



AUTUMN 2008 ECONOMIC OUTLOOK FOR BULGARIA: ANSWERS FROM BIA (NOVEMBER UPDATE)

MAIN FORECACT						
MAIN FORECAST		2008	2009			
Real GDP growth		5.7	4.3			
Consumer price inflation		9.0	5.0			
Unemployment rate		7.0	10.0			
Employment growth		1.5	0.8			
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Components of aggregate de	mand					
Annual % change		2008	2009			
Private consumption		3.5	1.2			
Public consumption		-6.5	2.5			
Investment (Gross fixed capital	formation)	na	na			
Exports		14.0	12.0			
Imports		9.0	10.0			
ECONOMIC SENTIMENT						
	Positive	Negative	Unchanged			
Trend in business climate		Industry				
over the next 6 months		Services				
	Positive	Negative	Unchanged			
Trand in profitability aver	roomro	Industry	ononangea			
Trend in profitability over the next 6 months		Services				
	Increase	Increase	Unchanged	Decrease	Decrease	
	(faster pace)	(slower pace)	ononangea	(slower pace)	(faster pace)	
Investment intentions over				Industry		
the next 6 months			Services			
	D(Fortama ta m	Detienelle etten			
Driving force behind	Replacement	Extension	Rationalisation	Innovation		
investment decisions in the	Up	Same	Same	Same		
next 6 months	op.	Came	Camo	Camo		
	Positive	Monotivo	Unahangad			
Trend in consumer	Positive	Negative	Unchanged			
confidence over the next 6		yes				
months		,				
		Industry, novt 6	Carriage, page 6	Comisson nove 6		
	Industry: past 6 months	Industry: next 6 months	Services: past 6 months	Services: next 6		
Overall trend in	months	months	months	months		
Overall trend in employment						
	months Up	months	months Up	months		
	months Up Higher / more	months	months Up Lower / less	months		
employment	months Up Higher / more difficult	<i>months</i> Down	months Up	months		
	months Up Higher / more	<i>months</i> Down	months Up Lower / less	months		
employment Over the next 6 months,	months Up Higher / more difficult	<i>months</i> Down	months Up Lower / less	months		
employment Over the next 6 months, cost/access to finance will	months Up Higher / more difficult Cost	<i>months</i> Down	months Up Lower / less	months		
employment Over the next 6 months, cost/access to finance will	months Up Higher / more difficult Cost	<i>months</i> Down	months Up Lower / less	months		
employment Over the next 6 months, cost/access to finance will be	months Up Higher / more difficult Cost Access	months Down Same	months Up Lower / less difficult	months Down		
employment Over the next 6 months, cost/access to finance will	months Up Higher / more difficult Cost Access	months Down Same to some extent	months Up Lower / less difficult	months Down		
employment Over the next 6 months, cost/access to finance will be Financial market turmoil	months Up Higher / more difficult Cost Access	months Down Same	months Up Lower / less difficult	months Down		
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies'	months Up Higher / more difficult Cost Access	months Down Same to some extent	months Up Lower / less difficult	months Down		
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	months Up Higher / more difficult Cost Access	months Down Same to some extent	months Up Lower / less difficult	months Down		
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions	months Up Higher / more difficult Cost Access to a large extent	months Down Same to some extent	months Up Lower / less difficult	months Down not at all		
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	months Up Higher / more difficult Cost Access	months Down Same to some extent	months Up Lower / less difficult to a limited extent	months Down not at all Neither	Unsatisfactory	Deterioratina
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively	months Up Higher / more difficult Cost Access to a large extent	months Down Same to some extent yes	months Up Lower / less difficult	months Down not at all	Unsatisfactory	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is	months Down Same to some extent yes	months Up Lower / less difficult to a limited extent	months Down not at all Neither satisfactory nor	Unsatisfactory	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards medium-	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is	months Down Same to some extent yes	months Up Lower / less difficult to a limited extent	months Down not at all Neither satisfactory nor	•	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is	months Down Same to some extent yes	months Up Lower / less difficult to a limited extent	months Down not at all Neither satisfactory nor	Unsatisfactory yes	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is	months Down Same to some extent yes	months Up Lower / less difficult to a limited extent	months Down not at all Neither satisfactory nor	•	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is satisfactory	months Down Same to some extent yes	months Up Lower / less difficult to a limited extent	months Down not at all Neither satisfactory nor	yes	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is satisfactory Tight, appropriate	months Down Same to some extent yes	months Up Lower / less difficult to a limited extent	months Down not at all Neither satisfactory nor	yes Loose, appropriate	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is satisfactory	months Down Same to some extent yes Excellent	months Up Lower / less difficult to a limited extent Satisfactory	not at all Neither satisfactory nor unsatisfactory	yes	Deteriorating
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employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective is Monetary policy is	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is satisfactory Tight, appropriate for the euro area	months Down Same to some extent yes Excellent Tight	months Up Lower / less difficult to a limited extent Satisfactory Appropriate	not at all Neither satisfactory nor unsatisfactory	yes Loose, appropriate	Deteriorating
employment Over the next 6 months, cost/access to finance will be Financial market turmoil has affected companies' investment decisions negatively POLICY MIX Progress towards mediumterm budgetary objective is	months Up Higher / more difficult Cost Access to a large extent Not necessary, situation is satisfactory Tight, appropriate for the euro area	months Down Same to some extent yes Excellent Tight	months Up Lower / less difficult to a limited extent Satisfactory Appropriate	not at all Neither satisfactory nor unsatisfactory	yes Loose, appropriate	Deteriorating