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Contents

Ukraine, the European Union and EU Eastern enlargement

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Institutional aspects

The history of institutional relations between the EU and independent Ukraine goes back to December 1991, when the European Communities adopted a 'declaration on Ukraine' stressing *inter alia* the democratic character of Ukraine's referendum on independence held earlier that year. However, the centrepiece of relations between the European Union and Ukraine over the past ten years has been the *Partnership and Cooperation Agreement (PCA)*, which was signed in June 1994 and went into force in March 1998 (although its trade provisions did so already in February 1995 by way of an Interim Agreement). The agreement was concluded for ten years, with an option of an automatic prolongation in case neither party wishes

to withdraw from it. The agreement provides a framework for a political dialogue between the two sides, which is conducted through yearly summits. Besides, it supports Ukraine's efforts towards democracy and the approximation of its legislation to the EU standards. In the sphere of the economy, the agreement aims at fostering trade and investment by applying the WTO principles in mutual trade, creating a level playing field for investment, and promoting cooperation in a number of priority areas.

Subsequent years witnessed a further rapprochement between Ukraine and the EU. In June 1996, the EU gave Ukraine the status of a country with an economy in transition, and in June 1998, Ukraine announced its intention to become an EU associate member. In December 1999, the EU adopted a Common Strategy towards Ukraine covering a four-year period. Ukraine has also been the recipient of substantial *technical assistance* from the EU, largely channelled through the

so-called Tacis programme targeting various specific and regional priorities. In the energy sphere, Ukraine benefited from the EU 'Fuel Gap' programme, aimed to help the country cover its fuel imports after the Chernobyl nuclear plant had been closed at the end of 2000. In addition, Ukraine is receiving financial assistance from the EBRD to construct a shelter for the Chernobyl nuclear reactor. Over the past ten years, total assistance from the EU to Ukraine amounted to about EUR 1 billion, notably in the form of technical, macro-financial and humanitarian aid.

Despite the above positive developments, there are several stumbling blocks hampering Ukraine–EU relations. Ukraine – unlike Russia – has not been recognized by the EU as a country with a market economy yet. Officially, the reasons for that have been the slow progress in economic reforms and the failure to improve Ukraine's human rights record, combat corruption and reform the judiciary system. Such accusations were particularly fuelled by the killing of the critically-minded journalist Georgi Gongadze in 2000 and the subsequent 'tape scandal' suggesting the involvement of Ukraine's President Leonid Kuchma. More recently (in January 2004), the Council of Europe adopted a declaration expressing concern over the country's constitutional reform. Although EU officials hail Ukraine's aspirations to become an EU member at some point in the future, no concrete dates have been specified so far. Instead, relations with Ukraine are now covered by the EU programme *'Wider Europe – Neighbourhood'* adopted in March 2003 and encompassing EU relations with the 'European periphery'. Within the framework of this programme, the EU has launched the so-called New Neighbourhood Programmes (NNPs). These programmes are aimed to avoid new dividing lines in Europe after the EU enlargement by boosting cross-border cooperation with the 'left-out' countries. For Ukraine, four such NNPs are envisaged for 2004-2006. The EU visa regime for Ukrainians (just as for other CIS countries) remains highly restrictive, and at least a re-admission agreement will be indispensable to ease it.

Patterns of trade

Despite the existence of a Partnership and Cooperation Agreement and Ukraine's stated ultimate goal of integration into European structures, the scope of trade between Ukraine and the EU is still relatively limited. The EU-15 accounted for only 19.8% of Ukrainian merchandise exports and 25.2% of Ukrainian imports in 2003. Both figures are well below not only those for the Central European accession countries, but also e.g. Russia. In turn, for the EU-15, the importance of Ukraine as a trading partner is negligible (0.5% in terms of exports and 0.4% in terms of imports in 2002), reflecting the huge gap in the size of the two economies. In 2003 Ukraine's GDP, converted at market exchange rates, stood at just EUR 43 billion (to be compared to the EU's GDP of EUR 9000 billion), implying around EUR 1000 in per capita terms. Even in PPS (purchasing power standard) terms, with a per capita GDP of EUR 5000, Ukraine stands at only 20% of the average EU level.

While the undervalued currency and the low purchasing power of Ukraine's population represent a clear constraint to the volume of EU exports to that country, imports from Ukraine still face non-negligible (mostly non-tariff) trade barriers. The absence of a 'market economy' status facilitates the application of anti-dumping measures by the EU to some important items of Ukraine's exports. At present, EU anti-dumping duties are levied on eight Ukrainian export commodities, of which five are chemicals (carbamide, ammonium nitrate, carbamide-nitrate mixture, potassium chloride, and silicon carbide) and three steel products (seamless pipes, welded pipes, and steel ropes). In addition, certain steel products are subject to import quotas.

Since 1995, Ukraine's *exports* to the EU have more than doubled in euro (ECU) terms and reached EUR 4 billion by 2003. This development was well in line with the general trend of export re-orientation of former Soviet republics towards non-CIS markets. In 2002, around three quarters of exports

Table 1

Structure of EU-15 trade with Ukraine

NACE rev. 1 classification		EU-15 exports				EU-15 imports			
		1995	2000	2001	2002	1995	2000	2001	2002
	Total (EUR million)	2019	3415	4697	5236	1460	2799	3504	4029
	shares in total (%)								
A,B	Agriculture	1.99	2.08	1.61	2.24	7.12	5.93	10.16	16.11
CA	Extraction of crude petroleum and natural gas, coal	0.00	0.00	0.02	0.00	4.16	1.98	5.58	7.21
CB	Mining of metals	0.00	0.24	0.06	0.04	0.14	0.48	0.54	0.30
CB	Stone and clay	0.76	1.31	0.74	0.55	1.09	2.81	2.76	2.52
DA	Food products; beverages and tobacco	13.69	4.70	4.01	4.61	8.82	6.71	6.55	6.11
DB	Textiles and textile products	7.78	11.73	10.80	10.72	10.83	13.88	12.57	11.16
DC	Leather and leather products	1.83	2.28	2.22	2.21	3.17	4.33	3.62	3.10
DD	Wood and wood products	0.40	0.54	0.58	0.55	0.73	2.62	2.75	2.85
DE	Pulp, paper & paper products; publishing & printing	2.95	4.26	3.70	3.89	0.13	0.04	0.05	0.07
DF	Coke, refined petroleum products & nuclear fuel	3.37	0.96	0.77	0.78	7.51	7.47	14.21	15.80
DG	Chemicals, chemical products and man-made fibres	11.22	13.22	12.84	13.82	14.04	8.07	6.29	4.92
DH	Rubber and plastic products	2.23	4.06	3.90	3.81	0.24	0.25	0.30	0.30
DI	Other non-metallic mineral products	1.41	2.09	2.19	2.02	0.77	0.72	0.53	0.42
DJ	Basic metals and fabricated metal products	4.92	6.96	5.56	5.19	29.73	32.92	25.29	21.15
DK	Machinery and equipment n.e.c.	19.14	15.67	17.29	19.09	1.20	1.56	1.58	1.65
DL	Electrical and optical equipment	11.93	15.67	17.54	14.77	1.37	2.74	2.01	1.49
DM	Transport equipment	12.86	10.50	12.48	12.27	7.02	4.14	2.82	2.76
DN	Manufacturing n.e.c.	3.36	3.56	3.55	3.32	1.90	3.30	2.39	2.05
E	Electricity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Others	0.16	0.18	0.13	0.13	0.01	0.05	0.01	0.02

Source: Own calculations based on Eurostat Comext Database.

were represented by manufacturing industry products, the most important items being basic metals (21.2% of total), fuels (15.8%), and textiles (11.2%) – see Table 1. Exports of oil products have surged particularly fast since 2001 (as have exports of crude oil and natural gas), partly reflecting the high world market prices, but also the lifting of the ban by Russia on its fuels re-exports. However, basic metals are still the principal area of Ukraine's specialization vis-à-vis the EU. This is largely due to basic iron and steel, where Ukraine commands a share of 5% in total EU imports of these products. In contrast, chemical products (in particular basic chemicals) have been the major loser: their share in manufactured exports to the EU contracted from 14% in 1995 to just 4.9% in 2002. Among other manufacturing industry products, which suffered a considerable decline, are e.g. dairy products and meat. Apart from the manufacturing industry, exports of agricultural products have been generally quite important as well, although their share has fluctuated widely, largely on account of the fluctuating weather conditions for harvests.

Ukraine's *imports* from the EU have increased dramatically as well, reaching EUR 5.1 billion in 2003. However, they underwent a temporary setback in 1999, following the Russian financial crisis (and the subsequent devaluation of the Ukrainian hryvnia), which brought about a temporary reduction of Ukraine's persistent *trade deficit* with the EU. Since 1999 that deficit has been on the rise again, reaching EUR 1.1 billion in 2003. The structure of imports from the EU has remained relatively stable over time, with various types of machinery and equipment (including electrical, optical and transport equipment) accounting for almost half of total manufactured imports from the EU in 2002.

The impact of EU enlargement on Ukraine

The accession of eight Central and East European countries (CEECs) to the EU on 1 May 2004 entails their adoption of the EU external customs regime. Three of these countries – Poland, Slovakia and Hungary – are bordering Ukraine, whereas another three – Lithuania, Latvia and Estonia – used to

enjoy free-trade agreements with it (excluding agricultural products in the case of Latvia and Lithuania), which are being scrapped in the wake of EU accession. Therefore, Ukraine is likely to be a country directly affected by the enlargement. At present, the accession countries are a quite important market for Ukrainian exporters. In 2003, the CEEC-8 (the six above-mentioned countries plus the Czech Republic and Slovenia) were the destination of 13% of Ukrainian exports and the source of 8.4% of Ukrainian imports. Among the CEECs, Hungary and Poland are the most important trading partners, accounting for more than half of all Ukrainian exports to the region. Similarly to exports to the EU, Ukrainian exports to the CEECs are dominated by basic metals and mineral fuels.

Like Russia, Ukraine has recognized the benefits of EU enlargement for the country in the *medium and long run*. In particular, the average MFN (most favoured nation) tariff applied to imports into the accession countries declines from 6.5% to 4.4%.[1] This effect is particularly pronounced in the case of Poland, where the average tariff falls by 9.5 percentage points (p.p.). In Hungary, the average tariff falls by 5.1 p.p., in Slovakia and the Czech Republic by 0.6 p.p. In reality, the decline is even greater, since many of Ukraine's export goods (aluminium being an important exception) qualify for the even lower tariffs granted by the EU in the framework of the so-called Generalized System of Preferences. Of course, in the case of the Baltic states, the average tariff goes up after the existing free-trade agreements have been abandoned.[2] However, due to the limited volume of trade between these countries and Ukraine, the net effect from tariff adjustment in the CEECs as a whole is expected to be marginally positive and

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[1] The so-called MFN ('most-favoured-nation') tariffs generally apply in trade between the WTO members. However, the Partnership and Cooperation Agreements concluded between the EU and some non-members, including Ukraine, envisage the application of these tariffs as well.

[2] Obviously, exports of the Baltic countries to Ukraine will face higher tariffs as well. As far as exports from other EU accession countries are concerned, no changes in Ukrainian import tariffs applied to them will occur.

may amount to some EUR 5 million per year.[3] Also, the quotas currently applied to selected Ukrainian imports by some accession countries (e.g. by Hungary on textile products and sugar, and by the Czech Republic on coal) are to be abolished. Probably even more importantly, the EU enlargement offers a single set of trade rules and administrative procedures applied across a market of some 450 million consumers. Finally, accelerated economic growth in the new EU members will lead to rising demand for imports, also from Ukraine.

Foreign direct investment inflows into Ukraine may accelerate somewhat, as the country finds itself on the border of the enlarged EU, and not least due to the very low initial base: the cumulated FDI stock in Ukraine stands at a mere EUR 5 billion as of end-2003. However, we do not expect a marked turnaround in FDI inflows, as long as the main impeding factors of domestic nature – political uncertainty, bureaucratic hurdles, corruption, and the lack of the rule of law – persist. An acceleration of FDI from Ukraine into the CEECs is more likely, following the transfer of the production of 'sensitive goods' (e.g. metals) aimed at avoiding the restrictive EU import regime. Ukrainian investments into the metals industry of CEECs are already noticeable,[4] although now they represent acquisitions of privatized assets (rather than greenfield investment) and are driven by the good liquidity position of Ukrainian producers of metals (rather than by market access considerations).

However, things might look different in the *short run*. First, it appears that Ukraine's exports of steel to the accession countries (some 800 thousand tons) will fall under the present (EU-15) quota, which for 2004 amounts to only some 185 thousand tons. The losses which Ukraine's steel exporters might incur in case no quota revision takes place are estimated at

EUR 230 million per year in 2004-2005. Second, the incidence of anti-dumping measures against Ukrainian chemicals and metals may increase due to the lobbying efforts of the new member countries. In addition, exports of machinery and equipment will be subject to new certification requirements of the EU, and those of agricultural products will face tougher EU sanitary and phytosanitary standards. As a result, the Ukrainian side estimates the total losses of domestic producers in 2004-2005 at over EUR 300 million per year, corresponding to some 1.5% of Ukraine's total exports. In the medium run, losses are expected to be much smaller, as the steel quota will be re-negotiated, and other Ukrainian export products will increasingly correspond to the EU standards.

Finally, cross-border trade may suffer from the more restrictive visa regime ('Schengen border') applied by accession countries towards Ukrainian citizens. Hungary and Poland introduced a visa regime in autumn 2003, while the Czech Republic and Slovakia did so already in 2000. Of particular importance is the visa regime with Poland, which has a long border with Ukraine. Whereas the introduction of a visa requirement by Poland has reportedly already caused severe damage to the cross-border movement of labour between Poland and Belarus, the disruptions in the case of Ukraine are more limited, since Polish visas are issued to Ukrainians free of charge (in exchange for visa-free entry of Polish citizens into Ukraine). In addition, a special visa type (the so-called 'local visa') is now under consideration by the EU, which will be issued to the residents of border regions and will entitle them to multiple entry into neighbouring regions on the other side of the border.

Concluding remarks

So far, the relations with the EU proved to be extremely disappointing for Ukraine – especially given the country's aspirations to integrate into the European structures. The EU and Ukraine are very unequal partners in practically all respects – the fact manifesting itself also in their trade relations.

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[3]   See International Centre for Policy Studies (2003), 'Impact of EU enlargement in 2004 on Ukraine's foreign trade', *Survey Report*, Kiev, October.

[4]   E.g., the Ukrainian *Donbas Industrial Union Corporation* acquired in 2003 a majority stake of *Dunaffer* (Hungary).

The EU is a relatively important trading partner for Ukraine, but the role of Ukraine as a trading partner for the EU is marginal, not least because of the trade barriers for some important Ukrainian export products, such as metals and chemicals. Ironically, in a number of ways, Ukrainian relations and economic integration with the EU are even less advanced than those of Russia, which does not seek EU membership (e.g. the absence of a market economy status from the EU, lower shares in trade and FDI). The prospects of Ukraine's membership in the EU seem as of now highly unrealistic, at least in the short and medium run. In addition, the country may lose from the EU enlargement, largely on account of the EU steel quota. Although initially, the Ukrainian government was insisting on 'compensation' from the EU to make up for the resulting losses, more recently it has softened its stance by agreeing to extend the terms of the PCA to the new member states. Given the enormous economic discrepancies and the unequal bargaining power of the two sides, EU–Ukraine relations will remain very asymmetrical also in the years to come. For the time being – and most likely in the future as well – Ukraine is, and will be, more integrated with Russia than with the EU.

Household tax compliance in Central, East and Southeast Europe

BY EDWARD CHRISTIE AND MARIO HOLZNER

Introduction

This article presents and applies a new indicator of the size of the shadow economy based on the estimation of tax compliance in the household sector. These estimates are performed for the countries of Central, Eastern and Southeastern Europe using 2001 data. Estimates of income declaration rates and of corresponding undeclared household income are computed using household consumption data as well as detailed data on household taxation. Specific aspects such as remittances, the role of agriculture and the impact of tourism are explicitly taken into account and discussed.

Tax evasion, tax avoidance and the shadow economy

Our chosen base definition of the shadow economy, which we take from Mirus and Smith (1997), is the following: 'economic activity which would generally be taxable were it reported to the tax authorities'. Hence, this would include all unreported income and barter activities related to legal goods and services. Activities related to illegal goods and services, i.e. criminal activities, are not part of this concept. Furthermore we must add that the expression 'economic activity' should be understood as productive economic activity, in other words, one that generates value added.

This definition of the shadow economy can be expressed according to the OECD terminology[1]: the shadow economy as defined here includes all of what is called 'underground activity' (legal activities that are deliberately hidden in order to avoid taxation and/or compliance with regulations), and the undeclared parts (from a fiscal point of view) of 'informal activity' (activities conducted by unincorporated enterprises in the household sector) and 'production of households for own final use' (self-explanatory) to the extent that these should be subject to taxation.

One important clarification must be made at this point: we are not attempting to measure 'missing GDP' (often referred to as 'non-observed GDP'). The issue of missing GDP, meaning value added that is somehow not captured by the official measure of GDP and which, when found, should be added to officially recorded GDP to obtain 'actual GDP', is a separate issue and a separate, different quantity. The issue of missing GDP is the issue of the exhaustiveness of the national accounts, which national statistical agencies try to tackle using a variety of direct and indirect methods. These efforts are supported by several international institutions, and joint efforts to specify methods designed to achieve exhaustiveness can be found notably in OECD (2002a). Attempting to achieve an exhaustive estimate of GDP and its components is a complementary exercise to the estimate of the shadow economy which would make estimates of the size of the shadow economy more precise and more reliable, but they are distinct quantities. The shadow economy as defined in this paper may in principle be completely captured by the official measure of GDP. This would happen if the official measure of GDP were fully exhaustive. In practice full exhaustiveness is generally not reached, and so there is always some non-observed GDP, but the shadow economy as defined in our current framework will typically be a larger figure.

The second necessary clarification concerns the way in which activities escape taxation. In this report we consider tax evasion and tax avoidance as a single activity, namely the activity of not declaring incomes that should generally be taxed. Whether this is done by underreporting income

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[1] As detailed in OECD (2002a).

(e.g. by forging or fabricating documents) or by legally exploiting taxation law loopholes is not relevant in our context.

In this report we purposely choose to limit ourselves to tax evasion and avoidance by households as a contributing factor to the shadow economy. In a more comprehensive framework one should add the contribution from the corporate sector (from non-declaration of profits) as well. Having said that we feel that our approach is quite comprehensive because our starting point is final household consumption as reported in the countries' national accounts. This final consumption can be thought to have at its origin all kinds of recycled or grey incomes, along with declared, formal ones, although admittedly we do not deal with the extra complication of (hidden) capital flight.

The Household Income Taxation Method (HITM) developed in Christie and Holzner (2004) directly calculates tax evasion and avoidance of households using official data on total household income, statutory household tax rates and total household tax revenues. The result is an indicator of tax compliance, the household income declaration rate, with the help of which one can calculate the share in GDP of household income which should be subject to taxation, but is not.

In order to make such a figure comparable with other estimations found in the literature on the shadow economy or with those made by statistical agencies, one would need to convert this variable so that it expresses a quantity of value added, rather than a quantity of income. In this paper we stick to estimates based on income, although we plan to make the needed adjustments in future versions of our research. The estimates we present in this paper should therefore not be directly compared to other estimates in the literature, although they provide useful information by giving the volume of undeclared income, as well as a corresponding estimate of the household income declaration rate, which may itself be used as an

indicator for the shadow economy, as well as its traditional use for discussing tax compliance.

Determining total household income (THI)

The first necessary step to enable us to produce estimates of the size of the shadow economy is to quantify total household income. Obviously households use their income either for consumption or for savings (which may include cash hoardings) or for paying taxes. Now we know what households pay in taxes in total because we know total tax incomes at the national level for all countries by adding incomes from income tax collection, excise taxes, VAT, as well as the appropriate share of social security contributions that are paid in. We also have an estimate of how much households consume in total thanks to the expenditure breakdown of GDP found in the national accounts which gives us household final consumption. The only remaining issue is household savings. To estimate the household savings rate for those countries (especially Balkan countries) where it is not readily available, we decided to use averages across households from household budget surveys. Although the amounts for total income and total expenditure computed from household survey data are always too low[2], we make the assumption that the ratios between the various expenditure categories and total household income are consistent with reality. In order to compute estimates of net savings rates, we add all types of savings, notably unspent income (the difference between average household income and average household expenditure), increases in deposits, investments in housing[3] and livestock, and debt reduction, and we subtract all

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[2]   Estimates of household final consumption using household survey averages (and then multiplying by the number of households) yield totals that are generally too low. One item which is problematic is the imputed rents for home-owners that are calculated for household final consumption.

[3]   This does not include regular maintenance work on one's own property such as replacing old furniture or re-painting existing walls. It refers to new investment, for example paying into a mortgage scheme or acquiring extra land or building an extension or acquiring additional livestock.

types of dissavings, namely the sum of all newly incurred loans and debts as well as decreases in savings (e.g. decreases in deposits). Thus, Total Household Income is the sum of Household Final Consumption, Private Savings and Paid Income Taxes & Social Security Contributions.

Determining the Statutory Household Tax Rate (SHTR)

Quantifying the statutory household tax rate (SHTR) includes the estimation of an average income tax rate (AIT) and an employee social security rate (ESS). This is an easier task in the second case, as it is in most cases a flat rate. It is more difficult in the first case, with most countries having a progressive income taxation. AIT has to be estimated by calculating a simple average of the tax brackets' tax rates, including the first tax bracket of 0%. Additionally, figures of AIT and ESS have to be corrected *inter alia* by the shares of remittances and state current transfers to the households, as this type of income is often not being taxed by direct taxes and social security contributions. Then, the value added tax (VAT) or the respective sales tax has to be applied to the share of the remaining household income, after being reduced by the AIT and the ESS, reduced by the savings rate (SVR). On top of that, an average excise tax rate (AET) is being applied to the share of consumption, determined by the excised goods consumption rate (ECR). The AET can be estimated by using an average of all available excise tax rates for e.g. tobacco, beer, soft drinks, coffee, perfume and various types of gasoline and oil. In many cases, the actual rates are not available. Instead we have tax rates based on physical quantities rather than *ad valorem*. Therefore one can estimate the relevant excise rates using the prices of the most common types of local cigarettes and gasoline. This is what we have done for all the countries analysed.

The information on the tax structure of the particular countries and territories was taken from various publications such as IMF country reports[4] and the Stability Pact's tax policy assessment (see Stability Pact, 2003). With the help of information from the finance ministries and secondary literature (e.g. Ivanov et al., 2002, 2003, Jarass and Obermair, 2000, Deloitte & Touche, 2002, KPMG, 2003), it was tried in all cases to correct the data to fit especially for the year 2001.

Estimating the average income tax rate is probably the most difficult task. Some countries and territories have introduced a flat rate (i.e. the Federation of Bosnia and Herzegovina, Serbia[5] and Montenegro, Kosovo[6], Estonia, Latvia and Lithuania) while all the others have progressive income taxation[7]. In this current version of our work the following simplifying assumption was made: AIT was estimated by calculating a simple average of the tax brackets' tax rates, including the first tax bracket of 0%. As the average of the countries with progressive taxation has about five tax brackets, this leads to approximately 20% of the income being considered as untaxed. Personal allowances are assumed for now to be included in this figure. The complicating issue is that it is difficult to know the *ad valorem* equivalent value of the allowances (e.g. child allowances, personal allowances), as they are in most cases described in money values, unless one has more information on the income distribution for an average household. This issue is one which we are currently addressing. At this stage we can say, however, that our estimates for

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[4] Albania: IMF CR 03 64; Bosnia and Herzegovina: IMF CR 00 77; Bulgaria: IMF WP 01 11, Stability Pact (2003); Croatia: IMF CR 00 22, Stability Pact (2003); Macedonia: IMF CR 02 48; Romania: IMF CR 01 16; Serbia and Montenegro: IMF CR 02 103, Stability Pact (2003); Kosovo: IMF (2002).

[5] Though the system here is more complex as on top of the flat 14% withholding rate an additional surtax is imposed on income in excess of a certain threshold – therefore the same 19% flat rate as in Montenegro was also assumed to be valid for Serbia.

[6] In 2001, Kosovo had neither a personal income tax nor social security contributions.

[7] Interestingly, in Republika Srpska, the tax structure is regressive.

the statutory income and social security rates for the four OECD countries of our sample (Czech Republic, Slovakia, Hungary and Poland) are in line with OECD (2002b) in which average statutory income tax and social security contribution rates are computed for the average manufacturing employee, depending on whether he/she is married or not, and/or has no child or two children. Our goal for the final version of this paper will be to use our estimate of total household income alongside data on the income distribution in order to construct an appropriately-weighted statutory personal income tax rate which takes all deductions and allowances into account in the correct way. At the moment we applied only allowances and deductions in the cases where they were provided as percentage shares of the income (i.e. in the Federation of Bosnia and Herzegovina, Republika Srpska and Slovenia). In the cases of flat income tax countries where the information on allowances and deductions were not given in percentage shares of the income, allowances and deductions were estimated to be 20%.[8]

In the case of Albania and Romania, where agricultural income is exempted from income taxation, the tax base of AIT was reduced by the share of agricultural income in total household income.[9] For Albania this share is 49.1% in 2001 and for Romania the share is 13.4%. It is worth mentioning that in Albania 71.6% of employment is engaged in the private agricultural sector and that in Romania agriculture and forestry account for 40.9% of employment. In the Czech Republic, Slovakia, Poland and Hungary, where agriculture represents less than 5% of GDP, agricultural income is deductible too.[10] A similar procedure had

to be applied for calculating ESS all over Central and Southeastern Europe, as only employees and/or employers have to make social security contributions. Additionally, figures of AIT and ESS had to be corrected by the shares of remittances and state current transfers to the households[11], as this type of income is not being taxed by direct taxes and social security contributions. For Croatia, Macedonia, Romania, Estonia, Latvia, Poland and Slovenia, state current transfers had to be reduced by the share of pensions as the latter are taxed in these countries. In the region, Kosovo has the highest ratio of remittances to GDP (30%) but in this case no correction had to be made due to the missing income taxation in 2001. In Serbia and Montenegro and in Albania private remittances accounted for over 13% of GDP in 2001. State current transfers to households range in this sample from only 3% in Kosovo to almost 20% in Poland. Finally, for most of the countries AIT had to be corrected for the ESS rate, as in most of the cases, social security contributions are deductible.[12]

In the second stage of estimations required for SHTR, the value added tax (VAT) or the respective sales tax was applied to the remaining household income, after being reduced by the AIT, the ESS and the savings rate (SVR).[13] VAT or sales taxes in the region range between 15% (in Kosovo) and 25% (in Hungary). In most other countries it is 20%. On top of that an average excise tax rate (AET) is applied to the share of the remaining income as determined by the excised goods consumption rate (ECR)[14]. The AET was estimated by using an average of all available excise tax rates for

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agriculture is taxed at a negligible rate. In Poland, income from non-specialized agricultural activities is exempted.

[11] The sources for the data on remittances and the current transfers can be found in various IMF country reports.

[12] However, in the case of Albania, no information on the deductibility of social security contributions was available.

[13] One remaining improvement that we wish to bring to our method is to take into account the taxation of savings.

[14] This was estimated with the help of household surveys and includes the consumption shares of tobacco, alcohol and fuel.

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[8] Only in Serbia and Montenegro, 10% were used, as it is said that there are no general deductions beside the social security contributions and allowances.

[9] The data on agriculture in per cent of GDP and total employment are taken from the wiiw Database.

[10] 50% of agricultural income can be deducted in the Czech Republic, while the information for Hungary is somewhat unclear. Nevertheless full deductibility was assumed. The case of Slovakia was treated similarly as sole income from

tobacco, alcohol and gasoline. In most cases, the actual rates were not available. Instead we had tax rates based on physical quantities rather than *ad valorem*. In those cases we estimated the relevant excise rates using the prices of the most common types of local cigarettes and gasoline. Again at this stage there is room for improvement provided sufficiently detailed data can be found.

In order to estimate the SHTR on the state level of Bosnia and Herzegovina and of Serbia and Montenegro, statutory tax rates of the entities and the republics, respectively, were combined with the help of a GDP-based key. Thus, for the Federation of Bosnia and Herzegovina and Republika Srpska a relationship of 3 to 2 was assumed and for Serbia and Montenegro 12 to 1.

Determining tax revenues from households

The next task is to compute the total household tax revenues (THTR) in 2001[15]. For this purpose, data on the consolidated general government fiscal operations from various IMF country reports were used. THTR includes personal income tax revenue (ITR), employee social security contribution revenue (SSR), value added or the respective sales tax revenue (VAR) and excise tax revenue (ETR).

As, in most cases, revenues from social security contributions are generally not indicated separately for the employees and the employers, it had to be corrected for the share of nominal employer social security rates in the total nominal social security rate. Similarly, in the case of Bosnia and Herzegovina and Macedonia, the original data on the revenue from direct taxes was not split into a personal income and enterprise profit tax revenue for the general budget. For Bosnia and Herzegovina and its entities, the revenue data were corrected with the help of the share of income tax revenue in direct tax revenues of the Federation of

Bosnia and Herzegovina. For Macedonia, information from the central government was employed.

For all countries VAT and excise tax revenue figures were corrected by the share of net tourism income in GDP. The justification for this adjustment is that VAT and excise tax incomes due to goods and services consumed domestically by tourists from abroad are not part of domestic household taxation revenue. Indeed we do not include estimates of the funds brought in by foreign tourists in our definition of total household income. Our concept of household taxation is purely domestic and so this correction is necessary. For countries with large revenues from tourism this correction makes a substantial difference to the final estimates, for example for Croatia (net tourism income is 13% of GDP) which has unusually high revenues from VAT and excise taxes.

Empirical results

In this section we present the results of our (preliminary) estimation results for seven countries (and five territories) of Southeast Europe (SEE) and for the eight Central and East European Accession Countries (AC).

Overall the estimation results are in the range of what one would expect for most countries. The average for Southeast Europe is higher than the average for the accession countries. Albania has the highest estimate, followed by Romania, Kosovo, Macedonia and Bulgaria. Perhaps more surprisingly, the estimates for Serbia and Montenegro (excluding Kosovo) and for Bosnia and Herzegovina (and the territories therein) are relatively low and more comparable to the levels found in the accession countries. These results are in contrast with recent literature on the region, notably Gligorov (2003) and Gligorov, Holzner and Landesmann (2003) which had led us to expect higher estimates. These two countries warrant further investigations. The efficiency of tax collection may indeed be

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15   For Poland consolidated general government revenue data were found only for 2000.

Table 1

Estimates of shadow economy contribution from households, 2001

	Total household income as share of GDP	Statutory household tax rate	Total household tax revenue as share of GDP	Declared household income as share of GDP	Household income declaration rate	Undeclared household income as share of GDP
SEE average	**85%**	**38%**	**21%**	**55%**	**64%**	**30%**
Albania	88%	30%	11%	35%	40%	52%
Bosnia & Herzegovina	85%	40%	26%	64%	76%	21%
FBiH	85%	41%	27%	66%	78%	19%
RS	85%	37%	22%	59%	69%	26%
Bulgaria	78%	38%	17%	44%	56%	34%
Croatia	75%	49%	28%	57%	76%	18%
Macedonia	88%	54%	26%	49%	55%	39%
Romania	81%	41%	14%	35%	43%	46%
Serbia & Montenegro	85%	36%	24%	66%	77%	19%
Serbia	85%	36%	24%	66%	78%	19%
Montenegro	85%	36%	21%	58%	69%	27%
Kosovo	104%	18%	10%	58%	56%	45%
AC average	**72%**	**44%**	**22%**	**50%**	**69%**	**22%**
Czech Republic	67%	39%	19%	48%	72%	18%
Estonia	77%	53%	32%	60%	78%	17%
Hungary	70%	45%	22%	49%	70%	21%
Latvia	74%	40%	19%	49%	66%	26%
Lithuania	75%	37%	19%	50%	67%	25%
Poland	78%	48%	22%	47%	60%	31%
Slovakia	65%	41%	18%	44%	67%	21%
Slovenia	72%	50%	27%	55%	76%	17%

Source: Own estimates.

relatively good in both countries, but we suspect that household final consumption as well as GDP may be incorrectly measured in Serbia and Montenegro. Regarding Bosnia and Herzegovina, we copied the THI/GDP from Serbia and Montenegro as the former does not have national accounts in the usual sense. This may also have influenced the result. As for the accession countries, Poland has the highest estimate (perhaps not surprisingly, given its large agricultural sector) while the lowest estimates are for Estonia and Slovenia. Latvia and Lithuania have higher estimates than Estonia.

In general, one can conclude, that high HITM estimates reveal: inefficient tax collection, a large share of agricultural subsistence economy and remittances.

Conclusion

In this research we sought to develop an independent method for estimating the size of the shadow economy based on tax evasion and avoidance in the household sector. Our approach still requires certain improvements notably with

regard to the issues of savings and cash hoardings, the non-captured informal activities of the corporate sector, and the taxation of savings. We have also been made aware of the inherent difficulties linked to estimating statutory household tax rates for a large number of countries. On the other hand, we would like to think that our approach contributes to the economic research on the shadow economy. Our work provides alternative estimates which give information on the shadow economy for a large number of countries, and some interesting discussions could perhaps arise in more detailed comparisons that could be made with more established sources of such estimates.

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Optimal currency areas in transition

BY VLADIMIR GLIGOROV

Introduction

Why are there so many different exchange rate regimes in transition economies? Here is one illustrative classification of currently existing exchange rate regimes in Central and Southeast European countries:

Table 1

Euro:	Kosovo, Montenegro
Currency board:	Bulgaria, Bosnia and Herzegovina, Baltics
Fixed pegs:	Croatia, Macedonia, Serbia and Montenegro
Crawling pegs:	Romania
Managed float:	Slovenia, Slovakia, Albania
Float:	Poland, Czech Republic

And why is there such a difference in the level of euroization, i.e., currency substitution? In one study,[1] currency and asset substitutions vary from quite low levels in Hungary (6% and 24% of total currency and assets respectively) to a very high level in Croatia (46% and 283%) according to the most recent available data. In general, currency substitution is much higher in the Balkans than in Central Europe.

Finally, why are many of these countries interested in a quick adoption of the euro? Part of an answer to these questions can be found in the theory of optimal currency areas (OCA), though the empirics of this answer may not be straightforward. Here, a simple exposition of the concept of OCA will be followed by some tentative answers to the above questions in view of the situation one finds in transition countries and especially in the Balkans.

States and regions

The breakthrough idea of the theory of OCA is that states are not necessarily optimal currency units. Regions or the world may be.[2] Central banks, however, are, as a rule, associated with states, indeed are, as a rule, state-owned or regulated institutions with a monopoly of money-issuing powers. Thus, as a rule, monetary jurisdictions do not coincide with the optimal currency areas. The question then arises, what are the exchange rate regimes that monetary authorities should introduce, and can the theory of OCA still shed some light on these choices? A simple picture may be helpful in answering this question.

Figure 1

Two countries and two regions
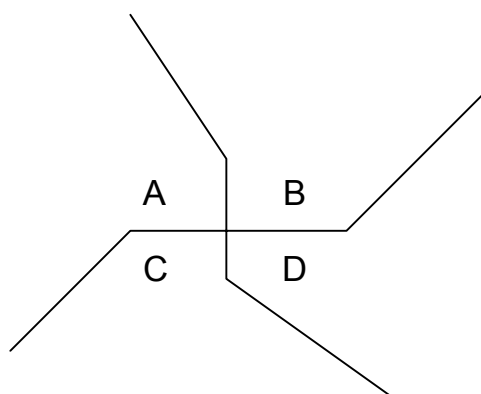
Let us assume, as in the original treatment of the problem by Robert A. Mundell,[3] that there are two countries with two currencies, but there are also two regions that are optimal currency areas that cut through these two countries. Areas A and B in the above figure are together a country S1, while C and D are the country S2. Region R1, however, consists of A and C, and region R2 of B and D. The regions differ in terms of comparative advantage,

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[1] Edgar L. Feige, 'The Dynamics of Currency Substitution, Asset Substitution and De facto Dollarization and Euroization in Transition Countries', *Comparative Economic Studies*, 2003.

[2] A region or a state is an OCA if it can ensure (i) full employment, (ii) a balanced current account, and (iii) price stability.

[3] In 'A Theory of Optimum Currency Areas', originally published in the *American Economic Review*, 1961, and reprinted in his *International Economics*, New York, Macmillan, 1968 (also available on his web-page).

i.e., they specialize in the production of different goods because of the difference in factor endowments. It may be noted and will become important later that regions are more homogenous and more specialized than the states, which have a more diversified structure of production. As stipulated, S1 and S2 have their separate currencies, but it is the regions R1 and R2 that are optimal currency areas. What currency and exchange rate arrangements are possible?

Apart from the assumed situation of two states with two currencies, there is the option of two regions with two currencies, that of four states with four currencies and that of two states, two regions and one currency. There are other possibilities, but those will be put aside for the most part in this discussion. It is interesting to note that two of these options unambiguously conform to the idea of optimal currency areas: that of two regions with two currencies and that of four states with four currencies. The latter case is easy to see, but it also provides for a slightly paradoxical characteristic of the OCAs. If the two regions, which are OCAs by definition and are homogenous, are split, the four regions that emerge are also OCAs because they are all homogenous. However, if the four OCAs are put together, they do not combine into an OCA. This is obvious because that is like integrating the two states, but they are not, here by definition, an OCA. This proves the following proposition:

Proposition 1: OCAs do not necessarily aggregate into OCAs.

The interesting question is whether they in fact disintegrate into OCAs. In the example above, it is assumed that this is not the case. But it could be the case, in principle, that two states that are not OCAs by themselves could create an OCA if they got together. In particular, as argued by Mundell, the world could be an optimal currency area, while each state in the world may not be. This prompts the following proposition:

Proposition 2: Non-OCAs may aggregate into an OCA.

In the above figure, that would mean that, in principle, the two states S1 and S2, though not optimal currency areas by themselves, could be, had we not assumed otherwise, an optimal currency area if they got together and formed a common state or a common monetary area. In that case, the alternative of one currency area for however many states and regions that could be conjured up from the above figure would also be an optimal one.[4]

This conceptual analysis is useful because it leads to some conclusions about the possible exchange rate regimes that the various territorial arrangements could adopt. In the case of the two or more OCAs, flexible exchange rates are the preferred exchange rate regime. That is because it could ensure the existence and persistence of both the external (balance of payments) and the internal (full employment) equilibrium together with price stability, which is in fact what is meant by a currency area being optimal. In the case of S1 and S2, it is not clear what exchange rate regime should apply. Assuming that there is only the choice between two exchange rate regimes, fixed and flexible or floating, only the one in which these two states adopt a fixed exchange rate regime is theoretically interesting. If they were to adopt the float, the distinction between the states and regions would become irrelevant. However, if they are to adopt the fixed exchange rate regime, that could be for two reasons: either they are in fact an OCA when they integrate or the whole OCA argument is not very relevant for the choice of the exchange rate regimes in this case.

There are thus at least three cases to consider:

– Case 1: An optimal currency area and the optimal or non-optimal currency areas or the world

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[4]   The proof could go like this. The world is a closed economy and an optimal currency area. Parts of it are not, if there are non-optimal currency areas at all. Thus, non-OCAs aggregate into an OCA. The same applies in principle to any OCA whether closed or opened.

around it. In this case, the OCA should adopt a flexible exchange rate regime. In other words, however optimal the rest of the world, an OCA should float its currency.

– Case 2: A non-optimal currency area facing an OCA. In that case, a fixed exchange rate regime, i.e., joining the OCA may be the superior choice.

– Case 3: A non-optimal currency area facing another non-optimal currency area. The choice of exchange rate regime would depend on the optimality of the aggregate. If it is non-optimal, OCA considerations are not relevant, but others may be. If the integrated whole is an OCA, then a fixed exchange rate regime is warranted.

Transition currency areas

Mundell's case for the currency unions rests on two arguments. One is that they can come into being when political costs are low. If one looks at Figure 1 and considers all the possible territorial arrangements that it lends itself to, there is no doubt that some of those are politically more costly than the others. For instance, the four states–four currencies solution is probable if the political costs of the territorial rearrangement are close to zero.[5] The creation of a currency union is clearly easier when political costs are lower. In any case, political costs are important because central banks are state banks. They are also important if the coordination of monetary and fiscal policies is considered, as those can substitute for each other up to a point.

The other argument is a type of *argumentum ad absurdum* which is interesting in itself. Assume that optimal currency areas are those that can ensure full employment with external equilibrium. Then, there should be a currency union wherever there is unemployment that is the consequence of a supply or demand shock. The price adjustment via the exchange rate flexibility assumes some degree of money illusion. Now, the smaller the currency area

the less realistic is the assumption of money illusion. It can be expected, in other words, that wages will be indexed on the exchange rate, at least when it comes to their downward adjustment. In that case, the argument for Balkanization (i.e., proliferation) of the currency areas breaks down.

Another reason is trade integration. If countries trade a lot with each other, their business cycles will be harmonized and their currency union will be a Pareto improving policy choice. In terms of the theory of OCA, trade integration can transform previously existing OCAs into a non-OCA (if a state disintegrates into regions) and two non-OCAs into an OCA. If it is also assumed (though this is an ongoing debate) that monetary borders impede trade integration, then what is *ex ante* a non-optimal area can become an optimal area *ex post* through a surge in trade integration.

If these three reasons are taken together (others will be added as I go along), then the questions posed in the introduction of this note do not seem all that puzzling. The diversity of exchange rate arrangements in transition countries probably reflects the distribution between optimal and non-optimal currency areas, though floats are rarer. This could be because transition economies can rarely be optimal currency areas as the direction of their trade and production structures are changing quite fast. Also, the political readiness to eventually join the euro can be explained in the same way. The political cost is low, because the countries are future members of the EU anyway. The 'small open economy' argument applies too in a number of cases. Finally, trade integration, which has been quite significant in some cases, changes the locus of optimality.

More interesting is the issue of currency substitution. In some countries, especially in the Balkans, this is a pervasive and persistent fact. It is mostly higher than in the Central European countries though their trade integration with the euro zone is as a rule lower. Here, perhaps, Mundell's small country argument applies. This may be an indirect way of signalling the lack of

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[5]   They can come about if the costs are very high too, as when a country or a set of countries disintegrate through a combination of an inter-state and civil wars.

money illusion in these countries. As a rule, they are quite integrated with the euro area, if the balance of payments as a whole is taken into account, which is another criterion that has been put forward in the literature on OCAs. Thus, rather than indexing wages on the euro directly, the preference for the euro saps the ability of the central bank to pursue an active monetary policy and thus ensures that an erosion of wages, at least through this channel, does not happen. For the same reason, wages can have an upward bias – as indeed they tend to have in Balkan countries with fixed exchange rate regimes as the wages are not indexed on a foreign currency. That does not mean that this is an optimal policy for these countries, as they also have high unemployment rates that are also quite persistent.

Finally, the criterion of diversity or specialization should be commented on. Clearly, the diversity of the currency union increases if transition countries are added to the euro area countries. The presumption in the theory is that there should be, *per absurdum*, a new currency wherever there is a specialization. This is clearly not feasible. Therefore, another criterion is used: that a currency union should not be prone to asymmetric shocks, i.e., it should not have regions that are highly specialized and quite different from the rest of the union. But this is too crude a criterion, because specialization is clearly efficient. Thus, non-OCAs can aggregate into OCAs if the states or regions are not large enough compared to the union as a whole. Thus, an increase in diversity by agglomeration of specialized regions supports the establishment of a currency union that is an OCA as long as the regions are small compared to the union as a whole.

These comments are offered more as hypothesis to be tested in future empirical research. Here it is only argued that the theory of OCA is consistent with what is being observed in transition countries and economies.

Conclusion

The diversity of exchange rate arrangements in transition economies as well as the preference for the euro does not present a puzzle within the theory of optimal currency areas. The advantage of the theory is that it explains these facts endogenously rather than by an appeal to the more usual arguments about the credibility of the central banks in emerging markets. Once the EU enlargement lowers the political risk to joining the currency union and increases the trade integration, fixed exchange rates of one kind or another look like a Pareto improving option. This is the case even in the transition countries which are yet to join the EU, on account of them being small and probably non-optimal currency areas. There seem to be rare cases of small transition countries that are optimal currency areas, which perhaps explains the success of the use of flexible exchange rates in those cases.

Shaping the New Europe: Economic Policy Challenges of European Union Enlargement

edited by M. A. Landesmann and D. K. Rosati

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About the book

This volume brings together contributions on the major economic policy issues which have opened up as a result of the process of European Union enlargement. The issues analysed range from modelling and analysing the costs and benefits of enlargement, to challenges for macroeconomic policy both at the EU level and in the new member countries, in particular for exchange rate policy, the timing of entry into the European Monetary Union and the design of appropriate fiscal policy frameworks. Further, the state of affairs in the new member countries is covered with respect to sectoral policy reforms such as those undertaken in the financial sector and in competition policy, while the impact of enlargement on Europe's trade policy agenda is discussed. The volume reviews lessons to be learnt from previous accession experiences and analyses in detail the major issue of evolving disparities between the new member countries and those countries left out of the first round of the accession process (particularly in the Balkans and the CIS). The volume concludes with a panel discussion (with high-calibre academics and policy-makers) concerning political and economic policy challenges facing the New Europe.

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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
ECU	European currency unit
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 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	4.0	18.9	15.4	23.3	11.5	9.3	14.9	12.7	10.1	15.6	17.6	11.0	23.0	12.7	24.0	.
Industry, total[1]	real, CCPY	4.6	18.9	17.1	19.3	17.3	15.6	15.5	15.1	14.4	14.6	14.9	14.5	15.3	12.7	18.3	.
Industry, total	real, 3MMA	10.4	12.1	19.3	16.8	14.7	12.0	12.3	12.6	12.8	14.5	14.6	17.2	15.6	19.9	.	.
LABOUR																	
Employees total	th. persons	1911	1947	1992	2017	2044	2055	2069	2076	2067	2063	2050	2034	2005	.	.	.
Employees in industry	th. persons	642	668	673	674	676	673	676	675	671	669	664	661	652	.	.	.
Unemployment, end of period	th. persons	602.5	646.8	611.7	581.3	552.0	528.7	506.4	489.3	480.9	472.6	476.3	489.6	500.7	537.1	527.3	507.5
Unemployment rate[2]	%	16.3	17.5	16.5	15.7	14.9	14.3	13.7	13.2	13.0	12.8	12.9	13.2	13.5	14.5	14.2	13.7
Labour productivity, industry[1]	CCPY	2.2	15.9	13.5	15.3	13.2	11.7	11.5	11.1	10.5	10.9	11.3	11.1	12.0	.	.	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	1.5	-9.9	-9.1	-10.0	-8.4	-7.2	-6.9	-6.6	-6.2	-6.3	-6.6	-6.1	-6.7			
WAGES, SALARIES																	
Total economy, gross	BGN	282.0	264.0	259.0	274.0	272.0	280.0	274.0	276.0	273.0	286.0	276.0	286.0	302.0	.	.	.
Total economy, gross	real, CMPY	0.6	3.4	2.5	3.5	3.5	2.3	2.1	1.3	-0.5	1.4	-1.5	0.1	1.4	.	.	.
Total economy, gross	USD	147	143	143	151	151	166	163	160	155	164	165	171	190	.	.	.
Total economy, gross	EUR	144	135	132	140	139	143	140	141	140	146	141	146	154	.	.	.
Industry, gross	USD	147	146	146	158	152	165	171	163	158	167	169	175	189	.	.	.
PRICES																	
Consumer	PM	1.2	0.7	0.1	0.4	0.3	-0.6	-2.2	0.9	0.8	0.9	0.7	1.8	1.8	1.4	0.3	-0.1
Consumer	CMPY	3.8	1.7	0.2	-0.2	0.2	1.7	1.2	2.0	3.5	3.6	3.3	5.1	5.6	6.4	6.6	6.2
Consumer	CCPY	5.8	1.7	1.0	0.6	0.5	0.8	0.8	1.0	1.3	1.6	1.7	2.0	2.3	6.4	6.5	6.4
Producer, in industry[1]	PM	1.4	1.8	1.4	1.0	-3.6	-1.1	1.1	0.4	0.7	0.7	0.9	0.3	0.8	0.7	-0.8	.
Producer, in industry[1]	CMPY	6.3	7.7	8.0	8.0	3.1	2.6	4.2	4.2	4.3	3.7	4.1	4.9	4.2	3.1	1.0	.
Producer, in industry[1]	CCPY	1.3	7.7	7.9	7.9	6.7	5.9	5.6	5.4	5.2	5.1	5.0	5.0	4.9	3.1	2.0	.
RETAIL TRADE																	
Turnover	real, CCPY	1.6	.	.	2.1	.	.	3.0	.	.	3.8	.	.	.	.	.	.
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	6063	531	1034	1633	2173	2685	3247	3870	4412	4999	5602	6144	6663	500	1083	.
Imports total (cif), cumulated	EUR mn	8411	649	1315	2083	2940	3778	4536	5406	6146	6928	7823	8709	9601	709	1497	.
Trade balance, cumulated	EUR mn	-2348	-118	-281	-450	-767	-1093	-1289	-1537	-1734	-1929	-2221	-2565	-2938	-208	-414	.
FOREIGN FINANCE																	
Current account, cumulated[5]	EUR mn	-924	-159	-305	-393	-757	-964	-929	-897	-761	-747	-950	-1221	-1498	-233	.	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	1.924	1.842	1.816	1.810	1.804	1.684	1.677	1.720	1.756	1.745	1.673	1.672	1.593	1.550	1.547	1.594
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[6]	real, Jan98=100	92.2	88.0	87.3	87.3	86.5	81.1	82.8	84.2	85.6	84.5	80.4	78.7	73.6	70.6	70.2	72.5
BGN/USD, calculated with PPI[6]	real, Jan98=100	84.8	81.2	80.4	81.4	81.5	76.9	76.5	78.0	79.2	78.4	75.0	74.4	70.6	68.2	68.6	.
BGN/EUR, calculated with CPI[6]	real, Jan98=100	85.1	84.7	84.9	84.9	84.8	85.3	87.3	86.5	86.0	85.5	84.9	83.5	82.3	81.1	80.9	81.0
BGN/EUR, calculated with PPI[6]	real, Jan98=100	78.6	77.7	76.9	76.3	78.8	79.4	78.4	78.1	77.7	77.2	76.5	76.4	75.7	75.2	75.8	.
DOMESTIC FINANCE																	
M0, end of period[7]	BGN mn	3335	3113	3132	3088	3200	3248	3356	3483	3616	3624	3569	3559	3874	3718	3718	3727
M1, end of period[7]	BGN mn	6696	6291	6377	6274	6435	6560	6834	7110	7314	7416	7422	7377	8030	7788	7853	7943
Broad money, end of period[7]	BGN mn	13857	13612	13789	13662	13901	13926	14328	14788	15246	15243	15878	15733	16566	16519	16739	16913
Broad money, end of period	CMPY	11.7	10.7	12.0	10.8	12.1	14.6	18.4	18.8	19.7	18.9	22.6	19.7	19.6	21.4	21.4	23.8
BNB base rate (p.a.),end of period	%	3.3	2.5	2.5	2.6	3.0	3.0	2.5	2.5	2.6	2.6	2.6	2.6	2.9	2.5	2.4	2.6
BNB base rate (p.a.),end of period[8]	real, %	-2.7	-4.8	-5.1	-5.1	-0.1	0.4	-1.6	-1.6	-1.6	-1.1	-1.4	-2.1	-1.3	-0.6	1.5	.
BUDGET																	
Central gov.budget balance,cum.	BGN mn	3.4	-85.7	-132.8	90.8	284.0	609.7	577.7	612.4	656.7	758.5	851.1	732.2	-110.6	-65.1	-162.8	.

1) According to new calculation for industrial output and prices.
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 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	8.3	0.7	6.9	6.0	8.2	6.2	7.0	4.4	3.1	2.9	2.2	-0.4	2.2	-1.5	7.2	10.4
Industry, total[1]	real, CCPY	5.5	0.7	3.8	4.6	5.5	5.7	5.9	5.7	5.3	5.0	4.7	4.2	4.0	-1.5	3.0	5.6
Industry, total[1]	real, 3MMA	6.4	5.3	4.6	7.0	6.8	7.1	5.8	4.8	3.5	2.7	1.6	1.3	0.1	2.7	5.6	.
Construction, total,effect.work.time[1]	real, CMPY	15.2	9.6	17.8	28.2	26.9	30.9	29.3	24.3	17.6	26.9	20.3	17.5	23.9	16.0	12.5	.
LABOUR																	
Employment total	th. persons	1351.4	1343.0	1337.4	1338.8	1351.2	1360.2	1372.6	1381.8	1382.2	1373.9	1366.4	1360.2	1349.5	1377.8	1374.5	.
Employees in industry	th. persons	276.2	275.4	282.6	283.5	283.5	283.6	284.0	284.0	283.8	283.6	283.5	282.6	280.5	268.4	277.3	.
Unemployment, end of period	th. persons	366.2	367.1	362.6	355.8	345.3	330.9	319.7	314.2	306.6	307.4	312.3	317.0	318.7	325.0	326.0	325.2
Unemployment rate[2]	%	21.3	21.5	21.3	21.0	20.4	19.6	18.9	18.5	18.2	18.3	18.6	18.9	19.1	19.1	19.2	19.1
Labour productivity, industry[1]	CCPY	9.9	4.2	7.3	8.0	8.8	8.9	9.1	8.8	8.4	8.1	7.8	7.3	7.1	1.9	5.9	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-1.8	4.0	0.2	-1.7	-3.3	-4.3	-4.5	-4.3	-4.3	-3.8	-3.6	-3.8	-3.6	-1.7	.	.
WAGES, SALARIES																	
Total economy, gross	HRK	5498	5527	5375	5475	5541	5671	5705	5694	5587	5558	5711	5807	5793	5815	.	.
Total economy, gross	real, CMPY	4.9	5.7	5.3	2.5	1.9	1.6	4.5	2.7	1.3	3.0	3.0	0.3	3.6	3.0	.	.
Total economy, gross	USD	753	780	764	771	795	866	885	864	829	829	880	893	926	954	.	.
Total economy, gross	EUR	741	737	709	714	734	752	757	759	743	741	752	763	755	756	.	.
Industry, gross	USD	692	720	697	705	730	804	821	810	755	773	813	804	860	859	.	.
PRICES																	
Consumer	PM	0.4	0.5	0.2	0.5	-0.3	0.3	-0.4	0.1	0.1	0.2	0.0	0.2	0.3	1.0	-0.1	0.1
Consumer	CMPY	1.9	1.4	1.7	2.2	1.6	1.4	1.6	2.0	2.2	2.0	1.8	1.8	1.7	2.1	1.8	1.4
Consumer	CCPY	1.7	1.4	1.5	1.7	1.7	1.6	1.6	1.7	1.7	1.8	1.8	1.8	1.8	2.1	2.0	1.8
Producer, in industry	PM	-0.1	0.5	0.4	0.8	-0.9	-0.8	0.2	0.2	0.5	-0.4	0.2	0.3	0.0	0.3	-0.3	0.2
Producer, in industry	CMPY	2.3	2.9	2.7	4.7	2.8	1.8	1.7	1.4	2.0	1.2	0.0	0.9	1.0	0.8	0.1	-0.5
Producer, in industry	CCPY	-0.4	2.9	2.8	3.4	3.3	3.0	2.8	2.5	2.5	2.4	2.1	2.0	1.9	0.8	0.5	0.2
RETAIL TRADE																	
Turnover	real, CMPY	9.8	7.5	8.6	1.1	13.3	6.5	5.2	0.7	-1.7	1.1	0.2	-1.0	3.8	2.5	2.1	.
Turnover	real, CCPY	12.5	7.5	8.0	5.7	7.6	7.3	7.0	6.1	5.2	4.7	4.2	3.8	3.7	2.5	2.4	.
FOREIGN TRADE[3][4]																	
Exports total (fob), cumulated	EUR mn	5187	379	904	1364	1761	2215	2696	3183	3565	4002	4592	5032	5449	409	881	.
Imports total (cif), cumulated	EUR mn	11324	715	1681	2752	3858	4993	5982	7203	8076	9176	10316	11424	12538	779	1710	.
Trade balance, cumulated	EUR mn	-6137	-335	-777	-1388	-2097	-2779	-3286	-4020	-4511	-5174	-5724	-6391	-7089	-371	-830	.
Exports to EU (fob), cumulated	EUR mn	2746	219	476	751	966	1243	1504	1792	2011	2254	2535	2784	2984	209	451	.
Imports from EU (cif), cumulated	EUR mn	6321	393	950	1549	2164	2847	3410	4146	4594	5194	5824	6396	7093	405	926	.
Trade balance with EU, cumulated	EUR mn	-3575	-175	-473	-798	-1198	-1604	-1906	-2354	-2583	-2940	-3290	-3612	-4108	-195	-474	.
FOREIGN FINANCE																	
Current account, cumulated[5]	EUR mn	-2036	.	.	-999	.	.	-2288	.	.	-476	.	.	-1807	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	7.298	7.082	7.032	7.099	6.966	6.549	6.443	6.591	6.737	6.701	6.487	6.503	6.253	6.094	6.060	6.114
HRD/EUR, monthly average	nominal	7.423	7.500	7.584	7.663	7.554	7.542	7.536	7.498	7.515	7.498	7.592	7.610	7.670	7.690	7.650	7.501
HRK/USD, calculated with CPI[6]	real, Jan98=100	105.9	102.7	102.6	103.7	101.8	95.3	94.3	96.4	98.8	98.4	95.1	95.0	90.9	87.7	87.3	88.0
HRK/USD, calculated with PPI[6]	real, Jan98=100	105.6	103.9	104.5	107.4	103.0	97.5	96.6	98.5	100.3	100.6	97.8	97.3	94.0	91.3	91.1	91.7
HRD/EUR, calculated with CPI[6]	real, Jan98=100	97.8	98.4	99.7	100.6	99.7	99.2	99.6	98.9	99.3	99.1	100.5	100.6	101.4	100.7	100.3	98.2
HRD/EUR, calculated with PPI[6]	real, Jan98=100	97.9	98.9	100.0	100.4	99.4	99.6	99.3	98.6	98.5	98.7	99.8	99.8	100.5	100.5	100.3	98.1
DOMESTIC FINANCE																	
M0, end of period	HRK mn	9681	9468	9605	9526	9813	10078	10637	11294	11321	10506	10262	10400	10573	10219	10217	.
M1, end of period	HRK mn	30870	29412	29456	29512	30294	32002	32828	34382	34044	32589	32806	33295	33889	32323	31284	.
Broad money, end of period	HRK mn	116142	116615	117209	118791	117854	119105	120022	125023	126980	126911	127072	128718	128893	128918	127877	.
Broad money, end of period	CMPY	9.5	7.3	9.4	11.8	10.8	11.9	12.6	13.9	12.3	12.0	10.7	12.7	11.0	10.5	9.1	.
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	4.5
Discount rate (p.a.),end of period[7]	real, %	2.2	1.6	1.8	-0.2	1.7	2.7	2.8	3.1	2.5	3.3	4.5	3.6	3.5	3.7	4.4	5.0
BUDGET																	
Central gov. budget balance, cum.[8]	HRK mn	-3500.5	-649.4	-1625.9	-2718.6	-2837.2	-4007.7	-4021.9	-4432.4	-4012.6	-4114.6	-4496.5	-2066.3	-2197.0	.	.	.

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 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	6.6	6.4	5.2	7.0	5.6	3.2	6.2	4.8	8.0	5.2	5.2	4.8	8.9	3.8	7.1	.
Industry, total	real, CCPY	4.8	6.4	5.8	6.2	6.1	5.5	5.6	5.5	5.8	5.7	5.7	5.6	5.8	3.8	5.5	.
Industry, total	real, 3MMA	5.7	6.1	6.2	5.9	5.3	5.0	4.7	6.3	6.0	6.0	5.1	6.2	5.7	6.6	.	.
Construction, total	real, CMPY	4.8	-2.2	-4.0	2.5	3.3	-0.9	12.1	15.9	18.7	14.5	12.0	13.9	8.6	15.0	9.9	.
LABOUR																	
Employees in industry[1]	th. persons	1130	1136	1139	1139	1135	1132	1125	1128	1119	1110	1112	1117	1111	1125	1130	.
Unemployment, end of period	th. persons	514.4	539.0	538.1	528.2	509.4	496.8	501.0	520.4	525.0	529.4	522.4	521.0	542.4	569.5	570.8	559.8
Unemployment rate[2]	%	9.8	10.2	10.2	10.0	9.6	9.4	9.5	9.9	10.0	10.1	9.9	9.9	10.3	10.8	10.9	10.7
Labour productivity, industry[1][3]	CCPY	5.8	12.1	9.8	9.4	9.6	8.6	8.7	8.4	9.0	9.3	9.3	8.6	9.0	4.2	7.3	.
Unit labour costs, exch.r. adj.(EUR)[1][3]	CCPY	10.8	-3.7	-3.3	-3.8	-4.8	-4.3	-4.5	-5.0	-5.7	-6.4	-6.5	-5.8	-6.1	-2.2	-3.7	.
WAGES, SALARIES																	
Industry, gross[1]	CZK	16861	15471	14341	15207	15850	16759	16413	16579	15562	16011	16675	18843	18053	16436	15664	.
Industry, gross[1]	real, CMPY	7.0	6.3	4.5	5.2	5.9	5.1	6.5	5.8	3.9	8.5	5.3	5.4	5.9	3.5	6.5	.
Industry, gross[1]	USD	550	522	488	517	544	619	609	591	537	555	610	689	686	633	603	.
Industry, gross[1]	EUR	541	491	453	479	501	534	523	520	482	495	521	589	559	502	477	.
PRICES																	
Consumer	PM	0.2	0.6	0.2	-0.1	0.2	0.0	0.0	0.1	-0.2	-0.5	0.1	0.5	0.2	1.8	0.2	0.1
Consumer	CMPY	0.6	-0.4	-0.4	-0.4	-0.1	0.0	0.3	-0.1	-0.1	0.0	0.4	1.0	1.0	2.3	2.3	2.5
Consumer	CCPY	1.8	-0.4	-0.4	-0.4	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	0.0	0.1	2.3	2.3	2.3
Producer, in industry	PM	-0.3	0.0	0.4	0.3	-0.8	-0.3	-0.2	-0.2	0.1	0.4	0.6	0.4	0.2	0.8	0.3	0.8
Producer, in industry	CMPY	-0.7	-0.8	-0.7	-0.4	-0.7	-0.8	-0.9	-0.6	-0.5	0.0	-0.1	0.4	0.9	1.6	1.6	2.1
Producer, in industry	CCPY	-0.5	-0.8	-0.7	-0.6	-0.6	-0.7	-0.7	-0.7	-0.7	-0.6	-0.5	-0.5	-0.3	1.6	1.6	1.8
RETAIL TRADE																	
Turnover	real, CMPY	4.2	4.2	4.3	1.3	6.6	2.4	7.8	7.2	6.1	9.6	3.6	0.6	6.2	-1.4	2.3	.
Turnover	real, CCPY	3.0	4.2	4.3	3.3	4.1	3.7	4.4	4.8	5.0	5.5	5.3	4.9	5.0	-1.4	0.5	.
FOREIGN TRADE[4][5]																	
Exports total (fob),cumulated	EUR mn	40705	3439	6777	10544	14224	17818	21353	24812	27853	31687	35846	39602	43081	3285	7092	11381
Imports total (fob),cumulated	EUR mn	43019	3454	6858	10677	14598	18267	21908	25740	28998	32817	37147	41163	45260	3292	6989	11419
Trade balance,cumulated	EUR mn	-2314	-15	-80	-133	-375	-449	-555	-928	-1145	-1130	-1301	-1561	-2179	-7	103	-38
Exports to EU (fob), cumulated	EUR mn	27844	2456	4826	7499	10101	12617	15070	17454	19516	22161	25076	27707	30072	2345	5051	8069
Imports from EU (fob), cumulated	EUR mn	25898	1986	4011	6299	8597	10823	13032	15415	17288	19571	22148	24474	26827	1850	4070	6702
Trade balance with EU, cumulated	EUR mn	1946	470	814	1200	1504	1795	2038	2039	2228	2590	2928	3233	3245	495	981	1367
FOREIGN FINANCE																	
Current account, cumulated[4]	EUR mn	-4425	54	-113	-254	-575	-1139	-1430	-2181	-2664	-2925	-3529	-4108	-4937	-142	-197	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	30.7	29.7	29.4	29.4	29.2	27.1	26.9	28.0	29.0	28.8	27.4	27.3	26.3	25.9	26.0	26.9
CZK/EUR, monthly average	nominal	31.2	31.5	31.6	31.8	31.6	31.4	31.4	31.9	32.3	32.4	32.0	32.0	32.3	32.7	32.9	33.0
CZK/USD, calculated with CPI[6]	real, Jan98=100	84.8	81.9	81.6	82.2	81.2	75.3	75.0	78.1	81.2	81.4	77.0	76.5	73.3	71.0	71.0	73.4
CZK/USD, calculated with PPI[6]	real, Jan98=100	84.3	83.1	83.4	85.3	82.7	77.0	77.4	80.6	83.4	82.9	78.6	78.0	75.2	73.6	73.5	75.5
CZK/EUR, calculated with CPI[6]	real, Jan98=100	78.3	78.7	79.2	79.9	79.5	79.0	79.1	80.1	81.5	82.3	81.3	81.0	81.9	81.5	81.7	81.9
CZK/EUR, calculated with PPI[6]	real, Jan98=100	78.2	79.3	79.7	79.9	79.8	79.2	79.3	80.6	81.7	81.6	80.2	80.0	80.6	81.0	81.1	80.8
DOMESTIC FINANCE																	
M0, end of period	CZK bn	197.8	197.6	201.7	205.9	208.5	211.4	215.2	216.2	218.2	219.4	221.3	224.7	221.4	222.0	223.8	224.1
M1, end of period	CZK bn	692.3	671.9	688.9	683.6	699.2	711.4	718.4	732.7	744.8	752.6	762.8	782.7	809.5	789.6	796.6	791.2
M2, end of period	CZK bn	1647.3	1643.1	1643.6	1621.8	1656.5	1658.5	1646.4	1683.8	1705.2	1693.6	1704.9	1723.0	1763.3	1757.0	1761.7	1756.0
M2, end of period	CMPY	3.2	3.3	3.7	2.5	3.1	2.1	4.2	5.6	5.1	5.5	4.2	4.6	7.0	6.9	7.2	8.3
Discount rate (p.a.),end of period	%	1.75	1.50	1.50	1.50	1.50	1.50	1.25	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Discount rate (p.a.),end of period[7]	real, %	2.4	2.3	2.2	1.9	2.2	2.3	2.1	1.9	1.5	1.0	1.1	0.6	0.1	-0.6	-0.6	-1.1
BUDGET																	
Central gov.budget balance,cum.	CZK mn	-45715	-10392	-24941	-31840	-64422	-74586	-53399	-62113	-71886	-80268	-82942	-92209	-109100	7307	-2852	-7819

1) Enterprises employing 20 and more persons.
2) Ratio of job applicants to the sum of economically active, women on maternity leave and job applicants.
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) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
7) Deflated with annual PPI.

H U N G A R Y: Selected monthly data on the economic situation 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	10.5	6.0	0.6	5.7	2.9	4.6	5.2	4.9	6.1	9.2	10.9	7.1	12.0	7.2	12.5	.
Industry, total	real, CCPY	2.7	6.0	3.3	4.1	3.8	4.0	4.2	4.3	4.5	5.1	5.7	5.9	6.4	7.2	9.9	.
Industry, total	real, 3MMA	6.6	5.6	4.1	3.1	4.4	4.2	4.9	5.3	6.8	8.9	9.1	9.9	8.7	10.6	.	.
Construction, total	real, CMPY	19.2	3.7	-28.1	-20.7	-9.4	6.5	17.1	0.1	3.6	0.1	9.0	4.5	6.0	11.4	12.1	.
LABOUR																	
Employees in industry[1]	th. persons	803.5	806.4	807.8	807.5	803.8	802.0	801.2	802.6	798.6	799.7	799.6	797.9	794.0	789.0	788.0	.
Unemployment[2]	th. persons	244.2	249.4	258.7	264.7	257.0	250.8	241.2	238.7	238.8	240.3	236.8	232.9	231.9	243.4	247.9	252.2
Unemployment rate[2]	%	5.9	6.0	6.3	6.4	6.2	6.0	5.8	5.7	5.7	5.7	5.7	5.6	5.5	5.8	6.0	6.1
Labour productivity, industry[1]	CCPY	5.1	9.5	6.4	7.2	6.8	6.7	6.8	6.9	7.1	7.5	8.1	8.2	8.8	9.6	14.2	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	13.1	2.3	3.7	2.1	2.1	2.0	0.7	-0.2	-1.0	-1.4	-2.1	-2.6	-3.8	-10.4	-11.6	.
WAGES, SALARIES																	
Total economy, gross[1]	HUF	162862	136193	123278	127095	130052	132798	134971	132829	129620	130968	136647	156077	175751	146176	134411	.
Total economy, gross[1]	real, CMPY	13.7	15.5	8.3	6.6	9.5	8.5	8.8	8.9	9.2	3.7	2.8	3.7	2.2	1.4	1.7	.
Total economy, gross[1]	USD	702	602	542	559	575	626	603	572	557	575	626	704	814	697	646	.
Total economy, gross[1]	EUR	690	567	503	517	530	540	517	503	499	513	535	602	664	552	511	.
Industry, gross[1]	USD	579	523	506	537	547	619	565	549	535	554	587	669	684	608	617	.
PRICES																	
Consumer	PM	0.1	1.2	0.8	0.9	0.1	0.3	0.2	0.3	-0.3	0.6	0.8	0.6	0.2	2.1	1.2	0.5
Consumer	CMPY	4.8	4.7	4.5	4.7	3.9	3.6	4.3	4.7	4.7	4.7	4.9	5.6	5.7	6.6	7.1	6.7
Consumer	CCPY	5.3	4.7	4.6	4.6	4.4	4.3	4.3	4.4	4.4	4.4	4.5	4.6	4.7	6.6	6.9	6.8
Producer, in industry	PM	-0.3	1.1	1.1	0.6	-0.7	-0.6	2.5	0.7	1.0	-0.5	0.2	1.1	-0.1	0.9	-0.2	-0.8
Producer, in industry	CMPY	-1.3	-0.1	0.9	1.2	0.1	-0.5	2.3	2.7	3.7	3.2	3.5	5.8	6.2	5.4	4.5	3.3
Producer, in industry	CCPY	-1.8	-0.1	0.4	0.7	0.5	0.3	0.6	0.9	1.3	1.5	1.7	2.1	2.4	5.4	4.9	4.4
RETAIL TRADE																	
Turnover[3]	real, CMPY	8.7	12.7	7.9	5.4	14.4	5.2	6.4	10.0	7.1	9.6	8.5	8.1	12.0	6.1	6.2	.
Turnover[3]	real, CCPY	10.7	12.7	10.2	8.4	10.0	8.9	8.4	8.7	8.5	8.6	8.6	8.5	8.8	6.1	6.2	.
FOREIGN TRADE[4)5]																	
Exports total (fob), cumulated	EUR mn	36537	2738	5574	8882	11975	15018	18033	21158	23877	27468	31058	34619	37583	2870	6092	.
Imports total (cif), cumulated	EUR mn	39955	2983	6237	9788	13410	16892	20221	23823	26937	30735	34694	38537	42057	3101	6687	.
Trade balance, cumulated	EUR mn	-3418	-245	-663	-906	-1435	-1874	-2188	-2665	-3060	-3267	-3636	-3918	-4474	-231	-595	.
Exports to EU (fob), cumulated	EUR mn	27452	2137	4288	6758	9020	11236	13435	15715	17616	20255	22926	25550	27643	2188	4606	.
Imports from EU (cif), cumulated	EUR mn	22476	1630	3448	5478	7531	9557	11447	13515	15134	17168	19322	21360	23151	1599	3522	.
Trade balance with EU, cumulated	EUR mn	4977	508	840	1279	1489	1679	1988	2200	2482	3087	3605	4190	4491	590	1084	.
FOREIGN FINANCE																	
Current account, cumulated[6]	EUR mn	-4900	-444	-1112	-1488	-2264	-2707	-3285	-3808	-4350	-4703	-5300	-5704	-6488	-445	-1167	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	231.9	226.1	227.5	227.3	226.3	212.2	223.7	232.1	232.8	227.8	218.5	221.7	215.8	209.8	207.9	206.6
HUF/EUR, monthly average	nominal	236.1	240.2	245.1	245.6	245.6	245.9	261.1	264.0	259.6	255.5	255.5	259.4	264.8	264.6	263.0	253.4
HUF/USD, calculated with CPi[7]	real, Jan98=100	85.5	82.7	83.2	82.9	82.2	76.7	80.9	83.8	84.6	82.9	78.4	78.9	76.5	72.8	71.4	70.5
HUF/USD, calculated with PPi[7]	real, Jan98=100	96.2	94.6	95.8	97.5	94.8	89.3	92.7	95.4	94.9	93.6	90.2	90.1	88.2	85.0	84.4	84.5
HUF/EUR, calculated with CPi[7]	real, Jan98=100	79.1	79.6	80.9	80.6	80.7	80.6	85.5	86.1	85.1	83.5	82.9	83.7	85.6	83.7	82.2	78.8
HUF/EUR, calculated with PPi[7]	real, Jan98=100	89.5	90.5	91.7	91.5	91.7	92.0	95.2	95.6	93.2	92.2	92.1	92.6	94.6	93.6	93.2	90.6
DOMESTIC FINANCE																	
M0, end of period[8]	HUF bn	1181.8	1168.3	1180.5	1197.3	1237.7	1249.2	1287.0	1296.6	1319.9	1305.9	1317.3	1399.7	1346.8	1307.1	1278.1	1256.2
M1, end of period[8]	HUF bn	3655.0	3459.6	3423.0	3451.5	3518.7	3594.4	3709.9	3716.4	3718.9	3746.4	3775.6	3950.0	4027.7	3799.5	3688.6	3704.7
Broad money, end of period[8]	HUF bn	7858.5	7786.1	7826.4	7785.2	7894.4	7975.0	8113.6	8147.0	8176.0	8287.0	8441.7	8575.9	8790.8	8798.5	8761.3	8721.0
Broad money, end of period[8]	CMPY	9.5	11.2	14.5	14.2	13.8	14.6	16.8	16.3	13.5	16.0	15.1	14.2	11.9	13.0	11.9	12.0
NBH base rate (p.a.),end of period	%	8.5	6.5	6.5	6.5	6.5	6.5	9.5	9.5	9.5	9.5	9.5	12.5	12.5	12.5	12.5	12.3
NBH base rate (p.a.),end of period[9]	real, %	9.9	6.6	5.6	5.2	6.4	7.0	7.0	6.6	5.6	6.1	5.8	6.3	5.9	6.7	7.7	8.7
BUDGET																	
Central gov.budget balance,cum.	HUF bn	-1481.2	-12.9	-140.8	-224.1	-275.6	-252.9	-458.6	-424.8	-481.4	-588.7	-609.3	-701.3	-728.0	-173.9	-246.7	-365.0

1) Economic organizations employing more than 5 persons.
2) According to ILO methodology, from 2002 3-month averages comprising also the two previous months.
3) Revised according to NACE 50+52, from January 2003 NACE 52.
4) Based on cumulated national currency and converted with the average exchange rate.
5) Cumulation starting January and ending December each year.
6) Based on national currency and converted with the exchange rate.
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 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry[1]	real, CMPY	5.2	3.3	4.3	5.5	8.6	11.7	7.8	10.3	5.8	10.9	12.1	9.2	14.0	14.4	18.2	23.8
Industry[1]	real, CCPY	1.5	3.3	3.8	4.4	5.5	6.7	6.9	7.4	7.2	7.7	8.2	8.3	8.8	14.4	16.3	19.0
Industry[1]	real, 3MMA	3.9	4.3	4.4	6.1	8.5	9.3	9.9	8.0	9.1	9.8	10.8	11.8	12.5	15.5	19.0	.
Construction[1]	real, CMPY	-10.4	-11.0	-24.2	-25.3	-13.6	-6.9	-1.1	1.6	-3.0	-3.8	-4.9	-5.0	-0.7	-16.7	-6.3	6.2
LABOUR																	
Employees[1]	th. persons	4839	4736	4741	4728	4726	4723	4722	4722	4718	4711	4715	4701	4671	4669	4672	4667
Employees in industry[1]	th. persons	2448	2417	2418	2412	2408	2405	2405	2407	2406	2405	2415	2410	2391	2396	2399	2398
Unemployment, end of period	th. persons	3217.0	3320.6	3344.2	3321.0	3246.1	3159.6	3134.6	3123.0	3099.1	3073.3	3058.2	3096.9	3175.7	3293.2	3294.5	3265.8
Unemployment rate[2]	%	20.0	20.6	20.7	20.6	20.3	19.8	19.7	19.6	19.5	19.4	19.3	19.5	20.2	20.6	20.6	20.5
Labour productivity, industry[1]	CCPY	7.4	6.6	7.1	7.6	8.6	9.9	10.0	10.4	10.1	10.5	11.0	11.0	11.5	15.4	17.3	19.9
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	-8.1	-15.2	-16.0	-18.2	-19.1	-20.1	-19.9	-19.4	-18.4	-18.3	-18.5	-18.7	-19.0	-22.4	-22.5	-22.2
WAGES, SALARIES																	
Total economy, gross[1]	PLN	2532	2247	2235	2268	2321	2254	2301	2343	2295	2353	2331	2440	2662	2326	2377	2427
Total economy, gross[1]	real, CMPY	1.3	2.0	1.4	-0.1	3.6	-0.8	2.0	1.3	1.0	1.2	1.8	2.5	3.4	2.0	4.8	5.5
Total economy, gross[1]	USD	647	586	579	566	586	601	606	600	586	591	594	618	703	623	618	624
Total economy, gross[1]	EUR	635	553	537	525	540	521	519	527	526	527	508	527	572	494	490	509
Industry, gross[1]	USD	671	591	583	564	589	600	612	604	588	584	598	629	731	629	630	630
PRICES																	
Consumer	PM	0.1	0.4	0.1	0.3	0.2	0.0	-0.1	-0.4	-0.4	0.5	0.6	0.3	0.2	0.4	0.1	0.3
Consumer	CMPY	0.8	0.5	0.5	0.6	0.3	0.4	0.8	0.8	0.7	0.9	1.3	1.6	1.7	1.6	1.6	1.7
Consumer	CCPY	1.9	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.5	0.5	0.6	0.7	1.7	1.7	1.7
Producer, in industry	PM	0.1	0.4	0.6	0.9	-0.6	-0.6	0.3	0.7	0.3	0.5	0.7	0.4	0.1	0.8	0.7	1.3
Producer, in industry	CMPY	2.2	2.5	2.9	3.6	2.7	2.0	2.0	1.9	1.8	2.1	2.7	3.7	3.7	4.1	4.2	4.6
Producer, in industry	CCPY	1.0	2.5	2.7	3.0	3.0	2.8	2.7	2.6	2.5	2.4	2.5	2.6	2.7	4.2	4.2	4.4
RETAIL TRADE																	
Turnover[1]	real, CMPY	4.4	3.8	4.3	-1.9	11.4	9.9	7.7	5.5	5.1	9.4	9.2	10.0	17.1	6.3	10.6	.
Turnover[1]	real, CCPY	1.6	3.8	4.1	1.2	4.5	6.2	6.0	6.1	5.5	6.6	6.2	6.8	7.9	6.3	8.5	.
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	43418	3408	6916	10870	14808	18636	22392	26419	29998	34545	39271	43519	47525	3690	7010	.
Imports total (cif), cumulated	EUR mn	58331	4410	8888	13945	18969	23864	28469	33855	38427	44018	49740	54979	60305	4529	8781	.
Trade balance, cumulated	EUR mn	-14913	-1002	-1972	-3074	-4160	-5228	-6077	-7436	-8430	-9473	-10469	-11461	-12780	-840	-1771	.
Exports to EU (fob), cumulated	EUR mn	29832	2477	4919	7742	10443	13057	15644	18400	20745	23711	26990	29961	32681	2676	5062	.
Imports from EU (cif), cumulated	EUR mn	35986	2626	5375	8480	11556	14618	17493	20926	23644	26904	30433	33625	36873	2728	5326	.
Trade balance with EU, cumulated	EUR mn	-6154	-150	-455	-738	-1113	-1561	-1849	-2525	-2899	-3194	-3442	-3664	-4192	-53	-264	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-5409	-348	-1081	-1647	-2000	-2470	-2567	-2942	-2997	-3054	-2740	-3096	-3662	191	-19	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	3.911	3.832	3.863	4.003	3.961	3.748	3.797	3.906	3.918	3.981	3.922	3.949	3.788	3.735	3.846	3.890
PLN/EUR, monthly average	nominal	3.988	4.064	4.165	4.323	4.299	4.326	4.436	4.443	4.367	4.467	4.589	4.625	4.655	4.712	4.854	4.768
PLN/USD, calculated with CPI[5]	real, Jan98=100	94.9	92.9	94.3	98.1	96.6	91.3	92.7	95.9	96.9	98.2	96.1	96.3	92.0	90.3	92.9	93.7
PLN/USD, calculated with PPI[5]	real, Jan98=100	97.6	97.1	98.9	104.2	100.6	95.6	97.4	99.5	99.6	101.1	99.5	99.3	95.6	93.5	95.6	95.5
PLN/EUR, calculated with CPI[5]	real, Jan98=100	87.8	89.2	91.7	95.3	94.8	95.4	98.0	98.4	97.3	99.4	101.6	102.2	102.9	103.8	106.8	104.6
PLN/EUR, calculated with PPI[5]	real, Jan98=100	90.8	92.6	94.7	97.6	97.2	98.0	100.1	99.6	97.8	99.5	101.6	102.1	102.6	103.0	105.4	102.2
DOMESTIC FINANCE																	
M0, end of period	PLN bn	42.2	41.6	42.7	44.2	45.9	46.1	47.4	47.6	48.7	48.6	49.2	49.8	49.4	48.5	49.6	49.9
M1, end of period[6]	PLN bn	136.6	129.8	133.0	136.2	130.7	138.0	146.4	146.9	148.4	151.8	151.3	156.2	158.1	152.5	156.1	161.2
M2, end of period[6]	PLN bn	320.2	315.4	318.4	317.9	317.2	320.2	322.9	323.0	324.8	326.9	332.4	334.3	337.8	331.7	335.0	336.9
M2, end of period	CMPY	-2.4	-2.1	-1.9	-2.4	-0.1	-0.6	0.3	-0.4	0.6	1.9	3.5	5.3	5.5	5.2	5.2	6.0
Discount rate (p.a.),end of period	%	7.5	7.3	6.8	6.5	6.3	6.0	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Discount rate (p.a.),end of period[7]	real, %	5.2	4.6	3.7	2.8	3.5	3.9	3.7	3.8	3.9	3.6	3.0	2.0	2.0	1.6	1.5	1.1
BUDGET																	
Central gov.budget balance, cum.	PLN mn	-39403	-4039	-11637	-15430	-17954	-23218	-23818	-27637	-29562	-33086	-34828	-35482	-36989	-4138	-9346	-11805

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) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
6) Revised according to ECB monetary standards.
7) Deflated with annual PPI.

R O M A N I A: Selected monthly data on the economic situation 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	6.3	5.1	1.9	3.7	2.1	7.1	7.7	6.4	-0.7	1.9	1.5	-1.4	2.6	0.8	3.6	.
Industry, total[1]	real, CCPY	4.4	5.1	3.4	3.5	3.1	4.0	4.6	4.9	4.2	3.9	3.6	3.1	3.1	0.8	3.6	.
Industry, total	real, 3MMA	5.7	4.4	3.5	2.5	4.3	5.6	7.0	4.5	2.6	0.9	0.7	0.8	0.5	3.3	.	.
LABOUR																	
Employees total	th. persons	4331.0	4331.2	4348.6	4376.5	4393.6	4411.4	4420.5	4412.1	4416.8	4402.8	4390.0	4374.0	4333.8	4359.3	4375.8	.
Employees in industry	th. persons	1785.5	1796.4	1795.3	1801.3	1790.7	1786.0	1784.6	1776.1	1775.6	1771.1	1765.9	1758.3	1738.3	1754.8	1752.6	.
Unemployment, end of period	th. persons	760.6	781.4	798.4	779.2	731.4	693.1	663.6	650.4	619.2	608.8	634.7	655.4	658.9	693.4	702.4	.
Unemployment rate[2]	%	8.4	8.6	8.8	8.6	8.1	7.6	7.3	7.2	6.8	6.7	7.0	7.2	7.2	7.6	7.7	.
Labour productivity, industry	CCPY	13.7	11.9	10.5	10.6	10.4	11.3	12.1	12.5	11.9	11.8	11.6	11.2	11.2	8.7	11.4	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-9.5	-13.0	-12.2	-12.4	-12.8	-13.3	-13.7	-13.2	-12.3	-11.5	-11.1	-10.6	-10.6	-4.8	-4.9	.
WAGES, SALARIES																	
Total economy, gross	th. ROL	6521.6	6520.3	6054.1	6338.9	6885.5	6521.4	6476.2	6721.9	6647.9	6763.9	6873.7	7021.8	8068.9	8006.3	7484.0	.
Total economy, gross	real, CMPY	4.4	8.7	9.0	6.3	6.3	7.0	6.6	6.5	6.5	8.0	6.6	7.5	8.4	7.8	8.7	.
Total economy, gross	USD	194	195	184	191	204	201	199	206	199	200	207	206	244	246	233	.
Total economy, gross	EUR	190	183	171	177	188	173	170	181	179	178	177	176	199	195	184	.
Industry, gross	USD	188	176	176	184	198	194	193	205	197	199	202	196	227	216	223	.
PRICES																	
Consumer	PM	1.5	1.3	0.8	1.1	1.1	0.5	0.9	1.2	0.3	2.1	1.5	1.4	1.2	1.1	0.6	0.5
Consumer	CMPY	17.8	16.6	16.2	17.1	16.0	14.4	14.0	14.8	14.2	15.9	15.8	14.5	14.1	13.9	13.7	13.1
Consumer	CCPY	22.5	16.6	16.4	16.7	16.5	16.1	15.7	15.6	15.4	15.4	15.5	15.4	15.3	13.9	13.8	13.6
Producer, in industry	PM	1.3	2.5	2.4	1.5	1.5	0.6	0.1	1.0	1.0	3.1	1.6	1.7	1.1	2.4	0.8	.
Producer, in industry	CMPY	20.7	21.1	22.6	22.1	21.4	19.8	18.4	16.9	16.6	18.5	18.7	19.6	19.4	19.3	17.5	.
Producer, in industry	CCPY	23.1	21.1	21.9	22.0	21.8	21.4	20.9	20.3	19.8	19.6	19.5	19.5	19.5	19.3	18.4	.
RETAIL TRADE																	
Turnover	real, CMPY	1.1	5.6	3.3	2.2	-0.4	6.6	7.2	3.8	4.4	6.3	7.3	6.7	11.9	21.3	.	.
Turnover	real, CCPY	0.7	5.6	4.5	3.7	2.7	3.5	4.1	4.0	4.1	4.3	4.6	4.8	5.7	21.3	.	.
FOREIGN TRADE[3][4]																	
Exports total (fob), cumulated	EUR mn	14675	1200	2436	3778	4970	6232	7501	8995	10227	11574	13003	14374	15614	1218	2711	.
Imports total (cif), cumulated	EUR mn	18881	1414	2879	4541	6257	8065	9814	11736	13266	15129	17309	19288	21201	1537	3305	.
Trade balance, cumulated	EUR mn	-4206	-214	-443	-763	-1287	-1833	-2313	-2741	-3039	-3555	-4306	-4914	-5588	-319	-593	.
Exports to EU (fob), cumulated	EUR mn	9853	797	1678	2591	3382	4251	5119	6132	6951	7873	8848	9788	10571	857	1878	.
Imports from EU (cif), cumulated	EUR mn	11039	737	1607	2531	3494	4626	5707	6900	7735	8795	10014	11149	12223	798	1734	.
Trade balance with EU, cumulated	EUR mn	-1186	60	71	60	-112	-375	-588	-768	-784	-922	-1166	-1361	-1652	59	144	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	-1623	-28	-61	-157	-564	-967	-1246	-1386	-1395	-1647	-2108	-2499	-2920	-108	-131	.
EXCHANGE RATE																	
ROL/USD, monthly average	nominal	33654	33448	32884	33134	33703	32502	32616	32677	33359	33799	33157	34109	33013	32572	32073	32646
ROL/EUR, monthly average	nominal	34239	35594	35443	35823	36560	37617	38063	37166	37183	37924	38807	39913	40577	41094	40572	40055
ROL/USD, calculated with CPI[5]	real, Jan98=100	101.4	99.9	98.2	98.5	93.9	94.7	94.4	93.5	95.5	95.0	91.8	92.9	88.7	86.5	84.7	85.8
ROL/USD, calculated with PPI[5]	real, Jan98=100	97.0	95.8	93.6	95.3	92.5	88.6	89.6	88.8	89.9	88.7	86.1	86.8	83.4	80.4	78.5	.
ROL/EUR, calculated with CPI[5]	real, Jan98=100	93.8	96.4	95.6	95.9	97.0	99.3	99.7	96.1	96.1	96.2	97.1	98.6	99.4	99.5	97.7	96.0
ROL/EUR, calculated with PPI[5]	real, Jan98=100	90.1	91.8	89.7	89.5	89.5	91.2	92.1	89.0	88.3	87.4	88.1	89.2	89.6	88.6	86.8	.
DOMESTIC FINANCE																	
M0, end of period	ROL bn	45578	41543	45773	45868	51575	50214	52535	54460	58503	58143	58009	57262	57978	55969	58314	.
M1, end of period	ROL bn	88305	73802	78289	79941	87820	85019	92145	93725	99970	101514	100231	99413	113260	102240	104107	.
M2, end of period	ROL bn	373713	355721	367402	369451	378595	379098	388499	390876	407396	414468	423766	425654	460751	450217	458468	.
M2, end of period	CMPY	38.2	36.9	37.6	34.2	32.3	30.4	29.1	28.8	29.4	30.6	30.4	27.2	23.3	26.6	24.8	.
Discount rate (p.a.),end of period[6]	%	20.4	19.6	19.2	18.4	17.4	17.9	18.2	18.2	18.2	19.1	19.3	20.2	20.4	21.3	21.3	21.3
Discount rate (p.a.),end of period[6][7]	real, %	-0.2	-1.2	-2.8	-3.0	-3.3	-1.6	-0.2	1.1	1.4	0.5	0.5	0.5	0.8	1.6	3.2	.
BUDGET																	
Central gov.budget balance, cum.	ROL bn	-47618	1599	-2275	-7723	-7382	-10330	-16524	-12186	-10979	-11346	-11129	-17655	-29003	3835	-2634	.

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 2002 as of December 2001.
3) January 1994 to December 2002 calculated from USD by wiiw.
4) Cumulation starting January and ending December each year.
5) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
6) From 1, February 2002 reference rate of RNB.
7) Deflated with annual PPI.

R U S S I A: Selected monthly data on the economic situation 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	3.2	4.9	6.5	6.7	7.1	8.5	7.0	7.1	5.5	8.0	7.2	7.1	7.9	7.5	8.7	6.6
Industry, total	real, CCPY	3.7	4.9	5.7	6.0	6.3	7.1	6.8	6.8	6.6	6.8	6.8	6.8	7.0	7.5	8.1	7.6
Construction, total	real, CMPY	3.7	13.7	13.4	13.8	14.7	15.5	14.3	15.0	14.3	14.7	14.6	11.6	16.6	13.3	13.8	14.2
LABOUR																	
Employment total[1]	th. persons	65200	64700	64100	64600	65000	65500	66000	66400	66700	66600	66500	66500	66400	66400	66300	.
Unemployment, end of period[2]	th. persons	6294	6435	6575	6324	6072	5821	5744	5747	5680	5720	5920	6170	6310	5806	5863	5687
Unemployment rate[2]	%	8.8	9.1	9.3	8.9	8.5	8.2	8.0	8.0	7.8	7.9	8.2	8.5	8.7	8.0	8.1	7.9
WAGES, SALARIES																	
Total economy, gross	RUB	5738.0	4696.0	4701.0	4986.0	5100.0	5221.0	5550.0	5615.0	5491.0	5556.0	5864.0	5990.0	7344.0	5932.0	6141.0	6571.0
Total economy, gross	real, CMPY	9.8	9.2	9.9	7.8	8.3	9.8	9.3	7.2	7.4	8.6	11.6	13.5	14.3	13.5	18.0	19.4
Total economy, gross	USD	180	148	148	159	163	169	182	185	181	182	194	211	250	206	215	230
Total economy, gross	EUR	177	139	138	147	151	146	156	162	162	162	166	180	203	163	170	188
Industry, gross	USD	207	176	181	190	200	202	214	226	230	224	231	256	283	239	242	253
PRICES																	
Consumer	PM	1.5	2.4	1.6	1.1	1.0	0.8	0.8	0.7	-0.4	0.3	1.0	1.0	1.1	1.8	1.0	0.8
Consumer	CMPY	15.1	14.3	14.8	14.8	14.6	13.6	13.9	13.9	13.3	13.2	13.1	12.4	12.0	11.3	10.7	10.3
Consumer	CCPY	16.0	14.3	14.6	14.6	14.6	14.4	14.3	14.3	14.1	14.0	13.9	13.8	13.6	11.3	11.0	10.8
Producer, in industry	PM	-0.2	0.4	1.4	1.3	1.4	-0.2	0.7	2.2	1.4	1.4	1.2	0.5	0.6	4.2	3.4	1.7
Producer, in industry	CMPY	17.5	17.5	19.5	21.2	20.2	17.1	14.3	13.9	13.5	13.8	12.8	12.1	13.0	17.3	19.6	20.1
Producer, in industry	CCPY	11.8	17.5	18.5	19.4	19.6	19.1	18.2	17.6	17.0	16.6	16.2	15.8	15.6	17.3	18.4	19.0
RETAIL TRADE																	
Turnover[3]	real, CMPY	9.0	7.8	8.0	8.9	8.6	10.0	8.7	7.8	6.1	7.0	7.1	7.1	8.1	16.3	4.4	.
Turnover[3]	real, CCPY	9.0	7.8	7.9	8.2	8.3	8.7	8.7	8.5	8.2	8.1	8.0	7.9	7.9	16.3	10.4	.
FOREIGN TRADE [4)5)6)]																	
Exports total, cumulated	EUR mn	113557	9063	18215	28952	38327	47318	56861	66902	77668	87970	98836	108697	120193	9336	18795	.
Imports total, cumulated	EUR mn	64521	4410	9208	14746	20439	25524	30712	36589	42258	47991	54028	59782	66703	4170	9200	.
Trade balance, cumulated	EUR mn	49037	4654	9006	14206	17888	21794	26149	30313	35410	39979	44807	48915	53490	5167	9595	.
FOREIGN FINANCE																	
Current account, cumulated[7]	EURD mn	30790	.	.	10824	.	.	18228	.	.	25697	.	.	31772	.	.	8789
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	31.837	31.816	31.699	31.453	31.212	30.907	30.469	30.360	30.349	30.599	30.165	28.389	29.434	28.839	28.515	28.529
RUB/EUR, monthly average	nominal	32.443	33.807	34.188	33.952	33.867	35.738	35.594	34.560	33.876	34.300	35.296	33.261	36.134	36.377	36.092	35.018
RUB/USD, calculated with CPI[8]	real, Jan98=100	146.0	143.1	141.4	139.7	136.9	134.3	131.6	130.3	131.2	132.3	129.0	119.9	122.7	118.1	115.7	114.8
RUB/USD, calculated with PPI[8]	real, Jan98=100	161.2	163.5	163.4	164.2	155.7	154.4	152.5	148.5	146.6	146.3	143.4	133.7	138.4	130.1	124.4	122.4
RUB/EUR, calculated with CPI[8]	real, Jan98=100	135.1	137.6	137.5	135.6	134.2	140.5	139.0	133.9	132.0	133.7	136.3	127.3	137.2	135.7	133.3	128.3
RUB/EUR, calculated with PPI[8]	real, Jan98=100	149.8	156.3	156.5	153.7	150.5	158.5	156.6	148.8	144.1	143.9	146.4	137.4	148.3	143.3	137.5	131.1
DOMESTIC FINANCE																	
M0, end of period	RUB bn	763.2	708.9	730.8	749.5	822.3	855.5	917.0	940.9	966.3	957.1	975.8	1002.1	1147.0	1130.6	1164.1	.
M1, end of period	RUB bn	1498.0	1395.1	1440.3	1512.7	1583.4	1679.8	1821.8	1808.5	1844.3	1871.2	1850.2	1899.0	2181.9	2126.9	2197.1	.
M2, end of period	RUB bn	2842.4	2777.3	2915.3	2989.9	3052.4	3162.9	3339.7	3400.4	3448.9	3573.0	3543.1	3617.7	3962.1	3946.1	4093.0	.
M2, end of period	CMPY	33.9	35.1	38.5	39.9	37.9	38.2	41.7	41.5	41.1	43.2	39.6	39.0	39.4	42.1	40.4	.
Refinancing rate (p.a.), end of period	%	21.0	21.0	18.0	18.0	18.0	18.0	16.0	16.0	16.0	16.0	16.0	16.0	16.0	14.0	14.0	14.0
Refinancing rate (p.a.), end of period[9]	real, %	3.0	3.0	-1.2	-2.6	-1.9	0.8	1.5	1.9	2.2	2.0	2.9	3.5	2.7	-2.8	-4.7	-5.0
BUDGET																	
Central gov.budget balance, cum.	RUB bn	156.0	70.1	75.1	89.3	127.3	173.8	184.3	213.6	223.8	238.9	287.7	316.1	228.2	102.5	.	.

1) Based on labour force survey.

2) According to ILO methodology.

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 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	11.2	13.7	7.9	10.6	2.2	2.4	9.5	2.2	1.2	3.3	5.1	3.2	4.3	0.6	7.7	.
Industry, total	real, CCPY	6.7	13.7	10.7	10.7	8.4	7.2	7.6	6.8	6.1	5.8	5.7	5.4	5.3	0.6	4.1	.
Industry, total	real, 3MMA	11.3	10.9	10.7	6.8	5.0	4.7	4.7	4.4	2.3	3.3	3.9	4.2	2.7	4.2	.	.
Construction, total	real, CMPY	11.7	4.8	0.6	3.6	-0.4	0.3	3.3	5.8	9.4	14.3	8.3	6.7	11.5	0.9	4.1	.
LABOUR																	
Employment in industry	th. persons	549.3	547.8	550.3	554.1	558.2	561.1	563.8	562.4	561.7	565.1	566.2	561.2	549.1	544.9	545.8	.
Unemployment, end of period	th. persons	504.1	509.2	495.4	478.7	450.7	433.1	427.6	422.8	415.6	407.6	407.1	420.2	452.2	469.2	466.4	452.6
Unemployment rate[1]	%	17.5	17.7	17.1	16.5	15.4	14.8	14.6	14.5	14.3	13.9	13.8	14.2	15.6	16.6	16.5	16.0
Labour productivity, industry	CCPY	6.5	12.6	9.5	9.2	7.5	6.5	7.0	6.1	5.5	5.1	5.0	4.8	4.8	1.1	4.8	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	2.2	-4.0	-2.5	-2.7	-0.3	1.6	2.5	3.7	4.3	5.0	5.3	5.5	5.4	9.6	6.5	.
WAGES, SALARIES																	
Industry, gross	SKK	16097	14332	13466	14223	14827	15379	16140	15289	14688	15085	16069	17995	17259	15540	14627	.
Industry, gross	real, CMPY	2.0	-1.3	-2.7	-3.0	0.6	-0.2	1.6	-3.4	-4.3	-0.4	1.2	-1.0	-1.9	0.1	0.1	.
Industry, gross	USD	391	365	346	368	391	432	455	416	392	406	456	511	514	481	456	.
Industry, gross	EUR	385	344	321	340	361	374	389	366	350	363	389	437	420	381	360	.
PRICES																	
Consumer	PM	0.7	5.3	0.6	0.4	0.2	0.1	0.4	0.0	1.0	0.5	0.1	0.2	0.2	4.4	0.8	0.1
Consumer	CMPY	3.4	7.3	7.6	8.0	7.7	7.6	8.4	8.7	9.2	9.5	9.6	9.8	9.3	8.3	8.5	8.2
Consumer	CCPY	3.3	7.3	7.5	7.6	7.7	7.6	7.8	7.9	8.1	8.2	8.4	8.5	8.6	8.3	8.4	8.3
Producer, in industry[2]	PM	0.1	5.4	3.1	0.3	-0.1	-0.6	0.0	0.2	-0.2	0.1	-0.1	0.3	0.0	1.3	1.0	0.2
Producer, in industry[2]	CMPY	2.3	7.5	8.9	9.2	8.2	7.8	8.2	8.2	8.0	8.0	8.0	8.7	8.6	4.4	2.3	2.1
Producer, in industry[2]	CCPY	2.0	7.5	8.2	8.5	8.5	8.3	8.3	8.3	8.3	8.2	8.2	8.3	8.3	4.4	3.3	2.9
RETAIL TRADE[3]																	
Turnover	real, CMPY	8.5	-5.0	-3.8	-10.2	-1.9	-6.3	-9.3	-7.6	-5.7	-5.8	-5.0	-3.3	-0.7	0.5	4.0	.
Turnover	real, CCPY	5.8	-5.0	-4.4	-6.3	-5.2	-5.4	-6.1	-6.3	-6.2	-6.2	-6.1	-5.8	-5.2	0.5	2.3	.
FOREIGN TRADE[4][5]																	
Exports total (fob),cumulated	EUR mn	15274	1310	2691	4219	5713	7380	9040	10704	12259	13983	15819	17638	19356	1499	3140	4983
Imports total (fob),cumulated	EUR mn	17521	1327	2762	4359	5996	7610	9277	11052	12593	14339	16232	18083	19925	1447	3106	4991
Trade balance,cumulated	EUR mn	-2248	-17	-72	-140	-284	-230	-237	-348	-334	-356	-413	-445	-569	52	34	-8
Exports to EU (fob), cumulated	EUR mn	9249	832	1720	2716	3618	4614	5602	6571	7474	8472	9612	10730	11737	930	1934	3061
Imports from EU (fob), cumulated	EUR mn	8816	647	1350	2147	2981	3839	4710	5660	6460	7356	8335	9286	10236	733	1555	2541
Trade balance with EU, cumulated	EUR mn	433	185	370	569	637	775	892	912	1014	1116	1277	1445	1501	197	380	521
FOREIGN FINANCE																	
Current account, cumulated[4]	EUR mn	-2059	-43	-128	-118	-237	-162	-179	-173	-89	-65	-13	-171	-246	55	101	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	41.1	39.3	39.0	38.7	37.9	35.6	35.5	36.7	37.5	37.1	35.3	35.2	33.6	32.3	32.1	32.9
SKK/EUR, monthly average	nominal	41.8	41.7	42.0	41.8	41.1	41.1	41.5	41.8	41.9	41.5	41.3	41.1	41.1	40.7	40.6	40.4
SKK/USD, calculated with CPI[6]	real, Jan98=100	93.4	84.9	84.4	84.0	82.0	76.8	76.4	79.2	80.2	79.3	75.2	74.8	71.1	65.4	64.5	66.1
SKK/USD, calculated with PPI[6]	real, Jan98=100	98.8	91.1	89.2	90.6	86.1	81.3	81.8	84.4	86.4	85.8	82.1	81.4	77.9	73.9	72.7	74.5
SKK/EUR, calculated with CPI[6]	real, Jan98=100	86.0	81.5	82.0	81.6	80.2	80.2	80.7	81.2	80.8	79.9	79.4	79.1	79.1	75.1	74.2	73.6
SKK/EUR, calculated with PPI[6]	real, Jan98=100	91.4	86.9	85.3	84.8	83.0	83.3	84.0	84.4	85.0	84.1	83.8	83.3	83.2	81.4	80.2	79.8
DOMESTIC FINANCE																	
M0, end of period	SKK bn	84.2	84.1	87.2	86.8	86.3	87.0	86.6	87.7	90.8	89.1	90.2	91.7	91.8	91.7	91.7	90.8
M1, end of period	SKK bn	246.1	234.9	244.1	240.9	242.4	244.8	248.7	251.9	256.2	256.9	258.7	264.4	276.9	261.2	265.5	258.9
M2, end of period	SKK bn	713.7	702.2	713.2	710.3	711.7	718.7	702.0	722.3	729.6	725.7	732.2	740.5	750.7	739.0	744.1	724.0
M2, end of period	CMPY	4.9	5.1	5.7	6.7	7.4	7.5	3.4	4.3	4.8	5.2	5.4	5.4	5.2	5.2	4.3	1.9
Discount rate (p.a.),end of period[7]	%	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.25	6.25	6.25	6.00	6.00	6.00	6.00
Discount rate (p.a.),end of period[7][8]	real, %	4.1	-0.9	-2.2	-2.5	-1.6	-1.2	-1.6	-1.6	-1.4	-1.6	-1.6	-2.3	-2.4	1.6	3.7	3.8
BUDGET																	
Central gov.budget balance, cum.	SKK mn	-51642	-1688	-12985	-17810	-23786	-30580	-27619	-31190	-33104	-37675	-40396	-42779	-55973	-2658	-4424	1175

1) Ratio of disposable number of registered unemployment calculated to the economically active population as of previous year.
2) Based on revised index schema of 2000, excluding VAT and excise taxes.
3) According to NACE (52 - retail trade), excluding VAT.
4) Based on cumulated national currency and converted with the average exchange rate.
5) Cumulation starting January and ending December each year.
6) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
7) From January 2002 corresponding to the 2-week limit rate of NBS.
8) Deflated with annual PPI.

S L O V E N I A: Selected monthly data on the economic situation 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total	real, CMPY	2.8	-1.9	2.8	1.4	-2.4	-0.8	2.5	-0.8	-2.6	3.4	3.8	4.9	6.1	2.5	-0.2	.
Industry, total	real, CCPY	2.4	-1.9	0.4	0.8	-0.1	-0.2	0.2	0.1	-0.2	0.2	0.6	1.0	1.4	2.5	1.1	.
Industry, total	real, 3MMA	0.4	1.1	0.7	0.5	-0.6	-0.3	0.2	-0.2	0.2	1.9	4.0	4.9	4.5	2.7	.	.
Construction, total[1]	real, CMPY	2.2	-8.3	-10.0	-4.7	-1.4	-1.1	4.1	3.6	0.9	1.7	-3.8	-6.2	2.7	.	.	.
LABOUR																	
Employment total	th. persons	781.9	776.0	776.8	778.5	778.3	779.3	780.4	774.8	774.0	776.5	778.5	779.1	774.7	773.8	775.6	.
Employees in industry	th. persons	244.0	243.3	243.1	243.4	242.7	242.4	242.5	241.4	241.0	241.3	242.0	242.3	240.4	.	.	.
Unemployment, end of period	th. persons	99.6	101.6	100.6	98.8	97.1	95.3	94.4	96.9	98.2	98.2	98.9	96.2	96.0	99.0	98.1	.
Unemployment rate[2]	%	11.3	11.6	11.5	11.3	11.1	10.9	10.8	11.1	11.3	11.2	11.3	11.0	11.0	11.3	11.2	.
Labour productivity, industry	CCPY	5.6	0.3	2.6	3.1	2.2	2.2	2.6	2.5	2.2	2.6	3.0	3.3	3.7	.	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-0.1	4.4	1.6	0.7	1.7	1.7	1.5	1.6	1.8	1.5	1.2	0.9	0.4	.	.	.
WAGES, SALARIES																	
Total economy, gross	th. SIT	262.1	247.1	241.5	243.7	246.9	249.3	248.2	250.9	251.5	253.8	257.2	270.3	277.6	258.2	254.8	.
Total economy, gross	real, CMPY	4.4	2.4	1.9	2.4	1.9	2.3	2.1	2.1	1.0	2.4	2.3	1.7	1.3	0.5	1.8	.
Total economy, gross	USD	1159	1136	1126	1134	1151	1236	1242	1219	1194	1208	1278	1340	1438	1375	1356	.
Total economy, gross	EUR	1140	1071	1044	1051	1063	1070	1063	1072	1071	1080	1092	1145	1174	1090	1073	.
Industry, gross	USD	1006	970	947	964	983	1056	1051	1046	1023	1042	1112	1177	1248	1185	.	.
PRICES																	
Consumer	PM	0.6	1.0	0.5	0.7	0.5	0.5	0.3	0.5	-0.4	0.3	0.3	0.3	0.1	0.4	0.1	0.6
Consumer	CMPY	7.2	6.6	6.2	6.3	5.3	5.5	6.0	6.0	5.5	5.0	4.8	5.1	4.6	4.0	3.6	3.5
Consumer	CCPY	7.5	6.6	6.4	6.3	6.1	5.9	6.0	6.0	5.9	5.8	5.7	5.6	5.5	4.0	3.8	3.7
Producer, in industry	PM	0.6	0.2	-0.2	0.1	0.3	0.5	0.1	0.0	0.0	0.2	0.2	0.2	0.6	0.4	1.0	0.3
Producer, in industry	CMPY	3.7	3.6	2.8	2.5	2.4	2.8	2.7	2.5	2.3	2.5	2.3	2.1	2.1	2.3	3.5	3.8
Producer, in industry	CCPY	5.1	3.6	3.2	3.0	2.8	2.8	2.8	2.8	2.7	2.7	2.6	2.6	2.5	2.3	2.9	3.2
RETAIL TRADE[3]																	
Turnover	real, CMPY	6.7	4.5	8.9	0.9	7.2	6.5	6.2	4.1	0.8	7.4	5.1	-0.5	5.3	3.7	.	.
Turnover	real, CCPY	4.8	4.5	6.7	4.5	5.2	5.5	5.6	5.4	4.8	5.1	5.1	4.6	4.7	3.7	.	.
FOREIGN TRADE[4][5]																	
Exports total (fob), cumulated	EUR mn	10966	848	1753	2742	3723	4648	5592	6598	7299	8364	9453	10431	11288	859	1824	.
Imports total (cif), cumulated	EUR mn	11578	869	1897	2992	4028	5087	6077	7130	7921	9006	10125	11194	12239	883	1917	.
Trade balance total, cumulated	EUR mn	-612	-21	-144	-250	-305	-439	-485	-533	-622	-643	-672	-763	-952	-24	-93	.
Exports to EU (fob), cumulated	EUR mn	6509	559	1107	1703	2282	2836	3382	3949	4308	4922	5546	6110	6577	540	1121	.
Imports from EU (cif), cumulated	EUR mn	7871	573	1254	1999	2699	3415	4093	4826	5330	6049	6808	7530	8228	585	1279	.
Trade balance with EU, cumulated	EUR mn	-1362	-14	-146	-296	-416	-578	-710	-877	-1022	-1127	-1262	-1419	-1651	-46	-159	.
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	330	88	56	-25	-13	-80	-56	-34	-34	61	139	129	17	74	92	.
EXCHANGE RATE																	
SIT/USD, monthly average	nominal	226.2	217.5	214.5	214.8	214.4	201.7	199.8	205.8	210.7	210.1	201.2	201.7	193.0	187.8	187.9	193.8
SIT/EUR, monthly average	nominal	230.0	230.7	231.3	231.9	232.4	233.0	233.5	234.1	234.7	235.0	235.5	236.0	236.5	237.0	237.4	237.8
SIT/USD, calculated with CPI[6]	real, Jan98=100	103.7	99.1	98.1	98.1	97.2	90.8	89.9	92.2	95.1	94.8	90.4	90.2	86.0	83.4	83.3	85.5
SIT/USD, calculated with PPI[6]	real, Jan98=100	108.4	106.0	106.5	109.3	105.4	98.6	98.4	101.3	103.8	103.7	99.7	99.4	94.9	92.0	91.1	93.7
SIT/EUR, calculated with CPI[6]	real, Jan98=100	95.7	95.2	95.3	95.3	95.2	95.0	95.0	94.7	95.5	95.6	95.6	95.6	96.0	95.8	95.9	95.5
SIT/EUR, calculated with PPI[6]	real, Jan98=100	100.5	101.1	102.0	102.4	101.8	101.1	101.1	101.4	101.9	101.8	101.9	102.0	101.5	101.3	100.5	100.4
DOMESTIC FINANCE																	
M0, end of period	SIT bn	143.1	137.8	139.2	142.0	147.2	150.2	153.3	147.3	152.7	151.2	154.6	155.4	156.0	152.9	153.3	.
M1, end of period[7]	SIT bn	720.1	681.2	694.5	706.1	711.7	719.7	774.6	755.3	753.6	769.0	759.4	768.8	797.2	782.3	787.4	795.8
Broad money, end of period[7]	SIT bn	3600.7	3563.0	3583.0	3578.9	3598.6	3623.2	3679.2	3717.4	3716.0	3720.7	3762.3	3777.7	3778.0	3784.6	3792.6	3791.9
Broad money, end of period[7]	CMPY	18.4	15.9	15.5	13.8	13.1	13.1	15.5	15.0	14.3	9.8	10.8	6.0	4.9	6.2	5.9	6.0
Discount rate (p.a.),end of period[8]	%	7.25	7.25	7.25	6.50	6.50	6.50	5.50	5.50	5.50	5.50	5.25	5.00	5.00	4.75	4.50	4.50
Discount rate (p.a.),end of period[9]	real, %	3.4	3.5	4.3	3.9	4.0	3.6	2.7	2.9	3.1	2.9	2.9	2.8	2.8	2.4	1.0	0.7
BUDGET																	
General gov.budget balance, cum.	SIT bn	-156.0	3.9	-21.2	-30.1	-11.3	-27.6	-56.3	-51.6	-64.5	-49.3	-46.4	-72.7	-79.9	.	.	.

1) Effective working hours. Enterprises with 10 or 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) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
7) According to ECB monetary standards..
8) From October 2001 main refinancing rate.
9) Deflated with annual PPI.

U K R A I N E: Selected monthly data on the economic situation 2002 to 2004

(updated end of Apr 2004)

		2002 Dec	2003 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2004 Jan	Feb	Mar
PRODUCTION																	
Industry, total[1]	real, CMPY	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
Industry, total	real, CCPY	7.0	11.6	10.8	10.7	11.4	11.7	12.4	13.8	14.6	15.2	15.7	15.5	15.8	16.1	18.2	18.8
Industry, total[1]	real, 3MMA	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
LABOUR																	
Unemployment, end of period	th. persons	1034.2	1061.0	1100.9	1109.4	1107.3	1057.8	1012.7	996.1	982.8	961.8	938.6	949.9	988.9	1003.6	1045.4	1061.2
Unemployment rate[2]	%	3.8	3.9	4.0	4.0	4.0	3.9	3.7	3.6	3.6	3.5	3.4	3.5	3.6	3.7	3.8	3.9
WAGES, SALARIES [1]																	
Total economy, gross	UAH	442.9	400.6	391.2	415.5	422.6	439.3	476.2	489.5	479.2	498.3	498.3	489.5	550.9	499.7	510.1	545.1
Total economy, gross	real, CMPY	17.7	25.0	16.2	12.3	14.7	17.8	19.1	14.5	16.1	19.9	17.3	14.4	14.9	15.3	21.4	23.0
Total economy, gross	USD	83	75	73	78	79	82	89	92	90	93	93	92	103	94	96	102
Total economy, gross	EUR	82	71	68	72	73	72	76	81	81	83	80	78	84	74	76	84
Industry, gross	USD	104	99	96	103	105	108	.	.	.	.	.	.	.	.	.	.
PRICES																	
Consumer	PM	1.4	1.5	1.1	1.1	0.7	0.0	0.1	-0.1	-1.7	0.6	1.3	1.9	1.5	1.4	0.4	0.4
Consumer	CMPY	-0.6	-0.1	2.5	4.3	3.6	3.9	5.9	7.4	5.8	6.2	6.9	8.1	8.2	8.1	7.4	6.6
Consumer	CCPY	0.8	-0.1	1.2	2.2	2.6	2.8	3.3	3.9	4.1	4.4	4.6	4.9	5.2	8.1	7.8	7.4
Producer, in industry	PM	0.0	0.5	0.7	2.1	0.3	0.3	0.0	1.0	1.0	0.9	0.7	1.5	1.7	1.6	2.9	2.2
Producer, in industry	CMPY	5.8	6.8	6.8	9.9	8.9	7.6	5.3	5.3	6.8	7.4	8.0	9.4	11.2	12.4	14.9	15.0
Producer, in industry	CCPY	3.1	6.8	6.8	7.8	8.1	8.0	7.5	7.2	7.1	7.2	7.3	7.5	7.8	12.4	13.7	14.1
RETAIL TRADE																	
Turnover[3]	real, CCPY	14.8	11.6	12.6	12.4	11.9	13.8	15.1	16.8	17.1	18.1	19.1	18.9	19.4	19.9	21.4	.
FOREIGN TRADE[4)5)]																	
Exports total (fob), cumulated	EUR mn	19004	1402	2899	4607	6345	7809	9330	11143	12877	14692	16585	18430	20408	1686	3543	.
Imports total (cif), cumulated	EUR mn	17967	1265	2633	4225	5967	7392	8928	10732	12513	14354	16311	18131	20356	1374	3059	.
Trade balance, cumulated	EUR mn	1037	137	266	383	378	417	402	411	364	338	274	299	52	312	484	.
FOREIGN FINANCE																	
Current account, cumulated[6]	EUR mn	3360	.	.	1004	.	.	1642	.	.	2237	.	.	2559	.	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.332	5.333	5.334	5.334	5.334	5.333	5.333	5.332	5.332	5.332	5.332	5.332	5.332	5.331	5.331	5.330
UAH/EUR, monthly average	nominal	5.422	5.645	5.752	5.758	5.786	6.125	6.225	6.066	5.951	5.968	6.238	6.239	6.541	6.725	6.735	6.526
UAH/USD, calculated with CPI[7]	real, Jan98=100	167.1	165.3	164.8	164.0	162.6	162.2	162.4	162.7	166.0	165.5	163.2	159.8	157.1	155.0	154.3	153.7
UAH/USD, calculated with PPI[7]	real, Jan98=100	148.1	150.2	151.7	152.4	147.3	146.7	148.0	146.3	145.0	144.3	144.2	141.5	139.7	137.4	133.6	130.6
UAH/EUR, calculated with CPI[7]	real, Jan98=100	154.0	158.1	160.0	159.0	159.0	168.3	171.1	166.7	166.7	166.7	172.2	169.1	175.3	177.7	177.2	171.1
UAH/EUR, calculated with PPI[7]	real, Jan98=100	137.1	142.7	145.0	142.5	142.0	149.3	151.6	146.2	142.3	141.4	147.0	145.0	149.3	151.1	147.0	139.4
DOMESTIC FINANCE																	
M0, end of period	UAH mn	26434	24707	25503	26002	27650	27879	29375	30080	31072	30862	31549	31318	33119	31501	32672	33580
M1, end of period	UAH mn	40244	37877	38974	41615	42743	43447	46815	47276	48315	50293	49341	49467	53129	49792	51387	54970
Broad money, end of period	UAH mn	64532	62853	64945	69731	72509	73977	79034	80786	83048	86495	86856	88295	95043	92643	96050	101151
Broad money, end of period	CMPY	41.7	44.1	44.2	47.3	49.8	51.6	54.4	49.8	47.5	49.8	48.0	48.2	47.3	47.4	47.9	45.1
Refinancing rate (p.a.),end of period	%	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Refinancing rate (p.a.),end of period[8]	real, %	1.1	0.2	0.2	-2.6	-1.8	-0.6	1.6	1.6	0.2	-0.4	-0.9	-2.2	-3.8	-4.8	-6.9	-7.0
BUDGET																	
General gov.budget balance, cum.	UAH mn	1635.4	1451.1	2194.3	1871.3	2348.1	3375.2	2500.9	2889.3	4028.2	3991.5	3636.2	4111.6	-489.9	1614.7	1814.9	.

1) Excluding small firms.
2) Ratio of unemployed to the economically active.
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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