



## AUTUMN 2012 ECONOMIC OUTLOOK FOR BULGARIA: ANSWERS FROM BIA

### MAIN FORECAST

	2012	2013				
<i>Annual % change</i>						
Real GDP growth	1,2	1,5				
Consumer price inflation	1,5	1,2				
Unemployment rate	11,5	11,0				
Employment growth	0,5	1,0				
Hourly wage growth	6,0	6,0				
Hourly labour productivity growth	7,0	6,0				
annual hours worked per person employed	1655,0	1660,0				
government net lending (% of GDP)	-1,5	-1,0				
gross public debt (% of GDP)	17,2	17,5				
current account balance (% of GDP)	0,8	1,0				

### ECONOMIC SENTIMENT

	<i>Positive</i>	<i>Negative</i>	<i>Unchanged</i>			
<i>Trend in business climate over the next 6 months</i>	Industry					
<i>Trend in profitability over the next 6 months</i>	Industry					
<i>Investment intentions over the next 6 months</i>	<i>Increase (faster pace)</i>	<i>Increase (slower pace)</i>	<i>Unchanged</i>	<i>Decrease (slower pace)</i>	<i>Decrease (faster pace)</i>	
			Industry			
<i>Influence on companies' investment decisions</i>	<i>Global demand</i>	<i>Domestic demand</i>	<i>Cost of finance</i>	<i>Availability of finance</i>	<i>Company Profitability</i>	<i>Capacity Utilisation</i>
	na	na	na	na	positive	positive
<i>investment decisions in the next 6 months</i>	<i>Replacement</i>	<i>Extension</i>	<i>Rationalisation</i>	<i>Innovation</i>		
	na	na	na	na		
<i>Overall trend in employment</i>	<i>Industry: past 6 months</i>	<i>Industry: next 6 months</i>	<i>Services: past 6 months</i>	<i>Services: next 6 months</i>		
	Down	Same	na	na		

<b>ACCESS TO FINANCE AND IMPACT OF THE CRISIS ON POTENTIAL GROWTH</b>				
<b>Compared to 6 months ago, cost/access to finance has been...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>
<i>for SMEs</i>				
<i>larger companies (&gt;250 employees)</i>				
<b>Over the next 6 months, cost/access to finance will be...</b>	<b>sharply up / restrained</b>	<b>up / more difficult</b>	<b>same</b>	<b>down / easier</b>
<i>for SMEs</i>				Cost
<i>larger companies (&gt;250 employees)</i>				Cost Access
	<b>Measures to improve bank lending capacity</b>	<b>Facilitating access to capital markets (corporate bonds and stock markets)</b>	<b>Improving conditions for equity financing</b>	
<b>Measures to alleviate current financial difficulties for SMEs</b>	Very limited effect	Very limited effect	Very limited effect	Very limited effect
	<b>Measures to improve bank lending capacity</b>	<b>Facilitating access to capital markets (corporate bonds and stock markets)</b>	<b>Improving conditions for equity financing</b>	
<b>Measures to alleviate current financial difficulties for midsize and large companies</b>	Very limited effect	Very limited effect	Very important effect	Very limited effect