

DIRECT INVESTMENT (January – July 2016)¹

According to preliminary data, *foreign direct investment in Bulgaria* presented according to the *directional principle* amounted to EUR 987.3 million (2.2% of GDP²) in January – July 2016, dropping by EUR 170.8 million (14.8%) from January – July 2015 (EUR 1,158.2 million, 2.6% of GDP)³. In July 2016 *foreign direct investment in Bulgaria* grew by EUR 74.5 million, compared with an increase of EUR 205.2 million in July 2015.

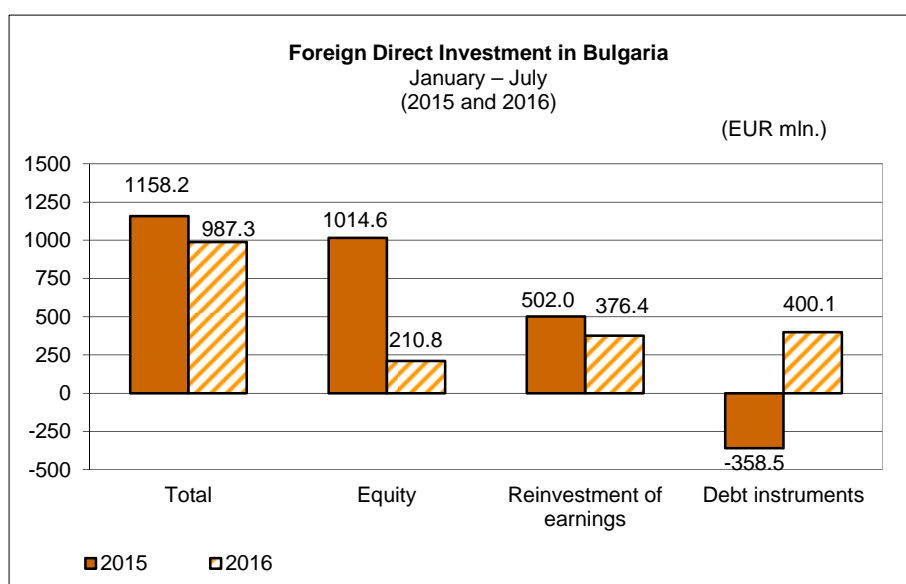
	2015				2016				(EUR million)
	Q1	Q2	Jul	Jan-Jul	Q1	Q2	Jul	Jan-Jul	2016/2015
Direct investment, net	-557.3	-396.8	-192.0	-1146.1	-394.8	-448.1	-36.1	-878.9	267.2
Direct investment abroad *	20.9	-22.0	13.2	12.1	-12.9	82.9	38.4	108.4	96.3
Equity	31.4	23.2	10.5	65.1	14.4	46.3	3.7	64.3	-0.8
Reinvestment of earnings	-9.6	-5.6	-3.0	-18.3	-31.1	-14.5	0.0	-45.6	-27.3
Debt instruments	-0.8	-39.7	5.7	-34.7	3.9	51.0	34.8	89.7	124.4
Foreign Direct Investment	578.3	374.7	205.2	1158.2	381.9	530.9	74.5	987.3	-170.8
Equity	90.1	-33.4	957.9	1014.6	144.5	23.8	42.5	210.8	-803.8
Reinvestment of earnings	213.6	234.0	54.4	502.0	139.0	237.4	0.0	376.4	-125.6
Debt instruments	274.6	174.1	-807.2	-358.5	98.4	269.7	31.9	400.1	758.5

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 210.8 million in January – July 2016. It fell by EUR 803.8 million in comparison with that attracted in January – July 2015 (EUR 1,014.6 million).



¹ Preliminary data. The data for July 2016 are to be revised with the August 2016 report. The 2015 and 2016 data are subject to revisions with the annual NSI data and reports from foreign direct investment enterprises.

² GDP amounting to EUR 45,474 million for 2016 (BNB forecast), and EUR 44,161.6 million for 2015 (NSI data as of 8 March 2016).

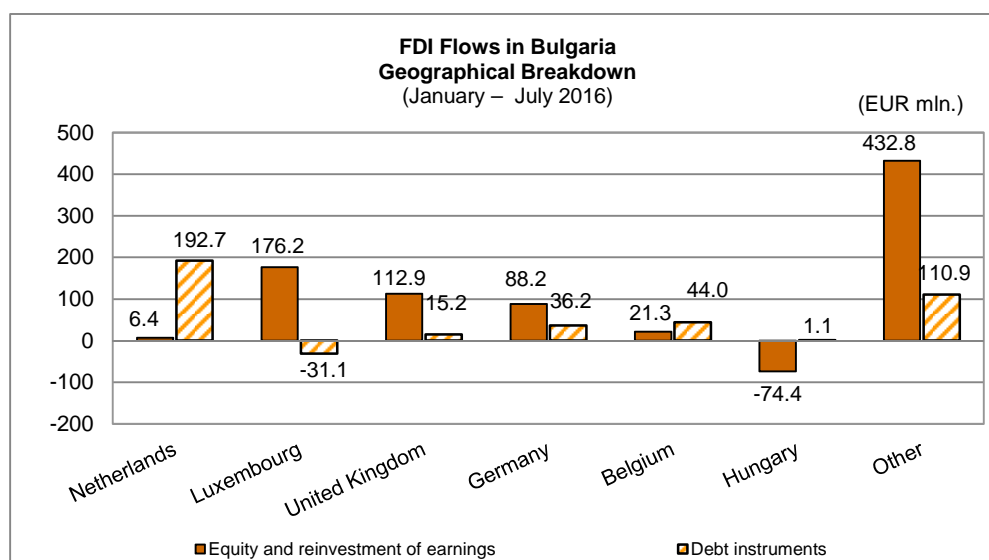
³ When comparing the data year-on-year it should be taken into account that the initial FDI data for January – July 2015, published in the BNB press release on 17 August 2015, have been subsequently revised (www.bnb.bg, section Press Office/Statistical Press Releases/Balance of Payments).

Real estate investments of non-residents totalled EUR 51.6 million, compared with EUR 59 million attracted in January – July 2015. The largest inflow of real estate investment was from Switzerland – EUR 22.7 million (44.1% of the total amount for January – July 2016), Norway (EUR 6.1 million, 11.9% of the total amount for the period), and Russia (EUR 5.1 million, 9.9% of the total amount for the period).

Reinvestment of earnings (the share of non-residents in the undistributed earnings/ loss of the enterprise based on preliminary profit and loss data) was estimated at EUR 376.4 million for January – July 2015, compared with EUR 502 million in the same period of 2015.

The net *debt instruments* (the change in the net liabilities between affiliated enterprises on financial loans, suppliers' credits and debt securities) was positive amounting EUR 400.1 million in January – July 2016, compared with a negative balance of EUR 358.5 million in January – July 2015⁴.

The largest net direct investment inflow in Bulgaria for January – July 2016 was from the Netherlands (EUR 199.1 million, 20.2% of the total amount for the period), Luxembourg (EUR 145.1 million, 14.7%), and the United Kingdom (EUR 128.1 million, 13%).



According to preliminary data, *direct investment abroad* totalled EUR 108.4 million in January – July 2016, compared with an increase of EUR 12.1 million in January – July 2015. In July 2016 it grew by EUR 38.4 million, compared with an increase of EUR 13.2 million in July 2015.

⁴ 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.