

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

According to preliminary data, the *Foreign direct investment in Bulgaria* for January - July 2014 increased by EUR 825.3 million (2% of GDP), compared to an increase of EUR 1070.8 million (2.7% of GDP) for January - July 2013. In July 2014 they increased by EUR 74 million, compared to a increase of EUR 246.4 million in July 2013.

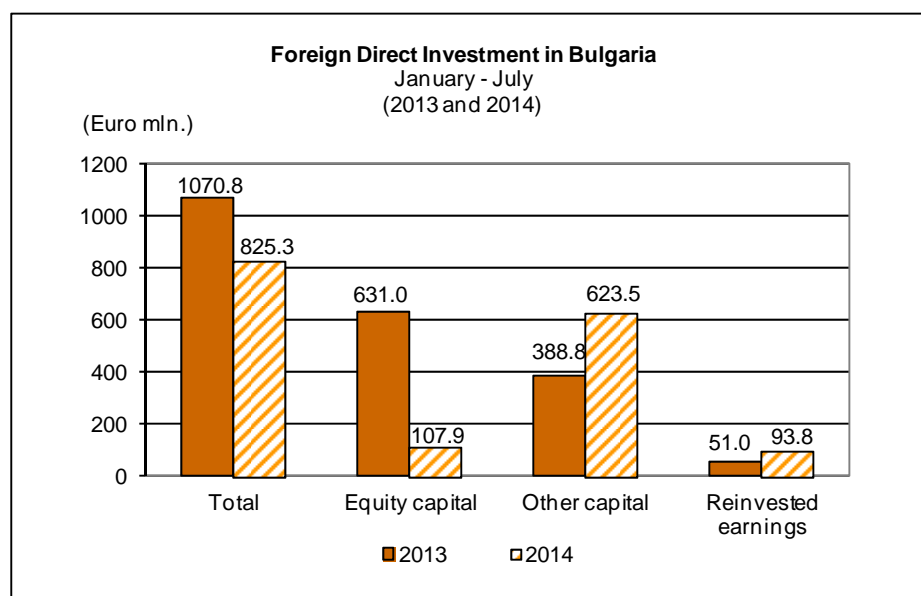
(EUR million)

|                                   | 2013         |               |              |               | 2014         |               |             |               | 2014/2013     |
|-----------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|-------------|---------------|---------------|
|                                   | Q1           | Q2            | July         | Jan-July      | Q1           | Q2            | July        | Jan-July      | Jan-July      |
| <b>Direct investment, net</b>     | <b>315.6</b> | <b>351.4</b>  | <b>205.6</b> | <b>872.6</b>  | <b>384.7</b> | <b>179.0</b>  | <b>66.2</b> | <b>630.0</b>  | <b>-242.7</b> |
| <b>Direct investment abroad *</b> | <b>-32.8</b> | <b>-124.7</b> | <b>-40.7</b> | <b>-198.2</b> | <b>-62.0</b> | <b>-125.5</b> | <b>-7.8</b> | <b>-195.3</b> | <b>2.9</b>    |
| Equity capital                    | -28.6        | -59.8         | -23.0        | -111.5        | -30.1        | -118.8        | -6.1        | -155.0        | -43.5         |
| Other capital                     | -21.6        | -54.9         | -16.4        | -92.8         | -32.0        | -6.7          | -1.6        | -40.3         | 52.5          |
| Reinvested earnings               | 17.4         | -9.9          | -1.3         | 6.1           | 0.0          | 0.0           | 0.0         | 0.0           | -             |
| <b>Foreign Direct Investment</b>  | <b>348.4</b> | <b>476.1</b>  | <b>246.4</b> | <b>1070.8</b> | <b>446.7</b> | <b>304.5</b>  | <b>74.0</b> | <b>825.3</b>  | <b>-245.5</b> |
| Equity capital, incl.             | 251.4        | 320.3         | 59.4         | 631.0         | 100.4        | -22.6         | 30.2        | 107.9         | -523.1        |
| from privatisation                | 0.0          | 0.0           | 0.0          | 0.0           | 0.0          | 0.0           | 0.0         | 0.0           | 0.0           |
| non-privatisation flows           | 251.4        | 320.3         | 59.4         | 631.0         | 100.4        | -22.6         | 30.2        | 107.9         | -523.1        |
| Other capital                     | 70.6         | 142.4         | 175.8        | 388.8         | 304.1        | 288.4         | 31.1        | 623.5         | 234.7         |
| Reinvested earnings               | 26.4         | 13.4          | 11.2         | 51.0          | 42.2         | 38.8          | 12.8        | 93.8          | 42.8          |

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.

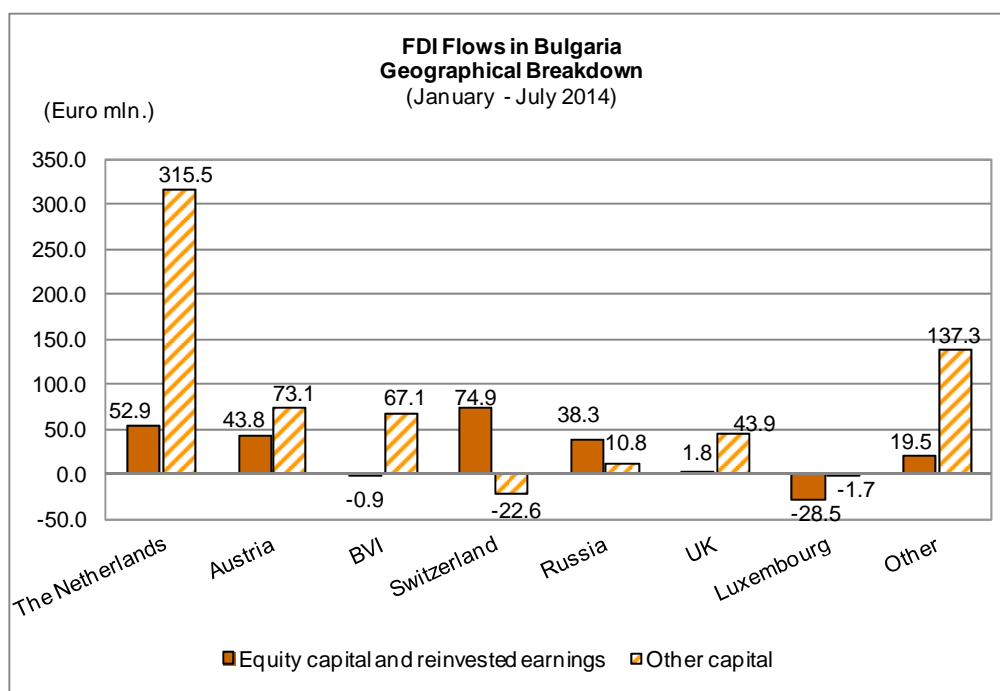
The *Equity Capital (acquisition/disposal of shares and equities in cash and contributions in kind by non-residents in/from the capital and reserves of Bulgarian enterprises and receipts/payments from/for real estate deals in the country)* for January - July 2014 amounted to EUR 107.9. It decreased by EUR 523.1 million compared to that attracted in the same period of 2013 (EUR 631 million). *The receipts from real estate investments of non-residents* amounted to EUR 68 million, compared to EUR 85 million attracted in January - July 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 623.5 million in January - July 2014, compared to a positive *other capital, net* of EUR 388.8 million in January - July 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 - July 2014 were estimated at EUR 93.8 million, against EUR 51 million in the same period of 2013.

By country, the largest direct investments in Bulgaria in January - July 2014 were those from The Netherlands (EUR 368.4 million). The largest net negative flows for the period were towards Luxembourg (EUR -30.2 million).



According to preliminary data in January - July 2014 *Direct investment abroad* increased by EUR 195.3 million, compared to an increase of EUR 198.2 million in January - July 2013. In July 2014 they increased by EUR 7.8 million, compared to an increase of EUR 40.7 million in July 2013.

<sup>1</sup> Preliminary data. When comparing the data you it should be taken into account that the initial data on the January - July 2013 FDI, published in a BNB press release as of September 15, 2013 ([www.bnb.bg](http://www.bnb.bg), section Press Releases/Statistical Press Releases/Balance of Payments), was subsequently revised.

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

The 2013 and 2014 data are revised 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 and reports from foreign direct investment enterprises.

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.