



# Monthly Report

The Vienna Institute for International Economic Studies (WIIW)

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**Please note: The next issue of the Monthly Report (no. 8-9)  
will appear at the beginning of September**

## The fear of intervention: the case of the Polish zloty

BY PAWEŁ KOWALEWSKI\*

Central European currencies generally perform quite well on the foreign exchange markets. Indeed, the strength of these currencies is amazing. The Polish and Czech currencies are trading against the euro at the same levels as in 1998 and 1995 respectively. Recently, also the Hungarian and Slovak currencies have been nominally appreciating. However, while the Czech Republic, Hungary and (to a lesser extent) Slovakia grow at fairly respectable rates, the Polish economy is stagnating. This is why the strength of the Polish zloty continues to baffle many economists who cannot see how this squares with

economic fundamentals. Also the Polish government, concerned with the fate of many manufacturing firms and of the entire farm sector, who blame their failures on an overvalued currency, has been demanding from the National Bank of Poland (NBP) a change in the exchange-rate policy. Any change has been resisted though. First, it is argued, not without some reason, that the notion of 'economic fundamentals' is rather vague when applied to the discussion of the exchange rate. Indeed, there is no clear guide to assessing the level of an 'equilibrium exchange rate' – and there are controversies over how such an equilibrium should be defined conceptually in the first place. To the NBP the 'sound fundamentals' mean low taxes, a balanced budget, low inflation and a flexible labour market. Second, the NBP is quite happy with its own monetary policy, whatever its implications for the exchange rates. And, it is claimed that within this policy little can be done to affect the exchange rate trends: the effects of

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interventions can at best be temporary – and yet costly. Third, the good performance of the zloty is often interpreted as conducive to Poland's prospective membership in the European Exchange Mechanism (ERM2) and, later on, in the European Monetary Union (EMU). Conversely, the prospect of membership in the European Union is often seen as contributing to the strength of the zloty, through enhanced confidence in Poland. By implication, it would be unreasonable to fight that confidence (or the effects thereof), even if the zloty made further gains.

No doubt there are many reasons behind the zloty appreciation. However it seems incorrect to maintain that the NBP policy has absolutely nothing to do with it. The very restrictive monetary policy (very high interest rates) has been conducive to capital inflows and to speculative gambling on further strengthening of the zloty. Certainly, the high borrowing needs of the public sector (which do not yet reflect any expansionary fiscal policy) have also been a factor supporting the maintenance of high interest rates and capital inflows.

Sooner or later the current monetary policy is likely to soften considerably (either because inflation becomes a non-issue, or because concerns over growth become dominant). Whether or not this will be sufficient to weaken the zloty is anybody's guess. After all, the Czech koruna has been strengthening strongly despite the Czech interest rates being quite low. This does not necessarily mean that in the meantime there is nothing the authorities can do to control the level of the exchange rate. In particular, one may challenge the idea that foreign exchange interventions are always necessarily futile and very costly. There are many instances of successful, and relatively cheap interventions.

In the 1980s, the ERM countries often resorted to intervention in order to bring the exchange rates of their monies to the desired levels. However there may be no point in searching for parallels with the current Polish situation. The forex market turnover was then significantly lower and several countries

resorted to capital controls, no longer *en vogue*. That is why it is better to focus attention on the experience of the 1990s. In late 1992 a number of ERM countries were forced, by speculative pressures, to float their currencies. This resulted in high exchange rate volatility, and pressures leading the exchange rates into certain directions deemed undesirable. A number of central banks did not fear intervening. The Bank of France outsmarted the markets with a relatively small, but cleverly performed intervention. It may be instructive to consider also the actions taken by the Bank of Finland (BOF) over a long span of time, 1992-1996.

In the first two years, the BOF was concerned with preventing an excessive fall of its currency. But once Finland had overcome its economic crisis (that had been due to the collapse of the Soviet Union, its major export customer) and as the prospects of joining the European Union became real, the Finnish currency started to appreciate. The upward pressure intensified upon the country's accession to the EU in 1995. That was considered undesirable. In August 1995 the BOF broke the spiral by purchasing FIM 3.3 billion worth of foreign currency – reducing thus the upward pressure significantly. A similar operation was conducted in September 1996, just a few weeks before the entry into the ERM.<sup>1</sup> Similar interventions undertaken by the central bank of Sweden also proved fairly successful.<sup>2</sup>

The National Bank of Poland intervened on foreign exchange markets between 1995 and 1998. None of those interventions ended in defeat. Certainly, the daily turnover on Poland's foreign exchange market rose substantially in the past two years, to about USD 5 billion recently. Despite that, the market is still shallow. Interventions need not be costly, in terms of amounts of zlotys spent on the purchase of euros and dollars, provided they are

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<sup>1</sup> Mikko Spolander, 'Measuring Exchange Market Pressure and Central Bank Intervention', *Bank of Finland Studies*, 17, 1999.

<sup>2</sup> For more see: Javier Aguilar and Stefan Nydahl, 'Central Bank Intervention and Exchange Rates: The Case of Sweden', Working Paper no. 54, Riksbank, 1998.

skilfully conducted. Of course, there is a risk that the market will not be convinced the NBP is serious. In that case renewed small repeated interventions may be necessary. Overall, the costs of unsuccessful interventions do not seem significant, given Poland's current situation. Purchasing foreign exchange would increase the monetary base – but this would hardly be a bad thing. (Actually, money aggregates have been contracting recently.) There are perhaps other reasons for the NBP's fear of intervening. The first may relate to inflation. Though currently very low, inflation may well rebound, especially if there is some weakening of the zloty. So far the NBP's record has been unimpressive because it has never hit its own inflation target. Currently it is clearly undershooting the target – but nonetheless this can be claimed a success. Should the returning inflation surpass the target, there will be no excuse for the over-restrictive policy which the NBP has long conducted, with grave consequences for the real economy.

The second reason why the NBP is ill-disposed to intervening may perhaps have something to do with a deeply seated, though openly not revealed, lack of confidence in the zloty. Because the zloty has been strengthening without any apparent 'fundamental grounds', could it not start weakening, also without any obvious 'fundamental' causes? Once depreciation occurs, could it not be fast and excessive? May an eventual depreciation result in a crash? There are no good answers to these questions, which means that such eventualities cannot be ruled out. The consequences of such eventualities could of course be grave. For the NBP it may be essential to avoid the risk, however remote, of being made directly responsible for actions triggering uncontrolled devaluation. Thus the unwillingness to engage in intervention may reflect not so much the belief in its ineffectiveness, but the belief that it may prove *too* effective.

As indicated earlier, it is very difficult to form an objective judgement on the proper levels of exchange rates. But it may be helpful to comment on the experience gained during Spain's accession

to the EU (then EC). Before analysing the peseta in the period before Spain's integration with the EC (in 1986) one has to remember that the international monetary system was then based on entirely different rules. Capital controls were the order of the day and the degree of economic convergence and integration across Western Europe was substantially lower than it is nowadays.

Between 1982 and 1985 the peseta lost more than 30% against the German mark, and 14% in 1985 alone. After joining the EC in 1986, Spain experienced sizeable inflows of capital which strengthened the peseta. The upsurge in the value of the peseta coincided with Spain's entry into the ERM in 1989, with an overvalued currency. This was to reduce inflation fast – which was however not accomplished. The overvaluation of the peseta was corrected in the early 1990s, as the ERM collapsed.

There are some similarities between the earlier Spanish and the recent Polish experience. During the first six years of the transformation, the speed of the zloty's depreciation was quite high – which reflected, *inter alia*, large inflation differentials. Between 1990 and 1995 the zloty lost more than 65% of its value against the German mark. But since then it has remained quite stable, despite the fact that prices in Poland have doubled. No doubt many factors account for this trend: real (productivity differentials) as well as financial (capital inflows). Besides, one may observe that the robustness of the Central European currencies (and of the Polish zloty in particular) coincided with a very poor performance of the euro (or the German mark). Since late 1995, the German mark lost more than 40% of its value against the US dollar. The period of weakness of the German currency always coincided with relative exchange rate stability in Europe. That was the case in the early 1980s, when an upward surge in the value of the US currency helped to preserve relative stability in the ERM and thus encouraged the convergence process. The strengthening of the peseta in the late 1980s coincided with relative weakness of the German mark against the US dollar. The same has

been happening up to now. The only difference is that this time, Central European currencies are benefiting from the weakness of the euro. However, once the euro enters an upward trend, the good performance of the Central European currencies may come to an end. Any turmoil in the ERM coincided with an upward surge in the value of the German mark. And turbulence was not confined to the ERM countries but extended to the periphery currencies as well. There is little evidence to believe that this time the events will take a much different course. The correlation of the euro's performance with the periphery currencies may be of great importance right now when the euro finally seems to regain investors' confidence. A rise above parity may spark problems for those currencies.

Today's Poland shares other similarities with the Spain of the 1980s. Unemployment is approaching 20% and there is little hope that this negative trend can be reversed in the foreseeable future. The labour market is considered quite inflexible.

At the turn of the 1980s and 1990s Spain struggled to bring the rate of inflation down to the level of the hard-core members of the ERM. Poland's inflation performance is far from encouraging – notwithstanding the recent low level. Even despite the recent fall, inflation will remain above the levels recorded by Poland's major trading partners. And inflation is likely to rebound, should growth resume. This may suggest that before Poland eventually adopts the euro, it may experience some devaluation, as did Spain in the early 1990s. This will certainly involve some costs. But, the longer the current appreciation is left unattended, and the higher the zloty is allowed to fly, the greater will be the necessary adjustment and its costs.

## Sector profile: the textile and clothing sector in the CEECs

BY DORIS HANZL-WEISS

In the Central and Eastern European countries, the textiles and textile products sector takes a relatively small size in production but plays a major role in employment and, in less advanced CEECs, in exports as well. Together with the leather and leather products industry it generally belongs to the core of consumer and light industry, and is also termed a 'traditional industry'. The sector is strongly shaped by globalization and easy relocation to low-cost countries, for instance in East Asia, particularly China. It sources inputs from the agricultural sector (natural fibres such as cotton or wool) and the chemicals industry (man-made fibres, i.e. cellulose/viscose and synthetic fibres, e.g. nylon or polyester). The production process includes the preparation of these fibres, the spinning, weaving, knitting, finishing and dyeing of textiles, and the manufacture of textiles such as carpets, rugs and cordage (*textiles industry*), as well as the manufacture of garments and clothing accessories, including leather clothes and fur articles (*clothing industry*). The textiles and textile products sector is considered a labour-intensive (with the partial exception of textiles), low-skill and low-technology industry, with production taking place mostly in small and medium-sized enterprises (SMEs).<sup>1</sup>

The TC sector plays a relatively important role in the economies of the CEECs: in the year 2000 it featured a total production volume of EUR 11.4 billion and a workforce of slightly more than 1 million persons in the CEEC(7) (Bulgaria, the Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia).

Among the CEEC(7), Poland was the largest producer of TC products in terms of current production in 2000 (EUR 4.6 billion), followed by the Czech Republic (EUR 2.2 billion). The production volume reached EUR 1.3 billion in Romania and Hungary, and was relatively smaller in Slovenia, Slovakia and Bulgaria. Regarding employment, the TC sector was of major importance due to its labour-intensive character. Romania took the lead in the region, followed by Poland.

Comparing levels of production with levels of employment in the individual CEECs reveals significant differences in output per employee (= labour productivity) in the sector. While in Poland, for instance, the TC sector produced an output of EUR 4.6 billion with 307,600 persons, in Romania the sector produced only EUR 1.4 billion with an even larger number of employees (332,400). High productivity prevails especially in Slovenia and the Czech Republic, low productivity is observed in Romania and Bulgaria.

### Stagnation of the TC sector

During the first period of transition, from 1989 to 1992, all CEECs experienced a severe transformational recession and the production of the TC sector declined along with the larger economy. In most countries average production fell by 10% to 20%. In comparison to total manufacturing, the sector was much more affected and hence may be called a relative 'loser' of this period (except in Bulgaria and Romania). On the domestic market, this development was due to the dramatic fall in real incomes resulting in declining demand for consumer goods whose purchase can

<sup>1</sup> In the NACE rev. 1 classification system (Statistical classification of economic activities in the European Community) the term 'textiles and textile products', in the following called **textile and clothing sector** – short **TC sector**, denotes the sub-section 'DB', which consists of the following industries (17, 18):

Manufacture of textiles (17) (*textiles industry*) including the 'preparation and spinning of textile fibres' (17.1), 'textile weaving' (17.2), 'finishing of textiles (17.3), 'manufacture of made-up textiles, except apparel' (17.4), 'manuf. of other textiles' (17.5), 'manuf. of knitted and crocheted fabrics' (17.6) and 'manuf. of knitted and crocheted articles' (17.7).

Manufacture of wearing apparel; dressing and dyeing of fur (18) (*clothing industry*) including 'manuf. of leather clothes' (18.1), 'manuf. of other wearing apparel and accessories' (18.2) and the 'dressing and dyeing of fur; manuf. of articles of fur' (19.3).

## TEXTILES

Table 1

### Textiles and textile products

Overview on production and employment, 2000

	mn EUR	Production <sup>1)</sup>		Employment	
		% of GDP	% of manuf. production	ths. persons	% of manuf.
Bulgaria	513.8	3.9	6.4	122.4	23.1
Czech Republic <sup>3)</sup>	2177.5	4.0	4.6	102.0	9.6
Hungary	1324.2	2.6	3.3	101.6	13.5
Poland	4603.1	2.7	4.3	307.6	12.5
Romania <sup>2)</sup>	1389.9	4.2	7.7	332.4	21.2
Slovak Republic	592.4	2.8	3.6	57.4	11.8
Slovenia <sup>2)</sup>	814.1	4.3	7.3	31.0	13.8
<b>CEEC(7)</b>	<b>11415.0</b>	.	.	<b>1054.4</b>	.

Notes: 1) At current prices. - 2) Production data 1999. - 3) Production data 2000 estimated.

Source: WIIW Industrial Database

easily be deferred, as well as to the disappearance of domestic sales networks and the growing competition of imports. On the export side, the collapse of the CMEA market had a decisive negative impact on the TC sector.

From 1993 onwards growth returned to the region but the TC sector continued to suffer. Growth remained negative in almost all countries and turned positive only in Poland and Hungary. Compared to total manufacturing, the sector

remained a 'loser' of this period as well. On the demand side, this may have been due to persisting weak purchasing power on the domestic market, competition from cheap, partly illegal imports (e.g. Vietnamese street markets), but also due to the Russian crisis in 1998 (especially in Poland). On the supply side, the textiles industry was much more affected by the downturn (difficult privatization and modernization process, outward processing imports for clothing) than the clothing industry, which benefited from the growth of outward

Table 2

### Textiles and textile products

Production growth (at constant prices 1996)

	Average annual changes in %		Relative to total manufacturing, in percentage points <sup>1)</sup>		Index 2000 1989=100
	1990-92	1993-2000	1990-92	1993-2000	
	Bulgaria	-13.1	-5.0 <sup>2)</sup>	5.9	2.4 <sup>1)</sup>
Czech Republic	-14.5	-3.6	-0.3	-6.0	46.7
Hungary	-20.2	4.7	-4.9	-7.1	73.6
Poland	-15.1	3.5	-3.9	-5.9	80.4
Romania	-23.4	-2.1	0.7	-0.5	37.8
Slovak Republic	-17.2	-6.9	-1.3	-9.8	32.1
Slovenia	-14.2	-0.3	-3.0	-1.9	61.6

Note: 1) Growth rate TC sector – growth rate total manufacturing; e.g. Bulgaria:  $-13.1 - (-19) = 5.9$ . - 2) 1997-2000.

Source: WIIW Industrial Database

Figure 1



Source: WIIW Industrial Database.

processing agreements.<sup>2</sup> Both industries were however lacking capital and hence investment for new technology, including foreign direct investment (except in Hungary) and were troubled by low productivity levels.

### **Productivity and unit labour costs**

In all CEECs wages, productivity and unit labour costs in the TC sector have generally been lower than in Western countries for which we have used Austria as a reference point. In 2000, nominal wage rates (gross wages at exchange rates per employee) hovered between 10% and 15% of the Austrian level in most countries; they were even lower (at 4%) in Bulgaria and Romania, but somewhat higher in Slovenia (30%). The estimated productivity level of the TC sector was particularly low in Bulgaria and Romania but also in Slovakia (14% in the former two countries, 17% in the latter

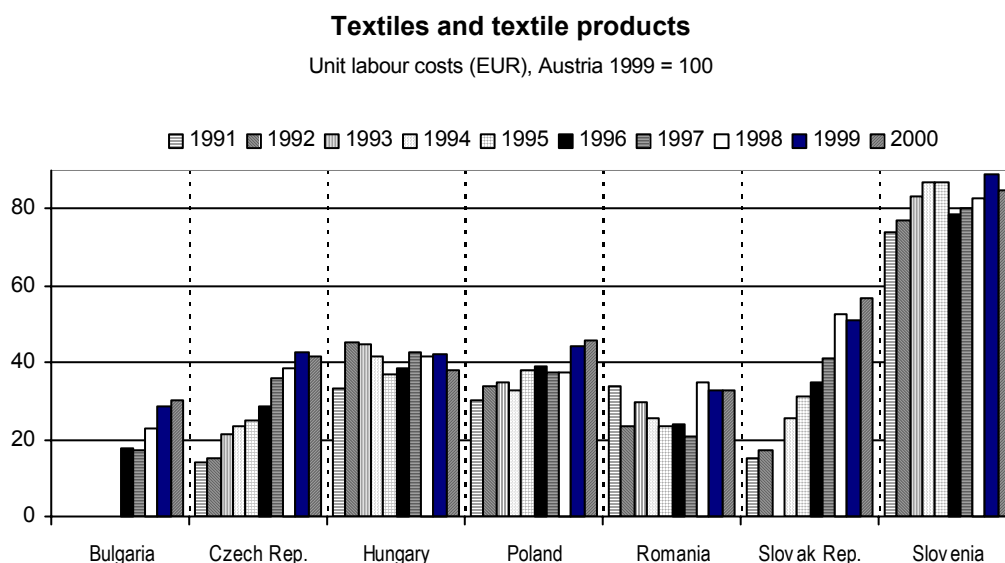
one) and reached just 30% of the Austrian level in the other CEECs. Unit labour costs ranged between 30% of the Austrian level in Bulgaria and Romania, 40% in most other CEECs, 60% in Slovakia and 85% in Slovenia.<sup>3</sup>

During transition, wages in the TC sector rose throughout the region. Between 1993 and 2000, the annual wage increase ranged between 5% in Hungary and 13% in the Czech Republic. In the same period productivity increased as well in most countries (with fluctuations occurring in the Czech Republic and Romania), but clearly declined in Bulgaria and Slovakia. When compared to total manufacturing, the productivity increase in the TC sector was less pronounced, making the sector a relative productivity loser in all countries. As the wage increase was higher than the productivity increase, unit labour costs rose in all CEECs, except in Hungary, and the cost competitiveness of the sector deteriorated.

<sup>2</sup> Outward processing (OP) is a form of international co-operation on a contractual basis between independent firms from different countries. The contractor exports mainly semi-processed goods (fabric, cuttings or semi-finished garments) to the subcontractor, who refines, assembles or finishes the product which is then re-imported to the contractor's country. Trade for this purpose is called outward processing trade (OPT).

<sup>3</sup> These figures are however strongly affected by the choice of conversion rates at which national output is calculated. In the text, these rates are defined as PPPs for GDP; figures represent a lower range.

Figure 4



Source: WIIW Industrial Database.

Table 3

**Textiles and textile products**  
Average annual growth rates, 1993-2000  
in %

	Output	Employment	Productivity	Productivity relative to total manuf.	Wage rates (EUR basis)	Unit Labour Costs (EUR basis)
Bulgaria <sup>1)</sup>	-5.0	-0.8	-4.3	-4.9	9.6	14.6
Czech Republic	-3.6	-5.1	1.6	-4.7	13.0	11.2
Hungary	4.7	-2.8	7.7	-7.5	5.0	-2.5
Poland	3.5	-3.2	6.9	-4.1	8.4	1.4
Romania	-2.1	-5.8	3.8	-2.0	8.2	4.2
Slovak Republic	-6.9	-2.1	-4.9	-11.7	9.1	14.7
Slovenia	-0.3	-5.4	5.4	-0.1	5.9	0.5

Note: 1) 1997-2000.

Source: WIIW Industrial Database.

Looking at the wage level in the TC sector, wages lay significantly below the manufacturing average, reaching between 61% and 73% of that average in 2000. Hence, workers in the TC sector (mostly women) were among the worst paid of all workers in total manufacturing. This is typical for jobs requiring little qualification and skills. During transition, relative wages even declined, except in Slovenia.

### Trade with the EU(15)

Trade between the European Union and the CEECs is governed by the *Europe Agreements*, aiming to gradually establish free trade in industrial products, with the EU opening its markets more quickly than the associated countries. CEE industrial exports to the EU have been fully subject to free trade since 1 January 1997, but textiles and clothing exports were liberalized only as of



1 January 1998<sup>4</sup> because they were regarded as 'sensitive' products and hence were exempted from early liberalization. Barriers to EU exports to the CEECs were generally removed on 1 January 2001.

*Outward processing* transactions (OP) benefited from special, softer regulations: First, tariffs were levied on value added only. Second, beginning in March 1992, the Europe Agreements abolished tariffs for most categories of textiles and clothing imported after outward processing, which was then extended to all products in December 1994. Consequently, imports related to non-OP co-operation agreements (mainly subcontracting) and to FDI were at a disadvantage. These different regulations for OP clearly benefited EU producers and discriminated against genuine Eastern European products. The differences vanished by 1 January 1997, when tariffs on non-OP imports were removed as well.

Generally, world trade is governed by *WTO rules*,<sup>5</sup> trade in the TC sector by the WTO Agreement on Textiles and Clothing (ATC) – a transitional instrument for the integration of the TC sector into the general rules of the WTO over a ten-year period. Quotas will be removed in four stages until 1 January 2005. Hence, by that time the cushioning effects of trade restrictions for the EU industry will disappear, as will the preferential treatment of CEE exports to the EU, and competition will increase in the textiles and clothing market. Especially large textiles and clothing producers such as India, Indonesia, Pakistan and above all China will

challenge current suppliers to the EU for market shares.

Trade with the EU is investigated in detail as the EU is the dominant trading partner of all CEECs today: after the collapse of the CMEA market, CEECs' trade became heavily oriented towards EU markets.<sup>6</sup> In the TC sector, trade with the EU is even relatively more important (in both exports and imports) than in total manufacturing due to outward processing trade. By the end of the 1990s, the EU(15) accounted for 70% to 90% of CEECs' TC exports in the region. The share of exports going to the EU(15) was largest in Romania and Poland (about 90%), Hungary, Slovakia and Slovenia (84%, 82% and 80% respectively) and was still relatively pronounced in Bulgaria and the Czech Republic (77% and 74%). In all countries except Hungary and the Czech Republic the export orientation towards the EU(15) markets was distinctly above that of total manufacturing. On the import side, the share of imports coming from the EU(15) ranged between 65% and 90% and was hence also larger than for total manufacturing imports. (Romania, the main target for OP, showed the highest share.)

Looking at the share of TC products in total manufacturing exports to the EU(15), the importance of the sector today differs significantly between two country groups. In the less advanced countries Romania and Bulgaria, the sector accounted for a major part of manufacturing exports, reaching 37% and 29% respectively in 2000, and hence was the largest exporter by far in Romania and ranked second in Bulgaria. In the more advanced transition countries the sector still held an important position, with 11% in Poland and 9% in Slovenia and Slovakia. The export share was

<sup>4</sup> All quantitative restrictions were lifted then.

<sup>5</sup> In general the World Trade Organization (WTO), formerly GATT, embodies free trade. However, the *Multifibre Agreement* (MFA) – the only separate agreement on branch level – made the application of selective quantitative restrictions, in case of market disruptions, possible. The aim was to ease structural change and its detrimental effects on employment. The MFA set the multilateral rules under which bilateral agreements were concluded. These contained voluntary export restraints, quantitative restrictions and growth rates thereof. The MFA was in force from 1974 to 1994 and was replaced in 1995 by the WTO Agreement on Textiles and Clothing (ATC).

<sup>6</sup> By 1999, more than 70% of total Hungarian exports went to the EU(15), for Poland and the Czech Republic the levels were about 70%, for Romania and Slovenia somewhat below 70%, for the Slovak Republic 60%, and for Bulgaria around 50% (40% in 1997). On the import side, Slovenian and Polish imports from the EU(15) accounted for roughly 70%, in the Czech Republic, Hungary and Romania EU(15) imports had a share of about 60%, and in Slovakia and Bulgaria of 50% (Bulgaria: 40% in 1997).

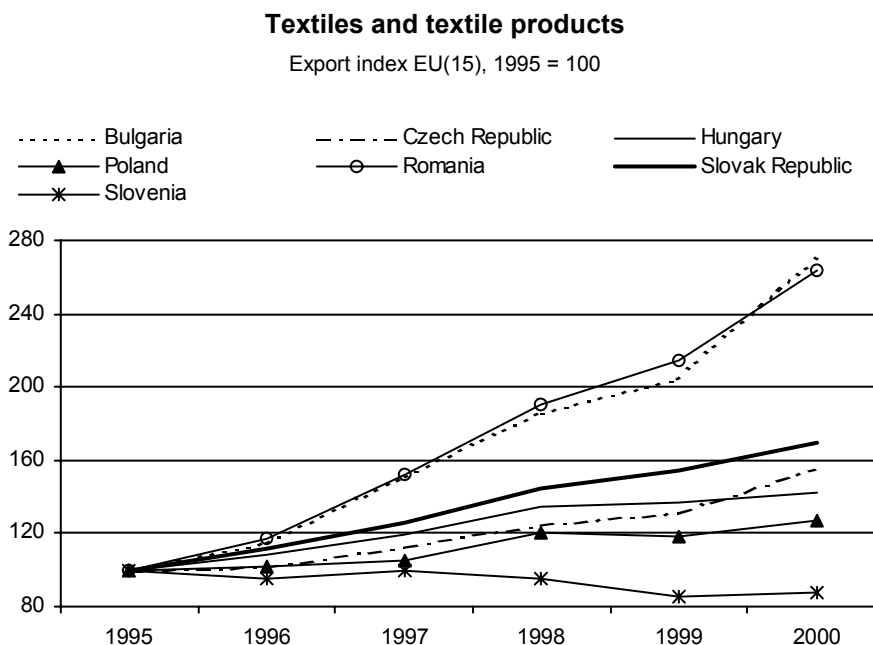
only slightly smaller in the Czech Republic and Hungary (7%). In general, export shares were larger than production shares, reflecting the TC sector's above-average export orientation towards the EU(15).

Between 1995 and 2000, TC exports to the EU(15) grew most dynamically in Bulgaria and Romania, reaching average annual growth rates of 20% and hence reaching 270% of the 1995 level in 2000. Among other things this was due to a major competitive gain in 'other wearing apparel and accessories' exports, which experienced a large competitive loss in the other CEECs (except in Slovakia, where they also showed a competitive gain – measured by a 'shift and share analysis'). Only in Bulgaria and Romania did TC exports expand faster than total manufacturing exports so that export shares increased. In the other CEECs export shares fell, because TC exports either grew less dynamically than total manufacturing exports or even declined (Slovenia).

With regard to imports from the EU(15), a diversified picture emerges as well. Again, in Romania and Bulgaria TC imports accounted for the largest share of total manufacturing imports in 2000, with 24% and 20% respectively, due to the importance of outward processing trade. In the other CEECs shares ranged between 5% in the Czech Republic and 8% in Slovenia. Between 1995 and 2000, import shares rose in Bulgaria and Romania, while they declined in the other CEECs.

In absolute terms, higher exports than imports in the TC sector led to a small sectoral trade surplus in most countries from 1995 to 2000 (except in Slovenia from 1998 onwards and in Poland between 1997 and 1999). In 2000, the sectoral trade surplus ranged between EUR 30 million in Poland and EUR 240 million in Bulgaria; it was significantly larger only in Romania, with EUR 700 million.

Figure 3



Source: Eurostat, WIIW calculations.

### **Exports concentrated on 'wearing apparel', imports on 'textiles'**

At a more detailed three-digit NACE level, exports of the CEECs to the EU(15) were concentrated on 'wearing apparel; dressing and dyeing of fur' (between 60% and 84% of the sector's exports). The Czech Republic (36%) was an exception: here exports of 'textiles' (64%) were more important in the sectoral structure in 2000. The concentration on 'wearing apparel; dressing and dyeing of fur' was most pronounced in Bulgaria and Romania (slightly more than 80%) and least so in Slovenia (60%) and of course the Czech Republic. That pattern matched the concentration on the sub-branch 'other wearing apparel and accessories'. In the 'textiles' industry, exports from 'knitted and crocheted articles' – including socks, hosiery, or pullovers etc. – played a role in some countries.

Between 1995 and 2000, the concentration on 'wearing apparel; dressing and dyeing of fur' exports declined in all countries except in Bulgaria, with the reduction being especially pronounced in the Czech Republic, Poland and Hungary (hence 'textiles' exports grew faster). Export growth was particularly strong in 'other textiles' – including carpets, ropes, embroideries, etc. – although from a low level.

The import structure of the TC sector was heavily concentrated too. Major import products came from the 'textiles' industry however (between 70% and 86% of the sector's imports in 2000). The concentration was most pronounced in Slovakia and Poland (about 86%), the Czech Republic and Slovenia (about 80%) and least so in Bulgaria (70%). The most important sub-branches were 'textile-weaving', 'other textiles' and 'other wearing apparel and accessories'. Between 1995 and 2000 the concentration was somewhat declining, except in the Czech Republic and Slovakia. Imports from 'dressing and dyeing of fur, manufacture of articles of fur' fell in absolute terms.

(See Tables 4 and 5.)

### **Price/quality gaps**

The price/quality gap indicator reveals differences in export prices which under certain assumptions can be interpreted as differences in product quality. This indicator measures the CEE export unit values (value per kg) to the EU(15) compared to the overall EU import unit value.<sup>7</sup> A positive value of this indicator suggests that CEE exports are more expensive, and thus presumably of better quality, than average EU imports. A negative figure suggests that the exported products are cheaper, and therefore presumably of lower quality.

For the average of 1995-2000 the TC price/quality gap indicator differed substantially in the individual CEECs: for Slovenia and Hungary it was positive and 41% and 18% higher than the average EU import unit value. The indicator ranged around zero in Slovakia, Poland and the Czech Republic and was negative in Romania and Bulgaria (-13% and -27% respectively). Between 1995 and 2000 the indicator improved remarkably, the 2000 indicator was significantly higher than the 1995-2000 average.

At a more detailed level the price/quality gap was however mostly negative, with some exceptions: 'leather clothes' exports achieved a positive price/quality gap indicator in all countries as did 'other wearing apparel and accessories' exports, except in Bulgaria and Romania.

(See Table 6.)

<sup>7</sup> Zero refers to the average price line for total EU imports and the values off the zero price can be interpreted as (positive or negative) export price gaps (in %) relative to that average.

Table 4

## Detailed export structure of the textiles and textile products sector, exports to EU(15), 2000, in %

	Bulgaria	Czech Republic	Hungary	Poland	Romania	Slovak Republic	Slovenia
<b>17 Textiles</b>	<b>16.4</b>	<b>63.9</b>	<b>33.4</b>	<b>28.5</b>	<b>17.6</b>	<b>28.7</b>	<b>39.6</b>
17.1 Preparation and spinning of textile fibres	1.2	10.4	5.4	3.5	0.7	1.5	9.3
17.2 Textile weaving	3.9	21.7	6.0	2.0	0.9	7.8	10.9
17.4 Manuf. of made-up textile articles, except apparel	2.7	15.1	6.1	13.2	2.9	4.6	7.8
17.5 Manuf. of other textiles	0.2	10.5	4.7	3.8	0.8	2.1	4.1
17.6 Manuf. of knitted and crocheted fabrics	0.1	1.8	0.4	0.6	0.1	0.3	0.3
17.7 Manuf. of knitted and crocheted articles	8.3	4.5	10.7	5.4	12.3	12.5	7.4
<b>18 Wearing apparel; Dressing and dyeing of fur</b>	<b>83.6</b>	<b>36.1</b>	<b>66.6</b>	<b>71.5</b>	<b>82.4</b>	<b>71.3</b>	<b>60.4</b>
18.1 Manuf. of leather clothes	0.2	0.3	1.3	0.5	0.6	0.0	2.4
18.2 Manuf. of other wearing apparel and accessories	83.4	35.0	64.6	69.6	81.6	71.2	57.4
18.3 Dressing and dyeing of fur; manuf. of articles of fur	0.0	0.7	0.7	1.3	0.2	0.1	0.5
<b>DB Textiles and textile products</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>in EUR million</b>	<b>843.8</b>	<b>1374.1</b>	<b>1322.9</b>	<b>2426.0</b>	<b>2724.5</b>	<b>577.2</b>	<b>535.4</b>

Source: Eurostat, WIIW calculations.

Table 5

## Detailed import structure of the textiles and textile products sector, imports from EU(15), 2000, in %

	Bulgaria	Czech Republic	Hungary	Poland	Romania	Slovak Republic	Slovenia
<b>17</b>	<b>69.6</b>	<b>81.2</b>	<b>71.6</b>	<b>85.0</b>	<b>75.0</b>	<b>86.2</b>	<b>79.0</b>
<b>Textiles</b>							
17.1	5.3	13.1	7.5	5.6	4.7	7.5	5.5
Preparation and spinning of textile fibres							
17.2	43.4	23.8	30.6	42.9	49.9	41.0	35.1
Textile weaving							
17.4	1.2	5.0	2.2	2.5	0.8	3.1	2.5
Manuf. of made-up textile articles, except apparel							
17.5	8.9	27.5	18.7	22.0	10.3	19.1	22.8
Manuf. of other textiles							
17.6	8.1	8.6	8.1	9.0	5.5	10.9	7.7
Manuf. of knitted and crocheted fabrics							
17.7	2.6	3.2	4.4	2.9	3.7	4.5	5.5
Manuf. of knitted and crocheted articles							
<b>18</b>	<b>30.4</b>	<b>18.8</b>	<b>28.4</b>	<b>15.0</b>	<b>25.0</b>	<b>13.8</b>	<b>21.0</b>
<b>Wearing apparel; Dressing and dyeing of fur</b>							
18.1	0.0	0.5	0.2	0.2	0.0	0.3	0.2
Manuf. of leather clothes							
18.2	30.3	17.7	27.6	14.4	24.9	13.3	20.5
Manuf. of other wearing apparel and accessories							
18.3	0.1	0.6	0.6	0.4	0.1	0.2	0.3
Dressing and dyeing of fur, manuf. of articles of fur							
<b>DB</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Textiles and textile products</b>							
<b>in EUR million</b>	<b>606.9</b>	<b>1162.3</b>	<b>1250.4</b>	<b>2392.1</b>	<b>1981.4</b>	<b>462.7</b>	<b>612.3</b>

Source: Eurostat, WIIW calculations.

Table 6

**Textiles and textile products**  
Price/quality gap indicator for CEECs' exports to the EU<sup>(1)</sup>

		Czech					Slovak		
		Bulgaria	Republic	Hungary	Poland	Romania	Republic	Slovenia	
17.1	Preparation and spinning of textile fibres	2000	-33.3	-10.6	5.1	-4.8	-31.4	-18.8	2.9
17.2	Textile weaving	2000	-38.9	-24.3	3.9	-30.9	-19.1	-34.8	-7.0
17.4	Manuf. of made-up textile articles, except apparel	2000	-31.0	8.8	11.8	2.4	-19.0	13.8	27.4
17.5	Manuf. of other textiles	2000	0.7	-20.0	-3.1	-12.1	18.2	53.6	-16.5
17.6	Manuf. of knitted and crocheted fabrics	2000	-2.8	-11.2	-6.7	-22.9	-13.5	9.1	-5.0
17.7	Manuf. of knitted and crocheted articles	2000	-33.2	-15.2	-9.2	-21.8	-23.4	-15.1	8.9
18.1	Manuf. of leather clothes	2000	19.9	8.7	86.9	48.5	16.8	164.9	73.6
18.2	Manuf. of other wearing apparel and accessories	2000	-15.3	30.0	39.4	13.1	-4.2	27.3	81.0
18.3	Dressing and dyeing of fur; manuf. of articles of fur	2000	-41.1	-39.3	28.0	-18.2	-46.1	-56.8	-10.2
<b>DB</b>	<b>Textiles and textile products</b>	<b>1995</b>	<b>-26.7</b>	<b>-8.7</b>	<b>6.7</b>	<b>-2.9</b>	<b>-25.1</b>	<b>-14.4</b>	<b>36.7</b>
		<b>1996</b>	<b>-27.9</b>	<b>-8.6</b>	<b>8.2</b>	<b>-3.2</b>	<b>-20.0</b>	<b>-8.3</b>	<b>33.7</b>
		<b>1997</b>	<b>-31.4</b>	<b>-9.4</b>	<b>8.5</b>	<b>-5.1</b>	<b>-20.2</b>	<b>-10.0</b>	<b>32.8</b>
		<b>1998</b>	<b>-27.1</b>	<b>-2.5</b>	<b>26.1</b>	<b>3.6</b>	<b>-9.7</b>	<b>4.4</b>	<b>43.7</b>
		<b>1999</b>	<b>-26.3</b>	<b>2.8</b>	<b>29.6</b>	<b>1.9</b>	<b>-5.1</b>	<b>14.5</b>	<b>58.0</b>
		<b>2000</b>	<b>-16.9</b>	<b>2.5</b>	<b>28.7</b>	<b>10.7</b>	<b>0.1</b>	<b>21.8</b>	<b>43.3</b>
		<b>average 1995-2000</b>	<b>-26.1</b>	<b>-4.0</b>	<b>18.0</b>	<b>0.8</b>	<b>-13.3</b>	<b>1.3</b>	<b>41.4</b>

Notes: (1) Defined as the unit value ratio  $uvr^c$  of country c, which shows the percentage deviation from the average EU import unit value.

Source: Calculations by R. Stehrer, WIIW.

**Prominent position on the EU market**

In 1995 CEEC(7) TC exports had a market share of 14% in the EU(15); after some fluctuations in the subsequent years that share stood at slightly above 14% again in 2000 (all shares without intra-EU trade). Compared to EU market shares of total manufacturing (9% in 1995 and 11% in 2000) the TC sector shares were larger, reflecting its significant position on the EU market – although the positive deviation was slightly decreasing. In 2000 the largest exporters to the EU were Romania and Poland with market shares around 4%, followed by the Czech Republic and Hungary with 2%. The other countries held shares of around 1%.

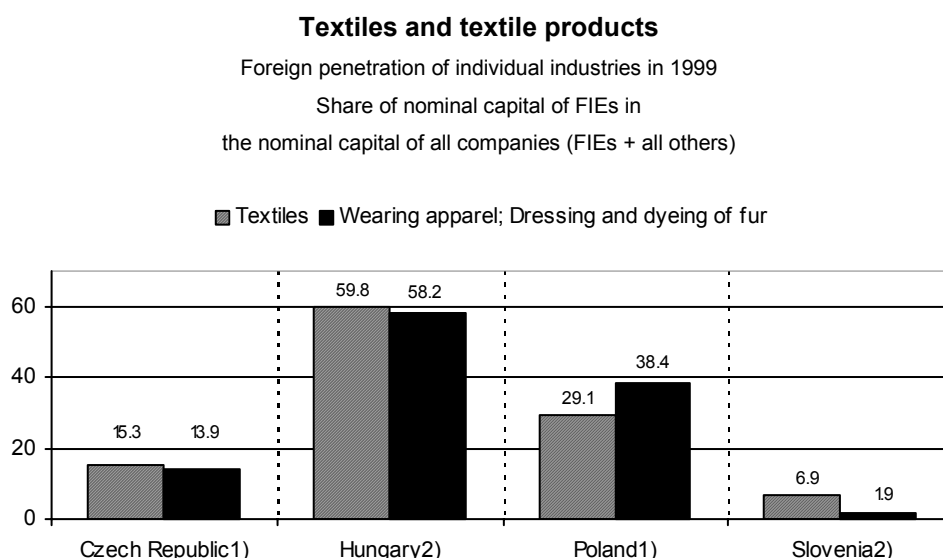
**Foreign direct investment**

The TC sector has not been a prominent target for foreign direct investments (except in Hungary), which are otherwise an important instrument of industrial restructuring. Those investors who came to the CEECs were mainly attracted by low labour costs and used efficiency-seeking strategies, especially in Romania and Bulgaria; other motives were market-seeking considerations (Poland) and

follow-the-leader strategies (e.g. textiles for the car industry). Financial and budget constraints in SMEs often make foreign direct investment very difficult, favouring other forms of production integration, especially outward processing trade. OP determines the CEECs' current trade structure (import of textiles, export of wearing apparel). It has shifted from higher-wage countries to lower-wage countries, e.g. from Slovenia to Hungary, Poland, and further to Bulgaria and especially Romania, which has become the largest CEE exporter to the EU in 2000 and hence has overtaken Poland.

Foreign *penetration* of the TC sector (measured by the share of nominal capital of the sector's FIEs in the nominal capital of all TC companies) has been below the levels of foreign penetration for total manufacturing in all countries (except for Slovakia in 1995). In 1999 it was lowest in Slovenia with 5%, reached 15% in the Czech Republic, 32% in Poland and was highest in Hungary with 59%. In that year, foreign penetration was slightly higher in 'textiles' in the Czech Republic, Hungary and Slovenia, while it was more pronounced in 'wearing apparel; dressing and dyeing of fur' in Poland.

Figure 4



Notes:: 1) Equity capital.- 2) Nominal capital.

Source: WIIW, FIE Database

### **Prospects**

The future prospects of the CEECs' TC sector are rather unfavourable. Though the TC sector is competitive today, its situation has deteriorated during transition and will continue to do so in the future.

On the *domestic market* growth prospects still exist as incomes are rising and the domestic market is recovering. GDP developments are currently quite favourable and forecasts are positive for all CEECs (except for Poland in 2002). The trends are most promising in Hungary, followed by the Czech Republic, Slovakia, Slovenia and Bulgaria. The growth rates for Romania are lower but still pronounced, while those for Poland were markedly scaled down. However, in the long run the TC sector is expected to grow less than average because the income elasticity for clothing products is typically less than one: when incomes rise, their share in private consumption declines. In addition, domestic markets are under heavy pressure from cheaper imports.

On the *external markets* competition will increase with the removal of the ACT quota system by 1 January 2005. Future prospects will heavily depend on further developments in outward processing: As these agreements are mainly based on low labour costs, locations for outward processing have already shifted from Slovenia to Hungary and Poland, and further east to Romania. Along with the ongoing economic restructuring, however, wages are rising and will continue to do so in the future; thus the comparative cost advantage in this field will evaporate. The eventual integration into the European Union will further speed up this process. Therefore, outward processing trade is no long-term strategy for the CEECs. On the other hand, outward processing poses the great opportunity to learn from the Western producers and to manage the restructuring process. The future of the CEECs will thus depend on this learning process, on further restructuring and the development of long-term strategies. The sector seems, however, doomed to follow the development path of Western Europe, with further production and employment reductions and outsourcing to even lower-wage countries further east. Still, production for niche markets remains a glimmer of hope as in the West.



## Textiles and Textile Products (WIIW Industry Study, May 2002)

In Central and Eastern Europe the textiles and textile products sector takes a relatively small share in production today, but plays a major role in employment and, in less advanced CEECs, also in exports. It is considered a labour-intensive, low-skill and low-technology industry, producing a wide range of products (e.g. fibres, threads, carpets, rugs, garments and clothing accessories etc.). The sector was neglected during the former command economy and was further downsized during transition. Outward processing trade with the countries of the European Union probably delayed the decline of the sector, which is expected to proceed in the future.

\*\*\*\*\*

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## '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 10 and 11 June 2002)

Chapter	Czech R.	Estonia	Hungary	Latvia	Lithuania	Poland	Slovakia	Slovenia
Justice & home affairs						O		
Competition	O		O			O	O	
Transport	O							
Taxation		O						
Energy		O						
Culture & audiovisual			O					
Institutions	O		O	O				
<b>Number of open, non-financial chapters</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>
Agriculture	O	O	O	O	O	O	O	O
Regional policy			O			O	O	O
Finance & budget	O	O	O	O	O	O	O	O
<b>Total number of open /closed chapters</b>	<b>5/25</b>	<b>4/26</b>	<b>6/24</b>	<b>3/27</b>	<b>2/28</b>	<b>5/25</b>	<b>4/26</b>	<b>3/27</b>

*Legend:* blank: provisionally closed chapter  
O: 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 2001 to 2002

(updated end of June 2002)

		2001												2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total	real, CMPY	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	-2.5	15.5	.	
Industry, total	real, CCPY	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	-3.1	1.3	.	
<b>LABOUR</b>																		
Employees total	th. persons	1695	1705	1703	1717	1725	1719	1708	1713	1717	1707	1686	1889	1894	1906	.	.	
Employees in industry	th. persons	598	600	600	598	598	592	588	585	584	581	575	632	629	628	.	.	
Unemployment, end of period	th. persons	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	678.6	673.8	
Unemployment rate <sup>1)</sup>	%	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	17.8	17.6	
Labour productivity, industry	CCPY	17.5	7.3	7.5	6.7	5.9	6.2	6.8	6.4	5.7	6.6	4.7	-7.8	-7.6	-7.8	.	.	
Unit labour costs, exch.r. adj.(EUR)	CCPY	-7.5	0.4	-0.2	0.5	1.3	0.9	0.4	0.5	1.3	0.3	1.9	11.6	12.4	12.7	.	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross	BGN	233.0	245.0	253.0	261.0	261.0	256.0	256.0	264.0	259.0	261.0	278.0	250.0	252.0	265.0	.	.	
Total economy, gross	real, CMPY	3.2	1.3	2.8	2.9	4.2	3.5	6.7	4.6	7.0	3.9	4.8	-1.0	-0.2	-0.9	.	.	
Total economy, gross	USD	110	114	115	117	114	113	118	123	120	119	127	113	112	119	.	.	
Total economy, gross	EUR	119	125	129	133	133	131	131	135	132	133	142	128	129	135	.	.	
Industry, gross	USD	118	124	120	118	120	117	125	131	126	125	131	118	117	124	.	.	
<b>PRICES</b>																		
Consumer <sup>2)</sup>	PM	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	-0.1	-2.1	
Consumer <sup>2)</sup>	CMPY	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	9.2	6.9	
Consumer <sup>2)</sup>	CCPY	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	8.4	8.1	
Producer, in industry	PM	0.2	0.5	0.3	0.6	-0.3	-0.6	0.0	0.4	0.2	0.1	-0.5	0.4	1.3	0.8	.	.	
Producer, in industry	CMPY	11.8	10.5	12.1	9.7	9.5	7.7	6.0	3.3	1.2	1.2	0.7	1.2	2.4	2.7	.	.	
Producer, in industry	CCPY	12.6	11.9	11.9	11.5	11.1	10.6	10.1	9.3	8.4	7.7	7.1	1.2	1.8	2.1	.	.	
<b>RETAIL TRADE</b>																		
Turnover	real, CMPY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	
Turnover	real, CCPY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	
<b>FOREIGN TRADE<sup>3)4)</sup></b>																		
Exports total (fob), cumulated	EUR mn	888	1388	1851	2299	2799	3325	3822	4287	4789	5294	5701	434	900	1365	1826	.	
Imports total (cif), cumulated	EUR mn	1109	1768	2412	3099	3853	4676	5339	5940	6697	7443	8084	571	1171	1788	2483	.	
Trade balance, cumulated	EUR mn	-220	-380	-562	-800	-1054	-1352	-1517	-1653	-1909	-2149	-2382	-137	-271	-423	-657	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	USD mn	-180	-231	-314	-408	-418	-499	-419	-469	-587	-745	-888	-129	-178	-233	.	.	
<b>EXCHANGE RATE</b>																		
BGN/USD, monthly average	nominal	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	2.210	2.131	
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	106.6	108.2	110.9	113.4	116.7	115.6	110.2	107.6	106.4	108.0	106.5	105.1	105.3	104.4	103.3	101.8	
BGN/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	97.8	97.6	99.5	101.2	103.2	101.2	96.8	94.9	93.4	94.8	93.6	94.6	94.9	94.4	.	.	
BGN/EUR, calculated with CPI <sup>5)</sup>	real, Jan98=100	88.4	88.6	89.2	89.6	89.7	89.7	89.5	88.6	87.1	86.7	86.3	84.4	83.2	82.8	82.9	84.7	
BGN/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	80.0	79.7	79.6	79.3	79.5	79.7	79.6	79.4	78.9	78.5	78.7	78.6	77.5	77.0	.	.	
<b>DOMESTIC FINANCE</b>																		
M0, end of period <sup>6)</sup>	BGN mn	2215.0	2225.5	2307.3	2344.2	2427.5	2522.1	2542.5	2601.8	2570.5	2641.9	3081.0	2924.6	2897.3	2855.2	2873.2	2789.4	
M1, end of period <sup>6)</sup>	BGN mn	3978.9	4010.9	4128.2	4135.7	4039.2	4163.9	4193.7	4275.1	4240.9	4982.0	4883.8	4651.4	4584.3	4594.2	4602.9	4171.8	
Broad money, end of period <sup>6)</sup>	BGN mn	10276.9	10401.1	10088.2	10374.7	10651.7	10984.9	11107.2	11318.5	11383.3	11673.0	12600.1	12513.5	12516.9	12503.1	12631.3	11261.1	
Broad money, end of period	CMPY	32.9	31.9	27.5	33.9	36.3	25.8	23.5	25.0	15.6	18.6	25.2	23.0	21.8	20.2	25.2	8.5	
BNB base rate (p.a.) <sup>end of period</sup>	%	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	4.0	4.0	
BNB base rate (p.a.) <sup>end of period<sup>7)</sup></sup>	real, %	-6.7	-5.7	-6.8	-4.7	-4.6	-2.9	-1.1	1.5	3.5	3.6	4.0	3.6	2.2	1.7	.	.	
<b>BUDGET</b>																		
Government budget balance, cum. <sup>8)</sup>	BGN mn	-422.1	-223.5	-98.1	-18.5	-175.7	-447.8	-468.9	-559.1	-409.6	-408.3	-669.4	154.2	116.0	205.6	-50.7	.	

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) Revised according to International Accounting Standards.

7) Deflated with annual PPI.

8) Including some extrabudgetary accounts and funds.

## C R O A T I A: Selected monthly data on the economic situation 2001 to 2002

(updated end of June 2002)

		2001											2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total <sup>1)</sup>	real, CMPY	-0.7	4.6	9.8	8.3	1.2	3.9	8.6	5.7	8.3	4.6	5.2	3.3	3.9	-1.0	5.8	3.9
Industry, total <sup>1)</sup>	real, CCPY	6.2	5.6	6.7	7.0	5.9	5.6	6.0	5.9	6.2	6.0	6.0	3.3	3.6	1.9	2.9	3.1
Industry, total <sup>1)</sup>	real, 3MMA	5.6	4.5	7.5	6.2	4.4	4.4	6.0	7.5	6.2	6.1	4.4	4.1	1.9	2.8	2.8	.
Construction, total, effect.work.time <sup>2)</sup>	real, CMPY	-4.6	-2.7	0.5	2.6	1.9	8.0	5.2	2.6	11.0	7.8	2.8	.	.	.	.	.
<b>LABOUR</b>																	
Employment total	th. persons	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	1326.8	1332.8	.
Employees in industry <sup>2)</sup>	th. persons	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	279.6	249.4	.
Unemployment, end of period	th. persons	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	415.4	407.7	394.1
Unemployment rate <sup>3)</sup>	%	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	23.8	23.4	22.6
Labour productivity, industry <sup>1)</sup>	CCPY	9.7	9.3	10.4	10.8	9.7	9.4	9.7	9.6	9.8	9.5	9.3	7.2	7.4	.	.	.
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	-0.6	0.5	0.4	0.8	1.9	2.8	2.3	1.6	1.2	1.3	1.3	-1.5	-0.8	.	.	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	HRK	4836	5052	5002	5202	4999	5066	5090	4885	5051	5325	5142	5159	5017	5224	.	.
Total economy, gross	real, CMPY	-5.1	-1.6	0.4	-1.7	-2.0	2.4	-1.3	-2.3	-0.5	1.3	-0.1	-1.5	0.9	0.2	.	.
Total economy, gross	USD	579	598	587	619	585	604	620	592	612	639	621	610	582	618	.	.
Total economy, gross	EUR	628	657	657	706	685	704	690	650	676	719	696	690	669	706	.	.
Industry, gross	USD	518	541	526	573	534	553	562	536	565	589	561	555	526	554	.	.
<b>PRICES</b>																	
Retail <sup>4)</sup>	PM	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	0.4	0.2
Retail <sup>4)</sup>	CMPY	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	2.2	1.8
Retail <sup>4)</sup>	CCPY	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	2.9	2.6
Producer, in industry	PM	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	0.9	0.2
Producer, in industry	CMPY	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	-1.4	-1.2
Producer, in industry	CCPY	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	-2.3	-2.1
<b>RETAIL TRADE</b>																	
Turnover	real, CMPY	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	14.7	9.4	.
Turnover	real, CCPY	.	10.9	11.5	11.6	11.7	11.3	10.9	10.5	10.4	10.2	10.0	10.9	12.2	13.0	12.1	.
<b>FOREIGN TRADE<sup>5,6)</sup></b>																	
Exports total (fob), cumulated	EUR mn	748	1184	1569	2011	2488	2922	3395	3830	4379	4766	5202	359	722	1180	1653	.
Imports total (cif), cumulated	EUR mn	1265	2163	2995	4076	5060	6004	6773	7589	8520	9358	10116	683	1502	2411	3366	.
Trade balance, cumulated	EUR mn	-517	-979	-1425	-2064	-2572	-3082	-3378	-3759	-4141	-4592	-4914	-324	-780	-1231	-1713	.
Exports to EU (fob), cumulated	EUR mn	409	643	870	1096	1372	1591	1861	2113	2463	2670	2857	196	417	657	952	.
Imports from EU (cif), cumulated	EUR mn	710	1178	1651	2245	2818	3334	3740	4180	4712	5221	5663	350	797	1308	1844	.
Trade balance with EU, cumulated	EUR mn	-301	-535	-781	-1148	-1446	-1743	-1879	-2066	-2249	-2550	-2806	-154	-380	-651	-893	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	.	-611	.	.	-1444	.	.	-244	.	.	-623	.	.	.	.	.
<b>EXCHANGE RATE</b>																	
HRK/USD, monthly average	nominal	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	8.359	8.072
HRD/EUR, monthly average	nominal	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	7.393	7.378
HRK/USD, calculated with CPI <sup>7)</sup>	real, Jan98=100	122.6	124.0	124.0	122.1	124.7	122.7	118.9	119.6	119.5	120.6	119.8	121.5	124.4	122.0	120.1	115.8
HRK/USD, calculated with PPI <sup>7)</sup>	real, Jan98=100	123.2	125.2	126.9	125.6	126.3	122.8	120.8	120.5	117.7	119.0	118.0	120.9	122.8	122.9	120.4	116.1
HRD/EUR, calculated with CPI <sup>7)</sup>	real, Jan98=100	101.4	101.6	99.7	96.4	95.8	94.9	96.4	98.1	97.7	96.8	96.8	97.6	98.0	96.7	96.2	95.8
HRD/EUR, calculated with PPI <sup>7)</sup>	real, Jan98=100	100.6	102.3	101.5	98.4	97.3	96.3	99.1	100.5	99.3	98.4	99.0	100.4	100.2	100.2	99.1	98.7
<b>DOMESTIC FINANCE</b>																	
M0, end of period	HRK mn	6113	6412	6551	6790	7266	7734	7551	7475	7182	7423	8507	8255	8345	.	.	.
M1, end of period	HRK mn	16971	17395	18253	18845	19065	20531	19838	20285	20065	20976	23704	22396	22165	24375	26418	.
Broad money, end of period	HRK mn	75524	77505	77651	77828	79690	81993	87748	88344	90102	95006	106071	108647	107184	106245	106333	.
Broad money, end of period	CMPY	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	37.1	36.9	.
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, %	-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	7.4	7.2
<b>BUDGET</b>																	
Central gov. budget balance, cum. <sup>9)</sup>	HRK mn	-1548.0	-3250.8	-3609.1	-4044.8	-4380.0	-4549.6	-4629.3	-5435.0	-2175.5	-2232.1	-3758.5	-437.3	-805.9	-2581.2	.	.

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.

9) From January 2002 including social security funds.

## C Z E C H REPUBLIC: Selected monthly data on the economic situation 2001 to 2002

(updated end of June 2002)

		2001											2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	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	4.1	8.2	.
Industry, total	real, CCPY	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	4.2	5.2	.
Industry, total	real, 3MMA	10.0	9.2	9.3	7.2	6.5	5.1	4.2	2.7	4.0	5.8	5.4	5.1	4.2	6.0	.	.
Construction, total	real, CMPY	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	-2.7	5.2	.
<b>LABOUR</b>																	
Employees in industry <sup>1)</sup>	th. persons	1170	1179	1177	1175	1176	1181	1178	1171	1171	1174	1165	1164	1167	1169	1165	.
Unemployment, end of period	th. persons	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	456.4	447.9
Unemployment rate <sup>2)</sup>	%	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	8.8	8.6
Labour productivity, industry <sup>1)3)</sup>	CCPY	10.8	8.8	8.4	7.6	6.9	6.7	6.5	5.7	5.7	5.7	4.9	1.3	3.5	3.4	5.6	.
Unit labour costs, exch.r. adj.(EUR) <sup>1)3)</sup>	CCPY	0.8	1.3	2.3	3.7	4.5	4.9	4.8	5.2	5.3	5.1	5.8	15.4	12.9	13.0	12.1	.
<b>WAGES, SALARIES</b>																	
Industry, gross <sup>1)</sup>	CZK	12745	13627	13700	15049	14708	14540	14276	13799	14769	16909	15489	14540	13718	14500	14929	.
Industry, gross <sup>1)</sup>	real, CMPY	0.9	0.1	3.1	2.1	0.4	1.6	0.6	0.0	2.2	0.1	0.7	2.9	3.1	2.1	4.7	.
Industry, gross <sup>1)</sup>	USD	339	359	354	383	370	370	377	367	399	451	425	400	375	405	436	.
Industry, gross <sup>1)</sup>	EUR	368	394	397	438	433	429	419	404	440	507	475	453	432	462	492	.
<b>PRICES</b>																	
Consumer	PM	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	-0.1	-0.1
Consumer	CMPY	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	3.2	2.5
Consumer	CCPY	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	3.6	3.4
Producer, in industry	PM	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	-0.5	-0.2
Producer, in industry	CMPY	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	-0.1	-0.5
Producer, in industry	CCPY	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	0.0	-0.1
<b>RETAIL TRADE</b>																	
Turnover	real, CMPY	0.3	3.2	6.0	4.2	2.1	5.7	3.3	4.1	8.2	8.2	0.0	3.3	3.8	4.2	4.7	.
Turnover	real, CCPY	3.9	3.7	4.2	4.2	3.9	4.2	4.0	4.1	4.4	4.7	4.3	3.3	3.6	3.8	4.2	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	5834	9164	12132	15398	18597	21402	24255	27356	30925	34486	37269	3072	6345	9870	13508	.
Imports total (fob), cumulated	EUR mn	6263	9918	13219	16737	20076	23420	26667	29683	33563	37293	40708	3255	6445	10166	13852	.
Trade balance, cumulated	EUR mn	-429	-755	-1087	-1339	-1479	-2017	-2412	-2327	-2638	-2807	-3440	-183	-100	-296	-344	.
Exports to EU (fob), cumulated	EUR mn	4156	6506	8585	10843	13046	14958	16862	18966	21390	23803	25694	2150	4460	6942	9475	.
Imports from EU (fob), cumulated	EUR mn	3914	6289	8354	10545	12651	14766	16770	18585	20977	23209	25162	1998	3972	6238	8534	.
Trade balance with EU, cumulated	EUR mn	241	217	231	298	395	192	92	381	413	594	532	151	487	703	941	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	.	-636	.	.	-1266	.	.	-2004	.	.	-2638	.	.	-442	.	.
<b>EXCHANGE RATE</b>																	
CZK/USD, monthly average	nominal	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	34.3	33.3
CZK/EUR, monthly average	nominal	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	30.4	30.6
CZK/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	103.8	105.1	107.2	108.5	109.0	106.4	102.7	102.9	101.1	102.3	99.2	97.5	98.3	97.0	92.8	90.3
CZK/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	105.2	105.1	108.3	110.0	110.1	107.3	103.6	102.6	98.2	99.5	95.8	95.6	96.1	95.2	91.5	89.1
CZK/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	86.1	86.1	86.1	85.6	83.8	82.5	83.2	84.4	82.8	82.1	80.3	78.2	77.5	76.9	74.5	75.0
CZK/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	86.1	86.0	86.6	86.1	85.0	84.4	85.0	85.5	83.0	82.3	80.6	79.3	78.5	77.6	75.4	76.1
<b>DOMESTIC FINANCE</b>																	
M0, end of period	CZK bn	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	182.8	183.3	.
M1, end of period <sup>7)</sup>	CZK bn	507.9	510.4	519.9	538.0	544.1	546.7	552.3	556.5	553.1	566.7	583.6	572.8	575.2	568.8	582.5	.
M2, end of period <sup>7)</sup>	CZK bn	1438.0	1440.6	1466.6	1512.6	1514.1	1528.7	1547.9	1532.5	1540.5	1564.8	1596.0	1590.9	1585.3	1581.6	1606.5	.
M2, end of period	CMPY	7.2	7.5	9.3	11.7	13.3	13.5	13.1	11.9	12.2	12.5	13.0	11.1	10.2	9.8	9.5	.
Discount rate (p.a.), end of period	%	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	2.75	2.75
Discount rate (p.a.), end of period <sup>8)</sup>	real, %	-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	2.9	3.3
<b>BUDGET</b>																	
Central gov. budget balance, cum.	CZK mn	3248	2677	-16809	-28713	-29652	-23519	-25566	-22644	-35432	-59797	-67698	-3417	-24923	-15737	-41863	.

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) 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) Revision based on new methodology starting January 2002 - excluding extrabudgetary funds.

8) Deflated with annual PPI.



## H U N G A R Y: Selected monthly data on the economic situation 2001 to 2002

(updated end of June 2002)

		2001											2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	9.8	3.0	11.6	8.6	0.2	2.7	2.4	-6.4	5.9	-1.0	-2.2	-0.7	0.0	3.1	4.5	.
Industry, total	real, CCPY	14.6	10.6	10.8	10.4	8.4	7.6	6.9	5.3	5.3	4.6	4.1	-0.7	-0.4	0.7	1.6	.
Industry, total	real, 3MMA	10.6	7.9	7.5	6.2	3.6	1.7	-0.7	0.5	-0.6	0.9	-1.3	-1.0	0.7	2.4	.	.
Construction, total	real, CMPY	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	27.3	34.8	.
<b>LABOUR</b>																	
Employees in industry <sup>1)</sup>	th. persons	844.0	845.2	839.7	835.6	834.2	834.4	831.3	828.1	824.1	821.8	812.6	825.1	825.6	833.3	822.0	.
Unemployment <sup>2)</sup>	th. persons	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	224.4	.
Unemployment rate <sup>2)</sup>	%	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	5.5	.
Labour productivity, industry <sup>1)</sup>	CCPY	14.5	10.8	11.1	10.9	9.3	8.6	8.0	6.6	7.0	6.6	5.9	1.5	2.2	3.0	3.9	.
Unit labour costs, exchr. adj.(EUR) <sup>1)</sup>	CCPY	-1.1	1.2	1.2	1.5	4.1	5.4	6.5	7.9	7.9	8.6	9.5	21.6	20.6	.	19.4	.
<b>WAGES, SALARIES</b>																	
Total economy, gross <sup>1)</sup>	HUF	91314	95268	99268	98523	101567	99069	97581	99416	106173	124074	136593	112385	108836	113857	114200	.
Total economy, gross <sup>1)</sup>	real, CMPY	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	12.8	8.4	.
Total economy, gross <sup>1)</sup>	USD	317	326	332	334	351	342	350	354	377	438	493	407	389	407	417	.
Total economy, gross <sup>1)</sup>	EUR	344	358	372	381	411	398	389	389	416	494	552	461	447	465	471	.
Industry, gross <sup>1)</sup>	USD	324	342	326	361	358	352	372	356	375	438	433	389	376	.	413	.
<b>PRICES</b>																	
Consumer	PM	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	0.9	0.5
Consumer	CMPY	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	6.1	5.6
Consumer	CCPY	10.3	10.3	10.3	10.4	10.4	10.3	10.1	9.9	9.6	9.4	9.2	6.6	6.4	6.2	6.2	6.1
Producer, in industry	PM	0.7	0.7	0.2	-0.7	-1.3	0.1	0.1	0.7	-0.3	-0.8	-0.7	0.1	0.3	0.4	0.0	.
Producer, in industry	CMPY	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	-2.8	-2.7	.
Producer, in industry	CCPY	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	-2.4	-2.5	.
<b>RETAIL TRADE</b>																	
Turnover <sup>3)</sup>	real, CMPY	5.6	5.8	5.8	4.3	4.0	5.3	4.7	3.3	5.4	3.0	3.6	12.8	9.5	17.2	.	.
Turnover <sup>3)</sup>	real, CCPY	7.2	6.7	6.4	5.9	5.6	5.5	5.4	5.2	5.2	5.0	4.8	12.8	11.1	13.4	.	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	5182	8157	10919	13920	16860	19563	22191	25079	28251	31550	34087	2570	5420	8844	11863	.
Imports total (cif), cumulated	EUR mn	5886	9137	12260	15606	18803	21956	24776	27762	31266	34713	37659	2953	6071	9298	12906	.
Trade balance, cumulated	EUR mn	-705	-980	-1341	-1686	-1943	-2392	-2585	-2683	-3015	-3163	-3573	-384	-651	-454	-1043	.
Exports to EU (fob), cumulated	EUR mn	4044	6310	8392	10640	12813	14830	16740	18929	21313	23622	25319	1942	4169	6584	9019	.
Imports from EU (cif), cumulated	EUR mn	3433	5345	7130	9096	10936	12825	14472	16203	18216	20129	21764	1638	3410	5280	7254	.
Trade balance with EU, cumulated	EUR mn	611	965	1262	1544	1878	2005	2268	2726	3097	3493	3554	305	759	1303	1766	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-177	-221	-329	-516	-888	-807	-626	-637	-702	-812	-1105	-345	-517	-493	-847	.
<b>EXCHANGE RATE</b>																	
HUF/USD, monthly average	nominal	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	273.6	.
HUF/EUR, monthly average	nominal	265.7	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	242.4	.
HUF/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	112.6	113.5	115.6	113.6	111.2	110.8	107.0	107.6	107.2	107.5	104.8	103.2	104.1	103.7	100.6	.
HUF/USD, calculated with PP <sup>6)</sup>	real, Jan98=100	119.6	119.3	122.2	122.0	119.9	117.9	113.6	113.4	111.5	112.6	109.5	109.4	110.7	111.2	108.9	.
HUF/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	93.4	93.0	93.0	89.7	85.6	86.0	87.0	88.4	88.0	86.2	85.0	83.0	82.2	82.4	80.9	.
HUF/EUR, calculated with PP <sup>6)</sup>	real, Jan98=100	97.9	97.6	97.8	95.5	92.6	92.8	93.4	94.6	94.4	93.0	92.2	90.9	90.5	90.8	89.9	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	HUF bn	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	1005.0	1029.4	1078.3
M1, end of period	HUF bn	2185.1	2236.3	2235.0	2292.1	2331.6	2319.5	2438.1	2457.9	2478.7	2537.4	2777.1	2564.3	2569.9	2644.2	2662.3	2764.5
Broad money, end of period	HUF bn	5977.0	6013.2	6059.0	6155.1	6163.6	6241.6	6516.0	6544.8	6637.4	6715.1	7092.7	6984.3	6927.4	6985.2	7133.7	7168.5
Broad money, end of period	CMPY	11.0	10.7	11.6	13.5	12.7	13.3	15.9	15.2	15.4	13.9	17.2	17.0	15.9	16.2	17.7	16.5
NBH base rate (p.a.) <sup>end of period</sup>	%	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	8.5	9.0
NBH base rate (p.a.) <sup>end of period</sup> <sup>7)</sup>	real, %	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	11.6	11.5	.
<b>BUDGET</b>																	
Central gov.budget balance <sup>cum.</sup>	HUF bn	-34.3	-35.2	-56.4	-66.8	-84.2	-102.7	-135.8	-170.6	-194.9	-178.5	-413.2	-59.3	-143.1	-186.9	.	.

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 2001 to 2002

(updated end of June 2002)

		2001												2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry <sup>1)</sup>	real, CPMY	-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	0.3	-4.1	
Industry <sup>1)</sup>	real, CCPY	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	-1.1	-1.7	
Industry <sup>1)</sup>	real, 3MMA	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	-0.9	-2.4	.	
Construction <sup>1)</sup>	real, CPMY	-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	-14.3	-6.2	-20.3	
<b>LABOUR</b>																		
Employees <sup>1)</sup>	th. persons	5189	5170	5156	5135	5121	5097	5074	5060	5044	5020	4952	4940	4931	4924	4907	4896	
Employees in industry <sup>1)</sup>	th. persons	2673	2663	2651	2634	2624	2608	2594	2584	2589	2576	2528	2494	2492	2486	2475	.	
Unemployment, end of period	th. persons	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	3203.6	3064.6	
Unemployment rate <sup>2)</sup>	%	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	17.8	17.2	
Labour productivity, industry <sup>1)</sup>	CCPY	10.3	9.6	9.4	8.4	7.0	7.0	6.9	6.3	6.4	6.3	5.8	5.5	6.5	5.5	6.0	.	
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	6.1	6.3	6.8	9.5	12.4	12.7	11.5	10.8	10.3	10.4	10.4	8.4	5.0	3.8	2.0	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross <sup>1)</sup>	PLN	2075	2149	2176	2163	2148	2199	2192	2218	2252	2302	2471	2188	2189	2252	2226	2255	
Total economy, gross <sup>1)</sup>	real, CPMY	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	-0.6	2.5	
Total economy, gross <sup>1)</sup>	USD	507	529	542	543	541	525	516	526	545	562	616	538	523	544	549	557	
Total economy, gross <sup>1)</sup>	EUR	551	582	606	621	634	611	574	577	602	633	690	609	601	621	619	609	
Industry, gross <sup>1)</sup>	USD	510	535	534	542	537	526	516	512	532	579	636	545	526	542	549	.	
<b>PRICES</b>																		
Consumer	PM	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	0.5	-0.2	
Consumer	CPMY	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	3.0	3.0	
Consumer	CCPY	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	3.4	3.1	
Producer, in industry	PM	-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	0.2	0.3	0.0	
Producer, in industry	CPMY	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	0.3	0.4	0.3	
Producer, in industry	CCPY	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	0.3	0.4	
<b>RETAIL TRADE</b>																		
Turnover <sup>1)</sup>	real, CPMY	-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	8.2	1.0	.	
Turnover <sup>1)</sup>	real, CCPY	-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	5.8	4.0	.	
<b>FOREIGN TRADE<sup>3)4)</sup></b>																		
Exports total (fob), cumulated	EUR mn	6347	9924	13157	16497	19836	23049	26297	29948	33899	37388	40372	3281	6545	10213	13948	.	
Imports total (cif), cumulated	EUR mn	8484	13446	18084	22896	27654	32482	36888	41518	46871	51754	56220	4117	8570	13482	18635	.	
Trade balance, cumulated	EUR mn	-2137	-3522	-4928	-6399	-7819	-9433	-10591	-11570	-12971	-14365	-15847	-837	-2024	-3268	-4686	.	
Exports to EU (fob), cumulated	EUR mn	4594	7153	9396	11764	14102	16323	18466	20902	23532	25930	27940	2380	4643	7043	9584	.	
Imports from EU (cif), cumulated	EUR mn	5171	8239	11080	14028	16932	19958	22599	25484	28814	31783	34510	2452	5250	8282	11383	.	
Trade balance with EU, cumulated	EUR mn	-577	-1086	-1684	-2264	-2829	-3635	-4133	-4582	-5282	-5852	-6569	-72	-607	-1239	-1798	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	USD mn	-1491	-2230	-2752	-3489	-4440	-4745	-5105	-5413	-6249	-6667	-7166	-868	-1684	-2296	-3102	.	
<b>EXCHANGE RATE</b>																		
PLN/USD, monthly average	nominal	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	4.059	4.045	
PLN/EUR, monthly average	nominal	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	3.595	3.703	
PLN/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	99.9	98.8	97.3	95.8	95.8	101.0	102.8	102.2	99.4	98.2	95.8	96.4	99.6	98.9	96.4	96.3	
PLN/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	107.8	105.5	104.6	104.1	103.2	106.7	107.4	106.1	102.3	101.5	98.5	100.1	103.0	102.7	100.3	100.0	
PLN/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	82.7	80.9	78.4	75.6	73.7	78.3	83.5	83.9	81.4	78.9	77.6	77.5	78.6	78.5	77.4	79.9	
PLN/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	88.1	86.3	83.8	81.5	79.6	83.9	88.3	88.5	86.3	84.0	82.8	83.2	84.1	83.8	82.7	85.2	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	PLN bn	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	40.0	39.8	
M1, end of period <sup>6)</sup>	PLN bn	101.8	102.5	102.1	103.3	104.0	106.9	106.6	109.6	109.3	107.3	117.2	110.7	114.3	114.8	116.3	.	
M2, end of period <sup>6)</sup>	PLN bn	302.6	308.2	308.6	311.1	313.1	318.7	322.1	323.9	327.7	319.6	325.9	320.5	322.8	319.0	317.6	.	
M2, end of period	CPMY	14.8	14.6	13.4	12.8	7.5	12.4	13.4	12.4	11.0	7.2	8.7	7.3	6.7	3.5	2.9	.	
Discount rate (p.a.)end of period	%	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	11.0	.	
Discount rate (p.a.)end of period <sup>7)</sup>	real, %	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	11.7	10.6	.	
<b>BUDGET</b>																		
Central gov.budget balance, cum.	PLN mn	-11979	-14993	-18282	-20384	-18806	-19377	-20964	-21813	-24635	-27684	-32580	-6886	-13715	-16430	-19982	-22956	

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) Revised according to ECB monetary standards.

7) Deflated with annual PPI.

## R O M A N I A: Selected monthly data on the economic situation 2001 to 2002

(updated end of June 2002)

		2001											2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total <sup>1)</sup>	real, CPMY	9.7	7.4	12.5	12.9	5.0	5.7	4.6	2.5	9.5	8.4	5.3	5.0	5.0	-0.5	4.7	.
Industry, total <sup>1)</sup>	real, CCPY	12.9	10.8	11.3	11.6	10.6	9.7	9.1	8.3	8.4	8.4	8.2	5.0	5.0	3.0	3.7	.
Industry, total	real, 3MMA	10.8	9.9	10.9	10.1	7.9	5.1	4.3	5.6	6.8	7.8	6.3	5.1	3.0	3.0	.	.
<b>LABOUR</b>																	
Employees total	th. persons	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	4377.7	4386.8	.
Employees in industry	th. persons	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	1830.2	.	.
Unemployment, end of period	th. persons	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	1257.4	1069.7	.
Unemployment rate <sup>2)</sup>	%	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	13.0	11.1	.
Labour productivity, industry	CCPY	18.3	15.9	16.4	16.4	15.2	14.0	13.1	12.1	12.1	11.9	11.5	3.8	4.2	2.4	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-6.3	-3.6	-2.5	-1.1	1.5	4.1	4.6	5.0	4.5	4.1	3.9	14.3	14.9	14.5	.	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	th. ROL	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	5091.1	5585.4	.
Total economy, gross	real, CPMY	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	9.5	4.0	.
Total economy, gross	USD	127	136	155	147	148	151	149	146	147	151	168	161	148	155	169	.
Total economy, gross	EUR	138	150	174	168	173	176	166	161	163	170	188	182	170	177	191	.
Industry, gross	USD	129	142	159	154	149	161	158	150	151	153	170	150	147	155	170	.
<b>PRICES</b>																	
Consumer	PM	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	2.0	1.9
Consumer	CPMY	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	25.1	24.3	24.5
Consumer	CCPY	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	26.9	26.3	25.9
Producer, in industry	PM	3.6	2.1	1.5	2.3	1.6	3.0	2.1	2.0	2.1	1.4	1.4	2.0	1.7	1.5	.	.
Producer, in industry	CPMY	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	25.1	.	.
Producer, in industry	CCPY	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	26.4	.	.
<b>RETAIL TRADE</b>																	
Turnover	real, CPMY	-2.7	-0.7	-1.6	-1.2	-6.4	3.2	1.8	1.7	5.1	2.6	-1.9	-2.7	0.0	.	.	.
Turnover	real, CCPY	0.6	0.1	-0.4	-0.5	-1.6	-0.8	-0.5	-0.2	0.4	0.6	0.3	-2.7	-1.3	.	.	.
<b>FOREIGN TRADE<sup>3(4)</sup></b>																	
Exports total (fob), cumulated	EUR mn	1963	3112	4039	5158	6342	7525	8604	9672	10693	11795	12711	1034	2134	3309	4498	.
Imports total (cif), cumulated	EUR mn	2601	4002	5425	7090	8617	10115	11413	12637	14221	15787	17363	1331	2709	4170	5743	.
Trade balance, cumulated	EUR mn	-637	-889	-1386	-1932	-2275	-2590	-2809	-2965	-3528	-3992	-4652	-297	-576	-861	-1245	.
Exports to EU (fob), cumulated	EUR mn	1384	2153	2773	3522	4321	5093	5802	6535	7254	8011	8619	745	1533	2347	3149	.
Imports from EU (cif), cumulated	EUR mn	1411	2214	3005	3930	4831	5775	6491	7190	8161	9100	9957	782	1545	2402	3359	.
Trade balance with EU, cumulated	EUR mn	-27	-61	-233	-408	-510	-682	-688	-655	-907	-1089	-1338	-37	-11	-55	-211	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-338	-405	-791	-1197	-1337	-1382	-1387	-1378	-1626	-1903	-2349	-59	-180	-286	.	.
<b>EXCHANGE RATE</b>																	
ROL/USD, monthly average	nominal	26815	27299	27878	28493	28952	29364	29809	30236	30786	31299	31556	32052	32233	32766	33102	33491
ROL/EUR, monthly average	nominal	24729	24849	24880	24910	24732	25266	26853	27549	27899	27806	28205	28281	28054	28698	29316	30774
ROL/USD, calculated with CPI <sup>5)</sup>	real, Jan98=100	113.7	113.7	113.5	114.6	114.8	114.6	113.8	113.8	112.8	111.4	109.6	109.0	108.8	110.7	109.6	108.8
ROL/USD, calculated with PP <sup>6)</sup>	real, Jan98=100	115.8	114.2	115.3	115.7	114.6	111.0	110.4	109.6	106.9	106.8	104.8	104.8	103.7	104.9	.	.
ROL/EUR, calculated with CPI <sup>5)</sup>	real, Jan98=100	94.4	93.2	91.4	90.4	88.4	89.0	92.6	93.5	92.4	89.5	88.9	87.5	86.0	87.9	88.1	90.7
ROL/EUR, calculated with PP <sup>6)</sup>	real, Jan98=100	94.8	93.4	92.4	90.6	88.5	87.4	90.9	91.5	90.4	88.4	88.3	87.0	84.8	85.7	.	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	ROL bn	23752	23774	25811	25457	29645	29328	29830	32645	30835	31080	35635	30021	32411	33416	.	.
M1, end of period	ROL bn	39512	39108	42070	41751	46001	46945	48172	51073	50032	50331	64309	50757	54482	55881	.	.
M2, end of period	ROL bn	186210	191551	198613	199829	208498	216377	226557	235145	236890	244841	270512	259932	267090	275326	.	.
M2, end of period	CPMY	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	43.7	.	.
Discount rate (p.a.) <sup>end of period<sup>6)</sup></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	34.6	34.2	34.1	32.2
Discount rate (p.a.) <sup>end of period<sup>6(7)</sup></sup>	real, %	-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	7.3	.	.
<b>BUDGET</b>																	
Central gov.budget balance, cum.	ROL bn	-6012	-8652	-10875	-14045	-22689	-26092	-27530	-30417	-31250	-32016	-35809	-4416	-8978	-11228	.	.

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 2001 to 2002

(updated end of June 2002)

		2001												2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total	real, CMPY	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	4.3	2.8	
Industry, total	real, CCPY	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	3.0	3.0	
Industry, total <sup>1)</sup>	real, 3MMA	5.2	4.9	6.3	5.9	5.1	4.4	4.4	4.7	4.5	4.1	3.2	2.3	2.6	3.3	.	.	
Construction, total	real, CMPY	7.8	6.2	7.0	6.6	6.3	8.1	12.7	12.3	12.2	13.5	16.7	4.1	1.5	2.0	3.3	.	
<b>LABOUR</b>																		
Employment total <sup>2)</sup>	th. persons	63000	63500	64000	64500	64800	65100	65500	65200	64900	64700	64800	64900	65000	65300	65700	.	
Unemployment, end of period <sup>3)</sup>	th. persons	7119	6769	6419	6068	6095	6122	6149	6200	6252	6303	6190	6077	5964	5943	5921	5900	
Unemployment rate <sup>3)</sup>	%	10.2	9.6	9.1	8.6	8.6	8.6	8.6	8.7	8.8	8.9	8.7	8.6	8.5	8.4	8.3	8.2	
<b>WAGES, SALARIES</b>																		
Total economy, gross	RUB	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	4031.0	4110.0	4234.0	
Total economy, gross	real, CMPY	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	16.3	20.9	19.4	
Total economy, gross	USD	93	103	101	105	113	115	115	116	119	120	151	123	121	130	132	135	
Total economy, gross	EUR	101	114	113	120	132	134	128	127	131	135	169	140	139	148	149	148	
<b>PRICES</b>																		
Consumer	PM	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	1.2	1.7	
Consumer	CMPY	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	17.0	16.3	16.2	
Consumer	CCPY	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	17.5	17.3	
Producer, in industry	PM	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	2.2	2.5	
Producer, in industry	CMPY	26.3	24.5	23.8	22.6	22.4	19.4	17.4	15.0	12.5	11.4	10.7	9.0	6.9	5.5	6.8	8.5	
Producer, in industry	CCPY	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	7.0	7.4	
<b>RETAIL TRADE</b>																		
Turnover <sup>4)</sup>	real, CMPY	7.5	8.4	10.5	12.3	11.5	11.1	11.9	11.1	12.2	11.6	10.8	9.4	8.2	8.8	9.4	.	
Turnover <sup>4)</sup>	real, CCPY	7.0	7.5	8.2	9.0	9.5	9.7	10.0	10.1	10.3	10.5	10.5	9.4	8.8	8.8	9.0	.	
<b>FOREIGN TRADE<sup>5)6)</sup></b>																		
Exports total, cumulated	EUR mn	17799	27601	37375	47377	58234	67865	78059	87355	96437	105906	115047	7662	15535	25333	35523	.	
Imports total, cumulated	EUR mn	7365	12001	16827	22046	27513	32613	37716	42274	47635	53335	59610	3916	8699	14120	19689	.	
Trade balance, cumulated	EUR mn	10434	15600	20548	25331	30721	35252	40343	45082	48802	52571	55437	3746	6836	11213	15834	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	USD mn	.	11448	.	.	20879	.	.	28679	.	.	35092	.	.	7600	.	.	
<b>EXCHANGE RATE</b>																		
RUB/USD, monthly average	nominal	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	31.174	31.255	
RUB/EUR, monthly average	nominal	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	27.596	28.682	
RUB/USD, calculated with CPI <sup>7)</sup>	real, Jan98=100	165.9	163.6	162.3	161.1	159.3	158.7	159.3	159.5	157.8	156.7	155.3	152.8	153.3	153.7	152.4	150.2	
RUB/USD, calculated with PPI <sup>7)</sup>	real, Jan98=100	187.3	183.8	184.0	184.2	179.3	175.5	176.2	176.8	172.8	173.1	172.3	174.6	177.2	180.6	177.4	173.5	
RUB/EUR, calculated with CPI <sup>7)</sup>	real, Jan98=100	137.5	133.9	130.6	127.1	122.6	122.9	129.2	130.9	129.3	125.8	125.7	122.8	120.9	121.9	122.2	124.9	
RUB/EUR, calculated with PPI <sup>7)</sup>	real, Jan98=100	153.3	150.2	147.2	144.2	138.4	137.9	144.7	147.4	146.1	143.2	144.7	145.1	144.6	147.3	146.2	148.3	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	RUB bn	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	552.9	610.3	.	
M1, end of period	RUR bn	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	1106.3	1147.5	.	
M2, end of period	RUB bn	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	2137.7	2213.5	.	
M2, end of period	CMPY	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	31.0	31.5	.	
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	23.0	23.0	
Refinancing rate (p.a.), end of period <sup>8)</sup>	real, %	-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	15.2	13.3	
<b>BUDGET</b>																		
Central gov. budget balance, cum.	RUB bn	29.4	49.1	86.6	120.2	133.1	167.6	174.4	178.6	214.7	257.4	264.7	82.9	89.2	108.1	132.3	.	

1) Seasonally adjusted.

2) Based on labour force survey.

3) According to ILO methodology.

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

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

6) Cumulation starting January and ending December each year, incl. estimates of non-registered imports.

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

8) Deflated with annual PPI.

## S L O V A K REPUBLIC: Selected monthly data on the economic situation 2001 to 2002

(updated end of June 2002)

		2001											2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total	real, CPMY	5.0	5.5	6.4	8.5	8.9	9.4	5.8	6.8	8.4	3.9	2.1	0.3	4.8	-1.5	8.8	.
Industry, total	real, CCPY	9.1	7.8	7.5	7.7	7.9	8.1	7.8	7.7	7.8	7.4	6.9	0.3	2.5	1.1	3.0	.
Industry, total	real, 3MMA	7.8	5.6	6.8	7.9	8.9	8.0	7.3	7.1	6.3	4.9	2.2	2.4	1.1	3.9	.	.
Construction, total	real, CPMY	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	-0.8	8.9	.
<b>LABOUR</b>																	
Employment in industry	th. persons	553.8	554.6	554.4	554.0	555.8	557.2	555.7	556.0	554.1	553.5	549.1	542.9	543.0	544.2	545.7	.
Unemployment, end of period <sup>1)</sup>	th. persons	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	521.0	512.2
Unemployment rate <sup>1)</sup>	%	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	18.1	17.7
Labour productivity, industry	CCPY	7.9	6.6	6.2	6.4	6.6	6.8	6.5	6.4	6.6	6.3	5.9	2.3	4.6	3.1	4.9	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-0.2	-0.5	-0.2	0.1	0.4	0.6	0.8	0.8	0.9	1.5	2.4	9.7	8.5	9.8	7.6	.
<b>WAGES, SALARIES</b>																	
Industry, gross	SKK	11601	12563	12708	13459	13809	13322	13125	12667	13763	15835	15258	13529	12866	13565	13687	.
Industry, gross	real, CPMY	2.6	1.3	3.2	2.5	2.7	1.3	1.0	-0.3	3.1	4.4	7.0	2.8	6.3	4.2	4.0	.
Industry, gross	USD	245	262	261	273	275	269	274	265	286	326	316	281	265	283	290	.
Industry, gross	EUR	265	287	292	312	322	313	305	291	316	367	354	318	304	323	328	.
<b>PRICES</b>																	
Consumer	PM	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	0.4	0.2
Consumer	CPY	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	3.6	3.2
Consumer	CCPY	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	4.4	4.2
Producer, in industry	PM	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	0.0	0.8	.
Producer, in industry	CPY	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	1.5	2.0	.
Producer, in industry	CCPY	9.4	9.5	9.4	9.1	8.9	8.5	8.1	7.8	7.3	6.9	6.5	2.4	2.3	2.1	2.0	.
<b>RETAIL TRADE</b>																	
Turnover	real, CPMY	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	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	2210	3411	4572	5839	7084	8284	9365	10575	11856	13088	14102	1065	2187	3399	4687	.
Imports total (fob), cumulated	EUR mn	2443	3841	5158	6604	8040	9436	10704	12073	13567	15101	16485	1200	2473	3859	5286	.
Trade balance, cumulated	EUR mn	-234	-431	-585	-764	-956	-1152	-1338	-1498	-1712	-2013	-2383	-135	-286	-460	-599	.
Exports to EU (fob), cumulated	EUR mn	1363	2096	2805	3586	4351	5068	5648	6371	7121	7865	8441	664	1368	2116	2892	.
Imports from EU (fob), cumulated	EUR mn	1174	1875	2545	3292	4038	4779	5377	6056	6801	7557	8207	584	1221	1921	2653	.
Trade balance with EU, cumulated	EUR mn	189	221	260	294	313	289	271	315	320	308	235	80	147	195	239	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	-128	-315	-372	-586	-784	-856	-956	-1131	-1251	-1492	-1756	-84	-168	-312	.	.
<b>EXCHANGE RATE</b>																	
SKK/USD, monthly average	nominal	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	47.1	46.9
SKK/EUR, monthly average	nominal	43.7	43.7	43.5	43.2	42.8	42.6	43.1	43.5	43.6	43.1	43.1	42.5	42.3	41.9	41.7	43.0
SKK/USD, calculated with CPI <sup>4)</sup>	real, Jan98=100	110.6	111.4	113.1	114.4	116.2	114.2	110.9	110.6	111.0	111.8	110.5	108.7	109.9	108.9	106.7	106.0
SKK/USD, calculated with PPI <sup>4)</sup>	real, Jan98=100	120.9	120.4	122.5	124.9	125.6	122.6	118.6	118.9	117.2	118.1	115.8	114.2	113.6	113.4	110.8	.
SKK/EUR, calculated with CPI <sup>4)</sup>	real, Jan98=100	91.6	91.3	90.8	90.2	89.3	88.5	89.8	90.7	90.8	89.6	89.5	87.3	86.6	86.3	85.5	87.9
SKK/EUR, calculated with PPI <sup>4)</sup>	real, Jan98=100	98.9	98.5	97.9	97.8	96.8	96.3	97.2	99.0	98.9	97.6	97.4	94.9	92.7	92.5	91.2	.
<b>DOMESTIC FINANCE</b>																	
M0, end of period	SKK bn	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	79.6	78.8	.
M1, end of period	SKK bn	179.3	177.7	182.0	186.3	189.8	195.8	198.4	207.4	207.0	214.0	228.5	217.8	214.2	210.3	211.2	.
M2, end of period	SKK bn	608.4	612.0	619.8	619.3	625.3	633.9	644.0	641.8	635.3	651.3	680.3	668.4	674.8	666.0	659.8	.
M2, end of period	CPY	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	8.8	6.5	.
Discount rate (p.a.), end of period <sup>5)</sup>	%	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	7.75	7.75	7.75	8.25	8.25
Discount rate (p.a.), end of period <sup>5)6)</sup>	real, %	-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	6.2	6.1	.
<b>BUDGET</b>																	
Central gov. budget balance, cum.	SKK mn	-5061	-5647	-14916	-14649	-13462	-22339	-22415	-22878	-27560	-29797	-44371	-2902	-10851	-15185	-13497	-20825

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) From January 2002 corresponding to the 2-week limit rate of NBS.

6) Deflated with annual PPI.

## S L O V E N I A: Selected monthly data on the economic situation 2001 to 2002

(updated end of June 2002)

		2001											2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total	real, CPMY	2.8	2.9	9.4	1.2	-3.9	6.4	2.9	-1.1	7.2	0.1	0.2	3.9	3.2	-1.5	9.6	.
Industry, total	real, CCPY	5.8	4.7	5.8	4.8	3.2	3.7	3.6	3.0	3.5	3.2	2.9	3.9	3.5	1.7	3.7	.
Industry, total	real, 3MMA	4.7	4.9	4.3	1.8	1.0	1.6	2.7	3.0	2.0	2.5	1.3	2.4	1.7	3.6	.	.
Construction, total <sup>1)</sup>	real, CPMY	-2.8	-5.8	0.7	-2.7	-5.5	0.4	-2.2	-3.9	1.6	-3.2	-9.0	-11.5	-3.9	-6.8	0.7	.
<b>LABOUR</b>																	
Employment total	th. persons	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	782.8	784.3	.
Employees in industry <sup>2)</sup>	th. persons	221.5	222.5	223.0	223.5	223.4	222.9	221.9	221.8	221.5	221.2	219.8	220.4	225.4	227.8	.	.
Unemployment, end of period	th. persons	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	103.5	102.7	.
Unemployment rate <sup>3)</sup>	%	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	11.7	11.6	.
Labour productivity, industry	CCPY	5.4	4.4	5.6	4.6	3.0	3.5	3.5	3.1	3.8	3.6	3.5	6.9	6.6	4.8	6.9	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	1.7	1.6	0.4	1.1	2.3	1.5	1.6	1.7	1.1	1.1	1.1	-3.2	-3.3	-1.2	.	.
<b>WAGES, SALARIES</b>																	
Total economy, gross	th. SIT	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	227.0	228.8	.
Total economy, gross	real, CPMY	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	2.0	2.0	.
Total economy, gross	USD	883	877	855	852	823	829	889	890	903	946	945	901	870	888	901	.
Total economy, gross	EUR	958	963	960	974	965	965	989	976	997	1066	1059	1020	1001	1014	1019	.
Industry, gross	USD	760	756	731	732	700	709	770	757	779	818	791	771	735	760	.	.
<b>PRICES</b>																	
Consumer	PM	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	1.4	0.3
Consumer	CPMY	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	8.4	7.5
Consumer	CCPY	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	8.2	8.0
Producer, in industry	PM	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	0.4	0.1
Producer, in industry	CPMY	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	5.7	5.7
Producer, in industry	CCPY	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	5.8	5.7
<b>RETAIL TRADE</b>																	
Turnover	real, CPMY	4.7	5.2	11.0	5.6	3.2	12.2	9.7	5.5	9.4	5.3	6.4	7.5	6.8	7.8	.	.
Turnover	real, CCPY	10.0	8.2	8.9	8.2	7.3	8.0	8.2	7.9	8.1	7.8	7.7	7.5	7.1	7.4	.	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	1640	2612	3438	4348	5264	6196	6900	7782	8741	9627	10348	829	1686	2653	3619	.
Imports total (cif), cumulated	EUR mn	1778	2815	3758	4803	5783	6775	7548	8466	9481	10463	11342	877	1792	2817	3857	.
Trade balance total, cumulated	EUR mn	-138	-203	-320	-456	-519	-580	-649	-684	-740	-836	-994	-48	-106	-164	-238	.
Exports to EU (fob), cumulated	EUR mn	1093	1708	2223	2779	3343	3930	4342	4882	5465	6006	6434	553	1082	1670	2253	.
Imports from EU (cif), cumulated	EUR mn	1207	1921	2551	3267	3933	4609	5109	5723	6412	7088	7675	587	1204	1913	2622	.
Trade balance with EU, cumulated	EUR mn	-114	-212	-328	-488	-590	-680	-767	-841	-948	-1082	-1242	-34	-122	-242	-369	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	USD mn	56	48	22	-29	-44	-30	-10	35	86	102	-67	61	92	79	80	.
<b>EXCHANGE RATE</b>																	
SIT/USD, monthly average	nominal	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	254.0	246.1
SIT/EUR, monthly average	nominal	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	224.6	225.3
SIT/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	117.1	118.0	120.8	122.6	125.9	124.8	119.9	117.9	118.0	119.9	119.3	119.3	121.2	120.5	118.1	114.1
SIT/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	124.1	125.5	128.1	131.3	133.4	130.3	124.8	122.7	119.8	121.4	118.5	120.3	122.2	122.5	121.2	117.3
SIT/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	97.0	96.7	97.0	96.7	96.7	96.7	97.2	96.8	96.6	96.2	96.5	95.8	95.5	95.6	94.6	94.6
SIT/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	101.4	102.6	102.3	102.8	102.8	102.4	102.4	102.4	101.2	100.4	99.6	99.9	99.7	99.9	99.8	100.1
<b>DOMESTIC FINANCE</b>																	
M0, end of period	SIT bn	108.5	113.3	114.9	113.2	124.3	115.9	116.3	122.6	124.7	126.5	142.1	129.4	130.0	135.9	134.3	.
M1, end of period	SIT bn	391.1	402.7	417.1	408.1	437.8	419.6	418.1	438.1	440.3	455.3	502.2	471.8	469.2	485.3	489.5	.
Broad money, end of period	SIT bn	2269.3	2329.9	2353.0	2410.3	2445.9	2477.1	2514.8	2555.2	2617.3	2705.7	2876.7	2911.5	2929.0	2970.8	3010.4	.
Broad money, end of period	CPMY	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	27.5	27.9	.
Discount rate (p.a.),end of period	%	10	10	11	11	11	11	11	11	11	11	11	9	9	9	10	10
Discount rate (p.a.),end of period <sup>7)</sup>	real, %	-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	2.5	4.1	4.1
<b>BUDGET</b>																	
General gov.budget balance, cum.	SIT mn	-51698	-50911	-41823	-58363	-107532	-98297	-104403	-129993	-127649	-135450	-63193	-71153	-103805	-128346	.	.

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 2001 to 2002

(updated end of June 2002)

		2001												2002				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total <sup>1)</sup>	real, CMPY	14.7	8.5	18.1	19.8	17.1	12.5	10.6	11.3	-2.2	-0.4	-5.0	-1.2	1.4	-0.8	.	.	
Industry, total	real, CCPY	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	3.1	3.5	3.1	
Industry, total <sup>1)</sup>	real, 3MMA	15.2	13.7	15.4	18.3	16.4	13.3	11.5	6.2	2.6	-2.5	-2.2	-1.7	-0.2	.	.	.	
<b>LABOUR</b>																		
Unemployment, end of period	th. persons	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	1079.0	1087.0	1051.0	
Unemployment rate <sup>2)</sup>	%	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	3.9	4.0	3.8	
<b>WAGES, SALARIES<sup>1)</sup></b>																		
Total economy, gross	UAH	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	354.8	355.8	340.2	
Total economy, gross	real, CMPY	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	23.6	20.6	10.8	
Total economy, gross	USD	49	52	53	56	59	61	62	61	63	63	71	60	62	67	67	64	
Total economy, gross	EUR	53	57	60	64	69	71	69	67	70	71	80	68	71	76	76	70	
Industry, gross	USD	65	71	70	74	77	81	82	81	84	83	89	80	80	.	.	.	
<b>PRICES</b>																		
Consumer	PM	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	1.4	-0.3	
Consumer	CMPY	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	2.1	1.4	
Consumer	CCPY	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	3.3	2.9	
Producer, in industry	PM	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	1.2	1.5	
Producer, in industry	CMPY	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	0.5	2.0	
Producer, in industry	CCPY	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	-0.1	0.3	
<b>RETAIL TRADE</b>																		
Turnover <sup>3)</sup>	real, CCPY	7.7	8.0	8.7	10.3	10.4	11.4	11.4	11.5	11.8	12.3	12.6	.	18.7	16.8	18.0	18.1	
<b>FOREIGN TRADE<sup>4)5)</sup></b>																		
Exports total (fob), cumulated	EUR mn	2546	4116	5656	7174	8918	10497	11973	13389	15054	16684	18160	1376	2862	4419	6089	.	
Imports total (cif), cumulated	EUR mn	2395	3856	5227	6710	8257	9682	11273	12683	14242	15946	17613	1161	2478	4047	5662	.	
Trade balance, cumulated	EUR mn	151	259	430	464	661	815	700	706	812	738	547	215	384	372	427	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	USD mn	.	278	.	.	845	.	.	1237	.	.	1402	.	.	722	.	.	
<b>EXCHANGE RATE</b>																		
UAH/USD, monthly average	nominal	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	5.327	5.328	
UAH/EUR, monthly average	nominal	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	4.712	4.865	
UAH/USD, calculated with CPI <sup>6)</sup>	real, Jan98=100	171.0	170.1	168.1	168.0	166.9	168.3	167.9	167.7	165.9	164.1	161.2	160.5	163.7	165.7	163.6	164.1	
UAH/USD, calculated with PPI <sup>6)</sup>	real, Jan98=100	163.7	162.5	162.7	163.2	160.9	157.3	156.7	156.2	153.0	150.7	149.6	151.4	150.7	153.5	151.8	149.6	
UAH/EUR, calculated with CPI <sup>6)</sup>	real, Jan98=100	141.4	139.1	134.8	132.7	128.0	130.2	136.0	137.5	135.5	131.6	130.1	128.7	128.9	131.2	130.9	135.5	
UAH/EUR, calculated with PPI <sup>6)</sup>	real, Jan98=100	133.6	132.7	129.8	127.9	123.8	123.4	128.5	130.1	128.9	124.6	125.3	125.5	122.9	124.9	124.8	127.0	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	UAH mn	12199	12736	13610	13452	14487	14797	15527	16208	16685	17325	19465	18101	18666	19646	20980	20400	
M1, end of period	UAH mn	19961	21159	21796	22554	23820	24164	24768	25884	26406	26782	29773	27586	28416	30287	30672	.	
Broad money, end of period	UAH mn	31638	33026	34092	35157	36953	37373	38275	39643	40750	41508	45555	43619	45032	47345	48389	48800	
Broad money, end of period	CMPY	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	43.4	41.9	38.8	
Refinancing rate (p.a.) <sup>end of period</sup>	%	27.0	25.0	21.0	21.0	19.0	19.0	17.0	15.0	15.0	15.0	12.5	12.5	12.5	11.5	10.0	10.0	
Refinancing rate (p.a.) <sup>end of period</sup> <sup>7)</sup>	real, %	9.1	10.8	9.2	9.9	8.8	10.2	9.3	8.6	10.8	11.1	11.5	12.8	12.7	12.1	9.5	7.9	
<b>BUDGET</b>																		
General gov. budget balance, cum. <sup>8)</sup>	UAH mn	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	660.6	564.2	.	

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.

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