

Monthly Report

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Kazakhstan: an economic assessment

BY VASILY ASTROV

The economy of Kazakhstan has been growing dynamically over the past few years, largely due to the expansion in oil and gas production and exports. Since 2000, growth has been consistently ranging between 9% and 14% per year; in 2006 it stood at 10.6%. As a result, by 2004 the country's GDP exceeded for the first time the level of 1992, the first year of independence. In 2005, reported GDP reached USD 56 billion (at the market exchange rate), corresponding to some USD 3700 per capita. The economic growth has also translated into an impressive rise in living standards, albeit accompanied by rising income inequality – particularly that between cities and the countryside. Officially, with an average monthly wage of USD 321 in 2006, Kazakhstan ranked second in the CIS (behind Russia). However,

incomes are almost certainly higher given the extent of the shadow economy which is believed to exceed 40% of GDP.

Initially, it was industry (largely extraction of oil and gas) which was leading the growth, thus contributing to a reversal of the earlier de-industrialization trend. However, more recently, industry has been growing at a slower pace than GDP (in 2006, at 7% vs. 10.6%), given the boom in construction and services. Still, available estimates suggest that the 'oil GDP' (extraction, refining, and related services and construction) has been growing faster than the 'non-oil GDP'. Oil and gas production benefited greatly from the recent surge in the world prices. As a result, the foreign trade turnover has been booming: both exports and imports soared at nearly 40% in US dollar terms in both 2005 and 2006, after an even bigger jump in 2004. The export increase is the combined effect of higher export volumes and higher energy prices, whereas imports represent largely investment goods for the energy sector.

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Table 1

Kazakhstan: Selected economic indicators

	2001	2002	2003	2004	2005	2006 ¹⁾	2007 ²⁾
Gross domestic product, KZT billion, nom.	3251	3776	4612	5870	7591	.	.
annual change in % (real)	13.5	9.8	9.3	9.6	9.5	10.6	9.5
Final national consumption, KZT billion, nom.	2318.5	2640.9	3186.5	3824.2	4664.0	.	.
annual change in % (real)	9.6	9.1	6.3	13.3	11.5	.	.
Gross capital formation, KZT billion, nom.	873.6	1030.5	1195.5	1544.5	2050.4	.	.
annual change in % (real)	40.5	11.3	7.0	15.1	17.7	.	.
Consolidated government budget, in % of GDP	-0.4	-0.3	-0.9	-0.3	0.7	0.3	.
Exports, in % of GDP	46.2	47.2	48.7	52.2	54.5	.	.
Imports, in % of GDP	47.1	46.3	42.6	43.5	45.4	.	.
External trade (exports and imports, USD million)							
Exports, USD million							
to the CIS countries	2645	2194	2981	4097	4067	5574	.
to other countries	5994	7476	9946	15999	23782	32676	.
Imports, USD million							
from the CIS countries	3309	3043	3932	6118	8134	11064	.
from other countries	3137	3541	4477	6663	9218	12613	.
Balance, USD million							
with the CIS countries	-664	-849	-951	-2021	-4067	-5490	.
with other countries	2857	3935	5469	9336	14564	20063	.
Consumer price inflation (%)	10	6	6	7	8	9	8
Exchange rate, average, KZT per USD	147	153	150	136	133	126	.

Notes: KZT = Kazakh tenge. - 1) Preliminary. - 2) Forecast.

Source: Interstate Statistical Committee of the CIS.

The growth in oil production was made possible by massive inflows of FDI into the sector, primarily by multinational companies within the framework of production-sharing agreements (PSAs). In some years, FDI accounted for over one half of total fixed capital formation in the economy. Nearly two-thirds of all FDI inflows have targeted the oil and gas sector, and the remaining one-third the metals industry. The available estimates of FDI inflows into Kazakhstan vary by some margin, but there is little doubt that the country is ahead of all other CIS countries in terms of FDI stock per capita.

The high inflows of FDI were facilitated by the liberal and reform-oriented image of the country.

Indeed, among the CIS countries, Kazakhstan has arguably advanced the most in terms of structural reforms. Privatization and – unlike e.g. in Russia – openness to foreign investors ranked high on the government's agenda, including in the banking sector where International Accounting Standards (IAS) and a deposit insurance scheme were introduced early. Other reforms included the re-organization of the pension system according to the 'accumulation' principle, the break-up of the so-called 'natural monopolies' (such as electricity and railways) into competitive operating units, and the privatization of housing and communal services. Also, in 2001 the authorities implemented capital flight amnesty.

Table 2

Kazakhstan: Structure of foreign trade, in per cent

Structure of exports (per cent)	To the CIS countries		To other countries	
	2000	2005	2000	2005
Total	100	100	100	100
Live animals; vegetable products	18.8	8.6	2.0	0.7
Animal or vegetable fats	0.1	0.3	-	0.0
Prepared foodstuffs, beverages and tobacco	1.1	2.8	0.1	0.1
Mineral products	55.0	52.3	54.1	77.5
Products of the chemical industry	10.8	13.8	2.0	1.5
Wood and articles of wood; pulp of wood	0.3	0.3	0.1	0.0
Textiles and textile articles	0.5	1.8	1.3	0.6
Non-precious metals and articles from non-precious metal	7.8	13.5	32.3	16.3
Machinery and mechanical appliances	2.9	4.3	1.2	0.3
Means of transportation	1.3	1.5	0.4	0.1
Instruments and apparatus	1.0	0.2	0.1	0.1
Other	0.5	0.6	6.4	2.7
Structure of imports (per cent)	From the CIS countries		From other countries	
	2000	2005	2000	2005
Total	100	100	100	100
Live animals; vegetable products	2.6	1.8	2.6	2.3
Animal or vegetable fats	1.2	0.7	0.5	0.4
Prepared foodstuffs, beverages and tobacco	5.8	5.5	5.7	4.1
Mineral products	20.7	26.1	4.0	2.2
Products of the chemical industry	15.7	10.0	13.5	12.9
Wood and articles of wood; pulp of wood	4.1	4.3	3.2	2.7
Textiles and textile articles	1.0	1.2	1.7	1.4
Non-precious metals and articles from non-precious metal	13.0	17.6	9.0	12.1
Machinery and mechanical appliances	15.6	14.4	42.3	40.5
Means of transportation	14.8	12.8	6.9	14.1
Instruments and apparatus	1.6	1.0	4.0	2.9
Other	4.1	4.5	6.6	4.5

Source: Interstate Statistical Committee of the CIS.

Similarly to many other oil exporting countries, Kazakhstan is operating a National Oil Fund the aim of which is twofold:

- to stabilize the economy in the case of a future fall in the world oil prices, and
- to sterilize the impact of oil-related foreign exchange inflows on the domestic money supply.

The National Oil Fund has been investing in foreign securities, thus preventing both an excessive appreciation of the domestic currency (tenge) and an excessive expansion of the money supply. The 'Dutch disease' symptoms (the manufacturing sector suffering from excessive appreciation due to oil-related foreign exchange inflows) have been averted, at least so far. Although inflation picked up somewhat, it invariably stayed at the single-digit level (8.4% in 2006).

The reverse side of the successful sterilization policy is, however, the apparent shortage of funds available for investment into the non-energy sector. The growing domination of oil and gas in the economic structure might be a problem in the long run, as it makes the country even more vulnerable to the volatility of the world oil prices. As already argued, these structural distortions appear to have little to do with the 'Dutch disease'. In fact, had the exchange rate been (even) more competitive, there would probably be only a modest supply response from the non-oil manufacturing sector due to the limited supply-side capacities.

Corruption, weak law enforcement and contradictory legislation remain a problem. That has an adverse impact on the security of property rights and results in the prevalence of investment projects with a short pay-off period. Although the semi-authoritarian regime of President Nazarbaev has ensured remarkable political stability, the latter does not fully translate into stability of the investment climate. Of course this does not affect large multinationals in the energy sector and elsewhere. Another factor which has arguably impeded the economic diversification has been the deterioration in human capital as a result of outward migration of the generally well-educated Russian minority (although on a smaller scale than in many other CIS countries).

Given the optimistic forecasts of the world energy prices in the short and medium run, the prospects for the Kazakh economy are good. For 2007 we expect economic growth between 9% and 10%. However, the chances for the country's economic diversification in the near future appear to be slim – despite the diversification plans entailed in the National Development Strategy.

References

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The twin deficits: myth and real problems

BY KAZIMIERZ LASKI AND ROMAN RÖMISCH

In the mid- to late 1980s, the US economy was characterized by huge government deficits and unusually large trade and current account deficits. They were nicknamed 'twin deficits' and very soon one could find special chapters under this title in macroeconomic textbooks. Under Bill Clinton the government deficit declined and even turned into a budget surplus. Thus the chapters on 'twin deficits' were shortened and sometimes replaced by a one- or two-page comment. With the recent re-appearance of the two large deficits in the USA, the old myth of the 'twin deficits' will probably find its way back into academic classes. This is already the case in the domain of politics. Thomas Palley, in his January 2007 article on 'Zombie Economics: The Myth of the Twin Deficits',¹ shows how the old myth is being used in political fighting in the USA Congress.

The 'twin deficits' are mostly interpreted as follows: at given domestic savings, a budget deficit soaks up foreign savings by higher interest rates, which in turn depress private investment and economic growth. In addition, the two deficits result in an accumulation of government and foreign debt, which will be a burden to future generations. The proposed solution: cut government deficits and increase domestic savings by cutting private consumption.

In this note we shall discuss the basic macroeconomic relations of government budget and foreign trade financial balances and their link with the financial balance of the private domestic sector. We shall also illustrate our analysis with

empirical data from the USA. We formulate some conclusions at the end of this note.

Basic relations

GDP (denoted as Y) is the sum of gross disposable income of the private sector budget revenues (net of transfer payments):

$$\begin{aligned} Y &= YD + T \quad \text{and} \quad Y = CP + IP + G + X - M \\ YD + T &= CP + IP + G + X - M \\ (YD - CP - IP) &= (G - T) + (X - M) \\ (SP - IP) &= (G - T) + (X - M) \end{aligned} \quad (1)$$

where YD denotes disposable income, T denotes budget revenues (net of all transfer payment), CP is private consumption, IP is private investment, G government expenditure (on goods and services), X exports, M imports and SP private savings.

Within this framework YD , T , CP and M are endogenous as they depend on the level of Y at given marginal tax rate, the marginal propensity to consume (sp) and the marginal import intensity. On the other hand, in any short period IP , G and X are largely given – determined by decisions taken in the past, or by external demand – and hence exogenous.

Equation (1) is always fulfilled as it is nothing but a definition: *ex post* the sum of all injections ($IP + G + X$) have to be equal to the sum of all leakages ($SP + T + M$).

$(SP - IP) > 0$ means that the private sector sells more than it spends (net leakage);

$(G - T) > 0$ means that the government sector spends more than it 'earns' (net injection); and

$(X - M) > 0$ means that the foreign sector buys more than it sells (net injection).

Of course each of these items may be zero and negative as well.

A special but very important case is a closed economy without a government at which we have

$$SP = IP \quad (2)$$

¹ 'The twin deficits hypothesis is zombie economics, being part of an anti-government economics that tries to blame government budget deficits for trade deficits and manufacturing job loss effects of corporate globalization. It is time to stake this zombie.' (www.thomaspalley.com, 17 January 2007)

One of the most important questions is the way in which identity (2) comes into existence. The main message of the theory of effective demand is the hypothesis that it is investment that determines saving and not *vice versa*. In an open economy private savings are in addition determined by the budget deficit and net exports.

The twin deficit myth is based on the assumption that the financial balance of the private sector is always zero; indeed in this case – and only in this case – we have from (1)

$$(G - T) + (X - M) = 0 \quad (3)$$

Hence, at $(SP - IP) = 0$ the budget deficit causes an equal import surplus – which we shall further call $(X - M) < 0$ ‘import surplus’ – or requires ‘foreign savings’ necessary for its financing. Before we proceed further we shall have a look at longer-term empirical data from the USA in order to find there the magnitude of the term $(SP - IP)$.

Statistical data for the USA

Over almost half a century – disregarding a few years only – the condition $SP = IP$ has not been fulfilled in the USA, as can be seen from Figure 1.

As an average for the whole period we get for $(SP - IP)$ about 2% of GDP. If we divide that half century into three periods, with breaks in the mid-1970s and the early 1990s, we get for the first period an average value below 2% of GDP, for the second period one above 2%, and for the third period a negative one. The share of IP in GDP did not change very much between the first and third periods (although it declined in the second one), however, that of SP did so: it increased in the second period (from an average of about 17% to about 19%) and declined quite strongly in the third period (to about 15%). At about 2000 it did not even reach 14%.

Figure 1

(SP - IP) in per cent of GDP, USA, 1959-2004

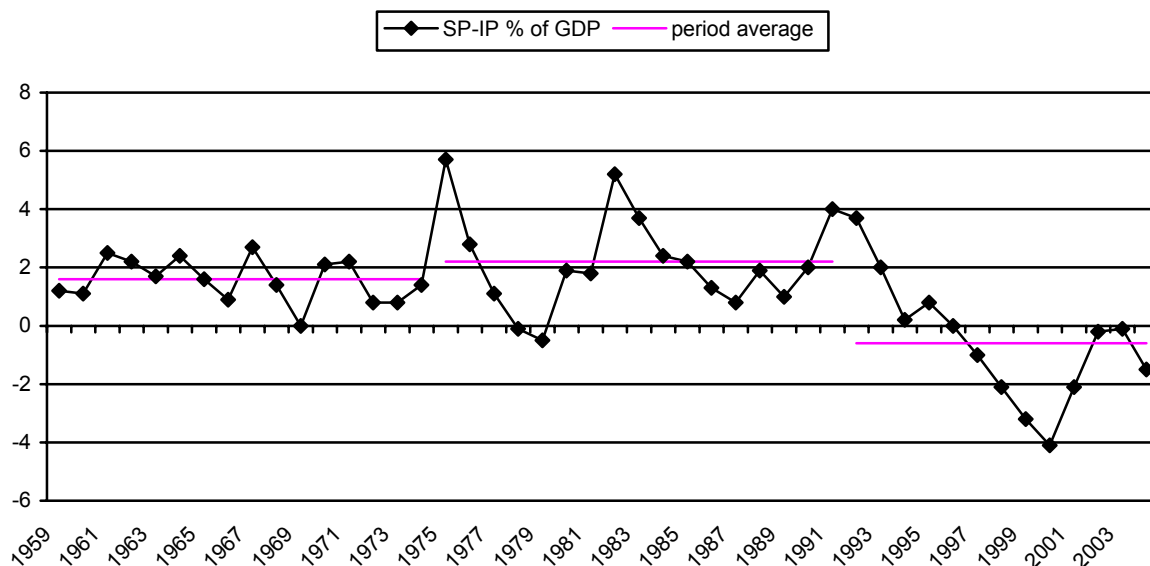
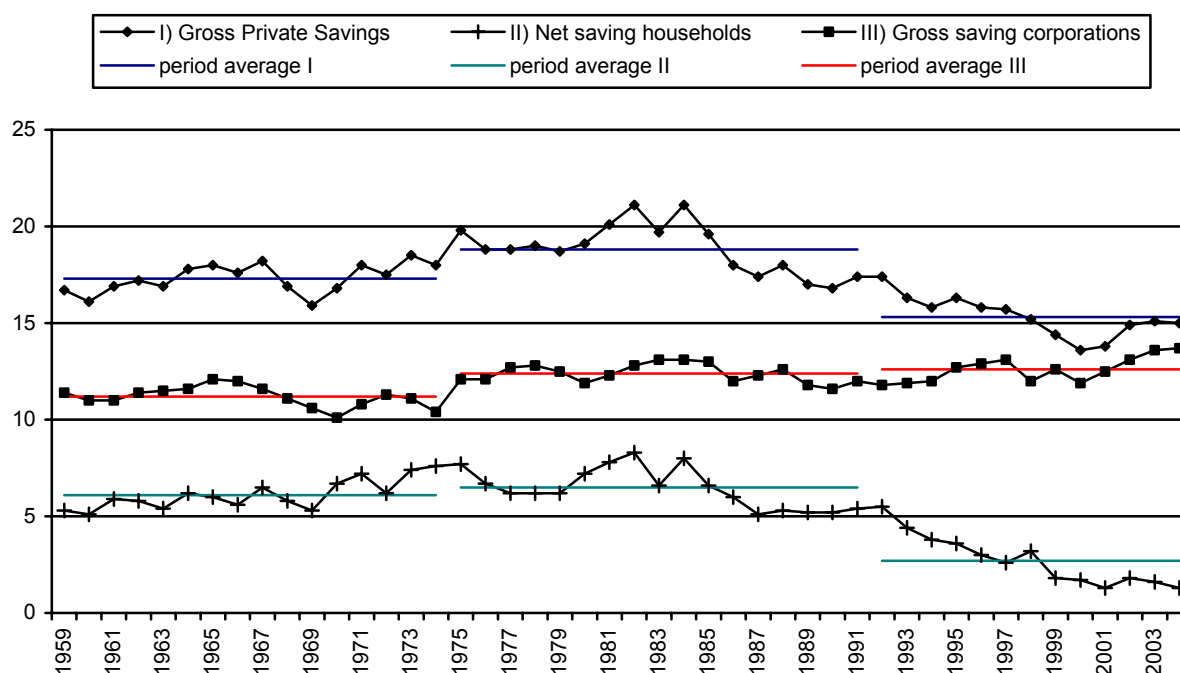


Figure 2

Savings (per cent of GDP), USA, 1959-2004



It should be mentioned that SP consists of two quite different parts: SB – private business savings (i.e. non-distributed profits, including depreciation of capital assets), and SH – private household savings. Their time profiles are shown in Figure 2.

The relative share of business savings in GDP was slightly increasing over the last half century, and that of household savings followed the same path until the mid-1980s. Thereafter, however, household savings declined almost continuously (from about 8% of GDP to almost zero). That sharp decline increased private households consumption and sustained GDP growth.

Over the last half century the average budget deficit in the US was close to 3% of GDP and the share of net exports about -1%. The sum of both items was about 2% and made it possible to keep SP over IP by the same amount. Particularly interesting is the last sub-period. The level of average private savings in relation to private investment was much lower than in the previous

periods. This was caused by the fact that the difference between budget deficit and net imports, which supplemented private investment in creating appropriate private saving, was disappearing. This change *per se* would have slowed down GDP growth in the third period. But the marked decline of the share of SP in GDP made it possible to keep the GDP growth rate at a level similar to the previous periods. Indeed, the smaller the private propensity to save sp, the lower the level of injections necessary to assure a satisfactory level of capacity utilization and employment.

Some conclusions

1. The example of the USA with a long-term difference (SP – IP) of about 2% of GDP proves that the sum of budget deficit and export surplus of this order was necessary at the given long-term level of private investment to achieve a satisfactory level of private savings, final output, economic growth and employment. While in different periods the budget deficit oscillated around 3% of GDP, net

exports were approximately zero in the first period only, and declined continuously thereafter. In the last several years net imports amounted to 5% and even more of GDP and were to a large degree compensated by budget deficits. For political reasons, however, it would be rather difficult to keep the budget deficit as high – and the persisting large import surplus may push the US economy into depression. It should also be taken into account that the currently very low private propensity to save will sooner or later return to its longer-term value (also because the indebtedness of private households cannot increase continuously). Under this condition the budget deficit would have to be larger than the import surplus alone and this task would be much more difficult to achieve than simple compensation of the import surplus. It seems that without a large decline of the import surplus the US economy may in future be confronted with a serious deficiency of aggregate demand, with obvious consequences for economic growth and unemployment.

2. We do not have exact data on the balance (SP – IT) for the EU as a whole. However, it is not difficult to get an idea about the size of this term. The net export of the EU is close to zero, hence the term we are looking for has to be equal to the average budget deficit. The largest country in the EU is Germany, with a budget deficit of about 3% of GDP. Some other big EU countries have deficits of a similar range. Hence it may be a qualified guess that the average gap (SP – IP) in the EU is at least about 2% of GDP. According to Eurostat, net lending of the general government of the euro area amounted to 2.5% of GDP in 2002, followed by 3.1%, 2.8% and 2.4% in 2003, 2004 and 2005 respectively. (For the NMS-10 the respective percentages are 4.7%, 4.9%, 3.5% and 3.1%.) With given private propensities to save and to invest, a budget deficit of this order would be necessary also in the future. Indeed, even with existing budget deficits aggregate demand and economic growth in the EU are far from satisfactory levels and unemployment is quite high. Any attempt to reduce the average budget deficit below that level, as postulated in the Maastricht criteria,

would – at given private propensity to invest – limit further economic growth and increase unemployment. Besides, any such attempt would not be successful either. The only way to reduce the budget deficit is an acceleration of economic growth (mostly through investment) and a related increase of government revenues dependent on GDP. But even unsuccessful efforts to cut budget deficits by reducing government expenditure or increasing taxation of earned incomes would have deflationary effects for the EU as a whole.

Global financial architecture, legitimacy, and representation: voice for emerging markets*

BY GEOFFREY R.D. UNDERHILL**

Introduction: the problem

The absence of a major financial crisis over the last two to three years has meant that global financial architecture (GFA) as a policy issue has been less prominent in the news. Yet little has changed in terms of the underlying conditions which led to earlier outbreaks of crisis and, in this sense, the risk remains high. Policy is based on the economic theory that efficient market allocation of capital is beneficial for developing countries, corrected by the idea that the system must be underpinned by functioning institutions of governance and sound macroeconomic policies. Contemporary GFA thus still focuses on facilitating the free flow of capital across borders, preserving the same market-based characteristics which emerged in the 1980s and 1990s that were common to the rapid succession of crises from 1994 into the new millennium. Official policy has failed to ask whether net capital flows in such a system are stable and positive for a diverse group of developing economies. In other words, is there evidence to support the theory, and if not should we change the theory or try to change the facts? IFIs, in particular the IMF, have continued to focus on this policy mix despite the pressure it puts on domestic political systems, including social expenditure (Nooruddin and Simmons, 2006), especially where the democratic preferences of electorates directly confront the preferences of international investors and, eventually, conditionality. This was etched in the drama of the Argentinean debt workout.

Meanwhile, the post-crisis period obscures some developments which are nothing short of alarming

for the future of global multilateral financial governance. The major Asian and Latin American debtors of the IMF have all but paid off their loans and many are on their way to building an impregnable reserve fortress against future crises, and they question a range of IFI policies. A series of electoral outcomes in Latin America indicate considerable dissatisfaction with ongoing global economic integration and the policies promulgated to deal with it. Debtors are turning to regional development banks where developing country influence over policy is greater. National or regional solutions to future crises are the clear preference, avoiding what was seen as intrusive and inappropriate IMF and other IFI policy advice and conditionality.

These countries are effectively 'checking out' of the Hotel Capital Mobility built by the global financial architects. While they do want capital inflows, they are determined never again to submit to the humiliation and intrusion of the conditionality of the Bretton Woods institutions (BWIs). The Fund's programmes are now limited to a chronically-indebted sub-Saharan African clientele, where there is little evidence that forty-plus years of IMF policies have been particularly favourable for development growth prospects either (Vreeland, 2003). Nor is the rapid growth of international capital flows associated with the GFA closely correlated to economic growth in non-industrial countries, as the chief economist of the IMF among others recently concluded (Prasad, Rajan and Subramanian, 2006). This seismic shift bodes ill for international cooperation and tells us that the current financial architecture lacks both effectiveness and political legitimacy in a wide range of countries, and that effectiveness and legitimacy are linked.

This article analyses what this emerging situation means for effective global financial governance, and what can be done about it. The focus is largely the BWIs, and the IMF in particular, as the lynchpins of the GFA.

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The analysis

'Financial architecture' may be understood as the sum of international institutions and cooperative processes aimed at managing global imbalances, exchange rates, transnational capital flows, and financial market stability, from crisis prevention to management to debt workout. This involves policies at both the domestic and international levels, and most importantly the relationship between the two. The current period of relative calm provides a respite in which serious reflection should take place, not least because past periods of calm have induced complacency followed by surprise at the next crisis. Furthermore, the recent September 2006 vote by the IMF Board of Governors to increase voting rights for China, Korea, Mexico, and Turkey, plus the preparation of more far-reaching IMF reforms by 2008, make it urgent to reflect on both the objectives and the structures of GFA. This article argues that the proposed reform agenda is still far from complete.

Have the reforms worked so far? The reform of the international financial architecture has so far emphasized the adaptation of crisis-prone countries to the imperatives of a market-based system. The theory is that cross-border market allocation processes yield the most efficient results, optimal for developed and developing countries alike. In the face of potential market failures linked to information deficits and uncertainty, sound policies and good governance provide necessary collective goods for these optimal outcomes. On this basis, a range of macroeconomic policy and corporate behaviour codes and standards have been promulgated and are monitored (ROSCs, FSAPs, systemic monitoring of financial stability through the Financial Stability Forum; financial supervisory standards from the Basle Committee on Banking Supervision, corporate governance standards, etc.). In a crisis, severe and increasingly complex prescriptive conditions reaching into the micro domain have been placed on emergency adjustment finance loans and/or debt workout, as well as on longer-run development lending. The requirements of this conditionality are often in severe tension with long-run domestic political and

development imperatives (Vreeland, 2003) such as economic growth, social and distributional justice, educational and health policies (Nooruddin and Simmons, 2006).

The original aim of the BWIs as central pillars of the international financial architecture was to institutionalize cooperation so as to ease the tension between domestic (democratic) preferences and the requirements of international monetary and financial stability. This goal is no longer effectively accomplished and if stability is the outcome, it comes increasingly at the expense of domestic policy autonomy and preferences. A better match between national political imperatives and the requirements of GFA is clearly required, particularly if democratic preferences are to be meaningful in poor countries.

While strengthening governance and implementing sound national macroeconomic policies is a positive step, this does not address the problem of financial and monetary instability in emerging markets. Many crisis victims had debt to GDP ratios, inflation records, or current account balances which were entirely honourable relative to the performance of developed countries. *Something else is going on*, and one aspect of this has been referred to by Eichengreen and Hausmann as 'Original Sin' (2005, p.266: 'the inability of emerging markets to borrow abroad in their own currency'). They show there is little evidence that developing country crises are due to weak institutions or the lack of credibility of their fiscal and monetary policies. Those forced to borrow in foreign (hard) currencies face debt service volatility *five times higher* than developed economies (p.266). While the quality of governance and the credibility of policy varied greatly across developing countries, original sin was an almost universal feature (p.245), suggesting a very weak correlation between institutional/policy reform and crisis prevention.

The systemic architecture needs to accommodate these and other inherent difficulties of developing economies, given that these economies are most

of the world's population. It is also equally clear that under the current architecture, *despite* the implementation of institutional and policy reforms, net private capital flows reach the developing world irregularly at best (World Bank, 2006, pp. 180-7; Prasad, Rajan and Subramanian, 2006) while total external debt loads remain high (World Bank, 2006, pp. 193-9, 201-3). Where net capital flows are positive, they are unevenly distributed to a few major emerging markets which often have very weak institutions of governance and policies which are far from market-friendly (especially China, which receives the most by far).

Policy is based more on economic theory than on the facts of the matter, and policy therefore needs to be better grounded in the real world.

Political underpinnings: who decides? The approach to financial architecture and its reform is in large measure problematic from the point of view of developing economies. More radical reforms such as the IMF's proposed Sovereign Debt Workout Mechanism (SDRM) were defeated by an alliance of developed country private sector interests and the United States. The system is insufficiently flexible to cater to economies at their respective levels of development, permitting national authorities sufficient room to manoeuvre as they seek to balance their international obligations with the political and social pressures of the development process at home. *Reform requires directly confronting the political underpinnings and distributional impact of the financial architecture, especially with respect to (a) who decides, in whose interest? (b) the legitimacy of both decision-making processes and the policies which result; and (c) the links between the decision-making process and outcome.*

Case research reveals a familiar pattern (Baker, 2005; Cohen, 2003a, 2003b; Claessens and Underhill, 2006). Financial policy-making typically takes place in relatively closed policy communities in which central banks, finance ministries, regulatory agencies, and their private sector interlocutors consistently interact to determine the

scope of the market, the terms of competition, and the costs of supervision and regulation. While the decisions taken may affect a broad range of interests in society, the preferences which underpin policy outcomes are the product of a close alliance of private actors and autonomous state agencies, and accountability is limited. Enhancing the independence of central banks has most likely contributed to the situation. The public choice literature warns us that such arrangements run a persistent risk of policy capture.

Cross-border market integration has exacerbated the problem. The growing technical complexity of global markets has rendered public agencies dependent on the preferences of private agents and has contributed to the emergence of closed and *transnational* policy decision-making clubs. International level decision-making is yet further removed from traditional lines of democratic accountability. Decisions at the international level have become dominated by these policy communities rooted in but increasingly detached from the G-10 developed countries, manifested in the strong public policy preference for a market-oriented financial architecture. The policies of developed countries have thus tended to facilitate further cross-border integration accompanied by 'governance light' with little of the legal and regulatory framework normally associated with functioning domestic financial markets.

The punch line is that private actors, in particular large internationally-active financial institutions, have far more influence on financial architecture reform decision-making than developing country members of the BWIs. Those most successful in influencing decisions obviously derive the most benefit from them. Despite their pervasive influence on global supervisory and other standards, institutions such as the Basle Committee on Banking Supervision and the Financial Stability Forum (FSF) either exclude non-G-10 countries altogether or include a few 'reliable' outsiders (Australia, Singapore, and Hong Kong in the FSF), yet they regularly interact with private financial institutions. The rules of the game are clearly still

made by developed countries and their major financial institutions, which benefit considerably and have learned to cope with the uncertainties of cross-border financial integration. Yet the functioning of the international financial architecture imposes serious costs on developed economies (Bhagwati, 1998; Claessens and Underhill, 2006), the poorest citizens of which often bear brunt of adjustment in case of debt or financial crisis, and this conflicts directly with the widely-trailed goal of poverty alleviation and the reduction of inequality (Wade, 2004).

Political underpinnings: legitimacy and representation. Cross-border financial integration results in a considerable tension between what national policy makers are *required* to do in a democratic context and what they actually *can* do in the face of global financial constraints. Aggravated in the case of developing countries, this inefficiency of domestic policy-making shakes public confidence in national government, and leads negatively affected segments of the public to challenge the process of cross-border integration (globalization) itself. If international outcomes consistently enhance the problem, the institutions most associated with enforcing these outcomes at the global level, such as the IMF and financial architecture, will also be challenged. Yet 'going it alone', abandoning interdependence and the global economy, is very costly for skills- and capital-scarce developing economies, and creates serious costs for others in the GFA. Competing stand-alone policies exacerbate collective action problems *and* the inefficiency of national strategies.

The paradox is therefore that enhanced global governance is part of the solution. It involves pooling competences to resolve the dilemmas of national policy making born of cross-border market integration, also resolving collective action problems among agents at the international level, thus reducing the costs of both policy and market interdependence. However, cooperation will founder if policy does not attend to the issue of norms and legitimacy. If the institutions of global financial governance fail to improve outcomes,

collective goods provision will collapse in favour of competing national solutions which, as the 1930s demonstrated, are not very good for anyone.

What is to be done? What is legitimacy in this context?

The first point is that the problem of underlying norms and legitimacy needs to be addressed explicitly in the reform debate. Limiting reform to narrow technical issues facilitates the policy preferences of those most at home with such an agenda, excluding other interests and precluding more legitimate outcomes. The second point is that the question of legitimacy needs to be analysed in direct relation to the GFA policy process.

Legitimacy is an elusive concept; it is seldom clear when it is present and in what proportion, yet ever so clear when it is not. The starting point from Max Weber is that legitimacy is the *perception* of legitimacy, and is enhanced when the authority of political elites is accepted by the ruled, not merely based on coercion. Power relationships, rules, and outcomes must conform more or less to the shared norms and values of the political community, implying notions of justice or truth above and beyond crude patterns of self-interest. Dominant and vested interests must therefore be willing to take losses from time to time. Without a modicum of legitimacy, effective governance is greatly impaired and relies on raw, often coercive power relationships.

The literature also distinguishes between two elements integral to achieving political legitimacy: the *input* or process side versus the *output* or policy outcome side (Scharpf, 1999). The relationship between the two sides of the equation is an important but uneasy one. Consistently sound policy (legitimate output) might reduce the need for an acceptable process (input legitimacy), enhancing authoritarian regimes. A sound democratic process might be undermined by producing consistently bad policy outcomes, destabilizing the regime. In any event, legitimacy may be based on either or both of the following two factors. First, *specific* support (Easton, 1965,

p. 265) relates to support based on acceptable policy outcomes in the short term, and may compensate for a lack of input legitimacy or the lack of a coherent political community. Second, consistently legitimate processes and/or acceptable outcomes eventually confer on well-established political communities a reservoir of legitimacy or diffuse support over time (Easton, 1965, p. 273). Where diffuse support is present, even if authorities produce bad outcomes for some time, the reservoir will underpin the broad legitimacy of the regime as such, and specific support will prove less important.

If the emergence of governance across the domestic-regional-international divide is in fact part of the solution, this multi-level governance *does* complicate matters in terms of legitimacy. National authorities in functioning political systems may generally count on a considerable reservoir of diffuse support, but this is not the case for global level institutions. At the international level, the sense of community and belonging is weak, the lines of accountability distant, and underlying shared norms likely to be poorly developed.

This leads to two crucial arguments:

1. Generating *specific* support will be of prime importance for emerging patterns of global governance: this means that global financial governance needs to get the policies consistently right for enough of the people enough of the time!
2. Over time, *a more legitimate and inclusive process on the input side is likely to enhance the likelihood of better policies, and therefore more acceptable outcomes, on the output side*, in addition to enhancing the sense of political community and the emergence of a modicum of shared norms and values.

In other words, a lot can and must be done in the short term by achieving better policies, but that is not the end of the story. *As we think about legitimacy in global financial governance, we therefore need to think about **who** is included in the*

process, how a broad underlying consensus might be built, and thereby how to enhance the legitimacy of the outcome through sound policies appropriate to a wider range of interests, eventually building longer-term diffuse support for global financial governance. Even sound standards and policies will be unsuccessful if they are perceived as imposed by an unfair process.

Principles and forms of representation – enhancing the input side. Representation of the diversity of interests affected by patterns of multi-level financial governance now comes into focus. Specifically, policy-makers need to explore how forms of representation might best be employed to enhance the *input* legitimacy of global financial governance, increasing the likelihood of a more legitimate output side, in the longer term forging shared norms and enhancing the sense of political community in a multi-level setting. At the same time, the level of expertise in the policy process must not be diluted. No easy task.

Better representational patterns imply better linkages to democratic and other systems of accountability. A variety of principles and forms of representation may be identified, sometimes conflicting with and sometimes complementing each other. The most obvious principle is ‘one person – one vote’ (unwieldy in a global context), or ‘one member (state) – one vote’. But members of GFA institutions may be of differing economic and political importance, leading to the principle of representing members differentially according to e.g. *wealth* and/or *population*. That some members contribute more resources to institutions than others, voluntarily or according to the rules, gives rise to the idea of a ‘shareholder principle’ of representation related to the ‘property’ or proportional stake held by a participant. This principle may conflict with both the ‘one member – one vote’ and the ‘population size’ principle. Another principle is the representation of those whose common interests derive from the fact that they are most affected by decisions, such as the users of services (e.g. by monopoly providers), in the BWIs case, this means the debtors (who *really*

pays the highest price in adjustment?). A derivation of this in some contexts is 'corporatist' representation, wherein social partners are represented vis-à-vis other competing constituencies. Finally one may invoke the principle of minority representation to prevent possible 'tyranny of the majority'. The purpose is to strengthen representation of the numerically or otherwise weak and to grant them a formal role in decision-making. Processes which systematically exclude may be legitimate to a broad majority of the community, but can be prone to serious breakdown if coherent minorities rebel.

The most important point is that legitimate systems of governance at the domestic or international level employ a *mix* of these principles depending on the context. Yet if one observes the current BWIs, *only the shareholder principle is meaningfully employed in practice*. Even that is not applied properly, given the dramatic changes in the relative size of member country economies. The IMF 'basic vote' system reflects the 'one member – one vote' principle, but the basic votes of members have dwindled to effective insignificance. In other institutions with a global impact such as the Basle Committee, one member – one vote representation is even more exclusionary because membership is so limited. Such patterns of governance are reminiscent of apartheid or class systems wherein only particular types of people qualify as 'citizens' with a vote.

Different forms of representation represent different sorts of interests better than others, and the needs and preferences of groups of members may vary, leading to conflicting policy norms. Some may value stability, others risk; some may value long-run growth and development, or distributional justice. Representational systems employing mixed principles help to forge consensus among competing preferences. One point is clear: if outcomes consistently prove unacceptable to a broad range of interests engaged in multi-level patterns of governance, then the regional or global level institutions will be quickly depleted of any accumulated legitimacy and fatally weakened.

Local or national level communities will assert their claims more vigorously, leading to a decentralization of governance which further undermines the capacity of national instances to cope. This is likely to increase the level of conflict at the international level. Better outcomes will prove closely linked to a better process, which is why most democracies govern better.

Conclusion

Functioning global financial architecture is needed to resolve policy dilemmas at the national level born of cross-border financial market integration, even if these dilemmas were fostered by states in the first place. However, a range of emerging market economies are checking out of the Hotel Capital Mobility, revealing an urgent need to attend to the political and normative underpinnings of the system. The stakes are high, and global collective goods provision is more efficient than, for example, self-insurance through large foreign exchange reserves: as Summers, Rodrik, Rogoff, Obstfeld and others have recently argued in a range of forums, the cost of Asian reserves to their national economies is somewhere between 1 and 2 per cent of real GDP, at the least comparable to the expected gains from a successful Doha Round (see e.g. Summers, 2006).

Current global financial governance is deficient on both the input and the output sides of the equation. It reflects a narrow range of preferences and operates on the basis of the self-interest of the largest shareholders and their private constituencies, who make the rules in their own image. Better policies are certainly needed, and these are rendered more likely through better patterns of representation in the institutions of global financial governance, based on a broad mix of representational principles. More acceptable outcomes preserving the benefits of interdependence while reducing the worst of the costs will enhance development prospects, especially for poorer societies. Better development prospects means more growth and enhances the possibility of more social justice for all.

Policy recommendations

It is duly recognized that some of these proposals overlap with those proposed elsewhere; the list is not exhaustive but reflects and indeed goes beyond the analysis of this article. The aim is to emphasize the link between the need for a better process and the immediate need for better policy.

1 Concerning the shareholder principle specifically

- 1.1 correct the distortions of the shareholder principle as proposed in September 2006, and develop a new formula for automatic 5-year recalculation of votes to account for changing relative size of economies
- 1.2 the US must think seriously about an eventual end to its effective veto over amendments to the Articles; this should be traded off against a combined if substantially reduced EU vote where neither would claim a veto
- 1.3 the selection process for top jobs in particular at the BWIs needs to be taken out of the hands of the US and the EU members, and conducted in a transparent manner on the basis of merit

2 Apply a mix of representational principles to the (Executive) Boards of the BW institutions and other IFIs

- 2.1 increase basic votes to minimally 10% of the total and commit to maintaining that proportion over time to enhance the 'one member – one vote' aspect of representation;
- 2.2 add the 'population principle' to the calculation of votes to enhance the representation of citizens
- 2.3 institute the formal representation of social partners at annual meetings and in setting the broad outlines of policy in a range
- 2.4 the influence of the largest creditors should be balanced by the influence of the largest and other debtors: add enhanced but temporary representation for debtors as 'users' so that those who bear many of the risks and costs of

adjustment have more influence over policy (but *not* over the specifics of their own loan packages)

- 2.5 give a deliberate boost to the representation and votes of the poorest and weakest economies over and above increases in basic vote or the population principle referred to above
- 2.6 some mix of these principles should be extended to other standard-setting bodies involved in global financial governance

3 Improving the policy output side

- 3.1 recognize the importance of domestic social and political imperatives by enhancing the 'room to move' for national governments, e.g. promoting judicious use of controls on short-term capital flows
- 3.2 openly acknowledge the one-size-fits-all problem
- 3.3 calibrate lending conditionality to the level of economic development, and ensure that applied conditionality conforms to the goal of poverty alleviation
- 3.4 promote domestic development policies which have been successful historically, including degrees of domestic financial repression
- 3.5 facilitate adaptation of international standards to diverse national contexts and institutional/legal traditions
- 3.6 ensure sensitivity to regional conditions and organize regional policy forums

4 Take effective measures against the potential for policy capture

- 4.1 strong public oversight and enhanced accountability and transparency in the policy process to deal with the potential for capture
- 4.2 BW and other institutions must be sufficiently autonomous from major creditor countries to fulfil their mandate free of direct interference from powerful states and their private sectors
- 4.3 policies must also apply to members equally, not just to those too weak to resist

5 Debt workout

- 5.1 the failure of the SDRM has certainly not eliminated the need for more clarity in debt workout situations, including the issues of a payment stop and burden sharing
- 5.2 bondholders, treasuries, and the GFA are not the only parties, and the costs borne by the poor and poor economies in debt workout situations need explicit recognition
- 5.3 further debt relief for the poorest economies, with enhanced incentives for more aid versus loans for an appropriate policy mix for poverty alleviation, human capital development, and health and welfare provision

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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
CZK	Czech koruna
EUR	euro, from 1 January 1999
EUR-SIT	Slovenia has introduced the euro from 1 January 2007
HRK	Croatian kuna
HUF	Hungarian forint
PLN	Polish zloty
RON	Romanian leu
RUB	Russian rouble
SKK	Slovak koruna
UAH	Ukrainian hryvnia
USD	US dollar
M0	currency outside banks
M1	M0 + demand deposits
M2	M1 + quasi-money

Sources of statistical data:

National statistical offices and central banks; wiiw estimates.

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B U L G A R I A: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006		2007												
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	6.3	7.6	8.9	5.7	2.7	10.3	5.7	3.0	10.6	6.8	5.0	4.2	1.2	3.2	6.1	.
Industry, total ¹⁾	real, CCPY	6.7	7.6	8.3	7.3	6.1	7.0	6.7	6.2	6.7	6.7	6.6	6.3	5.8	3.2	4.9	.
Industry, total	real, 3MMA	7.2	7.5	7.3	5.7	6.2	6.2	6.2	6.4	6.7	7.4	5.3	3.4	2.8	3.5	.	.
LABOUR																	
Employees total	th. persons	2234	2201	2213	2237	2250	2265	2276	2305	2300	2293	2276	2271	2247	.	.	.
Employees in industry	th. persons	708	699	701	702	705	705	704	705	704	702	703	703	697	.	.	.
Unemployment, end of period	th. persons	397.3	432.3	426.2	401.5	378.9	355.3	340.1	331.8	323.8	312.8	310.4	321.9	337.8	358.1	351.2	330.3
Unemployment rate ²⁾	%	10.7	11.7	11.5	10.8	10.2	9.6	9.2	9.0	8.7	8.4	8.4	8.7	9.1	9.7	9.5	8.9
Labour productivity, industry ¹⁾	CCPY	3.4	10.6	11.1	10.1	8.8	9.6	9.3	8.7	9.2	9.2	8.9	8.6	8.0	.	.	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	4.6	-1.3	-1.5	-0.6	0.9	0.0	0.2	1.0	0.8	1.0	1.2	1.9	2.6	.	.	.
WAGES, SALARIES																	
Total economy, gross	BGN	340	324	322	340	343	346	345	350	349	363	354	361	388	.	.	.
Total economy, gross	real, CMPY	0.4	3.4	1.0	0.9	2.4	-0.1	1.5	2.6	5.4	6.1	5.7	5.9	7.2	.	.	.
Total economy, gross	USD	206	201	197	209	215	226	223	227	229	236	228	238	262	.	.	.
Total economy, gross	EUR	174	166	165	174	175	177	176	179	178	186	181	185	198	.	.	.
Industry, gross	EUR	175	167	168	179	178	176	182	182	182	190	185	190	199	.	.	.
PRICES																	
Consumer	PM	0.8	0.8	3.0	0.3	0.4	0.0	-1.6	-0.5	-0.2	0.3	1.3	1.4	1.2	1.4	0.5	-0.1
Consumer	CMPY	6.5	6.6	8.7	8.7	8.1	8.5	8.2	7.6	6.8	5.6	5.7	6.1	6.5	7.1	4.5	4.1
Consumer	CCPY	5.0	6.6	7.6	8.0	8.0	8.1	8.1	8.1	7.9	7.7	7.5	7.3	7.3	7.1	5.8	5.2
Producer, in industry ¹⁾	PM	0.7	-0.5	1.5	-0.2	1.8	3.1	0.3	0.9	0.3	0.7	-0.7	0.1	0.6	-0.8	0.1	1.4
Producer, in industry ¹⁾	CMPY	9.8	8.8	9.6	6.8	7.5	11.5	11.1	10.9	11.0	10.3	8.7	8.2	8.1	7.8	6.3	8.0
Producer, in industry ¹⁾	CCPY	7.0	8.8	9.2	8.4	8.1	8.8	9.2	9.5	9.6	9.7	9.6	9.5	9.4	7.8	7.1	7.4
FOREIGN TRADE³⁾⁴⁾																	
Exports total (fob), cumulated	EUR mn	9466	819	1696	2672	3668	4652	5711	6783	7850	8900	9960	11009	11983	866	1766	.
Imports total (cif), cumulated	EUR mn	14668	1233	2457	3936	5347	6870	8364	9960	11621	13149	14858	16558	18375	1416	2848	.
Trade balance, cumulated	EUR mn	-5201	-414	-761	-1264	-1679	-2218	-2653	-3177	-3771	-4248	-4898	-5549	-6392	-550	-1083	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-2622	-408	-650	-1094	-1458	-1752	-1840	-1886	-1982	-2195	-2713	-3203	-3978	-483	-913	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	1.650	1.614	1.638	1.627	1.597	1.532	1.546	1.542	1.527	1.538	1.551	1.519	1.480	1.506	1.496	1.477
BGN/EUR, monthly average	nominal	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
BGN/USD, calculated with CPI ⁶⁾	real, Jan03=100	119.8	122.5	124.0	124.6	126.3	131.0	127.5	126.9	127.6	127.7	128.9	133.7	138.5	137.7	138.4	140.1
BGN/USD, calculated with PPI ⁶⁾	real, Jan03=100	109.1	110.1	111.8	112.1	114.8	122.3	121.3	122.1	122.9	124.8	125.4	128.8	129.0	127.2	125.8	129.2
BGN/EUR, calculated with CPI ⁶⁾	real, Jan03=100	108.8	110.1	113.1	112.9	112.6	112.2	110.3	109.9	109.5	109.8	111.0	112.5	113.4	115.5	115.7	115.0
BGN/EUR, calculated with PPI ⁶⁾	real, Jan03=100	107.9	106.5	107.9	107.2	108.4	111.8	112.0	111.9	112.2	113.9	113.0	113.5	114.2	113.4	113.1	114.3
DOMESTIC FINANCE																	
M0, end of period ⁷⁾	BGN mn	5396	5092	5080	5113	5190	5284	5503	5687	5829	5917	5881	5825	6231	5901	5880	.
M1, end of period ⁷⁾	BGN mn	12443	11840	12058	12371	12430	13085	13444	14182	14505	14751	15022	15193	16078	15955	16002	.
Broad money, end of period ⁷⁾	BGN mn	25260	24633	25125	25558	25771	26568	27535	28183	28986	29611	30166	30361	32061	31780	32108	.
Broad money, end of period	CMPY	23.9	20.0	21.1	10.1	17.1	18.4	20.9	21.4	22.5	24.7	26.0	26.5	26.9	29.0	27.8	.
BNB base rate (p.a.) ^{end of period}	%	2.1	2.2	2.3	2.3	2.5	2.6	2.6	2.7	2.8	3.0	3.0	3.2	3.3	3.5	3.6	3.6
BNB base rate (p.a.) ^{end of period⁸⁾}	real, %	-7.0	-6.0	-6.7	-4.2	-4.7	-8.0	-7.6	-7.3	-7.3	-6.7	-5.2	-4.6	-4.5	-4.0	-2.6	-4.1
BUDGET																	
Central gov.budget balance _{zum.}	BGN mn	1333.9	137.0	457.7	619.9	978.8	1237.7	1454.9	1606.3	1941.0	2042.4	2229.0	2413.8	1812.9	133.9	-102.3	.

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.

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006											2007			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	7.3	15.6	11.6	17.1	3.5	12.0	10.4	12.0	7.4	5.5	12.6	7.6	3.0	10.7	15.4	.
Industry, total ¹⁾	real, CCPY	6.7	15.6	13.6	14.9	11.9	11.9	11.6	11.7	11.2	10.5	10.7	10.4	9.8	10.7	13.0	.
Industry, total ¹⁾	real, 3MMA	10.9	11.4	14.9	10.7	10.9	8.7	11.4	9.9	8.1	8.5	8.5	7.8	7.2	9.7	.	.
Construction, total	real, CMPY	8.6	-1.2	-8.2	8.7	-3.0	10.5	10.0	12.2	6.4	4.2	7.2	7.7	15.4	29.2	32.5	.
LABOUR																	
Employees in industry ²⁾	th. persons	1141	1132	1137	1141	1140	1141	1142	1145	1148	1142	1146	1147	1140	1154	1160	.
Unemployment, end of period	th. persons	510.4	531.2	528.2	514.8	486.2	463.0	451.1	458.3	458.7	454.2	439.8	432.6	448.5	465.5	454.7	430.5
Unemployment rate ³⁾	%	8.9	9.2	9.1	8.8	8.3	7.9	7.7	7.9	7.9	7.8	7.4	7.3	7.7	7.9	7.7	7.3
Labour productivity, industry ^{2,4)}	CCPY	8.2	14.6	12.2	13.6	10.6	10.7	10.3	10.4	9.9	9.4	9.7	9.6	9.2	9.1	11.4	.
Unit labour costs, exch.r. adj.(EUR) ^{2,4)}	CCPY	3.5	-2.1	-0.2	-1.7	0.8	1.4	1.8	1.7	2.0	2.0	1.9	1.9	2.0	3.2	-1.2	.
WAGES, SALARIES																	
Industry, gross ²⁾	CZK	19629	18024	17308	18830	18564	20065	19712	19268	19061	19995	19605	22754	20931	19892	18709	.
Industry, gross ²⁾	real, CMPY	1.5	3.3	3.1	3.7	2.4	4.7	3.2	2.6	2.4	1.9	6.2	4.3	3.2	7.7	5.2	.
Industry, gross ²⁾	USD	803	759	727	790	798	906	878	859	866	897	874	1046	996	929	866	.
Industry, gross ²⁾	EUR	677	628	609	657	651	710	694	677	676	705	693	812	754	714	663	.
PRICES																	
Consumer	PM	-0.1	1.4	0.1	-0.1	0.1	0.5	0.3	0.4	0.2	-0.7	-0.5	-0.1	0.2	1.0	0.3	0.3
Consumer	CMPY	2.2	2.9	2.8	2.8	2.8	3.1	2.8	2.9	3.1	2.7	1.3	1.5	1.7	1.3	1.5	1.9
Consumer	CCPY	1.9	2.9	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	2.7	2.6	2.5	1.3	1.4	1.6
Producer, in industry	PM	-0.6	1.0	0.2	0.1	0.3	0.3	0.2	0.7	0.3	-0.2	0.0	-0.2	0.0	1.2	0.5	0.5
Producer, in industry	CMPY	-0.4	0.3	0.3	0.3	0.5	1.6	1.9	2.4	2.7	2.3	1.9	2.0	2.6	2.9	3.2	3.6
Producer, in industry	CCPY	3.0	0.3	0.3	0.3	0.4	0.6	0.8	1.1	1.3	1.4	1.4	1.5	1.6	2.9	3.0	3.2
RETAIL TRADE																	
Turnover	real, CMPY	2.1	7.0	7.4	6.5	5.1	7.1	6.2	6.3	7.3	4.9	8.9	6.5	4.4	7.6	9.4	.
Turnover	real, CCPY	4.0	7.0	7.2	7.0	6.5	6.6	6.6	6.5	6.6	6.4	6.7	6.6	6.4	7.6	8.5	.
FOREIGN TRADE^{5,6)}																	
Exports total (fob), cumulated	EUR mn	62734	5714	11330	17928	23601	30042	36524	42169	48052	54700	62066	69525	75657	6707	13462	.
Imports total (fob), cumulated	EUR mn	61437	5297	10741	17021	22744	29139	35355	41085	47013	53371	60584	67861	74091	6313	12586	.
Trade balance, cumulated	EUR mn	1297	417	589	907	857	904	1169	1084	1038	1328	1482	1664	1567	394	876	.
Exports to EU-27 (fob), cumulated	EUR mn	53634	4899	9691	15269	20132	25662	31214	36047	41063	46766	53081	59507	64697	5816	11626	.
Imports from EU-27 (fob) ⁷⁾ , cumulated	EUR mn	43951	3682	7542	12064	16098	20678	25111	29203	33295	37762	42871	47984	52365	4422	8918	.
Trade balance with EU-27, cumulated	EUR mn	9684	1217	2149	3205	4035	4985	6103	6844	7768	9003	10210	11523	12332	1394	2708	.
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-2587	151	131	240	-242	-463	-1393	-2154	-2546	-2933	-3777	-4187	-4720	197	339	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	24.4	23.7	23.8	23.8	23.3	22.1	22.4	22.4	22.0	22.3	22.4	21.8	21.0	21.4	21.6	21.2
CZK/EUR, monthly average	nominal	29.0	28.7	28.4	28.6	28.5	28.3	28.4	28.2	28.2	28.3	28.0	28.0	27.8	27.8	28.2	28.1
CZK/USD, calculated with CPI ⁸⁾	real, Jan03=100	118.3	122.6	122.1	121.2	123.3	129.5	127.8	128.0	130.5	128.5	127.8	131.9	136.5	134.9	133.4	136.3
CZK/USD, calculated with PPI ⁸⁾	real, Jan03=100	108.7	112.2	113.8	113.5	115.2	120.3	118.6	118.9	120.9	120.9	122.6	123.8	127.4	127.9	125.1	128.2
CZK/EUR, calculated with CPI ⁸⁾	real, Jan03=100	107.5	110.4	111.4	109.8	109.8	110.9	110.6	111.0	112.0	110.4	110.1	110.9	111.7	113.1	111.5	111.9
CZK/EUR, calculated with PPI ⁸⁾	real, Jan03=100	107.5	108.6	109.8	108.5	108.7	109.9	109.5	109.0	110.3	110.3	110.5	111.7	112.7	114.0	112.5	113.4
DOMESTIC FINANCE																	
M0, end of period	CZK bn	263.8	261.8	264.8	267.3	272.7	273.3	279.9	279.1	282.4	287.5	287.1	292.0	295.3	292.2	296.7	300.8
M1, end of period	CZK bn	1087.3	1099.9	1103.5	1086.0	1111.0	1160.7	1141.3	1177.8	1193.0	1180.5	1220.3	1241.9	1239.8	1257.3	1267.5	1239.5
M2, end of period	CZK bn	1992.1	1989.6	2002.2	2011.2	2051.9	2061.5	2073.2	2073.2	2099.7	2094.9	2124.4	2142.4	2188.6	2191.6	2215.3	2222.5
M2, end of period	CMPY	8.0	8.9	8.6	9.0	9.0	7.8	8.4	8.6	9.3	9.2	9.9	9.0	9.9	10.2	10.6	10.5
Discount rate (p.a.), end of period	%	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Discount rate (p.a.), end of period ⁹⁾	real, %	1.4	0.7	0.7	0.7	0.5	-0.5	-0.9	-1.2	-1.5	-0.8	-0.4	-0.5	-1.1	-1.3	-1.6	-2.0
BUDGET																	
Central gov. budget balance, cum.	CZK mn	-56338	3427	-557	15754	-19955	-12202	7642	-445	-6440	1490	-12670	-30920	-97310	5030	-6730	11260

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 2005 to 2007

(updated end of April 2007)

		2005	2006											2007			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	5.7	13.2	11.2	15.3	1.9	10.5	8.7	12.1	9.3	9.3	10.6	10.7	8.7	10.9	10.7	.
Industry, total	real, CCPY	6.9	13.2	12.2	13.3	10.3	10.4	10.1	10.4	10.2	10.1	10.2	10.2	10.1	10.9	10.8	.
Industry, total	real, 3MMA	8.8	9.9	13.3	9.5	9.3	7.1	10.4	10.0	10.2	9.8	10.2	10.1	10.1	10.1	.	.
Construction, total	real, CMPY	14.6	12.2	-3.2	15.5	-7.6	-8.1	-8.0	1.1	-3.5	-4.8	7.5	-5.0	-2.1	-2.9	9.5	.
LABOUR																	
Employees in industry ¹⁾	th. persons	753.3	751.6	752.5	751.7	749.2	750.5	753.4	754.0	752.9	752.4	754.7	753.3	749.8	740.8	751.6	.
Unemployment ²⁾	th. persons	309.9	317.6	326.5	323.6	318.5	309.4	305.7	311.1	314.5	318.3	317.3	321.0	319.6	317.5	312.5	316.3
Unemployment rate ²⁾	%	7.3	7.5	7.8	7.7	7.5	7.3	7.2	7.3	7.4	7.5	7.4	7.5	7.5	7.5	7.4	7.5
Labour productivity, industry ¹⁾	CCPY	10.7	17.1	15.6	16.4	13.4	13.2	12.7	12.9	12.6	12.3	12.3	12.2	11.9	12.8	11.9	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	-1.7	-9.6	-9.1	-10.4	-9.1	-8.7	-9.0	-10.1	-10.2	-10.5	-10.1	-9.9	-9.0	-2.9	-2.7	.
WAGES, SALARIES																	
Total economy, gross ¹⁾	HUF th	179.9	195.6	157.3	162.5	162.1	166.2	165.9	164.4	164.4	161.0	167.2	187.6	201.3	209.4	166.2	.
Total economy, gross ¹⁾	real, CMPY	2.1	3.4	5.9	5.2	5.6	3.7	3.7	5.4	7.0	1.1	2.9	0.3	5.1	-0.7	-2.9	.
Total economy, gross ¹⁾	USD	845	944	747	749	750	809	772	751	768	746	789	934	1047	1073	857	.
Total economy, gross ¹⁾	EUR	712	780	625	623	611	633	610	592	600	586	625	725	792	825	656	.
Industry, gross ¹⁾	EUR	664	592	588	622	590	650	604	567	598	575	611	734	734	648	637	.
PRICES																	
Consumer	PM	0.0	0.1	0.2	0.6	0.7	1.0	0.3	0.2	0.0	2.5	0.5	0.2	0.1	1.2	1.2	0.8
Consumer	CMPY	3.3	2.7	2.5	2.3	2.3	2.8	2.8	3.0	3.5	5.9	6.3	6.4	6.5	7.8	8.8	9.0
Consumer	CCPY	3.6	2.7	2.6	2.5	2.5	2.5	2.6	2.6	2.7	3.1	3.4	3.7	3.9	7.8	8.3	8.5
Producer, in industry	PM	0.0	0.6	0.1	1.8	1.1	0.1	2.4	1.2	0.3	0.1	-1.0	-1.1	-0.9	0.2	0.0	-0.6
Producer, in industry	CMPY	4.5	4.3	4.4	5.4	5.8	5.3	7.9	9.5	9.7	9.0	7.0	5.5	4.5	4.3	4.2	2.0
Producer, in industry	CCPY	4.3	4.3	4.3	4.7	5.0	5.0	5.5	6.1	6.5	6.8	6.8	6.7	6.5	4.3	4.3	3.5
RETAIL TRADE																	
Turnover	real, CMPY	3.5	7.5	6.0	2.9	5.7	5.5	4.0	4.0	5.7	3.6	2.3	2.2	1.8	1.2	0.1	.
Turnover	real, CCPY	5.5	7.5	6.7	5.3	5.4	5.4	5.2	5.0	5.1	4.9	4.6	4.4	4.1	1.2	0.6	.
FOREIGN TRADE³⁾⁴⁾																	
Exports total (fob), cumulated	EUR mn	50090	4198	8412	13542	17935	22984	27958	32454	36943	42351	47826	53643	58470	5051	10232	.
Imports total (cif), cumulated	EUR mn	52993	4352	8820	14188	18778	23960	28970	33798	38593	44046	49624	55533	60447	5241	10526	.
Trade balance, cumulated	EUR mn	-2903	-154	-408	-647	-843	-976	-1012	-1344	-1650	-1695	-1799	-1890	-1978	-191	-295	.
Exports to EU-27 (fob), cumulated	EUR mn	40482	3403	6812	10862	14352	18350	22298	25889	29347	33536	37873	42440	46088	4128	8257	.
Imports from EU-27 (cif) ⁵⁾ , cumulated	EUR mn	37093	2976	6102	9929	13036	16756	20380	23785	27056	30873	34751	38827	42251	3624	7379	.
Trade balance with EU-27, cumulated	EUR mn	3389	427	710	933	1316	1595	1918	2104	2291	2663	3122	3613	3837	504	878	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-5197	.	.	-1455	.	.	-2925	.	.	-4080	.	.	-5197	.	.	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	213.0	207.1	210.6	216.9	216.3	205.5	214.9	218.8	214.0	215.7	211.8	200.8	192.3	195.2	193.9	188.7
HUF/EUR, monthly average	nominal	252.7	250.9	251.6	260.8	265.3	262.5	271.9	277.6	274.3	274.7	267.3	258.9	254.1	253.8	253.4	249.8
HUF/USD, calculated with CPI ⁶⁾	real, Jan03=100	112.1	114.5	112.6	109.5	109.5	115.9	110.9	108.8	111.0	113.5	116.7	123.6	129.0	128.2	129.8	134.4
HUF/USD, calculated with PPI ⁶⁾	real, Jan03=100	98.2	100.7	100.7	99.3	99.4	103.8	101.4	100.3	102.3	103.1	106.1	108.6	111.7	111.5	110.2	112.5
HUF/EUR, calculated with CPI ⁶⁾	real, Jan03=100	101.8	103.1	102.7	99.2	97.5	99.2	96.0	94.3	95.3	97.4	100.6	103.9	105.6	107.5	108.6	110.4
HUF/EUR, calculated with PPI ⁶⁾	real, Jan03=100	97.1	97.5	97.1	95.0	93.7	94.9	93.7	91.9	93.3	94.1	95.6	98.0	98.9	99.3	99.1	99.6
DOMESTIC FINANCE																	
M0, end of period ⁷⁾	HUF bn	1600.3	1551.4	1555.5	1622.7	1663.9	1661.5	1724.9	1730.3	1762.8	1788.6	1754.7	1820.7	1838.3	1772.2	1769.0	1805.5
M1, end of period ⁷⁾	HUF bn	5188.8	4863.8	4959.2	5318.2	5323.4	5358.3	5573.2	5610.9	5612.6	5628.3	5501.8	5688.5	5835.5	5588.1	5580.6	5614.3
Broad money, end of period ⁷⁾	HUF bn	11230.7	11231.9	11384.8	11936.6	11785.5	11758.8	12142.8	12200.3	11221.2	12282.8	12231.1	12454.3	12758.8	12639.1	12617.9	12755.7
Broad money, end of period ⁷⁾	CMPY	14.5	16.3	16.7	19.8	15.9	14.4	18.4	17.7	7.2	15.6	14.6	14.1	13.6	12.5	10.8	6.9
NBH base rate (p.a.), end of period	%	6.0	6.0	6.0	6.0	6.0	6.0	6.3	6.8	7.3	7.8	8.0	8.0	8.0	8.0	8.0	8.0
NBH base rate (p.a.), end of period ⁸⁾	real, %	1.4	1.6	1.5	0.6	0.2	0.7	-1.5	-2.5	-2.2	-1.1	0.9	2.4	3.3	3.5	3.6	5.9
BUDGET																	
Central gov. budget balance _{cum.}	HUF bn	-545.0	-144.4	-440.6	-682.7	-794.2	-859.7	-1158.4	-1141.3	-1266.7	-1323.0	-1384.7	-1465.9	-1959.2	-247.8	-507.6	-524.4

1) Economic organizations employing more than 5 persons. Including employees with second or more jobs.

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

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 dispatch.

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

7) According to ECB monetary standards.

8) Deflated with annual PPI.

P O L A N D: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006											2007			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry ¹⁾	real, CMPY	9.5	9.7	10.2	16.5	5.7	19.1	12.2	14.3	12.6	11.5	14.8	12.0	5.9	15.5	13.0	11.3
Industry ¹⁾	real, CCPY	4.1	9.7	10.0	12.3	10.6	12.3	12.2	12.5	12.5	12.4	12.7	12.6	12.0	15.5	14.2	13.1
Industry ¹⁾	real, 3MMA	9.2	9.8	12.3	10.8	13.7	12.2	15.1	13.0	12.7	13.0	12.8	10.9	11.0	11.3	13.1	.
Construction ¹⁾	real, CMPY	8.2	-7.9	-3.4	15.7	4.1	13.3	15.7	4.9	15.4	21.1	28.7	23.4	17.9	60.7	56.6	39.1
LABOUR																	
Employees ¹⁾	th. persons	4799	4862	4861	4870	4889	4901	4918	4928	4943	4957	4971	4986	4995	5048	5070	5089
Employees in industry ¹⁾	th. persons	2430	2457	2458	2464	2468	2471	2478	2484	2490	2495	2502	2507	2507	2530	2542	2552
Unemployment, end of period	th. persons	2773.0	2866.7	2865.9	2822.0	2703.6	2583.0	2487.6	2443.4	2411.6	2363.6	2301.8	2287.3	2309.4	2365.8	2331.1	2232.5
Unemployment rate ²⁾	%	17.6	18.0	18.0	17.8	17.2	16.5	16.0	15.7	15.5	15.2	14.9	14.8	14.9	15.1	14.9	14.4
Labour productivity, industry ¹⁾	CCPY	3.0	8.0	8.3	10.5	8.8	10.4	10.3	10.4	10.3	10.1	10.3	10.2	9.5	12.2	10.7	9.5
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	13.0	1.9	1.7	-0.7	1.1	0.3	-0.4	-0.5	-0.5	-0.9	-1.4	-1.5	-0.7	-4.1	-4.6	-2.5
WAGES, SALARIES																	
Total economy, gross ¹⁾	PLN	2789	2471	2526	2614	2570	2550	2625	2648	2612	2611	2658	2760	3027	2664	2687	2853
Total economy, gross ¹⁾	real, CMPY	1.2	3.2	4.3	5.1	3.4	4.4	3.7	4.5	3.7	3.9	3.8	1.8	7.2	6.3	4.8	6.7
Total economy, gross ¹⁾	USD	858	782	796	811	804	836	828	841	858	838	860	928	1048	893	902	972
Total economy, gross ¹⁾	EUR	723	646	666	675	656	655	654	662	669	658	681	721	794	687	690	734
Industry, gross ¹⁾	EUR	738	648	678	681	661	661	664	679	676	662	674	738	816	697	703	743
PRICES																	
Consumer	PM	-0.2	0.2	0.0	-0.1	0.7	0.5	-0.3	0.0	0.3	0.2	0.1	0.0	-0.2	0.4	0.3	0.5
Consumer	CMPY	0.7	0.6	0.7	0.4	0.7	0.9	0.8	1.1	1.6	1.6	1.2	1.4	1.4	1.6	1.9	2.5
Consumer	CCPY	2.2	0.6	0.6	0.8	0.8	0.9	1.0	1.0	1.1	1.1	1.2	1.2	1.2	1.6	1.8	2.0
Producer, in industry	PM	-0.7	0.2	-0.1	0.7	1.5	0.4	0.9	0.7	-0.1	0.0	-0.5	-0.7	-0.5	0.6	0.3	0.5
Producer, in industry	CMPY	0.2	0.3	0.7	0.9	1.7	2.3	3.0	3.5	3.3	3.6	3.2	2.5	2.6	3.1	3.5	3.3
Producer, in industry	CCPY	0.7	0.3	0.5	0.6	0.9	1.2	1.5	1.8	1.9	2.1	2.2	2.2	2.2	3.1	3.4	3.1
RETAIL TRADE																	
Turnover ¹⁾	real, CMPY	6.2	8.6	9.9	10.1	13.3	13.4	10.5	10.8	10.9	14.4	13.9	14.1	13.7	16.3	16.9	17.7
Turnover ¹⁾	real, CCPY	1.5	8.6	9.6	9.0	10.1	10.6	10.5	10.8	11.1	11.6	11.9	11.8	11.9	16.3	16.6	17.4
FOREIGN TRADE^{3,4)}																	
Exports total (fob), cumulated	EUR mn	71744	6426	13007	20439	27208	34574	42018	48962	55976	64045	72610	80985	87888	7442	14834	.
Imports total (cif), cumulated	EUR mn	81536	7146	14521	23016	30500	39163	47447	55588	63672	72658	82396	91868	100380	8439	16380	.
Trade balance, cumulated	EUR mn	-9791	-719	-1513	-2577	-3292	-4589	-5429	-6625	-7696	-8613	-9787	-10883	-12493	-997	-1546	.
Exports to EU-27 (fob), cumulated	EUR mn	56476	5290	10522	16401	21760	27627	33413	38947	44339	50701	57382	64019	69258	6205	12130	.
Imports from EU-27 (cif) ⁵⁾ , cumulated	EUR mn	54041	4496	9218	14774	19571	25197	30588	35912	40847	46440	52599	58613	63804	5533	10823	.
Trade balance with EU-27, cumulated	EUR mn	2435	795	1304	1627	2189	2430	2825	3036	3492	4262	4783	5405	5454	672	1307	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-4125	-211	-1050	-1406	-2003	-2377	-2677	-3204	-3850	-3628	-4356	-5094	-6295	-733	-1157	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	3.252	3.160	3.174	3.223	3.198	3.049	3.171	3.149	3.045	3.115	3.092	2.974	2.887	2.984	2.980	2.936
PLN/EUR, monthly average	nominal	3.856	3.825	3.794	3.875	3.919	3.894	4.016	3.997	3.901	3.970	3.903	3.830	3.813	3.879	3.896	3.887
PLN/USD, calculated with CPI ⁶⁾	real, Jan03=100	115.9	118.5	117.8	115.3	116.0	121.6	116.4	116.8	120.9	119.0	120.7	125.7	129.0	124.9	124.7	127.2
PLN/USD, calculated with PPI ⁶⁾	real, Jan03=100	106.4	108.8	109.9	108.8	109.8	114.6	111.0	112.0	115.0	114.1	116.8	118.3	120.5	118.6	116.9	119.2
PLN/EUR, calculated with CPI ⁶⁾	real, Jan03=100	105.1	106.6	107.2	104.3	103.2	104.0	100.4	101.0	103.6	102.0	103.8	105.6	105.5	104.6	104.1	104.3
PLN/EUR, calculated with PPI ⁶⁾	real, Jan03=100	105.1	105.2	105.8	103.8	103.5	104.6	102.2	102.4	104.8	103.9	105.0	106.6	106.5	105.5	105.0	105.4
DOMESTIC FINANCE																	
M0, end of period	PLN bn	57.2	55.3	56.3	58.4	61.3	61.2	64.2	64.9	64.9	66.2	66.3	66.0	68.8	67.6	68.6	70.2
M1, end of period ⁷⁾	PLN bn	208.0	204.5	211.5	209.7	209.7	223.8	226.2	233.1	235.5	239.4	240.3	249.4	260.6	261.7	268.6	270.2
Broad money, end of period ⁷⁾	PLN bn	412.5	406.6	416.1	417.6	423.2	433.1	437.9	440.3	447.2	453.1	458.6	465.7	477.0	485.3	490.6	492.8
Broad money, end of period ⁷⁾	CMPY	11.6	10.4	11.7	9.8	9.6	10.1	11.9	13.0	12.9	13.0	12.3	14.4	15.6	19.3	17.9	18.0
Discount rate (p.a.), end of period	%	4.8	4.8	4.5	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
Discount rate (p.a.), end of period ⁸⁾	real, %	4.5	4.4	3.8	3.3	2.5	1.9	1.2	0.7	0.9	0.6	1.0	1.7	1.6	1.1	0.7	0.9
BUDGET																	
Central gov. budget balance, cum.	PLN mn	-27495	772	-6716	-9275	-10070	-14718	-17694	-15543	-14483	-14610	-16637	-18581	-25084	3144	-2992	-4842

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.

R O M A N I A: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006		2007												
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	2.2	5.4	4.3	4.3	0.6	16.0	10.7	10.0	6.8	6.2	10.2	7.3	3.9	4.7	10.2	.
Industry, total ¹⁾	real, CCPY	2.0	5.4	4.9	4.7	3.6	6.1	6.9	7.3	7.2	7.1	7.4	7.4	7.2	4.7	7.3	.
Industry, total ¹⁾	real, 3MMA	3.0	3.9	4.7	3.1	6.8	9.0	12.2	9.2	7.6	7.8	7.9	7.3	5.4	6.2	.	.
Construction, total	real, CCPY	8.2	20.5	20.0	20.9	18.3	17.2	17.5	17.3	17.7	18.0	18.2	18.6	19.3	27.2	27.9	.
LABOUR																	
Employees total ¹⁾	th. persons	4501.2	4556.2	4565.6	4582.0	4589.7	4604.0	4612.2	4617.4	4615.3	4608.5	4601.7	4603.4	4575.0	4647.0	4671.3	.
Employees in industry ¹⁾	th. persons	1652.3	1684.0	1680.8	1678.5	1666.7	1663.9	1653.1	1645.3	1640.4	1628.3	1623.0	1616.1	1602.5	1598.0	1607.4	.
Unemployment, end of period	th. persons	523.0	548.0	554.6	545.9	512.3	481.2	465.9	446.8	446.5	440.2	453.5	456.0	460.5	477.3	459.0	.
Unemployment rate ²⁾	%	5.9	6.1	6.2	6.1	5.8	5.4	5.2	5.0	5.0	4.9	5.1	5.1	5.2	5.4	5.2	.
Labour productivity, industry ¹⁾	CCPY	5.4	9.2	8.8	8.6	7.6	10.1	10.9	11.3	11.1	11.0	11.2	11.1	10.6	10.1	12.6	.
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	24.0	9.5	10.0	11.8	12.0	9.0	7.7	6.8	6.5	6.2	6.2	6.6	7.5	15.7	13.3	.
WAGES, SALARIES																	
Total economy, gross ¹⁾	RON	1121.0	1100.0	1017.0	1101.0	1120.0	1109.0	1112.0	1122.0	1122.0	1148.0	1155.0	1213.0	1481.0	1232.0	1264.0	.
Total economy, gross ¹⁾	real, CMPY	6.0	6.2	7.1	10.4	7.7	9.8	10.0	10.4	9.9	12.8	13.2	13.9	26.0	7.7	19.7	.
Total economy, gross ¹⁾	USD	364	366	343	377	393	404	397	398	407	415	414	447	573	471	488	.
Total economy, gross ¹⁾	EUR	306	302	287	314	321	316	313	314	318	325	328	347	434	363	374	.
Industry, gross ¹⁾	EUR	296	262	268	302	301	299	300	305	313	316	315	327	369	334	343	.
PRICES																	
Consumer	PM	0.5	1.0	0.2	0.2	0.4	0.6	0.2	0.1	-0.1	0.1	0.2	1.1	0.7	0.2	0.0	0.1
Consumer	CMPY	8.6	8.9	8.5	8.4	6.9	7.3	7.1	6.2	6.0	5.5	4.8	4.7	4.9	4.0	3.8	3.7
Consumer	CCPY	9.0	8.9	8.7	8.6	8.2	8.0	7.8	7.6	7.4	7.2	6.9	6.7	6.6	4.0	3.9	3.8
Producer, in industry	PM	-0.1	1.4	1.1	0.4	1.8	1.5	1.1	0.8	1.2	-0.2	0.4	0.9	0.4	0.1	0.0	.
Producer, in industry	CMPY	9.6	9.8	11.7	11.3	10.6	11.7	12.9	12.9	13.0	12.0	10.7	10.9	11.6	10.0	8.8	.
Producer, in industry	CCPY	10.5	9.8	10.7	10.9	10.8	11.0	11.3	11.5	11.7	11.7	11.6	11.6	11.6	10.0	9.4	.
RETAIL TRADE																	
Turnover	real, CMPY	30.3	25.4	26.7	24.0	16.3	32.1	28.4	28.5	21.5	26.1	22.8	20.2	19.9	0.6	-4.8	.
Turnover	real, CCPY	17.6	25.4	26.1	25.3	22.8	24.7	25.3	25.8	25.2	25.3	25.0	24.6	24.0	0.6	-2.2	.
FOREIGN TRADE³⁾																	
Exports total (fob), cumulated	EUR mn	22255	1775	3879	6218	8091	10398	12678	14901	16963	19171	21429	23893	25851	2047	4364	.
Imports total (cif), cumulated	EUR mn	32569	2413	5280	8569	11514	15045	18527	21979	25342	28725	32610	36684	40746	3278	6931	.
Trade balance, cumulated	EUR mn	-10313	-638	-1400	-2351	-3423	-4647	-5849	-7079	-8379	-9554	-11180	-12791	-14895	-1231	-2567	.
Exports to EU-27 (fob), cumulated	EUR mn	15636	1295	2797	4441	5708	7251	8846	10437	11822	13442	15078	16896	18228	1497	3142	.
Imports from EU-27 (cif) ⁴⁾ , cumulated	EUR mn	20633	1481	3201	5258	7077	9386	11685	13945	16026	18198	20731	23355	25944	2314	4972	.
Trade balance with EU-27, cumulated	EUR mn	-4996	-185	-404	-817	-1369	-2135	-2840	-3509	-4204	-4757	-5654	-6459	-7716	-817	-1830	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-6888	-292	-770	-1358	-2060	-2912	-3744	-4522	-5466	-6301	-7399	-8560	-9973	-920	-2049	.
EXCHANGE RATE																	
RON/USD, monthly average	nominal	3.084	3.006	2.963	2.918	2.849	2.745	2.801	2.817	2.753	2.769	2.789	2.714	2.583	2.613	2.588	2.545
RON/EUR, monthly average	nominal	3.659	3.645	3.540	3.507	3.491	3.507	3.548	3.572	3.528	3.527	3.519	3.495	3.414	3.394	3.382	3.369
RON/USD, calculated with CPI ⁵⁾	real, Jan03=100	134.1	137.8	139.9	141.7	144.4	150.0	146.9	145.8	148.8	148.7	148.7	154.9	163.5	161.5	162.2	165.1
RON/USD, calculated with PPI ⁵⁾	real, Jan03=100	133.6	137.9	143.5	146.1	150.3	157.0	155.2	154.9	159.4	160.6	163.5	166.4	174.5	174.5	172.9	.
RON/EUR, calculated with CPI ⁵⁾	real, Jan03=100	121.9	124.2	127.8	128.6	128.9	128.7	127.2	126.6	127.9	128.4	130.6	134.1	135.8	135.9	135.7	.
RON/EUR, calculated with PPI ⁵⁾	real, Jan03=100	132.3	133.5	138.7	139.9	142.2	143.7	143.4	142.2	145.8	146.8	147.6	150.5	154.7	156.0	155.8	.
DOMESTIC FINANCE																	
M0, end of period ⁶⁾	RON mn	11386	10977	11165	11480	12471	12595	13557	13926	13959	14423	13955	13937	15130	13491	14163	14986
M1, end of period ⁶⁾	RON mn	24551	23560	23508	23843	24593	26080	27781	28930	29771	30406	30574	30606	35372	51639	52282	54819
M2, end of period	RON mn	86332	85727	85677	87528	88034	91747	95054	95888	98302	99346	100619	101940	111711	106656	109639	112754
M2, end of period	CMPY	33.9	35.8	31.4	28.8	27.4	27.5	28.1	29.4	28.1	23.9	24.1	25.2	29.4	24.4	28.0	28.8
Discount rate (p.a.) ^{end of period⁷⁾}	%	7.5	7.5	7.5	8.5	8.5	8.5	8.5	8.5	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.1
Discount rate (p.a.) ^{end of period⁸⁾}	real, %	-1.9	-2.1	-3.8	-2.5	-1.9	-2.8	-3.7	-3.9	-3.7	-2.9	-1.7	-2.0	-2.5	-1.2	-0.1	.
BUDGET																	
Central gov. budget balance, cum.	RON mn	-2182.9	850.9	851.4	472.6	674.3	830.9	-444.7	555.7	-8.1	-550.4	440.7	-1284.4	-10537.5	200.4	-2458.9	.

1) Enterprises with more than 3 employees.

2) Ratio of unemployed to economically active population as of December of previous year.

3) Cumulation starting January and ending December each year.

4) From January 2007 country of dispatch (country of origin before).

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

6) Up to Dec 2006 currency outside banks, from January 2007 according to ECB methodology.

7) Reference rate of RNB.

8) Deflated with annual PPI.

S L O V A K REPUBLIC: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006										2007				
			Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	8.7	7.3	4.8	16.0	3.5	10.9	12.1	9.9	14.4	8.6	12.1	9.9	7.2	18.7	15.6	.
Industry, total	real, CCPY	3.6	7.3	6.1	9.5	8.0	8.6	9.2	9.3	9.9	9.8	10.0	10.0	9.8	18.7	17.2	.
Industry, total	real, 3MMA	7.2	6.9	9.5	8.2	10.2	8.9	11.0	12.1	10.9	11.6	10.2	9.8	11.9	13.8	.	.
Construction, total	real, CMPY	0.5	4.6	19.9	18.0	11.6	20.2	16.3	17.2	21.1	11.4	9.3	12.1	17.6	24.2	25.6	.
LABOUR																	
Employment in industry	th. persons	579.6	556.3	557.7	559.4	564.3	568.5	571.6	572.9	574.6	577.1	577.7	578.8	576.7	582.6	584.0	.
Unemployment, end of period	th. persons	333.8	342.4	337.3	329.3	315.6	302.6	296.5	291.3	282.0	279.9	271.0	268.8	273.4	279.0	273.5	264.5
Unemployment rate ¹⁾	%	11.4	11.8	11.7	11.4	11.0	10.6	10.4	10.2	9.9	9.8	9.3	9.1	9.4	9.5	9.2	8.9
Labour productivity, industry	CCPY	0.6	8.5	7.1	10.8	9.4	10.1	10.8	11.0	11.7	11.4	11.7	11.7	11.3	13.3	11.9	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	10.6	-0.6	-3.3	-5.5	-2.5	-1.8	-2.4	-2.3	-2.6	-2.1	-2.0	-1.4	-0.6	6.7	8.2	.
WAGES, SALARIES																	
Industry, gross	SKK	19949	17781	17311	18401	18124	19433	19857	19167	18981	18918	20157	23254	21621	19874	19345	.
Industry, gross	real, CMPY	3.1	0.6	-6.5	0.5	2.8	5.2	2.2	3.6	1.9	2.3	5.4	3.7	4.2	8.6	9.1	.
Industry, gross	USD	625	573	553	590	594	660	661	633	645	642	690	833	816	745	732	.
Industry, gross	EUR	527	474	463	491	485	517	522	499	504	504	547	647	617	572	560	.
PRICES																	
Consumer	PM	0.1	2.1	0.6	0.0	0.3	0.4	0.1	0.2	0.0	-0.3	0.2	0.6	0.0	1.0	0.2	0.0
Consumer	CMPY	3.7	4.1	4.4	4.5	4.5	4.8	4.6	5.0	5.1	4.6	3.7	4.3	4.2	3.0	2.7	2.7
Consumer	CCPY	2.7	4.1	4.3	4.3	4.4	4.5	4.5	4.6	4.6	4.6	4.5	4.5	4.5	3.0	2.8	2.8
Producer, in industry	PM	-0.6	1.4	1.4	0.7	0.6	0.8	0.3	0.5	0.6	-0.7	0.1	0.4	-0.8	-0.5	1.8	0.0
Producer, in industry	CMPY	7.0	8.6	9.8	9.9	9.8	9.8	9.1	8.9	8.8	7.6	7.0	5.6	5.4	3.4	3.8	3.1
Producer, in industry	CCPY	4.7	8.6	9.2	9.4	9.5	9.6	9.5	9.4	9.3	9.1	8.9	8.6	8.3	3.4	3.6	3.4
RETAIL TRADE²⁾																	
Turnover	real, CMPY	6.3	6.6	6.5	10.0	8.6	9.3	10.7	8.5	8.0	10.6	9.6	9.4	7.4	0.9	4.6	.
Turnover	real, CCPY	9.7	6.6	6.6	7.7	7.9	8.2	8.6	8.6	8.5	8.7	8.8	8.8	8.8	0.9	2.8	.
FOREIGN TRADE³⁾⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	25656	2164	4434	7145	9528	12294	15163	17799	20611	23679	27124	30476	33318	3166	6301	.
Imports total (fob), cumulated	EUR mn	27574	2384	4933	7771	10394	13366	16360	19065	22033	25370	28983	32626	35819	3025	6220	.
Trade balance, cumulated	EUR mn	-1917	-220	-499	-626	-867	-1072	-1197	-1266	-1422	-1691	-1860	-2150	-2501	141	82	.
Exports to EU-27 (fob), cumulated	EUR mn	22499	1947	3957	6344	8401	10853	13338	15570	18007	20640	23602	26514	28971	2780	.	.
Imports from EU-27 (fob) ⁶⁾ , cumulated	EUR mn	19957	1512	3199	5199	6973	9045	11156	13110	15069	17371	19926	22495	24698	2075	.	.
Trade balance with EU-27, cumulated	EUR mn	2541	435	758	1145	1428	1808	2181	2460	2938	3268	3676	4019	4274	705	.	.
FOREIGN FINANCE																	
Current account, cumulated ³⁾	EUR mn	-3288	-244	-427	-622	-981	-1451	-1647	-2276	-2308	-2804	-3030	-3264	-3642	243	199	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	31.9	31.0	31.3	31.2	30.5	29.5	30.1	30.3	29.4	29.4	29.2	27.9	26.5	26.7	26.4	25.6
SKK/EUR, monthly average	nominal	37.9	37.5	37.4	37.5	37.4	37.6	38.0	38.4	37.7	37.5	36.9	35.9	35.0	34.7	34.5	33.9
SKK/USD, calculated with CPI ⁷⁾	real, Jan03=100	129.0	134.4	133.8	133.6	135.7	140.5	137.6	136.4	140.1	140.3	142.3	150.2	157.9	157.8	158.8	164.0
SKK/USD, calculated with PPI ⁷⁾	real, Jan03=100	117.0	121.1	123.6	124.7	126.4	130.9	128.5	127.5	131.2	132.2	136.0	140.3	145.7	145.6	146.9	151.7
SKK/EUR, calculated with CPI ⁷⁾	real, Jan03=100	117.0	121.1	121.8	121.1	120.9	120.4	118.9	118.1	120.1	120.3	122.6	126.4	129.1	132.2	132.7	134.6
SKK/EUR, calculated with PPI ⁷⁾	real, Jan03=100	115.5	117.3	119.0	119.2	119.3	119.7	118.4	116.8	119.7	120.4	122.6	126.7	128.8	129.5	132.1	134.2
DOMESTIC FINANCE																	
M0, end of period ⁸⁾	SKK bn	119.8	118.8	119.4	120.1	121.3	121.9	124.5	124.4	125.8	126.4	126.1	127.3	131.2	129.4	129.4	130.8
M1, end of period ⁸⁾	SKK bn	486.0	477.7	493.5	486.0	485.5	512.9	521.7	528.1	512.8	513.0	511.8	532.6	546.1	536.8	547.0	550.0
Broad money, end of period ⁸⁾	SKK bn	831.4	824.9	833.9	840.7	850.2	851.2	861.2	871.8	892.4	894.3	911.7	926.7	958.5	961.1	974.0	980.8
Broad money, end of period ⁸⁾	CMPY	7.8	8.6	9.1	10.3	9.4	10.5	11.2	11.8	13.6	12.9	13.9	16.1	15.3	16.5	16.8	16.7
Discount rate (p.a.) ⁹⁾ , end of period ⁹⁾	%	3.0	3.0	3.0	3.5	3.5	4.0	4.0	4.5	4.5	4.8	4.8	4.8	4.8	4.8	4.8	4.5
Discount rate (p.a.) ⁹⁾ , end of period ⁹⁾¹⁰⁾	real, %	-3.7	-5.2	-6.2	-5.8	-5.7	-5.3	-4.7	-4.0	-3.9	-2.6	-2.1	-0.8	-0.6	1.3	0.9	1.4
BUDGET																	
Central gov. budget balance, cum.	SKK mn	-33886	12083	6347	157	180	-11700	-10246	-5244	-5716	-5134	-1080	-6983	-31678	2929	-8529	-11889

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

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

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

4) Cumulation starting January and ending December each year.

5) 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) According to ECB methodology.

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

10) Deflated with annual PPI.

SLOVENIA: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006		2007												
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	6.0	7.1	7.8	6.7	0.2	8.8	3.5	6.3	10.1	6.5	9.5	8.2	3.9	9.0	9.3	.
Industry, total	real, CCPY	3.3	7.1	7.4	7.2	5.4	6.1	5.6	5.7	6.2	6.3	6.6	6.8	6.5	9.0	9.2	.
Industry, total	real, 3MMA	7.5	7.4	7.2	4.8	5.3	4.2	6.2	6.4	7.5	8.6	8.1	7.3	7.1	7.4	.	.
Construction, total ¹⁾	real, CMPY	13.2	-3.9	7.7	1.0	-3.2	-2.8	11.8	15.8	2.9	38.1	41.2	23.2	30.2	46.8	31.0	.
LABOUR																	
Employment total	th. persons	813.6	812.5	814.1	817.3	819.9	823.6	827.4	825.2	825.2	829.5	833.7	836.7	833.0	838.0	841.5	.
Employees in industry	th. persons	235.8	235.1	234.9	234.8	234.6	235.1	235.8	235.1	234.9	235.5	236.8	237.6	236.2	.	.	.
Unemployment, end of period	th. persons	92.6	95.2	94.1	91.4	90.0	87.1	84.9	85.6	83.1	80.2	81.3	78.8	78.3	80.0	77.7	.
Unemployment rate ²⁾	%	10.2	10.5	10.4	10.1	9.9	9.6	9.3	9.4	9.1	8.8	8.9	8.6	8.6	8.7	8.4	.
Labour productivity, industry	CCPY	5.2	9.8	10.1	9.8	8.0	8.8	8.2	8.2	8.6	8.5	8.7	8.7	8.3	8.7	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	0.5	-2.2	-2.9	-3.0	-1.8	-2.6	-1.9	-2.0	-2.6	-2.8	-2.9	-3.0	-2.6	-1.1	.	.
WAGES, SALARIES																	
Total economy, gross	EUR-SIT	1212	1175	1158	1192	1168	1195	1192	1181	1211	1200	1223	1393	1261	1250	1213	.
Total economy, gross	real, CMPY	-1.5	2.8	3.2	3.2	1.2	2.1	2.2	2.3	0.8	1.1	3.3	3.9	1.2	3.6	2.6	.
Total economy, gross	USD	1437	1423	1384	1432	1429	1526	1510	1498	1551	1529	1542	1792	1666	1625	1586	.
Total economy, gross	EUR	1213	1175	1158	1192	1168	1195	1192	1181	1211	1200	1223	1393	1261	1250	1213	.
Industry, gross	EUR	1060	1061	1021	1079	1027	1065	1070	1044	1089	1060	1096	1287	1114	1140	1072	.
PRICES																	
Consumer	PM	0.0	-0.5	0.4	0.8	0.8	0.9	-0.3	-0.2	0.6	0.4	-0.8	0.3	0.4	-0.7	-0.2	1.0
Consumer	CMPY	2.3	2.4	2.2	1.9	2.7	3.2	2.9	1.9	3.2	2.5	1.5	2.3	2.8	2.7	2.1	2.3
Consumer	CCPY	2.5	2.4	2.3	2.2	2.3	2.5	2.6	2.5	2.6	2.5	2.4	2.4	2.5	2.7	2.4	2.4
Producer, in industry	PM	0.4	-0.1	0.6	0.4	0.3	0.1	0.3	0.1	-0.2	0.6	0.1	0.0	0.6	0.6	2.1	.
Producer, in industry	CMPY	1.8	1.3	1.6	2.0	2.0	2.4	2.7	2.9	2.4	2.7	2.7	2.6	2.8	3.5	5.1	.
Producer, in industry	CCPY	2.7	1.3	1.4	1.6	1.7	1.9	2.0	2.1	2.2	2.2	2.3	2.3	2.3	3.5	4.3	.
RETAIL TRADE																	
Turnover	real, CMPY	14.3	8.1	9.7	9.1	7.9	9.3	4.8	8.1	2.7	4.9	10.6	2.9	-2.2	-0.2	3.2	.
Turnover	real, CCPY	9.7	8.1	8.9	9.0	8.7	8.8	8.1	8.1	7.4	7.1	7.5	7.0	6.1	-0.2	1.4	.
FOREIGN TRADE³⁾																	
Exports total (fob), cumulated	EUR mn	14397	1233	2492	3984	5293	6736	8201	9629	10772	12281	13839	15414	16761	1451	2918	.
Imports total (cif), cumulated	EUR mn	15804	1256	2635	4279	5609	7165	8726	10267	11562	13182	14870	16669	18312	1532	3120	.
Trade balance total, cumulated	EUR mn	-1408	-23	-143	-295	-316	-428	-524	-638	-790	-901	-1031	-1255	-1551	-81	-202	.
Exports to EU-27 (fob), cumulated	EUR mn	10003	918	1832	2890	3803	4812	5835	6820	7586	8653	9755	10861	11777	1085	2147	.
Imports from EU-27 (cif) ⁵⁾ , cumulated	EUR mn	12960	996	2087	3435	4516	5781	7053	8323	9363	10694	12060	13552	14900	1219	2483	.
Trade balance with EU-27, cumulated	EUR mn	-2957	-78	-255	-545	-713	-969	-1218	-1503	-1777	-2042	-2305	-2691	-3123	-134	-336	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-548	44	-67	-164	-127	-158	-111	-207	-278	-325	-348	-706	-756	-19	.	.
EXCHANGE RATE																	
EUR-SIT/USD, monthly average ⁶⁾	nominal	0.8436	0.8260	0.8364	0.8325	0.8176	0.7830	0.7895	0.7882	0.7807	0.7847	0.7930	0.7771	0.7569	0.7693	0.7649	0.7552
EUR-SIT/EUR, monthly average	nominal	0.9998	0.9998	0.9997	0.9998	0.9998	0.9999	0.9999	0.9999	0.9999	0.9998	0.9998	0.9999	0.9999	1.0000	1.0000	1.0000
EUR-SIT/USD, calculated with CPI ⁷⁾	real, Jan03=100	108.8	109.7	108.5	109.4	111.2	116.6	115.1	114.7	116.3	116.7	115.1	118.1	121.5	118.3	118.1	120.8
EUR-SIT/USD, calculated with PPI ⁷⁾	real, Jan03=100	97.1	98.3	99.1	99.8	100.6	104.2	103.5	103.2	103.4	105.1	106.2	106.3	109.2	109.3	110.1	.
EUR-SIT/EUR, calculated with CPI ⁷⁾	real, Jan03=100	98.7	98.6	98.7	99.0	99.2	99.7	99.3	99.2	99.7	100.0	99.1	99.3	99.3	99.1	98.6	99.0
EUR-SIT/EUR, calculated with PPI ⁷⁾	real, Jan03=100	96.0	95.0	95.4	95.4	95.0	95.1	95.3	94.5	94.3	95.6	95.6	96.0	96.5	97.2	98.9	.
DOMESTIC FINANCE																	
M0, end of period ⁸⁾	EUR-SIT mn	781	859	863	866	922	904	921	885	877	889	893	825	638	2709	2684	.
M1, end of period ⁸⁾	EUR-SIT mn	4805	7040	7069	7213	7364	7492	7615	7568	7565	7619	7562	7580	7734	6993	6955	.
Broad money, end of period ⁸⁾	EUR-SIT mn	17769	10694	14966	15157	15058	15255	15398	15430	15371	15651	15545	15675	15887	15411	15275	.
Broad money, end of period ⁸⁾	CMPY	5.5	-37.0	-11.7	-11.3	-12.8	-10.2	-8.5	-8.7	-9.9	-9.7	-10.5	-11.6	-10.6	44.1	2.1	.
Refinancing rate (p.a.) ⁹⁾ , end of period	%	3.75	3.75	3.50	3.25	3.25	3.25	3.50	3.50	3.75	3.75	3.75	3.75	3.75	3.50	3.50	3.75
Refinancing rate (p.a.) ⁹⁾ , end of period ⁹⁾	real, %	1.9	2.4	1.9	1.2	1.2	0.8	0.8	0.6	1.3	1.0	1.0	1.1	0.9	0.0	-1.5	.
BUDGET																	
General gov. budget balance, cum.	EUR-SIT mn	-299.6	68.1	-74.2	-130.4	-64.8	-89.1	-69.1	-22.1	72.7	-33.6	11.8	22.6	-247.1	.	.	.

Note: Slovenia has introduced the euro from 1 Jan 2007. Until December 2006 all time series in SIT; the exchange rates have been divided by the conversion factor 239.64 (SIT per EUR) to EUR-SIT.

- 1) Effective working hours, construction put in place of enterprises with 20 and more persons employed.
- 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 dispatch.
- 6) From January 2007 reference rate from ECB.
- 7) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
- 8) From 2006 harmonized ECB methodology.
- 9) Deflated with annual PPI.

C R O A T I A: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006											2007			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	3.1	5.9	7.3	6.0	-3.2	4.1	-1.1	5.2	9.8	3.0	8.5	6.8	3.0	9.1	5.8	9.0
Industry, total ¹⁾	real, CCPY	5.1	5.9	6.6	6.4	3.7	3.8	2.9	3.3	4.1	3.9	4.4	4.6	4.5	9.1	7.4	8.0
Industry, total ¹⁾	real, 3MMA	5.0	5.3	6.4	3.1	2.3	-0.1	2.7	4.4	5.9	7.0	6.1	6.1	6.2	5.8	8.0	.
Construction, total, effect. work. time ¹⁾	real, CMPY	4.4	13.3	17.1	16.9	3.8	13.7	7.5	8.3	9.7	4.7	9.9	7.3	3.6	13.7	7.7	.
LABOUR																	
Employment total	th. persons	1417.2	1406.6	1403.8	1406.7	1416.3	1429.6	1444.1	1455.5	1456.2	1446.9	1438.5	1434.3	1426.6	1416.5	1455.5	1461.1
Employees in industry	th. persons	277.4	275.6	282.5	283.3	284.0	284.9	285.4	285.4	285.6	285.4	285.6	286.2	285.3	275.5	283.8	284.0
Unemployment, end of period	th. persons	307.9	314.2	313.6	311.3	302.4	287.3	274.5	270.8	271.1	279.0	289.9	292.3	293.2	299.1	298.8	291.6
Unemployment rate ²⁾	%	17.8	18.3	18.3	18.1	17.6	16.7	16.0	15.7	15.7	16.2	16.8	16.9	17.0	17.4	17.0	16.6
Labour productivity, industry ¹⁾	CCPY	3.5	5.2	6.8	7.0	4.7	4.9	4.1	4.5	5.3	5.2	5.6	5.8	5.6	9.5	7.5	.
Unit labour costs, exch. r. adj. (EUR) ¹⁾	CCPY	3.1	4.3	2.6	2.4	4.0	3.7	4.6	4.0	3.1	3.0	2.6	2.7	2.9	-0.7	-0.9	.
WAGES, SALARIES																	
Total economy, gross	HRK	6409	6386	6326	6650	6459	6780	6684	6550	6672	6530	6593	7097	6864	6850	6739	.
Total economy, gross	real, CMPY	0.8	2.2	2.4	2.8	2.1	2.5	1.2	2.2	2.3	2.4	4.4	5.1	5.0	5.4	5.3	.
Total economy, gross	USD	1028	1046	1032	1090	1081	1190	1167	1147	1174	1127	1125	1243	1233	1210	1195	.
Total economy, gross	EUR	867	866	863	908	883	932	921	904	917	884	892	966	933	930	915	.
Industry, gross	EUR	796	795	796	849	807	867	871	839	857	829	836	931	863	864	831	.
PRICES																	
Consumer	PM	0.5	0.6	0.8	0.1	0.2	0.5	-0.1	-0.8	0.1	0.0	0.0	0.6	0.0	0.3	0.3	0.6
Consumer	CMPY	3.6	3.9	3.6	3.0	3.5	4.0	4.0	3.4	3.4	2.8	2.1	2.5	2.0	1.8	1.2	1.8
Consumer	CCPY	3.3	3.9	3.8	3.5	3.5	3.6	3.7	3.6	3.6	3.5	3.4	3.3	3.2	1.8	1.5	1.6
Producer, in industry	PM	-0.3	0.5	0.7	0.3	0.1	0.4	-0.2	0.1	0.2	-0.3	0.0	0.1	0.0	0.8	0.2	0.6
Producer, in industry	CMPY	2.7	3.2	3.6	3.6	3.4	3.7	3.7	3.0	3.1	2.0	1.5	1.6	1.9	2.2	1.7	2.0
Producer, in industry	CCPY	3.0	3.2	3.4	3.5	3.4	3.5	3.5	3.5	3.4	3.3	3.1	2.9	2.9	2.2	1.9	1.9
RETAIL TRADE																	
Turnover	real, CMPY	2.9	3.6	5.3	0.3	1.5	0.2	-0.5	1.6	1.9	2.8	4.6	3.4	4.0	7.8	7.2	.
Turnover	real, CCPY	3.2	3.6	4.4	1.7	2.3	1.8	1.4	1.5	1.5	1.7	1.9	2.0	2.1	7.8	7.4	.
FOREIGN TRADE^{3,4)}																	
Exports total (fob), cumulated	EUR mn	7064	605	1192	1971	2555	3258	3903	4610	5231	5930	6735	7435	8253	586	1282	2006
Imports total (cif), cumulated	EUR mn	14933	1134	2424	3955	5323	6829	8362	9822	11217	12634	14238	15697	17094	1195	2634	4260
Trade balance, cumulated	EUR mn	-7869	-529	-1233	-1984	-2768	-3571	-4459	-5211	-5986	-6704	-7503	-8262	-8841	-608	-1352	-2254
Exports to EU-27 (fob), cumulated	EUR mn	4472	400	804	1310	1714	2185	2638	3072	3460	3873	4422	4856	5315	350	791	1239
Imports from EU-27 (cif), cumulated	EUR mn	10140	664	1532	2542	3535	4625	5665	6714	7588	8512	9562	10541	11495	750	1681	2767
Trade balance with EU-27, cumulated	EUR mn	-5315	-246	-672	-1151	-1696	-2274	-2832	-3398	-3848	-4332	-4799	-5329	-5808	-387	-866	-1489
FOREIGN FINANCE																	
Current account, cumulated ⁵⁾	EUR mn	-1985	.	.	-2053	.	.	-3339	.	.	-1194	.	.	-2617	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	6.234	6.102	6.129	6.098	5.974	5.698	5.726	5.711	5.683	5.794	5.862	5.710	5.566	5.663	5.640	5.559
HRK/EUR, monthly average	nominal	7.389	7.378	7.327	7.325	7.313	7.273	7.256	7.246	7.276	7.385	7.393	7.344	7.355	7.367	7.363	7.357
HRK/USD, calculated with CPI ⁶⁾	real, Jan03=100	113.1	115.4	115.5	115.7	117.3	122.9	122.0	120.9	121.4	119.7	118.9	123.0	126.0	123.8	124.0	126.5
HRK/USD, calculated with PPI ⁶⁾	real, Jan03=100	101.8	103.6	105.5	106.1	107.1	111.7	110.7	110.5	110.6	109.9	110.8	111.7	114.0	114.2	112.7	115.0
HRK/EUR, calculated with CPI ⁶⁾	real, Jan03=100	102.5	103.7	105.0	104.6	104.3	105.0	105.1	104.5	104.0	102.4	102.2	103.4	102.9	103.5	103.5	103.6
HRK/EUR, calculated with PPI ⁶⁾	real, Jan03=100	100.4	100.2	101.4	101.3	100.9	101.8	101.7	101.0	100.8	99.8	99.6	100.7	100.5	101.3	101.2	101.6
DOMESTIC FINANCE																	
M0, end of period	HRK bn	12.2	11.7	11.8	12.1	12.7	13.0	14.0	14.9	14.6	14.3	13.9	13.5	14.6	13.9	14.0	.
M1, end of period	HRK bn	38.8	37.2	37.2	38.2	39.2	40.8	42.2	45.0	45.0	44.0	45.5	46.3	48.5	46.0	46.1	46.8
Broad money, end of period	HRK bn	154.6	152.0	151.7	153.6	155.1	158.1	163.1	170.3	174.2	176.8	180.6	179.6	182.5	183.0	182.7	185.0
Broad money, end of period	CMPY	10.5	9.4	9.3	11.3	12.5	12.4	14.4	17.0	15.3	16.6	18.4	16.1	18.0	20.4	20.4	20.5
Discount rate (p.a.), end of period	%	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Discount rate (p.a.), end of period ⁷⁾	real, %	1.8	1.3	0.9	0.9	1.1	0.8	0.8	1.5	1.4	2.5	3.0	2.9	2.6	2.3	2.8	2.5
BUDGET																	
Central gov. budget balance, cum. ⁸⁾	HRK mn	-6874	-883	-1742	-2803	-3097	-3381	-3475	-3426	-2641	-2635	-2696	-2777

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 2005 to 2007

(updated end of April 2007)

		2005	2006											2007			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total ¹⁾	real, CMPY	4.8	4.3	0.9	4.1	4.9	11.2	2.9	3.6	6.3	5.6	6.5	4.2	2.5	8.4	9.2	8.9
Industry, total ¹⁾	real, CCPY	3.9	4.3	2.6	3.1	3.6	5.0	4.7	4.5	4.7	4.8	5.0	4.9	4.7	8.4	8.8	8.8
Industry, total ¹⁾	real, 3MMA	5.0	3.4	3.1	3.3	6.6	6.2	5.8	4.3	5.2	6.1	5.4	4.3	4.8	6.4	8.8	.
Construction, total	real, CMPY	15.6	-7.5	-3.5	10.7	12.1	10.9	14.5	14.5	12.4	18.3	24.3	21.4	25.7	29.8	21.3	18.8
LABOUR²⁾																	
Employment total	th. persons	68300	67612	67608	67893	68278	68564	69076	69489	70000	69767	69434	69201	68967	68733	68400	68567
Unemployment, end of period	th. persons	5660	5688	5792	5707	5622	5536	5324	5111	4900	4933	4966	4999	5133	5267	5400	5333
Unemployment rate	%	7.7	7.8	7.9	7.8	7.6	7.5	7.2	6.8	6.5	6.6	6.7	6.7	6.9	7.1	7.3	7.2
WAGES, SALARIES																	
Total economy, gross	RUB	11319	9016	9255	9914	9833	10257	11106	10883	10853	11127	11046	11303	14263	11430	11757	12580
Total economy, gross	real, CMPY	16.0	10.9	11.5	10.7	11.9	15.8	17.8	15.1	14.9	14.2	16.4	16.1	15.6	17.1	18.0	18.1
Total economy, gross	USD	393	319	328	356	357	379	412	404	406	416	411	425	505	431	446	482
Total economy, gross	EUR	331	263	274	296	291	297	325	319	317	326	326	330	416	332	342	364
Industry, gross ³⁾	EUR	300	257	263	285	286	287	299	308	312	312	320	317	365	325	325	.
PRICES																	
Consumer	PM	0.8	2.4	1.7	0.8	0.3	0.5	0.3	0.7	0.2	0.1	0.3	0.6	0.8	1.7	1.1	0.6
Consumer	CMPY	10.9	10.7	11.2	10.7	9.9	9.5	9.2	9.3	9.7	9.4	9.1	9.0	9.0	8.2	7.6	7.4
Consumer	CCPY	12.5	10.7	11.0	10.9	10.6	10.4	10.2	10.1	10.0	9.9	9.8	9.8	9.7	8.2	7.9	7.8
Producer, in industry	PM	-2.1	0.5	3.3	2.1	0.6	1.8	0.8	1.7	2.2	1.4	-2.8	-2.5	1.0	1.7	0.1	0.0
Producer, in industry	CMPY	13.4	13.4	15.7	15.2	13.1	12.1	12.9	14.2	14.4	12.9	8.8	7.0	10.4	11.7	8.2	6.0
Producer, in industry	CCPY	20.7	13.4	14.6	14.8	14.3	13.9	13.7	13.8	13.9	13.7	13.2	12.6	12.4	11.7	9.9	8.6
RETAIL TRADE																	
Turnover ⁴⁾	real, CMPY	14.8	11.2	10.5	11.8	11.9	11.3	15.3	15.5	15.3	14.3	15.2	14.6	15.4	13.5	13.8	13.4
Turnover ⁴⁾	real, CCPY	12.8	11.2	10.9	11.2	11.4	11.4	12.1	12.6	12.9	13.1	13.3	13.5	13.7	13.5	13.6	13.6
FOREIGN TRADE⁵⁾⁶⁾																	
Exports total, cumulated	EUR mn	193988	17160	35412	55622	75085	96318	116315	136540	158455	178536	198112	217741	240063	16430	34189	.
Imports total, cumulated	EUR mn	79297	5210	11977	20425	28022	36527	46317	55569	65315	75086	85890	96735	109748	7437	16839	.
Trade balance, cumulated	EUR mn	114691	11950	23435	35197	47063	59790	69998	80972	93140	103449	112222	121006	130315	8992	17350	.
FOREIGN FINANCE																	
Current account, cumulated ⁷⁾	EUR mn	67368	.	.	25339	.	.	44717	.	.	63120	.	.	75778	.	.	.
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	28.805	28.228	28.195	27.874	27.564	27.065	26.983	26.916	26.762	26.746	26.867	26.617	28.228	26.529	26.343	26.106
RUB/EUR, monthly average	nominal	34.162	34.293	33.733	33.492	33.767	34.524	34.209	34.155	34.274	34.087	33.889	34.235	34.293	34.389	34.408	34.573
RUB/USD, calculated with CPI ⁸⁾	real, Jan03=100	138.1	143.2	145.5	147.6	148.5	151.2	151.8	152.7	153.6	154.6	155.1	157.8	149.7	161.5	163.5	166.0
RUB/USD, calculated with PPP ⁹⁾	real, Jan03=100	150.4	153.0	160.6	165.6	166.3	170.9	172.4	174.9	178.7	184.1	181.7	175.5	166.2	181.8	179.9	181.5
RUB/EUR, calculated with CPI ⁸⁾	real, Jan03=100	125.5	128.6	132.5	133.9	132.4	129.7	131.1	132.3	131.9	132.7	133.7	133.1	133.4	135.9	136.9	136.2
RUB/EUR, calculated with PPP ⁹⁾	real, Jan03=100	148.8	147.6	154.8	158.4	157.1	156.4	158.9	160.3	163.2	167.8	163.9	158.7	160.0	162.5	162.0	160.7
DOMESTIC FINANCE																	
M0, end of period	RUB bn	2009.2	1875.6	1890.1	1928.8	2027.8	2096.9	2233.4	2290.3	2351.6	2400.8	2402.2	2450.7	2785.2	2630.1	2682.0	.
M1, end of period	RUB bn	3858.5	3662.0	3686.7	3855.9	3957.7	4205.2	4479.3	4504.9	4652.1	4856.1	4765.0	4900.1	5598.4	5304.8	5377.7	.
M2, end of period	RUB bn	7221.1	7035.6	7155.7	7392.9	7534.2	7877.6	8304.8	8407.9	8570.4	8897.2	8968.8	9233.6	10146.7	9905.0	10174.9	.
M2, end of period	CMPY	36.3	35.7	33.9	34.4	34.7	37.2	38.0	38.1	36.3	37.8	38.3	39.8	40.5	40.8	42.2	.
Refinancing rate (p.a.) ^{end of period}	%	12.0	12.0	12.0	12.0	12.0	12.0	11.5	11.5	11.5	11.5	11.5	11.0	11.0	10.5	10.5	10.5
Refinancing rate (p.a.) ^{end of period⁹⁾}	real, %	-1.3	-1.3	-3.2	-2.8	-1.0	-0.1	-1.2	-2.4	-2.6	-1.2	2.5	3.7	0.6	-1.1	2.1	4.2
BUDGET																	
Central gov. budget balance, cum.	RUB bn	1612.9	221.7	390.8	575.9	692.0	894.7	1083.4	1270.0	1489.4	1694.5	1905.9	1992.6	1995.0	218.2	.	.

1) According to NACE C+D+E.

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.

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

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

9) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2005 to 2007

(updated end of April 2007)

		2005	2006											2007			
		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	5.3	-2.9	1.5	1.3	0.5	10.0	9.6	11.4	9.1	6.2	3.8	8.3	12.0	15.8	11.0	10.7
Industry, total	real, CCPY	3.1	-2.9	-0.6	0.2	0.4	2.4	3.6	4.8	5.4	5.5	5.3	5.6	6.2	15.8	13.4	12.5
Industry, total	real, 3MMA	1.5	1.3	0.0	1.1	3.9	6.7	10.3	10.0	8.9	6.4	6.1	8.0	12.0	12.9	12.5	.
LABOUR																	
Employees ¹⁾	th. persons	11220	11245	11296	11352	11378	11381	11412	11440	11430	11413	11403	11356	11273	11284	11314	11379
Employees in industry ¹⁾	th. persons	3368	3374	3380	3380	3367	3355	3354	3351	3342	3334	3336	3329	3303	3298	3305	3307
Unemployment, end of period	th. persons	881.5	899.9	923.8	913.7	868.7	805.8	749.1	715.3	694.7	676.1	653.3	693.1	693.1	790.2	812.8	781.6
Unemployment rate ²⁾	%	3.1	3.2	3.3	3.2	3.1	2.9	2.7	2.5	2.5	2.4	2.3	2.5	2.5	2.8	2.9	2.8
Labour productivity, industry ¹⁾	CCPY	3.0	-2.1	0.3	1.3	1.6	3.7	5.0	6.3	7.0	7.2	7.0	7.3	8.0	18.5	16.0	15.1
Unit labour costs, exch.r. adj.(EUR) ¹⁾	CCPY	30.6	50.8	47.2	46.3	42.2	34.3	29.4	25.3	22.6	20.9	20.0	18.3	16.7	-1.7	-0.7	0.0
WAGES, SALARIES¹⁾																	
Total economy, gross	UAH	1020	865	905	987	984	1003	1064	1079	1073	1087	1088	1104	1277	1112	1142	1230
Total economy, gross	real, CMPY	31.3	22.9	22.6	25.8	24.9	22.3	21.0	19.9	20.2	16.3	11.2	10.3	12.2	16.0	15.2	13.2
Total economy, gross	USD	202	171	179	195	195	199	211	214	212	215	215	219	253	220	226	244
Total economy, gross	EUR	170	142	150	163	159	156	166	169	166	169	171	170	192	169	173	184
Industry, gross	EUR	188	173	177	194	182	174	187	193	194	196	202	200	216	202	202	222
PRICES																	
Consumer	PM	0.9	1.2	1.8	-0.3	-0.4	0.5	0.1	0.9	0.0	2.0	2.6	1.8	0.9	0.5	0.6	0.2
Consumer	CMPY	10.3	9.8	10.7	8.6	7.4	7.3	6.8	7.4	7.4	9.1	11.0	11.6	11.6	10.9	9.5	10.1
Consumer	CCPY	13.5	9.8	10.2	9.7	9.1	8.7	8.4	8.3	8.2	8.3	8.5	8.8	9.1	10.9	10.2	10.2
Producer, in industry	PM	0.3	1.2	0.3	0.4	1.4	1.0	0.7	1.2	2.1	1.7	2.2	0.7	0.5	2.3	1.1	1.6
Producer, in industry	CMPY	9.6	10.7	8.1	6.5	5.4	4.7	6.3	9.4	10.9	10.7	13.1	14.0	14.2	15.5	16.4	17.8
Producer, in industry	CCPY	16.8	10.7	9.4	8.4	7.6	7.0	6.9	7.3	7.7	8.1	8.6	9.1	9.5	15.5	15.9	16.6
RETAIL TRADE																	
Turnover ³⁾	real, CCPY	23.0	31.3	28.4	26.5	27.4	27.2	27.0	26.1	25.6	25.0	25.0	25.1	25.3	26.5	26.2	25.6
FOREIGN TRADE⁴⁾⁵⁾																	
Exports total (fob), cumulated	EUR mn	27498	1933	4041	6645	9055	11494	14126	16770	19522	22421	25150	27748	30556	2468	5077	.
Imports total (cif), cumulated	EUR mn	29030	2241	4895	8116	10792	13643	16501	19412	22416	25685	28878	31928	35865	2847	6135	.
Trade balance, cumulated	EUR mn	-1533	-309	-854	-1472	-1737	-2150	-2375	-2641	-2894	-3264	-3728	-4179	-5309	-379	-1059	.
FOREIGN FINANCE																	
Current account, cumulated ⁶⁾	EUR mn	2030	.	.	-638	.	.	-625	.	.	-212	.	.	-1289	.	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050	5.050
UAH/EUR, monthly average	nominal	5.983	6.101	6.037	6.064	6.180	6.428	6.396	6.402	6.469	6.435	6.370	6.490	6.651	6.574	6.596	6.681
UAH/USD, calculated with CPI ⁷⁾	real, Jan03=100	128.9	129.4	131.5	130.4	128.7	128.7	128.6	129.4	129.1	132.4	136.5	139.2	140.2	140.5	140.5	140.7
UAH/USD, calculated with PPI ⁷⁾	real, Jan03=100	131.8	132.3	134.7	135.0	135.1	135.2	135.9	136.9	138.9	143.4	149.6	147.8	147.6	152.7	151.5	153.9
UAH/EUR, calculated with CPI ⁷⁾	real, Jan03=100	116.8	116.3	119.4	117.9	114.5	110.2	110.8	111.8	110.4	113.2	117.2	117.0	114.8	117.2	117.1	115.2
UAH/EUR, calculated with PPI ⁷⁾	real, Jan03=100	130.0	127.9	129.4	128.7	127.3	123.6	124.9	125.1	126.4	130.3	134.4	133.3	130.6	135.4	136.0	135.9
DOMESTIC FINANCE																	
M0, end of period	UAH bn	60.2	56.8	57.0	58.6	61.0	61.1	64.3	66.2	67.4	68.6	68.4	68.8	75.0	70.7	71.8	74.0
M1, end of period	UAH bn	98.6	92.1	93.6	96.2	97.5	99.8	104.7	108.6	109.1	113.0	113.1	115.2	123.3	118.4	118.5	122.9
Broad money, end of period	UAH bn	194.1	188.8	191.3	195.3	201.2	207.4	214.1	221.5	226.4	234.8	238.5	244.1	261.1	256.2	261.3	272.5
Broad money, end of period	CMPY	54.3	50.1	46.1	39.4	37.4	40.2	37.0	39.2	37.4	37.3	36.4	35.6	34.5	35.7	36.6	39.5
Refinancing rate (p.a.) ^{end of period}	%	9.5	9.5	9.5	9.5	9.5	9.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Refinancing rate (p.a.) ^{end of period} ⁸⁾	real, %	-0.1	-1.1	1.3	2.8	3.9	4.5	2.0	-0.8	-2.1	-2.0	-4.1	-4.8	-5.0	-6.0	-6.8	-7.9
BUDGET																	
General gov. budget balance, cum.	UAH mn	-7735	2508	2497	380	-856	1183	-996	-971	2524	2613	1452	4497	-3701	3686	6254	.

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.

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