



### Key indicators for Bulgaria\*

This update: 6 October 2016  
 Next update: 30 December 2016

		Febr.'16	March'16	April'16	May'16	June'16	July'16	August'16	Sept.'16
<b>1. Output</b>									
Industrial confidence <sup>1.1</sup>	%	-0.6	-0.7	-2.4	-0.9	1.6	-0.5	-2.5	-1.5
Industrial production <sup>1.2</sup>	yoy % ch.	2.7	2.6	2.6	-3.4	4.0	2.3		
Construction Production <sup>1.3</sup>	yoy % ch.	-5.2	-8.8	-10.5	-8.2	-13.0	-11.8		
		<b>14 Q4</b>	<b>15 Q1</b>	<b>15 Q2</b>	<b>15 Q3</b>	<b>15 Q4</b>	<b>16 Q1</b>	<b>16 Q2</b>	<b>16 Q3</b>
Gross domestic product <sup>1.4</sup>	yoy % ch.	2.1	2.9	2.9	3.1	3.0	2.9	3.0	
<b>2. Private consumption</b>									
Consumer confidence <sup>2.1</sup>	%	-32.4	-29.8	-30.2	-30.2	-28.7	-26.9	-27.5	
		<b>Febr.'16</b>	<b>March'16</b>	<b>April'16</b>	<b>May'16</b>	<b>June'16</b>	<b>July'16</b>	<b>August'16</b>	<b>Sept.'16</b>
Turnover in retail trade <sup>2.2</sup>	yoy % ch.	3.3	6.3	5.4	4.0	5.4	2.2		
		<b>14 Q4</b>	<b>15 Q1</b>	<b>15 Q2</b>	<b>15 Q3</b>	<b>15 Q4</b>	<b>16 Q1</b>	<b>16 Q2</b>	<b>16 Q3</b>
Individual final consumption <sup>2.3</sup>	yoy % ch.	2.6	-2.5	-0.2	1.5	2.8	3.7	3.2	
<b>3. Investment</b>									
Capacity utilization in industry <sup>3.1</sup>	%	76.1	74.3	74.3	72.5	75.2	72.4	73.3	
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.	0.2	0.3	1.3	1.4	0.9	-3.9	-4.4	
Change in stocks <sup>3.3</sup>	% of GDP	2.9	-0.3	0.0	-0.4	1.2	0.8	1.7	
<b>4. Labour market</b>									
		<b>14 Q4</b>	<b>15 Q1</b>	<b>15 Q2</b>	<b>15 Q3</b>	<b>15 Q4</b>	<b>16 Q1</b>	<b>16 Q2</b>	<b>16 Q3</b>
Unemployment rate <sup>4.1</sup>	%	10.6	10.6	9.9	8.3	7.9	8.6	8.0	
Unemployment rate - male	%	11.4	11.4	10.9	8.8	8.0	9.3	8.8	
Unemployment rate - female	%	9.7	9.7	8.8	7.6	7.6	7.8	7.2	
Employment rate 15+ <sup>4.2</sup>	%	48.2	47.7	48.7	50.3	49.7	48.5	49.5	
Employment rate 20-64	%	65.5	65.0	66.6	68.8	68.1	66.5	68.0	
Employed persons <sup>4.3</sup>	yoy % ch.	2.0	1.9	1.1	1.4	2.4	0.9	0.7	
Labour costs <sup>4.4</sup>	yoy % ch.	6.6	6.7	8.1	7.2	5.6	7.7	7.3	
		<b>Febr.'16</b>	<b>March'16</b>	<b>April'16</b>	<b>May'16</b>	<b>June'16</b>	<b>July'16</b>	<b>August'16</b>	<b>Sept.'16</b>
Shortage of labour in industry <sup>4.5</sup>	%	17.3	18.5	18.6	21.2	21.9	23.3	24.2	25.0
Wages <sup>4.6</sup>	yoy % ch.	7.7	6.9	7.2	7.9	7.8			
<b>5. International transactions</b>									
		<b>Febr.'16</b>	<b>March'16</b>	<b>April'16</b>	<b>May'16</b>	<b>June'16</b>	<b>July'16</b>	<b>August'16</b>	<b>Sept.'16</b>
Export order books in industry <sup>5.1</sup>	balance	-29.5	-28.9	-28.6	-33.9	-30.4	-27.5	-30.1	-26.2
Exports of goods <sup>5.2**</sup>	mln. EUR	1682.2	1798.2	1773.7	1736.1	1939.5	2098.7		
Imports of goods <sup>5.3**</sup>	mln. EUR	1818.4	2014.9	1914.6	1940.7	2058.4	2131.5		
Trade balance <sup>5.4**</sup>	mln. EUR	-136.2	-216.7	-141.0	-204.6	-118.9	-32.8		
Current account <sup>5.5**</sup>	mln. EUR	-16.8	127.8	-134.0	0.4	647.0	513.4		
Direct investment (net) <sup>5.6**</sup>	mln. EUR	-185.8	-107.5	-96.5	-165.8	-185.7	-36.1		
Portfolio investment (net) <sup>5.7**</sup>	mln. EUR	37.0	-1271.9	-107.5	84.2	-8.3	-72.3		
		<b>14 Q4</b>	<b>15 Q1</b>	<b>15 Q2</b>	<b>15 Q3</b>	<b>15 Q4</b>	<b>16 Q1</b>	<b>16 Q2</b>	<b>16 Q3</b>
Exports of goods and services <sup>5.8</sup>	yoy % ch.	3.4	13.9	6.8	5.4	6.1	0.3	2.4	
Imports of goods and services <sup>5.9</sup>	yoy % ch.	5.2	6.0	5.0	2.6	4.1	-1.3	3.4	
<b>6. Prices</b>									
		<b>Febr.'16</b>	<b>March'16</b>	<b>April'16</b>	<b>May'16</b>	<b>June'16</b>	<b>July'16</b>	<b>August'16</b>	<b>Sept.'16</b>
HICP <sup>6.1</sup>	yoy % ch.	-1.0	-1.9	-2.5	-2.5	-1.9	-1.1	-1.1	
		<b>14 Q4</b>	<b>15 Q1</b>	<b>15 Q2</b>	<b>15 Q3</b>	<b>15 Q4</b>	<b>16 Q1</b>	<b>16 Q2</b>	<b>16 Q3</b>
HPI <sup>6.2</sup>	yoy % ch.	2.8	2.3	2.8	2.0	4.0	4.5		
		<b>Febr.'16</b>	<b>March'16</b>	<b>April'16</b>	<b>May'16</b>	<b>June'16</b>	<b>July'16</b>	<b>August'16</b>	<b>Sept.'16</b>
Producer prices on domestic market (in industry) <sup>6.3</sup>	yoy % ch.	-4.0	-4.0	-4.1	-4.4	-4.2	-3.8	-2.7	
Selling prices expectations in industry <sup>6.4</sup>	balance	2.8	1.2	-0.7	0.1	0.8	-0.1	0.7	-1.5
Selling prices expectations in retail trade <sup>6.5</sup>	balance	3.7	0.5	4.5	5.3	5.2	1.1	-1.7	-3.0
<b>7. Monetary and financial indicators</b>									
		<b>Febr.'16</b>	<b>March'16</b>	<b>April'16</b>	<b>May'16</b>	<b>June'16</b>	<b>July'16</b>	<b>August'16</b>	<b>Sept.'16</b>
SOFIBOR (3 months) <sup>7.1</sup>	index	0.19	0.15	0.13	0.14	0.13	0.13	0.15	
M3 <sup>7.2</sup>	yoy % ch.	7.1	6.1	8.0	8.1	8.9	8.6	8.9	
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.	-1.9	-2.3	-1.9	-1.1	-1.2	-0.6	-0.5	
Exchange rate USD/BGN <sup>7.4</sup>	value	1.80	1.72	1.72	1.75	1.76	1.76	1.76	

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.

\*\* The publication from BNB of data compiled in accordance with the Sixth Edition of the IMF's Balance of Payments and International Investment Position Manual starts on 17 April 2015 (BPM6). Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm>.



## Comments\*

### 1. Output

According to the NSI business inquiries in September 2016 the **industrial confidence indicator** increased by 1.0 percentage point compared to August 2016.

In July 2016 working day adjusted **Industrial Production Index** rose by 2.3% in comparison with the same month of 2015 (preliminary data). On annual basis in July 2016 Industrial Production Index calculated from working day adjusted data increased in the manufacturing by 2.6%, while decreases were registered in the electricity, gas, steam and air conditioning supply by 0.5% and in the mining and quarrying industry by 0.1%.

In July 2016 working day adjusted data showed a decrease by 11.8% in **the construction production**, compared to the same month of 2015. On an annual basis in July 2016, the decrease of production in construction, calculated from working day adjusted data, was determined from the negative rate as well as in the civil engineering, where the drop was by 14.2% and in the building construction - decline by 9.4%.

According to the preliminary data, the **Gross Domestic Product (GDP)** at current prices in the second quarter of 2016 amounted to 21 916 million BGN. GDP per person amounted to 3 067 BGN. In USD terms at average quarterly exchange rate of 1.73264 BGN per dollar, GDP is 12 649 million dollars or 1 770 dollars per person. In Euro terms, the GDP amounted to 11 205 million Euro or 1 568 Euro per person. According to the seasonally adjusted data<sup>1</sup>, the GDP growth rate in the second quarter of 2016 is 3.0% compared with the same quarter of the previous year and 0.7% compared with the first quarter.

### 2. Private consumption

In July 2016 the **total consumer confidence indicator** decreases by 0.6 percentage points compared to April which is due to the decreased confidence among the urban inhabitants. The level of the indicator for the rural population remains unchanged. The consumers' total assessment about the development of the economic situation in the country over the last 12 months is less negative in comparison with the previous inquiry as a result of

\* From July 6, 2016 annual data will be published in a separate application, which will be updated every first half year.

<sup>1</sup> Seasonally and calendar adjusted data.

which the balance indicator increases by 1.6 percentage points. However, in their expectations for the next 12 months certain pessimism is observed.

In July 2016 the working day adjusted **turnover in 'Retail trade, except of motor vehicles and motorcycles' (preliminary data)** increased by 2.2% in comparison with the same month of the previous year. In July 2016 compared to the same month of 2015 the turnover increased in the 'Retail sale of food, beverages and tobacco' by 7.3%, in the 'Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles' by 6.1%, in the 'Retail sale of automotive fuel' by 3.5% and in the 'Retail sale of textiles, clothing, footwear and leather goods' by 2.8%. A decrease was registered in the 'Retail sale via mail order houses or via Internet' - 9.1%, in the 'Retail sale of computers, peripheral units and software; telecommunications equipment' - 8.0%, in the 'Retail sale of audio and video equipment; hardware, paints and glass; electrical household appliances' - 3.0% and in the 'Retail sale in non-specialised stores' - 1.7%.

In the second quarter of 2016 for **individual consumption** were spent 67.7% of the GDP produced. According to seasonally adjusted data<sup>1</sup>, the indicator increased by 3.2% compared to the respective quarter of 2015.

### 3. Investment

In July 2016 the **average capacity utilization in industry** increased by 0.9 percentage points in comparison with April and it reached 73.3%.

According to seasonally adjusted data, the **gross fixed capital formation** in the second quarter of 2016 decreased in real terms by 4.4% compared to the same period of the previous year. The relative share of that indicator in GDP is 21.6%<sup>1</sup>.

### 4. Labour market

In the second quarter of 2016 there were 3 033.4 thousand **employed persons** aged 15 years and over, of whom 1 608.3 thousand men and 1 425.1 thousand women. The share of employed persons in the total population aged 15 years and over was 49.5%, up by 0.8 percentage points compared to the second quarter of 2015. In employment were 54.6% of men and 44.8% of women in the age group concerned.



In the second quarter of 2016 there were 265.6 thousand **unemployed persons** and the **unemployment rate** was 8.0%. In comparison with the second quarter of 2015 the number of unemployed persons went down by 65.3 thousand and the unemployment rate decreased by 1.9 percentage points. Of the total number of unemployed persons in the second quarter of 2016, 155.7 thousand (58.6%) were men and 109.9 thousand (41.4%) were women. The unemployment rate was 8.8% for men and 7.2% for women.

In the second quarter of 2016 **the total hourly labour cost** (preliminary data) rose by 7.3% compared to the second quarter of 2015. The total hourly labour cost grew by 8.6% in industry, by 6.6% in services and by 6.7% in construction.

According to the NSI business inquiries in September 2016 25.0% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In June 2016 the **average wage and salary** was BGN 936 or 0.6% less compared to the previous month. Compared to June 2015 the increase was 7.8%.

## 5. International transactions

According to the industrial managers' assessments in September 2016 in comparison with August an increase of the production assurance with **orders from abroad** by 3.9 percentage points was registered.

In July 2016 the **current account**<sup>1</sup> was positive amounting to EUR 513.4 million, compared with a surplus of EUR 470.7 million in July 2015. In January - July 2016 the current account was positive and amounted to EUR 1 293.5 million (2.8% of GDP)<sup>2</sup>, compared with a surplus of EUR 380.5 million (0.9% of GDP)<sup>2</sup> in January - July 2015.

In July 2016 **the trade balance**<sup>1</sup> recorded a deficit of EUR 32.8 million, compared with a deficit of EUR 254.2 million in July 2015. In January - July 2016 the balance on goods was negative amounting to EUR 848.6 million (1.9% of GDP)<sup>2</sup>, compared with a deficit of EUR 1 392.3 million (3.2% of GDP)<sup>2</sup> in January - July 2015.

<sup>1</sup> Preliminary data. In accordance with the practice of the BNB and the data revision requirements of the ECB.

<sup>2</sup> The estimates of GDP are taken from BNB.

In July 2016 **exports of goods (FOB)**<sup>1</sup> amounted to EUR 2 098.7 million, growing by EUR 109.3 million (5.5%) from July 2015 (EUR 1 989.4 million). In January - July 2016 exports of goods totalled EUR 12 680.4 million, decreasing by EUR 268.7 million (2.1%) year-on-year (from EUR 12 949.1 million). In January - July 2015 exports grew by 10.4% year-on-year. In July 2016 **imports of goods (FOB)**<sup>1</sup> amounted to EUR 2 131.5 million, dropping by EUR 112 million (5.0%) from July 2015 (EUR 2 243.5 million). In January - July 2016 imports of goods totalled EUR 13 529 million, dropping by EUR 812.3 million (5.7%) from January - July 2015 (EUR 14 341.3 million). In January - July 2016 imports grew by 7.5% year-on-year.

In July 2016 **the foreign direct investment in Bulgaria**<sup>1</sup> (under the directional principle) totalled EUR 74.5 million according to preliminary data, compared with EUR 205.2 million in July 2015. In January - July 2016 the foreign direct investment in Bulgaria equated to EUR 987.3 million, compared with a total of EUR 1 158.2 million in January - July 2015. In July 2016 **the direct investment abroad**<sup>1</sup> grew by EUR 38.4 million, compared with an increase of EUR 13.2 million in July 2015. In January - July 2016 the direct investment abroad increased by EUR 108.4 million, compared with an increase of EUR 12.1 million in the same period of 2015.

In July 2016 **portfolio investment - assets**<sup>1</sup> decreased by EUR 69.5 million, compared with a decline of EUR 16.2 million in July 2015. In January - July 2016 they dropped by EUR 82.3 million compared with a decrease of EUR 662.8 million in January - July 2015. In July 2016 **portfolio investment - liabilities**<sup>1</sup> grew by EUR 2.8 million compared with a decrease of EUR 39.4 million in July 2015. In January - July 2016 portfolio investment - liabilities grew by EUR 1 064.5 million, compared with an increase of EUR 925.2 million in January - July 2015.

**The external balance** in the second quarter of 2016 is positive. **Exports and Imports of goods and services** increased by 2.4% and 3.4% respectively compared with the corresponding quarter of the previous year.

## 6. Prices

In August 2016 the **harmonized index of consumer prices** decreased by 1.1% compared to August 2015.



The highest decrease was registered in 'Transport' - by 7.1%.

In first quarter of 2016 the **house price index** increased by 4.5% compared to same quarter of 2015.

**Producer Price Index on Domestic Market** in August 2016 decreased by 2.7% compared to the same month of 2015. The domestic prices fell in the mining and quarrying industry by 2.1%, in the manufacturing by 2.0% and in the electricity, gas, steam and air conditioning supply by 4.1%.

According to the conjuncture inquiry in September 2016 the managers' expectations are the **selling prices in industry** to remain unchanged over the next 3 months.

## 7. Monetary and financial indicators

In August 2016 the **three-month interbank market index SOFIBOR**<sup>1</sup> decreased in comparison with August 2015 by 0.36 percentage points from 0.51% to 0.15%.

In August 2016 broad money (**monetary aggregate M3**)<sup>1</sup> increased annually by 8.9% compared to 8.6% annual growth in July 2016. At the end of August 2016 M3 was BGN 77.514 billion (87.2% of GDP)<sup>2</sup> compared to BGN 76.655 billion (86.2% of GDP)<sup>2</sup> in July 2016.

The **loans to Non-financial corporations, households and NPISHs**<sup>1</sup> in August 2016 amounted to BGN 48.726 billion. In August 2016, loans to Non-financial corporations decreased by 0.9% annually (0.6% annual decline in July 2016) and at the end of August amounted to BGN 30.395 billion (34.2% of GDP)<sup>2</sup>. Loans to Households and NPISHs were BGN 18.331 billion (20.6% of GDP)<sup>2</sup> at the end of August 2016.

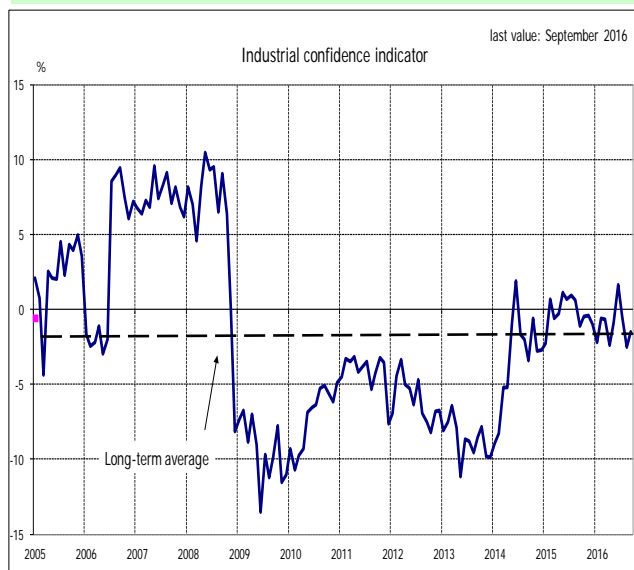
In August 2016 the **exchange rate BGN against the USD** reached BGN 1.76 per USD.

<sup>1</sup> Preliminary data. In accordance with the practice of the BNB and the data revision requirements of the ECB.

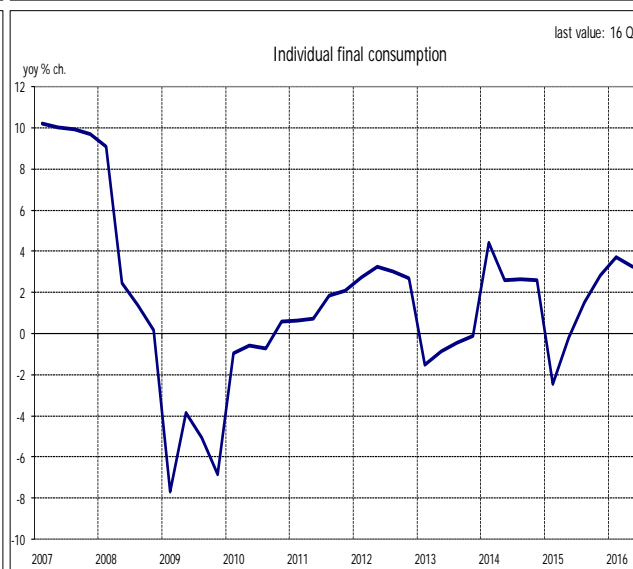
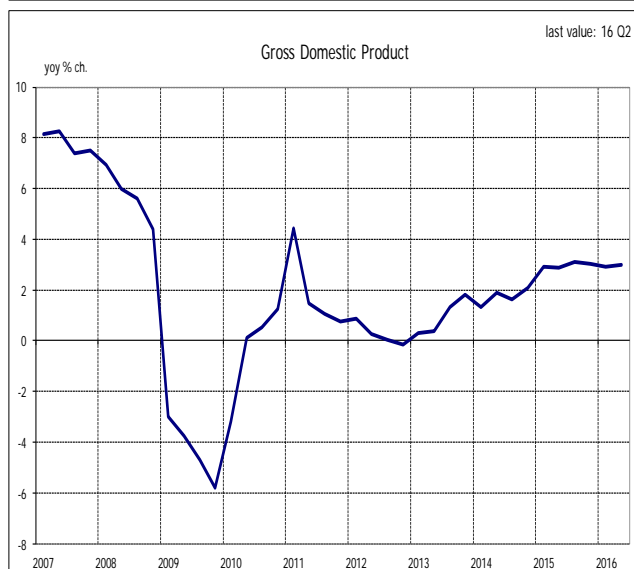
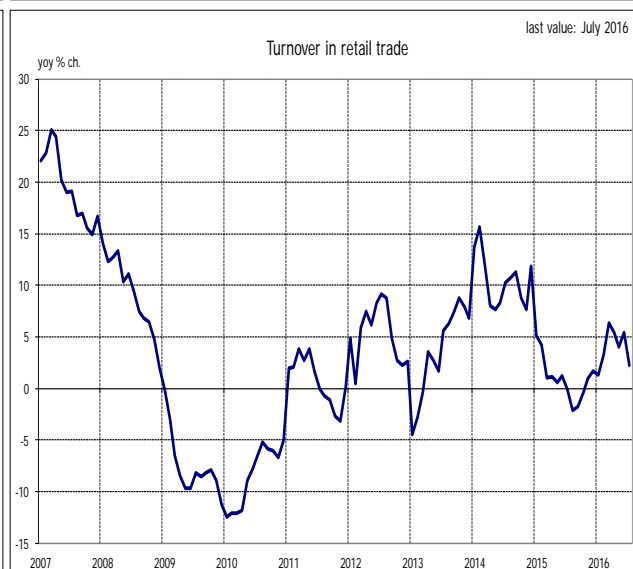
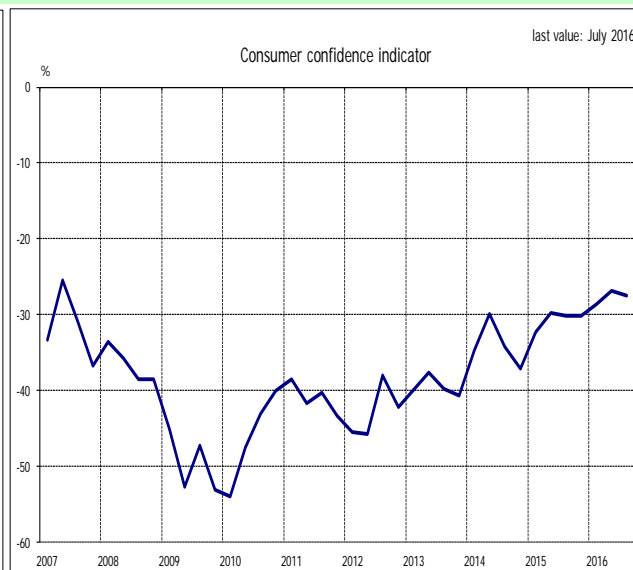
<sup>2</sup> The estimates of GDP are taken from BNB.



## 1. OUTPUT



## 2. PRIVATE CONSUMPTION

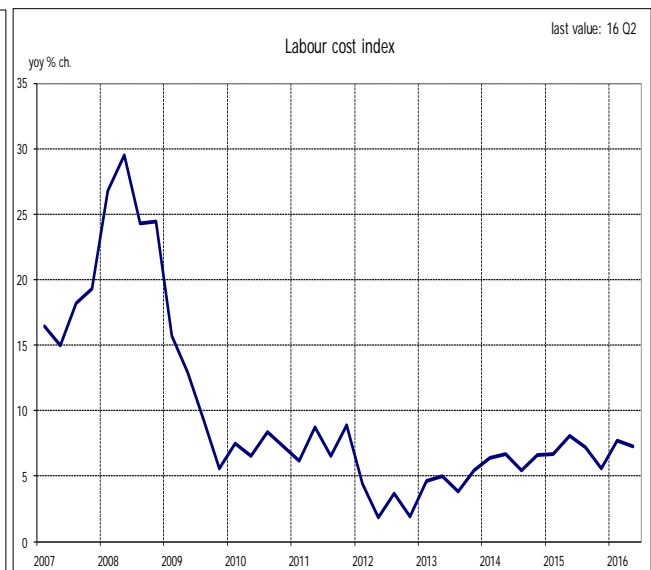
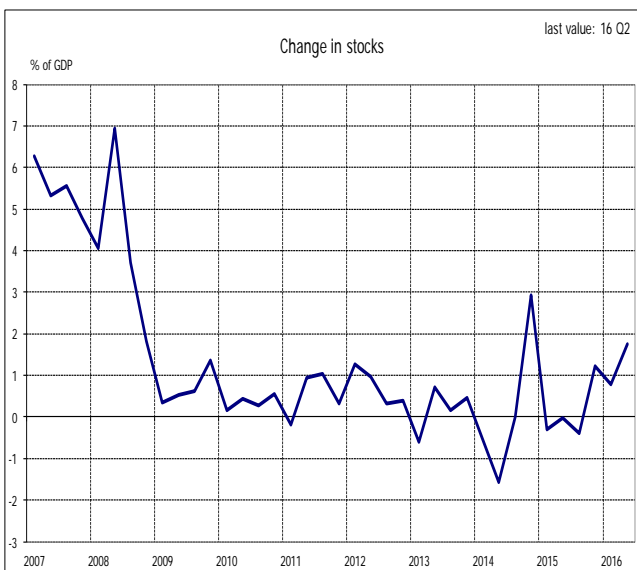
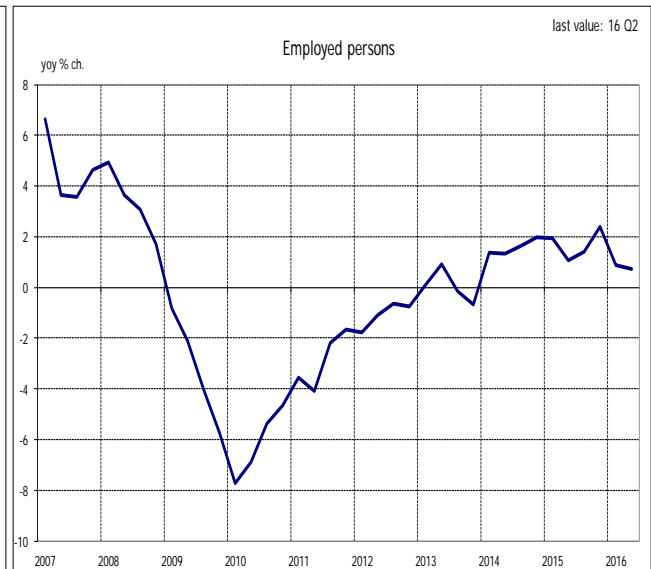
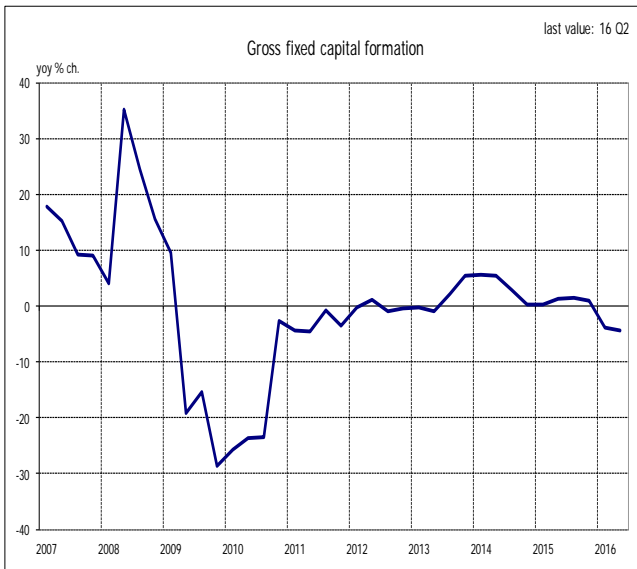
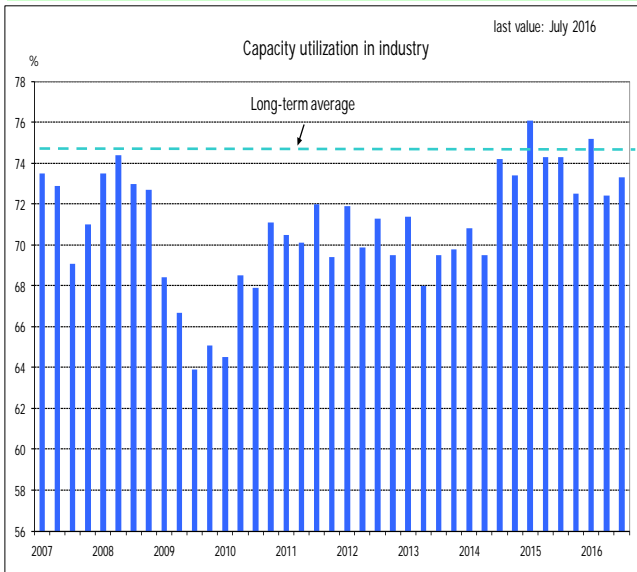


**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



### 3. INVESTMENT

### 4. LABOUR MARKET

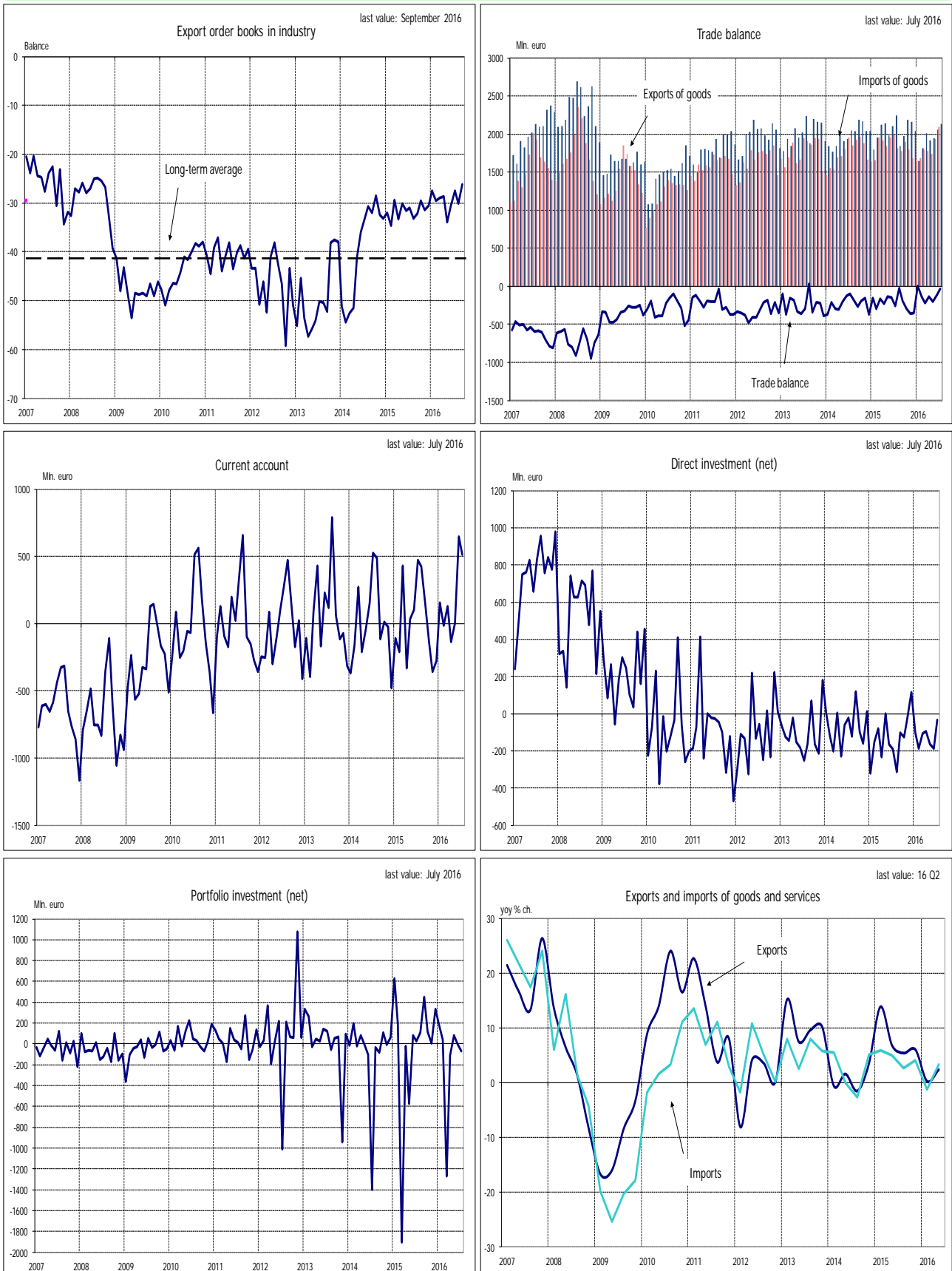


**Note:** yoy % ch. - growth rate compared to the same period of the previous year.





## 5. INTERNATIONAL TRANSACTIONS



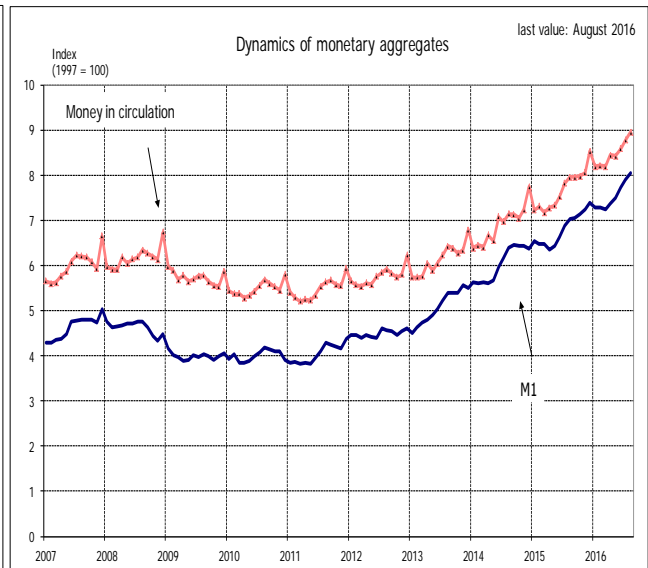
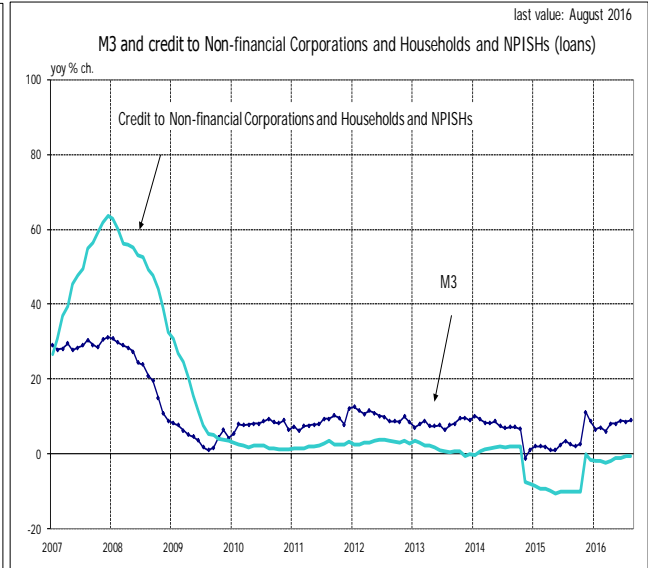
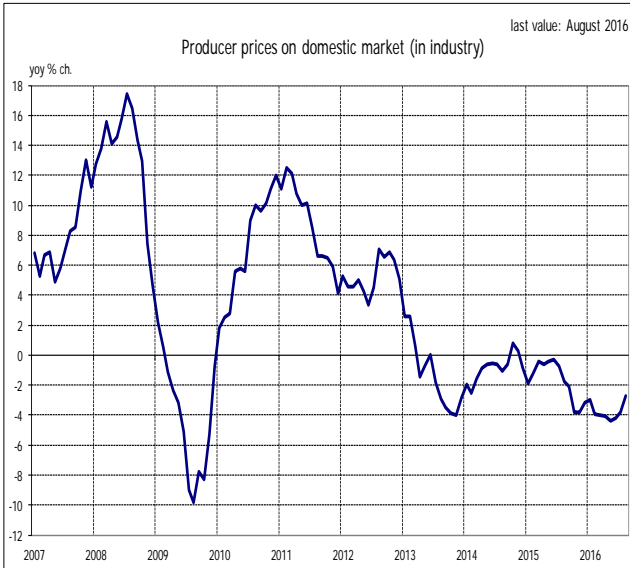
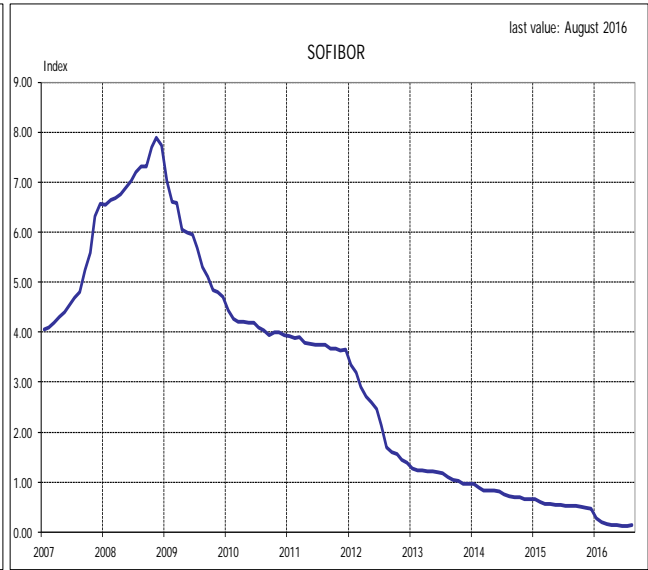
**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



**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. 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.	Construction Production	Growth rate compared to the same period of the previous year, working day adjusted data.	NSI
1.4.	Gross Domestic Product	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects. Data are presented according to ESA '10.	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) at constant prices, growth rate compared to the same period of the previous year, working day adjusted data.	NSI
2.3.	Individual final consumption	Growth rate compared to the same period of the previous year, seasonally adjusted data corrected for working day effects. Data are presented according to ESA '10.	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. Data are presented according to ESA '10.	NSI
3.3.	Change in stocks	As a percentage of GDP. Data are presented according to ESA '10.	NSI
<b>4. Labour market</b>			
4.1.	Unemployment rate	Ratio between the unemployed persons and the economically active population in Bulgaria (data from Labour force survey).	NSI
4.2.	Employment rate	Ratio between the employed persons and the total population of the same age group (data from Labour force survey).	NSI
4.3.	Employed persons	Growth rate compared to the same period of the previous year (data from Labour force survey).	NSI
4.4.	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
4.5.	Shortage of labour	Percentage of firms in industry pointing out shortage of labour as a constraint to production.	NSI
4.6.	Wages	Growth rate of the average monthly wages of the employees under labour contract nominal value compared to the same period of the previous year.	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 (according BPM6), Analytical presentation, million EUR	BNB
5.3.	Imports of goods	Balance of payment (according BPM6), Analytical presentation, million EUR	BNB
5.4.	Trade balance	Balance of payment (according BPM6), Analytical presentation, million EUR	BNB
5.5.	Current account	Balance of payment (according BPM6), Analytical presentation, million EUR	BNB
5.6.	Direct investment	(net) million EUR, balance of payment (according BPM6), Analytical presentation	BNB
5.7.	Portfolio investment	(net) million EUR, balance of payment (according BPM6), Analytical presentation	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. Data are presented according to ESA '10.	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. Data are presented according to ESA '10.	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.	House price	Growth rate compared to the same period of the previous year. Data refers to new and existing dwellings (apartments).	NSI
6.3.	Producer prices on domestic market (in industry)	Growth rate compared to the same period of the previous year.	NSI
6.4.	Selling price expectations in industry	Business survey in industry. Balance of positive and negative replies.	NSI
6.5.	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