



INCOME, EXPENDITURE AND CONSUMPTION OF HOUSEHOLDS IN 2016

Household income

The annual total income average per capita is 5 167 BGN in 2016 and increases by 4.3% compared to 2015. The total income average per household member increases about 1.5 times during the 2008 - 2016 period.

1. Total income and other means by sources per household member

| Sources of income | 2008 | | 2012 | | 2015 | | 2016 | |
|---|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|
| | BGN | % | BGN | % | BGN | % | BGN | % |
| Total income | 3502 | 100.0 | 4327 | 100.0 | 4953 | 100.0 | 5167 | 100.0 |
| Total gross income | 3280 | 93.7 | 4121 | 95.2 | 4788 | 96.7 | 4989 | 96.6 |
| Wages and salaries | 1816 | 51.9 | 2281 | 52.7 | 2726 | 55.0 | 2807 | 54.3 |
| Other earnings | 171 | 4.9 | 109 | 2.5 | 158 | 3.2 | 150 | 2.9 |
| Self-employment income | 272 | 7.8 | 330 | 7.6 | 358 | 7.2 | 319 | 6.2 |
| Property income | 31 | 0.9 | 41 | 0.9 | 27 | 0.5 | 36 | 0.7 |
| Pensions | 810 | 23.1 | 1153 | 26.7 | 1286 | 26.0 | 1432 | 27.7 |
| Unemployment benefits | 7 | 0.2 | 29 | 0.7 | 20 | 0.4 | 20 | 0.4 |
| Family allowances | 23 | 0.7 | 35 | 0.8 | 46 | 0.9 | 40 | 0.8 |
| Other social benefits | 108 | 3.1 | 82 | 1.9 | 105 | 2.1 | 119 | 2.3 |
| Regular transfers from other households | 42 | 1.2 | 61 | 1.4 | 60 | 1.2 | 65 | 1.3 |
| Receipt sale | 77 | 2.2 | 35 | 0.8 | 30 | 0.6 | 31 | 0.6 |
| Miscellaneous | 144 | 4.1 | 171 | 4.0 | 135 | 2.7 | 147 | 2.9 |
| Drawn savings | 129 | x | 154 | x | 147 | x | 179 | x |
| Loans and credits | 117 | x | 60 | x | 47 | x | 57 | x |
| Total | 3748 | x | 4541 | x | 5147 | x | 5404 | x |

Real household income¹ increases by 5.2% in 2016 compared to 2015. The highest value of the index of real income is in 2016 in comparison to 2011 - 134.6%.

2. Indices of real income per household member

| Years | Base years | | | | | | | | |
|-------|------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| 2008 | 100.0 | | | | | | | | |
| 2009 | 102.6 | 100.0 | | | | | | | |
| 2010 | 99.0 | 96.4 | 100.0 | | | | | | |
| 2011 | 98.4 | 95.9 | 99.5 | 100.0 | | | | | |
| 2012 | 109.4 | 106.6 | 110.5 | 111.1 | 100.0 | | | | |
| 2013 | 120.6 | 117.5 | 121.9 | 122.5 | 110.3 | 100.0 | | | |
| 2014 | 122.3 | 119.2 | 123.6 | 124.3 | 111.8 | 101.4 | 100.0 | | |
| 2015 | 126.0 | 122.8 | 127.4 | 128.0 | 115.2 | 104.5 | 103.0 | 100.0 | |
| 2016 | 132.5 | 129.1 | 133.9 | 134.6 | 121.2 | 109.9 | 108.3 | 105.2 | 100.0 |

¹ Real income is calculated as nominal income is deflated by annual average indices of consumer prices.

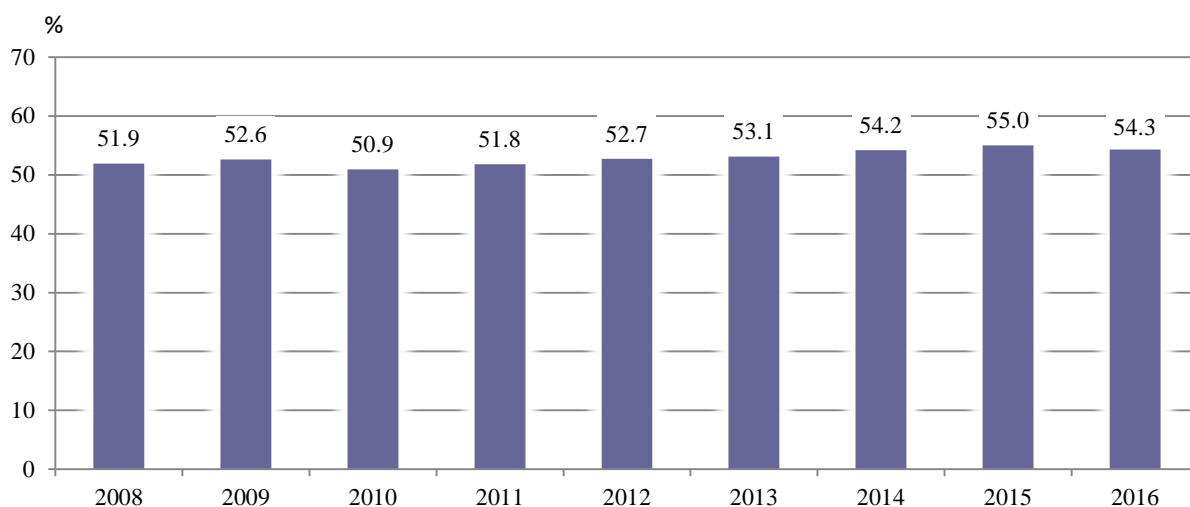


The following more important changes with respect to the sources of total average income per household member are observed during the 2008 - 2016 period:

- Income from wages and salaries increases by 3.0% compared to 2015 and increases 1.5 times compared to 2008;
- Income from pensions increases by 11.4% compared to 2015 or 1.8 times compared to 2008;
- Income from self-employment income decreases by 10.9% compared to 2015, but increases 1.2 times compared to 2008;
- Income from other earnings decreases by 5.1% compared to 2015 and decreases by 12.3% compared to 2008;
- Income from other social benefits (unemployment benefit, family allowances and other social benefits) increases by 4.7% compared to 2015 and increases 1.3 times compared to 2008.

Income from wages and salaries average per household member is 2 807 BGN in 2016. The relative share of income from wages and salaries within the total income is 54.3%, it decreases by 0.7 percentage points (pp) compared to 2015 and increases by 2.4 pp compared to 2008.

Figure 1. Relative share of income from wages and salaries within the total household income

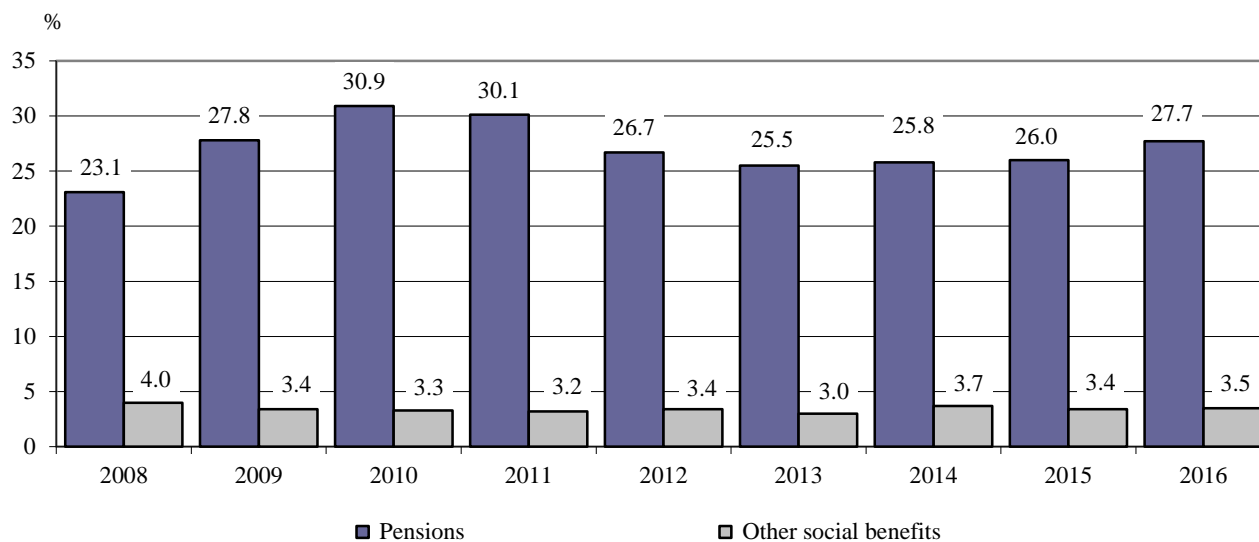


Social transfers (pensions, unemployment benefits, family allowances and other social benefits) in 2016 are 1 611 BGN average per capita and increase nominally 1.7 times compared to 2008, their relative share within the total income increases by 4.1 pp. Income from social transfers are 31.2% within the total income.

Pensions are dominating amongst this income position. In 2008 income from pensions is 810 BGN and increases to 1 432 BGN average per capita in 2016. The relative share of income from pensions is 27.7% within the total income and compared to 2015 increases by 1.7 pp.

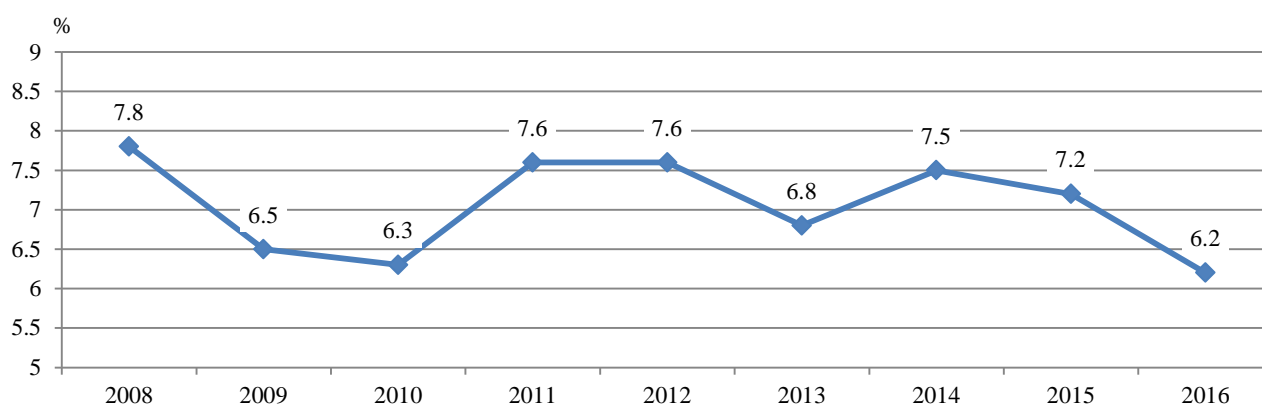


Figure 2. Relative share of income from pensions and social benefits within the total household income



A tendency of fluctuation of nominal income from self-employment income during the surveyed years is observed. The average income from self-employment per household member in 2016 is 319 BGN, as the relative share of total household income is 6.2% and decreases by 1.0 pp compared to 2015.

Figure 3. Relative share of income from entrepreneurship within the total household income



A variable tendency is observed by the income from other earnings. This income decreases during the 2008 - 2011 period, increases in the following two years, after that decreases again. In 2016 the income from other earnings average per capita is 150 BGN. This relative share is 2.9% and decreases by 0.3 pp compared to 2015.



Household expenditure

The Bulgarian households are spent 4 755 BGN average per capita in 2016 or by 1.9% more compared to 2015. Household expenditure increase 1.5 times during the 2008 - 2016 period.

3. Total expenditure and other resources consumed average per household member

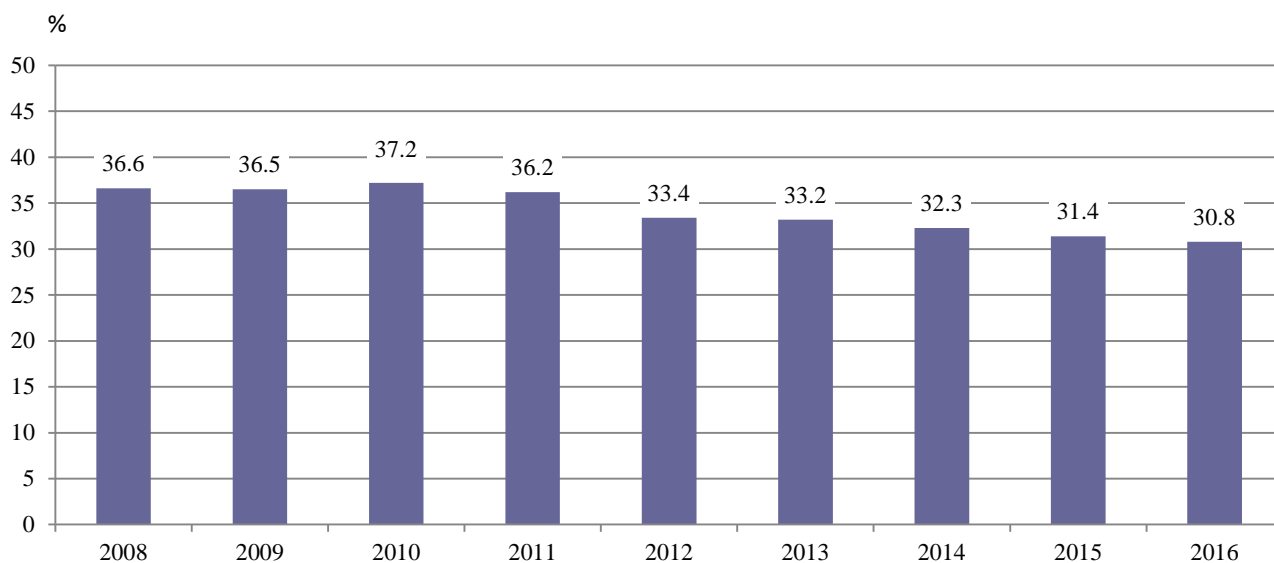
| Expenditure groups | 2008 | | 2012 | | 2015 | | 2016 | |
|--|-------------|--------------|-------------|--------------|-------------|--------------|-------------|--------------|
| | BGN | % | BGN | % | BGN | % | BGN | % |
| Total expenditure | 3264 | 100.0 | 4058 | 100.0 | 4666 | 100.0 | 4755 | 100.0 |
| Consumer total expenditure | 2784 | 85.3 | 3392 | 83.6 | 3888 | 83.3 | 3926 | 82.6 |
| Foods and non-alcoholic beverages | 1194 | 36.6 | 1355 | 33.4 | 1463 | 31.4 | 1464 | 30.8 |
| Alcoholic beverages and tobacco | 142 | 4.4 | 178 | 4.4 | 204 | 4.4 | 206 | 4.3 |
| Clothing and footwear | 113 | 3.5 | 129 | 3.2 | 165 | 3.5 | 172 | 3.6 |
| Housing, water, electricity, gas and other fuels | 443 | 13.6 | 621 | 15.3 | 666 | 14.3 | 681 | 14.3 |
| Furnishing and maintenance of the house | 122 | 3.7 | 131 | 3.2 | 173 | 3.7 | 175 | 3.7 |
| Health | 155 | 4.8 | 212 | 5.2 | 248 | 5.3 | 263 | 5.5 |
| Transport | 228 | 7.0 | 260 | 6.4 | 331 | 7.1 | 326 | 6.9 |
| Communication | 145 | 4.5 | 179 | 4.4 | 202 | 4.3 | 211 | 4.4 |
| Recreation, culture and education | 120 | 3.7 | 167 | 4.1 | 227 | 4.9 | 226 | 4.8 |
| Miscellaneous goods and services | 120 | 3.7 | 160 | 3.9 | 209 | 4.5 | 202 | 4.2 |
| Taxes | 102 | 3.1 | 200 | 4.9 | 231 | 5.0 | 247 | 5.2 |
| Social insurance contributions | 120 | 3.7 | 247 | 6.1 | 297 | 6.4 | 310 | 6.5 |
| Regular transfers to other households | 59 | 1.8 | 55 | 1.4 | 57 | 1.2 | 55 | 1.2 |
| Other expenditure | 199 | 6.1 | 163 | 4.0 | 193 | 4.1 | 216 | 4.5 |
| Saving deposits | 133 | x | 65 | x | 131 | x | 195 | x |
| Debt paid out and loan granted | 124 | x | 170 | x | 168 | x | 156 | x |
| Total | 3521 | x | 4293 | x | 4965 | x | 5106 | x |

The relative share of consumer expenditure within the total household expenditure decreases from 85.3% in 2008 to 82.6% in 2016.

1 464 BGN average per capita are spent on food. The relative share of expenditure on food within the total household expenditure is 30.8% in 2016 or by 0.5 pp less than 2015 and by 5.8 pp compare to 2008.



Figure 4. Relative share of food and non-alcoholic beverages within the total household expenditure



Expenditure on housing (water, electricity, fuels, furnishing and maintenance of the house) are 856 BGN average per capita in 2016 or by 2.0% more than 2015. In comparison to 2008 this expenditure are increased 1.5 times because of expenditure mainly on electricity and fuels.

Nominally yearly increasing is observed by expenditure on: taxes - by 6.9%; health - by 6.0%, communication - by 4.5%, social insurance contributions - by 4.4% and clothing and footwear - by 4.2%.

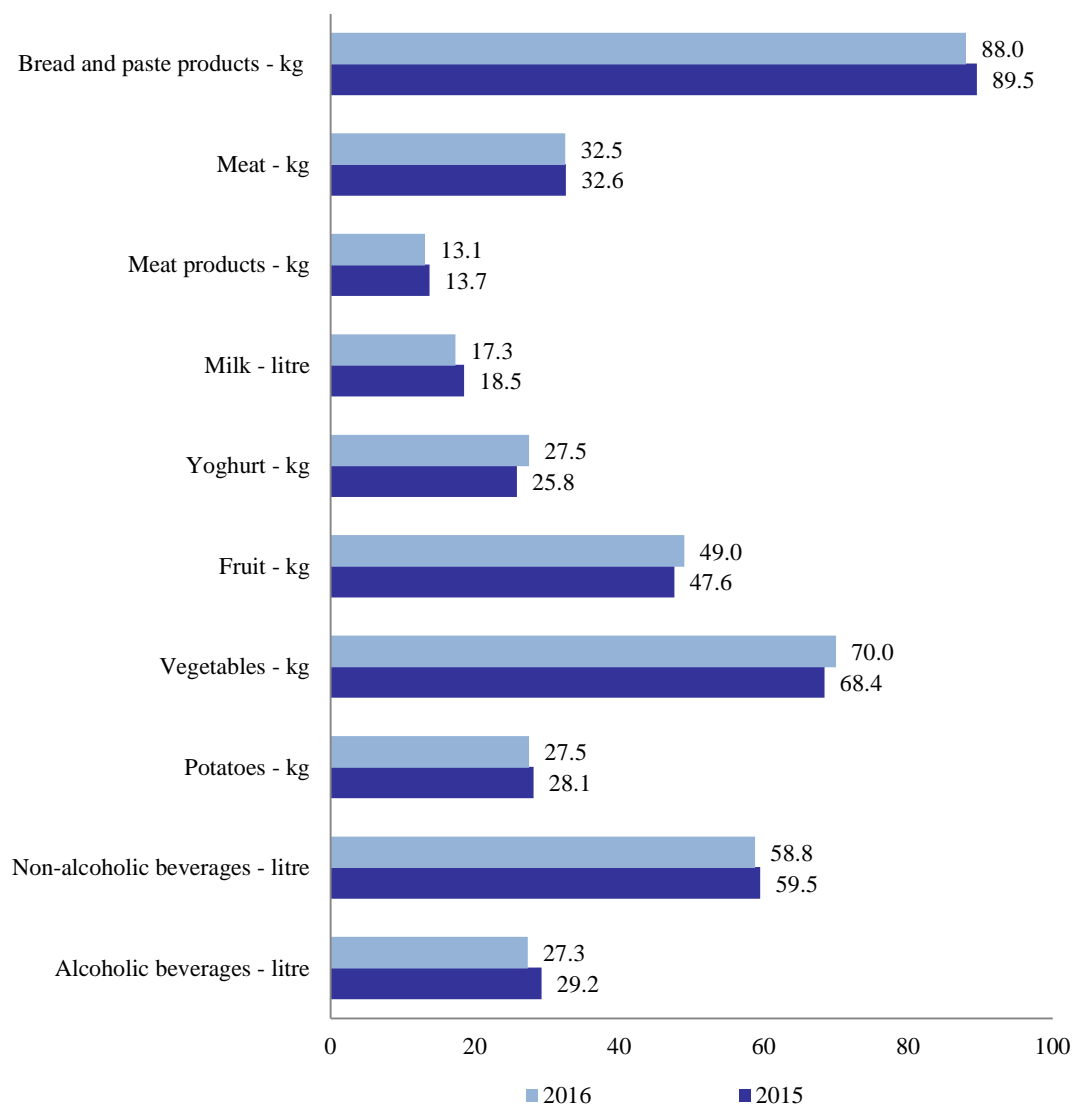


Household consumption

Statistical data show changes in the household consumption structure in Bulgaria. Consumption of bread and paste products decreases by 1.5 kg compared to 2015 and it is 88.0 kg average per capita in 2016. Consumption of fruit and vegetables increases respectively by 1.4 kg and 1.6 kg.

In 2016 compared to 2015 consumption of alcoholic beverages average per capita decreases from 29.2 litres to 27.3 litres and consumption of cigarettes decreases from 647 numbers to 639 numbers.

Figure 6. Consumption of main foods and beverages average per household member





Household purchasing power¹

The purchasing power of households increases for almost all kinds of food during the 2008 - 2016 period. Quite a lot is increase the purchasing power of eggs, pork, apples, white bread and sugar in comparison to the beginning of the considered period. At least is the increase in respect to butter.

In 2016 compared to 2015 the purchasing power decreases for some food - potatoes, grapes and sugar.

4. Purchasing power of households calculated by monetary income average per capita

| Foods | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| White bread - kg | 2513 | 2997 | 3103 | 2814 | 3287 | 3557 | 3646 | 3817 | 3988 |
| Rice - kg | 1538 | 1372 | 1518 | 1522 | 1774 | 2048 | 2061 | 2070 | 2163 |
| Dry beans - kg | 1178 | 1217 | 1307 | 1561 | 1404 | 1329 | 1060 | 1172 | 1358 |
| Potatoes - kg | 4432 | 4458 | 4516 | 4269 | 5730 | 4877 | 5386 | 5959 | 5736 |
| Tomatoes - kg | 2307 | 2584 | 2230 | 2772 | 2650 | 3072 | 2693 | 2699 | 2745 |
| Cucumbers - kg | 2187 | 2257 | 2149 | 2544 | 2585 | 2833 | 2756 | 2627 | 2820 |
| Peppers - kg | 2201 | 2641 | 2530 | 2835 | 3095 | 3479 | 3078 | 2926 | 3272 |
| Apples - kg | 2159 | 2764 | 2925 | 2691 | 3118 | 3453 | 3618 | 3674 | 3867 |
| Grapes | 2783 | 3876 | 3304 | 3439 | 3287 | 4262 | 3338 | 3817 | 3521 |
| Milk - litre | 2879 | 2972 | 2901 | 2879 | 3118 | 3379 | 3362 | 3417 | 3595 |
| Yoghurt - kg | 1861 | 1959 | 1993 | 1976 | 2186 | 2402 | 2347 | 2407 | 2515 |
| White cheese - kg | 671 | 752 | 746 | 703 | 770 | 820 | 787 | 808 | 806 |
| Yellow cheese - kg | 338 | 377 | 379 | 345 | 394 | 419 | 412 | 440 | 458 |
| Pork - kg | 421 | 457 | 492 | 512 | 562 | 608 | 631 | 699 | 741 |
| Poultry meal - kg | 757 | 820 | 894 | 595 | 940 | 986 | 985 | 1040 | 1115 |
| Perishable sausages - kg | 679 | 650 | 653 | 673 | 746 | 814 | 810 | 856 | 892 |
| Non-perishable sausages - kg | 316 | 309 | 313 | 327 | 360 | 384 | 374 | 388 | 397 |
| Eggs - in numbers | 16038 | 16981 | 16990 | 18570 | 16308 | 20570 | 22571 | 22209 | 24310 |
| Sugar - kg | 2054 | 2286 | 2411 | 1673 | 1945 | 2342 | 3139 | 3541 | 3191 |
| Butter - kg | 413 | 413 | 386 | 357 | 418 | 417 | 409 | 421 | 432 |

Dwellings, housing conditions and availability of durables

In 2016 89.7% of households are living in own dwelling and 6.3% are living in dwellings free of rent. 4.0% of the observed households are living in rented dwellings - 2.5% of the households pay free rent and 1.5% municipal rent. 8.2% of the households also possess a second dwelling.

¹ Purchasing power of households is expressed by the volume of a given kind of goods, which can be bought with the annual monetary household income per capita if it is used to buy only this kind of good.



92.3% of households are living in dwellings constructed prior to 1990 and 72.3% of dwellings were built within the 1961 - 1990 period. 20.0% of the dwellings were constructed prior to 1961. Households living in new dwellings (constructed after 2001) represent 3.8%.

More than 2/3 of the households (67.5%) are living in dwellings with two and three rooms. In urban areas such dwellings are 71.9% of all. In rural areas 64.8% of dwellings have three or four rooms.

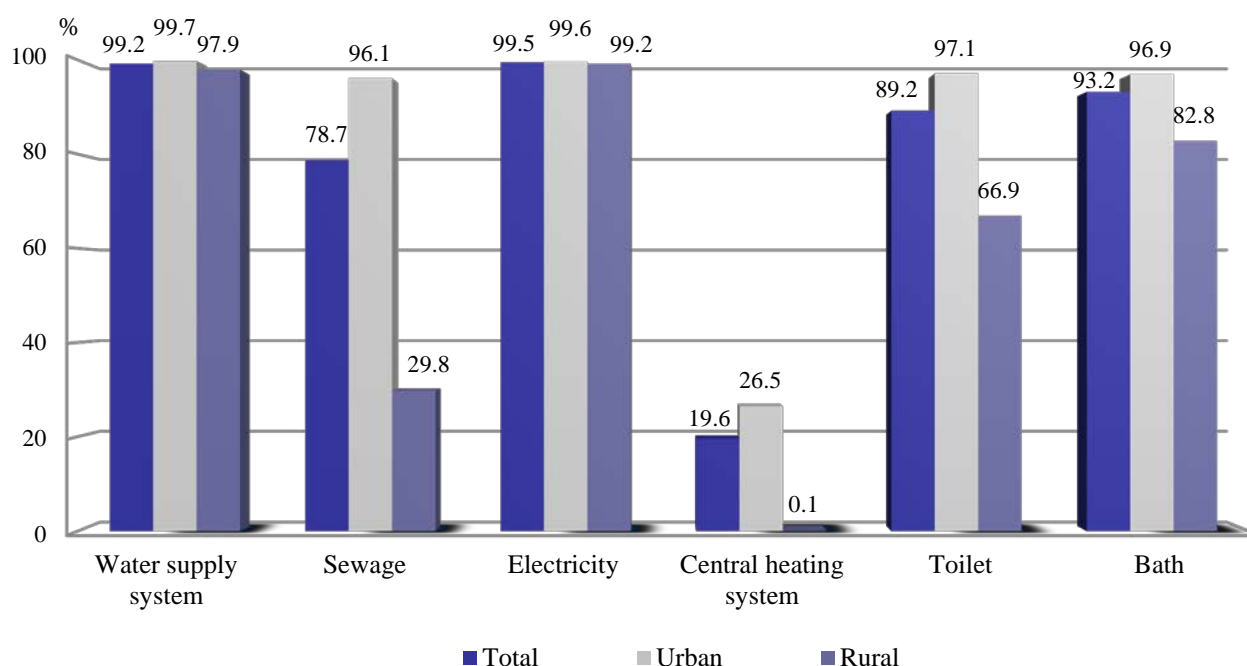
21.5% of the households possess garage (18.1% in urban areas and 31.2% in rural areas).

75.3% of the households have electricity, running water, sewerage, bathroom and toilet in their dwellings. There are considerable discrepancies in respect to the availability of the above mentioned facilities between urban and rural areas. In rural areas sewerage is available in only 29.8% of the dwellings, while in urban areas this percent is 3.2 times higher - 96.1%.

66.9% of the rural households and 97.1% of the urban households have toilets inside the dwelling.

19.6% of the country dwellings have central heating - 26.5% in urban areas and just 0.1% in rural areas.

Figure 7. Relative share of dwellings with water supply system, sewage, electricity, central heating system, bath and toilet by residence



49.5% of the observed households possess car and 4.1% of households possess two or more cars. 14.6% of households cannot afford a car and 35.2% do not need one.

Amongst the durables, those that are most spread are TV sets - 99.1% of households have TV and 25.7% of households have two and more TV sets.

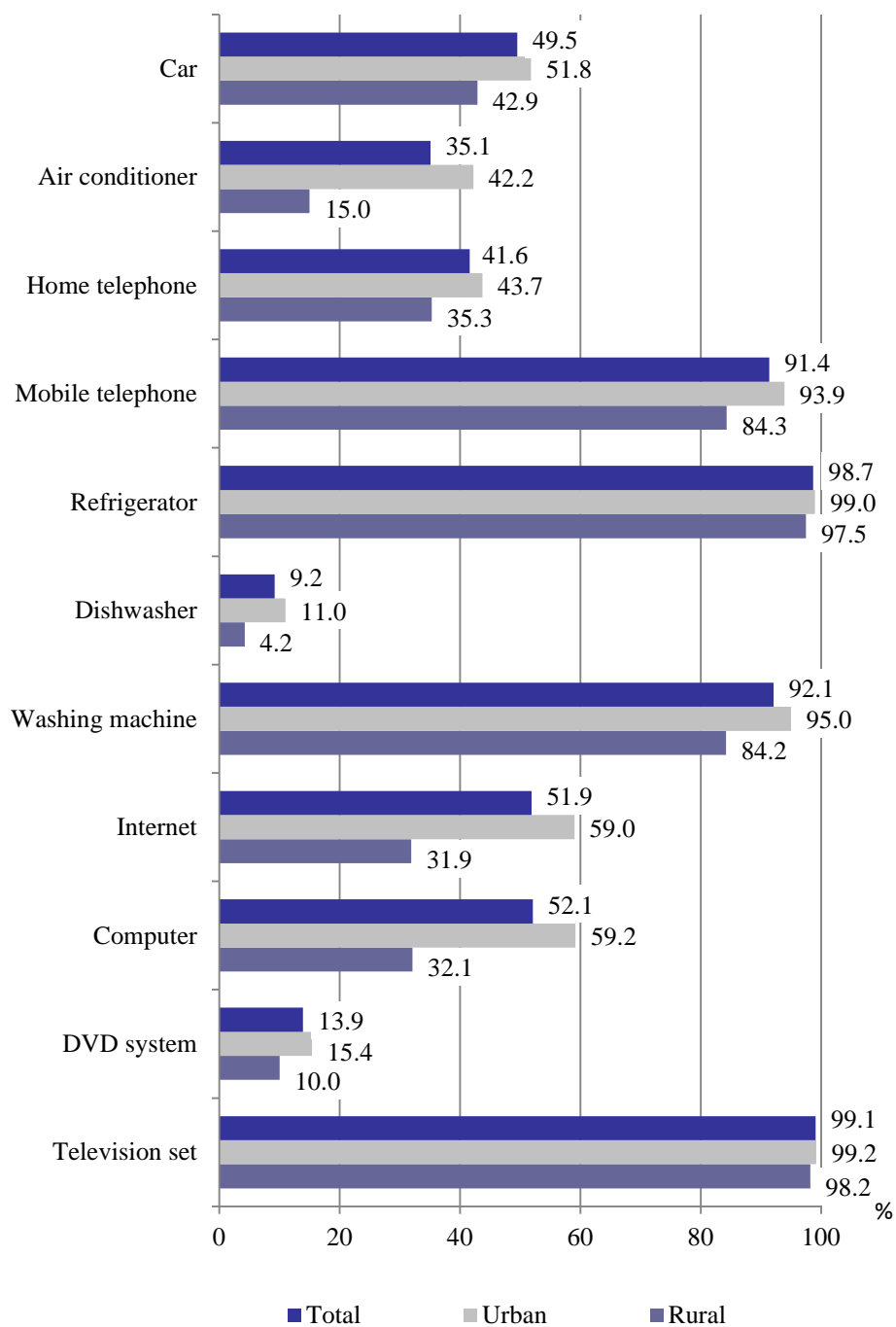


Refrigerators and freezers take the second place - 98.7% of the households (99.0% - in urban areas and 97.5% - in rural) possess refrigerator and/or freezer.

Washing machines possess 92.1% of the households. 5.3% cannot afford such machine and 2.8% do not need it.

Without a telephone (non-mobile or mobile) are 1.7% of the households. 6.4% possess just a non-mobile telephone and 56.2% - just a mobile phone (households possessing two and more mobile phones are prevailing). 34.9% of the observed households possess both types of telephones.

Figure 8. Relative share of households possessing durables by residence





PCs possess 52.1% of the households (59.2% in urban areas and 32.1% in rural). Still high is the share of households which do not need a PC - 39.5%.

51.9% of the households have Internet connection inside the dwelling. 59.0% of the dwelling in urban areas and 31.9% in rural areas have Internet connection. 40.2% do not need Internet.

Air-conditioners possess 35.1% of the households and 30.9% cannot afford it. 34.0% of the households do not need air-conditioner.

Methodological notes

The source of data is the household budget survey. It is sample survey. The sample used for the survey is a random sample.

A regular household are two or more persons who live in one dwelling or part of a dwelling, having their meals together and having a common budget irrespective of the fact whether they are relatives. A household is also one person living alone, having meals separately and having his/her separate budget.

Institutional households are not studied by the household budgets survey.

The main indicators for income, expenditure and consumption are estimated quarterly and annual as average values and relative share.

Household income in cash and kind includes all receipts of household members from: wages and salaries, pensions, self-employment income, unemployment benefits, social benefits, etc. Other regular or irregular transfers from other households and property sale are also included.

Household expenditure includes expenditure for food, beverages, tobacco, housing (water, electricity, heating, furnishing and maintenance), transport, communications, health, taxes, social insurance contributions, etc.

Consumption expenditure includes household expenditure for goods and services according to International Classifications of Individual Consumption by Purpose (COICOP).

Consumption average per household member includes the quantities of foods and beverages consumed at home. The catering data are not included.

Purchasing power is expressed by the volume of a given kind of goods, which can be bought, with the annual monetary income of the household if it is used to buy only this kind of good during the reference year.

More information on the household budget survey and its results could be found on NSI web site - www.nsi.bg under the heading of Households Income and Expenditure and the Information System INFOSTAT.