UBB
Part of KBC Group

Economic Perspectives

October 2017

Highlights

- Global economic momentum has remained intact and even gained some steam. Business surveys, in particular, have produced very positive results worldwide. This suggests that the global recovery will likely continue in coming months. The major missing link remains inflation. In the euro area, a decline in services inflation, waning import price pressures and low wage growth were behind the latest core inflation downturn. Our forecast of persistent below-target inflation levels hence remains unaltered.

- Political uncertainty is again to the fore in Europe. The German elections resulted in an unexpectedly high support for smaller parties, which severely limits the range of options for a sustainable coalition government. Coalition talks may take several months during which time uncertainty might weigh on sentiment. Meanwhile, Spanish political unrest came to international attention as (a minority of) Catalans voted for independence. Nevertheless, we don't expect an actual secession of the region. After all, Catalonia has much to lose economically from independence and the majority of Catalans still doesn't support it.

- Our expectation of a recovery in the USD on a short-term horizon is materialising. Many factors have contributed. The Fed has stuck to its previously communicated rate hike path while the ECB has acknowledged the potential impact of the EUR exchange rate on inflation and on monetary policy. Together with renewed hopes for some kind of fiscal stimulus in the US, these elements all contributed to a USD strengthening against the EUR. After some further appreciation in the short term, we expect the upward USD trend to reverse again as markets will begin to anticipate on a first ECB rate hike in 2019.

- In focus: Hope, but also challenges for Europe's competitiveness

Global Economy

Synchronised upturn

Strong positive global economic momentum remains in place and has even gained some steam. Business surveys, in particular, have produced very positive results worldwide recently. This suggests that the global recovery will likely continue in the upcoming months. The two major hurricanes which hit the US at the end of the third quarter should have only temporary negative effects on the economy. Hence, we expect the temporary weakness in activity and labour market data to be offset by a pickup in the fourth quarter. Meanwhile, the euro area economy is strengthening further. This is mirrored in continuously improving labour market data. The euro area unemployment rate reported its lowest level in eight years in the third quarter, although it remains substantially higher than in other parts of the world. This improvement reflects developments in both the core, e.g. Germany, and peripheral economies, like Spain and Italy. Asian economies are also benefitting from the benign economic environment. Japan's activity data remain above expectations and Chinese figures still signal a growth stabilisation. What's more, the synchronised upturn across countries is also becoming more broad-based. Private consumption remains an important growth driver in developed economies but we also see investment picking up and trade remaining solid.

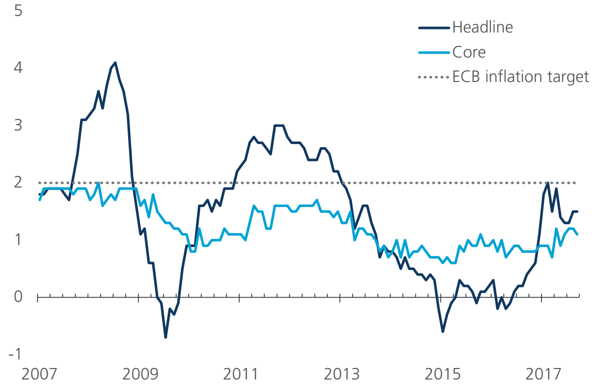
Hence, in general, our scenario of a favourable growth environment combined with subdued inflation has been confirmed. In this context, our growth and inflation forecasts for the major economies remain unchanged. Note that, although our real GDP growth forecasts for the euro area and the US are roughly the same, the narrative behind them is different. For the US, we see growth reaching its dynamic peak next year and gradually slowing afterwards. This reflects the late-cyclical character of the American economy with growth falling back to or slightly below potential. The euro area, however, is in an earlier stage of the business cycle. Recovery is still ongoing. Therefore GDP growth will likely stay significantly above the potential rate.

The missing link: inflation

Despite the ongoing global expansion, inflationary pressures remain largely absent. The disappointing figures in the US of late, were largely due to temporary factors. Although the inflation rates for used vehicles, physicians' services and wireless telephone services prices remained soft, their deflationary impact is gradually fading. The recent reversal of the declining trend in US headline inflation suggests that the unexpected fallback of this year is likely transitory. Hence, our inflation forecasts are unadjusted. We still see inflation in the medium term going back to and even slightly above the Fed's 2% target. Going forward, stronger wage growth, due to labour market tightness, translating into an inflation uptick could be even an upward risk for US inflation.

The latest figures for euro area inflation again showed evidence of a more persistent lack of sufficient inflationary pressures. Headline inflation stabilised, but still stays too far below the ECB's 2% target (figure 1). The recent recovery in oil prices only has a limited and temporary impact on headline inflation. Moreover, we don't expect a substantial further rise in oil prices during the forecasting period. The current OPEC discipline on the one hand, and the potential US shale oil supply on the other, imply that the oil price will move within a relatively narrow band for the foreseeable future. Even more importantly, core inflation edged slightly down, raising doubts about its recent, albeit modest, uptrend. Mainly declining services inflation was behind this evolution. This was largely driven by downward pressures from the communication and miscellaneous components, the latter including insurance and financial services, personal care and social protection. Furthermore, upward inflation pressures from import prices are fading while wage growth is at an historical low across the euro area. Remarkable are the large inflation discrepancies between the euro area countries. The euro area average core inflation of 1% in August hides significant differences ranging from 0.1% in Ireland to 2.1% in Lithuania. Based on these findings our inflation forecasts for the euro area remain unchanged. We still expect headline inflation

Figure 1 – Euro area inflation remains below target
(HICP, % change yoy)



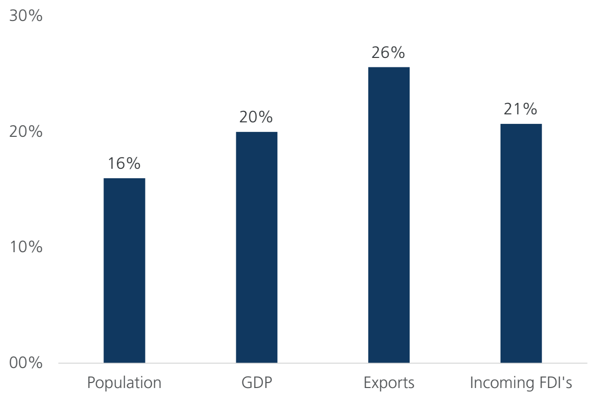
Source: KBC Economic Research based on ECB (2017) to converge to core inflation at a level that is significantly below the ECB's inflation target.

Political uncertainty popping up again

While economic developments in the euro area are reassuring, political uncertainties with potential economic consequences popped up again. Positive news from The Netherlands, where a new government coalition has been agreed upon, has been overshadowed by uncertainty elsewhere. Progress in the Brexit negotiations remains very limited, while domestic political conditions in the UK appear to have become less stable. Related uncertainties still hang like a sword of Damocles over UK investors and businesses. A new source of political risk has emerged in Germany. As expected, election results showed that Angela Merkel's party, the CDU/CSU, emerged as the strongest party. However, the outcome also revealed unexpectedly high support for alternative parties, like the right-wing, nationalist party Alternative für Deutschland (AfD). As a consequence, the centre was hollowed out and the new coalition will be more fragile than the previous one. As SPD leader Martin Schulz already stated that a continuation of the grand coalition between the SPD and the CDU/CSU is not an option, Merkel will have to find new coalition partners. Although uncertainty remains high, the most likely scenario is a coalition containing the CDU/CSU, the Greens and the liberal FDP, a so-called 'Jamaica' coalition. Despite the current benign growth environment in Germany, this coalition will be faced with a range of economic challenges including demographic issues, environmental policies, budgetary decisions and the future of the European project. As positions on some of these topics differ widely between the parties, reaching a consensus will not always be easy. In the context of favourable economic developments, and hence a lack of short-term reform incentives, this scenario will most likely result in very moderate reform policies. Therefore, we don't expect any significant impact on our economic scenario. Nevertheless, coalition talks could take several months. As long as a deal remains absent, uncertainty could weigh on sentiment.

A second and even larger source of political uncertainty, with potentially significant economic consequences is the Catalan independence issue. The result of the independence referendum, although it was deemed illegal by the central government, was a 90% level of support for independence based on a 40% turnout. Despite attempts to reduce the recent tensions, it is still highly uncertain what will happen next. Nevertheless, it is clear that both Spain and Catalonia have a lot to lose if the region secedes. On the one hand, Catalonia

Figure 2 - Significant economic importance of Catalan region in Spain
(Catalan share in Spanish total, in %, 2016)



Source: KBC Economic Research based on Idescat (2017)

is a very important economic region for Spain (figure 2). By way of illustration, without Catalonia, the size of the Spanish economy would drop to a level just a tad higher than the Netherlands. On the other hand, leaving Spain might also be an economic disaster for Catalonia itself. The region would need to re-apply for EU-entry from scratch. Dropping out of the bloc would raise export costs as Catalonia would immediately join the small list of countries that are not WTO members. It would hence face significant trade barriers. Moreover, as already seen, independence may trigger business relocations to the rest of Spain and severe financial strains, especially if banks domiciled in the region lose access to Eurosystem funding. Furthermore, the government's funding costs will likely increase as the Catalan credit rating is already low and Spain would no longer guarantee Catalan debt. Our base scenario is that short-term uncertainty and volatility will be reflected in higher Spanish bond yield spreads compared to Germany. In the medium term, we expect these spreads to come down again as something not too far removed from the current status quo will be the most likely outcome. After all, Catalonia has too much to lose from independence and a majority of Catalans still don't support it.

Renewed hope for US fiscal stimulus

To bolster its political standing, the Republican party introduced a new tax plan. The proposals were largely in line with the tax plan that the Republicans released before the elections of last year, although the controversial border adjustment tax was omitted. For corporates, the most important change under the proposed tax regime would be a reduction of the corporate profit tax rate from 35% to 20%. As the current nominal tax rate for US companies is well above the OECD average, this would mean a significant improvement of firms' competitiveness. For personal income taxes, the main difference would be a reduction in the number of tax brackets, to three from seven. The new tax rates would be 12%, 25% and 35%, but the applicable income thresholds have yet to be announced.

Based on previous estimates by the Tax Policy Center (TPC) and the Committee for a Responsible Federal Budget (CRFB) the tax plan under its current form would add $2 - $2.5 trillion to the budget deficit over the next decade. However, the plan is characterised by a severe lack of details. This makes these estimates very uncertain. Nevertheless, the budgetary impact would likely be significant. However, the plans are unlikely to pass the parliamentary approval process without adjustments. After all, conservative Republican members are unlikely to accept large increases in the government deficit. Furthermore, it is still unclear what the distributional impact of the plan will be. Therefore, we expect the final bill to contain more limited tax cuts. Nonetheless, markets reacted positively to the announcements with a strengthening of the USD and a rise in US long-term yields.

Revival of the USD

Our expectation of a recovery in the USD on a short-term horizon is materialising. After reaching its weakest level in several years of just over 1.20 USD per EUR during the first half of September, the USD strengthened again. Several factors led to this. First, the Federal Reserve's communication, following its September policy meeting, forced markets to raise expectations on further rate hikes in 2017/2018. Despite the recent weakness of core inflation, a clear majority of Fed FOMC members continues to project one more 25 bps rate hike by the end of this year. The inflation shortfall is seen as mainly transitory. Once these temporary factors fade, the Fed expects inflation to go back to its 2% target. Therefore, also our view on the Fed policy rate remains unchanged. We continue to forecast one more rate hike for this year and three in 2018, with the possibility of some risks to the upside. Some sort of fiscal stimulus package or a sudden increase in wage pressures induced by labour market tightness could lead to a more aggressive rate hike path by the Fed. Furthermore, a lot will depend on the future composition of the FOMC. With several seats currently vacant and the upcoming termination of Chair Yellen's mandate, uncertainty about the future Fed policy stance is high.

Besides the Fed's comments, the ECB also had an influence on the EUR/USD exchange rate. The ECB gave a balanced assessment of the potential impact of the Euro on inflation and on monetary policy. In the end, the ECB doesn't look overly worried about the recent rise of the currency. Although still rather vague, the proposed Republican tax plan was an additional supportive factor for the USD against the EUR. Furthermore, political events in Spain and surrounding uncertainties weighed on the EUR exchange rate. Since our previous projections are now being reflected in reality, our forecast scenario remains the same as September's. On a six-month horizon we see the USD strengthening further, driven by the convergence of market expectations towards the Fed communicated path of rate hikes. Thereafter, the EUR will likely appreciate again as markets will begin to anticipate an eventual first ECB rate hike.

Bulgarian Economy

The preliminary GDP figures confirmed the earlier reported robust performance of the economy in the second quarter (3.6% yoy growth), moving fractionally higher than the 3.5% growth level in the previous quarter. According to the latest figures, in Q2 2017 gross value added (GVA) increased by 3.7% yoy, where the relative share of the industrial sector declined by 0.6 pp to 29.5%, while the agricultural sector and the service activities increased by 0.2 pp to 4.1% and by 4.0 pp to 66.4%, respectively. The GVA growth was mainly supported by wholesale and retail trade, repair of motor vehicle and motorcycles transportation and storage, accommodation and food service activities.

As EU funds represent one of the most important drivers of the Bulgarian economy, a recently published report by the Ministry of Finance affirmed their significance by outlining that by the end of 2017 they are expected to contribute 1.7% to GDP growth. Amongst the Operational Programmes, the "Human resources development" is forecast to contribute the most to growth. The program focusses on human capital improvement. Hence, it will impact the labour market in both the short and long term. Decreasing poverty and unemployment is its main goal, which will underpin economic activity.

The July unemployment rate remained unchanged at a low level of 5.9%. Although we expect the unemployment rate to continue its downward trend, the pace of decline will likely slow in comparison with the past year as a result of the increase in the retirement age and length of service. Meanwhile, the harmonised inflation rate in August was again positive, with a monthly percentage change of 0.2% (0.7% yoy). Compared to the previous month the highest price increase came from transport (+1.1%), whereas clothing and footwear reported a price decrease of 3.7%.

Detailed forecasts for the Bulgarian economy	2016	2017	2018
Real GDP growth (in %)	3.4	3.4	3.1
Inflation (in %, harmonised CPI)	-1.3	1.3	1.5
Unemployment rate (in %, end of year, Eurostat definition)	7.6	6.8	6.6
Government budget balance (in % of GDP)	0.0	-0.5	-0.3
Gross Public debt (in % of GDP)	29.5	29.0	28.0
Current account balance (in % of GDP)	2.9	1.6	1.6
House prices (avg annual %-change, total dwellings, Eurostat definition)	7.5	6.0	5.0

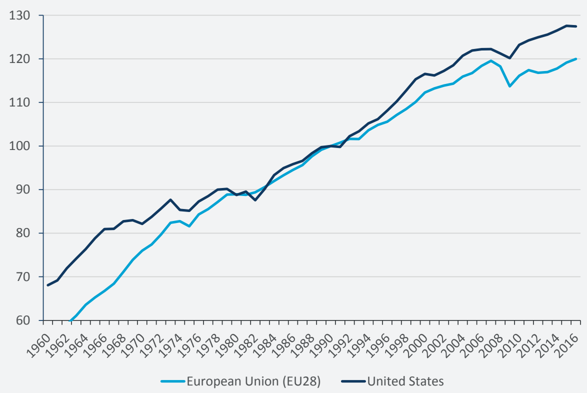
Focus article:

Hope, but also challenges for Europe's competitiveness

Ten years since the onset of the financial crisis, the European economy finally seems to be turning the corner. There is a clear and consistent picture emerging from both soft and hard data that activity is gathering momentum, with real GDP growth both this and next year likely coming out well above 2% for the total Union (EU28). For most Member States, forecasts have been revised upwardly recently, illustrating that the EU28 finally succeeds to reignite its growth engine. The pick-up in activity is still fragile and diverse, however, with several risks (e.g. a hard Brexit) looming over the European economy. Though the business cycle is improving, the notable decline in Europe's potential growth rate also remains a matter of concern. Potential growth dictates how rapidly an economy is able to expand its production of goods and services in the medium term without generating inflationary pressures. As such it constitutes an indicator of the supply-side capacity of the economy. The European Commission currently estimates the potential growth rate of the EU28 to be only 1.4%, compared with a rate above 2% in the United States (US).

Although the economic and financial crisis exacerbated the downward trend in the potential growth rate, the latter actually dates back to the 1990s. The decline was driven mostly by a prolonged slowdown in total factor productivity (TFP) growth, accompanied by a trend decline in hours worked and only hesitant growth in the labour participation. TFP measures the efficient utilisation and quality of the labour and capital inputs.

Figure 1 - Long-term development of total factor productivity (1990 = 100)



Source: KBC Economic Research based on EC (AMECO database)

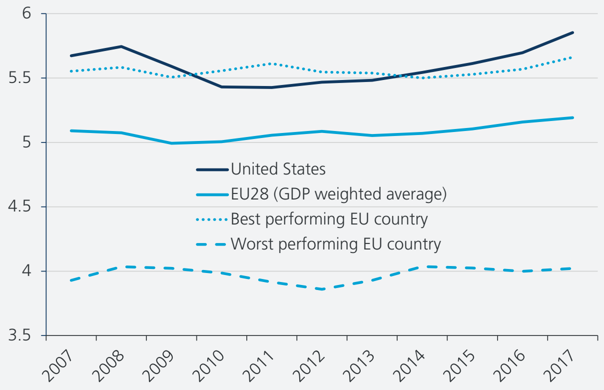
Increases in TFP often result from technological innovations or improvements. Europe has not kept pace with the US in terms of TFP growth. In the period 1990-2016, the average TFP growth in the EU28 was only 0.7% per year, as against 1.0% per year in the US. The financial crisis has significantly aggravated this trend, with TFP dropping by far more in Europe than in the US (figure 1).

The level and development of TFP depend upon a variety of interconnected factors. Of these, human capital, entrepreneurship, infrastructure, institutions, R&D, openness, competition, capital intensity, financial development and geographical predicaments appear to be the most important, some directly and others indirectly affecting TFP. In its yearly Global Competitiveness Report, the World Economic Forum (WEF) provides a composite indicator that integrates many of these key factors into a single figure, the so-called Global Competitiveness Index (GCI). As stated by the WEF, the index measures "the set of institutions, policies and factors that determine the level and development of productivity of a country". It is made up of over 110 variables, of which two thirds come from an opinion survey and one third from publicly available sources such as the United Nations. The variables are organised into twelve pillars, with each pillar representing an area considered to be an important determinant of competitiveness.

Europe versus the US

The GCI tracks the performance of close to 140 countries. Scores for the European Union as a region are not available, but one can easily construct a GDP weighted average of the scores of the 28 individual Member States. Figure 2 shows that the GCI score for the EU28, calculated that way, has been consistently lower than that for the US during the past decade. Moreover, the gap between the two regions seems to have widened in recent years. The figure also includes the GCI scores for the worst and best performing EU states. A persistent, and even wider, divide prevails among EU Member States. Since 2014 no single EU country performed better than the US. Only two countries – the Netherlands and Germany – have a GCI score that comes close to the US score.

Figure 2 - Global Competitiveness Index
(scores 1-7)



Source: KBC Economic Research based on World Economic Forum

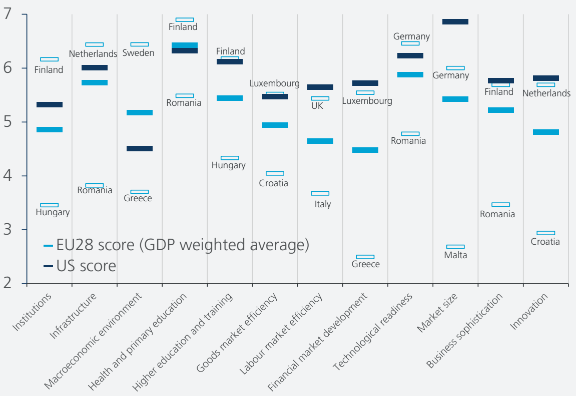
Figure 3 illustrates the competitiveness landscape in the EU28 and the US for the twelve pillars of the Global Competitiveness Index. For the EU28, the gap between the worst and best EU country is shown, as well as the GDP weighted average score for the total Union. The European Union scores more poorly than the US for all pillars except for the pillars health and primary education and, in particular, macroeconomic environment. The macroeconomic environment pillar is the United States' worst ranked area, due to the country's relatively low gross national savings rate and weaker public finances (both net lending and gross debt).

The gap between the EU28 and the US is widest for the pillars financial market development and market size. Europe's capital markets are still poorly functioning and underdeveloped compared to the US, with a relatively limited role for market-based finance. Overall, the EU economy lacks sufficient equity funding. Equity markets, in particular, are still very much fragmented along geographical borders. Also, private equity and venture capital investments are only a fraction of their US counterparts. Market size is defined by the WEF as a combination of the domestic and foreign market size. The construction of the pillar causes large economies, like the US, to be in the top position. By calculating the GDP weighted average of the Member States' scores, the size of Europe's internal market is underestimated and hence the EU score for this pillar in fact does not really capture the real performance of the region in this area.

Marked divergences among Member States

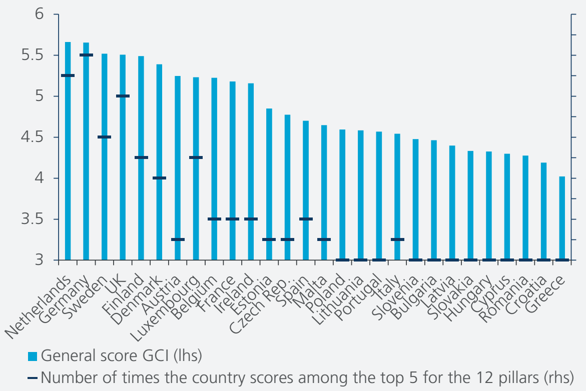
As illustrated in figure 3, there is a huge difference across the EU28 in terms of how well Member States perform on the twelve pillars. The EU's top performers for the general GCI – the Netherlands, Germany, Sweden and the UK – most often perform among the top 5 of all EU countries for the individual pillars of the index too (figure 4). But even in many of Europe's most competitive economies, good education systems and efficient use of talent are thwarted by significant labour market rigidities. In particular, many Member States perform badly in the global GCI when it comes to flexibility of wage determination and the effect of taxation on incentives to work. This explains why, besides the pillar financial market development, the EU countries as a group generally also perform much worse compared to the US in terms of labour market efficiency.

Figure 3 - GCI score range for the 28 EU countries across the 12 pillars
(2017)



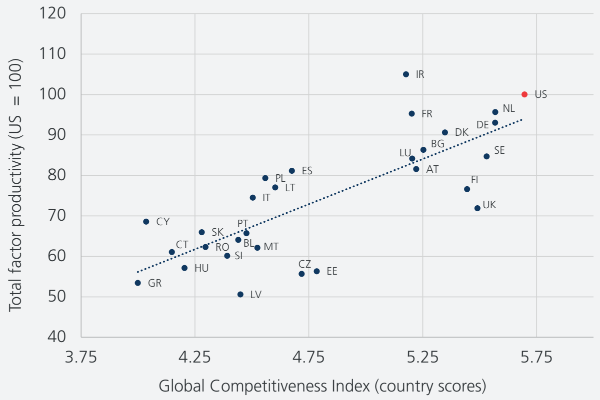
Source: KBC Economic Research based on World Economic Forum (WEF)

Figure 4 - GCI scores for the 28 EU countries
(2017)



Source: KBC Economic Research based on World Economic Forum (WEF)

Figure 5 - Competitiveness and total factor productivity
(2016)



Source: KBC Economic Research based on World Economic Forum & Groningen Growth and development Centre

Figure 6 - GCI scores for Northern, Southern and Eastern Europe
(2017)

Source: KBC Economic Research based on World Economic Forum (WEF)

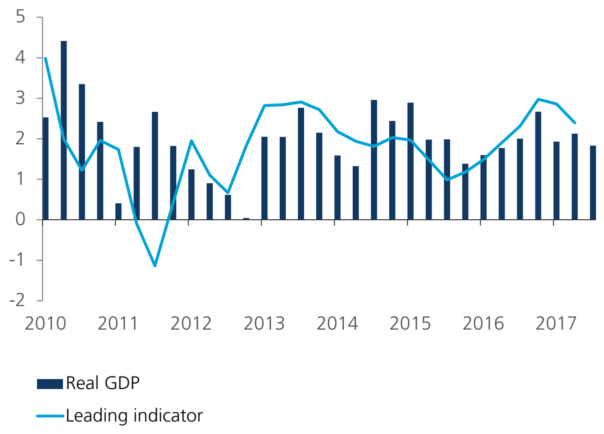
Over the period 2007-2017, the EU country differences – as reflected by the standard deviation of the GCI scores or the deviation between the best and worst scores – remained rather stable, indicating that competitiveness in the EU is not converging. This explains why also the level of TFP among Member States still differs widely (figure 5). The countries that joined the EU most recently generally still have a relatively low GCI score combined with low TFP. Southern European countries are also significantly trailing behind, with Greece even holding the last position in the EU ranking for the GCI since 2010. Within the group of Eastern European countries, only Estonia and the Czech Republic score quite well for the GCI, both ranking in the middle and even outperforming the group of Southern European countries. TFP in both countries nevertheless stays relatively low. Also, top performers for the GCI – like the UK and Finland – do not always have a correspondingly high TFP.

Responding to the challenge

Despite the hopeful signals from the ongoing economic recovery, Europe is still confronted with many challenges. Tackling its competitiveness shortfall vis-à-vis the US, together with the competitiveness divide that exists within its own borders, is an important one. Over the past decade, the region has focused its policy efforts primarily on addressing the most immediate challenges associated with the economic and financial crisis and preventing the disintegration of the Union. But the tide is turning and in recent years most countries have started to implement a series of deeper reforms to rebuild their competitiveness, underpinning the rate of potential GDP growth. Structural measures and appropriate regulation to ensure more flexible and efficient markets for goods and services, labour and finance are part of this.

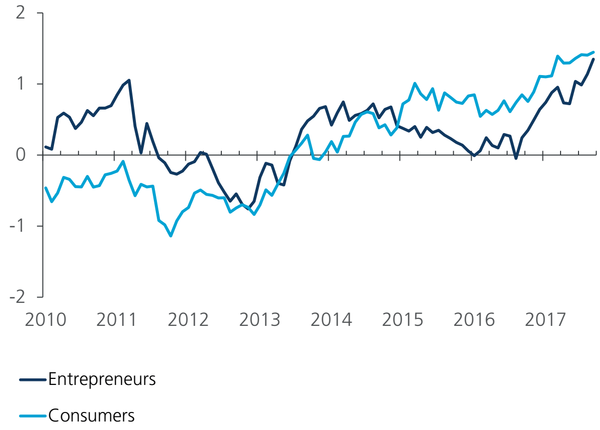
Adopting these reforms is not easy, as governments will have to re-balance key elements of their countries' social and economic systems. Consequent and sustained implementation of such reforms will be required in the years ahead, however, in order to ensure their full impact on competitiveness. For the EU countries that still lag behind in the GCI, special attention moreover is required in specific domains. The North-South/West-East competitiveness divide within Europe is indeed particularly marked in certain areas, notably the pillars related to innovation and institutions (figure 6). Eastern Europe has achieved remarkable progress in these domains, but still has to cope with remaining challenges. Improving institutions, reforming labour markets, improving financial market access and building-up innovation capacity are crucial ingredients in any recipe to enhance Europe's growth potential and to close intra-European regional gaps.

Figure 1 - Economic activity in the OECD
(annualised quarterly change in %)



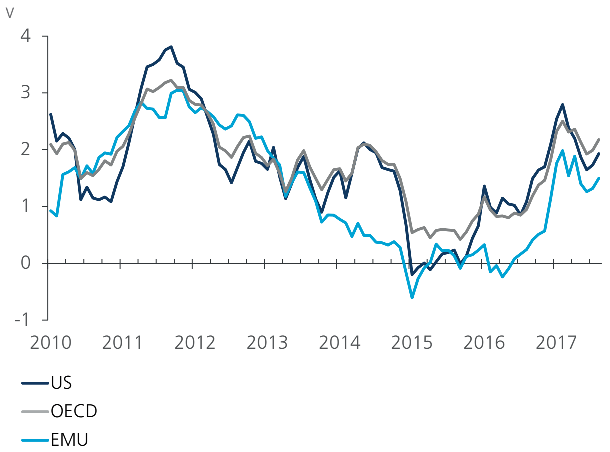
Source: OECD

Figure 2 - G4 confidence
(standard deviation from the long-term average)



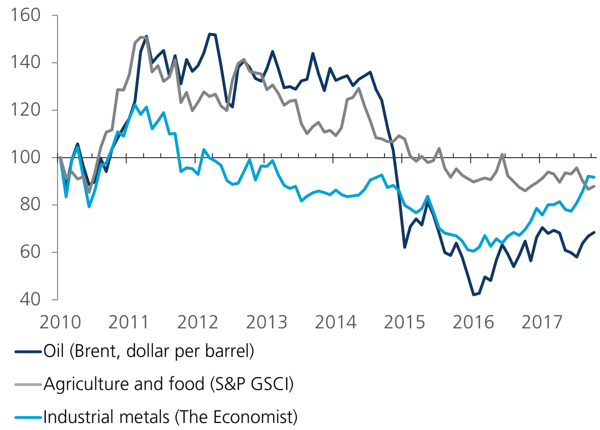
Source: National sources

Figure 3 - Inflation
(consumer price index, y-o-y change, in %)



Source: Eurostat, BLS and OECD

Figure 4 - Commodity prices
(January 2010 = 100)



Source: ICIS pricing and S&P

Figure 5 - Interest rate movements US
(in %)

Source: Fed and Datastream

Figure 6 - Interest rate movements euro area
(in %)

Source: ECB and Datastream

Outlook world economies

	Real GDP growth		Inflation	
	2017	2018	2017	2018
US	2.0	2.0	2.1	2.3
Euro area	2.0	2.1	1.5	1.3
Belgium	1.6	1.7	2.2	1.4
Germany	2.1	2.1	1.6	1.6
Ireland	4.0	3.5	0.5	1.2
UK	1.7	1.5	2.7	2.7
Sweden	2.6	2.4	1.7	1.8
Norway	1.7	1.9	2.0	2.0
Switzerland	1.4	1.7	0.5	0.6
Slovakia	3.2	3.5	1.2	1.6
Poland	3.8	3.4	2.0	2.1
Czech Republic	4.3	3.0	2.0	1.9
Hungary	3.7	3.5	2.4	3.2
Bulgaria	3.4	3.1	1.3	1.5
Russia	1.4	1.5	4.3	4.1
Turkey	3.9	3.2	10.6	8.1
Japan	1.3	1.0	0.5	1.0
China	6.7	6.3	1.7	2.2
Australia	2.3	2.7	2.1	2.2
New Zealand	2.6	2.9	1.8	1.9
Canada	2.7	2.0	1.7	2.0
World	3.2	3.3	-	-

10-year rates	10/10/17	+3m	+6m	+12m
US	2.35	2.50	2.60	2.70
Germany	0.44	0.70	0.85	1.15
Belgium	0.71	1.05	1.25	1.65
Ireland	0.69	1.05	1.30	1.70
UK	1.37	1.60	1.60	1.90
Sweden	0.91	1.15	1.30	1.60
Norway	1.60	1.85	2.00	2.30
Switzerland	-0.05	0.20	0.35	0.65
Slovakia	0.87	1.10	1.30	1.65
Poland	3.51	3.40	3.40	3.70
Czech Republic	1.34	1.20	1.35	1.55
Hungary	2.81	3.20	3.55	4.10
Bulgaria	1.53	2.05	2.20	2.50
Russia	7.60	7.75	7.85	7.95
Turkey	11.12	11.20	11.00	11.00
Japan	0.06	0.00	0.00	0.00
China	3.67	3.60	3.60	3.70
Australia	2.83	3.00	3.10	3.20
New Zealand	3.04	3.15	3.25	3.35
Canada	2.12	2.30	2.40	2.50

Policy rates	10/10/17	+3m	+6m	+12m
US	1.25	1.50	1.75	2.00
Euro area (refi rate)	0.00	0.00	0.00	0.00
Euro area (depo rate)	-0.40	-0.40	-0.40	-0.40
UK	0.25	0.50	0.50	0.50
Sweden	-0.50	-0.50	-0.50	-0.25
Norway	0.50	0.50	0.50	0.50
Switzerland*	-0.75	-0.75	-0.75	-0.75
Poland	1.50	1.50	1.50	1.75
Czech Republic	0.25	0.50	0.75	1.00
Hungary	0.90	0.90	0.90	0.90
Romania	1.75	1.75	1.75	1.75
Russia	8.50	8.50	8.25	7.50
Turkey	8.00	8.00	8.00	8.00
Japan	-0.10	-0.10	-0.10	-0.10
China	4.35	4.35	4.35	4.35
Australia	1.50	1.50	1.50	1.75
New Zealand	1.75	1.75	1.75	2.00
Canada	1.00	1.00	1.25	1.25

*Mid target range

Exchange rates	10/10/17	+3m	+6m	+12m
USD per EUR	1.18	1.17	1.15	1.20
GBP per EUR	0.89	0.90	0.93	0.95
SEK per EUR	9.53	9.50	9.30	9.00
NOK per EUR	9.38	9.25	9.00	8.75
CHF per EUR	1.15	1.15	1.18	1.20
PLN per EUR	4.30	4.25	4.20	4.15
CZK per EUR	25.90	25.70	26.30	25.50
HUF per EUR	310.81	315.00	316.00	312.00
BGN per EUR	1.96	1.96	1.96	1.96
RUB per EUR	68.34	66.98	65.55	68.10
TRY per EUR	4.34	4.33	4.31	4.56
JPY per EUR	132.37	131.04	133.40	139.20
RMB per USD	6.58	6.60	6.65	6.70
USD per AUD	0.78	0.78	0.79	0.80
USD per NZD	0.71	0.72	0.74	0.75
CAD per USD	1.25	1.22	1.20	1.18

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