

## DIRECT INVESTMENT (January - June 2014)<sup>1</sup>

According to preliminary data, the *Foreign direct investment in Bulgaria* for January - June 2014 increased by EUR 490.7 million (01.2% of GDP), compared to an increase of EUR 636.4 million (1.6% of GDP) for January - June 2013. In June 2014 they increased by EUR 91.3 million, compared to a increase of EUR 179.5 million in June 2013.

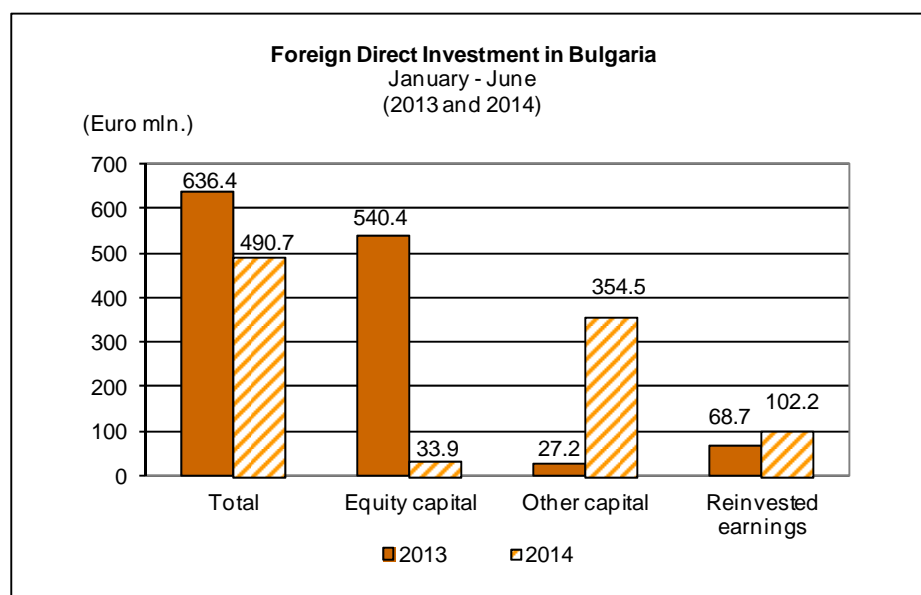
(EUR million)

	2013					2014					2014/2013
	Q1	Apr	May	Jun	Jan-Jun	Q1	Apr	May	Jun	Jan-Jun	Jan-Jun
<b>Direct investment, net</b>	<b>355.8</b>	<b>-78.0</b>	<b>128.7</b>	<b>167.9</b>	<b>574.4</b>	<b>81.2</b>	<b>175.1</b>	<b>71.2</b>	<b>85.4</b>	<b>412.8</b>	<b>-161.6</b>
<b>Direct investment abroad *</b>	<b>-17.1</b>	<b>-10.2</b>	<b>-23.1</b>	<b>-11.6</b>	<b>-62.0</b>	<b>-30.8</b>	<b>-7.0</b>	<b>-33.7</b>	<b>-6.4</b>	<b>-77.9</b>	<b>-15.9</b>
Equity capital	-14.6	-8.1	-17.2	-5.3	-45.1	-12.0	-3.7	-30.0	-8.8	-54.5	-9.3
Other capital	-11.4	-0.4	-4.2	-4.6	-20.6	-18.7	-3.3	-3.7	2.4	-23.4	-2.8
Reinvested earnings	8.9	-1.7	-1.7	-1.7	3.8	-	-	-	-	-	-
<b>Foreign Direct Investment</b>	<b>372.9</b>	<b>-67.8</b>	<b>151.8</b>	<b>179.5</b>	<b>636.4</b>	<b>112.0</b>	<b>182.1</b>	<b>104.9</b>	<b>91.8</b>	<b>490.7</b>	<b>-145.7</b>
Equity capital, incl.	234.9	25.3	71.6	208.6	540.4	42.4	-9.4	-70.9	71.7	33.9	-506.5
<i>from privatisation</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>non-privatisation flows</i>	234.9	25.3	71.6	208.6	540.4	42.4	-9.4	-70.9	71.7	33.9	-506.5
Other capital	97.5	-102.5	70.8	-38.5	27.2	12.4	172.2	162.7	7.3	354.5	327.3
Reinvested earnings	40.6	9.4	9.4	9.4	68.7	57.1	19.3	13.0	12.8	102.2	33.5

Source: direct investment companies, banks, notaries, National Statistical Institute, Central Depository, Privatisation Agency.

<sup>1</sup> For assets, a minus sign denotes an increase in holdings, and a positive figure represents a decrease.

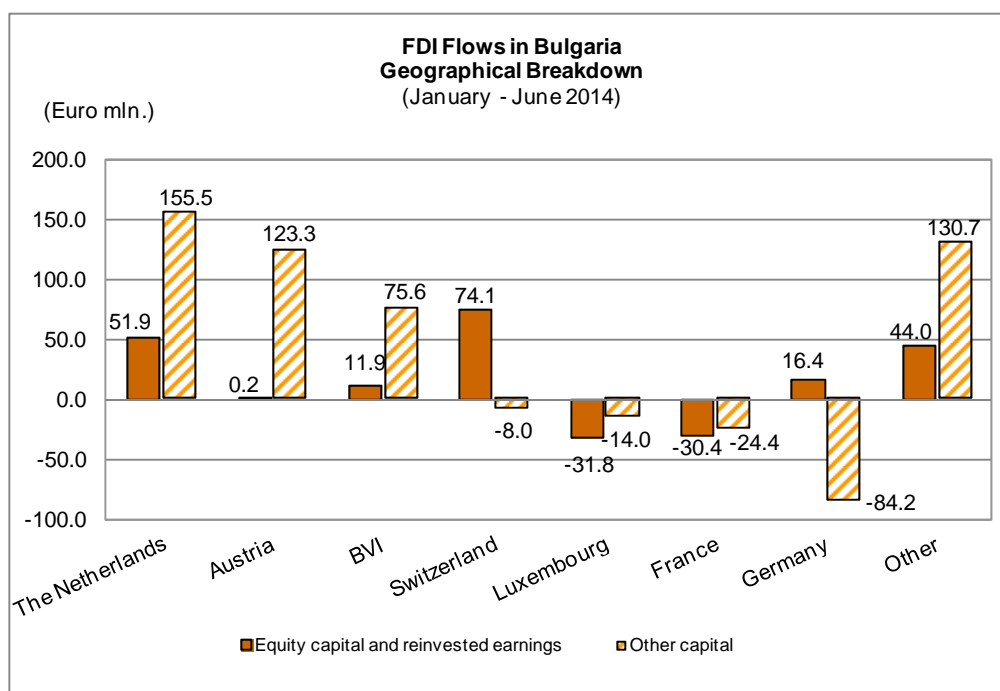
The *Equity Capital (acquisition/disposal of shares and equities in cash and contributions in kind by non-residents in/from the capital and reserves of Bulgarian enterprises and receipts/payments from/for real estate deals in the country)* for January - June 2014 amounted to EUR 33.9. It decreased by EUR 506.5 million compared to that attracted in the same period of 2013 (EUR 540.4 million). *The receipts from real estate investments of non-residents* amounted to EUR 58.1 million, compared to EUR 72.3 million attracted in January - June 2013.



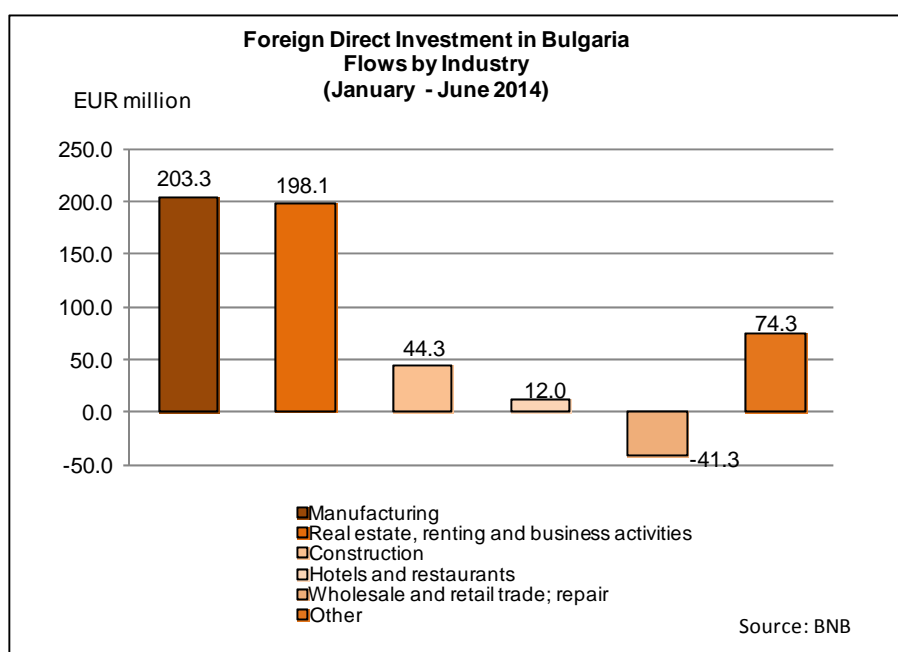
The *other capital, net* (the change in the net liabilities of the direct investment enterprise to the direct investor on financial loans, suppliers' credits and debt securities) was positive, amounting to EUR 354.5 million in January - June 2014, compared to a positive *other capital, net* of EUR 27.2 million in January - June 2013.

Based on preliminary data on profit/loss, the *Reinvested Earnings*<sup>2</sup> (the share of non-residents in the undistributed earnings/ loss of the enterprise) in January - June 2014 were estimated at EUR 102.2 million, against EUR 68.7 million in the same period of 2013.

By country, the largest direct investments in Bulgaria in January - June 2014 were those from The Netherlands (EUR 207.4 million). The largest net negative flows for the period were towards Germany (EUR -67.8 million).



By branch, the largest investments for January – March 2014 were in *Manufacturing* (EUR 203.3 million), *Real estate, renting and business activities* (EUR 198.1 million) and *Construction* (EUR 44.3 million).



According to preliminary data in January - June 2014 *Direct investment abroad* increased by EUR 79.9 million,

compared to an increase of EUR 62 million in January - June 2013. In June 2014 they increased by EUR 6.4 million, compared to an increase of EUR 11.6 million in June 2013.

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<sup>1</sup> Preliminary data. When comparing the data yoy it should be taken into account that the initial data on the January - June 2013 FDI, published in a BNB press release as of August 16, 2013 ([www.bnb.bg](http://www.bnb.bg), section Press Releases/Statistical Press Releases/Balance of Payments), was subsequently revised.

With the January - July 2014 report revisions for January 2012 - June 2014 data will be presented.

The 2012, 2013 and 2014 data are subject to revisions with the quarterly reports to the BNB from foreign direct investment enterprises

The 2013 and 2014 data are subject to revisions with the annual NSI data.

GDP amounting to EUR 40,496.9 million for 2014 (BNB estimate), and EUR 39,939.7 million for 2013 (NSI data as of 05.03.2014).

<sup>2</sup> The 2013 and 2014 data are estimates of reinvested earnings of *banks* only. Data on reinvested earnings of *non-financial enterprises* for 2013 will be presented with January 2015 report.