

Monthly Report

5/06

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wiiw Managing Director retires

As of 1 May 2006, Dr. Elisabeth Hagen has become Managing Director of wiiw. She assumes the position previously held by our long-time colleague Dr. Ingrid Gazzari, who takes her well-deserved retirement.

I have known Ingrid Gazzari almost since the start of her career, and over the years I had the privilege to work closely with her and to benefit from her qualities, professional as well as personal. Her career at the Austrian Institute of Economic Research (WIFO) began as far back as 1965, but it was in 1970, when the Department for Comparative Economic Studies was created by the then Director of WIFO Franz Nemschak, that she started to work within our research field. An important step in her career followed in 1973 when the Vienna Institute for Comparative Economic Studies (wiiw) was set up on the basis of that department. In this new Institute, first under the directorship of Franz Nemschak, then under

Friedrich Levčík, she was in charge of research, project and publication management and of fund raising and was de facto deputy director responsible for all administrative functions, a position that she held with great competence. Between 1984 and 1991 Ingrid Gazzari held positions outside the wiiw as director of the Spa Centre Bad Aussee and as Secretary General of the Austrian Art Society, affiliated with the Austrian Museum of Applied Arts. There again, she proved the qualities of her management and innovation abilities and, in the latter position, she was able to make full use of her great passion for art and music. In 1991 she returned to wiiw as Managing Director and remained in this position until retirement.

It follows from this brief review that Ingrid Gazzari's career was closely linked with wiiw for almost 30 years. She shared the responsibility for the Institute with four Research Directors,

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including myself. wiiw had started as an independent unit with a few persons only; in 1981 the staff counted 19 persons (of which seven researchers) while as of 2006 that number is 37 persons (of which 17 researchers). In the course of this period wiiw's position within the Austrian economic research community improved noticeably, and outside the country the Institute has become a known and respectable address for East-West economic studies. Hence, since Ingrid Gazzari ensured the continuity of wiiw's research strategy, she deserves recognition for a great part of the Institute's growth and achievements.

A specific feature of the wiiw research strategy until the fall of the 'iron curtain' was the critical evaluation of the artificial picture created by the official statistics of the communist countries while at the same time establishing and maintaining contacts with these countries' scientific communities. In this way we hosted a considerable number of economists who after 1990 rose to often quite important positions in their respective home countries. A significant part of this strategy were the international workshops 'East-West European Economic Interaction' held between 1975 and 1993. They brought together approximately 600 high-level representatives from business, science and government in Europe, North America, Latin America, Japan and the Pacific region. The results of these sessions were published with Macmillan Press in a series of 14 volumes, edited by C.T. Saunders. The organization of these workshops required heavy efforts and Ingrid Gazzari carried them through with the greatest efficiency and outstanding political skill.

After 1990 the Institute's research and fund raising strategy had to change and Ingrid Gazzari has had her share in the attainment of these changes. The critical analysis of the transition of previously planned to market economies and, then, the problems related to the Central and East European countries' admission to the EU have become the centre of our interest. During the same period these topics attracted the attention of many other institutes and research units. The

Institute's basic philosophy not to limit itself to mainstream thinking alone has been continued under the new conditions.

Again Ingrid Gazzari participated in this new orientation, fully identifying with the Institute. She has been the heart of wiiw, treating the Institute as her second home and her second family. Every Monday she housewifely visited all offices; she was always ready to do the honours of the house. It is worth appreciating the warmth with which she admitted new collaborators who often had to leave their countries of origin under difficult conditions. She did everything she could to facilitate their integration into our staff and into their new home. She also accompanied retired collaborators of the Institute when they were lonely or needed help. All of us could always count on her. We shall miss her skills, commitment and qualifications, more than anything we will miss her warm and attentive presence. We wish her good health and pleasure in the activities she enjoys and which correspond to her unflagging energy. But, we hope she will continue helping us with her advice in the future as well.

Kazimierz Laski
Former wiiw Research Director

Further expanding agro-food trade of the NMS-4 in Europe

BY ZDENEK LUKAS AND JAN MLÁDEK*

Integrating Europe

The Copenhagen summit in December 2002 essentially established four key systems within the Common Agricultural Policy (CAP) for the New Member States (NMS) of the EU: (1) adoption of the system of production quotas with reference areas and yields derived from results registered in the recent past; (2) direct payments to be phased in to gradually reach the level of the EU-15 by 2013, i.e. during a transition period of ten years; (3) immediate access to the agro-food markets of the EU-25, provided the NMS are meeting all EU standards; (4) the second pillar of the CAP, i.e. rural development, should play an increasingly important role in the future, despite a slight reduction initiated by the UK Presidency in the latter half of 2005.

Starting from 1 May 2004, the movement of goods between the EU-15 and the NMS accelerated considerably, as soon as border controls were essentially confined to a check of identity papers. Thanks to the liberalization of the market in goods, there are virtually no border controls of freight transport within the single EU market. The removal of most trade barriers led to a major reduction of transaction costs and consequently to a boom in the exchange of goods particularly between neighbouring old and new EU countries.

How did the NMS-4¹ cope with the new rules of the game within the CAP in the two years of their membership in the Union? The development of agro-food foreign trade is one of the possible indicators.² As a result of the removal of the last tariff and bureaucratic barriers the exchange of agro-food

goods has increased further since May 2004, particularly so the trade within the single market. This is true for both, the trade between the EU-15 and the NMS-4 as well as the trade between neighbours within the entire EU-25. For instance, 90% of Slovakia's agro-food exports go EU countries. The NMS-4 are currently also importing much more from the EU than before 2004. This trend is led by Hungary: 90% of its agro-food imports originate in the EU. Also Poland has increased imports of these commodities from the EU in absolute terms. However, as imports from third countries have boomed as well, the share of the EU in agro-food imports remained virtually unchanged during the past three years, namely at a level of over 60%. Before its accession to the EU, Poland had protected its agricultural market against imports from third countries by higher customs barriers than the ones applying currently under the CAP. These barriers have declined after EU accession and hence Poland has imported more goods in absolute terms also from third countries.

The development of exports relative to imports, i.e. the percentage share of imports covered by exports³, is an important indicator of the competitiveness of agriculture and the food industry. Poland has been the most successful country among the NMS-4 on EU markets after 2003: the coverage of imports by exports increased by 40 percentage points to 160% within two years. The Czech Republic and Slovakia, with almost 80% of their imports covered by exports, have also slightly improved their position on the EU agro-food markets. In spite of that, the two countries still are, and will probably remain, net agro-food importers, because the importance of agriculture in the context of the overall national economy (measured as a share in total GDP, employment and in total exports as well) is much smaller than in Poland. In addition, non-agricultural exports of both countries are now rising strongly, and the Czech economy as a whole is currently generating even foreign trade surpluses.

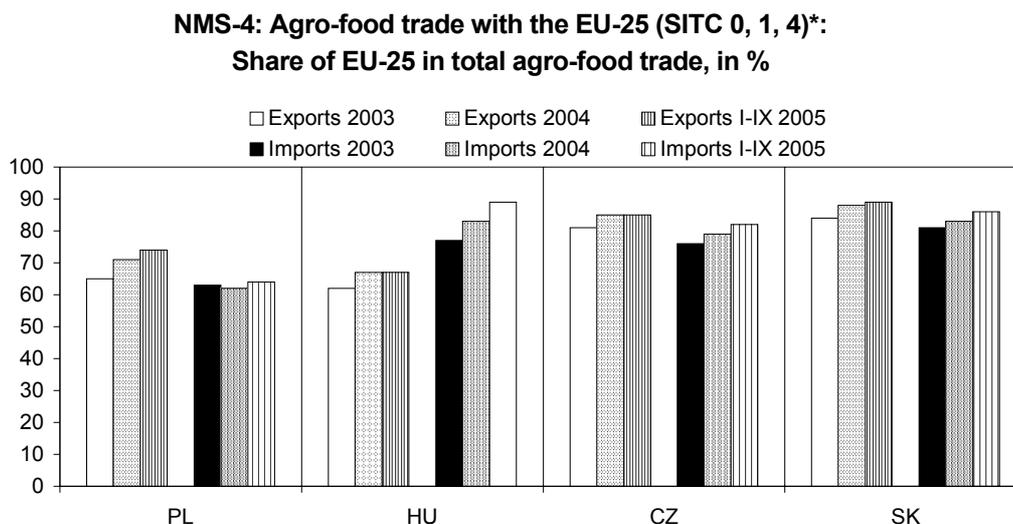
* Minister of Agriculture of the Czech Republic.

¹ Czech Republic, Hungary, Poland, Slovakia.

² For the sake of better comparability among the NMS-4, the SITC (0, 1, 4) nomenclature has been chosen and a conversion to euro was applied. Since for some countries data for the full year 2005 are lacking, the developments in the first three quarters have been analysed.

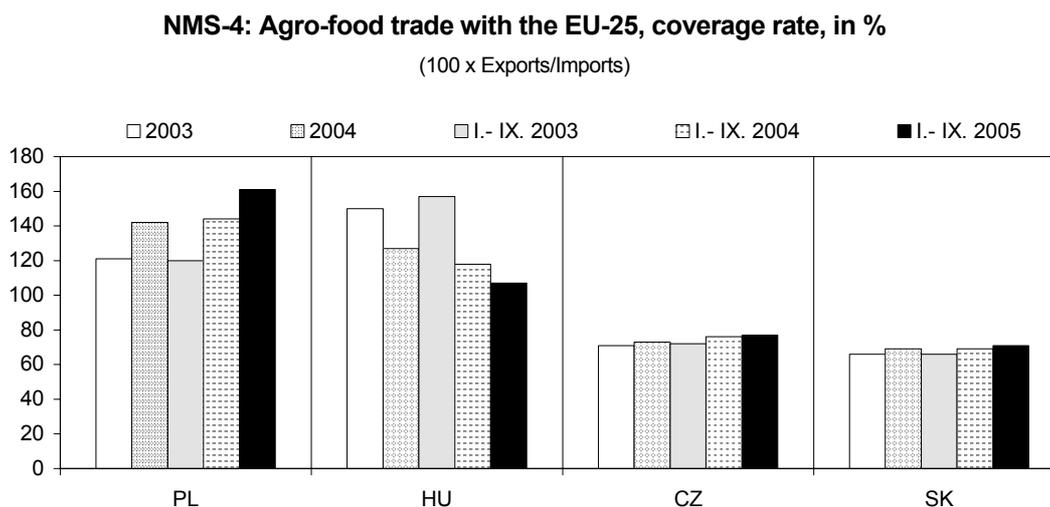
³ This relative indicator is more suitable for the analysis of foreign trade developments over time than is the indicator of an absolute amount of surplus or deficit as the former better illustrates the overall foreign trade dynamics.

Figure 1



Sources: wiw Database incorporating national statistics.

Figure 2



Sources: wiw Database incorporating national statistics.

Hungary, a traditional net agro-food exporter, had – before EU accession – great ambitions to further expand to EU markets. But although in 2003 Hungarian agro-food exports to the EU exceeded imports by more than 50%, the excess amounted to a mere 7% in 2005.

Poland winning so far

What are the reasons for these diverging results of the individual NMS-4? The substantially lower production costs in the Polish agriculture, due to lower input prices in particular for labour, where there are virtually zero opportunity costs, represent

a crucial factor for Poland’s success so far. These costs reflect the fact that the opportunity for sources of income other than agricultural (alternative employment) is negligible in the mostly underdeveloped rural areas. In these circumstances Polish small farmers are ready for ‘self-exploitation’ by virtually not incorporating their labour costs into farmgate prices. Moreover, social insurance rates are low as the state is subsidizing these rates for Polish farmers to a major extent.

Besides, Poland had to a certain degree prepared itself better for accession to the EU by starting in time to invest in improved quality of agricultural

products and food processing. A major part of products met the strict EU standards immediately after May 2004 and thus could be exported throughout the enlarged EU. Poland has gained greater shares on the EU markets in milk and dairy products, beef and pork and further in sugar, vegetables and certain types of fruit. However, altogether Poland's share in total agro-food imports in particular of the EU-15 is still marginal. Nevertheless, the export opportunities for milk and dairy products to EU markets motivated Poland to request an increase of its milk quota from the EU. Starting from April 2006 Poland can produce more milk by exploiting its so-called restructuring reserve.

The Czech Republic improved its export position in 2004 primarily in sugar, milk and beer, and Slovakia in sugar and milk. Hungary's setback is rooted in higher production costs especially for labour and in the fact that the required preparations to meet European standards were underestimated. The Hungarian administration and enterprises also underestimated the role of marketing, which is increasingly important on the overly saturated EU market. The most severe losses were suffered by animal production, particularly by processed animal products. Hungarian poultry farming in particular remains in crisis as state aid had to be reduced upon accession to the EU.

Hungarian losses

The situation on the grain market became problematic in 2004 when the entire EU experienced a bumper harvest immediately after enlargement. The year 2005 also brought above-average yields, which created the need for massive interventions on the grain market. The situation was the worst in Hungary where the grain surplus in 2005 was equally high as in 2004. Following two bumper harvests with more than 16 million tonnes of grain annually, Hungary produced twice its annual grain consumption. Grain exports reached some 3.5 million tonnes in 2005. This was not enough to prevent the demand for storage capacities from expanding. In 2005, Hungary offered over 4 million tonnes of grain for EU intervention purchases. Hungarian maize, for

instance, accounted for 80% of the total volume of the EU-25 interventions. By being so generous, the EU intervention system for cereals stimulates the production of huge surpluses; it faces the main challenge from landlocked countries (NMS-3, but also Austria) as they have to bear significantly higher costs to transport the surpluses to final consumers. These costs often exceed EUR 30 per tonne of grain, which is approximately 30% of the intervention price (EUR 101.32/tonne of grain).

Rising agricultural incomes

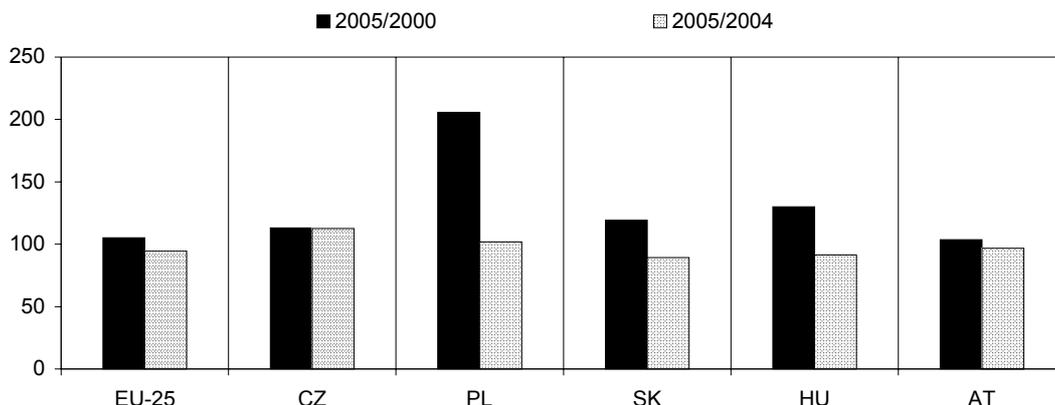
The economic situation in agriculture in the NMS-4 has improved substantially after accession to the EU as farmgate prices for many products within the CAP⁴ are above world market prices. Furthermore, for some products (e.g. cereals and sugar beet) the CAP guarantees not only prices, but also outlets, provided the goods meet the required quality standards. Moreover, direct payments as well as labour productivity have increased in the NMS-4. According to a revised Eurostat estimate, real agricultural income per worker, i.e. the A indicator, increased most in the Czech Republic and Poland in 2005 compared to 2004, by 13%⁵ and 2% respectively. In Hungary and Slovakia, agricultural income per worker in 2005 shrank by about 10% compared to 2004. In a comparison between 2000 and 2005, Poland experienced the greatest increase in these incomes, by 106%. Poland benefits from the proximity of its major customer, Germany, which allows for much lower transport costs than in the case of Hungary and Slovakia, and also from the fact that Polish local traders in

⁴ The CAP involves among other things the regulation of supply within the single market, customs protection against third-country imports and export subsidies as a tool to dispose of surpluses. For a number of major commodities, the CAP has led to farmgate prices ranging far above the world price levels.

⁵ Source: Eurostat, news release 17.2.2006. Agricultural income comprises the income generated by agricultural activities, per annual work unit, over a given accounting period, even though in certain cases the corresponding revenues will not be received until a later date. In order to take account of part-time and seasonal work, agricultural labour or changes therein are measured in annual work units (AWUs). One AWU is defined as the work-time equivalent of a full-time worker.

Figure 3

EU-25: Estimate of growth of real agricultural income per full-time worker



Source: Eurostat 2006, wiw Database incorporating national statistics.

border regions better know the German market. In addition, the country is the greatest producer of sugar beet among the NMS-4 and the adoption of the CAP sugar regime has led to rising incomes. The latter also applies to the Czech Republic, which is the second largest sugar beet producer among the NMS. In Hungary, agricultural incomes in 2005 were 30% higher than in 2000. Bearing in mind the poor results experienced by Hungarian exporters on the EU agro-food markets, this is a surprising finding. Apparently it is the result of the significance of direct payments for agricultural incomes since joining the EU, although in 2005 farmgate prices fell somewhat compared to 2004. Nevertheless, farmgate prices in 2005 were still at a higher level than in the pre-accession period.

The development of the average income for the EU-25 as a whole offers an interesting perspective, with incomes down by 6% in 2005 compared to the previous year and only 5% higher than in 2000. This is due to the fact that real incomes have been shrinking in most countries of the EU-15, while growth was taking place only in the NMS. Agricultural incomes in the NMS will be growing further in the coming years with increasing direct payments.

Although shortage of capital has been hindering investment in modern technologies, the situation has been improving in connection with higher agricultural incomes in the NMS-4 after joining the EU. However, there still remains the problem of the

lack of well-established brands that would allow to distinguishing regional specialties by price from mass-supplied products. Furthermore, instead of high value-added goods, basic agricultural commodities with lower value-added still prevail in the structure of goods. Last but not least, agriculture and the food industry in the NMS-4 struggle with a weak position on the market, with marketing being particularly slack.

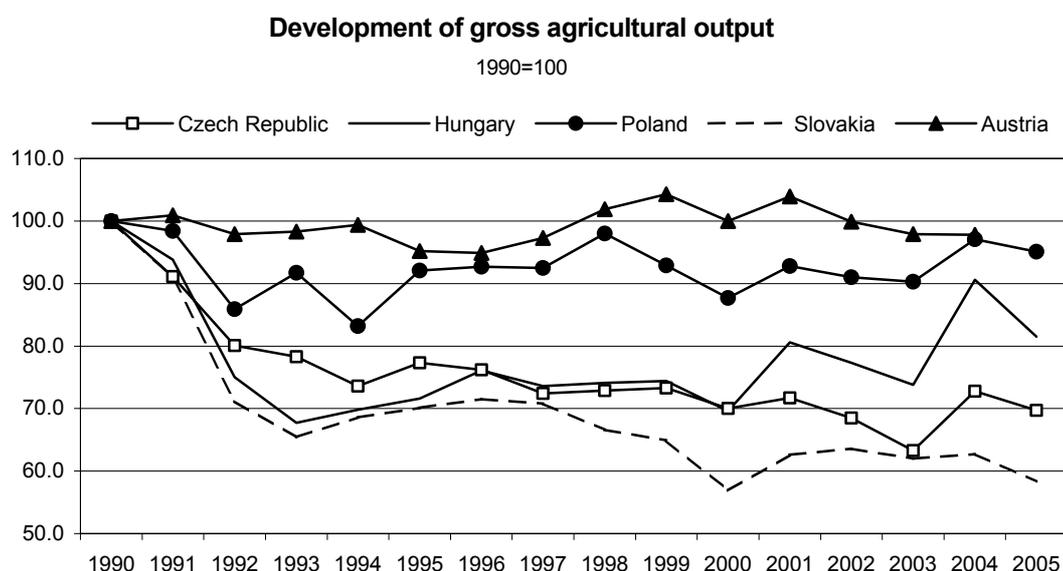
Rising reform pressure

In mid-December 2005, after several months of tense negotiations, the Union finally managed to reach a compromise on the EU budget for the period 2007-2013. Compared with the original proposal, the volume of finance for the rural development fund will be reduced by 20%. From the viewpoint of the CAP reform, this is no small amount. As is well known, the reform was tabled by former EU Agricultural Commissioner Franz Fischler with the strategic objective to financially strengthen the second pillar of the CAP (rural development) and to reduce funding for the first pillar (market support). The December decision has more or less determined the framework for the financial rules of the game up to 2013. In that period, however, the CAP, under pressure from the WTO, will experience additional changes resulting from the commitment to abolish export subsidies. Unless the currently implemented generous system of intervention purchases for cereals undergoes changes at the same time, huge surpluses may

emerge that would be difficult to sell on the world markets. There is no doubt that the pressure to reduce EU farmgate prices will be mounting in the years to come. A convergence of the prices of

agricultural commodities produced in Europe with the lower world market prices, which tend to be calculated in US dollars, would be less painful, should the euro weaken relative to the dollar

Figure 4



Source: wiiw Database incorporating national statistics.

Table 1

NMS-4: Agro-food trade (SITC 0, 1, 4)*

	January to September 2004			January to September 2005						
	Exports EUR million	Imports EUR million	Balance EUR million	Exports Imports=100	Exports EUR million	Growth of exports 2004=100	Imports EUR million	Growth of imports 2004=100	Balance EUR million	Exports Imports=100
Czech Republic										
Total	1345	1904	-559	71	1742	130	2353	124	-611	74
Of which EU-25	1137	1496	-359	76	1474	130	1926	129	-452	77
Share of EU-25, in %	85	79			85		82			
Hungary										
Total	1944	1323	621	147	2166	111	1525	115	641	142
Of which EU-25	1290	1090	200	118	1454	113	1362	125	92	107
Share of EU-25, n %	66	82			67		89			
Poland										
Total	3476	2793	683	124	4772	137	3423	123	1349	139
Of which EU-25	2497	1739	758	144	3528	141	2185	126	1343	161
Share of EU-25, in %	72	62			74		64			
Slovakia										
Total	525	799	-274	66	745	142	1085	136	-340	69
Of which EU-25	455	659	-204	69	661	145	930	141	-269	71
Share of EU-25, in %	87	82			89		86			

* Food, live animals, beverages, tobacco.

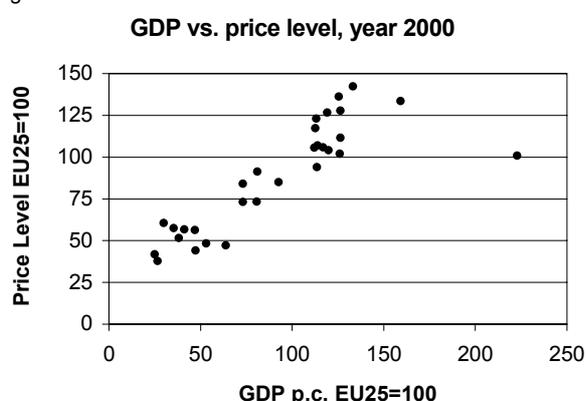
Source: wiiw Database incorporating national statistics; own calculations.

Real convergence and inflation

BY LEON PODKAMINER

Price levels, defined as the ratios of exchange rates and purchasing power parities, are systematically related to the relative levels of real per capita GDP. This is illustrated by Figure 1 showing the relative price levels and relative real per capita GDP levels for 30 European countries in 2000.¹

Figure 1



Source: Eurostat.

Relative price levels in rich countries are generally higher than in the poorer ones. This phenomenon is quite universal: it applies to comparisons across countries at different levels of development as well as to inter-temporal comparisons. In the latter case one generally observes a positive association between the relative price and GDP levels for almost any individual country²: a rising relative GDP level is correlated with a rising relative price level.

¹ The sample contains the 24 EU countries (excluding Malta), Switzerland, Norway, Iceland, Bulgaria, Romania and Turkey.

² This does not apply to very small countries, such as Luxembourg which has the highest GDP level and a moderate price level (the outlier in Fig. 1.) The anomalous position of Luxembourg is easy to interpret. Given its location (between Belgium, Germany and France) and size, Luxembourg must have prices (also of services, including housing rents) close to the ones prevailing in the adjacent towns and shopping centres located across the border. Similarly, one may observe violations of the general GDP-price level association in other mini-states (and also in small countries living 'on tourism').

A rise in the relative price level of a country involves a combination of (1) a nominal appreciation of the country's exchange rate, and (2) a rise in its purchasing power parity. The latter development obtains, roughly speaking, under domestic inflation being higher than abroad – i.e. in other countries whose prices/real quantities are included in PPP/real GDP comparisons. In the European context (with all cross-country comparisons having the 'aggregate EU-25' as their reference area), the rise in the relative real price level involves real appreciation of the exchange rate of any single country, and thus also of any new EU member state (as well as of Bulgaria, Romania and Turkey).

Under fixed exchange rates (and particularly under a currency board regime) the whole 'burden' of adjustment in the relative price levels falls on domestic inflation. The same qualification essentially applies to countries which enter the Exchange Rate Mechanism and are expected to demonstrate stability of their exchange rates. The question now arises about a possible conflict between high GDP growth ('real convergence') – which can be expected to entail possibly high inflation – and the aspiration to adopt the euro.³ As the countries seeking membership in the Eurozone are required to observe the Maastricht inflation criterion, they may disqualify themselves by allowing high GDP growth.

The longer-run reference relation between levels of prices and GDP

Each sample of data on relative price and GDP levels of the type shown in Figure 1 suggests the existence of a fairly significant correlation (or relationship) between the two variables. This visual impression can be confirmed formally, by way of simple linear regression analyses concerned with the estimation of parameters b and c of the following equation

$$P = c Y + b$$

³ See, for example, R. Dobrinsky, 'Nominal vs. Real Convergence: the Balancing Act', lecture held at wiiw's Spring Seminar 2006, Vienna, 31 March.

where P denotes the relative price level, and Y is the relative per capita GDP level.

Statistically, the estimates of parameters b and c prove to be highly significant for each year since 1999 (see Table 1).

Table 1

**Parameter estimates of the regression
P = c Y + b for the years 1996-2004**

	c	t-Statistic	b	t-Statistic	R-sq. adj.
1996	0.936	14.35	6.25	1.03	0.8836
1997	0.877	15.66	11.45	2.17	0.9004
1998	0.856	15.96	13.24	2.62	0.9039
1999	0.832	15.93	14.99	3.06	0.9003
2000	0.781	14.13	19.83	3.77	0.8764
2001	0.786	14.87	19.48	3.89	0.8872
2002	0.845	14.79	16.29	3.02	0.8861
2003	0.845	14.77	17.03	5.41	0.8858
2004	0.798	15.51	19.1	3.87	0.8953

Source: Own calculations based on Eurostat data on relative price and GDP levels (Eurostat data for 2004 are currently provisional).⁴

The t-Statistic for the estimate of parameter b is less satisfactory for the years 1996-98. Both estimates are highly significant for the years 2000-01 and 2003-04. As can be seen, the parameters for the years 2000-04 are not literally identical. However, it turns out that the parameters for any of these years can substitute the parameters for all remaining years, with only small loss of statistical quality.⁵ This justifies averaging the estimates for the years 2000-04. Alternatively, one may pool together the samples for the years 2000-04 and then estimate parameters c and b for the sample of 145 observations. The result of the estimation based on the pooled sample is given in Table 2.

The line $P = 0.8095 Y + 18.45$ may be interpreted as a longer-term reference (or 'standard') relation

⁴ The sample excluded Luxembourg, for all years, and Romania, for the years 1996-98 (lacking data).

⁵ Formally, in any case the Wald test cannot reject the hypotheses that the true parameters for the regression for a given year are equal to the estimates derived for other years.

between the relative price and GDP levels. More specifically, one may expect the positions of individual countries to be converging towards that line in the longer run. At the same time, a country whose coordinates are located below that line can be characterized as having a relatively (vs. the longer-term standard) too low price level. Conversely, countries whose coordinates are located above the line can be characterized as having a relatively (vs. the longer-term standard) too high price levels. Figures 2-4 document the evolution of the actual positions of eight new EU member states and three accession/candidate countries since 2000.

Table 2

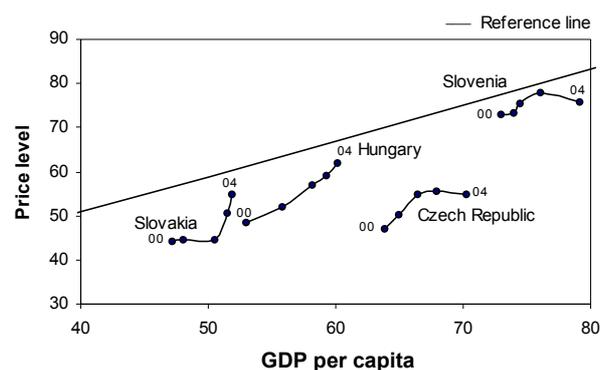
**The parameter estimates of the regression
P = c Y + b for the pooled data for the years 2000-04**

c	t-Statistics	b	t-Statistics	R sq. adj.
0.8095	33.65	18.45	8.07	0.8871

Source: As in Table 1.

Figure 2

**Relative price and per capita GDP levels for
Slovenia, Hungary, Czech Republic and Slovakia
2000-2004 (EU-25 = 100)**

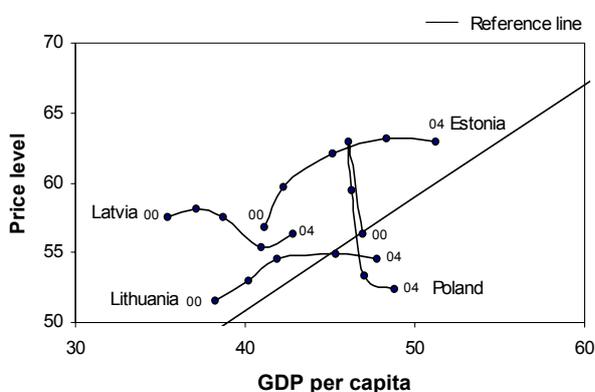


As can be seen in Figure 2, the Czech Republic, Slovakia, Hungary and Slovenia have all had price levels relatively too low vs. the longer-term standard. The extent of undervaluation of the Czech price level, which has been the highest, has not been really diminishing. The Czech Republic continues to be a low-price-level country. By contrast, the levels of undervaluation in Hungary

and Slovakia have been diminishing rather fast. In both cases one observes definite convergence to the reference line. The relatively low levels of undervaluation in Slovenia (in the years 2002-03) increased in 2004. Contrary to popular opinion, Slovenia's price levels have not been too high (vs. the longer-term reference position). In 2004 Slovenia's price levels were more undervalued than the Hungarian or Lithuanian ones.

Figure 3

Relative price and per capita GDP levels for Estonia, Latvia, Lithuania and Poland
2000-2004 (EU-25 = 100)



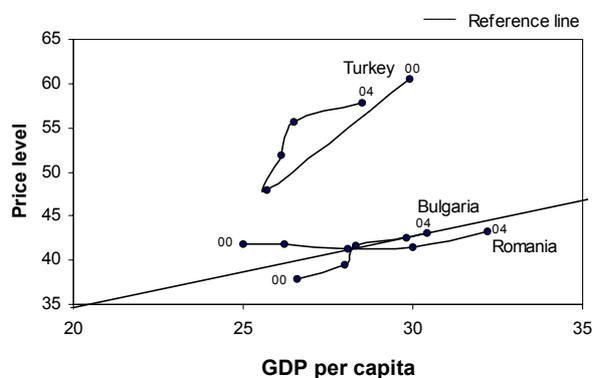
The second group of countries (Figure 3) has been characterized by a prevalence of overvaluation of price levels. However, the levels of overvaluation in the three Baltic countries have not been very high. In addition, due to strong growth in the relative GDP levels, the levels of overvaluation have been shrinking very fast (i.e. one observes fast convergence to the reference line). The case of Poland seems to provide a valuable lesson. In 2000 Poland was located precisely on the longer-term reference line, thus with a price level equalling exactly its reference value. However, the next year Poland's price level rose strongly (which was due to a strong nominal appreciation of the exchange rate in 2001, sustained in 2002). The sudden move towards overvaluation turned out to be associated with falling relative GDP levels in 2001-02 (Poland's growth over 2001-02 was lower than in the EU-25). Only in 2003-04 did Poland move to undervaluation (due to a nominal exchange rate

devaluation) – and this was associated with a renewed rise in the relative GDP level.

The levels of overvaluation in Romania and undervaluation in Bulgaria have been quite small (see Figure 4). On the whole both countries move pretty much along the longer-run reference line. But Turkey is traversing an entirely different path. Its price level has been consistently overvalued. Only in 2001, under the impact of a deep crisis (which had been generated by the overvaluation of the nominal exchange rate in 2000 and at the beginning of 2001), did the price level move towards its reference value. The adjustment in the price level in 2001 took the form of a radical devaluation of the Turkish currency. It is worth noting that at the same time Turkey's relative GDP level also fell steeply (as a result of real GDP falling by 7.5%).

Figure 4

Relative price and per capita GDP levels for Bulgaria, Romania and Turkey
2000-2004 (EU-25 = 100)



The facts elicited by the contents of Figures 2-4 suggest that the reference line is not a spurious statistical artefact. Observations on a large number of countries, spanning over an extended period of time, are located along the reference line not by coincidence. Apparently there are economic forces pushing the individual countries into positions along that line. The push may be quite weak for countries with strongly undervalued price levels (as in the case of the Czech Republic). However, the push may be quite strong when price levels are overvalued (as is shown by developments in Poland in 2001-2000, or Turkey in 2001).

Growth-inflation tradeoffs

What growth rates can a country aspiring to membership in the Euro Club enjoy without breaking the Maastricht inflation criterion? It goes without saying that there can be no sure and error-free answer to this rather simple and practical question. Nonetheless, if one is prepared to take the reference line relating the relative price level to the relative GDP level seriously, one can also venture some specific answers to the question asked.

Naturally, first some specific assumptions have to be made – both on the country aspiring to Euro Club membership and on the developments in the Eurozone itself.

As far as the aspirant country is concerned, one has to assume that it is already located on the reference line (or is located reasonably close to it). In other words, one rules out high levels of over- or undervaluation of the price level. Secondly, it is assumed that it moves along that line. Thus one rules out occasional over- or undervaluations of the price levels, on the assumptions that these deviations will be corrected sooner rather than later. Thirdly, it has to be assumed that the aspirant country is already on a fixed exchange rate. Thus adjustments in the price level through nominal upvaluation or devaluation of the exchange rate are ruled out.

With respect to the Eurozone, one has to specify (i) its real per capita GDP growth rate and (ii) its inflation rate. Let us assume that the Eurozone inflation will be 2% and that its GDP growth rate will also be about 2%. For simplicity, let us also assume that inflation and GDP growth rates in the EU-25 will be the same as in the Eurozone.

Consider an aspirant country whose relative GDP level is a specific Y° in a given year. Then its relative price level must be equal $P^\circ = 18.45 + 0.8095Y^\circ$. Suppose the country targets 3% inflation next year. Given the fact that inflation in the Eurozone (and the EU-25) is 2%, the relative price

level the next year will be about $P^\circ(103/102)$.⁶ On the other hand, this price level must be consistent with the relative GDP level of the next year, or the magnitude which is equal about⁷

$$18.45 + 0.8095 Y^\circ (100+g)/102$$

where g is the (yet unknown) GDP growth rate in the aspirant country.

Eventually, one has to solve the following equation:

$$(18.45+0.8095 Y^\circ)(103/102) = 18.45 + 0.8095 Y^\circ (100+g)/102$$

to determine the value of the GDP growth rate g , consistent with the targeted 3% inflation rate. Observe that the rate g solving the above equation depends on the initial relative GDP level Y° . Table 3 tabulates the values of g depending on Y° and the target inflation rates.

Table 3

Growth rates consistent with the target inflation rates, depending on the initial relative GDP levels

Inflation	$Y^\circ=$ 30%	$Y^\circ=$ 40%	$Y^\circ=$ 50%	$Y^\circ=$ 60%	$Y^\circ=$ 70%	$Y^\circ=$ 80%	$Y^\circ=$ 100%
3%	3.76	3.57	3.46	3.38	3.33	3.28	3.23
3.5%	4.64	4.35	4.18	4.07	3.99	3.93	3.84
4%	5.52	5.14	4.91	4.76	4.65	4.57	4.46

Source: Own calculation.

As can be seen, targeting 3% inflation is only consistent with rather weak GDP growth, ranging between 3.8% per year in a relatively poor country (say, Bulgaria or Romania) and 3.3% per year in a

⁶ This is a simplified formula linking the relative price levels for two distinct years via domestic inflation rates. The proper formula is much more complex as it allows for the changes in the detailed structures of prices and the GDP compositions.

⁷ This is a simplified formula linking the relative GDP levels for two distinct years via domestic GDP growth rates. The proper formula is much more complex and has to allow for the changes in the detailed compositions of the GDP and in the price structures.

relatively prosperous (say, Slovenia). Significantly higher GDP growth rates, ranging between 4.6% and 3.8%, are consistent with a slightly higher inflation target of about 3.5%. Finally, targeting 4% inflation is consistent with fairly high growth rates across the whole range of affluence levels.

The contents of Table 3 suggest some practical conclusions. First, very low levels of inflation are associated with rather unimpressive rates of growth. In the case of the 3% inflation target, growth, though still higher than the 2% assumed for the Eurozone, implies very slow real convergence. Because growth may be much higher if inflation is allowed to be only slightly higher, it may be in the interest of the aspirant countries either to postpone the attempts to enter the Eurozone or to advocate some relaxation of the Maastricht inflation criterion.

It may be added that the contents of Table 3 do not justify a policy of inducing inflation beyond the levels consistent with growth proceeding along the reference line. An 'artificial inflation' that would push the economy off the reference line is unlikely to do much good. It would only result in an overvaluation of the price level, which could slow down – and not accelerate – growth (as in Poland in 2001-02) or, in extreme cases, produce a crisis and recession (as in Turkey in 2000-01).

Green light for reforms with comfortable socialist-liberal majority in the Hungarian parliament

BY SÁNDOR RICHTER

The election results

After an embittered campaign focused on the judgement of the current state of the Hungarian economy and the question what future strategy should be followed, the election results of 23 April will go as a milestone in Hungary's recent history. For the first time since 1990 – the year of the first free elections in the post-communist era – the political parties of the ruling coalition have won the parliamentary elections. Up until now each Hungarian government had been voted out of power after four years in office.

The political parties of the ruling coalition, the Hungarian Socialist Party (MSZP) and the Alliance of Free Democrats (SZDSZ) managed to get 210 (54.4%) of the altogether 386 seats in the parliament. The socialists alone got 48.2%, the liberal SZDSZ 4.7% of the seats. A further 6 seats were won by jointly nominated socialist-liberal candidates. The biggest opposition party, the Alliance of Young Democrats (FIDESZ), received 164 seats (42.5%). The surprise party of the 2006 elections, the moderate conservative Hungarian Democratic Forum (MDF), received 11 (2.8%) seats. The MDF, surpassing the threshold for gaining representation in parliament in the first round of the elections by a very narrow margin only, resisted the enormous pressure exerted by FIDESZ to enter a right-wing election alliance with that party in the second round.¹ Nevertheless, even if this alliance had materialized, chances would

have been minimal to turn around the election results in favour of the right-wing parties in the second round.

The election results mean a clear personal defeat of Viktor Orbán, leader of FIDESZ since the establishment of the party and prime minister during 1998-2002. FIDESZ was far ahead of the Socialist Party in all public opinion polls only a few months prior to the elections. The turnaround in public opinion occurred mainly in the course of the election campaign. There were a couple of mistakes in the campaign masterminded by Mr. Orbán: slogans claiming that the citizens' standard of living is lower in 2006 than it was in 2002, the last year of the Orbán government, although real wages increased by about 30% in the period in question; unpopular candidates for future government posts; and scandals ranging from stealing data from the server of a socialist campaign bureau to the dissemination of a pseudo-independent leaflet with dishonourable personal attacks against politicians of the governing coalition. The last two stops on the way to failure were, first, a television duel in which Viktor Orbán clearly lost against Ferenc Gyurcsány, the acting and nominated prime minister of the socialists, and second, the dishonourable mix of promises and menaces addressed at the MDF to withdraw its candidates for the sake of the unity of the 'national forces'.

The 2006 elections brought the personal victory of Ferenc Gyurcsány, whose dynamism and rhetorical and organizational talents resemble those of Mr. Orbán's in earlier years. His ability, actually as an outsider, to reshuffle the Socialist Party, which had sank into apathy in the two years of the Medgyessy government, and to neutralize the strong men and women of the old socialist party establishment won him increasing popularity in the circle of swing voters and finally the success at the elections.

Programmes ...

The programmes of the four parties cannot be rendered to a traditional left-right division.

¹ In the Hungarian election system, in the first round of elections political parties and individual candidates compete for the votes; in the second round only individual candidates compete in those election circles where none of the candidates managed to get an absolute majority of the votes. The threshold on the party list is 5%.

Important similarities can be seen between the programmes of the liberal SZDSZ, part of the left-wing coalition, and the moderate conservative MDF. Both small parties loudly reject any populism in the economy, call for a strong market economy, the reduction of the general government deficit, and profound reforms in the fiscal area with involvement of private capital in the transformation of the healthcare system. The nominally right-wing FIDESZ borrowed slogans both from rightist and leftist populism. With an emphasis on the state's role in the economy, hinting at the suspension of further privatization and the possible revision of past privatization deals, promising a considerable raise of the minimum wage and the introduction of a 14th month pension, and finally calling for a 9 percentage points reduction in social security contributions paid by the employers, FIDESZ has not managed to create an image of a party with a consistent, realistic programme to tackle the current problems of the Hungarian economy. The nominally left-wing Socialist Party had entered the election campaign with an explicitly market-friendly programme. They called for far-reaching fiscal reforms with more involvement of the private sector and the modernization of the education system to better meet the demand of the economy. Foreign investors were seen as a driving force of modernization in the economy. Nevertheless the Socialists' election campaign was not free of populism either, and part of their promises cannot be realized in the current situation of public finances.

... and prospects

Now that the election is over the crucial issue is the consolidation of the public finances. This will necessitate immediate corrective measures to check the 2006 deficit, which threatens to get out of control, and the rapid preparation of the state-sector reform so that the shaken confidence of foreign financial investors can be restored. These should conclude in a redrafted credible convergence programme by early autumn.

The election results are promising in the context of reforms. The Socialists missed the absolute

majority by a few seats and thus cannot govern without the support of the small liberal party SZDSZ (or, arithmetically, with the conservative MDF, which already announced that it would not be part of the new Gyurcsány government). The liberals are resolutely committed to reforms in the public sector and they would leave the coalition if these reforms were not put on the agenda of the new government. This is an important support for Mr. Gyurcsány in coming through with unpopular consolidation measures and reforms in his own Socialist Party, where he must reckon with resistance by influential groupings with anti-reformist sentiments.

The new government, which will probably be inaugurated within the next four to six weeks, is expected to take immediate measures to get the 2006 fiscal processes under control and announce multiple public sector reforms likely to be introduced at the beginning of 2007.

Although both big political parties carefully avoided to speak about how to address the issue of the budget deficit, the citizens have heard enough of the public sector problems in the media and will not be surprised if corrective measures are approved. Contrary to 2002, when the former Socialist government with Mr. Medgyessy as prime minister came to office, this time no mass street demonstrations by FIDESZ supporters should be expected.

While profound reforms need time and accurate preparation, the corrective measures must be made as soon as possible to ensure the international financial community of the new government's readiness finally to begin with cleaning the Augean stables. A wide variety of measures may be taken into consideration by the new government. On the revenue side, the circle of exemptions from taxation can be re-defined in a more restrictive way both for the personal and corporate incomes. Excise tax rates on some commodities may be raised. The 15% VAT rate may be increased to 20%, or the highest VAT rate may again be raised to 25% where it was until the

end of 2005. A tax may be introduced on interest incomes, dividends and real estates. A more efficient collection of social security contributions via opening personal accounts would lead to higher revenues.

On the expenditure side, the operational costs of public administration may be cut, primarily by reducing the number of ministries and state-financed institutions associated with ministries and by streamlining of those government bodies which are planned to be maintained. Wage rises of public servants may be set at a low level or even frozen for a year. Public investment programmes may be reduced. Social transfers, primarily family allowance, may be reduced adopting the philosophy that the circle of recipients should be narrowed to the most needy ones. State support for housing construction may be reorganized and cut. In the healthcare sector, subsidies for medicines may be reorganized in a way that, instead of the current uniform rate of support, cheaper generic medicines would enjoy more support and expensive brand-name ones less. Further, the scope of free-of-charge basic medical supply, currently available for every citizen, may be narrowed and the regular payment of social security contributions may become a condition for participation in medical services.

Each of these measures are painful for a broader or narrower circle of the population or for the business sector, therefore a cautious selection and a balanced mix of the above-listed options is an important precondition for success.

In any case, the general government deficit in the first quarter of this year, which was higher than the deficit planned for the first six months of the year, leaves no time for delay of the corrective measures. Although the autumn municipal elections may be seen as a temptation to avoid unpopular measures up until the end of September, the new government will most probably not risk a further loss of credibility by postponing the correction. The combined effect of corrective measures (more revenues and less expenditures)

may add up to 1.5% to 2% of the GDP. Through diminishing aggregate demand these measures will negatively influence economic growth, and probably inflation and unemployment as well. However, it is too early to predict the extent of that impact.

As mentioned above, major reforms need proper preparation and interest reconciliation wherever possible, as well as good PR work to 'sell' the ideas of reforms to those involved. The example of Poland illustrates that poorly prepared reforms may easily fail and lead to a political earthquake as a consequence.²

The reforms to be introduced by the new government need an agreement between the two political parties of the coalition. Although the general approach to major problems of the fiscal area is similar in the two parties, there are differences in a few important areas. The Liberals would like to introduce a flat tax from 2009 onwards, the Socialists insist on their five-year tax reduction programme, which does not contain flat tax. In the reorganization of the healthcare system the Socialists call for a centralized health insurance fund operated by the government, while the Liberals are for several private health insurance funds competing with each other. In public administration the Socialists would maintain the historical county system, whereas the Liberals would like to shift the self-government competencies to the level of the recently created EU-compatible bigger territorial units.

The nominated prime minister of the Socialist Party, Mr. Gyurcsány, announced that this year the summer pause of the parliament would be skipped so that the reforms may be introduced after proper preparatory activity and as soon as possible. He is right in doing so; it is high time to get down to work for advocates of public finance consolidation and reforms.

² L. Podkaminer, 'Poland: Overwhelmed by "reforms"', in P. Havlik et al., 'The Transition Countries in 1999: a Further Weakening of Growth and Some Hopes for Later Recovery', *wiiw Research Reports*, No. 257, June 1999, pp. 68-71.

Conventional signs and abbreviations

used in the following section on monthly statistical data

.	data not available
%	per cent
CMPY	change in % against corresponding month of previous year
CCPY	change in % against cumulated corresponding period of previous year (e.g., under the heading 'March': January-March of the current year against January-March of the preceding year)
3MMA	3-month moving average, change in % against previous year.
CPI	consumer price index
PM	change in % against previous month
PPI	producer price index
p.a.	per annum
mn	million
bn	billion
BGN	Bulgarian lev (1 BGN = 1000 BGL)
CZK	Czech koruna
EUR	Euro, from 1 January 1999
HRK	Croatian kuna
HUF	Hungarian forint
PLN	Polish zloty
RON	Romanian leu (1RON = 10000 ROL)
RUB	Russian rouble (1 RUB = 1000 RUR)
SIT	Slovenian tolar
SKK	Slovak koruna
UAH	Ukrainian hryvnia
USD	US dollar
M0	currency outside banks
M1	M0 + demand deposits
M2	M1 + quasi-money

Sources of statistical data:

National statistical offices and central banks; wiiw estimates.

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

(updated end of April 2006)

		2004	2005											2006			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	8.8	8.6	3.6	0.2	6.4	6.3	7.1	5.1	8.9	8.6	8.0	10.1	6.9	15.7	11.8	.
Industry, total ¹⁾	real, CCPY	9.6	8.6	6.1	3.9	4.6	4.9	5.3	5.3	5.7	6.0	6.3	6.6	6.7	15.7	13.8	.
Industry, total ¹⁾	real, 3MMA	10.3	7.0	3.9	3.4	4.2	6.6	6.2	7.0	7.6	8.5	8.9	8.4	10.8	11.4	.	.
Construction, total	real, CMPY	1.3	14.2	3.8	-16.0	-29.6	26.1	19.1	6.0	6.5	9.4	13.8	6.6	8.6	-1.2	-8.2	.
LABOUR																	
Employees in industry ²⁾	th. persons	1138	1112	1118	1124	1124	1124	1125	1131	1132	1130	1141	1147	1141	1140	1145	.
Unemployment, end of period	th. persons	541.7	561.7	555.0	540.5	512.6	494.6	489.7	500.3	505.3	503.4	491.9	490.8	510.4	531.2	528.2	513.7
Unemployment rate ³⁾	%	9.5	9.8	9.6	9.4	8.9	8.6	8.6	8.8	8.9	8.8	8.5	8.4	8.9	9.2	9.1	8.8
Labour productivity, industry ^{2,4)}	CCPY	10.5	9.4	7.0	5.0	5.6	5.9	6.4	6.3	7.0	7.4	7.7	8.0	8.2	14.1	11.7	.
Unit labour costs, exch.r. adj.(EUR) ^{2,4)}	CCPY	-3.4	1.6	5.3	8.1	7.1	6.5	5.7	5.2	4.8	4.5	4.1	3.9	3.5	-1.7	0.3	.
WAGES, SALARIES																	
Industry, gross ²⁾	CZK	18938	16947	16320	17665	17618	18603	18570	18238	18058	17943	18184	21464	19629	18016	17299	.
Industry, gross ²⁾	real, CMPY	1.8	1.3	2.2	2.8	2.2	3.9	3.4	1.1	5.1	2.7	1.5	2.7	1.5	3.3	3.1	.
Industry, gross ²⁾	USD	828	734	709	782	757	781	752	728	750	751	736	865	803	759	727	.
Industry, gross ²⁾	EUR	618	559	545	593	585	616	618	604	610	612	613	734	677	627	609	.
PRICES																	
Consumer	PM	0.1	0.7	0.2	-0.1	0.1	0.2	0.6	0.3	0.0	-0.3	0.9	-0.3	-0.1	1.4	0.1	-0.1
Consumer	CMPY	2.8	1.7	1.7	1.5	1.6	1.3	1.8	1.7	1.7	2.2	2.6	2.4	2.2	2.9	2.8	2.8
Consumer	CCPY	2.8	1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.7	1.7	1.8	1.9	1.9	2.9	2.8	2.8
Producer, in industry	PM	-0.3	0.3	0.2	0.2	0.1	-0.7	-0.2	0.1	0.0	0.2	0.4	-0.3	-0.6	1.0	0.2	0.1
Producer, in industry	CMPY	7.7	7.2	7.1	6.4	5.6	4.0	2.7	2.0	1.1	1.0	0.3	0.0	-0.4	0.3	0.3	0.3
Producer, in industry	CCPY	5.7	7.2	7.2	6.9	6.6	6.1	5.5	5.0	4.5	4.1	3.7	3.3	3.0	0.3	0.3	0.3
RETAIL TRADE																	
Turnover	real, CMPY	3.2	7.3	0.7	3.9	2.2	7.6	4.4	1.2	6.9	3.8	3.2	3.4	2.1	6.4	8.0	.
Turnover	real, CCPY	2.5	7.3	4.0	3.9	3.5	4.3	4.3	3.9	4.3	4.2	4.1	4.1	3.8	6.4	7.2	.
FOREIGN TRADE⁵⁾⁶⁾																	
Exports total (fob), cumulated	EUR mn	53996	4635	9368	14582	19710	24890	30426	35038	40145	45898	51609	57767	62956	5441	11016	.
Imports total (fob), cumulated	EUR mn	54825	4241	8740	13709	18861	23849	29072	33719	38949	44566	50204	56277	61602	5050	10376	.
Trade balance, cumulated	EUR mn	-829	394	627	873	849	1041	1354	1319	1196	1332	1405	1490	1355	391	640	.
Exports to EU-25 (fob), cumulated	EUR mn	46410	4045	8099	12497	16818	21207	25831	29691	33945	38783	43584	48775	52996	4686	9358	.
Imports from EU-25 (fob) ⁷⁾ , cumulated	EUR mn	39375	3035	6260	9811	13472	17038	20814	24126	27826	31869	35782	39969	43659	3528	7268	.
Trade balance with EU-25, cumulated	EUR mn	7034	1010	1839	2686	3346	4169	5016	5565	6120	6914	7802	8806	9338	1158	2090	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-5245	37	521	628	317	99	-349	-729	-1086	-1370	-1286	-1687	-2070	142	213	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	22.9	23.1	23.0	22.6	23.3	23.8	24.7	25.0	24.1	23.9	24.7	24.8	24.4	23.7	23.8	23.8
CZK/EUR, monthly average	nominal	30.6	30.3	30.0	29.8	30.1	30.2	30.0	30.2	29.6	29.3	29.7	29.3	29.0	28.7	28.4	28.6
CZK/USD, calculated with CP ⁸⁾	real, Jan03=100	127.8	127.2	127.1	128.4	123.9	121.6	117.8	116.0	120.1	119.3	116.1	116.2	118.3	123.6	123.4	123.0
CZK/USD, calculated with PPP ⁹⁾	real, Jan03=100	126.7	125.1	125.3	126.2	121.4	118.4	114.2	111.1	114.8	112.5	106.5	107.3	108.7	111.9	111.9	111.8
CZK/EUR, calculated with CP ⁸⁾	real, Jan03=100	101.3	103.6	104.6	104.6	103.0	102.8	103.9	103.6	105.4	105.7	105.1	106.4	107.0	109.7	110.7	109.7
CZK/EUR, calculated with PPP ⁹⁾	real, Jan03=100	108.5	109.6	110.6	110.7	109.2	108.3	108.5	107.8	109.5	110.2	108.9	110.3	110.6	111.8	112.9	112.1
DOMESTIC FINANCE																	
M0, end of period	CZK bn	236.8	237.8	240.8	242.9	245.9	248.8	253.2	253.0	252.9	256.3	258.5	262.7	263.8	261.8	264.8	.
M1, end of period	CZK bn	962.3	965.5	963.5	972.7	965.5	1007.7	1004.0	1004.2	1028.2	1015.2	1048.5	1078.2	1087.2	1099.9	1100.1	.
M2, end of period	CZK bn	1844.1	1827.5	1844.4	1844.9	1882.2	1912.1	1913.0	1908.3	1920.5	1919.2	1933.9	1965.6	1992.0	1989.6	1990.7	.
M2, end of period	CMPY	4.4	4.2	4.7	5.3	4.7	5.4	5.2	4.8	4.6	4.2	5.0	6.8	8.0	8.9	7.9	.
Discount rate (p.a.), end of period	%	1.50	1.25	1.25	1.25	0.75	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00
Discount rate (p.a.), end of period ⁹⁾	real, %	-5.8	-5.6	-5.5	-4.9	-4.6	-3.1	-1.9	-1.2	-0.3	-0.2	0.7	1.0	1.4	0.7	0.7	0.7
BUDGET																	
Central gov. budget balance, cum.	CZK mn	-93530	3485	-2584	8249	-22492	-27029	3763	10259	10008	25748	15181	201	-56338	3427	-560	15700

1) According to new calculation.

2) Enterprises employing 20 and more persons.

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

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

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

6) Cumulation starting January and ending December each year.

7) According to country of origin.

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

9) Deflated with annual PPI.

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

(updated end of April 2006)

		2004	2005										2006				
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CPMY	2.0	3.5	0.5	1.8	9.4	13.2	6.5	5.9	12.1	8.9	9.8	7.7	7.7	13.7	11.6	.
Industry, total	real, CCPY	7.4	3.5	2.0	1.9	3.8	5.6	5.8	5.8	6.5	6.8	7.2	7.2	7.3	13.7	12.6	.
Industry, total	real, 3MMA	5.1	2.0	1.9	3.8	7.9	9.6	8.5	8.0	8.9	10.1	8.8	8.4	9.5	10.9	.	.
Construction, total	real, CPMY	5.8	7.1	21.9	1.5	14.2	8.6	23.5	18.7	13.1	37.0	13.3	17.5	15.0	14.1	-3.2	.
LABOUR																	
Employees in industry ¹⁾	th. persons	771.3	776.6	771.7	767.9	764.3	760.7	760.7	762.5	759.9	759.2	759.9	756.7	752.8	751.8	752.6	.
Unemployment ²⁾	th. persons	263.3	275.1	286.8	297.4	300.1	302.9	299.5	298.7	302.5	308.6	308.3	305.4	309.9	317.6	326.5	323.6
Unemployment rate ²⁾	%	6.3	6.6	6.9	7.1	7.2	7.2	7.1	7.1	7.2	7.3	7.3	7.2	7.3	7.5	7.8	7.7
Labour productivity, industry ¹⁾	CCPY	10.1	5.4	4.0	4.3	6.5	8.6	9.0	9.1	10.0	10.3	10.5	10.6	10.7	17.7	16.0	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	0.6	10.0	11.2	8.5	4.8	1.9	2.1	1.5	0.5	-0.1	-0.7	-1.1	-1.7	-10.1	-9.5	.
WAGES, SALARIES																	
Total economy, gross ¹³⁾	HUF	170607	184226	144875	150942	150008	155911	155668	151352	148438	150339	152714	175837	179843	195514	157250	.
Total economy, gross ¹³⁾	real, CPMY	-8.5	21.2	4.7	2.9	2.9	6.5	2.8	3.7	3.2	3.9	3.3	3.9	2.0	3.3	5.9	.
Total economy, gross ¹³⁾	USD	930	981	774	812	783	786	761	740	747	750	729	825	844	944	747	.
Total economy, gross ¹³⁾	EUR	694	747	594	616	604	619	625	614	607	611	607	700	712	779	625	.
Industry, gross ¹⁾	EUR	644	559	564	605	591	624	610	595	607	598	585	714	663	591	588	.
PRICES																	
Consumer	PM	0.0	0.7	0.4	0.7	0.8	0.6	0.3	0.0	-0.4	0.2	0.0	0.2	0.0	0.1	0.2	0.6
Consumer	CCPY	5.5	4.1	3.2	3.5	3.9	3.6	3.8	3.7	3.6	3.7	3.2	3.3	3.3	2.7	2.5	2.3
Consumer	CCPY	6.8	4.1	3.6	3.6	3.7	3.6	3.7	3.7	3.7	3.7	3.6	3.6	3.6	2.7	2.6	2.5
Producer, in industry	PM	-0.5	0.7	0.0	0.8	0.8	0.5	0.0	-0.4	0.1	0.8	0.8	0.4	0.0	0.6	0.1	.
Producer, in industry	CCPY	1.6	3.8	3.1	5.0	5.3	5.2	5.0	4.2	3.4	3.8	4.1	4.1	4.5	4.3	4.4	.
Producer, in industry	CCPY	3.5	3.8	3.5	4.0	4.3	4.5	4.6	4.5	4.4	4.3	4.3	4.3	4.3	4.3	4.3	.
RETAIL TRADE																	
Turnover	real, CPMY	3.6	3.3	1.8	7.2	2.6	7.2	6.8	5.1	6.2	7.4	6.6	7.2	3.7	7.5	5.9	.
Turnover	real, CCPY	5.8	3.3	2.5	4.3	3.8	4.5	5.0	5.0	5.1	5.4	5.6	5.7	5.5	7.5	6.7	.
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	44606	3447	7052	11195	15266	19305	23755	27553	31373	36202	40668	45632	49758	4123	8313	.
Imports total (cif), cumulated	EUR mn	48524	3587	7446	11709	16201	20397	24952	29193	33456	38374	43132	48290	52596	4325	8732	.
Trade balance, cumulated	EUR mn	-3918	-140	-394	-514	-935	-1092	-1196	-1640	-2083	-2172	-2464	-2658	-2838	-202	-420	.
Exports to EU-25 (fob), cumulated	EUR mn	35453	2756	5570	8743	11879	14979	18347	21247	24075	27702	31178	34993	37958	3176	6360	.
Imports from EU-25 (cif ⁶⁾ , cumulated	EUR mn	34796	2495	5164	8106	11111	14040	17174	20146	22943	26298	29506	32916	35686	2830	5783	.
Trade balance with EU-25, cumulated	EUR mn	658	261	406	637	768	939	1173	1101	1132	1404	1672	2077	2272	347	578	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-6976	.	.	-1562	.	.	-3150	.	.	-4920	.	.	-6405	.	.	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	183.4	187.8	187.2	185.9	191.7	198.3	204.6	198.8	200.6	209.4	213.0	213.0	207.1	210.6	216.9	.
HUF/EUR, monthly average	nominal	245.9	246.6	243.8	245.0	248.2	252.0	249.0	246.4	244.4	245.9	251.7	251.1	252.7	250.9	251.6	260.8
HUF/USD, calculated with CPI ⁷⁾	real, Jan03=100	129.9	127.5	127.7	128.4	124.8	121.5	118.0	117.5	119.8	117.7	112.5	111.6	112.1	115.4	113.7	111.1
HUF/USD, calculated with PPI ⁷⁾	real, Jan03=100	118.4	115.9	115.8	115.9	112.3	109.5	106.3	104.5	106.9	103.7	97.7	97.7	98.2	100.5	99.0	.
HUF/EUR, calculated with CPI ⁷⁾	real, Jan03=100	102.9	103.8	105.0	104.7	103.7	102.6	104.0	105.0	105.2	104.4	101.8	102.3	101.4	102.4	102.0	99.0
HUF/EUR, calculated with PPI ⁷⁾	real, Jan03=100	101.4	101.4	102.2	101.8	101.0	100.1	101.1	101.5	102.0	101.7	99.7	100.6	99.9	100.4	99.9	.
DOMESTIC FINANCE																	
M0, end of period ⁸⁾	HUF bn	1341.6	1324.8	1320.6	1376.0	1403.5	1426.1	1456.7	1466.8	1475.2	1491.4	1532.7	1570.7	1599.9	1551.5	1555.7	.
M1, end of period ⁸⁾	HUF bn	4168.4	4028.7	4029.4	4195.0	4219.1	4390.4	4417.1	4436.1	4533.7	4643.4	4692.1	4960.0	5187.9	4862.3	4957.7	.
Broad money, end of period ⁸⁾	HUF bn	9801.2	9660.5	9752.0	9959.7	10166.1	10275.2	10253.9	10363.9	10469.0	10621.1	10673.6	10915.6	11230.8	11128.6	11258.2	.
Broad money, end of period ⁸⁾	CCPY	11.5	9.8	11.3	14.2	15.2	15.9	14.4	14.0	13.2	14.5	14.1	14.4	14.6	15.2	15.4	.
NBH base rate (p.a.), end of period	%	9.5	9.0	8.3	7.8	7.5	7.3	7.0	6.8	6.3	6.0	6.0	6.0	6.0	6.0	6.0	6.0
NBH base rate (p.a.), end of period ⁹⁾	real, %	7.8	5.0	5.0	2.6	2.1	1.9	1.9	2.4	2.8	2.1	1.8	1.8	1.4	1.6	1.5	.
BUDGET																	
Central gov. budget balance, cum.	HUF bn	-890.0	-199.1	-379.0	-373.1	-589.0	-680.5	-798.6	-741.3	-769.0	-780.9	-738.7	-744.7	-545.0	-144.4	-440.6	-682.7

1) Economic organizations employing more than 5 persons.

2) According to ILO methodology, 3-month averages comprising the two previous months as well.

3) Increase of wages in January 2005 due to payment of one month extra salary in state sector (in January instead of December).

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

5) Cumulation starting January and ending December each year.

6) According to country of dispatch.

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

8) According to ECB monetary standards.

9) Deflated with annual PPI.

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

(updated end of April 2006)

		2004	2005										2006				
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry ¹⁾	real, CMPY	6.9	4.7	2.4	-3.7	-1.1	0.9	6.9	2.6	4.8	5.9	7.6	8.5	9.5	9.7	10.2	16.4
Industry ¹⁾	real, CCPY	12.7	4.7	3.5	0.8	0.3	0.4	1.5	1.7	2.1	2.5	3.1	3.6	4.1	9.7	10.0	12.3
Industry ¹⁾	real, 3MMA	7.7	4.7	0.8	-1.0	-1.4	2.2	3.5	4.8	4.5	6.1	7.3	8.5	9.2	9.8	12.3	.
Construction ¹⁾	real, CMPY	7.9	18.4	13.1	-3.9	-17.7	21.8	29.9	17.3	6.5	10.5	6.8	5.8	8.2	-7.9	-3.4	15.7
LABOUR																	
Employees ¹⁾	th. persons	4679	4737	4745	4743	4754	4756	4770	4772	4776	4788	4798	4804	4799	4862	4861	4870
Employees in industry ¹⁾	th. persons	2397	2417	2422	2423	2426	2423	2427	2422	2424	2428	2434	2436	2430	2457	2458	2464
Unemployment, end of period	th. persons	2999.6	3094.9	3094.5	3052.6	2957.8	2867.3	2827.4	2809.0	2783.3	2760.1	2712.1	2722.8	2773.0	2866.7	2865.9	2822.0
Unemployment rate ²⁾	%	19.1	19.5	19.4	19.3	18.8	18.3	18.0	17.9	17.7	17.6	17.3	17.3	17.6	18.0	18.0	17.8
Labour productivity, industry ¹⁾	CCPY	13.2	3.8	2.6	-0.1	-0.7	-0.6	0.5	0.6	1.0	1.4	2.0	2.5	3.0	8.0	8.3	10.5
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	-10.5	14.0	17.8	21.2	20.4	19.9	18.6	17.3	16.2	15.6	14.9	14.4	13.0	1.9	1.7	-0.7
WAGES, SALARIES																	
Total economy, gross ¹⁾	PLN	2748	2385	2411	2481	2471	2424	2513	2507	2481	2484	2539	2678	2789	2471	2526	2614
Total economy, gross ¹⁾	real, CMPY	-1.0	-1.5	-2.4	-1.4	-1.3	0.6	3.1	2.0	1.3	0.3	5.1	6.2	1.2	3.2	4.3	5.1
Total economy, gross ¹⁾	USD	888	769	788	813	771	737	753	737	755	777	779	795	858	782	796	811
Total economy, gross ¹⁾	EUR	663	584	605	617	595	580	619	612	613	633	647	674	723	646	666	675
Industry, gross ¹⁾	EUR	693	590	616	625	597	580	630	617	618	637	639	697	738	648	678	681
PRICES																	
Consumer	PM	0.1	0.1	-0.1	0.1	0.4	0.3	-0.2	-0.2	-0.1	0.4	0.4	-0.2	-0.2	0.2	0.0	-0.1
Consumer	CMPY	4.4	3.7	3.6	3.4	3.0	2.5	1.4	1.3	1.6	1.8	1.6	1.0	0.7	0.6	0.7	0.4
Consumer	CCPY	3.5	3.7	4.0	3.9	3.7	3.5	3.1	2.8	2.7	2.6	2.5	2.3	2.2	0.6	0.6	0.8
Producer, in industry	PM	-1.3	0.1	-0.5	0.5	0.7	-0.2	0.3	0.2	0.1	-0.3	-0.1	0.1	-0.7	0.2	-0.1	0.7
Producer, in industry	CMPY	5.2	4.5	3.2	2.2	0.9	-0.5	0.0	0.0	-0.2	-0.5	-0.9	-0.4	0.2	0.3	0.7	0.9
Producer, in industry	CCPY	7.1	4.5	4.0	3.5	2.8	2.1	1.8	1.5	1.3	1.1	0.9	0.8	0.7	0.3	0.5	0.6
RETAIL TRADE																	
Turnover ¹⁾	real, CMPY	-1.8	3.2	-1.6	-3.8	-17.4	5.5	8.8	3.2	5.6	2.9	5.7	6.4	6.2	8.6	10.1	10.4
Turnover ¹⁾	real, CCPY	7.1	3.2	1.0	-0.4	-5.9	-4.1	-1.9	-1.0	-0.2	0.1	0.6	1.2	1.5	8.6	9.6	9.4
FOREIGN TRADE³⁾⁴⁾																	
Exports total (fob), cumulated	EUR mn	59996	5202	10584	16357	22299	27751	33973	39693	45260	51872	58747	65512	71720	6324	12629	.
Imports total (cif), cumulated	EUR mn	71791	5634	11599	18272	24899	31378	38292	44740	51247	58688	66233	73941	81018	6733	13535	.
Trade balance, cumulated	EUR mn	-11795	-431	-1015	-1915	-2600	-3628	-4319	-5047	-5986	-6816	-7485	-8428	-9299	-409	-906	.
Exports to EU-25 (fob), cumulated	EUR mn	47232	4137	8189	12783	17413	21605	26151	30557	34696	39694	45078	50508	55149	5110	9875	.
Imports from EU-25 (cif) ⁵⁾ , cumulated	EUR mn	48669	3747	7622	12075	16583	20887	25376	29705	33752	38544	43498	48559	52853	4202	8377	.
Trade balance with EU-25, cumulated	EUR mn	-1437	390	567	708	829	718	774	852	944	1149	1580	1948	2296	908	1498	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-8531	-358	-811	-1048	-1042	-1720	-1539	-1786	-2167	-2404	-2730	-3138	-3497	-76	-614	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	3.095	3.103	3.060	3.049	3.205	3.291	3.336	3.399	3.287	3.195	3.260	3.367	3.252	3.160	3.174	3.223
PLN/EUR, monthly average	nominal	4.144	4.082	3.984	4.021	4.151	4.183	4.060	4.097	4.045	3.925	3.926	3.972	3.856	3.825	3.794	3.875
PLN/USD, calculated with CPI ⁶⁾	real, Jan03=100	124.9	124.5	125.3	124.9	118.6	116.0	114.1	111.3	114.4	116.9	114.7	111.7	115.9	119.5	118.9	117.0
PLN/USD, calculated with PPI ⁶⁾	real, Jan03=100	121.2	120.4	121.0	120.4	114.3	111.5	110.6	107.2	110.2	109.8	104.9	103.1	106.4	108.6	108.0	107.1
PLN/EUR, calculated with CPI ⁶⁾	real, Jan03=100	99.0	101.0	102.9	101.6	98.4	97.7	100.4	99.2	100.2	103.2	103.4	102.1	104.7	105.9	106.5	104.1
PLN/EUR, calculated with PPI ⁶⁾	real, Jan03=100	103.8	105.0	106.6	105.5	102.6	101.8	105.0	103.9	104.9	107.3	106.7	105.8	108.1	108.4	108.8	107.3
DOMESTIC FINANCE																	
M0, end of period	PLN bn	50.7	49.7	50.5	51.4	53.2	52.9	53.8	55.3	55.2	55.3	55.8	55.9	57.2	55.3	56.3	58.4
M1, end of period ⁷⁾	PLN bn	175.9	173.1	178.2	181.4	176.5	189.6	188.0	185.7	193.3	192.5	195.9	202.5	208.0	204.5	211.5	.
M2, end of period ⁷⁾	PLN bn	366.4	360.1	364.3	371.8	376.4	382.5	379.1	379.7	386.2	390.5	395.3	396.7	402.5	397.2	404.1	408.1
M2, end of period	CMPY	7.6	7.5	7.7	9.3	7.9	11.0	8.8	9.2	9.9	11.4	6.9	11.2	9.8	10.3	10.9	9.8
Discount rate (p.a.)end of period	%	7.0	7.0	7.0	6.5	6.0	6.0	5.5	5.3	5.3	4.8	4.8	4.8	4.8	4.8	4.5	4.3
Discount rate (p.a.)end of period ⁸⁾	real, %	1.7	2.4	3.7	4.2	5.1	6.5	5.5	5.3	5.5	5.3	5.7	5.2	4.5	4.4	3.8	3.3
BUDGET																	
Central gov.budget balance, cum.	PLN mn	-41417	-1403	-8884	-12726	-13651	-18134	-18248	-17331	-18537	-17782	-20649	-22272	-27495	772	-6716	-8988

1) Enterprises employing more than 9 persons.

2) Ratio of unemployed to the economically active.

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

4) Cumulation starting January and ending December each year.

5) According to country of origin.

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

7) Revised according to ECB monetary standards.

8) Deflated with annual PPI.

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

(updated end of April 2006)

		2004	2005											2006			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	1.4	4.8	0.0	-3.1	5.7	1.9	1.7	4.9	4.5	5.4	4.1	5.8	8.7	7.7	5.5	.
Industry, total	real, CCPY	4.2	4.8	2.3	0.3	1.7	1.7	1.7	2.1	2.4	2.8	2.9	3.2	3.6	7.7	6.6	.
Industry, total	real, 3MMA	3.3	2.0	0.3	0.7	1.3	3.0	2.8	3.6	4.9	4.7	5.1	6.1	7.3	7.3	.	.
Construction, total	real, CMPY	19.4	23.8	7.7	8.1	18.1	18.8	25.2	17.3	15.1	20.7	9.4	15.8	0.5	4.6	20.4	.
LABOUR																	
Employment in industry	th. persons	567.1	562.4	562.1	568.4	574.7	579.3	582.2	583.0	585.7	583.2	585.8	587.5	579.6	553.0	559.6	.
Unemployment, end of period	th. persons	383.2	388.9	379.4	368.6	344.2	330.8	325.4	322.4	318.7	327.8	322.2	322.6	333.8	342.4	337.3	329.3
Unemployment rate ¹⁾	%	13.1	13.4	13.1	12.7	11.9	11.3	11.1	11.0	10.9	11.2	10.9	10.9	11.4	11.8	11.7	11.4
Labour productivity, industry	CCPY	3.8	1.4	-0.9	-2.9	-1.7	-1.7	-1.6	-1.3	-1.0	-0.6	-0.3	0.1	0.6	9.5	7.7	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	10.0	12.5	21.9	22.7	17.9	16.8	15.8	14.1	13.4	12.5	12.1	11.4	10.6	2.3	-0.3	.
WAGES, SALARIES																	
Industry, gross	SKK	18671	16975	17730	17527	16869	17637	18572	17636	17751	17727	18471	21515	19949	18466	17971	.
Industry, gross	real, CMPY	2.2	4.7	16.6	6.5	1.4	5.1	2.9	1.7	3.8	2.7	3.6	3.2	3.1	4.5	-2.9	.
Industry, gross	USD	642	578	606	607	558	575	587	547	564	565	571	656	625	595	574	.
Industry, gross	EUR	480	440	466	459	431	452	482	454	459	461	475	556	527	492	480	.
PRICES																	
Consumer	PM	-0.2	1.7	0.3	-0.1	0.2	0.0	0.3	-0.3	-0.1	0.2	1.1	0.0	0.1	2.1	0.6	0.0
Consumer	CMPY	5.9	3.2	2.7	2.5	2.7	2.4	2.5	2.0	2.0	2.2	3.3	3.4	3.7	4.1	4.4	4.5
Consumer	CCPY	7.6	3.1	2.9	2.8	2.7	2.7	2.6	2.5	2.5	2.4	2.5	2.6	2.7	4.1	4.3	4.3
Producer, in industry	PM	-0.2	-0.2	0.3	0.7	0.8	0.7	1.0	0.6	0.8	0.5	0.5	1.8	-0.6	1.4	1.4	0.7
Producer, in industry	CMPY	4.3	2.8	2.1	2.6	3.5	4.0	4.8	5.3	5.6	5.8	5.7	7.4	7.0	8.7	9.9	9.9
Producer, in industry	CCPY	3.4	2.8	2.4	2.5	2.7	3.0	3.3	3.6	3.8	4.1	4.2	4.5	4.7	8.7	9.3	9.5
RETAIL TRADE²⁾																	
Turnover	real, CMPY	3.0	7.7	12.5	8.1	6.8	9.6	8.0	7.5	11.7	12.7	14.4	12.3	6.3	6.6	6.5	.
Turnover	real, CCPY	6.2	7.7	10.1	9.4	8.8	9.0	8.8	8.6	9.0	9.4	9.9	10.1	9.7	6.6	6.6	.
FOREIGN TRADE³⁾⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	22424	1722	3575	5590	7630	9708	11951	13966	16063	18484	20972	23575	25746	2180	4444	.
Imports total (fob), cumulated	EUR mn	23683	1770	3736	5939	8185	10430	12767	14902	17011	19498	22158	24860	27715	2434	5022	.
Trade balance, cumulated	EUR mn	-1259	-47	-162	-349	-554	-721	-816	-936	-948	-1015	-1186	-1285	-1969	-254	-578	.
Exports to EU-25 (fob), cumulated	EUR mn	19112	1529	3180	4938	6671	8441	10280	12012	13747	15812	17955	20175	21987	1931	.	.
Imports from EU-25 (fob) ⁶⁾ , cumulated	EUR mn	17462	1228	2636	4200	5821	7465	9166	10712	12205	14033	15936	17851	19714	1528	.	.
Trade balance with EU-25, cumulated	EUR mn	1649	301	544	738	849	977	1114	1300	1542	1780	2020	2324	2274	402	.	.
FOREIGN FINANCE																	
Current account, cumulated ³⁾	EUR mn	-1149	-108	-76	-183	-347	-948	-1287	-1480	-1571	-1727	-1943	-2133	-3269	-311	-619	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	29.1	29.3	29.3	28.9	30.2	30.7	31.6	32.2	31.5	31.4	32.4	32.8	31.9	31.0	31.3	31.2
SKK/EUR, monthly average	nominal	38.9	38.6	38.1	38.2	39.2	39.0	38.5	38.8	38.7	38.5	38.9	38.7	37.9	37.5	37.4	37.5
SKK/USD, calculated with CPI ⁷⁾	real, Jan03=100	141.5	142.3	142.3	142.9	135.9	134.1	130.3	127.1	129.2	128.6	125.6	124.9	129.0	135.5	135.2	135.6
SKK/USD, calculated with PPI ⁷⁾	real, Jan03=100	130.4	128.3	128.6	129.3	123.3	122.9	120.6	117.5	120.3	117.8	112.0	114.0	117.0	120.9	121.5	122.8
SKK/EUR, calculated with CPI ⁷⁾	real, Jan03=100	112.2	115.4	117.0	115.9	112.8	112.9	114.6	113.3	113.4	113.9	113.5	114.2	116.5	120.4	121.1	120.9
SKK/EUR, calculated with PPI ⁷⁾	real, Jan03=100	111.7	112.0	113.5	113.1	110.8	112.1	114.5	113.9	114.7	115.4	114.2	117.0	118.9	120.8	122.4	123.1
DOMESTIC FINANCE																	
M0, end of period	SKK bn	100.5	100.5	101.5	102.8	105.2	106.3	108.1	110.1	111.4	112.6	113.6	114.9	119.8	129.1	129.8	.
M1, end of period	SKK bn	311.3	299.4	315.7	313.1	318.6	326.8	331.0	341.1	344.4	348.0	354.1	359.3	386.8	.	.	.
M2, end of period	SKK bn	793.5	772.6	779.1	772.0	782.3	768.8	776.5	783.2	791.3	793.5	798.6	799.6	839.4	.	.	.
M2, end of period	CMPY	5.7	4.5	4.7	6.6	6.9	6.3	4.3	4.5	4.8	4.1	4.6	3.4	5.8	.	.	.
Discount rate (p.a.) ⁸⁾ , end of period	%	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.5
Discount rate (p.a.) ⁸⁾⁹⁾ , end of period	real, %	-0.3	1.2	1.9	0.4	-0.5	-0.9	-1.7	-2.2	-2.5	-2.6	-2.5	-4.1	-3.7	-5.2	-6.3	-5.8
BUDGET																	
Central gov. budget balance, cum.	SKK mn	-70288	4310	-1108	2799	6388	-3858	-1149	1922	-5065	-8107	-5115	-7553	-33886	12083	6347	157

1) Ratio of disposable number of registered unemployment calculated to the economic population.

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

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

4) Cumulation starting January and ending December each year.

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

6) According to country of origin.

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

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

9) Deflated with annual PPI.

SLOVENIA: Selected monthly data on the economic situation 2004 to 2006

(updated end of April 2006)

		2004	2005		2006												
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	6.2	5.1	-2.0	-3.6	3.0	5.6	6.9	3.6	1.0	2.5	2.9	7.5	5.7	6.4	8.0	.
Industry, total ¹⁾	real, CCPY	4.8	5.1	1.5	-0.4	0.5	1.5	2.4	2.6	2.4	2.5	2.5	3.0	3.2	6.4	7.2	.
Industry, total ¹⁾	real, 3MMA	5.0	3.5	0.5	0.9	1.1	4.0	3.3	4.0	3.3	3.8	5.6	6.6	6.9	7.1	.	.
Construction, total ²⁾	real, CMPY	-10.5	0.0	-13.2	2.3	9.3	16.9	13.2	1.8	-1.2	-4.7	-8.2	8.6	13.2	-3.9	7.7	.
LABOUR																	
Employment total	th. persons	785.0	805.6	807.4	809.5	812.2	814.8	816.1	813.5	812.7	816.1	817.5	818.3	813.6	812.5	814.1	.
Employees in industry	th. persons	238.2	241.1	240.8	240.7	240.5	240.9	240.4	239.2	238.3	238.1	238.3	238.1	235.8	.	.	.
Unemployment, end of period	th. persons	90.7	93.4	93.1	92.3	91.6	89.8	88.9	91.1	90.6	91.1	94.2	93.9	92.6	95.2	94.1	.
Unemployment rate ³⁾	%	10.1	10.4	10.3	10.2	10.1	9.9	9.8	10.1	10.0	10.0	10.3	10.3	10.2	10.5	10.4	.
Labour productivity, industry	CCPY	6.2	6.2	2.7	0.9	1.8	2.9	3.9	4.1	4.0	4.1	4.2	4.8	5.1	9.1	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-1.3	-0.6	2.4	4.4	3.4	2.8	1.7	1.3	1.6	1.5	1.5	1.5	0.6	-1.5	.	.
WAGES, SALARIES⁴⁾																	
Total economy, gross	th. SIT	290.7	267.5	262.9	271.7	269.4	271.8	271.7	271.4	279.0	277.4	279.5	314.0	290.5	281.6	277.4	.
Total economy, gross	real, CMPY	1.5	2.5	1.8	1.9	1.9	3.8	2.7	1.6	3.2	1.3	1.6	6.9	-1.5	2.8	3.2	.
Total economy, gross	USD	1466	1466	1427	1497	1454	1442	1381	1364	1432	1420	1403	1545	1437	1423	1384	.
Total economy, gross	EUR	1212	1116	1097	1133	1124	1134	1134	1133	1165	1158	1167	1310	1213	1175	1158	.
Industry, gross	EUR	1058	988	959	1019	983	1008	998	993	1042	1028	1036	1221	1060	1061	.	.
PRICES																	
Consumer	PM	-0.3	-0.6	0.6	1.1	0.0	0.3	0.1	0.7	-0.6	1.0	0.2	-0.5	0.0	-0.5	0.4	0.8
Consumer	CMPY	3.2	2.2	2.6	3.1	2.7	2.2	1.9	2.3	2.1	3.2	3.1	2.1	2.3	2.4	2.2	1.9
Consumer	CCPY	3.6	2.2	2.4	2.7	2.7	2.6	2.5	2.4	2.4	2.5	2.5	2.5	2.5	2.4	2.3	2.2
Producer, in industry	PM	0.4	0.4	0.3	0.0	0.3	-0.3	0.0	-0.2	0.3	0.3	0.2	0.1	0.4	-0.1	0.6	0.4
Producer, in industry	CMPY	4.9	4.8	4.1	3.8	3.6	2.6	2.4	2.0	2.1	1.9	1.8	1.8	1.8	1.3	1.6	2.0
Producer, in industry	CCPY	4.3	4.8	4.5	4.3	4.1	3.8	3.6	3.3	3.2	3.0	2.9	2.8	2.7	1.3	1.4	1.6
RETAIL TRADE																	
Turnover	real, CMPY	6.0	9.0	4.4	7.1	2.8	9.3	11.7	7.2	14.5	8.2	8.0	18.9	14.3	.	.	.
Turnover	real, CCPY	5.0	9.0	6.7	6.8	5.7	6.5	7.4	7.4	8.2	8.2	8.2	9.2	9.7	.	.	.
FOREIGN TRADE⁵⁾⁶⁾																	
Exports total (fob), cumulated	EUR mn	12786	1025	2073	3318	4514	5719	7012	8201	9184	10516	11802	13156	14314	1219	.	.
Imports total (cif), cumulated	EUR mn	14147	1063	2224	3579	4845	6119	7466	8686	9877	11328	12703	14263	15728	1214	.	.
Trade balance total, cumulated	EUR mn	-1360	-38	-151	-261	-331	-400	-455	-485	-693	-812	-901	-1107	-1414	5	.	.
Exports to EU-25 (fob), cumulated	EUR mn	8507	743	1477	2314	3114	3953	4819	5623	6235	7123	7987	8901	9688	884	.	.
Imports from EU-25 (cif) ⁷⁾ , cumulated	EUR mn	11649	824	1727	2780	3800	4908	6025	7087	8018	9205	10311	11514	12722	953	.	.
Trade balance with EU-25, cumulated	EUR mn	-3143	-82	-251	-466	-686	-955	-1205	-1464	-1783	-2082	-2324	-2613	-3034	-69	.	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-544	4	-53	-125	-166	-151	-87	-108	-38	-18	3	-92	-301	67	.	.
EXCHANGE RATE																	
SIT/USD, monthly average	nominal	179.3	182.5	184.2	181.5	185.3	188.5	196.7	198.9	194.9	195.3	199.3	203.2	202.2	197.9	200.4	.
SIT/EUR, monthly average	nominal	239.8	239.8	239.7	239.7	239.7	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	239.6	.
SIT/USD, calculated with CPF ⁸⁾	real, Jan03=100	123.9	120.8	119.6	121.8	118.6	117.0	112.2	111.2	112.3	111.9	109.6	107.8	108.8	110.6	109.6	.
SIT/USD, calculated with PPP ⁸⁾	real, Jan03=100	116.8	114.7	113.5	113.6	110.6	108.8	104.5	101.7	103.4	100.5	96.3	95.8	97.1	99.1	98.4	.
SIT/EUR, calculated with CPF ⁸⁾	real, Jan03=100	98.2	98.1	98.3	98.8	98.5	98.6	98.6	99.2	98.4	99.0	99.0	98.6	98.3	97.8	98.2	.
SIT/EUR, calculated with PPP ⁸⁾	real, Jan03=100	100.1	100.1	100.0	99.4	99.4	99.3	99.1	98.6	98.5	98.3	98.1	98.4	98.8	98.7	99.3	.
DOMESTIC FINANCE																	
M0, end of period ⁹⁾	SIT bn	167.9	163.1	164.4	166.1	173.1	174.9	179.2	179.0	174.6	177.6	186.0	177.1	187.2	177.1	.	.
M1, end of period ⁹⁾	SIT bn	1018.9	1003.9	1006.1	1012.3	1032.2	1054.8	1074.7	1057.4	1051.6	1068.4	1079.1	1073.4	1151.3	1112.5	.	.
Broad money, end of period ⁹⁾	SIT bn	4036.0	4068.8	4063.3	4094.6	4140.4	4070.3	4031.2	4048.2	4088.3	4155.8	4164.5	4248.9	4258.3	4338.0	.	.
Broad money, end of period ⁹⁾	CMPY	6.8	7.5	7.1	8.0	8.2	6.4	4.6	4.3	5.5	6.1	7.5	8.0	5.5	6.6	.	.
Refinancing rate (p.a.),end of period	%	3.25	3.25	3.25	3.25	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.75	3.75	3.50	3.25
Refinancing rate (p.a.),end of period ¹⁰⁾	real, %	-1.6	-1.5	-0.8	-0.5	-0.1	0.9	1.1	1.5	1.4	1.6	1.7	1.7	1.9	2.4	1.9	.
BUDGET																	
General gov.budget balance, cum.	SIT bn	-85.4	-3.8	-16.6	-34.9	-53.3	-70.3	-84.7	-82.1	-62.3	-47.5	-49.9	-36.9	-71.6	.	.	.

1) Data in 2005 according to new methodology introduced in July 2005.

2) Effective working hours, construction put in place of enterprises with 20 and more persons employed.

3) Ratio of unemployed to the economically active.

4) Break 2004/2005 - until December 2004 without small private enterprises (with 1 or 2 employees).

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

6) Cumulation starting January and ending December each year.

7) According to country of dispatch.

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

9) According to ECB monetary standards..

10) Deflated with annual PPI.

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

(updated end of April 2006)

		2004	2005											2006			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	18.6	8.1	4.7	6.9	9.3	6.5	6.2	7.0	6.5	1.7	9.2	7.8	6.3	7.6	8.3	.
Industry, total ¹⁾	real, CCPY	17.1	8.1	6.4	6.6	7.3	7.1	6.9	7.0	6.9	6.3	6.6	6.7	6.7	7.6	8.0	.
Industry, total	real, 3MMA	15.4	10.8	6.6	7.0	7.6	7.3	6.6	6.6	5.0	5.8	6.3	7.7	7.2	7.3	.	.
LABOUR																	
Employees total	th. persons	2109	2188	2197	2214	2237	2247	2264	2285	2279	2266	2260	2261	2234	.	.	.
Employees in industry	th. persons	672	718	718	719	722	720	718	720	719	715	714	713	708	.	.	.
Unemployment, end of period	th. persons	450.6	486.4	485.5	471.3	449.7	427.2	411.6	405.5	399.0	388.5	386.5	383.9	397.3	432.3	426.2	401.5
Unemployment rate ²⁾	%	12.2	13.1	13.1	12.7	12.1	11.5	11.1	10.9	10.8	10.5	10.4	10.4	10.7	11.7	11.5	10.8
Labour productivity, industry ¹⁾	CCPY	17.5	5.8	4.6	6.3	7.0	6.2	5.3	4.9	4.5	3.8	3.8	3.7	3.1	.	.	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	-8.8	0.8	1.7	0.1	-0.4	0.3	1.3	2.0	2.3	3.1	3.4	3.5	4.0	.	.	.
WAGES, SALARIES																	
Total economy, gross	BGN	320	294	293	310	310	319	314	317	310	324	317	321	340	.	.	.
Total economy, gross	real, CMPY	3.3	2.7	1.8	2.5	2.8	3.4	3.4	3.4	1.5	1.4	0.5	-0.9	-0.2	.	.	.
Total economy, gross	USD	219	197	195	209	205	207	195	195	195	203	195	193	206	.	.	.
Total economy, gross	EUR	164	150	150	159	159	163	161	162	159	166	162	164	174	.	.	.
Industry, gross	EUR	163	153	153	164	160	162	168	164	162	170	168	166	175	.	.	.
PRICES																	
Consumer	PM	1.3	0.7	0.9	0.3	1.1	-0.5	-1.3	0.1	0.6	1.4	1.2	1.0	0.8	0.8	3.0	0.3
Consumer	CMPY	4.0	3.3	3.9	4.3	5.1	4.6	5.1	3.9	5.0	5.4	6.5	6.9	6.5	6.6	8.7	8.7
Consumer	CCPY	6.1	3.3	3.6	3.8	4.2	4.2	4.4	4.3	4.4	4.5	4.7	4.9	5.0	6.6	7.6	8.0
Producer, in industry ¹⁾	PM	-1.2	0.4	0.8	2.4	1.1	-0.6	0.7	1.1	0.2	1.3	0.8	0.5	0.7	-0.6	1.9	.
Producer, in industry ¹⁾	CMPY	5.1	4.7	6.4	7.5	7.7	5.9	7.2	6.6	6.6	7.0	6.3	7.7	9.8	8.7	9.9	.
Producer, in industry ¹⁾	CCPY	5.9	4.7	5.6	6.2	6.6	6.5	6.6	6.6	6.6	6.6	6.6	6.7	7.0	8.7	9.3	.
FOREIGN TRADE^{3/4)}																	
Exports total (fob), cumulated	EUR mn	7985	640	1288	2081	2828	3565	4386	5245	6027	6800	7716	8596	9454	816	1692	.
Imports total (cif), cumulated	EUR mn	11620	908	1839	2962	4075	5301	6592	7864	9137	10404	11831	13290	14682	1233	2457	.
Trade balance, cumulated	EUR mn	-3635	-268	-551	-881	-1247	-1736	-2206	-2618	-3110	-3604	-4115	-4694	-5228	-418	-764	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-1131	-229	-370	-551	-790	-1010	-1116	-1136	-1174	-1346	-1685	-2111	-2531	-435	-661	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	1.461	1.491	1.503	1.482	1.512	1.543	1.608	1.625	1.591	1.597	1.628	1.660	1.650	1.614	1.638	1.627
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 CP ⁶⁾	real, Jan03=100	131.3	129.3	128.6	129.8	127.9	124.8	118.1	116.5	119.1	119.0	117.8	117.6	119.8	123.4	125.2	126.4
BGN/USD, calculated with PP ⁶⁾	real, Jan03=100	122.0	119.4	118.9	121.8	119.6	116.9	113.3	111.7	113.5	111.2	107.3	107.3	109.1	109.8	110.2	.
BGN/EUR, calculated with CP ⁶⁾	real, Jan03=100	104.1	105.3	105.8	105.6	106.3	105.6	104.1	104.1	104.5	105.6	106.6	107.8	108.3	109.5	112.4	112.7
BGN/EUR, calculated with PP ⁶⁾	real, Jan03=100	104.6	104.6	105.0	106.7	107.6	107.2	107.7	108.6	108.3	109.2	109.6	110.4	111.1	109.5	111.3	.
DOMESTIC FINANCE																	
M0, end of period ⁷⁾	BGN mn	4628	4442	4414	4487	4652	4756	4848	5058	5147	5213	5134	5096	5396	5092	5080	5113
M1, end of period ⁷⁾	BGN mn	10298	10045	10201	11331	10552	10790	11167	11494	11713	11566	11792	11729	12443	11840	12058	12351
Broad money, end of period ⁷⁾	BGN mn	20394	20520	20739	23205	22004	22440	22778	23211	23663	23746	23939	24010	25260	24633	25125	25559
Broad money, end of period	CMPY	23.1	24.2	23.9	38.1	28.0	29.0	25.4	26.4	29.0	26.6	27.0	27.3	23.9	20.0	21.1	10.1
BNB base rate (p.a.) ^{end of period}	%	2.4	2.5	1.9	1.9	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.3	2.3
BNB base rate (p.a.) ^{end of period⁸⁾}	real, %	-2.5	-2.2	-4.3	-5.2	-5.3	-3.6	-4.7	-4.3	-4.3	-4.6	-4.0	-5.2	-7.0	-5.9	-6.9	.
BUDGET																	
Central gov.budget balance _{zum.}	BGN mn	427.5	49.2	45.9	400.9	623.6	926.7	1007.7	1001.5	1198.9	1339.3	1488.3	1611.8	1333.9	137.0	457.7	.

1) According to new calculation for industrial output and prices. Output data based on survey for enterprises with 10 and more persons.

2) Ratio of unemployed to the economically active.

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

4) Cumulation starting January and ending December each year.

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

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

7) According to ECB methodology.

8) Deflated with annual PPI.

ROMANIA: Selected monthly data on the economic situation 2004 to 2006

(updated end of April 2006)

		2004	2005										2006				
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	12.3	9.2	4.1	4.4	9.0	-4.0	-0.7	-6.2	2.3	2.7	1.7	1.6	2.2	4.1	2.9	.
Industry, total ¹⁾	real, CCPY	5.3	9.2	6.5	5.7	6.6	4.3	3.4	1.9	1.9	2.0	2.0	2.0	2.0	4.1	3.5	.
Industry, total	real, 3MMA	10.3	8.5	5.7	5.8	2.9	1.2	-3.7	-1.6	-0.5	2.2	2.0	1.8	2.6	3.0	.	.
LABOUR																	
Employees total	th. persons	4398.3	4450.8	4500.7	4535.7	4551.0	4560.3	4577.8	4567.5	4563.2	4554.6	4538.0	4537.6	4501.2	4556.2	4565.6	.
Employees in industry	th. persons	1733.7	1745.4	1757.0	1749.4	1740.0	1731.5	1722.2	1712.6	1699.4	1690.3	1680.6	1670.7	1652.3	1684.0	1680.8	.
Unemployment, end of period	th. persons	557.9	562.7	558.6	537.8	511.3	495.9	488.8	489.3	499.0	493.8	499.7	504.8	523.0	548.0	554.6	.
Unemployment rate ²⁾	%	6.2	6.3	6.2	6.0	5.7	5.5	5.5	5.5	5.6	5.5	5.7	5.7	5.9	6.2	6.3	.
Labour productivity, industry	CCPY	11.5	11.4	8.4	7.6	8.2	6.1	5.4	4.3	4.5	4.8	5.0	5.2	5.4	7.9	7.4	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	2.2	15.1	17.6	17.4	17.2	20.4	22.0	24.0	24.8	25.0	25.1	24.6	24.0	10.8	11.5	.
WAGES, SALARIES																	
Total economy, gross	RON	973.4	951.5	874.9	920.3	973.0	941.7	943.6	957.0	963.0	965.0	974.0	1017.0	1121.0	1100.0	1017.0	.
Total economy, gross	real, CMPY	10.4	9.1	7.3	5.0	6.6	6.9	7.1	7.7	9.2	8.3	7.4	7.8	6.0	6.2	7.1	.
Total economy, gross	USD	337	327	310	334	347	330	318	323	338	337	325	328	364	366	343	.
Total economy, gross	EUR	251	249	238	253	268	260	261	268	275	275	271	278	306	302	287	.
Industry, gross	EUR	236	219	224	243	255	254	256	265	274	277	262	268	296	262	268	.
PRICES																	
Consumer	PM	0.6	0.8	0.6	0.3	1.8	0.3	0.3	1.0	0.1	0.6	0.9	1.2	0.5	1.0	0.2	0.2
Consumer	CMPY	9.3	8.9	8.9	8.7	10.0	10.0	9.7	9.3	8.9	8.5	8.1	8.7	8.6	8.9	8.5	19.2
Consumer	CCPY	11.9	8.9	8.9	8.8	9.1	9.3	9.4	9.4	9.3	9.2	9.1	9.0	9.0	8.9	8.7	12.2
Producer, in industry	PM	-0.9	1.2	-0.6	0.8	2.5	0.5	0.2	0.7	1.2	0.7	1.7	0.7	-0.1	1.4	0.9	.
Producer, in industry	CMPY	15.9	14.6	12.8	12.6	12.3	11.4	10.4	9.3	8.8	8.1	8.2	8.8	9.6	9.8	11.5	.
Producer, in industry	CCPY	19.1	14.6	13.7	13.3	13.1	12.7	12.3	11.9	11.5	11.1	10.8	10.6	10.5	9.8	10.7	.
RETAIL TRADE																	
Turnover	real, CMPY	32.0	13.1	25.3	18.7	24.1	14.8	14.2	14.2	22.6	11.7	9.2	12.4	30.3	25.4	27.4	.
Turnover	real, CCPY	14.6	13.1	19.2	19.0	20.3	19.2	18.4	17.5	18.2	17.4	16.5	16.0	17.6	25.4	26.4	.
FOREIGN TRADE³⁾																	
Exports total (fob), cumulated	EUR mn	18935	1514	3163	5095	6889	8663	10527	12530	14394	16466	18407	20436	22255	1775	3875	.
Imports total (cif), cumulated	EUR mn	26281	1897	4063	6669	9223	11899	14740	17521	20220	23066	26144	29462	32569	2421	5278	.
Trade balance, cumulated	EUR mn	-7346	-383	-900	-1575	-2333	-3236	-4213	-4990	-5826	-6600	-7737	-9025	-10313	-646	-1403	.
Exports to EU-25 (fob), cumulated	EUR mn	13801	1113	2298	3581	4799	5969	7275	8590	9745	11153	12477	13935	15043	1237	2681	.
Imports from EU-25 (cif), cumulated	EUR mn	17061	1182	2558	4140	5767	7495	9288	11025	12611	14366	16340	18417	20251	1456	3142	.
Trade balance with EU-25, cumulated	EUR mn	-3260	-69	-260	-558	-968	-1526	-2013	-2436	-2866	-3213	-3863	-4482	-5208	-219	-462	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-5099	-229	-564	-982	-1391	-2178	-2872	-2952	-3248	-4363	-4891	-6023	-6891	-391	-1018	.
EXCHANGE RATE																	
RON/USD, monthly average	nominal	2.891	2.908	2.824	2.757	2.804	2.851	2.969	2.961	2.851	2.865	2.993	3.097	3.084	3.006	2.963	2.918
RON/EUR, monthly average	nominal	3.877	3.818	3.676	3.634	3.629	3.618	3.614	3.566	3.506	3.510	3.598	3.653	3.659	3.645	3.540	3.507
RON/USD, calculated with CPI ⁴⁾	real, Jan03=100	135.9	135.9	139.9	142.7	141.9	140.2	134.8	136.0	140.7	139.3	134.2	132.3	134.1	138.9	141.3	143.8
RON/USD, calculated with PPI ⁴⁾	real, Jan03=100	140.9	141.0	143.7	146.4	146.2	145.1	139.9	139.3	145.4	141.5	134.4	132.6	133.6	137.6	140.9	.
RON/EUR, calculated with CPI ⁴⁾	real, Jan03=100	107.8	110.8	115.3	116.4	118.2	118.7	119.1	121.8	123.7	123.8	121.6	121.4	121.4	123.4	126.9	128.4
RON/EUR, calculated with PPI ⁴⁾	real, Jan03=100	120.8	123.6	127.1	128.7	131.7	133.0	133.2	135.5	139.0	139.1	137.4	136.6	136.1	137.5	142.4	.
DOMESTIC FINANCE																	
M0, end of period	RON mn	7465	7239	7658	7786	8750	8689	9582	9790	9985	10341	10258	10348	11386	10977	11165	.
M1, end of period	RON mn	15288	14241	14777	15465	16376	17146	18495	19162	20456	20964	21289	21133	24550	23560	23508	.
M2, end of period	RON mn	64462	63122	65213	67957	69096	71966	74200	74080	76745	80152	81098	81402	86332	85727	85677	.
M2, end of period	CMPY	39.9	39.6	42.2	41.1	43.9	46.7	46.5	41.1	39.9	41.3	41.3	43.1	33.9	35.8	31.4	.
Discount rate (p.a.),end of period ⁵⁾	%	18.0	17.3	15.7	10.8	8.4	8.0	8.0	8.0	8.0	8.3	7.7	7.5	7.5	7.5	7.5	8.5
Discount rate (p.a.),end of period ⁵⁾⁶⁾	real, %	1.8	2.4	2.6	-1.6	-3.4	-3.1	-2.2	-1.2	-0.7	0.1	-0.4	-1.2	-1.9	-2.1	-3.6	.
BUDGET																	
Central gov.budget balance, cum.	RON mn	-1878.1	82.0	-521.9	-673.4	-5.5	-235.2	-725.9	-255.6	50.7	403.0	1363.8	653.2	-2182.9	850.9	851.4	.

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

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

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

3) Cumulation starting January and ending December each year.

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

5) Reference rate of RNB.

6) Deflated with annual PPI.

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

(updated end of April 2006)

		2004	2005											2006			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	9.7	6.4	-1.5	-2.9	6.3	8.3	12.3	5.4	4.7	6.0	7.2	6.4	3.1	5.9	7.3	6.0
Industry, total ¹⁾	real, CCPY	3.6	6.4	2.2	0.3	1.9	3.2	4.8	4.9	4.9	5.0	5.2	5.3	5.1	5.9	6.6	6.4
Industry, total ¹⁾	real, 3MMA	7.4	4.8	0.3	0.6	3.8	9.0	8.7	7.5	5.4	6.0	6.5	5.5	5.0	5.3	6.4	.
Construction, total, effect. work. time ¹⁾	real, CMPY	-0.5	-0.9	-11.0	-6.9	-6.6	-6.7	-3.6	-3.6	5.5	5.6	8.8	8.0	4.4	13.3	17.1	.
LABOUR																	
Employment total	th. persons	1397.4	1387.6	1396.8	1400.6	1407.4	1420.1	1434.2	1444.5	1446.3	1436.9	1429.7	1425.4	1417.2	1406.6	1403.8	.
Employees in industry	th. persons	279.7	277.9	278.4	278.7	279.1	279.7	279.4	279.6	279.5	278.5	279.4	279.1	277.4	273.1	274.6	.
Unemployment, end of period	th. persons	317.6	326.9	330.2	329.0	320.3	308.3	297.6	293.2	291.0	294.3	300.6	305.5	307.9	314.2	313.6	311.3
Unemployment rate ²⁾	%	18.5	19.1	19.1	19.0	18.5	17.8	17.2	16.9	16.8	17.0	17.4	17.7	17.8	18.3	18.3	18.2
Labour productivity, industry ¹⁾	CCPY	5.6	5.0	0.7	-1.2	0.3	1.6	3.1	3.2	3.3	3.4	3.6	3.7	3.5	5.2	6.8	.
Unit labour costs, exch. r. adj. (EUR) ¹⁾	CCPY	0.8	1.4	6.6	8.3	6.3	5.3	3.5	2.9	3.0	2.8	2.8	2.9	3.1	4.3	.	.
WAGES, SALARIES																	
Total economy, gross	HRK	6139	6013	5965	6280	6112	6358	6348	6199	6306	6202	6184	6588	6409	6386	.	.
Total economy, gross	real, CMPY	3.2	0.7	1.1	1.4	-0.4	3.2	1.4	-0.5	2.0	0.8	0.4	1.1	0.8	2.2	.	.
Total economy, gross	USD	1088	1047	1032	1111	1069	1104	1057	1023	1055	1025	1008	1054	1028	1046	.	.
Total economy, gross	EUR	814	795	794	842	826	868	868	849	858	835	837	893	867	866	.	.
Industry, gross	EUR	749	725	726	775	758	800	795	780	797	783	768	833	796	795	.	.
PRICES																	
Consumer	PM	0.7	0.4	1.1	0.7	-0.2	0.0	-0.1	-0.2	0.1	0.5	0.7	0.2	0.5	0.6	0.8	0.1
Consumer	CMPY	2.7	2.7	3.3	3.9	3.5	2.8	2.9	3.1	3.1	3.8	4.1	3.8	3.6	3.9	3.6	3.0
Consumer	CCPY	2.1	2.7	3.0	3.3	3.4	3.2	3.2	3.2	3.2	3.2	3.3	3.4	3.3	3.9	3.8	3.5
Producer, in industry	PM	-0.7	0.0	0.3	0.3	0.3	0.1	-0.2	0.8	0.1	0.8	0.5	0.0	-0.3	0.5	0.7	0.3
Producer, in industry	CMPY	4.8	4.4	5.1	5.1	4.5	2.3	2.4	2.3	1.5	2.1	1.8	2.3	2.7	3.2	3.6	3.6
Producer, in industry	CCPY	3.5	4.4	4.7	4.8	4.8	4.3	4.0	3.7	3.4	3.2	3.1	3.0	3.0	3.2	3.4	3.5
RETAIL TRADE																	
Turnover	real, CMPY	1.7	1.1	-3.3	3.5	2.0	6.6	7.3	2.0	5.1	3.6	1.7	2.0	2.9	3.6	5.3	.
Turnover	real, CCPY	2.6	1.1	-1.2	0.7	1.1	2.3	3.2	3.0	3.4	3.3	3.1	3.1	3.2	3.6	4.4	.
FOREIGN TRADE^{3,4)}																	
Exports total (fob), cumulated	EUR mn	6452	439	962	1492	2127	2677	3334	3919	4494	5166	5737	6407	7092	603	1185	.
Imports total (cif), cumulated	EUR mn	13342	856	1822	3093	4401	5706	7136	8417	9600	10914	12346	13656	14922	1134	2420	.
Trade balance, cumulated	EUR mn	-6890	-417	-860	-1601	-2274	-3028	-3802	-4498	-5106	-5748	-6609	-7249	-7830	-530	-1235	.
Exports to EU-25 (fob), cumulated	EUR mn	4171	313	653	969	1347	1726	2134	2493	2856	3242	3599	4021	4400	392	794	.
Imports from EU-25 (cif), cumulated	EUR mn	9278	520	1184	2013	2890	3756	4687	5566	6307	7160	8035	8927	9786	643	1474	.
Trade balance with EU-25, cumulated	EUR mn	-5107	-207	-531	-1044	-1543	-2030	-2553	-3073	-3451	-3918	-4436	-4906	-5387	-251	-680	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-1447	.	.	-1542	.	.	-2696	.	.	-434	.	.	-1964	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	5.644	5.741	5.780	5.653	5.717	5.759	6.007	6.062	5.975	6.052	6.136	6.252	6.234	6.102	6.129	6.100
HRK/EUR, monthly average	nominal	7.545	7.564	7.517	7.460	7.395	7.327	7.313	7.305	7.348	7.432	7.386	7.375	7.389	7.378	7.327	7.326
HRK/USD, calculated with CPI ⁶⁾	real, Jan03=100	124.5	122.6	122.4	125.0	122.6	121.9	116.6	114.8	116.1	113.9	112.8	111.8	113.1	116.3	116.7	117.4
HRK/USD, calculated with PPI ⁶⁾	real, Jan03=100	118.9	116.3	115.4	116.7	114.7	114.4	109.7	108.1	109.0	105.3	101.8	101.4	101.8	103.4	103.7	104.5
HRK/EUR, calculated with CPI ⁶⁾	real, Jan03=100	98.6	99.1	100.5	101.4	101.7	102.4	102.4	102.2	101.5	100.5	101.6	102.1	102.1	103.1	104.3	104.4
HRK/EUR, calculated with PPI ⁶⁾	real, Jan03=100	101.8	101.1	101.6	102.0	102.9	104.2	104.0	104.6	103.7	102.8	103.5	103.9	103.3	103.1	104.3	104.6
DOMESTIC FINANCE																	
M0, end of period	HRK bn	11.0	10.8	10.9	11.1	11.4	11.5	12.2	13.1	12.7	12.2	11.9	11.7	12.2	11.7	11.8	.
M1, end of period	HRK bn	34.6	34.9	34.4	34.5	34.8	36.0	36.7	38.3	37.8	36.7	37.1	37.2	38.8	37.2	.	.
Broad money, end of period	HRK bn	139.9	138.9	138.9	138.0	137.9	140.6	142.6	145.6	151.1	151.6	152.5	154.7	154.6	152.0	151.7	.
Broad money, end of period	CMPY	8.6	7.8	8.6	9.7	7.8	10.3	10.1	9.4	10.4	9.3	10.2	10.8	10.5	9.4	9.3	.
Discount rate (p.a.), end of period	%	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Discount rate (p.a.), end of period ⁷⁾	real, %	-0.3	0.1	-0.6	-0.6	0.0	2.2	2.1	2.2	3.0	2.4	2.7	2.2	1.8	1.3	0.9	0.9
BUDGET																	
Central gov. budget balance, cum. ⁸⁾	HRK mn	-9213	-1691	-3460	-6135	-6276	-6732	-6784	-7603	-6557	-5995	-6994	-6936	-6874	-883	-1742	.

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

2) Ratio of unemployed to the economically active population.

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

4) Cumulation starting January and ending December each year.

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

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

7) Deflated with annual PPI.

8) Consolidated central government budget. Including extra-budgetary funds.

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

(updated end of April 2006)

		2004	2005										2006				
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	4.6	1.6	4.1	3.8	3.7	1.1	6.1	4.0	3.1	5.1	3.8	6.1	4.9	4.4	1.0	4.1
Industry, total ¹⁾	real, CCPY	7.4	1.6	2.9	3.2	3.3	2.8	3.4	3.5	3.4	3.6	3.6	3.9	4.0	4.4	2.7	3.1
Industry, total ¹⁾	real, 3MMA	6.2	3.4	3.2	3.9	2.8	3.6	3.7	4.4	4.1	4.0	5.0	4.9	5.2	3.4	3.1	.
Construction, total	real, CMPY	10.6	5.9	4.6	4.7	6.1	5.3	7.4	12.9	11.6	10.4	13.6	16.2	15.6	-7.5	-3.5	10.7
LABOUR²⁾																	
Employment total	th. persons	67100	67000	66900	67300	67800	68300	68600	68900	69300	69100	68900	68700	68600	68400	68200	.
Unemployment, end of period	th. persons	6109	6080	6056	5820	5610	5406	5369	5335	5304	5383	5462	5543	5605	5665	5727	5601
Unemployment rate	%	8.4	8.3	8.3	8.0	7.6	7.3	7.3	7.2	7.1	7.2	7.3	7.5	7.6	7.7	7.8	7.6
WAGES, SALARIES																	
Total economy, gross	RUB	8799	7346	7465	8093	8002	8089	8637	8651	8616	8829	8701	8931	11319	9016	9255	9995
Total economy, gross	real, CMPY	7.3	10.0	7.8	11.1	9.4	9.2	8.8	9.8	11.6	13.7	12.8	14.0	16.0	10.9	11.5	11.6
Total economy, gross	USD	315	262	267	293	288	289	303	301	303	311	305	311	393	319	328	359
Total economy, gross	EUR	235	200	205	222	222	228	249	250	246	254	253	263	331	263	274	298
Industry, gross ³⁾	EUR	225	199	205	219	224	229	245	251	251	252	259	266	302	257	263	.
PRICES																	
Consumer	PM	1.1	2.6	1.2	1.3	1.1	0.8	0.6	0.5	-0.1	0.3	0.6	0.7	0.8	2.4	1.7	0.8
Consumer	CMPY	11.7	12.6	12.8	13.3	13.4	13.6	13.3	12.9	12.3	12.2	11.7	11.2	10.9	10.7	11.2	10.7
Consumer	CCPY	11.0	12.6	12.7	12.9	13.0	13.1	13.2	13.1	13.0	12.9	12.8	12.7	12.5	10.7	10.9	10.8
Producer, in industry	PM	0.1	0.5	1.3	2.5	2.5	2.7	0.1	0.5	2.0	2.8	0.9	-0.9	-2.1	0.5	3.3	2.1
Producer, in industry	CMPY	28.9	24.6	22.0	23.5	24.0	24.7	21.4	20.6	20.8	20.5	19.4	16.0	13.4	13.4	15.6	15.1
Producer, in industry	CCPY	24.0	24.6	23.3	23.3	23.5	23.8	23.4	22.9	22.6	22.4	22.1	21.4	20.7	13.4	14.5	14.7
RETAIL TRADE																	
Turnover ⁴⁾	real, CMPY	14.6	10.1	10.6	10.8	13.5	14.4	13.6	12.8	13.1	13.8	12.9	12.2	14.8	10.5	9.6	10.4
Turnover ⁴⁾	real, CCPY	12.0	10.1	10.3	10.5	11.3	11.9	12.2	12.3	12.4	12.6	12.6	12.6	12.8	10.5	10.1	10.2
FOREIGN TRADE⁵⁾⁽⁶⁾																	
Exports total, cumulated	EUR mn	147353	10803	23253	38274	53627	69547	85395	103059	120528	138178	156521	175258	195673	17292	35829	.
Imports total, cumulated	EUR mn	78323	5333	11838	19572	27057	34619	42848	51758	60475	69270	78796	89135	100663	7229	15722	.
Trade balance, cumulated	EUR mn	69030	5470	11415	18702	26570	34928	42547	51301	60053	68909	77725	86124	95010	10064	20106	.
FOREIGN FINANCE																	
Current account, cumulated ⁸⁾	EUR mn	47127	.	.	15461	.	.	33281	.	.	49473	.	.	67695	.	.	23250
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	27.904	28.009	27.995	27.626	27.810	27.951	28.498	28.694	28.480	28.380	28.563	28.763	28.805	28.228	28.195	27.874
RUB/EUR, monthly average	nominal	37.390	36.719	36.381	36.470	35.993	35.485	34.725	34.568	35.015	34.808	34.338	33.951	34.162	34.293	33.733	33.492
RUB/USD, calculated with CPI ⁹⁾	real, Jan03=100	132.9	135.6	136.4	138.9	138.7	139.3	137.3	136.5	136.7	136.1	135.6	136.7	138.1	144.3	147.0	149.8
RUB/USD, calculated with PPP ⁹⁾	real, Jan03=100	148.7	148.1	149.5	153.2	154.6	158.6	156.0	153.6	156.7	157.0	153.5	153.2	150.4	152.7	157.9	163.1
RUB/EUR, calculated with CPI ⁹⁾	real, Jan03=100	105.4	110.5	112.4	113.1	115.4	117.7	120.9	121.9	120.0	120.6	122.7	125.1	125.0	127.7	131.7	133.7
RUB/EUR, calculated with PPP ⁹⁾	real, Jan03=100	127.4	129.9	132.2	134.3	139.0	145.1	148.2	149.1	149.6	153.9	156.8	157.5	153.1	152.0	159.2	163.7
DOMESTIC FINANCE																	
M0, end of period	RUB bn	1534.8	1425.2	1444.1	1481.7	1565.8	1582.3	1650.7	1701.8	1703.3	1740.7	1752.0	1765.8	2009.2	1875.6	1890.1	.
M1, end of period	RUB bn	2848.3	2673.0	2757.1	2859.6	2906.3	2965.6	3144.3	3162.5	3240.8	3371.9	3340.1	3413.2	3858.5	3662.0	3686.7	.
M2, end of period	RUB bn	5298.7	5184.8	5344.4	5499.6	5594.0	5743.0	6015.9	6087.4	6286.5	6458.4	6482.7	6604.8	7221.1	7035.6	7155.7	.
M2, end of period	CMPY	33.7	31.4	30.6	31.2	29.1	31.5	32.4	33.8	37.6	39.3	37.0	35.7	36.3	35.7	33.9	.
Refinancing rate (p.a.) ^{end of period}	%	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	12.0	12.0	12.0	12.0
Refinancing rate (p.a.) ^{end of period} ¹⁰⁾	real, %	-12.3	-9.3	-7.4	-8.5	-8.9	-9.4	-7.0	-6.3	-6.5	-6.2	-5.3	-2.6	-1.3	-1.3	-3.1	-2.7
BUDGET																	
Central gov. budget balance, cum.	RUB bn	730.7	206.2	304.4	525.3	621.4	738.2	942.2	1036.5	1172.9	1162.0	1429.6	1636.7	1612.9	.	.	.

1) Data revised according to new methodology.

2) Based on labour force survey.

3) Manufacturing industry only.

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

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

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

7) Based on balance of payments statistics.

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

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

10) Deflated with annual PPI.

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

(updated end of April 2006)

		2004	2005										2006				
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	4.3	8.4	5.6	6.6	5.1	4.3	-0.9	-2.4	0.9	0.9	2.4	2.0	5.3	-2.9	1.5	1.3
Industry, total	real, CCPY	12.5	8.4	7.3	7.1	6.7	6.2	5.0	3.9	3.5	3.2	3.1	2.9	3.1	-2.9	-0.6	0.2
Industry, total	real, 3MMA	8.0	6.1	6.9	5.8	5.3	2.8	0.3	-0.8	-0.2	1.4	1.8	3.2	1.5	1.3	0.0	.
LABOUR																	
Employees ¹⁾	th. persons	11157	11206	11248	11315	11332	11319	11339	11371	11361	11361	11357	11306	11220	11245	11296	11352
Employees in industry ¹⁾	th. persons	3388	3401	3413	3428	3421	3410	3408	3413	3410	3407	3407	3394	3368	3374	3380	3380
Unemployment, end of period	th. persons	981.8	992.2	1019.0	1018.4	986.7	918.6	858.3	825.4	800.4	780.6	762.9	809.7	881.5	899.9	923.8	913.7
Unemployment rate ²⁾	%	3.5	3.5	3.6	3.6	3.5	3.3	3.0	2.9	2.8	2.8	2.7	2.9	3.1	3.2	3.3	3.2
Labour productivity, industry ¹⁾	CCPY	.	8.2	6.9	6.5	6.1	5.6	4.4	3.4	3.1	2.9	2.8	2.7	3.0	-2.1	0.3	1.3
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	.	11.7	14.1	14.0	14.9	17.0	20.2	23.2	24.9	26.1	27.2	29.1	30.6	50.8	47.2	46.3
WAGES, SALARIES¹⁾																	
Total economy, gross	UAH	704	641	667	722	734	764	823	837	831	856	882	897	1020	865	905	987
Total economy, gross	real, CMPY	13.7	13.9	15.4	15.5	16.8	20.2	19.6	20.0	19.7	19.2	23.3	24.3	31.3	22.9	22.6	25.8
Total economy, gross	USD	133	121	126	136	141	151	163	166	165	170	175	178	202	171	179	195
Total economy, gross	EUR	99	92	97	103	109	119	134	138	134	138	145	150	170	142	150	163
Industry, gross	EUR	120	117	120	130	135	144	156	163	165	166	171	177	188	173	177	194
PRICES																	
Consumer	PM	2.4	1.7	1.0	1.6	0.7	0.6	0.6	0.3	0.0	0.4	0.9	1.2	0.9	1.2	1.8	-0.3
Consumer	CMPY	12.3	12.6	13.3	14.7	14.7	14.6	14.4	14.8	14.9	13.9	12.4	12.0	10.3	9.8	10.7	8.6
Consumer	CCPY	9.0	12.6	13.0	13.5	13.8	14.0	14.1	14.2	14.3	14.2	14.0	13.8	13.5	9.8	10.2	9.7
Producer, in industry	PM	1.0	0.2	2.7	1.9	2.5	1.6	-0.8	-1.6	0.7	1.9	0.0	-0.1	0.3	1.2	0.3	0.4
Producer, in industry	CMPY	24.3	22.6	22.4	22.0	21.1	20.5	17.7	15.7	14.7	14.7	12.9	10.4	9.6	10.7	8.1	6.5
Producer, in industry	CCPY	20.4	22.6	22.5	22.3	22.0	21.7	21.0	20.2	19.5	18.9	18.3	17.5	16.8	10.7	9.4	8.4
RETAIL TRADE																	
Turnover ³⁾	real, CCPY	20.0	21.2	20.3	18.6	19.2	20.4	21.1	21.8	23.0	23.1	22.4	22.4	23.0	31.3	28.4	26.5
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	26278	1896	3925	6372	8714	10909	13174	15436	17693	19998	22430	24909	27545	1933	4041	.
Imports total (cif), cumulated	EUR mn	23321	1376	3223	5716	8103	10298	12877	15343	17986	20591	23243	25981	29034	2241	4895	.
Trade balance, cumulated	EUR mn	2957	519	702	655	611	612	297	93	-293	-592	-813	-1072	-1490	-309	-854	.
FOREIGN FINANCE																	
Current account, cumulated ⁶⁾	EUR mn	5560	.	.	1221	.	.	1727	.	.	2076	.	.	2030	.	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.306	5.305	5.300	5.292	5.190	5.050	5.055	5.053	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050
UAH/EUR, monthly average	nominal	7.103	6.990	6.894	6.983	6.714	6.422	6.151	6.090	6.208	6.200	6.070	5.961	5.983	6.101	6.037	6.064
UAH/USD, calculated with CPI ⁷⁾	real, Jan03=100	114.9	116.6	117.2	118.3	120.7	125.0	125.5	125.4	124.8	124.0	124.7	127.2	128.9	130.4	132.8	132.4
UAH/USD, calculated with PPI ⁷⁾	real, Jan03=100	124.3	124.0	126.9	127.7	132.3	138.7	137.7	133.7	133.8	132.4	129.1	130.8	131.8	132.0	132.4	132.9
UAH/EUR, calculated with CPI ⁷⁾	real, Jan03=100	90.8	94.2	96.1	95.9	100.1	105.0	110.2	111.5	109.2	109.3	112.5	116.0	116.3	115.6	118.6	117.7
UAH/EUR, calculated with PPI ⁷⁾	real, Jan03=100	106.2	107.7	111.7	111.6	118.6	126.3	130.5	129.3	127.2	129.2	131.4	134.0	133.7	131.7	133.1	133.0
DOMESTIC FINANCE																	
M0, end of period	UAH bn	42.3	40.6	41.8	43.1	47.6	47.9	51.3	53.8	53.8	55.5	54.9	55.1	60.2	56.8	57.0	58.6
M1, end of period	UAH bn	67.1	64.9	67.1	73.5	76.2	77.6	83.8	84.8	85.5	90.1	88.7	92.7	98.6	92.1	93.6	96.2
Broad money, end of period	UAH bn	125.8	125.8	130.9	140.1	146.5	147.9	156.3	159.1	164.8	171.0	174.8	180.1	194.1	188.8	191.3	195.3
Broad money, end of period	CMPY	32.4	35.8	36.3	38.5	39.4	35.1	37.2	35.9	35.6	31.3	38.5	43.8	54.3	50.1	46.1	39.4
Refinancing rate (p.a.) ^{end of period}	%	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
Refinancing rate (p.a.) ^{end of period} ⁸⁾	real, %	-12.3	-11.1	-10.9	-10.7	-10.0	-9.5	-7.4	-5.8	-4.5	-4.5	-3.0	-0.8	-0.1	-1.1	1.3	2.8
BUDGET																	
General gov. budget balance, cum.	UAH mn	-11009	1503	2042	2931	2252	4007	1735	2959	6907	5816	5309	3216	-7735	.	.	.

1) Excluding small firms.

2) Ratio of unemployed to the economically active.

3) Official registered enterprises.

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

5) Cumulation starting January and ending December each year.

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

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

8) Deflated with annual PPI.

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Economics editor: Leon Podkaminer