
United Bulgarian Bank
Bulgaria: Macroeconomic Update
April 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 continued to 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%
April probabilities	10%	60%	30%

Source: KBC Economics

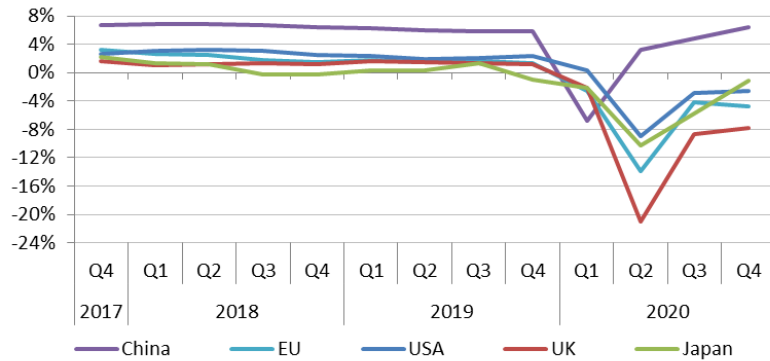
Arguments for Scenario Probabilities – April 2021

- **The Covid-19 pandemic remains a key problem:** the inherently volatile dynamics of the infection are causing the expansion of (partially) blocking measures in most of the world, the EU (including in Bulgaria). Progress in vaccination remains relatively slow, but is optimistic about the agreed timetable by the Ministry of Health and vaccine manufacturers.
- Increased economic resilience of the economy implies less impact of the new blocking measures (also against the background of strong external demand) - we keep growth forecasts unchanged (CHN: 8.5%, USA: 6.2% (of 6.0%) and EA: 4% (from 4.1%).
- The global economic recovery is expected, with successful vaccination and huge fiscal stimulus in the United States being the leading factors.
- Core inflation will increase in the coming months as a result of core effects, technical factors and international oil prices. The baseline scenario maintains a moderate inflation forecast, but with increasing risks.
- Reduced expectations for the recent strengthening of the yield curve, visible in the monetary policy responses of central banks.
- The Fed and the ECB have committed to an adjustable monetary policy, but have shown differences in increases in (real) returns. PESSIMISTIC

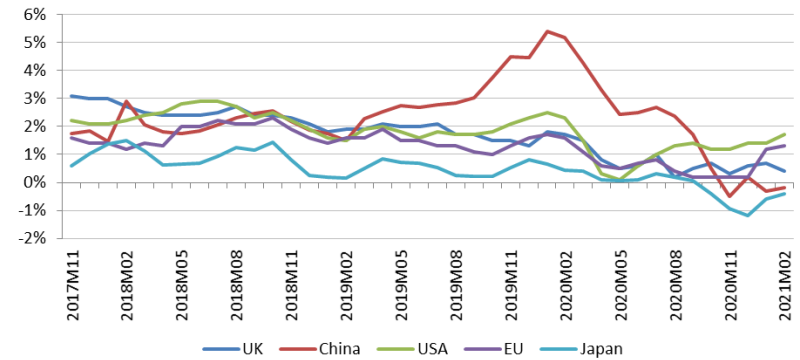
Overview global forecasts

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.

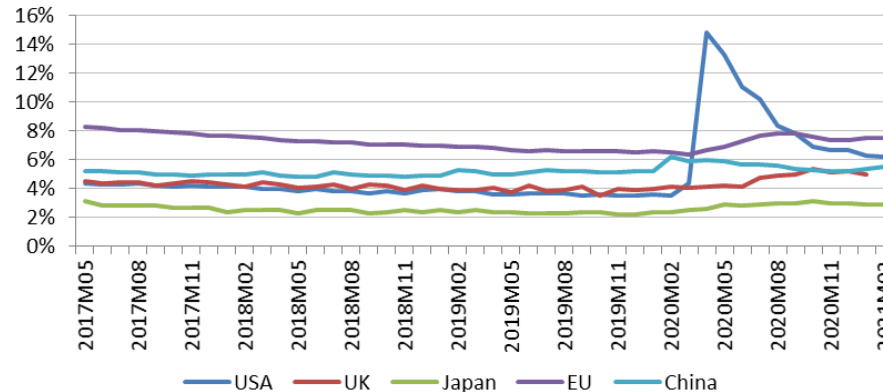
Advanced Economies: GDP growth rate compared to the same quarter of the previous year



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

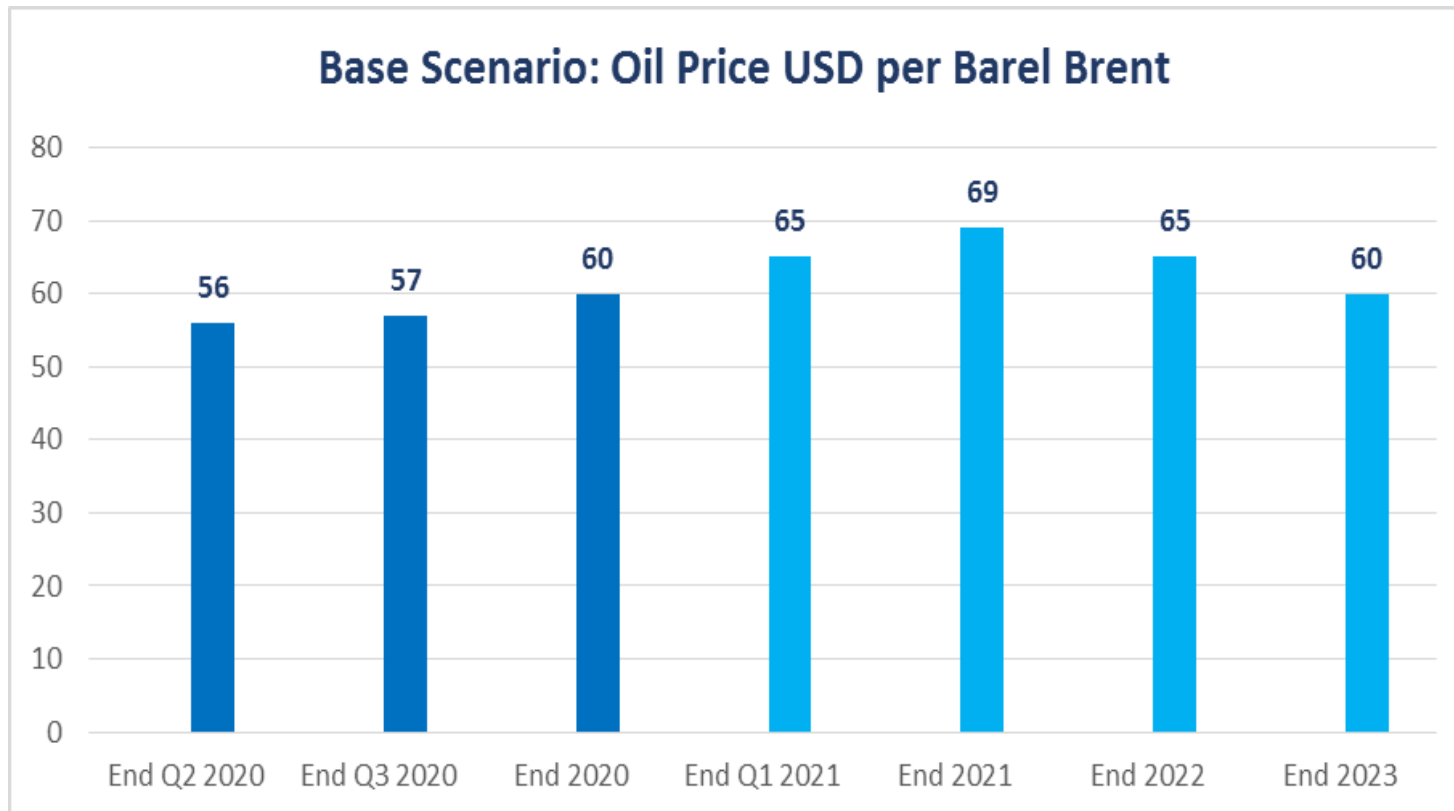


Advanced economies: Unemployment rates (%) by country on monthly basis as of January 2021 (%)



Base scenario: Oil Prices Projections

Brent crude futures dropped below USD66 per barrel on 20 April, moving further away from 14-month high levels hit in mid-March, amid lingering concerns about the pace of recovery in fuel demand and fears of supply tightness in oil markets. Many regions in India imposed new lockdowns over the past weeks, as the world's third-biggest oil importer struggles with a deadly new wave of COVID-19 cases that has made it the world's second-worst hit country. At the same time, the API reported an unexpected build in crude oil inventories for the week ending April 16th; while Iran might see sanctions lifted and add to global supplies, if talks aimed at reviving the 2015 nuclear deal are successful.



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	4.0 (4.1)	4.1	2.2	1.5	1.8	1.3	0.3	1.6	1.4	1.5
US	2.4	2.9	2.3	-3.5	6.2 (6.0)	3.8 (3.7)	2.2	2.1	2.4	1.8	1.1	2.6	2.2	2.2
China	6.9	6.6	6.1	2.3	8.5	5.2	5	1.6	2.1	2.9	2	1.7 (2.5)	2.5	2.5
Changes are in Bold. Projections from previous month are in brackets.														

Source: KBC Economics

Overview global forecasts

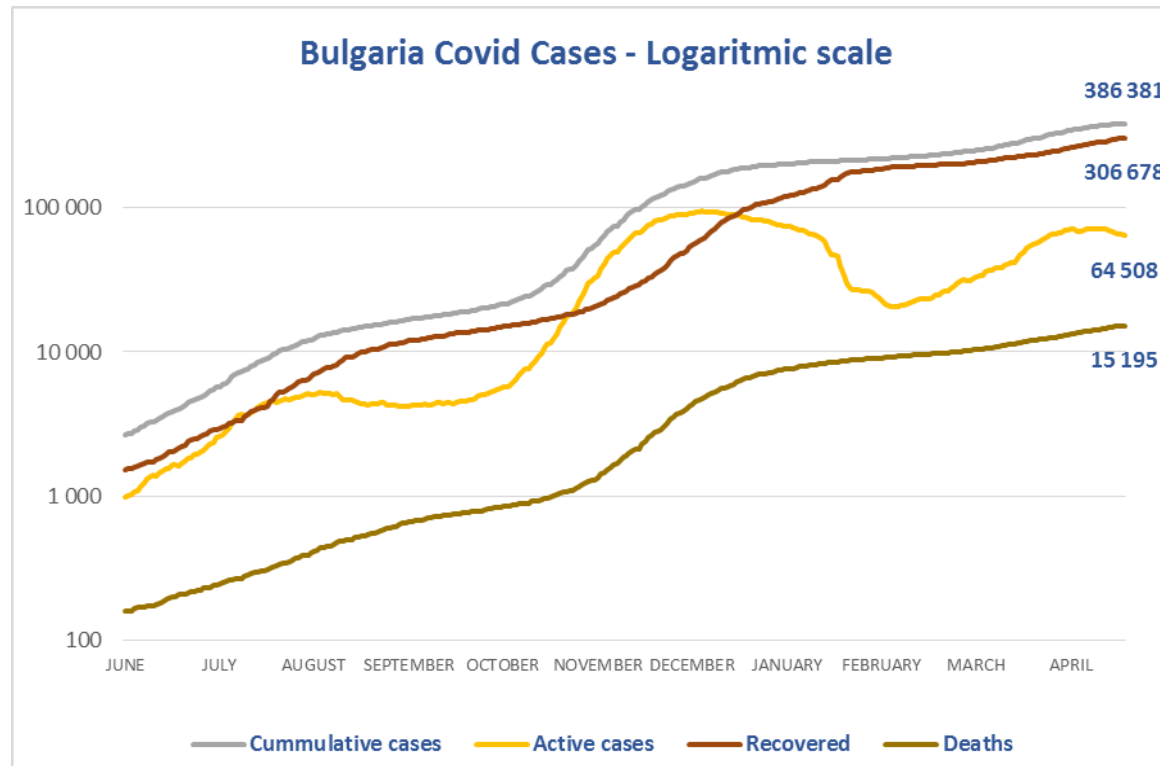
Forecasts are for rising yields on 10-year bonds short and medium-term interest rates in negative territory.

Advanced economies	Indicators	End 2020	Current 04.03.2021	Q2 2021	Q3 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	0.125
	10y Bond yield	0.9	1.74	1.9	2.15	2.15	2.25	2.4
Eurozone	ECB deposit rate	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5	-0.5
	ECB refi rate	0	0	0	0	0	0	0
Germany	10y Bond yield	-0.5	-0.27	-0.15	-0.15	0	0.25	0.5
	USD per EUR	1.21	1.194	1.15	1.15	1.18	1.27	1.3
Changes are in Bold. Projections from previous month are in brackets.								

Source: KBC Economics

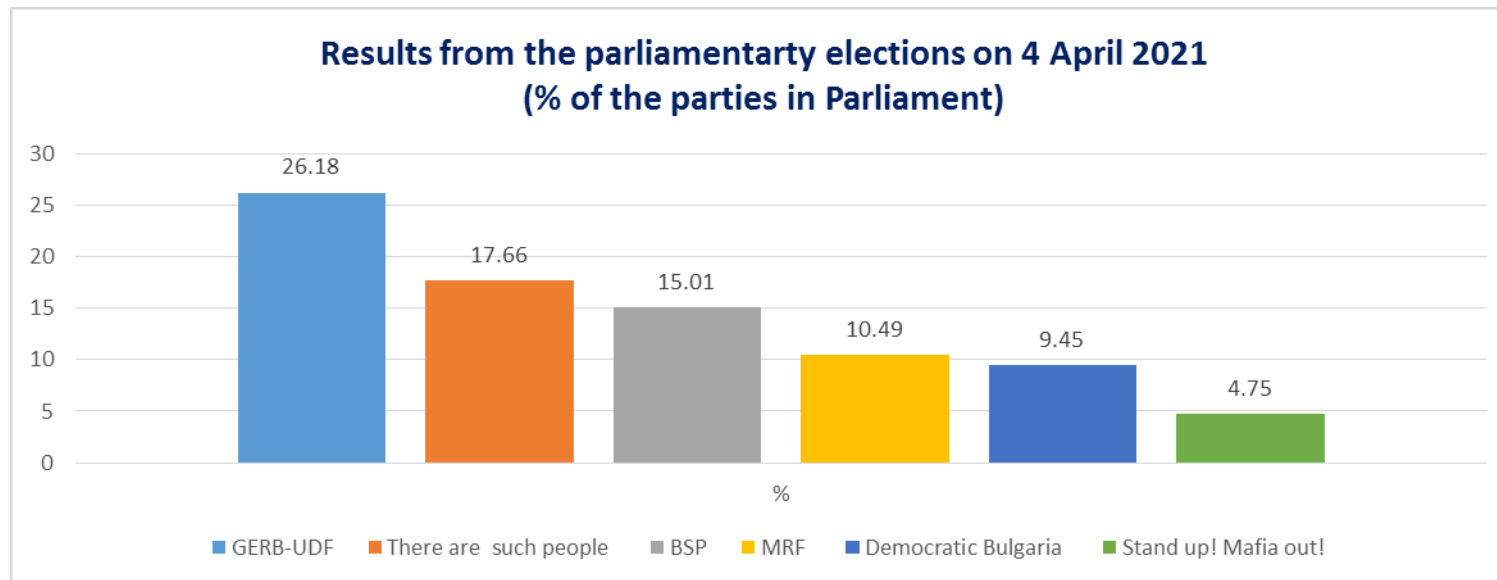
Status of pandemic COVID-19 in Bulgaria

- In Bulgaria, the number of newly slaughtered people is beginning to decline slightly, but their total since the beginning of the pandemic exceeds 386 thousand. The danger has not yet passed for either the population or the economy.
- In the coming weeks and months, there will be a higher proportion of RNA vaccines than vector vaccines. 1,300,000 vaccines are part of the 10 million for which the EC managed to reach an agreement with Pfizer / Biontech for accelerated delivery in the second quarter. The rest will be delivered in the fourth quarter. The expected quantities of RNA vaccines in the next 3 months should allow reaching a 50 percent level of vaccination of the population, which is the goal set by the EC. The expected quantities of RNA vaccines in the next 3 months should allow reaching a 50 percent level of vaccination of the population, which is the goal set by the EC.



Parliamentary elections in Bulgaria: Strong support for new parties poses negative risks to our baseline scenario

- The center-right pro-European citizens for European development of Bulgaria (GERB) won the parliamentary elections on April 4, 2021, but are likely to remain in opposition.
- The Bulgarian Socialist Party (BSP) was the main loser, ranking third in the parliamentary elections for the second time in the country's recent history.
- The protest vote was longer than expected. The newcomers from the party "There are such people" (ITN) of the popular TV presenter Slavi Trifonov were the main beneficiaries.
- The elections led to a fragmented parliament with a significant populist party presence.
- A likely scenario is a minority government with parliamentary support from the BSP.
- The new coalition government is likely to have a limited mandate.
- An option for a caretaker government and new parliamentary elections in the summer is also quite possible.
- We keep our main macroeconomic scenario unchanged, but we see an increase in negative



Bulgaria – Outlook 2021 - 2023 (1)

Bulgaria	Optimistic scenario					Base scenario					Pessimistic scenario				
April 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)

- **Bulgaria's GDP is expected to recover in 2021**, supported by a pro-cyclical fiscal stance and supportive baseline effects. In light of the very high vaccination rate in the EU, economic activity must remain short-term, despite the gradual opening of the growth rate of COVID-19 infection and the lowest economy.
- Assuming that the epidemiological situation improves by the middle of the second quarter, we expect economic growth to pick up, driven by domestic demand, especially private consumption. The latter should take advantage of releasing the lingering demand and improving mood.
- **Long-term investment will also recover, driven by the support of the next generation of rising capital expenditures, especially towards the end of the year.** In this context, a key challenge for the next government would be to improve the absorption capacity of large amounts of funds. We expect net exports to maintain overall growth this year, but in line with the recovery in the EU and the revival of tourism
- Unlike most EU economies, which are ready to make a partial turn in fiscal policy this year, Bulgaria will benefit from a somewhat pro-cyclical stance. The main factors include income policy and the expansion of some buffers introduced in 2020
- **Our expectations are that GDP will recover by 3% in 2021. In addition to the risk of political stalemate and uncertainty about the development of COVID-19, other potential risks include expectations of higher company insolvency and lower labor market performance.**

Bulgaria – Outlook 2021-2023 (2)

Most leading public and private institutions have upgraded their predictions for the Bulgaria's economic recovery in 2021. In a recently released update, the IMF corrected its expectations for Bulgaria's economic growth upwards to 4.4% on the back of massive fiscal stimulus and growing vaccine coverage after several months of improving economic sentiment. The latest BNB projections are for 3.8% GDP growth for 2021.

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	4.4	n.a	n.a
BNB	3.4	-4	3.8	3.9	3.2
MF	3.4	-3	2.5	3	3.2
KBC	3.4	-4.2	4	3	3

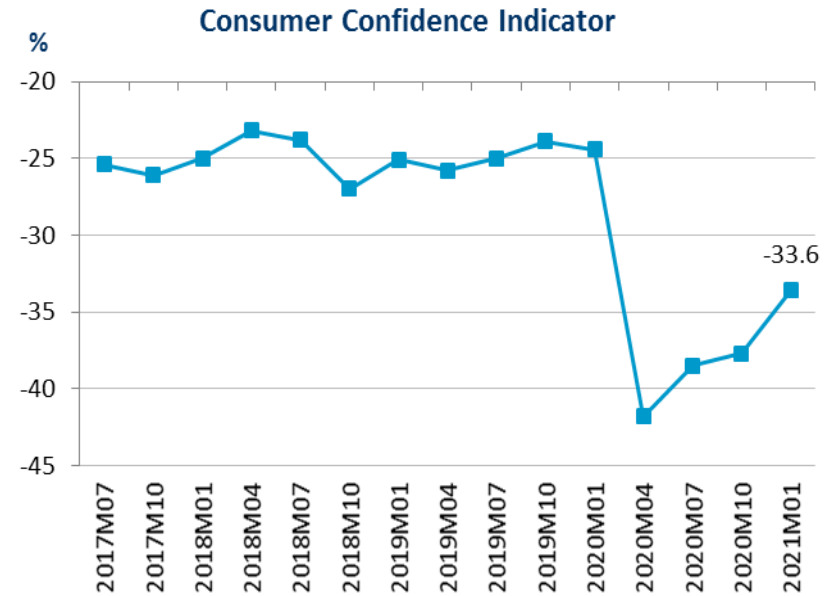
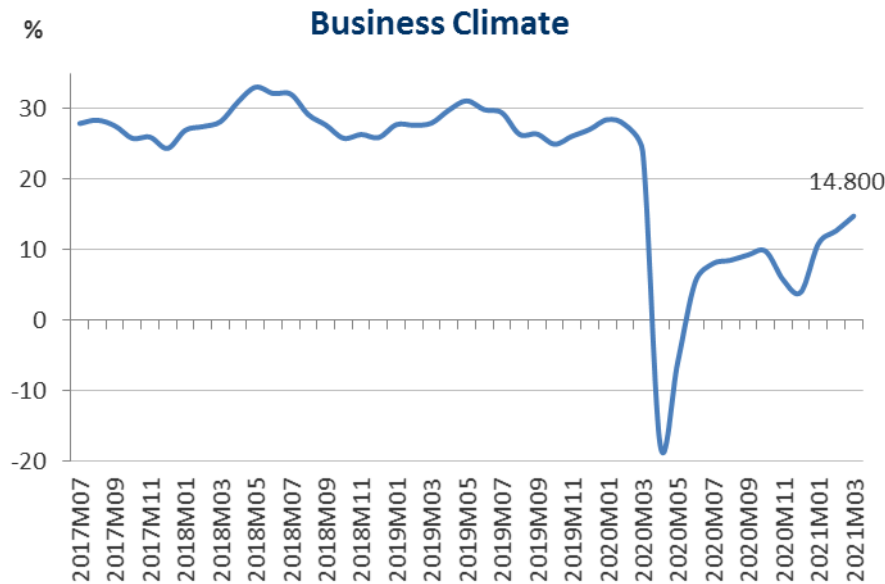
Bulgaria CPI Inflation rate (%): International Institutions Projections	2019	2020	2021	2022	2023
EC	2.5	1.2	1.4	1.8	n.a
IMF	2.5	1.2	1.7	n.a	n.a
BNB	2.5	0.3	3	0.7	1.3
MF	2.5	1.4	2.1	2.6	2.5
KBC	2.5	1.2	1.9	2.2	2

Source: EC, IMF, BNB, MF, KBC

Bulgaria: Main Macroeconomic Indicators (2)

- In **March 2021**, the total business climate indicator increases by 2.1 percentage points compared to February to 14.8 index points due to the increased indicator in all observed sectors - industry, construction, retail trade and

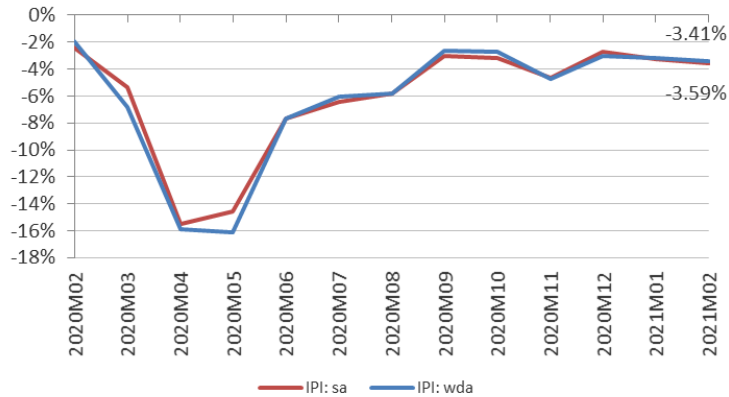
In January 2021, **the total consumer confidence indicator** increased by 4.1 percentage points in comparison with October 2020. An increase of consumer confidence among both urban and rural inhabitants by 3.1 and 7.6 percentage points respectively is reported.



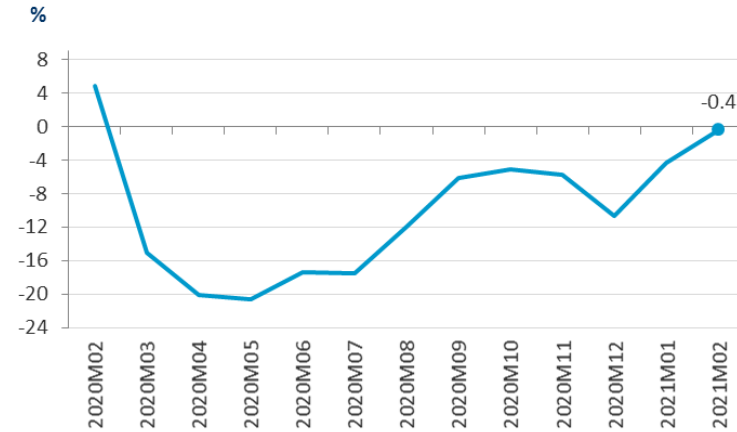
Bulgaria: Main Macroeconomic Indicators (3)

High Frequency Indicators slightly improved yoy in February 2021 even still in negative territory. Tourism sector is deeply affected as contracted by 42.1% yoy as of February 2021.

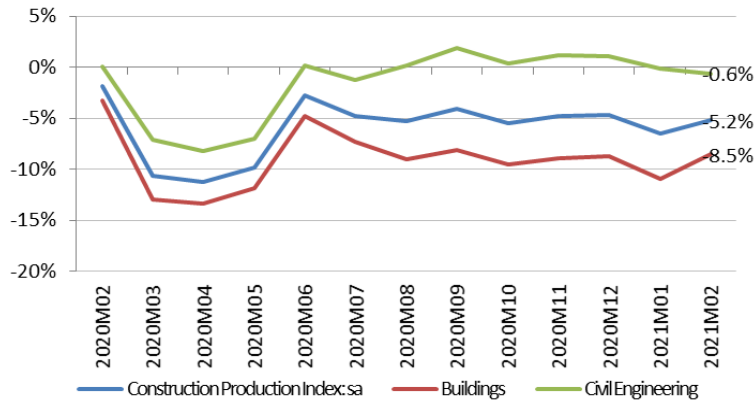
Industrial Production Index: Percentage change, YoY



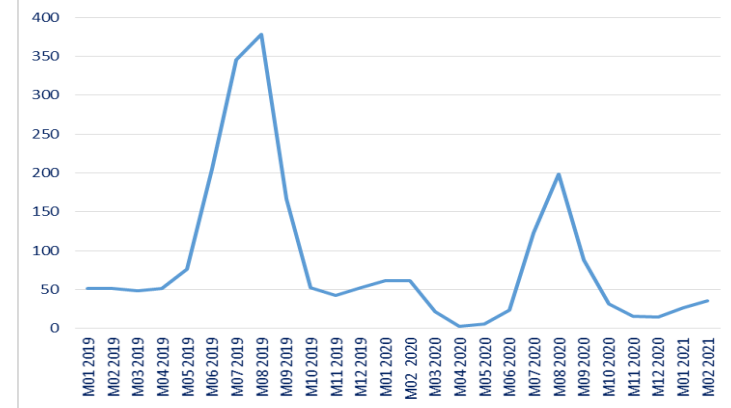
Retail Trade Index: Percentage change, YoY



Construction: Percentage change, YoY



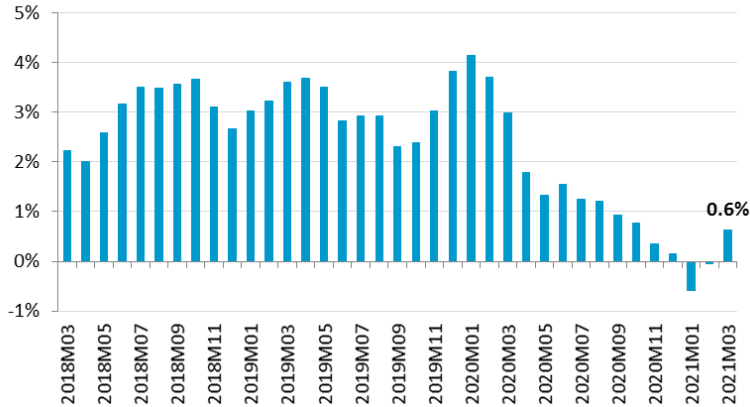
Tourism Revenues in BGN million, Monthly Data



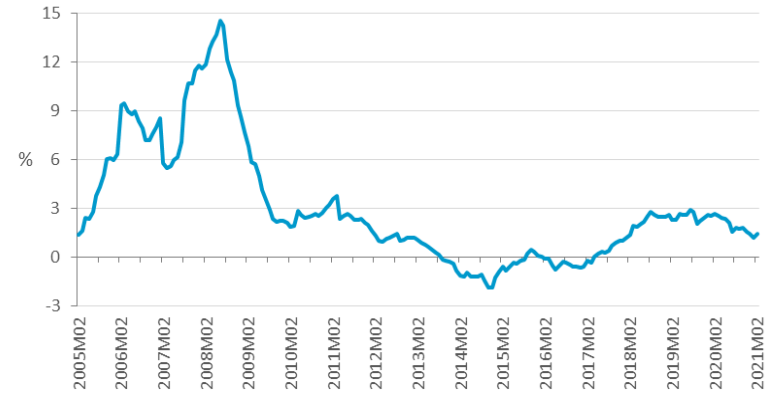
Bulgaria: Main Macroeconomic Indicators (4)

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

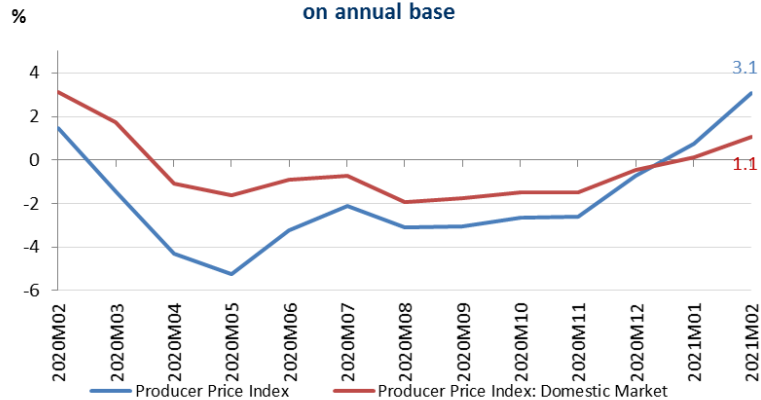
Inflation, y/y: 2018 - 2021



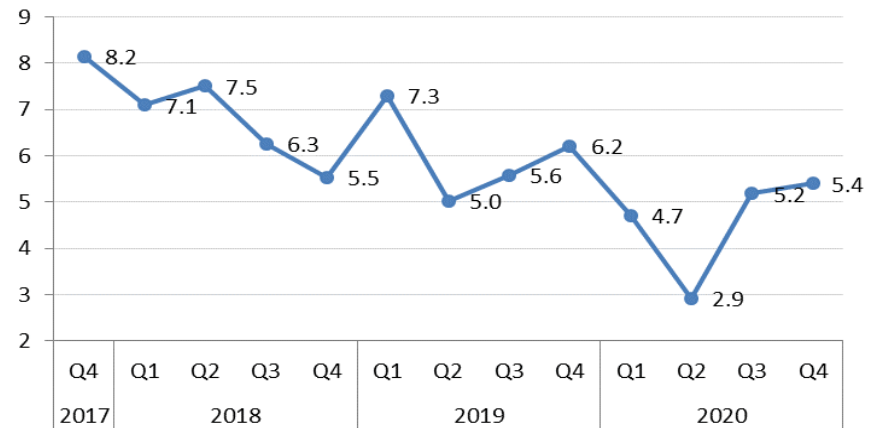
Core Inflation, Percentage change, YoY



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



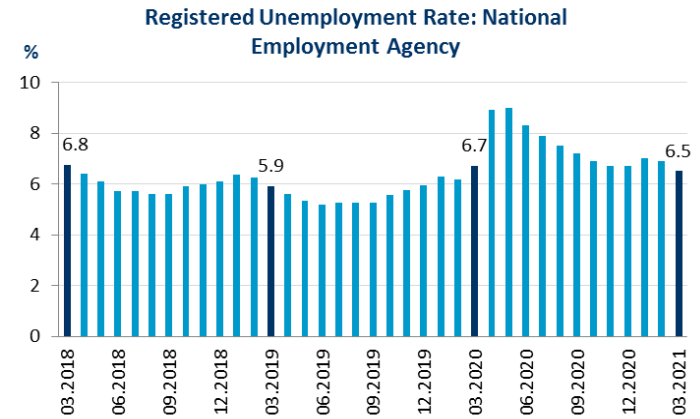
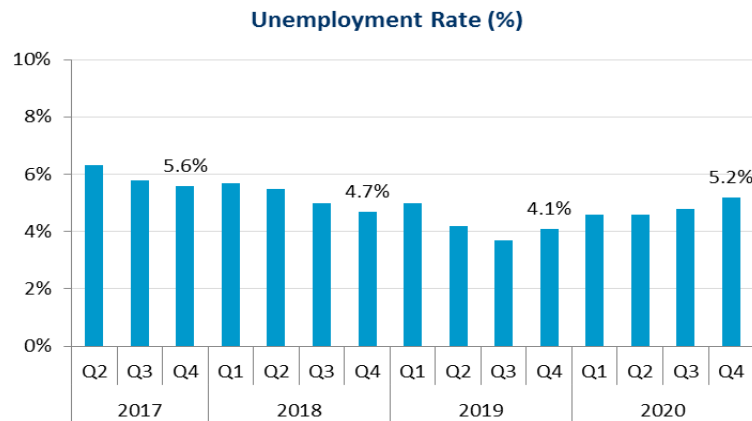
House Price Index (HPI), % change YoY



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 March the rate of registered unemployment is 6.5% and reported decrease by 0.4 pps compared to previous month, and decreased by 0.2 pps compared to March 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.

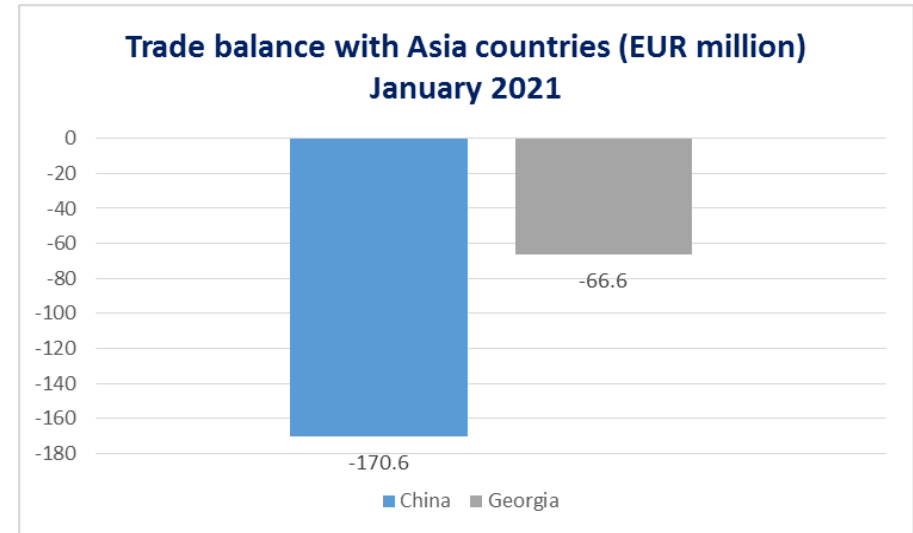
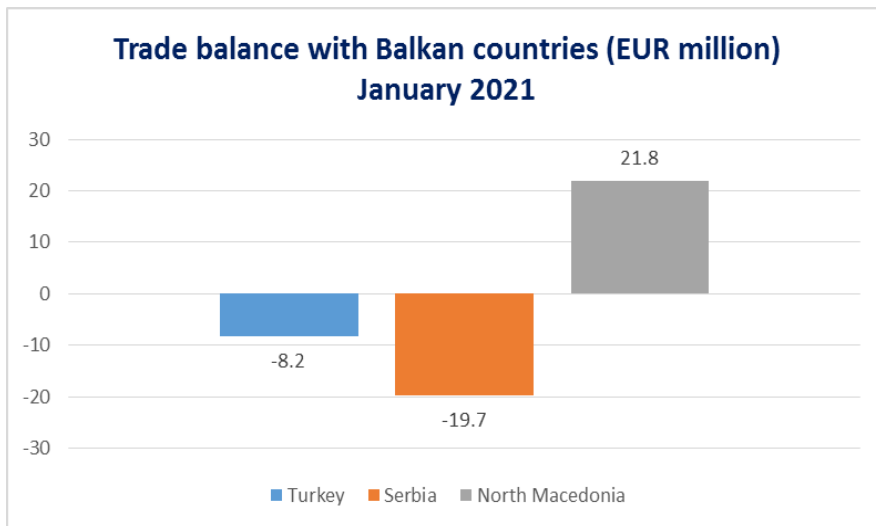
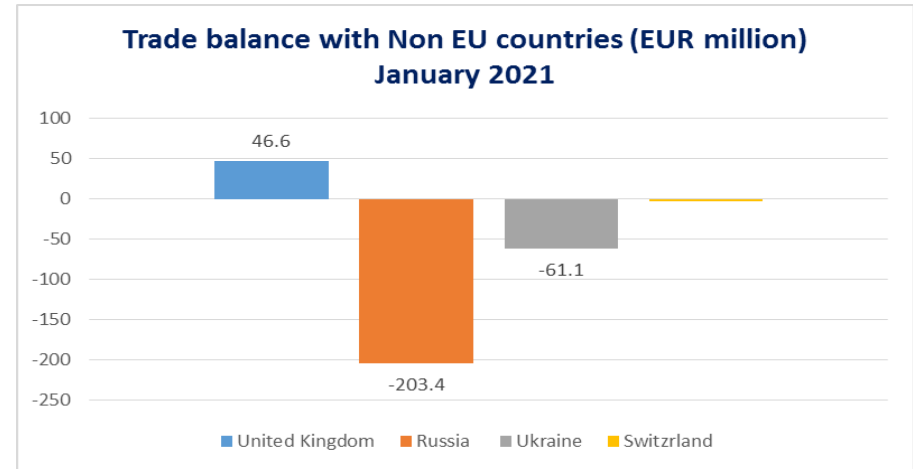
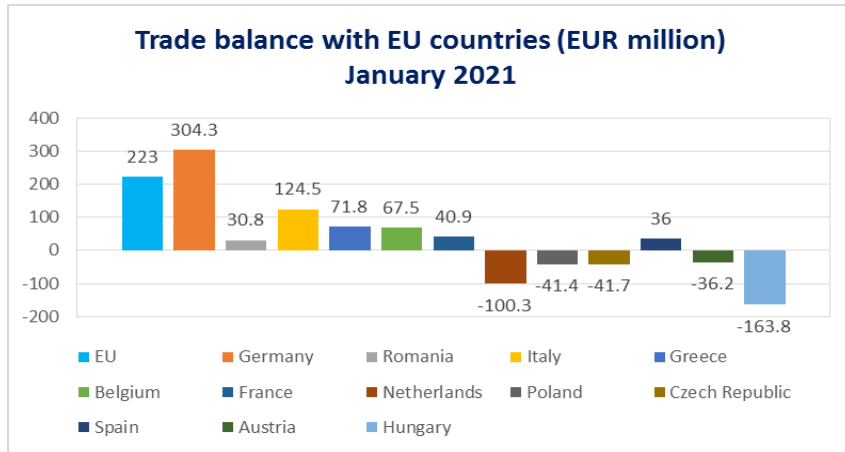
The NSI assessment is based on a sample "Labor Force Survey", in which Bulgarian households are interviewed on a rotating basis. The labor force survey is performed on a two-stage nesting sample, including about 19.6 thousand households each quarter (about 0.65% of the households in the country). The 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 January 2020 Bulgaria's Trade balance is negative at EUR 272.3 million with positive value only with EU countries at EUR 223 million under conditions related with continuing COVID-19 pandemic



Source: IM

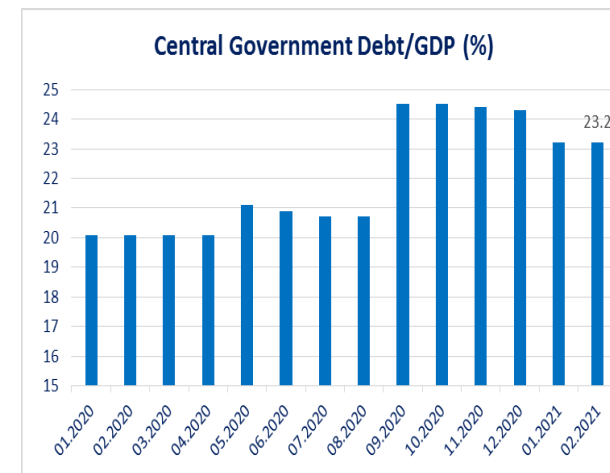
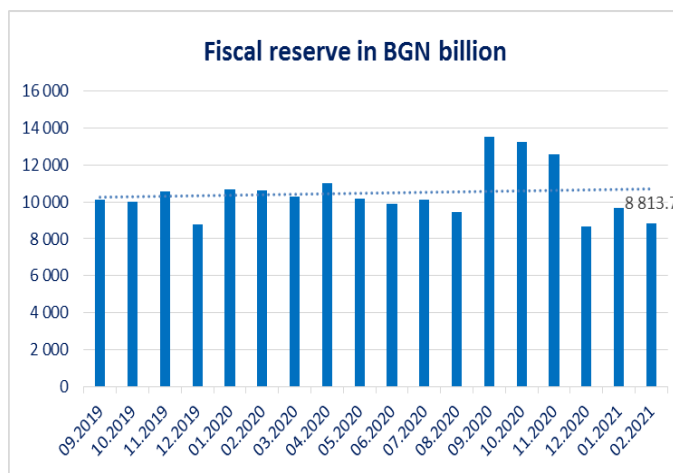
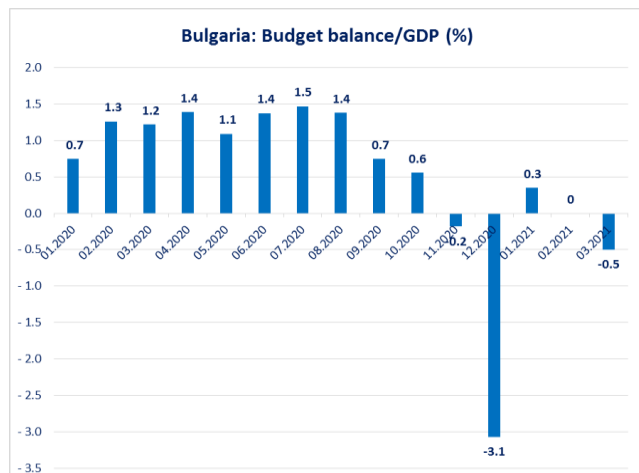
Bulgaria: Main Macroeconomic Indicators (7)

Bulgaria's Fiscal position

Based on the preliminary data and estimates, **the Consolidated Fiscal Programme (CFP) budget balance for Q1 of 2021 is expected to be negative, amounting to BGN 656.5 million (0.5% of the projected GDP).**

The fiscal reserve as of 28.02.2021 is BGN 8.8 billion, including BGN 8.5 billion of fiscal reserve deposits in the BNB and in banks and BGN 0.3 billion of receivables under the EU Funds for certified expenditures, advance payments, etc.

The central government debt as at end-February 2021 stood at BGN 28,935.2 million (23.2% of GDP), registering a reduction of around BGN 33.0 million as compared to end-2020. Domestic debt amounted to BGN 5,989.8 million and external debt – to BGN 22,945.3 million.



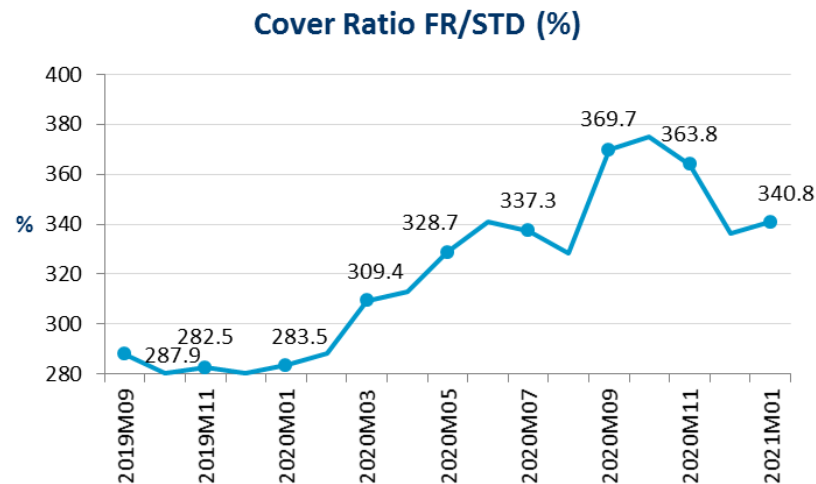
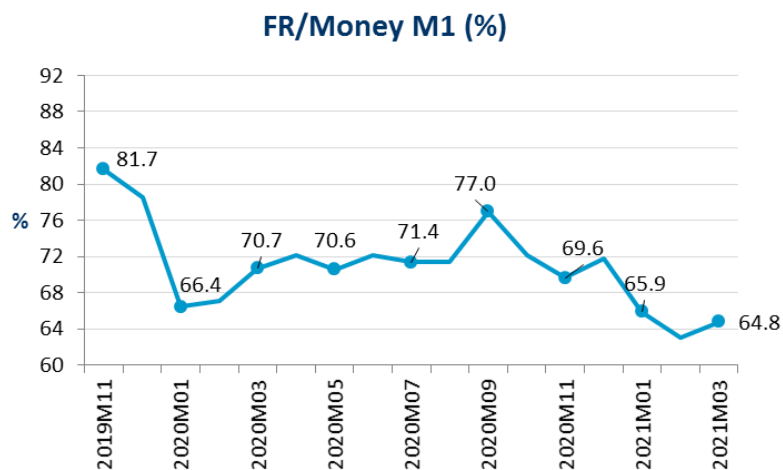
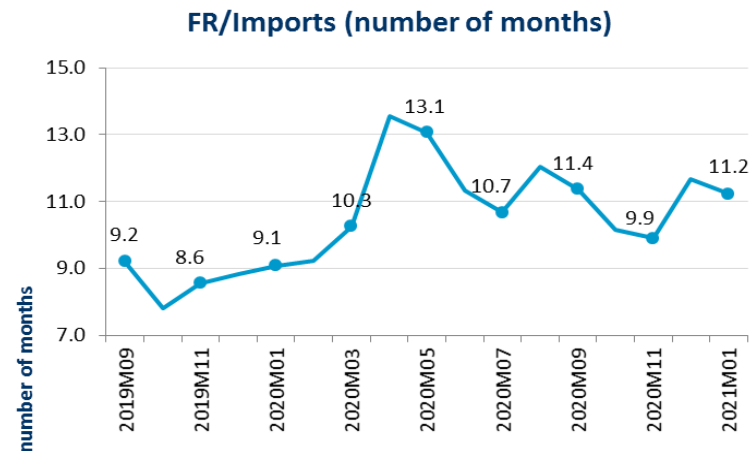
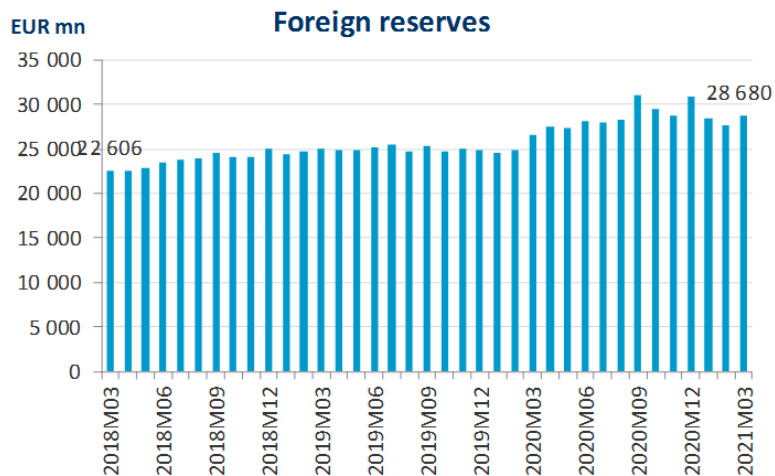
Source: MF

Position of the Ministry of Finance on the Discussion on the Budget and the Fiscal reserve

- The amount of the fiscal reserve is BGN 8.5 billion, 3.3 billion of them are in the Silver Fund and they are intact.
- Tax revenues are also affected by the adopted legislative changes in the deadlines for filing annual tax returns. Bulgaria has one of the most liberal regimes in terms of restricting the activities of economic entities, due to which the collection of tax revenues was good - from direct taxes are 18.1% of those provided for in the calculation for the year, and revenues from indirect taxes are 25, 8% of the estimated.
- The first quarter of the year was the worst because of the third wave of the epidemic. If there are no complications in the epidemic situation, it can be expected that the budget will cover the commitments made
- From the beginning of the pandemic to the end of March this year, the government spent on dealing with the COVID crisis amounted to BGN 5.1 billion. Of this amount, BGN 1.8 billion went to support households, 2.2 billion for business, and BGN 1.1 billion for the government bodies responsible for dealing with the pandemic.
- Preliminary data show that budget revenues, including those from tax revenues, total BGN 11.3 billion and are increasing on an annual basis, and the deficit is due to a significant increase in expenditures. BGN 1.3 billion are the funds given to fight the pandemic for the three months, and BGN 314 million are spent on the supplements of BGN 50 to the pensions from January to March. Part of the costs are also due to the funds for modernization of the army. There is no risk for the payment of social benefits and pensions.
- Since the beginning of the year, the government has withdrawn nearly BGN 800 million of debt, which is less than 18% of the planned new debt of BGN 4 billion, which can be assumed during the year.
- BGN 13 billion will be needed to implement the many proposals submitted in the first days of the new parliament. This was around 10% of GDP and new debt would have to be borne to cover such costs.
- June 30, 2021 is the deadline for the final preparation of the plan for accession to the euro area and it will be met, as the process is already in its final phase. The indicative date for the introduction of the euro in our country remains January 1, 2024. The main tasks of the government are related to the implementation of commitments on the road map after our entry into the waiting room of the euro.

Bulgaria: Main Macroeconomic Indicators (8)

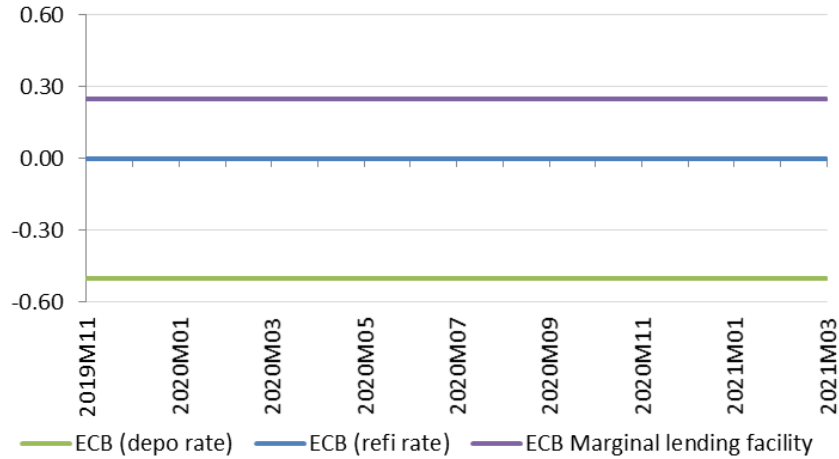
Currency Board Indicators



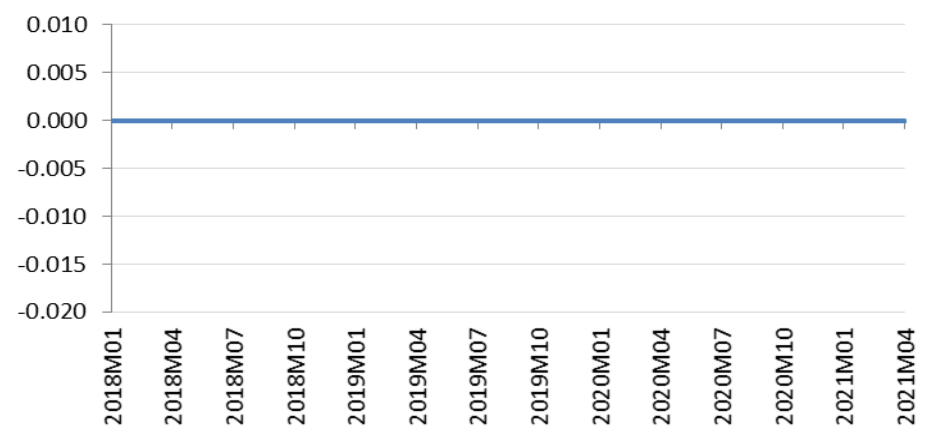
BULGARIA: BANKING SECTOR

Banking sector: Indexes and Interest Rates (1)

Policy Rates (in %)

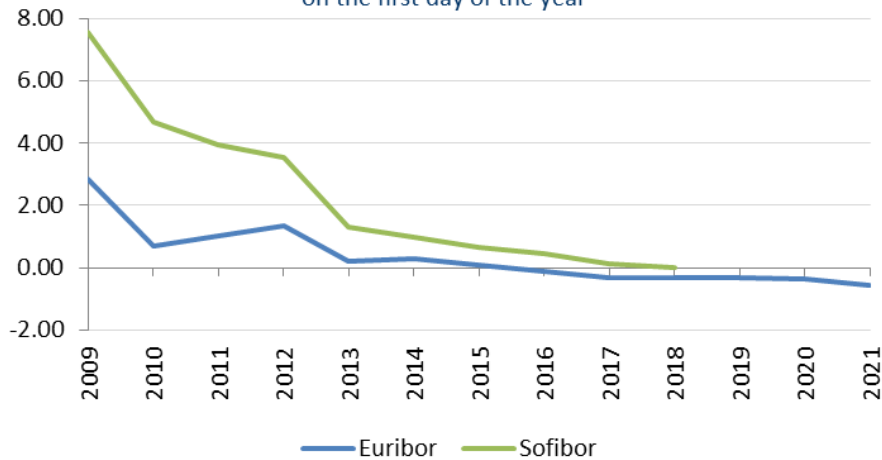


Base Interest Rate of the BNB (in %)



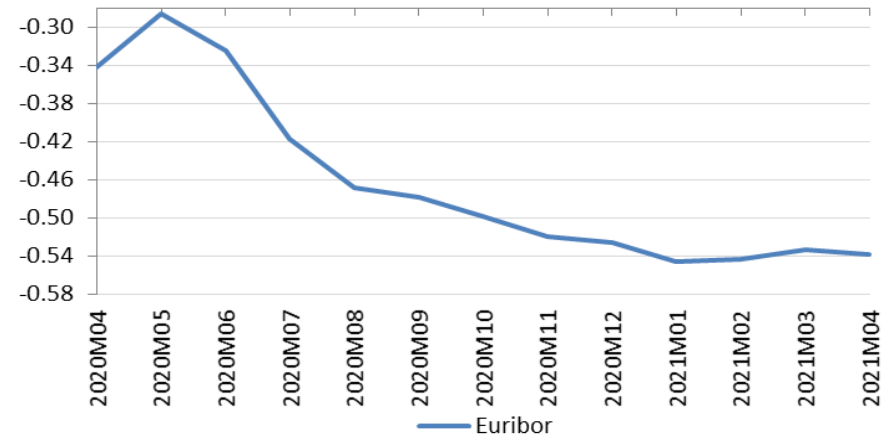
Indexes 3-months

on the first day of the year



Euribor Index 3-months

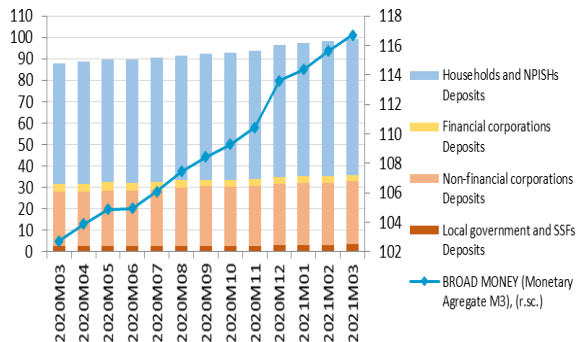
on the first day of the month



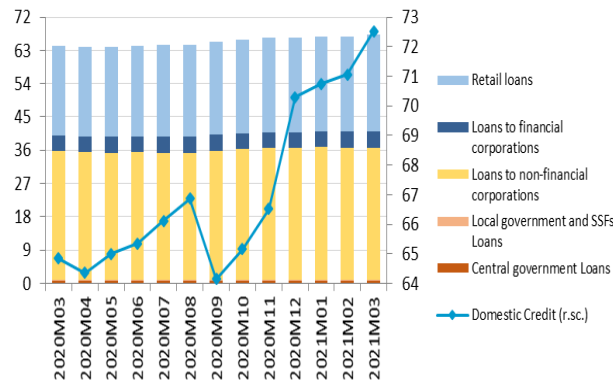
Banking sector: Monetary Survey (2)

- At the end of March 2021, **deposits of the non-government sector** were BGN 95.670 billion (75.9% of GDP), increasing annually by 12.2%. **Deposits of Non-financial corporations** were BGN 29.971 billion (23.8% of GDP) at the end of March 2021. Compared to the same month of 2020 they increased by 16.1%. **Deposits of Financial corporations** decreased by 14.2% annually in March 2021 (13.9% annual growth in February 2021) and at the end of the month they were BGN 2.846 billion (2.3% of GDP). **Deposits of Households and NPISHs** were BGN 62.852 billion (49.9% of GDP) at the end of March 2021. They increased by 12% compared to the same month of 2020.
- At the end of March 2021, **claims on loans to the non-government sector** amounted to BGN 66.285 billion (52.6% of GDP). They increased annually by 4.6% in March 2021. In March 2021, **loans to Non-financial corporations** increased by 2.7% annually and at the end of the month amounted to BGN 35.765 billion (28.4% of GDP). **Loans to Households and NPISHs** were BGN 26.085 billion (20.7% of GDP) at the end of March 2021. They increased by 7.1% compared to the same month of 2020. At the end of March 2021 **loans for house purchases** were BGN 12.367 billion and increased by 11.9% annually. **Consumer loans** amounted to BGN 12.170 billion and compared to March 2020 they rose by 5.5%. On an annual basis other loans decreased by 24.6% and reached BGN 378.5 million. In March 2021, **loans to Sole proprietorships** and partnerships without legal status decreased annually by 7.4%. Loans granted to financial corporations were BGN 4.435 billion at the end of March 2021 (3.5% of GDP). Compared to March 2020, they increased by 6.1%.
- At the end of March 2021 the **relative share of Bad and restructured loans decreased by 0.2pps to 7.8%** compared to previous month, and below 8.8% reported in March 2020.

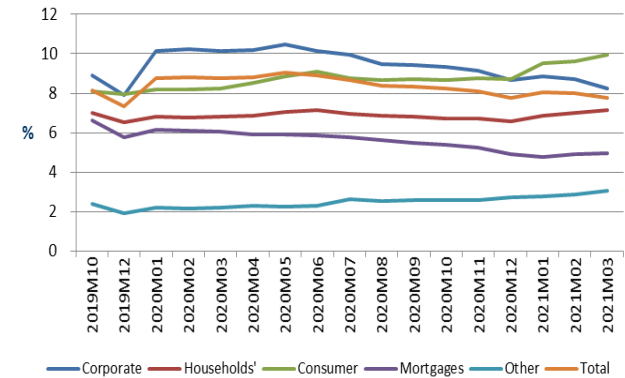
Deposits and Broad Money (M3), (BGN bn)



Loans and Domestic Credit (BGN bn)



Banking sector: Bad and restructured loans (%)



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

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

BGN

%	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	3.14	2.80	2.87	2.75	2.54
loans up to 1 year	3.26	2.81	3.19	2.94	2.57
loans over 1 up to 5 years	3.13	2.96	2.98	2.86	2.73
loans over 5 years	3.09	2.74	2.60	2.58	2.37
households	5.56	5.71	6.00	5.76	5.56
loans up to 1 year	20.17	22.32	24.87	26.03	25.91
- consumer loans	21.08	22.66	25.34	26.55	26.37
- mortgages	0.00	3.25	4.02	0.00	0.00
- other loans	3.80	4.36	4.34	4.34	3.99
loans over 1 up to 5 years	10.34	13.46	11.32	10.25	11.95
- consumer loans	11.72	14.65	12.19	10.72	12.82
- mortgages	3.33	2.75	2.99	3.07	2.82
- other loans	2.20	3.05	3.07	5.36	3.20
loans over 5 years	4.33	3.80	4.25	4.21	4.00
- consumer loans	5.75	5.43	5.67	5.49	5.39
- mortgages up to 10 years	2.89	2.99	3.02	2.93	2.85
- mortgages over 10 yrs	2.91	2.80	2.81	2.79	2.74
- other loans	3.89	3.31	4.73	4.12	3.36

Source : BNB

EUR

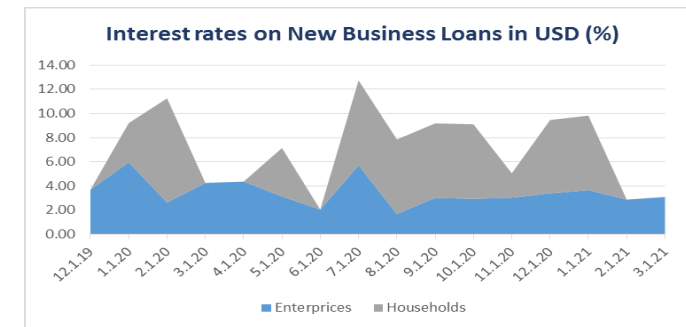
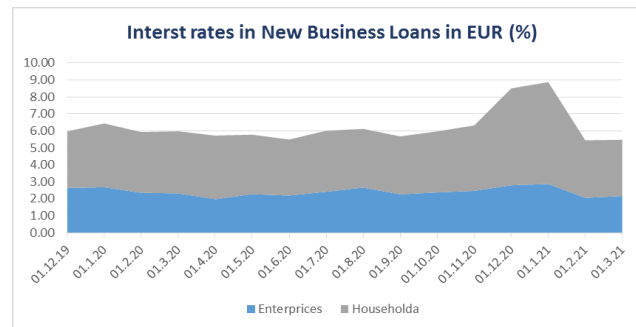
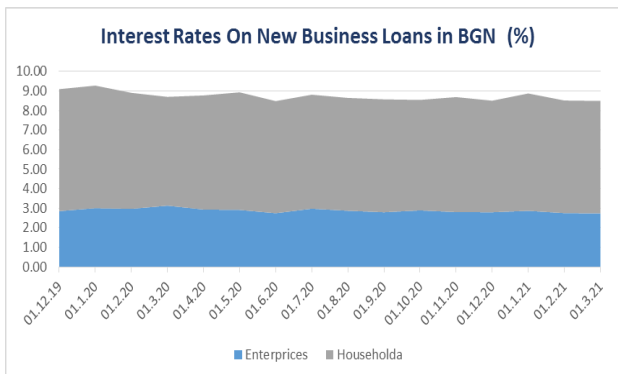
%	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	2.32	2.15	2.76	2.06	2.17
loans up to 1 year	0.53	1.28	0.26	0.52	0.95
loans over 1 up to 5 years	2.72	1.99	3.25	2.29	2.63
loans over 5 years	3.04	2.30	2.85	2.28	2.17
households	3.65	3.38	3.67	3.39	3.31
loans up to 1 year	10.91	4.94	3.82	0.00	0.00
- consumer loans	10.91	4.94	3.82	-	-
- 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	3.97	4.32	2.94	3.70	4.23
- consumer loans	4.26	4.54	3.48	3.87	4.82
- mortgages	3.23	3.01	3.82	3.95	2.91
- other loans	0.00	0.00	1.81	2.44	0.00
loans over 5 years	3.64	3.37	3.70	3.35	3.29
- consumer loans	4.47	3.57	3.26	3.07	3.35
- mortgages up to 10 years	3.03	2.73	3.44	3.11	3.07
- mortgages over 10 yrs	3.55	3.52	3.76	3.54	3.34
- other loans	4.44	2.84	5.31	6.43	2.78

Source : BNB

USD

%	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	4.25	3.38	3.65	2.88	3.99
loans up to 1 year	3.94	0.00	0.00	0.00	1.60
loans over 1 up to 5 years	4.40	3.59	2.36	0.00	5.03
loans over 5 years	4.15	3.36	5.25	2.88	1.58
households	0.00	6.07	6.17	0.00	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	0.00	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 5 years	0.00	6.07	6.17	0.00	0.00
- consumer loans	0.00	3.09	0.00	0.00	0.00
- mortgages up to 10 years	0.00	0.00	0.00	0.00	0.00
- mortgages over 10 yrs	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	6.17	6.17	0.00	0.00

Source : BNB



Banking sector: Interest Rates of New Business Deposits (4)

- In March 2021 Interest Rates of New Business on Deposits of Enterprises maintained the level compared to previous month in BGN, EUR and declined in USD.
- In March 2021 Interest Rates of Deposits of Households remained unchanged compared to previous month in EUR and USD, increased in BGN.

BGN

%	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	0.00	0.02	0.02	0.01	0.01
Overnight deposits	0.00	0.02	0.02	0.01	0.01
Time deposits	0.03	-0.10	-0.11	-0.06	0.01
Up to 1 month	0.02	-0.21	-0.15	-0.12	0.01
Up to 3 months	0.02	0.04	0.00	0.04	0.02
Up to 6 months	0.01	0.03	0.02	0.01	0.00
Up to 1 year	0.11	0.19	0.15	0.13	0.01
Up to 2 years	0.16	0.00	0.00	0.00	0.00
Over 2 years	0.00	0.00	0.00	0.35	0.00
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	0.02	0.01	0.01	0.01	0.03
Overnight deposits	0.01	0.01	0.01	0.01	0.03
Time deposits	0.12	0.15	0.13	0.12	0.07
Up to 1 month	0.02	0.01	0.01	0.01	0.01
Up to 3 months	0.03	0.02	0.01	0.01	0.01
Up to 6 months	0.10	0.08	0.09	0.09	0.04
Up to 1 year	0.26	0.24	0.24	0.18	0.14
Up to 2 years	0.58	0.40	0.28	0.28	0.18
Over 2 years	0.48	0.75	0.63	1.03	0.99
Redeemable at notice	0.38	0.27	0.26	0.26	0.25

Source: BNB

EUR

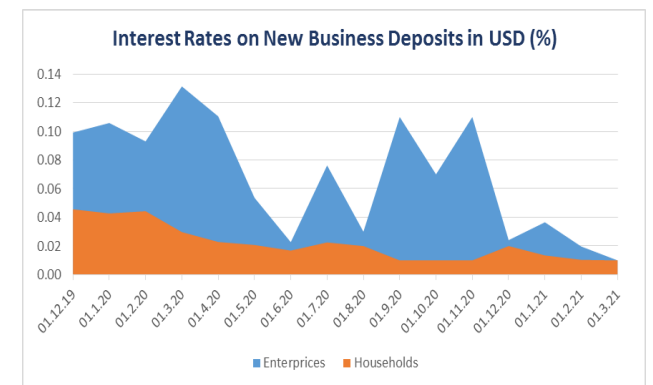
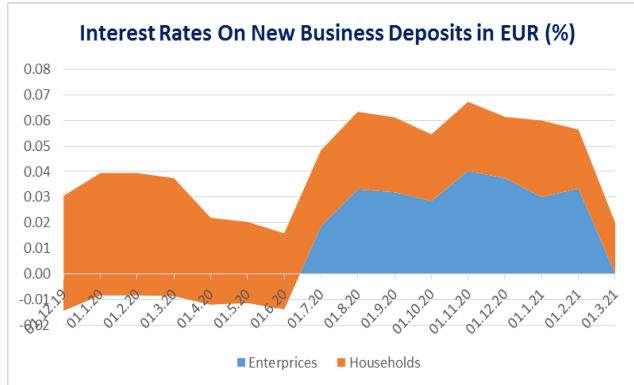
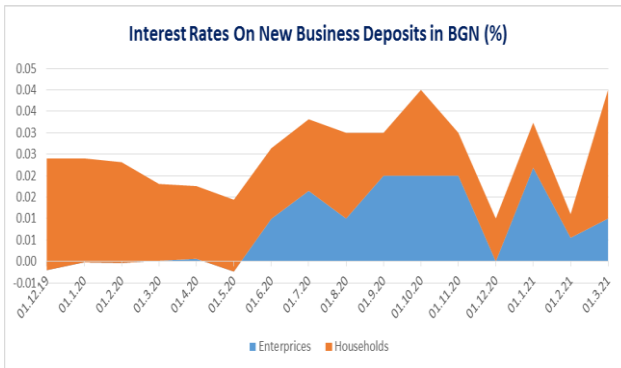
%	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	-0.01	0.03	0.03	0.00	0.00
Overnight deposits	-0.01	0.03	0.03	0.00	0.00
Time deposits	-0.07	0.04	0.01	0.01	0.01
Up to 1 month	-0.17	0.01	0.00	0.00	0.01
Up to 3 months	0.01	0.09	-0.32	0.00	0.01
Up to 6 months	0.01	0.00	0.09	0.01	0.00
Up to 1 year	0.15	0.11	0.10	0.17	0.00
Up to 2 years	0.25	-0.09	0.00	0.00	0.15
Over 2 years	0.25	0.00	0.00	0.00	0.30
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	0.03	0.03	0.02	0.02	0.02
Overnight deposits	0.01	0.01	0.01	0.00	0.00
Time deposits	0.11	0.16	0.12	0.09	0.06
Up to 1 month	0.01	0.01	0.01	0.01	0.01
Up to 3 months	0.03	0.02	0.02	0.01	0.00
Up to 6 months	0.08	0.09	0.09	0.06	0.04
Up to 1 year	0.24	0.20	0.20	0.13	0.09
Up to 2 years	0.40	0.37	0.23	0.20	0.16
Over 2 years	0.49	0.83	0.60	0.78	0.92
Redeemable at notice	0.65	0.55	0.55	0.54	0.54

Source: BNB

USD

%	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	0.13	0.02	0.04	0.02	0.01
Overnight deposits	0.09	0.02	0.04	0.02	0.01
Time deposits	0.99	0.12	0.08	0.16	0.17
Up to 1 month	1.07	0.03	0.02	0.01	0.00
Up to 3 months	0.75	0.05	0.10	0.00	0.00
Up to 6 months	0.33	0.00	0.00	0.15	0.15
Up to 1 year	0.86	0.19	0.20	0.10	0.17
Up to 2 years	0.00	0.00	0.00	0.00	0.00
Over 2 years	0.00	0.00	0.00	0.50	0.00
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	0.03	0.02	0.01	0.01	0.01
Overnight deposits	0.01	0.01	0.00	0.00	0.00
Time deposits	0.30	0.07	0.11	0.09	0.05
Up to 1 month	0.06	0.02	0.02	0.02	0.02
Up to 3 months	0.08	0.04	0.02	0.01	0.01
Up to 6 months	0.16	0.15	0.11	0.08	0.06
Up to 1 year	0.67	0.05	0.21	0.12	0.07
Up to 2 years	0.70	0.25	0.17	0.35	0.22
Over 2 years	0.74	0.49	0.49	0.60	0.10
Redeemable at notice	0.55	0.40	0.38	0.38	0.36

Source: BNB



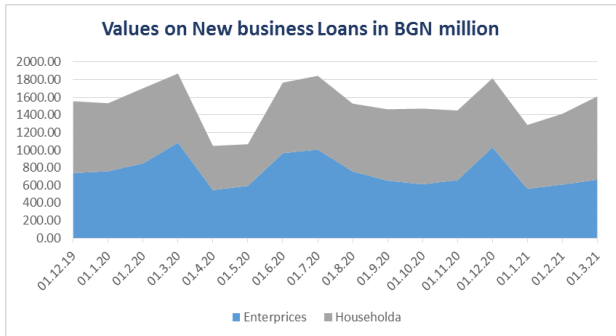
Banking sector: Volumes Dynamics New Business Loans (5)

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

BGN

(million BGN)	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	1085.00	1032.20	561.14	608.38	664.42
loans up to 1 year	217.60	134.50	119.79	188.36	105.95
loans over 1 up to 5 years	335.72	240.88	220.95	132.74	253.28
loans over 5 years	531.68	656.82	220.39	287.29	305.19
households	784.23	783.21	724.44	803.82	945.11
loans up to 1 year	14.98	24.54	16.07	15.18	15.95
- consumer loans	14.20	24.07	15.72	14.82	15.62
- mortgages	0.00	0.00	0.00	0.00	0.00
- other loans	0.79	0.46	0.36	0.36	0.33
loans over 1 up to 5 years	121.64	107.40	132.53	151.32	141.19
- consumer loans	103.78	96.47	119.91	138.68	128.54
- mortgages	1.73	2.29	2.04	1.43	1.57
- other loans	16.13	8.64	10.58	11.21	11.07
loans over 5 years	647.61	651.27	575.84	637.32	787.98
- consumer loans	320.61	244.72	285.80	333.14	371.88
- mortgages up to 10 years	21.82	20.55	15.03	15.46	19.33
- mortgages over 10 yrs	295.75	378.88	270.23	285.02	390.68
- other loans	9.43	7.13	4.77	3.70	6.08

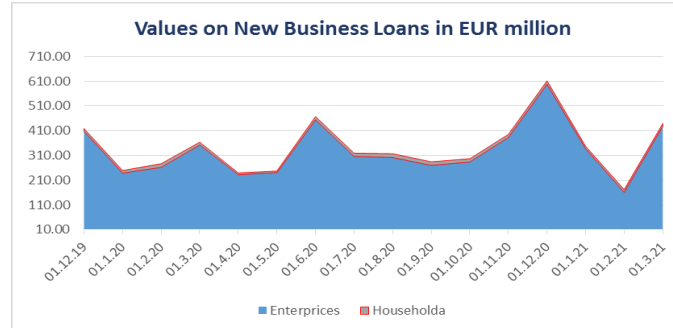
Source: BNB



EUR

(million EUR)	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	352.42	598.11	337.42	161.10	428.17
loans up to 1 year	91.23	30.25	15.88	20.20	20.22
loans over 1 up to 5 years	71.30	192.24	25.28	43.64	50.01
loans over 5 years	189.89	375.62	296.27	97.27	357.94
households	11.47	13.65	9.82	11.15	10.75
loans up to 1 year	0.00	0.01	0.01	0.00	0.00
- consumer loans	0.00	0.01	0.01	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	0.51	0.14	0.35	1.19	0.27
- consumer loans	0.37	0.12	0.19	0.24	0.18
- mortgages	0.14	0.02	0.04	0.76	0.08
- other loans	0.00	0.00	0.12	0.19	0.00
loans over 5 years	10.96	13.50	9.46	9.96	10.48
- consumer loans	1.34	1.02	1.66	3.31	2.39
- mortgages up to 10 years	1.17	2.55	0.38	1.10	1.28
- mortgages over 10 yrs	8.04	9.73	7.17	5.49	6.53
- other loans	0.41	0.20	0.26	0.06	0.27

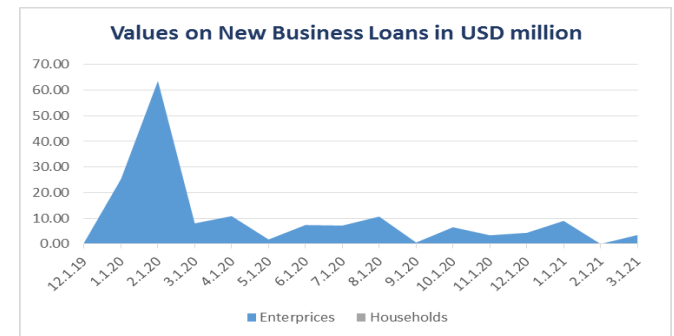
Source: BNB



USD

(million USD)	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	8.07	4.38	9.04	0.04	3.52
loans up to 1 year	0.35	0.00	0.00	0.00	0.46
loans over 1 up to 5 years	3.54	0.42	5.00	0.00	2.45
loans over 5 years	4.18	3.96	4.05	0.04	0.61
households	0.00	0.02	0.03	0.00	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	0.00	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 5 years	0.00	0.02	0.03	0.00	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 yrs	0.00	0.00	0.00	0.00	0.00
- other loans	0.00	0.02	0.03	0.00	0.00

Source: BNB



Banking sector: Volumes Dynamic of New Business Deposits (6)

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

BGN

(million BGN)	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	13756.27	16971.78	16668.11	16543.62	17225.18
Overnight deposits	13683.55	16855.72	16563.52	16405.76	17019.13
Time deposits	72.72	116.07	104.59	137.86	206.04
Up to 1 month	43.08	64.93	86.39	111.73	24.59
Up to 3 months	11.60	28.86	2.54	6.93	7.33
Up to 6 months	8.36	15.88	7.42	3.26	124.48
Up to 1 year	9.32	3.68	8.12	4.96	49.60
Up to 2 years	0.35	2.64	0.04	0.05	0.00
Over 2 years	0.00	0.07	0.08	10.93	0.03
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	21661.04	25438.38	25795.62	26327.48	26624.58
Overnight deposits	21112.58	24808.26	25226.66	25753.04	26017.15
Time deposits	245.06	311.55	254.05	255.62	283.88
Up to 1 month	96.58	113.20	99.04	91.28	94.13
Up to 3 months	30.58	40.73	34.88	51.44	68.56
Up to 6 months	36.27	33.36	21.83	22.48	34.39
Up to 1 year	70.31	90.59	71.40	70.23	71.81
Up to 2 years	6.36	15.68	12.79	8.71	9.79
Over 2 years	4.97	17.98	14.11	11.48	5.19
Redeemable at notice	303.39	318.57	314.91	318.81	323.56

Source: BNB

EUR

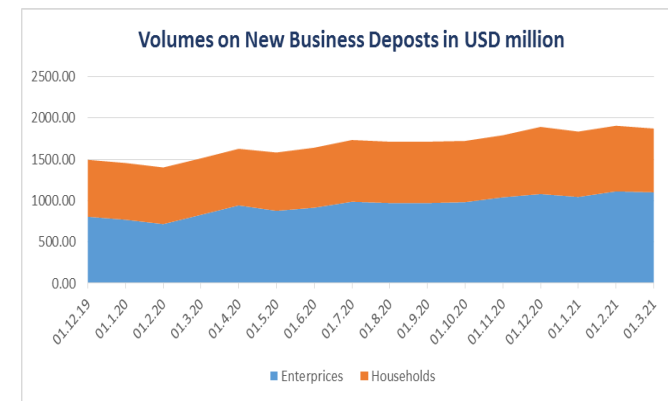
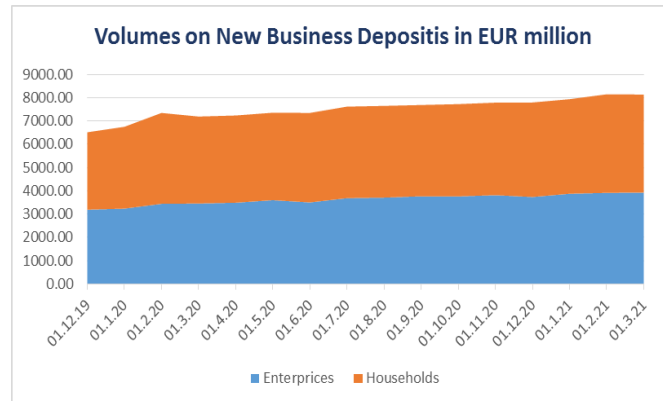
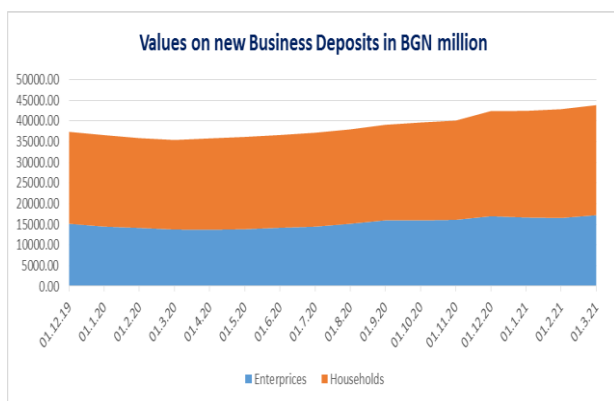
(million EUR)	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	3458.68	3738.03	3877.57	3916.13	3929.15
Overnight deposits	3429.95	3679.24	3851.36	3833.69	3858.20
Time deposits	28.73	58.79	26.21	82.44	70.96
Up to 1 month	16.28	33.00	3.87	68.59	8.22
Up to 3 months	1.75	18.17	4.93	10.42	23.10
Up to 6 months	6.64	0.58	0.49	0.87	16.13
Up to 1 year	3.99	5.97	16.92	2.53	23.41
Up to 2 years	0.00	1.07	0.00	0.02	0.10
Over 2 years	0.06	0.00	0.00	0.00	0.00
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	3730.67	4055.94	4055.54	4227.28	4206.34
Overnight deposits	3454.16	3827.11	3855.44	4007.49	3944.79
Time deposits	168.37	113.25	84.72	103.68	145.35
Up to 1 month	74.24	37.13	29.23	30.20	42.78
Up to 3 months	17.41	13.30	16.42	24.17	33.81
Up to 6 months	22.49	11.65	7.10	6.09	13.20
Up to 1 year	45.17	35.98	21.98	34.00	42.92
Up to 2 years	4.71	6.88	4.37	5.42	9.57
Over 2 years	4.35	8.31	5.62	3.80	3.07
Redeemable at notice	108.13	115.57	115.37	116.11	116.20

Source: BNB

USD

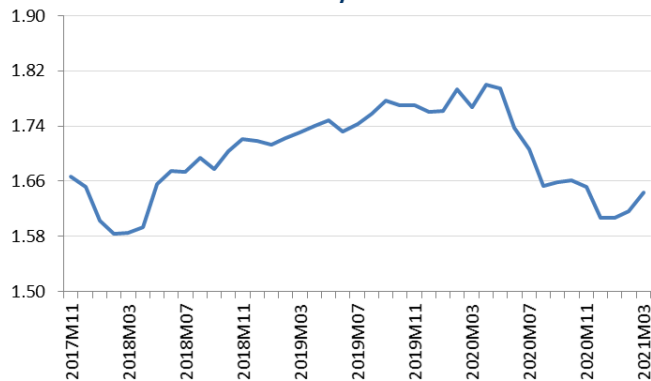
(million USD)	3.31.20	12.31.20	1.31.21	2.28.21	3.31.21
enterprises	829.37	1080.43	1045.14	1112.69	1101.36
Overnight deposits	791.45	1074.74	1042.90	1091.58	1085.16
Time deposits	37.92	5.70	2.23	21.11	16.19
Up to 1 month	32.30	0.08	0.30	0.11	0.00
Up to 3 months	0.35	2.61	1.56	0.00	0.06
Up to 6 months	3.64	0.00	0.22	0.25	0.20
Up to 1 year	1.63	3.01	0.15	17.66	15.93
Up to 2 years	0.00	0.00	0.00	0.00	0.00
Over 2 years	0.00	0.00	0.00	3.09	0.00
Redeemable at notice	0.00	0.00	0.00	0.00	0.00
households	683.20	813.00	791.16	794.48	772.27
Overnight deposits	647.38	765.51	762.47	764.69	725.05
Time deposits	21.37	32.59	13.68	14.69	31.56
Up to 1 month	8.61	6.82	5.97	5.94	5.82
Up to 3 months	2.41	2.27	2.24	3.00	9.42
Up to 6 months	2.24	1.67	0.79	0.96	2.10
Up to 1 year	6.90	19.57	3.27	3.51	9.86
Up to 2 years	0.52	1.05	0.44	0.37	0.45
Over 2 years	0.68	1.22	0.96	0.91	3.91
Redeemable at notice	14.45	14.90	15.02	15.10	15.66

Source: BNB

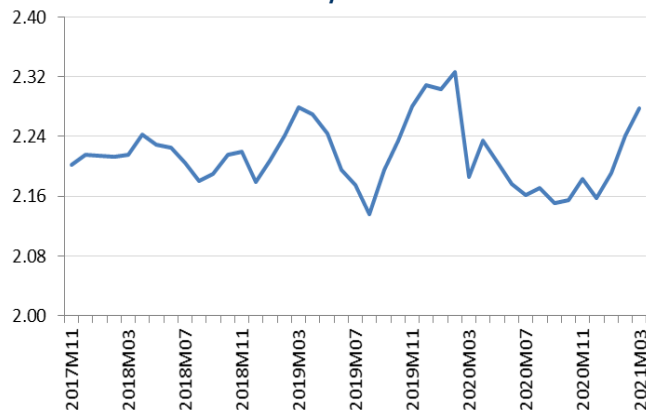


Banking sector: FX Rates (7)

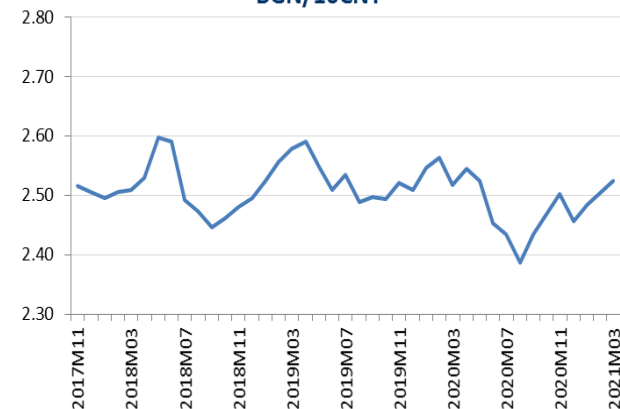
BGN/USD



BGN/GBP



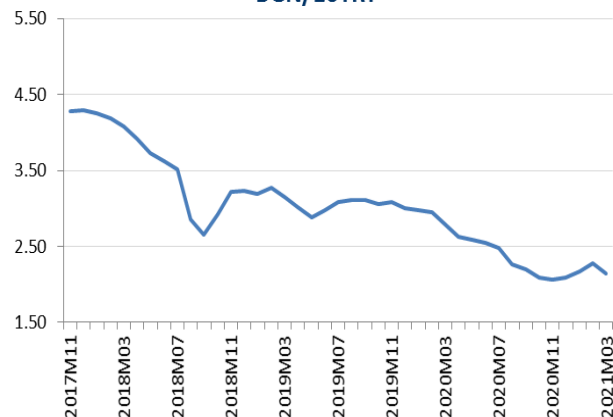
BGN/10CNY



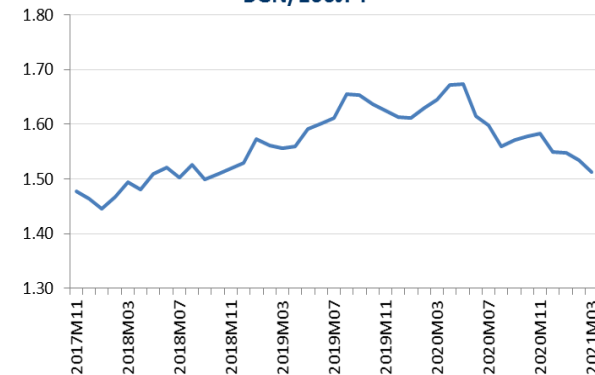
BGN/100RUB



BGN/10TRY



BGN/100JPY



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