



# Monthly Report

The Vienna Institute for International Economic Studies (WIIW)

## Contents

Hungary after the elections .....	1
Barter in Russia: competing explanations and empirical evidence .....	4
Perils of opening-up: the case of Turkey .....	10
'State of play' in the EU accession negotiations (Table).....	15
<b>Monthly statistics</b>	
Selected monthly data on the economic situation in ten transition countries, 2000 to 2002.....	17
<b>Guide</b> to WIIW statistical services on Central and Eastern Europe, Russia and Ukraine .....	28

## Hungary after the elections\*

BY SÁNDOR RICHTER

The Hungarians are impatient with their governments. In all four general elections since the fall of communism the majority of voters decided against the ruling government. The conservative Hungarian Democratic Forum (MDF) and two other right-wing parties took over the government from the last (reform) communist administration in 1990, and the coalition of the Hungarian Socialist Party and the liberal Alliance of Free Democrats (SZDSZ) replaced the conservatives in 1994, only to be replaced by the middle-right Alliance of Young Democrats (FIDESZ) in coalition with the rightist-populist Smallholders' Party in 1998.

The elections on 7th and 21st April this year brought a change of guard again. Though with a very narrow margin, the representatives of the socialists and the liberals together obtained a majority in the Hungarian parliament.

At first glance that seems to be a repetition of the same two parties' victory in 1994. However, contrary to 1994 when the socialists alone had a comfortable majority in parliament, i.e. also without the minor coalition partner liberals, now the 20 mandates of the liberals are badly needed to secure majority in parliament. The socialists alone have 10 seats less than the right-wing election alliance of FIDESZ and MDF together.

Why did FIDESZ and MDF lose the elections? Narrowing the reply to this question to an economist's point of view, what happened is really enigmatic. The outgoing government inherited a

\* This comment relies on the provisional results of the recent general elections in Hungary. The final results may be published in the first days of May and, although a very limited number of mandates obtained by the individual parties or election coalition of parties may still change, a fundamentally different final outcome (victory of the right-wing coalition FIDESZ – MDF) is not likely.

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

The Vienna Institute  
for International Economic Studies (WIIW)

Wiener Institut  
für Internationale Wirtschaftsvergleiche (WIIW)

Oppolzergasse 6, A-1010 Vienna, Austria, Tel. (+43 1) 533 66 10, Fax (+43 1) 533 66 10-50

e-mail: [wiiw@wsr.ac.at](mailto:wiiw@wsr.ac.at), Internet: <http://www.wiiw.ac.at>

professionally stabilized economy in 1998, after the socialist-liberal administration had completed a painful austerity programme (the 'Bokros package') in 1995-1996.<sup>1</sup> The favourable international environment and the results of earlier implemented giant FDI projects allowed for rapid economic growth, a continuation of unprecedented structural change and modernization in industry, and rapid expansion of exports. Just for illustration, Hungary's market share in the external imports of manufacturing products of the EU15 grew from 1.65% in 1995 to 2.63% in 2000. Alone the nearly 1 percentage point *increment* of the market share within five years was bigger than the whole 2000 market share of Bulgaria, the Slovak Republic, Romania, or Slovenia each, and bigger than the market share of the three Baltic states combined. The formidable performance of the economy permitted an improvement in the standard of living of the population. In 2001 and 2002 real earnings and pensions increased to a considerable extent, after years of decline or growth lagging far behind that of the GDP. Spectacular nation-wide development projects were bundled and 'marketed' with a highly professional PR campaign in the framework of the Széchenyi Plan, bringing inherently boring economic issues closer to the 'man of the street'.

It is too early as yet to make a thorough analysis why the outgoing coalition have failed in the elections, but one thing seems to be certain already now: the reasons are not primarily economic ones. To the author of this comment the explanation lies in the sphere of politics: the prime minister's and his closest circle's peculiar working and communication style based on confrontation, at any price and in any situation; growing doubts in the population about the use of taxpayers' money in tandem with the eroding ability of the parliament and the broad public to get reliable information about important issues of public finance; negligence of public procurement rules and open preference of 'near-FIDESZ' firms. Last but not least, the take-over of part of the vocabulary of the

extreme-right MIÉP in the election campaign alienated wide strata of uncertain voters in the middle of the political spectrum who finally opted for the socialists, who managed to get through with the slogan of being the 'calm force' of the country.

What will change under the new government? The economic situation according to the main macroeconomic parameters requires neither urgent intervention nor fundamental changes. The external balances are acceptable. Inflation is low and falling slightly. The budget deficit has been growing rapidly in the last few months – as it has always done around elections in the last twelve years: only after the take-over of the new government will it turn out whether a minor or bigger adjustment of the budget will be necessary in order to stop the rapid increase of the deficit. In the new era the central bank will be in a sort of 'cohabitation' with the government, as its president, Mr. Járai, was a member of the Orbán government (as minister of finance) before he took his present office. There is no principal difference between the forthcoming and outgoing governments concerning the main issues of monetary policy. Later on, the extent of the forint's appreciation may become a potential source of conflict. Strong appreciation helps curb inflation but may hinder dynamic growth and deteriorate the external equilibrium. The fight against inflation is in the competence of the central bank led by a FIDESZ-delegated president; growth, external equilibrium, and all other economic issues are the responsibility of the forthcoming socialist-liberal government.

As usual, the elections were accompanied by an inflation of promises. The socialist party did not try to argue against the promises made by the government, instead, it entered the game 'who promises more'. To quote just a few examples from the socialists' repertoire: a 50% raise of wages in the health sector, a bonus of one whole year's earnings for nurses in every fourth year, a 20% raise of the family allowance, acceleration of state-financed development projects in infrastructure, protection of the environment, modernization of the telecommunications and information society, etc. The Budapest-based Political Capital research

---

<sup>1</sup> The Bokros package was named after then minister of finance Lajos Bokros, who announced and completed the austerity programme.

institute made an estimation based on a comparison of election promises made by the socialists and by FIDESZ: according to that estimate, an annual average GDP growth rate of 8.5-9% would be necessary to implement all of the socialists' election promises – which is still less, however, than the about 12% annual growth rate in the next four years that would be necessary to realize all what FIDESZ had on its agenda.<sup>2</sup>

The liberals' main point for the economy was a radical tax reform with a reduction of the tax brackets. Both the liberals and the socialists agree that a radical reform cannot be postponed any longer in the health sector.

The outgoing government laid emphasis on support for domestic suppliers of the domestic markets. This occasionally led to an unfriendly attitude towards foreign companies, ranging from verbal attacks (especially in the last weeks of the election campaign) to discrimination of foreign-owned firms in public procurement. The socialists and liberals wish to restore the earlier, supportive climate in order to make the Hungarian economy a favourite target of FDI again. A revitalization of the Budapest Stock Exchange is on the agenda, too.

The main changes are however not to be expected in economic policy. It is the concentration of political power affecting economic decisions where the new government will have to do its homework immediately after coming into office. A so-called democracy package is to restore effective parliamentary control over public expenditures, to implement a policy of 'glass pockets', and to make sure that public procurement returns to the norms expected from a county on the doorstep of the European Union. Local governments' financial independence is intended to be reinforced and political dependence on the central government diminished. The Prime Minister's Office, which practised a strong concentration of decisions under Mr. Orbán, is thought to play a smaller role while the ministries are expected to regain their earlier

position in the decision-making process. These targets have been on the agenda of both parties of the forthcoming coalition. The difference between the two parties is that under the socialist prime minister Gyula Horn in 1994-1998 decisions were, in certain instances, also concentrated well beyond the optimal level – and some kind of democracy package would have been useful in his last two years in office as well. Most probably there are streamings in the socialist party even today which would not really mind carrying on with the highly concentrated decision-making system of the outgoing FIDESZ government, only under the flag of the socialist party. The liberals, contrary to the coalition in 1994-1998, will have much bigger leverage in the coming four years as their votes secure the necessary majority in parliament for the coalition. The SZDSZ is a small party with a political credo focused on safeguarding democracy and its institutions in Hungary. It could lose its supporters if it were to provide assistance to undemocratic practices in the forthcoming legislative period. In 1994-1998 it did so, in order to enforce the stabilization of the economy that had a strong opposition within the socialist party then, and leaving the coalition could have helped the opponents of the stabilization gain upper hand. In the next legislative period the liberals may effectively tip the scales in the balance of power

---

<sup>2</sup> *Figyelő*, 9/2002 p. 18.

## **Barter in Russia: competing explanations and empirical evidence**

BY VASILY ASTROV

### **Introduction**

The transition of Russia and many other post-Soviet states from a centrally planned to the market economy during the 1990s was accompanied by an unprecedented growth of barter and other non-monetary forms of payment. In Russia, the share of barter in industrial sales rose from 5% in 1992 to nearly 55% on the eve of the financial crisis of 1998. Even though barter has been steadily declining since then, it still accounts for nearly 25% of industrial sales – much more than in advanced market economies and the transition countries of Central Europe. These figures refer to barter in the broad sense, that is, they include not only counter-trade, but also the use of various forms of quasi-money, such as promissory notes put into circulation and debt offsets. Along with dollarization, the widespread incidence of these phenomena reflects the large-scale demonetization of the Russian economy. There is a wide divergence of opinions on the possible reasons behind the dramatic proliferation of barter in Russia. In the following we present a brief overview of the main competing theories in this highly controversial area.

The extent of barter proliferation in Russia exhibits certain regularities. For instance, in a survey conducted in summer 1999, Carlin et al. (2000) have found that large firms are more likely to be involved in barter. While it accounts for more than half of sales in agriculture, its share in the services sector only slightly exceeds 10%. Also, Russia appears to be the only East European country where the scale of barter activities depends on location. It is found to be much more prevalent in smaller towns, thus supporting the hypothesis that it may be a product of limited trading networks. Finally, it is much more common in monopolistic rather than competitive markets.

The proliferation of barter is associated with both costs and benefits. The short-term benefit of barter, as recognized by most experts, consists in maintaining production which would otherwise collapse (even though there is a wide range of opinions on the possible reasons for such collapse). However, in the longer run, barter entails various kinds of costs both on the micro- and macroeconomic levels. On the microeconomic level, most obviously, barter involves inventory and transaction costs which are related to construction of barter chains and may be quite substantial. Barter arrangements often require internal reorganization of the firm and significant diversion of managerial energy and initiative. Besides, under barter conditions, the inability of money to harden firms' budgets reduces the pressure to raise efficiency. It consolidates existing inter-firm relationships, reduces market competition, and creates artificial demand for barter goods. Similarly, firms often find themselves having to accept and re-sell products in the trading of which they have no comparative advantage.<sup>1</sup>

On the macroeconomic level, barter undermines state revenues and thus puts constraints on fiscal policy. In-kind tax payments create additional problems, since a substantial part of state liabilities, e.g. transfers to households, has to be settled in cash. Barter also complicates monetary policy, since in an economy largely driven by barter, money ceases to be important.

### **Strategic barter**

Within the concept of 'strategic barter', barter is understood as a deliberate choice of firms' managers driven by several considerations. On the one hand, barter arrangements may result from the inability of money to perform its function, e.g. under the conditions of high inflation, when holding money balances is costly. This explanation, which appeared plausible at the start of transition with its high inflation, was however largely discredited by subsequent developments, with the use of barter

---

<sup>1</sup> See Carlin et al. (2000).

soaring dramatically precisely after macroeconomic stabilization had finally been achieved in 1995.

On the other hand, barter may be a tool to seek informal profits (in the shadow economy), and particularly to avoid taxes. In the early years of transition in Russia, the system of tax collection was run on the 'actual payment' basis. That is, taxes were only due after the firm had been paid for its deliveries. The motivation to use barter in such a system is straightforward: avoiding bank transfers means reducing tax exposure, since banks act as intermediaries for tax collection.<sup>2</sup> As pointed out by Maurel and Brana (1999), this argument is problematic as it is not clear why enterprises should prefer barter to cash transactions, which offer an equal opportunity to avoid taxation. In addition, surveys do not give evidence in support of the 'tax theory': only in 20% of cases do tax considerations seem to be the motive for using barter.

Later on, the 'actual payment' principle of taxation was replaced by taxation on accrual basis. Theoretically, also in this case barter offers opportunities for tax manipulation, as an optimal barter price can always be chosen to attain the desired length of the balance sheet. This is, however, not consistent with the observation that barter prices typically exceed cash prices, which raises the tax liability of the firm, even if its profits are unchanged, due to the existence of turnover (revenue) tax.

### 'Virtual economy' argument

This explanation, advocated especially by Gaddy and Ickes (1998), is based on the notorious inefficiency of the Russian manufacturing sector inherited from Soviet times. According to the argument, loss-making manufacturing enterprises would go bankrupt were it not for the pretence that they actually *add* value. This pretence implies that such enterprises charge a price for their output that is higher than the output is really worth in terms of

market valuation. Since enterprises cannot sell their output at these inflated prices for cash, they use it to pay for supplied inputs and labour force, and to fulfil their tax liabilities. Of course, the latter requires that in-kind payment is accepted by other sectors in the economy: input suppliers, workers and the government, respectively. However, they have their reasons to stay in the 'virtual system', since bankruptcy of the manufacturing enterprise would affect them all, at least in the short run. Thus, in this interpretation, barter appears as a mutual survival strategy of enterprises and economic agents in general. Also, it is seen as an unambiguously adverse phenomenon, as it prevents (or delays) badly needed industrial restructuring.

The 'virtual economy' argument seems to be consistent with the basic features of the Soviet economic structure. Under central planning, underpricing of raw material inputs, especially energy, was tantamount to subsidizing their heavy consumers, first of all the manufacturing sector, and brought about the inefficiency of the latter. The Soviet manufacturing sector, goes the argument, was value-adding only because raw materials were artificially cheap. However, as prices moved to reflect costs in the wake of the price liberalization in the early 1990s, it became value-subtracting. The economic reform of the 1990s, aimed at achieving industrial restructuring and implying the imposition of hard budget constraints on enterprises, produced results which were far from those expected. Instead of restructuring, many enterprises opted for using their so-called 'relational capital'<sup>3</sup> (the stock of relations with federal and local government officials as well as other directors, accumulated largely during the Soviet times) to stay afloat. It was this 'relational capital' which made the emergence of (often complicated) barter chains possible. As the 'virtual economy' approach considers the inefficiency of the real sector to be the reason for barter, it advocates bankruptcy enforcement as the main tool to fight barter.

<sup>2</sup> See Commander and Mumssen (1998).

<sup>3</sup> See Gaddy and Ickes (1999).

The 'virtual economy' argument has become a powerful explanation for the widespread phenomenon of barter in Russia. However, there are a number of problems with that approach. First, the argument implies that the raw materials producing sector is effectively cross-subsidizing the manufacturing sector, as it accepts overpriced manufactured goods as payment for its supply of inputs. The reason why the raw materials producing sector might be interested in such subsidizing is not convincing, though. Second, this cross-subsidizing must be reflected in a shift of terms of trade between the raw materials producing and the manufacturing sector in favour of the latter. However, Marin (2000) found no empirical confirmation of such a shift. Based on a survey of 165 specific barter deals in Ukraine in 1997, her study reveals no systematic difference in the pricing behaviour of enterprises using barter across sectors. Though in this case Ukrainian data were used, there are good reasons to believe that a similar mechanism must be at work in Russia as well. Third, the 'virtual economy' argument implies that the price deviation between cash and non-cash deals must be bigger for less efficient firms. However, no significant relationship of this kind was found.

### **'Liquidity squeeze' argument**

This argument treats barter as a tool to circumvent the shortage of liquidity, or working capital, which is necessary to maintain the production. An important distinction of this approach from the previous one is that barter is seen as a favourable phenomenon, as it allows potentially viable enterprises which are short of cash to survive. The liquidity squeeze itself may be due to various reasons.

First of all, it is tempting to attribute liquidity squeeze to the tight monetary policy pursued in order to curb inflation. Indeed, as Figure 1 shows, the decline in inflation in the years preceding the financial crisis of 1998 was accompanied by a rise in barter activity. Besides, the problem was aggravated by the way the large fiscal deficit of the government was financed – namely, largely by issuing short-term rouble-denominated bonds

(GKO), often with extremely high rates of return. The GKO market caused, as it is often claimed, a 'crowding-out' of private investments, which remained inferior in terms of profitability.

Whether it was macroeconomic, and in particular monetary, policy that led to barter was put to an empirical test by Maurel and Brana (1999). They find that there is a statistical association between an increase in the real refinancing rate and, later on, indeed an increase in barter. (This is the so-called Granger-causality.) Apparently, rising interest rates make it difficult for firms to borrow and thus deprive them of working capital, forcing them to resort to barter. At the same time, no evidence of causality between the rate of return on GKOs and barter was found. Therefore, the shortage of working capital cannot be viewed as an outcome of firms' choosing investment in GKOs. Neither was Granger-causality found between a decrease in money supply and barter. All these findings prompt the authors to conclude that barter can only partly be explained by macroeconomic factors.

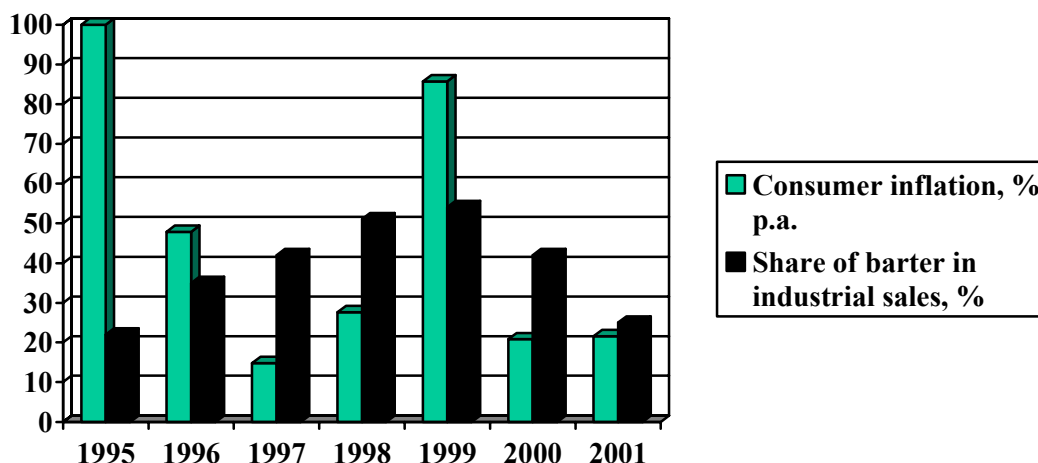
Second, liquidity squeeze may be due to credit rationing by banks, caused by information asymmetry in financial markets. The latter is believed to be more severe in transition countries than in advanced market economies, among other things because in a rapidly changing environment (such as in the process of transition) past performance is a bad indicator of future profitability.<sup>4</sup> Also, macroeconomic policy and credit market imperfections are not independent of each other, as the policy of high interest rates encourages risky projects (prudent investment is not viable in these circumstances) and aggravates the problems of adverse selection and moral hazard still further.

---

<sup>4</sup> Profitability indicators in this situation may be misleading, since e.g. the *currently* low profitability may be simply due to the value-enhancing restructuring of the enterprise.

Figure 1

## Inflation and barter in Russia in 1995-2001.



Source: *Russian Economic Trends*, various issues.

A further refinement of the 'liquidity squeeze' argument was undertaken by Marin (2000), who showed that liquidity constraint of the buyer may be important to counterweigh the market power of the input supplier.<sup>5</sup> In her model, the input supplier charges a higher price due to his market power over the buyer. In addition, there is one more consideration for a mark-up on his price. The buyer is typically short of cash and therefore cannot pay today. If the supplier extends a trade credit, he is very likely to incur the high costs of credit enforcement in the future<sup>6</sup> (in view of poor protection of creditors' rights), which he includes into the price today. The resulting price may be too high to ensure a profit for the buyer, so that in a cash economy, the transaction might not take place at all. In these circumstances, barter payment might save the deal, if the barter good is traded at a discount to make up for the inability of the seller to incorporate the full credit enforcement costs into the price of the input. Therefore, the barter deal

typically shifts the terms of trade in favour of the supplier.

Empirical findings seem to be consistent with the model proposed by Marin: sellers tend to profit from the barter deal, and buyers tend to lose. Her above-mentioned survey revealed that in a quarter of cases the price charged for input was up to 50% higher when the payment was carried out in the form of barter. Besides, the mark-up was found to be correlated with the market power of suppliers (approximated by a 'complexity index' based on the number of inputs). By contrast, credit enforcement costs (approximated by outstanding arrears of the buyer) do not seem to inflate input prices, but are reflected in the discounted prices of barter goods used as payment for inputs.

In sum, the 'liquidity squeeze' approach implies that the reason for barter lies in the financial sector of the economy. In this context, the natural remedy appears to be monetary expansion, although Marin (2000) argues that it might make things worse as it eliminates the bargaining power of the buyer and thus increases overall distortions in the economy.

<sup>5</sup> Such an *ex post* market power, also referred to as 'hold-up' problem, typically results from the sunk costs incurred by firm to find a supplier and is an important legacy of central planning - see Carlin et al. (2000).

<sup>6</sup> Such costs may include the use of formal courts, bribes, or the use of "informal" tools such as mafia.

## Synthetic approach

The 'virtual economy' and the 'liquidity squeeze' explanations of barter seem to contradict each other and imply different policy options. Meanwhile, several studies managed to reconcile the two extremes to a great extent. One synthetic approach has been undertaken by Maurel and Brana (1999), who consider the adverse selection problem as the primary reason for credit rationing by banks. The problem arises from the fact that there are *both* 'good' and 'bad' firms in the economy. The authors argue that the level of the firm's indebtedness can be interpreted as an indicator of lack of market discipline, which is, in turn, inversely related to the viability of the firm. Thus, the level of indebtedness is used to divide the sample of firms in two categories. Non-indebted firms are viable and only use barter to make up for the shortage of working capital, whereas indebted firms are loss-making and resort to barter in order to avoid restructuring. The estimated relationship between the use of barter in a firm and the level of demand for its products is a crucial point of distinction between the two sub-samples. For indebted firms, the coefficient on the level of demand turns out to be insignificant and could well be negative, since problems with selling output can be interpreted as a sign of non-viability of the enterprise, making barter the only feasible alternative.<sup>7</sup> By contrast, for non-indebted firms the coefficient on the level of demand is found to be positive. This appears plausible, since rising demand for the firm's output exacerbates the working capital constraint on production, making barter a tool of financing.

Another attempt of synthesis of the 'virtual economy' and 'liquidity squeeze' arguments goes back to Guriev et al. (2001). The authors treat both phenomena as two manifestations of one fundamental problem – the poor enforcement of creditors' rights. Within the framework of this approach, the strategy of delaying restructuring of

loss-making enterprises pursued by their managers runs against the interests of their shareholders, since such restructuring would enhance the value of the enterprise. Similarly, banks are reluctant to lend money to firms since the probability of non-repayment is too high. In both cases, the lack of a credible bankruptcy threat is decisive in the proliferation of barter, as it creates bad incentives for managers: in case of bankruptcy, the failure to repay the debts would entail asset stripping by creditors.

## Conclusions

Barter in Russia is a complicated phenomenon, and several competing theories have been elaborated to explain its proliferation. The earlier, and probably most intuitive, explanations, grouping around the notion of 'strategic barter', seem to contradict empirical observations and subsequent developments. In turn, the 'virtual economy' and the 'liquidity squeeze' arguments seem to dominate the theory of barter nowadays. The first one claims that barter is a consequence of bankruptcy-delaying tactic of managers of inefficient enterprises, as it allows them to overprice their output. The second attributes the use of barter to liquidity squeeze, which results from overly tight monetary policy and/or credit market imperfections. To a large extent, these two approaches are mutually exclusive and imply very different policy measures, although they can be reconciled under the umbrella of poor protection of creditors' rights and also seem to be confirmed by empirical studies. Unfortunately, the considerable decline of barter since the 1998 crisis was not so much due to improvements in creditors' rights protection but due to higher *internal* cash flows of enterprises, caused by a more competitive exchange rate.

---

<sup>7</sup> Noteworthy, though the level of demand itself proved an insignificant determinant of barter in indebted enterprises, an increase in barter was found to be associated with a positive variation in inventories, indicating that barter is used to unload excess inventory.



**References**

Carlin, W., S. Fries, M. Schaffer and P. Seabright (2000), 'Barter and non-monetary transactions in transition economies: evidence from a cross-country survey', EBRD Working Paper No. 50.

Commander, S. and C. Mumssen (1998), 'Understanding barter in Russia', EBRD Working Paper No. 37.

Gaddy, C. and B. Ickes (1998), 'A simple four-sector model of Russia's "virtual" economy', unpublished Brookings paper.

Gaddy, C. and B. Ickes (1999), 'Stability and disorder: an evolutionary analysis of Russia's virtual economy', Brookings Working Paper No. 276.

Guriev, S., I. Makarov and M. Maurel (2001), 'Debt overhang and barter in Russia', CEPR Discussion Paper No. 2686.

Marin, D. (2000), 'Trust vs illusion: what is driving demonetization in Russia?', CEPR Discussion Paper No. 2570.

Maurel, M. and S. Brana (1999), 'Barter in Russia: liquidity shortage versus lack of restructuring', CEPR Discussion Paper No. 2258.

## Perils of opening-up: the case of Turkey

BY KORKUT BORATAV\*

Turkey's experience with liberalization and market orientation has a much longer history than all other Central and East European candidates for EU membership. The liberal orientation dates back to the orthodox stabilization programme of 1980 which also incorporated a sweeping liberalization of the domestic economy. Credit controls and centralized determination of interest rates were abolished in 1982. Tariffs replaced import quotas and other non-tariff protective measures in 1984. Privatization of state-owned enterprises was a slow, but ongoing process dating back to the late 1980s. The capital account was fully liberalized in 1989-1990. Finally, a Customs' Union Treaty with the EU became operational in 1995.

As things stand now, the Turkish economy is fully liberalized – domestically and externally. The average growth rate between 1981 and 2000 was around 4.5% per annum. Excluding exceptional years (e.g. 2000, see below), current account deficits have been manageable. Growth rates even as high as 7-8% generated moderate current account deficits normally not exceeding 1.5% of GDP. However, the economy has been experiencing chronic, inertial inflation; since the early 1980s fluctuating between 35% and 100% per annum. The average rate of inflation for the period 1995-2001 was 70%, but so far no drifting into hyper-inflation has occurred.

The above features are common to the whole post-1980 period. In recent years, however, there was a significant break-point in macroeconomic relationships accompanied by deteriorations in certain indicators. As far as policy factors have been instrumental, the turning point was not the

Customs Union with the EU, but the liberalization of the capital account in 1989.

### Differences between the 1980s and the 1990s

#### A. Emergence of a new financial cycle

A new financial cycle determined by predominantly autonomous capital movements started to dominate the growth process after the liberalization of the capital account, i.e. during the 1990s. The linkages between the growth process and the external world were radically different during the 1980s and the post-1990 years.

During the 1980s, the growth rate was affected by fiscal, monetary and incomes policies and by the response of (or autonomous changes in) the behaviour of households and firms. Capital movements were endogenously determined. The causal linkages ran as follows:

GNP growth  $\Rightarrow$  current account deficits  $\Rightarrow$  capital  
inflows  $\Rightarrow$  external debt

The average annual growth rate during the 1980s was 5.2% which generated an average current account deficit/GNP ratio of 1% accompanied by inflows of foreign capital reaching roughly 1.5% of GNP per annum. The excess of capital inflows over current account deficits led to reserve accumulation which, at that time, was associated with imports growing in tune with growing GNP. Around 85% of capital inflows to Turkey were debt-generating. *Hence, a current account deficit of USD 1 required capital inflows of USD 1.5 resulting in a USD 1.28 increase in the external debt stock.*

During the 1990s, fiscal, monetary and incomes policies gradually lost their effectiveness in controlling domestic demand. Growth became dependent on predominantly autonomous capital movements and their impacts (be they direct or more autonomous) on the behaviour of households and firms. New causal linkages have emerged:

capital inflows  $\Rightarrow$  GNP growth  $\Rightarrow$  current account  
deficits

\* Professor of Economics, University of Ankara and consultant at UNCTAD, Geneva. The author held a lecture on 'Turkey, Southeast Europe and the EU' at WIIW's Spring Seminar, 22 March 2002.

GNP growth has become predominantly dependent on foreign capital flows: with expansions following net inflows and contractions following net outflows. On average capital inflows of about 3.4% of GNP were associated with an average GNP growth of 4.2%. But the two ratios (the debt-generating component of capital inflows and the elasticity of current account deficits in response to GNP growth) remained broadly unchanged. In fact the CA/GNP ratio averaged 0.8% during 1990-1999. *A current account deficit of USD 1 was accompanied by capital inflows of (roughly) USD 3 resulting in an increase of USD 2.6 in the external debt stock.*

With comparable growth rates and current account deficit levels, there has been a build-up of external debt. To some extent the rise in debt has been counterbalanced by rising reserves. Yet there have also been significant capital outflows by residents – and negative (and growing) errors and omissions (to be interpreted as capital flight).

The changing pattern in the linkages between growth and capital movements in the post-1990 period has had four adverse consequences:

(a) *The growth of the external debt stock becomes de-linked from the current account.* Hence, current account deficits cumulated for 1989-1999 amounted to USD 14.2 billion whereas the external debt stock rose by USD 60 billion. Because current account deficits, *per se*, have been moderate and manageable, there is still no difficulty in servicing the current liabilities, i.e. interest rate commitments, on the debt. However, when confidence turns sour due to various factors, i.e. when ratings for Turkey decline, refinancing or rolling over the debt stock becomes difficult. Repayment of the debt principal by generating current account surpluses puts unbearable burdens on the national economy. An economy with moderate external deficits becomes extremely sensitive to external respectability and is liable to fall under continual IMF supervision. This is the current situation of Turkey.

(b) The volatility of the growth rate increases significantly due to a newly emerging boom-downturn-recovery cycle determined by capital inflows and outflows. The erratic nature of the growth process since the early 1990s is clear-cut: The boom years were 1990, 1992-93, 1995-97 and 2000. The downturns, which corresponded to declining capital inflows or net outflows, were observed in 1991, 1994, 1998-99 and 2001-02.

(c) When reversals in capital flows are substantial and sudden, the 'downturn' phase of the cycle drifts into a financial crisis with very high economic and social costs. This was the case in 1994, 1998-99 and 2001. The reversals in foreign capital inflows (measured as the flows in the pre-crisis minus the crisis year) in the three 'bust' periods were USD 19.1, USD 7.6 and USD 27.6 billion (resulting in GNP contraction by 6.1%, 6.1% and 9.4% respectively).

(d) A domestic debt trap emerges as the other side of the coin: Part of the high capital inflows is in the form of domestic banks borrowing abroad and lending to the Treasury at high interest rates (averaging 26% in real terms during 1995-2001). The combination of high domestic interest rates with the overvaluation of the Turkish lira results in high arbitrage returns. If we exclude 1991 and 1994, the arbitrage rate of return on the dollar (as funds shift from the dollar into Treasury bills and back into the dollar) averaged 22.2% p.a. between 1989 and 2000. The fiscal system becomes dependent on banks' short-term borrowing abroad. Current revenues can no longer cover interest obligations of the Treasury (which exceeded tax revenues in 2001). Either Ponzi financing becomes the rule; or, ultimately under the IMF tutelage, a partial amortization of the debt stock is attempted by the generation of primary budgetary surpluses. But this can only magnify the contraction of the real economy. And, of course, this forces the government to abandon the provision of essential public services.

Table 1

## Turkey: Main economic indicators (%), 1999-2001

	1999	2000	2001
GNP growth	-6.1	+6.3	-9.4
Inflation (Dec / Dec)	63	33	89
Current account / GNP	-0.7	-4.9	+1.0
Capital inflow / GNP	4.6	6.5	.
Change in exchange rate*	58	22	114

Note: \*) Vs. the basket consisting of USD 1 and EUR 0.77.

### Financial crisis and crisis management in 2001-2002

#### *A crisis created by the IMF*

Since the end of 1999, the economy is being run by the IMF, first via an exchange-rate based anti-inflationary programme (2000) and by crisis-management in 2001. The present author considers the financial crisis of 2001 as resulting from the IMF programme. Table 1 summarizes what happened before and after the IMF programmes.

What happened during these two years?

- (i) The IMF takes over an economy in a recession, but with stable external accounts and no problem in refinancing the foreign debt stock.
- (ii) The programme generates a boom based on capital inflows, an unsustainable external deficit, ultimately capital outflows and a financial crisis, all during a single year.
- (iii) The IMF scraps the exchange-rate-based programme and imposes a severely contractionary package that leads the economy into its deepest peace-time recession.
- (iv) Comparing 1999 with 2001, the end result of the IMF's involvement is higher inflation, a financial system in collapse, severe debt refinancing bottlenecks and a deep depression.

The anti-inflationary programme of 2000 depended on: (i) a nominal exchange rate target as the

anchor; (ii) tight fiscal policies; (iii) quasi-currency board (i.e. no sterilization of capital inflows) rules on money supply and (iv) so-called structural reforms. All fiscal, exchange rate and structural reform targets were attained and full compliance with the 'no-sterilization rule' was realized.

How did the model collapse? Foreign capital inflows during the first ten months of 2000 reached USD 15.2 billions leading to quite automatic monetary expansion. Interest rates on government borrowing declined dramatically from 104% in 1999 to 36% in 2000 resulting in a substantial increase in domestic demand based on credit expansion, which led to a 6.3% GDP growth rate. Inflation slowed down, but remained above the exchange rate movement, hence resulting in real appreciation of the Turkish lira (TL). Rising demand plus overvaluation combined with the delayed impact of the customs union with the EU<sup>1</sup> led to unsustainable trade and current account deficits. As the sustainability of the current account deficit started to be questioned, the economy became extremely vulnerable to herd behaviour and speculative attacks of external agents. The programme collapsed following two attacks on the

<sup>1</sup> The EU-Turkey Customs Union became operational immediately after 1994 – a year of substantial devaluation of the Turkish lira. The slow-pace appreciation during the following four years did not eliminate the competitive edge in favour of the tradable sectors. The full impact of the Customs Union on the trade balance appeared in 2000 when strong demand expansion and substantial and fast currency appreciation resulted in a USD 22.3 billion trade deficit.

TL in November 2000 and February 2001. Substantial reserve depletion and 4-digit interest rates were unable to protect the peg; finally the government was forced to float the currency. By the end of the year, the currency had lost more than 50% of its value and the financial system had drifted into a disastrous banking crisis.

#### *Crisis management under IMF guidance*

The severe contraction of GNP in 2001 (-9.4%) was, initially, triggered by the substantial reversal of foreign capital flows from USD +15.2 billion in the first ten months of 2000 to USD -12.4 billion during the following eleven months, totalling USD 27.6 billion. Despite its direct responsibility for what had happened, the IMF took over the crisis management as well. This time, the IMF adopted a severely contractionary stabilization package consisting of a freely floating exchange rate, further fiscal tightening, tight monetary policy and still further 'structural reforms'. In return, substantial credits from the IMF and the World Bank are being allocated. (These are to reach USD 30 billions by the end of 2004.)

Currently, the banking system remains paralysed, credit lines are closed and the economy gets bogged down in depression. In its depressed state, the economy generates a current account surplus, inflation starts to decelerate and a semblance of stability appears to prevail in exchange and interest rates – resembling a comatose patient with a low temperature. Perfect stability will be attained when the patient passes away.

#### **Concluding reflections**

Turkish society is currently being shaped by external agents: i.e. by the International Monetary Fund / World Bank in the economic and social areas and by the European Union in the political area.

The IMF / WB management of the economic and social areas is crude, incompetent and primitive. It is built upon two pillars: an archaic stabilization model and standard IMF / WB recipes on structural

and institutional reform. Documents prepared by IMF / WB staff are being translated (and, in certain cases, slightly adapted) by the domestic economic team and forced through the Council of Ministers and Parliament. As a rule any specific loan package has a proper 'policy attachment'.

There is little confidence in the policies so imposed on the part of national actors; but the political class (including the opposition) feels that there is no other way to obtain the vital external funds. Helplessness, resignation and depolitization prevail in large sections of the population. There is, however, a widespread conviction that the current social apathy may mask potentially explosive sentiments. One must fear a potentially destructive social and political crisis.

Four unorthodox and radical steps may be necessary to break out of the current predicament: (i) introduction of at least temporary, but effective, capital controls; (ii) reduction of the burden of domestic debt, e.g. through a partially confiscatory tax on the domestic holders of government debt papers; (iii) a partial monetization of the stock of domestic debt; (iv) the rejection of IMF-imposed government guarantees on external private debt. Certainly, a rescheduling of the external debt stock (while servicing interest obligations) would be of great significance as well.

The EU's potential domination in the political sphere is taking place through the government's response to the Accession Partnership Document via a 'National Programme'. Full membership in the EU has strong public support. The population at large feels that economic benefits (especially due to expectations of the free movement of labour) outweigh costs.

However, compared with IMF / WB control over the economy, the EU influence in the political sphere is likely to provoke much stronger resistance among influential circles, the political class and the military. Complications generated by the Kurdish and Cyprus issues are feeding a growing sense of disappointment. Eurosceptics strongly believe that

## TURKEY

---

the EU is determined to reject Turkey's accession and will always find political and economic pretexts to justify that rejection. There is, also, a growing perception that the EU-Turkish Customs Union has been extremely detrimental for Turkey.

The Turkish-European relations reach back several centuries. 20<sup>th</sup> century history has also left its mark. Aspirations to be accepted and respected as an equal ally or partner are mixed with scenarios of external (including European) conspiracies to divide up, undermine, weaken the country. Striving to comply with the EU demands, but being rejected at every step is considered humiliating by increasing numbers of people. The process, as it continues indefinitely, is feeding fundamentalist, chauvinistic, obscurantist and anti-democratic forces within society.

The present author thinks that it would have been much better if Turkey had never applied for full membership. This is not based on an economic cost/benefit analysis; but rather on the pathological ideological and political consequences which the present impasse on membership is generating within society.

## 'State of play' in the EU accession negotiations for eight CEE candidates applying to join the EU in 2004

(As after the last negotiation meeting on 19 and 22 April 2002)

Chapter	Czech R.	Estonia	Hungary	Latvia	Lithuania	Poland	Slovakia	Slovenia
Justice & home affairs				○		○	○	
Competition	○		○			○	○	
Transport	○					○	○	
Taxation		○		○				
Energy		○			○			
Culture & audiovisual			○					
Fisheries						○		
Institutions	○		○	○				○
<b>Number of open, non-financial chapters</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>1</b>
Agriculture	○	○	○	○	○	○	○	○
Regional policy			○	○	○	○	○	○
Finance & budget	○	○	○	○	○	○	○	○
<b>Total number of open / closed chapters</b>	<b>5/25</b>	<b>4/26</b>	<b>6/24</b>	<b>6/24</b>	<b>4/26</b>	<b>7/23</b>	<b>6/24</b>	<b>4/26</b>

Legend: blank: provisionally closed chapter

○: open chapter, under discussion

Source: [www.euractiv.com](http://www.euractiv.com)





## 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
ECU	European currency unit
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.

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

## B U L G A R I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001												2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total	real, CPMY	1.6	-6.5	28.0	2.1	1.6	4.0	0.2	6.8	10.3	2.7	-0.7	1.3	-5.0	-2.9	0.1	.
Industry, total	real, CCPY	2.3	-6.5	11.9	2.5	3.0	2.4	1.7	2.0	2.6	2.2	1.5	2.4	0.7	-2.9	-2.7	.
<b>LABOUR</b>																	
Employees total	th. persons	1700	1693	1695	1705	1703	1717	1725	1719	1708	1713	1717	1707	1686	.	.	.
Employees in industry	th. persons	596	600	598	600	600	598	598	592	588	585	584	581	575	.	.	.
Unemployment, end of period	th. persons	682.8	708.7	713.8	704.7	707.8	678.5	654.0	643.5	637.8	629.9	637.3	657.0	662.3	687.8	683.9	669.0
Unemployment rate <sup>1)</sup>	%	17.9	18.5	18.7	18.4	18.5	17.8	17.1	16.8	16.7	16.5	16.7	17.2	17.3	18.0	17.9	17.5
Labour productivity, industry	CCPY	15.8	-1.8	17.5	7.3	7.5	6.7	5.9	6.2	6.8	6.4	5.7	6.6	4.7	.	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-4.3	12.2	-7.5	0.4	-0.2	0.5	1.3	0.9	0.4	0.5	1.3	0.3	1.9	.	.	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	BGN	253.0	236.0	233.0	245.0	253.0	261.0	261.0	256.0	256.0	264.0	259.0	261.0	278.0	.	.	.
Total economy, gross	real, CPMY	7.5	5.8	3.2	1.3	2.8	2.9	4.2	3.5	6.7	4.6	7.0	3.9	4.8	.	.	.
Total economy, gross	USD	116	113	110	114	115	117	114	113	118	123	120	119	127	.	.	.
Total economy, gross	EUR	129	121	119	125	129	133	133	131	131	135	132	133	142	.	.	.
Industry, gross	USD	124	122	118	124	120	118	120	117	125	131	126	125	131	.	.	.
<b>PRICES</b>																	
Consumer <sup>2)</sup>	PM	0.4	0.6	0.3	0.1	-0.2	0.1	-0.1	-0.2	0.3	1.3	1.7	0.2	0.6	2.7	1.6	0.8
Consumer <sup>2)</sup>	CPY	11.3	9.3	8.5	8.9	9.8	9.7	9.4	8.5	5.7	4.7	5.2	4.6	4.8	7.0	8.4	9.2
Consumer <sup>2)</sup>	CCPY	10.3	9.3	8.9	8.9	9.1	9.2	9.3	9.2	8.7	8.2	7.9	7.6	7.4	7.0	7.7	8.2
Producer, in industry	PM	0.0	-0.1	0.2	0.5	0.3	0.6	-0.3	-0.6	0.0	0.4	0.2	0.1	-0.5	0.3	.	.
Producer, in industry	CPY	14.9	13.4	11.8	10.5	12.1	9.7	9.5	7.7	6.0	3.3	1.2	1.2	0.7	1.1	.	.
Producer, in industry	CCPY	17.0	13.4	12.6	11.9	11.9	11.5	11.1	10.6	10.1	9.3	8.4	7.7	7.1	1.1	.	.
<b>RETAIL TRADE</b>																	
Turnover	real, CPMY	0.2	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
Turnover	real, CCPY	0.7	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
<b>FOREIGN TRADE<sup>3)4)</sup></b>																	
Exports total (fob), cumulated	EUR mn	5221	423	888	1388	1851	2299	2799	3325	3822	4287	4789	5294	5701	419	.	.
Imports total (cif), cumulated	EUR mn	7042	551	1109	1768	2412	3099	3853	4676	5339	5940	6697	7443	8084	567	.	.
Trade balance, cumulated	EUR mn	-1821	-127	-220	-380	-562	-800	-1054	-1352	-1517	-1653	-1909	-2149	-2382	-148	.	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-702	-139	-180	-231	-314	-408	-418	-499	-419	-469	-587	-745	-888	-136	-186	.
<b>EXCHANGE RATE</b>																	
BGN/USD, monthly average	nominal	2.181	2.085	2.122	2.151	2.192	2.234	2.293	2.273	2.173	2.141	2.159	2.202	2.192	2.215	2.248	2.234
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 <sup>5)</sup>	real, Jan98=100	109.5	104.7	106.6	108.2	110.9	113.4	116.7	115.6	110.2	107.6	106.4	108.0	106.5	104.8	104.7	103.2
BGN/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	99.8	98.1	97.8	97.6	99.5	101.2	103.2	101.2	96.8	95.0	93.4	95.1	93.6	94.3	.	.
BGN/EUR, calculated with CPI <sup>5)</sup>	real, Jan98=100	88.8	88.3	88.4	88.6	89.2	89.6	89.7	89.7	89.5	88.6	87.1	86.7	86.3	84.4	83.0	82.3
BGN/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	80.1	80.1	80.1	79.8	79.7	79.4	79.7	79.8	79.7	79.5	79.0	78.5	78.8	78.7	.	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	BGN mn	2373.6	2203.8	2214.7	2225.2	2307.0	2343.7	2427.2	2521.6	2542.0	2601.3	2570.1	2641.5	3080.6	2924.3	2904.8	2862.2
M1, end of period	BGN mn	3632.2	3522.3	3556.6	3555.0	3645.7	3746.3	3834.0	3932.1	3966.2	4029.9	3988.1	4103.8	4664.7	4411.0	4402.6	4382.2
Broad money, end of period	BGN mn	9290.7	9324.8	9430.0	9481.7	9143.1	9431.2	9678.7	9995.4	10105.9	10302.6	10352.1	10624.9	11594.1	11499.7	11508.7	11504.5
Broad money, end of period	CMY	26.4	26.8	26.5	25.8	18.8	24.1	27.7	24.5	22.2	22.9	13.4	17.4	24.8	23.3	22.0	21.3
BNB base rate (p.a.) <sup>end of period</sup>	%	4.7	4.4	4.3	4.2	4.4	4.6	4.6	4.6	4.8	4.8	4.7	4.9	4.7	4.9	4.6	4.5
BNB base rate (p.a.) <sup>end of period<sup>5)</sup></sup>	real, %	-8.8	-8.0	-6.7	-5.7	-6.8	-4.7	-4.6	-2.9	-1.1	1.5	3.5	3.6	4.0	3.7	.	.
<b>BUDGET</b>																	
Government budget balance, cum. <sup>7)</sup>	BGN mn	-183.8	-370.0	-422.1	-223.5	-98.1	-18.5	-175.7	-447.8	-468.9	-559.1	-409.6	-408.3	-669.4	154.2	.	-125.3

1) Ratio of unemployed to total employment.

2) According to EU methodology.

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

4) Cumulation starting January and ending December each year.

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

6) Deflated with annual PPI.

7) Including some extrabudgetary accounts and funds.

## C R O A T I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001												2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total <sup>1)</sup>	real, CMPY	-2.2	14.0	-0.8	4.6	9.8	8.2	1.1	3.9	8.5	5.8	8.3	4.6	5.2	3.2	3.8	-1.1
Industry, total <sup>1)</sup>	real, CCPY	1.7	14.0	6.2	5.5	6.6	7.0	5.9	5.6	5.8	5.9	6.1	6.0	6.0	3.2	3.4	1.7
Industry, total <sup>1)</sup>	real, 3MMA	3.1	3.1	5.6	4.5	7.5	6.2	4.3	4.4	6.0	7.6	6.3	6.1	.	.	.	.
Construction, total, effect.work.time <sup>2)</sup>	real, CMPY	-1.8	9.0	-4.6	-2.7	0.5	2.6	1.9	8.0	5.2	2.6	.	.	.	.	.	.
<b>LABOUR</b>																	
Employment total	th. persons	1321.5	1313.5	1310.5	1310.8	1319.0	1327.4	1335.6	1344.9	1346.4	1337.7	1333.3	1329.0	1316.8	1305.2	1324.0	.
Employees in industry <sup>2)</sup>	th. persons	286.6	284.7	283.4	282.9	283.2	283.7	284.1	284.0	283.5	282.7	283.8	282.5	279.6	277.8	280.1	.
Unemployment, end of period	th. persons	378.5	386.2	388.9	388.7	382.8	373.4	364.9	367.9	369.2	376.6	383.5	385.3	395.1	411.1	414.4	.
Unemployment rate <sup>3)</sup>	%	22.3	22.7	22.9	22.9	22.5	22.0	21.5	21.5	21.5	22.0	22.3	22.5	23.1	24.0	23.8	.
Labour productivity, industry <sup>1)</sup>	CCPY	4.3	17.7	9.9	9.3	10.6	11.0	9.9	9.4	9.7	9.7	9.8	9.7	9.3	.	.	.
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	1.0	-5.3	-0.8	0.5	0.3	0.6	1.8	2.8	2.3	1.5	1.1	1.2	1.3	.	.	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	HRK	5016	5072	4836	5052	5002	5202	4999	5066	5090	4885	5051	5325	5142	5159	.	.
Total economy, gross	real, CMPY	-5.0	-0.7	-5.1	-1.6	0.4	-1.7	-2.0	2.4	-1.3	-2.3	-0.5	1.3	-0.1	-1.5	.	.
Total economy, gross	USD	593	627	579	598	587	619	585	604	620	592	612	639	621	610	.	.
Total economy, gross	EUR	661	667	628	657	657	706	685	704	690	650	676	719	696	690	.	.
Industry, gross	USD	522	559	518	541	526	573	534	553	562	536	565	589	561	555	.	.
<b>PRICES</b>																	
Retail <sup>4)</sup>	PM	0.0	0.1	0.5	0.1	1.4	0.6	-0.3	-0.6	1.0	0.3	-0.1	-0.2	-0.2	0.8	0.1	0.4
Retail <sup>4)</sup>	CMPY	7.4	6.6	6.8	6.0	6.8	7.2	4.9	3.8	4.9	3.8	3.2	2.8	2.6	3.3	2.8	3.2
Retail <sup>4)</sup>	CCPY	6.2	6.6	6.7	6.5	6.6	6.8	6.4	6.0	5.9	5.7	5.3	5.1	4.9	3.3	3.0	3.2
Producer, in industry	PM	0.2	-0.7	0.9	-1.6	0.0	0.0	0.1	-0.7	-0.5	0.6	0.2	-0.5	-1.0	-0.1	0.6	-1.1
Producer, in industry	CMPY	11.2	8.2	8.3	5.5	5.1	5.2	4.5	4.0	3.4	3.0	2.1	-2.0	-3.1	-2.6	-2.8	-2.3
Producer, in industry	CCPY	9.7	8.2	8.2	7.3	6.7	6.4	6.1	5.8	5.5	5.2	4.8	4.2	3.6	-2.6	-2.7	-2.6
<b>RETAIL TRADE</b>																	
Turnover	real, CMPY	5.2	15.5	5.3	12.3	13.2	12.0	11.2	9.2	8.1	6.8	8.5	8.7	7.7	10.9	13.5	.
Turnover	real, CCPY	10.0	.	.	10.9	11.5	11.6	11.7	11.3	10.9	10.5	10.4	10.2	10.0	10.9	12.2	.
<b>FOREIGN TRADE<sup>5)6)</sup></b>																	
Exports total (fob), cumulated	EUR mn	4818	342	748	1184	1569	2011	2488	2922	3395	3830	4379	4766	5202	358	716	.
Imports total (cif), cumulated	EUR mn	8588	572	1265	2163	2995	4076	5060	6004	6773	7589	8520	9358	10116	681	1487	.
Trade balance, cumulated	EUR mn	-3770	-230	-517	-979	-1425	-2064	-2572	-3082	-3378	-3759	-4141	-4592	-4914	-323	-771	.
Exports to EU (fob), cumulated	EUR mn	2631	200	409	640	867	1094	1369	1588	1858	2110	2460	2667	2854	196	417	.
Imports from EU (cif), cumulated	EUR mn	4706	319	710	1178	1652	2245	2819	3334	3741	4180	4713	5222	5664	350	797	.
Trade balance with EU, cumulated	EUR mn	-2075	-120	-301	-538	-785	-1152	-1450	-1747	-1883	-2070	-2253	-2554	-2810	-154	-380	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-399	.	.	-611	.	.	-1444	.	.	-244	.	.	-623	.	.	.
<b>EXCHANGE RATE</b>																	
HRK/USD, monthly average	nominal	8.459	8.089	8.352	8.444	8.528	8.409	8.545	8.384	8.208	8.248	8.254	8.333	8.286	8.452	8.626	8.455
HRD/EUR, monthly average	nominal	7.586	7.606	7.697	7.695	7.615	7.369	7.298	7.199	7.377	7.516	7.475	7.408	7.391	7.477	7.500	7.403
HRK/USD, calculated with CPI <sup>7)</sup>	real, Jan98=100	123.6	118.8	122.6	124.0	124.0	122.1	124.7	122.7	118.9	119.6	119.5	120.6	119.8	121.2	123.6	120.7
HRK/USD, calculated with PPI <sup>7)</sup>	real, Jan98=100	124.1	122.7	123.2	125.2	126.9	125.6	126.3	122.8	120.8	120.7	117.7	119.3	117.9	120.4	122.2	121.1
HRD/EUR, calculated with CPI <sup>7)</sup>	real, Jan98=100	100.2	100.3	101.4	101.6	99.7	96.4	95.8	94.9	96.4	98.1	97.7	96.8	96.8	97.6	97.8	96.1
HRD/EUR, calculated with PPI <sup>7)</sup>	real, Jan98=100	99.5	100.2	100.7	102.4	101.7	98.6	97.5	96.4	99.2	100.6	99.4	98.5	99.1	100.5	100.3	100.1
<b>DOMESTIC FINANCE</b>																	
M0, end of period	HRK mn	6637	5908	6113	6412	6551	6790	7266	7734	7551	7475	7182	7423	8507	8255	8345	.
M1, end of period	HRK mn	18030	16717	16971	17395	18253	18845	19065	20531	19838	20285	20065	20976	23704	22396	22165	.
Broad money, end of period	HRK mn	73061	74063	75524	77505	77651	77828	79690	81993	87748	88344	90102	95006	106071	108647	107184	.
Broad money, end of period	CMPY	28.9	32.0	31.7	33.8	31.7	29.7	28.5	24.9	28.6	28.1	29.1	34.8	45.2	46.7	41.9	.
Discount rate (p.a.), end of period	%	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Discount rate (p.a.), end of period <sup>8)</sup>	real, %	-4.8	-2.1	-2.2	0.4	0.8	0.7	1.3	1.8	2.4	2.8	3.7	8.1	9.3	8.7	9.0	8.4
<b>BUDGET</b>																	
Central gov. budget balance, cum.	HRK mn	-6107.9	-619.8	-1548.0	-3250.8	-3609.1	-4044.8	-4380.0	-4549.6	-4629.3	-5435.0	-2175.5	-2232.1	-3758.5	-437.3	.	.

1) In business entities with more than 19 persons employed.

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

3) Ratio of unemployed to the economically active population.

4) From August 2001 adjustment lowering telecom prices.

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

6) Cumulation starting January and ending December each year.

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

8) Deflated with annual PPI.

## C Z E C H REPUBLIC: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001												2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	1.4	13.8	6.5	9.8	11.3	6.9	3.7	9.3	3.0	1.1	4.1	6.6	7.0	2.6	5.8	.
Industry, total	real, CCPY	5.4	13.8	10.0	10.0	10.3	9.6	8.6	8.7	7.9	7.1	6.8	6.8	6.8	2.6	4.2	.
Industry, total	real, 3MMA	6.3	7.1	10.0	9.2	9.3	7.2	6.5	5.1	4.2	2.7	4.0	5.8	5.4	5.1	.	.
Construction, total	real, CMPY	2.3	12.5	16.0	15.8	16.1	15.1	12.2	21.4	9.2	3.6	7.0	2.5	-6.8	3.1	13.8	.
<b>LABOUR</b>																	
Employees in industry <sup>1)</sup>	th. persons	1181	1163	1175	1185	1183	1181	1184	1193	1191	1184	1185	1174	1165	1163	1167	.
Unemployment, end of period	th. persons	457.4	474.1	466.1	451.5	433.3	420.6	420.3	439.8	443.6	440.5	437.3	439.2	461.9	489.0	485.2	471.7
Unemployment rate <sup>2)</sup>	%	8.8	9.1	9.0	8.7	8.3	8.1	8.1	8.5	8.5	8.5	8.4	8.5	8.9	9.4	9.3	9.1
Labour productivity, industry <sup>13)</sup>	CCPY	8.3	16.8	10.8	8.8	8.4	7.6	6.9	6.7	6.5	5.7	5.7	5.7	4.9	1.5	3.8	.
Unit labour costs, exch.r. adj.(EUR) <sup>13)</sup>	CCPY	1.5	-1.4	0.8	1.3	2.3	3.7	4.5	4.9	4.8	5.2	5.3	5.1	5.8	14.9	12.6	.
<b>WAGES, SALARIES</b>																	
Industry, gross <sup>1)</sup>	CZK	14805	13581	12740	13623	13693	15039	14700	14532	14260	13794	14763	16909	15489	14496	13687	.
Industry, gross <sup>1)</sup>	real, CMPY	0.5	7.9	0.9	0.1	3.1	2.1	0.4	1.6	0.6	0.0	2.2	0.1	0.7	2.7	2.9	.
Industry, gross <sup>1)</sup>	USD	380	363	339	359	354	383	370	369	377	367	399	451	425	399	375	.
Industry, gross <sup>1)</sup>	EUR	425	386	368	394	396	437	433	429	419	403	440	507	475	452	431	.
<b>PRICES</b>																	
Consumer	PM	0.2	1.9	0.0	0.1	0.4	0.6	1.0	1.0	-0.2	-0.7	0.0	-0.1	0.1	1.5	0.2	-0.1
Consumer	CMPY	4.0	4.2	4.0	4.1	4.6	5.0	5.5	5.9	5.5	4.7	4.4	4.2	4.1	3.7	3.9	3.7
Consumer	CCPY	3.9	4.1	4.0	4.0	4.2	4.4	4.5	4.7	4.8	4.8	4.8	4.7	4.7	3.7	3.8	3.7
Producer, in industry	PM	-0.2	0.4	0.9	0.1	-0.6	0.2	0.2	-0.1	-0.3	0.0	0.7	-0.4	-0.3	0.2	0.2	0.0
Producer, in industry	CMPY	4.9	4.2	4.7	4.1	4.1	3.8	3.4	3.0	2.4	1.8	1.4	0.9	0.8	0.6	-0.1	-0.2
Producer, in industry	CCPY	4.9	4.2	4.4	4.3	4.3	4.2	4.0	3.9	3.7	3.5	3.3	3.1	2.9	0.6	0.2	0.1
<b>RETAIL TRADE</b>																	
Turnover	real, CMPY	4.5	7.6	0.3	3.2	6.0	4.2	2.1	5.7	3.3	4.1	8.2	8.2	0.0	3.5	4.3	.
Turnover	real, CCPY	4.5	7.6	3.9	3.7	4.2	4.2	3.9	4.2	4.0	4.1	4.4	4.7	4.3	3.5	3.9	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	31483	2861	5834	9164	12132	15398	18597	21402	24255	27356	30925	34486	37269	3071	6347	9846
Imports total (fob), cumulated	EUR mn	34876	3076	6263	9918	13219	16737	20076	23420	26667	29683	33563	37293	40708	3256	6447	10173
Trade balance, cumulated	EUR mn	-3393	-215	-429	-755	-1087	-1339	-1479	-2017	-2412	-2327	-2638	-2807	-3440	-185	-100	-327
Exports to EU (fob), cumulated	EUR mn	21588	2031	4156	6507	8586	10844	13047	14961	16866	18970	21385	23784	25655	2148	4443	6907
Imports from EU (fob), cumulated	EUR mn	21637	1880	3916	6290	8356	10546	12653	14770	16776	18592	20986	23219	25174	1999	3975	6246
Trade balance with EU, cumulated	EUR mn	-49	151	240	217	231	298	394	191	89	378	399	565	481	149	468	661
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-2843	.	.	-636	.	.	-1259	.	.	-1967	.	.	-2654	.	.	.
<b>EXCHANGE RATE</b>																	
CZK/USD, monthly average	nominal	38.9	37.4	37.6	38.0	38.7	39.3	39.8	39.3	37.9	37.6	37.0	37.5	36.5	36.3	36.5	35.8
CZK/EUR, monthly average	nominal	34.8	35.1	34.6	34.6	34.5	34.4	34.0	33.9	34.0	34.2	33.6	33.3	32.6	32.1	31.8	31.4
CZK/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	108.6	103.1	103.8	105.1	107.2	108.5	109.0	106.4	102.7	102.9	101.1	102.3	99.2	97.3	97.7	95.9
CZK/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	109.7	107.9	105.2	105.1	108.3	110.0	110.1	107.3	103.6	102.7	98.2	99.8	95.8	95.2	95.6	93.8
CZK/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	87.8	87.0	86.1	86.1	86.1	85.6	83.8	82.5	83.2	84.4	82.8	82.1	80.3	78.2	77.4	76.5
CZK/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	87.7	88.0	86.2	86.1	86.7	86.3	85.1	84.5	85.1	85.6	83.1	82.4	80.7	79.4	78.5	77.5
<b>DOMESTIC FINANCE</b>																	
M0, end of period	CZK bn	171.8	168.2	170.6	171.5	172.6	172.6	173.9	170.6	172.6	177.1	175.9	181.8	180.4	179.9	182.3	.
M1, end of period	CZK bn	542.5	543.3	549.2	551.1	566.0	583.4	592.6	598.5	600.6	604.8	602.2	615.1	633.5	578.7	581.5	.
M2, end of period	CZK bn	1479.5	1487.3	1498.4	1498.1	1530.4	1578.6	1582.5	1602.7	1618.5	1603.7	1609.9	1635.3	1659.2	1596.4	1592.6	.
M2, end of period	CMPY	6.5	9.0	7.8	7.8	9.2	11.4	13.1	13.3	12.8	12.0	11.8	12.4	12.1	7.3	6.3	.
Discount rate (p.a.), end of period	%	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.25	4.25	4.25	4.25	3.75	3.75	3.50	3.25	3.25
Discount rate (p.a.), end of period <sup>7)</sup>	real, %	0.0	0.8	-0.6	-0.1	-0.1	0.2	0.6	1.2	1.8	2.4	2.8	2.8	2.9	2.9	3.4	3.5
<b>BUDGET</b>																	
Central gov. budget balance, cum.	CZK mn	-46060	18748	3248	2677	-16809	-28713	-29652	-23519	-25566	-22644	-35432	-59797	-67698	-3417	-24923	.

1) Enterprises employing 20 and more persons.

2) Ratio of job applicants to the sum of economically active, women on maternity leave and job applicants.

3) From January 2001 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) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.

7) Deflated with annual PPI.

## H U N G A R Y: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001												2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	8.8	19.8	9.8	3.0	11.6	8.6	0.2	2.7	2.4	-6.4	5.9	-1.0	-2.2	-1.0	0.0	.
Industry, total	real, CCPY	18.2	19.8	14.6	10.6	10.8	10.4	8.4	7.6	6.9	5.3	5.3	4.6	4.1	-1.0	-0.5	.
Industry, total	real, 3MMA	13.8	12.6	10.6	7.9	7.5	6.2	3.6	1.7	-0.7	0.5	-0.6	0.9	-1.4	-1.0	.	.
Construction, total	real, CMPY	0.3	7.3	5.2	5.1	7.1	16.8	8.7	11.7	22.4	9.9	7.2	7.0	7.4	13.5	26.5	.
<b>LABOUR</b>																	
Employees in industry <sup>1)</sup>	th. persons	843.8	839.7	844.0	845.2	839.7	835.6	834.2	834.4	831.3	828.1	824.1	821.8	812.6	825.1	825.5	.
Unemployment <sup>2)</sup>	th. persons	238.0	246.9	258.8	230.8	233.6	232.2	223.8	233.9	237.0	218.3	227.5	235.2	216.9	235.8	238.5	231.6
Unemployment rate <sup>2)</sup>	%	5.7	6.0	6.3	5.6	5.8	5.7	5.4	5.7	5.8	5.3	5.6	5.8	5.4	5.8	5.9	5.7
Labour productivity, industry <sup>1)</sup>	CCPY	17.1	19.5	14.5	10.8	11.1	10.9	9.3	8.6	8.0	6.6	7.0	6.6	5.9	1.1	1.6	.
Unit labour costs, exchr. adj.(EUR) <sup>1)</sup>	CCPY	-4.5	-3.2	-1.1	1.2	1.2	1.5	4.1	5.4	6.5	7.9	7.9	8.6	9.5	22.1	21.3	.
<b>WAGES, SALARIES</b>																	
Total economy, gross <sup>1)</sup>	HUF	115805	94262	91314	95268	99268	98523	101567	99069	97581	99416	106173	124074	136593	112385	108836	.
Total economy, gross <sup>1)</sup>	real, CMPY	5.8	5.3	6.3	5.4	8.5	4.1	6.8	4.2	7.9	10.3	12.9	14.8	10.5	11.8	12.2	.
Total economy, gross <sup>1)</sup>	USD	392	334	317	326	332	334	351	342	350	354	377	438	493	407	389	.
Total economy, gross <sup>1)</sup>	EUR	437	356	344	358	372	381	411	398	389	389	416	494	552	461	447	.
Industry, gross <sup>1)</sup>	USD	367	335	324	342	326	361	358	352	372	356	375	438	433	407	376	.
<b>PRICES</b>																	
Consumer	PM	0.3	1.5	1.4	1.0	0.7	0.9	0.3	0.1	-0.2	0.5	0.3	0.1	0.1	1.3	1.0	0.7
Consumer	CMPY	10.1	10.1	10.4	10.5	10.3	10.8	10.5	9.4	8.7	8.0	7.6	7.1	6.8	6.6	6.2	5.9
Consumer	CCPY	9.8	10.1	10.3	10.3	10.3	10.4	10.4	10.3	10.1	9.9	9.6	9.4	9.2	6.6	6.2	6.2
Producer, in industry	PM	-0.2	0.7	0.7	0.7	0.2	-0.7	-1.3	0.1	0.1	0.7	-0.3	-0.8	-0.7	-1.2	-0.2	.
Producer, in industry	CMPY	12.4	10.1	9.8	9.2	8.9	7.0	5.3	4.4	3.3	2.9	1.9	0.0	-0.4	-2.0	-2.3	.
Producer, in industry	CCPY	11.7	10.1	10.0	9.7	9.5	9.0	8.4	7.8	7.3	6.8	6.3	5.7	5.2	-2.0	-2.2	.
<b>RETAIL TRADE</b>																	
Turnover <sup>3)</sup>	real, CMPY	0.4	8.9	5.6	5.8	5.8	4.3	4.0	5.3	4.7	3.3	5.4	3.0	3.6	13.8	10.4	.
Turnover <sup>3)</sup>	real, CCPY	1.9	8.9	7.2	6.7	6.4	5.9	5.6	5.5	5.4	5.2	5.2	5.0	4.8	13.8	12.1	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	30542	2444	5182	8157	10920	13921	16861	19564	22192	25079	28251	31551	34087	2528	5444	.
Imports total (cif), cumulated	EUR mn	34854	2860	5887	9137	12260	15606	18803	21956	24776	27762	31266	34713	37659	2869	6099	.
Trade balance, cumulated	EUR mn	-4311	-417	-705	-980	-1340	-1686	-1943	-2392	-2584	-2682	-3015	-3162	-3572	-340	-655	.
Exports to EU (fob), cumulated	EUR mn	22938	1883	3970	6215	8244	10443	12637	14669	16569	18813	21079	23374	25320	1942	4187	.
Imports from EU (cif), cumulated	EUR mn	20352	1672	3430	5303	7064	8980	10876	12707	14332	16141	18064	20011	21765	1638	3426	.
Trade balance with EU, cumulated	EUR mn	2586	211	539	912	1180	1463	1761	1962	2237	2671	3015	3363	3555	305	762	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-1328	-165	-177	-221	-329	-516	-888	-807	-626	-637	-702	-812	-1105	-345	-517	.
<b>EXCHANGE RATE</b>																	
HUF/USD, monthly average	nominal	295.4	282.2	288.0	292.6	299.0	295.4	289.3	289.5	279.1	280.9	281.5	283.1	277.0	275.9	279.9	279.5
HUF/EUR, monthly average	nominal	265.0	265.0	265.6	266.5	267.0	258.3	247.1	249.0	251.2	255.9	255.5	251.1	247.6	243.9	243.5	244.7
HUF/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	117.7	111.4	112.6	113.5	115.6	113.6	111.2	110.8	107.0	107.6	107.2	107.5	104.8	103.0	103.5	102.6
HUF/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	123.5	120.3	119.6	119.3	122.2	122.0	119.9	117.9	113.6	113.5	111.5	112.9	109.5	110.4	112.2	.
HUF/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	95.5	94.1	93.4	93.0	93.0	89.7	85.6	86.0	87.0	88.4	88.0	86.2	85.0	83.0	82.0	81.9
HUF/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	99.2	98.3	98.0	97.7	98.0	95.7	92.8	92.9	93.5	94.7	94.5	93.1	92.3	92.2	92.3	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	HUF bn	883.9	825.1	826.2	838.5	849.8	872.8	903.4	907.8	932.2	957.4	965.6	1006.8	1037.9	986.0	991.8	1006.4
M1, end of period	HUF bn	2378.3	2216.1	2185.1	2236.3	2235.0	2292.1	2331.6	2319.5	2438.1	2457.9	2478.7	2537.4	2771.5	2564.1	2569.9	2638.6
Broad money, end of period	HUF bn	6052.2	5971.7	5977.7	6013.6	6059.3	6155.4	6163.9	6241.7	6516.2	6545.0	6637.5	6715.3	7093.6	6984.4	6927.4	6973.8
Broad money, end of period	CMPY	12.7	13.0	11.1	10.7	11.6	13.5	12.7	13.3	15.9	15.2	15.4	13.9	17.2	17.0	15.9	16.0
NBH base rate (p.a.) <sub>end of period</sub>	%	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.3	11.3	11.0	10.8	10.3	9.8	9.0	8.5	8.5
NBH base rate (p.a.) <sub>end of period</sub> <sup>7)</sup>	real, %	-1.2	0.8	1.1	1.6	1.9	3.7	5.4	6.6	7.7	7.9	8.7	10.3	10.2	11.2	11.1	.
<b>BUDGET</b>																	
Central gov.budget balance <sub>cum.</sub>	HUF bn	-369.4	10.3	-34.3	-35.2	-56.4	-66.8	-84.2	-102.7	-135.8	-170.6	-194.9	-178.5	-413.2	-59.3	.	.

1) Economic organizations employing more than 5 persons.

2) According to ILO methodology.

3) Excluding catering.

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

5) Cumulation starting January and ending December each year.

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

7) Deflated with annual PPI.

## P O L A N D: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000												2001			2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
<b>PRODUCTION</b>																			
Industry <sup>1)</sup>	real, CMPY	-2.2	10.7	-0.1	3.3	3.8	-0.4	-4.7	1.5	0.9	-3.7	1.8	-1.1	-4.8	-1.4	0.3	-3.2		
Industry <sup>1)</sup>	real, CCPY	7.5	10.7	5.1	4.5	4.3	3.3	1.9	1.8	1.7	1.0	1.1	0.9	-0.2	-1.4	-0.6	-1.5		
Industry <sup>1)</sup>	real, 3MMA	4.0	2.4	4.5	2.4	2.2	-0.6	-1.3	-0.9	-0.6	-0.4	-1.0	-1.3	-2.5	-2.1	-1.5	.		
Construction <sup>1)</sup>	real, CMPY	-6.2	-9.7	-9.1	-8.3	-10.8	0.3	-10.0	-10.3	-14.0	-10.9	-9.7	-9.5	-10.5	-21.5	-13.9	-14.4		
<b>LABOUR</b>																			
Employees <sup>1)</sup>	th. persons	5199	5184	5189	5170	5156	5135	5121	5097	5074	5060	5044	5020	4952	4940	4931	4924		
Employees in industry <sup>1)</sup>	th. persons	2691	2668	2673	2663	2651	2634	2624	2608	2594	2584	2589	2576	2528	.	.	.		
Unemployment, end of period	th. persons	2702.6	2835.6	2876.9	2898.7	2878.0	2841.1	2849.2	2871.5	2892.6	2920.4	2944.3	3022.4	3115.1	3253.3	3277.9	3259.9		
Unemployment rate <sup>2)</sup>	%	15.1	15.7	15.9	16.1	16.0	15.9	15.9	16.0	16.2	16.3	16.4	16.8	17.4	18.0	18.1	18.1		
Labour productivity, industry <sup>1)</sup>	CCPY	14.7	16.4	10.3	9.6	9.4	8.4	7.0	7.0	6.9	6.3	6.4	6.3	5.8	.	.	.		
Unit labour costs, exch.r.adj.(EUR) <sup>1)</sup>	CCPY	1.3	2.0	6.1	6.3	6.8	9.5	12.4	12.7	11.5	10.8	10.3	10.4	10.4	.	.	.		
<b>WAGES, SALARIES</b>																			
Total economy, gross <sup>1)</sup>	PLN	2350	2069	2075	2149	2176	2163	2148	2199	2192	2218	2252	2302	2471	2188	2189	2252		
Total economy, gross <sup>1)</sup>	real, CMPY	-1.9	2.4	1.1	1.7	-1.2	1.8	-1.1	3.0	1.8	1.8	3.9	3.0	1.8	2.1	2.0	1.5		
Total economy, gross <sup>1)</sup>	USD	545	503	507	529	542	543	541	525	516	526	545	562	616	538	523	544		
Total economy, gross <sup>1)</sup>	EUR	606	535	551	582	606	621	634	611	574	577	602	633	690	609	601	621		
Industry, gross <sup>1)</sup>	USD	566	507	510	535	534	542	537	526	516	512	532	579	636	.	.	.		
<b>PRICES</b>																			
Consumer	PM	0.2	0.8	0.1	0.5	0.8	1.1	-0.1	-0.3	-0.3	0.3	0.4	0.1	0.2	0.8	0.1	0.2		
Consumer	CMPY	8.5	7.4	6.6	6.2	6.6	6.9	6.2	5.2	5.1	4.3	4.0	3.6	3.6	3.4	3.5	3.3		
Consumer	CCPY	10.1	7.5	7.1	6.8	6.8	6.9	6.7	6.5	6.3	6.1	5.9	5.7	5.5	3.6	3.6	3.5		
Producer, in industry	PM	-0.9	-0.3	-0.1	0.2	0.2	0.0	-0.4	0.3	0.8	0.5	-0.6	-0.6	-0.3	0.1	0.2	0.3		
Producer, in industry	CMPY	5.6	4.7	4.1	3.8	3.4	2.3	0.9	0.6	1.0	0.7	-0.5	-1.0	-0.4	0.0	0.2	0.4		
Producer, in industry	CCPY	7.8	4.8	4.5	4.3	4.1	3.8	3.3	2.9	2.7	2.5	2.2	1.9	1.6	0.1	0.2	0.3		
<b>RETAIL TRADE</b>																			
Turnover <sup>1)</sup>	real, CMPY	-3.9	3.2	-5.5	-3.8	-2.5	0.2	-1.8	-0.1	1.1	0.2	5.1	2.1	1.1	3.9	6.6	.		
Turnover <sup>1)</sup>	real, CCPY	1.5	3.2	-0.8	-3.1	-2.6	-1.2	-1.4	-0.8	-0.4	-0.4	0.1	0.4	0.7	3.9	5.3	.		
<b>FOREIGN TRADE<sup>3)4)</sup></b>																			
Exports total (fob), cumulated	EUR mn	34380	3141	6347	9924	13157	16497	19836	23049	26297	29948	33899	37388	40372	3282	6417	.		
Imports total (cif), cumulated	EUR mn	53118	4279	8484	13446	18084	22896	27654	32482	36888	41518	46871	51754	56220	4092	8466	.		
Trade balance, cumulated	EUR mn	-18738	-1138	-2137	-3522	-4928	-6399	-7819	-9433	-10591	-11570	-12971	-14365	-15847	-810	-2049	.		
Exports to EU (fob), cumulated	EUR mn	24036	2308	4594	7153	9395	11762	14099	16314	18454	20881	23479	25485	27940	.	.	.		
Imports from EU (cif), cumulated	EUR mn	32492	2574	5170	8239	11077	14041	16945	19971	22610	25491	28805	31591	34510	.	.	.		
Trade balance with EU, cumulated	EUR mn	-8457	-266	-576	-1086	-1682	-2279	-2846	-3656	-4157	-4610	-5326	-6107	-6569	.	.	.		
<b>FOREIGN FINANCE</b>																			
Current account, cumulated	USD mn	-9946	-959	-1491	-2230	-2752	-3489	-4440	-4745	-5105	-5413	-6249	-6667	-7166	-847	-1636	.		
<b>EXCHANGE RATE</b>																			
PLN/USD, monthly average	nominal	4.313	4.111	4.093	4.060	4.017	3.981	3.970	4.186	4.246	4.219	4.133	4.094	4.014	4.065	4.187	4.143		
PLN/EUR, monthly average	nominal	3.880	3.865	3.768	3.695	3.590	3.485	3.389	3.600	3.822	3.845	3.743	3.639	3.583	3.595	3.641	3.629		
PLN/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	105.1	100.0	99.9	98.8	97.3	95.8	95.8	101.0	102.8	102.2	99.4	98.2	95.8	96.3	99.0	97.8		
PLN/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	112.3	110.2	107.8	105.5	104.6	104.1	103.2	106.7	107.4	106.2	102.3	101.8	98.5	99.6	102.4	101.1		
PLN/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	85.5	84.5	82.7	80.9	78.4	75.6	73.7	78.3	83.5	83.9	81.4	78.9	77.6	77.5	78.5	78.0		
PLN/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	90.4	90.1	88.1	86.3	84.0	81.7	79.8	84.0	88.4	88.6	86.4	84.1	82.9	83.3	84.2	83.6		
<b>DOMESTIC FINANCE</b>																			
M0, end of period	PLN bn	34.1	32.0	32.5	33.5	34.5	33.8	35.0	35.3	35.5	36.6	36.6	36.6	38.2	36.8	37.9	38.8		
M1, end of period	PLN bn	93.8	89.4	89.5	89.8	90.7	91.5	92.3	95.5	94.7	97.3	96.2	94.0	104.0	98.3	101.1	.		
M2, end of period	PLN bn	294.4	292.6	295.5	301.0	303.0	305.0	307.5	314.6	318.5	320.7	324.7	326.3	334.8	328.5	329.5	.		
M2, end of period	CMPY	11.7	14.6	14.6	14.9	14.0	13.5	8.0	13.5	14.6	14.3	13.0	12.1	13.7	12.3	11.5	.		
Discount rate (p.a.)end of period	%	21.5	21.5	21.5	19.5	19.5	19.5	18.0	18.0	17.0	17.0	15.5	14.0	14.0	12.0	12.0	12.0		
Discount rate (p.a.)end of period <sup>6)</sup>	real, %	15.1	16.0	16.7	15.1	15.6	16.8	16.9	17.3	15.8	16.2	16.1	15.2	14.5	12.0	11.8	11.6		
<b>BUDGET</b>																			
Central gov.budget balance, cum.	PLN mn	-15391	-5092	-11979	-14993	-18282	-20384	-18806	-19377	-20964	-21813	-24635	-27684	-32580	-6886	-13715	-16430		

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

6) Deflated with annual PPI.

## R O M A N I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001											2002			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total <sup>1)</sup>	real, CPMY	2.3	16.3	9.7	7.4	12.5	12.9	5.0	5.7	4.6	2.5	9.5	8.4	5.3	5.1	4.7	.
Industry, total <sup>1)</sup>	real, CCPY	6.6	16.3	12.9	10.8	11.3	11.6	10.5	9.7	9.1	8.3	8.4	8.4	8.2	5.1	4.9	.
Industry, total	real, 3MMA	8.3	9.3	10.8	9.9	10.9	10.1	7.9	5.1	4.3	5.6	6.8	7.8	6.4	5.1	.	.
<b>LABOUR</b>																	
Employees total	th. persons	4374.1	4413.5	4447.5	4467.1	4485.2	4521.5	4529.7	4542.3	4546.4	4551.7	4544.8	4507.3	4470.3	4314.2	4333.8	.
Employees in industry	th. persons	1839.6	1813.2	1825.1	1825.4	1828.2	1833.5	1833.2	1836.7	1845.0	1843.6	1843.5	1829.7	1820.0	1833.8	1831.3	.
Unemployment, end of period	th. persons	1007.1	1032.9	1032.3	992.8	948.4	890.8	840.3	798.3	771.8	747.1	742.4	774.0	826.9	1193.7	1267.4	.
Unemployment rate <sup>2)</sup>	%	10.5	10.7	10.7	10.3	9.8	9.2	8.7	8.3	8.0	7.8	7.7	8.0	8.6	12.4	13.2	.
Labour productivity, industry	CCPY	13.0	22.6	18.3	15.9	16.4	16.4	15.1	14.0	13.1	12.1	12.1	11.9	11.5	3.9	4.1	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	2.4	-7.4	-6.3	-3.6	-2.5	-1.1	1.6	4.1	4.6	5.0	4.5	4.1	3.9	14.2	15.0	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	th. ROL	3975.9	3621.7	3412.0	3717.3	4321.7	4174.7	4280.6	4436.3	4449.5	4424.0	4534.1	4719.7	5299.7	5144.8	4778.5	.
Total economy, gross	real, CPMY	10.4	14.4	7.1	6.5	10.8	13.6	13.1	18.1	15.6	12.8	11.3	7.8	2.3	10.5	10.1	.
Total economy, gross	USD	155	138	127	136	155	147	148	151	149	146	147	151	168	161	148	.
Total economy, gross	EUR	173	147	138	150	174	168	173	176	166	161	163	170	188	182	170	.
Industry, gross	USD	153	134	129	142	159	154	149	161	158	150	151	153	170	150	147	.
<b>PRICES</b>																	
Consumer	PM	2.5	3.7	2.3	2.0	2.7	1.7	1.6	1.3	2.2	1.9	2.4	2.7	2.2	2.3	1.2	0.4
Consumer	CPMY	40.7	39.9	40.0	40.3	37.5	37.4	35.7	31.8	32.3	31.2	30.8	30.7	30.3	28.6	27.2	25.2
Consumer	CCPY	45.7	39.9	39.9	40.1	39.4	39.0	38.4	37.3	36.7	36.0	35.4	34.9	34.5	28.6	27.9	27.0
Producer, in industry	PM	2.4	3.4	3.6	2.1	1.5	2.3	1.6	3.0	2.1	2.0	2.1	1.4	1.4	2.0	1.6	.
Producer, in industry	CPMY	50.3	50.2	51.1	50.5	48.5	48.5	43.9	40.2	39.2	36.4	33.7	31.3	30.1	28.3	25.9	.
Producer, in industry	CCPY	53.4	50.2	50.7	50.6	50.1	49.7	48.7	47.3	46.2	44.9	43.6	42.2	41.0	28.3	27.1	.
<b>RETAIL TRADE</b>																	
Turnover	real, CPMY	1.8	4.1	-2.7	-0.7	-1.6	-1.2	-6.4	3.2	1.8	1.7	5.1	2.6	-1.9	-0.9	.	.
Turnover	real, CCPY	-4.5	4.1	0.6	0.1	-0.4	-0.5	-1.6	-0.8	-0.5	-0.2	0.4	0.6	0.3	-0.9	.	.
<b>FOREIGN TRADE<sup>3(4)</sup></b>																	
Exports total (fob), cumulated	EUR mn	11219	964	1963	3112	4039	5158	6342	7525	8604	9672	10693	11795	12711	1031	2129	.
Imports total (cif), cumulated	EUR mn	14128	1240	2601	4002	5425	7090	8617	10115	11413	12637	14221	15787	17363	1326	2700	.
Trade balance, cumulated	EUR mn	-2909	-276	-637	-889	-1386	-1932	-2275	-2590	-2809	-2965	-3528	-3992	-4652	-295	-571	.
Exports to EU (fob), cumulated	EUR mn	7162	681	1384	2153	2773	3522	4321	5093	5802	6535	7254	8011	8619	746	1533	.
Imports from EU (cif), cumulated	EUR mn	7995	682	1411	2214	3005	3930	4831	5775	6491	7190	8161	9100	9957	780	1545	.
Trade balance with EU, cumulated	EUR mn	-833	-1	-27	-61	-233	-408	-510	-682	-688	-655	-907	-1089	-1338	-34	-11	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-1363	-107	-380	-455	-791	-1197	-1337	-1382	-1387	-1378	-1626	-1903	-2349	-59	-180	.
<b>EXCHANGE RATE</b>																	
ROL/USD, monthly average	nominal	25604	26243	26815	27299	27878	28493	28952	29364	29809	30236	30786	31299	31556	32052	32233	32766
ROL/EUR, monthly average	nominal	23012	24646	24729	24849	24880	24910	24732	25266	26853	27549	27899	27806	28205	28281	28054	28698
ROL/USD, calculated with CPI <sup>5)</sup>	real, Jan98=100	114.0	113.4	113.7	113.7	113.5	114.6	114.8	114.6	113.8	113.8	112.8	111.4	109.6	108.8	108.1	109.5
ROL/USD, calculated with PP <sup>6)</sup>	real, Jan98=100	117.6	119.7	115.8	114.2	115.3	115.7	114.6	111.0	110.4	109.7	106.9	107.1	104.8	104.4	103.3	.
ROL/EUR, calculated with CPI <sup>5)</sup>	real, Jan98=100	92.8	95.8	94.4	93.2	91.4	90.4	88.4	89.0	92.6	93.4	92.4	89.5	88.9	87.5	85.8	87.4
ROL/EUR, calculated with PP <sup>6)</sup>	real, Jan98=100	94.6	97.8	94.9	93.5	92.5	90.7	88.7	87.5	91.0	91.6	90.5	88.5	88.4	87.1	85.0	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	ROL bn	25742	22979	23752	23774	25811	25457	29645	29328	29830	32645	30835	31080	35635	30021	32411	.
M1, end of period	ROL bn	46331	37965	39512	39108	42070	41751	46001	46945	48172	51073	50032	50331	64309	50757	54482	.
M2, end of period	ROL bn	185060	180108	186210	191551	198613	199829	208498	216377	226557	235145	236890	244841	270512	259932	267090	.
M2, end of period	CPMY	38.0	39.1	41.5	40.7	42.4	39.7	40.4	41.5	43.3	44.0	44.4	48.8	46.2	44.3	43.4	.
Discount rate (p.a.)end of period <sup>6)</sup>	%	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	34.6	34.2
Discount rate (p.a.)end of period <sup>6(7)</sup>	real, %	-10.2	-10.1	-10.7	-10.3	-9.1	-9.1	-6.2	-3.7	-3.0	-1.0	1.0	2.8	3.8	5.2	6.9	.
<b>BUDGET</b>																	
Central gov.budget balance, cum.	ROL bn	-28827	-3061	-6012	-8652	-10875	-14045	-22689	-26092	-27530	-30417	-31250	-32016	-35809	-4416	-8978	.

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 2001 as of December 2000.

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

4) Cumulation starting January and ending December each year.

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

6) From 1, February 2002 reference rate of RNB.

7) Deflated with annual PPI.

## R U S S I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001											2002			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	3.9	7.8	3.1	4.7	7.0	7.0	3.7	4.5	5.1	3.8	5.1	4.7	2.6	2.2	2.0	3.7
Industry, total	real, CCPY	11.9	7.8	5.4	5.2	5.7	5.9	5.5	5.4	5.3	5.2	5.2	5.1	4.9	2.2	2.1	2.6
Industry, total <sup>1)</sup>	real, 3MMA	8.9	6.0	5.2	4.9	6.3	5.9	5.1	4.4	4.4	4.7	4.5	4.1	3.2	2.3	.	.
Construction, total	real, CMPY	11.0	8.8	7.8	6.2	7.0	6.6	6.3	8.1	12.7	12.3	12.2	13.5	16.7	3.8	1.1	.
<b>LABOUR</b>																	
Employment total	th. persons	65000	64900	64800	64800	64800	64900	65100	65100	65200	65200	65100	65000	65000	65000	.	.
Unemployment, end of period <sup>2)</sup>	th. persons	7039	7079	7119	6769	6419	6068	6095	6122	6149	6200	6252	6303	6354	6354	6390	6293
Unemployment rate <sup>2)</sup>	%	9.9	10.0	10.2	9.6	9.1	8.6	8.6	8.6	8.6	8.7	8.8	8.9	9.0	9.0	9.1	8.9
<b>WAGES, SALARIES</b>																	
Total economy, gross	RUB	3025.0	2733.0	2655.0	2964.0	2923.0	3054.0	3284.0	3364.0	3376.0	3405.0	3515.0	3578.0	4541.0	3760.0	3725.0	4172.0
Total economy, gross	real, CMPY	10.3	23.7	18.1	18.6	14.7	16.3	15.7	19.6	21.9	19.8	21.9	20.1	26.3	15.5	19.0	20.4
Total economy, gross	USD	108	96	93	103	101	105	113	115	115	116	119	120	151	123	121	134
Total economy, gross	EUR	120	103	101	114	113	120	132	134	128	127	131	135	169	140	139	153
<b>PRICES</b>																	
Consumer	PM	1.6	2.8	2.3	1.9	1.8	1.8	1.6	0.5	0.0	0.6	1.1	1.4	1.6	3.1	1.2	1.1
Consumer	CMPY	20.1	20.7	22.3	23.8	25.0	25.0	23.7	22.2	20.9	20.1	18.9	18.8	18.8	19.2	17.9	16.9
Consumer	CCPY	20.8	20.7	21.5	22.3	23.0	23.4	23.4	23.2	22.9	22.6	22.2	21.9	21.6	19.2	18.5	18.0
Producer, in industry	PM	1.0	1.8	1.7	1.1	0.9	0.9	2.0	0.9	0.0	-0.1	0.4	0.3	0.2	0.3	-0.3	-0.1
Producer, in industry	CMPY	31.6	28.8	26.3	24.5	23.8	22.6	22.4	19.4	17.4	15.0	12.5	11.4	10.7	9.0	6.8	5.6
Producer, in industry	CCPY	46.6	28.8	27.5	26.5	25.8	25.1	24.7	23.8	23.0	22.0	21.0	20.0	19.1	9.0	7.9	7.1
<b>RETAIL TRADE</b>																	
Turnover <sup>3)</sup>	real, CMPY	8.7	6.3	7.3	8.0	10.3	12.4	11.6	11.2	11.9	11.3	11.7	12.4	11.3	9.8	8.9	.
Turnover <sup>3)</sup>	real, CCPY	8.7	6.3	6.8	7.2	8.0	8.9	9.3	9.6	9.9	10.1	10.3	10.5	10.5	9.8	9.3	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total, cumulated	EUR mn	114244	8903	17799	27601	37375	47377	58234	67865	78059	87355	96437	105906	115047	7662	15535	26152
Imports total, cumulated	EUR mn	48550	3435	7365	12001	16827	22046	27513	32613	37716	42274	47635	53335	59610	3916	8699	14065
Trade balance, cumulated	EUR mn	65694	5468	10434	15600	20548	25331	30721	35252	40343	45082	48802	52571	55437	3746	6836	12087
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	46405	.	.	11448	.	.	20879	.	.	28679	.	.	35092	.	.	7600
<b>EXCHANGE RATE</b>																	
RUB/USD, monthly average	nominal	27.979	28.367	28.594	28.678	28.851	29.028	29.115	29.223	29.343	29.430	29.538	29.797	30.100	30.473	30.806	31.064
RUB/EUR, monthly average	nominal	25.110	26.626	26.372	26.096	25.769	25.415	24.871	25.111	26.370	26.821	26.784	26.478	26.852	26.952	26.781	27.201
RUB/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	169.0	167.7	165.9	163.6	162.3	161.1	159.3	158.7	159.3	159.5	157.8	156.7	155.3	152.5	152.4	152.1
RUB/USD, calculated with PP <sup>6)</sup>	real, Jan98=100	188.4	192.7	187.3	183.8	184.0	184.2	179.3	175.5	176.2	176.9	172.8	173.6	172.3	173.9	176.3	177.9
RUB/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	137.2	141.5	137.5	133.9	130.6	127.1	122.6	122.9	129.2	130.9	129.3	125.8	125.7	122.8	120.6	121.2
RUB/EUR, calculated with PP <sup>6)</sup>	real, Jan98=100	151.2	157.2	153.4	150.3	147.5	144.5	138.6	138.0	144.8	147.6	146.2	143.4	144.8	145.2	144.7	147.2
<b>DOMESTIC FINANCE</b>																	
M0, end of period	RUB bn	419.3	380.1	388.0	399.4	435.3	438.3	474.7	490.6	507.1	531.0	531.5	527.3	584.3	533.4	543.4	.
M1, end of period	RUR bn	879.3	810.5	829.2	858.4	918.2	938.5	987.9	1015.1	1040.8	1074.9	1084.4	1058.1	1192.6	1079.4	1084.6	.
M2, end of period	RUB bn	1560.0	1530.8	1615.8	1632.3	1683.4	1730.0	1798.7	1842.3	1870.4	1925.5	1974.7	1984.9	2122.7	2056.3	2105.0	.
M2, end of period	CMPY	58.4	53.0	51.7	49.7	49.9	47.8	44.7	41.5	40.9	38.7	39.5	36.2	36.1	34.3	30.3	.
Refinancing rate (p.a.),end of period	%	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Refinancing rate (p.a.),end of period <sup>7)</sup>	real, %	-5.0	-3.0	-1.0	0.4	1.0	1.9	2.1	4.7	6.5	8.7	11.1	12.2	12.9	14.6	17.0	18.4
<b>BUDGET</b>																	
Central gov.budget balance, cum.	RUB bn	173.5	34.0	29.4	49.1	86.6	120.2	133.1	167.6	174.4	178.6	214.7	257.4	264.7	82.9	82.5	.

1) Seasonally adjusted.

2) According to ILO methodology.

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

7) Deflated with annual PPI.



## S L O V A K REPUBLIC: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001												2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total	real, CPMY	9.3	13.6	5.0	5.5	6.4	8.5	8.9	9.4	5.8	6.8	8.4	3.9	2.1	1.5	5.6	.
Industry, total	real, CCPY	8.6	13.6	9.1	7.8	7.5	7.7	7.9	8.1	7.8	7.7	7.8	7.4	6.9	1.5	3.5	.
Industry, total	real, 3MMA	11.0	9.2	7.8	5.6	6.8	7.9	8.9	8.0	7.3	7.1	6.3	4.9	2.5	3.0	.	.
Construction, total	real, CPMY	11.0	11.2	10.8	10.6	6.2	1.0	3.3	0.7	-1.6	-6.7	-1.2	-4.1	-8.2	-4.2	-5.5	.
<b>LABOUR</b>																	
Employment in industry	th. persons	548.2	554.0	553.8	554.6	554.4	554.0	555.8	557.2	555.7	556.0	554.1	553.5	549.1	551.4	551.7	.
Unemployment, end of period <sup>1)</sup>	th. persons	506.5	561.0	558.1	545.3	519.0	498.7	505.2	510.7	506.1	497.6	499.3	513.1	533.7	563.9	560.2	546.3
Unemployment rate <sup>1)</sup>	%	17.9	19.8	19.7	19.2	18.3	17.5	17.8	18.0	17.8	17.4	17.3	17.7	18.6	19.7	19.6	19.1
Labour productivity, industry	CCPY	12.1	12.3	7.9	6.6	6.2	6.4	6.6	6.8	6.5	6.4	6.6	6.3	5.9	1.9	4.0	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	1.0	-2.1	-0.2	-0.5	-0.2	0.1	0.4	0.6	0.8	0.8	0.9	1.5	2.4	10.6	9.9	.
<b>WAGES, SALARIES</b>																	
Industry, gross	SKK	13413	12386	11601	12563	12708	13459	13809	13322	13125	12667	13763	15835	15258	13593	12973	.
Industry, gross	real, CPMY	-2.9	5.6	2.6	1.3	3.2	2.5	2.7	1.3	1.0	-0.3	3.1	4.4	7.0	3.3	7.2	.
Industry, gross	USD	276	266	245	262	261	273	275	269	274	265	286	326	316	283	267	.
Industry, gross	EUR	308	283	265	287	292	312	322	313	305	291	316	367	354	320	307	.
<b>PRICES</b>																	
Consumer	PM	0.2	1.6	2.2	0.6	0.5	0.5	0.3	0.2	-0.2	0.2	0.0	0.0	0.2	1.5	0.4	0.0
Consumer	CPY	8.4	7.5	6.3	6.6	7.1	7.4	7.8	8.0	7.8	7.3	6.9	6.4	6.4	6.2	4.3	3.6
Consumer	CCPY	12.1	7.5	6.9	6.8	6.9	7.0	7.1	7.2	7.3	7.3	7.3	7.2	7.1	6.2	5.2	4.7
Producer, in industry	PM	0.2	0.2	1.8	0.8	0.3	-0.3	0.4	-0.4	-0.1	-0.2	0.1	-0.4	-0.1	0.4	1.8	.
Producer, in industry	CPY	9.1	9.0	9.9	9.7	9.2	7.9	7.5	6.2	5.9	4.8	3.6	2.4	2.2	2.4	2.3	.
Producer, in industry	CCPY	9.8	9.0	9.4	9.5	9.4	9.1	8.9	8.5	8.1	7.8	7.3	6.9	6.5	2.4	2.4	.
<b>RETAIL TRADE</b>																	
Turnover	real, CPMY	10.1	10.8	4.8	-2.9	2.8	3.9	0.4	5.1	5.4	6.1	5.0	4.8	5.4	.	.	.
Turnover	real, CCPY	2.3	10.8	7.7	3.7	3.4	3.5	3.0	3.3	3.6	3.9	4.0	4.1	4.2	.	.	.
<b>FOREIGN TRADE<sup>2)3)</sup></b>																	
Exports total (fob), cumulated	EUR mn	12879	1106	2210	3411	4572	5839	7084	8284	9365	10575	11856	13088	14102	1065	2176	.
Imports total (fob), cumulated	EUR mn	13859	1216	2443	3841	5158	6604	8040	9436	10704	12073	13567	15101	16485	1199	2463	.
Trade balance, cumulated	EUR mn	-980	-109	-234	-431	-585	-764	-956	-1152	-1338	-1498	-1712	-2013	-2383	-134	-287	.
Exports to EU (fob), cumulated	EUR mn	7602	658	1363	2096	2805	3586	4351	5068	5648	6371	7121	7865	8441	664	1360	.
Imports from EU (fob), cumulated	EUR mn	6775	573	1174	1875	2545	3292	4038	4779	5377	6056	6801	7557	8207	583	1215	.
Trade balance with EU, cumulated	EUR mn	827	85	189	221	260	294	313	289	271	315	320	308	235	81	145	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-713	-99	-128	-315	-372	-586	-784	-856	-956	-1131	-1251	-1492	-1756	.	.	.
<b>EXCHANGE RATE</b>																	
SKK/USD, monthly average	nominal	48.6	46.5	47.4	48.0	48.7	49.3	50.2	49.6	48.0	47.8	48.1	48.5	48.2	48.1	48.6	47.9
SKK/EUR, monthly average	nominal	43.5	43.7	43.7	43.5	43.2	42.8	42.6	43.1	43.5	43.6	43.1	43.1	43.1	42.5	42.3	41.9
SKK/USD, calculated with CPI <sup>4)</sup>	real, Jan98=100	116.7	110.5	110.6	111.4	113.1	114.4	116.2	114.2	110.9	110.6	111.0	111.8	110.5	108.5	109.2	107.7
SKK/USD, calculated with PPI <sup>5)</sup>	real, Jan98=100	127.1	123.3	120.9	120.4	122.5	124.9	125.6	122.6	118.6	119.0	117.2	118.5	115.8	113.8	113.0	.
SKK/EUR, calculated with CPI <sup>4)</sup>	real, Jan98=100	94.3	93.2	91.6	91.3	90.8	90.2	89.3	88.5	89.8	90.7	90.8	89.6	89.5	87.3	86.5	85.8
SKK/EUR, calculated with PPI <sup>5)</sup>	real, Jan98=100	101.6	100.6	99.0	98.6	98.1	97.9	97.0	96.4	97.3	99.1	99.0	97.7	97.5	95.0	92.8	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	SKK bn	67.0	65.6	65.5	64.9	65.6	67.3	69.3	70.0	70.7	72.7	74.9	79.1	81.0	79.7	80.1	.
M1, end of period	SKK bn	187.2	177.8	179.3	177.7	182.0	186.3	189.8	195.8	198.4	207.4	207.0	214.0	228.6	217.8	215.2	.
M2, end of period	SKK bn	601.5	606.3	608.4	612.0	619.8	619.3	625.3	633.9	644.0	641.8	635.3	651.3	680.3	668.4	675.0	.
M2, end of period	CPY	14.9	15.7	13.6	13.3	14.0	13.5	14.5	13.6	10.3	9.5	9.3	12.0	13.1	10.2	10.9	.
Discount rate (p.a.) <sup>end of period</sup>	%	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	7.8	7.8	7.8
Discount rate (p.a.) <sup>end of period<sup>5)</sup></sup>	real, %	-0.3	-0.2	-1.0	-0.8	-0.4	0.8	1.2	2.5	2.8	3.8	5.0	6.3	6.4	5.2	5.3	.
<b>BUDGET</b>																	
Central gov. budget balance, cum.	SKK mn	-27648	4972	-5061	-5647	-14916	-14649	-13462	-22339	-22415	-22878	-27560	-29797	-44371	-2902	-10851	-15185

1) Ratio of disposable number of registered unemployment calculated to the economically active population as of previous year.

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

3) Cumulation starting January and ending December each year.

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

5) Deflated with annual PPI.

## S L O V E N I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001												2002		
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	-2.5	8.9	2.8	2.9	9.4	1.2	-3.9	6.4	2.9	-1.1	7.2	0.1	0.2	4.3	4.0	.
Industry, total	real, CCPY	6.2	8.9	5.8	4.7	5.8	4.8	3.2	3.7	3.6	3.0	3.5	3.2	2.9	4.3	4.1	.
Industry, total	real, 3MMA	4.1	3.0	4.7	4.9	4.3	1.8	1.0	1.6	2.7	3.0	2.0	2.5	1.4	2.8	.	.
Construction, total <sup>1)</sup>	real, CMPY	-5.0	8.7	-2.8	-5.8	0.7	-2.7	-5.5	0.4	-2.2	-3.9	1.6	-3.2	-9.0	-11.5	-6.6	.
<b>LABOUR</b>																	
Employment total	th. persons	763.4	766.1	767.4	772.0	776.3	779.8	781.9	782.3	782.1	786.2	786.6	785.6	782.1	779.5	781.3	.
Employees in industry <sup>2)</sup>	th. persons	220.2	220.7	221.5	222.5	223.0	223.5	223.4	222.9	221.9	221.8	221.5	221.2	219.8	.	.	.
Unemployment, end of period	th. persons	104.6	106.2	104.9	103.6	102.7	100.1	97.8	99.2	98.1	99.8	102.2	103.2	104.3	106.2	105.0	.
Unemployment rate <sup>3)</sup>	%	12.0	12.2	12.0	11.8	11.7	11.4	11.1	11.3	11.1	11.3	11.5	11.6	11.8	12.0	11.8	.
Labour productivity, industry	CCPY	8.4	8.6	5.4	4.4	5.6	4.6	3.0	3.5	3.5	3.1	3.8	3.6	3.5	.	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-2.6	-0.1	1.7	1.6	0.4	1.1	2.3	1.5	1.6	1.7	1.1	1.1	1.1	.	.	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	th. SIT	213.0	207.3	204.5	206.7	206.9	210.5	209.3	210.1	216.4	214.1	219.2	234.8	234.1	226.4	223.3	.
Total economy, gross	real, CMPY	0.1	7.0	4.7	3.5	4.1	2.0	1.7	1.3	3.0	3.0	3.3	3.0	2.6	0.8	0.9	.
Total economy, gross	USD	904	918	883	877	855	852	823	829	889	890	903	946	945	901	870	.
Total economy, gross	EUR	1010	977	958	963	960	974	965	965	989	976	997	1066	1059	1020	1001	.
Industry, gross	USD	774	793	760	756	731	732	700	709	770	757	779	818	791	771	.	.
<b>PRICES</b>																	
Consumer	PM	0.1	0.4	1.1	1.1	0.7	1.1	0.4	0.2	0.0	0.9	0.5	0.4	0.1	1.6	0.9	0.7
Consumer	CMPY	8.9	8.5	8.7	8.9	9.0	9.7	9.5	8.8	8.5	7.9	7.8	7.0	7.0	8.4	8.1	7.6
Consumer	CCPY	8.9	8.5	8.6	8.7	8.8	9.0	9.1	9.0	9.0	8.8	8.7	8.6	8.4	8.4	8.3	8.1
Producer, in industry	PM	0.6	1.9	1.0	-0.5	0.9	0.1	0.3	0.4	0.3	0.4	1.0	0.5	1.0	0.3	0.6	0.4
Producer, in industry	CMPY	9.2	10.6	10.4	9.6	10.0	9.9	9.8	9.2	8.2	8.0	7.2	7.1	7.5	5.8	5.3	6.3
Producer, in industry	CCPY	7.6	10.6	10.5	10.2	10.1	10.1	10.0	9.9	9.7	9.5	9.3	9.1	8.9	5.8	5.6	5.8
<b>RETAIL TRADE</b>																	
Turnover	real, CMPY	12.3	15.8	4.7	5.2	11.0	5.6	3.2	12.2	9.7	5.5	9.4	5.3	6.4	.	.	.
Turnover	real, CCPY	7.3	15.8	10.0	8.2	8.9	8.2	7.3	8.0	8.2	7.9	8.1	7.8	7.7	.	.	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	9505	812	1640	2612	3438	4348	5264	6196	6900	7782	8741	9627	10348	829	1683	.
Imports total (cif), cumulated	EUR mn	10996	872	1778	2815	3758	4803	5783	6775	7548	8466	9481	10463	11342	877	1791	.
Trade balance total, cumulated	EUR mn	-1491	-61	-138	-203	-320	-456	-519	-580	-649	-684	-740	-836	-994	-48	-108	.
Exports to EU (fob), cumulated	EUR mn	6060	554	1093	1709	2223	2780	3344	3930	4343	4882	5465	6007	6434	553	1082	.
Imports from EU (cif), cumulated	EUR mn	7451	595	1207	1919	2548	3264	3930	4607	5106	5720	6410	7085	7673	587	1204	.
Trade balance with EU, cumulated	EUR mn	-1391	-41	-114	-210	-324	-484	-586	-676	-763	-838	-944	-1079	-1239	-34	-122	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-612	51	56	48	22	-29	-44	-30	-10	35	86	102	-67	56	85	.
<b>EXCHANGE RATE</b>																	
SIT/USD, monthly average	nominal	235.6	225.9	231.6	235.7	241.9	247.1	254.4	253.5	243.5	240.7	242.7	248.2	247.8	251.4	256.6	255.7
SIT/EUR, monthly average	nominal	210.9	212.2	213.5	214.6	215.6	216.3	217.0	217.8	218.7	219.4	219.9	220.4	221.1	222.0	223.0	223.8
SIT/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	119.7	115.0	117.1	118.0	120.8	122.6	125.9	124.8	119.9	117.9	118.0	119.9	119.3	119.1	120.5	119.2
SIT/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	128.9	124.6	124.1	125.5	128.1	131.3	133.4	130.3	124.8	122.8	119.8	121.8	118.5	119.8	121.6	120.7
SIT/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	96.9	97.1	97.0	96.7	97.0	96.7	96.7	96.7	97.2	96.8	96.6	96.2	96.5	95.8	95.3	95.0
SIT/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	103.3	101.7	101.5	102.7	102.5	103.0	103.0	102.5	102.5	101.3	100.5	99.7	100.0	99.8	99.8	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	SIT bn	119.8	106.9	108.5	113.3	114.9	113.2	124.3	115.9	116.3	122.6	124.7	126.5	142.1	129.4	.	.
M1, end of period	SIT bn	424.0	396.6	391.1	402.7	417.1	408.1	437.8	419.6	418.1	438.1	440.3	455.3	502.2	471.8	469.1	.
Broad money, end of period	SIT bn	2206.4	2240.8	2269.3	2329.9	2353.0	2410.3	2445.9	2477.1	2514.8	2555.2	2617.3	2705.7	2876.7	2911.4	2929.0	.
Broad money, end of period	CMPY	15.3	17.2	17.1	18.7	18.6	20.2	19.8	19.3	19.9	20.2	21.8	23.4	30.4	29.9	29.1	.
Discount rate (p.a.)end of period	%	10	10	10	10	11	11	11	11	11	11	11	11	11	9	9	10
Discount rate (p.a.)end of period <sup>7)</sup>	real, %	0.7	-0.5	-0.4	0.4	0.9	1.0	1.1	1.6	2.6	2.8	3.5	3.6	3.3	3.0	3.5	3.5
<b>BUDGET</b>																	
General gov.budget balance, cum.	SIT mn	-54721	-31955	-51698	-50911	-41823	-58363	-107532	-98297	-104403	-129993	-127649	-135450	-63121	-71151	.	.

1) Effective working hours.

2) Enterprises with 3 or more employed, excluding employees of self-employed persons.

3) Ratio of unemployed to the economically active.

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

5) Cumulation starting January and ending December each year.

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

7) Deflated with annual PPI.

## U K R A I N E: Selected monthly data on the economic situation 2000 to 2002

(updated end of April 2002)

		2000	2001		2002												
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>PRODUCTION</b>																	
Industry, total <sup>1)</sup>	real, CMPY	13.2	14.8	7.2	12.7	16.3	16.2	13.1	10.2	9.1	11.1	9.5	5.8	-0.6	-1.2	1.3	.
Industry, total	real, CCPY	12.9	19.5	16.7	17.4	18.4	18.8	18.5	17.9	16.9	16.6	16.1	15.4	14.2	1.7	3.5	.
Industry, total <sup>1)</sup>	real, 3MMA	14.1	11.7	11.5	12.1	15.0	15.2	13.1	10.7	10.1	9.9	8.8	5.0	1.4	-0.2	.	.
<b>LABOUR</b>																	
Unemployment, end of period	th. persons	1155.2	1149.6	1157.4	1149.2	1131.5	1088.4	1046.5	1015.3	1001.1	984.6	971.2	981.6	1008.1	1028.7	1067.4	.
Unemployment rate <sup>2)</sup>	%	4.2	4.2	4.2	4.2	4.1	4.0	3.8	3.7	3.7	3.6	3.5	3.6	3.7	3.8	3.9	.
<b>WAGES, SALARIES<sup>1)</sup></b>																	
Total economy, gross	UAH	296.3	253.4	263.7	281.0	288.9	303.0	317.8	327.3	329.3	326.3	335.8	334.4	378.5	320.8	328.7	.
Total economy, gross	real, CMPY	7.6	14.7	16.3	13.8	20.2	23.5	24.4	24.9	21.4	22.1	24.6	22.3	20.4	19.9	20.5	.
Total economy, gross	USD	55	47	49	52	53	56	59	61	62	61	63	63	71	60	62	.
Total economy, gross	EUR	61	50	53	57	60	64	69	71	69	67	70	71	80	68	71	.
Industry, gross	USD	71	64	65	71	70	74	77	81	82	81	84	83	89	80	80	.
<b>PRICES</b>																	
Consumer	PM	1.6	1.5	0.6	0.6	1.5	0.4	0.6	-1.7	-0.2	0.4	0.2	0.5	1.6	1.0	-1.4	-0.7
Consumer	CMPY	25.8	22.1	18.9	17.3	17.0	15.1	11.6	9.9	9.6	7.3	6.0	6.1	6.1	5.6	3.5	2.2
Consumer	CCPY	28.2	22.1	20.5	19.4	18.8	18.0	16.9	15.8	15.0	14.1	13.2	12.5	12.0	5.6	4.5	3.7
Producer, in industry	PM	2.1	0.8	0.6	-0.5	0.2	0.0	0.2	0.1	-0.1	0.1	-0.7	0.7	-0.5	-0.4	0.7	-0.8
Producer, in industry	CMPY	20.6	17.8	16.4	12.8	10.8	10.1	9.4	7.9	7.1	5.9	3.8	3.5	0.9	-0.3	-0.2	-0.5
Producer, in industry	CCPY	20.9	17.8	17.1	15.6	14.4	13.5	12.8	12.1	11.4	10.8	10.0	9.4	8.6	-0.3	-0.3	-0.3
<b>RETAIL TRADE</b>																	
Turnover <sup>3)</sup>	real, CCPY	6.9	11.3	7.7	8.0	8.7	10.3	10.4	11.4	11.4	11.5	11.8	12.3	12.6	.	18.7	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	15771	1233	2546	4116	5656	7174	8918	10497	11973	13389	15054	16684	18160	1376	.	.
Imports total (cif), cumulated	EUR mn	15103	1150	2395	3856	5227	6710	8257	9682	11273	12683	14242	15946	17613	1161	.	.
Trade balance, cumulated	EUR mn	667	83	151	259	430	464	661	815	700	706	812	738	547	215	.	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	1481	.	.	278	.	.	845	.	.	1237	.	.	1402	.	.	.
<b>EXCHANGE RATE</b>																	
UAH/USD, monthly average	nominal	5.436	5.433	5.430	5.421	5.418	5.414	5.401	5.371	5.347	5.339	5.310	5.287	5.294	5.313	5.321	5.322
UAH/EUR, monthly average	nominal	4.886	5.104	5.003	4.939	4.832	4.753	4.609	4.617	4.807	4.869	4.809	4.703	4.718	4.696	4.630	4.660
UAH/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	173.1	171.4	171.0	170.1	168.1	168.0	166.9	168.3	167.9	167.7	165.9	164.1	161.2	160.2	162.7	163.9
UAH/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	164.9	168.0	163.7	162.5	162.7	163.2	160.9	157.3	156.7	156.3	153.0	151.1	149.6	150.8	149.9	151.2
UAH/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	140.4	144.5	141.4	139.1	134.8	132.7	128.0	130.2	136.0	137.5	135.5	131.6	130.1	128.7	128.7	130.4
UAH/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	132.4	136.9	133.7	132.8	130.1	128.2	124.0	123.5	128.6	130.2	129.0	124.7	125.5	125.6	123.0	124.8
<b>DOMESTIC FINANCE</b>																	
M0, end of period	UAH mn	12799	11851	12199	12736	13610	13452	14487	14797	15527	16208	16685	17325	19465	18101	18666	19700
M1, end of period	UAH mn	20732	19492	19961	21159	21796	22554	23820	24164	24768	25884	26406	26782	29773	27586	28416	.
Broad money, end of period	UAH mn	32084	30816	31638	33026	34092	35157	36953	37373	38275	39643	40750	41508	45555	43619	45032	47400
Broad money, end of period	CMPY	45.4	39.8	37.7	36.4	35.8	35.1	36.4	32.9	29.8	36.8	41.2	41.2	42.0	41.5	42.3	43.5
Refinancing rate (p.a.) <sup>end of period</sup>	%	27.0	27.0	27.0	25.0	21.0	21.0	19.0	19.0	17.0	15.0	15.0	15.0	12.5	12.5	11.5	.
Refinancing rate (p.a.) <sup>end of period</sup> <sup>7)</sup>	real, %	5.3	7.8	9.1	10.8	9.2	9.9	8.8	10.2	9.3	8.6	10.8	11.1	11.5	12.8	11.7	.
<b>BUDGET</b>																	
General gov. budget balance, cum. <sup>8)</sup>	UAH mn	969.3	1404.3	1819.2	1319.0	1493.0	1623.7	1385.0	1676.6	1407.5	1379.7	1616.3	982.3	-1263.6	1381.7	1516.6	.

1) Excluding small firms.

2) Ratio of unemployed to the economically active.

3) Official registered enterprises.

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

5) Cumulation starting January and ending December each year.

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

7) Deflated with annual PPI.

8) Including pension fund.

**GUIDE TO WIIW STATISTICAL SERVICES  
ON CENTRAL AND EASTERN EUROPE, RUSSIA AND UKRAINE**

	Source	Type of availability	How to get it	Time of publication	Price*
					*Unless otherwise stated, WIIW members (subscribers to the WIIW Service Package) receive a 30% discount on prices quoted
<b>Annual data</b>	<i>Statistical Handbook 2001</i>	printed	to be ordered from WIIW	October 2001 (next update: October 2002)	EUR 90.00 for members free of charge
	<i>Statistical Handbook 2001</i> on CD-ROM	computerized (PDF format)	to be ordered from WIIW	October 2001 (next update: October 2002)	EUR 90.00
	<i>Statistical Handbook 2001</i> on CD-ROM	computerized (MS-Excel tables + PDF format); plus printed version	to be ordered from WIIW	October 2001 (next update: October 2002)	EUR 225.00 (includes also printed version)
	<i>Statistical Handbook 2001: individual chapters</i> on diskette	computerized (MS-Excel tables)	to be ordered from WIIW	October 2001 (next update: October 2002)	EUR 36.00 per chapter
	computerized WIIW Database	online access	via WSR <a href="http://www.wsr.ac.at">http://www.wsr.ac.at</a>	continuously	EUR 2.50 per data series
<b>Quarterly data</b> (with selected annual data)	<i>Research Report</i>	printed	to be ordered from WIIW	January/February June/July	EUR 70.00
	<i>Monthly Report</i> (2nd and 4th quarters)	printed, online (PDF format) or via e-mail	for WIIW members only	<i>Monthly Report</i> nos. 10 and 11, nos. 4 and 5	only available under the WIIW Service Package for EUR 1944.00
<b>Monthly data</b>	<i>Monthly Report</i> (approx. 40 time series per country)	printed	for WIIW members only	monthly (11 times a year)	
	Internet	online access	see <a href="http://mdb.wiiv.ac.at">http://mdb.wiiv.ac.at</a>	continuously	for members free of charge
<b>Industrial data</b>	diskette	computerized	to be ordered from WIIW	twice a year (June/December)	EUR 650.00

Orders from WIIW: fax no. (+43 1) 533 66 10-50  
e-mail address: [koehrl@wsr.ac.at](mailto:koehrl@wsr.ac.at)  
attention Ms. Ursula Köhrl

## INDEX OF SUBJECTS – May 2001 to May 2002

<b>Bulgaria</b>	<i>economic situation</i> .....	2001/10
<b>Croatia</b>	<i>economic situation</i> .....	2001/10
<b>Czech Republic</b>	<i>economic situation</i> .....	2001/10
	labour market.....	2002/3
	real convergence, real appreciation .....	2002/4
<b>Hungary</b>	<i>economic situation</i> .....	2001/10
	agriculture .....	2001/11
	elections.....	2002/5
<b>Macedonia</b>	<i>economic situation</i> .....	2001/10
<b>Poland</b>	<i>economic situation</i> .....	2001/10 2001/8-9
	economic policy.....	2001/11
	exchange rate.....	2002/2
	inequality.....	2002/4
<b>Romania</b>	<i>economic situation</i> .....	2001/10
<b>Russia</b>	<i>economic situation</i> .....	2001/10
	barter trade .....	2002/5
<b>Slovakia</b>	<i>economic situation</i> .....	2001/10
	labour market.....	2002/3
<b>Slovenia</b>	<i>economic situation</i> .....	2001/10
<b>Turkey</b>	<i>economic situation</i> .....	2002/5
<b>Ukraine</b>	<i>economic situation</i> .....	2001/10
<b>Yugoslavia</b>	<i>economic situation</i> .....	2001/10
<b>Region Eastern Europe and CIS</b> (multi-country articles and statistical overviews)	<i>economic situation</i> .....	2001/12
	agriculture .....	2002/4 2002/2 2001/6
	Baltic currencies .....	2001/5
	Baltics, capital flows .....	2002/2
	chemical sector.....	2001/12
	CEE exports to EU .....	2001/5
	CEE tourists in Austria .....	2001/11
	exchange rates .....	2001/7
	EU enlargement .....	2002/5 2001/12 2001/11 2001/10 2001/5
	euro introduction.....	2002/1
	electrical and optical equipment sector .....	2001/8-9
	impact of war on terrorism .....	2001/10
	leather and leather products .....	2001/7
	manufacturing sector.....	2001/6
	metals sector .....	2002/3
	regional economic development.....	2002/3
	SEE economic and political developments .....	2001/8-9 2001/7
	Taxation .....	2001/8-9

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

Economics editor: Doz. Leon Podkaminer