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May/2015

BULGARIAN ECONOMY

Monthly Report

June/2015

July-August/2015

September/2015

October/2015

November/2015

December/2015

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Highlights

Bulgarian economy expanded by 2% yoy s.a. in Q1 2015. GDP growth was largely driven by net export, while domestic demand was relatively weaker compared to the previous quarters. The latter came mostly on the account of lower government expenditures. The stronger consumer confidence led to an increase in household expenditures, fixed investments went also up. GVA increased by 1.7% yoy s.a. with the major positive contribution from services sector.

The signals from the short-term business statistics were mixed in the beginning of the second quarter. On the one side, the growth of industrial production and turnover, and retail sales decelerated, while construction production index turned negative. At the same time, the business climate kept improving on the back of more favorable assessment of the present business situation of enterprises in all sectors.

Positive **employment developments** became more pronounced in the beginning of 2015, as the overall employed number in Q1 2015 went up by 0.8% yoy.

The unemployment rate continued on the decrease in yoy terms. It stood unchanged over the previous quarter at 10.6%, down by 2.4 pps compared to Q1 2014.

The **average wage** growth in the first quarter of 2015 accelerated to 7.9% yoy in nominal terms, while the HICP-deflated real wage growth came at 9.8% yoy, mainly driven by developments in the private sector.

Real labor productivity for the total economy also gathered speed, up 2.3% yoy, with improvement reported in all economic sectors. However, its growth

remained below the one of the **compensation per employee**, which contributed to the increase in **unit labor costs**, up by 2.7% and 2.3% yoy in nominal and real terms, respectively.

The negative **annual rate of inflation** decelerated further to -0.3% as of May, as measured by the HICP. Meanwhile, the national consumer price index was positive for three consecutive months so far, up by 0.9% yoy in May.

With the trade balance improvement offsetting the decline in services and the virtually unchanged primary and secondary income balances as a share of GDP, the **current account balance** reached EUR 194.6 mln or 0.5% of projected GDP in January-March. The **capital account** surplus increased to 0.7% of GDP in Q1 2015 due to the investment subsidies from the European institutions to the General government, while the accumulated **deficit on the financial account** stood at 3.2% of GDP.

Gross external debt (GED) amounted to EUR 39.38 bn (92.1% of projected GDP) as of end-March, up by 6% yoy. Transactions related to repayment and issuing of new debt were the most important flows.

Consolidated budget balance was positive on cash basis at the end of April, accounting for BGN 1 066.6 mln or 1.3% of projected GDP. The budgetary position improved significantly compared to the same period last year, when the consolidated budget was on deficit of BGN 864.5 mln (1.1% of GDP). ●

Recent economic developments

GROSS DOMESTIC PRODUCT

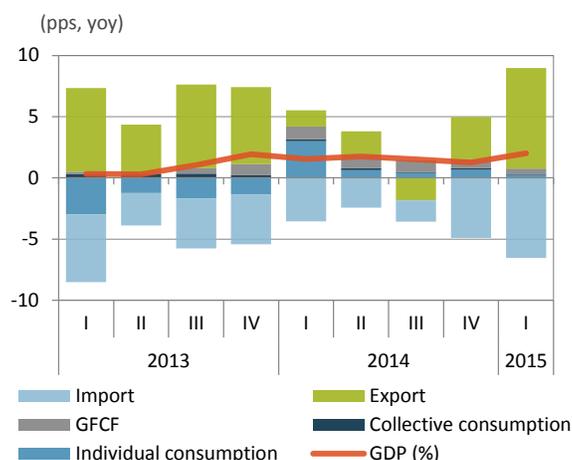
Bulgarian **GDP growth reached 2% yoy s.a. in Q1 2015** largely driven by export, up by 12.9%. The increase in import was lower, up 9.7%, thus net export had a positive contribution to the growth. Domestic demand was relatively weaker compared to the previous quarters, mostly on account of lower government expenditures. Public individual consumption shrank by 1.9%, while collective consumption increased slightly, up by 0.7%. Meanwhile, strengthening consumer confidence led to an increase in household expenditures, up by 1.1%. Fixed investments were also up by 2.1%.

On the supply side, **GVA increased by 1.7% yoy s.a.** Services had the main contribution to this, with value added in *trade; transportation; and accommodation* up by 1.8%, and in *real estate* activities up by 4.5%. Manufacturing expanded by 3.4% on the back of better performance in export-oriented industries. The value added in agriculture increased by 5.1%. Construction sector was the only to report negative contribution with a 0.8% decrease in value added.

SHORT-TERM BUSINESS STATISTICS

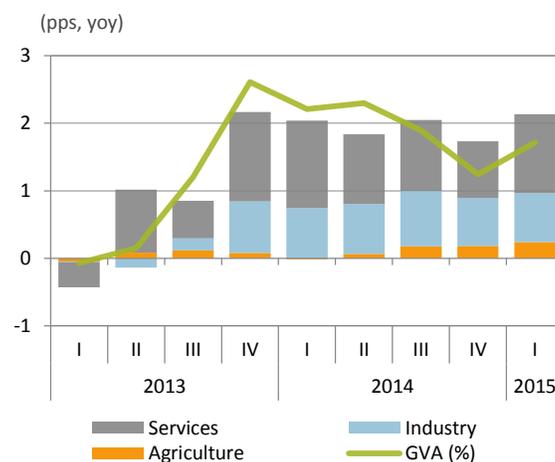
Industrial turnover¹ increased by 6.4% yoy in April as both foreign and domestic industrial sales increased more moderately compared to the previous month, mainly due to the lower contribution of *energy products*. Foreign turnover in-

Fig. 1: Contributions to GDP growth



Source: NSI

Fig. 2 Contributions to GVA growth



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.

creased by 9.2% yoy with the highest contribution coming from *manufacture of basic metals*, followed by *manufacture of motor vehicles, trailers and semi-trailers*. At the same time, the growth of domestic turnover reached 4.3% yoy, supported by the increase of *electricity, gas, steam and air conditioning supply* and *manufacture of basic metals*.

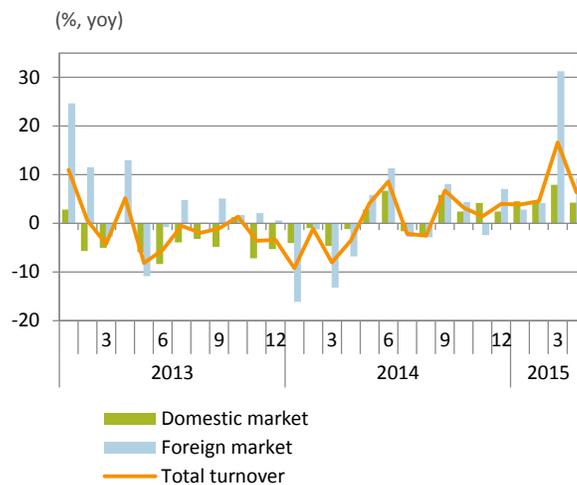
The growth of **industrial production** slowed down to 1.5% yoy from the 4.1% yoy increase in March. The observed downward dynamics was mostly due to *investment goods*, mainly the reported decline in *manufacture of fabricated metal products, except machinery and equipment, manufacture of machinery and equipment, and manufacture of other transport equipment*. Major contribution for the reported growth had *manufacture of basic metals*.

Retail sales increased by 0.7% compared to the same period of the previous year. *Retail sales of medical and orthopedic good, cosmetic and toilet articles* and *retail sales of automotive fuel* posted the largest increase, up by 5.8% and 5.6% respectively, followed by *retail sales of audio and video equipment*, up 1.6%, while the other items registered a decline.

Construction production index decreased by 2.4% yoy in April as a result of the reported decline in *building construction*, down 10.2%. At the same time, the growth in *civil engineering* slowed down to 7% yoy from an annual increase of 11.6% in March.

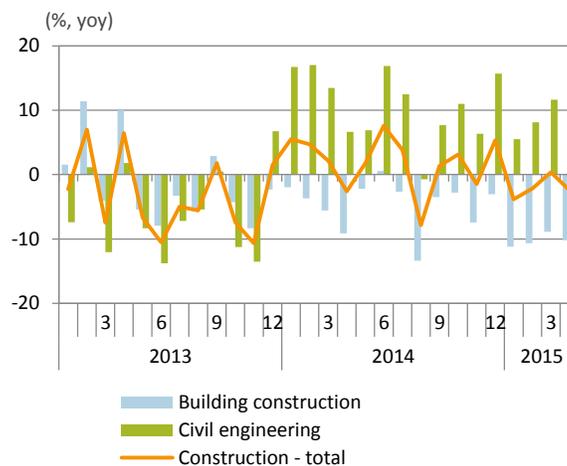
The business climate indicator increased by 3.1 pps in May over the previous month. This improvement was due to more favorable assessment of the present business situation of enterprises in all sectors. The production assurance with orders increased in construction and industry. However, the managers in the latter were more reserved regarding the future business situation of enterprises. Sales in retail trade went up and respondents' expectations were more optimistic. Demand in services also increased.

Fig. 3: Industrial turnover



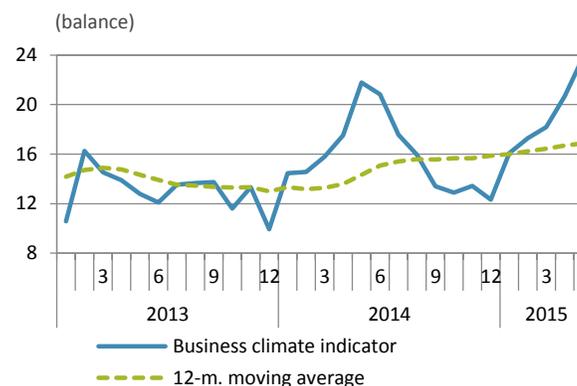
Source: NSI

Fig. 4: Construction production index



Source: NSI

Fig. 5: Business climate



Source: NSI

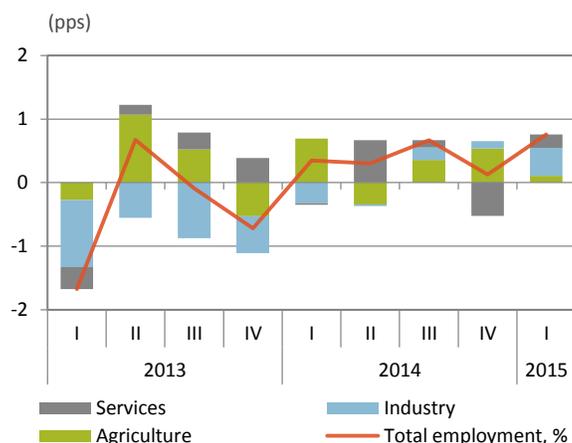
LABOUR MARKET AND INCOMES

Positive employment developments were more pronounced in the beginning of 2015. The overall employed number in Q1 2015 went up by 0.8% yoy (SNA) with a positive contribution from all economic sectors. The faster increase was particularly driven by the industry, where employment grew by 1.8%. Positive results were largely on the account of employment developments in manufacturing fuelled by the strong export performance and industrial production expansion. Monthly data on wages and employees also proved that employees' number increased mainly due to export-oriented industries. Employment in construction increased by almost 2% yoy and also had a favorable effect on the headline indicator. Almost all service subsectors contributed positively to the employment increase, which was in line with the positive signs coming from short-term business statistics. Only *public administration, education and healthcare*, as well as *professional activities, research, administrative and subsidiary activities* reported decrease in employment on a year earlier. The rise in GVA in agriculture resulted in a 0.6% increase in the employed workforce.

The unemployment rate continued on the decrease in yoy terms. The rate of unemployment in Q1 2015 stood at its level of 10.6% (LFS) as of end-2014, down by 2.4 pps yoy. About two-thirds of the 19.4% yoy decrease in unemployed number was due to the employment growth, while the rest was attributable to the labor force contraction. Participation rate of population at the age of 15+ decreased slightly on a year earlier to 53.4% during the first quarter. The favorable structural developments on the labor market observed since 2014 continued, with a further decrease in long-term unemployment to 6.3% and youth unemployment (15-24) to 23.2%.

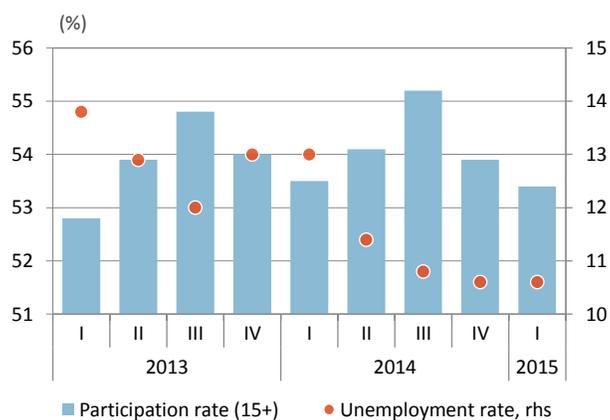
The **average nominal wage** growth in the first quarter of 2015 accelerated to 7.9% yoy, up from 2.3% yoy in the same quarter of the previous year. Given the negative inflation

Fig. 6: Employment dynamics and contribution by sectors



Source: NSI

Fig. 7: Unemployment and participation rates



Source: NSI

rate, the HICP-deflated real wage growth came at 9.8% yoy. Recent wage dynamics was mainly influenced by developments in the private sector, which reported significantly higher growth rate, up 9.4% yoy, while wages in the public sector grew by 4.5% yoy. The breakdown by economic activity showed that trade, transport and storage, construction, manufacturing, professional and informational activities had the largest contribution to Q1 upward wage dynamics.

In the period under consideration, **real labor productivity** for the total economy grew by 2.3% yoy, up from 1.5% in Q4 2014 and 0.7% in Q1 2014. Upward trend has been evidenced by all economic sectors with leading contribution of agriculture, up 2.1% yoy, services, up 1.1% yoy, and industry, up 0.3% yoy. Recent dynamics within services' sector reflected favorable productivity developments in real estate, up 5.7%, professional activities, up 3.7%, and informational activities, up 1.8%. The reported slowdown in industry resulted from a productivity decrease in construction, down by 3.3% yoy. In manufacturing productivity growth came at 1.2% yoy, which was higher as compared to the previous quarter, but lagged behind the same period a year earlier.

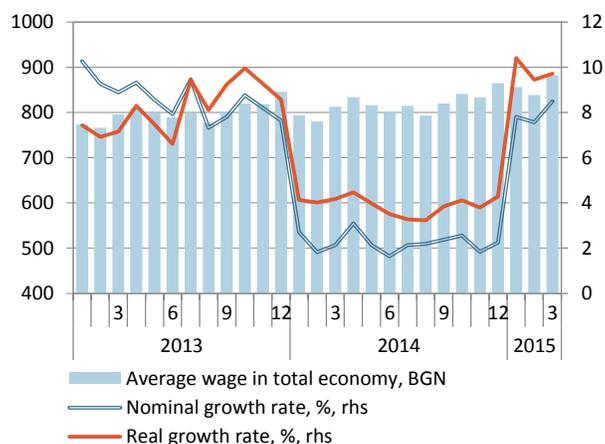
Along with productivity trends, **compensation per employee** increased by 5.1% yoy. Despite the observed upward productivity growth it remained lower than that of compensation per employee, thus contributing to the increase in **unit labor costs**, up by 2.7% and 2.3% yoy in nominal and real terms, respectively.

INFLATION DYNAMICS

The HICP reported no change in May compared to the previous month, thus the accumulated inflation from the beginning of the year stood unchanged at 0.2%, while **the negative annual inflation rate decelerated further** reaching -0.3% yoy.

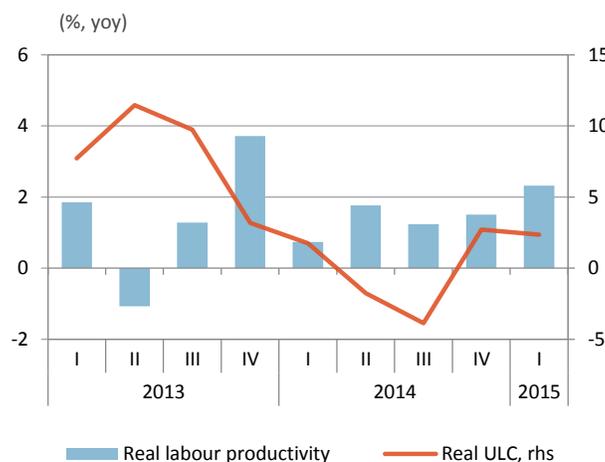
Automotive fuel prices increased by 3.2% mom and added the most for the change in the headline rate (+0.26 pps), their dynamics being driven almost entirely by the ongoing

Fig. 8: Average wage developments



Source: NSI

Fig. 9: Labor productivity and real unit labor cost developments in total economy



Source: NSI, MF

upward trend in international crude oil prices. Food prices, on the other hand, decreased by 0.8% on average and offset by 0.18 pps the contribution of the previous component. As usual, unprocessed food has been shaping food price dynamics during the season. Prices of fresh vegetables decreased by an average of 16.1%, but their negative contribution was partially offset by the higher prices of fruits and potatoes, up by 13.3% and 23% respectively. Meanwhile, prices of processed food stepped up by a marginal 0.3%, almost entirely on the account of increases reported by vegetable oil and sugar, up by 2.1% and 1.7% mom respectively, as well as soft drinks, up 1.9% mom. There were insignificant average price changes in the other HICP components.

The negative annual inflation rate, as measured by the HICP, kept decelerating to -0.3%, while the national consumer price index has been reporting positive values for the last three months ending May, up by 0.9% yoy. The latter has been a clear evidence of the ending deflation period in Bulgaria, well in line with the official estimates. Positive inflation dynamics on a year earlier have been supported by the lower negative contribution from the energy component as well as the widening positive contribution of food and administered prices.

EXTERNAL SECTOR

The trade deficit narrowed by 34.6% yoy in January-March. In the first two months of the year, export dynamics were driven by export to the EU, while the acceleration in export of oil products pushed up export to non-EU countries in March. According to NSI data, export to third countries increased by almost 50% yoy in March, up by 14.3% in Q1 2015. Export growth outpaced the rise in import, thus the trade deficit accumulated since the beginning of the year improved to 1.6% of the projected GDP. Regarding export of services, there was an annual decline in *manufacturing services on physical inputs owned by others* and *telecommunications, computer, and information services* in 2015. Net services declined by 1.8% yoy in Q1 2015. With the trade balance

Fig. 10: HICP and contributions by main components

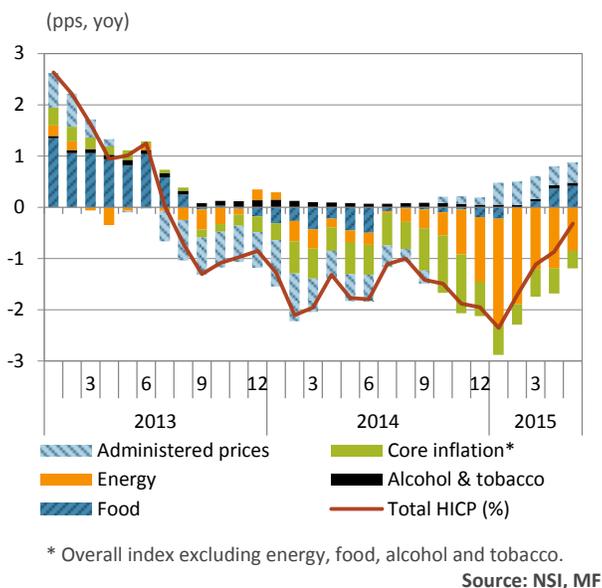
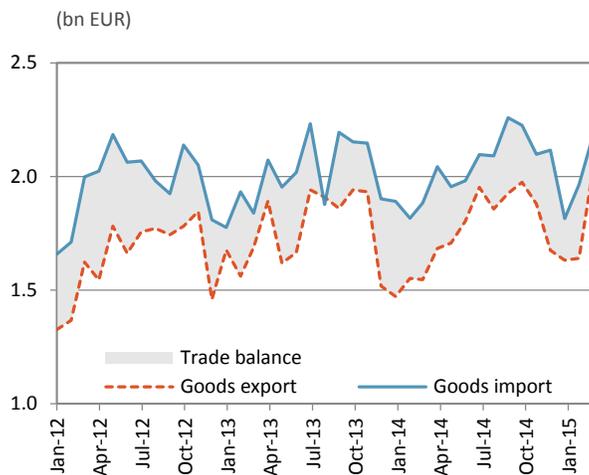


Fig. 11: Merchandise trade dynamics



Source: BNB

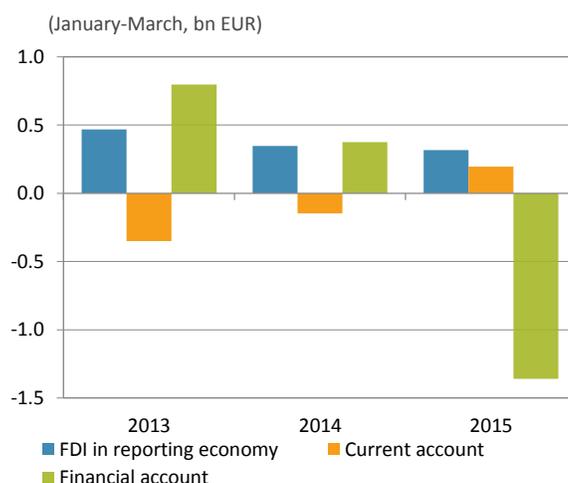
improvement offsetting the decline in services and the virtually unchanged primary and secondary income balances as a share of GDP, the **current account balance** reached EUR 194.6 mln or 0.5% of projected GDP in January-March. In the same period of the previous year, the CAB came in negative at 0.3% of GDP.

The balance on the **capital account** improved in March due to the investment subsidies from the European institutions to the General government. In Q1 the surplus stood at 0.7% of projected GDP, being 0.3% of GDP in the same period of 2014.

In March, Bulgaria issued EUR 3.1 bn triple-tranche bonds. Since part of the issue was purchased by local investors, the effect of the transaction on the **balance of payments** was limited to an increase in the *portfolio investment* liabilities of EUR 1 862.2 mln. Part of the issue was used to cover the bridge-to-bond loan, which was taken at the end of 2014, and the repayment was reflected in a decrease in *other investment* liabilities in March. The *inward FDI* in the first quarter remained 34.3% lower compared to the same period a year earlier, amounting to 0.7% of projected GDP. The net flows on liabilities in March surpassed those on assets by EUR 1 011.3 mln, resulting in accumulated **deficit on the financial account** of 3.2% of GDP in Q1 2015.

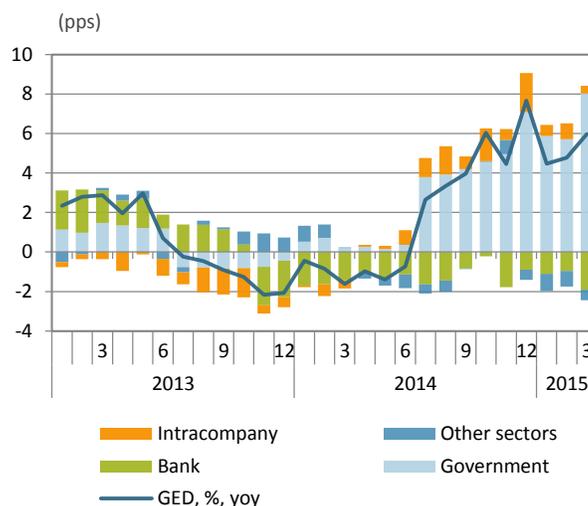
Gross external debt (GED) amounted to EUR 39.38 bn (92.1% of projected GDP) as of end-March, up by 6% yoy. The transactions related to repayment and issuing of new debt were the most important flows. On March 19, 2015, the country issued EUR 3.1 bn triple tranche of Eurobonds on international markets – 7Y at the amount of EUR 1.25 bn, 12Y at EUR 1 bn and 20Y at EUR 850 mln. Residents bought substantial share of the emissions. As of end-March, the long-term external government debt according to the GED statistics was EUR 6.45 bn. Particularly, the shares of the emissions, held by residents, were 45.3%, 39.7% and 22.9% for the different maturities, respectively. The bridge loan taken by the Government in December 2014, was paid back in March which

Fig. 12: FDI, Current and Financial Account



Source: BNB

Fig. 13: Contributions to GED growth



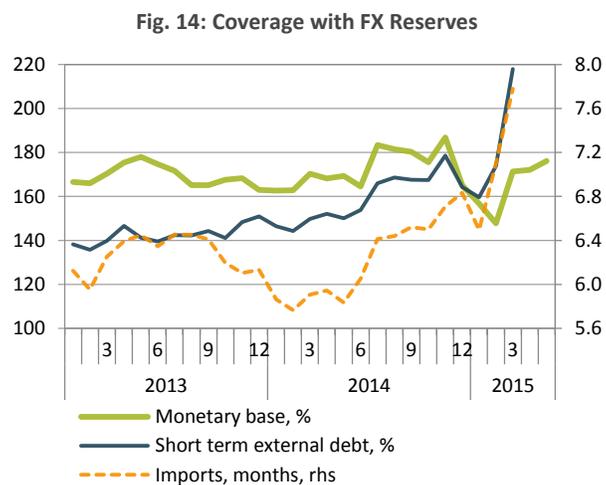
Source: BNB

led to a EUR 984 mln drop in short-term government debt. The financing of the loan repayment was provided via the Eurobond transaction. Intercompany lending kept its positive trend in March, up by 0.9% yoy to EUR 15.84 bn. Banks were reducing their external debt to EUR 5.19 bn (12.1% of projected GDP), down by 12% yoy. The external debt of other sectors went down by 1.7% yoy to EUR 11.9 bn as the reduction of short-term liabilities more than compensated the rise of longer term debt. The share of short-term external debt declined to 22.1% of total GED as of end-March, being 25.1% a year earlier.

FINANCIAL SECTOR

International reserves slightly decreased by 0.4% mom in May and amounted to EUR 19.4 bn at the end of the month. The decrease was due mainly to the 5.9% mom decrease of bank reserves probably due to a reduction in bank excess reserves, while the Banking Department deposit decreased by 1.3% mom. Government deposit at the BNB increased by 1.8% mom. A positive contribution came from the reopened 5Y and 3Y Government Securities (GS) issues, to the amount of BGN 50 mln each. Despite the slight monthly decrease, international reserves in May continued to accelerate on an annual basis and reached a growth rate of 40.2% yoy coming from 38.4% a month earlier. Bank reserves and the Government deposit remained the key contributors for the annual increase of total foreign reserves. The monetary base coverage improved to 176.1% at the end of May being 172.1% in April. As of end-March the international reserves could cover 7.8 months of imports. The coverage of the short-term external debt increased significantly to 217.9% as of end-March mainly due to a reduction of short-term external debt of the General government.

Money supply growth slowed down slightly to 1.1% yoy at the end of April (vs. 1.9% in March). Liquid aggregate M1 increased by 13.8% yoy vs. a 15.3% yoy in March. Overnight deposits went up by 14.8% vs. 16.4% yoy as of end-March,



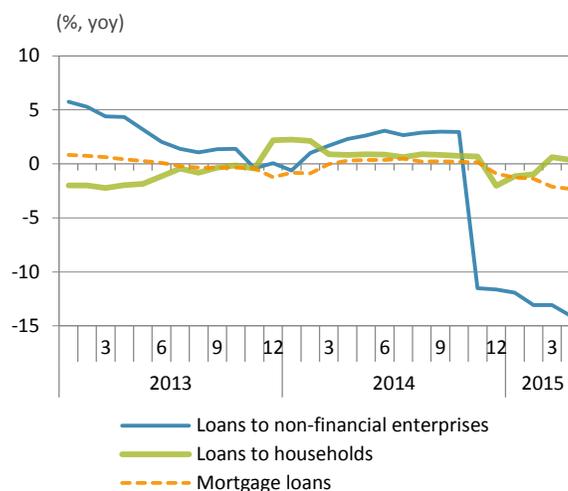
Source: BNB, MF

which was still faster than the observed dynamics of notes and coins in circulation (annual growth of 11.6% yoy vs. 13.1% in March). The decrease in deposits with agreed maturity also slightly slowed down compared to the previous month from 7.2% to 6.9% yoy, while deposits, redeemable at notice, continued to decrease faster (at 9.2% yoy) compared to 7.3% a month earlier. Broad money went down marginally by 0.8% over the previous month. Overnight deposits decreased by 2.5% mom in April which contributed to the 1.4% monthly decrease of M1 aggregate. The quasi money shrank by 0.4% due to 0.5% mom decrease of deposits with agreed maturity and the 0.2% mom decrease of deposits, redeemable at notice. **Total deposits** went down by 0.5% yoy compared to a 0.3% yoy growth at the end of March. Deposits from households moderated their growth from 3.5% in March to 2.9% yoy, while deposits from financial institutions continued to be a negative contributor, shrinking by 38.1% yoy vs. 30.8% yoy decrease a month earlier. Total deposits decreased by 1.2% mom in April due to negative developments in deposits of both financial and non-financial enterprises.

Credit to the private sector in April slightly decreased, down by 0.1% mom. Its annual decline reached 9.4% and still reflected the technical effect from the excluded KTB balance sheet. Corporate segment developments contributed to the monthly drop, down by 0.25% mom vs. a 0.7% mom increase in March, while their annual decrease was 14.1%. Consumer credit continued posting positive monthly and annual growth rates, up by 0.2% and 0.4% respectively. Mortgage deals' monthly growth stood close to zero, while compared to a year ago their stock decreased by 2.3% (vs. a decline of 2.1% yoy in March). Bad and restructured loans continued to decrease by 3.8% yoy in April. Their share in total credits for firms and households stood almost unchanged at 19% vs. 18.9% a month ago.

Weighted average interest rate on credits to non-financial corporations went down by 35 bps mom in April to 7.4%. A

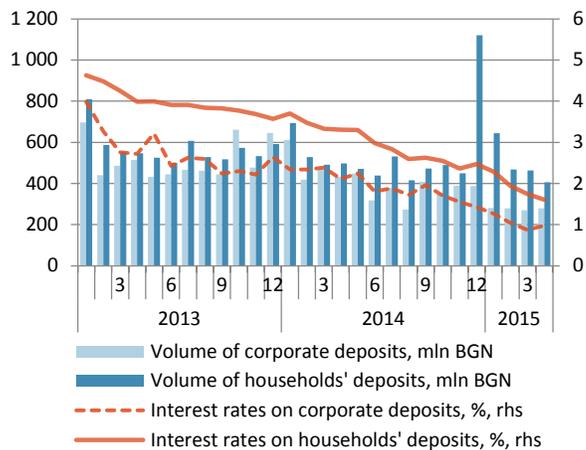
Fig. 15: Credit growth



Source: BNB, MF

year earlier the price of mortgages was higher by 51 bps. On a monthly basis the price of new mortgages continued slightly to decrease, down by 4 bps. Consumer credits' price registered a slight monthly increase, up 9 bps to 10.4%, while it was down by 76 bps compared to April 2014. Weighted average interest rates on time deposits in BGN, EUR and USD continued to decline in April but at a slower pace. The average rate on euro denominated time deposits decreased the most since the end of March, down by 14 bps, while the return on BGN and USD denominated deposits dropped by 2 bps and 5 bps, respectively. The monthly volume of new deposits in April amounted to BGN 1.7 bn which was 3% higher compared to end-March, but down by 23.7% over the same month of 2014.

Fig. 16: Interest rates and volumes of time deposits in BGN up to 1Y



Source: BNB, MF

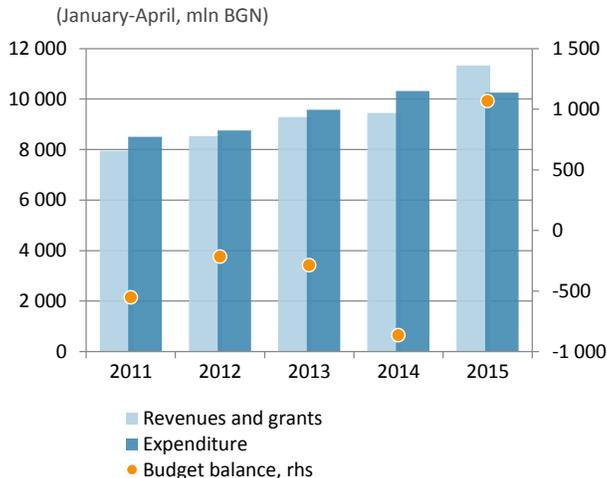
FISCAL DEVELOPMENTS

Consolidated budget balance was positive on cash basis at the end of April, accounting for BGN 1 066.6 mln, being equal to 1.3% of projected GDP. A surplus was registered both on the national budget and the EU funds account. The budgetary position improved significantly compared to the same period last year, when the consolidated budget was on deficit of BGN 864.5 mln (1.1% of GDP).

Total revenue and grants increased by 19.8% yoy in January-April. Tax receipts were 10.8% higher than the same period of 2014, as social and health insurance contributions were up by 12.3% and indirect taxes grew by 13.9%. Direct taxes were also up, but on much lower rate of 3.2% yoy. Non-tax revenue increased as well, up by 10.8% yoy. The amount of grants received in the first four months of 2015 was approximately 2.6 times higher compared to the same period of the previous year, being related to the reimbursement to Bulgaria from the European Commission of expenditure on the Operational Programs made in 2014.

Total expenditures on the consolidated budget declined marginally, down by 0.5% yoy. It was due mostly to the de-

Fig. 17: Consolidated budget



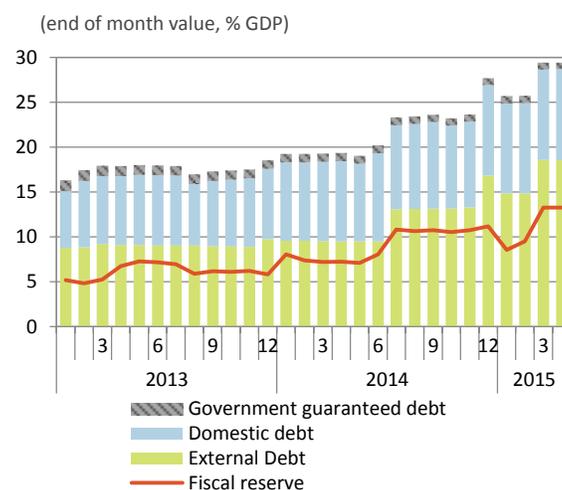
Source: MF

crease of maintenance and subsidies, down by 5.2% and 8.2% yoy, respectively. Social expenditure were slightly reduced, down by just 0.8% yoy, and the amount paid for the first four months of the year as contribution to the EU budget was lower than the corresponding period of 2014. Related to the consolidation measures envisaged in 2015 Budget law, expenditures on wages and salaries and social and health insurance contributions were kept close to their level as of end-April 2014. An increase was reported in interest and capital expenditure, up by 31.7% and 7.0% respectively.

Fiscal reserve amounted to BGN 11.1 bn at the end of April, including BGN 10.9 bn of deposits in BNB and banks and BGN 0.2 bn of receivables under the EU Funds for certified expenditures, advance payments, etc.

Total government debt at the end of April 2015 accounted for 28.7% of projected GDP – domestic government debt was 10.2% of GDP, external debt – 18.5% of GDP. Government guaranteed debt amounted to 0.8% of GDP. ●

Fig. 18 : GG debt and fiscal reserve



Source: MF

Key Economic Indicators

		Annual data			Quarterly data				Monthly data						
		2012	2013	2014	Q2'14	Q3'14	Q4'14	Q1'15	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15	May'15
— GDP															
Gross Domestic Product ¹	% , yoy	0.5	1.1	1.7	1.8	1.5	1.3	2.0	-	-	-	-	-	-	-
Consumption	% , yoy	2.9	-1.3	2.4	1.2	0.8	1.4	1.1	-	-	-	-	-	-	-
Gross fixed capital formation	% , yoy	2.0	-0.1	2.8	5.1	4.4	3.3	2.1	-	-	-	-	-	-	-
Export	% , yoy	0.8	9.2	2.2	3.0	-2.8	5.4	12.9	-	-	-	-	-	-	-
Import	% , yoy	4.5	4.9	3.8	3.7	2.6	7.5	9.7	-	-	-	-	-	-	-
Agriculture	% , yoy	-7.3	3.3	5.2	1.4	3.7	3.9	5.1	-	-	-	-	-	-	-
Industry	% , yoy	1.6	-0.1	2.0	2.6	2.8	2.5	2.5	-	-	-	-	-	-	-
Services	% , yoy	-0.8	1.6	1.2	1.5	1.6	1.3	1.8	-	-	-	-	-	-	-
Adjustments	% , yoy	6.9	0.3	2.1	1.6	2.5	3.7	6.0	-	-	-	-	-	-	-
— Short-term business statistics															
Industrial production	% , yoy	-0.4	-0.1	1.8	4.5	-0.5	0.4	2.1	-1.1	2.9	-0.1	2.5	4.1	1.5	-
Industrial turnover	% , yoy	2.3	-1.0	0.0	2.8	0.5	2.9	8.2	1.4	4.0	3.9	4.5	16.6	6.4	-
Retail trade turnover	% , yoy	5.3	3.8	4.4	2.1	4.4	4.0	3.1	1.7	6.4	4.3	4.2	0.9	0.7	-
Construction output	% , yoy	-0.8	-3.7	1.8	2.1	-1.0	2.2	-1.8	-1.5	5.3	-3.8	-2.1	0.4	-2.4	-
Total business climate	balance	14.3	13.0	15.9	20.0	15.6	12.9	17.2	13.4	12.3	16.1	17.3	18.2	20.7	23.8
Industry	balance	21.3	15.6	18.2	21.0	18.5	15.5	22.3	14.1	16.5	19.9	22.3	24.6	25.1	24.9
Retail trade	balance	16.4	19.7	24.0	28.8	22.7	22.2	20.8	26.2	21.6	19.6	21.9	20.9	26.2	31.9
Construction	balance	0.3	2.0	7.3	13.2	9.7	4.8	9.8	8.2	0.0	9.8	11.6	8.0	16.4	18.9
Services	balance	12.2	12.2	11.7	16.2	8.9	6.4	10.7	4.7	7.1	11.2	8.2	12.6	10.5	18.6
— Labor market															
Participation rate (15+)	level	53.1	53.9	54.1	54.1	55.2	53.9	53.4	-	-	-	-	-	-	-
Employment rate (15+)	level	46.6	46.9	48.2	47.9	49.3	48.2	47.7	-	-	-	-	-	-	-
Employment (LFS)	% , yoy	-2.5	-0.4	0.4	0.3	0.7	0.1	0.8	-	-	-	-	-	-	-
Unemployment rate (LFS)	level	12.3	12.9	11.4	11.4	10.8	10.6	10.6	-	-	-	-	-	-	-
Unemployment rate (Employment agency)	level	11.1	11.3	11.2	11.2	10.5	10.7	11.0	10.8	10.7	11.1	11.0	11.0	10.7	-
Nominal wage	% , yoy	6.6	6.0	6.8	2.3	2.3	2.3	7.9	1.8	2.2	7.8	7.6	8.5	-	-
Real wage ²	% , yoy	4.1	5.6	8.5	3.9	3.5	4.1	9.8	3.8	4.3	10.4	9.4	9.7	-	-
Labor productivity (GDP per employed)	% , yoy	3.1	1.5	1.3	1.8	1.2	1.5	2.3	-	-	-	-	-	-	-
Real ULC (GDP)	% , yoy	2.9	8.0	-0.5	-1.8	-3.9	2.7	2.3	-	-	-	-	-	-	-
— Prices															
National index of consumer prices (CPI)	% , yoy	3.0	0.9	-1.4	-1.8	-0.8	-0.6	-0.5	-0.6	-0.9	-1.0	-0.5	0.1	0.5	0.9
Harmonized index of consumer prices (HICP)	% , yoy	2.4	0.4	-1.6	-1.6	-1.2	-1.8	-1.7	-1.9	-2.0	-2.4	-1.7	-1.1	-0.9	-0.3
Domestic producer prices	% , yoy	5.4	-1.3	-0.9	-0.7	-0.8	0.0	-1.1	0.3	-0.9	-1.9	-1.2	-0.4	-0.6	-
— Consolidated fiscal program (cumulative)															
Revenues and grants	mIn BGN	27 470	28 981	29 409	14 171	21 556	29 409	-	26 738	29 407	2 472	4 762	7 796	11 330	-
Total expenses	mIn BGN	27 828	30 430	32 482	15 167	23 035	32 482	-	28 339	32 455	2 403	4 867	7 539	10 263	-
Contribution to EU budget	mIn BGN	809	934	955	562	700	955	-	810	955	76	226	302	376	-
Cash deficit (-) / surplus (+)	mIn BGN	-358	-1 448	-3 073	-996	-1 479	-3 073	-	-1 601	-3 048	69	-106	257	1 067	-
	% of GDP	-0.4	-1.8	-3.7	-1.2	-1.8	-3.7	-	-1.9	-3.7	0.1	-0.1	0.3	1.3	-

		Annual data			Quarterly data				Monthly data						
		2012	2013	2014	Q2'14	Q3'14	Q4'14	Q1'15	Nov'14	Dec'14	Jan'15	Feb'15	Mar'15	Apr'15	May15
Government debt (incl. guaranteed debt)	mIn BGN	14 683	14 893	22 758	16 604	19 409	22 758	-	19 433	22 758	21 470	21 504	24 606	24 608	-
	% of GDP	18.3	18.6	27.7	20.2	23.6	27.7	-	23.7	27.7	25.7	25.7	29.4	29.4	-
Fiscal reserve ³	mIn BGN	6 081	4 681	9 170	6 600	8 824	9 170	-	8 824	9 170	7 130	7 940	11 088	11 073	-
	%, yoy	21.6	-23.0	95.9	14.7	77.7	95.9	-	76.9	95.9	7.6	31.0	87.8	86.0	-
— Financial sector															
BNB International reserves	mIn EUR	15 552	14 426	16 534	14 323	15 564	16 534	18 963	16 061	16 534	15 647	17 180	18 963	19 467	19 380
Monetary base coverage	%	174.9	162.9	165.1	164.5	180.4	165.1	171.3	186.8	165.1	156.7	147.8	171.3	172.1	176.1
Coverage of import with FX reserves	months	6.7	6.1	6.4	6.1	6.5	6.8	-	6.7	6.8	6.5	7.1	7.8	-	-
Coverage of short-term external debt	%	150.2	150.9	166.0	153.8	167.6	164.3	-	178.6	164.3	159.6	173.9	217.9	-	-
Money M1 (Narrow money)	%, yoy	9.5	17.5	15.1	16.4	18.7	15.1	-	15.3	15.1	14.8	15.1	15.3	13.8	-
Money M3 (Broad money)	%, yoy	8.4	8.9	1.1	7.4	7.2	1.1	-	-1.2	1.1	2.0	2.0	1.9	1.1	-
Deposits	%, yoy	8.4	9.4	-0.5	6.6	6.6	-0.5	-	-3.1	-0.5	0.4	0.5	0.3	-0.5	-
Credit to private sector	%, yoy	3.0	0.2	-8.2	2.3	2.6	-8.2	-	-7.4	-8.2	-8.4	-9.0	-8.9	-9.4	-
Credit to non-financial enterprises	%, yoy	5.0	0.1	-11.6	3.1	3.0	-11.6	-	-11.5	-11.6	-11.9	-13.1	-13.1	-14.1	-
Credit to households	%, yoy	-1.0	-0.2	-1.6	0.3	0.1	-1.6	-	0.0	-1.6	-2.0	-2.0	-1.8	-1.7	-
Interest rate on short-term loans	%	7.6	7.9	7.4	7.8	7.1	7.0	-	8.3	6.8	6.5	9.4	9.5	7.8	-
Interest rate on time deposits	%	4.3	3.5	2.7	3.0	2.5	2.3	-	2.1	2.4	2.1	1.7	1.6	1.6	-
Exchange rate BGN/USD	eop	1.48	1.42	1.61	1.43	1.55	1.61	1.82	1.57	1.61	1.73	1.74	1.82	1.74	1.78
	per. av.	1.52	1.47	1.47	1.43	1.48	1.57	1.74	1.57	1.58	1.69	1.72	1.81	1.81	1.76
— Gross External Debt (GED)															
Gross external debt	% of GDP	92.2	90.0	94.7	88.7	92.2	94.7	92.1	92.3	94.7	90.7	90.7	92.1	-	-
Short-term external debt	% of GED	27.5	25.9	25.3	25.0	24.0	25.3	22.1	23.2	25.3	25.3	25.5	22.1	-	-
Intercompany lending	% of GED	41.4	41.8	40.7	43.3	41.6	40.7	40.2	41.4	40.7	40.8	40.8	40.2	-	-
— Balance of payments⁴															
Current account	mIn EUR	-108	765	359	-10	1 097	-581	195	-108	-375	-78	-160	433	-	-
<i>Current account (moving average)</i>	% of GDP	-0.3	1.9	0.9	1.0	1.1	0.9	1.7	1.0	0.9	1.4	1.4	1.6	-	-
Trade balance	mIn EUR	-3 947	-2 891	-3 429	-786	-710	-910	-669	-219	-441	-184	-325	-160	-	-
<i>Trade balance (moving average)</i>	% of GDP	-9.6	-7.0	-8.2	-7.8	-8.0	-8.2	-7.3	-8.0	-8.2	-7.5	-7.7	-7.3	-	-
Export, f.o.b.	mIn EUR	19 668	21 208	21 031	5 195	5 737	5 530	5 279	1 880	1 676	1 631	1 641	2 007	-	-
	%, yoy	3.2	7.8	-0.8	0.3	0.5	2.5	15.5	-2.8	10.4	10.8	5.7	29.8	-	-
Import, f.o.b.	mIn EUR	23 615	24 099	24 461	5 981	6 447	6 440	5 948	2 098	2 116	1 816	1 966	2 167	-	-
	%, yoy	8.8	2.0	1.5	-1.1	2.3	3.8	6.3	-2.3	11.3	-4.0	8.2	15.0	-	-
Capital account	mIn EUR	546	469	992	198	203	465	285	301	149	7	56	222	-	-
Financial account	mIn EUR	-1 164	1 422	-1 845	-434	-656	-1 130	-1 358	-300	-579	1 125	-1 472	-1 011	-	-
Net Foreign Direct Investments	mIn EUR	-859	-1 129	-824	-176	-169	-361	-323	-22	26	-170	-113	-40	-	-
Net Portfolio Investments	mIn EUR	2 016	1 161	1 871	-72	1 241	553	1 445	171	56	-503	62	1 886	-	-
Other Investments – net	mIn EUR	-350	700	2 056	-463	1 219	838	-2 794	-568	1 449	670	-1 572	-1 892	-	-
Change in BNB reserve assets	mIn EUR	2 121	-532	1 810	317	1 182	864	2 121	446	387	-1 165	1 565	1 721	-	-

Notes:

1. Reference year 2010, seasonally and working days adjusted data;
2. HICP deflated;
3. Change in the structure of fiscal reserve as of 2014;
4. Data under BPM6.