



## Key indicators for Bulgaria\*

This update: 28 December 2012

Next update: 2 April 2013

		2009	2010	2011	June-12	July-12	Aug.-12	Sept.-12	Oct.-12	Nov.-12
<b>1. Output</b>										
Industrial confidence <sup>1.1</sup>	%	-9.5	-7.2	-4.2	-6.4	-4.7	-7.0	-7.5	-8.2	-6.8
Industrial production <sup>1.2</sup>	yoy % ch.	-17.9	1.8	6.2	2.2	-0.5	2.6	-3.1	-4.1	
		<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>11Q2</b>	<b>11Q3</b>	<b>11Q4</b>	<b>12Q1</b>	<b>12Q2</b>	<b>12Q3</b>
Gross domestic product <sup>1.3</sup>	yoy % ch.	-5.5	0.4	1.7	2.1	1.4	0.9	0.5	0.5	0.5
<b>2. Private consumption</b>										
Consumer confidence <sup>2.1</sup>	%	-49.6	-46.2	-41.0	-40.4	-43.4	-45.6	-45.8	-38.0	-42.3
		<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>June-12</b>	<b>July-12</b>	<b>Aug.-12</b>	<b>Sept.-12</b>	<b>Oct.-12</b>	<b>Nov.-12</b>
Turnover in retail trade <sup>2.2</sup>	yoy % ch.	-7.5	-8.4	-1.8	0.4	1.6	0.7	-3.1	-4.3	
		<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>11Q2</b>	<b>11Q3</b>	<b>11Q4</b>	<b>12Q1</b>	<b>12Q2</b>	<b>12Q3</b>
Private consumption <sup>2.3</sup>	yoy % ch.	-7.6	0.6	-0.2	0.0	1.2	-0.4	1.0	2.9	3.0
<b>3. Investment</b>										
Capacity utilization in industry <sup>3.1</sup>	%	66.0	68.0	70.5	72.0	69.4	71.9	69.9	71.3	69.5
Gross fixed capital formation <sup>3.2</sup>	yoy % ch.	-17.6	-18.3	-9.7	-7.0	-7.4	-10.5	-5.4	-2.1	1.0
Change in stocks <sup>3.3</sup>	% of GDP	0.5	0.1	2.2	3.6	3.9	1.3	4.2	3.2	4.8
<b>4. Labour market</b>										
Unemployment rate <sup>4.1</sup>	%	6.8	10.2	11.2	11.2	10.2	11.4	12.9	12.3	11.5
Employed persons <sup>4.2</sup>	yoy % ch.	-3.2	-6.2	-3.4	-4.1	-2.2	-1.7	-1.8	-1.1	-0.6
Labour costs <sup>4.3</sup>	yoy % ch.	13.0	9.1	8.6	9.8	7.7	9.3	6.0	4.8	5.9
		<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>June-12</b>	<b>July-12</b>	<b>Aug.-12</b>	<b>Sept.-12</b>	<b>Oct.-12</b>	<b>Nov.-12</b>
Shortage of labour in industry <sup>4.4</sup>	%	11.1	6.5	7.5	8.9	8.8	8.8	7.8	8.4	8.6
Wages <sup>4.5</sup>	yoy % ch.	11.8	6.4	9.1	9.4	8.5	8.9	9.1		
<b>5. International transactions</b>										
Export order books in industry <sup>5.1</sup>	balance	-47.6	-43.5	-40.6	-41.0	-38.1	-42.3	-46.5	-59.3	-43.4
Exports of goods <sup>5.2</sup>	mln. EUR	11699.2	15561.2	20264.3	1766.9	1865.5	1869.0	1815.8	1856.8	
Imports of goods <sup>5.3</sup>	mln. EUR	15873.1	18324.8	22420.4	-2149.6	-2121.7	-2006.4	-1969.7	-2200.9	
Trade balance <sup>5.4</sup>	mln. EUR	-4173.9	-2763.7	-2156.1	-382.8	-256.2	-137.4	-153.9	-344.1	
Current account <sup>5.5</sup>	mln. EUR	-3116.2	-533.1	103.5	103.7	296.3	397.7	269.5	-113.8	
Direct investment (net) <sup>5.6</sup>	mln. EUR	2505.3	977.3	1576.5	181.6	79.1	315.6	2.3	-57.0	
Portfolio investment (net) <sup>5.7</sup>	mln. EUR	-619.1	-635.4	-353.5	-219.2	1009.1	-207.3	-66.4	-70.3	
		<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>11Q2</b>	<b>11Q3</b>	<b>11Q4</b>	<b>12Q1</b>	<b>12Q2</b>	<b>12Q3</b>
Exports of goods and services <sup>5.8</sup>	yoy % ch.	-11.2	14.7	12.8	13.5	5.3	11.9	-0.1	3.9	3.3
Imports of goods and services <sup>5.9</sup>	yoy % ch.	-21.0	2.4	8.5	8.7	8.9	5.2	0.0	8.6	4.0
<b>6. Prices</b>										
HICP <sup>6.1</sup>	yoy % ch.	2.5	3.0	3.4	1.6	2.4	3.1	3.4	3.0	2.7
Producer prices on domestic market (in industry) <sup>6.2</sup>	yoy % ch.	-4.2	7.2	8.7	3.3	4.5	7.1	6.6	6.9	
Selling prices expectations in industry <sup>6.3</sup>	balance	1.6	5.5	8.8	13.2	16.1	12.5	8.6	8.2	10.0
Selling prices expectations in retail trade <sup>6.4</sup>	balance	0.7	5.4	4.7	-4.0	9.9	9.5	6.9	5.7	12.9
<b>7. Monetary and financial indicators</b>										
SOFIBOR (3 months) <sup>7.1</sup>	index	5.72	4.12	3.76	2.45	2.14	1.69	1.60	1.56	
M3 <sup>7.2</sup>	yoy % ch.	4.2	6.4	12.2	10.2	10.0	8.8	8.8	8.6	
Credit to Non-financial Corporations and Households and NPISHs <sup>7.3</sup>	yoy % ch.	3.6	1.2	3.4	3.8	3.9	3.6	3.3	3.1	
Exchange rate USD/BGN <sup>7.4</sup>	value	1.41	1.48	1.41	1.56	1.59	1.58	1.52	1.51	1.52
Nominal effective exchange rate <sup>7.5</sup>	index	134.0	130.5	132.1	130.4	129.6	129.5	130.6	130.8	

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.



## Comments

### 1. Output

According to the NSI business inquiries in December 2012 the **industrial confidence indicator** keeps its level from the previous month.

In October 2012 working day adjusted **Industrial Production Index** fell by 4.1% as compared to the respective month of 2011 (by preliminary data). A decrease was recorded in the electricity, gas, steam and air conditioning supply - by 11.9% and in the manufacturing - by 2.1%, while in the mining and quarrying industry an increase by 1.9% was seen.

According to the preliminary data, the **Gross Domestic Product (GDP)** in the third quarter of 2012 amounted to BGN 21 734 million at current prices and GDP per person amounted to BGN 2 977. At average exchange rate for the quarter of BGN 1.56497 for 1US dollar, the GDP amounted to USD 13 888 million or USD 1 902 per person. GDP recalculated in Euro was EUR 11 112 million or EUR 1 522 per person. In comparison with the third quarter of 2011 the real volume of GDP increased by 0.5% according to the seasonally adjusted data

### 2. Private consumption

In October 2012 the **total consumer confidence indicator** decreases by 4.3 percentage points compared to its level 3 months ago which is due to the decreased confidence of both urban and rural inhabitants by 4.6 and 4.0 percentage points respectively. As a whole the October survey shows an increase of the pessimism in consumers' assessments and expectations in comparison with July.

In October 2012 the working day adjusted **turnover in Retail trade, except of motor vehicles and motorcycles** declined by 4.3% in comparison with the same month of the previous year. An increase was observed in the 'Retail sale via mail order houses or via Internet' by 14.0% and in the 'Retail sale of automotive fuel' by 4.2%. A drop in the turnover was registered in the 'Retail sale of textiles, clothing, footwear and leather goods' by 16.1%, in the 'Retail sale of audio and video equipment; hardware, paints and glass; electrical household appliances' by 12.3%

and in the 'Other retail sale in non-specialised stores' by 9.8%, in the 'Retail sale of computers, peripheral units and software; telecommunications equipment' by 4.4%, in the 'Dispensing chemist; retail sale of medical and orthopaedic goods, cosmetic and toilet articles' by 3.7% and in the 'Retail sale of food, beverages and tobacco' by 2.4%.

In the third quarter of 2012 for **individual consumption of the population** were spent 63.6% of the produced GDP. The real increase of the indicator was by 3.0% in comparison with the respective quarter of 2011 (according to the seasonally adjusted data).

### 3. Investment

The average **capacity utilization in industry** from July to October 2012 decreases by 1.8 percentage points and it reaches 69.5%.

In the third quarter of 2012 the **gross fixed capital formation** increased in real terms (according to the seasonally adjusted data) by 1.0% in comparison with the same period of the previous year. The relative share of that category in GDP is 16.7%.

### 4. Labour market

In the third quarter of 2012 the **total number of employed persons** (aged 15 years and over) was 3 017.1 thousand, representing 47.9% of population in the same age group. In comparison with the same quarter of 2011 the number of employed declined by 19.4 thousand, and their relative share was by 0.2 percentage points higher.

The **number of unemployed persons** in the third quarter of 2012 was 393.2 thousand persons, and the unemployment rate - 11.5%. In comparison with the same quarter of 2011 the number of unemployed rose by 13.5% and the unemployment rate - by 1.3 percentage points.

According to the NSI business inquiries in December 2012 7.8% of the industrial enterprises pointed out the **labour shortage** as a factor limiting their activity.

In September 2012 the **average wage and salary** was BGN 768 (by preliminary data) which is by 3.2% higher than the previous month. In comparison with September 2011 the growth rate is 9.1%.



## 5. International transactions

According to the industrial managers' assessments in December 2012 compared to November a reduction of the **orders from abroad** by 7.5 percentage points was registered.

In the period January - October 2012 the **current account** was negative and amounted to EUR 31.5 million (0.1% of the predicted GDP for 2012), against a surplus of EUR 738.2 million (1.9% of GDP) in the period January - October 2011.

The **trade balance** deficit for the period January - October 2012 amounted to EUR 3 097.2 million (7.8% of the projected GDP for 2012), against a deficit of EUR 1 499.8 million (3.9 of GDP) in the same period of 2011.

**Exports of goods (FOB)** in the period January - October 2012 totalled EUR 17 287.9 million, growing by EUR 381.9 million (2.3%) year-on-year (from EUR 16 906 million). The exports in January - October 2011 increased by 33% year-on-year. **Imports (FOB)** in the period January - October 2012 amounted to EUR 20 385.1 million, growing by EUR 1 979.3 million against January - October 2011 (EUR 18 405.8 million). On a year-on-year basis imports increased by 10.8% in January - October 2012 and by 25.7% in January - October 2011.

**Direct investment abroad** in the period January - October 2012 totalled EUR 126.2 million against EUR 142.3 million in the same period of 2011. **Foreign direct investment in the country** in the period January - October 2012 totalled EUR 1 335.7 million (3.4% of the projected GDP for 2012), against EUR 1 080.8 million (2.8% of GDP) in the same period of 2011.

In the period January - October 2012 **portfolio investment assets** increased by EUR 297.8 million compared with a decrease of EUR 7.9 million in the same period of 2011. **Portfolio investment liabilities** grew by EUR 534.3 million, compared with a decline of EUR 286.1 million in the same period of 2011.

The external balance (exports-imports) in the third quarter of 2012 was positive amounting to BGN 1 837 million. **Imports of goods and services** rose by 4.0% compared to the corresponding quarter of the previous year and the **exports of goods and services** increased by 3.3%.

## 6. Prices

In November 2012 the **harmonized index of consumer prices** increased by 2.7% compared to the same month of 2011. A rise of prices was observed in all groups, with the exception of "Leisure time, recreational and cultural services", "Clothing and footwear" and "Communication". The highest increase was registered in "Housing, water, electricity, gas and other fuels" - by 9.4%.

The **Producer Price Index on Domestic Market** in October 2012 grew by 6.9% compared to the same month of 2011. The domestic prices increased in the mining and quarrying industry by 7.2%, in the manufacturing by 6.1% and in the electricity, gas, steam and air conditioning supply by 8.8%.

According to the conjuncture inquiry in December 2012 the industrial entrepreneurs expect the **selling prices** to remain without change over the next 3 months.

## 7. Monetary and financial indicators

In October 2012 the **three-month interbank market index SOFIBOR** decreased from 1.60 to 1.56% in comparison with the previous month, whereas the value in October 2011 was 3.68%.

In October 2012, the annual growth rate of broad money (**aggregate M3**) was 8.6% compared to 8.8% in September 2012. At the end of October 2012 M3 was BGN 59.970 billion (77.6% of the projected GDP for 2012) compared to BGN 60.350 billion (78% of GDP) in September 2012.

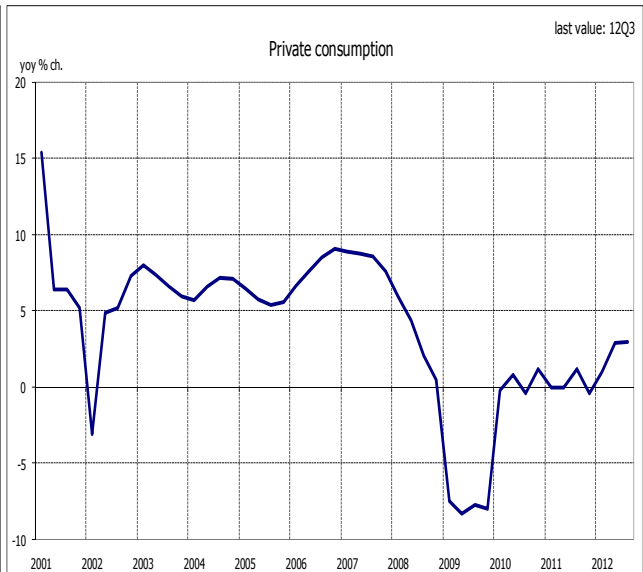
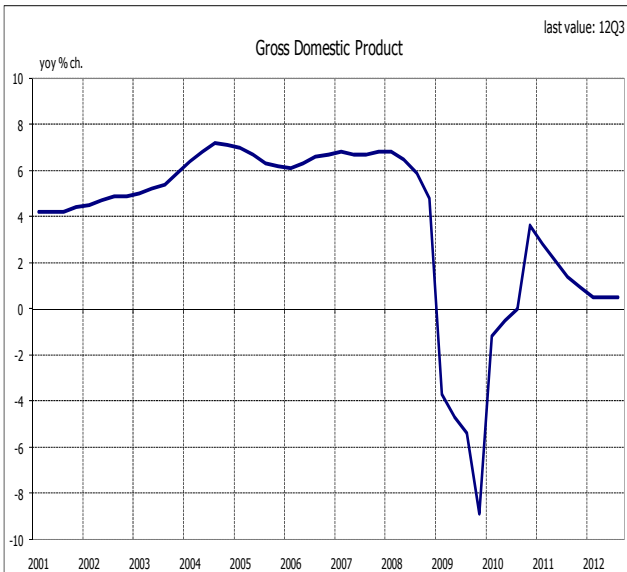
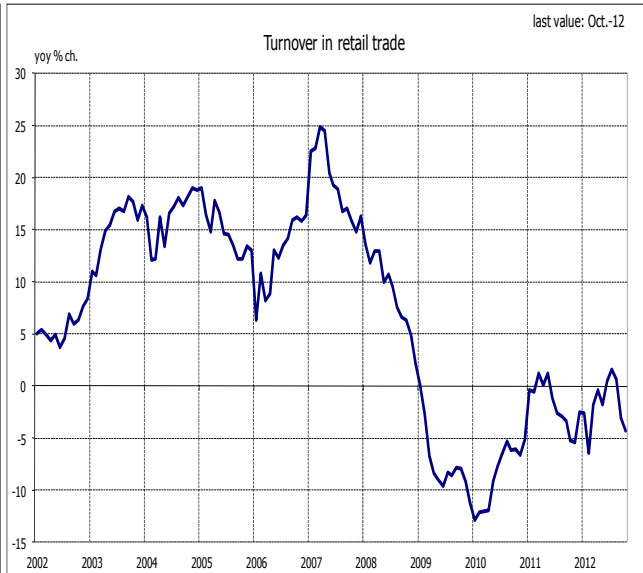
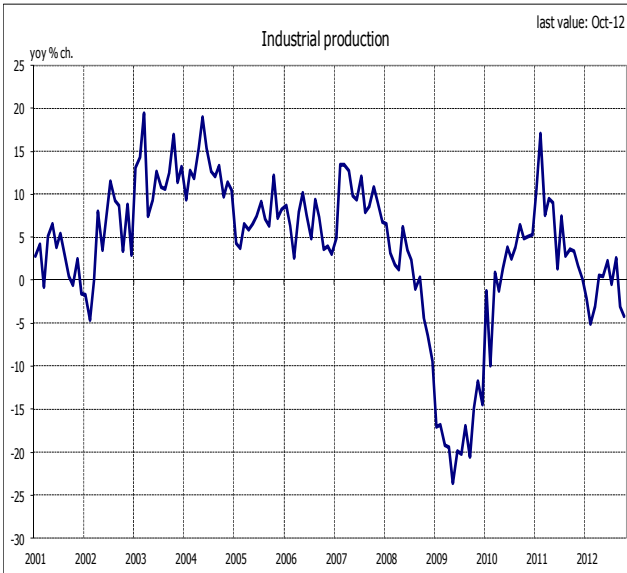
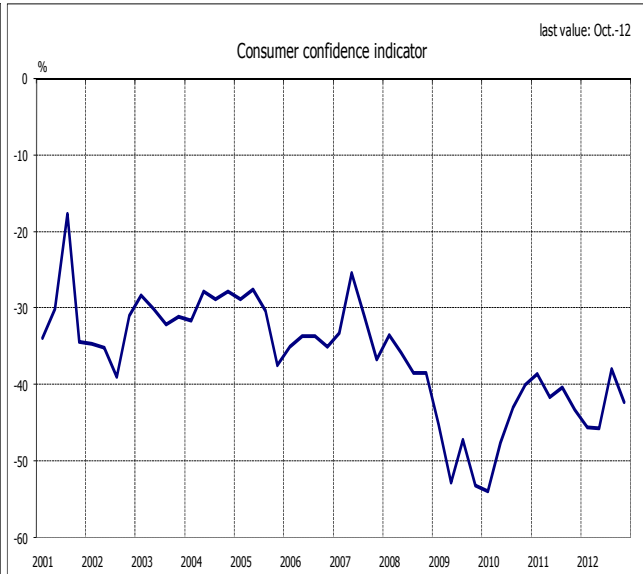
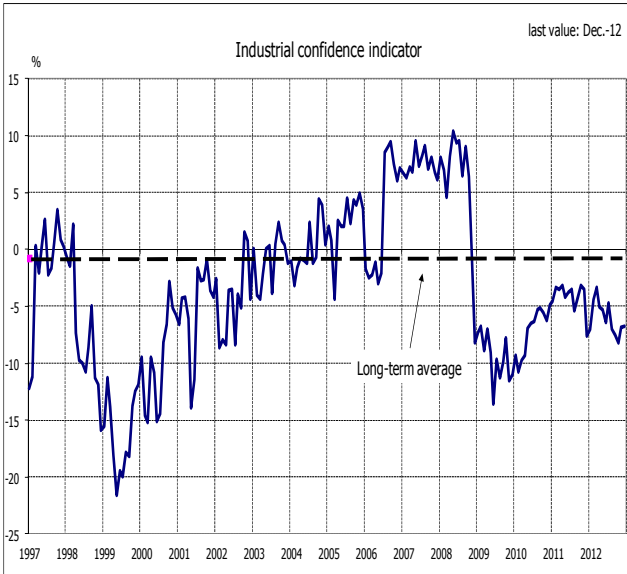
The volume of the **loans to non-financial corporations, households and NPISHs** in October 2012 amounted to BGN 53.333 billion (68.9% of the projected GDP for 2012). The loans to Non-financial corporations increased by 5.8% annually (6.1% annual growth in September 2012) and at the end of the month amounted to BGN 34.679 billion (44.8% of GDP). Loans to Households and NPISHs were BGN 18.655 billion (24.1% of GDP) at the end of October 2012. They decreased by 1.7% compared to the same month of 2011.

In November 2012 the **exchange rate BGN against the US dollar** increased in comparison with the previous month from 1.51 to 1.52.



**1. OUTPUT**

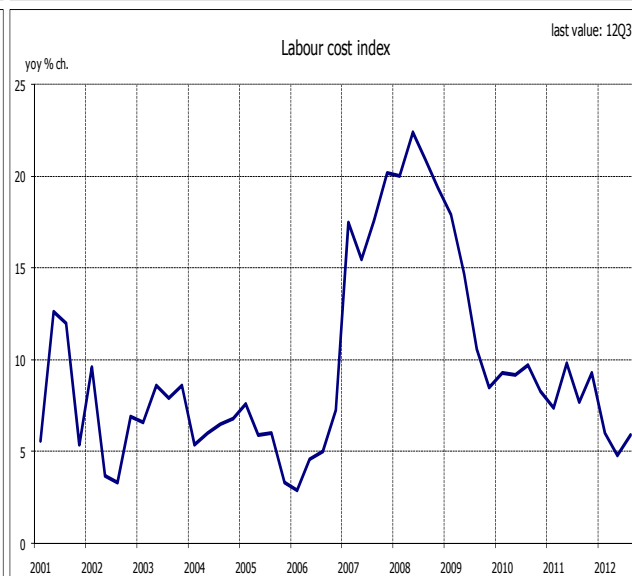
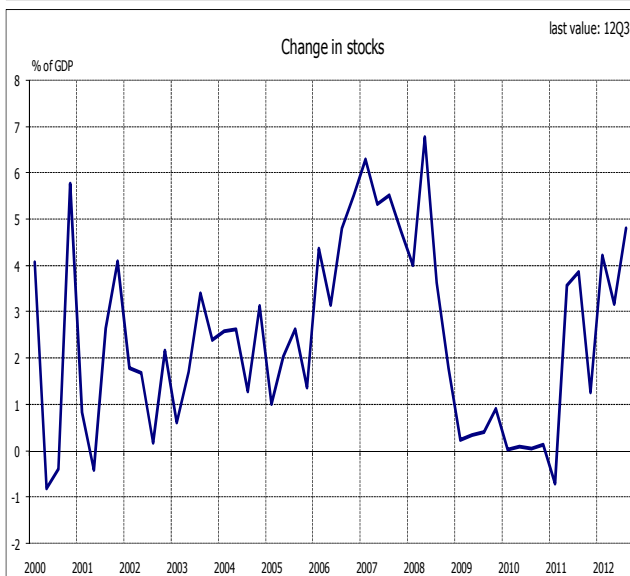
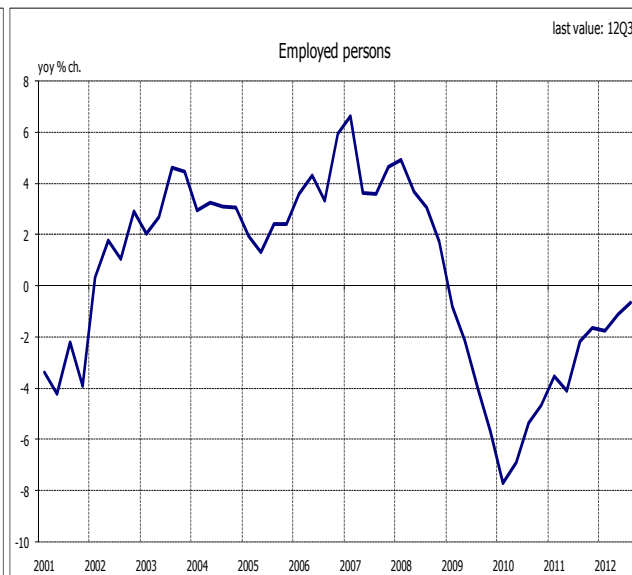
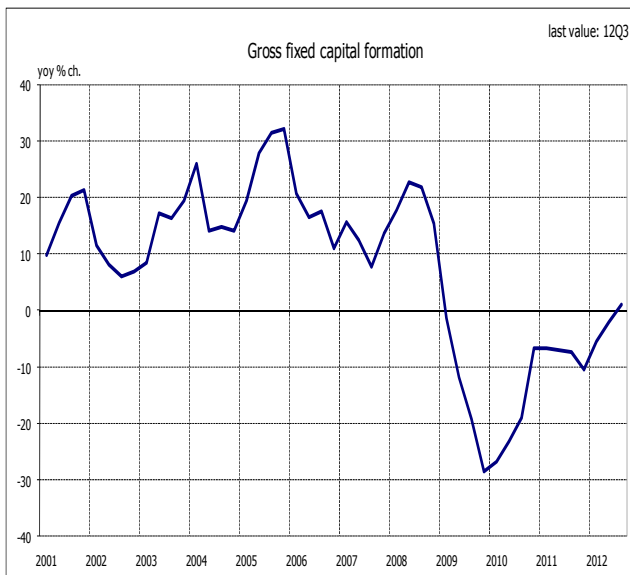
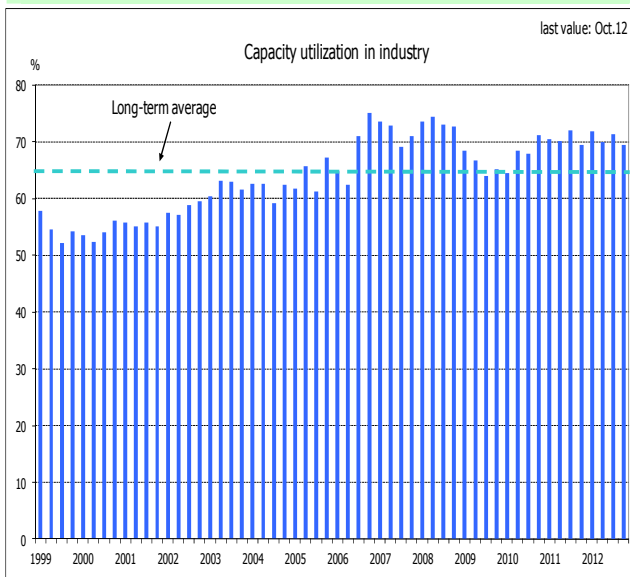
**2. PRIVATE CONSUMPTION**



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

**4. LABOUR MARKET**

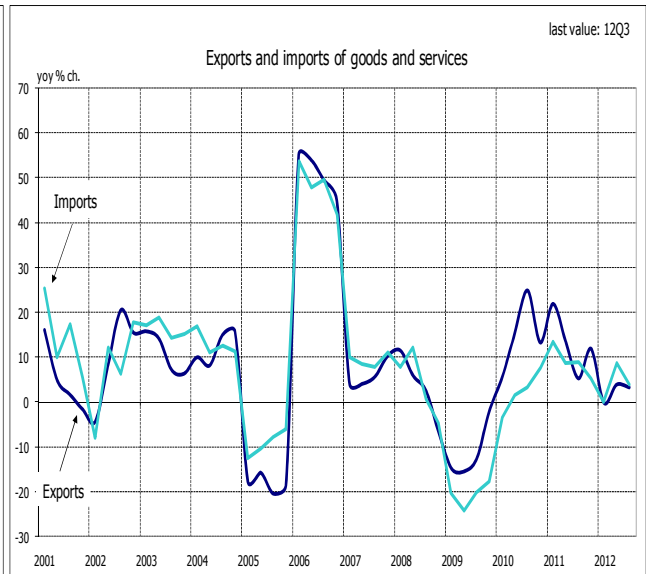
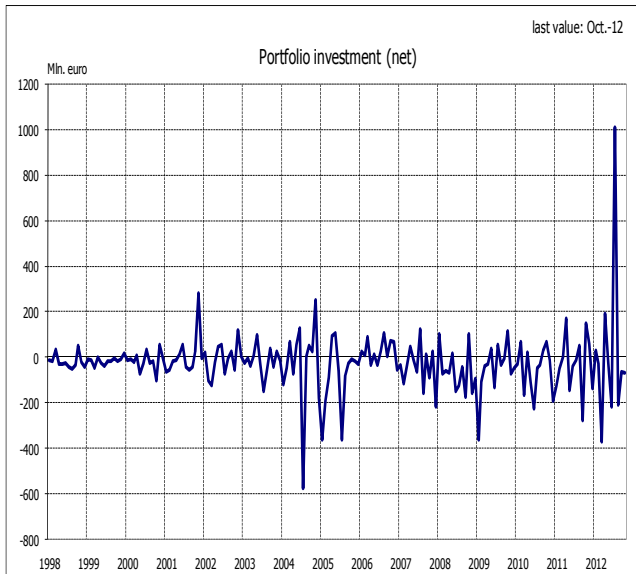
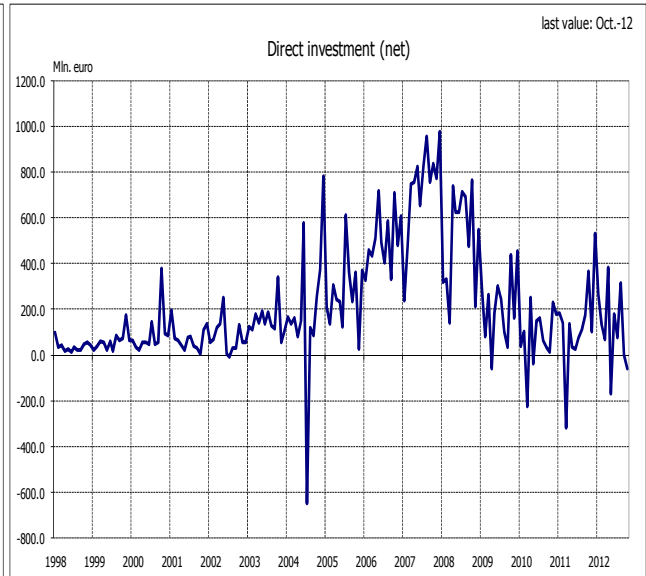
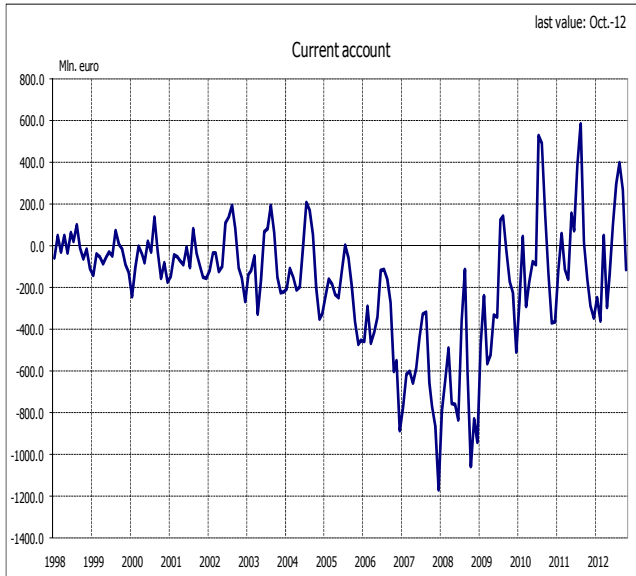
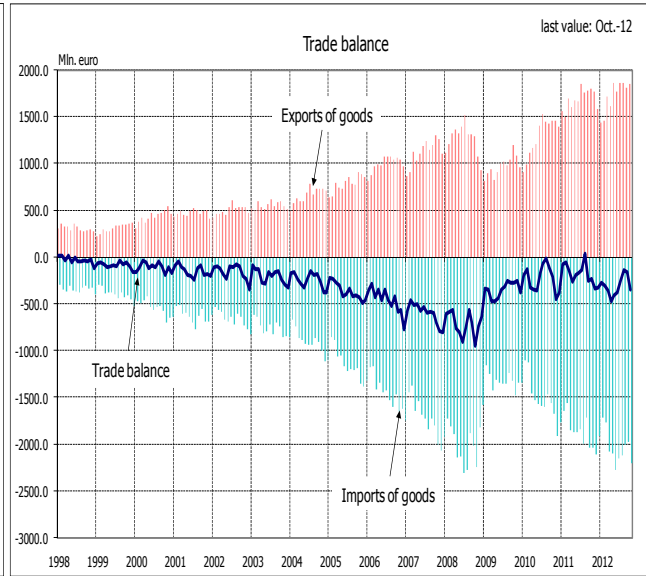
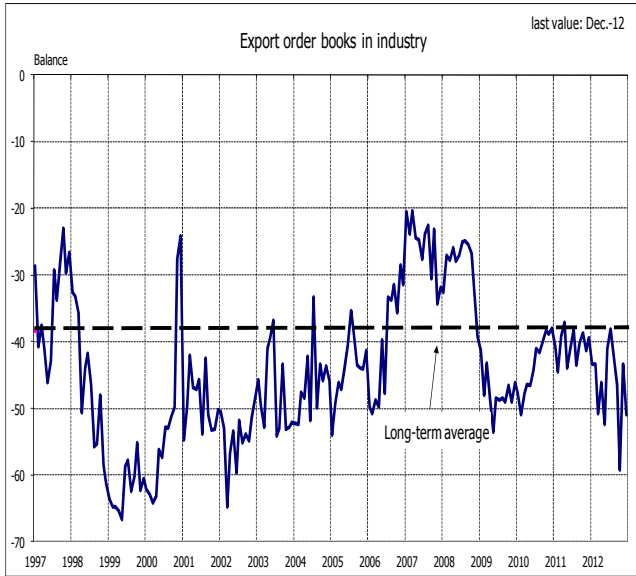
**3. INVESTMENT**



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



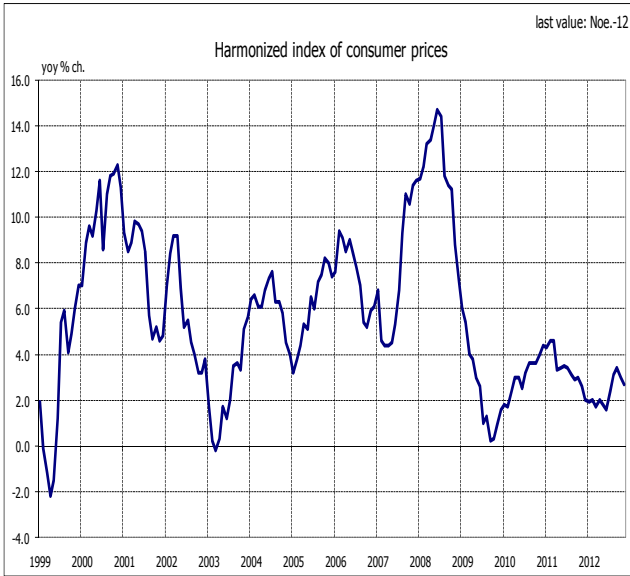
**5. INTERNATIONAL TRANSACTIONS**



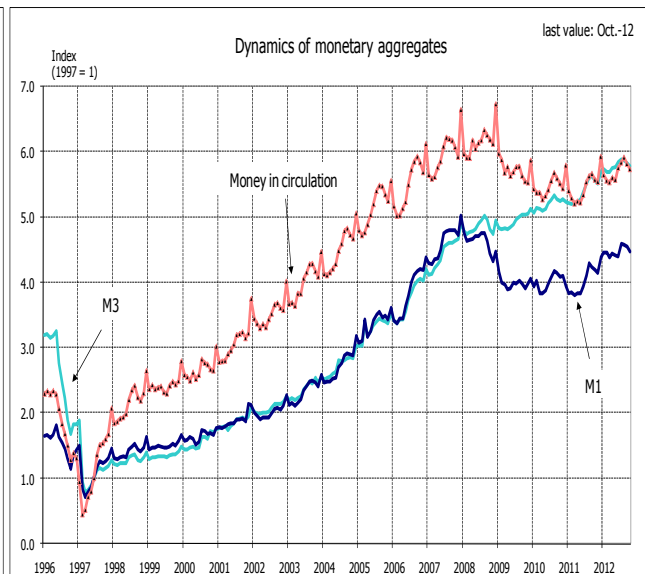
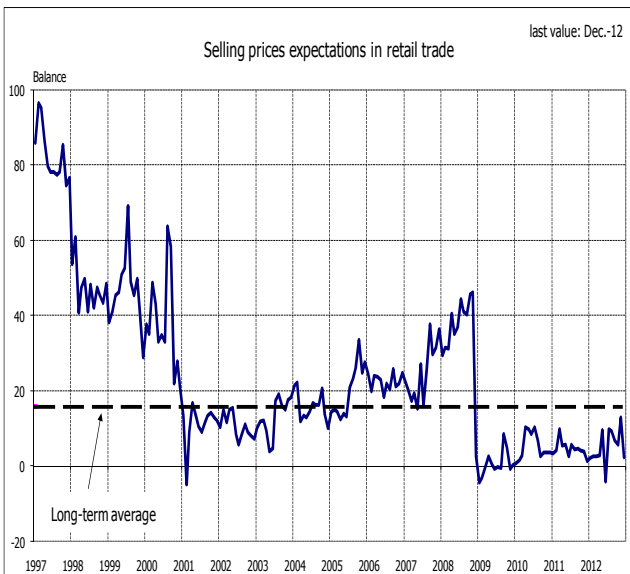
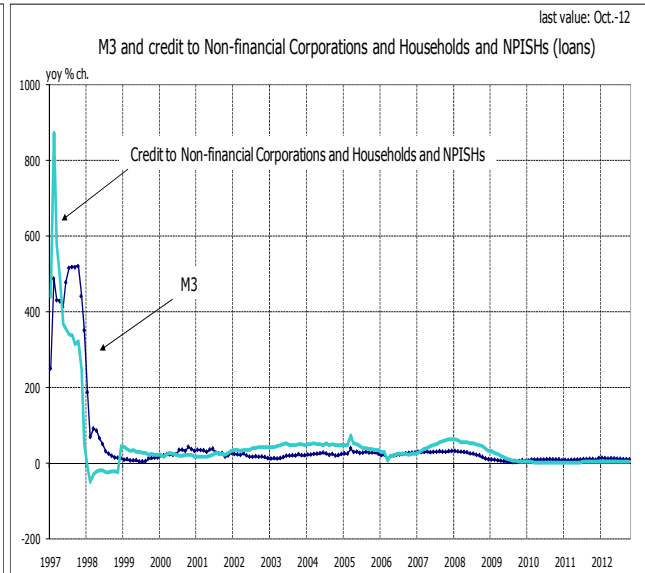
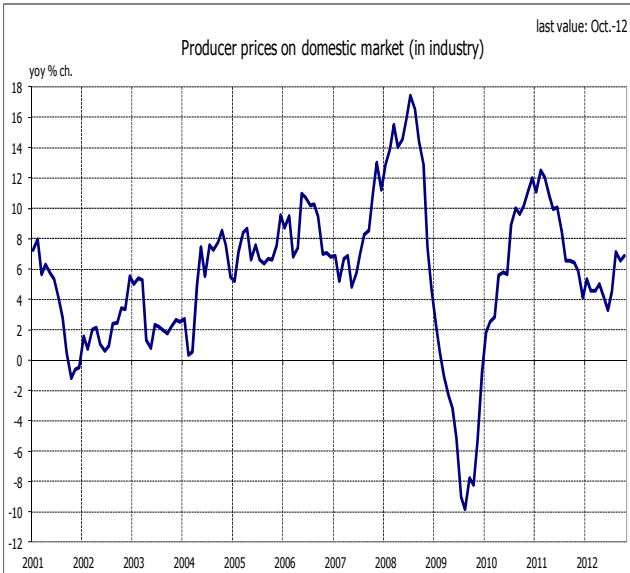
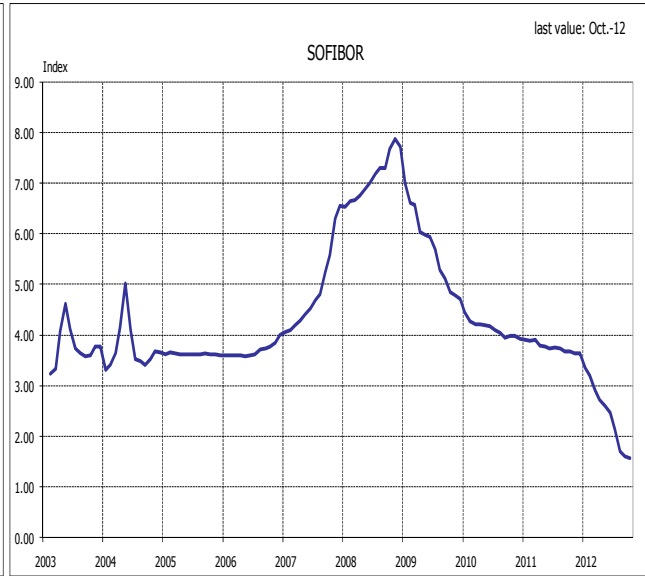
**Note:** yoy % ch. - growth rate compared to the same period of the previous year.



**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**

№	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