
United Bulgarian Bank
Bulgaria: Macroeconomic Update
March 2021

Chief Economist Department

Probabilities of the Main Scenarios

Bulgaria Outlook 2020-2023

The Economy of Bulgaria

COVID - 19 Status in Bulgaria

Bulgaria's Main Macroeconomic Indicators

Banking sector

Probability of the Main Scenarios

The risks maintain the same level as in the previous month

New APC 2020 Scenarios			
July-August probabilities	15%	45%	40%
September probabilities	15%	50%	35%
October probabilities	10%	55%	35%
November probabilities	10%	55%	35%
December probabilities	10%	55%	35%
Year 2021			
January probabilities	10%	60%	30%
February probabilities	10%	60%	30%
March probabilities	10%	60%	30%

Source: KBC Economics

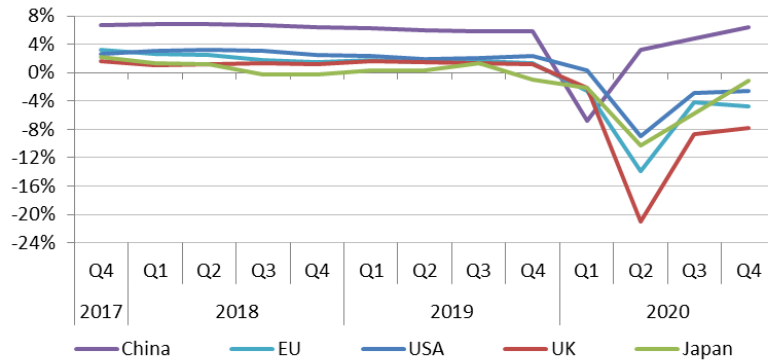
Arguments for Scenario Probabilities – March 2021

- **2021 is expected to be a turning point.** Economic recovery depends exclusively on successful vaccination - until then mitigation measures needed to control pandemic waves with economic impact. Uncertainty will continue and risks remain.
- **The economic prospects in the short and medium term are improving,** but with significant heterogeneity.
- **Economic resilience is increasing.** The increase in economic resilience against pandemic waves, reflected in (better than expected) results for Q4 of 2020
- **The improvement in economic prospects and the expected recovery to pre-crisis levels have progressed,** especially in the United States, amid extraordinary stimulus and significant progress in vaccination. There is some desynchronization of growth prospects.
- **The trend of inflation dynamics shows an upward trend.** Inflationary pressures (and risks) are accumulating in the United States and Eastern Europe (factors related to changes in oil prices).
- **The economies of CEE, including Bulgaria, follow the trends of the euro area.**
- **Rising yield curves (real interest rates) pose a serious challenge for central banks and financial markets** - although rising sharply, (long) real interest rates are still in negative territory.
- **Expectations of rising house prices lead to a moderate overestimation in domestic markets.**

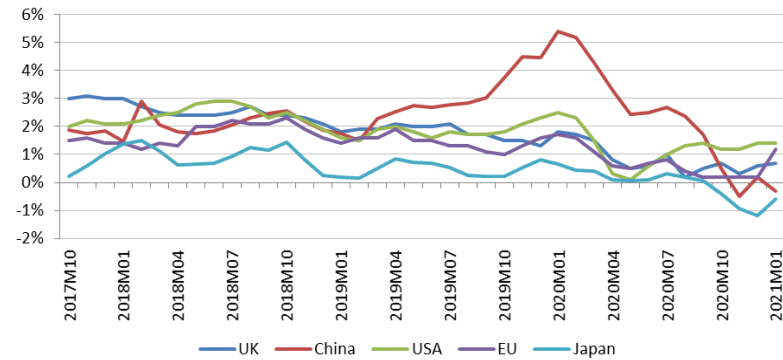
Overview global forecasts

In 2020 Advanced economies performed better than initial market expectations as fiscal support impacted strongly, economies adapt to social distancing and the spread of vaccination is gaining momentum.

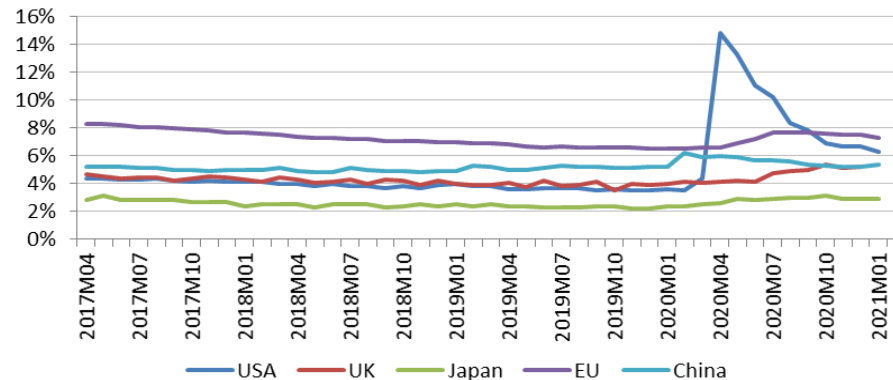
Advanced Economies: GDP growth rate compared to the same quarter of the previous year



Advanced economies: Inflation by countries as of January 2021, Monthly on annual basis (%)

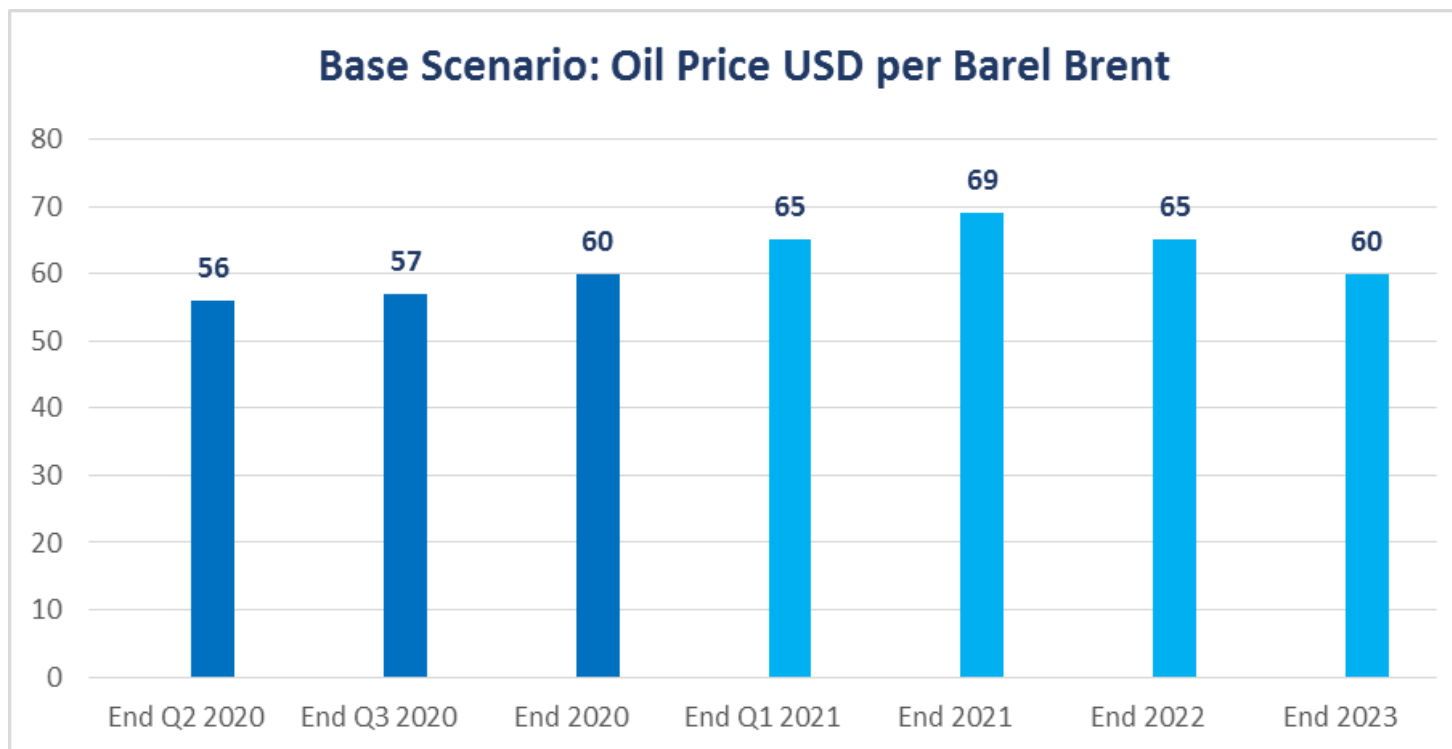


Advanced economies: Unemployment rates (%) by country on monthly basis as of January 2021 (%)



Base scenario: Oil Prices Projections

Brent crude futures rose more than 3% to \$ 62.7 a barrel on Wednesday after falling 6% in the previous session due to the news that a ship is stranded and blocked in the Suez Canal, but expectations continue to be for declining based on the background of growing crude oil inventories in the United States and growing concerns about the recovery of fuel demand amid a new wave of coronavirus infections across Europe. Brent oil has fallen more than 13% since reaching a 13-month high of USD 71.38 on March 8 as investors worry that a slow vaccination campaign in Europe and the extension or re-imposition of lockdowns could fail because of reduced demand for crude oil. The latest EIA (Environmental Impact Assessment) data show that crude oil inventories in the United States increased by 1.912 million barrels in the week ended March 19, which is the fifth consecutive week of increase in inventories.



Overview global forecasts

As vaccine proliferation progresses and huge policy support remains stable, the global economy is expected to grow in 2021. Vaccines provide a way to reduce social distancing.

The main driver for the global forecast is the much larger-than-expected fiscal stimulus package recently adopted in the United States. The USD 1.9 trillion price tag represents more than 2.5% of world GDP. Fiscal support has had a powerful mitigating effect in 2020.

	Real GDP growth							Headline inflation (US CPI)						
	2017	2018	2019	2020	2021	2022	2023	2017	2018	2019	2020	2021	2022	2023
EMU	2.7	1.9	1.3	-6.8	4.1 (3.8)	4.1	2.2	1.5	1.8	1.3	0.3	1.6 (1.1)	1.4 (1.3)	1.5 (1.4)
US	2.4	2.9	2.3	-3.5	6 (5.2)	3.7 (3.2)	2.2	2.1	2.4	1.8	1.1	2.6 (1.9)	2.2 (2.1)	2.2 (2.1)
China	6.9	6.6	6.1	2.3	8.5	5.2	5	1.6	2.1	2.9	2	2.5	2.5	2.5
Changes are in Bold. Projections from previous month are in brackets.														

Source: KBC Economics

Overview global forecasts

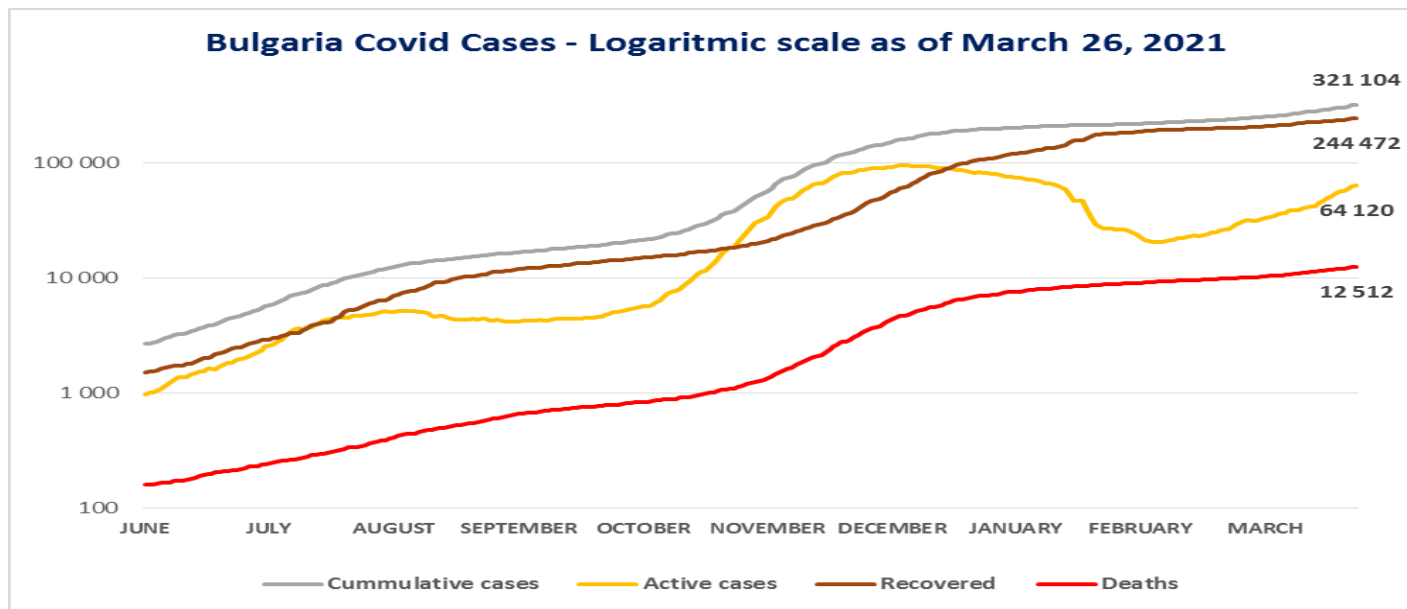
Forecasts are for rising yields on 10-year bonds short and medium-term interest rates in negative territory.

Advanced economies	Indicators	End 2020	Current 04.03.2021	End Q1 2021	End 2021	End 2022	End 2023
US	Fed policy rate (middle target range)	0.125	0.125	0.125	0.125	0.125	0.125
	10y Bond yield	0.9	1.54	1.5 (1.1)	2.15 (1.4)	2.25 (1.6)	2.25 (2)
Eurozone	ECB deposit rate	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5
	ECB refi rate	0	0	0	0	0	0
Germany	10y Bond yield	-0.5	-0.3	-0.3	0 (-0.2)	0.25 (0.2)	0.5 (0.45)
	USD per EUR	1.21	1.194	1.21	1.25	1.27	1.3
Changes are in Bold. Projections from previous month are in brackets.							

Source: KBC Economics

Status of pandemic COVID-19 in Bulgaria

- **Bulgaria is among the leading countries affected by the pandemic:** Bulgaria is in the top ten most affected countries by Covid-19 in the number of deaths, according to data from the monitoring of the pandemic at the Johns Hopkins Institute. According to the number of victims of the infection per 100 thousand population, our country ranks tenth with 173.51 deaths from established coronavirus. Before Bulgaria on this indicator are San Marino, the Czech Republic, Belgium, Montenegro, Slovenia, Great Britain, Hungary, Bosnia and Herzegovina and Italy. According to the indicator "lethal outcome in the infected" (case fatality) Bulgaria ranks 14th - with 4% mortality in confirmed cases of Covid-19.
- **Bulgaria is negotiating an additional 1 million vaccines:** Bulgaria is participating in the discussion on the distribution of the additional 10 million vaccines agreed by the EU and is ready to receive 1 million of them. Regarding the production of vaccines in Bulgaria, there is an initiative of the EU for the establishment of a HERA incubator and each of the Member States can apply with its own production facilities.
- **The number of people fully immunized with two doses of the vaccine reached 83,134 people.** The vaccinated for the day are 7465. With them the doses set since the beginning of the vaccination campaign are 415601, most of which - 5255, are of AstraZeneca.
- **The effect of the current soft lockdown is questionable:** "The situation is very, very serious and I am not convinced that this soft lockdown will have the desired effect" according to Prof. Iva Hristova, Deputy Director of the National Center for Infectious and Parasitic Diseases. According to her, throughout the pandemic period our country has maintained higher mortality rates than other countries. "There are definitely no other variants of the virus in our country, the British one is already in over 80% of cases. Disturbing is its easy spread, the rejuvenation of the age group. But the situation is dynamic. "



Bulgaria – Outlook 2021 - 2023 (1)

Bulgaria	Optimistic scenario					Base scenario					Pessimistic scenario				
March 8, 2021	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Real GDP growth (in %)	3.4	-4.2	4	4	3	3.4	-4.2	3	4	3	3.4	-4.2	-1	2.1	3
Inflation (in %, harmonised CPI, average)	2.5	1.2	2.6	2.5	2.5	2.5	1.2	1.9	2.2	2	2.5	1.2	1.5	1.8	1
Unemployment rate (end of year, Eurostat definition)	4.2	4.8	4.8	4.6	4.2	4.2	4.8	5	4.8	4.6	4.2	4.8	8	9	9
Government budget balance (in % of GDP)	-1	-3	-1	-1	0	-1	-3	-3.9	-2	-1.8	-1	-3	-4.9	-3	-2.5
Gross public debt (in % of GDP)	20.4	24.3	24	25	26	20.4	24.3	26.9	28	29.1	20.4	24.3	28.7	30.7	32.5
Current account balance (in % of GDP)	1.2	0.4	4	3.8	2.6	4	0.4	2	3	1	4	0.4	0	0.3	0.4
Long-term interest rate, 10Y Government Bond Yield	1.2	0.4	0.9	1.4	2.1	1.2	0.4	0.4	0.8	1.1	1.2	0.4	0.75	1	1.25
House prices (annual %-change, existing and new dwellings, Eurostat def.)	6	5.4	3	3.5	3.5	6	5.4	2.5	3.2	3.2	6	5.4	2	3	3
Source: KBC, UBB															

Bulgaria – Outlook 2021-2023 (2)

- The international institutions have reduced their forecasts for the Bulgarian economy based on the assumptions about the development of the global environment and pandemic control in the period 2021-2022. The main drivers of economic activity will be private consumption, exports of goods and growth in public investment.

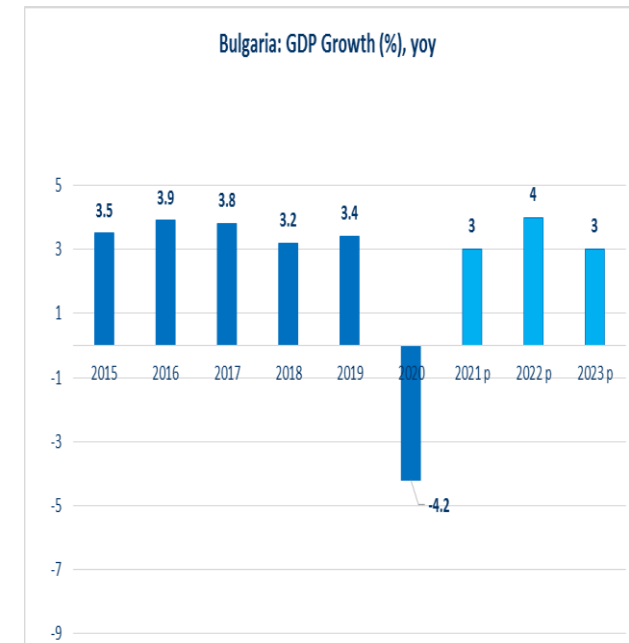
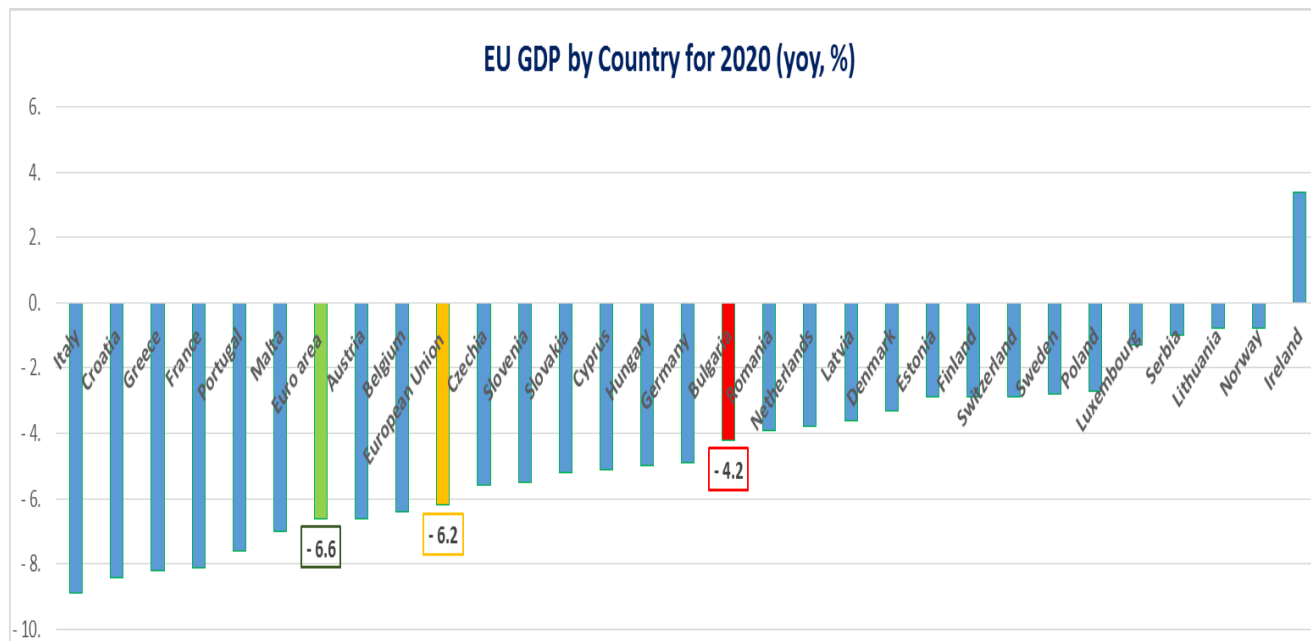
Bulgaria GDP Growth (%): International Institutions Projections	2019	2020	2021	2022	2023
EC	3.4	-5.1	2.6	2.7	n.a
IMF	3.4	-4	3.6	n.a	n.a
BNB	3.4	-4	3.7	3.6	n.a
MF	3.4	-3	2.5	3	3.2
KBC	3.4	-4.2	4	3	3

Bulgaria CPI Inflation rate (%): International Institutions Projections	2019	2020	2021	2022	2023
EC	2.5	1.2	1.4	1.8	n.a
IMF	2.5	1.2	1.7	n.a	n.a
BNB	2.5	0.3	2	0.9	n.a.
MF	2.5	1.4	2.1	2.6	2.5
KBC	2.5	1.2	1.9	2.2	2

Source: EC, IMF, BNB, MF, KBC

Bulgaria: Main Macroeconomic Indicators (1)

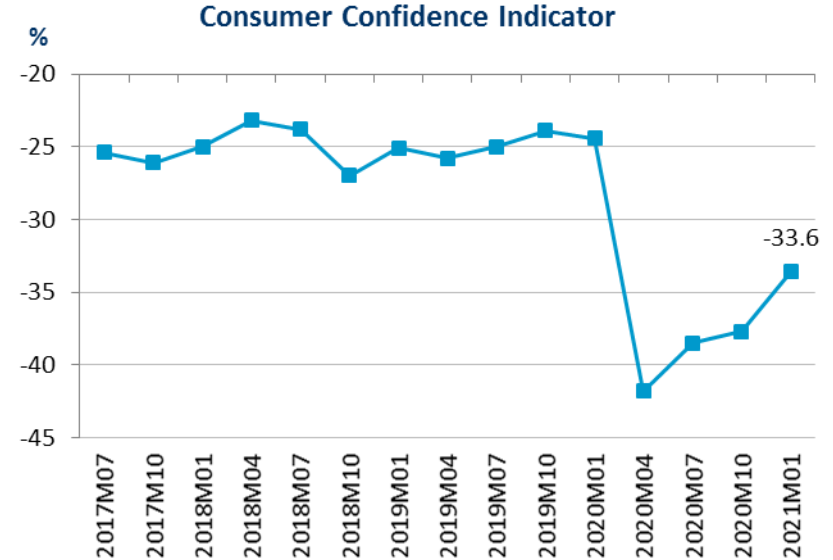
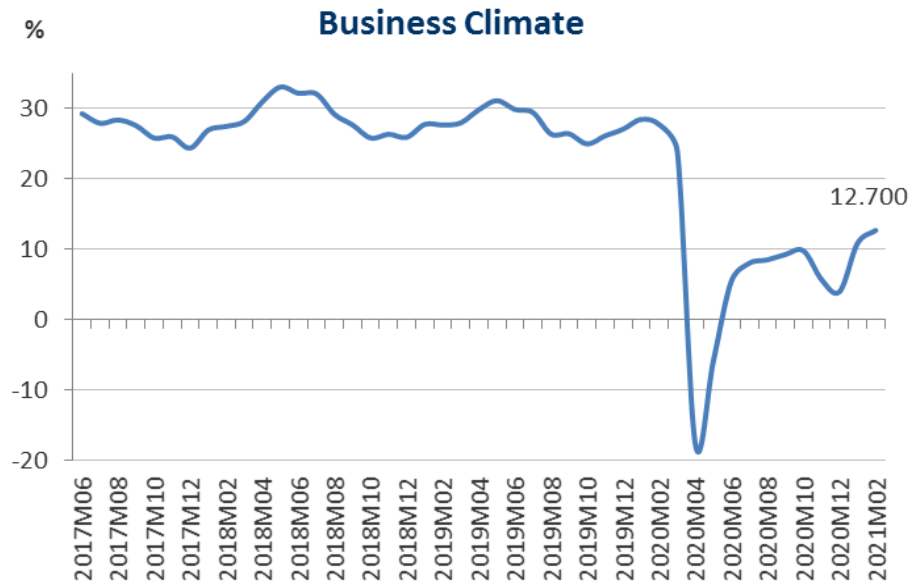
The GDP contraction in Bulgaria for the whole 2020 is -4.2% and -3.8% yoy for Q4 2020, lower than expected. **This ranks Bulgaria on 15-th place among EU countries.** The main contribution is net trade, where there is less contraction in exports (by -11.2% in Q4 compared to -20.8% in Q3), while imports also decreased (by -3.9% in Q4 compared to -4.3% in Q3). An improvement in the business situation was registered in the construction and services sector, while in industry and retail the indicator remained approximately at its level from January. Economic agents expect to quickly overcome the effects of the restrictive measures and return to economic growth. The main driver of the return to growth is domestic consumption, which in Bulgaria has a smaller decline than in most EU countries. We expect a gradual recovery in growth of 3% for 2021 and 4% for 2022.



Bulgaria: Main Macroeconomic Indicators (2)

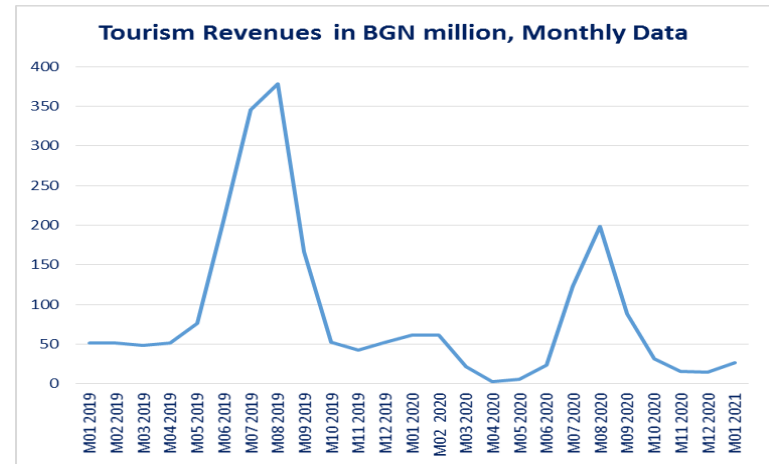
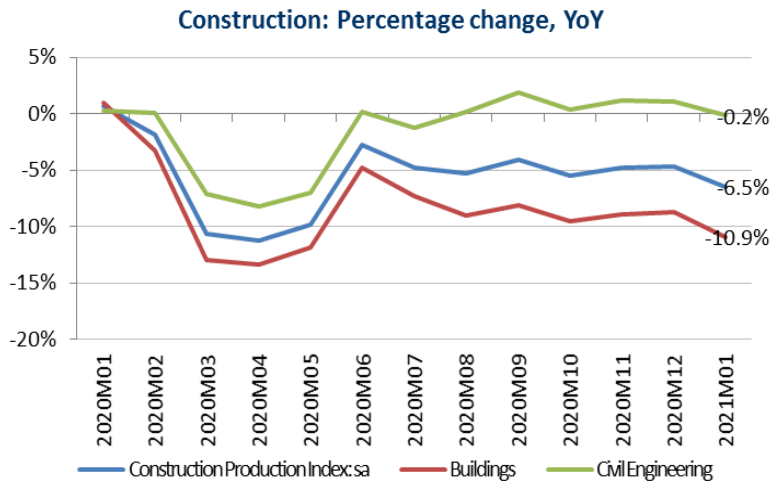
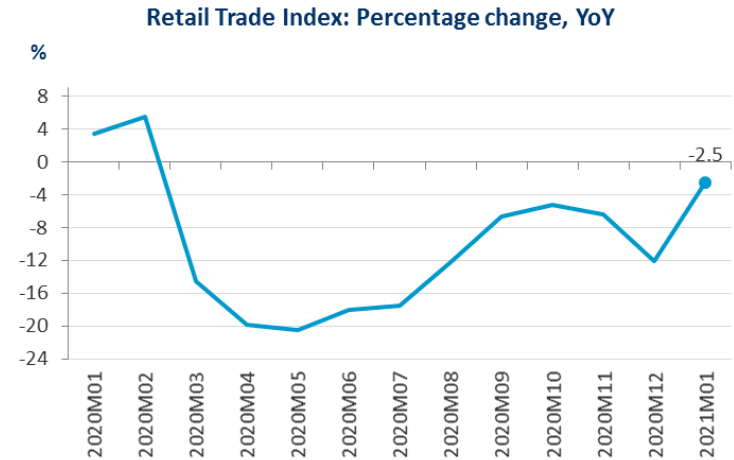
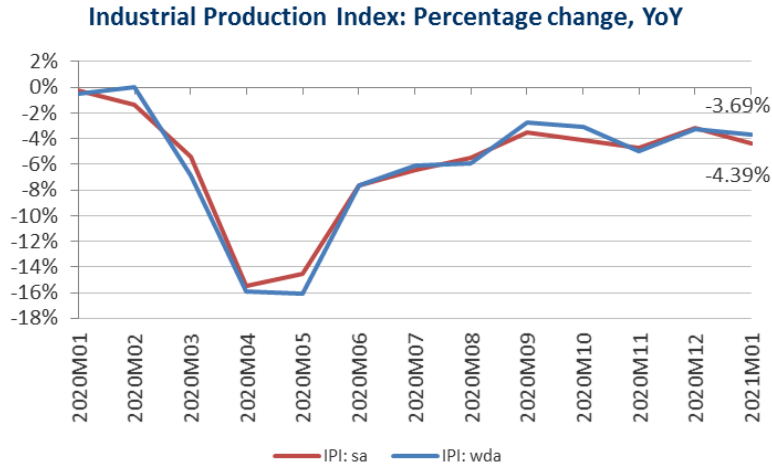
- In February 2021, **the total business climate indicator** increases by 1.8 percentage points in comparison with the previous month to 12.7 index points. An improvement of the business conjuncture is registered in construction and service sector, while in industry and retail trade the indicator remains approximately to its January level.

In January 2021, **the total consumer confidence indicator** increased by 4.1 percentage points in comparison with October 2020. An increase of consumer confidence among both urban and rural inhabitants by 3.1 and 7.6 percentage points respectively is reported.



Bulgaria: Main Macroeconomic Indicators (3)

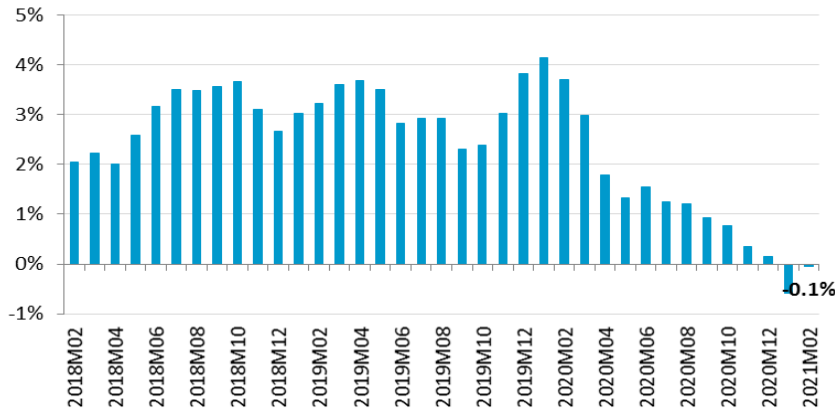
High Frequency Indicators slightly improved yoy in January 2021 even still in negative territory. Tourism sector is deeply affected as contracted by 57.3% yoy as of January 2021.



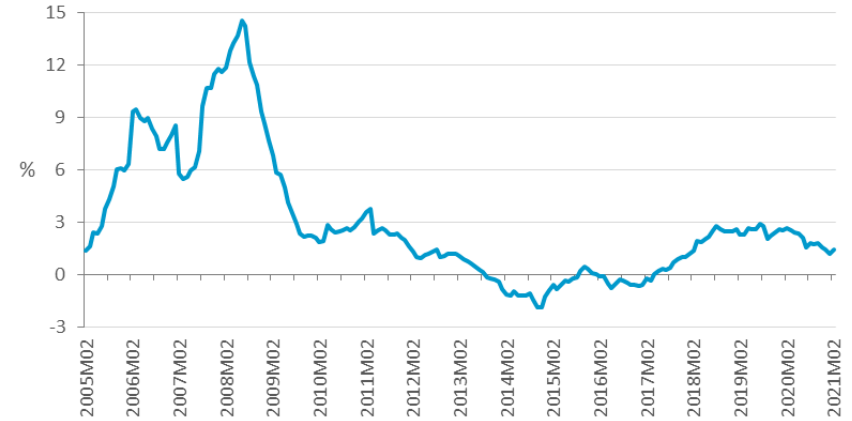
Bulgaria: Main Macroeconomic Indicators (4)

CPI and PPI declined following the trends of international Oil prices. Housing Prices recovered by 5.4% yoy in Q4 2020.

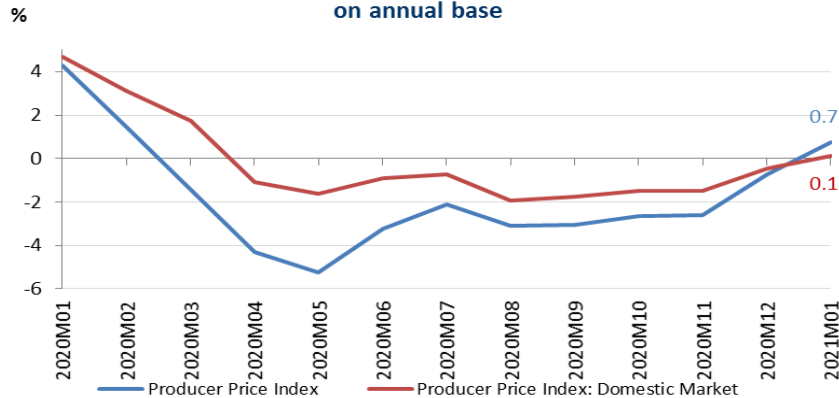
Inflation, y/y: 2017 - 2020



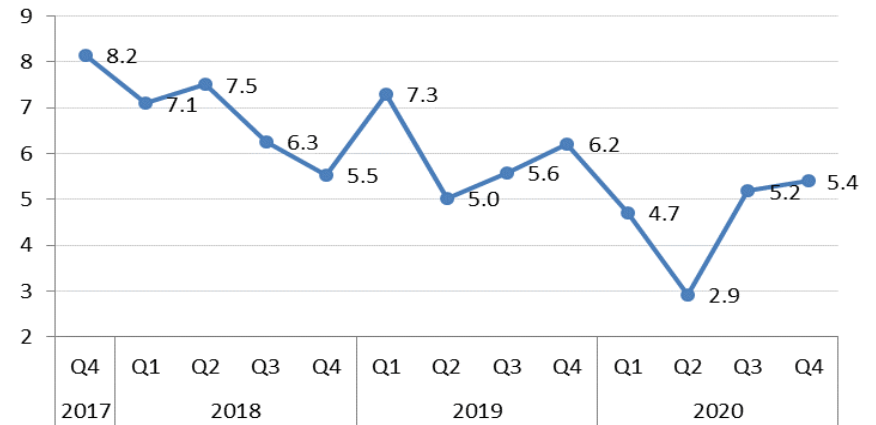
Core Inflation, Percentage change, YoY



Producer Price Index and PPI on Domestic market, % change on annual base



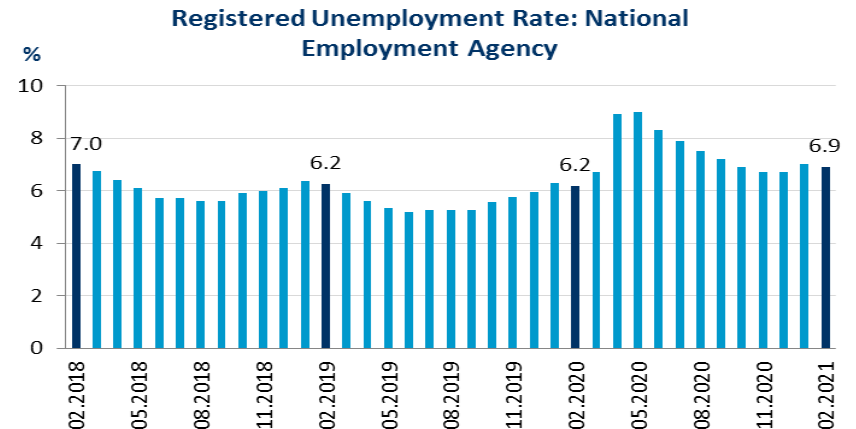
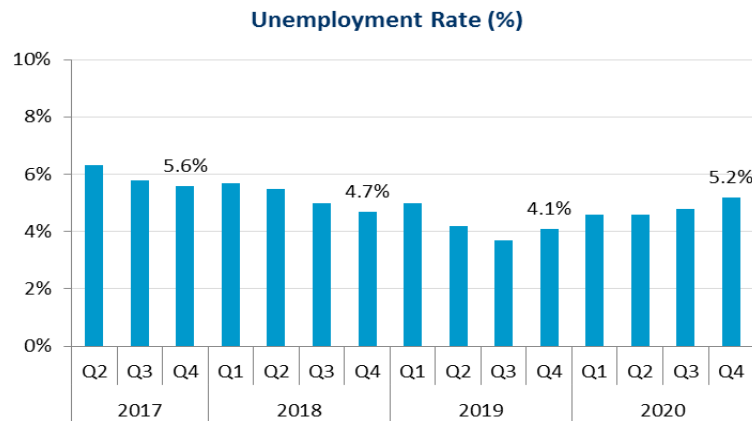
House Price Index (HPI), % change YoY



Bulgaria: Main Macroeconomic Indicators (5)

According to the NSI data in Q4 2020 the unemployment rate in Bulgaria is 5.2% and reported a decline by 0.4 pps compared to Q3 2020, while on an annual basis the increase is with 1.0 pps.

According to Agency of employment in February the rate of registered unemployment is 6.9% and reported decrease by 0.1 pps compared to previous month, but increased by 0.7 pps compared to February 2020.



Note:

According to the definition of the NSI, unemployed are persons aged 15 - 74 years who: 1) do not have a job during the observed period; 2) actively looking for work for a period of four weeks, incl. observed week, or have already found a job that they expect to start within three months after the end of the observation period, 3) have the opportunity to start work within two weeks after the end of the observed period.

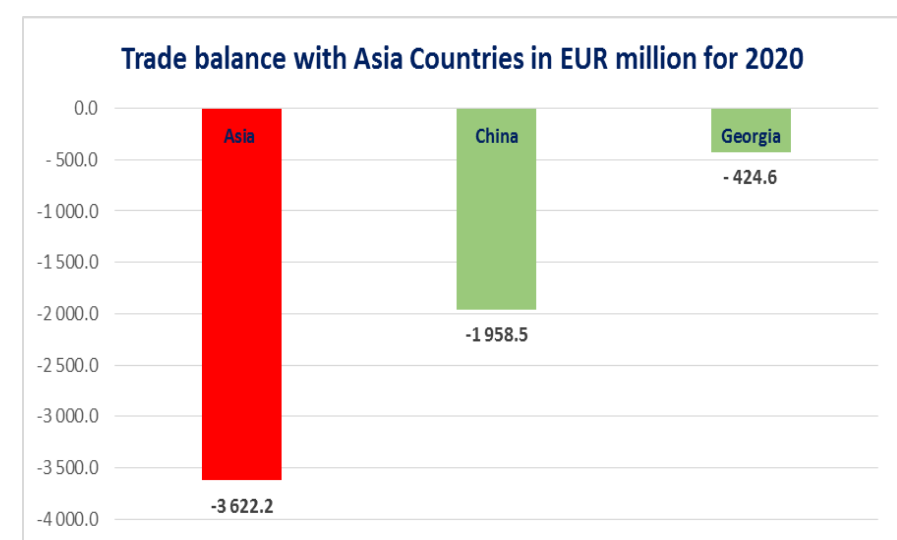
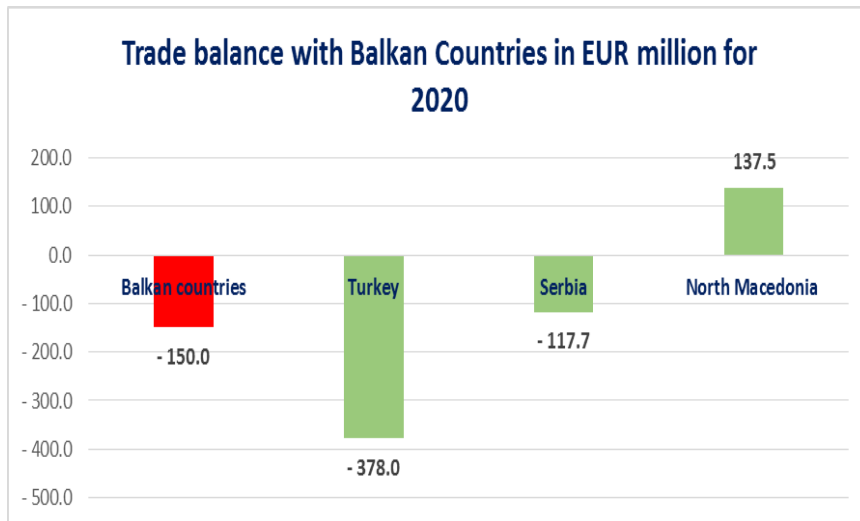
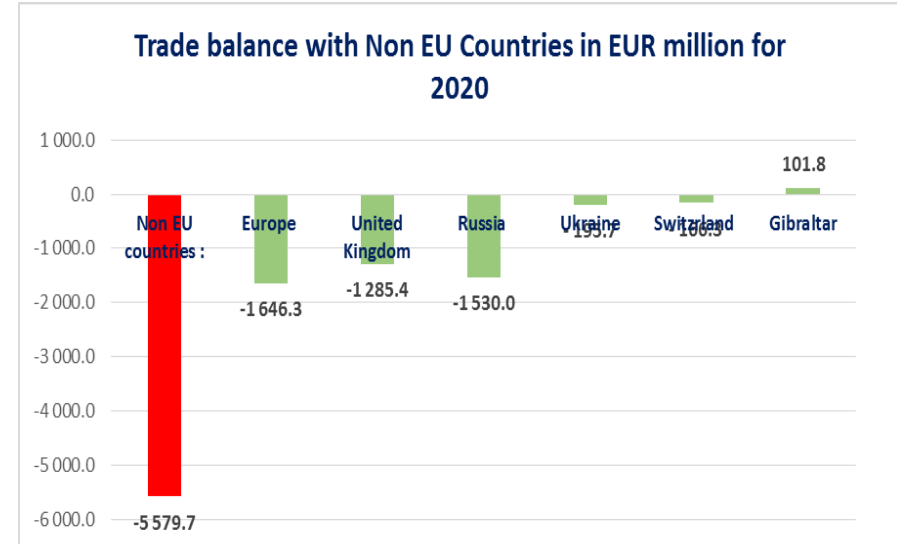
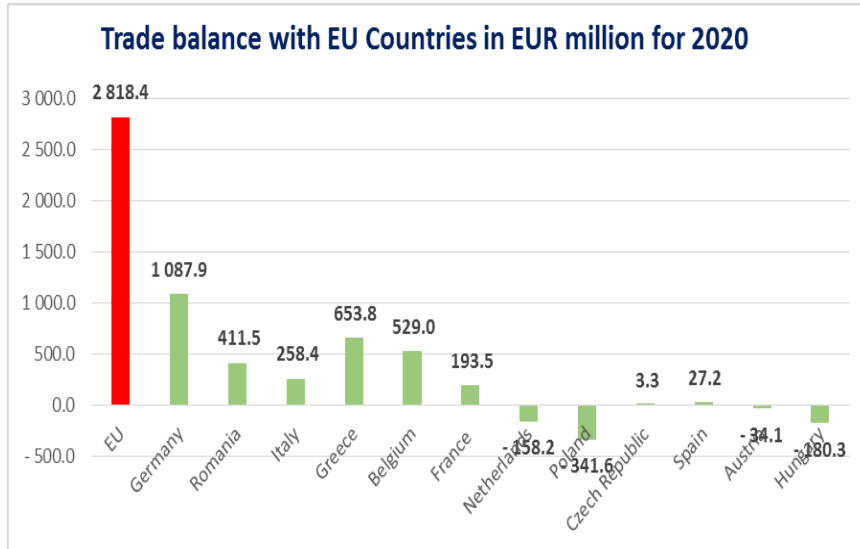
The NSI assessment is based on a sample "Labor Force Survey", in which Bulgarian households are interviewed on a rotating basis. The labor force survey is performed on a two-stage nesting sample, including about 19.6 thousand households each quarter (about 0.65% of the households in the country). The definition of unemployment of the NSI is according to Regulation of the European Commission (EC) № 1897/2000.

The Employment Agency considers unemployed only persons who have registered with the labor offices.

Source: NSI, AE

Bulgaria: Main Macroeconomic Indicators (6)

In 2020 Bulgaria's Trade balance is negative at EUR 2,8 billion with positive value only with EU countries even affected by COVID-19 pandemic trade of good and services.



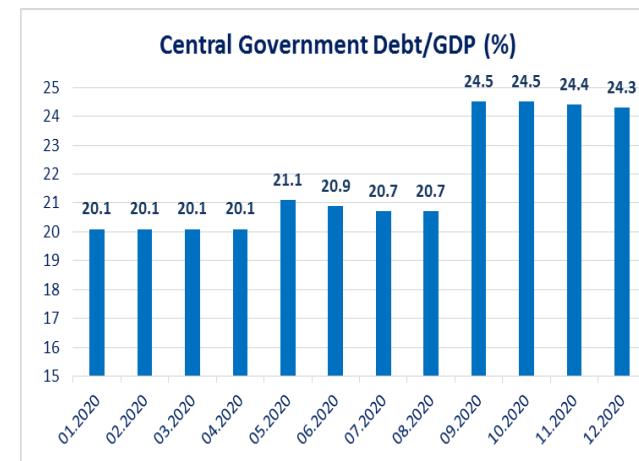
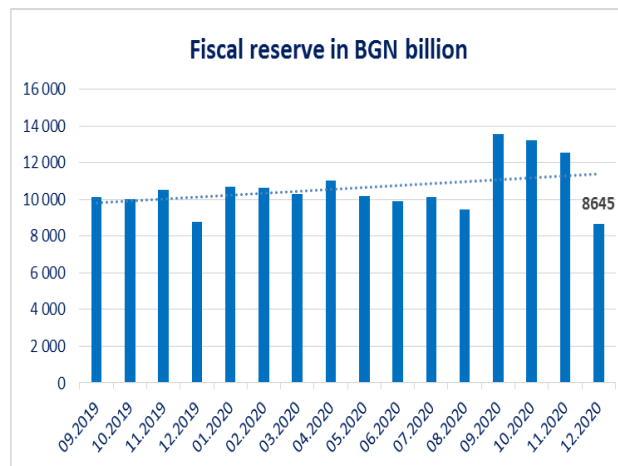
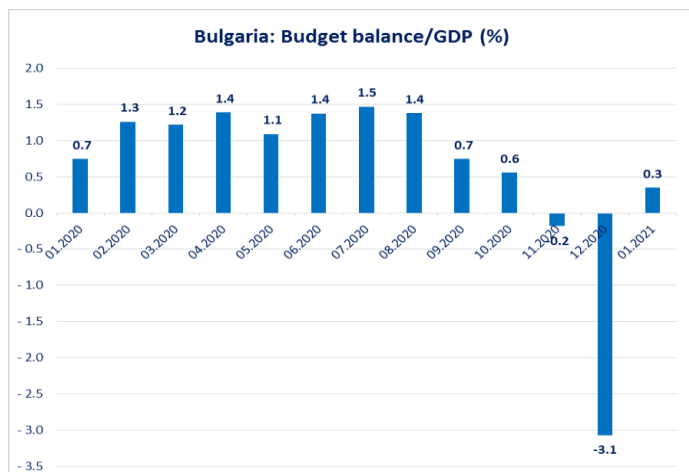
Bulgaria: Main Macroeconomic Indicators (7)

Bulgaria's Fiscal position

Based on preliminary data and estimates for January 2021, the **budget balance under the consolidated fiscal program (CFP)** is expected to be positive at BGN 405 million (0.3% of projected GDP).

The amount of the fiscal reserve as of 31.12.2020 is BGN 8.6 billion, incl. BGN 8.5 billion deposits of the fiscal reserve with the BNB and banks and BGN 0.1 billion receivables from European Union funds for certified expenditures, advances and others.

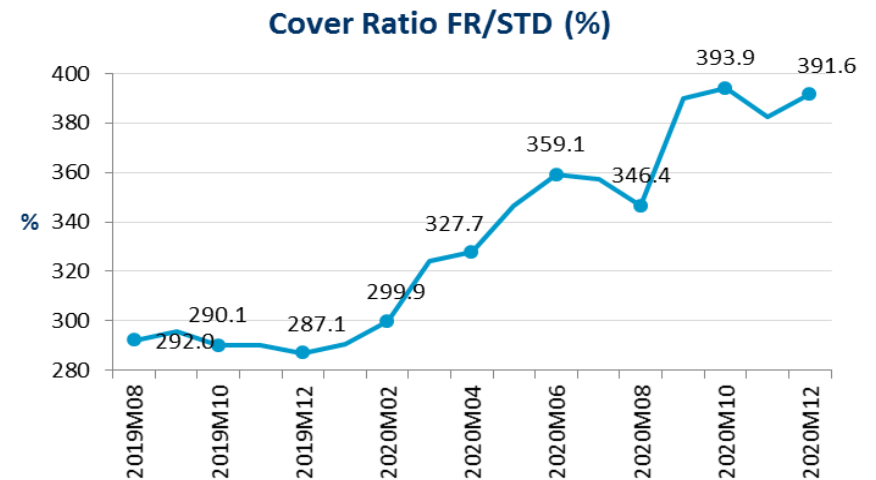
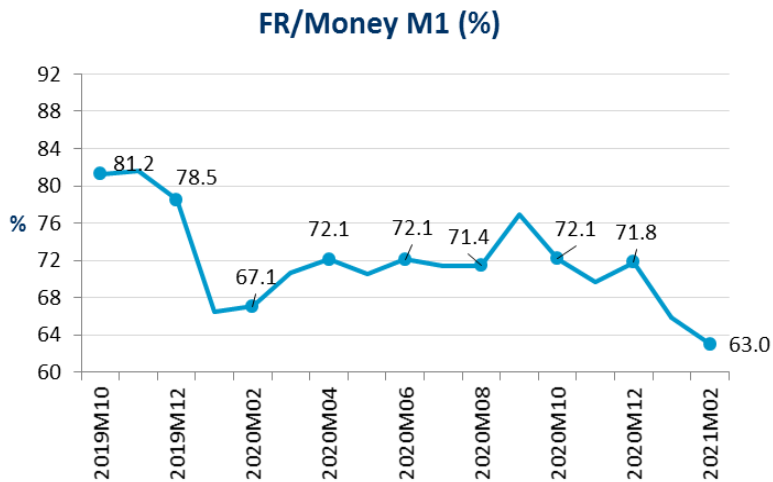
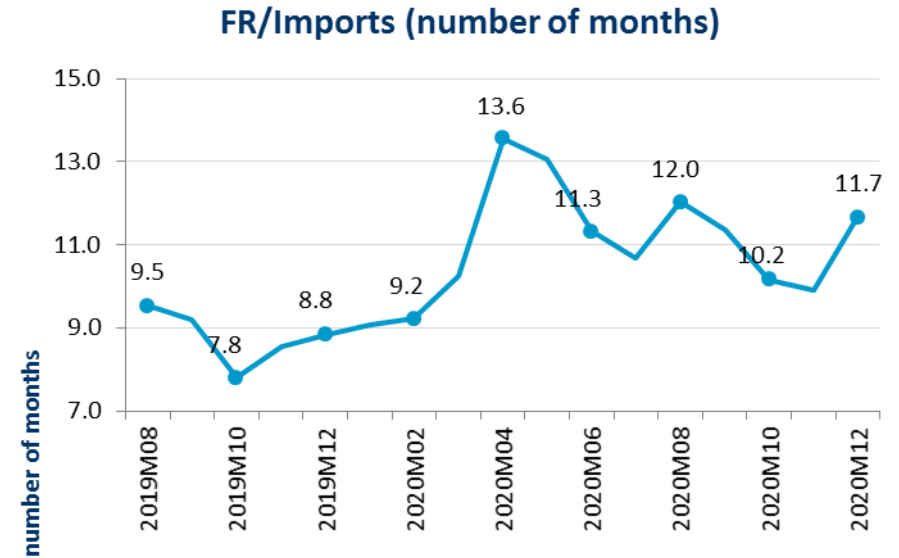
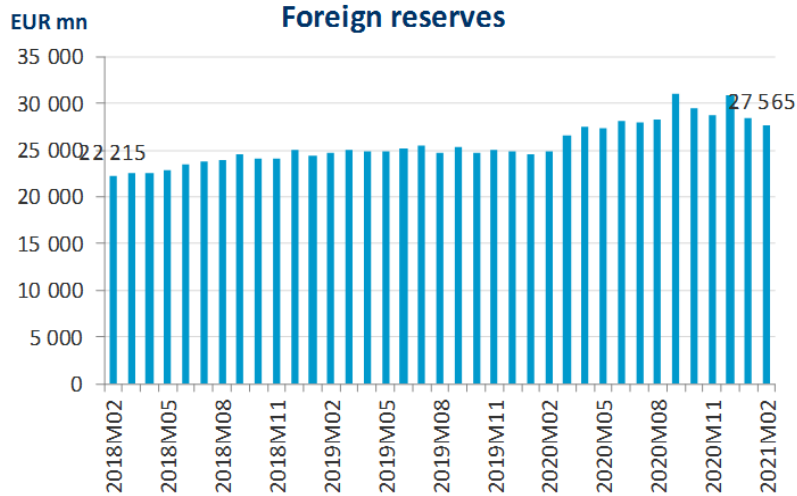
At the end of December 2020 the **Central government debt-to-GDP ratio** is 24.3%, with the share of domestic debt being 5.0% and of external debt – 19.3% of GDP. In the central government debt structure, at the end of the period domestic debt amounts to 20.7%, and external debt – to 79.3%.



Source: MF

Bulgaria: Main Macroeconomic Indicators (8)

Currency Board Indicators

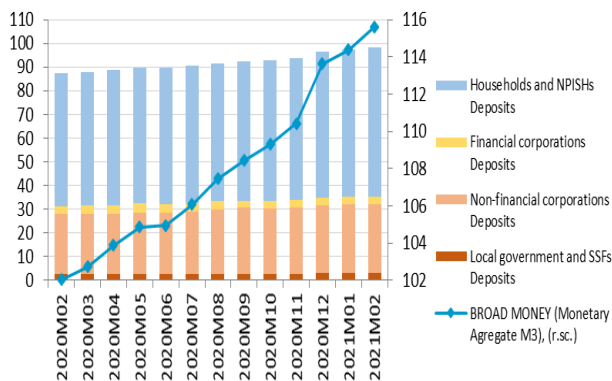


BULGARIA: BANKING SECTOR

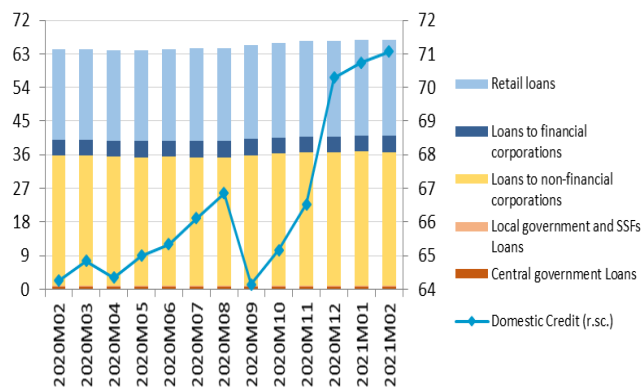
Banking sector: Monetary Survey (1)

- In February 2021 **broad money (the monetary aggregate M3)** increased by 13.3% YOY to BGN 115.624 billion (91.7% of GDP). **Deposits of the non-governmental sector** are BGN 94.975 billion and their annual increase is 12%. **Deposits of non-financial corporations** amounted to BGN 29.278 billion and increased by 13.3% yoy. **Deposits of financial corporations** increased by 13.9% yoy and reached BGN 3.237 billion. **Deposits of Households and NPISHs** amounted to BGN 62.460 billion and increased by 11.3% yoy.
- In February 2021 the **domestic credit** amounted to BGN 71.069 billion and increased by 10.6% yoy. **Loans to the non-government sector** amounted to BGN 65.901 billion (52.3% of GDP) and increased by 4.1% yoy. **Loans to non-financial corporations** increased by 2.6% yoy and reached BGN 35.801 billion (28.4% of GDP). **Loans to households and NPISHs** amounted to BGN 25.770 billion (20.4% of GDP) and they increased by 6.3% yoy. **Mortgage loans** amounted to BGN 12.172 billion and increased by 11.3% yoy. **Consumer loans** amounted to BGN 12.057 billion and increased by 4.8% yoy. On an annual basis, **other loans** decreased by 25.5% to BGN 384 million. **Loans to employers and the self-employed** decreased by 8.5% yoy, amounted to BGN 371.9 million and they increase by 4.4% yoy.
- At the end of February 2021 the **relative share of Bad and restructured loans kept level of 8%** compared to previous month, but was below 8.8% reported in February 2020.

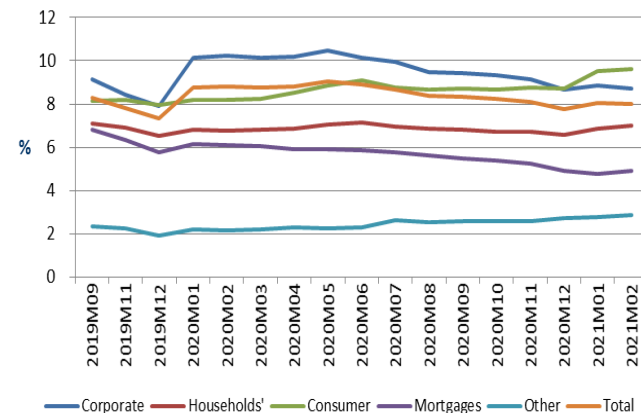
Deposits and Broad Money (M3), (BGN bn)



Loans and Domestic Credit (BGN bn)



Banking sector: Bad and restructured loans (%)



Banking sector: Interest Rates of New Business Loans (2)

- In February 2021 **Interest rates on new credits for enterprises decreased** compared to previous month in BGN, EUR and USD.
- In February 2021 **Interest rates of the new credits for households decreased their level** compared to previous month in BGN, EUR and USD.

BGN

%	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	2.97	2.81	2.80	2.87	2.75
loans up to 1 year	3.20	3.11	2.81	3.19	2.94
loans over 1 up to 5 years	3.03	2.94	2.96	2.98	2.86
loans over 5 years	2.83	2.64	2.74	2.60	2.58
households	5.93	5.88	5.71	6.00	5.76
loans up to 1 year	19.74	23.04	22.32	24.87	26.03
- consumer loans	19.98	24.82	22.66	25.34	26.55
- mortgages	0.00	3.05	3.25	4.02	0.00
- other loans	4.73	3.32	4.36	4.34	4.34
loans over 1 up to 5 years	10.88	12.90	13.46	11.32	10.25
- consumer loans	11.95	13.78	14.65	12.19	10.72
- mortgages	3.35	3.33	2.75	2.99	3.07
- other loans	2.90	3.02	3.05	3.07	5.36
loans over 5 years	4.53	4.03	3.80	4.25	4.21
- consumer loans	5.91	5.52	5.43	5.67	5.49
- mortgages up to 10 years	2.97	2.92	2.99	3.02	2.93
- mortgages over 10 years	2.97	2.82	2.80	2.81	2.79
- other loans	3.50	3.75	3.31	4.73	4.12

Source: BNB

EUR

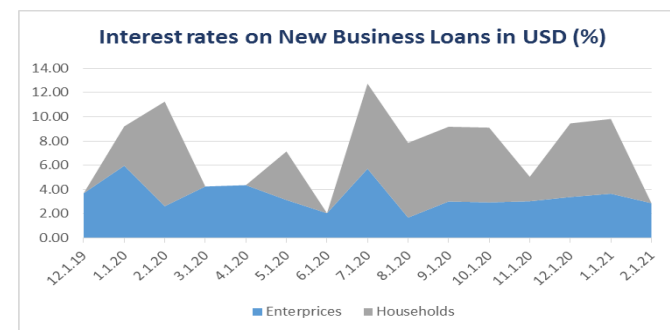
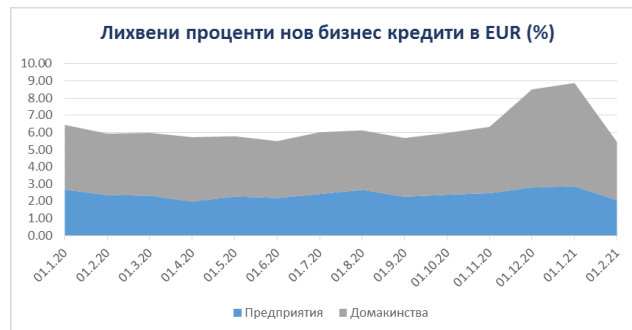
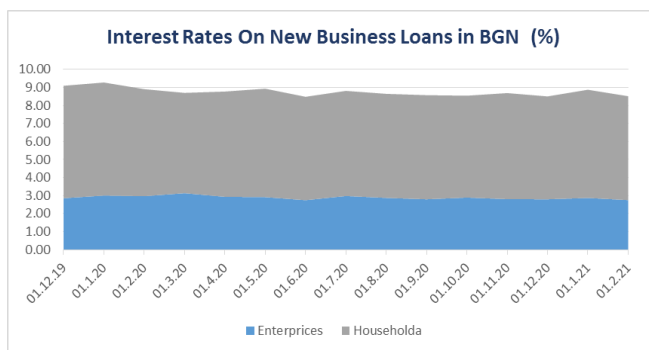
%	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	2.36	2.47	2.15	2.76	2.06
loans up to 1 year	1.56	1.18	1.28	0.26	0.52
loans over 1 up to 5 years	2.87	2.06	1.99	3.25	2.29
loans over 5 years	2.36	2.68	2.30	2.85	2.28
households	3.57	3.85	3.38	3.67	3.39
loans up to 1 year	7.04	6.70	4.94	3.82	0.00
- consumer loans	7.04	7.02	4.94	3.82	-
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	6.70	0.00	0.00	0.00
loans over 1 up to 5 years	4.03	3.97	4.32	2.94	3.70
- consumer loans	4.91	4.66	4.54	3.48	3.87
- mortgages	3.23	2.94	3.01	3.82	3.95
- other loans	0.00	0.00	0.00	1.81	2.44
loans over 5 years	3.55	3.41	3.37	3.70	3.35
- consumer loans	3.73	3.44	3.57	3.26	3.07
- mortgages up to 10 years	2.89	4.52	2.73	3.44	3.11
- mortgages over 10 years	3.67	3.27	3.52	3.76	3.54
- other loans	2.94	4.73	2.84	5.31	6.43

Source: BNB

USD

%	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	2.62	3.03	3.38	3.65	2.88
loans up to 1 year	4.60	0.00	0.00	0.00	0.00
loans over 1 up to 5 years	4.21	4.28	3.59	2.36	0.00
loans over 5 years	2.55	2.91	3.36	5.25	2.88
households	8.62	2.02	6.07	6.17	0.00
loans up to 1 year	0.00	0.00	0.00	0.00	0.00
- consumer loans	0.00	0.00	0.00	0.00	0.00
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	0.00	0.00	0.00	0.00
loans over 1 up to 5 years	0.00	2.02	0.00	0.00	0.00
- consumer loans	0.00	2.02	0.00	0.00	0.00
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	0.00	0.00	0.00	0.00
loans over 5 years	8.62	0.00	6.07	6.17	0.00
- consumer loans	0.00	0.00	3.09	0.00	0.00
- mortgages up to 10 years	0.00	0.00	0.00	0.00	0.00
- mortgages over 10 years	8.62	0.00	0.00	0.00	0.00
- other loans	0.00	0.00	6.17	6.17	0.00

Source: BNB



Banking sector: Interest Rates of New Business Deposits (3)

- In February 2021 Interest Rates of New Business on Deposits of Enterprises decreased compared to previous month in BGN, EUR and USD.
- In February 2021 Interest Rates of Deposits of Households remained unchanged compared to previous month in BGN, EUR, and USD.

BGN

%	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	0.00	0.02	0.02	0.02	0.01
Overnight deposits	0.00	0.03	0.02	0.02	0.01
Time deposits	0.05	-0.11	-0.10	-0.11	-0.06
Up to 1 month	0.02	-0.13	-0.21	-0.15	-0.12
Up to 3 months	0.03	0.03	0.04	0.00	0.04
Up to 6 months	0.03	0.00	0.03	0.02	0.01
Up to 1 year	0.18	0.04	0.19	0.15	0.13
Up to 2 years	0.07	0.00	0.00	0.00	0.00
Over 2 years	0.00	0.05	0.00	0.00	0.35
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	0.02	0.01	0.01	0.01	0.01
Overnight deposits	0.02	0.01	0.01	0.01	0.01
Time deposits	0.12	0.11	0.15	0.13	0.12
Up to 1 month	0.02	0.01	0.01	0.01	0.01
Up to 3 months	0.03	0.02	0.02	0.01	0.01
Up to 6 months	0.11	0.07	0.08	0.09	0.09
Up to 1 year	0.26	0.22	0.24	0.24	0.18
Up to 2 years	0.54	0.59	0.40	0.28	0.28
Over 2 years	0.63	0.60	0.75	0.63	1.03
Redeemable at notice	0.38	0.29	0.27	0.26	0.26

Source: BNB

EUR

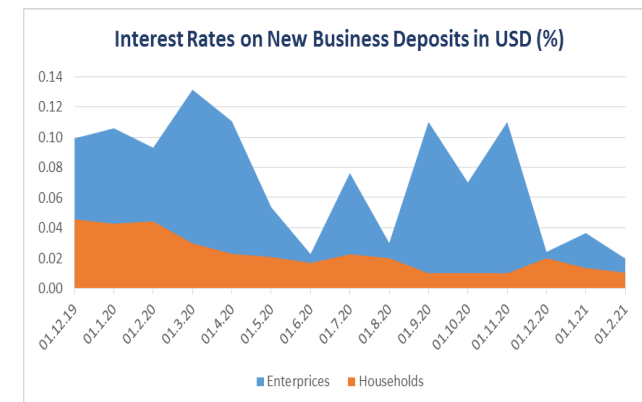
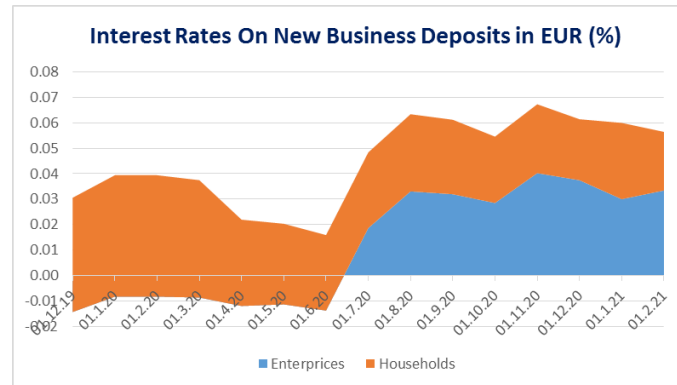
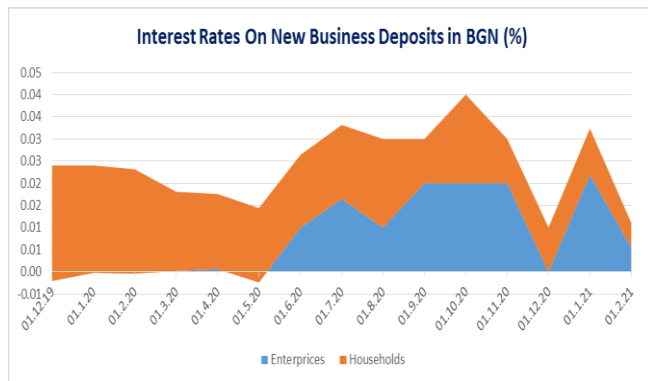
%	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	-0.01	0.04	0.03	0.03	0.00
Overnight deposits	-0.01	0.04	0.03	0.03	0.00
Time deposits	0.05	-0.01	0.04	0.01	0.01
Up to 1 month	-0.10	-0.02	0.01	0.00	0.00
Up to 3 months	0.07	0.03	0.09	-0.32	0.00
Up to 6 months	0.02	0.09	0.00	0.09	0.01
Up to 1 year	0.19	0.09	0.11	0.10	0.17
Up to 2 years	0.61	0.00	-0.09	0.00	0.00
Over 2 years	0.30	0.00	0.00	0.00	0.00
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	0.05	0.02	0.03	0.02	0.02
Overnight deposits	0.02	0.01	0.01	0.01	0.00
Time deposits	0.10	0.10	0.16	0.12	0.09
Up to 1 month	0.01	0.01	0.01	0.01	0.01
Up to 3 months	0.05	0.01	0.02	0.02	0.01
Up to 6 months	0.07	0.07	0.09	0.09	0.06
Up to 1 year	0.21	0.18	0.20	0.20	0.13
Up to 2 years	0.42	0.35	0.37	0.23	0.20
Over 2 years	0.61	0.67	0.83	0.60	0.78
Redeemable at notice	0.65	0.56	0.55	0.55	0.54

Source: BNB

USD

%	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	0.09	0.11	0.02	0.04	0.02
Overnight deposits	0.05	0.11	0.02	0.04	0.02
Time deposits	0.85	0.07	0.12	0.08	0.16
Up to 1 month	0.94	0.03	0.03	0.02	0.01
Up to 3 months	0.05	0.15	0.05	0.10	0.00
Up to 6 months	1.11	0.13	0.00	0.00	0.15
Up to 1 year	0.45	0.01	0.19	0.20	0.10
Up to 2 years	1.15	0.00	0.00	0.00	0.00
Over 2 years	0.00	0.00	0.00	0.00	0.50
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	0.04	0.01	0.02	0.01	0.01
Overnight deposits	0.02	0.00	0.01	0.00	0.00
Time deposits	0.40	0.09	0.07	0.11	0.09
Up to 1 month	0.07	0.02	0.02	0.02	0.02
Up to 3 months	0.37	0.03	0.04	0.02	0.01
Up to 6 months	0.18	0.08	0.15	0.11	0.08
Up to 1 year	0.68	0.16	0.05	0.21	0.12
Up to 2 years	1.00	0.44	0.25	0.17	0.35
Over 2 years	0.93	0.37	0.49	0.49	0.60
Redeemable at notice	0.55	0.40	0.40	0.38	0.38

Source: BNB



Banking sector: Volumes Dynamics New Business Loans (4)

- In February **New credit volumes for enterprises** increased compared to previous month in BGN, decreased in EUR and USD.
- In February 2021 **New credit volumes for Households** increased compared to previous month in BGN and EUR.

BGN

(million BGN)	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	849.37	659.86	1032.20	561.14	608.38
loans up to 1 year	124.42	124.00	134.50	119.79	188.36
loans over 1 up to 5 years	365.94	178.78	240.88	220.95	132.74
loans over 5 years	359.01	357.08	656.82	220.39	287.29
households	852.64	790.15	783.21	724.44	803.82
loans up to 1 year	18.60	24.06	24.54	16.07	15.18
- consumer loans	18.30	22.07	24.07	15.72	14.82
- mortgages	0.00	0.14	0.00	0.00	0.00
- other loans	0.30	1.86	0.46	0.36	0.36
loans over 1 up to 5 years	144.07	113.20	107.40	132.53	151.32
- consumer loans	126.91	103.90	96.47	119.91	138.68
- mortgages	2.97	1.47	2.29	2.04	1.43
- other loans	14.20	7.83	8.64	10.58	11.21
loans over 5 years	689.97	652.90	651.27	575.84	637.32
- consumer loans	364.78	289.72	244.72	285.80	333.14
- mortgages up to 10 years	26.61	21.74	20.55	15.03	15.46
- mortgages over 10 yrsrs	291.74	335.85	378.88	270.23	285.02
- other loans	6.84	5.58	7.13	4.77	3.70

Source: BNB

EUR

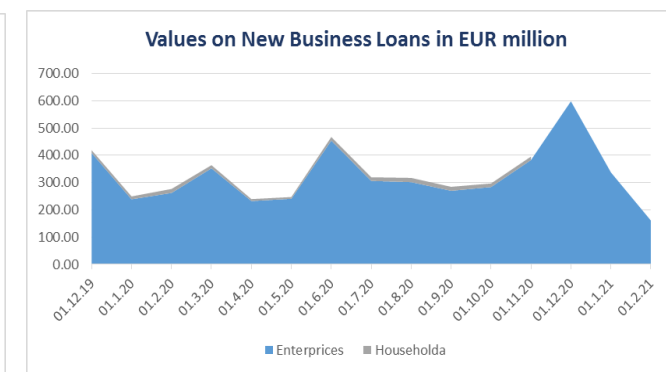
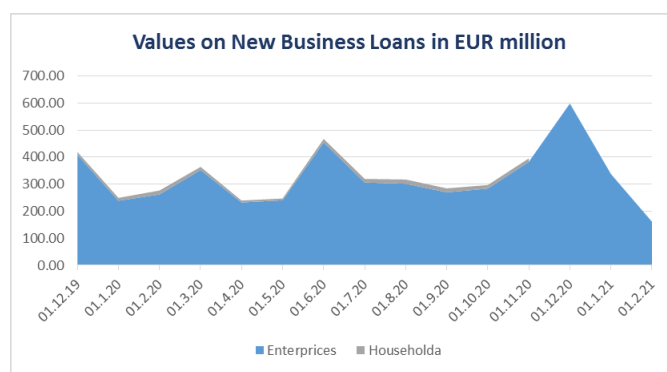
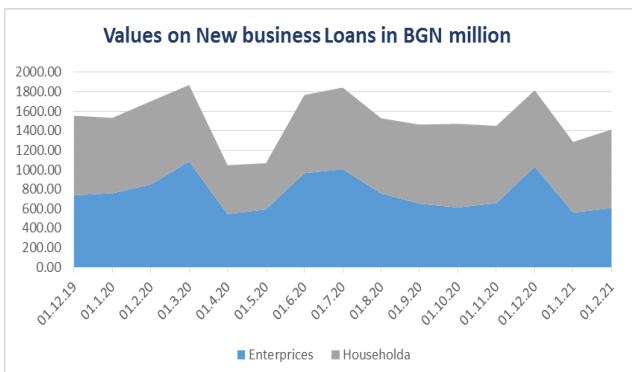
(million EUR)	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	262.15	382.78	598.11	337.42	161.10
loans up to 1 year	23.64	29.22	30.25	15.88	20.20
loans over 1 up to 5 years	37.25	58.56	192.24	25.28	43.64
loans over 5 years	201.25	295.00	375.62	296.27	97.27
households	14.64	12.81	13.65	9.82	11.15
loans up to 1 year	0.01	1.66	0.01	0.01	0.00
- consumer loans	0.01	0.02	0.01	0.01	0.00
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	1.65	0.00	0.00	0.00
loans over 1 up to 5 years	0.81	0.28	0.14	0.35	1.19
- consumer loans	0.38	0.17	0.12	0.19	0.24
- mortgages	0.42	0.11	0.02	0.04	0.76
- other loans	0.00	0.00	0.00	0.12	0.19
loans over 5 years	13.83	10.87	13.50	9.46	9.96
- consumer loans	2.27	2.12	1.02	1.66	3.31
- mortgages up to 10 years	2.34	0.58	2.55	0.38	1.10
- mortgages over 10 yrsrs	9.19	7.85	9.73	7.17	5.49
- other loans	0.03	0.31	0.20	0.26	0.06

Source: BNB

USD

(million USD)	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	63.61	3.43	4.38	9.04	0.04
loans up to 1 year	0.16	0.00	0.00	0.00	0.00
loans over 1 up to 5 years	2.83	0.29	0.42	5.00	0.00
loans over 5 years	60.62	3.14	3.96	4.05	0.04
households	0.00	0.01	0.02	0.03	0.00
loans up to 1 year	0.00	0.00	0.00	0.00	0.00
- consumer loans	0.00	0.00	0.00	0.00	0.00
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	0.00	0.00	0.00	0.00
loans over 1 up to 5 years	0.00	0.01	0.00	0.00	0.00
- consumer loans	0.00	0.01	0.00	0.00	0.00
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	0.00	0.00	0.00	0.00
loans over 5 years	0.00	0.00	0.02	0.03	0.00
- consumer loans	0.00	0.00	0.00	0.00	0.00
- mortgages up to 10 years	0.00	0.00	0.00	0.00	0.00
- mortgages over 10 yrsrs	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	0.00	0.02	0.03	0.00

Source: BNB



Banking sector: Volumes Dynamic of New Business Deposits (5)

- In February 2021 the volumes of new business deposits for enterprises decreased compared to previous month in BGN, increased in EUR and USD.
- In February 2021 the volumes of new business deposits of Households increased in BGN, in EUR and in USD.

BGN

(million BGN)	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	14136.00	16100.25	16971.78	16668.11	16543.62
Overnight deposits	13973.43	15984.93	16855.72	16563.52	16405.76
Time deposits	162.57	115.32	116.07	104.59	137.86
Up to 1 month	36.31	96.89	64.93	86.39	111.73
Up to 3 months	16.71	3.06	28.86	2.54	6.93
Up to 6 months	88.45	1.30	15.88	7.42	3.26
Up to 1 year	20.58	13.88	3.68	8.12	4.96
Up to 2 years	0.52	0.00	2.64	0.04	0.05
Over 2 years	0.00	0.20	0.07	0.08	10.93
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	21732.29	24007.04	25438.38	25795.62	26327.48
Overnight deposits	21121.65	23441.19	24808.26	25226.66	25753.04
Time deposits	307.55	255.18	311.55	254.05	255.62
Up to 1 month	137.53	109.82	113.20	99.04	91.28
Up to 3 months	38.22	29.71	40.73	34.88	51.44
Up to 6 months	39.06	34.51	33.36	21.83	22.48
Up to 1 year	79.45	62.86	90.59	71.40	70.23
Up to 2 years	5.57	7.31	15.68	12.79	8.71
Over 2 years	7.73	10.97	17.98	14.11	11.48
Redeemable at notice	303.09	310.68	318.57	314.91	318.81

Source: BNB

EUR

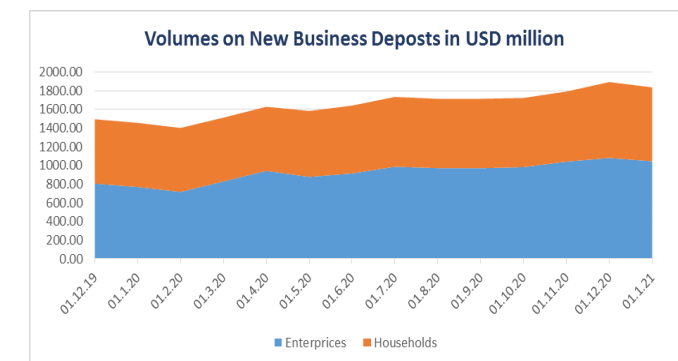
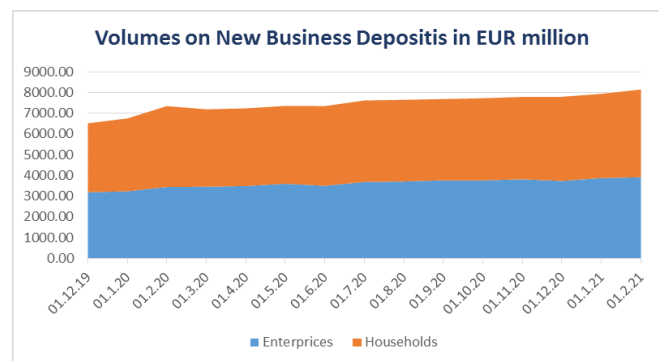
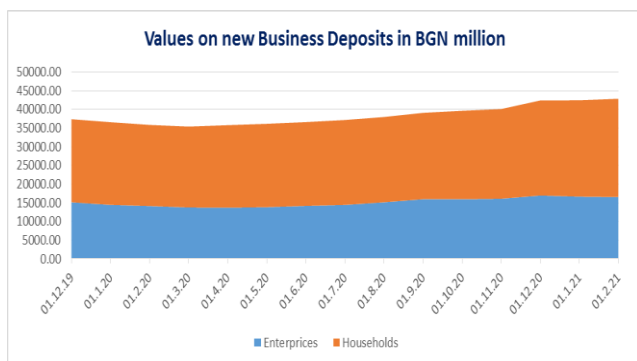
(million EUR)	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	3444.05	3814.79	3738.03	3877.57	3916.13
Overnight deposits	3379.97	3733.50	3679.24	3851.36	3833.69
Time deposits	64.09	81.29	58.79	26.21	82.44
Up to 1 month	25.80	66.70	33.00	3.87	68.59
Up to 3 months	8.80	6.91	18.17	4.93	10.42
Up to 6 months	3.42	1.50	0.58	0.49	0.87
Up to 1 year	25.80	6.18	5.97	16.92	2.53
Up to 2 years	0.22	0.00	1.07	0.00	0.02
Over 2 years	0.05	0.00	0.00	0.00	0.00
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	3899.15	3970.63	4055.94	4055.54	4227.28
Overnight deposits	3383.64	3765.53	3827.11	3855.44	4007.49
Time deposits	408.83	91.31	113.25	84.72	103.68
Up to 1 month	188.67	39.56	37.13	29.23	30.20
Up to 3 months	41.78	12.10	13.30	16.42	24.17
Up to 6 months	47.36	9.73	11.65	7.10	6.09
Up to 1 year	104.95	22.41	35.98	21.98	34.00
Up to 2 years	14.39	3.17	6.88	4.37	5.42
Over 2 years	11.68	4.34	8.31	5.62	3.80
Redeemable at notice	106.68	113.78	115.57	115.37	116.11

Source: BNB

USD

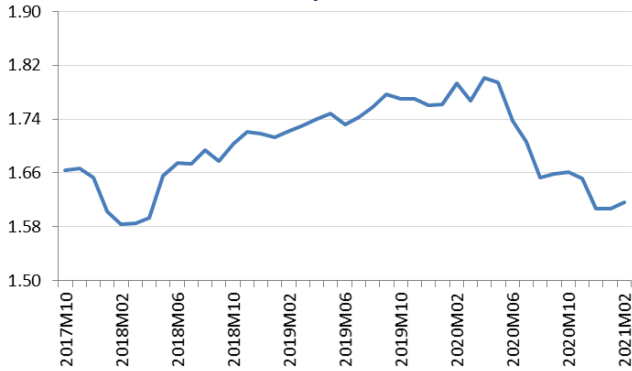
(million USD)	2.29.20	11.30.20	12.31.20	1.31.21	2.28.21
enterprises	716.87	1041.56	1080.43	1045.14	1112.69
Overnight deposits	680.22	1036.00	1074.74	1042.90	1091.58
Time deposits	36.65	5.56	5.70	2.23	21.11
Up to 1 month	18.00	2.14	0.08	0.30	0.11
Up to 3 months	0.08	0.14	2.61	1.56	0.00
Up to 6 months	8.09	2.15	0.00	0.22	0.25
Up to 1 year	9.98	1.13	3.01	0.15	17.66
Up to 2 years	0.51	0.00	0.00	0.00	0.00
Over 2 years	0.00	0.00	0.00	0.00	3.09
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	685.31	750.71	813.00	791.16	794.48
Overnight deposits	639.03	718.33	765.51	762.47	764.69
Time deposits	31.82	17.49	32.59	13.68	14.69
Up to 1 month	10.66	7.16	6.82	5.97	5.94
Up to 3 months	4.71	2.10	2.27	2.24	3.00
Up to 6 months	2.91	1.69	1.67	0.79	0.96
Up to 1 year	11.75	5.67	19.57	3.27	3.51
Up to 2 years	1.27	0.28	1.05	0.44	0.37
Over 2 years	0.51	0.59	1.22	0.96	0.91
Redeemable at notice	14.46	14.89	14.90	15.02	15.10

Source: BNB

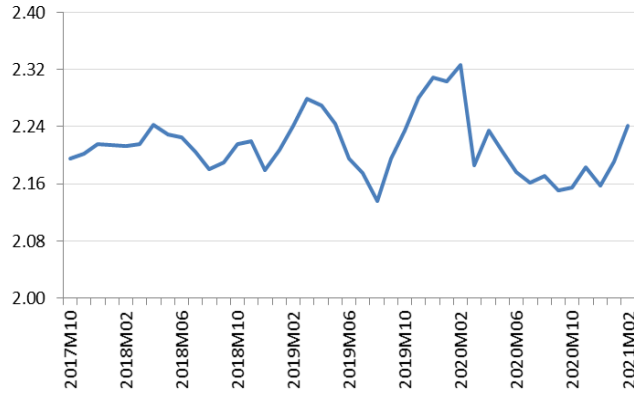


Banking sector: FX Rates (6)

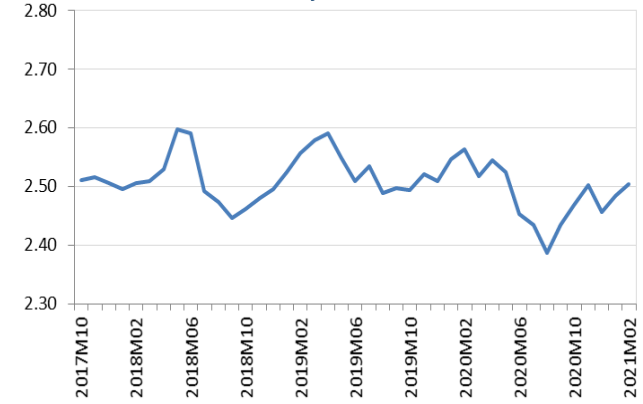
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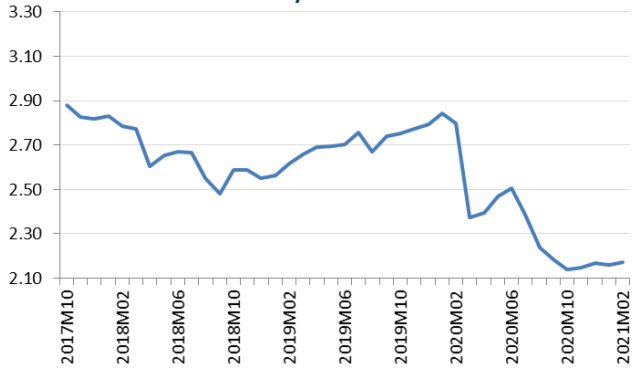
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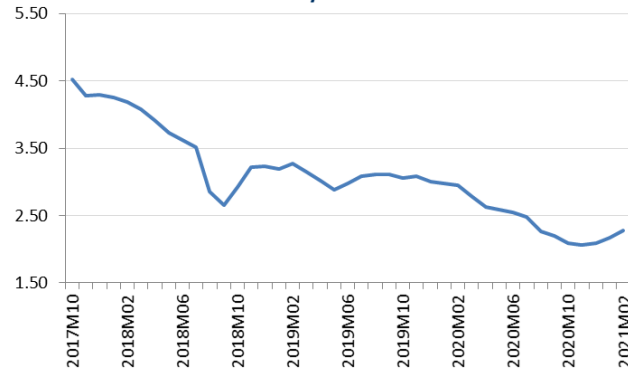
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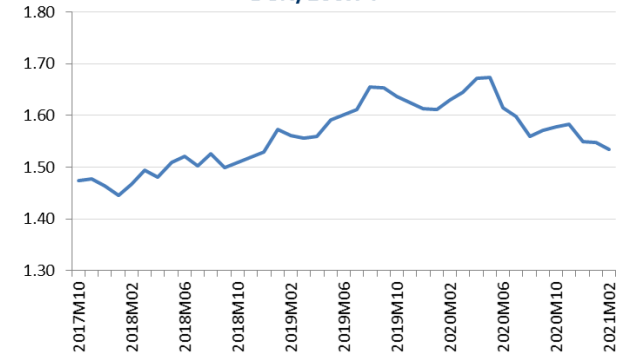
BGN/100RUB



BGN/10TRY



BGN/100JPY



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