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European Union and Russia: difficult neighbourhoods

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This article deals with the economic relations between Russia and the enlarged European Union. We start with some essential characteristics regarding the huge gaps in the size and trade structures of the two economic entities, outline briefly the development of EU–Russia institutional relations and, finally, discuss the impacts of EU enlargement on Russia and future prospects. Given all the complexities of EU–Russia relations, we conclude that rather than devising grand new schemes, both Russia and the EU should focus on selected practical steps which would facilitate closer cooperation in areas such as the development of border regions, energy and economic reforms.

EU–Russia economic asymmetries

The EU and Russia are very unequal partners in nearly all respects (Emerson, 2001). In order to understand the complexity of EU–Russian economic relations, it is useful to recall first a few basic facts.

- The EU population is now 380 million and will grow to 455 million inhabitants after enlargement with the eight Central and East European countries (CEEC-8: Czech Republic, Hungary, Poland, the Slovak Republic, Slovenia, Estonia, Latvia and Lithuania) on 1 May 2004. This compares with the current 144 million (and declining) population of Russia.
- Russia's real GDP of about EUR 1100 billion (in terms of purchasing power parity, PPP) amounts to some 12% of that of the EU-15; in nominal terms (EUR 385 billion, at current exchange rates) it is just 4% of the EU-15 level.
- The real size of the Russian economy is thus about 30% bigger than that of the eight CEECs

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combined (but smaller in nominal terms). The real size of the economy in the enlarged EU-25 is nearly ten times bigger than that of Russia.

- Russia is also much poorer than the EU: its per capita real GDP is just 32% of the EU-15 average in 2003 and about 30% lower than the average of the CEE accession countries. Even after EU enlargement with the less advanced CEECs, the Russian per capita real GDP will be just 35% of the EU-25 average. These huge income gaps are likely to persist in the foreseeable future – despite faster Russian GDP growth in the past couple of years.

A similar asymmetry exists in trade as well. Following the EU's enlargement by Austria, Finland and Sweden in 1995, the EU share in Russian exports grew to 34%, in imports to about 38%. In the year 2003, more than 35% of Russian exports and nearly 40% of imports were traded with the EU-15; an additional 12% of exports and 8% of imports were traded with CEECs. However, only 3% of (extra-) EU exports were traded with Russia in 2003. The difference in import shares is smaller, though still significant: about 4% of EU imports came from Russia (as compared to 11% from CEECs). Russia is thus a relatively *small* trading partner for the EU – in any case much smaller than the CEECs – whereas the EU is by far the *main trading partner* for Russia. This will be even more so after the EU's enlargement: the EU-25 would (assuming current trade structures) account for nearly half of total Russian exports and imports.

The commodity structures of Russian exports and imports differ also widely, and there is virtually no intra-industry trade between Russia and the EU (or, for that matter, between Russia and the CEECs). Whereas the EU sells to Russia *de facto* only manufactured products (97% of all EU exports to Russia – see Table 1), more than half of Russian exports to the EU consist of *crude oil and natural gas*.¹ Even within manufacturing industry trade,

¹ The Russia-CEEC trade structure is similar to that of Russia's trade with the EU, the share of energy carriers in exports is even larger. Energy-related products account for more than 80% of Russian exports to CEECs – an even higher share than in exports to the EU-15; see *Revue*

energy carriers (refined petroleum and nuclear fuel) as well as basic metals and fabricated metal products accounted each for more than 30% of Russian exports to the EU in 2002. On the other hand, more than 45% of Russian imports from the EU consist of machinery, transport and electrical equipment, 13% of chemicals and 10% of food, beverages and tobacco.

Russia has thus been basically a mere provider of *energy* and some *raw materials* for the rest of Europe; apart from energy carriers and metals its role as a trading partner for the EU is marginal. As far as the size of the Russian market is concerned, its importance for the EU is currently about the same as that of the Czech Republic. From the Russian perspective, however, the importance of the EU (and even more so after EU enlargement) is huge: the EU-25 account for about *half of Russian exports and imports*, and for a larger part of its overall *trade surplus*. The current structure of Russia's exports does not provide much room for growth, the export volume is highly dependent on volatile commodity prices. But the Russian export surpluses would immediately allow for more imports of investment goods, badly needed for the *modernization* of the Russian economy. As illustrated by the example of the CEECs, such imports could gradually form a basis for a subsequent upgrading of the Russian export structure as well. Needless to say, the precondition for such a development is an improvement in the domestic climate for investments and the curbing of capital flight. For the time being, FDI inflows to Russia have been meagre (in fact Russia is a capital exporter) and FDI penetration is much lower than in the CEECs (wiiw-WIFO, 2004).

EU–Russia institutional relations

The institutional relations between the EU and Russia largely reflect the above-mentioned economic asymmetries. The EU had recognized Russia as the legal successor of the Soviet Union

Elargissement, No. 61, March 2004, p. 1 and Grinberg (2003).

Table 1

Structure of EU-15 trade with Russia

NACE rev. 1 classification	EU-15 exports				EU-15 imports			
	1995	2000	2001	2002	1995	2000	2001	2002
Total (EUR million)	15326	18709	26720	29102	17858	37134	38402	39130
shares in total (%)								
A,B Agriculture	2.3	2.7	2.4	2.6	3.2	2.1	2.2	3.0
CA Extraction of crude petroleum and natural gas, coal	0.0	0.0	0.0	0.0	29.0	45.0	48.7	51.6
CB Mining of metals	0.2	0.2	0.2	0.1	0.3	0.2	0.2	0.2
CB Stone and clay	0.0	0.3	0.2	0.1	0.9	2.1	2.5	1.0
DA Food products; beverages and tobacco	21.2	10.9	10.0	9.5	3.0	1.9	2.0	1.6
DB Textiles and textile products	5.1	6.6	6.0	5.9	1.2	0.8	0.7	0.7
DC Leather and leather products	3.0	2.2	2.0	1.9	0.5	0.1	0.2	0.3
DD Wood and wood products	0.9	0.9	0.9	0.8	2.4	1.9	1.7	1.8
DE Pulp, paper & paper products; publishing & printing	3.3	4.6	4.1	3.9	2.6	1.3	1.3	1.1
DF Coke, refined petroleum products & nuclear fuel	0.5	0.6	0.4	0.5	11.3	16.4	17.2	17.1
DG Chemicals, chemical products and man-made fibres	8.5	12.9	13.0	12.3	7.1	4.2	3.9	3.4
DH Rubber and plastic products	2.2	3.5	3.3	3.3	0.1	0.0	0.0	0.0
DI Other non-metallic mineral products	1.7	2.0	1.9	1.9	0.2	0.2	0.2	0.1
DJ Basic metals and fabricated metal products	5.7	5.7	5.6	5.7	32.1	21.1	16.4	15.5
DK Machinery and equipment n.e.c.	18.7	17.6	18.3	18.9	0.7	0.5	0.4	0.4
DL Electrical and optical equipment	14.9	18.3	18.7	19.5	0.6	0.5	0.4	0.5
DM Transport equipment	7.2	7.1	9.4	9.7	2.1	0.4	0.4	0.4
DN Manufacturing n.e.c.	4.5	3.7	3.3	3.2	2.2	1.1	1.0	1.0
E Electricity	0.0	0.0	0.0	0.0	0.4	0.2	0.3	0.4
Others	0.3	0.4	0.4	0.4	0.1	0.1	0.2	0.0

Source: Own calculations based on Eurostat Comext Database.

in December 1991. Negotiations about an *Agreement on Partnership and Co-operation (PCA)* started in early 1992, and in December 1997 the PCA took effect. Apart from setting up foundations for a political dialogue and supporting Russia's efforts to consolidate its democracy and economic transition, the PCA aims at promoting trade and investment. It represents a cornerstone of EU–Russia relations and provides a 'framework for the gradual integration between Russia and a wider area of co-operation in Europe'. Russia was admitted to the Council of Europe on 1 January 1996, though there were serious reservations whether it qualifies in view of e.g. its observation of human rights and other democratic principles.

The EU also assists Russia in the framework of the Tacis programme (Technical Assistance to the Commonwealth of Independent States; about EUR 2.5 billion were allocated during 1991-2001), its results, however, have so far been mixed. For the period 2002-2003, only EUR 90 million per year were earmarked for the Tacis programme: the focus has been on the support of institutional, legal and administrative reforms, as well as on addressing the social consequences of transition. During 2003, EU–Russia relations deteriorated substantially as the positions on a number of issues (ratification of the Kyoto Protocol, WTO accession, overflight rights, PCA extension to new member states, etc.) diverge and the Russian stance became more assertive (EU Commission, 2004).

Economic impacts of EU enlargement on Russia

The political and economic changes in Central and Eastern Europe after 1991 have had extremely adverse effects on Russian trade with that region. Though comparisons are difficult,² there is little doubt that Russian exports to the CEECs declined substantially already immediately after 1989.

² In 1989, more than half of Soviet (largely Russian) trade was conducted with the CMEA countries. A number of statistical problems, in particular the application of unrealistic exchange rates in intra-CMEA trade, makes these comparisons highly tentative – see also Havlik (1991, 1995).

However, the decline in (registered) Russian imports from the region was even more pronounced and the Russian trade balance with the CEEC region has been in surplus (more than EUR 10 billion in 2003). Russian exports to the CEECs doubled between 1995 and 2003 (to a greater part as a consequence of rising energy prices), yet imports from the CEECs nearly stagnated (+16% increase in the same period). In the year 2003, imports from CEECs accounted for just 7.5% of total (registered) Russian imports.

Russia's stance towards the enlargement of the European Union has been mainly sceptical, though EU enlargement is officially welcomed and Russia is not explicitly opposed, as has been the case with the enlargement of NATO. Some Russian experts and officials fear a further deterioration of trade with the CEECs after the latter's accession to the EU. However, the above-quoted foreign trade figures suggest that there is not much scope for a further decline of trade – in particular for Russian exports and as a consequence of the CEECs' EU accession. Russian trade with the EU (especially exports) has been growing and there is no reason why this should change after enlargement. In several other important respects, EU policies towards Russia have also been more favourable than those currently applied by several CEECs.³ As the CEECs will adopt the EU's lower external import tariffs (4.4% instead of their present 6.5% on average) after accession to the EU on 1st May 2004, the effect on trade with Russia should on balance be rather positive – not least because EU accession is expected to lead to a higher market growth in the CEECs. The Russian concern that new non-tariff barriers may emerge is not fully substantiated either, at least given the prospects for further progress in trade liberalization with the EU and Russia's accession to WTO. As shown

³ For example, the treatment of Russian speakers in the Baltics has in fact already improved due to EU pressures to respect minority rights (one of the Copenhagen criteria for EU accession). The EU Commission has proposed that long-term resident stateless persons will have full rights of movement, employment and residence in the whole EU (see EU Commission, 2001). This will apply e.g. also to stateless Russian minorities in Estonia and Latvia.

above, the enlarged EU will account for more than half of Russian exports, trade rules will be harmonized (which will reduce costs for Russian exporters) and the size of the EU market will grow faster as a result of the CEECs' income catching-up.

At the same time, some Russian fears regarding adverse consequences of enlargement are definitely real: the CEECs have introduced the Schengen visa regime on their (future EU) borders for Russian citizens, even before accession. It is therefore important that no new 'Iron Curtain' emerges and that the border regions will not be adversely affected by enlargement.⁴ Another Russian fear, concerning a possibly strengthened 'westward' orientation of Ukraine, is probably unfounded. Given the 'left-out' status of Ukraine in the current enlargement blueprints, this country may even be forced to seek closer relations with Russia. Arguably, the EU policy regarding energy cooperation with Russia may significantly affect the latter's relations with Ukraine.⁵ Last but not least, future new members will affect EU voting procedures and there is at least a possibility that they may twist EU policies towards Russia.

EU and Russia: Shaping a Common European Economic Space ?

The envisaged start (already for the year 1998) of negotiations regarding the possible future establishment of a free-trade area between the EU and Russia has not yet materialized. The Common Strategy of the EU on Russia from June 1999 stated that *'a stable, democratic and prosperous Russia, firmly anchored in a united Europe free of new dividing lines, is essential to lasting peace on*

the continent'.⁶ Maintaining the PCA as the core of the mutual relationship, the strategy has three major economic dimensions: support of Russia's efforts to achieve WTO membership, the future establishment of an EU–Russia free-trade area, and the creation of a *Common European Economic Space*. At the end of December 2001, the EU Commission adopted the 'Country Strategy Paper 2002-2006' for the Russian Federation.⁷ The strategy reiterated the importance of the PCA and stressed the EU's important strategic and economic interest in Russia's development, *inter alia* as a bridge between the EU and Asia; it did no longer mention free-trade negotiations. The main EU concern is about the unbalanced trade structure and the EU's dependence on energy imports from Russia; therefore access restrictions to the Russian market should be removed. Russia's accession to the WTO would represent a major support to the reform process and ensure a framework and structure for continued economic growth and the attraction of investment. In February 2004, the EU Commission called for measures to improve the effectiveness of EU–Russia relations particularly in view of growing interdependencies and the forthcoming EU enlargement (EU Commission, 2004).

Apart from numerous political declarations, the Tacis technical assistance programme, the Northern Dimension Action Plan 2000-2003 and the launching of an 'energy dialogue' in late 2000, EU–Russia economic cooperation has not progressed very far yet. In 2002 the EU announced (after the USA) its readiness to recognize Russia as a market economy. This important step will make the application of various import restrictions (e.g. on steel, textiles, nuclear fuel, space technologies, which allegedly cost Russia

⁴ See the recommendation on 'Friendly Schengen Border Policy' adopted by the Conference on New European Borders and Security Co-operation in July 2001, reproduced in Emerson (2001). A simplified visa procedure for residents living near EU borders is under consideration.

⁵ Given the fact that 90% of Russia's energy exports to Europe are currently shipped via Ukraine, the envisaged pipeline projects bypassing Ukraine would increase Russian leverage on that country (Vahl, 2001). See the accompanying paper by V. Astrov for more details.

⁶ See http://europa.eu.int/comm/external_relations/ceeca/com_strat/russia_99.pdf

⁷ See http://europa.eu.int/comm/external_relations/russia/csp/index.htm. A similar 'strategy' has been elaborated by Russia as well.

USD 2.5 billion per year)⁸ more difficult. The Russian side also complains that its statutory relations with the EU have been not only weaker than those of the CEE countries, but also below those of many EU associate countries from Africa and Latin America.⁹ However, some pragmatic Russian scholars point out that, in view of the Russian distorted export structure and the low competitiveness of its industry, the bulk of Russia–EU trade is *de facto* liberalized. The average EU tariff on Russian exports is just 1.5%, and nearly 90% of Russian exports face no tariffs at all. Moreover, Russian export quotas in the EU have not been fully used (e.g. only 20% in the case of most textile products) and the annual Russian loss resulting from various EU import restrictions has only been around USD 200-300 million (Schmelyev, 2000). And it can be argued that the EU requirement on meeting technical norms and standards, though initially associated with some costs, brings eventually benefits to exporters as well – especially in the context of Russia's accession to WTO and overall modernization efforts. The latter would provide the key impetus for an upgrading of the Russian export structure, including exports to the enlarged EU (Grinberg, 2003).

Conclusions

In view of the above-discussed economic asymmetries between Russia and the EU (not to mention political and institutional considerations), Russia's EU membership (or even an association status) is *not on the agenda* in the foreseeable future. Therefore, after the EU's recognition of Russia as a market economy, practical steps towards closer economic cooperation should include the establishment of a free-trade zone between Russia and the enlarged EU. The latter has to be aligned to WTO accession and coordinated with simultaneous trade agreements with other CIS countries, in particular Ukraine, in order to avoid potential trade diversion costs. The

idea of a *Common European Economic Space*, encompassing free movement of goods, services, capital and labour between the EU and Russia, is yet to be specified.¹⁰ Also the latest initiative of the EU Commission on 'Wider Europe – Neighbourhood' focuses mainly on border regions of the enlarged EU. The coordination of the present EU programmes (Interreg, Phare, Tacis, etc.) is very cumbersome. The newly proposed EU financial instrument (less than EUR 1 billion for all neighbourhood programmes during the period 2004 to 2006) is not very generous either.¹¹ While offering some important incentives such as the extension of the internal market and regulatory structures, the document again sets no timetable for starting negotiations on a free-trade area. Apart from the extension of the PCA to new EU members and Russia's WTO accession, the building of a closer EU–Russia economic partnership should therefore commence with practical steps such as proceeding with the Northern Dimension Action Plan, closer energy cooperation and handling the issues related to the Kaliningrad and other border regions.

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⁸ See President Putin's speech at the Stockholm EU Summit in March 2001 (*The Moscow Times*, 26 March 2001, p. 3).

⁹ See *Moscow News*, 17-23 January 2001, p. 4.

¹⁰ See Samson and Greffe (2002) for more details.

¹¹ EU (2003). During 1995-2002, the EU committed EUR 900 million in bilateral assistance to Russia.

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European Partnership with the Balkans

BY VLADIMIR GLIGOROV

Introduction

On the eve of the European Union's (EU) Eastern enlargement, the European Commission published its third Annual Report on the Stabilization and Association process (SAP) for South East Europe in the last days of March 2004. At the same time, it announced the launching of the European Partnership (EP) with the countries of the Western Balkans (WB) with a list of short- and medium-term changes that these countries have to introduce to advance on the path to EU integration. As the plethora of acronyms in this passage suggests, it is not altogether easy to make sense of what kind of change this new initiative introduces and who it refers to precisely. Therefore, some of the key names and concepts will be clarified first, then the process of the EU's relationship and policies towards the region of South East Europe will be described. This should enable us to discuss the substance of the SAP and the EP and to assess where it is now and where it is going. For the latter, the Annual Report and the separate country reports provide the elements of an answer.¹

Who are the partners in the European Partnership?

There is growing confusion about who is the EU talking about when it is using the terms South East Europe, the Western Balkans, the SAP countries and now the EP countries. This is mainly because of the evolving nature of the EU's relations with the Balkans. The political and geographical criteria do not fit together with those relations with much constancy. Here is an attempt at a clarification of the political geography of that region, in part as seen through the eyes of the EU.

'The Balkans' is a relatively fixed term in political geography. It combines a geographical concept of the Balkan peninsula with the concept of political regionalism. The former defines the area south of the rivers Sava and Danube. The latter uses the criterion that every country that participates with a territory, however small, in some geographical area belongs to that political region. Thus, to give an example of a usual political geography classification, Turkey is a Balkan and a European country, because it has a territory in the Balkans and in Europe, though that territory is quite small compared to the total territory either of Turkey or of the Balkans or of Europe. In the same way, Slovenia and Romania are Balkan countries, though only small shares of their territories are on the Balkan peninsula. It can be noted, as that is sometimes a cause of the confusion, that the geographical concept is exclusive: something is either on the Balkans or not, while the political one is inclusive: a country can be a European and an Asian one, a Balkan and a Central European one, for instance.

Thus, the Balkans are a rather clear concept in political geography. The same cannot be said of South East Europe. That is because it does not define precisely any geographical area; while the geographical borders of the Balkans cannot change, those of South East Europe can and often do. It is most often just the political grouping, together with a loosely defined geographical location, that determines the territorial extension of South East Europe. The same applies to such regions as the Western Balkans.

South East Europe (SEE) has been defined to include seven Balkan countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Romania, and Serbia and Montenegro (sometimes Moldova is added as the eighth member of this group, complicating the matters even more, as Moldova is not a Balkan country). This was done in the context of the launching of the Stability Pact for South East Europe, an initiative that came into being after the Kosovo war in 1999. Some time before that, the region of the Western Balkans was

¹ The Third Annual Report and the related documents, as well as the previous two reports, can be found at: http://europa.eu.int/comm/external_relations/see/sap/rep3/index.htm.

distinguished and it included five of the SEE countries, i.e., all South East European countries except Bulgaria and Romania. The driving motivation for these groupings was the belief that the Balkan security problems can be dealt with more easily if they are put in a regional and developmental context. Indeed, the move from the 'Western Balkans' to 'South East Europe' was an attempt to enlarge the context in order to be able to deal with the security and stabilization problems after the end of the war in Kosovo.

One difference between SEE and the WB is in their path to EU integration. Bulgaria and Romania have Europe Agreements with the EU and are, as candidates for membership, negotiating their accession to the Union.² For the Western Balkan countries a new contractual relationship was devised and was called the Stabilization and Association Agreement (SAA) in 1999. It became a part of the Stabilization and Association process (SAP, sometimes written as SAP) which offers a prospect for EU membership to all WB countries. It is that process which is now enriched with the new instrument, the European Partnership (EP).

Thus, the WB is a sub-region of SEE in terms of political geography while it is a separate region in terms of the process of EU integration. Both are sub-regions of the Balkans, where, apart from the EU member states Greece and Slovenia (the latter from 1 May 2004) one finds Turkey, which is a candidate for EU membership, though the decision on the start of its accession negotiations with the EU should be made by the end of 2004 (which may or may not be positive or may be conditional).

These rather clearly defined concepts get blurred and confused in publications by the EU and the other international institutions and organizations. Thus, the latest Annual Report of the European Commission refers to South East Europe, but deals mainly with only four of the five WB countries:

² The expected date of accession is 2007. These two countries are already included in the financial projections for the period 2007-2013.

Albania, Bosnia and Herzegovina, Macedonia, and Serbia and Montenegro. Bulgaria, Romania and Turkey are mentioned for purposes of political and economic comparisons.

The role of Croatia in the report is more complicated. It is not assessed as far as its progress in the implementation of its Stabilization and Association Agreement (SAA) with the EU is concerned. However, the Report refers to Croatia in some of its economic assessments. This ambiguity is the consequence of the fact that the SAP is implemented on a case-by-case basis and thus reflects the diversity of the region's relationship with the EU and contributes to it in turn. As Croatia has applied for membership last year, its progress within the SAP will be assessed together with its application and its EP will be formulated at the same time.³ If the assessment is positive, Croatia will be invited to start negotiations on its accession to the EU. It is not clear, in that case, what will be the role of the EP, except perhaps as a timetable for the adoption of the *acquis communautaire*. A similar issue can be raised in the case of Macedonia, which has applied for EU membership in March this year.

As a consequence of the changing relationships of the EU with the countries in the Balkans, the definitions of SEE and the WB have become somewhat blurred. Still, the Annual Report refers to the WB throughout, its title and the coverage of countries notwithstanding. In view of that, it can be concluded that the concepts of political geography have become less useful than those that determine the stages on the path to EU integration. Those will be discussed next.

Stabilization and Association process: prospects and instruments

When it was introduced, the SAP consisted mainly of the Stabilization and Association Agreements (SAA) that were offering the perspective of EU

³ Which should come out in the spring of this year according to the Annual Report.

membership to the WB countries. Those were fashioned after the Europe Agreements, but were initially seen only as an intermediate step towards these agreements. This was changed at the Thessaloniki Summit of the EU and the WB in late June 2003. The SAA was to be the first and the last contractual agreement between association and membership.⁴ Thus, the SAP in essence consists of an SAA and its implementation. Then, the accession process takes over.

SAAs consist of a detailed part on asymmetric trade liberalization (the EU opens its markets to the WB faster than *vice versa*)⁵ and a more general part consisting of the Copenhagen criteria supplemented with specific conditions that reflect the post-conflict character of the SAP countries. Thus, the cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) and the return of refugees are among the more important additional conditions. Also, there is a regional dimension to the SAAs: the WB countries are required to work hard to improve the political and economic relations in their region.⁶ Therefore, the EPs contain sections that note the advances in regional cooperation and list further policies that should be adopted to improve it.

The SAAs are negotiated with each country separately. The EU insists that each country will be treated individually and its speed of EU integration will depend only on how it is able to implement its own SAA. So far, two countries have managed to sign their SAAs: Macedonia in the spring of 2001

and Croatia in the autumn of the same year. Together with the SAA, an interim agreement is signed, with which the implementation of the trade part of the agreement starts immediately, while the SAA as a whole becomes operational once it is ratified by all member states of the EU and by the EU Parliament. In the case of Macedonia, the SAA has come into force on 1 April 2004. In the case of Croatia, the ratification process has not been finished yet.⁷

The other SAP countries are at different stages of the whole process. Albania is negotiating its SAA, but the progress has been slow so far. Bosnia and Herzegovina has been given a conditional go-ahead to start SAA negotiations as soon as it has fulfilled a number of conditions (in 16 so-called priority areas). The EU is working on a feasibility study for Serbia and Montenegro, which should assess the readiness of this state to start negotiating its SAA.⁸ Finally, there is Kosovo, a province of Serbia, which is under UN administration and is participating in the SAP via a Tracking Mechanism (called Stabilization and Association Tracking Mechanism or STM): this is nominally the same as the SAP, only it does not include the SAA, because Kosovo is not a sovereign entity and thus cannot enter into international contractual relations.⁹

At the Thessaloniki Summit in late June 2003, the idea of an European Partnership with the WB countries was introduced. The initial proposal called for a European Integration Partnership,¹⁰ but

⁴ See Council Conclusions on the Western Balkans from 16 June 2003. Those were adopted by the Summit.

⁵ The EU liberalized its trade with the WB unilaterally in 2000. From then on (or somewhat later in the case of Serbia and Montenegro), the WB has tariff-free access to the EU markets with only few exceptions. Details of the arrangement and of its significance and impact can be found in the annex to the Annual Report. The schedule of trade liberalization on the part of the WB countries is put down in the SAA, once it is negotiated.

⁶ Initially, in the late 1990s, the regional approach was formulated differently: a country could not expect to advance faster in EU integration than it did in regional cooperation. This has been all but dropped in the formulation of the SAP and EP.

⁷ The United Kingdom, the Netherlands and Italy are yet to ratify the SAA agreement with Croatia.

⁸ The study was to be finished by the spring of this year, but has been postponed because Serbia and Montenegro are late in implementing the Constitutional Charter of their state union.

⁹ On that see the Annual Report and the Commission Staff working paper on Serbia and Montenegro. It is mentioned in the Annual Report that the Kosovo part of the EP may have to be rewritten in view of the recent ethnic conflicts there.

¹⁰ See 'European Commission proposes new European Integration Partnership for the Western Balkans', to be found at: http://europa.eu.int/comm/external_relations/see/news/ip03_721.htm.

the word integration was dropped in the end. This change reflects the ambiguity that is inherent to the SAP. It offers a perspective of membership in the EU to the participants in the process, which are the WB countries – but not a pre-accession status. This ambiguity has two parts: one that relates to the ends and another one that identifies the means.

The premise on which the third Annual Report is based is that the WB countries are to become EU member states: they have a perspective of membership and are potential candidates. With that in mind, the offer of EP is made. But the partnership offered is not on the process of integration and accession, but on the preconditions that the WB countries should fulfil in order to become eligible for accession. One way to see this rather subtle difference is to observe that the SAP is the responsibility of the directorate for external relations and not of the directorate for enlargement.

When it comes to the instruments, the ambiguity is easier to see. The SAAs are just like Europe Agreements in terms of the areas of integration and harmonization that they cover, but do not come together with the pre-accession financial assistance and institutional support. They are supported by the CARDS (Community Assistance for Reconstruction, Development and Stabilization) programme, which again came into being after the Kosovo war and was initially intended to support the process of reconstruction. If the word reconstruction is taken in a wider sense – including economic and institutional development – that is what it is still mainly concerned with.

This approach is out of date for some countries in the WB region. There are issues of post-conflict reconstruction to be dealt with in Croatia, but the issues of EU integration are becoming much more important. Indeed, the former are more easily tackled within the latter process. A similar statement can be made about Macedonia and increasingly about Bosnia and Herzegovina. In the case of Albania, reconstruction has really to be seen within the development agenda, while the security problems are mostly of a criminal nature.

Thus, it is only the case of Serbia and Montenegro that the initial idea underlying the setting-up of the CARDS still applies to, and that mainly because of the unresolved issue of the status of Kosovo and the connected issue of the constitutional set-up of Serbia and Montenegro. There are of course other security issues connected with that of Kosovo and its unresolved status.

Thus, though in an ambiguous way, the fact that the process of EU integration is starting to dominate the SAP is being recognized with the introduction of the EPs. Thus, the next question is: What are they about?

Fragmentation of the SAP

The SAP and the EP have to be seen in the context of the evolving, not to say at times confused, Balkan policy of the EU. One aspect of it is the so-called regional approach. Another has to do with the objectives of this policy. Finally, there is the issue of the role of the EU in Europe, which will be commented on in the final section of this article.

Current EU policy towards the Balkans is still informed by the process of disintegration of Yugoslavia and the security problems that the latter brought about. In addition, the initially slow transition in Romania and Bulgaria, which has resulted in these two countries' being the only ones with Europe Agreements that have failed to be part of the EU eastern enlargement of 2004, has made it difficult for the EU to develop a consistent strategy of Balkan enlargement.¹¹ Thus, the policy has tried to combine (i) the bilateral approach of EU integration and (ii) the policy of crisis management with (iii) the introduction of the regional approach developed after the ending of the war in Bosnia and Herzegovina at the end of 1995.

The newly introduced EP is supposed to combine the three. In principle, this is feasible if it is put in the context of an accession process. Here perhaps

¹¹ Of course, if Turkey is added, the situation becomes more complex still.

it might be useful to distinguish the various concepts that refer to the relations the EU may have with the countries on its ever expanding borders. Again, integration, association, neighbourhood and accession are often used with some ambiguity and confusion.

Integration is a process that has a *de facto* and a *de jure* side. It makes sense to say that the countries in the WB are quite integrated with the EU, in a *de facto* sense. The EU is their main trading partner, it is the main source of investment and other types of financing, and the two regions certainly share the same European culture, whatever that might be. Integration in this sense will increase spontaneously with or without contractual or other formal arrangements. As economic growth returns to the WB, its integration with the EU will increase as the latter is the main engine of growth for this region and because of the process of convergence that will take root.

This could take a while, however. Being in the neighbourhood of the EU will already lead to this factual economic integration. Of course, various arrangements with the neighbours can be made and some of those apply to the Wider Europe, which is the policy of the EU towards its neighbours.¹² It is made clear in the Annual Report that this policy does not apply to South East Europe.¹³ The latter group of countries are considered as future members of the EU, though their date of accession is not determined yet.

The process of *de facto* integration can be strengthened by formal agreements. There are various types of contractual relations, of which the association agreement is the most prominent one. Some of those do not imply the eligibility for membership, while others like the Europe Agreements and SAAs do. The latter, however, do

not trigger the accession process. The difference is important because of the asymmetry of the commitments it implies.

In the case of the Europe Agreements, both sides commit themselves to working for the accession to full membership. In the case of the SAA and thus of SAp, the commitment is asymmetrical in the sense that the SAp countries have to commit themselves to fulfilling conditions that will make them eligible for accession to the EU, while the EU is mainly monitoring the process. Thus, the SAp countries make a stronger commitment to the process than the EU.

This asymmetry (usual in EU relations with non-members) was noted and discussed extensively in the preparation of the Thessaloniki Summit. Proposals were made with the aim of strengthening the EU's commitment to the region. The main proposal was to apply the pre-accession strategy to the whole region. The main argument for that was that only this process can lock in the whole region and each country within it on the path of internal transformation and regional cooperation. The EP, adopted at the Summit, meets these demands half way. It introduces some elements of the pre-accession process, but falls short of full commitment either in institutional or in financial terms. It still asserts that the WB countries have a perspective to join the EU, and the main goal of the financial assistance is to support stabilization and reconstruction. However, it also introduces new instruments fashioned explicitly on the experience of the previous rounds of enlargement, such as the economic policy dialogue, twinning and monitoring (annual country reports). It also opens up some possibilities to the WB countries to participate in the community programmes.

The introduction of the EPs signals the recognition on the part of the EU that it is the process of accession that is the key to the transformation of South East Europe. The countries of the region themselves have already demonstrated that this is the case. For most of them, it was the realistic prospect of EU membership that influenced the

¹² See the Communication from the Commission to the Council and the European Parliament on 'Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours', 3 March 2003.

¹³ Though they are invited to participate in some of their programmes.

internal political developments decisively. Indeed, increasingly, the WB countries are looking for ways to shorten the period of the SAp, and now EP, and to join the accession process. Thus, Croatia and Macedonia have applied for membership and are looking forward to a positive answer from the EU. If granted, however conditionally, it can be expected that the process of EU integration in the whole region will be speeded up. With that, the process of the transformation of the Balkans will become irreversible. The implications for stability and development cannot be overestimated.

Thus, it is increasingly the tangible prospect of membership in the EU that is becoming the key instrument of the transformation of South East Europe. The evolution of the SAp into the EP and the fragmentation of the various regional approaches all point in that direction.

The EU as an anchor

The Thessaloniki Agenda and the third Annual Report recognize that the EU has to perform the function of an anchor for the transformation of the Balkans. Both, however, do not go far enough. This is the perception within the region as can be concluded from the fact that two WB countries (Croatia and Macedonia) have applied for membership though they have an SAA with the EU – the implementation of which, within the context of the EP, should in principle be sufficient for an eventual accession to the EU. The countries in the region, however, want a firmer commitment on the part of the EU and they want a more structured and more financially supported relationship with the EU, which only the pre-accession process can provide.

The EP has adopted a number of accession instruments, as already mentioned. The EU engages in an economic and political dialogue with the WB countries. The economic dialogue is intended to make the countries familiar with the process of the economic policy-making in the EU. It could also serve as a vehicle for regional policy coordination, but that goal is not mentioned in the Annual Report. The same is the function of the

political dialogues, though they have a regional dimension as well. A number of such meetings have been held and more are being planned.

The EU is shifting resources from reconstruction to institution-building and is encouraging harmonization via the adoption of the *acquis communautaire*. It is also stepping up monitoring, not only through the annual reports, but also through the introduction of detailed short- and medium-term tasks that the WB countries have to fulfil. Indeed, the EPs are nothing but a list of changes and reforms that the WB partners should introduce. Because that list covers all the areas delineated by the Copenhagen criteria and because there is a temporal structure to them, they clearly imply that, if they are fulfilled, accession to the EU will follow.

Still, this type and level of commitment seems not to have been perceived as being enough for the process of Europeization to start dominating the internal political agenda of all the WB countries. This is not primarily a financial question, though it is partly that too. It is primarily a political issue for two reasons.

One is that the internal constitutional and other institutional changes that the EP demands are politically and otherwise costly and can be justified to the domestic public only if seen as investments in the future membership in the EU, where future is defined in politically relevant terms, e.g., within two mandates of the government. This is clearly the lesson learnt in Macedonia, where the constitutional reform can be sustained only if it is anchored in the realistic hope that the process of EU accession will start. That prospect will quicken the reforms and ultimately shorten the time needed to reach the ultimate goal. In that sense, the process has an element of a self-fulfilling prophecy.

The other is that regional normalization and cooperation have to be seen in the context of EU membership. For instance, the internal institutional integration of Bosnia and Herzegovina has to be considered as being part of EU integration,

otherwise further Balkanization, i.e. disintegration, may prove to be the preferred option. The same goes for Serbia and Montenegro and even more when it comes to the issue of the final status of Kosovo.¹⁴

This is an illustration of the famous Jean Monnet method of solving problems: 'Enlarge the context'.¹⁵ The regional approach to the WB was an application of this principle, but was not efficient enough because it pushed for the enlargement within the Balkan context, while double enlargement is required: that of the Balkan and of the European context. The EP is an attempt to do that, though the region seems to signal that nothing short of a fully fledged accession process will do the trick, but it may trigger the above alluded to process of self-fulfilling prophecy.

EP and Wider Europe

The EP with the Western Balkans is also important because it has hitherto been the case that instruments introduced in one place tend to be used in another if they prove to be useful. At the

moment, the EU does not look further than the Balkans, including Turkey, when it comes to further enlargements. This is remarkable if seen in the historical context, but raises a number of issues besides those. As already pointed out, the process of integration has a spontaneous aspect that comes with economic development. On the institutional side, it always triggers contractual relationships, at least in the area of trade, but then investment and movement of people inevitably come in. The policy of Wider Europe is designed to address that. If one takes the Balkans as an example, it is evident that once the decision to take in Romania and Bulgaria was made, with that on the accession of Croatia and then Macedonia to follow, it is practically impossible not to integrate the rest of the Balkans. Similar considerations may apply to other regions further to the east and in the Mediterranean.¹⁶ It is possible that the instrument of partnership may be used in the evolving integration of these regions with the EU too. Or rather, the existing partnerships may increasingly become European Partnerships, fashioned after the ones now inaugurated for the Western Balkans.

¹⁴ The issue of Kosovo is especially complex and important, but cannot be dealt with here in more detail.

¹⁵ More on that in V. Gligorov (2000), 'Delaying Integration: The impact of EU eastern enlargement on individual CEECs not acceding or acceding only later', *wiiw Research Reports*, No. 267, July.

¹⁶ Indeed the Barcelona process is that of the Euro-Mediterranean Partnership. On the Euro-Mediterranean dialogue see the Report of the High-Level Advisory Group established at the Initiative of the President of the European Commission, 'Dialogue Between Peoples and Cultures in the Euro-Mediterranean Area', October 2003, to be found at: http://europa.eu.int/comm/dgs/policy_advisers/experts_group/docs/rapport_complet_en.pdf.

Euro introduction in the new member states: which country in which year?

Results of a survey conducted among the wiiw Spring Seminar participants on 26 March 2004

BY SÁNDOR RICHTER*

Introduction

Sooner or later, the new EU member states will have to introduce the euro: there is no opt-out from European Monetary Union (EMU). The date of EMU entry and the switch to the euro is still unknown though. It depends on the new members' ability to meet the Maastricht criteria while surviving two years in the EU's new Exchange Rate Mechanism (ERM II) without major exchange rate volatilities.

The proper timing of euro introduction in the new members has been in the focus of attention recently and experts' opinions differ widely concerning the merits and risks of an early or postponed introduction.

The so-called 'Delphi method' is a well-known way to find out the views of the participants of a symposium or conference on a subject of mutual interest. Participants fill in a questionnaire at the beginning of the event; after a quick evaluation process the results are presented at a later stage of the symposium or conference. Thus each participant may confront his/her personal assessment of the subject concerned with that of the average of the participants, mostly colleagues with the same or a similar professional background or interest.

At the wiiw Spring Seminar 2004 (held in Vienna on 26 March) a survey of this kind was carried out. In the following we summarise the results of that survey.

* The author wishes to thank the wiiw statistics department, in particular Beate Muck, for assistance in preparing, implementing, and analysing the results of, the survey.

The questionnaire

The respondents had to indicate the calendar year they considered the most likely for the euro's introduction in the individual new EU member countries. The years ranged from 2007 to 2011; additional options were 'before 2007' and 'later than 2011'. Further, the respondents were asked about their country of origin (old, new or non-EU country) and affiliation (business, government or research). Altogether 48 filled-in questionnaires were collected: 38 respondents were from one of the EU-15 countries, 2 from the new EU members, and 8 from non-EU countries.¹

The results

The relative majority of participants divided the new EU member countries into two groups. Six countries were expected to introduce the euro in 2007, four countries in 2010. The six frontrunners are the Baltic states Estonia, Latvia and Lithuania, as well as Cyprus and Malta, and Slovenia. The four 'laggards' are the Czech Republic, Hungary, Poland and Slovakia.

The composition of the two groups is surprising in as much as half of the candidates for 2007 euro introduction (Latvia, Lithuania and Malta) are countries that had been placed in the 'second-wave' enlargement group in 1997, envisaged to join the EU later than the members of the 'first-wave' group (the Czech Republic, Cyprus, Hungary, Poland, Slovenia). By contrast, among the 2010 euro candidates we find three former 'first-wave' countries – the Czech Republic, Hungary and Poland – each of which had been considered exemplary for other EU aspirant countries in one or more periods of the transition process since 1990. Only Slovakia was both among the 'second-wave' accession candidates and is also now expected to introduce the euro years later than the more prepared new members.

¹ Two respondents did not fill in this part of the questionnaire.

The Baltic states, a sub-group of the 2007 euro candidates, are clearly distinct from all other new EU members due to their special exchange rate system – the currency board regime in Estonia and Lithuania, and the peg to the SDR in a very narrow band in Latvia. The respondents most probably assume that a switch from the currency board (or narrow pegging) to the European Monetary Union is an easier and less risky task than giving up the national currency in those new members where an independent monetary policy and consequently exchange rate policy prevail.

The other sub-group of the 2007 euro candidates comprises Cyprus and Malta. The reason for placing these two small countries into the frontrunner group may be their relatively high level of economic development, the lack of a centrally planned heritage and, last but not least, the fairly scarce information about the economies of the two countries. Finally we find Slovenia in the 2007 group, a country whose economy experienced no crisis in the past decade, and its economic level of development matches that of Portugal and Greece, two cohesion countries that have already joined EMU.

As for the 2010 group, Hungary had ambitions to introduce the euro as early as 2008 but the recent volatilities of the forint exchange rate and the

strained credibility of the monetary policy have made this target date unrealistic. The Czech Republic has not favoured an early introduction of the euro, and its budget deficit is much above the extent allowed by the Maastricht criteria. Poland declared to introduce the euro soon but only if macroeconomic conditions make it possible; here the 2010 entry date assumed by the relative majority of respondents seems to be somewhat pessimistic compared to official expectations.

Taking the distribution of responses by year of the assumed date of the euro introduction, three countries had an especially good record in the first group. Combining the number of responses for 2007 with the responses reckoning with an entry date even 'before 2007', it turns out that expectations are most favourable for Slovenia: 63% of respondents believe that this country will introduce the euro by 2007 at the latest. Similar but somewhat weaker confidence was lent to Cyprus (53%) and Malta (55%). Less than half of the respondents (47%) believe that Estonia will introduce the euro by 2007 at the latest. The expectations towards the other two Baltic states are less favourable, as no one reckoned with euro introduction before 2007 in their case; an entry date of either 2008 or 2009 is assumed by 36% and 38% respectively of respondents for both countries.

Table 1

**Likely date of euro introduction in the new EU members:
Answers by all participants (distribution in %, relying on 48 responses)**

	before 2007	2007	2008	2009	2010	2011	later	Total
Cyprus	20	33	17	6	13	2	9	100
Czech Republic	.	16	11	27	40	4	2	100
Estonia	4	43	16	12	15	6	4	100
Hungary	.	15	11	30	33	9	2	100
Latvia	.	36	17	19	19	5	4	100
Lithuania	.	38	21	15	17	5	4	100
Malta	17	38	13	13	11	2	6	100
Poland	.	6	9	28	34	17	6	100
Slovakia	.	9	11	30	40	8	2	100
Slovenia	11	52	17	20	.	.	.	100

In the 2010 entry date group the bulk of responses fell on 2009 and 2010. The percentage of respondents indicating one of these two years as the most likely entry date was 70% in the case of Slovakia, 67% for the Czech Republic, 63% for Hungary and 62% for Poland.

The respondents were allocated in three groups according to their professional background: business affiliation (12 responses), government (11) and research affiliation (19). Comparing the

deviations in the expected dates of euro introduction (Tables 2 to 4) it is remarkable that the respondents with business affiliation were typically more optimistic than the average. The share of persons assuming an entry date of 2007 or even earlier in the case of the six first-group countries was much higher than in the whole sample. Among the 'laggards' group, Hungary's entry was put a year earlier (2009), and for none of the new members a date later than 2011 was forecast for the euro introduction. Compared to the

Table 2

**Likely date of euro introduction in the new EU members:
Answers by participants of business affiliation (distribution in %, relying on 12 responses)**

	before 2007	2007	2008	2009	2010	2011	later	Total
Cyprus	9	55	27	0	9	.	.	100
Czech Republic	.	9	27	9	46	9	.	100
Estonia	8	50	8	9	25	.	.	100
Hungary	.	9	25	33	25	8	.	100
Latvia	.	50	.	25	25	.	.	100
Lithuania	.	50	.	25	25	.	.	100
Malta	9	73	18	.	.	.	.	100
Poland	.	8	9	25	50	8	.	100
Slovakia	.	8	17	25	42	8	.	100
Slovenia	17	67	.	17	.	.	.	100

Table 3

**Likely date of euro introduction in the new EU members:
Answers by participants of government affiliation (distribution in %, relying on 11 responses)**

	before 2007	2007	2008	2009	2010	2011	later	Total
Cyprus	10	40	.	10	20	.	20	100
Czech Republic	.	10	10	60	20	.	.	100
Estonia	.	37	9	27	9	9	9	100
Hungary	.	10	.	50	20	20	.	100
Latvia	.	28	18	18	18	9	9	100
Lithuania	.	28	18	18	18	9	9	100
Malta	20	30	10	20	10	.	10	100
Poland	.	.	.	50	10	20	20	100
Slovakia	.	.	.	46	36	18	.	100
Slovenia	.	55	18	27	.	.	.	100

Table 4

**Likely date of euro introduction in the new EU members:
Answers by participants of research affiliation (distribution in %, relying on 19 responses)**

	before 2007	2007	2008	2009	2010	2011	later	Total
Cyprus	32	26	16	5	11	5	5	100
Czech Republic	.	32	5	21	37	5	.	100
Estonia	5	42	32	11	5	5	.	100
Hungary	.	26	11	21	37	5	.	100
Latvia	.	37	26	16	16	5	.	100
Lithuania	.	42	32	5	16	5	.	100
Malta	21	32	26	5	11	5	.	100
Poland	.	10	21	16	37	16	.	100
Slovakia	.	16	16	26	42	.	.	100
Slovenia	11	47	26	16	.	.	.	100

respondents with a business background, persons of government affiliation were less optimistic in the case of the first group of countries but more optimistic concerning the entry date of the second-group members. In the case of all four second-group countries respondents with government affiliation assume that the entry date will be 2009 and not 2010 as was the relative majority expectation in the whole sample. The biggest sub-sample, that of the researchers, has one feature

that spectacularly deviates from the average: Cyprus is expected to introduce the euro even before 2007 by the relative majority of the respondents.

In retrospect: the results of the 2001 Spring Seminar Consensus

Three years ago, at wiiw's 2001 Spring Seminar, a survey was made to find out what the participants

Table 5

**2001 Spring Seminar Consensus: assumed EU accession date of EU applicant CEECs:
Answers by all participants (distribution in %, relying on 54 responses)**

	2003	2004	2005	2006	2007	later	Total
Bulgaria	.	3	.	9	28	60	100
Czech Republic	6	41	46	2	5	.	100
Estonia	2	31	43	6	9	9	100
Hungary	11	40	44	5	.	.	100
Latvia	2	13	25	19	28	13	100
Lithuania	2	10	23	23	31	11	100
Poland	5	30	53	6	2	4	100
Romania	.	.	.	8	21	71	100
Slovakia	2	21	38	13	23	3	100
Slovenia	13	37	41	6	3	.	100

thought about the EU candidate countries' likely accession date. Looking at these results now, the Spring Seminar participants proved to be fairly good forecasters.

The relative majority of the 2001 Spring Seminar participants divided the EU candidate countries into three groups (see Table 5). Six countries – the Czech Republic, Estonia, Hungary, Poland, Slovakia and Slovenia – were expected to join the EU in the year 2005. If we take into consideration that the actual date of accession, 1 May 2004, is nearly as close to 1 January 2004 as to 1 January 2005, the assumptions for these six countries were nearly a direct hit. Two Baltic states, Latvia and Lithuania, were expected to join later, in 2007; here the respondents proved to be too pessimistic. The assumed EU accession date for Bulgaria and Romania (later than 2007) may still turn out to be true, especially as regards Romania.

In three years from now it will already be clear whether or not the 2004 assumptions have been realistic, at least as concerns the six countries whose accession to the EMU is expected to take place in 2007.

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.

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B U L G A R I A: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	9.9	4.0	18.9	15.4	23.3	11.5	9.3	14.9	12.7	10.1	15.6	17.6	11.0	23.0	13.8	.
Industry, total ¹⁾	real, CCPY	4.7	4.6	18.9	17.1	19.3	17.3	15.6	15.5	15.1	14.4	14.6	14.9	14.5	15.3	13.8	.
Industry, total	real, 3MMA	6.4	10.4	12.1	19.3	16.8	14.7	12.0	12.3	12.6	12.8	14.5	14.6	17.2	16.0	.	.
LABOUR																	
Employees total	th. persons	1919	1911	1947	1992	2017	2044	2055	2069	2076	2067	2063	2050	2034	2005	.	.
Employees in industry	th. persons	650	642	668	673	674	676	673	676	675	671	669	664	661	652	.	.
Unemployment, end of period	th. persons	624.9	602.5	646.8	611.7	581.3	552.0	528.7	506.4	489.3	480.9	472.6	476.3	489.6	500.7	537.1	527.3
Unemployment rate ²⁾	%	16.9	16.3	17.5	16.5	15.7	14.9	14.3	13.7	13.2	13.0	12.8	12.9	13.2	13.5	14.5	14.2
Labour productivity, industry ¹⁾	CCPY	2.4	2.2	15.9	13.5	15.3	13.2	11.7	11.5	11.1	10.5	10.9	11.3	11.1	12.0	.	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	1.4	1.5	-9.9	-9.1	-10.0	-8.4	-7.2	-6.9	-6.6	-6.2	-6.3	-6.6	-6.1	-6.7	.	.
WAGES, SALARIES																	
Total economy, gross	BGN	272.0	282.0	264.0	259.0	274.0	272.0	280.0	274.0	276.0	273.0	286.0	276.0	286.0	302.0	.	.
Total economy, gross	real, CMPY	3.4	0.6	3.4	2.5	3.5	3.5	2.3	2.1	1.3	-0.5	1.4	-1.5	0.1	1.4	.	.
Total economy, gross	USD	139	147	143	143	151	151	166	163	160	155	164	165	171	190	.	.
Total economy, gross	EUR	139	144	135	132	140	139	143	140	141	140	146	141	146	154	.	.
Industry, gross	USD	140	147	146	146	158	152	165	171	163	158	167	169	175	189	.	.
PRICES																	
Consumer	PM	0.2	1.2	0.7	0.1	0.4	0.3	-0.6	-2.2	0.9	0.8	0.9	0.7	1.8	1.8	1.4	0.3
Consumer	CMPY	3.2	3.8	1.7	0.2	-0.2	0.2	1.7	1.2	2.0	3.5	3.6	3.3	5.1	5.6	6.4	6.6
Consumer	CCPY	6.0	5.8	1.7	1.0	0.6	0.5	0.8	0.8	1.0	1.3	1.6	1.7	2.0	2.3	6.4	6.5
Producer, in industry ¹⁾	PM	-0.5	1.4	1.8	1.4	1.0	-3.6	-1.1	1.2	0.4	0.8	0.7	0.9	0.2	0.9	0.7	.
Producer, in industry ¹⁾	CMPY	2.9	6.3	7.7	8.0	8.0	3.1	2.6	4.3	4.3	4.5	3.9	4.3	5.0	4.4	3.4	.
Producer, in industry ¹⁾	CCPY	0.8	1.3	7.7	7.9	7.9	6.7	5.9	5.6	5.4	5.3	5.1	5.1	5.0	5.0	3.4	.
RETAIL TRADE																	
Turnover	real, CCPY	.	1.6	.	.	2.1	.	.	3.0	.	.	3.8	.	.	.	.	.
FOREIGN TRADE^{3/4)}																	
Exports total (fob), cumulated	EUR mn	5586	6063	531	1034	1633	2173	2685	3247	3870	4412	4999	5602	6144	6663	500	.
Imports total (cif), cumulated	EUR mn	7542	8411	649	1315	2083	2940	3778	4536	5406	6146	6928	7823	8709	9601	709	.
Trade balance, cumulated	EUR mn	-1956	-2348	-118	-281	-450	-767	-1093	-1289	-1537	-1734	-1929	-2221	-2565	-2938	-208	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-506	-812	-159	-304	-391	-756	-966	-939	-913	-778	-783	-973	-1237	-1510	.	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	1.953	1.924	1.842	1.816	1.810	1.804	1.684	1.677	1.720	1.756	1.745	1.673	1.672	1.593	1.550	1.547
BGN/EUR, monthly average	nominal	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
BGN/USD, calculated with CPI ⁶⁾	real, Jan98=100	95.0	92.2	88.0	87.3	87.3	86.5	81.1	82.8	84.2	85.6	84.5	80.4	78.7	73.6	70.6	70.2
BGN/USD, calculated with PPI ⁶⁾	real, Jan98=100	87.4	84.8	81.2	80.4	81.4	81.5	76.9	76.4	77.9	79.0	78.3	74.8	74.3	70.5	68.1	.
BGN/EUR, calculated with CPI ⁶⁾	real, Jan98=100	85.9	85.1	84.7	84.9	84.9	84.8	85.3	87.3	86.5	86.0	85.5	84.9	83.5	82.3	81.1	80.9
BGN/EUR, calculated with PPI ⁶⁾	real, Jan98=100	79.6	78.6	77.7	76.9	76.3	78.8	79.4	78.3	78.0	77.6	77.0	76.4	76.3	75.6	75.1	.
DOMESTIC FINANCE																	
M0, end of period ⁷⁾	BGN mn	2987	3335	3113	3132	3088	3200	3248	3356	3483	3616	3624	3569	3559	3874	3718	3718
M1, end of period ⁷⁾	BGN mn	4934	5542	5141	5235	5087	5272	5371	5583	5789	6054	6061	6046	6132	6801	6515	6542
Broad money, end of period ⁷⁾	BGN mn	13241	13967	13739	13933	13812	14062	14095	14515	14973	15445	15450	16110	15970	16822	16786	.
Broad money, end of period	CMPY	15.6	12.4	11.5	12.9	11.7	12.9	15.5	19.3	19.6	20.6	19.8	23.5	20.6	20.4	22.2	.
BNB base rate (p.a.), end of period	%	3.8	3.3	2.5	2.5	2.6	3.0	3.0	2.5	2.5	2.6	2.6	2.6	2.6	2.9	2.5	2.4
BNB base rate (p.a.), end of period ⁸⁾	real, %	0.9	-2.7	-4.8	-5.1	-5.1	-0.1	0.4	-1.7	-1.7	-1.8	-1.2	-1.6	-2.2	-1.5	-0.8	.
BUDGET																	
Central gov. budget balance, cum.	BGN mn	697.8	3.4	-85.7	-132.8	90.8	284.0	609.7	577.7	612.4	656.7	758.5	851.1	732.2	-110.6	-65.1	.

1) According to new calculation for industrial output and prices.

2) Ratio of unemployed to the economically active.

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

4) Cumulation starting January and ending December each year.

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

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

7) According to International Accounting Standards.

8) Deflated with annual PPI.

C R O A T I A: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	9.9	8.3	0.7	6.9	6.0	8.2	6.2	7.0	4.4	3.1	2.9	2.2	-0.4	2.2	-1.5	7.2
Industry, total ¹⁾	real, CCPY	5.2	5.5	0.7	3.8	4.6	5.5	5.7	5.9	5.7	5.3	5.0	4.7	4.2	4.0	-1.5	3.0
Industry, total ¹⁾	real, 3MMA	9.2	6.4	5.3	4.6	7.0	6.8	7.1	5.8	4.8	3.5	2.7	1.6	1.3	0.1	2.7	.
Construction, total, effect.work.time ³⁾	real, CMPY	10.8	15.2	9.6	17.8	28.2	26.9	30.9	29.3	24.3	17.6	26.9	20.3	17.5	23.9	.	.
LABOUR																	
Employment total	th. persons	1361.8	1351.4	1343.0	1337.4	1338.8	1351.2	1360.2	1372.6	1381.8	1382.2	1373.9	1366.4	1360.2	1349.5	1339.2	.
Employees in industry	th. persons	278.8	276.2	275.4	274.0	273.5	273.5	273.6	274.0	274.0	273.8	273.6	273.5	272.6	270.6	268.4	.
Unemployment, end of period	th. persons	369.7	366.2	367.1	362.6	355.8	345.3	330.9	319.7	314.2	306.6	307.4	312.3	317.0	318.7	325.0	.
Unemployment rate ²⁾	%	21.4	21.3	21.5	21.3	21.0	20.4	19.6	18.9	18.5	18.2	18.3	18.6	18.9	19.1	19.5	.
Labour productivity, industry ¹⁾	CCPY	9.5	9.9	4.2	7.3	8.0	8.8	8.9	9.1	8.8	8.4	8.1	7.8	7.3	7.1	1.9	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	-1.6	-1.8	4.0	0.2	-1.7	-3.3	-4.3	-4.5	-4.3	-4.2	-3.8	-3.6	-3.7	-3.6	.	.
WAGES, SALARIES																	
Total economy, gross	HRK	5687	5498	5527	5375	5475	5541	5671	5705	5694	5587	5558	5711	5807	5793	.	.
Total economy, gross	real, CMPY	4.8	4.9	5.7	5.3	2.5	1.9	1.6	4.5	2.7	1.3	3.0	3.0	0.3	3.6	.	.
Total economy, gross	USD	762	753	780	764	771	795	866	885	864	829	829	880	893	926	.	.
Total economy, gross	EUR	762	741	737	709	714	734	752	757	759	743	741	752	763	755	.	.
Industry, gross	USD	708	692	720	697	705	730	805	820	810	755	773	814	804	860	.	.
PRICES																	
Consumer	PM	0.2	0.4	0.5	0.2	0.5	-0.3	0.3	-0.4	0.1	0.1	0.2	0.0	0.2	0.3	1.0	-0.1
Consumer	CMPY	1.9	1.9	1.4	1.7	2.2	1.6	1.4	1.6	2.0	2.2	2.0	1.8	1.8	1.7	2.1	1.8
Consumer	CCPY	1.7	1.7	1.4	1.5	1.7	1.7	1.6	1.6	1.7	1.7	1.8	1.8	1.8	1.8	2.1	2.0
Producer, in industry	PM	-0.6	-0.1	0.5	0.4	0.8	-0.9	-0.8	0.2	0.2	0.5	-0.4	0.2	0.3	0.0	0.3	-0.3
Producer, in industry	CMPY	1.5	2.3	2.9	2.7	4.7	2.8	1.8	1.7	1.4	2.0	1.2	0.0	0.9	1.0	0.8	0.1
Producer, in industry	CCPY	-0.6	-0.4	2.9	2.8	3.4	3.3	3.0	2.8	2.5	2.5	2.4	2.1	2.0	1.9	0.8	0.5
RETAIL TRADE																	
Turnover	real, CMPY	10.8	9.8	7.5	8.6	1.1	13.3	6.5	5.2	0.7	-1.7	1.1	0.2	-1.0	3.8	.	.
Turnover	real, CCPY	12.7	12.5	7.5	8.0	5.7	7.6	7.3	7.0	6.1	5.2	4.7	4.2	3.8	3.7	.	.
FOREIGN TRADE³⁽⁴⁾																	
Exports total (fob), cumulated	EUR mn	4719	5187	379	904	1364	1761	2215	2696	3183	3565	4002	4592	5032	5449	407	.
Imports total (cif), cumulated	EUR mn	10388	11324	715	1681	2752	3858	4993	5982	7203	8076	9176	10316	11424	12538	775	.
Trade balance, cumulated	EUR mn	-5668	-6137	-335	-777	-1388	-2097	-2779	-3286	-4020	-4511	-5174	-5724	-6391	-7089	-368	.
Exports to EU (fob), cumulated	EUR mn	2549	2746	219	477	751	966	1243	1504	1792	2011	2254	2535	2784	2985	209	.
Imports from EU (cif), cumulated	EUR mn	5792	6321	393	952	1551	2166	2849	3412	4148	4596	5196	5827	6398	7095	405	.
Trade balance with EU, cumulated	EUR mn	-3244	-3575	-175	-475	-800	-1200	-1606	-1908	-2356	-2585	-2941	-3291	-3614	-4110	-195	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	.	-2026	.	.	-994	.	.	-2288	.	.	-472	.	.	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	7.464	7.298	7.082	7.032	7.099	6.966	6.549	6.443	6.591	6.737	6.701	6.487	6.503	6.253	6.094	6.050
HRD/EUR, monthly average	nominal	7.468	7.423	7.500	7.584	7.663	7.554	7.542	7.536	7.498	7.515	7.498	7.592	7.610	7.670	7.690	7.651
HRK/USD, calculated with CP ⁶⁾	real, Jan98=100	109.1	105.9	102.7	102.6	103.7	101.8	95.3	94.3	96.4	98.8	98.4	95.1	95.0	90.9	87.7	87.1
HRK/USD, calculated with PP ⁶⁾	real, Jan98=100	108.1	105.6	103.9	104.5	107.4	103.0	97.5	96.6	98.5	100.3	100.6	97.8	97.3	94.0	91.3	90.9
HRD/EUR, calculated with CP ⁶⁾	real, Jan98=100	98.4	97.8	98.4	99.7	100.6	99.7	99.2	99.6	98.9	99.3	99.1	100.5	100.6	101.4	100.7	100.3
HRD/EUR, calculated with PP ⁶⁾	real, Jan98=100	98.2	97.9	98.9	100.0	100.4	99.4	99.6	99.3	98.6	98.5	98.7	99.8	99.8	100.5	100.5	100.3
DOMESTIC FINANCE																	
M0, end of period	HRK mn	9348	9681	9468	9605	9526	9813	10078	10637	11294	11321	10506	10262	10400	10573	.	.
M1, end of period	HRK mn	29092	30870	29412	29456	29512	30294	32002	32828	34382	34044	32589	32806	33295	33889	32310	.
Broad money, end of period	HRK mn	114261	116142	116615	117209	118791	117854	119105	120022	125023	126980	126911	127072	128718	128893	128858	.
Broad money, end of period	CMPY	20.3	9.5	7.3	9.4	11.8	10.8	11.9	12.6	13.9	12.3	12.0	10.7	12.7	11.0	10.5	.
Discount rate (p.a.), end of period	%	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Discount rate (p.a.), end of period ⁷⁾	real, %	3.0	2.2	1.6	1.8	-0.2	1.7	2.7	2.8	3.1	2.5	3.3	4.5	3.6	3.5	3.7	4.4
BUDGET																	
Central gov. budget balance, cum. ⁸⁾	HRK mn	-2723.5	-3500.5	-649.4	-1625.9	-2718.6	-2837.2	-4007.7	-4021.9	-4432.4	-4012.6	-4114.6	-4496.5	-2066.3	-2186.6	.	.

1) In business entities with more than 20 persons employed.

2) Ratio of unemployed to the economically active population.

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

4) Cumulation starting January and ending December each year.

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

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

7) Deflated with annual PPI.

8) Pension payments and social security funds are included.

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003										2004			
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	4.4	6.6	6.4	5.2	7.0	5.6	3.2	6.2	4.8	8.0	5.2	5.2	4.8	8.9	3.8	.
Industry, total	real, CCPY	4.7	4.8	6.4	5.8	6.2	6.1	5.5	5.6	5.5	5.8	5.7	5.7	5.6	5.8	3.8	.
Industry, total	real, 3MMA	4.7	5.7	6.1	6.2	5.9	5.3	5.0	4.7	6.3	6.0	6.0	5.1	6.2	5.7	.	.
Construction, total	real, CMPY	3.5	4.8	-2.2	-4.0	2.5	3.3	-0.9	12.1	15.9	18.7	14.5	12.0	13.9	8.6	15.0	.
LABOUR																	
Employees in industry ¹⁾	th. persons	1139	1130	1136	1139	1139	1135	1132	1125	1128	1119	1110	1112	1117	1111	1122	.
Unemployment, end of period	th. persons	489.8	514.4	539.0	538.1	528.2	509.4	496.8	501.0	520.4	525.0	529.4	522.4	521.0	542.4	569.5	570.8
Unemployment rate ²⁾	%	9.3	9.8	10.2	10.2	10.0	9.6	9.4	9.5	9.9	10.0	10.1	9.9	9.9	10.3	10.8	10.9
Labour productivity, industry ¹³⁾	CCPY	5.6	5.8	12.1	9.8	9.4	9.6	8.6	8.7	8.4	9.0	9.3	9.3	8.6	9.0	4.5	.
Unit labour costs, exchr. adj.(EUR) ¹³⁾	CCPY	11.6	10.8	-3.7	-3.3	-3.8	-4.8	-4.3	-4.5	-5.0	-5.7	-6.4	-6.5	-5.8	-6.1	-2.5	.
WAGES, SALARIES																	
Industry, gross ¹⁾	CZK	17671	16861	15471	14341	15207	15850	16759	16413	16579	15562	16011	16675	18843	18053	16461	.
Industry, gross ¹⁾	real, CMPY	3.2	7.0	6.3	4.5	5.2	5.9	5.1	6.5	5.8	3.9	8.5	5.3	5.4	5.9	3.5	.
Industry, gross ¹⁾	USD	575	550	522	488	517	544	619	609	591	537	555	610	689	686	634	.
Industry, gross ¹⁾	EUR	575	541	491	453	479	501	534	523	520	482	495	521	589	559	503	.
PRICES																	
Consumer	PM	-0.2	0.2	0.6	0.2	-0.1	0.2	0.0	0.0	0.1	-0.2	-0.5	0.1	0.5	0.2	1.8	0.2
Consumer	CMPY	0.5	0.6	-0.4	-0.4	-0.4	-0.1	0.0	0.3	-0.1	-0.1	0.0	0.4	1.0	1.0	2.3	2.3
Consumer	CCPY	1.9	1.8	-0.4	-0.4	-0.4	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	0.0	0.1	2.3	2.3
Producer, in industry	PM	-0.1	-0.3	0.0	0.4	0.3	-0.8	-0.3	-0.2	-0.2	0.1	0.4	0.6	0.4	0.2	0.8	0.3
Producer, in industry	CMPY	-0.7	-0.7	-0.8	-0.7	-0.4	-0.7	-0.8	-0.9	-0.6	-0.5	0.0	-0.1	0.4	0.9	1.6	1.6
Producer, in industry	CCPY	-0.5	-0.5	-0.8	-0.7	-0.6	-0.6	-0.7	-0.7	-0.7	-0.7	-0.6	-0.5	-0.5	-0.3	1.6	1.6
RETAIL TRADE																	
Turnover	real, CMPY	0.8	4.2	4.2	4.3	1.3	6.6	2.4	7.8	7.2	6.1	9.6	3.6	0.6	6.2	-1.4	.
Turnover	real, CCPY	2.9	3.0	4.2	4.3	3.3	4.1	3.7	4.4	4.8	5.0	5.5	5.3	4.9	5.0	-1.4	.
FOREIGN TRADE⁴⁾																	
Exports total (fob), cumulated	EUR mn	37752	40705	3439	6777	10544	14224	17818	21353	24812	27853	31687	35846	39602	43081	3285	7092
Imports total (fob), cumulated	EUR mn	39516	43019	3454	6858	10677	14598	18267	21908	25740	28998	32817	37147	41163	45260	3292	6989
Trade balance, cumulated	EUR mn	-1765	-2314	-15	-80	-133	-375	-449	-555	-928	-1145	-1130	-1301	-1561	-2179	-7	103
Exports to EU (fob), cumulated	EUR mn	25878	27844	2456	4826	7499	10101	12617	15070	17454	19516	22161	25076	27707	30072	2345	5051
Imports from EU (fob), cumulated	EUR mn	23890	25898	1986	4011	6299	8597	10823	13032	15415	17288	19571	22148	24474	26827	1850	4070
Trade balance with EU, cumulated	EUR mn	1987	1946	470	814	1200	1504	1795	2038	2039	2228	2590	2928	3233	3245	495	981
FOREIGN FINANCE																	
Current account, cumulated ⁴⁾	EUR mn	.	-4425	54	-113	-254	-575	-1139	-1430	-2181	-2664	-2925	-3529	-4108	-4937	-142	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	30.7	30.7	29.7	29.4	29.4	29.2	27.1	26.9	28.0	29.0	28.8	27.4	27.3	26.3	25.9	26.0
CZK/EUR, monthly average	nominal	30.8	31.2	31.5	31.6	31.8	31.6	31.4	31.4	31.9	32.3	32.4	32.0	32.0	32.3	32.7	32.9
CZK/USD, calculated with CPI ⁶⁾	real, Jan98=100	85.4	84.8	81.9	81.6	82.2	81.2	75.3	75.0	78.1	81.2	81.4	77.0	76.5	73.3	71.0	71.0
CZK/USD, calculated with PPI ⁶⁾	real, Jan98=100	84.4	84.3	83.1	83.4	85.3	82.7	77.0	77.4	80.6	83.4	82.9	78.6	78.0	75.2	73.6	73.5
CZK/EUR, calculated with CPI ⁶⁾	real, Jan98=100	77.1	78.3	78.7	79.2	79.9	79.5	79.0	79.1	80.1	81.5	82.3	81.3	81.0	81.9	81.5	81.7
CZK/EUR, calculated with PPI ⁶⁾	real, Jan98=100	76.7	78.2	79.3	79.7	79.9	79.8	79.2	79.3	80.6	81.7	81.6	80.2	80.0	80.6	81.0	81.1
DOMESTIC FINANCE																	
M0, end of period	CZK bn	198.6	197.8	197.6	201.7	205.9	208.5	211.4	215.2	216.2	218.2	219.4	221.3	224.7	221.4	222.0	.
M1, end of period	CZK bn	669.8	692.3	671.9	688.9	683.6	699.2	711.4	718.4	732.7	744.8	752.6	762.8	782.7	809.5	789.6	.
M2, end of period	CZK bn	1646.6	1647.3	1643.1	1643.6	1621.8	1656.5	1658.5	1646.4	1683.8	1705.2	1693.6	1704.9	1723.0	1763.3	1757.0	.
M2, end of period	CMPY	5.2	3.2	3.3	3.7	2.5	3.1	2.1	4.2	5.6	5.1	5.5	4.2	4.6	7.0	6.9	.
Discount rate (p.a.), end of period	%	1.75	1.75	1.50	1.50	1.50	1.50	1.50	1.25	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Discount rate (p.a.), end of period ⁷⁾	real, %	2.4	2.4	2.3	2.2	1.9	2.2	2.3	2.1	1.9	1.5	1.0	1.1	0.6	0.1	-0.6	.
BUDGET																	
Central gov. budget balance, cum.	CZK mn	-41726	-45715	-10392	-24941	-31840	-64422	-74586	-53399	-62113	-71886	-80268	-82942	-92209	-109100	7307	.

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) Deflated with annual PPI.

H U N G A R Y: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	3.9	10.5	6.0	0.6	5.7	2.9	4.6	5.2	4.9	6.1	9.2	10.9	7.1	12.0	7.2	.
Industry, total	real, CCPY	2.1	2.7	6.0	3.3	4.1	3.8	4.0	4.2	4.3	4.5	5.1	5.7	5.9	6.4	7.2	.
Industry, total	real, 3MMA	3.9	6.6	5.6	4.1	3.1	4.4	4.2	4.9	5.3	6.8	8.9	9.1	9.9	8.7	.	.
Construction, total	real, CMPY	8.1	19.2	3.7	-28.1	-20.7	-9.4	6.5	17.1	0.1	3.6	0.1	9.0	4.5	6.0	11.4	.
LABOUR																	
Employees in industry ¹⁾	th. persons	812.6	803.5	806.4	807.8	807.5	803.8	802.0	801.2	802.6	798.6	799.7	799.6	797.9	794.0	789.0	.
Unemployment ²⁾	th. persons	245.1	244.2	249.4	258.7	264.7	257.0	250.8	241.2	238.7	238.8	240.3	236.8	232.9	231.9	243.4	.
Unemployment rate ²⁾	%	5.9	5.9	6.0	6.3	6.4	6.2	6.0	5.8	5.7	5.7	5.7	5.6	5.5	5.5	5.8	.
Labour productivity, industry ¹⁾	CCPY	4.6	5.1	9.5	6.5	7.2	6.8	6.7	6.8	6.9	7.1	7.5	8.1	8.2	8.8	9.6	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	13.7	13.1	2.3	3.6	2.1	2.1	2.0	0.7	-0.2	-1.0	-1.4	-2.1	-2.6	-3.8	-10.4	.
WAGES, SALARIES																	
Total economy, gross ¹⁾	HUF	142460	162862	136193	123278	127095	130052	132798	134971	132829	129620	130968	136647	156077	175751	146176	.
Total economy, gross ¹⁾	real, CMPY	9.5	13.7	15.5	8.3	6.6	9.5	8.5	8.8	8.9	9.2	3.7	2.8	3.7	2.2	1.4	.
Total economy, gross ¹⁾	USD	600	702	602	542	559	575	626	603	572	557	575	626	704	814	697	.
Total economy, gross ¹⁾	EUR	598	690	567	503	517	530	540	517	503	499	513	535	602	664	552	.
Industry, gross ¹⁾	USD	568	579	523	506	537	547	619	565	549	535	554	587	669	684	608	.
PRICES																	
Consumer	PM	0.0	0.1	1.2	0.8	0.9	0.1	0.3	0.2	0.3	-0.3	0.6	0.8	0.6	0.2	2.1	1.2
Consumer	CMPY	4.8	4.8	4.7	4.5	4.7	3.9	3.6	4.3	4.7	4.7	4.7	4.9	5.6	5.7	6.6	7.1
Consumer	CCPY	5.3	5.3	4.7	4.6	4.6	4.4	4.3	4.3	4.4	4.4	4.4	4.5	4.6	4.7	6.6	6.9
Producer, in industry	PM	-1.3	-0.3	1.1	1.1	0.6	-0.7	-0.6	2.5	0.7	1.0	-0.5	0.2	1.1	-0.1	-1.8	.
Producer, in industry	CMPY	-1.9	-1.3	-0.1	0.9	1.2	0.1	-0.5	2.3	2.7	3.7	3.2	3.5	5.8	6.2	5.4	.
Producer, in industry	CCPY	-1.8	-1.8	-0.1	0.4	0.7	0.5	0.3	0.6	0.9	1.3	1.5	1.7	2.1	2.4	5.4	.
RETAIL TRADE																	
Turnover ³⁾	real, CMPY	7.8	8.7	12.7	7.9	5.4	14.4	5.2	6.4	10.0	7.1	9.6	8.5	8.1	12.0	.	.
Turnover ³⁾	real, CCPY	10.9	10.7	12.7	10.2	8.4	10.0	8.9	8.4	8.7	8.5	8.6	8.6	8.5	8.8	.	.
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	33872	36537	2738	5574	8882	11975	15018	18033	21158	23877	27468	31058	34619	37583	2870	.
Imports total (cif), cumulated	EUR mn	36684	39955	2983	6237	9788	13410	16892	20221	23823	26937	30735	34694	38537	42057	3101	.
Trade balance, cumulated	EUR mn	-2811	-3418	-245	-663	-906	-1435	-1874	-2188	-2665	-3060	-3267	-3636	-3918	-4474	-231	.
Exports to EU (fob), cumulated	EUR mn	25538	27452	1953	4135	6435	8864	11007	13207	15408	17302	19846	22461	25389	27664	2180	.
Imports from EU (cif), cumulated	EUR mn	20756	22476	1570	3407	5425	7441	9506	11389	13440	15088	17127	19305	21337	23167	1594	.
Trade balance with EU, cumulated	EUR mn	4783	4977	383	728	1010	1423	1501	1817	1968	2214	2718	3156	4053	4497	586	.
FOREIGN FINANCE																	
Current account, cumulated ⁶⁾	EUR mn	-2134	-2771	-200	-626	-849	-1449	-1743	-2378	-2710	-3110	-3479	-3948	-4147	-4584	.	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	237.6	231.9	226.1	227.5	227.3	226.3	212.2	223.7	232.1	232.8	227.8	218.5	221.7	215.8	209.8	207.9
HUF/EUR, monthly average	nominal	238.1	236.1	240.2	245.1	245.6	245.6	245.9	261.1	264.0	259.6	255.5	255.5	259.4	264.8	264.6	263.0
HUF/USD, calculated with CPI ⁷⁾	real, Jan98=100	87.9	85.5	82.7	83.2	82.9	82.2	76.7	80.9	83.8	84.6	82.5	78.4	78.9	76.5	72.8	71.4
HUF/USD, calculated with PPI ⁷⁾	real, Jan98=100	98.5	96.2	94.6	95.8	97.5	94.8	89.3	92.7	95.4	94.9	93.6	90.2	90.1	88.2	87.3	.
HUF/EUR, calculated with CPI ⁷⁾	real, Jan98=100	79.6	79.1	79.6	80.9	80.6	80.7	80.6	85.5	86.1	85.1	83.5	82.9	83.7	85.6	83.7	82.2
HUF/EUR, calculated with PPI ⁷⁾	real, Jan98=100	89.8	89.5	90.5	91.7	91.5	91.7	92.0	95.2	95.6	93.2	92.2	92.1	92.6	94.6	96.2	.
DOMESTIC FINANCE																	
M0, end of period ⁸⁾	HUF bn	1191.5	1181.8	1168.3	1180.5	1197.7	1237.7	1249.2	1287.0	1296.6	1319.9	1305.9	1317.3	1399.7	1346.4	1307.1	1278.1
M1, end of period ⁸⁾	HUF bn	3409.4	3655.0	3459.6	3423.0	3451.5	3518.7	3594.4	3709.9	3716.4	3718.9	3746.4	3775.6	3950.0	4028.4	3799.3	3688.5
Broad money, end of period ⁸⁾	HUF bn	7506.6	7858.5	7786.1	7826.4	7785.2	7894.4	7975.0	8113.6	8147.0	8176.0	8287.0	8441.7	8575.9	8792.2	8795.9	8761.3
Broad money, end of period ⁸⁾	CMPY	9.8	9.5	11.2	14.5	14.2	13.8	14.6	16.8	16.3	13.5	16.0	15.1	14.2	11.9	13.0	11.9
NBH base rate (p.a.),end of period	%	9.0	8.5	6.5	6.5	6.5	6.5	6.5	9.5	9.5	9.5	9.5	9.5	12.5	12.5	12.5	12.5
NBH base rate (p.a.),end of period ⁹⁾	real, %	11.1	9.9	6.6	5.6	5.2	6.4	7.0	7.0	6.6	5.6	6.1	5.8	6.3	5.9	6.7	.
BUDGET																	
Central gov.budget balance,cum.	HUF bn	-586.3	-1481.2	-12.9	-140.8	-224.1	-275.6	-252.9	-458.6	-424.8	-481.4	-588.7	-609.3	-701.3	-728.0	-173.9	.

1) Economic organizations employing more than 5 persons.

2) According to ILO methodology, from 2002 3-month averages comprising also the two previous months.

3) Revised according to NACE 50+52, from January 2003 NACE 52.

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

5) Cumulation starting January and ending December each year.

6) Based on national currency and converted with the exchange rate.

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

8) According to ECB monetary standards.

9) Deflated with annual PPI.

P O L A N D: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry ¹⁾	real, CMPY	3.1	5.2	3.3	4.3	5.5	8.6	11.7	7.8	10.3	5.8	10.9	12.1	9.2	14.0	14.4	18.4
Industry ¹⁾	real, CCPY	1.0	1.5	3.3	3.8	4.4	5.5	6.7	6.9	7.4	7.2	7.7	8.2	8.3	8.8	14.4	16.4
Industry ¹⁾	real, 3MMA	3.8	3.9	4.3	4.4	6.1	8.5	9.3	9.9	8.0	9.1	9.8	10.8	11.8	12.5	15.6	.
Construction ¹⁾	real, CMPY	-8.6	-10.4	-11.0	-24.2	-25.3	-13.6	-6.9	-1.1	1.6	-3.0	-3.8	-4.9	-5.0	-0.7	-16.7	-6.3
LABOUR																	
Employees ¹⁾	th. persons	4862	4839	4736	4741	4728	4726	4723	4722	4722	4718	4711	4715	4701	4671	4669	4672
Employees in industry ¹⁾	th. persons	2462	2448	2417	2418	2412	2408	2405	2405	2407	2406	2405	2415	2410	2391	2396	2399
Unemployment, end of period	th. persons	3150.8	3217.0	3320.6	3344.2	3321.0	3246.1	3159.6	3134.6	3123.0	3099.1	3073.3	3058.2	3096.9	3175.7	3293.2	3294.5
Unemployment rate ²⁾	%	17.8	18.1	18.7	18.8	18.7	18.4	17.9	17.8	17.8	17.6	17.5	17.4	17.6	18.0	20.6	20.6
Labour productivity, industry ¹⁾	CCPY	7.3	7.4	6.6	7.1	7.6	8.6	9.9	10.0	10.4	10.1	10.5	11.0	11.0	11.5	15.4	17.4
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	-7.4	-8.1	-15.2	-16.0	-18.2	-19.1	-20.1	-19.9	-19.4	-18.4	-18.3	-18.5	-18.7	-19.0	-22.4	-22.6
WAGES, SALARIES																	
Total economy, gross ¹⁾	PLN	2343	2532	2247	2235	2268	2321	2254	2301	2343	2295	2353	2331	2440	2662	2326	2377
Total economy, gross ¹⁾	real, CMPY	0.7	1.3	2.0	1.4	-0.1	3.6	-0.8	2.0	1.3	1.0	1.2	1.8	2.5	3.4	2.0	4.8
Total economy, gross ¹⁾	USD	592	647	586	579	566	586	601	606	600	586	591	594	618	703	623	620
Total economy, gross ¹⁾	EUR	592	635	553	537	525	540	521	519	527	526	527	508	527	572	494	490
Industry, gross ¹⁾	USD	604	671	591	583	564	589	600	612	604	588	584	598	629	731	629	631
PRICES																	
Consumer	PM	-0.1	0.1	0.4	0.1	0.3	0.2	0.0	-0.1	-0.4	-0.4	0.5	0.6	0.3	0.2	0.4	0.1
Consumer	CMPY	0.9	0.8	0.5	0.5	0.6	0.3	0.4	0.8	0.8	0.7	0.9	1.3	1.6	1.7	1.6	1.6
Consumer	CCPY	2.0	1.9	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.6	0.7	1.7	1.7
Producer, in industry	PM	-0.5	0.1	0.4	0.6	0.9	-0.6	-0.6	0.3	0.7	0.3	0.5	0.7	0.4	0.1	0.8	0.6
Producer, in industry	CMPY	1.7	2.2	2.5	2.9	3.6	2.7	2.0	2.0	1.9	1.8	2.1	2.7	3.7	3.7	4.1	4.1
Producer, in industry	CCPY	1.0	1.0	2.5	2.7	3.0	3.0	2.8	2.7	2.6	2.5	2.4	2.5	2.6	2.7	4.2	4.2
RETAIL TRADE																	
Turnover ¹⁾	real, CMPY	4.8	4.4	3.8	4.3	-1.9	11.4	9.9	7.7	5.5	5.1	9.4	9.2	10.0	17.1	6.3	.
Turnover ¹⁾	real, CCPY	1.7	1.6	3.8	4.1	1.2	4.5	6.2	6.0	6.1	5.5	6.6	6.2	6.8	7.9	6.3	.
FOREIGN TRADE³⁽⁴⁾																	
Exports total (fob), cumulated	EUR mn	39981	43418	3408	6916	10870	14808	18636	22392	26419	29998	34545	39271	43519	47525	.	.
Imports total (cif), cumulated	EUR mn	53495	58331	4410	8888	13945	18969	23864	28469	33855	38427	44018	49740	54979	60305	.	.
Trade balance, cumulated	EUR mn	-13514	-14913	-1002	-1972	-3074	-4160	-5228	-6077	-7436	-8430	-9473	-10469	-11461	-12780	.	.
Exports to EU (fob), cumulated	EUR mn	27509	29832	2477	4919	7743	10443	13056	15644	18399	20742	23694	26911	29319	32681	.	.
Imports from EU (cif), cumulated	EUR mn	33035	35986	2626	5373	8477	11551	14614	17489	20917	23618	26861	30341	33308	36873	.	.
Trade balance with EU, cumulated	EUR mn	-5526	-6154	-149	-453	-734	-1108	-1557	-1845	-2518	-2876	-3167	-3430	-3990	-4192	.	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-6704	-7188	-710	-1195	-1452	-1921	-2341	-2446	-2690	-2836	-2736	-2559	-2884	-3554	.	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	3.956	3.911	3.832	3.863	4.003	3.961	3.748	3.797	3.906	3.918	3.981	3.922	3.949	3.788	3.736	3.836
PLN/EUR, monthly average	nominal	3.959	3.988	4.064	4.165	4.323	4.299	4.326	4.436	4.443	4.367	4.467	4.589	4.625	4.655	4.712	4.852
PLN/USD, calculated with CP ⁶⁾	real, Jan98=100	96.3	94.9	92.9	94.3	98.1	96.6	91.3	92.7	95.9	96.9	98.2	96.1	96.3	92.0	90.3	92.7
PLN/USD, calculated with PP ⁶⁾	real, Jan98=100	99.0	97.6	97.1	98.9	104.2	100.6	95.6	97.4	99.5	99.6	101.1	99.5	99.3	95.6	93.5	95.5
PLN/EUR, calculated with CP ⁶⁾	real, Jan98=100	87.0	87.8	89.2	91.7	95.3	94.8	95.4	98.0	98.4	97.3	99.4	101.6	102.2	102.9	103.8	106.8
PLN/EUR, calculated with PP ⁶⁾	real, Jan98=100	90.1	90.8	92.6	94.7	97.6	97.2	98.0	100.1	99.6	97.8	99.5	101.6	102.1	102.6	103.0	105.4
DOMESTIC FINANCE																	
M0, end of period	PLN bn	42.1	42.2	41.6	42.7	44.2	45.9	46.1	47.4	47.6	48.7	48.6	49.2	49.8	49.4	48.5	49.6
M1, end of period ⁶⁾	PLN bn	130.7	136.6	129.8	133.0	136.2	130.7	138.0	146.4	146.9	148.4	151.8	151.3	156.2	158.1	152.5	.
M2, end of period ⁶⁾	PLN bn	317.5	320.2	315.4	318.4	317.9	317.2	320.2	322.9	323.0	324.8	326.9	332.4	334.3	337.8	331.7	.
M2, end of period	CMPY	-1.1	-2.4	-2.1	-1.9	-0.4	-0.1	-0.6	0.3	-0.4	0.6	1.9	3.5	5.3	5.5	5.2	.
Discount rate (p.a.)end of period	%	7.5	7.5	7.3	6.8	6.5	6.3	6.0	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Discount rate (p.a.)end of period ⁷⁾	real, %	5.7	5.2	4.6	3.7	2.8	3.5	3.9	3.7	3.8	3.9	3.6	3.0	2.0	2.0	1.6	1.6
BUDGET																	
Central gov.budget balance, cum.	PLN mn	-37073	-39403	-4039	-11637	-15430	-17954	-23218	-23818	-27637	-29562	-33086	-34828	-35482	-36989	-4138	-9365

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 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total ¹⁾	real, CPMY	7.0	8.6	1.6	-1.7	3.4	1.6	4.4	6.7	6.7	2.6	3.7	3.0	-0.1	5.9	3.8	.
Industry, total ¹⁾	real, CCPY	5.8	6.0	1.6	-0.1	1.1	1.3	1.9	2.8	3.4	3.3	3.3	3.3	3.0	3.2	3.8	.
Industry, total	real, 3MMA	8.4	5.8	2.7	1.1	1.2	3.2	4.3	5.9	5.3	4.4	3.1	2.1	2.7	3.0	.	.
LABOUR																	
Employees total	th. persons	4353.0	4331.0	4331.2	4348.6	4376.5	4393.6	4411.4	4420.5	4412.1	4416.8	4402.8	4390.0	4374.0	4333.8	4359.3	.
Employees in industry	th. persons	1795.2	1785.5	1796.4	1795.3	1801.3	1790.7	1786.0	1784.6	1776.1	1775.6	1771.1	1765.9	1758.3	1738.3	1738.3	.
Unemployment, end of period	th. persons	755.9	760.6	781.4	798.4	779.2	731.4	693.1	663.6	650.4	619.2	608.8	634.7	655.4	658.9	693.4	.
Unemployment rate ²⁾	%	8.1	8.4	8.6	8.8	8.6	8.1	7.6	7.3	7.2	6.8	6.7	7.0	7.2	7.3	7.6	.
Labour productivity, industry	CCPY	13.3	13.7	9.0	7.3	8.7	9.2	9.9	11.0	11.7	11.8	11.9	12.2	11.7	12.1	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-8.6	-9.5	-10.7	-9.6	-10.9	-11.8	-12.2	-12.9	-12.6	-12.2	-11.6	-11.6	-11.0	-11.3	.	.
WAGES, SALARIES																	
Total economy, gross	th. ROL	5704.7	6521.6	6520.3	6054.1	6338.9	6885.5	6521.4	6476.2	6721.9	6647.9	6763.9	6873.7	7021.2	8068.9	8006.3	.
Total economy, gross	real, CPMY	1.9	4.4	8.7	9.0	6.3	6.3	7.0	6.6	6.5	6.5	8.0	6.6	7.5	8.4	7.8	.
Total economy, gross	USD	170	194	195	184	191	204	201	199	206	199	200	207	206	244	246	.
Total economy, gross	EUR	170	190	183	171	177	188	173	170	181	179	178	177	176	199	195	.
Industry, gross	USD	165	188	176	176	184	198	194	193	205	197	199	202	196	227	216	.
PRICES																	
Consumer	PM	2.6	1.5	1.3	0.8	1.1	1.1	0.5	0.9	1.2	0.3	2.1	1.5	1.4	1.2	1.1	0.6
Consumer	CPMY	18.6	17.8	16.6	16.2	17.1	16.0	14.4	14.0	14.8	14.2	15.9	15.8	14.5	14.1	13.9	13.7
Consumer	CCPY	23.0	22.5	16.6	16.4	16.7	16.5	16.1	15.7	15.6	15.4	15.4	15.5	15.4	15.3	13.9	13.8
Producer, in industry	PM	1.4	0.7	2.3	2.6	1.9	1.6	1.1	0.4	1.0	0.7	2.9	1.5	2.0	0.9	2.3	.
Producer, in industry	CPMY	23.0	22.1	22.5	23.6	24.0	23.1	21.9	20.7	19.1	18.5	19.8	19.6	20.3	20.6	19.2	.
Producer, in industry	CCPY	24.9	24.6	22.5	23.0	23.3	23.3	23.0	22.6	22.1	21.6	21.4	21.2	21.1	21.0	19.2	.
RETAIL TRADE																	
Turnover	real, CPMY	-1.7	1.1	5.6	3.3	2.2	-0.4	6.6	7.2	3.8	4.4	6.3	7.3	6.7	11.9	.	.
Turnover	real, CCPY	0.7	0.7	5.7	4.5	3.7	2.7	3.5	4.0	4.0	4.0	4.3	4.7	4.9	5.7	.	.
FOREIGN TRADE³⁽⁴⁾																	
Exports total (fob), cumulated	EUR mn	13467	14675	1200	2436	3778	4970	6232	7501	8995	10227	11574	13003	14374	15614	1215	.
Imports total (cif), cumulated	EUR mn	17229	18881	1414	2879	4541	6257	8065	9814	11736	13266	15129	17309	19288	21201	1535	.
Trade balance, cumulated	EUR mn	-3762	-4206	-214	-443	-763	-1287	-1833	-2313	-2741	-3039	-3555	-4306	-4914	-5588	-320	.
Exports to EU (fob), cumulated	EUR mn	9129	9853	797	1678	2591	3382	4251	5119	6132	6951	7873	8848	9788	10571	856	.
Imports from EU (cif), cumulated	EUR mn	10076	11039	737	1607	2531	3494	4626	5707	6900	7735	8795	10014	11149	12223	798	.
Trade balance with EU, cumulated	EUR mn	-948	-1186	60	71	60	-112	-375	-588	-768	-784	-922	-1166	-1361	-1652	58	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-1351	-1623	-28	-67	-157	-564	-967	-1246	-1386	-1395	-1647	-2108	-2499	-2920	-108	.
EXCHANGE RATE																	
ROL/USD, monthly average	nominal	33545	33654	33448	32884	33134	33703	32502	32616	32677	33359	33799	33157	34109	33013	32572	32073
ROL/EUR, monthly average	nominal	33592	34239	35594	35443	35823	36560	37617	38063	37166	37183	37924	38807	39913	40577	41094	40572
ROL/USD, calculated with CPI ⁵⁾	real, Jan98=100	102.9	101.4	99.9	98.2	98.5	98.9	94.7	94.4	93.5	95.5	95.0	91.8	92.9	88.7	86.5	84.7
ROL/USD, calculated with PPI ⁶⁾	real, Jan98=100	95.7	95.2	94.2	91.8	93.2	90.4	86.1	86.9	86.1	87.4	86.4	84.0	84.3	81.2	78.3	.
ROL/EUR, calculated with CPI ⁵⁾	real, Jan98=100	93.1	93.8	96.4	95.6	95.9	97.0	99.3	99.7	96.1	96.1	96.2	97.1	98.6	99.4	99.5	97.7
ROL/EUR, calculated with PPI ⁶⁾	real, Jan98=100	87.2	88.4	90.3	88.0	87.5	87.4	88.6	89.2	86.3	85.9	85.1	85.9	86.7	87.3	86.4	.
DOMESTIC FINANCE																	
M0, end of period	ROL bn	41688	45578	41543	45773	45868	51575	50214	52535	54460	58503	58143	58009	57262	57978	55969	.
M1, end of period	ROL bn	72822	88305	73802	78289	79941	87820	85019	92145	93725	99970	101514	100231	99413	113260	102240	.
M2, end of period	ROL bn	334584	373713	355721	367402	369451	378595	379098	388499	390876	407396	414468	423766	425654	460751	450217	.
M2, end of period	CPMY	36.7	38.2	36.9	37.6	34.2	32.3	30.4	29.1	28.8	29.4	30.6	30.4	27.2	23.3	26.6	.
Discount rate (p.a.) ^{end of period⁶⁾}	%	22.2	20.4	19.6	19.2	18.4	17.4	17.9	18.2	18.2	18.2	19.1	19.3	20.2	20.4	21.3	21.3
Discount rate (p.a.) ^{end of period⁶⁽⁷⁾}	real, %	-0.7	-1.4	-2.4	-3.6	-4.5	-4.6	-3.3	-2.1	-0.8	-0.3	-0.6	-0.3	-0.1	-0.2	1.7	.
BUDGET																	
Central gov.budget balance, cum.	ROL bn	-39426	-47618	1599	-2275	-7723	-7382	-10330	-16524	-12186	-10979	-11346	-11129	-17655	-29003	3835	.

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 2002 as of December 2001.

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

4) Cumulation starting January and ending December each year.

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

6) 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 2002 to 2004

(updated end of Mar 2004)

		2002		2003								2004					
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	0.8	3.2	4.9	6.5	6.7	7.1	8.5	7.0	7.1	5.5	8.0	7.2	7.1	7.9	7.5	8.7
Industry, total	real, CCPY	3.7	3.7	4.9	5.7	6.0	6.3	7.1	6.8	6.8	6.6	6.8	6.8	6.8	7.0	7.5	8.1
Construction, total	real, CMPY	2.4	3.7	13.7	13.4	13.8	14.7	15.5	14.3	15.0	14.3	14.7	14.6	11.6	16.6	13.3	13.8
LABOUR																	
Employment total ¹⁾	th. persons	65800	65200	64700	64100	64600	65000	65500	66000	66400	66700	66600	66500	66500	66400	66400	.
Unemployment, end of period ²⁾	th. persons	6153	6294	6435	6575	6324	6072	5821	5744	5747	5680	5720	5920	6170	6310	5806	5863
Unemployment rate ²⁾	%	8.5	8.8	9.1	9.3	8.9	8.5	8.2	8.0	8.0	7.8	7.9	8.2	8.5	8.7	8.0	8.1
WAGES, SALARIES																	
Total economy, gross	RUB	4694.0	5738.0	4696.0	4701.0	4986.0	5100.0	5221.0	5550.0	5615.0	5491.0	5556.0	5864.0	5990.0	7344.0	5932.0	5992.0
Total economy, gross	real, CMPY	13.8	9.8	9.2	9.9	7.8	8.3	9.8	9.3	7.2	7.4	8.6	11.6	13.5	14.3	13.5	15.2
Total economy, gross	USD	148	180	148	148	159	163	169	182	185	181	182	194	211	250	206	210
Total economy, gross	EUR	147	177	139	138	147	151	146	156	162	162	162	166	180	203	163	166
Industry, gross	USD	178	207	176	181	190	200	202	214	226	230	224	231	256	283	239	.
PRICES																	
Consumer	PM	1.6	1.5	2.4	1.6	1.1	1.0	0.8	0.8	0.7	-0.4	0.3	1.0	1.0	1.1	1.8	1.0
Consumer	CMPY	15.2	15.1	14.3	14.8	14.8	14.6	13.6	13.9	13.9	13.3	13.2	13.1	12.4	12.0	11.3	10.7
Consumer	CCPY	16.0	16.0	14.3	14.6	14.6	14.6	14.4	14.3	14.3	14.1	14.0	13.9	13.8	13.6	11.3	11.0
Producer, in industry	PM	1.1	-0.2	0.4	1.4	1.3	1.4	-0.2	0.7	2.2	1.4	1.4	1.2	0.5	0.6	4.2	3.1
Producer, in industry	CMPY	18.0	17.5	17.5	19.5	21.2	20.2	17.1	14.3	13.9	13.5	13.8	12.8	12.1	13.0	17.3	19.6
Producer, in industry	CCPY	11.2	11.8	17.5	18.5	19.4	19.6	19.1	18.2	17.6	17.0	16.6	16.2	15.8	15.6	17.3	18.4
RETAIL TRADE																	
Turnover ³⁾	real, CMPY	9.4	9.0	7.8	8.0	8.9	8.6	10.0	8.7	7.8	6.1	7.0	7.1	7.1	8.1	16.3	.
Turnover ³⁾	real, CCPY	9.0	9.0	7.8	7.9	8.2	8.3	8.7	8.7	8.5	8.2	8.1	8.0	7.9	7.9	16.3	.
FOREIGN TRADE⁴⁾⁵⁾⁶⁾																	
Exports total, cumulated	EUR mn	102602	113557	9023	18127	28823	38138	47075	56535	66524	77214	87428	98229	108251	119728	8586	.
Imports total, cumulated	EUR mn	58047	64521	4417	9224	14747	20436	25509	30694	36594	42287	48093	54113	59768	66687	4170	.
Trade balance, cumulated	EUR mn	44555	49037	4606	8903	14075	17702	21566	25841	29930	34927	39335	44115	48483	53041	4416	.
FOREIGN FINANCE																	
Current account, cumulated ⁷⁾	EURD mn	.	31217	.	.	10807	.	.	18455	.	.	25837	.	.	34599	.	.
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	31.811	31.837	31.816	31.699	31.453	31.212	30.907	30.469	30.360	30.349	30.599	30.165	28.389	29.434	28.839	28.515
RUB/EUR, monthly average	nominal	31.831	32.443	33.807	34.188	33.952	33.867	35.738	35.594	34.560	33.876	34.300	35.296	33.261	36.134	36.377	36.092
RUB/USD, calculated with CPI ⁸⁾	real, Jan98=100	148.6	146.0	143.1	141.4	139.7	136.9	134.3	131.6	130.3	131.2	132.3	129.0	119.9	122.7	118.1	115.7
RUB/USD, calculated with PPI ⁸⁾	real, Jan98=100	161.1	161.2	163.5	163.4	164.2	155.7	154.4	152.5	148.5	146.6	146.3	143.4	133.7	138.4	130.1	124.8
RUB/EUR, calculated with CPI ⁸⁾	real, Jan98=100	134.1	135.1	137.6	137.5	135.6	134.2	140.5	139.0	133.9	132.0	133.7	136.3	127.3	137.2	135.7	133.3
RUB/EUR, calculated with PPI ⁸⁾	real, Jan98=100	146.4	149.8	156.3	156.5	153.7	150.5	158.5	156.6	148.8	144.1	143.9	146.4	137.4	148.3	143.3	137.9
DOMESTIC FINANCE																	
M0, end of period	RUB bn	690.4	763.2	708.9	730.8	749.5	822.3	855.5	917.0	940.9	966.3	957.1	975.8	1002.1	1147.0	1130.6	.
M1, end of period	RUB bn	1337.3	1498.0	1395.1	1440.3	1512.7	1583.4	1679.8	1821.8	1808.5	1844.3	1871.2	1850.2	1899.0	2182.0	2127.1	.
M2, end of period	RUB bn	2602.7	2842.4	2777.3	2915.3	2989.9	3052.4	3162.9	3339.7	3400.4	3448.9	3573.0	3543.1	3617.7	3962.3	3946.0	.
M2, end of period	CMPY	31.1	33.9	35.1	38.5	39.9	37.9	38.2	41.7	41.5	41.1	43.2	39.6	39.0	39.4	42.1	.
Refinancing rate (p.a.), end of period	%	21.0	21.0	21.0	18.0	18.0	18.0	18.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	14.0	14.0
Refinancing rate (p.a.), end of period ⁹⁾	real, %	2.6	3.0	3.0	-1.2	-2.6	-1.9	0.8	1.5	1.9	2.2	2.0	2.9	3.5	2.7	-2.8	-4.7
BUDGET																	
Central gov. budget balance, cum.	RUB bn	203.4	156.0	70.1	75.1	89.3	127.3	173.8	184.3	213.6	223.8	238.9	287.7	287.7	226.8	.	.

1) Based on labour force survey.

2) According to ILO methodology.

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

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

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

6) Based on balance of payments statistics.

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

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

9) Deflated with annual PPI.

S L O V A K REPUBLIC: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CPMY	9.2	11.2	13.7	7.9	10.6	2.2	2.4	9.5	2.2	1.2	3.3	5.1	3.2	4.3	0.6	.
Industry, total	real, CCPY	6.3	6.7	13.7	10.7	10.7	8.4	7.2	7.6	6.8	6.1	5.8	5.7	5.4	5.3	0.6	.
Industry, total	real, 3MMA	9.9	11.3	10.9	10.7	6.8	5.0	4.7	4.7	4.4	2.3	3.3	3.9	4.2	2.7	.	.
Construction, total	real, CPMY	8.0	11.7	4.8	0.6	3.6	-0.4	0.3	3.3	5.8	9.4	14.3	8.3	6.7	11.5	0.9	.
LABOUR																	
Employment in industry	th. persons	559.8	549.3	547.8	550.3	554.1	558.2	561.1	563.8	562.4	561.7	565.1	566.2	561.2	549.1	544.9	.
Unemployment, end of period	th. persons	488.0	504.1	509.2	495.4	478.7	450.7	433.1	427.6	422.8	415.6	407.6	407.1	420.2	452.2	469.2	.
Unemployment rate ¹⁾	%	16.8	17.5	17.7	17.1	16.5	15.4	14.8	14.6	14.5	14.3	13.9	13.8	14.2	15.6	16.6	.
Labour productivity, industry	CCPY	6.1	6.5	12.6	9.5	9.2	7.5	6.5	7.0	6.1	5.5	5.1	5.0	4.8	4.8	1.1	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	2.6	2.2	-4.0	-2.5	-2.7	-0.3	1.6	2.5	3.7	4.3	5.0	5.3	5.5	5.4	9.6	.
WAGES, SALARIES																	
Industry, gross	SKK	16558	16097	14332	13466	14223	14827	15379	16140	15289	14688	15085	16069	17995	17259	15540	.
Industry, gross	real, CPMY	1.7	2.0	-1.3	-2.7	-3.0	0.6	-0.2	1.6	-3.4	-4.3	-0.4	1.2	-1.0	-1.9	0.1	.
Industry, gross	USD	399	391	365	346	368	391	432	455	416	392	406	456	511	514	481	.
Industry, gross	EUR	399	385	344	321	340	361	374	389	366	350	363	389	437	420	381	.
PRICES																	
Consumer	PM	0.0	0.7	5.3	0.6	0.4	0.2	0.1	0.4	0.0	1.0	0.5	0.1	0.2	0.2	4.4	0.8
Consumer	CPMY	2.9	3.4	7.3	7.6	8.0	7.7	7.6	8.4	8.7	9.2	9.5	9.6	9.8	9.3	8.3	8.5
Consumer	CCPY	3.3	3.3	7.3	7.5	7.6	7.7	7.6	7.8	7.9	8.1	8.2	8.4	8.5	8.6	8.3	8.4
Producer, in industry ²⁾	PM	-0.3	0.1	5.4	3.1	0.3	-0.1	-0.6	0.0	0.2	-0.2	0.1	-0.1	0.3	0.0	1.3	1.0
Producer, in industry ²⁾	CPMY	2.2	2.3	7.5	8.9	9.2	8.2	7.8	8.2	8.2	8.0	8.0	8.0	8.7	8.6	4.4	2.3
Producer, in industry ²⁾	CCPY	2.0	2.0	7.5	8.2	8.5	8.5	8.3	8.3	8.3	8.3	8.2	8.2	8.3	8.3	4.4	3.3
RETAIL TRADE³⁾																	
Turnover	real, CPMY	1.7	8.5	-5.0	-3.8	-10.2	-1.9	-6.3	-9.3	-7.6	-5.7	-5.8	-5.0	-3.3	-0.7	0.5	.
Turnover	real, CCPY	5.5	5.8	-5.0	-4.4	-6.3	-5.2	-5.4	-6.1	-6.3	-6.2	-6.2	-6.1	-5.8	-5.2	0.5	.
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	13993	15274	1310	2691	4219	5713	7380	9040	10704	12259	13983	15819	17638	19356	1494	3130
Imports total (fob), cumulated	EUR mn	15938	17521	1327	2762	4359	5996	7610	9277	11052	12593	14339	16232	18083	19925	1447	3097
Trade balance, cumulated	EUR mn	-1945	-2248	-17	-72	-140	-284	-230	-237	-348	-334	-356	-413	-445	-569	47	32
Exports to EU (fob), cumulated	EUR mn	8449	9249	832	1720	2716	3618	4614	5602	6571	7474	8472	9612	10730	11737	930	1928
Imports from EU (fob), cumulated	EUR mn	8054	8816	647	1350	2147	2981	3839	4710	5660	6460	7356	8335	9286	10236	733	1555
Trade balance with EU, cumulated	EUR mn	395	433	185	370	569	637	775	892	912	1014	1116	1277	1445	1501	197	374
FOREIGN FINANCE																	
Current account, cumulated ⁴⁾	EUR mn	-1730	-2059	-43	-128	-118	-237	-162	-179	-173	-89	-65	-13	-171	-246	-49	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	41.5	41.1	39.3	39.0	38.7	37.9	35.6	35.5	36.7	37.5	37.1	35.3	35.2	33.6	32.3	32.1
SKK/EUR, monthly average	nominal	41.5	41.8	41.7	42.0	41.8	41.1	41.1	41.5	41.8	41.9	41.5	41.3	41.1	41.1	40.7	40.6
SKK/USD, calculated with CP ⁶⁾	real, Jan98=100	95.0	93.4	84.9	84.4	84.0	82.0	76.8	76.4	79.2	80.2	79.3	75.2	74.8	71.1	65.4	64.5
SKK/USD, calculated with PP ⁶⁾	real, Jan98=100	99.8	98.8	91.1	89.2	90.6	86.1	81.3	81.8	84.4	86.4	85.8	82.1	81.4	77.9	73.9	72.7
SKK/EUR, calculated with CP ⁶⁾	real, Jan98=100	85.8	86.0	81.5	82.0	81.6	80.2	80.2	80.7	81.2	80.8	79.9	79.4	79.1	79.1	75.1	74.2
SKK/EUR, calculated with PP ⁶⁾	real, Jan98=100	90.8	91.4	86.9	85.3	84.8	83.0	83.3	84.0	84.4	85.0	84.1	83.8	83.3	83.2	81.4	80.2
DOMESTIC FINANCE																	
M0, end of period	SKK bn	83.1	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	91.7	.
M1, end of period	SKK bn	227.0	246.1	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	261.2	.
M2, end of period	SKK bn	702.8	713.7	702.2	713.2	710.3	711.7	718.7	702.0	722.3	729.6	725.7	732.2	740.5	750.7	739.0	.
M2, end of period	CPMY	7.9	4.9	5.1	5.7	6.7	7.4	7.5	3.4	4.3	4.8	5.2	5.4	5.4	5.2	5.2	.
Discount rate (p.a.), end of period ⁷⁾	%	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.00	6.00	6.00
Discount rate (p.a.), end of period ⁷⁾⁸⁾	real, %	4.3	4.1	-0.9	-2.2	-2.5	-1.6	-1.2	-1.6	-1.6	-1.4	-1.6	-1.6	-2.3	-2.4	1.6	3.7
BUDGET																	
Central gov. budget balance, cum.	SKK mn	-36488	-51642	-1688	-12985	-17810	-23786	-30580	-27619	-31190	-33104	-37675	-40396	-42779	-55973	-2658	-4424

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

2) Based on revised index schema of 2000, excluding VAT and excise taxes.

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

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

8) Deflated with annual PPI.

S L O V E N I A: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	0.6	2.8	-1.9	2.8	1.4	-2.4	-0.8	2.5	-0.8	-2.6	3.4	3.8	4.9	6.1	.	.
Industry, total	real, CCPY	2.4	2.4	-1.9	0.4	0.8	-0.1	-0.2	0.2	0.1	-0.2	0.2	0.6	1.0	1.4	.	.
Industry, total	real, 3MMA	1.5	0.4	1.1	0.7	0.5	-0.6	-0.3	0.2	-0.2	0.2	1.9	4.0	4.9	.	.	.
Construction, total ¹⁾	real, CMPY	-0.1	2.2	-8.3	-10.0	-4.7	-1.4	-1.1	4.1	3.6	0.9	1.7	-3.8	-6.2	2.7	.	.
LABOUR																	
Employment total	th. persons	785.2	781.9	776.0	776.8	778.5	778.3	779.3	780.4	774.8	774.0	776.5	778.5	779.1	774.7	773.8	.
Employees in industry	th. persons	245.8	244.0	243.3	243.1	243.4	242.7	242.4	242.5	241.4	241.0	241.3	242.0	242.3	240.4	.	.
Unemployment, end of period	th. persons	101.7	99.6	101.6	100.6	98.8	97.1	95.3	94.4	96.9	98.2	98.2	98.9	96.2	96.0	99.0	.
Unemployment rate ²⁾	%	11.5	11.3	11.6	11.5	11.3	11.1	10.9	10.8	11.1	11.3	11.2	11.3	11.0	11.0	11.3	.
Labour productivity, industry	CCPY	5.6	5.6	0.3	2.6	3.1	2.2	2.2	2.6	2.5	2.2	2.6	3.0	3.3	3.7	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-0.7	-0.1	4.4	1.6	0.7	1.7	1.7	1.5	1.6	1.8	1.5	1.2	0.9	0.4	.	.
WAGES, SALARIES																	
Total economy, gross	th. SIT	252.9	262.1	247.1	241.5	243.7	246.9	249.3	248.2	250.9	251.5	253.8	257.2	270.3	277.6	258.2	.
Total economy, gross	real, CMPY	0.9	4.4	2.4	1.9	1.1	2.5	2.3	2.1	2.1	1.0	2.4	2.3	1.7	1.3	0.5	.
Total economy, gross	USD	1103	1159	1136	1126	1134	1151	1236	1242	1219	1194	1208	1278	1340	1438	1375	.
Total economy, gross	EUR	1103	1140	1071	1044	1051	1063	1070	1063	1072	1071	1080	1092	1145	1174	1090	.
Industry, gross	USD	966	1006	970	947	964	983	1056	1051	1046	1023	1042	1112	1177	1248	.	.
PRICES																	
Consumer	PM	0.0	0.6	1.0	0.5	0.7	0.5	0.5	0.3	0.5	-0.4	0.3	0.3	0.3	0.1	0.4	0.1
Consumer	CMPY	6.7	7.2	6.6	6.2	6.3	5.3	5.5	6.0	6.0	5.5	5.0	4.8	5.1	4.6	4.0	3.6
Consumer	CCPY	7.5	7.5	6.6	6.4	6.3	6.1	5.9	6.0	6.0	5.9	5.8	5.7	5.6	5.5	4.0	3.8
Producer, in industry	PM	0.3	0.6	0.2	-0.2	0.1	0.3	0.5	0.1	0.0	0.0	0.2	0.2	0.2	0.6	0.4	1.0
Producer, in industry	CMPY	4.1	3.7	3.6	2.8	2.5	2.4	2.8	2.7	2.5	2.3	2.5	2.3	2.1	2.1	2.3	3.5
Producer, in industry	CCPY	5.3	5.1	3.6	3.2	3.0	2.8	2.8	2.8	2.8	2.7	2.7	2.6	2.6	2.5	2.3	2.9
RETAIL TRADE³⁾																	
Turnover	real, CMPY	3.9	6.7	4.5	8.9	0.9	7.2	6.5	6.2	4.1	0.8	7.4	5.1	-0.5	5.3	.	.
Turnover	real, CCPY	4.6	4.8	4.5	6.7	4.5	5.2	5.5	5.6	5.4	4.8	5.1	5.1	4.6	4.7	.	.
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	10153	10966	848	1753	2742	3723	4648	5592	6598	7299	8364	9453	10431	11288	857	.
Imports total (cif), cumulated	EUR mn	10605	11578	869	1897	2992	4028	5087	6077	7130	7921	9006	10125	11194	12239	882	.
Trade balance total, cumulated	EUR mn	-452	-612	-21	-144	-250	-305	-439	-485	-533	-622	-643	-672	-763	-952	-25	.
Exports to EU (fob), cumulated	EUR mn	6072	6509	559	1107	1703	2282	2836	3382	3948	4307	4921	5546	6110	6577	538	.
Imports from EU (cif), cumulated	EUR mn	7225	7871	573	1253	1999	2698	3414	4092	4825	5329	6048	6808	7529	8228	585	.
Trade balance with EU, cumulated	EUR mn	-1154	-1362	-14	-146	-296	-416	-578	-710	-877	-1022	-1127	-1262	-1419	-1651	-47	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	443	330	88	56	-25	-13	-80	-56	-34	-34	61	139	129	17	.	.
EXCHANGE RATE																	
SIT/USD, monthly average	nominal	229.2	226.2	217.5	214.5	214.8	214.4	201.7	199.8	205.8	210.7	210.1	201.2	201.7	193.0	187.8	187.9
SIT/EUR, monthly average	nominal	229.3	230.0	230.7	231.3	231.9	232.4	233.0	233.5	234.1	234.7	235.0	235.5	236.0	236.5	237.0	237.4
SIT/USD, calculated with CP ⁶⁾	real, Jan98=100	106.0	103.7	99.1	98.1	98.1	97.2	90.8	89.9	92.2	95.1	94.8	90.4	90.2	86.0	83.4	83.3
SIT/USD, calculated with PPP ⁶⁾	real, Jan98=100	110.7	108.4	106.0	106.5	109.3	105.4	98.6	98.4	101.3	103.8	103.7	99.7	99.4	94.9	92.0	91.1
SIT/EUR, calculated with CP ⁶⁾	real, Jan98=100	95.8	95.7	95.2	95.3	95.3	95.2	95.0	95.0	94.7	95.5	95.6	95.6	95.6	96.0	95.8	95.9
SIT/EUR, calculated with PPP ⁶⁾	real, Jan98=100	100.6	100.5	101.1	102.0	102.4	101.8	101.1	101.1	101.4	101.9	101.8	101.9	102.0	101.5	101.3	100.5
DOMESTIC FINANCE																	
M0, end of period	SIT bn	140.6	143.1	137.8	139.2	142.0	147.2	150.2	153.3	147.3	152.7	151.2	154.6	155.4	156.0	152.9	.
M1, end of period ⁷⁾	SIT bn	713.3	720.1	681.2	694.5	706.1	711.7	719.7	774.6	755.3	753.6	769.0	759.4	768.8	796.7	782.5	.
Broad money, end of period ⁷⁾	SIT bn	3564.0	3600.7	3563.0	3583.0	3578.9	3598.6	3623.2	3679.2	3717.4	3716.0	3720.7	3762.3	3777.7	3777.9	3784.7	.
Broad money, end of period ⁷⁾	CMPY	24.1	18.4	15.9	15.5	13.8	13.1	13.1	15.5	15.0	14.3	9.8	10.8	6.0	4.9	6.2	.
Discount rate (p.a.), end of period ⁸⁾	%	7.75	7.25	7.25	7.25	6.50	6.50	6.50	5.50	5.50	5.50	5.50	5.25	5.00	5.00	4.75	4.50
Discount rate (p.a.), end of period ⁸⁾	real, %	3.5	3.4	3.5	4.3	3.9	4.0	3.6	2.7	2.9	3.1	2.9	2.9	2.8	2.8	2.4	1.0
BUDGET																	
General gov.budget balance, cum.	SIT bn	-171.8	-156.0	3.9	-21.2	-30.1	-11.3	-27.6	-56.3	-51.6	-64.5	-49.3	-46.4	-72.7	-79.9	.	.

1) Effective working hours. Enterprises with 10 or more persons employed.

2) Ratio of unemployed to the economically active.

3) According to NACE (52 - retail trade, 50 - repair of motor vehicles), excluding turnover tax.

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

5) Cumulation starting January and ending December each year.

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

7) According to ECB monetary standards..

8) From October 2001 main refinancing rate.

9) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2002 to 2004

(updated end of Mar 2004)

		2002		2003												2004	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
Industry, total	real, CCPY	6.3	7.0	11.6	10.8	10.7	11.4	11.7	12.4	13.8	14.6	15.2	15.7	15.5	15.8	16.1	18.2
Industry, total ¹⁾	real, 3MMA	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
LABOUR																	
Unemployment, end of period	th. persons	999.4	1034.2	1061.0	1100.9	1109.4	1107.3	1057.8	1012.7	996.1	982.8	961.8	938.6	949.9	988.9	1003.6	1045.4
Unemployment rate ²⁾	%	3.6	3.8	3.9	4.0	4.0	4.0	3.9	3.7	3.6	3.6	3.5	3.4	3.5	3.6	3.7	3.8
WAGES, SALARIES¹⁾																	
Total economy, gross	UAH	395.7	442.9	400.6	391.2	415.5	422.6	439.3	476.2	489.5	479.2	498.3	498.3	489.5	551.0	500.6	.
Total economy, gross	real, CMPY	18.8	17.7	25.0	16.2	12.3	14.7	17.8	19.1	14.5	16.1	19.9	17.3	14.4	14.9	15.6	.
Total economy, gross	USD	74	83	75	73	78	79	82	89	92	90	93	92	103	94	.	.
Total economy, gross	EUR	74	82	71	68	72	73	72	76	81	81	83	80	78	84	74	.
Industry, gross	USD	95	104	99	96	103	105	108	.	.	.	.	.	.	.	.	.
PRICES																	
Consumer	PM	0.7	1.4	1.5	1.1	1.1	0.7	0.0	0.1	-0.1	-1.7	0.6	1.3	1.9	1.5	1.4	0.4
Consumer	CMPY	-0.4	-0.6	-0.1	2.5	4.3	3.6	3.9	5.9	7.4	5.8	6.2	6.9	8.1	8.2	8.1	7.4
Consumer	CCPY	0.9	0.8	-0.1	1.2	2.2	2.6	2.8	3.3	3.9	4.1	4.4	4.6	4.9	5.2	8.1	7.8
Producer, in industry	PM	0.2	0.0	0.5	0.7	2.1	0.3	0.3	0.0	1.0	1.0	0.9	0.7	1.5	1.7	1.6	2.9
Producer, in industry	CMPY	5.3	5.8	6.8	6.8	9.9	8.9	7.6	5.3	5.3	6.8	7.4	8.0	9.4	11.2	12.4	14.9
Producer, in industry	CCPY	2.8	3.1	6.8	6.8	7.8	8.1	8.0	7.5	7.2	7.1	7.2	7.3	7.5	7.8	12.4	13.7
RETAIL TRADE																	
Turnover ³⁾	real, CCPY	14.7	14.8	11.6	12.6	12.4	11.9	13.8	15.1	16.8	17.1	18.1	19.1	18.9	19.4	19.9	21.4
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	17206	19004	1402	2899	4607	6345	7809	9330	11143	12877	14692	16585	18430	20408	.	.
Imports total (cif), cumulated	EUR mn	16098	17967	1265	2633	4225	5967	7392	8928	10732	12513	14354	16311	18131	20356	.	.
Trade balance, cumulated	EUR mn	1108	1037	137	266	383	378	417	402	411	364	338	274	299	52	.	.
FOREIGN FINANCE																	
Current account, cumulated ⁶⁾	EUR mn	.	3360	.	.	1004	.	.	1642	.	.	2237	.	.	2559	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.330	5.332	5.333	5.334	5.334	5.334	5.333	5.333	5.332	5.332	5.332	5.332	5.332	5.332	5.331	5.331
UAH/EUR, monthly average	nominal	5.338	5.422	5.645	5.752	5.758	5.786	6.125	6.225	6.066	5.951	5.968	6.238	6.239	6.541	6.725	6.735
UAH/USD, calculated with CPI ⁷⁾	real, Jan98=100	169.9	167.1	165.3	164.8	164.0	162.6	162.2	162.4	162.7	166.0	165.5	163.2	159.8	157.1	155.0	154.3
UAH/USD, calculated with PPI ⁷⁾	real, Jan98=100	148.3	148.1	150.2	151.7	152.4	147.3	146.7	148.0	146.3	145.0	144.3	144.2	141.5	139.7	137.4	133.6
UAH/EUR, calculated with CPI ⁷⁾	real, Jan98=100	153.2	154.0	158.1	160.0	159.0	159.0	168.3	171.1	166.7	166.7	166.7	172.2	169.1	175.3	177.7	177.2
UAH/EUR, calculated with PPI ⁷⁾	real, Jan98=100	134.7	137.1	142.7	145.0	142.5	142.0	149.3	151.6	146.2	142.3	141.4	147.0	145.0	149.3	151.1	147.0
DOMESTIC FINANCE																	
M0, end of period	UAH mn	24064	26434	24707	25503	26002	27650	27879	29375	30080	31072	30862	31549	31318	33119	31501	32672
M1, end of period	UAH mn	36514	40244	37877	38974	41615	42743	43447	46815	47276	48315	50293	49341	49467	53129	49792	51387
Broad money, end of period	UAH mn	59575	64532	62853	64945	69731	72509	73977	79034	80786	83048	86495	86856	88295	95043	92643	96050
Broad money, end of period	CMPY	43.5	41.7	44.1	44.2	47.3	49.8	51.6	54.4	49.8	47.5	49.8	48.0	48.2	47.3	47.4	47.9
Refinancing rate (p.a.) ^{end of period}	%	8.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Refinancing rate (p.a.) ^{end of period} ⁸⁾	real, %	2.6	1.1	0.2	0.2	-2.6	-1.8	-0.6	1.6	1.6	0.2	-0.4	-0.9	-2.2	-3.8	-4.8	-6.9
BUDGET																	
General gov. budget balance, cum.	UAH mn	3828.3	1635.4	1451.1	2194.3	1871.3	2348.1	3375.2	2500.9	2889.3	4028.2	3991.5	3636.2	4111.6	-489.9	.	.

1) Excluding small firms.

2) Ratio of unemployed to the economically active.

3) Official registered enterprises.

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

5) Cumulation starting January and ending December each year.

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

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

8) Deflated with annual PPI.

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