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Interim Romanian government sworn in: any room for manoeuvring?

BY GÁBOR HUNYA

On 7 May 2012 a new Romanian government was sworn in and charged with the task of leading the country up until the general election scheduled for November this year - or possibly only until early elections in September. The change came unexpectedly, but was long overdue given the outgoing coalition's loss of popularity and lack of action. The latest IMF evaluation mission, the fifth in the series, was swiftly brought to an end and, under the current stand-by agreement, a settlement was reached on increasing public sector wages, while marginally increasing the deficit target.

The unexpected demise of the three-month-old PD-L–UDMR government

After a mere 78 days in office, the previous government headed by Prime Minister Mihai Razvan Ungureanu was toppled following a vote of no confidence on 27 April. Up to that month, the coalition between the Liberal Democratic Party (PD-L) and the Democratic Union of Hungarians in Romania (UDMR) had enjoyed a comfortable parliamentary majority, as well as the support of 18 representatives of the national minorities. That comfortable majority, however, suffered a major blow in the middle of the month when a dozen PD-L MPs defected and joined the opposition, whereupon the ruling coalition lost its majority in the upper house: the Senate. The final blow was dealt by a number of national minority representatives who quite unexpectedly came out against the ruling cabinet in the vote of no confidence. In the wake of its failure to retain a majority, the PD-L relinquished its governing role and President Basescu appointed Victor Ponta, the leader of Social Democratic Party (PSD), prime minister, whose candidature had been put forward by the oppositional Social Liberal Alliance (USL). The change of government came about some six months ahead of the regular gen-

eral elections scheduled for November, with local elections set to be held on 10 June. Emil Boc, the prime minister who headed the previous PD-L-led government, survived ten such motions of censure before stepping down on 6 February to ease political and social tensions and appease anti-austerity protests. Public disaffection was not the direct cause of the fall of the Ungureanu cabinet. Public opinion, however, had definitely swung in favour of the opposition, thus prompting MPs to defect.

From the very outset of 2012, the USL stepped up pressure on the government and witnessed an overwhelming surge in its own popularity in opinion polls. On 1 February, the USL MPs went on strike and boycotted the plenary sessions in Parliament. As local elections drew closer, several MPs began repositioning themselves so as to be on the side of the expected winner and shifted their allegiance to the USL. Winning the vote of no confidence was not a simple walkover. For the most part, the issues for which the government was taken to task were by far not the most pressing politico-economic matters. No questions were raised about the stringent austerity policy, greater labour market flexibility or other unpopular measures that the government had taken. The opposition wanted to censure the government for less pressing issues, such as setting up a faculty with Hungarian as the medium of instruction at the University of Medicine and Pharmacy in Targu Mures. Another issue raised by those pressing for the vote of no confidence was the privatisation of copper mines, a controversial gold mine project (at Rosia Montana) and plans for shale gas exploration. All those issues had been long debated; there was little likelihood of the government daring to take a final decision prior to the elections. Nevertheless, the leader of the opposition, Victor Ponta, interpreted the issues as "giving in to foreign interests in order to sell what is left of our resources". The third issue deemed tantamount to "giving in to the desires of the barons still remaining within PD-L" related to the government's decision to channel funds to those municipalities controlled by the ruling coalition parties: without doubt a practice common to most Romanian governments.

Little change in economic policy, but greater political uncertainty expected

The USL has come to power unprepared for the task of government. The question is one of the extent to which the government will press ahead with its election programme. It seems that they will not change much; they will adopt the view that they are a transitory government. This is borne out by the composition of the government. Florin Georgescu, first deputy governor of the Romanian National Bank, has assumed the office of deputy prime minister and minister of finance. A man with experience of the field (who held the same position over the period 1992-1996), he represents continuity in the economic policy agreed upon with the IMF and he may not be disposed to accede to demands deemed populist. Moreover, Mr Georgescu plans to return to the bank once the elections are over. The newly appointed minister of foreign affairs, Andrei Marga, reflects a similar choice. The recently retired rector of Cluj University was minister of education over the period 1997-2000. A philosopher and former leader of the since marginalised Christian Democratic Party (PNȚCD) and later a member of the PNL, he no longer seems to harbour any political ambitions. The minister of economic affairs is a politician, an expert in public finance and a leading figure in the PNL; he has assumed a post that calls for a maximum of political manoeuvring between various interest groups.

USL is a political alliance dating back to February 2011 comprising three opposition parties: the Social Democrats, the National Liberals and the Conservatives. Whatever their names may suggest, the three parties do not have pronounced ideological stances. None the less, working together in a coalition will be not that easy – especially as their programme is rather vague. The economic policy programme of the USL is rife with populist slogans typical of opposition parties. Similar to the policy that the newly elected Hungarian governing party Fidesz adopted at the time, the USL has promised “a million new jobs and lower taxes”. The programme lacks a detailed growth-promoting strategy and expresses no desire to withdraw from IMF and EU financing under the current precautionary

stand-by agreement. No alternative to the basic aims of the current austerity policy has been formulated. This is certainly no easy issue as the country depends on short-term international financial flows and it may well not like to see even higher rates of interest on government securities. In order to heighten the spirit of trust and confidence, Romania has entered into a two-year (precautionary) stand-by agreement and drafted its fiscal plans and reform agenda in accordance with the IMF. Recently a departure from flat tax on personal incomes has been mooted: introducing a second tax bracket for high earners may prove a popular move, but it will not increase revenues all that much.

The new government programme announced on 4 May does not contain any unexpected promises, but does display some determinacy where long-debated issues are concerned. First of all, the new government has promised to respect previous commitments to the IMF; a pledge that was immediately sealed in an agreement the following day. The government has agreed to keeping the general government deficit (as per ESA95) at 3% while the cash deficit may increase from 1.9% to 2.2%. Public sector wages will increase by 8% as of 1 June 2012 and pensions will go up as well. Whereas the outgoing government's negotiating team had expected the self-same outcome, the new government will be able to lay claim to it as well. Furthermore, the government has promised to reduce VAT on bread and possibly other staples as well from the standard 24% rate to 9%; however, it failed to set a timeline. Further steps will be taken to ensure better absorption of EU funds and reduce the level of political appointments in public institutions. The government has also declared a moratorium on shale gas exploration and it will review plans to build Europe's largest open-cast gold mine.

Risk perception has been worsening. Caught unawares by the change in government the RON depreciated slightly between 26 April and 2 May. No immediate action was taken in terms of monetary policy, nor was the policy rate reduced: a possible strategy given the drop in inflation. At its

meeting on 2 May, the board of the National Bank of Romania decided to keep the monetary policy rate unchanged at 5.25%. Furthermore, it did not tamper with the mandatory reserve requirements. The annual inflation rate fell to 2.4% in March 2012 from 3.1% in December 2011. That could have permitted some rate-cuts, but the central bankers recognized the danger of capital inflow volatility and thus abstained from taking any action.

As already mentioned in the “wiiw Forecast report 9”, major political risks are looming in Romania. Despite not being able to foresee the present crisis and the switch of government to the opposition, we did point to the growing uncertainty in the run-up to the elections and the emergence of a severe crisis, should the opposition win the elections scheduled for November. Having assumed power ahead of schedule, the USL will be at loggerheads with the president who supported the outgoing PD-L government. Cohabitation may lead to a stalemate and disruption of public governance. Not only are early elections increasingly likely, but so are moves to impeach the president and have him resign ahead of time in 2014.

IMF agreement to continue in a spirit of mutual understanding

Romania can rely running on a EUR 5 billion “precautionary” stand-by loan agreement with the IMF, WB and the EU for another year from now. The structural reforms chapter of the IMF agreement lists measures to be taken in order to reduce losses and arrears in the public sector and increase the transparency and efficiency of funding in the energy, health and transport sectors¹. Progress in all these areas has been sluggish, yet for the most part the IMF has rescheduled the deadlines. In the context of energy sector reform, the government has agreed with the IMF to eliminate regulated electricity prices and social tariffs in several stages over the period 2013-2015. The aim is to separate social subsidies from price mechanisms and allow

for the open operation of the electricity market. Special prices granted to major clients will be renegotiated as their introduction in the past was often based on favouritism. The elimination of gas price subsidies has been postponed yet again; the new deadline is 2015-2017. However, as initially planned, the government will phase out regulated tariffs for industrial consumers by the end of 2013. It should be noted that for energy-intensive industries, low electricity and gas prices are critical competitive factors. Among the EU-27, Romania applies the lowest gas prices and the second lowest electricity prices (after Bulgaria) for both household and industrial consumers².

A major political controversy in Romania is raging over the privatisation of state-owned enterprises. The USL declared that the privatisation steps included in the current IMF agreement were “detrimental to the Romanians’ interests”. In fact, the outgoing coalition was equally unenthusiastic on that score and the privatisation steps have proven to be the main stumbling blocks on the path to fulfilling the terms of the IMF agreement. It is unlikely, however, that the interim government will do battle with the IMF on re-formulating the stand-by agreement. Further delays or slow responses will be the norm until a new government takes up office following the elections. As happened several times before in the case of restructuring the energy sector, the IMF appears ready to realign somewhat the deadlines set for privatisation.

wiiw forecast for economic growth upheld

It is worth remembering that in 2011 the Romanian GDP grew by 2.5% owing to an exceptional 10% growth in agriculture and related processing activities in the wake of a bumper harvest. This had a positive impact on household consumption, while real wages were lower than in the previous year. Investments picked up after two years of decline, while net exports deteriorated. The country was able to regain some confidence, but it has still to be

¹ IMF (2012), Romania: Fourth Review Under the Stand-By Arrangement and Request for Modification of Performance Criteria - Staff Report, Washington, 2 April.

² Eurostat, data of November 2011.
http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Electricity_and_natural_gas_price_statistics

considered one of the most vulnerable countries in the region - mainly on account of its high level of private external debt.

The dynamism of the Romanian economy subsided in the first quarter of 2012; industrial production stagnated, exports recorded sluggish growth and the trade and current account deficit expanded. The inflow of FDI was slow and current account deficits were to an increasing extent funded via short-term loans. Business sentiment worsened in April, with subdued demand being cited as the most frequent cause,³ while businesses experienced tighter credit conditions than before. Retail trade turnover rose by 3.7% in the first quarter of 2012 driven by food and fuel, while the sale of other industrial good stagnated at the level of the first quarter of the previous year. The unemployment rate stood at 7.5% in March 2012,

(0.5 percentage points higher than the year ago and equal to the level two years previous).

Developments in early 2012 are in line with the wiiw annual GDP growth forecast of 1%. The IMF and the EU forecasts are higher (about 1.5%).. Pessimism on our side is supported by the emergence of: (i) growing difficulties where exports to stagnating West European markets are concerned; (ii) continuing sluggish domestic demand; (iii) a drop expected in agricultural production; (iv) a stop to credit expansion owing to Greek and Austrian banks restructuring their balance sheets and aligning with new provisioning requirements. The wiiw forecast has already taken account of some fiscal relaxation in the election year. The public-sector wage increases will stimulate demand, but may initially lead to further deterioration of net exports.

³ National Bank of Romania, Business Survey, April 2012.

Croatia's EU membership: lessons from earlier accessions

BY HERMINE VIDOVIC

After six years of negotiations, the EU and Croatia signed the Accession Treaty on 9 December 2011, according to which Croatia is to become a full member of the EU on 1 July 2013. In January 2012, two thirds of the Croatian electorate voted in favour of the country's accession. According to Article 36 of the Accession Treaty, the European Commission will closely monitor all commitments entered into by Croatia in the course of the accession negotiations up to the date of accession.

What can Croatia expect from EU membership? What conclusions can be drawn from the experience of countries that acceded earlier viz. Slovenia, Hungary and Bulgaria?

The choice of those three countries is governed by different criteria. In the first instance, Slovenia and Croatia share a common past in former Yugoslavia, especially in terms of the institutions they inherited, yet their economic structures differ significantly. Both countries had/have close trade ties with the Yugoslav successor states at the time of accession. Given the huge waves of guest workers to Western Europe in the 1960s, the free movement of persons in the course of accession play(ed) a less important role for both countries than for the other new EU member states (NMS). Citizens of both countries have already benefited from visa-free travel in Europe prior to accession. In the second instance, Hungary is used as an example of a country that, like Croatia, for many years faced problems of budget consolidation. In the third instance, Bulgaria's EU experience is of interest in the light of its exchange rate regime being similar to that of Croatia, yet with the clear distinction that income levels are much lower in Bulgaria than in Croatia.

Overall, in respect of the countries examined here, the external environment at the time of accession was/is very different. Both Slovenia and Hungary

joined the EU in 2004 at a time when the economy was booming, access to international financial markets was easy and interest rates were low. Bulgaria was already deriving benefits of various kinds during the pre-accession phase, only to join the EU in 2007 just one year before the outbreak of the economic and financial crisis. As for Croatia, it will become an EU member, at a time marked by consolidation measures throughout the region.

Slovenia

Analyses of the impact of Slovenia's accession to the EU are few and far between. The two best-known studies by Lavrac and Majcen (2006) and Bednas et al. (2005) restrict their analysis solely to the first year of the country's accession to the EU. Both studies come to the general conclusion that joining the EU had no immediate impact on most aspects of the country's economy; Slovenia suffered no accession shock and no structural breaks occurred. To a large extent, the Slovene economy had already adjusted to the requirements of the single market during the pre-accession period. The direct effects of EU accession were primarily related to changes in the trade regime. With the adoption of the EU common trade policy, all remaining trade barriers were lifted and the free-trade arrangements with certain Western Balkan countries (Croatia, Macedonia and Bosnia and Herzegovina) were scrapped. The outcome of those changes was a shift in the regional structure of trade flows away from those countries to the EU. Other changes to be observed included: shifts in the volume of trade in agricultural products (shrinking exports and rising imports); a decline in food production; and a partial lowering of prices for agricultural products.

Most exporting sectors (goods and services) were able to withstand the competitive pressure after accession. According to Lavrac and Majcen (2006), a number of exporting sectors, such as chemical, metals, electrical and optical equipment and rubber and plastics, maintained their levels of production while output in other sectors, such as pulp and paper, non-metallic minerals and machinery and

equipment, even increased. By way of contrast, in labour-intensive industries (textiles, leather and furniture) problems that already obtained prior to accession persisted, while the food, beverage and tobacco industries experienced a drop in production.

Overall the studies concluded that EU accession did not trigger a slump in production nor did it bring about a rise in unemployment.

Hungary

In Hungary the convergence process slowed down after 2004. That phenomenon was not related to the EU accession, but rather to fiscal consolidation measures (Szemler, 2009).

Foster et al. (2011) show that Hungarian trade patterns with the old EU countries did not change much following accession, whereas mutual trade with the so-called Visegrad countries registered a sudden upturn. Over the period 2004-2010, Hungarian exports to that area increased from EUR 3.2 billion to EUR 8.8 billion, while at the same time imports rose from EUR 3.9 billion to EUR 7.6 billion. As a result Hungary's trade balance with that group of countries translated from a EUR 700 million deficit into a EUR 1.3 billion surplus during that period. A possible explanation for these favourable developments is that after accession: (i) the free-trade arrangements between those countries were fully functional prior to accession; (ii) free trade in agricultural products proved possible; (iii) trade in services accelerated; and (iv) small and medium enterprises entered more actively into trade with neighbouring countries. Moreover, Foster et al. (2011) found that following accession, trade between subsidiaries of foreign investment enterprises contributed substantially to the rapid growth of trade within the Visegrad countries .

As for the labour market, employment increased only marginally in the wake of accession, whereas the rise in unemployment was mainly due to internal factors, such as the slowing down of GDP and changes in the labour market and social benefit

regulations (Szemler, 2009). Hungary still has one of the lowest employment and activity rates in the EU. Unlike Bulgaria or Romania, migration of labour to the EU-15 played only a minor role for Hungary. Social and regional disparities did not change in the post-accession period.

Bulgaria

No notable changes in the country's economic indicators mark the date of Bulgaria's EU accession in 2007. Even before joining the EU and up to the outbreak of the economic and financial crisis, Bulgaria recorded high GDP growth attributable to pre-accession aid and the country's gradual integration into the EU. Similarly, in the pre-accession period, the introduction of internal market regulations and Community policy had triggered an expansion of trade with EU countries and an increase in FDI inflows. The liberalisation in merchandise trade led to an improved supply of consumer goods and easier market access, yet it also brought about a rise in the foreign trade deficit. From 2003 onwards, FDI already began to rise sharply and reached a record high in 2007 when the FDI inflow amounted to EUR 9.1 billion. In the two years prior to the crisis, FDI flows were directed primarily towards construction. On the negative side, the current account deficit increased steadily (2007: 25% of the GDP) in tandem with the real estate boom and the rise in foreign debt (2009: 108% of the GDP).

The free movement of persons made for mass migration of Bulgarian citizens to the EU-15. This led to a decline in population and an outflow of highly qualified specialists (Yorgova, 2011).

The labour market situation improved from 2003 onwards, with the activity and employment rates rising over the following five years by 7 percentage points and 11.5 percentage points, respectively. To a certain extent, those favourable developments were due to the increase in the migration of labour to Western Europe.

As for agriculture, Bulgarian producers faced high losses on account of cheap imports from the EU.

Conclusions for Croatia

Given the challenges that the EU is currently facing and the resultant stricter regulations (budget discipline, tighter coordination and supervision of fiscal policy), it is only in the medium and long term that Croatia may ultimately enjoy all the potential benefits of EU accession, such as greater economic growth, expansion of trade and increased FDI inflows.

Joining the EU will certainly have a positive impact on account of the access it affords to EU funding, particularly the structural and cohesion funds. In all likelihood, EU structural funds will constitute the main source of infrastructure financing in future – with domestic co-funding as an important input.

In terms of its agriculture, Croatia will be able to enjoy the benefit of EU subsidies as a means of stimulating the rural non-farm sectors, which constitute the second pillar of the Common Agricultural Policy. As in the case of Slovenia, losses in the food-processing industry are to be expected on account of the rise in imports and drop in exports.

EU accession will bring about environmental improvements. Standards will be raised and new technologies introduced relating to waste and water management, as well as air pollution.

Following accession, Croatian citizens will be granted free access to the EU labour market; however, certain countries such as Austria will introduce transitional periods similar to those established during the previous phase of EU enlargement. Croatia's accession to the EU will not lead to mass migration as in the case of Bulgaria. However, given the high unemployment rate, particularly among young people (35%), an outflow of highly qualified personnel cannot be excluded. Most probably, citizens from Bosnia and Herzegovina, who have dual citizenship, will take advantage of the EU labour market that has opened up.

Because of its weak industrial base (almost no foreign direct investment in industry), Croatia will be less able to benefit from an expansion in trade with the NMS, as was/is the case in Hungary and other Visegrad countries. Croatia still lacks an FDI-friendly environment: legal ambiguities abound and the judiciary is bloated. Land registry is a patchy process and land ownership itself is shrouded in uncertainty. This restricts acquisition of land by foreign parties. On top of all that, wages are partly much higher than in comparable countries.

In the post-accession period, Croatia's trade with the CEFTA countries, which accounts for about 18% of all exports, will very likely suffer a decline in food exports owing to the expiry of the current free-trade agreement. In all probability, major Croatian food producers will thus make every attempt to prevent a contraction of their export markets by relocating part of their production to these countries.

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The cold civil war in Poland

BY LEON PODKAMINER

The background

Having won his second general election (October 2011), Mr. Donald Tusk, the leader of the Civic Platform (PO), has entered once more into a coalition with the PSL: a small party that traditionally represents the farmers' interests. Mr. Pawlak, who heads up the PSL, has retained his economics portfolio. At the same time, the mandate of his strong-willed and competent party colleague, Mrs. Fedak (formerly in charge of Labour and Social Affairs), has not been renewed. Instead, that portfolio has been passed to a 30-year old apparatchik with no identifiable opinions and scant experience. Another unexpected appointment has been that of Mr. Gowin (a philosopher proud of his fundamentalist Catholic convictions and allegiance), now entrusted with running the Ministry of Justice. Yet another has been that of Dr. Arlukowicz, whose recent defection from the Social Democrats has been rewarded by his appointment to the Ministry of Health. Mr. Vincent-Rostowski continues to run the Ministry of Finance. His otherwise pivotal position within the government seems to have been reinforced.

The first Tusk cabinet (that held office from late 2007 until late 2011) went through a tough time, primarily on account of their having to 'coexist' for much of that period with the hostile and combative Mr. Lech Kaczynski: the President of Poland at the time. Mr. Kaczynski's tragic death in a plane crash in Smolensk (Russia) in April 2010 did little to ease internal political tensions. On the contrary, as discussed below, his death contributed to a deepening of internal divisions. Furthermore, in 2010 Poland was hit hard by devastating floods. Despite these adverse circumstances Poland's GDP rose by 15.6% (on average by 3.7% per year) during Tusk's first term, without recording a single quarter with negative GDP growth. In comparison, the cumulative GDP change (2011 over 2007) for the entire EU-27 economy was negative (-0.6%). No

other EU country managed to elude varying degrees of deep and prolonged recession.

Of course, Poland's success was due to a combination of factors. Some of them were certainly beyond governmental control. However, to a certain degree, that success can also be attributed to the action (and inaction) of the first Tusk government. First of all, the government did not initiate any 'ambitious economic reform'; it turned a deaf ear to the alluring music of Sirens at home and abroad who sang the praises of economic radicalism. In part, this inaction stemmed from the government being well aware of the fact that the Head of State would certainly veto any such reform. The only truly significant systemic change (actually, a counter-reform that downsized the second, capital-funded pillar of the pension system) came in 2011. Secondly, for all its hawkish declamations, the government's fiscal policy turned out to be quite expansionary. Despite continuing GDP growth, public sector revenues (for the most part, taxes collected) fell from 40.3% of GDP in 2007 to 37.2% in 2009. Public spending, however, rose from 42.2% to 44.5% over the same period. Consequently, the public sector deficit rose from 1.9% of GDP in 2007 to 7.4% in 2009 (followed by 7.8% in 2010). Only in 2011 did the deficit decline to 5.1% of GDP. (That drop is also attributable to lower public sector transfers to a handful of private companies administering the funds amassed by the second pillar of the pension system). As was to be expected, the public debt as a share of GDP rose from 45% in 2007 to 56.3% in 2011¹.

During the Polish EU Presidency in the second half of 2011 (which happened to coincide with a climax of the public debt crisis convulsing the euro area), the Polish government (personified by Messrs Tusk and Vincent-Rostowski) had every opportunity to learn something about the risks of excessive indebtedness. Moreover, once they had learnt something, the Polish leaders contributed decisively to promoting the 'six-pack' of fiscal measures (and

¹ Information released by the Polish Central Statistical Office on 23 April 2012.

later the Fiscal Compact eventually agreed upon by most EU heads of state). Although not a member of the euro area, Poland none the less volunteered to abide by the Fiscal Compact. (Anyway, Poland's Constitution imposes the 60% public debt-to-GDP limit). To judge by the content of the Prime Minister's inaugural speech to Parliament on 18 November 2011, the conversion to 'fiscal responsibility' must have been genuinely sincere. In that speech Mr. Tusk announced the implementation of 'far-reaching and fundamental reforms'. As far as public finances are concerned, Mr. Tusk promised rapid consolidation. More specifically, by 2012 the public sector deficit was to fall to 3% of GDP. The public debt/GDP ratio would decline to 52% in the same year, thereafter it would drop to 47% in 2015. The first specific economic policy moves have shown that this time round the government means what it says. The first sign of change came (in the closing days of 2011) with the issuance of a new set of regulations governing the refunding of pharmaceutical costs. Despite the singularly sloppy and crass wording (which subjected the public health service to an intolerable burden in the form of nonsensical paperwork), the new set of regulations had an obvious rationale: reducing the cost of the public health system by imposing a higher cost burden on the patients. The second signs of change loomed large in the 'proposal'² to raise (albeit only gradually) the mandatory retirement age for both men and women to 67 years of age: a move clearly driven by the desire to economise on pension payments.³

Much to everybody's amazement (and most obviously to Mr. Tusk's surprise), both 'reform projects' provoked massive protests (doctors, pharmacists and patients raged against the legislation pertaining to prescription charges, while the trade unions rose up in arms over the retirement-age issue). Worse still, the retirement-age 'proposal' proved unacceptable to the coalition partner: PSL. On both counts, the Prime Minister was forced to back

down, even if not completely so to date. He suffered even greater humiliation on account of his recent - personally announced - decision to sign the Anti-Counterfeiting Trade Agreement (ACTA), much in defiance of the opinions voiced by the younger generation. In the ultimate analysis, mass protests forced him to revoke the ratification of ACTA. The futile attempts to introduce - in a manner bordering on arrogance - various unpopular measures have proven costly. The Prime Minister's popularity has plummeted and his personal image as a lucky winner has been sorely tarnished.

The outbreak

At this very juncture, the former Prime Minister Jaroslaw Kaczynski (the twin brother of the late President, Lech Kaczynski) decided to launch a frontal attack on Mr. Tusk. The occasion he chose was the second anniversary of the plane crash in which the Head of State (and 95 other notable nation's figures of all political persuasions) perished. The official catastrophe report quite convincingly places the blame for the crash on shortcomings in the organisation of the flight and - above all else - on the flight crew's gross failure to comply with operational procedures. Tactfully, the report does not speak of any passenger insisting on continuing the approach despite the dismal weather conditions.

From the very outset, Mr. Jaroslaw Kaczynski's party (Law and Justice (PIS)) has been advancing 'alternative' versions of events. The supporters of PIS (allied with the popular National-Catholic movement clustering around the infamous Radio Maryja) have long been staging mass (often violent) demonstrations demanding 'the full truth and nothing but the truth' about the crash. On 10 April 2012, Mr. Kaczynski finally announced that 'truth' - first in a speech to Parliament - and then, not mincing his words, to the thronging crowd of followers gathered in front of the Presidential Palace. His message was that it was none other than Mr. Tusk in person and his team (including the current President, Mr. Komorowski) who bore full respon-

² Initially, Mr. Tusk even refused to consult his retirement-age 'proposal' with anybody.

³ Currently, men can retire at 65 and women at 60.

sibility for the death of the former Head of State. Moreover, Mr. Tusk and his companions were accused of high treason as they had drawn up a plot in cahoots with the Russian leader, Mr. Putin, to assassinate the Head of State. In fact, one of Mr. Kaczynski's most trusted lieutenants even claimed that Mr. Putin's involvement in the plot was tantamount to Russia declaring war on Poland!

Mr. Kaczynski's present behaviour is fully consistent with the pattern he has maintained up to this very day. At the very outset of their political careers, Mr. Kaczynski and his late brother started out with vicious diatribes against Lech Walesa, their erstwhile patron. J. Kaczynski has been garnering supporters from among the already swelling numbers of malcontents by orchestrating dirty campaigns against those upright persons who founded Poland's democratic (though admittedly imperfect) 'Third Republic'. His tactic of condemning the liberal ('elitist') democracy reaped him success in the 2005 elections, when he promised to purge the country of all corrupt, post-communist, treacherous, liberal and former secret service influences: all of whom he accused of being jointly responsible for the misfortunes of the 'ordinary Poles'. However, the 'Fourth Polish Republic' that he set out to build soon assumed the unmistakable contours of a state heading towards a clearly authoritarian rule.⁴ The 'Fourth Republic' even managed to alienate some of its right-wing and populist supporters (such as Mr. Lepper's plebeian Self-Defence) and collapsed in the early elections of 2007. The hated 'Third Republic' – personified by Mr. Tusk and his Civic Forum - returned. Mr. Kaczynski's party has failed to win any elections of any kind (six in toto) since. This has alienated some of his younger lieutenants. One such group led by Mr. Ziobro (Kaczynski's former deputy and Minister of

Justice known as the ugly face of the 'Fourth Republic') attempted a coup from within. The coup backfired; the rebels were expelled from the PIS and are now touting their own version of law and justice. Mr. Kaczynski's current verbal vehemence is not only aimed at Tusk, weakened as he now is by his clumsy reform proposals, but it is also being used to show who the true and powerful leader of 'genuine patriots' really is.

The intense agitation over the much despised elites (and Mr. Tusk, in particular), who have been declared responsible for 'assassinating our great patriotic President', 'serving foreign interests', 'betraying our Catholic heritage' and much more, is certainly mobilising a significant following. Some 20-25% of the electorate will support PIS - no matter what. That figure may possibly be somewhat higher, should the 'reforms' now initiated prove too painful (or should recession hit). Otherwise, the regular hate-fests spawned by PIS, Radio Maryja and their followers are likely to bolster the ruling Civic Platform among the majority of voters - even if governmental policy proves increasingly unpopular. The left-leaning parties (now in opposition) may also benefit from the current escalation of the cold civil war.

The likelihood of Mr. Kaczynski returning to power following a regular general election does not seem realistic, at least for the time being. Other possibilities, however, cannot be ruled out. In particular, given the passions stirred, the spectre of political disputes seamlessly shifting from parliamentary chambers to 'the streets' might raise its ugly head. After all, one has no truck with 'traitors' and 'assassins'. With the violence-prone mobs (or mentally imbalanced individuals) seizing the helm, it is quite conceivable that the present cold civil war will spin out of control.

⁴ It is no coincidence that Mr. Kaczynski has been lauding the present Hungarian 'revolution' instituted by Mr. Orban. Recently he even publicly promised to establish 'the second Budapest in Warsaw'.

STATISTICAL ANNEX

Selected monthly data on the economic situation in Central, East and Southeast Europe

Conventional signs and abbreviations used

.	data not available
%	per cent
PP	change in % against previous period
CPPY	change in % against corresponding period of previous year
CCPPY	change in % against cumulated corresponding period of previous year
3MMA	3-month moving average, change in % against previous year
NACE Rev. 2	Statistical classification of economic activities in the European Community, Rev. 2 (2008)
NACE Rev. 1	Statistical classification of economic activities in the European Community, Rev. 1 (1990) / Rev. 1.1 (2002)
LFS	Labour Force Survey
CPI	Consumer Price Index
HICP	Harmonized Index of Consumer Prices (for new EU member states)
PPI	Producer Price Index
EDP	Excessive Deficit Procedure
M1	Currency outside banks + demand deposits / narrow money (ECB definition)
M2	M1 + quasi-money / intermediate money (ECB definition)
M3	Broad money
p.a.	per annum
mn	million (10 ⁶)
bn	billion (10 ⁹)
avg	average
eop	end of period
NCU	National Currency Unit (including 'euro-fixed' series for euro-area countries)

The following national currencies are used:

ALL	Albanian lek	HUF	Hungarian forint	RON	Romanian leu
BAM	Bosnian convertible mark	LVL	Latvian lats	RSD	Serbian dinar
BGN	Bulgarian lev	LTL	Lithuanian litas	RUB	Russian rouble
CZK	Czech koruna	MKD	Macedonian denar	UAH	Ukrainian hryvnia
HRK	Croatian kuna	PLN	Polish zloty		
EUR	euro – national currency for Montenegro and for the euro-area countries Estonia (from January 2011, euro-fixed before), Slovakia (from January 2009, 'euro-fixed before) and Slovenia (from January 2007, 'euro-fixed' before)				
USD	US dollar				

Sources of statistical data: Eurostat, National Statistical Offices, Central Banks and Public Employment Services; wiiw estimates.

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To receive your personal password, please go to <http://mdb.wiiw.ac.at>

ALBANIA: Selected monthly data on the economic situation 2011 to 2012

(updated end of Apr 2012)

		2011												2012		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
LABOUR																
Employment total, registered	th. pers., quart. avg	.	.	920.4	.	.	929.5	.	.	929.9	.	.	932.4	.	.	.
Employment total, registered	CPPY	.	.	2.2	.	.	2.7	.	.	1.5	.	.	1.7	.	.	.
Unemployment, registered	th. pers., quart. avg	.	.	142.8	.	.	142.1	.	.	142.1	.	.	143.0	.	.	.
Unemployment rate, registered	%	.	.	13.5	.	.	13.3	.	.	13.3	.	.	13.3	.	.	.
WAGES																
Total economy, gross ¹⁾	ALL	.	.	45500	.	.	45500	.	.	47660	.	.	48000	.	.	.
Total economy, gross ¹⁾	real, CPPY	.	.	4.1	.	.	2.1	.	.	3.3	.	.	4.0	.	.	.
Total economy, gross ¹⁾	EUR	.	.	326.3	.	.	321.0	.	.	340.2	.	.	342.8	.	.	.
PRICES																
Consumer	PP	0.8	2.3	-0.1	-0.6	-1.1	-1.1	-0.7	0.3	0.4	0.4	0.1	1.0	0.7	1.3	0.4
Consumer	CPPY	3.3	4.5	4.3	4.1	4.2	3.9	3.6	3.1	2.8	3.0	2.9	1.7	1.6	0.6	1.0
Consumer	CCPPY	3.3	3.9	4.0	4.0	4.1	4.0	4.0	3.9	3.8	3.7	3.6	3.5	1.6	1.1	1.1
Producer, in industry	PP	0.7	0.0	0.1	0.4	0.1	0.0	-0.3	0.0	0.0	0.6	0.2	-0.1	.	.	.
Producer, in industry	CPPY	3.6	3.3	2.3	3.0	3.6	3.2	2.3	2.2	2.0	2.2	2.3	1.8	.	.	.
Producer, in industry	CCPPY	3.6	3.4	3.1	3.0	3.2	3.2	3.0	2.9	2.8	2.8	2.7	2.6	.	.	.
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	107	250	371	471	586	702	830	926	1046	1168	1287	1407	97	199	.
Imports total (cif), cumulated	EUR mn	254	524	831	1154	1480	1809	2150	2470	2795	3131	3465	3865	253	512	.
Trade balance, cumulated	EUR mn	-147	-274	-460	-682	-895	-1106	-1320	-1544	-1748	-1963	-2178	-2458	-156	-313	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	-67	-133	-221	-316	-445	-543	-607	-701	-797	-910	-1039	-1145	.	.	.
EXCHANGE RATE																
ALL/EUR, monthly average	nominal	138.65	139.59	140.14	141.48	141.80	141.97	139.92	139.85	140.49	140.81	140.97	138.30	138.32	139.35	140.03
ALL/USD, monthly average	nominal	103.84	102.27	100.17	97.89	98.79	98.65	97.98	97.48	102.02	102.76	103.82	105.08	107.10	105.32	105.97
EUR/ALL, calculated with CPI ²⁾	real, Jan09=100	93.3	94.3	92.8	90.8	89.6	88.6	89.6	89.7	89.1	89.0	88.8	91.1	92.3	92.3	91.2
EUR/ALL, calculated with PPI ²⁾	real, Jan09=100	87.7	86.5	85.4	84.3	84.3	84.2	84.9	85.1	84.4	84.7	84.6	86.3	.	.	.
USD/ALL, calculated with CPI ²⁾	real, Jan09=100	94.0	97.2	98.2	99.1	96.8	95.9	95.8	96.3	92.2	92.2	91.4	91.4	89.9	92.2	91.3
USD/ALL, calculated with PPI ²⁾	real, Jan09=100	83.3	83.2	83.5	84.2	83.1	83.3	83.4	84.4	80.5	81.4	80.6	80.0	.	.	.
DOMESTIC FINANCE																
Currency outside banks	ALL bn, eop	186.6	185.9	185.5	187.9	187.9	189.3	190.2	189.6	188.9	186.6	187.2	194.9	188.2	187.4	.
M1	ALL bn, eop	263.4	262.3	263.8	265.4	264.8	267.7	269.6	271.8	268.9	267.2	269.1	276.9	265.2	265.9	.
M2	ALL bn, eop	981.4	978.0	983.5	994.6	998.5	1008.8	1015.6	1034.7	1046.9	1053.4	1057.1	1070.2	1061.2	1067.1	.
M2	CPPY, eop	11.5	10.8	10.8	12.2	11.2	11.8	11.2	10.1	10.4	10.6	10.0	9.2	8.1	9.1	.
Central bank policy rate (p.a.) ³⁾	%, eop	5.00	5.00	5.25	5.25	5.25	5.25	5.25	5.25	5.00	5.00	4.75	4.75	4.50	4.50	4.25
Central bank policy rate (p.a.) ^{3,4)}	real, %, eop	1.4	1.7	2.9	2.1	1.6	2.0	2.9	3.0	3.0	2.7	2.4	2.9	.	.	.
BUDGET																
General gov. budget balance, cum.	ALL bn	1621	-8904	-11776	-15910	-20427	-26910	-30762	-31190	-31624	-31709	-37993	.	.	.	.

1) Excluding private sector.

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

3) One-week repo rate.

4) Deflated with annual PPI.

Source: wiiw Monthly Database incorporating national statistics.

BOSNIA and HERZEGOVINA: Selected monthly data on the economic situation 2011 to 2012

		2011												(updated end of Apr 2012)		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, total ¹⁾	real, CPPY	18.2	7.3	8.8	3.0	2.5	9.5	10.2	4.3	1.3	0.4	5.3	0.9	-7.0	-12.8	-8.6
Industry, total ¹⁾	real, CCPY	18.2	12.5	11.2	9.0	7.6	7.9	8.3	7.7	7.0	6.3	6.2	5.7	-7.0	-9.8	-9.4
Industry, total ¹⁾	real, 3MMA	12.1	11.4	6.4	4.8	5.0	7.4	8.0	5.3	2.0	2.3	2.2	-0.3	-6.3	-9.5	
LABOUR																
Employees total, registered	th. persons, avg	696.2	695.7	694.1	693.9	694.2	695.3	695.7	692.5	693.4	691.5	689.7	687.9	689.1	687.1	.
Employees total, registered	CPPY	-0.7	-0.6	-0.7	-0.8	2.5	2.7	2.4	1.9	0.8	0.5	-1.6	-1.0	-1.2	.	
Unemployment, registered	th. persons, eop	526.7	527.7	530.1	529.4	526.8	526.0	528.5	531.1	530.0	530.9	532.5	536.7	541.4	543.6	.
Unemployment rate, registered	%, eop	43.1	43.1	43.3	43.3	43.1	43.1	43.2	43.4	43.3	43.4	43.6	43.8	44.0	44.2	.
WAGES																
Total economy, gross	BAM	1232	1240	1275	1266	1281	1280	1268	1283	1273	1268	1287	1294	1287	1278	.
Total economy, gross	real, CPPY	-0.3	0.9	1.0	0.0	1.5	1.5	0.3	1.3	0.3	0.8	1.0	0.4	1.9	0.7	.
Total economy, gross	EUR	630	634	652	647	655	654	648	656	651	648	658	662	658	653	.
PRICES																
Consumer	PP	1.5	0.7	0.7	-0.6	0.2	-0.5	0.0	-0.1	0.3	0.5	0.3	0.1	0.9	0.4	0.4
Consumer	CPPY	2.7	3.3	3.9	4.0	4.2	3.8	3.9	3.9	4.0	3.7	3.7	3.1	2.5	2.4	2.1
Consumer	CCPPY	2.7	3.0	3.3	3.5	3.6	3.6	3.7	3.7	3.8	3.7	3.7	3.7	2.5	2.4	2.3
Producer, in industry ²⁾	PP	0.2	0.9	0.5	-2.1	-0.4	0.4	2.0	-0.3	0.4	0.0	0.2	-0.4	0.4	0.4	.
Producer, in industry ²⁾	CPPY	3.5	4.3	5.1	4.1	3.1	4.0	5.8	4.9	4.5	2.2	2.2	1.4	1.6	1.2	.
Producer, in industry ²⁾	CCPPY	3.5	3.9	4.3	4.2	4.0	4.0	4.3	4.3	4.4	4.1	3.9	3.7	1.6	1.4	.
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	316	648	1009	1369	1722	2083	2438	2780	3155	3510	3869	4202	286	554	902
Imports total (cif), cumulated	EUR mn	486	1057	1735	2392	3047	3771	4456	5120	5846	6556	7217	7932	510	991	1742
Trade balance, cumulated	EUR mn	-170	-409	-727	-1023	-1325	-1688	-2018	-2340	-2691	-3046	-3348	-3731	-224	-437	-841
Exports to EU-27 (fob), cumulated	EUR mn	170	355	558	756	961	1181	1406	1587	1800	1998	2196	2372	186	356	561
Imports from EU-27 (cif), cumulated	EUR mn	208	475	782	1077	1393	1780	2152	2437	2764	3098	3407	3719	234	473	810
Trade balance with EU-27, cumulated	EUR mn	-38	-120	-224	-321	-432	-599	-747	-850	-964	-1100	-1211	-1348	-48	-117	-249
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	.	-163	.	.	-472	.	.	-755	.	.	-1142	.	.	.
EXCHANGE RATE																
BAM/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
BAM/USD, monthly average	nominal	1.465	1.434	1.399	1.356	1.361	1.360	1.369	1.365	1.416	1.428	1.439	1.482	1.517	1.480	1.480
EUR/BAM, calculated with CPI ³⁾	real, Jan09=100	100.3	100.5	100.1	98.9	99.0	98.6	99.0	98.7	98.4	98.6	98.7	98.5	99.9	99.8	99.2
EUR/BAM, calculated with PPI ³⁾	real, Jan09=100	95.0	95.2	94.9	92.1	91.9	92.3	93.7	93.7	93.6	93.6	93.5	93.4	93.0	93.0	.
USD/BAM, calculated with CPI ³⁾	real, Jan09=100	100.4	102.8	105.1	107.1	106.4	106.0	105.2	105.1	101.5	101.4	101.0	98.4	96.6	98.9	98.5
USD/BAM, calculated with PPI ³⁾	real, Jan09=100	89.6	90.9	92.1	91.2	90.1	90.6	91.4	92.1	88.9	89.3	88.6	86.3	84.5	86.5	.
DOMESTIC FINANCE																
Currency outside banks	BAM mn, eop	2143	2155	2164	2240	2191	2206	2317	2317	2253	2241	2237	2366	2298	2323	.
M1	BAM mn, eop	5892	5815	5821	5917	5897	5890	6049	6124	6069	6051	5987	6186	6104	6047	.
M2	BAM mn, eop	13639	13609	13672	13728	13768	13783	14049	14181	14133	14144	14133	14418	14313	14340	.
M2	CPPY, eop	7.4	6.6	5.8	5.0	5.0	5.2	6.0	5.0	5.8	5.3	4.3	5.8	4.9	5.4	.

1) Federation of B&H and Republic Srpska weighted by wiiw.

2) Domestic output prices.

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

Source: wiiw Monthly Database incorporating national statistics.

CROATIA: Selected monthly data on the economic situation 2011 to 2012

(updated end of Apr 2012)

		2011												2012		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, NACE Rev. 2 ¹⁾	real, CPPY	-5.2	-2.7	-3.0	0.2	1.2	1.8	-0.6	-4.5	-2.3	2.1	-0.3	-1.8	-3.5	-2.8	.
Industry, NACE Rev. 2 ¹⁾	real, CCPPY	-5.2	-3.9	-3.6	-2.6	-1.8	-1.2	-1.1	-1.5	-1.6	-1.2	-1.1	-1.2	-3.5	-3.1	.
Industry, NACE Rev. 2 ¹⁾	real, 3MMA	-2.2	-3.6	-1.8	-0.6	1.0	0.8	-1.1	-2.4	-1.5	-0.2	0.0	-1.8	-2.6	.	.
Productivity in industry, NACE Rev. 2 ¹⁾	CCPPY	0.1	-0.6	0.2	1.3	2.1	2.6	2.7	2.3	2.2	2.5	2.7	2.6	-1.8	0.8	.
Unit labour costs, excl.r. adj.(EUR) ¹⁾	CCPPY	-1.5	-0.8	-2.1	-3.0	-3.4	-3.9	-4.3	-3.6	-3.4	-3.7	-3.5	-3.5	3.0	.	.
Construction, NACE Rev. 2 ¹⁾	real, CPPY	-8.3	-7.1	-9.7	-15.3	-7.9	-8.5	-12.5	-8.9	-7.5	-7.4	-6.4	-8.8	-5.7	-17.3	.
Construction, NACE Rev. 2 ¹⁾	real, CCPPY	-8.3	-7.7	-8.5	-10.3	-9.8	-9.6	-10.0	-9.9	-9.6	-9.4	-9.1	-9.1	-5.7	-11.8	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg.	.	.	1476.4	.	.	1480.0	.	.	1534.4	.	.	1479.2	.	.	.
Employed persons, LFS	CPPY	.	.	-5.6	.	.	-3.5	.	.	-0.4	.	.	-3.2	.	.	.
Unemployed persons, LFS	th. pers., quart. avg.	.	.	245.7	.	.	230.7	.	.	213.3	.	.	237.4	.	.	.
Unemployment rate, LFS	%	.	.	14.3	.	.	13.6	.	.	12.3	.	.	13.9	.	.	.
Employment total, registered	th. persons, avg	1123.8	1133.4	1138.9	1142.9	1148.9	1155.7	1159.2	1158.8	1153.3	1145.0	1138.5	1128.2	1135.5	1129.3	.
Unemployment, registered	th. persons, eop	334.4	336.4	330.1	308.9	298.7	287.5	287.6	285.3	283.7	293.9	302.1	315.4	334.4	343.0	.
Unemployment rate, registered	% eop	19.6	19.6	19.3	18.2	17.5	16.9	16.8	16.7	16.8	17.4	17.9	18.7	19.6	20.1	.
WAGES																
Total economy, gross	HRK	7638	7483	7894	7750	7778	7907	7680	7910	7740	7744	8131	7891	7846	.	.
Total economy, gross	real, CPPY	-1.6	-1.8	-1.8	-0.5	-1.0	-0.1	-0.9	0.6	0.4	-1.4	0.4	-1.0	1.5	.	.
Total economy, gross	EUR	1033	1010	1068	1053	1052	1067	1035	1061	1034	1035	1086	1051	1040	.	.
Industry, gross, NACE Rev. 2	EUR	921	894	957	934	945	974	930	959	930	925	1012	953	932	.	.
PRICES																
Consumer	PP	0.6	0.5	0.8	0.2	0.3	-0.5	-0.5	-0.1	0.4	0.6	0.2	-0.4	-0.4	0.6	1.5
Consumer	CPPY	1.9	2.2	2.6	2.4	2.5	2.0	1.9	2.0	2.2	2.6	2.6	2.1	1.2	1.3	2.0
Consumer	CCPPY	1.9	2.1	2.2	2.3	2.3	2.3	2.2	2.2	2.2	2.2	2.3	2.3	1.2	1.3	1.5
Producer, in industry, NACE Rev. 2 ²⁾	PP	0.7	1.6	0.8	0.6	0.6	-0.3	0.1	0.7	0.0	0.5	0.5	-0.2	0.9	2.0	0.6
Producer, in industry, NACE Rev. 2 ²⁾	CPPY	5.1	6.9	6.8	6.7	6.8	6.0	6.1	6.6	6.1	6.4	7.0	5.7	5.9	6.3	6.1
Producer, in industry, NACE Rev. 2 ²⁾	CCPPY	5.1	6.0	6.3	6.4	6.5	6.4	6.4	6.4	6.4	6.4	6.4	6.4	5.9	6.1	6.1
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	652	1425	2194	3111	3892	4724	5544	6314	7201	8009	8752	9590	663	1311	.
Imports total (cif), cumulated	EUR mn	1006	2259	3812	5204	6716	8098	9585	10825	12309	13742	15099	16278	1099	2312	.
Trade balance, cumulated	EUR mn	-355	-835	-1618	-2093	-2824	-3374	-4041	-4511	-5108	-5733	-6347	-6688	-436	-1001	.
Exports to EU-27 (fob), cumulated	EUR mn	416	844	1252	1882	2360	2771	3248	3559	4200	4526	4932	5325	411	823	.
Imports from EU-27 (cif), cumulated	EUR mn	550	1306	2087	2845	3764	4516	5283	5984	6839	7639	8431	9127	667	1461	.
Trade balance with EU-27, cumulated	EUR mn	-134	-462	-835	-963	-1404	-1746	-2035	-2425	-2639	-3113	-3499	-3802	-256	-638	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	.	-1644	.	.	-2003	.	.	482	.	.	-446	.	.	.
EXCHANGE RATE																
HRK/EUR, monthly average	nominal	7.396	7.411	7.394	7.362	7.391	7.412	7.420	7.455	7.487	7.483	7.488	7.507	7.547	7.579	7.540
HRK/USD, monthly average	nominal	5.538	5.431	5.285	5.105	5.142	5.149	5.193	5.192	5.421	5.468	5.513	5.689	5.847	5.733	5.709
EUR/HRK, calculated with CPI ³⁾	real, Jan09=100	98.1	97.9	97.9	97.9	97.7	97.0	96.8	96.1	95.5	95.8	95.8	94.8	94.5	94.1	95.0
EUR/HRK, calculated with PPI ³⁾	real, Jan09=100	101.8	102.5	102.6	102.8	103.1	102.5	102.1	102.5	101.7	102.3	102.5	102.2	101.8	102.8	104.0
USD/HRK, calculated with CPI ³⁾	real, Jan09=100	98.2	100.2	102.8	105.9	105.0	104.4	102.9	102.6	98.5	98.5	98.0	94.7	91.4	93.4	94.4
USD/HRK, calculated with PPI ³⁾	real, Jan09=100	96.1	97.9	99.7	101.9	101.1	100.8	99.7	101.1	96.6	97.5	97.1	94.4	92.6	95.8	95.5
DOMESTIC FINANCE																
Currency outside banks	HRK bn, eop	14.9	14.9	15.0	15.5	15.8	16.8	18.1	17.8	17.1	16.5	16.4	16.7	16.1	16.0	.
M1	HRK bn, eop	49.5	49.4	49.1	50.4	50.5	52.8	53.9	54.0	51.2	51.0	50.9	52.9	49.2	48.4	.
Broad money	HRK bn, eop	231.8	231.6	229.3	228.9	230.7	232.5	236.9	241.4	241.2	241.4	241.7	241.1	237.7	236.2	.
Broad money	CPPY, eop	3.7	3.7	3.3	3.1	3.6	3.5	4.4	4.2	3.7	3.8	4.0	3.5	2.5	2.0	.
Central bank policy rate (p.a.) ⁴⁾	% eop	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Central bank policy rate (p.a.) ⁴⁾⁵⁾	real, % eop	0.8	-0.9	-0.7	-0.7	-0.7	0.0	-0.1	-0.5	-0.1	-0.3	-1.0	0.3	0.1	-0.3	-0.1
BUDGET																
Central gov. budget balance, cum. ⁶⁾	HRK mn	-1496	-2836	-5340	-6026	-7321	-8617	-9542	-9436	-10297	-10133	-11982	.	.	.	.

- 1) Enterprises with 20 and more employees.
- 2) Domestic output prices. Including E - electricity, gas, steam, air conditioning supply etc.
- 3) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
- 4) Average weighted repo rates.
- 5) Deflated with annual PPI.
- 6) Consolidated central government budget.

Source: wiw Monthly Database incorporating national statistics.

MACEDONIA: Selected monthly data on the economic situation 2011 to 2012

		2011												(updated end of Apr 2012)		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, NACE Rev. 2 ¹⁾	real, CPPY	5.0	10.9	24.4	11.8	6.9	-1.9	5.5	0.9	-2.4	-3.9	-5.3	-4.7	-8.0	-8.8	-8.5
Industry, NACE Rev. 2 ¹⁾	real, CCPPY	5.0	8.0	13.8	13.2	11.8	9.2	8.5	7.5	6.3	5.2	4.1	3.3	-8.0	-8.4	-8.4
Industry, NACE Rev. 2 ¹⁾	real, 3MMA	0.2	13.8	15.7	14.0	5.3	3.4	1.5	1.4	-1.8	-3.9	-4.7	-5.8	-7.0	-8.4	.
Productivity in industry, NACE Rev. 2 ¹⁾	CCPPY	5.2	7.1	12.7	11.4	9.6	6.8	6.2	5.2	4.0	3.0	2.3	1.8	-6.9	-6.8	-7.2
Unit labour costs, excl.r. adj.(EUR) ¹⁾	CCPPY	-1.7	-2.8	-8.4	-7.8	-6.3	-3.4	-3.0	-1.9	-1.0	0.0	0.7	0.8	8.8	7.8	.
Construction, total, effect. work. time	real, CPPY	8.7	13.8	14.9	9.0	16.2	6.1	9.8	17.5	21.7	24.8	16.4	11.6	-0.6	.	.
Construction, total, effect. work. time	real, CCPPY	8.7	11.3	12.7	11.7	12.6	11.4	11.2	12.0	13.1	14.3	14.5	14.2	-0.6	.	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	.	649.6	.	.	642.8	.	.	648.6	.	.	639.3	.	.	.
Employed persons, LFS	CPPY	.	.	5.5	.	.	2.5	.	.	0.0	.	.	-3.1	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	.	294.6	.	.	293.4	.	.	293.8	.	.	298.0	.	.	.
Unemployment rate, LFS	% avg	.	.	31.2	.	.	31.4	.	.	31.2	.	.	31.8	.	.	.
WAGES																
Total economy, gross	MKD	30902	30032	30216	30172	30736	30990	30528	30715	30340	30680	30591	31338	30768	30257	.
Total economy, gross	real, CPPY	-0.1	-2.8	-4.0	-4.3	-4.5	-1.1	-1.5	-2.0	-3.1	-2.1	-2.8	-3.0	-3.4	-1.9	.
Total economy, gross	EUR	502	488	491	490	500	503	495	499	493	499	497	509	500	492	.
Industry, gross, NACE Rev. 2	EUR	409	398	401	395	409	409	415	422	416	415	411	417	414	397	.
PRICES																
Consumer	PP	0.9	0.9	1.7	0.3	-0.2	-0.6	-0.8	-0.1	-0.1	0.3	0.6	-0.1	1.2	0.5	0.4
Consumer	CPPY	3.2	3.9	5.2	4.8	5.2	4.1	3.8	3.6	3.4	3.3	3.5	2.8	3.4	2.9	1.4
Consumer	CCPPY	3.2	3.6	4.1	4.3	4.5	4.4	4.3	4.2	4.1	4.1	4.0	3.9	3.4	3.1	2.5
Producer, in industry, NACE Rev. 2 ²⁾	PP	3.2	1.7	3.3	1.2	-0.9	-0.6	-1.0	1.3	-0.4	-0.2	0.1	0.4	0.1	2.4	1.8
Producer, in industry, NACE Rev. 2 ²⁾	CPPY	12.7	12.7	15.3	13.2	10.7	10.9	9.5	11.1	10.1	8.7	10.4	8.3	5.1	5.8	4.3
Producer, in industry, NACE Rev. 2 ²⁾	CCPPY	12.7	12.7	13.6	13.5	12.9	12.6	12.1	12.0	11.8	11.5	11.4	11.1	5.1	5.5	5.1
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	223	463	715	994	1280	1539	1778	2057	2371	2657	2923	3200	192	444	.
Imports total (cif), cumulated	EUR mn	429	822	1211	1653	2057	2451	2860	3289	3728	4126	4582	5038	324	718	.
Trade balance, cumulated	EUR mn	-205	-359	-496	-660	-777	-912	-1082	-1231	-1357	-1468	-1659	-1838	-132	-274	.
Exports to EU-27 (fob), cumulated	EUR mn	142	302	436	608	773	922	1060	1218	1399	1610	1769	1940	117	287	.
Imports from EU-27 (cif), cumulated	EUR mn	270	470	651	877	1109	1341	1558	1774	2038	2259	2494	2738	182	368	.
Trade balance with EU-27, cumulated	EUR mn	-127	-167	-214	-269	-336	-419	-498	-555	-640	-649	-725	-798	-65	-81	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	-93	-166	-200	-242	-242	-260	-267	-240	-213	-188	-247	-201	-43	.	.
EXCHANGE RATE																
MKD/EUR, monthly average	nominal	61.51	61.51	61.52	61.52	61.53	61.61	61.62	61.51	61.50	61.50	61.51	61.51	61.50	61.50	61.50
MKD/USD, monthly average	nominal	45.99	45.10	43.99	42.64	42.83	42.81	43.14	42.91	44.54	44.91	45.31	46.60	47.68	46.54	46.57
EUR/MKD, calculated with CPI ³⁾	real, Jan09=100	98.5	98.9	99.6	99.2	99.0	98.2	97.9	97.8	97.0	97.0	97.4	97.0	98.7	98.7	98.1
EUR/MKD, calculated with PPI ³⁾	real, Jan09=100	112.7	113.8	116.5	116.9	116.1	115.3	113.6	115.6	114.7	114.4	114.2	114.9	114.1	116.2	118.4
USD/MKD, calculated with CPI ³⁾	real, Jan09=100	98.7	101.1	104.5	107.4	106.2	105.7	103.9	104.1	100.0	99.7	99.5	96.8	95.4	97.8	97.4
USD/MKD, calculated with PPI ³⁾	real, Jan09=100	106.4	108.6	113.1	115.8	113.7	113.2	110.8	113.7	108.8	109.1	108.0	106.1	103.6	108.2	108.6
DOMESTIC FINANCE																
Currency outside banks	MKD bn, eop	15.8	16.1	15.9	16.8	17.3	17.0	18.1	17.6	17.2	17.0	16.6	19.3	18.2	18.3	17.9
M1	MKD bn, eop	54.6	54.1	54.1	57.2	58.2	58.0	57.8	58.0	57.5	57.5	56.1	61.3	60.2	59.8	59.3
Broad money	MKD bn, eop	232.0	233.5	234.7	234.4	238.0	239.4	245.4	247.0	245.1	247.3	248.9	255.0	255.3	256.2	257.6
Broad money	CPPY, eop	11.5	12.1	11.4	9.0	8.5	8.6	13.5	12.3	10.5	10.2	8.6	9.7	10.0	9.7	9.8
Central bank policy rate (p.a.) ⁴⁾	% eop	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Central bank policy rate (p.a.) ⁴⁾⁵⁾	real, % eop	-7.7	-7.8	-9.8	-8.2	-6.0	-6.3	-5.1	-6.4	-5.5	-4.3	-5.8	-4.0	-1.0	-1.7	-0.3
BUDGET																
General gov. budget balance, cum. ⁶⁾	MKD mn	-667	-2410	-3726	-3403	-6461	-7732	-9001	-9225	-9391	-9865	-10537	-11483	-1429	-3296	-4528

1) Enterprises with 10 and more persons employed.

2) Domestic output prices.

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

4) Central bank bills (28-days).

5) Deflated with annual PPI.

6) Central government budget plus extra-budgetary funds.

Source: wiw Monthly Database incorporating national statistics.

MONTENEGRO: Selected monthly data on the economic situation 2011 to 2012

(updated end of Apr 2012)

		2011												2012		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, total	real, CPPY	2.0	8.3	-10.3	-20.4	-24.4	-18.7	0.2	18.0	-2.1	-4.2	-15.9	-37.1	-24.5	-12.4	-4.1
Industry, total	real, CCPPY	2.0	5.0	-0.5	-5.6	-9.1	-10.8	-9.1	-6.5	-6.0	-5.8	-6.8	-10.1	-24.5	-18.7	-14.0
Industry, total	real, 3MMA	18.0	-0.5	-8.2	-18.1	-21.1	-13.9	-1.8	4.4	2.8	-7.7	-20.7	-26.6	-25.9	-14.0	.
Productivity in industry	CCPPY	27.9	29.3	21.7	10.0	2.8	-1.2	-0.7	1.2	1.3	1.2	-0.1	-3.9	.	.	.
Unit labour costs, excl.r. adj.(EUR)	CCPPY	-4.6	-10.1	-8.0	3.1	7.8	10.8	9.8	6.7	5.7	4.9	6.0	9.3	.	.	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	.	186.0	.	.	198.6	.	.	202.2	.	.	194.7	.	.	.
Employed persons, LFS	CPPY	.	.	-10.5	.	.	-1.8	.	.	-4.6	.	.	-7.5	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	.	50.0	.	.	49.4	.	.	49.1	.	.	42.9	.	.	.
Unemployment rate, LFS	%	.	.	21.2	.	.	19.9	.	.	19.5	.	.	18.1	.	.	.
Employment total, registered	th. persons, avg	157.8	158.0	158.8	159.7	162.9	168.2	170.6	168.0	164.4	163.4	162.7	162.5	160.9	162.0	162.6
Unemployment, registered	th. persons, eop	32.8	33.1	32.7	32.2	30.9	29.8	29.1	29.1	29.4	30.2	30.6	30.6	31.3	31.5	31.6
Unemployment rate, registered	%, eop	17.2	17.3	17.1	16.8	16.0	15.1	14.6	14.8	15.2	15.6	15.8	15.8	16.3	16.3	16.3
WAGES																
Total economy, gross	EUR	772	754	722	705	714	708	710	709	712	711	721	722	754	739	730
Total economy, gross	real, CPPY	8.6	6.8	0.3	-1.9	-5.3	-3.2	-1.1	-9.1	-4.1	-3.4	-2.3	-8.6	-5.5	-5.1	-0.6
Industry, gross, NACE Rev. 2	EUR	887	829	760	796	787	787	791	790	800	818	854	828	862	871	855
PRICES																
Consumer	PP	0.3	1.0	2.0	0.0	-0.1	-0.5	-0.3	0.7	-0.1	0.2	-0.2	-0.2	0.8	1.0	0.4
Consumer	CCPPY	1.3	2.2	3.8	3.7	3.7	3.6	3.1	3.7	3.5	3.5	3.1	2.8	3.3	3.3	1.7
Consumer	CCPPY	1.3	1.8	2.5	2.8	3.0	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.3	3.3	2.8
Producer, in industry ¹⁾	PP	1.6	0.8	0.4	0.0	-0.2	-0.3	0.7	0.0	0.1	-0.4	-0.1	-1.6	1.0	0.4	-0.3
Producer, in industry ¹⁾	CCPPY	2.8	4.5	5.6	4.7	1.9	2.2	3.6	3.2	3.2	2.8	2.8	1.0	-0.6	-0.8	-1.5
Producer, in industry ¹⁾	CCPPY	2.8	3.6	4.3	4.4	3.9	3.6	4.3	3.5	3.5	3.4	3.4	3.2	-0.6	-0.7	-1.0
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	37	69	111	147	180	213	247	289	332	380	418	454	27	51	85
Imports total (cif), cumulated	EUR mn	85	203	353	499	658	843	1019	1192	1365	1516	1660	1823	100	206	376
Trade balance, cumulated	EUR mn	-48	-134	-242	-352	-478	-630	-772	-902	-1033	-1136	-1242	-1369	-72	-155	-292
Exports to EU-27 (fob), cumulated	EUR mn	29	43	70	92	112	130	141	163	186	209	220	227	9	22	35
Imports from EU-27 (cif), cumulated	EUR mn	30	74	141	193	256	318	380	437	499	551	604	662	37	83	150
Trade balance with EU-27, cumulated	EUR mn	-1	-31	-72	-101	-144	-188	-239	-274	-312	-342	-383	-435	-29	-60	-115
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	.	-187	.	.	-441	.	.	-372	.	.	-634	.	.	.
EXCHANGE RATE																
EUR/USD, monthly average	nominal	0.749	0.733	0.714	0.692	0.697	0.695	0.701	0.697	0.726	0.730	0.738	0.759	0.775	0.756	0.758
EUR/EUR, calculated with CPI ²⁾	real, Jan09=100	98.4	99.0	99.8	99.2	99.1	98.6	98.8	99.2	98.5	98.4	98.0	97.5	98.9	99.3	98.7
EUR/EUR, calculated with PPI ²⁾	real, Jan09=100	94.5	94.5	94.1	93.3	93.3	93.0	93.3	93.5	93.2	92.8	92.5	91.2	91.3	91.2	90.9
USD/EUR, calculated with CPI ²⁾	real, Jan09=100	97.4	95.9	94.4	90.9	91.0	90.4	90.8	90.7	94.2	95.1	96.0	98.8	101.2	99.3	99.2
USD/EUR, calculated with PPI ²⁾	real, Jan09=100	88.1	85.5	82.3	78.2	78.2	77.8	78.8	78.9	82.0	83.1	83.8	85.4	87.9	85.7	84.4
DOMESTIC FINANCE																
Central bank policy rate (p.a.) ³⁾	%, eop	8.97	8.98	9.02	9.04	9.01	9.06	9.07	9.06	9.06	9.05	9.10	9.06	9.02	9.00	8.99
Central bank policy rate (p.a.) ^{3,4)}	real, %, eop	6.0	4.3	3.2	4.1	7.0	6.7	5.3	5.7	5.7	6.1	6.1	8.0	9.7	9.9	10.6
BUDGET																
General gov.budget balance, cum.	EUR mn	.	.	-55	.	.	-52	.	.	-64	.	.	-137	.	.	.

1) Domestic output prices.

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

3) Average weighted lending interest rate of commercial banks (Montenegro uses the euro as national currency).

4) Deflated with annual PPI.

Source: wiiw Monthly Database incorporating national statistics.

S E R B I A: Selected monthly data on the economic situation 2011 to 2012

(updated end of Apr 2012)

		2011												2012		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	3.8	5.8	7.1	0.7	5.3	3.3	-3.3	-0.5	-1.8	-1.0	2.2	0.1	-2.8	-12.9	-3.2
Industry, NACE Rev. 2	real, CCPPY	3.8	4.9	5.7	4.4	4.6	4.3	3.2	2.7	2.1	1.8	1.8	1.7	-2.8	-8.0	-6.2
Industry, NACE Rev. 2	real, 3MMA	2.4	5.7	4.5	4.4	3.1	1.7	-0.2	-1.9	-1.1	-0.2	0.4	0.0	-5.0	-6.2	.
Productivity in industry, NACE Rev. 2	CCPPY	7.7	8.6	9.5	8.2	8.3	8.0	6.7	6.2	5.3	4.8	4.7	4.4	-1.0	.	.
Unit labour costs, excl.r. adj.(EUR)	CCPPY	5.0	2.2	0.8	1.8	2.1	4.3	5.7	7.1	8.6	9.6	9.9	10.3	4.4	.	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	.	.	.	.	2281.9	.	.	.	.	.	2224.5	.	.	.
Employed persons, LFS	CPPY	.	.	.	.	.	-5.4	.	.	.	.	.	-6.6	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	.	.	.	.	650.4	.	.	.	.	.	691.8	.	.	.
Unemployment rate, LFS	%	.	.	.	.	.	22.2	.	.	.	.	.	23.7	.	.	.
Employees total, registered	th. persons, avg	1348.0	1349.0	1349.0	1347.0	1345.0	1343.0	1341.0	1339.0	1337.0	1336.0	1335.0	1334.0	1332.0	.	.
Unemployment, registered	th. persons, eop	750.7	763.6	773.9	769.8	764.1	756.3	749.1	746.0	742.6	737.9	735.1	745.2	764.2	.	.
Unemployment rate, registered	%, eop	27.3	27.6	28.1	28.0	27.9	27.7	27.5	27.4	27.4	27.3	27.2	27.5	28.0	.	.
WAGES																
Total economy, gross	RSD	47382	49394	49633	54532	49064	54616	54164	53285	53838	52944	53239	61116	50829	55505	56125
Total economy, gross	real, CPPY	2.3	-2.3	-6.6	-2.2	-7.3	1.3	-1.1	1.4	1.6	1.1	2.3	3.8	1.4	6.9	9.2
Total economy, gross	EUR	451	477	480	538	499	547	529	521	532	526	519	594	484	513	506
Industry, gross, NACE Rev. 2	EUR	472	453	469	512	491	540	507	511	513	512	497	565	487	.	.
PRICES																
Consumer ¹⁾	PP	1.4	1.5	2.6	1.1	0.4	-0.3	-0.5	0.0	0.2	0.4	0.9	-0.7	0.1	0.8	1.1
Consumer ¹⁾	CPPY	11.2	12.6	14.1	14.7	13.4	12.7	12.1	10.5	9.3	8.7	8.1	7.0	5.6	4.9	3.2
Consumer ¹⁾	CCPPY	11.2	11.9	12.7	13.2	13.2	13.1	13.0	12.7	12.3	11.9	12.1	11.0	5.6	5.4	4.8
Producer, in industry, NACE Rev. 2 ²⁾	PP	2.5	2.3	1.9	2.5	-0.5	0.0	0.1	-0.3	0.4	-0.3	0.3	0.4	0.4	0.8	1.8
Producer, in industry, NACE Rev. 2 ²⁾	CPPY	15.9	17.8	17.1	18.5	17.0	15.8	15.5	13.4	12.3	11.2	10.3	9.7	6.9	5.8	5.9
Producer, in industry, NACE Rev. 2 ²⁾	CCPPY	15.9	17.7	17.7	17.9	17.7	17.4	17.1	16.7	16.2	15.7	15.2	14.2	6.9	6.6	6.3
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	543	1194	1966	2689	3361	4123	4859	5568	6278	7004	7733	8437	552	1072	1856
Imports total (cif), cumulated	EUR mn	978	2036	3389	4547	5743	6884	8103	9195	10420	11644	12974	14395	1027	2113	3121
Trade balance, cumulated	EUR mn	-435	-841	-1423	-1858	-2382	-2762	-3244	-3627	-4141	-4640	-5241	-5958	-475	-1041	-1266
Exports to EU-27 (fob), cumulated	EUR mn	343	748	1222	1627	2014	2456	2878	3247	3650	4055	4482	4867	351	666	1114
Imports from EU-27 (cif), cumulated	EUR mn	473	1091	1804	2452	3128	3780	4457	5122	5856	6602	7302	8034	538	1120	1907
Trade balance with EU-27, cumulated	EUR mn	-129	-343	-582	-825	-1113	-1324	-1579	-1875	-2206	-2547	-2820	-3168	-187	-454	-793
FOREIGN FINANCE																
Current account, cumulated	EUR mn	-223	-454	-761	-932	-1213	-1382	-1590	-1741	-2065	-2320	-2473	-2968	-269	-668	.
EXCHANGE RATE																
RSD/EUR, monthly average	nominal	105.14	103.52	103.32	101.44	98.24	99.80	102.39	102.25	101.21	100.60	102.68	102.93	105.04	108.10	110.90
RSD/USD, monthly average	nominal	78.65	75.74	73.85	70.27	68.67	69.35	71.63	71.30	73.52	73.45	75.71	78.15	81.41	81.62	83.91
EUR/RSD, calculated with CPI ³⁾	real, Jan09=100	99.1	101.7	103.4	105.8	109.6	107.7	104.9	104.8	105.4	106.1	104.8	103.4	102.0	99.4	96.9
EUR/RSD, calculated with PPI ³⁾	real, Jan09=100	108.9	112.3	113.7	117.7	121.1	119.3	115.9	115.9	117.1	117.4	115.1	115.5	112.8	109.9	109.0
USD/RSD, calculated with CPI ³⁾	real, Jan09=100	99.9	104.8	109.2	115.2	117.9	116.5	112.1	112.3	109.0	109.8	107.6	103.7	99.2	99.3	96.9
USD/RSD, calculated with PPI ³⁾	real, Jan09=100	103.4	108.1	111.0	117.4	118.9	117.9	113.8	114.8	111.5	112.7	109.4	107.1	103.1	103.1	100.7
DOMESTIC FINANCE																
Currency outside banks	RSD bn, eop	78.7	81.0	81.3	86.3	78.6	84.3	94.6	89.3	94.2	87.9	92.8	114.2	107.2	111.2	106.9
M1	RSD bn, eop	223.9	228.8	230.0	233.0	233.4	236.9	253.6	256.1	256.4	255.5	263.8	293.7	275.2	286.3	266.4
Broad money ⁴⁾	RSD bn, eop	1324.0	1308.8	1315.6	1287.2	1287.3	1344.8	1391.7	1405.8	1412.2	1412.0	1457.6	1500.4	1483.0	1522.8	1499.7
Broad money ⁴⁾	CPPY, eop	9.5	7.6	8.0	5.0	0.7	3.7	4.5	9.1	8.1	6.2	7.0	10.3	12.0	16.4	14.0
Central bank policy rate (p.a.) ⁴⁾⁵⁾	%, eop	12.00	12.00	12.25	12.50	12.50	12.00	11.75	11.75	11.25	10.75	10.00	9.75	9.50	9.50	9.50
Central bank policy rate (p.a.) ⁵⁾⁶⁾	real, %, eop	-3.4	-4.9	-4.1	-5.1	-3.8	-3.3	-3.2	-1.5	-0.9	-0.4	-0.3	0.0	2.4	3.5	3.4
BUDGET																
Central gov.budget balance, cum.	RSD mn	-1188	-18849	-27836	-44997	-49507	-67261	-83786	-94037	-97015	-108633	-119938	-132534	-10428	-41633	-83266

1) From 2011 according to COICOP classification.

2) Domestic output prices.

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

4) Excluding frozen foreign currency savings deposits of households.

5) Two-week repo rate.

6) Deflated with annual PPI.

Source: wiw Monthly Database incorporating national statistics.

R U S S I A: Selected monthly data on the economic situation 2011 to 2012

(updated end of Apr 2012)

		2011												2012		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, total	real, CPPY	6.9	5.9	5.5	4.7	4.2	5.8	5.1	6.1	3.8	3.6	3.9	2.4	3.8	6.4	2.0
Industry, total	real, CCPY	6.9	6.4	6.1	5.7	5.4	5.5	5.4	5.5	5.3	5.1	5.0	4.8	3.8	5.1	4.0
Industry, total	real, 3MMA	6.5	6.1	5.3	4.8	4.9	5.0	5.7	5.0	4.5	3.8	3.3	3.3	4.1	4.0	.
Construction, total	real, CPPY	-1.1	0.4	4.2	-1.9	1.9	2.5	12.8	5.5	4.8	8.2	5.9	6.7	11.7	6.8	.
Construction, total	real, CCPY	-1.1	-0.3	1.6	0.5	0.8	1.2	3.7	4.0	4.1	4.7	4.8	5.1	11.7	9.2	.
LABOUR																
Employed persons, LFS	th. pers., avg	69118	69550	69613	69721	71011	71430	71629	72013	71965	70828	70970	70933	69968	69917	69800
Employed persons, LFS	CPPY	2.0	2.2	2.0	1.3	1.1	0.6	1.1	1.1	1.2	0.5	1.0	1.9	1.2	0.5	0.3
Unemployed persons, LFS	th. pers., avg	5815	5685	5352	5411	4855	4612	5013	4672	4615	4805	4766	4643	4911	4824	4874
Unemployment rate, LFS	% avg	7.8	7.6	7.1	7.2	6.4	6.1	6.5	6.1	6.0	6.4	6.3	6.1	6.6	6.5	6.5
Unemployment, registered	th. persons, eop	1609.0	1666.0	1643.0	1604.0	1515.0	1425.0	1384.0	1327.0	1263.0	1216.0	1223.0	1286.0	1298.0	1331.0	1313.0
Unemployment rate, registered	% eop	2.2	2.2	2.2	2.1	2.0	1.9	1.8	1.7	1.7	1.6	1.6	1.7	1.7	1.8	1.8
WAGES																
Total economy, gross	RUB	20669	20680	22673	22519	22779	24137	23598	23051	23468	23602	24296	32809	23746	24036	26440
Total economy, gross	real, CPPY	-0.5	-0.8	0.5	0.8	2.4	1.2	1.5	2.7	4.1	4.9	5.8	10.3	10.3	12.0	12.4
Total economy, gross	EUR	512	517	570	555	568	600	591	560	557	550	580	791	583	609	681
Industry, gross ¹⁾	EUR	475	479	526	524	530	543	559	537	525	517	531	635	544	568	.
PRICES																
Consumer	PP	2.4	0.8	0.6	0.4	0.5	0.2	0.0	-0.2	0.0	0.5	0.4	0.4	0.5	0.4	0.6
Consumer	CPPY	9.7	9.6	9.6	9.7	9.7	9.5	9.0	8.2	7.3	7.3	6.9	6.1	4.2	3.8	3.8
Consumer	CCPPY	9.7	9.6	9.6	9.6	9.6	9.6	9.5	9.4	9.1	8.9	8.7	8.5	4.2	4.0	3.9
Producer, in industry ²⁾	PP	2.2	3.4	1.4	2.0	1.1	-2.3	-1.0	4.6	-0.7	1.7	1.6	0.2	-0.2	1.1	2.1
Producer, in industry ²⁾	CPPY	20.5	22.1	21.6	20.2	18.4	19.3	17.4	18.9	19.6	19.0	15.9	14.9	12.2	9.7	10.5
Producer, in industry ²⁾	CCPPY	20.5	21.3	21.4	21.1	20.5	20.3	19.9	19.8	19.8	19.7	19.3	18.9	12.2	11.0	10.8
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	22513	50773	81418	112564	142934	173260	202583	233379	264838	298073	332784	371340	30921	64497	.
Imports total (cif), cumulated	EUR mn	10948	26004	44394	62403	81257	99603	117804	137851	156815	177102	197658	219440	14051	31956	.
Trade balance, cumulated	EUR mn	11566	24770	37024	50162	61677	73657	84779	95528	108023	120972	135126	151900	16869	32541	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	.	22519	.	37721	.	.	.	50333	.	.	71325	.	.	32256
EXCHANGE RATE																
RUB/EUR, monthly average	nominal	40.352	39.970	39.770	40.560	40.100	40.230	39.930	41.180	42.150	42.940	41.880	41.480	40.730	39.490	38.800
RUB/USD, monthly average	nominal	30.085	29.290	28.430	28.100	27.870	27.980	27.900	28.770	30.490	31.350	30.860	31.450	31.510	29.880	29.370
EUR/RUB, calculated with CPI ³⁾	real, Jan09=100	119.2	120.7	120.7	118.1	120.0	119.9	121.3	117.2	113.7	111.8	115.0	116.1	119.6	123.2	124.8
EUR/RUB, calculated with PPI ³⁾	real, Jan09=100	139.3	144.3	145.8	144.6	148.1	144.3	143.4	145.7	140.8	140.5	146.0	148.0	149.2	154.7	160.8
USD/RUB, calculated with CPI ³⁾	real, Jan09=100	118.7	122.4	125.6	126.7	127.8	127.7	127.9	123.5	116.3	114.0	116.4	114.9	114.7	120.9	122.8
USD/RUB, calculated with PPI ³⁾	real, Jan09=100	130.7	136.6	140.2	142.0	144.0	140.3	138.8	141.8	132.5	132.7	136.8	135.3	134.6	142.7	146.3
DOMESTIC FINANCE																
Currency outside banks	RUB bn, eop	4830.7	4898.0	4918.2	5071.3	5079.8	5192.2	5306.6	5343.0	5420.4	5420.1	5475.2	5938.6	5670.7	5713.0	.
M1	RUB bn, eop	10357.8	10497.0	10436.3	10451.9	10540.8	10907.0	10909.0	11043.4	11291.7	11072.6	11301.8	12820.9	12259.4	12246.1	.
M2	RUB bn, eop	23153.2	23507.4	23641.1	23737.4	24034.8	24455.0	24580.8	24942.6	25680.3	25559.4	26332.3	28814.9	28054.0	28144.6	.
M2	CPPY, eop	23.0	23.1	22.4	20.4	19.5	19.0	18.3	18.8	20.5	18.8	19.1	21.1	21.2	19.7	.
Central bank policy rate (p.a.) ⁴⁾	% eop	7.75	8.00	8.00	8.00	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.00	8.00	8.00	8.00
Central bank policy rate (p.a.) ⁴⁾⁵⁾	real, % eop	-10.6	-11.6	-11.2	-10.2	-8.5	-9.3	-7.8	-9.0	-9.5	-9.1	-6.6	-6.0	-3.8	-1.6	-2.3
BUDGET																
Central gov. budget balance, cum.	RUB bn	147.5	78.5	178.1	163.1	385.2	703.5	756.2	788.7	1130.9	1422.8	1369.5	430.8	27.2	.	.

1) Manufacturing industry only (D according to NACE Rev. 1).

2) Domestic output prices.

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

4) Refinancing rate.

5) Deflated with annual PPI.

Source: wiiw Monthly Database incorporating national statistics.

U K R A I N E: Selected monthly data on the economic situation 2011 to 2012

(updated end of Apr 2012)

		2011												2012		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
PRODUCTION																
Industry, total	real, CPPY	10.0	12.3	8.8	6.0	9.5	9.9	9.8	10.5	7.3	5.2	4.4	0.2	2.4	1.7	-1.2
Industry, total	real, CCPPY	10.0	11.2	10.3	9.2	9.2	9.4	9.4	9.6	9.3	8.8	8.4	7.6	2.4	2.1	0.9
Industry, total	real, 3MMA	11.9	10.3	8.9	8.1	8.5	9.8	10.1	9.2	7.6	5.6	3.3	2.3	1.4	0.9	.
Productivity in industry ¹⁾	CCPPY	11.9	12.9	11.9	10.5	10.5	10.6	10.6	10.7	10.4	10.0	9.6	8.9	2.2	2.2	1.2
Unit labour costs, excl.r. adj.(EUR) ¹⁾	CCPPY	20.0	14.7	13.0	10.8	7.8	5.0	3.4	2.7	2.9	3.9	4.5	5.4	18.1	19.4	18.1
Construction, total	real, CCPPY	6.4	6.6	6.8	11.2	13.3	14.7	13.5	13.0	11.6	11.9	12.7	11.0	2.5	-0.5	-2.7
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	.	20108	.	.	20387	.	.	20783	.	.	20019	.	.	.
Employed persons, LFS	CPPY	.	.	0.1	.	.	0.2	.	.	0.0	.	.	0.8	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	.	1925	.	.	1696	.	.	1531	.	.	1779	.	.	.
Unemployment rate, LFS	%	.	.	8.7	.	.	7.7	.	.	6.9	.	.	8.2	.	.	.
Employees total, registered ¹⁾	th. persons, avg	10548	10543	10546	10565	10540	10554	10562	10541	10537	10539	10498	10396	10598	10602	10613
Unemployment, registered	th. persons, eop	586	617	614	580	549	506	470	432	405	379	413	483	521	547	531
Unemployment rate, registered ²⁾	%, eop	2.1	2.2	2.2	2.1	2.0	1.8	1.7	1.6	1.5	1.4	1.5	1.8	1.9	2.0	1.9
WAGES ¹⁾																
Total economy, gross	UAH	2297	2338	2531	2533	2573	2708	2749	2694	2737	2729	2727	3054	2722	2799	2923
Total economy, gross	real, CPPY	10.8	11.6	11.4	9.9	5.3	2.0	5.0	8.5	10.0	11.5	10.2	11.1	14.2	16.2	13.3
Total economy, gross	EUR	216	216	228	221	224	236	242	236	248	250	252	290	264	265	279
Industry, gross	EUR	259	254	279	261	266	270	280	283	297	300	296	337	312	312	321
PRICES																
Consumer	PP	1.0	0.9	1.4	1.3	0.8	0.4	-1.3	-0.4	0.1	0.0	0.1	0.2	0.2	0.2	0.3
Consumer	CPPY	8.2	7.2	7.7	9.4	11.0	11.9	10.6	8.9	5.9	5.4	5.2	4.6	3.7	3.0	1.9
Consumer	CCPPY	8.2	7.7	7.7	8.1	8.7	9.2	9.4	9.4	9.0	8.6	8.3	8.0	3.7	3.4	2.9
Producer, in industry ³⁾	PP	1.3	4.8	2.1	3.4	2.6	0.5	0.1	0.5	1.2	-1.8	0.6	-1.8	-0.8	0.8	1.1
Producer, in industry ³⁾	CPPY	18.1	21.5	20.4	20.9	18.8	20.0	20.4	19.9	21.2	16.2	17.3	14.1	11.8	7.5	6.5
Producer, in industry ³⁾	CCPPY	18.1	19.8	20.0	20.2	19.9	19.9	20.0	20.0	20.1	19.7	19.5	19.0	11.8	9.6	8.5
FOREIGN TRADE, customs statistics																
Exports total (fob), cumulated	EUR mn	3459	6936	11253	15138	19309	23407	27167	31191	35521	39686	44300	49155	4128	7878	.
Imports total (cif), cumulated	EUR mn	3771	8476	13546	17900	22623	27334	31906	36940	42307	47793	53428	59356	4173	9296	.
Trade balance, cumulated	EUR mn	-312	-1541	-2293	-2762	-3314	-3927	-4739	-5749	-6786	-8107	-9128	-10201	-45	-1418	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	.	-981	.	.	-1960	.	.	-3561	.	.	-6469	.	.	.
EXCHANGE RATE																
UAH/EUR, monthly average	nominal	10.615	10.839	11.093	11.487	11.476	11.468	11.379	11.417	11.030	10.914	10.839	10.544	10.301	10.544	10.459
UAH/USD, monthly average	nominal	7.950	7.941	7.944	7.965	7.975	7.973	7.971	7.971	7.973	7.975	7.984	7.990	7.990	7.989	7.988
EUR/UAH, calculated with CPI ⁴⁾	real, Jan09=100	111.6	109.8	107.6	104.6	105.5	106.0	105.9	104.9	108.0	108.8	109.5	112.4	116.0	112.9	113.0
EUR/UAH, calculated with PPI ⁴⁾	real, Jan09=100	125.8	128.2	126.8	125.6	129.1	129.9	130.6	131.0	136.7	135.6	137.0	138.6	139.6	136.7	139.4
USD/UAH, calculated with CPI ⁴⁾	real, Jan09=100	111.3	112.0	112.4	112.8	113.1	113.6	112.1	111.3	111.2	111.5	111.6	111.9	111.7	111.4	110.9
USD/UAH, calculated with PPI ⁴⁾	real, Jan09=100	118.3	122.1	122.5	123.9	126.3	127.2	126.8	128.4	129.6	128.8	129.2	127.6	126.4	126.7	126.4
DOMESTIC FINANCE																
Currency outside banks	UAH bn, eop	176.2	177.6	179.5	185.2	184.7	187.7	194.0	194.0	189.9	188.4	184.2	192.7	184.6	186.5	187.9
M1	UAH bn, eop	286.7	286.7	296.9	305.1	300.6	309.6	311.7	311.1	304.6	304.3	294.8	311.0	302.7	300.0	308.6
Broad money	UAH bn, eop	601.2	605.2	621.4	638.4	636.2	652.4	657.0	664.4	662.3	666.4	653.5	685.5	675.5	679.7	691.3
Broad money	CPPY, eop	25.3	26.0	25.7	25.0	22.0	22.3	19.3	19.5	16.4	15.7	13.8	14.7	12.4	12.3	11.3
Central bank policy rate (p.a.) ⁵⁾	%, eop	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.50
Central bank policy rate (p.a.) ⁵⁾⁶⁾	real, %, eop	-8.8	-11.3	-10.5	-10.9	-9.3	-10.2	-10.5	-10.1	-11.1	-7.3	-8.1	-5.6	-3.6	0.2	1.0
BUDGET																
General gov.budget balance, cum.	UAH mn	909	5025	-712	-2916	146	-11711	-8145	-2105	-3119	-8040	-7535	-23058	2069	4759	-716

1) Enterprises with 10 and more employees.

2) Ratio of unemployed to average working age population.

3) Domestic output prices.

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

5) Discount rate.

6) Deflated with annual PPI.

Source: wiw Monthly Database incorporating national statistics.

Guide to wiiw statistical services on Central, East and Southeast Europe

	Source	Time of publication	Media	Availability	Price	
					Non-Members (n.a. = for wiiw Members only)	Members
Annual data	<i>Handbook of Statistics</i>	November	hardcopy + PDF	via postal service	€ 92.00	1 copy free, additional copies € 64.40 each
			PDF	CD-ROM or donwload	€ 75.00	free
			hardcopy + PDF + Excel ¹⁾	CD-ROM	€ 250.00 ²⁾	175.00 ²⁾
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			individual chapters	download	€ 37.00 per chapter	€ 37.00 per chapter
	<i>Handbook of Statistics 2008: no printed version!</i>		PDF ¹⁾	via e-mail	€ 80.00	€ 56.00
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	wiiw Annual Database	continuously		online access via http://www.wsr.ac.at	€ 2.90 per data series	€ 1.90 per data series
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