

## DIRECT INVESTMENT (January – July 2015)<sup>1</sup>

According to preliminary data, *foreign direct investment in Bulgaria* presented according to the *directional principle* amounted to EUR 907.3 million (2.1% of GDP) in January – July 2015, growing by EUR 41.5 million (4.8%) from January – July 2014 (EUR 865.8 million, 2.1% of GDP)<sup>2</sup>. In July 2015 foreign direct investment in the country grew by EUR 108.2 million, compared with an increase of EUR 69.8 million in July 2014.

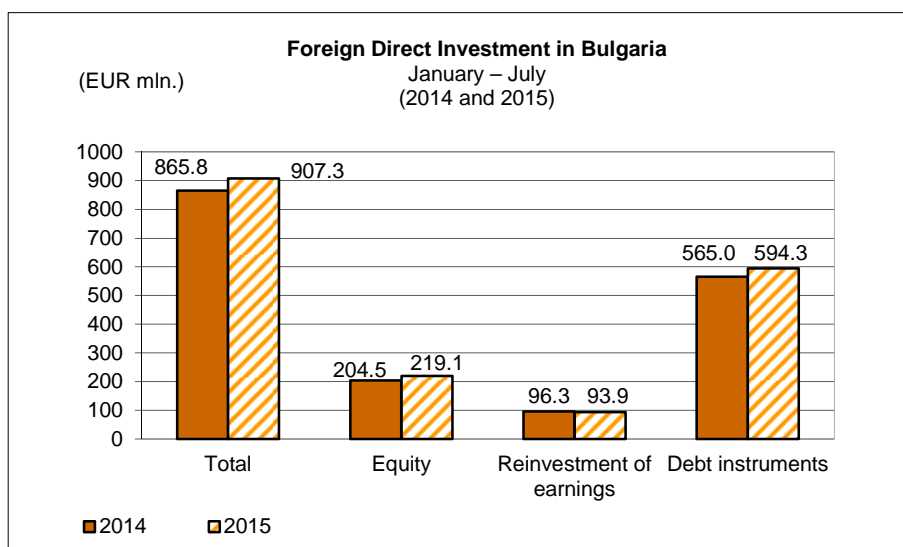
	2014				2015				(EUR million)
	Q1	Q2	July	Jan-July	Q1	Q2	July	Jan-July	2015/2014
<b>Direct investment, net</b>	<b>-266.9</b>	<b>-188.3</b>	<b>-61.1</b>	<b>-516.3</b>	<b>-427.8</b>	<b>-328.0</b>	<b>-123.2</b>	<b>-878.9</b>	<b>-362.6</b>
<b>Direct investment abroad *</b>	<b>127.0</b>	<b>213.8</b>	<b>8.7</b>	<b>349.5</b>	<b>15.5</b>	<b>27.9</b>	<b>-15.0</b>	<b>28.3</b>	<b>-321.2</b>
Equity	15.8	49.9	2.0	67.7	16.0	12.5	12.2	40.7	-26.9
Reinvestment of earnings	0.7	0.7	-3.1	-1.7	-15.8	-0.9	0.0	-16.7	-15.0
Debt instruments	110.5	163.2	9.8	283.5	15.3	16.3	-27.2	4.3	-279.2
<b>Foreign Direct Investment</b>	<b>393.8</b>	<b>402.2</b>	<b>69.8</b>	<b>865.8</b>	<b>443.2</b>	<b>355.9</b>	<b>108.2</b>	<b>907.3</b>	<b>41.5</b>
Equity	101.1	4.6	98.9	204.5	61.7	112.4	45.0	219.1	14.6
Reinvestment of earnings	42.2	38.8	15.3	96.3	40.2	40.2	13.4	93.9	-2.4
Debt instruments	250.5	358.8	-44.4	565.0	341.3	203.2	49.8	594.3	29.3

Data presented following the directional principle and compiled in accordance with the methodological requirements of the Sixth Edition of the Balance of Payments and International Investment Position Manual (IMF, 2008).

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

A positive sign denotes an increase in assets and liabilities; a negative sign denotes a decrease in assets and liabilities.

*Equity* (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 219.1 million in January – July 2015. It grew by EUR 14.6 million in comparison with that attracted in the same period of 2014 (EUR 204.5 million). *Real estate investments of non-residents* totalled EUR 25.8 million, compared with EUR 78.2 million attracted in January – July 2014.



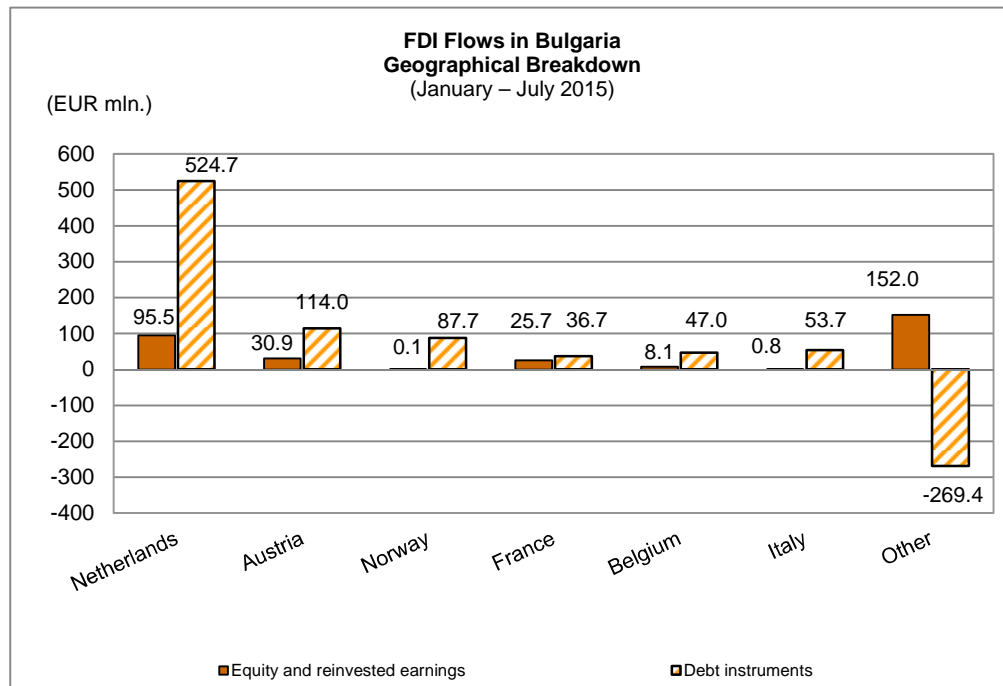
<sup>1</sup> Preliminary data. The data for July 2015 are to be revised with the August 2015 report. The 2014 and 2015 data are subject to revisions with the annual NSI data and reports from foreign direct investment enterprises.

<sup>2</sup> GDP amounting to EUR 42,931 million for 2015 (BNB estimate), and EUR 42,009.8 million for 2014 (NSI data as of 06.03.2015) according to ESA 2010.

Based on preliminary profit and loss data, *reinvestment of earnings*<sup>3</sup> (the share of non-residents in the undistributed earnings/ loss of the enterprise) was estimated at EUR 93.9 million for January – July 2015, compared with EUR 96.3 million in the same period of 2014.

The net *debt instruments* (the change in the net liabilities between affiliated enterprises on financial loans, suppliers' credits and debt securities) totalled EUR 594.3 million in January – July 2015, compared with EUR 565 million in January – July 2014<sup>4</sup>.

The largest net direct investment inflow in Bulgaria for January – July 2015 was from the Netherlands (EUR 620.2 million).



According to preliminary data, *direct investment abroad* grew by EUR 28.3 million in January – July 2015, compared with an increase of EUR 349.5 million in January – July 2014. In July 2015 it decreased by EUR 15 million, compared with an increase of EUR 8.7 million in July 2014.

<sup>3</sup> The 2014 and 2015 data include estimates of *reinvestment of earnings* of banks. Data on *reinvestment of earnings* of non-financial enterprises for 2014 will be presented with the January 2016 report.

<sup>4</sup> The data on *debt instruments* are based on preliminary information from foreign direct investment enterprises on credits extended/received to/from nonresidents. The data for 2014 and 2015 are subject to revisions with their quarterly and annual reports.