wiiw

Wiener Institut für Internationale Wirtschaftsvergleiche

The Vienna Institute for International Economic Studies

Monthly Report 4/06

Contents

Poland: growth dividend not high enough for Maastricht fiscal criterion to be met..............................1

Fast growth in the Baltic countries continues...5

European society and the welfare state 9

Monthly statistics

Selected monthly data on the economic situation in ten transition countries, 2004-2006............. 19

Guide to wiiw statistical services on Central, East and Southeast Europe, Russia and Ukraine..... 30

Poland: growth dividend not high enough for Maastricht fiscal criterion to be met

BY MACIEJ KRZAK*

According to the government programme 'Solidarne panstwo'[1] and the 2005 update of the Convergence Programme[2] the government has set PLZ 30 billion as the annual nominal ceiling (deficit 'anchor') for the central government deficits[3] through 2009. It claims that this cap will be instrumental in reducing the general government deficit to GDP ratio to below the Maastricht threshold of 3%, calculated along the ESA-95 guidelines. In the following we intend to show that this goal will hardly be met and that the current government's full reliance on economic growth to automatically boost state budget revenues – instead of enacting reforms of expenditures and revenues – will not suffice to achieve a reduction of the public sector deficits. Therefore, Poland's entry into the eurozone by the end of 2010 is unlikely.

Deficit projections

A very simple simulation will provide a piece of evidence on how illusory the claim is that public sector deficits will be slashed below 3% of GDP – raising doubts as to whether the government indeed intends to comply with the Maastricht Treaty and reach that target by 2008. The summary of calculations is exhibited in Table 1. The 2005 Convergence Programme Update of the Polish Ministry of Finance is the source of various projections for 2006-2008, which will be used to

* Independent economist, formerly consultant with the Institute of International Finance in Washington D.C (2005) and chief economist of Citibank Handlowy (1999-2004).

1 Council of Ministers (2005), 'Solidarne państwo' (A Solidary State – Action Programme of the Government), Council of Ministers of Poland, 9 November 2005, www.krmp.gov.pl.

2 Ministry of Finance (2006), 'The Convergence Programme – 2005 update', Polish Ministry of Finance, 18 January 2006, www.mofnet.gov.pl.

3 In this text the notions central government deficit (budget) and state deficit (budget) as well as general government deficit and public sector deficit are used interchangeably.

The Vienna Institute Monthly Report is exclusively available to subscribers to the wiiw Service Package

The Vienna Institute for International Economic Studies (wiiw)
Wiener Institut für Internationale Wirtschaftsvergleiche (wiiw)
Oppolzergasse 6, A-1010 Vienna, Austria, Tel. (+43 1) 533 66 10, Fax (+43 1) 533 66 10-50
Email: wiiw@wiiw.ac.at, Web: www.wiiw.ac.at

Table 1

2005 Convergence Programme

	2005	2006	2007	2008
real GDP growth, % change	3.3	4.3	4.6	5.0
GDP deflator, % change	1.3	1.1	1.7	2.1
general government balance, % GDP	-2.9	-2.6	-2.2	-1.9

Source: 2005 Convergence Programme Update, Tables 8 and 15.

Table 2

Projections of the general government deficit

	2005 est.	2006p	2007p	2008p	2009p	2010p
nominal GDP, PLN billion	967	1019.7	1099.2	1189.7	1292.6	1404.4
central government deficit, PLN billion	28.6	30.6	30.0	30.0	30.0	30.0
deficit, % GDP	-3.0	-3.0	-2.7	-2.5	-2.3	-2.1
local governments' deficits, % GDP	-0.2	0.0	-0.2	-0.1	-0.4	-0.4
net pension reform costs to the state budget, % GDP	-1.7	-2.0	-2.1	-2.2	-2.2	-2.2
general government deficit, ESA-95, % GDP	-4.9	-5.0	-5.0	-4.8	-4.9	-4.7
eligible deduction of pension costs, % GDP	1.7	1.6	1.3	0.9	0.4	0.0
general government deficit, % GDP	**-3.2**	**-3.4**	**-3.8**	**-3.9**	**-4.5**	**-4.7**
general govt deficit in the 2005 Convergence Programme, % GDP	-2.9	-2.6	-2.2	-1.9		

Source: GUS (Central Statistical Office of Poland), 2005; Convergence Programme; own calculations and projections.

estimate the ESA-95 general government deficits (see Table 2). However, the computations will be extended through 2010 in order to grasp the period when the implications of the recent reform[4] of the Stability and Growth Pact[5] will be fully phased out. Therefore, starting with 2009, the projections are those of the author and the justification for their choice will be presented in due course.

We should start – in order to calculate the deficit-to-GDP ratio – with the forecasts for nominal GDP, as they are not given in the 2005 Convergence Programme Update[6]. Suppose that real GDP growth will reach 6% per year through 2009 as the election programme of the ruling party PiS (Law and Justice) has called for, with the exception of 2006, for which the government projection is taken. This is the only major – and at the same time optimistic – departure from the Programme in our assumptions, yet this is done on purpose since even higher economic growth will only emphasize the robustness of the presented findings. Should the economy grow at a lower rate than assumed in the Programme, then the deficit-to-GDP ratio would decline even less. One could claim that without further market reforms, adequate fiscal adjustment and the elimination of waste in the public sector such a strong economic performance represents wishful thinking: in 2001-2005, the average rate of growth in Poland was a mere 3.2%. However, let us bear with this overly optimistic assumption for the remaining part of the paper.

Let us further assume that inflation (GDP deflator) will behave as projected by the Programme through 2008 (Table 1) and will remain at 2.5% on average beyond 2008. There is no clue as to how

4 European Commission (2005), Council Regulation (EC) No. 1055/2005, 27 June 2005, www.europa.eu.int; ECOFIN (2005), 'Improving the Implementation of the Stability and Growth Pact', ECOFIN report endorsed by the EC on 23 March 2005..

5 European Commission (1997), Council Regulation (EC) No. 1466/1997, 7 July 1997, www.europa.eu.int; European Commission (1997), Resolution on the Stability and Growth Pact, 17 June 1997.

6 Abbreviated simply as Programme in the following.

the GDP deflator will behave in the future, but the CPI may serve as a proxy. Since the central bank has been targeting an inflation rate of 2.5% it seems convenient, if not rational, to assume that inflation will be in the vicinity of this target. The latter assumption leads to the result that the nominal rate of GDP growth will be around 8.5% per year in 2009-2010. Preliminary official estimates of nominal GDP in 2005 are used as a base for calculations of the nominal GDP figures for 2006-2010.

Now the deficit–to-GDP ratio can be calculated in each year. A quick look at Table 2 will suffice to find out that the decline in the central government deficit is slow, from 3% in 2005 to 2.1% in 2010. However, this has been only a narrow deficit so far. The Maastricht criterion pertains to a broader measure of the general government deficit.

Smaller central government deficits but larger general government deficits

There are two other key elements that along with the central government deficit sum up to the general government balance. These are: the local governments' balance and pension reform costs (open pension funds). The projections of their balances relative to GDP are taken from the Programme for 2005-2008. However, the deficits of the local governments seem to be fairly low in the projections of the Ministry of Finance as evaluated against past experience. In the years 2001-2003 the local governments ran deficits of 0.4% of GDP while in 2004 they balanced their books because they accumulated funds required to pre-finance and co-finance investment projects to be financed from EU structural funds. The local governments will be reimbursed by the EU for their expenses only later. The 2005 deficit of 0.2% of GDP does not seem representative either as the use of EU funds was below expectations due to bureaucratic impediments and cumbersome procedures while a large number of projects remained in the pipeline. In this light, the government projections with regard to the local governments' deficits from 2006 onwards seem overly optimistic. One should bear in mind that their behaviour is hard to predict due to the shock caused by the accession to the EU. Discontinuity tends to invalidate the results of any extrapolation unless the latter are very rough, but the predictions of the Programme are counter-intuitive. In the future, local governments should contract more debt than in the past as they are among the main beneficiaries of structural funds flowing in from the EU, provided that they are able to co-finance the projects. Assuming that the current efforts by the government to eliminate the administrative bottlenecks will prove efficient, local governments will substantially raise their spending and their deficits may rise even further – particularly so as Poland has been assigned much larger structural funds in the new EU budget for 2007-2013 as compared to 2004-2006. This reasoning underpins the forecast displayed in Table 2: local governments will continue to book deficits in the order of 0.4% of GDP in 2009-2010 and beyond (ant this is still a conservative estimate).

Finally, the costs of the pension reform should be accounted for. These consist of two elements: the state subsidies paid to the open pension funds each year and the net income that these funds are able to achieve. The Ministry of Finance predictions from the Programme are made until 2008, while later they are kept at the 2008 level – though they should probably be slightly increased in relation to GDP in order to adjust for potential profits of the pension funds. Adding up the three items we arrive at the general government deficit prediction (Table 2).

A final adjustment has to be made before the Polish ESA-95 general government deficits will be assessed against the Maastricht criterion. According to the reform of the Stability and Growth Pact[7] from March 2005, countries involved in pension reforms are eligible for a deduction of a diminishing part of the reform costs by 20 percentage points each year, starting from 100% in 2005 and reaching 20% in 2009. Line 9 in

[7] European Commission (2005) and ECOFIN (2005), op.cit.

Table 2 shows the allowed adjustment in the case of Poland; the subsequent line shows the deficit adjusted for the Maastricht evaluation. It is striking that the public sector deficit continues to rise through 2010, in contrast to what the government figures project (Table 1). It never ends up below 3% except for 2005, which is the starting point and a hard fact. The rate of the central government deficit decline is really slow, 0.2-0.3% of GDP each year.

The Programme projections are different as the public sector deficit would fall from 2.9% in 2005 to 1.9% in 2008, including the open pension funds in the public sector. The government puts great emphasis in the Programme on the projected reduction of the deficit by 2 percentage points of GDP between 2004 and 2008, i.e. an average 0.5 percentage points per year. However, the reason is transparent: the Stability and Growth Pact calls for a yearly fiscal adjustment of at least 0.5% of GDP while a country is subject to the Excessive Deficit Procedure. In the case of Poland, 1 percentage point out of the 2 points occurred in 2005, and to a great extent this result was due to sheer luck. First, state budget revenues were higher than expected as employment grew faster than projected and the 2004 tax base for corporate income taxes to be paid in 2005 was high due to strong corporate performance, with GDP growth reaching 6.5% in the first half of 2004. Furthermore, the state demanded high dividend payouts from corporations in which it holds shares. Last but not least, past GDP figures back to 1994 have been consistently revised upwards by the Central Statistical Office, adjusting them for the contributions of the financial institutions. The GDP revisions helped cut the central government deficit by a cumulative 0.3% of GDP in 2004-2005. Reforms on the expenditure side were absent, nor are they planned for 2006-2008. There are some vague pledges in the Programme about rationalizing the expenditure on administration and tightening the control on public expenditure, but no specifics are given (pages 16 and 28). No wonder that despite the downward revision of the 2004 deficit by 1.6 percentage points of GDP as compared to the 2004 Convergence Programme, this dividend is projected to disappear almost entirely by 2007 (see Table 6 of the 2005 Programme).

Closing remarks

The calculations show that Poland, by merely relying on rapid economic growth which is supposed to drive up state budget revenues, will not be able to grow out of the deficit in a way that would allow the general government deficit to meet the Maastricht criterion in the medium run. The reform of the Pact is tentatively helping the calculations but when it is phased out, the deficit jumps back. Reforms of spending would be most desirable as Poland spends relatively too much for a country of its GDP level per capita and its tax burden is also relatively high, hence raising taxes would be counterproductive to growth.

The euro adoption is put off beyond 2010 unless early elections are announced producing a change in the government's sceptical attitude towards the euro: Poland is the only new EU member state that has not declared a date of the entry into the eurozone yet. The next regular elections should be held in 2009 but a new government, provided it were to treat it as a policy priority, would not be able to adopt the euro earlier than in 2012, assuming that it would commit itself to the ERM2 entry in the first half of 2010.

Market reform zeal is likely to suffer because of the watered-down target of the euro adoption. The latter could serve as a useful anchor and could mobilize the enactment of reforms in order to enhance economic competitiveness.

Fast growth in the Baltic countries continues

BY ADALBERT KNÖBL*

In 2005, the Baltic countries were the fastest growing economies amongst all member countries of the European Union (EU). Economic growth rose particularly strongly in Latvia and Estonia, with real GDP rising by about 10% during 2005. The strong growth was the result of both buoyant foreign and domestic demand. Exports of goods rose around 30% in all three countries. However, imports also rose strongly, if somewhat less, and the external current account improved somewhat in Estonia and Latvia and was nearly unchanged in Lithuania. Private consumption was supporting rapid economic growth, as consumer confidence was boosted by declining unemployment and fast growing incomes. Under the assumption of continued global economic recovery and no further sharp rise in oil prices, strong economic growth is expected to continue in the Baltics this year and next, albeit at somewhat lower rates.

The main economic issue is price inflation in all three countries. Consumer price inflation has been pushed up by external factors (mainly energy prices), domestic administrative price increases, and rapidly growing demand. Fiscal policy did nothing to reduce demand pressures. On the contrary, in particular in Estonia and Latvia, fiscal policy was eased in the recovery, and it is unlikely that Estonia and Latvia will meet the Maastricht inflation criterion in 2006, while it will be very difficult for Lithuania to achieve this.

Estonia

Preliminary estimates suggest that real GDP rose by 9.6% in 2005, the second highest rate after the 11% growth in 1997. As noted above, growth was broad based, and despite strong domestic demand, the external current account improved a little, its deficit reaching about 11% of GDP (see Table 1). Confidence in companies and households has reached new highs, so that economic growth is expected to remain strong in 2006 and 2007, at around 8.5% and 7.5% respectively.

Exports rose very strongly in 2005, in particular to the Eastern Baltic region (Latvia, Lithuania, Sweden, Finland, and Russia). As the economic situation in that region remains good, exports are expected to continue to expand strongly this year and next, though perhaps not quite as fast as last year. Private investment, which rose by about 10% in 2005, is also expected to continue to rise strongly, perhaps by around 7% in 2006 and 2007. Private consumption was boosted by rising employment and strong growth of real wages (about 7.5%). With consumer confidence high, this development is unlikely to change much this year and next. Along with the recovery, employment has risen. Unemployment declined even more, to 6.5% by the end of 2005, reflecting also emigration to other EU countries.

Although fiscal policy was eased somewhat last year, with spending (in particular on pension outlays) rising faster than revenue, the general government has remained in surplus, of about 1% of GDP. Although there will be presidential elections this summer and general elections next March, it is not expected that economic policies will change significantly, and the general government budget may remain in small surplus in both 2006 and 2007.

With exports remaining buoyant, and despite strong domestic demand, the current account deficit may continue to improve slightly, to perhaps 9% of GDP in 2006 and 7.5% in 2007.

The Bank of Estonia is continuing with preparations for euro adoption, but it is doubtful that the Maastricht inflation criterion can be met this year (see below). Although consumer price inflation started to decline towards the end of 2005, the decline has been slow. Inflationary expectations have also improved somewhat, and barring

* Adalbert Knöbl, formerly Assistant Director, International Monetary Fund.

additional external price shocks, consumer price inflation should decline from some 4% in 2005 to around 3.5% in 2006 and a similar rate in 2007.

Latvia

Of the three Baltic countries, Latvia showed the fastest economic growth last year, with real GDP rising by 10.2% in 2005. Similarly to Estonia, economic growth was broad based, with foreign and domestic demand rising strongly. The leading sectors were trade, transport, and construction. Strong growth is expected to continue, with real GDP projected to rise by some 8% in 2006 and perhaps slightly less in 2007. The driving forces of growth are expected to be similar to those in 2005.

Exports of goods, which expanded by over 30% in 2005, are likely to rise by another 20% in 2006, with export growth the strongest to the new EU members (in particular Estonia, Lithuania and Poland) and the CIS. Strong domestic demand will also continue to push up imports, and the current account deficit may remain at around the level of 2005 of about 11.5%.

Unemployment has declined significantly as a result of the recovery and some labour outflow, partly a consequence of EU membership. The rate of unemployment declined from 10.4% in 2004 to 9% in 2005. A further small decline is expected this year and next.

Despite the strong recovery, the general government deficit was little changed in 2005, remaining at about 1% of GDP, implying an easing of fiscal policy. The deficit is budgeted to rise to 1.5% of GDP this year, reflecting cautious revenue projections. However, given the general elections this October a supplementary budget is likely later this year, and the deficit is unlikely to fall below government projections.

The most worrisome development last year were rising inflationary pressures, with consumer prices up 6.7% in 2005. Little improvement is expected this year, as inflationary expectations have risen and, although inflation might ease somewhat next year, there is little hope that the Maastricht inflation criterion can be met by mid-2007.

Lithuania

Although economic expansion was somewhat less pronounced in Lithuania as compared with Latvia and Estonia, the real GDP growth of 7.5% in 2005 was still quite impressive. The driving forces of economic growth were similar to those in the other two Baltic countries, with rapid growth in exports and buoyant domestic demand, especially private consumption. Economic growth is expected to remain strong, at about 6.5% in both 2006 and 2007. With imports also rising rapidly, the external current account deficit, at 7.8% of GDP, was little changed in 2005, and is projected to remain at about this level in 2006 and 2007.

Unemployment declined significantly, from 11.4% of the labour force in 2004 to 8.2% in 2005. The rise in domestic and external employment was the reason for the strong fall in unemployment. Unemployment is projected to decline somewhat further this year and next.

Contrary to Estonia and Latvia, in Lithuania the general government deficit declined slightly along with the economic recovery, from 2.5% of GDP in 2004 to 2% in 2005. It is expected that the deficit will be kept at between 1.5% and 2% in 2006 and 2007.

Consumer price inflation remained relatively modest at 2.7% in 2005, although there was a clear upward trend during the year. Even so, Lithuania seems to be closer to meeting the Maastricht inflation criterion than the other two Baltic countries, though it remains to be seen whether price pressures can be kept sufficiently in check from now.

Adoption of the euro

All three Baltic countries are aiming at adopting the euro soon, Estonia and Lithuania at the beginning of 2007, and Latvia one year later. In the following the Maastricht criteria for euro adoption, and the current (March 2006) positions of the Baltic countries, are discussed briefly.

The most important economic criteria under observation are long-term interest rates, the budget balance and public debt, the exchange rate, and inflation.

Long-term interest rates

An applicant country should have 'over a period of one year … an average nominal long-term interest rate that does not exceed by more than two percentage points that of, at most, the three best performing Member States in terms of price stability'. Interest rates on long-term government bonds are used for Latvia and Lithuania. As Estonia has no similar financial instrument, new kroon-denominated loans over five years are used. All three countries are meeting this criterion.

Budget balance and public debt

These criteria imply that the deficit should not exceed 3% of GDP and the ratio of government debt to GDP should be less than 60%. Again, all three countries are fulfilling these criteria. Estonia has achieved a budget surplus in recent years, and Latvia and Lithuania are likely to continue to have deficits below 3% of GDP. For all three countries, public debt levels are well below 60% of GDP.

Exchange rate

A country seeking to adopt the euro should keep its currency fluctuating within 'the normal fluctuation margins provided for by the exchange rate mechanism of the European Monetary System (ERM 2), for at least two years, without devaluing against the currency of any other Member State'. Estonia and Lithuania have been members of ERM 2 since 28 June 2004, and Latvia since 2 May 2005, so the two-year requirement still has to be met.

The criterion implies to keep the currency within a band of +/- 15% from the central parity rates set when the country joined ERM 2.

Both Estonia and Lithuania have currency boards, with fixed rates to the euro. This implies that the kroon and the litas will remain without fluctuation margins in the ERM 2. Similarly, Latvia intends to hold the lats within the previous +/- 1% fluctuation band while being in the ERM 2.

Inflation

Inflation (measured with the 12-month average harmonized index of consumer prices (HICP) should 'not exceed by more than 1.5 percentage points that of, at most, the three best performing Member States in terms of price stability'. Negative figures are excluded as not reflecting good economic performance. In December 2005, the criterion was calculated from the figures of Finland (0.8%), Sweden (0.8%), an the Netherlands (1.5%). All three Baltic countries exceeded the limit (2.5%): Lithuania (2.7%), Estonia (4.1%) and Latvia (6.9%). Although Lithuania was close to fulfilling the criterion, on present projections all three countries should have difficulties doing so over the next 18 months.

It is questionable whether the inflation criterion is the most relevant one for judging the readiness of transition economies to adopt the euro. As Balassa, Samuelson and others have pointed out, the tendency for productivity growth to be faster in the tradables sector will result in increases in the relative price of nontradables and an appreciation of the real exchange rate. With fixed exchange rates, this implies higher inflation in the Baltics compared with the EU-15 countries. This phenomenon could also be observed in Austria in the 1970s and 80s, when Austrian inflation was consistently above German inflation, without implying a loss of competitiveness. Even so, the EU Commission has indicated that it will not waive the inflation criterion.

Table 1

Baltic countries: selected economic indicators

	2004	2005*	2006 forecast	2007 forecast
Real GDP				
change, in per cent				
Estonia	7.8	9.6	8.5	7.5
Latvia	8.5	10.2	8	7.5
Lithuania	7.0	7.5	6.5	6.5
Consumer prices				
change, in per cent				
Estonia	3.0	4.1	3.5	3.3
Latvia	6.2	6.7	6	4
Lithuania	1.2	2.7	3	3.3
Rate of unemployment				
in per cent of labour force				
Estonia	9.6	8.0	6.5	5.8
Latvia	10.4	9.1	8.5	7.5
Lithuania	11.4	8.2	7.5	6.8
Exports, goods and services				
change, in per cent				
Estonia	17.2	22.4	17	15
Latvia	21.4	30.0	20	15
Lithuania	12.0	26.0	20	15
Imports, goods and services				
change, in per cent				
Estonia	16.9	21.3	14	14
Latvia	27.0	25.8	20	14
Lithuania	14.2	23.0	22	16
Current account balance				
in per cent of GDP				
Estonia	-12.7	-11.0	-9	-7
Latvia	-12.9	-11.6	-11.5	-12
Lithuania	-7.8	-7.8	-8.3	-8.5
General government balance				
in per cent of GDP				
Estonia	1.7	0.9	0.5	0.3
Latvia	-1.1	-1.0	-1.5	-1
Lithuania	-2.5	-2.0	-1.75	-1.5

*) Partly estimated.

Source: L. Podkaminer, V. Gligorov et al., 'Strong Growth, Driven by Exports in the NMS and by Consumption in the Future EU Members', wiiw Research Reports, No. 325, February 2006; Hansabank Markets, The Baltic Outlook, February 2006; own estimates.

European society and the welfare state

BY VLADIMIR GLIGOROV

Introduction

A number of studies comparing the United States of America (USA) and the European Union (EU) look for cultural and social differences to explain why the respective approaches to social welfare are so different.[1] These comparisons are between the US government and the member states of the EU. A comparison between the federal US government and the EU would, of course, paint a different picture because the EU's budget has hardly any money for social welfare in it. In terms of social welfare, the USA is a society, as are the EU member states, but the EU itself is not.

This observation leads to the question about what might be the macro-social instruments of social construction or of the construction of a society. The question is interesting because much of the sociological thought builds up societies from their micro-foundations: from social relations, emerging institutions and cultural values.[2] The macro-foundations of a society are much less treated.[3] The micro-sociological way of approaching the issue seems to be so entrenched that as soon as social factors are sought for, it is the notions of institutions and culture that are brought up. It may be the case, however, that macro-social factors play a much larger role in the construction of a society and that not everything is due to culture, beliefs and micro-institutions. If that is the case, that perhaps offers an explanation why the social foundations of the EU are so weak.

Trust, solidarity and society

The micro-sociological approach is perhaps most clearly visible in the concept of social capital and the associated idea of network externalities that have become very popular.[4] An economy will perform better, as will a state, if it is embedded in a society, i.e., if it can rely on significant social capital. That capital is built from the bottom up: it springs from common values and mutual trust that increase the predictability of individual behaviour. These voluntary relations are what societies are made up of.[5] They, if they exist and are pervasive, make it easier for states to manage involuntary social relations, such as those that use fiscal transfers to finance social welfare, i.e., solidarity among people and between generations of a society – the idea being that tax collection will be more efficient if citizens as members of a society tend to honour their obligations in their interpersonal relations and thus have a habit not to evade taxes.

These voluntary social relations as well as the state-supported social solidarity are both based on a common culture, that is on shared values, practices or habits and institutions.[6] Those can

[1] Recent contributions include Alesina, Glaeser and Sacerdote (2005) and Benabou and Tirole (2006). The former paper relies on the network effect of a common culture while the latter on the difference in the various belief systems about what constitutes the good or rather rewarding life. There are also cultural explanations of the social and economic characteristics of post-socialist societies; most recently by Alesina and Fuchs-Schundeln (2005).

[2] The classic overview of the origin of sociological thought in Parsons (1937) that details this micro-social approach is probably still the best. In economics, perhaps a pioneering paper is by Becker (1973, reprinted in 1976).

[3] That approach is probably to be found in political philosophy, especially in the one that builds on Thomas Hobbes.

[4] The concept was introduced, at least to the current discussion, by two sociologists: Bourdieu (1986) and Coleman (1988). The literature by now is huge. The intellectual father of the concept and the comparative studies between the USA and the continental European, in fact French, state and society is, probably, Tocqueville with his books on democracy in America and the *ancient regime* in France.

[5] For purposes of theoretical clarity, it is important to distinguish the reliance on micro-social factors from the much better known difference between communities and societies that is to be found in the formative sociological literature. Trust, which keeps communities together, is the opposite of contract, which keeps societies together.

[6] An implicit assumption, in this way of sociological thinking, is that each and every society has its own different, or rather specific, culture; this can be called one society, one culture assumption. Reliance on culture is theoretically necessary in this set-up because voluntary social relations based on interest may not deliver social cooperation, e.g., may not

differ across societies. Sociologically,[7] institutions have three elements: shared values, rules or norms, and physical structures. An example of an institution is religion: it consists of teachings that express certain values, it has rituals and churches. The same is true of any social institution: it is instrumental in the sense of being value-oriented, it has rules or norms that are to be followed, and it has common or public places where people interact. Specific institutions distinguish cultures from each other. They have different values, norms and habitats within which social life takes place. These cultural differences separate societies and their politics and policies.

So, the basic claim of this kind of social theory is that if societies differ in the level of intra- and inter-generational solidarity, i.e., in the extent to which individual welfare depends on social welfare, that must be because they have different cultures.

In that sense, the USA is more of a society than the EU, but certainly less of a society than the EU member states. That would imply that the EU does not have a shared culture or alternatively that the member states are culturally homogeneous while the EU is not. That would explain the different approaches to social welfare provision between the USA and the EU and between the member states and the EU, as well as between the member states themselves. The difference between the EU member states and the USA would have to be the consequence of their different cultures. This explanation, however, raises the question of how different the cultures need be to lead to different social practices, as Europe and America share the same culture on most usual accounts of what a culture is. In an anthropological sense, of course, all cultures are basically the same anyway as they all serve the same set of social functions.

deliver trust among social actors. So, culture is relied on to supply the needed cooperative element of social relations.

[7] That is within Durkheimian sociology. This approach to sociology is quite different from the one based on voluntary social interaction. Most often, however, the two are conflated, as is done here, in something that may be called folk-sociology. As already mentioned, the most influential attempt to bring the two together within a general sociological theory is in Parsons (1937).

An alternative explanation could be based on macro-social rather than micro-social factors. It may be that societies are partly created by the extent to which their members depend on each other for their welfare, i.e., that redistributions create societies. Or, simply stated, no solidarity through redistribution, no society. Or, no social welfare, no society.

In that sense, the reason that the EU is not a society is not that it does not have a shared culture – i.e., values, rules and institutions – but rather that it does not supply social welfare. Individuals in the EU do not depend on each other via the EU fiscal system. They may have common values, follow the same rules and organize their physical spaces in the same way, but they do not support each other financially, they do not depend on each other for their welfare because there is no social welfare dimension to the EU.

Welfare and social conflicts

Why are welfare states larger in the EU than in the USA?[8] The answer is to be found in the structure of their respective welfare systems. The EU member states redistribute more for health, pensions, unemployed, education and many other public and social services. There is clearly more demand for public and social services of all kinds in the EU member states than in the USA. Individuals and households depend on each other socially for many more aspects of their welfare than in the USA. Is this difference in the levels of solidarity in these societies present because of their different cultures (or belief systems) or is it that other factors may have had a decisive influence?

One analogy may be useful to start thinking about macro-social factors of different welfare systems. A conservative central bank may be such because of the experience with inflation in the past. It seems to

[8] Some statistical evidence can be found in Figures 1-4. It is interesting to note (see Table 1), as the example of expenditures on health illustrates, that total, i.e., public and private, spending on social welfare may be as high in the USA as in the EU states, but the share of the public part is as a rule (health is an exception) much higher in the EU states than in the USA.

be the case that episodes of hyperinflation tend to influence the attitude that a central bank takes towards price stability. Indeed, the memory may last long and one can perhaps even speak of institutional or institutionalized memory, indeed of collective representation contained in social memory. In a more general sense, history may matter via the long-term memory of social, political or economic crises. There is no doubt that the American welfare system has been mainly developed as a response to economic crises and certain social conflicts. For instance, the idea of positive discrimination is a response to racial conflicts in the USA.

If that is true, maybe the explanation for the different levels and structures of social welfare in different countries should be found in their different histories of social conflicts rather than in their different cultures. In the EU member states, be they old or new, social conflicts have played quite a significant role in about the past two centuries. Those have been of different types. Some countries have come to the brink of civil war for social rather than political reasons. Some have seen repeated attempts at revolutionary change. Also, in some cases, e.g., in former socialist Eastern Europe, revolutions have been imported and imposed from above. Finally, politics based on class-conflict has played an important role in a number of countries and is still important, as can be seen from the frequency of social conflicts, for instance in the reliance on strikes in some EU member states as well as from the importance of class-based social and political organizations such as trade unions and parties.

It may, therefore, be the case that the greater reliance on the society to secure individual welfare is the consequence of the social history of Europe rather than to be found in some cultural differences between the USA and the EU member states. Society may be a way to resolve social conflicts rather than to institutionalize shared beliefs: solidarity may be an instrument of conflict resolution and social capital may be produced through redistribution rather than on the basis of micro-social relations that depend on trust.

Bargaining procedures

This idea can be formulated in a different way in order to emphasize differences in the systems of the determination of income distribution in different countries. Wage-bargaining can be organized in a number of ways, e.g., between individual employers and employees, between unions and employers in a firm, in a sector or at the national level, or it can be done centrally, within the system of social partnership. The decentralized, or market system, mostly characterizes social histories with few and dispersed social conflicts. Various systems with an important role of the trade unions characterize countries with significant social conflicts of the traditional class-type. Finally, centralized bargaining through, for instance, social partnership may be characteristic of countries with multifaceted social conflicts, as has been argued in some studies on the political sociology of corporativism.[9]

These different types of wage-bargaining may have different consequences for the social policies that may be needed to mitigate the different types of social externalities that they may generate. A decentralized procedure may create few externalities, thus it may not trigger a need for social welfare response. Other procedures of bargaining may have large social externalities, for instance in terms of levels of employment or unemployment or in other respects that have consequences for individual welfare.[10] In any case, social conflicts, current or those that happened in the past, may have consequences for the institutions of bargaining that then determine the type and level of social externalities and influence the type and amount of public intervention. That may be the way in which society is constructed. In the case of the USA, as reflected in the level and structure of federal public expenditures, the

[9] The classic political science study is Lijphart (1977). On the consequences of the different institutions of wage-bargaining on income distribution and on social welfare provisions there is a voluminous literature. A survey can be found in Layard and Nickell (1998).

[10] The costs in terms of employment and growth are those most often studied; e.g., in Prescott (2004) and Mitchell (2005).

formative conflicts were the civil war, the great depression, and racial segregation and desegregation. In the EU member states, class conflicts have played a much stronger role and have led to the greater role for the more centralized forms of bargaining and thus to the greater role for public intervention in the domain of social welfare.

The EU as a society

From the point of view of micro-sociology, there is no reason why the EU would not be a society. It is based on shared values, it has harmonized its legal systems and has recognizable, not alien, public spaces. However, it is not a welfare state, but rather an extended common market and a currency union. There are no influential initiatives to increase the redistributive role of the EU in the area of social security.[11] Indeed, the leading proposal for budgetary reform in the EU, the Sapir report, would cut the redistributive items in the EU budget.[12] Thus, the EU does not have direct taxing powers and does not spend money on social welfare services. As a consequence, it does not attract significant political effort on the part of its citizens; they are not investing in EU-wide political parties and do not contemplate EU-wide institutions for income distribution. It is not the case that individuals in the EU depend on each other for their welfare, at least not socially.

An interesting observation is prompted by these facts. The EU does have a significant regulatory role, though not a fiscal role. Some put the share of laws that are decisively influenced at the EU level at around 60% of the total legislative activity. If it were the case that it is the rules governing behaviour that constructed societies, the EU should be a rather strong society. This, however, is not the case. Regulation is a poor substitute for mutual financial dependence. While common rules and institutions together with common values do increase social capital, the predictability of behaviour and public trust, they do not by themselves construct societies. Indeed, the proliferation of rules seems not to be bringing the European societies together, rather to the contrary.

Looking at the EU from the macro-social point of view, it seems clear that it is more of an answer to political conflicts, indeed to the two world wars, that it is primarily a security arrangement rather than a social construct. It also follows the liberal insight, which goes back at least to Kant, Smith and Constant, that trade is the best antidote to war. The voluntary and spontaneous institutions of civil society that emerge from trade and other business relations and the common rule and even common legal system together may support economic growth and increase public trust but not necessarily social interdependence.

To put the point differently, two ideas of social interdependence could be contrasted. The older one is that societies are created to take advantage of the division of labour. The other is that societies are systems of distribution and indeed of redistribution. It is the second one that seems to be the necessary condition for the emergence of societies. If there are no redistributions, there are no societies. This observation may be given a theoretical representation: some sociological theories rely on the cooperative theory of games while others rely on the non-cooperative theory of games. It is the latter that are constitutive of societies.

In the case of the EU, rules are relied on more than fiscal redistribution. Of course, regulation has redistributive consequences also. But those are more removed from the citizens than the outright dependence on common taxes and budget transfers. To the extent that is true, the latter will dominate the former, and as social welfare is exclusively the competence of the member states, the social bonds within member states will be stronger than within the EU.

In the case of the USA, on the other hand, welfare transfers are centralized to a very large extent and thus the USA is more of a society than the EU.

[11] An interesting discussion of social protection in the EU that ends with very modest proposals for a greater role of the EU can be found in Atkinson (2004).

[12] Sapir (2004). The redistributive elements are subsidies for agriculture and cohesion, ie, the lion's share of the budget.

Most of the federal budget is spent on social security and on grants to the local governments. Also, most of the federal revenues come from income taxes. Thus, citizens in the US depend on each other for their welfare through the system of taxation as well as through social transfers.[13]

The limited role of rules in the construction of societies can be extended to cover the case of indicative planning, as is for instance used in the EU's Lisbon Agenda. Suggestions, prescriptions or quantitative targets tend to be much less effective than fiscal instruments. Indicative planning in the form of quantitative targets has to compete for resources with social and other rights and needs in the member states and it is a weak incentive to change the domestic fiscal strategy.

The USA has a better record in certain areas of education and also in the development of science because, among other reasons, it relies on fiscal instruments rather than on less direct means to achieve desired policy goals. What goes for the Lisbon Agenda, goes for other initiatives especially in the area of employment, the reform of the pension system and social welfare in general.

Rights and income

The history of social conflicts, it is argued here, influences the character of a society. The narrative and social debate in both cases may be the same, as it will inevitably be about equality. The instruments will be different, however. Again, it is often argued that Americans believe in equality of rights while the Europeans are more interested in the equality of income. These differences, to the extent that they exist, may not be the consequences of the different belief systems in these two polities, but may rather be the consequences of the types of social conflicts that have been characteristic of them. Much of social history of the USA has been determined by the equal rights movements, as the equality of rights across races especially has been the main social problem. The great depression has added the concern for the fate of the disadvantaged – poor and old – and the two have shaped the redistributive system and the role of the federal state in it.

In Europe, the distribution of income has been the dominant issue. That has led to the greater role assigned to the notion of social justice. This has been the consequence and not the cause of the types of social conflicts that have been important in Europe. For the same reason, the belief in social justice has been the consequence not the cause of the social conflicts. The process of nation building has also played a role. Social justice and the responsibility for social welfare has been a vehicle of nation building. Finally, in both world wars there were strong elements of civil war and social strife and not only of inter-state war and thus the wars may be seen as instances of social conflicts as well as military conflicts. This has also influenced the increase of the welfare state that was strong after both world wars. Thus, it is the reliance on income redistribution that has been the main glue for nation building and for the construction of societies in the EU.

That may be the key difference between the USA and Europe. In the USA it is the equality of rights that influences income distribution, in Europe it is the equality or just distribution of income that has consequences for rights. Given that the EU relies on regulation rather than on redistribution, it represents an element of the Americanization of Europe that has failed to create a society so far, because it regulates rights with no or little direct effects on income distribution.

Rights and votes

The same reasoning may explain the deepening and widening of democracy. Initially, it emerges through a political conflict over rights, perhaps especially over ownership rights, but then increasingly over protection of rights in general. It spreads through social conflicts that tend to be over other issues of distribution and redistribution. In the case of constitutional democracies such as the USA, rights trump votes or there is at least a

[13] On that see Laubach (2005).

tension between the two. In the EU democracies, votes and other types of social influence trump rights. The recent attempt to adopt an EU constitution failed partly because it would have pushed towards the emergence of constitutional democracy. This is not necessarily acceptable because rights may take an upper hand over votes while democratization has a long way to go in the EU given that the political interest in the EU is very low: there is not so much to vote for in the EU, its budget being very small and mostly pre-committed anyway.

Conclusion

It is hard to expect that the EU will strengthen as a society without playing a greater role in income distribution and redistribution, i.e., without a larger EU role in supplying social welfare. Rules and regulations are not the proper substitute for that. Some have argued that increased globalization will lead to EU-wide effects on income distribution and thus to increased redistribution via the EU budget. A proposal to create a fund to compensate those that are losing out in the global competition goes in that direction. Similarly, ideas to supplement the indicative planning of the Lisbon Agenda with EU funds for education and research go in the same direction. The alternative is to increase protectionism on the national level. Inward migration may have a similar effect, i.e., it may either lead to an EU role in wage-bargaining and unemployment benefits or it may lead to protectionist regulation. Thus, conflicts over income distribution due to structural changes may lead to an increased demand for EU-wide solidarity and thus for the transfer of some responsibilities for social welfare to the EU, which would increase EU-wide solidarity and be constructive of EU society. In any case, it will be the ability of the EU to offer solutions to social conflicts over income distribution that may support an increase of its taxing and spending powers and thus of an increased interdependence of its citizens in different countries for their welfare.

References

Alesina, A. and N. Fuchs-Schundeln (2005), 'Good bye Lenin (or not?): The effect of Communism on people's preferences', working paper posted at the website http://post.economics.harvard.edu/faculty/alesina/papers.html.

Alesina, A., E. Glaeser and B. Sacerdote (2005), 'Work and leisure in the US and Europe: Why so different?', working paper posted at the website http://post.economics.harvard.edu/faculty/alesina/papers.html.

Atkinson, A. B. (2004), 'The Future of Social Protection in a Unifying Europe', KELA Lecture.

Becker, G. (1973, reprinted 1976), 'A Theory of Social Interaction', in *The Economic Approach to Human Behavior*, The University of Chicago Press.

Benabou, R. and J. Tirole (2006), 'Belief in a Just World and Redistributive Politics', forthcoming in *Quarterly Journal of Economics*.

Bourdieu, P. (1980, English version 1986), 'The Forms of Capital', in John G. Richardson (ed.), *Handbook of Theory and Research in the Sociology of Education*, Greenwald Press, New York.

Coleman, J. (1988), 'Social Capital in the Creation of Human Capital', *American Journal of Sociology*, Vol. 94, pp. 95-120.

Layard, R. and S. Nickell (1998), 'Labour Market Institutions and Economic Performance', *CEP Discussion Paper*, No. 0407, Centre for Economic Performance, LSE, London.

Laubach, T. (2005), 'Fiscal Relations Accross Levels of Governemnt in the United States', OECD Economics Department Working Paper No. 462.

Lijphart, A. (1977), *Democracy in Plural Societies: A Comparative Exploration*, Yale University Press, New Haven.

Mitchell, D. J. (2005), 'The Impact of Government Spending on Economic Growth', *The Heritage Foundation Backgrounder*, No. 1831.

Parsons, T. (1937), *Structure of Social Action*, McGraw Hill, New York.

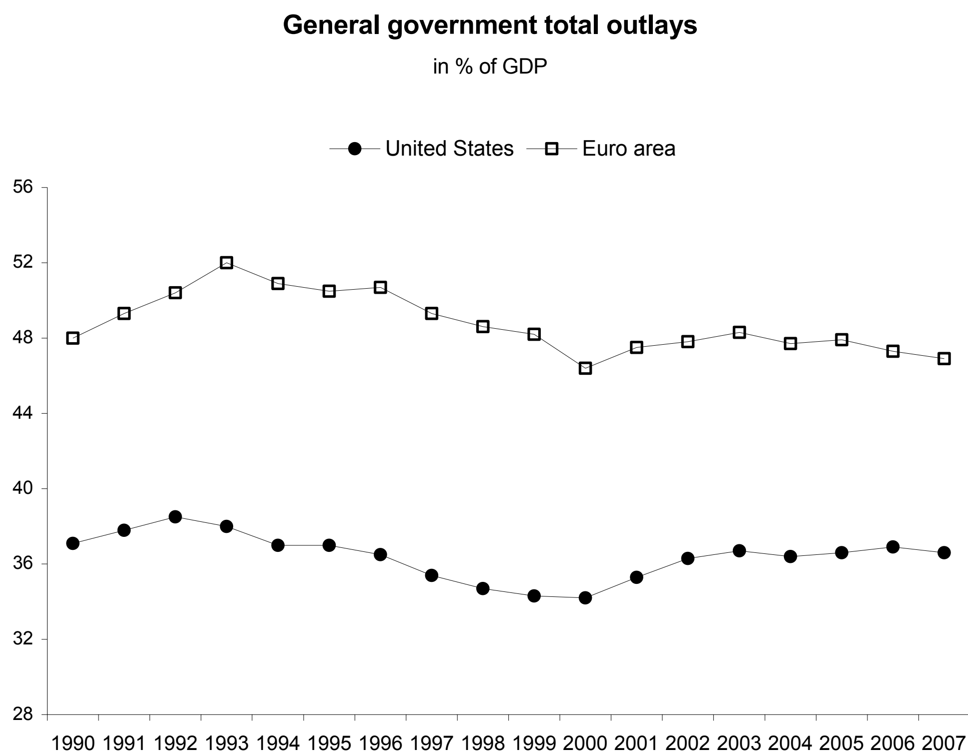
Prescott, E. C. (2004), 'Why do Americans Work so Much More than Europeans?', *Federal Reserve Bank of Minneapolis Quarterly Review*, Vol. 28, No. 1, pp. 2-13.

Sapir, A. (2004), *An Agenda for a Growing Europe*. Oxford University Press.

Tocqueville, Alexis de (1835 and 1840), *Democracy in America* (Volume I and Volume II).

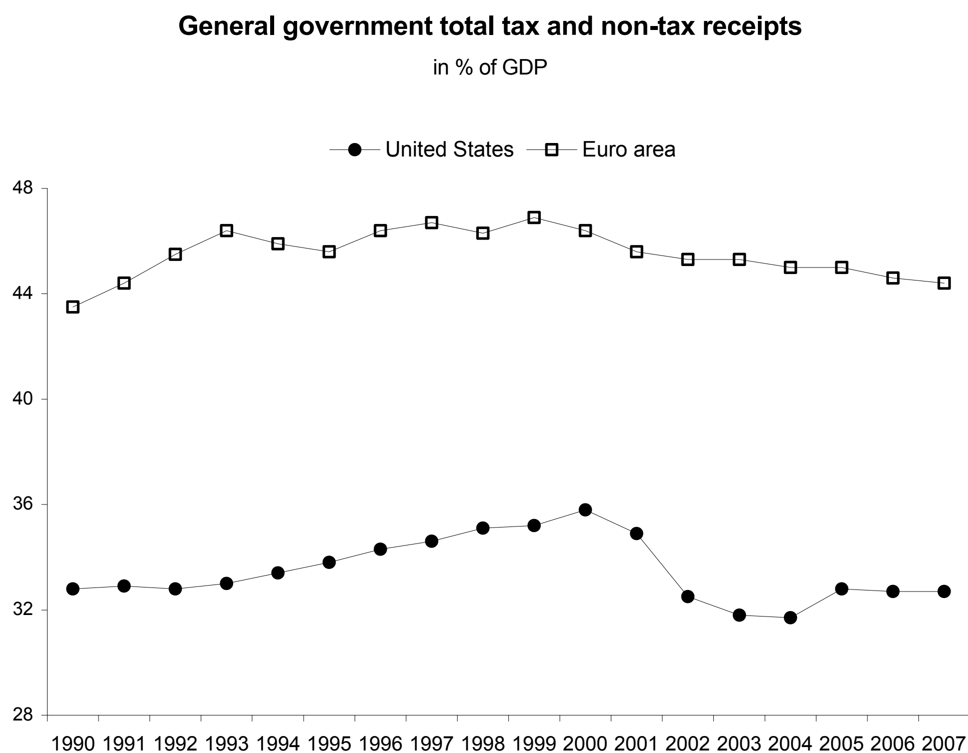
Tocqueville, Alexis de (1856), *The Old Regime and the Revolution*.

Figure 1



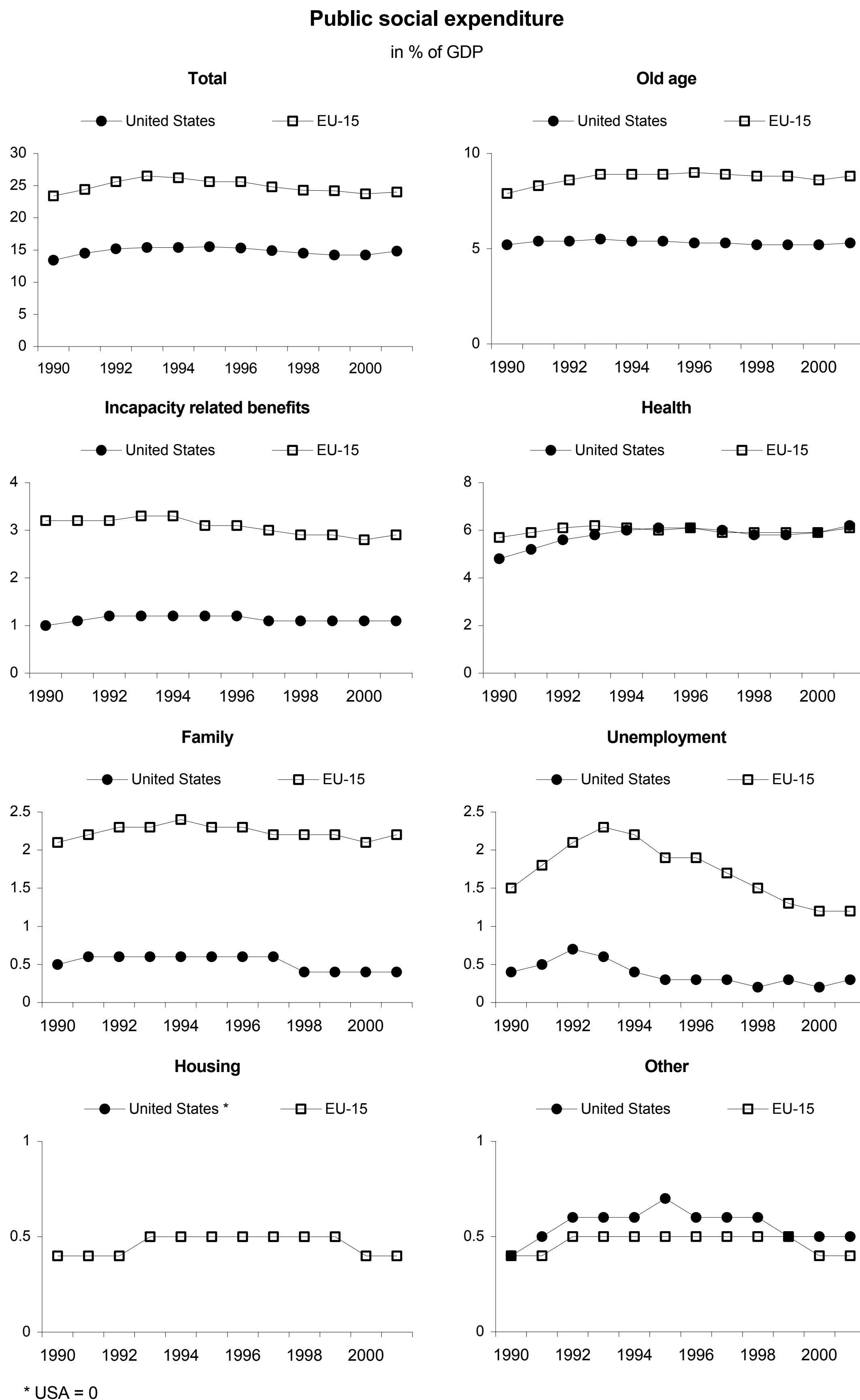
Source: OECD Economic Outlook 78 database.

Figure 2



Source: OECD Economic Outlook 78 database.

Figure 3

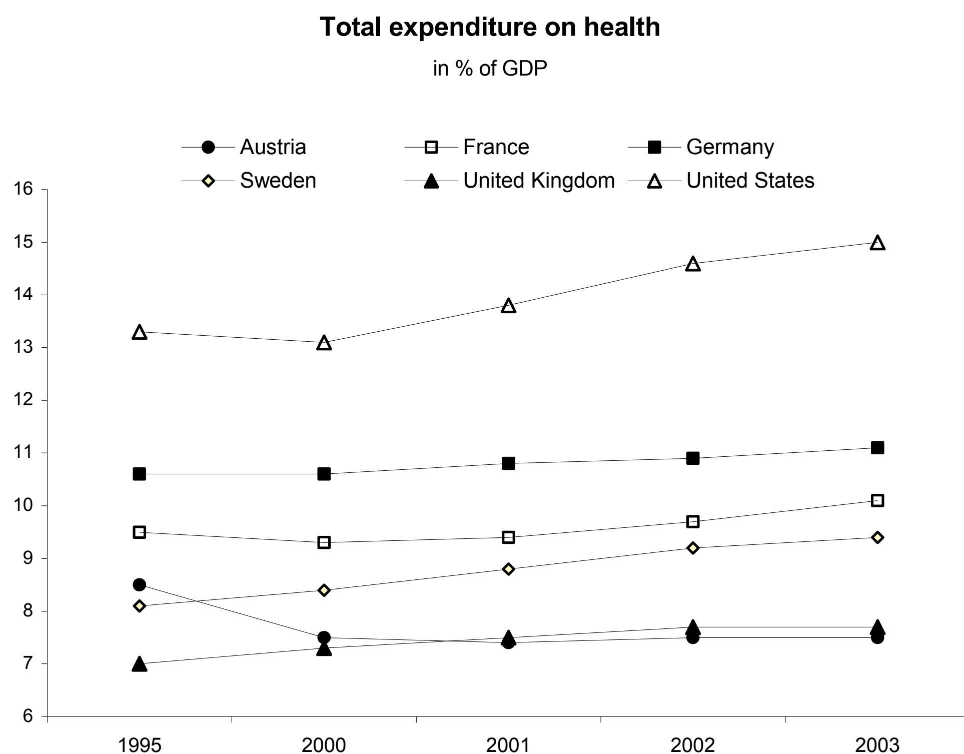


Source: OECD (2004), Social Expenditure Database.

Figure 4

Total expenditure on health

in % of GDP



Source and methods per country: www.irdes.fr/ecosante/OCDE/500.html.

Table 1

Composition of total social expenditures in 2001 (% of GDP)

	United States			Western Europe*		
	Public	Private	**Total**	Public	Private	**Total**
Cash transfers	7.9	4.3	**12.2**	14.2	1.8	**16**
Pensions	6.1	3.8	9.9	8.5	1	9.5
Human services	11.9	7.2	**19.1**	15.1	0.9	**16**
Health	6.2	5	11.1	6.4	0.4	6.8
Education	5.1	2.3	7.3	5.4	0.4	5.8
Active labour market programmes	0.1		0.1	0.9		0.9
Total social expenditure	**19.8**	**11.6**	**31.3**	**29.3**	**2.7**	**32**

* Unweighted averages have been calculated for Austria, Belgium, Denmark, Finland, France, Germany, Iceland, Ireland, Italy, the Netherlands, Norway, Spain, Sweden, and the United Kingdom.

Note that the figures for private health spending only cover private insurance programmes and exclude individual private health costs.

Source: OECD.

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 (1 BGN = 1000 BGL)
CZK	Czech koruna
EUR	Euro, from 1 January 1999
HRK	Croatian kuna
HUF	Hungarian forint
PLN	Polish zloty
RON	Romanian leu (1RON = 10000 ROL)
RUB	Russian rouble (1 RUB = 1000 RUR)
SIT	Slovenian tolar
SKK	Slovak koruna
UAH	Ukrainian hryvnia
USD	US dollar
M0	currency outside banks
M1	M0 + demand deposits
M2	M1 + quasi-money

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

Please note: *wiiw* Members have **free online access** to the wiiw Monthly Database Eastern Europe.
To receive your personal password, please go to http://mdb.wiiw.ac.at

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004 Nov	Dec	2005 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2006 Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	10.9	8.3	7.2	5.6	0.1	5.7	4.0	3.7	7.2	8.6	7.1	6.3	7.2	7.1	.	.
Industry, total	real, CCPY	10.0	9.9	7.2	6.4	4.0	4.4	4.3	4.2	4.6	5.1	5.3	5.4	5.6	5.7	.	.
Industry, total	real, 3MMA	9.1	8.9	7.0	4.0	3.6	3.2	4.5	4.9	6.4	7.6	7.3	6.9	6.9	.	.	.
Construction, total	real, CMPY	9.8	1.3	14.2	3.8	-16.0	-29.5	26.1	19.1	6.1	6.5	9.4	13.9	7.2	9.2	-0.6	.
LABOUR																	
Employees in industry[1]	th. persons	1138	1131	1121	1128	1133	1132	1130	1137	1139	1134	1131	1144	1147	1141	1137	.
Unemployment, end of period	th. persons	517.7	541.7	561.7	555.0	540.5	512.6	494.6	489.7	500.3	505.3	503.4	491.9	490.8	510.4	531.2	528.2
Unemployment rate[2]	%	8.9	9.5	9.8	9.6	9.4	8.9	8.6	8.6	8.8	8.9	8.8	8.5	8.4	8.9	9.2	9.1
Labour productivity, industry[1)3)]	CCPY	10.6	10.4	10.1	7.7	5.5	6.1	6.1	6.5	6.5	7.1	7.5	7.8	8.1	8.2	13.7	.
Unit labour costs, exch.r. adj.(EUR)[1)3)]	CCPY	-3.7	-3.3	1.0	4.6	7.6	6.6	6.3	5.6	5.0	4.7	4.4	4.0	3.8	3.5	-1.3	.
WAGES, SALARIES																	
Industry, gross[1]	CZK	20415	18870	16926	16307	17633	17571	18544	18550	18173	18022	17936	18165	21464	19629	18025	.
Industry, gross[1]	real, CMPY	5.4	1.8	1.3	2.2	2.8	2.2	3.9	3.4	1.1	5.1	2.7	1.5	2.7	1.5	3.3	.
Industry, gross[1]	USD	847	825	733	708	781	755	779	751	725	749	751	735	865	803	759	.
Industry, gross[1]	EUR	653	616	558	544	592	583	614	618	602	609	612	612	734	677	628	.
PRICES																	
Consumer	PM	-0.1	0.1	0.7	0.2	-0.1	0.1	0.2	0.6	0.3	0.0	-0.3	0.9	-0.3	-0.1	1.4	0.1
Consumer	CMPY	2.9	2.8	1.7	1.7	1.5	1.6	1.3	1.8	1.7	1.7	2.2	2.6	2.4	2.2	2.9	2.8
Consumer	CCPY	2.8	2.8	1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.7	1.7	1.8	1.9	1.9	2.9	2.8
Producer, in industry	PM	0.0	-0.3	0.3	0.2	0.2	0.1	-0.7	-0.2	0.1	0.0	0.2	0.4	-0.3	-0.6	1.0	0.2
Producer, in industry	CMPY	8.2	7.7	7.2	7.1	6.4	5.6	4.0	2.7	2.0	1.1	1.0	0.3	0.0	-0.4	0.3	0.3
Producer, in industry	CCPY	5.5	5.7	7.2	7.2	6.9	6.6	6.1	5.5	5.0	4.5	4.1	3.7	3.3	3.0	0.3	0.3
RETAIL TRADE																	
Turnover	real, CMPY	8.2	3.2	7.3	0.7	3.9	2.2	7.6	4.4	1.2	6.9	3.8	3.2	3.4	2.1	6.2	.
Turnover	real, CCPY	2.4	2.5	7.3	4.0	3.9	3.5	4.3	4.3	3.9	4.3	4.2	4.1	4.1	3.8	6.2	.
FOREIGN TRADE[4)5)]																	
Exports total (fob),cumulated	EUR mn	49550	53996	4635	9368	14582	19710	24890	30426	35038	40145	45898	51609	57767	62956	5441	.
Imports total (fob),cumulated	EUR mn	50076	54825	4241	8740	13709	18861	23849	29072	33719	38949	44566	50204	56277	61602	5050	.
Trade balance,cumulated	EUR mn	-526	-829	394	627	873	849	1041	1354	1319	1196	1332	1405	1490	1355	391	.
Exports to EU-25 (fob), cumulated	EUR mn	42686	46410	4045	8099	12497	16818	21207	25831	29691	33945	38783	43584	48775	52996	4686	.
Imports from EU-25 (fob)[6], cumulated	EUR mn	35986	39375	3035	6260	9811	13472	17038	20814	24126	27826	31869	35782	39969	43659	3528	.
Trade balance with EU-25, cumulated	EUR mn	6700	7034	1010	1839	2686	3346	4169	5016	5565	6120	6914	7802	8806	9338	1158	.
FOREIGN FINANCE																	
Current account, cumulated[4]	EUR mn	-4626	-5245	37	521	628	317	99	-349	-729	-1086	-1370	-1286	-1687	-2070	142	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	24.1	22.9	23.1	23.0	22.6	23.3	23.8	24.7	25.0	24.1	23.9	24.7	24.8	24.4	23.7	23.8
CZK/EUR, monthly average	nominal	31.3	30.6	30.3	30.0	29.8	30.1	30.2	30.0	30.2	29.6	29.3	29.7	29.3	29.0	28.7	28.4
CZK/USD, calculated with CPI[7]	real, Jan03=100	120.8	127.8	127.2	127.1	128.4	123.9	121.6	117.8	116.0	120.1	119.3	116.1	116.2	118.3	123.6	123.4
CZK/USD, calculated with PPI[7]	real, Jan03=100	119.6	126.7	125.1	125.3	126.2	121.4	118.4	114.2	111.1	114.8	112.5	106.5	107.3	108.7	113.1	113.0
CZK/EUR, calculated with CPI[7]	real, Jan03=100	99.5	101.3	103.6	104.6	104.6	103.0	102.8	103.9	103.6	105.4	105.7	105.1	106.4	107.0	109.5	110.8
CZK/EUR, calculated with PPI[7]	real, Jan03=100	106.2	108.5	109.6	110.6	110.7	109.2	108.3	108.5	107.8	109.5	110.2	108.9	110.3	110.7	112.8	114.3
DOMESTIC FINANCE																	
M0, end of period	CZK bn	238.4	236.8	237.8	240.8	242.9	245.9	248.8	253.2	253.0	252.9	256.3	258.5	262.7	263.8	261.8	.
M1, end of period	CZK bn	975.8	962.3	965.5	963.5	972.7	965.5	1007.7	1004.0	1004.2	1028.2	1015.2	1048.5	1078.2	1087.2	1099.8	.
M2, end of period	CZK bn	1840.5	1844.1	1827.5	1844.4	1844.9	1882.2	1912.1	1913.0	1908.3	1920.5	1919.2	1933.9	1965.6	1992.0	1989.3	.
M2, end of period	CMPY	6.6	4.4	4.2	4.7	5.3	4.7	5.4	5.2	4.8	4.6	4.2	5.0	6.8	8.0	8.9	.
Discount rate (p.a.),end of period	%	1.50	1.50	1.25	1.25	1.25	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
Discount rate (p.a.),end of period[8]	real, %	-6.2	-5.8	-5.6	-5.5	-4.9	-4.6	-3.1	-1.9	-1.2	-0.3	-0.2	0.7	1.0	1.4	0.7	0.7
BUDGET																	
Central gov.budget balance,cum.	CZK mn	-66370	-93530	3485	-2584	8249	-22492	-27029	3763	10260	10010	25750	15180	200	-56400	3430	-560

1) Enterprises employing 20 and more persons.

2) Ratio of job applicants to the economically active (including women on maternity leave), calculated with disposable number of registered unemployment.

3) Calculation based on industrial sales index (at constant prices).

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

5) Cumulation starting January and ending December each year.

6) According to country of origin.

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

8) Deflated with annual PPI.

H U N G A R Y: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	9.3	2.0	3.6	0.5	1.8	9.4	13.3	6.6	5.9	12.2	8.9	9.7	7.8	7.6	13.6	.
Industry, total	real, CCPY	7.9	7.4	3.6	2.0	1.9	3.8	5.7	5.8	5.8	6.6	6.9	7.2	7.2	7.3	13.6	.
Industry, total	real, 3MMA	5.3	5.1	2.0	1.9	3.9	8.0	9.7	8.5	8.1	8.9	10.1	8.8	8.4	9.5	.	.
Construction, total	real, CMPY	8.7	5.8	7.1	21.9	1.5	14.2	8.6	23.5	18.7	13.1	37.0	13.3	17.5	15.0	14.1	.
LABOUR																	
Employees in industry[1]	th. persons	780.1	771.3	776.6	771.7	767.9	764.3	760.7	760.7	762.5	759.9	759.2	759.9	756.7	752.8	751.8	.
Unemployment[2]	th. persons	261.7	263.3	275.1	286.8	297.4	300.1	302.9	299.5	298.7	302.5	308.6	308.3	305.4	309.9	317.6	326.5
Unemployment rate[2]	%	6.3	6.3	6.6	6.9	7.1	7.2	7.2	7.1	7.1	7.2	7.3	7.3	7.2	7.3	7.5	7.8
Labour productivity, industry[1]	CCPY	10.7	10.1	5.4	4.0	4.3	6.5	8.6	9.0	9.1	10.0	10.3	10.5	10.6	10.7	17.7	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-0.2	0.6	10.0	11.2	8.5	4.8	1.9	2.1	1.5	0.5	-0.1	-0.7	-1.1	-1.7	-10.1	.
WAGES, SALARIES																	
Total economy, gross[1)3)]	HUF	163950	170607	184226	144875	150942	150008	155911	155668	151352	148438	150339	152714	175837	179843	195514	.
Total economy, gross[1)3)]	real, CMPY	-0.7	-8.5	21.2	4.7	2.9	2.9	6.5	2.8	3.7	3.2	3.9	3.3	3.9	2.0	3.3	.
Total economy, gross[1)3)]	USD	868	930	981	774	812	783	786	761	740	747	750	729	825	844	944	.
Total economy, gross[1)3)]	EUR	668	694	747	594	616	604	619	625	614	607	611	607	700	712	779	.
Industry, gross[1]	EUR	674	644	559	564	605	591	624	610	595	607	598	585	714	663	591	.
PRICES																	
Consumer	PM	0.1	0.0	0.7	0.4	0.7	0.8	0.6	0.3	0.0	-0.4	0.2	0.0	0.2	0.0	0.1	0.2
Consumer	CMPY	5.8	5.5	4.1	3.2	3.5	3.9	3.6	3.8	3.7	3.6	3.7	3.2	3.3	3.3	2.7	2.5
Consumer	CCPY	6.9	6.8	4.1	3.6	3.6	3.7	3.6	3.7	3.7	3.7	3.7	3.6	3.6	3.6	2.7	2.6
Producer, in industry	PM	-0.2	-0.5	0.7	0.0	0.8	0.8	0.5	0.0	-0.4	0.1	0.8	0.8	0.4	0.0	0.6	.
Producer, in industry	CMPY	2.1	1.6	3.8	3.1	5.0	5.3	5.2	5.0	4.2	3.4	3.8	4.1	4.3	4.7	4.5	.
Producer, in industry	CCPY	3.7	3.5	3.8	3.5	4.0	4.3	4.5	4.6	4.5	4.4	4.3	4.3	4.3	4.3	4.5	.
RETAIL TRADE																	
Turnover	real, CMPY	4.6	3.3	3.3	1.8	7.2	2.6	7.2	6.8	5.1	6.2	7.4	6.6	7.2	3.7	7.5	.
Turnover	real, CCPY	6.0	5.8	3.3	2.5	4.3	3.8	4.5	5.0	5.0	5.1	5.4	5.6	5.7	5.5	7.5	.
FOREIGN TRADE[4)5)]																	
Exports total (fob), cumulated	EUR mn	40906	44606	3447	7052	11195	15266	19305	23755	27553	31373	36202	40668	45632	49758	4120	.
Imports total (cif), cumulated	EUR mn	44633	48524	3587	7446	11709	16201	20397	24952	29193	33456	38374	43132	48290	52596	4337	.
Trade balance, cumulated	EUR mn	-3727	-3918	-140	-394	-514	-935	-1092	-1196	-1640	-2083	-2172	-2464	-2658	-2838	-217	.
Exports to EU-25 (fob), cumulated	EUR mn	32662	35453	2756	5570	8743	11879	14979	18347	21247	24075	27702	31178	34993	37958	3172	.
Imports from EU-25 (cif)[6], cumulated	EUR mn	32085	34796	2495	5164	8106	11111	14040	17174	20146	22943	26298	29506	32916	35686	2863	.
Trade balance with EU-25, cumulated	EUR mn	576	658	261	406	637	768	939	1173	1101	1132	1404	1672	2077	2272	310	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	.	-7136	.	.	-1545	.	.	-3356	.	.	-5053	.	.	.	.	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	188.9	183.4	187.8	187.2	185.9	191.7	198.3	204.6	204.6	198.8	200.6	209.4	213.0	213.0	207.1	210.6
HUF/EUR, monthly average	nominal	245.3	245.9	246.6	243.8	245.0	248.2	252.0	249.0	246.4	244.4	245.9	251.7	251.1	252.7	250.9	251.6
HUF/USD, calculated with CPI[7]	real, Jan03=100	125.7	129.9	127.5	127.7	128.4	124.8	121.5	118.0	117.5	119.8	117.7	112.5	111.6	112.1	115.4	113.7
HUF/USD, calculated with PPI[7]	real, Jan03=100	114.6	118.4	115.9	115.8	115.9	112.3	109.5	106.3	104.5	106.9	103.7	97.7	97.7	98.2	101.5	.
HUF/EUR, calculated with CPI[7]	real, Jan03=100	103.6	102.9	103.8	105.0	104.7	103.7	102.6	104.0	105.0	105.2	104.4	101.8	102.3	101.4	102.2	102.1
HUF/EUR, calculated with PPI[7]	real, Jan03=100	101.8	101.4	101.4	102.2	101.8	101.0	100.1	101.1	101.5	102.0	101.7	99.7	100.6	100.0	101.3	.
DOMESTIC FINANCE																	
M0, end of period[8]	HUF bn	1365.5	1341.5	1324.8	1320.6	1376.0	1403.5	1426.1	1456.7	1466.8	1475.2	1491.4	1532.7	1570.7	1599.9	1551.5	.
M1, end of period[8]	HUF bn	4053.0	4169.3	4028.7	4029.4	4195.0	4219.1	4390.4	4417.1	4436.1	4533.7	4643.4	4692.1	4960.0	5187.9	4862.3	.
Broad money, end of period[8]	HUF bn	9540.7	9804.5	9660.5	9752.0	9959.7	10166.1	10275.2	10253.9	10367.2	10469.0	10621.1	10673.6	10915.6	11230.8	11128.5	.
Broad money, end of period[8]	CMPY	11.2	11.6	9.8	11.3	14.2	15.2	15.9	14.4	14.1	13.2	14.5	14.1	14.4	14.5	15.2	.
NBH base rate (p.a.),end of period	%	10.0	9.5	9.0	8.3	7.8	7.5	7.3	7.0	6.8	6.3	6.0	6.0	6.0	6.0	6.0	6.0
NBH base rate (p.a.),end of period[9]	real, %	7.7	7.8	5.0	5.0	2.6	2.1	1.9	1.9	2.4	2.8	2.1	1.8	1.6	1.2	1.4	.
BUDGET																	
Central gov.budget balance,cum.	HUF bn	-1023.0	-890.0	-199.1	-379.0	-373.1	-589.0	-680.5	-798.6	-741.3	-769.0	-780.9	-738.7	-744.7	-545.0	-144.4	.

1) Economic organizations employing more than 5 persons.
2) According to ILO methodology, 3-month averages comprising the two previous months as well.
3) Increase of wages in January 2005 due to payment of one month extra salary in state sector (in January instead of December).
4) Based on cumulated national currency and converted with the average exchange rate.
5) Cumulation starting January and ending December each year.
6) According to country of dispatch.
7) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
8) According to ECB monetary standards.
9) Deflated with annual PPI.

P O L A N D: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry[1)]	real, CMPY	11.4	6.9	4.7	2.4	-3.7	-1.1	0.9	6.9	2.6	4.8	5.9	7.6	8.5	9.5	9.7	10.1
Industry[1)]	real, CCPY	13.3	12.7	4.7	3.5	0.8	0.3	0.4	1.5	1.7	2.1	2.5	3.1	3.6	4.1	9.7	9.9
Industry[1)]	real, 3MMA	7.1	7.7	4.7	0.8	-1.0	-1.4	2.2	3.5	4.8	4.5	6.1	7.3	8.5	9.2	9.8	.
Construction[1)]	real, CMPY	4.2	7.9	18.4	13.1	-3.9	-17.7	21.8	29.9	17.3	6.5	10.5	6.8	5.8	8.2	-7.9	-3.4
LABOUR																	
Employees[1)]	th. persons	4689	4679	4737	4745	4743	4754	4756	4770	4772	4776	4788	4798	4804	4799	4862	4861
Employees in industry[1)]	th. persons	2405	2397	2417	2422	2423	2426	2423	2427	2422	2424	2428	2434	2436	2430	2457	2458
Unemployment, end of period	th. persons	2942.6	2999.6	3094.9	3094.5	3052.6	2957.8	2867.3	2827.4	2809.0	2783.3	2760.1	2712.1	2722.8	2773.0	2866.7	2865.9
Unemployment rate[2)]	%	18.7	19.1	19.5	19.4	19.3	18.8	18.3	18.0	17.9	17.7	17.6	17.3	17.3	17.6	18.0	18.0
Labour productivity, industry[1)]	CCPY	13.8	13.2	3.8	2.6	-0.1	-0.7	-0.6	0.5	0.6	1.0	1.4	2.0	2.5	3.0	8.0	8.2
Unit labour costs, exch.r. adj.(EUR)[1)]	CCPY	-12.1	-10.5	14.0	17.8	21.2	20.4	19.9	18.6	17.3	16.2	15.6	14.9	14.4	13.0	1.9	1.7
WAGES, SALARIES																	
Total economy, gross[1)]	PLN	2505	2748	2385	2411	2481	2471	2424	2513	2507	2481	2484	2539	2678	2789	2471	2526
Total economy, gross[1)]	real, CMPY	-1.7	-1.0	-1.5	-2.4	-1.4	-1.3	0.6	3.1	2.0	1.3	0.3	5.1	6.2	1.2	3.2	4.3
Total economy, gross[1)]	USD	763	888	769	788	813	771	737	753	737	755	777	779	795	858	782	796
Total economy, gross[1)]	EUR	588	663	584	605	617	595	580	619	612	613	633	647	674	723	646	666
Industry, gross[1)]	EUR	592	693	590	616	625	597	580	630	617	618	637	639	697	738	648	678
PRICES																	
Consumer	PM	0.3	0.1	0.1	-0.1	0.1	0.4	0.3	-0.2	-0.2	-0.1	0.4	0.4	-0.2	-0.2	0.2	0.0
Consumer	CMPY	4.5	4.4	3.7	3.6	3.4	3.0	2.5	1.4	1.3	1.6	1.8	1.6	1.0	0.7	0.6	0.7
Consumer	CCPY	3.5	3.5	3.7	4.0	3.9	3.7	3.5	3.1	2.8	2.7	2.6	2.5	2.3	2.2	0.6	0.6
Producer, in industry	PM	-0.4	-1.3	0.1	-0.5	0.5	0.7	-0.2	0.3	0.2	0.1	-0.3	-0.1	0.1	-0.7	0.2	-0.1
Producer, in industry	CMPY	6.7	5.2	4.5	3.2	2.2	0.9	-0.5	0.0	0.0	-0.2	-0.5	-0.9	-0.4	0.2	0.3	0.7
Producer, in industry	CCPY	7.3	7.1	4.5	4.0	3.5	2.8	2.1	1.8	1.5	1.3	1.1	0.9	0.8	0.7	0.3	0.5
RETAIL TRADE																	
Turnover[1)]	real, CMPY	-0.4	-1.8	3.2	-1.6	-3.8	-17.4	5.5	8.8	3.2	5.6	2.9	5.7	6.4	6.2	8.6	10.1
Turnover[1)]	real, CCPY	7.9	7.1	3.2	1.0	-0.4	-5.9	-4.1	-1.9	-1.0	-0.2	0.1	0.6	1.2	1.5	8.6	9.6
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	54898	59996	5202	10584	16357	22299	27751	33973	39693	45260	51872	58747	65512	71720	6199	.
Imports total (cif), cumulated	EUR mn	65643	71791	5634	11599	18272	24899	31378	38292	44740	51247	58688	66233	73941	81018	6600	.
Trade balance, cumulated	EUR mn	-10745	-11795	-431	-1015	-1915	-2600	-3628	-4319	-5047	-5986	-6816	-7485	-8428	-9299	-401	.
Exports to EU-25 (fob), cumulated	EUR mn	43446	47232	4137	8189	12783	17413	21605	26151	30557	34696	39694	45078	50508	55149	4987	.
Imports from EU-25 (cif)[5)], cumulated	EUR mn	44694	48669	3747	7622	12075	16583	20887	25376	29705	33752	38544	43498	48559	52853	4062	.
Trade balance with EU-25, cumulated	EUR mn	-1248	-1437	390	567	708	829	718	774	852	944	1149	1580	1948	2296	925	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-7898	-8387	-408	-725	-1000	-886	-1571	-1518	-1826	-2202	-2447	-2839	-3493	-3903	-163	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	3.283	3.095	3.103	3.060	3.049	3.205	3.291	3.336	3.399	3.287	3.195	3.260	3.367	3.252	3.160	3.174
PLN/EUR, monthly average	nominal	4.262	4.144	4.082	3.984	4.021	4.151	4.183	4.060	4.097	4.045	3.925	3.926	3.972	3.856	3.825	3.794
PLN/USD, calculated with CPI[6)]	real, Jan03=100	117.2	124.9	124.5	125.3	124.9	118.6	116.0	114.1	111.3	114.4	116.9	114.7	111.7	115.9	119.5	118.9
PLN/USD, calculated with PPI[6)]	real, Jan03=100	114.9	121.2	120.4	121.0	120.4	114.3	111.5	110.6	107.2	110.2	109.8	104.9	103.1	106.4	109.7	109.1
PLN/EUR, calculated with CPI[6)]	real, Jan03=100	96.5	99.0	101.0	102.9	101.6	98.4	97.7	100.4	99.2	100.2	103.2	103.4	102.1	104.7	105.7	106.6
PLN/EUR, calculated with PPI[6)]	real, Jan03=100	101.9	103.8	105.0	106.6	105.5	102.6	101.8	105.0	103.9	104.9	107.3	106.7	105.8	108.2	109.3	110.1
DOMESTIC FINANCE																	
M0, end of period	PLN bn	50.0	50.7	49.7	50.5	51.4	53.2	52.9	53.8	55.3	55.2	55.3	55.8	55.9	57.2	55.3	56.4
M1, end of period[7)]	PLN bn	175.2	175.9	173.1	178.2	181.4	176.5	189.6	188.0	185.7	193.3	192.5	195.9	202.5	208.0	204.5	.
M2, end of period[7)]	PLN bn	356.7	366.4	360.1	364.3	371.8	376.4	382.5	379.1	379.7	386.2	390.5	395.3	396.7	402.5	397.2	.
M2, end of period	CMPY	6.7	7.6	7.5	7.7	9.3	7.9	11.0	8.8	9.2	9.9	11.4	6.9	11.2	9.8	10.3	.
Discount rate (p.a.),end of period	%	7.0	7.0	7.0	7.0	6.5	6.0	6.0	5.5	5.3	5.3	4.8	4.8	4.8	4.8	4.8	4.5
Discount rate (p.a.),end of period[8)]	real, %	0.3	1.7	2.4	3.7	4.2	5.1	6.5	5.5	5.3	5.5	5.3	5.7	5.2	4.5	4.4	3.8
BUDGET																	
Central gov.budget balance, cum.	PLN mn	-33820	-41417	-1403	-8884	-12726	-13651	-18134	-18248	-17331	-18537	-17782	-20649	-22272	-27495	772	-6696

1) Enterprises employing more than 9 persons.
2) Ratio of unemployed to the economically active.
3) Based on cumulated national currency and converted with the average exchange rate.
4) Cumulation starting January and ending December each year.
5) According to country of origin.
6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
7) Revised according to ECB monetary standards.
8) Deflated with annual PPI.

S L O V A K REPUBLIC: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	3.6	1.4	4.8	0.0	-3.1	5.7	1.9	1.7	4.9	4.5	5.4	4.1	5.8	8.7	7.7	.
Industry, total	real, CCPY	4.5	4.2	4.8	2.3	0.3	1.7	1.7	1.7	2.1	2.4	2.8	2.9	3.2	3.6	7.7	.
Industry, total	real, 3MMA	1.2	3.3	2.0	0.3	0.7	1.3	3.0	2.8	3.6	4.9	4.7	5.1	6.1	7.3	.	.
Construction, total	real, CMPY	10.3	19.4	23.8	7.7	8.1	18.1	18.8	25.2	17.3	15.1	20.7	9.4	15.8	0.5	4.6	.
LABOUR																	
Employment in industry	th. persons	574.2	567.1	562.4	562.1	568.4	574.7	579.3	582.2	583.0	585.7	583.2	585.8	587.5	579.6	553.0	.
Unemployment, end of period	th. persons	371.6	383.2	388.9	379.4	368.6	344.2	330.8	325.4	322.4	318.7	327.8	322.2	322.6	333.8	342.4	337.3
Unemployment rate[1)]	%	12.6	13.1	13.4	13.1	12.7	11.9	11.3	11.1	11.0	10.9	11.2	10.9	10.9	11.4	11.8	11.7
Labour productivity, industry	CCPY	4.3	3.8	1.4	-0.9	-2.9	-1.7	-1.7	-1.6	-1.3	-1.0	-0.6	-0.3	0.1	0.6	9.5	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	9.4	10.0	12.5	21.9	22.7	17.9	16.8	15.8	14.1	13.4	12.5	12.1	11.4	10.6	2.3	.
WAGES, SALARIES																	
Industry, gross	SKK	20157	18671	16975	17730	17527	16869	17637	18572	17636	17751	17727	18471	21515	19949	18466	.
Industry, gross	real, CMPY	5.4	2.2	4.7	16.6	6.5	1.4	5.1	2.9	1.7	3.8	2.7	3.6	3.2	3.1	4.5	.
Industry, gross	USD	660	642	578	606	607	558	575	587	547	564	565	571	656	625	595	.
Industry, gross	EUR	509	480	440	466	459	431	452	482	454	459	461	475	556	527	492	.
PRICES																	
Consumer	PM	-0.1	-0.2	1.7	0.3	-0.1	0.2	0.0	0.3	-0.3	-0.1	0.2	1.1	0.0	0.1	2.1	0.6
Consumer	CMPY	6.3	5.9	3.2	2.7	2.5	2.7	2.4	2.5	2.0	2.0	2.2	3.3	3.4	3.7	4.1	4.4
Consumer	CCPY	7.7	7.6	3.1	2.9	2.8	2.7	2.7	2.6	2.5	2.5	2.4	2.5	2.6	2.7	4.1	4.3
Producer, in industry	PM	0.2	-0.2	-0.2	0.3	0.7	0.8	0.7	1.0	0.6	0.8	0.5	0.5	1.8	-0.6	1.4	.
Producer, in industry	CMPY	4.5	4.3	2.8	2.1	2.6	3.5	4.0	4.8	5.3	5.6	5.8	5.7	7.4	7.0	8.7	.
Producer, in industry	CCPY	3.4	3.4	2.8	2.4	2.5	2.7	3.0	3.3	3.6	3.8	4.1	4.2	4.5	4.7	8.7	.
RETAIL TRADE[2)]																	
Turnover	real, CMPY	4.7	3.0	7.7	12.5	8.1	6.8	9.6	8.0	7.5	11.7	12.7	14.4	12.3	6.3	6.6	.
Turnover	real, CCPY	6.7	6.2	7.7	10.1	9.4	8.8	9.0	8.8	8.6	9.0	9.4	9.9	10.1	9.7	6.6	.
FOREIGN TRADE[3)4)5)]																	
Exports total (fob),cumulated	EUR mn	20650	22424	1722	3575	5590	7630	9708	11951	13966	16063	18484	20972	23575	25746	2184	.
Imports total (fob),cumulated	EUR mn	21625	23683	1770	3736	5939	8185	10430	12767	14902	17011	19498	22158	24860	27715	2484	.
Trade balance,cumulated	EUR mn	-975	-1259	-47	-162	-349	-554	-721	-816	-936	-948	-1015	-1186	-1285	-1969	-300	.
Exports to EU-25 (fob), cumulated	EUR mn	17600	19112	1529	3180	4938	6671	8441	10280	12012	13747	15812	17955	20175	21987	.	.
Imports from EU-25 (fob)[6)], cumulated	EUR mn	16023	17462	1228	2636	4200	5821	7465	9166	10712	12205	14033	15936	17851	19714	.	.
Trade balance with EU-25, cumulated	EUR mn	1577	1649	301	544	738	849	977	1114	1300	1542	1780	2020	2324	2274	.	.
FOREIGN FINANCE																	
Current account, cumulated[3)]	EUR mn	-864	-1149	-108	-76	-183	-347	-948	-1287	-1480	-1571	-1727	-1943	-2133	-2895	.	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	30.5	29.1	29.3	29.3	28.9	30.2	30.7	31.6	32.2	31.5	31.4	32.4	32.8	31.9	31.0	31.3
SKK/EUR, monthly average	nominal	39.6	38.9	38.6	38.1	38.2	39.2	39.0	38.5	38.8	38.7	38.5	38.9	38.7	37.9	37.5	37.4
SKK/USD, calculated with CPI[7)]	real, Jan03=100	134.5	141.5	142.3	142.3	142.9	135.9	134.1	130.3	127.1	129.2	128.6	125.6	124.9	129.0	135.5	135.2
SKK/USD, calculated with PPI[7)]	real, Jan03=100	123.4	130.4	128.3	128.6	129.3	123.3	122.9	120.6	117.5	120.3	117.8	112.0	114.0	117.0	122.1	.
SKK/EUR, calculated with CPI[7)]	real, Jan03=100	111.0	112.2	115.4	117.0	115.9	112.8	112.9	114.6	113.3	113.4	113.9	113.5	114.2	116.5	120.1	121.2
SKK/EUR, calculated with PPI[7)]	real, Jan03=100	109.7	111.7	112.0	113.5	113.1	110.8	112.1	114.5	113.9	114.7	115.4	114.2	117.0	119.0	121.8	.
DOMESTIC FINANCE																	
M0, end of period	SKK bn	97.8	100.5	100.5	101.5	102.8	105.2	106.3	108.1	110.1	111.4	112.6	113.6	114.9	119.8	.	.
M1, end of period	SKK bn	293.4	311.3	299.4	315.7	313.1	318.6	326.8	331.0	341.1	344.4	348.0	354.1	359.3	386.8	.	.
M2, end of period	SKK bn	773.3	793.5	772.6	779.1	772.0	782.3	768.8	776.5	783.2	791.3	793.5	798.6	799.6	839.4	.	.
M2, end of period	CMPY	4.4	5.7	4.5	4.7	6.6	6.9	6.3	4.3	4.5	4.8	4.1	4.6	3.4	5.8	.	.
Discount rate (p.a.),end of period[8)]	%	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Discount rate (p.a.),end of period[8)9)]	real, %	-0.5	-0.3	1.2	1.9	0.4	-0.5	-0.9	-1.7	-2.2	-2.5	-2.6	-2.5	-4.1	-3.7	-5.2	.
BUDGET																	
Central gov.budget balance, cum.	SKK mn	-34078	-70288	4310	-1108	2799	6388	-3858	-1149	1922	-5065	-8107	-5115	-7553	-33886	12083	-5736

1) Ratio of disposable number of registered unemployment calculated to the economically ac .

2) According to NACE (52 - retail trade), excluding VAT.

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

4) Cumulation starting January and ending December each year.

5) From January 2005 excluding value of goods for repair and after repair.

6) According to country of origin.

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

8) Corresponding to the 2-week limit rate of NBS.

9) Deflated with annual PPI.

S L O V E N I A: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	3.8	6.2	3.7	-1.8	-1.0	1.3	5.4	6.6	3.2	1.1	2.3	2.9	7.9	5.5	.	.
Industry, total[1]	real, CCPY	4.7	4.8	3.7	0.9	0.2	0.5	1.5	2.4	2.5	2.3	2.3	2.4	2.9	3.1	.	.
Industry, total[1]	real, 3MMA	2.1	4.5	3.2	1.2	1.6	1.6	3.4	3.2	4.0	3.4	4.0	5.9	7.0	.	.	.
Construction, total[2]	real, CMPY	1.6	-10.5	0.0	-13.2	2.3	9.3	16.9	13.2	1.8	-1.2	-4.7	-8.2	8.6	13.2	-3.9	.
LABOUR																	
Employment total	th. persons	789.7	785.0	805.6	807.4	809.5	812.2	814.8	816.1	813.5	812.7	816.1	817.5	818.3	813.6	812.5	.
Employees in industry	th. persons	239.9	238.2	241.1	240.8	240.7	240.5	240.9	240.4	239.2	238.3	238.1	238.3	238.1	.	.	.
Unemployment, end of period	th. persons	90.9	90.7	93.4	93.1	92.3	91.6	89.8	88.9	91.1	90.6	91.1	94.2	93.9	92.6	95.2	.
Unemployment rate[3]	%	10.3	10.1	10.4	10.3	10.2	10.1	9.9	9.8	10.1	10.0	10.0	10.3	10.3	10.2	10.5	.
Labour productivity, industry	CCPY	6.1	6.2	4.8	2.1	1.5	1.8	2.9	3.9	4.0	3.9	4.0	4.2	5.4	5.7	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-1.1	-1.3	0.8	3.0	3.8	3.4	2.8	1.7	1.4	1.7	1.6	1.5	1.0	0.1	.	.
WAGES, SALARIES[4]																	
Total economy, gross	th. SIT	291.9	290.7	267.5	262.9	271.7	269.4	271.8	271.7	271.4	279.0	277.4	279.5	314.0	290.5	281.6	.
Total economy, gross	real, CMPY	4.2	1.5	2.5	1.8	1.9	1.9	3.8	2.7	1.6	3.2	1.3	1.6	6.9	-1.5	2.8	.
Total economy, gross	USD	1580	1621	1466	1427	1497	1454	1442	1381	1364	1432	1420	1403	1545	1437	1423	.
Total economy, gross	EUR	1217	1212	1116	1097	1133	1124	1134	1134	1133	1165	1158	1167	1310	1213	1175	.
Industry, gross	EUR	1092	1058	988	959	1019	983	1008	998	993	1042	1028	1036	1221	1060	.	.
PRICES																	
Consumer	PM	0.6	-0.3	-0.6	0.6	1.1	0.0	0.3	0.1	0.7	-0.6	1.0	0.2	-0.5	0.0	-0.5	0.4
Consumer	CMPY	3.6	3.2	2.2	2.6	3.1	2.7	2.2	1.9	2.3	2.1	3.2	3.1	2.1	2.3	2.4	2.2
Consumer	CCPY	3.6	3.6	2.2	2.4	2.7	2.7	2.6	2.5	2.4	2.4	2.5	2.5	2.5	2.5	2.4	2.3
Producer, in industry	PM	0.1	0.4	0.4	0.3	0.0	0.3	-0.3	0.0	-0.2	0.3	0.3	0.2	0.1	0.4	-0.1	0.6
Producer, in industry	CMPY	5.0	4.9	4.8	4.1	3.8	3.6	2.6	2.4	2.0	2.1	1.9	1.8	1.8	1.8	1.3	1.6
Producer, in industry	CCPY	4.2	4.3	4.8	4.5	4.3	4.1	3.8	3.6	3.3	3.2	3.0	2.9	2.8	2.7	1.3	1.4
RETAIL TRADE																	
Turnover	real, CMPY	6.5	6.0	9.0	4.4	7.1	2.8	9.3	11.7	7.2	14.5	8.2	8.0	18.9	14.3	.	.
Turnover	real, CCPY	4.9	5.0	9.0	6.7	6.8	5.7	6.5	7.4	7.4	8.2	8.2	8.2	9.2	9.7	.	.
FOREIGN TRADE[5][6]																	
Exports total (fob), cumulated	EUR mn	11747	12786	1025	2073	3318	4514	5719	7012	8201	9184	10516	11802	13156	14314	1219	.
Imports total (cif), cumulated	EUR mn	12921	14147	1063	2224	3579	4845	6119	7466	8686	9877	11328	12703	14263	15728	1214	.
Trade balance total, cumulated	EUR mn	-1174	-1360	-38	-151	-261	-331	-400	-455	-485	-693	-812	-901	-1107	-1414	5	.
Exports to EU-25 (fob), cumulated	EUR mn	7841	8507	743	1477	2314	3114	3953	4819	5623	6235	7123	7987	8901	9688	884	.
Imports from EU-25 (cif)[7], cumulated	EUR mn	10662	11649	824	1727	2780	3800	4908	6025	7087	8018	9205	10311	11514	12722	953	.
Trade balance with EU-25, cumulated	EUR mn	-2821	-3143	-82	-251	-466	-686	-955	-1205	-1464	-1783	-2082	-2324	-2613	-3034	-69	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-408	-544	4	-53	-125	-166	-151	-87	-108	-38	-18	3	-92	-301	67	.
EXCHANGE RATE																	
SIT/USD, monthly average	nominal	184.7	179.3	182.5	184.2	181.5	185.3	188.5	196.7	198.9	194.9	195.3	199.3	203.2	202.2	197.9	200.4
SIT/EUR, monthly average	nominal	239.8	239.8	239.8	239.7	239.7	239.7	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6
SIT/USD, calculated with CPI[8]	real, Jan03=100	120.1	123.9	120.8	119.6	121.8	118.6	117.0	112.2	111.2	112.3	111.9	109.6	107.8	108.8	110.6	109.6
SIT/USD, calculated with PPI[8]	real, Jan03=100	112.1	116.8	114.7	113.5	113.6	110.6	108.8	104.5	101.7	103.4	100.5	96.3	95.8	97.1	99.1	98.4
SIT/EUR, calculated with CPI[8]	real, Jan03=100	98.9	98.2	98.1	98.3	98.8	98.5	98.6	98.6	99.2	98.4	99.0	99.0	98.6	98.3	97.8	98.2
SIT/EUR, calculated with PPI[8]	real, Jan03=100	99.4	100.1	100.1	100.0	99.4	99.4	99.3	99.1	98.6	98.5	98.3	98.1	98.4	98.8	98.7	99.3
DOMESTIC FINANCE																	
M0, end of period[9]	SIT bn	160.1	167.9	163.1	164.4	166.1	173.1	174.9	179.2	179.0	174.6	177.6	186.0	177.1	187.2	177.1	.
M1, end of period[9]	SIT bn	930.0	1018.9	1003.9	1006.1	1012.3	1032.2	1054.8	1074.7	1057.4	1051.6	1068.4	1079.1	1073.4	1151.3	1112.5	.
Broad money, end of period[9]	SIT bn	3933.7	4036.0	4068.8	4063.3	4094.6	4140.4	4070.3	4031.2	4048.2	4088.3	4155.8	4164.5	4248.9	4258.3	4338.0	.
Broad money, end of period[9]	CMPY	4.1	6.8	7.5	7.1	8.0	8.2	6.4	4.6	4.3	5.5	6.1	7.5	8.0	5.5	6.6	.
Refinancing rate (p.a.),end of period	%	3.00	3.25	3.25	3.25	3.25	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.75	3.75	3.50
Refinancing rate (p.a.),end of period[10]	real, %	-1.9	-1.6	-1.5	-0.8	-0.5	-0.1	0.9	1.1	1.5	1.4	1.6	1.7	1.7	1.9	2.4	1.9
BUDGET																	
General gov.budget balance, cum.	SIT bn	-89.8	-85.4	-3.8	-16.6	-34.9	-53.3	-70.3	-84.7	-82.1	-62.3	-47.5	-49.9	-36.9	-71.6	.	.

1) Data in 2005 according to new methodology introduced in July 2005.
2) Effective working hours, construction put in place of enterprises with 20 and more persons employed.
3) Ratio of unemployed to the economically active.
4) Break 2004/2005 - until December 2004 without small privat enterprises (with 1 or 2 employees).
5) Based on cumulated national currency and converted with the average exchange rate.
6) Cumulation starting January and ending December each year.
7) According to country of dispatch.
8) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
9) According to ECB monetary standards..
10) Deflated with annual PPI.

B U L G A R I A: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	18.7	18.6	8.1	4.7	6.9	9.3	6.5	6.2	7.0	6.5	1.7	9.2	7.8	6.3	7.7	.
Industry, total[1]	real, CCPY	16.9	17.1	8.1	6.4	6.6	7.3	7.1	6.9	7.0	6.9	6.3	6.6	6.7	6.7	7.7	.
Industry, total	real, 3MMA	16.3	15.4	10.8	6.6	7.0	7.6	7.3	6.6	6.6	5.0	5.8	6.3	7.7	7.2	.	.
LABOUR																	
Employees total	th. persons	2144	2109	2188	2197	2214	2237	2247	2264	2285	2279	2266	2260	2261	2234	.	.
Employees in industry	th. persons	679	672	718	718	719	722	720	718	720	719	715	714	713	708	.	.
Unemployment, end of period	th. persons	440.0	450.6	486.4	485.5	471.3	449.7	427.2	411.6	405.5	399.0	388.5	386.5	383.9	397.3	432.3	.
Unemployment rate[2]	%	11.9	12.2	13.1	13.1	12.7	12.1	11.5	11.1	10.9	10.8	10.5	10.4	10.4	10.7	11.6	.
Labour productivity, industry[1]	CCPY	16.9	17.5	5.8	4.6	6.3	7.0	6.2	5.3	4.9	4.5	3.8	3.8	3.7	3.1	.	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-8.4	-8.8	0.8	1.7	0.1	-0.4	0.3	1.3	2.0	2.3	3.1	3.4	3.5	4.0	.	.
WAGES, SALARIES																	
Total economy, gross	BGN	303	320	294	293	310	310	319	314	317	310	324	317	321	340	.	.
Total economy, gross	real, CMPY	3.2	3.3	2.7	1.8	2.5	2.8	3.4	3.4	3.4	1.5	1.4	0.5	-0.9	-0.2	.	.
Total economy, gross	USD	201	219	197	195	209	205	207	195	195	195	203	195	193	206	.	.
Total economy, gross	EUR	155	164	150	150	159	159	163	161	162	159	166	162	164	174	.	.
Industry, gross	EUR	156	163	153	153	164	160	162	168	164	162	170	168	166	175	.	.
PRICES																	
Consumer	PM	0.6	1.3	0.7	0.9	0.3	1.1	-0.5	-1.3	0.1	0.6	1.4	1.2	1.0	0.8	0.8	3.0
Consumer	CMPY	4.5	4.0	3.3	3.9	4.3	5.1	4.6	5.1	3.9	5.0	5.4	6.5	6.9	6.5	6.6	8.7
Consumer	CCPY	6.4	6.1	3.3	3.6	3.8	4.2	4.2	4.4	4.3	4.4	4.5	4.7	4.9	5.0	6.6	7.6
Producer, in industry[1]	PM	-0.8	-1.2	0.4	0.8	2.4	1.1	-0.6	0.7	1.1	0.2	1.3	0.8	0.4	2.1	-0.5	.
Producer, in industry[1]	CMPY	7.2	5.1	4.7	6.4	7.5	7.7	5.9	7.2	6.6	6.6	7.0	6.3	7.6	11.2	10.2	.
Producer, in industry[1]	CCPY	6.0	5.9	4.7	5.6	6.2	6.6	6.5	6.6	6.6	6.6	6.6	6.6	6.7	7.1	10.2	.
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	7269	7985	640	1288	2081	2828	3565	4386	5245	6027	6800	7716	8596	9454	816	.
Imports total (cif), cumulated	EUR mn	10453	11620	908	1839	2962	4075	5301	6592	7864	9137	10404	11831	13290	14682	1233	.
Trade balance, cumulated	EUR mn	-3184	-3635	-268	-551	-881	-1247	-1736	-2206	-2618	-3110	-3604	-4115	-4694	-5228	-418	.
FOREIGN FINANCE																	
Current account, cumulated[5]	EUR mn	-1292	-1648	-277	-461	-687	-975	-1251	-1414	-1501	-1610	-1841	-2226	-2691	-3163	.	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	1.506	1.461	1.491	1.503	1.482	1.512	1.543	1.608	1.625	1.591	1.597	1.628	1.660	1.650	1.614	1.638
BGN/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	1.956
BGN/USD, calculated with CPI[6]	real, Jan03=100	125.3	131.3	129.3	128.6	129.8	127.9	124.8	118.1	116.5	119.1	119.0	117.8	117.6	119.8	123.4	125.2
BGN/USD, calculated with PPI[6]	real, Jan03=100	118.8	122.0	119.4	118.9	121.8	119.6	116.9	113.3	111.7	113.5	111.2	107.3	107.2	110.6	112.4	.
BGN/EUR, calculated with CPI[6]	real, Jan03=100	103.2	104.1	105.3	105.8	105.6	106.3	105.6	104.1	104.1	104.5	105.6	106.6	107.8	108.3	109.2	112.5
BGN/EUR, calculated with PPI[6]	real, Jan03=100	105.5	104.6	104.6	105.0	106.7	107.6	107.2	107.7	108.6	108.3	109.2	109.6	110.3	112.6	112.0	.
DOMESTIC FINANCE																	
M0, end of period[7]	BGN mn	4247	4628	4442	4414	4487	4652	4756	4848	5058	5147	5213	5134	5096	5396	5092	5091
M1, end of period[7]	BGN mn	9185	10298	10045	10201	11331	10552	10790	11167	11494	11713	11566	11792	11729	12443	11840	11963
Broad money, end of period[7]	BGN mn	18859	20394	20520	20739	23205	22004	22440	22778	23211	23663	23746	23939	24010	25260	24633	25190
Broad money, end of period	CMPY	19.9	23.1	24.2	23.9	38.1	28.0	29.0	25.4	26.4	29.0	26.6	27.0	27.3	23.9	20.0	21.5
BNB base rate (p.a.),end of period	%	2.4	2.4	2.5	1.9	1.9	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.3
BNB base rate (p.a.),end of period[8]	real, %	-4.5	-2.5	-2.2	-4.3	-5.2	-5.3	-3.6	-4.7	-4.3	-4.3	-4.6	-4.0	-5.2	-8.2	-7.2	.
BUDGET																	
Central gov.budget balance,cum.	BGN mn	1256.6	427.5	49.2	45.9	400.9	623.6	926.7	1007.7	1001.5	1198.9	1339.3	1488.3	1611.8	1333.9	137.0	.

1) According to new calculation for industrial output and prices. Output data based on survey for enterprises with 10 and more persons.
2) Ratio of unemployed to the economically active.
3) Based on cumulated national currency and converted with the average exchange rate.
4) Cumulation starting January and ending December each year.
5) Based on national currency and converted with the exchange rate.
6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
7) According to ECB methodology.
8) Deflated with annual PPI.

R O M A N I A: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	9.3	12.3	9.2	4.1	4.4	9.0	-4.0	-0.7	-6.2	2.3	2.7	1.7	1.6	2.2	4.2	.
Industry, total[1]	real, CCPY	4.7	5.3	9.2	6.5	5.7	6.6	4.3	3.4	1.9	1.9	2.0	2.0	2.0	2.0	4.2	.
Industry, total	real, 3MMA	7.8	10.3	8.5	5.7	5.8	2.9	1.2	-3.7	-1.6	-0.5	2.2	2.0	1.8	2.6	.	.
LABOUR																	
Employees total	th. persons	4432.1	4398.3	4450.8	4500.7	4535.7	4551.0	4560.3	4577.8	4567.5	4563.2	4554.6	4538.0	4537.6	4501.2	4556.2	.
Employees in industry	th. persons	1746.5	1733.7	1745.4	1757.0	1749.4	1740.0	1731.5	1722.2	1712.6	1699.4	1690.3	1680.6	1670.7	1652.3	1684.0	.
Unemployment, end of period	th. persons	551.4	557.9	562.7	558.6	537.8	511.3	495.9	488.8	489.3	499.0	493.8	499.7	504.8	523.0	548.0	.
Unemployment rate[2]	%	6.2	6.2	6.3	6.2	6.0	5.7	5.5	5.5	5.5	5.6	5.5	5.7	5.7	5.9	6.2	.
Labour productivity, industry	CCPY	10.9	11.5	11.4	8.4	7.6	8.2	6.1	5.4	4.3	4.5	4.8	5.0	5.2	5.4	8.0	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	1.7	2.2	15.1	17.6	17.4	17.2	20.4	22.0	24.0	24.8	25.0	25.1	24.6	24.0	10.7	.
WAGES, SALARIES																	
Total economy, gross	RON	867.8	973.4	951.5	874.9	920.3	973.0	941.7	943.6	957.0	963.0	965.0	974.0	1017.0	1121.0	1100.0	.
Total economy, gross	real, CMPY	12.5	10.4	9.1	7.3	5.0	6.6	6.9	7.1	7.7	9.2	8.3	7.4	7.8	6.0	6.2	.
Total economy, gross	USD	283	337	327	310	334	347	330	318	323	338	337	325	328	364	366	.
Total economy, gross	EUR	218	251	249	238	253	268	260	261	268	275	275	271	278	306	302	.
Industry, gross	EUR	208	236	219	224	243	255	254	256	265	274	277	262	268	296	262	.
PRICES																	
Consumer	PM	0.6	0.6	0.8	0.6	0.3	1.8	0.3	0.3	1.0	0.1	0.6	0.9	1.2	0.5	1.0	0.2
Consumer	CMPY	9.9	9.3	8.9	8.9	8.7	10.0	10.0	9.7	9.3	8.9	8.5	8.1	8.7	8.6	8.9	8.5
Consumer	CCPY	12.1	11.9	8.9	8.9	8.8	9.1	9.3	9.4	9.4	9.3	9.2	9.1	9.0	9.0	8.9	8.7
Producer, in industry	PM	0.2	-0.9	1.2	-0.6	0.8	2.5	0.5	0.2	0.7	1.2	0.7	1.7	0.7	-0.1	1.4	.
Producer, in industry	CMPY	18.2	15.9	14.6	12.8	12.6	12.3	11.4	10.4	9.3	8.8	8.1	8.2	8.8	9.6	9.8	.
Producer, in industry	CCPY	19.4	19.1	14.6	13.7	13.3	13.1	12.7	12.3	11.9	11.5	11.1	10.8	10.6	10.5	9.8	.
RETAIL TRADE																	
Turnover	real, CMPY	14.8	32.0	13.1	25.3	18.7	24.1	14.8	14.2	14.2	22.6	11.7	9.2	12.4	30.3	32.3	.
Turnover	real, CCPY	13.0	14.6	13.1	19.2	19.0	20.3	19.2	18.4	17.5	18.2	17.4	16.5	16.0	17.6	32.3	.
FOREIGN TRADE[3]																	
Exports total (fob), cumulated	EUR mn	17404	18935	1514	3163	5095	6889	8663	10527	12530	14394	16466	18407	20436	22255	1770	.
Imports total (cif), cumulated	EUR mn	23695	26281	1897	4063	6669	9223	11899	14740	17521	20220	23066	26144	29462	32569	2407	.
Trade balance, cumulated	EUR mn	-6291	-7346	-383	-900	-1575	-2333	-3236	-4213	-4990	-5826	-6600	-7737	-9025	-10313	-638	.
Exports to EU-25 (fob), cumulated	EUR mn	12720	13801	1113	2298	3581	4799	5969	7275	8590	9745	11153	12477	13935	15043	1237	.
Imports from EU-25 (cif), cumulated	EUR mn	15426	17061	1182	2558	4140	5767	7495	9288	11025	12611	14366	16340	18417	20251	1456	.
Trade balance with EU-25, cumulated	EUR mn	-2706	-3260	-69	-260	-558	-968	-1526	-2013	-2436	-2866	-3213	-3863	-4482	-5208	-219	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-4233	-5099	-229	-516	-899	-1391	-2178	-2705	-2952	-3248	-3987	-4891	-6023	-6891	-391	.
EXCHANGE RATE																	
RON/USD, monthly average	nominal	3.068	2.891	2.908	2.824	2.757	2.804	2.851	2.969	2.961	2.851	2.865	2.993	3.097	3.084	3.006	2.963
RON/EUR, monthly average	nominal	3.982	3.877	3.818	3.676	3.634	3.629	3.618	3.614	3.566	3.506	3.510	3.598	3.653	3.659	3.645	3.540
RON/USD, calculated with CPI[4]	real, Jan03=100	126.8	135.9	135.9	139.9	142.7	141.9	140.2	134.8	136.0	140.7	139.3	134.2	132.3	134.1	138.9	141.3
RON/USD, calculated with PPI[4]	real, Jan03=100	132.9	140.9	141.0	143.7	146.4	146.2	145.1	139.9	139.3	145.4	141.5	134.4	132.6	133.6	139.0	.
RON/EUR, calculated with CPI[4]	real, Jan03=100	104.8	107.8	110.8	115.3	116.4	118.2	118.7	119.1	121.8	123.7	123.8	121.6	121.4	121.4	123.1	127.1
RON/EUR, calculated with PPI[4]	real, Jan03=100	118.3	120.8	123.6	127.1	128.7	131.7	133.0	133.2	135.5	139.0	139.1	137.4	136.6	136.2	138.7	.
DOMESTIC FINANCE																	
M0, end of period	RON mn	7310	7465	7239	7658	7786	8750	8689	9582	9790	9985	10341	10258	10348	11386	10977	.
M1, end of period	RON mn	14020	15288	14241	14777	15465	16376	17146	18495	19162	20456	20964	21289	21133	24550	23560	.
M2, end of period	RON mn	56874	64462	63122	65213	67957	69096	71966	74200	74080	76745	80152	81098	81402	86332	85727	.
M2, end of period	CMPY	33.6	39.9	39.6	42.2	41.1	43.9	46.7	46.5	41.1	39.9	41.3	41.3	43.1	33.9	35.8	.
Discount rate (p.a.),end of period[5]	%	18.8	18.0	17.3	15.7	10.8	8.4	8.0	8.0	8.0	8.0	8.3	7.7	7.5	7.5	7.5	7.5
Discount rate (p.a.),end of period[5][6]	real, %	0.5	1.8	2.4	2.6	-1.6	-3.4	-3.1	-2.2	-1.2	-0.7	0.1	-0.4	-1.2	-1.9	-2.1	.
BUDGET																	
Central gov.budget balance, cum.	RON mn	-1203.4	-1878.1	82.0	-521.9	-673.4	-5.5	-235.2	-725.9	-255.6	50.7	403.0	1363.8	653.2	-2182.9	.	.

Note: On 1 July 2005, the new Romania leu was introduced **(1 RON = 10000 ROL)**. Data in this table are presented in new leu RON.

1) Enterprises with more than 50 (in food industry 20) employees.

2) Ratio of unemployed to economically active population as of December of previous year, from 2004 as of December 2003.

3) Cumulation starting January and ending December each year.

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

5) Reference rate of RNB.

6) Deflated with annual PPI.

C R O A T I A: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	5.9	9.7	6.4	-1.5	-2.9	6.3	8.3	12.3	5.4	4.7	6.0	7.2	6.4	3.1	5.9	.
Industry, total[1]	real, CCPY	3.1	3.6	6.4	2.2	0.3	1.9	3.2	4.8	4.9	4.9	5.0	5.2	5.3	5.1	5.9	.
Industry, total[1]	real, 3MMA	3.9	7.4	4.8	0.3	0.6	3.8	9.0	8.7	7.5	5.4	6.0	6.5	5.5	5.0	.	.
Construction, total,effect.work.time[1]	real, CMPY	-1.8	-0.6	-1.2	-11.1	-7.1	-6.7	-6.8	-3.7	-3.7	5.4	5.4	8.6	7.9	4.3	.	.
LABOUR																	
Employment total	th. persons	1405.7	1395.8	1387.6	1382.6	1384.2	1390.8	1403.4	1417.3	1427.5	1429.3	1420.0	1412.8	1408.6	1400.4	1390.0	.
Employees in industry	th. persons	281.8	279.7	273.1	276.3	276.1	276.5	277.1	276.8	277.0	276.9	276.0	276.8	276.6	274.9	273.1	.
Unemployment, end of period	th. persons	312.8	317.6	326.9	330.2	329.0	320.3	308.3	297.6	293.2	291.0	294.3	300.6	305.5	307.9	314.2	313.6
Unemployment rate[2]	%	18.4	18.7	19.1	19.3	19.2	18.7	18.0	17.4	17.0	16.9	17.2	17.5	17.8	18.0	18.4	18.4
Labour productivity, industry[1]	CCPY	5.2	5.6	5.0	0.7	-1.2	0.3	1.6	3.1	3.2	3.3	3.4	3.6	3.7	3.5	5.2	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	1.2	0.8	1.4	6.7	8.3	6.3	5.3	3.5	2.9	3.0	2.8	2.8	2.9	3.1	.	.
WAGES, SALARIES																	
Total economy, gross	HRK	6276	6139	6013	5965	6280	6112	6358	6348	6199	6306	6202	6184	6588	6409	.	.
Total economy, gross	real, CMPY	5.6	3.2	0.7	1.1	1.4	-0.4	3.2	1.4	-0.5	2.0	0.8	0.4	1.1	0.8	.	.
Total economy, gross	USD	1077	1088	1047	1032	1111	1069	1104	1057	1023	1055	1025	1008	1054	1028	.	.
Total economy, gross	EUR	831	814	795	794	842	826	868	868	849	858	835	837	893	867	.	.
Industry, gross	EUR	764	749	725	726	775	758	800	795	780	797	783	768	833	796	.	.
PRICES																	
Consumer	PM	0.5	0.7	0.4	1.1	0.7	-0.2	0.0	-0.1	-0.2	0.1	0.5	0.7	0.2	0.5	0.6	0.8
Consumer	CMPY	2.3	2.7	2.7	3.3	3.9	3.5	2.8	2.9	3.1	3.1	3.8	4.1	3.8	3.6	3.9	3.6
Consumer	CCPY	2.0	2.1	2.7	3.0	3.3	3.4	3.2	3.2	3.2	3.2	3.2	3.3	3.4	3.3	3.9	3.8
Producer, in industry	PM	-0.5	-0.7	0.0	0.3	0.3	0.3	0.1	-0.2	0.8	0.1	0.8	0.5	0.0	-0.3	0.5	0.7
Producer, in industry	CMPY	5.5	4.8	4.4	5.1	5.1	4.5	2.3	2.4	2.3	1.5	2.1	1.8	2.3	2.7	3.2	3.6
Producer, in industry	CCPY	3.4	3.5	4.4	4.7	4.8	4.8	4.3	4.0	3.7	3.4	3.2	3.1	3.0	3.0	3.2	3.4
RETAIL TRADE																	
Turnover	real, CMPY	4.5	1.7	1.1	-3.3	3.5	2.0	6.6	7.3	2.0	5.1	3.6	1.7	2.0	2.9	3.6	.
Turnover	real, CCPY	2.7	2.6	1.1	-1.2	0.7	1.1	2.3	3.2	3.0	3.4	3.3	3.1	3.1	3.2	3.6	.
FOREIGN TRADE[3][4]																	
Exports total (fob), cumulated	EUR mn	5873	6452	439	962	1492	2127	2677	3334	3919	4494	5166	5737	6407	7092	597	.
Imports total (cif), cumulated	EUR mn	12178	13342	856	1822	3093	4401	5706	7136	8417	9600	10914	12346	13656	14922	1117	.
Trade balance, cumulated	EUR mn	-6305	-6890	-417	-860	-1601	-2274	-3028	-3802	-4498	-5106	-5748	-6609	-7249	-7830	-520	.
Exports to EU-25 (fob), cumulated	EUR mn	3828	4171	313	652	969	1347	1725	2133	2492	2856	3241	3599	4020	4399	392	.
Imports from EU-25 (cif), cumulated	EUR mn	8493	9278	520	1183	2011	2888	3755	4685	5564	6306	7159	8033	8925	9784	643	.
Trade balance with EU-25, cumulated	EUR mn	-4665	-5107	-207	-530	-1043	-1541	-2029	-2552	-3072	-3450	-3917	-4434	-4905	-5385	-251	.
FOREIGN FINANCE																	
Current account, cumulated[5]	EUR mn	.	-1447	.	.	-1551	.	.	-2681	.	.	-418	.	.	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	5.825	5.644	5.741	5.780	5.653	5.717	5.759	6.007	6.062	5.975	6.052	6.136	6.252	6.234	6.102	6.128
HRK/EUR, monthly average	nominal	7.554	7.545	7.564	7.517	7.460	7.395	7.327	7.313	7.305	7.348	7.432	7.386	7.375	7.389	7.378	7.327
HRK/USD, calculated with CPI[6]	real, Jan03=100	119.3	124.5	122.6	122.4	125.0	122.6	121.9	116.6	114.8	116.1	113.9	112.8	111.8	113.1	116.3	116.7
HRK/USD, calculated with PPI[6]	real, Jan03=100	115.1	118.9	116.3	115.4	116.7	114.7	114.4	109.7	108.1	109.0	105.3	101.8	101.4	101.8	104.5	104.8
HRK/EUR, calculated with CPI[6]	real, Jan03=100	98.2	98.6	99.1	100.5	101.4	101.7	102.4	102.4	102.2	101.5	100.5	101.6	102.1	102.1	102.9	104.4
HRK/EUR, calculated with PPI[6]	real, Jan03=100	102.1	101.8	101.1	101.6	102.0	102.9	104.2	104.0	104.6	103.7	102.8	103.5	103.9	103.4	104.1	105.5
DOMESTIC FINANCE																	
M0, end of period	HRK bn	10.6	11.0	10.8	10.9	11.1	11.4	11.5	12.2	13.1	12.7	12.2	11.9	11.7	12.2	11.7	.
M1, end of period	HRK bn	33.6	34.6	34.9	34.4	34.5	34.8	36.0	36.7	38.3	37.8	36.7	37.1	37.2	38.8	37.2	.
Broad money, end of period	HRK bn	139.6	139.9	138.9	138.9	138.0	137.9	140.6	142.6	145.6	151.1	151.6	152.5	154.7	154.6	152.0	.
Broad money, end of period	CMPY	8.5	8.6	7.8	8.6	9.7	7.8	10.3	10.1	9.4	10.4	9.3	10.2	10.8	10.5	9.4	.
Discount rate (p.a.),end of period	%	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Discount rate (p.a.),end of period[7]	real, %	-0.9	-0.3	0.1	-0.6	-0.6	0.0	2.2	2.1	2.2	3.0	2.4	2.7	2.2	1.8	1.3	0.9
BUDGET																	
Central gov. budget balance, cum.[8]	HRK mn	-10546	-9213	-1691	-3460	-6135	-6276	-6732	-6784	-7603	-6557	-5995	-6994	-6936	-6874	-883	.

1) In business entities with more than 20 persons employed.
2) Ratio of unemployed to the economically active population.
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. Including extra-budgetary funds.

R U S S I A: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	12.5	4.6	1.6	4.1	3.8	3.7	1.1	6.1	4.0	3.1	5.1	3.8	6.1	4.9	4.4	1.0
Industry, total[1]	real, CCPY	7.6	7.4	1.6	2.9	3.2	3.3	2.8	3.4	3.5	3.4	3.6	3.6	3.9	4.0	4.4	2.7
Industry, total[1]	real, 3MMA	7.2	6.2	3.4	3.2	3.9	2.8	3.6	3.7	4.4	4.1	4.0	5.0	4.9	5.2	3.4	.
Construction, total	real, CMPY	8.8	10.6	5.9	4.6	4.7	6.1	5.3	7.4	12.9	11.6	10.4	13.6	16.2	15.6	-7.5	-3.5
LABOUR[2]																	
Employment total	th. persons	67300	67100	67000	66900	67300	67800	68300	68600	68900	69300	69100	68900	68700	68600	68400	.
Unemployment, end of period	th. persons	6140	6109	6080	6056	5820	5610	5406	5369	5335	5304	5383	5462	5543	5605	5665	5727
Unemployment rate	%	8.4	8.4	8.3	8.3	8.0	7.6	7.3	7.3	7.2	7.1	7.2	7.3	7.5	7.6	7.7	7.8
WAGES, SALARIES																	
Total economy, gross	RUB	7046	8799	7346	7465	8093	8002	8089	8637	8651	8616	8829	8701	8931	11319	9016	9106
Total economy, gross	real, CMPY	5.3	7.3	10.0	7.8	11.1	9.4	9.2	8.8	9.8	11.6	13.7	12.8	14.0	16.0	10.9	9.7
Total economy, gross	USD	246	315	262	267	293	288	289	303	301	303	311	305	311	393	319	323
Total economy, gross	EUR	190	235	200	205	222	222	228	249	250	246	254	253	263	331	263	270
Industry, gross[3]	EUR	198	225	199	205	219	224	229	245	251	251	252	259	266	302	257	.
PRICES																	
Consumer	PM	1.1	1.1	2.6	1.2	1.3	1.1	0.8	0.6	0.5	-0.1	0.3	0.6	0.7	0.8	2.4	1.7
Consumer	CMPY	11.7	11.7	12.6	12.8	13.3	13.4	13.6	13.3	12.9	12.3	12.2	11.7	11.2	10.9	10.7	11.2
Consumer	CCPY	10.9	11.0	12.6	12.7	12.9	13.0	13.1	13.2	13.1	13.0	12.9	12.8	12.7	12.5	10.7	10.9
Producer, in industry	PM	2.0	0.1	0.5	1.3	2.5	2.5	2.7	0.1	0.5	2.0	2.8	0.9	-0.9	-2.1	0.4	3.2
Producer, in industry	CMPY	29.5	28.9	24.6	22.0	23.5	24.0	24.7	21.4	20.6	20.8	20.5	19.4	16.0	13.4	13.3	15.4
Producer, in industry	CCPY	23.5	24.0	24.6	23.3	23.3	23.5	23.8	23.4	22.9	22.6	22.4	22.1	21.4	20.7	13.3	14.4
RETAIL TRADE																	
Turnover[4]	real, CMPY	13.5	14.6	9.3	9.8	10.0	12.7	13.6	12.8	12.0	12.3	13.0	12.2	11.5	14.0	11.7	10.0
Turnover[4]	real, CCPY	11.7	12.0	9.3	9.5	9.7	10.5	11.1	11.4	11.5	11.6	11.8	11.8	11.8	12.0	11.7	10.9
FOREIGN TRADE[5][6][7]																	
Exports total, cumulated	EUR mn	132819	147353	11421	24184	39417	54767	70765	86666	104288	121866	139481	157792	176488	197029	17292	.
Imports total, cumulated	EUR mn	69825	78323	5311	11813	19534	27163	34873	43254	52029	60599	69214	78642	88876	100519	7229	.
Trade balance, cumulated	EUR mn	62995	69030	6109	12371	19883	27605	35892	43411	52259	61267	70267	79151	87612	96510	10064	.
FOREIGN FINANCE																	
Current account, cumulated[8]	EUR mn	.	48208	.	.	16357	.	.	33403	.	.	49812	.	.	69584	.	.
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	28.591	27.904	28.009	27.995	27.626	27.810	27.951	28.498	28.694	28.480	28.380	28.563	28.763	28.805	28.228	28.195
RUB/EUR, monthly average	nominal	37.079	37.390	36.719	36.381	36.470	35.993	35.485	34.725	34.568	35.015	34.808	34.338	33.951	34.162	34.293	33.733
RUB/USD, calculated with CPI[9]	real, Jan03=100	127.8	132.9	135.6	136.4	138.9	138.7	139.3	137.3	136.5	136.7	136.1	135.6	136.7	138.1	144.3	147.0
RUB/USD, calculated with PPI[9]	real, Jan03=100	143.8	148.7	148.1	149.5	153.2	154.6	158.6	156.0	153.6	156.7	157.0	153.5	153.2	150.4	154.1	159.2
RUB/EUR, calculated with CPI[9]	real, Jan03=100	105.5	105.4	110.5	112.4	113.1	115.4	117.7	120.9	121.9	120.0	120.6	122.7	125.1	125.0	127.5	131.8
RUB/EUR, calculated with PPI[9]	real, Jan03=100	128.0	127.4	129.9	132.2	134.3	139.0	145.1	148.2	149.1	149.6	153.9	156.8	157.5	153.2	153.2	160.8
DOMESTIC FINANCE																	
M0, end of period	RUB bn	1332.7	1534.8	1425.2	1444.1	1481.7	1565.8	1582.3	1650.7	1701.8	1703.3	1740.7	1752.0	1765.8	2009.2	1875.6	.
M1, end of period	RUB bn	2535.0	2848.3	2673.0	2757.1	2859.6	2906.3	2965.6	3144.3	3162.5	3240.8	3371.9	3340.1	3413.2	3858.5	3662.0	.
M2, end of period	RUB bn	4867.6	5298.7	5184.8	5344.4	5499.6	5594.0	5743.0	6015.9	6087.4	6286.5	6458.4	6482.7	6604.8	7221.1	7035.6	.
M2, end of period	CMPY	34.6	33.7	31.4	30.6	31.2	29.1	31.5	32.4	33.8	37.6	39.3	37.0	35.7	36.3	35.7	.
Refinancing rate (p.a.),end of period	%	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	12.0	12.0	12.0
Refinancing rate (p.a.),end of period[10]	real, %	-12.8	-12.3	-9.3	-7.4	-8.5	-8.9	-9.4	-7.0	-6.3	-6.5	-6.2	-5.3	-2.6	-1.3	-1.2	-3.0
BUDGET																	
Central gov.budget balance, cum.	RUB bn	786.3	730.7	206.2	304.4	525.3	621.4	738.2	942.2	1036.5	1172.9	1162.0	1429.6	1636.7	1612.9	.	.

1) Data revised according to new methodology.
2) Based on labour force survey.
3) Manufacturing industry only.
4) Including estimated turnover of non-registered firms, including catering.
5) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference rate.
6) Cumulation starting January and ending December each year, incl. estimates of non-registered imports.
7) Based on balance of payments statistics.
8) Calculated from USD to NCU to EUR using the official average exchange rate.
9) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
10) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2004 to 2006

(updated end of March 2006)

		2004		2005												2006	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	11.3	4.3	8.4	5.6	6.6	5.1	4.3	-0.9	-2.4	0.9	0.9	2.4	2.0	5.3	-2.9	1.5
Industry, total	real, CCPY	13.4	12.5	8.4	7.3	7.1	6.7	6.2	5.0	3.9	3.5	3.2	3.1	2.9	3.1	-2.9	-0.6
Industry, total	real, 3MMA	7.8	8.0	6.1	6.9	5.8	5.3	2.8	0.3	-0.8	-0.2	1.4	1.8	3.2	1.5	1.3	
LABOUR																	
Employees[1]	th. persons	11246	11157	11206	11248	11315	11332	11319	11339	11371	11361	11361	11357	11306	11220	11245	.
Employees in industry[1]	th. persons	3415	3388	3401	3413	3428	3421	3410	3408	3413	3410	3407	3407	3394	3368	3374	.
Unemployment, end of period	th. persons	919.7	981.8	992.2	1019.0	1018.4	986.7	918.6	858.3	825.4	800.4	780.6	762.9	809.7	881.5	899.9	923.8
Unemployment rate[2]	%	3.4	3.5	3.5	3.6	3.6	3.5	3.3	3.0	2.9	2.8	2.8	2.7	2.9	3.1	3.2	3.3
Labour productivity, industry[1]	CCPY	.	.	8.2	6.9	6.5	6.1	5.6	4.4	3.4	3.1	2.9	2.8	2.7	3.0	-2.1	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	.	.	11.7	14.1	14.0	14.9	17.0	20.2	23.2	24.9	26.1	27.2	29.1	30.6	50.8	.
WAGES, SALARIES [1]																	
Total economy, gross	UAH	644	704	641	667	722	734	764	823	837	831	856	882	897	1020	865	.
Total economy, gross	real, CMPY	18.2	13.7	13.9	15.4	15.5	16.8	20.2	19.6	20.0	19.7	19.2	23.3	24.3	31.3	22.9	.
Total economy, gross	USD	121	133	121	126	136	141	151	163	166	165	170	175	178	202	171	.
Total economy, gross	EUR	94	99	92	97	103	109	119	134	138	134	138	145	150	170	142	.
Industry, gross	EUR	116	120	117	120	130	135	144	156	163	165	166	171	177	188	173	.
PRICES																	
Consumer	PM	1.6	2.4	1.7	1.0	1.6	0.7	0.6	0.6	0.3	0.0	0.4	0.9	1.2	0.9	1.2	1.8
Consumer	CMPY	11.3	12.3	12.6	13.3	14.7	14.7	14.6	14.4	14.8	14.9	13.9	12.4	12.0	10.3	9.8	10.7
Consumer	CCPY	8.7	9.0	12.6	13.0	13.5	13.8	14.0	14.1	14.2	14.3	14.2	14.0	13.8	13.5	9.8	10.2
Producer, in industry	PM	2.2	1.0	0.2	2.7	1.9	2.5	1.6	-0.8	-1.6	0.7	1.9	0.0	-0.1	0.3	1.2	0.3
Producer, in industry	CMPY	25.2	24.3	22.6	22.4	22.0	21.1	20.5	17.7	15.7	14.7	14.7	12.9	10.4	9.6	10.7	8.1
Producer, in industry	CCPY	20.1	20.4	22.6	22.5	22.3	22.0	21.7	21.0	20.2	19.5	18.9	18.3	17.5	16.8	10.7	9.4
RETAIL TRADE																	
Turnover[3]	real, CCPY	20.8	20.0	21.2	20.3	18.6	19.2	20.4	21.1	21.8	23.0	23.1	22.4	22.4	23.0	31.3	28.4
FOREIGN TRADE[4][5]																	
Exports total (fob), cumulated	EUR mn	23883	26278	1896	3925	6372	8714	10909	13174	15436	17693	19998	22430	24909	27545	1933	.
Imports total (cif), cumulated	EUR mn	21119	23321	1376	3223	5716	8103	10298	12877	15343	17986	20591	23243	25981	29034	2241	.
Trade balance, cumulated	EUR mn	2764	2957	519	702	655	611	612	297	93	-293	-592	-813	-1072	-1490	-309	.
FOREIGN FINANCE																	
Current account, cumulated[6]	EUR mn	.	5560	.	.	1221	.	.	1727	.	.	2076	.	.	2030	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.306	5.306	5.305	5.300	5.292	5.190	5.050	5.055	5.053	5.050	5.050	5.050	5.050	5.050	5.050	5.050
UAH/EUR, monthly average	nominal	6.885	7.103	6.990	6.894	6.983	6.714	6.422	6.151	6.090	6.208	6.200	6.070	5.961	5.983	6.101	6.037
UAH/USD, calculated with CPI[7]	real, Jan03=100	111.7	114.9	116.6	117.2	118.3	120.7	125.0	125.5	125.4	124.8	124.0	124.7	127.2	128.9	130.4	132.8
UAH/USD, calculated with PPI[7]	real, Jan03=100	122.1	124.3	124.0	126.9	127.7	132.3	138.7	137.7	133.7	133.8	132.4	129.1	130.8	131.8	133.3	133.7
UAH/EUR, calculated with CPI[7]	real, Jan03=100	91.9	90.8	94.2	96.1	95.9	100.1	105.0	110.2	111.5	109.2	109.3	112.5	116.0	116.3	115.4	118.7
UAH/EUR, calculated with PPI[7]	real, Jan03=100	108.2	106.2	107.7	111.7	111.6	118.6	126.3	130.5	129.3	127.2	129.2	131.4	134.0	133.9	132.8	134.7
DOMESTIC FINANCE																	
M0, end of period	UAH bn	40.9	42.3	40.6	41.8	43.1	47.6	47.9	51.3	53.8	53.8	55.5	54.9	55.1	60.2	56.8	.
M1, end of period	UAH bn	65.7	67.1	64.9	67.1	73.5	76.2	77.6	83.8	84.8	85.5	90.1	88.7	92.7	98.6	92.1	.
Broad money, end of period	UAH bn	125.3	125.8	125.8	130.9	140.1	146.5	147.9	156.3	159.1	164.8	171.0	174.8	180.1	194.1	188.8	.
Broad money, end of period	CMPY	41.9	32.4	35.8	36.3	38.5	39.4	35.1	37.2	35.9	35.6	31.3	38.5	43.8	54.3	50.1	.
Refinancing rate (p.a.),end of period	%	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.5	9.5	9.5	9.5	9.5	9.5	.
Refinancing rate (p.a.),end of period[8]	real, %	-12.9	-12.3	-11.1	-10.9	-10.7	-10.0	-9.5	-7.4	-5.8	-4.5	-4.5	-3.0	-0.8	-0.1	-1.1	.
BUDGET																	
General gov.budget balance, cum.	UAH mn	-6199	-11009	1503	2042	2931	2252	4007	1735	2959	6907	5816	5309	3216	-7735	.	.

1) Excluding small firms.
2) Ratio of unemployed to the economically active.
3) Official registered enterprises.
4) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference rate.
5) Cumulation starting January and ending December each year.
6) Calculated from USD to NCU to EUR using the official average exchange rate.
7) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
8) Deflated with annual PPI.

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

	Source	Type of availability	How to get it	Time of publication	Price
Annual data	*Handbook of Statistics 2005*	printed	order from wiiw	November 2005	€ 90.00; for Members free of charge
		on CD-ROM (PDF files)	order from wiiw	October 2005	€ 90.00; for Members € 63.00
		on CD-ROM (MS Excel tables + PDF files), plus manual	order from wiiw	October 2005	€ 225.00; for Members € 157.50
	individual chapters	via e-mail (MS Excel tables)	order from wiiw	October 2005	€ 36.00 per chapter;
	computerized wiiw Database	online access	via WSR http://www.wsr.ac.at	continuously	€ 2.70 per data series; for Members € 1.90
Quarterly data (with selected annual data)	*Research Report, Special issue*	printed	order from wiiw	February and July	€ 70.00; for Members free of charge
		PDF (online or via e-mail)	order from wiiw	February and July	€ 65.00; for Members free of charge
	Monthly Report (2nd quarter)	printed, PDF (online or via e-mail	for wiiw Members only	*Monthly Report* nos. 10, 11, 12	only available under the wiiw Service Package for € 2000.00
Monthly data	*Monthly Report* (approx. 40 time series per country)	printed	for wiiw Members only	monthly (11 times a year)	
	Internet	online access	see http://mdb.wiiw.ac.at	continuously	for Members free of charge
Industrial Database		on CD-ROM (MS Excel files)	order from wiiw	June	€ 295.00; for Members € 206.50
Database on FDI	*wiiw Database on FDI in Central, East and Southeast Europe*, May 2005	printed	order from wiiw	May	€ 70.00; for Members € 49.00
		PDF (online or via e-mail)	order from wiiw	May	€ 65.00; for Members € 45.50
		on CD-ROM (tables in HTML, CSV and MS Excel + PDF files), plus hardcopy	order from wiiw	May	€ 145.00 for Members € 101.50

Orders from wiiw: via wiiw's website at www.wiiw.ac.at, by fax to (+43 1) 533 66 10-50 (attention Ms. Ursula Köhrl) or by e-mail to koehrl@wiiw.ac.at.

Index of subjects – April 2005 to April 2006

Albania	*economic situation*	2005/12
Bosnia and Herzegovina	*economic situation*	2005/12
Bulgaria	*economic situation*	2005/10
China	direct investment abroad	2006/1
Croatia	*economic situation*	2005/11
Czech Republic	*economic situation*	2005/10
Estonia	*economic situation*	2006/4
Hungary	*economic situation*	2005/10
Kosovo	*economic situation*	2005/12
Latvia	*economic situation*	2006/4
Lithuania	*economic situation*	2006/4
Macedonia	*economic situation*	2005/11
Montenegro	*economic situation*	2005/12
Poland	*economic situation*	2006/4 2005/10
Romania	*economic situation*	2005/10
Russia	*economic situation*	2005/11
Serbia	*economic situation*	2005/11
Slovakia	*economic situation*	2005/10
Slovenia	*economic situation*	2005/10
Turkey	*economic situation*	2005/11
Ukraine	*economic situation*	2005/11
Region Eastern Europe and CIS	convergence and labour demand	2005/8-9
(multi-country articles	Doha Round	2005/4
and statistical overviews)	economic forecast	2005/12
	energy intensity	2006/1
	energy supplies	2006/2
	EU budget	2006/1 2005/6 2005/8-9
	euro	2006/3
	export quality	2006/3
	FDI	2006/3 2005/6
	growth measures	2006/2
	input-output analysis	2005/8-9
	labour markets	2005/5 2005/4
	land market	2005/7
	public debt	2005/5
	regional employment patterns	2005/6
	taxation	2005/5
	trade	2005/7
	trade in the Balkans	2005/8-9
	transition	2006/2
	welfare state	2006/4

The monthly publication *The Vienna Institute Monthly Report* summarizes wiiw's major research topics and provides current statistics and analyses exclusively to subscribers to the wiiw Service Package. This information is for the subscribers' internal use only and may not be quoted except with the respective author's permission and express authorization. Unless otherwise indicated, all authors are members of the Vienna Institute's research staff or research associates of wiiw.

Economics editor: Leon Podkaminer