Institute for Analysis and Forecasting, Republic of Bulgaria

# BULGARIAN ECONOMY

## MONTHLY REPORT

*Based on statistical data up to 19 October 2023*

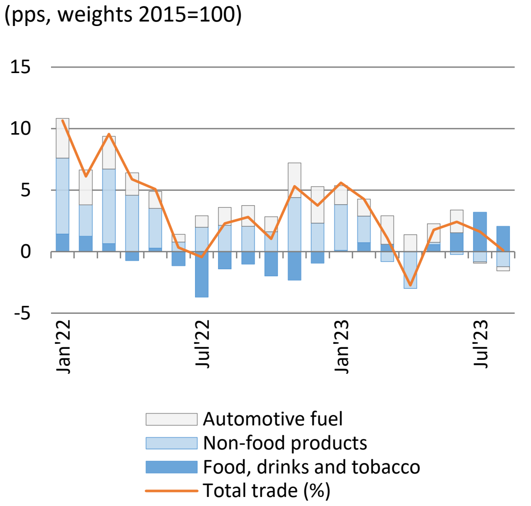
## Revision in GDP data

On 19.10.2023, the National Statistical Institute published revised statistical data series from the National Accounts. According to them, the nominal value of GDP for 2022 was revised upwards by BGN 2.4 billion, mostly through investments. GDP growth, at constant prices, was changed from 3.4% to 3.9%. For the first half of 2023, real GDP growth was reported at 2%, up from 1.9% before the revision, and was driven by consumption and net exports.

## Short-term Business Statistics

**In August, the negative dynamics of short-term indicators continued.** Industrial production declined by 9.7% with biggest negative contribution from *energy* and *food products*. At the same time, the m*anufacture of fabricated metal products* and *chemical products* reported increase.

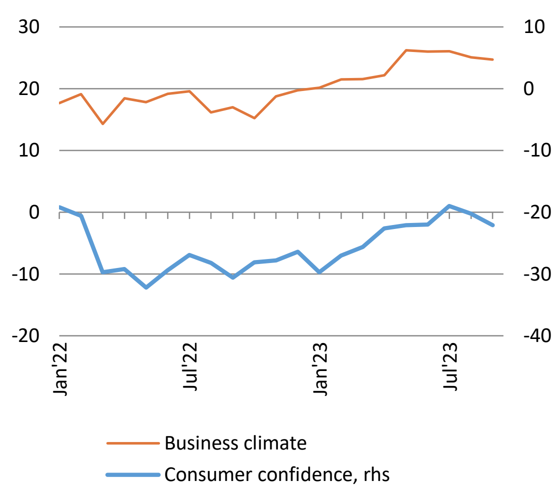
Graph 1: Contributions retail trade turnover growth




*Source: NSI*

Industrial turnover decreased by 36.4% with biggest negative contribution coming from turnover on the domestic market. Regarding export market turnover, it went down by 23.6% mostly on the account of *basic metals* and *food products*. The growth of retail trade turnover decelerated, while the construction output index decreased by 0.5% on the back of *civil engineering*.

Graph 2: Business climate and consumer confidence



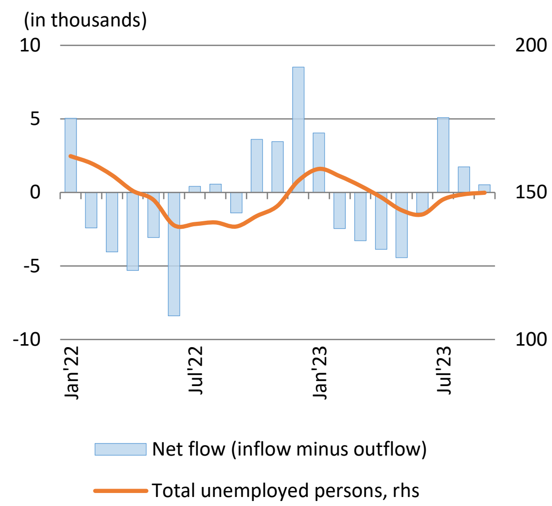

*Source: NSI*

**In September, the decline in the survey indicators continued.** The expectations for the future business situation of the enterprises in services and industry worsened. The expectations for sales in retail trade and construction activity over the next 3 months were also unfavourable. The consumer confidence indicator decreased by 1.9 points on the back of worsened expectations for households' financial situation and the general economic situation in the country.

## Labour market

**The number of registered unemployed reached 149 878 people at the end of September, up by 8.3% compared to the end of the same month in 2022**. It is probably due to the general uncertainty. The labour shortages remain a major impediment for business development and growth, which brings up the issue of attracting the out-of-labour-force persons back to the labour market or foreign labour resources to be integrated into the Bulgarian labour market.

Graph 3: Net flow and stock of unemployment

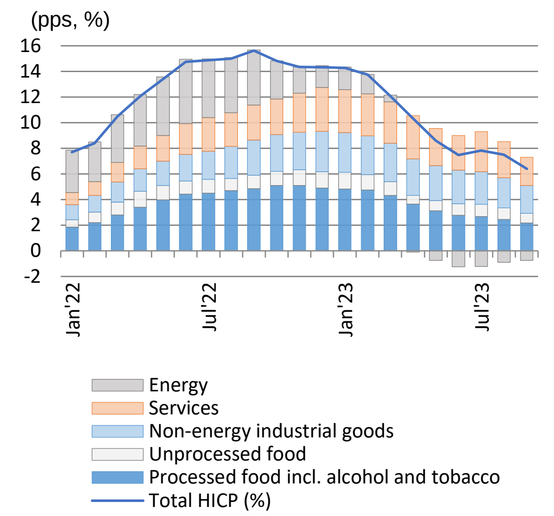



*Source: EA*

## Inflation

**In September, the monthly inflation rate, measured by the HICP, was -0.3% over the previous month in line with the reported decrease in services prices.** Prices of package holidays and accommodation decreased by an average of 19.7% compared to August and largely accounted for these developments, followed by lower international airfares, down by 7.9%. Among the other HICP components, a more significant price increase was reported by energy goods and transport fuels in particular, as their prices went up by 5% on average in line with the upward dynamics of international oil prices. Food prices rose by 0.5% compared to a month earlier, and non-energy industrial goods – by 0.4%.

Graph 4: Contributions by main HICP components




*Source: Eurostat, own calculations*

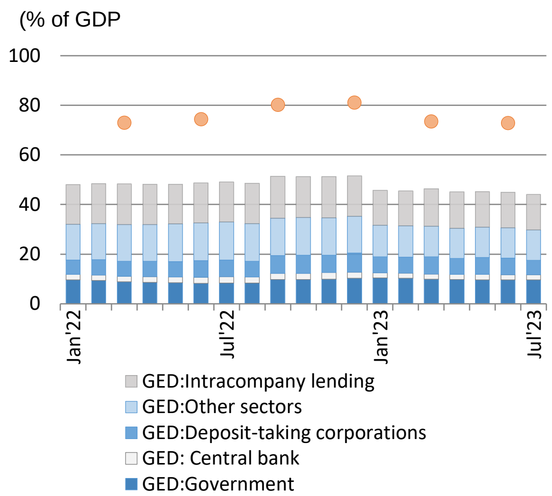
**The annual HICP inflation rate kept decelerating to 6.4% in September.** Inflation in all major HICP components reported a slowdown, which was more substantial for services and food products. The negative contribution of energy goods also continued to narrow due to the upward dynamics in international prices. **Core inflation eased down to 7.6% yoy.**

## External sector

**Current account balance remained positive in July.** Trade with goods kept decreasing with double-digit rates, reflecting the decline in international prices of some commodities. In July, the drop in export reached 15.3% yoy, while import decline by 15.6% yoy, thus contributing to the annual improvement of the trade deficit. The surplus on services reached EUR 890.9 mln compared to a surplus of EUR 709.6 mln a year ago. The improvement was driven mainly by the strong export of travel services (up by 19.9% yoy), ITC services (up by 16.2% yoy) and Other business services (18.7% yoy). Import reported a decline of 2.7% yoy mainly due to the drop in transport services by

20% yoy. Primary income balance also improved on a year earlier, as reported payments to non-resident investors are still below their amount in the previous year. Surplus on secondary income decreased during the month, due to lower inward transfers from the EU institutions. In January-July the overall surplus on the Current account exceed EUR 1 bn.

Graph 5: Gross external debt and gross external assets



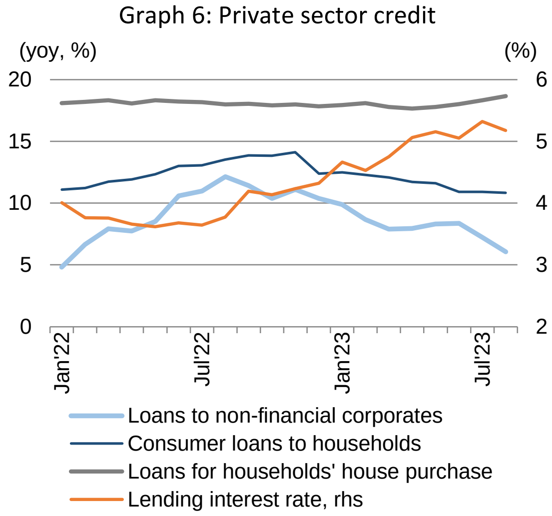

*Source: BNB, NSI, IAF*

**Gross external debt equalled 44.1% of projected GDP.** Short-term debt by remaining maturity was 36.9% of the total, down by 2 pps compared to a year earlier. Net external debt reached -28.6% of projected GDP, as external assets continued to surpass liabilities.

## Financial Sector

**Credit to the private sector in August lost further momentum, up by 10.8% yoy vs.11.2% at the end of July.**

Graph 6: Private sector credit

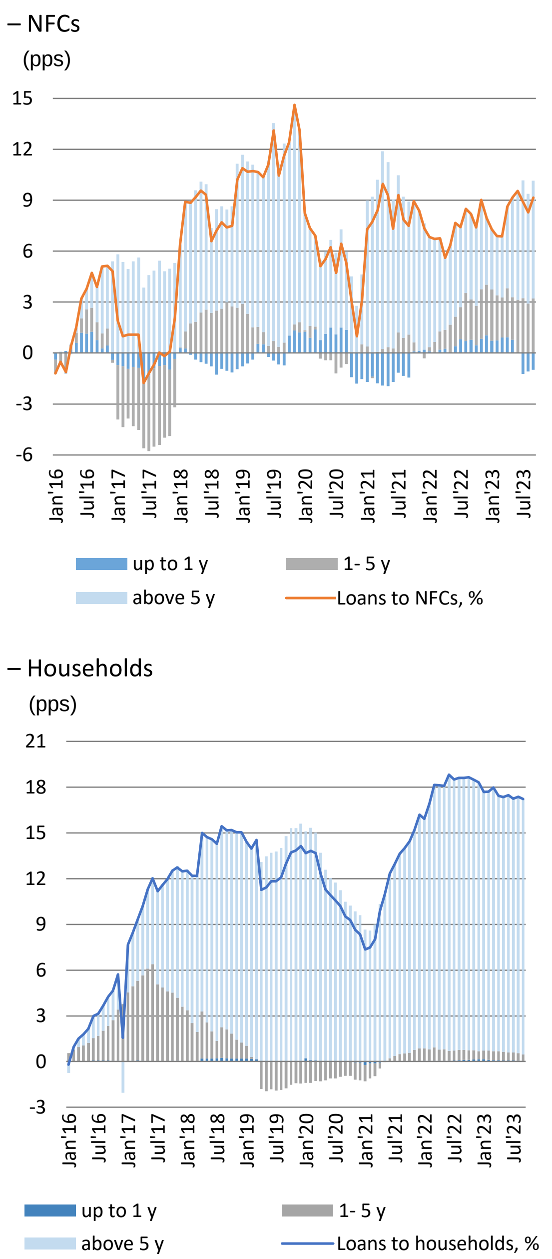



* Weighted average interest rate on new credit to households, NPISHs and non-financial companies by type, currency and maturity

*Source: BNB, own calculations*

This again came on the back of a decelerated growth of the non-financial companies' credit which fell to 6.1% coming from 7.2% yoy a month earlier. Companies' lower demand for overdraft and short-term credits with up to one-year maturity kept contributing for the deceleration, while those with a maturity over five years and between one and five years continued to increase steadily in August, up by 15.6% and 9% yoy, respectively. At the same time, bad and restructured loans of companies continued to decrease compared to August 2022, down by 5.7%.

Graph 7: Regular loans, contributions to y/y growth by maturity

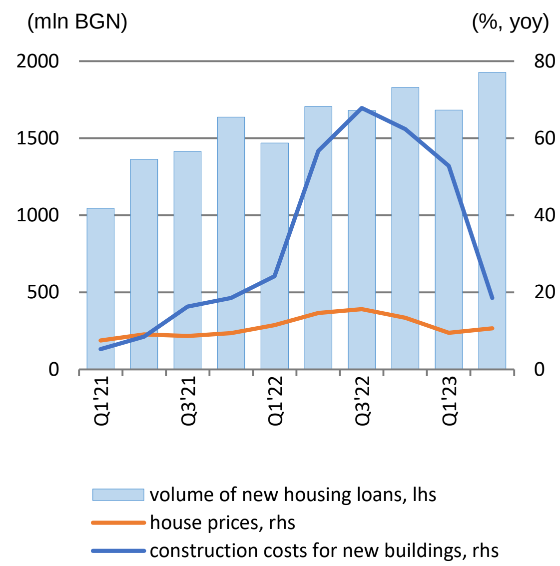



*Source: BNB*

Credit to households kept its double-digit pace of increase, up by 14.2% yoy and continued to be driven by both the buoyant growth of consumer loans and those for house purchases. Loans with maturity over 5 years remained the main contributor to households credit. Loans for house purchases grew by 18.7% yoy in August vs. 18.3% in July.

In this context, **the annual rate of increase in house prices accelerated to 10.7% in Q2 2023**, after slowing down in the previous two quarters. This came on the back of higher price increase reported by newly built residential properties, while the price index of existing properties continued to decelerate. Among the six cities with a population of over 100,000 inhabitants, the most significant acceleration was recorded in Varna and Plovdiv. Meanwhile, both the value and the number of transactions reported decreases on a year earlier for a third consecutive quarter.

Graph 8: House price index, construction costs and new housing loans




*Source: BNB, NSI*

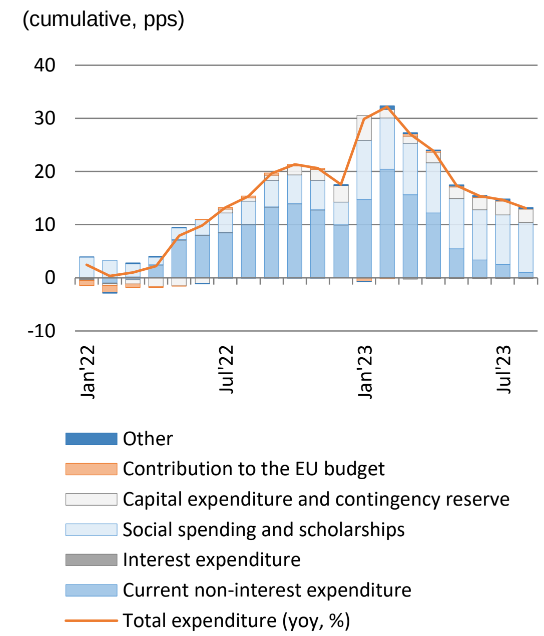
**Weighted average interest rate on corporate loans slightly decreased, down by 18 bps in August to 4.71% vs. 4.89% a month earlier.** This was mainly due to the short-term loans of companies in BGN with a maturity of up to one year, while the price of loans denominated in EUR continued to rise.

The average rate on loans for house purchase remained virtually unchanged at 2.59%. The average price of consumer loans decreased by 30 bps to 8.59%. Weighted average interest rate on time deposits of non-financial corporations and households increased by 25 bps in August to 2.02%. The increase was driven by all the three major currencies segments, but the biggest hikes were in the return of denominated in EUR and USD deposits.

## Fiscal sector

**At end-August, the budget was practically balanced.** Receipts went up by 8.1% yoy, with a leading contribution of tax revenues, up by 9.8%. The increase in the latter was mainly attributable to higher social security contributions, related to increasing wages. Direct tax revenues, incl. personal income tax as well as company income tax, also contributed positively, up by 16.7% yoy. Revenues from indirect taxes remained slightly below last year's level, as VAT from import kept declining. Non-tax receipts went up by 9.1% yoy, supported by dividends from state-owned enterprises.

Graph 9: Contribution to total cash budget expenditure's growth




*Source: MF, own calculations*

At end-August total expenditure increased by 13.1% yoy, due to higher expenditures on compensation of employees and social spending, related to the increase in pension payments. CapEx also increased, up by 46.4% yoy. As wholesale electricity prices normalised the related support measures were also reduced.

**Total government debt, incl. guaranteed debt, amounted to 19.8% of projected GDP**, of which 5.6% was domestic and 14.2% – external indebtedness.

## Main economic indicators

Detailed data in *.xlsx* format are available here.

| MAIN ECONOMIC INDICATORS | unit | ANNUAL DATA | | | QUARTERLY DATA | | | | | MONTHLY DATA | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| —GROSS DOMESTIC PRODUCT[1] | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| GDP | %, yoy | -4.0 | 7.7 | 3.9 | 3.3 | 3.6 | 2.2 | 1.9 | | | | | | | | | | | | | | |
| Consumption | %, yoy | 1.4 | 6.5 | 4.2 | 3.1 | 6.7 | 4.5 | 5.5 | | | | | | | | | | | | | | |
| Gross fixed capital formation | %, yoy | 0.6 | -8.3 | 6.5 | 7.7 | 14.0 | -6.5 | -1.7 | | | | | | | | | | | | | | |
| Export | %, yoy | -10.4 | 11.2 | 11.6 | 13.5 | 11.5 | -0.1 | -2.4 | | | | | | | | | | | | | | |
| Import | %, yoy | -4.3 | 10.7 | 15.0 | 13.1 | 13.8 | -3.4 | -10.4 | | | | | | | | | | | | | | |
| Agriculture | %, yoy | -3.3 | 28.8 | -4.4 | -6.6 | -3.6 | -1.1 | -0.3 | | | | | | | | | | | | | | |
| Industry excl. Construction | %, yoy | -9.5 | 5.4 | 13.1 | 13.9 | 7.1 | 0.1 | -0.1 | | | | | | | | | | | | | | |
| Construction | %, yoy | -1.0 | -17.1 | 5.4 | 1.1 | 18.9 | 1.1 | 0.7 | | | | | | | | | | | | | | |
| Services | %, yoy | -2.6 | 9.3 | 3.8 | 3.8 | 4.5 | 1.3 | 1.3 | | | | | | | | | | | | | | |
| Adjustments | %, yoy | -3.7 | 5.3 | -5.9 | -8.0 | -7.3 | 8.5 | 8.0 | | | | | | | | | | | | | | |
| —SHORT-TERM BUSINESS STATISTICS[2] | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| Industrial production | %, yoy | -5.9 | 9.8 | 12.7 | 14.1 | 3.5 | -4.7 | -10.6 | | 10.0 | 4.8 | 4.3 | 1.4 | -1.4 | -2.7 | -9.2 | -14.1 | -8.6 | -9.4 | -11.6 | -9.7 | |
| Industrial turnover | %, yoy | -7.3 | 32.4 | 56.8 | 78.7 | 26.4 | -3.8 | -24.8 | | 77.1 | 32.3 | 24.7 | 22.9 | 6.4 | 3.5 | -17.7 | -18.6 | -26.4 | -28.5 | -27.2 | -36.4 | |
| Domestic turnover | %, yoy | -6.1 | 39.2 | 63.1 | 92.8 | 21.9 | -6.6 | -28.0 | | 90.6 | 22.6 | 22.8 | 20.6 | 3.6 | 3.7 | -22.5 | -21.9 | -27.6 | -33.5 | -31.0 | -42.4 | |
| Foreign market turnover | %, yoy | -8.9 | 23.2 | 47.0 | 56.3 | 35.1 | 0.7 | -20.1 | | 55.1 | 49.9 | 28.4 | 27.9 | 11.2 | 3.1 | -9.5 | -13.4 | -24.8 | -21.0 | -20.7 | -23.6 | |
| Retail trade turnover | %, yoy | 2.2 | 10.4 | 4.1 | 1.5 | 3.4 | 3.6 | 0.5 | | 2.8 | 1.0 | 5.3 | 3.7 | 5.6 | 4.3 | 1.1 | -2.7 | 1.8 | 2.4 | 1.6 | 0.1 | |
| Construction output | %, yoy | -5.4 | 2.6 | 0.5 | -0.7 | -1.0 | 0.0 | -1.4 | | -1.4 | 1.8 | 1.4 | -6.6 | 2.6 | -3.1 | 0.5 | -4.9 | 3.0 | -2.2 | -1.9 | -0.5 | |
| Total business climate | balance | 9.0 | 17.5 | 17.8 | 17.6 | 17.9 | 21.1 | 24.8 | 25.3 | 17.0 | 15.3 | 18.8 | 19.8 | 20.1 | 21.5 | 21.5 | 22.2 | 26.2 | 26.0 | 26.1 | 25.1 | 24.7 |
| Industry | balance | 11.9 | 19.1 | 19.0 | 19.8 | 19.1 | 22.6 | 26.1 | 25.5 | 19.0 | 17.7 | 18.5 | 21.0 | 22.0 | 23.3 | 22.5 | 24.8 | 26.7 | 26.9 | 26.3 | 25.1 | 25.2 |
| Retail trade | balance | 18.2 | 27.1 | 26.1 | 25.2 | 24.7 | 29.8 | 33.1 | 35.3 | 23.9 | 18.7 | 27.4 | 28.1 | 30.0 | 30.3 | 29.0 | 29.1 | 33.8 | 36.2 | 36.9 | 34.0 | 35.2 |
| Construction | balance | 15.0 | 19.9 | 14.2 | 11.0 | 13.1 | 15.1 | 22.2 | 24.2 | 10.2 | 11.6 | 13.8 | 13.9 | 13.1 | 14.1 | 18.1 | 17.3 | 25.7 | 23.4 | 23.1 | 24.7 | 24.7 |
| Services | balance | -12.1 | 2.2 | 10.5 | 12.1 | 13.7 | 15.3 | 16.6 | 15.9 | 12.8 | 10.5 | 15.8 | 14.7 | 13.6 | 16.7 | 15.5 | 15.0 | 18.2 | 16.6 | 17.7 | 16.6 | 13.3 |
| Consumer confidence | balance | -28.8 | -22.8 | -27.4 | -28.6 | -27.4 | -27.4 | -22.2 | -20.4 | -30.6 | -28.1 | -27.8 | -26.4 | -29.7 | -27.0 | -25.6 | -22.6 | -22.1 | -22.0 | -19.0 | -20.2 | -22.1 |
| —LABOUR MARKET | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| Participation rate (15+) | % | 55.5 | 55.3 | 56.6 | 57.5 | 57.0 | 55.6 | 55.5 | | | | | | | | | | | | | | |
| Employment rate (15+) | % | 52.7 | 52.3 | 54.1 | 55.4 | 54.8 | 53.1 | 52.9 | | | | | | | | | | | | | | |
| Employment (SNA) | %, yoy | -2.3 | 0.2 | 1.3 | 1.2 | 1.0 | 1.8 | 0.1 | | | | | | | | | | | | | | |
| Unemployment rate (LFS, non-seasonally adjusted) | % | 5.1 | 5.3 | 4.3 | 3.7 | 3.9 | 4.4 | 4.6 | | 3.5 | 3.7 | 3.8 | 4.1 | 4.3 | 4.4 | 4.6 | 4.8 | 4.7 | 4.4 | 4.3 | 4.1 | |
| Nominal wage | %, yoy | 9.7 | 12.3 | 12.8 | 14.7 | 16.6 | 17.3 | 13.1 | | 15.8 | 16.3 | 17.2 | 16.2 | 18.0 | 17.7 | 16.3 | 13.4 | 13.3 | 12.7 | | | |
| Real wage[3] | %, yoy | 8.4 | 9.2 | -0.2 | -0.5 | 1.8 | 3.4 | 4.0 | | 0.2 | 1.3 | 2.6 | 1.6 | 3.2 | 3.5 | 3.7 | 2.8 | 4.3 | 4.8 | | | |
| Labour productivity (GDP per employed) | %, yoy | -1.7 | 7.4 | 2.1 | 1.7 | 1.7 | 0.3 | 1.7 | | | | | | | | | | | | | | |
| Real ULC (GDP) | %, yoy | 4.5 | -3.3 | 0.8 | 1.4 | 3.2 | -2.1 | -0.4 | | | | | | | | | | | | | | |
| Nominal ULC (GDP) | | 9.0 | 3.6 | 16.0 | 16.1 | 18.8 | 13.6 | 5.4 | | | | | | | | | | | | | | |
| —PRICES | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| National index of consumer prices (CPI) | %, yoy | 1.7 | 3.3 | 15.3 | 17.9 | 17.1 | 15.6 | 10.1 | 7.5 | 18.7 | 17.6 | 16.9 | 16.9 | 16.7 | 16.0 | 14.0 | 11.6 | 10.1 | 8.7 | 8.5 | 7.7 | 6.3 |
| Harmonized index of consumer prices (HICP) | %, yoy | 1.2 | 2.8 | 13.0 | 15.2 | 14.5 | 13.4 | 8.8 | 7.2 | 15.6 | 14.8 | 14.3 | 14.3 | 14.3 | 13.7 | 12.1 | 10.3 | 8.6 | 7.5 | 7.8 | 7.5 | 6.4 |
| Producer price index, domestic market | %, yoy | -0.2 | 14.9 | 48.4 | 67.4 | 35.8 | 10.3 | -7.7 | | 78.1 | 55.4 | 25.3 | 28.5 | 19.1 | 9.7 | 2.5 | -4.7 | -7.0 | -11.4 | -18.1 | -27.2 | |
| Producer price index, non-domestic market | %, yoy | -4.5 | 16.0 | 21.2 | 22.5 | 15.8 | 6.9 | -6.0 | | 23.0 | 19.6 | 14.2 | 13.8 | 12.6 | 7.3 | 1.2 | -1.5 | -6.4 | -10.2 | -5.2 | -5.9 | |
| House price index | %, yoy | 4.6 | 8.7 | 13.8 | 15.6 | 13.4 | 9.5 | 10.7 | | | | | | | | | | | | | | |
| Construction cost index | %, yoy | 2.3 | 11.0 | 52.7 | 67.8 | 62.3 | 52.8 | 18.5 | | | | | | | | | | | | | | |
| — CONSOLIDATED FISCAL PROGRAM (CUMULATIVE) | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| Revenue and grants | BGN mln | 44 318 | 52 369 | 64 789 | 44 997 | 64 789 | 14 692 | 31 405 | | 44 998 | 50 240 | 56 466 | 64 765 | 4 866 | 9 451 | 14 692 | 19 842 | 24 922 | 31 404 | 37 512 | 42 475 | |
| Total expenses | BGN mln | 47 851 | 56 253 | 66 112 | 44 011 | 66 112 | 15 357 | 31 231 | | 44 008 | 50 235 | 56 864 | 66 113 | 4 395 | 9 642 | 15 354 | 20 939 | 26 101 | 31 226 | 37 057 | 42 527 | |
| Contribution to EU budget | BGN mln | 1 295 | 1 681 | 1 705 | 1 237 | 1 705 | 455 | 848 | | 1 237 | 1 355 | 1 678 | 1 705 | 112 | 284 | 455 | 585 | 712 | 848 | 990 | 1 113 | |
| Cash deficit (-) / surplus (+) | BGN mln | -3 533 | -3 885 | -1 323 | 986 | -1 323 | -665 | 174 | | 989 | 5 | -398 | -1 347 | 471 | -191 | -662 | -1 097 | -1 178 | 178 | 455 | -52 | |
| | % of GDP | -2.9 | -2.8 | -0.8 | 0.6 | -0.8 | -0.3 | 0.1 | | 0.6 | 0.0 | -0.2 | -0.8 | 0.2 | -0.1 | -0.3 | -0.6 | -0.6 | 0.1 | 0.2 | 0.0 | |
| Government and government guaranteed debt | BGN mln | 29 248 | 33 157 | 37 827 | 36 558 | 37 827 | 38 497 | 38 279 | | 36 558 | 37 027 | 36 952 | 37 827 | 40 760 | 40 751 | 38 497 | 38 485 | 38 436 | 38 279 | 38 279 | 37 914 | |
| | % of GDP | 24.3 | 23.9 | 22.5 | 21.8 | 22.5 | 20.1 | 20.0 | | 21.8 | 22.1 | 22.0 | 22.5 | 21.3 | 21.3 | 20.1 | 20.1 | 20.1 | 20.0 | 20.0 | 19.8 | |
| Fiscal reserve | BGN mln | 8 645 | 10 750 | 13 417 | 13 175 | 13 417 | 12 602 | 12 940 | | 13 175 | 12 938 | 12 824 | 13 417 | 16 426 | 15 495 | 12 602 | 11 951 | 11 710 | 12 940 | 13 075 | 12 363 | |
| | % of GDP | 7.2 | 7.7 | 8.0 | 7.9 | 8.0 | 6.6 | 6.8 | | 7.9 | 7.7 | 7.6 | 8.0 | 8.6 | 8.1 | 6.6 | 6.3 | 6.1 | 6.8 | 6.8 | 6.5 | |

| MAIN ECONOMIC INDICATORS | unit | ANNUAL DATA | | | QUARTERLY DATA | | | | | MONTHLY DATA | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| —FINANCIAL SECTOR | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| BNB International reserves | EUR mln | 30 848 | 34 597 | 38 424 | 36 949 | 38 424 | 38 108 | 31 442 | 37 244 | 36 949 | 35 651 | 35 656 | 38 424 | 36 427 | 36 433 | 38 108 | 34 810 | 34 765 | 31 442 | 36 489 | 37 182 | 37 244 |
| Monetary base coverage | % | 137.7 | 141.6 | 141.6 | 146.1 | 141.6 | 143.0 | 154.7 | 143.9 | 146.1 | 147.4 | 148.6 | 141.6 | 155.0 | 154.2 | 143.0 | 145.6 | 147.4 | 154.7 | 148.8 | 147.0 | 143.9 |
| Coverage of import with FX reserves | months | 11.1 | 9.8 | 7.8 | 7.9 | 7.8 | 7.7 | 6.6 | | 7.9 | 7.4 | 7.3 | 7.8 | 7.3 | 7.3 | 7.7 | 7.1 | 7.1 | 6.6 | 7.7 | | |
| Coverage of short-term external debt[4] | % | 223.3 | 243.4 | 217.5 | 218.6 | 217.5 | 218.9 | 188.8 | | 218.6 | 208.6 | 211.4 | 217.5 | 215.3 | 218.0 | 218.9 | 211.3 | 206.0 | 188.8 | 229.9 | | |
| Money M1 (Narrow money) | %, yoy | 35.8 | 16.5 | 18.5 | 17.6 | 18.5 | 14.6 | 12.3 | | 17.6 | 17.5 | 18.7 | 18.5 | 17.8 | 16.8 | 14.6 | 13.9 | 13.3 | 12.3 | 10.3 | 9.3 | |
| Money M3 (Broad money) | %, yoy | 10.9 | 10.7 | 13.2 | 11.8 | 13.2 | 12.1 | 11.4 | | 11.8 | 12.0 | 13.6 | 13.2 | 13.1 | 13.1 | 12.1 | 11.8 | 11.5 | 11.4 | 9.9 | 9.6 | |
| Deposits | %, yoy | 10.6 | 9.6 | 13.5 | 11.8 | 13.5 | 12.9 | 12.0 | | 11.8 | 12.3 | 14.2 | 13.5 | 13.6 | 13.8 | 12.9 | 12.6 | 12.2 | 12.0 | 10.2 | 9.8 | |
| Credit to private sector[5] | %, yoy | 4.4 | 8.7 | 12.7 | 13.6 | 12.7 | 11.9 | 11.9 | | 13.6 | 13.1 | 13.5 | 12.7 | 13.0 | 12.4 | 11.9 | 11.9 | 12.1 | 11.9 | 11.2 | 10.8 | |
| Credit to non-financial enterprises | %, yoy | 3.0 | 4.6 | 10.4 | 11.4 | 10.4 | 7.9 | 8.4 | | 11.4 | 10.4 | 11.1 | 10.4 | 9.9 | 8.7 | 7.9 | 7.9 | 8.3 | 8.4 | 7.2 | 6.1 | |
| Credit to households[5] | %, yoy | 6.6 | 13.4 | 14.6 | 15.3 | 14.6 | 14.6 | 14.0 | | 15.3 | 15.3 | 15.5 | 14.6 | 14.8 | 14.8 | 14.6 | 14.3 | 14.3 | 14.0 | 14.1 | 14.2 | |
| Interest rate on credit[5,6] | % | 3.8 | 3.9 | 3.9 | 3.9 | 4.2 | 4.6 | 5.1 | | 4.2 | 4.1 | 4.2 | 4.3 | 4.7 | 4.5 | 4.8 | 5.1 | 5.2 | 5.1 | 5.3 | 5.2 | |
| Interest rate on deposits[7] | % | 0.1 | 0.0 | 0.3 | 0.5 | 0.9 | 1.2 | 1.6 | | 0.6 | 0.7 | 0.9 | 1.0 | 1.1 | 1.1 | 1.2 | 1.4 | 1.5 | 1.9 | 1.8 | 2.0 | |
| APRC[8], consumer loans | % | 9.4 | 8.5 | 8.7 | 8.7 | 9.4 | 9.0 | 8.9 | | 8.7 | 8.8 | 9.2 | 10.1 | 9.4 | 8.8 | 8.7 | 9.0 | 9.1 | 8.7 | 9.4 | 9.1 | |
| APRC[8], mortgages | % | 3.2 | 3.0 | 2.8 | 2.7 | 2.8 | 2.9 | 2.9 | | 2.7 | 2.7 | 2.8 | 2.9 | 2.9 | 3.0 | 2.9 | 2.8 | 2.9 | 2.9 | 2.9 | 2.9 | |
| Exchange rate BGN/USD | eop | 1.5939 | 1.7269 | 1.8337 | 2.0064 | 1.8337 | 1.7985 | 1.8000 | 1.8462 | 2.0064 | 1.9728 | 1.8850 | 1.8337 | 1.8054 | 1.8418 | 1.7985 | 1.7811 | 1.8308 | 1.8000 | 1.7743 | 1.7996 | 1.8462 |
| | per. av. | 1.7163 | 1.6538 | 1.8603 | 1.9433 | 1.9189 | 1.8225 | 1.7967 | 1.7976 | 1.9769 | 1.9907 | 1.9181 | 1.8479 | 1.8157 | 1.8255 | 1.8264 | 1.7852 | 1.8006 | 1.8044 | 1.7689 | 1.7929 | 1.8310 |
| —EXTERNAL DEBT | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| Gross external debt (GED) | BGN mln | 38 991 | 41 214 | 44 431 | 44 080 | 44 249 | 45 277 | 43 920 | | 44 080 | 44 036 | 43 954 | 44 249 | 44 749 | 44 416 | 45 277 | 44 117 | 44 165 | 43 920 | 43 064 | | |
| | % of GDP | 63.3 | 58.0 | 52.5 | 51.4 | 51.6 | 46.3 | 44.9 | | 51.4 | 51.3 | 51.2 | 51.6 | 45.8 | 45.4 | 46.3 | 45.1 | 45.2 | 44.9 | 44.1 | | |
| General Government | % of GDP | 13.0 | 11.6 | 10.5 | 9.8 | 10.3 | 9.9 | 9.7 | | 9.8 | 9.7 | 9.9 | 10.3 | 10.4 | 10.2 | 9.9 | 9.8 | 9.7 | 9.7 | 9.7 | | |
| Central bank | % of GDP | 1.3 | 2.8 | 2.5 | 2.5 | 2.4 | 2.1 | 2.0 | | 2.5 | 2.5 | 2.6 | 2.4 | 2.1 | 2.0 | 2.1 | 2.0 | 2.1 | 2.0 | 2.1 | | |
| Banks | % of GDP | 7.2 | 7.0 | 7.5 | 7.2 | 7.6 | 7.0 | 6.7 | | 7.2 | 7.4 | 7.0 | 7.6 | 6.4 | 6.5 | 7.0 | 6.4 | 6.8 | 6.7 | 5.8 | | |
| Other sectors | % of GDP | 19.1 | 17.4 | 15.1 | 15.1 | 14.9 | 12.3 | 12.2 | | 15.1 | 15.1 | 15.1 | 14.9 | 12.8 | 12.7 | 12.3 | 12.2 | 12.2 | 12.2 | 12.2 | | |
| Intercompany lending | % of GDP | 22.6 | 19.1 | 17.0 | 16.8 | 16.2 | 15.1 | 14.3 | | 16.8 | 16.6 | 16.6 | 16.2 | 14.1 | 14.0 | 15.1 | 14.7 | 14.3 | 14.3 | 14.3 | | |
| Net external debt | % of GDP | -27.2 | -29.2 | -30.3 | -29.2 | -30.3 | -28.3 | -27.9 | | -29.2 | | | -30.3 | | | -28.3 | | | -27.9 | | | |
| Short-term debt[4] | % of GDP | 35.4 | 34.8 | 41.1 | 38.3 | 39.9 | 38.5 | 37.9 | | 38.3 | 38.8 | 38.4 | 39.9 | 37.8 | 37.6 | 38.5 | 37.3 | 38.2 | 37.9 | 36.9 | | |
| — BALANCE OF PAYMENTS[9] | | 2020 | 2021 | 2022 | Q3'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | 09'22 | 10'22 | 11'22 | 12'22 | 01'23 | 02'23 | 03'23 | 04'23 | 05'23 | 06'23 | 07'23 | 08'23 | 09'23 |
| Current account | EUR mln | 24 | -1 316 | -578 | 98 | -866 | -219 | 942 | | -534 | -485 | -215 | -205 | -236 | 109 | -189 | 5 | 38 | 717 | 637 | | |
| Current account (moving average) | % of GDP | 0.0 | -1.9 | -0.7 | -1.0 | -0.7 | -0.1 | 0.0 | | -1.5 | -2.0 | -1.8 | -1.4 | -0.8 | -0.7 | -0.7 | -0.6 | -0.9 | -0.2 | 0.2 | | |
| Trade balance | EUR mln | -1 941 | -2 887 | -4 889 | -1 236 | -1 881 | -551 | -503 | | -806 | -792 | -412 | -701 | -285 | -273 | -143 | -172 | -266 | -115 | -265 | | |
| Trade balance (moving average) | % of GDP | -3.1 | -4.1 | -5.8 | -5.4 | -5.8 | -5.1 | -4.7 | | -5.2 | -5.9 | -5.7 | -5.9 | -4.9 | -4.9 | -4.8 | -4.7 | -4.9 | -4.5 | -4.5 | | |
| Export, f.o.b. | EUR mln | 27 272 | 34 405 | 45 926 | 12 058 | 11 125 | 11 541 | 10 928 | | 4 053 | 3 943 | 4 199 | 3 372 | 3 634 | 3 603 | 4 019 | 3 400 | 3 663 | 3 686 | 3 619 | | |
| | %, yoy | -6.3 | 26.2 | 33.5 | 37.0 | 19.2 | 10.4 | -11.1 | | 33.7 | 26.8 | 33.6 | 9.3 | 14.9 | 5.9 | -3.0 | -11.5 | -14.8 | -16.9 | -15.3 | | |
| Import, f.o.b. | EUR mln | 29 213 | 37 291 | 50 815 | 13 294 | 13 006 | 12 093 | 11 432 | | 4 859 | 4 736 | 4 611 | 4 072 | 3 920 | 3 877 | 4 162 | 3 571 | 3 929 | 3 801 | 3 884 | | |
| | %, yoy | -8.8 | 27.7 | 36.3 | 41.8 | 22.1 | 5.5 | -12.5 | | 50.8 | 40.6 | 25.2 | 13.0 | 5.6 | 4.0 | -4.2 | -12.8 | -9.9 | -23.2 | -15.6 | | |
| Services Balance | EUR mln | 3149 | 4080 | 5 326 | 1 936 | 1 169 | 1 085 | 1 447 | | 551 | 446 | 369 | 307 | 366 | 385 | 455 | 393 | 433 | 635 | 891 | | |
| Primary Income Balance | EUR mln | -2172 | -3344 | -2 416 | -950 | -723 | -930 | -674 | | -356 | -241 | -163 | -270 | -378 | -16 | -526 | -337 | -238 | -137 | -111 | | |
| Secondary Income Balance | EUR mln | 989 | 836 | 1 402 | 349 | 568 | 178 | 673 | | 78 | 102 | -9 | 459 | 62 | 13 | 26 | 121 | 108 | 335 | 122 | | |
| Capital account | EUR mln | 889 | 491 | 793 | -93 | 1 279 | 215 | 311 | | -70 | 46 | 90 | 1 144 | 44 | 97 | 73 | 74 | 121 | 117 | 178 | | |
| Financial account | EUR mln | -3 685 | -616 | 689 | -668 | -510 | 539 | 3 287 | | -2 619 | 1 126 | -555 | -1 353 | 1 869 | 294 | -2 149 | 2 527 | 283 | 260 | -106 | | |
| Net Foreign Direct Investments | EUR mln | -2 759 | -1 303 | -2 010 | -617 | -723 | -1 662 | 75 | | -421 | -28 | -318 | -53 | -308 | -255 | -1 146 | 54 | 257 | -193 | -110 | | |
| Net Portfolio Investments | EUR mln | 764 | 2 309 | 1 061 | -903 | 958 | -256 | 1 572 | | -1 330 | 344 | 55 | 559 | -1 058 | 297 | 505 | 646 | 500 | 430 | 116 | | |
| Net Other Investments | EUR mln | -1 644 | -1 700 | 1 634 | 796 | -688 | 2 459 | 1 713 | | -902 | 797 | -258 | -1 823 | 3 250 | 285 | -1 555 | 1 875 | -429 | 4 | -174 | | |
| Change in BNB reserve assets | EUR mln | 5 794 | 3 606 | 3 992 | 3 474 | 1557 | -462 | -2 773 | | 2 894 | -1 221 | -7 | 2 784 | -2 104 | 75 | 1 567 | -3 244 | -96 | 567 | 1 228 | | |

*Notes:*
*Ratios to GDP are calculated using GDP data as follows: 2020 - BGN 120 492.4 mln, 2021 - BGN 138 979.4 mln, 2022 - BGN 167 809 mln, and forecast for 2023 - BGN 191 181.7 mln.*
*1. Growth rates derived from chain-linked (2015) level series, not seasonally adjusted data;*
*2. Not seasonally adjusted data;*
*3. HICP deflated;*
*4. Short-term external debt by remaining maturity*
*5. Data on purpose of the loans has been revised for August 2018–August 2019 and data on loans quality – for February 2018–May 2019.*
*6. Weighted average interest rate on new credit to households, NPISHs and non-financial companies by type, currency and maturity;*
*7. Weighted average interest rate on new time deposits of households, NPISHs and non-financial companies by type, currency and maturity;*
*8. Annual Percentage Rate of Charge on new loans to households by original maturity, weighted by currency and maturity;*
*9. Analytical presentation (BPM6).s*