

# Monthly Report 7/05

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***Please note: The next issue of the wiiw Monthly Report (No. 8-9)  
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## The land market in the new EU member states

BY ZDENEK LUKAS

In the 1990s, the law prohibited sales of land to foreigners in the eight new EU member states of Central and Eastern Europe (NMS-8).<sup>1</sup> However, foreigners often entered the market through domestic stooges who acted as official buyers. In the last few years before EU accession, some countries eased the access to their land markets for active farmers from abroad.

The national agricultural policies in the NMS are now in principle subordinated to the EU's Common Agricultural Policy (CAP). But there are transitional

arrangements, such as in the case of veterinary standards and also for land transactions. At the Copenhagen Summit of December 2002, several accession countries were granted a seven-year transitory period for the full liberalization of their land markets. Poland even managed to negotiate a twelve-year transitory period while Slovenia opened its land market immediately after its accession to the EU in May 2004.

The land market in the NMS is still underdeveloped, suffering from a number of constraints on land tradability such as fragmentation of land, obscure ownership, inadequate information on land value and high transaction costs.

Agricultural land in the NMS-8 is now predominantly in private hands. Despite the ongoing concentration process, land is often split into small plots owned by many different

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<sup>1</sup> Only Hungary, for a short period, opened its land market to foreigners at the beginning of the 1990s.

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Table 1

## Agriculture: selected indicators for NMS-5 and Germany

	Year	Poland	Slovakia	Slovenia	Czech Republic	Hungary	Germany New Länder	Germany Old Länder
Used agricultural area (UAA) million hectare	2003	16.169	2.442	0.486	4.280	5.867	5.552	11.456
% of total territory	2003	51.7	49.8	24.0	54.3	63.1	51.4	46.0
Hectares per capita	2003	0.424	0.454	0.244	0.416	0.577	0.411	0.166
Employment in agriculture in % of total employment	2003	19.3	5.8	9.2	4.2	5.8	3.3	2.3
Average price of UAA euro/ hectare	1997-1999 2002	769 1,100 <sup>1)</sup>	1,000 <sup>1)</sup> 1,155	11,000 11,000 <sup>1)</sup>	1,334 1,074 <sup>2)</sup>	1,507 2,000 <sup>1)</sup>	3,305 4,014	16,727 16,966
GDP per capita, in euro	2004	5,052	6,111	13,000	8,350	7,843	17,926	28,043
GDP per capita, at purchasing power parity EU-25 = 100	2004	47	54	78	70	62	73	116

Notes: 1) Estimate. - 2) 2003: over 5 hectares.

Source: wiw, Eurostat, Statistical Yearbook 2004 for the Federal Republic of Germany.

landholders. Only a fraction of the agricultural area is still state-owned. In Slovakia, Hungary and the Czech Republic, large-scale farms cultivate mainly land leased from landholders of small plots. In parts of Poland and in Slovenia, small-scale family farms have been cultivating their own land for generations. In Poland small farms co-exist with large market-oriented agrobusinesses averaging over 500 hectares and operating with modern agricultural technology: although these big farms cultivate just about one fifth of total used agricultural area, they produce more than half of the marketable agricultural production. In the Baltic states private small-scale farms are now dominating as against the former large-scale collective or state-owned Soviet farms.

The price of land in the individual NMS varies to a great extent, and the span between the highest and the lowest prices is huge. The closer the location to the capital city, and the higher the average income in that capital, the higher is the price of agricultural land. Moreover, the land price depends on the type of transaction: The first one refers to land that has so far been used agriculturally and will presumably continue to be used that way in the future, without

real prospects of a later change to non-agricultural utilization. The second type of transaction refers to agricultural land that is bought for the purpose of non-agricultural utilization, in particular for building projects. In this latter case, small areas – up to 5 or 10 hectares – are sold at comparatively high prices. In areas close to cities and other zones attractive for non-agricultural business, the latter type of land transaction is the rule.

In Slovenia, the country with the highest income and the highest agricultural subsidies, prices of agricultural land are accordingly the highest: at more than EUR 11,000 per hectare, they are close to those in the 'old' EU countries (Table 1). Among the remaining NMS, Hungary shows the highest prices thanks to the high quality of land for agricultural purposes (the best in the NMS region). When located close to the EU-15 border, agricultural land in Poland, Slovakia, the Czech Republic and Hungary has been in great demand by foreign farmers, in particular those from Germany and Austria, regardless of the lower quality of soil. This fact increases the land price. As a rule, it concerns purchases of agricultural land without the expectation of later changes in the land

use categories. Although foreigners intending to lease agricultural land meet with less obstacles, they cultivate only a small part of the total used agricultural area in the NMS.

In all likelihood, after a number of years of EU membership, the difference between the general price level of the NMS and that of the EU-15 will be diminishing. This convergence process will be driven by higher inflation rates in the NMS, by nominal appreciation of the currencies, or by a combination of both factors.

It is not very likely that this process will take place quickly and that the price differences will disappear in the foreseeable future. As is well known, the difference between the price levels of the northern EU countries and those of Greece, Spain and Portugal have not disappeared until today. The land price in the NMS is likely to rise more quickly, in relation to the EU-15, than the general price level – at least after the liberalization of the land market; and at least for regions bordering the EU-15 countries and for regions where the land quality, the climate and the size of farms are favourable for farming. Regardless of these factors, the development of the general price level will play a more important role for the increase in the nationwide average land price in the NMS than the introduction of the CAP, although the hectare-based Single Area Payment Scheme (SAPS) may influence the price rise.

The effects of the increase in land prices on agriculture will not be uniform. For landowners involved in farming, higher land prices will mean an increase in the value of their property, but not an increase in their production costs. At the same time, they have easy access to credits, using their land as a collateral. For some of the landowners, the higher land price may represent an opportunity to abandon farming and to sell their land.

The picture is different, however, for large agricultural companies that operate on leased land. The owners of that land are as a rule a multitude of persons holding small plots but living in the cities, being employed in the non-agricultural sector. For the management of large companies, land is an input for which they must pay regularly. At present the rents are quite low, but this will change along with rising land prices thanks to increasing direct payments per area unit. Higher land prices will lead to higher rent prices and the farmers in large companies will be confronted with higher charges, resulting in higher production costs. To sum up, whereas the landowners will profit from the opening of the land market to foreigners, farmers cultivating leased land will suffer.

## The first year of EU enlargement: trade performance from the Austrian perspective

BY JULIA WÖRZ

One year ago, ten new members joined the EU, and the single market now extends to all Austrian neighbour countries.<sup>1</sup> This has changed the scene for Austrian producers and the effects on the Austrian foreign trade performance will be analysed in more detail below.<sup>2</sup> We compare the 2003 results with the preliminary figures for 2004; certainly, the results may change with the availability of the final figures one year from now. Further, we are aware of the fact that the enlargement officially took place only in May 2004, thus the whole year 2004 does not reflect trade in the enlarged EU. However, the comparison 2003-2004 still serves as a good indication of future developments and implications of changes in the legal framework that have been brought about by the extension of the single market to include ten new countries. We decided not to compare individual quarters between 2003 and 2004 because of the high seasonality exhibited in quarterly data.

### Commodity trade

As can be seen from Table 1, both Austrian exports to and imports from the new EU members increased more strongly than on average or compared to the old EU member countries. Thus, Austria's foreign trade with the new members is more dynamic than with partners in the EU-14. Although Austria's export growth surpassed growth of imports in total, imports

Table 1

### Austrian trade by region: Growth rates, 2003-2004

	Exports	Imports
	percentage change to previous year	
World	12.96	10.40
EU-14	11.28	11.69
Czech Republic	13.18	7.19
Slovakia	14.00	34.99
Hungary	5.48	3.69
Slovenia	26.06	32.20
NMS-4	12.75	14.10
Poland	20.21	12.97
NMS-5	13.78	13.97
Estonia	21.61	92.31
Latvia	15.94	15.57
Lithuania	-4.25	4.03
NMS-8	13.65	14.28
Malta	9.39	20.64
Cyprus	-19.84	98.40
NMS-10	13.48	14.33

Source: Statistics Austria.

Table 2

### Austrian trade balance, 1995 and 2004

	1995	2004
	in EUR million	
World	-6396.4	-289.2
EU-14	-7269.5	-6511.2
Czech Republic	236.3	-92.1
Slovakia	30.4	-565.2
Hungary	620.1	624.4
Slovenia	330.9	793.4
NMS-4	1217.7	760.6
Poland	111.1	498.1
NMS-5	1328.8	1258.6
Estonia	7.2	17.1
Latvia	12.2	67.2
Lithuania	2.9	75.5
NMS-8	1351.2	1418.4
Malta	0.5	11.1
Cyprus	3.5	29.0
NMS-10	1355.2	1458.5

Source: Statistics Austria.

<sup>1</sup> For the new members, restrictions with respect to labour mobility remain for a transition period of up to seven years.

<sup>2</sup> This article draws on data from Statistics Austria for trade in goods and for trade in services on the regional breakdown of the Austrian balance of payments, released on 25 April 2005. I would like to thank Leonhard Pertl (WKO) and Dieter Kreuz (OeNB) for the timely provision of the data.

Table 3

## Growth rates by commodities, 2003-2004, in per cent

SITC code		EU-14	Exports			EU-14	Imports	
			NMS-5	NMS-8	NMS-8		NMS-5	NMS-8
0	Food	2.01	21.01	20.37	7.23	23.73	24.28	
1	Beverages/tobacco	13.28	18.86	16.28	7.10	-25.10	-25.08	
2	Crude materials	11.71	0.71	0.71	8.74	-0.12	0.16	
3	Mineral fuel	43.80	34.66	34.62	41.15	46.75	48.25	
4	Oils/fats	19.40	-5.10	-3.84	13.34	31.41	31.41	
54	Pharmaceuticals	-7.46	27.25	25.01	2.41	70.10	78.34	
57-58	Plastics	9.45	14.53	14.26	8.00	18.69	18.60	
5	Chemicals	-1.25	0.59	0.53	-1.24	-4.74	-4.62	
67-69	Metals	12.37	21.28	20.57	15.07	22.97	23.03	
6	Manufactured goods	0.27	2.71	3.12	2.03	-10.26	-9.29	
75-77	Electrical machinery	-0.16	15.92	16.02	3.73	4.62	4.56	
7	Machinery/transport equipment	26.79	20.64	20.21	21.69	24.45	24.37	
87-88	Scientific/photographic equ.	-0.99	5.30	7.20	3.27	8.43	8.52	
8	Misc. manufactures	0.47	0.38	0.68	1.37	3.10	2.79	
9	Commodities n.e.s.	6.48	12.15	12.95	0.07	496.76	787.45	
Total	Total	11.28	13.78	13.65	11.69	13.97	14.28	

Source: Statistics Austria, wiiw calculations.

from the new members grew on average more than exports to those countries. The trade surplus with Austria's immediate neighbours among the new member states has somewhat declined due to a deficit against the Czech Republic and Slovakia (Table 2). By contrast, trade with Slovenia and Poland yielded a greatly increased surplus as compared to 1995; likewise, trade with the remaining, smaller new members developed positively. Overall, Austria's trade balance with the new members has improved from EUR 1.35 billion to EUR 1.46 billion. Thus, trade with these countries is beneficial for Austria, particularly in the following categories: manufactured goods, machinery and transport equipment, electrical machinery, and chemicals. Austria runs a trade deficit with the new members in the following categories: mineral fuel, crude material, miscellaneous manufactures, and food.

Compared to 2003, the year 2004 brought about some interesting changes in the commodity structure of Austria's foreign trade with the new member countries (see Tables 3 and 4). On the export side, mineral fuels experienced the strongest

– price-induced – increase, a development also observed in trade with the EU-14. The second largest increase in exports was recorded for pharmaceuticals, where trade with the 'old' members is on the decline. Here, trade flows to the new members increased by approximately 25-27% on average. Within the group of new member countries, the developments were very diverse (see Table 4): pharmaceutical exports to Hungary declined by about 10%, in contrast to an 85% increase to Slovenia. The respective figures for the Czech Republic, Slovakia and Poland are 29%, 36%, and 25% year-on-year change in 2004. Considerable increases were also registered in exports of metals (here again related to international price developments), and – in sharp contrast to trade developments with the old members – in foodstuffs. Food exports to the new members rose by about 20%, which was to be expected following the elimination of remaining tariff and other barriers to trade in this category after enlargement. Again, developments differ among the individual countries: in particular exports to Hungary, Slovakia and Slovenia increased notably (by roughly 30%), while growth of exports to the Czech Republic and to

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Poland was at 7-8%. Exports of machinery and transport equipment also experienced large increases (20%); however, in this category exports to Western European partners increased more strongly (27%).

In the following categories the growth of Austria's exports to the new members considerably surpassed the growth rate with the old members: electrical machinery, scientific and optical equipment (however, not for trade with the immediate neighbours), and commodities n.e.s. On the other hand, exports of crude materials and oils and fats grew less in trade with the new members than in trade with the EU-14.

On the import side, the most striking feature is the explosive rise in pharmaceutical imports from the new member countries. The increase compared to 2003 averaged 70%; in particular, imports from Poland surged (+180%), but also those from Hungary (+73%), the Czech Republic (+72%), Slovenia (+55%) and Slovakia (+50%). This is

again in contrast to the situation with respect to partners in the EU-14. Imports of pharmaceuticals from the latter countries increased by only 2% in 2004. Also food imports from the NMS rose by more than 20%, compared to a 7% increase from the EU-14. The remarkable rise in imports under the heading 'commodities n.e.s.' is difficult to interpret, since this represents a remainder category. High import growth, especially in comparison to import growth from the EU-14, was further recorded for oils and fats, plastics, and scientific and photographic equipment (the latter not when looking at the NMS-4 only). On the import side, the developments with respect to old and new member countries differed only in two commodity groups, imports of beverages and tobacco as well as imports of manufactured goods: in these two instances, imports from new member countries decreased while imports from old member countries increased. The world-wide price increases of mineral fuels and metals caused the respective imports from new members to increase strongly in line with developments vis-à-vis the EU-14.

Table 4

### Growth rates by commodities for individual NMS partners, 2003-2004.

SITC code		Exports					Imports				
		Czech Republic	Slovakia	Hungary	Slovenia	Poland	Czech Republic	Slovakia	Hungary	Slovenia	Poland
0	Food	7.46	30.01	31.77	28.77	8.56	73.78	134.07	3.31	27.62	25.37
1	Beverages/tobacco	52.38	20.37	29.16	-24.63	22.30	-49.39	21.32	-3.33	-18.01	221.61
2	Crude materials	21.11	-16.55	11.79	-8.04	8.78	-6.10	-1.68	2.63	72.48	2.12
3	Mineral fuel	55.44	30.37	12.65	45.10	108.27	-13.51	165.72	55.18	79.14	-1.47
4	Oils/fats	50.74	-47.59	-7.56	-8.57	-27.28	8.04	39.80	75.99	25.52	637.44
54	Pharmaceuticals	28.75	35.73	-10.64	85.49	25.33	71.70	50.20	73.17	54.87	180.04
57-58	Plastics	12.12	13.85	4.84	15.77	32.33	22.71	3.66	17.80	12.58	40.87
5	Chemicals	20.11	6.55	-11.03	4.89	-10.50	1.86	12.31	-15.68	-8.30	2.81
67-69	Metals	16.25	17.47	12.23	30.68	40.57	13.30	21.12	24.75	40.09	26.15
6	Manufactured goods	4.14	0.07	-2.85	0.55	16.74	-2.38	-31.79	-21.66	23.00	7.85
75-77	Electrical machinery	22.84	21.10	2.58	22.28	53.57	32.93	64.93	-20.23	-0.48	8.70
7	Mach./transport equipment	6.76	23.31	19.02	66.17	7.81	3.71	5.24	50.06	57.11	44.25
87-88	Scientific/photograph. equ.	0.77	-13.87	-2.04	21.77	49.78	8.19	13.36	-5.20	14.54	61.00
8	Misc. manufactures	1.71	-2.08	-5.71	6.86	14.61	9.96	21.39	-11.98	21.91	-4.01
9	Commodities n.e.s.	30.86	22.34	6.33	12.69	-6.88	260.21	2070.52	2625.75	5155.49	
Total	Total	13.18	14.00	5.48	26.06	20.21	7.19	34.99	3.69	32.20	12.97

Source: Statistics Austria, wiiw calculations.

Figures 1 and 2 compare the Austrian trade structures for individual new EU partners in 2004. Exports are relatively concentrated on those categories where Austria traditionally has its comparative advantages: machinery and transport equipment, electrical machinery, miscellaneous manufactures, and manufactured goods. On the import side, there is also a clear tendency towards high concentration in the same categories. This hints towards a strong (and increasing) role played by

intra-industry trade in Austria's trade flows in general. There are no great structural differences in trade with old and new EU members. However, a closer look reveals some interesting details. Trade in electrical machinery is more important with partners in the new member states, particularly so with Hungary and the Czech Republic but also Slovakia. For Poland, exports in this category are above the EU-14 average, however, imports are well below the average. Trade in machinery and transport

Figure 1

**Austrian goods trade: Export shares, 2004**

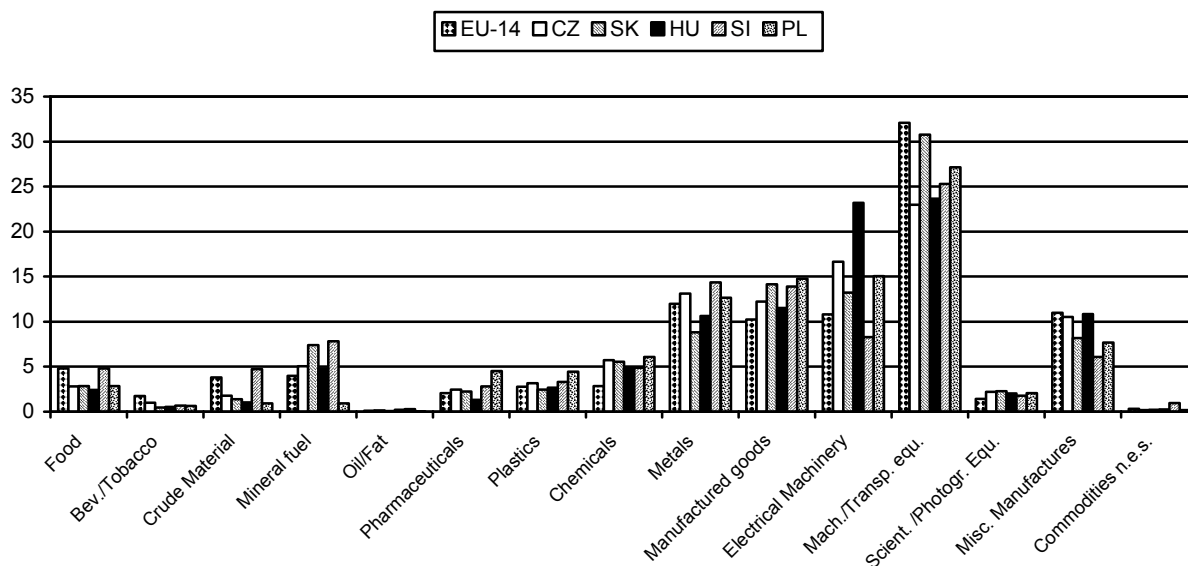
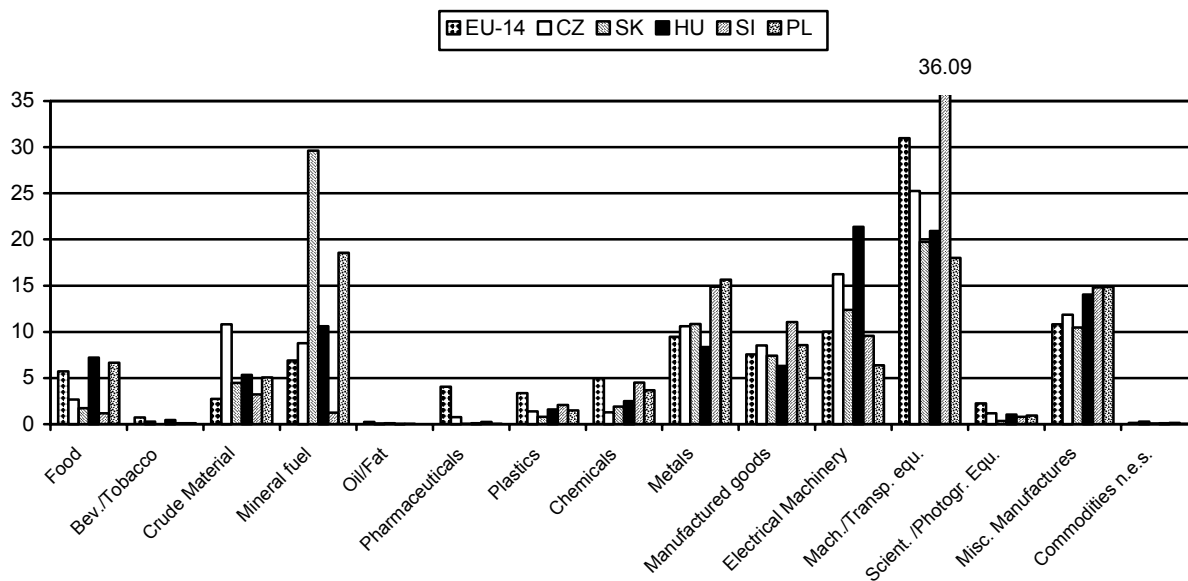


Figure 2

**Austrian goods trade: Import shares, 2004**



equipment, the most important category for Austria, is slightly less important in trade flows with new members as compared to the old members. With a share of 28% in total exports to Austria, Slovakia is an exception here. On the import side, Slovenia shows a higher share (36%) than the old members on average in this category.

In conclusion, although manufacturing trade – and thus the largest part of commodity trade between Austria and the new member states – had already been liberalized before the enlargement, the preliminary figures for 2004 indicate nevertheless significant changes in trade volumes and structural shifts in Austria's trade flows vis-à-vis the new members.

### Services trade

Trade in services has been subject to more restrictions prior to May 2004 and consequently greater changes were expected than in commodity trade. Based on preliminary figures from the Austrian balance of payments, we observe indeed sharp increases in bilateral trade flows between most new members and Austria. Poland and Slovakia are two important exceptions: A pronounced decline in services trade with Poland was recorded on both the export and the import side in 2004 as compared to 2003. Also services exports to Slovakia dropped while imports increased. Apart from these two exceptions, the exchange of services with the NMS in 2004 increased more strongly than with the EU-14, particularly so with the Czech Republic and Hungary. Exports to Austria's four immediate neighbours rose by a total of more than 8%, while imports increased by nearly 7%. Trade growth with all ten NMS was 4.7% in services exports and 4.2% in services imports. As a consequence, the Austrian services trade balance with the NMS-4 improved by EUR 61 million, while the trade surplus with the ten new members rose by only EUR 37 million (Table 5). Still, Austria's trade surplus in services with the new members (EUR 600 million) amounts to 50% of the trade surplus with the old members.

In services trade, developments with the NMS often run counter to developments with old members. There are not only differences in growth rates between old and new EU partners, even the sign often differs. This suggests that EU enlargement has resulted in more trade diversion in services than in commodity trade, which is in line with the above-mentioned institutional facts related to accession.

Table 5

### Austrian services trade by region: Growth rates, 2003-2004

	Exports percentage change to previous year	Imports percentage change to previous year	Balance 2004 million EUR
World	3.31	3.75	1431
EU-14	2.92	3.05	1209
Czech Republic	12.04	0.50	68
Slovakia	-8.57	13.73	93
Hungary	15.70	6.91	316
Slovenia	2.36	13.50	19
NMS-4	8.32	6.94	496
Poland	-12.61	-9.89	226
NMS-5	3.03	3.34	722
Estonia	166.67	72.73	5
Latvia	24.24	66.67	-4
Lithuania	30.00	241.67	-28
NMS-8	3.79	5.46	695
Malta	13.04	-41.24	-31
Cyprus	74.36	15.32	-59
NMS-10	4.69	4.20	605

Source: Oesterreichische Nationalbank.

In absolute terms, the decline in exports to Germany – Austria's largest trading partner – was more than offset by increases in exports to the new members. Certainly, the reasons for the weak performance vis-à-vis Germany are to be found in weakened domestic demand in Germany and not in substitution effects following the enlargement. Still, the extension of the single market to include Austria's eastern neighbours was beneficial in cushioning this loss for Austria. Thus, the enlargement has stimulated services exports to the



Figure 3

**Austrian services trade:  
Export structure by partners in per cent, 2004**

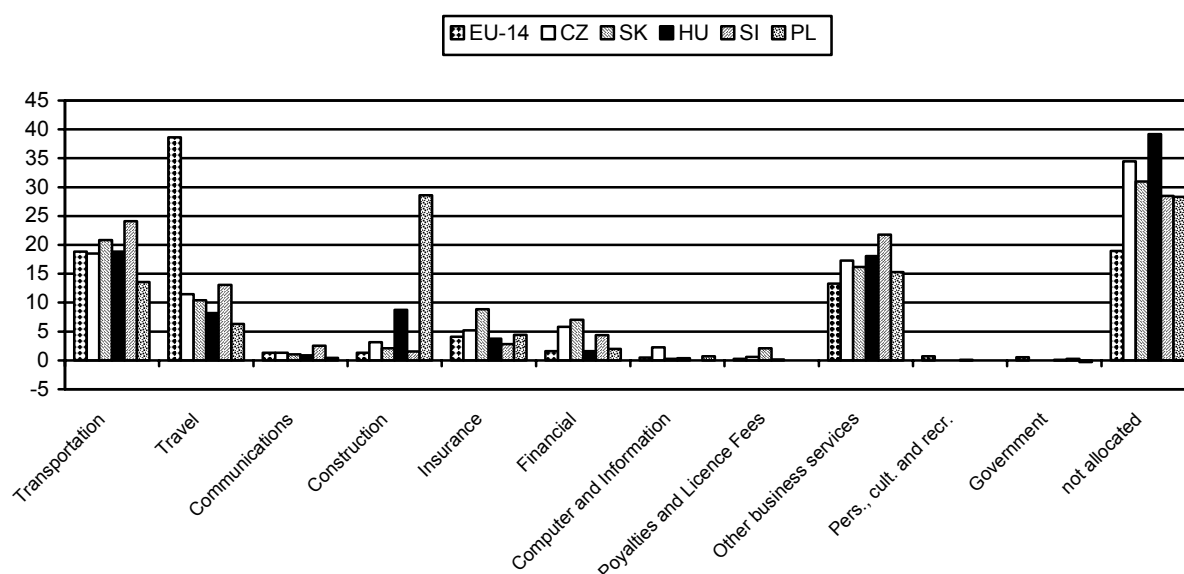
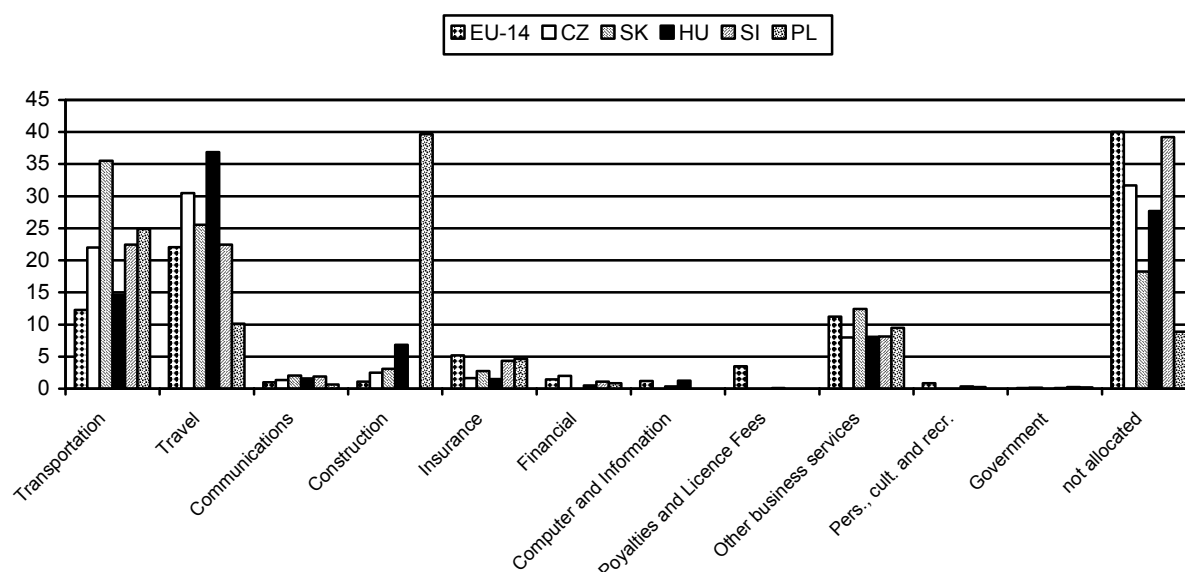


Figure 4

**Austrian services trade:  
Import structure by partners in per cent, 2004**



NMS and thus provided for a stable performance of Austrian service exports.

The major items in Austrian services exports are travel (tourism), transport and other business services. The share of travel services in services exports is continually declining and currently represents 31.5% of services exports. This decline

has continued through 2004 in trade with old EU partners. Travel exports to new EU members have however increased slightly, mainly thanks to developments in the last quarter of 2004. With a share of 19%, transport services are increasingly gaining importance for Austria's services exports. The year-on-year increase in exports of transport services was roughly equal with respect to old (16%)

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Table 6

### Services trade growth by activities, 2003-2004, in %

Code	Exports	EU-14 Exports	NMS-5	NMS-8	EU-14 Imports	NMS-5	NMS-8
2000	Total	2.9	3.0	3.8	3.0	3.3	5.5
2050	Transportation	15.8	12.5	13.1	18.4	29.1	32.2
2360	Travel	-0.4	9.4	8.9	-14.0	-10.5	-9.6
2450	Communications	-21.7	-18.2	-18.2	-19.0	85.0	100.0
2490	Construction	4.4	-16.8	-16.8	-14.2	-19.1	-19.1
2530	Insurance	1.4	12.5	12.5	10.1	0.0	1.5
2600	Financial	-10.3	47.4	55.1	-22.2	26.3	31.6
2620	Computer and information	4.2	66.7	66.7	18.9	0.0	0.0
2660	Royalties and licence Fees	-18.2	-6.7	-11.8	0.1	-66.7	-66.7
2680	Other business services	-2.4	-6.2	-4.2	8.5	10.9	23.9
9820	Not allocated	4.8	4.8	4.8	10.6	10.5	10.6

Source: Oesterreichische Nationalbank, wiiw calculations.

Table 7

### Services trade growth by activities, 2003-2004, in %

Code		Exports					Imports				
		Czech Republic	Slovakia	Hungary	Slovenia	Poland	Czech Republic	Slovakia	Hungary	Slovenia	Poland
2000	Total	12.0	-8.6	15.7	2.4	-12.6	0.5	13.7	6.9	13.5	-9.9
2050	Transportation	40.9	0.0	-0.5	22.1	18.8	22.2	39.2	10.3	48.2	40.5
2360	Travel	28.3	29.0	9.5	-7.3	-8.3	-11.2	-8.6	-10.3	-14.4	-4.0
2450	Communications	-18.2	0.0	-16.7	-9.1	-50.0	33.3	50.0	160.0	133.3	50.0
2490	Construction	90.9	-11.1	390.0	-40.0	-42.9	25.0	50.0	323.1	-100.0	-36.9
2530	Insurance	-7.9	54.5	-19.2	37.5	93.8	-65.5	-20.0	-7.7	166.7	120.0
2600	Financial	62.5	92.9	0.0	183.3	-12.5	500.0	.	-20.0	300.0	-60.0
2620	Computer and information	200.0	-66.7	0.0	.	66.7	.	.	-9.1	.	.
2660	Royalties and licence Fees	-33.3	33.3	-33.3	.	.	-100.0	.	.	.	.
2680	Other business services	-14.7	-54.4	44.3	-19.0	15.1	-12.7	24.1	4.8	15.4	50.0
9820	Not allocated	4.5	5.3	4.8	4.7	4.8	11.1	10.4	10.4	9.8	10.5

Source: Oesterreichische Nationalbank, wiiw calculations.

and new member states (14%) (Table 6). Likewise, exports of other business services, amounting to 15% of total Austrian service exports, suffered a decline with both, old and new EU partners (-3.4% and -3.3% respectively). In particular exports to Austria's immediate neighbours fell strongly, except in trade with Hungary: here the volume of exports in this category expanded by more than 40%. For the Baltic states, export growth in this category has been very high due to low starting levels.

On the import side, again travel represents the most important category for Austria, followed by transport services and other business services. Similar to the changes in exports, travel imports

declined (here also from the new member states) while imports of transport services increased in trade with both the EU-14 and NMS. Given their lower level, the rise in imports of transport services from NMS was considerably stronger (about 30%). While exports of other business services generally declined, imports in this category gained importance, especially from the non-neighbouring new members. This may be seen as an effect of the enlargement, which spurs trade integration with the more distant East European countries. A general feature of Austria's trade relations is their being highly concentrated on immediate neighbours. The changing institutional setting in the European Union has helped to diminish this

concentration and set in motion a process of catching-up in trade integration with other EU partners in Eastern and Western Europe alike.

In the smaller and therefore more dynamic service categories, developments have often been rather diverse. The most striking observation relates to trade in construction services, where trade with the NMS-4 rose rapidly – which had been feared by opponents to the enlargement prior to May 2004. However, the good news is that the export volume in this category increased nearly three times in absolute terms compared to 2003 and reached EUR 133 million, which amounts to about half the value of exports to the EU-14. Imports more than doubled and reached a value of EUR 79 million for 2004, equal to roughly one third of the value of imports from the EU-14. Two factors play a role here: institutional changes – the extension of the single market to these countries – and the immediate neighbourhood to Austria. Consequently, trade in this category with other, more distant NMS (such as Poland) has declined.

Exports of financial services rose between 47% (with NMS-5) and 64% (with NMS-10); in absolute terms these increases were equal in magnitude to the 10% decline in export volume to the EU-14. Exports of insurance services to NMS increased by 12%, compared to an only 1.4% increase in trade with the EU-14. Also, exports of computer and information services rose more strongly in trade with the new members, by 67%, compared to 4% in trade with the EU-14. Thus, the new members represent an interesting market for these categories, despite the relatively weak Austrian position in the provision of these services in general. A different dynamic is observed for communication services. Austrian exports in this category declined in general, more strongly so again in trade with the old member states. Taken together, these four categories sum up to 7.6% of Austria's services exports.

Imports in the same categories evolved quite differently: while imports of financial services from NMS increased substantially (mostly due to the rise in imports from the Czech Republic and Slovenia),

imports from the EU-14 in this category fell. Imports of insurance services rose by 10% in trade with the old members, however, imports from three neighbouring new members states (Czech Republic, Slovakia, Hungary) declined. Austria does not import computer and information services from NMS, with the exception of Hungary: here, the volume dropped moderately from EUR 11 million to 10 million, while imports from old members increased from EUR 259 million to 308 million. The lack of imports in this category in contrast to the highly dynamic evolution of exports suggests that Austria emerges as a platform for the transmission of such services from West to East or from old to new member states. On the other hand, in communication services imports from NMS rose by EUR 20 million compared to a decline by EUR 60 million in imports from the old members.

### Conclusions

To sum up, Austria's services trade has been more dynamic and more differentiated between old and new EU members than commodity trade. The institutional changes have had a significantly greater impact on trade in services, which finds already its reflection in the preliminary data for 2004. Further, EU enlargement has opened up interesting export opportunities, particularly in modern, business-related services, which have so far been somewhat underdeveloped in the Austrian balance of services. Still, the trend away from the traditional strong concentration on travel exports towards more business-related services has been underway in Austrian services trade for some years already. The major categories in Austrian services trade show similar developments with respect to old and new EU partners: travel services are declining in importance while transport services are on the rise. However, for the smaller and therefore more dynamic service categories, some degree of trade diversion away from partners in the old EU to NMS can be observed in many instances, as illustrated by the example of trade in financial services, which is becoming increasingly reoriented towards NMS partners.

## Notes on politics in a disenchanted world: on the centenary of 'The Protestant Ethic and the Spirit of Capitalism'

BY VLADIMIR GLIGOROV

### Introduction

Max Weber wrote – at the end of 'The Protestant Ethic and the Spirit of Capitalism' (1904-1905) and later in his famous lectures on 'Politics as a Vocation', 'Science as a Vocation' and on 'Socialism' (all three delivered between 1917 and 1919) – about what it means to live for and off a calling, for and off (business, science) politics in a disenchanted world. In addition, he argued for the separation of science and politics, for different roles for experts and politicians. Finally, he is famous for his study of bureaucracy. He did not contribute too much to the theory of democracy and indeed his theories of political authority and legitimacy are not motivated by democratic governance, although he adopted a liberal approach to rule of law and provided a penetrating analysis of façade constitutions. Also, he did not go beyond power politics in international relations and was mostly concerned with the interests of a nation state. Thus, his is a mixed legacy. Here, some of these Weberian themes will be applied to the politics in countries in transition and also to the influence of the European Union on them.

### The iron cage

Rereading 'The Protestant Ethic and the Spirit of Capitalism', it is striking how critical of Protestantism and capitalism it is. Contrary to the widespread understanding, rather than being a celebration of the uniqueness and the great success of Western civilization, of its specific religion and institutions, it is critical both of the protestant ethic and of the spirit of capitalism. The former is criticized in a way similar to Keynes' criticism of utilitarianism: it prefers saving over consuming, calling over living, accumulating over

enjoying. The latter, the spirit of capitalism, is criticized for transforming Kant's kingdom of ends to mindless kingdom of instruments. This is not for the reasons that were to be put forward later by Schumpeter to argue for the inevitable rise of socialism. Weber was an Austrian in that respect arguing that socialism is unfeasible even if it is capable of presenting itself as desirable. The iron cage of market capitalism is feasible, though it is clung to for reasons that have long been forgotten. Socialism is just not feasible, politically and as an economy, whatever its desirability.

In his series of lectures and especially in that on 'Politics as a Vocation', Weber draws the consequence from his conclusion that, rather than supporting freedom, capitalism locks up everybody in an iron cage of this self-perpetuating system, and he puts hope on the re-emergence of ethics of responsibility, of ideological politics. In both the analysis of capitalism and in the advocacy of ideological politics, his most famous and brilliant book is rather less than satisfactory.

### The death of ideology

After the collapse of communism, ideological politics has indeed come to an end throughout Europe. This has consequences for the political process and for political entrepreneurship.

It may be interesting to start with an observation about political entrepreneurship in post-communist Europe, especially in the so-called New Europe in Central and Eastern Europe. Clearly, the early opposition to communism was ideological as much as anything else. It indeed meant living for politics rather than off politics: that was the 'politics of truth'. This of course changes once there is a regime change – even more so because of the disappearance of ideological politics. There are, to be sure, some remaining opportunities for ideological entrepreneurship. There are some communists left (e.g., in the Czech Republic where the Communist Party is one of the strongest), there are nationalists everywhere and there are some attempts to revive the role of religion in politics. But, they are all mostly searching for the non-existent

ideological space rather than competing within it. Clearly, when something becomes scarce, its value increases, but for the moment no market for ideological entrepreneurs has emerged.

Thus, political entrepreneurship draws on other resources. One is simply to enhance political competition. In emerging democracies, it is important for the electorate to learn that its vote counts. That learning is most efficient through doing. Thus, there is significant turnover in power in most post-socialist countries. Indeed, the re-election of incumbent parties is rather rare. Thus, mobilizing the negative vote is the key.

In some cases, there was an opening for those who argued that stability is more important than political competition. Thus, occasionally, authoritarian leaders emerged. Those are now being brought down in country after country. The final test in Europe, of course, will be Russia. In several other cases, some kind of consensual system developed. For instance, in Slovenia, a political entrepreneur has to appeal to other political entrepreneurs in order to succeed. Similarly, in the Czech Republic, power is distributed and re-distributed among the same set of parties and their leaders without too much of a change in the overall distribution of power.

In the third type of cases, political entrepreneurs have drawn on non-political and non-ideological resources. They have been able to argue that they want to live for politics rather than off politics. There are different types of resources that they can draw on. One example is Bulgaria, where the former Tsar was able to combine monarchical motives with the democratic process and was elected against all odds. In other cases, it is successful businessmen that have tried to assert themselves as political leaders (e.g., in Hungary, Poland, Croatia), in most cases unsuccessfully so far.

In the final type of cases, entrepreneurs have been able to draw on their outside support. In Central and Eastern Europe this is not a new phenomenon. Indeed, it is not uncommon in Europe as a whole.

The most interesting cases are to be found in the Balkans, where internal and international politics are not very distinct. I will come back to this issue later.

### **Parties without ideologies**

The Weberian theory of parties was certainly quite developed, but it was not very satisfying. Some thought that parties were oligarchies, others thought that parties would disappear in a world without ideologies, while some saw them as machines that promoted political entrepreneurs and connected lobby groups and electorates. All of that is interesting, but it is not directly applicable to post-communist countries. In those, three processes are perhaps the most important.

One is the rejection of the presidential system and the revealed preference for parliamentary democracy. Early on, there were attempts to set up strong presidents or populist leaders, e.g., in Poland, Slovakia, Romania and elsewhere, but those did not endure. Authoritarianism of any kind – liberal, nationalist, populist – seems to be deemed to be too risky in post-communist countries. That, over time, works against leadership parties or parties run by demagogues, which Weber pretty much associated with democracy.

The other is the rejection of the majoritarian system and the revealed preference for proportionate representation or for coalitions in government. The reason, it seems to me, is the specific risk-aversion that develops in countries that have been under one-party rule. Though the electorate needs to vote the government down to prove to itself that its vote counts, it does not want to risk to entrust power to one party only. It is prone to diversify rather than to specialize. Proportionate representation favours post-election rather than pre-election coalitions, which is why the number of parties tends to be large.

Finally, there is the process of transformation of the former-communist parties. Initially, those survived, somewhat unexpectedly. Over time, however, they

have been disintegrating. With no ideology to prop themselves on and with the decreasing fear of instability, post-communists are bound to face serious problems even if they transform themselves into socialists, social-democrats or liberal-democrats. Their main asset is the fact that a significant number of people have collaborated with them during the communist period. So, the party has been their insurance agency. In time, the party will disappear with the disappearance of its clientele. That will help the process of the democratization of the parties together with the democratization of the political system as a whole.

### **Bureaucratization and the European Union**

Weber saw the rationalization of the world leading to increased bureaucratization. His ideal-type bureaucrat is not necessarily similar to the technocrat and bureaucrat that is to be found in the European Union today. Weber's idea was that an ideal bureaucrat will not need an outside authority, a political principal, to know what his job is and how to execute it. Indeed, in the disenchanting world, instrumental rationality leads to the rationalization of the ends while the choice of the most efficient means is a technical matter. Thus, it is the expert and the bureaucrat that take over when ideologies stop mattering.

The influence of the European Union on bureaucratization has been twofold: one aspect has to do with the influence on the member states and the other with that on the institutions of the European Union.

In the case of the Old Europe, the influence has not been significant, because those are highly bureaucratized societies as it is. However, in the case of the New Europe, the need to adopt the legislation and institutions that are to be found in the EU have contributed significantly to the transformation of the public administration in these countries. It has been professionalized, which means depoliticized, and its skills have been significantly upgraded. There is of course a downside to that, but that is not different from the

problems that bureaucratization brings about everywhere.

As for the EU itself, it cannot be considered to conform to the Weberian idea of bureaucracy. It consists of a strong political element, the Commission, and of the administration, both being run by their principals, who are the member states. Thus, the idea that the EU bureaucracy is an independent agent is not accurate. When it comes to the Commission, political economy plays quite a role, while in the case of the administration it is the member states that set up their agenda.

For instance, the idea that it is Brussels' bureaucracy that is responsible for the increased regulation in the EU is not very realistic. The member states have an interest in regulating and that interest is that much more enhanced the smaller is the EU budget. Regulation is a substitute for fiscal centralization, mostly, though the lack of a constitutional framework plays a role too, of which later.

Finally, the role of bureaucracy is constrained by the role of technocracy in the EU. The key example is the monetary regime and policy, but there are other areas where that is the case, e.g., in competition policy, trade policy and in the areas of technology and education. The relation between experts and bureaucrats is a very interesting one and is yet to be explored. Weber thought that living for science rather than off science is quite important, but that is not what technocracy is really about.

### **Belief in the just (or rather unjust) world**

The difference between life for politics or science and life off politics or science is connected with the fate of ideology, and the latter is somewhat connected with the belief in the just world, which for Weber was not unconnected with the deepest ethical motivations. It is often noted now, as it was by Weber at the time, however, that people in Europe, unlike the United States, do not believe in the just world. This is true not only of the Old but

also of the New Europe – though for different reasons.

In the New Europe, the belief in the just world was killed by the communists. These states were never legitimate, but whatever supremacy their ideology had, it disappeared very soon after they took over the power. Thus, the New Europe emerged with a belief in an unjust world. With about fifteen years having passed, the belief in the just world is yet to emerge.

In the Old Europe, a growing number of studies find that it is the belief in the need to protect oneself from injustice rather than the belief in the just world that is constitutive of its institutions and politics. This is not very surprising. Indeed, the classical liberal idea of negative freedom is probably the main reason for that. Weber was certainly aware of that. He is probably one of the main inspirers of what is now being called relativism. There are irreconcilable conflicts between ultimate values in various areas of human activities. Truth, good, beauty, justice, are conflicting values. The older liberal idea was similar: they are all competing values. There are trade-offs between these ultimate values. In the political sense, there is a trade-off between freedom and equality, between justice and efficiency. There is no just world, at least not the one that is attainable by means of politics.

### **Nationalism against European constitutionalism**

Weber worked as an adviser on the German Weimar constitution, which turned out to be a weak barrier against the ideological debates and civil strife that gripped the country in the inter-war period. It proved to have been pretty much a façade constitution, something Weber wrote about analysing the early attempts at constitutionalism in Russia. A façade constitution is a basic law which has the name but not the content of a constitution, and has not been brought about through a proper constitutional procedure and thus does not command popular support, in other words lacks the

necessary legitimacy. Because of that, the power does not spring from the constitution, rather the constitution is the way to facilitate the use of power.

One problem with façade constitutions was expressed in the famous statement by Carl Schmitt: ‘The concept of the state presupposes the concept of the political.’ In other words, internal strife, ideological and civil, has to have ended for the rule of law to be possible. The other problem is to be found in the later writings of John Stuart Mill and John Rawls: to have citizens in the constitutional sense, there has to exist a society, a people.

In the recent rejection of the ‘Constitutional Treaty establishing a Constitution of the European Union’ by popular votes in France and the Netherlands, it is this second rather than the first problem that has pointed to the fact that the proposed was a façade constitution. Arguably, the first, Schmittian problem, with no ideological and territorial conflicts left, has been solved and the sphere of the political has been established in Europe. The second has remained, because not only was the procedure not the one appropriate for writing up a constitution, but the procedure chosen reflected the fact that there is no people of Europe, there is no European society: an increase in social uncertainty, due to economic stagnation, for instance, does not lead to an increase in social cohesion, but rather to problems with social integration. That pushes for the return to nation states and to the protection it is believed it could provide.

How about ideological competition? There is some hope for ideological entrepreneurs to profit from the current debate over the European constitution. One should perhaps be cautious in labelling this debate as ideological. The main difference is between the nationalists and the (con)federalists. These are not necessarily ideological issues. One could here draw a difference between Weber, a nationalist, and Friedrich Hayek, a con-federalist (or, in a different sense, between Schmitt and Hans Kelsen) – but that is a separate issue. It is important to see that the debate is not so much about left and right

ideologies but between those who fear that the distribution of power will change significantly both in the nation states and in the EU.

Thus, the left in France is against the Anglo-Saxon, free-market, Europe that they find institutionalized in the EU constitution. The right in Great Britain as well as in a number of other countries argues that the EU constitution will install socialism in Europe. Similar arguments can be heard in the New Europe. It is unclear, at the moment, where this debate will go, let alone end.

It is, however, to be noted that this is really about the future of nationalism in Europe rather than about ideological differences between socialists and conservatives or the left and the right. In the New Europe, that debate is not so intense simply because those countries look to the EU for stability and prosperity. The latter is increasingly politically significant. If one looks at trade, investments, foreign ownership and practically all indicators, the New Europe is, to a greater or smaller extent, economically integrated with the Old Europe and its growth depends significantly on whatever happens in the EU. Thus, the choice is to join and influence or to stay out and be a policy taker.

### **Beyond the balance of powers**

Weber's idea of authority and legitimacy did rely on the premise that security was the main political good and thus security services were important political resources. The influence of international relations came in mainly through the maintenance of the balance of powers. That kind of politics does not make too much sense in the Europe of today as the recent experience in the Balkans shows. Relying on armies and other security forces has led the politicians there nowhere. A general turned politician, or the other way around, is not a promising career project. In today's Europe, the traditional distinction between the friend and the enemy, so forcefully argued for by Carl Schmitt, Weber's disciple, makes little sense.

In the more general sense, the concerns with the external balance of power have changed in such a way that home and foreign affairs are not that easy to separate not only in the European Union but also in its ever widening neighbourhood. The bases of legitimacy have changed to include external as well as internal support. The situation in the Balkans is somewhat extreme, but it is an example of a more general state of affairs. In the end, in post-socialist transitions in Europe, democracy is the only source of internal legitimacy. The security concerns, however, lead to a greater or smaller reliance on the specific international legitimacy, which is as complex as is the security arrangement in Europe. It has little to do with the balance of powers, however. Indeed, the doctrine of the balance of powers depends on the specific national and ideological conflicts that have ended, at least for the moment, in Europe. This is being learned rather slowly in the Balkans and to a lesser extent in other areas in Europe, both in the New and in the Old Europe and in their European and perhaps even Mediterranean neighbourhood.

### **Conclusion**

The business of politics in post-communist Europe is not about ideology, and not about the conflict over the different concepts of justice, but it is also not being carried on in an increasingly bureaucratized European Union, in the iron-cage of the EU – it is about mobilizing resources to influence political decisions given the national and international constraints. If the EU project were not to succeed, chances are that the politics of ideology would not be resurrected, but rather that of nationalism, as can be seen during the current EU crisis. Of course, ideological revival, the re-enchantment of the world, is always a possibility, but it is not predictable at this point in time.



## Conventional signs and abbreviations

used in the following section on monthly statistical data

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

Sources of statistical data:

National statistical offices and central banks; wiiw estimates.

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## B U L G A R I A: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total <sup>1)</sup>	real, CMPY	19.6	15.9	14.6	21.7	21.7	16.2	18.2	17.1	14.1	22.6	21.5	10.9	7.9	14.2	13.9	.	
Industry, total <sup>1)</sup>	real, CCPY	14.2	14.8	14.8	16.1	17.1	16.9	17.1	17.1	16.8	17.3	17.7	10.9	9.3	11.1	11.8	.	
Industry, total	real, 3MMA	14.8	16.6	17.3	19.3	19.7	18.6	17.1	16.4	17.9	19.4	18.6	13.8	11.1	12.1	.	.	
<b>LABOUR</b>																		
Employees total	th. persons	2108	2128	2146	2162	2176	2187	2181	2170	2162	2144	2109	2117	2128	2145	.	.	
Employees in industry	th. persons	689	688	689	687	685	689	690	686	683	679	672	675	676	676	.	.	
Unemployment, end of period	th. persons	527.3	507.5	487.8	466.7	452.4	446.8	442.2	434.7	437.5	440.0	450.6	486.4	485.5	471.3	449.7	.	
Unemployment rate <sup>2)</sup>	%	14.2	13.7	13.2	12.6	12.2	12.1	11.9	11.7	11.8	11.9	12.2	13.1	13.1	12.7	12.1	.	
Labour productivity, industry <sup>1)</sup>	CCPY	11.4	12.2	12.2	13.6	14.7	14.6	14.6	14.6	14.2	14.7	15.0	12.6	11.2	13.0	.	.	
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	-5.5	-6.1	-5.8	-6.7	-7.5	-7.5	-7.4	-7.4	-7.1	-7.6	-7.9	-3.6	-2.7	-4.1	.	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross	BGN	277.0	290.0	287.0	295.0	289.0	295.0	291.0	303.0	296.0	303.0	320.0	303.0	302.0	319.0	.	.	
Total economy, gross	real, CMPY	1.1	0.1	-0.6	-1.0	-1.3	0.8	1.4	0.7	2.9	3.2	3.3	5.9	5.0	5.5	.	.	
Total economy, gross	USD	179	182	176	181	179	185	181	189	189	201	219	203	201	215	.	.	
Total economy, gross	EUR	142	148	147	151	148	151	149	155	151	155	164	155	154	163	.	.	
Industry, gross	EUR	144	154	150	152	156	151	152	158	153	156	163	155	155	167	.	.	
<b>PRICES</b>																		
Consumer	PM	0.3	-0.1	0.3	0.0	-1.8	1.2	-0.4	0.9	0.2	0.6	1.3	0.7	0.9	0.3	1.1	-0.5	
Consumer	CMPY	6.6	6.2	6.1	6.8	7.3	7.6	6.3	6.3	5.8	4.5	4.0	3.3	3.9	4.3	5.1	4.6	
Consumer	CCPY	6.5	6.4	6.3	6.4	6.6	6.7	6.7	6.6	6.5	6.4	6.1	3.3	3.6	3.8	4.2	4.2	
Producer, in industry <sup>1)</sup>	PM	-0.8	1.4	0.9	1.1	-0.5	1.6	0.2	1.0	1.4	-0.8	-1.2	0.4	0.8	2.4	1.1	.	
Producer, in industry <sup>1)</sup>	CMPY	1.0	1.4	6.1	8.5	6.8	8.1	7.5	7.8	8.3	7.2	5.1	4.7	6.4	7.5	7.7	.	
Producer, in industry <sup>1)</sup>	CCPY	2.0	1.8	2.9	4.0	4.4	5.0	5.3	5.6	5.8	6.0	5.9	4.7	5.6	6.2	6.6	.	
<b>FOREIGN TRADE<sup>3)4)</sup></b>																		
Exports total (fob), cumulated	EUR mn	1083	1719	2318	2920	3618	4405	5075	5807	6546	7277	7994	639	1285	2078	.	.	
Imports total (cif), cumulated	EUR mn	1497	2412	3353	4339	5330	6326	7241	8204	9273	10452	11617	908	1836	2959	.	.	
Trade balance, cumulated	EUR mn	-414	-693	-1035	-1420	-1712	-1922	-2166	-2398	-2727	-3175	-3624	-269	-551	-881	.	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated <sup>5)</sup>	EUR mn	-359	-499	-724	-943	-962	-748	-601	-560	-775	-1131	-1447	-285	-470	-704	-983	.	
<b>EXCHANGE RATE</b>																		
BGN/USD, monthly average	nominal	1.547	1.594	1.634	1.632	1.611	1.595	1.606	1.600	1.566	1.506	1.461	1.491	1.503	1.482	1.512	1.543	
BGN/EUR, monthly average	nominal	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	
BGN/USD, calculated with CPI <sup>6)</sup>	real, Jan00=100	69.8	72.4	74.2	74.5	75.2	73.4	74.3	73.5	72.2	69.0	65.8	66.8	67.2	66.6	67.2	68.9	
BGN/USD, calculated with PPI <sup>6)</sup>	real, Jan00=100	73.9	75.6	77.7	77.8	77.5	75.6	76.3	75.1	73.6	72.0	70.1	71.6	71.9	70.2	70.8	.	
BGN/EUR, calculated with CPI <sup>6)</sup>	real, Jan00=100	86.4	86.9	87.1	87.3	89.0	87.8	88.4	87.8	87.9	87.3	86.6	85.6	85.2	85.4	84.5	84.9	
BGN/EUR, calculated with PPI <sup>6)</sup>	real, Jan00=100	87.5	86.8	86.4	85.9	86.3	85.2	85.4	84.7	84.1	84.7	85.4	85.4	85.0	83.5	82.6	.	
<b>DOMESTIC FINANCE</b>																		
M0, end of period <sup>7)</sup>	BGN mn	3718	3723	3785	3830	3961	4131	4275	4342	4284	4247	4628	4442	4414	4487	4652	4756	
M1, end of period <sup>7)</sup>	BGN mn	7853	7835	7987	8036	8422	8736	9048	9239	9220	9185	10298	10045	10201	11331	10552	10895	
Broad money, end of period <sup>7)</sup>	BGN mn	16739	16806	17190	17401	18161	18365	18345	18763	18847	18859	20394	20520	20739	23205	22004	22490	
Broad money, end of period	CMPY	21.4	23.0	23.7	25.0	26.8	24.2	20.3	23.1	18.7	19.9	23.1	24.2	23.9	38.1	28.0	29.2	
BNB base rate (p.a.) <sup>end of period</sup>	%	2.4	2.6	2.6	3.9	2.5	2.5	2.4	2.4	2.5	2.4	2.4	2.5	1.9	1.9	2.0	2.0	
BNB base rate (p.a.) <sup>end of period<sup>8)</sup></sup>	real, %	1.5	1.2	-3.3	-4.3	-4.1	-5.2	-4.7	-5.0	-5.4	-4.5	-2.5	-2.2	-4.3	-5.2	-5.3	.	
<b>BUDGET</b>																		
Central gov.budget balance <sub>zum.</sub>	BGN mn	-162.8	120.9	405.3	601.2	782.4	778.0	990.4	996.3	1185.6	1256.6	427.5	49.2	45.9	400.9	623.6	.	

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

2) Ratio of unemployed to the economically active.

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

4) Cumulation starting January and ending December each year.

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

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

7) According to ECB methodology.

8) Deflated with annual PPI.

# C R O A T I A: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total <sup>1)</sup>	real, CMPY	7.2	10.4	3.0	1.0	2.8	1.2	4.9	3.0	-3.3	5.9	9.7	6.4	-1.5	-2.9	6.3	8.3	
Industry, total <sup>1)</sup>	real, CCPY	3.0	5.6	4.9	4.1	3.9	3.5	3.6	3.6	2.8	3.1	3.6	6.4	2.2	0.3	1.9	3.2	
Industry, total <sup>1)</sup>	real, 3MMA	5.6	6.8	4.7	2.2	1.7	2.9	3.0	1.4	1.8	3.9	7.4	4.8	0.3	0.6	3.8	.	
Construction, total, effect. work. time <sup>1)</sup>	real, CMPY	12.5	7.5	6.6	4.8	7.4	-2.3	-0.5	-6.8	-11.2	-1.8	-0.6	-1.2	-11.1	.	.	.	
<b>LABOUR</b>																		
Employment total	th. persons	1392.2	1395.1	1401.9	1412.2	1422.2	1431.9	1429.9	1421.1	1412.1	1405.7	1395.8	1387.6	1382.6	1384.2	1390.8	.	
Employees in industry	th. persons	281.2	281.8	282.3	282.9	282.7	283.2	282.3	282.2	282.1	281.8	279.7	273.1	276.3	276.1	276.5	.	
Unemployment, end of period	th. persons	326.0	325.2	317.0	305.2	295.6	293.3	293.8	299.5	307.5	312.8	317.6	326.9	330.2	329.0	320.3	308.3	
Unemployment rate <sup>2)</sup>	%	19.2	19.1	18.6	18.0	17.4	17.2	17.2	17.6	18.1	18.4	18.7	19.1	19.3	19.2	18.7	18.1	
Labour productivity, industry <sup>1)</sup>	CCPY	6.0	8.7	7.9	6.8	6.4	5.9	5.9	5.8	5.0	5.2	5.6	5.0	0.7	-1.2	0.3	.	
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	-3.9	-3.3	-2.2	-1.2	-0.5	0.0	0.4	0.6	1.0	1.2	0.8	1.4	6.7	8.3	.	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross	HRK	5714	5962	5927	5994	6084	6043	5995	5925	5915	6276	6139	6013	5965	6280	.	.	
Total economy, gross	real, CMPY	4.4	7.4	5.0	3.2	4.0	4.2	5.2	4.9	1.5	5.6	3.2	0.7	1.1	1.4	.	.	
Total economy, gross	USD	943	975	950	969	1000	1005	990	976	978	1077	1088	1047	1032	1111	.	.	
Total economy, gross	EUR	747	795	790	807	825	820	814	800	784	831	814	795	794	842	.	.	
Industry, gross	EUR	670	730	719	738	756	752	744	736	711	764	749	725	726	775	.	.	
<b>PRICES</b>																		
Consumer	PM	-0.1	0.1	0.2	0.7	-0.3	-0.4	0.1	-0.2	0.4	0.5	0.7	0.4	1.1	0.7	-0.2	0.0	
Consumer	CMPY	1.8	1.4	1.9	2.4	2.5	1.9	2.0	1.6	2.0	2.3	2.7	2.7	3.3	3.9	3.5	2.8	
Consumer	CCPY	2.0	1.8	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.7	3.0	3.3	3.4	3.2	
Producer, in industry	PM	-0.3	0.2	0.9	2.3	-0.3	0.9	1.0	0.2	0.8	-0.5	-0.7	0.0	0.3	0.3	0.3	0.1	
Producer, in industry	CMPY	0.1	-0.5	1.3	4.4	3.9	4.6	5.1	5.7	6.3	5.5	4.8	4.4	5.1	5.1	4.5	2.3	
Producer, in industry	CCPY	0.5	0.2	0.4	1.2	1.7	2.1	2.4	2.8	3.1	3.4	3.5	4.4	4.7	4.8	4.8	4.3	
<b>RETAIL TRADE</b>																		
Turnover	real, CMPY	2.1	3.8	0.0	0.0	2.3	6.6	3.4	2.7	0.9	4.5	1.7	1.1	-3.3	3.5	2.0	.	
Turnover	real, CCPY	2.4	2.8	2.0	1.6	1.8	2.5	2.7	2.7	2.5	2.7	2.6	1.1	-1.2	0.7	1.1	.	
<b>FOREIGN TRADE<sup>3,4)</sup></b>																		
Exports total (fob), cumulated	EUR mn	891	1452	2000	2538	3042	3649	4091	4727	5300	5874	6451	439	963	1492	2126	.	
Imports total (cif), cumulated	EUR mn	1733	2919	4020	5224	6483	7668	8653	9855	11013	12178	13338	856	1822	3092	4390	.	
Trade balance, cumulated	EUR mn	-842	-1466	-2020	-2686	-3441	-4019	-4562	-5128	-5713	-6304	-6887	-417	-859	-1600	-2264	.	
Exports to EU-25 (fob), cumulated	EUR mn	581	948	1326	1716	2008	2406	2678	3093	3468	3833	4175	313	653	969	1347	.	
Imports from EU-25 (cif), cumulated	EUR mn	1209	2065	2872	3743	4630	5452	6116	6919	7690	8496	9281	517	1180	2009	2886	.	
Trade balance with EU-25, cumulated	EUR mn	-628	-1117	-1546	-2027	-2621	-3046	-3439	-3826	-4221	-4663	-5106	-204	-527	-1040	-1539	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated <sup>5)</sup>	EUR mn	.	-1183	.	.	-2158	.	.	-169	.	.	-1250	.	.	.	.	.	
<b>EXCHANGE RATE</b>																		
HRK/USD, monthly average	nominal	6.060	6.114	6.241	6.186	6.081	6.012	6.055	6.070	6.050	5.825	5.644	5.741	5.780	5.653	5.717	5.758	
HRK/EUR, monthly average	nominal	7.650	7.501	7.506	7.427	7.378	7.372	7.369	7.410	7.545	7.554	7.545	7.564	7.517	7.460	7.395	7.326	
HRK/USD, calculated with CPI <sup>6)</sup>	real, Jan00=100	77.1	78.2	80.0	79.1	78.3	77.6	78.1	78.6	78.5	75.2	72.0	73.1	73.3	71.7	72.7	73.2	
HRK/USD, calculated with PPI <sup>6)</sup>	real, Jan00=100	80.9	82.0	84.0	82.5	81.6	80.1	80.2	80.1	80.4	78.5	76.0	77.7	78.3	77.3	77.9	78.4	
HRK/EUR, calculated with CPI <sup>6)</sup>	real, Jan00=100	95.3	93.8	94.1	92.8	92.5	92.7	92.8	93.7	95.3	94.9	94.5	94.0	92.8	91.9	91.3	90.4	
HRK/EUR, calculated with PPI <sup>6)</sup>	real, Jan00=100	95.5	94.0	93.7	91.1	90.8	90.2	89.6	90.1	91.6	92.0	92.3	92.9	92.3	91.9	90.8	89.9	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	HRK mn	10217	10040	10455	10541	10977	11843	11385	10947	10915	10568	10956	10789	10905	11062	11407	.	
M1, end of period	HRK mn	31284	31623	32891	33194	34265	34622	35024	34492	33852	33601	34562	34909	34387	34547	34819	.	
Broad money, end of period	HRK mn	127877	125767	127868	127461	129559	133013	136826	138743	138357	139633	139948	138919	138850	137975	137879	.	
Broad money, end of period	CMPY	9.1	5.9	8.5	7.0	7.9	6.4	7.8	9.3	8.9	8.5	8.6	7.8	8.6	9.7	7.8	.	
Discount rate (p.a.), end of period	%	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	.	
Discount rate (p.a.), end of period <sup>7)</sup>	real, %	4.4	5.0	3.2	0.1	0.6	-0.1	-0.6	-1.1	-1.7	-0.9	-0.3	0.1	-0.6	-0.6	0.0	.	
<b>BUDGET</b>																		
Central gov. budget balance, cum. <sup>8)</sup>	HRK mn	-1356.9	-2499.7	-3886.2	-4524.2	.	.	.	.	.	.	.	.	.	.	.	.	

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

2) Ratio of unemployed to the economically active population.

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

4) Cumulation starting January and ending December each year.

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

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

7) Deflated with annual PPI.

8) Pension payments and social security funds are included.

# C Z E C H REPUBLIC: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004											2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry, total	real, CMPY	7.1	15.3	10.1	12.7	15.1	11.0	8.7	6.6	8.1	10.9	8.3	7.2	5.6	0.1	5.7	.
Industry, total	real, CCPY	5.5	9.0	9.3	10.0	10.8	10.8	10.6	10.1	9.9	10.0	9.9	7.2	6.4	4.0	4.4	.
Industry, total	real, 3MMA	9.0	11.0	12.7	12.6	13.0	11.7	8.7	7.8	8.6	9.1	8.9	7.0	4.0	3.6	.	.
Construction, total	real, CMPY	9.7	21.4	62.4	-3.7	-3.7	0.3	9.6	3.5	2.9	9.8	1.3	14.2	3.8	-16.0	-29.5	.
<b>LABOUR</b>																	
Employees in industry <sup>1)</sup>	th. persons	1123	1128	1127	1127	1131	1133	1135	1134	1137	1138	1131	1126	1132	1135	1135	.
Unemployment, end of period	th. persons	570.8	559.8	535.1	520.4	517.5	532.1	536.0	530.2	517.8	517.7	541.7	561.7	555.0	540.5	512.6	494.6
Unemployment rate <sup>2)</sup>	%	10.9	10.6	10.2	9.9	9.9	9.2	9.3	9.1	8.9	8.9	9.5	9.8	9.6	9.4	8.9	8.6
Labour productivity, industry <sup>13)</sup>	CCPY	7.1	10.3	10.4	11.7	12.2	11.2	11.1	10.7	10.2	10.6	10.4	10.1	7.7	5.6	6.0	.
Unit labour costs, exch.r. adj.(EUR) <sup>13)</sup>	CCPY	-3.3	-5.2	-5.4	-6.7	-6.9	-5.6	-4.9	-4.2	-3.8	-3.7	-3.3	1.0	4.6	7.5	6.7	.
<b>WAGES, SALARIES</b>																	
Industry, gross <sup>1)</sup>	CZK	15668	16896	16921	17591	17591	17670	16874	17065	17450	20415	18870	16941	16305	17629	17582	.
Industry, gross <sup>1)</sup>	real, CMPY	6.7	7.9	4.4	2.4	4.1	3.3	5.0	3.6	1.3	5.4	1.8	1.3	2.2	2.7	2.2	.
Industry, gross <sup>1)</sup>	USD	603	628	624	660	675	687	649	659	692	847	825	733	708	781	755	.
Industry, gross <sup>1)</sup>	EUR	477	512	520	550	556	561	533	540	554	653	616	559	544	592	584	.
<b>PRICES</b>																	
Consumer	PM	0.2	0.1	0.0	0.4	0.2	0.4	0.0	-0.8	0.5	-0.1	0.1	0.7	0.2	-0.1	0.1	0.2
Consumer	CMPY	2.3	2.5	2.3	2.7	2.9	3.2	3.4	3.0	3.5	2.9	2.8	1.7	1.7	1.5	1.6	1.3
Consumer	CCPY	2.3	2.3	2.3	2.4	2.5	2.6	2.7	2.7	2.8	2.8	2.8	1.7	1.7	1.7	1.7	1.6
Producer, in industry	PM	0.3	0.8	0.8	0.8	1.1	0.8	0.9	0.3	1.1	0.0	-0.3	0.3	0.2	0.2	0.1	-0.7
Producer, in industry	CMPY	1.6	2.1	3.7	4.9	6.3	7.3	8.1	8.0	8.6	8.2	7.7	7.2	7.1	6.4	5.6	4.0
Producer, in industry	CCPY	1.6	1.8	2.3	2.8	3.4	3.9	4.4	4.8	5.2	5.5	5.7	7.2	7.2	6.9	6.6	6.1
<b>RETAIL TRADE</b>																	
Turnover	real, CMPY	2.3	2.9	2.9	0.9	3.7	0.3	4.5	0.8	1.5	8.4	3.2	4.5	1.1	3.9	1.0	.
Turnover	real, CCPY	0.2	1.1	1.5	1.4	1.8	1.6	1.9	1.8	1.8	2.4	2.5	4.5	2.8	3.2	2.6	.
<b>FOREIGN TRADE<sup>4)5)</sup></b>																	
Exports total (fob), cumulated	EUR mn	7134	11462	16022	20887	25779	30086	34252	39285	44330	49604	54030	4767	9426	14622	19686	.
Imports total (fob), cumulated	EUR mn	6994	11425	16317	21149	26020	30540	34820	39741	44857	50068	54749	4583	9047	13977	18871	.
Trade balance, cumulated	EUR mn	139	37	-294	-262	-241	-455	-568	-456	-528	-464	-719	184	378	645	816	.
Exports to EU-25 (fob), cumulated	EUR mn	6218	9986	13905	18123	22305	25986	29564	33872	38216	42745	46449	4177	8159	12538	16800	.
Imports from EU-25 (fob) <sup>6)</sup> , cumulated	EUR mn	4891	8073	11461	15135	18666	21917	24946	28541	32237	35969	39302	3056	6245	9762	13194	.
Trade balance with EU-25, cumulated	EUR mn	1327	1913	2445	2988	3639	4069	4618	5331	5980	6776	7147	1122	1914	2775	3607	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated <sup>4)</sup>	EUR mn	-184	-418	-1059	-1266	-1591	-2615	-3191	-3334	-3689	-3913	-4490	-142	348	485	376	.
<b>EXCHANGE RATE</b>																	
CZK/USD, monthly average	nominal	26.0	26.9	27.1	26.6	26.0	25.7	26.0	25.9	25.2	24.1	22.9	23.1	23.0	22.6	23.3	23.8
CZK/EUR, monthly average	nominal	32.9	33.0	32.5	32.0	31.6	31.5	31.6	31.6	31.5	31.3	30.6	30.3	30.0	29.8	30.1	30.2
CZK/USD, calculated with CPI <sup>7)</sup>	real, Jan00=100	73.3	76.3	77.2	75.9	74.4	73.0	73.8	74.3	72.4	69.2	65.4	65.7	65.8	65.1	67.0	68.4
CZK/USD, calculated with PPI <sup>7)</sup>	real, Jan00=100	76.5	79.2	80.1	79.1	76.8	75.3	75.8	75.1	73.5	70.7	66.8	67.6	67.6	67.0	69.1	71.1
CZK/EUR, calculated with CPI <sup>7)</sup>	real, Jan00=100	90.6	91.3	90.5	88.9	87.8	87.1	87.6	88.4	87.9	87.4	85.9	84.0	83.2	83.2	84.1	84.2
CZK/EUR, calculated with PPI <sup>7)</sup>	real, Jan00=100	90.4	90.6	89.0	87.2	85.3	84.7	84.5	84.4	83.6	83.0	81.2	80.5	79.6	79.5	80.4	81.2
<b>DOMESTIC FINANCE</b>																	
M0, end of period	CZK bn	223.7	224.0	227.3	228.9	234.9	233.1	233.7	236.8	236.8	238.4	236.8	237.8	240.9	242.9	245.9	.
M1, end of period	CZK bn	888.8	893.3	901.8	936.2	945.6	933.5	965.9	965.9	953.5	975.8	962.3	965.5	963.5	972.7	965.5	.
M2, end of period	CZK bn	1760.8	1751.6	1797.7	1814.0	1817.9	1821.3	1835.5	1841.1	1841.0	1840.5	1844.1	1827.5	1844.5	1844.9	1882.2	.
M2, end of period	CMPY	7.0	7.8	8.4	9.2	10.3	8.0	7.5	8.6	7.8	6.6	4.4	4.2	4.8	5.3	4.7	.
Discount rate (p.a.), end of period	%	1.00	1.00	1.00	1.00	1.25	1.25	1.50	1.50	1.50	1.50	1.50	1.25	1.25	1.25	0.75	0.75
Discount rate (p.a.), end of period <sup>8)</sup>	real, %	-0.6	-1.1	-2.6	-3.7	-4.7	-5.6	-6.1	-6.0	-6.5	-6.2	-5.8	-5.6	-5.5	-4.9	-4.6	-3.1
<b>BUDGET</b>																	
Central gov. budget balance, cum.	CZK mn	-2852	-7819	-38070	-45423	-49702	-48799	-50687	-40515	-59467	-66370	-93530	3490	-2580	8250	-22490	-27030

1) Enterprises employing 20 and more persons.

2) Ratio of job applicants to the economically active (including women on maternity leave), from July 2004 calculated with disposable number of registered unemployment.

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

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

5) Cumulation starting January and ending December each year.

6) According to country of origin.

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

8) Deflated with annual PPI.

# HUNGARY: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total	real, CMPY	11.8	11.8	9.2	7.2	14.7	4.8	6.3	6.8	5.7	10.7	3.5	3.5	0.5	1.4	8.9	.	
Industry, total	real, CCPY	9.6	10.4	10.1	9.5	10.4	9.6	9.2	8.9	8.5	8.8	8.3	3.5	2.0	1.8	3.6	.	
Industry, total	real, 3MMA	10.4	10.9	9.5	10.4	8.9	8.6	6.0	6.3	7.8	6.7	6.1	2.5	1.8	3.6	.	.	
Construction, total	real, CMPY	14.9	12.4	7.3	-1.9	4.0	9.8	6.1	0.7	5.4	12.0	4.9	9.4	25.1	4.0	20.2	.	
<b>LABOUR</b>																		
Employees in industry <sup>1)</sup>	th. persons	787.4	790.9	788.7	786.7	788.9	788.8	786.4	785.0	780.5	779.9	770.7	776.1	771.6	768.0	763.9	.	
Unemployment <sup>2)</sup>	th. persons	247.9	252.2	248.4	241.5	241.6	244.8	246.6	254.6	255.1	261.7	263.3	275.1	286.8	297.4	300.1	302.9	
Unemployment rate <sup>2)</sup>	%	6.0	6.1	6.0	5.8	5.8	5.9	5.9	6.1	6.1	6.3	6.3	6.6	6.9	7.1	7.2	7.2	
Labour productivity, industry <sup>1)</sup>	CCPY	13.2	13.6	13.2	12.6	13.4	12.5	12.1	11.7	11.4	11.6	11.2	5.4	4.0	4.1	6.2	.	
Unit labour costs, exch.r.adj.(EUR) <sup>1)</sup>	CCPY	-10.8	-7.8	-6.4	-6.2	-5.5	-3.8	-2.6	-2.0	-1.6	-1.0	-0.4	9.9	11.2	8.8	5.1	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross <sup>1)3)</sup>	HUF	134206	141934	140815	141898	146550	140757	138849	139635	143309	163918	170505	184265	144893	150888	149999	.	
Total economy, gross <sup>1)3)</sup>	real, CMPY	1.6	4.6	1.1	-0.7	0.8	-1.3	-0.2	0.0	-1.4	-0.7	-8.5	21.2	4.7	2.7	2.5	.	
Total economy, gross <sup>1)3)</sup>	USD	645	687	675	674	705	691	679	689	725	868	930	981	774	812	783	.	
Total economy, gross <sup>1)3)</sup>	EUR	510	560	563	561	579	563	558	564	581	668	693	747	594	616	604	.	
Industry, gross <sup>1)</sup>	EUR	487	559	553	557	558	553	556	555	560	674	644	559	564	605	591	.	
<b>PRICES</b>																		
Consumer	PM	1.2	0.5	0.3	0.9	0.1	0.0	-0.3	0.1	0.5	0.1	0.0	0.7	0.4	0.7	0.8	0.6	
Consumer	CMPY	7.1	6.7	6.9	7.6	7.5	7.2	7.2	6.6	6.3	5.8	5.5	4.1	3.2	3.5	3.9	3.6	
Consumer	CCPY	6.9	6.8	6.8	7.0	7.1	7.1	7.1	7.0	7.0	6.9	6.8	4.1	3.6	3.6	3.7	3.6	
Producer, in industry	PM	-0.2	-0.8	0.6	0.3	0.4	0.1	0.2	0.3	0.3	-0.2	-0.5	0.7	0.0	0.8	0.8	0.5	
Producer, in industry	CMPY	4.5	3.2	4.4	5.4	3.3	2.7	2.6	3.3	3.5	2.1	1.6	3.8	3.1	5.0	5.3	5.2	
Producer, in industry	CCPY	4.9	4.3	4.4	4.6	4.4	4.1	3.9	3.9	3.8	3.7	3.5	3.8	3.5	4.0	4.3	4.5	
<b>RETAIL TRADE</b>																		
Turnover	real, CMPY	6.6	5.8	8.1	5.9	10.7	5.7	5.6	4.8	3.2	4.6	3.3	3.2	1.9	7.4	3.3	.	
Turnover	real, CCPY	6.4	6.2	6.7	6.5	7.3	7.0	6.8	6.6	6.2	6.0	5.7	3.2	2.6	4.4	4.0	.	
<b>FOREIGN TRADE<sup>4)5)</sup></b>																		
Exports total (fob), cumulated	EUR mn	6387	10178	13602	17158	21118	24753	27918	31950	36103	40420	44056	3444	7045	11176	15198	.	
Imports total (cif), cumulated	EUR mn	6756	10900	15289	19169	23414	27332	30882	35225	39603	44033	47908	3618	7515	11747	16150	.	
Trade balance, cumulated	EUR mn	-370	-722	-1687	-2011	-2297	-2580	-2964	-3274	-3500	-3613	-3852	-174	-470	-570	-952	.	
Exports to EU-25 (fob), cumulated	EUR mn	5310	8388	11159	14019	17099	19928	22353	25460	28783	32188	34918	2753	5560	8723	11815	.	
Imports from EU-25 (cif <sup>6)</sup> ), cumulated	EUR mn	5081	8187	11465	14391	17330	20053	22450	25456	28484	31497	34191	2520	5236	8154	11079	.	
Trade balance with EU-25, cumulated	EUR mn	229	201	-306	-372	-231	-125	-98	5	299	691	727	232	324	569	736	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	EUR mn	.	-1308	.	.	-3561	.	.	-5411	.	.	-7118	.	.	-1497	.	.	
<b>EXCHANGE RATE</b>																		
HUF/USD, monthly average	nominal	207.9	206.6	208.6	210.7	208.0	203.6	204.5	202.8	197.6	188.9	183.4	187.8	187.2	185.9	191.7	198.3	
HUF/EUR, monthly average	nominal	263.0	253.4	250.3	252.9	253.2	249.9	248.9	247.7	246.8	245.3	245.9	246.6	243.8	245.0	248.2	252.0	
HUF/USD, calculated with CPI <sup>7)</sup>	real, Jan00=100	68.8	68.4	69.1	69.5	68.8	67.3	67.8	67.3	65.6	62.6	60.6	61.7	61.7	61.3	62.7	64.5	
HUF/USD, calculated with PPI <sup>7)</sup>	real, Jan00=100	78.6	79.3	80.6	82.3	81.1	79.5	80.0	78.9	77.8	75.2	72.8	74.4	74.5	74.3	76.0	78.3	
HUF/EUR, calculated with CPI <sup>7)</sup>	real, Jan00=100	85.1	82.0	81.1	81.5	81.6	80.4	80.5	80.2	79.8	79.2	79.7	79.1	78.2	78.4	78.8	79.5	
HUF/EUR, calculated with PPI <sup>7)</sup>	real, Jan00=100	93.0	90.9	89.7	90.8	90.5	89.5	89.4	88.8	88.8	88.3	88.7	88.7	88.0	88.2	88.7	89.6	
<b>DOMESTIC FINANCE</b>																		
M0, end of period <sup>8)</sup>	HUF bn	1278.1	1255.8	1278.6	1329.1	1329.1	1322.6	1329.9	1328.6	1334.9	1365.5	1341.5	1324.8	1320.6	1376.0	1403.5	1426.1	
M1, end of period <sup>8)</sup>	HUF bn	3688.6	3699.5	3771.7	3805.8	3874.4	3876.1	3935.6	3954.8	3891.4	4053.0	4169.3	4028.6	4029.4	4195.0	4219.1	4390.4	
Broad money, end of period <sup>8)</sup>	HUF bn	8759.7	8719.0	8823.9	8863.0	8961.6	9087.7	9251.2	9278.1	9356.0	9540.7	9804.5	9660.0	9749.9	9959.7	10166.1	10275.4	
Broad money, end of period <sup>8)</sup>	CMPY	11.9	12.0	11.8	11.1	10.5	11.5	13.2	12.0	10.8	11.2	11.6	9.8	11.3	14.2	15.2	15.9	
NBH base rate (p.a.), end of period	%	12.5	12.3	12.0	11.5	11.5	11.5	11.0	11.0	10.5	10.0	9.5	9.0	8.3	7.8	7.5	7.3	
NBH base rate (p.a.), end of period <sup>9)</sup>	real, %	7.7	8.8	7.3	5.8	7.9	8.6	8.2	7.5	6.8	7.7	7.8	5.0	5.0	2.6	2.1	1.9	
<b>BUDGET</b>																		
Central gov. budget balance, cum.	HUF bn	-246.7	-365.0	-426.9	-508.8	-855.8	-863.1	-926.8	-1035.8	-1034.6	-1023.0	-889.0	-199.1	-379.0	-373.1	-589.0	.	

1) Economic organizations employing more than 5 persons.

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

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

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

5) Cumulation starting January and ending December each year.

6) According to country of dispatch.

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

8) According to ECB monetary standards.

9) Deflated with annual PPI.

# P O L A N D: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004											2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<b>PRODUCTION</b>																	
Industry <sup>1)</sup>	real, CMPY	18.2	23.6	21.8	12.2	15.8	6.0	13.8	9.4	3.4	11.4	6.9	4.7	2.4	-3.7	-1.1	0.9
Industry <sup>1)</sup>	real, CCPY	16.3	18.9	19.7	18.1	17.7	15.9	15.7	14.9	13.5	13.3	12.7	4.7	3.5	0.8	0.3	0.4
Industry <sup>1)</sup>	real, 3MMA	18.9	21.3	19.2	16.6	11.3	11.8	9.7	8.6	8.0	7.1	7.7	4.7	0.8	-1.0	-1.4	.
Construction <sup>1)</sup>	real, CMPY	-6.3	6.2	25.8	-13.4	-14.4	-14.2	2.6	0.1	4.1	4.2	7.9	18.4	13.1	-3.9	-17.7	21.8
<b>LABOUR</b>																	
Employees <sup>1)</sup>	th. persons	4672	4667	4675	4681	4688	4688	4681	4686	4698	4689	4679	4737	4745	4743	4754	4756
Employees in industry <sup>1)</sup>	th. persons	2399	2398	2397	2396	2399	2400	2397	2399	2409	2405	2397	2417	2422	2423	2426	2423
Unemployment, end of period	th. persons	3294.5	3265.8	3173.8	3092.5	3071.2	3042.4	3005.7	2970.9	2938.2	2942.6	2999.6	3094.9	3094.5	3052.6	2957.8	2867.3
Unemployment rate <sup>2)</sup>	%	20.6	20.5	20.0	19.6	19.5	19.3	19.1	18.9	18.7	18.7	19.1	19.5	19.4	19.3	18.8	18.3
Labour productivity, industry <sup>1)</sup>	CCPY	17.3	19.8	20.5	18.8	18.4	16.5	16.2	15.4	14.0	13.8	13.2	3.8	2.6	-0.1	-0.7	-0.6
Unit labour costs, exch.r. adj.(EUR) <sup>1)</sup>	CCPY	-22.5	-22.1	-22.1	-20.9	-19.5	-17.3	-16.3	-14.9	-13.1	-12.1	-10.5	14.0	17.8	21.2	20.4	19.9
<b>WAGES, SALARIES</b>																	
Total economy, gross <sup>1)</sup>	PLN	2377	2427	2427	2354	2405	2428	2413	2440	2386	2505	2748	2385	2411	2481	2471	2424
Total economy, gross <sup>1)</sup>	real, CMPY	4.8	5.5	2.5	1.2	0.4	-0.8	0.7	-0.7	-1.9	-1.7	-1.0	-1.5	-2.4	-1.4	-1.3	0.6
Total economy, gross <sup>1)</sup>	USD	618	624	613	598	635	667	662	681	690	763	888	769	788	813	771	737
Total economy, gross <sup>1)</sup>	EUR	490	509	510	498	524	543	544	557	552	588	663	584	605	617	595	580
Industry, gross <sup>1)</sup>	EUR	499	514	517	493	531	551	549	548	551	592	693	590	616	625	597	580
<b>PRICES</b>																	
Consumer	PM	0.1	0.3	0.8	1.0	0.9	-0.1	-0.4	0.3	0.6	0.3	0.1	0.1	-0.1	0.1	0.4	0.3
Consumer	CMPY	1.6	1.7	2.2	3.4	4.4	4.6	4.6	4.4	4.5	4.5	4.4	3.7	3.6	3.4	3.0	2.5
Consumer	CCPY	1.7	1.7	1.9	2.2	2.5	2.8	3.1	3.2	3.3	3.5	3.5	4.1	4.0	3.9	3.7	3.5
Producer, in industry	PM	0.7	1.5	2.1	1.3	-0.2	0.2	0.3	-0.1	0.4	-0.4	-1.3	0.1	-0.5	0.5	0.7	-0.2
Producer, in industry	CMPY	4.2	4.9	7.6	9.6	9.1	8.6	8.5	7.9	7.6	6.7	5.2	4.5	3.2	2.2	0.9	-0.5
Producer, in industry	CCPY	4.2	4.4	5.3	6.2	6.7	7.0	7.2	7.3	7.3	7.3	7.1	4.7	4.0	3.5	2.8	2.1
<b>RETAIL TRADE</b>																	
Turnover <sup>1)</sup>	real, CMPY	10.6	18.8	27.7	0.9	4.2	5.9	4.4	3.9	-0.8	-0.4	-1.8	3.2	-1.6	-3.8	-17.4	5.5
Turnover <sup>1)</sup>	real, CCPY	8.5	13.6	18.4	14.0	12.4	11.4	10.1	9.4	8.8	7.9	7.1	3.1	1.0	-0.4	-5.9	-4.1
<b>FOREIGN TRADE<sup>3,4)</sup></b>																	
Exports total (fob), cumulated	EUR mn	8091	13185	18208	22866	27962	32868	37639	43416	49145	54898	59996	5265	10650	16452	22060	.
Imports total (cif), cumulated	EUR mn	9258	15532	22497	28251	34365	40339	45980	52661	59168	65643	71791	5671	11574	18208	24208	.
Trade balance, cumulated	EUR mn	-1168	-2347	-4289	-5385	-6403	-7472	-8341	-9246	-10023	-10745	-11795	-406	-923	-1756	-2148	.
Exports to EU-25 (fob), cumulated	EUR mn	6863	11011	15145	18907	22853	26597	30275	34647	39056	43446	47232	4203	8289	12922	17320	.
Imports from EU-25 (cif) <sup>5)</sup> , cumulated	EUR mn	6439	10783	15672	19716	23792	27810	31539	35890	40319	44694	48669	3793	7724	12148	16227	.
Trade balance with EU-25, cumulated	EUR mn	424	228	-527	-809	-939	-1213	-1263	-1243	-1263	-1248	-1437	410	565	775	1093	.
<b>FOREIGN FINANCE</b>																	
Current account, cumulated	EUR mn	-96	-648	-1210	-1837	-2173	-2907	-2654	-3037	-2962	-2786	-2949	81	51	118	.	.
<b>EXCHANGE RATE</b>																	
PLN/USD, monthly average	nominal	3.846	3.890	3.959	3.936	3.787	3.643	3.643	3.583	3.460	3.283	3.095	3.103	3.060	3.049	3.205	3.291
PLN/EUR, monthly average	nominal	4.854	4.768	4.758	4.729	4.593	4.469	4.436	4.376	4.324	4.262	4.144	4.082	3.984	4.021	4.151	4.183
PLN/USD, calculated with CPI <sup>6)</sup>	real, Jan00=100	91.1	92.4	93.6	92.6	88.7	85.2	85.6	84.2	81.2	76.8	72.1	72.3	71.8	72.1	75.4	77.2
PLN/USD, calculated with PPI <sup>6)</sup>	real, Jan00=100	91.9	92.3	93.0	92.6	89.5	86.1	86.2	84.7	82.7	79.5	75.3	75.8	75.5	75.8	79.1	81.4
PLN/EUR, calculated with CPI <sup>6)</sup>	real, Jan00=100	112.6	110.8	110.2	108.8	104.9	102.0	101.9	100.4	98.9	97.2	94.8	92.9	91.1	92.3	94.9	95.4
PLN/EUR, calculated with PPI <sup>6)</sup>	real, Jan00=100	108.6	105.7	103.9	102.4	99.7	97.1	96.4	95.4	94.5	93.4	91.7	90.6	89.2	90.1	92.4	93.3
<b>DOMESTIC FINANCE</b>																	
M0, end of period	PLN bn	49.6	49.9	51.4	50.2	50.5	50.9	50.9	50.1	50.5	50.0	50.7	49.7	50.5	51.4	53.2	52.9
M1, end of period <sup>7)</sup>	PLN bn	156.2	161.3	160.3	165.0	168.9	163.6	168.9	168.9	181.8	175.2	175.9	173.1	178.2	181.4	176.5	189.6
M2, end of period <sup>7)</sup>	PLN bn	338.2	340.1	348.8	344.7	348.5	347.6	351.5	350.5	369.9	356.7	366.4	360.1	364.3	371.8	376.4	382.5
M2, end of period	CMPY	6.2	7.0	10.0	7.6	7.9	7.6	8.2	7.2	11.3	6.7	7.6	7.5	7.7	9.3	7.9	11.0
Discount rate (p.a.),end of period	%	5.8	5.8	5.8	5.8	5.8	6.5	6.5	7.0	7.0	7.0	7.0	7.0	7.0	6.5	6.0	6.0
Discount rate (p.a.),end of period <sup>8)</sup>	real, %	1.5	0.8	-1.7	-3.5	-3.1	-1.9	-1.8	-0.8	-0.6	0.3	1.7	2.4	3.7	4.2	5.1	6.5
<b>BUDGET</b>																	
Central gov.budget balance, cum.	PLN mn	-9346	-11804	-10781	-15186	-19730	-23067	-25793	-28841	-30642	-33820	-41505	-1403	-8884	-12726	-13651	-18291

1) Enterprises employing more than 9 persons.

2) Ratio of unemployed to the economically active.

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

4) Cumulation starting January and ending December each year.

5) According to country of origin.

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

7) Revised according to ECB monetary standards.

8) Deflated with annual PPI.

## R O M A N I A: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total <sup>1)</sup>	real, CMPY	6.9	9.5	0.5	5.2	3.2	2.0	6.5	5.8	2.4	9.3	12.3	8.6	3.6	4.0	7.8	.	
Industry, total <sup>1)</sup>	real, CCPY	3.9	5.9	4.5	4.6	4.4	4.0	4.3	4.5	4.3	4.7	5.3	8.6	6.0	5.3	5.9	.	
Industry, total	real, 3MMA	5.9	5.6	5.1	3.0	3.5	3.9	4.7	4.8	5.8	7.8	10.1	8.1	5.3	5.1	.	.	
<b>LABOUR</b>																		
Employees total	th. persons	4375.8	4404.7	4405.8	4423.1	4453.6	4456.9	4452.0	4449.9	4439.0	4432.1	4398.3	4450.8	4500.7	4537.7	4551.0	.	
Employees in industry	th. persons	1752.6	1754.4	1738.5	1736.6	1755.6	1757.6	1757.7	1749.8	1752.6	1746.5	1733.7	1745.4	1757.0	1749.4	1740.0	.	
Unemployment, end of period	th. persons	702.4	697.4	661.9	617.8	590.3	562.6	552.6	547.8	550.7	551.4	557.9	562.7	558.6	537.8	511.3	.	
Unemployment rate <sup>2)</sup>	%	7.8	7.8	7.4	6.9	6.6	6.3	6.2	6.1	6.1	6.2	6.2	6.3	6.2	6.0	5.7	.	
Labour productivity, industry	CCPY	9.7	11.9	10.8	11.2	11.0	10.5	10.7	10.8	10.5	10.9	11.5	10.8	7.9	7.0	7.4	.	
Unit labour costs, exch.r. adj.(EUR)	CCPY	-3.4	-2.7	-1.8	-1.0	0.1	0.4	0.3	0.6	1.1	1.7	2.2	15.7	18.1	18.0	18.1	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross	th. ROL	7484.0	8065.8	8292.8	8008.2	8035.9	8125.7	8101.0	8214.1	8392.8	8677.8	9733.5	9514.7	8748.7	9203.5	9729.8	.	
Total economy, gross	real, CMPY	8.7	12.5	7.0	9.3	10.8	7.8	8.4	9.3	10.2	12.5	10.4	9.1	7.3	5.0	6.6	.	
Total economy, gross	USD	233	247	244	237	239	243	241	244	255	283	337	327	310	334	347	.	
Total economy, gross	EUR	184	201	204	197	197	198	198	200	204	218	251	249	238	253	268	.	
Industry, gross	EUR	177	195	199	193	192	198	198	203	196	208	236	219	224	243	255	.	
<b>PRICES</b>																		
Consumer	PM	0.6	0.5	0.6	0.3	0.6	1.3	0.5	0.9	1.2	0.6	0.6	0.8	0.6	0.3	1.8	0.3	
Consumer	CMPY	13.7	13.1	12.5	12.3	12.0	12.1	12.4	11.1	10.8	9.9	9.3	8.9	8.9	8.7	10.0	10.0	
Consumer	CCPY	13.8	13.6	13.3	13.1	12.9	12.8	12.8	12.6	12.4	12.1	11.9	8.9	8.9	8.8	9.1	9.3	
Producer, in industry	PM	0.9	0.9	2.8	1.3	1.1	1.7	1.7	1.3	1.6	0.2	-0.9	1.2	-0.6	0.8	2.5	.	
Producer, in industry	CMPY	17.6	17.0	18.5	19.3	20.4	21.3	22.1	20.0	20.0	18.2	15.9	14.6	12.8	12.6	12.3	.	
Producer, in industry	CCPY	18.4	17.9	18.1	18.3	18.7	19.0	19.4	19.5	19.6	19.4	19.1	14.6	13.7	13.3	13.1	.	
<b>RETAIL TRADE</b>																		
Turnover	real, CMPY	13.4	16.9	12.0	11.3	13.6	8.5	12.3	10.6	8.8	14.8	32.0	13.1	25.3	18.7	23.9	.	
Turnover	real, CCPY	17.3	17.2	15.9	15.0	14.7	13.8	13.7	13.3	12.9	13.0	14.6	13.1	19.2	19.0	20.4	.	
<b>FOREIGN TRADE<sup>3)</sup></b>																		
Exports total (fob), cumulated	EUR mn	2713	4337	5824	7394	9033	10874	12296	13995	15735	17404	18935	1513	3160	5091	6881	.	
Imports total (cif), cumulated	EUR mn	3382	5482	7475	9720	11992	14365	16391	18644	21061	23695	26281	1892	4045	6643	9191	.	
Trade balance, cumulated	EUR mn	-669	-1146	-1651	-2326	-2959	-3491	-4094	-4649	-5325	-6291	-7346	-379	-884	-1552	-2310	.	
Exports to EU-25 (fob), cumulated	EUR mn	2059	3212	4275	5412	6644	7997	9033	10230	11508	12720	13807	1113	2298	3581	4799	.	
Imports from EU-25 (cif), cumulated	EUR mn	2033	3360	4777	6264	7794	9361	10622	12065	13676	15426	17065	1182	2558	4140	5767	.	
Trade balance with EU-25, cumulated	EUR mn	27	-148	-502	-852	-1150	-1364	-1590	-1835	-2168	-2706	-3258	-69	-260	-558	-968	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	EUR mn	-205	-484	-785	.	-1706	.	.	-2556	.	.	-4402	-136	-516	-899	-1391	.	
<b>EXCHANGE RATE</b>																		
ROL/USD, monthly average	nominal	32073	32646	33923	33758	33570	33395	33613	33621	32881	30677	28910	29076	28244	27570	28041	28508	
ROL/EUR, monthly average	nominal	40572	40055	40695	40559	40754	40967	40947	41078	41069	39820	38774	38178	36765	36338	36293	36182	
ROL/USD, calculated with CPI <sup>4)</sup>	real, Jan00=100	80.3	81.8	84.9	84.6	84.0	82.3	82.4	82.0	79.6	73.8	68.9	68.9	66.9	65.6	65.6	66.5	
ROL/USD, calculated with PPI <sup>6)</sup>	real, Jan00=100	69.2	70.3	71.9	71.6	70.7	69.3	68.8	67.8	66.3	62.3	58.7	58.7	57.5	56.5	56.0	.	
ROL/EUR, calculated with CPI <sup>4)</sup>	real, Jan00=100	99.4	98.1	99.6	99.3	99.2	98.4	98.0	97.7	96.8	93.3	90.6	88.2	84.8	83.9	82.4	81.9	
ROL/EUR, calculated with PPI <sup>6)</sup>	real, Jan00=100	81.8	80.5	80.0	79.1	78.6	77.9	76.9	76.3	75.5	73.0	71.5	69.9	67.9	67.0	65.3	.	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	ROL bn	58313	57773	63788	65158	68904	73312	75283	76697	77764	73096	75367	72395	76580	77859	87499	.	
M1, end of period	ROL bn	104107	107175	113651	118864	125928	131880	140492	142811	143111	140201	153601	142406	148436	154653	163757	.	
M2, end of period	ROL bn	458468	481461	480254	490510	506603	525105	548392	567404	573948	568742	645332	631223	652801	679570	690961	.	
M2, end of period	CMPY	24.8	30.3	26.9	29.4	30.4	34.3	34.6	36.9	35.4	33.6	40.1	39.6	42.4	41.1	43.9	.	
Discount rate (p.a.),end of period <sup>5)</sup>	%	21.3	21.3	21.3	21.3	21.3	20.8	20.3	19.2	18.8	18.8	18.0	17.3	15.7	10.8	8.4	8.0	
Discount rate (p.a.),end of period <sup>5)6)</sup>	real, %	3.1	3.6	2.3	1.6	0.7	-0.5	-1.5	-0.6	-1.0	0.5	1.8	2.4	2.6	-1.6	-3.4	.	
<b>BUDGET</b>																		
Central gov.budget balance, cum.	ROL bn	-2634	-5930	90	-6529	-14333	-7068	-9390	-7805	-6769	-12034	-18781	820	-5219	-6734	-55	.	

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

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

3) Cumulation starting January and ending December each year.

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

5) Reference rate of RNB.

6) Deflated with annual PPI.

# R U S S I A: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total <sup>1)</sup>	real, CMPY	8.5	7.4	5.4	6.9	9.3	6.9	9.7	6.1	4.6	12.5	4.6	2.1	5.1	4.0	5.0	1.4	
Industry, total <sup>1)</sup>	real, CCPY	.	7.4	6.9	.	7.3	.	.	7.4	.	.	7.3	2.1	3.9	3.9	4.2	3.6	
Construction, total	real, CMPY	13.8	14.2	15.8	14.9	13.3	7.5	7.1	5.9	3.4	8.8	10.6	6.2	4.9	5.0	6.4	5.3	
<b>LABOUR<sup>2)</sup></b>																		
Employment total	th. persons	65600	66400	67200	68000	68200	68400	68700	68200	67700	67300	67100	67000	66900	67200	67600	.	
Unemployment, end of period	th. persons	6923	6477	6026	5584	5528	5465	5421	5669	5901	6140	6109	6080	6056	5897	5762	.	
Unemployment rate	%	9.6	8.9	8.2	7.6	7.5	7.4	7.3	7.7	8.0	8.4	8.4	8.3	8.3	8.1	7.8	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross	RUB	6141.0	6428.0	6448.0	6524.0	7003.0	6982.0	6873.0	6918.0	6908.0	7046.0	8799.0	7346.0	7465.0	8093.0	8002.0	8162.0	
Total economy, gross	real, CMPY	18.0	16.8	14.6	13.4	14.5	12.6	12.4	11.7	5.6	5.3	7.3	10.0	7.8	11.1	9.4	10.2	
Total economy, gross	USD	215	225	225	225	241	240	235	237	238	246	315	262	267	293	288	292	
Total economy, gross	EUR	170	184	187	187	198	196	193	194	190	190	235	200	205	222	222	230	
Industry, gross	EUR	200	215	222	220	229	230	238	230	225	224	.	.	.	.	.	.	
<b>PRICES</b>																		
Consumer	PM	1.0	0.8	1.0	0.7	0.8	0.9	0.4	0.4	1.1	1.1	1.1	2.6	1.2	1.3	1.1	0.8	
Consumer	CMPY	10.7	10.3	10.3	10.2	10.2	10.5	11.3	11.5	11.6	11.7	11.7	12.6	12.8	13.3	13.4	13.6	
Consumer	CCPY	11.0	10.8	10.7	10.6	10.5	10.5	10.6	10.7	10.8	10.9	11.0	12.6	12.7	12.9	13.0	13.1	
Producer, in industry	PM	3.4	1.3	2.1	2.1	2.8	1.2	1.8	3.1	1.8	2.0	0.1	0.5	1.3	2.5	2.5	2.7	
Producer, in industry	CMPY	19.4	19.4	20.2	23.0	25.5	24.3	24.8	26.9	27.7	29.5	28.9	24.6	22.0	23.5	24.0	24.7	
Producer, in industry	CCPY	18.2	18.6	19.0	19.8	20.8	21.3	21.7	22.3	22.9	23.5	24.0	24.6	23.3	23.3	23.5	23.8	
<b>RETAIL TRADE</b>																		
Turnover <sup>3)</sup>	real, CMPY	4.4	7.5	14.4	12.2	14.5	9.6	12.0	12.2	11.5	13.5	14.6	9.9	10.3	8.6	12.2	.	
Turnover <sup>3)</sup>	real, CCPY	10.4	9.4	10.7	11.0	11.6	11.3	11.4	11.5	11.5	11.7	12.0	9.9	10.1	9.6	10.3	.	
<b>FOREIGN TRADE<sup>4)5)6)</sup></b>																		
Exports total, cumulated	EUR mn	18475	29815	42016	53335	65562	78147	91893	105205	119048	132898	147549	11615	24689	40092	55667	.	
Imports total, cumulated	EUR mn	9456	15697	22030	28075	34506	41244	47994	54691	61765	69008	77459	5076	11294	18688	26150	.	
Trade balance, cumulated	EUR mn	9019	14118	19985	25261	31055	36904	43900	50513	57283	63890	70090	6539	13395	21404	29517	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated <sup>7)</sup>	EUR mn	.	10213	.	.	21412	.	.	33979	.	.	48348	.	.	17097	.	.	
<b>EXCHANGE RATE</b>																		
RUB/USD, monthly average	nominal	28.515	28.529	28.686	28.989	29.030	29.082	29.219	29.220	29.070	28.591	27.904	28.009	27.995	27.626	27.810	27.951	
RUB/EUR, monthly average	nominal	36.092	35.018	34.446	34.817	35.298	35.673	35.628	35.661	36.287	37.079	37.390	36.719	36.381	36.470	35.993	35.485	
RUB/USD, calculated with CP <sup>8)</sup>	real, Jan00=100	60.3	60.3	60.2	60.7	60.6	60.0	60.1	60.0	59.4	57.7	55.5	54.4	54.1	53.1	52.9	52.7	
RUB/USD, calculated with PP <sup>9)</sup>	real, Jan00=100	55.9	55.6	55.4	55.6	54.4	53.9	53.4	51.7	51.3	49.9	48.3	48.5	48.0	46.8	46.0	45.0	
RUB/EUR, calculated with CP <sup>8)</sup>	real, Jan00=100	74.7	72.2	70.7	71.2	71.6	71.7	71.5	71.4	72.1	72.8	72.9	69.5	68.3	68.0	66.4	64.9	
RUB/EUR, calculated with PP <sup>9)</sup>	real, Jan00=100	66.1	63.7	61.7	61.4	60.5	60.6	59.7	58.1	58.4	58.5	58.7	57.6	56.5	55.6	53.5	51.4	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	RUB bn	1164.1	1165.5	1230.1	1220.5	1276.1	1315.0	1290.6	1293.7	1310.3	1332.7	1534.8	1425.2	1444.1	1481.7	1565.8	.	
M1, end of period	RUB bn	2197.1	2244.6	2255.8	2286.3	2425.3	2375.9	2372.0	2416.0	2441.0	2535.0	2848.3	2673.0	2757.1	2859.6	2906.3	.	
M2, end of period	RUB bn	4093.0	4190.3	4333.7	4365.7	4543.2	4547.9	4568.2	4637.1	4730.4	4867.6	5298.7	5184.8	5344.4	5499.6	5594.0	.	
M2, end of period	CMPY	40.4	40.2	42.0	38.0	36.0	33.7	32.5	29.8	33.5	34.6	33.7	31.4	30.6	31.2	29.1	.	
Refinancing rate (p.a.) <sup>end of period</sup>	%	14.0	14.0	14.0	14.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	
Refinancing rate (p.a.) <sup>end of period<sup>9)</sup></sup>	real, %	-4.5	-4.5	-5.1	-7.3	-9.9	-9.1	-9.4	-10.9	-11.5	-12.8	-12.3	-9.3	-7.4	-8.5	-8.9	-9.4	
<b>BUDGET</b>																		
Central gov. budget balance, cum.	RUB bn	115.5	134.7	169.8	255.4	354.1	435.8	484.2	588.1	690.1	786.3	730.7	206.2	304.4	525.3	.	.	

1) Data revised according to new methodology.

2) Based on labour force survey.

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

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

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

6) Based on balance of payments statistics.

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

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

9) Deflated with annual PPI.



# S L O V A K REPUBLIC: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total	real, CMPY	8.0	11.0	4.7	8.3	3.9	-0.5	7.2	4.9	-1.3	3.6	1.4	4.8	0.0	-3.1	5.5	.	
Industry, total	real, CCPY	4.1	6.5	6.0	6.5	6.0	5.1	5.4	5.3	4.5	4.5	4.2	4.8	2.3	0.3	1.6	.	
Industry, total	real, 3MMA	6.5	8.0	8.1	5.6	3.9	3.5	3.8	3.3	2.3	1.2	3.3	2.0	0.3	0.6	.	.	
Construction, total	real, CMPY	3.3	3.4	2.4	0.9	2.4	0.5	3.4	1.7	14.0	10.3	19.4	23.8	7.7	8.1	17.9	.	
<b>LABOUR</b>																		
Employment in industry	th. persons	544.8	548.2	555.9	559.2	564.0	562.7	566.1	568.2	573.6	574.2	567.1	562.4	562.1	568.4	566.3	.	
Unemployment, end of period	th. persons	466.4	452.6	431.7	410.8	399.5	392.1	381.4	379.8	370.8	371.6	383.2	388.9	379.4	368.6	344.2	330.8	
Unemployment rate <sup>1)</sup>	%	16.5	16.0	15.3	14.5	13.9	13.7	13.2	13.1	12.7	12.6	13.1	13.4	13.1	12.7	11.9	11.3	
Labour productivity, industry	CCPY	5.0	7.4	6.9	7.2	6.6	5.6	5.7	5.5	4.6	4.3	3.8	1.4	-0.9	-2.9	-1.4	.	
Unit labour costs, exch.r. adj.(EUR)	CCPY	7.6	6.2	6.2	5.1	5.7	7.1	7.8	8.2	8.9	9.4	10.0	12.5	21.9	22.7	17.6	.	
<b>WAGES, SALARIES</b>																		
Industry, gross	SKK	14806	16050	16204	16392	17597	17015	16760	16878	17265	20157	18671	16975	17730	17527	17067	.	
Industry, gross	real, CMPY	1.4	4.3	1.2	-1.6	0.8	2.6	6.4	4.9	0.8	5.4	2.2	4.7	16.6	6.5	2.5	.	
Industry, gross	USD	461	487	485	489	535	523	509	514	538	660	642	578	606	607	564	.	
Industry, gross	EUR	365	397	404	408	441	426	418	421	432	509	480	440	466	459	436	.	
<b>PRICES</b>																		
Consumer	PM	0.8	0.1	0.0	0.4	0.2	0.3	-0.1	0.0	0.0	-0.1	-0.2	1.7	0.3	-0.1	0.2	0.0	
Consumer	CMPY	8.5	8.2	8.0	8.3	8.1	8.5	7.2	6.7	6.6	6.3	5.9	3.2	2.7	2.5	2.7	2.4	
Consumer	CCPY	8.4	8.3	8.2	8.3	8.2	8.3	8.2	8.0	7.9	7.7	7.6	3.1	2.9	2.8	2.7	2.7	
Producer, in industry	PM	1.0	0.2	-0.1	0.2	0.2	0.1	0.5	0.3	0.6	0.2	-0.2	-0.2	0.3	0.7	0.8	0.6	
Producer, in industry	CMPY	2.3	2.1	2.2	3.0	3.2	3.1	3.7	4.0	4.7	4.5	4.3	2.8	2.1	2.6	3.5	4.0	
Producer, in industry	CCPY	3.3	2.9	2.7	2.8	2.8	2.9	3.0	3.1	3.2	3.4	3.4	2.8	2.4	2.5	2.7	3.0	
<b>RETAIL TRADE<sup>2)</sup></b>																		
Turnover	real, CMPY	4.0	7.1	7.4	7.8	10.5	11.9	8.1	8.9	3.1	4.7	3.0	7.7	12.5	8.1	6.8	.	
Turnover	real, CCPY	2.3	3.9	4.8	5.4	6.2	7.0	7.1	7.3	6.9	6.7	6.2	7.7	10.1	9.4	8.8	.	
<b>FOREIGN TRADE<sup>3)4)5)</sup></b>																		
Exports total (fob), cumulated	EUR mn	3144	5005	7020	9011	10919	12667	14411	16398	18508	20586	22352	1727	3571	5580	7543	.	
Imports total (fob), cumulated	EUR mn	3104	5022	7071	9083	11194	13108	14984	17084	19295	21511	23524	1768	3714	5844	7935	.	
Trade balance, cumulated	EUR mn	40	-17	-52	-72	-274	-441	-572	-687	-787	-925	-1172	-41	-143	-264	-392	.	
Exports to EU-25 (fob), cumulated	EUR mn	2651	4192	5908	7601	9203	10685	12169	13884	15718	17535	19039	1534	3176	4928	.	.	
Imports from EU-25 (fob) <sup>6)</sup> , cumulated	EUR mn	2258	3695	5225	6782	8354	9778	11111	12660	14288	15917	17316	1211	2599	4095	.	.	
Trade balance with EU-25, cumulated	EUR mn	394	497	683	819	850	907	1058	1224	1430	1618	1722	323	578	834	.	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated <sup>3)</sup>	EUR mn	109	99	89	-174	-465	-622	-690	-797	-843	-897	-1166	-84	-87	-168	.	.	
<b>EXCHANGE RATE</b>																		
SKK/USD, monthly average	nominal	32.1	32.9	33.4	33.5	32.9	32.5	32.9	32.8	32.1	30.5	29.1	29.3	29.3	28.9	30.2	30.7	
SKK/EUR, monthly average	nominal	40.6	40.4	40.1	40.2	39.9	39.9	40.1	40.1	40.0	39.6	38.9	38.6	38.1	38.2	39.2	39.0	
SKK/USD, calculated with CPI <sup>7)</sup>	real, Jan00=100	63.8	65.8	67.1	67.3	66.2	65.1	66.0	66.0	64.8	61.7	58.7	58.4	58.4	58.1	60.7	61.6	
SKK/USD, calculated with PPI <sup>7)</sup>	real, Jan00=100	67.3	69.4	71.4	72.4	71.2	70.4	71.3	70.7	69.7	66.8	63.3	64.3	64.2	63.7	66.2	66.7	
SKK/EUR, calculated with CPI <sup>7)</sup>	real, Jan00=100	78.9	78.9	78.8	78.8	78.2	77.8	78.5	78.5	78.7	77.9	77.1	74.9	73.9	74.6	76.3	76.1	
SKK/EUR, calculated with PPI <sup>7)</sup>	real, Jan00=100	79.6	79.6	79.5	79.9	79.2	79.3	79.7	79.5	79.4	78.3	76.9	76.8	75.6	75.8	77.2	76.4	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	SKK bn	91.7	90.8	90.9	91.9	93.2	93.8	95.4	96.3	97.6	97.8	100.5	100.5	101.5	102.8	105.2	.	
M1, end of period	SKK bn	265.5	258.9	260.8	268.0	279.2	279.7	282.8	288.7	284.8	293.4	311.3	299.4	315.7	313.1	318.6	.	
M2, end of period	SKK bn	744.1	724.0	731.9	723.2	744.7	749.7	755.3	761.9	763.7	773.3	793.5	772.6	779.1	772.0	782.3	.	
M2, end of period	CMPY	4.3	1.9	2.8	0.6	6.1	3.8	3.5	5.0	4.3	4.4	5.7	4.5	4.7	6.6	6.9	.	
Discount rate (p.a.) <sup>8)</sup> , end of period	%	6.00	5.50	5.00	5.00	5.00	4.50	4.50	4.50	4.50	4.00	4.00	4.00	4.00	3.00	3.00	3.00	
Discount rate (p.a.) <sup>8)9)</sup> , end of period	real, %	3.7	3.3	2.8	2.0	1.8	1.4	0.7	0.5	-0.1	-0.5	-0.3	1.2	1.9	0.4	-0.5	-0.9	
<b>BUDGET</b>																		
Central gov. budget balance, cum.	SKK mn	-4424	1175	5723	-2270	-12455	-18551	-24786	-29422	-30528	-34078	-70288	4310	-1108	2799	6388	-3858	

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

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

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

4) Cumulation starting January and ending December each year.

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

6) According to country of origin.

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

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

9) Deflated with annual PPI.

# SLOVENIA: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total	real, CMPY	0.9	7.8	-0.9	12.0	11.0	3.0	11.6	3.9	-3.0	3.8	6.3	-0.1	-3.6	-3.8	3.7	.	
Industry, total	real, CCPY	2.1	4.2	2.9	4.7	5.8	5.4	6.0	5.8	4.8	4.7	4.8	-0.1	-1.9	-2.6	-1.1	.	
Industry, total	real, 3MMA	4.1	2.7	6.3	7.4	8.7	8.3	5.7	3.4	1.5	2.1	3.3	0.7	-2.6	-1.4	.	.	
Construction, total <sup>1)</sup>	real, CMPY	14.6	3.1	-0.4	-10.2	-5.8	8.1	9.4	5.0	12.3	1.6	-10.5	0.0	-13.2	2.3	9.3	.	
<b>LABOUR</b>																		
Employment total	th. persons	775.6	777.7	779.8	781.4	783.7	782.7	782.4	785.6	789.1	789.7	785.0	805.6	807.4	809.5	812.2	.	
Employees in industry	th. persons	239.5	240.1	240.0	240.1	240.4	239.7	239.4	239.6	239.8	239.9	238.2	241.1	240.8	.	.	.	
Unemployment, end of period	th. persons	98.1	96.7	93.9	91.5	89.2	90.3	90.3	90.7	92.5	90.9	90.7	93.4	93.1	92.3	91.6	.	
Unemployment rate <sup>2)</sup>	%	11.2	11.1	10.7	10.5	10.2	10.3	10.3	10.3	10.5	10.3	10.1	10.4	10.3	10.2	10.1	.	
Labour productivity, industry	CCPY	3.7	5.7	4.3	6.0	7.0	6.6	7.1	6.8	5.7	5.6	5.7	11.1	-0.6	.	.	.	
Unit labour costs, exch.r. adj.(EUR)	CCPY	0.0	-0.5	0.5	-1.5	-2.2	-1.9	-2.2	-2.0	-1.1	-0.6	-0.9	6.1	6.5	.	.	.	
<b>WAGES, SALARIES</b>																		
Total economy, gross	th. SIT	254.8	261.4	260.2	259.5	262.7	264.3	267.9	268.4	270.3	291.9	290.7	272.8	265.2	274.9	271.7	.	
Total economy, gross	real, CMPY	1.8	3.6	1.9	0.3	1.9	1.5	2.7	2.4	1.8	4.2	1.5	3.4	1.4	2.0	1.7	.	
Total economy, gross	USD	1356	1349	1314	1306	1334	1352	1360	1366	1406	1580	1621	1495	1440	1514	1466	.	
Total economy, gross	EUR	1073	1099	1093	1088	1100	1103	1117	1119	1127	1217	1212	1138	1106	1147	1133	.	
Industry, gross	EUR	920	965	942	939	953	955	975	975	980	1092	1058	1009	961	.	.	.	
<b>PRICES</b>																		
Consumer	PM	0.1	0.6	0.5	0.9	0.3	0.4	-0.5	-0.1	0.3	0.6	-0.3	-0.6	0.6	1.1	0.0	0.3	
Consumer	CMPY	3.6	3.5	3.5	3.8	3.9	3.8	3.7	3.3	3.3	3.6	3.2	2.2	2.6	3.1	2.7	2.2	
Consumer	CCPY	3.8	3.7	3.6	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.6	2.2	2.4	2.7	2.7	2.6	
Producer, in industry	PM	1.0	0.3	0.6	0.7	0.1	0.3	0.2	0.5	0.3	0.1	0.4	0.4	0.3	0.0	0.3	-0.3	
Producer, in industry	CMPY	3.5	3.8	4.0	4.2	4.2	4.6	4.7	5.0	5.1	5.0	4.9	4.8	4.1	3.8	3.6	2.6	
Producer, in industry	CCPY	2.9	3.2	3.4	3.6	3.7	3.8	3.9	4.0	4.2	4.2	4.3	4.8	4.5	4.3	4.1	3.8	
<b>RETAIL TRADE<sup>3)</sup></b>																		
Turnover	real, CMPY	1.6	8.7	6.0	3.4	7.5	2.8	8.8	6.0	4.1	7.4	6.0	7.4	2.0	5.2	2.8	.	
Turnover	real, CCPY	3.0	5.0	5.3	4.9	5.4	5.0	5.4	5.5	5.3	5.5	5.6	7.4	4.7	4.9	4.3	.	
<b>FOREIGN TRADE<sup>4)</sup></b>																		
Exports total (fob), cumulated	EUR mn	1827	2968	4026	5045	6128	7221	8056	9234	10407	11541	12539	1017	2051	3283	4462	.	
Imports total (cif), cumulated	EUR mn	1918	3170	4425	5588	6746	7897	8848	10061	11306	12569	13701	1032	2151	3467	4706	.	
Trade balance total, cumulated	EUR mn	-91	-202	-399	-544	-618	-676	-791	-827	-899	-1028	-1162	-15	-99	-184	-244	.	
Exports to EU-25 (fob), cumulated	EUR mn	1278	2065	2738	3424	4134	4827	5343	6110	6882	7639	8270	743	1477	2312	3112	.	
Imports from EU-25 (cif) <sup>5)</sup> , cumulated	EUR mn	1591	2635	3614	4603	5583	6553	7323	8323	9358	10401	11325	824	1727	2774	3791	.	
Trade balance with EU-25, cumulated	EUR mn	-314	-570	-876	-1179	-1449	-1726	-1980	-2213	-2477	-2762	-3055	-82	-251	-462	-680	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated	EUR mn	91	34	-42	-137	-137	-148	-214	-143	-117	-140	-238	51	45	13	14	.	
<b>EXCHANGE RATE</b>																		
SIT/USD, monthly average	nominal	187.9	193.8	198.1	198.7	196.9	195.5	197.0	196.5	192.3	184.7	179.3	182.5	184.2	181.5	185.3	188.5	
SIT/EUR, monthly average	nominal	237.4	237.8	238.2	238.5	238.8	239.7	239.8	239.8	239.8	239.8	239.8	239.8	239.7	239.7	239.7	239.6	
SIT/USD, calculated with CPI <sup>7)</sup>	real, Jan00=100	81.3	83.9	85.7	85.6	84.9	83.8	84.9	85.0	83.3	79.6	77.2	79.1	79.9	78.5	80.1	81.3	
SIT/USD, calculated with PPI <sup>7)</sup>	real, Jan00=100	84.8	87.9	90.3	91.2	90.6	89.9	90.7	89.9	89.0	86.2	82.7	84.2	85.1	84.9	86.4	88.2	
SIT/EUR, calculated with CPI <sup>7)</sup>	real, Jan00=100	100.6	100.7	100.8	100.4	100.3	100.1	100.9	101.2	101.2	100.6	101.3	101.5	101.3	100.7	100.7	100.3	
SIT/EUR, calculated with PPI <sup>7)</sup>	real, Jan00=100	100.3	100.7	100.8	100.7	100.8	101.1	101.4	101.1	101.4	101.2	100.5	100.5	100.5	101.1	100.7	101.0	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	SIT bn	153.3	152.6	156.9	162.5	163.3	161.9	157.3	160.7	167.2	160.1	167.9	163.1	164.4	166.1	173.1	.	
M1, end of period <sup>8)</sup>	SIT bn	787.4	795.8	817.1	852.9	883.8	890.7	894.0	909.1	900.3	930.0	1018.9	1003.9	1006.1	1012.3	1032.2	.	
Broad money, end of period <sup>9)</sup>	SIT bn	3792.6	3791.9	3827.1	3826.9	3855.2	3882.0	3873.7	3918.4	3875.7	3933.7	4036.0	4068.8	4063.3	4094.6	4140.4	.	
Broad money, end of period <sup>9)</sup>	CMPY	5.9	6.0	6.3	5.6	4.8	4.4	4.2	5.3	3.0	4.1	6.8	7.5	7.1	8.0	8.2	.	
Discount rate (p.a.), end of period <sup>9)</sup>	%	4.50	4.50	4.25	4.00	3.50	3.00	3.00	3.00	3.00	3.00	3.25	3.25	3.25	3.25	3.50	3.50	
Discount rate (p.a.), end of period <sup>10)</sup>	real, %	1.0	0.7	0.2	-0.2	-0.7	-1.5	-1.6	-1.9	-2.0	-1.9	-1.6	-1.5	-0.8	-0.5	-0.1	0.9	
<b>BUDGET</b>																		
General gov. budget balance, cum.	SIT bn	-11.8	-6.2	4.6	-18.7	-54.0	-68.8	-77.7	-78.7	-105.2	-89.8	-85.4	-2.8	-16.0	.	.	.	

1) Effective working hours, construction put in place of enterprises with 20 (up to this time 10) and more persons employed.

2) Ratio of unemployed to the economically active.

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

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

5) Cumulation starting January and ending December each year.

6) According to country of dispatch.

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

8) According to ECB monetary standards.

9) Main refinancing rate.

10) Deflated with annual PPI.

## U K R A I N E: Selected monthly data on the economic situation 2004 to 2005

(updated end of June 2005)

		2004												2005				
		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
<b>PRODUCTION</b>																		
Industry, total	real, CMPY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	
Industry, total	real, CCPY	18.2	18.8	17.7	16.9	15.9	14.7	14.4	14.4	13.6	13.4	12.5	8.4	7.3	7.1	6.7	6.2	
Industry, total	real, 3MMA	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	
<b>LABOUR</b>																		
Unemployment, end of period	th. persons	1045.4	1061.2	1044.6	1005.8	962.5	945.0	925.6	914.0	893.6	919.7	981.8	992.2	1019.0	1018.4	986.7	918.6	
Unemployment rate <sup>1)</sup>	%	3.8	3.9	3.8	3.7	3.5	3.4	3.4	3.3	3.3	3.4	3.5	3.5	3.6	3.6	3.5	3.3	
<b>WAGES, SALARIES<sup>2)</sup></b>																		
Total economy, gross	UAH	510.1	545.1	547.9	555.0	601.5	608.0	604.2	630.8	636.2	644.3	703.8	640.9	666.8	722.0	733.7	.	
Total economy, gross	real, CMPY	21.4	23.0	21.6	17.6	16.9	14.9	14.7	14.4	14.3	18.2	13.7	13.9	15.4	15.5	16.8	.	
Total economy, gross	USD	96	102	103	104	113	114	114	119	120	121	133	121	126	136	141	.	
Total economy, gross	EUR	76	84	86	87	93	93	93	97	96	94	99	92	97	103	119	.	
Industry, gross	EUR	97	108	110	111	114	117	119	121	121	116	120	117	120	130	147	.	
<b>PRICES</b>																		
Consumer	PM	0.4	0.4	0.7	0.7	0.7	0.0	-0.1	1.3	2.2	1.6	2.4	1.7	1.0	1.6	0.7	0.6	
Consumer	CMPY	7.4	6.6	6.6	7.4	8.0	8.1	9.9	10.7	11.7	11.3	12.3	12.6	13.3	14.7	14.7	14.6	
Consumer	CCPY	7.8	7.4	7.2	7.2	7.4	7.5	7.8	8.1	8.5	8.7	9.0	12.6	13.0	13.5	13.8	14.0	
Producer, in industry	PM	2.9	2.2	3.3	2.1	1.5	0.1	1.6	1.9	1.6	2.2	1.0	0.2	2.7	1.9	2.5	1.6	
Producer, in industry	CMPY	14.9	15.0	18.4	20.6	22.4	21.3	22.0	23.2	24.3	25.2	24.3	22.6	22.4	22.0	21.1	20.5	
Producer, in industry	CCPY	13.7	14.1	15.2	16.3	17.3	17.9	18.4	19.0	19.5	20.1	20.4	22.6	22.5	22.3	22.0	21.7	
<b>RETAIL TRADE</b>																		
Turnover <sup>3)</sup>	real, CCPY	21.5	24.3	22.9	22.3	21.4	21.0	20.5	19.9	20.8	20.8	20.0	21.2	20.3	18.6	19.2	.	
<b>FOREIGN TRADE<sup>4)5)</sup></b>																		
Exports total (fob), cumulated	EUR mn	3543	5736	8209	10438	12660	14902	17136	19444	21610	23883	26278	1896	3925	6372	8714	.	
Imports total (cif), cumulated	EUR mn	3059	5051	6961	8702	10695	12814	14720	16873	18999	21119	23321	1376	3223	5716	8103	.	
Trade balance, cumulated	EUR mn	484	685	1248	1736	1964	2088	2416	2570	2611	2764	2957	519	702	655	611	.	
<b>FOREIGN FINANCE</b>																		
Current account, cumulated <sup>6)</sup>	EUR mn	.	1308	.	.	3200	.	.	4585	.	.	5476	.	.	.	.	.	
<b>EXCHANGE RATE</b>																		
UAH/USD, monthly average	nominal	5.331	5.330	5.329	5.327	5.322	5.318	5.314	5.310	5.307	5.306	5.306	5.305	5.300	5.292	5.192	.	
UAH/EUR, monthly average	nominal	6.735	6.526	6.405	6.383	6.456	6.524	6.469	6.480	6.621	6.885	7.103	6.990	6.894	6.983	6.169	.	
UAH/USD, calculated with CPI <sup>7)</sup>	real, Jan00=100	78.3	78.5	78.2	78.0	77.7	77.5	77.5	76.7	75.4	74.2	72.2	71.1	70.7	70.1	68.3	.	
UAH/USD, calculated with PPI <sup>7)</sup>	real, Jan00=100	75.6	74.4	72.9	72.4	71.5	71.5	70.6	69.1	69.0	68.1	66.9	67.1	65.5	65.0	62.2	.	
UAH/EUR, calculated with CPI <sup>7)</sup>	real, Jan00=100	97.0	94.1	92.2	91.5	92.0	92.9	92.4	91.5	91.8	93.9	95.0	91.6	89.8	89.9	78.9	.	
UAH/EUR, calculated with PPI <sup>7)</sup>	real, Jan00=100	89.4	85.3	81.5	79.9	79.6	80.6	79.0	77.8	78.7	80.0	81.5	80.4	77.4	77.4	66.7	.	
<b>DOMESTIC FINANCE</b>																		
M0, end of period	UAH mn	32672	33580	35836	35810	36890	39244	40563	42296	41297	40857	42345	40633	41779	43062	47631	.	
M1, end of period	UAH mn	51387	54970	56750	57873	60814	62488	64884	70345	66735	65709	67090	64934	67059	73486	76195	.	
Broad money, end of period	UAH mn	96050	101151	105104	109435	113961	117130	121476	130277	126224	125251	125801	125818	130942	140107	146495	.	
Broad money, end of period	CMPY	47.9	45.1	45.0	47.9	44.2	45.0	46.3	50.6	45.3	41.9	32.4	35.8	36.3	38.5	39.4	.	
Refinancing rate (p.a.) <sup>end of period</sup>	%	7.0	7.0	7.0	7.0	7.5	7.5	7.5	7.5	8.0	9.0	9.0	9.0	9.0	9.0	9.0	.	
Refinancing rate (p.a.) <sup>end of period<sup>8)</sup></sup>	real, %	-6.9	-7.0	-9.7	-11.3	-12.2	-11.4	-11.9	-12.8	-13.1	-12.9	-12.3	-11.1	-10.9	-10.7	-10.0	.	
<b>BUDGET</b>																		
General gov. budget balance, cum.	UAH mn	1815	1204	661	1489	601	820	1123	-1799	-4723	-6199	-11792	1503	2042	2931	.	.	

1) Ratio of unemployed to the economically active.

2) Excluding small firms.

3) Official registered enterprises.

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

5) Cumulation starting January and ending December each year.

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

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

8) Deflated with annual PPI.

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