

Monthly Report | 12/10

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- **Migration, Skills and Productivity**
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Save the date!
wiiw's Spring Seminar:

The Ways Out of the Crisis: Are They Sustainable?

will take place on
Friday, 25 March 2011

Seminar's agenda:

- 9:00 Opening Remarks (*F. Lacina*)
- 9:10 Welcome Address (*N.N., RZB*)
- 9:20 Keynote Speech 1: Global Crisis – Global Implications – Local Impacts (*J. Fischer, EBRD Executive director and former Czech PM*)
- 10:00 Economic Prospects and Challenges for CESEE (*P. Havlik et al.*)
- 11:00 Impacts of the Crisis on European and Global Emerging Economies: Why Do They Differ? (*M. Landesmann*)
- 11:45 The new EU Governance and Implications for CESEE (*V. Gligorov*)
- 12:30 Lunch
- 14:00 Keynote Speech 2: Two Years of the Euro in Slovakia: Lessons and Challenges (*I. Miklos, Slovak Deputy PM and Minister of Finance*)
- 15:00 Post-Crisis Labour Market Challenges (*H. Vidovic, M. Holzner*)
- 16:00 End of the Seminar

A structural decomposition of international trade*

BY JOSEPH F. FRANCOIS AND JULIA WÖRZ**

For many years, the global trade volume expanded considerably faster than global output. Real annual export growth was at 6 per cent on average over the past 15 years, at the same time global GDP and production grew only half as fast in real terms, by approximately 3 per cent per annum (WTO, 2010). Similarly, trade has fallen disproportionately strongly in the recent crisis, calling again for explanations of the 'over-shooting' in the trade response to the economic crisis (see for example Francois and Wörz, 2009, for a demand-based explanation). The question thus arises, what are the factors that have caused trade to grow faster than world output over decades? And are these factors going to shape world trade growth in the future? We scrutinize this issue by decomposing real world export growth into its regional and sectoral components. The idea is similar to the de-mystification of the East Asian growth miracle by Young (1995), who showed that the extraordinary growth performance of the four East Asian 'tigers' can be explained in a satisfactory way by rapid factor accumulation and structural shifts of labour out from relatively unproductive (agricultural) activities into highly productive manufacturing sectors. Our results suggest that trade has grown faster than global output mainly because fast-growing economies were moving predominantly into highly trade intensive sectors, thus adding more to world trade than just their GDP-weight.

* This is a short version of a paper presented at the Conference on European Economic Integration, 'Catching-Up Strategies after the Crisis', 15-16 November 2010, Oesterreichische Nationalbank, Vienna. The authors would like to thank Doris Ritzberger-Grünwald, Peter Mooslechner, Jarko Fidrmuc, Martin Schneider, Mariya Hake and Josef Schrein-er as well as participants at the 12th ETSG meeting in Lausanne for their comments and Angelika Knollmayer and Andreas Nader for their research assistance.

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We will put special emphasis on Central, Eastern and South Eastern European economies (CESEE). Their export orientation has played an important role in their successful catching-up performance shown over the past two decades. Hence, the recovery of the global trading system will continue to be of importance for their future development.

Our focus is on analysing regional and sectoral patterns of trade and the trade response to output growth. We are working here at the detailed industry level, which implies that we have to combine data from different sources. For trade data, we are using the UN COMTRADE database. Using WITS¹ we aggregate 6-digit HS export and import data directly into 2-digit ISIC, revision 3 industries. Data on domestic production (value added, output, wage and employment) are taken again at the ISIC (revision 3) 2-digit level from UNIDO Industrial Statistics Database 2010. All data are in USD, converted at year-average exchange rates from the IMF's International Financial Statistics database. In total we arrive at a sample consisting of a maximum of 196 countries over the period 1988 to 2009, covering 25 manufacturing industries, ranging from ISIC (revision 3) codes 1 – agriculture and fishing – to 40 – electricity, gas and water supply. Country coverage before 1995 (when we reach a solid average of 150 exporters reporting trade data every year) is rather patchy. For this reason and in order to exclude the crisis-related trade and output decline from our long-term analysis, we restrict the sample to the years 1995 to 2007 and we further exclude agriculture, mining and utilities, gas and water supply. This leaves us with more than 40,000 observations spanning roughly 150 countries, 13 years and 22 industries.

We classify countries broadly into seven geographic regions: EU-15 comprises all EU member states prior to the 2004 enlargement. NAFTA includes the US, Canada and Mexico. CESEEs are divided into

¹ The access software 'World Integrated Trade Solutions' was developed jointly by the World Bank and UNCTAD and allows to aggregate countries and goods prior to downloading the data. It further includes tools for the analysis of tariffs and non-tariff barriers, a feature which we did not use in this context.

2 regions: We refer to the ten EU members which acceded the EU in 2004 and 2007 as CEE-10, while the remaining ten Eastern and South Eastern European countries are grouped as CIS & Balkans, including Russia. South East Asia (S-E-Asia) contains ten ASEAN members plus China, India, Japan and South Korea. Latin America (LatAm) consists of 14 mainland Latin American countries. All remaining countries are classified as rest of the world (ROW).

A major concern was to deflate all data in order to reflect different price developments within individual industries. Since industry-specific price deflators were not available for all countries in the sample, we use US prices as a shortcut. This implies the rather crude assumption that price developments do not vary across countries, however it does take account of the fact that certain goods were becoming constantly cheaper over the observation period (for example computers lost dramatically in value) while others were subject to continuous price increases (such as chemical products and food and beverages). We use industry-specific US import price indices to deflate export data. Since the US imports goods from almost all countries in the world, we are confident that these price indices reflect

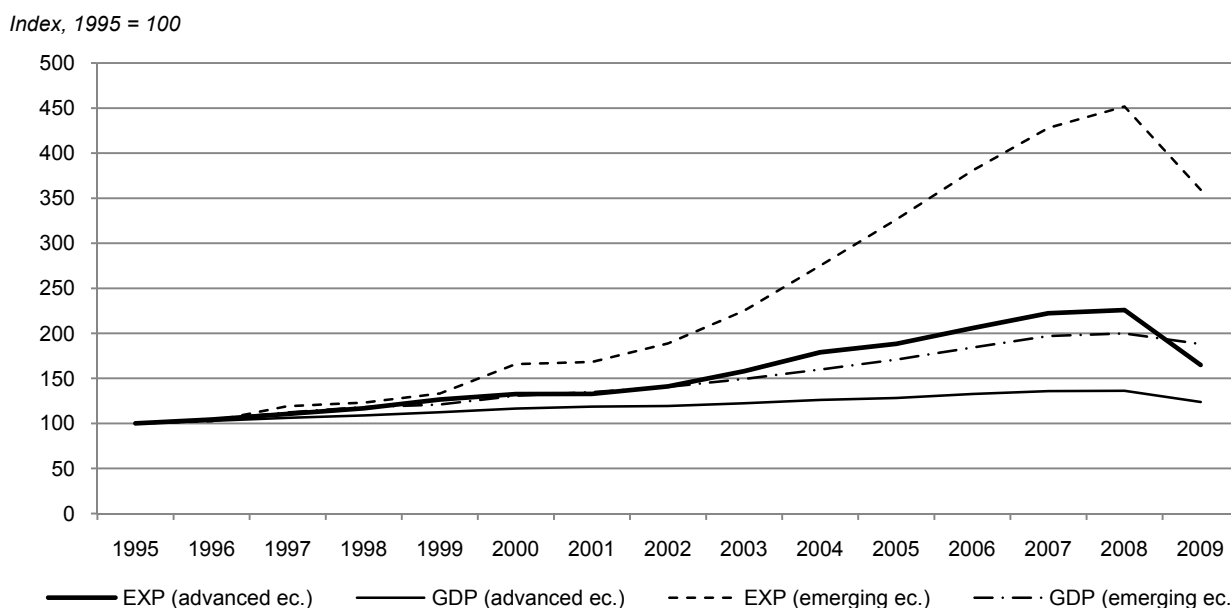
average world price developments for traded goods. For domestic production data (value added, output and wages) we use the US producer price index.

Regional trends in world exports since 1995

Figure 1 reveals a global shift of world output and trade towards emerging economies. Although the majority of global production (73% of global GDP in 2007, down from 79% in 1995) remains inside the advanced economies, dynamics are much stronger in emerging economies. Over the same period, average annual GDP growth was 2.6% in advanced economies compared to 5.8% in emerging countries. This regional re-allocation is more pronounced with respect to world exports. In 1995 70.6% of the world export volume originated from advanced markets, by 2007 their share had fallen to 55.5% (and further to 52.4% in the crisis year 2009). This loss in global export market share was a consequence of the large growth differential between the two groups of countries. Average real export growth amounted to 6.9% in advanced countries over the 1995-2007 period, only about half the 13.3% per annum growth performance recorded for emerging markets' exports.

Figure 1

Global exports and GDP, 1995-2009

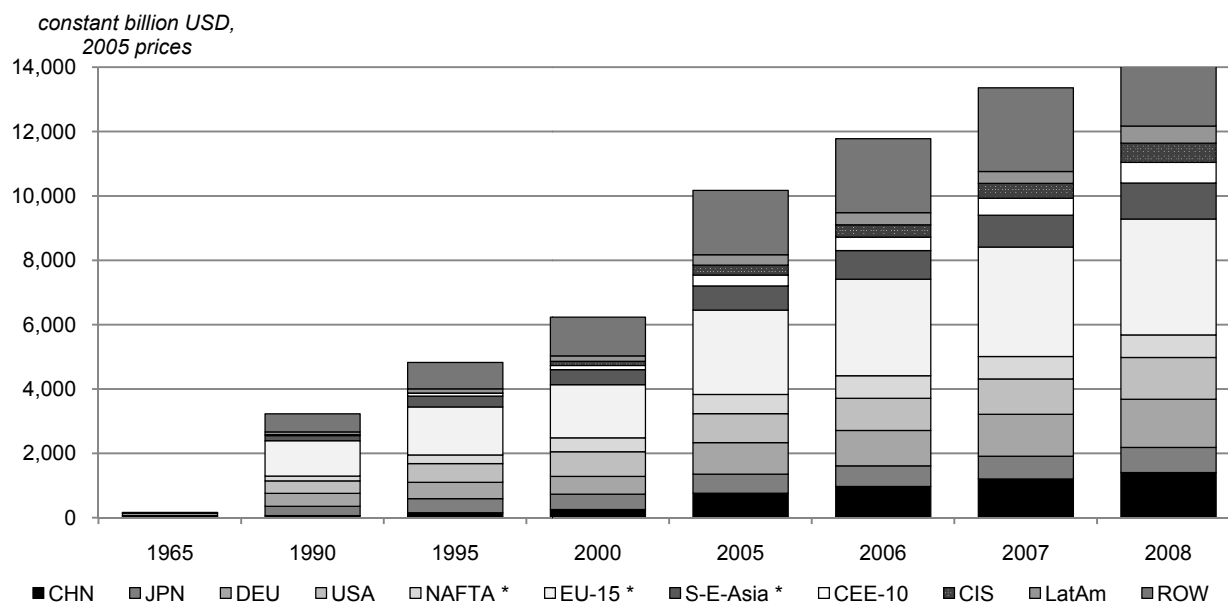


Note: Advanced economies are OECD members excluding Czech Republic, South Korea, Mexico, Poland, Slovakia, and Turkey. Exports are deflated by sector specific US import prices, GDP by the GDP deflator.

Source: Own calculations based on UN COMTRADE and World Bank WDI database.

Figure 2

Regional composition of world exports, 1985-2008



Note: Total merchandise exports are deflated using the country-specific consumer price index; * denotes the region without the respective country displayed separately.

Source: Own calculations based on UN COMTRADE.

Figure 1 also illustrates the huge growth gap between exports and GDP, a point which we will discuss in more detail below. Several factors can explain this growth differential. One of them is related to structural differences between domestic output and the external sector: GDP largely consists of non-tradables, the share of services in GDP is often around 70% and services continue to be considerably less suitable to trade than goods. The relatively constant goods share in total exports of more than 70% suggests that the tradability of services is growing proportional to the expansion of world trade, but not more.² Another explanation of this growth differential may be found in conceptual differences between GDP (which is a value-added concept) and exports (which are measured on a gross basis). Finally, the increasing importance of outsourcing and fragmentation is often cited in this context.

² Figure 1 above only includes merchandise exports, thus excluding service exports altogether. See Pindyuk and Wörz (2008) for a comprehensive description of global services trade flows.

The global regional shift in world exports is depicted in more detail in Figure 2 below. It demonstrates in particular the impressive growth of China's share in world exports. Other rapidly expanding regions are South East Asia, the new EU member states (CEE-10) and CIS and the Balkans (CIS). Their gains in world market shares came mainly at the expense of Western Europe, NAFTA, Japan, but also Latin America. On the other hand, Germany could maintain its world market share remarkably well, which may be related to a growing importance of intra-EU trade.

Another salient feature of global trade is the growing share of intra-regional trade (see Table 1). For almost all regions, intra-regional exports are gaining importance, especially so in South East Asia, Latin America and EU-15. CESEEs exhibit a different behaviour with a stable or declining share of intra-regional exports in the strict sense (i.e. within the CEE-10 or the CIS/Balkans area respectively). This is related to their transition, which implied also a re-orientation of their trade flows away from previous COMECON partners towards new trading

partners in the West. Hence, their ongoing integration into global trade networks implied a decline of intra-regional trade contrary to the general worldwide trend.³ Also China shows the same pattern, exports to other South East Asian partners are declining in relative terms since the opening up to international trade in the 1980s. China's intra-regional trade share seems to stabilize lately at roughly 25% of total exports. In contrast, intra-regional trade is rapidly growing in importance for Japan, which reflects the greater dynamism in South East Asia, making the region a more attractive destination for Japanese exports.

Table 1

Share of intra-regional exports, 1985-2009

in % of total exports to world

	1985	1995	2005	2008	2009
DEU - EU-15	50.0	50.6	53.4	50.8	51.7
USA - NAFTA	28.1	29.7	36.8	32.0	31.8
CHN - S-E-Asia	32.8	30.7	24.1	24.5	25.2
JPN - S-E-Asia	18.3	28.5	33.6	37.2	33.6
EU-15	53.0	56.3	58.8	56.4	54.9
CEE-10	-	10.8	7.0	9.0	7.9
CIS & Balkan	-	39.2	24.7	26.4	18.7
NAFTA	44.3	46.2	55.9	49.9	48.3
Latin America	10.2	25.6	19.3	21.6	23.7
South East Asia	27.4	34.2	34.8	35.4	34.9

Note: Intra-regional trading partners for individual countries are defined as follows: EU-15 for Germany, NAFTA for USA and South and East Asia (S-E-Asia) for Japan and China.

Source: Own calculations based on UN COMTRADE.

Sectoral trends in world exports over the past two decades

The rising importance of individual players in global exports is intrinsically related to structural change within these countries. Global exports are rather concentrated in a handful of economic activities. At

the same time there has been a great deal of restructuring over the past two decades. The five most important industrial activities (machinery and equipment; radio, TV & communication equipment; motor vehicles; chemicals and related products; accounting & office machinery) accounted for 58% of world manufacturing exports in 2007, whereas in 1990 their cumulative share was 45%. Rather diverse developments are observed for each of these industries: The share of motor vehicle exports has fallen from 16% in 1990 to slightly more than 10% in real terms in 2007. The sector-specific deflation which we employ in this analysis plays an important role for this result. Also the share of other transport equipment has been on a continuous decline since 1990, from more than 6% to less than 4% of real manufacturing exports. The 2008/09 crisis reinforced these developments. On the other hand, real exports of office and accounting machinery have shown a tremendous increase, the share of computers and related products in global export volume has risen from a mere 1.2% in 1990 to 9% in 2007. Real export shares of machinery and equipment as well as radio, TV and communication equipment had also increased to more than 13% by 2007, while the share of chemicals and chemical products remained roughly stable at 11% since 1990. Thus, this global overview already reveals substantial structural changes in world trade flows, however a more detailed look reveals – rather unsurprisingly – that the countries reporting a shift in export patterns to their fastest growing industries were those to report the highest real export growth figures.

Table 2 shows that South East Asia is moving most strongly into the five most important categories in world manufacturing trade. Trade patterns between the region and the world average are highly congruent in 2007. Of course, average world patterns are dominated by NAFTA and the EU-15, which are still the largest exporters in 2007 as shown in Figure 2 above. In this sense, and representing also the largest fraction of worldwide demand for manufactures, sectoral specialization patterns in NAFTA and the EU-15 meet international demand and can thus be considered as 'successful' (Buite-

³ Certainly, if the relevant market for 'intra-regional' trade were defined as intra-EU-trade for the EU-10, then the respective figures would rise to roughly 68% in 2005 and around 65% in 2008 and 2009, thus showing the enormous importance of intra-regional trade for the region. However, since we focus on long-term structural change in trade flows in this paper, we define intra-regional markets as those at the beginning of our observation period.

Table 2

Top-5 export activities by region

	1995	2007
	<i>share of region's exports in %</i>	
CEE-10, cumulative real export growth: 445%		
motor vehicles	6.5	18.2
machinery	6.8	13.5
radio, TV & comm. equ.	2.1	11.4
electrical mach.	4.8	7.7
office & acc. mach.	0.2	7.1
S-E-Asia, cumulative real export growth: 260%		
radio, TV & communication equ.	17.6	21.0
office & acc. mach.	3.6	15.7
machinery & equip.	8.5	12.2
motor vehicles	11.5	8.2
chemicals & products	8.0	6.6
EU-15, cumulative real export growth: 125%		
machinery & equip.	11.1	17.5
chemicals & products	13.3	14.9
motor vehicles	14.2	14.7
radio, TV & communication equ.	4.4	6.2
food & beverages	8.3	5.7
NAFTA, cumulative real export growth: 117%		
motor vehicles	17.7	15.0
machinery & equip.	9.4	14.1
radio, TV & communication equ.	9.5	11.9
chemicals & products	11.2	10.5
office & acc. mach.	2.7	8.0
Latin America, cumulative real export growth: 115%		
food & beverages	23.8	26.0
basic metals	20.1	14.3
motor vehicles	6.5	10.9
chemicals & products	7.8	8.0
machinery & equip.	3.3	7.1

Note: CIS & Balkans are not reported here. Due to the dominance of Russia, basic metals and coke and petroleum products are dominating the export structure of this region resulting in a rather unique export pattern.

Source: Own calculations.

laar and van Kerkhoff, 2010). However, the dynamics towards globally strongly growing export categories are more pronounced in emerging regions, such as South East Asia or CEE-10. The new EU members show a distinct pattern of exports with an increasing share of motor vehicles. In 2007 this category represented more than 18% of CEE-10 exports, more than the 11% share of this category in global exports. Further, the importance of motor vehicles is still on the rise in the region, in contrast to global developments. It should be noted that the

CEE-10 region has probably undergone the most dramatic structural change in this period out of all regions in our sample. This is not surprising for transition countries. The point we want to make here is that the impressive real export growth of the region goes hand in hand with substantial structural changes at the industry level, which are mirrored by developments in domestic value added, as we will show below.

Decomposing world exports

When describing our database, we have repeatedly pointed out the importance of structural change for the developments of world trade. We are thus interested in a decomposition of the real trade growth along several dimensions, including the national and regional component of changes in trade, the sector composition of changes in trade, and finally also changes in the sector composition of regional trade.

Table 3 gives the details of the decompositions of the overall trade volume growth rates. The first term A captures changes in the global volume of trade. In the case where country s is identical in trade structure and changes in trade to the global average, this also represents the change in trade volume for country s . Put differently, the term A captures the pure growth effect in the absence of changes in the underlying sector structure. The terms B and C capture reasons why country s may have a trade growth that is different from the global average. Both of these terms refer to a different impact of the sector structure of trade. In other words, a large contribution of these two effects to the country's overall trade growth reflects a high importance of industrial structure or structural change for the country. The second term, B, captures differences in the importance of various sectors i for country s – for example if steel exports are more important for country i than they are for the world as a whole. This reflects the contribution of the initial trade structure to subsequent trade growth. A positive effect implies that the country's initial trade structure is beneficial for future export growth. In contrast, a negative value would reveal

that the initial industry structure has been a drag on growth. The final term C captures differences in the change in trade at the sector level for country *s* relative to the world – for example if steel exports fall or rise more for country *i* than they do for the world as a whole. This effect quantifies the importance of structural change for trade growth. A positive value would again reveal a growing share of fast growing industries with a rising export intensity, thus improving the country's trade performance.

Table 3 reports the results of this decomposition analysis applied to exports. While the EU-15, NAFTA and also Latin America have recorded a cumulative growth performance over the 1995-2007 period which remained below the global export growth rate of 175% in the absence of structural change (i.e. they were relatively underperforming), CESEE and South and East Asian countries have shown export growth beyond the 'pure growth' effect. Structural change played only a minor role for the two most advanced regions in our sample, NAFTA and EU-15. In both regions the contribution of structural change to overall export growth was negative, i.e. they were growing more slowly than the world average in those economic

activities whose importance in global trade was increasing.

Table 3

Structural decomposition of world export growth, 1995-2007

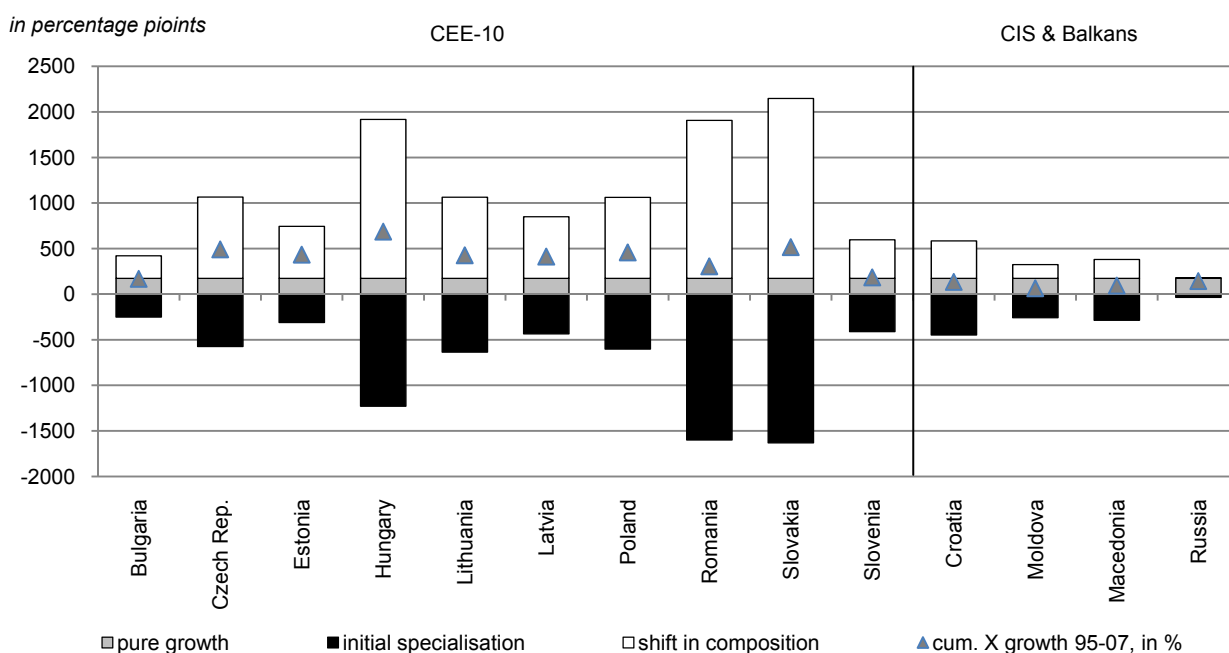
	% ΔX_s cum. export growth in %	A pure global growth effect in ppt	B initial speciali- zation effect	C shift in speciali- zation effect
EU-15	125	175	-7	-42
CEE-10	445	175	-678	948
CIS	283	175	-142	250
NAFTA	117	175	7	-64
LatAm	115	175	-166	106
S-E-Asia	260	175	36	50
ROW	242	175	-90	158

Source: Own calculations.

When looking into the two effects of industrial structure on the successful emerging regions' export growth, we find an interesting distinction between CESEE and South East Asia. The initial export structure of the CESEE countries was not conducive to future rapid export growth. However, the

Figure 3

Structural decomposition of CESEE export growth, 1995-2007



Source: Own calculations.

new EU member states in particular exhibited substantial structural change, showing particularly strong export growth in industries with rising global importance. Thus, they have managed to change their initially unfavourable export structure. In contrast, South East Asia shows considerably less evidence of structural change over the period 1995-2007. The beneficial initial export structure was compounded by favourable structural change, both effects were positive for this region and added about one third to the above-average export performance over the period.

Latin America also showed some restructuring towards strongly growing industries, however this effect was not strong enough to offset the region's unfavourable initial export structure.

To summarize the global decomposition of real export growth over the recent past, the CEE-10 clearly was the region characterized by the most substantial shift of export shares at the industry level. It was also the region exhibiting the strongest export growth performance in real terms – despite the region's particularly strong specialization on motor vehicles, whose share in global trade flows has actually been declining gradually (although export growth is still high in this category in absolute terms).

Given the uniqueness of the CEE-10 region, Figure 3 shows the contribution of all three effects on total cumulative real export growth in more detail. Hungary, Romania and Slovakia are the three countries for which the structural change towards rapidly growing export sectors was most pronounced. This went hand in hand with substantial restructuring over the period, moving away from the initial disadvantageous specialization patterns prevalent in those countries in the mid-1990s. Also, Poland and the Czech Republic show significant structural change, while CIS and Balkan countries (including Bulgaria) do not exhibit a great deal of structural change, resulting in generally lower export growth in those countries. In particular for Russia total export growth corresponds to the pure growth effect only.

Concluding remarks

In this paper we construct a new set of trade and output data at the ISIC 2-digit industry level over the period 1995-2007, using sector-specific price deflators for exports and domestic value added to account for dramatically different price developments in individual industries over the sample period.

Decomposing export growth into a pure growth component and two structural effects – the growth contribution of initial industry specialization and the effect of structural change at the industry level – we find that CESEEs have been subject to considerable structural change with an overall positive effect on their export growth performance. In particular the new EU members (CEE-10) showed a successful restructuring towards fast growing sectors. This has implied an increasing specialization of the region on motor vehicles besides machinery and electronic goods. However, in a longer-term global perspective, trade in motor vehicles is becoming less important in relative terms. Further, trade in machinery and cars has been severely hit in the recent crisis, corroborating the negative impact on Eastern Europe. As a consequence, continued domestic restructuring will remain important for the region, as global trade patterns partly move away from CESEE's current specialization.

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Migration, skills and productivity*

BY PETER HUBER¹
AND MICHAEL LANDESMANN

This text provides an overview of the potential effects of high skilled migration to the EU27. It is found that high skilled foreign born are an important source for high skilled labour in the EU27. According to data from the European Labour Force surveys (years 2006-7) 9.1% of the total tertiary educated resident population (as opposed to 8.1% of total resident population) in the EU27 is foreign born. The share of highly skilled among the resident population born outside the EU is 21.1%, while for within EU migrants it is 23% (as opposed to 17.9% for the native born population). The foreign born thus contribute more than proportionately to the share of highly skilled in the EU. Highly skilled migration is, however, also strongly concentrated on individual receiving countries. Around 94.2% of all highly skilled foreign born live in the 15 'old' EU countries. Only around 5.8% reside in the 12 'new' EU countries. The three largest receiving countries in the EU27 (France, the UK and Spain) in sum account for 57.5% of the total stock of foreign born in the EU15 (with Germany and Ireland excluded from this sample) and 63.1% of the highly skilled. The share of foreign born in the total resident population (aside from the obvious outlier of Luxemburg) is higher than 15% in Austria and Sweden but below 10% in Denmark, Greece, Italy and Portugal and even below 3% in Finland.

Immigration policy vis-à-vis high skilled third country migrants

There was some evidence that in the 2000s the EU economies had a lower share of highly qualified migrants than the (arithmetic) average of the (high migration) non-EU OECD economies; and that the

distance to the average of the major migration receiving countries (such as Australia, Canada, New Zealand) is larger for short term than long term migrants. The distance to the US, by contrast, was much smaller and – in many instances – not significant. Although these international comparisons could not be conducted separately for migration flows inside the EU and from outside the EU, evidence from the European labour force survey suggests that the share of high skilled among migrants from outside the EU is lower than among migrants from within the EU, despite non-EU countries being a more important source of human capital for most EU27 countries than migrants from within the EU.

Increasing the skill selectivity of European migration policy

One possible policy initiative to improve the skill structure of migrants is to increasingly target highly skilled migrants in immigration laws. Most EU27 countries, have undertaken major steps to change immigration in this direction in recent years, and this has resulted in an increasing share of high skilled migrants settling in the EU. However, our results (based on LFS 2004-7) also suggest that this increasing selectivity of immigration regimes is countered by a relatively low qualification structure of short term migrants in the EU. In particular more recent migrants (having arrived in the EU less than 10 years ago) from African, Asian and South American sending regions, are less well qualified. In the aggregate the share of tertiary educated among non-EU-born residents living in the EU27 for less than 10 years is 20.5%, and 21.3% among the more established non-EU-born. For within EU migrants, by contrast, the share of highly skilled among those residing abroad for less than 10 years is 25.9% (relative to 20.9% among the migrants with duration of residence in excess of 10 years).

Thus the evidence suggests that attempts at improving the qualification structure of migrants to the EU27 are countered by an opposing tendency of increasing labour market demand for low skilled workers that often enter the EU labour market as temporary or seasonal workers or illegal migrants. While international competition for migrants is fo-

* This text summarizes the Framework Service Contract B2/ENTR/05/091 – FC study carried out by P. Huber, M. Landesmann, C. Robinson and R. Stehrer in collaboration with R. Hierländer, A. Iara, M. O'Mahony, K. Nowotny and F. Peng.

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cusing primarily on the high skilled, comprehensive migration policies thus need to address future labour market needs across the full skill spectrum. Realistically migration policy will thus also need to develop strategies towards less skilled migrants. From the point of view of competitiveness, however, highly skilled migration should be preferred over low skilled migrants.

Making the EU more attractive for high skilled migrants

With respect to these high skilled migrants, however, increasing the selectivity of migration regimes alone will not suffice to attract more highly skilled foreign labour. To be fully effective such measures have to be accompanied by increased efforts at making the European Union more attractive as a destination for highly skilled migrants. In this respect the still fragmented nature of EU labour markets, which make both the mutual recognition of qualifications as well as the transparent portability of entitlements to social security systems difficult even for intra-EU migrants also act as an impediment to attracting high skilled migrants from abroad. A closer co-ordination of migration policies with respect to highly skilled migrants among the member states could help to increase the attractiveness of the European Union as a destination for high skilled workers. Initiatives that enable migrants to work within the entire EU and which focus on the highly skilled, such as the 'blue card', but also the creation of European networks with the aim of cross-linking national agencies and providing job exchange platforms are good examples of the kinds of initiatives that could provide substantial policy returns in this respect.

In addition, increasing the share of highly skilled migrants also has to go hand in hand with structural change in labour demand in the EU, since ultimately labour migration will only occur in sectors, occupations and regions where high skilled labour is in high demand. Thus there is also a high need to develop migration and labour market policy with respect to the integration of high skilled foreign born in co-ordination industrial, technology and

educational policies and the needs of employers dictated by structural change within the European Union.

Furthermore, results of the previous literature suggest that different subgroups of the high skilled migrants will be drawn to receiving countries for different reasons. Researchers for instance move abroad to keep up-to-date with the state of the art in their field, to get qualified feedback on the originality, relevance and quality of their research and as an additional source of inspiration. By contrast, political repression, social constraints, no (or limited) access to research funding, over-regulated bureaucracies as well as precarious conditions of employment or a generally low quality level of universities and research encourage migration by researchers. Especially for young researchers this also holds true for rigid career advancement schemes tied to seniority instead of performance. For entrepreneurially-minded individuals the societal and administrative climate for innovation, business-start-ups and self-employment can play important roles in becoming a migrant. Thus increasing the share of highly skilled migrants, moving to the EU may also involve a plethora of measures that focus on increasing the attractiveness of the EU27 for high skilled migrants that may reach far into other policy fields, usually considered to be unrelated to migration policy.

Using the potentials of student mobility

One group of particular interest in this respect are students. With respect to this group the few results available in the literature on international student flows suggest that many EU countries have been relatively successful in attracting foreign students. This seems to be mostly due to high student mobility within the EU (pointing to the success of programs enhancing student mobility, such as the ERASMUS programme). With respect to student mobility from third countries and students in advanced research programs, many of the EU countries still seem to be lagging behind the major non-EU receiving countries. Thus initiatives to increase the attraction of European universities for students

from third countries and for students intending to participate in advanced programs can be expected in the long run to increase high skilled migration to the EU.

The success of such initiatives will also hinge on the possibility of these students to get work in the receiving countries after completing their degree. Here success seems to have been rather limited since the share of highly educated migrants working in EU countries is uncorrelated to the number of students studying in a country. Recently a number of EU countries have shifted to migration policies designed to encourage foreign born students to remain and work in the receiving country at least for some time period after graduation.

Return migrants

Another group of interest are highly skilled emigrants from the EU that intend to return. Here results from international comparisons suggest that a number of EU countries have a large share of highly educated migrants working abroad and the return intentions of these migrants are still an open question in international migration research. Despite lack of research, from a policy perspective, ensuring frictionless return and encouraging models of repeat migration (i.e. brain circulation) also with non-EU partner countries are central policy concerns, which have received some attention in the recent migration debate. In particular it has to be expected that return and repeat migration will become increasingly common among high skilled migrants, with migration and labour market management systems increasingly focusing on this group.

Improving labour market integration of high skilled third country migrants

Econometric evidence based on the EU-LFS for the years 2006-7 suggests that highly skilled foreign born in the EU have a lower probability of being employed (by 9.3 percentage points), a 3 percentage points higher probability of being unemployed and a by 5.4 percentage point higher probability of being inactive than comparable na-

tives. Less skilled foreign born, by contrast, have a by 2.9 percentage point higher probability of being employed than comparable natives and face a 5.4 percentage point lower risk of inactivity but a 1.2 percentage point higher risk of unemployment. Thus (even after controlling for compositional effects) highly skilled migrants in the EU27 are substantially less likely to be employed than highly skilled natives. In addition according to results from the EU-LFS 19.4% of the native born highly skilled, employed in the EU27 (excluding Germany and Ireland) were overqualified, but 33.0% of the highly skilled foreign born.

These results suggest that aside from policies directed at attracting more high skilled migrants, there is also a need for increased efforts at integrating highly skilled foreign born into the labour market. Aside from measures directed at improving foreign language knowledge of migrants, improving the mutual acceptance of professional qualifications, increased training and actions to fight discriminatory practices in the workplace, a number of EU countries have recently adopted measures that increasingly acknowledge that improved integration requires a more broad-based approach, that is backed by measures to improve the social, cultural and political integration of foreign born.

Aside from this our results also point to a number of particular groups among the high skilled that may require particular policy attention. This applies in particular to highly skilled foreign born women. Virtually all our results indicate that gender differences to the disadvantage of women with respect to employment, unemployment and inactivity as well as over-qualification rates are larger among the foreign born than among natives. This points to the double disadvantage often faced by foreign born women when integration into the labour market of host societies.

A further target group for such measures are more recent migrants. Here our results suggest that differences in activity, unemployment and employment as well as over-qualification rates between more recent migrants and established migrants is

larger for the high skilled foreign born than among the low skilled foreign born. High skilled migrants thus often have to accept a sizeable 'transferability discount', which is strongly borne out by the high degree of over-qualification (but also by lower employment rates) in our analysis. On the other hand low skilled migrants find it easier to transfer their skills, which are lower in any case. Thus almost by definition high skilled migrants are also more likely to profit from measures aimed at better labour market integration (such as for example improving language proficiency and training in the host country) than less skilled.

In addition our results also indicate that highly skilled migrants from more distant countries also have larger problems in integrating in EU labour markets. It has to be expected that increased efforts at attracting highly skilled migrants, which will almost by necessity also entail an increased share of migration from countries that are more remote from Europe, will also have to be accompanied by increasing efforts at labour market integration of foreign born.

Finally, a number of results in the literature (see Chiswick and Miller, 2007, Bock-Schappelwein et al., 2009) also suggest that aside from labour market integration, integration of foreign born children into the school system of the receiving country requires close attention. Persons migrating in their late teens (i.e. above the ages where compulsory education has ended) often end up, with substantially lower educational attainment, than migrants migrating earlier or later in their lives.

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Structural root causes of the debt crises/heterogeneity*

BY LEON PODKAMINER

The monetary policy as defined and pursued in the eurozone is a major cause of debt crises in the EU. The global financial turmoil played a secondary role. The ECB principle 'one size fits all' strengthens deflationary/stagnation tendencies in the low-inflation/slow-growth countries and bolsters booms/inflation in the high-inflation/faster-growth countries. Low-inflation Germany has fallen victim to this policy. But in a number of other countries this policy fed credit and import booms.

Diverging trends in unit labour costs, external competitiveness and external balances are the other side of the ECB single monetary policy. Under the euro, the emerging intra-area divergences cannot be really neutralized. Germany has been running increasing external surpluses; its partners increasing deficits.

Worse still, the German *domestic* fiscal and wage policy has supported this trend as allegedly helping to reduce domestic unemployment. But the 'beggar-thy-neighbour' policy turns out to be *harmful* to Germany itself because it suppresses domestic demand more than it helps to advance external surpluses. Secularly weak growth in Germany is the outcome. Moreover, the external surpluses represent the spiralling debt of the external deficit countries. As that debt proves unserviceable, the German government is forced to take it over in order to save the country's own financial institutions. German exporters' *private* profits eventually end up as increments to the German *public* debt.

The intensity of the centrifugal forces within the euro area (and generally in the EU) should be dampened by closer coordination of the member states' fiscal and wage policies. In particular, it may be useful to demand that growing labour productivity be matched by growing wages at the national level. It should be possible to institute 'excessive external surplus procedures' against countries that generate large net exports at the expense of cuts in domestic consumption. Until mechanisms are in place to limit the divergences in unit labour costs and external imbalances, it is advisable for the New Member States to retain their own currencies and floating exchange rate regimes.

The Stability and Growth Pact is also in need of modification. The 3% fiscal deficit/GDP mark prevents the efficient operation of automatic stabilizers that *today* are rightly considered vital under periodical growth slowdowns. Furthermore, the Pact's insistence that in the medium term the budgetary positions should be *close to balance or in surplus* is inconsistent with economic reality. Attempts to observe that requirement are doomed to failure whenever the private sector's propensity to save is larger than its propensity to invest in real (fixed) productive assets. Under balanced external accounts, a permanent fiscal deficit may be a secular necessity. Problems related to rising public debt may also need to be addressed. For the euro area these problems could be rendered far less serious than is often believed – provided the ECB follows good FED practices.

* Statement presented during the Expert Roundtable Meeting on *Economic Heterogeneity in Europe: Causes and Consequences for Growth and Policy Coordination*, organized by Bertelsmann Stiftung in cooperation with Bruegel, CEPS, demosEuropa, EPC, Eurofound and GKI, Brussels, 27 September 2010. This Statement is based on the Special section of the *wiiw Current Analyses and Forecasts*, Issue 6, July 2010.

STATISTICAL ANNEX

Selected monthly data on the economic situation in Central and Eastern Europe

PLEASE NOTE: As of March 2010, time series for the new EU member states previously taken from national sources have been replaced by Eurostat data and methodology (mostly from 2000 onwards). A detailed description of the changes is available online at <http://mdb.wiiw.ac.at>.

This change enables you to compare the wiiw monthly data with Eurostat data on other EU countries.

Conventional signs and abbreviations

used in the following section on monthly statistical data

.	data not available		
%	per cent		
PP	change in % against previous period		
CPPY	change in % against corresponding period of previous year		
CCPPY	change in % against cumulated corresponding period of previous year (e.g., under the heading 'March': January-March of the current year against January-March of the preceding year)		
3MMA	3-month moving average, change in % against previous year		
LFS	Labour Force Survey		
CPI	consumer price index		
HICP	harmonized index of consumer prices (for new EU member states)		
PPI	producer price index		
p.a.	per annum		
mn	million (10 ⁶)		
bn	billion (10 ⁹)		
avg	average		
eop	end of period		
ALL	Albanian lek	MKD	Macedonian denar
BAM	Bosnian convertible mark	PLN	Polish zloty
BGN	Bulgarian lev	RON	Romanian leu
CZK	Czech koruna	RSD	Serbian dinar
HRK	Croatian kuna	RUB	Russian rouble
HUF	Hungarian forint	UAH	Ukrainian hryvnia
EUR	euro (also the national currency for Montenegro, Slovakia and Slovenia)		
USD	US dollar		
M1	currency outside banks + demand deposits / narrow money (ECB definition)		
M2	M1 + quasi-money / intermediate money (ECB definition)		
M3	broad money		

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

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To receive your personal password, please go to <http://mdb.wiiw.ac.at>

BULGARIA: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010									
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
PRODUCTION																
Industry, NACE Rev. 2 ¹⁾	real, CPPY	-15.8	-21.1	-16.5	-10.8	-12.1	-2.0	-9.8	-0.1	-1.7	-1.6	2.7	-1.1	3.9	7.4	.
Industry, NACE Rev. 2 ¹⁾	real, CCPY	-18.5	-18.8	-18.6	-17.9	-17.4	-2.0	-6.0	-3.9	-3.3	-3.0	-2.0	-1.8	-1.1	-0.2	.
Industry, NACE Rev. 2 ¹⁾	real, 3MMA	-18.6	-17.9	-16.2	-13.2	-8.8	-8.4	-3.9	-3.8	-1.1	-0.1	0.0	1.8	3.3	.	.
Construction, NACE Rev. 2 ²⁾	real, CPPY	-36.7	-38.4	-43.3	-40.3	-41.2	-29.2	-29.0	-20.7	-22.8	-17.2	-17.7	-19.7	-10.7	-14.0	.
Construction, NACE Rev. 2 ²⁾	real, CCPY	-31.6	-32.4	-33.5	-34.1	-34.7	-29.2	-29.1	-26.1	-25.3	-23.7	-22.7	-22.2	-20.9	-20.2	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	3280.0	.	.	3171.6	.	.	3011.3	.	.	3072.1	.	.	.	.
Employed persons, LFS	CCPPY	.	-2.3	.	.	-3.2	.	.	-7.7	.	.	-7.3	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	234.5	.	.	272.8	.	.	341.0	.	.	342.2	.	.	321.8	.
Unemployment rate, LFS	%	.	6.7	.	.	7.9	.	.	10.2	.	.	10.0	.	.	9.5	.
Productivity in industry, NACE Rev. 2	CCPPY	.	-10.6	.	.	-8.5	.	.	7.4	.	.	7.5	.	.	7.9	.
WAGES																
Total economy, gross	BGN	576	594	594	600	625	611	610	636	643	640	636	637	630	649	.
Total economy, gross ³⁾	real, CPPY	10.7	10.2	10.1	9.7	8.6	7.8	8.5	7.3	5.2	6.2	5.7	6.8	6.0	5.5	.
Total economy, gross	EUR	295	304	304	307	320	312	312	325	329	327	325	326	322	332	.
Industry, gross, NACE Rev. 2	EUR	294	298	302	302	312	305	304	323	319	320	327	324	322	330	.
PRICES																
Consumer - HICP	PP	0.1	-0.2	0.2	0.2	0.3	0.6	0.3	0.4	1.2	0.0	-0.4	0.5	0.2	0.2	0.2
Consumer - HICP	CPPY	1.3	0.2	0.3	0.9	1.6	1.8	1.7	2.4	3.0	3.0	2.5	3.2	3.2	3.6	3.6
Consumer - HICP	CCPPY	3.4	3.0	2.7	2.5	2.5	1.8	1.7	1.9	2.2	2.4	2.4	2.5	2.6	2.7	2.8
Producer, in industry, NACE Rev. 2 ⁴⁾	PP	0.2	1.4	-0.9	0.5	1.2	1.8	0.0	1.3	2.2	1.7	-0.2	0.6	0.9	0.1	.
Producer, in industry, NACE Rev. 2 ⁴⁾	CPPY	-10.9	-8.9	-9.6	-5.9	0.9	2.9	4.0	5.2	8.1	9.1	8.4	10.2	11.0	9.6	.
Producer, in industry, NACE Rev. 2 ⁴⁾	CCPPY	-6.7	-6.9	-7.2	-7.1	-6.5	2.9	3.5	4.0	5.1	5.9	6.3	6.8	7.4	7.6	.
FOREIGN TRADE ⁵⁾																
Exports total (fob), cumulated	EUR mn	7407	8452	9651	10738	11699	920	1922	3043	4223	5432	6842	8347	9800	.	.
Imports total (cif), cumulated	EUR mn	11059	12464	14030	15452	16876	1154	2326	3831	5393	7034	8694	10350	11871	.	.
Trade balance, cumulated	EUR mn	-3652	-4012	-4379	-4714	-5176	-234	-405	-789	-1170	-1602	-1851	-2003	-2071	.	.
Exports to EU-27 (fob), cumulated	EUR mn	4837	5539	6301	7005	7595	548	1192	1843	2519	3266	4106	5078	5985	.	.
Imports from EU-27 (cif), cumulated	EUR mn	6546	7428	8369	9239	10118	646	1428	2327	3173	4114	5086	6011	6899	.	.
Trade balance with EU-27, cumulated	EUR mn	-1709	-1889	-2068	-2235	-2523	-98	-235	-484	-653	-848	-980	-933	-914	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-2539	.	.	-3477	.	.	-552	.	.	-808	.	.	.	.
EXCHANGE RATE																
BGN/EUR, monthly average	nominal	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956	1.956
BGN/USD, monthly average	nominal	1.371	1.343	1.320	1.311	1.338	1.370	1.429	1.441	1.459	1.557	1.602	1.532	1.517	1.497	1.407
EUR/BGN, calculated with CPI ⁶⁾	real, Jan07=100	111.7	111.5	111.5	111.5	111.5	112.6	112.6	112.2	112.9	112.8	112.2	113.1	113.0	113.0	112.9
EUR/BGN, calculated with PPI ⁶⁾	real, Jan07=100	105.6	107.3	105.9	106.2	107.4	108.4	108.1	108.8	110.3	111.6	111.1	111.6	112.6	112.5	.
USD/BGN, calculated with CPI ⁶⁾	real, Jan07=100	122.5	124.6	126.9	127.8	125.9	123.2	118.5	117.4	117.1	109.7	106.2	111.7	112.8	114.5	121.9
USD/BGN, calculated with PPI ⁶⁾	real, Jan07=100	112.9	117.5	117.7	117.6	116.2	113.1	109.0	108.1	108.4	103.1	100.7	105.6	107.4	108.8	.
DOMESTIC FINANCE																
Currency in circulation	BGN mn, eop	7086	6925	6839	6779	7115	6755	6718	6663	6632	6663	6761	6963	7119	7076	.
M1	BGN mn, eop	17870	17686	17366	17739	18124	17686	18252	17395	17592	17743	18068	18535	19051	19051	.
Broad money	BGN mn, eop	46233	46464	46595	46802	47731	47493	48465	48392	48613	48879	49245	49838	50514	50333	.
Broad money	CPPY	1.0	1.6	4.3	6.4	4.2	5.4	7.9	7.7	7.9	8.1	8.0	8.7	9.3	8.3	.
BNB base rate (p.a.)	%, eop	1.7	1.6	1.5	0.6	0.6	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
BNB base rate (p.a.) ⁷⁾	real, %	14.1	11.5	12.2	7.0	-0.3	-2.5	-3.7	-4.7	-7.3	-8.2	-7.5	-9.1	-9.8	-8.6	.
BUDGET																
General gov. budget balance ⁸⁾ , cum.	BGN mn	.	-1354	.	.	-3211	.	.	-1198	.	.	-640	.	.	.	.

- 1) Enterprises with 10 and more persons.
- 2) All public enterprises, private enterprises with 5 and more employees.
- 3) Nominal wages deflated with HICP.
- 4) Data refer to industry total compared to previously published domestic producer prices.
- 5) From 2007 intra-/extra-EU trade methodology.
- 6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
- 7) Deflated with annual PPI.
- 8) According to ESA'95 excessive deficit procedure.

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010									
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	-9.4	-12.1	-7.4	-0.2	2.3	5.0	6.9	10.2	10.9	16.2	9.0	5.3	12.9	12.2	.
Industry, NACE Rev. 2	real, CCPY	-17.8	-17.2	-16.2	-14.8	-13.6	5.0	6.0	7.5	8.4	9.9	9.7	9.1	9.6	9.9	.
Industry, NACE Rev. 2	real, 3MMA	-13.2	-9.7	-6.8	-2.1	2.2	4.7	7.5	9.4	12.3	11.9	10.1	9.0	10.2	.	.
Construction, NACE Rev. 2	real, CPPY	0.4	3.7	-1.0	5.6	1.2	-25.3	-23.6	-17.0	-15.8	-2.3	-4.2	-4.5	-2.1	-7.2	.
Construction, NACE Rev. 2	real, CCPY	-3.1	-2.2	-2.0	-1.1	-0.9	-25.3	-24.4	-21.4	-19.6	-15.2	-12.8	-11.3	-9.8	-9.4	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	4921.7	.	.	4927.3	.	.	4829.2	.	.	4880.9	.	.	.	.
Employed persons, LFS	CCPPY	.	-1.1	.	.	-1.4	.	.	-2.4	.	.	-1.8	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	387.0	.	.	385.0	.	.	422.5	.	.	374.5	.	.	363.3	.
Unemployment rate, LFS	%	.	7.3	.	.	7.3	.	.	8.1	.	.	7.1	.	.	6.9	.
Productivity in industry, NACE Rev. 2	CCPPY	.	-7.3	.	.	-3.1	.	.	16.6	.	.	16.0	.	.	.	.
WAGES																
Total economy, gross	CZK, quart. avg.	.	23192	.	.	25565	.	.	22754	.	.	23513	.	.	.	.
Total economy, gross ¹⁾	real, CPPY	.	4.7	.	.	5.1	.	.	1.8	.	.	1.4	.	.	.	.
Total economy, gross	EUR, quart. avg.	.	906	.	.	986	.	.	879	.	.	919	.	.	.	.
Industry, gross, NACE Rev. 2 ²⁾	EUR, quart. avg.	.	884	.	.	960	.	.	862	.	.	913	.	.	.	.
PRICES																
Consumer - HICP	PP	-0.2	-0.4	-0.3	0.1	0.1	1.2	0.1	0.2	0.4	0.2	0.0	0.3	-0.3	-0.2	-0.3
Consumer - HICP	CCPY	0.0	-0.3	-0.6	0.2	0.5	0.4	0.4	0.4	0.9	1.0	1.0	1.6	1.5	1.8	1.8
Consumer - HICP	CCPPY	0.9	0.8	0.6	0.6	0.6	0.4	0.4	0.4	0.5	0.6	0.7	0.8	0.9	1.0	1.1
Producer, in industry, NACE Rev. 2 ³⁾	PP	-0.2	-0.7	0.6	0.2	0.4	0.4	-0.2	-0.3	0.7	1.3	0.8	-0.8	-0.9	0.0	.
Producer, in industry, NACE Rev. 2 ³⁾	CCPY	-3.8	-4.9	-4.0	-2.9	-2.2	-3.4	-5.3	-3.1	-1.3	0.8	1.8	2.2	1.5	2.2	.
Producer, in industry, NACE Rev. 2 ³⁾	CCPPY	-0.5	-1.0	-1.3	-1.4	-1.5	-3.4	-4.4	-3.9	-3.3	-2.5	-1.8	-1.2	-0.9	-0.6	.
FOREIGN TRADE ⁴⁾																
Exports total (fob), cumulated	EUR mn	51629	59395	67037	74667	80983	6685	13798	22391	30270	38269	46925	54833	62775	72171	.
Imports total (cif), cumulated	EUR mn	47926	55027	62033	69100	75314	6118	12684	20612	27933	35475	43814	51530	59440	68336	.
Trade balance, cumulated	EUR mn	3703	4368	5004	5567	5669	566	1114	1779	2337	2794	3111	3304	3335	3836	.
Exports to EU-27 (fob), cumulated	EUR mn	43788	50383	56917	63377	68643	5728	11773	18982	25636	32392	39615	46205	52796	60635	.
Imports from EU-27 (cif), cumulated	EUR mn	37381	43005	48540	54035	58789	4610	9656	15808	21328	26893	33073	38747	44629	51328	.
Trade balance with EU-27, cumulated	EUR mn	6407	7378	8377	9343	9854	1118	2117	3174	4308	5500	6542	7458	8167	9307	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-1175	.	.	-1465	.	.	738	.	.	-415	.	.	.	.
EXCHANGE RATE																
CZK/EUR, monthly average	nominal	25.65	25.35	25.86	25.81	26.09	26.13	25.98	25.54	25.31	25.66	25.78	25.33	24.81	24.65	24.53
CZK/USD, monthly average	nominal	17.97	17.41	17.45	17.31	17.85	18.31	18.98	18.82	18.88	20.42	21.12	19.83	19.24	18.87	17.65
EUR/CZK, calculated with CPI ⁵⁾	real, Jan07=100	110.9	111.7	109.0	109.1	107.7	109.3	109.6	110.9	111.8	110.3	109.8	112.3	114.1	114.4	114.3
EUR/CZK, calculated with PPI ⁵⁾	real, Jan07=100	103.3	104.1	102.3	102.4	101.6	101.0	101.1	101.8	102.7	102.1	102.1	103.0	104.2	104.6	.
USD/CZK, calculated with CPI ⁵⁾	real, Jan07=100	121.6	124.9	124.1	125.1	121.6	119.5	115.4	116.1	116.0	107.3	103.9	110.9	113.9	115.9	123.4
USD/CZK, calculated with PPI ⁵⁾	real, Jan07=100	110.5	113.9	113.6	113.3	109.9	105.3	101.9	101.2	101.0	94.2	92.5	97.4	99.4	101.1	.
DOMESTIC FINANCE																
Currency in circulation	CZK bn, eop	351.4	351.3	353.2	354.2	353.5	353.6	354.2	351.6	353.2	354.2	356.5	354.2	352.6	355.5	.
M1	CZK bn, eop	1736.1	1722.2	1732.7	1781.7	1771.8	1765.0	1775.6	1803.9	1796.2	1893.1	1913.4	1937.3	1969.5	1982.1	.
Broad money	CZK bn, eop	2659.5	2623.5	2651.0	2665.2	2709.1	2671.5	2666.7	2681.7	2727.2	2764.2	2756.2	2744.9	2732.5	2726.0	.
Broad money	CCPY	4.5	3.2	2.6	1.7	0.3	-1.6	-2.3	-0.7	0.3	1.0	2.8	2.8	2.7	3.9	.
Discount rate (p.a.)	%, eop	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Discount rate (p.a.) ⁶⁾	real, %	4.3	5.4	4.5	3.3	2.5	3.8	5.8	3.4	1.5	-0.5	-1.5	-1.9	-1.2	-1.9	.
BUDGET																
General gov. budget balance ⁷⁾ , cum.	CZK mn	.	-130177	.	.	-209029	.	.	-50779	.	.	-68893	.	.	.	.

1) Nominal wages deflated with HICP.

2) Including E (electricity, gas, steam, air conditioning supply etc.).

3) Data refer to industry total compared to previously published domestic producer prices.

4) From 2004 intra-/extra-EU trade methodology.

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

6) Deflated with annual PPI.

7) According to ESA'95 excessive deficit procedure.

HUNGARY: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010									
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	-19.8	-14.7	-13.0	-7.0	1.5	3.3	8.1	4.1	9.7	13.8	15.2	9.2	17.7	11.0	.
Industry, NACE Rev. 2	real, CIPPY	-21.9	-21.0	-20.2	-19.0	-17.6	3.3	5.7	5.1	6.2	7.7	9.0	9.1	10.0	10.2	.
Industry, NACE Rev. 2	real, 3MMA	-17.8	-15.6	-11.7	-6.9	-1.3	4.2	5.1	7.1	9.0	13.0	12.7	13.9	12.3	.	.
Construction, NACE Rev. 2	real, CPPY	-6.7	-1.5	-2.9	-14.1	-6.4	-15.3	-12.5	-6.5	-15.6	-10.2	-18.7	-4.5	-2.7	-9.2	.
Construction, NACE Rev. 2	real, CIPPY	-3.2	-2.9	-2.9	-4.1	-4.4	-15.3	-13.7	-10.8	-12.2	-11.7	-13.3	-12.0	-10.7	-10.5	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	3783.5	.	.	3782.8	.	.	3719.3	.	.	3778.9	.	.	.	.
Employed persons, LFS	CCPPY	.	-2.5	.	.	-2.5	.	.	-1.2	.	.	-0.8	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	436.2	.	.	442.0	.	.	497.8	.	.	473.3	.	.	456.6	.
Unemployment rate, LFS	%	.	10.3	.	.	10.5	.	.	11.8	.	.	11.1	.	.	10.8	.
Productivity in industry, NACE Rev. 2	CCPPY	-11.5	-10.3	-9.3	-8.0	-6.6	14.8	16.6	14.6	14.4	14.6	14.6	13.5	13.8	13.0	.
WAGES																
Total economy, gross ¹⁾	HUF th	190.4	191.1	193.5	215.8	220.8	206.9	193.5	220.2	202.7	198.4	202.7	197.8	194.0	195.5	.
Total economy, gross ¹⁾²⁾	real, CPPY	-4.2	-3.8	-5.6	-7.9	-5.1	0.3	-4.5	3.4	-4.4	-5.4	-4.2	-3.2	-1.7	-1.3	.
Total economy, gross ¹⁾	EUR	705	703	721	797	808	768	713	830	763	717	720	697	689	693	.
Industry, gross, NACE Rev. 2 ¹⁾	EUR	709	719	730	821	800	723	717	804	789	745	749	722	721	718	.
PRICES																
Consumer - HICP	PP	-0.5	-0.2	-0.2	0.5	-0.2	1.5	0.2	0.6	0.9	0.7	0.2	0.0	-0.5	-0.1	0.4
Consumer - HICP	CPPY	5.0	4.8	4.2	5.2	5.4	6.2	5.6	5.7	5.7	4.9	5.0	3.6	3.6	3.7	4.3
Consumer - HICP	CIPPY	3.6	3.7	3.8	3.9	4.0	6.2	5.9	5.8	5.8	5.6	5.5	5.2	5.0	4.9	4.8
Producer, in industry, NACE Rev. 2	PP	-0.4	0.0	0.0	0.4	0.1	2.5	0.8	-0.2	1.8	3.7	1.4	0.1	-0.1	-0.9	-0.7
Producer, in industry, NACE Rev. 2	CPPY	4.1	3.0	-0.3	0.3	1.2	0.9	-1.4	-2.1	1.5	7.3	8.8	10.6	11.0	9.9	9.1
Producer, in industry, NACE Rev. 2	CIPPY	6.4	6.0	5.3	4.9	4.6	0.9	-0.3	-0.9	-0.3	1.2	2.5	3.6	4.5	5.1	5.5
FOREIGN TRADE ³⁾																
Exports total (fob), cumulated	EUR mn	37568	43191	48842	54667	59513	4892	10194	16442	22110	27820	34158	40036	45799	.	.
Imports total (cif), cumulated	EUR mn	35487	40653	45866	51219	55750	4505	9390	14998	20220	25521	31296	36929	42305	.	.
Trade balance, cumulated	EUR mn	2081	2538	2976	3448	3762	387	804	1444	1890	2299	2862	3107	3494	.	.
Exports to EU-27 (fob), cumulated	EUR mn	29599	34011	38516	43153	46847	3901	8047	12879	17342	21842	26665	31092	35348	.	.
Imports from EU-27 (cif), cumulated	EUR mn	24564	28149	31726	35327	38264	3067	6379	10238	13877	17454	21419	25269	28898	.	.
Trade balance with EU-27, cumulated	EUR mn	5035	5862	6790	7825	8583	834	1668	2641	3465	4388	5246	5823	6449	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	0	.	.	-404	.	.	445	.	.	863	.	.	.	.
EXCHANGE RATE																
HUF/EUR, monthly average	nominal	270.1	271.8	268.5	270.9	273.2	269.4	271.2	265.4	265.5	276.8	281.5	283.8	281.5	282.1	274.0
HUF/USD, monthly average	nominal	189.3	186.7	181.2	181.7	187.0	188.8	198.2	195.6	198.1	220.3	230.6	222.2	218.3	215.9	197.2
EUR/HUF, calculated with CPI ⁴⁾	real, Jan07=100	101.4	100.5	101.4	100.8	99.5	102.8	102.0	104.1	104.5	100.8	99.2	98.7	98.8	98.3	101.3
EUR/HUF, calculated with PPI ⁴⁾	real, Jan07=100	97.2	96.8	97.6	96.9	96.1	99.0	99.0	100.3	101.2	100.2	99.5	98.7	99.4	98.0	100.2
USD/HUF, calculated with CPI ⁴⁾	real, Jan07=100	111.2	112.3	115.4	115.6	112.3	112.4	107.4	109.0	108.4	98.0	93.9	97.5	98.7	99.5	109.3
USD/HUF, calculated with PPI ⁴⁾	real, Jan07=100	103.9	105.9	108.5	107.3	103.9	103.3	99.8	99.6	99.5	92.5	90.2	93.4	94.8	94.8	102.1
DOMESTIC FINANCE																
Currency in circulation	HUF bn, eop	2030.2	2002.0	1996.0	2003.7	2039.2	2013.8	2024.8	1993.1	2026.5	2083.0	2150.1	2174.4	2176.3	2173.5	.
M1	HUF bn, eop	5931.8	5920.7	5795.0	5900.7	6121.5	5853.6	5893.0	5941.9	5944.7	6147.9	6345.8	6226.8	6338.7	6326.5	.
Broad money	HUF bn, eop	15930.1	15809.8	15772.1	15792.2	15975.3	15783.9	15924.4	16077.3	16261.1	16348.3	16433.6	16333.8	16498.7	16209.1	.
Broad money	CPPY	9.3	7.5	5.9	4.7	3.4	1.1	1.2	0.7	2.2	2.9	3.5	3.8	3.6	2.5	.
NBH base rate (p.a.)	%, eop	8.0	7.5	7.0	6.5	6.3	6.0	5.8	5.5	5.3	5.3	5.3	5.3	5.3	5.3	5.3
NBH base rate (p.a.) ⁵⁾	real, %	3.8	4.4	7.3	6.2	5.0	5.0	7.3	7.8	3.7	-2.0	-3.3	-4.8	-5.2	-4.3	-3.6
BUDGET																
General gov. budget balance ⁶⁾ , cum.	HUF bn	.	-818	.	.	-1136	.	.	-299	.	.	-711	.	.	.	.

1) Enterprises with 5 and more employees.

2) Nominal wages deflated with HICP.

3) From 2004 intra-/extra-EU trade methodology.

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

5) Deflated with annual PPI.

6) According to ESA'95 excessive deficit procedure.

P O L A N D: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010								(updated end of Nov 2010)		
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
PRODUCTION																	
Industry, NACE Rev. 2 ¹⁾²⁾	real, CPPY	0.1	-1.2	-1.3	9.9	7.4	8.5	9.2	12.5	9.7	13.5	14.3	10.5	13.6	11.8	.	
Industry, NACE Rev. 2 ¹⁾²⁾	real, CCPPY	-7.4	-6.7	-6.1	-4.7	-3.8	8.5	8.9	10.2	10.1	10.8	11.4	11.3	11.6	11.6	.	
Industry, NACE Rev. 2 ¹⁾²⁾	real, 3MMA	-1.9	-0.8	2.2	5.0	8.6	8.4	10.2	10.6	11.9	12.5	12.8	12.8	12.0	.	.	
Construction, NACE Rev. 2 ²⁾	real, CPPY	11.0	5.7	2.7	9.9	3.2	-15.3	-24.7	-10.9	-6.2	2.3	9.6	0.8	8.5	13.4	.	
Construction, NACE Rev. 2 ²⁾	real, CCPPY	4.3	4.5	4.3	4.8	4.6	-15.3	-20.3	-16.7	-13.6	-9.7	-5.4	-4.3	-2.2	0.0	.	
LABOUR																	
Employed persons, LFS	th. pers., quart. avg	.	16026	.	.	15885	.	.	15574	.	.	15994	.	.	.	.
Employed persons, LFS	CCPPY	.	0.8	.	.	0.4	.	.	-0.9	.	.	0.0	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	1404.3	.	.	1471.3	.	.	1838.9	.	.	1682.0	.	.	1601.4	.	
Unemployment rate, LFS	%	.	8.1	.	.	8.5	.	.	10.6	.	.	9.5	.	.	9.0	.	
Productivity in industry, NACE Rev. 2	CCPPY	-1.6	-0.7	0.0	1.5	2.4	12.7	12.7	13.7	13.1	13.3	13.6	13.0	13.0	.	.	
WAGES																	
Total economy, gross ²⁾	PLN	3269	3283	3312	3404	3652	3231	3288	3493	3399	3347	3404	3433	3407	3404	3440	
Total economy, gross ²⁾³⁾	real, CPPY	-1.0	-0.4	-1.5	-1.3	2.9	-3.3	-0.5	1.9	0.5	2.4	1.1	0.2	2.3	1.2	1.2	
Total economy, gross ²⁾	EUR	791	790	786	817	881	794	819	898	876	825	829	841	854	861	871	
Industry, gross, NACE Rev. 2	EUR	788	789	769	836	907	787	837	908	870	835	841	850	868	871	864	
PRICES																	
Consumer - HICP	PP	-0.4	0.0	0.2	0.3	0.0	0.4	0.4	0.3	0.4	0.3	0.3	-0.2	-0.3	0.5	0.3	
Consumer - HICP	CPPY	4.3	4.0	3.8	3.8	3.8	3.9	3.4	2.9	2.7	2.3	2.4	1.9	1.9	2.5	2.6	
Consumer - HICP	CCPPY	4.0	4.0	4.0	4.0	4.0	3.9	3.7	3.4	3.2	3.0	2.9	2.8	2.7	2.7	2.7	
Producer, in industry, NACE Rev. 2	PP	-0.4	-0.2	0.4	-0.3	-0.2	0.4	0.0	-0.1	1.2	1.9	1.0	0.2	-0.2	0.1	.	
Producer, in industry, NACE Rev. 2	CPPY	2.7	2.1	2.5	2.3	2.4	0.3	-2.2	-2.3	-0.3	1.8	2.3	3.9	4.1	4.4	.	
Producer, in industry, NACE Rev. 2	CCPPY	4.7	4.4	4.2	4.0	3.9	0.3	-1.0	-1.4	-1.1	-0.5	-0.1	0.5	0.9	1.3	.	
FOREIGN TRADE ⁴⁾																	
Exports total (fob), cumulated	EUR mn	61996	71267	80763	89901	97865	8133	17035	27206	36901	46578	56851	66585	75769	.	.	
Imports total (cif), cumulated	EUR mn	68587	78325	88517	98312	107155	8827	18632	29970	40448	51157	62372	73163	83735	.	.	
Trade balance, cumulated	EUR mn	-6591	-7058	-7754	-8411	-9289	-694	-1598	-2765	-3547	-4579	-5521	-6578	-7966	.	.	
Exports to EU-27 (fob), cumulated	EUR mn	49352	56756	64430	71671	77916	6586	13655	21678	29357	37189	45180	52703	59706	.	.	
Imports from EU-27 (cif), cumulated	EUR mn	49690	56898	64354	71545	77750	6157	12886	21053	28496	36011	43964	51582	58718	.	.	
Trade balance with EU-27, cumulated	EUR mn	-338	-141	76	126	166	429	769	625	861	1178	1215	1121	988	.	.	
FOREIGN FINANCE																	
Current account, cumulated	EUR mn	.	-3734	.	.	-6752	.	.	-1130	.	.	-2660	.	.	.	.
EXCHANGE RATE																	
PLN/EUR, monthly average	nominal	4.131	4.158	4.215	4.165	4.144	4.070	4.014	3.891	3.878	4.057	4.106	4.081	3.990	3.955	3.950	
PLN/USD, monthly average	nominal	2.895	2.856	2.845	2.792	2.836	2.852	2.933	2.867	2.893	3.229	3.363	3.196	3.094	3.027	2.842	
EUR/PLN, calculated with CPI ⁵⁾	real, Jan07=100	97.7	97.0	95.7	97.0	97.1	99.8	101.2	103.9	104.2	99.7	98.7	99.3	101.1	102.3	102.5	
EUR/PLN, calculated with PPI ⁵⁾	real, Jan07=100	96.8	96.3	95.0	95.6	95.9	97.1	98.2	100.5	101.2	98.1	97.6	98.3	100.3	101.0	.	
USD/PLN, calculated with CPI ⁵⁾	real, Jan07=100	107.1	108.4	109.0	111.2	109.7	109.1	106.5	108.8	108.0	97.0	93.4	98.1	100.9	103.6	110.6	
USD/PLN, calculated with PPI ⁵⁾	real, Jan07=100	103.6	105.4	105.5	105.8	103.6	101.3	99.0	99.9	99.6	90.6	88.5	93.0	95.7	97.7	.	
DOMESTIC FINANCE																	
Currency in circulation	PLN bn, eop	91.0	89.7	89.4	88.2	89.8	87.9	88.0	88.6	89.5	92.1	93.0	93.2	92.7	91.7	.	
M1	PLN bn, eop	371.1	372.8	378.6	381.5	388.3	381.3	383.4	389.6	388.3	409.0	415.2	414.5	421.0	419.2	.	
Broad money	PLN bn, eop	685.4	691.3	711.2	699.9	720.2	711.0	715.6	721.5	721.2	737.8	742.8	743.3	749.6	752.9	.	
Broad money	CPPY	9.0	9.6	11.9	8.0	8.1	6.3	5.1	5.5	6.1	7.7	7.1	7.8	9.4	8.9	.	
Discount rate (p.a.)	%, eop	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	
Discount rate (p.a.) ⁶⁾	real, %	1.0	1.6	1.2	1.4	1.3	3.4	6.1	6.2	4.1	1.9	1.4	-0.2	-0.4	-0.6	.	
BUDGET																	
General gov. budget balance ⁷⁾ , cum.	PLN mn	.	-48634	.	.	-97320	.	.	-8445	.	.	-33525	.	.	.	.

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

R O M A N I A: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010									
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
PRODUCTION																
Industry, NACE Rev. 2 ¹⁾	real, CPPY	-5.7	-3.4	-2.7	5.3	11.6	6.1	-0.4	7.0	7.8	6.0	6.8	3.3	5.3	4.8	.
Industry, NACE Rev. 2 ¹⁾	real, CCPPY	-9.2	-8.5	-7.9	-6.7	-5.5	6.1	2.7	4.3	5.2	5.3	5.6	5.2	5.3	5.2	.
Industry, NACE Rev. 2 ¹⁾	real, 3MMA	-4.3	-3.8	-0.4	4.0	7.5	5.6	4.3	4.9	6.9	6.8	5.3	5.1	4.4	.	.
Construction, NACE Rev. 2	real, CPPY	-24.6	-22.5	-26.2	-18.4	-6.9	-10.5	-27.7	-23.3	-14.4	-17.3	-3.1	-24.1	-16.9	-14.2	.
Construction, NACE Rev. 2	real, CCPPY	-12.5	-14.1	-15.7	-16.0	-15.1	-10.5	-19.8	-21.3	-19.3	-18.9	-15.2	-16.8	-16.8	-16.4	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	9527.1	.	.	9026.9	.	.	8934.3	.	.	9488.1	.	.	.	.
Employed persons, LFS	CCPPY	.	-1.0	.	.	-1.3	.	.	-1.2	.	.	0.0	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	698.9	.	.	731.1	.	.	787.2	.	.	697.0	.	.	.	.
Unemployment rate, LFS	%	.	6.8	.	.	7.5	.	.	8.1	.	.	6.8	.	.	.	.
Productivity in industry, NACE Rev. 2	CCPPY	5.1	6.4	7.6	9.2	10.9	26.9	21.7	22.2	22.3	21.6	21.2	20.0	19.5	18.7	.
WAGES																
Total economy, gross ¹⁾	RON	1845	1860	1881	1866	2023	1967	1940	2074	1973	1962	1951	1868	1846	1846	.
Total economy, gross ¹⁾²⁾	real, CPPY	1.7	1.2	0.5	-3.3	-4.5	1.7	-0.4	3.5	-1.9	1.3	-0.9	-8.3	-7.0	-7.9	.
Total economy, gross ¹⁾	EUR	437	438	439	435	478	475	471	508	478	470	460	438	435	433	.
Industry, gross, NACE Rev. 2 ³⁾	EUR	419	425	419	419	469	430	431	479	452	450	449	458	456	458	.
PRICES																
Consumer - HICP	PP	-0.2	0.4	0.4	0.7	0.3	1.7	0.2	0.2	0.3	0.1	0.2	2.6	0.2	0.6	0.6
Consumer - HICP	CPPY	4.9	4.9	4.3	4.6	4.7	5.2	4.5	4.2	4.2	4.4	4.3	7.1	7.6	7.7	7.9
Consumer - HICP	CCPPY	6.1	5.9	5.8	5.7	5.6	5.2	4.8	4.6	4.5	4.5	4.5	4.9	5.2	5.5	5.7
Producer, in industry, NACE Rev. 2	PP	0.7	0.2	0.3	0.6	-0.2	1.0	0.2	0.9	1.3	1.3	0.3	0.2	0.4	1.4	.
Producer, in industry, NACE Rev. 2	CPPY	-1.2	-1.3	-0.8	2.5	4.1	3.2	2.8	4.4	5.6	6.5	6.2	7.0	6.6	7.9	.
Producer, in industry, NACE Rev. 2	CCPPY	2.2	1.8	1.5	1.6	1.8	3.2	3.0	3.5	4.0	4.5	4.8	5.1	5.3	5.6	.
FOREIGN TRADE ⁴⁾																
Exports total (fob), cumulated	EUR mn	18661	21270	24009	26768	29116	2324	4886	7917	10798	13791	17135	20509	23296	.	.
Imports total (cif), cumulated	EUR mn	24648	28396	32047	35648	38891	2799	6011	9974	13736	17725	22008	26025	29405	.	.
Trade balance, cumulated	EUR mn	-5987	-7126	-8037	-8880	-9775	-476	-1125	-2056	-2938	-3934	-4873	-5516	-6109	.	.
Exports to EU-27 (fob), cumulated	EUR mn	13781	15785	17924	20017	21630	1752	3671	5887	7958	10142	12579	15013	16903	.	.
Imports from EU-27 (cif), cumulated	EUR mn	18072	20838	23595	26247	28511	1976	4283	7222	9948	12814	15849	18830	21306	.	.
Trade balance with EU-27, cumulated	EUR mn	-4291	-5053	-5671	-6230	-6880	-224	-612	-1336	-1990	-2672	-3270	-3817	-4403	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-3484	.	.	-5167	.	.	-1633	.	.	-3825	.	.	.	.
EXCHANGE RATE																
RON/EUR, monthly average	nominal	4.218	4.242	4.287	4.290	4.228	4.138	4.120	4.087	4.131	4.177	4.243	4.261	4.240	4.266	4.279
RON/USD, monthly average	nominal	2.956	2.913	2.894	2.876	2.893	2.900	3.010	3.012	3.081	3.324	3.476	3.337	3.288	3.264	3.079
EUR/RON, calculated with CPI ⁵⁾	real, Jan07=100	87.7	87.6	86.8	87.2	88.5	92.4	92.6	92.9	91.8	90.7	89.4	91.5	92.0	91.8	91.8
EUR/RON, calculated with PPI ⁵⁾	real, Jan07=100	94.8	94.8	93.7	93.9	95.0	97.2	97.6	98.6	98.1	97.8	96.2	95.9	96.7	97.2	.
USD/RON, calculated with CPI ⁵⁾	real, Jan07=100	96.2	97.9	98.9	100.0	99.9	101.0	97.5	97.3	95.2	88.3	84.6	90.4	91.9	93.0	99.0
USD/RON, calculated with PPI ⁵⁾	real, Jan07=100	101.5	103.7	104.1	103.9	102.7	101.4	98.4	98.0	96.5	90.3	87.2	90.7	92.2	94.0	.
DOMESTIC FINANCE																
Currency in circulation	RON mn, eop	24430	23865	23731	23762	23948	23800	24650	24230	24772	25515	26102	26933	26954	26788	.
M1	RON mn, eop	82871	80538	78286	78652	79291	76535	76900	76405	76372	78583	80491	79860	80415	81536	.
Broad money	RON mn, eop	184128	183732	184185	185579	189464	185794	187745	189839	190922	192650	195086	193768	195570	195819	.
Broad money	CPPY	13.5	10.6	13.3	12.6	8.8	5.5	6.5	8.3	8.3	8.6	8.3	6.9	6.2	6.6	.
Discount rate (p.a.) ⁶⁾	%, eop	9.0	8.5	8.5	8.0	8.0	8.0	7.5	7.3	7.0	6.5	6.3	6.3	6.3	6.3	6.3
Discount rate (p.a.) ⁶⁾⁷⁾	real, %	10.3	9.9	9.3	5.3	3.7	4.6	4.5	2.7	1.3	0.0	0.1	-0.7	-0.4	-1.5	.
BUDGET																
General gov. budget balance ⁸⁾ , cum.	RON mn	.	-28423	.	.	-42384	.	.	-9172	.	.	-20331	.	.	.	.

1) Enterprises with 4 and more employees.

2) Nominal wages deflated with HICP.

3) Including E (electricity, gas, steam, air conditioning supply etc.).

4) From 2007 intra-/extra-EU trade methodology.

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

6) Reference rate of RNB.

7) Deflated with annual PPI.

8) According to ESA'95 excessive deficit procedure.

SLOVAK REPUBLIC: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010									
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	-8.1	-7.4	-7.1	2.5	12.5	19.3	20.2	19.5	20.3	28.8	24.6	15.5	17.2	13.4	.
Industry, NACE Rev. 2	real, CCPPY	-19.9	-18.5	-17.3	-15.6	-13.8	19.3	19.7	19.7	19.8	21.6	22.1	21.2	20.7	19.7	.
Industry, NACE Rev. 2	real, 3MMA	-12.4	-7.5	-4.2	1.5	10.6	17.3	19.7	20.0	22.7	24.5	23.0	19.2	15.3	.	.
Construction, NACE Rev. 2	real, CPPY	0.1	-16.9	-21.9	-13.3	-18.2	-8.1	-19.6	-12.9	-1.0	-8.6	-6.6	-3.3	-0.6	-6.6	.
Construction, NACE Rev. 2	real, CCPPY	-7.4	-8.7	-10.3	-10.6	-11.3	-8.1	-14.5	-13.9	-10.0	-9.6	-9.0	-8.0	-6.9	-6.8	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	2366.9	.	.	2329.6	.	.	2283.1	.	.	2312.5	.	.	.	.
Employed persons, LFS	CCPPY	.	-1.8	.	.	-2.8	.	.	-4.5	.	.	-3.6	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	339.2	.	.	374.9	.	.	407.4	.	.	388.4	.	.	384.2	.
Unemployment rate, LFS	%	.	12.5	.	.	13.9	.	.	15.2	.	.	14.4	.	.	14.3	.
Productivity in industry, NACE Rev. 2	CCPPY	-6.2	-3.9	-2.0	0.3	2.5	39.9	38.5	36.0	34.0	34.0	32.8	30.5	28.8	26.6	.
WAGES																
Total economy, gross ¹⁾	EUR, quart. avg.	.	723	.	.	813	.	.	725	.	.	758	.	.	.	.
Total economy, gross ²⁾	real, CPPY	.	2.2	.	.	2.1	.	.	2.1	.	.	2.7	.	.	.	.
Industry, gross, NACE Rev. 2 ¹⁾	EUR	728	743	761	874	839	744	736	779	770	776	827	790	766	784	.
PRICES																
Consumer - HICP	PP	-0.2	-0.1	0.2	0.3	-0.1	0.1	0.0	0.1	0.4	0.1	0.0	0.1	-0.1	0.0	0.0
Consumer - HICP	CPPY	0.5	0.0	-0.1	0.0	0.0	-0.2	-0.2	0.3	0.7	0.7	0.7	1.0	1.1	1.1	1.0
Consumer - HICP	CCPPY	1.4	1.2	1.1	1.0	0.9	-0.2	-0.2	0.0	0.2	0.3	0.3	0.4	0.5	0.6	0.6
Producer, in industry, NACE Rev. 2 ³⁾	PP	-0.1	-0.1	0.0	0.6	-0.2	-1.0	-0.7	0.7	0.9	0.8	0.4	0.6	0.0	-0.2	.
Producer, in industry, NACE Rev. 2 ³⁾	CPPY	-8.2	-7.9	-8.2	-5.4	-3.7	-3.0	-4.5	-2.7	-1.1	0.5	0.8	1.9	2.0	1.9	.
Producer, in industry, NACE Rev. 2 ³⁾	CCPPY	-6.8	-6.9	-7.0	-6.9	-6.6	-3.0	-3.7	-3.4	-2.8	-2.2	-1.7	-1.2	-0.8	-0.5	.
FOREIGN TRADE ⁴⁾																
Exports total (fob), cumulated	EUR mn	25136	28889	33067	37030	40317	3119	6588	10734	14643	18685	22923	26751	30585	.	.
Imports total (fob), cumulated	EUR mn	25023	28603	32408	36313	39718	3103	6603	10664	14489	18544	22718	26717	30883	.	.
Trade balance, cumulated	EUR mn	113	286	659	716	600	15	-15	69	154	141	205	34	-297	.	.
Exports to EU-27 (fob), cumulated	EUR mn	21460	24728	28365	31846	34631	2709	5606	9095	12398	15797	19409	22659	25897	.	.
Imports from EU-27 (fob), cumulated	EUR mn	18741	21424	24286	27243	29693	2174	4757	7758	10625	13517	16590	19397	22262	.	.
Trade balance with EU-27, cumulated	EUR mn	2719	3304	4079	4603	4938	535	849	1337	1773	2280	2819	3263	3635	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-1266	.	.	-2023	.	.	-246	.	.	-616	.	.	.	.
EXCHANGE RATE ¹⁾																
EUR/USD, monthly average	nominal	0.7009	0.6867	0.6749	0.6705	0.6843	0.7007	0.7307	0.7370	0.7459	0.7959	0.8191	0.7831	0.7756	0.7653	0.7195
EUR/EUR, calculated with CPI ⁵⁾	real, Jan07=100	113.8	113.7	113.7	113.8	113.4	114.1	113.7	113.0	112.9	112.8	112.7	113.1	112.7	112.5	112.2
EUR/EUR, calculated with PPI ⁵⁾	real, Jan07=100	106.3	106.5	106.1	106.5	106.2	104.2	103.2	103.2	103.3	103.6	103.7	104.2	104.3	103.8	.
USD/EUR, calculated with CPI ⁵⁾	real, Jan07=100	124.8	127.1	129.4	130.5	128.1	124.7	119.6	118.3	117.1	109.7	106.7	111.7	112.6	114.0	121.1
USD/EUR, calculated with PPI ⁵⁾	real, Jan07=100	113.8	116.6	117.9	117.9	114.8	108.7	104.0	102.5	101.6	95.7	94.0	98.6	99.4	100.4	.
DOMESTIC FINANCE																
Currency in circulation ¹⁽⁶⁾	EUR mn, eop	6690	6665	6697	6770	6984	6798	6819	6927	6946	7002	7065	7167	7117	7113	7130
M1 ¹⁽⁶⁾	EUR mn, eop	22926	23121	22883	23570	24478	23500	23783	24052	24001	24796	24891	24635	24937	24904	24599
Broad money ¹⁽⁶⁾	EUR mn, eop	38245	37795	37558	37871	38872	38256	38874	39044	39740	40048	39348	39287	39459	39131	39160
Broad money ¹⁽⁶⁾	CPPY	.	.	.	.	.	-5.2	-2.6	-1.2	1.0	1.1	1.8	2.6	3.2	3.5	4.3
Discount rate (p.a.) ⁷⁾	%, eop	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Discount rate (p.a.) ⁷⁽⁸⁾	real, %	10.0	9.7	10.1	6.7	4.8	4.1	5.7	3.8	2.2	0.5	0.2	-0.9	-1.0	-0.9	.
BUDGET																
General gov. budget balance ¹⁽⁹⁾ , cum.	EUR mn	.	-3005	.	.	-4999	.	.	-930	.	.	-1935	.	.	.	.

1) Slovakia has introduced the Euro from 1 January 2009.

2) Nominal wages deflated with HICP.

3) Data refer to industry total compared to previously published domestic producer prices.

4) From 2004 intra-/extra-EU trade methodology.

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

6) From January 2009 Slovakia's contributions to EMU monetary aggregates.

7) From January 2009 ECB official refinancing operation rate.

8) Deflated with annual PPI.

9) According to ESA'95 excessive deficit procedure.

SLOVENIA: Selected monthly data on the economic situation 2009 to 2010

(updated end of Nov 2010)

		2009					2010									
		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
PRODUCTION																
Industry, NACE Rev. 2	real, CPPY	-17.6	-16.8	-19.6	-1.8	4.7	-8.8	-1.2	8.3	9.1	14.3	10.2	6.9	13.5	5.1	.
Industry, NACE Rev. 2	real, CCPY	-21.0	-20.5	-20.4	-18.8	-17.4	-8.8	-5.0	-0.3	1.9	4.4	5.4	5.6	6.5	6.3	.
Industry, NACE Rev. 2	real, 3MMA	-18.4	-18.0	-13.3	-7.1	-2.1	-1.9	-0.3	5.5	10.6	11.2	10.5	10.1	8.1	.	.
Construction, NACE Rev. 2 ¹⁾	real, CPPY	-19.5	-32.0	-28.3	-18.3	-9.5	-11.4	-24.2	-19.8	-17.8	-15.5	-17.2	-17.4	-13.1	-18.5	.
Construction, NACE Rev. 2 ¹⁾	real, CCPY	-19.4	-21.2	-22.1	-21.8	-21.0	-11.4	-18.3	-18.9	-18.6	-17.9	-17.7	-17.7	-17.0	-17.2	.
LABOUR																
Employed persons, LFS	th. pers., quart. avg	.	998.3	.	.	982.2	.	.	964.8	.	.	968.0	.	.	.	.
Employed persons, LFS	CCPPY	.	-1.4	.	.	-1.6	.	.	0.3	.	.	-0.5	.	.	.	.
Unemployed persons, LFS	th. pers., quart. avg	.	65.3	.	.	67.1	.	.	73.9	.	.	73.9	.	.	73.9	.
Unemployment rate, LFS	%	.	6.2	.	.	6.4	.	.	7.1	.	.	7.1	.	.	7.1	.
Productivity in industry, NACE Rev. 2	CCPPY	.	-12.6	.	.	-8.3	.	.	9.4	.	.	13.5	.	.	.	.
WAGES																
Total economy, gross	EUR	1415	1434	1448	1571	1488	1448	1431	1499	1483	1475	1492	1481	1487	1486	.
Total economy, gross ²⁾	real, CPPY	0.6	2.4	1.5	-0.5	0.0	0.4	2.0	3.4	1.5	1.7	2.2	1.6	2.6	1.5	.
Industry, gross, NACE Rev. 2	EUR	1223	1252	1280	1430	1319	1285	1263	1395	1330	1311	1339	1330	1353	1335	.
PRICES																
Consumer - HICP	PP	0.1	-0.1	0.1	0.8	-0.4	-0.6	0.3	1.0	1.1	0.4	0.2	-0.6	0.1	-0.4	0.1
Consumer - HICP	CCPY	0.1	0.0	0.2	1.8	2.1	1.8	1.6	1.8	2.7	2.4	2.1	2.3	2.4	2.1	2.1
Consumer - HICP	CCPPY	0.8	0.7	0.6	0.8	0.9	1.8	1.7	1.7	2.0	2.1	2.1	2.1	2.2	2.1	2.1
Producer, in industry, NACE Rev. 2 ³⁾	PP	0.1	0.3	0.0	-0.3	-0.2	0.1	0.4	0.3	0.7	1.3	0.3	0.2	0.2	0.0	0.3
Producer, in industry, NACE Rev. 2 ³⁾	CCPY	-3.4	-2.9	-2.4	-2.1	-1.4	-1.7	-1.5	-0.4	0.8	2.8	2.8	3.3	3.4	3.0	3.3
Producer, in industry, NACE Rev. 2 ³⁾	CCPPY	-1.0	-1.2	-1.3	-1.4	-1.4	-1.7	-1.6	-1.2	-0.7	0.0	0.5	0.9	1.2	1.4	1.6
FOREIGN TRADE⁴⁾																
Exports total (fob), cumulated	EUR mn	12117	13850	15610	17312	18768	1443	3019	4984	6748	8590	10599	12505	14097	.	.
Imports total (cif), cumulated	EUR mn	12190	13908	15688	17438	19004	1454	3067	5017	6821	8751	10678	12532	14171	.	.
Trade balance total, cumulated	EUR mn	-73	-57	-77	-126	-237	-10	-48	-33	-72	-161	-79	-27	-74	.	.
Exports to EU-27 (fob), cumulated	EUR mn	8382	9614	10844	12036	12998	1097	2250	3651	4927	6227	7671	8981	10059	.	.
Imports from EU-27 (cif), cumulated	EUR mn	8590	9809	11093	12332	13476	987	2066	3444	4685	6014	7322	8606	9736	.	.
Trade balance with EU-27, cumulated	EUR mn	-207	-195	-249	-295	-478	110	185	206	241	213	348	375	324	.	.
FOREIGN FINANCE																
Current account, cumulated	EUR mn	.	-475	.	.	-526	.	.	-121	.	.	-163	.	.	.	.
EXCHANGE RATE																
EUR/USD, monthly average ⁵⁾	nominal	0.7009	0.6867	0.6749	0.6705	0.6843	0.7007	0.7307	0.7370	0.7459	0.7959	0.8191	0.7831	0.7756	0.7653	0.7195
EUR/EUR, calculated with CPI ⁶⁾	real, Jan07=100	103.1	103.0	102.9	103.5	102.8	102.7	102.6	102.9	103.6	103.8	104.0	103.6	103.5	102.9	102.7
EUR/EUR, calculated with PPI ⁶⁾	real, Jan07=100	99.9	100.5	100.1	99.5	99.3	98.5	98.6	98.3	98.1	99.0	98.9	99.0	99.2	99.0	99.3
USD/EUR, calculated with CPI ⁶⁾	real, Jan07=100	113.0	115.1	117.2	118.7	116.1	112.3	108.0	107.8	107.4	101.0	98.4	102.4	103.4	104.2	110.9
USD/EUR, calculated with PPI ⁶⁾	real, Jan07=100	106.9	110.0	111.3	110.2	107.3	102.8	99.4	97.6	96.5	91.4	89.7	93.7	94.6	95.7	101.2
DOMESTIC FINANCE																
Currency in circulation	EUR mn, eop	3147	3151	3172	3182	3288	3228	3235	3276	3273	3310	3339	3393	3352	3346	.
M1	EUR mn, eop	7279	7340	7224	7330	7419	7449	7429	7617	7663	7976	8132	8127	8280	8233	.
Broad money	EUR mn, eop	18237	18241	18077	18115	18185	18250	18001	18168	18127	18359	18669	18886	18869	18786	.
Broad money	CCPY	9.4	6.9	7.4	3.7	0.7	0.8	0.3	-1.3	-0.2	-1.3	0.1	3.5	3.5	3.0	.
Discount rate (p.a.) ⁷⁾	%, eop	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Discount rate (p.a.) ⁷⁾⁸⁾	real, %	4.6	4.0	3.5	3.2	2.4	2.7	2.5	1.4	0.2	-1.7	-1.7	-2.2	-2.3	-2.0	-2.2
BUDGET																
General gov. budget balance ⁹⁾ , cum.	EUR mn	.	-1588	.	.	-2061	.	.	-749	.	.	-1498	.	.	.	.

1) Enterprises with 20 and more employees or turnover limits and output of some non-construction enterprises.
 2) Nominal wages deflated with HICP.
 3) Data refer to industry total compared to previously published domestic producer prices.
 4) From 2004 intra-/extra-EU trade methodology.
 5) Reference rate from ECB.
 6) Adjusted for domestic and foreign (US resp. EU) inflation. Values more than 100 mean real appreciation.
 7) From January 2007 ECB official refinancing operation rate.
 8) Deflated with annual PPI.
 9) According to ESA'95 excessive deficit procedure.

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

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