



### Key indicators for Bulgaria\*

This update: 5 April 2018

Next update: 6 July 2018

		August'17	Sept.'17	Oct.'17	Nov.'17	Dec.'17	Jan.'18	Febr.'18	March'18
<b>1. Output</b>									
Industrial confidence <sup>1.1</sup>	%	3.9	2.0	0.5	1.0	-0.8	2.0	1.0	1.2
Industrial production <sup>1.2**</sup>	yoy % ch.	4.1	3.4	2.7	1.9	2.3	3.5		
Construction Production <sup>1.3**</sup>	yoy % ch.	8.3	6.9	9.8	7.6	-7.4	24.2		
		<b>16 Q2</b>	<b>16 Q3</b>	<b>16 Q4</b>	<b>17 Q1</b>	<b>17 Q2</b>	<b>17 Q3</b>	<b>17 Q4</b>	<b>18 Q1</b>
Gross domestic product <sup>1.4</sup>	yoy % ch.	4.1	3.6	4.0	3.7	3.7	3.9	3.5	
<b>2. Private consumption</b>									
Consumer confidence <sup>2.1</sup>	%	-27.5	-27.9	-25.4	-27.0	-25.4	-26.1	-25.0	
		<b>August'17</b>	<b>Sept.'17</b>	<b>Oct.'17</b>	<b>Nov.'17</b>	<b>Dec.'17</b>	<b>Jan.'18</b>	<b>Febr.'18</b>	<b>March'18</b>
Turnover in retail trade <sup>2.2**</sup>	yoy % ch.	3.1	2.0	4.0	3.9	4.8	4.4		
		<b>16 Q2</b>	<b>16 Q3</b>	<b>16 Q4</b>	<b>17 Q1</b>	<b>17 Q2</b>	<b>17 Q3</b>	<b>17 Q4</b>	<b>18 Q1</b>
Individual final consumption <sup>2.3</sup>	yoy % ch.	4.2	1.7	3.9	4.9	4.0	4.6	3.6	
<b>3. Investment</b>									
Capacity utilization in industry <sup>3.1</sup>	%	73.3	74.6	74.6	75.5	74.7	75.5	76.8	
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.	-5.5	-7.5	-7.6	-2.6	3.9	4.3	4.5	
Change in stocks <sup>3.3</sup>	% of GDP	0.9	0.3	0.7	1.7	2.0	0.7	2.3	
<b>4. Labour market</b>									
Unemployment rate <sup>4.1</sup>	%	8.0	7.0	6.7	6.9	6.3	5.8	5.6	
Unemployment rate - male	%	8.8	7.4	6.8	6.8	6.9	6.1	5.6	
Unemployment rate - female	%	7.2	6.5	6.5	6.9	5.7	5.5	5.7	
Employment rate 15+ <sup>4.2</sup>	%	49.5	49.9	49.2	50.0	52.2	53.2	52.3	
Employment rate 20-64	%	68.0	68.5	67.7	68.6	71.7	73.0	72.1	
Employed persons <sup>4.3</sup>	yoy % ch.	0.7	-1.7	-1.8	2.1	4.6	5.6	5.4	
Labour costs <sup>4.4</sup>	yoy % ch.	7.7	8.0	8.1	10.1	11.0	10.7	12.2	
		<b>August'17</b>	<b>Sept.'17</b>	<b>Oct.'17</b>	<b>Nov.'17</b>	<b>Dec.'17</b>	<b>Jan.'18</b>	<b>Febr.'18</b>	<b>March'18</b>
Shortage of labour in industry <sup>4.5</sup>	%	27.1	28.7	29.8	29.8	31.4	32.3	30.3	33.3
Wages <sup>4.6</sup>	yoy % ch.	9.2	11.5	10.4	10.7	11.0			
<b>5. International transactions</b>									
Export order books in industry <sup>5.1</sup>	balance	-20.3	-21.2	-21.2	-23.0	-29.1	-28.9	-33.9	-31.0
Exports of goods <sup>5.2</sup>	mln. EUR	2133.0	2216.4	2454.9	2267.1	2025.1	2159.6		
Imports of goods <sup>5.3</sup>	mln. EUR	2355.0	2223.5	2549.7	2574.8	2507.9	2452.1		
Trade balance <sup>5.4</sup>	mln. EUR	-221.9	-7.1	-94.8	-307.7	-482.8	-292.5		
Current account <sup>5.5</sup>	mln. EUR	729.0	422.3	65.6	-190.3	-339.4	-139.6		
Direct investment (net) <sup>5.6</sup>	mln. EUR	-168.9	64.3	-25.9	-165.8	-16.6	-161.6		
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	45.2	235.7	661.0	354.5	294.0	73.7		
		<b>16 Q2</b>	<b>16 Q3</b>	<b>16 Q4</b>	<b>17 Q1</b>	<b>17 Q2</b>	<b>17 Q3</b>	<b>17 Q4</b>	<b>18 Q1</b>
Exports of goods and services <sup>5.8</sup>	yoy % ch.	7.3	12.4	9.9	5.6	3.7	4.1	2.0	
Imports of goods and services <sup>5.9</sup>	yoy % ch.	3.0	7.6	5.1	3.0	6.5	5.1	8.3	
<b>6. Prices</b>									
HICP <sup>6.1</sup>	yoy % ch.	0.7	1.3	1.5	1.9	1.8	1.3	1.5	
		<b>16 Q2</b>	<b>16 Q3</b>	<b>16 Q4</b>	<b>17 Q1</b>	<b>17 Q2</b>	<b>17 Q3</b>	<b>17 Q4</b>	<b>18 Q1</b>
HPI <sup>6.2</sup>	yoy % ch.	6.5	8.8	8.1	9.0	8.6	9.0	8.2	
		<b>August'17</b>	<b>Sept.'17</b>	<b>Oct.'17</b>	<b>Nov.'17</b>	<b>Dec.'17</b>	<b>Jan.'18</b>	<b>Febr.'18</b>	<b>March'18</b>
Producer prices on domestic market (in industry) <sup>6.3**</sup>	yoy % ch.	5.9	6.0	5.5	5.8	5.1	5.6	4.4	
Selling prices expectations in industry <sup>6.4</sup>	balance	2.9	2.4	3.1	4.5	5.0	4.3	2.2	3.2
Selling prices expectations in retail trade <sup>6.5</sup>	balance	6.1	5.8	8.7	4.4	9.0	8.1	6.4	5.3
<b>7. Monetary and financial indicators</b>									
SOFIBOR (3 months) <sup>7.1</sup>	index	0.10	0.10	0.06	0.05	0.05	0.01	0.01	
M3 <sup>7.2</sup>	yoy % ch.	7.7	8.2	8.2	7.0	7.7	7.7	8.1	
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.	3.9	4.1	3.3	3.2	3.3	3.3	3.6	
Exchange rate USD/BGN <sup>7.4</sup>	value	1.65	1.66	1.68	1.65	1.63	1.57	1.60	

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.

\*\* In compliance with Regulation (EC) № 1165/98 and amendment Regulation (EC) № 1158/2005 since January 2018 the base year for Short-term business statistics has been changed. All short-term indicators presented in the form of indices are calculated and published at 2015 as a base year.

## Comments\*

### 1. Output

According to the NSI business inquiries in March 2018 the **industrial confidence indicator** slightly increased by 0.2 percentage points compared to February 2018.

In January 2018 working day adjusted **Industrial Production Index** rose by 3.5% in comparison with the same month of 2017 (preliminary data). On annual basis in January 2018 Industrial Production Index calculated from working day adjusted data rose in the manufacturing by 10.3%, while the production fell in the electricity, gas, steam and air conditioning supply by 8.7% and in the mining and quarrying industry by 4.6%.

In January 2018 working day adjusted data showed an increase by 24.2% in the **construction production**, compared to the same month of 2017. On an annual basis in January 2018, the increased of production in construction, calculated from working day adjusted data, was determined from the positive rate in the building construction, where the growth was by 31.6% and in the civil engineering - by 15.5%.

According to the preliminary data the produced **Gross Domestic Product (GDP)** at current prices for the fourth quarter of 2017 is 27 427 million BGN. GDP per person is 3 876 BGN. GDP is 16 507 million USD and 2 333 USD per person using the average for the quarter exchange rate of 1.66154 BGN for 1 USD. In Euro terms GDP is 14 023 million EUR or 1 982 EUR per person. According to the seasonally adjusted data<sup>1</sup>, the GDP growth rate in the fourth quarter of 2017 is 0.7% compared to the third quarter of 2017 and 3.5% compared to the same quarter of the previous year.

### 2. Private consumption

In January 2018, the total **consumer confidence indicator** increases by 1.1 percentage points in comparison with its October 2017 level, which is due entirely to the increased confidence among the urban population. The consumers' opinions about the occurred changes in the financial situation of households and the general economic situation in the country over the last 12 months remain substantially unchanged compared to the previous survey.

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

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

However, in the forecasts over the next 12 months the inquiry is registered some pessimism by rural population as regards the financial situation and slightly decreased expectations about the economic situation, while among the urban population their expectations are improved.

In January 2018, the working day adjusted **turnover in 'Retail trade, except of motor vehicles and motorcycles'** marked rise from 4.4% in comparison with the same month of the previous year. In January 2018 compared to the same month of 2017 the turnover increased more significantly in the 'Retail sale of computers, peripheral units and software; telecommunications equipment' by 5.7%, in the 'Retail sale of audio and video equipment; hardware, paints and glass; electrical household appliances' and in the 'Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles' by 5.5% and in the 'Retail sale via mail order houses or via Internet' by 4.8%. Decline was registered only in the 'Retail sale of textiles, clothing, footwear and leather goods' - 10.1%.

In the fourth quarter of 2017 for **individual consumption** were spent 73.5% of the GDP produced. According to seasonally adjusted data<sup>1</sup>, the indicator increased by 3.6% compared to the respective quarter of 2016.

### 3. Investment

In January 2018, the average **capacity utilization in industry** was by 1.3 percentage points over its October 2017 level and it reached 76.8%.

According to seasonally adjusted data<sup>1</sup>, the **gross fixed capital formation** in the fourth quarter of 2017 increased in real terms by 4.5% compared to the same period of the previous year. The relative share of that indicator in GDP is 20.3%.

### 4. Labour market

In the fourth quarter of 2017 there were 3 167.6 thousand **employed persons aged 15 years and over**, of whom 1 704.3 thousand men and 1 463.3 thousand women. The share of employed persons in the total population aged 15 years and over was 52.3%, up by 3.1 percentage points compared to the fourth quarter of 2016. In employment were 58.6% of men and 46.5% of women in the age group concerned.



In the fourth quarter of 2017 there were 189.3 thousand **unemployed persons** and the **unemployment rate** was 5.6%. In comparison with the fourth quarter of 2016 the number of unemployed persons went down by 11.9% and the unemployment rate declined by 1.1 percentage points. Over the same period the unemployment rate decreased by 1.2 percentage points for men and by 0.8 percentage points for women achieving almost the same values for men and women (5.6% and 5.7% respectively) in the fourth quarter of 2017. There were 101.4 thousand unemployed men (53.6% of all unemployed persons) and 87.9 thousand unemployed women (46.4%).

In the fourth quarter of 2017 **the total hourly labour cost** (preliminary data) rose by 12.2% compared to the fourth quarter of 2016. The total hourly labour cost grew by 11.7% in industry, by 11.8% in services and by 11.9% in construction.

According to the NSI business inquiries in March 2018 33.3% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In December 2017 the **average wage and salary** was BGN 1 123 or 4.2% more compared to the previous month. Compared to December 2016 the increase was 11.0%.

## 5. International transactions

According to the industrial managers' assessments in March 2018 in comparison with February an improvement of the production assurance with **orders from abroad** (by 2.9 percentage points) was registered.

In January 2018 the **current account**<sup>1</sup> was negative amounting to EUR 139.6 million (0.3% of GDP)<sup>2</sup> in January 2018, compared with a deficit of EUR 42.7 million (0.1% of GDP)<sup>2</sup> in January 2017.

In January 2018 **the trade balance**<sup>1</sup> recorded a deficit of EUR 292.5 million (0.5% of GDP)<sup>2</sup> in January 2018, compared with a deficit of EUR 154.8 million (0.3% of GDP)<sup>2</sup> in January 2017.

In January 2018 **exports of goods (FOB)**<sup>1</sup> amounted to EUR 2 159.6 million (4.0% of GDP)<sup>2</sup> in January 2018, growing by EUR 335.3 million (18.4%) from

January 2017 (EUR 1 824.3 million, 3.6% of GDP)<sup>2</sup>. In January 2017 exports grew by 11.0% year-on-year. In January 2018 **imports of goods (FOB)**<sup>1</sup> amounted to EUR 2 452.1 million (4.6% of GDP)<sup>2</sup> in January 2018, growing by EUR 473 million (23.9%) from January 2017 (EUR 1 979.1 million, 3.9% of GDP)<sup>2</sup>. In January 2017 imports grew by 21.0% year-on-year.

In January 2018 **the net direct investment**<sup>1</sup> was negative amounting to EUR 161.6 million (0.3% of GDP)<sup>2</sup>, compared with a negative balance of EUR 82.3 million (0.2% of GDP)<sup>2</sup> in January 2017. **The foreign direct investment in Bulgaria**<sup>1</sup> grew by EUR 158.8 million in January 2018 according to preliminary data, compared with an increase of EUR 96.5 million in January 2017. **The direct investment abroad**<sup>1</sup> dropped by EUR 2.7 million in January 2018, compared with an increase of EUR 14.2 million in January 2017.

In January 2018 **the balance on portfolio investment**<sup>1</sup> was positive amounting to EUR 73.7 million (0.1% of GDP)<sup>2</sup>, compared with a positive balance of EUR 142.9 million (0.3% of GDP)<sup>2</sup> in January 2017. In January 2018 **portfolio investment - assets**<sup>1</sup> increased by EUR 156.9 million (0.3% of GDP)<sup>2</sup>, compared with an increase of EUR 144.8 million (0.3% of GDP)<sup>2</sup> in January 2017. In January 2018 **portfolio investment - liabilities**<sup>1</sup> rose by EUR 83.3 million (0.2% of GDP)<sup>2</sup> compared with an increase of EUR 1.9 million in January 2017.

**The external balance** in the fourth quarter of 2017 is negative. **Import and export** of goods and services increase by 8.3% and 2.0% respectively compared to the same quarter of the previous year (according to seasonally adjusted data)<sup>3</sup>.

## 6. Prices

In February 2018 the **harmonized index of consumer prices** increased by 1.5% compared to February 2017. The highest decrease was registered in 'Clothing and footwear' - by 1.3%.

In fourth quarter of 2017 the **house price index** increased by 8.2% compared to same quarter of 2016.

<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.

<sup>3</sup> Seasonally and calendar adjusted data.



**Producer Price Index on Domestic Market** in February 2018 increased by 4.4% compared to the same month of 2017. The domestic prices rose in the electricity, gas, steam and air conditioning supply by 12.1%, in the mining and quarrying industry by 1.5% and in the manufacturing by 0.3%.

According to the conjuncture inquiry in March 2018 managers foresaw the **selling prices in industry** to remain unchanged over the next 3 months.

## 7. Monetary and financial indicators

In February 2018 the **three-month interbank market index SOFIBOR**<sup>1</sup> decreased in comparison with February 2017 by 0.11 percentage points from 0.12% to 0.01%.

In February 2018 broad money (**monetary aggregate M3**)<sup>2</sup> increased annually by 8.1% compared to 7.7% annual growth in January 2018. At the end of February 2018 M3 was BGN 85.672 billion (81.7% of GDP)<sup>2</sup> compared to BGN 85.201 billion (81.2% of GDP)<sup>3</sup> in January 2018.

The **loans to Non-financial corporations, households and NPISHs**<sup>2</sup> in February 2018 amounted to BGN 50.991 billion. In February 2018, loans to Non-financial corporations increased by 2.0% annually (1.6% annual growth in January 2018) and at the end of the month amounted to BGN 31.183 billion (29.7% of GDP)<sup>3</sup>. Loans to Households and NPISHs were BGN 19.808 billion (18.9% of GDP)<sup>3</sup> at the end of February 2018.

In February 2018 the **exchange rate BGN against the USD** reached BGN 1.60 per USD.

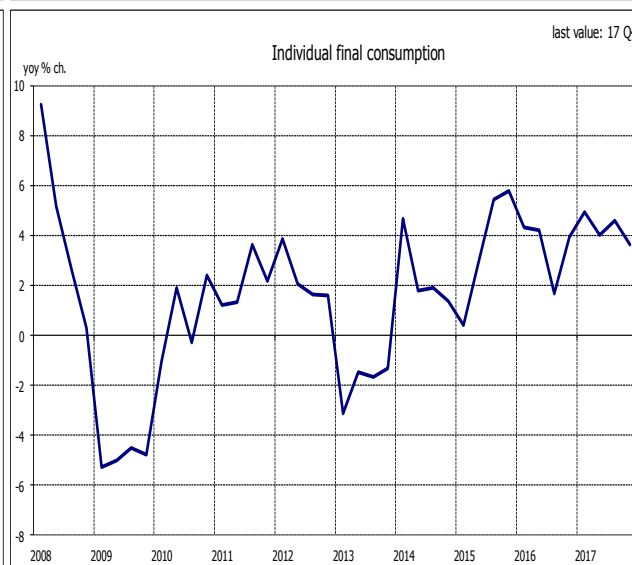
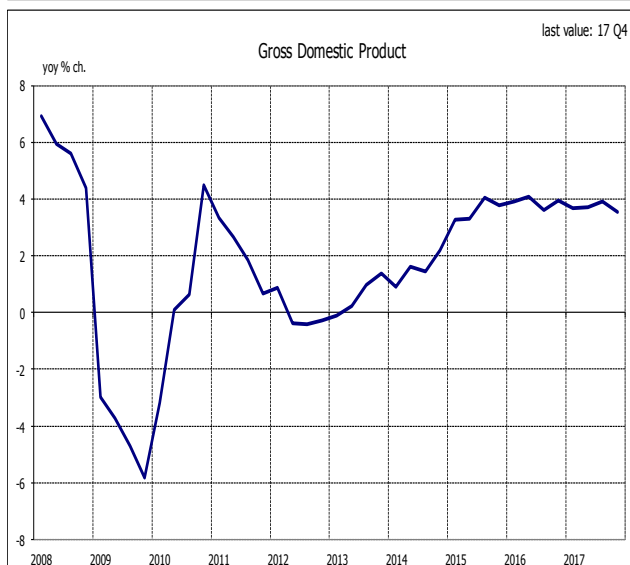
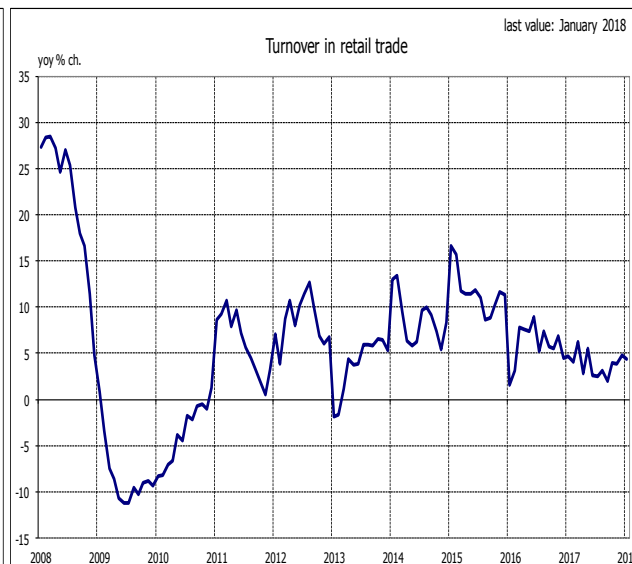
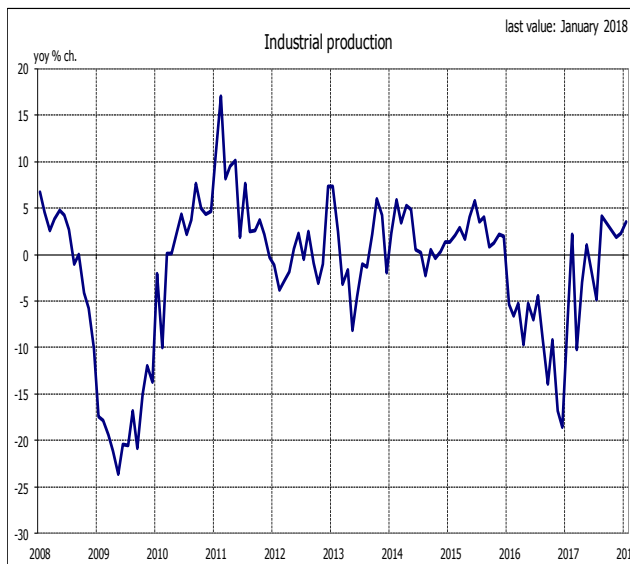
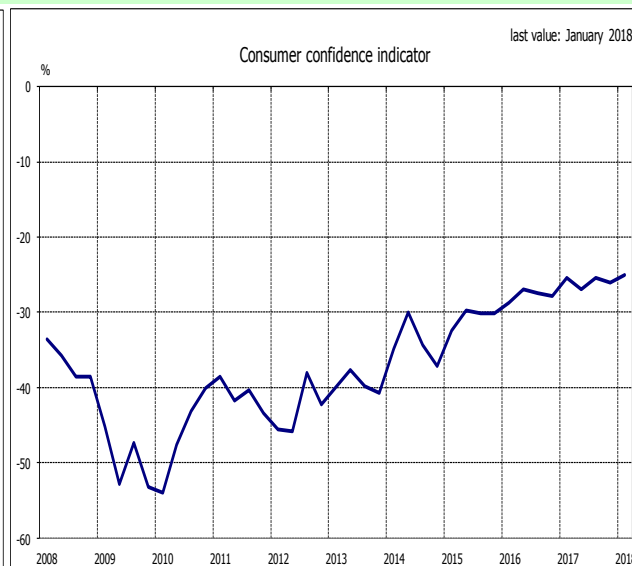
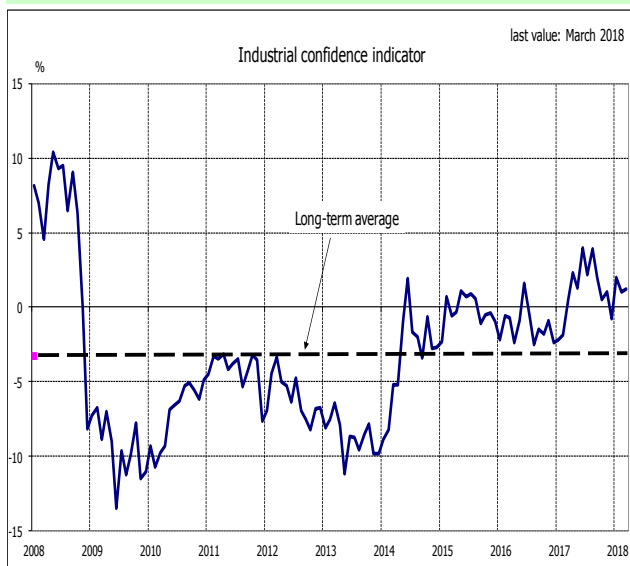
<sup>1</sup> Preliminary data. In accordance with the practice of the BNB and the data revision requirements of the ECB.

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



## 1. OUTPUT

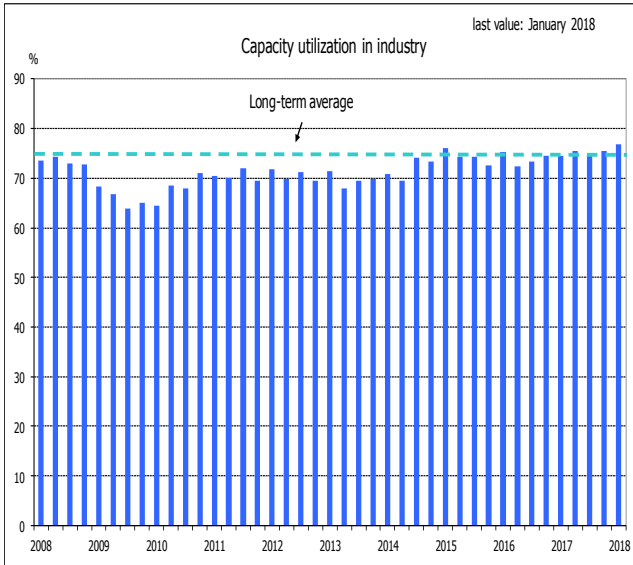
## 2. PRIVATE CONSUMPTION



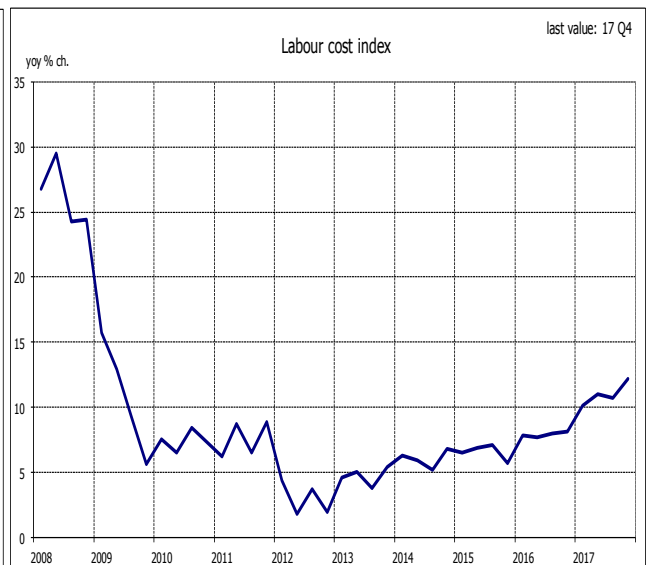
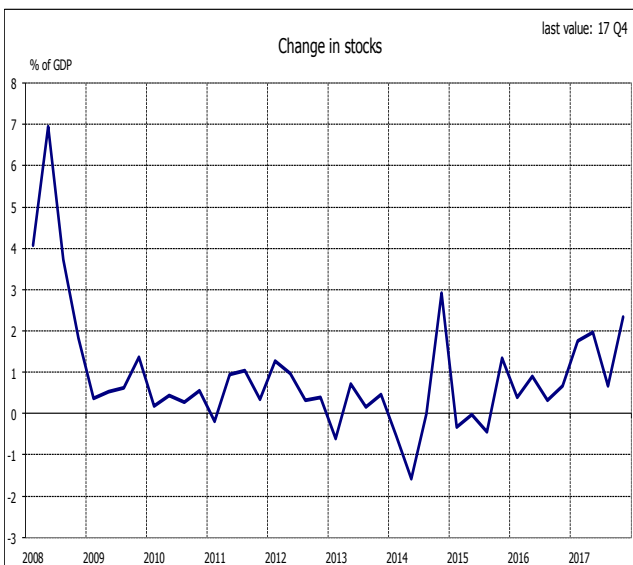
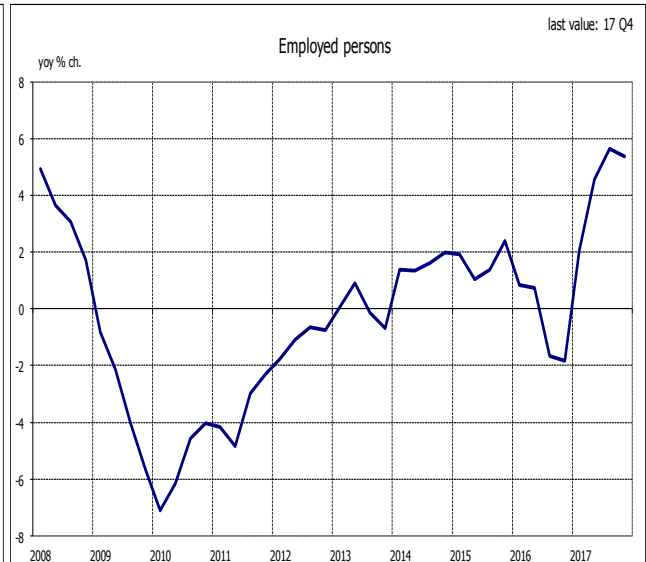
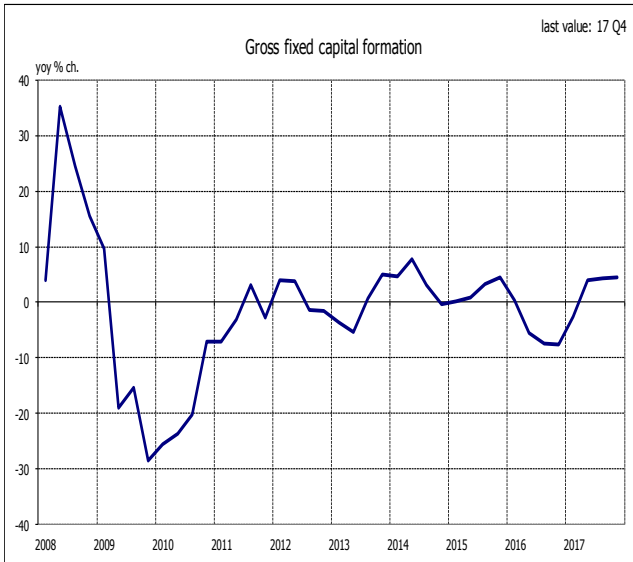
**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



### 3. INVESTMENT



### 4. LABOUR MARKET

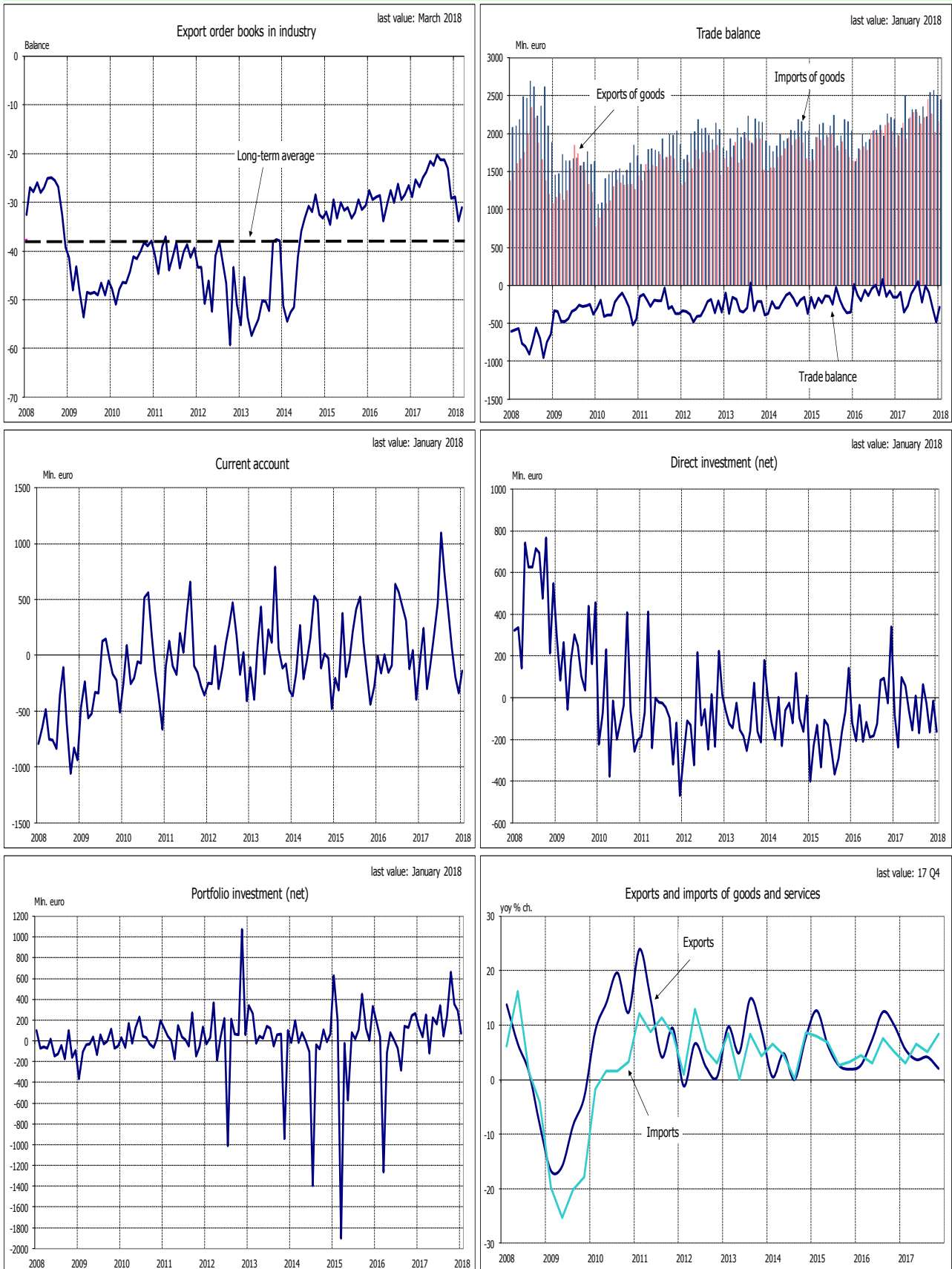


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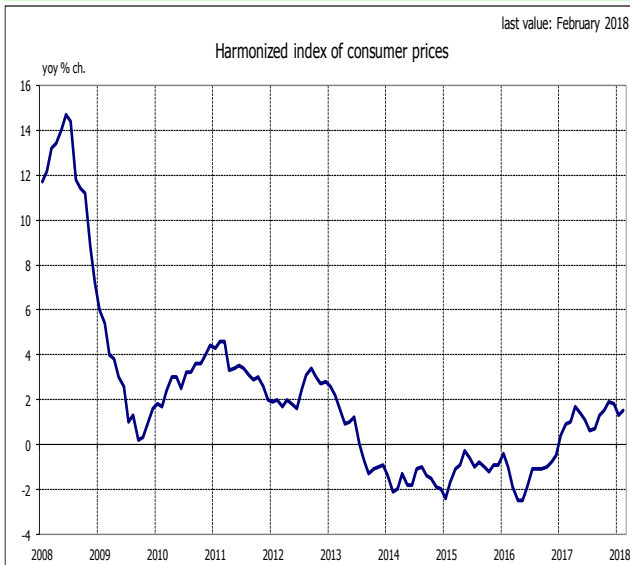
## 5. INTERNATIONAL TRANSACTIONS



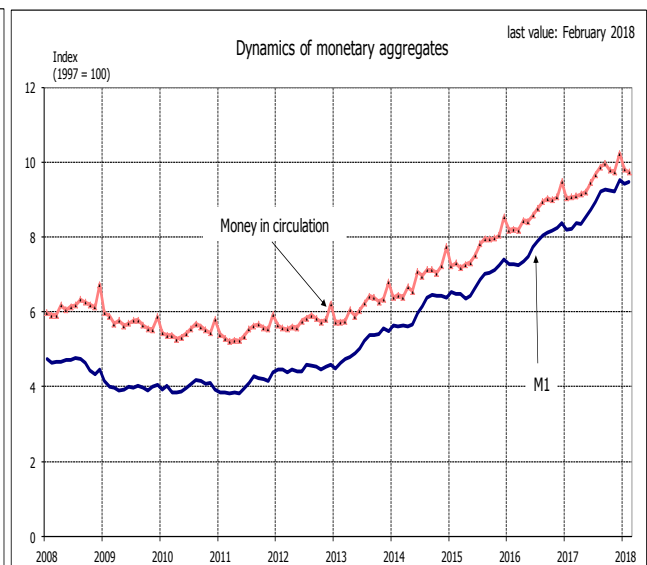
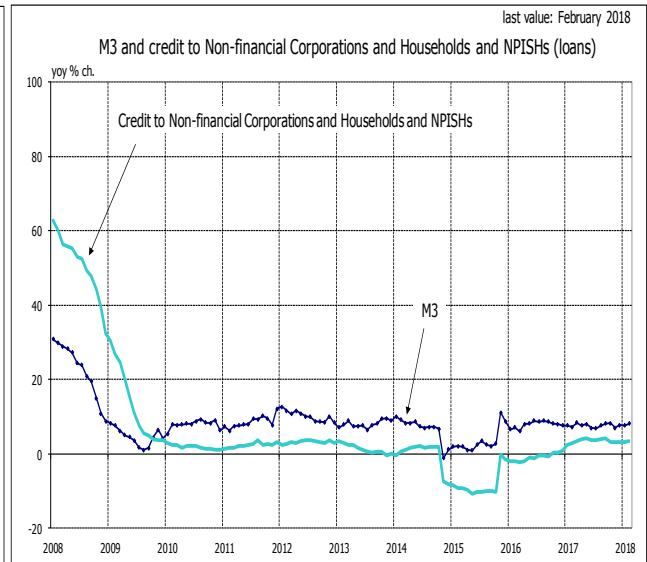
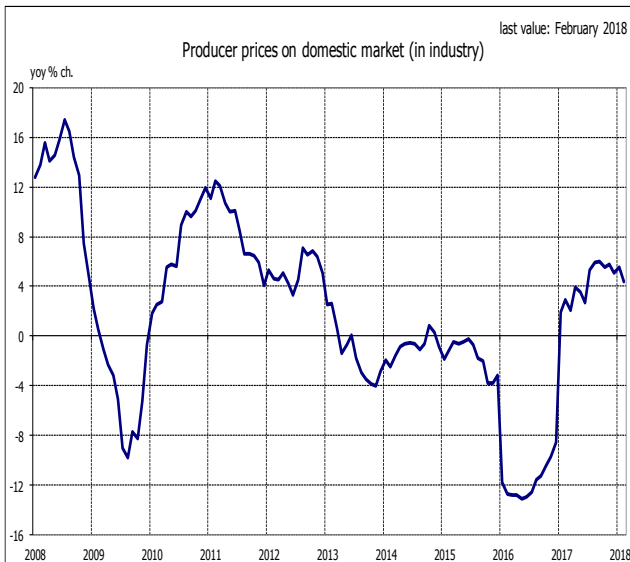
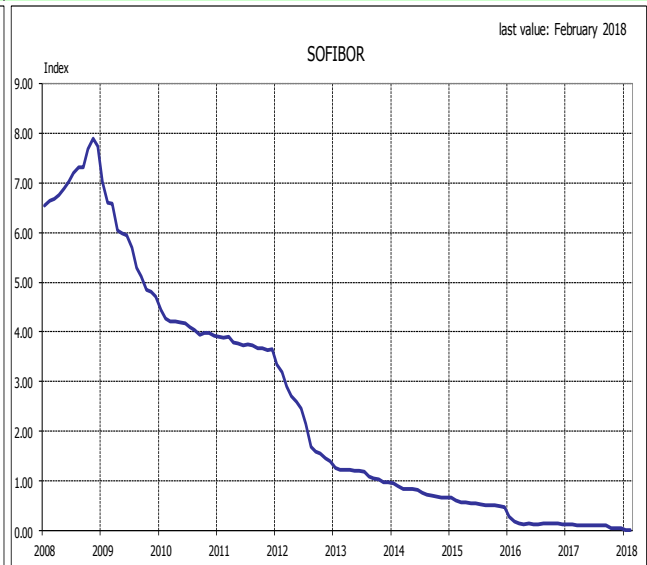
**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



## 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. Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <a href="http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm">http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm</a>	BNB
5.3.	Imports of goods	Balance of payment (according BPM6), Analytical presentation, million EUR. Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <a href="http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm">http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm</a>	BNB
5.4.	Trade balance	Balance of payment (according BPM6), Analytical presentation, million EUR. Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <a href="http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm">http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm</a>	BNB
5.5.	Current account	Balance of payment (according BPM6), Analytical presentation, million EUR. Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <a href="http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm">http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm</a>	BNB
5.6.	Direct investment	(net) million EUR, balance of payment (according BPM6), Analytical presentation. Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <a href="http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm">http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm</a>	BNB
5.7.	Portfolio investment	(net) million EUR, balance of payment (according BPM6), Analytical presentation. Information on the methodology and data on BNB indicators can be found on the website of the BNB, Statistics section - <a href="http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm">http://www.bnb.bg/Statistics/StMethodologicalInstructions/index.htm</a>	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