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BULGARIAN ECONOMY

Monthly Report

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Highlights

According to flash estimates, **Bulgarian GDP growth reached 1.2% yoy** in Q4 2014 (s.a. data). Economic activity expanded on the back of domestic demand, as final consumption went up by 1.2% and GFCF increased by 3.1%. Strong domestic demand, on the other hand, led to an increase in import, up by 6.9% yoy, while export stepped up by 4.5%.

Short-term business statistics reported positive developments at the end of 2014, as industrial turnover and retail sales gathered speed, while industrial and construction output growth rates returned to positive territory. Meanwhile, January **business climate** improved on the back of more favorable current conjuncture assessment and future expectations. The latest **consumer survey** also reported significant improvement of consumer confidence compared to the previous inquiry.

Registered unemployment unexpectedly went down to 10.7% as of December, as it usually increases during the last month of the year. The **average wage** in the country stood at BGN 847 in Q4 2014, up by a nominal 2.3% yoy, thus the HICP-deflated real wage growth came at 4.1% yoy.

Deflation accelerated further to 2.3% yoy as of January fully on the account of the widening negative contribution of automotive fuels, whose prices fell by 24.2% yoy.

Current account balance reached EUR 371.1 mln in Jan-Nov (0.9% of GDP). The surplus narrowed over the previous month, reflecting deficits on goods and income which were not offset by the surplus on services and transfers. **Financial account surplus** for the first eleven months stood at EUR 1 359.7 mln (3.3% of GDP) with net monthly inflows recorded on all subaccounts. **Inward FDI** almost doubled in November to EUR 416.6 mln.

Gross external debt (GED) amounted to EUR 38.8 bn (93.2% of GDP) as of end-November, rising by 4.5% yoy, largely driven by GG external debt. The latter stood at EUR 5.05 bn (12.1% of GDP), reflecting the global bonds issue in mid-2014.

Consolidated budget deficit on a cash basis amounted to BGN 3 048.2 mln (3.7% of GDP) as of end-2014 - in line with the amended State Budget. ●

Recent economic developments

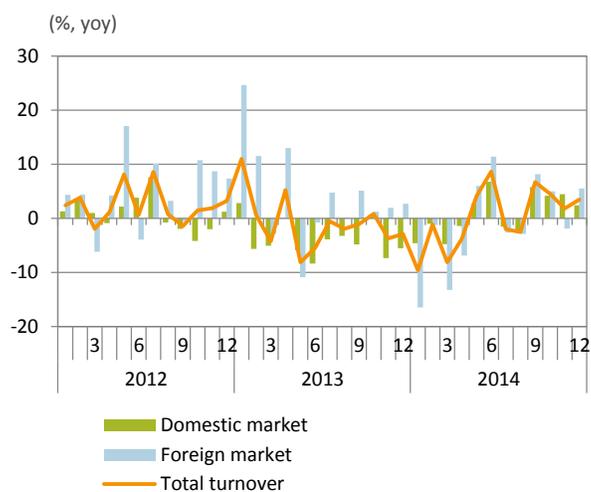
SHORT-TERM BUSINESS STATISTICS

Industrial turnover¹ growth accelerated to 3.5% yoy in December as a result of the upward trend in foreign industrial sales. After the reported decline of 1.9% yoy in November, foreign turnover returned to growth in December, up by 5.5%. *Manufacture of fabricated metal products, except machinery and equipment*, contributed the most for the reported increase, followed by *manufacture of motor vehicles, trailers and semi-trailers, electricity, gas, steam and air conditioning supply* and *manufacture of food products*. Meanwhile, growth of domestic turnover reported a slowdown to 2.4% yoy due to the unfavorable development in *manufacturing* which contributed negatively for the overall dynamics.

Industrial production also moved to positive territory and increased by 1.6% over December 2013 affected by foreign turnover dynamics. Major contribution for the reported increase had *manufacture of fabricated metal products, except machinery and equipment* and *manufacture of motor vehicles, trailers and semi-trailers*. *Manufacture of food products, manufacture of basic metals* and *manufacture of chemical products* also reported favorable developments.

The growth in **retail sales** accelerated to 6.2% compared to the same period of the previous year. *Retail sales of audio and video equipment* and *retail sales of computers, peripheral units and software* posted the largest increases, up by 10.4% and 10.1% respectively, while *retail sales in non-specialized stores* continued to decline, down 1.6% yoy.

Fig. 1: Industrial turnover



Source: NSI

¹ According to NSI methodology, the *industrial turnover index* reflects changes in both volume of sales and prices, while for the *industrial production index* compilation, the value of enterprises' production is deflated by the producer price index in order to isolate the price fluctuations.

Construction production index increased by 4.2% yoy. The growth in civil engineering accelerated to 7.1%, while the slump in *building construction* came to an end and the index increased by 1.8% yoy.

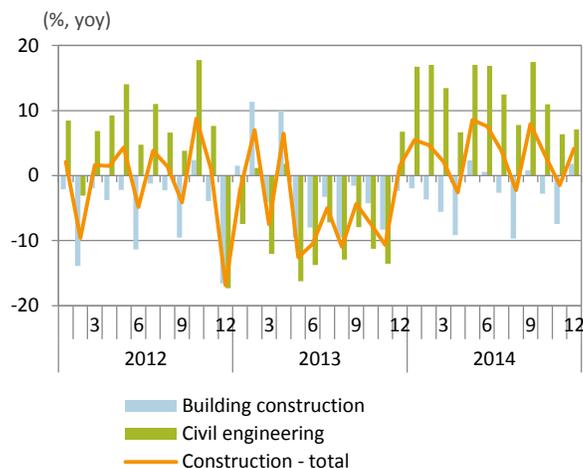
In the first month of 2015 the **business climate indicator** improved by 3.8 pps compared to December 2014. According to the entrepreneurs in all sectors except retail trade, current conjuncture and future expectations are more favorable. Expectations about the future situation of enterprises in retail trade remained almost the same. There was an improvement of assessments in industry possibly due to the reported increase in capacity utilization. Expectations about demand for services were also more optimistic, while respondents in construction sector had more favorable assessments regarding activity over the next months.

January consumer survey reported significant improvement of consumer confidence. The indicator rose by 4.8 pps compared to the previous observation in October, up by 2.4 pps in yoy terms. The expectations regarding economic situation in the country and financial situation of households were less negative compared to the previous inquiry, there was also a slight improvement in the total assessment of the present situation to make major purchases of durable goods. The consumers' opinion on the intentions of buying a car over the next 12 months is also slightly more positive.

LABOUR MARKET AND WAGES

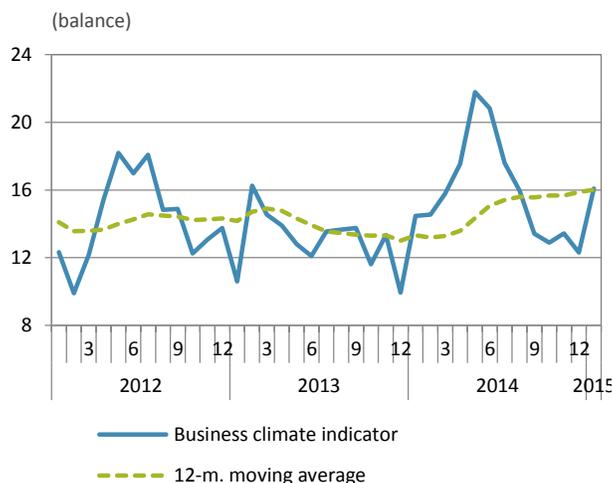
Registered unemployment dropped down to 10.7% in December which was unusual for the last month of the year, yet it happened for the last time in 2002. Both inflow and outflow of unemployed usually decrease mom at the year-end, which happened only with the former in December. The number of newly registered in the employment offices went down by 19.1% compared to November, reflecting a lower intensity in the seasonal workers dismissals. The outflow of unemployed increased over the previous month, however, it was due to

Fig. 2: Construction production index



Source: NSI

Fig. 3: Business climate



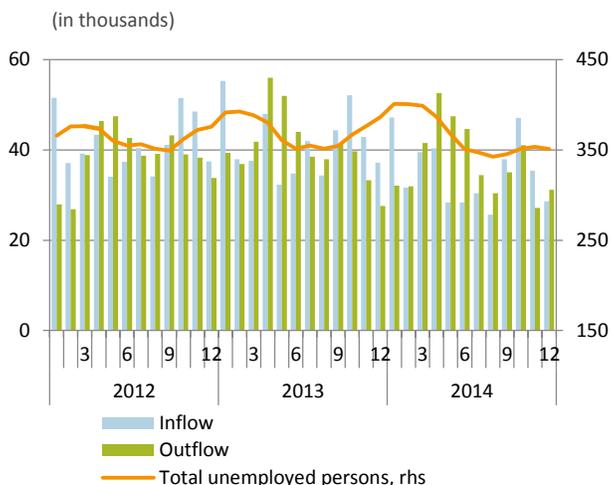
Source: NSI

people who dropped out of registration rather than higher number of persons who found jobs. The decrease of those who started working in December was driven by the weaker demand of labor on the primary labor market, which narrowed the number of those who got jobs to 7.2K. Meanwhile, the number of persons who started working under the active labor market programs and measures (ALMM) increased over the previous month to 4.8 K. For the whole year, however, the scope of ALMM decreased compared to 2013, while demand on the primary labor market increased for a third year in a row. The latter, along with the decrease in unemployment inflow over the previous year, reflected the fall in employment dismissals and higher labor demand in the real economy.

The **average wage** in the country stood at BGN 847 in Q4 2014, up by 2.3% yoy in nominal terms. Its rate of increase continued to decelerate strongly as compared to Q4 2013, but remained rather close to its Q3 2014 level. Following the downward trend in prices, the HICP deflated real wage growth came at 4.1% yoy. Thus, the increase of labor incomes in Jan-Dec stepped up by 2.3% and 3.9% yoy, in nominal and real terms respectively.

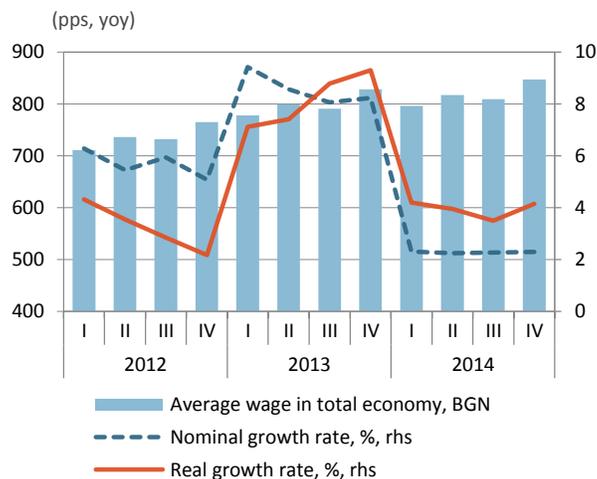
The observed trend in income dynamics since the beginning of the year continued in Q4 2014 as well. Recent wage dynamics was mainly influenced by developments in the private sector, which reported significantly slower growth rate of 1.4% yoy, while wages in the public sector increased by 4.9% yoy. A breakdown by economic activity showed that the services' sector had the largest contribution for the slowdown in wage growth in Q4. Similarly to developments in the nine months ending September, almost all economic activities reported a slowdown in income dynamics, while wages in *trade, informational and professional activities*, and *real estate* kept decreasing, down by 2.1%, 14%, 3% and 4.1% yoy, respectively.

Fig. 4: Inflow, outflow and unemployed number



Source: EA

Fig. 5: Average wage developments



Source: NSI

INFLATION DYNAMICS

According to preliminary data², consumer prices decreased by 0.7% mom in January 2015 almost entirely driven by lower fuel prices. Following the downward dynamics of crude oil prices on international markets, domestic prices of automotive fuels continued on the decline and fell by another 10.9% mom, thus their negative contribution for the decrease in the headline rate stood at -0.87 pps. Non-energy industrial goods subtracted another 0.08 pps as prices of apparel and footwear declined by 2.4% during the month possibly related to the start of winter sales. Prices of services, on the other hand, remained almost flat compared to December 2014 after the 12.9% slump in international airfares compensated for the seasonally higher prices of accommodation in resorts, up 9.6% mom. Food prices stepped up by 0.7% mom due to an increase in prices of fresh vegetables, while administered prices reported no change compared to a month earlier.

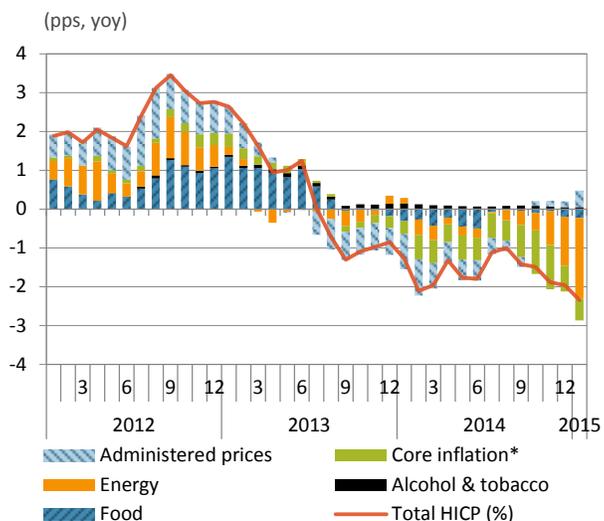
Considered on a year earlier, the negative annual change of HICP accelerated further to 2.3% as of January fully on the account of the widening negative contribution of automotive fuels, whose prices fell by 24.2% yoy and contributed by -2.1 pps.

EXTERNAL SECTOR

Current account balance reached EUR 371.1 mln in Jan-Nov equal to 0.9% of the forecasted GDP. The surplus narrowed over a month earlier as it reported a negative balance in November, reflecting deficits on goods and income which were not offset by services' and transfers' surplus.

Both export and import of goods declined in November compared to the same month a year earlier. As in most of the previous months of 2014, there was a nominal yoy decrease in trade with non-EU countries. Trade deficit stood at EUR 166.9 mln in November, thus it reached EUR 2 492 mln (6% of GDP)

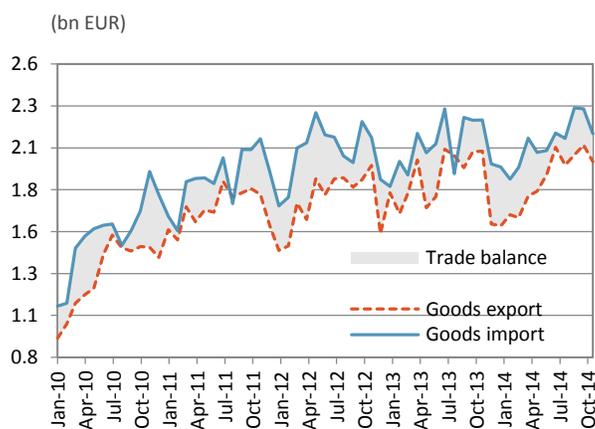
Fig. 6: HICP and contributions by main components



* Overall index excluding energy, food, alcohol and tobacco.

Source: NSI, MF

Fig. 7: Merchandise trade dynamics



Source: BNB

² January 2015 price indices are released as preliminary because they are calculated with weights based on households' budget data for the period October 2013 - September 2014. Final consumer price indices for January 2015, calculated with households' budget data for the entire 2014, will be released together with the February 2015 data.

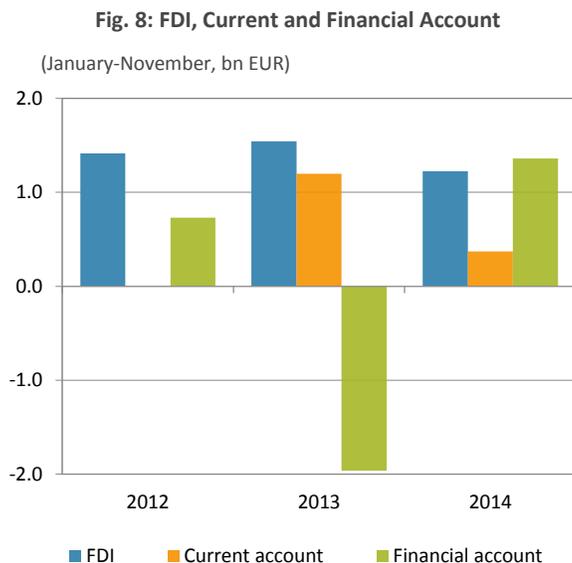
in for the first eleven months. Export of services declined by 3.7% yoy on the back of lower computer and information services. On the other hand, import of services grew by 3.3% yoy on higher other business services, computer and insurance services. Thus the *surplus on services* halved in November compared to a year earlier to EUR 22.8 mln. Lower payments on investment income and lower transfers to general government resulted in a decrease of *Income deficit* and *Current transfers' surplus*.

Financial account balance came in positive at EUR 687.8 mln in November, as the surplus accumulated for the first eleven months stood at EUR 1 359.7 mln (3.3% of GDP forecast). Net monthly inflow was recorded on all subaccounts. Inward FDI almost doubled yoy in November to EUR 416.6 mln, but the accumulated flows from the beginning of the year is still below its level for the same period of 2013.

Gross external debt (GED) amounted to EUR 38.8 bn (93.2% of GDP) as of end-November, rising by 4.5% yoy. The main factor behind the picking up of the GED is the external government debt which stood at EUR 5.05 bn (12.1% of GDP). The government debt went up by 57.5% over the year reflecting the global bonds issue in mid-2014. It is expected that the public debt will continue to rise in December as the government signed a bridge loan agreement with several foreign banks in the second half of the month. In November banks continued reducing their external debt – a process that started in November 2013 and reflected the paying off of long term loans and the withdrawal of short term deposits by non-residents. Bank's debt was EUR 5.2 bn (12.4% of the GDP), shrinking by 11.5% yoy. Intercompany lending went up by 2.1% yoy to EUR 16.2 bn or 38.9% of GDP. The external debt of other sectors went up by 1.5% yoy to EUR 12.4 bn as the long term trade credits grew by 6.8% yoy. The share of the long term external debt continued to rise hitting 77% of total debt by end-November.

FINANCIAL SECTOR

International reserves dropped by 5.4% mom as of end-



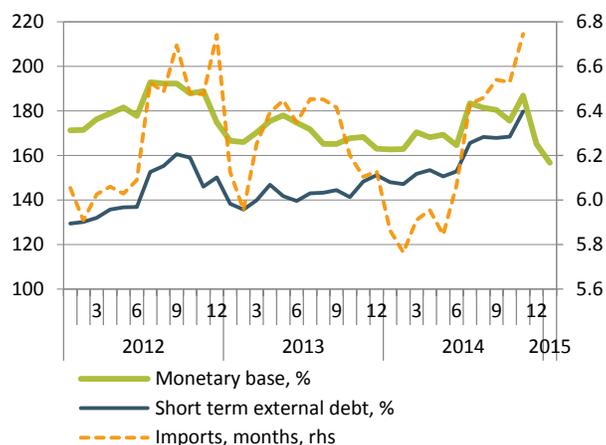
Source: BNB

January 2015 to EUR 15.6 bn. Thus their annual growth rate slowed to 12.8% from 14.6% at the end of 2014. The main reason for the change in reserves was the 32.1% mom decrease of the Government deposit due to the repayment of global bonds amounting to USD 1 131 mln on January 14. Notes in circulation were another negative contributor after decreasing by 7% compared to end-December. Bank reserves and Bank Department’s deposit were on the rise, up by 9.4% and 8.7% mom respectively (the latter due to the increase in gold prices in January). The monetary base coverage went down to 156.7% from 165.1% a month earlier resulting from dynamics in its components. As of end-November, the international reserves could cover 6.7 months of imports of goods and services or 179.7% of the short term external debt.

The annual growth rate of **money supply** turned positive again in December and reached 1.1% after a monthly increase of 3.9%. The latter came after the Bulgarian Deposit Insurance Fund started repaying the guaranteed amounts from the Corporate Commercial Bank on December 5. Most of the returned funds (close to BGN 3 bn) came back into the banking system as deposits, which led to 5.3% mom increase in deposits with agreed maturity and 17.3% mom increase in deposits, redeemable at notice. Their yoy growth rates remained negative but improved compared to end-November (-10.1% and -3.3% against -12.9% and -12.3%, respectively). Liquid aggregate M1 slowed marginally down from 15.3% in November to 15.1% yoy as somewhat faster growth of currency outside MFI in December was offset by a slower increase of the overnight deposits. Total deposits grew by 3.7% mom, but that did not help turning their annual growth rate positive and it remained at -0.5%.

Credit to the private sector in December continued technically to decrease, down by 8.2% yoy (at the end of November it shrank with 7.4%), because of the exclusion of KTB’s balance sheet from the monetary statistics a month earlier. This base effect will continue for the whole 2015 which makes data difficult to compare. Against previous month, corporate sector

Fig. 9: Coverage with FX Reserves



Source: BNB, MF

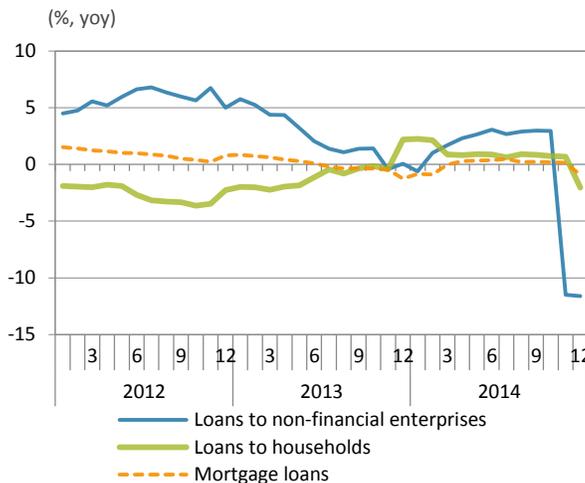
credit increased only marginally, up 0.1 pp, while the base effect in yoy terms reached a 11.6% decrease. Consumer credits' annual growth was negative for the first time in 2014 with 2 pps decline. Mortgage loans' reported negative growth as well, down 0.9% yoy. **Bad and restructured loans** decreased by 5.1% yoy, down by 3.3% compared to November. Their share in total loans to firms and households narrowed from 19.3% to 18.7% which may be also attributed to some adjustments in the banking sector.

Weighted average interest rates on credits for non-financial corporations declined by 114 bps to 6.3% in December (from 7.4% in November). The monthly volume of new corporate loans increased by 5.5% over the previous month, but compared to the same period of the previous year the decline reached 29%. Regarding long-term dynamics in mortgage deals a year earlier the price for borrowing funds was 74 bps higher. **Weighted average interest rates on time deposits** in BGN increased by 27 bps, while the monthly volume of new deposits in local currency increased noticeably, up 90% mom and 20% yoy, which was due to the repayment of the guaranteed deposits in KTB. Considered on a year earlier, the rate of return on time deposits followed a downward trend and decreased by 90 bps, 100 bps and 116 bps for the BGN, EUR and USD denominated deposits, respectively. Regarding monthly dynamics, only the rate of return on USD denominated deposits decreased in December, down 29 bps, while interest rates on time deposits in euro remained unchanged. The monthly volume of new deposits amounted to BGN 3 bn, which was due to the repayment of the guaranteed deposits in KTB which returned to the banking system.

FISCAL DEVELOPMENTS

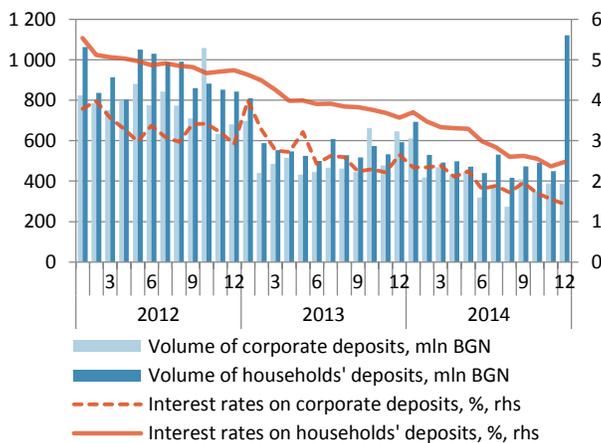
Consolidated budget deficit on a cash basis amounted to BGN 3 048.2 mln (3.7% of GDP) as of end-2014 - in line with the amended State Budget. Compared to end-November the deficit increased by BGN 1 447.5 mln (up 1.8 pps as a share of GDP), due to a certain extent on the higher social payments

Fig. 10: Credit growth



Source: BNB, MF

Fig. 11: Interest rates and volumes of time deposits in BGN up to 1Y



Source: BNB, MF

and expenditure on EU funds account. According to preliminary estimates, the deficit on accrual basis is expected to be lower than the target of 3.5% of GDP set in the amended budget.

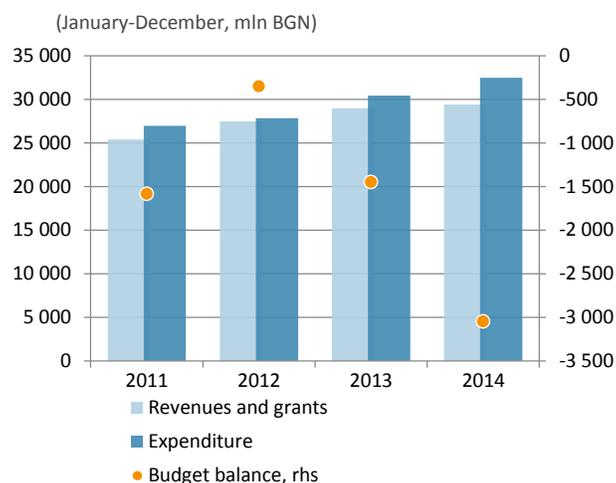
Total revenues and grants for 2014 amounted to BGN 29 406.8 mln, equal to 98.1% of the revised annual plan. They increased by 1.5% compared to 2013, as the 12.5% decline in non-tax revenues was offset by an increase in tax receipts and grants, up by 2.9% and 10% respectively. Despite the growth in grants, the latter reached 90.3% of the annual plan. The largest contribution to the tax revenue growth came from personal income tax receipts and corporate tax, up by 10.7% and 8.1% respectively. VAT revenues decreased by 1.4% due to lower receipts from VAT on imports which were not compensated by the increase in VAT from taxable domestic supply and intra-community acquisition. Net receipts from excises also decreased, while those from custom duties rose. As a result, indirect tax revenues reached 96.2% of the annual estimate.

Total expenditure, including the contribution to the EU budget, reached 98.4% of the annual plan, up by 6.7% compared to 2013. The main contribution to the nominal expenditure increase came from social benefits followed by capital expenditure. The growth of the latter accelerated in 2014 due to the EU funds absorption and reached 19%, being 11.7% in 2013. Expenses on wages and salaries, and social and health insurance contributions were also up. Interest payments were the only expenditure component which decreased.

Fiscal reserve at end-2014 reached BGN 9.2 bn (11.3% of GDP). The growth compared to end November came from EU funds receivables which reached BGN 1.1 bn.

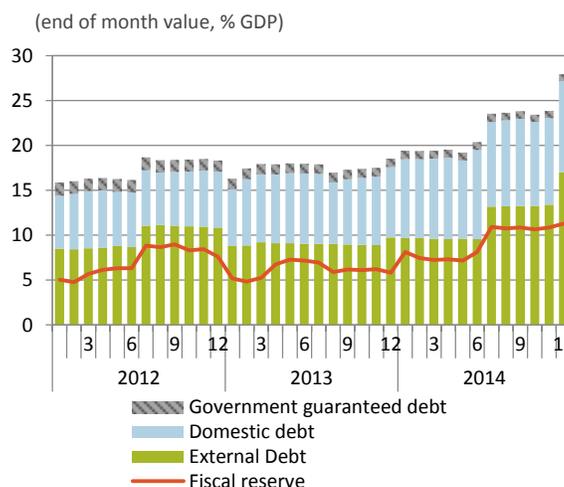
General government debt reached 27.1% of GDP, consisting of 10.1% of GDP domestic debt and 17% of GDP external debt. Government guaranteed debt was 0.8% of GDP. ●

Fig. 12: Consolidated budget



Source: MF

Fig. 13: GG debt and fiscal reserve



Source: MF

Key Economic Indicators

		Annual data			Quarterly data				Monthly data						
		2012	2013	2014	Q1'14	Q2'14	Q3'14	Q4'14	Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14	Jan'15
— GDP															
Gross Domestic Product ¹	% , yoy	0.5	1.1	-	1.5	1.8	1.5	-	-	-	-	-	-	-	-
Consumption	% , yoy	2.9	-1.3	-	3.3	1.2	0.8	-	-	-	-	-	-	-	-
Gross fixed capital formation	% , yoy	2.0	-0.1	-	4.8	5.1	4.4	-	-	-	-	-	-	-	-
Export	% , yoy	0.8	9.2	-	2.1	3.0	-2.8	-	-	-	-	-	-	-	-
Import	% , yoy	4.5	4.9	-	5.5	3.7	2.6	-	-	-	-	-	-	-	-
Agriculture	% , yoy	-7.3	3.3	-	-0.3	1.4	3.7	-	-	-	-	-	-	-	-
Industry	% , yoy	1.6	-0.1	-	2.6	2.6	2.8	-	-	-	-	-	-	-	-
Services	% , yoy	-0.8	1.6	-	2.0	1.5	1.6	-	-	-	-	-	-	-	-
Adjustments	% , yoy	6.9	0.3	-	-1.7	1.6	2.5	-	-	-	-	-	-	-	-
— Short-term business statistics															
Industrial production	% , yoy	-0.4	-0.1	2.0	3.4	4.6	-0.4	0.7	0.3	-3.7	2.0	0.9	-0.4	1.6	-
Industrial turnover	% , yoy	2.3	-1.0	0.1	-6.4	2.8	0.6	3.3	-2.0	-2.6	6.7	4.5	1.8	3.5	-
Retail trade turnover	% , yoy	5.3	2.9	4.2	7.1	1.9	4.4	3.9	4.0	4.0	5.2	3.5	1.7	6.2	-
Construction output	% , yoy	-0.8	-5.3	3.3	4.1	4.3	3.1	1.9	3.8	-2.3	7.9	3.1	-1.5	4.2	-
Total business climate	balance	14.3	13.0	15.9	14.9	20.0	15.6	12.9	17.6	16.0	13.4	12.9	13.4	12.3	16.1
Industry	balance	21.3	15.6	18.2	17.8	21.0	18.5	15.5	19.1	19.3	17.1	16.0	14.1	16.5	19.9
Retail trade	balance	16.4	19.7	24.0	22.2	28.8	22.7	22.2	23.7	22.8	21.6	18.7	26.2	21.6	19.6
Construction	balance	0.3	2.0	7.3	1.7	13.2	9.7	4.8	13.6	11.4	4.1	6.2	8.2	0.0	9.8
Services	balance	12.2	12.2	11.7	15.2	16.2	8.9	6.4	12.4	7.1	7.3	7.5	4.7	7.1	11.2
— Labour market															
Participation rate (15+)	level	53.1	53.9	-	53.5	54.1	55.2	-	-	-	-	-	-	-	-
Employment rate (15+)	level	46.6	46.9	-	46.5	47.9	49.3	-	-	-	-	-	-	-	-
Employment (LFS)	% , yoy	-2.5	-0.4	-	0.3	0.3	0.7	-	-	-	-	-	-	-	-
Unemployment rate (LFS)	level	12.3	12.9	-	13.0	11.4	10.8	-	-	-	-	-	-	-	-
Unemployment rate (Employment agency)	level	11.1	11.3	11.2	12.2	11.2	10.5	10.7	10.6	10.4	10.5	10.7	10.8	10.7	-
Nominal wage	% , yoy	6.6	10.5	-	2.3	2.3	2.3	2.3	2.1	2.2	2.4	2.6	1.8	2.2	-
Real wage ²	% , yoy	4.1	10.0	-	4.2	3.9	3.5	4.1	3.3	3.2	3.8	4.1	3.8	4.3	-
Labour productivity (GDP per employed)	% , yoy	3.1	1.5	-	0.7	1.8	1.2	-	-	-	-	-	-	-	-
Real ULC (GDP)	% , yoy	2.9	8.0	-	1.7	-1.8	-3.9	-	-	-	-	-	-	-	-
— Prices															
National index of consumer prices (CPI)	% , yoy	3.0	0.9	-1.4	-2.4	-1.8	-0.8	-0.6	-1.0	-0.6	-0.8	-0.4	-0.6	-0.9	-1.0
Harmonized index of consumer prices (HICP) ³	% , yoy	2.4	0.4	-1.6	-1.8	-1.6	-1.2	-1.8	-1.1	-1.0	-1.4	-1.5	-1.9	-2.0	-2.3
Domestic producer prices	% , yoy	5.4	-1.3	-0.9	-2.0	-0.7	-0.8	-	-0.6	-1.0	-0.6	0.8	0.3	-0.9	-
— Consolidated fiscal program (cumulative)															
Revenues and grants	mIn BGN	27 470	28 981	-	6 576	14 171	21 556	-	16 841	19 215	21 556	24 021	26 738	29 407	-
Total expenses	mIn BGN	27 828	30 430	-	7 450	15 167	23 035	-	17 988	20 491	23 039	25 781	28 339	32 455	-
Contribution to EU budget	mIn BGN	809	934	-	349	562	700	-	615	663	700	743	810	955	-
Cash deficit (-) / surplus (+)	mIn BGN	-358	-1 448	-	-875	-996	-1 479	-	-1 147	-1 276	-1 483	-1 760	-1 601	-3 048	-
	% of GDP	-0.4	-1.8	-	-1.1	-1.2	-1.8	-	-1.4	-1.6	-1.8	-2.2	-2.0	-3.7	-
Government debt (incl. guaranteed debt)	mIn BGN	14 683	14 893	-	15 836	16 604	19 409	-	19 160	19 266	19 409	19 096	19 433	22 758	-
	% of GDP	18.3	18.6	-	19.4	20.4	23.8	-	23.5	23.7	23.8	23.5	23.9	27.9	-

		Annual data			Quarterly data				Monthly data						
		2012	2013	2014	Q1'14	Q2'14	Q3'14	Q4'14	Jul'14	Aug'14	Sep'14	Oct'14	Nov'14	Dec'14	Jan'15
Fiscal reserve ⁴	mIn BGN	6 081	4 681	-	5 904	6 600	8 824	-	8 886	8 742	8 824	8 653	8 824	9 170	-
	%, yoy	21.6	-23.0	-	40.0	14.7	77.7	-	59.6	85.3	77.7	76.5	76.9	95.9	-
— Financial sector															
BNB International reserves	mIn EUR	15 552	14 426	16 534	13 960	14 323	15 564	16 534	15 135	15 331	15 564	15 580	16 061	16 534	15 647
Monetary base coverage	%	174.9	162.9	165.1	170.4	164.5	180.4	165.1	183.3	181.4	180.4	175.5	186.8	165.1	-
Coverage of import with FX reserves	months	6.7	6.2	-	5.9	6.1	6.6	-	6.4	6.5	6.5	6.5	6.7	-	-
Coverage of short-term external debt	%	146.7	148.7	-	142.7	147.3	169.0	-	165.6	168.3	167.8	168.4	179.7	-	-
Money M1 (Narrow money)	%, yoy	9.5	17.5	15.1	16.1	16.4	18.7	15.1	16.8	18.0	18.7	18.6	15.3	15.1	-
Money M3 (Broad money)	%, yoy	8.4	8.9	1.1	8.3	7.4	7.2	1.1	6.9	7.2	7.2	6.7	-1.2	1.1	-
Deposits	%, yoy	8.4	9.4	-0.5	8.2	6.6	6.6	-0.5	6.3	6.7	6.6	5.9	-3.1	-0.5	-
Credit to private sector	%, yoy	3.0	0.2	-8.2	1.4	2.3	2.6	-8.2	2.2	2.4	2.6	2.3	-7.4	-8.2	-
Credit to non-financial enterprises	%, yoy	5.0	0.1	-11.6	1.7	3.1	3.0	-11.6	2.7	2.9	3.0	3.0	-11.5	-11.6	-
Credit to households	%, yoy	-1.0	-0.2	-1.6	0.3	0.3	0.1	-1.6	0.0	0.1	0.1	0.0	0.0	-1.6	-
Interest rate on short-term loans	%	7.6	7.9	7.4	7.8	7.8	7.1	7.0	7.1	7.4	6.8	5.9	8.3	6.8	-
Interest rate on time deposits	%	4.3	3.5	2.7	3.2	3.0	2.5	2.3	2.7	2.4	2.4	2.3	2.1	2.4	-
Exchange rate BGN/USD	eop	1.48	1.42	1.61	1.42	1.43	1.55	1.61	1.46	1.48	1.55	1.56	1.57	1.61	1.73
	per. av.	1.52	1.47	1.47	1.43	1.43	1.48	1.57	1.44	1.47	1.52	1.54	1.57	1.58	1.69
— Gross External Debt (GED)															
Gross external debt	% of GDP	92.2	90.0	-	88.4	89.3	92.4	-	92.2	92.3	92.4	92.8	93.2	-	-
Short-term external debt	% of GED	27.5	25.9	-	25.0	25.2	24.1	-	23.8	23.7	24.1	23.9	23.0	-	-
Intercompany lending	% of GED	41.4	41.8	-	42.1	42.8	41.2	-	41.9	42.1	41.2	41.4	41.7	-	-
— Balance of payments															
Current account	mIn EUR	-458	848	-	-299	-90	933	-	484	409	41	-82	-90	-	-
<i>Current account (moving average)</i>	% of GDP	-1.1	2.1	-	2.2	0.6	0.3	-	1.3	0.2	0.3	0.2	0.1	-	-
Trade balance	mIn EUR	-3 460	-2 430	-	-862	-720	-527	-	-86	-159	-281	-217	-167	-	-
<i>Trade balance (moving average)</i>	% of GDP	-8.5	-5.9	-	-6.9	-6.7	-6.8	-	-6.2	-6.9	-6.8	-6.9	-6.8	-	-
Export, f.o.b.	mIn EUR	20 770	22 271	-	4 868	5 443	6 005	-	2 052	1 946	2 007	2 066	1 967	-	-
	%, yoy	2.5	7.2	-	-6.7	0.3	0.5	-	0.5	-2.8	3.9	2.0	-3.1	-	-
Import, f.o.b.	mIn EUR	24 230	24 701	-	-5 730	-6 163	-6 532	-	-2 138	-2 105	-2 288	-2 283	-2 134	-	-
	%, yoy	8.1	1.9	-	0.9	-1.1	1.9	-	-6.3	11.1	2.5	3.1	-3.7	-	-
Capital account	mIn EUR	551	468	-	125	200	203	-	106	61	36	14	279	-	-
Financial account	mIn EUR	1 255	-1 476	-	-44	259	384	-	679	-205	-89	120	688	-	-
Net Foreign Direct Investments	mIn EUR	871	1 094	-	465	-14	-1	-	74	258	-332	214	408	-	-
Net Portfolio Investments	mIn EUR	-887	-129	-	-161	27	1 512	-	1 397	34	80	-110	68	-	-
Other Investments – net	mIn EUR	1 303	-2 323	-	-344	249	-1 107	-	-792	-496	181	-30	212	-	-
Change in BNB reserve assets	mIn EUR	-2 161	599	-	553	-328	-1 211	-	-797	-180	-235	-49	-463	-	-

Notes:

1. Reference year 2010, seasonally and working days adjusted data;
2. HICP deflated;
3. January 2015 reading is preliminary;
4. Change in the structure of fiscal reserve as of 2014.