In April 2010 the **Industrial Production Index** increased by 0.2% in comparison with the same month of the previous year (by preliminary data). A drop was recorded in Mining and quarrying (by 5.0%). At the same time in Electricity, gas, steam and air conditioning supply and in Manufacturing was registered an increase of 1.9 and 0.4% respectively.

By preliminary operative data the **gross domestic product (GDP)** in the first quarter of 2010 amounted to BGN 14 050.0 million at current prices and GDP per capita was BGN 1 862.0. At the average exchange rate for the quarter of BGN 1.414828 for 1 US dollar, GDP amounted to USD 9 930.5 million and respectively USD 1 316.0 per capita. GDP recalculated in Euro was EUR 7 183.6 million or EUR 952.0 per capita. The real volume of GDP dropped by 3.6% compared to the first quarter of 2009.

### 2. Private consumption

In April 2010 the total **consumer confidence indicator** increased by 6.4 percentage points in comparison with January 2010, which was due mostly to the increased confidence of urban inhabitants and to a lesser extent - of rural inhabitants. The negativism in the consumers' expectations about the next 12 months regarding the financial situation of households, the general economic situation in the country and the unemployment decreased.

In April 2010 the **turnover in Retail Trade** decreased by 11.7% compared to the same month of 2009 (by preliminary data). The drop was observed

in all constituent groups, as in Retail sale of food, beverages and tobacco was registered an insignificant decrease of 0.1%. The highest decrease was recorded in "Retail sale of computers, peripheral units and software; telecommunications equipment" - by 23.9%.

In the first quarter of 2010 for **individual consumption of the population** were spent 76.7% of the produced GDP. The real decrease of the indicator was by 5.7% in comparison with the respective quarter of 2009.

### 3. Investment

The **average capacity utilization in industry** in April 2010 increased by 4.4 percentage points in comparison with January and it reached 68.9%.

In the first quarter of 2010 the **gross fixed capital formation** decreased in real terms by 14.9% in comparison with the same period of the previous year. The relative share of that category in GDP is 22.6%.

### 4. Labour market

In the first quarter of 2010 the **total number of employed persons** aged 15 and over was 3 011.3 thousand and their relative share of the population of the same age group was 46.1%. In comparison with the same period of 2009 the number of persons employed decreased by 251.5 thousand and the employment rate - by 3.4 percentage points.

In the first quarter of 2010 the **unemployed persons** were 341.0 thousand or 10.2% of the labour force. The unemployment rate compared to the same quarter of the previous year increased by 3.8 percentage points and the number of unemployed persons - by 118.8 thousand.

According to the NSI business inquiries in June 2010 6.3% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In March 2010 the **average wage and salary** was BGN 636 (by preliminary data) which is by 4.3% higher than the previous month. In comparison with March 2009 the growth rate is 9.8%.

## 5. International transactions

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

In the period January - April 2010 **the current account** deficit was EUR 696.2 million (2.0% of the projected GDP for 2010), against a deficit of EUR 1 999.6 million (5.9% of GDP) for January - April 2009.

**The trade balance** in the period January - April 2010 was negative and it amounted to EUR 925.6 million (2.7% of the projected GDP for 2010) compared to a deficit of EUR 1 614.2 million (4.8% of GDP) for January - April 2009.

**Exports of goods (FOB)** in January - April 2010 amounted to EUR 4 180.0 million against EUR 3 513.3 million for January - April 2009, increasing by 19.0% annually against an annual decrease of 30.1% for January - April 2009. **Imports of goods (FOB)** in January - April 2010 amounted to EUR 5 105.6 million, against EUR 5 127.5 million for January - April 2009, decreasing by 0.4% annually against an annual decrease of 32.2% for January - April 2009.

**Foreign direct investment abroad** for January - April 2010 was EUR 24.4 million against EUR 35.2 million for the same period of 2009. **Foreign direct investment in Bulgaria** was EUR 168.1 million (0.5% of projected GDP) against EUR 955.0 million (2.8% of GDP) for January - April 2009. The direct investment covered 24.2% of the current account deficit against 47.8% for January - April 2009.

In January - April 2010 the **portfolio investment - assets** increased by EUR 79.9 million, compared to an increase of EUR 447.2 million for the same period of 2009. **Portfolio investment - liabilities** decreased by EUR 22.8 million, compared to a decrease of EUR 84.4 million for January - April 2009.

In the first quarter of 2010 the external balance of goods and services was negative. **The imports of goods and services** exceeded the value of the exports by BGN 1 197.0 million. Compared to the respective quarter of 2009 the **exports of goods and services** increased in real terms by 5.9% and the imports decreased by 2.6%.

## 6. Prices

In May 2010 the **harmonized index of consumer prices** increased by 3.0% compared to the same month of 2009. The highest increase was registered in "Alcoholic beverages and tobacco" - by 26.2%. A decrease of prices was observed in the groups "Food and non-alcoholic beverages", "Clothing and footwear", "Communications", "Housing, water, electricity, gas and other fuels".

**The Producer Price Index on Domestic Market** in April 2010 increased by 5.6% compared to the same month of 2009. The prices rose in mining and quarrying - by 23.9% and in manufacturing - by 9.9%, while in electricity, gas, steam and air conditioning supply was registered a decrease - by 6.4%.

According to the conjuncture inquiry in June 2010 the expectations of the enterprises with regard to the **prices** in industry were for the preservation of their level over the next 3 months.

## 7. Monetary and financial indicators

In May 2010 the **three-month interbank market index SOFIBOR** decreased from 4.21 to 4.19% in comparison with the previous month, whereas the value in May 2009 was 5.98%.

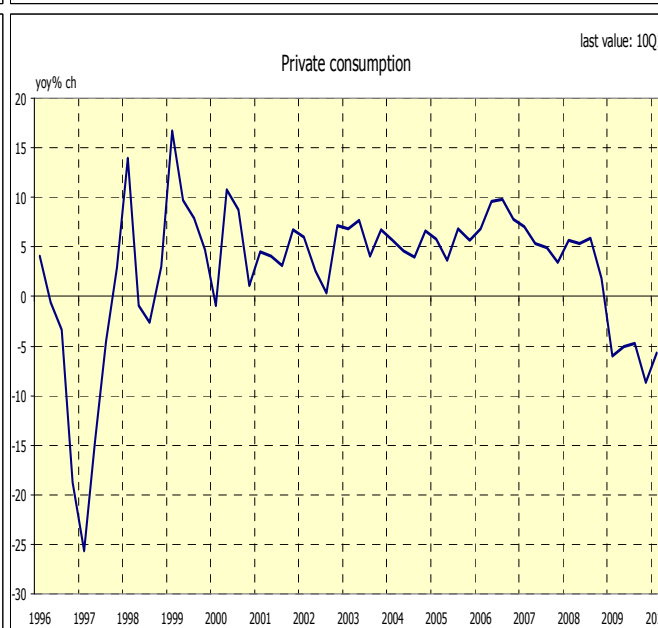
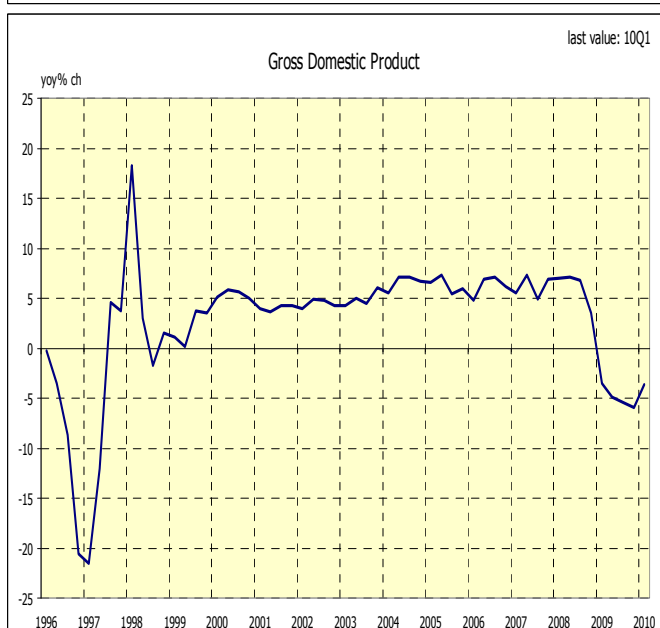
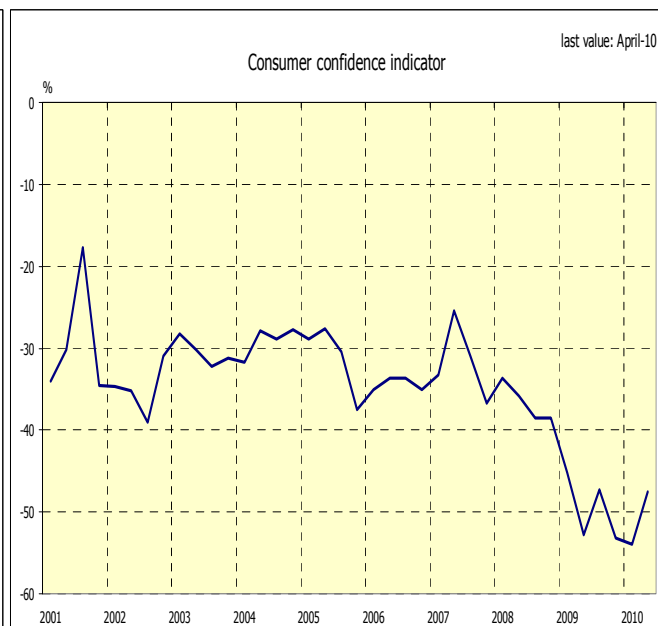
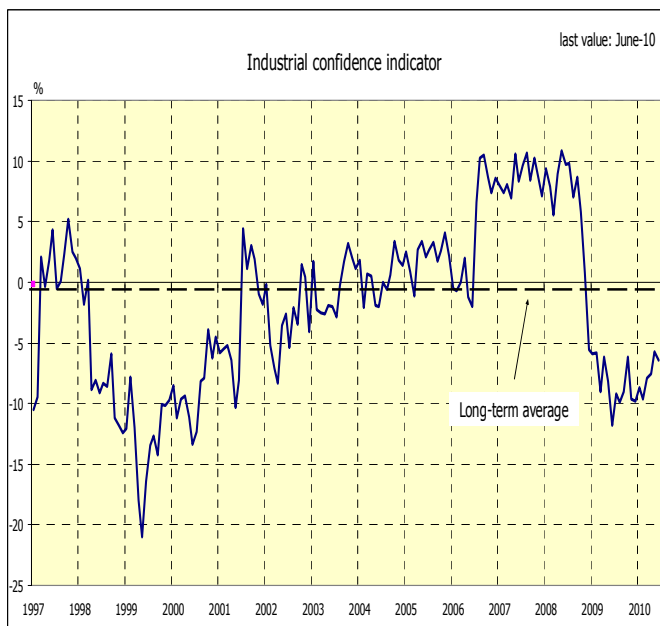
The annual growth rate of **the broad money (monetary aggregate M3)** was 8.2% in May 2010 against 7.9% in April, as at the end of May M3 amounted to BGN 48.857 billion (71.7% of the projected GDP for 2010) against BGN 48.597 billion in April 2010 (71.3% of GDP). The narrow money M1 amounted to BGN 17.744 billion as it increased by 1.1% annually against an increase of 0.5% in April.

In May 2010 the volume of the **loans to non-financial corporations, households and NPISHs** amounted to BGN 49.831 billion (73.1% of the projected GDP for 2010) and the annual increase was by 2.3% against 1.7% in April 2010. The annual growth rate of the loans to non-financial corporations in May was 1.2% against 0.3% in the previous month and for the households and NPISHs - 4.1% in May compared to 4.2% in April.

In May 2010 the **exchange rate BGN against the US dollar** increased in comparison with the previous month from 1.46 to 1.56.

## 1. OUTPUT

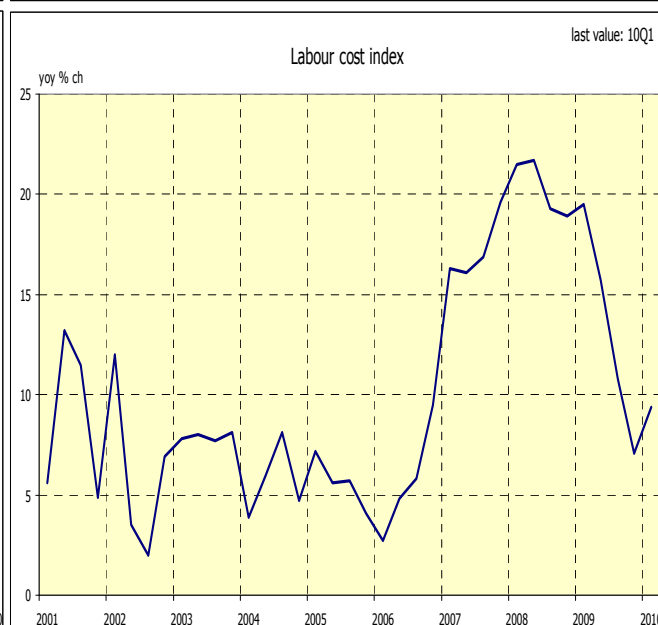
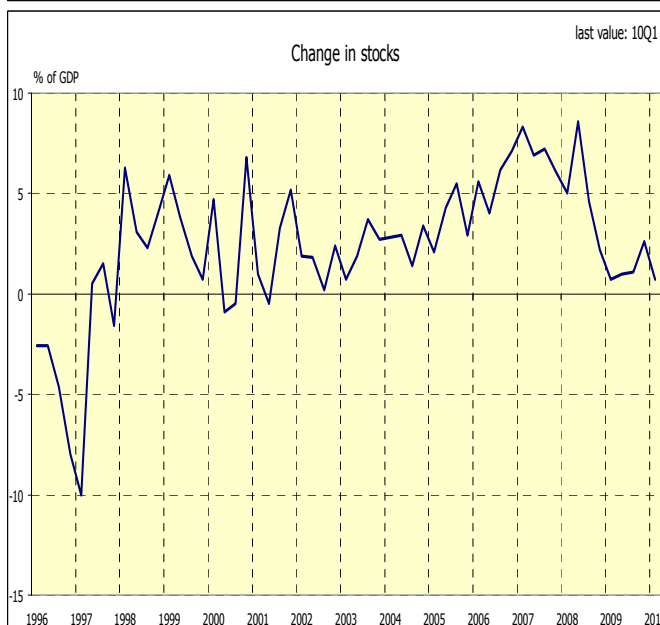
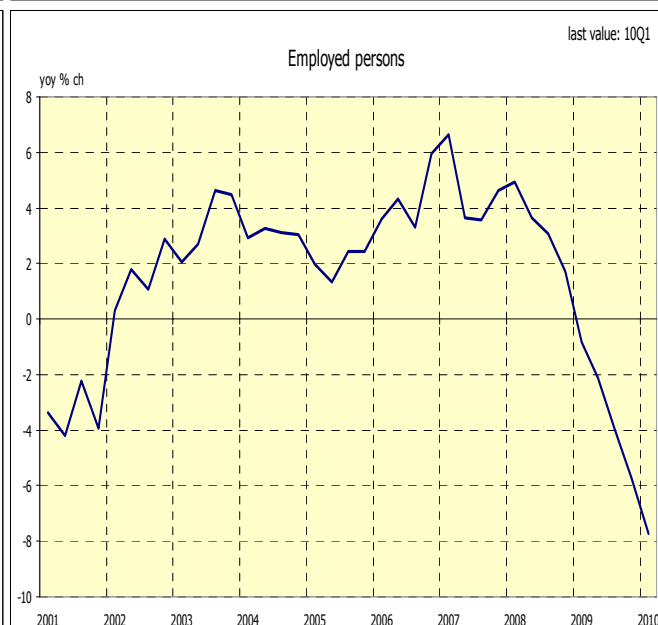
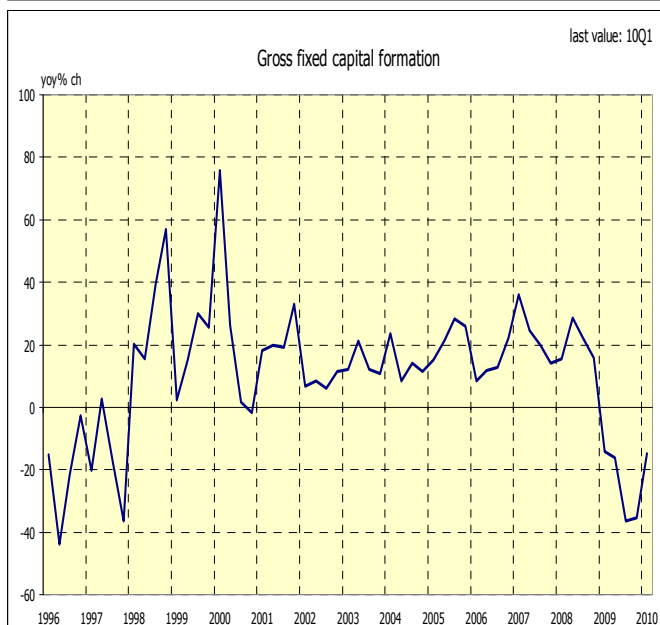
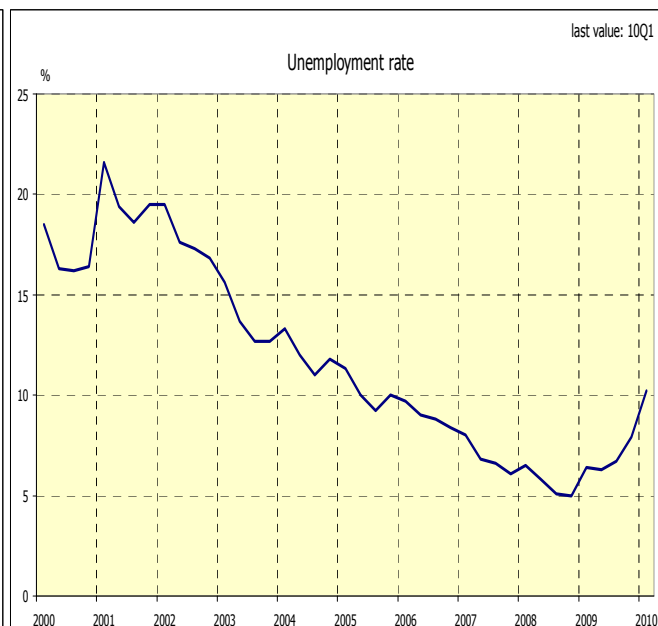
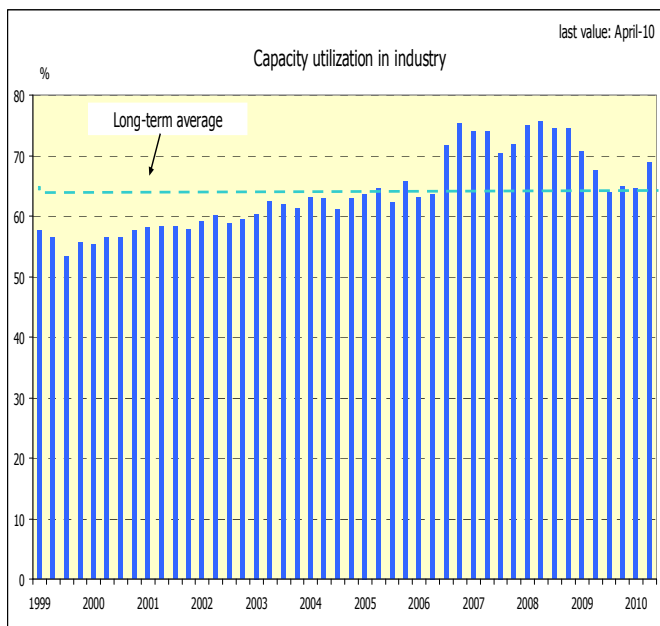
## 2. PRIVATE CONSUMPTION



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

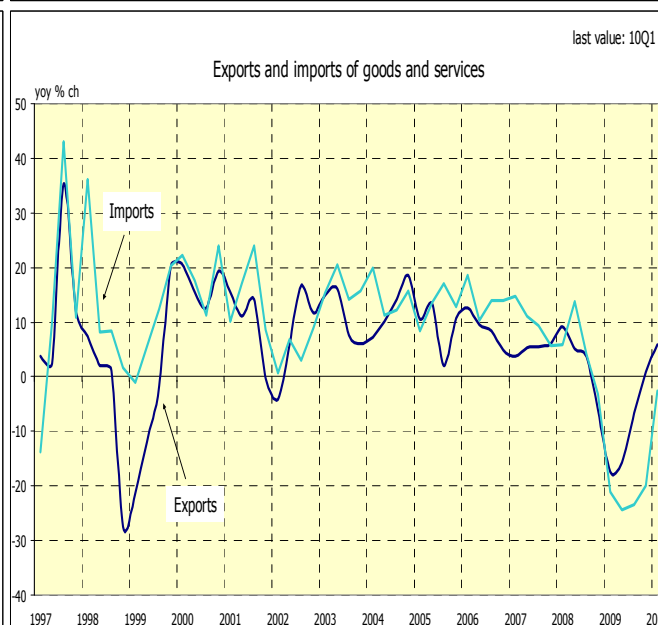
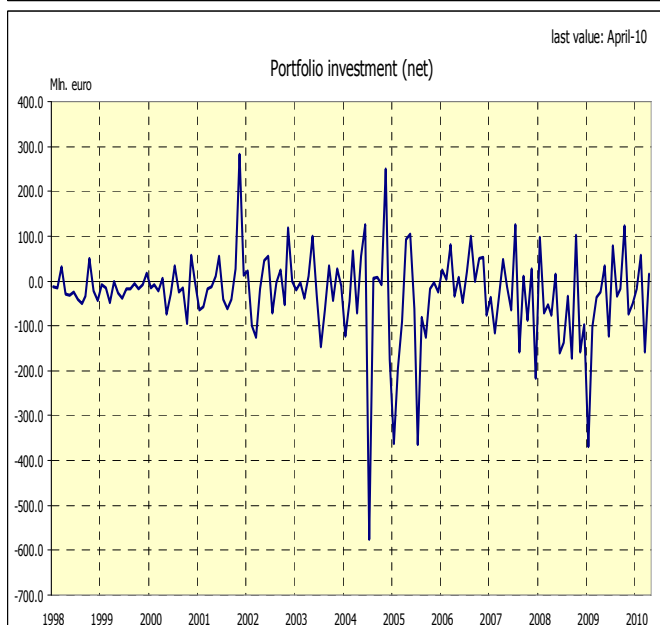
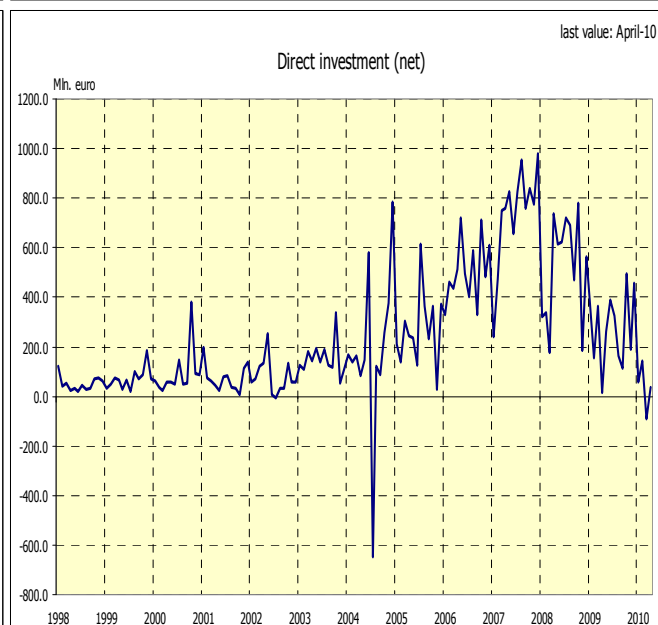
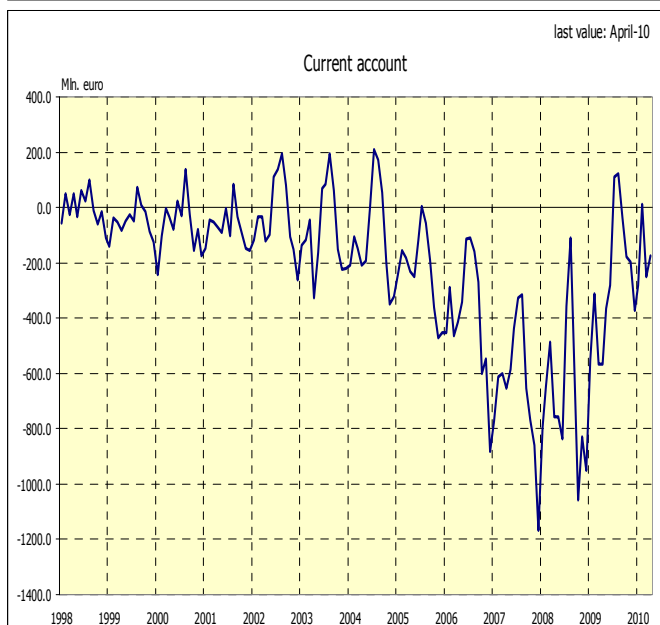
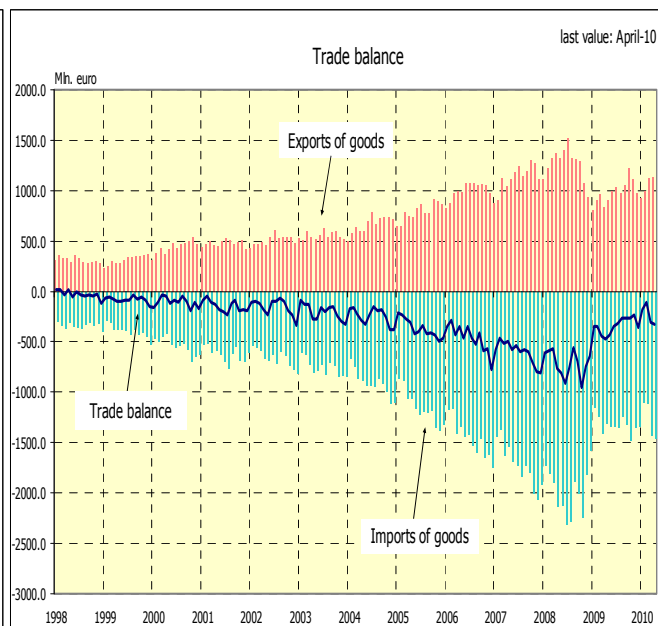
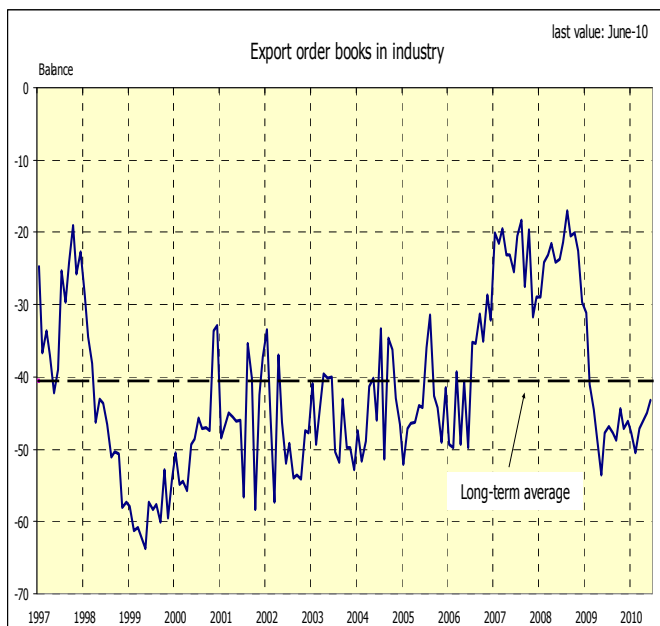
## 3. INVESTMENT

## 4. LABOUR MARKET



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

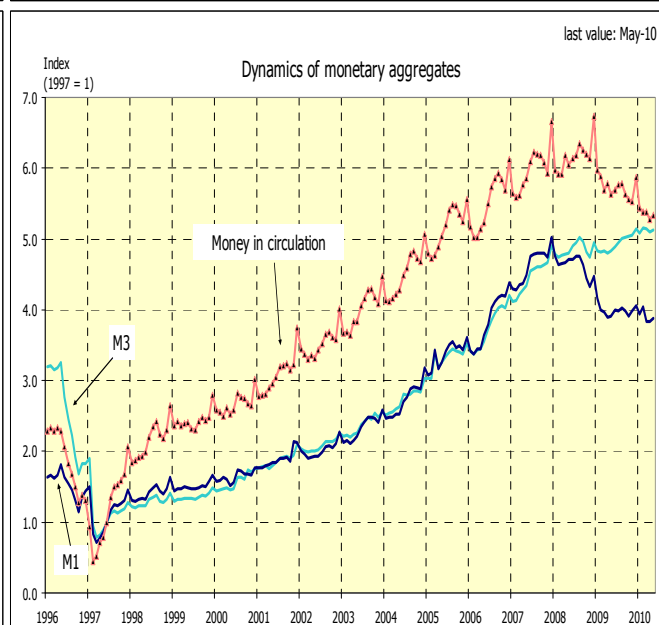
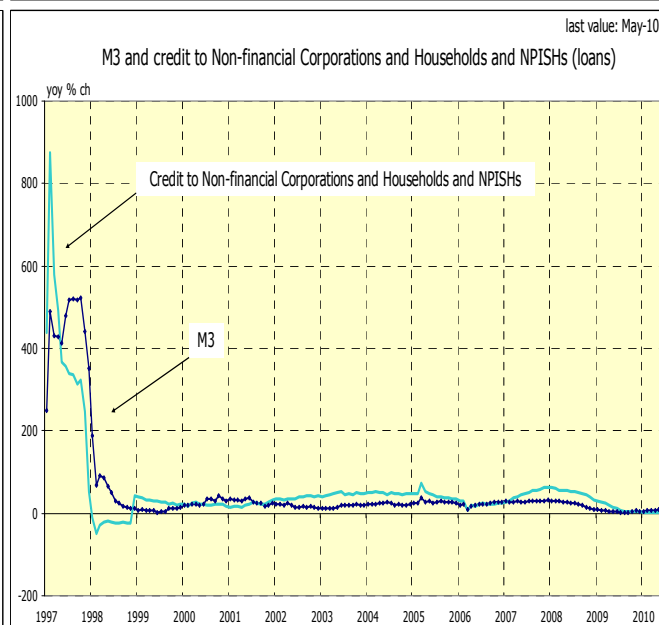
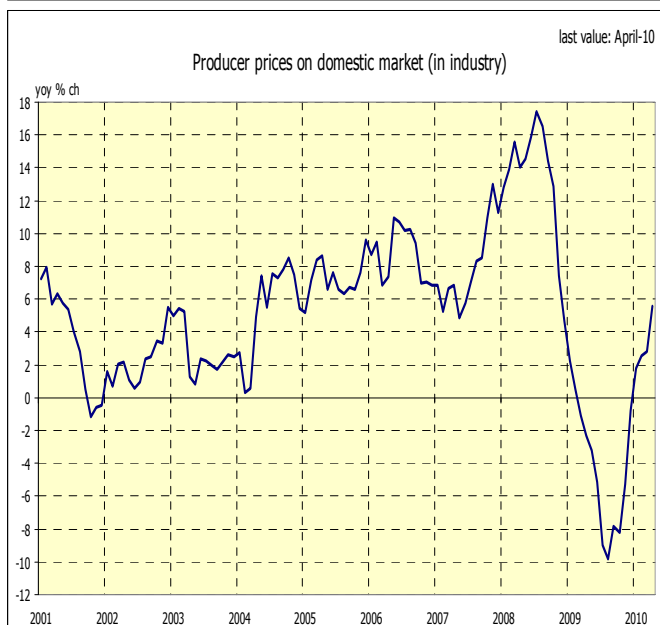
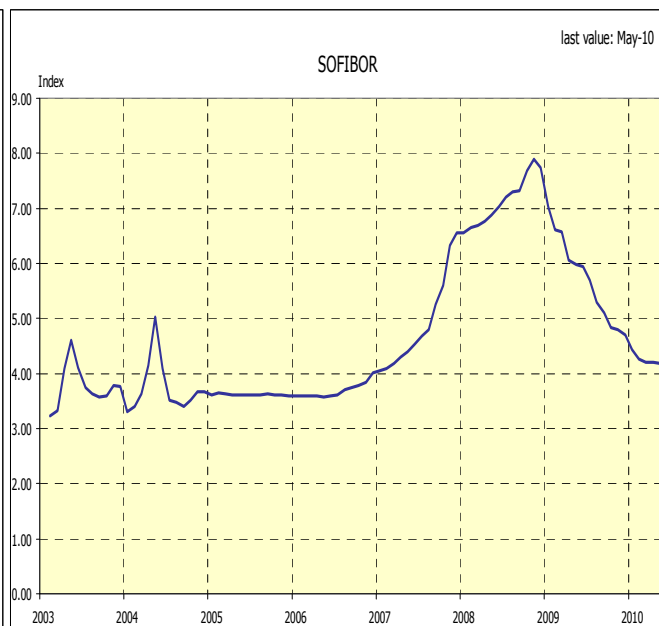
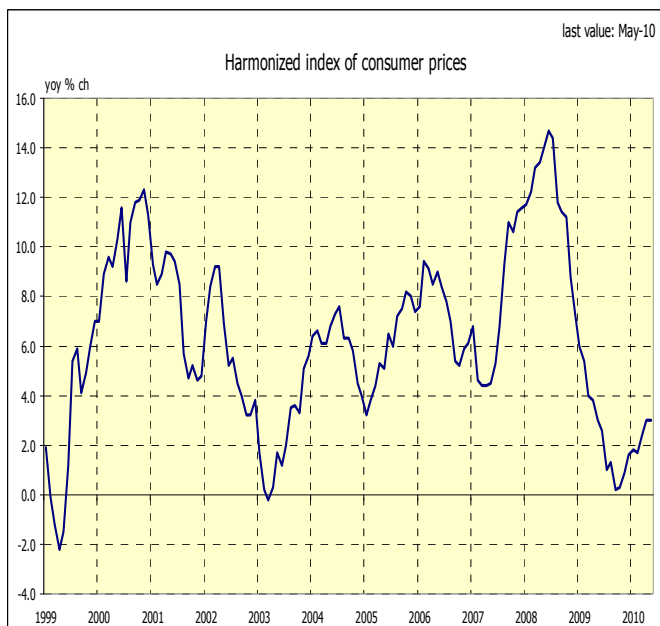
## 5. INTERNATIONAL TRANSACTIONS



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.	Turnover in Retail trade	Turnover 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 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