

DIRECT INVESTMENT (January – October 2014)¹

Foreign direct investment in Bulgaria recorded a net inflow of EUR 804.9 (2% of GDP) in January – October 2014 according to preliminary data, dropping by EUR 505.5 million (38.6%) from January – October 2013 (an inflow of EUR 1,310.4 million, 3.2% of GDP). In October 2014 they grew by EUR 217.3 million, compared with a decrease of EUR 8.2 million in October 2013.

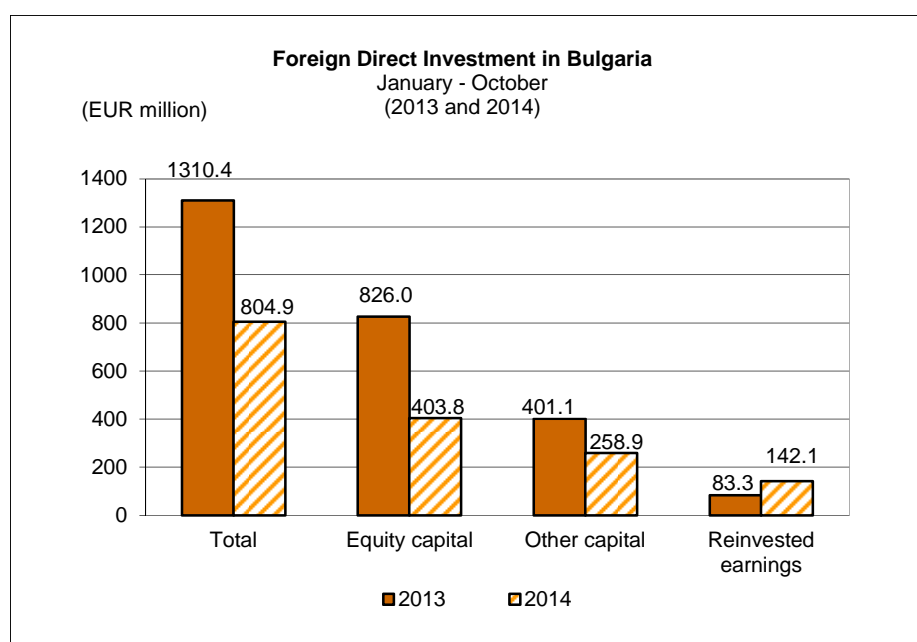
(EUR million)

	2013					2014					2014/2013
	Q1	Q2	Q3	October	Jan-Oct	Q1	Q2	Q3	October	Jan-Oct	Jan-Oct
Direct investment, net	389.4	395.2	418.8	-28.1	1175.2	464.6	-14.3	-0.9	213.6	663.0	-512.2
Direct investment abroad *	-16.1	-46.3	-52.9	-19.9	-135.2	-44.3	-66.6	-27.5	-3.6	-141.9	-6.7
Equity capital	-14.6	-30.6	-33.7	-7.7	-86.7	-15.5	-60.5	-24.5	-2.2	-102.7	-16.0
Other capital	-10.4	-10.6	-17.1	-12.2	-50.3	-28.8	-6.0	-3.0	-1.4	-39.2	11.1
Reinvested earnings	8.9	-5.1	-2.1	0.0	1.7	0.0	0.0	0.0	0.0	0.0	-1.7
Foreign Direct Investment	405.5	441.5	471.7	-8.2	1310.4	508.9	52.2	26.6	217.3	804.9	-505.5
Equity capital, incl.	251.4	320.3	194.1	60.2	826.0	100.3	-0.7	287.2	17.0	403.8	-422.1
<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>	251.4	320.3	194.1	60.2	826.0	100.3	-0.7	287.2	17.0	403.8	-422.1
Other capital	127.7	107.8	244.1	-78.5	401.1	366.3	14.1	-306.4	185.0	258.9	-142.2
Reinvested earnings	26.4	13.4	33.5	10.1	83.3	42.2	38.8	45.8	15.3	142.1	58.8

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

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

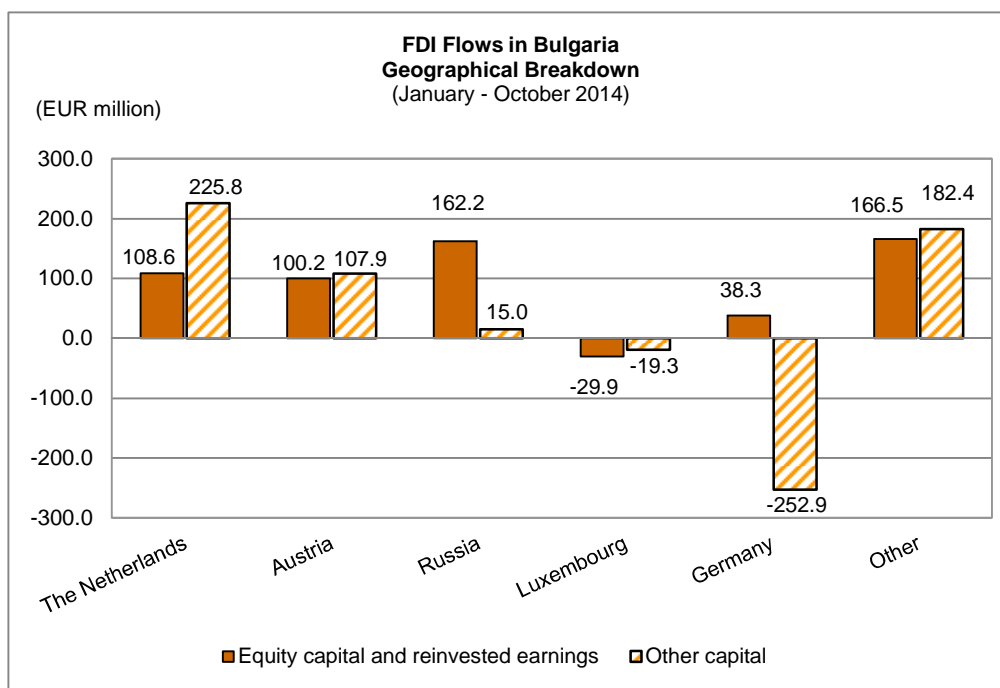
The *equity capital (acquisition/disposal of shares and equities in cash and contributions in kind by non-residents in/from the capital and reserves of Bulgarian enterprises and receipts/payments from/for real estate deals in the country)* amounted to EUR 403.8 million. It decreased by EUR 422.1 million compared to that attracted in the same period of 2013 (EUR 826 million). The *receipts from real estate investments of non-residents* amounted to EUR 106 million, compared with EUR 129.4 million attracted in January – October 2013.



The net *other capital* (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 258.9 million in January – October 2014, compared with a positive one of EUR 401.1 million in January – October 2013.

Based on preliminary data on profit/loss, the *reinvested earnings*² (the share of non-residents in the undistributed earnings/ loss of the enterprise) were estimated at EUR 142.1 million for January – October 2014, compared with EUR 83.3 million in the same period of 2013.

By country, the largest direct investment in Bulgaria in January – October 2014 were those from the Netherlands (EUR 225.8 million). The largest net outflows for the period were to Germany (EUR -214.7 million).



According to preliminary data, *direct investment abroad* increased by EUR 141.9 million in January – October 2014, compared with an increase of EUR 135.2 million in January – October 2013. In October 2014 they grew by EUR 3.6 million, compared with an increase of EUR 19.9 million in October 2013.

¹ Preliminary data. When comparing the data year-on-year it should be taken into account that the initial data on the January – October 2013 FDI, published in a BNB press release on 16 December 2013 have been subsequently revised (www.bnb.bg, section Press Releases/Statistical Press Releases/Balance of Payments).

The data for October 2014 are to be revised with the January – November 2014 report.

The 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 40,250 million for 2014 (BNB estimate), and EUR 41,047.3 million for 2013 (NSI data as of 01.10.2014) according to ESA 2010.

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