wiiw

Wiener Institut für Internationale Wirtschaftsvergleiche

The Vienna Institute for International Economic Studies

Monthly Report | 6/11

Contents

Contents

Patterns of new member states' international trade in intermediates products*

BY ROBERT STEHRER

Patterns of imports in intermediate products

Table 1 shows the share of imported products in total imports for four product categories (intermediate goods, consumer goods, capital goods and mixed goods) for the New EU Member States (NMS), the EU-27 and Germany (DE) – serving as a reference country – in 2008.

For the EU-27 the share of imported intermediate inputs is 53.7% and thus accounts for the bulk of imports. Consumer goods are the second largest category with 22.6%, closely followed by capital goods (17.6%). This broader structure of imports is also found in most of the countries with a few exceptions only. The share of imported intermediate inputs ranges from less than 40% in Greece (38.7%) to a maximum of more than 60% in Slovakia (62.3%). It should be noted that five Central and Eastern European countries (Slovenia, Poland, the Czech Republic, Hungary and Slovakia) show the highest shares of intermediates along with Germany. One explanation for this would be that these countries are more specialized in manufacturing production, or particular industries therein, for which cross-border production networks are important; this will be discussed in further detail below.

Intermediate inputs can be sourced from different countries or groups of countries around the globe; we consider six different country groups. Table 2 provides information on which groups of countries these intermediates are sourced from.

Table 1

Share of end-use categories in total imports, 2008

	Intermedi-ates	Consumer goods	Capital goods	Mixed
BG	52.4	19.6	21.5	6.5
CZ	59.5	17.7	19.7	3.1
EE	51.9	21.7	15.0	11.4
HU	60.8	15.4	19.5	4.3
LT	46.7	24.7	20.2	8.4
LV	46.2	27.3	18.5	8.0
PL	57.5	17.4	20.2	4.9
RO	53.9	18.7	21.4	6.0
SI	56.6	16.7	16.2	10.5
SK	62.3	17.1	15.8	4.8
EU-27	53.7	22.6	17.6	6.1
DE	58.0	19.3	17.8	4.9

Source: EU COMEXT; wiiw calculations.

Table 2

Share of imported intermediate inputs by source country groups, 2008

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	RoW
BG	47.8	16.8	2.7	1.8	8.3	22.6
CZ	66.0	18.9	5.0	2.5	5.8	1.7
EE	52.5	23.9	2.7	1.7	11.3	8.0
HU	57.9	14.5	6.0	7.4	10.7	3.6
LT	45.0	29.0	2.3	2.4	13.1	8.2
LV	33.6	34.5	2.8	1.1	15.5	12.5
PL	70.2	11.3	3.1	2.9	6.8	5.7
RO	57.0	18.2	3.0	2.2	6.8	12.9
SI	62.8	10.5	3.2	2.6	5.1	15.8
SK	46.0	32.3	2.2	10.5	6.4	2.6
EU-27	60.9	8.7	11.1	3.8	8.7	6.7
DE	57.5	13.9	13.2	3.5	8.0	3.9

Source: EU COMEXT; wiiw calculations.

Considering first the EU-27 as a whole, one finds that the bulk of intermediate products are sourced from EU-15 countries (60.9% for the EU-27 as a whole). However, there are significant country differences. With respect to the other country groups of partners, the advanced OECD countries account for 11.1%, the NMS-12 and BRIC countries account for 8.7% each, and the Asian countries account for only 3.8%. But for these other country

groups as partners the variation across EU-27 countries is quite large. Some countries source intermediates from the NMS-12 to a large extent – this group mainly comprises the NMS-12 them-selves together with Austria and Germany – while others receive only a very small amount of inter-mediates from these countries. In total, in 2008 almost 70% of intermediates were sourced from within the EU-27. The other country groups are much less important – with the advanced OECD countries (mainly the US) being the second most important provider accounting for 11.1% of inter-mediates, followed by the NMS-12 and the BRIC countries with 8.7% each. For these other country groups the geographic sourcing structures across the EU-27 countries are rather diversified however.

This sourcing structure of intermediates is some-what different from those of the other product cate-gories. This is highlighted for total EU-27 imports in Table 3. The EU-15 and NMS-12 groups account for about 70% of imports of intermediates, con-sumer goods and capital goods, and even more so for the mixed category (84.6%). But there are some differences for the other sourcing partners: e.g., the BRIC countries account for 13.5% and 13.0%, respectively, for consumer goods and capital goods but for only 8.7% of intermediates. On the other hand, the advanced OECD countries have relative high shares in intermediates and capital goods (11.1% and 13.7%, respectively).

Table 3

Import structures by end-use categories and partner countries for EU-27, 2008

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	RoW
Intermediates	60.9	8.7	11.1	3.8	8.7	6.7
Consumer goods	59.0	8.8	7.8	3.7	13.5	7.3
Capital goods	55.1	6.8	13.7	7.7	13.0	3.7
Mixed category	73.9	10.7	8.8	2.2	1.1	3.3

Source: EU COMEXT; wiiw calculations.

Thus far we have concentrated on the situation in 2008. In the policy debate, however, the major concern has been the changes with respect to the importance of trade in intermediates and the rela-tive importance of cross-border production net-works and from which countries intermediate prod-ucts are sourced (the 'outsourcing' of intermedi-ates). Concerning the first question, Table 4 pre-sents an index of (nominal) import values for 2008 (1999 = 1) and the respective change in the shares (in percentage points) of the four end-use catego-ries between 1999 and 2008.

For the EU-27 as a whole, the value of intermedi-ate imports increased at the fastest rate (85%), closely followed by consumer goods imports (82%). This resulted in a 2.75pp higher share of interme-diates in 2008 compared to 1999. Consequently, the shares of capital goods and mixed products have fallen. Some countries experienced much stronger increases in the value of intermediate imports over this period for all product types how-ever. This group of countries mainly consists of the NMS-12 where the index tends to be above 3, im-plying an increase in imports of over 300%. But – as already mentioned – for these countries the value of imports has also grown in the other prod-uct categories.

One should note that for a number of countries the share of imported intermediate inputs has even decreased. This group comprises countries from the NMS-12 (e.g. Romania, Hungary and Bulgaria). In contrast, there is also a group of countries that have shown strong increases in the share of inter-mediate goods imports; these include Germany but also Slovakia, Slovenia, the Czech Republic and Poland. Thus, although there has been a general tendency towards a higher share of imported in-termediate goods, almost half of the countries in the EU-27 experienced a decline in the share of imported intermediates and the extent of these changes differs markedly across countries. One may note here that these general tendencies are not a fact of the economic crisis which hit the world economy in late 2008.

Table 4

Change in import values and import shares by end-use categories

| | Index 1999 = 1 | | | | Change in import shares (in percentage points) | | | |
	Intermediates	Consumer goods	Capital goods	Mixed category	Intermediates	Consumer goods	Capital goods	Mixed category
BG	5.04	5.18	5.26	4.31	-0.17	0.45	0.85	-1.13
CZ	3.55	3.58	3.28	3.14	1.10	0.45	-1.22	-0.33
EE	3.16	2.97	2.68	7.48	-1.29	-2.03	-3.13	6.45
HU	2.35	2.51	2.75	3.56	-3.37	0.15	1.93	1.29
LT	3.87	3.78	4.45	7.69	-3.10	-2.26	1.46	3.91
LV	3.91	3.55	3.34	5.41	1.66	-1.69	-2.40	2.42
PL	3.09	3.08	2.89	3.21	0.74	0.16	-1.14	0.24
RO	4.87	5.65	6.67	35.18	-8.44	0.06	3.32	5.06
SI	2.69	2.41	2.40	3.09	1.38	-1.49	-1.48	1.58
SK	5.02	4.64	4.41	5.23	2.04	-0.80	-1.59	0.34
EU-27	1.85	1.82	1.55	1.49	2.75	0.74	-2.38	-1.12
DE	1.92	1.42	1.59	1.20	6.79	-3.63	-1.12	-2.04

Source: EU COMEXT; wiiw calculations.

Table 5

Change in import shares by end-use category and sourcing region for EU-27, 1999-2008

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	RoW
Intermediates	-4.57	3.87	-5.32	-0.81	4.94	1.89
Consumer goods	-3.06	3.18	-1.93	-2.49	5.21	-0.90
Capital goods	-5.31	4.22	-9.52	-0.23	9.64	1.20
Mixed category	-5.87	5.98	-2.16	-0.46	0.67	1.84

Source: EU COMEXT; wiiw calculations.

The EU-15 countries have lost market shares in all categories, but these have been more pronounced in capital goods and the mixed category of goods (including passenger motor cars and motor spirits). Similarly, the advanced OECD countries lost market share to a large extent in capital goods (-9.52%) and intermediates (-5.32%). The BRIC countries have gained mostly in capital goods (9.64%), with the gain being similar in magnitude to the decline in OECD countries. The gains in market shares of the BRICs in consumer goods (5.21%) and intermediates (4.94%) are similar in size. Finally, the second biggest winners in terms of increasing market shares are the NMS-12, which have seen gains ranging from 5.98% in the prod-

ucts not classified to 3.18% in consumer goods. Thus, in this period a marked shift occurred within Europe from the EU-15 to the NMS-12 as suppliers of intermediate products; the latter countries, however, started from a relatively low basis. It is interesting to note that these gains and losses were of a similar magnitude. Simultaneously, a significant reorientation occurred towards the BRIC countries at the expense of the advanced OECD countries. Thus one observes a reorientation of sourcing structures within the EU on the one hand but also in extra-EU import patterns on the other.

Patterns of exports in intermediates

As mentioned before, exports of intermediates are an important part of trade for all countries. As such, we investigate the patterns of intermediate exports in comparison to the other categories, i.e. considering the countries as suppliers of intermediate products. We do this along the same lines as for imports, allowing for a comparison of findings between imports and exports. We begin by presenting the share of exported intermediates in total exports for each country in Table 6. For the EU-27, the shares of the different product categories are very similar to those for imports. We again find that more than half of exports (53.7%) are in intermedi-

ates, 22.6% are in consumer goods exports and 17.6% in capital goods. With few exceptions the shares are similar in magnitude for the individual countries. Germany, Spain, Lithuania, Slovakia and Slovenia again show larger shares in the mixed products category. The observed large shares of intermediate imports and exports in almost all countries indicated that a clear distinction between typical outsourcing and target countries (or outward and inward processing) is not useful and such classifications have to be made with caution. Further, this points towards the existence of large intra-product group trade, which will be considered in more detail below.

Table 6

Shares of end-use categories in total exports, 2008

	Intermedi-ates	Consumer goods	Capital goods	Mixed category
BG	61.9	24.6	8.4	5.0
CZ	55.0	15.2	21.9	7.9
EE	58.0	20.9	11.6	9.5
HU	46.7	19.5	26.6	7.3
LT	52.4	22.2	12.0	13.3
LV	56.6	26.5	13.6	3.3
PL	51.8	28.6	13.0	6.6
RO	57.8	21.8	12.8	7.5
SI	51.7	22.8	12.7	12.8
SK	47.7	23.9	11.1	17.4
EU-27	51.2	21.6	19.6	7.6
DE	49.0	16.0	23.8	11.1

Source: EU COMEXT; wiiw calculations.

Table 7 shows the structure of intermediate exports by destination country. Again, the bulk of intermediate exports of the EU-27 countries go to the EU-15 countries. For the EU-27 total the share is 58.1% and thus only slightly lower when compared to imports. About one tenth of EU-27 total exports is destined for the NMS-12 country group (10.1%), the advanced OECD countries (11.6%) and the Rest of World category (10.9%). The share of exports to the BRIC countries is 5.9% whereas Asian countries account for only 3.3%. The variation across individual countries is large. The share of exports of NMS-12 countries to other NMS-12 countries is also very large in most cases. Together

with the results on import structures this shows that there is also a lot of intra-regional trade in intermediates among the NMS-12 taking place, showing that outsourcing is not only important between advanced and less advanced economies but also within similarly developed countries.

Table 7

Shares of exported intermediate inputs by destination country groups, 2008

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	RoW
BG	44.4	14.6	2.0	3.4	4.2	31.5
CZ	63.7	21.8	4.1	0.8	4.2	5.3
EE	56.3	15.4	7.8	1.0	10.8	8.7
HU	61.9	21.9	3.3	1.1	3.7	8.0
LT	45.0	26.2	5.3	0.8	13.7	9.0
LV	39.8	31.8	6.9	0.8	11.2	9.5
PL	61.9	16.8	4.4	0.7	6.1	10.1
RO	50.6	18.5	3.8	1.1	3.9	22.2
SI	57.2	14.6	2.4	0.6	4.2	21.0
SK	51.4	36.6	1.6	0.5	3.8	6.0
EU-27	58.1	10.1	11.6	3.3	5.9	10.9
DE	50.3	14.2	14.0	3.9	8.1	9.5

Source: EU COMEXT; wiiw calculations.

Table 8 compares these geographic patterns for the EU-27 countries across the four product categories. The share of exports of consumer goods to the EU-15 in total consumer goods exports by the EU-27 has a large share (62.8%) when compared with intermediates (58.1%) and capital goods (48.6%). With respect to the NMS-12, intermediate and capital goods exports to NMS-12 countries have larger shares compared to the other categories. This pattern is reversed for the advanced OECD countries. For the other country groups capital goods exports are more important, in particular for the BRIC countries and the Rest of World category.

Table 8

Export structure by end-use categories and destination country groups for EU-27, 2008

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	RoW
Intermediates	58.1	10.1	11.6	3.3	5.9	10.9
Consumer goods	62.8	8.4	13.4	2.1	4.3	9.0
Capital goods	48.6	9.2	12.8	3.7	9.9	15.7
Mixed category	57.0	6.9	18.2	1.2	5.3	11.4

Source: EU COMEXT; wiiw calculations.

The above discussion has described the current structure of exports by product categories in 2008. In what follows we consider the changes in these patterns which have occurred over the last ten years (Table 9).

Similar to the import case, we also find for exports that intermediates trade for the EU-27 total was growing fastest, closely followed by exports of consumer goods. Growth rates of exports are higher compared to those for imports though the difference is relatively small in the case of intermediates and of consumer goods in particular. The specific patterns of individual countries across product categories are rather mixed. One should, however, note that growth rates for the NMS-12 groups are often higher for product groups other than intermediates. Especially for this group of countries one has to take into account that these started from a rather low base which partly explains the high growth rates.

For a number of the NMS-12 (Slovakia, Latvia, the Czech Republic, Hungary) the share of intermediate exports is declining; for other NMS-12 the shares are strongly increasing, notably so for Romania (12.52pp) and Bulgaria (8.75pp) where shifts are mostly from consumer to intermediate products (see Table 10).

Next we consider how the geographic pattern with respect to exports of intermediates has changed over the ten-year period. Table 11 presents the relevant figures in percentage changes from 1999 to 2008. Generally, for the EU-27 as a whole, export shares to EU-15, advanced OECD and Asian countries declined in all countries with the exception of Romania and increased to NMS-12 and BRIC countries and the Rest of World category. These patterns can also be found for the individual EU-27 countries with few exceptions.

Table 9

Change in export values and export shares by end-use categories

	Index 1999=1				Change in export shares (in percentage points)			
	Intermediates	Consumer goods	Capital goods	Mixed category	Intermediates	Consumer goods	Capital goods	Mixed category
BG	4.92	2.78	5.17	8.69	8.75	-12.87	1.53	2.58
CZ	3.60	3.80	5.91	3.67	-5.77	-0.70	7.14	-0.67
EE	3.70	2.57	3.63	119.95	0.10	-9.13	-0.20	9.22
HU	2.65	2.54	4.09	3.65	-5.44	-3.26	7.34	1.36
LT	6.66	3.69	12.36	11.46	3.31	-15.33	5.96	6.06
LV	3.54	3.72	10.04	6.09	-7.34	-2.00	8.20	1.14
PL	4.88	3.81	4.90	6.40	3.10	-5.80	0.83	1.86
RO	5.35	2.04	7.18	13.26	12.52	-22.99	5.33	5.14
SI	2.84	2.22	3.51	3.85	0.27	-6.16	2.49	3.41
SK	4.30	6.72	5.65	5.59	-8.59	5.85	1.13	1.61
EU-27	1.87	1.84	1.64	1.69	1.99	0.46	-1.94	-0.51
DE	1.96	2.11	1.88	1.65	0.89	1.45	-0.51	-1.83

Source: EU COMEXT; wiiw calculations.

Table 10

**Change in export shares by destination regions,
1999-2008**

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	RoW
BG	-10.5	8.1	-1.9	2.7	-0.1	1.8
CZ	-7.9	3.8	0.2	0.1	2.6	1.2
EE	-15.9	2.9	2.7	-1.0	6.8	4.4
HU	-20.5	14.1	-0.9	0.5	2.8	3.9
LT	-9.6	5.7	-2.8	0.6	8.5	-2.3
LV	-23.7	18.2	-4.5	0.2	6.4	3.3
PL	-9.7	5.3	-0.7	-0.7	2.9	2.9
RO	1.6	7.5	-2.1	-1.4	1.5	-7.1
SI	-11.8	7.5	-1.2	0.1	2.5	2.8
SK	-1.8	-0.2	-1.3	-0.1	2.5	0.8
EU-27	-5.1	3.9	-3.4	-0.6	3.1	2.1
DE	-5.7	3.5	-2.8	-0.6	4.5	1.1

Source: EU COMEXT; wiiw calculations.

Table 11

**Change in export shares by end-use categories
and destination region for EU-27, 1999-2008**

	EU-15	NMS-12	Adv. OECD	Asia	BRIC	Row
Intermediates	-5.06	3.90	-3.42	-0.62	3.09	2.11
Consumer goods	-3.86	3.82	-2.86	-0.06	2.46	0.50
Capital goods	-10.95	4.59	-3.95	0.02	6.11	4.17
Mixed category	-14.50	3.98	-1.38	0.49	4.75	6.66

Source: EU COMEXT; wiiw calculations.

Considering the EU-27 change in the geographic export structure across the product categories one finds that exports to the EU-15 declined much more for capital goods and the mixed category of products (passenger motor cars, motor spirits). The export shares increased for these product categories to the BRIC countries and the Rest of World. The changes are much more similar across product categories with respect to the NMS-12, the advanced OECD countries and Asia.

Productivity of imports in the transition countries: evidence from the 2000s

BY LEON PODKAMINER

According to the rules of macroeconomic national accounting, a country's rising imports of goods and non-factor services (denoted as M) decrease, all else being equal, the volume of its gross domestic product. But from a microeconomic perspective, rising imports may be indispensable for a rise in GDP – e.g. via increased efficiency of production (and supply) of goods available for domestic consumption, investment or exports. Thus, rising imports are normally associated with the other components of the GDP also being subject to change. Some (or all) of these components (consumption, gross capital formation, exports) will normally increase, or at least stay constant, as imports change. If the sum of the other components (consumption plus gross capital formation plus exports, denoted as Z) rises precisely by the same amount as do imports, the overall GDP remains unchanged (though the country's trade balance may be altered). If, however, this sum rises less than imports, the GDP declines (if Z rises more than M then GDP rises as well). There are several reasons why the increase in imports, d(M), may differ from the associated increase in the sum of other GDP components, d(Z). Here we would single out just one: imported intermediate inputs may be put into productive applications whose efficiencies vary depending on different factors.[1] For example, normally one could expect this efficiency to vary with the levels (and structure) of production – and the levels of application of intermediate – or any other – inputs. For instance, 10 million tonnes of im-

ported crude oil could – given the available refinery capacities – be converted into 5 million tonnes of exports of refined oil products. But 11 million tonnes of imported crude could be converted only into 5.25 million tonnes of exports of refined oil products. Increased imports would generate here a rise in Z (and in GDP), but the size of that gain would diminish.

By analogy to the neoclassical theory of economic growth initiated by Robert Solow[2] one could postulate the existence of a relationship linking the level of aggregate Z per employed person to the level of imports per employed person. Functionally, this relationship would then take a form similar to the one essential for Solow's growth theory:

$$z = Am^b \qquad (1)$$

where z and m are volumes of Z and M respectively, both per person employed, A is a scale parameter and b is the import elasticity.[3]

In the logarithmic form (1) has a simple form: $\log(z) = \log(A) + b \log(m)$. This could in principle be used for estimation of the parameters $\log(A)$ and b from the available data. Essentially, the estimation boils down to regressing $\log(z)$ on $\log(m)$. However, the estimation of the parameters for the transition countries entails some practical difficulties.

Firstly, the consistent (and trustworthy) time series (of yearly) data on z and m are relatively short. Because of the concern over the quality of data, the time series taken into consideration here cover the years 2000-2010. Of course, with time series that short the power of the statistical tests of the resulting parameter estimates may not be very high.

---

[1] It is worth remembering that the bulk of international trade is actually in intermediate inputs. In 2008 the share of intermediates in EU-27 imports stood at 53.7% while the share of capital goods was 17.6%, that of consumer goods 22.6% and of 'mixed' goods' 6.1%. The shares of intermediates in imports of NMS were generally higher (the highest in Slovakia, at 62.3%). Only in the Baltic countries (already in recession in 2008) were these shares lower than 50%. See the previous article in this issue of the Monthly Report.

[2] R. Solow (1956), 'A contribution to the theory of economic growth', *Quarterly Journal of Economics*, Vol. 70, pp. 65-94.

[3] The neoclassical theory's fundamental equation reads: (GDP/Employment) = B (Capital/Employment)^c, where B and c are parameters. A literal equivalent of this neoclassical equation could read:
(GDP/Employment) = B (M/Employment)^c. But this formula is inappropriate because it rules out the real possibility of non-monotonic relationship between (GDP/Employment) and m.

Secondly, both items (z and m) seem to be non-stationary: both of them have kept rising quite consistently.[4] To rule out the possibility of ending up with spurious regressions, one is advised to take the differences in the variables log(z) and log(m). Differencing eliminates log(A). Eventually one is left with the elasticity parameter b to be estimated, from equation (2):

$$d(\log(z)) = b\,d(\log(m)) + error \qquad (2)$$

The data on z and m, for 15 transition countries, come from the wiiw Database. (The data for other transition countries, including Macedonia, Bosnia and Herzegovina, and Montenegro are incomplete.) The data are expressed at constant national prices of the year 2005.

The results of estimation of (2) are shown in Table 1. It contains two sets of estimates: I and II. Set I reports the estimates derived via the Ordinary Least Squares (OLS) method. As can be seen from column D-W for this set, in most cases (except for Romania and Albania) there must be doubts about the reliability of the estimates[5]. Set II reports the elasticity estimates, assuming presence of the first-order autocorrelation of the error terms. In all cases (again excepting Albania and Romania) accounting for autocorrelation significantly improves both the quality of fit (Adjusted R^2) and the D-W statistics. Reassuringly, in most cases the magnitudes of the eventual elasticity estimates are reasonably similar, irrespectively of the estimation approach (Russia being something of an exception).

The elasticity parameters suggest that in Serbia, but also in Poland, z (domestic demand plus exports) responds rather weakly to rising imports. (Or, alternatively, that rising z requires quite large increase in imports.) The response of d(z) to d(m) would seem to be the strongest in Albania. In all other countries the elasticity in question is about

0.50 – meaning that a 1% rise in the volume of imports 'causes' (or is associated with) a 0.5% rise in exports and domestic demand, combined. The reasons for the revealed differences in individual countries' responsiveness to imports remain rather unclear. Poland's low elasticity may be due to the size of the economy – i.e. to the level of its self-sufficiency.[6] But why then is Russia's elasticity so much higher? Is Russia's level of self-sufficiency not much different from that of medium-sized transition countries?

Of course, the estimation results must be interpreted with care. Apart from the usual purely econometric concerns (also over the length of the period under study) which suggest a necessary dose of caution, there are more substantive ones. Firstly, the productive/efficiency impacts of imports (of e.g. capital goods) may be distributed over subsequent years – and need not materialize within one calendar year. Such possible impacts are not considered in the estimation of (2).

Secondly, all other (than imports) factors influencing domestic demand and exports are ruled out here: changes in z are assumed to be related solely to the changes in imports. Surely, other factors are also important on top of – or instead of – the efficiency-enhancing effects of imports of intermediate goods. Efficiency may have risen because of improvements in the domestic factor productivities and/or rising capital stocks which may have had little to do with rising imports. All such non-import impacts are not allowed for. All improvements are attributed to rising imports. Thus the elasticity estimates from Table 1 may in fact overestimate the sizes of genuine (unknown) responsiveness of z to imports.

Thirdly, the question of causality remains open. In equations (1) and (2) imports play the role of an

---

Table 1

Estimates of import elasticity of domestic demand and exports

	I. Not allowing for autocorrelation			II. Allowing for autocorrelation		
	Elasticity	Adj. R^2	D-W	Elasticity	Adj. R^2	D-W
Bulgaria	0.5112	0.9233	0.239	0.4915	0.9857	1.415
Czech Rep.	0.5748	0.908	0.716	0.4992	0.9752	1.122
Estonia	0.6115	0.913	0.952	0.5586	0.95	2.876
Hungary	0.5438	0.888	0.407	0.5392	0.9615	2.493
Latvia	0.5657	0.9208	1.255	0.4818	0.9409	2.565
Lithuania	0.5959	0.951	1.049	0.54	0.9753	2.072
Poland	0.4555	0.5961	0.977	0.3495	0.8945	2.4
Romania	0.6681	0.7654	1.785	0.5312	0.7417	1.414
Slovakia	0.5945	0.9081	1.053	0.5247	0.9443	2.601
Slovenia	0.5573	0.9408	1.440	0.5489	0.9419	2.083
Croatia	0.5243	0.8624	0.744	0.4584	0.9195	1.203
Albania	0.7649	0.7802	1.845	0.7704	0.7532	1.831
Serbia	0.2848	0.247	0.654	0.2125	0.2836	1.297
Ukraine	0.4529	0.8422	0.431	0.4552	0.9335	1.845
Russia	0.7019	0.5168	0.550	0.5418	0.8848	1.204

Source: Own calculations based on wiiw data for 2000-2010.

All elasticity estimates are significant at 0.0001 level. D-W is the value of the Durbin-Watson statistics.

independent, or explanatory, variable, with the other item being the dependent variable. But it can be argued that in reality 'causality' runs from domestic demand and exports to imports. Or that both variables are codetermined jointly through some mechanisms that remain to be studied more carefully. The hypothesis on 'causality' running from domestic demand (and exports in particular) to imports seems especially plausible in e.g. Russia. In that country strongly rising export revenues seem to activate large public spending and high growth of private sector incomes, both resulting in increased demand for imports.[7]

While all these concerns are surely legitimate, what remains also deserves to be considered seriously. If the elasticity estimates are even approximately correct, then it would appear that importing 'too much' is not only detrimental to countries' trade balances, but also to their GDP growth. Contrary to the conventional wisdom, expanding international trade does not seem to be necessarily driving growth worldwide. This, by the way, is also a conclusion following numerous cross-country dynamic panel regression studies seeking to relate GDP growth to international trade and to trade openness[8].

---

[7] Conventionally, imports are seen as passively adjusting to domestic demand and exports (or even to GDP, which is logically incorrect). That convention represents a useful first approximation to reality. However, imports may well play an active role, with domestic demand and exports adjusting to imports. In any case, regressing d(log(m)) on d(log(z)) – i.e. treating imports as a conventional function of domestic demand and exports – produces estimates of the 'reverse' elasticities whose values are close to the reciprocals of the elasticity estimates from Table 1. For example, such reverse elasticity estimates for the Czech Republic are 1.83 (not al-

lowing for error-term autocorrelation) and 2.021 (allowing for autocorrelation). Observe that $1.83^{-1} = 0.546$ and $2.021^{-1} = 0.495$. These latter values are of course very close to the respective elasticities for the Czech Republic from Table 1.

[8] See e.g. F. Rodgriguez and D. Rodrik (2000), 'Trade Policy and Economic Growth: A Skeptic's Guide to Cross-National Evidence', *NBER Macroeconomic Annual 2000*, NBER; R.B. Freeman (2004), 'Trade Wars: The Exaggerated Impact of Trade in Economic Debate', *The World Economy*, Vol. 27, pp. 1-23.

The central bank as hedge fund: the new political economy of central banking

BY JAN TOPOROWSKI*

This paper reflects on data showing that key central banks in the world – the Federal Reserve System, the Bank of England, the European Central Bank – have greatly expanded their balance sheets since the financial crisis burst upon the world in 2007. The small-but-independent agencies, that are supposed by mainstream monetary theory to control the economy merely through setting short-term interest rates, have become very large and, on closer examination, rather dependent. By the end of 2010 the total balance sheet of the Bank of England had increased to nearly six times its size in 2002. The balance sheet of the Federal Reserve Banks has increased three times during this period, the balance sheet of the European Central Bank System nearly two and a half times.[1] This is not a feature of only financially-advanced economies involved in the international financial crisis of 2008-2009. The balance sheet of the Reserve Bank of India has increased nearly three and a half times, showing that the notorious expansion of the People's Bank of China is by no means an isolated case.

This expansion in bank balance sheets presents a challenge not only to the internal governance of central banks, which now have to manage large portfolios of assets, and expanded liabilities to commercial banks. By making central banks more like hedge funds, the expansion in balance sheets also challenges the key monetary doctrine that has guided central bank operations in most countries, the New Consensus in Monetary Policy, or Inflation-Targeting, in which central bank interest rates are supposed to be set in order to achieve macroeconomic outcomes, rather than the profitability or liquidity of those balance sheets.

New consensus monetary policy and central bank balance sheets

In the early part of the present century monetary policy and its resulting framework of operations minimized central bank balance sheets. At the same time, the prevailing policy of the international monetary system was one of floating exchange rates. Floating exchange rates mean withdrawal of central banks from the foreign exchange market. In domestic monetary policy, the New Consensus meant a switch from the money supply as the intermediate goal of central bank operations to management of short-term interest rates. The latter does not need a central bank balance sheet, beyond a temporary portfolio of securities held under repurchase or resale agreements. Indeed, theory suggests that even this portfolio is unnecessary: The central bank has merely to announce rates at which it would lend or take deposits, or even just a lending rate, and this would be sufficient to keep short-term interest rates in between the two central bank rates. Borrowing rates in the money markets could not exceed the rate at which the central bank would lend (buy in securities) without causing all borrowers to abandon the money market and present themselves at the discount window of the central bank.

Central bank balance sheets were therefore reduced to the deposits of commercial banks, that is, commercial bank reserves. Compulsory bank reserves were cut back in the US and the UK, now that they are no longer regarded as tools of monetary policy. In the UK they were made voluntary (in 2004).

[1] Most of the increase in balance sheets happened in one quantum jump during the autumn of 2008. On that occasion assets of the Bank of England, FED and Swedish Riksbank all rose from about 6% of GDP to about 18%, 20% and 15% of GDP respectively. Assets of the ECB rose, on that occasion, from about 15% to 22% of eurolands's GDP.

The expansion of central bank balance sheets

Fast growth in the central banks' balance sheets has started only recently. The reasons for the rapid growth of central bank balance sheets are obvious. The Bank of England, the Federal Reserve, and the European Central Bank have been engaged in a massive effort to rescue illiquid banks by buying securities from them and lending directly to them. This is well-known and widely discussed in the framework of 'quantitative easing or credit easing'. This process continues for countries affected by banking crises.[2]

In developing and many emerging market economies, the reason for the expansion of central bank balance sheets has been the weakness of floating exchange rate regimes as a viable complement to monetary policy. In the presence of huge trade imbalances, floating exchange rates would have placed deflationary or inflationary pressures on countries with large foreign trade (or capital account) surpluses or deficits. The largest deficit being that of the United States, pure floating exchange rates would have required a substantial depreciation of the US dollar to reduce other countries' exports to the United States, and expand their imports from that country. In effect the central banks of the trading partners of the United States need to operate in their foreign exchange markets to stabilize exchange rates, in order to prevent the US from exporting deflation to the rest of the world. In countries such as India and China this means building up a portfolio of foreign currency assets[3].

Central banks as hedge funds

The enlarged liabilities towards the commercial banks that deposit their reserves with central banks are 'hedged' with domestic securities (in the case

of central banks in Europe and USA) or with foreign assets (in the case of the central banks in developing and emerging markets). In Europe and USA this hedging operation has turned out to be rather profitable: the 'distress sale' of securities by British and American banks gave record profits to the Federal Reserve and the Bank of England. In 2010, the Fed made net profits of USD 80.9 billion, on costs of just USD 4.3 billion.[4] In large part this was because of the negligible interest rates that have held since the financial crisis set in, in the spring of 2008, allowing those central banks to finance their portfolio of assets at negligible cost. In developing and emerging markets central bank foreign currency assets are held against potential (i.e., off-balance-sheet) liabilities in the event of a capital flight. Both India and China have capital controls, but with gaps in those controls through their informal banking systems and non-bank company operations, or Hong Kong, in the case of China.

The enlarged balance sheets of central banks require new principles of central bank governance and monetary policy. A return to New Consensus minimal balance sheets is not possible without decreasing the credit and liquidity of their respective commercial banking systems. Reducing central bank balance sheets would require the sale of central banks' portfolios of securities, with the proceeds of the sale being used to cancel out the central bank liabilities to commercial banks. Commercial banks would go back to owning longer-term securities of unstable value, hedged by fewer banks reserves. Such banks would therefore be more cautious about lending. In this way, the sale of assets back to commercial banks would go contrary to the political pressure on central banks to persuade the commercial banks to lend more.

Instead of withdrawing from their holding of large amounts of private sector liabilities (by selling them back to the private sector) the central banks can continue to conserve the enlarged reserves of commercial banks but extend their own investments in government debt obligations. There is no

---

[2]   The Bank of Canada's balance sheet has reduced almost back to what it was before quantitative easing in 2007. But this reflects the fact that Canada has not been affected by the banking crisis, rather than any change in central bank policy faced with such a crisis.

[3]   For example, the foreign currency assets of the Reserve Bank of India rose from 59% of its balance sheet in 2002 to 87% in 2009, before settling at 73% in 2010.

[4]   *Financial Times*, 11 January 2011.

---

shortage of governments (in Europe and North America) that are very keen to issue large quantities of long-term securities to finance fiscal deficits (which have been enlarged by the costs of bank rescues). If central banks were to buy up these securities and, furthermore, start making a stable market in them, this would contribute far more generally to stabilizing financial systems. Paradoxically, the best way for central banks to encourage lending to the private sector would be to buy more government bonds.

Another way of achieving this end is by setting up a sovereign wealth fund, as many commodity exporting countries with large trade surpluses or capital inflows have done (so too did Ireland and China). In this scenario, the accumulated assets of the central bank are transferred to the sovereign wealth fund, leaving the central bank with large reserve liabilities to commercial banks but few counterpart assets. Since both the central bank and the sovereign wealth fund are government agencies, the overall government balance sheet remains balanced. However, the sovereign wealth fund can operate in capital markets actively, selling off private sector assets and buying government bonds. In the case of the highest rated government securities, with very low yields, this would reduce the income of the fund. However, within Europe, large spreads have emerged among bonds issued by various governments, so that yields are high for some government bonds. This would allow a European sovereign wealth fund to invest in government securities devalued by the inability of the European Central Bank to hold government securities on a permanent basis without loss of income in relation to the private sector liabilities sold to buy such securities.

In the case of central banks in developing and emerging markets, like the Reserve Bank of India, reducing their balance sheets would be effected by selling their portfolios of foreign assets to domestic commercial banks: selling them to foreign banks, for example, would mean the central bank exchanging securities for a deposit in a foreign bank, even a deposit in a foreign central bank. This makes the selling central bank's balance sheet

more liquid, but it doesn't reduce it because foreign banks would not hold reserves in the selling central bank, reserves that can be cancelled out by the proceeds of the sale. The sale of the central bank's foreign assets to domestic commercial banks would also complicate the management of credit and the exchange rate in developing countries. In effect it would mean the end of capital controls and would limit the central bank's role in the exchange rate determination.

Constraints on monetary policy

Next to the inability of central banks to reduce their balance sheets without restricting the future lending of commercial banks, a second feature of the new situation is that central banks are no longer 'independent' in the sense dreamed about by monetarist theorists such as Kydland and Prescott or Woodford. Central banks are more dependent on each other than ever before, as witnessed by the proliferation of currency swap facilities between central banks. They are also dependent on the issuers of the new assets that they now hold, whether these are non-bank corporate businesses, residential mortgage borrowers, or the governments whose bonds they now hold on a more than temporary basis. The return of New Consensus monetary policy is prevented by the clear impact that such policy would now have on the balance sheets of central banks and those of commercial banks. Such monetary policy would seem to require higher interest rates in Europe and USA to stave off rising inflation. This would reduce the profits that central banks are making from investing in securities issued by the private sector.

Central banks are in fact speculating on the future value of the governments, banks and non-financial businesses whose paper fills up central bank portfolios. In Europe and USA central banks are 'relative value' speculators owing their enlarged profits to near zero interest rates, and those profits would be jeopardized by higher rates. Those profits are necessary to 'hedge' central banks' exposure to weaker commercial and investment banks that they are pledged to support. Outside Europe and USA central banks are 'macro fund' speculators, de-

pendent on the governments of the USA and Europe whose bonds they hold. Those bonds pay very little return, but the higher return attendant upon higher interest rates in Europe and North America, would risk capital outflows from emerging markets. Any losses that emerging market central banks may make on their holdings of foreign government bonds is the insurance premium that those central banks pay against capital outflows.

Of course, being public institutions, central banks are unlike hedge funds in that they do not have as their sole objective the maximization of profits. In this respect, central banks are like those other less-well-known hedge funds: universities financed by endowments or borrowing. However, this does not mean that central banks do not need to make a profit. Any significant loss would jeopardize the

independence of the central bank from its owner, the government (or governments, in the case of the ECB). Central banks therefore need to manage carefully the risks that they now have as a result of their enlarged portfolios of assets. Monetary and banking theory has not prepared our central banks for the sudden increase in their balance sheets. Current conventional wisdom in banking regulation suggests that central banks should also now be subject to capital requirements. This would at least protect the tax-payers who own the central bank. But who would set those requirements, and who would put up that capital? Obviously demands for their Governors to be paid like hedge fund managers will be resisted. But claims to independence, or obedience to inflation targets, or Taylor rules, have been compromised by events and the inflated balance sheets of central banks.

STATISTICAL ANNEX

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

NEW: As of January 2011, time series for the three Baltic countries – **Estonia, Latvia, Lithuania** – are included in the wiiw Monthly Database.

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
	(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
NACE Rev. 1	statistical classification of economic activities in the European Community, Rev. 1 (1990) / Rev. 1.1 (2002)
NACE Rev. 2	statistical classification of economic activities in the European Community, Rev. 2 (2008)
LFS	Labour Force Survey
CPI	consumer price index
HICP	harmonized index of consumer prices (for new EU member states)
PPI	producer price index
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
M1	currency outside banks + demand deposits / narrow money (ECB definition)
M2	M1 + quasi-money / intermediate money (ECB definition)
M3	broad money

Sources of statistical data: Eurostat, national statistical offices and central banks; wiiw estimates.

wiiw Members have **free online access** to the wiiw Monthly Database.
To receive your personal password, please go to http://mdb.wiiw.ac.at

B U L G A R I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2 [1]	real, CPPY	-10.7	-0.2	-2.2	-1.7	2.6	-1.1	3.8	6.8	3.6	5.7	6.7	10.1	15.4	6.2	.
Industry, NACE Rev. 2 [1]	real, CCPPY	-6.7	-4.4	-3.8	-3.4	-2.3	-2.2	-1.4	-0.5	-0.1	0.5	1.0	10.1	12.7	10.3	.
Industry, NACE Rev. 2 [1]	real, 3MMA	-4.4	-4.2	-1.4	-0.4	0.0	1.7	3.1	4.7	5.4	5.4	7.4	10.4	10.3	.	.
Construction, NACE Rev. 2 [2]	real, CPPY	-29.0	-20.7	-22.8	-13.4	-25.2	-19.7	-10.7	-13.9	-11.6	0.8	-14.2	-12.2	-13.1	-18.3	.
Construction, NACE Rev. 2 [2]	real, CCPPY	-29.1	-26.1	-25.3	-23.0	-23.4	-22.8	-21.4	-20.7	-19.8	-18.3	-18.0	-12.2	-12.7	-14.8	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	3011.3	.	.	3072.1	.	.	3104.2	.	.	3023.7	.	.	.	.
Employed persons, LFS	CCPPY	.	-7.7	.	.	-7.3	.	.	-6.7	.	.	-6.2	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	341.0	.	.	342.2	.	.	326.6	.	.	382.4	.	.	395.5	.
Unemployment rate, LFS	%	.	10.2	.	.	10.0	.	.	9.5	.	.	11.2	.	.	12.0	.
Productivity in industry, NACE Rev. 2	CCPPY	.	6.9	.	.	7.1	.	.	7.6	.	.	8.0	.	.	.	.
WAGES																
Total economy, gross	BGN	610	636	643	640	636	637	630	649	650	667	691	663	663	689	.
Total economy, gross [3]	real, CPPY	8.5	7.3	5.2	6.2	5.7	6.8	6.0	5.5	5.6	6.9	5.9	4.0	3.9	3.6	.
Total economy, gross	EUR	312	325	329	327	325	326	322	332	332	341	353	339	339	352	.
Industry, gross, NACE Rev. 2	EUR	304	323	319	320	327	324	322	330	326	330	345	328	329	351	.
PRICES																
Consumer - HICP	PP	0.3	0.4	1.2	0.0	-0.4	0.5	0.2	0.2	0.2	0.5	0.8	0.5	0.6	0.4	-0.1
Consumer - HICP	CPPY	1.7	2.4	3.0	3.0	2.5	3.2	3.2	3.6	3.6	4.0	4.4	4.3	4.6	4.6	3.3
Consumer - HICP	CCPPY	1.7	1.9	2.2	2.4	2.4	2.5	2.6	2.7	2.8	2.9	3.0	4.3	4.5	4.5	4.2
Producer, in industry, NACE Rev. 2	PP	0.0	1.3	2.2	1.7	-0.2	0.6	0.9	0.1	-0.3	1.5	2.0	1.7	1.6	1.0	.
Producer, in industry, NACE Rev. 2	CPPY	4.0	5.2	8.1	9.1	8.4	10.2	11.0	9.6	10.3	11.3	12.2	12.2	13.9	13.6	.
Producer, in industry, NACE Rev. 2	CCPPY	3.5	4.0	5.1	5.9	6.3	6.8	7.4	7.6	7.9	8.2	8.5	12.2	13.1	13.2	.
FOREIGN TRADE [4]																
Exports total (fob), cumulated	EUR mn	1926	3058	4240	5452	6865	8381	9837	11279	12729	14189	15589	1589	3061	.	.
Imports total (cif), cumulated	EUR mn	2336	3854	5424	7072	8742	10411	11939	13567	15320	17318	19162	1592	3190	.	.
Trade balance, cumulated	EUR mn	-411	-797	-1183	-1620	-1877	-2030	-2101	-2288	-2591	-3129	-3573	-2	-128	.	.
Exports to EU-27 (fob), cumulated	EUR mn	1196	1858	2537	3287	4129	5112	6022	6890	7805	8703	9494	942	1854	.	.
Imports from EU-27 (cif), cumulated	EUR mn	1438	2350	3203	4153	5134	6072	6967	7949	8999	10197	11247	896	1846	.	.
Trade balance with EU-27, cumulated	EUR mn	-241	-492	-667	-866	-1005	-960	-945	-1058	-1194	-1494	-1753	46	8	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-554	.	.	-862	.	.	481	.	.	-356	.	.	.	.
EXCHANGE RATE																
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
BGN/USD, monthly average	nominal	1.429	1.441	1.459	1.557	1.602	1.532	1.517	1.497	1.407	1.432	1.479	1.464	1.433	1.397	1.354
EUR/BGN, calculated with CPI [5]	real, Jan07=100	112.7	112.1	112.9	112.7	112.2	113.1	113.0	113.0	112.8	113.3	113.4	114.4	114.5	113.7	113.0
EUR/BGN, calculated with PPI [5]	real, Jan07=100	108.2	108.9	110.3	111.7	111.1	111.7	113.5	113.3	112.7	113.8	115.0	115.8	116.8	117.0	.
USD/BGN, calculated with CPI [5]	real, Jan07=100	118.5	117.4	117.1	109.7	106.2	111.7	112.7	114.4	121.7	120.3	117.1	118.3	121.0	123.4	126.4
USD/BGN, calculated with PPI [5]	real, Jan07=100	109.0	108.1	108.4	103.2	100.8	105.7	107.3	108.9	114.3	113.4	110.8	112.5	114.8	116.8	.
DOMESTIC FINANCE																
Currency in circulation	BGN mn, eop	6718	6663	6632	6663	6761	6963	7119	7076	7023	6953	7356	6943	6857	6824	.
M1	BGN mn, eop	18252	17395	17592	17743	18068	18535	19051	19051	18877	19069	18386	18042	18349	18246	.
Broad money	BGN mn, eop	48465	48392	48613	48879	49245	49838	50514	50333	50395	50966	50741	50939	51414	51946	.
Broad money	CPPY	7.9	7.7	7.9	8.1	8.0	8.7	9.3	8.3	8.2	8.9	6.3	7.3	6.1	7.3	.
Central bank policy rate (p.a.) [6]	%, eop	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Central bank policy rate (p.a.) [6][7]	real, %	-3.7	-4.7	-7.3	-8.2	-7.5	-9.1	-9.8	-8.6	-9.2	-10.0	-10.7	-10.7	-12.1	-11.8	.
BUDGET																
General gov.budget balance [8], cum.	BGN mn	.	-978	.	.	-656	.	.	-1254	.	.	-2269	.	.	.	.

1) Enterprises with 10 and more persons.
2) All public enterprises, private enterprises with 5 and more employees.
3) Nominal wages deflated with HICP.
4) From 2007 intra-/extra-EU trade methodology.
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
6) Base interest rate. This is a reference rate based on the average interbank LEONIA rate of previous month (Bulgaria has a currency board).
7) Deflated with annual PPI.
8) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	6.0	9.3	10.5	15.3	7.8	5.5	13.5	11.6	7.6	15.2	12.0	16.4	13.0	9.5	.
Industry, NACE Rev. 2	real, CCPPY	5.3	6.8	7.7	9.2	8.9	8.5	9.1	9.4	9.2	9.8	10.0	16.4	14.7	12.7	.
Industry, NACE Rev. 2	real, 3MMA	6.8	8.7	11.6	11.0	9.4	8.8	10.3	10.8	11.5	11.6	14.5	13.7	12.7	.	.
Construction, NACE Rev. 2	real, CPPY	-23.6	-17.0	-15.8	-2.3	-4.2	-4.4	-2.1	-5.0	-0.5	-0.7	-12.1	8.1	5.6	4.6	.
Construction, NACE Rev. 2	real, CCPPY	-24.4	-21.4	-19.6	-15.2	-12.8	-11.3	-9.8	-9.1	-8.0	-7.1	-7.6	8.1	6.8	5.9	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	4829.2	.	.	4880.9	.	.	4912.1	.	.	4918.8	.	.	.	.
Employed persons, LFS	CCPPY	.	-2.4	.	.	-1.8	.	.	-1.3	.	.	-1.0	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	422.5	.	.	374.5	.	.	374.1	.	.	362.9	.	.	384.3	.
Unemployment rate, LFS	%	.	8.1	.	.	7.1	.	.	7.1	.	.	6.9	.	.	7.4	.
Productivity in industry, NACE Rev. 2	CCPPY	.	15.8	.	.	15.2	.	.	13.4	.	.	12.6	.	.	.	.
WAGES																
Total economy, gross	CZK, quart. avg.	.	22791	.	.	23529	.	.	23673	.	.	25803	.	.	.	.
Total economy, gross [1]	real, CPPY	.	2.0	.	.	1.5	.	.	0.4	.	.	-1.0	.	.	.	.
Total economy, gross	EUR, quart. avg.	.	880	.	.	920	.	.	950	.	.	1041	.	.	.	.
Industry, gross, NACE Rev. 2 [2]	EUR, quart. avg.	.	862	.	.	912	.	.	934	.	.	1039	.	.	.	.
PRICES																
Consumer - HICP	PP	0.1	0.2	0.4	0.2	0.0	0.3	-0.3	-0.2	-0.3	0.2	0.5	0.8	0.0	0.2	0.2
Consumer - HICP	CPPY	0.4	0.4	0.9	1.0	1.0	1.6	1.5	1.8	1.8	1.9	2.3	1.9	1.9	1.9	1.6
Consumer - HICP	CCPPY	0.4	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1	1.1	1.2	1.9	1.9	1.9	1.8
Producer, in industry, NACE Rev. 2	PP	-0.2	-0.3	0.7	1.3	0.8	-0.8	-0.9	0.0	-0.3	0.6	1.5	0.1	0.3	0.8	.
Producer, in industry, NACE Rev. 2	CPPY	-5.3	-3.1	-1.3	0.8	1.8	2.2	1.5	2.2	1.3	1.7	2.8	2.5	3.0	4.1	.
Producer, in industry, NACE Rev. 2	CCPPY	-4.4	-3.9	-3.3	-2.5	-1.8	-1.2	-0.9	-0.6	-0.4	-0.2	0.0	2.5	2.7	3.2	.
FOREIGN TRADE [3]																
Exports total (fob),cumulated	EUR mn	13875	22504	30452	38531	47200	55127	63166	72654	82150	91934	100213	9157	18144		
Imports total (cif),cumulated	EUR mn	12676	20623	28008	35593	43985	51713	59648	68687	77611	86943	95211	8518	16938		
Trade balance,cumulated	EUR mn	1199	1881	2445	2938	3215	3414	3517	3967	4539	4991	5001	639	1206		
Exports to EU-27 (fob), cumulated	EUR mn	11849	19095	25821	32657	39892	46537	53228	61169	69190	77405	84168	7718	15308		
Imports from EU-27 (cif), cumulated	EUR mn	9645	15814	21396	26982	33215	38894	44782	51590	58225	65230	71255	6356	12729		
Trade balance with EU-27, cumulated	EUR mn	2205	3281	4425	5675	6678	7643	8446	9579	10965	12175	12912	1362	2579		
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	248	.	.	-1080	.	.	-4720	.	.	-5563	.	.	.	.
EXCHANGE RATE																
CZK/EUR, monthly average	nominal	25.98	25.54	25.31	25.66	25.78	25.33	24.81	24.65	24.53	24.63	25.17	24.45	24.28	24.39	24.30
CZK/USD, monthly average	nominal	18.98	18.82	18.88	20.42	21.12	19.83	19.24	18.87	17.65	18.03	19.04	18.30	17.79	17.42	16.83
EUR/CZK, calculated with CPI [4]	real, Jan07=100	109.7	110.8	111.8	110.3	109.7	112.3	114.1	114.3	114.3	113.8	111.2	115.9	116.2	114.6	114.6
EUR/CZK, calculated with PPI [4]	real, Jan07=100	101.2	101.9	102.7	102.2	102.1	103.0	105.0	105.3	105.3	105.0	103.2	105.3	105.6	105.0	.
USD/CZK, calculated with CPI [4]	real, Jan07=100	115.4	116.1	116.0	107.3	103.9	110.9	113.8	115.8	123.3	120.9	114.8	119.8	122.8	124.3	128.2
USD/CZK, calculated with PPI [4]	real, Jan07=100	101.9	101.2	101.0	94.3	92.6	97.5	99.3	101.2	106.9	104.6	99.4	102.3	103.8	104.8	.
DOMESTIC FINANCE																
Currency in circulation	CZK bn, eop	354.2	351.6	353.2	354.2	356.5	354.2	352.6	355.5	356.8	356.5	357.5	356.2	357.5	358.1	.
M1	CZK bn, eop	1775.6	1803.9	1796.2	1893.1	1913.4	1937.3	1969.5	1982.3	1977.8	2003.6	2021.7	2022.4	2034.5	2027.2	.
Broad money	CZK bn, eop	2666.7	2681.7	2727.2	2764.2	2756.2	2744.9	2732.5	2726.5	2730.1	2729.5	2760.0	2737.1	2738.3	2717.1	.
Broad money	CPPY	-2.3	-0.7	0.3	1.0	2.8	2.8	2.7	3.9	3.0	2.4	1.9	2.5	2.7	1.3	.
Central bank policy rate (p.a.) [5]	%, eop	1.0	1.0	1.0	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Central bank policy rate (p.a.) [5,6]	real, %	6.6	4.2	2.3	0.0	-1.0	-1.4	-0.7	-1.4	-0.5	-0.9	-2.0	-1.7	-2.2	-3.2	.
BUDGET																
General gov.budget balance [7], cum.	CZK mn	.	-47901	.	.	-56869	.	.	-105155	.	.	-170787	.	.	.	.

1) Nominal wages deflated with HICP.
2) Including E (electricity, gas, steam, air conditioning supply etc.).
3) From 2004 intra-/extra-EU trade methodology.
4) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
5) Two-week repo rate.
6) Deflated with annual PPI.
7) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

E S T O N I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	3.1	12.5	17.7	20.1	18.4	19.9	23.2	28.4	31.4	35.0	38.7	32.6	31.7	32.6	.
Industry, NACE Rev. 2	real, CCPPY	1.7	5.5	8.4	10.6	11.9	13.0	14.2	15.9	17.5	19.2	20.8	32.6	32.2	32.3	.
Industry, NACE Rev. 2	real, 3MMA	5.5	11.1	16.6	18.7	19.4	20.5	24.0	27.8	31.6	35.0	35.4	34.3	32.3	.	.
Construction, NACE Rev. 2	real, CPPY	.	-34.2	.	.	-16.9	.	.	1.1	.	.	-4.7	.	.	.	.
Construction, NACE Rev. 2	real, CCPPY	.	-34.2	.	.	-24.2	.	.	-15.0	.	.	-12.5	.	.	.	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	553.6	.	.	558.8	.	.	578.2	.	.	592.9	.	.	.	.
Employed persons, LFS	CCPPY	.	-9.6	.	.	-7.7	.	.	-6.2	.	.	-4.2	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	136.9	.	.	127.7	.	.	105.9	.	.	93.2	.	.	.	.
Unemployment rate, LFS	%	.	19.8	.	.	18.6	.	.	15.5	.	.	13.6	.	.	.	.
Productivity in industry, NACE Rev. 2	CCPPY	.	21.9	.	.	25.3	.	.	26.0	.	.	28.2	.	.	.	.
WAGES																
Total economy, gross	EUR, quart. avg.	.	758	.	.	822	.	.	759	.	.	814	.	.	792	.
Total economy, gross[1]	real, CPPY	.	-2.3	.	.	-1.6	.	.	-2.2	.	.	-1.0	.	.	-0.7	.
Industry, gross, NACE Rev. 2	EUR, quart. avg.	.	745	.	.	804	.	.	772	.	.	807	.	.	798	.
PRICES																
Consumer - HICP	PP	0.3	1.2	0.5	0.3	0.4	0.2	0.0	0.8	0.6	0.3	0.5	0.0	0.7	0.8	0.8
Consumer - HICP	CPPY	-0.3	1.4	2.5	2.8	3.4	2.8	2.8	3.8	4.5	5.0	5.4	5.1	5.5	5.1	5.4
Consumer - HICP	CCPPY	-0.7	0.0	0.6	1.1	1.4	1.6	1.8	2.0	2.2	2.5	2.7	5.1	5.3	5.2	5.3
Producer, in industry, NACE Rev. 2	PP	0.5	0.3	0.8	0.8	-0.1	0.4	1.0	0.4	0.2	0.4	-0.2	0.5	0.0	0.4	0.9
Producer, in industry, NACE Rev. 2	CPPY	-0.3	1.2	2.6	4.0	4.0	3.9	4.7	4.9	4.9	5.3	5.1	5.2	4.7	4.8	4.8
Producer, in industry, NACE Rev. 2	CCPPY	-0.8	-0.1	0.5	1.2	1.7	2.0	2.3	2.6	2.8	3.1	3.2	5.2	4.9	4.9	4.9
FOREIGN TRADE[2]																
Exports total (fob), cumulated	EUR mn	1148	1777	2457	3188	3851	4549	5262	6108	6955	7823	8753	821	1661	2735	.
Imports total (cif), cumulated	EUR mn	1152	1954	2652	3444	4200	4933	5701	6550	7404	8310	9242	900	1782	2944	.
Trade balance, cumulated	EUR mn	-3	-177	-194	-256	-349	-384	-439	-442	-449	-487	-488	-78	-121	-209	.
Exports to EU-27 (fob), cumulated	EUR mn	773	1250	1728	2205	2672	3126	3611	4205	4812	5414	6001	583	1142	1823	.
Imports from EU-27 (cif), cumulated	EUR mn	894	1506	2068	2691	3281	3877	4504	5215	5923	6647	7367	631	1299	2179	.
Trade balance with EU-27, cumulated	EUR mn	-121	-256	-341	-486	-609	-750	-893	-1010	-1111	-1232	-1366	-49	-157	-356	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	43	.	.	129	.	.	369	.	.	517	.	.	.	.
EXCHANGE RATE																
EUR/EUR, monthly average	nominal	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
EUR/USD, monthly average	nominal	0.731	0.737	0.746	0.796	0.819	0.783	0.776	0.765	0.720	0.732	0.756	0.749	0.733	0.714	0.692
EUR/EUR, calculated with CPI[3]	real, Jan07=100	107.8	108.1	108.2	108.4	108.7	109.3	109.1	109.6	109.9	110.1	109.9	110.3	110.5	110.2	110.5
EUR/EUR, calculated with PPI[3]	real, Jan07=100	107.9	107.5	107.5	107.9	107.4	107.7	109.6	109.6	109.6	109.5	108.2	107.7	107.0	106.5	106.3
USD/EUR, calculated with CPI[3]	real, Jan07=100	113.4	113.3	112.3	105.5	103.0	108.0	108.8	111.0	118.6	116.9	113.4	114.0	116.8	119.6	123.6
USD/EUR, calculated with PPI[3]	real, Jan07=100	108.7	106.7	105.6	99.6	97.3	101.9	103.6	105.3	111.2	109.1	104.3	104.7	105.2	106.3	109.0
DOMESTIC FINANCE																
Currency in circulation[4]	EUR mn, eop	498	494	500	496	498	496	481	471	453	413	262	.	.	.	.
M1[4]	EUR mn, eop	4213	4355	4412	4624	4606	4570	4604	4637	4672	4845	4908	4749	4707	4705	.
Broad money[4]	EUR mn, eop	8311	8323	8367	8497	8467	8295	8269	8290	8333	8390	8494	8459	8370	8383	.
Broad money	CPPY	3.4	2.0	2.1	3.5	4.2	2.2	1.9	2.8	2.8	5.0	3.0	1.9	0.7	0.7	.
Central bank policy rate (p.a.)[5]	%, eop	1.9	1.6	1.5	1.3	1.2	1.1	1.0	0.9	0.9	0.9	0.9	1.0	1.0	1.0	1.3
Central bank policy rate (p.a.)[5,6]	real, %	2.2	0.4	-1.1	-2.5	-2.7	-2.7	-3.5	-3.7	-3.9	-4.1	-4.0	-4.0	-3.5	-3.6	-3.4
BUDGET																
General gov.budget balance[7], cum.	EUR mn	.	-265	.	.	-267	.	.	-51	.	.	20	.	.	.	.

Note: Estonia has introduced the Euro from 1 January 2011. For statistical purposes all time series in EKK as well as the exchange rates
have been divided by the conversion factor 15.6466 (EKK per EUR) to a kind of statistical EUR (euro-fixed).

1) Nominal wages deflated with HICP.
2) From 2004 intra-/extra-EU trade methodology.
3) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
4) From January 2011 Estonia's contributions to EMU monetary aggregates.
5) TALIBOR one-month interbank offered rate (Estonia has a currency board).
6) Deflated with annual PPI.
7) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

H U N G A R Y: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	8.2	4.2	9.9	14.2	15.4	9.5	17.8	11.3	8.4	14.7	8.4	13.3	14.6	9.3	.
Industry, NACE Rev. 2	real, CCPPY	5.8	5.2	6.4	7.9	9.2	9.3	10.3	10.4	10.2	10.6	10.4	13.3	14.0	12.2	.
Industry, NACE Rev. 2	real, 3MMA	5.2	7.3	9.2	13.2	13.0	14.1	12.6	12.0	11.4	10.6	12.2	12.1	12.2	.	.
Construction, NACE Rev. 2	real, CPPY	-12.9	-7.0	-15.8	-10.5	-18.2	-4.6	-2.8	-9.3	-12.4	-1.6	-12.3	-4.5	-3.4	.	.
Construction, NACE Rev. 2	real, CCPPY	-13.6	-10.9	-12.4	-11.9	-13.4	-12.0	-10.7	-10.5	-10.7	-9.9	-10.2	-4.5	-3.9	.	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	3719.3	.	.	3778.9	.	.	3822.5	.	.	3804.3	.	.	.	.
Employed persons, LFS	CCPPY	.	-1.2	.	.	-0.8	.	.	-0.2	.	.	0.0	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	497.8	.	.	473.3	.	.	465.7	.	.	462.1	.	.	489.8	.
Unemployment rate, LFS	%	.	11.8	.	.	11.1	.	.	10.9	.	.	10.8	.	.	11.6	.
Productivity in industry, NACE Rev. 2	CCPPY	16.8	14.8	14.6	14.8	14.8	13.8	14.0	13.3	12.3	12.1	11.5	7.9	8.4	6.6	.
WAGES																
Total economy, gross [1]	HUF th	194.3	213.3	209.6	206.3	210.9	204.8	202.8	202.5	201.2	232.1	222.5	213.2	205.5	221.1	.
Total economy, gross [1][2]	real, CPPY	-4.1	0.2	-1.1	-1.7	-0.4	0.2	2.8	2.2	-0.3	3.4	-3.7	5.2	1.5	-0.9	.
Total economy, gross [1]	EUR	717	804	789	745	749	722	721	718	734	842	801	774	758	816	.
Industry, gross, NACE Rev. 2 [1]	EUR	717	804	789	745	749	722	721	718	734	842	801	772	757	820	.
PRICES																
Consumer - HICP	PP	0.2	0.6	0.9	0.7	0.2	0.0	-0.5	-0.1	0.4	0.2	0.4	0.9	0.4	1.0	0.7
Consumer - HICP	CPPY	5.6	5.7	5.7	4.9	5.0	3.6	3.6	3.7	4.3	4.0	4.6	4.0	4.2	4.6	4.4
Consumer - HICP	CCPPY	5.9	5.8	5.8	5.6	5.5	5.2	5.0	4.9	4.8	4.7	4.7	4.0	4.1	4.3	4.3
Producer, in industry, NACE Rev. 2	PP	0.8	-0.2	1.8	3.7	1.4	0.1	-0.1	-0.9	-0.7	1.4	0.0	-1.7	0.2	0.0	.
Producer, in industry, NACE Rev. 2	CPPY	-1.4	-2.1	1.5	7.3	8.8	10.6	11.0	9.9	9.1	10.2	10.1	5.6	4.9	5.0	.
Producer, in industry, NACE Rev. 2	CCPPY	-0.3	-0.9	-0.3	1.2	2.5	3.6	4.5	5.1	5.5	5.9	6.2	5.6	5.2	5.2	.
FOREIGN TRADE [3]																
Exports total (fob), cumulated	EUR mn	10159	16387	22020	27727	34112	39952	45705	52341	58949	66042	71990	6135	12860	.	.
Imports total (cif), cumulated	EUR mn	9306	14940	20116	25409	31226	36877	42237	48344	54532	60952	66470	5735	11631	.	.
Trade balance, cumulated	EUR mn	853	1447	1905	2318	2886	3075	3468	3997	4416	5090	5520	399	1230	.	.
Exports to EU-27 (fob), cumulated	EUR mn	8013	12829	17262	21766	26648	31051	35307	40410	45611	51170	55510	4787	9896	.	.
Imports from EU-27 (cif), cumulated	EUR mn	6295	10179	13772	17340	21346	25215	28832	32961	37072	41364	44995	3786	7929	.	.
Trade balance with EU-27, cumulated	EUR mn	1718	2649	3490	4425	5302	5836	6475	7449	8540	9807	10515	1001	1966		
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	597	.	.	1224	.	.	1662	.	.	2029	.	.	.	.
EXCHANGE RATE																
HUF/EUR, monthly average	nominal	271.2	265.4	265.5	276.8	281.5	283.8	281.5	282.1	274.0	275.5	277.6	275.3	271.2	270.9	265.3
HUF/USD, monthly average	nominal	198.2	195.6	198.1	220.3	230.6	222.2	218.3	215.9	197.2	201.7	210.0	206.1	198.7	193.5	183.7
EUR/HUF, calculated with CPI [4]	real, Jan07=100	102.1	104.0	104.4	100.7	99.2	98.7	98.9	98.2	101.2	100.7	99.7	101.9	103.4	103.4	105.8
EUR/HUF, calculated with PPI [4]	real, Jan07=100	99.0	100.3	101.2	100.3	99.6	98.8	100.2	98.7	100.7	101.0	99.3	97.4	98.4	97.6	.
USD/HUF, calculated with CPI [4]	real, Jan07=100	107.4	109.0	108.4	98.0	93.9	97.5	98.6	99.4	109.2	107.0	103.0	105.3	109.2	112.2	118.3
USD/HUF, calculated with PPI [4]	real, Jan07=100	99.8	99.6	99.5	92.6	90.3	93.5	94.7	94.9	102.2	100.7	95.7	94.7	96.7	97.5	.
DOMESTIC FINANCE																
Currency in circulation	HUF bn, eop	2024.8	1993.1	2026.5	2083.0	2150.1	2174.4	2176.3	2173.5	2177.3	2204.7	2218.3	2174.6	2165.5	2138.2	.
M1	HUF bn, eop	5890.8	5940.0	5941.5	6143.8	6339.5	6218.5	6329.8	6317.2	6271.9	6473.6	6634.9	6427.3	6406.9	6444.0	.
Broad money	HUF bn, eop	15923.8	16077.6	16255.2	16348.8	16422.1	16322.6	16495.6	16199.8	16280.9	16387.0	16492.2	16207.8	16238.6	16200.9	.
Broad money	CPPY	1.2	0.7	2.1	2.9	3.4	3.7	3.5	2.5	3.2	3.8	3.2	2.7	2.0	0.8	.
Central bank policy rate (p.a.) [5]	%, eop	5.8	5.5	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.5	5.8	6.0	6.0	6.0	6.0
Central bank policy rate (p.a.) [5][6]	real, %	7.3	7.8	3.7	-2.0	-3.3	-4.8	-5.2	-4.3	-3.6	-4.3	-4.0	0.4	1.1	0.9	.
BUDGET																
General gov.budget balance [7], cum.	HUF bn	.	-320	.	.	-755	.	.	-945	.	.	-1153	.	.	.	.

1) Enterprises with 5 and more employees.
2) Nominal wages deflated with HICP.
3) From 2004 intra-/extra-EU trade methodology.
4) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
5) Base rate (two-week NB bill).
6) Deflated with annual PPI.
7) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

L A T V I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2 [1]	real, CPPY	2.9	10.8	10.4	14.7	13.1	19.1	24.6	21.8	20.6	16.9	19.1	9.5	10.1	12.3	.
Industry, NACE Rev. 2 [1]	real, CCPPY	2.8	5.5	6.8	8.4	9.2	10.6	12.3	13.4	14.2	14.4	14.8	9.5	9.8	10.7	.
Industry, NACE Rev. 2 [1]	real, 3MMA	5.5	8.1	12.0	12.7	15.6	18.9	21.8	22.3	19.7	18.9	15.3	13.0	10.7	.	.
Construction, NACE Rev. 2	real, CPPY	.	-43.4	.	.	-35.3	.	.	-13.1	.	.	-9.6	.	.	-15.1	.
Construction, NACE Rev. 2	real, CCPPY	.	-43.4	.	.	-38.6	.	.	-28.6	.	.	-23.5	.	.	-15.1	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	916.1	.	.	936.0	.	.	960.3	.	.	951.0	.	.	.	.
Employed persons, LFS	CCPPY	.	-12.5	.	.	-9.5	.	.	-6.3	.	.	-4.3	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	235.8	.	.	225.3	.	.	210.0	.	.	193.4	.	.	.	.
Unemployment rate, LFS	%	.	20.5	.	.	19.4	.	.	17.9	.	.	16.9	.	.	.	.
Productivity in industry, NACE Rev. 2	CCPPY	.	26.0	.	.	23.2	.	.	21.8	.	.	19.4	.	.	.	.
WAGES																
Total economy, gross	LVL	.	432	.	.	444	.	.	448	.	.	455	.	.	452	.
Total economy, gross[2]	real, CPPY	.	-4.4	.	.	-4.1	.	.	-1.5	.	.	1.7	.	.	0.8	.
Total economy, gross	EUR	.	610	.	.	627	.	.	632	.	.	641	.	.	641	.
Industry, gross, NACE Rev. 2	EUR	.	589	.	.	613	.	.	637	.	.	627	.	.	620	.
PRICES																
Consumer - HICP	PP	0.0	0.5	0.9	0.0	0.4	0.2	-0.7	0.4	0.3	0.2	0.2	1.3	0.3	0.7	1.1
Consumer - HICP	CPPY	-4.3	-4.0	-2.8	-2.4	-1.6	-0.7	-0.4	0.3	0.9	1.7	2.4	3.5	3.8	4.1	4.3
Consumer - HICP	CCPPY	-3.8	-3.9	-3.6	-3.4	-3.1	-2.7	-2.5	-2.2	-1.9	-1.5	-1.2	3.5	3.7	3.8	3.9
Producer, in industry, NACE Rev. 2	PP	0.3	0.8	1.9	1.7	1.0	0.1	0.5	0.5	-0.2	-0.1	0.1	0.9	0.8	0.9	2.1
Producer, in industry, NACE Rev. 2	CPPY	-5.0	-2.7	0.0	2.7	5.4	5.8	6.4	6.7	6.3	8.0	7.7	7.7	8.3	8.5	8.7
Producer, in industry, NACE Rev. 2	CCPPY	-5.8	-4.8	-3.6	-2.4	-1.1	-0.1	0.7	1.3	1.8	2.4	2.8	7.7	8.0	8.2	8.3
FOREIGN TRADE [3]																
Exports total (fob), cumulated	EUR mn	870	1434	2014	2590	3163	3771	4415	5128	5822	6501	7158	611	1252	.	.
Imports total (cif), cumulated	EUR mn	1074	1751	2398	3100	3781	4540	5344	6182	7006	7839	8745	701	1458	.	.
Trade balance, cumulated	EUR mn	-204	-317	-384	-510	-619	-769	-929	-1053	-1184	-1338	-1587	-90	-206	.	.
Exports to EU-27 (fob), cumulated	EUR mn	587	958	1345	1754	2142	2545	2981	3457	3924	4374	4800	425	864	.	.
Imports from EU-27 (cif), cumulated	EUR mn	766	1281	1771	2301	2850	3444	4037	4680	5311	5949	6634	504	1068	.	.
Trade balance with EU-27, cumulated	EUR mn	-179	-324	-426	-547	-708	-898	-1056	-1223	-1387	-1575	-1834	-79	-204	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	347	.	.	607	.	.	659	.	.	643	.	.	.	.
EXCHANGE RATE																
LVL/EUR, monthly average	nominal	0.709	0.708	0.708	0.708	0.708	0.709	0.709	0.709	0.709	0.709	0.710	0.703	0.704	0.707	0.709
LVL/USD, monthly average	nominal	0.518	0.522	0.528	0.563	0.580	0.555	0.549	0.543	0.510	0.519	0.537	0.526	0.516	0.505	0.491
EUR/LVL, calculated with CPI [4]	real, Jan07=100	112.4	112.1	112.6	112.5	112.7	113.2	112.2	112.3	112.3	112.3	111.7	114.6	114.3	113.3	113.6
EUR/LVL, calculated with PPI [4]	real, Jan07=100	103.5	103.7	104.9	106.3	106.9	106.7	108.1	108.2	107.7	107.0	106.1	106.9	107.0	106.5	107.3
USD/LVL, calculated with CPI [4]	real, Jan07=100	118.4	117.0	116.2	108.7	105.9	111.2	111.3	112.9	120.0	118.0	113.6	117.8	120.1	122.0	126.2
USD/LVL, calculated with PPI [4]	real, Jan07=100	104.2	102.9	103.1	98.1	96.9	101.0	102.2	104.0	109.3	106.7	102.2	103.9	105.2	106.3	110.0
DOMESTIC FINANCE																
Currency in circulation	LVL mn, eop	667	669	714	715	733	750	758	760	777	776	807	790	796	795	.
M1	LVL mn, eop	2999	3100	3192	3192	3302	3326	3364	3409	3455	3513	3771	3723	3788	3690	.
Broad money	LVL mn, eop	5947	6080	6189	6166	6149	6173	6252	6333	6215	6329	6548	6494	6543	6514	.
Broad money	CPPY	-0.6	3.6	4.2	4.6	5.5	8.0	10.6	12.8	11.1	11.9	11.5	11.8	10.0	7.1	.
Central bank policy rate (p.a.) [5]	%, eop	4.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Central bank policy rate (p.a.) [5][6]	real, %	9.4	6.4	3.5	0.8	-1.8	-2.2	-2.7	-3.0	-2.7	-4.2	-3.9	-3.9	-4.5	-4.6	-4.7
BUDGET																
General gov.budget balance [7], cum.	LVL mn	.	-229	.	.	-270	.	.	-466	.	.	-974	.	.	.	.

1) Enterprises with 20 and more persons.
2) Nominal wages deflated with HICP.
3) From 2004 intra-/extra-EU trade methodology.
4) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
5) Refinancing rate.
6) Deflated with annual PPI.
7) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

L I T H U A N I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2 [1]	real, CPPY	-0.8	0.8	4.9	3.8	5.1	4.3	11.0	8.2	17.5	16.9	15.6	16.9	13.1	14.4	.
Industry, NACE Rev. 2 [1]	real, CCPPY	-4.5	-2.8	-1.0	0.0	0.9	1.4	2.6	3.2	4.6	5.8	6.6	16.9	15.0	14.8	.
Industry, NACE Rev. 2 [1]	real, 3MMA	-2.8	1.6	3.1	4.6	4.4	6.8	7.8	12.2	14.2	16.6	16.4	15.2	14.8	.	.
Construction, NACE Rev. 2	real, CPPY	.	-42.9	.	.	-17.0	.	.	6.7	.	.	16.2	.	.	15.9	.
Construction, NACE Rev. 2	real, CCPPY	.	-42.9	.	.	-28.4	.	.	-15.4	.	.	-7.9	.	.	15.9	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	1328.4	.	.	1328.0	.	.	1351.2	.	.	1367.1				
Employed persons, LFS	CCPPY	.	-7.3	.	.	-7.0	.	.	-6.4	.	.	-5.1	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	293.3	.	.	297.2	.	.	292.0	.	.	281.9	.	.	.	.
Unemployment rate, LFS	%	.	18.1	.	.	18.3	.	.	17.8	.	.	17.1	.	.	.	.
Productivity in industry, NACE Rev. 2	CCPPY	.	12.3	.	.	14.0	.	.	13.9	.	.	15.3	.	.	.	.
WAGES																
Total economy, gross	LTL	.	2031	.	.	2056	.	.	2082	.	.	2122	.	.	2072	.
Total economy, gross [2]	real, CPPY	.	-7.0	.	.	-5.9	.	.	-4.5	.	.	-2.7	.	.	-1.2	.
Total economy, gross	EUR	.	588	.	.	595	.	.	603	.	.	614	.	.	600	.
Industry, gross, NACE Rev. 2	EUR	.	593	.	.	600	.	.	619	.	.	625	.	.	613	.
PRICES																
Consumer - HICP	PP	-0.1	0.3	0.4	0.2	0.0	0.0	-0.2	0.6	0.4	0.0	0.8	0.4	0.1	1.0	1.0
Consumer - HICP	CPPY	-0.6	-0.4	0.2	0.5	0.9	1.7	1.8	1.8	2.6	2.5	3.6	2.8	3.0	3.7	4.4
Consumer - HICP	CCPPY	-0.4	-0.4	-0.3	-0.1	0.1	0.3	0.5	0.6	0.8	1.0	1.2	2.8	2.9	3.2	3.5
Producer, in industry, NACE Rev. 2	PP	2.0	3.4	1.8	0.2	0.7	-1.0	0.0	0.2	0.9	1.9	2.9	1.1	2.5	3.2	1.5
Producer, in industry, NACE Rev. 2	CPPY	5.1	10.0	11.9	11.3	9.6	10.8	9.2	11.3	12.0	12.7	16.1	15.1	15.7	15.4	15.1
Producer, in industry, NACE Rev. 2	CCPPY	4.4	6.3	7.7	8.4	8.6	8.9	8.9	9.2	9.5	9.8	10.3	15.1	15.4	15.4	15.3
FOREIGN TRADE [3]																
Exports total (fob), cumulated	EUR mn	1938	3055	4261	5512	6860	8173	9602	11041	12596	14146	15716	1434	2927	.	.
Imports total (cif), cumulated	EUR mn	2169	3482	4921	6263	7731	9330	10856	12514	14179	15928	17650	1650	3310	.	.
Trade balance, cumulated	EUR mn	-231	-427	-660	-751	-871	-1158	-1254	-1473	-1583	-1781	-1934	-215	-383	.	.
Exports to EU-27 (fob), cumulated	EUR mn	1309	1993	2713	3491	4275	5075	5926	6788	7734	8690	9600	943	1829	.	.
Imports from EU-27 (cif), cumulated	EUR mn	1100	1901	2692	3496	4331	5199	6120	7064	8038	9038	9987	829	1729	.	.
Trade balance with EU-27, cumulated	EUR mn	209	92	21	-5	-56	-124	-194	-276	-304	-347	-387	114	101		
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	16	.	.	336	.	.	252	.	.	506	.	.	.	.
EXCHANGE RATE																
LTL/EUR, monthly average	nominal	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453	3.453
LTL/USD, monthly average	nominal	2.523	2.545	2.576	2.748	2.828	2.704	2.678	2.642	2.484	2.527	2.612	2.584	2.530	2.466	2.391
EUR/LTL, calculated with CPI [4]	real, Jan07=100	111.9	111.2	111.2	111.2	111.2	111.6	111.1	111.5	111.6	111.4	111.5	112.4	112.0	111.9	112.4
EUR/LTL, calculated with PPI [4]	real, Jan07=100	110.5	113.5	114.6	114.4	114.8	113.5	114.3	114.1	115.0	116.6	118.8	118.9	121.0	123.9	124.5
USD/LTL, calculated with CPI [4]	real, Jan07=100	117.8	116.0	114.7	107.5	104.5	109.6	110.2	112.1	119.3	117.0	113.4	115.6	117.6	120.5	124.9
USD/LTL, calculated with PPI [4]	real, Jan07=100	111.3	112.7	112.7	105.6	104.1	107.4	108.0	109.7	116.7	116.2	114.4	115.6	119.0	123.7	127.6
DOMESTIC FINANCE																
Currency in circulation	LTL mn, eop	6940	6944	7051	7168	7310	7468	7510	7499	7600	7627	7848	7724	7783	7758	.
M1	LTL mn, eop	21690	22219	23230	23938	24435	24964	24822	25171	25568	26307	27398	26742	27305	27174	.
Broad money	LTL mn, eop	43871	44002	44627	44976	45156	45598	45812	45532	45960	46713	48115	47307	47618	47687	.
Broad money	CPPY	1.9	4.5	6.1	8.3	8.5	9.6	10.2	11.1	9.5	9.0	8.9	9.5	8.5	8.4	.
Central bank policy rate (p.a.) [5]	%, eop	1.0	0.9	0.9	0.9	1.0	1.0	1.0	0.9	1.0	1.1	1.1	1.0	1.2	1.1	1.3
Central bank policy rate (p.a.) [5][6]	real, %	-3.9	-8.2	-9.8	-9.3	-7.8	-8.8	-7.5	-9.3	-9.9	-10.3	-12.9	-12.3	-12.5	-12.4	-12.0
BUDGET																
General gov.budget balance [7], cum.	LTL mn	.	-1696	.	.	-3560	.	.	-4422	.	.	-6737	.	.	.	.

1) Sold production.
2) Nominal wages deflated with HICP.
3) From 2004 intra-/extra-EU trade methodology.
4) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
5) VILIBOR one-month interbank offered rate (Lithuania has a currency board).
6) Deflated with annual PPI.
7) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

P O L A N D: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2 [1)2)]	real, CPPY	9.2	12.5	9.7	13.5	14.3	10.5	13.6	11.7	8.0	10.0	11.4	10.2	10.4	6.9	.
Industry, NACE Rev. 2 [1)2)]	real, CCPPY	8.9	10.2	10.1	10.8	11.4	11.3	11.6	11.6	11.2	11.1	11.1	10.2	10.3	9.1	.
Industry, NACE Rev. 2 [1)2)]	real, 3MMA	10.2	10.6	11.9	12.5	12.8	12.8	11.9	11.0	9.9	9.8	10.6	10.7	9.1	.	.
Construction, NACE Rev. 2 [2)]	real, CPPY	-24.7	-10.9	-6.2	2.3	9.6	0.8	8.5	13.4	9.4	14.2	12.3	10.9	18.7	24.2	.
Construction, NACE Rev. 2 [2)]	real, CCPPY	-20.3	-16.7	-13.6	-9.7	-5.4	-4.3	-2.2	0.0	1.3	2.6	3.8	10.9	14.9	18.7	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	15574	.	.	15994	.	.	16199	.	.	16075	.	.	.	.
Employed persons, LFS	CCPPY	.	-0.9	.	.	0.0	.	.	0.4	.	.	0.6	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	1838.9	.	.	1682.0	.	.	1627.4	.	.	1649.1	.	.	1771.0	.
Unemployment rate, LFS	%	.	10.6	.	.	9.5	.	.	9.2	.	.	9.3	.	.	10.0	.
Productivity in industry, NACE Rev. 2	CCPPY	12.7	13.7	13.1	13.3	13.6	13.0	13.0	12.7	12.0	11.7	11.5	7.5	7.5	.	.
WAGES																
Total economy, gross [2)]	PLN	3288	3493	3399	3347	3404	3433	3407	3404	3440	3526	3848	3392	3422	3634	3598
Total economy, gross [2)3)]	real, CPPY	-0.5	1.9	0.5	2.4	1.1	0.2	2.3	1.2	1.2	1.0	2.4	1.4	0.7	0.0	1.7
Total economy, gross [2)]	EUR	819	898	876	825	829	841	854	861	871	892	963	872	872	905	906
Industry, gross, NACE Rev. 2	EUR	837	908	870	835	841	850	868	871	864	928	1009	871	890	909	918
PRICES																
Consumer - HICP	PP	0.4	0.3	0.4	0.3	0.3	-0.2	-0.3	0.5	0.3	0.2	0.3	1.0	0.2	0.9	0.5
Consumer - HICP	CPPY	3.4	2.9	2.7	2.3	2.4	1.9	1.9	2.5	2.6	2.6	2.9	3.5	3.3	4.0	4.1
Consumer - HICP	CCPPY	3.7	3.4	3.2	3.0	2.9	2.8	2.7	2.7	2.7	2.6	2.7	3.5	3.4	3.6	3.7
Producer, in industry, NACE Rev. 2	PP	0.0	-0.1	1.2	1.9	1.0	0.2	-0.2	0.2	0.1	0.3	1.3	0.3	1.2	1.4	.
Producer, in industry, NACE Rev. 2	CPPY	-2.2	-2.3	-0.3	1.8	2.3	3.9	4.1	4.5	4.2	4.9	6.4	6.3	7.6	9.2	.
Producer, in industry, NACE Rev. 2	CCPPY	-1.0	-1.4	-1.1	-0.5	-0.1	0.5	0.9	1.3	1.6	1.9	2.3	6.3	6.9	7.7	.
FOREIGN TRADE [4)]																
Exports total (fob), cumulated	EUR mn	17109	27312	37047	46756	57319	67111	76457	87384	98197	108363	117486	10079	20366	.	.
Imports total (cif), cumulated	EUR mn	18755	30230	40815	51615	62853	73811	84520	96461	108333	120256	130986	10886	22019	.	.
Trade balance, cumulated	EUR mn	-1646	-2918	-3768	-4858	-5534	-6700	-8063	-9077	-10135	-11894	-13500	-806	-1652	.	.
Exports to EU-27 (fob), cumulated	EUR mn	13731	21787	29507	37373	45653	53236	60390	68946	77415	85469	92322	8090	16106	.	.
Imports from EU-27 (cif), cumulated	EUR mn	13012	21315	28865	36470	44442	52226	59493	68112	76553	84717	91822	7417	15043	.	.
Trade balance with EU-27, cumulated	EUR mn	719	472	642	903	1211	1010	898	834	862	751	500	673	1064	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-1130	.	.	-2994	.	.	-6715	.	.	-11989	.	.	.	.
EXCHANGE RATE																
PLN/EUR, monthly average	nominal	4.014	3.891	3.878	4.057	4.106	4.081	3.990	3.955	3.950	3.952	3.996	3.890	3.926	4.015	3.969
PLN/USD, monthly average	nominal	2.933	2.867	2.893	3.229	3.363	3.196	3.094	3.027	2.842	2.893	3.023	2.911	2.877	2.868	2.749
EUR/PLN, calculated with CPI [5)]	real, Jan07=100	101.2	103.8	104.1	99.6	98.7	99.4	101.1	102.2	102.4	102.4	100.9	105.2	103.9	101.5	102.6
EUR/PLN, calculated with PPI [5)]	real, Jan07=100	98.3	100.6	101.3	98.2	97.7	98.3	101.1	101.8	101.9	101.6	100.8	102.9	102.4	100.6	.
USD/PLN, calculated with CPI [5)]	real, Jan07=100	106.5	108.8	108.0	97.0	93.4	98.1	100.8	103.5	110.5	108.7	104.2	108.8	109.8	110.1	114.7
USD/PLN, calculated with PPI [5)]	real, Jan07=100	99.0	99.9	99.6	90.7	88.6	93.1	95.6	97.9	103.4	101.3	97.1	100.0	100.6	100.5	.
DOMESTIC FINANCE																
Currency in circulation	PLN bn, eop	88.0	88.6	89.5	92.1	93.0	93.2	92.7	91.7	92.0	91.5	92.7	90.6	91.4	92.2	.
M1	PLN bn, eop	383.4	389.6	388.3	409.0	415.2	414.5	421.0	419.2	420.2	428.8	449.3	436.4	442.2	458.9	.
Broad money	PLN bn, eop	715.6	721.5	721.2	737.8	742.8	743.3	749.6	752.9	756.6	763.4	782.5	769.1	775.0	800.2	.
Broad money	CPPY	5.1	5.5	6.1	7.7	7.1	7.8	9.4	8.9	6.4	9.1	8.6	8.2	8.3	10.9	.
Central bank policy rate (p.a.) [6)]	%, eop	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.8	3.8	3.8	4.0
Central bank policy rate (p.a.) [6)7)]	real, %	5.8	5.9	3.9	1.6	1.2	-0.4	-0.6	-0.9	-0.7	-1.3	-2.7	-2.4	-3.6	-5.0	.
BUDGET																
General gov.budget balance [8)], cum.	PLN mn	.	-10331	.	.	-41935	.	.	-57480	.	.	-111168	.	.	.	.

1) Sold production.
2) Enterprises with 10 and more employees.
3) Nominal wages deflated with HICP.
4) From 2004 intra-/extra-EU trade methodology.
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
6) Reference rate (7-day open market operation rate).
7) Deflated with annual PPI.
8) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

R O M A N I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2 [1]	real, CPPY	-0.4	7.0	7.8	6.0	6.8	3.3	5.3	5.0	1.6	7.9	9.9	11.7	12.9	9.8	.
Industry, NACE Rev. 2 [1]	real, CCPPY	2.7	4.3	5.2	5.3	5.6	5.2	5.3	5.2	4.8	5.1	5.5	11.7	12.3	11.4	.
Industry, NACE Rev. 2 [1]	real, 3MMA	4.3	4.9	6.9	6.8	5.3	5.1	4.5	3.9	4.8	6.3	9.7	11.5	11.4	.	.
Construction, NACE Rev. 2	real, CPPY	-27.7	-23.3	-14.4	-17.3	-3.1	-24.1	-16.9	-12.0	-3.9	-16.4	-1.0	-11.5	0.6	-2.6	.
Construction, NACE Rev. 2	real, CCPPY	-19.8	-21.3	-19.3	-18.9	-15.2	-16.8	-16.8	-16.1	-14.7	-14.9	-13.2	-11.5	-5.6	-4.4	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	8934.3	.	.	9488.1	.	.	9482.7	.	.	9052.5	.	.	.	.
Employed persons, LFS	CCPPY	.	-1.2	.	.	0.0	.	.	-0.1	.	.	0.0	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	787.2	.	.	697.0	.	.	702.7	.	.	713.7	.	.	.	.
Unemployment rate, LFS	%	.	8.1	.	.	6.8	.	.	6.9	.	.	7.3	.	.	.	.
Productivity in industry, NACE Rev. 2	CCPPY	21.7	22.2	22.3	21.6	21.2	20.0	19.5	18.7	17.6	17.3	17.1	15.4	15.3	14.0	.
WAGES																
Total economy, gross [1]	RON	1940	2074	1973	1962	1951	1868	1846	1846	1846	1900	2067	1963	1944	2056	.
Total economy, gross [1)2]	real, CPPY	-0.4	3.5	-1.9	1.3	-0.9	-8.3	-7.0	-7.9	-9.0	-5.5	-5.3	-6.7	-6.9	-8.2	.
Total economy, gross [1]	EUR	471	508	478	470	460	438	435	433	431	442	481	461	458	494	.
Industry, gross, NACE Rev. 2 [3]	EUR	431	479	452	450	449	458	456	458	448	457	508	456	452	491	.
PRICES																
Consumer - HICP	PP	0.2	0.2	0.3	0.1	0.2	2.6	0.2	0.6	0.6	0.5	0.5	0.8	0.8	0.6	0.7
Consumer - HICP	CPPY	4.5	4.2	4.2	4.4	4.3	7.1	7.6	7.7	7.9	7.7	7.9	7.0	7.6	8.0	8.4
Consumer - HICP	CCPPY	4.8	4.6	4.5	4.5	4.5	4.9	5.2	5.5	5.7	5.9	6.1	7.0	7.3	7.5	7.8
Producer, in industry, NACE Rev. 2	PP	0.2	0.9	1.3	1.3	0.3	0.2	0.4	1.4	0.2	0.9	1.2	1.6	0.8	1.1	.
Producer, in industry, NACE Rev. 2	CPPY	2.8	4.4	5.6	6.5	6.2	7.0	6.6	7.9	7.8	8.1	9.6	10.2	10.9	11.1	.
Producer, in industry, NACE Rev. 2	CCPPY	3.0	3.5	4.0	4.5	4.8	5.1	5.3	5.6	5.8	6.0	6.3	10.2	10.6	10.7	.
FOREIGN TRADE [4]																
Exports total (fob), cumulated	EUR mn	4885	7919	10802	13801	17152	20533	23324	26838	30352	33973	37264	3426	6941	.	.
Imports total (cif), cumulated	EUR mn	6013	9978	13742	17739	22030	26070	29493	33841	38115	42675	46764	3625	7546	.	.
Trade balance, cumulated	EUR mn	-1128	-2059	-2940	-3938	-4879	-5538	-6168	-7003	-7762	-8702	-9500	-199	-604	.	.
Exports to EU-27 (fob), cumulated	EUR mn	3671	5888	7962	10152	12596	15038	16931	19483	22031	24724	26910	2449	5054	.	.
Imports from EU-27 (cif), cumulated	EUR mn	4285	7226	9954	12828	15872	18875	21371	24514	27752	31133	33918	2577	5471	.	.
Trade balance with EU-27, cumulated	EUR mn	-615	-1338	-1993	-2676	-3275	-3837	-4439	-5031	-5722	-6409	-7008	-128	-417		
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-1536	.	.	-3625	.	.	-4106	.	.	-4952	.	.	.	.
EXCHANGE RATE																
RON/EUR, monthly average	nominal	4.120	4.087	4.131	4.177	4.243	4.261	4.240	4.266	4.279	4.294	4.293	4.262	4.246	4.162	4.100
RON/USD, monthly average	nominal	3.010	3.012	3.081	3.324	3.476	3.337	3.288	3.264	3.079	3.143	3.247	3.190	3.111	2.973	2.839
EUR/RON, calculated with CPI [5]	real, Jan07=100	92.7	92.8	91.7	90.7	89.4	91.6	92.1	91.8	91.7	91.7	91.6	93.4	94.1	95.5	97.1
EUR/RON, calculated with PPI [5]	real, Jan07=100	97.7	98.7	98.1	97.9	96.3	95.9	97.5	97.9	97.6	97.5	97.8	99.0	99.5	101.8	.
USD/RON, calculated with CPI [5]	real, Jan07=100	97.5	97.3	95.2	88.3	84.6	90.4	91.8	92.9	98.9	97.4	94.6	96.6	99.4	103.6	108.5
USD/RON, calculated with PPI [5]	real, Jan07=100	98.4	98.0	96.5	90.4	87.3	90.8	92.2	94.1	99.0	97.2	94.2	96.2	97.9	101.6	.
DOMESTIC FINANCE																
Currency in circulation	RON mn, eop	24650	24230	24772	25515	26102	26933	26954	26788	26831	26244	26804	26393	27051	26250	.
M1	RON mn, eop	76900	76405	76372	78583	80491	79860	80415	81536	78543	79961	81643	80048	79277	77801	.
Broad money	RON mn, eop	187745	189839	190922	192650	195086	193768	195570	195819	194633	197399	202858	199168	197929	196430	.
Broad money	CPPY	6.5	8.3	8.3	8.6	8.3	6.9	6.2	6.6	5.7	6.4	7.1	7.2	5.4	3.5	.
Central bank policy rate (p.a.) [6]	%, eop	7.0	6.5	6.5	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Central bank policy rate (p.a.) [6)7]	real, %	4.0	2.0	0.9	-0.2	0.1	-0.7	-0.4	-1.5	-1.4	-1.7	-3.0	-3.6	-4.2	-4.3	.
BUDGET																
General gov.budget balance [8], cum.	RON mn	.	-9172	.	.	-20331	.	.	-25240	.	.	-33074	.	.	.	.

1) Enterprises with 4 and more employees.
2) Nominal wages deflated with HICP.
3) Including E (electricity, gas, steam, air conditioning supply etc.).
4) From 2007 intra-/extra-EU trade methodology.
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
6) One-week repo rate.
7) Deflated with annual PPI.
8) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

S L O V A K I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	20.2	19.5	20.3	28.8	24.6	15.5	17.2	13.4	12.5	17.1	20.5	17.7	10.8	7.1	.
Industry, NACE Rev. 2	real, CCPPY	19.7	19.7	19.8	21.6	22.1	21.2	20.7	19.7	18.9	18.7	18.8	17.7	14.2	11.5	.
Industry, NACE Rev. 2	real, 3MMA	19.7	20.0	22.7	24.5	23.0	19.2	15.3	14.2	14.3	16.5	18.3	16.2	11.5	.	.
Construction, NACE Rev. 2	real, CPPY	-19.6	-12.9	-1.0	-8.6	-6.6	-3.3	-1.2	-6.6	4.1	0.8	0.0	-0.8	-7.9	0.5	.
Construction, NACE Rev. 2	real, CCPPY	-14.5	-13.9	-10.0	-9.6	-9.0	-8.0	-7.0	-6.9	-5.7	-5.0	-4.6	-0.8	-4.6	-2.5	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	2283.1	.	.	2312.5	.	.	2335.0	.	.	2339.4	.	.	.	.
Employed persons, LFS	CCPPY	.	-4.5	.	.	-3.6	.	.	-2.9	.	.	-2.1	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	407.4	.	.	388.4	.	.	383.6	.	.	377.4	.	.	375.6	.
Unemployment rate, LFS	%	.	15.2	.	.	14.4	.	.	14.1	.	.	13.9	.	.	13.9	.
Productivity in industry, NACE Rev. 2	CCPPY	38.5	36.0	34.0	34.0	32.8	30.4	28.7	26.5	24.5	23.4	22.8	12.9	9.0	6.4	.
WAGES																
Total economy, gross [1]	EUR, quart. avg.	.	725	.	.	758	.	.	750	.	.	844	.	.	.	.
Total economy, gross [2]	real, CPPY	.	2.1	.	.	2.7	.	.	2.7	.	.	2.7	.	.	.	.
Industry, gross, NACE Rev. 2 [1]	EUR	736	779	770	776	827	787	763	782	774	926	868	771	756	815	.
PRICES																
Consumer - HICP	PP	0.0	0.1	0.4	0.1	0.0	0.1	-0.1	0.0	0.0	0.3	0.2	2.1	0.3	0.4	0.5
Consumer - HICP	CPPY	-0.2	0.3	0.7	0.7	0.7	1.0	1.1	1.1	1.0	1.0	1.3	3.2	3.5	3.8	3.9
Consumer - HICP	CCPPY	-0.2	0.0	0.2	0.3	0.3	0.4	0.5	0.6	0.6	0.6	0.7	3.2	3.4	3.5	3.6
Producer, in industry, NACE Rev. 2	PP	-0.7	0.7	0.9	0.8	0.4	0.6	0.0	-0.2	0.2	0.0	0.2	1.4	0.5	0.8	.
Producer, in industry, NACE Rev. 2	CPPY	-4.5	-2.7	-1.1	0.5	0.8	1.9	2.0	1.9	2.1	1.5	1.9	4.4	5.7	5.8	.
Producer, in industry, NACE Rev. 2	CCPPY	-3.7	-3.4	-2.8	-2.2	-1.7	-1.2	-0.8	-0.5	-0.2	-0.1	0.1	4.4	5.1	5.3	.
FOREIGN TRADE [3]																
Exports total (fob),cumulated	EUR mn	6590	10749	14686	18734	22970	26860	30758	35365	40251	45195	49291	4110	8475	13375	.
Imports total (fob),cumulated	EUR mn	6618	10690	14541	18617	22807	26905	31143	35829	40753	45784	50206	4054	8401	13201	.
Trade balance,cumulated	EUR mn	-29	59	145	117	164	-45	-384	-465	-501	-589	-915	56	74	174	.
Exports to EU-27 (fob), cumulated	EUR mn	5607	9110	12441	15847	19458	22770	26073	29966	34047	38236	41676	3601	7320	.	.
Imports from EU-27 (fob), cumulated	EUR mn	4772	7784	10677	13590	16678	19585	22521	25937	29518	33232	36456	2941	6122	.	.
Trade balance with EU-27, cumulated	EUR mn	835	1327	1765	2257	2780	3186	3553	4028	4529	5004	5220	660	1197	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-246	.	.	-616	.	.	-1530	.	.	-2270	.	.	.	.
EXCHANGE RATE [1]																
EUR/USD, monthly average [4]	nominal	0.7307	0.7370	0.7459	0.7959	0.8191	0.7831	0.7756	0.7653	0.7195	0.7320	0.7564	0.7485	0.7327	0.7143	0.6924
EUR/EUR, calculated with CPI [5]	real, Jan07=100	113.8	112.9	112.8	112.7	112.6	113.1	112.8	112.5	112.2	112.3	111.9	114.6	114.4	113.6	113.6
EUR/EUR, calculated with PPI [5]	real, Jan07=100	103.3	103.3	103.4	103.7	103.8	104.3	105.1	104.5	104.5	104.0	103.2	103.5	103.3	103.3	.
USD/EUR, calculated with CPI [5]	real, Jan07=100	119.6	118.3	117.1	109.7	106.7	111.7	112.5	113.8	121.0	119.3	115.5	118.5	120.9	123.3	127.0
USD/EUR, calculated with PPI [5]	real, Jan07=100	104.0	102.5	101.6	95.8	94.1	98.7	99.3	100.5	106.0	103.6	99.4	100.6	101.6	103.2	.
DOMESTIC FINANCE																
Currency in circulation [1)6)]	EUR mn, eop	6819	6927	6946	7002	7065	7167	7117	7113	7130	7142	7324	7160	7149	7186	.
M1 [1)6)]	EUR mn, eop	23783	24052	24001	24796	24891	24635	24937	24904	24599	25401	26443	25967	25959	25334	.
Broad money [1)6)]	EUR mn, eop	38874	39044	39740	40048	39348	39287	39459	39131	39160	39572	40578	40573	40397	40131	.
Broad money [1)6)]	CPPY	-2.6	-1.2	1.0	1.1	1.8	2.6	3.2	3.5	4.3	4.5	4.4	6.1	3.9	2.8	.
Central bank policy rate (p.a.) [7]	%, eop	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.3
Central bank policy rate (p.a.) [7)8)]	real, %	5.7	3.8	2.2	0.5	0.2	-0.9	-1.0	-0.9	-1.1	-0.5	-0.9	-3.3	-4.4	-4.5	.
BUDGET																
General gov.budget balance [1)9)], cum.	EUR mn	.	-939	.	.	-2138	.	.	-3045	.	.	-5207	.	.	.	.

1) Slovakia has introduced the Euro from 1 January 2009.
2) Nominal wages deflated with HICP.
3) From 2004 intra-/extra-EU trade methodology.
4) Reference rate from ECB.
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
6) From January 2009 Slovakia's contributions to EMU monetary aggregates.
7) Official refinancing operation rate for euro area (ECB).
8) Deflated with annual PPI.
9) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

S L O V E N I A: Selected monthly data on the economic situation 2010 to 2011

(updated end of May 2011)

		2010 Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 Jan	Feb	Mar	Apr
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	-1.3	8.3	9.2	14.4	10.3	6.9	13.7	5.0	5.8	5.2	13.9	15.2	7.7	7.1	.
Industry, NACE Rev. 2	real, CCPPY	-5.0	-0.3	1.9	4.4	5.4	5.6	6.5	6.3	6.3	6.2	6.8	15.2	11.3	9.7	.
Industry, NACE Rev. 2	real, 3MMA	-0.3	5.5	10.6	11.3	10.5	10.1	8.1	7.7	5.3	8.0	11.0	12.2	9.7	.	.
Construction, NACE Rev. 2 1)	real, CPPY	-24.2	-19.8	-17.8	-15.5	-17.2	-17.4	-13.1	-18.7	-18.0	-17.5	-12.2	-15.2	-23.6	-30.8	.
Construction, NACE Rev. 2 1)	real, CCPPY	-18.3	-18.9	-18.6	-17.9	-17.7	-17.7	-17.0	-17.2	-17.3	-17.3	-17.0	-15.2	-19.4	-24.0	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	964.8	.	.	968.0	.	.	968.1	.	.	963.4	.	.	.	.
Employed persons, LFS	CCPPY	.	0.3	.	.	-0.5	.	.	-1.3	.	.	-1.5	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	73.9	.	.	73.9	.	.	73.0	.	.	80.7	.	.	87.0	.
Unemployment rate, LFS	%	.	7.1	.	.	7.1	.	.	7.1	.	.	7.8	.	.	8.4	.
Productivity in industry, NACE Rev. 2	CCPPY	.	9.4	.	.	13.8	.	.	13.6	.	.	12.8	.	.	.	.
WAGES																
Total economy, gross	EUR	1431	1499	1483	1475	1492	1481	1487	1486	1488	1634	1534	1496	1494	1524	.
Total economy, gross 2)	real, CPPY	2.0	3.4	1.5	1.7	2.2	1.6	2.6	1.5	0.6	2.4	0.9	1.0	2.3	-0.7	.
Industry, gross, NACE Rev. 2	EUR	1263	1395	1330	1311	1339	1330	1353	1335	1337	1552	1408	1352	1381	1412	.
PRICES																
Consumer - HICP	PP	0.3	1.0	1.1	0.4	0.2	-0.6	0.1	-0.4	0.1	0.3	0.1	-0.4	0.0	1.4	0.7
Consumer - HICP	CPPY	1.6	1.8	2.7	2.4	2.1	2.3	2.4	2.1	2.1	1.6	2.2	2.3	2.0	2.4	2.0
Consumer - HICP	CCPPY	1.7	1.7	2.0	2.1	2.1	2.1	2.2	2.1	2.1	2.1	2.1	2.3	2.2	2.2	2.2
Producer, in industry, NACE Rev. 2	PP	0.4	0.3	0.7	1.3	0.3	0.2	0.2	0.0	0.3	0.2	0.2	1.1	1.1	0.4	0.4
Producer, in industry, NACE Rev. 2	CPPY	-1.5	-0.4	0.8	2.8	2.8	3.3	3.4	3.0	3.3	3.9	4.2	5.2	6.0	6.0	5.7
Producer, in industry, NACE Rev. 2	CCPPY	-1.6	-1.2	-0.7	0.0	0.5	0.9	1.2	1.4	1.6	1.8	2.0	5.2	5.6	5.7	5.7
FOREIGN TRADE 3)																
Exports total (fob), cumulated	EUR mn	3014	4979	6742	8581	10589	12494	14089	16218	18259	20356	22212	1850	3787	.	.
Imports total (cif), cumulated	EUR mn	3067	5017	6821	8761	10689	12555	14207	16333	18478	20676	22658	1865	3855	.	.
Trade balance total, cumulated	EUR mn	-52	-38	-79	-180	-100	-61	-118	-115	-219	-320	-446	-15	-69	.	.
Exports to EU-27 (fob), cumulated	EUR mn	2246	3645	4920	6219	7661	8970	10051	11603	13072	14583	15849	1404	2797	.	.
Imports from EU-27 (cif), cumulated	EUR mn	2066	3444	4686	6024	7333	8629	9771	11202	12610	14043	15362	1213	2544	.	.
Trade balance with EU-27, cumulated	EUR mn	180	201	234	194	328	341	280	401	462	540	487	191	253	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-107	.	.	-185	.	.	-249	.	.	-409	.	.	.	.
EXCHANGE RATE																
EUR/USD, monthly average 4)	nominal	0.7307	0.7370	0.7459	0.7959	0.8191	0.7831	0.7756	0.7653	0.7195	0.7320	0.7564	0.7485	0.7327	0.7143	0.6924
EUR/EUR, calculated with CPI 5)	real, Jan07=100	102.7	102.8	103.5	103.8	104.0	103.6	103.6	102.8	102.7	102.8	102.3	102.3	101.8	102.1	102.3
EUR/EUR, calculated with PPI 5)	real, Jan07=100	98.7	98.4	98.2	99.0	99.0	99.1	100.0	99.7	99.8	99.4	98.6	98.7	99.0	98.6	98.0
USD/EUR, calculated with CPI 5)	real, Jan07=100	108.0	107.8	107.4	101.0	98.4	102.4	103.3	104.1	110.8	109.2	105.6	105.7	107.6	110.8	114.4
USD/EUR, calculated with PPI 5)	real, Jan07=100	99.4	97.6	96.5	91.5	89.8	93.8	94.5	95.8	101.2	99.1	95.0	95.9	97.4	98.5	100.4
DOMESTIC FINANCE																
Currency in circulation	EUR mn, eop	3235	3276	3273	3310	3339	3393	3352	3346	3369	3373	3449	3377	3369	3384	.
M1	EUR mn, eop	7429	7617	7663	7976	8132	8127	8280	8233	8231	8363	8420	8482	8492	8424	.
Broad money	EUR mn, eop	18001	18168	18127	18359	18752	18888	18868	18778	18754	18979	18984	18969	19020	18891	.
Broad money	CPPY	0.3	-1.3	-0.2	-1.3	0.5	3.5	3.5	2.9	3.7	4.8	4.5	3.9	5.7	4.0	.
Central bank policy rate (p.a.) 6)	%, eop	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.3
Central bank policy rate (p.a.) 6)7)	real, %	2.5	1.4	0.2	-1.7	-1.7	-2.2	-2.3	-2.0	-2.2	-2.8	-3.1	-4.0	-4.7	-4.8	-4.2
BUDGET																
General gov.budget balance 8), cum.	EUR mn	.	-722	.	.	-1447	.	.	-1845	.	.	-2027	.	.	.	.

1) Enterprises with 20 and more employees or turnover limits and output of some non-construction enterprises.
2) Nominal wages deflated with HICP.
3) From 2004 intra-/extra-EU trade methodology.
4) Reference rate from ECB.
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
6) Official refinancing operation rate for euro area (ECB).
7) Deflated with annual PPI.
8) According to ESA'95 excessive deficit procedure.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

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

	Source	Time of publication	Type of availability	Type of media	Price	
					Non-Members (n.a. = for wiiw Members only)	**Members**
Annual data	*Handbook of Statistics*	November	hardcopy + PDF short	via regular mail	€ 92.00	1 copy free, additional copies € 64.40 each
			PDF short	CD-ROM or via e-mail	€ 75.00	free
			hardcopy + PDF short + Excel[1]	CD-ROM or via e-mail	€ 250.00[2]	175.00[2]
			individual chapters	via e-mail	€ 37.00 per chapter	€ 37.00 per chapter
	Handbook of Statistics 2008: no printed version!		PDF[1]	via e-mail	€ 80.00	€ 56.00
			Excel + PDF	CD-ROM or via e-mail	€ 200.00	€ 140.00
	wiiw Annual Database	continuously		online access via WSR http://www.wsr.ac.at	€ 2.90 per data series	€ 1.90 per data series
Quarterly data (with selected annual data)	*Current Analyses and Forecasts*	February and July	hardcopy	via regular mail	€ 80.00	free
			PDF	via e-mail	€ 65.00	free
	Monthly Report	Monthly Report nos. 10, 11, 12	hardcopy or PDF	online or via e-mail	n.a.	only available under the wiiw Service Package for € 2000.00
Monthly data	*Monthly Report*	continuously	hardcopy or PDF	online or via e-mail	n.a.	
	wiiw Monthly Database	continuously	free trial for 10 time series	online access via http://mdb.ac.at	free	free
			monthly unlimited access		€ 80.00	free
			annual unlimited access		€ 800.00	free
Industrial Database (yearly)	*wiiw Industrial Database*	June	Excel	CD-ROM	€ 295.00	€ 206.50
Database on FDI (yearly)	*wiiw Database on Foreign Direct Investment*	May	hardcopy	via regular mail	€ 70.00	€ 49.00
			PDF	online or via e-mail	€ 65.00	€ 45.50
			HTML, Excel[1]	CD-ROM	€ 145.00	€ 101.50

1) covering time range from 1990 up to the most recent year
2) including long PDF plus hardcopy

Orders from wiiw: via wiiw's website at www.wiiw.ac.at,
by fax to (+43 1) 533 66 10-50 (attention Ms. Ursula Köhrl)
or by e-mail to koehrl@wiiw.ac.at.

Index of subjects – June 2010 to June 2011