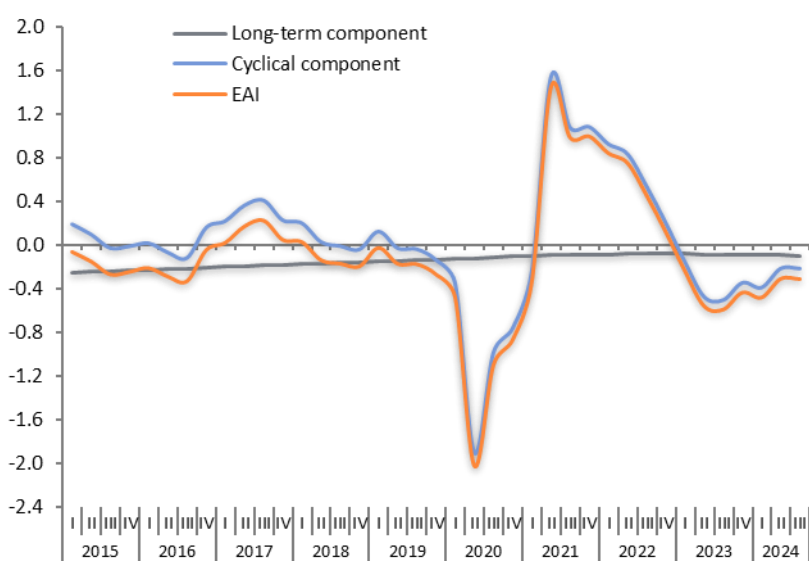


ECONOMIC ACTIVITY INDICATOR IN BULGARIA

1 EAI BY COMPONENTS*



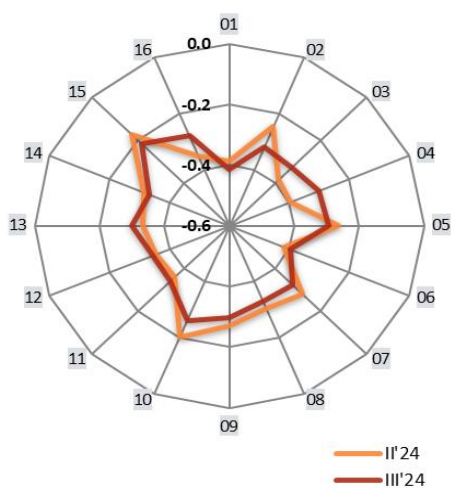
Source: MF

* Preliminary estimate of EAI by components in Q3'24

**EAI remained unchanged
in the third quarter of
2024**

The Economic Activity Indicator¹ (EAI) remained unchanged at -0.32 in the third quarter of 2024. Both the cyclical component as well as the long-term one were at the same levels as in the previous quarter.

2 DECOMPOSITION OF EAI VARIABLES

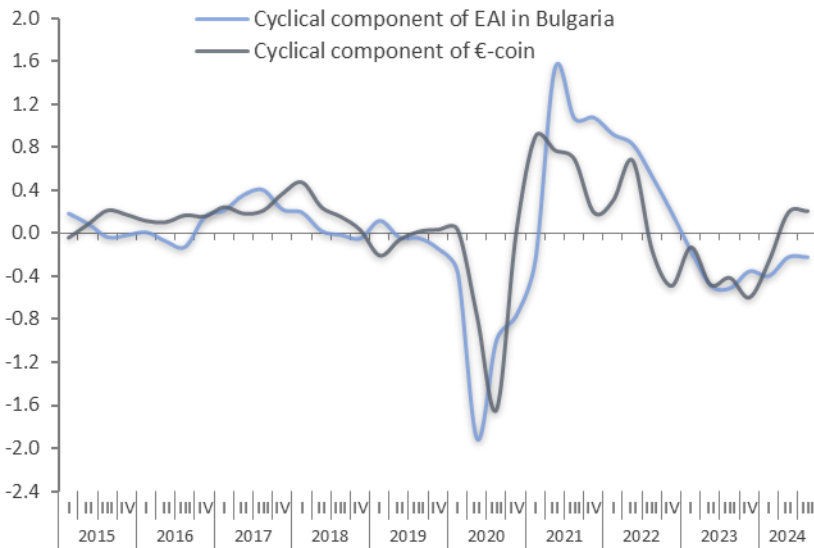


1. GDP
2. Employed
3. GDP EU27
4. Industrial production index EU27
5. PPI
6. Industrial production index
7. Construction index
8. Retail trade turnover
9. M2
10. Credit (private sector)
11. Business climate
12. Industrial orders
13. Industrial price expectations
14. Industrial capacity utilization
15. Euribor (3m), %
16. Non-energy commodity price index

Source: MF

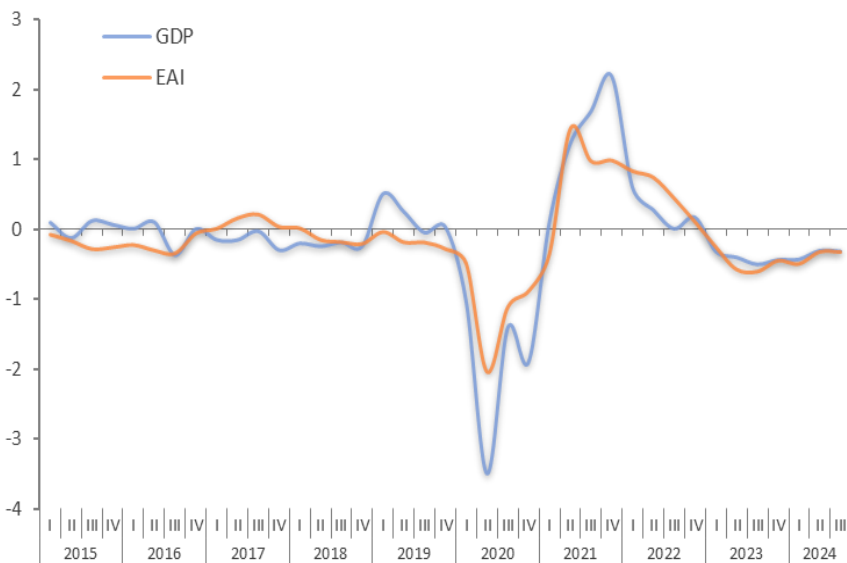
Most of the indicators, included in the EAI, reported a slight deterioration compared to the second quarter of 2024, while others improved. The most negative contribution had the indicators for employed, credit (private sector), the construction index and Euribor (3m). On the other hand, improvement was reported in the industrial production index EU27, non-energy commodity price index and GDP EU27.

3 ESTIMATED CYCLICAL FLUCTUATIONS IN THE EURO AREA AND BULGARIA



Source: MF, CEPR

4 EAI AND GDP*



Source: MF

* Preliminary estimates for EAI and GDP in Q3'24. To achieve better compatibility, real GDP growth data has been standardized by subtracting the mean and dividing by the standard deviation of the series.

In the third quarter of 2024, the cyclical position of the composite indicator €-coin² of the Eurozone remained almost unchanged. The economic activity in the industry had a negative impact on the value of the €-coin, while the employment growth in the Eurozone and the higher consumer confidence had a favorable effect on it. The increase in employment was driven by the services sector, while the consumer confidence rose mainly due to consumers' expectations of their future financial position.

The preliminary assessment of the EAI shows that economic activity in the country in the third quarter of 2024 remained unchanged. Similar to trends in the Eurozone, consumer confidence in the country improved during the quarter, while the business climate and industrial activity indicators worsened. Real GDP growth is expected to remain at the same level as the previous quarter.

¹ A new version of the EAI has been released in 2/2021, which incorporates some revisions to the database. The historical series according to the methodology are also available starting from 2001 onwards. For more detailed information see "Rationale and Methodology of the EAI".

² For more detailed data and methodological notes on €-coin, monthly estimates of the economic activity in the euro area visit <http://eurocoin.cepr.org/>. Data have been averaged to make the comparison with the quarterly EAI possible. In addition, since €-coin excludes only short-term (seasonal) fluctuations in euro area business activity, it was also necessary to eliminate the long-term trend in the time series, using the Hodrick-Prescott filter.