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Wiener Institut für Internationale Wirtschaftsvergleiche

The Vienna Institute for International Economic Studies

Monthly Report | 3/10

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Public debt developments in the CEE countries

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The financial turmoil that erupted in the summer of 2007 and escalated thereafter especially from September 2008 onwards, left a severe mark on the fiscal stance of countries all over the world. The recession that followed is considered the most serious one since the Great Depression. The fast spread of the economic downturn called for powerful, concrete, coordinated and swift responses from policymakers. The responses were of two types: monetary policy (similar to that applied in Japan earlier this century) and fiscal stimulus. They differed across countries according to specific needs and possibilities for manoeuvre.

At the moment, 13 out of 16 countries in the euro area are under excessive deficit procedure in accordance with the provisions of the SGP, as they have exceeded or are likely to exceed in 2009 the 3% deficit-to-GDP threshold. The debt ratio in the EA countries is projected constantly to increase from 69.3% of GDP in 2008 to 88.2% in 2011. The Central and Eastern European (CEE) countries seem to enjoy a better situation – in terms of the level of public debt – since the average debt-to-GDP ratio in 2011 is forecast to amount to about 55% of GDP, thus approximately two thirds of the respective ratio in the EA countries. This is illustrated in Table 1.

Table 1

Gross debt-to-GDP ratios in the EU countries

	Gross debt ratio			
Country	**2008**	**2009**	**2010**	**2011**
BG	14.1	15.1	16.2	15.7
CZ	30.0	36.5	40.6	44.0
EE	4.6	7.4	10.9	13.2
HU	72.9	79.1	79.8	79.1
LV	19.5	33.2	48.6	60.4
LT	15.6	29.9	40.7	49.3
PL	47.2	51.7	57.0	61.3
RO	13.6	21.8	27.4	31.3
SK	27.7	34.6	39.2	42.7
SI	22.5	35.1	42.8	48.2
CEE-10	**37.8**	**46.1**	**51.7**	**55.4**
BE	89.8	97.2	101.2	104.0
CY	48.4	53.2	58.6	63.4
DE	65.9	73.1	76.7	79.7
IE	44.1	65.8	82.9	96.2
EL	99.2	112.6	124.9	135.4
ES	39.7	54.3	66.3	74.0
FI	34.1	41.3	47.4	52.7
FR	67.4	76.1	82.5	87.6
IT	105.8	114.6	116.7	117.8
LU	13.5	15.0	16.4	17.7
MT	63.8	68.5	70.9	72.5
NL	58.2	59.8	65.6	69.7
PT	66.3	77.4	84.6	91.1
SI	22.5	35.1	42.8	48.2
SK	27.7	34.6	39.2	42.7
EA-16	**69.3**	**78.2**	**84.0**	**88.2**

Source: Own calculations and estimates done upon data gathered by European Economic Forecast – Autumn 2009, European Economy 10/2009, European Commission.

Nonetheless, the CEE countries are not a homogeneous group. Some have a very low level of debt while others show a level of public debt that is cause for concern. These differences partially stem from historical developments. Taking account of past events, they could be divided into two categories: (i) countries which started their transition period between 1989 and 1991 (Bulgaria, former Czechoslovakia, Hungary, Poland and Romania) and (ii) the Baltic States (Estonia, Latvia, Lithuania) along with Slovenia, which regained their independence in 1991 and subsequently started their reforms in 1992. Poland and Hungary inherited from the previous centrally planned economy substantial amounts of foreign loans which built up into general government debt. In the case of Poland public debt amounted to 80% of GDP at the beginning of the transition period and, more importantly, it was predominantly foreign

* National Bank of Poland (International Department). The opinions expressed here are the author's opinions and do not necessarily represent opinions of the NBP.

debt. Unlike these two countries, the former Czechoslovakia enjoyed a balanced budget. Its starting position in 1991 was far better than that of Poland and Hungary. Romania had contracted debts prior to 1989, but was the only country which had managed to repay them. However, the repayment took place at the expense of the soundness of the domestic economy (Ceausescu regime). After the end of the dictatorship, Romania started again to contract debt, but public debt did not reach high levels. The second group instead (Estonia, Latvia and Lithuania) initiated their transition processes without inheriting residuals of the Soviet debt (hence their gross debt was at a relatively low level before the current crisis emerged).

Prior to the crisis the overall soundness of Central and Eastern Europe was far from being good. And it was attributed to its rather poor external position (large current account deficit). The only viable position which could mitigate the threat of an eventual collapse was to have a sound fiscal stance (in the best possible scenario it would be necessary to run a fiscal surplus that would possibly restrict the deficit on the current account).

There is nothing bad in running current account deficits. It implies that a given economy relies on foreign credits. It is all about how these credits are being used – either on investment or on consumption. Unfortunately, in many CEE countries the latter was the case. The exacerbated real appreciation of the currencies in the region, particularly in countries which adopted currency boards or pegs, fuelled the increase of current account deficits. The credit expansion in a number of the countries in the region exposed them further to the financial turmoil.

The external imbalances which built up over the past several years in Bulgaria, Romania and the Baltic States along with credit expansion made these countries particularly vulnerable to the crisis. Their current account deficits were well above 10% of GDP in 2008. Apart from Romania (which nevertheless had to take recourse to IMF assistance) all these countries have pegged their currencies to the euro and seem determined not to resign from this move. But the similarities end here. While Bulgaria and Estonia entered the crisis with budget surpluses, Latvia and Lithuania were running modest deficits. Especially in the years preceding the crisis, pro-cyclical fiscal policy coupled with rising government spending in Latvia, and to a lesser extent in Lithuania, additionally contributed to overheating their economies.

In Estonia the recovery to come is expected to be slow and flat and the debt-to-GDP ratio is assumed to nearly triple by 2011 with respect to its level in 2008, although it will be relatively low (13.2% of GDP in 2011) in comparison with the remaining two Baltic States and significantly lower than in other CEE countries. Still, the situation in Estonia and Bulgaria remains fragile as they afforded the luxury of increasing external debt.

Latvia's and Lithuania's debt ratios are projected to increase by more than 200% in four years and reach 60.4% and 49.3% of GDP respectively in 2011, despite restrictive fiscal policy being implemented. Latvia, just as Hungary and Romania, had to ask for balance-of-payments assistance from the IMF, which left them no other choice than to consolidate.

Hungary has been under excessive deficit procedure from 2004 and since then it continues to cope with problems in its public finance sphere. In 2006 the government adopted a fiscal stimulus programme which resulted in the general government deficit widening to 9.3% of GDP, but the GDP did not rebound sizeably. The current downturn forced the government to focus on consolidation but the debt ratio is predicted to decrease only from 2010 onwards, amounting to approximately 79% of GDP in 2011. In Romania substantial effort is directed to freezing the wage bill, freezing in pensions and additional reductions in goods and services expenditures. Romania's debt is likely to remain at a level close to 30% of GDP in 2011.

Other countries in the region, namely the Czech Republic, Poland, Slovenia and Slovakia, also recorded imbalances before the crisis, however, these were not as pronounced as in the case of the aforementioned countries. The Czech Republic, Slovakia and Slovenia suffered considerably from the global trade collapse: being small and open economies they were particularly exposed to the financial turmoil and to the subsequent slowdown. In the Czech Republic the government implemented two stimulus packages aimed at increasing domestic demand. The packages amounted to about 2% of GDP and consisted of cuts in social security contributions, investment in public infrastructure and support to business and employment. It is expected that government revenues will diminish whereas expenditures will grow, and the deficit is projected to increase sharply. In view of these projections, the Czech government decided to implement considerable consolidation measures this year to reduce the general government deficit to 5.5% of GDP in 2010. The government debt is forecast to soar by nearly half to 44% of GDP in 2011 with respect to its 2008 level. Similarly, Slovenia is committed to limiting the growth of current expenditures in 2010. It is estimated that, although the Slovenian government debt ratio will more than double between 2008 and 2011, it will remain below the 60% threshold, amounting to 47.2% of GDP in 2011. The level of Slovak debt in 2011 is likely to be very close to the Slovenian one. The government adopted fiscal stimuli to support selected sectors of the economy as well as disadvantaged groups and to promote employment opportunities by reallocating public resources in order to avoid increasing expenditure.

Poland is one of the countries which are not constrained – for the time being – by the need to run a budget surplus. It is the only country in the European Union which registered positive GDP growth in 2009. A resilient banking sector, the relatively closed economy (exports amount to approximately 40% of GDP), depreciation of the currency and inflows from the EU budget were among the factors that helped the Polish economy to avoid recession. Nonetheless, the rather loose fiscal policy during the boom years exposed Poland's fiscal weaknesses once the crisis erupted. The very large budget deficit of almost 7% of GDP in 2009 translated immediately into higher debt. The gross debt ratio is expected to slightly exceed the level of 60% of GDP in 2011, an event which may pose a serious challenge for the government. It has to be remembered that in Poland safety limits have been self-imposed by constitutional provisions (60% ceiling for the debt-to-GDP ratio) and the Public Finance Act (additional safeguards for the debt-to-GDP ratio of 50%, 55% and 60%). Already the 55% threshold calls for adopting restrictive fiscal adjustments in the central as well as local government budgets, while surpassing the last threshold requires preparing a balanced budget for the subsequent year. Hence, the country now faces a serious dilemma: either it avoids surpassing the second safety reference value (55% of GDP) – and the level is likely to be breached already in 2010, or the prudential ceilings will be suspended. While the first would require the government to implement measures that would lower the debt-to-GDP ratio, thus – in a period of still sluggish growth – perhaps pushing the Polish economy into a long lasting recession, the latter solution could bring about serious consequences for the country's credibility, cause a massive outflow of foreign capital from the Polish market and lead to difficulties in financing and rolling over foreign debt.

Summarizing, in terms of gross debt, the Central and Eastern European countries entered the crisis in a relatively better position than other EU members, although their room to manoeuvre for public interventions was in most cases limited. The lavish public spending that occurred in most of the euro area countries was unlikely to be transferred to the CEE region in fear of undermining investors' confidence (as foreign investors are very sensitive to deficit and government debt increases in emerging markets) or was even impossible to apply in a few cases due to large imbalances on the current accounts created before the crisis. Thus, the CEE countries were the first to embark on consolidation measures, while in the majority of advanced economies strategies for phasing out discretionary fiscal support are still unclear even though these countries' deficits and debts are soaring.

Furthermore, the pattern of consumption financed with foreign credits that was followed by many CEE countries made it next to impossible for governments to adapt fiscal policy to the worsening macroeconomic conditions. The countries which formerly experienced the fastest rates of growth were hit the most by the global crisis, with Latvia, which had to ask for IMF support, probably the most extreme case. The question therefore arises whether governments should either focus on economic growth itself or undertake efforts to ensure the implementation of a sustainable internal equilibrium (at a time when external equilibrium is impossible to attain as long as they run trade deficits). The answer to this question lies in more balanced growth: one that is fuelled not only by consumption but by investment and the export sectors as well. It may not be easy, still it seems to be the only feasible solution.

Despite some unfavourable developments the sustainability of the public debt in the CEE countries should not be a great problem. After all, Hungary's public debt – the highest in the entire region and amounting to nearly 80% of GDP – is still less than two thirds of the Greek debt. Although Greece has been punished by seeing its rating being downgraded (to BBB+), there are many other euro area countries with higher debt as compared to the one in Hungary.

The financing of the debt thus seems to be ensured. The current levels (in spite of the recent increases) appear to be manageable. However, it is all about the so-called implicit mechanisms which inhibit further fiscal action. Firstly, there are monetary frameworks in place which constrain fiscal expansion, as the latter may derail the former. Secondly, there are constraints set by the Maastricht Treaty. The most radical example is the case of Poland, where tough measures are envisaged aiming to deter the government from surpassing a debt-to-GDP ratio of 55% and extremely restrictive ones if the level of 60% should be breached.

In conclusion, the inability to stimulate the economy by the monetary authorities in the CEE countries may impede the growth potential in this region, which subsequently might further hamper the fiscal stance.

China's quest for oil abroad: between state and market*

BY WALTRAUT URBAN

Until the year 1992, China's rising demand for oil was fully covered by domestic production. But thereafter domestic supply could not keep pace with demand growth, and the balance had to be imported. Imports accelerated especially after 2002. In 2009, oil imports amounted to 204 mt (million tons) and their share in oil consumption reached more than 50% (see Figure 1). As China's demand for oil will continue to rise, driven by economic growth and urbanization, while domestic production has more or less reached its limit, imports will increase further and the oil import dependence ratio is forecast to reach about 70% in 2020 and may be as high as 80% in 2030 (IEA, 2009)[1]. Thus, the economy is set to become quite vulnerable, both to oil price shocks and physical disruptions, and securing oil supply from abroad is a top issue for China's oil companies and the government alike. At the same time, China's share in global oil trade will rise from currently 10% to 24% in 2030, exceeding the USA (19.2%) and the EU (19.3%) in that year and becoming the largest oil importer of the world.[2] Given China's rising weight in the international oil markets, its foreign oil policy is not only its own affair but is of global significance as well.

Oil supply – a primary policy issue

Basically, oil supply in China is handled by the big national oil companies (NOCs). The three biggest are the China National Petroleum Corporation (CNPC) with its flagship affiliate PetroChina, the China Petroleum and Chemical Corporation (Sinopec) and the China National Offshore Oil Corporation (CNOOC). However, when in 1993 oil demand exceeded domestic supply for the first time, then-Premier Li Peng designated as the primary goal of the country's energy strategy 'to secure the long-term stable supply of oil to China'. To reach this goal, the decision was made to establish oil bases abroad by Chinese investment and participation in the exploration, development and construction of oilfields and pipelines. This policy was also in the interest of the NOCs which thereby could broaden their capital basis and gain experience and power.

In 2001, after the September 11 terrorist attack on the World Trade Center and the beginning of the second Iraq war, the Middle East, China's most important source for oil, was suddenly perceived as less secure. At the same time, domestic demand for energy accelerated dramatically. In the light of this development, the 'China National Energy Strategy and Policy' (NESP; DRC, 2004) was published, which recommended the following:

- China should look actively for foreign resources;
- China should diversify the sources of its oil imports;
- Chinese National Oil companies should become strong and powerful international players, including both upstream and downstream activities.

Acquisitions of the NOCs abroad were also supported by the so-called 'go abroad' policy. This policy, proclaimed by the government in 2002, is politically and financially supporting foreign direct investment of Chinese enterprises abroad.

In 2007, when world oil prices skyrocketed, energy security came to the fore again and, in addition to the points already raised, a new White Paper on energy policy criticized the current heavy reliance of the NOCs on spot trading and encouraged the signing of long-term contracts instead.

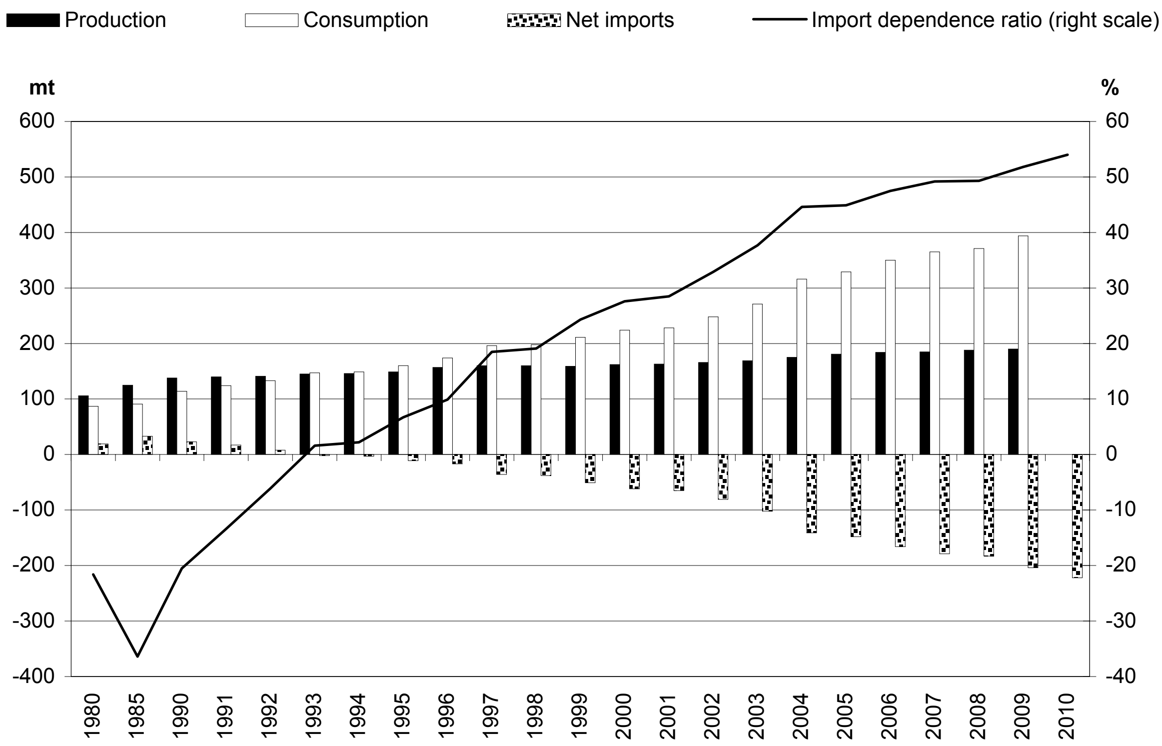
* This article is based on the findings of a broader study in the framework of FIW (Research Centre International Economics) by E. Christie (ed.), J. Francois, W. Urban and F. Wirl (2009). See also Urban (2010).

1 Chinese forecasts for 2020 are similar; estimates for 2050 arrive at an import dependence ratio of 83%.

2 IEA (2009), Table 2.2.

Figure 1

China's oil production, consumption and net imports, 1980-2010



Note: Import dependence ratio: net oil imports in per cent of oil consumption.

Source: China Statistical Yearbooks, 2010 estimate.

Strong firms, weak institutions

The NOCs are not only a subject of government strategies and supported by politics, but they have considerable influence on energy policy themselves. Their power has its roots in China's transformation from a centrally planned to a 'socialist market economy' which entailed transforming ministerial structures into corporations. In the course of this process, CNPC and Sinopec, despite becoming fully commercial enterprises, retained a kind of ministry-level status. CNOOC has the political status of a general bureau. As a result, China's NOCs enjoy easy access to the top-tier of the government and can deploy significant influence on energy policy formulation. Oil companies also take advantage of the revolving door between business and politics and the deep-rootedness of their executives in the Communist Party of China (CPC).[3] The power of the NOCs is further enhanced by the fact that the responsibility for energy policy in China has been scattered among a variety of bureaus and departments. Consequently, many China analysts characterize China's energy sector as one of 'strong firms and weak institutions'. Also, the fact that the NOCs all have subsidiaries which are listed on international stock exchanges provides them with some protection against state intervention. Downs (2007) identifies examples of the NOCs pursuing 'corporate objectives that do not always coincide with national policy priorities'. In particular, she highlights the case of competitive bidding between CNPC and Sinopec for pipeline projects in Sudan and Libya, while the government would prefer them to avoid direct competition abroad. Also, when it comes to choosing where to invest, the companies are almost always in the driver's seat. For example, Sudan's omission from the

[3] Thus, e.g., Zeng Qinghong, a member of the Politburo Standing Committee and China's Vice President 2003-2008, previously worked for CNOOC; Jiang Jiemin, currently CNPC President and Chairman of PetroChina, was previously deputy governor of Qinghai Province and is an alternate member of the CPC Central Committee since 2007.

government's catalogue of countries that Chinese companies are encouraged to invest in, has not prevented CNPC from continuing to invest there.

Different modes of acquiring oil on international markets

On the global oil market, seller and buyer can operate according to various modes: on the spot market, with long-term contracts, and by upstream investments with ownership rights (equity oil). Because of China's rapidly growing import needs, the NOCs have to buy a large portion of oil on the spot market, where state interference is not feasible. But acquisition by means of long-term supply contracts and equity oil, leaving ample room for government influence, are on the rise.

State support for long-term supply contracts

Nearly three quarters of the world's oil reserves are in the hands of state-owned or state-dominated companies (e.g. Saudi Aramco, Brazil's Petrobras), with an increasing tendency. As a result, the negotiations of China's oil companies are often backed by high-level government-to-government negotiations and are taking advantage of good overall political relations and/or 'package deals' (discussed in more detail below). A good example is China's long-term supply contract with Russia, which was finalized in April 2009 after 15 years of top-level negotiations, including a USD 25 billion concessional loan for Russia's state-owned oil companies. Another case is the ten-year contract concluded between Petrobras and Sinopec in February 2009, accompanied by a USD 10 billion loan from the China Developement Bank. In general, China–Brazil relations have substantially improved after President Lula da Silva took office in 2003.

State support for equity oil and 'package deals'

Acquisition of equity oil is an efficient means to secure oil supply and to hedge against price increases. Moreover, it is a way for the Chinese NOCs to catch up with big established international oil companies such as Exxon, BP etc. Accordingly, the Chinese government deploys both financial and political forms of support for the acquisition of equity oil.

Financial support is provided to the NOCs in the form of preferential access to below-market rate loans from so-called (state-owned) 'policy banks'.[4] This gives Chinese enterprises a certain competitive advantage over other potential investors, as investment projects in the oil sector typically require large and long-term financial commitments and are characterized by enormous uncertainty in profitability. The companies are further supported by Sinosure, China's official export credit insurance, which can also insure China's overseas investments and can guarantee both shares and loans.

Political support involves high-level government-to-government negotiations, often leading to 'package deals', in particular 'oil for loan' and 'oil for infrastructure'. In such cases, Chinese upstream investment is openly or implicitly linked to the provision of infrastructure by Chinese construction firms and/or concessional loans from China's 'policy banks' to the host country. Obviously such arrangements are particularly attractive for countries with rich natural resources but inadequate infrastructure and/or weak financial means. From the Chinese point of view, these comprehensive deals serve the interests of the NOCs which are keen on both upstream and downstream operations, and may also provide good opportunities for the Chinese construction industry. Finally, closer political ties may be created, which could turn out to be beneficial for other purposes as well. Depending on the level of economic development and the policy in the host country, package deals take slightly different forms in the individual countries and regions of the world. They are typically more comprehensive in Africa than in Latin America and have a stronger focus on securing oil transport (pipelines) in Central Asia and Russia.

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[4] Three such 'policy banks' exist in China: China Development Bank, Export-Import Bank of China (China's Eximbank) and Agricultural Development Bank of China. Financial support of the government's policy is their major task.

Examples of China's 'de facto' oil policy across the world

Package deals in Africa

The most prominent examples of successful 'package deals' in Africa are Angola and Sudan, although in Chad, the Republic of Congo and Niger these deals worked very well, too. However, they failed completely in Nigeria. Between 1998 and 2008, the share of Africa in China's total oil imports increased dramatically from 6% to 30% (Figure 2).

In *Angola*, generous loans from the China Construction Bank and the China Eximbank for rebuilding the shattered infrastructure after the civil war coming to an end in 2002, paved the way for the acquisition of major stakes in the country's oil industry by Chinese companies and allegedly gave them a comparative advantage over other competitors such as ONGC-Videsh from India. Further on, the contracts tied to the loan had to be allocated primarily to Chinese firms and most of the building materials and machinery should be sourced from China. Only about 30% of the contracts were awarded to Angolan companies. In 2008, experts put the loans from China at USD 5 to 8 billion and Angola ranked second as a source for China's oil imports (Table 1).

Chinese oil companies first entered *Sudan* in 1996 and by now have become the country's main oil producer and exporters. China stepped in after Western oil companies left the country because of the ongoing civil war and reported human right abuses. Apart from large upstream investments in Sudan's oil industry, Chinese companies participated significantly in the building of various pipelines, oil terminals and a refinery north of Khartoum. Further on, the Chinese were building power stations, financed by Chinese loans, and have been supporting industrial projects and medical facilities. But, only part of the oil extracted in Sudan is shipped to China (Shichor, 2008).

Frustrated by the failure of politically motivated package deals in *Nigeria*, the Chinese companies turned to the market instead. In 2005, Sinopec acquired part of an oil block offshore Nigeria from ERHC, a private Houston-based oil and gas company, and in January 2006, CNOOC bought shares in two other blocks in Nigerian oil fields from indigenous private companies, with significant support from China's Eximbank and guaranteed by Sinosure.

Table 1

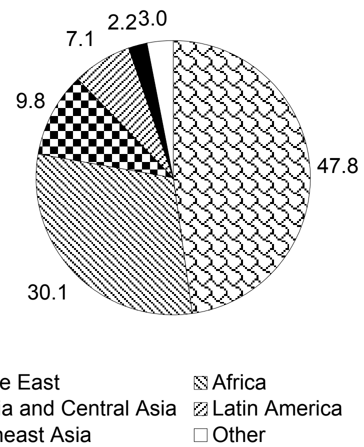
Main sources of China's oil import, 2008

Rank		1000 t	In %
	World	*178885*	
1	Saudi Arabia	36368	20.3
2	Angola	29894	16.7
3	Iran	21322	11.9
4	Oman	14582	8.2
5	Russian Fed.	11638	6.5
6	Sudan	10500	5.9
7	Venezuela	6463	3.6
8	Kuwait	5896	3.3
9	Kazakhstan	5671	3.2
10	Unit. Arab Emir.	4579	2.6
11	Congo, Rep.	4373	2.4
12	Libya	3189	1.8
13	Brazil	3022	1.7
14	Equ.Guinea	2709	1.5
15	Iraq	1860	1.0
16	Indonesia	1392	1.0
17	Colombia	1141	0.6
18	Ecuador	1048	0.6
19	Algeria	898	0.5
20	Australia	897	0.5

Figure 2

Major regions of China's oil import, 2008

in %



Source: UN Comtrade

Fresh opportunities in Latin America

Oil relations between China and Latin America are not very advanced, but fresh opportunities have surfaced recently with the discovery of more reserves in the region and the election of various left-leaning leaders. Generally, 'oil for loan' packages seem to be more attractive than 'oil for infrastructure' packages for Latin America, and if infrastructure projects are included, the projects are typically oil-related. Altogether, oil imports from Latin America have increase over-proportionately in the last couple of years and reached 7% of China's total imports in 2008 (Figure 2).

Brazil is a good example. In 2004, one year after President Lula da Silva took office, China's President Hu Jintao signed a USD 10 billion deal with Brazil for investments in its energy and transport infrastructure and in 2009, a ten-year oil supply contract combined with a loan, mentioned earlier already, was concluded. The deal did not give Chinese companies stakes in Brazilian oil fields, but stated that concessions for Chinese oil companies to produce oil in Brazil and oil-field-service contracts could be discussed in the future.

Oil relations with *Venezuela* are largely driven by President Chavez's fierce attempts to reduce his country's dependence on the US market and hopes to supply 15-20% of China's oil import needs in the future. As part of this strategy, the Venezuelan government has allowed China's NOCs to operate 15 mature oil fields, to explore, develop and manage several other oil fields and to build refineries. In December 2009, CNOOC in a first step signed an agreement to develop an oil block in the Orinoco belt. CNPC, too, moved forward by securing access to another oil block in the Orinoco region. China's oil imports from Venezuela surged from 9000 b/d in 2003 to 134,000 b/d in 2008, ranking 7th and covering 3.6% of total Chinese imports (Table 1). In 2009 an agreement was signed, calling for Venezuela's state oil company, Petroleros de Venezuela SA (PDVSA), to sell CNOOC between 80,000 and 200,000 b/d to pay off a debt between development banks in both nations.

In *Peru,* CNPC operates five oilfields, accounting for about 33% of the country's total oil output. Chinese companies are also very active in *Ecuador.* In *Bolivia,* fresh opportunities may come up in the future after the nationalization of its oil sector was completed and an ambitious investment programme was announced in 2009. Evo Morales considers China a 'political, ideological and programmatic ally of the Bolivian people' and had invited China already in 2006 'to help with his country's oil and gas industry after it has carried out plans to nationalize its reserves' (Newsmax.com, 2006).

Hot spot Middle East

From the very beginning, the Middle East has been the most important source for China's oil imports. And, given the fact that almost two thirds of the world's proven oil reserves are located there, it will remain so in the future. However, over the past ten years China has significantly diversified its imports and the share of the Middle East in total imports fell from 61% in 1998 to 48% in 2008 (Figure 2). Saudi Arabia is the biggest supplier of oil to China, and Iran ranks third (Table 1).

Energy cooperation between China and *Saudi Arabia* started in 1998 with a supply contract for 10 mt of Saudi oil annually during a 50-year period and the agreement to build a Sino-Saudi oil refinery in China. After 2003, more joint projects in China's downstream sector followed. Saudi Arabia's upstream oil sector, which was developed with American technology, has not yet been opened up to foreigners.

Oil trade with *Iran* accelerated sharply during the 1990s and kept pace with the rising Chinese oil demand thereafter, supplemented by cooperation in oil exploration and various downstream operations. China also built power plants and cement factories in Iran, and arms sales played a significant role in the bilateral relations as well. In 2007, Sinopec signed a contract with Iran to jointly develop the Yadawaran oilfield estimated to contain 3 billion barrels – neglecting the US embargo against Iran.

Iraq has been a minor oil supplier in the past, not least due to the Iraq war and its aftermath. But with its large reserves, the country has recently become a primary target of China's oil policy. In 2008, an old contract concluded between Saddam Hussein and China in 1997 which included production sharing rights, was revived but transformed into a 20-year service contract. In this context, China agreed to cancel a large portion of Iraqi debt to China. The contract also requires China to build a major power station in the area. In June 2009, CNPC (37%) – joining hands with BP (38%) – won the bid to develop the Rumaila oilfield, the biggest in Iraq. In the second bidding in December 2009, a consortium led by CNPC won a deal to develop Iraq's giant Halfaya oilfield (CNPC has 50%, Total of France 25%, Malaysia's Petronas 25%). In 2010 Iraq plans to double its crude oil exports to China to more than 300,000 barrels a day, that is about 14% of Iraq's total crude oil exports envisaged in 2010.

Russia and Central Asia – focus on oil transport

The region is neighbouring China and is the only one from which oil needs not be shipped but can be transported overland which gives it special importance from the viewpoint of diversification of transport routes. But, for historical reasons, until recently all existing pipelines for oil as well as for gas ran westwards towards Europe. China's most important policy is therefore the building of transport routes from the region to China. A second issue is to secure that the pipelines can be filled appropriately by the conclusion of long-term supply contracts and by investment in the region's oil bases. In 2008, the region's share in China's total oil imports reached 9.8% (Figure 2).

After 15 years of high-level negotiations, in April 2009 China reached an agreement with Russia to build an oil pipeline between the two countries, in combination with a long-term contract to deliver 15 million tons annually, starting in 2011. As part of the deal, China will supply a USD 25 billion loan (20 years) to Russia's state-run energy companies – at a preferential interest rate of 6%. The Russian section of the pipeline (67 km) will be built by Russia, the Chinese section (965 km) by China. The pipeline should be operational by the end of 2010 and will be jointly operated by China (PetroChina) and the Russian pipeline monopoly Transneft.

In *Kazakhstan*, in 1997 already, China's then-premier minister Li Peng lobbied hard to win a major share in two large oilfields and a contract to build a pipeline to China. In 2004, CNPC and KazMunaiGaz, the Kazakh state energy company, agreed to build a 1200 km cross-border pipeline. The first oil shipments reached China in July 2006. In 2009, the pipeline was further extended to the Caspian Sea. Moreover, in 2005, CNPC acquired PetroKazakhstan, a Canada-based oil company operating in Kazakhstan, for USD 4.2 billion, which is going to fill a substantial part of its oil production into the new pipeline. Finally, in November 2009, Mangistau Investments, a joint venture owned equally by CNPC and KazMunayGas, acquired Mangistaumunaigas, one of Kazakhstan's largest private oil and gas exploration companies. The acquisition was principally financed by a loan to Mangistau from China's Eximbank.

Myanmar: avoiding the Straits of Malacca

One of the weakest points in China's oil security is the fact that all oil shipments from the Middle East, the most important source of oil for China, have to cross the narrow Straits of Malacca between Singapore and Malaysia, which could easily get blocked by natural disaster, terrorist attacks or naval blockades. In order to reduce the potential damage from such incidents, the Chinese government agreed in March 2009 with the Myanmar government to construct both an oil and a gas pipeline linking the two countries. The two pipelines will run in parallel. The 1100 km oil pipeline will start on the west coast of Myanmar and end in Kunming, Yunnan province of China. CNPC will hold 50.9% and manage the project; Myanmar Oil & Gas Enterprise will own the remainder. The pipeline is expected to transfer 20 mt annually of crude oil from the Middle East and Africa, avoiding the Straits of Malacca.

Large acquisitions in the face of the crisis

During the current global financial crisis, China's quest for oil abroad has accelerated. With USD 2.9 trillion in foreign financial assets (2 trillion of which are official forex reserves), China has ample cash at hand. Suffering from the weak US dollar and with low interests worldwide, there is a strong motivation for the Chinese government as well as Chinese enterprises to offload exchange holdings in favour of 'real sector' investments. A prominent example of recent large acquisitions in the oil sector is Sinopec's acquisition of Addax for USD 7.2 billion in August 2009. Addax is listed in Calgary (Canada) but has its headquarters in Geneva and is a small but significant oil producer in West Africa and in the Kurdish part of Iraq. In the same month, PetroChina agreed to pay USD 1.7 billion for a majority stake in two Canadian tar-sand projects. In November 2009 CNOOC bought two small stakes in oil assets in the Gulf of Mexico from Norway's Statoil, marking the first entry into oil reserves in the gulf.

Beyond that, several large projects are in the pipeline. According to Chinese media, CNPC and CNOOC made a joint bid for the acquisition of YPF, the Argentine unit of Spanish based energy giant Repsol, worth USD 22.6 billion, which would be the largest-ever overseas acquisition by a Chinese company. However, none of the companies has confirmed the rumour so far. In September 2009, *The Financial Times* reported that CNOOC had started negotiations with the Nigerian government on acquiring a 49% stake in 23 prime blocks. The offer's value is not disclosed; some details suggest a figure of about USD 30 billion, while some oil sector executives said the total was USD 50 billion. Finally, in October 2009, certain reports indicated that CNOOC was in talks with the Ugandan government about investing with London-listed Tullow Oil to develop the Lake Albert fields in western Uganda.

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Regional development in Bulgaria

BY VESTA POPOVA, HORST SLADEK*
AND ROMAN RÖMISCH

Introduction

Bulgaria is located in the south-eastern part of the Balkan Peninsula, at the crossroads of major routes reaching from Europe to Asia. Approximately one tenth of Bulgaria's population is of Turkish origin, while the Roma minority accounts for some 3%. About 85% of the population are Orthodox Christians, 13% are Muslims.

Map 1

Bulgaria's NUTS regions

Own graph based on:
http://ec.europa.eu/eurostat/ramon/nuts/pngmaps/bg2.png.

With a population of approximately 7.7 million, Bulgaria is one of the smaller countries in Europe, with 1.4 million inhabiting the capital Sofia. About 1.8 million people live in other urban areas (cities above 100 thousand people). Administratively, Bulgaria consists of 28 regions (*oblasti*), which are divided into 262 *obshitini*, the smallest administrative units of the country.

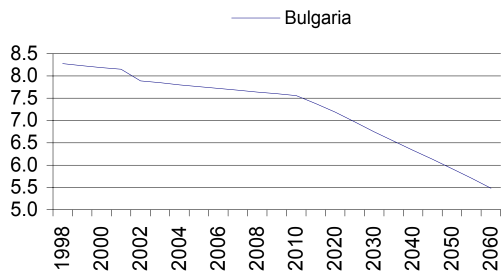
Bulgaria is divided into six planning regions: Severozapaden (North-West), Severen tsentralen (North-Central), Severoiztochen (North-East), Yugoiztochen (South-East), Yugozapaden (South-West) and Yuzhen tsentralen (East-Central).

Population and population density

The political instability and economic crisis after 1989 resulted in a dramatic decrease in fertility and consequently a shrinkage of the Bulgarian population. In 1997 the fertility rate of Bulgarian women reached its lowest level of 1.09.

Figure 1

Bulgaria: population and population projections, 1998 to 2060



Source: Eurostat, own calculations.

Overall, Bulgaria's population has been steadily decreasing, and is forecast to fall to 5.48 million by 2060.

The population decrease varies across the regions. A sharper decline is found in the Northern and Eastern regions of Bulgaria (Severozapaden, Severen tsentralen, Severoiztochen, Yuzen-tsentralen). Here the population fell by an average 1.1% per year, while in the Southern and Western regions, including the capital city region, the population decreased by 0.5% on average per year. When comparing the annual average population growth rates for the periods 1995-2000 and 2000-2006 (Table 1), a faster decline in population over time becomes evident for most regions.

In terms of population distribution across regions, the South-Western (Yugozapaden) region, which includes Bulgaria's capital Sofia with its 2.1 million inhabitants (2006), accounts for approximately 28%

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Table 1

Bulgaria: population 1995-2006

Region		Total Population in thousand 1995	2000	2006	Population growth % p.a. 1995-2000	2000-2006	1995-2006	Share of population in % of total country 1995	2000	2006
bg	**Bulgaria**	**8406**	**8170**	**7699**	**-0.6**	**-1.0**	**-0.8**	**100.0**	**100.0**	**100.0**
bg3	***North-East***	***4521***	***4347***	***4024***	**-0.8**	**-1.3**	**-1.1**	**53.8**	**53.2**	**52.3**
bg31	Severozapaden	1138	1074	951	-1.1	-2.0	-1.6	13.5	13.1	12.3
bg32	Severen tsentralen	1087	1044	945	-0.8	-1.6	-1.3	12.9	12.8	12.3
bg33	Severoiztochen	1054	1022	995	-0.6	-0.4	-0.5	12.5	12.5	12.9
bg34	Yugoiztochen	1242	1207	1132	-0.6	-1.1	-0.8	14.8	14.8	14.7
bg4	***South-West***	***3885***	***3824***	***3675***	***-0.3***	***-0.7***	***-0.5***	***46.2***	***46.8***	***47.7***
bg41	Yugozapaden	2162	2143	2118	-0.2	-0.2	-0.2	25.7	26.2	27.5
bg42	Yuzhen tsentralen	1722	1681	1558	-0.5	-1.3	-0.9	20.5	20.6	20.2

Source: Eurostat, own calculations.

of Bulgaria's population. Roughly 1.6 million live in the Yuzhen tsentralen region and 1.1 million in the Yugoiztochen region. The remaining three regions have a population of 0.95 to 1 million each. The less sharp decrease in the Southern and Eastern regions, and particularly in the capital city, can be mainly explained by the high level of economic activity in that region.

Table 2

Bulgaria: population density

Region		Population density 1995	2000	2006
bg	Bulgaria	**74.7**	**73.6**	**69.4**
bg3	***North-East***	***65.5***	***63.6***	***58.9***
bg31	Severozapaden	59.6	56.3	49.9
bg32	Severen tsentralen	72.7	69.8	63.1
bg33	Severoiztochen	72.7	70.6	68.7
bg34	Yugoiztochen	60.7	60.9	57.2
bg4	***South-West***	***89.2***	***89.7***	***86.1***
bg41	Yugozapaden	102.9	105.6	104.3
bg42	Yuzhen tsentralen	76.4	75.2	69.6

Source: Eurostat, own calculations.

Because of the decrease in population due to the demographic indicators as well as high emigration, Bulgaria's population density has experienced a negative trend. The population density fell from a total of 75 persons per square kilometre in 1995 to 69 in 2006 on average, with some variation between the individual regions. For comparison, the EU-27 population density equalled 114 persons per square kilometre in 2005.

The bumpy transition

The transition to a market-oriented economy was a challenge: Extremely high external borrowing in the second half of the 1980s made the transition to a market economy particularly difficult.

Moreover, with the fall of Communism Bulgaria lost its main export markets in the Comecon. The disintegration of Yugoslavia, and the sanctions against Iraq and Serbia further hurt the Bulgarian economy.

In 1990-1997 the government was hesitant to give up ownership and administrative control over the banking sector and key industrial and commercial enterprises and conducted otherwise inconsistent macroeconomic policies. This resulted in a collapse of the economy in 1996. Due to a banking and foreign exchange crisis, the fiscal deficit turned into hyperinflation. The GDP hit rock bottom in 1996 and 1997: real GDP fell by over 17% cumulatively.

In 1997 an agreement was signed with the International Monetary Fund and the World Bank, which pegged the Bulgarian lev to the German mark, stabilized the country's currency, reduced inflation and introduced some consistency into the macroeconomic and structural policies. In 1997 privatization began, also in commercial banking.

Simeon II, Bulgaria's former king and prime minister in the years 2001 to 2005, pressed ahead

Table 3

Bulgaria: GDP at PPS, 1995, 2000, 2006

		GDP per capita at PPS in % of EU27 average			GDP EUR million at PPS share in total country GDP			GDP per capita at PPS in % of country average		
Region		**1995**	**2000**	**2006**	**1995**	**2000**	**2006**	**1995**	**2000**	**2006**
bg	**Bulgaria**	**32.0**	**27.7**	**36.4**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
bg31	Severozapaden	28.6	25.7	25.4	12.1	12.0	8.6	89.4	92.5	69.8
bg32	Severen tsentralen	28.6	23.6	27.1	11.5	10.7	9.0	89.4	84.9	74.4
bg33	Severoiztochen	33.3	26.2	31.8	13.2	11.9	11.3	104.3	94.3	87.2
bg34	Yugoiztochen	31.3	29.3	31.4	14.4	15.5	12.7	97.9	105.7	86.0
bg41	Yugozapaden	38.8	36.1	57.2	31.4	34.3	43.0	121.3	130.2	157.0
bg42	Yuzhen tsentralen	27.2	20.9	28.0	17.4	15.5	15.4	85.1	75.5	76.7

Source: Eurostat, own calculations.

with changes designed to meet the conditions for EU entry. The reforms and assistance of the EU helped Bulgaria to overcome its economic difficulties and initiated recovery (see Table 3).

Economic structure of the regions

In all regions except the capital city (Yugozapaden) and the Severoiztochen regions, industry plays an important role in the economy and is much more prominent than in the EU-27 on average. In 2007, industry contributed about 25-31% to total employment; in the Yugozapaden and Severoiztochen regions this share (21%) was slightly lower, but still above the EU-27 average.

Thus, while Bulgaria and its regions are more industrialized than the EU on average, they show at the same time signs of a certain underdevelopment in market services, particularly with respect to financial and business services. Except for the capital city region, the share of this sector in total employment (about 3-5%) was much lower than the respective EU average share (12.6%) in 2007.

Agriculture accounts for a relatively high share of employment: In comparison to the EU-27 average of 5.6%, agriculture contributes nearly twice as much to total employment in some regions such as Severentsentralen and Severoiztochen.

Analysing the changes in the structure of economic activity from 2003 to 2007 reveals a quite typical pattern for the CEE countries (but not only for them). The shares of agriculture and industry are declining; however, the decrease of the latter is less pronounced (and in the Severentsentralen region the share of industry has even increased). Market services – in contrast to public services – tend to become more important in the structure. Yet in Bulgaria and its regions it was mainly the construction sector that increased quite substantially.

Availability of skills

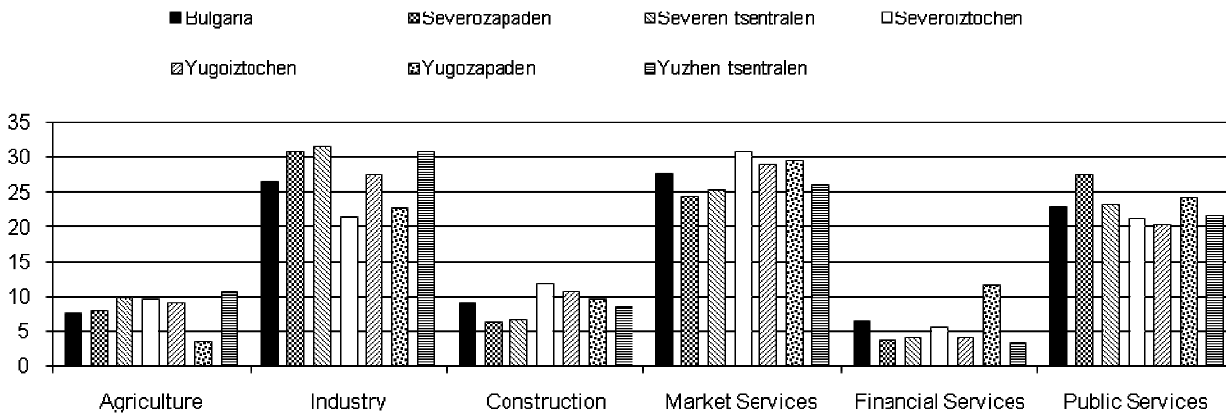
Comparing data on skilled labour in Bulgaria of the years 2000 and 2008 shows a significant tendency towards skill upgrading (see Table 4).

Nevertheless, Bulgaria has one of the lowest enrolment rates in tertiary education. However, the figures illustrate successes in the past eight years concerning primary and secondary education. Bulgaria has been able to sharply reduce the share of low-educated in the total population, by 6 percentage points. The share of the medium-skilled could be raised to 5 percentage points and that of those with completed tertiary education by 1 percentage point.

In level terms, Bulgaria has a slightly better educational structure than the EU-27 on average: the share of low-educated tends to be lower and the share of the medium-educated higher than in the EU. The share of those with tertiary education is at about the EU average. Still, there are

Figure 2

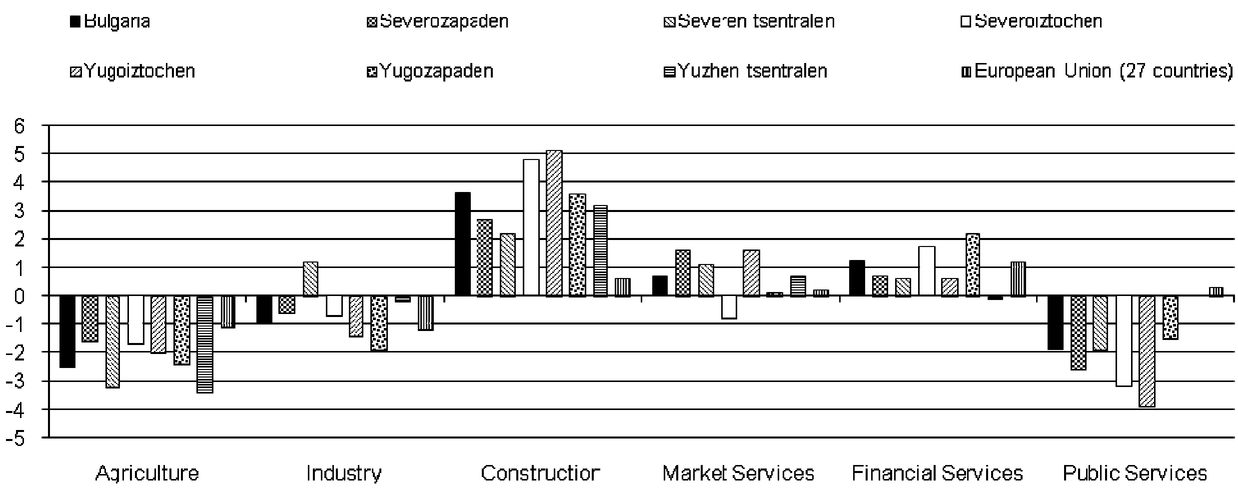
Employment shares by sector, NUTS 2, 2007 (per cent)



Source: Eurostat, own calculations.

Figure 3

Change in sectoral employment shares, 2003 to 2007 (in percentage points)



Source: Eurostat, own calculations.

Table 4

Population (aged 25-64 years) by education, shares in total population in %

		Completed education			Completed education			Completed education		
		Primary	Secondary	Tertiary	Primary	Secondary	Tertiary	Primary	Secondary	Tertiary
		1999			2008			Difference 1999-2008		
bg	**Bulgaria**	**28.8**	**49.9**	**21.3**	**22.5**	**54.8**	**22.8**	**-6.4**	**4.9**	**1.4**
bg31	Severozapaden	27.3	53.8	18.8	19.6	63.0	17.4	-7.7	9.1	-1.4
bg32	Severotsentralen	32.8	48.4	18.9	24.8	55.0	20.2	-7.9	6.6	1.3
bg33	Severoiztochen	32.8	48.7	18.5	28.5	50.9	20.5	-4.2	2.2	2.0
bg34	Yugoiztochen	32.0	49.5	18.5	29.2	53.5	17.3	-2.8	4.0	-1.2
bg41	Yugozapaden	18.1	51.8	30.1	12.3	54.1	33.6	-5.8	2.4	3.5
bg42	Yuzhen tsentralen	36.9	46.8	16.4	28.3	54.2	17.5	-8.6	7.5	1.1

Source: Eurostat, own calculations.

considerable regional variations, mainly between the capital city region and the other regions; in the former the share of low-educated tends to be about 7-17 percentage points lower, while the share of highly educated is 13-16 percentage points higher than elsewhere.

GDP, productivity and employment

In all of Bulgaria's NUTS 2 level regions, except the Severozapaden region, the GDP growth has been due to both rising labour productivity and rising employment. However, rising labour productivity has been by far more important in generating growth. Over the period 1995-2006 about 60-80% of the GDP growth is directly attributed to productivity growth. There are, however, significant differences over time. In the period 1995-2000 it was solely productivity that drove income growth, while employment was declining strongly throughout all Bulgarian regions, in some even by more than 3% per year. This situation changed considerably in the period 2000-2006, when the labour markets recovered and employment growth contributed on average even more to GDP growth than did productivity improvements. In the second period employment grew on average by 3.3% per year, while productivity rose by 2.9%. Compared to other CEE countries and regions, such a development is quite exceptional: usually employment tends to contribute to income growth but to a much lesser extent than it did in Bulgaria. One factor explaining the Bulgarian phenomenon seems to be the emergence of a large number of small and medium-sized and micro enterprises that generated substantial employment opportunities.

Employment and unemployment

Overall, the employment rate increased strongly, from 60% in 2003 to 71% in 2007. This trend was, with only small variation, observable in all regions. Still, despite the increases in employment rates, there are some differences in the level of employment: it tends to be higher (at about EU average levels) in the Southern and Western regions, particularly so in the capital city region. By contrast, employment rates in the Northern and Eastern regions are lower, by about 7 percentage points on average.

The unemployment rate (including the population 25 years and older) has dropped significantly in recent years: between 2003 and 2008 it fell by over 7 percentage points.

In more detail, the unemployment rate is lowest in the Yugozapaden region, a fact that can be explained by the immense number of job opportunities in the capital and the other major towns of the region. The highest share of the labour force in the country (about 30%) is employed in the Yugozapaden region. Compared with the other regions, most vacant job positions are filled quickly, and many re-training programmes are in place for those unemployed.

The highest unemployment rates can be found in the regions Severoiztochen and Severen tsentralen. In the latter region, for example, the low employment is a result of the low education level, as well as the lack of new job opportunities.

Conclusions

There are large differences in terms of regional development in Bulgaria. In particular the disproportionate development in the Yugozapaden region and its capital Sofia has been disproportionately developed. This region's higher growth of income and employment are the inevitable result of the 'favourable economic climate coupled with an abundant and well educated labour force'.

The remaining regions are lagging considerably behind the capital city region and, particularly in income terms, also behind the EU-27 average. While Bulgaria shows positive trends in economic development, it will still take several decades for its backward regions to catch up with comparable EU regions in higher-income member states.

Table 5

GDP, productivity and employment developments

Region		GDP growth (% p.a.) 1996-2000	GDP growth 2000-2006	GDP growth 1996-2006	Employment growth (% p.a.) 1996-2000	Employment growth 2000-2006	Employment growth 1996-2006	Productivity growth (% p.a.) 1996-2000	Productivity growth 2000-2006	Productivity growth 1996-2006
bg	**Bulgaria**	**1.4**	**5.5**	**3.8**	**-2.4**	**3.3**	**1.0**	**3.9**	**2.1**	**2.9**
bg31	Severozapaden	3.5	-0.3	1.2	-3.5	0.2	-1.3	7.2	-0.5	2.5
bg32	Severen tsentralen	1.5	2.5	2.1	-2.8	3.0	0.6	4.4	-0.5	1.4
bg33	Severoiztochen	1.8	4.5	3.4	-3.4	3.8	0.9	5.4	0.6	2.5
bg34	Yugoiztochen	3.3	2.0	2.5	-3.4	4.2	1.1	6.9	-2.1	1.4
bg41	Yugozapaden	1.0	9.5	6.0	-1.1	4.6	2.3	2.1	4.7	3.7
bg42	Yuzhen tsentralen	-1.1	5.3	2.7	-2.0	2.2	0.5	1.0	3.1	2.2

Source: Eurostat, own calculations.

Table 6

Employment and unemployment rates
(employment: population aged 25-64 years, unemployment: 25 years and older)

		Employment rate 2003	Employment rate 2007	Employment rate Difference 1999-2007	Unemployment rate 2003	Unemployment rate 2008	Unemployment rate Difference 1999-2007
bg	**Bulgaria**	**60.4**	**70.8**	**10.4**	**12.2**	**5.0**	**-7.2**
bg3	***North-East***	***57.2***	***67.1***	***9.9***	***14.3***	***6.5***	***-7.8***
bg31	Severozapaden	54.1	65.5	11.4	12.3	6.1	-6.2
bg32	Severen tsentralen	57.1	65.4	8.3	13.7	7.6	-6.1
bg33	Severoiztochen	56.7	68.6	11.9	18.6	7.7	-10.9
bg34	Yugoiztochen	60.4	68.6	8.2	12.7	4.9	-7.8
bg4	***South-West***	***64.1***	***74.7***	***10.6***	***9.9***	***3.4***	***-6.5***
bg41	Yugozapaden	67.0	77.8	10.8	10.1	2.6	-7.5
bg42	Yuzhen tsentralen	60.2	70.2	10.0	9.7	4.7	-5.0
eu27	European Union (27 countries)	68.7	71.7	3.0	7.8	5.9	-1.9

Source: Eurostat, own calculations.

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
PM	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 introduced the euro on 1 January 2007
EUR-SKK	Slovakia introduced the euro on 1 January 2009
HRK	Croatian kuna
HUF	Hungarian forint
PLN	Polish zloty
RON	Romanian leu
RUB	Russian rouble
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 2010

(updated end of Feb 2010)

		2008		2009												2010
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
LABOUR																
Employment, end of period	th. persons	.	974.1	.	.	972.9	.	.	972.8	.	.	971.5	.	.	.	.
Employment, end of period	CMPY	.	103.7	.	.	103.6	.	.	100.7	.	.	100.2	.	.	.	.
Unemployment, reg., end of period	th. persons	.	141.5	.	.	141.3	.	.	141.3	.	.	142.1	.	.	.	.
Unemployment rate, registered	%	.	12.7	.	.	12.7	.	.	12.7	.	.	12.8	.	.	.	.
PRICES																
Consumer	PM	-0.1	0.9	0.4	0.7	0.6	-0.1	-0.8	-0.6	-0.7	0.7	0.8	0.4	0.4	1.6	0.5
Consumer	CMPY	2.6	2.2	2.1	1.9	1.6	1.9	2.1	2.3	2.2	2.2	1.9	2.3	2.8	3.5	3.6
Consumer	CCPY	3.5	3.4	2.1	2.0	1.8	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.1	2.2	3.6
Producer, in industry	PM	0.0	0.0	-2.3	0.1	0.2	-0.3	0.0	-0.1	0.8	-0.2	0.2	-0.5	-0.5	-0.5	.
Producer, in industry	CMPY	4.2	4.2	-0.8	-1.4	-1.3	-2.1	-2.5	-3.1	-2.0	-1.9	-2.3	-1.8	-2.3	-2.7	.
Producer, in industry	CCPY	6.7	6.5	-0.8	-1.1	-1.2	-1.4	-1.6	-1.9	-1.9	-1.9	-1.9	-1.9	-1.9	-2.0	.
FOREIGN TRADE 1)2)																
Exports total (fob), cumulated	EUR mn	860	917	53	111	172	232	295	367	441	496	567	638	708	780	.
Imports total (cif), cumulated	EUR mn	3232	3582	222	482	739	998	1284	1552	1836	2093	2398	2672	2947	3263	.
Trade balance, cumulated	EUR mn	-2372	-2665	-169	-371	-566	-766	-989	-1186	-1395	-1598	-1831	-2034	-2239	-2483	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	-1146	-1319	-120	-246	-333	-473	-616	-704	-822	-949	-1035	.	.	.	.
EXCHANGE RATE																
ALL/USD, monthly average	nominal	96.84	90.96	94.62	100.65	100.50	98.83	96.80	93.60	92.08	91.89	92.05	92.42	92.34	93.98	96.84
ALL/EUR, monthly average	nominal	123.29	123.18	125.18	128.79	130.67	130.46	132.05	131.18	129.66	131.01	133.94	136.90	137.70	137.17	138.28
USD/ALL, calculated with CPI 3)	real, Jan04=100	107.0	116.3	111.7	105.1	105.7	107.1	108.2	110.3	111.5	112.2	112.8	112.7	113.1	113.1	110.0
USD/ALL, calculated with PPI 3)	real, Jan04=100	108.6	119.6	112.1	106.7	107.8	108.7	109.8	111.4	115.0	113.5	113.8	112.3	110.7	108.2	.
EUR/ALL, calculated with CPI 3)	real, Jan04=100	107.8	109.0	108.4	105.6	104.3	104.1	101.9	101.7	102.6	101.9	100.5	98.5	98.1	99.9	.
EUR/ALL, calculated with PPI 3)	real, Jan04=100	112.2	114.1	110.3	107.5	106.7	107.5	106.2	106.5	109.3	107.5	105.6	102.5	101.1	100.9	.
DOMESTIC FINANCE																
M0, end of period	ALL bn	173.3	195.8	196.7	200.2	201.0	202.8	202.2	207.6	209.7	207.9	202.4	200.6	200.8	.	.
M1, end of period	ALL bn	250.1	282.9	275.4	272.4	272.0	275.3	275.7	282.6	288.8	287.5	276.1	272.0	274.4	.	.
M2, end of period	ALL bn	800.4	815.7	816.7	810.9	805.4	810.6	816.4	819.4	821.5	845.0	843.5	852.1	858.5	.	.
M2, end of period	CMPY	11.7	7.2	7.6	6.4	6.7	6.7	7.7	5.9	4.4	4.5	2.8	5.6	7.3	.	.
NB base rate (p.a.), end of period	%	6.3	6.3	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.3	5.3	5.3	5.3
NB base rate (p.a.), end of period 4)	real, %	1.9	1.9	6.6	7.2	7.1	8.0	8.5	9.2	7.9	7.8	8.3	7.2	7.7	8.2	.
BUDGET																
General gov.budget balance, cum.	ALL bn	-23420	-60254	1459	-3514	-3828	-9938	-20393	-33071	-40043	-47609	-48676	-49616	-64454	.	.

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 2010

(updated end of Feb 2010)

		2008 Nov	Dec	2009 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2010 Jan
PRODUCTION																
Industry, total[1]	real, CMPY	14.8	40.9	-9.2	-6.3	4.5	6.0	-2.5	-0.4	-0.8	-2.3	0.0	-1.6	-10.5	-4.5	.
Industry, total[1]	real, CCPY	8.1	11.0	-9.2	-6.1	-2.5	-0.4	-0.8	-0.7	-0.7	-1.0	-3.9	-3.6	-4.3	-3.3	.
Industry, total[1]	real, 3MMA	22.1	15.5	8.5	-3.7	1.4	2.7	1.0	-1.2	-1.2	-1.0	-1.3	-4.0	-5.5		
LABOUR																
Employees[2]	th. persons	709.6	706.8	704.3	704.4	698.5	698.3	698.0	698.4	697.0	695.2	694.1	694.0	694.1	694.4	.
Employees[2]	CMPY	102.4	101.3	100.9	100.7	99.5	99.2	99.1	98.6	98.4	98.2	97.9	97.8	97.8	98.2	.
Unemployment, reg., end of period[3]	th. persons	479.3	483.3	488.5	491.7	493.3	493.2	490.8	492.7	497.0	500.7	502.2	504.0	506.5	.	.
Unemployment rate, registered	%	40.3	40.6	41.0	41.1	41.4	41.4	41.3	41.4	41.6	41.9	42.0	42.1	42.2	.	.
WAGES, SALARIES																
Total economy, gross	BAM	1149	1183	1191	1206	1203	1210	1198	1208	1207	1195	1197	1201	1204	.	.
Total economy, gross	real, CMPY	9.1	13.2	16.4	11.7	11.2	10.6	8.6	11.1	8.1	7.2	5.8	5.5	5.5	.	.
Total economy, gross	EUR	587	605	609	617	615	619	613	618	617	611	612	614	616	.	.
PRICES																
Consumer	PM	-0.6	-0.6	-0.1	-0.1	-0.1	-1.2	-0.1	0.1	0.7	-0.2	0.1	0.7	0.1	0.1	.
Consumer	CMPY	5.5	3.8	2.3	1.8	0.7	0.0	-1.0	-1.9	-1.2	-1.5	-1.5	-1.4	-0.7	0.0	.
Consumer	CCPY	7.8	7.4	2.3	2.1	1.6	1.2	0.8	0.3	0.1	-0.1	-0.3	-0.4	-0.4	-0.4	.
FOREIGN TRADE[4)5]																
Exports total (fob), cumulated	EUR mn	3204	3432	197	410	633	850	1069	1302	1562	1795	2059	2321	2577	2817	.
Imports total (cif), cumulated	EUR mn	7729	8330	421	903	1428	1980	2497	3042	3595	4088	4649	5223	5731	6301	.
Trade balance, cumulated	EUR mn	-4525	-4899	-224	-493	-796	-1130	-1428	-1740	-2033	-2293	-2589	-2902	-3155	-3484	.
Exports to EU-27 (fob), cumulated	EUR mn	1783	1894	116	232	354	467	583	719	852	968	1121	1265	1407	1527	.
Imports from EU-27 (cif), cumulated	EUR mn	3695	3996	205	457	715	977	1231	1500	1815	2045	2314	2607	2876	3134	.
Trade balance with EU-27, cumulated	EUR mn	-1912	-2102	-89	-225	-361	-510	-648	-782	-963	-1078	-1193	-1342	-1469	-1606	.
FOREIGN FINANCE																
Current account, cumulated[4]	EUR mn	.	-1879	.	.	-170	.	.	-461	.	.	-652	.	.	.	.
EXCHANGE RATE																
BAM/USD, monthly average	nominal	1.537	1.457	1.468	1.531	1.502	1.480	1.437	1.395	1.389	1.370	1.344	1.321	1.314	1.337	1.370
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[6]	real, Jan04=100	104.0	110.3	108.8	103.6	105.3	105.2	108.0	110.5	111.8	112.9	115.1	117.8	118.5	116.7	.
EUR/BAM, calculated with CPI[6]	real, Jan04=100	104.8	104.4	104.9	104.3	103.8	102.2	101.9	101.8	103.0	102.5	102.6	103.1	103.0	102.9	.
DOMESTIC FINANCE																
M0, end of period	BAM mn	2139	2302	2083	2063	2016	2105	2015	1988	2035	1999	1980	1968	1955	2009	.
M1, end of period	BAM mn	5876	5995	5730	5662	5562	5529	5590	5606	5604	5704	5661	5605	5565	5887	.
M2, end of period	BAM mn	12577	12702	12472	12487	12406	12381	12412	12381	12473	12626	12643	12657	12639	12998	.
M2, end of period	CMPY	5.8	4.0	2.3	2.0	0.3	-1.5	-2.2	-2.9	-4.3	-4.5	-5.5	-0.3	0.5	2.3	.

1) Federation of B&H and Republic Srpska weighted by wiiw.
2) Sum of employees in Federation of B&H, Republic Srpska and District Brcko, calculated by wiiw.
3) Sum of unemployed persons in Federation B&H, Republic Srpska and District Brcko, calculated by wiiw.
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 2010

(updated end of Feb 2010)

		2008 Nov	Dec	2009 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2010 Jan
PRODUCTION																
Industry, total[1)2)]	real, CMPY	-3.5	-1.5	-14.1	-12.4	-6.6	-7.1	-7.3	-13.7	-9.0	-8.3	-9.6	-8.6	-8.6	-5.8	.
Industry, total[1)2)]	real, CCPY	1.9	1.6	-14.1	-13.3	-10.9	-9.9	-9.4	-10.2	-10.0	-9.8	-9.7	-9.6	-9.5	-9.2	.
Industry, total[1)2)]	real, 3MMA	-1.9	-6.4	-9.3	-11.0	-8.7	-7.0	-9.4	-10.0	-10.3	-9.0	-8.8	-8.9	-7.7	.	
Construction, total,[1)2)]	real, CMPY	7.8	16.1	-5.6	-1.9	6.1	-4.3	-5.0	-5.4	-6.3	-7.1	-9.4	-15.7	-9.8	.	.
Construction, total,[1)2)]	real, CCPY	11.5	11.8	-5.6	-3.7	-0.3	-1.4	-2.1	-2.7	-3.2	-3.7	-4.4	-5.6	-6.0	.	.
LABOUR																
Employment total	th. persons	1257.2	1247.6	1234.4	1227.0	1224.4	1223.9	1225.8	1228.0	1227.0	1222.4	1214.3	1206.6	1196.9	1186.0	.
Employees in industry	th. persons	293.3	290.6	266.4	264.5	262.7	260.4	258.6	257.2	255.9	254.5	252.5	251.5	249.9	247.5	.
Unemployment, reg., end of period	th. persons	233.7	240.5	254.3	262.8	267.2	263.8	256.3	247.1	248.6	251.0	259.2	273.3	282.9	291.5	309.6
Unemployment rate, registered	%	13.2	13.7	14.3	14.8	15.0	14.8	14.4	14.0	14.0	14.2	14.7	15.5	16.1	16.7	17.7
Labour productivity, industry[1)2)]	CCPY	3.7	3.5	-7.5	-6.2	-3.4	-2.1	-1.3	-2.0	-1.5	-1.1	-0.9	-0.6	-0.3	0.1	.
Unit labour costs, exch.r. adj.(EUR)[1)2)]	CCPY	4.6	5.2	10.1	6.0	4.3	2.8	1.7	3.1	2.7	2.2	1.7	1.0	0.7	.	.
WAGES, SALARIES																
Total economy, gross	HRK	7829	7868	7709	7597	7816	7700	7749	7806	7718	7627	7569	7643	7808	7783	.
Total economy, gross	real, CMPY	-0.6	5.4	1.3	-0.7	1.7	0.2	-1.0	2.2	0.6	0.3	-0.4	-1.0	-2.0	-2.9	.
Total economy, gross	EUR	1096	1093	1047	1022	1052	1038	1053	1069	1055	1042	1035	1055	1072	1067	.
Industry, gross[2)]	EUR	1000	1027	932	905	941	922	948	976	972	933	934	956	959	.	.
PRICES																
Consumer	PM	-0.1	-0.6	1.2	0.6	0.2	0.8	0.0	0.1	-0.7	-0.1	-0.2	0.1	0.4	-0.6	0.5
Consumer	CMPY	4.7	2.9	3.4	4.2	3.8	3.9	2.7	2.1	1.2	1.5	1.0	1.3	1.8	1.9	1.1
Consumer	CCPY	6.4	6.1	3.4	3.8	3.8	3.8	3.6	3.4	3.0	2.9	2.6	2.5	2.4	2.4	1.1
Producer, in industry[2)]	PM	-1.5	-1.3	-0.1	0.2	-1.2	0.5	0.6	0.9	0.6	0.8	-0.7	-0.2	0.1	0.0	.
Producer, in industry[2)]	CMPY	6.5	4.7	1.8	1.8	-0.1	-0.1	-0.7	-1.0	-2.8	-1.8	-2.3	-1.4	0.2	1.6	.
Producer, in industry[2)]	CCPY	8.8	8.4	1.8	1.8	1.1	0.8	0.5	0.3	-0.2	-0.4	-0.6	-0.7	-0.6	-0.4	.
FOREIGN TRADE[3)4)]																
Exports total (fob), cumulated	EUR mn	8870	9581	516	1242	1894	2537	3181	3759	4415	4927	5595	6240	6892	7518	.
Imports total (cif), cumulated	EUR mn	19343	20816	1040	2263	3711	5047	6330	7663	8979	10055	11402	12739	14029	15224	.
Trade balance, cumulated	EUR mn	-10474	-11235	-524	-1021	-1817	-2510	-3149	-3904	-4564	-5128	-5807	-6499	-7137	-7706	.
Exports to EU-27 (fob), cumulated	EUR mn	5406	5839	301	811	1192	1575	1941	2304	2711	3020	3421	3809	4207	4550	.
Imports from EU-27 (cif), cumulated	EUR mn	12366	13348	600	1387	2308	3154	3978	4812	5680	6343	7179	7958	8810	9548	.
Trade balance with EU-27, cumulated	EUR mn	-6960	-7509	-300	-577	-1116	-1579	-2036	-2508	-2969	-3323	-3758	-4149	-4603	-4998	.
FOREIGN FINANCE																
Current account, cumulated[5)]	EUR mn	.	-4369	.	.	-1844	.	.	-2715	.	.	-941	.	.	.	.
EXCHANGE RATE																
HRK/USD, monthly average	nominal	5.609	5.377	5.529	5.803	5.710	5.625	5.408	5.208	5.197	5.141	5.031	4.891	4.885	4.980	5.098
HRK/EUR, monthly average	nominal	7.141	7.197	7.363	7.431	7.427	7.418	7.358	7.303	7.319	7.323	7.315	7.245	7.284	7.292	7.291
USD/HRK, calculated with CPI[6)]	real, Jan04=100	111.8	117.2	114.8	109.4	111.1	113.4	117.6	121.3	120.8	121.7	124.0	127.6	128.1	125.2	122.5
USD/HRK, calculated with PPI[6)]	real, Jan04=100	106.6	113.5	110.0	106.2	107.4	108.9	112.9	116.0	117.9	118.5	120.6	123.2	122.1	119.8	.
EUR/HRK, calculated with CPI[6)]	real, Jan04=100	112.6	111.2	110.7	109.8	109.7	110.3	111.0	111.7	111.2	110.7	110.6	111.6	111.2	110.2	.
EUR/HRK, calculated with PPI[6)]	real, Jan04=100	110.1	109.7	107.6	107.0	106.3	107.9	109.4	111.0	112.1	112.4	112.1	112.4	111.7	111.4	.
DOMESTIC FINANCE																
M0, end of period	HRK bn	16.8	17.1	16.6	16.1	15.8	16.3	16.7	16.9	17.6	17.0	16.0	15.4	15.0	15.3	.
M1, end of period	HRK bn	51.1	55.2	49.6	46.8	46.6	46.4	47.4	47.7	47.7	47.8	45.6	44.7	45.7	47.2	.
Broad money, end of period	HRK bn	218.1	225.0	221.5	221.4	218.6	218.8	218.1	218.4	221.4	224.4	224.1	221.1	223.6	223.1	.
Broad money, end of period	CMPY	5.0	4.4	6.3	5.7	3.3	2.8	2.4	1.1	0.0	-0.9	-1.2	-1.0	2.5	-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[7)]	real, %	2.3	4.1	7.1	7.1	9.1	9.1	9.8	10.1	12.1	11.0	11.6	10.5	8.8	7.3	.
BUDGET																
Central gov. budget balance, cum.[8)]	HRK mn	2660	-2878	-819	-2237	-3401	-3844	-5546	-6813	-7391	-7845	-8664	-8307	-8976	.	.

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.

MACEDONIA: Selected monthly data on the economic situation 2008 to 2010

(updated end of Feb 2010)

		2008		2009												2010
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
PRODUCTION																
Industry, total[1)]	real, CMPY	-2.9	-10.1	-16.7	-11.3	-4.8	-7.8	-15.3	-16.2	-19.8	-9.8	-9.8	-0.9	4.4	20.0	.
Industry, total[1)]	real, CCPY	6.8	5.5	-16.7	-13.9	-10.8	-10.0	-11.2	-12.1	-13.3	-12.8	-12.5	-11.3	-9.9	-7.7	.
Industry, total[1)]	real, 3MMA	-7.7	-9.6	-12.6	-10.8	-7.9	-9.5	-13.2	-17.1	-15.3	-13.1	-7.1	-2.6	7.5	.	.
Construction, total, effect. work. time[1)]	real, CMPY	-10.4	8.5	14.6	14.3	22.6	-8.1	-12.3	-1.4	-7.9	-4.2	-5.1	-11.5	2.3	.	.
Construction, total, effect. work. time[1)]	real, CCPY	-11.1	-9.6	14.6	14.5	17.4	9.6	4.4	3.3	1.4	0.7	0.0	-1.4	-1.0	.	.
LABOUR																
Employees[1)]	th. persons	255.6	254.5	251.8	250.6	249.8	249.6	249.5	249.8	248.3	246.4	245.8	245.4	245.7	.	.
Employees in industry[1)]	th. persons	86.0	83.6	82.0	80.6	79.5	78.9	78.8	78.5	77.5	75.2	74.9	74.2	74.2	.	.
Unemployment, quarterly average[2)]	th. persons	.	306.0	.	.	300.8	.	.	297.7	.	.	298.1	.	.	.	.
Unemployment rate[2)]	%	.	33.5	.	.	32.7	.	.	31.9	.	.	31.7	.	.	.	.
Labour productivity, industry[1)]	CCPY	8.0	6.7	-13.8	-10.4	-6.7	-5.7	-6.7	-7.4	-8.4	-7.4	-6.6	-5.1	-3.6	.	.
Unit labour costs, exch.r. adj.(EUR)[1)]	CCPY	-1.8	-0.4	24.2	20.7	16.2	15.4	16.3	17.4	18.6	17.3	16.1	14.0	12.3	.	.
WAGES, SALARIES																
Total economy, gross	MKD	27507	28323	29586	29433	29602	30139	30100	30171	29730	29767	30002	30110	29829	.	.
Total economy, gross	real, CMPY	3.2	7.0	14.7	17.8	16.7	19.0	17.0	19.3	16.8	17.0	10.3	10.9	10.8	.	.
Total economy, gross	EUR	448	461	482	479	480	491	488	492	486	487	491	492	488	.	.
Industry, gross	EUR	375	398	394	381	394	401	396	408	403	403	411	412	408	.	.
PRICES																
Consumer	PM	0.2	0.3	-0.6	-0.2	0.3	-0.2	1.0	-1.7	-0.5	-0.3	-0.1	-0.4	0.3	1.0	0.7
Consumer	CMPY	5.0	4.1	1.8	0.8	0.3	-0.3	0.5	-1.5	-1.1	-1.2	-1.1	-2.2	-2.1	-1.4	-0.1
Consumer	CCPY	8.7	8.3	1.8	1.3	1.0	0.6	0.6	0.2	0.1	-0.1	-0.2	-0.4	-0.6	-0.6	-0.1
Producer, in industry	PM	-6.8	-1.4	-3.0	0.5	-0.2	1.3	1.0	2.7	0.5	-0.3	0.5	0.0	0.4	0.4	.
Producer, in industry	CMPY	-0.9	-1.8	-5.9	-5.1	-7.7	-7.1	-9.3	-10.0	-11.5	-9.7	-9.0	-5.9	1.5	3.2	.
Producer, in industry	CCPY	11.4	10.3	-5.9	-5.5	-6.2	-6.4	-7.0	-7.6	-8.2	-8.4	-8.4	-8.2	-7.4	-6.5	.
FOREIGN TRADE[3)4)]																
Exports total (fob), cumulated	EUR mn	2529	2705	114	250	400	556	721	894	1083	1246	1429	1588	1758	1932	.
Imports total (cif), cumulated	EUR mn	4317	4659	267	568	876	1193	1443	1740	2062	2349	2607	2934	3283	3620	.
Trade balance, cumulated	EUR mn	-1788	-1954	-153	-318	-476	-637	-721	-845	-979	-1103	-1179	-1346	-1525	-1688	.
Exports to EU-27 (fob), cumulated	EUR mn	1515	1622	72	155	240	319	406	496	612	700	799	891	984	1086	.
Imports from EU-27 (cif), cumulated	EUR mn	2057	2240	122	279	437	598	743	907	1078	1215	1366	1541	1716	1889	.
Trade balance with EU-27, cumulated	EUR mn	-542	-618	-50	-123	-196	-278	-337	-410	-467	-515	-568	-651	-732	-803	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	-734	-853	-116	-210	-343	-410	-420	-440	-414	-392	-334	-374	-443	.	.
EXCHANGE RATE																
MKD/USD, monthly average	nominal	48.27	48.56	46.08	48.07	47.41	46.41	45.35	43.71	43.47	42.90	42.06	41.33	41.07	41.81	42.83
MKD/EUR, monthly average	nominal	61.41	61.41	61.40	61.41	61.72	61.35	61.71	61.26	61.19	61.17	61.17	61.17	61.17	61.18	61.18
USD/MKD, calculated with CPI[5)]	real, Jan04=100	97.8	98.6	102.7	97.7	99.2	100.8	103.9	105.1	105.3	106.1	108.0	109.4	110.3	109.6	107.5
USD/MKD, calculated with PPI[5)]	real, Jan04=100	95.9	97.2	99.1	96.6	98.4	101.2	103.6	108.3	110.3	109.9	113.0	114.4	114.4	112.8	.
EUR/MKD, calculated with CPI[5)]	real, Jan04=100	98.6	99.1	99.1	98.4	97.8	97.9	98.1	96.9	97.0	96.5	96.4	95.8	95.9	96.7	.
EUR/MKD, calculated with PPI[5)]	real, Jan04=100	99.1	99.4	96.9	97.5	97.3	100.1	100.5	103.7	104.9	104.2	105.0	104.6	104.7	105.0	.
DOMESTIC FINANCE																
M0, end of period	MKD bn	15.8	17.6	15.9	15.3	14.6	14.8	14.4	14.2	15.3	14.8	14.5	14.6	14.5	16.3	15.5
M1, end of period	MKD bn	49.3	54.1	49.6	48.9	46.8	46.8	47.3	47.6	48.3	49.6	47.9	49.1	49.1	52.2	47.0
Broad money, end of period[6)]	MKD bn	190.2	195.5	192.7	192.8	190.4	192.5	190.8	191.9	191.5	195.7	195.7	199.9	201.4	207.3	208.1
Broad money, end of period[6)]	CMPY	13.8	11.2	9.4	7.6	6.6	5.1	2.0	1.2	-0.6	-0.8	-1.1	2.4	5.9	6.0	8.0
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[7)]	real, %	7.4	8.5	13.1	12.3	15.4	14.7	17.4	17.5	19.6	17.4	16.4	12.6	4.5	2.6	.
BUDGET																
General gov.budget balance, cum.[8)]	MKD mn	7577	-3852	311	-1395	-1932	-2995	-3382	-5517	-5409	-6326	-6742	-8877	-10369	-10904	-2312

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

M O N T E N E G R O: Selected monthly data on the economic situation 2008 to 2010

(updated end of Feb 2010)

		2008 Nov	Dec	2009 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2010 Jan
PRODUCTION																
Industry, total	real, CMPY	-7.2	-20.3	-4.7	-18.8	-15.9	-18.2	-25.3	-40.3	-46.5	-53.1	-56.2	-37.7	-45.6	-24.5	.
Industry, total	real, CCPY	-0.1	-2.1	-4.7	-12.3	-13.6	-14.6	-16.4	-20.3	-24.4	-27.9	-31.6	-32.2	-33.4	-32.7	.
Industry, total	real, 3MMA	-16.3	-11.2	-15.2	-13.6	-17.6	-19.4	-28.2	-38.3	-46.7	-52.0	-49.7	-47.3	-36.2	.	.
LABOUR																
Employment[1]	th. persons	169.1	169.2	169.3	169.7	170.6	172.5	174.2	178.8	178.6	179.0	176.9	175.5	174.7	169.9	.
Employment in industry	th. persons	34.3	34.7	33.2	32.9	31.6	31.5	30.9	31.1	30.6	29.9	29.2	29.0	28.7	27.4	.
Unemployment, reg., end of period	th. persons	28.6	28.4	28.9	29.3	29.2	28.6	27.8	27.1	27.0	26.8	27.3	28.7	29.6	30.2	.
Unemployment rate, registered	%	14.5	14.4	14.6	14.7	14.6	14.2	13.8	13.2	13.2	13.0	13.4	14.1	14.5	15.1	.
Labour productivity, industry	CCPY	2.8	0.4	-1.4	-8.8	-8.5	-9.6	-10.8	-14.4	-18.4	-21.6	-25.2	-25.3	-26.2	-24.6	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	13.3	16.2	17.4	25.6	22.6	20.4	19.7	21.1	26.1	28.9	33.2	32.9	33.5	30.9	.
WAGES, SALARIES																
Total economy, gross	EUR	629	651	655	650	642	647	651	648	636	641	631	633	633	653	.
Total economy, gross	real, CMPY	9.9	9.9	10.3	5.3	5.1	4.3	3.1	1.2	2.0	-0.6	-1.7	0.0	-1.8	-1.3	.
Industry, gross	EUR	716	704	718	708	650	607	665	658	663	601	649	653	660	702	.
PRICES																
Consumer	PM	-0.6	1.0	-0.2	0.7	0.4	0.6	0.1	-0.3	-0.6	1.1	-0.3	0.0	0.0	0.1	.
Consumer	CMPY	6.2	6.9	4.9	5.3	5.5	5.4	4.8	2.8	2.1	3.1	1.7	1.7	2.3	1.5	.
Consumer	CCPY	8.4	7.4	4.9	5.1	5.3	5.3	5.2	4.8	4.4	4.2	3.7	3.7	3.6	3.4	.
Producer, in industry	PM	-0.8	-5.2	-1.2	0.0	-1.6	0.3	-0.5	-1.0	-1.5	0.6	0.6	0.5	0.4	0.3	.
Producer, in industry	CMPY	12.9	6.9	5.7	4.7	0.6	0.1	-1.9	-7.7	-9.3	-9.9	-8.6	-8.1	-7.2	-2.9	.
Producer, in industry	CCPY	17.0	16.1	5.7	5.2	3.6	2.7	1.8	0.2	-1.4	-2.5	-3.2	-3.7	-3.7	-3.9	.
FOREIGN TRADE[2]																
Exports total (fob), cumulated	EUR mn	409	433	32	53	73	88	101	129	164	189	208	236	264	288	.
Imports total (cif), cumulated	EUR mn	2340	2527	104	222	353	484	621	768	916	1059	1207	1359	1497	1652	.
Trade balance, cumulated	EUR mn	-1931	-2094	-72	-170	-280	-395	-520	-639	-753	-870	-998	-1123	-1233	-1364	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-1009	.	.	-193	.	.	-398	.	.	-332	.	.	.	.
EXCHANGE RATE																
EUR/USD, monthly average	nominal	0.785	0.744	0.755	0.782	0.766	0.758	0.733	0.713	0.710	0.701	0.687	0.675	0.671	0.684	0.701
USD/EUR, calculated with CPI[3]	real, Jan04=100	105.3	101.8	102.7	106.4	104.5	103.7	100.0	96.3	95.3	95.0	92.7	91.0	90.3	92.4	.
USD/EUR, calculated with PPI[3]	real, Jan04=100	112.5	104.4	104.5	109.5	106.3	104.8	99.8	94.4	93.3	91.4	90.3	88.8	87.6	89.7	.
BUDGET																
General gov.budget balance, cum.	EUR mn	.	51	.	.	38	.	.	86	.	.	130	.	.	.	.

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 2010

(updated end of Feb 2010)

		2008		2009												2010
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
PRODUCTION																
Industry, total	real, CMPY	-2.7	-9.0	-16.3	-17.9	-13.0	-19.9	-18.3	-12.2	-14.3	-9.0	-4.0	-4.5	-3.3	0.0	.
Industry, total	real, CCPY	1.7	0.7	-16.3	-17.1	-15.7	-16.8	-17.1	-16.2	-16.0	-15.1	-13.9	-12.8	-12.0	-11.0	.
Industry, total	real, 3MMA	-4.9	-9.0	-14.1	-15.7	-16.9	-17.1	-16.8	-14.9	-11.9	-9.1	-5.7	-3.9	-2.6	.	.
LABOUR																
Employees total	th. persons	1424.0	1428.0	1416.0	1413.0	1411.0	1407.0	1400.0	1396.0	1393.0	1386.0	1383.0	1379.0	1377.0	.	.
Employees in industry	th. persons	430.0	427.0	421.0	421.0	415.0	410.0	408.0	405.0	403.0	401.0	401.0	400.0	398.0	.	.
Unemployment, reg., end of period	th. persons	718.3	727.6	739.2	746.2	758.4	762.7	767.5	763.1	756.7	747.5	737.2	727.1	723.3	.	.
Unemployment rate, registered	%	23.5	23.7	24.0	24.3	25.1	25.3	25.4	25.4	25.2	25.1	24.7	24.7	24.7	.	.
Labour productivity, industry	CCPY	6.8	5.7	-12.3	-13.2	-11.0	-11.6	-11.7	-10.5	-10.0	-9.0	-7.5	-6.4	-5.4	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	9.4	9.2	9.2	11.1	6.5	6.9	6.1	3.6	2.5	0.2	-2.3	-3.0	-3.1	.	.
WAGES, SALARIES[1]																
Total economy, gross	RSD	46944	53876	40245	43341	42213	45304	43183	44246	45307	43597	43577	44147	43895	51115	.
Total economy, gross	real, CMPY	3.5	3.5	4.1	1.9	1.8	3.8	0.6	1.4	2.5	-1.4	-0.9	-1.0	-0.6	0.3	.
Total economy, gross[2]	EUR	526	608	428	462	445	476	456	474	486	468	469	472	463	533	.
Industry, gross[2]	EUR	456	515	390	412	394	421	404	426	435	426	422	433	424	.	.
PRICES																
Consumer	PM	0.0	-0.8	2.4	1.3	0.4	1.0	1.6	0.1	-0.9	-0.1	0.3	-0.2	0.8	-0.2	0.5
Consumer	CMPY	10.0	7.7	9.3	9.9	9.0	8.3	8.4	8.0	8.2	8.0	7.4	5.2	6.0	6.6	4.7
Consumer	CCPY	13.0	12.6	9.3	9.6	9.4	9.1	9.0	8.8	8.7	8.7	8.5	8.2	8.0	7.8	4.7
Producer, in industry	PM	-0.4	-0.6	-1.6	1.8	0.9	1.0	1.4	2.1	-0.3	1.1	-0.5	-0.2	1.3	0.1	1.8
Producer, in industry	CMPY	11.1	9.3	4.9	6.0	5.2	5.2	5.4	6.3	4.9	5.3	5.0	4.7	6.5	7.3	11.0
Producer, in industry	CCPY	13.4	13.0	4.9	5.4	5.3	5.3	5.3	5.5	5.4	5.4	5.3	5.3	5.4	5.6	11.0
FOREIGN TRADE[3,4]																
Exports total (fob), cumulated	EUR mn	6839	7368	355	764	1269	1721	2243	2794	3331	3808	4346	4909	5433	5879	.
Imports total (cif), cumulated	EUR mn	14193	15377	629	1505	2561	3489	4666	5598	6542	7391	8307	9308	10315	11306	.
Trade balance, cumulated	EUR mn	-7354	-8009	-274	-741	-1292	-1768	-2424	-2805	-3211	-3583	-3962	-4398	-4882	-5427	.
Exports to EU-27 (fob), cumulated	EUR mn	3733	3995	204	436	697	936	1201	1474	1754	2002	2300	2603	2910	3188	.
Imports from EU-27 (cif), cumulated	EUR mn	7583	8182	333	817	1382	1906	2411	2960	3421	3971	4489	5054	5583	6122	.
Trade balance with EU-27, cumulated	EUR mn	-3850	-4188	-129	-381	-685	-971	-1210	-1486	-1667	-1968	-2189	-2451	-2673	-2933	.
FOREIGN FINANCE																
Current account, cumulated[5]	EUR mn	-5380	-5946	-163	-361	-798	-940	-960	-979	-1070	-1768	-1266	-1389	-1568	.	.
EXCHANGE RATE																
RSD/USD, end of month	nominal	69.02	62.90	72.86	73.68	71.59	71.64	67.74	66.25	65.93	65.15	63.60	63.00	62.93	66.73	70.64
RSD/EUR, end of month	nominal	89.20	88.60	94.10	93.81	94.78	95.24	94.72	93.44	93.19	93.07	93.01	93.43	94.76	95.89	98.46
USD/RSD, calculated with CPI[6]	real, Jan04=100	120.0	132.0	116.2	115.7	119.3	120.0	128.6	130.6	130.1	131.3	134.8	135.7	136.7	129.0	122.1
USD/RSD, calculated with PPI[6]	real, Jan04=100	106.8	120.5	102.2	104.0	108.7	109.1	115.8	118.7	119.8	120.9	123.6	123.9	124.3	117.3	111.4
EUR/RSD, calculated with CPI[6]	real, Jan04=100	116.9	116.9	113.5	114.7	113.6	113.8	116.0	117.5	117.3	117.0	117.4	116.3	115.5	113.6	.
EUR/RSD, calculated with PPI[6]	real, Jan04=100	106.8	108.6	101.1	103.5	103.8	105.3	107.3	110.8	111.4	112.3	112.1	110.9	110.5	109.2	.
DOMESTIC FINANCE																
M0, end of period	RSD bn	80.6	90.0	81.8	82.6	78.1	84.3	83.3	80.9	85.3	81.8	82.8	84.1	83.5	95.5	.
M1, end of period	RSD bn	223.5	241.1	212.1	227.3	210.2	216.1	221.4	223.2	225.7	232.2	231.0	228.1	229.4	258.4	.
Broad money, end of period[7]	RSD bn	1000.3	992.2	1005.6	1026.6	1015.6	1037.2	1042.6	1061.9	1065.6	1081.1	1087.2	1099.6	1155.0	1204.0	.
Broad money, end of period[7]	CMPY	13.9	9.8	7.4	9.3	6.5	10.0	6.5	12.1	13.8	11.8	10.4	12.9	15.5	21.4	.
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	8.1	8.1
NB discount rate (p.a.),end of period[8]	real, %	-2.3	-0.8	3.5	2.4	3.2	3.2	3.0	2.1	3.4	3.1	3.3	3.6	1.9	0.8	-2.6
BUDGET																
Central gov.budget balance, cum.	RSD mn	-32179	-46847	9	-9990	-11084	-26979	-41811	-52944	-53806	-63799	-71681	-75083	-51295	-95257	-696

1) From January 2009 according to new sample survey.
2) Calculation from NCU to EUR using the official end of month exchange rate.
3) Based on cumulated national currency and converted with the end of month exchange rate.
4) Cumulation starting January and ending December each year.
5) Until 2008 calculated from USD to NCU to EUR using the official end of month exchange rate.
6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
7) Excluding government deposits, excluding frozen foreign currency savings deposits.
8) Deflated with annual PPI.

R U S S I A: Selected monthly data on the economic situation 2008 to 2010

(updated end of Feb 2010)

		2008		2009												2010
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
PRODUCTION																
Industry, total	real, CMPY	-8.7	-10.2	-16.0	-13.2	-13.7	-16.8	-17.0	-12.0	-10.8	-12.7	-9.6	-11.3	1.4	2.6	2.0
Industry, total	real, CCPY	3.7	2.4	-16.0	-14.6	-14.2	-14.9	-15.3	-14.8	-14.2	-14.0	-13.5	-13.3	-12.0	-10.8	2.0
Industry, total	real, 3MMA	-5.8	-11.5	-13.0	-14.2	-14.6	-15.8	-15.3	-13.3	-11.9	-11.0	-11.2	-6.8	-2.7	2.0	.
Construction, total	real, CMPY	6.3	-15.7	-16.8	-20.7	-20.2	-16.3	-21.9	-19.6	-17.8	-15.5	-18.3	-14.5	-13.2	-6.2	-10.6
Construction, total	real, CCPY	15.9	12.2	-16.8	-18.7	-19.2	-18.4	-19.2	-19.2	-19.0	-18.6	-18.6	-18.2	-17.7	-16.7	-10.6
LABOUR[1]																
Employment total, quarterly average	th. persons	.	70603	.	.	67760	.	.	69395	.	.	70562	.	.	69405	.
Unemployment, quarterly average	th. persons	.	5289	.	.	7056	.	.	6483	.	.	6007	.	.	6131	.
Unemployment rate	%	.	7.0	.	.	9.4	.	.	8.5	.	.	7.8	.	.	8.1	.
WAGES, SALARIES																
Total economy, gross	RUB	17598	21681	17119	17098	18129	18009	18007	19247	18872	18335	18838	18798	19215	23827	19060
Total economy, gross	real, CMPY	5.5	2.9	2.2	-2.3	-1.8	-3.9	-3.8	-3.0	-5.2	-4.8	-4.1	-3.0	0.0	0.9	3.0
Total economy, gross	EUR	507	571	404	374	400	407	413	442	425	407	420	431	445	544	445
Industry, gross[2]	EUR	479	488	352	334	355	355	365	387	386	373	377	392	417	482	.
PRICES																
Consumer	PM	0.8	0.7	2.4	1.7	1.3	0.7	0.6	0.6	0.6	0.0	0.0	0.0	0.3	0.4	1.6
Consumer	CMPY	13.8	13.3	13.5	14.0	14.2	13.3	12.5	12.0	12.1	11.7	10.8	9.8	9.2	8.9	8.1
Consumer	CCPY	14.2	14.1	13.5	13.7	13.9	13.7	13.5	13.2	13.1	12.9	12.6	12.3	12.1	11.8	8.1
Producer, in industry	PM	-8.4	-7.6	-3.4	5.1	2.9	2.4	0.6	2.2	1.8	1.4	1.2	-0.9	-0.5	0.5	-1.0
Producer, in industry	CMPY	4.3	-7.0	-11.6	-7.7	-5.7	-7.6	-10.2	-12.5	-15.5	-14.7	-9.2	-3.6	4.7	13.9	16.7
Producer, in industry	CCPY	24.3	21.4	-11.6	-9.6	-8.3	-8.1	-8.6	-9.3	-10.3	-10.9	-10.7	-10.0	-8.8	-7.2	16.7
FOREIGN TRADE[3,4]																
Exports total, cumulated	EUR mn	296471	318004	13441	27792	43643	59511	76070	93527	112279	131398	151264	172062	192922	216508	.
Imports total, cumulated	EUR mn	165892	181577	6557	15905	25784	35650	44343	53909	63855	73376	84183	95711	107147	120129	.
Trade balance, cumulated	EUR mn	130579	136427	6883	11887	17858	23861	31727	39618	48423	58022	67081	76350	85775	96379	.
FOREIGN FINANCE																
Current account, cumulated[5]	EUR mn	.	69871	.	.	7112	.	.	12657	.	.	23383	.	.	34166	.
EXCHANGE RATE																
RUB/USD, monthly average	nominal	27.311	28.136	31.520	35.760	34.680	33.560	32.070	31.030	31.520	31.630	30.818	29.477	28.985	29.941	31.946
RUB/EUR, monthly average	nominal	34.739	37.993	42.377	45.710	45.280	44.260	43.620	43.510	44.360	45.085	44.834	43.649	43.183	43.817	42.824
USD/RUB, calculated with CPI[6]	real, Jan04=100	153.9	152.1	138.4	123.3	128.5	133.4	140.0	144.4	143.1	142.3	145.9	152.4	155.3	151.3	143.6
USD/RUB, calculated with PPI[6]	real, Jan04=100	164.6	152.6	131.4	123.0	131.5	138.3	144.2	149.4	151.0	150.4	156.7	161.6	161.7	157.3	144.1
EUR/RUB, calculated with CPI[6]	real, Jan04=100	155.1	143.1	132.2	123.9	126.3	129.7	132.1	133.0	131.8	129.3	130.0	133.3	134.9	133.2	.
EUR/RUB, calculated with PPI[6]	real, Jan04=100	170.1	146.1	127.2	124.1	129.6	137.0	139.8	142.9	143.5	142.5	145.5	147.5	147.9	146.3	.
DOMESTIC FINANCE																
M0, end of period	RUB bn	3793.1	3794.8	3312.7	3301.6	3278.3	3410.1	3461.9	3522.5	3550.1	3506.6	3485.6	3566.7	3600.1	4038.1	.
M1, end of period[7]	RUB bn	7518.1	7591.4	6591.2	6515.1	6551.7	6649.3	6878.4	7162.8	7050.5	7147.3	7277.0	7269.9	7459.8	8294.5	.
M2, end of period[7]	RUB bn	15421.3	16774.7	16381.7	16393.6	16308.4	16360.4	16572.5	17055.4	17202.0	17390.9	17523.4	17593.9	18142.5	19520.1	.
M2, end of period	CMPY	14.2	14.6	14.0	11.9	9.3	10.2	7.6	7.1	9.1	7.4	9.1	13.8	17.6	16.4	.
Refinancing rate (p.a.),end of period	%	12.0	13.0	13.0	13.0	13.0	12.5	12.0	11.5	11.0	10.8	10.0	9.5	9.0	8.8	8.5
Refinancing rate (p.a.),end of period[8]	real, %	7.3	21.5	27.8	22.5	19.8	21.8	24.7	27.4	31.3	29.9	21.1	13.6	4.1	-4.5	-7.0
BUDGET																
Central gov.budget balance, cum.	RUB bn	2511.2	1707.5	376.5	132.5	-29.7	-351.8	-476.6	-721.6	-893.0	-1152.0	-1327.3	-1481.3	-1732.9	.	.

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) According to IMF methodology.
8) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2008 to 2010

(updated end of Feb 2010)

		2008		2009												2010
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
PRODUCTION																
Industry, total	real, CMPY	-28.6	-26.6	-34.1	-31.6	-30.4	-31.8	-31.8	-27.5	-26.7	-23.3	-18.4	-6.2	8.6	7.4	11.8
Industry, total	real, CCPY	-0.7	-3.1	-34.1	-32.8	-31.9	-31.9	-31.9	-31.1	-30.4	-29.6	-28.4	-26.4	-24.0	-21.9	11.8
Industry, total	real, 3MMA	-25.0	-29.8	-30.8	-32.0	-31.3	-31.3	-30.4	-28.7	-25.8	-22.8	-16.0	-5.3	3.3	9.3	.
Construction, total	real, CCPY	-13.0	-15.8	-57.6	-57.3	-56.7	-55.6	-55.8	-54.9	-54.3	-53.6	-52.4	-51.5	-49.7	-48.2	.
LABOUR																
Employees[1]	th. persons	11210	10982	10863	10815	10799	10748	10683	10651	10611	10567	10534	10506	10451	10374	.
Employees in industry[1]	th. persons	3104	3023	2970	2946	2924	2888	2858	2838	2822	2809	2792	2788	2779	2761	.
Unemployment, reg., end of period	th. persons	639.9	844.9	900.6	906.1	879.0	808.8	736.3	658.5	606.9	569.6	542.7	508.4	512.2	531.6	526.7
Unemployment rate, registered	%	2.3	3.0	3.2	3.2	3.1	2.9	2.6	2.4	2.2	2.0	1.9	1.8	1.8	1.9	1.9
Labour productivity, industry[1]	CCPY	1.8	-0.3	-28.0	-26.3	-25.0	-24.7	-24.4	-23.3	-22.4	-21.3	-19.8	-17.5	-14.8	-12.6	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	19.0	16.7	6.1	5.2	5.3	5.6	4.0	1.2	-1.4	-4.7	-8.7	-13.0	-15.5	-15.3	.
WAGES, SALARIES[1]																
Total economy, gross	UAH	1823	2001	1665	1723	1818	1845	1851	1980	2008	1919	1964	1950	1955	2233	.
Total economy, gross	real, CMPY	0.4	-2.3	-10.5	-12.7	-9.6	-8.0	-9.0	-8.6	-9.9	-11.1	-10.9	-10.9	-5.6	-0.6	.
Total economy, gross	EUR	238	195	162	175	181	181	178	186	186	172	169	165	164	191	.
Industry, gross	EUR	253	201	181	194	204	201	195	198	202	194	189	187	188	192	.
PRICES																
Consumer	PM	1.5	2.1	2.9	1.5	1.4	0.9	0.5	1.1	-0.1	-0.2	0.8	0.9	1.1	0.9	1.8
Consumer	CMPY	22.3	22.3	22.3	20.9	18.1	15.6	14.7	15.0	15.5	15.3	15.0	14.1	13.6	12.3	11.1
Consumer	CCPY	25.5	25.2	22.3	21.6	20.4	19.1	18.2	17.6	17.3	17.1	16.8	16.5	16.3	15.9	11.1
Producer, in industry	PM	-6.5	-0.4	0.2	1.8	1.1	0.4	-0.7	1.4	0.7	1.8	3.6	1.9	0.4	1.0	1.9
Producer, in industry	CMPY	27.5	23.0	20.5	19.1	13.0	6.4	1.9	-0.9	-3.6	-3.6	1.7	5.1	12.8	14.4	16.3
Producer, in industry	CCPY	36.8	35.5	20.5	19.8	17.4	14.4	11.6	9.3	7.2	5.7	5.2	5.2	5.9	6.6	16.3
FOREIGN TRADE[2][3]																
Exports total (fob), cumulated	EUR mn	42540	45561	1843	3944	6401	8749	10895	13009	15294	17546	20131	22992	25668	28496	.
Imports total (cif), cumulated	EUR mn	54491	58163	1542	4489	7508	10233	12571	14843	17625	20323	23129	26084	29139	32611	.
Trade balance, cumulated	EUR mn	-11950	-12602	300	-544	-1107	-1484	-1676	-1834	-2332	-2776	-2998	-3092	-3471	-4115	.
FOREIGN FINANCE																
Current account, cumulated[4]	EUR mn	.	-8722	.	.	-532	.	.	-562	-782	-865	-813	-734	-976	-1391	.
EXCHANGE RATE																
UAH/USD, monthly average	nominal	6.004	7.581	7.700	7.700	7.700	7.700	7.653	7.616	7.648	7.807	7.999	8.000	7.994	7.978	7.997
UAH/EUR, monthly average	nominal	7.651	10.242	10.290	9.859	10.046	10.175	10.390	10.669	10.777	11.127	11.644	11.843	11.917	11.676	11.429
USD/UAH, calculated with CPI[5]	real, Jan04=100	147.5	120.6	121.6	122.7	124.1	124.9	125.9	126.9	126.4	123.3	121.2	122.1	123.4	125.1	126.6
USD/UAH, calculated with PPI[5]	real, Jan04=100	165.1	134.6	132.6	136.5	138.9	138.7	137.2	137.1	138.6	136.4	138.3	140.2	139.3	141.0	141.5
EUR/UAH, calculated with CPI[5]	real, Jan04=100	148.4	113.4	116.8	123.1	122.1	121.2	119.1	117.0	116.3	112.1	107.9	106.8	107.2	110.1	.
EUR/UAH, calculated with PPI[5]	real, Jan04=100	170.3	128.8	129.1	137.5	137.0	137.0	133.2	131.3	131.6	129.2	128.3	128.0	127.4	131.1	.
DOMESTIC FINANCE																
M0, end of period	UAH bn	141.3	154.8	150.2	147.5	147.1	150.7	153.0	153.2	151.8	149.2	148.9	148.8	147.9	157.0	.
M1, end of period	UAH bn	209.3	225.1	214.9	210.3	212.5	213.7	217.8	226.9	225.7	221.7	221.5	218.1	220.7	233.7	.
Broad money, end of period	UAH bn	483.8	515.7	492.7	470.9	463.8	465.1	468.2	472.7	471.9	471.1	469.5	468.4	470.4	487.3	.
Broad money, end of period	CMPY	32.3	30.2	25.9	18.3	11.5	8.3	9.0	4.9	1.0	-0.8	-1.7	-2.6	-2.8	-5.5	.
Refinancing rate (p.a.),end of period	%	12.0	12.0	12.0	12.0	12.0	12.0	12.0	11.0	11.0	10.3	10.3	10.3	10.3	10.3	10.3
Refinancing rate (p.a.),end of period[6]	real, %	-12.1	-9.0	-7.1	-6.0	-0.9	5.3	9.9	12.0	15.2	14.4	8.5	4.9	-2.3	-3.6	-5.2
BUDGET																
General gov.budget balance, cum.	UAH mn	5558	-14183	2605	1291	-74	-3494	-3162	-13254	-17837	-16696	-24550	-28414	-15742	-21607	.

1) Excluding small firms.
2) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference rate.
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Economics editor: Leon Podkaminer

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