



## Key indicators for Bulgaria

This update: 1 April 2011

Next update: 1 July 2011

		2008	2009	2010	Sept.-10	Oct.-10	Nov.-10	Dec.-10	Jan.-11	Feb.-11
<b>1. Output</b>										
Industrial confidence <sup>1.1</sup>	%	5.9	-9.5	-7.2	-5.1	-5.6	-6.2	-4.9	-4.5	-3.3
Industrial production <sup>1.2</sup>	yoy % ch.	0.7	-18.1	2.0	8.7	4.7	5.7	5.2	9.3	
		<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>09Q3</b>	<b>09Q4</b>	<b>10Q1</b>	<b>10Q2</b>	<b>10Q3</b>	<b>10Q4</b>
Gross domestic product <sup>1.3</sup>	yoy % ch.	6.2	-5.5	0.2	-6.0	-6.7	-0.8	-0.3	0.5	2.8
<b>2. Private consumption</b>										
Consumer confidence <sup>2.1</sup>	%	-36.6	-49.6	-46.2	-53.2	-54.0	-47.6	-43.1	-40.1	-38.6
		<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Sept.-10</b>	<b>Oct.-10</b>	<b>Nov.-10</b>	<b>Dec.-10</b>	<b>Jan.-11</b>	<b>Feb.-11</b>
Turnover in retail trade <sup>2.2</sup>	yoy % ch.	9.1	-7.4	-7.1	-4.3	-4.5	-4.8	-3.7	-0.4	
		<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>09Q3</b>	<b>09Q4</b>	<b>10Q1</b>	<b>10Q2</b>	<b>10Q3</b>	<b>10Q4</b>
Private consumption <sup>2.3</sup>	yoy % ch.	3.0	-7.6	-0.6	-2.8	-4.6	-3.5	-3.7	-5.9	-2.9
<b>3. Investment</b>										
Capacity utilization in industry <sup>3.1</sup>	%	73.4	66.0	68.0	65.1	64.5	68.5	67.9	71.1	70.5
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.	21.9	-17.6	-16.5	-31.1	-33.7	-19.9	-15.6	-5.3	7.2
Change in stocks <sup>3.3</sup>	% of GDP	3.9	0.5	1.4	0.4	0.9	0.6	1.7	1.1	2.2
<b>4. Labour market</b>										
Unemployment <sup>4.1</sup>	%	5.6	6.8	10.2	6.7	7.9	10.2	10.0	9.5	11.2
Employed persons <sup>4.2</sup>	yoy % ch.	3.3	-3.2	-6.2	-4.0	-5.7	-7.7	-6.9	-5.4	-4.7
Labour costs <sup>4.3</sup>	yoy % ch.	19.1	13.3	9.9	9.8	7.8	10.0	9.2	10.6	8.0
		<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Sept.-10</b>	<b>Oct.-10</b>	<b>Nov.-10</b>	<b>Dec.-10</b>	<b>Jan.-11</b>	<b>Feb.-11</b>
Shortage of labour in industry <sup>4.4</sup>	%	19.5	11.1	6.5	5.7	5.8	6.8	6.4	6.7	6.6
Wages <sup>4.5</sup>	yoy % ch.	26.5	11.8	6.3	9.3	9.4	11.2	10.6		
<b>5. International transactions</b>										
Export order books in industry <sup>5.1</sup>	balance	-28.5	-47.6	-43.5	-40.0	-38.3	-38.9	-38.0	-40.8	-44.6
Exports of goods <sup>5.2</sup>	mln. EUR	15203.8	11699.3	15588.3	1441.4	1450.6	1460.1	1399.1	1590.6	
Imports of goods <sup>5.3</sup>	mln. EUR	23801.1	15872.8	18000.8	-1532.6	-1645.3	-1876.8	-1728.2	-1478.9	
Trade balance <sup>5.4</sup>	mln. EUR	-8597.3	-4173.6	-2412.5	-91.2	-194.7	-416.7	-329.2	111.7	
Current account <sup>5.5</sup>	mln. EUR	-8162.4	-3117.8	-356.2	277.8	-168.6	-391.9	-276.5	158.1	
Direct investment (net) <sup>5.6</sup>	mln. EUR	6212.2	2497.7	1458.9	125.2	67.6	286.7	218.2	95.4	
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	-730.6	-570.3	-661.1	30.0	60.6	-18.6	-194.9	-109.1	
		<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>09Q3</b>	<b>09Q4</b>	<b>10Q1</b>	<b>10Q2</b>	<b>10Q3</b>	<b>10Q4</b>
Exports of goods and services <sup>5.8</sup>	yoy % ch.	3.0	-11.2	16.2	-10.2	-1.7	5.5	12.6	18.5	16.0
Imports of goods and services <sup>5.9</sup>	yoy % ch.	4.2	-21.0	4.5	-20.3	-18.9	-2.8	0.3	3.0	15.0
<b>6. Prices</b>										
HICP <sup>6.1</sup>	yoy % ch.	12.0	2.5	3.0	3.6	3.6	4.0	4.4	4.3	4.6
Producer prices on domestic market (in industry) <sup>6.2</sup>	yoy % ch.	13.3	-4.2	7.2	9.6	10.1	11.1	12.0	11.1	12.5
Selling prices expectations in industry <sup>6.3</sup>	balance	17.7	1.6	5.5	3.0	3.9	7.0	7.0	8.2	11.5
Selling prices expectations in retail trade <sup>6.4</sup>	balance	35.5	0.7	5.4	2.7	3.7	3.6	3.7	3.5	4.2
<b>7. Monetary and financial indicators</b>										
SOFIBOR (3 months) <sup>7.1</sup>	index	7.14	5.72	4.12	3.94	3.99	3.99	3.93	3.91	3.88
M3 <sup>7.2</sup>	yoy % ch.	8.8	4.2	6.2	8.4	8.2	9.0	6.2	7.1	5.9
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.	32.5	3.6	1.2	1.4	1.3	1.1	1.2	1.5	1.6
Exchange rate USD/BGN <sup>7.4</sup>	value	1.34	1.41	1.48	1.50	1.41	1.43	1.48	1.46	1.43
Nominal effective exchange rate <sup>7.5</sup>	index	131.2	134.0	130.5	130.0	131.5	131.1	130.5	130.6	

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



## Comments

### 1. Output

According to the NSI business inquiries in March 2011 the **industrial confidence indicator** approximately preserved its February level. The inquiry registered a decrease of the expectations about an increase of activity over the next 3 months. At the same time the production assurance with orders has improved and the level of stocks of finished goods has been decreased.

In January 2011 the working-day-adjusted **Industrial Production Index** rose by 9.3% in comparison with the same month of the previous year (by preliminary data). An increase was recorded in Manufacturing - by 14.9%, and in Mining and quarrying - by 13.7%, while Electricity, gas, steam and air conditioning supply registered a drop of 2.7%.

By preliminary operative data the **gross domestic product (GDP)** in the fourth quarter of 2010 amounted to BGN 19 962.0 million at current prices and GDP per capita was BGN 2 658.8. At the average exchange rate for the quarter of BGN 1.440271 for 1 US dollar, GDP amounted to USD 13 860.0 million and respectively USD 1 846.1 per capita. GDP recalculated in Euro was EUR 10 206.5 million or EUR 1 359.4 per capita. In comparison with the fourth quarter of 2009 the real volume of GDP increased by 2.8% according to the seasonally adjusted data.

### 2. Private consumption

In January 2011 the total **consumer confidence indicator** increased by 1.5 percentage points in comparison with October 2010, which was due to the increased confidence of rural inhabitants. The consumers' assessments and expectations regarding the general economic situation in the country have improved mostly for the rural population.

In January 2011 the working-day-adjusted **turnover in retail trade** decreased by 0.4% compared to the same month of 2010 (by preliminary data). An increase was observed in the following major groups: "Retail sale of automotive fuel in specialised stores" - by 3.0%, "Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles in specialised stores" - 1.7%, and "Retail sale of food, beverages and tobacco" - by 0.8%. The "Retail sale of

audio and video equipment; hardware, paints and glass; electrical household appliances", the "Retail sale of textiles, clothing, footwear and leather goods" and the "Retail sale of computers, peripheral units and software; telecommunications equipments" decreased respectively by 5.9, 4.0 and 3.8%.

In the fourth quarter of 2010 for **individual consumption of the population** were spent 69.7% of the produced GDP. The real decrease of the indicator was by 2.9% in comparison with the respective quarter of 2009 (according to the seasonally adjusted data).

### 3. Investment

The **average capacity utilization in industry** in January 2011 approximately preserved its level from October 2010 and was assessed to be 70.5%.

In the fourth quarter of 2010 the **gross fixed capital formation** increased in real terms (according to the seasonally adjusted data) by 7.2% in comparison with the same period of the previous year. The relative share of that category in GDP is 28.3%.

### 4. Labour market

In the fourth quarter of 2010 the **total number of employed persons** aged 15 and over was 3 023.7 thousand and their relative share of the population of the same age group was 46.3%. In comparison with the same period of 2009 the number of persons employed decreased by 147.9 thousand and the employment rate - by 1.9 percentage points.

In the fourth quarter of 2010 the **unemployed persons** were 382.4 thousand or 11.2% of the labour force. The unemployment rate compared to the same quarter of the previous year increased by 3.3 percentage points and the number of unemployed persons - by 109.6 thousand.

According to the NSI business inquiries in March 2011 7.2% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In December 2010 the **average wage and salary** was BGN 691 (by preliminary data) which is by 3.6% higher than the previous month. In comparison with December 2009 the growth rate is 10.6%.



## 5. International transactions

According to the industrial managers' assessments in March 2011 there was a slight improvement of the production assurance with **orders from abroad** in comparison with February.

In January 2011 **the current account** was positive - EUR 158.1 million (0.4% of the GDP projected for 2011), against a deficit of EUR 291.9 million (0.8% of GDP) for January 2010.

**The trade balance** in January 2011 was positive and it amounted to EUR 111.7 million (0.3% of the GDP projected for 2011) compared to a deficit of EUR 169.4 million (0.5% of GDP) for January 2010.

**Exports of goods (FOB)** in January 2011 amounted to EUR 1 590.6 million against EUR 921.3 million for January 2010, increasing by 72.6% annually against an annual increase of 13.2% for January 2010.

**Imports of goods (FOB)** in January 2011 amounted to EUR 1 478.9 million, against EUR 1 090.7 million for January 2010, increasing by 35.6% annually against an annual decrease of 5.0% for January 2010.

**Foreign direct investment abroad** for January 2011 was EUR 8.4 million against EUR 6.1 million for January 2010. **Foreign direct investment in Bulgaria** was EUR 103.8 million (0.3% of the projected GDP) against EUR 57.3 million (0.2% of GDP) for January 2010.

In January 2011 the **portfolio investment - assets** decreased by EUR 3.5 million, compared to an increase of EUR 37.4 million for January 2010. **Portfolio investment - liabilities** decreased by EUR 112.6 million, compared to an increase of EUR 4.4 million for January 2010.

In the fourth 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 1 766.4 million. In comparison with the respective quarter of 2009 the **exports of goods and services** increased in real terms by 16.0%, while the imports increased by 15.0% (according to the seasonally adjusted data).

## 6. Prices

In February 2011 the **harmonized index of consumer prices** increased by 4.6 compared to February 2010. A rise of prices was observed in all groups, with the exception of "Leisure time, recreational and cultural services", "Communication" and "Furnishings, household equipment and routine maintenance of the house". The highest increase was registered in "Alcoholic beverages and tobacco" - by 23.4%.

**The Producer Price Index on Domestic Market** in February 2011 increased by 12.5% compared to February 2010. In mining and quarrying the prices rose by 18.6%, in manufacturing - by 13.1%, and in electricity, gas, steam and air conditioning supply - by 10.4%.

According to the conjuncture inquiry in March 2011 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 February 2011 the **three-month interbank market index SOFIBOR** decreased from 3.91 to 3.88% in comparison with the previous month, whereas the value in February 2010 was 4.27%.

The annual growth rate of **the broad money (monetary aggregate M3)** was 5.9% in February 2011 against 7.1% in January, as at the end of February M3 amounted to BGN 51.293 billion (69.6% of the GDP projected for 2011) against BGN 50.821 billion in January 2011 (68.9% of GDP). The narrow money M1 amounted to BGN 18.227 billion, as it decreased by 0.1% annually against an increase of 1.4% in January 2011.

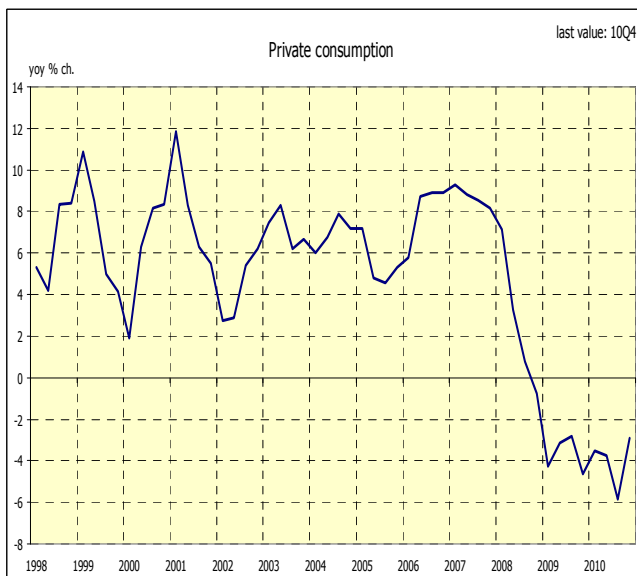
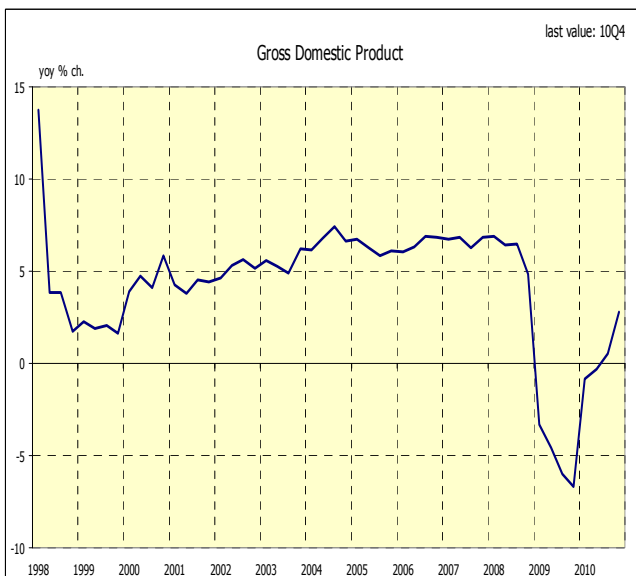
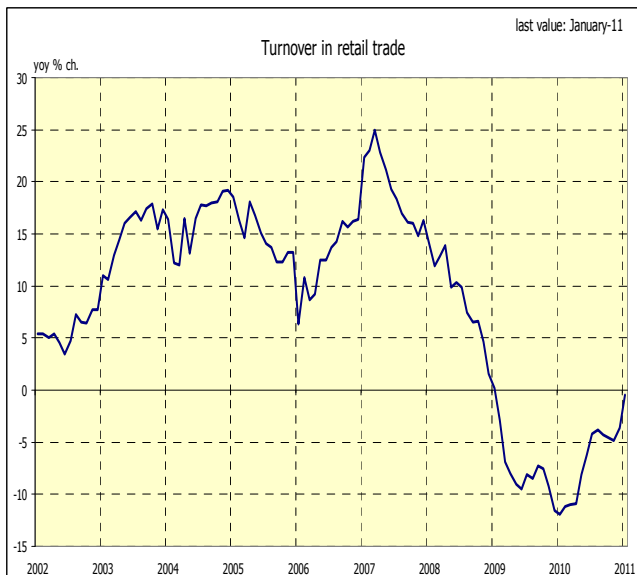
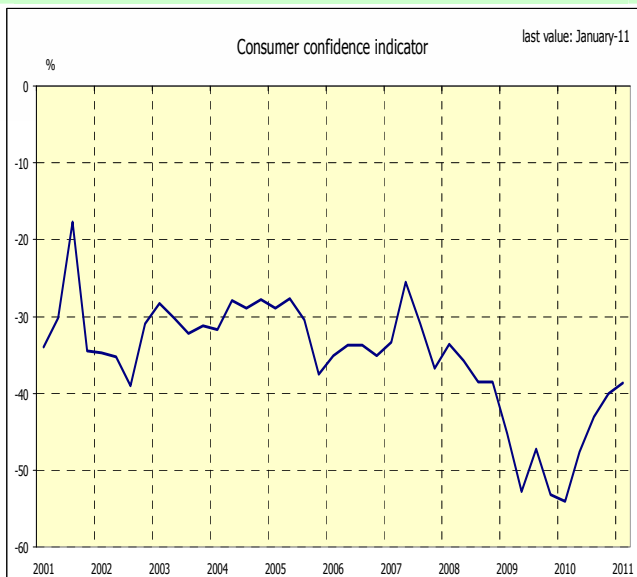
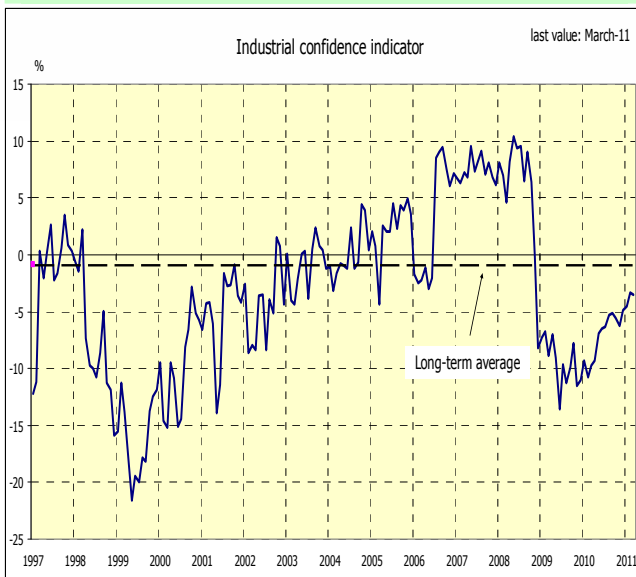
In February 2011 the volume of the **loans to non-financial corporations, households and NPISHs** amounted to BGN 50.541 billion (68.5% of the GDP projected for 2011) and the annual increase was by 1.6% against 1.5% in January 2011. The annual growth rate of the loans to non-financial corporations in February was 3.0% against 2.9% in the previous month; the loans to the households and NPISHs in February decreased by 0.7% in comparison with the same month of 2010 against an annual decrease of 0.7% in January 2011.

In February 2011 the **exchange rate BGN against the US dollar** decreased in comparison with the previous month from 1.46 to 1.43.



**1. OUTPUT**

**2. PRIVATE CONSUMPTION**

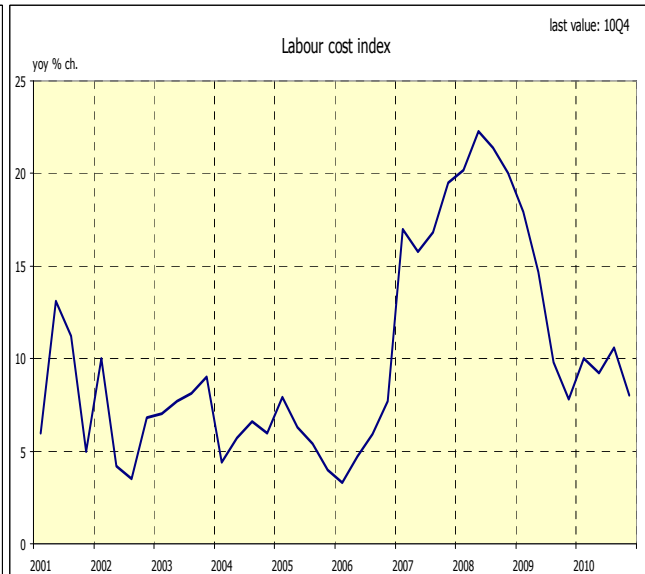
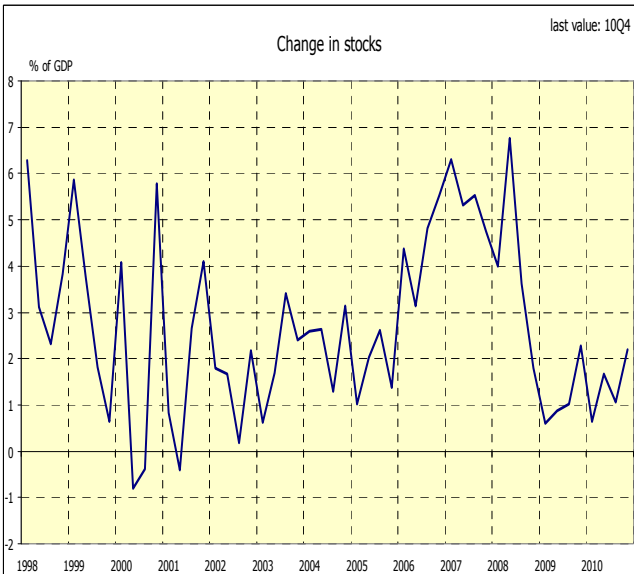
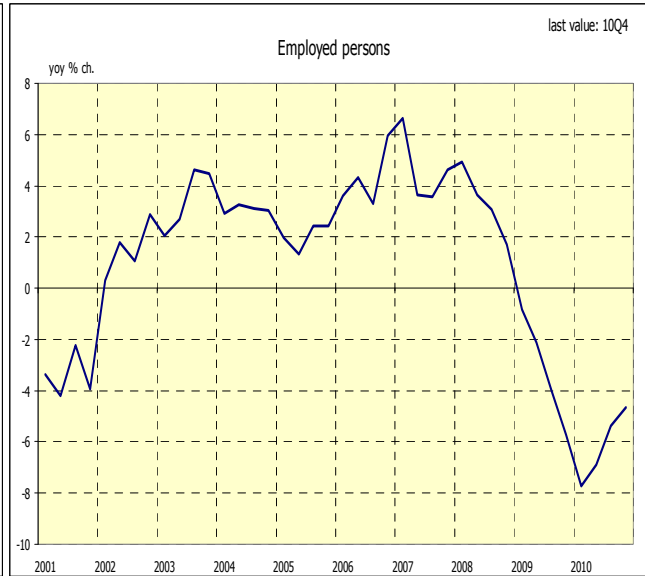
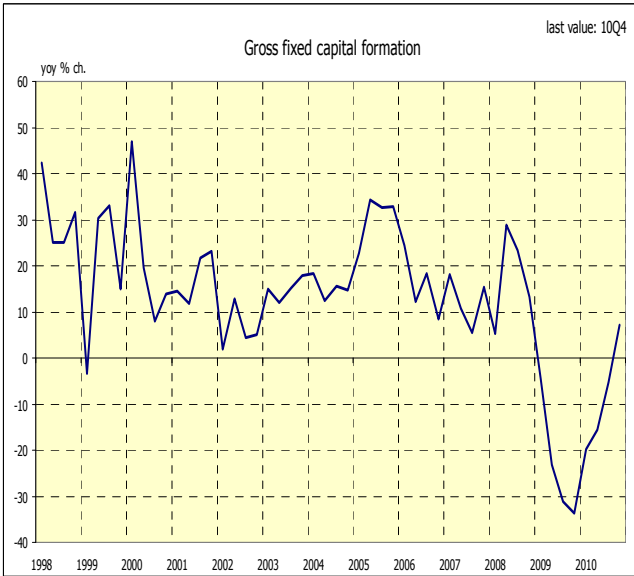
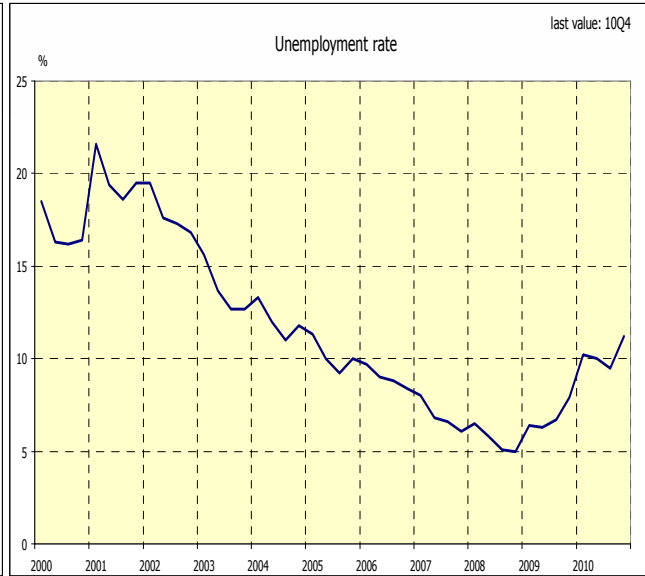
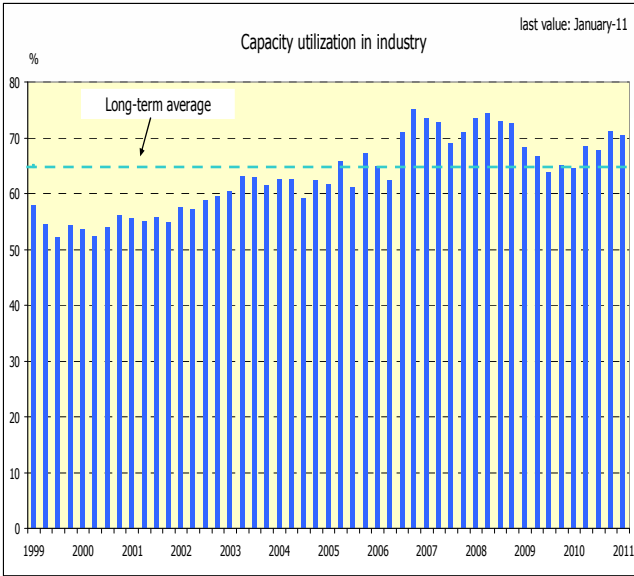


**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



**3. INVESTMENT**

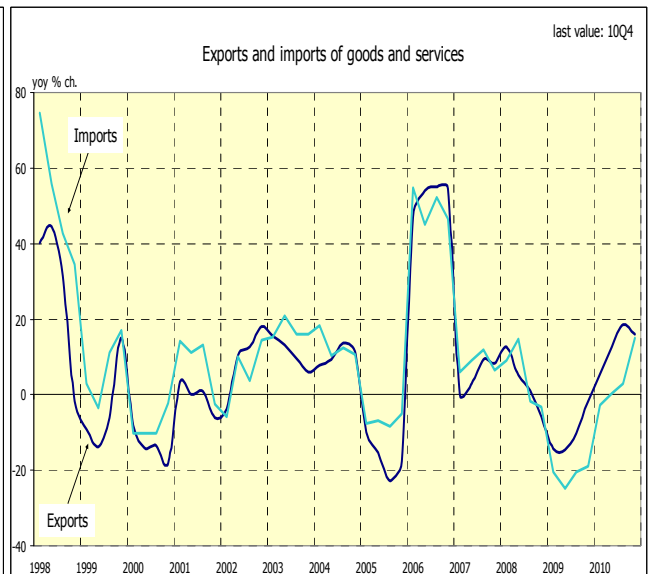
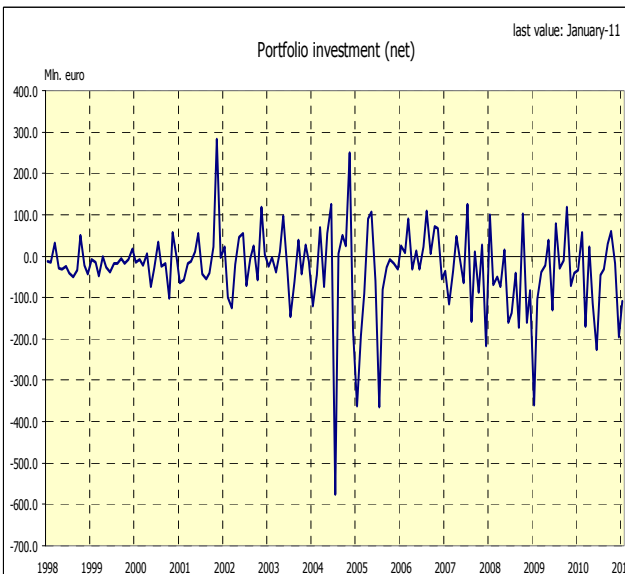
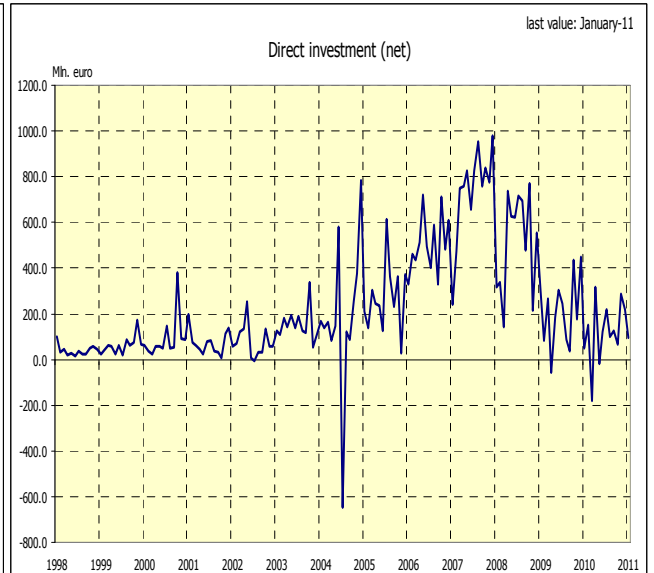
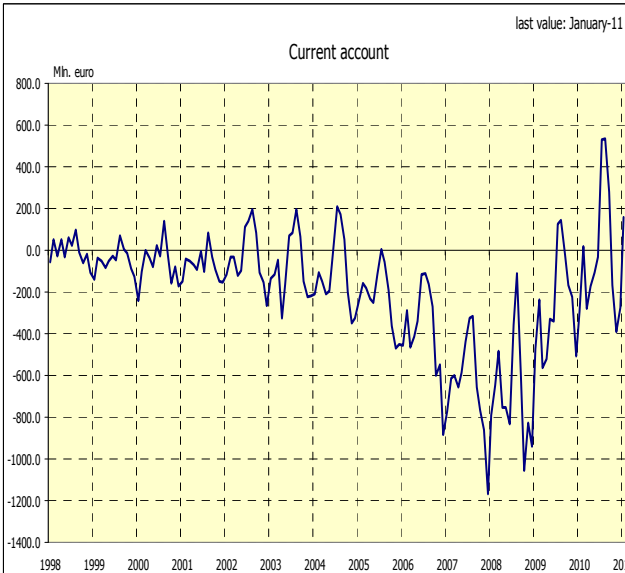
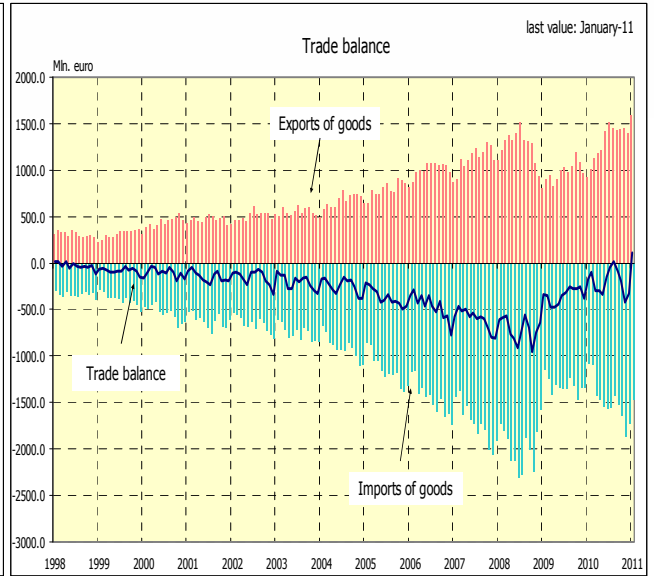
**4. LABOUR MARKET**



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



**5. INTERNATIONAL TRANSACTIONS**

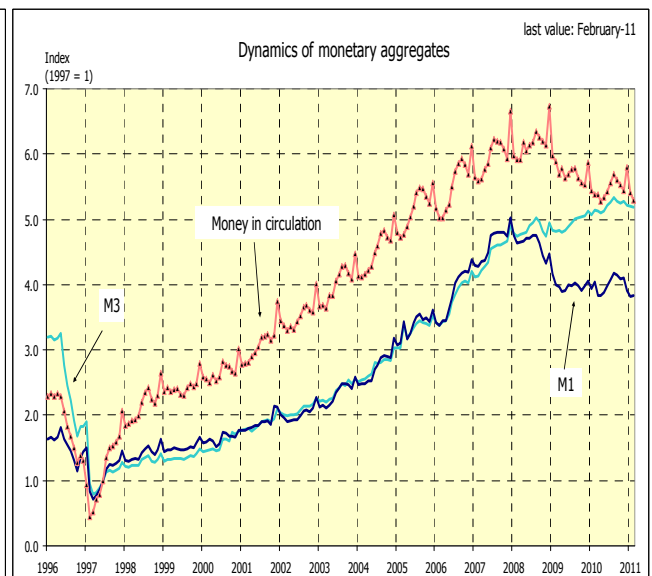
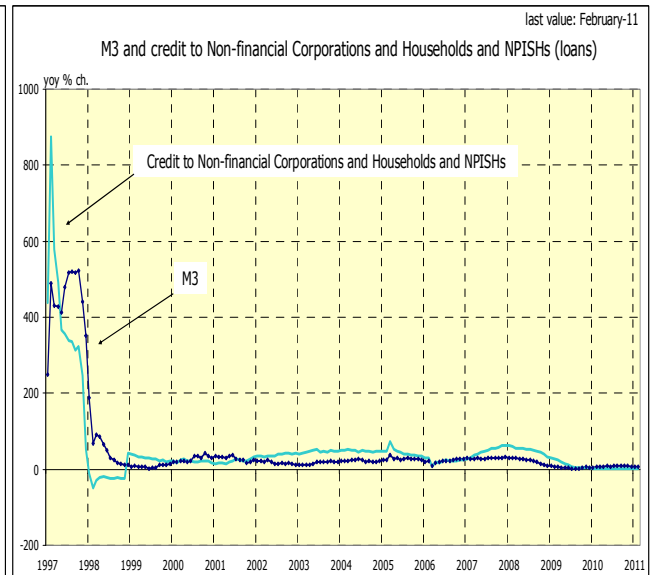
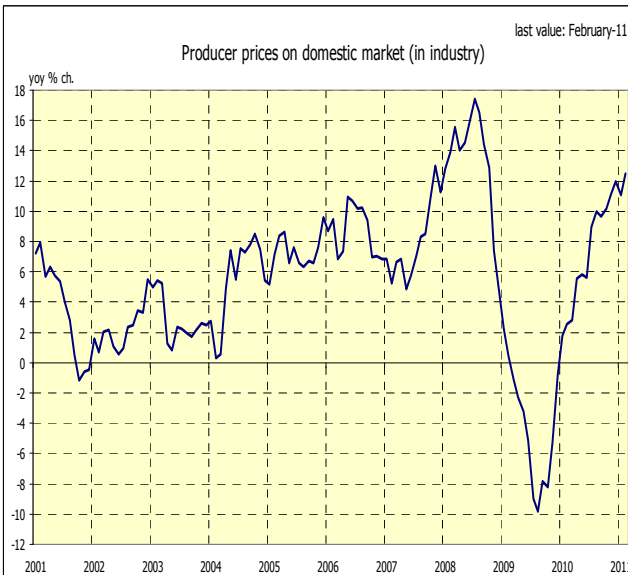
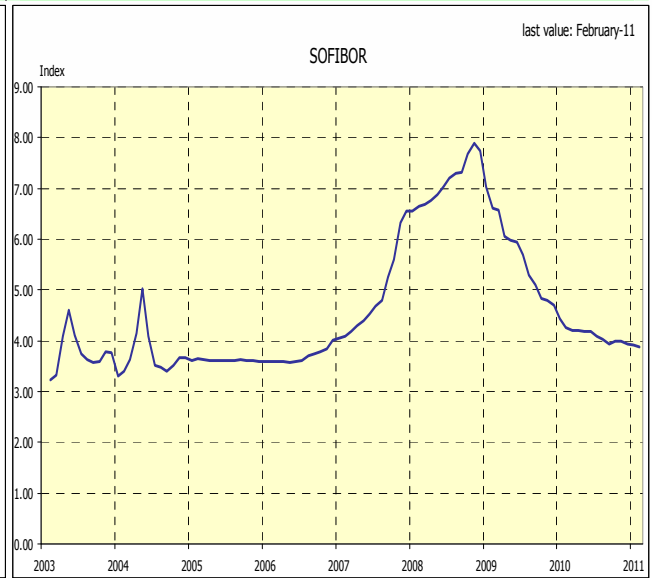
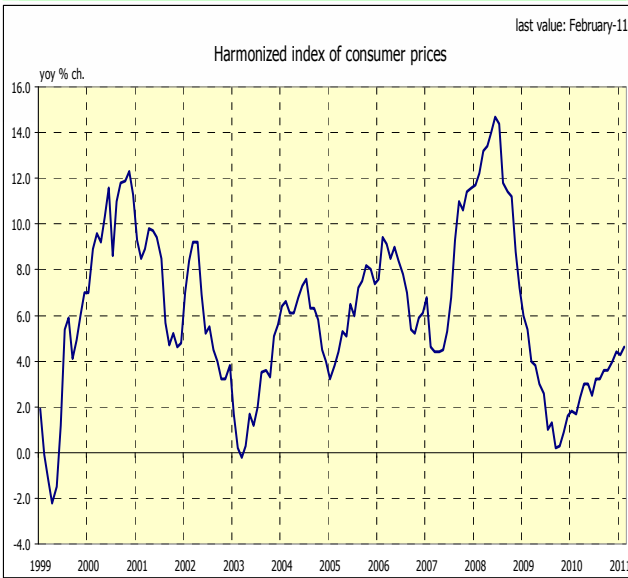


Note: yoy % ch. - growth rate compared to the same period of the previous year.



**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

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