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GENERAL DATA

Official name	REPUBLIC OF MOLDOVA
Capital	Chisinau
President	Nicolae Timofti
President of the Parliament	Andrian Candu
Prime Minister	Chiril Gaburici (till June 2015)
Parliament of the Republic of Moldova	101 deputies (the Party of Socialists of the Republic of Moldova – 25, the Liberal Democratic Party of Moldova – 21, the Party of Communists of the Republic of Moldova – 20, the Democratic Party of Moldova – 19, the Liberal Party – 13, unaffiliated deputies – 3)
Independence was obtained on	August 27, 1991
Area	33.8 thousand km ²
Administrative units	32 districts, 5 municipalities (Chisinau, Balti, Bender, Comrat, Tiraspol), ATU Gagauzia, Administrative-territorial units from the left of the Dniester
Resident population	3,557.6 thousand (beginning of the 2014 year)
Main religions	Orthodox (93.34%), Protestant (1.98%), Old-rite Christian (0.15%), Catholic (0.14%), etc.
National currency	Moldovan Leu (average exchange rate in the first quarter of 2015: 1 USD = 17.9989 MDL, 1 EUR = 20.3323 MDL)

ABBREVIATIONS

ATP	Autonomous Trade Preferences
ATU	Autonomous Territorial Unit
AVE	Ad-Valorem Equivalent
BMA	Bureau for Migration and Asylum
CEFTA	Central European Free Trade Agreement
CIS	Commonwealth of Independent States
CPI	Consumer Price Index
CR	Concentration Ratio
DCFTA	Deep and Comprehensive Free Trade Agreement
EBRD	European Bank for Reconstruction of Development
EC	European Commission
EPC	Effective Protection Coefficient
EU	European Union
FCA	Final Consumption of Public Administration
FCH	Final Consumption of Households
FDI	Foreign Direct Investment
GAP	Good Agricultural Practice
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GSP	Generalised System of Preferences
GVA	Gross Value Added
HACCP	Hazard Analysis and Critical Control Points
HHI	Herfindahl-Hirschman Index
IDA	International Development Association
IIPP	Index of Industrial Products Prices
IMF	International Monetary Fund
IOM	International Organization for Migration
IPA	Intellectual Property Rights
MAFI	Ministry of Agriculture and Food Industry
MDL	Moldovan Leu
MET	Moldovan Economic Trends
MF	The Ministry of Finance

MFN	Most Favoured Nation
MFO	Microfinance Organization
NBC	National Bank Certificates
NBM	National Bank of Moldova
NBS	National Bureau of Statistics
NCFM	National Commission of Financial Market
NEER	Nominal Effective Exchange Rate
NIER	National Institute for Economic Research
NPB	National Public Budget
NPC	Nominal Protection Coefficient
ODSME	Organization for Development of Small and Medium Enterprises
PCA	Partnership and Cooperation Agreement
PP	Percentage Points
PPI	Production Price Index
RCA	Revealed Comparative Advantage
REER	Real Effective Exchange Rate
SDR	Special Drawing Rights
SITC	Standard International Trade Classification
SME	Small and Medium Enterprises
SPS	Sanitary and phytosanitary measures
TBT	Technical Barriers to Trade
TN	Transnistria
TRC	Total Regulatory Capital
TRQ	Tariff Rate Quota
UN	United Nations
USD	US Dollar
VAT	Value Added Tax
WTO	World Trade Organization
YoY	Year on Year

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MAIN POLITICAL, ECONOMIC AND SOCIAL EVENTS FROM THE REPUBLIC OF MOLDOVA

The beginning of 2015 was marked by several important events of political, economic and social nature.

January 23

Mr. Andrian Candu was elected President of the Parliament. His candidacy was voted by 59 deputies from the LDPM, DP and the PC factions.

January 29, 2015

The Council of Administration of the National Bank of Moldova decided to raise the monetary policy base rate by 2 percentage points from 6.5 percent up to 8.5 percent annually.

February 12

The European Union will award the Republic of Moldova a grant worth 2.2 million EUR. This money is offered under the SUDEP program and will be used to develop the energy sector in five cities of the Republic of Moldova: Cantemir, Ungheni, Orhei, Ocnita and Soroca. One of the projects envisages modernization of the district heating system in Orhei, another project provides for rehabilitation of a kindergarten in Ungheni and other projects aim at upgrading the street lighting in Cantemir, Ocnita and Soroca.

February 17

The Council of Administration of the National Bank of Moldova decided to raise the monetary policy base rate from 8.5 percent up to 13.5 percent.

February 18

The Parliament of the Republic of Moldova voted the new Government led by Chiril Gaburici. The Cabinet also includes: Mircea Buga – Minister of Health, Natalia Gherman – Minister of Foreign Affairs, Maia Sandu – Minister of Education, Sergiu Palihovici – Minister of Environment, Anatol Arapu – Minister of Finance, Vladimir Grosu – Minister of Justice, Ion Sula – Minister of Agriculture, Oleg Balan – Minister of Interior, Stephane Christophe Bride – Minister of Economy, Ruxandra Glavan – Minister of Labour and Social Protection, Vasile Batca – Minister of Construction and Regional Development, Pavel Filip – Minister of Information Technology, Vasile Botnari – Minister of Transport, Monica Babuc – Minister of Culture, Sergei Afanase – Minister of Youth and Sports.

February 20

World Bank country manager, Mr. Alex Kremer, reiterated the World Bank's support for the Republic of Moldova in a meeting with Mr. Chiril Gaburici – the Prime Minister of the Republic of Moldova. The World Bank has shown willingness to provide medium and long-term recommendations to ensure sustainable development of the Republic of Moldova. The Prime Minister expressed interest in continuing the cooperation with the World Bank, including through the budget support instrument of development policy.

February 24

President of Romania – Mr. Klaus Johannis paid a visit to the Republic of Moldova where he met with the President of the Republic of Moldova – Mr. Nicolae Timofti. Among the topics

addressed they approached the bilateral relations between the two countries, Moldova's European integration and regional situation.

February 25-28

Mr. Octavian Calmac, Deputy Minister of Economy paid a visit to Brussels in the context of the Republic of Moldova's exercise of the presidential mandate of the Central European Free Trade Agreement (CEFTA). At this event, the Additional Protocol to CEFTA Agreement between the Republic of Moldova and the Republic of Macedonia was signed that cancelled the quotas for export of wine.

February 26

As a result of the negotiations between the public authorities of the Republic of Moldova and those of the Russian Federation, it was agreed to resume the export of Moldovan apples to the Russian Federation. A mandatory rule is the adjustment of Moldovan apple production to Russian phytosanitary rules.

February 27

European Bank for Reconstruction and Development will provide a loan of 52.5 million EUR to the state railway company "Calea Ferata din Moldova". The money will be used for rehabilitation of railway infrastructure and procurement of locomotives. The loan will be provided in two installments.

February 27

Prime Minister of the Republic of Moldova – Mr. Chiril Gaburici paid a visit to Brussels, where he met with the President of the European Parliament – Mr. Martin Schulz. Mr. Schulz welcomed the intention of the Government of Moldova to continue the European journey. The officials discussed the projects carried out in Moldova with the European Union's support, emphasizing the importance of institutional capacity building and potential country modernization projects.

March 2

Denmark and Poland will support the Republic of Moldova in its European journey. This assurance came from the Minister of Foreign Affairs of the Kingdom of Denmark – Mr. Martin Lidegaard and that of the Republic of Poland – Mr. Grzegorz Schetyna who met with the President of the Republic of Moldova – Mr. Nicolae Timofti. The European officials welcomed the newly invested pro-European Government and noted that the success of the reform program depends on the implementation of the provisions of the Association Agreement with the European Union.

March 4

Republic of Moldova started importing natural gas from Romania through the Iasi-Ungheni pipeline.

March 23

Ms. Irina Vlah won the elections for the post of governor (Baskan) of the Gagauz autonomy, accumulating 51.01% of the total votes of the electorate. In the elections participated over 52% of the autonomy's population.

March 25

The Cabinet of Ministers approved the Government Decision on the initiation of negotiations and approval of the signing of the Financing Agreement between the Government of the Republic of Moldova and the European Commission for the implementation of the ENPARD Programme. The agreement provides for provision of budgetary support to the Government of the Republic of Moldova by the European Commission, worth 64 million EUR. The implementation of the ENPARD Programme will contribute to the development of Moldova's capacities to export main products to the EU market. The funds are designed to promote sustainable and inclusive economic growth in agriculture and rural development. The objectives of the Agreement among others include: restructuring and modernizing the agricultural and food sector; ensuring sustainable management of natural resources; improving living and working conditions in rural areas.

March 26

The Council of Administration of the National Bank of Moldova decided to maintain the monetary policy base rate of 13.5 percent. The members of the Council decided to keep the interest rates on loans at the current level of 16.5 percent annually, and that of deposits at the level of 10.5 percent annually.

EDITION SUMMARY

Production

In January-March 2015 the development of the real sector of the national economy was marked by continued increment in production in most economic sectors. According to official statistics, the gross domestic product (GDP) amounted in the first quarter of this year to 24,423 million lei, posting an increase of 4.8% in comparison with the corresponding period of 2014 (in real terms). In January-March 2008-2015, the GDP registered an increase of about 20 percent and an average annual growth rate of 2.7%.

The main contributors to the GDP growth during the analyzed period have been the following branches of the national economy: financial intermediation and insurance (whose value added volume increased by over 1/3 sply), industry (by 7.9%), wholesale and retail trade (by 3.9%), which triggered increases in the GDP volume of 2.1%, 1.3% and 0.7%, respectively.

In terms of use, the main contribution to the GDP growth was made by the development of the gross capital formation and international trade that determined the GDP increase of 2.4% and 2.1%, correspondingly.

In January-March of the current year, compared with the corresponding period of 2014, industrial production grew by 7.7%, being underpinned by the processing industry (+8.6%), production and supply of electrical and thermal energy, gas etc. (+7.1%), and extractive industry (+10.2%). However, the industrial output produced in the first quarter of this year, remained below the level posted in the corresponding period of the pre-crisis year 2008 (by 2%).

Agricultural production in January-March 2015 posted an increase of 4.4% sply, being generated by the increase at the same pace in the volume of animal production.

During the analyzed period, the volume of transported commodities rose further – by 1.8%. Also there was an increase in the number of passengers carried by public transport (7.0%) and passenger mileage (9.1%). At the same time, commodities mileage decreased by 5.2% in comparison with the same period last year.

Simultaneously, in the first quarter of the current year there was a contraction in tourist activity. Thus, the total number of tourists accommodated in collective tourist accommodation establishments declined by 6.6% sply, while the number of tourists and excursionists, who benefited from services provided by travel agencies and tour operators fell by 2.9%.

Prices, exchange rates and monetary policy

In the first three months of 2015 the consumer price index increased by 6.1% comparing with the same period last year. The main factor that has caused the price rise was the depreciation of the national currency against major reference currencies. However, the CPI growth was tempered by lower pressure from food products prices, due to their seasonal decrease and the decline in food products prices worldwide.

Core inflation has continued its upward trend observed since the end of 2013 and in the first three months of the year 2015 amounted to 9.1%, or 4.1 p.p. above the level reached in the previous year. Since May 2014, the annual rate of the core inflation has increased faster than the

CPI. This overtaking was due to the reduction in the pressure on the CPI exerted by the prices of food products, which are not taken into account when calculating the core inflation.

In the first quarter of 2015 there were uneven increases also in other price indices, which, compared to the same period of the previous year, posted the following developments:

- ✓ Industrial production price index advanced by 5.7%, comparing with the same period last year.
- ✓ In the construction sector prices have basically remained at the level of the previous year and equated to 9.1%. The highest price increases in constructions have been recorded in agriculture, processing industry, electrical energy, and housing construction.
- ✓ Producer prices of agricultural products rose by 1%. The slowdown in the annual growth rate of this category of prices during this period has been influenced particularly by animal products.
- ✓ Fuel prices have registered an increase of 2.2 p.p. and reached the level of 5.2%.

The first three months of 2015 were marked by sharp fluctuations of the national currency exchange rate against major reference currencies that have left their mark both on the monetary policy promoted by the authorities and on other branches of the national economy, fueling the pessimistic anticipations related to the future economic development of the country and discouraging the development of small and medium business.

In the first quarter of 2015 the average nominal exchange rate in relation to major reference currencies amounted to 20.4 MDL/EUR and 18 MDL/USD, depreciating, in comparison with the similar period of the previous year, by 10.9% against the single European currency and by 34.5% against the US dollar.

Monetary Policy

The beginning of 2015 was marked by the accentuated pro-inflationary risks that compelled the NBM to tighten the monetary policy pursued in order to achieve its fundamental objective – the price stability.

In this context, in the first quarter of 2015, the base rate was gradually increased by 9 p.p., rising from 4.5% to 13.5%. Concomitantly with the base rate, there were increases to the same extent in: the interest rate on overnight loans up to the level of 16.5% and the interest rate on overnight deposits to up to 10.5%.

In the first quarter of 2015 the NBM increased gradually the ratio of the required reserves with the NBM attracted in MDL and in non-convertible currency: up to 16% in February and to 18% in March. The ratio of required reserves from means attracted in USD and EUR has remained at the level of the previous year – 14%.

In the first three months of 2015, the NBM intervened in the interbank foreign exchange market preponderantly as a seller of foreign currency. The volume of foreign currency sales amounted to 258.3 million USD, which was a threefold increase compared to the same period last year.

The balance of the official reserve assets, at the end of the first quarter of 2015, amounted to 1.76 billion USD, decreasing by 36.4% compared to the end of 2014, which equated to approximately 1 billion USD. The reduction in the official reserve assets was conditioned by the NBM interventions in the interbank foreign exchange market made with the view to ameliorate the excessive fluctuations in the exchange rate of the national currency in relation to major reference currencies and to cover the necessary of the capital on the monetary market, following the deterioration of the financial situation in the banking sector.

Economic instability and the precarious situation in the national banking system led to a slight diminution in all the components of money supply in national currency. The modest advance of 3.6%, in real terms, in the volume of money supply, recorded in the first quarter of 2015 in comparison with the same period last year, has been fueled in particular by the increase in the volume of deposits in foreign currency.

A similar dynamic has been observed also in the case of monetary base. Comparing with the data from the end of 2014, at the end of the first quarter of 2015 the monetary base posted a decrease of 7.5%, while in comparison with the same period of 2014 the volume of the monetary base reduced by 5% and amounted to 20.6 billion MDL.

Public finances

The National Public Budget revenues increased in the first quarter by 1,760.6 million MDL or by 20.9% compared to the same period of 2014. This trend is largely due the actions taken by the State Tax Service in respect of the budget collections. However, there was a diminution of 5.0 percentage points in tax collections compared with the previous year and an increase of 6.6 percentage points in non-tax revenue receipts. The remaining components recorded minor decreases during the examined period in comparison with the same period of 2014.

With regard to public spending, there were huge amounts of forecasted expenditures not used, although these increased significantly over the same period last year. As a general trend, there was an increase in social expenditures (by 19.4% compared to the previous year, largely on account of the health care expenditures). It is noteworthy that in comparison with previous periods, the economic expenditures declined compared to same period last year, while in the previous periods these registered steady growth. At the same time, expenditures on public order, defense and state security rose by 17.7%, and those on environmental protection and hydrometeorology by 58.3%.

In terms of the state debt, an upward trend in the external debt to multilateral creditors was observed. At the same time, the external state debt owed to bilateral creditors and to commercial creditors continued to decline.

Banking sector

Problems in the domestic banking sector, that are related to dubious transactions of some commercial banks, has given rise to significant troubles in the financial sector in the first quarter of 2015 as well. In this context, the problems of financial institutions (B.C. „Unibank” S.A., B.C. „Banca Socială” S.A. and B.C. „Banca de Economii” S.A.), which further have remained under special administration, triggered major deteriorations in the main prudential indicators of the entire banking sector.

However, the level of capitalization of the domestic banking system, when calculated without the 3 problematic banks of the sector, is considered to be comfortable, recording in March 2015 higher values of 23.4%, while the minimum threshold established under the regulatory framework is ($\geq 16\%$). In this context, in March 2015 the liquidity indicators of the banking sector registered values above those regulated (liquidity principle II posted 25.21%). The exceptions are the group of problematic banks, which recorded values below those regulated by the NBM – minimum liquidity requirement ($\geq 20\%$): BC „BANCA SOCIALA” S.A. with current liquidity of only 5.50%, Banca de Economii S.A. with only – 6,26%, and B.C. „UNIBANK” S.A. – 7,79%.

The problems encountered in the three commercial banks have quickly contaminated other financial institutions as well, affecting depositors, investments and the economy in general. Therefore, the NBM should monitor and take measures aimed to strengthen the mechanisms for supervising the financial sector as a whole. Financial supervision needs to be enhanced with the

view to ensure that domestic banks are optimally capitalized and act promptly in case of any risk in order to remedy the weaknesses sharpened by the crisis.

External sector

The developments of the external sector in the first quarter have negatively marked the national economy.

External trade in goods has been declining. Starting with the second half of the previous year and including the first months of the current year monthly developments of exports have marked declining dynamics compared with the same period last year. In January-March 2015 the value of exports of goods amounted to 488.2 million USD, decreasing by 14.8% compared to the same time last year and 11.5 p.p. of this decrease was determined by decline in re-exports.

This trend was driven preponderantly by contraction in the supplies of non-food manufactured goods to the markets of the CIS countries and other states except for these and countries from the EU area. And this has conditioned changes in the geographical and commodity structure of exports. Reduced performance was certified, also in the case of supplies to Western European markets.

Imports of goods in the first months of the year have continued the downward trend posted in 2014 when monthly developments showed negative annual growth rates in most months of the year. These developments fit neatly into moderating trends in imports of goods in the aftermath of the 2009 crisis. In January-March 2015 their value amounted to 976 million USD, decreasing by 19.9% compared to the same time last year. This trend was determined by contracting supplies from the CIS countries, where exports to the Republic of Moldova are steadily diminishing over the last 16 months sply (January 2014-April 2015) as well as from the EU and other countries. According to available data for the first three months of the year the decrease in imports has been determined by the reduction in the unit value of imported goods by 21%.

The moderate domestic consumption growth in the first months of the year, deflationary pressures in the EU area and lower demand for exported goods from the Eastern partners are some factors that have influenced in this regard.

Foreign trade in services also declined, both exports and imports. Decreases were posted in the main service areas that are subject to foreign trade (transport, travels, communications), which inevitably have influenced the overall value of trade in services.

Remittances have continued to reduce for the third consecutive quarter (sply), negatively affecting the inflows recorded in the current account. Under the influence of contracting volume of money transfers from the Russian Federation (-38.3% sply), the amount of remittances received in the economy diminished down to 322.5 million USD, i.e. 19% less compare to the same time last year.

In the first three months of the year, the external indebtedness of the country increased by 46.8 million USD compared to the sply, the net due *balance of the financial account* amounting to 201 million USD.

According to preliminary data, the *net inflow of foreign direct investments* in the national economy amounted to 75.5 million USD in January-March of the current year (exceeding the level of the similar period last year), being driven by increasing investment from reinvested earnings and intra-group loans, which provided 40.8 million USD and 13.5 million USD of investments made during this period. The leap is a major one compared to the same period last year, but it also should be noted that the basis for comparison is very small. Also, the Republic of Moldova is in a geographical area with high risks for potential investors. This situation is reinforced by the political crisis in the country, which affects policy stability and implementation

of commitments made for the promotion thereof. The events produced in the financial system are cracking the banking system, enhancing society's distrust in it. In addition, monetary policy becomes more restrictive, demotivating even more the business environment to borrow and to invest.

Official external reserve assets reduced by 312.8 million USD during this period. By the end of March the total volume of reserve assets dropped down to 1,752.3 million USD, continuing the trend posted at the end of last year. Major fluctuations in the foreign exchange market required the intervention of the national monetary authority to make sales of foreign currency. Likewise, during this period there were high fluctuations in the exchange rate of the EURO on international markets, its depreciation against the USD influencing inevitably the volume of Moldovan' official reserve assets estimated in USD.

Business environment

The results of the international rankings Doing business are very important for the Republic of Moldova, since these show not only the trends towards the change in the state regulatory influences, but also demonstrate the pace of such changes compared to other countries.

The standing of the Republic of Moldova in the Doing Business rankings has improved over the last years. This trend has been revealed by the analysis of different indicators, both based on the Republic of Moldova's position in the ratings, and also according to the DTF indicator ("distance to the frontier"). The Republic of Moldova ranked 63 of 189 countries in the Doing Business 2015 rankings, advancing 19 positions compared to last year.

However, the performance of the country differs depending on the analyzed indicator. Thus, some of them, for example Starting a business, recorded high levels showing clear progress over several years, while in the case of other indicators the situation is unfavorable, and even if it changes, the changes are insignificant, for example, Dealing with construction permits, Trading across borders and Getting electricity.

In the ranking of economic freedom in 2015 the Republic of Moldova was 111 of 186 countries, indicating a low level of the economic freedom index. Among the 43 countries in the European region, similarly to the previous years, the Republic of Moldova holds the 39th place (preceding Greece (40th), Russia (41st), Belarus (42nd) and Ukraine (43rd)), while the Economic freedom index is lower than the average in the region and worldwide.

Social sector

Demographic situation. The natural movement of the population in the first quarter of the year was characterized by an increase in both birth rate and death rate, maintaining the negative natural increase in the population. In January-March 2015, the total number of *live births* in the country was 9,179 persons, increasing by 2.1% compared to the same period last year. At the same time, the number of *deaths* was 11,166 persons, and the overall mortality rose by 1.9% compared to the same period last year. Following these dynamics, the natural decrease in the population amounted to 1,987 persons or 2.2 persons per 1000 inhabitants, versus 2.3 in the first quarter of 2014.

Internal migration of population. In January-March 2015, according to the Ministry of Internal Affairs, 858 foreign citizens and 189 repatriates received residence permits (permanent and temporary). In terms of the structure of immigrants by the purpose of arrival, the dominant share pertained to immigration for family reasons – 41.3%, work – 34.4%, citizens immigrated to study – 8.9%, other reasons – 15.5%.

Labor market. In the first quarter of the year, there was an increase of 2.1% (23.8 thousand persons) in the economically active population in comparison with the similar period last year,

concomitantly with the reduction in the inactive population, especially on account of persons gone abroad for work or seeking work abroad (-17.3 thousand persons). The declining domestic demand for labor force, characterized by a reduction in the employed population was accompanied by an increase of 40.4 thousand persons in the number of unemployed compared to the same period last year, and correspondingly in the unemployment rate up to the level of 8%.

With regard to registered unemployment, according to the NAE data, as of April 01, 2015, 26.1 thousand registered unemployed were seeking work, and every sixteenth had been dismissed from business units.

Remuneration of labor. In the first quarter 2015, the gross nominal average salary earnings, according to the NBS of the Republic of Moldova, amounted to 4,300.2 MDL, increasing by 13.1% over the same period last year. The annual growth rates of average monthly nominal and real salary earnings recorded a relatively high dynamic during the first three months of the year: in January, the gross nominal average salary earnings increased by 12.8% compared to January 2014, and in real terms – by 7.7%; in February – by 14.1% and, correspondingly, by 7.1%; in March – by 12.4% and 4.9%, respectively.

Social protection of population. As of April 01, 2015, the number of pensioners registered with the social protection bodies amounted to 670.1 thousand persons, which is 11.0 thousand persons more compared to April 01, 2014. The average amount of monthly pension, as of April 01, 2015, was 1,087.8 MDL (before indexation), increasing by 6.5% in comparison with April 01, 2014.

Healthcare. Population morbidity by some infectious diseases in January-March 2015 was characterized by the increasing number of cases of viral hepatitis A, acute respiratory infections, including influenza and epidemical parotitis. With regard to other infectious diseases for most diseases there was a tendency toward the reduction in the incidences of diseases. With regard to morbidity by "socially determined diseases" there was an increase in cases of syphilis and pediculosis of 9.5% and 1.4%, respectively. In January-March 2015 the number of human immunodeficiency virus (HIV) carriers amounted to 71 people. Also, there were 19 cases of the Acquired Immune Deficiency Syndrome (AIDS).

Crimes. In January-March 2015, there were 8.9 thousand crimes registered, or by 0.8% less than in the first quarter of the previous year. During this period on average there were 25 crimes registered per 10 thousand inhabitants. The highest crime rates were recorded in Chisinau and Balti, registering 39 crimes per 10 thousand inhabitants and, respectively, 29 crimes per 10 thousand inhabitants, which exceeded 1.5 times the average in the country. Each eighth of the total recorded crimes was committed by persons in working age, but with no occupation. The weight of crimes committed by minors or with their participation amounted to 2.0%.

Chapter I

PRODUCTION¹

Gross domestic product

In the first quarter of 2015 the gross domestic product (GDP) amounted to 24423 million lei (at current market prices), increasing by 4.8% in comparison with the corresponding period of the previous year (in comparable prices). Thus, against the backdrop of the reduction of 6.9% marked in the crisis year 2009 and the ascending dynamics in the subsequent period, in January-March 2008 – 2015, the GDP posted an increase of about 20 percent and an average annual growth rate of 2.7%.



Figure 1.1. GDP dynamics in January-March 2008 – 2015 (%)

Source: Author's calculations based on the data of the National Bureau of Statistics.

The main contributors to the GDP growth in January-March 2015 (annualized calculation) have been the following branches of the national economy:

- *Financial intermediation and insurance*, posting an increase of over 1/3 in the volume of activity and a weight of 9.4% in the GDP structure, led to its growth of 2.1%.
- *Industry* (with a weight of 16.4% in the structure of the gross domestic product) whose volume of activity increased by 7.9%, generated the GDP growth of 1.3%;
- *Wholesale and retail trade*, recording an increase of 3.9% in the volume of activity and a contribution of 18.4% to the GDP formation, influenced its growth of 0.7%, etc.

Net taxes on products, marking a growth rate of 3.1%, reduced compared to the gross value added (of 5.2%), had a contribution of 16.2% to the GDP formation (decreasing by 0.5 p.p. compared to the first quarter of 2014) and generated an increase thereof of 0.5 percent.

¹ The analysis is presented without the data on enterprises and organizations from the left bank of the Dniester River and the mun. Bender, based on the official statistics compiled by the National Bureau of Statistics. In some cases, appropriately specified, available data regarding the Transnistrian region, disseminated by the regional statistical body, are presented.

In terms of use, the development of gross capital formation and of international trade had a main contribution to the GDP growth. Thus, the gross capital formation (GCF), given its weight of 24.2%, determined the GDP growth of 2.4%. The increase in the GCF was generated exclusively by the rise in gross fixed capital formation (7.8%), while the volume of stocks declined. Investment activity has still remained relatively reduced, the gross fixed capital formation (GFCF), in the first quarter of 2015, accounted for less than 1/4 of the GDP, compared to over 30 percent in the first quarter in the pre-crisis year 2008.

The increment of 6.3% in the volume of exports of goods and services (expressed in national currency), posted in January-March 2015, against the background of the increase at a slower pace in imports – 1.1%, has conditioned the reduction in the negative value of net export as contribution to the GDP formation to (-) 35.7%, generating the GDP growth of 2.1%.

The first quarter of this year, comparing with the first quarter of the previous year, was marked by the reduced pace of growth of household final consumption, HFC (+ 0.7%) and further reduction in general government final consumption, GGFC (-1.1%), conditioning the diminution of 4.7 p.p. in the total contribution of final consumption to the GDP formation - to 111.6% in January-March of the current year.

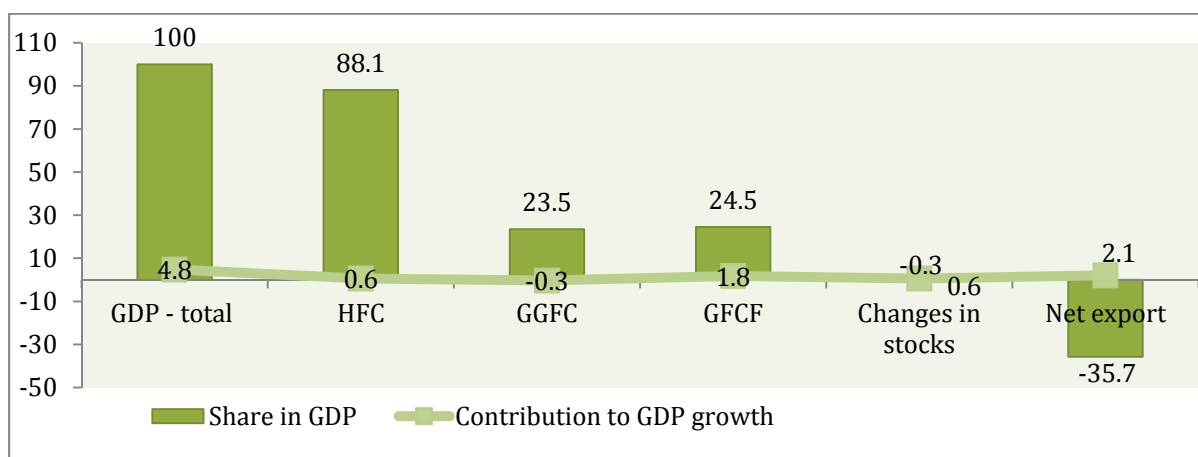


Figure 1.2. Contribution of components by use categories to the GDP formation and growth in January-March, 2015 in comparison with the corresponding period of 2014 (%)
Source: According to the data of the National Bureau of Statistics.

Industry

In January-March of the current year, comparing with the corresponding period of 2014, the industrial production posted an increase of 7.7%, being underpinned by processing industry (+8.6%), production and supply of electrical and thermal energy, gas etc. (+7.1%), and extractive industry (+10.2%), which have contributed to the increment in the total output volume in this important branch of the national economy by 5.9%, 2% and 0.1%, respectively. However, the industrial output produced in the first quarter of this year, remained below the level posted in the corresponding period of the pre-crisis year 2008 (by 2%).

At disaggregated level, an important impact on the positive development of the industrial production during the analyzed period have had: manufacturing of electric equipment, which rose by 1.8 times comparing with the same quarter last year; food industry – by 11.0%; manufacturing of machinery, appliances and equipment – by 1.8 times; manufacturing of clothing apparel – by 5.6%. These activities, when comparing with the first quarter of 2014, have contributed to the increase in the total industrial production by 3.0%, 2.3%, 1.2% and 0.5%, respectively.

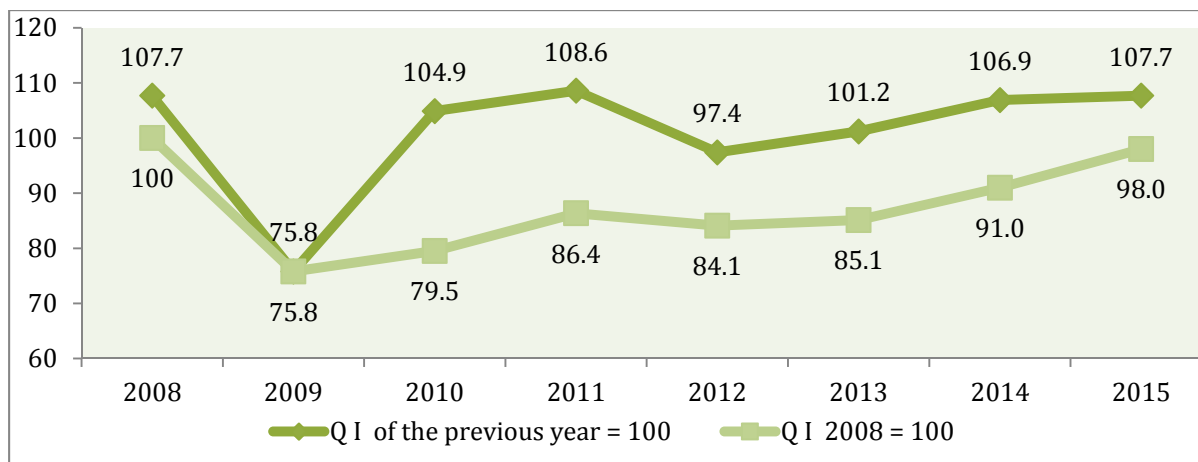


Figure 1.3. Industrial production indices in January-March 2008-2015 (%)

Source: Author's calculations based on the data of the National Bureau of Statistics.

Positive developments in the food and beverage industry, whose weight in the total gross value added in the entire industry amounted to 24.6%, were particularly influenced by the increase in production pertaining to processing and preserving of fruits and vegetables (by 1.5 times); manufacturing of bakery and pastry products (by 9.0%); manufacturing of cocoa products, chocolate and sugar confectionery (19.0%); of vegetable and animal oils and fats (+ 6.8%); dairy products (by 5.2%), conditioning the overall industry growth by 1.3%, 0.4%, respectively, and by 0.2% for each of the other activities listed above.

Table 1.1. Development of industrial production by main types of activities in January-March 2015 (%)

Types of activity	Indices of industrial production: Q. I 2015/ Q. I 2014	Structure of gross value added	Contribution to the increase in industrial production (+/-)
Industry – total	107.7	100.0	+7.7
Extractive industry	110.2	3.0	+0.1
Processing industry	108.6	79.4	+5.9
<i>out of which food industry</i>	111.0	24.6	+2.3
Production and supply of electrical and thermal energy, gas, hot water and air conditioning	107.1	14.3	2.0
Water supply, sewerage, waste management and decontamination activities	90.4	3.3	-0.3

Source: According to the data of the National Bureau of Statistics.

At the same time, there were significant reductions in the production volumes in the following activities of the industry: distillation, refining and blending of alcoholic beverages – more than 2 times (causing a decline of 1.1% in the total industrial production); manufacturing of tobacco products – more than 5 times (causing a decrease of 0.7% in the total industrial production); manufacturing of other non-metallic mineral products – by 4.3% (conditioning a reduction of 0.2% in the global industrial production) etc.

The weight of production supplied by industrial enterprises to the external market in the first quarter of this year accounted for about 34.1% of the total production supplied, posting an increase of 0.3 p.p. in comparison with the corresponding period of 2014.

Agriculture

Agricultural production in January-March 2015 posted an increase of 4.4% compared to the same period of 2014. The growth of agricultural production, represented in proportion of 99% by the zoo-technical sector production, has been generated by the increase at the same pace in the volume of animal production.



Figure 1.4. Dynamics of agricultural production volume in January-March 2008-2015 (%)

Source: Author's calculations based on the data of the National Bureau of Statistics.

Animal production has been continuously determined by the situation in households, whose share in the livestock, as of April 01, 2015, amounted to: 97% of the total number of sheep and goats, 92% - of cattle and 52% - of pigs. As a result, in the first quarter of the year, the share of these households accounted for 93% of milk production, cattle and poultry breeding - 56%, and egg production - 44%. In total in January-March 2015, compared to the same period of 2014, there was an increase of 6.9% in the production of cattle and poultry, production of milk of all types - 2.8%, while the egg production decreased by 9.8%

Investments in long-term tangible assets

In January-March 2015 investments in long-term tangible assets totaled about 2442.4 million lei, posting, in real terms, a moderate increase of 2.4% in comparison with the same period last year. Marking the high of investments made during the first quarter over the last seven years, however, these accounted for only about 69 percent of the level achieved before the crisis year - 2008.

In terms of technological structure elements, the biggest positive impact on the dynamic of investments was exerted by investments in equipment, machinery and transport means, whose volume increased during the analyzed period by 4.9%. Against the backdrop of the prevailing contribution of 52.0% to the formation of investment in the first quarter of 2014, this component led to an increase of 2.5% in the total investment volume during the reference period. The volume of construction and assembly works has remained at the level of the similar period of the previous year, accounting for 41.3% in the structure of total investments in the

first quarter of the current year. At the same time, there was a decline in the volume of investments in *other expenses* (purchase of land, design, etc.) – of about 4 percent.



Figure 1.5. Dynamics of investments in long-term tangible assets in January-March 2008-2015 (%)

Source: Author’s calculations based on the data of the National Bureau of Statistics.

The analysis in terms of the types of assets indicates a positive development of investments in residential buildings (by 7.3%), while the volume of investments in non-residential buildings and edifices reduced sharply – by about ¼. In physical expression, in the first quarter of this year, residential buildings with total area of approximately 66.3 thousand m² have been put into use, i.e. the volume was by 6.3% bigger than in the first quarter of 2014.

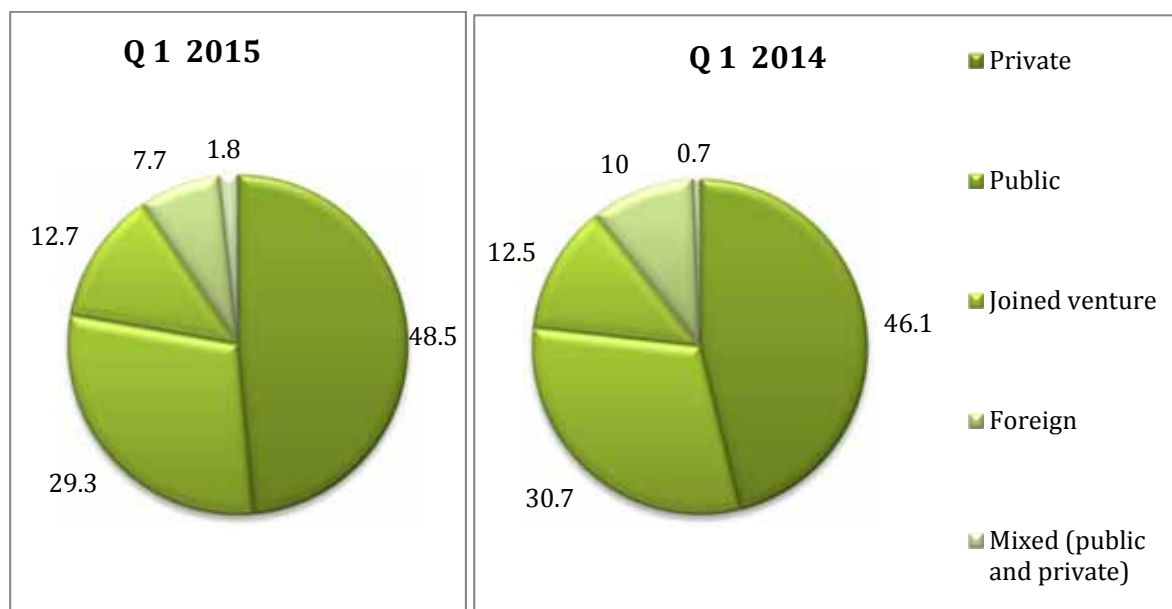


Figure 1.6. Structure of investments in the long-term tangible assets by forms of ownership in January-March 2014 and 2015 (%)

Source: According to the data of the National Bureau of Statistics.

By forms of ownership, the intensification of investment activity was driven by private sector entities of the national economy, whose investments value rose by 7.7% in comparison with the

same period last year, triggering an increase of 3.5% in the total investment volume and up to 48.5% in the share of investments structure (see Fig. 1.6). The volume of investments of joint ventures with property of the Republic of Moldova registered an imposing increment by 2.5 times, which, however, due to its insignificant share (0.7% in the first quarter of 2014), has contributed to an increase in total investments of only about 1%. It should be noted that against the background of moderate growth of investments of joint ventures with foreign capital posted in the first quarter of this year (3.9%), those of entities with fully foreign capital dropped by more than by 20 percent, generating a decline of 2 percent in the total investments volume.

In the first quarter of the current year, the volume of construction works performed under contract declined by 1.2% (in real terms) compared to the corresponding period of 2014. In terms of structural elements of the works performed, new constructions prevailed, whose share in the total construction volume amounted to 61.5%, marking an increase of 1.3% over the previous year, which however did not allow to fully mitigating the effects of the reduction in the volume of capital repairs – by 7 percent. In terms of types of construction objects, the volume of works performed under contract increased only in residential constructions – by 10 percent.

It is necessary to mentioned as well the decrease in the total number of building permits issued for buildings (15.5%) in January-March 2015, particularly for the non-residential buildings (over 23%), compared to January-March 2014. This does not infuse with optimism regarding the radical recovery of the situation in the construction sector.

Trade and other market services

In the first quarter of 2015 the turnover of enterprises whose main activity is retail trade (except for the trade in motor vehicles and motorcycles) increased by 6.9% (in real terms) in comparison with the corresponding period of 2014.

The turnover of enterprises whose main activity is market services provided to the population decreased during the same period by 0.8% (at comparable prices).

The value of the turnover of enterprises whose main activity is wholesale trade (except for the trade in motor vehicles and motorcycles) increased by 11.8%, and that of the enterprises whose main business is services, in particular, provided to enterprises – increased by 5% (at current prices)

Transport

In January-March 2015 transportation companies carried 2.3 million tons of commodities, posting an increase of 1.8% comparing with the same quarter of the previous year, thus ensuring the continuation of the positive dynamics in this activity since 2010 (according to the preliminary data).

The largest contribution to the increase in the volume of transported commodities pertained to road transportation companies, which transported over 1.2 million tons of commodities (or 53.4% of the total volume), i.e. by 10.2% more than in the first quarter of 2014, determining an increase of 5.0% in the total volume of transported commodities (see Table 1.2).

The upward trend in commodities transportation activity in January-March of the current year has been attenuated by the decline in rail transport, by means of which about 1.1 million tons of commodities were transported. This volume decreased by 6.6% compared to the level recorded in the first quarter of 2014, thus contributing to a reduction of 3.3% in the total volume of transported commodities.

Table 1.2. Freight activities, by transportation modes in January-March 2015

	Q. I 2015/ Q. I 2014, %	Contribution to the increase in the volume of transported commodities / mileage of commodities (+/-), %	Structure by modes of transport, %
Transported commodities - total, thousand tons	101.8	1.8	100
<i>including, by modes of transport:</i>			
<i> rail</i>	93.4	-3.3	45.7
<i> road</i>	110.2	5.0	53.4
<i> river</i>	109.2	0.1	0.9
<i> air</i>	88.9	0.0	0.0
Mileage of commodities - total, million tons-km	94.8	-5.2	100
<i>including, by modes of transport:</i>			
<i> rail</i>	102.2	0.7	33.7
<i> road</i>	91.4	-5.9	66.3
<i> fluvial</i>	103.9	0.0	0.0
<i> air</i>	98.3	0.0	0.0

Source: Author's calculations based on the data of the National Bureau of Statistics.

Commodities mileage totaled 827.1 million tons-km, i.e. 5.2% less than in the first quarter of 2014. Over 2/3 of the total commodities mileage pertained to road transport that has reduced by 8.6%, causing a contraction of 5.9% in the total transport volume. The increase in the mileage of commodities carried by rail transport (of 2.2%) was insufficient to offset the effect of the decline in the volume of commodities carried by road transport.

River transportation of commodities, although less significant in terms of weight (accounting for less than 1% in the total freight) also had a positive development, posting increases of 9.2% and 3.9%, respectively, in the volume of both indicators analyzed. At the same time, the volume of air cargo has continued the trend outlined in previous years, registering in the first quarter of this year a reduction of 11.1% in the volume of commodities and of 1.7% in the commodities mileage, in comparison with the same period of the previous year.

In the first quarter of 2015, when comparing with the same period last year, there were increases posted both in the number of passengers carried by public transport (by 7.0%) and in passenger mileage (by 9.1%). The acceleration in passenger transportation activity was driven by the increase in the number of passengers carried by: air transport (by 31.4%), river (by 21.7%), and trolleybus (25.7%). Passenger mileage also increased in these modes of transport by 38.2%, 21.7% and 24.9%, respectively. At the same time, there were declines in the volume of passenger carried by rail transport (by 5.5%), buses and minibuses (by 11.5%). The rail transport recorded a sharp decline of about ¼ also in the passenger mileage, versus the similar period last year.

Tourism

In the first quarter of this year the number of tourists accommodated in collective tourist accommodation establishments totaled 35.7 thousand persons, of which approximately 55% were represented by Moldovan tourists and 45% by the foreign ones (non-residents). Compared to January-March 2014, the total number of tourists accommodated in the above mentioned establishments declined by 6.6% due to the reduction in both the number of Moldovan (by 7.3%) and foreign (by 6.9%) tourists. In terms of types of accommodation units, there was an

increase in the number of persons accommodated in tourist boarding houses (by 1.5 times), tourist villas and vacation villages etc. Simultaneously, the number of tourists staying in hotels and motels, which represent the main type of tourism structures accounting for more than 2/3 of the total number of accommodated tourists, dropped by 11 percent, in hostels for visitors – by 14% and in recuperation structures – by 3%.

Compared to the level registered in the first quarter of the pre-crisis year (2008), the number of tourists is even lower (by 15%) due to the reduction in the number of Moldovan tourists (by about 29%).

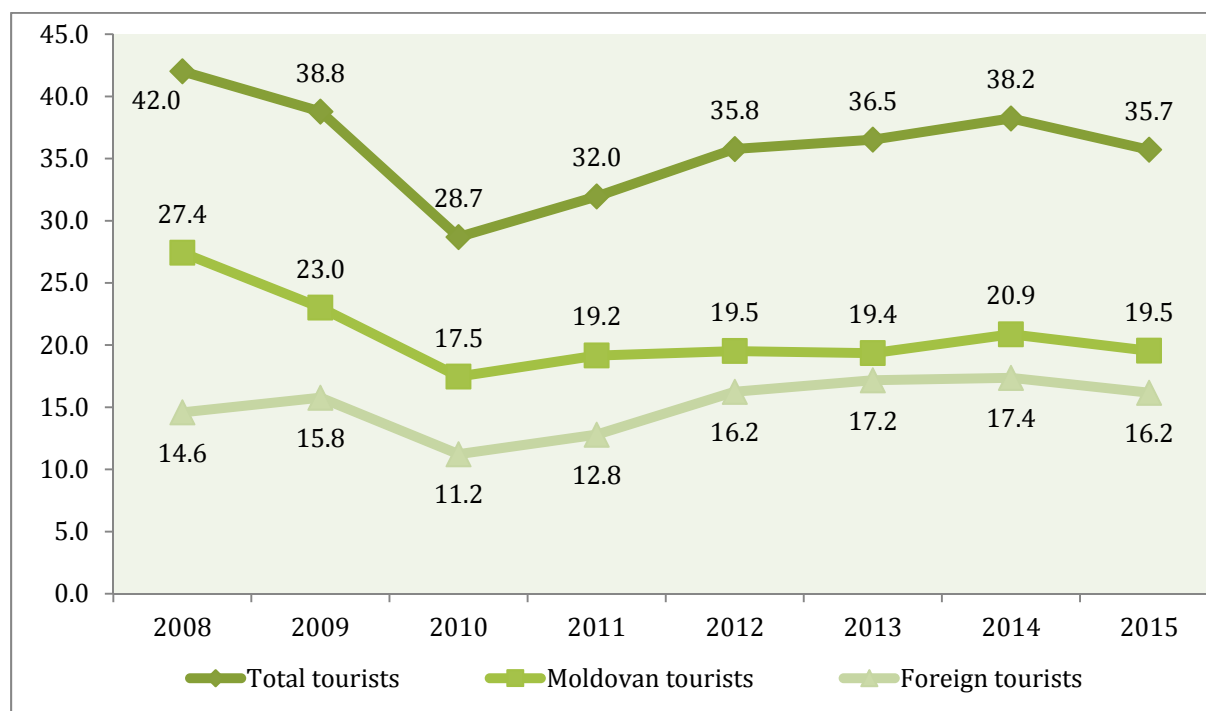


Figure 1.7. Number of tourists accommodated in the collective tourist accommodation establishments in January-March 2008-2015 (thousand persons)

Source: According to the data of the National Bureau of Statistics.

More than half of the foreign tourists accommodated in the above mentioned structures, during the analyzed period arrived from: Romania (26% of all non-resident tourists), Ukraine (16%) and Russian Federation (10%).

The increment in the number of overnight stays in collective accommodation establishments in 2015 (by 9.8% compared to the first quarter of 2014) was generated by the increase in the number of overnight stays both on account of non-residents (by 29.7%) and local tourists (by 4.6%).

In the first quarter of 2015 travel agencies and tour operators provided tourism services to 23.7 thousand tourists and excursionists, i.e. by 2,9% less compared to the same period last year, due to reduced domestic tourism (11%) and outbound tourism (3%). Simultaneously, the inbound tourism posted a significant increase of about ¼, but its share in total number of tourists participating in tourism organized by travel agencies and tour operators has remained at a rather low level of only 11%.

Moldovans' favorite tourist destinations have remained: Romania (43% of outbound tourism), Bulgaria (17%), and Egypt (10%).

Production activity in the region from the left bank of the Dniester River and mun. Bender²

In the first quarter of 2015, according to available information disseminated by the statistical body of the Transnistrian region, enterprises from the region to the left of the Dniester River and mun. Bender³ manufactured by 16.3% less industrial production compared to the level marked in the same period of the previous year (see Fig. 1.8).



Figure 1.8 Indices of industrial production in January-March 2010-2015 (%)

Source: Author's calculations based on the data of the statistical authority of the Transnistrian region⁴.

However, although during the analyzed period industrial enterprises from the Transnistrian region have considerably recoup the reduction in activity posted over the last years, the volume of industrial output accounted only for 97% of the level recorded in 2009⁴.

The volume of investments made in fixed assets⁵ in the region to the left of the Dniester River and mun. Bender, in January -March 2015, declined by about 27% in comparison with the level posted in the first quarter of 2014, registering about 79% of the level marked in 2009⁶ (see Fig. 1.9).

In the first quarter of 2015 there were considerable reductions in investment expenses related to both construction and assembling works (by about 29% sply) and equipment, machinery and means of transportation (by 25%).

During the analyzed period there was a significant reduction in the volume of construction works performed under contract in the Transnistrian region – by over 22 percent.

² According to the data of the statistical authority of the Transnistrian region : <http://www.mepmr.org/gosudarstvennaya-statistika/informacziya/62-o-soczialno-ekonomicheskopolozhenii-pmr>

³ Industrial enterprises, except for small business sector

⁴ Retrospective period for which statistical data are available

⁵ For the circle of enterprises except for small business sector

⁶ Retrospective period for which statistical data are available

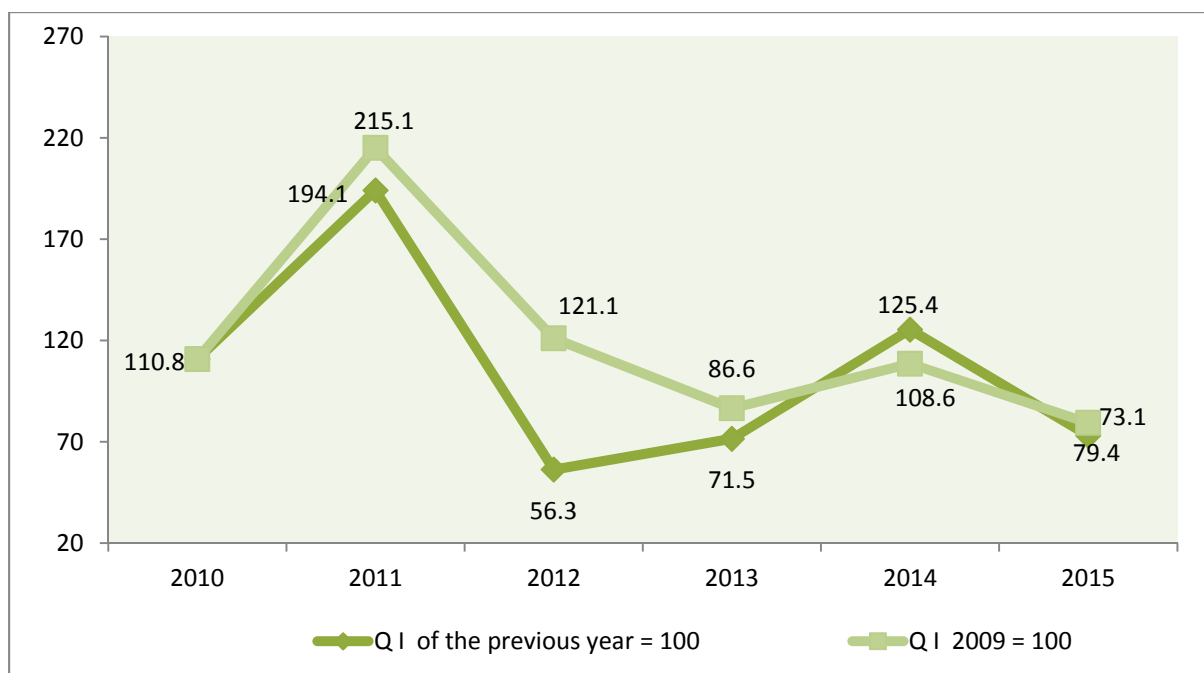


Figure 1.9 Dynamics of the volume of investments in fixed assets in January-March 2010-2015 (%)

Source: Author's calculations based on the data of the statistical authority of the Transnistrian region⁴.

In the reference period there was an increase in the surface of housing area put into use – by more than 32 percent sply, particularly in urban areas – by more than 38 percent.

The volume of the retail trade in the region during the analyzed period recorded a decrease of about 15% and services provided to the population – 6% compared to the level posted in the previous year.

Chapter II

PRICES, EXCHANGE RATES AND MONETARY POLICY

2.1. Prices and exchange rates

Prices

In the first three months of 2015, the consumer price index rose by 6.1% compared to the similar quarter of the previous year. In the same period, the following increases of the CPI components were recorded: food – 5.8%, non-food products – 9.3%, services – 1.9%.

Monthly developments indicate an acceleration in the annual inflation rate during the first quarter of this year, which continued also in the month of April. The growth rate of prices in January, February and March 2015 compared to the same period last year amounted to 4.7%, 6.5% and 7.1%. During the similar period of the previous year, this indicator was 5.1%, 5.4% and 5.7%. The increase in the growth rate of the consumer price index in this period was driven especially by the speculative depreciation of the national currency against major reference currencies and pessimistic anticipations about the future economic developments arising from the deficiencies in the domestic banking system.

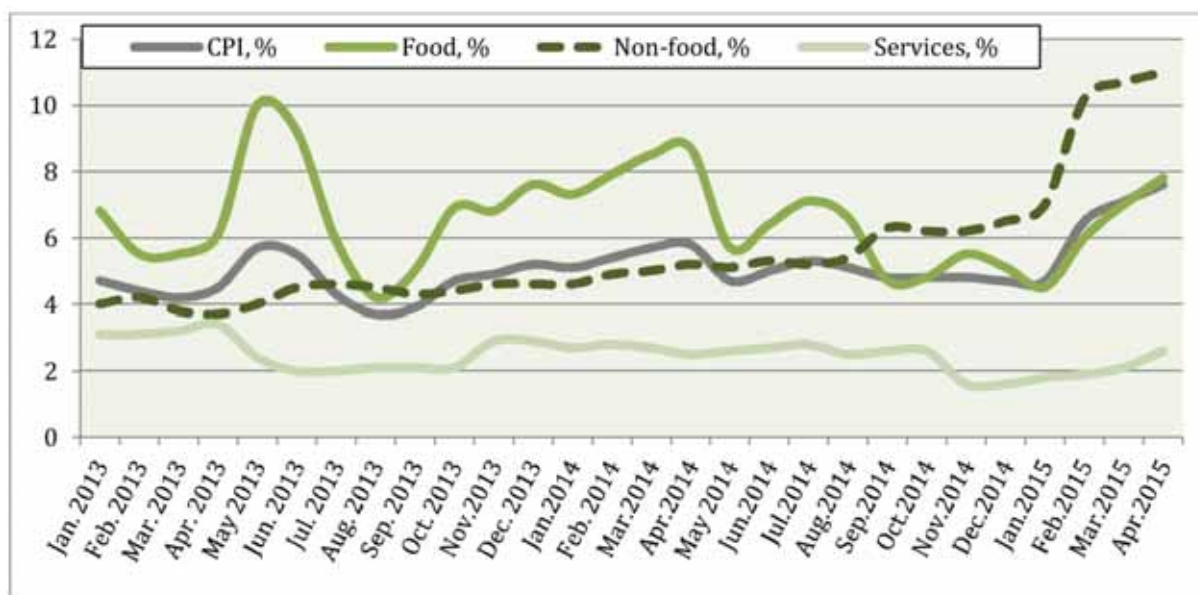


Figure 2.1.1. Annual growth rate of the CPI and its components, %

Source: According to the data of the National Bureau of Statistics.

In the first quarter of 2015, the prices of food products increased by 5.8%, the growth rate dropping by 2.1 percentage points comparing with the first quarter of the previous year (in monthly expression compared to the similar period of the previous year, there have been following increases: in January – 4.5%, in February – 6%, and in March – 7%). In the first quarter of 2015 there were considerable increases in prices of milling and bakery products, pasta – 7% and of rice – 14.2%; of fish and canned fish: especially of canned fish – 10.6%; of vegetables: particularly of cabbage – 33.6% and fresh fruit: grapes of 17.3% and of nuts – 26.2%.

However, decreases were recorded in prices of some food products, due to the high supply on domestic market, and also reduction in import unit value of these products, especially of potatoes by 40.6% and onions by 43%.

The prices of non-food products increased in the first quarter of 2015 by 9.3% sply, exceeding by 4.5 p.p. the value of this indicator in the same period of 2014 (in monthly expression compared to the same period last year, increases amounted to 7% in January, 10.2% in February and 10.7% in March). During this period, there were price increases in most of the non-food products and the highest rises were in washing machines – by 22.3%, refrigerators and freezers – by 19.6%, cars – by 12.3%, medicines – 10.1% and building materials – by 8.7%. Non-food products price hike was driven by the instability of the national currency exchange rate, a sharp depreciation of which produced immediately through raising prices on the market not only for imported products, but also for domestic products made of imported raw materials.

Price increases were recorded also in case of services. In the first quarter of the year, these have got more expensive by 1.9% compared to same period last year, but the rise has tempered by 0.8 p.p. compared to the level of this indicator in 2014 (in monthly expression compared to the same period of the previous year the following increases were recorded during the first three months of this year: in January – 1.8%, in February – 1.9%, in March – 2.1%). During the reported period and compared with the first quarter of the previous year, the largest price increases were recorded for tourist services – 31.2%, hotel services – 11.2%, theatrical services – 15.2%, railway services – 14.2% and postal services – 21.2%.



Figure 2.1.2. Annual growth rate of the CPI and of the core inflation, %

Source: According to data of the National Bureau of Statistics.

The core inflation continued to rise also in the first months of 2015 posting growth rates that surpassed the CPI dynamics. During the period January-March 2014, the core inflation index was 9.1% compared to same time last year, advancing by 4.1 p.p. the level recorded in the same period of 2014. In monthly expression, comparing to the same period of the previous year, the growth rate of the core inflation registered the following increases: in January – 7%, in February – 10.2%, and in March – 10.6%. The sharp rise in the core inflation was driven by the processes of the national currency depreciation against the US dollar and the single European currency. Since May 2014, the annual rates of the core inflation increased faster than the CPI growth. This overtaking was due to the reduction in pressure on the CPI exerted by the prices of food products, which are not taken into account when calculating the core inflation.

In the first months of the year, the industrial products prices posted an accelerated growth rate as well. In the first quarter of 2015 the growth rate of the annual industrial

production price index has increased by 0.8 p.p. compared to the same period of the previous year and reached the level of 5.7%. Thus, the following increases have been recorded in the branches of industry comparing with the same period last year: extractive industry – 5.6%, processing industry – 6.3%, energy sector – 0.7%. The biggest price increases in the processing industry during this period have been observed in the activities of tobacco products manufacturing – by 56.7%, distillation, refining and blending of alcoholic beverages – 12.1%, manufacturing of cars, machinery and equipment – by 15.8%, manufacturing of wearing apparel – by 10.0%, compared to the same period last year.

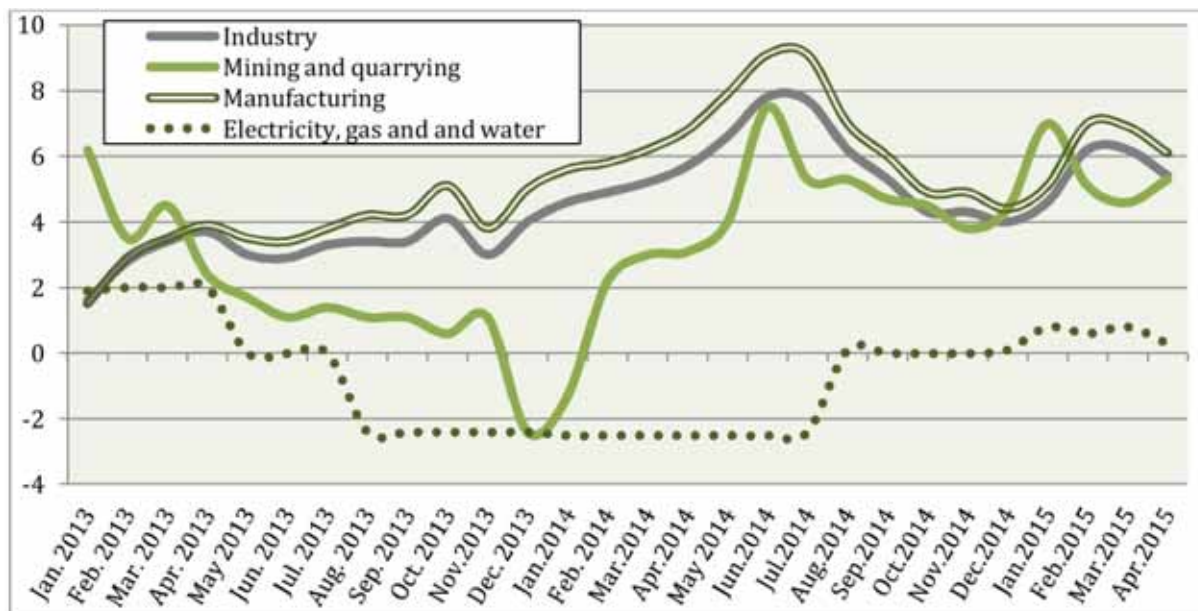


Figure 2.1.3. Annual growth rate of the industrial production prices and its components, %

Source: According to the data of the National Bureau of Statistics.

The growth of prices in construction remained relatively stable. The growth rate of prices in construction in the first quarter of 2015 remained at the level recorded in the similar period of the previous year and amounted to 9.1%. In the sectors of the national economy the highest annual price increases in construction during the reference period have been recorded in agriculture – 9.9%, processing industry – 9.6%, electrical energy – 9.5%, and housing construction – 8.2% (See Fig. 2.1.4).

The beginning of the year was marked by a moderate increase in producer prices of agricultural products. In the first quarter of 2015, the producer prices of agricultural products have slightly risen - by 1% compared to the same period of 2014. The moderation in the annual growth rate of this category of prices during the reference period has been influenced particularly by animal products, whose prices have reduced by 7.6% compared to the same time span of the last year. At the same time, prices of vegetable products posted an increase of 6.6% compared to the similar period of the previous year (See Fig. 2.1.5).

The biggest price increases in agricultural products, compared to the same period of 2014, have been recorded in the following products: corn – by 35.8%, sunflower – by 20.5%, cabbage – by 47.6%, table beet – 66.6% and sheep and goats (in live weight) – by 30.8%. However, there have been decreases in the price of potatoes – by 71.2%, dry onion – by 50.5%, pigs (in live weight) – by 20.9%, carrot – by 28.8%, fruits – 21.9%.



Figure 2.1.4. Price dynamics in construction, % (sply)

Source: According to the data of the National Bureau of Statistics.

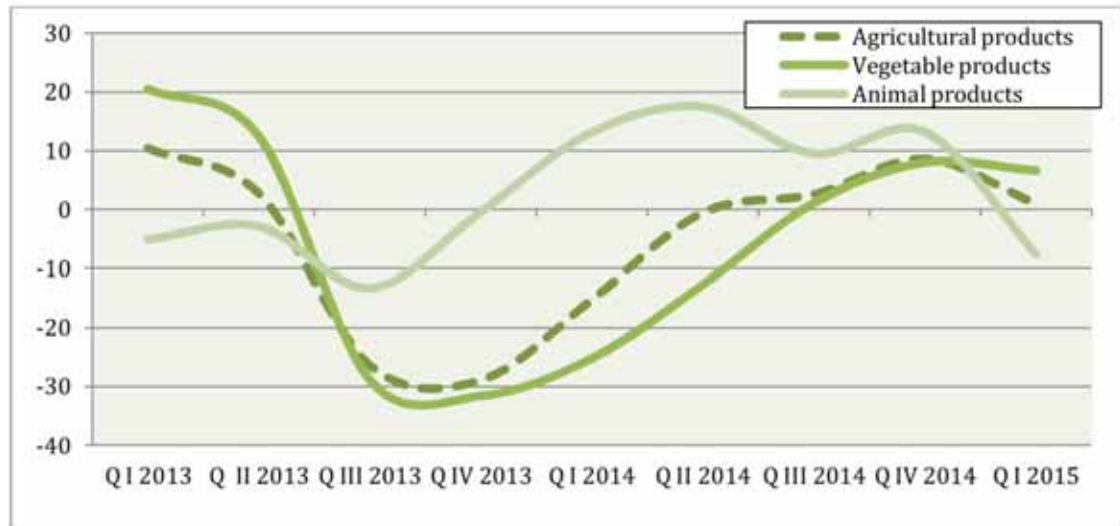


Figure 2.1.5. Dynamics of agricultural products prices, % (sply)

Source: According to the National Bureau of Statistics.



Figure 2.1.6. Dynamics of fuel prices, % (sply)

Source: According to data of the National Bureau of Statistics.

Fuel prices have shown a steady increase since the beginning of the year. In the first quarter of 2015, comparing with the dynamics outlined at the end of the previous year, the fuel prices have posted a moderating trend. However, compared to the similar period of the last year, the growth rate increased by 2.2 p.p. and reached the level of 5.2% (in monthly expression compared to the same period of the previous year the following increases were recorded: in January – 4.9%, in February – 5.3%, and in March – 5.3%).

Exchange rates

The first three months of 2015 were marked by sharp fluctuations of the national currency exchange rate against major reference currencies that have left their mark both on the monetary policy promoted by the authorities and on other branches of the national economy, fueling the pessimistic anticipations related to the future economic development of the country and discouraging the development of small and medium business.

In the first quarter of 2015 the average nominal exchange rate against major reference currencies amounted to 20.4 MDL/EUR and 18 MDL/USD depreciating, in comparison with the same period of the previous year, by 10.9% in relation to the single European currency and by 34.5% against the US dollar.

In monthly expression, the average exchange rate of the national currency against the single European currency has posted volatile dynamics equating to 19.4 MDL/EUR in January, 21.4 MDL/EUR – in February, and 20.3 MDL/EUR – in March. However, in the following months (April and May), as a result of tighter monetary conditions in the market, the average exchange rate slowed down equaling 19.4 and 20.0 MDL/EUR, respectively.

In the first quarter of 2015 the average exchange rate of the national currency against the US dollar recorded the highest values in the last three years. The historical high of 20.99 MDL/USD was reached on 18.02.2015. During this period the average exchange rate was: 16.6 MDL/USD in January, 18.8 MDL/USD – in February and 18.6 MDL/USD in March. In the following months of the year (April and May) the average exchange rate has remained unchanged at the level of 18 MDL/USD.



Figure 2.1.7. Development of the average monthly nominal exchange rate of MDL in relation to USD and EUR

Source: According to the data of the National Bank of Moldova.

As a consequence of the depreciation of the national currency the real exchange rate of the national currency has also increased. In the first quarter of the year the real exchange rate of the Moldovan leu depreciated against the single European currency by 4.2% compared to the same period last year.

Region of the Republic of Moldova from the left bank of the Dniester River.

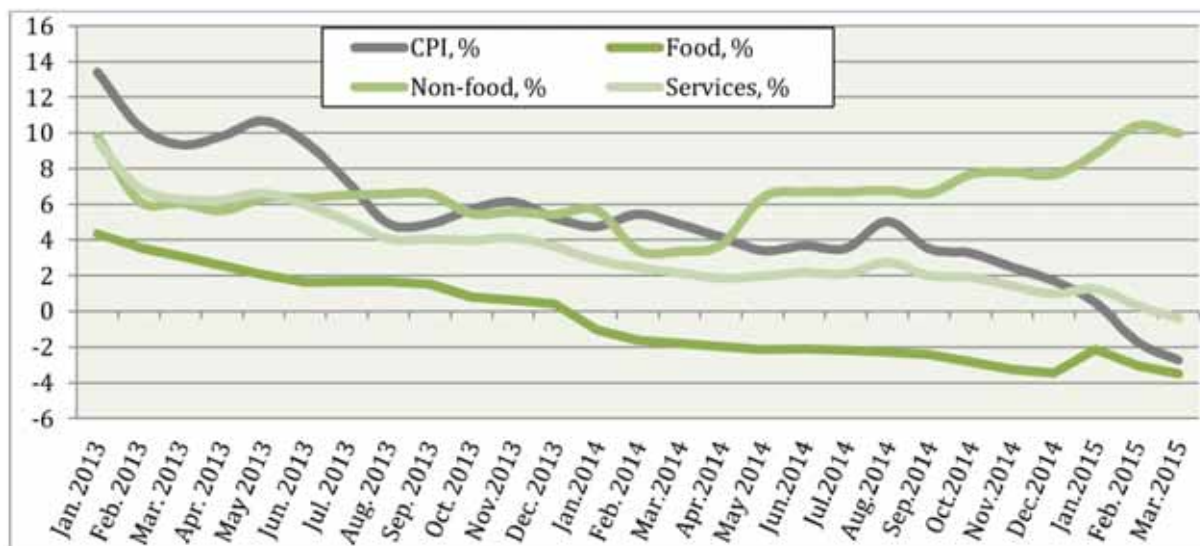


Figure 2.1.8. Annual growth rate of the CPI and its components in the region to the left of the Dniester River, %

Source: According to the Central Bank of the region to the left of the Dniester River.

The annual inflation rate in the region to the left of the Dniester River continued its downward trend, posting even a negative dimension in the last month of the first quarter of 2015. In January-March the annual growth rate of the CPI equated to 0.4%, recording a decrease of 2.1 p.p. compared to the same period of 2014. Unlike the region of the Republic of Moldova from the right bank of the river, the greatest influence on rising inflation has been exerted by services, since the annual growth rate of prices for services in January-March 2015 amounted to 9.4%. At the same time, prices of food and non-food products have dropped by 1.3% and 2.9% correspondingly. The negative inflation is pointing at economic stagnation or recession in the region.



Figure 2.1.9. Development of the average monthly nominal exchange rate of the PRB in relation to the USD and EUR

Source: According to the data of the Central Bank of the region from the left bank of the Dniester River.

During the first quarter of 2015, the Central Bank of the region from the left bank of the Dniester River has maintained the overall objective of monetary policy oriented toward targeting the exchange rate established since December 2012. Under these circumstances the nominal exchange rate of the Transnistrian ruble in relation to the US dollar remained fixed at 11.1 PRB/USD.

However, in the first quarter of 2015, the Transnistrian ruble has slightly appreciated in relation to the single European currency, a trend maintained since the middle of 2014. The average nominal exchange rate in the reference period equated to 12.6 rubles for one Euro, appreciating by 17% comparing to the value in the same period of the previous year. In the first months of the second quarter the development trend of the Transnistrian ruble changed its direction towards its depreciation against the Euro.

2.2. Monetary policy

At the beginning of 2015, given the imminence of pronounced inflationary pressures generated by the depreciation of the national currency, with the view to maintain the inflation at an optimum level, set within the variation range of ± 1.5 p.p. from the 5.0 percent target, the National Bank of Moldova has promoted a restrictive monetary policy, tightening gradually the monetary conditions, a process started in the last month of 2014.

Monetary policy instruments

The beginning of the year was marked by the tightening of the monetary policy promoted by the National Bank of Moldova. In the first quarter of the year 2015, under the accentuated inflationary risks, the NBM increased the rates for the main monetary policy operations. The base rate has been increased in three stages by 9 p.p. compared to the level recorded at the end of 2014. In January the base rate rose from 4.5% to 6.5% and in February from 8.5% to 13.5%.

Concomitantly with the base rate, there were increases to the same extent in: the interest rate on overnight loans up to the level of 16.5% and the interest rate on overnight deposits to up to 10.5%.

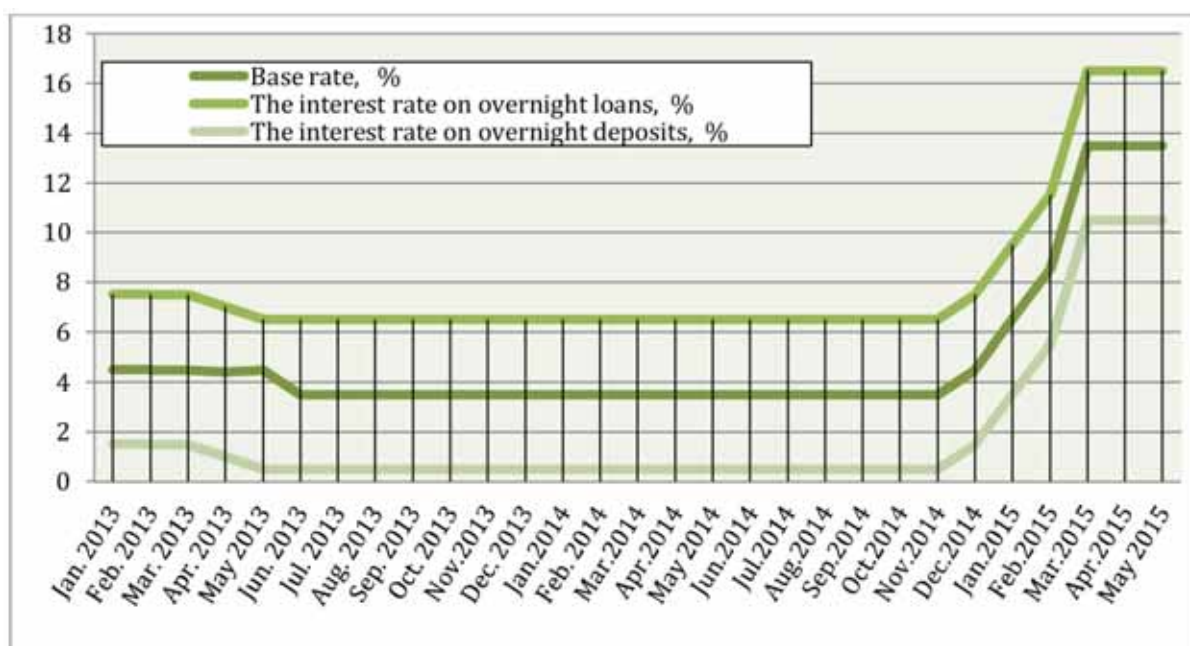


Figure 2.2.1. Development of the interest rates on monetary policy instruments of the National Bank of Moldova in the period 2013-2015

Source: According to the data of the National Bank of Moldova.

Open market operations and standing facilities

Against the background of the worsening situation in the banking sector the attractiveness of the overnight deposits has increased, the banks preferring to keep the excess liquidity in the BNM. Liquidity sterilization operations followed the downward trend, also characteristic of the previous year. During the first quarter of 2015 the average monthly balance of the sterilization operations was at a lower level compared to the same period of the previous year (minus 2.48 billion MDL) and amounted to 0.37 billion MDL. The highest balance was recorded in January 2015, when the average daily balance of the NMC sales was - 0.76 billion MDL.

In the first quarter of 2015 the demand for "overnight" deposits posted volatile dynamics; the average daily balance for January, February and March 2015 equated to 988 million MDL, 495 million MDL and 545 million MDL, respectively. In the same period, commercial banks requested "overnight" credit facilities from the NBM for an average balance amounting to 11 million MDL in January, 123 million MDL in February and 11 million MDL in March.

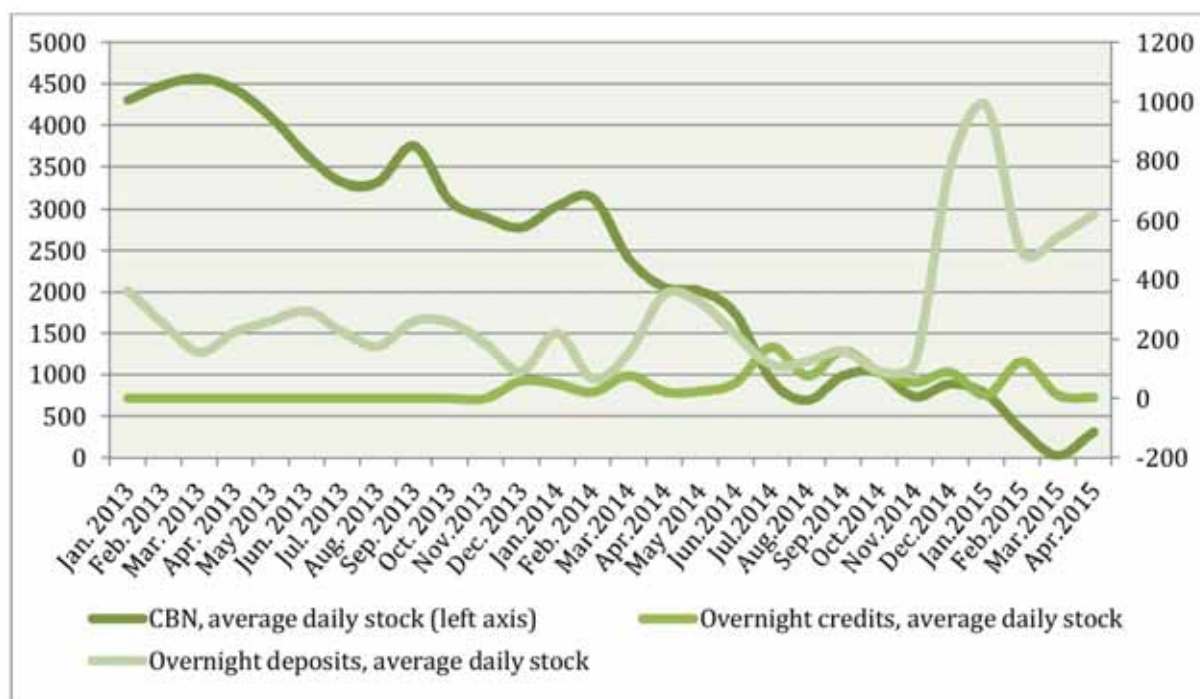


Figure 2.2.2. Monetary policy instruments, million MDL

Source: According to the data of the National Bank of Moldova.

In April 2015, the volume of liquidity sterilization operations rose slightly, equaling 0.3 billion MDL, the requests for "overnight" deposits increased to 622 million MDL and the volume of "overnight" loans amounted to 3 million MDL.

Required reserves

The required reserves have risen after three years of stability. In the first quarter of 2015 under the conditions of tightening the promoted monetary policy, the NBM increased in two stages the rate of the required reserves with the NBM attracted in MDL and in non-convertible currency: from 14% to 16% in February and up to 18% in March. The increase in the minimum reserve ratio has conditioned a gradual rise in the volume of required reserves held by commercial banks at the NBM in national currency and in non-convertible currencies, following a sharp drop posted at the end of the previous year.

At the end of the first quarter of 2015, the volume of required reserves from means attracted in MDL and other non-convertible currencies amounted to 3,356.9 million MDL, which shows a decrease of 12% compared to the same time last year. At the end of the reporting period, the reserves in foreign currency (US dollar and Euro) equated to 65.4 million USD and 105.9 million EUR, respectively. Comparing with the end of the first quarter of 2014, the volume of required reserves held on the NBM account in US dollars decreased by 11%, while the volume of reserves in Euro increased by 2.5%.

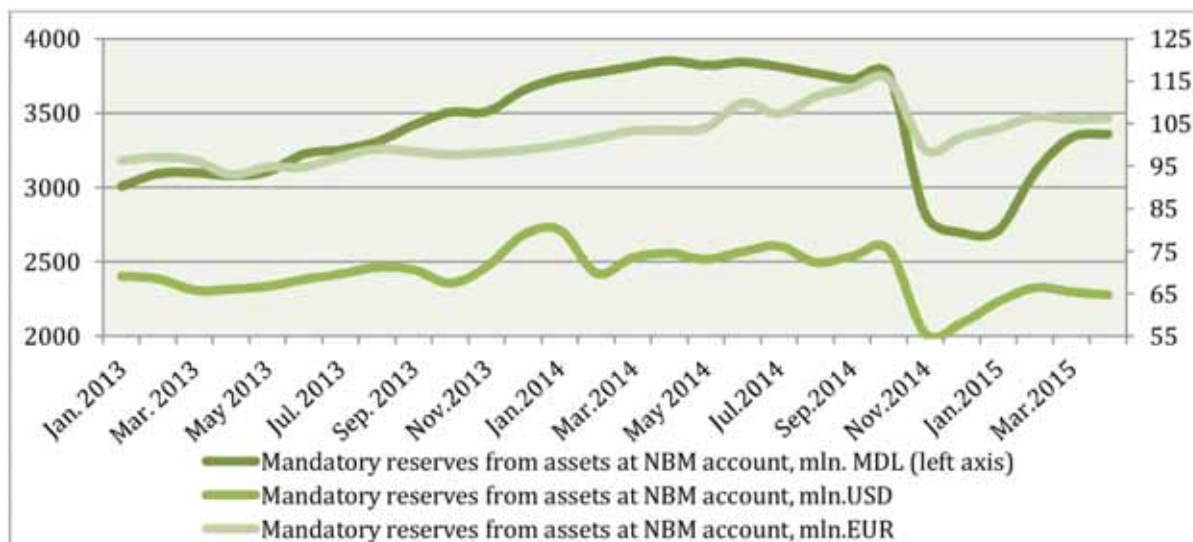


Figure 2.2.3. Development of the required reserves from means attracted in MDL and foreign currency with the NBM

Source: According to the data of the National Bank of Moldova.

Foreign exchange market interventions

In the first three months of 2015, the NBM intervened in the interbank foreign exchange market preponderantly as a seller of foreign currency. The volume of foreign currency sales amounted to 258.3 million USD, which was a threefold increase compared to the same period last year. Purchases of foreign currency were realized during the same period particularly through SWAP operations and equaled about 3 million USD. These interventions were consistent with the monetary policy promoted by the NBM and aimed at improving the situation on the domestic foreign exchange market.

Table 2.2.1. NBM activity on the interbank foreign exchange market in the period January 2014-March 2015

Month	Volume of purchases (equivalent mil. USD)	Volume of sales (equivalent in mil. USD)
A	1	2
January 2014	0.15	6.0
February 2014	0	73.0
March 2014	0.18	0
April 2014	0	0
May 2014	0	18.84
June 2014	0	52.3
July 2014	0	70.06
August 2014	47.53	21.61
September 2014	0	26.0
October 2014	1.84	30.65

Table 2.2.1 – continue

A	1	2
November 2014	26.1	179.8
December 2014	0.6	388.4
January 2015	0	122.9
February 2015	0.2	125.2
March 2015	2.95	10.2

Source: According to data of the National Bank of Moldova.

Official reserve assets continued to decline. The NBM interventions in the interbank foreign exchange market made with the view to ameliorate the excessive fluctuations in the exchange rate of the national currency in relation to major reference currencies and to cover the necessary of the capital on the monetary market, following the deteriorating financial situation in the banking sector, conditioned the reduction in the official reserve assets. The balance of the official reserve assets at the end of the first quarter of 2015 amounted to 1.76 billion USD, decreasing by 36.4% compared to the end of 2014, which constitutes approximately 1 billion USD.

Dynamics of monetary indicators

At the beginning of 2015 there was an accentuated trend toward the reduction in the money supply in the national currency. Based on the data of the first three months of 2015 the volume of money supply has had a downward trend compared to data from the end of 2014. In comparison with the similar period of the previous year, the growth rate of money supply recorded positive values, while the growth rate of its components in national currency fell to negative dimension. In this context, the monetary aggregates stock as of March 31, 2015, comparing with data recorded on March 31, 2014, has evolved as follows:

- the monetary aggregate M0 posted a decrease of 7.4% and amounted to about 15.4 billion MDL;
- the monetary aggregate M1 reduced by 11.2% and reached the level of 23.5 billion MDL;
- the growth rate of the monetary aggregate M2 declined by 12.3% and equaled 38.9 billion MDL
- the monetary aggregate M3 posted an increase of 3.6% and amounted to 64.8 billion MDL.

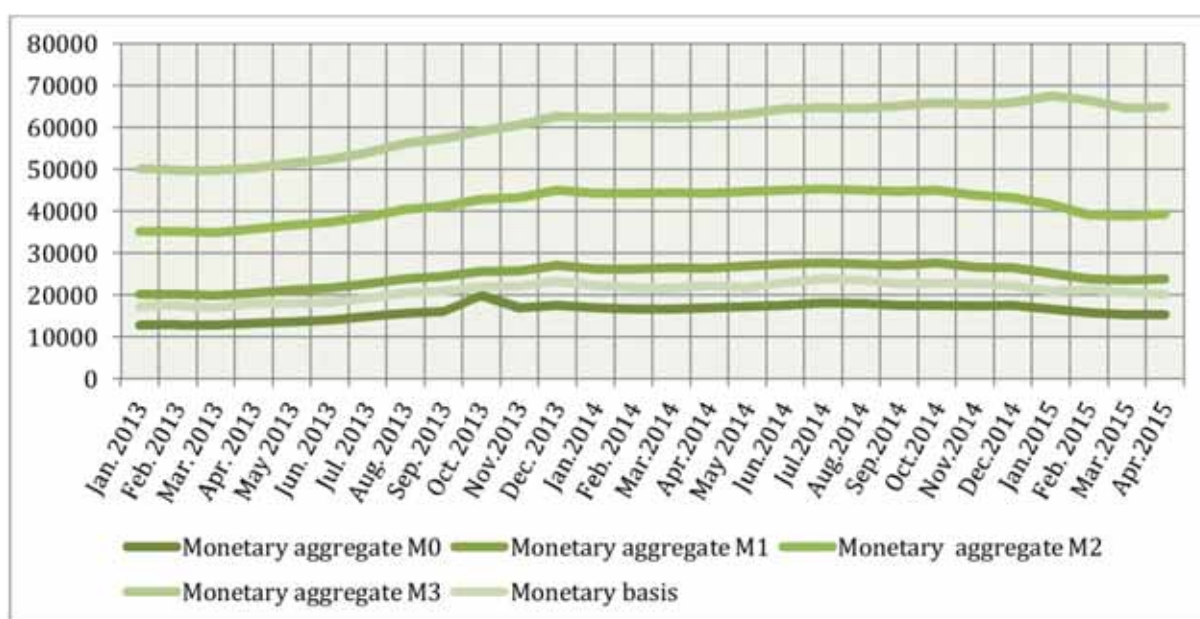


Figure 2.2.4. Development of monetary aggregates and monetary base, million MDL

Source: According to the data of the National Bank of Moldova.

A similar dynamic was observed also in the case of monetary base. Comparing with the data from the end of 2014, at the end of the first quarter of 2015 the monetary base posted a decrease of 7.5%, while in comparison with the same period of 2014 the volume of the monetary base reduced by 5% and constituted 20.6 billion MDL.

Uncertain economic conditions at the beginning of the year have had a negative impact on the attractiveness of the deposits in national currency in favor of the deposits in foreign currency. The development of the money supply components has left its mark also on the structure of money supply in circulation, which has changed considerably in the first months of 2015.

On March 31, 2015 the money supply components were distributed as follows: monetary aggregate M0 (currency in circulation) – 23.9%; demand deposits – 12.6%; term deposits – 23.8% and deposits in foreign currency – 39.8%. Compared with the first quarter of 2014, there was a reduction in all the components of the money supply in national currency. The weight of the currency in circulation decreased by 2.9 p.p., demand deposits – by 3.3 p.p. and term deposits – by 4.9 pp. The increase in the volume of money supply in the first quarter of 2015 was fueled in particular on the account of the increase in the volume of deposits in foreign currency, whose share compared with the situation at the end of the first quarter of 2014 increased by 11 p.p.

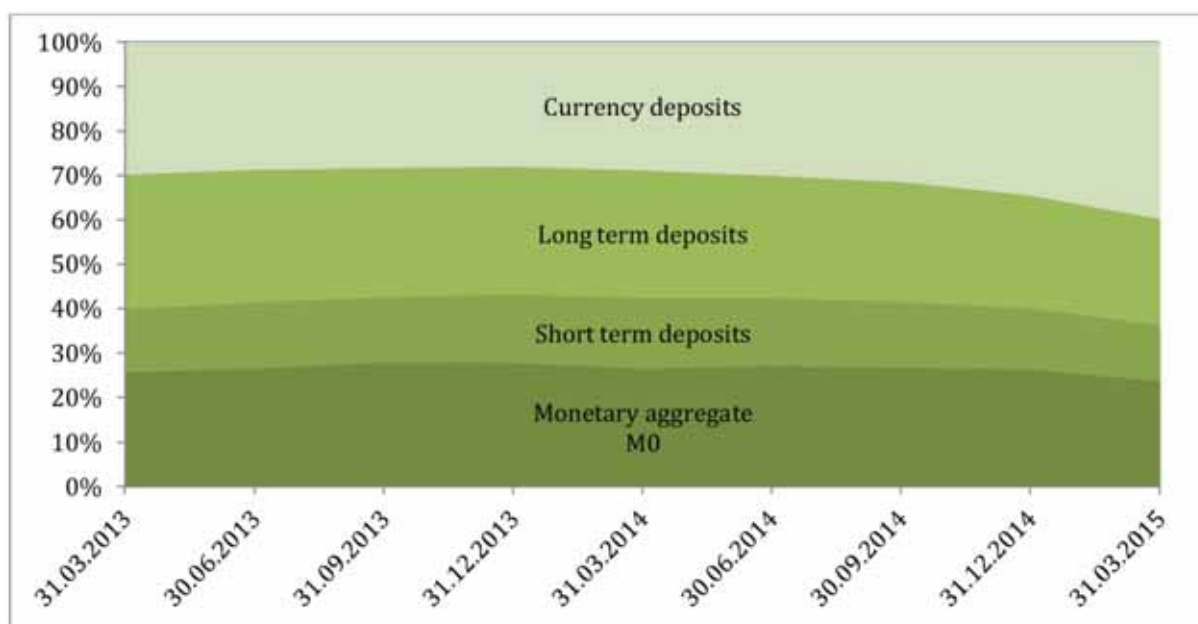


Figure 2.2.5. Structure of money supply M3

Source: Calculations according to data of the National Bank of Moldova.

Monetary policy in the region of the Republic of Moldova from the left bank of the Dniester River

The monetary policy strategy of the central bank of the Republic of Moldova’s region to the left of the Dniester River provides for maintenance of the financial system stability and support of the economic growth based on targeting the exchange rate.

During the first quarter of 2015 against the background of steadily moderated inflation processes in the region, the central bank's refinancing rate remained at the level of 3.5%. The required reserves ratio was increased by 1 p.p. starting with February 2015 and amounted to 15% for means attracted in foreign currency and for those in rubles.

At the end of the first quarter of 2015, the money supply in the region to the left of the Dniester River amounted to 5,372.1 million rubles (equivalent of approximately 8,895.6 million MDL³), recording a decrease of 10 p.p. compared to the volume of money supply registered at the end of the first quarter of the previous year.

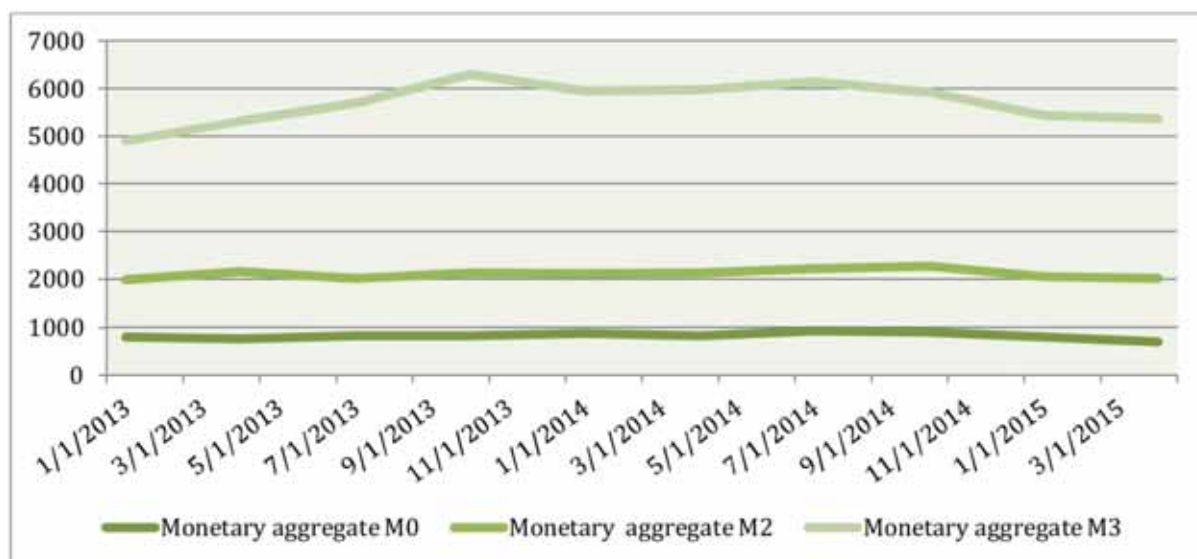


Figure 2.2.6. Development of monetary aggregates in the region from the left bank of the Dniester River, million rubles

Source: According to the data of the CBMPR.

On April 01, 2015 the money supply components were distributed as follows: monetary aggregate M0 (currency in circulation) – 12.9%; quasi money – 24%; money supply in foreign currency – 62.5%. Comparing with the similar period of the previous year, at the end of the first quarter of 2015, there have been some insignificant changes in the structure of money supply: the weight of the quasi money in the total money supply increased by 12 p.p., while the weight of currency in circulation and that of the money supply in foreign currency decreased by 7.4 p.p. and 2.7 p.p., respectively.

³ Calculated according to the official exchange rate of CBMPR as of April 01, 2015
<http://www.cbpmr.net/?kv=1&lang=ru>

Chapter III

FINANCES

3.1. Public finances

National Public Budget revenues

In the first quarter of 2015, the revenues accrued to the NPB amounted to 10,173.8 million MDL, which is 328.2 million MDL or 3.3% more than the amount planned for this period. In comparison with the similar period of the year 2014, the receipts have increased by 1,760.6 million MDL or by 20.9%.

An accelerated growth of budget revenues was recorded largely as a result of the actions taken by the State Tax Service in respect of budget collections.

Having examined the structure of the NPB revenues in the first quarter of 2015, it was observed that the dominant part continuously consists of tax revenue (83.0%), and the structural composition thereof is shown in Figure 3.1.1.

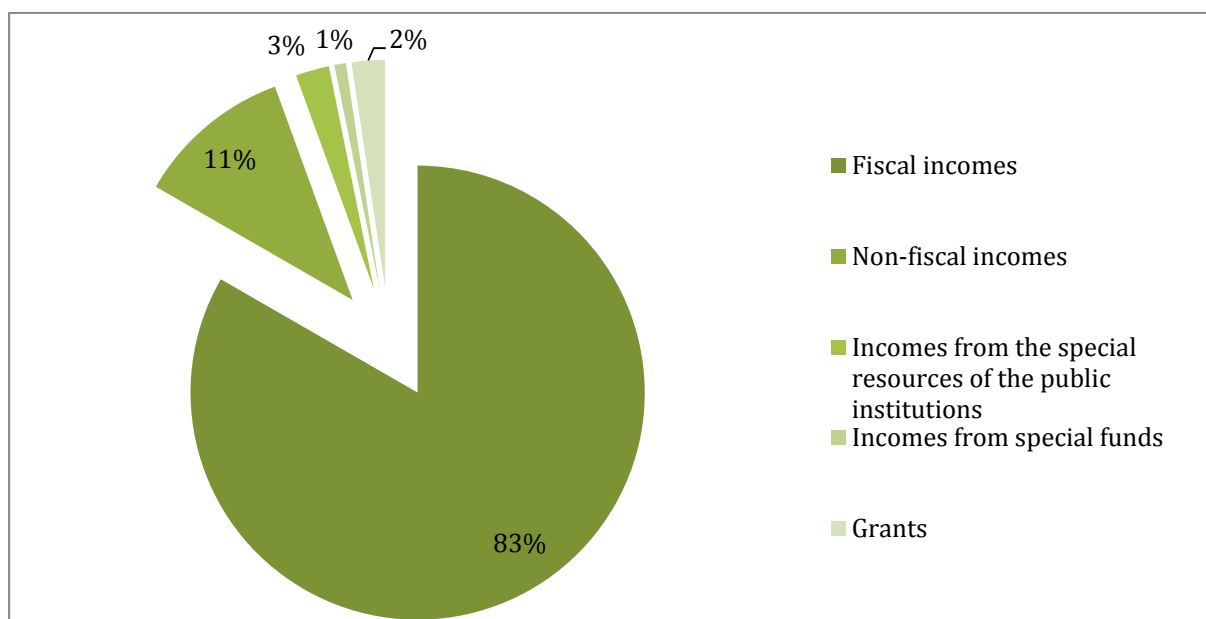


Figure 3.1.1. Structure of the National Public Budget revenues in the first quarter of 2015

Source: According to the data of the Ministry of Finance.

In terms of tax revenues, the most important share pertained to VAT collections – 36.0% (in 2014 – 35.8%), followed by social contributions – 24.3% (in 2014 – 24.5%), income tax – 16.8% (in 2014 – 18.2%), excise duties – 8.0% (in 2014 – 8.2%) and mandatory health insurance premiums – 7.5% (in 2014 – 7.5%).

Thus, comparing with the previous year, there was a general trend toward the diminution in tax collections by 5.0 percentage points, against the background of an increase of 6.6 percentage points in non-tax revenue receipts. The remaining components recorded minor decreases during the examined period in comparison with the same period of 2014.

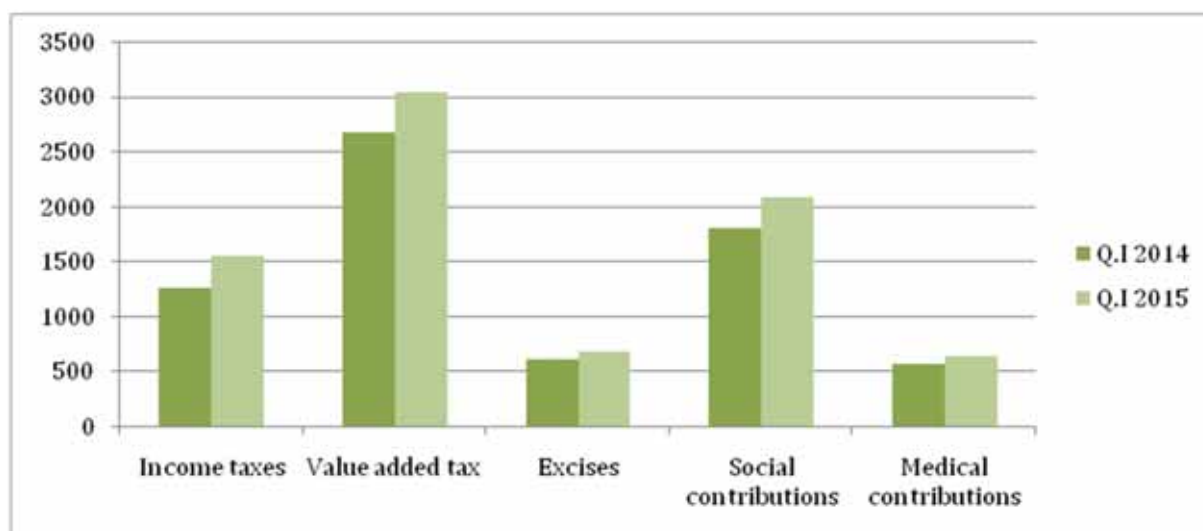


Figure 3.1.2. Structure of tax revenue in the first quarter 2015 compared to first quarter 2014, million MDL

Source: According to the data of the Ministry of Finance.

National Public Budget expenditures

In the first quarter of 2015, the budget spending totaled 9,830.5 million MDL, which is 2,891.8 million MDL or 22.7% less than the amount planned for this period. In comparison with the first quarter of 2014, the national public budget expenditures increased by 1,347.3 million MDL or 15.9%.

Thus there were considerable idle forecasted expenditures, although these increased significantly over the same period of the previous year.

Looking at the structure of the NPB expenditures in the first quarter of 2015, it shows that the dominant share continuously pertained to social expenditure (75.4% versus 63.2% in 2014), the structural composition of expenditures is shown in Figure 3.1.3.

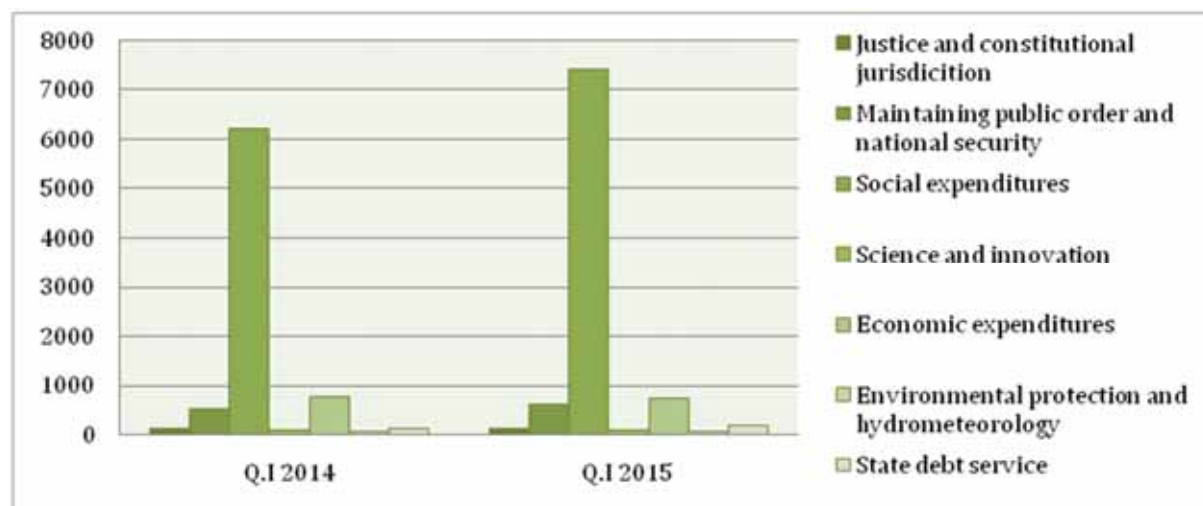


Figure 3.1.3. Volume of the NPB spending in the first quarter 2015 compared to the first quarter of 2014, million MDL

Source: According to the data of the Ministry of Finance.

As a general trend, there was an increase in social expenditures (by 19.4% compared to the previous year, largely on account of health care expenditures). It is noteworthy that in

comparison with the previous periods, the economic expenditures declined compared to same quarter last year, while in the previous periods these registered steady growth. At the same time, expenditures on public order, defense and state security rose by 17.7%, and those on environmental protection and hydrometeorology by 58.3%.

Budgetary financial result

National public budget execution in the first quarter of 2015 resulted in a **deficit** amounting to 343.3 million MDL, which is 70.0 million MDL less compared to the value of the deficit in the first quarter of 2014 (413.3 million MDL).

Balances of the accounts of the National Public Budget, as of March 31, 2015 increased by 579.3 million MDL comparing with the situation on January 1, 2015 and amounted to 3,828.9 million MDL.

State debt

As of March 31, 2015, the state debt balance was 29,901.3 million MDL, increasing by 3,014.6 million MDL (+12.3%) comparing with the same time of 2014 and by 2,430.7 million MDL (+ 8.8%) compared to the beginning of 2015.

With regard to the *structure of the state debt by debt type*, as of March 31, 2015, it consisted of external state debt (74.2%) and internal state debt (25.8%). In terms of *debt structure by currency*, the external debt is examined both including SDR and with SDR split-up as depicted in the Table 3.1.1.

Table 3.1.1. Structure of the state debt by currency, % of the total state debt

Currency type	SDR	USD	EURO	JPY	GBP	MDL
SDR split-up	-	33.3	30.9	6.6	6.4	22.8
Including SDR	53.4	7.8	13.3	2.7	0.1	22.8

Source: According to the data of the Ministry of Finance.

In the first quarter of 2015, for the state debt service means of the state budget in the amount of 169.5 million MDL were used, including:

- external state debt service amounting to 63.4 million MDL (37.4%);
- internal state debt service totaling 106.1 million MDL (62.6%).

External state debt

As of March 31, 2015 the external state debt amounted to 23071.7 million MDL. In comparison with the same time last year, the external public debt increased by 2,946.0 million MDL or by 16.9%, while compared to the beginning of 2015 it rose by 2,676.4 million MDL or by 13.1%.

Having analyzed the external state debt by *maturity*, as of March 31, 2015, it appeared that it was composed of long-term external debt in proportion of 95.4% and of short-term external debt equating to 4.6%. It should be noted that in comparison with the first quarter of 2014, the medium-term debts disappeared, which, most likely, were distributed between the other two categories (long term and short term).

Multilateral creditors continued to hold the highest share (about 85.3%, as of March 31, 2015) in the *structure of external state debt* contracted by the Government of the Republic of Moldova. The external state debt owed to bilateral creditors amounted to 14.6% of the total, and to commercial lenders – 0.1%. The largest share in the balance of the external state debt to

multilateral creditors pertained to the IDA – 41.0%, followed by the IMF – 23.4%, the EIB – by 8.8%, IFAD – 4.8%, etc.

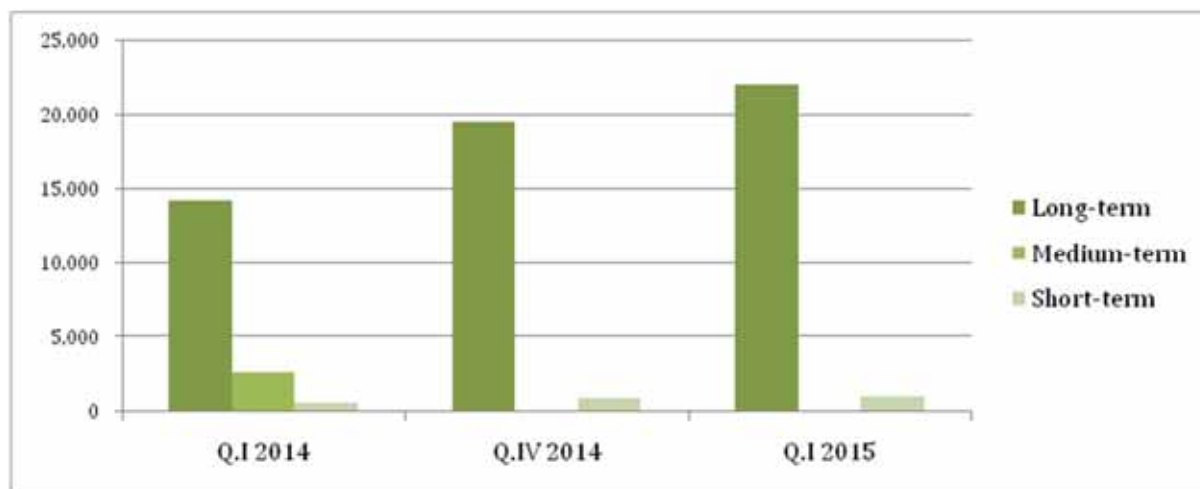


Figure 3.1.4. Structure of external debt as of March 31 and December 31, 2014 and March 31, 2015 million MDL

Source: According to the data of the Ministry of Finance.

In terms of dynamics, there was an upward trend in external state debt to multilateral creditors. At the same time, the external state debt owed to bilateral creditors and to commercial creditors continued to decline.

Internal State Debt

As of March 31, 2015, the internal public debt amounted to 6,829.6 million MDL and was entirely composed of government securities. Compared to the same period of the previous year, the internal state debt rose by 68.7 million MDL or by 1.0%, while in comparison with the beginning of 2015 it decreased by 245.7 million MDL or 3.5%. The increasing internal debt is largely due to the additional issuance of government securities in the primary market.

The analysis of internal state debt in terms of *its components* showed that 68.8% pertained to government securities issued in the primary market, 30.2% – converted government securities and 1.0% – government securities issued for financial stability.

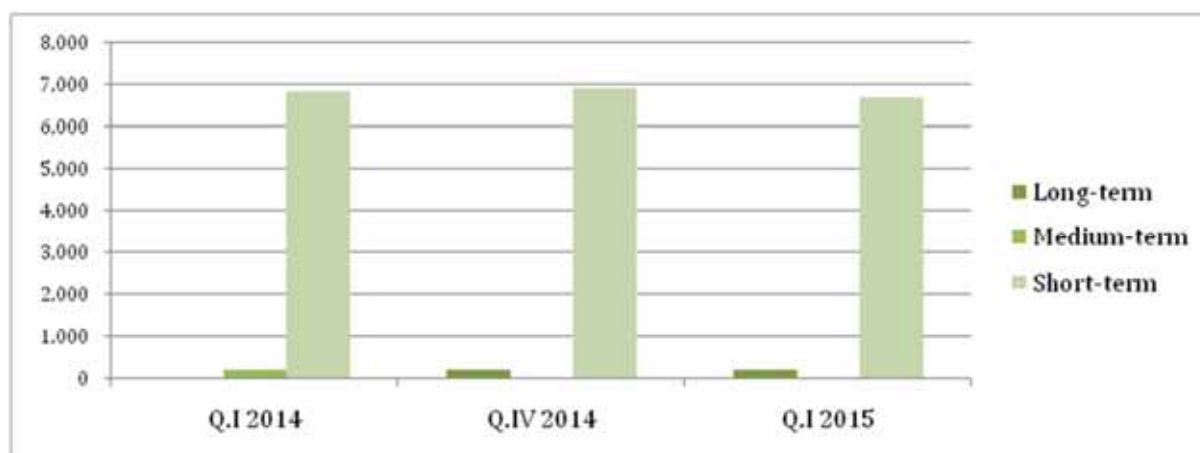


Figure 3.1.5. Structure of the internal state debt as of March 31 and December 31, 2014 and March 31, 2015 million MDL

Source: According to the data of the Ministry of Finance.

Government securities with maturity up to one year were issued for three terms: treasury bills of 91 days, 182 days and 364 days, whose share in the total government securities traded through auctions amounted to 99.5%. The largest share in the issued government securities pertained to 182 days (42.6%) and 364 days (33.4%) treasury bills. These shares remained relatively constant compared to the same period of the previous year (43.6% for 182 days T-bills and 27.7% for 364 days T-bills).

Having analysed the internal state debt by *maturity*, as of March 31, 2015, it was found that largest share related to short-term internal public debt (97.5%), followed by long-term internal public debt (2.5%), the latter registering a very low level. Thus, the trend set out in the previous editions persisted, namely the increase in the weight of the short-term debt.

Public Finances of the region of the Republic of Moldova from the left bank of the River Dniester

In the first quarter of 2015, the revenues of the Transnistrian budget amounted to 337.6 million Transnistrian rubles (563.4 million MDL), representing 5.5% of the total revenues realized on the controlled territory of the Republic of Moldova, including: 392.9 million MDL in tax revenues (69.7%); 9.7 million MDL in non-tax revenues (1.7%); 79.1 million MDL in revenues of earmarked funds (14.0%) and 79.9 million MDL income from entrepreneurial activity and other revenues (14.1%). In terms of forecasted amounts, 95.5% were accrued posting a decline of 26.3% compared to the same period of 2014.

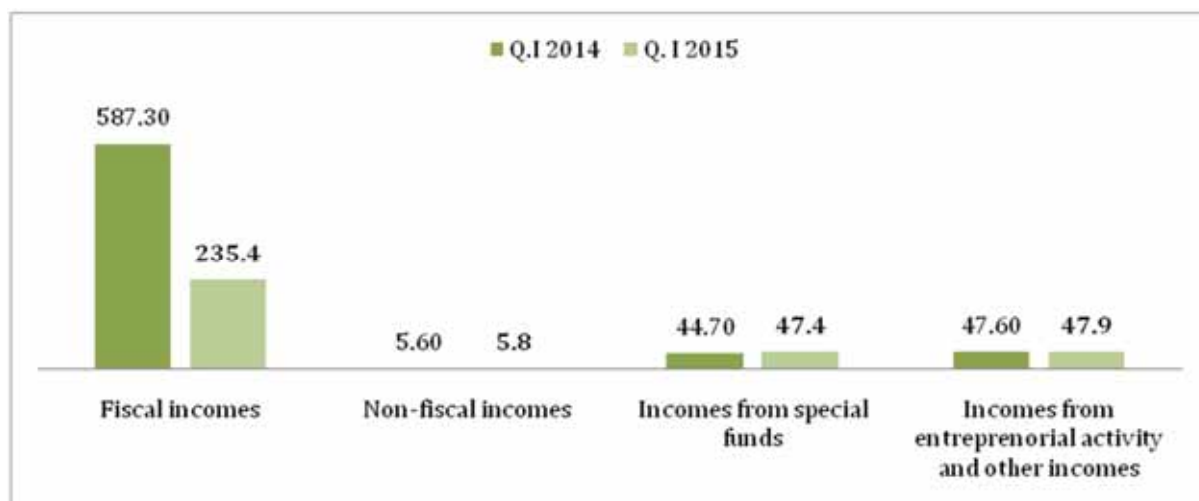


Figure 3.1.6. Structure of Transnistrian revenues in the first quarter of 2015 compared to the same period of 2014, million MDL

Source: According to data of the Ministry of Finance of Transnistria.

Transnistrian budget expenditures amounted to 850.8 million MDL or 8.6% of the total spending made on the controlled territory of the Republic of Moldova.

3.2. Banking sector

In the first quarter of 2015, the trends recorded in the domestic banking sector were characterized by adverse developments that have further disturbed the stability of the financial sector. Against the backdrop of the problems attested in the three financial institutions (B.C. „Unibank” S.A., B.C. „Banca Socială” S.A. and B.C. „Banca de Economii” S.A.), which continuously remained under special administration, there was a risk for the banking sector to record a further deterioration of the main indicators of activity, such as liquidity, profitability and quality of the loan portfolio.

Worsening of the credit portfolio quality in the banking sector. In the first quarter 2015, the value of non-performing loans amounted to 5,414.31 million MDL increasing by 13% compared to December 31, 2014. With regard to the weight of nonperforming loans in the total loans, as of March 31, 2015, it increased by 1.17 p.p. in comparison with December 31, 2014, equating to 12.90%. Another indicator that points at the increasing risk of capital loss is the weight of net non-performing loans in the total regulatory capital, which, as of March 31, 2015 rose by 8.55 p.p. up to 57.58%, compared to December 31, 2014. Therefore, the deterioration in the credit portfolio quality of the whole banking sector was mainly driven by the maximum weights of nonperforming loans held by the problematic commercial banks placed under special administration. Consequently, these entailed the tightening for lending by banks. However, the low level of population's and businesses' trust in the domestic financial institutions has been further challenged by the risks generated in the system, leading to a decreased appetite for consumer loans.

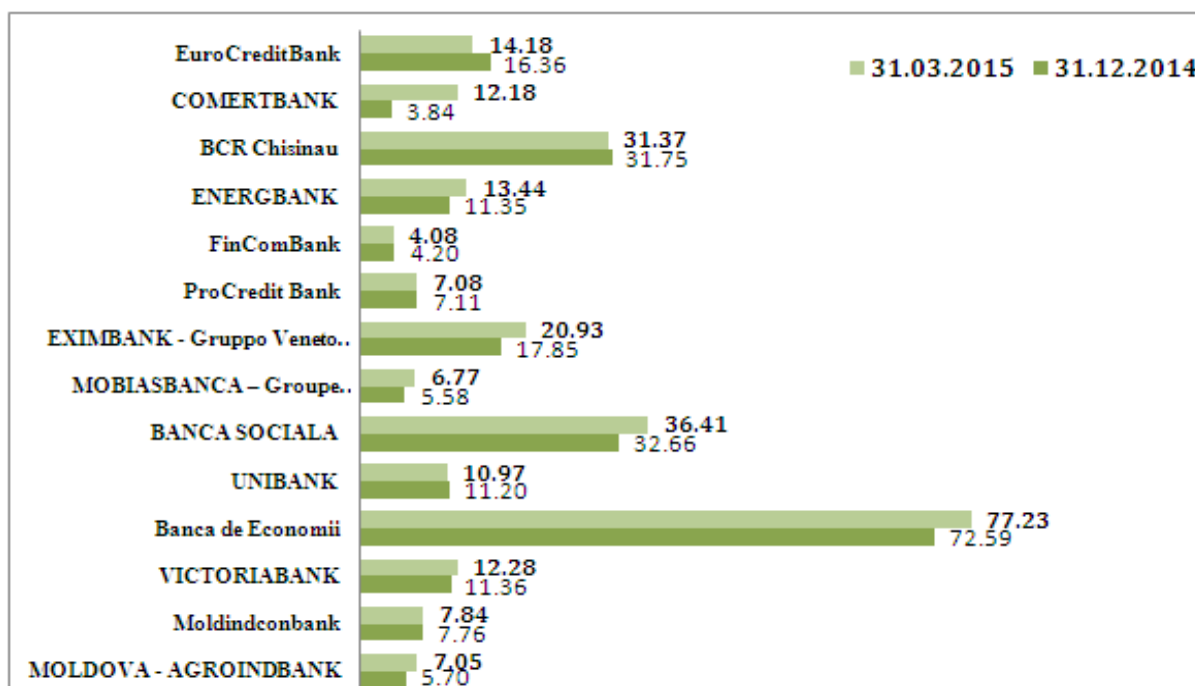


Figure 3.2.1. Share of nonperforming loans in the banking sector as of 31.12.2014 and 31.03.2015, %

Source: According to the data of the National Bank of Moldova.

The downward trend in lending volume. According to the reports published by the NBM, the total volume of loans granted by commercial banks amounted to 2,352.6 million MDL in March 2015, which is by 22.3% less than in December 2014. The share of new loans granted in national currency equalled 61.8% of total new loans and in foreign currency – 38.2%. In March 2014, most of the loans were granted to legal entities: in national currency with maturity over 12 months in the amount of 799.0 thousand MDL at an average interest rate of 13.32% and, respectively, in foreign currency – 619.4 thousand MDL at an average interest rate of 7.48%. In this context, it worth reminding that at the end of November 2014, there was an excess of new loans made in amount of 21,359.5 million MDL (accounting for 52.5% of total loans in the entire banking sector) (See Fig. 3.2.2).

Decrease in the annual growth rate of loans provided by banks. In March 2015 the annual growth rate of total loans provided by banks fell significantly, i.e. by 8.2% compared to the same period last year. Thus, the loans in national currency that declined by 22.3%, compared to the same period last year, had the greatest contribution to the decrease posted in the month of March 2015. At the same time, in comparison with the same time last year, the annual growth

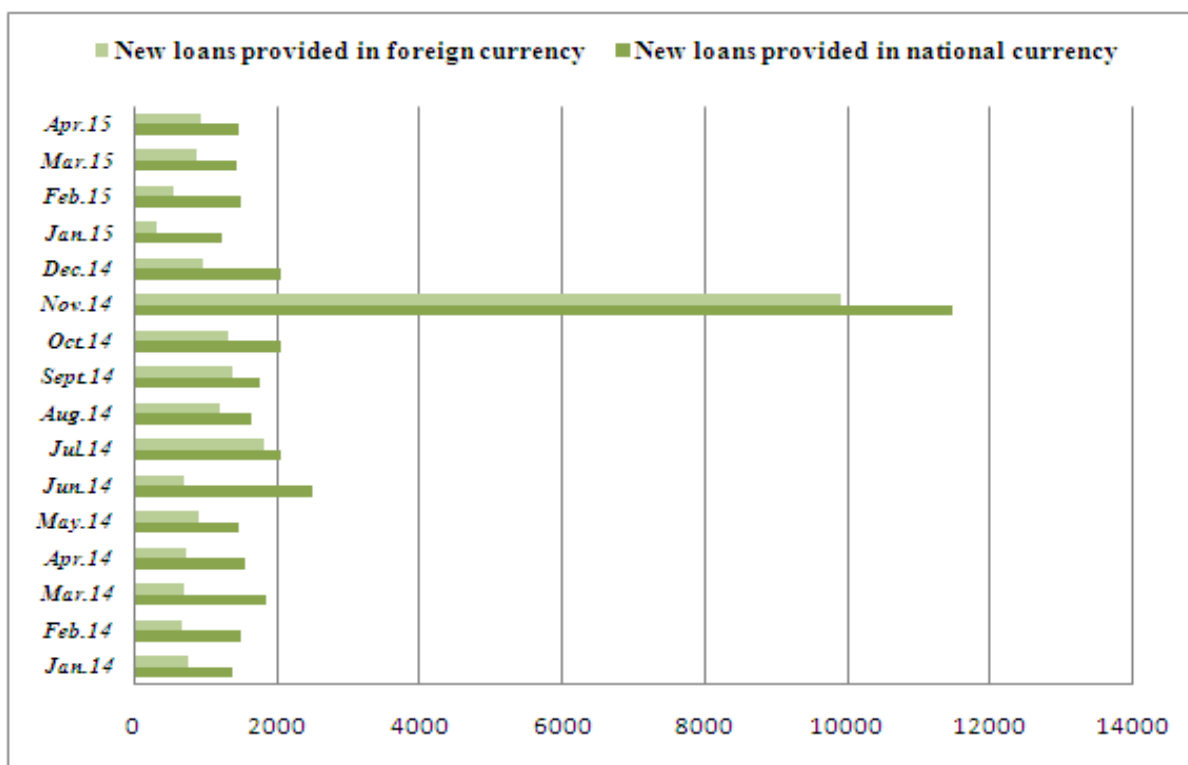


Figure 3.2.2. Volume of new loans provided in MDL and foreign currency, million MDL
 Source: According to the data of the National Bank of Moldova.

rate of loans in foreign currency increased in real terms by 29.7%, under the successive interest rate reductions in March 2015 by 0.69 p.p. (7.4%) compared to March 2014. However, the annual real dynamics of total loans made by commercial banks remained negative in the first quarter 2015 against the background of reduction in the stock of loans in national currency and the workflow to eliminate the non-performing loans from the balance sheets of problematic financial institutions.

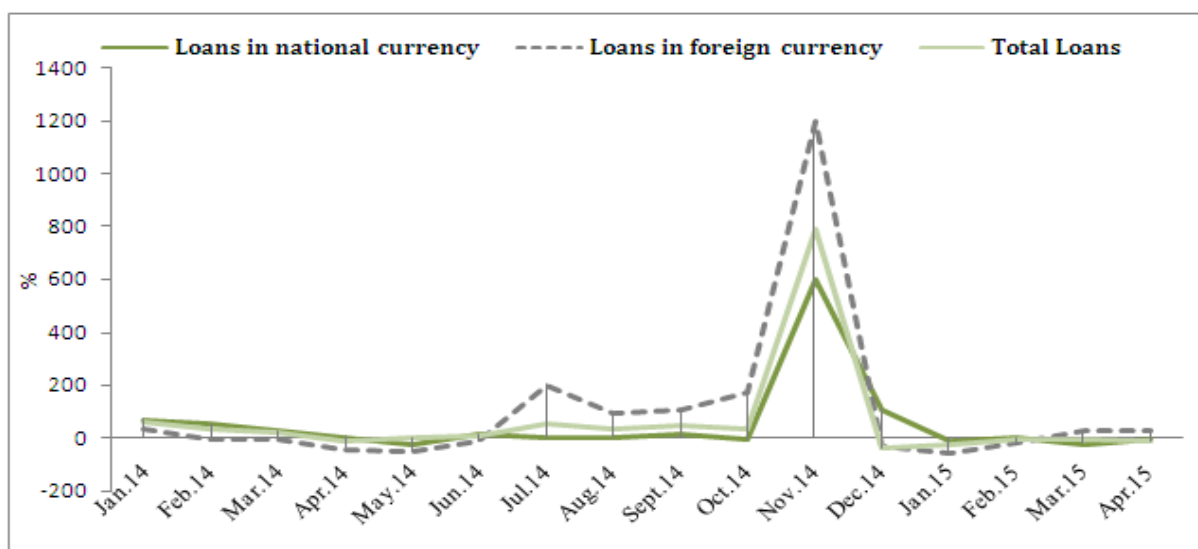


Figure 3.2.3. Annual growth rate of loans in foreign currency and national currency, %
 Source: According to the data of the National Bank of Moldova.

Increase of foreign investments in the capital of domestic banks. As of March 31, 2015 the share of foreign investment in banks' capital increased by 0.69 p.p. compared to December 31, 2014 and amounted to 77.4%. This increase shows that the banking sector remains quite

attractive for the foreign investors. Therefore, four licensed banks have fully foreign capital (B.C. „EXIMBANK-Gruppo Veneto Banca” S.A.; B.C. „ProCredit Bank” S.A.; BCR Chişinău S.A.; B.C. „COMERTBANK” S.A), followed by B.C. „Mobiasbancă – Groupe Société Générale” S.A. with 96.69% foreign capital and B.C. „EuroCreditBank” S.A. – 98.8%. At the same time, we noticed a reduction in market concentration down to 75.69% as of March 31, 2015, i.e. by 1.06 p.p. compared to December 31, 2014 (share of the 5 largest banks’ assets in the total assets).

Improvement in the quality of bank capital. Tier I capital ratio to risk-weighted assets increased over the first quarter of 2015, from 12.73% in December 2014 up to 13.78% in March 2015. As of March 31, 2015, the risk-weighted assets registered a decrease of 4% compared to December 31, 2014, while Tier I capital in the banking sector increased by 4%. According to the information on economic and financial activity of commercial banks, as of March 31, 2015, Tier I capital of the banking system accounted for 9,044.13 million MDL. All the banks have complied with the requirement to hold the necessary minimum capital equating to the established amount of 200 million MDL.

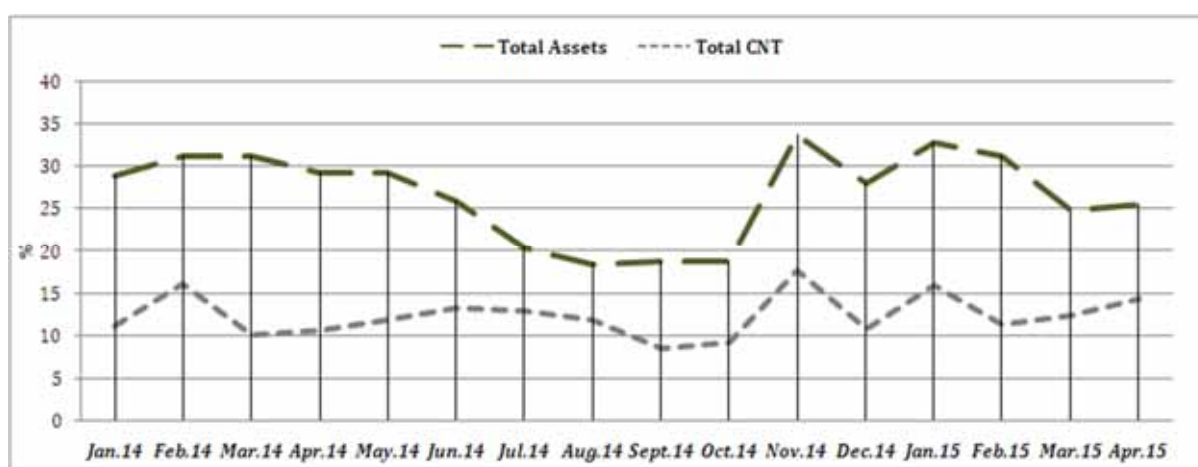


Figure 3.2.4. Annual growth rate of assets and TRC, %

Source: Author’s calculations according to the data of the National Bank of Moldova.

Recovery of the banking sector through the increased bank profitability. In March 2015, the overall profit of the banking system amounted to 306.7 million MDL, posting a 21.7% increase compared to the same period of 2014. However, following the decrease in the financial results of two commercial banks under special administration: Banca de Economii S.A. – 139.2 million MDL and B.C. „UNIBANK” S.A. – 8.60 mil., the profit recorded in the banking sector in March 2015 decreased by 60.5% compared to the end of December 2014. At the end of March 2015, B.C. "Moldova Agroindbank" S.A. held a leading position in terms of profit, posting a value of 170.3million MDL, followed by B.C. "Moldindconbank" S.A. with a profit of 91.1million MD land B.C. "Victoriabank "SA with 57.4 million MDL. Therefore, commercial banks focused on the maximization of net profit putting more emphasis on the efficient management of non-performing assets. Return on equity (ROE) across the banking sector recorded a higher level than that posted in the previous year (9.7% in March 2015 compared to 9.4% in December 2014). Correspondingly the rate of return on assets (ROA) in the banking system increased by 0.3p.p. in March 2015 in comparison with December 2014.

Maintenance of the lower value of the solvency indicator of the banking sector. At the end of March 2015, the capitalization level of the banking sector registered a value below the regulated minimum ($\geq 16\%$) and amounted to 14.33% (increasing by 1.12 p.p. compared to December 31, 2014), because of the problematic banks under special administration (B.C. „Banca de Economii” S.A.-2,7%, B.C. „Banca Socială” S.A.-3,2% and B.C. „UNIBANK” – 13.7%). However, higher values were recorded when assessing the capitalization level without the 3 problematic banks of the sector, i.e. 23.4%, which indicates a high degree of safety of the domestic banking sector.

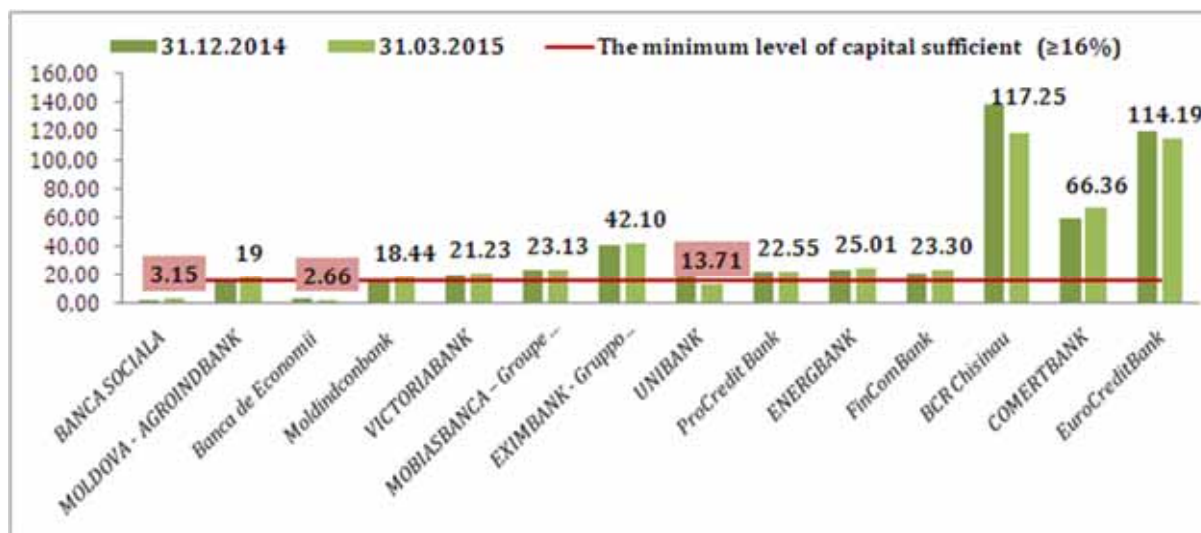


Figure 3.2.5. Average risk-weighted capital adequacy in the banking sector, %
 Source: According to the data of the National Bank of Moldova.

Existence of adequate sources of financing to cover potential needs both short- and long-term (except for the group of problematic bank). In March 2015, the liquidity indicators of the banking sector posted values over the regulated ones, and the share of liquid assets (liquidity principle II) recorded 25.21%, or by 3.58 p.p. more compared to December 31, 2014. An exception was the group of the problematic banks, which recorded values below those, regulated by the NBM – the minimum liquidity requirement ($\geq 20\%$): BC „BANCA SOCIALA” S.A. with current liquidity of only 5.50%, Banca de Economii S.A. with only – 6.26%, and B.C. „UNIBANK” S.A. – 7.79%. According to the information on economic and financial activity of the banks of the Republic of Moldova, in terms of liquidity principle I (≤ 1), the long term liquidity in the entire banking system recorded 1.51% as of March 31, 2015, i.e. by 0.03 p.p. less in comparison with December 31, 2014. This development is largely determined by the high level recorded by BC „BANCA SOCIALA” S.A. – 22.57%, not falling within the liquidity indicators. Ensuring adequate liquidity is one of the most important aspects for commercial banks and an objective of the management of any institution.

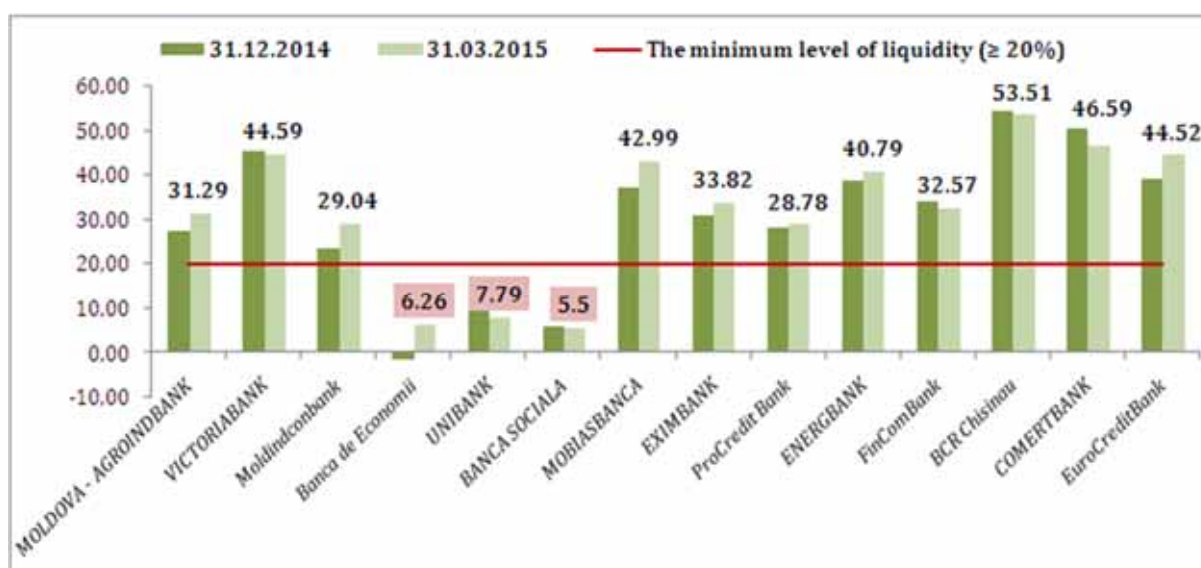


Figure 3.2.6. Liquidity indicators of the banking sector, %
 Source: According to the data of the National Bank of Moldova.

The upward trend in foreign currency deposits determined preponderantly the decrease in the interest rates on deposits. The balance of deposits in the banking system as of March 31, 2015, amounted to 66,764.8 million MDL, increasing by 2% compared to December 31, 2014. This ascending trend was largely due to the increase of 10.5% in the balance of deposits in foreign currency, when comparing with December 31, 2014. With the depreciation of the national currency during the last period, population preferred the foreign currency deposits; the share thereof was 56.4% at the end of March 2015, over the deposits in national currency, which accounted for 43.6% of the total deposits. Therefore, the average interest rate on deposits in the banking sector was more attractive in the case of deposits in national currency (equating to 11.61% in March 2015, or 5.14 p.p. compared to December 2014), in comparison with the rate on deposits in foreign currency (in March 2015 -2.63%, i.e. 1.35 p.p. decrease compared to December 2014).

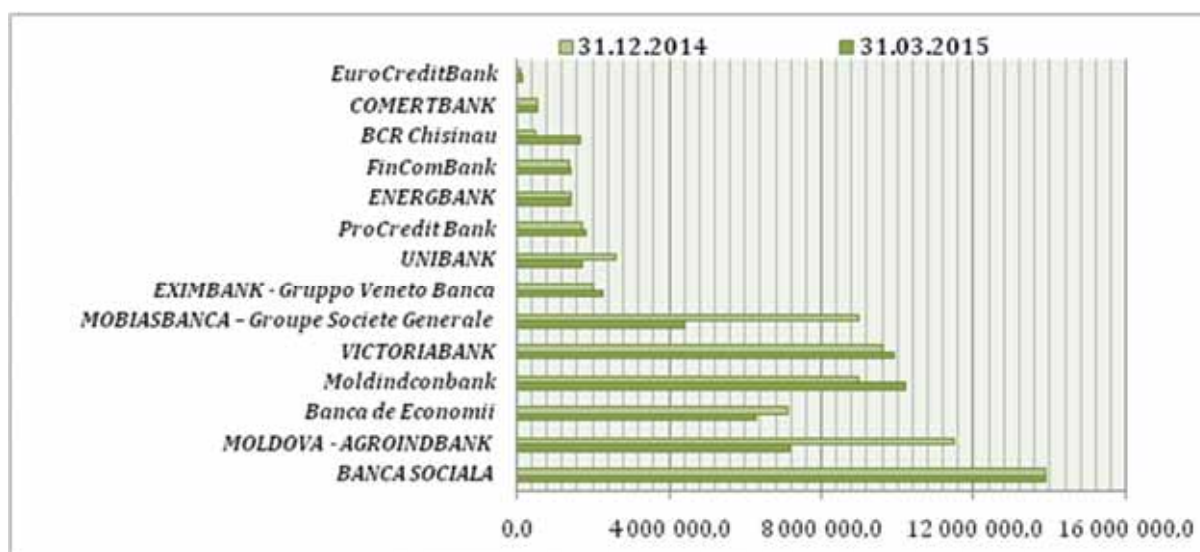


Figure 3.2.7. Dynamics of the bank deposits stock, MDL

Source: According to the data of the National Bank of Moldova.

In terms of maturity profile of deposits in national currency, the population preferred mainly deposits with a term of 3 to 6 months. Thus, in March 2015, the maximum share in total term deposits attracted in national currency pertained to the deposits with terms of 3 to 6 months (40.16%). As for the foreign currency deposits, the most attractive were term deposits with maturity of 6 to 12 months, which had the highest share of 36.6%.

Bank loans getting more expensive. As of March 31, 2015, the average interest rate on new loans provided in national currency in the banking system rose from 11.60% in January 2015 up to 13.49% in March 2015, while the average interest rates on loans in foreign currency decreased by 0.06 p.p., i.e. from 7.79% in January 2015 down to 7.43% in March 2015. In March 2015, the new deposits in national currency were attracted by commercial banks at an average rate of 11.61%, i.e. an increase of 4.69% compared to January 2015 (6.92%). At the same time, the average interest rates on deposits in foreign currency declined from 3.93% in January 2015 down to 2.63% in March 2015, posting a decrease of 1.3 p.p. (See Fig. 3.2.8).

As of March 31, 2015, the banking margin for transactions in national currency amounted to 1.88%, decreasing by 2.8 p.p. in comparison with January 31, 2015 (Figure 3.2.8). This decrease is the result of the 16.71 p.p. increase in the volume of the non-interest expenses in the banking system, as of March 31, 2015, and of the net interest income by 1.61 p.p. compared to December 31, 2014. In this context, this increase shows the strengthening of the banking system's ability to generate potential revenues (See Fig. 3.2.9).

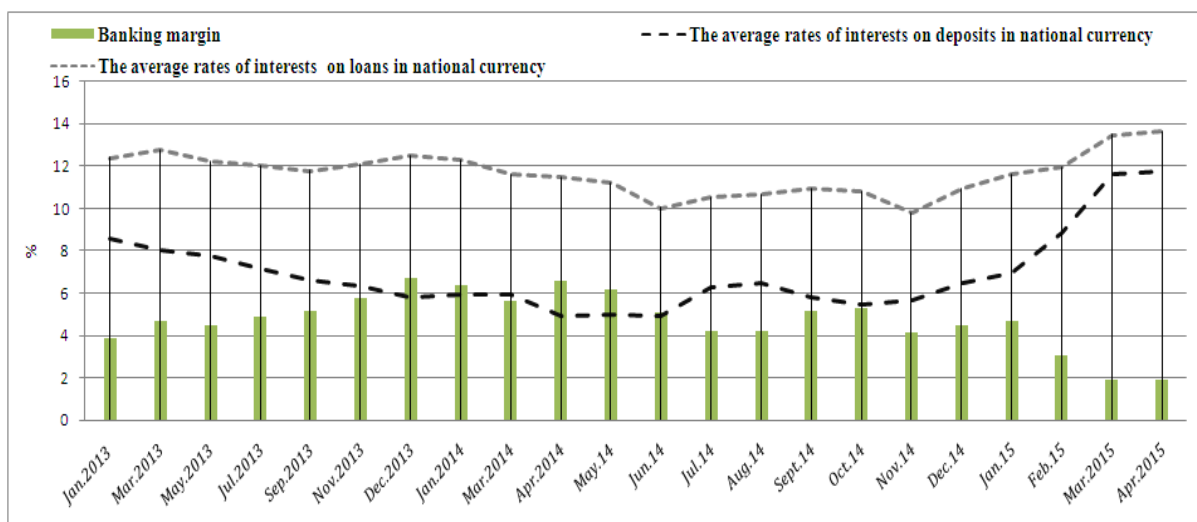


Figure 3.2.8. Development of the banking margin *, average interest rates on deposits and loans in MDL, %

Source: Author's calculations according to the data of the National Bank of Moldova.

*** Note:** The banking margin index was calculated as the difference between the average rate on loans in MDL and average rate on deposits in MDL.

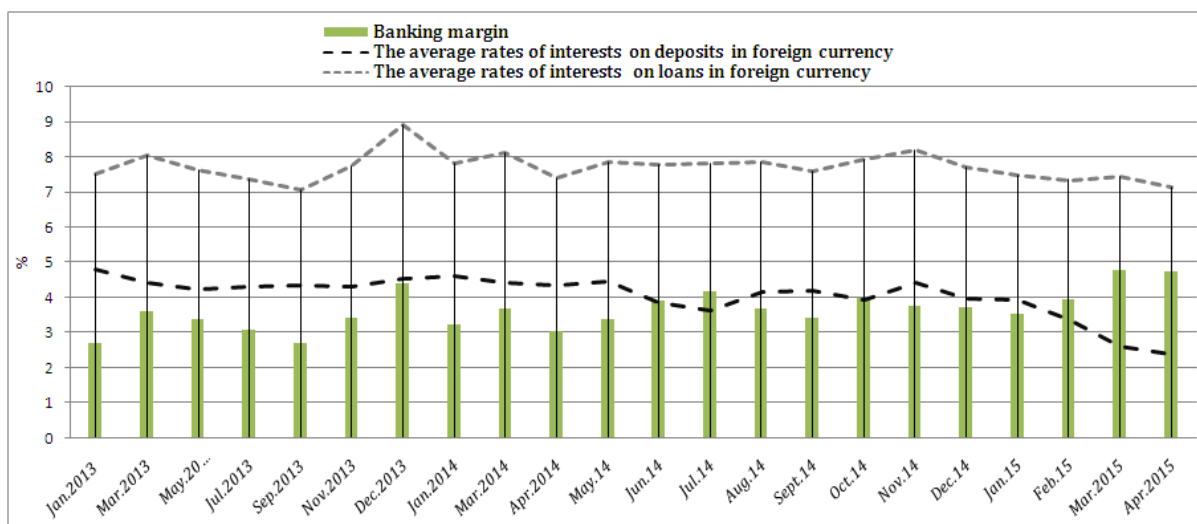


Figure 3.2.9. Development of banking margin *, average interest rates on deposits and loans in foreign currency, %

Source: Author's calculations according to the data of the National Bank of Moldova.

*** Note:** The banking margin was calculated as the difference between the average rate on loans in foreign currency and average rate on deposits in foreign currency.

Region of the Republic of Moldova to the left of the Dniester River

In I quarter of 2015, the parameters characterizing the development of the banking sector in the region from the left bank of the Dniester River reflected contradictory trends in the activity main indicators. As of April 01, 2015, the total assets of the banking system in the region totalled 6,048.73 million rubles, which is 1.44% less than on January 01, 2015. The exchange rate of the ruble of the region to the left of the Dniester River in relation to the Moldovan leu, as of January 01, 2015, was 0.7103 rubles/MDL. On April 01, 2015 the exchange rate of the ruble against major reference currencies was 0.6039 rubles/MDL, 11.1000 rubles/USD and 12.0657 rubles/EUR.

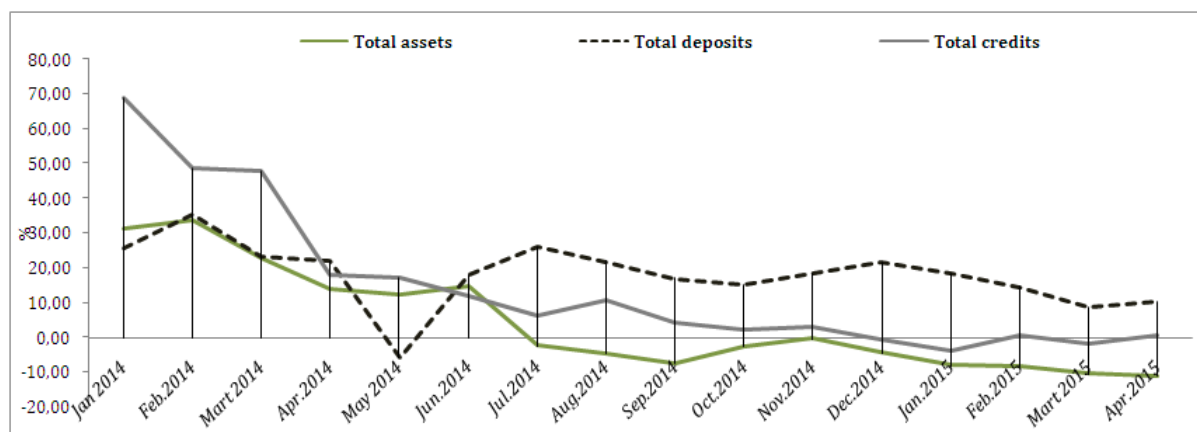


Figure. 3.2.10. Annual growth rate of assets, deposits and bank loans in the Transnistrian region, %

Source: Author's calculations according to the data of the Transnistrian Bank.

As of April 01, 2015, the annual growth rate of bank assets in the region posted a downward trend compared to January 01, 2015. Thus, although in June 2014, there was a slight increase of 14.85%, compared to the same period last year, already in March 2015 a decrease of 10.53% splay was registered. Similar dynamics were observed with regard to bank loans, thus in March 2015 there was a decrease of 1.62% sply (See Fig. 3.2.10).

As of April 01, 2015, banks' own capital amounted to 1,417.96 million rubles, which is 1.47% more compared to January 01, 2015 (1,397.37 million rubles). The share capital of banks in the region of the Republic of Moldova to the left of the Dniester River totalled 1,043.1 million rubles, as of April 01, 2015. The balance of loans made to economic sector reached on April 01, 2015 the amount of 4,487.98 million rubles, i.e. 7.3% increase compared to January 01, 2015. At the same time, loans to individuals in this period amounted to 1,126.91 million rubles, declining by 3% compared to January 01, 2015, while the loans provided to legal entities equated to 3,361.07 million rubles, posting an increase of 11.1% compared to end of the previous year. On April 01, 2015, the balance of bank deposits attracted amounted to 2,936.40 million rubles, i.e. 3.6% less compared to April 01, 2014. Correspondingly, deposits made by individuals, as of April 01, 2015 totalled 1,274.70 million rubles, decreasing by 4.4% compared to January 01, 2015 (1,334.03 million rubles).

Chapter IV

EXTERNAL SECTOR

Balance of payments

External sector developments posted in the first quarter have negatively marked the national economy. Nevertheless, these trends are less visible in the balance of the current account balance and, correspondingly, of the financial account of the balance of payments which recorded insignificant changes during this period. However, viewed from the inside, some indicators have undergone major changes, signaling the worsening of economic situation in the country.

Current account

According to preliminary data, in the first quarter of the year the current account balance recorded a deficit of 144 million USD, declining by 6.3% in comparison with the same period last year. In relation to the GDP the current account deficit accounted for more than 1/10 of it.

In the first quarter, mainly as a result of unfavorable conjuncture in the Russian and Ukrainian markets, Moldovan exports of goods decreased. Although negative results were attested also in trade relations with other major trading partners such as Turkey, but from EU area too.

At the same time, the decline in imports was even more imposing, and this has conditioned a contraction of 23.6% in the deficit of trade in goods compared to the same period last year, and, according to the balance of payments data, amounted to 480 million USD. The moderation in domestic consumption growth in the first months of the year, deflationary pressures in the EU area and lower demand for exported goods from the Eastern partners are some of the factors that have influenced in this regard.

The trade in services has also declined both exports and imports. Decreases were registered in the main service areas subject to foreign trade, which inevitably influenced the overall value of trade in services:

- Transport, which contributes with about 37% to formation of export and import of services, decreased compared with the same period last year by 22.8% and, respectively, 22.2%;
- Travels representing 22.4% of exports of services and 33.3% of imports reduced compared to the first quarter of 2014 by 11% and, correspondingly 15.9%;
- Communications, whose contribution accounted for 15.3% and 5.3% of the value of exports and imports of services, also posted decreases of 7% and 5.5%, respectively.

At the same time, small trade balance of the balance of services of -5.6 million USD has insignificantly influenced the change in the current account in the first quarter of 2015.

Concomitantly with the contraction of the trade deficit, there was a reduction in the volume of revenues and current transfers obtained from non-residents, mainly on account of diminished remittances from Moldovan emigrants. This trend serves as a logical explanation for the decrease in imports and a reflection of the country's development model over the last years, based on consumption financed from remittances and supplied by imports.

In the first quarter incomes obtained by residents as remuneration for labor from non-residents fell by 17.5%, compared to the same period last year, i.e. from 213.4 million USD down to 176

million USD. These developments were determined by changes in receipts to the income account. While having, on the other hand, an increase in reinvested earnings and undistributed profits of subsidiaries, i.e. from 10.8 million USD in the first quarter of 2014 up to 40.8 million USD in the first three months of this year, the debit value of the account increased contributing to diminution of its positive balance.

Table 4.1. Balance of payments (Synthetic presentation)

	Nominal value, million USD			Growth rate, % sply	
	Q1 2013	Q1 2014	Q1 2015	Q1 2014	Q1 2015
Current account	-134.6	-153.8	-144.0	14.3	-6.3
Goods	-627.6	-628.5	-480.0	0.2	-23.6
<i>Export</i>	596.9	574.5	492.6	-3.7	-14.3
<i>Import</i>	-1224.4	-1203.0	-972.7	-1.7	-19.2
Services	-0.7	-6.5	-5.6	of 9.5 times	-14.7
<i>Export</i>	216.9	215.0	180.9	-0.9	-15.8
<i>Import</i>	-217.6	-221.5	-186.5	1.8	-15.8
Income	170.7	159.0	92.1	-6.8	-42.1
<i>Receipts</i>	222.4	225.1	186.2	1.2	-17.3
<i>Payments</i>	-51.8	-66.1	-94.2	27.7	42.5
Current transfers	323.0	322.3	249.5	-0.2	-22.6
<i>Receipts</i>	353.0	355.7	282.3	0.8	-20.6
<i>Payments</i>	-30.0	-33.5	-32.8	11.6	-1.9
Capital and financial account	139.0	143.0	185.7	2.9	29.9
Capital Account	-8.1	-11.3	-15.3	38.9	36.0
<i>Inputs</i>	3.4	2.8	1.6	-19.8	-42.2
<i>Outputs</i>	-11.6	-14.0	-16.9	21.5	20.7
Financial account	147.1	154.3	201.0	4.9	30.3
Direct investments	62.0	22.4	66.6	-63.9	197.4
Portfolio investments	2.0	5.2	0.9	162.1	-83.6
Financial derivatives	0.1	0.2	0.1	46.2	-63.2
Other investments	87.2	30.0	-179.2	-65.6	-697.4
Reserve assets	-4.2	96.5	312.8	-2386.5	224.1
Assets	-4.3	-45.4	83.1	953.6	-283.0
FDI	-2.8	-3.6	-9.0	29.8	151.3
Portfolio investment	0.6	2.0	-1.0	250.9	-150.5
Financial derivatives	0.0	0.0	0.0	-	-
Other investment	2.1	-140.3	-219.7	-6750.7	56.5
Reserve assets	-4.2	96.5	312.8	-2386.5	224.1
Liabilities	151.4	199.7	117.9	31.9	-41.0
FDI	64.7	26.0	75.5	-59.9	191.0
Portfolio investment	1.4	3.2	1.9	126.2	-41.7
Financial derivatives	0.2	0.2	0.1	26.7	-63.2
Other investments	85.1	170.3	40.4	100.1	-76.3

Source: According to the data of the National Bank of Moldova.

Capital and financial account

Capital account posts insignificant values in the Republic of Moldova, and the beginning of the year was not an exception. At the same time, there was a slight increase in the financial indebtedness of the country to non-residents in the first quarter. In the first three months of the

year, the net balance due of the financial account increased by 46.8 million USD compare to the sply, amounting to 201 million USD.

The main influences in this regard occurred due to the following factors:

- Reduction in official reserve assets by 312.8 million USD during this period. By the end of March the total volume of reserve assets dropped down to 1,752.3 million USD, continuing the trend posted at the end of last year. Major fluctuations in the foreign exchange market required the intervention of the national monetary authority to make foreign currency sales (see the chapter on monetary policy). Likewise, during this period there were high fluctuations in the exchange rate of the Euro currency on international markets, its depreciation against the USD influencing inevitably the volume of Moldovan external official reserve assets estimated in USD.

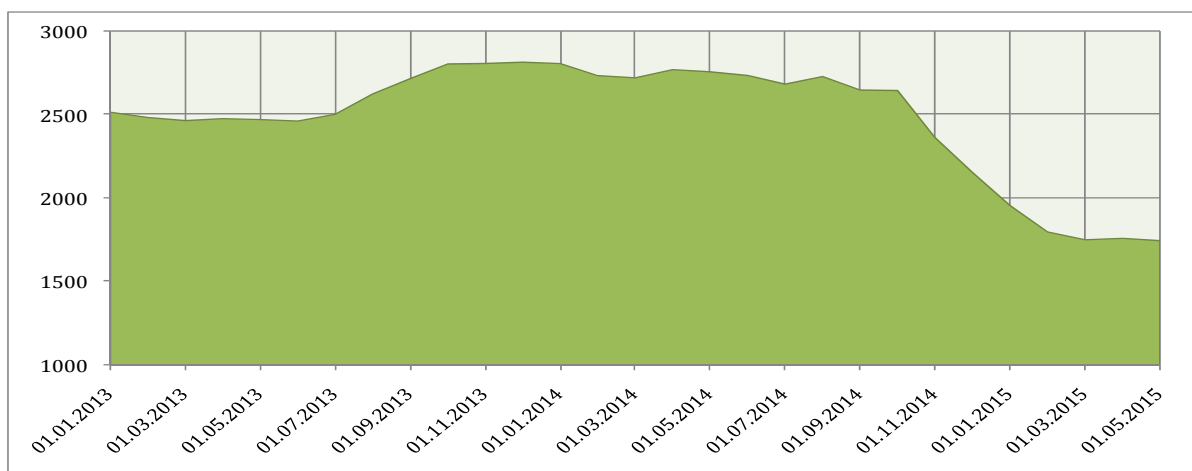


Figure 4.1. External official reserve assets (stock), million USD

Source: According to the data of the National Bank of Moldova.

- Increasing net foreign direct investment, which were driven by higher reinvested earnings of foreign investors and loans contracted from foreign affiliates.

Remittances

Remittances have continued to reduce for the third consecutive quarter (sply), negatively affecting the inflows recorded in the current account. Or, over several years, remittances along with exports of goods and services generated the main current inflows of foreign currency.

Table 4.2. Dynamics of remittances inflow in 2014-2015

Country	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015
Nominal value, million USD					
Total	398.5	514.5	549.2	438.8	322.5
Russian Federation	223.9	330.8	366.3	246.2	138.3
Other states	174.5	183.6	182.9	192.6	184.2
Growth rate, % sply					
Total	-0.9	4.3	-0.8	-20.6	-19.1
Russian Federation	-6.0	8.0	2.7	-29.6	-38.3
Other states	6.4	-1.9	-7.2	-4.9	5.5
Structure, %					
Total	100.0	100.0	100.0	100.0	100.0
Russian Federation	56.2	64.3	66.7	56.1	42.9
Other states	43.8	35.7	33.3	43.9	57.1

Source: According to the data of the National Bank of Moldova.

Under the influence of contracting volume of money transfers from the Russian Federation, the amount of remittances received in the economy decreased to 322.5 million USD (see Table 4.2.), i.e. 19% less compare to the same time last year.

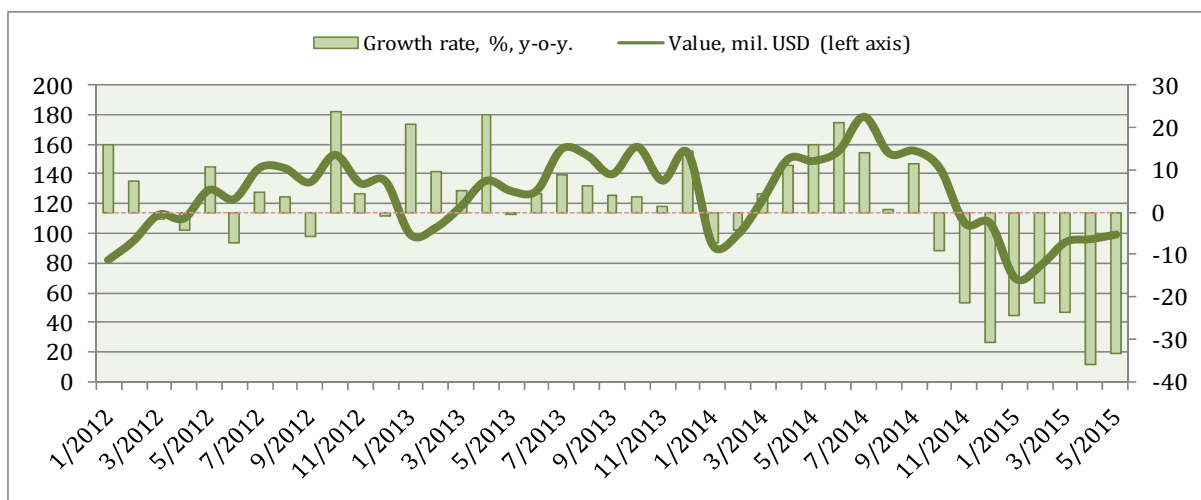


Figure 4.2. Net transfers of money from abroad made in favor of individuals through the banks of the Republic of Moldova

Source: According to the data of the National Bank of Moldova.

Similarly, in this period there were visible changes in the geographical structure of remittances, where the share of Russia reduced to about 43% compared with 56% in the same period last year. The analysis of net transfers made from abroad to individuals through the banking system, comprising to a certain extent official remittances of Moldovan emigrants gone abroad to work, has shown a continuous downward trend also in the second quarter of the year. At the same time, the estimates regarding the Russian economy entering into recession this year were confirmed by the developments posted in the first quarter (the volume of GDP decreased by -2.2% sply), do not indicate prospects of restoring the positive growth rates of remittances in the short term.

Foreign Direct Investment

After the crisis of 2009, the Republic of Moldova has recorded major constraints in attracting foreign direct investments, the net inflow being very small. The current year, under a conjecture, which is rather uncertain, both outside and inside the country, does not promise either substantial performance in this regard. However, it worth mentioning that in the first quarter of the year, the net investment inflow exceeded the quarterly high reached over the last 7 years.

According to preliminary data, the net inflow of foreign direct investments in the national economy amounted to 75.5 million USD in January-March of the current year, being driven by increasing investment from reinvested earnings and intra-group loans, which provided 40.8 million USD and 13.5 million USD of investments made during this period. The leap is a major one compared to the same period last year, but it also should be noted that the basis for comparison is very small.

It would be presumptuous to conclude based on developments of the first quarter that the beginning of the year was marked by an improvement in the investment climate. Hence, externally, the Republic of Moldova is in a geographical area with high risks for potential investors. This situation is reinforced by the political crisis in the country, which affects policy stability and implementation of commitments made for their promotion. The events produced in

the financial system are cracking the banking system, enhancing society's distrust in it. In addition, monetary policy becomes more restrictive and demotivating even more the business environment to borrow and to make investments.

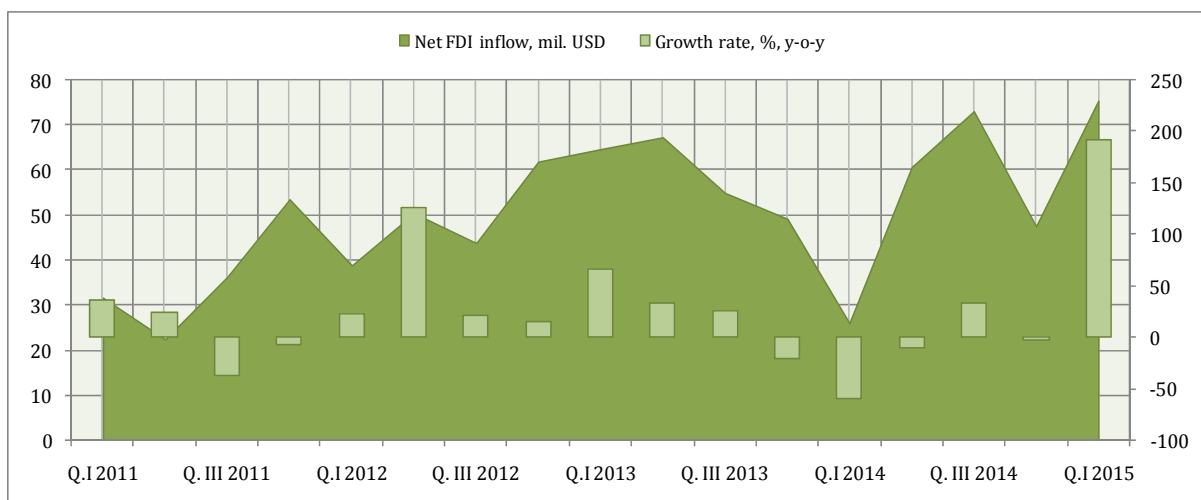


Figure 4.3. Net inflow of FDI in the Republic of Moldova's economy in 2011-2014
 Source: According to the data of the National Bank of Moldova.

Foreign trade in goods

Foreign trade in goods has marked negative results in the first quarter of the year. Both exports and imports, following the trend of the previous year continued to decline in the first quarter, recording lower values, including in comparison with similar periods in 2012-2013.

In nominal terms, the exports in January-March totaled 488.2 million USD, or 84.8 million USD (-14.8%) less compared to the first quarter of 2014. The downward trend in imports was even more pronounced – 242.2 million USD (-19.9%), totaling 976 million USD in the same period. Therefore the first three months of the year resulted in a trade deficit of 487.8 million USD less compared to the same period of 2014, when it amounted to 645.2 million USD.

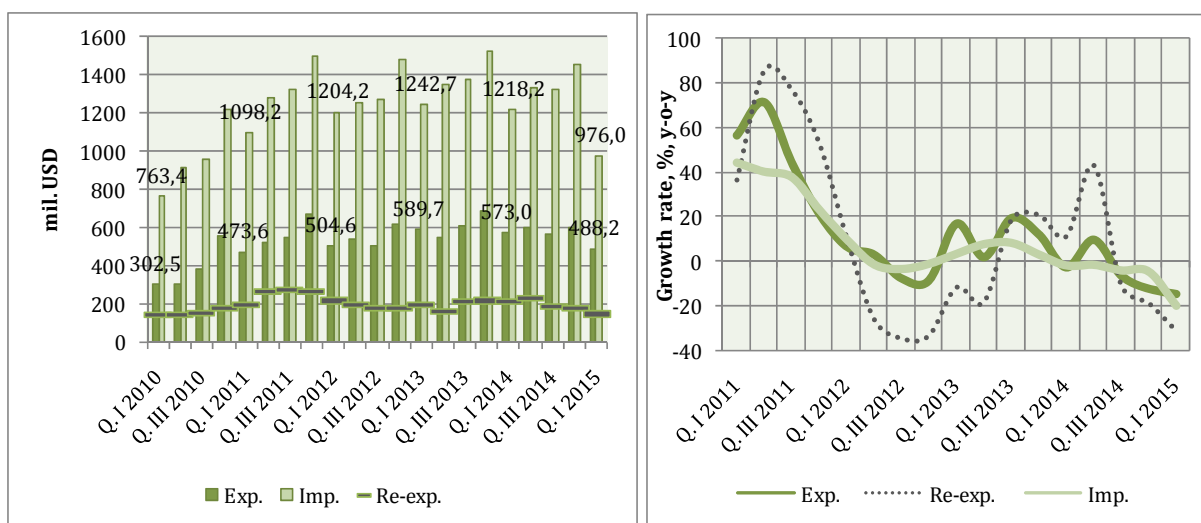


Figure 4.4. Quarterly dynamics of exports and imports

Source: According to the data of the National Bureau of Statistics.

Note: Data on re-exports are presented according to infra-annual unadjusted statistics, therefore it may show some deviations from the actual value of re-exports in this period.

Exports

Over the last years exports posted unstable dynamics. In 2009-2014, on average, the value thereof increased annually by 8.5%, while in the pre-crisis period, 2003-2008, the average annual growth rate amounted to 16.8%. In 2009 there was a sharp drop in exports (-19.4%), and the height of the pre-crisis period (2008) was restored only in 2011 totaling 2.2 billion USD. In the years that followed, two negative years alternated with a year of positive growth, i.e. (-) 2.5% in 2012 comparing with the previous year, +12.3% in 2013 and -3.7% in 2014.

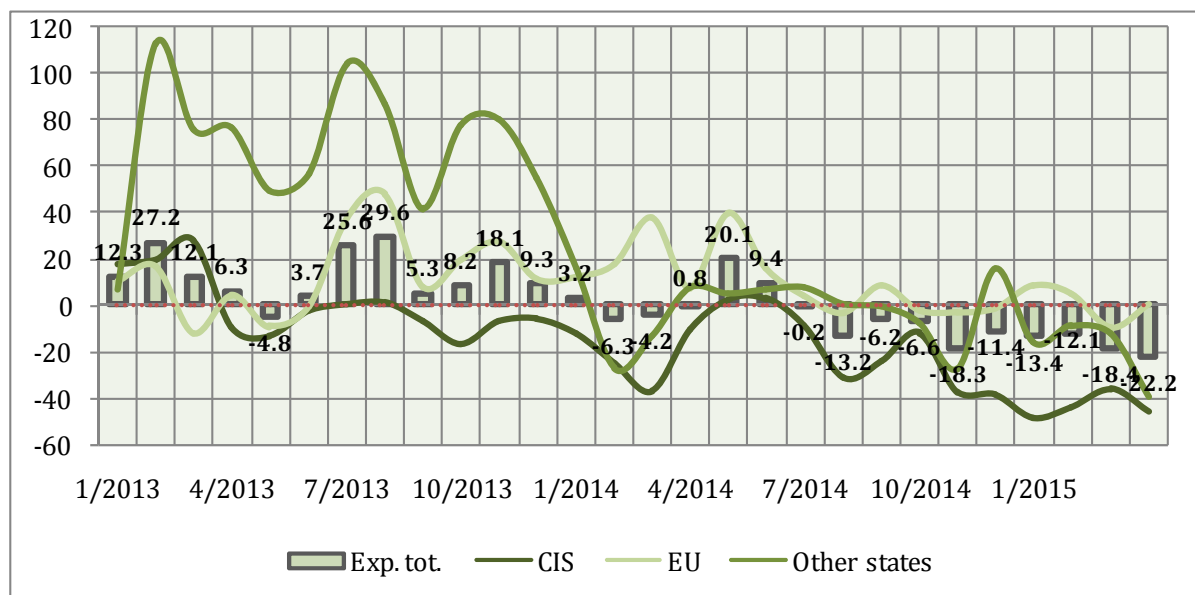


Figure 4.5. Monthly dynamics of exports and imports of goods by groups of countries, % sply

Source: According to the data of the National Bureau of Statistics.

Starting with the second half of last year and including the first months of the current year, exports posted declining monthly developments compared to the same period last year. In January-March 2015 the value of exports of goods amounted to 488.2 million USD, of which 341.1 million USD or 69.9% pertained to exports of domestic products. During this period exports declined by 14.8% in comparison with the first quarter last year, and 11.5 p.p. of this decrease was determined by re-exports. In value terms, 66.1 million USD out of the reduction of 84.8 million USD in total exports related to decline in re-exports. Thus, if in the last year these were relatively immune to the effects of external shocks, in the current year their decline was more pronounced compared to that of local products, i.e. 31% versus 5.2%.

Box 4.1. What determined the increase in re-exports in 2014 against the background of declining exports of local products by 3.7%

Over the last 10 years re-export has been an important component of Moldovan exports of goods. Starting with 2012, following the adjustment of the customs regulatory framework, their share stood at a level that hovered around 33-36% of the total value of exports of goods.

It has to be mentioned that in the last two years their growth has tempered visibly. However, compared to the development of exports of local products, re-exports have had a less fluctuating dynamic.

In the previous year, despite the decrease of 3.7% compared to last year in the total value of exports of goods, including in exports of local products by 5.6%, re-export was on the rise by 0.2%.

MOLDOVAN ECONOMIC TRENDS

Year / Indicator	Nominal value, million USD			Structure, % (Total exports)		Growth rate of exports, % sply	Degree of influence on the change in total exports, %	
	Total Export	Re-export	Export local products	Re-export	Export local products		Re-export	Export local products
2012	2161.8	772.3	1389.5	35.7	64.3	-2.5	-10.3	7.9
2013	2428.3	808.5	1619.8	33.3	66.7	12.3	1.7	10.7
2014	2339.5	809.9	1529.6	34.6	65.4	-3.7	0.1	-3.7

Source: Author's calculations based on UN Comtrade data.

Unlike the export of local products, re-export is a business that requires lower investments. Often these relate to products that are not subjected to any processing processes in the country, in other words, are exported in the same state and shape as they had been previously imported – medicines, vegetables, oil, vehicles, etc. However, here are also categorized some light industry products made of imported raw materials that are not subjected to processing sufficient to change the origin thereof, for example – electrical equipment, clothing apparel, furniture, footwear etc. Given the major import component, their influence on the change in trade balance in goods is relatively lower. Thus, the main sectors, which stand to gain or lose when re-exports are decreasing, are transportation and trade services.

Commodity SITC Code		Nominal value of re-exports, million USD		Structure, %		Growth rate, % sply	
		2013	2014	2013	2014	2013	2014
	Total	808.5	809.9	100	100	4.7	0,2
84	Clothing apparel	161.8	256.6	20.0	31.7	18.2	58,6
54	Pharmaceutical products	94.4	105.0	11.7	13.0	19.4	11,2
77	Electrical equipment	60.6	86.1	7.5	10.6	83.2	42,1
05	Fruits and vegetables	49.3	53.0	6.1	6.5	-15.9	7,6
55	Perfumes and cosmetics	45.6	35.5	5.6	4.4	2.7	-22,1
82	Furniture	42.7	32.6	5.3	4.0	-46.6	-23,7
85	Footwear	19.9	29.3	2.5	3.6	-25.5	47,6
74	Various industrial equipment	27.8	22.7	3.4	2.8	3.2	-18,6
83	Travel goods	9.1	21.4	1.1	2.6	800.7	134,6
65	Textile yarn	40.0	21.1	4.9	2.6	-53.9	-47,1
	Top 10 Products	551,2	663.3	68.2	81.9	-3.9	20.3
	Other products	257,3	146.6	31.8	18.1	29.3	-43.0

Source: Author's calculations based on UN Comtrade data.

Most of the re-exports are directed towards the Russian Federation, about 30% in 2014, which represents 58% of total exports of goods to this destination. Comparing with the previous year, in 2014 re-export caused a decrease in total exports to Russia of 24.5 p.p. of 32.9%.

Mainly there were reductions in the re-export of goods such as textile yarn, various industrial equipment, furniture, cosmetics, vehicles, metal products that have a relative high concentration on the Russian market.

Country / Indicator	Nominal value of re-exports, million USD		Structure, %		Growth rate, % sply	
	2013	2014	2013	2014	2013	2014
A	1	2	3	4	5	6
World	808.5	809.9	100.0	100.0	4.7	0.2
Russian Federation	399.7	244.7	49.4	30.3	-2.8	-38.8
Italy	71.3	138.8	8.8	17.2	23.8	94.7
Romania	99.7	137.4	12.3	17.0	16.2	37.8
Great Britain	37.4	64.0	4.6	7.9	25.5	71.4
Germany	18.8	31.8	2.3	3.9	12.0	68.7

A	1	2	3	4	5	6
Turkey	26.8	24.6	3.3	3.0	-13.1	-8.4
Ukraine	22.0	21.5	2.7	2.7	-13.2	-2.3
Poland	9.6	16.9	1.2	2.1	-51.2	76.1
Belarus	3.7	14.7	0.5	1.8	125.8	302.2
Bulgaria	20.0	13.8	2.5	1.7	268.8	-31.0
Top 10 countries	709.0	708.2	87.7	87.6	3.6	-0.1
Other countries	99.5	101.7	12.3	12.4	13.0	2.2

Source: Author's calculations based on UN Comtrade data.

At the same time, re-exports to other countries increased in 2014, offsetting the losses incurred on the Russian market. Especially, there was an increase in re-exports to Italy, Romania, United Kingdom, Germany, Poland – where several categories of light industry products are shipped.

Exports of goods decreased in the first quarter on account of contracted supplies of agricultural and food products and non-food manufactured products, on the CIS's markets and other states except CIS and the EU countries. Reduced performance was attested also in the case of supplies to the Western Europe's markets.

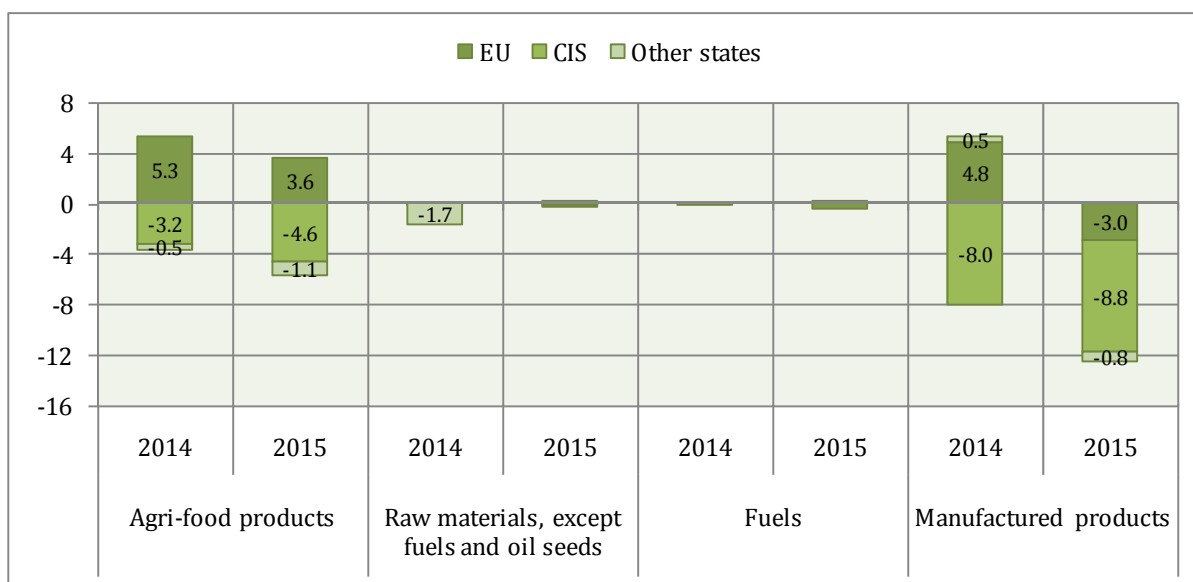


Figure 4.6. Contribution of the main export destinations to changes in total exports of goods, %

Source: According to the data of the National Bureau of Statistics.

The drastic decrease in re-exports, in the first months of the year, formed preponderantly of manufactured goods, influenced the change in the structure of exports by product category.

In the first three months of the year, the structure of Moldovan exports undergone changes compared to the same period last year. In January-March 2014, holding a share of 52.6% in total exports, the quota of manufactured goods reduced by 5.5 p.p. sply. Exports value of this category of products declined by 23.7% comparing with the same period last year, influencing a negative change in total exports of goods of – 12.5 p.p. In the current year there were reductions in products with the largest share in exports of commodities of this category – cars and electrical equipment, clothing apparel, furniture – products supplied in proportion of 90% and more to the European market. Similarly, decreases were recorded in the case of exports value of pharmaceutical products and various machinery and transport equipment exported mainly to the Russian Federation.

Table 4.3. Structure and dynamics of exports by products group in Q.I of 2014-2015

	Nominal value, million. USD		Structure, %		Growth rate, % sply		Degree of influence on the change sply, %	
	2014	2015	2014	2015	2014	2015	2014	2015
Total	573.0	488.2	100.0	100.0	-2.8	-14.8	-2.8	-14.8
Agricultural and food products	255.7	243.8	44.6	49.9	4.0	-4.7	1.7	-2.1
<i>Fruits and vegetables</i>	72.7	71.0	12.7	14.5	2.8	-2.3	0.3	-0.3
<i>Oilseeds</i>	41.9	51.4	7.3	10.5	-20.5	22.8	-1.8	1.7
<i>Cereals</i>	46.8	38.4	8.2	7.9	134.8	-17.9	4.6	-1.5
<i>Beverages</i>	40.9	33.1	7.1	6.8	-35.3	-19.0	-3.8	-1.4
<i>Vegetable and animal oils and fats</i>	30.2	22.7	5.3	4.7	113.1	-24.6	2.7	-1.3
<i>Other food products</i>	23.3	27.1	4.1	5.5	-8.1	16.2	-0.3	0.7
Raw materials, except sun flower seeds and fuels	11.8	12.2	2.1	2.5	-45.9	3.1	-1.7	0.1
Fuels	3.8	2.2	0.7	0.4	-17.5	-42.7	-0.1	-0.3
Manufactured products	301.7	230.1	52.6	47.1	-4.9	-23.7	-2.7	-12.5
<i>Electrical machinery and equipment</i>	58.2	57.8	10.2	11.8	11.0	-0.7	1.0	-0.1
<i>Clothing apparel</i>	67.5	51.0	11.8	10.4	15.2	-24.5	1.5	-2.9
<i>Furniture</i>	27.0	22.9	4.7	4.7	13.5	-15.2	0.5	-0.7
<i>Pharmaceutical products</i>	36.7	13.4	6.4	2.7	54.3	-63.5	2.2	-4.1
<i>Other manufactured products</i>	112.2	85.0	19.6	17.4	-29.3	-24.3	-7.9	-4.8

Source: According to the data of the National Bureau of Statistics.

On account of the sharp fall in manufactured goods in the first three months of the year, the share of food products increased to about 50% of the total exports value. However, it should be mentioned that, overall, the value of the given group of products supplied in the first quarter of the year decreased by 4.7% compared to the same period last year.

There was a decline in export of vegetables, and, in particular of *tomatoes*. The value of exported fruits was on the rise during the analyzed period, including apple (by 5.6%) and grapes (by 2.3 times). The volume of apples shipped abroad in the first quarter of the year amounted to 38.2 thousand tons (by 13.2 thousand tons more than in the first quarter of 2014), preponderantly (in proportion of 93.3%) these were exported to the three countries of the Customs Union – RKB. Exports of grapes, mostly supplied to the Russian Federation and Romania, amounted to 4.9 thousand tons, i.e. 2.9 thousand tons more compared to sply.

There was a decrease in the first quarter of the year in the export value of:

- cereals (by 2.3% sply), caused by the diminution in the volume of corn delivered to Ukraine, Greece, Switzerland, New Zealand etc.;
- wine (by 13%), although the shipped quantity increased from 2.2 million dal up to 2.5 million dal;
- vegetable oils and fats, as well as various preparations of fruit, vegetables and processed meat.

The decline of exports in the first quarter occurred mainly under the influence of external factors: reduced demand from Eastern Partners, lower prices of agricultural products on international markets and disinflationary processes in European markets. Also a reduction in overall demand in some of the western markets was observed. Starting with October 2014, EU extra-community imports of goods registered negative annual growth rates (-19% in January 2015, -15% in February 2015, -14% in March 2015). In the first quarter of the year, there was an increase in the industrial production output in several branches that posted declines in exports (processing and canning of fruits and vegetables, production of vegetable oils and fats, clothing apparel, electrical equipment, furniture). However, unless new outlets for this available production will be found, the inability to recoup the investments could contaminate the production sector, worsening the financial situation and the prospects for increased production capacity by the second half of the year.

Following the above-mentioned developments, the geographical structure of exports of goods continued to change, increasing gradually the share of EU countries up to 65.6% of total exports, thus posting a rise of 9.9 p.p., compared to the previous year. Western partners represented the main market for large categories of products: agricultural and food products, crude non-food materials, fuels and manufactured non-food products (see Figure 4.7.). Having analyzed the main exported products it appeared that 51.9% of cereals, 65.4% of the total value of fruit and vegetables exported (especially, fruits, consisting preponderantly of nuts), 84.5% of oil seeds and oleaginous fruits, 99.8% of vegetable fats and oils, 97.8% of electrical machinery and equipment, 87.4% of clothing apparel and accessories, 90.1% of furniture and parts thereof were shipped to this destination. Thus, overall in the first quarter, exports to the EU were found to be the most resilient, although high growth rates were registered also in the case of some markets from the CIS area – Belarus and Kazakhstan, as well as other states such as Switzerland, USA, Lebanon, Indonesia, Iraq.

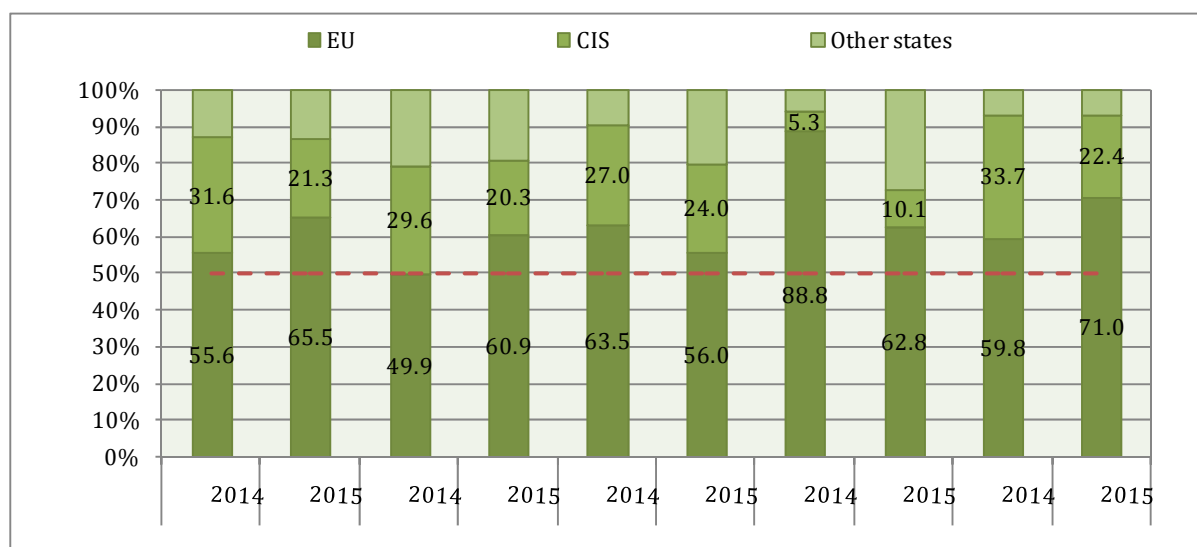


Figure 4.7. Distribution of total exports of goods by product groups and countries, %
Source: According to the data of the National Bureau of Statistics.

The Top of the main export markets underwent essential changes compared to the previous year. Thus, in the first quarter of the previous year, the Russian Federation was leading the top of the main export markets, but already by the end of 2014 it came down to the second position after Romania and in the first quarter of this year was surpassed also by Italy. Following the reduction in the weight of the Russian Federation in the total exports value, the share in exports of the first trading partners decreased slightly. Still the quota of the top 5 export

markets has remained basically unchanged. Overall, against the background of the changes produced during the last two years, the top export trading partners has been changing. However the geographic concentration within the CIS and the EU remained high (See Table 4.4).

Table 4.4. Main destinations of Moldovan exports

	2013	2014	Difference 2015/2014	Q1 2014	Q1 2015	Difference Q12015 /Q1 2014
Total nominal value, mil. USD	2428.3	2339.5	-88.8	573	488.2	-84.8
Total	100%	100%	%	100%	100%	%
EU-28	46.8	53.3	6.5	55.6	65.5	9.9
CIS	38	31.4	-6.6	31.6	21.3	-10.3
Customs Union - RKB	31.3	25.8	-5.5	25.3	18.5	-6.8
Romania	16.9	18.6	1.7	16.3	22.4	6.1
Italy	7.6	10.4	2.8	12.8	11.2	-1.6
Russian Federation	26	18.1	-7.9	19.8	11.1	-8.7
Great Britain	4.3	4.6	0.3	4.4	8.1	3.7
Germany	4.7	5.9	1.2	6	6.2	0.2
Belarus	3.7	5.8	2.1	4	5.2	1.2
Turkey	5.2	4.5	-0.7	4.3	3.7	-0.6
France	1.5	1.6	0.1	2.5	3.4	0.9
Poland	3.5	2.8	-0.7	3	2.8	-0.2
Kazakhstan	1.6	1.9	-1.1	1.5	2.2	-3.2
Top 3	50.5	47.1	-3.4	48.9	44.7	-4.2
Top 5	61	58.8	-2.2	58.5	59	0.5

Source: According to the data of the National Bureau of Statistics.

Import

In the first months of the year imports of goods have continued the decline recorded in 2014, when monthly developments showed negative annual growth rate in most months of the year. These dynamics fit neatly into moderation trend of imports of goods in the aftermath of the 2009 crisis. Thus, in 2003-2008 the average annual growth rate of imports was 29.7%, and in 2009-2014 it has tempered to 3.6% – comprising the sharp decline in 2009 and their relatively modest recovery pace in 2010.

In January-March 2015 their value amounted to 976 million USD, decreasing by 19.9% sply. This trend was driven by contracting supplies both from the CIS countries, where exports to the Republic of Moldova have been steadily diminishing over the last 16 months sply (January 2014-April 2015) and from the EU and other countries. Hence, each of these groups of states influenced by 7.7%, 9.5% and 2.7%, respectively, the decline in the total value of imports (See Fig. 4.8).

In particular, a negative influence on the change in imports was exerted by contracted deliveries from the Russian Federation (-3%), Ukraine (-3%), Romania (-2.6%), Germany (-1.7%), Belarus (-1.6%), Italy (-1.3%), accounting for approximately 55% of imports. Although, during this period there were negative developments attested in imports from most major source countries of imported goods (See Fig. 4.9).

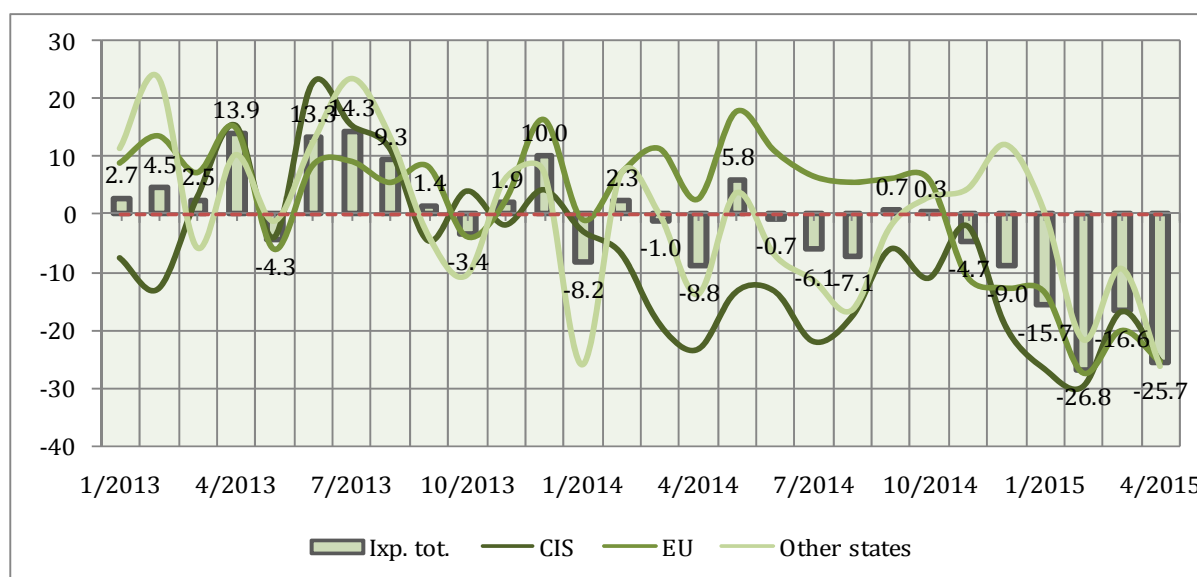


Figure 4.8. Imports dynamics by main geographic sources

Source: According to the data of the National Bureau of Statistics.

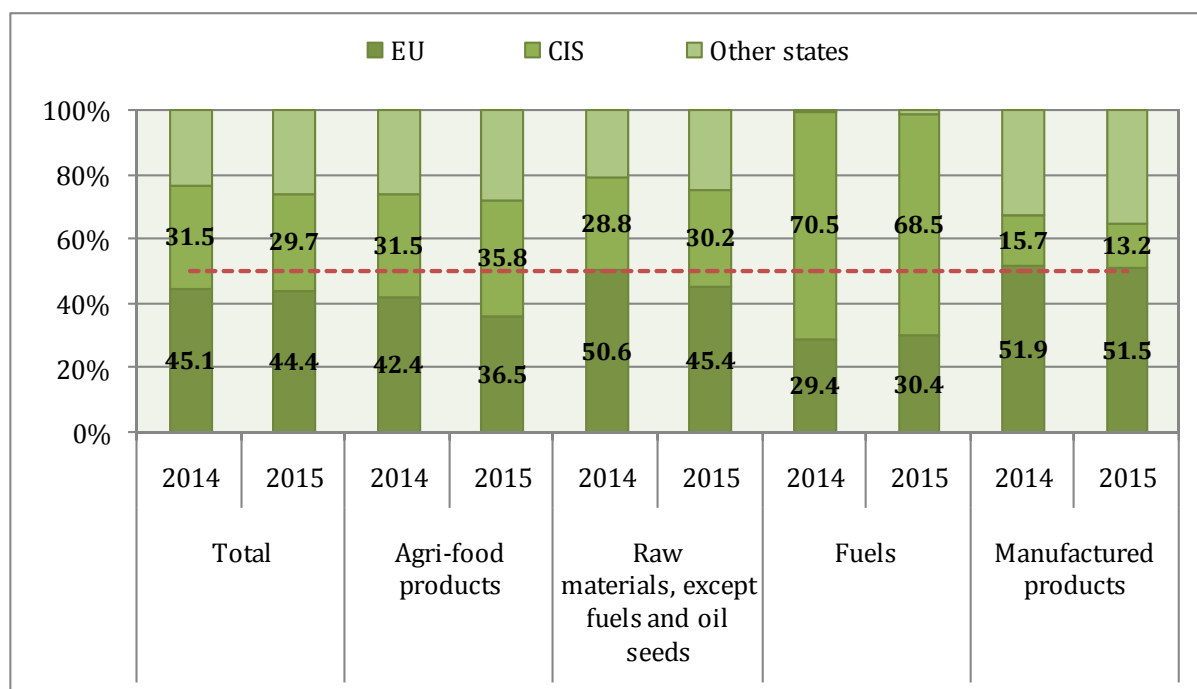


Figure 4.9. Distribution of total imports of goods by product groups and countries, %

Source: According to the data of the National Bureau of Statistics.

The structure of imports, both commodity and geographical undergone small modifications in the first quarter of the year compared to the same period last year. Following sharp declines in imports from the CIS and EU countries, the share of other countries in total imports value slightly increased from 23.4% in January-March 2014 to 25.9% in the same period this year. From this group the biggest part originated from China (9.9%) and Turkey (6.2%).

The most significant quota of imports was ensured by deliveries from the EU countries. Hence, more than half of manufactured goods, including those which can provide capital investments, originated from there.

In terms of product groups, there was a negative influence on all the four main categories of products: agricultural and food, fuel, inedible crude materials and the largest decrease was recorded in imports of manufactured goods.

The development of import of products to the Republic of Moldova is connected with the dynamics of domestic final consumption, intermediate consumption and with export, through the re-export. Re-exports dropped abruptly in the first quarter, and this has a direct reflection on the import of goods. However the industry has been on the rise, which should have impacted positively the imports. With regard to domestic consumption, the conjuncture of factors was contradictory: the population's real incomes increased, while the remittances from abroad, which account for a part of household income, have been declining.

According to available data for the first three months of the year, the physical volume of imports of goods rose by 1% compared to the same time last year, correspondingly the decrease thereof was determined by the reduction of 21% in the unit value of imported goods. These developments were expected to partially mitigate the pressure of the depreciation of Moldovan Leu against major reference currencies on the price dynamics, but are negatively affecting the state budget receipts and, consequently, the level of spending of planned expenditures.

Table 4.5. Structure and dynamics of imports by product groups in 2015

	Value, million USD		Structure,%		Growth rate, % sply		Degree of influence on the change, %, sply	
	2014	2015	2014	2015	2014	2015	2014	2015
Total	1218.2	975.9	100.0	100.0	-2.0	-19.9	-2.0	-19.9
Agricultural and food products	167.0	124.1	13.7	12.7	-0.6	-25.7	-0.1	-3.5
<i>Vegetables and fruit</i>	32.9	24.9	2.7	2.5	-9.8	-24.3	-0.3	-0.7
<i>Cereals</i>	22.6	15.5	1.9	1.6	1.1	-31.4	0.0	-0.6
<i>Oilseeds</i>	13.1	13.4	1.1	1.4	9.4	2.8	0.1	0.0
<i>Inedible crude materials excluding fuels and oilseeds</i>	22.2	20.1	1.8	2.1	1.3	-9.3	0.0	-0.2
Fuels	298.6	234.5	24.5	24.0	-10.4	-21.5	-2.8	-5.3
<i>Gas</i>	172.0	146.7	14.1	15.0	-11.7	-14.7	-1.8	-2.1
<i>Petroleum</i>	111.9	85.1	9.2	8.7	-8.5	-23.9	-0.8	-2.2
<i>Electrical energy</i>	13.3	0.2	1.1	0.0	2.7	-98.7	0.0	-1.1
<i>Coal</i>	1.4	2.5	0.1	0.3	-59.2	83.4	-0.2	0.1
Manufactured products	730.5	597.3	60.0	61.2	1.5	-18.2	0.9	-10.9
<i>Electrical machinery and appliances and parts thereof</i>	72.7	66.8	6.0	6.8	0.9	-8.1	0.0	-0.5
<i>Yarn, fabric and textiles</i>	58.7	46.2	4.8	4.7	-2.3	-21.3	-0.1	-1.0
<i>Road vehicles</i>	59.4	43.6	4.9	4.5	4.1	-26.7	0.2	-1.3
<i>Pharmaceutical products and medicines</i>	58.1	39.4	4.8	4.0	8.2	-32.2	0.4	-1.5
<i>Industrial machinery and equipment</i>	32.4	28.1	2.7	2.9	9.0	-13.2	0.2	-0.4

Source: Author's calculations according to the data of the National Bureau of Statistics.

Region of the Republic of Moldova to the left side of the Dniester River

In the first months of 2015, the foreign trade in goods of the Republic of Moldova, on both sides of the Dniester River has followed similar developments. Both exports and imports have continued the trend posted in the last quarter of the previous year recording negative annual growth rates.

In January-March 2015, the value of the external trade in goods of the region to the left side of the Dniester River, including with the region from the right bank of the river amounted to 451.7 million USD, declining by 133.2 million USD or 22,8% compared to the similar period of the last year. Referring exclusively to the transactions with the region to the right of the river, the foreign trade value equated to 368.7 million USD, posting a decrease of 26.4% compared to the same period last year.

In January-March 2015, region's exports totaled 129.7 million USD, declining by 23% in comparison with the similar period of the last year - trend maintained in the first two months of the second quarter.

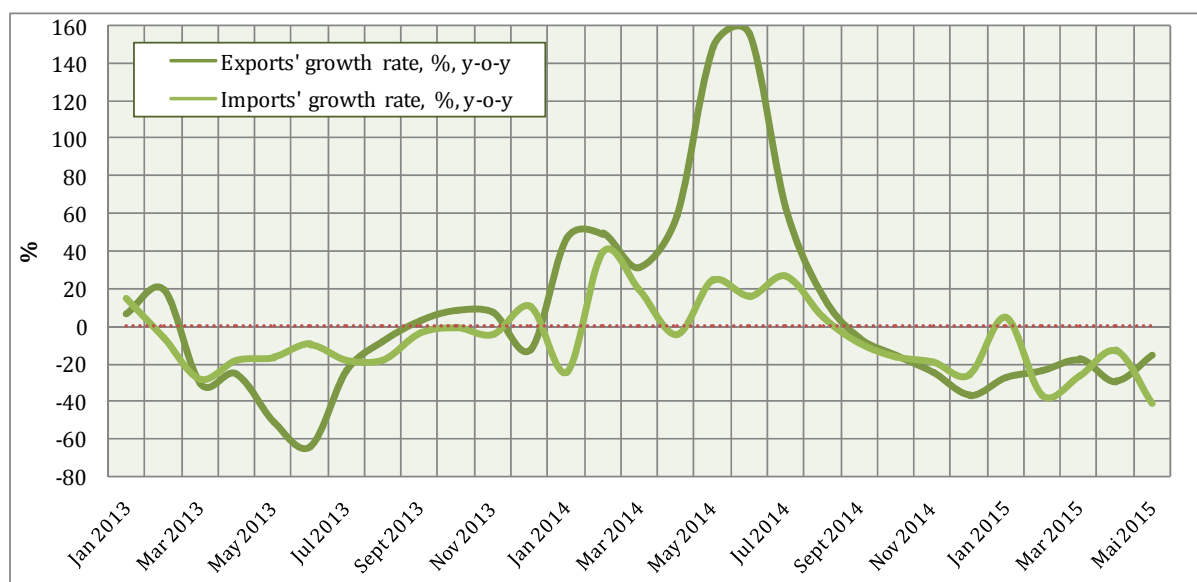


Figure 4.10. Monthly dynamics of imports and exports of the region from the left bank of the Dniester River, % (sply)

Source: According to the data of the State Customs Committee of the region from the left bank of the Dniester River.

Except for the supplies to the right side of the country's territory and Romania, which were on the rise in the first three months of the year compared to the same period last year, the exports to other destinations with a relatively high share in the region's total exports value have declined: Russian Federation, Ukraine, Italy, Poland, and Germany. This trend has led to a change in the structure of exports, thus the share of the Republic of Moldova from the right bank of the Dniester River increased from 36.9% in the first quarter of 2014 to more than half in the first quarter of this year. In contrast, the share of CIS countries, except for the Republic of Moldova decreased over the same period from 21.8% down to 15.8% in January-March 2015 and that of the EU countries from 41.3% down to 31.6%.

The imports during the analyzed period decreased at the same pace as exports, equating to 322 million USD cumulatively for the first three months of the year. Both purchases made from the CIS countries and the EU have evolved negatively, and the structure thereof has changed increasing the share of the Russian Federation up to 67.7% of the total import value.

Table 4.6. Monthly dynamics of imports and exports of the region from the left bank of the Dniester River, % (sply)

	Export					Import				
	Nominal value, million USD	Growth rate, % sply		Structure, %		Nominal value, million USD	Growth rate, % sply		Structure, %	
	2015	2014	2015	2014	2015	2015	2014	2015	2014	2015
Total	129.7	41.9	-23.0	100.0	100.0	322.0	9.0	-22.6	100.0	100.0
CIS	88.7	22.3	-10.3	58.7	68.4	265.3	9.0	-19.9	79.5	82.4
RM to the right of the Dniester River	68.1	15.5	9.6	36.9	52.5	14.8	by 2.7 times	-31.0	5.2	4.6
Russian Federation	11.2	6.2	-52.1	13.9	8.6	217.9	8.2	-4.0	54.7	67.7
Ukraine	8.1	by 3.3 times	-30.5	6.9	6.3	21.6	11.4	-59.0	12.7	6.7
Other countries, excluding CIS	41.0	83.8	-41.0	41.3	31.6	56.7	9.0	-33.2	20.5	17.6
Romania	13.9	38.2	2.3	8.0	10.7	3.2	by 3.2 times	-49.0	1.5	1.0
Italy	11.7	20.8	-19.6	8.6	9.0	5.8	26.1	-32.1	2.1	1.8
Germany	7.5	-1.8	-7.6	4.8	5.8	12.2	6.5	-31.4	4.3	3.8
Poland	2.2	by 55.7 times	-90.3	13.5	1.7	3.5	23.1	-50.4	1.7	1.1
Hungary	0.2	-72.0	by 4.2 times	0.0	0.1	5.4	9.6	83.8	0.7	1.7
China	0.0	-	-	0.0	0.0	3.5	0.9	-32.6	1.2	1.1

Source: According to the data of the State Customs Committee of the region from the left bank of the Dniester River.

Both in the case of exports and imports, there were declines in the main categories of products. The exports value of metals and products thereof, which in the first three months of the last year amounted to about a third (30.1%) of total exports, decreased by 55.2% in the same period of the current year, reducing thus its weight to about 17.5% or 22.7 million USD. The exports of footwear and clothing apparel, which still accounted for 15.4% of total exports, also declined. The only sector that had a positive contribution to the exports dynamics was the energy sector, that posted an increase of 32.7% compared to the same period last year, thus the value of supplies amounted to 52.6 million USD or 40.5% of total exports. The dynamic of export of this sector was driven by the increase in electricity delivered to the right bank of the country. Overall the development of exports reflected the changes in the industry of the beginning of the year, thus there were decreases in metallurgical, chemical, light, food industries, while the output in the energy industry increased by 10.6% sply. The difficult economic situation in the region's economy was characterized by the worsening of the main economic indicators compared to the same period last year, including those determining the final and intermediate consumption of goods: the decline of industry, retail trade and volume of paid services rendered to the population, the monthly average nominal salary. This conjuncture explains the decrease in imports of goods, which posted declines in most branches: food industry by 53.3%, value of

imported production representing 20.2 million USD; fuels by 5.4%, amounting to 207.5 million USD, metals and products thereof by 51.2% accounting for 18.4 million USD etc.

The developments produced at the beginning of the year in the region's economy do not portend positive outlook for the current year, and in addition to structural deficiencies, the external environment is uncertain and unfavorable.

Trends and policies of the countries – main economic partners of the Republic of Moldova

The international scene continues to witness economic challenges that obviously transmit their influence to smaller states, such as the Republic of Moldova. The main determinant factors of the international economy development in the first quarter of 2015 comprised:

- (I) the European Central Bank has continued the implementation of the quantitative easing program;
- (II) appreciation of the US dollar and volatility of the single European currency;
- (III) stabilization of oil prices at the end of the quarter;
- (IV) economic crisis in Russia and Ukraine;
- (V) persistent risk that Greece would leave the euro zone.

The downward trend, which is significant due to the influence it is exerting on the economy of the great economic powers, consolidated by falling prices both for agricultural and food products and oil, has conditioned disinflation in advanced economies and a decrease in nominal value of exports in emerging economies exporting these categories of goods.

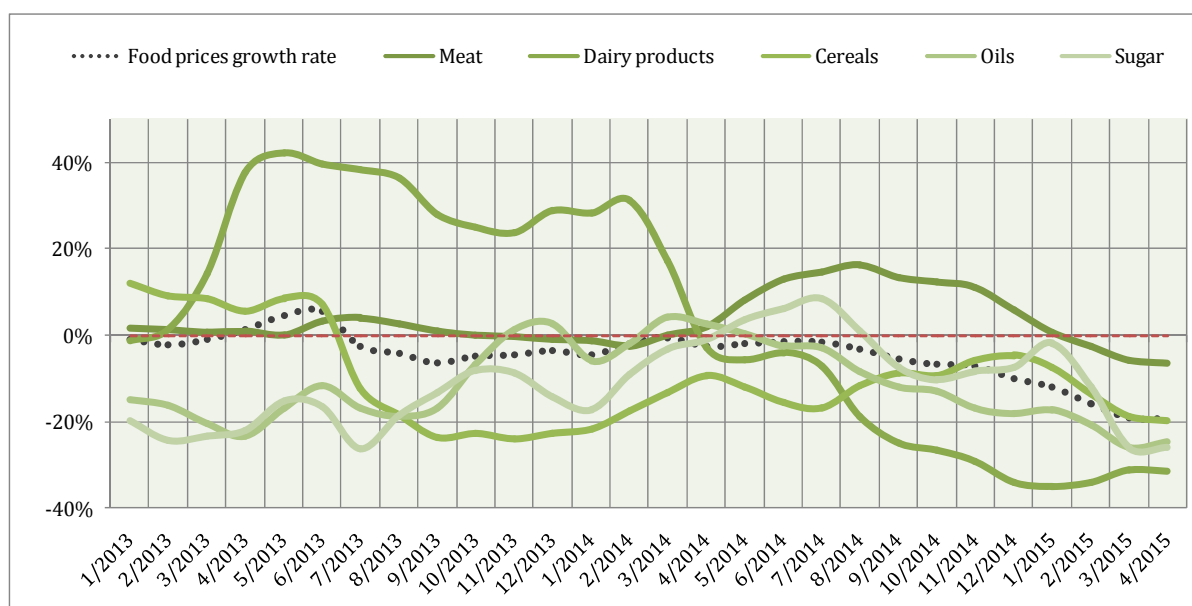


Figure 4.11. Annual growth rate of prices for agricultural and food products, % (sply)
 Source: Author's calculations based on FAO data.

Table 4.7. Development trends of the main economic partners of the Republic of Moldova (% sply)

Indicator/County	Period	USA	EU-28	Romania	Russian Federation	Ukraine
A	1	2	3	4	5	6
GDP	Q4 2013	3.1	0.9	5.0	1.5	3.7
	Q1 2014	1.9	1.4	4.1	0.6	-1.2
	Q4 2014	2.4	1.2	2.7	0.4	-15.9
	Q1 2015	2.7	1.4	1.6(p)	-1.9	-17.6

Table 4.7 – continue

A	1	2	3	4	5	6
Unemployment rate	Q4 2013	7.0	10.7	7.1	5.5	7.7
	Q1 2014	6.6	10.5	7.0	5.5	-
	Q4 2014	5.7	9.9	6.6	5.2	9.6
	Q1 2015	5.6	9.8	6.5	5.7	-
Annual inflation rate	Jan 2014	1.6	0.9	1.2	6.1	0.5
	Feb 2014	1.1	0.8	1.3	6.2	1.2
	Mar 2014	1.5	0.6	1.3	6.9	3.4
	Jan 2015	-0.1	-0.5	0.5	15.0	28.5
	Feb 2015	0.0	-0.3	0.4	16.7	34.6
	Mar 2015	-0.1	-0.1	0.8	16.9	45.9
Exports of goods	Q4 2013	4.0	5.9	18.9	-0.2	-3.8
	Q1 2014	2.5	1.2	14.2	-1.6	-10.8
	Q4 2014	1.1	-5.2	-5.9	-17.4	-28.8
	Q1 2015	-5.1	-14.2	-13.8	-27.6	-33.6
Imports of goods	Q4 2013	1.1	-1.1	9.8	-0.1	-6.8
	Q1 2014	2.0	1.9	13.7	-5.7	-20.4
	Q4 2014	3.6	-8.5	-4.8	-19.4	-36.8
	Q1 2015	-1.1	-16.0	-12.7	-37.3	-36.6

Source: According to the data of the OECD, Eurostat, CIS STAT, WTO and national statistical offices of the Russian Federation and Ukraine.

Note: The unemployment rate for Ukraine is presented according to the official data of Ukraine and reflects the value of the indicator at the beginning of the year (cumulative).

European Union. After four periods of supra-unitary quarterly increases in 2014, the EU-28's GDP volume continued to expand with 1.4% in the first quarter of 2015 (sply).

Encouraging signals of economic recovery have been generated by the industrial sector, the production thereof increased in the first 3 months of the year by 1.1%, 0.8% and, respectively, 1.4% (sply), concomitantly with the trade turnover that in March posted a rise of 2.5%. The first quarter was marked by constantly negative annual inflation rate, but showing certainly decreasing rates from -0.5% in January down to -0.1% in March. Industrial production prices reached the negative minimum of -4.1% in January, ending the quarter with -2.9% in March.

The labor force sector marked gladdening signals through the reduction in the unemployment rate, i.e. from the high of 11% posted in April, 2013 down to 9.8% in the first quarter of 2015.

The situation in the EU member states denotes an acceleration of economies of Italy and France. Italy closed the first quarter of 2015 with a null increase following the constantly negative rates posted starting with the fourth quarter of 2011, posting thus the highest rate of expansion since that moment. France, like Italy, recorded the highest GDP growth since the second quarter of 2013, registering a rate of 0.7% in the first quarter of 2015. The highest annual growth rates were shown by the Romanian economy, with an annual rate of 4.2% in the first quarter of 2015. In contrast, the most significant economic contraction was marked by Lithuania, amounting to 1.5% in the analyzed quarter, compared to 2.6% in the fourth quarter of 2014. The International Monetary Fund forecasts for 2015 an increase of 1.8% at the European Union level.

Romania. Romania enhanced the annual growth rate up to 4.2% in Q1 2015. In the first 3 months of the year, the industrial production increased with significantly more modest pace than during the previous year posting a quarterly increase of 3.2% in Q1 2015 compared to the similar time last year, versus 8.2% in Q1 2014. There were positive invigorating trends in construction activity (10% and 19.5% in the first two months of the year), but this dynamic was imprinted with the base effect associated with low volumes posted in similar periods of the

previous year when this sector declined by -14.2, and, respectively, 16.8% sply). Following the increases of internal trade turnover by 7.3%, and respectively by 3.7% (sply) recorded in the first two months, the decline of 1.3% (sply) posted in March this year is mainly explained by the decrease in sales of fuels. Unemployment and inflation showed dynamics that were in line with the general trend observed in the European area. Unemployment had a downward trajectory, marking the low of the last 5 years – 6.5% in the first quarter of 2015. Simultaneously, disinflationary pressures were attested. Annual inflation tempered, scoring sub-unitary values throughout the period of the first quarter, which is the minimum value over the last 15 months. According to the forecast of April 30, 2015, the EBRD revised upward by 0.2 p.p. its forecast for the Romanian economic growth for 2015 since January 2015, and anticipated a 3.0% growth in the economy.

United States of America. The US economy has continued the growth trend in the first quarter of the current year registering an annual growth rate of GDP of 2.7%, i.e. 0.8 p.p. increases over the first quarter of 2014. Quarterly unemployment rate reached a minimum of 5.6% after the high of 9.9% posted in the fourth quarter 2009. Since May 2014 the US economy has been recording decreasing annual inflation rates, thus December 2014 was closed with a negative inflation rate, and the downward trend has continued until March current year. The inflation rate amounted to -0.07% at the end of first quarter. The average exchange rate for USD to EUR in the first quarter of 2015 amounted to 1.1275, dropping by 18% comparing with the same period last year. Against the background of dollar's strengthening, the export of goods declined in the first three months of the year by 4.8%, 4.3% and 6%, respectively (sply). Imports, although decreased in January-February, scored an annual increase of 2.6% in the third month of the year.

Russian Federation. Following the modest growth of 0.6% posted at the end of 2014, the year 2015 started with significant reductions of many macroeconomic indicators in the first two months. The economic downturn in Q1 of 2015 amounting to -2.2%, according to the Ministry of Economy of the Russian Federation, was accompanied by reduction of 0.4% (sply) in the industrial production, processing industry (-1.6%), construction volume (-4.7%). In terms of use, negative contribution to the GDP growth was generated by the reduction in gross fixed capital formation (-28.5%) and final consumption. Data provided by the WTO show declines in export of goods of 27.6% sply and in imports of goods of 37.3%.

For 2015 the IMF displayed a -3.8% forecast, while the EBRD had a more pessimistic scenario, of -4.5%.

Ukraine. Following the trend of continued economic deterioration during 2014 (-6.8%), in the first quarter of 2015 Ukraine's GDP showed a reduction of 17.6% compared to the same period last year, i.e. net inferior to the annual growth rate of -1.2% in Q1 2014. There were attested a decrease in the volume of constructions (by 31.3% sply), agricultural production (by 4.7%), mining (-27.2%), processing industry (-20%). Against the backdrop of the hryvnia depreciation during the first quarter of 2015, there was a reduction in real wages of the population from -17% in January, compared to the same period last year, down to -24% in March. Simultaneously, the consumer price index indicated a value of 145.9% in March, following consecutive increases throughout the quarter (including on account of doubling the tariffs for the gas delivered from Russia). The EBRD forecast for 2015 a contraction of the Ukrainian GDP in the amount of 7.5%.

Chapter V

BUSINESS ENVIRONMENT

Moldova in international rankings

Doing Business – 2015 in Moldova. The results of the international rankings Doing Business are very important for the Republic of Moldova, because these show not only the trends towards the change in the state regulatory influences, but also demonstrate the pace of such changes in comparison with other countries.

In the Doing Business 2015 rankings, the Republic of Moldova ranked 63 of 189 countries. The business environment in the Republic of Moldova is better placed compared to that of countries such as Cyprus (64), Croatia (65), Albania (68), Kazakhstan (77), Azerbaijan (80). Simultaneously, the Republic of Moldova lags behind such countries as the Russian Federation (62), Greece (61), Belarus (57), Turkey (55), Italy (56), Armenia (45), Romania (48).

Analyzing the RM positioning in the ranking, we see that similarly to the previous years, the lowest position according to the indicators used in the preparation of the standing pertains to Dealing with construction permits, ranked 175. This is followed by Trading across borders (ranked 152), Getting electricity (149) and Paying taxes (70). However, the best ranking positions of our country relate to the following indicators: Registering property (ranked 22), Getting credit (ranked 23), Starting a business (35) and Enforcing contracts (42).

It is worth mentioning that the report is not limited just to the evaluation of relative changes of the country's standing in the ranking (which is largely due to the pace of reforms in other countries), but also uses the indicator „Distance to Frontier” – DTF score, which is based on a reference scale benchmarking economies with respect to regulatory best practice, showing the absolute distance to the best performance, ranging from 0% in the case of the worst performance seen and 100% in the case of compliance with the best existing procedures worldwide. In terms of the DTF indicator, Moldova's position in the ranking "Doing business" is 66.6%. The highest values of the DTF indicator relate to Starting a business (92.16%), Registering property (86.1%), Paying taxes (76.57%) and Getting credit (70.0%).

The comparative analysis of procedures, taking into account their number, time needed and financial resources used in comparison with average indicators of the countries of Europe and Central Asia showed that only the indicators Starting a business and Registering property advantageously differ in the Republic of Moldova compared to other countries (less time and money are needed for the same number of procedures). However other parameters of business development in the Republic of Moldova indicate a comparative disadvantage. For example, referring to Getting electricity in the Republic of Moldova less time is needed to obtain permanent electricity connection (118 days, in the countries of Europe and Central Asia the average is 138.0 days), while the number of procedures in the Republic of Moldova is bigger – 7, compared to 5.9 in other countries, as well as Cost (% income per capita) – 1.84 times.

Trends toward changes in the Doing Business indicators. In 2015, the standing of the Republic of Moldova has improved by 19 points in comparison with the 2014 rankings. This advancement was driven first of all by the betterment of the some indicators, such as Getting credit (an improvement of 76 positions compared to the previous year), Paying taxes (an improvement of 35 positions), Starting a business (an improvement of 16 positions). However, the indicators Dealing with construction permits and Resolving insolvency have worsened (by 5 points in both cases).

During 2010-2015, the standing of the Republic of Moldova in the rankings has improved significantly – with 31 positions (advancing from 94th place in 2010 up to 63rd in 2015). However, it should be noted that the methodology was changed several times during this period, including in 2014, which does not allow us to identify the exact dynamics of the Republic of Moldova's rankings for certain indicators.

Worsening rankings over the period 2010-2015 have been posted by the following indicators: Enforcing contracts (worsening by 20 points), Dealing with construction permits (14 points), Trading across borders (12 points).

Table 5.1. Development of the "Doing Business" indicators in Moldova

	Indicators	Ranking in 2010 (from 183 countries)	Ranking in 2014 (from 189 countries)	Ranking in 2015 (from 189 countries)	Change 2015/2014
1.	Starting a business	77	51	35	-16
2.	Dealing with construction permits	161	170	175	5
3.	Registering property	17	23	22	-1
4	Getting credit	87	99	23	-76
5.	Protecting investors	109	55	56	1
6.	Paying taxes	101	105	70	-35
7.	Trading across borders	140	151	152	1
8.	Enforcing contracts	22	43	42	-1
9.	Resolving insolvency	90	53	58	5
10.	Getting electricity	-	148	149	1
	Republic of Moldova's standing in the ranking "Doing Business"	94	82¹	63	-19

Source: According to the data of the reports Doing Business 2010, 2014, 2015.

The change in the DTF indicator in the past year (2015 in relation to 2014) showed the largest annual increase in the position of the Republic of Moldova – by 3.8 p.p.; in comparison with 2010 the rise amounted to 7.7 p.p. There were positive changes attested for the majority of the indicators. The most significant improvements in the period 2010-2015 were registered by the following indicators: Resolving insolvency (from 30.8% to 53.3% of the maximal level) and Getting Credit (from 50% up to 70.0%).

Moldova in the Index of Economic Freedom ranking ("The 2015 Index of Economic Freedom")

In 2015, the Republic of Moldova scored 111th in the ranking of economic freedom. The Index of Economic Freedom ranking is compiled annually by the Heritage Foundation and the Wall Street Journal. In the last year the study involved 186 countries. The economic freedom is measured based on 10 indicators, also called 10 economic freedoms: 1) Business Freedom; 2) Trade Freedom; 3) Fiscal Freedom; 4) Government Spending; 5) Monetary Freedom; 6) Investment Freedom; 7) Financial Freedom; 8) Property Rights; 9) Freedom from Corruption; 10) Labor Freedom.

¹ The rating in 2014 was adjusted and recalculated to reflect changes in the methodology and data revisions due to new information.

According to the *Index of Economic Freedom rankings 2015*, Moldova's economic freedom index value was 57.5, increasing by 0.2 points over the previous year. Improvements were recorded for three of the 10 sub-indicators of economic freedom, including: Freedom from corruption, Monetary Freedom, Labor Freedom. However, the indicators Business Freedom, Trade Freedom, Fiscal Freedom, Government Spending regressed and the indicators of Financial Freedom, Investment Freedom and Property Rights have not changed.

The Republic of Moldova hold quite advantageous positions due to the following indicators: "Fiscal Freedom" (85.1) (declining by 0.7 points in comparison with the previous year), "Trade Freedom" (79.8) (decrease of 0.3 points), "Monetary Freedom" (76.1) (rise of 1.1 points) and "Business Freedom" (66.8) (decrease of 3.3 points). In terms of "Freedom from Corruption" (35.0), "Investment Freedom" (50.0) and "Labor Freedom" (40.6) our country had a lower score, facing more problems and challenges.

According to the *Index of Economic Freedom rankings*, the economy of the Republic of Moldova is still "mostly unfree". Among the 43 countries of the European region, the Republic of Moldova, similarly to previous years, ranked 39, and its economic freedom index is lower than the average in the region and worldwide.

Business development indicators in the region from the left bank of the Dniester River

At the end of 2014, 64.7% of the organizations and enterprises of the region from the left bank of the Dniester River obtained net profit and, respectively, 33.9% were running at losses (excluding small businesses, banks, budget institutions and insurance organizations). Out of the organizations that registered net profit in 2014, the largest share pertained to trade and public catering organizations (80.9%) and constructions (64.7%). In terms of value, similarly to the previous year, the industrial enterprises recorded higher net losses (58.3% of total net losses), decreasing by 28.5 p.p. comparing with the last year.

Table 5.2. Data on net profit (loss) of organizations from the left bank of the Dniester River, by type of activity, in 2014

Types of activity	Number of organizations that obtained net profit	% of the total	Number of organizations with net losses	% of the total	Net profit, thousand RUB.	Net loss, thousand RUB.
Total	191	64.7	100	33.9	1129880	419245
<i>including:</i>						
Industry	44	54.3	37	45.7	514848	244587
Agriculture	18	72	7	28	89057	8670
Transport	17	54.8	14	45.2	31946	45376
Communications	2	22.2	7	77.8	14703	5578
Construction	11	64.7	5	29.4	13235	11925
Trade and public catering	72	80.9	16	18	423012	24680
Housing and communal services	9	60	5	33.3	2905	10872
Other branches	18	64.3	9	32.1	40174	67557

Source: Social and Economic Development of the Pridnestrovian Moldovan Republic, 2014.

Chapter VI

SOCIAL SECTOR

Demographic situation. *The natural movement of the population in the first quarter of the year was characterized by an increase in both birth rate and death rate, maintaining the negative natural increase of the population.* In January-March 2015, the total number of *live births* in the country was 9,179 persons, increasing by 2.1% compared to the same period last year. During the same time privies year, the number of *deaths* was 11,166 persons and the overall mortality rose by 1.9% compared to the same period last year. Following these dynamics, the natural decrease of the population amounted to 1,987 persons or 2.2 persons per 1000 inhabitants, versus 2.3 in the first quarter of 2014. In comparison with the similar period of the previous year *the number of deaths of children aged less than 1 year* decreased during this period by 8.2% and the infant mortality rate was 9.8 deceased per 1,000 live births.

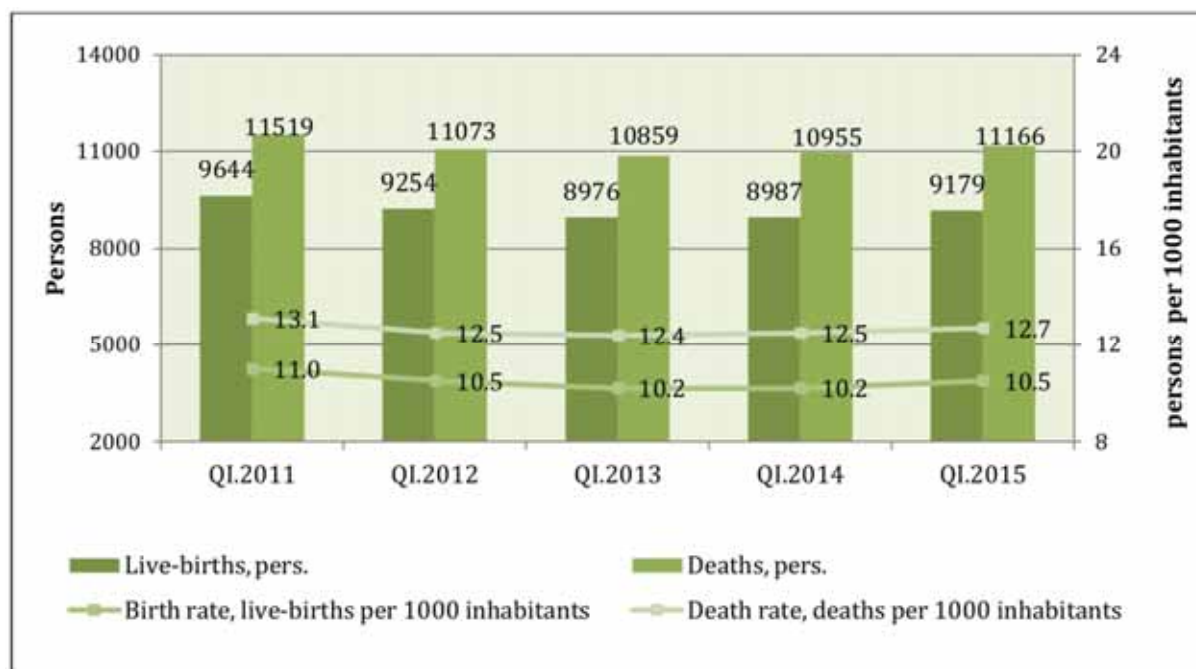


Figure 6.1. Natural movement of the population, QI 2011-2015, persons

Source: According to the data of the National Bureau of Statistics.

Table 6.1. Demographic processes by development regions in January-March 2015, thousand persons

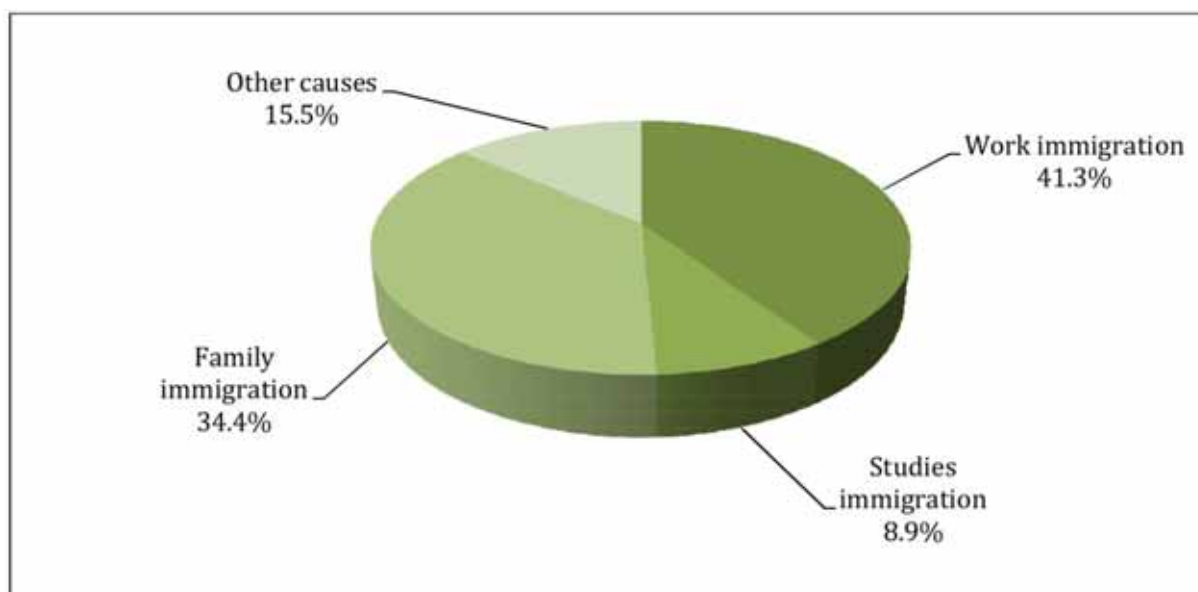
	Live births, pers.	Deaths, pers.	Deceased infants, pers.	Natural increase	Number of marriages	Number of divorces
<i>Municipality Chisinau</i>	2385	1734	30	651	865	714
<i>North</i>	2295	3654	20	-1359	1093	745
<i>Center</i>	2735	3519	33	-784	1193	851
<i>South</i>	1314	1794	6	-480	558	413
<i>ATU Gagauzia</i>	450	465	1	-15	184	141

Source: According to the data of the National Bureau of Statistics.

The structure of mortality by causes of death reveals that most deaths (60.7%) were caused by the diseases of the cardio-circulatory apparatus, followed by malignant tumors (13.2%), digestive system diseases (8.5%), accidents, intoxications and traumas (6.6%), respiratory diseases – 5.1%, other classes – 5.9%.

The total number of *marriages* in the country was 3,893, decreasing by 6.2% compared to the same period last year, while the marriage rate was 4.4 marriages per 1000 inhabitants. A lower indicator was observed in the case of the number of divorces in the country that amounted to 2,864, decreasing by 3.1% compared to the same period last year. The divorce rate equated to 3.3 divorces per 1,000 inhabitants.

Migration of population. In January-March 2015, according to the Ministry of Internal Affairs, 858 foreign citizens and 189 repatriates received residence permits (permanent and temporary). In terms of the structure of immigrants by the purpose of arrival, the dominant share pertained to immigration for family reasons – 41.3%, work – 34.4%, citizens immigrated to study – 8.9%, other reasons – 15.5%.



**Figure 6.2. Distribution of foreign citizens by the purpose of arrival
In the Republic of Moldova in January-March 2015, %**

Source: According to the data of the Ministry of Internal Affairs.

With regard to the country of origin, foreign citizens are immigrants from: Ukraine – 177 persons, Romania – 169 persons, Russian Federation – 114 persons, Turkey – 92 persons, Italy – 46 persons, USA – 21 persons, France – 16 persons, Belarus – 15 persons, India – 14 persons, Lebanon – 14 persons, Iraq – 12 persons and other countries – 168 persons.

Labor market. *In the first quarter of the year there was an increase in the economically active population, concomitantly with the reduction in the inactive population, especially on the account of reduction of persons gone abroad for work or seeking work abroad (-17.3 thousand persons). The declining domestic demand for labor force, characterized by a reduction in the employed population was accompanied by an increase of 40.4 thousand persons in the number of unemployed compared to the same period last year, and correspondingly in the unemployment rate up to the level of 8%.*

In the first quarter of 2015, the economically active population of the Republic of Moldova totaled 1,151.9 thousand persons, increasing by 2.1% (23.8 thousand persons) in comparison

with the first quarter of 2014. There were no important disparities by genders or areas amongst economically active persons: men – 51.0% and women – 49.0%. The distribution by areas was balanced, as half of the economically active population was located in rural areas and half in urban areas. The activity rate of the population aged 15 and over was 38.6%, increasing by 0.9 p.p. compared to the respective quarter of the previous year (37.7%). This indicator reached higher values among men – 41.2% versus the estimated rate for women – 36.1%. The activity rates by areas recorded the following values: 43.7% in urban and 34.5% rural areas. In the age group 15-29 this indicator equaled 29.7%, while in the age group 15-64 years (working age in the European Union countries according to the Eurostat methodology) it amounted to 42.8%. The activity rate of the working age population (16-56 years for women and 16-61 for men) was 45.6%.

Despite the increase in the economically active population, the number of the employed population declined by 1.5% compared to the first quarter of 2014 and amounted to 1,054.0 thousand persons. Similarly to the economically active population there were no gender disparities registered: 49.5% – men and 50.5% – women. The same situation was recorded in terms of distribution by areas: 49.6% – in rural areas and 50.4% – in urban areas. The employment rate of the population aged 15 and over was 35.3%, recording a decrease of 0.5 p.p. compared the first quarter of 2014; among men it was higher (36.6%) than amid women - 34.1%. In the distribution in terms of residence areas the employment rate was 39.7% in urban areas and 31.8% in rural areas. The employment rate of the working age population (16-56/61 years) was 41.5%, that of the population aged 15-64 years – 39.1% and in the age group 15-29 this indicator equated to 24.5%.

The distribution by activities of the national economy showed that the agricultural sector comprised 263.7 thousand persons (25.0% of the total employed). Compared to the first quarter of 2014, the number of population employed in agriculture increased by 3.6 thousand, or 1.4%. The non-agricultural activities employed 790.3 thousand persons, posting a decrease of 20.2 thousand or 2.5% in comparison with the first quarter of 2014. The share of persons employed in industry was 13.5% (13.1% in 2014) and in construction, respectively, 4.0% (4.8% in 2014). In the service sector worked 57.5% of the total employed persons, this proportion decreasing by 0.3 p.p. compared to the same period of 2014. The absolute number of persons employed in the service sector fell by 13.0 thousand. According to the distribution by ownership form, 68.8% of the population was employed by private entities, and 31.2% – by the public ones. The structure of employed population by professional status revealed that the number of employees amounted to 72.6% of the total.

In the informal sector worked 13.4% of the total employed persons in the economy, and 27.6% had an informal job. Out of the number of informally employed the employees represented 18.3%, while 7.0% of total employees had an informal job.

The number of underemployed persons equated to 71.0 thousand, which represents 6.7% of the total employed persons. The number of persons in this category has significantly increased, i.e. by 21.4% compared to the first quarter of 2014.

The number of unemployed, estimated according to the methodology of the International Labor Office comprised 97.9 thousand, which is by 40.4 thousand more than in the first quarter of 2014. Unemployment hit a bigger proportion of men – 67.4% of all unemployed, as well as persons from urban areas - 54.0%. The unemployment rate at the country level posted the value of 8.5%, being higher than in the first quarter of 2014 (5.1%). The unemployment rate among men was 11.2%, and amid women, correspondingly, 5.7%. There were disparities between unemployment rates in rural and urban areas (9.2% and 7.8%, respectively). Among young people (15-24 years), the unemployment rate amounted to 19.8%. In the age group 15-29 this indicator equated to 17.3%.

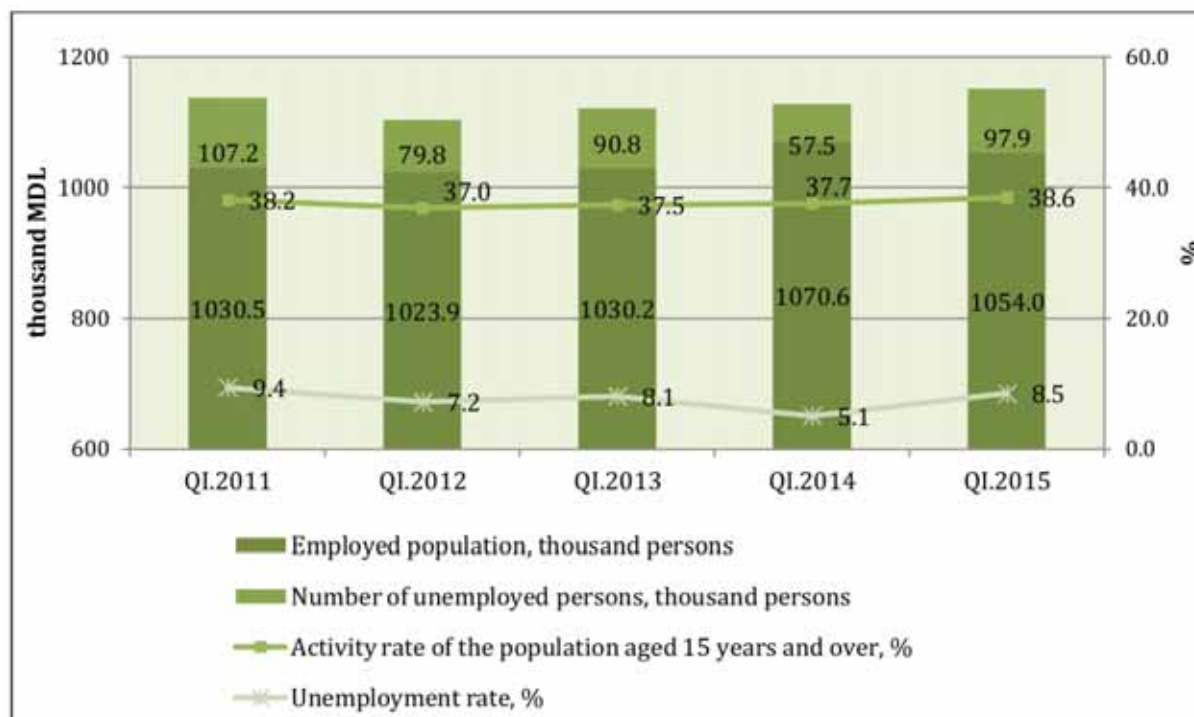


Figure 6.3. Evolution in activity, employment and unemployment rates of the population aged 15 and over, dynamic trends in Q1 2011-2015.

Source: According to the data of the National Bureau of Statistics.

With regard to registered unemployment, according to the National Agency for Employment, as of 1 April 2015, 26.1 thousand registered unemployed were seeking work, and every sixteenth had been dismissed from business units. Out of the total number of unemployed, 49.4% were women. Over 7% of all the registered unemployed were receiving unemployment benefits, the average size of which in March 2015 amounted to 1,256.2 MDL. For a vacant job, announced by companies, on average, there were 46 unemployed out of 100 persons.

The inactive population aged 15 and over accounted for 61.4% of the total population of the same age group, which is by 0.9 p.p. or by 25.4 thousand persons less than the level posted in the same quarter of 2014. In terms of their relation to the labor market, there are two important categories of inactive population: discouraged persons and persons that have been declared by households as gone abroad for work or seeking work. Discouraged persons who could not find an appropriate job amounted to 18.3 thousand, in comparison with 16.1 thousand in 2014. The number of persons declared by household as gone abroad for work or seeking work totaled, according to the estimates, about 309.5 thousand persons, versus 326.8 thousand in 2014. Two-thirds of those reported to have gone abroad were men (62.0%) and 64.7% persons gone abroad were from the rural areas.

Remuneration of labor. In the first quarter 2015, the gross nominal average salary earnings, according to the NBS of the Republic of Moldova, amounted to 4,300.2 MDL, increasing by 13.1% over the same period last year.

In January 2015, the gross nominal average salary earnings amounted to 4,260.6 MDL, posting an increase of 12.8% in comparison with January 2014. This increase was preponderantly determined by the wage developments in the budgetary sector where nominal salary amounted to 3,982.9 MDL, rising by 17.8% compared to the similar period last year. In the (real) economic sector salary earnings are certainly higher equaling 4,379.4 MDL (+ 10.9% compared to January 2014).

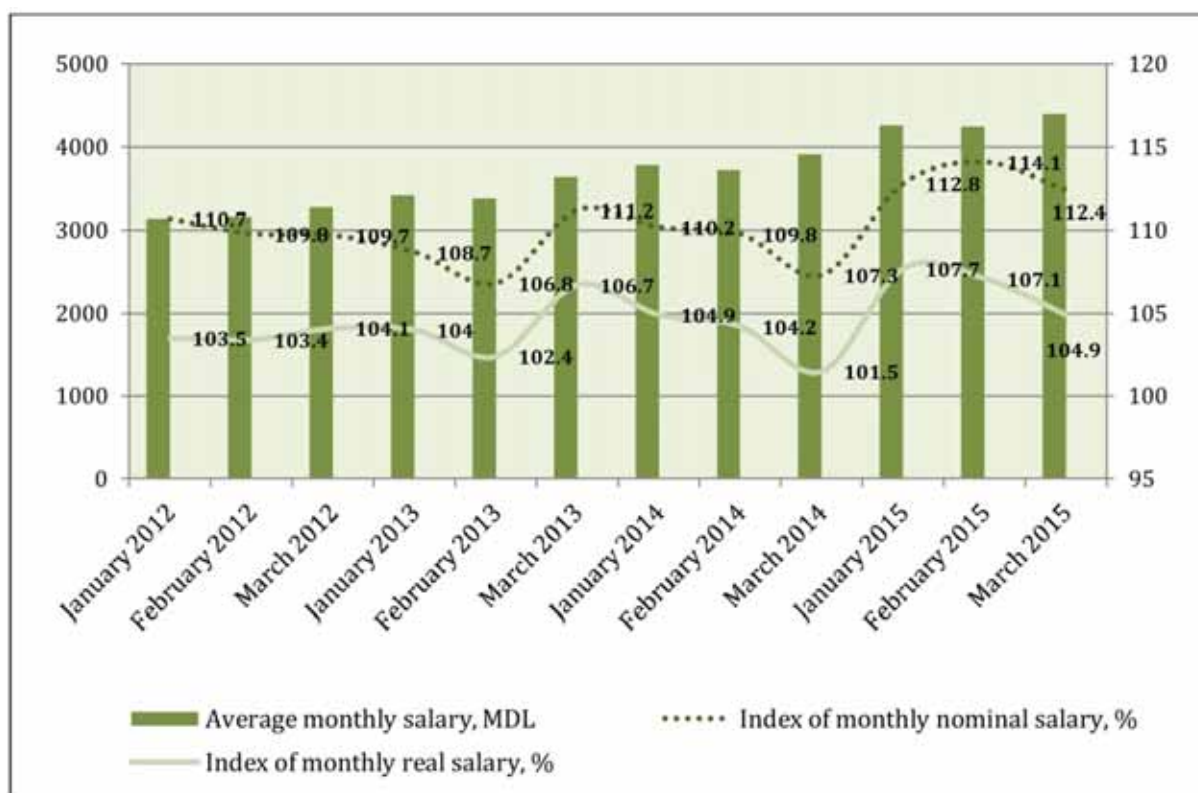


Figure 6.4. Evolution in the monthly nominal and real salary earnings indexes, January-March 2012-2015

Source: According to the data of the National Bureau of Statistics.

In February 2015, the gross nominal average salary earnings equated to 4,241.2 MDL, increasing by 14.1% compared to February 2014. In real terms there was an increase of 7.1%. In the budgetary sector the average salary earnings amounted to 4,055.5 MDL, while in the real sector – to 4,321.0 MDL, thus posting a rise of 16.1% and 13.3%, respectively, compared to February 2014.

In March 2015, the gross nominal average salary earnings equaled 4,397.3 MDL, increasing by 12.4% compared to March 2014. As for the budgetary sector, in March this year, the average salary earnings constituted 3,993.0 MDL (+15.0% compared to March 2014). In the (real) economic sector the salary earnings reached 4,568.1 MDL (+11.5% compared to March 2014). As a result of intensified inflationary processes, the real salary earnings index for March 2015 versus March 2014 has tempered to 104.9%, in comparison with the previous periods. At the same time, the salary growth in the first three months of the year, showed a higher dynamic in real terms compared to the developments attested in the similar period last year.

Table 6.2. Gross nominal average salary earnings in January-March 2015 by economic activities, MDL

Economic activities	January	February	March
A	1	2	3
Total economy	4260.6	4241.2	4397.3
Agriculture, forestry and fishing	2602.0	2576.2	2834.8
Industry - total:	4514.4	4445.4	4707.1
extractive industry	3442.4	4002.3	4549.3
processing industry	4085.4	4012.3	4220.2

Table 6.2 – continue

A	1	2	3
production and supply of electrical and thermal energy, gas, hot water and air conditioning	7215.1	7353.5	7803.3
water supply; sewerage, waste management, settlement activities	4447.5	4075.4	4574.6
Construction	3950.8	4011.3	4229.2
Wholesale and retail trade; maintenance and repair of motor vehicles and motorcycles	3552.4	3559.2	3657.1
Transport and storage	4130.6	3940.4	4113.4
Accommodation and public catering activities	2827.6	2781.9	2904.1
Information and communication	8533.6	8889.3	9650.7
Financial and insurance activities	7683.3	7305.5	8825.2
Real estate transactions	4014.8	3942.7	4028.8
Professional, scientific and technical activities	5735.9	5790.8	6064.7
Activities of administrative services and support services	3634.2	3291.5	3534.9
Public administration and defense; compulsory social insurance	5460.4	5568.9	5792.4
Education	3579.9	3664.6	3609.5
Health and social care	4149.9	3984.6	4028.2
Arts, recreation and entertainment activities	3086.1	3069.4	2922.5
Other service activities	5647.1	6582.6	6015.5

Source: According to data of the National Bureau of Statistics.

Clarification on methodology: Starting with January 2014, according to the NBS of the RM, the new version of the Classification of Activities in Moldovan Economy (CAME Rev.2), fully harmonized with the Nomenclature of Economic Activities in the European Community (NACE Rev. 2) was implemented in practice. The new classification differs significantly from the previous version (CAME Rev.1). Therefore, at the moment, it is not possible to present the indicators on growth rates by separate activities.

Disposable income of the population. In the first quarter of 2015, according to the Household Budget Survey, the monthly disposable income averaged out at 1,853.6 MDL per capita. In nominal terms there was an increase of 12.3% over the similar period of the previous year. Despite the higher annual growth rate of consumer prices in comparison with the same period last year (6.1%) and the negative developments of remittances in foreign currency made from abroad, in the first three months of the year the household income increased in real terms by 5.8% compared to the same period of the previous year.

Income from employment was the most important source of income for the population (accounting for 40.2% of total disposable income), especially in rural areas (53% of the total), though the contribution thereof to the formation of income declined by 2.4 p.p. in comparison with the first quarter of 2014. The share of income from employment in the case of urban population on average per month and per capita was 2.1 times higher compared to the situation in rural areas. At the same time, income from employment in urban areas decreased by 4.6 p.p. compared to the same period of 2014.

Income from social security benefits, whose share was about one-fifth in both rural (22.1%) and urban (20.7%) areas, had a contribution of approximately 3% to the increase in monthly income of the population in the first quarter of the year.

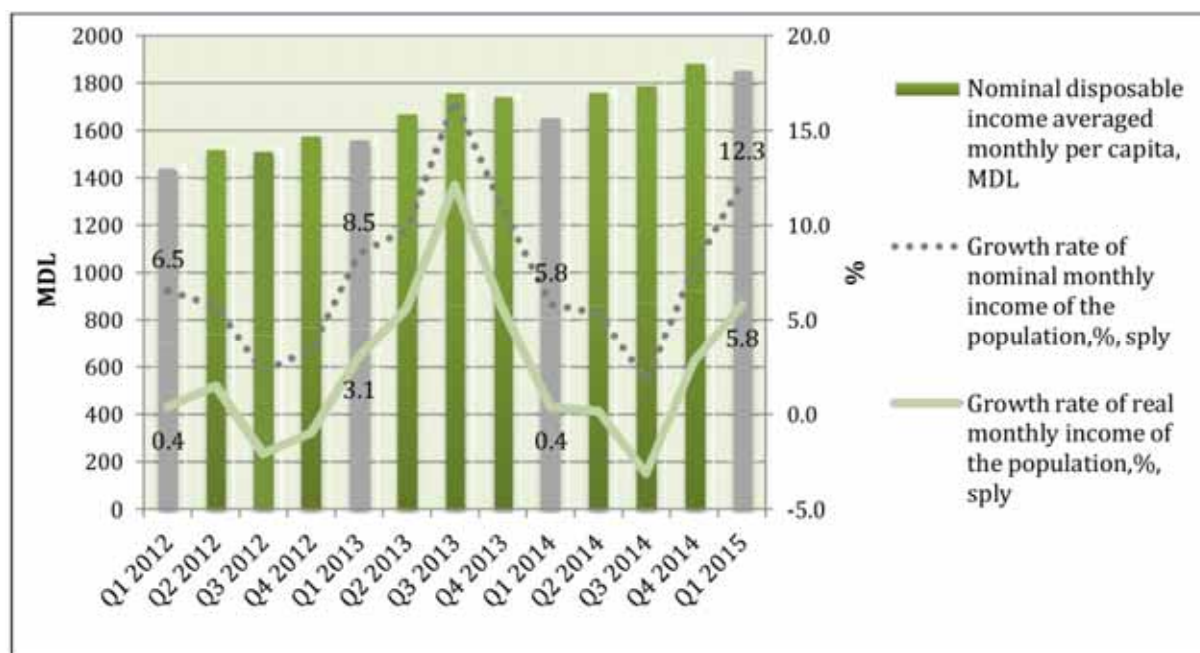


Figure 6.5. Average monthly nominal disposable income per capita, by quarters, 2012-2015

Source: According to the data of the National Bureau of Statistics.

Table 6.3. Evolution of some sources forming the disposable income of population in Q1 of 2011-2015

	2011	2012	2013	2014	2015
Total disposable income, MDL	1349.9	1438.3	1560.4	1651.1	1853.6
Growth rate, %	10.3	6.5	8.5	5.8	12.3
- Employment, MDL	660.10	631.41	663.17	703.37	745.15
Structure, %	48.9	43.9	42.5	42.6	40.2
Growth rate, %	29.7	-4.3	5.0	6.1	5.9
- Social benefits MDL	224.3	264.7	302.9	330.4	395.5
Structure, %	16.6	18.4	19.4	20.0	21.3
Growth rate, %	7.6	18.0	14.4	9.1	19.7
- Transfers from abroad, MDL	199.79	222.94	253.03	280.69	344.77
Structure, %	14.8	15.5	16.6	17.0	18.6
Growth rate, %	-11.7	11.6	13.5	10.9	22.8

Source: Author's calculations based on the data of the National Bureau of Statistics.

Money transfers from abroad, which are another important component of the household income, accounted for 18.6% of total income, and their contribution to the formation of monthly income was 1.6 p.p. higher comparing with the same period last year. In the first quarter of 2015, these represented 12.1% of the disposable income of urban population and 26.2% of the disposable income of rural population, being higher than in the urban area by 2.2 times. Some of the factors that could substantiate these dynamics could be the scope of the Household Budget Survey and the depreciation of Moldovan leu against major reference currencies.

In terms of the area of residence, in the first quarter of 2015, there were discrepancies noticed between the average monthly disposable income obtained by a person located in the urban area and that from the countryside. The disposable income of urban households amounted to 2,321.1 MDL, being 1.5 times higher than the household income in rural areas (1,503.2 MDL).

Average monthly consumption expenditures of the population in the first quarter of 2015 averaged out at 1,913.1 MDL per person, increasing by 10.4% in comparison with the same period of 2014. In real terms, adjusted to the consumer price index, the population spent on average by 4% more compared with the first quarter of 2014.

With regard to areas of residence, the increase in the household consumption expenditure in nominal terms occurred, particularly on account of the expenses incurred by the urban population (+ 14.1% sply), while in the rural areas the growth was more tempered, 6.8%. Thus, the urban population spent monthly on average 2,342.7 MDL per person, which is 751.7 MDL or 1.5 times more compared to the population from rural areas.

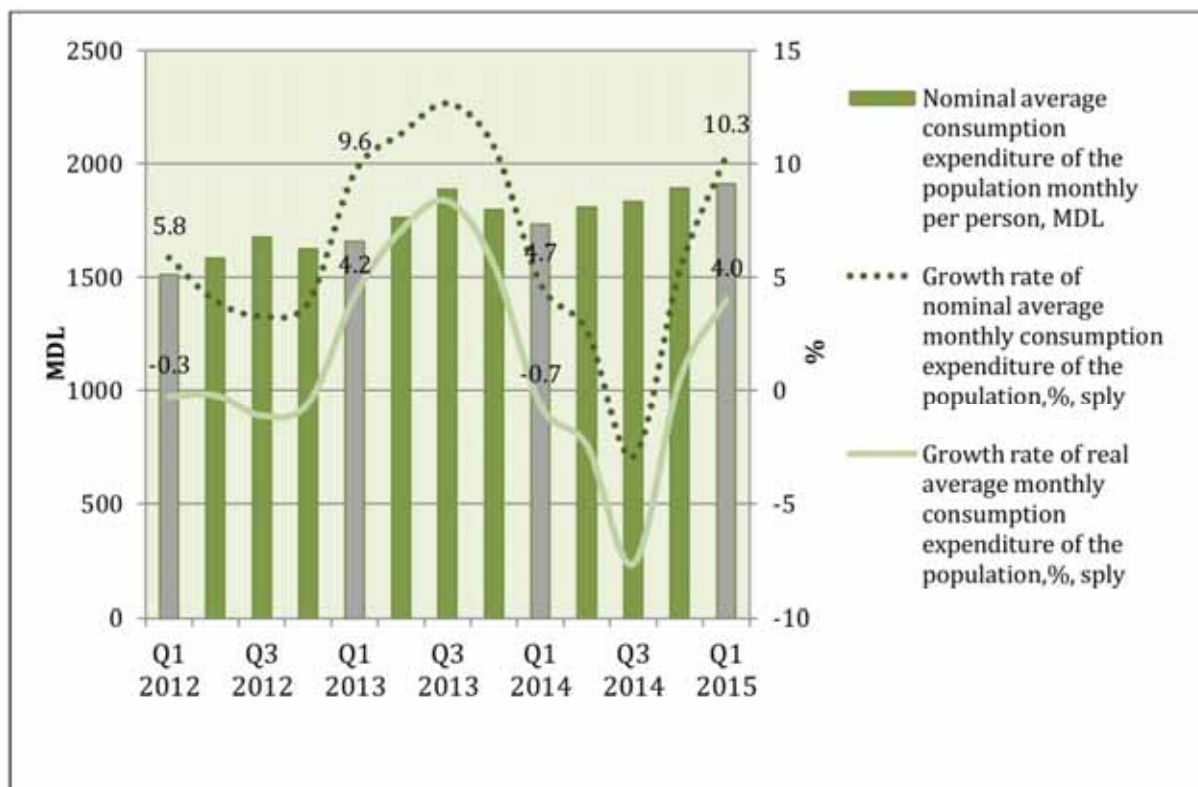


Figure 6.6. Consumer expenditure, nominal value and growth rates, by quarters, 2012-2015

Source: According to the data of the National Bureau of Statistics.

Regarding the categories of expenditures, the bulk of these was, traditionally, intended for food consumption needs – 41.5% (versus 43.9% in the first quarter of 2014); a person spent on average for housing maintenance 17.1% of the total consumption expenditures (-1.5 p.p. sply.), and for clothing and footwear – 11% (+0.6 p.p.). Other expenditures made comprised: health care (7.7% versus 6.6% in the first quarter of 2014), transport (4.9% versus 4.4%), communications (4.4% versus 4.5%), housing facilities (3.5% versus 3.2%), education – 0.6% (the same level as in the previous year), etc.

Social protection of population. According to the National Social Insurance House, as of April 01, 2015, the number of pensioners registered with the social protection bodies amounted to 670.1 thousand persons, which is 11.0 thousand persons more compared to April 01, 2014. The average amount of monthly pension, as of April 01, 2015, was 1,087.8 MDL (before indexation), increasing by 6.5% in comparison with April 01, 2014.

Healthcare. According to the preliminary data of the Ministry of Health, population morbidity by some infectious diseases in January-March 2015 was characterized by the increasing number

of cases of viral hepatitis A, acute respiratory infections, including influenza and epidemical parotitis. With regard to other infectious diseases for most diseases there was a tendency toward the reduction in the incidences of diseases.

At the same time, there have also been recorded: 138,625 cases of respiratory system infections with multiple locations, which represents 38.9% compared to January-March 2014; 1,852 cases of morbidity by influenza, or 3.6 times more than in January-March 2014; 3,219 cases of acute intestinal infection, which is 98.7% compared to January-March 2014; 105 cases of viral hepatitis, i.e. 172.1% comparing with January-March 2014; 15 cases of epidemical parotitis, which is 150% in comparison with January-March 2014; 2,625 cases of chickenpox, i.e. 91.6% compared to January-March 2014, etc.

With regard to morbidity by "socially determined diseases" there was an increase in cases of syphilis and pediculosis of 9.5% and 1.4%, respectively. In January-March 2015 the number of human immunodeficiency virus (HIV) carriers amounted to 71 people. Also, there were 19 cases of the Acquired Immune Deficiency Syndrome (AIDS).

Crimes. According to the data of the Ministry of Internal Affairs, there were 8.9 thousand crimes registered in January-March 2015, or by 0.8% less than in the first quarter of the previous year. On average during this period there were 25 crimes registered per 10 thousand inhabitants. The highest criminality was recorded in Chisinau and Balti, where 39 crimes per 10 thousand inhabitants and, respectively, 29 crimes per 10 thousand inhabitants were registered, which exceeded 1.5 times the average in the country.

In January-March 2015 comparing with January-March 2014, there was an upward trend in the number of crimes against security and public order (8.2%), also more crimes against the family and minors (7.1%) and more cases of domestic violence (8.9%) were registered. At the same time, there was an increase in the number of crimes against public health and social living (5.1%), against property (2.5%), economic crimes (1.3%). However, there were fewer cases of crimes against life and health of the person.

Each eighth of the total recorded crimes was committed by persons in working age, but with no occupation. The weight of crimes committed by minors or with their participation amounted to 2.0%.

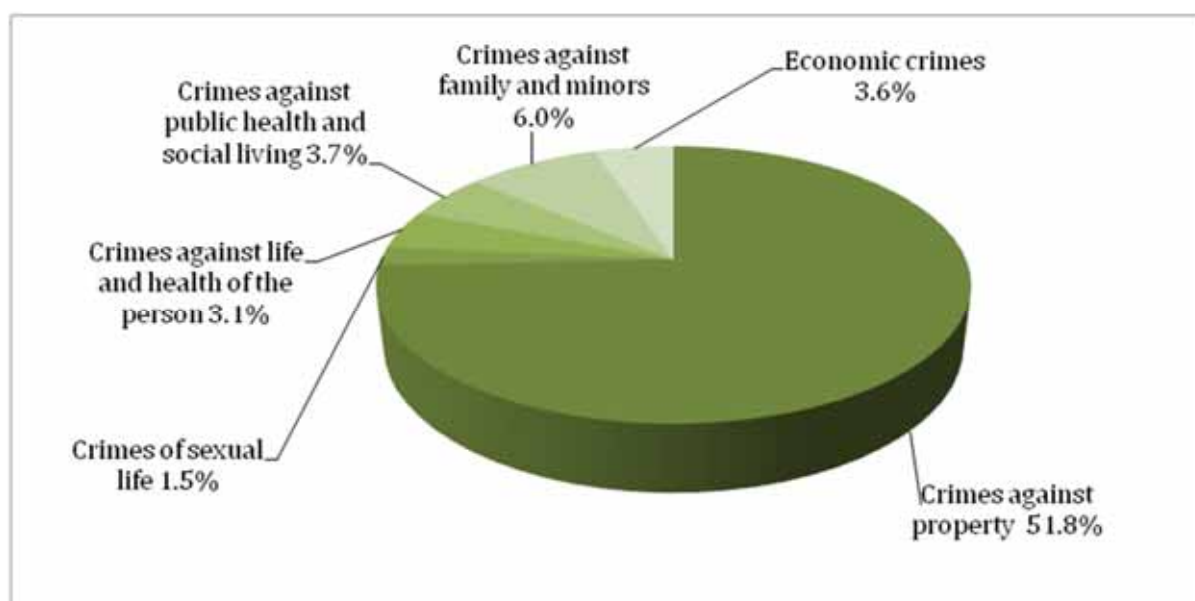


Figure 6.7. Structure of crimes in January-March 2015, %

Source: According to the data of the Ministry of Internal Affairs.

In January-March 2015, 511 traffic accidents were registered, or about 6 accidents every day. As a result of road accidents 56 persons died (including 1 child), and 611 persons were injured (including 65 children).

According to the data of the Civil Protection and Exceptional Situations Service of the Ministry of Internal Affairs, in January-March 2015, there were 393 cases of fires registered or by 24.7% less than during the same period last year; as a result of fires 54 persons died.

Social development of the region of the Republic of Moldova from the left bank of the Dniester River².

Labor market. As of April 01, 2015, the *employed population* of the region totaled 101.8 thousand persons, decreasing by 2,468 persons or by 2.4%. At the end of March 2015, the number of citizens registered with the employment agencies, who were not engaged in any activity, amounted to 5,164 persons and, compared to the same period last year, decreased by 4, 4%. Out of the total number of citizens registered, 2,833 persons or 54.9% were women. In total, in January-March 2015, 588 persons were employed through the Transnistrian Agency for Employment. In January-March 2015, there were professional consultations conducted with students: 135 group consultations, which totaled 2,246 persons; and 127 individual consultations that covered 123 persons; and with adult population: 2,349 individual consultations, which included 2,288 persons. Overall, 3,828.8 thousand rubles were spent for unemployment benefits. The average amount of *the unemployment benefits* in January-March 2015 equated to 422.1 rubles.

Labor remuneration. In January-March 2015 *the average monthly nominal salary* calculated for an employee, except for the small business entities, amounted to 3,801 rubles or 96.4% compared to January-March 2014 (at the official exchange rate of the monetary authority of the region to the left of the Dniester River – 342 USD or 96.4% compared to January-March 2015³).

During the analyzed period, the average monthly nominal salary calculated for an employee was higher than the average salary in the region in following branches of the economy: "Electro- and radio communications" (8,771 rubles or 790 USD), "Banks and credits" (7,512 rubles or 677 USD), "Insurance" (5,686 rubles or 512 USD), "Real estate transactions" (4,898 rubles or 441 USD), "Industry" (4,795 rubles or 432 USD), "Collection of ferrous and nonferrous metals waste" (4,645 rubles or 418 USD), "Housing and communal services" (4,441 rubles or 400 USD), "Constructions" (4,437 rubles or 400 USD).

At the same time, the average monthly nominal salary calculated for an employee was lower than the average salary in the region following branches of the economy: "Forestry" (1,893 rubles or 171 USD), "Geology and meteorology" (1,993 rubles or 180 USD), "Social assistance" (2,036 rubles or 183 USD), "Postal communications" (2,227 rubles or 201 USD), "Culture and art" (2,402 rubles or 216 USD), "Education" (2,649 rubles or 239 USD), non-productive types of consumer services (2,464 rubles or 222 USD), "Administration bodies" (2,618 rubles or 236 USD), "Health" (2,667 rubles or 240 USD), "Agriculture" (2,747 rubles or 247 USD), "Science" (2,823 rubles or 254 USD), "Physical Culture, entertainment and tourism" (3,107 rubles or 280 USD).

In industry, the highest average nominal monthly salary in January-March 2015 was recorded in the case of employees of following sub-branches: steel industry – 586 USD or 171.1% of the average salary in the economy; electricity – 495 USD, which is by 44.6% higher than the average salary in the region; manufacturing of machinery and processing of metal – 437 USD or 27.8%

² The analysis was made based on data of the Statistical Service of Transnistria

³ The official average exchange rate of the monetary authority of the region to the left of the Dniester River left bank of the average in the period January-March 2015: 1 USD = 11.1000 rubles; 1 MDL = 0.6214 rubles (http://www.cbpmr.net/resource/svkv_narast_itog_april_2015.pdf)

higher than the average salary in the economy; printing industry – 334 USD. The lowest average monthly nominal salary calculated for January-March 2014 had the employees of the following sub-branches: other industrial branches – 243 USD, which is 28.9% lower than the average salary in the region; wood processing industry – 261 USD, which is 23.8% lower than the average salary; light industry – 347 USD or 1.4% higher than the average salary in the economy; construction materials industry – 355 USD or 3.7% higher than the average salary in the economy.

Social protection of the population. The average number of pensioners in January-March 2015 totaled 140,332 persons, including 136,085 persons were receiving labor pension and 4,247 persons – social pension. The average amount of the pensions amounted to 1,350.47 rubles (labor pension – 1,372.98 rubles, social pension – 629.35 rubles), which is 0.4% more compared to the same period last year.

Subsistence minimum. In the first quarter of the year the average subsistence minimum per person was 1,324.55 rubles per month, which is 7.0% higher compared to the same period of the previous year.

In March 2015 the amounts of the subsistence minimum by categories of population able to work were as follows: men – 1,435.63 rubles per month, women – 1,362.54 rubles per month. The subsistence minimum of pensioners amounted to 1,107.56 rubles per month, children aged under 6 years – 1,197.40 rubles per month, and children aged 7 to 15 years – 1,440.79 rubles per month.

Table 6.4. Subsistence minimum in the region from the left bank of the River Dniester in January-March 2015

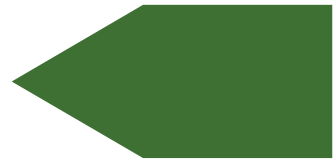
(Average per person, rubles per month)

	Total population	Including				
		Able to work		Pensioners	Children	
		Men	Women		aged under 6 years	aged 7 up to 15 years
January	1323.23	1447.33	1367.79	1109.72	1204.09	1457.84
February	1334.68	1457.77	1380.40	1123.06	1214.24	1463.89
March	1315.74	1435.63	1362.54	1107.56	1197.40	1440.79

Source: According to the data of the Statistical Service of Transnistria.

Crimes. In January-March 2015, the public order protection authorities registered 2,793 complaints and reports of crimes, i.e. 6.5% more than in January-March 2014. There were 1,212 crimes registered, which is by 0.6% more in comparison with the same period last year. The recorded crimes included: 13 – murders, 15 – intentional severe injuries, 38 crimes related to illegal trafficking in arms, 32 crimes committed by use of arms, munitions and explosives, 143 – crimes against public order, 146 – drug-related crimes, 36 – swindles, 328 – thefts, 32 – robbery and other crimes – 314, etc. As a result of crimes committed 679 persons suffered, including 21 persons died (3.1%), and 11 persons (1.6%) had severe health injuries.

STATISTICAL ANNEX



Sources of GDP																					
Period	GDP			GVA			Agriculture			Industry			Constructions			Other activities			Net taxes on products		
	mil. lei, current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	mil. lei current prices	%, previous year	
2010	71885.5	107.1	59920.7	106.2	8657.4	107.4	9534.8	108.9	2437.5	112.7	39291	105.1	11964.8	111.7							
2011	82348.7	106.8	68390	106.3	10095	105.2	11518	110.2	2720	101.9	45831	101.3	13959	109.6							
2012	88227.8	99.3	73686	99	9896	79.9	12314	100.8	3041	101.8	50178	103.2	14542	100.8							
2013	100510.5	109.4	83719	110.2	12383	146.6	14328	107.6	3373	105.3	55346	103.9	16791	105.1							
2014*	111501.4	104.6	93973.6	105.2	14314.2	108.2	15688	107.2	3998.5	110.6	62224.3	103.8	17527.8	101.6							
Quarter I 2012	18095.8	101	15268	101.5	821	101.6	2771	97.9	395	109.8	11698	102.4	2828	98.4							
Quarter II 2012	21199.4	100.6	17821.6	100.5	1929.6	92.5	2914.5	104.3	1105	100.9	12277.7	101.2	3377.8	101.3							
Quarter III 2012	26106.8	98.3	22026.6	97.4	3923.3	69.2	3389.6	102.3	1059.2	100	14092.5	104.4	4080.2	103.4							
Quarter IV 2012	22445.3	97.5	18203.5	96.5	2911.3	70.8	3232.9	96.5	482.1	101.8	12109.6	104.6	4241.8	101.4							
Quarter I 2013	19672.7	103.5	16201	102.9	824.8	102.3	2960	102.2	522.5	110.5	12283.7	102.5	3471.8	106.6							
Quarter II 2013	23703.3	106.1	19649	105.9	2064.3	103.8	2961.7	113.4	1182.5	100.8	13388.1	104.6	4054.4	106.7							
Quarter III 2013	29936.4	112.9	25436.1	114.2	5847.4	159.8	3836	107.5	1128.7	102.2	15117.7	104.3	4500.3	105.6							
Quarter IV 2013	26566.7	111.2	21792.1	112.5	3430.7	152.2	3633.8	107.4	600.4	116	14610.8	104.5	4774.6	105.2							
Quarter I 2014	21469.2	103.6	17888	104.2	984.1	107.2	3294.5	107.1	601.2	108.5	13543.3	103.4	3581.2	100.9							
Quarter II 2014	26226.1	104.2	21931.9	104.9	2381.0	107.4	3836	104.2	1414.7	110.4	14865	104.5	4294.2	101.2							
Quarter III 2014	34027.3	105.9	29283.9	106.3	7036.1	108.6	4254.7	105.7	1283.2	113.8	18546.1	104.9	4743.4	103.3							
Quarter IV 2014	29778.9	104.2	24869.7	105.0	3912.9	108.1	4303	111.8	699.3	106.9	16551.9	102.4	4909.0	100.6							
Quarter I 2015	24423.2	104.8	20473.7	105.2	914.7	104.4	4001.4	107.9	708.6	106.2	15763.5	105.2	3949.4	103.1							

Source: According to the National Bureau of Statistics data.

*Preliminary data.

Perioada	Uses of GDP														
	GDP			Final consumption			Gross capital formation			Stock variation			Net exports		
	mil. lei, current prices	% previous year	mil. lei current prices	% previous year	mil. lei current prices	% previous year	mil. lei current prices	% previous year	mil. lei current prices	% previous year	mil. lei current prices	% previous year	mil. lei current prices	% previous year	mil. lei current prices
2010	71885.5	107.1	83240.3	107.3	16262.6	117.2	648.1	157.9	-28265.5	114.8					
2011	82348.7	106.8	96090.5	107.3	19178.8	113	725.2	x	-33645.8	x					
2012	88227.8	99.3	103062.6	100.9	20864.1	101.8	-3.2	x	-35695.7	x					
2013	100510	109.4	113169	105.2	23062	103.8	1721	x	-37442	x					
2014*	111501.4	104.6	123659.7	102.4	27441.3	110.1	1433.6	x	-41033.3	x					
Quarter I 2012	18095.8	101	23464.8	101.9	2439	101	272.2	105.3	-8080.2	x					
Quarter II 2012	21199.4	100.6	24687.8	99.6	5001	99.1	74.3	x	-8563.7	x					
Quarter III 2012	26106.8	98.3	30085.8	101	4538.7	100.8	504	x	-9021.6	x					
Quarter IV 2012	22445.3	97.5	27514.7	100.7	5493.2	100.5	-196.4	x	-10366.1	x					
Quarter I 2013	19672.7	103.5	23400.8	102.6	4219.7	106.6	-85.3	x	-7862.5	x					
Quarter II 2013	23703.3	106.1	27408.2	106.2	5576.7	103	627.7	x	-9909.3	x					
Quarter III 2013	29936.4	112.9	32009	107.4	6667.3	101.2	716.9	x	-9456.7	x					
Quarter IV 2013	26566.7	111.2	30485.2	104.2	6103.1	103.6	478.2	x	-10499.9	x					
Quarter I 2014	21469.2	103.6	24961.5	100.4	4975.2	108.6	-238.8	x	-8228.6	x					
Quarter II 2014	26226.1	104.2	29604.9	101.4	6647.1	107.6	-106.9	x	-9918.9	x					
Quarter III 2014	34027.3	105.9	35478.3	103.3	8118.5	111.5	957.9	x	-10527.3	x					
Quarter IV 2014	29778.8	104.2	33615.1	103.9	7700.6	112.1	821.5	x	-12358.4	x					
Quarter I 2015	24423.2	104.8	27244.8	100.3	5972.5	107.8	-73.9	x	-8720.3	x					

Source: According to the National Bureau of Statistics data.

*Preliminary data.

Consumer prices					
	Growth rate of CPI, % (compared to the same period of previous year)	Growth rate of food prices, % (compared to the same period of previous year)	Growth rate of non-food prices, % (compared to the same period of previous year)	Growth rate of prices for services, % (compared to the same period of previous year)	
2010	7.4	5.7	7.3	9.1	
2011	7.6	8.4	5.8	8.8	
2012	4.6	3.8	4.2	6.2	
2013	4.6	6.6	4.3	2.6	
2014	5.1	6.5	5.5	2.5	
Quarter I 2012	6.2	4.7	5	9.2	
Quarter II 2012	4.2	1.9	4.5	6.3	
Quarter III 2012	4.4	3.6	3.7	6.4	
Quarter IV 2012	3.9	4.9	3.6	3.1	
Quarter I 2013	4.4	5.9	4	3.1	
Quarter II 2013	5.2	8.4	4.1	2.6	
Quarter III 2013	4.0	5.0	4.5	2.1	
Quarter IV 2013	4.9	7.1	4.5	2.6	
Quarter I 2014	5.4	7.9	4.8	2.7	
Quarter II 2014	5.2	6.9	5.2	2.6	
Quarter III 2014	5.1	6.1	5.6	2.6	
Quarter IV 2014	4.8	5.1	6.3	1.9	
Quarter I 2015	6.1	5.8	9.3	1.9	

Source: According to the National Bureau of Statistics data, author's calculations.

	Consumer prices			
	Growth rate of CPI, % (compared to the same period of previous year)	Growth rate of food prices, % (compared to the same period of previous year)	Growth rate of non-food prices, % (compared to the same period of previous year)	Growth rate of prices for services, % (compared to the same period of previous year)
January 2013	4.7	6.8	4	3.1
February 2013	4.4	5.5	4.2	3.1
March 2013	4.2	5.5	3.8	3.2
April 2013	4.5	6.1	3.7	3.4
May 2013	5.7	10.0	4.0	2.4
June 2013	5.5	9.2	4.5	2.0
July 2013	4.3	5.9	4.6	2.0
August 2013	3.7	4.2	4.5	2.1
September 2013	3.9	5.0	4.3	2.1
October 2013	4.7	6.9	4.4	2.1
November 2013	4.9	6.8	4.6	2.9
December 2013	5.2	7.6	4.6	2.9
January 2014	5.1	7.3	4.6	2.7
February 2014	5.4	7.9	4.9	2.8
March 2014	5.7	8.5	5.0	2.7
April 2014	5.8	8.7	5.2	2.5
May 2014	4.7	5.7	5.1	2.6
June 2014	5.0	6.4	5.3	2.7
July 2014	5.3	7.1	5.2	2.8
August 2014	5.1	6.6	5.4	2.5
September 2014	4.8	4.7	6.3	2.6
October 2014	4.8	4.8	6.2	2.6
November 2014	4.8	5.5	6.2	1.6
December 2014	4.7	5.1	6.5	1.6
January 2015	4.7	4.5	7.0	1.8
February 2015	6.5	6	10.2	1.9
March 2015	7.1	7	10.7	2.1
April 2015	7.6	7.8	11	2.6

Source: According to the National Bureau of Statistics data, author's calculations.

Producers prices					
	Growth rate of IPPI, % (compared to the same period of previous year)	Growth rate of prices in mining industry, % (compared to the same period of previous year)	Growth rate of prices in manufacturing industry, % (compared to the same period of previous year)	Growth rate of prices in energy sector, % (compared to the same period of previous year)	
2010	7.9	0.7	6.2	16.1	
2011	6.8	2.6	6.3	10.5	
2012	5.7/3.1*	3.8/4.7*	5.1/2.0*	9.2/11.4*	
2013	3.2/3.3*	1.6/1.6*	3.8/3.8*	-0.4/-0.4*	
2014	5.5*	3.9*	6.5*	-1.4*	
Quarter I 2012	7.1	-0.5	6.4	11.8	
Quarter II 2012	5.8	1.3	5.3	9	
Quarter III 2012	5	5.1	4.1	9.9	
Quarter IV 2012	4.8	9.5	4.4	6.5	
Quarter I 2013	2.6	4.7	2.6	2.0	
Quarter II 2013	3.2	1.7	3.6	0.7	
Quarter III 2013	3.4	1.2	4.1	-1.6	
Quarter IV 2013	3.7	-0.2	4.6	-2.4	
Quarter I 2014	4.9	1.3	5.9	-2.5	
Quarter II 2014	6.7	4.9	7.9	-2.5	
Quarter III 2014	6.4	5.1	7.4	-0.8	
Quarter IV 2014	4.2	4.2	4.7	0	
Quarter I 2015	5.7	5.6	6.3	0.7	

Source: According to the National Bureau of Statistics data, author's calculations.

* Since January 2014 the statistical data on CPI are elaborated based on Classification of Economic Activities of Moldova (CEAM), rev. 2 developed in harmony with NACE, rev 2. The IPPI for 2012-2013 years was recalculated from CEAM, rev.1 to CEAM, rev.2.

	Producers prices			
	Growth rate of IPPI, % (compared to the same period of previous year)	Growth rate of prices in mining industry, % (compared to the same period of previous year)	Growth rate of prices in manufacturing industry, % (compared to the same period of previous year)	Growth rate of prices in energy sector, % (compared to the same period of previous year)
January 2013	1.6	6.2	1.5	1.9
February 2013	2.8	3.5	2.9	2.0
March 2013	3.4	4.5	3.5	2.0
April 2013	3.7	2.4	3.9	2.0
May 2013	3.0	1.7	3.5	0.0
June 2013	2.9	1.1	3.4	0.0
July 2013	3.3	1.4	3.8	0.0
August 2013	3.4	1.1	4.2	-2.4
September 2013	3.4	1.1	4.2	-2.4
October 2013	4.1	0.6	5.1	-2.4
November 2013	3.0	1.1	3.8	-2.4
December 2013	4.0	-2.4	5	-2.4
January 2014	4.6	-1.3	5.6	-2.5
February 2014	4.9	2.2	5.8	-2.5
March 2014	5.2	3.0	6.2	-2.5
April 2014	5.7	3.1	6.8	-2.5
May 2014	6.6	4.0	7.9	-2.5
June 2014	7.8	7.5	9.1	-2.5
July 2014	7.7	5.3	9.1	-2.4
August 2014	6.2	5.3	7.0	0.1
September 2014	5.3	4.7	6.0	0.0
October 2014	4.3	4.5	4.9	0.0
November 2014	4.3	3.8	4.9	0.0
December 2014	4.0	4.4	4.4	0.1
January 2015	4.6	7.0	7.0	0.8
February 2015	6.2	5.1	7	0.6
March 2015	6.2	4.6	6.9	0.8
April 2015	5.4	5.3	6.1	0.3

Source: According to the National Bureau of Statistics data, author's calculations.

Exchange rates						
	MDL/USD nominal exchange rate	MDL/EUR nominal exchange rate	Growth rate of MDL/USD nominal exchange rate, % (compared to the same period of previous year)	Growth rate of MDL/EUR nominal exchange rate, % (compared to the same period of previous year)	Growth rate of MDL/USD real exchange rate, % (compared to the same period of previous year)	Growth rate of MDL/EUR real exchange rate, % (compared to the same period of previous year)
2010	12.4	16.4	11.3	5.8	6.1	0.6
2011	11.7	16.3	-5.1	-0.4	-8.4	-4.5
2012	12.1	15.6	3.2	-4.7	0.7	-6.5
2013	12.6	16.7	3.9	7.4	0.6	4.3
2014	14.0	18.6	11.4	11.4	7.5	6.6
Quarter I 2012	11.8	15.5	-1.8	-5.9	-4.7	-8.9
Quarter II 2012	11.9	15.3	2.5	-8.6	0.6	-10.0
Quarter III 2012	11.9	15.3	8.0	-4.6	5.4	-6.1
Quarter IV 2012	12.4	15.5	4.2	0.2	2.3	-1.2
Quarter I 2013	12.2	16.1	2.9	3.7	0.2	1.4
Quarter II 2013	12.4	16.4	3.9	5.7	0.2	2.2
Quarter III 2013	12.8	16.9	2.8	8.9	-0.6	7.6
Quarter IV 2013	13.0	17.7	6.1	11.3	2.1	8.5
Quarter I 2014	13.4	18.3	9.8	13.9	5.4	10.1
Quarter II 2014	13.7	18.8	10.4	16.0	7.1	12.1
Quarter III 2014	14.1	18.7	10.0	10.3	7.5	5.2
Quarter IV 2014	15.0	18.8	15.4	6.0	11.1	1.2
Quarter I 2015	18.0	20.4	34.7	11.1		4.2

Source: According to the NBM, NBS, OECD data, author's calculations.

Exchange rates						
	MDL/USD nominal exchange rate	MDL/EUR nominal exchange rate	Growth rate of MDL/USD nominal exchange rate, % (compared to the same period of previous year)	Growth rate of MDL/EUR nominal exchange rate, % (compared to the same period of previous year)	Growth rate of MDL/USD real exchange rate, % (compared to the same period of previous year)	Growth rate of MDL/EUR real exchange rate, % (compared to the same period of previous year)
January 2013	12.1	16.1	2.8	5.9	-0.2	3.2
February 2013	12.1	16.2	2.5	3.1	-0.4	1.0
March 2013	12.3	16.0	3.5	2.2	1.3	0.0
April 2013	12.3	16.0	4.6	3.3	1.3	0.5
May 2013	12.3	16.0	4.2	5.4	0.0	1.5
June 2013	12.4	16.4	3.0	8.4	-0.6	4.6
July 2013	12.6	16.5	2.6	8.7	0.3	7.5
August 2013	12.4	17.0	-1.0	9.7	-3.2	8.6
September 2013	12.9	17.2	3.7	8.0	1.0	6.5
October 2013	13.0	17.8	6.4	11.8	2.5	9.2
November 2013	13.0	17.5	5.1	10.6	1.1	7.8
December 2013	13.0	17.9	7.0	11.6	2.8	8.3
January 2014	13.2	18.0	8.8	11.8	4.4	8.2
February 2014	13.5	18.4	11.6	13.6	6.7	9.8
March 2014	13.5	18.7	9.6	17.1	5.2	12.4
April 2014	13.4	18.6	8.5	15.8	4.8	11.1
May 2014	13.7	18.8	10.7	17.1	7.9	13.7
June 2014	13.9	18.9	11.8	15.4	8.6	11.6
July 2014	14.0	19.0	10.4	14.6	6.8	9.1
August 2014	13.8	18.4	11.8	8.6	8.0	3.6
September 2014	14.3	18.5	11.3	7.7	7.7	3.0
October 2014	14.7	18.6	12.5	4.7	8.9	0.1
November 2014	15.0	18.7	15.3	6.7	11.1	1.9
December 2014	15.4	19.0	18.3	6.6	13.3	1.5
January 2015	16.6	19.4	25.8	8.0	19.5	2.7
February 2015	18.8	21.4	39.5	16.3	30.1	8.9
March 2015	18.6	20.3	38.0	8.3	-	1.1
April 2015	18.0	19.4	34.4	4.4	-	-3.0
May 2015	18.0	20.0	31.3	6.5	-	-

Source: According to the NBM, NBS, OECD data, author's calculations.

Monetary aggregates						
	Monetary aggregate M0, mil. MDL (stock at the end of period)	Monetary aggregate M1, mil. MDL (stock at the end of period)	Monetary aggregate M2, mil. MDL (stock at the end of period)	Monetary aggregate M3, mil. MDL (stock at the end of period)	Monetary base, mil. MDL (stock at the end of period)	
2010	10107.6	15720.2	24770.7	37051.2	12115.0	
2011	10864.5	17385.6	28265.4	40977.1	14345.2	
2012	13240.8	20607.3	34914.6	49513.2	17633.5	
2013	17550.5	21119.4	45177.1	62631.5	23254.2	
2014	17508.7	26513.2	43219.9	65973.0	22274.6	
January 2013	12772.2	20180.2	35120.9	50100.8	17251.7	
February 2013	12902.8	20183.1	35189.5	49808.9	17437.4	
March 2013	12892.8	19878.5	34882.4	49705.1	16914.1	
April 2013	13293.0	20437.1	35740.5	50362.7	17994.7	
May 2013	13523.0	21302.8	36690.3	51573.6	17928.0	
June 2013	13997.7	21746.4	37417.5	52432.0	18254.7	
July 2013	14867.3	22653.2	38801.1	54065.5	19309.5	
August 2013	15626.0	23823.7	40454.4	56278.9	20526.6	
September 2013	16155.8	24488.3	41185.2	57393.9	20887.1	
October 2013	19899.0	25616.2	42843.9	59205.0	22019.9	
November 2013	16937.9	25721.9	43327.3	60707.8	22149.0	
December 2013	17550.5	21119.4	45177.1	62631.5	23254.2	
January 2014	16900.7	26179.4	44349.8	62300.0	22319.2	
February 2014	16715.9	26279.5	44360.4	62555.9	21807.8	
March 2014	16656.2	26522.4	44408.9	62328.5	21678.0	
April 2014	17027.5	26398.7	44252.4	62481.4	22335.2	
May 2014	17301.2	26942.1	44776.8	63316.9	21847.9	
June 2014	17610.6	27362.9	45067.5	64455.1	23049.1	
July 2014	18137.3	27770.8	45364.3	64806.2	23915.3	
August 2014	17988.8	27373.9	44996.6	64675.8	23554.0	
September 2014	17531.3	27185.7	44727.1	65213.2	22699.6	
October 2014	17600.5	27645.8	45040.5	65882.8	22925.9	
November 2014	17452.0	26613.4	43885.6	65504.6	22765.5	
December 2014	17508.7	26513.2	43219.9	65973.0	22274.6	
January 2015	16635.9	25264.0	41613.5	67516.2	20964.5	
February 2015	15810.9	23824.9	39171.2	66586.6	21379.0	
March 2015	15420.3	23530.3	38927.0	64613.0	20594.8	
April 2015	15410.9	23914.7	39276.3	64856.6	20252.0	

Source: According to the National Bank of Moldova.

	Monetary instruments							Reserve rate for MDL resources, %
	Base rate, %	CNB, mil. MDL (average daily stock)	Interest rate for overnight credits, %	Overnight credits, mil. MDL (average daily stock)	Interest rate for overnight deposits, %	Overnight deposits, mil. MDL (average daily stock)	Reserve rate for MDL resources, %	
January 2013	4.5	4298.4	7.5	-	1.5	363.8	14	
February 2013	4.5	4480.7	7.5	-	1.5	252.8	14	
March 2013	4.5	4563.3	7.5	-	1.5	156.6	14	
April 2013	4.41	4426.6	7.5\6.5	-	1.5/0.5	225.5	14	
May 2013	4.5	4092.6	6.5	-	0.5	262.1	14	
June 2013	3.5	3637.3	6.5	-	0.5	295.6	14	
July 2013	3.5	3308.6	6.5	-	0.5	224.5	14	
August 2013	3.5	3312.9	6.5	0.3	0.5	176.3	14	
September 2013	3.5	3746.6	6.5	-	0.5	262.4	14	
October 2013	3.5	3096.8	6.5	-	0.5	257.4	14	
November 2013	3.5	2897.6	6.5	-	0.5	184.7	14	
December 2013	3.5	2773.9	6.5	58.4	0.5	91.0	14	
January 2014	3.5	3034.0	6.5	48.0	0.5	221.0	14	
February 2014	3.5	3129.6	6.5	21.2	0.5	65.4	14	
March 2014	3.5	2403.4	6.5	76.7	0.5	153.4	14	
April 2014	3.5	2052.9	6.5	22.7	0.5	351.6	14	
May 2014	3.5	2009.6	6.5	24.0	0.5	324.7	14	
June 2014	3.5	1725.8	6.5	52.2	0.5	215.7	14	
July 2014	3.5	928.9	6.5	173.8	0.5	112.7	14	
August 2014	3.5	689.4	6.5	75.2	0.5	125.0	14	
September 2014	3.5	984.4	6.5	161.1	0.5	160.6	14	
October 2014	3.5	1022.6	6.5	87.6	0.5	91.3	14	
November 2014	3.5	733.5	6.5	53.1	0.5	120.4	14	
December 2014	3.78	886.3	6.5/7.5/9.5	87.7	0.5/1.5/3.5	784.6	14	
January 2015	6.5	763.4	9.5/11.5	11.1	3.5/5.5	988.3	14	
February 2015	8.86	333.1	11.5/16.5	123.4	5.5/10.5	495.8	16	
March 2015	13.5	25.4	16.5	11.2	10.5	545.0	18	
April 2015	3.78	886.3	6.5/7.5/9.5	87.7	0.5/1.5/3.5	784.6	14	

Source: According to the National Bank of Moldova.

Period	Public finance						Sources of financing public deficit, MDL million (end of period balance)	Tax burden, %
	PNB revenues, MDL million	Increase on PNB revenues, % (compared to the previous period)	PNB expenditures, MDL million	Increase on PNB expenditures, % (compared to the previous period)	PNB revenues, MDL million	Increase on PNB revenues, % (compared to the previous period)		
2010	27550.9	17%	29328.9	7%	1778.0		31%	
2011	30150.5	9%	32117.0	10%	1958.5		31%	
2012	33526.1	11%	35364.0	10%	1837.9		31%	
2013	36908.5	10%	38673.1	9%	1764.6		37%	
2014	42455.8	15%	44402.5	15%	1946.7		32%	
Q. I 2012	6582.7	8%	7363.5	11%	780.8			
Q. II 2012	8744.5	16%	8898.9	6%	935.2			
Q. III 2012	8613.5	13%	8486	11%	807.7			
Q. IV 2012	9585.4	8%	10615.6	12%	1837.9			
Q. I 2013	7521.8	14%	7598.5	3%	76.7			
Q. II 2013	9196.3	5%	9569.9	8%	578.1			
Q. III 2013	9090.1	6%	9283.0	9%	642.5			
Q. IV 2013	11099.6	16%	12221.7	15%	1764.6			
Q. I 2014	8413.2	12%	8483.2	12%	70.0			
Q. II 2014	10433.8	13%	10828.8	13%	465.0			
Q. III 2014	11607.0	28%	11221.6	21%	260.5			
Q. IV 2014	12001.8	8%	13868.9	13%	1946.7			
Q. I 2015	10173.8	21%	9830.5	16%	343.3			

Source: According to the data of the Ministry of Finance of Republic of Moldova.

Public finance					
Period	PNB revenues, MDL million	Increase on PNB revenues, % (compared to the previous period)	PNB expenditures, MDL million	Increase on PNB expenditures, % (compared to the previous period)	Sources of financing public deficit, MDL million (end of period balance)
January 2013	2179.2	9%	2199.4	5%	20.2
February 2013	2350.2	20%	2588.6	3%	258.6
March 2013	2992.4	13%	2810.5	2%	76.7
April 2013	3172.6	9%	3173.6	16%	77.7
May 2013	2715.6	-5%	3005.1	-3%	367.2
June 2013	3308.1	11%	3391.2	11%	450.3
July 2013	3177.6	8%	3305.4	7%	578.1
August 2013	2836.6	7%	2943.7	5%	685.2
September 2013	3075.9	2%	3033.9	17%	642.5
October 2013	3608.9	19%	3397.5	9%	431.8
November 2013	3290.6	8%	3310.5	6%	451.7
December 2013	4200.1	20%	5513.7	26%	1764.6
January 2014	2359.7	8%	2395.3	9%	35.6
February 2014	2658.6	13%	2958.6	14%	274.6
March 2014	3394.9	13%	3129.3	11%	70
April 2014	3383.7	7%	3405.4	7%	91.7
May 2014	2971.7	9%	3422.4	14%	542.4
June 2014	4078.4	23%	4001	18%	465
July 2014	3323.2	5%	3375.2	2%	517
August 2014	4774.3	68%	3928.3	33%	329
September 2014	3509.5	14%	3918.1	29%	260.5
October 2014	3784.3	5%	4284.7	26%	580
November 2014	3443.6	5%	3944.4	19%	1080.8
December 2014	4773.9	14%	5639.8	2%	1946.7
January 2015	2620.3	11%	2853.1	19%	232.8
February 2015	2828.7	6%	3470.3	17%	874.4
March 2015	4724.8	39%	3507.1	12%	343.3
April 2015	3376.6	0%	3907.8	15%	187.9

Source: According to the data of the Ministry of Finance of Republic of Moldova.

Public debt									
	Central Government Debt, mil. USD	Domestic debt by maturity	Long-term	Medium-term	Short-term	External debt by maturity	Long-term	Medium-term	Short-term
January 2013	21290.6	6224.3	0.0	318.5	5905.8	15066.3	11539.7	2835.9	690.7
February 2013	21212.6	6275.0	0.0	316.2	5958.9	14937.5	11608.7	2636.9	692.0
March 2013	21163.7	6228.0	0.0	290.5	5937.5	14935.7	11640.4	2592.1	703.2
April 2013	21136.8	6269.6	0.0	286.1	5983.4	14867.2	11545.7	2673.8	647.8
May 2013	21493.7	6341.7	0.0	286.2	6055.6	15152.0	11818.6	2679.7	653.7
June 2013	21741.0	6390.9	0.0	260.9	6130.0	15350.1	11765.2	2910.0	674.9
July 2013	22110.1	6388.0	0.0	264.0	6124.1	15722.7	12419.8	2621.6	681.2
August 2013	22419.5	6464.2	0.0	265.5	6198.7	15955.2	12983.5	2332.5	639.3
September 2013	22822.7	6535.5	0.0	236.3	6299.1	16287.2	13220.7	2382.5	684.0
October 2013	22907.0	6596.3	0.0	231.8	6364.5	16310.8	13264.6	2412.1	634.0
November 2013	23307.4	6647.1	0.0	221.1	6426.0	16660.3	13554.7	2460.2	645.4
December 2013	23521.5	6675.8	0.0	198.4	6477.4	16845.8	13677.7	2514.3	653.8
January 2014	24200.8	6899.3	0.0	212.0	6687.3	17301.5	14053.6	2574.0	674.0
February 2014	24701.0	7028.7	0.0	219.5	6809.2	17672.3	14429.0	2635.5	607.7
March 2014	24456.0	7006.7	0.0	194.1	6812.6	17449.3	14256.0	2600.0	593.3
April 2014	25061.1	7079.3	0.0	208.4	6870.9	17981.8	15189.0	2192.3	600.5
May 2014	25588.1	7142.1	0.0	219.8	6922.3	18446.0	15119.7	2709.2	617.1
June 2014	25899.7	7166.0	0.0	202.0	6964.0	18733.7	15313.3	2803.4	617.0
July 2014	25409.0	6905.9	0.0	187.0	6718.9	18503.1	15121.6	2767.5	614.0
August 2014	25361.4	6916.0	0.0	189.8	6726.2	18445.4	14944.5	2790.3	710.6
September 2014	25982.2	7025.4	0.0	200.7	6824.7	18956.8	15346.9	2930.3	679.6
October 2014	26367.2	7162.4	0.0	223.1	6939.3	19204.8	14915.2	3420.8	868.8
November 2014	26564.0	7183.5	0.0	232.1	6951.4	19380.5	14999.4	3495.9	885.2
December 2014	27470.6	7075.4	202.7	0.0	6872.6	20395.3	19491.3	0.0	903.9
January 2015	30105.0	7239.8	194.2	-	7045.6	22865.3	21849.0	-	1016.3
February 2015	31168.6	6988.5	179.1	-	6809.4	24180.1	23131.3	-	1048.77
March 2015	29901.3	6829.6	173.5	-	6656.1	23071.7	22004.2	-	1067.5

Source: According to the data of the Ministry of Finance of Republic of Moldova.

Banking sector															
Period	Indicators				Deposits structure, %			Earnings and profitability, %		Liquidity Indicators, %		Deposit interest rates, %		Loans interest rates, %	
	Bank assets (stock at the end of period) million. MDL	Bank liabilities (stock at the end of period) million. MDL	Loans, (stock at the end of period) million. MDL	Bank Deposits (stock at the end of period) million. MDL)	Deposits of individuals, %	Corporate deposits, %	Currency deposits, %	Return on assets	Return on equity	Bank assets (stock at the end of period) million. MDL	Bank liabilities (stock at the end of period) million. MDL	in national currency	foreign currency	in national currency	foreign currency
2010	42269.5	35010.8	23429.8	26942.4	63.28	33.96	48.45	0.47	2.61	0.67	34.18	7.56	3.42	16.25	9.91
2011	47707.8	39613.5	30963.0	30112.1	63.36	32.21	46.16	1.95	11.51	0.69	33.17	7.54	3.69	14.37	8.75
2012	58304.4	48058.4	35948.2	36272.3	64.1	31.9	43.8	1.1	5.6	0.7	32.9	7.59	4.3	13.34	8.28
2013	76183.9	64752.9	42632.7	45081.0	65.8	34.2	44.7	1.6	9.4	0.7	33.8	7.23	4.41	12.26	7.77
2014	97584.4	85152.9	40841.9	65462.5	52.8	26.1	52.0	0.9	6.3	1.5	21.6	5.72	4.19	10.59	7.99
Quarter I 2012	50878.8	40711.2	31952.8	30675.6	65.3	30.7	45.8	2.7	13.4	0.7	31.8	7.23	3.92	14.25	8.6
Quarter II 2012	53572.2	43421.0	32945.6	31962.1	63.4	31.3	45.7	2.3	11.6	0.7	32.3	7.59	3.79	13.69	7.92
Quarter III 2012	55791.1	45476.7	34736.0	27287.1	64	31.9	44.4	2	10.5	0.7	31.6	7.94	4.97	12.58	7.78
Quarter IV 2012	58168.4	48155.6	35948.2	36272.3	64.1	31.9	43.8	1.1	5.6	0.7	32.9	8.44	4.68	11.98	8.32
Quarter I 2013	59948.3	49275.5	36190.7	36812.1	67.2	32.8	43.6	1.9	10.9	0.7	33.1	8.06	4.4	12.77	8.03
Quarter II 2013	63516.1	52817.9	38435.9	38434.2	67.1	32.9	42.0	1.6	9.3	0.8	31.2	6.79	4.36	12.03	7.59
Quarter III 2013	69094.0	57949.1	39631.3	41238.0	67.6	32.4	43.1	1.8	10.5	0.7	32.3	6.62	4.36	11.79	7.07
Quarter IV 2013	76183.9	64752.9	42632.7	45081.0	65.8	33.2	46.1	1.0	6.9	0.7	34.4	5.91	4.60	12.29	7.83
Quarter I 2014	78744.2	66729.5	43292.3	54360.3	59.7	29.7	46.2	1.2	8.5	0.7	34.6	5.94	4.43	11.60	8.12
Quarter II 2014	79991.1	67845.4	45113.0	55631.9	60.2	29.1	48.5	1.1	7.8	0.7	34.2	4.92	3.85	10.03	7.78
Quarter III 2014	82113.9	69712.2	47228.4	57845.1	58.6	29.3	51.8	1.2	8.4	0.7	34.2	5.81	4.18	10.97	7.61
Quarter IV 2014	97584.4	85152.9	40841.9	65462.5	52.8	26.1	52.0	0.9	6.3	1.5	21.6	6.47	3.98	10.95	7.72
Quarter I 2015	98270.1	85608.5	41974.3	66764.8	52.4	25.4	56.4	1.1	9.7	1.5	25.2	11.61	2.63	13.49	7.43

Source: According to the National Bank of Moldova data.

Perioada	Banking sector														
	Indicators				Deposits structure, %			Earnings and profitability, %		Liquidity Indicators, %		Deposit interest rates, %		Loans interest rates, %	
	Bank assets (stock at the end of period) million. MDL	Bank liabilities (stock at the end of period) million. MDL	Loans, (stock at the end of period) million. MDL	Bank Deposits (stock at the end of period) million. MDL)	Deposits of individuals, %	Corporate deposits, %	Currency deposits, %	Return on assets	Return on equity	Bank assets (stock at the end of period) million. MDL	Bank liabilities (stock at the end of period) million. MDL	in national currency	foreign currency	in national currency	foreign currency
January 2013	59960.8	49620.3	35955.6	37328.4	66.7	33.3	44.4	1.8	10.5	0.7	34.8	8.55	4.79	12.41	7.52
February 2013	59270.1	49058.0	36077.0	36906.0	66.9	33.1	43.8	1.9	10.9	0.7	34.2	8.56	4.41	13.23	8.13
March 2013	59948.3	49275.5	36190.7	36812.1	67.2	32.8	43.6	1.9	10.9	0.7	33.1	8.06	4.4	12.77	8.03
April 2013	60798.2	50047.6	36529.4	37069.5	67.3	32.7	43.1	1.8	10.4	0.7	32	7.33	4.22	12.4	7.27
May 2013	61416.6	51713.6	37310.6	38050.5	66.4	33.6	42.8	1.8	10.5	0.7	32.2	7.75	4.22	12.21	7.62
June 2013	63516.1	52817.9	38435.9	38434.2	67.1	32.9	42.0	1.6	9.3	0.8	31.2	6.79	4.36	12.03	7.59
July 2013	66481.7	55643.4	39079.5	39198.1	67.6	32.4	40.3	1.7	9.9	0.8	30.2	7.16	4.29	12.05	7.37
August 2013	67673.8	56713.5	39263.0	40652.8	66.3	33.8	42.3	1.8	10.5	0.8	32.1	7.18	4.64	12.09	7.45
September 2013	69094.0	57949.1	39631.3	41238.0	67.6	32.4	43.1	1.8	10.5	0.7	32.3	6.62	4.36	11.79	7.07
October 2013	70177.5	58921.1	40229.3	42306.0	67.3	32.7	42.2	1.8	10.5	0.7	32.5	6.54	4.16	11.94	7.33
November 2013	72734.3	61381.1	41242.1	43769.9	67.0	33.0	43.2	1.8	10.5	0.7	32.0	6.35	4.29	12.10	7.74
December 2013	76183.9	64752.9	42630.7	45081.0	65.8	34.2	44.7	1.6	9.4	0.7	33.8	5.82	4.51	12.51	8.91
January 2014	77327.9	65795.0	42295.3	45704.6	57.5	28.5	46.1	1.0	6.8	0.7	34.3	5.91	4.60	12.29	7.83
February 2014	77824.4	66163.2	42676.2	45306.3	61.3	29.0	45.0	1.2	8.4	0.7	34.2	5.84	4.61	11.96	8.39
March 2014	78744.2	66729.5	43292.3	45360.3	59.7	29.7	46.2	1.2	8.5	0.7	34.6	5.94	4.43	11.60	8.12
April 2014	78629.6	66555.9	43344.2	45387.5	60.4	29.1	46.5	1.2	8.3	0.7	34.0	4.94	4.34	11.49	7.41
May 2014	79433.2	67328.9	43968.1	45466.9	60.3	28.8	47.0	1.3	9.1	0.7	34.0	5.00	4.46	11.20	7.84
June 2014	79991.1	67845.4	45113.0	45563.9	60.2	29.1	48.5	1.1	7.8	0.7	34.2	4.92	3.85	10.03	7.78
July 2014	80078.6	67894.8	45612.0	45566.8	60.3	28.6	49.4	1.1	7.8	0.7	33.7	6.30	3.64	10.53	7.83
August 2014	80154.0	67852.1	46170.4	45582.3	59.4	28.5	50.9	1.2	8.3	0.7	33.5	6.45	4.16	10.66	7.84
September 2014	82113.9	69712.2	47228.4	47845.1	58.6	29.3	51.8	1.2	8.4	0.7	34.2	5.81	4.18	10.97	7.61
October 2014	83345.4	70806.7	47981.3	49172.3	57.8	29.3	52.6	1.3	8.8	0.7	34.8	5.49	3.94	10.80	7.93
November 2014	97305.7	84612.4	40654.2	66404.5	51.6	27.9	50.6	1.3	9.4	0.6	22.3	5.67	4.40	9.81	8.18
December 2014	97584.4	85152.9	40841.9	65462.5	52.8	26.1	52.0	0.9	6.3	1.5	21.6	6.47	3.98	10.95	7.72
January 2015	102707.6	90163.6	42139.9	68823.5	52.7	25.9	55.5	1.5	12.6	1.5	24.4	6.92	3.93	11.60	7.49
February 2015	102170.8	89465.8	42831.8	69410.5	52.1	25.7	58.1	1.9	15.9	1.5	10.5	8.88	3.37	11.94	7.35
March 2015	98270.1	85608.5	41974.3	66764.8	52.4	25.4	56.4	1.1	9.7	1.5	25.2	11.61	2.63	13.49	7.43
April 2015	98700.7	85844.7	41792.4	66295.4	52.8	25.2	55.6	1.2	9.7	1.5	26.1	11.76	2.40	13.66	7.14

Source: According to the National Bank of Moldova data.

Period	External sector: FDI and remittances									
	Equity capital	Reinvested earnings	Other capital	Total net FDI inflow	Compensation of employees	Personal transfers	Migrant's transfers	Total remittances inflow		
2010	157.0	14.6	36.4	207.9	743.0	608.5	12.1	1363.5		
2011	143.9	86.7	57.6	288.2	899.0	701.4	14.3	1614.7		
2012	144.6	-11.0	61.5	195.1	1010.1	783.2	18.1	1811.4		
2013	160.3	19.2	56.8	236.3	1118.2	866.8	16.9	2001.8		
2014	155.4	60.1	-8.1	207.4	1064.2	818.9	17.8	1900.9		
Q. I 2012	39.1	3.6	-3.9	38.8	193.7	163.6	3.5	360.8		
Q. II 2012	56.53	-4.1	-12.0	50.5	255.7	191.5	3.6	450.7		
Q. III 2012	-4.17	1.7	46.3	43.8	282.5	207.6	5.1	495.1		
Q. IV 2012	53.1	-12.2	21.0	62.0	278.3	220.6	5.9	504.8		
Q. I 2013	49.1	14.5	1.1	64.7	214.2	184.7	3.3	402.2		
Q. II 2013	22.7	20.4	24.3	67.4	283.3	207.0	3.1	493.4		
Q. III 2013	34.9	9.0	11.1	55.0	313.7	235.8	4.2	553.7		
Q. IV 2013	53.6	-24.7	20.3	49.2	307.1	239.2	6.3	552.5		
Q. I 2014	36.1	10.8	-21.0	26.0	213.4	182.5	2.7	398.5		
Q. II 2014	66.5	15.3	-21.0	60.7	295.0	215.0	4.5	514.5		
Q. III 2014	15.4	40.5	17.3	73.2	308.4	234.0	6.7	549.2		
Q. IV 2014	37.5	-6.5	16.6	47.5	247.4	187.5	3.9	438.8		
Q. I 2015	21.2	40.8	13.5	75.5	176.0	144.9	1.6	322.5		

Source: According to the National Bank of Moldova data, author's calculations.

	External sector: external trade															
	Total external trade, mil. USD	Goods		Services		Export		Goods		Services		Import		Goods		Services
2000	1613.2	1247.1	366.2	641.4	476.8	164.6	971.9	770.3	201.6							
2001	1824.0	1444.3	379.7	735.5	564.6	170.9	1088.5	879.7	208.8							
2002	2170.8	1697.2	473.6	876.4	659.7	216.7	1294.5	1037.5	257.0							
2003	2777.4	2233.2	544.2	1055.0	805.1	249.9	1722.4	1428.1	294.3							
2004	3427.4	2742.3	685.1	1326.2	994.1	332.1	2101.3	1748.2	353.1							
2005	4219.3	3400.7	818.6	1503.5	1104.6	398.9	2715.8	2296.1	419.7							
2006	4659.1	3704.3	954.7	1527.9	1060.8	467.1	3131.2	2643.5	487.6							
2007	6323.3	5044.8	1278.5	2001.8	1373.3	628.4	4321.5	3671.4	650.1							
2008	8198.8	6517.8	1681.0	2489.8	1645.9	843.9	5709.0	4871.9	837.1							
2009	5988.6	4602.7	1386.0	2000.0	1326.9	673.1	3988.6	3275.7	712.9							
2010	6784.5	5400.3	1384.2	2270.8	1590.4	680.4	4513.7	3809.9	703.8							
2011	9115.4	7424.9	1690.5	3138.7	2277.8	860.9	5976.7	5147.1	829.5							
2012	9176.2	7381.3	1794.9	3130.6	2228.5	902.0	6045.6	5152.7	892.9							
2013	9874.7	7914.8	1959.9	3453.9	2466.2	987.8	6420.8	5448.6	972.2							
2014	9565.4	7616.0	1949.4	3311.0	2352.1	958.9	6254.4	5264.0	990.5							

Source: According to the National Bank of Moldova data, author's calculations.

External sector: trade in services														
Value of export by categories of services, mil. USD														
	2010	2011	2012	2013	2014	Q. I 2013	Q. II 2013	Q. III 2013	Q. IV 2013	Q. I 2014	Q. II 2014	Q. III 2014	Q. IV 2014	Q. I 2015
Export	680.4	860.9	902.0	987.8	958.9	216.9	243.5	265.5	261.8	215.0	247.7	247.2	249.0	180.9
Transportation	244.5	343.0	363.1	403.6	373.5	88.8	100.1	110.2	104.4	86.8	100.7	95.9	90.1	67.0
Travel	163.2	186.4	198.5	225.5	232.9	47.7	53.8	64.3	59.7	45.5	56.9	64.1	66.4	40.5
Business travel	48.9	50.2	56.6	67.6	66.8	13.3	16.6	19.1	18.6	13.4	16.6	19.5	17.4	13.6
Personal travel	114.3	136.2	141.9	157.9	166.1	34.4	37.1	45.3	41.1	32.1	40.4	44.6	49.1	26.9
Communications services	126.1	135.0	140.0	137.4	129.0	22.0	21.7	22.1	20.0	19.2	20.6	21.5	16.1	17.7
Construction services	4.1	5.2	3.3	5.3	5.1	0.7	1.1	0.5	3.0	0.9	1.0	1.3	1.9	1.5
Insurance services	1.2	1.5	0.9	0.8	0.6	0.1	0.2	0.1	0.4	0.3	0.2	0.1	0.1	0.1
Financial services	3.1	4.6	3.7	5.3	5.7	1.0	1.4	1.2	1.7	1.5	1.3	1.3	1.7	1.0
Computer and information services	33.4	47.8	55.8	62.7	71.3	13.7	15.3	15.3	18.4	16.9	17.7	17.4	19.2	16.9
Royalties and license fees	4.9	5.3	4.6	6.1	7.1	1.0	1.6	1.6	1.9	1.5	2.1	2.0	1.5	1.4
Other business services	62.1	89.6	91.6	99.3	94.8	23.1	24.9	25.7	25.6	23.5	24.4	20.3	26.6	18.7
Personal, cultural, and recreational services	0.1	0.3	1.3	1.6	2.1	0.3	0.3	0.4	0.6	0.7	0.5	0.4	0.5	0.3
Government services, n.i.e.	37.8	42.0	39.2	40.2	36.8	8.0	9.9	9.7	12.7	7.7	9.2	9.0	10.9	6.1
Structure of services' export, %														
Export	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Transportation	35.9	39.8	40.3	40.9	39.0	40.9	41.1	41.5	39.9	40.4	40.7	38.8	36.2	37.0
Travel	24.0	21.7	22.0	22.8	24.3	22.0	22.1	24.2	22.8	21.2	23.0	25.9	26.7	22.4
Business travel	7.2	5.8	6.3	6.8	7.0	6.1	6.8	7.2	7.1	6.2	6.7	7.9	7.0	7.5
Personal travel	16.8	15.8	15.7	16.0	17.3	15.9	15.2	17.1	15.7	14.9	16.3	18.0	19.7	14.8
Communications services	18.5	15.7	15.5	13.9	13.5	10.2	8.9	8.3	7.6	8.9	8.3	8.7	6.5	9.8
Construction services	0.6	0.6	0.4	0.5	0.5	0.3	0.4	0.2	1.2	0.4	0.4	0.5	0.8	0.8
Insurance services	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Financial services	0.5	0.5	0.4	0.5	0.6	0.5	0.6	0.5	0.6	0.7	0.5	0.5	0.7	0.5
Computer and information services	4.9	5.6	6.2	6.3	7.4	6.3	6.3	5.8	7.0	7.9	7.1	7.0	7.7	9.4
Royalties and license fees	0.7	0.6	0.5	0.6	0.7	0.5	0.6	0.6	0.7	0.7	0.8	0.8	0.6	0.8
Other business services	9.1	10.4	10.2	10.0	9.9	10.6	10.2	9.7	9.8	10.9	9.9	8.2	10.7	10.3
Personal, cultural, and recreational services	0.0	0.0	0.1	0.2	0.2	0.2	0.1	0.2	0.2	0.3	0.2	0.2	0.2	0.2
Government services, n.i.e.	5.6	4.9	4.3	4.1	3.8	3.7	4.0	3.6	4.8	3.6	3.7	3.6	4.4	3.4

Source: According to the National Bank of Moldova data, author's calculations.

External sector: trade in services														
Value of import by categories of services, mil. USD														
	2010	2011	2012	2013	2014	Q. I 2013	Q. II 2013	Q. III 2013	Q. IV 2013	Q. I 2014	Q. II 2014	Q. III 2014	Q. IV 2014	Q. I 2015
Export	703.8	829.5	892.9	972.2	990.5	217.6	243.3	251.6	259.7	221.5	258.7	260.4	249.9	186.5
Transportation	264.8	346.2	362.5	379.9	380.7	91.1	95.8	95.8	97.2	88.3	96.7	95.4	100.2	68.7
Travel	241.4	276.7	307.6	333.7	349.2	69.2	83.3	92.3	88.9	73.9	96.1	99.4	79.8	62.1
Business travel	124.7	148.7	164.1	177.1	177.5	34.2	45.4	49.8	47.6	35.5	50.1	52.6	39.2	30.2
Personal travel	116.7	128.0	143.5	156.6	171.7	35.0	37.9	42.4	41.3	38.4	46.0	46.8	40.5	32.0
Communications services	38.1	42.5	40.2	51.6	51.7	10.4	13.3	14.3	13.6	10.5	13.2	14.0	13.9	9.9
Construction services	11.7	8.0	8.9	9.1	7.6	1.6	2.3	2.0	3.1	0.8	2.9	2.4	1.5	1.5
Insurance services	15.7	13.3	4.7	3.6	2.9	1.3	0.8	0.6	1.0	1.1	0.6	0.6	0.7	0.3
Financial services	6.5	6.5	7.2	6.3	7.6	1.5	1.5	1.6	1.8	1.8	1.7	2.1	2.1	1.9
Computer and information services	23.6	23.0	37.1	41.1	42.5	10.3	8.4	10.3	12.1	11.6	10.5	9.0	11.4	12.7
Royalties and license fees	12.8	16.6	18.7	22.8	22.0	5.6	5.1	6.8	5.4	5.2	5.9	4.9	6.1	5.3
Other business services	56.6	58.9	69.5	76.0	83.7	15.3	20.6	16.1	24.1	16.0	20.6	23.1	24.0	14.3
Personal, cultural, and recreational services	1.1	1.3	1.5	2.9	2.6	0.5	0.9	0.7	0.8	0.4	0.7	0.7	0.9	0.8
Government services, n.i.e.	31.7	36.6	35.0	45.3	40.0	10.8	11.4	11.4	11.8	12.0	9.8	8.9	9.3	8.9
Structure of services' export, %														
Export	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Transportation	37.6	41.7	40.6	39.1	38.4	41.9	39.4	38.1	37.4	39.9	37.4	36.7	40.1	36.8
Travel	34.3	33.4	34.5	34.3	35.3	31.8	34.2	36.7	34.2	33.4	37.2	38.2	31.9	33.3
Business travel	17.7	17.9	18.4	18.2	17.9	15.7	18.7	19.8	18.3	16.0	19.4	20.2	15.7	16.2
Personal travel	16.6	15.4	16.1	16.1	17.3	16.1	15.6	16.9	15.9	17.3	17.8	18.0	16.2	17.1
Communications services	5.4	5.1	4.5	5.3	5.2	4.8	5.5	5.7	5.2	4.7	5.1	5.4	5.6	5.3
Construction services	1.7	1.0	1.0	0.9	0.8	0.7	1.0	0.8	1.2	0.4	1.1	0.9	0.6	0.8
Insurance services	2.2	1.6	0.5	0.4	0.3	0.6	0.3	0.2	0.4	0.5	0.2	0.2	0.3	0.1
Financial services	0.9	0.8	0.8	0.6	0.8	0.7	0.6	0.6	0.7	0.8	0.6	0.8	0.8	1.0
Computer and information services	3.4	2.8	4.2	4.2	4.3	4.7	3.4	4.1	4.7	5.2	4.1	3.5	4.5	6.8
Royalties and license fees	1.8	2.0	2.1	2.3	2.2	2.6	2.1	2.7	2.1	2.4	2.3	1.9	2.4	2.9
Other business services	8.0	7.1	7.8	7.8	8.4	7.0	8.5	6.4	9.3	7.2	8.0	8.9	9.6	7.7
Personal, cultural, and recreational services	0.2	0.2	0.2	0.3	0.3	0.2	0.4	0.3	0.3	0.2	0.3	0.2	0.4	0.4
Government services, n.i.e.	4.5	4.4	3.9	4.7	4.0	5.0	4.7	4.5	4.5	5.4	3.8	3.4	3.7	4.8

Source: According to the National Bank of Moldova data, author's calculations.

Period	External sector: trade of goods													Degree of imports coverage by exports, %
	Value of external trade in goods, mil. USD				Exports, mil. USD				Imports, mil. USD				Trade balance, mil. USD	
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
2010	5396.8	1880.9	2433.1	1082.8	1541.5	624.0	728.9	188.6	3855.3	1256.9	1704.2	894.2	-2313.8	40.0
2011	7408.1	2632.7	3339.3	1436.1	2216.8	919.3	1083.0	214.5	5191.3	1713.4	2256.3	1221.6	-2974.5	42.7
2012	7374.7	2551.8	3332.0	1490.9	2161.8	928.1	1013.4	220.3	5212.9	1623.7	2318.6	1270.6	-3051.1	41.5
2013	7920.7	2595.5	3609.4	1715.8	2428.3	923.2	1137.3	367.8	5492.4	1672.3	2472.1	1348.0	-3064.1	44.2
2014	7656.5	2184.9	3813.7	1657.9	2339.5	735.6	1246.0	357.9	5317.0	1449.3	2567.7	1300.0	-2977.5	44.0
Q. I 2012	1708.8	655.1	720.4	333.3	504.6	201.1	252.2	51.3	1204.2	454.0	468.2	282.0	-699.6	41.9
Q. II 2012	1793.5	572.0	853.0	368.5	537.0	227.2	255.8	54.0	1256.5	344.8	597.2	314.5	-719.5	42.7
Q. III 2012	1779.6	609.9	799.4	370.3	506.7	238.9	213.1	54.7	1272.9	371.0	586.3	315.6	-766.2	39.8
Q. IV 2012	2092.8	714.8	959.2	418.8	613.5	260.9	292.3	60.3	1479.3	453.9	666.9	358.5	-865.8	41.5
Q. I 2013	1832.4	673.2	773.8	385.4	589.7	246.3	260.3	83.1	1242.7	426.9	513.5	302.3	-653.0	47.5
Q. II 2013	1897.8	592.1	881.7	424.0	546.6	208.3	251.1	87.2	1351.2	383.8	630.6	336.8	-804.6	40.5
Q. III 2013	1981.0	631.7	907.3	442.0	604.8	234.4	275.8	94.6	1376.2	397.3	631.5	347.4	-771.4	43.9
Q. IV 2013	2209.5	698.5	1046.6	464.4	687.2	234.2	350.1	102.9	1522.3	464.3	696.5	361.5	-835.1	45.1
Q. I 2014	1791.3	565.2	867.9	358.2	573.1	180.9	318.9	73.3	1218.2	384.3	549.0	284.9	-645.1	47.0
Q. II 2014	1928.2	523.3	995.8	409.1	599.3	204.5	302.0	92.8	1328.9	318.8	693.8	316.3	-729.6	45.1
Q. III 2014	1884.2	520.1	954.1	409.8	565.2	184.3	284	96.9	1318.8	335.8	670.1	312.9	-753.6	42.9
Q. IV 2014	2053.3	576.4	996.0	480.9	602.1	166.0	341.3	94.8	1451.2	410.4	654.7	386.1	-849.1	41.5
Q. I 2015	1464.3	394.0	753.3	317.0	488.1	104.0	320.0	64.1	976.2	290.0	433.3	252.9	-488.1	50.0

Source: According to the National Bureau of Statistics data.

Perioada	External sector: trade of goods												Degree of imports coverage by exports, %	
	Value of external trade in goods, mil. USD				Exports, mil. USD				Imports, mil. USD					Trade balance, mil. USD
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
Jan 2013	513.6	192.8	208.8	112.0	165.4	63.7	82.3	19.4	348.2	129.1	126.5	92.6	-182.8	47.5
Feb 2013	607.3	220.2	262.3	124.8	200.8	79.0	89.9	31.9	406.5	141.2	172.4	92.9	-205.7	49.4
Mar 2013	711.5	260.2	302.7	148.6	223.5	103.6	88.1	31.8	488.0	156.6	214.6	116.8	-264.5	45.8
Apr 2013	679.1	207.8	315.9	155.4	193.0	70.6	88.0	34.4	486.1	137.2	227.9	121.0	-293.1	39.7
May 2013	577.8	173.3	272.6	131.9	168.0	62.7	77.8	27.5	409.8	110.6	194.8	104.4	-241.8	41.0
Jun 2013	640.9	211.0	293.2	136.7	185.6	75.0	85.3	25.3	455.3	136.0	207.9	111.4	-269.7	40.8
Jul 2013	680.8	217.5	316.1	147.2	204.8	79.4	95.0	30.4	476.0	138.1	221.1	116.8	-271.2	43.0
Aug 2013	647.3	209.1	291.2	147.0	202.9	76.7	93.7	32.5	444.4	132.4	197.5	114.5	-241.5	45.7
Sept 2013	652.9	205.1	300.0	147.8	197.1	78.3	87.1	31.7	455.8	126.8	212.9	116.1	-258.7	43.2
Oct 2013	707.8	220.5	343.5	143.8	227.5	79.1	116.4	32.0	480.3	141.4	227.1	111.8	-252.8	47.4
Nov 2013	742.1	225.4	362.7	154.0	255.0	84.6	131.8	38.6	487.1	140.8	230.9	115.4	-232.1	52.4
Dec 2013	759.6	252.6	340.4	166.6	204.7	70.5	101.9	32.3	554.9	182.1	238.5	134.3	-350.2	36.9
Jan 2014	490.3	181.6	217.6	91.1	170.7	56.0	92.2	22.5	319.5	125.5	125.4	68.6	-148.8	53.4
Feb 2014	603.9	191.3	290.1	122.5	188.2	59.5	105.4	23.3	415.7	131.8	184.6	99.3	-227.5	45.3
Mar 2014	697.1	192.3	360.2	144.6	214.1	65.3	121.2	27.6	483.0	127.0	239.1	116.9	-268.9	44.3
Apr 2014	637.7	168.1	328.3	141.3	194.5	63.1	94.4	37.0	443.2	105.1	233.8	104.3	-248.7	43.9
May 2014	635.3	160.1	338.0	137.2	201.7	64.3	108.6	201.7	433.5	95.8	229.4	108.3	-231.8	46.5
Jun 2014	655.1	195.0	329.5	130.6	203.0	77.1	98.9	203.0	452.1	117.9	230.6	103.6	-249.1	44.9
Jul 2014	651.3	180.2	334.7	136.4	204.3	72.5	99	204.3	447	107.7	235.7	103.6	-242.7	45.7
Aug 2014	589.0	161.6	299.1	128.3	176.1	52.7	90.7	176.1	412.9	108.9	208.4	95.6	-236.8	42.7
Sept 2014	643.8	178.4	320.3	145.1	184.8	59.1	94.3	184.8	458.9	119.2	226	113.7	-274.1	40.3
Oct 2014	694.3	195.5	354.3	144.5	212.5	69.7	113.4	212.5	481.8	125.8	240.9	115.1	-269.3	44.1
Nov 2014	672.7	191.1	333.2	148.4	208.3	53	127.4	208.3	464.3	138	205.8	120.5	-256	44.9
Dec 2014	686.4	189.9	308.5	331.8	181.3	43.3	100.5	181.3	505.1	146.6	208	150.5	-323.8	35.9
Jan 2015	417.1	120.8	208.5	216.7	147.8	28.9	100	147.8	269.3	91.9	108.5	68.9	-121.5	54.9
Feb 2015	469.8	126.0	244.8	99.0	165.5	33.5	110.9	21.1	304.3	92.5	133.9	77.9	-138.8	54.4
Mar 2015	577.4	147.2	300.0	130.2	174.8	41.6	109.1	24.1	402.6	105.6	190.9	106.1	-227.8	43.4
Apr 2015	480.8	112.4	268.9	99.5	151.3	34.0	94.8	22.5	329.5	78.4	174.1	77.0	-178.2	45.9

Source: According to the National Bureau of Statistics data.

Period	External sector: trade of goods													Index of imports coverage by exports, %
	Annual growth in value of merchandise trade, %				Annual growth in value of merchandise exports, %				Annual growth in value of merchandise imports, %				Annual growth of net exports in goods, %	
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
2010	18.3	15.2	16.5	28.8	20.1	27.2	9.2	50.5	17.6	10.1	19.9	25.0	16.0	102.2
2011	37.3	40.0	37.2	32.6	43.8	47.3	48.6	13.7	34.7	36.3	32.4	36.6	28.6	106.8
2012	-0.5	-3.1	-0.2	3.8	-2.5	1.0	-6.4	2.7	0.4	-5.2	2.8	4.0	2.6	97.1
2013	7.4	1.7	8.3	15.1	12.3	-0.5	12.2	67.0	5.4	3.0	6.6	6.1	0.4	106.6
2014	-3.3	-15.8	5.7	-3.4	-3.7	-20.3	9.6	-2.7	-3.2	-13.3	3.9	-3.6	-2.8	99.5
Q. I 2012	8.7	11.6	5.3	10.9	6.5	14.3	5.6	-12.9	9.7	10.4	5.1	16.7	12.0	97.2
Q. II 2012	-0.3	-1.2	-1.5	4.4	2.9	6.8	0.3	-0.2	-1.5	-5.9	-2.2	5.3	-4.6	104.5
Q. III 2012	-4.8	-6.4	-7.3	4.5	-7.8	0.5	-22.8	54.5	-3.5	-10.4	0.0	-1.0	-0.5	95.6
Q. IV 2012	-3.5	-12.3	3.5	-2.2	-8.7	-10.9	-6.6	-8.8	-1.2	-13.0	8.7	-1.0	4.9	92.4
Q. I 2013	7.2	2.8	7.4	15.6	16.9	22.5	3.2	62.0	3.2	-6.0	9.7	7.2	-6.7	113.2
Q. II 2013	5.8	3.5	3.4	15.1	1.8	-8.3	-1.8	61.5	7.5	11.3	5.6	7.1	11.8	94.7
Q. III 2013	11.3	3.6	13.5	19.4	19.4	-1.9	29.4	72.9	8.1	7.1	7.7	10.1	0.7	110.4
Q. IV 2013	5.6	-2.3	9.1	10.9	12.0	-10.2	19.8	70.6	2.9	2.3	4.4	0.8	-3.5	108.8
Q. I 2014	-2.2	-16.0	12.2	-7.1	-2.8	-26.6	22.5	-11.8	-2.0	-10.0	6.9	-5.8	-1.2	99.1
Q. II 2014	1.6	-11.6	12.9	-3.5	9.6	-1.8	20.3	6.4	-1.7	-16.9	10.0	-6.1	-9.3	111.5
Q. III 2014	-4.9	-17.7	5.2	-7.3	-6.5	-21.4	3.0	2.4	-4.2	-15.5	6.1	-9.9	-2.3	97.5
Q. IV 2014	-7.1	-17.5	-4.8	3.6	-12.4	-29.1	-2.5	-7.9	-4.7	-11.6	-6.0	6.8	1.7	91.9
Q. I 2015	-4.9	-17.7	5.2	-7.3	-6.5	-21.4	3.0	2.4	-4.2	-15.5	6.1	-9.9	-2.3	97.5

Source: According to the National Bureau of Statistics data.

Perioada	External sector: trade of goods													
	Annual growth in value of merchandise trade, %				Annual growth in value of merchandise exports, %				Annual growth in value of merchandise imports, %				Annual growth of net exports in goods, %	Index of imports coverage by exports, %
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
Jan 2013	5.6	-0.6	9.3	10.6	12.2	17.3	10.0	6.6	2.7	-7.5	8.9	11.4	-4.5	109.2
Feb 2013	11.0	-3.4	14.6	38.5	27.2	19.9	16.8	112.7	4.5	-12.9	13.6	23.7	-11.0	121.7
Mar 2013	5.3	11.6	0.7	4.7	12.1	28.1	-12.3	75.7	2.5	2.8	7.2	-5.7	-4.5	109.4
Apr 2013	11.7	5.7	11.9	20.3	6.3	-9.3	4.4	76.4	13.9	15.5	15.0	10.3	19.6	93.3
May 2013	-4.4	-7.6	-7.0	6.4	-4.8	-13.4	-9.2	49.5	-4.3	-4.0	-6.0	-1.1	-3.9	99.4
Jun 2013	10.4	12.4	5.6	18.6	3.7	-2.6	-0.6	57.1	13.3	22.7	8.4	12.3	21.0	91.6
Jul 2013	17.5	9.6	16.4	34.4	25.6	0.5	37.5	104.0	14.3	15.6	9.2	23.5	6.9	110.0
Aug 2013	14.9	7.5	16.2	24.5	29.6	1.2	47.8	86.8	9.3	11.5	5.5	13.7	-3.4	118.5
Sep 2013	2.5	-5.4	8.2	3.6	5.3	-6.9	8.1	41.5	1.4	-4.5	8.3	-3.5	-1.5	103.9
Oct 2013	0.1	-4.5	3.0	0.6	8.2	-16.6	19.5	77.8	-3.4	4.0	-3.9	-10.5	-11.8	111.9
Nov 2013	7.0	-3.9	10.2	18.4	18.1	-7.2	27.6	80.4	1.9	-1.8	2.3	6.2	-11.4	115.9
Dec 2013	9.8	1.3	14.8	14.3	9.3	-5.7	11.2	54.5	10.0	4.3	16.4	7.5	10.4	99.3
Jan 2014	-4.5	-5.8	4.2	-18.7	3.2	-12.1	12.0	16.0	-8.2	-2.8	-0.9	-25.9	-18.6	112.4
Feb 2014	-0.6	-13.1	10.6	-1.8	-6.3	-24.7	17.2	-27.0	2.3	-6.7	7.1	6.9	10.6	91.7
Mar 2014	-2.0	-26.1	19.0	-2.7	-4.2	-37.0	37.6	-13.2	-1.0	-18.9	11.4	0.1	1.7	96.7
Apr 2014	-6.1	-19.1	3.9	-9.1	0.8	-10.6	7.3	7.6	-8.8	-23.4	2.6	-13.8	-15.1	110.6
May 2014	10.0	-7.6	24.0	4.0	20.1	2.6	39.6	633.5	5.8	-13.4	17.8	3.7	-4.1	113.4
Jun 2014	2.2	-7.6	12.4	-4.5	9.4	2.8	15.9	702.4	-0.7	-13.3	10.9	-7.0	-7.6	110.0
Jul 2014	-4.3	-17.1	5.9	-7.3	-0.2	-8.7	4.2	572.0	-6.1	-22.0	6.6	-11.3	-10.5	106.3
Aug 2014	-9.0	-22.7	2.7	-12.7	-13.2	-31.3	-3.2	441.8	-7.1	-17.7	5.5	-16.5	-1.9	93.4
Sept 2014	-1.4	-13.0	6.8	-1.8	-6.2	-24.5	8.3	483.0	0.7	-6.0	6.2	-2.1	6.0	93.3
Oct 2014	-1.9	-11.3	3.1	0.5	-6.6	-11.9	-2.6	564.1	0.3	-11.0	6.1	3.0	6.5	93.0
Nov 2014	-9.4	-15.2	-8.1	-3.6	-18.3	-37.4	-3.3	439.6	-4.7	-2.0	-10.9	4.4	10.3	85.7
Dec 2014	-9.6	-24.8	-9.4	99.2	-11.4	-38.6	-1.4	461.3	-9.0	-19.5	-12.8	12.1	-7.5	97.3
Jan 2015	-14.9	-33.4	-4.2	-3.6	-13.4	-48.4	8.5	-16.0	-15.7	-26.8	-13.5	0.4	-18.3	102.7
Feb 2015	-22.2	-34.1	-15.6	-19.2	-12.1	-43.7	5.1	-9.1	-26.8	-29.8	-27.5	-21.6	-39.0	120.1
Mar 2015	-17.2	-23.5	-16.7	-10.0	-18.4	-36.3	-10.0	-12.7	-16.6	-16.9	-20.1	-9.3	-15.3	97.9
Apr 2015	-24.6	-33.2	-18.1	-29.6	-22.2	-46.1	0.4	-39.2	-25.7	-25.4	-25.5	-26.2	-28.3	104.6

Source: According to the National Bureau of Statistics data.

Period	External sector: indices of trade of with goods							
	Value indices of exported goods (the same period of the previous year=100), %	Value indices of imported goods (the same period of the previous year=100), %	Unit value indices of exported goods (the same period of the previous year=100), %	Unit value indices of imported goods (the same period of the previous year=100), %	Volume indices of exported goods (the same period of the previous year=100), %	Volume indices of imported goods (the same period of the previous year=100), %	Unit value indices of exported goods (the same period of the previous year=100), %	Unit value indices of imported goods (the same period of the previous year=100), %
2010	120.1	117.6	103.0	103.0	117.0	114.0	103.0	103.0
2011	143.8	134.7	107.0	110.0	134.0	122.0	107.0	110.0
2012	97.5	100.4	97.0	99.0	101.0	101.0	97.0	99.0
2013	112.3	105.4	98.0	99.0	113.0	106.0	98.0	99.0
2014	96.3	96.8	94.0	96.0	102.0	101.0	94.0	96.0
Q. I 2012	106.7	109.7	98.0	103.0	109.0	106.0	98.0	103.0
Q. II 2012	102.9	98.5	95.0	96.0	108.0	103.0	95.0	96.0
Q. III 2012	92.2	96.5	94.0	95.0	98.0	102.0	94.0	95.0
Q. IV 2012	91.3	98.8	99.0	100.0	92.0	99.0	99.0	100.0
Q. I 2013	115.4	103.2	102.0	100.0	113.0	103.0	102.0	100.0
Q. II 2013	100.4	107.5	99.0	98.0	101.0	110.0	99.0	98.0
Q. III 2013	119.4	108.1	97.0	100.0	122.0	108.0	97.0	100.0
Q. IV 2013	112.0	102.9	92.0	98.0	120.0	105.0	92.0	98.0
Q. I 2014	97.2	98.0	97.2	98.0	106.0	100.0	97.2	98.0
Q. II 2014	109.6	98.3	97.0	100.0	113.0	98.0	97.0	100.0
Q. III 2014	93.5	95.8	95.0	97.0	98.0	99.0	95.0	97.0
Q. IV 2014	88.1	92.3	89.0	92.0	100.0	104.0	89.0	92.0
Q. I 2015	85.2	80.1	80.0	79.0	106.0	101.0	80.0	79.0

Source: According to the National Bureau of Statistics data.

External sector: trade of goods of the main trade partners														
Period	Annual growth rate of exports of goods of the main trade partners, y-o-y, %							Annual growth rate of imports of goods of the main trade partners, y-o-y, %						
	World	USA	EU 28 intracom. extracom.	Romania	Russia Federation	Ukraine	World	USA	EU 28 intracom. extracom.	Romania	Russia Federation	Ukraine		
2010	-40.1	-40.2	-37.3	-42.9	-44.0	-40.7	-39.7	-38.4	-37.3	-35.4	-40.1	-44.8	-40.6	
2011	19.8	16.0	15.9	20.7	27.3	33.0	19.3	15.1	15.9	18.6	23.4	30.2	35.6	
2012	0.0	4.3	-7.0	0.1	-8.2	0.1	0.3	3.1	-7.0	-4.0	-8.2	3.6	2.5	
2013	2.1	2.2	3.2	6.6	13.8	-1.1	1.4	-0.3	3.2	-3.2	4.6	1.8	-9.3	
2014	0.6	2.8	3.2	-1.8	5.9	-15.8	0.9	3.4	3.2	-0.2	5.9	-9.8	-29.2	
Q. I 2012	5.2	8.6	-2.1	3.7	-4.7	5.1	5.6	8.4	-2.1	1.9	-2.9	12.1	3.1	
Q. II 2012	-1.1	4.8	-11.6	-0.9	-9.2	0.3	-1.2	3.7	-11.6	-8.1	-10.4	-1.2	9.9	
Q. III 2012	-4.1	1.1	-11.2	-2.7	-14.3	0.2	-3.4	0.0	-11.2	-7.9	-12.3	2.5	1.2	
Q. IV 2012	0.7	2.8	-2.9	0.4	-4.3	-4.3	0.9	0.7	-2.9	-1.7	-6.6	2.8	-3.2	
Q. I 2013	0.3	0.4	-2.2	4.3	5.5	-1.5	-0.3	-2.6	-2.2	-6.2	-0.3	5.0	-6.2	
Q. II 2013	1.1	1.6	2.3	8.8	9.4	-3.4	0.8	-1.2	2.3	-3.8	-2.4	2.9	-21.9	
Q. III 2013	3.3	2.7	6.8	7.1	21.6	4.2	2.8	1.6	6.8	-1.2	11.2	0.0	-1.7	
Q. IV 2013	3.8	4.0	6.9	5.9	18.9	-0.2	2.4	1.1	6.9	-1.1	9.8	-0.1	-6.8	
Q. I 2014	1.6	2.5	7.6	1.0	14.2	-1.7	2.0	2.0	7.6	1.8	13.7	-5.3	-20.4	
Q. II 2014	2.6	3.3	7.5	-2.1	10.8	4.0	2.4	4.5	7.5	4.5	12.3	-4.5	-18.8	
Q. III 2014	2.6	4.2	3.6	-1.4	6.1	-4.0	1.8	3.7	3.6	1.6	4.1	-7.8	-37.8	
Q. IV 2014	-3.8	1.1	-5.1	-5.2	-5.9	-28.8	-3.3	3.5	-5.1	-8.4	-4.8	-20.0	-36.8	
Q. I 2015	-12.1	-5.1	-15.7	-14.2	-13.8	-33.6	-12.6	-1.1	-15.7	-16.0	-12.7	-37.3	-36.6	

Source: According to the WTO data.

External sector: trade of goods of the main trade partners

Period	Annual growth rate of exports of goods of the main trade partners, y-o-y, %										Annual growth rate of imports of goods of the main trade partners, y-o-y, %									
	World		USA	EU 28 intracom.	EU 28 extracom.	Romania	Russia Federation	Ukraine	World	USA	EU 28 intracom.	EU 28 extracom.	Romania	Russia Federation	Ukraine					
	Jan 2013	7.8	4.5	5.6	9.6	10.1	-2.2	-3.8	7.6	1.0	5.6	3.0	5.1	12.3	-5.0					
Feb 2013	-2.1	-0.1	-3.0	2.2	11.1	-7.3	7.9	-4.8	-0.7	-3.0	-7.9	2.3	6.3	-7.3						
Mar 2013	-1.6	-2.5	-8.2	1.8	-3.2	-5.0	-7.5	-4.1	-7.8	-8.2	-13.1	-6.7	-1.2	-6.1						
Apr 2013	4.7	1.6	4.1	13.5	14.8	-1.4	4.6	4.4	0.7	4.1	-3.2	4.3	11.0	-8.1						
May 2013	0.1	1.4	-1.0	8.6	2.3	-10.3	-20.9	-2.0	-0.8	-1.0	-5.7	-8.7	-6.4	-33.5						
Jun 2013	0.6	1.7	4.0	4.5	11.8	2.2	-12.6	-0.6	-3.6	4.0	-2.4	-2.2	4.6	-23.6						
Jul 2013	5.1	4.9	9.2	11.3	27.3	5.9	-9.5	5.3	2.4	9.2	4.7	19.6	1.7	-5.9						
Aug 2013	2.9	3.1	2.9	2.9	16.6	3.0	-10.8	0.5	-0.9	2.9	-5.2	5.9	-5.5	-6.7						
Sep 2013	2.5	0.2	7.9	7.0	20.6	3.8	-6.7	2.5	3.4	7.9	-2.7	8.2	4.2	7.9						
Oct 2013	4.9	6.4	6.2	6.8	18.5	-5.6	-9.5	2.4	3.2	6.2	-2.4	6.5	-2.8	-3.9						
Nov 2013	3.6	4.7	4.1	2.3	12.8	3.0	-6.4	-0.1	-2.9	4.1	-1.3	11.4	-0.9	-6.7						
Dec 2013	4.7	0.9	11.3	8.7	27.3	2.0	5.4	4.3	3.1	11.3	0.8	12.4	3.3	-9.7						
Jan 2014	3.0	3.6	5.2	0.8	8.0	2.0	-14.3	1.0	-0.2	5.2	-1.2	6.5	-3.7	-11.4						
Feb 2014	0.5	0.2	6.5	3.1	14.9	-12.9	-12.0	1.8	-0.4	6.5	0.0	16.9	-9.3	-23.5						
Mar 2014	2.0	3.8	11.0	-0.9	19.4	5.8	-6.4	2.9	6.5	11.0	6.8	17.3	-3.8	-24.4						
Apr 2014	2.4	3.4	8.0	-2.7	8.1	7.2	-16.2	1.2	5.2	8.0	2.5	8.8	-7.3	-30.2						
May 2014	2.7	3.9	8.2	-4.0	14.4	7.5	1.3	1.4	1.8	8.2	6.0	14.5	-1.1	-4.4						
Jun 2014	3.3	2.6	6.2	0.6	10.0	-2.9	-7.8	4.4	6.8	6.2	5.1	13.7	-5.3	-18.0						
Jul 2014	5.3	4.8	7.9	0.5	9.7	5.7	-7.9	2.4	3.5	7.9	6.8	8.0	-3.5	-33.9						
Aug 2014	0.2	4.0	-0.3	-8.1	1.3	-2.5	-18.2	-1.4	1.9	-0.3	-3.1	-3.6	-11.0	-41.8						
Sep 2014	3.8	3.8	2.3	3.0	6.7	-14.9	-16.8	3.3	5.8	2.3	0.7	7.2	-9.6	-37.7						
Oct 2014	-1.1	2.6	-3.8	-5.0	-2.7	-5.4	-24.8	-2.2	2.9	-3.8	-7.1	-4.5	-12.2	-39.8						
Nov 2014	-4.2	-0.8	-6.1	-5.6	-4.7	-21.7	-28.6	-5.2	0.7	-6.1	-10.8	-4.1	-21.8	-35.3						
Dec 2014	-2.4	1.4	-5.4	-5.0	-11.3	-22.5	-32.7	-3.4	7.0	-5.4	-7.6	-5.9	-24.6	-35.1						
Jan 2015	-10.2	-4.0	-16.4	-16.9	-9.1	-30.5	-32.1	-13.8	-2.8	-16.4	-18.7	-10.9	-40.7	-33.6						
Feb 2015	-7.6	-4.2	-14.3	-15.6	-15.7	-19.9	-36.5	-13.6	-4.4	-14.3	-14.8	-14.5	-35.4	-40.4						
Mar 2015	-12.3	-5.9	-15.6	-10.6	-15.9	-31.1	-32.2	-11.6	1.8	-15.6	-14.0	-12.5	-36.4	-35.5						
Apr 2015	-13.1	-4.2	-18.9	-12.5	-17.7	-33.9	-39.5	-14.8	-5.5	-18.9	-18.8	-18.3	-40.8	-38.9						

Source: According to the WTO data.

Period	Business environment		
	Registration of enterprises	Liquidation of enterprises	Net registered enterprises
2010	6488	3177	3311
2011	6740	3430	3310
2012	6273	3218	3055
2013	6231	2808	3423
2014	6263	2770	3493
Quarter I 2012	1757	852	905
Quarter II 2012	1499	760	739
Quarter III 2012	1378	845	533
Quarter IV 2012	1639	761	878
Quarter I 2013	1797	700	1097
Quarter II 2013	1509	668	841
Quarter III 2013	1379	657	722
Quarter IV 2013	1546	783	763
Quarter I 2014	1660	686	974
Quarter II 2014	1570	670	900
Quarter III 2014	1581	683	898
Quarter IV 2014	1452	731	721
Quarter I 2015	1602	778	824
Jan 2014	501	221	280
Feb.14	552	220	332
Mar.14	607	245	362
Apr.14	539	249	290
May 2014	527	190	337
Jun. 2014	504	231	273
Jul. 2014	589	248	341
Aug. 14	474	219	255
Sep. 14	518	216	302
Oct.14	520	190	330
Novem. 2014	466	204	262
Dec. 14	466	337	129
Jan.2015	481	215	266
Feb. 2015	579	280	299
Mar. 2015	542	283	259

Source: According to the data of the State Registration Chamber.

Demographic situation																
	Number of the present population Total (thou. pers.) <i>beginning-year</i>		Number of the resident population Total (thou. pers.) <i>beginning-year</i>		Live-births		Deceased		Infant deaths		Natural increase		Marriages		Divorces	
					Number of live-births - total (pers.)	per 1000 people - births	Number of deceased - total (pers.)	per 1000 people - deaths	Number of infant deaths - total (pers.)	per 1000 live-births - infant deaths	Natural increase (pers.)	natural increase per 1000 people	Number of marriages (number)	per 1000 people - marriages	Number of divorces (number)	per 1000 people - divorces
2010		3415.6	3563.7		10474	11.4	43631	12.3	476	11.6	-3157	-0.9	26483	7.4	11504	3.2
2011		3560.4	3560.4		39162	11.0	29234	11.0	430	11.0	-72	0.0	25889	7.3	11119	3.1
2012		3559.5	3559.5		39435	11.1	39560	11.1	385	9.8	-125	0.0	24262	6.8	10637	3.0
2013		3557.6	3557.6		37859	10.6	38060	10.7	358	9.5	-201	-0.1	24448	6.9	10775	3.0
2014		3413.2	3556.4		38622	10.9	39489	11.1	368	9.5	-867	-0.2	25624	7.2	11090	3.1
Quarter I 2014					8988	10.2	10956	12.5	99	11.0	1968	-2.3	4152	4.7	2957	3.4
Quarter II 2014					18248	10.3	20542	11.6	188	10.3	-2294	-1.3	9876	5.6	5653	3.2
Quarter III 2014					29068	10.9	28932	10.9	280	9.6	136	0.0	19319	7.3	8141	3.1
Quarter IV 2014					38622	10.9	39489	11.1	368	9.5	-867	-0.2	25624	7.2	11090	3.1
Quarter I 2015					9179	10.5	11166	12.7	90	9.8	1987	-2.2	3893	4.4	2864	3.3

Source: According to the National Bureau of Statistics data.

	Remuneration of labour										
	Nominal monthly wage - Total					Index nominal monthly wage (comparative to previous year), %					Index real monthly wage (comparative to previous year), %
	MDL	USD	EUR	MDL	USD	EUR	MDL	USD	EUR		
January 2012	3139.0	265.8	206.1	110.7	114.5	118.6	103.5				
February 2012	3166.0	266.5	201.9	109.8	111.0	114.8	103.4				
March 2012	3273.5	276.3	209.6	109.7	110.6	117.3	104.1				
April 2012	3350.3	283.8	215.6	106.9	105.9	116.0	102.1				
May 2012	3489.8	294.2	229.1	108.5	106.1	118.8	104.2				
June 2012	3913.5	323.8	258.4	110.0	105.5	121.0	106.1				
July 2012	3574.9	289.2	234.8	109.6	102.3	118.6	105.4				
August 2012	3503.6	280.4	226.4	110.4	100.5	116.3	105.7				
September 2012	3421.5	275.7	215.1	108.3	101.2	109.1	103.2				
October 2012	3482.3	284.2	219.1	110.1	106.0	111.9	106.0				
November 2012	3527.8	286.1	222.9	109.2	103.8	109.8	105.3				
December 2012	3888.8	318.9	243.1	104.9	101.4	102.0	100.8				
January 2013	3413.5	281.3	212.0	108.7	105.8	102.9	104.0				
February 2013	3380.1	279.5	208.8	106.8	104.9	103.4	102.4				
March 2013	3638.7	295.4	227.8	111.2	106.9	108.7	106.7				
April 2013	3739.7	302.9	232.9	111.6	106.7	108.0	106.8				
May 2013	3758.5	304.2	234.0	107.7	103.4	102.1	101.9				
June 2013	3859.0	309.9	235.4	98.6	95.7	91.1	93.5				
July 2013	3908.5	308.3	235.7	109.3	106.6	100.4	104.8				
August 2013	3832.4	300.5	225.8	109.4	107.2	99.7	105.5				
September 2013	3758.5	292.0	218.8	109.8	105.9	101.7	105.7				
October 2013	3785.4	290.3	213.0	108.7	102.1	97.2	103.8				
November 2013	3793.6	292.7	216.7	107.5	102.3	97.2	102.5				
December 2013	4278.7	328.1	239.7	110.0	102.9	98.6	104.6				
January 2014	3777.4	286.9	210.4	110.2	101.6	98.9	104.9				
February 2014	3717.9	275.6	202.1	109.8	98.4	96.6	104.2				
March 2014	3912.4	289.5	209.6	107.3	97.8	91.8	101.5				
April 2014	4009.1	298.5	216.0	107.2	98.5	92.7	101.3				
May 2014	4032.6	294.9	214.3	107.3	96.9	91.6	102.5				
June 2014	4203.9	301.9	222.1	108.9	97.4	94.4	103.7				
July 2014	4328.8	308.8	227.8	110.8	100.2	96.6	105.2				
August 2014	4276.9	309.2	232.1	111.6	102.9	102.8	106.2				
September 2014	4267.7	298.0	230.5	113.5	102.1	105.3	108.3				
October 2014	4309.5	293.7	231.6	113.8	101.2	107.7	108.6				
November 2014	4354.9	291.4	233.3	114.8	99.6	107.7	109.5				
December 2014	4865.4	315.2	255.7	113.7	96.1	106.7	108.6				
January 2015	4260.6	256.5	219.1	112.8	89.4	104.1	107.7				
February 2015	4241.2	225.2	198.1	114.1	81.7	98.0	107.1				
March 2015	4397.3	236.0	217.1	112.4	81.5	103.6	104.9				

Source: According to the National Bureau of Statistics data.

		Household disposable income						
Disposable income MDL		The structure of the disposable income, %						
		employment activity	individual agricultural activity	individual non-agricultural activity	property income	social benefits	etc.	
2010	1273.7	42.6	9.8	6.8	0.1	18.7	22.0	
2011	1444.7	44.7	10.0	6.8	0.4	18.1	20.1	
2012	1508.8	42.7	9.6	7.2	0.2	19.2	21.2	
2013	1681.4	41.6	9.1	6.9	0.2	19.9	22.3	
2014	1767.5	41.6	9.5	6.6	0.1	20.2	21.9	
Quarter I 2012	1439.3	43.9	10.1	5.9	0.1	18.4	21.6	
Quarter II 2012	1523.1	43.7	9.8	6.3	0.6	19.0	20.7	
Quarter III 2012	1507.3	41.4	9.1	8.5	0.0	20.6	20.4	
Quarter IV 2012	1572.5	41.7	9.3	8.0	0.1	18.8	22.1	
Quarter I 2013	1559.8	42.5	9.1	6.4	0.3	19.4	22.3	
Quarter II 2013	1667.2	43.7	10.0	6.4	0.1	18.8	21.0	
Quarter III 2013	1755.7	41.8	8.8	7.2	0.2	20.3	21.7	
Quarter IV 2013	1743.0	38.7	8.4	7.5	0.2	20.9	24.3	
Quarter I 2014	1650.0	42.6	10.1	5.9	0.1	20.0	21.2	
Quarter II 2014	1756.1	43.0	10.4	5.6	0.0	18.8	22.2	
Quarter III 2014	1787.4	40.7	9.0	6.6	0.1	21.4	22.3	
Quarter IV 2014	1877.8	40.1	8.8	8.1	0.2	20.7	22.0	
Quarter I 2015	1853.6	40.2	9.6	5.3	0.2	21.3	23.3	

Source: According to the National Bureau of Statistics data.

Household consumer expenditure		The structure of the consumer expenditure, %											
Consumer expenditure MDL		food	alcoholic beverages, tobacco	clothing, footwear	household maintenance	endowment house	medical and health care	transportation	communications	recreational activity	education	hotels, restaurants, cafes etc.	etc.
		2010	1371.7	40.8	1.8	10.8	17.8	3.9	6.4	4.9	4.6	1.7	1.3
2011	1534.1	42.5	1.8	10.4	18.1	3.6	5.4	5.2	4.4	1.7	1.1	1.9	4.0
2012	1598.6	43.2	1.7	10.6	18.5	3.5	5.6	4.2	4.4	1.4	1.0	1.7	4.1
2013	1775.8	42.8	1.5	10.3	19.2	3.6	5.7	4.7	4.2	1.5	0.8	1.5	4.0
2014	1816.7	43.8	1.3	10.6	18.9	3.5	5.6	4.4	4.3	1.3	0.7	1.5	4.0
Quarter I 2012	1510.8	43.7	1.6	10.9	18.3	3.0	6.2	3.8	4.5	1.1	1.1	2.1	3.7
Quarter II 2012	1582.6	43.7	1.6	11.2	18.5	3.3	4.8	4.5	4.5	1.4	0.9	1.8	3.8
Quarter III 2012	1675.3	42.0	1.7	10.3	19.0	4.1	6.5	4.3	4.3	1.9	1.0	1.3	3.6
Quarter IV 2012	1624.4	43.3	1.7	10.2	18.3	3.7	5.0	4.4	4.2	1.4	1.0	1.8	5.0
Quarter I 2013	1656.1	43.4	1.7	9.6	18.3	3.2	6.7	4.6	4.5	1.3	0.8	1.8	4.1
Quarter II 2013	1762.0	44.3	1.5	10.6	19.0	3.2	4.7	4.9	4.3	1.0	0.9	1.5	4.1
Quarter III 2013	1888.0	40.9	1.3	10.2	20.2	3.8	5.8	5.1	4.0	1.9	0.8	1.7	4.0
Quarter IV 2013	1798.5	43.0	1.6	10.9	19.1	4.2	5.5	4.1	4.1	1.8	0.8	1.2	3.8
Quarter I 2014	1733.7	43.9	1.2	10.4	18.6	3.2	6.6	4.4	4.5	1.2	0.6	1.2	4.1
Quarter II 2014	1807.9	44.9	1.4	10.3	18.3	3.2	5.5	4.4	4.5	0.9	0.9	1.6	4.1
Quarter III 2014	1832.0	43.6	1.2	10.7	19.9	3.8	5.3	4.1	4.2	1.2	0.7	1.5	3.8
Quarter IV 2014	1893.7	42.9	1.5	11.1	18.7	3.9	5.2	4.4	4.2	1.7	0.7	1.5	4.1
Quarter I 2015	1913.1	41.5	1.4	11.0	17.1	3.5	7.7	4.9	4.4	1.6	0.6	1.6	4.7

Source: According to the National Bureau of Statistics data.

		Crimes																				
		Recorded crimes - total, (cases)	Crimes against life and health of the person (cases)			Crimes of sexual life (cases)		Crimes against property (cases)						Offenses against public health and social coexistence (cases)		Crimes against family and minors (cases)		Economic crimes (cases)			Crimes against public security and public order (cases)	
		Total	murder	premeditated severe injuries	Total	rape	Total	theft	brigandage	robbery	fraud	pocket-picking	blackmail	Total	drug related crimes	Total	trafficking in children	Total	contraband	manufacture of counterfeit currency	Total	hooliganism
2010		33402	1892	265	416	368	18104	13646	185	1204	1841	395	64	1983	1794	204	23	1053	170	376	1122	955
2011		35124	1799	216	360	461	19340	15060	152	1151	1574	554	44	1810	1658	597	24	1384	211	681	1342	1152
2012		36615	1755	223	325	617	18751	14294	167	1175	1651	540	64	1785	1575	953	20	1928	163	1156	1514	1284
2013		38157	1647	215	324	608	20391	15378	146	1144	2065	741	88	1305	1166	1474	20	1002	151	344	1625	1444
2014		41786	1542	172	320	647	21875	16729	125	1127	2068	836	77	1439	1288	2423	24	1305	216	286	1804	1614
Quarter I 2013		8250	326	55	66	154	4630	3535	47	267	424	182	17	308	274	317	7	224	30	84	383	341
Quarter II 2013		18098	767	114	140	306	10004	7563	83	550	1002	378	39	568	496	663	14	492	68	188	784	694
Quarter III 2013		27320	1175	150	220	455	14624	11037	121	829	1513	494	67	951	850	1067	17	724	103	256	1151	1025
Quarter IV 2013		38157	1647	215	324	608	20391	15378	146	1144	2065	741	88	1305	1166	1474	20	1002	151	344	1625	1444
Quarter I 2014		8940	336	42	67	156	4489	3350	28	245	467	173	25	316	276	492	6	319	54	46	389	352
Quarter II 2014		18138	769	115	140	306	10012	7563	84	550	1007	378	41	575	503	663	14	501	73	188	786	694
Quarter III 2014		30328	1116	129	223	497	15620	11828	83	840	1577	571	55	1093	979	1810	14	930	156	176	1296	1163
Quarter IV 2014		41786	1542	172	320	647	21875	16729	125	1127	2068	836	77	1439	1288	2423	24	1305	216	286	1804	1614
Quarter I 2015		8875	276	39	63	130	4601	3339	40	239	439	264	12	332	299	529	5	324	47	104	421	358

Source: According to the National Bureau of Statistics data.

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