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Real convergence and real appreciation: the Czech experience

BY ALEŠ ČAPEK*

Under real convergence economists usually understand the process of catching up in the level of GDP per capita. This process is accompanied by changes in the structure of the economy, employment and foreign trade. These structural changes are both preconditions for and consequences of real convergence and reflect the intensification of economic links between the catching-up and the advanced countries. During the 1990s, structural change has been remarkable in many transition countries, including the Czech Republic. This is particularly visible in foreign trade. The structures of Czech exports and imports are gradually moving closer to the structures of EU exports and imports. Mutual inter-industry trade is rising. Supported by the inflow of FDI, mainly from the EU, the Czech industry integrates into the European economy.

Real convergence is by its nature a long-term process. It will take approximately twenty years (with 3 percentage points annual growth differential) for the Czech Republic to reach the average EU per capita GDP level (evaluated at purchasing power parity).

All transition countries are still very different from the EU in their price levels. At the exchange rate, Czech goods and services are very cheap compared with their counterparts in the EU. What are the implications of real convergence for the long-term movements in the price level? Assuming that there is a positive relationship between the GDP level and the price level (see Figure 1) one should expect real convergence to be

* Head, Monetary Department, Czech National Bank.

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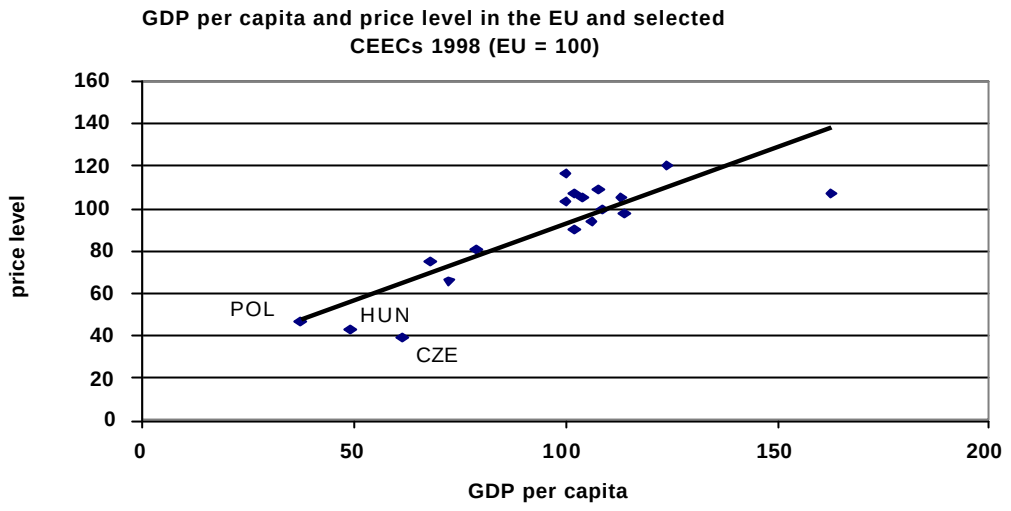
The Vienna Institute for International Economic Studies (WIIW)

Wiener Institut für Internationale Wirtschaftsvergleiche (WIIW)

Oppolzergasse 6, A-1010 Vienna, Austria, Tel. (+43 1) 533 66 10, Fax (+43 1) 533 66 10-50
e-mail: wiiw@wsr.ac.at, Internet: http://www.wiiw.ac.at

Figure 1



accompanied by a quite high average rate of growth of the price level. This, however, is equivalent to a long-term real appreciation of the Czech currency.

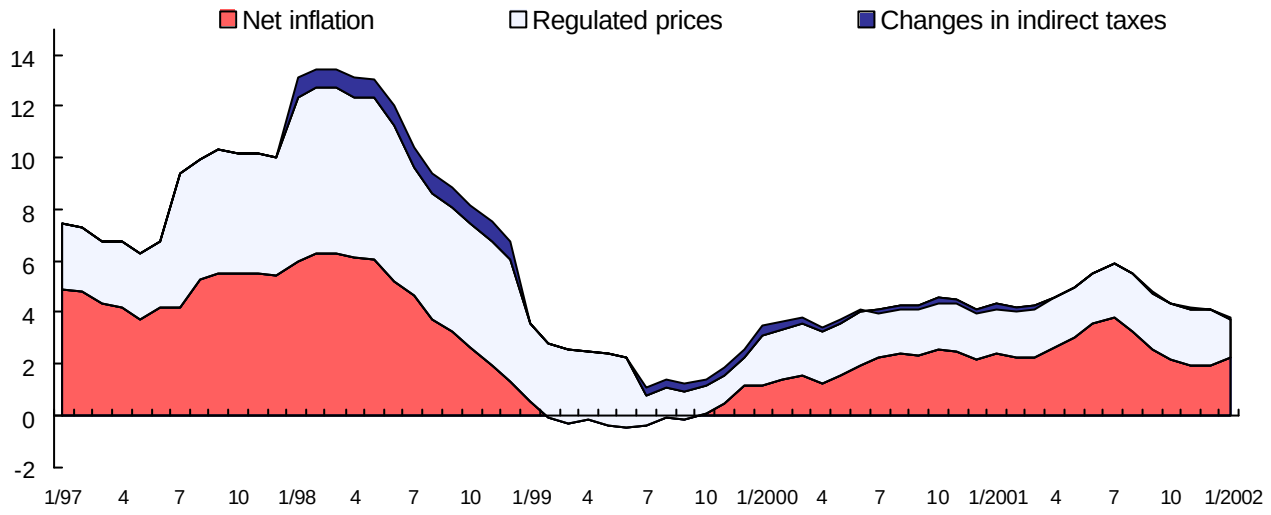
Sustained real appreciation has been observed in many transition countries during the 1990s. To some extent this development seems to reflect the differentials (vs. the EU) in the growth rates in labour productivity in the so-called tradable sector (i.e. primarily in manufacturing). According to the so-called Balassa-Samuelson hypothesis, such differential labour productivity trends should – under some assumptions – bring about higher inflation in the catching-up country (stemming yet primarily from fast rising prices of non-tradable services). The observed real appreciation in the accession countries has also been the result of increases in regulated prices and other administrative measures affecting the prices, including changes in indirect taxes. Thus real appreciation takes place also in countries which during certain periods were not catching up with the EU. This was the case in the Czech Republic in the second half of 1990s. In Figure 1 this type of real appreciation means the movement to the north, closer to the regression line. Of course, this type of real appreciation, which is mainly due to rising prices of non-tradable services, does not lead to a loss of price competitiveness, at least directly.

There may be reasons why the pace of real appreciation might gradually decelerate in the future or why it may be rather volatile and thus lead to some volatility of the process of nominal convergence. One is the impact of regulated prices on inflation. The relative levels of these prices were very low at the beginning of economic reforms and in the initial phase of transition they were growing quite fast. Their contribution to total inflation was important. In the Czech Republic, for instance, though the share of items with regulated prices in the consumer basket represents less than 20%, their contribution to the growth of the CPI in the 1990s was nearly 50%. The intensity of changes in regulated prices varied over time and that contributed to the volatility of total inflation. In the later phase of transition however the price distortions due to administrative regulations will gradually disappear.

Another reason for the slowdown of real appreciation in the future is the dynamics of real convergence itself. It is reasonable to expect that as the catching-up countries move closer to the developed countries in terms of per capita GDP, their growth rates will slow down and approach the growth rates of the developed countries. In this process the real appreciation which reflects the growth rate differential will also quite naturally slow down gradually.

Figure 2

Czech Republic: Structure of CPI (year-on-year)



At the same time some key assumptions of the Balassa–Samuelson hypothesis may not hold or be subject to some modifications. This is the case e.g. for the assumption of lagging productivity in the service sector. In fact in many modern service sectors (e.g. information and communications) relative productivity improvements may be more pronounced than in traditional manufacturing. This is sometimes mentioned as an explanation for the coexistence of high economic growth and low inflation in some of the advanced countries. It can be expected that this process will influence also the economies of the accession countries, affecting the development of the productivity differentials and consequently also the pace of real appreciation.

Other assumptions of the Balassa-Samuelson hypothesis can also be somewhat relaxed. For instance, rather than invoking an equalization of wage levels between the sectors and industries as an explanation for faster growth of prices in services, the opposite, i.e. differentiation of wages, may be postulated. In fact, such a differentiation has been observed in many transition countries including the Czech Republic. This partly reflects the natural movement from highly equalized wages in the pre-transition period to wage structures reflecting the market conditions.

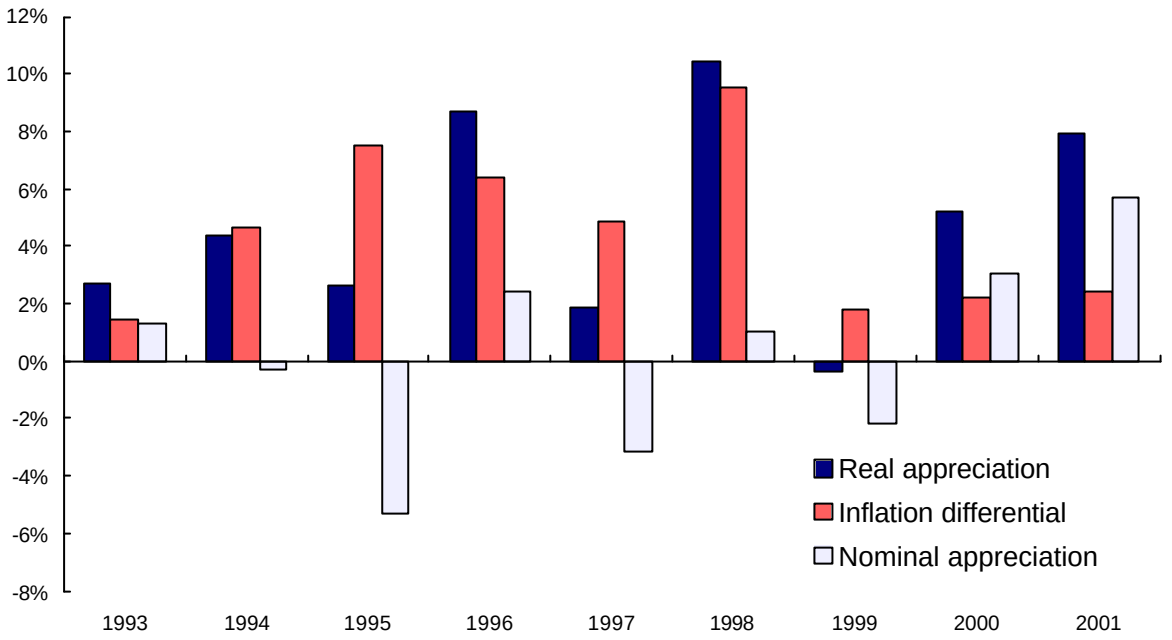
Summing up, the relationship between real convergence and real appreciation is not as straightforward as any simple hypothesis would suggest. It can be expected that catching up in GDP per capita or productivity levels will be in the long term accompanied by real appreciation, but this does not mean that a certain achieved percentage of GDP per capita must be accompanied by the same precisely given percentage of real appreciation. Advanced market economies at approximately the same GDP levels often differ in their price levels quite markedly and persistently. It is therefore possible that some transition countries will be converging in real terms with their price levels converging at much lower speeds.

The structure of real appreciation

The next question related to the process of real appreciation is about its structure, i.e. the combination of inflation and the nominal exchange rate movements. Real appreciation can in principle be a mix of different developments of the two. Which of them is preferable and what are the factors leading to a certain combination?

Figure 3

Real appreciation, CZK – DEM



The structure of real appreciation depends first of all on the exchange rate regime. Under a fixed exchange rate, real appreciation is by definition the result of higher inflation and the inflation differential. Under a crawling band/peg, real appreciation is normally the result of a higher inflation differential compared to the rate of nominal depreciation. Finally, under inflation targeting the exchange rate anchor is replaced by the inflation target. Here the exchange rate can strengthen nominally. When this happens, the real appreciation can occur even with no inflation (or with deflation).

In this context the discussion about the preferable structure of real appreciation is in fact a discussion of the different monetary policy and exchange rate regimes. Rather than going into this quite broad topic, let us have a look at the experience of the Czech Republic which in different phases went through different exchange rate regimes – with definite consequences for the real appreciation.

Up to 1997 monetary policy was conducted in the regime of a fixed exchange rate. Though the basket of currencies towards which the Czech koruna (CZK) was pegged changed during the time, and also the exchange rate band changed from an initially very narrow (± 0.5%) to a much wider band (± 7.5%) in 1996, the exchange rate was quite stable and real appreciation was mainly the result of higher inflation. The average rate of CPI inflation in the period up to 1997 was around 10%. Higher inflation was reflected in higher interest rates and high interest rate differential vs. the advanced countries. The interest rate differential on the short money market instruments fluctuated between 6 and 8 percentage points in the period 1994-1997. In a situation of fixed exchange rate this led to the inflow of short-term speculative capital which spurred money supply. The central bank in its effort to sterilize the inflow was burdened by increasing sterilization costs. The presence of speculative capital also increased the vulnerability of the economy.

Though the reasons for the 1997 financial turbulence in the Czech Republic are connected with longer-term macroeconomic and microeconomic developments and also the contagion effect of the Asian crisis, the flows of

speculative capital played an important role and contributed to the interest rate and exchange rate volatility during that period. In retrospect it seems that the real appreciation following the pegged exchange rate under an inflation differential had in itself some built-in destabilizing element. The Czech Republic probably maintained the fixed exchange rate regime for too long and missed the moment when due to real appreciation and the liberalization of capital flows it was appropriate to switch to some looser exchange rate regime.

Since the 1998 switch to inflation targeting the exchange rate has been allowed to move relatively freely, with the central bank intervening very rarely only to correct excessive movements of the exchange rate which did not correspond to the economic fundamentals. There was a persistent medium-term tendency of moderate appreciation vs. the euro. Inflation has declined from its initially high levels at the start of the new scheme to levels comparable to those in the EU. The structure of real appreciation as concerns the contribution of the two components – the rate of inflation and the movement of the nominal exchange rate – has changed compared to the previous period. A considerable part of real appreciation after 1998 was due to nominal appreciation.

That change had significant macroeconomic consequences. The decline of inflation and the decrease of the interest rate differential together with the uncertainty that was brought to the foreign exchange market after the peg had been abandoned, have influenced the structure of capital flows. The inflow is now dominated by FDI, and speculative capital is nearly absent in the Czech Republic. The vulnerability of the economy towards volatile capital flows has decreased. The relatively stable macroeconomic environment attracts further inflows of FDI which affect positively the supply side of the economy. Inflation targeting has in this sense played a stabilizing role and real appreciation as an outcome of relatively low inflation and moderate nominal appreciation seems to be a sustainable process.

Figure 4

Inflation, Czech Republic and euro area

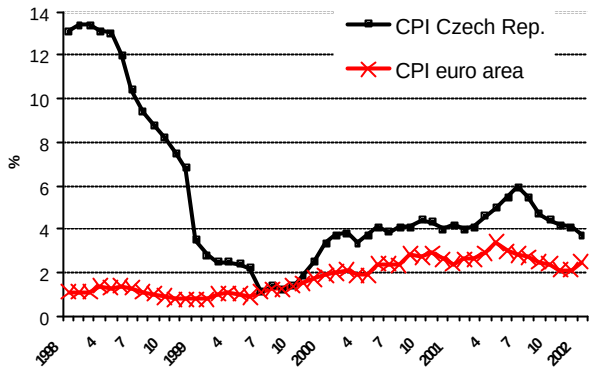
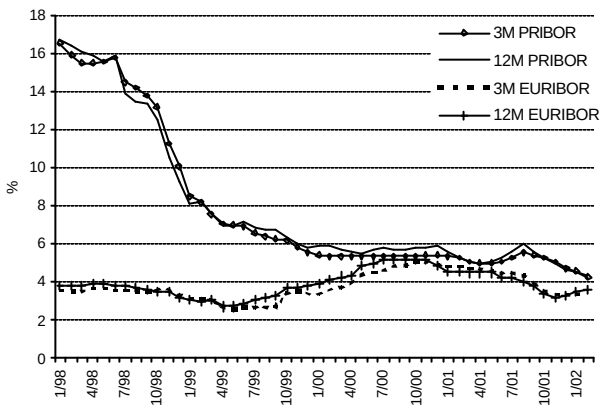


Figure 5

Interest rates on the money market, CZK and EUR



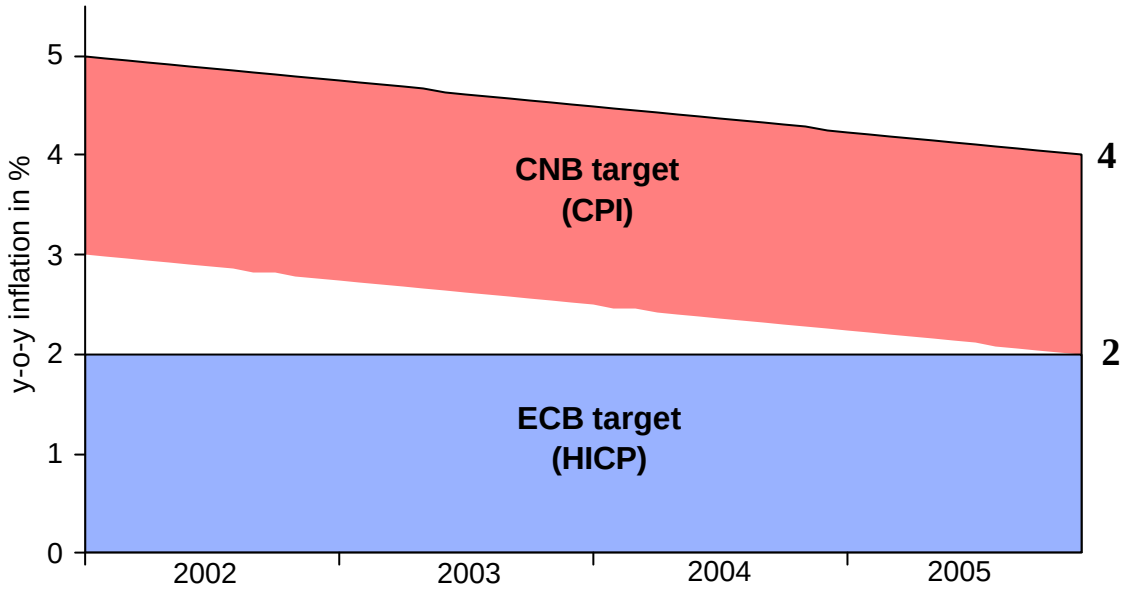
PRIBOR: Prague Interbank Interest Rate.

Real appreciation, accession and macroeconomic stabilization

How is the structure of real appreciation related to the accession process, to the development in the period after accession and after the adoption of the euro? The structure of real appreciation and thus the process of nominal convergence is in this time horizon predetermined by the monetary policy regimes in the accession countries and by the formal requirements connected with the accession and the ultimate adoption of the euro.

Figure 6

Comparison of inflation targets, CNB and ECB



In the case of the Czech Republic the pace of nominal convergence is given by the inflation target for CPI inflation in the form of a continuous and gradually declining band starting at 35% at the beginning of 2002 and reaching 2-4% at the end of 2005. The inflation target allows for some balanced growth of regulated prices. It indicates the intention (and the possibility) of achieving a level of inflation which in principle is consistent with the Maastricht inflation criterion.

Assuming that both the Czech and ECB inflation targets are met each year during the period 2002-2005, there will be some room for (narrowing) inflation differentials – and hence for real appreciation even if there is some nominal appreciation. Later on an inflation differential of about 1 percentage point would still be consistent with the Maastricht inflation criterion. Together with a moderate nominal appreciation (about 1-2% per year) this would imply a real appreciation of about 3% per year. A real appreciation of that order seems sustainable even in the medium run – and at the same time consistent with continuing real convergence. What is important here is that if inflation and nominal appreciation follow the paths just described, the Czech currency can in principle enter the Exchange Rate Mechanism (ERM II) relatively soon. The risk of the Czech currency being forced out of the ±15% exchange rate band prescribed by the ERM II seems very low.

The adoption of the euro in the final stage of integration into the EMU modifies the structure of real appreciation accompanying real convergence. The final irreversible fixing of the exchange rate when adopting the euro means that real appreciation is again possible only through higher inflation. This has important implications for the conduct of macroeconomic policies. The situation is however different from that under the exchange rate peg. Under a fixed exchange rate regime with an independent central bank, higher inflation is accompanied by higher interest rates. This may have consequences for capital flows and macroeconomic stability. In the common currency area with one common monetary policy and (hopefully) one level of interest rates, higher inflation in a catching-up country would imply lower real interest rates as compared to advanced countries with lower inflation. For a catching-up country the common monetary policy may thus be

more expansionary as compared to their more developed counterparts. Another difference is the non-existence of an exchange rate. One implication is that the risk of a speculative attack against the currency of the country does no longer exist. On the other hand the country loses the possibility to use the exchange rate as a macroeconomic policy tool. The fixed exchange rate regime does not exclude the possibility eventually to use the exchange rate for this purpose.

When monetary conditions in the catching-up country participating in the common currency area are too expansionary, there is a limited number of instruments for macroeconomic stabilization. Fiscal policy becomes essential. It is therefore of critical importance to create, in the pre-accession period and before the adoption of the euro, enough room for the fiscal policy to be capable of reacting flexibly to changing conditions.

Fiscal developments in many transition countries, including the Czech Republic, have not been very positive. Persisting fiscal deficits, a high share of mandatory outlays in total public expenditures and lagging reform of the system of social insurance characterize the trends in public finance and are an indication of limited flexibility. That flexibility will be further reduced as public finances in some transition countries have not yet absorbed the full costs of restructuring public enterprises or banks.

Another mechanism for macroeconomic stabilization are flexible markets of factors of production, including the labour market. Flexible labour markets may substantially alleviate the burden of fiscal policy. The current situation in the Czech Republic is not ideal in this respect. Big regional differences in the unemployment rate and the trends in long-term unemployment are indications of lacking regional and professional labour force mobility.

In the absence of a stabilizing fiscal policy and flexible labour markets the macroeconomic adjustments to external shocks and competitive pressures may have undesirable consequences. The overheating of a catching-up economy could lead to inflationary pressures and to an acceleration of real appreciation above the rate consistent with real convergence. The resulting loss of price competitiveness would lead to economic slowdown, an increase in unemployment, instability and, as a consequence, to a slowdown of the convergence process.

Conclusions

The real convergence of the Czech Republic to the EU level is accompanied by real appreciation. The process seems consistent with the maintenance of macroeconomic stability. Also, it seems consistent with an early participation of the Czech Republic in the ERM II. Temporarily, however, the real appreciation may accelerate, or be rather volatile, due to continuing administrative measures (indirect taxation, price regulations) affecting inflation. Real appreciation, as observed in the Czech Republic in recent years, could proceed at rather low inflation without significantly eroding external competitiveness. This can be attributed to the policy of the central bank which succeeded in achieving disinflation synchronized with a fast reduction of interest rates. The loss of the exchange rate instrument and the common monetary policy after the adoption of the euro will shift the main responsibility for achieving macroeconomic stability in the individual countries to fiscal policy and to flexible labour markets. Taking into account the recent developments of public finance and labour markets in the Czech Republic (as well as in several other accession countries) much remains to be done in the future.

CEE agriculture in an enlarged EU: a hard landing ahead?

BY ZDENEK LUKAS

Ten countries, so an assessment of the European Commission (EC) in November 2001, are well on their way to fulfilling the conditions set for their joining the EU within the next three years: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. On 30 January 2002 the EC announced its proposals for funding the enlargement of the EU by 2004. The proposal would incur an outlay of EUR 40 billion over the period 2004-2006.[1] Over 60% of that sum is to be appropriated as structural funds, followed by agriculture, which accounts for almost another 25%.[2] Given the envisaged contributions from the new member states, the total net costs accruing to the EU-15 would amount to some EUR 24 billion in the period 2004-2006: a mere 0.1% of their annual GDP. In fact, these funds are already to hand in Brussels where the bulk of EU funds earmarked for the pre-accession period (for such programmes as Phare and SAPARD) have lain un- or under-utilized. However, at a later juncture the burden on the 'old' EU countries will increase in stages. The Commission's proposals suggest gradual integration of the new entrants into the

– structural funds; and
– Common Agricultural Policy (CAP).

The most controversial issue in the EC proposal is *agriculture*. A reform of the CAP is quite likely after 2006. Within the EU-15, however, opinion varies about the direction such reforms should take. Thus, the current round of negotiations with the candidate countries remains focused on including the new members in the existing system, as can be seen in the Commission's proposed enlargement strategy. Contacts prior to these proposals proved incapable of bridging major differences of opinion, in particular with respect to introducing mechanisms governing production (viz. production quotas and set-aside[3] programmes) as well as determining direct payments to farmers. In its proposals, the Commission has summarized its position, in the hope that it will prove acceptable to the EU-15 as a whole.

Production quotas relate primarily to grain, oil seeds, protein crops, potato starch, sugar, fibres, olive oil, processed fruit and vegetables, tobacco, milk and beef. The candidate countries plead in favour of taking as their point of reference a period with high degree of self-sufficiency, i.e. the early 1990s – the years prior to the collapse of production. On the other hand, the EC suggests taking as the referential period the years 1997-1999: a period when production levels were appreciably lower. For crop production, quotas represent a cap on output calculated as the product of 'arable crop area' and the 'reference yield' per hectare, both as defined by EU regulations. In the animal sector, the corresponding parameters are the number of cattle and the reference yield per cattle. Output in excess of the quotas does not qualify for market price support.

Except for sugar beet, crop yields in the candidate countries dropped only slightly over the past decade, whereas the decline in output in livestock production was considerably more pronounced, mostly on account of the drastic reduction in stock. Thus, the production quotas proposed by the EC are, especially in the animal sector, lower than those sought by the candidate states. Given this divergence between the EC recommendations and the candidate countries' request, it would seem that the most contentious issue in the final negotiations will relate to sugar and milk production quotas. Quite understandably from the EC standpoint, the

[1] For more see S. Richter, 'Monitoring EU enlargement', Report No. 2, commissioned by Bank Austria, February 2002.

[2] Per person economically active in the candidate countries, the projected expenditures amount to around EUR 400 on average p.a.

[3] Uncultivated farmland lying fallow.

document to be negotiated makes no mention of upping production quotas in the event that food demand increases in the newcomer states.

Stated in simple terms, *direct payments* per hectare or head of cattle are linked to the production quotas mentioned above. Income is thus independent of the yield in a specific year. In budgetary terms, arable crops constitute the most important sector, accounting for nearly three quarters of all direct payments. The EC advocates that in the first post-accession year farmers in the entrant countries would receive direct payments equivalent to 25% of the per hectare/head of cattle amount customary in the EU-15 today. Although this share would gradually rise, the countries would have to wait ten years before receiving full direct payments under the CAP system applicable at the time. The Commission argues that immediate direct payments in full to the new members at current EU rates would harm society in those countries as the distribution of incomes would be skewed in favour of farmers. Furthermore, the EC believes that full direct payments would merely slow down the farm-restructuring process; the Commission was clearly thinking of Poland, the largest applicant country with its labour-intensive and predominantly small-scale farming operations.

The EC intends to start introducing the system of direct payments on a gradual scale in 2004. For the first year of membership, however, the scheme does not envisage any EU funding inflow at all. The Commission argues that in line with current CAP procedures direct payments in any one year have first to be fully expended by the member states themselves before being reimbursed from the EU budget the year thereafter.[4] The new member states, however, would be given the option of increasing their direct payments up to the level applied prior to their accession with the general ceiling set for such payments in the EU-15.

Given the proposal in its present form, the first year in particular will impose an inordinate burden on the fiscal balance in the newcomer states. The newcomers will pay some EUR 5 billion a year into the common budget in the period 2004-2006. At the same time, despite the CAP the newcomers would in all likelihood have to lend additional support to those farmers in their own countries operating along commercial lines. The latter would be hard pressed to survive especially in the initial post-accession years on account of a number of EU regulations (see below).

The Commission argues that the new members would enjoy adequate benefits via market support measures from the very first day of joining the EU; it points to higher output prices and unrestricted access to the enormous agricultural market in the enlarged EU. Whether this is true remains to be seen. Currently, input prices in the agro-food sector in the candidate countries are lower than those in the EU because the prices for certain locally manufactured production inputs are low in euro terms. Most farms – particularly in Poland, the largest candidate country – have not been modernized and the whole sector is fraught with structural shortcomings. Furthermore, areas upstream of agriculture are poorly developed. In the candidate countries, prices for farmland, labour and some non-imported (or as yet non-imported) production inputs in particular are below EU levels; Slovenia is the sole exception. On the other hand, agricultural output prices in the candidate countries have risen continuously; prices for several items are already very close to those in the EU-15. Hence, on joining the EU agricultural output prices will rise relatively modestly, whereas prices for machinery and production material will most probably rise more rapidly as suppliers of inputs from the EU-15 start penetrating markets in the newcomer states on a larger scale. At the same time, local producers of cheap, but technically obsolete agricultural inputs will fade away. The current ratio between output and input prices (terms-of-trade) as one aspect of farm competitiveness will be established anew; alternatively, it may even deteriorate especially in the initial years of membership. First and foremost, tenant farmers (agricultural enterprises

[4] See http://europa.eu.int/rapid/start/

cultivating land held in lease) will experience deterioration in the terms-of-trade. In their case, use of land entails expenditures that will rapidly increase. Furthermore, for large-scale enterprises employing hired labour the correlation between output prices and wage rates will worsen. Only a few enterprises will be able to renew plant and equipment prior to entering the EU, and thus benefit from relatively favourable prices for capital goods.

In the EU-15 food processing is indisputably better developed than in the candidate states, despite improvements in recent years. Furthermore, many multinational companies from the EU have already assumed control of the majority of retail food chains in the candidate countries. Especially in the initial post-enlargement years, the food-processing enterprises located in the EU-15 will most probably continue to produce foodstuffs based on agricultural output from farmers in the EU-15; farmers and downstream local food processors in the newcomer states will encounter difficulties in complying with the very strict phytosanitary, veterinary, health and environmental regulations of the EU. These regulations, if fully applied from the first day of EU membership, would hit especially small and medium-sized family farms and local food processors. Given falling transaction costs, multinational food companies from the EU-15 will most probably expand further in the enlarged tariff-free European Union and move into the newcomer countries. In the initial years in particular, they will all the more supply processed food from their traditional suppliers in the EU-15.

In addition to production quotas, other factors will constrain the expansion of production. In the new entrant countries, farms will experience deterioration in their terms-of-trade – especially in those farms facing a need to invest in the replacement of obsolete equipment or acquisition of new equipment. Coupled with the non-tariff (phytosanitary, veterinary and the like) barriers on exports to the ‘old’ EU countries mentioned above and in anticipation of multinational food companies penetrating markets in the ‘new’ EU countries, this may well lead to a reduction in commercial agricultural operations. Thus, the competitiveness of the farming sector in those countries may well deteriorate. In all likelihood, a definitive system of direct payments will only be discussed towards the close of the accession process, as important changes to the CAP are in the offing, probably after 2006. The most probable outcome will be a cut in subsidies for 'old' and 'new' EU farmers alike.

At a time when referendums on enlargement are about to be held, negative sentiments could build up among farmers in the applicant states. To quell such sentiments, the Commission suggests that in the first three years after enlargement, a portion of the rural development funds be allocated to specific measures for semi-subsistence farms in the form of a flat-rate subsidy.

Compared to the EU-15, rural development-related transfers in the new entrant countries will account for a larger share in total CAP expenditures. As a matter of fact, the EC intends to try out a general shift of farm payments away from direct support towards broader *rural development measures*.[5] Currently, major disparities between urban and rural areas are to be observed in the candidate countries: in some cases they have become even more pronounced over the past decade. This has resulted in further deterioration of the already low standard of rural infrastructure (e.g. shops, utilities and public transport) as well as in an exorbitantly high unemployment rate in rural areas. Hence, diverting such payments to rural development projects or adopting specific measures for semi-subsistence farms may well prove beneficial, all the more so as this innovative support is aimed specifically at creating alternative off-farm jobs and developing rural infrastructure. However, this shift in payments would also result in a concomitant shift in decision-making terms away from entrepreneurs (farmers) to civil servants. Furthermore, another

[5] Early retirement of farmers, support for less favoured areas or areas with environmental restrictions, agro-environmental programmes, afforestation of agricultural land, specific measures for semi-subsistence farms, establishment of producer groups and technical assistance

comforting aspect of the issue, at least where the EU is concerned, is that rural development policy has to be co-financed by national funds, unlike CAP payments which are funded exclusively from funds in Brussels. Taking all these factors together, the rural development measures envisaged for the new EU states will in all likelihood result in a decline in agricultural output, at least where commercial agriculture is concerned.

In summary, on closer scrutiny the EU proposal with its production quotas and asymmetrical direct payments is evidently aimed at inducing a stagnation of agricultural production (primarily commercial production) in the new EU states, even though most of the newcomers have been net agro-food importers hitherto. On the other hand, despite some measure of decline, the EU-15 are currently confronted with the problem of agricultural surpluses, which they can only export by resorting to massive export subsidies. The aim of restricting farm output in the new EU countries will be matched by the provision of broader rural development support mentioned above as distinct from direct benefits to agricultural production *per se*. As is well known, current living standards in the candidate countries are significantly lower than those in the EU-15. However, as the catching-up process moves ahead and GDP per capita rises apace, the demand for foodstuffs will also increase. Given the CAP philosophy on common agro-food markets within the club, the agricultural surpluses from the 'old' EU states will simply be 'delivered' to the 'new' EU states. Indeed, this would offer the EU-15 a very convenient means of reducing their agricultural surpluses while obviating the need to fund export subsidies. However, at the same time the new states would clearly undergo further deterioration of their negative agro-food trade balance. It is no wonder that the reaction of the candidate countries to the EC proposal was nearly unanimously negative. In the wake of a polemic discussion among the individual EU countries, the EU-15 will in all likelihood submit a final position paper on the issue at the end of 2002 once the parliamentary elections in Germany and France are safely behind them. In view of the above, the deadline set for concluding the negotiations with the candidate countries (end of 2002) seems most unrealistic.

The evolution of inequality in Poland

BY LEON PODKAMINER

Evidence from the Household Budget Surveys

There is little doubt that inequality in incomes and consumption in the Central and East European countries, which is considered to have been relatively low prior to 1990, has increased substantially in the course of the transition to a market economy. However, the inequality measurement poses many methodological and practical questions. The former relate to the choice of indicators to capture inequality properly, and the latter reflect the constraints imposed by the availability of reliable statistical data on the distribution of income and consumption. The practice of research on inequality conducted in many countries (and by international organizations such as The World Bank) for many decades now, has focused on studies of the data derived from Household Budget Surveys (HBS). In so far as the conclusions on the evolution of inequality in Poland since 1993[1] (which is the subject of this Note) rely on conventional analyses of HBS, they require the following two qualifications.

First, the HBS data (and conclusions derived from them) can mirror the genuine social structure of incomes and expenditures only inaccurately. Thus, even with 30,000 households (with 100,000 persons[2]) surveyed in Poland, the likelihood of a proper representation of units with very high and very low incomes is rather low. The homeless, residents of asylums for the poor and 'pathological' individuals and families (as a rule extremely poor) are excluded from HBS. 'True' social inequality is therefore not really reflected in the HBS inequality measures, which at best characterize the inequality in the sample. The HBS-based inequality measures *underestimate* genuine inequality. Second, there are some problems with the way households report income and expenditure. Some systematic 'errors' in reporting are quite common. For example, the average per capita expenditure on alcohol in the HBS is only about half of the actual nationwide level.

Before the evolution of specific inequality indicators is discussed, it may be worth having a look at the changing relative positions of 'average' representatives of various household groups distinguished in HBS.

Table 1 suggests that the position of farmers, part-time farmers, blue-collar employees and self-employed improved strongly between 1993 and 1996 and then deteriorated (very strongly in the case of farmers, part-time farmers and blue-collar employees) in the years 1996 to 1999. The opposite happened to the position of retirees. The position of the unemployed has been deteriorating steadily, and the position of white-collar employees steadily improving. The first, and relatively

Table 1

Average per capita expenditure by type of household in 1993, 1996 and 1999

(average per capita expenditure = 1)

	Farmers	Employees			Part-time farmers	Self-employed	Retirees	Unemployed etc.
			blue-collar	white-collar				
1993	0.89	0.99	0.84	1.27	0.83	1.28	1.12	0.63
1996	1.10	1.12	0.99	1.33	1.21	1.51	0.74	0.62
1999	0.71	1.04	0.83	1.39	0.74	1.28	1.10	0.60

Source: HBS 1993, 1996, 1999.

[1] In 1993 the methodology underlying the Polish HBS was changed, thereby making the inequality comparisons with earlier years rather problematic.

[2] This amounts to 0.26% of the total population.

Table 2

Equivalent[3] expenditures inequality indicators

	Gini	Theil	90/10	75/25
1993	0.288	0.165	3.34	1.86
1996	0.286	0.159	3.32	1.85
1999	0.318	0.192	3.93	2.02

Remarks: All indicators are calculated using the commonly applied OECD (70/50) demographic equivalence scale. The columns 90/10 and 75/25 are the conventional percentile ratios.

unproblematic, set of *proper* inequality measures is about *expenditure* inequality in the years 1993, 1996 and 1999 (see Table 2).[3]

As can be seen, expenditure inequality, however measured, *decreased* in the first period – and *increased*, rather strongly, in the second.

It is not quite possible to follow the developments of *income* inequality indicators, because in 1997 the HBS definition of income was changed: some capital gains were excluded from the household income. However, for 1997 there are two parallel sets of HBS results (with and without the capital gains allowed for). Assuming, somewhat heroically, that the ratios of income inequality indicators derived from the two alternative HBS 1997 sets apply also to 1999, one can produce a table with income inequality indicators.

Table 3 suggests that *income* inequality rose, in the first period, rather slowly. Then it accelerated in the second period.

There is a rough correspondence between the respective inequality measures for expenditure and income. That correspondence was quite strong in 1993 and 1996 – and less strong in 1999. The fact that income inequality measures for 1999 are estimates (and not the actual values) may have played a role here. Besides, the fact that in 1999 the gaps between expenditure inequality and income inequality measures are somewhat higher than in 1996 and 1993 may reflect changes in the (net) saving propensities in households at different levels of income. A consumer credit boom (in 1999) may have contributed to disproportionately larger inequality in expenditures than in incomes. (Consumer credits are extended primarily to the reasonably well-off households.)

Overall, Tables 2 and 3 indicate that the periods 1993-96 and 1996-99 are qualitatively distinct. In the first period expenditure inequality decreased while income inequality rose only moderately. In the second period inequality rose strongly on both counts.

Unlike the Gini coefficient and the 90/10 and 75/25 percentile ratios, the Theil index can be conveniently (and exactly) decomposed. The decomposition of the Theil expenditure inequality indices for 1993, 1996 and 1999 sheds some light on the evolution of the *within-group* and the *between-group* inequality – with various criteria for distinguishing groups of households.

Table 3

Equivalent income inequality indicators

	Gini	Theil	90/10	75/25
1993	0.290	0.176	3.34	1.83
1996	0.301	0.189	3.42	1.83
1999*	*0.316*	*0.216*	*3.79*	*1.90*

Note: * Estimated.

[3] Tables 2 through 6 were calculated by Dr. Adam Szulc, Warsaw School of Economics.

Table 4 indicates that in the first period the *within-group* inequality was generally falling (rather strongly for part-time farmers, farmers, retirees and unemployed). There was yet a quite significant increase in *between-group* inequality, primarily on account of the improving position of employees. In the second period there was a strong increase in both components of overall inequality. Inequality also rose strongly for all social groups – except farmers (within-group inequality for farmers falling still further).

Also the decomposition based on type of residence (Table 5) indicates that in the second period there was a strong rise in both components of inequality, with a strong increase in inequality among the urban households. Finally, while in the first period the education level did not have a very strong impact on changes in inequality, in the second period that impact became very strong (Table 6).

It is worth observing that the impact of the differences in the education level on inequality has been stronger than the respective impacts of differences in residence or occupation. The *between-group* inequality indices are the highest when households are distinguished by their education level. However, the between-group inequality indices for the education level seem to have increased at lower speeds than the other two between-group indices. This may suggest that the differences in residence and occupation may become more important in the future – should the trends underlying the past developments continue.

Table 4

Decomposition of Theil expenditures inequality index into indices for professional groups

	1993	1996	1999
Employees	0.156	0.169	0.196
Part-time farmers	0.125	0.114	0.147
Farmers	0.173	0.163	0.158
Retirees	0.154	0.115	0.146
Self employed	0.218	0.223	0.292
Unemployed etc	0.175	0.149	0.215
Within-group	0.1594	0.1516	0.1824
Between-group	0.0058	0.0077	0.0097
Overall inequality	0.1652	0.1593	0.1921

Table 5

Decomposition of Theil expenditure inequality index into indices for groups distinguished by residence

	1993	1996	1999
Cities and towns*	0.147	0.161	0.202
Small towns	0.155	0.142	0.156
Rural areas	0.180	0.143	0.166
Within-group	0.1592	0.1499	0.1775
Between-group	0.0059	0.0094	0.0146
Overall inequality	0.1652	0.1593	0.1921

Note: * With 50,000 or more inhabitants.

Table 6

Decomposition of Theil expenditure inequality index into indices for groups distinguished by education level

	1993	1996	1999
University	0.162	0.172	0.188
Secondary	0.137	0.142	0.175
Elementary or below	0.170	0.119	0.136
Within-group	0.1497	0.1416	0.1691
Between-group	0.0155	0.0177	0.0231
Overall inequality	0.1652	0.1593	0.1921

Poverty

The World Development Report 1999/2000 (p. 237) put 23.8% of Poland's population in 1993 below the national poverty line (with 15.1% living on less than USD 2, at PPP, a day, and 6.8% on less than USD 1). According to estimates available from Poland's Institute of Labour and Social Studies (ILSS), poverty was falling in the years 1993-95. Since 1995 poverty has been expanding, especially in 1999 and 2000 (see Table 7).

The 'existential minimum', as defined by the ILSS, may well be considered too generous – or even somewhat arbitrary. Besides, current (monetary) expenditure or income levels may be inaccurate indicators of poverty because they may not reflect non-monetary resources and flows (such as services provided by the residential facilities owned). Nonetheless, the reversal of inequality trends around 1996 (see Tables 2 to 5) is consistent with Table 7. Rising inequality does, generally, imply rising poverty – especially when the overall GDP growth is less than spectacular. It may be added that unemployment appears to be the major determinant of poverty. According to the ILSS, in 2000 some 20% of members of households with one or more unemployed lived on income below the official poverty line (and 'only' 5% of members of households with no unemployed member). The trends in unemployment rates are broadly consistent with the trends elicited in Table 7. (The rate of unemployment in 1993 was 16.4%, falling to 10.3% in 1997 – and then rebounding, to 17% in 2000.)

Table 7

Poverty

	% of persons in households with expenditure less than 50% of the average	% of persons below ILSS poverty line ('existential minimum')	ILSS poverty line in PPP $ per day (per person in house-holds with two adults)	% of households below Leyden Poverty Line (subjective)
1993	12	-	2.60	40
1994	13.5	6.4	3.00	33
1995	12.8	-	3.68	30.8
1996	14	4.3	3.20	30.5
1997	15.3	5.4	3.94	30.8
1998	15.8	5.6	4.18	30.8
1999	15.5	6.9	4.40	34.8
2000	17.1	8.1	4.70	34.4

Source: CSO, ILSS, own calculations.

Some factors behind inequality trends: evidence on functional distribution of income

Available national accounts statistics allow an examination of the changing patterns of the functional distribution of income. The summary data for 1992, 1995 and 1999 contained in Table 8 require some explanatory comments.

1) Within the household sector four 'classes' of population are distinguished: (a) farmers, (b) employers and self-employed, (c) employees, and (d) recipients of non-earned income. Class (d) includes retirees, unemployed receiving unemployment benefits, etc. Class (b) excludes farmers – certainly the self-employed. (b) is a heterogeneous 'class', with small-scale vendors lumped together with e.g. lawyers and owners of businesses employing hundreds of workers. Prior to 1995 classes (c) and (d) were also lumped together.

2) Actual gross primary income of the employers & self-employed is, in all probability, much higher. Employers & self-employed have many possibilities of adding costs of many consumer goods and services (purchase, maintenance and operation of personal cars; travel, telecommunication services; some domestic durables etc.) to the costs of operating their businesses. (Thereby they lower their taxable personal income, and also the amount of the corporate tax due. Moreover, purchases of items classed as 'production inputs' are free of VAT.) Actual gross operating surpluses and/or net property incomes of class (b) are therefore (much) higher than Table 8 indicates.

3) Property income net (which includes rental income, dividends, distributed profits, interest income etc.) has been negative for farmers – on account of high indebtedness (and interest costs) burdening that class.

Taking the data of Table 8 at face value, one observes the following:

1) In the first period (1992-95) the share of taxes in gross primary income declined for farmers and increased for the employers & self-employed. In the second period (1995-99) the burden of taxation fell strongly for employees, and even more so for the employers & self-employed. (In 1999 gross primary incomes of both classes were effectively taxed at the same rate.) Taxes charged on farmers' income rose very strongly yet.

2) The share of farmers' gross disposable income in the total did not change in the first period, but was halved in the second. The share of gross disposable income of employers & self-employed rose strongly in the first period, and then rather moderately in the second. The share of employees' gross disposable income rose in the second period, while the share of income of retirees etc. declined in the second period.

3) In the first period *real*[4] gross disposable incomes of farmers improved strongly whereas in the second they fell quite dramatically. Moderate improvements in the real value of gross disposable incomes of the remaining 'classes' in the first period were followed by further, much stronger, improvements in the second period.

4) The disparities between gross disposable income *per income-earning members* of individual classes have changed. In the second period the gap between employees and employers & self-employed narrowed somewhat. Farmers have lost to employers & self-employed (and also to employees) enormously in both periods.

The most important conclusion from Table 8 is that during the first period farmers managed to maintain – and even improve – their living standards. But in the second period they suffered heavy losses. Not only their *relative* standing vis-à-vis other social classes deteriorated; their real incomes collapsed in absolute terms. Bearing in mind that farmers account for one fourth of the professionally active population, one concludes that in the second period there has been a dramatic rise in the overall income inequality (and not only in the sample of individuals covered by HBS).

[4] Real gross disposable incomes are calculated using class-specific cost-of-living indices.

Table 8 **Income of the household sector, by class and type of income, 1992, 1995, 1999**

(current PLN billion)

	Total	Farmers	Employers & self-employed	Employees	Retirees & unemployed
Gross operating surplus					
1992	25.5	5.4	20.1		
1995	81.4	14	67.4		
1999	144.4	14.2	130.2		
Wages					
1992	39			39	
1995	94.4			94.4	
1999	190.5			190.5	
Property income net					
1992	6.3	-0.1	1	5.4	
1995	21.4	-0.4	13.6	5.4	2.8
1999	37.5	-0.9	28.5	6.3	3.6
Gross primary income					
1992	70.8	5.3	21.1	44.4	
1995	197.2	13.6	81	99.8	2.8
1999	372.4	13.3	158.7	196.8	3.6
Taxes on income and wealth minus transfers					
1992	-12.7	0.7	2.5	-15.9	
1995	-23.7	1.5	10.8	10.6	-46.6
1999	-67.6	2	10.5	13	-93.1
Gross disposable income					
1992	83.5	4.6	18.6	60.3	
1995	220.9	12.1	70.2	89.2	49.4
1999	440	11.3	148.2	183.8	96.7
Share of net taxes in gross primary income					
1992		0.132	0.118		
1995		0.110	0.133	0.106	
1999		0.150	0.066	0.066	
Shares in total gross disposable income					
1992	1.0	0.055	0.223	0.722	
1995	1.0	0.055	0.318	0.404	0.224
1999	1.0	0.026	0.337	0.418	0.220
Indices of real disposable income					
1995 (1992=1)	1.1	1.226	1.1	1.09	
1999 (1995=1)	1.205	0.575	1.273	1.241	1.195
Indices of real disposable income per capita (total) and per income-earning member of the class					
1995 (1992=1)	1.096	*1.169*	*1.482*		
1999 (1995=1)	1.204	*0.549*	*1.131*	*1.217*	
Gross disposable income per income-earning member of the class (income per farmer = 1)					
1992		*1.0*	*7.0*		
1995		*1.0*	*16.5*	*2.9*	
1999		*1.0*	*34.5*	*6.7*	

Notes: For 1992 'Employees' and 'Pensioners & unemployed' are lumped together. – Numbers in italics (the last two items) are own estimates.

Source: CSO Yearbooks.

Why have farmers fared so badly? Arithmetically speaking, the rising burden of taxation and of interest charged has not played a major role. Even if farmers' incomes had not been taxed at all in the second period, and the interest charged had been waived, their real incomes would still have been some 33% lower (1999 over 1995). A direct reason for the farmers' misfortune must be seen in the classical 'price scissors' (or internal terms of trade) operating, in the second period, against them (see Table 9).

Foreign trade in agricultural products (this does not include trade in products of the food processing industry) may have had some impact on prices and incomes of farmers. In 1992 there was a rather large *surplus* on that trade, equivalent to 4.6% of the sold agricultural output. By 1995 there was a *deficit* of 1.5%, followed by a 2.7% deficit in 1999. In both periods imports of farm produce were price-competitive vs. the domestic production. In the first period the index of import prices was about 2.2, in the second 1.22. There was yet a major change in the profitability of exports of farm produce. The index of export prices was 2.05 for the first period, and 1.01 for the second. Clearly, the exchange rate developments (real appreciation, particularly strong after 1995) must have played a major – and negative – role for output (rising trade deficit), prices, and incomes. These developments have surely been reinforced by the liberalization of imports and reduction of support to exports. All in all, farmers' losses (perhaps otherwise inevitable because of the world-market developments, low elasticity of domestic demand for farm produce and the atomistic structure of farming) may have been magnified under liberalization.

Table 9

Price indices for agriculture

	Sold farm output	Consumer items purchased by farmers	Inputs for farm production purchased	All items purchased by farmers	'Price scissors' (internal terms of trade)
1995 (1992 = 1)	2.31	2.20	2.12	2.14	1.08
1999 (1995 = 1)	1.29	1.63	1.62	1.62	0.77

Source: CSO.

Concluding remarks

Any judgement on trends in inequality must be qualified not only on account of imperfection of indicators used in inequality measurement, but also because of the limitations inherent in the statistical data available. Nonetheless, the judgement offered in this Note is that overall, inequality, which did fell over 1993 to 1996, rose significantly later on. Changes in inequality have been strongly associated with the changing fortunes of farmers. Over the period 1996 to 1999 formers have been the main losers, losing out not only relatively to other social groups, but also in absolute terms – and very heavily too. Generally, the position of wage-earners has improved. Employers and self-employed have fared quite well in either period – but certainly better in the second half of the 1990s. This at least in part can be attributed to the changes in the tax policy, which substantially lowered progression in personal income taxes.

The downsizing of the system of social transfers (pensions, welfare benefits) contributed to rising inequality.[5] Cuts in public spending, which have been coupled with cuts in taxes on high personal incomes (and with cuts in corporate income taxes), have had an unmeasured (and hardly measurable) impact on the living standards of the medium- and

[5] Over 1993-96 the average pension was about 73% of the average wage and the average unemployment benefit about 32%. Both indicators have been falling – since – to 52% and 19%, respectively, in 2000. There has also been a decline in the share of unemployed receiving benefits: from 49% in 1996 to 20% in 2000.

low-income social groups. Both the quality and quantity of public services (education, health, safety) has been deteriorating strongly since 1997.

The questions worth asking are these: Did the fall in inequality (in the first period) interfere with the overall growth? Did the rise in inequality (in the second period) strengthen the overall growth? Of course, these questions are difficult to answer. What is clear yet is that the fall in inequality coincided with high growth. During the first period the average GDP growth rate was over 6% p.a. – in the second period, when inequality rose, the GDP growth rate was markedly lower (5.2%). The rate of growth of gross fixed investment was much higher in the first period. The overall growth was much 'sounder' in the first period, also as far as the external equilibrium is concerned. During the first period there was a *surplus* on foreign trade in goods and non-factor services (on average 1% of annual GDP), in the second a 3.7% *deficit*. Moreover, growth in the first period did not preclude growth later on. Growth in the second period has turned out to be unsustainable – it provoked first a near-crisis on the current account (in 1999), followed by a slowdown and, currently, a recession coupled with a crisis in public finances.

Certainly, it would be a gross oversimplification to attribute Poland's success over 1993-1996 *solely* to falling inequality, and the current misfortunes *solely* to inequality rising later on. Yet, to the extent that rising inequality has definite impacts on domestic demand (via differentials in propensities to save at various income levels) and on the external equilibria (via differentials in propensities to consume imported commodities), it played an essential role in steering the Polish economy off the balanced fast-growth trajectory. And, in so far as the rise in inequality was consciously engineered, the blame for this must be put on changes in the policies on taxes, public expenditure and social transfers.

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 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	6.6	1.6	-6.5	28.0	2.1	1.6	4.0	0.2	6.8	10.3	2.7	-0.7	1.3	-5.0	-5.1	.
Industry, total	real, CCPY	3.6	2.3	-6.5	11.9	2.5	3.0	2.4	1.7	2.0	2.6	2.2	1.5	2.4	0.7	-5.1	.
LABOUR																	
Employees total	th. persons	1718	1700	1693	1695	1705	1703	1717	1725	1719	1708	1713	1717	1707	1686	.	.
Employees in industry	th. persons	601	596	600	598	600	600	598	598	592	588	585	584	581	575	.	.
Unemployment, end of period	th. persons	677.5	682.8	708.7	713.8	704.7	707.8	678.5	654.0	643.5	637.8	629.9	637.3	657.0	662.3	687.8	683.9
Unemployment rate[1]	%	17.7	17.9	18.5	18.7	18.4	18.5	17.8	17.1	16.8	16.7	16.5	16.7	17.2	17.3	18.0	17.9
Labour productivity, industry	CCPY	17.7	15.8	-1.8	17.5	7.3	7.5	6.7	5.9	6.2	6.8	6.4	5.7	6.6	4.7	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-6.0	-4.3	12.2	-7.5	0.4	-0.2	0.5	1.3	0.9	0.4	0.5	1.3	0.3	1.9	.	.
WAGES, SALARIES																	
Total economy, gross	BGN	240.0	253.0	236.0	233.0	245.0	253.0	261.0	261.0	256.0	256.0	264.0	259.0	261.0	278.0	.	.
Total economy, gross	real, CMPY	4.1	7.5	5.8	3.2	1.3	2.8	2.9	4.2	3.5	6.7	4.6	7.0	3.9	4.8	.	.
Total economy, gross	USD	105	116	113	110	114	115	117	114	113	118	123	120	119	127	.	.
Total economy, gross	EUR	123	129	121	119	125	129	133	133	131	131	135	132	133	142	.	.
Industry, gross	USD	114	124	122	118	124	120	118	120	117	125	131	126	125	131	.	.
PRICES																	
Consumer[2]	PM	0.8	0.4	0.6	0.3	0.1	-0.2	0.1	-0.1	-0.2	0.3	1.3	1.7	0.2	0.6	2.7	1.6
Consumer[2]	CMPY	12.3	11.3	9.3	8.5	8.9	9.8	9.7	9.4	8.5	5.7	4.7	5.2	4.6	4.8	7.0	8.4
Consumer[2]	CCPY	10.2	10.3	9.3	8.9	8.9	9.1	9.2	9.3	9.2	8.7	8.2	7.9	7.6	7.4	7.0	7.7
Producer, in industry	PM	0.1	0.0	-0.1	0.2	0.5	0.3	0.6	-0.3	-0.6	0.0	0.4	0.2	0.1	-0.5	.	.
Producer, in industry	CMPY	17.1	14.9	13.4	11.8	10.5	12.1	9.7	9.5	7.7	6.0	3.3	1.2	1.2	0.7	.	.
Producer, in industry	CCPY	17.2	17.0	13.4	12.6	11.9	11.9	11.5	11.1	10.6	10.1	9.3	8.4	7.7	7.1	.	.
RETAIL TRADE																	
Turnover	real, CMPY	-0.5	0.2	.	.	.	.	.	.	.	.	.	.	.	.	.	.
Turnover	real, CCPY	2.7	0.7	.	.	.	.	.	.	.	.	.	.	.	.	.	.
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	4780	5221	423	888	1388	1851	2299	2799	3324	3821	4286	4787	5290	5693	.	.
Imports total (cif), cumulated	EUR mn	6385	7042	551	1109	1768	2412	3098	3851	4674	5336	5937	6694	7439	8072	.	.
Trade balance, cumulated	EUR mn	-1605	-1821	-127	-220	-380	-562	-799	-1053	-1350	-1515	-1650	-1907	-2149	-2379	.	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	-565	-702	-139	-180	-231	-313	-407	-417	-497	-417	-467	-585	-745	-885	-141	.
EXCHANGE RATE																	
BGN/USD, monthly average	nominal	2.284	2.181	2.085	2.122	2.151	2.192	2.234	2.293	2.273	2.173	2.141	2.159	2.202	2.192	2.215	2.248
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[5]	real, Jan98=100	115.3	109.5	104.7	106.6	108.2	110.9	113.4	116.7	115.6	110.2	107.6	106.4	108.0	106.5	104.8	104.7
BGN/USD, calculated with PPI[5]	real, Jan98=100	103.6	99.8	98.1	97.8	97.6	99.5	101.2	103.2	101.2	96.8	95.0	93.4	95.1	93.6	.	.
BGN/EUR, calculated with CPI[5]	real, Jan98=100	89.1	88.8	88.3	88.4	88.6	89.2	89.6	89.7	89.7	89.5	88.6	87.1	86.7	86.3	84.4	83.0
BGN/EUR, calculated with PPI[5]	real, Jan98=100	80.5	80.1	80.1	80.1	79.8	79.7	79.4	79.7	79.8	79.7	79.5	79.0	78.5	78.8	.	.
DOMESTIC FINANCE																	
M0, end of period	BGN mn	2075.2	2373.6	2203.8	2214.7	2225.2	2307.0	2343.7	2427.2	2521.6	2542.0	2601.3	2570.1	2641.5	3080.6	2924.3	2895.9
M1, end of period	BGN mn	3258.2	3632.2	3522.3	3556.6	3555.0	3645.7	3746.3	3834.0	3932.1	3966.2	4029.9	3988.1	4103.8	4664.7	4411.0	4428.8
Broad money, end of period	BGN mn	9047.3	9290.7	9324.8	9430.0	9481.7	9143.1	9431.2	9678.7	9995.4	10105.9	10302.6	10352.1	10624.9	11594.1	11499.7	11513.0
Broad money, end of period	CMPY	29.8	26.4	26.8	26.5	25.8	18.8	24.1	27.7	24.5	22.2	22.9	13.4	17.4	24.8	23.3	22.1
BNB base rate (p.a.),end of period	%	4.8	4.7	4.4	4.3	4.2	4.4	4.6	4.6	4.6	4.8	4.8	4.7	4.9	4.7	4.9	4.6
BNB base rate (p.a.),end of period[6]	real, %	-10.5	-8.8	-8.0	-6.7	-5.7	-6.8	-4.7	-4.6	-2.9	-1.1	1.5	3.5	3.6	4.0	.	.
BUDGET																	
Government budget balance, cum.[7]	BGN mn	367.7	-183.8	-370.0	-422.1	-223.5	-98.1	-18.5	-175.7	-447.8	-468.9	-559.1	-409.6	-408.3	-669.4	157.0	.

1) Ratio of unemployed to total employment.
2) According to EU methodology.
3) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference 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) Deflated with annual PPI.
7) Including some extrabudgetary accounts and funds.

C R O A T I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	-0.5	-2.2	14.0	-0.8	4.6	9.8	8.2	1.1	3.9	8.5	5.8	8.3	4.6	5.2	3.2	3.8
Industry, total[1]	real, CCPY	2.1	1.7	14.0	6.2	5.5	6.6	7.0	5.9	5.6	5.8	5.9	6.1	6.0	6.0	3.2	3.4
Industry, total[1]	real, 3MMA	-1.3	3.1	3.1	5.6	4.5	7.5	6.2	4.3	4.4	6.0	7.6	6.3	6.1	.	.	.
Construction, total, effect.work.time[2]	real, CMPY	-2.9	-1.8	9.0	-4.6	-2.7	0.5	2.6	1.9	8.0	5.2	2.6	.	.	.	.	.
LABOUR																	
Employment total	th. persons	1327.6	1321.5	1313.5	1310.5	1310.8	1319.0	1327.4	1335.6	1344.9	1346.4	1337.7	1333.3	1329.0	1316.8	1305.2	.
Employees in industry[2]	th. persons	288.6	286.6	284.7	283.4	282.9	283.2	283.7	284.1	284.0	283.5	282.7	283.8	282.5	279.6	277.8	.
Unemployment, end of period	th. persons	376.6	378.5	386.2	388.9	388.7	382.8	373.4	364.9	367.9	369.2	376.6	383.5	385.3	395.1	411.1	414.4
Unemployment rate[3]	%	22.1	22.3	22.7	22.9	22.9	22.5	22.0	21.5	21.5	21.5	22.0	22.3	22.5	23.1	24.0	24.2
Labour productivity, industry[1]	CCPY	4.6	4.3	17.7	9.9	9.3	10.6	11.0	9.9	9.4	9.7	9.7	9.8	9.7	9.3	.	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	0.6	1.0	-5.3	-0.8	0.5	0.3	0.6	1.8	2.8	2.3	1.5	1.1	1.2	1.3	.	.
WAGES, SALARIES																	
Total economy, gross	HRK	5115	5016	5072	4836	5052	5002	5202	4999	5066	5090	4885	5051	5325	5142	.	.
Total economy, gross	real, CMPY	-2.1	-5.0	-0.7	-5.1	-1.6	0.4	-1.7	-2.0	2.4	-1.3	-2.3	-0.5	1.3	-0.1	.	.
Total economy, gross	USD	579	593	627	579	598	587	619	585	604	620	592	612	639	621	.	.
Total economy, gross	EUR	677	661	667	628	657	657	706	685	704	690	650	676	719	696	.	.
Industry, gross	USD	515	522	559	518	541	526	573	534	553	562	536	565	589	561	.	.
PRICES																	
Retail[4]	PM	0.2	0.0	0.1	0.5	0.1	1.4	0.6	-0.3	-0.6	1.0	0.3	-0.1	-0.2	-0.2	0.8	0.1
Retail[4]	CMPY	7.7	7.4	6.6	6.8	6.0	6.8	7.2	4.9	3.8	4.9	3.8	3.2	2.8	2.6	3.3	2.8
Retail[4]	CCPY	6.0	6.2	6.6	6.7	6.5	6.6	6.8	6.4	6.0	5.9	5.7	5.3	5.1	4.9	3.3	3.0
Producer, in industry	PM	3.4	0.2	-0.7	0.9	-1.6	0.0	0.0	0.1	-0.7	-0.5	0.6	0.2	-0.5	-1.0	-0.1	0.6
Producer, in industry	CMPY	11.3	11.2	8.2	8.3	5.5	5.1	5.2	4.5	4.0	3.4	3.0	2.1	-2.0	-3.1	-2.6	-2.8
Producer, in industry	CCPY	9.4	9.7	8.2	8.2	7.3	6.7	6.4	6.1	5.8	5.5	5.2	4.8	4.2	3.6	-2.6	-2.7
RETAIL TRADE																	
Turnover	real, CMPY	10.5	5.2	15.5	5.3	12.3	13.2	12.0	11.2	9.2	8.1	6.8	8.5	8.7	7.7	.	.
Turnover	real, CCPY	.	10.0	.	.	10.9	11.5	11.6	11.7	11.3	10.9	10.5	10.4	10.2	10.0	.	.
FOREIGN TRADE[5)6)]																	
Exports total (fob), cumulated	EUR mn	4467	4818	342	748	1184	1569	2011	2488	2922	3395	3830	4379	4766	5202	.	.
Imports total (cif), cumulated	EUR mn	7730	8588	572	1265	2163	2995	4076	5060	6004	6773	7589	8520	9358	10116	.	.
Trade balance, cumulated	EUR mn	-3263	-3770	-230	-517	-979	-1425	-2064	-2572	-3082	-3378	-3759	-4141	-4592	-4914	.	.
Exports to EU (fob), cumulated	EUR mn	2446	2631	192	400	630	857	1083	1358	1577	1848	2100	2450	2657	2844	.	.
Imports from EU (cif), cumulated	EUR mn	4222	4706	310	697	1165	1639	2232	2805	3321	3727	4167	4699	5208	5651	.	.
Trade balance with EU, cumulated	EUR mn	-1776	-2075	-118	-297	-535	-782	-1149	-1447	-1744	-1879	-2067	-2250	-2551	-2807	.	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	.	-399	.	.	-600	.	.	-1431	.	.	-213	.	.	.	.	.
EXCHANGE RATE																	
HRK/USD, monthly average	nominal	8.828	8.459	8.089	8.352	8.444	8.528	8.409	8.545	8.384	8.208	8.248	8.254	8.333	8.286	8.452	8.626
HRD/EUR, monthly average	nominal	7.553	7.586	7.606	7.697	7.695	7.615	7.369	7.298	7.199	7.377	7.516	7.475	7.408	7.391	7.477	7.500
HRK/USD, calculated with CPI[7]	real, Jan98=100	129.2	123.6	118.8	122.6	124.0	124.0	122.1	124.7	122.7	118.9	119.6	119.5	120.6	119.8	121.2	123.6
HRK/USD, calculated with PPI[7]	real, Jan98=100	128.6	124.1	122.7	123.2	125.2	126.9	125.6	126.3	122.8	120.8	120.7	117.7	119.3	117.9	120.4	122.2
HRD/EUR, calculated with CPI[7]	real, Jan98=100	99.6	100.2	100.3	101.4	101.6	99.7	96.4	95.8	94.9	96.4	98.1	97.7	96.8	96.8	97.6	97.8
HRD/EUR, calculated with PPI[7]	real, Jan98=100	99.6	99.5	100.2	100.7	102.4	101.7	98.6	97.5	96.4	99.2	100.6	99.4	98.5	99.1	100.5	100.3
DOMESTIC FINANCE																	
M0, end of period	HRK mn	5777	6637	5908	6113	6412	6551	6790	7266	7734	7551	7475	7182	7423	.	.	.
M1, end of period	HRK mn	16385	18030	16717	16971	17395	18253	18845	19065	20531	19838	20285	20065	20976	23704	22396	.
Broad money, end of period	HRK mn	70484	73061	74063	75524	77505	77651	77828	79690	81993	87748	88344	90102	95006	106071	108647	.
Broad money, end of period	CMPY	27.1	28.9	32.0	31.7	33.8	31.7	29.7	28.5	24.9	28.6	28.1	29.1	34.8	45.2	46.7	.
Discount rate (p.a.), end of period	%	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9
Discount rate (p.a.), end of period[8]	real, %	-4.9	-4.8	-2.1	-2.2	0.4	0.8	0.7	1.3	1.8	2.4	2.8	3.7	8.1	9.3	8.7	9.0
BUDGET																	
Central gov. budget balance, cum.	HRK mn	-5004.6	-6107.9	-619.8	-1548.0	-3250.8	-3609.1	-4044.8	-4380.0	-4549.6	-4629.3	-5435.0	-2175.5	-2232.1	-3758.5	-437.3	.

1) In business entities with more than 19 persons employed.
2) In business entities with more than 10 persons employed.
3) Ratio of unemployed to the economically active population.
4) From August 2001 adjustment lowering telecom prices.
5) Based on cumulated national currency and converted with the average exchange rate.
6) Cumulation starting January and ending December each year.
7) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
8) Deflated with annual PPI.

C Z E C H REPUBLIC: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	4.3	1.4	13.8	6.5	9.8	11.3	6.9	3.7	9.3	3.0	1.1	4.1	6.6	7.0	2.6	.
Industry, total	real, CCPY	5.8	5.4	13.8	10.0	10.0	10.3	9.6	8.6	8.7	7.9	7.1	6.8	6.8	6.8	2.6	.
Industry, total	real, 3MMA	5.0	6.3	7.1	10.0	9.2	9.3	7.2	6.5	5.1	4.2	2.7	4.0	5.8	5.4	.	.
Construction, total	real, CMPY	11.7	2.3	12.5	16.0	15.8	16.1	15.1	12.2	21.4	9.2	3.6	7.0	2.5	-6.8	3.1	.
LABOUR																	
Employees in industry[1)]	th. persons	1188	1181	1163	1175	1185	1183	1181	1184	1193	1191	1184	1185	1174	1165	1168	.
Unemployment, end of period	th. persons	442.2	457.4	474.1	466.1	451.5	433.3	420.6	420.3	439.8	443.6	440.5	437.3	439.2	461.9	489.0	485.2
Unemployment rate[2)]	%	8.5	8.8	9.1	9.0	8.7	8.3	8.1	8.1	8.5	8.5	8.5	8.4	8.5	8.9	9.4	9.3
Labour productivity, industry[1)3)]	CCPY	8.8	8.3	16.8	10.8	8.8	8.4	7.6	6.9	6.7	6.5	5.7	5.7	5.7	4.9	0.8	.
Unit labour costs, exch.r. adj.(EUR)[1)3)]	CCPY	1.2	1.5	-1.4	0.8	1.3	2.3	3.7	4.5	4.9	4.8	5.2	5.3	5.1	5.8	15.6	.
WAGES, SALARIES																	
Industry, gross[1)]	CZK	16183	14805	13581	12740	13623	13693	15039	14700	14532	14260	13794	14763	16909	15489	14499	.
Industry, gross[1)]	real, CMPY	3.9	0.5	7.9	0.9	0.1	3.1	2.1	0.4	1.6	0.6	0.0	2.2	0.1	0.7	2.6	.
Industry, gross[1)]	USD	400	380	363	339	359	354	383	370	369	377	367	399	451	425	399	.
Industry, gross[1)]	EUR	467	425	386	368	394	396	437	433	429	419	403	440	507	475	452	.
PRICES																	
Consumer	PM	0.1	0.2	1.9	0.0	0.1	0.4	0.6	1.0	1.0	-0.2	-0.7	0.0	-0.1	0.1	1.5	0.2
Consumer	CMPY	4.3	4.0	4.2	4.0	4.1	4.6	5.0	5.5	5.9	5.5	4.7	4.4	4.2	4.1	3.7	3.9
Consumer	CCPY	3.9	3.9	4.1	4.0	4.0	4.2	4.4	4.5	4.7	4.8	4.8	4.8	4.7	4.7	3.7	3.8
Producer, in industry	PM	0.1	-0.2	0.4	0.9	0.1	-0.6	0.2	0.2	-0.1	-0.3	0.0	0.7	-0.4	-0.3	0.2	0.2
Producer, in industry	CMPY	5.8	4.9	4.2	4.7	4.1	4.1	3.8	3.4	3.0	2.4	1.8	1.4	0.9	0.8	0.6	-0.1
Producer, in industry	CCPY	4.9	4.9	4.2	4.4	4.3	4.3	4.2	4.0	3.9	3.7	3.5	3.3	3.1	2.9	0.6	0.2
RETAIL TRADE																	
Turnover	real, CMPY	0.4	4.5	7.6	0.3	3.2	6.0	4.2	2.1	5.7	3.3	4.1	8.2	8.2	0.0	2.7	.
Turnover	real, CCPY	4.5	4.5	7.6	3.9	3.7	4.2	4.2	3.9	4.2	4.0	4.1	4.4	4.7	4.3	2.7	.
FOREIGN TRADE[4)5)]																	
Exports total (fob),cumulated	EUR mn	28879	31483	2861	5835	9165	12134	15400	18599	21407	24261	27364	30923	34468	37233	3068	6323
Imports total (fob),cumulated	EUR mn	31678	34876	3077	6266	9921	13222	16741	20081	23428	26678	29695	33579	37307	40725	3257	6456
Trade balance,cumulated	EUR mn	-2799	-3393	-216	-431	-756	-1088	-1341	-1481	-2021	-2417	-2332	-2656	-2839	-3492	-189	-134
Exports to EU (fob), cumulated	EUR mn	19855	21588	2031	4156	6507	8586	10844	13047	14961	16866	18970	21385	23784	25655	2136	4431
Imports from EU (fob), cumulated	EUR mn	19699	21637	1880	3916	6290	8356	10546	12653	14770	16776	18592	20986	23219	25174	1999	3975
Trade balance with EU, cumulated	EUR mn	156	-49	151	240	217	231	298	394	191	89	378	399	565	481	136	456
FOREIGN FINANCE																	
Current account, cumulated	USD mn	.	-2843	.	.	-636	.	.	-1259	.	.	-1967	.	.	-2654	.	.
EXCHANGE RATE																	
CZK/USD, monthly average	nominal	40.5	38.9	37.4	37.6	38.0	38.7	39.3	39.8	39.3	37.9	37.6	37.0	37.5	36.5	36.3	36.5
CZK/EUR, monthly average	nominal	34.6	34.8	35.1	34.6	34.6	34.5	34.4	34.0	33.9	34.0	34.2	33.6	33.3	32.6	32.1	31.8
CZK/USD, calculated with CPI[6)]	real, Jan98=100	113.3	108.6	103.1	103.8	105.1	107.2	108.5	109.0	106.4	102.7	102.9	101.1	102.3	99.2	97.3	97.7
CZK/USD, calculated with PPI[6)]	real, Jan98=100	112.8	109.7	107.9	105.2	105.1	108.3	110.0	110.1	107.3	103.6	102.7	98.2	99.8	95.8	95.2	95.6
CZK/EUR, calculated with CPI[6)]	real, Jan98=100	87.4	87.8	87.0	86.1	86.1	86.1	85.6	83.8	82.5	83.2	84.4	82.8	82.1	80.3	78.2	77.4
CZK/EUR, calculated with PPI[6)]	real, Jan98=100	87.4	87.7	88.0	86.2	86.1	86.7	86.3	85.1	84.5	85.1	85.6	83.1	82.4	80.7	79.4	78.5
DOMESTIC FINANCE																	
M0, end of period	CZK bn	173.0	171.8	168.2	170.6	171.5	172.6	172.6	173.9	170.6	172.6	177.1	175.9	181.8	180.4	179.9	.
M1, end of period	CZK bn	548.5	542.5	543.3	549.2	551.1	566.0	583.4	592.6	598.5	600.6	604.8	602.2	615.1	633.5	578.7	.
M2, end of period	CZK bn	1454.5	1479.5	1487.3	1498.4	1498.1	1530.4	1578.6	1582.5	1602.7	1618.5	1603.7	1609.9	1635.3	1659.2	1596.4	.
M2, end of period	CMPY	7.7	6.5	9.0	7.8	7.8	9.2	11.4	13.1	13.3	12.8	12.0	11.8	12.4	12.1	7.3	.
Discount rate (p.a.),end of period	%	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.25	4.25	4.25	4.25	3.75	3.75	3.50	3.25
Discount rate (p.a.),end of period[7)]	real, %	-0.8	0.0	0.8	-0.6	-0.1	-0.1	0.2	0.6	1.2	1.8	2.4	2.8	2.8	2.9	2.9	3.4
BUDGET																	
Central gov.budget balance,cum.	CZK mn	-19097	-46060	18748	3248	2677	-16809	-28713	-29652	-23519	-25566	-22644	-35432	-59797	-67698	-3417	.

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) From January 2001 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 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	13.3	8.8	19.8	9.8	3.0	11.6	8.6	0.2	2.7	2.4	-6.4	5.9	-1.0	-2.2	-1.0	.
Industry, total	real, CCPY	19.1	18.2	19.8	14.6	10.6	10.8	10.4	8.4	7.6	6.9	5.3	5.3	4.6	4.1	-1.0	.
Industry, total	real, 3MMA	12.7	13.8	12.6	10.6	7.9	7.5	6.2	3.6	1.7	-0.7	0.5	-0.6	0.9	-1.4	.	.
Construction, total	real, CMPY	12.5	0.3	7.3	5.2	5.1	7.1	16.8	8.7	11.7	22.4	9.9	7.2	7.0	7.4	13.5	.
LABOUR																	
Employees in industry[1)]	th. persons	849.2	843.8	839.7	844.0	845.2	839.7	835.6	834.2	834.4	831.3	828.1	824.1	821.8	812.6	825.1	.
Unemployment[2)]	th. persons	249.8	238.0	246.9	258.8	230.8	233.6	232.2	223.8	233.9	237.0	218.3	227.5	235.2	216.9	235.8	.
Unemployment rate[2)]	%	6.0	5.7	6.0	6.3	5.6	5.8	5.7	5.4	5.7	5.8	5.3	5.6	5.8	5.4	5.8	.
Labour productivity, industry[1)]	CCPY	17.9	17.1	19.5	14.5	10.8	11.1	10.9	9.3	8.6	8.0	6.6	7.0	6.6	5.9	.	.
Unit labour costs, exch.r. adj.(EUR)[1)]	CCPY	-5.2	-4.5	-3.2	-1.1	1.2	1.2	1.5	4.1	5.4	6.5	7.9	7.9	8.6	9.5	.	.
WAGES, SALARIES																	
Total economy, gross[1)]	HUF	100927	115805	94262	91314	95268	99268	98523	101567	99069	97581	99416	106173	124074	136593	112385	.
Total economy, gross[1)]	real, CMPY	3.6	5.8	5.3	6.3	5.4	8.5	4.1	6.8	4.2	7.9	10.3	12.9	14.8	10.5	11.8	.
Total economy, gross[1)]	USD	327	392	334	317	326	332	334	351	342	350	354	377	438	493	407	.
Total economy, gross[1)]	EUR	382	437	356	344	358	372	381	411	398	389	389	416	494	552	461	.
Industry, gross[1)]	USD	353	367	335	324	342	326	361	358	352	372	356	375	438	433	407	.
PRICES																	
Consumer	PM	0.5	0.3	1.5	1.4	1.0	0.7	0.9	0.3	0.1	-0.2	0.5	0.3	0.1	0.1	1.3	1.0
Consumer	CMPY	10.6	10.1	10.1	10.4	10.5	10.3	10.8	10.5	9.4	8.7	8.0	7.6	7.1	6.8	6.6	6.2
Consumer	CCPY	9.8	9.8	10.1	10.3	10.3	10.3	10.4	10.4	10.3	10.1	9.9	9.6	9.4	9.2	6.6	6.4
Producer, in industry	PM	1.5	-0.2	0.7	0.7	0.7	0.2	-0.7	-1.3	0.1	0.1	0.7	-0.3	-0.8	-0.7	-1.2	.
Producer, in industry	CMPY	13.4	12.4	10.1	9.8	9.2	8.9	7.0	5.3	4.4	3.3	2.9	1.9	0.0	-0.4	-2.0	.
Producer, in industry	CCPY	11.5	11.7	10.1	10.0	9.7	9.5	9.0	8.4	7.8	7.3	6.8	6.3	5.7	5.2	-2.0	.
RETAIL TRADE																	
Turnover[3)]	real, CMPY	0.9	0.4	8.9	5.6	5.8	5.8	4.3	4.0	5.3	4.7	3.3	5.4	3.0	3.6	.	.
Turnover[3)]	real, CCPY	2.1	1.9	8.9	7.2	6.7	6.4	5.9	5.6	5.5	5.4	5.2	5.2	5.0	4.8	.	.
FOREIGN TRADE[4)5)]																	
Exports total (fob), cumulated	EUR mn	27607	30542	2444	5182	8157	10920	13921	16861	19564	22192	25079	28251	31551	34087	2528	.
Imports total (cif), cumulated	EUR mn	31457	34854	2860	5887	9137	12260	15606	18803	21956	24776	27762	31266	34713	37659	2869	.
Trade balance, cumulated	EUR mn	-3850	-4311	-417	-705	-980	-1340	-1686	-1943	-2392	-2584	-2682	-3015	-3162	-3572	-340	.
Exports to EU (fob), cumulated	EUR mn	20772	22938	1883	3970	6215	8244	10443	12637	14669	16569	18813	21079	23374	25320	1942	.
Imports from EU (cif), cumulated	EUR mn	18481	20352	1672	3430	5303	7064	8980	10876	12707	14332	16141	18064	20011	21765	1638	.
Trade balance with EU, cumulated	EUR mn	2292	2586	211	539	912	1180	1463	1761	1962	2237	2671	3015	3363	3555	305	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	-824	-1328	-165	-177	-221	-329	-516	-888	-807	-626	-637	-702	-812	-1105	-345	.
EXCHANGE RATE																	
HUF/USD, monthly average	nominal	308.3	295.4	282.2	288.0	292.6	299.0	295.4	289.3	289.5	279.1	280.9	281.5	283.1	277.0	275.9	279.9
HUF/EUR, monthly average	nominal	264.1	265.0	265.0	265.6	266.5	267.0	258.3	247.1	249.0	251.2	255.9	255.5	251.1	247.6	243.9	243.5
HUF/USD, calculated with CPI[6)]	real, Jan98=100	123.3	117.7	111.4	112.6	113.5	115.6	113.6	111.2	110.8	107.0	107.6	107.2	107.5	104.8	103.0	103.5
HUF/USD, calculated with PPI[6)]	real, Jan98=100	127.4	123.5	120.3	119.6	119.3	122.2	122.0	119.9	117.9	113.6	113.5	111.5	112.9	109.5	110.4	.
HUF/EUR, calculated with CPI[6)]	real, Jan98=100	95.4	95.5	94.1	93.4	93.0	93.0	89.7	85.6	86.0	87.0	88.4	88.0	86.2	85.0	83.0	82.0
HUF/EUR, calculated with PPI[6)]	real, Jan98=100	99.0	99.2	98.3	98.0	97.7	98.0	95.7	92.8	92.9	93.5	94.7	94.5	93.1	92.3	92.2	.
DOMESTIC FINANCE																	
M0, end of period	HUF bn	888.2	883.9	825.1	826.2	838.5	849.8	872.8	903.4	907.8	932.2	957.4	965.6	1006.8	1037.9	986.0	992.6
M1, end of period	HUF bn	2279.3	2378.3	2216.1	2185.1	2236.3	2235.0	2292.1	2331.6	2319.5	2438.1	2457.9	2478.7	2537.4	2771.5	2564.1	2572.5
Broad money, end of period	HUF bn	5895.4	6052.2	5971.7	5977.7	6013.6	6059.3	6155.4	6163.9	6241.7	6516.2	6545.0	6637.5	6715.3	7093.6	6987.1	6929.6
Broad money, end of period	CMPY	15.3	12.7	13.0	11.1	10.7	11.6	13.5	12.7	13.3	15.9	15.2	15.4	13.9	17.2	17.0	15.9
NBH base rate (p.a.),end of period	%	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.3	11.3	11.0	10.8	10.3	9.8	9.0	8.5
NBH base rate (p.a.),end of period[7)]	real, %	-2.1	-1.2	0.8	1.1	1.6	1.9	3.7	5.4	6.6	7.7	7.9	8.7	10.3	10.2	11.2	.
BUDGET																	
Central gov.budget balance,cum.	HUF bn	-126.9	-369.4	10.3	-34.3	-35.2	-56.4	-66.8	-84.2	-102.7	-135.8	-170.6	-194.9	-178.5	-413.2	-59.3	.

1) Economic organizations employing more than 5 persons.

2) According to ILO methodology.

3) Excluding catering.

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.

P O L A N D: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry[1]	real, CMPY	4.8	-2.2	10.7	-0.1	3.3	3.8	-0.4	-4.7	1.5	0.9	-3.7	1.8	-1.1	-4.8	-1.4	0.4
Industry[1]	real, CCPY	8.5	7.5	10.7	5.1	4.5	4.3	3.3	1.9	1.8	1.7	1.0	1.1	0.9	-0.2	-1.4	-0.5
Industry[1]	real, 3MMA	3.1	4.0	2.4	4.5	2.4	2.2	-0.6	-1.3	-0.9	-0.6	-0.4	-1.0	-1.3	-2.5	-2.1	.
Construction[1]	real, CMPY	-1.1	-6.2	-9.7	-9.1	-8.3	-10.8	0.3	-10.0	-10.3	-14.0	-10.9	-9.7	-9.5	-10.5	-21.5	-13.6
LABOUR																	
Employees[1]	th. persons	5247	5199	5184	5189	5170	5156	5135	5121	5097	5074	5060	5044	5020	4952	4940	4931
Employees in industry[1]	th. persons	2724	2691	2668	2673	2663	2651	2634	2624	2608	2594	2584	2589	2576	2528	.	.
Unemployment, end of period	th. persons	2613.1	2702.6	2835.6	2876.9	2898.7	2878.0	2841.1	2849.2	2871.5	2892.6	2920.4	2944.3	3022.4	3115.1	3253.3	3277.9
Unemployment rate[2]	%	14.5	15.1	15.7	15.9	16.1	16.0	15.9	15.9	16.0	16.2	16.3	16.4	16.8	17.4	18.0	18.1
Labour productivity, industry[1]	CCPY	15.6	14.7	16.4	10.3	9.6	9.4	8.4	7.0	7.0	6.9	6.3	6.4	6.3	5.8	.	.
Unit labour costs, exch.r. adj.(EUR)[1]	CCPY	0.8	1.3	2.0	6.1	6.3	6.8	9.5	12.4	12.7	11.5	10.8	10.3	10.4	10.4	.	.
WAGES, SALARIES																	
Total economy, gross[1]	PLN	2160	2350	2069	2075	2149	2176	2163	2148	2199	2192	2218	2252	2302	2471	2188	2189
Total economy, gross[1]	real, CMPY	0.8	-1.9	2.4	1.1	1.7	-1.2	1.8	-1.1	3.0	1.8	1.8	3.9	3.0	1.8	2.1	2.0
Total economy, gross[1]	USD	474	545	503	507	529	542	543	541	525	516	526	545	562	616	538	523
Total economy, gross[1]	EUR	553	606	535	551	582	606	621	634	611	574	577	602	633	690	609	601
Industry, gross[1]	USD	481	566	507	510	535	534	542	537	526	516	512	532	579	636	.	.
PRICES																	
Consumer	PM	0.4	0.2	0.8	0.1	0.5	0.8	1.1	-0.1	-0.3	-0.3	0.3	0.4	0.1	0.2	0.8	0.1
Consumer	CMPY	9.3	8.5	7.4	6.6	6.2	6.6	6.9	6.2	5.2	5.1	4.3	4.0	3.6	3.6	3.4	3.5
Consumer	CCPY	10.3	10.1	7.5	7.1	6.8	6.8	6.9	6.7	6.5	6.3	6.1	5.9	5.7	5.5	3.6	3.6
Producer, in industry	PM	0.0	-0.9	-0.3	-0.1	0.2	0.2	0.0	-0.4	0.3	0.8	0.5	-0.6	-0.6	-0.3	0.1	0.0
Producer, in industry	CMPY	7.2	5.6	4.7	4.1	3.8	3.4	2.3	0.9	0.6	1.0	0.7	-0.5	-1.0	-0.4	0.0	0.1
Producer, in industry	CCPY	8.0	7.8	4.8	4.5	4.3	4.1	3.8	3.3	2.9	2.7	2.5	2.2	1.9	1.6	0.1	0.1
RETAIL TRADE																	
Turnover[1]	real, CMPY	-2.3	-3.9	3.2	-5.5	-3.8	-2.5	0.2	-1.8	-0.1	1.1	0.2	5.1	2.1	1.1	3.9	.
Turnover[1]	real, CCPY	2.3	1.5	3.2	-0.8	-3.1	-2.6	-1.2	-1.4	-0.8	-0.4	-0.4	0.1	0.4	0.7	3.9	.
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	31295	34380	3141	6347	9923	13156	16495	19832	23038	26282	29924	33835	36784	40372	2655	.
Imports total (cif), cumulated	EUR mn	48344	53118	4279	8484	13445	18080	22908	27666	32493	36897	41521	46847	51442	56220	3907	.
Trade balance, cumulated	EUR mn	-17049	-18738	-1138	-2137	-3521	-4925	-6413	-7834	-9455	-10615	-11597	-13012	-14657	-15847	-1252	.
Exports to EU (fob), cumulated	EUR mn	21934	24036	2308	4594	7153	9395	11762	14099	16314	18454	20881	23479	25485	27940	.	.
Imports from EU (cif), cumulated	EUR mn	29794	32492	2574	5170	8239	11077	14041	16945	19971	22610	25491	28805	31591	34510	.	.
Trade balance with EU, cumulated	EUR mn	-7861	-8457	-266	-576	-1086	-1682	-2279	-2846	-3656	-4157	-4610	-5326	-6107	-6569	.	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	-9148	-9946	-956	-1419	-2170	-2690	-3427	-4375	-4662	-5016	-5324	-6163	-6581	-7081	-826	.
EXCHANGE RATE																	
PLN/USD, monthly average	nominal	4.561	4.313	4.111	4.093	4.060	4.017	3.981	3.970	4.186	4.246	4.219	4.133	4.094	4.014	4.065	4.187
PLN/EUR, monthly average	nominal	3.904	3.880	3.865	3.768	3.695	3.590	3.485	3.389	3.600	3.822	3.845	3.743	3.639	3.583	3.595	3.641
PLN/USD, calculated with CPI[5)]	real, Jan98=100	111.5	105.1	100.0	99.9	98.8	97.3	95.8	95.8	101.0	102.8	102.2	99.4	98.2	95.8	96.3	99.0
PLN/USD, calculated with PPI[5)]	real, Jan98=100	116.6	112.3	110.2	107.8	105.5	104.6	104.1	103.2	106.7	107.4	106.2	102.3	101.8	98.5	99.6	102.6
PLN/EUR, calculated with CPI[5)]	real, Jan98=100	86.1	85.5	84.5	82.7	80.9	78.4	75.6	73.7	78.3	83.5	83.9	81.4	78.9	77.6	77.5	78.5
PLN/EUR, calculated with PPI[5)]	real, Jan98=100	90.5	90.4	90.1	88.1	86.3	84.0	81.7	79.8	84.0	88.4	88.6	86.4	84.1	82.9	83.3	84.3
DOMESTIC FINANCE																	
M0, end of period	PLN bn	33.5	34.1	32.0	32.5	33.5	34.5	33.8	35.0	35.3	35.5	36.6	36.6	36.6	38.2	36.8	37.9
M1, end of period	PLN bn	91.9	93.8	89.4	89.5	89.8	90.7	91.5	92.3	95.5	94.7	97.3	96.2	94.0	104.0	98.3	.
M2, end of period	PLN bn	291.2	294.4	292.6	295.5	301.0	303.0	305.0	307.5	314.6	318.5	320.7	324.7	326.3	334.8	328.5	329.3
M2, end of period	CMPY	14.4	11.7	14.6	14.6	14.9	14.0	13.5	8.0	13.5	14.6	14.3	13.0	12.1	13.7	12.3	11.4
Discount rate (p.a.),end of period	%	21.5	21.5	21.5	21.5	19.5	19.5	19.5	18.0	18.0	17.0	17.0	15.5	14.0	14.0	12.0	12.0
Discount rate (p.a.),end of period[6)]	real, %	13.3	15.1	16.0	16.7	15.1	15.6	16.8	16.9	17.3	15.8	16.2	16.1	15.2	14.5	12.0	11.9
BUDGET																	
Central gov.budget balance, cum.	PLN mn	-14897	-15391	-5092	-11979	-14993	-18282	-20384	-18806	-19377	-20964	-21813	-24635	-27684	-32580	-6886	-13715

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) Deflated with annual PPI.

R O M A N I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1]	real, CMPY	7.1	2.3	16.3	9.8	7.4	12.6	13.0	5.0	5.7	4.6	2.6	9.5	8.2	5.3	5.1	.
Industry, total[1]	real, CCPY	6.9	6.6	16.3	12.9	10.8	11.3	11.6	10.5	9.7	9.1	8.3	8.4	8.4	8.2	5.1	.
Industry, total	real, 3MMA	6.2	8.3	9.3	10.8	9.9	10.9	10.1	7.9	5.1	4.3	5.6	6.8	7.8	6.3	.	.
LABOUR																	
Employees total	th. persons	4434.2	4374.1	4413.5	4447.5	4467.1	4485.2	4521.5	4529.7	4542.3	4546.4	4551.7	4544.8	4507.3	4470.3	4314.2	.
Employees in industry	th. persons	1862.6	1839.6	1813.2	1825.1	1825.4	1828.2	1833.5	1833.2	1836.7	1845.0	1843.6	1843.5	1829.7	1820.0	1833.8	.
Unemployment, end of period	th. persons	984.7	1007.1	1032.9	1032.3	992.8	948.4	890.8	840.3	798.3	771.8	747.1	742.4	774.0	826.9	1193.7	.
Unemployment rate[2]	%	10.3	10.5	10.7	10.7	10.3	9.8	9.2	8.7	8.3	8.0	7.8	7.7	8.0	8.6	12.4	.
Labour productivity, industry	CCPY	13.6	13.0	22.6	18.3	15.9	16.4	16.4	15.1	14.0	13.1	12.1	12.1	11.9	11.5	3.9	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	2.0	2.4	-7.4	-6.3	-3.6	-2.5	-1.1	1.6	4.1	4.6	5.0	4.5	4.1	3.9	14.2	.
WAGES, SALARIES																	
Total economy, gross	th. ROL	3349.6	3975.9	3621.7	3412.0	3717.3	4321.7	4174.7	4280.6	4436.3	4449.5	4424.0	4534.1	4719.7	5299.7	5144.8	.
Total economy, gross	real, CMPY	6.6	10.4	14.4	7.1	6.5	10.8	13.6	13.1	18.1	15.6	12.8	11.3	7.8	2.3	10.5	.
Total economy, gross	USD	133	155	138	127	136	155	147	148	151	149	146	147	151	168	161	.
Total economy, gross	EUR	156	173	147	138	150	174	168	173	176	166	161	163	170	188	182	.
Industry, gross	USD	133	153	134	129	142	159	154	149	161	158	150	151	153	170	150	.
PRICES																	
Consumer	PM	2.8	2.5	3.7	2.3	2.0	2.7	1.7	1.6	1.3	2.2	1.9	2.4	2.7	2.2	2.3	1.2
Consumer	CMPY	41.3	40.7	39.9	40.0	40.3	37.5	37.4	35.7	31.8	32.3	31.2	30.8	30.7	30.3	28.6	27.3
Consumer	CCPY	46.2	45.7	39.9	39.9	40.1	39.4	39.0	38.4	37.3	36.7	36.0	35.4	34.9	34.5	28.6	27.9
Producer, in industry	PM	3.2	2.4	3.4	3.6	2.1	1.5	2.3	1.6	3.0	2.1	2.0	2.1	1.4	1.4	1.8	.
Producer, in industry	CMPY	53.4	50.3	50.2	51.1	50.5	48.5	48.5	43.9	40.2	39.2	36.4	33.7	31.3	30.1	28.0	.
Producer, in industry	CCPY	53.8	53.4	50.2	50.7	50.6	50.1	49.7	48.7	47.3	46.2	44.9	43.6	42.2	41.0	28.0	.
RETAIL TRADE																	
Turnover	real, CMPY	1.4	1.8	4.1	-2.7	-0.7	-1.6	-1.2	-6.4	3.2	1.8	1.7	5.1	2.6	-1.9	.	.
Turnover	real, CCPY	-5.2	-4.5	4.1	0.6	0.1	-0.4	-0.5	-1.6	-0.8	-0.5	-0.2	0.4	0.6	0.3	.	.
FOREIGN TRADE[3)4)]																	
Exports total (fob), cumulated	EUR mn	10265	11219	964	1963	3112	4039	5158	6342	7525	8604	9672	10693	11795	12711	1032	.
Imports total (cif), cumulated	EUR mn	12701	14128	1240	2601	4002	5425	7090	8617	10115	11413	12637	14221	15787	17363	1323	.
Trade balance, cumulated	EUR mn	-2435	-2909	-276	-637	-889	-1386	-1932	-2275	-2590	-2809	-2965	-3528	-3992	-4652	-291	.
Exports to EU (fob), cumulated	EUR mn	6552	7162	681	1384	2153	2773	3522	4321	5093	5802	6535	7254	8011	8619	746	.
Imports from EU (cif), cumulated	EUR mn	7198	7995	682	1411	2214	3005	3930	4831	5775	6491	7190	8161	9100	9957	780	.
Trade balance with EU, cumulated	EUR mn	-647	-833	-1	-27	-61	-233	-408	-510	-682	-688	-655	-907	-1089	-1338	-34	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	-1067	-1363	-107	-363	-455	-791	-1197	-1337	-1382	-1387	-1378	-1626	-1903	-2349	.	.
EXCHANGE RATE																	
ROL/USD, monthly average	nominal	25103	25604	26243	26815	27299	27878	28493	28952	29364	29809	30236	30786	31299	31556	32052	32233
ROL/EUR, monthly average	nominal	21493	23012	24646	24729	24849	24880	24910	24732	25266	26853	27549	27899	27806	28205	28281	28054
ROL/USD, calculated with CPI[5)]	real, Jan98=100	114.7	114.0	113.4	113.7	113.7	113.5	114.6	114.8	114.6	113.8	113.8	112.8	111.4	109.6	108.8	108.1
ROL/USD, calculated with PPI[5)]	real, Jan98=100	117.0	117.6	119.7	115.8	114.2	115.3	115.7	114.6	111.0	110.4	109.7	106.9	107.1	104.8	104.6	.
ROL/EUR, calculated with CPI[5)]	real, Jan98=100	88.7	92.8	95.8	94.4	93.2	91.4	90.4	88.4	89.0	92.6	93.4	92.4	89.5	88.9	87.5	85.8
ROL/EUR, calculated with PPI[5)]	real, Jan98=100	90.9	94.6	97.8	94.9	93.5	92.5	90.7	88.7	87.5	91.0	91.6	90.5	88.5	88.4	87.2	.
DOMESTIC FINANCE																	
M0, end of period	ROL bn	22808	25742	22979	23752	23774	25811	25457	29645	29328	29830	32645	30835	31080	35635	30021	.
M1, end of period	ROL bn	37024	46331	37965	39512	39108	42070	41751	46001	46945	48172	51073	50032	50331	64309	50757	.
M2, end of period	ROL bn	164560	185060	180108	186210	191551	198613	199829	208498	216377	226557	235145	236890	244841	270512	259932	.
M2, end of period	CMPY	37.4	38.0	39.1	41.5	40.7	42.4	39.7	40.4	41.5	43.3	44.0	44.4	48.8	46.2	44.3	.
Discount rate (p.a.),end of period[6)]	%	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	34.6
Discount rate (p.a.),end of period[6)7)]	real, %	-12.0	-10.2	-10.1	-10.7	-10.3	-9.1	-9.1	-6.2	-3.7	-3.0	-1.0	1.0	2.8	3.8	5.5	.
BUDGET																	
Central gov.budget balance, cum.	ROL bn	-22333	-28827	-3061	-6012	-8652	-10875	-14045	-22689	-26092	-27530	-30417	-31250	-32016	-35809	-4416	.

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

2) Ratio of unemployed to econcomically active population as of December of previous year, from 2001 as of December 2000.

3) Based on cumulated USD and converted using the ECB EUR/USD average foreign exchange reference 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) 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 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	11.6	3.9	7.8	3.1	4.7	7.0	7.0	3.7	4.5	5.1	3.8	5.1	4.7	2.6	2.2	2.0
Industry, total	real, CCPY	12.7	11.9	7.8	5.4	5.2	5.7	5.9	5.5	5.4	5.3	5.2	5.2	5.1	4.9	2.2	2.1
Industry, total[1)]	real, 3MMA	10.1	8.9	6.0	5.2	4.9	6.3	5.9	5.1	4.4	4.4	4.7	4.5	4.1	3.2	.	.
Construction, total	real, CMPY	11.2	11.0	8.8	7.8	6.2	7.0	6.6	6.3	8.1	12.7	12.3	12.2	13.5	16.7	3.8	.
LABOUR																	
Employment total	th. persons	65000	65000	64900	64800	64800	64800	64900	65100	65100	65200	65200	65100	65000	65000	65000	.
Unemployment, end of period[2)]	th. persons	6999	7039	7079	7119	6769	6419	6068	6095	6122	6149	6200	6252	6303	6354	6354	6390
Unemployment rate[2)]	%	9.7	9.9	9.8	9.9	9.4	9.0	8.6	8.6	8.6	8.6	8.7	8.8	8.8	8.9	8.9	9.1
WAGES, SALARIES																	
Total economy, gross	RUB	2508.0	3025.0	2733.0	2655.0	2964.0	2923.0	3054.0	3284.0	3364.0	3376.0	3405.0	3515.0	3578.0	4541.0	3860.0	3798.0
Total economy, gross	real, CMPY	17.0	10.3	23.7	18.1	18.6	14.7	16.3	15.7	19.6	21.9	19.8	21.9	20.1	26.3	18.5	21.4
Total economy, gross	USD	90	108	96	93	103	101	105	113	115	115	116	119	120	151	127	123
Total economy, gross	EUR	106	120	103	101	114	113	120	132	134	128	127	131	135	169	143	142
PRICES																	
Consumer	PM	1.5	1.6	2.8	2.3	1.9	1.8	1.8	1.6	0.5	0.0	0.6	1.1	1.4	1.6	3.1	1.2
Consumer	CMPY	19.8	20.1	20.7	22.3	23.8	25.0	25.0	23.7	22.2	20.9	20.1	18.9	18.8	18.8	19.2	17.9
Consumer	CCPY	20.9	20.8	20.7	21.5	22.3	23.0	23.4	23.4	23.2	22.9	22.6	22.2	21.9	21.6	19.2	18.5
Producer, in industry	PM	1.2	1.0	1.8	1.7	1.1	0.9	0.9	2.0	0.9	0.0	-0.1	0.4	0.3	0.2	0.3	-0.3
Producer, in industry	CMPY	33.3	31.6	28.8	26.3	24.5	23.8	22.6	22.4	19.4	17.4	15.0	12.5	11.4	10.7	9.0	6.8
Producer, in industry	CCPY	48.3	46.6	28.8	27.5	26.5	25.8	25.1	24.7	23.8	23.0	22.0	21.0	20.0	19.1	9.0	7.9
RETAIL TRADE																	
Turnover[3)]	real, CMPY	9.1	8.7	6.3	7.3	8.0	10.3	12.4	11.6	11.2	11.9	11.3	11.7	12.4	11.3	9.8	.
Turnover[3)]	real, CCPY	8.7	8.7	6.3	6.8	7.2	8.0	8.9	9.3	9.6	9.9	10.1	10.3	10.5	10.5	9.8	.
FOREIGN TRADE[4)5)]																	
Exports total, cumulated	EUR mn	102906	114244	8903	17799	27601	37375	47377	58234	67865	78059	87355	96437	105906	115047	7662	.
Imports total, cumulated	EUR mn	43144	48550	3435	7365	12001	16827	22046	27513	32613	37716	42274	47635	53335	59610	3916	.
Trade balance, cumulated	EUR mn	59763	65694	5468	10434	15600	20548	25331	30721	35252	40343	45082	48802	52571	55437	3746	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	.	46291	.	.	11530	.	.	20980	.	.	28557	.	.	34200	.	.
EXCHANGE RATE																	
RUB/USD, monthly average	nominal	27.807	27.979	28.367	28.594	28.678	28.851	29.028	29.115	29.223	29.343	29.430	29.538	29.797	30.100	30.473	30.806
RUB/EUR, monthly average	nominal	23.758	25.110	26.626	26.372	26.096	25.769	25.415	24.871	25.111	26.370	26.821	26.784	26.478	26.852	26.952	26.781
RUB/USD, calculated with CPI[6)]	real, Jan98=100	170.8	169.0	167.7	165.9	163.6	162.3	161.1	159.3	158.7	159.3	159.5	157.8	156.7	155.3	152.5	152.4
RUB/USD, calculated with PPI[6)]	real, Jan98=100	187.4	188.4	192.7	187.3	183.8	184.0	184.2	179.3	175.5	176.2	176.9	172.8	173.6	172.3	173.9	176.3
RUB/EUR, calculated with CPI[6)]	real, Jan98=100	131.7	137.2	141.5	137.5	133.9	130.6	127.1	122.6	122.9	129.2	130.9	129.3	125.8	125.7	122.8	120.6
RUB/EUR, calculated with PPI[6)]	real, Jan98=100	145.1	151.2	157.2	153.4	150.3	147.5	144.5	138.6	138.0	144.8	147.6	146.2	143.4	144.8	145.2	144.7
DOMESTIC FINANCE																	
M0, end of period	RUB bn	358.4	419.3	380.1	388.0	399.4	435.3	438.3	474.7	490.6	507.1	531.0	531.5	527.3	584.3	533.4	.
M1, end of period	RUR bn	777.1	879.3	810.5	829.2	858.4	918.2	938.5	987.9	1015.1	1040.8	1074.9	1084.4	1058.1	1192.6	1079.4	.
M2, end of period	RUB bn	1457.3	1560.0	1530.8	1615.8	1632.3	1683.4	1730.0	1798.7	1842.3	1870.4	1925.5	1974.7	1984.9	2122.7	2056.3	.
M2, end of period	CMPY	60.2	58.4	53.0	51.7	49.7	49.9	47.8	44.7	41.5	40.9	38.7	39.5	36.2	36.1	34.3	.
Refinancing rate (p.a.), end of period	%	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Refinancing rate (p.a.), end of period[7)]	real, %	-6.2	-5.0	-3.0	-1.0	0.4	1.0	1.9	2.1	4.7	6.5	8.7	11.1	12.2	12.9	14.6	17.0
BUDGET																	
Central gov.budget balance, cum.	RUB bn	190.7	173.5	34.0	29.4	49.1	86.6	120.2	133.1	167.6	174.4	178.6	214.7	257.4	264.7	82.9	.

1) Seasonally adjusted.
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) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
7) Deflated with annual PPI.

S L O V A K REPUBLIC: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	10.3	9.3	13.6	5.0	5.5	6.4	8.5	8.9	9.4	5.8	6.8	8.4	3.9	2.1	1.5	.
Industry, total	real, CCPY	8.5	8.6	13.6	9.1	7.8	7.5	7.7	7.9	8.1	7.8	7.7	7.8	7.4	6.9	1.5	.
Industry, total	real, 3MMA	11.1	11.0	9.2	7.8	5.6	6.8	7.9	8.9	8.0	7.3	7.1	6.3	4.9	2.5	.	.
Construction, total	real, CMPY	9.6	11.0	11.2	10.8	10.6	6.2	1.0	3.3	0.7	-1.6	-6.7	-1.2	-4.1	-8.2	-4.2	.
LABOUR																	
Employment in industry	th. persons	550.9	548.2	554.0	553.8	554.6	554.4	554.0	555.8	557.2	555.7	556.0	554.1	553.5	549.1	551.4	.
Unemployment, end of period[1)]	th. persons	477.8	506.5	561.0	558.1	545.3	519.0	498.7	505.2	510.7	506.1	497.6	499.3	513.1	533.7	563.9	560.2
Unemployment rate[1)]	%	16.7	17.9	19.8	19.7	19.2	18.3	17.5	17.8	18.0	17.8	17.4	17.3	17.7	18.6	19.7	19.6
Labour productivity, industry	CCPY	12.3	12.1	12.3	7.9	6.6	6.2	6.4	6.6	6.8	6.5	6.4	6.6	6.3	5.9	1.9	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	1.6	1.0	-2.1	-0.2	-0.5	-0.2	0.1	0.4	0.6	0.8	0.8	0.9	1.5	2.4	10.6	.
WAGES, SALARIES																	
Industry, gross	SKK	14255	13413	12386	11601	12563	12708	13459	13809	13322	13125	12667	13763	15835	15258	13593	.
Industry, gross	real, CMPY	-1.7	-2.9	5.4	2.2	0.8	2.7	2.2	2.5	1.3	1.0	-0.4	2.9	4.3	6.9	3.3	.
Industry, gross	USD	284	276	266	245	262	261	273	275	269	274	265	286	326	316	283	.
Industry, gross	EUR	332	308	283	265	287	292	312	322	313	305	291	316	367	354	320	.
PRICES																	
Consumer	PM	0.4	0.2	1.9	2.3	0.8	0.4	0.3	0.3	0.0	-0.1	0.2	0.1	-0.1	0.2	1.5	0.4
Consumer	CMPY	8.6	8.4	7.7	6.7	7.1	7.6	7.7	8.0	8.0	7.8	7.4	7.1	6.5	6.5	6.2	4.3
Consumer	CCPY	12.4	12.1	7.7	7.2	7.2	7.3	7.3	7.4	7.5	7.5	7.5	7.5	7.4	7.3	6.0	5.1
Producer, in industry	PM	0.9	0.2	0.3	2.0	1.0	0.2	0.1	0.2	-0.1	-0.1	-0.1	0.1	-0.2	0.1	0.4	.
Producer, in industry	CMPY	8.8	9.1	7.9	9.0	9.4	8.8	7.9	7.6	6.6	6.1	5.7	4.7	3.5	3.4	3.5	.
Producer, in industry	CCPY	9.9	9.8	7.9	8.5	8.8	8.8	8.6	8.4	8.2	7.9	7.7	7.4	7.0	6.7	3.5	.
RETAIL TRADE																	
Turnover	real, CMPY	7.2	10.1	10.8	4.8	-2.9	2.8	3.9	0.4	5.1	5.4	6.1	5.0	4.8	5.4	.	.
Turnover	real, CCPY	1.6	2.3	10.8	7.7	3.7	3.4	3.5	3.0	3.3	3.6	3.9	4.0	4.1	4.2	.	.
FOREIGN TRADE[2)3)]																	
Exports total (fob),cumulated	EUR mn	11837	12879	1106	2210	3411	4572	5839	7084	8284	9365	10575	11856	13088	14102	1062	.
Imports total (fob),cumulated	EUR mn	12568	13859	1216	2443	3841	5158	6604	8040	9436	10704	12073	13567	15101	16485	1198	.
Trade balance,cumulated	EUR mn	-731	-980	-109	-234	-431	-585	-764	-956	-1152	-1338	-1498	-1712	-2013	-2383	-136	.
Exports to EU (fob), cumulated	EUR mn	7007	7602	658	1363	2096	2805	3586	4351	5068	5648	6371	7121	7865	8441	662	.
Imports from EU (fob), cumulated	EUR mn	6185	6775	573	1174	1875	2545	3292	4038	4779	5377	6056	6801	7557	8207	583	.
Trade balance with EU, cumulated	EUR mn	822	827	85	189	221	260	294	313	289	271	315	320	308	235	79	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	-453	-713	-99	-128	-315	-372	-586	-784	-856	-956	-1131	-1251	-1492	-1756	.	.
EXCHANGE RATE																	
SKK/USD, monthly average	nominal	50.1	48.6	46.5	47.4	48.0	48.7	49.3	50.2	49.6	48.0	47.8	48.1	48.5	48.2	48.1	48.6
SKK/EUR, monthly average	nominal	42.9	43.5	43.7	43.7	43.7	43.5	43.2	42.8	42.6	43.1	43.5	43.6	43.1	43.1	42.5	42.3
SKK/USD, calculated with CPI[4)]	real, Jan98=100	120.7	116.7	110.2	110.1	110.8	112.5	114.1	115.9	114.1	110.7	110.4	110.7	111.6	110.3	108.3	109.0
SKK/USD, calculated with PPI[4)]	real, Jan98=100	130.0	127.1	124.5	121.9	120.8	123.0	124.9	125.5	122.1	118.4	118.0	115.9	117.1	114.5	113.6	.
SKK/EUR, calculated with CPI[4)]	real, Jan98=100	93.1	94.3	92.9	91.2	90.8	90.3	90.0	89.0	88.4	89.6	90.5	90.5	89.5	89.3	87.2	86.3
SKK/EUR, calculated with PPI[4)]	real, Jan98=100	100.7	101.6	101.6	99.8	98.9	98.4	97.9	96.9	96.0	97.1	98.3	98.0	96.6	96.3	94.8	.
DOMESTIC FINANCE																	
M0, end of period	SKK bn	64.5	67.0	65.6	65.5	64.9	65.6	67.3	69.3	70.0	70.7	72.7	74.9	79.1	81.0	79.7	80.1
M1, end of period	SKK bn	174.0	187.2	177.8	179.3	177.7	182.0	186.3	189.8	195.8	198.4	207.4	207.0	214.0	228.6	217.8	215.2
M2, end of period	SKK bn	581.5	601.5	606.3	608.4	612.0	619.8	619.3	625.3	633.9	644.0	641.8	635.3	651.3	680.3	668.4	675.0
M2, end of period	CMPY	15.2	14.9	15.7	13.6	13.3	14.0	13.5	14.5	13.6	10.3	9.5	9.3	12.0	13.1	10.2	10.9
Discount rate (p.a.),end of period	%	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	7.75	7.75
Discount rate (p.a.),end of period[5)]	real, %	0.0	-0.3	0.8	-0.2	-0.5	0.0	0.8	1.1	2.0	2.6	3.0	3.9	5.1	5.2	4.1	.
BUDGET																	
Central gov.budget balance, cum.	SKK mn	-12597	-27648	4972	-5061	-5647	-14916	-14649	-13462	-22339	-22415	-22878	-27560	-29797	-44371	-2902	-10851

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

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

3) Cumulation starting January and ending December each year.

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

5) Deflated with annual PPI.

S L O V E N I A: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total	real, CMPY	5.7	-2.5	8.9	2.8	2.9	9.4	1.2	-3.9	6.4	2.9	-1.1	7.2	0.1	0.2	.	.
Industry, total	real, CCPY	7.0	6.2	8.9	5.8	4.7	5.8	4.8	3.2	3.7	3.6	3.0	3.5	3.2	2.9	.	.
Industry, total	real, 3MMA	2.3	4.1	3.0	4.7	4.9	4.3	1.8	1.0	1.6	2.7	3.0	2.0	2.5	.	.	.
Construction, total[1)]	real, CMPY	-2.3	-5.0	8.7	-2.8	-5.8	0.7	-2.7	-5.5	0.4	-2.2	-3.9	1.6	-3.2	-9.1	.	.
LABOUR																	
Employment total	th. persons	771.4	763.4	766.1	767.4	772.0	776.3	779.8	781.9	782.3	782.1	786.2	786.6	785.6	782.1	779.5	.
Employees in industry[2)]	th. persons	221.1	220.2	220.7	221.5	222.5	223.0	223.5	223.4	222.9	221.9	221.8	221.5	221.2	219.8	.	.
Unemployment, end of period	th. persons	104.3	104.6	106.2	104.9	103.6	102.7	100.1	97.8	99.2	98.1	99.8	102.2	103.2	104.3	106.2	.
Unemployment rate[3)]	%	11.9	12.0	12.2	12.0	11.8	11.7	11.4	11.1	11.3	11.1	11.3	11.5	11.6	11.8	12.0	.
Labour productivity, industry	CCPY	9.4	8.4	8.6	5.4	4.4	5.6	4.6	3.0	3.5	3.5	3.1	3.8	3.6	3.5	.	.
Unit labour costs, exch.r. adj.(EUR)	CCPY	-3.1	-2.6	-0.1	1.7	1.6	0.4	1.1	2.3	1.5	1.6	1.7	1.1	1.1	1.1	.	.
WAGES, SALARIES																	
Total economy, gross	th. SIT	212.9	213.0	207.3	204.5	206.7	206.9	210.5	209.3	210.1	216.4	214.1	219.2	234.8	234.1	226.4	.
Total economy, gross	real, CMPY	6.1	0.1	7.0	4.7	3.5	4.1	2.0	1.7	1.3	3.0	3.0	3.3	3.0	2.6	0.8	.
Total economy, gross	USD	868	904	918	883	877	855	852	823	829	889	890	903	946	945	901	.
Total economy, gross	EUR	1015	1010	977	958	963	960	974	965	965	989	976	997	1066	1059	1020	.
Industry, gross	USD	756	774	793	760	756	731	732	700	709	770	757	779	818	791	.	.
PRICES																	
Consumer	PM	1.1	0.1	0.4	1.1	1.1	0.7	1.1	0.4	0.2	0.0	0.9	0.5	0.4	0.1	1.6	0.9
Consumer	CMPY	9.7	8.9	8.5	8.7	8.9	9.0	9.7	9.5	8.8	8.5	7.9	7.8	7.0	7.0	8.4	8.1
Consumer	CCPY	8.9	8.9	8.5	8.6	8.7	8.8	9.0	9.1	9.0	9.0	8.8	8.7	8.6	8.4	8.4	8.3
Producer, in industry	PM	0.6	0.6	1.9	1.0	-0.5	0.9	0.1	0.3	0.4	0.3	0.4	1.0	0.5	1.0	0.3	0.6
Producer, in industry	CMPY	9.3	9.2	10.6	10.4	9.6	10.0	9.9	9.8	9.2	8.2	8.0	7.2	7.1	7.5	5.8	5.3
Producer, in industry	CCPY	7.5	7.6	10.6	10.5	10.2	10.1	10.1	10.0	9.9	9.7	9.5	9.3	9.1	8.9	5.8	5.6
RETAIL TRADE																	
Turnover	real, CMPY	12.3	12.3	15.8	4.7	5.2	10.9	5.5	3.2	12.2	9.7	5.4	9.3	5.3	6.5	.	.
Turnover	real, CCPY	6.9	7.3	15.8	10.0	8.2	8.9	8.2	7.3	8.0	8.2	7.9	8.0	7.8	7.7	.	.
FOREIGN TRADE[4)5)]																	
Exports total (fob), cumulated	EUR mn	8736	9505	812	1640	2612	3438	4348	5264	6196	6900	7782	8741	9627	10348	828	.
Imports total (cif), cumulated	EUR mn	10093	10996	872	1778	2815	3758	4803	5783	6775	7548	8466	9481	10463	11342	876	.
Trade balance total, cumulated	EUR mn	-1356	-1491	-61	-138	-203	-320	-456	-519	-580	-649	-684	-740	-836	-994	-48	.
Exports to EU (fob), cumulated	EUR mn	5596	6060	553	1093	1708	2223	2780	3343	3930	4343	4882	5465	6007	6434	.	.
Imports from EU (cif), cumulated	EUR mn	6841	7451	594	1206	1918	2547	3264	3929	4606	5105	5720	6409	7085	7672	.	.
Trade balance with EU, cumulated	EUR mn	-1245	-1391	-41	-113	-210	-324	-484	-586	-676	-763	-838	-944	-1078	-1238	.	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	-475	-612	51	56	48	22	-29	-44	-30	-10	35	86	102	-67	55	.
EXCHANGE RATE																	
SIT/USD, monthly average	nominal	245.2	235.6	225.9	231.6	235.7	241.9	247.1	254.4	253.5	243.5	240.7	242.7	248.2	247.8	251.4	256.6
SIT/EUR, monthly average	nominal	209.8	210.9	212.2	213.5	214.6	215.6	216.3	217.0	217.8	218.7	219.4	219.9	220.4	221.1	222.0	223.0
SIT/USD, calculated with CPI[6)]	real, Jan98=100	124.8	119.7	115.0	117.1	118.0	120.8	122.6	125.9	124.8	119.9	117.9	118.0	119.9	119.3	119.1	120.5
SIT/USD, calculated with PPI[6)]	real, Jan98=100	133.8	128.9	124.6	124.1	125.5	128.1	131.3	133.4	130.3	124.8	122.8	119.8	121.8	118.5	119.8	121.6
SIT/EUR, calculated with CPI[6)]	real, Jan98=100	96.4	96.9	97.1	97.0	96.7	97.0	96.7	96.7	96.7	97.2	96.8	96.6	96.2	96.5	95.8	95.3
SIT/EUR, calculated with PPI[6)]	real, Jan98=100	103.8	103.3	101.7	101.5	102.7	102.5	103.0	103.0	102.5	102.5	102.5	101.3	100.5	99.7	100.0	99.8
DOMESTIC FINANCE																	
M0, end of period	SIT bn	110.2	119.8	106.9	108.5	113.3	114.9	113.2	124.3	115.9	116.3	122.6	124.7	126.5	142.1	129.8	.
M1, end of period	SIT bn	395.7	424.0	396.6	391.1	402.7	417.1	408.1	437.8	419.6	418.1	438.1	440.3	455.3	502.2	471.8	.
Broad money, end of period	SIT bn	2193.5	2206.4	2240.8	2269.3	2329.9	2353.0	2410.3	2445.9	2477.1	2514.8	2555.2	2617.3	2705.7	2876.7	2911.4	.
Broad money, end of period	CMPY	16.2	15.3	17.2	17.1	18.7	18.6	20.2	19.8	19.3	19.9	20.2	21.8	23.4	30.4	29.9	.
Discount rate (p.a.),end of period	%	9	10	10	10	10	11	11	11	11	11	11	11	11	11	9	9
Discount rate (p.a.),end of period[7)]	real, %	-0.3	0.7	-0.5	-0.4	0.4	0.9	1.0	1.1	1.6	2.6	2.8	3.5	3.6	3.3	3.0	3.5
BUDGET																	
General gov.budget balance, cum.	SIT mn	-78981	-54721	-31955	-51698	-50911	-41823	-58363	-107532	-98297	-104403	-129993	-127649	-135450	-62786	.	.

1) Effective working hours.

2) Enterprises with 3 or more employed, excluding employees of self-employed persons.

3) Ratio of unemployed to the economically active.

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.

U K R A I N E: Selected monthly data on the economic situation 2000 to 2002

(updated end of March 2002)

		2000		2001												2002	
		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
PRODUCTION																	
Industry, total[1)]	real, CMPY	14.4	13.2	14.8	7.2	12.7	16.3	16.2	13.1	10.2	9.1	11.1	9.5	5.8	-0.6	.	.
Industry, total	real, CCPY	12.5	12.9	19.5	16.7	17.4	18.4	18.8	18.5	17.9	16.9	16.6	16.1	15.4	14.2	1.7	.
Industry, total[1)]	real, 3MMA	12.7	14.1	11.7	11.5	12.1	15.0	15.2	13.1	10.7	10.1	9.9	8.8	5.0	.	.	.
LABOUR																	
Unemployment, end of period	th. persons	1142.8	1155.2	1149.6	1157.4	1149.2	1131.5	1088.4	1046.5	1015.3	1001.1	984.6	971.2	981.6	1008.1	1028.7	.
Unemployment rate[2)]	%	4.2	4.2	4.2	4.2	4.2	4.1	4.0	3.8	3.7	3.7	3.6	3.5	3.6	3.7	3.8	.
WAGES, SALARIES [1)]																	
Total economy, gross	UAH	257.6	296.3	253.4	263.7	281.0	288.9	303.0	317.8	327.3	329.3	326.3	335.8	334.4	378.5	.	.
Total economy, gross	real, CMPY	4.9	7.6	14.7	16.3	13.8	20.2	23.5	24.4	24.9	21.4	22.1	24.6	22.3	20.4	.	.
Total economy, gross	USD	47	55	47	49	52	53	56	59	61	62	61	63	63	71	.	.
Total economy, gross	EUR	55	61	50	53	57	60	64	69	71	69	67	70	71	80	.	.
Industry, gross	USD	64	71	64	65	71	70	74	77	81	82	81	84	83	89	.	.
PRICES																	
Consumer	PM	0.4	1.6	1.5	0.6	0.6	1.5	0.4	0.6	-1.7	-0.2	0.4	0.2	0.5	1.6	1.0	-1.4
Consumer	CMPY	28.9	25.8	22.1	18.9	17.3	17.0	15.1	11.6	9.9	9.6	7.3	6.0	6.1	6.1	5.6	3.5
Consumer	CCPY	28.4	28.2	22.1	20.5	19.4	18.8	18.0	16.9	15.8	15.0	14.1	13.2	12.5	12.0	5.6	4.5
Producer, in industry	PM	1.0	2.1	0.8	0.6	-0.5	0.2	0.0	0.2	0.1	-0.1	0.1	-0.7	0.7	-0.5	-0.4	.
Producer, in industry	CMPY	20.1	20.6	17.8	16.4	12.8	10.8	10.1	9.4	7.9	7.1	5.9	3.8	3.5	0.9	-0.3	.
Producer, in industry	CCPY	20.9	20.9	17.8	17.1	15.6	14.4	13.5	12.8	12.1	11.4	10.8	10.0	9.4	8.6	-0.3	.
RETAIL TRADE																	
Turnover[3)]	real, CCPY	7.3	6.9	11.3	7.7	8.0	8.7	10.3	10.4	11.4	11.4	11.5	11.8	12.3	12.6	.	.
FOREIGN TRADE[4)5)]																	
Exports total (fob), cumulated	EUR mn	14156	15771	1233	2546	4116	5656	7174	8918	10497	11973	13389	15054	16684	18160	.	.
Imports total (cif), cumulated	EUR mn	13463	15103	1150	2395	3856	5227	6710	8257	9682	11273	12683	14242	15946	17613	.	.
Trade balance, cumulated	EUR mn	694	667	83	151	259	430	464	661	815	700	706	812	738	547	.	.
FOREIGN FINANCE																	
Current account, cumulated	USD mn	.	1481	.	.	278	.	.	845	.	.	1237	.	.	1402	.	.
EXCHANGE RATE																	
UAH/USD, monthly average	nominal	5.437	5.436	5.433	5.430	5.421	5.418	5.414	5.401	5.371	5.347	5.339	5.310	5.287	5.294	5.313	5.321
UAH/EUR, monthly average	nominal	4.656	4.886	5.104	5.003	4.939	4.832	4.753	4.609	4.617	4.807	4.869	4.809	4.703	4.718	4.696	4.630
UAH/USD, calculated with CPI[6)]	real, Jan98=100	176.0	173.1	171.4	171.0	170.1	168.1	168.0	166.9	168.3	167.9	167.7	165.9	164.1	161.2	160.2	162.7
UAH/USD, calculated with PPI[6)]	real, Jan98=100	166.9	164.9	168.0	163.7	162.5	162.7	163.2	160.9	157.3	156.7	156.3	153.0	151.1	149.6	150.8	.
UAH/EUR, calculated with CPI[6)]	real, Jan98=100	135.8	140.4	144.5	141.4	139.1	134.8	132.7	128.0	130.2	136.0	137.5	135.5	131.6	130.1	128.7	128.7
UAH/EUR, calculated with PPI[6)]	real, Jan98=100	129.3	132.4	136.9	133.7	132.8	130.1	128.2	124.0	123.5	128.6	130.2	129.0	124.7	125.5	125.6	.
DOMESTIC FINANCE																	
M0, end of period	UAH mn	11158	12799	11851	12199	12736	13610	13452	14487	14797	15527	16208	16685	17325	19465	18100	18670
M1, end of period	UAH mn	18205	20732	19492	19961	21159	21796	22554	23820	24164	24768	25884	26406	26782	29773	.	.
Broad money, end of period	UAH mn	29395	32084	30816	31638	33026	34092	35157	36953	37373	38275	39643	40750	41508	45555	43610	45030
Broad money, end of period	CMPY	39.7	45.4	39.8	37.7	36.4	35.8	35.1	36.4	32.9	29.8	36.8	41.2	41.2	42.0	41.5	42.3
Refinancing rate (p.a.),end of period	%	27.0	27.0	27.0	27.0	25.0	21.0	21.0	19.0	19.0	17.0	15.0	15.0	15.0	12.5	12.5	11.5
Refinancing rate (p.a.),end of period[7)]	real, %	5.7	5.3	7.8	9.1	10.8	9.2	9.9	8.8	10.2	9.3	8.6	10.8	11.1	11.5	12.8	.
BUDGET																	
General gov.budget balance, cum.[8)]	UAH mn	2968.0	1891.8	1384.8	1804.2	1479.2	1684.9	1910.6	1868.5	2383.5	2304.2	2295.6	2647.3	2092.1	571.7	.	.

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) Adjusted for domestic and foreign (US resp. EU) inflation. Values less than 100 mean real appreciation.
7) Deflated with annual PPI.
8) Including pension fund.

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