

# Monthly Report | 11/09

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- **Recent economic developments in  
Russia, Ukraine, Croatia, Macedonia and Turkey**
- **Monthly Statistics**





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## Russian Federation: signs of fragile recovery

BY PETER HAVLIK

The global crisis hit Russia particularly hard and the excessive dependence on energy has clearly exposed the weaknesses of the Russian economic development model. GDP growth virtually collapsed in the fourth quarter of 2008 and the economy fell into a deep recession at the beginning of 2009. Falling oil prices, plunging export revenues and the credit squeeze were the main culprits. GDP contracted by nearly 10% in the first half of 2009, investment dropped by 15%, exports and imports by 30-40%. Manufacturing output fell at double-digit rates as well. ROSSTAT also reports a 40% decline in FDI inflows in the first quarter of the year and a huge increase in FDI outflows. The decline in household consumption, at 4%, was somewhat mitigated by the government's anti-crisis measures. At the same time, unemployment increased and consumer price inflation remained at double-digit rates – in part as a result of the rouble devaluation at the turn of 2009.

Due to the crisis the majority of the ambitious investment plans were abandoned and the budget planning had to be thoroughly revised. Similar to the USA, the EU and China, the Russian government adopted various rescue and stimulus packages already in the fall of 2008. The aim has been to improve the liquidity of the banking sector and restore confidence, to support the exchange rate and domestic consumption. The revised federal budget for 2009 entails a huge fiscal stimulus as it reckons with a nominal rise of expenditure by 7% despite falling revenues. As a result, the budget is expected to shift from a surplus (6% of GDP in 2008) to a deficit of 7% of GDP in 2009. In sum, the costs of the various anti-crisis measures may add up to 10% of GDP but their effects are hard to measure. Critics point to the usual dangers of misappropriation and corruption; they also expect that the large (or well-connected) banks and companies stand to gain

disproportionately. There are doubts – so far with some justification – whether the money will really reach the companies facing the liquidity squeeze.

In the recent (September 2009) major policy declaration, titled 'Russia, Forward' – which is being widely discussed and sometimes compared with Gorbachev's launch of 'perestroika' in the mid-1980s – President Dmitry Medvedev enumerated five priority areas for overcoming Russia's 'historic' ills (he identifies these in economic backwardness, widespread corruption and paternalist feelings in the society). Medvedev's priority modernization areas for Russia are:

- to become one of the world's leaders in the efficiency of the production, transportation and the use of energy;
- to develop new quality thresholds in the field of nuclear technologies;
- to improve information technology and to effect developments in global information technologies;
- to implement indigenous ground- and space-based infrastructure for the transmission of all types of information services;
- to achieve a leading position in the development of medical equipment, diagnostic tools and pharmaceuticals required for the treatment of viral, cardiovascular, cancer and neurological diseases.

The above modernization appeal is allegedly backed by specific implementation plans which also count on the participation of foreign companies and researchers. The chances for the success of an 'innovation development' scenario had never been particularly high. They diminished in the aftermath of the war with Georgia in August 2008 at the latest. The collapse of the oil price and effects of the global crisis have radically curtailed financial resources initially earmarked for modernization programmes. At the same time, the limits of the resource-based growth scenario have become even more obvious. The recent sharp deterioration of Russia's relations with the West will have serious repercussions for the future path of

Russian economic reforms. It may strengthen the inward-looking, autarkic development strategy which is doomed to fail.<sup>1</sup> Russia has never been too enthusiastic about joining the WTO (in fact, the recently envisaged Industrial Policy tools could well be in conflict with WTO rules). The accession to WTO was postponed once more in June 2009, this time after the agreement about forming a Customs Union with Belarus and Kazakhstan (starting from January 2010) had been finalized.

Russian authorities, as well as the IMF, OECD, the World Bank and others (including wiiw) have been busily revising GDP forecasts for 2009 downwards. At mid-year the range of GDP growth forecasts for 2009 fluctuated between -2% and -10%, mainly depending on assumptions regarding the level of oil prices. The revised wiiw forecast reckons with GDP contracting by about 6-7% in 2009, largely as a consequence of sharply falling exports and reduced investments. Fragile signs of recovery include a modest increase in output during the summer and early autumn, rising export revenues (thanks to higher oil prices), improving consumer confidence and the stabilization of inflation. We expect that growth will resume in the second half of the year, not least thanks to statistical base effects, with modest growth acceleration possible in 2010-2011. The domestic financial market is likely to stabilize and even recover fairly soon, yet the investment climate (including financing conditions) will remain challenging. In fact, the Moscow Stock Market index already recovered most of its losses from the previous year by October 2009. Some Russian companies (e.g. Oleg Deripaska's Rusal) are planning to return to the international capital markets, even the government intends to issue new bonds in international capital markets in 2010. The volume of non-performing loans in the

corporate sector is not likely to exceed 10% of the total by the end of the year. Exports and imports will still contract substantially in nominal terms; their volume will also decline in 2009. However, after five 'negative' years, the contribution of foreign trade to GDP growth may be (slightly) positive in 2009.

A slowdown of GDP growth appears inevitable also in the medium term, before any (highly uncertain) modernization and diversification efforts start to bear fruit. The wiiw forecast for 2010 is based on the assumption of modestly recovering oil prices (Urals costing around USD 70 per barrel) and limited impacts of the current financial market turmoil. Both private consumption and investment are expected to grow faster than GDP; real exports will continue to be sluggish at best since the volumes of exported oil and gas will hardly increase, while imports will grow at a faster rate – roughly in line with private consumption. This implies a small negative contribution of real net exports to GDP growth and, in nominal terms, a gradual reduction of the trade and current account surpluses. In fact, the current account surplus will gradually diminish. GDP growth will not exceed 5% and inflation will remain stubbornly close to 10% in both 2010 and thereafter. Unemployment has been on the rise during 2009, albeit not dramatically. Apart from a few 'monocities' which depend on the fate of a single big plant (such as Togliatti's troubled car factory Avtovaz), the employment effects of the crisis have so far been rather modest. They are being mitigated by demographic developments as the domestic labour supply is diminishing. In fact, labour shortages are likely to reappear soon and will definitely put a brake on economic growth in the medium run. Needless to say, another wave of the crisis cannot be ruled out either.

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<sup>1</sup> On the other hand, new privatisation initiatives (e.g. in the exploration of the Yamal gas deposits) were launched as well. In external relations, Russia has become increasingly assertive. There is a danger of escalating external conflicts (such as a confrontation with Ukraine over the Crimea).

Table RU

## Russia: Selected Economic Indicators

	2005	2006	2007	2008 <sup>1)</sup>	2008 January-June	2009	2009	2010	2011
							Forecast		
Population, th pers., average <sup>2)</sup>	143114	142487	142115	141956	142000	141900	140500	140000	139500
Gross domestic product, RUB bn, nom.	21625.4	26903.5	33111.4	41668.0	19084.3	17809.2	39000	44500	50000
annual change in % (real)	6.4	7.7	8.1	5.6	8.1	-10.4	-6.4	3.8	4.5
GDP/capita (EUR at exchange rate)	4300	5500	6700	8100	.	.	.	.	.
GDP/capita (EUR at PPP - wiiw)	10000	11100	12400	13100	.	.	.	.	.
Consumption of households, RUB bn, nom.	10590.0	12887.9	15900.9	20054.2	9088.9	9923.8	.	.	.
annual change in % (real)	11.8	11.4	13.7	11.3	12.8	-5.1	-5	4	5
Gross fixed capital form., RUB bn, nom.	3836.9	4980.6	6982.5	9136.4	3580.7	3200.8	.	.	.
annual change in % (real)	10.6	18.0	21.1	10.0	20.5	-19.0	-16	5	7
Gross industrial production									
annual change in % (real)	5.1	6.3	6.3	2.1	5.8	-14.8	-10	5	5
Gross agricultural production									
annual change in % (real)	2.3	3.6	3.4	10.8	0.9	6.4	.	.	.
Construction industry									
annual change in % (real)	10.5	18.1	18.2	12.8	23.1	-19.2	.	.	.
Employed persons - LFS, th, average	68169.0	68855.0	70570.5	70965.0	71531.0	69363.0	69000	68500	69000
annual change in %	1.3	1.0	2.5	0.6	1.4	-3.0	.	.	.
Unemployed persons - LFS, th, average	5262.8	5312.0	4589.0	4791.0	4702.5	6787.5	7000	7000	6000
Unemployment rate - LFS, in %, average	7.2	7.2	6.1	6.3	6.3	9.0	9.2	9.3	8
Reg. unemployment rate, in %, end of period	2.5	2.3	2.0	2.0	1.8	2.8	.	.	.
Average gross monthly wages, RUB	8554.9	10633.9	13593.4	17226.3	16198.8	17934.8	.	.	.
annual change in % (real, gross)	12.6	13.3	17.0	10.3	12.9	-6.8	.	.	.
Consumer prices, % p.a.	12.5	9.8	9.1	14.1	13.8	13.2	12	7	7
Producer prices in industry, % p.a. <sup>3)</sup>	20.7	12.4	14.1	21.4	26.1	-9.3	-7	5	5
General governm. budget, nat. def., % GDP									
Revenues	39.7	39.5	40.4	38.4	39.5	33.9	.	.	.
Expenditures	31.5	31.1	34.4	33.6	28.9	37.2	.	.	.
Deficit (-) / surplus (+), % GDP	8.1	8.4	6.0	4.8	10.6	-3.2	-7	-5	.
Public debt, nat. def., in % of GDP <sup>4)</sup>	14.9	8.6	7.2	5.7	5.4	7.0	.	.	.
Base rate of NB % p.a., end of per.	12	11	10	13	10.8	11.5	.	.	.
Current account, EUR mn <sup>5)</sup>	67858	75474	56266	69871	42029	12795	30000	20000	15000
Current account in % of GDP	11.1	9.6	5.9	6.1	8.1	3.2	3.4	2.0	1.4
Exports of goods, BOP, EUR mn <sup>5)</sup>	195545	241960	258930	321792	154898	89793	215000	235000	260000
annual growth rate in %	32.7	23.7	7.0	24.3	32.5	-42.0	-33	9	11
Imports of goods, BOP, EUR mn <sup>5)</sup>	100608	130948	163282	199148	22642	20565	135000	160000	200000
annual growth rate in %	28.4	30.2	24.7	22.0	21.3	-9.2	-32	19	25
Exports of services, BOP, EUR mn <sup>5)</sup>	20028	24791	28798	35008	15496	14281	33000	35000	38000
annual growth rate in %	20.9	23.8	16.2	21.6	20.8	-7.8	-6	6	9
Imports of services, BOP, EUR mn <sup>5)</sup>	31077	35643	43151	52101	22642	20565	50000	55000	60000
annual growth rate in %	16.1	14.7	21.1	20.7	21.3	-9.2	-4	10	9
FDI inflow, EUR mn <sup>5)</sup>	10336	23675	40237	49732	28617	14378	25000	35000	45000
FDI outflow, EUR mn <sup>5)</sup>	10240	18454	33547	35911	21046	18487	30000	35000	40000
Gross reserves of NB, excl. gold, EUR mn	148094	224306	318840	292483	352854	282754	290000	.	.
Gross external debt, EUR mn	216553	237687	321743	340659	340473	339260	330000	.	.
Gross external debt in % of GDP	34.2	30.7	34.9	33.9	37	.	.	.	.
Average exchange rate RUB/EUR	35.26	34.11	35.01	36.43	36.61	44.13	44	45	46
Purchasing power parity RUB/EUR, wiiw <sup>6)</sup>	15.06	17.01	18.84	22.36	.	.	.	.	.

1) Preliminary. - 2) Resident population, quarterly data: end of period. - 3) Based on domestic output prices. - 4) wiiw estimate. - 5) Converted from USD with the average exchange rate. - 6) wiiw estimates based on the 2005 International Comparison Project benchmark.

Source: wiiw Database incorporating national statistics. Forecasts by wiiw.

## Ukraine: ongoing credit crunch

BY VASILY ASTROV

Ukraine's economy has been hit hard by the falling steel prices and the global credit crunch since September 2008. After an 8% GDP decline in the fourth quarter of 2008 year-on-year, the economy contracted by 20.3% in the first quarter of 2009 and by 17.8% in the second quarter. The statistics of industrial production (-28.4% in January-September 2009), retail trade turnover (-16.2%), construction (-53.6% in January-August) and foreign trade (merchandise exports and imports fell by 49.4% and 53.8% respectively, in US dollar terms) have all been extremely disappointing. The unemployment has surged as well, albeit not as much as the dramatic contraction of output might suggest. In the first half of 2009, the unemployment rate (according to LFS) reached 9.1% of the labour force – some 3 percentage points more than in the same period of last year.

At the same time, the combined effect of a pronounced devaluation (by 60-70% against the US dollar at the end of 2008) and the deep domestic recession has made imports increasingly unaffordable. The external equilibrium has been nearly restored: In January-August 2009, the current account deficit stood at a mere USD 1.1 billion – down from USD 8 billion in the same period a year earlier. Initially, the radical improvement in the current account and the National Bank's policy of targeted auctions resulted in a strengthening of the hryvnia, to around 7.6 UAH per USD at the beginning of summer 2009. However, the peak in external debt repayments scheduled for summer and autumn of 2009 – and the related depreciation expectations – reversed the earlier trend as of July. In particular, households resumed converting their hryvnia-denominated bank deposits into foreign currency, resulting in the hryvnia falling back to nearly 9 UAH per USD by September 2009.<sup>1</sup> Overall, the net

capital outflows from Ukraine over the first eight months of 2009, including flight to foreign cash by households, summed up to USD 9.7 billion.

Via the growing price of imported goods, this 'second wave of depreciation' has somewhat mitigated the disinflation trend of the previous months: in September 2009, annualized CPI stood at 15% – remarkably high for an economy declining at a double-digit rate.<sup>2</sup> At the same time, the monetary policy can be hardly blamed for the inflationary pressures: if anything, it has been very tight. Although the discount rate of the National Bank was lowered twice (in June and August 2009), it stands at 10.25% p.a., or 8.5% in real (PPI-deflated) terms. Also the interest rates on credits charged by Ukrainian banks generally remain exorbitantly high: in September 2009, the average weighted rate exceeded 18% p.a. – some 16% in real (PPI-deflated) terms. An even more powerful evidence of the ongoing credit crunch is the recent dynamics of monetary aggregates. For instance, in the year preceding August 2009, the monetary base grew by only 8.5% in nominal terms, corresponding to a 8.1% decline in real (CPI-adjusted) terms. The contraction of the broad money balances (M3) over the same time period was even more pronounced (-16% in real terms), indicating that the lending activity remains virtually frozen. The latter is hardly surprising given the rapidly rising number of non-performing (including doubtful) loans, which surged from 3% of total loans at the end of September 2008 to 9% by mid-2009, according to the official statistics of the National Bank. The IMF estimate – which includes sub-standard loans – puts the figure at as much as 30%.<sup>3</sup>

In November 2008, Ukraine secured an IMF 'stand-by' stabilization package worth

<sup>1</sup> It has however rebounded since then, widely fluctuating in the range of 8-8.5 UAH per USD, not least because of the US dollar's own weakening in international financial markets.

<sup>2</sup> Another reason behind the persistently high inflation have been the upward revisions of administratively set tariffs, such as those for transport, and excise taxes on tobacco and tobacco products.

<sup>3</sup> This is to be viewed against the background of the fact that some three-quarters of total outstanding loans have reportedly already been restructured.



USD 16.4 billion, of which USD 10.5 billion have already been transferred. Initially, the package was aimed at facilitating the repayment of external debts; however, in the course of 2009, macroeconomic policy concerns have been increasingly shifting to the fiscal side as government revenues suffered following the deep economic decline. In the first eight months of 2009, consolidated budget revenues fell by 8.5% in nominal terms (year-on-year), while expenditures reportedly increased by 7.5%, resulting in a deficit of around 3% of the period GDP.<sup>4</sup> As a result, throughout the year, the IMF has been busy revising its conditionalities attached to the stabilization package – most notably by softening its stance on the maximum allowed budget deficit (from zero at the beginning of 2009 to 6.5% of GDP by October – not taking into account the costs of bank recapitalization and the quasi-fiscal deficits of the state-owned energy monopolist Naftohaz and the Pension Fund). Besides, the arriving IMF funds have been increasingly used for fiscal purposes: more than half of the second tranche and the entire third tranche have been channelled to cover the growing budget deficit. In line with the current IMF requirements, the central budget draft for 2010 prepared by the government envisages a deficit of 4% of GDP, although in reality it is likely to reach 7-8%.

Despite the 19% fall in real GDP in the first half of 2009, we expect the decline for the year as a whole to be in the tune of 13-15%. This is partly due to the good grain harvest<sup>5</sup> and the very low statistical base in the fourth quarter of last year. Besides, the recent modest recovery in steel prices has been somewhat helpful in reviving industrial production and exports. Producer prices in industry have picked up markedly (in September 2009 alone, they surged by 3.6%) – an indicator to be interpreted favourably in the Ukrainian circumstances. Although the current account for the year as a whole should be nearly balanced, the approaching presidential elections scheduled for 17 January 2010 and the accompanying political instability might provoke a speculative attack on the currency. With either of the two front-runners – the current prime-minister Yulia Tymoshenko and the opposition leader Viktor Yanukovich – likely to win the elections, the country's foreign policy from next year onwards will be probably more balanced. The economy is likely to start recovering next year, albeit slightly, driven by improved export performance (particularly that of steel), while inflationary pressures are likely to subside. However, a substantial pick-up in investments is highly unlikely without improved access to credit.

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<sup>4</sup> Although Ukraine is not in a position to implement a large-scale fiscal stimulus programme, a number of measures have been enacted. These include, *inter alia*, setting a price cap for natural gas consumed by the 'key' industries (metals, chemicals and mining), assistance to the agricultural sector with the attached conditionality that the money be used to purchase domestically-manufactured goods, and the governmental purchases of flats in houses where at least 50% of construction works has been completed.

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<sup>5</sup> According to official projections, the grain harvest this year is expected to reach some 45 million tonnes, after a record-high harvest of 53.3 million tonnes last year.

# UKRAINE

Table UA

## Ukraine: Selected Economic Indicators

	2005	2006	2007	2008 <sup>1)</sup>	2008 January-June	2009	2009	2010	2011
							Forecast		
Population, th pers., average	47105	46788	46509	46258	46297	46086	46000	45800	45600
Gross domestic product, UAH mn, nom.	441452	544153	720731	949864	421417	390313	953100	1083500	1245500
annual change in % (real)	2.7	7.3	7.9	2.1	6.3	-19.0	-13.5	1.5	4.5
GDP/capita (EUR at exchange rate)	1500	1800	2200	2700	.	.	.	.	.
GDP/capita (EUR at PPP - wiiw)	4700	5200	5900	6000	.	.	.	.	.
Consumption of households, UAH mn, nom.	252624	319383	423174	576565	263526	271385	.	.	.
annual change in % (real)	16.6	15.9	17.2	11.8	17.7	-11.6	-15	1.5	6
Gross fixed capital form., UAH mn, nom.	96965	133874	198348	258176	114907	62558	.	.	.
annual change in % (real)	3.9	21.2	23.9	1.9	15.1	-53.3	-30	3.5	12
Gross industrial production									
annual change in % (real)	3.1	6.2	10.2	-3.1	7.7	-31.1	-18	3	7
Gross agricultural production									
annual change in % (real)	0.1	2.5	-6.5	17.1	-0.3	2.6	.	.	.
Construction industry									
annual change in % (real)	-6.6	9.9	15.6	-16.0	-1.4	-54.9	.	.	.
Employed persons - LFS, th, average	20680.0	20730.4	20904.7	20972.3	21070.4	20176.8	.	.	.
annual change in %	1.9	0.2	0.8	0.3	1.2	-4.2	.	.	.
Unemployed persons - LFS, th, average	1600.8	1515.0	1417.6	1425.1	1401.2	2010.4	.	.	.
Unemployment rate - LFS, in %, average	7.2	6.8	6.4	6.4	6.2	9.1	9.5	9	8.5
Reg. unemployment rate, in %, end of period	3.1	2.7	2.3	3.0	1.9	2.4	.	.	.
Average gross monthly wages, UAH <sup>2)</sup>	806.2	1041.4	1351.0	1806.0	1708.2	1813.7	.	.	.
annual change in % (real, gross)	20.4	18.4	15.0	6.8	10.3	-9.7	.	.	.
Consumer prices, % p.a.	13.5	9.1	12.8	25.2	26.4	17.6	16	12	10
Producer prices in industry, % p.a. <sup>3)</sup>	16.7	9.6	19.5	35.5	33.8	9.2	.	.	.
General governm. budget, nat. def., % GDP									
Revenues	30.4	31.6	30.5	31.3	32.4	33.6	.	.	.
Expenditures <sup>4)</sup>	32.2	32.3	31.6	32.8	30.8	37.0	.	.	.
Deficit (-) / surplus (+), % GDP	-1.8	-0.7	-1.1	-1.5	1.6	-3.4	-7	-7	.
Public debt in % of GDP	17.7	14.8	12.5	19.9	9.0	22.3	.	.	.
Discount rate of NB, % p.a., end of period	9.5	8.5	8.0	12.0	12.0	11.0	.	.	.
Current account, EUR mn <sup>5)</sup>	2030	-1289	-3849	-8721	-4660	-501	-800	500	1000
Current account in % of GDP	2.9	-1.5	-3.7	-7.1	-8.4	-1.3	-0.9	0.5	0.8
Exports of goods, BOP, EUR mn <sup>5)</sup>	28093	31048	36383	46274	21981	13495	31000	34100	37500
annual growth rate in %	4.4	10.5	17.2	27.2	43.8	-38.6	-33	10	10
Imports of goods, BOP, EUR mn <sup>5)</sup>	29004	35188	44100	57270	27767	14936	34000	36000	39600
annual growth rate in %	21.4	21.3	25.3	29.9	58.4	-46.2	-41	6	10
Exports of services, BOP, EUR mn <sup>5)</sup>	7503	9000	10337	12228	5441	4666	11600	11600	11600
annual growth rate in %	18.6	19.9	14.9	18.3	-30.6	-14.2	-5	0	0
Imports of services, BOP, EUR mn <sup>5)</sup>	6054	7305	8571	11039	5184	4120	9900	9900	9900
annual growth rate in %	13.6	20.7	17.3	28.8	-34.8	-20.5	-10	0	0
FDI inflow, EUR mn <sup>5)</sup>	6263	4467	7220	7457	4248	1614	.	.	.
FDI outflow, EUR mn <sup>5)</sup>	221	-106	491	690	559	12.2	.	.	.
Gross reserves of NB excl. gold, EUR mn	16058	16587	21634	21847	22058	18822	.	.	.
Gross external debt, EUR mn	33504	41391	54421	72105	60306	71350.7	.	.	.
Gross external debt in % of GDP	45.3	50.6	56.0	82.4	68.9	82.3	.	.	.
Average exchange rate UAH/EUR	6.389	6.335	6.918	7.708	7.559	10.065	11	10	9.5
Purchasing power parity UAH/EUR, wiiw <sup>6)</sup>	1.986	2.229	2.639	3.425	.	.	.	.	.

1) Preliminary. - 2) Excluding small enterprises. - 3) Based on domestic output prices. - 4) Including lending minus repayments. - 5) Converted from USD with the average exchange rate. - 6) wiiw estimates based on the 2005 International Comparison Project benchmark.

Source: wiiw Database incorporating national statistics. Forecasts by wiiw.

## Croatia: debt repayment remains a serious challenge

BY HERMINE VIDOVIC

Croatia's economic downturn has continued in the second quarter of 2009. Owing to a significant drop in domestic demand, GDP fell by 6.3%, at almost the same rate as in the first quarter of the year. Gross fixed capital formation dropped by 12.6% and household consumption contracted for the first time in ten years; by contrast, government consumption reported a 3% increase. Industrial production was down by 9.7% in the first three quarters of 2009 (manufacturing nearly by 11%). Output increased only in three out of 24 manufacturing branches: production of paper and paper products, coke and refined petroleum products, and repair and installation of machinery and equipment. Output fell most strongly in the production of basic pharmaceutical products (43%). In the shipbuilding industry, Croatia's major exporter, production plunged by 13%.

The negative tendencies in foreign trade prevailing in the first quarter of the year continued in the following months. Based on customs statistics, goods exports contracted by 23% and imports declined even more strongly, by 29%, during the first nine months of 2009. Thus, the trade deficit fell to EUR 5.8 billion, from EUR 8.7 billion in the same period a year earlier. Data on services trade available for the first half of the year indicate a declining surplus by EUR 400 million as against the first half of 2008. This is primarily due to shrinking earnings from tourism. Owing to the reduction of the trade deficit the current account closed with a significantly lower deficit than in previous years. As for FDI, inflows halved compared with the first six months of 2008 and were almost exclusively directed towards the financial sector. At the end of June 2009 foreign debt stood at EUR 40.8 billion, i.e. EUR 1.5 billion more than in December 2008. The rise in debt is largely a consequence of corporate borrowing and direct-investment related debt (borrowing of enterprises from their foreign

owners), while banks' borrowing rose only modestly and government debt remained almost unchanged.

As a consequence of companies' growing difficulties, the share of bad loans has been on the increase over the past couple of months. But, according to Croatian bankers, the most serious times are still ahead: the percentage of bad loans is estimated to rise from currently 6% to 15% by the end of 2010.

The worsening situation of the real sector has translated into growing employment losses over the recent months. Based on registration data, unemployment has shown a steady increase since September 2008; the unemployment rate rose to 14.6% by the end of September 2009. Croatian experts expect a further rise in unemployment, up to 17%, in the coming months. In contrast, the unemployment rate obtained from the Labour Force Survey remained below the 10% mark in the first half of the year. Employment decreased only slightly during the first half of 2009 as compared with the same period a year earlier, but was 4.2% lower than in the last quarter of 2008. Manufacturing is hit hardest by job losses, followed by trade, construction and tourism.

In an attempt to cover the growing fiscal deficit the Croatian government decided to raise the VAT by one percentage point to 23% and introduced a crisis tax effective from 1 August. The tax takes two per cent of all pensions, salaries and other incomes higher than HRK 3000 (EUR 409) a month and four per cent for all amounts higher than HRK 6000 (EUR 819). The measure was announced to be of a temporary nature. President Stipe Mesić and numerous Croatian citizens have asked the Constitutional Court to examine the constitutionality of the newly enacted law by arguing that it additionally burdens the poorest citizens. As the law had been signed by Mr. Mesić in late July, his request for investigations is to be considered to represent only a symbolic move. Preparations for the 2010 budget (outlined in the Economic and Fiscal Policy Guidelines 2010-2012) are under

way, envisaging a reduction of the general government deficit to 2.3%. Calculations are based on the assumption of a 0.5% GDP increase and an inflation rate of 3%.

In October the Ministry of Finance started a second bond issue worth between USD 500 million and 1 billion. Already in May Croatia had placed its so far highest Eurobond issue worth EUR 750 million after five years of absence from the international financial markets. In order to mitigate the appreciation pressure on the kuna the National Bank started to intervene again on the foreign exchange market in September-October by purchasing from banks about EUR 236 million. By contrast, interventions at the beginning of 2009 had been undertaken to prevent a depreciation of the kuna.

The first round of the privatization of Croatia's six state-owned shipyards closed with only two valid Croatian bids in an international tender. The Split-based company More Trogir Ltd. offered to purchase Brodotrogir, while the second bid was submitted by Adria Mar for Brodosplit BSO (special vessels shipyard). The date of the launch of a second round of privatization is still unknown.

In mid-September Slovenia lifted its veto on Croatia's EU membership talks which had been blocked since December 2008 because of a long-lasting border dispute over territory and the access to the sea. The change in the Croatian government can be assumed to have contributed significantly to the resolution of the conflict. Jadranka Kosor became the new prime minister after Ivo Sanader had resigned unexpectedly at the beginning of July. According to EU Enlargement Commissioner Olli

Rehn, Croatia may complete the negotiating process by mid-2010. This would imply an accession date in late 2011 or at the beginning of 2012.

In its most recent progress report on Croatia, the European Commission stated that macroeconomic stability has been preserved during the economic crisis and that the country had adapted its fiscal policies including budget revisions and adjustments in expenditures. On the negative side, the report criticized the slow pace of structural reforms and limited improvements in the business environment, the low employment rates and labour market rigidity as well as the poor efficiency of public spending. The high level of foreign debt and the large short-term repayment obligations were identified as the key vulnerabilities of the economy. Other challenge tasks to be solved are an increase in the independence and efficiency of the judiciary (the political influence is still there) and fighting organized crime and corruption.

For the whole year 2009 wiiw expects GDP to drop by 6% owing to both declining domestic and foreign demand. These developments will translate into falling employment and rising unemployment or even a rise in inactivity. This may trigger a further slowdown in household consumption. Following the remarkable reduction of the foreign trade deficit, the current account deficit will drop to around 6% of GDP in 2009 (down from 9.4% in 2008). A very modest recovery might come in 2010, conditioned on a recovery of the international environment. The servicing and/or restructuring of the high foreign debt (nearly 100% of GDP) will remain one of the major challenges in the near future.

Table HR

## Croatia: Selected Economic Indicators

	2005	2006	2007	2008 <sup>1)</sup>	2008 January-June	2009	2009	2010	2011
							Forecast		
Population, th pers., average	4442	4440	4436	4435			.	.	.
Gross domestic product, HRK mn, nom. <sup>2)</sup>	264368	286341	314223	342159	165943	162494	330600	340600	356100
annual change in % (real) <sup>2)</sup>	4.2	4.7	5.5	2.4	3.8	-6.5	-6	0.5	2
GDP/capita (EUR at exchange rate)	8000	8800	9700	10700	.	.	.	.	.
GDP/capita (EUR at PPP - wiiw)	12700	13800	15200	15600	.	.	.	.	.
Consumption of households, HRK mn, nom. <sup>2)</sup>	162165	172744	188952	202194	102190	95679	.	.	.
annual change in % (real) <sup>2)</sup>	4.4	3.5	6.2	0.8	3.2	-9.7	-9.6	0.5	2
Gross fixed capital form., HRK mn, nom. <sup>2)</sup>	65008	74792	82386	94281	47531	41612	.	.	.
annual change in % (real) <sup>2)</sup>	4.8	10.9	6.5	8.2	11.3	-12.6	-12.5	2	5
Gross industrial production <sup>3)4)</sup>									
annual change in % (real)	5.1	4.5	5.6	1.6	3.3	-10.2	-8	1	3.5
Gross agricultural production									
annual change in % (real)	-8.7	4.4	-3.9	8.0	.	.	.	.	.
Construction industry, hours worked <sup>3)4)</sup>									
annual change in % (real)	-0.8	9.3	2.4	11.8	12.1	-2.7	.	.	.
Employed persons - LFS, th, average	1573	1586	1615	1636	1615	1610	.	.	.
annual change in %	0.7	0.8	1.8	1.3	1.8	-0.3	.	.	.
Unemployed persons - LFS, th, average	229	199	171	149	158	162	.	.	.
Unemployment rate - LFS, in %, average	12.7	11.1	9.6	8.4	9.0	9.2	10.5	11	10
Reg. unemployment rate in %, end of period	17.8	17.0	14.7	13.7	12.5	14.0	.	.	.
Average gross monthly wages, HRK	6248	6634	7047	7544	7433	7730	.	.	.
annual change in % (real, net)	1.5	1.9	2.2	0.8	0.0	1.4	.	.	.
Consumer prices, % p.a.	3.3	3.2	2.9	6.1	6.2	3.4	2.8	2.5	2.5
Producer prices in industry, % p.a. <sup>4)5)</sup>	3.0	2.9	3.4	8.4	8.0	0.3	.	.	.
General governm.budget, nat.def., % GDP <sup>6)</sup>									
Revenues	38.9	39.2	40.3	39.4	.	.	.	.	.
Expenditures	42.3	41.6	41.5	40.3	.	.	.	.	.
Deficit (-) / surplus (+), % GDP <sup>7)</sup>	-3.5	-2.6	-1.2	-1.0	.	.	-3.5	-3	-2.5
Public debt in % of GDP <sup>8)</sup>	45.7	43.3	41.7	42.0	.	.	.	.	.
Discount rate of NB, % p.a., end of period	4.5	4.5	9.0	9.0	9.0	9.0	.	.	.
Current account, EUR mn	-1975.6	-2715.2	-3239.2	-4385.1	-4389.5	-2738.6	-2500	-3000	-3100
Current account in % of GDP	-5.5	-6.9	-7.6	-9.3	-19.2	-12.4	-5.5	-6.5	-6.5
Exports of goods, BOP, EUR mn	7220.3	8463.6	9192.5	9814.0	4718.8	3824.9	8200	8400	8800
annual growth rate in %	9.3	17.2	8.6	6.8	8.3	-18.9	-16	2	5
Imports of goods, BOP, EUR mn	14738.3	16807.8	18626.5	20607.8	10389.7	7546.4	15700	16200	17200
annual growth rate in %	10.6	14.0	10.8	10.6	14.9	-27.4	-24	3	6
Exports of services, BOP, EUR mn	8052.6	8528.5	9124.8	10090.6	3386.6	2844.4	9100	9300	9500
annual growth rate in %	5.4	5.9	7.0	10.6	13.7	-16.0	-10	2	2
Imports of services, BOP, EUR mn	2734.9	2823.9	2858.9	3132.7	1492.9	1356.7	3000	3100	3200
annual growth rate in %	-4.6	3.3	1.2	9.6	10.2	-9.1	-5	2	4
FDI inflow, EUR mn	1467.9	2764.8	3670.2	3353.1	1997.5	913.0	.	.	.
FDI outflow, EUR mn	191.8	208.2	180.2	134.0	22.9	61.9	.	.	.
Gross reserves of NB excl. gold, EUR mn	7438.4	8725.3	9307.4	9120.9	9941.2	9090.1	.	.	.
Gross external debt, EUR mn <sup>9)</sup>	25747.7	29273.9	32929.2	39124.6	35402.6	40806.1	.	.	.
Gross external debt in % of GDP <sup>9)</sup>	71.8	75.1	76.8	83.8	75.8	91.3	.	.	.
Average exchange rate HRK/EUR	7.4000	7.3228	7.3360	7.2232	7.2713	7.3834	7.4	7.4	7.4
Purchasing power parity HRK/EUR	4.6746	4.6748	4.6559	4.9502	.	.	.	.	.

1) Preliminary. - 2) According to ESA'95 (FISIM adjusted and real change based on previous year prices). - 3) Enterprises with more than 20 employees. - 4) Quarterly data and forecasts according to NACE Rev. 2. - 5) Based on domestic output prices. - 6) On accrual basis. - 7) Including change in arrears and non-recorded expenditures. - 8) Including guarantees. - 9) From 2008 new reporting system.

Source: wiiw Database incorporating Eurostat and national statistics. Forecasts by wiiw.

### Macedonia: elusive recovery

BY VLADIMIR GLIGOROV

This year will prove not to be as bad as expected. GDP may contract by 2%, though official expectations put the decline at between 1% and 2%. This relatively mild recession is primarily the consequence of relatively lax fiscal policy and probably of steady inflow of remittances. The latter can be deduced from the fact that imports have been declining more slowly than exports. However, the current account deficit did not narrow in the first quarter either, which suggests that the inflow of foreign investments altogether has not declined all that much. By contrast, inflation has almost disappeared and there are signs of deflation in the second half of 2009.

Industrial production has suffered more than other sectors of the economy. That is mainly due to the decline of exports. The country's steel mill has had to almost stop working, and a similar situation is observed in the extraction and other industries. As a consequence, employment in industry has declined by close to 10% (September on September). There are some signs of improvement, though not strong ones, in the second half of this year.

Due to counter-cyclical fiscal policy, short-term macroeconomic stability has been preserved. Reserves at the central bank, after falling sharply, have started to increase and the exchange rate is no longer under pressure. However, the current account deficit is large and clearly unsustainable. The government is inclined to strengthen its income policy and seems determined to freeze wages in the public sector in the next year's budget. It plans instead to continue with

investments in infrastructure and in the energy sector. As in a number of other countries in the region, the lack of commercial credits is intended to be remedied by loans from multilateral institutions, which are primarily for development purposes.

The government and the IMF expect modest recovery next year, though it remains to be seen how that is to be achieved. It is not clear that public spending can be increased, and indeed the indication is that this is not what the government wants to do. It expects a lot from the measures that it is taking to improve the business climate, expecting an increase in private, mostly foreign, investment. However, investments may continue to decline because of the slow recovery of demand for exports.

In essence, the risk is that public spending will have to be reduced in order to achieve a lower fiscal deficit target and that the current account deficit will have to narrow as well. That may lead to a sluggish recovery or even to stagnation. In any case, some modest growth can only be expected in 2011. Whether it will accelerate thereafter will depend on the ability to strengthen the tradable sector of the economy.

On the positive side, a liberalized, visa-free, regime with the EU will come in effect on 1 January 2010. Also, the EU Commission in its newest annual review has recommended the start of negotiations for membership. The EU Council will be deciding on that recommendation in mid-December. A positive decision and the actual start of negotiations some time next year would certainly have positive effects on investment and possibly on economic policy. Still, strong recovery and the return to high growth are not expected in the medium term.

Table MK

## Macedonia: Selected Economic Indicators

	2005	2006	2007	2008 <sup>1)</sup>	2008 January-June	2009	2009 Forecast	2010 Forecast	2011 Forecast
Population, th pers., average	2036.9	2040.2	2043.6	2048.0	.	.	.	.	.
Gross domestic product, MKD mn, nom.	286619	310915	354322	398565	189013	190422	398000	410000	431000
annual change in % (real)	4.1	4.0	5.9	4.9	6.2	-1.2	-2	0	2
GDP/capita (EUR at exchange rate)	2300	2500	2800	3200	.	.	.	.	.
GDP/capita (EUR at PPP - wiiw)	6400	6900	7800	8200	.	.	.	.	.
Consumption of households, MKD mn, nom.	222726	243131	273269	312917	146679	144959	319000	329000	346000
annual change in % (real)	5.7	6.0	9.8	6.9	6.2	1.5	0	0	2
Gross fixed capital form., MKD mn, nom.	48868	56485	71557	80600	.	.	80000	82000	87000
annual change in % (real)	-5.4	11.6	13.1	4.0	.	.	-3	0	3
Gross industrial production annual change in % (real) <sup>2)</sup>	7.1	3.6	3.7	5.5	9.0	-12.1	-8	0	3
Gross agricultural production annual change in % (real)	0.3	4.8	-3.0	6.9	.	.	.	.	.
Construction industry annual change in % (real)	-20.5	-11.9	9.7	-9.6	-14.4	14.2	.	.	.
Employed persons - LFS, th, average	545.3	570.4	590.2	609.0	603.9	627.2	.	.	.
annual change in %	4.3	4.6	3.5	3.2	3.4	3.9	.	.	.
Unemployed persons - LFS, th, average	323.9	321.3	316.9	310.4	315.2	299.3	.	.	.
Unemployment rate - LFS, in %, average	37.3	36.0	34.9	33.8	34.3	32.3	34	33	33
Reg. unemployment rate, in %, end of period	.	.	.	.	.	.	.	.	.
Average gross monthly wages, MKD real growth rate, % (net wages)	21330	23036	24136	26229	25356	29839	.	.	.
	2.0	3.9	5.5	1.9	0.4	27.4	.	.	.
Consumer prices, % p.a.	0.5	3.2	2.3	8.3	9.7	0.2	2	3	3
Producer prices in industry, % p.a. <sup>3)</sup>	3.2	7.3	2.5	10.3	12.1	-7.6	.	.	.
General governm. budget, nat.def., % GDP <sup>4)</sup>									
Revenues	35.2	33.5	33.8	33.3	34.3	33.1	.	.	.
Expenditures	35.0	34.0	33.2	34.2	32.2	36.0	.	.	.
Deficit (-) / surplus (+), % GDP	0.3	-0.5	0.6	-0.9	2.1	-2.9	-2	-2	0
Public debt in % of GDP	46.9	39.9	33.3	28.7	27.7	27.0	.	.	.
Discount rate of NB, % p.a., end of period	6.5	6.5	6.5	6.5	6.5	6.5	.	.	.
Current account, EUR mn	-121.3	-44.9	-414.8	-851.2	-383.2	-435.3	-650	-540	-560
Current account in % of GDP	-2.6	-0.9	-7.2	-13.1	-12.4	-14.1	-10	-8	-8
Exports of goods, BOP, EUR mn	1642.9	1902.7	2441.5	2684.2	1347.4	890.9	2100	2200	2300
annual growth rate in %	22.2	15.8	28.3	9.9	12.2	-33.9	-20	5	5
Imports of goods, BOP, EUR mn	2501.4	2923.1	3616.3	4420.9	2178.7	1668.2	3800	4000	4200
annual growth rate in %	10.7	16.9	23.7	22.2	34.5	-23.4	-15	5	5
Exports of services, BOP, EUR mn	416.2	477.3	594.3	688.1	302.9	290.0	700	700	700
annual growth rate in %	14.4	14.7	24.5	15.8	19.1	-4.3	-5	0	5
Imports of services, BOP, EUR mn	440.8	455.1	568.7	688.1	312.6	294.5	700	700	700
annual growth rate in %	8.3	3.2	25.0	21.0	22.7	-5.8	-5	0	5
FDI inflow, EUR mn	77.2	344.8	506.0	412.5	248.1	109.9	.	.	.
FDI outflow, EUR mn	2.3	0.1	-0.9	-9.5	-10.4	0.7	.	.	.
Gross reserves of NB, excl. gold, EUR mn	1028.0	1311.3	1400.1	1361.0	1414.1	1057.5	.	.	.
Gross external debt, EUR mn	2518.1	2493.8	2832.0	3318.4	3081.5	3450.6	.	.	.
Gross external debt in % of GDP	53.7	49.1	48.9	51.1	47.5	53.1	.	.	.
Average exchange rate MKD/EUR	61.30	61.19	61.18	61.27	61.27	61.47	61.2	61.2	61.2
Purchasing power parity MKD/EUR	21.96	21.94	22.28	23.85	.	.	.	.	.

1) Preliminary. - 2) Enterprises with more than 10 employees, - 3) Based on domestic output prices. - 4) Refers to central government budget and extra-budgetary funds.

Source: wiiw Database incorporating national statistics. Forecasts by wiiw.

## Turkey: waiting for new take-off after hard but safe landing

BY JOSEF PÖSCHL

In the final months of 2008 and the first months of 2009, the Turkish economy was hit by an external – and largely anticipated – shock. Exports started declining in November 2008. From December onwards, the rate of decline was two-digit (year-on-year), with a nadir of 32% (if calculated in euro terms) in May 2009. In the period January to August 2009, the year-on-year export decline was close to 20%. Imports fell even more strongly in the same period, by almost one third. The latter followed from the frosty business climate, which led to a substantial drop in private consumption and a dramatic decline in gross fixed investment (in real terms -6% and -26% respectively in the first half of 2009).

In real terms, the GDP contracted by 13.8% year-on-year in the first quarter and by 7.0% in the second. The decline may well have become rather marginal in the third quarter. In the fourth quarter, the GDP may grow slightly. The weakness of the base period makes the latter more likely. For the time being, the GDP decline seems to be over. In June, the real sector confidence index was nearly back to 100 and moved to the positive side in July. Thereafter, it began to fall, down to 94 in October. Possibly, this is a sign of some disillusion after the hope for a fast return to economic growth. At the same time, international financial investors find emerging markets, Turkey included, attractive again. The same is true for foreign direct investors, as is visible from a strengthening of net FDI inflows in recent months (July and August). The current account deficit amounted to EUR 4.9 billion in January-August 2009, compared to EUR 22.8 billion during the corresponding period of the previous year. In the more recent months, the deficit was fully equity-financed (i.e. by net inflows of FDI and portfolio investment). Supportive to the confidence of international investors are also some

other developments. Armenia and Turkey have signed an agreement to establish diplomatic ties and reopen their shared border; the government has started an attempt to solve its problems with Kurdish citizens through a policy of détente; the government has announced its new mid-term fiscal plan; and the European Commission has presented a cautiously positive progress report.

In spite of positive developments in politics and encouraging financial sector figures, the central bank is far from spreading optimism. Its inflation report from 27 October expects that 'the recovery will likely be anaemic and protracted'. To stabilize the economy, the bank started cutting rates in November 2008; in October 2009 cuts totalled 1000 basis points. This is, as the central bank underlines, more than other central banks in emerging markets did in the course of the global crisis. The central bank's Monetary Policy Committee is concerned about the low degree of capacity utilization (approximately 70%) and the likelihood that it will remain below its long-term average for quite some time. In the absence of prospects for a substantial increase in demand, both domestic and foreign, the output gap may turn out to be long lasting. In spite of the central bank's easy-money policy, the volume of credits has continued to stagnate, both because of lack of demand and risk aversion on the supply side. Possibly, this situation will somewhat improve in the last quarter of the year. Referring to these conditions, the central bank expects inflation to remain at low levels for quite some time. As long as there are no new developments discouraging this expectation, further rate cuts are likely. The Turkish lira is under appreciation pressure; rate cuts are instrumental for keeping exchange rate developments under control to protect exporters. Conditions for this type of policy are favourable. Producer price inflation was on the rise up to mid-2008, but decelerated thereafter: in the months from April to August 2009, producer prices declined year-on-year. Consumer prices, too, reflect low inflation pressure: they remained constant from May to August 2009.



Not only the central bank has contributed to the stabilization of the economy. The government followed a similar policy, e.g. by introducing temporary reductions of tax rates. Not surprisingly, central government revenues in January-September 2009 were below the level of the same period in 2008: EUR 72.5 billion compared to 74.8 billion. At the same time, expenditures were much higher: EUR 91.5 billion compared to 76.7 billion, mainly due to an increase in non-interest payments from EUR 57.6 billion to 70.6 billion. Most of these additional expenditures went to social security institutions. The government's Mid-Term Plan from October 2009 outlines the principles of future budget consolidation as well as future reform steps and investment preferences. Should the government manage to stick to it, this programme may create good preconditions for a return to substantial growth in the longer run.

The global crisis had a severe impact on Turkey's economic performance, but it did not erode the stability of Turkey's business sector including commercial banking. By their firm policy response,

the central bank and government contributed to the economy's crisis resistance. The exchange rate has stabilized on a new, more business-friendly level, and the inflation pressure has lessened substantially. After demand stabilization through monetary and fiscal efforts, the authorities' ammunition will eventually be exhausted. The decisive question is whether the private sector will be able to take initiative soon, and this will require backing through economic recovery among the main trading partners. We expect a GDP decline of 5% to 7% for 2009 and modest growth for 2010. The rate of CPI inflation will come down to an average of about 5.5% and may decline further in 2010. The 2009 current account deficit will be close to 2% of GDP. Depending on the development of energy prices, it could be somewhat higher in 2010. The rate of unemployment reached an average of close to 15% in the first quarter of 2009. It may climb even further for the year as a whole (no matter that a relatively good tourism season brought some temporary relaxation), and we have to count with the possibility of some further increase in 2010.

# TURKEY

Table TR

## Turkey: Selected Economic Indicators

	2005	2006	2007	2008 <sup>1)</sup>	2008 January-June	2009	2009 Forecast	2010 Forecast	2011 Forecast
Population, th pers., average <sup>2)</sup>	72065	72971	73436	74414	.	.	.	.	.
Gross domestic product, TRY bn, nom.	648.9	758.4	843.2	950.1	455.0	438.3	930	990	1060
annual change in % (real)	8.4	6.9	4.7	0.9	4.9	-10.6	-7.0	1	3
GDP/capita (EUR at exchange rate)	5400	5700	6400	6700	.	.	.	.	.
GDP/capita (EUR at PPP - wiiw)	9100	10100	10700	10900	.	.	.	.	.
Consumption of households, TRY bn, nom.	465.4	534.8	597.7	663.0	326.1	325.1	.	.	.
annual change in % (real)	7.9	4.6	4.6	0.8	4.2	-5.7	-4	-0.3	1
Gross fixed capital form., TRY bn, nom.	136.5	169.0	184.1	188.8	98.1	80.2	.	.	.
annual change in % (real)	17.4	13.3	5.4	-7.1	1.3	-26.0	-15	4	7
Gross industrial production <sup>3)</sup>									
annual change in % (real)	5.4	7.8	6.9	-0.9	5.9	-15.3	-12	2	5
Gross agricultural production									
annual change in % (real)	6.6	1.3	-7.3	.	.	.	.	.	.
Construction industry									
annual change in % (real)	21.5	.	.	.	.	.	.	.	.
Employed persons - LFS, th, avg. <sup>4)</sup>	22046	22330	20738	21194	20872	20650	.	.	.
annual change in %	1.2	1.3	1.5	2.2	.	-1.1	.	.	.
Unemployed persons - LFS, th, average <sup>4)</sup>	2520	2446	2376	2611	2439	3583	.	.	.
Unemployment rate - LFS, in %, average	10.3	9.9	10.3	11.0	10.5	14.8	16	17	17
Reg. unemployment rate, in %, average	.	.	.	.	.	.	.	.	.
Average gross monthly wages, manuf.ind., TRY <sup>5)</sup>	1162	1301	1437	1590	.	.	.	.	.
annual change in % (real) <sup>5)</sup>	4.3	2.1	1.6	0	.	.	.	.	.
Consumer prices, % p.a.	8.2	9.6	8.8	10.4	9.6	7.0	5.6	5	4
Producer prices in industry, % p.a.	7.1	9.7	6.0	13.0	11.2	2.7	.	.	.
General governm. budget, EU-def., % GDP <sup>6)</sup>									
Revenues	.	22.5	19.6	18.2	.	.	.	.	.
Expenditures	.	21.4	20.6	20.4	.	.	.	.	.
Deficit (-) / surplus (+)	-0.6	1.1	-1.0	-2.2	.	.	-5.5	-5	-2
Public debt, EU-def., in % of GDP <sup>6)</sup>	52.3	46.1	39.4	39.5	.	.	.	.	.
Discount rate of NB % p.a., end of period <sup>7)</sup>	17.5	22.5	20.0	17.5	20.3	11.3	.	.	.
Current account, EUR mn	-17761	-25595	-27846	-27818	-18220	-5195	-9200	-12000	-14000
Current account in % of GDP	-4.6	-6.1	-5.9	-5.6	-7.6	-2.6	-2.1	-2.5	-2.8
Exports of goods, BOP, EUR mn	63157	74397	84003	95449	47589	38594	90000	93000	102000
annual change in %	14.6	17.8	12.9	13.6	18.0	-18.9	-6	3	10
Imports of goods, BOP, EUR mn	89839	106996	117969	131125	66446	44624	94000	95000	103000
annual change in %	22.4	19.1	10.3	11.2	19.4	-32.8	-28	1	8
Exports of services, BOP, EUR mn	21691	20165	20887	23754	8745	8792	23000	23000	25000
annual growth rate in %	17.1	-7.0	3.6	13.7	12.0	0.5	-4	2	7
Imports of services, BOP, EUR mn	9224	9352	11195	11875	5748	5471	11000	11000	12000
annual growth rate in %	13.0	1.4	19.7	6.1	13.4	-4.8	-4	0	9
FDI inflow, EUR mn	8289	15916	16237	12351	6716	3220	.	.	.
FDI outflow, EUR mn	863	713	1568	1732	1134	607	.	.	.
Gross reserves of CB, excl. gold, EUR mn	42820	46251	49804	51022	48153	46598	.	.	.
Gross external debt, EUR mn	143872	157629	169444	199861	181998	190009	.	.	.
Gross external debt in % of GDP	35.3	38.7	34.5	45.2	41.2	42.9	.	.	.
Average exchange rate TRY/EUR	1.6771	1.8090	1.7865	1.9064	1.8890	2.1523	2.1	2.1	2.1
Purchasing power parity TRY/EUR	0.9917	1.0332	1.0732	1.1660	.	.	.	.	.

1) Preliminary. - 2) SIS projections. 2007 figure: Eurostat. SIS figure 2007 (end of year): 70586 th. persons based on new census methodology. - 3) Quarterly data and forecasts according to NACE Rev. 2. - 4) From 2007 according to census 2006. Quarterly data and forecasts according to new methodology starting from January 2009. - 5) From 2004 including overtime payment. - 6) According to ESA'95 excessive deficit procedure. - 7) Overnight lending rate.

Source: National statistics (Central Bank, State Institute for Statistics, etc.), Eurostat. Forecasts by wiiw.

## STATISTICAL ANNEX

### Selected monthly data on the economic situation in Southeast Europe, Russia and Ukraine

#### Conventional signs and abbreviations

used in the following section on monthly statistical data

.	data not available
%	per cent
CMPY	change in % against corresponding month of previous year
CCPY	change in % against cumulated corresponding period of previous year (e.g., under the heading 'March': January-March of the current year against January-March of the preceding year)
3MMA	3-month moving average, change in % against previous year.
CPI	consumer price index
PMchange	change in % against previous month
PPI	producer price index
p.a.	per annum
mn	million
bn	billion
BGN	Bulgarian lev
CZK	Czech koruna
EUR	euro, from 1 January 1999
EUR-SIT	Slovenia has introduced the euro from 1 January 2007
HRK	Croatian kuna
HUF	Hungarian forint
PLN	Polish zloty
RON	Romanian leu
RUB	Russian rouble
SKK	Slovak koruna
UAH	Ukrainian hryvnia
USD	US dollar
M0	currency outside banks / currency in circulation (ECB definition)
M1	M0 + demand deposits / narrow money (ECB definition)
M2	M1 + quasi-money / intermediate money (ECB definition)
M3	broad money

Sources of statistical data: National statistical offices and central banks; wiiw estimates.

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A L B A N I A: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>LABOUR</b>																
Employment, end of period	th. persons	.	.	969.9	.	.	974.1	.	.	972.9	.	.	972.8	.	.	.
Employment, end of period	CMPY	.	.	103.6	.	.	103.7	.	.	103.6	.	.	100.7	.	.	.
Unemployment, reg., end of period	th. persons	.	.	140.1	.	.	141.5	.	.	141.3	.	.	141.3	.	.	.
Unemployment rate, registered	%	.	.	12.6	.	.	12.7	.	.	12.7	.	.	12.7	.	.	.
<b>PRICES</b>																
Consumer	PM	-0.6	0.6	1.1	0.1	-0.1	0.9	0.4	0.7	0.6	-0.1	-0.8	-0.6	-0.7	0.6	0.8
Consumer	CMPY	3.7	2.5	2.7	2.9	2.6	2.2	2.1	1.8	1.6	1.9	2.1	2.3	2.2	2.2	1.9
Consumer	CCPY	3.9	3.8	3.6	3.6	3.5	3.4	2.1	2.0	1.8	1.8	1.9	2.0	2.0	2.0	2.0
Producer, in industry	PM	-0.3	-0.3	0.6	-1.0	0.0	0.0	-2.3	0.1	0.2	-0.3	0.0	-0.1	.	.	.
Producer, in industry	CMPY	7.4	6.8	7.2	4.1	4.2	4.2	-0.8	-1.4	-1.3	-2.1	-2.5	-3.1	.	.	.
Producer, in industry	CCPY	7.4	7.3	7.3	7.0	6.7	6.5	-0.8	-1.1	-1.2	-1.4	-1.6	-1.9	.	.	.
<b>FOREIGN TRADE<sup>1)2)</sup></b>																
Exports total (fob), cumulated	EUR mn	557	621	708	786	860	917	53	111	172	232	295	367	441	496	.
Imports total (cif), cumulated	EUR mn	1977	2269	2571	2917	3232	3582	222	482	739	998	1284	1552	1836	2093	.
Trade balance, cumulated	EUR mn	-1419	-1648	-1862	-2130	-2372	-2665	-169	-371	-566	-766	-989	-1186	-1395	-1598	.
<b>FOREIGN FINANCE</b>																
Current account, cumulated	EUR mn	-707	-828	-862	-1018	-1146	-1319	-117	-240	-323	-459	-599	-683	.	.	.
<b>EXCHANGE RATE</b>																
ALL/USD, monthly average	nominal	77.24	81.12	85.65	92.82	96.84	90.96	94.62	100.65	100.50	98.83	96.80	93.60	92.08	91.89	92.05
ALL/EUR, monthly average	nominal	121.87	121.44	123.05	123.13	123.29	123.18	125.18	128.79	130.67	130.46	132.05	131.18	129.66	131.01	133.94
USD/ALL, calculated with CPI <sup>3)</sup>	real, Jan04=100	127.0	122.1	117.2	109.3	106.7	115.9	111.3	104.8	105.3	106.7	107.7	109.9	111.0	111.7	112.3
USD/ALL, calculated with PPI <sup>3)</sup>	real, Jan04=100	117.8	115.5	111.2	107.4	108.6	119.6	112.1	106.7	107.8	108.7	110.2	111.3	.	.	.
EUR/ALL, calculated with CPI <sup>3)</sup>	real, Jan04=100	106.8	107.8	107.3	107.3	107.4	108.7	108.1	105.2	103.9	103.7	101.4	101.3	102.2	101.5	100.0
EUR/ALL, calculated with PPI <sup>3)</sup>	real, Jan04=100	110.7	111.3	110.6	110.3	112.2	114.2	110.3	107.5	106.8	107.6	106.2	106.6	.	.	.
<b>DOMESTIC FINANCE</b>																
M0, end of period	ALL bn	150.8	152.3	152.7	165.3	173.3	195.8	196.7	200.2	201.0	202.8	202.2	207.6	209.7	207.9	.
M1, end of period	ALL bn	226.0	226.8	228.0	239.7	250.1	282.9	275.4	272.4	272.0	275.3	275.7	282.6	288.8	287.5	.
M2, end of period	ALL bn	787.1	808.3	820.4	806.6	800.4	815.7	816.7	810.9	805.4	810.6	816.4	819.4	821.5	845.0	.
M2, end of period	CMPY	13.6	12.7	14.6	12.2	11.7	7.2	7.6	6.4	6.7	6.7	7.7	5.9	4.4	4.5	.
NB base rate (p.a.), end of period	%	6.3	6.3	6.3	6.3	6.3	6.3	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
NB base rate (p.a.), end of period <sup>4)</sup>	real, %	-1.1	-0.5	-0.9	2.0	1.9	1.9	6.6	7.2	7.1	8.0	8.5	9.2	.	.	.
<b>BUDGET</b>																
General gov.budget balance, cum.	ALL bn	-5587	-8904	-8395	-16786	-21894	-57518	1459	-3452	-3753	-9847	-20286	-32956	-39919	-47477	-47421

1) Based on cumulated national currency and converted with the average exchange rate.

2) Cumulation starting January and ending December each year.

3) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.

4) Deflated with annual PPI.

**B O S N I A and H E R Z E G O V I N A: Selected monthly data on the economic situation 2008 to 2009**

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total <sup>1)</sup>	real, CMPY	9.8	5.5	11.6	10.6	14.8	40.9	-9.2	-6.3	4.5	6.0	-2.5	-0.4	-0.8	-2.3	-3.0
Industry, total <sup>1)</sup>	real, CCPY	6.6	6.4	7.0	7.4	8.1	11.0	-9.2	-6.1	-2.5	-0.4	-0.8	-0.7	-1.0	-1.2	
Industry, total <sup>1)</sup>	real, 3MMA	7.8	9.0	9.2	12.3	22.1	15.5	8.5	-3.7	1.4	2.7	1.0	-1.2	-1.2	-2.0	
<b>LABOUR</b>																
Employees <sup>2)</sup>	th. persons	708.5	707.9	709.3	709.5	709.6	706.8	704.3	704.4	698.5	698.3	698.0	698.4	697.0	695.2	.
Employees <sup>2)</sup>	CMPY	102.6	102.5	102.1	102.1	102.4	101.3	100.9	100.7	99.5	99.2	99.1	98.6	98.4	98.2	.
Unemployment, reg., end of period <sup>3)</sup>	th. persons	488.4	484.8	480.3	477.6	479.3	483.3	488.5	491.7	493.3	493.2	490.8	492.7	497.0	500.7	.
Unemployment rate, registered	%	40.8	40.6	40.4	40.2	40.3	40.6	41.0	41.1	41.4	41.4	41.3	41.4	41.6	41.9	.
<b>WAGES, SALARIES</b>																
Total economy, gross	BAM	1130	1131	1148	1155	1149	1183	1191	1206	1203	1210	1198	1208	1207	1195	.
Total economy, gross	real, CMPY	8.5	7.2	9.4	10.1	9.1	13.2	16.4	11.7	11.2	10.6	8.6	11.1	8.1	7.2	.
Total economy, gross	EUR	578	578	587	591	587	605	609	617	615	619	613	618	617	611	.
<b>PRICES</b>																
Consumer	PM	0.1	0.1	0.1	0.7	-0.6	-0.6	-0.1	-0.1	-0.1	-1.2	-0.1	0.1	0.7	-0.2	0.1
Consumer	CMPY	9.9	9.5	8.8	7.3	5.5	3.8	2.3	1.8	0.7	0.0	-1.0	-1.9	-1.2	-1.5	-1.5
Consumer	CCPY	7.8	8.0	8.1	8.0	7.8	7.4	2.3	2.1	1.6	1.2	0.8	0.3	0.1	-0.1	-0.3
<b>FOREIGN TRADE<sup>4)5)</sup></b>																
Exports total (fob), cumulated	EUR mn	2037	2317	2632	2930	3206	3433	197	410	635	853	1071	1304	1564	1798	2062
Imports total (cif), cumulated	EUR mn	4985	5692	6446	7235	7864	8465	421	903	1431	1984	2500	3045	3598	4091	4652
Trade balance, cumulated	EUR mn	-2947	-3375	-3814	-4305	-4659	-5033	-224	-493	-796	-1131	-1429	-1741	-2034	-2293	-2590
Exports to EU-27 (fob), cumulated	EUR mn	1151	1295	1464	1631	1783	1894	116	232	354	467	583	719	852	968	1121
Imports from EU-27 (cif), cumulated	EUR mn	2266	2590	2965	3371	3695	3996	205	457	715	977	1231	1500	1815	2045	2314
Trade balance with EU-27, cumulated	EUR mn	-1115	-1295	-1501	-1740	-1912	-2102	-89	-225	-361	-510	-648	-782	-963	-1078	-1193
<b>FOREIGN FINANCE</b>																
Current account, cumulated <sup>4)</sup>	EUR mn	.	.	-1398	.	.	-1879	.	.	-167	.	.	-436	.	.	.
<b>EXCHANGE RATE</b>																
BAM/USD, monthly average	nominal	1.240	1.304	1.362	1.464	1.537	1.457	1.468	1.531	1.502	1.480	1.437	1.395	1.389	1.370	1.344
BAM/EUR, monthly average	nominal	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
USD/BAM, calculated with CPI <sup>6)</sup>	real, Jan04=100	124.1	118.6	113.9	107.8	104.0	110.3	108.8	103.6	105.3	105.2	108.0	110.5	111.8	112.9	115.1
EUR/BAM, calculated with CPI <sup>6)</sup>	real, Jan04=100	104.4	104.6	104.4	105.1	104.8	104.4	104.9	104.3	103.8	102.2	101.9	101.8	103.0	102.5	102.6
<b>DOMESTIC FINANCE</b>																
M0, end of period	BAM mn	2152	2168	2131	2279	2139	2302	2083	2063	2016	2105	2015	1988	2035	1999	1980
M1, end of period	BAM mn	6144	6242	6198	6045	5876	5995	5730	5662	5562	5529	5590	5606	5604	5704	5621
M2, end of period	BAM mn	13033	13224	13372	12696	12577	12702	12472	12487	12406	12381	12412	12381	12473	12626	12598
M2, end of period	CMPY	14.8	14.7	14.7	7.3	5.8	4.0	2.3	2.0	0.3	-1.5	-2.2	-2.9	-4.3	-4.5	-5.8

1) Federation of B&H and Republic Srpska weighted by wiiv.

2) Sum of employees in Federation of B&H, Republic Srpska and District Brcko, calculated by wiiv.

3) Sum of unemployed persons in Federation B&H, Republic Srpska and District Brcko, calculated by wiiv.

4) Based on cumulated national currency and converted with the average exchange rate.

5) Cumulation starting January and ending December each year.

6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.

C R O A T I A: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total <sup>1)2)</sup>	real, CMPY	1.9	-4.5	3.0	-0.7	-3.5	-1.5	-14.1	-12.4	-6.6	-7.1	-7.3	-13.7	-9.0	-8.3	-9.6
Industry, total <sup>1)2)</sup>	real, CCPY	3.9	2.9	2.9	2.5	1.9	1.6	-14.1	-13.3	-10.9	-9.9	-9.4	-10.2	-10.0	-9.8	-9.7
Industry, total <sup>1)2)</sup>	real, 3MMA	1.5	0.2	-0.7	-0.5	-1.9	-6.4	-9.3	-11.0	-8.7	-7.0	-9.4	-10.0	-10.3	-9.0	.
Construction, total, effect. work. time <sup>1)2)</sup>	real, CMPY	15.0	2.0	18.0	10.6	7.8	16.1	-5.6	-1.9	6.1	-4.3	-5.0	-5.4	-6.3	-7.1	.
<b>LABOUR</b>																
Employment total	th. persons	1270.8	1270.7	1267.4	1262.9	1257.2	1247.6	1234.4	1227.0	1224.4	1223.9	1225.8	1228.0	1227.0	1222.4	.
Employees in industry	th. persons	295.8	295.3	294.7	294.4	293.3	290.6	266.4	264.5	262.7	260.4	258.6	257.2	255.9	254.5	.
Unemployment, reg., end of period	th. persons	219.7	219.3	222.2	228.5	233.7	240.5	254.3	262.8	267.2	263.8	256.3	247.1	248.6	251.0	259.2
Unemployment rate, registered	%	12.4	12.3	12.6	12.9	13.2	13.7	14.3	14.8	15.0	14.8	14.4	14.0	14.0	14.2	14.6
Labour productivity, industry <sup>1)2)</sup>	CCPY	5.2	4.2	4.3	4.1	3.7	3.5	-7.5	-6.2	-3.4	-2.1	-1.3	-2.0	-1.5	-1.1	.
Unit labour costs, exch. r. adj. (EUR) <sup>1)2)</sup>	CCPY	3.4	3.9	4.2	4.6	4.6	5.2	10.1	6.0	4.3	2.8	1.7	3.1	2.7	.	.
<b>WAGES, SALARIES</b>																
Total economy, gross	HRK	7580	7489	7526	7621	7829	7868	7709	7597	7816	7700	7749	7806	7718	.	.
Total economy, gross	real, CMPY	-1.1	-1.6	2.7	1.4	-0.6	5.4	1.3	-0.7	1.7	0.2	-1.0	2.2	0.6	.	.
Total economy, gross	EUR	1048	1041	1056	1065	1096	1093	1047	1022	1052	1038	1053	1069	1055	.	.
Industry, gross <sup>2)</sup>	EUR	980	946	984	1004	1000	1027	932	905	941	922	948	976	972	.	.
<b>PRICES</b>																
Consumer	PM	0.1	-0.3	0.2	-0.1	-0.1	-0.6	1.2	0.6	0.2	0.8	0.0	0.1	-0.7	-0.1	-0.2
Consumer	CMPY	8.4	7.4	6.4	5.9	4.7	2.9	3.4	4.2	3.8	3.9	2.7	2.1	1.2	1.5	1.0
Consumer	CCPY	6.5	6.7	6.6	6.6	6.4	6.1	3.4	3.8	3.8	3.8	3.6	3.4	3.0	2.9	2.6
Producer, in industry <sup>2)</sup>	PM	2.4	-0.1	-0.1	-1.1	-1.5	-1.3	-0.1	0.2	-1.2	0.5	0.6	0.9	0.6	0.8	-0.7
Producer, in industry <sup>2)</sup>	CMPY	12.0	11.0	10.3	8.8	6.5	4.7	1.8	1.8	-0.1	-0.1	-0.7	-1.0	-2.8	-1.8	-2.3
Producer, in industry <sup>2)</sup>	CCPY	8.6	9.0	9.1	9.0	8.8	8.4	1.8	1.8	1.1	0.8	0.5	0.3	-0.2	-0.4	-0.6
<b>FOREIGN TRADE<sup>3)4)</sup></b>																
Exports total (fob), cumulated	EUR mn	5631	6388	7271	8069	8870	9581	516	1242	1894	2537	3181	3759	4413	4922	.
Imports total (cif), cumulated	EUR mn	12432	14032	15958	17773	19343	20816	1040	2263	3711	5047	6330	7662	8984	10055	.
Trade balance, cumulated	EUR mn	-6800	-7644	-8687	-9704	-10474	-11235	-524	-1021	-1817	-2510	-3149	-3904	-4570	-5133	.
Exports to EU-27 (fob), cumulated	EUR mn	3427	3841	4386	4903	5407	5843	301	811	1192	1575	1941	2304	2711	3020	.
Imports from EU-27 (cif), cumulated	EUR mn	7990	8955	10160	11375	12368	13349	600	1387	2308	3154	3978	4812	5680	6343	.
Trade balance with EU-27, cumulated	EUR mn	-4563	-5114	-5774	-6472	-6961	-7506	-300	-577	-1116	-1579	-2036	-2508	-2969	-3323	.
<b>FOREIGN FINANCE</b>																
Current account, cumulated <sup>5)</sup>	EUR mn	.	.	-2472	.	.	-4385	.	.	-1837	.	.	-2739	.	.	.
<b>EXCHANGE RATE</b>																
HRK/USD, monthly average	nominal	4.580	4.797	4.955	5.355	5.609	5.377	5.529	5.803	5.710	5.625	5.408	5.208	5.197	5.141	5.031
HRK/EUR, monthly average	nominal	7.230	7.196	7.126	7.158	7.141	7.197	7.363	7.431	7.427	7.418	7.358	7.303	7.319	7.323	7.315
USD/HRK, calculated with CPI <sup>6)</sup>	real, Jan04=100	132.6	126.7	123.1	115.0	111.8	117.2	114.8	109.4	111.1	113.4	117.6	121.3	120.8	121.7	124.0
USD/HRK, calculated with PPI <sup>6)</sup>	real, Jan04=100	115.4	113.7	111.1	107.5	106.6	113.5	110.0	106.2	107.4	108.9	113.2	115.9	117.8	118.4	120.7
EUR/HRK, calculated with CPI <sup>6)</sup>	real, Jan04=100	111.4	111.7	112.7	112.0	112.6	111.2	110.7	109.8	109.7	110.3	111.0	111.7	111.2	110.7	110.6
EUR/HRK, calculated with PPI <sup>6)</sup>	real, Jan04=100	108.5	109.4	110.4	109.6	110.2	109.7	107.6	107.1	106.4	108.0	109.5	111.0	112.1	112.5	.
<b>DOMESTIC FINANCE</b>																
M0, end of period	HRK bn	17.6	17.6	16.6	17.0	16.8	17.1	16.6	16.1	15.8	16.3	16.7	16.9	17.6	17.0	.
M1, end of period	HRK bn	55.5	55.7	53.7	52.7	51.1	55.2	49.6	46.8	46.6	46.4	47.4	47.7	47.7	47.8	.
Broad money, end of period	HRK bn	221.2	226.4	226.9	223.5	218.1	225.0	221.5	221.4	218.6	218.8	218.1	218.4	221.4	224.4	.
Broad money, end of period	CMPY	9.9	9.2	14.7	9.3	5.0	4.4	6.3	5.7	3.3	2.8	2.4	1.1	0.0	-0.9	.
Discount rate (p.a.), end of period	%	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
Discount rate (p.a.), end of period <sup>7)</sup>	real, %	-2.7	-1.8	-1.2	0.2	2.3	4.1	7.1	7.1	9.1	9.1	9.8	10.1	12.1	11.0	11.6
<b>BUDGET</b>																
Central gov. budget balance, cum. <sup>8)</sup>	HRK mn	3772	3633	3159	3680	2660	-2878	-819	-2237	-3401	-3844	-5546	-6813	-7391	-7845	.

1) In business entities with more than 20 persons employed.

2) From January 2009 according to NACE rev. 2.

3) Based on cumulated national currency and converted with the average exchange rate.

4) Cumulation starting January and ending December each year.

5) Calculated from USD to NCU to EUR using the official average exchange rate.

6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.

7) Deflated with annual PPI.

8) Consolidated central government budget.

## M A C E D O N I A: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total <sup>1)</sup>	real, CPMY	14.7	8.5	13.7	-9.9	-2.9	-10.1	-16.7	-11.3	-4.8	-7.8	-15.3	-16.2	-19.8	-9.8	.
Industry, total <sup>1)</sup>	real, CCPY	9.9	9.7	10.2	7.8	6.8	5.5	-16.7	-13.9	-10.8	-10.0	-11.2	-12.1	-13.3	-12.8	.
Industry, total <sup>1)</sup>	real, 3MMA	11.8	12.4	3.7	0.2	-7.7	-9.6	-12.6	-10.8	-7.9	-9.5	-13.2	-17.1	-15.3	.	.
<b>LABOUR</b>																
Employees <sup>1)</sup>	th. persons	258.2	257.4	256.9	255.8	255.6	254.5	251.8	250.6	249.8	249.6	249.5	249.8	248.3	.	.
Employees in industry <sup>1)</sup>	th. persons	89.1	88.4	87.8	86.9	86.0	83.6	82.0	80.6	79.5	78.9	78.8	78.5	77.5	.	.
Unemployment, quarterly average <sup>2)</sup>	th. persons	.	.	305.3	.	.	306.0	.	.	300.8	.	.	297.7	.	.	.
Unemployment rate <sup>2)</sup>	%	.	.	33.0	.	.	33.5	.	.	32.7	.	.	31.9	.	.	.
Labour productivity, industry <sup>1)</sup>	CCPY	10.5	10.5	11.0	8.8	8.0	6.7	-13.8	-10.4	-6.7	-5.7	-6.7	-7.4	-8.4	-7.4	.
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	-3.7	-4.0	-4.2	-2.4	-1.8	-0.4	24.2	20.7	16.2	15.4	16.3	17.4	18.6	.	.
<b>WAGES, SALARIES</b>																
Total economy, gross	MKD	25739	25758	27513	27758	27507	28323	29586	29433	29602	30139	30100	30171	29730	.	.
Total economy, gross	real, CPMY	0.5	0.5	3.9	0.9	3.2	7.0	14.7	17.8	16.7	19.0	17.0	19.3	16.8	.	.
Total economy, gross	EUR	421	421	450	454	448	461	482	479	480	491	488	492	486	.	.
Industry, gross	EUR	370	372	384	389	375	398	394	381	394	401	396	408	403	.	.
<b>PRICES</b>																
Consumer	PM	-0.9	-0.2	-0.2	0.7	0.2	0.3	-0.6	-0.2	0.3	-0.2	1.0	-1.7	-0.5	-0.3	-0.1
Consumer	CPMY	8.1	7.2	6.0	6.2	5.0	4.1	1.8	0.8	0.3	-0.3	0.5	-1.5	-1.1	-1.2	-1.1
Consumer	CCPY	9.7	9.5	9.3	9.0	8.7	8.3	1.8	1.3	1.0	0.6	0.6	0.2	0.1	-0.1	-0.2
Producer, in industry	PM	2.3	-2.2	-0.3	-3.3	-6.8	-1.4	-3.0	0.5	-0.2	1.3	1.0	2.7	0.5	-0.3	0.5
Producer, in industry	CPMY	17.2	13.8	14.4	9.2	-0.9	-1.8	-5.9	-5.1	-7.7	-7.1	-9.3	-10.0	-11.5	-9.7	-9.0
Producer, in industry	CCPY	12.8	13.0	13.1	12.7	11.4	10.3	-5.9	-5.5	-6.2	-6.4	-7.0	-7.6	-8.2	-8.4	-8.4
<b>FOREIGN TRADE<sup>3,4)</sup></b>																
Exports total (fob), cumulated	EUR mn	1619	1820	2062	2293	2489	2665	114	250	400	556	721	895	1083	1246	.
Imports total (cif), cumulated	EUR mn	2761	3149	3525	3947	4319	4661	267	567	880	1191	1443	1744	2064	2348	.
Trade balance, cumulated	EUR mn	-1142	-1328	-1463	-1655	-1829	-1995	-153	-317	-480	-635	-722	-849	-981	-1103	.
Exports to EU-27 (fob), cumulated	EUR mn	988	1114	1255	1388	1518	1625	72	155	240	319	406	496	612	700	.
Imports from EU-27 (cif), cumulated	EUR mn	1304	1475	1662	1868	2055	2238	122	279	437	598	743	907	1078	1215	.
Trade balance with EU-27, cumulated	EUR mn	-316	-361	-407	-480	-538	-614	-50	-123	-196	-278	-337	-410	-467	-515	.
<b>FOREIGN FINANCE</b>																
Current account, cumulated	EUR mn	-417	-432	-450	-544	-732	-851	-116	-210	-343	-410	-420	-440	-412	.	.
<b>EXCHANGE RATE</b>																
MKD/USD, monthly average	nominal	38.79	40.79	42.59	45.79	48.27	48.56	46.08	48.07	47.41	46.41	45.35	43.71	43.47	42.90	42.06
MKD/EUR, monthly average	nominal	61.18	61.18	61.17	61.20	61.41	61.41	61.40	61.41	61.72	61.35	61.71	61.26	61.19	61.17	61.17
USD/MKD, calculated with CPI <sup>5)</sup>	real, Jan04=100	116.9	111.4	106.7	100.9	97.8	98.6	102.7	97.7	99.2	100.8	103.9	105.1	105.3	106.1	108.0
USD/MKD, calculated with PPI <sup>5)</sup>	real, Jan04=100	116.7	112.1	108.1	102.8	95.9	97.2	99.1	96.6	98.4	101.2	103.9	108.2	110.2	109.8	113.1
EUR/MKD, calculated with CPI <sup>5)</sup>	real, Jan04=100	98.4	98.2	97.8	98.4	98.6	99.1	99.1	98.4	97.8	97.9	98.1	96.9	97.0	96.5	96.4
EUR/MKD, calculated with PPI <sup>5)</sup>	real, Jan04=100	109.8	107.8	107.6	104.9	99.2	99.4	96.9	97.6	97.4	100.1	100.5	103.7	105.0	104.2	.
<b>DOMESTIC FINANCE</b>																
M0, end of period	MKD bn	16.7	16.4	16.5	16.6	15.8	17.6	15.9	15.3	14.6	14.8	14.4	14.2	15.3	14.8	14.5
M1, end of period	MKD bn	48.5	50.0	50.2	49.2	49.3	54.1	49.6	48.9	46.8	46.8	47.3	47.6	48.3	49.6	47.9
Broad money, end of period <sup>6)</sup>	MKD bn	192.7	197.4	197.9	195.3	190.2	195.5	192.7	192.8	190.4	192.5	190.8	191.9	191.5	195.7	195.7
Broad money, end of period <sup>6)</sup>	CPMY	20.1	22.3	22.0	19.6	13.8	11.2	9.4	7.6	6.6	5.1	2.0	1.2	-0.6	-0.8	-1.1
NB discount rate (p.a.), end of period	%	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
NB discount rate (p.a.), end of period <sup>7)</sup>	real, %	-9.1	-6.4	-6.9	-2.4	7.4	8.5	13.1	12.3	15.4	14.7	17.4	17.5	19.6	17.4	16.4
<b>BUDGET</b>																
General gov.budget balance, cum. <sup>8)</sup>	MKD mn	4906	6370	10383	10473	7577	-3852	311	-1395	-1932	-2995	-3382	-5517	-5427	.	.

1) In business entities with more than 10 persons employed.

2) Based on labour force survey.

3) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference rate.

4) Cumulation starting January and ending December each year.

5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.

6) M2 plus restricted deposits (in denar and in foreign currency) plus non-monetary deposits over 1 year.

7) Deflated with annual PPI.

8) Central government budget plus extra-budgetary funds

MONTENEGRO: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total	real, CPMY	3.5	-4.8	12.0	-21.1	-7.2	-20.3	-4.7	-18.8	-15.9	-18.2	-25.3	-40.3	-46.5	-45.8	.
Industry, total	real, CCPY	3.4	2.4	3.5	0.7	-0.1	-2.1	-4.7	-12.3	-13.6	-14.6	-16.4	-20.3	-24.4	-27.0	.
Industry, total	real, 3MMA	1.3	3.7	-5.1	-5.8	-16.3	-11.2	-15.2	-13.6	-17.6	-19.4	-28.2	-38.3	-44.3	.	.
<b>LABOUR</b>																
Employment <sup>1)</sup>	th. persons	168.9	168.5	167.7	168.6	169.1	169.2	169.3	169.7	170.6	172.5	174.2	178.8	178.6	179.0	.
Employment in industry	th. persons	34.1	34.1	33.9	33.9	34.3	34.7	33.2	32.9	31.6	31.5	30.9	31.1	30.6	29.9	.
Unemployment, reg., end of period	th. persons	28.7	28.1	28.3	28.7	28.6	28.4	28.9	29.3	29.2	28.6	27.8	27.1	27.0	26.8	.
Unemployment rate, registered	%	14.5	14.3	14.4	14.5	14.5	14.4	14.6	14.7	14.6	14.2	13.8	13.2	13.2	13.0	.
Labour productivity, industry	CCPY	6.6	5.6	6.9	4.0	2.8	0.4	-1.4	-8.8	-8.5	-9.6	-10.8	-14.4	-18.4	-20.7	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	9.1	10.0	8.7	11.5	13.3	16.2	17.4	25.6	22.6	20.4	19.7	21.1	26.1	27.3	.
<b>WAGES, SALARIES</b>																
Total economy, gross	EUR	610	625	630	621	629	651	655	650	642	647	651	648	636	641	.
Total economy, gross	real, CPMY	13.5	14.5	14.2	10.3	9.9	9.9	10.3	5.3	5.1	4.3	3.1	1.2	2.0	-0.6	.
Industry, gross	EUR	673	679	720	683	716	704	718	708	650	607	665	658	663	601	.
<b>PRICES</b>																
Consumer	PM	0.0	0.1	1.0	0.0	-0.6	1.0	-0.2	0.7	0.4	0.6	0.1	-0.3	-0.6	1.1	-0.3
Consumer	CPMY	10.8	10.6	8.4	7.4	6.2	6.9	4.9	5.3	5.5	5.4	4.8	2.8	2.1	3.1	1.9
Consumer	CCPY	8.6	8.8	8.8	8.6	8.4	7.4	4.9	5.1	5.3	5.3	5.2	4.8	4.4	4.2	4.1
Producer, in industry	PM	0.1	1.2	-1.0	-0.1	-0.8	-5.2	-1.2	0.0	-1.6	0.3	-0.5	-1.0	-1.5	0.6	.
Producer, in industry	CPMY	17.2	19.0	17.6	17.2	12.9	6.9	5.7	4.7	0.6	0.1	-1.9	-7.7	-9.3	-9.9	.
Producer, in industry	CCPY	17.2	17.4	17.4	17.4	17.0	16.1	5.7	5.2	3.6	2.7	1.8	0.2	-1.4	-2.5	.
<b>FOREIGN TRADE<sup>2)</sup></b>																
Exports total (fob), cumulated	EUR mn	267	306	343	375	409	433	32	53	73	88	101	129	163	189	208
Imports total (cif), cumulated	EUR mn	1510	1737	1978	2181	2340	2527	104	222	353	483	620	766	914	1057	1204
Trade balance, cumulated	EUR mn	-1242	-1431	-1634	-1806	-1931	-2094	-72	-169	-279	-395	-519	-637	-751	-868	-996
<b>FOREIGN FINANCE</b>																
Current account, cumulated	EUR mn	.	.	-718	.	.	-1006	.	.	-192	.	.	-394	.	.	.
<b>EXCHANGE RATE</b>																
EUR/USD, monthly average	nominal	0.634	0.668	0.696	0.751	0.785	0.744	0.755	0.782	0.766	0.758	0.733	0.713	0.710	0.701	0.687
USD/EUR, calculated with CPI <sup>3)</sup>	real, Jan04=100	81.6	86.4	91.1	99.3	105.3	101.8	102.7	106.4	104.5	103.7	100.0	96.3	95.3	95.0	92.7
USD/EUR, calculated with PPI <sup>3)</sup>	real, Jan04=100	78.6	86.5	90.2	102.7	112.5	104.4	104.5	109.5	106.3	104.8	100.1	94.3	93.2	91.3	.
<b>BUDGET</b>																
General gov.budget balance, cum.	EUR mn	.	.	157	.	.	51	.	.	38	.	.	86	.	.	.

1) Excluding individual farmers.

2) Cumulation starting January and ending December each year.

3) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.



S E R B I A: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total	real, CPMY	5.0	-4.4	2.3	-3.0	-2.7	-9.0	-16.3	-17.9	-13.0	-19.9	-18.3	-12.9	-14.3	-8.8	.
Industry, total	real, CCPY	4.0	2.9	2.8	2.2	1.7	0.7	-16.3	-17.1	-15.7	-16.8	-17.1	-16.4	-16.1	-15.2	.
Industry, total	real, 3MMA	0.8	0.9	-1.7	-1.2	-4.9	-9.0	-14.1	-15.7	-16.9	-17.1	-17.0	-15.2	-12.1	.	.
<b>LABOUR</b>																
Employees total	th. persons	1424.0	1423.0	1425.0	1426.0	1424.0	1423.0	1416.0	1413.0	1428.0	1425.0	1417.0	1414.0	1411.0	.	.
Employees in industry	th. persons	437.0	435.0	435.0	432.0	430.0	427.0	421.0	421.0	419.0	415.0	412.0	409.0	407.0	.	.
Unemployment, reg., end of period	th. persons	744.8	733.7	726.5	717.4	718.3	727.6	736.8	749.7	758.4	762.7	767.5	763.1	756.7	.	.
Unemployment rate, registered	%	24.1	23.8	23.6	23.4	23.5	23.7	24.0	24.3	24.7	25.7	25.9	25.8	25.6	.	.
Labour productivity, industry	CCPY	9.0	7.8	7.6	7.1	6.8	5.7	-12.3	-13.2	-11.3	-12.1	-12.2	-11.3	-10.8	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	7.1	9.1	9.5	9.5	9.4	9.2	4.4	5.6	1.9	1.6	0.8	-1.4	-2.7	.	.
<b>WAGES, SALARIES</b>																
Total economy, gross	RSD	46115	46222	46015	47883	46944	53876	40245	43341	42213	45304	43183	44246	45307	43597	43577
Total economy, gross	real, CPMY	3.5	6.7	5.6	6.3	3.5	3.5	-6.9	-9.3	-9.9	-7.8	-11.5	-10.5	-9.5	-12.9	-12.1
Total economy, gross <sup>1)</sup>	EUR	599	605	601	563	526	608	428	462	445	476	456	474	486	468	469
Industry, gross <sup>1)</sup>	EUR	526	537	528	488	456	515	390	412	394	420	403	425	434	.	.
<b>PRICES</b>																
Consumer	PM	-1.1	0.1	0.9	1.9	0.0	-0.8	2.4	1.3	0.4	0.9	2.1	0.0	-0.9	-0.1	0.3
Consumer	CPMY	14.4	11.2	10.2	11.8	10.0	7.7	9.3	9.9	9.0	8.3	8.9	8.4	8.5	8.3	7.7
Consumer	CCPY	14.4	14.0	13.5	13.3	13.0	12.6	9.3	9.6	9.4	9.1	9.1	9.0	8.9	8.8	8.7
Producer, in industry	PM	1.0	0.8	-0.3	0.1	-0.4	-0.6	-1.6	1.8	0.9	1.0	1.4	2.1	-0.3	1.1	-0.5
Producer, in industry	CPMY	14.8	14.9	13.7	12.9	11.1	9.3	4.9	6.0	5.2	5.2	5.4	6.3	4.9	5.3	5.0
Producer, in industry	CCPY	13.5	13.7	13.7	13.6	13.4	13.0	4.9	5.4	5.3	5.3	5.3	5.5	5.4	5.4	5.3
<b>FOREIGN TRADE<sup>2,3)</sup></b>																
Exports total (fob), cumulated	EUR mn	4389	5034	5708	6315	6826	7356	355	764	1269	1721	2243	2794	3331	3808	.
Imports total (cif), cumulated	EUR mn	9243	10461	11853	13153	14198	15382	629	1505	2561	3489	4666	5598	6542	7391	.
Trade balance, cumulated	EUR mn	-4854	-5428	-6145	-6839	-7371	-8026	-274	-741	-1292	-1768	-2424	-2805	-3211	-3583	.
Exports to EU-27 (fob), cumulated	EUR mn	2182	2486	2812	3088	3332	3556	174	378	608	808	1028	1259	1506	1716	.
Imports from EU-27 (cif), cumulated	EUR mn	4966	5609	6336	7031	7589	8182	333	817	1382	1906	2411	2960	3421	3971	.
Trade balance with EU-27, cumulated	EUR mn	-2784	-3123	-3524	-3944	-4257	-4626	-158	-440	-774	-1099	-1383	-1701	-1915	-2254	.
<b>FOREIGN FINANCE</b>																
Current account, cumulated <sup>4)</sup>	EUR mn	-3678	-4078	-4608	-5061	-5393	-4730	-163	-361	-798	-940	-960	-979	-1070	.	.
<b>EXCHANGE RATE</b>																
RSD/USD, end of month	nominal	49.40	51.79	53.78	66.33	69.02	62.90	72.86	73.68	71.59	71.64	67.74	66.25	65.93	65.15	63.60
RSD/EUR, end of month	nominal	76.99	76.44	76.60	84.99	89.20	88.60	94.10	93.81	94.78	95.24	94.72	93.44	93.19	93.07	93.01
USD/RSD, calculated with CPI <sup>5)</sup>	real, Jan04=100	157.2	150.7	146.8	122.5	120.0	132.0	116.2	115.7	119.3	119.9	129.1	130.9	130.5	131.7	135.2
USD/RSD, calculated with PPI <sup>5)</sup>	real, Jan04=100	128.0	127.1	123.3	105.8	106.8	120.5	102.2	104.0	108.7	109.1	116.2	118.6	119.7	120.8	123.8
EUR/RSD, calculated with CPI <sup>5)</sup>	real, Jan04=100	131.4	132.6	133.1	122.2	116.9	116.9	113.5	114.7	113.6	113.6	116.5	117.8	117.6	117.3	117.7
EUR/RSD, calculated with PPI <sup>5)</sup>	real, Jan04=100	119.7	122.0	121.5	110.5	106.8	108.7	101.1	103.5	103.9	105.3	107.4	110.8	111.5	112.3	.
<b>DOMESTIC FINANCE</b>																
M0, end of period	RSD bn	69.2	70.5	71.6	77.3	80.6	90.0	81.8	82.6	78.1	84.3	83.3	80.9	85.3	81.8	.
M1, end of period	RSD bn	213.6	218.3	222.0	222.8	223.5	241.1	212.1	227.3	210.2	216.1	221.4	223.2	225.7	232.2	.
Broad money, end of period <sup>6)</sup>	RSD bn	936.5	966.7	985.1	974.3	1000.3	992.7	1005.6	1026.6	1015.6	1037.2	1042.6	1061.9	1065.6	1081.1	.
Broad money, end of period <sup>6)</sup>	CPMY	25.6	23.7	24.5	23.0	13.9	9.8	7.4	9.3	6.5	10.0	6.5	12.1	13.8	11.8	.
NB discount rate (p.a.), end of period	%	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
NB discount rate (p.a.), end of period <sup>7)</sup>	real, %	-5.5	-5.6	-4.5	-3.9	-2.3	-0.8	3.5	2.4	3.2	3.2	3.0	2.1	3.4	3.1	3.3
<b>BUDGET</b>																
Central gov. budget balance, cum.	RSD mn	-10637	-17219	-17983	-17413	-32179	-47657	9	-9990	-11084	-26979	-41811	-52944	-53806	-63799	.

1) Calculation from NCU to EUR using the official end of month exchange rate.  
2) Based on cumulated national currency and converted with the end of month exchange rate.  
3) Cumulation starting January and ending December each year.  
4) Until 2008 calculated from USD to NCU to EUR using the official end of month exchange rate.  
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.  
6) Excluding government deposits, excluding frozen foreign currency savings deposits.  
7) Deflated with annual PPI.

R U S S I A: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total	real, CMPY	3.1	4.8	6.4	1.7	-8.7	-10.2	-16.0	-13.2	-13.7	-16.8	-17.0	-12.0	-10.8	-12.7	-9.6
Industry, total	real, CCPY	5.4	5.4	5.5	5.1	3.7	2.4	-16.0	-14.6	-14.2	-14.9	-15.3	-14.8	-14.2	-14.0	-13.5
Industry, total	real, 3MMA	2.9	4.8	4.2	-0.3	-5.8	-11.5	-13.0	-14.2	-14.6	-15.8	-15.3	-13.3	-11.9	-11.0	.
Construction, total	real, CMPY	12.1	6.4	9.8	5.9	6.3	-15.7	-16.8	-20.7	-20.2	-16.3	-21.9	-19.6	-17.8	-15.5	.
<b>LABOUR<sup>1)</sup></b>																
Employment total, quarterly average	th. persons	.	.	72136	.	.	70603	.	.	67761	.	.	69463	.	.	70300
Unemployment, quarterly average	th. persons	.	.	4472	.	.	5289	.	.	7084	.	.	6491	.	.	6200
Unemployment rate	%	.	.	5.8	.	.	7.0	.	.	9.5	.	.	8.5	.	.	8.1
<b>WAGES, SALARIES</b>																
Total economy, gross	RUB	17758	17244	17739	17643	17598	21681	17119	17098	18129	18009	18007	19247	18872	18335	18702
Total economy, gross	real, CMPY	14.3	13.0	12.8	10.4	5.5	2.9	2.2	-2.3	-1.8	-3.9	-3.8	-3.0	-5.2	-4.8	-4.8
Total economy, gross	EUR	482	476	488	500	507	571	404	374	400	407	413	442	425	407	417
Industry, gross <sup>2)</sup>	EUR	459	464	461	471	479	456	352	334	355	355	365	387	386	373	.
<b>PRICES</b>																
Consumer	PM	0.5	0.4	0.8	0.9	0.8	0.7	2.4	1.7	1.3	0.7	0.6	0.6	0.6	0.0	0.0
Consumer	CMPY	14.7	15.0	15.0	14.2	13.8	13.3	13.5	14.0	14.2	13.3	12.5	12.0	12.1	11.7	10.8
Consumer	CCPY	14.0	14.1	14.2	14.2	14.2	14.1	13.5	13.7	13.9	13.7	13.5	13.2	13.1	12.9	12.6
Producer, in industry	PM	5.4	0.5	-5.0	-6.6	-8.4	-7.6	-3.4	5.1	2.9	2.4	0.6	2.2	1.8	1.4	1.2
Producer, in industry	CMPY	33.5	31.5	25.7	17.5	4.3	-7.0	-11.6	-7.7	-5.7	-7.6	-10.2	-12.5	-15.5	-14.7	-9.2
Producer, in industry	CCPY	27.2	27.8	27.5	26.5	24.3	21.4	-11.6	-9.6	-8.3	-8.1	-8.6	-9.3	-10.3	-10.9	-10.7
<b>FOREIGN TRADE<sup>3)</sup></b>																
Exports total, cumulated	EUR mn	183332	213495	243483	272348	296471	318004	13445	27765	43627	59505	76079	93545	112307	131321	.
Imports total, cumulated	EUR mn	98571	115279	132703	150857	165892	181577	6551	15891	25759	35625	44315	53874	63812	73327	.
Trade balance, cumulated	EUR mn	84761	98217	110781	121491	130579	136427	6894	11874	17868	23880	31764	39671	48495	57995	.
<b>FOREIGN FINANCE</b>																
Current account, cumulated <sup>5)</sup>	EUR mn	.	.	61770	.	.	69871	.	.	7201	.	.	12795	.	.	23537
<b>EXCHANGE RATE</b>																
RUB/USD, monthly average	nominal	23.351	24.135	25.286	26.356	27.311	28.136	31.520	35.760	34.680	33.560	32.070	31.030	31.520	31.630	30.818
RUB/EUR, monthly average	nominal	36.839	36.260	36.340	35.286	34.739	37.993	42.377	45.710	45.280	44.260	43.620	43.510	44.360	45.085	44.834
USD/RUB, calculated with CPI <sup>6)</sup>	real, Jan04=100	168.9	164.7	158.8	155.2	153.9	152.1	138.4	123.3	128.5	133.4	140.0	144.4	143.1	142.3	145.9
USD/RUB, calculated with PPI <sup>6)</sup>	real, Jan04=100	202.5	203.4	186.3	176.5	164.6	152.6	131.4	123.0	131.5	138.3	144.6	149.3	150.8	150.3	156.9
EUR/RUB, calculated with CPI <sup>6)</sup>	real, Jan04=100	141.9	144.8	145.3	150.9	155.1	143.1	132.2	123.9	126.3	129.7	132.1	133.0	131.8	129.3	130.0
EUR/RUB, calculated with PPI <sup>6)</sup>	real, Jan04=100	190.4	195.3	185.2	179.6	170.2	146.2	127.2	124.2	129.6	137.0	139.8	142.9	143.6	142.6	.
<b>DOMESTIC FINANCE</b>																
M0, end of period	RUB bn	3807.2	3887.4	3904.2	3962.2	3793.1	3794.8	3312.7	3301.6	3278.3	3410.1	3461.9	3522.5	3550.1	3506.6	.
M1, end of period	RUB bn	7777.3	7963.2	8005.2	7549.1	7518.1	7591.4	6591.2	6515.1	6551.7	6649.3	6878.4	7162.8	7050.5	7147.3	.
M2, end of period	RUB bn	15760.2	16195.6	16067.8	15460.3	15421.3	16774.7	16381.7	16393.6	16308.4	16360.4	16572.5	17055.4	17202.0	17390.9	.
M2, end of period	CMPY	30.4	31.1	26.6	21.8	14.2	14.7	14.0	11.9	9.3	10.2	7.6	7.1	9.1	7.4	.
Refinancing rate (p.a.), end of period	%	11.0	11.0	11.0	11.0	12.0	13.0	13.0	13.0	13.0	12.5	12.0	11.5	11.0	10.8	10.0
Refinancing rate (p.a.), end of period <sup>7)</sup>	real, %	-16.9	-15.6	-11.7	-5.5	7.3	21.5	27.8	22.5	19.8	21.8	24.7	27.4	31.3	29.9	21.1
<b>BUDGET</b>																
Central gov. budget balance, cum.	RUB bn	2118.9	2347.2	2561.5	2783.4	2511.2	1707.5	376.5	132.5	-29.7	-351.8	-476.6	-721.6	-893.0	.	.

1) Based on labour force survey.

2) Manufacturing industry only (D according to NACE).

3) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference rate.

4) Cumulation starting January and ending December each year.

5) Calculated from USD to NCU to EUR using the official average exchange rate.

6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.

7) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2008 to 2009

(updated end of Oct 2009)

		2008						2009								
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>PRODUCTION</b>																
Industry, total	real, CMPY	5.1	-0.5	-4.5	-19.8	-28.6	-26.6	-34.1	-31.6	-30.4	-31.8	-31.8	-27.5	-26.7	-23.3	-18.4
Industry, total	real, CCPY	7.3	6.3	5.1	2.2	-0.7	-3.1	-34.1	-32.8	-31.9	-31.9	-31.9	-31.1	-30.4	-29.6	-28.4
Industry, total	real, 3MMA	3.3	0.0	-8.3	-17.6	-25.0	-29.8	-30.8	-32.0	-31.3	-31.3	-30.4	-28.7	-25.8	-22.8	.
Construction, total	real, CCPY	-2.1	-2.6	-7.2	-9.6	-13.0	-16.0	-57.6	-57.3	-56.7	-55.6	-55.8	-54.9	-54.3	-53.6	-52.4
<b>LABOUR</b>																
Employees <sup>1)</sup>	th. persons	11451	11428	11387	11358	11210	10982	10863	10815	10799	10748	10683	10651	10611	10567	10534
Employees in industry <sup>1)</sup>	th. persons	3197	3185	3169	3156	3104	3023	2970	2946	2924	2888	2858	2838	2822	2809	2792
Unemployment, reg., end of period	th. persons	518.7	509.5	513.6	530.1	639.9	844.9	900.6	906.1	879.0	808.8	736.3	658.5	606.9	569.6	542.7
Unemployment rate, registered	%	1.8	1.8	1.8	1.9	2.3	3.0	3.2	3.2	3.1	2.9	2.6	2.4	2.2	2.0	1.9
Labour productivity, industry <sup>1)</sup>	CCPY	9.4	8.5	7.3	4.5	1.8	-0.3	-28.0	-26.3	-25.0	-24.7	-24.4	-23.3	-22.4	-21.3	-19.8
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	8.3	10.1	12.9	17.0	19.0	16.7	6.1	5.2	5.3	5.6	4.0	1.2	-1.4	-4.7	-8.7
<b>WAGES, SALARIES<sup>1)</sup></b>																
Total economy, gross	UAH	1930	1872	1916	1917	1823	2001	1665	1723	1818	1845	1851	1980	2008	1919	1964
Total economy, gross	real, CMPY	7.1	6.3	7.9	5.5	0.4	-2.3	-10.5	-12.7	-9.6	-8.0	-9.0	-8.6	-9.9	-11.1	-10.9
Total economy, gross	EUR	253	257	274	284	238	195	162	175	181	181	178	186	186	172	169
Industry, gross	EUR	284	296	313	313	253	201	181	194	204	201	195	198	202	194	189
<b>PRICES</b>																
Consumer	PM	-0.5	-0.1	1.1	1.7	1.5	2.1	2.9	1.5	1.4	0.9	0.5	1.1	-0.1	-0.2	0.8
Consumer	CMPY	26.8	26.0	24.6	23.2	22.3	22.3	22.3	20.9	18.1	15.6	14.7	15.0	15.5	15.3	15.0
Consumer	CCPY	26.4	26.4	26.2	25.8	25.5	25.2	22.3	21.6	20.4	19.1	18.2	17.6	17.3	17.1	16.8
Producer, in industry	PM	3.6	1.8	-1.8	-1.4	-6.5	-0.4	0.2	1.8	1.1	0.4	-0.7	1.4	0.7	1.8	3.6
Producer, in industry	CMPY	46.4	47.0	42.7	37.7	27.5	23.0	20.5	19.1	13.0	6.4	1.9	-0.9	-3.6	-3.6	1.7
Producer, in industry	CCPY	35.6	37.1	37.8	37.8	36.8	35.5	20.5	19.8	17.4	14.4	11.6	9.3	7.2	5.7	5.2
<b>FOREIGN TRADE<sup>2,3)</sup></b>																
Exports total (fob), cumulated	EUR mn	26120	30589	35195	39539	42540	45561	1843	3944	6401	8749	10895	13009	15294	17546	.
Imports total (cif), cumulated	EUR mn	33308	38738	44580	50231	54491	58163	1542	4489	7508	10233	12571	14843	17625	20323	.
Trade balance, cumulated	EUR mn	-7188	-8150	-9385	-10692	-11950	-12602	300	-544	-1107	-1484	-1676	-1834	-2332	-2776	.
<b>FOREIGN FINANCE</b>																
Current account, cumulated <sup>4)</sup>	EUR mn	.	.	-5948	.	.	-8722	.	.	-532	.	.	-562	-817	-843	.
<b>EXCHANGE RATE</b>																
UAH/USD, monthly average	nominal	4.843	4.845	4.853	5.043	6.004	7.581	7.700	7.700	7.700	7.700	7.653	7.616	7.648	7.807	7.999
UAH/EUR, monthly average	nominal	7.641	7.291	6.985	6.755	7.651	10.242	10.290	9.859	10.046	10.175	10.390	10.669	10.777	11.127	11.644
USD/UAH, calculated with CPI <sup>5)</sup>	real, Jan04=100	169.3	169.8	171.7	169.8	147.5	120.6	121.6	122.7	124.1	124.9	125.9	126.9	126.4	123.3	121.2
USD/UAH, calculated with PPI <sup>5)</sup>	real, Jan04=100	190.8	200.6	198.7	199.3	165.1	134.6	132.6	136.5	138.9	138.7	137.6	137.0	138.5	136.2	138.4
EUR/UAH, calculated with CPI <sup>5)</sup>	real, Jan04=100	142.4	149.1	156.9	165.0	148.4	113.4	116.8	123.1	122.1	121.2	119.1	117.0	116.3	112.1	107.9
EUR/UAH, calculated with PPI <sup>5)</sup>	real, Jan04=100	179.4	192.2	197.2	202.7	170.4	128.9	129.1	137.5	137.1	137.1	133.3	131.3	131.7	129.2	.
<b>DOMESTIC FINANCE</b>																
M0, end of period	UAH bn	130.9	134.0	133.6	146.3	141.3	154.8	150.2	147.5	147.1	150.7	153.0	153.2	151.8	149.2	148.9
M1, end of period	UAH bn	207.8	212.6	214.8	217.2	209.3	225.1	214.9	210.3	212.5	213.7	217.8	226.9	225.7	221.7	221.5
Broad money, end of period	UAH bn	467.2	474.9	477.7	481.1	483.8	515.7	492.7	470.9	463.8	465.1	468.2	472.7	471.9	471.1	469.5
Broad money, end of period	CMPY	47.4	44.4	37.2	35.8	32.3	30.2	25.9	18.3	11.5	8.3	9.0	4.9	1.0	-0.8	-1.7
Refinancing rate (p.a.), end of period	%	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	11.0	11.0	10.3	10.3
Refinancing rate (p.a.), end of period <sup>6)</sup>	real, %	-23.5	-23.8	-21.5	-18.7	-12.1	-9.0	-7.1	-6.0	-0.9	5.3	9.9	12.0	15.2	14.4	8.5
<b>BUDGET</b>																
General gov.budget balance, cum.	UAH mn	6643	14415	11762	7348	5558	-14183	2605	1291	-74	-3494	-3162	-13254	-17837	-16696	.

1) Excluding small firms.

2) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference rate.

3) Cumulation starting January and ending December each year.

4) Calculated from USD to NCU to EUR using the official average exchange rate.

5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.

6) Deflated with annual PPI.



## Guide to wiiw statistical services on Central, East and Southeast Europe, Russia and Ukraine

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