

DIRECT INVESTMENT (January – October 2010)¹

According to preliminary data, the *Foreign direct investment in Bulgaria* for January – October 2010 was EUR 844.9 million (2.3% of GDP), compared to EUR 2,526.3 million (7.2% of GDP) attracted in January – October 2009.

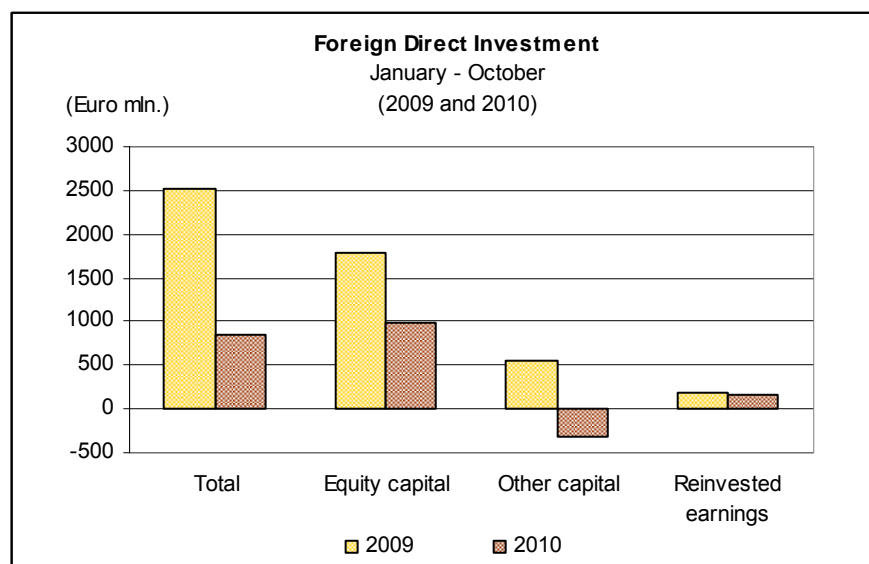
(EUR million)

	2009					2010					2010 - 2009
	I - III	IV - VI	VII - IX	X	I - X	I - III	IV - VI	VII - IX	X	I - X	I - X
Direct investment, net	893.2	658.4	591.4	518.9	2661.9	16.5	404.7	341.2	-44.7	717.7	-1944.1
Direct investment abroad *	-24.7	-22.5	-43.4	226.2	135.6	-19.9	-62.1	-43.3	-1.8	-127.2	-262.8
Equity capital	-17.2	-16.9	-36.4	229.4	159.0	-20.3	-19.3	-12.8	-1.8	-54.1	-213.1
Other capital	-9.0	-6.9	-9.1	-3.8	-28.9	-2.4	-34.8	-26.2	0.0	-63.4	-34.5
Reinvested earnings	1.5	1.4	2.1	0.6	5.5	2.7	-8.1	-4.3	0.0	-9.7	-15.2
Foreign Direct Investment	917.9	680.8	634.7	292.8	2526.3	36.4	466.9	384.5	-42.9	844.9	-1681.4
Equity capital, incl.	508.4	664.2	511.2	106.7	1790.5	180.7	273.4	513.8	30.1	998.0	-792.5
<i>from privatisation</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>non-privatisation flows</i>	508.4	664.2	511.2	106.7	1790.5	180.7	273.4	513.8	30.1	998.0	-792.5
Other capital	340.2	-39.3	84.8	168.7	554.3	-201.9	128.3	-166.9	-85.5	-326.1	-880.4
Reinvested earnings	69.3	56.0	38.7	17.3	181.4	57.6	65.2	37.6	12.5	173.0	-8.5

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

* For assets, a minus sign denotes an increase in holdings, and a positive figure represents a decrease.

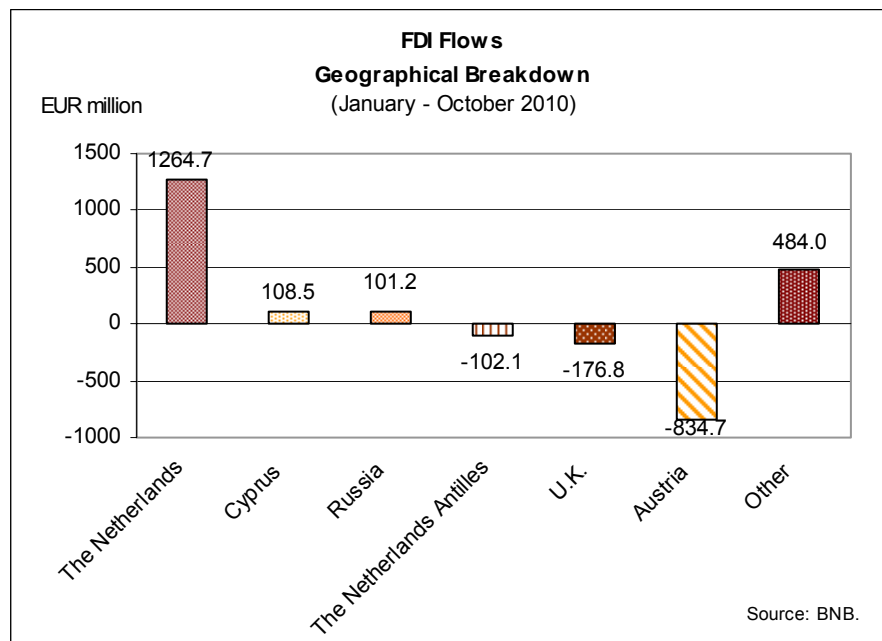
The attracted *Equity Capital (acquisition/disposal of shares and equities in cash and contributions in kind by non-residents in/from the capital and reserves of Bulgarian enterprises and receipts/payments from/for real estate deals in the country)* for January – October 2010 amounted to EUR 998 million. It decreased by EUR 792.5 million compared to that attracted in the same period of 2009 (EUR 1,790.5 million). *The receipts from real estate investments of non-residents* amounted to EUR 204.4 million, against EUR 483.3 million for the period January – October 2009.



The *other capital, net* (the change in the net liabilities of the direct investment enterprise to the direct investor on financial loans, suppliers' credits and debt securities) was negative, amounting to EUR 326.1 million in January – October 2010, compared to a positive *other capital, net* of EUR 554.3 million in January – October 2009. In accordance with the preliminary data¹ the difference of the flows for the reporting period in comparison with the same period in the previous year was mainly due to the lower levels of received intercompany credits for the reporting period compared to previous years, on the one hand, and on the other – to the payments on intercompany lending in accordance with the loan repayment schedules of enterprises.

Based on preliminary data on profit/loss, the *Reinvested Earnings*² (the share of non-residents in the undistributed earnings/ loss of the enterprise) in January – October 2010 were estimated at EUR 173 million, against EUR 181.4 million in the same period of 2009.

By country, the largest net direct investments in Bulgaria for the period January – October 2010 were those of the Netherlands (EUR 1,264.7 million), Russia (EUR 101.2 million) and Cyprus (EUR 108.5 million). The net payments to Austria, the Netherlands Antilles and the UK amounted to EUR 834.7 million, EUR 102.1 million and EUR 176.8 million. The higher net receipts from the Netherlands and respectively net payments to Austria were mainly due to transactions associated with revolving intercompany credits.



According to preliminary data in January – October 2010 Direct investment abroad increased by EUR 127.2 million compared to a decrease of EUR 135.6 million in January – October 2009.

¹ Preliminary data for 2009 and 2010. The data for April – September 2010 are revised.

When comparing the data you it should be taken into account that the initial data on the January – October 2009 FDI, published in a BNB press release as of December 15, 2009 (www.bnb.bg, section Press Releases/Statistical Press Releases/Balance of Payments), was subsequently revised.

With the January – November 2010 report revisions of the October 2010 data will be presented. The 2009 and 2010 data are subject to revisions with the quarterly reports of FDI enterprises submitted to the BNB, as well as with the quarterly NSI data.

GDP for 2009 - EUR 35,042.5 million (NSI data as of 08.09.2010) and GDP for 2010 (estimated by the BNB) – EUR 36,136 million.

² The 2009 and 2010 data include only estimates of banks' data on reinvested earnings.