Monthly Report **5**/05

Contents

Measuring the corporate tax burden

BY ROMAN RÖMISCH

Corporate tax systems within the EU-25 are of an inherently complex nature and differ widely across the EU member states. Not only do the individual member states apply different statutory corporate income tax rates, they also vary in their definition of the tax base (which determines the level of taxable income) as well as in depreciation rules and rates for tax purposes, in the tax treatment of losses, in the taxation of capital gains, in investment incentives and other things (such as the tax treatment of provisions – in particular for bad debts and pension plans).

As a consequence the calculation and comparison of the actual, effective tax burden on companies operating within the EU countries is complicated and would impose considerable costs on corporations and academics, too. Additionally the differences in the member states' tax systems are increasingly considered to be one of the major obstacles to achieving the goals of the Lisbon agenda.

Therefore, the present note shall, first, address – from an academic point of view – the various ways how the effective tax burden on companies and investment can be measured; second, apply some of the derived tax measures to five new member states (NMS-5): the Czech, Republic, Hungary, Poland, Slovakia and Slovenia; finally, discuss the latest proposals by the EU Commission to remove tax obstacles and their consequences.

Measures of company tax burden

Statutory tax rates

Statutory tax rates are only a crude measure of the company tax burden, as they neither take into account differences in the tax base nor pay regard to any interdependencies between different taxes levied on the same tax base.

Tax quotas and tax ratios

Tax quotas and ratios are presented by the relation between the tax revenue from a particular resource and the value added or income created by this resource (or by the economy as a whole), with data usually stemming from tax revenue and national accounts statistics. A typical example is the relation between corporate tax revenues and the operating surplus generated by financial and non-financial enterprises.

Although tax quotas and ratios are better measures of tax burdens than statutory tax rates, as they take into account the tax base, they still are considered to be inferior compared to effective tax rates (see below). This is because, firstly, tax quotas usually neglect that different types of taxes can be levied on a particular resource. Secondly, the value added and income indicators of the System of National Accounts are sometimes questionable, since there are differences between the definition of income or value added in the sense of the System of National Accounts and in the sense of tax laws (e.g. there are considerable differences in company profits defined by the tax laws on the one hand and defined by the System of National Accounts on the other hand).

Effective tax rates

Effective tax rates *grosso modo* can be split into two sub-groups: forward- and backward-looking rates:

Forward-looking effective tax rates

Following King and Fullerton (1984), and Devereux and Griffiths (1998), forward-looking effective tax rates are based on the neoclassical investment theory as well as on corporate tax laws (and not just statutory corporate tax rates) and focus on hypothetical ('future') investments. They are calculated either as effective average tax rates (EATRs) or as effective marginal tax rates (EMTRs). The main difference between the EATRs and the EMTRs is that the latter apply to investments that – after tax – earn just the necessary rate of return that covers the cost of the invested capital (i.e. the post-tax net present value

of the investment is zero). In contrast, EATRs apply to investments that – after tax – earn pure economic profit (i.e. the investment's post-tax net present value is positive).[1]

Additionally, effective tax rates distinguish between domestic and international investments. In the case of domestic investment, domestic effective (average or marginal) tax rates are calculated that consider only national corporate tax laws, while in the case of international investment, bilateral effective (average or marginal) tax rates are used. They not only take into account the tax laws of the investment host (i.e. receiving) country but also the tax laws of the investment home (i.e. sending) country.

Backward-looking effective tax rate

Following Mendoza et al. (1994) backward-looking rates are derived from 'real' data (mostly from National Accounts and Tax Revenue statistics) and relate the tax liability on a particular resource to an (effective) measure of the value added generated by this resource in the past. Backward-looking effective tax rates can be calculated as average and marginal rates (Gordon et al., 2003), too.

The conceptually different nature of these tax measures has two major implications:

First, for one and the same country the actual size of the corporate tax burden depends on the tax measure that is used. Thus in general, statutory tax rates report a higher tax burden than effective average tax rates, as the former do not properly take into account tax rules pertaining to the tax

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[1] The distinction between marginal and average effective tax rates has become increasingly important in the analysis of location decisions of multinational enterprises. By using the EMTR one usually assumes that investments are infinitely separable and consequently investment in one location is increased until the last unit of capital earns – after tax – just its costs of capital. Thus the EMTR is important for the level of investment. However, when there is a choice to be made between two ore more mutually exclusive projects (i.e. investment is no longer infinitely separable but discrete instead), the location of this investment depends upon the EATR, as the multinational enterprise will choose the location where post-tax profits are highest. Therefore the EATR is important for the choice of location.

base, while the latter do. Similarly, domestic effective average tax rates are expected to be lower than bilateral effective average tax rates. This is because domestic tax rates measure only the tax burden upon an investment within a country, while bilateral tax rates derive the tax burden upon an investment from one country to another and thus take into account tax laws in both the investment home (sending) and host (receiving) country.

Second, any assessment of tax competition (for foreign investment) depends crucially on the chosen tax measure and on whether a country prefers to attract investment via special tax incentives, favourable depreciation rules etc. or via a low statutory tax rate. Hence it is possible that two countries, although they have different statutory tax rates – with the low-tax country signalling to be a more favourable investment location –, levy the same *effective* tax rate on corporate profits.

In view of the abundance of available measures for the corporate tax burden, the question arises, which measure is the most suitable for analysing tax competition? Following Bellak, Leibrecht and Römisch (forthcoming), the following points are important:

- From a conceptual point of view effective tax rates are superior to statutory tax rates as indicators of the tax burden.

- Forward-looking effective tax rates are preferred to backward-looking tax rates.

- Concerning foreign direct investment (from one country to another) effective tax rates need to be derived on a bilateral basis, which includes host and home country as well as inter- and supranational tax codes.

- Concerning location decisions bilateral effective average rates (BEATRs) are appropriate.

- Concerning scale decisions bilateral marginal effective tax rates are appropriate (Devereux, 2003).

Tax rates in five new member states of the EU

To illustrate the various tax measures, Table 1 shows the year 2004 statutory tax rates as well as various effective average tax rates (selected by their relevance) for the NMS-5.

In all NMS-5 statutory corporate tax rates are – as a rule – higher than the effective tax rates, except for the average BEATRs in NMS. This is because the average BEATRs are the (arithmetic) mean of the seven most important investing countries' (Austria, France, Germany, Italy, Netherlands, UK and US) BEATRs in the NMS-5. Since the US are included in this sample and dividends are not completely exempt from taxation there (unlike in EU member states) the average BEATRs are driven upwards. Usually for EU member states though, BEATRs are lower than the statutory tax rates as illustrated by the example of the BEATRs that an Austrian or a German investor faces when investing in the NMS-5. Thus for foreign investors it is not only important where they invest but also where they come from. Unfortunately the (forward-looking) effective average tax rates (domestic and bilateral) are quite sensitive to the assumptions made in the calculations. This is shown by the differences in domestic effective average tax rates (DEATRs) and BEATRs calculated by Bellak, Leibrecht, and Römisch on the one hand and by the EU DG Taxation on the other hand. Although both sources use the same methodology, their tax rates differ (especially in the case of Hungary and Slovenia) by up to 5 percentage points.

Table 1 also shows that cross-country comparisons of corporate tax burdens are sensitive to the chosen methodology. Using just statutory tax rates reveals a huge gap between the low-tax countries Hungary, Poland and Slovakia on the one hand and the high-tax countries Czech Republic and Slovenia on the other hand. This gap becomes slightly smaller when domestic tax laws are taken account of (i.e. for DEATRs) and in the case of Slovenia almost disappears if the tax regulations from the investing country are included (i.e. for BEATRs).

Table 1

	Statutory tax rate	Effective tax rates					
		Domestic		Bilateral			
				average	vis-à-vis Austria	vis-à-vis Germany	vis-à-vis Germany
		BLR	EUDGTAX			BLR	EUDGTAX
Czech Rep.	28.0	24.5	25.5	28.0	25.9	27.1	27.5
Hungary	17.7	13.6	18.4	19.8	14.9	16.4	20.5
Poland	19.0	17.9	17.5	21.9	17.5	18.9	19.6
Slovakia	19.0	16.3	16.7	22.0	17.7	19.0	18.8
Slovenia	25.0	20.5	21.6	21.3	18.3	19.7	23.6

Ranking

	Statutory tax rate	Effective tax rates					
		Domestic		Bilateral			
				average	vis-à-vis Austria	vis-à-vis Germany	vis-à-vis Germany
		BLR	EUDGTAX			BLR	EUDGTAX
Czech Rep.	5	5	5	5	5	5	5
Hungary	1	1	3	1	1	1	3
Poland	2	3	2	3	2	2	2
Slovakia	2	2	1	4	3	3	1
Slovenia	4	4	4	2	4	4	4

Source: BLR – Bellak, Leibrecht and Römisch (forthcoming); EUDGTax – Commission of the European Communities DG Taxation & Customs Union (2004).

Consequently, the choice of the tax measure and also the assumptions made in calculating EATRs have serious implications for an assessment of tax competition, as the ranking of the NMS-5 by tax rates changes as different tax measures are applied.

Home state taxation and the common consolidated tax base

In order to systematically tackle the majority of tax obstacles for companies operating in more than one member country, the EU Commission proposed to introduce a *common consolidated corporate tax base* (CCCTB) for multinational enterprises (MNEs) (EU Commission, 2001) and a pilot scheme for *home state taxation* (HST) for small and medium-sized enterprises.

The two proposals have in common that companies with cross-border activities within the EU should be allowed to, firstly, compute the income of the entire group according to one set of rules and, secondly, establish consolidated accounts for tax purposes. The share of this tax base that each member state in which this group operates receives, shall be computed according to a commonly agreed formula that should reflect the partition of the group's operations across countries as clearly as possible.

The difference between the CCCTB and HST is that in the case of the former, only one single tax base shall be introduced that applies to all member states, whereas under HST, the tax base for all activities of a group of companies within the system would be that of the parent company's home state.

Despite these differences, the effects of introducing one of the two schemes would be similar:

- Firstly, transfer pricing would become less feasible, and thus – *ceteris paribus* – tax revenues would shift from low-tax countries (e.g. Ireland) to high-tax countries, which suffered from transfer pricing.

- Secondly, because of the removal of obstacles to cross-border economic activities, the mobility of non-financial capital should increase.

- Thirdly, tax competition is not ruled out, but only made more transparent. Since under the CCCTB and HST the tax base for companies is the same in all EU countries, statutory tax rates become more important and a much better indicator with respect to tax competition and location decisions.[2]

Considering the last point, the introduction of one common tax base in one way or another is certainly an improvement, not only for corporations, but also for academics – if the EU member states can agree upon this.

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[2] Apart from these primary effects of the introduction of a CCCTB or HST, some more – perhaps unwanted – effects are thinkable. Thus, since transfer pricing is more or less ruled out, multinational enterprises might become more sensitive to tax rate differentials and might consider relocating highly profitable parts to low-tax countries. In order to compensate for this, it then appears likely that high-tax countries start lowering their corporate tax rates – as other possibilities are hardly available. Hence the EU countries might experience an even faster 'race to the bottom' in (statutory) tax rates, unless the EU decides to introduce minimum corporate tax rates like in the case of today's VAT.

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Appendix: Assumptions made in the calculation of the effective average tax rates

In the following we list the assumptions made by Bellak, Leibrecht and Römisch (BLR) in their calculation of the EATRs. For comparison reasons we also cite the assumption made by EUDGTax.

- Assets:
  BLR: 3 different assets (machinery, buildings, and inventory in the manufacturing sector.
  EUDGTax: 5 different assets (machinery, buildings, inventory, intangibles and financial assets).

- Pre-tax financial return:
  BLR & EUDGTax: 20%.

- Economic depreciation rates:
  BLR: 3.61% for buildings, 12.25% for machinery, 0% for inventory.
  EUDGTax: 3.1% for buildings, 15.35% for intangibles, 17.5% for machinery, 0% for inventory.

- Nominal interest rate:
  BLR: 7.625%, EUDGTax: 7.1%.

- Common inflation rate:
  BLR: 2.5%, EUDGTax: 2%.

- Constant nominal exchange rate:
  BLR & EUDGTax.

- Structure of assets:
  BLR: weighted average structure of assets (buildings / machinery / inventory): 55% / 35% / 10%.
  EUDGTax: equal weights for all 5 assets.

- Forms of financing:
  BLR: weighted average structure across various forms of financing (retained earnings / equity / debt): 55% / 10% / 35% for parent company and 1/3 / 1/3 / 1/3 for subsidiary.
  EUDGTax: equal weights for each form of financing.

Productivity catching-up and labour demand: employment projections for NMS and CC-2

BY ROBERT STEHRER

Introduction

The economies of the new EU member states (NMS) – the Czech Republic, Hungary, Poland, Slovakia, Slovenia, and the Baltic countries Estonia, Latvia and Lithuania – and of the EU candidate countries (CC-2) – Bulgaria and Romania – have already undergone severe declines in employment since the beginning of the transitional period. Major factors for this decline have been the productivity dynamics and rapid structural changes. Together with the overall decline in labour demand, also the structure of employment with respect to sectoral employment shares, demand for occupations and demand by educational attainment levels have changed. The decline in labour demand resulted in high and persistent unemployment rates or rising inactivity rates (see Vidovic, 2003, and Landesmann, Vidovic and Ward, 2004, for a description of the historical development and ongoing trends). As mentioned above, this decrease in demand for labour was mainly caused by rapid technological catching-up processes (i.e. rising labour productivity) as well as changes in the sectoral structure of the economies. Although in the recent period (after 1995) most of the economies have performed relatively well with respect to total GDP growth (compared to, e.g., the EU-15 countries) GDP growth was not strong enough to compensate for the decrease in employment levels due to technical and structural change. These relationships have been investigated by Stehrer (2005) in detail. In the following we summarize the main findings with respect to the total employment level and present some future scenarios.

The basic idea of the framework applied is as follows: as the countries under consideration have generally lower productivity levels as compared to

the EU-15, the scope for catching up is large (for an early reference see e.g. Gerschenkron, 1952; basically the same idea can also be found in the recent convergence literature, see e.g. Barro and Sala-i-Martin, 1999). Thus, if these countries converge to the EU-15 productivity levels at a given trajectory – which determines labour productivity growth – GDP growth must be large enough to compensate for losses in labour demand due to productivity increases. In order to construct forecasts we estimate the speed of convergence in productivity levels from a larger country sample. Knowing the speed of convergence and the initial levels then allows for forecasting developments in productivity levels, which in turn allows for calculating forecasts for labour demand under different scenarios with respect to GDP growth. In a more elaborate version one also has to take structural changes into account; further, different employment categories (occupation, educations) can be distinguished (these issues are discussed in detail in Stehrer, 2005).

Productivity catching-up and labour demand dynamics

The U-shaped pattern of labour demand dynamics

Let us first introduce the framework. Labour demand is determined by labour input per unit of output $l^c = 1/y^c$ (i.e. the inverse of labour productivity) times the volume of output at constant prices Y^c, i.e. $L^c = l^c Y^c$. Taking derivates with respect to time, the growth rate of labour demand can be expressed as $\hat{L}^c = \hat{l}^c + \hat{Y}^c$ and is thus a function of productivity and output growth. Under the assumptions of full employment and a constant workforce (i.e. constant participation rate and/or constant population) the growth rate of the economy would be determined by the growth rate of the labour input coefficient as $0 = \hat{L}^c = \hat{l}^c + \hat{Y}^c$ or $\hat{Y}^c = -\hat{l}^c$. However, this seems not to be appropriate for the ongoing economic dynamics in the NMS: first, unemployment rates are still quite high; second, part of the population not yet in the workforce could start working if labour demand

were rising (i.e. participation rates are not constant) and thus the supply of labour is elastic; and third, hidden unemployment in parts of the economies (e.g. in agriculture) means again that labour supply is not a constraint on economic growth. Thus we argue that a more appropriate modelling strategy is to assume an exogenously determined GDP growth rate (which could be influenced by fiscal and monetary policies in the countries, growth rates of main trading partners, etc.) and to account for different growth paths by presenting sensitivity analyses.

The implications for labour demand under the assumption that the countries follow the specific path of convergence implied by the concept of β-convergence (which implies higher productivity growth rates, the higher the productivity gap) specified above are sketched in a schematic way presenting some 'stylized facts' in Figure 1.

On the vertical axes we have depicted growth rates of productivity and output. In the EU-15 output growth was slightly higher than productivity growth leading to generation of employment (see Table 1 and Stehrer, 2005, for a more detailed discussion). The concept of convergence implies that the productivity growth rates of the NMS and CC-2 are relatively high at the beginning of the catching-up period (and highest for countries showing the largest gap) but – as the gap is closing – they decrease over time. If productivity is growing faster than GDP, demand for labour will decrease. Even if the GDP growth rates are higher in the NMS and CC-2 (as indicated in Figure 1) – as has been the case in the past decade – it is thus likely that productivity growth exceeds GDP growth at the beginning, leading to negative employment effects. Experience shows that this has happened in most of the NMS and CC-2 over the past decade. However, at a point in time countries may enter a phase of employment creation; in Figure 1 this point is indicated by t^* – as productivity growth becomes lower when the gap to the leader becomes smaller. From this point onwards employment will start to rise. Following these

arguments, labour demand shows a U-shaped pattern over time.

Two stylized facts

This idea was applied in Stehrer (2005) where data from the new version of the OECD STAN database and the LFS database for the NMS and CC-2 have been used. The (new) OECD STAN database provides data for value added at constant prices and employment for a larger sample of countries and over a longer time period; in general we use data from 1975 onwards.[1] From this database we only include the 'old' member states – i.e. the EU-15 countries – for determination of the speed of convergence. Data for the NMS and the CC-2 are provided by the National Accounts (taken from the wiiw Database on national statistics). These countries are included from 1995 onwards: from this point in time most of them seem to have been on a more or less stable growth path. Among the old EU member states, Ireland is missing for data reasons; on the other hand, we partly included also Norway in the sample. Among the new member states, we have not included Malta and Cyprus.

Let us look at the past performance of these countries. Table 1 provides data on productivity, output and employment growth for the EU-15 and the NMS and CC-2.

One can see that for the EU-15 output growth exceeded productivity; the difference can be seen in the employment growth rates, which are positive. On average output was growing over the total period at a rate of 2.5% per year and productivity at a rate of about 2%; this resulted in employment growth of 0.5%.[2] For the NMS productivity growth

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[1] The period 1975 until now has been characterized by rising unemployment and a slowdown of economic activity in most of the countries in general. However, there has still been positive employment growth over this period in most countries (see Stehrer, 2005, for details) which is in line with the 'stylized facts' above.

[2] One has to note that we do not distinguish between full- and part-time employment and in this data set we use only the number of employees.

Figure 1

Productivity convergence and labour demand
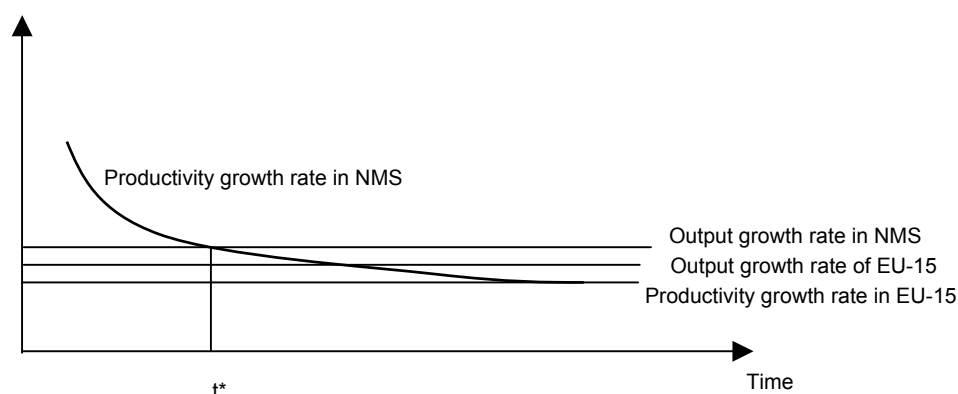
Table 1

Growth rates of labour productivity, output and employment (in %)

		Total period			1997-2002		
Group	**Country**	**Productivity**	**Output**	**Employment**	**Productivity**	**Output**	**Employment**
EU-15	*Mean[1]*	1.98	2.50	0.59	1.24	2.95	1.71
NMS	**CZ**	2.22	1.43	-0.79	2.58	1.84	-0.74
	EE	6.86	5.56	-1.30	6.25	5.19	-1.06
	HU	3.25	4.24	0.99	3.09	4.33	1.25
	LT	7.32	4.32	-3.43	7.32	3.89	-3.43
	LV	5.32	5.37	0.05	5.62	5.28	-0.34
	PL	5.01	3.91	-1.10	5.16	3.07	-2.09
	SI	3.67	4.04	0.37	3.85	4.03	0.19
	SK	3.97	3.41	-0.56	3.99	3.13	-0.86
	Mean[1]	4.70	4.03	-0.72	4.73	3.84	-0.89
CC-2	**BG**	5.97	4.28	-1.69	7.54	6.09	-1.45
	RO	1.64	-0.17	-1.81	4.63	1.94	-2.69
	Mean[1]	3.81	2.06	-1.75	6.08	4.01	-2.07

Note: 1) Arithmetic mean over country group

was higher than output growth on average, leading to lower employment levels. The only exceptions to this are Hungary and Slovenia, where employment remained almost stable. One can also see that productivity growth in the NMS and CC-2 has been higher than in the EU-15, which shows that catching-up in productivity levels has been taking place. In the period 1997-2002 the productivity growth rate of the NMS was nearly 5% and of the CC-2 even 6%; the total GDP growth rate was however lower, at about 4% per year (more recent data show even higher growth rates for the past few years). Although the latter growth rate exceeds the growth rate of the EU-15, it does not suffice to compensate for falling labour demand due to overall productivity catching-up. Table 1 is thus in line with the framework introduced above.

Table 2 provides information on the value added per capita and per employed person, respectively, as well as on the gap of the NMS and CC-2 to the weighted average of the EU-15 in 2002. In terms of

value added per employed person, the countries furthest behind are Bulgaria and Romania, reaching about a quarter of the EU-15 level only; the countries closest to the EU-15 are the Czech Republic, Hungary and Slovakia, reaching about 55%, and Slovenia with about 65% of the EU-15 average. This implies that there is a large scope for productivity catching-up.

The speed of convergence and implied productivity growth rates

For the calculation of future scenarios with respect to labour demand, we estimate the speed of productivity catching-up by using the concept of β-convergence. For this we calculate the gap of the value added per employed person to the technological leader and regress this measure on a linear time trend. This yields an estimate of the motion of the gap, which is used as the dependent variable in estimating the speed of catching-up (see Stehrer, 2005, for details). The estimated coefficients for convergence are -0.030 for the total sample and -0.043 for a reduced sample (i.e. dropping some outliers) and are highly significant in both cases. The regressions show a R^2 of 0.65 for the first and 0.87 for the second estimation. The half time of convergence (i.e. the time period needed to close the gap to half of the initial gap) is given by $\ln 0.5 / \beta$. Inserting the point estimates above, the implicit half time is 23 and 16 years, respectively.[3] Figure 2 shows the productivity growth rates using the initial gap of the year 2002

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[3] These estimates suggest faster convergence than e.g. the study by Barro and Sala-i-Martin (1999) who suggest a half-time for conditional convergence of about 27 to 30 years for a much wider sample of countries. As the countries included in our sample are quite homogenous and as the endowments of the NMS and CC-2 with physical and human capital is at a sufficient level so that technology transfer can take place easily, these estimates seem to be reasonable for the productivity catching-up process taking place in these countries. Further, this simple approach does not allow for a falling back of countries, which may happen over time (see e.g. Verspagen, 1992, where countries may fall behind if these are characterized by low learning parameters and a large initial gap. As the countries in this sample are catching up rather than falling behind after the transitional recession we assume convergence in productivity at the estimated speed.

and a convergence parameter of $\beta = -0.030$. Further, we assumed a long-term productivity growth rate of the EU-15 (to which the growth rate of the follower countries converge) of $\gamma^L = 0.020$. One can see that the projected productivity growth rates range from 0.066 (Bulgaria) to 0.038 (Slovenia) depending on the initial gaps of productivity. The numbers may be interpreted as the GDP growth rates that have to be reached in order to keep employment at constant levels. The pressure for high GDP growth rates diminishes over time when the gap to the EU-15 is being closed and thus the potential for productivity catching-up becomes smaller.

Given the output growth rates in Table 1, we can conclude that some of the countries are on the verge of creating employment; for the less advanced economies we have to expect further losses in employment over a longer period if average GDP growth remains more or less at the past levels (some of the countries experienced higher GDP growth rates in the past few years).[4]

Projections of labour demand

Using this framework, let us now present four future scenarios with respect to the dynamics of the aggregate employment levels for each of the countries. As argued above, there are two crucial parameters in this framework: (i) the trend growth rate of GDP and (ii) the growth rate of labour productivity (which itself depends on the exogenous growth rate of productivity in the EU-15 and the convergence parameter β and the initial levels of the productivity gaps). For the first variable (GDP growth) we show scenarios with 4% and 5%, respectively. For the second variable, we assume convergence parameters of $\beta = -0.030$ and $\beta = -0.040$, respectively, which are in line with

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[4] For potential caveats of this analysis (e.g. the independence of GDP growth and productivity growth, the role of effective demand, etc.) see Stehrer (2005). The essential point – the problem of jobless growth caused by productivity convergence – is, however, clear from the simple framework introduced above.

Figure 2

Implied productivity growth rates
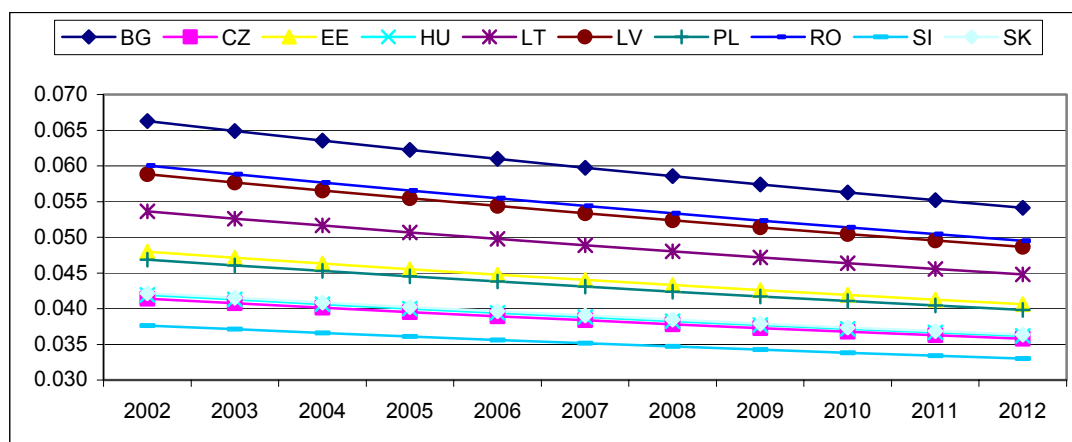
Table 2

Value added, productivity and gaps to EU-15

	Value added in mn EUR	Value added per capita in EUR	Value added per capita in % of EU-15	Value added per employed person in EUR	Value added per employed person in % of EU-15
CZ	122109	14272	60.49	26143	56.15
EE	12017	11525	48.84	21141	45.41
HU	97475	12556	53.22	25607	55.00
LT	23982	8586	36.39	16896	36.29
LV	14014	7717	32.71	14882	31.96
PL	294298	9496	40.25	20272	43.54
SI	26239	15810	67.01	29554	63.48
SK	53158	12225	51.81	25521	54.82
BG	33315	4951	20.98	11660	25.04
RO	127177	6913	29.30	11670	25.07
EU-15[1)]	*7302410*	*23595*	*100.00*	*46557*	*100.00*

Total value added 2002 at constant prices 1995, million EUR, from SNA data (Source: National accounts data).

Population (15+ and 15-64) (Source: LFS supply data).

Employed persons (Source: LFS demand data).

Note: 1) Without Ireland.

the econometric estimates reported above. Table 3 presents the projections of employment levels for each of the four scenarios.

In the first scenario (4 % GDP growth and modest speed of convergence) only the Czech Republic, Hungary, Slovenia and Slovakia succeed in creating employment, but at very low rates. The most successful country is Slovenia where employment rises by about 5 percentage points in

the period 2002 to 2012. All other countries experience – according to this scenario – further losses in employment. These losses amount to more than 10% of the employment level in 2002 for Latvia, Romania and Bulgaria. In the second scenario (GDP growth rate is assumed to be at 5% per year) one can see that this increase of the GDP growth rate (of one percentage point) has a quite strong effect on labour demand and most countries show higher employment levels at the

Table 3

Employment forecasts (in ths. persons)

Convergence parameter: -0.030

	GDP growth rate: 4 % p.a.					GDP growth rate: 5 % p.a.				
	Levels			2002 = 1		Levels			2002 = 1	
	2002	2007	2012	2007	2012	2002	2007	2012	2007	2012
CZ	4727	4737	4811	1.002	1.018	4727	4970	5295	1.051	1.120
EE	581	566	561	0.974	0.965	581	594	617	1.021	1.062
HU	3859	3858	3910	1.000	1.013	3859	4047	4303	1.049	1.115
LT	1421	1350	1309	0.950	0.921	1421	1416	1441	0.997	1.014
LV	987	917	872	0.929	0.883	987	962	960	0.974	0.972
PL	13800	13502	13432	0.978	0.973	13800	14164	14780	1.026	1.071
SI	890	907	934	1.019	1.050	890	952	1028	1.069	1.155
SK	2111	2108	2135	0.999	1.011	2111	2212	2349	1.048	1.113
BG	2797	2516	2328	0.899	0.832	2797	2639	2562	0.944	0.916
RO	9768	9025	8546	0.924	0.875	9768	9467	9404	0.969	0.963

Convergence parameter: -0.040

	GDP growth rate: 4 % p.a.					GDP growth rate: 5 % p.a.				
	Levels			2002 = 1		Levels			2002 = 1	
	2002	2007	2012	2007	2012	2002	2007	2012	2007	2012
CZ	4727	4609	4595	0.975	0.972	4727	4835	5057	1.023	1.070
EE	581	546	528	0.940	0.909	581	573	581	0.986	1.000
HU	3859	3751	3731	0.972	0.967	3859	3935	4105	1.020	1.064
LT	1421	1293	1219	0.910	0.858	1421	1357	1341	0.955	0.944
LV	987	873	803	0.884	0.814	987	916	884	0.928	0.895
PL	13800	13046	12682	0.945	0.919	13800	13685	13956	0.992	1.011
SI	890	887	900	0.996	1.010	890	930	990	1.045	1.112
SK	2111	2049	2036	0.971	0.964	2111	2150	2240	1.018	1.061
BG	2797	2374	2112	0.849	0.755	2797	2491	2325	0.890	0.831
RO	9768	8580	7853	0.878	0.804	9768	9001	8642	0.921	0.885

end of the simulation period than in 2002. The only exceptions are Latvia, Bulgaria and Romania; in these cases losses of employment are less than 10%. In the third scenario (4 % GDP growth and higher speed of productivity convergence) we assume a convergence parameter of $\beta = -0.040$ (which is similar to the estimated coefficient for the reduced sample). In this case all countries with the exception of Slovenia experience losses in employment until 2012. Finally, under the assumption of higher GDP growth (5% per year) and higher speed of convergence, a number of countries will again experience positive employment effects over the longer run, and for most countries even higher employment levels at the end of the simulation period as compared to the

first scenario are observed. Latvia, Lithuania, Bulgaria and Romania suffer employment losses even in this scenario. Thus, given the rapid technological catching-up processes in these countries – which are modelled here as taking an exogenous path – the achievement of higher and sustainable GDP growth rates seems to be a necessary condition for creating employment and reducing unemployment.

Conclusions

In this article we have summarized the findings of Stehrer (2005) with respect to projections of aggregate employment levels in the NMS and CC-2. It is argued that productivity growth in the

NMS and CC-2 is relatively high in a phase of catching-up. This means that even if GDP in these countries grows at a relatively high rate, employment may still decline or remain at least constant. We have presented some stylized facts confirming this idea. Relying on empirical evidence we have shown four projections of employment. According to these scenarios employment in the more advanced NMS is slightly rising or at least stable; for the less advanced economies, however, the decline in employment levels will still go on over the next several years under the assumption that the GDP growth rates in these countries remain more or less constant at the past levels (4 % per year). In particular, from these calculations one may expect a positive employment trend for the more advanced NMS (Slovenia, Slovak Republic, Czech Republic, Hungary). For Poland and Estonia one would expect that employment will still be declining in the coming years but then may start rising as productivity growth rates become lower and thus these countries may follow the U-shaped pattern of employment growth in the next decade. For the remaining countries (particularly so for Bulgaria and Romania) the calculations show that these countries will be on a downward trend with respect to labour demand; however, this trends becomes flatter as productivity growth slows down due to the convergence process. The employment performance in all countries would be much better if the countries succeed in reaching higher overall growth rates (more than 5 % per year). The important point which should finally be stressed is that, according to this framework, the decline in employment levels will be a transitory phenomenon (for given GDP growth) as productivity growth rates become smaller as the countries are converging towards EU-15 productivity levels. In this respect the employment trends are expected to follow a U-shaped pattern; however, there are still differences across countries with respect to their position on this U-curve.

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The European Union effect

BY VLADIMIR GLIGOROV

Introduction

Fiscal and current account deficits in transition economies – the new members of the European Union and those in the Balkans – tend to be large and are routinely treated as reasons for concern, especially if those deficits are financed by an increase in public and foreign debt. The creditors of these countries and foreign investors for the most part do not seem to be worried, however. In fact, the credit ratings of these countries are steadily improving. This sanguine view of fiscal and external imbalances may be attributed to a European Union (EU) effect that will be described and discussed here.

Non-optimal areas

If a less developed region integrates with a more developed region, it can borrow the monetary policy of the latter. Assuming that the potential growth rate of the less developed region is above that of the more developed one, common monetary policy would lead to an interest rate that was lower than it would have been if the less developed region had stayed outside.[1]

Put differently, two non-optimal currency areas can be distinguished by diverging monetary policies that lead to diverging interest rates. If these two areas create a currency union, their common monetary policy will lead to an interest rate that is somewhere in between the previous two. If, in addition, the less developed region is very small compared to the developed one, it will experience a significant decline in its interest rates as the monetary policy will be set by the more developed region. That may further boost the growth of the less developed region and may speed up the process of convergence.

The EU is such a non-optimal customs and currency area. If the effect described above is detected, it could be dubbed an EU effect. It would have important consequences for the sustainability of public and foreign debts, which will be discussed in what follows.

Public debt

Looking at the development of public debt across the new EU member states (NMS), some interesting observations can be made.

In most NMS, the public debt to GDP ratio is for the most part stagnant, at least in the past few years. Here some of the reasons for these developments will be discussed. This discussion is based on the European Commission's 'General Government Data'.[2] The methodology that is used there to gauge the general government debt dynamics is summarized by the following equation:

$$(D_t/Y_t)-(D_{t-1}/Y_t) =$$
$$= (PD_t/Y_t)+\{(D_{t-1}/Y_t)*[(i_t-y_t)/(1+y_t)]\}+SF_t \qquad (1)$$

where **Y** is GDP at current prices, **D** is general government debt, **PD** is primary deficit, **i** is the implicit interest rate (actual interest paid divided by the stock of debt), **y** is the nominal GDP growth rate, **SF** is the stock-flow adjustment and $_t$ stands for time. Therefore, the change in the debt to GDP ratio depends on the primary deficit, **PD**, on the so-called snowball effect, $(D_{t-1}/Y_t)*[(i_t-y_t)/(1+y_t)]$, and on the stock-flow adjustment, **SF**, which basically captures the various factors that influence changes in the valuation of the stock of debt. These three factors contribute to the increase or decline of the public debt to GDP ratio – a negative contribution meaning a contribution to a decline, and a positive one a contribution to an increase.

If the debt to GDP ratio is to be stabilized, i.e., the debt to GDP ratio is to stay constant over time, the required level of **PD** can be determined by:

$$PD_t/Y_t = (D_{t-1}/Y_t)*[(i_t-y_t)/(1+y_t)]+SF_t \qquad (2)$$

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[1]   The same issue is treated in a different way in V. Gligorov (2000), 'Delaying Integration', *wiiw Research Reports*, No. 267, July.

[2]   European Commission DG ECFIN, Spring 2005.

that is by the snowball and valuation effects or just by the former if the latter is small or insignificant. In other words, if valuation effects are disregarded, the primary surplus should be such to offset the snowball effect:

$$PD_t/Y_t = (D_{t-1}/Y_t)*[(i_t-y_t)/(1+y_t)] \qquad (3)$$

One observation that can be made just by looking at the data is that the implicit interest rate, which is calculated as the ratio of paid interest to the stock of public debt in a particular year, is lower than the nominal growth rate in most NMS most of the time and especially in the past several years. The same development can be observed in the case of Ireland and Spain and, in a more ambiguous way, in Portugal and Greece. In these latter cases, this relation between interest and growth rates has been especially pronounced after the adoption of the euro.

For illustration, Austria and Ireland are compared in Figure 1. Austria is a typical developed EU country, i.e., it is not very different from Germany, France, Italy and most other developed EU countries in this respect. These countries have interest rates that are above their GDP growth rates, which is what is usually assumed when equation 3 is being used in sustainability analyses. Otherwise, a country can run a Ponzi scheme on its creditors.[3] In the case of Ireland, however, the interest rate on its public debt has been consistently below its GDP growth rate essentially since 1990 (the first year recorded in this data set).

In the same figure, the record of the NMS can be found. It turns out that most of these countries look more like Ireland than like Austria most of the time. The interest rates they pay on their public debts are often below their growth rates. This leads to another observation that can be made looking at Figures 2 and 4. Again, taking Austria and Ireland

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[3] For one detailed analysis of the (necessary and sufficient) conditions for the feasibility of Ponzi games see O. Blanchard and Ph. Weil (2001), 'Dynamic Efficiency, the Riskless Rate, and Debt Ponzi Games under Uncertainty', *Advances in Macroeconomics*, Vol. 1, No. 2.

as comparisons, it can be seen in Figure 2 that their growth rates and their primary surpluses have contributed to the sustainability of their public debts; they have contributed negatively to the increase in their public debts, i.e., they have contributed to the decline of their public debts to GDP ratios. As for the NMS, this is often not the case. Quite frequently, growth has been supportive of the sustainability of the level of debt, but primary deficits have had an opposite effect, i.e., these countries have run primary deficits, some rather sizable ones. However, a glance at Figure 4 makes it clear that for the most part, the debt to GDP ratios of the NMS have been stable.

Thus, the fact that they have been paying interest rates that are lower than their growth rates have made it possible for these countries to run primary deficits, quite significant ones at times.

In a sense, the NMS have been able to run Ponzi schemes on their creditors, especially after their EU accession has become a certainty. This can be confirmed by the data in Figure 3, where the snowball effect is explicitly shown. The effect indicates a rise or decline in the debt stock due to the difference of the interest rate and the growth rate. If the snowball effect on the debt to GDP ratio is negative, that means that this effect contributes to the decline of this ratio because the interest rate is below the growth rate. Otherwise, the contribution is positive, i.e., it raises the ratio. In most NMS, the contribution of the snowball effect is negative, especially after the year 2000. By contrast, in Austria it is consistently positive, while in Ireland it is initially highly negative and then its negative impact diminishes. Similar developments can be detected in the other less developed members of the EU, such as Spain, Portugal and Greece. In the same Figure 3 it can be observed that the stock-flow adjustment has mainly had a positive effect on the debt to GDP ratio, i.e., it has increased it. Thus, to the extent that the NMS have run primary deficits and their stock-flow adjustments, the effects of valuation, have had a positive contribution to their public debts,

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Figure 1   **Implicit interest rate and nominal GDP growth, in %**
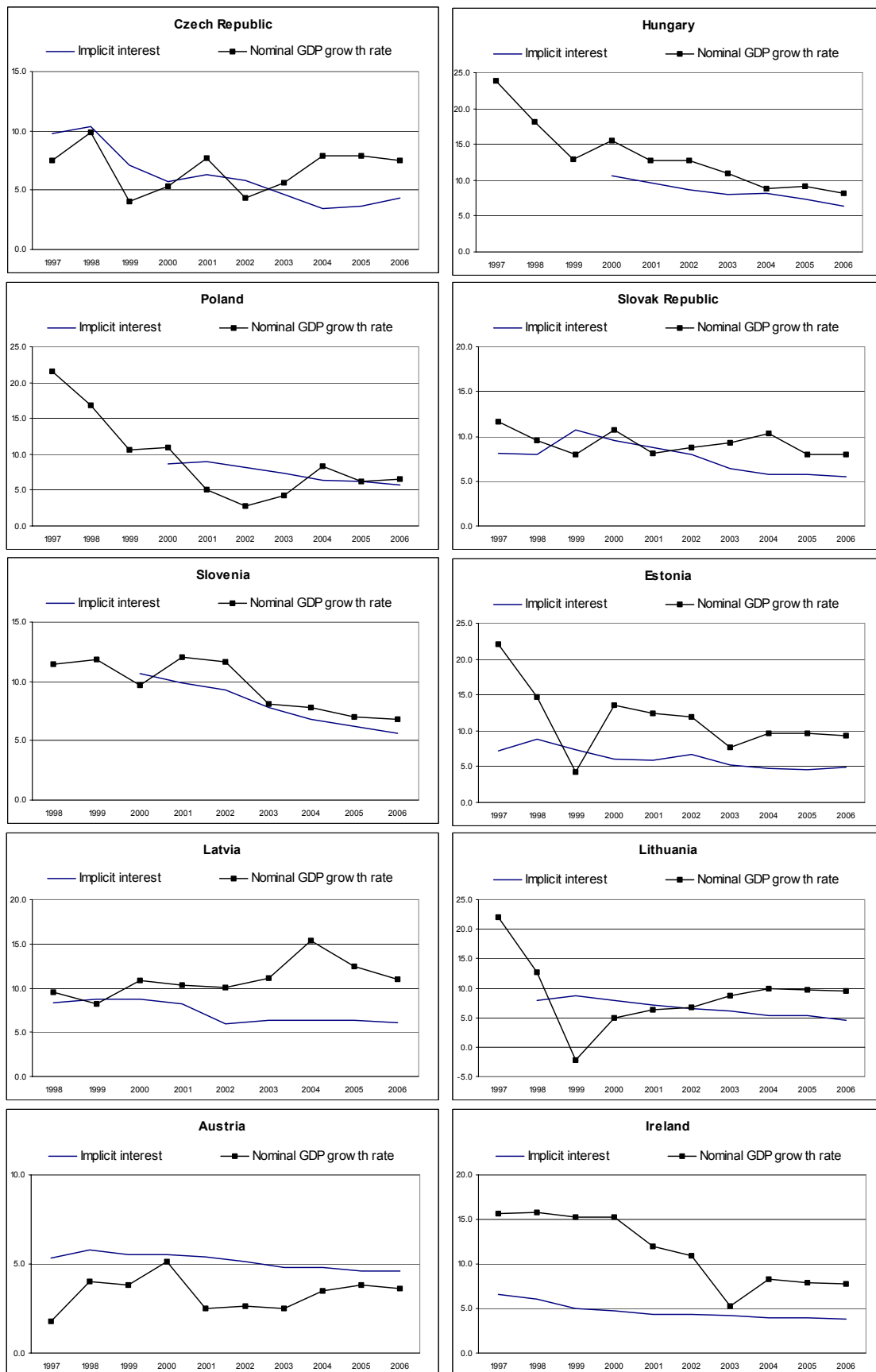
Figure 2   **Primary deficit; contribution of nominal GDP growth to change in public debt to GDP ratio, in %**

Source: European Commission.

Figure 3   **Stock-flow adjustment and snowball effect, in %**

Source: European Commission.

Figure 4   **Public debt in % of GDP, comparison**

Source: wiiw, AMECO, Ministry of Finance of Croatia.

the sustainability of their public debts has relied almost exclusively on the negative snowball effect.

The valuation effects have been volatile in some cases. It is not immediately observable what causes this. One important source of these effects is the change in the value of the stock of debt. To illustrate, take a representative firm that finances all its investments by borrowing money. The value of the firm will be equal to its debts, but those will depend on the interest rate. If it goes up, the value will go down and *vice versa*. Thus, these changes in the price of debt will have an effect on the current liabilities of the firm. The debt service will consist of the interest payments and of these valuation effects. The same is true for a firm that is financed from equities and bonds. The value of the firm will depend on the price of these sources of finance. In the aggregate, i.e., aggregating over all firms, that will be true for the economy as a whole. The valuation of the bond and the stock markets will have an influence on the growth of debt and thus on the relationship between the stock of debt and its flow. These changes will lead to the increase of debt not being equal to new borrowing plus the snowball effect, and a stock-flow adjustment, or the change in the valuation of debt, will have to be taken into account. The latter will also depend on the changes in the exchange rate, which will be especially important for the external balances and for the development of the foreign debt.[4]

External sustainability

It has been observed that the current account deficits of some of the less developed member states of the European Union have been increasing.[5] In an integrated international economic space, savings and investments need not exhibit national biases, so that the current account may lose its significance completely. Empirically, however, current account deficits and surpluses tend to be small and not to change very much over the long run. That implies a certain home bias of investments and some costs to cross-border investments. It is not clear at first glance what the experience of the transition economies and now NMS actually supports. Some transition economies, NMS and others, run very significant and persistent current account deficits while others tend to have more balanced current accounts.

Out of many explanations for the persistence of the so-called Feldstein-Horioka paradox, that is of the paradox that savings and investments are closely correlated and thus current accounts exhibit low levels of surpluses or deficits, two are perhaps more interesting than the others. To introduce them, let us first note what drives the growth of foreign investments. In an integrated world, investments will flow from capital-rich to capital-poor regions because the latter offer higher returns. Therefore, less developed countries should run current account deficits and developed countries surpluses. Complementary to that, developed countries should have foreign assets and less developed countries foreign liabilities. Over the convergence path that will of course change, but the process of adjustment should not present too many problems.[6]

This is not, however, what is usually observed, especially in the long run.[7] One reason often given is that there is increased risk to doing business abroad. If it is assumed that interest rates are the same world over, then investments will flow where

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[4] The importance of the valuation effects has recently been stressed by P. Lane and G. M. Milesi-Ferretti; see for instance 'Financial Globalisation and the Exchange Rates', a paper presented at the IMF Conference on 'Dollars, Debt, and Deficits – 60 Years After Bretton Woods', 2004. See also M. Obstfled (2004), 'External Adjustment', *Review of World Economics*, Vol. 140, No. 4, pp. 541-568.

[5] See O. Blanchard and F. Gavazzi (2002), 'Current Account Deficits in the Euro Area. The End of the Feldstein-Horioka Puzzle?', *MIT Department of Economics Working Paper* 03-05.

[6] On the theory see especially M. Obstfeld and K Rogoff (2000), 'Six Major Puzzles in International Macroeconomics: Is There Common Sense?', *NBER Macroeconomic Annual* Vol. 15, pp. 339-390, and J. Ventura (2002), 'Towards a Theory of Current Accounts', *CEPR Discussion Paper* 3545.

[7] See A. M. Taylor (2002), 'A Century of Curent Account Dynamics', *Journal of International Money and Finance*, Vol. 21, No. 6, pp. 725-748.

the productivity is growing faster. However, if interest rates reflect higher risks to investing abroad, investments will develop a home bias, they will tend to stay home. The other reason is that the costs to investing abroad are higher. Similarly to trade, which is usually much smaller across country borders than within a country, investments also face higher costs in foreign countries. Thus, they stay at home.

If that is correct, then investments will flow into countries with low risk or with high productivity or both. In any case, as a rule, returns will have to be somewhat higher to attract foreign investments. That, however, may not be true if countries form a customs and currency union and especially if they integrate institutionally and politically. In those cases, current accounts may cease to matter in the same way as they do not matter within a single country. That is to an extant true for the European Union. In the case of the EU, current account deficits in some of the less developed members and some NMS are deeply and persistently negative. That, however, does not seem to worry the financial markets too much.

As for the NMS, current account deficits are rather high in a number of cases and do not seem to be coming down. In some cases, this is not the consequence of trade deficits, but rather a reflection of the growing deficits on income balances. That, in turn, is the consequence of the high and growing level of foreign liabilities. In fact, in some cases, the growth of net foreign liabilities is higher than the current account deficit because of the strong valuation effects.

In general, foreign investors, especially in the case of direct investments, will expect that their investments will bring them more than investments in government bonds or other debt instruments. Indeed, a look at the stock markets indicates that the value of equities tends to fluctuate a lot. However, the performance in the NMS has been quite good in the past few years. Thus, foreign investments have gained in value quite significantly. If those changes in their value from

year to year is taken into account through stock-flow adjustments, the growth of foreign liabilities will be faster than the current account deficit, conventionally measured, would imply. If the increased liabilities are added to the current account, the deficits would be higher.

Again, these valuation effects may prove to be a problem for debtor countries because of the high fluctuations in the capital markets. If, however, the stability of the capital markets is strengthened in an integrated economic area, a good performance of the stock and bond markets will be conducive to increasing foreign investments.

Interest and exchange rates

Monetary policy has a significant influence on both public and foreign debts. Interest rates can be set by monetary authorities in order to support a certain exchange rate, which will in turn have consequences for investments of all types and for internal and external balances, and ultimately for the development of the debt levels. In the case of economies with decreasing investment risks, interest rates should be decreasing too, thus supporting higher growth rates. That could be accompanied by rising prices and thus by appreciating exchange rates. To see the possible consequences of these developments, it is useful to define a sustainable trade balance, i.e., the trade balance that will not lead to an increase of the foreign debt to GDP ratio.[8]

$$tb = - f(r-g-e).   \qquad (4)$$

In other words, in order to keep foreign debt to GDP constant, the trade balance, **tb**, should improve (perhaps proportionately, **f**) with the increase of the world interest rate, **r**, while it can decline with the domestic real growth rate, **g**, and with the exchange rate appreciation, **e**. The implication is that a country can run trade deficits in the long run only if it is a net creditor – except if its

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[8]   For details see G. M. Milesi-Ferretti and A. Razin (1996), *Current Account Sustainability*, Princeton Studies in International Finance.

nominal growth rate is higher than the world interest rate, perhaps as a consequence of exchange rate appreciation. In that case, the trade balance and the current account can be in deficit and still foreign debt to GDP may fall.

Conclusion

The European Union effect is essentially the same in the case of the public debt and of the external balances. The decline of interest rates that EU integration brings about, as a consequence of the adoption of a common monetary policy or, before that, of falling risks, supports higher growth rates in less developed countries and thus lifts the fiscal and external balance constraints. That could lead to a Ponzi scheme developing if these countries run fiscal and current account deficits in excess of those that keep the public and foreign debts stable.

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
ROL	Romanian leu
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.

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B U L G A R I A: Selected monthly data on the economic situation 2003 to 2005

(updated end of Apr 2005)

		2003	2004												2005		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	18.3	9.1	19.6	15.9	14.6	21.7	21.7	16.2	18.2	17.1	14.1	22.6	21.5	10.9	8.0	.
Industry, total[1]	real, CCPY	14.0	9.1	14.2	14.8	14.8	16.1	17.1	16.9	17.1	17.1	16.8	17.3	17.7	10.9	9.4	.
Industry, total	real, 3MMA	12.6	15.7	14.8	16.6	17.3	19.3	19.7	18.6	17.1	16.4	17.9	19.4	18.6	13.8	.	.
LABOUR																	
Employees total	th. persons	2005	2090	2108	2128	2146	2162	2176	2187	2181	2170	2162	2144	2109	.	.	.
Employees in industry	th. persons	652	685	689	688	689	687	685	689	690	686	683	679	672	.	.	.
Unemployment, end of period	th. persons	500.7	537.1	527.3	507.5	487.8	466.7	452.4	446.8	442.2	434.7	437.5	440.0	450.6	486.4	485.5	471.3
Unemployment rate[2]	%	13.5	14.5	14.2	13.7	13.2	12.6	12.2	12.1	11.9	11.7	11.8	11.9	12.2	13.1	13.1	12.7
Labour productivity, industry[1]	CCPY	10.8	6.3	11.4	12.2	12.2	13.6	14.7	14.6	14.6	14.6	14.2	14.7	15.0	.	.	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-5.7	-2.0	-5.5	-6.1	-5.8	-6.7	-7.5	-7.5	-7.4	-7.4	-7.1	-7.6	-7.9	.	.	.
WAGES, SALARIES																	
Total economy, gross	BGN	302.0	277.0	277.0	290.0	287.0	295.0	289.0	295.0	291.0	303.0	296.0	303.0	320.0	.	.	.
Total economy, gross	real, CMPY	1.4	-1.4	0.3	-0.3	-0.6	-1.4	-1.7	-0.7	0.2	-0.4	1.4	1.4	1.9	.	.	.
Total economy, gross	USD	190	179	179	182	176	181	179	185	181	189	189	201	219	.	.	.
Total economy, gross	EUR	154	142	142	148	147	151	148	151	149	155	151	155	164	.	.	.
Industry, gross	EUR	154	143	144	154	150	152	156	151	152	158	153	156	163	.	.	.
PRICES																	
Consumer	PM	1.8	1.4	0.3	-0.1	0.3	0.0	-1.8	1.2	-0.4	0.9	0.2	0.6	1.3	0.7	0.9	0.3
Consumer	CMPY	5.6	6.4	6.6	6.2	6.1	6.8	7.3	7.6	6.3	6.3	5.8	4.5	4.0	3.3	3.9	4.3
Consumer	CCPY	2.3	6.4	6.5	6.4	6.3	6.4	6.6	6.7	6.7	6.6	6.5	6.4	6.1	3.3	3.6	3.8
Producer, in industry[1]	PM	0.8	0.7	-0.8	1.4	0.9	1.1	-0.5	1.6	0.2	1.0	1.4	-0.8	-1.2	0.4	0.8	.
Producer, in industry[1]	CMPY	4.2	3.1	1.0	1.4	6.1	8.5	6.8	8.1	7.5	7.8	8.3	7.2	5.1	4.7	6.4	.
Producer, in industry[1]	CCPY	4.9	3.1	2.0	1.8	2.9	4.0	4.4	5.0	5.3	5.6	5.8	6.0	5.9	4.7	5.6	.
FOREIGN TRADE[3][4]																	
Exports total (fob), cumulated	EUR mn	6668	501	1083	1719	2318	2920	3618	4405	5075	5807	6546	7277	7994	639	1285	.
Imports total (cif), cumulated	EUR mn	9611	709	1497	2412	3353	4339	5330	6326	7241	8204	9273	10452	11617	909	1838	.
Trade balance, cumulated	EUR mn	-2942	-208	-414	-693	-1035	-1420	-1712	-1922	-2166	-2398	-2727	-3175	-3624	-270	-553	.
FOREIGN FINANCE																	
Current account, cumulated[5]	EUR mn	-1630	-230	-359	-499	-724	-938	-956	-740	-593	-557	-773	-1134	-1453	.	.	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	1.593	1.550	1.547	1.594	1.634	1.632	1.611	1.595	1.606	1.600	1.566	1.506	1.461	1.491	1.503	1.482
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, Jan00=100	72.3	69.7	69.8	72.4	74.2	74.5	75.2	73.4	74.3	73.5	72.2	69.0	65.8	66.7	66.6	65.5
BGN/USD, calculated with PPI[6]	real, Jan00=100	74.6	73.0	73.9	75.6	77.7	77.8	77.5	75.7	76.3	75.1	73.5	72.0	70.1	71.3	71.3	.
BGN/EUR, calculated with CPI[6]	real, Jan00=100	87.7	86.5	86.4	86.9	87.1	87.3	89.0	87.8	88.4	87.8	87.9	87.3	86.6	85.6	84.9	84.6
BGN/EUR, calculated with PPI[6]	real, Jan00=100	86.9	86.6	87.5	86.8	86.4	85.9	86.3	85.2	85.4	84.7	84.1	84.7	85.4	85.3	84.7	.
DOMESTIC FINANCE																	
M0, end of period[7]	BGN mn	3874	3718	3718	3723	3785	3830	3961	4131	4275	4342	4284	4247	4628	4442	4414	4491
M1, end of period[7]	BGN mn	8030	7788	7853	7835	7987	8036	8422	8736	9048	9239	9220	9185	10298	10045	10201	10567
Broad money, end of period[7]	BGN mn	16566	16519	16739	16806	17190	17401	18161	18365	18345	18763	18847	18859	20394	20520	20739	22203
Broad money, end of period	CMPY	19.6	21.4	21.4	23.0	23.7	25.0	26.8	24.2	20.3	23.1	18.7	19.9	23.1	24.2	23.9	32.1
BNB base rate (p.a.), end of period	%	2.9	2.5	2.4	2.6	2.6	3.9	2.5	2.5	2.4	2.4	2.5	2.4	2.4	2.5	1.9	1.9
BNB base rate (p.a.), end of period[8]	real, %	-1.3	-0.6	1.5	1.2	-3.3	-4.3	-4.1	-5.2	-4.7	-5.0	-5.4	-4.5	-2.5	-2.2	-4.3	.
BUDGET																	
Central gov.budget balance, cum.	BGN mn	-110.6	-65.1	-162.8	120.9	405.3	601.2	782.4	778.0	990.4	996.3	1185.6	1256.6	427.5	49.2	45.9	.

1) According to new calculation for industrial output and prices. Outup 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 less than 100 mean real appreciation.

7) According to ECB methodology.

8) Deflated with annual PPI.

C R O A T I A: Selected monthly data on the economic situation 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	2.2	-1.5	7.2	10.4	3.0	1.0	2.8	1.2	4.9	3.0	-3.3	5.9	9.7	6.4	-1.5	.
Industry, total[1]	real, CCPY	4.0	-1.5	3.0	5.6	4.9	4.1	3.9	3.5	3.6	3.6	2.8	3.1	3.6	6.4	2.2	.
Industry, total[1]	real, 3MMA	0.1	2.7	5.6	6.8	4.7	2.2	1.7	2.9	3.0	1.4	1.8	3.9	7.4	4.8	.	.
Construction, total,effect.work.time[1]	real, CMPY	23.9	16.0	12.5	7.5	6.6	4.8	7.4	-2.3	-0.5	-6.8	-11.2	-1.8	-0.6	-1.1	.	.
LABOUR																	
Employment total	th. persons	1382.0	1377.8	1374.5	1377.3	1384.1	1394.2	1404.1	1413.6	1411.7	1403.0	1394.1	1387.8	1378.1	1387.6	1382.6	.
Employees in industry	th. persons	280.5	278.2	277.3	276.9	277.3	278.0	277.8	278.2	277.4	277.3	277.1	276.9	274.8	273.1	276.3	.
Unemployment, end of period	th. persons	318.7	325.0	326.0	325.2	317.0	305.2	295.6	293.3	293.8	299.5	307.5	312.8	317.6	326.9	330.2	329.0
Unemployment rate[2]	%	19.1	19.1	19.2	19.1	18.6	18.0	17.4	17.2	17.2	17.6	18.1	18.4	18.7	19.1	19.3	19.3
Labour productivity, industry[1]	CCPY	7.8	2.0	6.0	8.7	7.9	6.8	6.4	5.9	5.9	5.8	5.0	5.2	5.6	5.0	0.8	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-4.3	-1.8	-3.9	-3.3	-2.2	-1.2	-0.5	0.0	0.4	0.6	1.0	1.3	0.8	1.4	.	.
WAGES, SALARIES																	
Total economy, gross	HRK	5793	5815	5714	5962	5927	5994	6084	6043	5995	5925	5915	6276	6139	6013	.	.
Total economy, gross	real, CMPY	3.6	3.0	4.4	7.4	5.0	3.2	4.0	4.2	5.2	4.9	1.5	5.6	3.2	0.7	.	.
Total economy, gross	USD	926	954	943	975	950	969	1000	1005	990	976	978	1077	1088	1047	.	.
Total economy, gross	EUR	755	756	747	795	790	807	825	820	814	800	784	831	814	795	.	.
Industry, gross	EUR	701	681	670	730	719	738	757	753	745	737	711	764	749	725	.	.
PRICES																	
Consumer	PM	0.3	1.0	-0.1	0.1	0.2	0.7	-0.3	-0.4	0.1	-0.2	0.4	0.5	0.7	0.4	1.1	0.7
Consumer	CMPY	1.7	2.1	1.8	1.4	1.9	2.4	2.5	1.9	2.0	1.6	2.0	2.3	2.7	2.7	3.3	3.9
Consumer	CCPY	1.8	2.1	2.0	1.8	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.7	3.0	3.3
Producer, in industry	PM	0.0	0.3	-0.3	0.2	0.9	2.3	-0.3	0.9	1.0	0.2	0.8	-0.5	-0.7	0.0	0.3	0.3
Producer, in industry	CMPY	1.0	0.8	0.1	-0.5	1.3	4.4	3.9	4.6	5.1	5.7	6.3	5.5	4.8	4.4	5.1	5.1
Producer, in industry	CCPY	1.9	0.8	0.5	0.2	0.4	1.2	1.7	2.1	2.4	2.8	3.1	3.4	3.5	4.4	4.7	4.8
RETAIL TRADE[3]																	
Turnover	real, CMPY	3.8	2.5	2.1	3.8	0.0	0.0	2.3	6.6	3.4	2.7	0.9	4.5	1.7	1.1	-3.3	.
Turnover	real, CCPY	3.7	2.5	2.4	2.8	2.0	1.6	1.8	2.5	2.7	2.7	2.5	2.7	2.6	1.1	-1.2	.
FOREIGN TRADE[4][5]																	
Exports total (fob), cumulated	EUR mn	5468	411	891	1452	2000	2538	3042	3649	4091	4727	5300	5874	6451	439	961	.
Imports total (cif), cumulated	EUR mn	12546	798	1733	2919	4020	5224	6483	7668	8653	9855	11013	12178	13338	856	1816	.
Trade balance, cumulated	EUR mn	-7079	-387	-842	-1466	-2020	-2686	-3441	-4019	-4562	-5128	-5713	-6304	-6887	-417	-855	.
Exports to EU-25 (fob), cumulated	EUR mn	3696	293	581	948	1321	1711	2003	2400	2673	3088	3463	3828	4170	313	653	.
Imports from EU-25 (cif), cumulated	EUR mn	9028	547	1209	2080	2889	3760	4646	5468	6133	6936	7706	8512	9297	517	1180	.
Trade balance with EU-25, cumulated	EUR mn	-5332	-254	-628	-1132	-1567	-2049	-2643	-3068	-3460	-3848	-4243	-4684	-5127	-204	-527	.
FOREIGN FINANCE																	
Current account, cumulated[6]	EUR mn	-1757	.	.	-1180	.	.	-2153	.	.	-161	.	.	-1276	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	6.253	6.094	6.060	6.114	6.241	6.186	6.081	6.012	6.055	6.070	6.050	5.825	5.644	5.741	5.780	5.650
HRD/EUR, monthly average	nominal	7.670	7.690	7.650	7.501	7.506	7.427	7.378	7.372	7.369	7.410	7.545	7.554	7.545	7.564	7.517	7.461
HRK/USD, calculated with CPI[7]	real, Jan00=100	79.4	77.0	77.1	78.2	80.0	79.1	78.3	77.6	78.1	78.6	78.5	75.2	72.0	73.0	72.7	70.6
HRK/USD, calculated with PPI[7]	real, Jan00=100	81.9	80.6	80.9	82.0	84.0	82.5	81.6	80.2	80.1	80.1	80.3	78.5	76.0	77.3	77.6	75.6
HRD/EUR, calculated with CPI[7]	real, Jan00=100	96.2	95.4	95.3	93.8	94.1	92.8	92.5	92.7	92.8	93.7	95.3	94.9	94.5	94.0	92.4	91.1
HRD/EUR, calculated with PPI[7]	real, Jan00=100	95.3	95.5	95.5	94.0	93.7	91.1	90.8	90.2	89.6	90.1	91.6	92.0	92.3	92.8	91.9	91.0
DOMESTIC FINANCE																	
M0, end of period	HRK mn	10573	10219	10217	10040	10455	10541	10977	11843	11385	10947	10915	10568	10956	10789	10905	.
M1, end of period	HRK mn	33889	32323	31284	31623	32891	33194	34265	34622	35024	34492	33852	33601	34562	34909	34387	.
Broad money, end of period	HRK mn	128893	128918	127877	125767	127868	127461	129559	133013	136826	138743	138357	139633	139948	138919	138850	.
Broad money, end of period	CMPY	11.0	10.5	9.1	5.9	8.5	7.0	7.9	6.4	7.8	9.3	8.9	8.5	8.6	7.8	8.6	.
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[8]	real, %	3.5	3.7	4.4	5.0	3.2	0.1	0.6	-0.1	-0.6	-1.1	-1.7	-0.9	-0.3	0.1	-0.6	-0.6
BUDGET																	
Central gov. budget balance, cum.[9]	HRK mn	-2186.6	1.0	-1356.9	-2499.7	-3886.2	-4524.2	.	.	.	.	.	.	.	.	.	.

1) In business entities with more than 20 persons employed.
2) Ratio of unemployed to the economically active population.
3) Since January 2004 new sample of reporting units.
4) Based on cumulated national currency and converted with the average exchange 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 less than 100 mean real appreciation.
8) Deflated with annual PPI.
9) Pension payments and social security funds are included.

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	8.9	3.8	7.1	15.3	10.1	12.7	15.1	11.0	8.7	6.6	8.1	10.9	8.3	7.2	5.6	.
Industry, total	real, CCPY	5.8	3.8	5.5	9.0	9.3	10.0	10.8	10.8	10.6	10.1	9.9	10.0	9.9	7.2	6.4	.
Industry, total	real, 3MMA	5.7	6.6	9.0	11.0	12.7	12.6	13.0	11.7	8.7	7.8	8.6	9.1	8.9	7.0	.	.
Construction, total	real, CMPY	8.6	15.0	9.7	21.4	62.4	-3.7	-3.7	0.3	9.6	3.5	2.9	9.8	1.3	14.2	3.8	.
LABOUR																	
Employees in industry[1]	th. persons	1137	1117	1123	1128	1127	1127	1131	1133	1135	1134	1137	1138	1131	1126	1134	.
Unemployment, end of period	th. persons	542.4	569.5	570.8	559.8	535.1	520.4	517.5	532.1	536.0	530.2	517.8	517.7	541.7	561.7	555.0	540.5
Unemployment rate[2]	%	10.3	10.8	10.9	10.6	10.2	9.9	9.9	9.2	9.3	9.1	8.9	8.9	9.5	9.8	9.6	9.4
Labour productivity, industry[1][3]	CCPY	9.5	4.2	7.1	10.3	10.4	11.7	12.2	11.2	11.1	10.7	10.2	10.6	10.4	10.0	7.3	.
Unit labour costs, exch.r. adj.(EUR)[1][3]	CCPY	-6.6	-2.0	-3.3	-5.2	-5.4	-6.7	-6.9	-5.6	-4.9	-4.2	-3.8	-3.7	-3.3	1.0	4.9	.
WAGES, SALARIES																	
Industry, gross[1]	CZK	18067	16458	15668	16896	16921	17591	17591	17670	16874	17065	17450	20415	18870	16941	16301	.
Industry, gross[1]	real, CMPY	6.3	3.7	6.7	7.9	4.4	2.4	4.1	3.3	5.0	3.6	1.3	5.4	1.8	1.2	2.3	.
Industry, gross[1]	USD	686	634	603	628	624	660	675	687	649	659	692	847	825	733	708	.
Industry, gross[1]	EUR	559	503	477	512	520	550	556	561	533	540	554	653	616	559	544	.
PRICES																	
Consumer	PM	0.2	1.8	0.2	0.1	0.0	0.4	0.2	0.4	0.0	-0.8	0.5	-0.1	0.1	0.7	0.2	-0.1
Consumer	CMPY	1.0	2.3	2.3	2.5	2.3	2.7	2.9	3.2	3.4	3.0	3.5	2.9	2.8	1.7	1.7	1.5
Consumer	CCPY	0.1	2.3	2.3	2.3	2.3	2.4	2.5	2.6	2.7	2.7	2.8	2.8	2.8	1.7	1.7	1.7
Producer, in industry	PM	0.2	0.8	0.3	0.8	0.8	0.8	1.1	0.8	0.9	0.3	1.1	0.0	-0.3	0.3	0.2	0.2
Producer, in industry	CMPY	0.9	1.6	1.6	2.1	3.7	4.9	6.3	7.3	8.1	8.0	8.6	8.2	7.7	7.2	7.1	6.4
Producer, in industry	CCPY	-0.3	1.6	1.6	1.8	2.3	2.8	3.4	3.9	4.4	4.8	5.2	5.5	5.7	7.2	7.2	6.9
RETAIL TRADE																	
Turnover	real, CMPY	6.2	-2.0	2.3	2.9	2.9	0.9	3.7	0.3	4.5	0.8	1.5	8.4	3.2	3.7	1.3	.
Turnover	real, CCPY	5.0	-2.0	0.2	1.1	1.5	1.4	1.8	1.6	1.9	1.8	1.8	2.4	2.5	3.7	2.5	.
FOREIGN TRADE[4][5]																	
Exports total (fob),cumulated	EUR mn	43053	3302	7134	11462	15994	20777	25561	29871	34006	39039	44024	49327	53715	4633	9236	.
Imports total (fob),cumulated	EUR mn	45245	3298	6994	11424	16316	21062	25822	30333	34585	39495	44558	49752	54415	4519	8949	.
Trade balance,cumulated	EUR mn	-2192	4	140	38	-322	-285	-261	-462	-579	-456	-534	-425	-700	114	287	.
Exports to EU-25 (fob), cumulated	EUR mn	37155	2883	6218	9986	13878	18012	22089	25775	29326	33636	37924	42483	46156	4075	8012	.
Imports from EU-25 (fob)[6], cumulated	EUR mn	32304	2237	4890	8073	11460	15060	18529	21778	24800	28389	32033	35758	39078	3024	6195	.
Trade balance with EU-25, cumulated	EUR mn	4851	646	1327	1914	2418	2952	3559	3997	4526	5248	5891	6725	7078	1051	1818	.
FOREIGN FINANCE																	
Current account, cumulated[4]	EUR mn	-5044	-148	-184	-418	-1059	-1266	-1591	-2615	-3191	-3334	-3689	-3913	-4490	-141	336	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	26.3	25.9	26.0	26.9	27.1	26.6	26.0	25.7	26.0	25.9	25.2	24.1	22.9	23.1	23.0	22.6
CZK/EUR, monthly average	nominal	32.3	32.7	32.9	33.0	32.5	32.0	31.6	31.5	31.6	31.6	31.5	31.3	30.6	30.3	30.0	29.8
CZK/USD, calculated with CPI[7]	real, Jan00=100	74.9	72.9	73.3	76.3	77.2	75.9	74.4	73.0	73.8	74.3	72.4	69.2	65.4	65.6	65.2	64.1
CZK/USD, calculated with PPI[7]	real, Jan00=100	76.9	76.2	76.5	79.2	80.1	79.1	76.8	75.4	75.7	75.1	73.4	70.7	66.8	67.3	66.9	65.6
CZK/EUR, calculated with CPI[7]	real, Jan00=100	90.7	90.2	90.6	91.3	90.5	88.9	87.8	87.1	87.6	88.4	87.9	87.4	85.9	84.0	82.9	82.5
CZK/EUR, calculated with PPI[7]	real, Jan00=100	89.4	90.1	90.4	90.6	89.0	87.2	85.3	84.7	84.5	84.4	83.6	83.0	81.2	80.4	79.3	78.7
DOMESTIC FINANCE																	
M0, end of period	CZK bn	221.4	221.9	223.7	224.0	227.3	228.9	234.9	233.1	233.7	236.8	236.8	238.4	236.8	237.8	240.8	.
M1, end of period[8]	CZK bn	902.8	885.3	888.8	893.3	901.8	936.2	945.6	933.5	965.9	965.9	953.5	975.8	962.3	965.5	963.3	.
M2, end of period[8]	CZK bn	1766.1	1753.8	1760.8	1751.6	1797.7	1814.0	1817.9	1821.3	1835.5	1841.1	1841.0	1840.5	1844.1	1827.5	1844.3	.
M2, end of period[8]	CMPY	6.9	6.6	7.0	7.8	8.4	9.2	10.3	8.0	7.5	8.6	7.8	6.6	4.4	4.2	4.7	.
Discount rate (p.a.),end of period	%	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.50	1.50	1.50	1.50	1.50	1.25	1.25	1.25
Discount rate (p.a.),end of period[9]	real, %	0.1	-0.6	-0.6	-1.1	-2.6	-3.7	-4.7	-5.6	-6.1	-6.0	-6.5	-6.2	-5.8	-5.6	-5.5	-4.9
BUDGET																	
Central gov.budget balance,cum.	CZK mn	-109053	7307	-2852	-7819	-38070	-45423	-49702	-48799	-50687	-40515	-59467	-66370	-93530	3490	-2580	.

1) Enterprises employing 20 and more persons.

2) Ratio of job applicants to the economically active (including women on maternity leave), from July 2004 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 less than 100 mean real appreciation.

8) Recalculated from January 2002 according to ECB monetary standards.

9) Deflated with annual PPI.

H U N G A R Y: Selected monthly data on the economic situation 2003 to 2005

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	13.5	7.5	11.8	11.8	9.2	7.2	14.7	4.8	6.3	6.8	5.7	10.7	3.5	2.7	1.0	.
Industry, total	real, CCPY	6.4	7.5	9.6	10.4	10.1	9.5	10.4	9.6	9.2	8.9	8.5	8.8	8.3	2.7	1.8	.
Industry, total	real, 3MMA	9.2	11.0	10.4	10.9	9.5	10.4	8.9	8.6	6.0	6.3	7.8	6.7	5.9	2.4	.	.
Construction, total	real, CMPY	8.6	20.3	14.9	12.4	7.3	-1.9	4.0	9.8	6.1	0.7	5.4	12.0	4.9	7.9	28.4	.
LABOUR																	
Employees in industry[1]	th. persons	794.0	789.3	787.4	790.9	788.7	786.7	788.9	788.8	786.4	785.0	780.5	779.9	770.7	775.8	771.2	.
Unemployment[2]	th. persons	231.9	243.4	247.9	252.2	248.4	241.5	241.6	244.8	246.6	254.6	255.1	261.7	263.3	275.1	285.6	.
Unemployment rate[2]	%	5.5	5.8	6.0	6.1	6.0	5.8	5.8	5.9	5.9	5.9	6.1	6.1	6.3	6.3	6.6	6.9	.
Labour productivity, industry[1]	CCPY	8.8	11.0	13.2	13.6	13.2	12.6	13.4	12.5	12.1	11.7	11.4	11.6	11.2	4.6	.	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-3.8	-11.5	-10.8	-7.8	-6.4	-6.2	-5.5	-3.8	-2.6	-2.0	-1.6	-1.0	-0.4	10.7	.	.
WAGES, SALARIES[3]																	
Total economy, gross[1]	HUF	175772	146006	134212	141937	140815	141900	146563	140755	138848	139635	143308	163926	170505	184241	144850	.
Total economy, gross[1]	real, CMPY	2.2	1.2	1.6	4.6	1.1	-0.7	0.9	-1.3	-0.2	0.0	-1.4	-0.7	-8.5	21.2	4.6	.
Total economy, gross[1]	USD	814	696	645	687	675	674	705	691	679	689	725	868	930	981	774	.
Total economy, gross[1]	EUR	664	552	510	560	563	561	579	563	558	564	581	668	693	747	594	.
Industry, gross[1]	EUR	558	482	487	559	553	557	558	553	556	555	560	674	644	558	563	.
PRICES																	
Consumer	PM	0.2	2.1	1.2	0.5	0.3	0.9	0.1	0.0	-0.3	0.1	0.5	0.1	0.0	0.7	0.4	0.7
Consumer	CMPY	5.7	6.6	7.1	6.7	6.9	7.6	7.5	7.2	7.2	6.6	6.3	5.8	5.5	4.1	3.2	3.5
Consumer	CCPY	4.7	6.6	6.9	6.8	6.8	7.0	7.1	7.1	7.1	7.0	7.0	6.9	6.8	4.1	3.6	3.6
Producer, in industry	PM	-0.1	0.9	-0.2	-0.8	0.6	0.3	0.4	0.1	0.2	0.3	0.3	-0.2	-0.5	0.7	0.0	.
Producer, in industry	CMPY	6.2	5.4	4.5	3.2	4.4	5.4	3.3	2.7	2.6	3.3	3.5	2.1	1.6	3.8	3.1	.
Producer, in industry	CCPY	2.4	5.4	4.9	4.3	4.4	4.6	4.4	4.1	3.9	3.9	3.8	3.7	3.5	3.8	3.5	.
RETAIL TRADE																	
Turnover	real, CMPY	12.6	6.1	6.6	5.8	8.1	5.9	10.7	5.7	5.6	4.8	3.2	4.6	3.3	3.2	2.4	.
Turnover	real, CCPY	9.0	6.1	6.4	6.2	6.7	6.5	7.3	7.0	6.8	6.6	6.2	6.0	5.7	3.2	2.8	.
FOREIGN TRADE[4)5]																	
Exports total (fob), cumulated	EUR mn	38037	3097	6387	10178	13602	17158	21118	24753	27918	31950	36103	40420	44056	3444	7006	.
Imports total (cif), cumulated	EUR mn	42185	3179	6756	10900	15289	19169	23414	27332	30882	35225	39603	44033	47908	3618	7487	.
Trade balance, cumulated	EUR mn	-4148	-82	-370	-722	-1687	-2011	-2297	-2580	-2964	-3274	-3500	-3613	-3852	-174	-480	.
Exports to EU-25 (fob), cumulated	EUR mn	30874	2591	5310	8388	11159	14019	17099	19928	22353	25460	28783	32188	34918	2753	.	.
Imports from EU-25 (cif)[6], cumulated	EUR mn	32107	2396	5081	8187	11465	14391	17330	20053	22450	25456	28484	31497	34191	2520	.	.
Trade balance with EU-25, cumulated	EUR mn	-1233	195	229	201	-306	-372	-231	-125	-98	5	299	691	727	232	.	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-6364	.	.	-1308	.	.	-3561	.	.	-5411	.	.	-7123	.	.	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	215.8	209.8	207.9	206.6	208.6	210.7	208.0	203.6	204.5	202.8	197.6	188.9	183.4	187.8	187.2	185.9
HUF/EUR, monthly average	nominal	264.8	264.6	263.0	253.4	250.3	252.9	253.2	249.9	248.9	247.7	246.8	245.3	245.9	246.6	243.8	245.0
HUF/USD, calculated with CPI[7]	real, Jan00=100	72.9	69.8	68.8	68.4	69.1	69.5	68.8	67.3	67.8	67.3	65.6	62.6	60.6	61.6	61.2	60.3
HUF/USD, calculated with PPI[7]	real, Jan00=100	80.7	78.7	78.6	79.3	80.6	82.3	81.1	79.6	79.9	78.9	77.8	75.2	72.8	74.1	73.8	.
HUF/EUR, calculated with CPI[7]	real, Jan00=100	88.4	86.4	85.1	82.0	81.1	81.5	81.6	80.4	80.5	80.2	79.8	79.2	79.7	79.1	77.9	77.7
HUF/EUR, calculated with PPI[7]	real, Jan00=100	93.9	93.2	93.0	90.9	89.7	90.8	90.5	89.5	89.4	88.8	88.8	88.3	88.7	88.6	87.6	.
DOMESTIC FINANCE																	
M0, end of period[8]	HUF bn	1346.8	1307.1	1278.1	1255.8	1278.6	1329.1	1329.1	1322.6	1329.9	1328.6	1334.9	1365.5	1341.4	1324.9	1320.7	.
M1, end of period[8]	HUF bn	4027.6	3799.5	3688.6	3699.5	3771.7	3805.8	3874.4	3876.1	3935.6	3954.8	3891.4	4053.0	4170.1	4028.7	4029.4	.
Broad money, end of period[8]	HUF bn	8788.8	8798.3	8761.3	8720.5	8825.5	8864.7	8963.3	9036.8	9201.3	9228.8	9307.6	9493.0	9761.4	9661.1	9765.9	.
Broad money, end of period[8]	CMPY	11.8	13.0	11.9	12.0	11.8	11.2	10.5	10.9	12.5	11.4	10.2	10.7	11.1	9.8	11.5	.
NBH base rate (p.a.),end of period	%	12.5	12.5	12.5	12.3	12.0	11.5	11.5	11.5	11.0	11.0	10.5	10.0	9.5	9.0	8.3	7.8
NBH base rate (p.a.),end of period[9]	real, %	5.9	6.7	7.7	8.8	7.3	5.8	7.9	8.6	8.2	7.5	6.8	7.7	7.8	5.0	5.0	.
BUDGET																	
Central gov.budget balance,cum.	HUF bn	-733.6	-173.9	-246.7	-365.0	-426.9	-508.8	-855.8	-863.1	-926.8	-1035.8	-1034.6	-1023.0	-889.0	-199.2	.	.

1) Economic organizations employing more than 5 persons.
2) According to ILO methodology, from 2002 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 less 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 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry[1]	real, CMPY	14.0	14.4	18.2	23.6	21.8	12.2	15.8	6.0	13.8	9.4	3.4	11.4	6.9	4.7	2.4	-4.1
Industry[1]	real, CCPY	8.8	14.4	16.3	18.9	19.7	18.1	17.7	15.9	15.7	14.9	13.5	13.3	12.7	4.7	3.5	0.7
Industry[1]	real, 3MMA	12.5	15.5	18.9	21.3	19.2	16.6	11.3	11.8	9.7	8.6	8.0	7.1	7.7	4.7	0.7	.
Construction[1]	real, CMPY	-0.7	-16.7	-6.3	6.2	25.8	-13.4	-14.4	-14.2	2.6	0.1	4.1	4.2	7.9	18.4	13.1	-3.7
LABOUR																	
Employees[1]	th. persons	4671	4669	4672	4667	4675	4681	4688	4688	4681	4686	4698	4689	4679	4737	4745	4743
Employees in industry[1]	th. persons	2391	2396	2399	2398	2397	2396	2399	2400	2397	2399	2409	2405	2397	2417	2422	.
Unemployment, end of period	th. persons	3175.7	3293.2	3294.5	3265.8	3173.8	3092.5	3071.2	3042.4	3005.7	2970.9	2938.2	2942.6	2999.6	3094.9	3094.5	.
Unemployment rate[2]	%	20.0	20.6	20.6	20.5	20.0	19.6	19.5	19.3	19.1	18.9	18.7	18.7	19.1	19.5	19.4	.
Labour productivity, industry[1]	CCPY	11.5	15.4	17.3	19.8	20.5	18.8	18.4	16.5	16.2	15.4	14.0	13.8	13.2	3.8	2.6	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-19.0	-22.4	-22.5	-22.1	-22.1	-20.9	-19.5	-17.3	-16.3	-14.9	-13.1	-12.1	-10.5	14.0	17.8	.
WAGES, SALARIES																	
Total economy, gross[1]	PLN	2662	2326	2377	2427	2427	2354	2405	2428	2413	2440	2386	2505	2748	2385	2411	2481
Total economy, gross[1]	real, CMPY	3.4	2.0	4.8	5.5	2.5	1.2	0.4	-0.8	0.7	-0.7	-1.9	-1.7	-1.0	-1.5	-2.4	-1.4
Total economy, gross[1]	USD	703	623	618	624	613	598	635	667	662	681	690	763	888	769	788	813
Total economy, gross[1]	EUR	572	494	490	509	510	498	524	543	544	557	552	588	663	584	605	617
Industry, gross[1]	EUR	595	498	499	514	517	493	531	551	549	548	551	592	693	590	616	.
PRICES																	
Consumer	PM	0.2	0.4	0.1	0.3	0.8	1.0	0.9	-0.1	-0.4	0.3	0.6	0.3	0.1	0.1	-0.1	0.1
Consumer	CMPY	1.7	1.6	1.6	1.7	2.2	3.4	4.4	4.6	4.6	4.4	4.5	4.5	4.4	3.7	3.6	3.4
Consumer	CCPY	0.7	1.7	1.7	1.7	1.9	2.2	2.5	2.8	3.1	3.2	3.3	3.5	3.5	4.1	4.0	3.9
Producer, in industry	PM	0.1	0.8	0.7	1.5	2.1	1.3	-0.2	0.2	0.3	-0.1	0.4	-0.4	-1.3	0.1	-0.5	0.5
Producer, in industry	CMPY	3.7	4.1	4.2	4.9	7.6	9.6	9.1	8.6	8.5	7.9	7.6	6.7	5.2	4.5	3.2	2.2
Producer, in industry	CCPY	2.7	4.2	4.2	4.4	5.3	6.2	6.7	7.0	7.2	7.3	7.3	7.3	7.1	4.7	4.0	3.5
RETAIL TRADE																	
Turnover[1]	real, CMPY	17.1	6.3	10.6	18.8	27.7	0.9	4.2	5.9	4.4	3.9	-0.8	-0.4	-1.8	3.2	-1.6	.
Turnover[1]	real, CCPY	7.9	6.3	8.5	13.6	18.4	14.0	12.4	11.4	10.1	9.4	8.8	7.9	7.1	3.1	0.8	.
FOREIGN TRADE[3][4]																	
Exports total (fob), cumulated	EUR mn	47525	3888	8091	13187	18210	22871	27982	32874	37638	43405	49147	54868	59997	5167	10565	.
Imports total (cif), cumulated	EUR mn	60305	4611	9258	15532	22498	28256	34320	40281	45890	52557	59030	65468	71585	5467	11258	.
Trade balance, cumulated	EUR mn	-12780	-722	-1168	-2345	-4288	-5385	-6338	-7407	-8252	-9152	-9883	-10600	-11588	-300	-693	.
Exports to EU-25 (fob), cumulated	EUR mn	38413	3246	6863	11013	15147	18913	22863	26593	30264	34626	39048	43405	47129	4103	8200	.
Imports from EU-25 (cif)[5], cumulated	EUR mn	41730	3160	6440	10783	15673	19695	23716	27717	31411	35742	40128	44465	48276	3605	7433	.
Trade balance with EU-25, cumulated	EUR mn	-3318	86	424	229	-526	-783	-853	-1124	-1147	-1117	-1080	-1060	-1148	498	767	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-4110	-51	-96	-648	-1210	-1837	-2173	-2907	-2654	-3037	-2962	-2786	-2949	-72	.	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	3.788	3.735	3.846	3.890	3.959	3.936	3.787	3.643	3.643	3.583	3.460	3.283	3.095	3.103	3.060	3.049
PLN/EUR, monthly average	nominal	4.655	4.712	4.854	4.768	4.758	4.729	4.593	4.469	4.436	4.376	4.324	4.262	4.144	4.082	3.984	4.021
PLN/USD, calculated with CPI[6]	real, Jan00=100	89.2	88.0	91.1	92.4	93.6	92.6	88.7	85.2	85.6	84.2	81.2	76.8	72.1	72.2	71.2	70.9
PLN/USD, calculated with PPI[6]	real, Jan00=100	90.2	89.4	91.9	92.3	93.0	92.6	89.5	86.2	86.1	84.7	82.6	79.5	75.3	75.5	74.8	74.1
PLN/EUR, calculated with CPI[6]	real, Jan00=100	108.3	109.1	112.6	110.8	110.2	108.8	104.9	102.0	101.9	100.4	98.9	97.2	94.8	92.9	90.8	91.5
PLN/EUR, calculated with PPI[6]	real, Jan00=100	105.2	105.9	108.6	105.7	103.9	102.4	99.7	97.1	96.4	95.4	94.5	93.4	91.7	90.5	88.8	89.2
DOMESTIC FINANCE																	
M0, end of period	PLN bn	49.4	48.5	49.6	49.9	51.5	50.2	50.5	51.0	50.9	50.2	50.5	50.1	50.8	49.7	50.5	51.4
M1, end of period[7]	PLN bn	158.1	152.5	156.1	161.2	160.2	164.9	168.8	163.5	168.8	168.8	181.7	175.1	175.8	173.1	178.2	.
M2, end of period[7]	PLN bn	337.8	331.7	335.0	336.9	345.6	341.5	345.1	344.1	347.9	346.8	366.2	353.0	362.5	360.1	364.3	.
M2, end of period	CMPY	5.5	5.2	5.2	6.0	8.9	6.6	6.9	6.5	7.1	6.1	10.2	5.6	7.3	8.6	8.7	.
Discount rate (p.a.),end of period	%	5.8	5.8	5.8	5.8	5.8	5.8	5.8	6.5	6.5	7.0	7.0	7.0	7.0	7.0	7.0	6.5
Discount rate (p.a.),end of period[8]	real, %	2.0	1.6	1.5	0.8	-1.7	-3.5	-3.1	-1.9	-1.8	-0.8	-0.6	0.3	1.7	2.4	3.7	4.2
BUDGET																	
Central gov.budget balance, cum.	PLN mn	-37043	-4138	-9346	-11804	-10781	-15186	-19730	-23067	-25793	-28841	-30642	-33820	-41505	-1574	-8816	-12329

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 less than 100 mean real appreciation.
7) Revised according to ECB monetary standards.
8) Deflated with annual PPI.

R O M A N I A: Selected monthly data on the economic situation 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	2.6	0.8	6.9	9.5	0.5	5.2	3.2	2.0	6.5	5.8	2.4	9.3	12.3	8.6	3.2	.
Industry, total[1]	real, CCPY	3.1	0.8	3.9	5.9	4.5	4.6	4.4	4.0	4.3	4.5	4.3	4.7	5.3	8.4	5.8	.
Industry, total	real, 3MMA	0.5	3.4	5.9	5.6	5.1	3.0	3.5	3.9	4.7	4.8	5.8	7.8	10.0	8.0	.	.
LABOUR																	
Employees total	th. persons	4333.8	4359.3	4375.8	4404.7	4405.8	4423.1	4453.6	4456.9	4452.0	4449.9	4439.0	4432.1	4398.3	4450.8	4500.7	.
Employees in industry	th. persons	1738.3	1754.8	1752.6	1754.4	1738.5	1736.6	1755.6	1757.6	1757.7	1749.8	1752.6	1746.5	1733.7	1745.4	1757.0	.
Unemployment, end of period	th. persons	658.9	693.4	702.4	697.4	661.9	617.8	590.3	562.6	552.6	547.8	550.7	551.4	557.9	562.7	558.6	.
Unemployment rate[2]	%	7.4	7.7	7.8	7.8	7.4	6.9	6.6	6.3	6.2	6.1	6.1	6.2	6.2	6.3	6.2	.
Labour productivity, industry	CCPY	11.2	5.4	9.7	11.9	10.8	11.2	11.0	10.5	10.7	10.8	10.5	10.9	11.5	10.8	7.5	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-10.6	-1.8	-3.4	-2.7	-1.8	-1.0	0.1	0.4	0.3	0.6	1.1	1.7	2.2	15.7	18.6	.
WAGES, SALARIES																	
Total economy, gross	th. ROL	8068.9	8006.3	7484.0	8065.8	8292.8	8008.2	8035.9	8125.7	8101.0	8214.1	8392.8	8677.8	9733.5	9514.7	8748.7	.
Total economy, gross	real, CMPY	8.4	7.8	8.7	12.5	7.0	9.3	10.8	7.8	8.4	9.3	10.2	12.5	10.4	9.1	7.3	.
Total economy, gross	USD	244	246	233	247	244	237	239	243	241	244	255	283	337	327	310	.
Total economy, gross	EUR	199	195	184	201	204	197	197	198	198	200	204	218	251	249	238	.
Industry, gross	EUR	184	171	177	195	199	193	192	198	198	203	196	208	236	219	224	.
PRICES																	
Consumer	PM	1.2	1.1	0.6	0.5	0.6	0.3	0.6	1.3	0.5	0.9	1.2	0.6	0.6	0.8	0.6	0.3
Consumer	CMPY	14.1	13.9	13.7	13.1	12.5	12.3	12.0	12.1	12.4	11.1	10.8	9.9	9.3	8.9	8.9	8.7
Consumer	CCPY	15.3	13.9	13.8	13.6	13.3	13.1	12.9	12.8	12.8	12.6	12.4	12.1	11.9	8.9	8.9	8.8
Producer, in industry	PM	1.1	2.4	0.9	0.9	2.8	1.3	1.1	1.7	1.7	1.3	1.6	0.2	-0.9	1.2	-0.6	.
Producer, in industry	CMPY	19.4	19.3	17.6	17.0	18.5	19.3	20.4	21.3	22.1	20.0	20.0	18.2	15.9	14.6	12.9	.
Producer, in industry	CCPY	19.5	19.3	18.4	17.9	18.1	18.3	18.7	19.0	19.4	19.5	19.6	19.4	19.1	14.5	13.7	.
RETAIL TRADE																	
Turnover	real, CMPY	11.9	21.3	13.0	16.5	11.7	10.8	13.4	8.0	11.6	10.0	8.3	14.1	17.6	6.2	.	.
Turnover	real, CCPY	5.7	21.3	17.2	16.9	15.6	14.7	14.1	13.1	12.8	12.5	12.0	12.3	13.0	6.2	.	.
FOREIGN TRADE[3][4]																	
Exports total (fob), cumulated	EUR mn	15614	1218	2713	4337	5824	7394	9033	10874	12296	13995	15735	17404	18935	1510	3161	.
Imports total (cif), cumulated	EUR mn	21201	1568	3382	5482	7475	9720	11992	14365	16391	18644	21061	23695	26281	1887	4045	.
Trade balance, cumulated	EUR mn	-5588	-350	-669	-1146	-1651	-2326	-2959	-3491	-4094	-4649	-5325	-6291	-7346	-377	-884	.
Exports to EU-25 (fob), cumulated	EUR mn	11498	944	2059	3212	4275	5412	6644	7997	9033	10230	11508	12720	13807	1113	2296	.
Imports from EU-25 (cif), cumulated	EUR mn	14250	940	2033	3360	4777	6264	7794	9361	10622	12065	13676	15426	17065	1181	2492	.
Trade balance with EU-25, cumulated	EUR mn	-2752	4	27	-148	-502	-852	-1150	-1364	-1590	-1835	-2168	-2706	-3258	-69	-197	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-3060	-81	.	-484	.	.	-1706	.	.	-2556	.	.	-4402	-136	.	.
EXCHANGE RATE																	
ROL/USD, monthly average	nominal	33013	32572	32073	32646	33923	33758	33570	33395	33613	33621	32881	30677	28910	29076	28244	27570
ROL/EUR, monthly average	nominal	40577	41094	40572	40055	40695	40559	40754	40967	40947	41078	41069	39820	38774	38178	36765	36338
ROL/USD, calculated with CPI[5]	real, Jan00=100	83.2	81.6	80.3	81.8	84.9	84.6	84.0	82.3	68.4	67.9	70.6	73.8	68.9	68.7	66.4	64.6
ROL/USD, calculated with PPI[5]	real, Jan00=100	72.2	70.5	69.2	70.3	71.9	71.6	70.7	69.3	68.8	67.8	66.2	62.3	58.7	58.4	57.0	.
ROL/EUR, calculated with CPI[5]	real, Jan00=100	100.9	101.0	99.4	98.1	99.6	99.3	99.2	98.4	98.0	97.7	96.8	93.3	90.6	88.2	84.4	83.2
ROL/EUR, calculated with PPI[5]	real, Jan00=100	84.1	83.5	81.8	80.5	80.0	79.1	78.6	77.9	76.9	76.3	75.5	73.0	71.5	69.8	67.6	.
DOMESTIC FINANCE																	
M0, end of period	ROL bn	57978	55969	58313	57773	63788	65158	68904	73312	75283	76697	77764	73096	75367	72395	.	.
M1, end of period	ROL bn	113260	102240	104107	107175	113651	118864	125928	131880	140492	142811	143111	140201	153601	142406	.	.
M2, end of period	ROL bn	460741	452217	458468	481461	480254	490510	506603	525105	548392	567404	573948	568742	645332	631223	.	.
M2, end of period	CMPY	23.3	27.1	24.8	30.3	26.9	29.4	30.4	34.3	34.6	36.9	35.4	33.6	40.1	39.6	.	.
Discount rate (p.a.),end of period[6]	%	20.4	21.3	21.3	21.3	21.3	21.3	21.3	20.8	20.3	19.2	18.8	18.8	18.0	17.3	15.7	10.8
Discount rate (p.a.),end of period[6][7]	real, %	0.8	1.6	3.1	3.6	2.3	1.6	0.7	-0.5	-1.5	-0.6	-1.0	0.5	1.8	2.4	2.5	.
BUDGET																	
Central gov.budget balance, cum.	ROL bn	-29003	3835	-2634	-5930	90	-6529	-14333	-7068	-9390	-7805	-6769	-12034	-18781	.	.	.

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) January 1994 to December 2002 calculated from USD by wiiw.

4) Cumulation starting January and ending December each year.

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

6) Reference rate of RNB.

7) Deflated with annual PPI.

R U S S I A: Selected monthly data on the economic situation 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	7.9	6.4	8.5	7.4	5.4	6.9	9.3	6.9	9.7	6.1	4.6	12.5	4.6	2.1	5.1	4.0
Industry, total[1]	real, CCPY	7.0	6.4	.	7.4	.	.	7.3	.	.	7.4	.	.	7.3	2.1	3.9	3.9
Construction, total	real, CMPY	16.6	13.3	13.8	14.2	15.8	14.9	13.3	7.5	7.1	5.9	3.4	8.8	10.6	6.2	4.9	.
LABOUR[2]																	
Employment total	th. persons	66700	66200	65600	66400	67200	68000	68200	68400	68700	68200	67700	67300	66700	66300	65800	.
Unemployment, end of period	th. persons	6307	6615	6923	6477	6026	5584	5528	5465	5421	5669	5901	6140	6187	6236	6345	.
Unemployment rate	%	8.6	9.1	9.6	8.9	8.2	7.6	7.5	7.4	7.3	7.7	8.0	8.4	8.5	8.6	8.8	.
WAGES, SALARIES																	
Total economy, gross	RUB	7344.0	5932.0	6141.0	6428.0	6448.0	6524.0	7003.0	6982.0	6873.0	6918.0	6908.0	7046.0	8799.0	7346.0	7493.0	.
Total economy, gross	real, CMPY	14.3	13.5	18.0	16.8	14.6	13.4	14.5	12.6	12.4	11.7	5.6	5.3	7.3	10.0	8.2	.
Total economy, gross	USD	250	206	215	225	225	225	241	240	235	237	238	246	315	262	268	.
Total economy, gross	EUR	203	163	170	184	187	187	198	196	193	194	190	190	235	200	206	.
Industry, gross	EUR	230	190	200	215	222	220	229	230	238	230	225	224	.	.	.	.
PRICES																	
Consumer	PM	1.1	1.8	1.0	0.8	1.0	0.7	0.8	0.9	0.4	0.4	1.1	1.1	1.1	2.6	1.2	1.3
Consumer	CMPY	12.0	11.3	10.7	10.3	10.3	10.2	10.2	10.5	11.3	11.5	11.6	11.7	11.7	12.6	12.8	13.3
Consumer	CCPY	13.6	11.3	11.0	10.8	10.7	10.6	10.5	10.5	10.6	10.7	10.8	10.9	11.0	12.6	12.7	12.9
Producer, in industry	PM	0.6	4.0	3.4	1.3	2.1	2.1	2.8	1.2	1.8	3.1	1.8	2.0	0.1	-0.2	1.3	.
Producer, in industry	CMPY	13.0	17.1	19.4	19.4	20.2	23.0	25.5	24.3	24.8	26.9	27.7	29.5	28.9	23.7	21.2	.
Producer, in industry	CCPY	15.6	17.1	18.2	18.6	19.0	19.8	20.8	21.3	21.7	22.3	22.9	23.5	24.0	23.7	22.4	.
RETAIL TRADE																	
Turnover[3]	real, CMPY	8.1	16.3	4.4	7.5	14.4	12.2	14.5	9.6	12.0	12.2	11.5	13.5	14.6	9.9	10.3	.
Turnover[3]	real, CCPY	7.9	16.3	10.4	9.4	10.7	11.0	11.6	11.3	11.4	11.5	11.5	11.7	12.0	9.9	10.1	.
FOREIGN TRADE[4][5][6]																	
Exports total, cumulated	EUR mn	120193	8923	18475	29815	42016	53335	65562	78147	91893	105205	119048	132898	147549	11615	24689	.
Imports total, cumulated	EUR mn	67264	4333	9456	15697	22030	28075	34506	41244	47994	54691	61765	69008	77459	5076	11294	.
Trade balance, cumulated	EUR mn	52929	4590	9019	14118	19985	25261	31055	36904	43900	50513	57283	63890	70090	6539	13395	.
FOREIGN FINANCE																	
Current account, cumulated[7]	EUR mn	31719	.	.	10213	.	.	21412	.	.	33979	.	.	48348	.	.	17097
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	29.434	28.839	28.515	28.529	28.686	28.989	29.030	29.082	29.219	29.220	29.070	28.591	27.904	28.009	27.995	27.626
RUB/EUR, monthly average	nominal	36.134	36.377	36.092	35.018	34.446	34.817	35.298	35.673	35.628	35.661	36.287	37.079	37.390	36.719	36.381	36.470
RUB/USD, calculated with CPI[8]	real, Jan00=100	63.4	61.3	60.3	60.3	60.2	60.7	60.6	60.0	60.1	60.0	59.4	57.7	55.5	54.3	53.6	52.3
RUB/USD, calculated with PPI[6]	real, Jan00=100	60.9	58.1	55.9	55.6	55.4	55.6	54.4	54.0	53.4	51.7	51.3	49.9	48.3	48.6	47.9	.
RUB/EUR, calculated with CPI[6]	real, Jan00=100	76.7	75.8	74.7	72.2	70.7	71.2	71.6	71.7	71.5	71.4	72.1	72.8	72.9	69.5	68.1	67.4
RUB/EUR, calculated with PPI[6]	real, Jan00=100	70.8	68.8	66.1	63.7	61.7	61.4	60.5	60.6	59.7	58.1	58.4	58.5	58.7	57.9	56.7	.
DOMESTIC FINANCE																	
M0, end of period	RUB bn	1147.0	1130.6	1164.1	1165.5	1230.1	1220.5	1276.1	1315.0	1290.6	1293.7	1310.3	1332.7	1534.8	1425.2	1444.1	.
M1, end of period	RUB bn	2181.9	2126.9	2197.1	2244.6	2255.8	2286.3	2425.3	2375.9	2372.0	2416.0	2441.0	2535.0	2848.3	2673.0	2757.1	.
M2, end of period	RUB bn	3962.1	3946.1	4093.0	4190.3	4333.7	4365.7	4543.2	4547.9	4568.2	4637.1	4730.4	4867.6	5298.7	5184.8	5344.4	.
M2, end of period	CMPY	39.4	42.1	40.4	40.2	42.0	38.0	36.0	33.7	32.5	29.8	33.5	34.6	33.7	31.4	30.6	.
Refinancing rate (p.a.),end of period	%	16.0	14.0	14.0	14.0	14.0	14.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Refinancing rate (p.a.),end of period[9]	real, %	2.7	-2.6	-4.5	-4.5	-5.1	-7.3	-9.9	-9.1	-9.4	-10.9	-11.5	-12.8	-12.3	-8.6	-6.7	.
BUDGET																	
Central gov.budget balance, cum.	RUB bn	227.7	102.5	115.5	134.7	169.8	255.4	354.1	435.8	484.2	588.1	690.1	786.3	730.7	.	.	.

1) From January 2004 data revised according to new methodology.

2) Based on labour force survey.

3) Including estimated turnover of non-registered firms, including catering.

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, incl. estimates of non-registered imports.

6) Based on balance of payments statistics.

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

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

9) Deflated with annual PPI.

S L O V A K REPUBLIC: Selected monthly data on the economic situation 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	4.3	0.3	8.0	11.0	4.7	8.3	3.9	-0.5	7.2	4.9	-1.3	3.6	1.4	5.5	0.0	.
Industry, total	real, CCPY	5.3	0.3	4.1	6.5	6.0	6.5	6.0	5.1	5.4	5.3	4.5	4.5	4.2	5.5	2.7	.
Industry, total	real, 3MMA	2.6	4.2	6.5	8.0	8.1	5.6	3.9	3.5	3.8	3.3	2.3	1.2	3.5	2.3	.	.
Construction, total	real, CMPY	11.5	0.5	3.3	3.4	2.4	0.9	2.4	0.5	3.4	1.7	14.0	10.3	19.4	23.7	7.5	.
LABOUR																	
Employment in industry	th. persons	549.1	544.3	544.8	548.2	555.9	559.2	564.0	562.7	566.1	568.2	573.6	574.2	567.1	558.4	558.8	.
Unemployment, end of period	th. persons	452.2	469.2	466.4	452.6	431.7	410.8	399.5	392.1	381.4	379.8	370.8	371.6	383.2	388.9	379.4	368.6
Unemployment rate[1]	%	15.6	16.6	16.5	16.0	15.3	14.5	13.9	13.7	13.2	13.1	12.7	12.6	13.1	13.2	13.1	12.7
Labour productivity, industry	CCPY	4.8	0.9	3.6	7.4	6.9	7.2	6.6	5.6	5.7	5.5	4.6	4.3	3.8	2.8	0.1	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	5.4	11.0	7.6	6.2	6.2	5.1	5.7	7.1	7.8	8.2	8.9	9.4	10.0	12.8	22.6	.
WAGES, SALARIES																	
Industry, gross	SKK	17259	15707	14806	16050	16204	16392	17597	17015	16760	16878	17265	20157	18671	17270	18024	.
Industry, gross	real, CMPY	-1.9	1.2	1.4	4.3	1.2	-1.6	0.8	2.6	6.4	4.9	0.8	5.4	2.2	6.5	18.5	.
Industry, gross	USD	514	486	461	487	485	489	535	523	509	514	538	660	642	588	616	.
Industry, gross	EUR	420	385	365	397	404	408	441	426	418	421	432	509	480	447	474	.
PRICES																	
Consumer	PM	0.2	4.4	0.8	0.1	0.0	0.4	0.2	0.3	-0.1	0.0	0.0	-0.1	-0.2	1.7	0.3	-0.1
Consumer	CMPY	9.3	8.3	8.5	8.2	8.0	8.3	8.1	8.5	7.2	6.7	6.6	6.3	5.9	3.2	2.7	2.5
Consumer	CCPY	8.6	8.3	8.4	8.3	8.2	8.3	8.2	8.3	8.2	8.0	7.9	7.7	7.6	3.1	2.9	2.8
Producer, in industry	PM	0.0	1.3	1.0	0.2	-0.1	0.2	0.2	0.1	0.5	0.3	0.6	0.2	-0.2	-0.2	0.3	.
Producer, in industry	CMPY	8.6	4.4	2.3	2.1	2.2	3.0	3.2	3.1	3.7	4.0	4.7	4.5	4.3	2.8	2.1	.
Producer, in industry	CCPY	8.3	4.4	3.3	2.9	2.7	2.8	2.8	2.9	3.0	3.1	3.2	3.4	3.4	2.8	2.4	.
RETAIL TRADE[2]																	
Turnover	real, CMPY	-0.7	0.5	4.0	7.1	7.4	7.8	10.5	11.9	8.1	8.9	3.1	4.7	3.0	7.7	12.5	.
Turnover	real, CCPY	-5.2	0.5	2.3	3.9	4.8	5.4	6.2	7.0	7.1	7.3	6.9	6.7	6.2	7.7	10.1	.
FOREIGN TRADE[3)4)5]																	
Exports total (fob),cumulated	EUR mn	19361	1500	3144	5005	7020	9011	10919	12667	14411	16398	18508	20586	22352	1734	3565	.
Imports total (fob),cumulated	EUR mn	19926	1476	3104	5022	7071	9083	11194	13108	14984	17084	19295	21511	23524	1756	3676	.
Trade balance,cumulated	EUR mn	-565	25	40	-17	-52	-72	-274	-441	-572	-687	-787	-925	-1172	-22	-111	.
Exports to EU-25 (fob), cumulated	EUR mn	16377	1262	2651	4192	5908	7601	9203	10685	12169	13884	15718	17535	19039	1541	.	.
Imports from EU-25 (fob)[6], cumulated	EUR mn	14836	1055	2258	3695	5225	6782	8354	9778	11111	12660	14288	15917	17316	1195	.	.
Trade balance with EU-25, cumulated	EUR mn	1541	207	394	497	683	819	850	907	1058	1224	1430	1618	1722	346	.	.
FOREIGN FINANCE																	
Current account, cumulated[3]	EUR mn	-244	33	109	99	89	-174	-465	-622	-690	-797	-843	-897	-1166	-78	.	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	33.6	32.3	32.1	32.9	33.4	33.5	32.9	32.5	32.9	32.8	32.1	30.5	29.1	29.3	29.3	28.9
SKK/EUR, monthly average	nominal	41.1	40.7	40.6	40.4	40.1	40.2	39.9	39.9	40.1	40.1	40.0	39.6	38.9	38.6	38.1	38.2
SKK/USD, calculated with CPI[7]	real, Jan00=100	69.5	64.3	63.8	65.8	67.1	67.3	66.2	65.1	66.0	66.0	64.8	61.7	58.7	58.2	57.9	57.2
SKK/USD, calculated with PPI[7]	real, Jan00=100	70.8	68.0	67.3	69.1	71.4	72.4	71.2	70.5	71.3	70.7	69.7	66.8	63.3	64.0	63.6	.
SKK/EUR, calculated with CPI[7]	real, Jan00=100	84.0	79.7	78.9	78.9	78.8	78.8	78.2	77.8	78.5	78.5	78.7	77.9	77.1	74.9	73.6	73.9
SKK/EUR, calculated with PPI[7]	real, Jan00=100	82.1	80.6	79.6	79.6	79.5	79.9	79.2	79.3	79.7	79.5	79.4	78.3	76.9	76.7	75.3	.
DOMESTIC FINANCE																	
M0, end of period	SKK bn	91.8	91.7	91.7	90.8	90.9	91.9	93.2	93.8	95.4	96.3	97.6	97.8	100.5	100.5	100.5	.
M1, end of period	SKK bn	276.9	261.2	265.5	258.9	260.8	268.0	279.2	279.7	282.8	288.7	284.8	293.4	311.3	299.4	315.7	.
M2, end of period	SKK bn	750.7	739.0	744.1	724.0	731.9	723.2	744.7	749.7	755.3	761.9	763.7	773.3	793.5	772.6	779.1	.
M2, end of period	CMPY	5.2	5.2	4.3	1.9	2.8	0.6	6.1	3.8	3.5	5.0	4.3	4.4	5.7	4.5	4.7	.
Discount rate (p.a.),end of period[8]	%	6.00	6.00	6.00	5.50	5.00	5.00	5.00	4.50	4.50	4.50	4.50	4.00	4.00	4.00	4.00	3.00
Discount rate (p.a.),end of period[8)9]	real, %	-2.4	1.6	3.7	3.3	2.8	2.0	1.8	1.4	0.7	0.5	-0.1	-0.5	-0.3	1.2	1.9	.
BUDGET																	
Central gov.budget balance, cum.	SKK mn	-55997	-2658	-4424	1175	5723	-2270	-12455	-18551	-24786	-29422	-30528	-34078	-70288	4310	-1108	2799

1) Ratio of disposable number of registered unemployment calculated to the economically active population as of previous year.
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 less than 100 mean real appreciation.
8) From January 2002 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 2003 to 2005

(updated end of Apr 2005)

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	6.1	3.3	0.9	7.8	-0.9	12.0	11.0	3.0	11.6	3.9	-3.0	3.8	6.3	3.6	0.5	.
Industry, total	real, CCPY	1.4	3.3	2.1	4.2	2.9	4.7	5.8	5.4	6.0	5.8	4.8	4.7	4.8	3.6	2.1	.
Industry, total	real, 3MMA	4.8	3.4	4.1	2.7	6.3	7.4	8.7	8.3	5.7	3.4	1.5	2.1	4.5	3.4	.	.
Construction, total[1]	real, CMPY	2.7	10.6	14.6	3.1	-0.4	-10.2	-5.8	8.1	9.4	5.0	12.3	1.6	-10.5	0.0	-13.2	.
LABOUR																	
Employment total	th. persons	774.7	773.8	775.6	777.7	779.8	781.4	783.7	782.7	782.4	785.6	789.1	789.7	785.0	805.6	807.4	.
Employees in industry	th. persons	240.4	239.4	239.5	240.1	240.0	240.1	240.4	239.7	239.4	239.6	239.8	239.9	238.2	.	.	.
Unemployment, end of period	th. persons	96.0	99.0	98.1	96.7	93.9	91.5	89.2	90.3	90.3	90.7	92.5	90.9	90.7	93.4	93.1	.
Unemployment rate[2]	%	11.0	11.3	11.2	11.1	10.7	10.5	10.2	10.3	10.3	10.3	10.5	10.3	10.1	10.4	10.3	.
Labour productivity, industry	CCPY	3.7	5.0	3.7	5.7	4.3	6.0	7.0	6.6	7.1	6.8	5.7	5.6	5.7	.	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	0.4	-2.1	0.0	-0.5	0.5	-1.5	-2.2	-1.9	-2.2	-2.0	-1.1	-0.6	-0.9	.	.	.
WAGES, SALARIES																	
Total economy, gross	th. SIT	277.6	258.2	254.8	261.4	260.2	259.5	262.7	264.3	267.9	268.4	270.3	291.9	290.7	272.8	265.2	.
Total economy, gross	real, CMPY	1.3	0.5	1.8	3.6	1.9	0.3	1.9	1.5	2.7	2.4	1.8	4.2	1.5	3.4	1.4	.
Total economy, gross	USD	1438	1375	1356	1349	1314	1306	1334	1352	1360	1366	1406	1580	1621	1495	1440	.
Total economy, gross	EUR	1174	1090	1073	1099	1093	1088	1100	1103	1117	1119	1127	1217	1212	1138	1106	.
Industry, gross	EUR	1020	940	920	965	942	939	953	955	975	975	980	1092	1055	1009	.	.
PRICES																	
Consumer	PM	0.1	0.4	0.1	0.6	0.5	0.9	0.3	0.4	-0.5	-0.1	0.3	0.6	-0.3	-0.6	0.6	1.1
Consumer	CMPY	4.6	4.0	3.6	3.5	3.5	3.8	3.9	3.8	3.7	3.3	3.3	3.6	3.2	2.2	2.6	3.1
Consumer	CCPY	5.5	4.0	3.8	3.7	3.6	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.6	2.2	2.4	2.7
Producer, in industry	PM	0.6	0.4	1.0	0.3	0.6	0.7	0.1	0.3	0.2	0.5	0.3	0.1	0.4	0.4	0.3	0.0
Producer, in industry	CMPY	2.1	2.3	3.5	3.8	4.0	4.2	4.2	4.6	4.7	5.0	5.1	5.0	4.9	4.8	4.1	3.8
Producer, in industry	CCPY	2.5	2.3	2.9	3.2	3.4	3.6	3.7	3.8	3.9	4.0	4.2	4.2	4.3	4.8	4.5	4.3
RETAIL TRADE[3]																	
Turnover	real, CMPY	5.3	4.4	1.6	8.7	6.0	3.4	7.5	2.8	8.8	6.0	4.1	7.4	6.0	7.4	.	.
Turnover	real, CCPY	4.7	4.4	3.0	5.0	5.3	4.9	5.4	5.0	5.4	5.5	5.3	5.5	5.6	7.4	.	.
FOREIGN TRADE[4][5]																	
Exports total (fob), cumulated	EUR mn	11288	861	1827	2968	4026	5045	6128	7221	8056	9234	10407	11541	12539	1017	2051	.
Imports total (cif), cumulated	EUR mn	12242	883	1918	3170	4425	5588	6746	7897	8848	10061	11306	12569	13701	1032	2149	.
Trade balance total, cumulated	EUR mn	-954	-23	-91	-202	-399	-544	-618	-676	-791	-827	-899	-1028	-1162	-15	-98	.
Exports to EU-25 (fob), cumulated	EUR mn	7551	616	1278	2065	2738	3424	4134	4827	5343	6110	6882	7639	8270	743	1476	.
Imports from EU-25 (cif)[6], cumulated	EUR mn	9258	731	1591	2635	3614	4603	5583	6553	7323	8323	9358	10401	11325	824	1726	.
Trade balance with EU-25, cumulated	EUR mn	-1706	-115	-314	-570	-876	-1179	-1449	-1726	-1980	-2213	-2477	-2762	-3055	-82	-250	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-91	72	91	34	-42	-137	-137	-148	-214	-143	-117	-140	-238	51	49	.
EXCHANGE RATE																	
SIT/USD, monthly average	nominal	193.0	187.8	187.9	193.8	198.1	198.7	196.9	195.5	197.0	196.5	192.3	184.7	179.3	182.5	184.2	181.5
SIT/EUR, monthly average	nominal	236.5	237.0	237.4	237.8	238.2	238.5	238.8	239.7	239.8	239.8	239.8	239.8	239.8	239.8	239.7	239.7
SIT/USD, calculated with CPI[7]	real, Jan00=100	83.0	80.9	81.3	83.9	85.7	85.6	84.9	83.8	84.9	85.0	83.3	79.6	77.2	79.0	79.3	77.3
SIT/USD, calculated with PPI[7]	real, Jan00=100	86.7	85.1	84.8	87.9	90.3	91.2	90.6	89.9	90.6	89.9	88.9	86.2	82.7	83.8	84.3	83.1
SIT/EUR, calculated with CPI[7]	real, Jan00=100	100.5	100.2	100.6	100.7	100.8	100.4	100.3	100.1	100.9	101.2	101.2	100.6	101.3	101.5	100.9	99.8
SIT/EUR, calculated with PPI[7]	real, Jan00=100	100.8	100.9	100.3	100.7	100.8	100.7	100.8	101.1	101.4	101.1	101.4	101.2	100.5	100.4	100.1	100.0
DOMESTIC FINANCE																	
M0, end of period	SIT bn	156.0	152.9	153.3	152.6	156.9	162.5	163.3	161.9	157.3	160.7	167.2	160.1	167.9	163.1	164.4	.
M1, end of period[8]	SIT bn	797.2	782.3	787.4	795.8	817.1	852.9	883.8	890.7	894.0	909.1	900.3	930.0	1018.9	1003.9	1006.1	1012.3
Broad money, end of period[8]	SIT bn	3780.1	3784.6	3792.6	3791.9	3827.1	3826.9	3855.2	3882.0	3873.7	3918.4	3875.7	3933.7	4036.0	4068.8	4063.3	4094.6
Broad money, end of period[8]	CMPY	5.0	6.2	5.9	6.0	6.3	5.6	4.8	4.4	4.2	5.3	3.0	4.1	6.8	7.5	7.1	8.0
Discount rate (p.a.),end of period[9]	%	5.00	4.75	4.50	4.50	4.25	4.00	3.50	3.00	3.00	3.00	3.00	3.00	3.25	3.25	3.25	3.25
Discount rate (p.a.),end of period[10]	real, %	2.8	2.4	1.0	0.7	0.2	-0.2	-0.7	-1.5	-1.6	-1.9	-2.0	-1.9	-1.6	-1.5	-0.8	-0.5
BUDGET																	
General gov.budget balance, cum.	SIT bn	-78.5	3.5	-11.8	-6.2	4.6	-18.7	-54.0	-68.8	-77.7	-78.7	-105.2	-89.8	-85.1	.	.	.

1) Effective working hours, from 2004 construction put in place of enterprises with 20 (up to this time 10) and more persons employed.
2) Ratio of unemployed to the economically active.
3) According to NACE (52 - retail trade, 50 - repair of motor vehicles), excluding turnover tax.
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 less than 100 mean real appreciation.
8) According to ECB monetary standards..
9) Main refinancing rate.
10) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2003 to 2005

		2003 Dec	2004 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2005 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
Industry, total	real, CCPY	15.8	16.1	18.2	18.8	17.7	16.9	15.9	14.7	14.4	14.4	13.6	13.4	12.5	8.4	7.3	7.1
Industry, total	real, 3MMA	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
LABOUR																	
Unemployment, end of period	th. persons	988.9	1003.6	1045.4	1061.2	1044.6	1005.8	962.5	945.0	925.6	914.0	893.6	919.7	981.8	992.2	1019.0	1018.4
Unemployment rate[1]	%	3.6	3.7	3.8	3.9	3.8	3.7	3.5	3.4	3.4	3.3	3.3	3.4	3.5	3.5	3.6	3.6
WAGES, SALARIES [2]																	
Total economy, gross	UAH	550.9	499.7	510.1	545.1	547.9	555.0	601.5	608.0	604.2	630.8	636.2	644.3	703.8	640.9	666.8	.
Total economy, gross	real, CMPY	14.9	15.3	21.4	23.0	21.6	17.6	16.9	14.9	14.7	14.4	14.3	18.2	13.7	13.9	15.4	.
Total economy, gross	USD	103	94	96	102	103	104	113	114	114	119	120	121	133	121	126	.
Total economy, gross	EUR	84	74	76	84	86	87	93	93	93	97	96	94	99	92	97	.
Industry, gross	EUR	.	97	97	108	110	111	114	117	119	121	121	116	120	117	.	.
PRICES																	
Consumer	PM	1.5	1.4	0.4	0.4	0.7	0.7	0.7	0.0	-0.1	1.3	2.2	1.6	2.4	1.7	1.0	1.6
Consumer	CMPY	8.2	8.1	7.4	6.6	6.6	7.4	8.0	8.1	9.9	10.7	11.7	11.3	12.3	12.6	13.3	14.7
Consumer	CCPY	5.2	8.1	7.8	7.4	7.2	7.2	7.4	7.5	7.8	8.1	8.5	8.7	9.0	12.6	13.0	13.5
Producer, in industry	PM	1.7	1.6	2.9	2.2	3.3	2.1	1.5	0.1	1.6	1.9	1.6	2.2	1.0	0.2	2.7	1.9
Producer, in industry	CMPY	11.2	12.4	14.9	15.0	18.4	20.6	22.4	21.3	22.0	23.2	24.3	25.2	24.3	22.6	22.4	22.0
Producer, in industry	CCPY	7.8	12.4	13.7	14.1	15.2	16.3	17.3	17.9	18.4	19.0	19.5	20.1	20.4	22.6	22.5	22.3
RETAIL TRADE																	
Turnover[3]	real, CCPY	21.0	19.1	21.5	24.3	22.9	22.3	21.4	21.0	20.5	19.9	20.8	20.8	20.0	21.2	20.3	18.6
FOREIGN TRADE[4][5]																	
Exports total (fob), cumulated	EUR mn	20408	1686	3543	5736	8209	10438	12660	14902	17136	19444	21610	23883	26278	1896	3925	.
Imports total (cif), cumulated	EUR mn	20356	1374	3059	5051	6961	8702	10695	12814	14720	16873	18999	21119	23321	1376	3223	.
Trade balance, cumulated	EUR mn	52	312	484	685	1248	1736	1964	2088	2416	2570	2611	2764	2957	519	702	.
FOREIGN FINANCE																	
Current account, cumulated[6]	EUR mn	2559	.	.	1308	.	.	3200	.	.	4585	.	.	5476	.	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.332	5.331	5.331	5.330	5.329	5.327	5.322	5.318	5.314	5.310	5.307	5.306	5.306	5.305	5.300	.
UAH/EUR, monthly average	nominal	6.541	6.725	6.735	6.526	6.405	6.383	6.456	6.524	6.469	6.480	6.621	6.885	7.103	6.990	6.894	.
UAH/USD, calculated with CPI[7]	real, Jan00=100	78.9	78.2	78.3	78.5	78.2	78.0	77.7	77.5	77.5	76.7	75.4	74.2	72.2	70.9	70.2	.
UAH/USD, calculated with PPI[7]	real, Jan00=100	77.5	77.3	75.6	74.4	72.9	72.4	71.5	71.6	70.5	69.1	68.9	68.1	66.9	66.7	64.9	.
UAH/EUR, calculated with CPI[7]	real, Jan00=100	95.7	97.0	97.0	94.1	92.2	91.5	92.0	92.9	92.4	91.5	91.8	93.9	95.0	91.6	89.4	.
UAH/EUR, calculated with PPI[7]	real, Jan00=100	90.4	91.7	89.4	85.3	81.5	79.9	79.6	80.6	79.0	77.8	78.7	80.0	81.5	80.3	77.1	.
DOMESTIC FINANCE																	
M0, end of period	UAH mn	33119	31501	32672	33580	35836	35810	36890	39244	40563	42296	41297	40857	42345	40633	41779	.
M1, end of period	UAH mn	51541	49792	51387	54970	56750	57873	60814	62488	64884	70345	66735	65709	67090	64934	67059	.
Broad money, end of period	UAH mn	95043	92643	96050	101151	105104	109435	113961	117130	121476	130277	126224	125251	125801	125818	130942	.
Broad money, end of period	CMPY	47.3	47.4	47.9	45.1	45.0	47.9	44.2	45.0	46.3	50.6	45.3	41.9	32.4	35.8	36.3	.
Refinancing rate (p.a.),end of period	%	7.0	7.0	7.0	7.0	7.0	7.0	7.5	7.5	7.5	7.5	8.0	9.0	9.0	9.0	9.0	9.0
Refinancing rate (p.a.),end of period[8]	real, %	-3.8	-4.8	-6.9	-7.0	-9.7	-11.3	-12.2	-11.4	-11.9	-12.8	-13.1	-12.9	-12.3	-11.1	-10.9	-10.7
BUDGET																	
General gov.budget balance, cum.	UAH mn	-490	1615	1815	1204	661	1489	601	820	1123	-1799	-4723	-6199	-11792	1503	2042	.

1) Ratio of unemployed to the economically active.
2) Excluding small firms.
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 less than 100 mean real appreciation.
8) Deflated with annual PPI.

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