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BULGARIAN ECONOMY

Monthly Report

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Highlights

The Bulgarian economy accelerated to 2.9% yoy s.a. in Q3, driven by both domestic and external demand. Household expenditures expanded, driven by the growth in real disposable income of households. Gross value added increased by 1.6% yoy s.a. supported by positive developments in manufacturing, services and agriculture.

Short-term business statistics showed somewhat downward dynamics in October, as industrial production, industrial turnover, retail sales and the construction production index decreased. In November the business climate indicator slightly went down by 0.5 pps mom mainly due to the worsened expectations about the present business situation of enterprises in all sectors.

Unemployment rate continued to decrease in Q3 and recorded its lowest value of 8.3% (LFS) since the end of 2009. The downward trend was supported by the positive employment developments. Productivity of labour accelerated its annual growth in Q3, while nominal unit labour costs decreased.

Headline inflation in November decreased further by 0.3% mom but at a slower pace of -0.9% yoy against -1.2% in October. The core inflation stayed positive yoy.

In September, for a fifth consecutive month, the **current account balance** was positive. The accumulated level from the beginning of the year reached EUR 1.4 bn. The accumulated services' surplus reached 5% of GDP in the nine-month period.

Gross external debt (GED) amounted to EUR 34.2 bn as of end-September and lowered to 77.8% of GDP vs. 90.1% a year earlier.

Consolidated budget balance was positive at the end of October accounting for BGN 63.9 mln (0.1% of GDP) on a cash basis. The budget balance improved significantly compared to end-October 2014 deficit (2.1% of GDP). ●

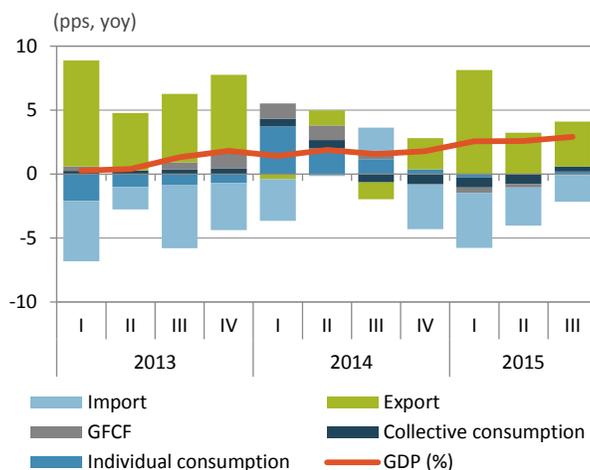
Recent economic developments

GROSS DOMESTIC PRODUCT

GDP growth for Q3 2015 accelerated to 2.9% yoy s.a. on the back of a positive contribution from both domestic and external demand. Household expenditures increased by 0.7% yoy driven by the growth in real disposable income of households. The collective consumption of the government also expanded up by 5.3% yoy, while public individual consumption went down by 1.6% yoy. The decrease in fixed investments slowed down to 0.4% yoy, while on a quarterly basis there was an increase by 0.6%. According to Q3 data on expenditures for fixed assets' acquisition, an increase was registered in *public administration, agriculture, real estate activities, information and communication and construction*. Exports in Q3 went up by 5.8% yoy, while imports increased by 3.3% yoy.

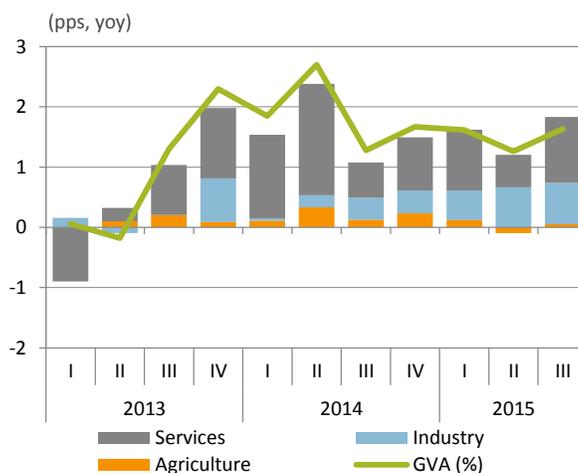
On the supply side, GVA increased by 1.6% yoy s.a. Growth in manufacturing accelerated to 3.5% yoy, while value added in construction dropped by 1.2% yoy. Services had the biggest contribution to GVA growth on the account of all activities except for *arts, entertainment and recreation*. *Public administration, and information and communication* posted the largest increase, up by 3.3% and 3.7% yoy, respectively. Positive trend was also observed in the agricultural sector where value added increased by 1.1% yoy.

Fig. 1: Contributions to GDP growth



Source: NSI

Fig. 2: Contributions to GVA growth



Source: NSI

SHORT-TERM BUSINESS STATISTICS

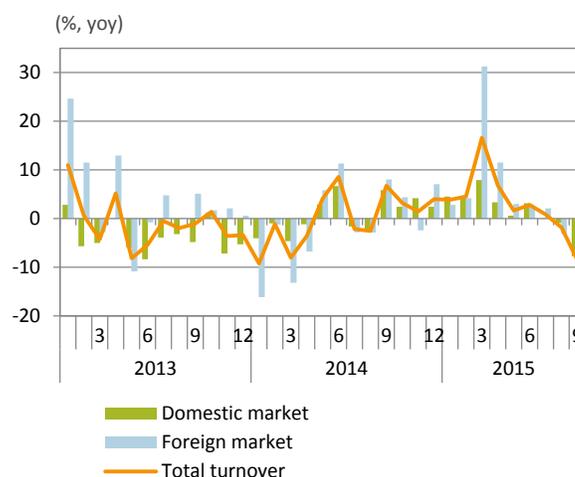
Industrial turnover¹ decreased by 3.9% yoy in October. Major contribution for the reported decline had domestic industrial sales, down by 6.5% yoy. Energy products continued to be a major drag on growth. The slump in foreign turnover slowed down to 0.2% yoy as a result of the positive developments of the *manufacture of fabricated metal products except machinery and equipment*. At the same time, as a result of the decline in international metal prices, the downward trend in *manufacture of metal products* continued for a third consecutive month.

Industrial production turned to negative territory in October and decreased by 0.4% yoy. Although the growth of *manufacturing* accelerated to 2.4% yoy (from 0.6% yoy in September), the slump in *energy products* and negative dynamics in *mining and quarrying* outlined the overall downward trend.

Retail sales declined by 1.1% compared to the same period of the previous year. *Retail sales of textile, clothing, footwear and leather goods* posted the largest decline of 6.1% yoy, followed by *retail sales of automotive fuels*, down by 5.8% yoy. At the same time, growth was registered in *retail sales of audio and video equipment, of medical and orthopaedic goods, and of food, beverages and tobacco*, up by 2.6%, 1.8%, and 0.7% yoy, respectively.

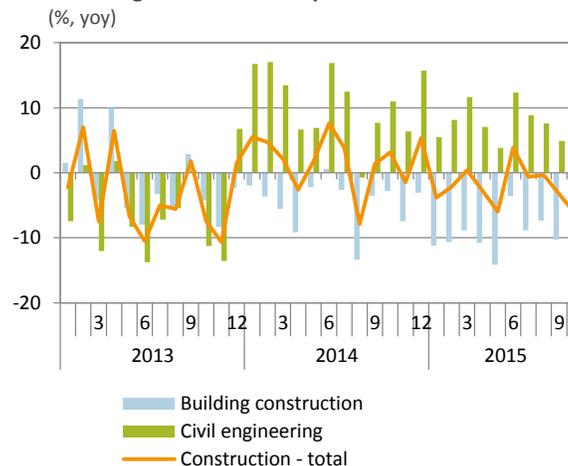
The decrease of **construction production index** accelerated to 6.1% yoy in October compared to 3.2% a month earlier. The slump in *building construction* accelerated to 13.2% yoy, while the growth of *civil engineering* slowed down to 2% yoy.

Fig. 3: Industrial turnover



Source: NSI

Fig. 4: Construction production index



Source: NSI

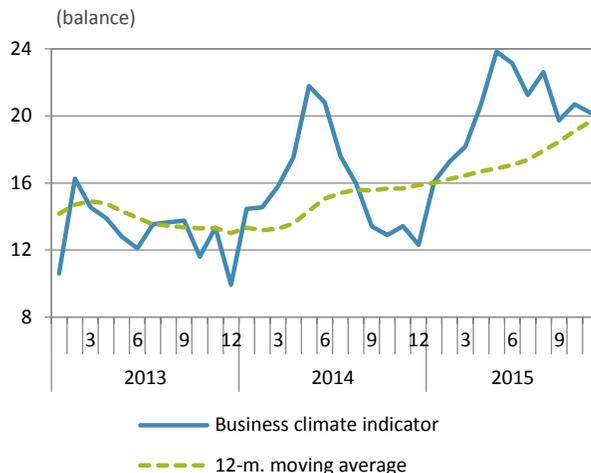
¹ According to NSI methodology, the industrial turnover index reflects changes in both volume of sales and prices, while for the industrial production index compilation, the value of enterprises' production is deflated by the producer price index in order to isolate the price fluctuations.

In November the **business climate indicator** went down by 0.5 pps mainly due to the worsened expectations about the present business situation of enterprises in all sectors. In services sector a decrease in demand was registered, as well as demand expectations for the coming months were more reserved. At the same time, entrepreneurs' sales expectations and those regarding orders placed with suppliers in retail trade improved. Respondents in industry and construction were also more optimistic about the business situation of enterprises in the next months.

LABOUR MARKET

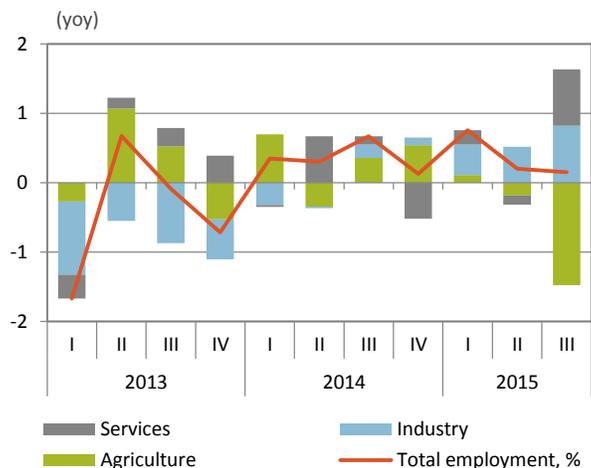
Employment growth remained subdued in Q3 at 0.2% yoy² on the account of the negative dynamics in agriculture which largely offset the uprise in industry and services. In contrast to the previous two years, in 2015 GVA growth in the agricultural sector strongly decelerated and employment gradually went down by 6.8% yoy in Q3. At the same time, both the industrial and service sectors' recovery gained momentum. Employed in manufacturing industry had the biggest positive contribution, up by 3.2% yoy mainly due to export-oriented industries, such as manufacturing of transport equipment and of electrical appliances³. Employment growth in construction also accelerated to 4% in Q3. All the service subsectors reported better employment outcomes compared to the previous quarter. Employment increased in the *professional activities and research; administrative and subsidiary activities*, as well where employed dynamics was on negative territory since 2014. Only in *real estates and public administration, education and healthcare* employment continued to decrease on an annual basis in Q3.

Fig. 5: Business climate



Source: NSI

Fig. 6: Employment growth (%) and contribution by sector (pps)



Source: NSI, MF

² ESA 2010

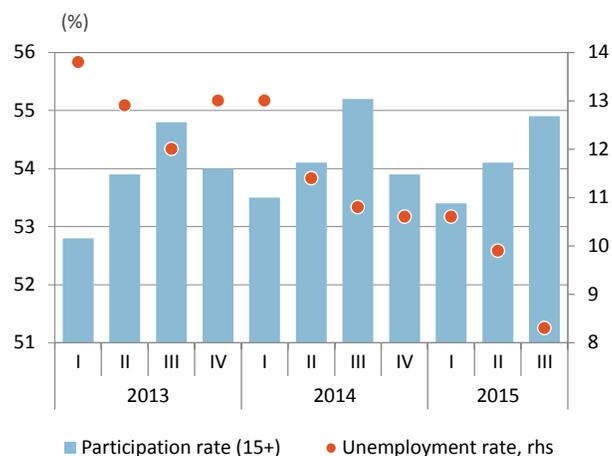
³ Disaggregated data by industries are based on the short-term statistics on employment and labour costs.

In Q3 the **unemployment rate** reached its lowest value of 8.3% (LFS) since the end of 2009. The continuing decrease (by 24.3% yoy) in number of unemployed was supported by the positive employment developments⁴, but about 52% of this reduction was due to the labour force contraction. Participation rate of population aged 15 and over decreased by 0.3 pps. to 54.9% in Q3.

In October **registered unemployment** went up to 9.5% but remained 1.2 pps below its level of October 2014. The monthly increase in number of unemployed was due to the rise in unemployment inflow to 42.5 K, reflecting the slump in seasonal activities. The monthly outflow of unemployed went down to 32.3 K, due to the lower number of both the unemployed who dropped out of registration and who found jobs in October. The latter reflected the weaker demand of labour on the primary labour market and less unemployed people who found jobs under the active labour market programmes and measures.

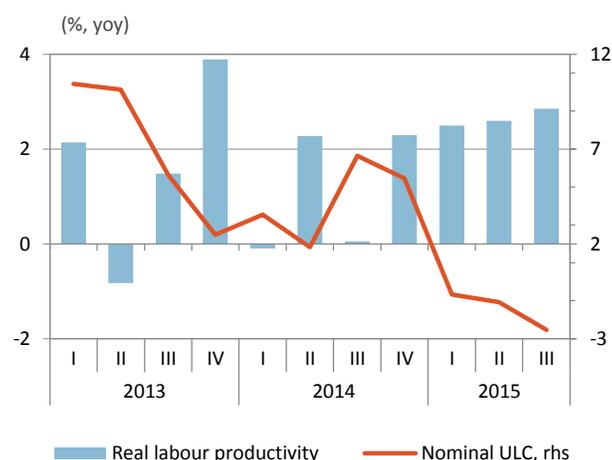
The annual **labour productivity growth** accelerated from 2.5% (Q1, Q2) to 2.9% in Q3, while nominal unit labour costs (NULC) decreased. This was driven by the strong increase of 8.5% yoy in agriculture where employment dropped significantly. Productivity developments in industrial and services sectors deteriorated compared to the previous quarter due to the robust employment recovery. Sectors with faster annual growth of employment also registered a sizable slowdown in the compensation per employee growth, which was negative in services since Q2. NULC in services continued to decrease in Q3 yoy and contributed the most to the overall economy's NULC decline of 2.5% yoy, while the growth of NULC in industry was constrained largely on the account of the manufacturing industry, where the pace of increase slowed down to 1.4% yoy.

Fig. 7: Unemployment and Participation rates



Source: NSI

Fig. 8: Real labour productivity and NULC developments, total economy



Source: NSI

⁴ It should be pointed out that the LFS reports a stronger employment growth in Q3 of 1.4% yoy as compared to the ESA 2010 figures.

INFLATION DYNAMICS

In November the headline inflation rate was (-0.3%) mom. Since the beginning of 2015 the cumulative HICP has dropped by 1.3%. In November consumer prices went down to 0.9% yoy.

Food prices in November remained unchanged compared to the previous month. The negative inflation rate was due to the price decrease of some durables, mainly kitchen appliances (-0.5%) and automobiles (-0.8%). The biggest drop in the services group was registered in international flights (-9.7%) due to seasonal factors. The administered central heating prices decreased by 9.2%. Fuel prices lowered by 2.3% on average due to the continuing drop of crude oil prices.

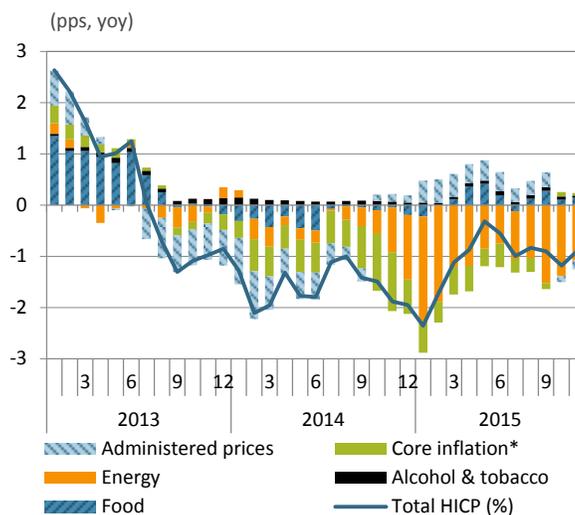
The core inflation was negative (-0.1%) mom due to the decrease of services' prices. The annual core inflation remained the same as in October 0.1%.

The annual decrease in producer prices in industry accelerated. This tendency has appeared since the second half of 2015. In October domestic market producer prices dropped by 3.8% and non-domestic market by 5.6%. The prices of energy and intermediate goods had the biggest drop which was due to the international prices of crude oil, metals and food commodities decrease.

EXTERNAL SECTOR

Current account balance came in positive in September for a fifth consecutive month. The accumulated level from the beginning of the year reached EUR 1.4 bn (3.2% of GDP forecast). Trade and secondary income balance improved on an annual basis and contributed to higher yoy current account surplus. As regards trade on goods, both export and import declined in September compared to the same period of the

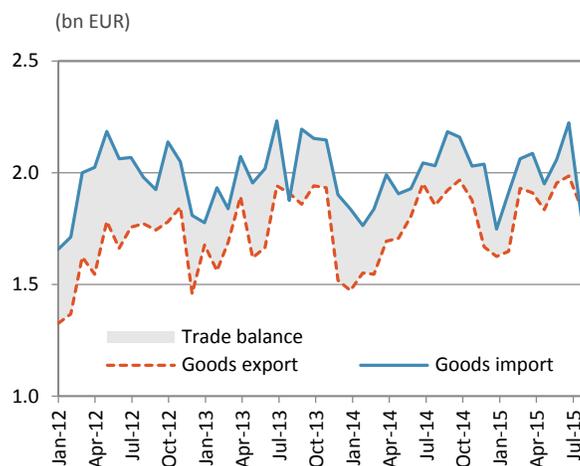
Fig. 9: HICP and contributions by main components



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

Source: NSI, MF

Fig. 10: Merchandise trade dynamics



Source: BNB

previous year, led by lower quantities and – in the case of imports – by a substantial decline in oil prices. Nonetheless, the decrease of export was more than offset by the decline in import and the trade deficit shrank on annual basis.

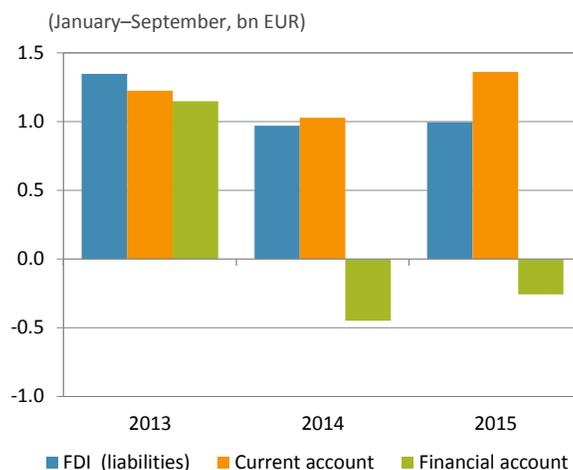
Export of services declined by 3.4% yoy in September, and in all articles, except for construction services, an annual decline was recorded. Services surplus lowered by 20% yoy, as September was the fifth month in a row with decreasing balance. The accumulated surplus reached 5% of GDP in the nine-month period.

Gross external debt (GED) lowered to 77.8% of GDP (EUR 34.2 bn) as of end-September vs. 78.2% a month earlier and 90.1% twelve months ago. The improvement on a monthly basis was due to principal and interest payments on government external debt and repayment of long-term loans by private non-financial corporations. The substantial decrease in external indebtedness on an annual basis was a result of a EUR 2 bn write-off by parent company creditor in June and gradual repayment of banking sector long-term debt.

FINANCIAL SECTOR

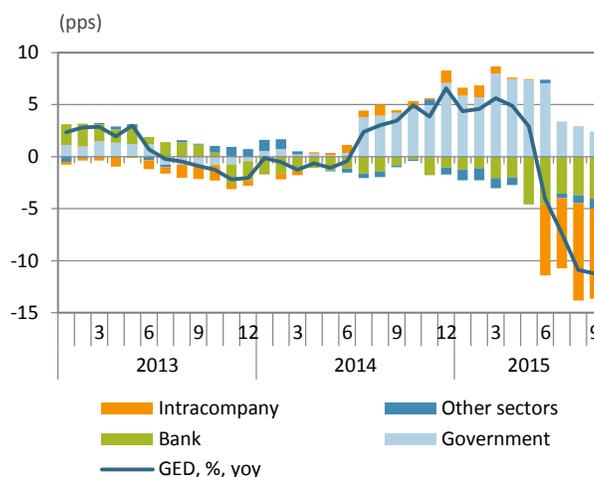
International reserves grew by 1.9% mom in November and at the end reached EUR 20.7 bn. Main contribution came from bank reserves, which increased by 5.1% compared to end-October, and from the 30% monthly growth of other depositors' accounts. The government deposit had a negative contribution after dropping by 2.2% mom. On annual basis the official reserves recorded somewhat lower growth rate of 28.8% (30.3% as of end-October) mainly due to the significant slowdown of the Government deposit's growth from 48.7% to 25.8%. The coverage of the monetary base with reserves declined from 162.3% to 160.6% at the end of November. The level of international reserves at the end of September was enough to cover 8.5 months of imports or 254%

Fig. 11: FDI, Current and Financial Account



Source: BNB

Fig. 12: Contributions to GED growth



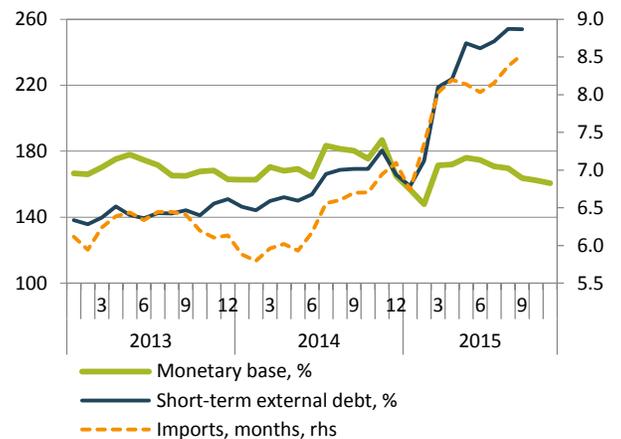
Source: BNB

of the short term external debt by original maturity.

Money supply grew by 2.7% yoy at the end of October – a little above the 2.1% increase it posted a month earlier. The higher M3 growth reflected the faster increase of the liquid aggregate M1 (10.3% vs. 9.4% yoy as of end-September), as well as the acceleration of deposits with agreed maturity for the period from 0.5% to 1.5% yoy. Broad money grew by 0.8% mom in October led by a 1.5% expansion of overnight deposits and a 0.4% mom increase of deposits with agreed maturity. Total deposits grew by 0.8% mom on behalf of the 0.9% and 1.1% increase of deposits from households and non-financial corporations respectively. Thus, the annual growth of all deposits in the banking system speeded up to 1.1% coming from 0.6% a month earlier with biggest contribution from households' deposits.

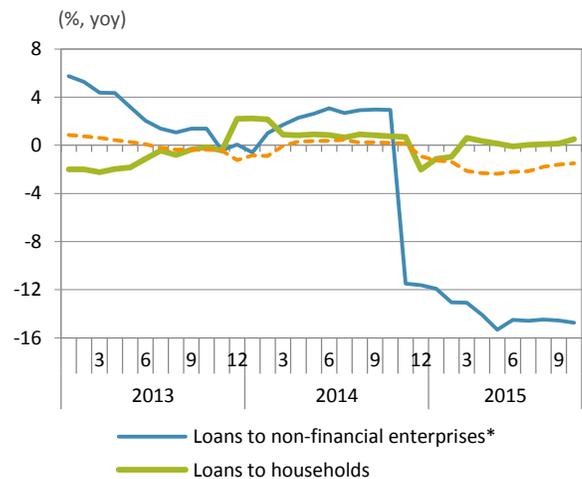
The monthly growth of credit to the private sector in October was slightly negative, down by 0.2%, at the same time the annual decrease slightly deepened to 10.1%. The main contributors to the monthly decrease were corporate loans and households, which slightly decreased by 0.1% mom, while consumer loans continued to increase, up by 0.2% mom. Mortgage loans and "other credits" registered negative monthly growths as well, down by 0.1% and 0.8%, respectively. In terms of annual dynamics, only consumer loans continued to increase for a fourth consecutive month accelerating the pace of growth from 0.2% yoy in September to 0.5% yoy in October. Bad and restructured credits accelerated their decrease in annual terms and shrank by 9.1% yoy in October vs. 8.5% a month earlier. Their share in total credits for firms and households stayed at the same level as the previous month at 18.5%.

Fig. 13: Coverage with FX Reserves



Source: BNB, MF

Fig. 14: Credit growth



* The reported break in the data series in November 2014 was due to the statistical effect of the exclusion of Corporate Commercial bank (CCB) as a reporting agent from the monetary statistics data of the sector "Other monetary financial institutions"

Source: BNB, MF

Weighted average interest rates on credits to non-financial corporations in October showed volatility and increased with 102 bps mainly due to the increase of rates on corporate loans denominated in euro. At the same time the monthly volume of new corporate loans increased significantly with 51.9% over September, while in annual terms the increase was 32.9%. The price of new mortgages slightly decreased, down by 8 bps compared to September. Consumer credits' price decreased even further compared to September, down by 18 bps vs. a decrease of 15 bps a month ago.

Table 1: Weighted average interest rate on new credits to households and non-financial companies, in %

	Oct 2014	Sep 2015	Oct 2015
Non-financial companies	6.93	5.60	6.63
Consumer credits	10.98	10.52	10.34
Mortgages	6.61	5.76	5.67

Source: BNB, MF

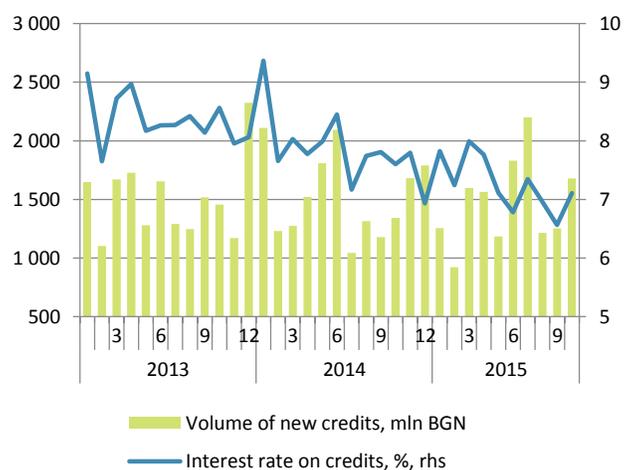
Weighted average interest rates on time deposits in October continued to register marginal changes. Return on deposits in local currency slightly decreased down by 5 bps, while the average rate on EUR denominated time deposits increased by 1 bps compared to end-September. Weighted average interest rate on USD denominated term deposits decreased on a monthly basis by 7 bps. The monthly volume of new time deposits was by 5.8% lower compared to end-September and reached BGN 1.53 bn which was by 19.4% less in annual terms.

Table 2: Weighted average interest rate on new time deposits of households and non-financial companies, in %

	Oct 2014	Sep 2015	Oct 2015
BGN	2.33	1.30	1.24
EUR	2.16	1.12	1.13
USD	1.47	0.68	0.61

Source: BNB, MF

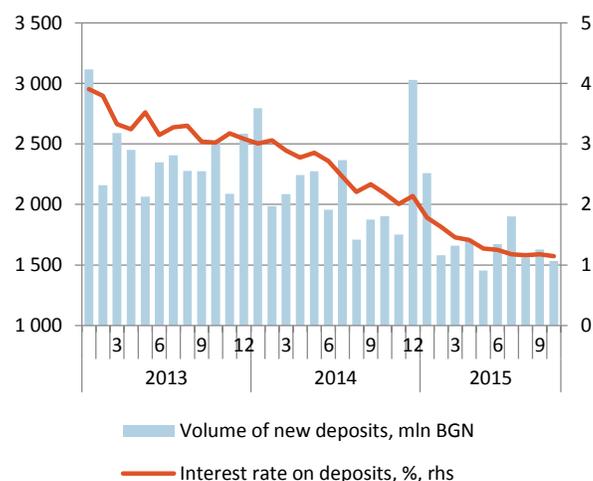
Fig. 15: Interest rate* and volume of new credits (households and companies)



* Weighted average interest rate on new credits to households, NPISHs and non-financial companies by type, currency and maturity

Source: BNB, MF

Fig. 16: Interest rate* and volume of new time deposits (households and companies)



* Weighted average interest rate on new time deposits of households, NPISHs and non-financial companies by type, currency and maturity

Source: BNB, MF

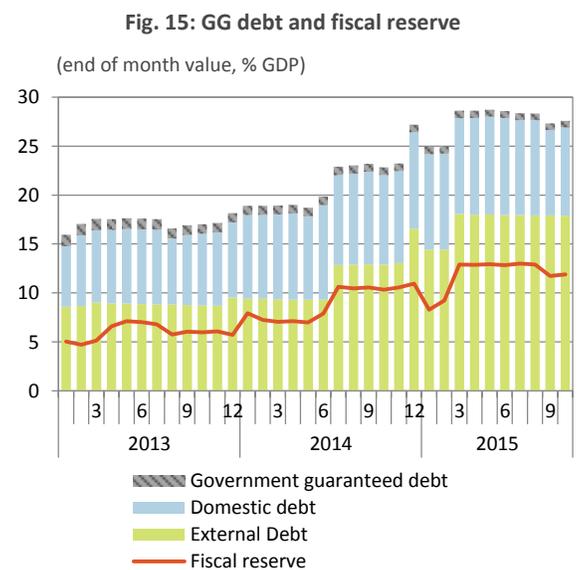
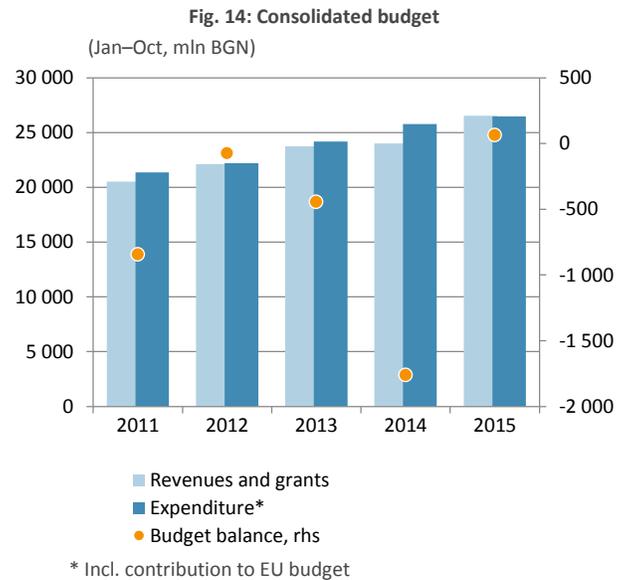
FISCAL DEVELOPMENTS

Consolidated budget balance was positive at the end of October accounting for BGN 63.9 mln (0.1% of GDP) on a cash basis. A surplus was registered on the national budget, while the balance of the EU funds account was negative. On an annual basis the amount of total revenue and grants for January-October grew significantly by 10.5%, while the increase of total expenditure was comparatively low, up by 2.7% yoy. As a result, the budget balance improved significantly compared to end-October 2014 deficit (2.1% of GDP).

Total revenue and grants amounted to BGN 26.5 bn at the end of October. The highest contribution to the annual increase came from tax revenue, up by 7.5%, followed by grants, which registered an increase of 48.3% yoy. Non-tax revenue grew as well, by 5.4% yoy. The receipts for the January-October period were higher than a year earlier in all main revenue categories. Direct tax receipts grew by 5.3% yoy, indirect taxes increased by 8.4% yoy, social and health insurance contributions were 8.1% higher compared to end-October 2014.

Total expenditure, including the contribution to the EU budget, amounted to BGN 26.5 bn for January-October, being 2.7% higher than the same period of the previous year. The latter resulted mainly from the increase in capital expenditure, up by 17.2%, followed by social payments, up by 2.2% yoy. Interest payments at the end of October were also higher yoy. Wages and salaries growth was 1.0% yoy, while the expenditure for social and health insurance contributions was kept slightly below the end-October 2014 level. A decline was registered in maintenance and subsidies, down by 6.5% and 1.9% yoy, respectively.

Fiscal reserve amounted to BGN 10.2 bn at end-October, including BGN 9.7 bn deposits in BNB and banks, and BGN 0.5 bn of receivables under the EU Funds for certified expendi-



ture, advance payments, etc.

General government debt stood at EUR 11.8 bn at the end of October, equal to 26.9% of GDP forecast. It consisted of 9.0% of GDP domestic debt and 17.9% of GDP external debt. Government guaranteed debt amounted to EUR 298.6 mln (0.7% of GDP). ●

Key Economic Indicators

		Annual data			Quarterly data				Monthly data						
		2012	2013	2014	Q4'14	Q1'15	Q2'15	Q3'15	May'15	Jun'15	Jul'15	Aug'15	Sep'15	Oct'15	Nov'15
— GDP															
Gross Domestic Product ¹	% , yoy	0.2	1.3	1.5	1.8	2.6	2.6	2.9	-	-	-	-	-	-	-
Consumption	% , yoy	2.5	-0.7	2.2	1.1	-3.6	-1.3	1.0	-	-	-	-	-	-	-
Gross fixed capital formation	% , yoy	1.8	0.3	3.4	-0.1	-1.9	-1.2	-0.4	-	-	-	-	-	-	-
Export	% , yoy	0.8	9.2	-0.1	3.9	13.6	5.2	5.8	-	-	-	-	-	-	-
Import	% , yoy	4.5	4.9	1.5	5.5	6.6	4.7	3.3	-	-	-	-	-	-	-
Agriculture	% , yoy	-7.3	3.2	5.2	5.0	2.6	-1.9	1.1	-	-	-	-	-	-	-
Industry	% , yoy	0.7	0.2	0.9	1.3	1.7	2.4	2.4	-	-	-	-	-	-	-
Services	% , yoy	-0.8	1.3	1.9	1.3	1.5	0.8	1.6	-	-	-	-	-	-	-
Adjustments	% , yoy	6.9	2.5	0.0	2.7	10.6	10.0	12.8	-	-	-	-	-	-	-
— Short-term business statistics															
Industrial production	% , yoy	-0.4	-0.1	1.8	0.4	2.1	4.3	2.7	3.9	7.3	3.4	4.3	0.8	-0.4	-
Industrial turnover	% , yoy	2.3	-1.0	0.0	2.9	8.2	3.7	-3.2	1.6	2.8	0.8	-1.8	-8.5	-3.9	-
Retail trade turnover	% , yoy	5.3	3.8	4.4	4.0	3.1	1.7	-1.1	1.3	3.0	0.3	-1.8	-1.8	-1.1	-
Construction output	% , yoy	-0.8	-3.7	1.8	2.2	-1.8	-1.5	-1.4	-5.9	3.8	-0.6	-0.3	-3.2	-6.1	-
Total business climate	balance	14.3	13.0	15.9	12.9	17.2	22.6	21.2	23.8	23.1	21.3	22.6	19.7	20.7	20.2
Industry	balance	21.3	15.6	18.2	15.5	22.3	25.0	22.0	24.9	25.1	22.2	24.3	19.5	21.8	22.6
Retail trade	balance	16.4	19.7	24.0	22.2	20.8	29.1	30.1	31.9	29.2	28.6	31.6	29.9	31.2	30.2
Construction	balance	0.3	2.0	7.3	4.8	9.8	18.0	18.0	18.9	18.6	19.2	19.1	15.7	16.3	14.7
Services	balance	12.2	12.2	11.7	6.4	10.7	15.6	14.0	18.6	17.7	14.1	13.9	14.1	12.3	10.9
— Labor market															
Participation rate (15+)	level	53.1	53.9	54.1	53.9	53.4	54.1	54.9	-	-	-	-	-	-	-
Employment rate (15+)	level	46.6	46.9	48.2	48.2	47.7	48.7	50.3	-	-	-	-	-	-	-
Employment (LFS)	% , yoy	-2.5	-0.4	0.4	0.1	0.8	0.2	0.2	-	-	-	-	-	-	-
Unemployment rate (LFS)	level	12.3	12.9	11.4	10.6	10.6	9.9	8.3	-	-	-	-	-	-	-
Unemployment rate (Employment agency)	level	11.1	11.3	11.2	10.7	11.0	10.1	9.3	10.1	9.6	9.4	9.3	9.2	9.5	-
Nominal wage	% , yoy	6.6	6.0	6.8	5.3	7.9	7.6	8.0	7.0	8.2	7.9	8.2	7.9	-	-
Real wage ²	% , yoy	4.1	5.6	8.5	7.3	9.8	8.2	9.0	7.3	8.8	8.9	9.1	9.0	-	-
Labor productivity (GDP per employed)	% , yoy	3.1	1.5	1.3	2.3	2.5	2.6	2.9	-	-	-	-	-	-	-
Real ULC (GDP)	% , yoy	2.9	8.0	-0.5	5.2	-1.9	-4.9	-0.9	-	-	-	-	-	-	-
Nominal ULC (GDP)	% , yoy	4.8	7.0	4.4	5.5	-0.7	-1.1	-2.5	-	-	-	-	-	-	-
— Prices															
National index of consumer prices (CPI)	% , yoy	3.0	0.9	-1.4	-0.6	-0.5	0.6	0.0	0.9	0.4	-0.2	0.0	0.1	-0.6	-0.4
Harmonized index of consumer prices (HICP)	% , yoy	2.4	0.4	-1.6	-1.8	-1.7	-0.6	-0.9	-0.3	-0.6	-1.0	-0.8	-0.9	-1.2	-0.9
Domestic producer prices	% , yoy	5.4	-1.3	-0.9	0.0	-1.1	-0.4	-1.5	-0.4	-0.3	-0.7	-1.8	-2.1	-3.8	-
— Consolidated fiscal program (cumulative)															
Revenues and grants	mIn BGN	27 470	28 981	29 409	29 409	7 795	16 304	0	13 819	16 303	19 020	21 491	24 149	26 535	-
Total expenses	mIn BGN	27 828	30 430	32 482	32 482	7 539	15 414	0	12 727	15 413	18 230	20 869	23 528	26 471	-
Contribution to EU budget	mIn BGN	809	934	955	955	302	505	0	451	505	540	596	624	685	-
Cash deficit (-) / surplus (+)	mIn BGN	-358	-1 448	-3 073	-3 073	256	890	0	1 091	890	789	622	621	64	-
	% of GDP	-0.4	-1.8	-3.7	-3.7	0.3	1.0	0.0	1.3	1.0	0.9	0.7	0.7	0.1	-

		Annual data			Quarterly data				Monthly data						
		2012	2013	2014	Q4'14	Q1'15	Q2'15	Q3'15	May'15	Jun'15	Jul'15	Aug'15	Sep'15	Oct'15	Nov'15
Government debt (incl. guaranteed debt)	mIn BGN	14 683	14 893	22 753	22 753	24 606	24 584	0	24 699	24 584	24 383	24 368	23 494	23 728	-
	% of GDP	18.3	18.6	27.7	27.2	28.6	28.6	0.0	28.7	28.6	28.4	28.3	27.3	27.6	-
Fiscal reserve ³	mIn BGN	6 081	4 681	9 170	9 170	11 088	11 032	0	11 133	11 032	11 189	11 089	10 074	10 234	-
	%, yoy	21.6	-23.0	95.9	95.9	87.8	67.2	0.0	90.8	67.2	25.9	26.8	14.2	18.3	-
— Financial sector															
BNB International reserves	mIn EUR	15 552	14 426	16 534	16 534	18 963	19 224	20 133	19 380	19 224	19 633	19 974	20 133	20 297	20 683
Monetary base coverage	%	174.9	162.9	165.1	165.1	171.3	174.6	163.7	176.1	174.6	170.8	169.6	163.7	162.3	160.6
Coverage of import with FX reserves	months	6.7	6.1	6.4	6.9	7.4	8.1	8.4	8.1	8.0	8.2	8.4	8.5	-	-
Coverage of short-term external debt	%	150.2	150.9	166.0	164.3	219.0	242.4	254.0	245.5	242.4	246.6	254.1	254.0	-	-
Money M1 (Narrow money)	%, yoy	9.5	17.5	15.1	15.1	15.3	11.5	9.4	14.4	11.5	11.4	9.9	9.4	10.3	-
Money M3 (Broad money)	%, yoy	8.4	8.9	1.1	1.1	1.9	2.5	2.1	1.0	2.5	3.5	2.5	2.1	2.7	-
Deposits	%, yoy	8.4	9.4	-0.5	-0.5	0.3	1.4	0.6	-0.8	1.4	2.0	1.1	0.6	1.1	-
Credit to private sector	%, yoy	3.0	0.2	-8.2	-8.2	-8.9	-9.8	-10.0	-10.4	-9.8	-10.0	-9.9	-10.0	-10.1	-
Credit to non-financial enterprises	%, yoy	5.0	0.1	-11.6	-11.6	-13.1	-14.5	-14.6	-15.3	-14.5	-14.6	-14.5	-14.6	-14.7	-
Credit to households	%, yoy	-1.0	-0.2	-1.6	-1.6	-1.8	-1.8	-1.4	-1.9	-1.8	-1.7	-1.5	-1.4	-1.2	-
Interest rate on short-term loans	%	7.6	7.9	7.4	7.0	8.5	7.7	6.6	8.6	6.8	5.9	6.3	7.8	7.3	-
Interest rate on time deposits	%	4.3	3.5	2.7	2.3	1.8	1.5	1.3	1.4	1.4	1.3	1.3	1.3	1.2	-
Exchange rate BGN/USD	eop	1.48	1.42	1.61	1.61	1.82	1.75	1.75	1.78	1.75	1.78	1.74	1.75	1.78	1.85
	per. av.	1.52	1.47	1.47	1.57	1.74	1.77	1.76	1.76	1.74	1.78	1.76	1.74	1.74	1.82
— Gross External Debt (GED)															
Gross external debt	% of GDP	90.5	88.1	92.1	92.1	89.6	81.7	77.8	87.4	81.7	81.1	78.2	77.8	-	-
Short-term external debt	% of GED	27.5	25.9	25.3	25.3	22.0	22.1	23.2	20.6	22.1	22.3	22.9	23.2	-	-
Intercompany lending	% of GED	41.4	41.8	40.3	40.3	40.5	37.9	37.0	41.8	37.9	38.0	36.9	37.0	-	-
— Balance of payments⁴															
Current account	mIn EUR	-108	765	495	-534	294	37	1 029	90	177	363	484	183	-	-
<i>Current account (moving average)</i>	% of GDP	-0.3	1.9	1.2	1.2	2.1	2.1	1.9	2.4	2.1	1.7	1.7	1.9	-	-
Trade balance	mIn EUR	-3 947	-2 891	-2 735	-714	-519	-397	-275	-115	-105	-238	35	-72	-	-
<i>Trade balance (moving average)</i>	% of GDP	-9.6	-7.0	-6.6	-6.4	-5.5	-4.9	-4.3	-5.1	-5.1	-5.4	-4.9	-4.5	-	-
Export, f.o.b.	mIn EUR	19 668	21 208	21 017	5 514	5 203	5 700	5 763	1 835	1 955	1 986	1 843	1 935	-	-
	%, yoy	3.2	7.8	-0.9	2.2	13.9	9.5	0.6	7.5	8.3	1.7	-0.6	0.7	-	-
Import, f.o.b.	mIn EUR	23 615	24 099	23 751	6 228	5 723	6 097	6 039	1 951	2 060	2 224	1 808	2 007	-	-
	%, yoy	8.8	2.0	-1.4	0.4	5.2	4.6	-3.5	2.4	6.8	8.8	-11.0	-8.1	-	-
Capital account	mIn EUR	546	469	960	431	286	438	306	54	70	98	61	146	-	-
Financial account	mIn EUR	-1 164	1 422	-1 627	-1 177	-553	-39	335	125	104	157	-6	183	-	-
Net Foreign Direct Investments	mIn EUR	-859	-1 243	-836	-492	-428	-328	-269	-41	-163	-87	-234	52	-	-
Net Portfolio Investments	mIn EUR	2 016	1 161	1 871	553	1 378	-1 135	-244	-699	-83	-51	-165	-29	-	-
Other Investments – net	mIn EUR	-350	700	2 043	901	-2 009	-635	123	-702	320	398	-102	-173	-	-
Change in BNB reserve assets	mIn EUR	2 121	-532	1 810	864	2 121	481	980	-40	-50	468	330	181	-	-

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.