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GENERAL DATA

Official name	REPUBLIC OF MOLDOVA
Capital	Chisinau
President	Nicolae Timofti
President of the Parliament	Andrian Candu
Prime Minister	Valeriu Strelet (from July 2015) / Gheorghe Brega (from October 2015 - Interim Prime Minister)/ Pavel Filip (from January 20, 2016)
Parliament of the Republic of Moldova	101 deputies (Socialist Party of the Republic of Moldova - 24, Liberal Democratic Party of Moldova - 12, Communist Party of the Republic of Moldova - 7, Democratic Party of Moldova - 19, Liberal Party - 13, unaffiliated deputies - 26)
Independence was obtained on	August 27, 1991
Area	33.8 thousand km ²
Administrative units	32 districts, 5 municipalities (Chisinau, Balti, Bender, Comrat, Tiraspol), UTA Gagauzia, Administrative-Territorial Units from the left bank of the river Dniester
Resident population	3,555.2 mii thousand (beginning of the 2015 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. IV Quarter of 2015 - 1 USD = 19.9 MDL, 1 EUR = 21.8 MDL)

ABBREVIATIONS

CEFTA	- Central European Free Trade Agreement
RCA	- Revealed Comparative Advantage
GATS	- General Agreement on Trade in Services
HACCP	- Hazard Analysis and Critical Control Points
IDA	- International Development Association
DCFTA	- Deep and Comprehensive Free Trade Agreement
ATP	- Autonomous Trade Preferences
PCA	- Partnership and Cooperation Agreement
EBRD	- European Bank for Reconstruction and Development
ILO	- International Labour Office
BMA	- Bureau for Migration and Asylum
NBM	- National Bank of Moldova
NPB	- National Public Budget
NBS	- National Bureau of Statistics
GAP	- Good Agricultural Practice
TBT	- Technical Barriers to Trade
NBC	- National Bank Certificates
EC	- European Commission
FCPA	- Final Consumption of Public Administration
FCH	- Final Consumption of Households
NCFM	- National Commission of Financial Market
CNT	- Total Regulatory Capital
TRC	- Effective Protection Coefficient
SITC	- Standard International Trade Classification
CIS	- Commonwealth of Independent States
TRQ	- Tariff Rate Quota
IPR	- Intellectual Property Rights
SDR	- Special Drawing Rights
AVE	- Ad-Valorem Equivalent
IMF	- International Monetary Fund
NIER	- National Institute for Economic Research
HHI	- Herfindahl-Hirschman Index
SMEs	- Small and Medium Enterprises

CPI	- Consumer Price Index
PPI	- Production Price Index
IIPP	- Index of Industrial Products Prices
FDI	- Foreign Direct Investment
IPV	- Index of Physical Volume
UVI	- Unit Value Index
MAFI	- Ministry of Agriculture and Food Industry
MAIB	- Moldova Agroindbank
MDL	- Moldovan Leu
MF	- Ministry of Finance
SPM	- Sanitary and phytosanitary Measures
MFN	- Most Favoured Nation
NEER	- Nominal Effective Exchange Rate
NPC	- Nominal Protection Coefficient
BSEC	- Organization of the Black Sea Economic Cooperation
ODSMEs	- Organization for Development of Small and Medium Enterprises
IOM	- International Organization for Migration
WTO	- World Trade Organization
MFO	- Microfinance Organization
UN	- United Nations
GDP	- Gross Domestic Product
CR	- Concentration Ratio
REER	- Real Effective Exchange Rate
GSP	- Generalised System of Preferences
MET	- Moldovan Economic Trends
TN	- Transnistria
VAT	- Value Added Tax
EU	- European Union
USD	- US Dollar
ATU	- Autonomous Territorial Unit
VAB	- Gross Value Added
SS	- State Securities

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

The end of 2015 was marked by many important political, economic and social events.

October 7

The Romanian Government approved the draft law on Agreement ratification regarding the refundable financial assistance granted by Romania to the Republic of Moldova amounting to 150 mil. EUR. The financial help will be provided in three tranches. The first will amount to 60 mil. EUR, the next two will be 50 mil. and 40 mil. EUR respectively.

October 12

The President of the Academy of Science of Moldova, academician Gheorghe Duca launched a public appeal towards statesmen and actors involved in science to develop and bring into effect a new reform project of the institution. ASM developed a new project which foresees the formation of a National Consultative Council for Research-Development consisting of Prime Minister, ministers, Members from research and development field, Businessmen, formation of National Agency for Research and Innovation; financing institution from three sources: institutional, public and co-financing; ASM reformation and reorganization of the National Council for Accreditation and Certification.

October 12

The President of Academy of Science of Moldova, academician Gheorghe Duca had a meeting with the ambassador of the People's Republic of China in the Republic of Moldova, Mr. Zhang Yinghong. In dialogue, the President of ASM has reviewed the aspects related to the activity and outstanding achievements of the researchers from the Republic of Moldova presenting a clear summary on ASM structure and its transformation. During discussions, the subject on bilateral cooperation relationships for cooperation development and deeping on scientific and educational dimension was tackled.

October 15

The Parliament of the Republic of Moldova voted for lifting the parliamentary immunity of the President of the Liberal Democratic Party, Mr. Vlad Filat.

October 15

The Cabinet of Ministers approved a series of amendments to the law on state social insurance pensions. In particular, they refer to the method of calculation the pension for the citizens who worked in some institutions/enterprises but for objective reasons (fire, flood, armed conflict, loss or destruction from natural disasters/ exceptional situation) their confirmation documents on the insured income for the whole working period are missing from the archive of the concerned institutions. In this regard, the amount of pension will be calculated based on the average monthly salary in the country determined for each category of beneficiaries when submitting the retirement application.

October 21

The launch of a new assistance project of the US Government for the Republic of Moldova referring to the growth of competitiveness by developing human capital and innovation took place. CE-WIN Project intends to consolidate the successes and efforts of the previous project,

CEED II. It costs 21 mil. USD. The main directions of the projects are related to the boost of competitiveness and quality, extension of market relations and partnerships and strengthening the business environment in different sectors.

October 22

The Parliament of the Republic of Moldova ratified a financial agreement of the Republic of Moldova to subsidize the agriculture and rural development. The total amount of the project is 65 mil. EURO. The program will provide assistance in subsidizing the farmers and support to the development of rural sector.

October 29

The Government led by the Prime Minister. Mr. Valeriu Strelet received unconfidence vote from Parliament. 65 Members of Parliament called for the dismissal of the Executive.

October 30

Mr. Gheorghe Brega has been appointed to the position of interim Prime Minister by the President of the Republic of Moldova, Mr. Nicolae Timofti.

November 5

The National Bank of Moldova foresaw for 2015 a forecast growth of the annual average inflation by 9.7%, compared to 9.3 which was estimated previously. The annual average growth rate of inflation was also reviewed for 2016–11.9%. According to the Governor of the National Bank, the main factors which determine the growth of inflation are the rise of tariffs for electricity, heat energy and natural gas as well as national currency depreciation.

November 9

The National Agency for Energy Regulation announced an increment for electricity. According to the new tariffs, the habitants of the north of the country will pay 2 lei and 23 de bani per kw/h, by 10 bani less than those served by RED „Nord-Vest”, who will pay 2 lei and 33 de bani. The habitants of the center and south of the country will pay 2 lei and 16 bani per kw/h.

December 11

The Vice Prime Minister, Minister of External Affairs and European Integration Mrs. Natalia Gherman participated at the 33rd reunion of the Council of Ministers of External Affairs of the Member States of the Black Sea Economic Cooperation. Within the reunion there were tackled subjects on sectorial cooperation evaluation, methods identification of efficiency of activity of the International Secretariat as well the approval of the Organization budget for 2016.

December 23

The Government of the Republic of Moldova approved a Government decision that the average salary in economy will increase by 550 MDL in 2016, amounting to 5050 MDL.

EDITION SUMMARY

Production

In 2015 the Gross Domestic Product registered a clear decreasing trend beginning with the second half of the year. The positive annual growth in the first (+4.8%) and second (+2.5%) quarter became negative in the third (-3.7%) and fourth quarter (-3.3%).

In the matter of resources, the GDP decreased under the influence of agriculture, forestry and hunting (-13.4%), wholesale and retail trade; maintenance and repairing vehicles and motorcycles; transport and storage; public shelter and food activities (-0.5%), public administration and defense; obligatory social insurances; education; health and social assistance (-1.4%) and due to the decrease of net taxes on products (-0.8%).

In terms of use there were recorded decreases in most components: private consumption (-1.9%), public consumption (0%), gross fixed capital formation (-1.2%), stock variations. The sole component which provided increase was the net export generating a 4.3% increase in GDP under the influence of the export growth (+2.3%) and contraction of import (-4.3%).

In 2015 the trends of all industry branches are descending and the general modest growth indicates (+0.6%). The main contribution to the formation of the industrial product continues to be the manufacturing industry being the only industry branch in growth in 2015 (+2.3%). The main food industries decrease during 2015, and as in 2014, almost 2/3 of the industrial growth in 2015 was ensured by the enterprises oriented mainly on export belonging vastly to foreign investors.

In 2015 the agricultural production was very affected by drought marking a 13.8% reduction compared to the previous year. Due to the significant decreases in the crop production (-22.6%), this has reduced its weight in the global agricultural structure from 42% in 2014 to 35% in 2015.

In 2015 the trade indicators trends by type of trade have been controversial with decreases in retail trade and stagnations in services sub-branch.

Investment in long-term tangible assets have followed negative trends, totaling a dynamics of -8.8% compared to the previous year. Construction and assembly investment decrease in 2015 and for the first time in the last decade reach the second largest weight in the long-term investment assets structure.

In transports there was attested an accelerated decrease of the quantity of the carried goods and their path as well as the number of carried passengers.

The tourism is no exception to the general recessionary trends with decreases of the activities of the tourism accommodation structures on the background of the intensification of the travel agencies activity.

Prices and exchange rates

In 2015 the annual average inflation was of 9.7% and the development of prices during the year has had an increasing trend. The distortion of the national banking system and complicated international economic picture contributed to the increment of inflation which generally led to the national currency depreciation against major reference currencies.

The core inflation has continued its upward trend observed since the end of 2013 constituting in 2015 – 11.6%, by 6.1 p.p. above the reached level from the previous year. The emphasized growth of core inflation was due to the depreciation of the national currency against US Dollar and the sole European currency. In 2015 the annual rates of core inflation increased faster than CPI due to reduced pressures from food prices on CPI, which are not taken into account to the calculation of core inflation.

During 2015 other indices of prices had also unequal growth, which compared to the same period of the previous year had the following developments:

- ✓ Index of industrial production prices rose by 6.3% compared to the same period of the previous year. Price increases were registered in the mining and manufacturing industries and energy sector;
- ✓ In construction sector the prices were maintained almost at the same level as the previous year equated to 8%;
- ✓ Producer prices for agricultural products have increased by 18.8% compared to 2014. The crop products have had a major contribution to the prices increase.

In 2015, the nominal exchange rate of the national currency was 18.8 MDL/USD, which represents a depreciation of national currency by 34.3% compared to 2014. Compared to the sole European currency there was registered a quote of 20.9 MDL/EUR – by a depreciation of 12.4%. During the last years the development of the nominal national currency against the major reference currencies has had a relative stable dynamics but starting with the third quarter of 2013 the national currency has begun actively to be depreciated. During 2015, the national currency depreciation was due to both the change of the major reference currencies quotations on foreign markets and monetary policy promoted by NBM to adjust domestic economic developments destabilized by the precarious situation of the national banking system.

In 2015 the real exchange rate of MDL/USD raised by 22.3%. the real exchange rate MDL/EURO was depreciated by 2.2%. This is due to the continuous depreciation of MDL accompanied by the daily increased fluctuations of the exchange rate MDL/USD.

Monetary Policy

In 2015 the NBM promoted a restrictive monetary policy guided by the necessity to achieve the goal of maintaining the inflation rate at a low level. The tightening of monetary policy has resulted in a growth of the base rate from 4.5% to 19.5% and minimum reserve requirement ratio from 14% to 35%.

The promoted monetary policy was resulting in a monetary money constraint of 2015 by about 2.9% compared to its volume at the end of the previous year. During 2015 there was maintained a constant trend of reducing money supply in national currency initiated at the end of 2014.

At the end of 2015, the official reserve assets amounted to 1.75 mld. USD and decreased compared to data registered at the end of 2014 by about 0.4 mld. MDL due to NBM interventions on interbank exchange market in order to amend the excessive fluctuations of the exchange rate of the national currency against the major reference currencies as well as covering the required capital on the currency market as a result of deteriorating the financial situation in the banking sector.

Public finances

The worsening of the economic situation from the Republic of Moldova in the last years was felt negatively on the 2015 budgetary year. *The financial destabilization of the banking sector,*

decrease of remittances, reduction of exports and imports, depreciation of national currency are a few factors which negatively influenced on BPN realization, registering in 2015 a level of budgetary profits below the planned ceiling. Respectively, the worsening of monetary policy promoted by NBM generated an increase of 3 times higher than in 2014 in the average weighted interest rate on state securities (SS). And the national economic risks have determined the slowing of foreign grants by 51.7% compared to the same period of the previous year. Therefore, the foreign assistance was stopped due to the lack of program with the International Monetary Fund.

During 2015, **the revenues accumulated in BPN** amounted to 43.66 mld. MDL, the level of budget returns constituted 97.4% of the planned amount for 2015. Fiscal and non fiscal revenues contributed to the increase of public budgetary returns registering a 9% growth compared to the same period of the previous year totaling 40220.3 mil. MDL. So, the most important factors which contributed to the increase of fiscal revenues were the depreciation of national currency and the increase of some taxes.

In 2015 **the expenditures realized by BPN** increased by superior rates the returns revenues (in 2015 increased by 4.5% compared s.p.l.y.), supported mainly by the weight of social expenditures (68.4%) and the realization degree of expenditures for this period of the year was 92.9%. Therefore, **the execution of the national public budget in 2015 resulted in a deficit** amounted to 2733.2 mil. MDL. increasing by 786.9 mil. MDL or about 40.4% comparing with the same period of the previous year. As to state debt- the component falls within acceptable values of the main sustainability indicators evaluated by the Ministry of Finance.

Banking Sector

The economic uncertainty in the last years affected negatively the banking sector from the Republic of Moldova disadvantaging the national economy dynamics. **2015 can be considered a „problematic year” for the Republic of Moldova, incorporating the liquidation of the 3 financial institutions** (B.C. „Unibank” S.A., B.C. „Banca Sociala” S.A. și B.C. „Banca de Economii” S.A.¹) as well as **the establishment of special supervision to the largest banks of the Republic of Moldova**, and namely B.C. Moldova Agroindbank, B.C. Victoriabank și B.C. Moldindconbank² at BNM decision. In this context, **the stability of the banking sector** in 2015 was disturbed by some negative effects which have initiated **deterioration at the concentration degree on banking market due to the elimination from the competitive environment of the 3 concurents from the sector and on financial intermediation degree of the banking sector**: determined as assets, loans and deposits weight to the GDP.

At the end of 2015, under the head of **gross loan portofolio granted by the commercial banks** there were registered **negative developments** (-6.5% s.p.l.y. and the amount of new loans was mentained in a negative trend (-19% sply). In a great measure this decrease was influenced by the precarious situation of the three problematic financial institutions³ as well as the low level of population confidence. In December 2015, the highest contribution to the decrease had the loans in national currency with a 32% reduction s.p.l.y., and the new loans in foreign currency increased by 9% s.p.l.y. However, a cause which generated the reduction of loans in national currency for 2015 was the tightening of monetary policy promoted by NBM.

In September, October and December 2015 **the decrease of loan portofolio quality indicators** is caused by the exclusion of the three problematic commercial banks from calculation. Obviously, this reduction in rate of non-performing loans is beneficial for the entire banking sector. But the

¹ The Executive Committee's Decision No. 62, No. 63 and No. 64 of the National Bank of October 16, 2015, the licenses to perform financial activities of Banca de Economii S.A., BC „BANCA SOCIALA” S.A., respectively B.C. „UNIBANK” S.A. have been withdrawn and the forced liquidation processes of these have been initiated.

² Decision was taken under the law of financial institutions.

³ B.C. „Unibank” S.A., B.C. „Banca Sociala” S.A. și B.C. „Banca de Economii” S.A.

lending activity is vastly influenced by the currency risks, inflation risks, the ability of bank management as well as the economic crisis from the country. In this context, the uncertainties regarding the loans and banking asset quality from 2015 will also continue in 2016.

However, during 2015, the activity indicators of domestic banks on solvability, liquidity and provision coverage ratio recorded adequate levels. Respectively, in 2015 the banks profitability of the commercial banks increased twice compared to 2014.

The main goal of NBM remains to be **the consolidation of the financial stability framework**, ensuring that domestic banks are optimally capitalized, act promptly to any risk in order to repair the weaknesses highlighted by the crisis.

External Sector

Balance of payments. In 2015 the current account balance of the balance of payments of the Republic of Moldova decreased by 17.7% compared to 2014, recording a deficit of 464.24 mil. USD. The goods trade deficit recorded a decrease by 31.6% because the reduction of imports was higher than exports. At the same time the services amount increased by 19.5% compared to 2014 registering 143.91 mil. USD.

Remittances from abroad made by the banks from the Republic of Moldova in 2015 in behalf of the natural persons registered significant decreases. The main determinants have been the transfers contraction from Russian Federation as well as the appreciation of US dollar versus Russian rouble. In 2015 the transfers made by the banking system in behalf of the natural persons from the Republic of Moldova amounted to 1129.36 mil. USD, registering a 30% decrease (483.6 mil. USD) compared to 2014.

Foreign trade goods. Totals of 2015 of foreign trade goods show a decrease by 1702.7 mil. US dollars or by 22.2% compared to the previous year (in 2014 amounted to 7656.4 mil. US dollars).

Goods exports. In 2015 the goods exports totaled 1966.9 mil. US dollars, lower by 15.9% compared to the amount achieved in 2014. Since June 2014 up to December 2015, monthly developments of goods exports indicate negative rates.

Imports continued to decrease in 2015. Their decrease constituted more than a quarter. Imports amounted to 3986.8 mil. US dollars. There were registered negative developments on the main large groups of countries where the goods imports are carried out in the Republic of Moldova.

Commercial balance in 2015 recorded a deficit amounted to 2.02 billions USD, by 958 mil. Dollars (-32.2%) lower than that recorded in 2014 due to higher decrease of imports compared to exports.

Business environment

In IV quarter of 2015 the number of enterprises registered by the State Registered Chamber increased by 5.2% s.p.l.y. after a continuous downward trend recorded in the last quarter of 2010-2014 (except for the IV quarter of 2012. which recorded an insignificant increment).

At the same time, the number of enterprises registered in the last quarter of 2015 marked a significant growth trend compared to III q of 2015, increasing by 11.1%. Therefore, according to data provided by the State Registration Chamber in the IV q of 2015 there were registered 1527 new enterprises in the State Register.

A negative signal is the significant increase of deregistered enterprises in the analyzed period. Thus. in the IV quarter of 2015 the number of deregistered enterprises was 1093 units or by

49.5% increase s.p.l.y. Overall in 2015, the number of deregistered enterprises marked a significant growth trend, constituting 3905 units or by 40.9% sply.

Social Sector

Demographic situation. In 2015 and in the previous years, the natural movement trends were characterized by a decrease in birth rate and an increase in death rate, continuing the negative natural movement decline of the population. In 2015, the total number of *live births* in the country amounted to 38,567 pers., decreasing by 0.1% compared to the previous year. At the same time, the number of *deaths* amounted to 39,905 pers., the general death rate registered an increase by 1.04% compared to the previous year. The number of *marriages* amounted to 24,689, decreasing by 3.6% compared to 2014, thus the marriage rate equated to 6.9 marriages per 1,000 inhabitants. Lower indicators were observed in the case of number of divorces ascertained in the country that amounted to 11,106, decreasing by 0.2% compared to the last year. The divorce rate equaled 3.1 divorces per 1,000 inhabitants.

Labour market. In 2015, while the number of economic active population grew, the unemployment rate on the labour market represented 4.9% compared to 3.9% in the previous year. The activity rate of population represented 42.4%, increasing compared to the same period of last year (s.p.l.y.) 41.2%). In 2015 the number of employed population increased by 18.7% compared to the s.p.l.y. The employment rate for the population aged 15 and over represented 40.3% recording a 0.7 p.p. increase compared to 2014.

Labour remuneration. During 2015, the general trend on labor remuneration had an uneven development. Thus, in January the wages increased slightly compared to February due to the annual bonus paid (Government Decision no. 180 of March 11, 2013 on the annual bonus payment to the personnel from the budget units; the last amendment – Government Decision no. 770 of September 23, 2014). In the next period, February-July the wages have had a reasonable growth trend, especially in June-July (compared to July-November) when the vacation payment for teachers and establishment of a new minimum guaranteed wage in the real sector took place (Government Decision no. 165 of March 9, 2010 on the minimum guaranteed wage in the real sector; the last amendment – Government Decision no. 219 of April 29, 2015). At the end of the year, in December, the wages increased due to the bonus calculations and the increase of the wages from the real sector after the winter holidays. Unlike nominal wages in the real sector, the wages from the public sector had smaller increases and consistent decreases.

Disposable monthly income of the population in 2015, per capita monthly was 1,956.6 MDL, increasing by 10.7% compared to s.p.l.y. This indicator records a positive dynamics during the analyzed period 2012-2015. In real terms, the income of the population adjusted to the consumer price index increased by 0.9%. In 2015, the consumer price index was 109.7% compared to 2014.

Average monthly consumption expenditures of the population in 2015 amounted on average to 2,048.5 MDL per person, increasing by 12.8% compared to 2014. In real terms, adjusting to the consumer prices index, on average the population spent more by 2.8%.

Social protection of population. According to data provided by National Social Insurance House, the number of pensioners registered with the social protection bodies as of January 1, 2016 amounted to 679.9 thousand persons. The average sum of the monthly pension amounted to 1,165.22 MDL.

Chapter I PRODUCTION⁴

Gross Domestic Product

In 2015, the GDP amounted to 121850.9 mil. MDL decreasing by 0.5% (in real terms) compared to the same period of the previous year.

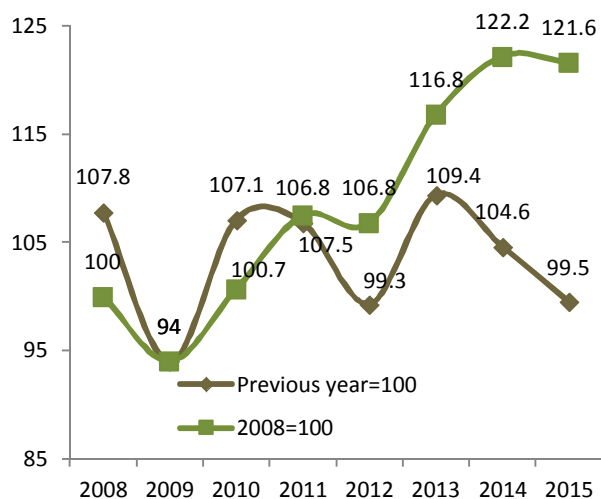


Figure 1.1. GDP Dynamics in 2008 - 2015 (%)

Source: Calculations of the author according to the data of the NBS.

only a part from the services sector registered positive rates which have shown traditionally that are less flexible to the fluctuations from the real sector (information and communication, real estate transactions, finance and insurance and so on).

The decrease of the main macroeconomic aggregate in 2015 was determined in the main by the decrease in the following branches of the national economy:

- Agriculture, forestry and fishing (-13.4%) which determined a GDP decrease of 1.7%;
- Wholesale and retail trade; maintenance and repair of vehicles and motorcycles; transport and storage; accommodation and food service activities (-0.5%) led to a decrease in GDP by 0.1%;
- Public administration and defense; compulsory social insurance; education; health and social assistance (-1.4%) resulted in a GDP contraction of 0.2%;
- Net taxes on products decreased by 0.8%, influencing the GDP dynamics by 0.1%.

The negative influences on GDP generated by the mentioned activities were partly reduced by the increases in GVA in industry (+3.4%), constructions (+0.6%), information and communication (+1.6%), financial and insurance activities (+20.1%), real estate (+4.3%), art, recreation and leisure activities (+5.2%).

⁴ The analysis is presented without the data on enterprises and organizations from the left bank of the Dniester River and Bender municipality 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.

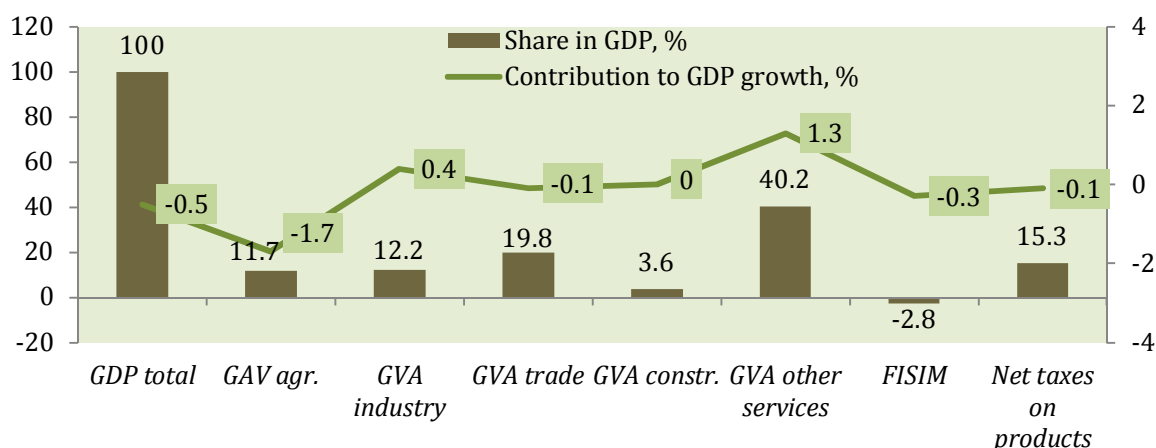


Figure 1.2. Contribution of the resources components to the GDP formation in 2015 and increase of the GDP compared to 2014 (%)

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

The mitigating component of the recession in this year proved to be the foreign trade and import marking a 4.3% contraction on the export increase background by 2.3%. In terms of uses, the main negative contribution to the GDP was the stock component, variation of which led to a drop in GDP by 2.4%. A 2.1% decrease was caused by the final consumption of population households (by 2.3%). Goods and services import decreased by 4.3%, while goods and services export increased by 2.3%. Hereby, the negative commercial balance was contracted reducing the GDP decrease by 4.3%.

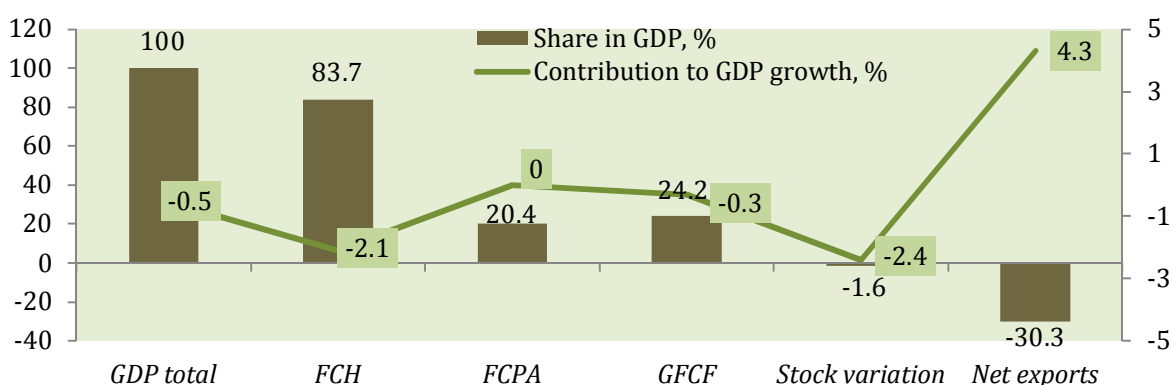


Figure 1.3. Contribution of the components by use to the GDP formation in 2015 and increase of the GDP compared to 2014 (%)

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

Industry

In 2015, the trends on all industry branches are decreasing, and the insignificant general growth marks +0.6%. In 2015, the national industry register an insignificant annual growth in the amount of 0.6% year by year. In the first half of the year, the monthly indices mark annual positive increases but the decreasing paths of the main industrial branches in the second half of the year lead the industry to negative values (-5.8%), since August. Confirming the expectations, the annual negative increases continued in the IV quarter by -0.6% in October, -10.3% in November and -7.9% in December.

The main contribution to the industrial product formation continue to be the manufacturing which maintains its weight of 79.4% in gross added value of the sector.



Figure 1.4. Index of industrial production volume for 2008-2015 (%)

Source: Author's calculations based on the data of the NBS.

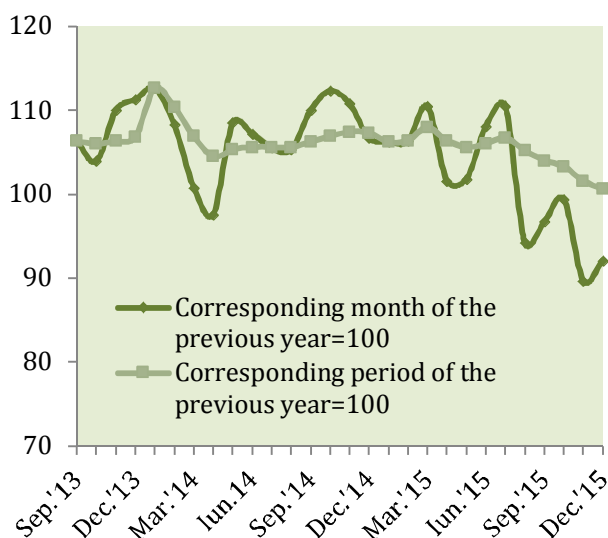


Figure 1.5. Infra-annual indexes of industrial production volume in December 2013-December 2015 (%)

Source: Data of the National Bureau of Statistics.

During 2015, this branch recorded an annual negative growth in April (-1.8%), continued by positive growth and since August it is negative again, ending the year by a 5.4% annual growth in December 2015.

The main food industries decrease during 2015. After annual positive growth, the main manufacturing branch- food industry (24.6% of gross added value in total industry) – marks in June the first annual negative growth in 2015 (-5.8%) and continue to decrease up to December (-28.2%). The production on the main food subbranches is contracted: production, meat processing and preserving and meat products record decreases since Aprilie, the production of other food products is contracted since July, the beverage production since October, processing and preserving fruits and vegetables since November.

As in 2014, almost 2/3 from the industry growth in 2015 was ensured by the enterprises oriented mainly to exports and which belong in a great measure to foreign investors. The main industry growth engines remain to be electrical equipment industry and clothing manufacturing. The electrical equipment industry had annual negative rates in October (-15.3%) and November (-11%), then returned to +21.1% in December.

Agriculture

In 2015, the agricultural production was heavily affected by drought, marking a 13.8% reduction compared to the previous year. Thus, the volume of the agricultural production in 2015 is 103.3% of 2008 pre-crisis year level and 86.2% in the previous year.

The volume of global agricultural production had a decreasing trend during 2015, with annual volume indices of 104.4% in IT. 102.8% in I Q. 88.2% in the first 9 months, ending by 86.2% in January-December (compared to the previous year). The regressive development of the general indicator was recorded in the negative dynamics in the amount of -22.6% of the crop production while livestock production marked a positive growth of 2.2%.

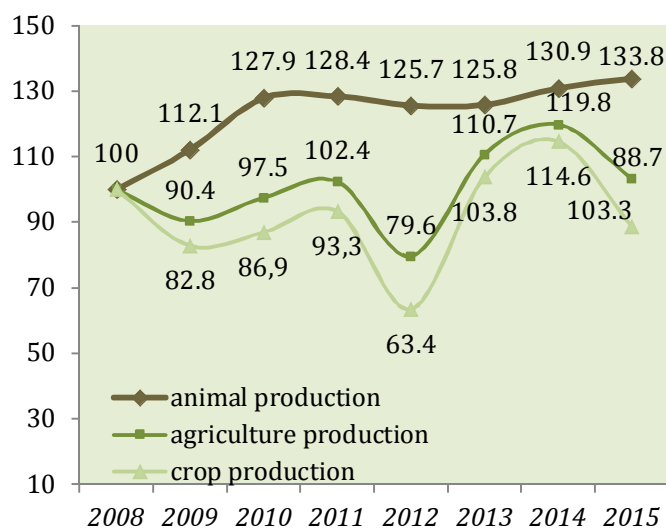


Figure 1.6. Dynamics of the agricultural production volume in 2009-2015, 2008=100

Source: Calculations of the author under the data of NBS.

2012 (78%), 2015 (86.2%). An intuitive forecast exercise would allow a forecasted value of the crop production index for 2016 of minimum 20% compared to the previous year.

These have contributed to the development of the general indicator by -14.6% and 0.8%, respectively. The adverse weather conditions (drought) from this year have significantly reduced the crop yields (except berries), so the rape production decreased the most (by 76.3%), sugar beet (by 60.5%), soya (by 56.2%), potatoes (by 41.0%). The quarterly decrease of the crop growth of livestock production background led to the weight growth of livestock production in the global agricultural structure from 42% in 2014 to 35% in 2015. Analyzing the annual indices series of the total moldovan agricultural production emerges a dynamics strongly affected by the climatic cycles, so that the minimum values of the series were registered in the drought years: 2003 (86%), 2007 (77%),

Trade

In 2015, the trade indicators trends by trade types were discrepant, with decrease in retail trade and stagnation in services sub-branch. In 2015 the trade indicators trends by trade types were discrepant. The turnover volume of the enterprises having as main activity the retail trade is of high relevance, registering negative growth throughout the year marking just in December 2015 an increase by 102.7% (sply). In 2015, the annual growth was -6.4%.

At the same time, the volume index of market services provided to population has sinuously developed, totaling 101.2% in 2015 (compared to the previous year).

The dynamics rates of turnover for wholesale and retail trade, maintaining and repairing vehicles and motorcycles have decreased continuously during the year but the negative growth is reduced in IV Q. totaling an annual growth for 2015 amounted to 10.9%. Similar indicators in wholesale trade (except vehicles and motorcycles trade) (+5.7%) and market services provided to the enterprises +5.5%) show slight monthly contractions and positive stagnations at the end of the year.

Investment

Investment in long-term tangible assets in 2015 amounted to 20820.6 mil. lei (current prices). These are developed positively in I Q (102.4% s.p.l.y.), but decrease fastly in the next quarters marking a -8.8% annual rate for 2015 compared to the previous year.

Investment in construction and assembly decrease in 2015 and for the first time in the last decade reach the second weight in the structure of investment in long-term assets. Over the years, in the technological structure of investment, the component of equipment and machines, means of transport had the largest weight in the first half of the year being advanced by the weight of construction and assembly component in the second half, investment which were made during warm season. Therefore, in 2014, the construction and assembly investment was up to 52.3%, machines and equipment - 43.1%, other expenditures - 4.6%. In January-December 2015, construction and assembly investment amounted to 83.9% of the level of the

previous year while machines and equipment component investment increased by 1.1%. This development has made the construction and assembly component to hold a second weight in the structure of investment for the first time in the last decade.

The investment valued by the economic agents and persons from the private sector decreased by 20.8%, public property – by 4.1%. Instead, the investment of foreign proprieties and joint ventures increased by 13.2% and 25.3% respectively.

To achieve the investment process in January-December 2015 there were mainly acquired own means of the economic agents and population representing 62.8% of the total value of resources used in the whole country and 100.5% compared to the level recorded in January-December 2014. In 2015, 14.4% of investment were financed from the public sources compared to 16% in the previous year, the annual index for the finance from the public budget was 73.5% s.p.l.y.

The construction work on foreign property are dropping almost in half. The entrepreneurial constructions had annual declines amounted to 12.5% in 2015. The reparings (of any kind) were not anymore continued and the constructions in new objectives were mentained so that the new construction works had the largest weight 56.4% in 2015 compared to 49.9% in 2014. However, an esential reduction of the volume was recorded by works on foreign property (by 43.3%) and public (by 35.2%).

Transport

In 2015, the amount of transported goods decreases by accelerated rates starting with the second quarter but the drops settle to the end of the year. In 2015 the amount of transported goods is 11963.1 thousand tonnes representing 81.7% of the amount of the previous year. The decrease of this indicator was influenced by the decrease of the amounts transported by all means of transport: car (-18.8%), railway (-16.7%), river (-33.1%), air (-29%) which contributed by -12.0%, -5.8% and -0.5%, 0%. respectively. The path of the transported goods decreases by 12.2% in 2015 (s.p.l.y.). the biggest negative contributions being detained by the vehicular transport (-9.7%) and rail (-18.5%) which influenced the decrease of the general indicator by 6.9% and 5.3% respectively.

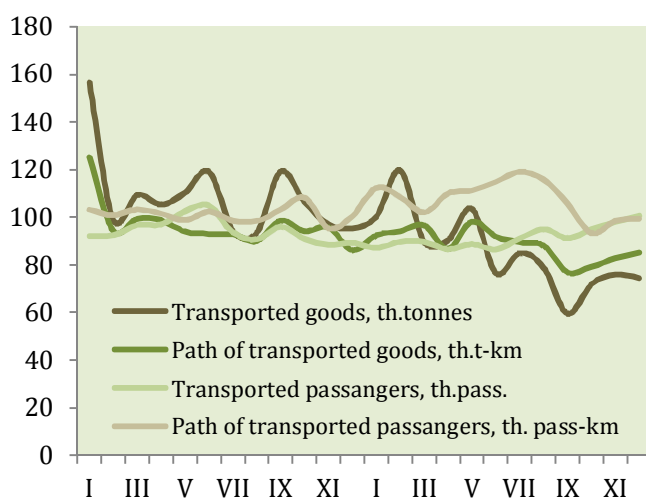


Figure 1.7. Infra annual indexes of tourism indicators, 2014-2015, (%)

Source: Data of the National Bureau of Statistics.

The number of transported passengers develops negatively in 2015 but the path of the passengers remains positively. The number of transported passengers during the year decreased compared to the previous year, especially in the first half of the year. Data for the period January-December show that the negative monthly rates decrease to the end of the year. Most passengers were transported by buses and minibuses – 98.8 mil., their number decreasing by 8.7% compared to 2014. It should be mentioned that the number of passengers transported by air (1.09 mil.) increases in January-November by 20.9%. The passengers transported by trolley buses and taxi maintain also positive rates during the year. As to the path of passengers on most transport

means register positive dynamics throughout the year, except for rail (-29.2%) and river transport (-1.6%).

Tourism

Tourism indicators show the diminishing activity of tourist accommodation structures on the background of intensifying the travel agencies activity. In 2015 the number of tourists accommodated in collective accommodation structures totaled 278.9 thousand people, of which 2/3 were represented by Moldovan tourists and 1/3 – by foreigners (non-residents). The number of the aforesaid tourists decreased by 1.5% compared to 2014. The number of nights spent by tourists in collective accommodation structures with accommodation functions also decreased (-0.6%) due to the decrease from the last quarter. In 2015 through travel agencies and tour operators. 242.6 thousand tourists and excursionists took advantage of tourism services, more by 1.9% compared to the previous year. The outbound tourism increased (by 5.1%) and inbound tourism increased (by 8.0%) while the domestic tourism decreased by 13.5%.

Moldovan region of the left side of the Dniester River and Bender municipality⁵

The Transnistrian economy registers economic downfall in 2015 with the main macroeconomic aggregates decreasing. According to information disseminated by Transnistrian statistical body, the industrial production index for 2015 in the region of the left side of the Dniester River and Bender municipality was 92.2% s.p.l.y⁶.



Figure 1.8. Annual dynamics of industrial production index 2009-2015 (%)

Source: Calculations of the author under the official statistics body from the transnistrian region.

Hereby, the amount of industrial production descended to 69.4% of the amount of 2008. The decrease from this year was determined by the contraction of activity in most industry branches. Although electroenergetics (by a weight of 49.9% of total industry) and printing industry (0.7%) marked volume increases of 15.7% and 2.8 times respectively, the other industrial branches registered strong contractions compared to previous year, the largest being: wood processing, manufacturing wood products (by 50.7%), chemical industry (by 35.8%), building materials industry (by 32.1%). Some important industries such as metallurgical industry (-18.1%, a weight of 15% in total industry), light industry (by 14.9%, having a weight of 12.1%), food industry (by 21.4%, having a weight of 11.5%) have significant decreases.

The volume of investment in fixed assets⁷ realized in the region of the left side of the Dniester River and Bender municipality in 2015 decreases constituting 79.7% of the similar volume of the previous year or 62% of 2008. The valued resources for the investment in machinery, equipments, means of transport (55% of total investment) decreased by 27.3% s.p.l.y., and the investment in construction and assembly decreased by 11.5% s.p.l.y. Contractions were also recorded in the turnover of the telecommunication services (except small business) – by 2.8% s.p.l.y. and in the turnover of retail trade and services provided to population – by 19.6%.

⁵ According to data of the statistical authority of the Transnistrian region: <http://www.mepmr.org/gosudarstvennaya-statistika/informacziya>

Due to the partial implementation of international standards to the elaboration of official statistics by the statistical authority of the Transnistrian region as well as the reduced access to meta data, the data comparability with those developed by the NBS is limited and difficult to assess.

⁶ On industrial enterprises excepting small business sector.

⁷ On enterprises excepting small business sector.

Chapter II

PRICES, EXCHANGE RATES AND MONETARY POLICY

2.1. Prices and exchange rates

Prices

During 2015, the consumer price index recorded a constant increase trend, the annual average rate reached a maxim level of 9.7% for the last 5 years exceeding significantly the upper limit of the variation of +/- 1.5 p.p. around the target established by the NBM of 5% annually. To the inflation increase have contributed both the distortion of the national banking system and international complicated economic picture which conditioned the depreciation of national currency against the major reference currencies. In the same period for the CPI components have been registered the following increases: food products - 9.8%, non-food products - 11.8%, services - 6.2%.

In the IV quarter, 2015 the annual rate of inflation remained on the level of two digits and constituted 13.1% exceeding by 6.6 p.p. the upper limit of the target established by the NBM and by 8.6 p.p. the recorded level of the same period of the last year. The monthly developments show a continuous acceleration of the annual rate inflation, the growth rate of prices in October, November and December 2015 s.p.l.y. was of 13.2%, 13.5% and 13.6% respectively. The high level of the consumer price index is due to the reglemented prices increase, transport services and drugs under the pressure of the depreciation of the national currency against the major reference currencies, pessimistic anticipations on economy development in future and major uncertainty generated by the national and foreign policy instability of the country.

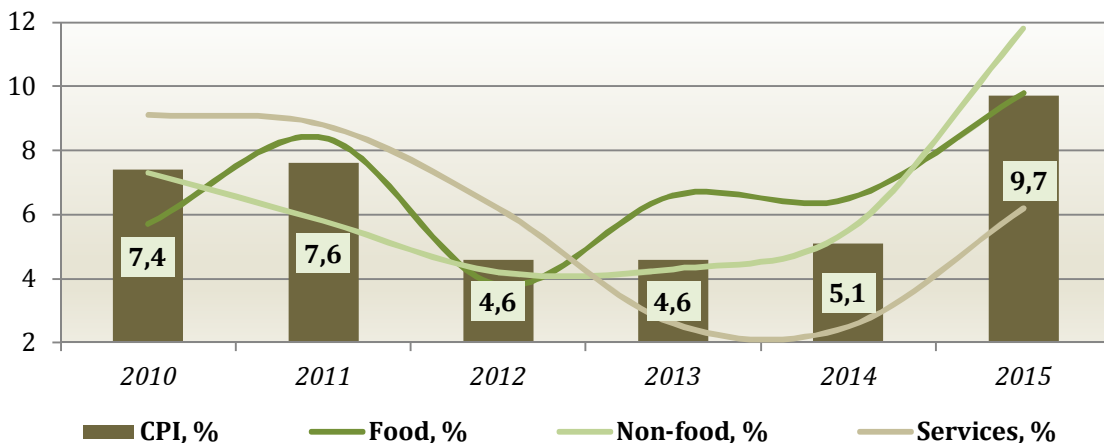


Figure 2.1.1. Annual growth rate of CPI and its components, %

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

In the IV quarter of 2015 the consumer price index to food products increased by 14.1%, exceeding the value of the given indicator by 9 p.p. in the same period of 2014 (in monthly expression there were produced the following increases compared to the same period of the last year: in October - 13.5%, in November - 14.5%, in December - 14.3%). In this period, the vegetables prices increased by 46.5%, especially at onions by 107%, garlic by 97%, carrots by 40.2%, potatoes by 40%, fresh fruits by 37.5%.

In the IV quarter of 2015, the prices to non-food products increased by 13.8% s.p.l.y., exceeding the value of the given indicator by 7.5 p.p. in the same period of 2014 (in montly expression, the increases were as following. compared to the same period of the previous year: 13.5% in October, 13.8% in November and 14.1% in December). Price increases were registered to all non-food products. The highest rates were registered for vehivles prices – 32.4%, washing machines – 26.4%, fridges and deep-freezer – 26.7%, drugs – 20% etc. The price increase to non-food products is a direct effect of national currency depreciation which is realized through price increase to imported products and national products produced of imported raw material.

The sharp increase in prices of services had a significant contribution to CPI increase. The services rose by 11.4% in the IV quarter of 2015 s.p.l.y. (in monthly expression compared to the same period of the last year have been registered the following increases: in October – 11.7%, in November and December – 11.3%). In the reference period. the highest price increase was recorded in postal services – by 54.8%, rail services – by 49.2%, tourism services – by 11.8% etc., compared to the IV quarter of last year. However, the electricity prices increased by 34.5% and natural gas by 12.4% s.p.l.y., as a result of tariffs adjusting to the new market realities.

2015 was marked by the continuous increase of core inflation which suprassed the CPI dynamics. The annual growth rate of core inflation in January-December 2015 was 11.6% s.p.l.y., advancing by 6.1 p.p. compared to the level reached for the same period of 2014.

In the IV quarter of 2015, the core inflation index was 14.3% s.p.l.y., by 8.3 p.p. above the level reached in the same period of the last year. In monthly expression, the growth rate of core inflation recorded the following increases: in October and November – 14.1% and in December – 14.6% s.p.l.y. The sharp increase of core inflation was due to the depreciation of national currency against the US dollar and Euro.

In 2015, the prices of industrial production increased also. The growth rate of IPPI was 6.3%, beating by 0.8 p.p. its value for the same period of the last year. In the IV quarter of 2015 the annual index of industrial production prices increased compared to the same period of the last year by 4.7 p.p. and reached the level of 8.9%. The indices of production prices increased as follows: in mining industry by 0.4 p.p. up to 4.6%, in manufacturing by 4.5 p.p. up to 9.2% and by 6.8 p.p. up to 6.8% s.p.l.y.

The highest price increases in manufacturing in this period were registered for the sugar production – by 41.2%, tobacco products manufacturing – by 31.9%, in iron industry – by 14.2%, production of macaroni, noodles, couscous and other similar farinaceous products – by 23.5%, compared to the same period of the last year.

In 2015, the prices in construction have not changed significantly the growth rate decreasing by 0.2 p.p. and registering an annual average level of 8% s.p.l.y. The growth

prices rate in construction in the IV quarter of 2015 decreased by 0.1 p.p. and amounted to 8.2% compared to the level registered in the same period of the last year.

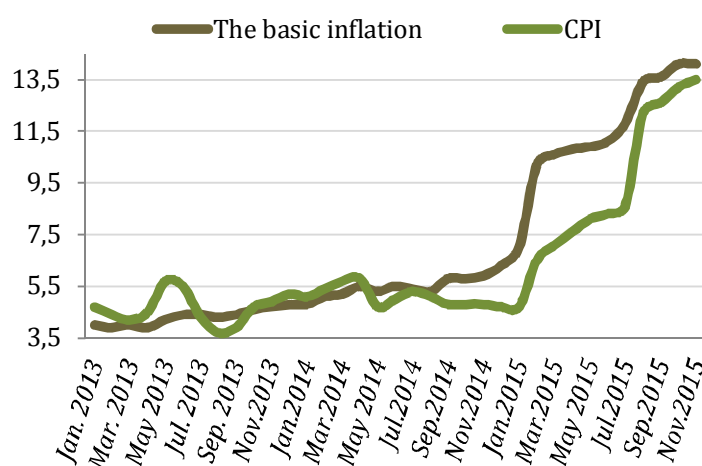


Figure 2.1.2. Annual growth rate of CPI and of the core inflation, %

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

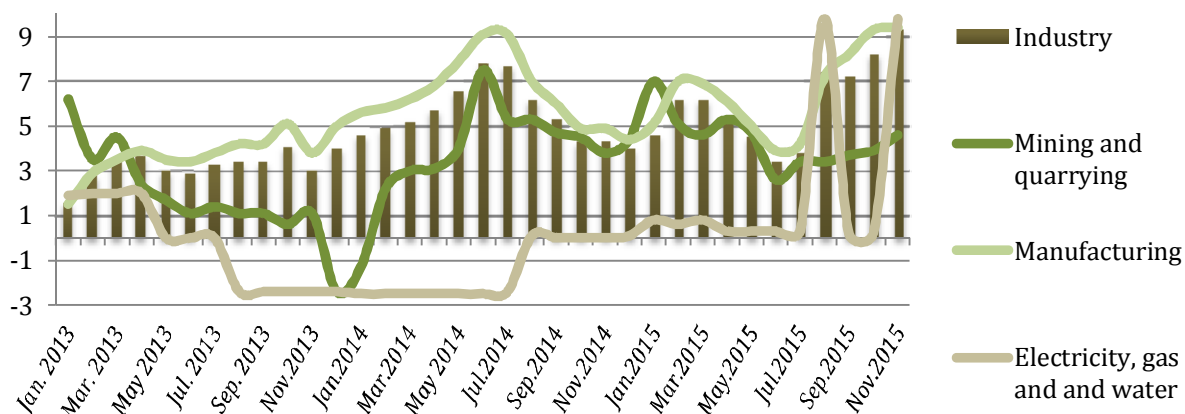


Figure 2.1.3. Annual growth rate of industrial production prices and its components, %
Source: According to the data of the National Bureau of Statistics.

2015 was marked by higher prices for agricultural products due to the decrease of domestic supply and depreciation of the national currency. The growth rate of agricultural products prices for 2015 was 18.8%, by 12.2 p.p. more s.p.ly. In the IV quarter of 2015, the producer prices of agricultural prices increased by 33% compared to the same period of 2014. The biggest contribution to the price increase of agricultural products have had the crop products, registering an increase of 42%, increase slightly neutralized by the prices of animal products which decreased by 7.6% compared to the same period of the last year. There were registered price increments to potatoes by 369%, pumpkins – by 477%, greens – by 323%, table beet – by 206%.

The fuel prices tempered slightly the growth rate. In 2015 the growth rate of fuel prices was 4.2% by 0.1 p.p. under the level registered in the same period of the last year recording constant increments from the beginning of the year. In the IV quarter of 2015 the growth rate decreased by 4.2 p.p. and reached the level of 2.8% compared to the same period of the last year.

Exchange rates

In the period January-December 2015, the national currency was depreciated significantly against the major reference currencies by a sensitive emphasis of the strengthening trend of US dollar. The growth rate of the nominal exchange rate of the leu against US dollar (34.3%) exceeded substantially the rate registered against euro (12.4%). In 2015 the nominal exchange rate of national currency against the major reference currencies was 18.08 MDL/USD and 20.9 MDL/EUR.

In the IV quarter of 2015, the nominal average exchange rate against the major reference currencies was 19.9 MDL/USD and 21.8 MDL/EUR, depreciating by 32.5% against the US dollar and by 16.2% against euro compared to the same period of the last year.

The strenghtening of US Dollar against major currencies determined also the increase of the real exchange rate of the national currency against the US Dollar. As a consequence of the national currency depreciation increased also the real exchange rate of the national currency. In the IV quarter of 2015, the real exchange rate of Moldovan Leu has depreciated against Euro by 1.7% and US Dollar by 16.7% (compared to the same period of the last year).

Moldovan region to the left of the Dniester River.

The annual rate of inflation in the region from the left part of the Dniester River continued its decreasing trend being mentained in the forth quarter of 2015 on a negative territory. In October-November the annual growth rate of CPI was minus 1.6% registering a decrease by 3 p.p. compared to the same period of 2014.

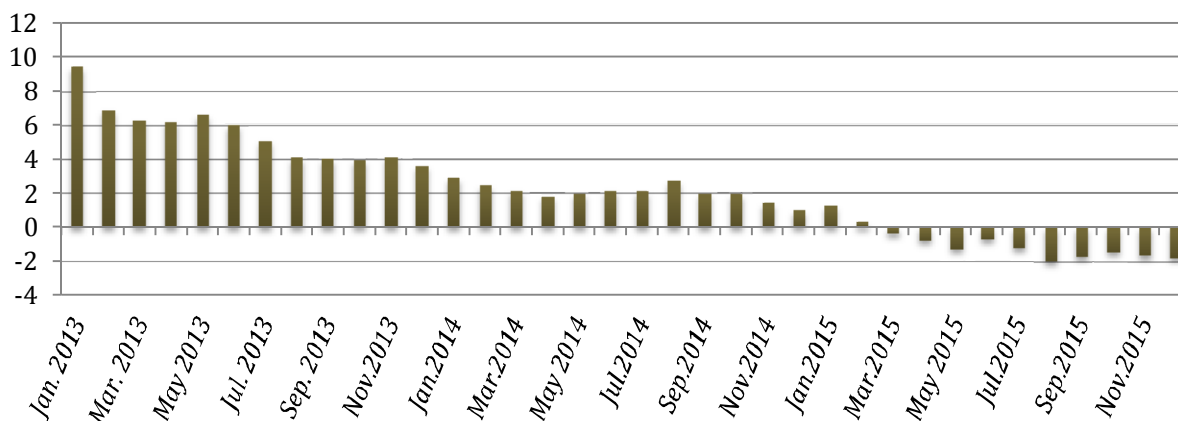


Figure 2.1.4. Annual growth rate of CPI in the region from the left bank of the Dniester River, %

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

The reduction of the general prices level in the region from the left part of the Dniester River is due especially to the monetary policy promoted by authorities oriented to target of the exchange rate. Given the fact that the currencies of the main commercial partners of the region are depreciated against the currencies freely convertible and the exchange rate of the currency from the region remains to be stable against US Dollar, the prices of imported products and raw materials decrease. This strategy can produce economic imbalances delayed in time because eliminates some important signals of the real economic situation from the region.

During the fourth quarter of 2015 the Central Bank of the region from the left part of the Dniester River retained its general goal of the monetary policy oriented to the target of exchange rate established since December 2012. In these circumstances the nominal exchange rate of the transnistrian ruble against US Dollar remains fixed at 11.1 PRB/USD.

In the fourth quarter of 2015, the appreciation trend of transnistrian ruble started in September 2014 was emphasized. The average nominal exchange rate in the reference period was 12.2 rubles for 1 Euro appreciating by 12.4% against the value of the same period of the last year.

2.2. Monetary policy

The constant increment of the consumer price index has governed the National Bank of Moldova to fulfill its primary goal, ensure the stability of the general level of prices to promote a more restrictive monetary policy than that promoted previously.

Instruments of monetary policy

During 2015 the rates of monetary policy increased in several stages by 13 p.p. compared to the level registered at the end of the last year.

In the fourth quarter of 2015 after making several consecutive adjustments of the interest rate of monetary policy intended to counteract the inflationary pressures, the NBM

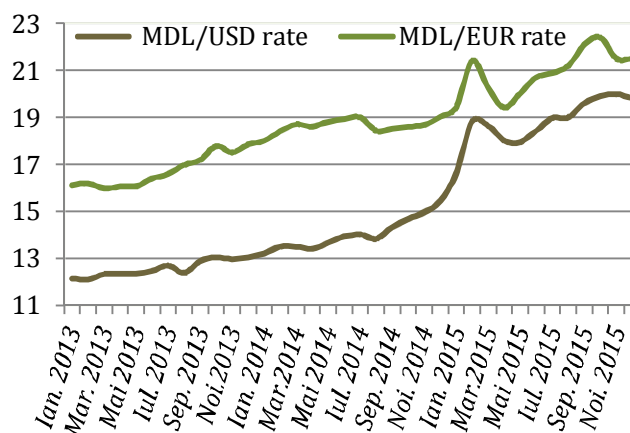


Figure 2.1.5. Development of the average monthly nominal exchange rate of MDL in relation to USD and EURO

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

maintained the rates at the reached level in the previous quarter. In this way the core rate was 19.5%, interest rate of overnight loans – 22.5% and interest rate of overnight deposits – 16.5%. Maintaining for a long time the rates of monetary policy at high levels increase the risks compressing of aggregate demand leading the economy to recession.

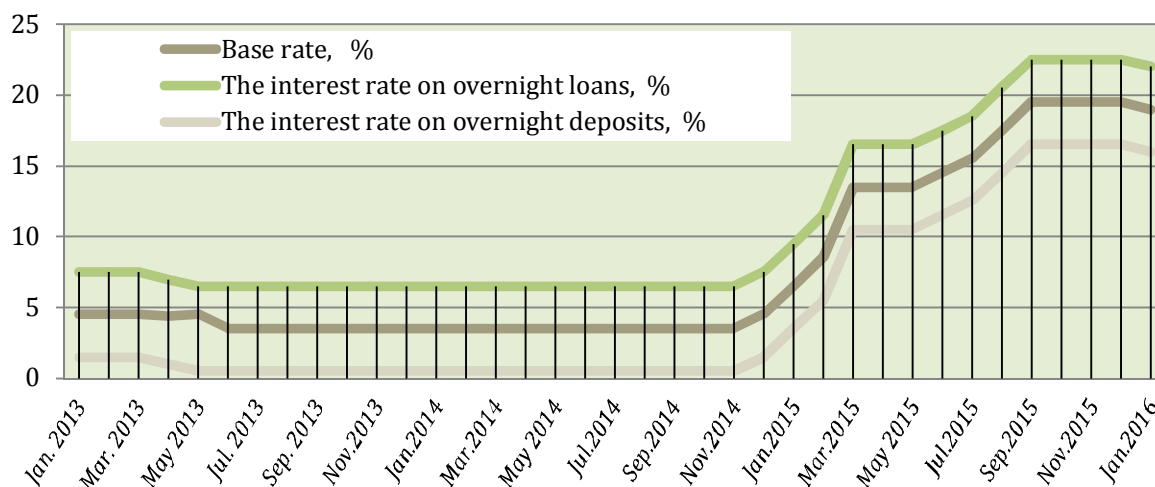


Figure 2.2.1. Development of interest rate on monetary policy instruments of the National Bank of Moldova, during the period 2012-2015

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

Open market operations and standing facilities

In order to increase the effectiveness of monetary policy measures the NBM exercised a decisive control on the money market liquidity. In the forth quarter of 2015, the NBM average monthly balance of sterilization operations was at a level slightly higher to the same period of the last year (plus 0.08 mld. MDL) being 0.8 mld. MDL. The highest balance was registered in December 2015 and amounted to 1.2 mld. MDL.

In the forth quarter of 2015, the request for overnight deposits had a constant dynamics, the average daily balance for October, November and December. 2015 was – 346.5 mil. MDL 437.3 mil. MDL and 428.6 mil. MDL respectively. In the same period, requests for offering lending facilities were received in October and December and amounted to 7.7 mil. MDL and 4.6 mil. MDL respectively.

Required reserves

A third of the commercial banks resources remain immobilized in accounts in the form of required minim reserves could not be used in lending and funding the national economy. In the forth quarter of 2015 in the tightening conditions of the promoted monetary policy. NBM increased the reserve ratio from funds attracted in MDL and non-convertible currency. So, the MMR rate increased in October from 32% to 35%, exceeding by 15 p.p. the MMR historical maximum rate registered in 2008. The required reserves rate from funds attracted in convertible currencies remained unchanged at the level of 14%.

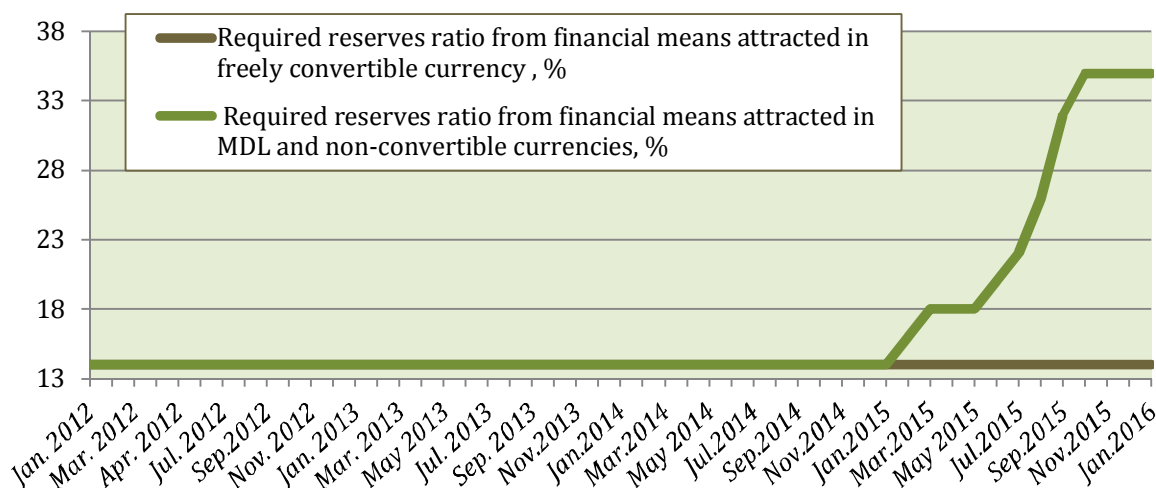


Figure 2.2.2. Ratio of required Reserves at NBM, %

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

Foreign exchange market interventions

Following a more active intervention in the first months of the year dictated by the need to reduce the volatility of the exchange rate of the national currency in the fourth quarter of 2015. NBM intervened on the interbank foreign exchange market mainly as a buyer to cover the demand of money supply in national currency created on market.

During the reference period the volume of foreign currency purchases amounted to 48.3 mil. USD, by 19.7 mil. USD more compared to the same period of the last year. These interventions were concordantly with the monetary policy promoted by NBM and intended to improve the situation on the domestic currency market.

Table 2.2.1. BNM activity on interbank currency market during the period January 2014 – October 2015

Month	Volume of purchases. (equivalent mil. USD)	Volume of sales. (equivalent mil. USD)
1	2	3
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
November 2014	26.1	179.8
December 2014	0.6	388.4
January 2015	0	122.9
February 2015	0.2	125.2

Table 2.2.1 – continue

1	2	3
March 2015	2.95	10.2
April 2015	10.86	7.33
May 2015	-	4.91
June 2015	-	-
July 2015	2.0	22.0
August 2015	7.7	-
September 2015	-	12.7
October 2015	39.8	-
November 2015	0.36	-
December 2015	8.1	-

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

The official reserve assets decreasing continuously. At the end of December 2015 due to the NBM interventions on the interbank foreign exchange market in order to improve the excessive fluctuations in the exchange rate of the national currency against the major reference currencies and to cover the necessary for capital on the monetary market and as a result of the deteriorating financial situation in the banking sector, the official reserve assets have decreased by about 0.4 mld. MDL compared to data recorded at the end of December 2014. The balance of official reserve assets at the end of the fourth quarter of 2015 amounted to 1.75 mld. USD, decreasing by 18.5% s.p.l.y.

Monetary indicators

Restriction of money supply – effect of restrictive monetary policy. In 2015 there was emphasized a reduction trend of money supply. Though, the growth rate of money supply was maintained in the first three quarters of 2015 in the interval of positive values, in the fourth quarter it registers negative values decreasing compared to its values registered in the same period of the last year. In this context, the stock of monetary aggregates on December 31.2015 has developed compared to the data registered on December 31.2014, as follows:

- monetary aggregate M0 registered a decreasing by 11.4%, and amounted approximately to 15.5 mld. MDL;
- monetary aggregate M1 decreased by 11.1% and reached a level of 23.5 mld. MDL;
- growth rate of monetary aggregate M2 decreased by 9.2%, and amounted to 39.2 mld. MDL
- monetary aggregate M3 registered a decrease by 2.9% and amounted to 64 mld. MDL.

At the end of the fourth quarter of 2015, the maxim historic level reached by the required minim reserve rate conditioned the volume increase of monetary base recording a 7% growth compared to data registered at the end of 2014, and amounted to 29.6 mld. MDL.

The austere monetary policy, economic and financial instability from the country have a negative impact on the development and attractiveness of deposits. The development of monetary components has left its mark on the structure of money supply in circulation which has changed considerably in 2015.

On December 31.2015 the components of money supply were distributed as follows: monetary aggregate M0 (currency in circulation) – 24.2%; demand deposits – 12.6%; term deposits – 24.5% and deposits in foreign currency – 38.7%. Compared with data from the end of the fourth quarter of 2014 it can be mentioned a weight decrease of all components of money supply in national currency. The weight of currency in circulation decreased by 2.3 p.p., demand deposits – by 1 p.p. and term deposits – by 0.8 p.p. The slightly decrease in the volume of money supply in the fourth quarter of 2015 was fueled mainly by deposits in foreign currency, the weight of

which increased by 4.2 p.p. compared with the situation at the end of fourth quarter of 2014 but registered a decrease by 1.3 p.p. compared with the situation at the end of the third quarter of 2015.

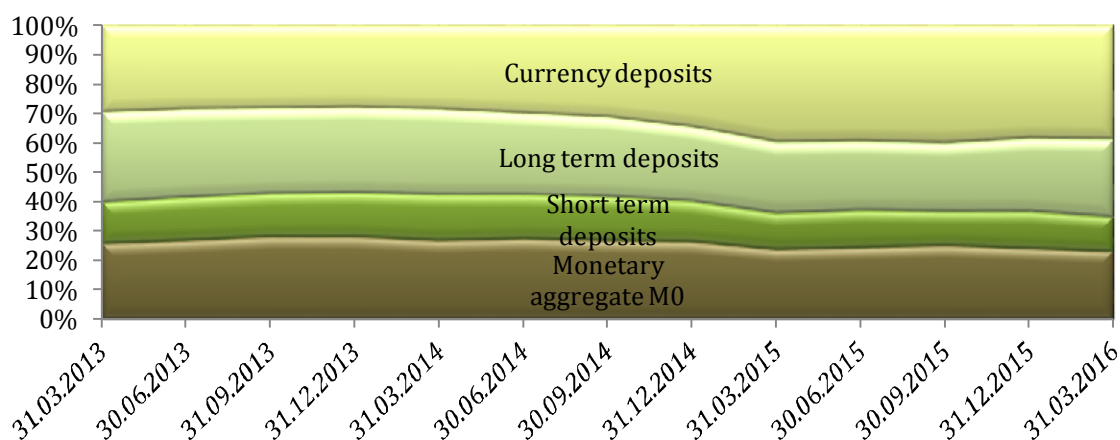


Figure 2.2.3. Structure of money supply M3

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

By promoting a restrictive monetary policy, the NBM tries to absorb the liquidity excess on the money market and to stop the inflationary processes, but these decisions may have serious consequences on national economy which is bare of cheap financial resources and necessary amounts for a possible recovery.

Monetary policy in the region of the left bank of the Dniester River

The monetary 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 fourth quarter of 2015, in terms of some stably moderate deflationary processes in the region, the refinancing rate of the central bank mentained at the level of 3.5%. The required reserves rate was mentained at the level of 10% established in September 2015 for the attracted sources in forreign currency and rubles.

At the end of the fourth quarter of 2015 the money supply in the region to the left bank of the Dniester river amounted to 5395.7 mil. rubles (equivalent of about 6563.4 mil. MDL⁸), registering a decrease of 0.7 p.p., compared to the volume of money supply recorded at the end of the fourth quarter of the last year.

On January 1st, 2016 the components of money supply were distributed as follows: monetary aggregate M0 (currency in circulation) – 15.9%; quasi-currency – 22.8%; money supply in foreign currency – 61.2%. Compared to the same period of the last year, at the end of the fourth quarter of 2015 there have been registered some significant changes in the structure of money supply: the weight of moneyd in circulation in the total volume of money supply increased by 8 p.p., and the weight of quasi-currency and money supply in foreign currency decreased by 1.45 p.p. and by 1.46 p.p., respectively.

⁸ Calculated according to the official exchange rate of the CBPMR on January 1, 2016, <http://www.cbpmr.net/?kv=1&lang=ru>

Chapter III

FINANCES

3.1. Public Finances

National Public Budget Revenues

The effects of the economic and political crisis from the Republic of Moldova in the last years were felt negatively on the 2015 fiscal year. Hereby, the growth rate of revenues was placed below the average registered in 2014 being inferior to the dynamics of public expenditures in this year. Financial destabilization of the banking sector, remittances reduction, reduction of exports and imports, depreciation of national currency are some factors which influenced negatively on NPB registering in 2015 a level of budget receipts under the planned ceiling. As a consequence the tightening of monetary policy promoted by NBM generated the increase of weighted average rate of interest on state securities (SS) 3 times higher than in 2014. The economic risks from the country have determined the slowdown of foreign grants by 51.7% s.p.l.y.

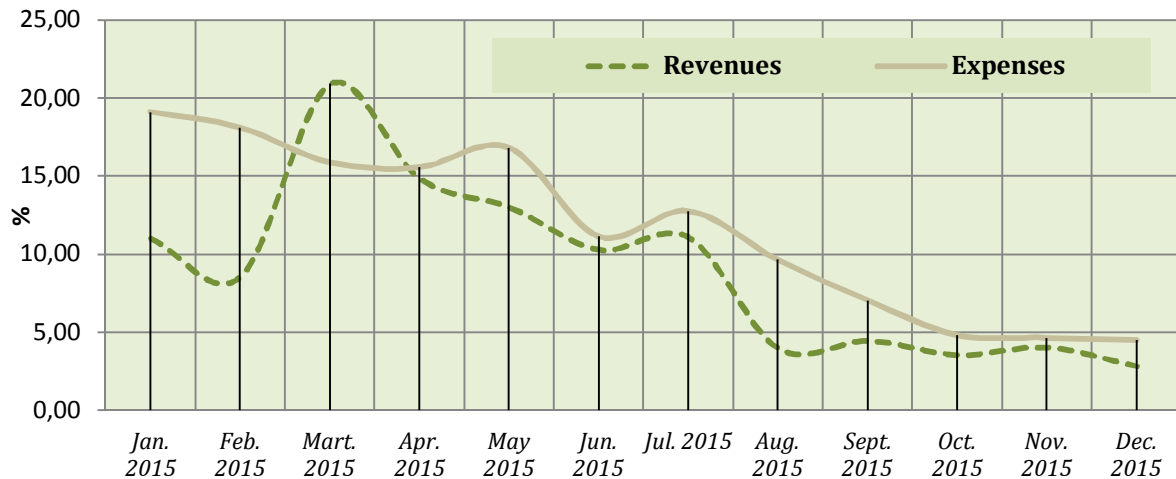


Figure 3.1.1. Dynamics of NPB revenues and expenditures in 2015 compared to the previous year, %

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

In 2015, the revenues of the national public budget have had a positive trend. Hereby, the revenues accumulated in NPB amounted to 43.66 mld. MDL and the level of budget collections constituted 97.4% of the amount planned for 2015. To the budget collection increase contributed both tax and non-tax revenues registering a 9% growth compared to the same period of the previous year totaling 40220.3 mil. MDL. The most important factors which contributed to the increase of tax revenues were the depreciation of national currency and increase of some fees.

Therefore, the tax revenues representing 87.3% of public revenues have had the most stable development comparing with other components of NPB increasing by 2476.3 mil. MDL or 7% compared to 2014. The amount of tax revenues in the aforesaid period registered 38107.1 mil. MDL, being ensured the execution of this revenue source at the level of 99.0%. The biggest contributions have had the public required social insurances (11%) and income taxes (12.2% of individual income taxes and 15.5% of legal entities income taxes) and domestic taxes on real estate (5%).

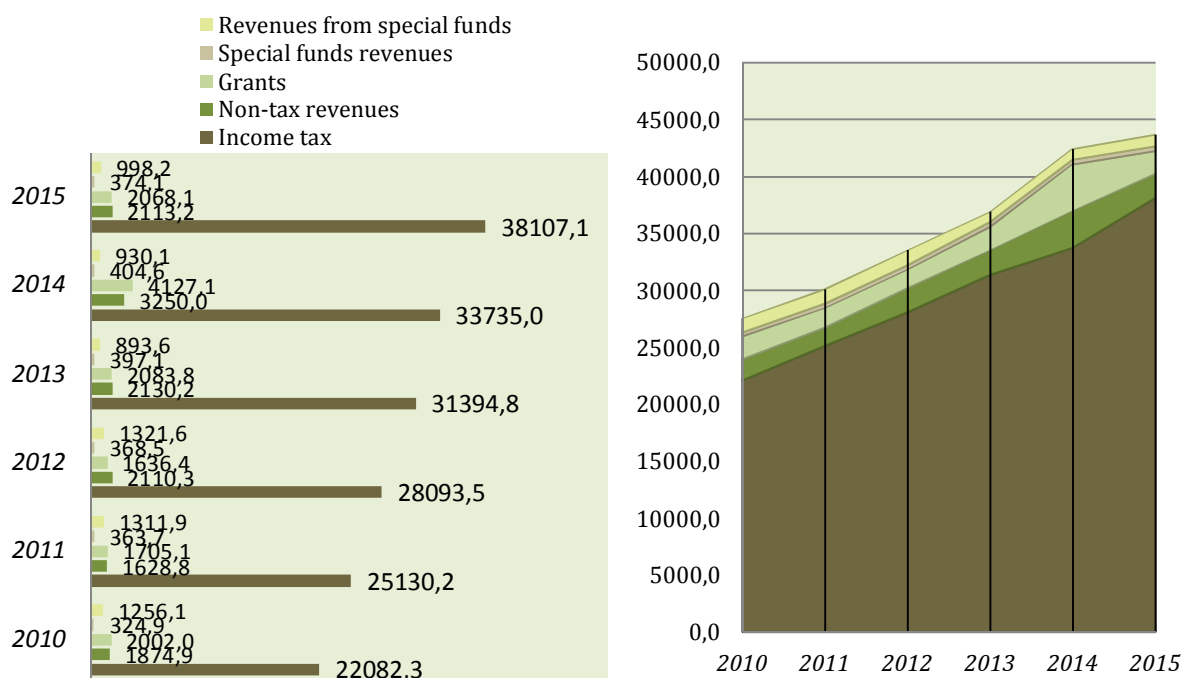


Figure 3.1.2. Structure of NPB revenues in 2010-2015, million MDL

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

Non-tax revenues increased due to the following components: „Other revenues from entrepreneurial and property activity” and „Fines and administrative sanctions”. The other revenues from entrepreneurial and property activity increased by 147.4% in 2015 compared to 2014 and this could be explained by higher financial results of some enterprises or companies reflected both by the increase of net profit and afferent equities of participation weights. Reduction of fees and administrative payments (-3% in 2015 s.p.l.y.) can be determined by the decrease of revenues from certain local fees.

In the last years, the effects of crisis in the banking sector in Moldova affected the foreign grants from 2015. So, the foreign grants decreased by 51.7% in 2015 compared to 2014, totaling only 1984 mil. MDL. *The foreign granters reduced the amount of founding trough grants given the fact that there is no economic and politic stability in the country. Consequently, the foreign assistance was also suspended due to the lack of program with the International Monetary Fund.*



Figure 3.1.3. Achieving collection plan of budget revenues in 2015, %

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

The negative dynamics of several components of the budget caused the failure of tax receipts plan for 2015. The revenues from the special means of public institutions. Grants, special funds revenues, administrative fees and payments. VAT were below the projected levels while the most tax receipts were collected over the planned level. Therefore, this result indicates the skill deficit in forecasting of institutions from the public sector which were tangent or are involved in the process of budget planning.

The **expenditure part of the national public budget** during 2015 amounted to 46393.9 mil. MDL, increasing by 3551.4 mil. MDL compared to 2014. The amount planned for this period of the year was executed at a rate of 92.9%. Overall, the expenditure dynamics after crisis from 2009 is positive, thus the value of public expenditure in 2015 increased by 4.5% s.p.l.y. In this period, the decisive contribution to the expenditure increment was exercised by the financings attributed to the social sector:

- insurances and social assistance, the value of which increased by 11% to an amount of 1546.3 mil. MDL compared to the same period of the last years;
- education increasing by 8.2% s.p.l.y., totaling 8462.1 mil. MDL;
- health care increased by 9.6%. which increased from 5890.3 mil. MDL in 2014 up to 6455.9 mil. MDL in 2015.

Globally, the socio-cultural public expenditures totaled about 31726.7 mil. MDL in 2015 representing 68.4% (+3 p.p. s.p.l.y.) of total value of public expenditures realized in this period.

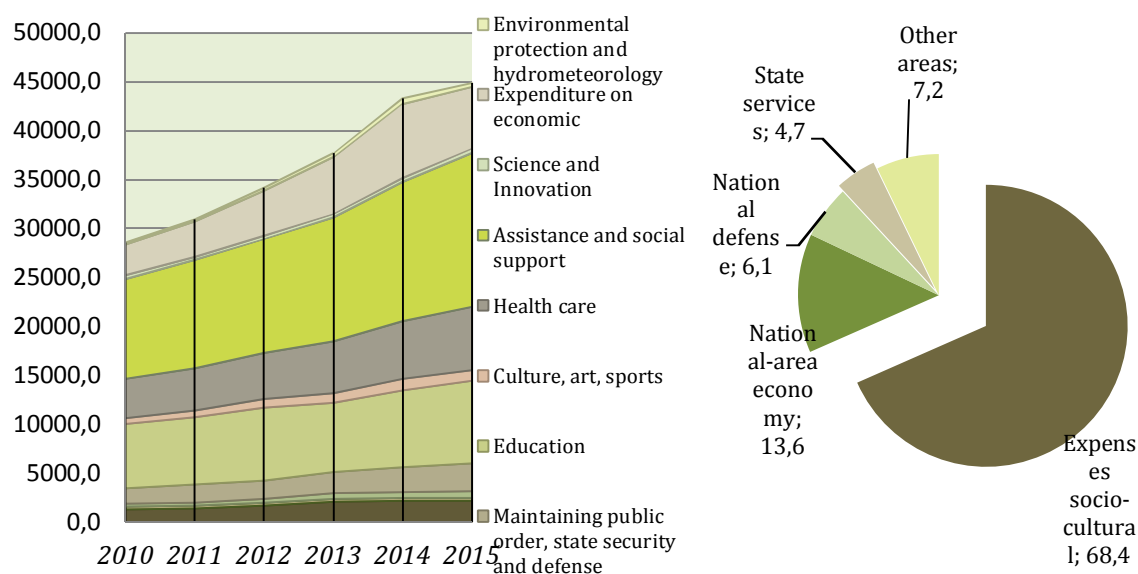


Figure 3.1.4. Structure of NBP expenditures in 2015, million MDL, %

Source: According to the data of the Ministry Finance.

In 2015, the major part of public expenditures – 68.4% was directed for realization of socio-cultural programs, national economy field – 13.6%, defense, maintaining public order and national security – 6.1%, general state services – 4.7%. Therefore, the economic expenditures in 2015 have registered a negative trend (growth rate -17.3% s.p.l.y.). interrupting the growth cycle certified in 2009-2014. However, despite the enormous financing necessities of economic projects for economy transformation, this expenditures category represents only 13.6% of total value of public expenditures.

The degree of expenditures realization in 2015 was 92.9% and the amount of other fields was below 95% of that planned, which at BPN level totaled 3551.4 mil. MDL of unexecuted payments. Therefore, a problem in managing public funds can be caused by forecasting both for revenues and expenditures. The reduced flexibility of expenditures – payment rigidity in public sector can be

another factor which determines the failure of expenditures plan. As well, the reduced autonomy of budgetary organizations in using public money can be a problem.

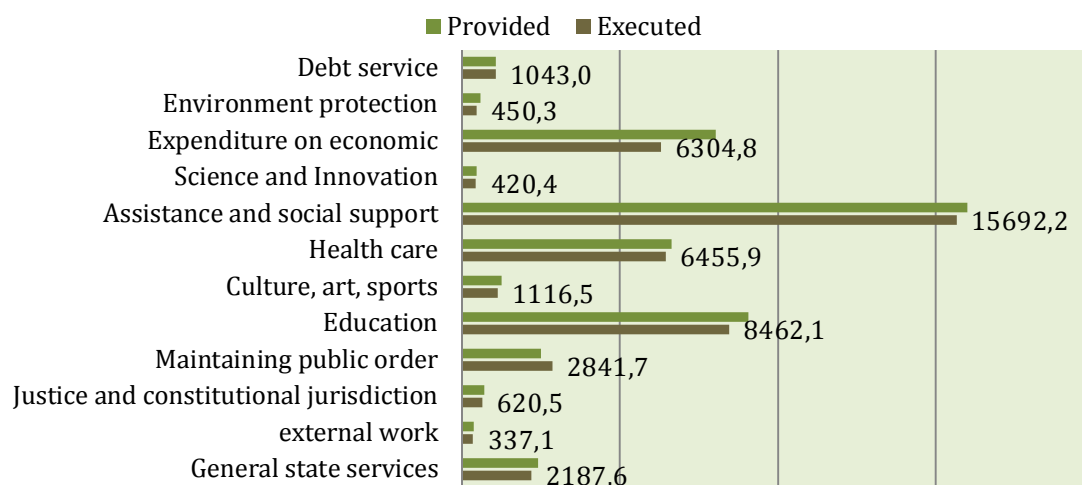


Figure 3.1.5. Execution of State Budget in 2015, million MDL

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

The execution of the national public budget in 2015 has resulted in a **deficit** equating to 2733.2 mil. MDL increasing by 786.9 mil. MDL or about 40.4% compared to the same period of the last year. Balances in the accounts of the national public budget in comparison with January 1. 2015 have decreased by 21.63 mil. Lei and on December 31. 2015 amounted to 3206.4 mil. lei.

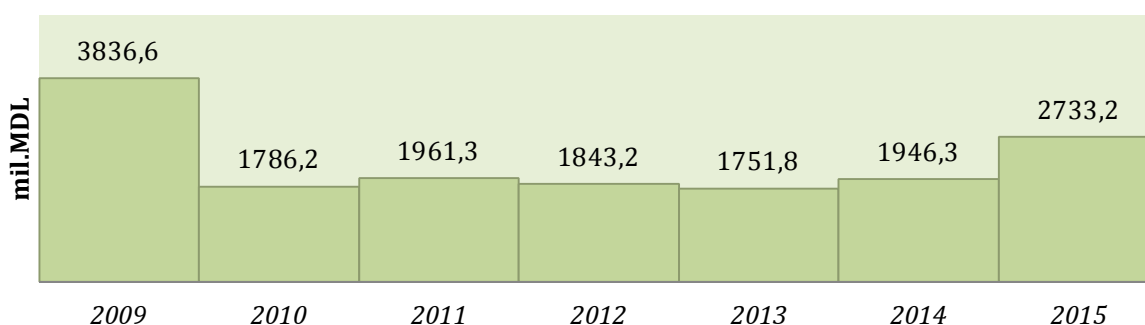


Figure 3.1.6. Public finances deficit, million MDL

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

At the end of 2015 the **public debt** amounted to 27.9% of GDP, therefore, *the external public debt* amounted to 1337 mil. USD and the *internal one* to 7225.4 mil. MDL increasing by 2.4% and 2.1%, respectively compared with its balance at the end of 2014. Due to the tightening of monetary policy which influences the growth of internal public debt service in 2015 there have been occurred amendments of internal public debt due to the:

- increase in GS issue on the primary market amounted to 243.2 mil. MDL;
- three times increase in average weighted interest rate of GS compared to 2014;
- GS redemption in amount of 93.1 mil. MDL to ensure the financial stability.

The multilateral creditors continue to hold the highest weight (about 85.6% according to the data on December 31. 2015) in the *structure of external public debt* contracted by the Government of the Republic of Moldova. The external public debt against bilateral creditors amounted to 14.4% of total and against commercial creditors – 0.04%. IDA holds the highest weight in the balance of the external public debt against multilateral creditors by 40.7%, followed by IMF – by 21.6%, EIB – by 10.9%, IFAD – by 4.6%, EBRD – 3.8%, BIRD – 2.1%, BDCE – 2.0%.

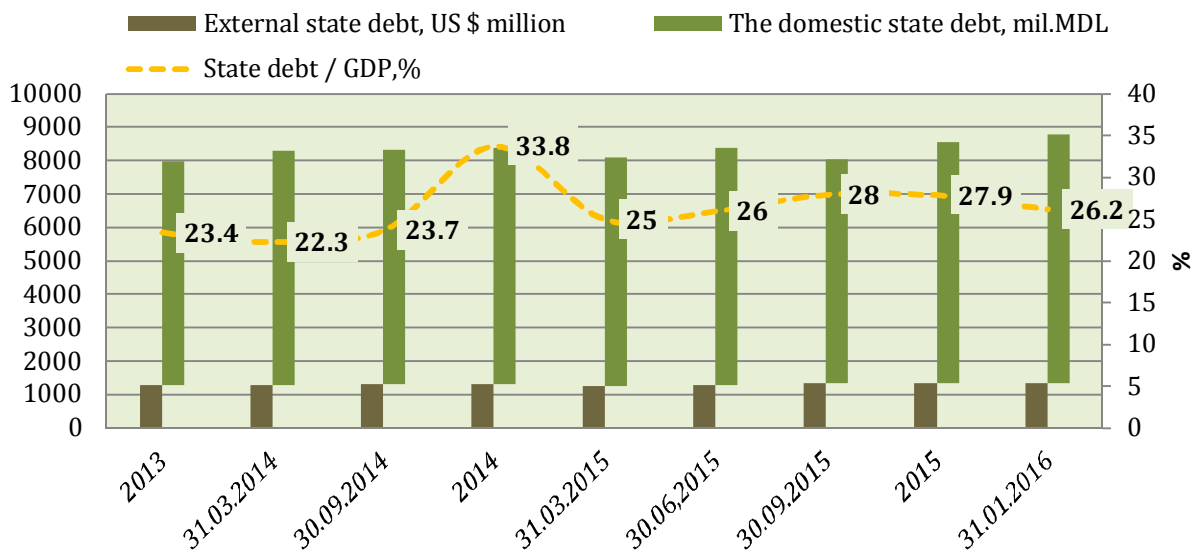


Figure 3.1.7. Structure of state debt during the period 2013-2015

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

For 2016 the authorities decide to propose an „aggressive” budgetary-fiscal policy against taxpayers. This behavior is a common phenomenon in the economic crisis situations. This is explained by the fact that the authorities are in stringent need of money to do their part and only tightening the fiscal policy they could accumulate the necessary amounts in the budget but often the expectations do not correspond with the reality. Also, the budgetary-fiscal policy is not capable to maintain the economic activity and create growth and promotion conditions for business. It is necessary a reform for both the Fiscal Code and essential changes in fiscal administration. It is also imminent the efficiency of budgetary expenditures which will allow to find the necessary sources for other issues of greater social and economic importance.

Public finances in the region from the left side of the Dniester River

In 2015, the **budget revenues** from the left side of the Dniester River amounted to 1471.9 mil. rubles equating to 830.4 mil. MDL⁹. In relation to the amount of public revenues realized on the controlled territory of the Republic of Moldova during this period, these accounted for only 2%. Similarly to the region to the right of the Dniester River, the planned revenues for the given period have not been fully executed and the degree of realization was significantly lower in the Transnistrian region – 89.7%. Under-collection has occurred on the account of:

- Revenues from budget funds with special destination– 72.1%;
- Tax payments – 97.3%;
- Non-tax payments – 86.4%.
- Revenues from entrepreneurial activity and other income– 72.8%.

In 2015, the public revenues of the region have decreased by 33.7% s.p.l.y. This negative trend was determined by the annual contraction by 38.1% of tax revenues amounted about to 71.3% of total revenues collected.

Region’s budget spending totaled 2081.1 mil. rubles during the analyzed period equating to 1174.1 mil. MDL or 2.5% of total spending realized on the controlled territory of the Republic of Moldova. The total volume of public spending has decreased by 26% compared to the same period of last year and the non-execution of the public spending plan for this period was 60.4%.

⁹ Calculated at the exchange rate of the Transnistrian Republican Bank for the period 1.01.2016-30.06.2015 – 1 MDL=0,5642 roubles

This trend has been influenced negatively by the cuts in public expenditures in most areas of their structure: spending for country security from 155.9 mil. rubles to 153.5 mil. rubles (-8.3%), spending for agriculture by 20%; spending for education from 248.8 mil. rubles to 197.8 mil. rubles

Table 3.1.1. Dynamics and structure of public revenues in the region from the left bank of Dniester River in 2015

Income Category	Total amount mil. roubles	Weight in total revenues, %	Growth rate compared to the previous year, %	Degree of realization of the planned level (index), %
Tax revenues	1048.9	71.3	-28.3	97.3
<i>Profit tax</i>	529.4	35.9	2.1	104.7
<i>Tax on income of individuals</i>	27.3	1.8	-4.2	78.5
<i>Tax on gambling activity</i>	8.9	0.6	by 14 times	84.4
<i>Taxes on goods and services. payments for registration and licensing</i>	139.2	13.2	-66	159.5
<i>Payments for using the natural resources</i>	23.4	2.2	-33	102.1
<i>Customs duties</i>	327.2	31.3	52.9	77.7
Non-tax receipts	29.1	2.7	-0.3	88.5
Revenues of special destination funds	222.3	21.4	-28.2	72.1
Income from entrepreneurial activity and other income	155.8	14.8	-2	72.9

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

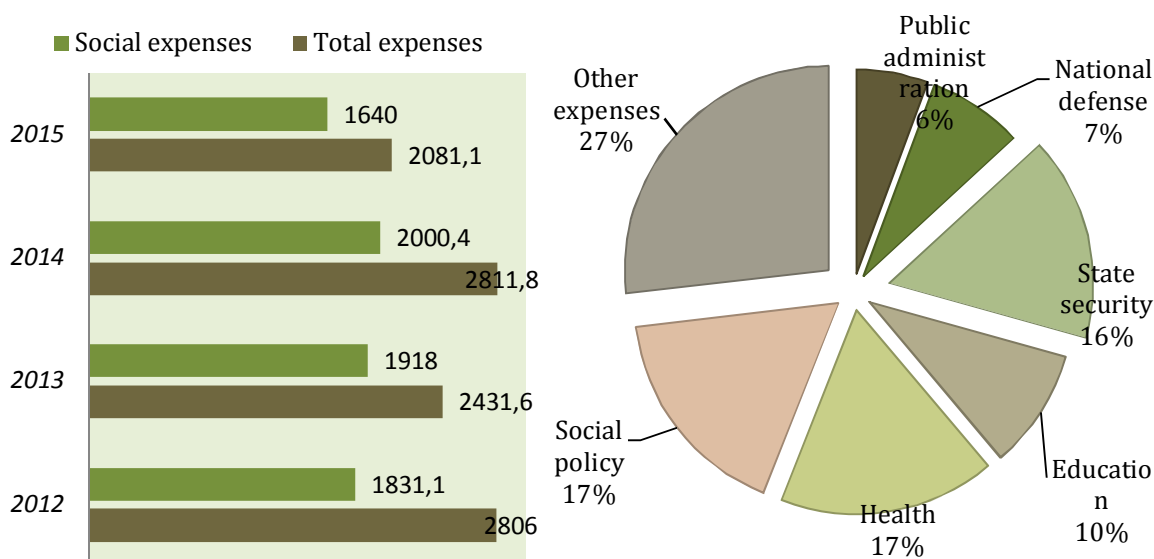


Figure 3.1.8. Dynamics and weight of budget expenditures in the region from the left bank of the Dniester River in 2015, million rubles, %

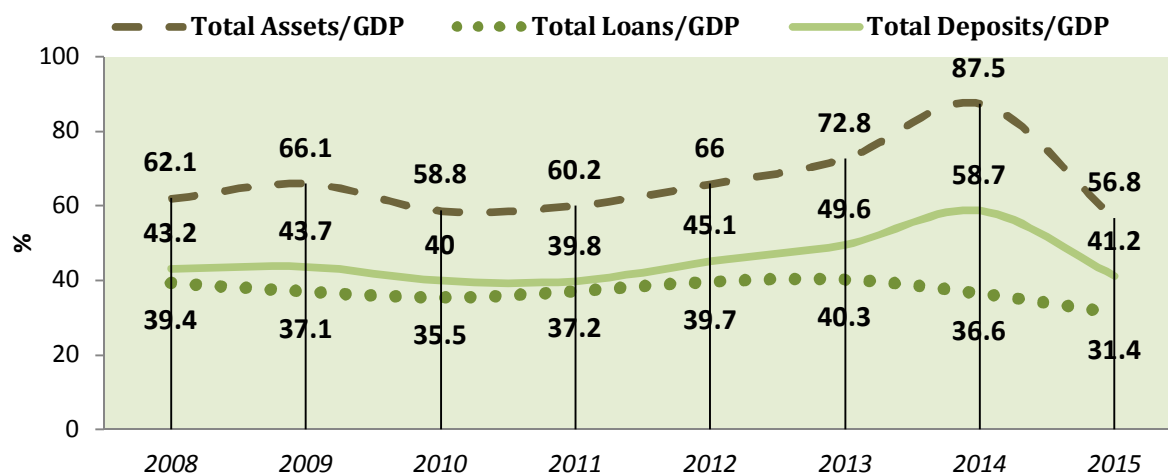
Source: According to the data of the Transnistrian Ministry of Finance, available on: <http://www.minfin-pmr.org/otchety-ministerstva>

(-20.4%), spending for culture, art. cinema from 17.7 mil. rubles to 15.2 mil. rubles (-14.1%), spending for health from 465.1 mil. rubles to 357.1 mil. rubles (-23.2%), etc.

3.2. Banking sector

The economic and political instability from the country. depreciation of national currency and disruptions from the banking sector affected the stability of financial system from the Republic of Moldova in 2015. Therefore the commercial banks were liquidated: B.C. „Unibank” S.A. B.C. „Banca Sociala” S.A. și B.C. „Banca de Economii” S.A.¹⁰ on NBM decision, being capable to destabilize the financial and budgetary system. Thereby, the financial destabilization of Moldovan banks remains to be imminent because on June 11. 2015. NBM instituted special supervision to the biggest Moldovan banks, namely B.C. Moldova Agroindbank. B.C. Victoriabank and B.C. Moldindconbank¹¹. However, during 2015 the prudential indicators of the banking sector on solvability, liquidation and coverage by provisions recorded adequate levels being mentained in the regulated limits.

Financial intermediation degree of the banking sector from the Republic of Moldova in 2015 (determined as a weight of assets. credits and banking deposits in GDP) worsened significantly. The weight of banking assets in GDP have decreased from 58.8% in 2010 to 56.8% in 2015 being caused by the deterioration of banking assets from the sector. Similar developments were also registered for deposits and loans in relation to GDP (see figure 3.2.1). The reduction of lending activity has negatively influenced the financial intermediation degree, calculated as a weight to GDP of loans, registering a value of 31.4% at the end of 2015 decreasing by 4.1p.p. compared to the end of 2010. The decrease of these indicators will continue to register negative developments in 2016 under the background of problems from the banking sector which gradually disrupt the sector stability.



*GDP 2015 - 121851 mil. MDL

Figure 3.2.1. Level of financial intermediation during the period 2008-2015, %

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

In 2015 it is attested a growth of concentration degree on the banking market due to the elimination of the competitive environment of some competitors (withdrawl of licenses: B.C. „Unibank” S.A.. B.C. „Banca Sociala” S.A. și B.C. „Banca de Economii” S.A.) against turbulences from the sector. At the end of 2015, the concentration index of banking market, the value of

¹⁰ By the decisions of the Executive Committee no.62, no. 63 și no. 64 of the National Bank of 16.10.2015, the licenses of financial activity of the Banca de Economii S.A., BC „BANCA SOCIALA” S.A., B.C. „UNIBANK” S.A. respectively were withdrawn and the processes of liquidation were initiated.

¹¹ Decision was made under the Law of financial institutions.

Herfindahl-Hirschman (IHH) index, show a higher concentration (excessive concentrated market) of the banking market of the Republic of Moldova regarding the loans value (1918.7 points) in comparison with deposits (1861.3 points) (see table 3.2.1). Therefore, also the market concentration index of assets (IHH) rose from 1303.1 points (31.12.2014) to 1733.5 points (31.12.2015), a level delineating the limits of a banking market considered to post a moderate degree of concentration.

Table 3.2.1. Concentration Index in the banking sector, %

No.	Name of the banks	Market share by value of assets (%)		Market share by value of loans (%)		Market share by value of deposits (%)	
		31.12.2014	31.12.2015	31.12.2014	31.12.2015	31.12.2014	31.12.2015
Large banks							
1*	BC "MOLDOVA - AGROINDBANK" S.A.	15.7	26.3	26.5	29.4	17.5	27.9
2*	B.C. "VICTORIABANK" S.A.	12.5	17.8	14.1	15.4	14.7	18.3
3*	BC "Moldindconbank" S.A.	13.6	22.6	21.8	24.9	13.7	23.5
4	BC "MOBIASBANCA - Groupe Societe Generale" S.A.	5.9	10.7	8.4	10.2	6.2	11.0
Medium banks							
5	B.C. "EXIMBANK - Gruppo Veneto Banca" S.A.	4.0	6.6	5.6	6.0	3.1	5.6
6	B.C. "ProCredit Bank" S.A.	3.2	5.4	5.6	6.5	2.7	4.2
7	B.C. "ENERGBANK" S.A.	2.1	3.2	2.6	2.3	2.1	3.0
8	B.C. "FinComBank" S.A.	2.1	3.4	2.6	2.7	2.1	3.3
Small banks							
9	BCR Chişinau S.A.	1.1	1.6	1.1	1.1	0.8	1.1
10	B.C. "COMERTBANK" S.A.	0.9	1.6	1.0	1.1	0.9	1.4
11	BC "EuroCreditBank" S.A.	0.4	0.7	0.4	0.5	0.2	0.5
Liquidated banks in 2015							
12	B.C. Banca de Economii S.A.	14.3	-	3.3	-	10.8	-
13	BC "BANCA SOCIALA" S.A.	20.6	-	4.8	-	21.2	-
14	B.C. "UNIBANK" S.A.	3.6	-	2.3	-	4.0	-
HHI index (points)		1,303.1	1,733.5	1,562.9	1,918.7	1,361.64	1,861.3
CR-4index (%)		64.2	77.4	70.8	79.9	67.1	80.7

*Banks under special supervision.

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

At the end of 2015, in terms of competitive aspect, the banking assets held by the first 5 banks have registered a negative trend. Respectively, on December 31. 2015 the weight of assets held by the first five banks in the aggregate assets recorded a weight of 83.96% with an increase of 8.11 p.p. compared to December 31.2014. BC Moldova-Agroindbank S.A. hold the

leading position, which on December 31.2015 reached the total value of assets amounted to 18184.9 mil. MDL increasing by 18.5% compared to December 31.2014 registering a weight of 26.3% of total assets in the sector. The next position is held by B.C. Moldindconbank (bank under special supervision) with a volume of assets amounted to 15607.2 mil. MDL. The bank's market share is 22.6% increasing by 23.4 mil. MDL compared to December 31.2014. *In the domestic banking sector this indicator registers high values, only five banks of 11 can dictate rules or propel trends on the banking market.*

At the of 2015, there are registered worsening trends of the bank assets quality, affecting the entire banking sector. During 2015 the annual growth rate of bank assets have decreased (since December, 2014 +28.09% up to December, 2015 - 26.42% compared to the previous year), totaling 69095.5 mil. MDL bank assets on December 31, 2015. These concerns are reflected since October, 2015 (-16.91%) persisting also at the beginning of 2016 (in January, 2016 (-26.72%)) compared to the previous year, totaling 70351.8 mil. MDL bank assets on January 31.2016. *Worsening of bank assets quality can influence in the future on the reduction of bank capitalization level and this could disrupt the financial stability of the sector.*

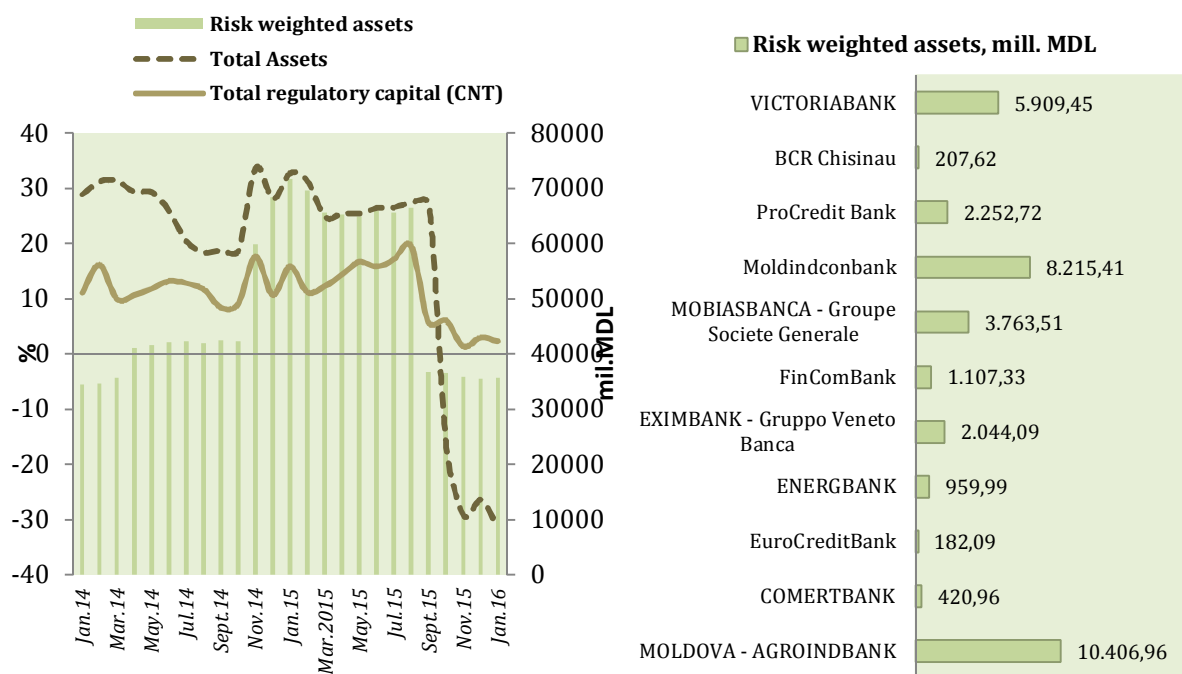


Figure 3.2.2. Development of quality of bank capital

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

During 2015, the commercial banks remained to be liquid and sufficiently capitalized (excepting BC „BANCA SOCIALA” S.A. Banca de Economii S.A. și BC “UNIBANK” SA.). In 2015, the liquidity indicators of the banking sector fall within the norm established by the NBM, the weight of liquidity assets (liquidity principle II) registers 41.55%, more by 19.07 p.p. compared to December 31.2014. Exception is the group of the problematic banks which recorded lower values than those regulated by NBM – minimum liquidity requirement ($\geq 20\%$). The value of long-term liquidity indicator (liquidity principle I (≤ 1))¹² of the entire banking system was

¹² During 2015, the NBM has come up with amendments on the draft law of the Council of Administration of the NBM Decision „On amending and completion of the Regulation on bank liquidity”, approved by the Council of Administration of the NBM, minutes no. 28 of August 8, 1997, Official Journal of the Republic of Moldova, 1997, no.64-65, art. 105 of 02.10.1997. In this draft law it was proposed the replacement of liquidity principle I referring to long-term liquidity and provides that the amount of bank assets with the repayment term of more than 2 years not exceeding the amount of financial resources with the same term. And after the amendments there will be used the following maturity bands: up to one month, 1-3 months; 3-6 months; 6-12 months and more than 12 months, expressed as the ratio between the

0.72%, on December 31. 2015 less by 0.82 compared to December 31.2014 this coefficient refers to 11 commercial banks. Therefore, the most of the commercial banks register a high coefficient leading to an excess of bank liquidity. This increase in liquidity was produced in the context of the monetary policy tightening promoted by NBM. Thus, the NBM will continue to manage the excess of liquidity through sterilization operations in order to support the proper functioning of interbanking monetary market. However the monetary market development of the last period highlights some obstacles in liquidity accumulation by the commercial banks.

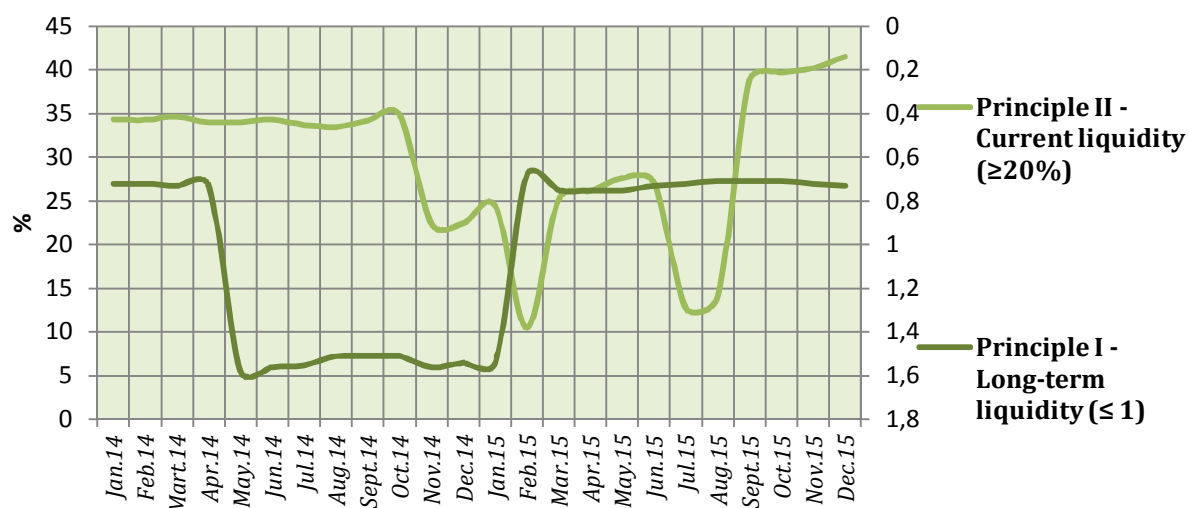


Figure 3.2.3. Dynamics of liquidity principle I and II in the banking sector, %
 Source: According to the data of the National Bank of Moldova.

The level of capitalization¹³ for 11 commercial banks from the sector in 2015, registers superior values of 26.16%, (increasing by 12.24 p.p. compared to December 2014) which indicates conditions of fair functioning and a specific competitive climate for the national banks. NBM has to monitor constantly and carefully the development of the banking capital given that its volume and quality determine the absorption capacity of losses generated by the risks issued from the bank activity.

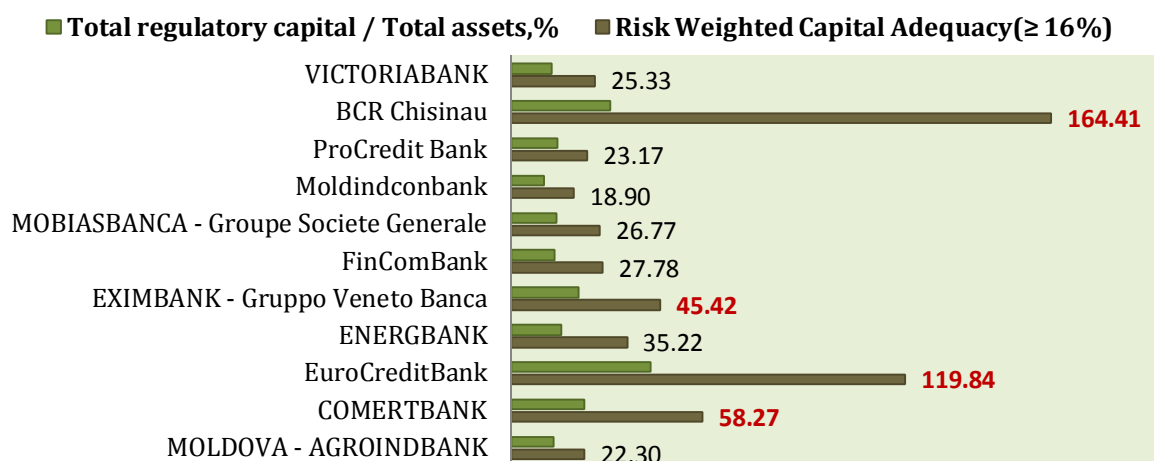


Figure 3.2.4. Average risk-weighted capital adequacy in the banking sector on December 31, 2015, %

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

effective liquidity and necessary liquidity on each maturity band. Details on: <http://www.bnm.org/ro/content/proiect-hca-al-bnm-cu-privire-la-modificarea-si-completarea-regulamentului-cu-privire-la-0>

¹³ Below the minimum requirement (≥16%) set by the NBM.

In 2015, the base rate increment generated the loans to be more expensive affecting the real sector and the entire domestic economy. The growth slowdown of new loans which has begun at the end of 2014 turned into a moderate decrease in lending in 2015. The gross loan portfolio granted by the commercial banks had a negative development in December, 2015 (-6.5% s.p.l.y.), as well as the volume of the new loans maintained its negative trend (-19% s.p.l.y.). *In a great measure this decrement was influenced by the precarious situation of the 3 problematic financial institutions (B.C. „Unibank” S.A. B.C. „Banca Sociala” S.A. și B.C. „Banca de Economii” S.A.), as well as the low level of the population confidence. In December 2015, the biggest contribution to the decrease have had the loans in national currency with a 32% reduction s.p.l.y.* but the new loans in foreign currency increased by 9% s.p.l.y. *The downward trend of loans in national currency became a major concern reflected in the slowdown of economic activity, high level of uncertainty as well as the risk of the exchange rate. However, the tightening of monetary policy promoted by the NBM (the base rate increase from 17.5% in July to 19.5% in September, 2015¹⁴ and required reserves) was the cause which generated the reduction of loans in national currency in 2015.*

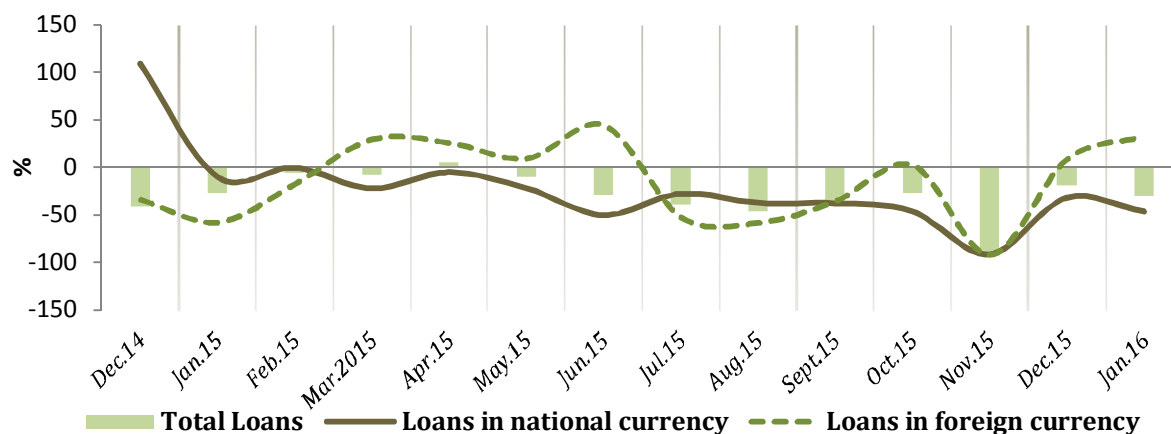


Figure 3.2.5. Annual growth rate of loans in foreign and national currency, %

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

In 2015, the value of non-performing loans amounted to 3798.58 mil. MDL decreasing by 21% compared to December 31, 2014. On December 31, 2015 the weight of non-performing loans in total loans decreased by 1.78 p.p., compared to December 31, 2014 constituting 9.95%. *In September, October and December, 2015 the decrease of loan portfolio quality indicators is due to the excluding of the 3 problematic commercial banks from calculation. Plainly, this decrease of non-performing loans ratio is beneficial for the entire banking sector. However, the lending activity is mainly influenced further by the currency risks, inflation risks, ability of bank management and economic crisis from the country.*

¹⁴ During the meeting of 26 August 2015 the Council of Administration of the National Bank of Moldova (NBM) has decided to increase the base rate applied on the main short-term monetary policy operations by 2,0 p.p., from 17,5 to 19,5% annually. Respectively, the members of the Executive Committee of the NBM, during the meeting of 26 August 2015, have unanimously decided to maintain the monetary policy interest rate at the level of 19.5% annually. The decision of the Executive Committee of the NBM is argued by the fact that the measures of monetary policy adopted by the NBM since the beginning of this year till now continue to act by different transmission channels in the national economy, including by influencing the interest rates on loans and deposits in national currency, thus exercising further the effects on future inflation development. Details on: <http://www.bnm.md/ro/content/26-noiembrie-2015-comunicat-al-bancii-nationale-moldovei>

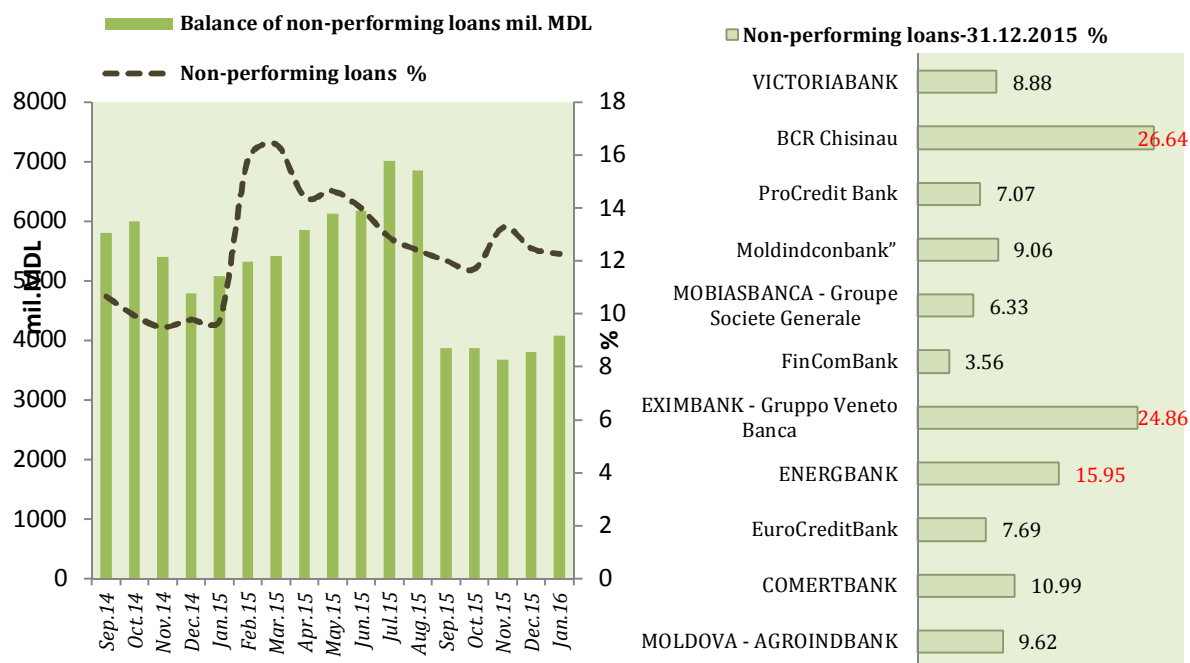


Figure 3.2.6. Weight of non-performing loans in the banking sector, %

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

Bank loans getting more expensive. During the period December 2014 – December 2015, the main developments recorded by the average interest rates practiced by the commercial banks for new loans and deposits could be synthesized as follows:

- the average interest rate on new loans in national currency in the banking system increased by 4.63 p.p. compared to the same period of the last year, for individuals the interest was of 15.99% in December 2015 higher than in December 2014 (12.04%).
- the average interest rates on loans in foreign currency decreased by 0.79 p.p. in the variation range (from 7.72% in December 2014 to 6.93% in December 2015).
- the cost of new deposits in lei was adapted during the reference period increasing by 7.75 p.p. (for individuals up to 16.99%. with a growth of 8.87 p.p. and for legal entities the average interest rates on deposits in national currency increased from 4.19% in December 2014 to 6.86% in December 2015 increasing by 2.67 p.p.).
- the bank margin for operations in national currency remains significantly lower (decreasing by 3.12 p.p. in December 2015 sply) for the new loans and deposits in national currency compared to that calculated one on loans and deposits in foreign currency (1.36 p.p. compared to 4.81 p.p. in December 2015). Instead the margins related to the operations in foreign currency increased by 1.07 p.p. in the reference period as a balancing measure of revenues in the context of expectations on credit risk.

The interest rate increase in national currency was due to the restricting of monetary policy generating the growing distrust of population for the deposits in MDL. The balance of bank deposits on December 31. 2015 amounted to 50201.5 mil. MDL decreasing by 23.3%, compared to December 31. 2014. This decreasing trend resulted largely by the decrease of deposit balance in foreign currency by 22.7% and deposit balance in national currency by 24% compared to December 31. 2014. And the new term deposits have registered a constant growth in 2015 from 3561.02 mil. MDL in December 2014 to 3605.69 mil. MDL in December 2015. With the depreciation of national currency from the last period, the population preference are the deposits in foreign currency whose weight was 52.5% at the end of December 2015 the deposits in national currency representing 45.5% of total deposits. This is explained by the fact that the average interest rate in the banking system on deposits in foreign currency is more

attractive (constituting in December 2015 – 2.12% decreasing by 1.81 p.p. compared to December 2014) compared to the rate in national currency (December 2015 – 14.22% increasing by 7.75 p.p. compared to December 2014).

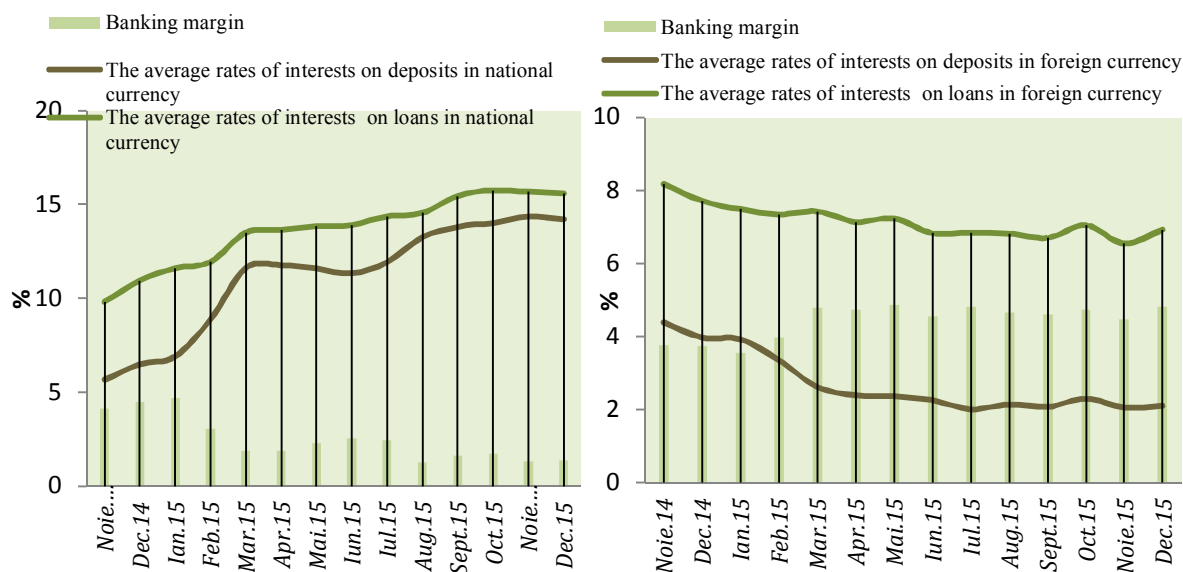


Figure 3.2.7. Development of banking margin*, average interest rates on deposits and loans in MDL and foreign currency, %

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/foreign currency and average rate on deposits in MDL/foreign currency.

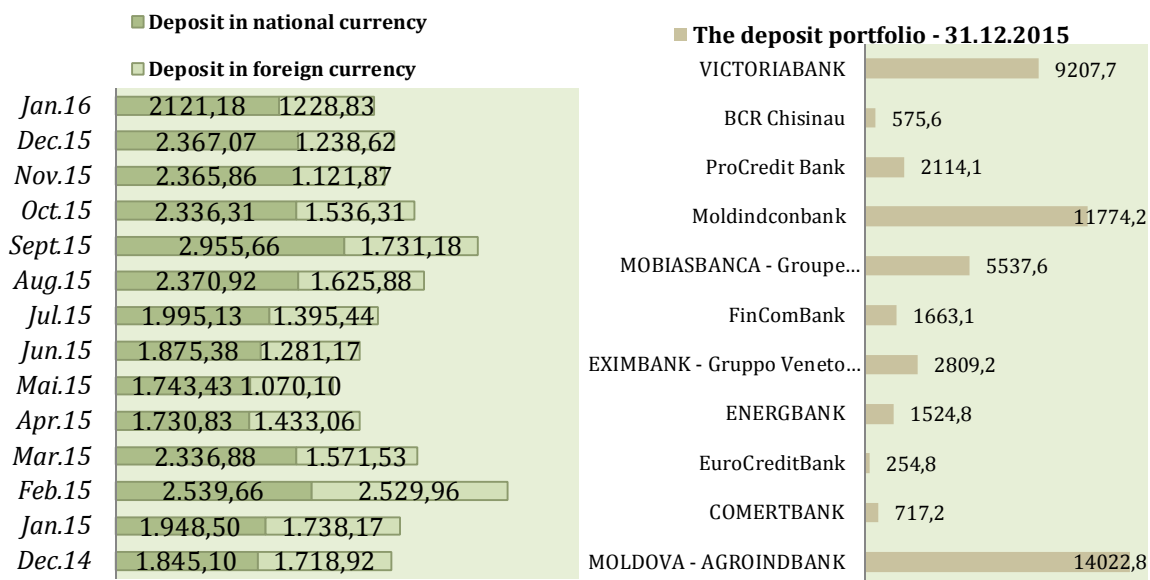


Figure 3.2.8. Development of banks attract deposits, million MDL

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

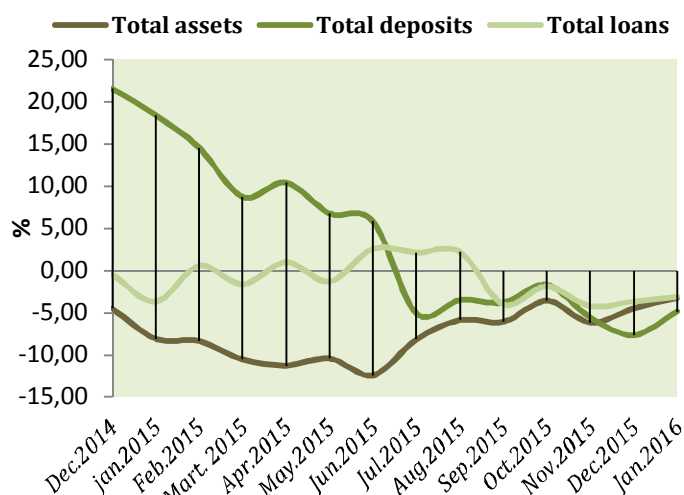


Figure 3.2.9. Annual growth rate of assets, deposits and bank loans in Transnistrian region, %

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

Banking sector in the region to the left of the Dniester River

In 2015 the banking sector in the region to the left of the Dniester River registered negative trends in the main indicators of activity. At the end of 2015, the average annual growth of bank assets in the transnistrian region was situated on a decreasing trend, constituting a decrease of 4.5% s.p.l.y. denominated both in rubles¹⁵ and USD. The total assets of the banking system in the region on January 1.2016 totaled 5860.87 mil. rubles. The loans balance provided to the economic sector reached 4031.6 mil. rubles on January 1. 2016 less by 3.64% compared to January 1, 2015. Loans to indi-

viduals in this period amounted to 946.99 mil. Rubles, less by 18.31% compared to January 1, 2015 and the loans to legal entities amounted to 3084.60 mil. rubles. more by 1.98% compared to the same period of the last year. The balance of the attracted deposits amounted to 2815.0 mil. roubles, on January 1, 2016 less by 7.63% compared to January 1, 2015. Respectively, the deposits attracted from individuals on January 1, 2016 amounted to 1119.75 mil. rubles decreasing by 16% compared to January 1, 2015.

Therefore, due to the low level of attracted deposits, the banks have to make bigger efforts of capital or to attract funds from elsewhere to meet the loan demands. Thus, calculating the relation of total loans/deposits, the Transnistrian banks finances only 1.43 of loans from the attracted deposits account. As in the case of the banking sector from the left of the Dniester River there is an important problem referring to the transparency on transnistrian shareholding banks due to the lack of published information by banks related to the transnistrian banking shareholding structure and components.

¹⁵ The exchange rate of ruble in the region to the left of the Dniester River compared to the Moldovan leu on 01.01.2015 was 0,7103 rubles/MDL. On 01.01.2016 the exchange rate of ruble against the major reference currencies was 0,5642 rubles/MDL, 11,1000 rubles/USD, 12,1767 rubles/EURO, available on <http://www.cbpmr.net/?kv=1&lang=ru>

Chapter IV

EXTERNAL SECTOR

Balance of payments

Comparing to 2014, the current account of the balance of payments decreased registering a deficit of 464.24 mil. USD in 2015. The main component of the current account – the deficit of trade in goods decreased because the reduction in imports was higher than of exports. The remittances from abroad have decreased during 2015.

The **current account** of the balance of payments of the Republic of Moldova in 2015 decreased by 17.7% compared to 2014 registering a deficit of 464.24 mil. USD. The deficit of **trade in goods** has registered a decrease of 31.6% because the reduction of imports was higher than of exports. At the same time **the value of services** increased by 19.5% compared to 2014 registering 143.91 mil. USD.

The exports of goods continued to decline during 2015, being displayed to some negative influences such as: reduced agricultural harvest, decrease of international prices to the agrifood products and disinflationary processes in the EU, economic crisis of eastern partners.

After the decrease in volume of external trade in goods, the volume of external trade in transport services, especially the exports and imports of services in goods transport decreased by 18.9% and 24.9%, respectively.

Table 4.1. Balance of Payments of the Republic of Moldova, million USD (provisional data)

Year	2012	2013	2014	2015	2015-2014 (%)
Current account	-546.4	-405.5	-564.35	-464.24	82.3
Goods	-2936.0	-2999.0	-3052.21	-2088.08	68.4
<i>export</i>	2233.1	2469.6	1805.47	1507.03	83.5
<i>Import</i>	-5169.2	-5468.6	4857.68	3595.11	74.0
Services	9.1	15.6	120.38	143.91	119.5
<i>Export</i>	902.0	987.8	1127.59	974.81	86.5
<i>Import</i>	-892.9	-972.2	1007.21	830.90	82.5
Primary revenues	817.3	872.7	826.92	402.68	48.7
<i>Inputs</i>	1049.2	1163.3	1118.48	812.54	72.6
<i>Payments</i>	-231.9	-290.7	291.56	409.86	140.6
Secondary revenues	1563.2	1705.3	1540.56	1077.25	69.9
Capital and financial account	452.0	327.9	-469.81	-441.41	94
Capital account	-36.7	-35.4	94.54	22.83	24.1
Financial account	488.6	363.3	-563.66	-473.18	83.9
Direct investment	175.3	213.9	-314.44	-265.34	84.4
Portofolio investment	21.3	9.8	-13.74	-3.49	25.4
Financial derivatives	-0.2	0.1	0.61	-0.54	88.5
Other investment	789.9	421.6	303.58	102.68	33.8
Reserve assets	-497.6	-282.1	-538.5	-306.49	56.9
Remittances from abroad to individuals by licensed. net banks	1494.2	1608.9	1612.96	1129.36	70.0

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

In 2015, the remittances from abroad to individuals by Moldovan banks registered significant decreases. The transfers contracting from Russian Federation and the appreciation of US Dollar against Russian ruble were the main determinant factors.

In 2015 the transfers through the banking system to individuals from the Republic of Moldova amounted to 1129.36 mil. USD registering a decrease of 30% (483.6 mil. USD) compared to 2014.

Data on money transfers show that in 2015 even compared to the crisis year 2009 were less by 52.66 mil. USD (1182.02 mil. USD). The decisive factor was determined by the decrease by 50.2% of transfers from CIS compared to 2014, the transfers from Russian Federation holding a weight of 95.6% (487.96 mil. SUA) of total transfers from the aforesaid area. In 2015, according to the geographical origin, 45.2% of money transfers to individuals were from CIS.

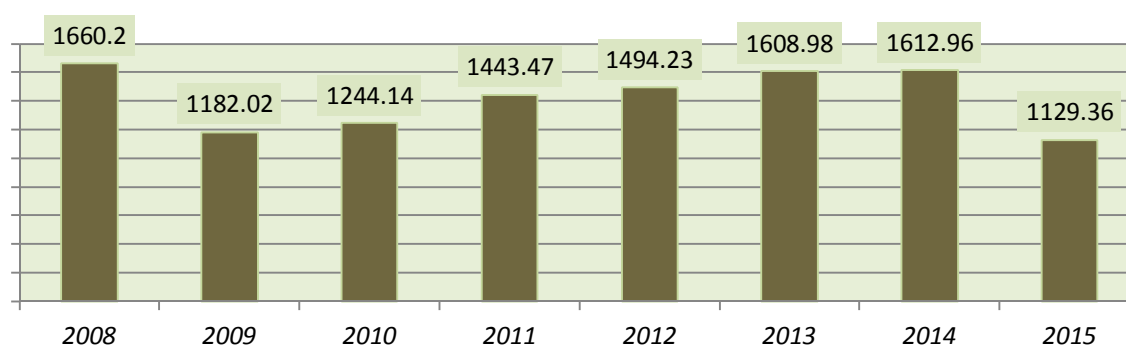


Figure 4.1. Net transfers of money from abroad made in favour of individuals through banks of the Republic of Moldova in 2009-2015, million USD

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

Transfers from the EU registered a weight of 27.7%, decreasing by 3.9% compared to 2014. In the framework of EU, the transfers from Italy register the highest weight – 42.2%, followed by Great Britain – 11.5%, Romania – 3.7%. The transfers from other countries were – 27.1%.

Foreign trade in goods

The totals of 2015 of the foreign trade in goods show a decrease by 1702.7 mil. US Dollars or by 22.2% compared to the previous year (in 2014 amounted to 7656.4 mil. US Dollars).

- ✓ In 2015, the foreign trade in goods amounted to 5953.7 mil. USD (1966.9 mil. USD-exports and 3986.8 mil. USA-imports) or about 77.8% of the value of 2014;
- ✓ In this period the exports decreased by 372.6 mil. USD and imports by 1330.2 mil. USD in relative terms the decrease for both trade flows was of 15.9% and 25%;
- ✓ The deficit of trade balance (export-import) in 2015 amounted to 2020 mil. USD and decreased by 958 mil. USD compared to 2014.

The exports of goods continued to decrease by fast rates in the last quarter of the year (-13.8% compared to the same period of the last year). Since June, 2014 to December, 2015 the monthly developments of the exports of goods show negative rates. In 2015, the exports of goods totaling 1966.9 mil. USD lower volume by 15.9% than that achieved in 2014.

The value of goods exports to all three main destinations has decreased in 2015. The exports to EU amounted to 1217.6 mil. USD (by 38.1% less compared to 2014). CIS countries were present in the exports of Moldova by a weight of 25.0% (in 2014 – 31.4%) corresponding to a value of 492.3 mil. USD or less by 33.1%. To other countries the value of exports in goods amounted about to 257.0 mil. USD or by 28.2% less compared to 2014.

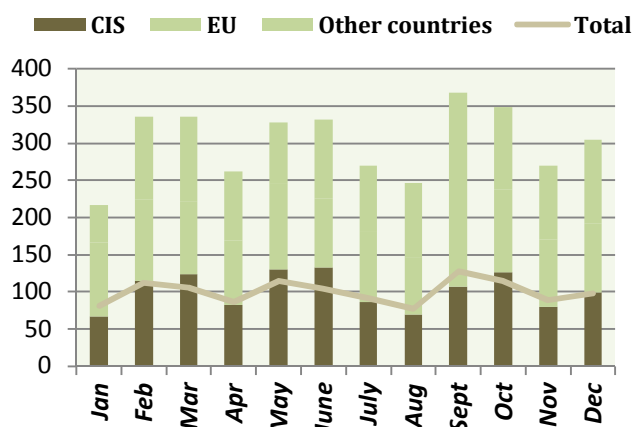


Figure 4.2. Monthly dynamics of exports in 2015, % compared to previous month

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

Table 4.2. Rate of rise (+) decrease (-) of the exports, % compared to the previous year

	Total	CIS	EU	Other countries
2010	20.1	27.2	9.2	50.5
2011	43.8	47.3	48.6	13.7
2012	-2.5	1.0	-6.4	2.7
2013	12.3	-0.5	12.2	67.0
2014	-3.7	-20.3	9.6	-2.7
2015	-15.9	-33.1	-2.3	-28.2

Table 4.3. Exports of the Republic of Moldova structured by groups of countries

	2015		Structure. %		Degree of influence of the groups of countries to the rise (+). decrease (-) of imports. %	
	mil. USD	in % compared to 2014	2014	2015	2014	2015
Export. total	1,966.9	84.1	100.0	100.0	-3.7	-15.9
EU countries	1,217.6	97.7	53.3	61.9	4.5	-1.2
CIS countries	492.3	66.9	31.4	25.0	-7.8	-10.4
Other countries	257.0	71.8	15.3	13.1	-0.4	-4.3

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

Following the trend of export development by countries during 2015 compared to 2014 it can be observed the reduction of deliveries to more destinations: Russian Federation (-43.2%), Ukraine (-58.0%), Italy (-19.0%), Turkey (-38.5%), Germany (-14.8%), Switzerland (-28.2%), Bulgaria (-25.6%), United States of America (-31.3%) and which have influenced the decrease of total exports by 18.3%. At the same time, the exports to Great Britain and Northern Ireland (+27.7%), Kazakhstan (+29.4%), Romania (+2.8%), Spain (+58.9%), Poland (+6.2%), France (+14.7%), the Netherlands (+18.1%), Denmark (+82.2%), Canada (by 2.1 times) have increased, reducing the decrease of total exports by 4.1%. Overall about 61.9% of total exports in 2015 were exported in EU countries, including: 22.7% in Romania, 10% Italy, 7% Great Britain and 6% Germany; approximately 25% in CIS countries of which 12.2% in Russian Federation, 6.7% Belarus, 3% Kazakhstan and 2.3% Ukraine and other countries about 13.1%.

In 2015, the value of exports in domestic goods decreased by 14.8% compared to 2014 amounting to 1304.0 mil. USD or 66.3% of total exports in goods.

In 2015 compared to 2014 the main categories of products which influenced the decrease of exports were: cereals and cereal preparations (-35.9%), clothes and accessories (-17.4%), medicine and pharmaceuticals (-39.2%), alcoholic and non-alcoholic beverages (-19.3%), meat and meat products (-73.5%). Sugar, sugar preparations; honey (-26.6%). non-metallic mineral items (-34.4%), footwear (-29.1%), gas and gas products (-94.4%). All these products categories influenced the reduction of total exports by 17.0%.

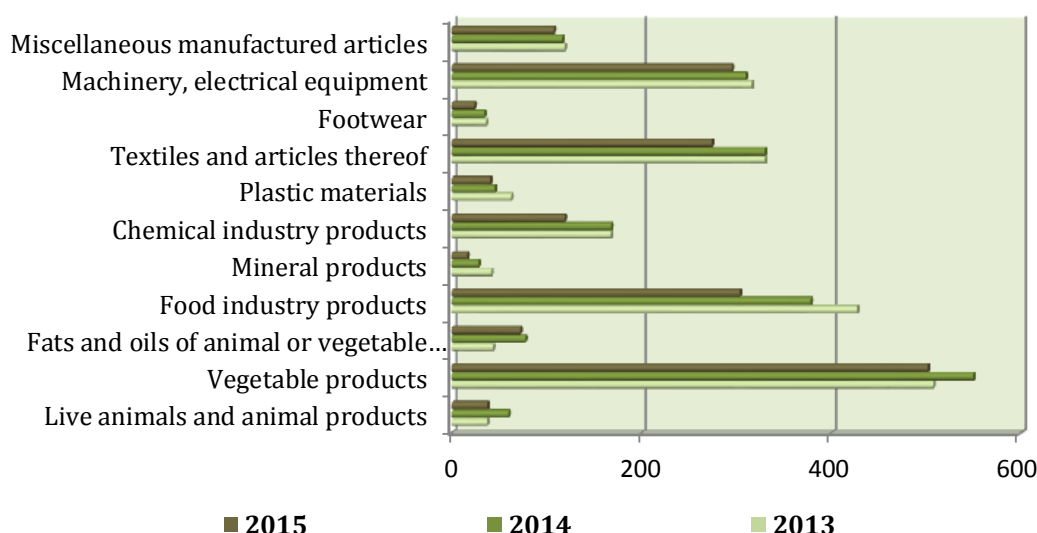


Figure 4.3. Value of exports by sections in 2013-2015, mil. USD

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

In 2015 there were recorded increases to exports in oilseeds and oleaginous fruits (+15.7%), processed rubber (+45.7%), organic chemicals (by 2.6 times), live animals (+57.9%), plastics in primary forms (by 2.0 times), textile fibers and their wastes (+51.3%) which diminished the decrease in total exports by 1.7%.

Among the main factors which influenced the decrease of the external trade in 2015 were the exports contraction to Russian Federation, reduction of exported agrifood products given the fact that the agricultural year was droughty, decrease of international prices for a series of products exported by the Republic of Moldova, depreciation of Moldovan leu etc.

The imports have also continued to decrease in 2015. their decrease constituted more than a quarter. The imports amounted to 3986.8 mil. USD with a lower volume by 25% to that realized in 2014. There have been registered negative developments on the main large groups of countries from which the Republic of Moldova imports goods. In 2015 the imports in goods from the EU countries held a weight of 49.0% in total imports (48.3% - in 2014) and amounted to 1.954 billion USD (by 23.9% less than in 2014). On the other hand the imports of goods from CIS countries amounted to 1.018 billion USD equating to a weight of 25.5% in total imports (27.3% - in 2014). Their decrease was significant as in the case of EU deliveries by 29.7% compared to 2014.

Table 4.4. Imports of the Republic of Moldova structured by groups of countries

	2015		Structure, %		Degree of influence of the groups of countries to the rise (+), decrease (-) of imports, %	
	mil. US Dollars	in % compared to 2014	2014	2015	2014	2015
Total import	3,986.8	75.0	100.0	100.0	-3.2	-25.0
UE countries	1,954.1	76.1	48.3	49.0	1.8	-11.5
CIS countries	1,018.1	70.3	27.3	25.5	-4.1	-8.1
Other countries	1,014.6	78.0	24.4	25.5	-0.9	-5.4

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

In 2015 there have been registered decrements in imports for all large categories of manufactured non-food products, fuels, agrifoods and gross non-fuels materials (oil, petroleum products and related products (-33.2%), gas and industrial products derived from gas (-36.9%), road vehicles (-34.6%), medicines and pharmaceuticals (-29.6%), machinery and specialized equipment for specific industries (-37.6%), electricity (-97.6%), meat and meat preparations (-49.2%), alcoholic and non-alcoholic beverages (-30.8%), fixed, gross, refined or fractionated fats and vegetable oils (-28.0%) which influenced the decrease of total imports by 23.5%.

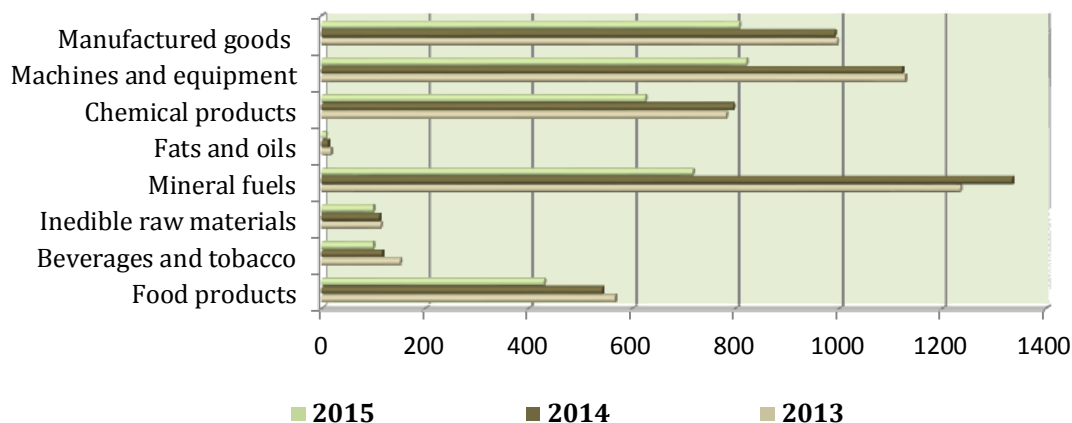


Figure 4.4. Value of imports by sections in 2013-2015, mil. USD

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

In 2015 the trade balance registered a deficit in amount of 2.02 billion USD, by 958 mil. USD (-32.2%) lesser than in 2014, due to the accelerated decrease of imports compared to exports.



Figure 4.5. Trends of external trade in 2013-2015, mil. USD

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

With the European Union countries the trade balance ended in a deficit of 736.5 mil. USD (in 2014 – 1321.7 USD), and CIS countries – of 525.8 mil. USD (in 2014 – 713.7 mil. USD). Therefore, in 2015 the coverage of imports against exports increased from 44.0% to 49.3% compared to the previous year.

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

As in the region from the right side of the Dniester River, in Transnistrian region in 2015, the foreign trade transactions in goods have negatively developed. The value of foreign trade in goods in this period amounted to 1749.4 mil. USD or 74.4% compared to 2014. Both exports and imports have registered a negative trend decreasing by 14.7% (export amounted to 611.0 mil. USD) and 30.4%, respectively (import amounted approximately to 1138.4 mil. USD). The foreign trade in the left side of the Dniester River depends on the economic situation in Russian Federation and Ukraine. Therefore, the worsening of economic situation of these countries affected negatively the foreign trade exchanges of the region.

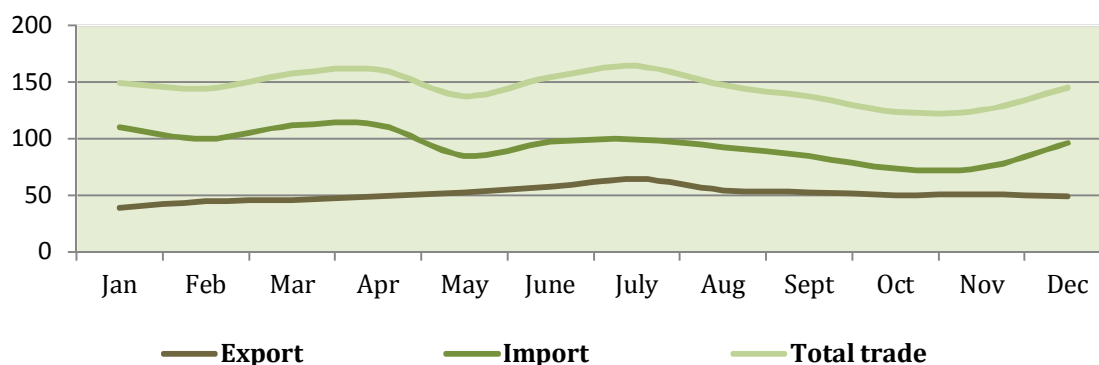


Figure 4.6. Dynamics of external trade value in Transnistrian region in 2015 by months, mil. Dollars

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

In 2015, the Transnistrian region to the left of the Dniester River achieved foreign trade transactions with 82 countries, including 11 from CIS. Export of goods showed a negative trend both for EU and CIS. The export of goods designed to the EU countries amounted to 208.4 mil. US Dollars decreasing by 26.1% (including Italy – 27.4%, Germany – 1.6%). At the same time, the export of goods to Romania registered an increase of 16.8%. To CIS countries the export of goods amounted to 402.6 mil. USD or by 7.2% less compared to 2014. The export of goods to Russian Federation decreased by 52.7% and amounted to 47.4 mil. USD and to Ukraine increased by 8.1% amounted approximately to 51.1 USD.

The geographical structure of imports in the analyzed period was distributed as follows: to EU countries about 246.8 mil. USD (or 63.1%) decreasing by 36.9% compared to 2014, including: Germany – 44.7%, Italy – 44.9% and Romania – 3.1%. The value of imports to CIS countries amounted to 891.6 USD decreasing by 28.3%, including Russian Federation – 22.7% (587.4 mil. USD), Ukraine – 21% (161.6 mil. USD) and Belarus – 63.7% (48.6 mil. USD).

Chapter V

BUSINESS ENVIRONMENT

Dynamics of enterprises registered and deregistered in the IV quarter of 2015. According to the data of the State Registration Chamber, as of January 1, 2016 the State Register contained information about 170 049 legal entities and individual entrepreneurs.

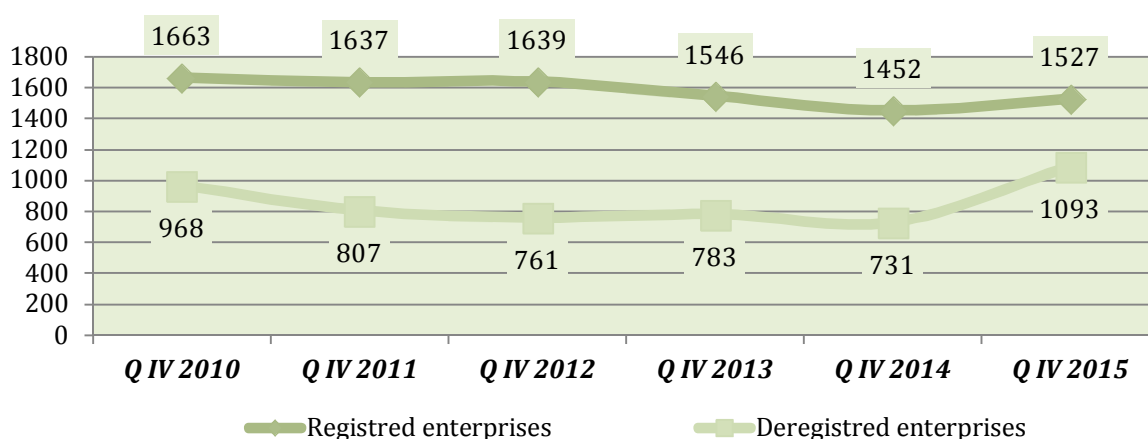


Figure 5.1. Dynamics of registered and deregistered enterprises number in IV Q 2010-2015, units

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

In the IV Q of 2015, the number of enterprises registered by the State Registration Chamber increased by 5.2% s.p.l.y. after a continuous decrease trend registered in the last quarter of 2010-2014 (excepting the IV quarter of 2012, in which was registered an insignificant increase). However, the number of enterprises registered in the last quarter of 2015 has marked a significant increase trend compared to the III Q of 2015, increasing by 11.1%. According to the data of the State Registration Chamber in the IV Q of 2015 in the State Register have been registered 1527 new enterprises.

Table 5.1. Growth index in the number of registered and deregistered enterprises in TIV 2010-2015 compared to the same period of the previous year

	Enterprises registration	Enterprises deregistration
Quarter IV 2010	95.6	120.1
Quarter IV 2011	98.4	83.4
Quarter IV 2012	100.1	94.3
Quarter IV 2013	94.3	102.9
Quarter IV 2014	93.9	93.4
Quarter IV 2015	105.2	149.5

Source: Author's calculations according to the data of the State Registration Chamber.

A negative signal is the significant growth of the deregistrated enterprises in the analyzed period. Thus, in the IV Q of 2015 the number of deregistrated enterprises was 1093 units or by 49.5% more s.p.l.y. Overall, in 2015 the number of deregistered enterprises marked a significant increase trend totaling 3905 units or by 40.9% more s.p.l.y.

In 2015, in the Territorial Office Chisinau have been registered 3873 new enterprises constituting 64.7% of total enterprises registered in this period. The number of enterprises registered in 2015 in the Territorial Office Chisinau showed a decreasing trend, the index representing 95.9%. The number of enterprises deregistered in the Territorial Office Chisinau in 2015 continued its increasing trend registered also in 2014, increasing by 17.6% s.p.l.y. Thus, in 2015 the number of enterprises deregistered in the Territorial Office Chisinau constituting 1269 units.

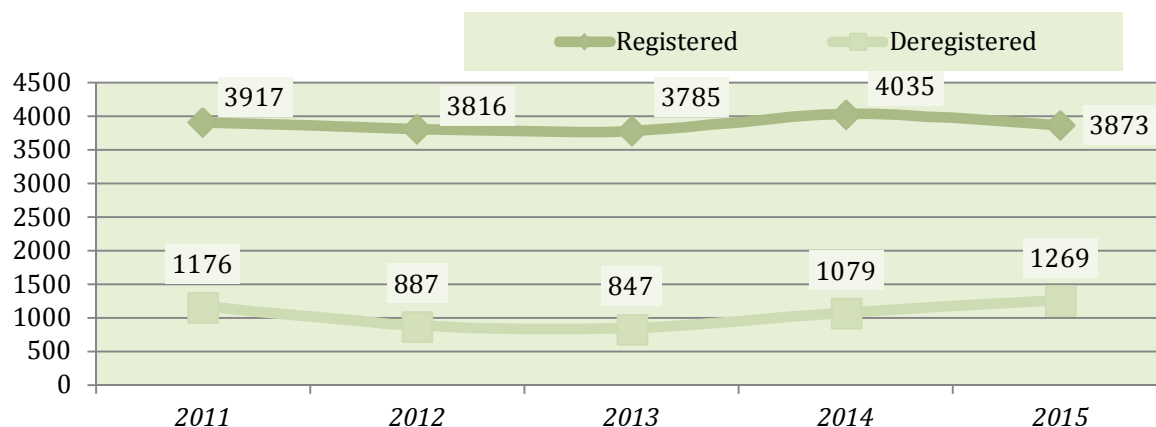


Figure 5.2. Dynamics of registered and deregistered enterprises from Chisinau branch in 2011-2015

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

The Territorial Offices followed also a decreasing trend in the number of enterprises registered in 2015 s.p.l.y. Hereby, in this period the number of enterprises registered in the Territorial Offices decreasing by 5.2% s.p.l.y.

In the Territorial Offices the number of registered enterprises marked a decreasing trend in the period 2011-2015, the index constituting 74.8%.

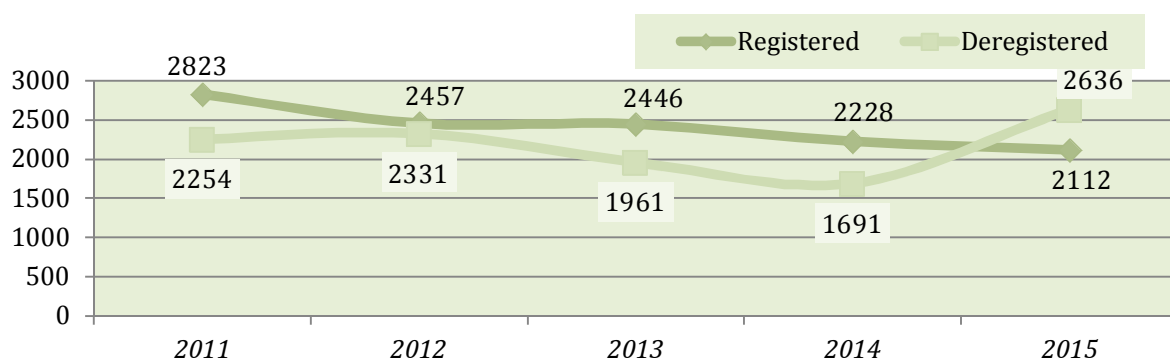


Figure 5.3. Dynamics of registered and deregistered enterprises from other branches in 2011-2015

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

In 2015 in the Territorial Offices, the number of deregistrated enterprises marked a significant increasing trend, increasing by 55.8%. Thus, in 2015 the number of enterprises deregistered in other Territorial Offices was 2636 units.

In 2015, 67.5% of the deregistered enterprises were out of Chisinau.

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

In Table 5.2, there are presented some indicators which characterize the activity of enterprises and organizations by property and types of activity in the region of the left bank of the Dniester River.

The total number of enterprises/organizations registered in the Sole State Registration of enterprises and organizations in the region of the left bank of the Dniester River was 10490 units at the end of 2014. In 2014, their number increased by 1.3% compared to the last year. In the period 2010-2014, the number of enterprises/organizations continues the growth rate, increasing by 7.4% in this period.

Table 5.2. Number and Group of the enterprises/organizations from the region to the left bank of the Dniester River during the period 2005-2014

Indicators	2005	2010	2013	2014
Number of enterprises/organizations, un.	8865	9769	10352	10490
Of which by ownership, %:				
State and Municipal, %	15.6	12.5	11.7	11.3
Common property, %	5.5	6.4	5.8	5.7
Public organization property, %	10.9	11.9	11.9	11.7
Private. of which:	68.0	69.1	70.7	71.3
Foreign property, %	...	0.3	1.3	1.4
Mixed with no foreign capital participation, %	2.3	1.7	1.7	1.6
Mixed with foreign capital participation, %	4.1	3.4	3.0	3.0
Of them by types of activity, %:	...	...
Industry	...	...	9.4	9.4
Agriculture	...	...	6.3	6.2
Transport and communications	...	...	1.9	2.0
Constructions	...	...	5.7	5.8
Trade and public administration. general trade activities	...	...	35.1	35.1
Housing and communal services household	...	...	5.1	5.1
Real estate transactions	...	...	2.4	2.7

Source: According to the data of the Statistical Yearbook. 2013. 2015.

There are no significant discrepancies in the structure of enterprises on the main types of activity to the left side of the Dniester River compared those from the Republic of Moldova, excepting the number of enterprises of some economic sectors. In this manner, the number of enterprises from the transport and communications sector in the Republic of Moldova is 6.6% of total number of enterprises reporting to NBS, exceeding the weight of enterprises with the same type of activity of the left bank of the Dniester representing only 2% of total number of enterprises and organizations. A similar state of affairs is also observed to the enterprises from the real estate transactions sector.

Chapter VI

SOCIAL SECTOR

Demographic situation. *In 2015 as in the previous years, the natural movement trends have been characterized by a decrease in birth rate and increase in death rate, continuing the decline of the negative natural movement of the population.* In 2015, the total number of live births in the country amounted to 38,567 pers., decreasing by 0.1% compared to the last year. At the same time, the number of deaths equaled 39,905 persons, the overall mortality rose by 1.04% compared to the last year. Following these developments, the natural decrease amounted to 1,388 persons, i.e. 0.3 persons per 1,000 inhabitants versus 0.2 persons per 1,000 inhabitants in the previous year. In this year compared to 2014, the number of deaths of children aged under 1 year increased by 2 children and the infant mortality rate equated to 9.7 deaths per 1,000 live births. Overall, compared to 2015 there was an increase by 0.1 p.p. in mortality rate (per 1,000 inhabitants) and the birth rate remained at the same level as in the previous year and amounted to 10.9 live-births per 1,000 inhabitants.

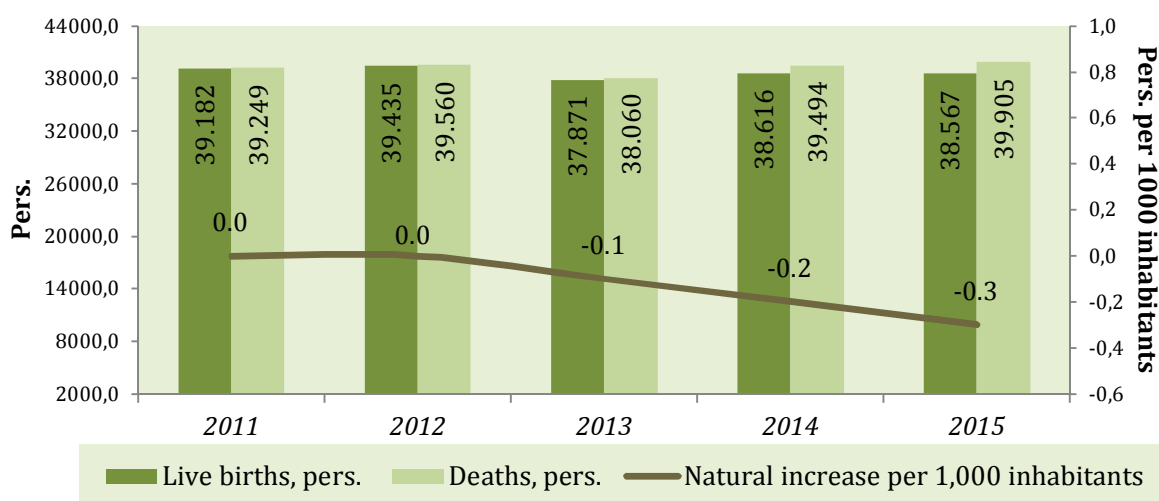


Figure 6.1. Natural movement of the population in 2011-2015

Source: According to the National Bureau of Statistics data.

After causes of deaths, the structure of mortality highlights that the most deaths are caused by the circulatory system diseases (57.7%), followed by malignant tumors (15.2%) and digestive system diseases (9.4%). The accidents, intoxications and traumas (6.9%) as well as respiratory diseases 4.6% and other classes 6.2% have a significant weight in the causes of deaths.

In 2015, the natural movement of the population of the Republic of Moldova by development regions shows that the most significant indicators on demographic situation according to the data of Table 6.1, were registered in Chisinau municipality and Center region, followed by the North region and on the opposite side being the South region and ATU Gagauzia.

The total number of marriages in the country amounted to 24,689, decreasing by 3.6% compared to 2014 and the marriage rate equated to 6.9 marriages per 1,000 inhabitants. Lower indicators were observed in the case of number of divorces in country which amounted to 11,106, decreasing by 0.2% compared to the previous year. The divorce rate equated 3.1 divorces per 1,000 inhabitants.

Table 6.1. Natural movement of the population of the country by development regions in 2015

	Live-births, pers.	Deaths, pers.	Deceased infants, pers.	Natural increase	Number of marriages	Number of divorces
<i>Chisinau municipality</i>	10,122	6,592	161	3,530	6,407	2,760
<i>North</i>	10,020	12,936	79	-2,916	6,257	2,897
<i>Center</i>	11,313	12,622	85	-1,309	7,729	3,487
<i>South</i>	5,338	6,097	39	-759	3,290	1,553
<i>ATU Gagauzia</i>	1,774	1,658	10	116	1,006	409

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

Labour market. *While the number of economic active population grew, the situation on the labor market in 2015 is characterized by an increase in the unemployment rate to a level of 4.9% compared to 3.9% in the last year. The rate of active population is 42.4% increasing compared to the previous year (41.2%). In 2015 the number of employed population increased by 18.7% compared to s.p.l.y. The employment rate for the population aged 15 and over was 40.3%, recording an increase of 0.7 p.p. compared to 2014.*

In 2015 the number of active population (1,265.6 thousand pers.) increased by 2.7% (33.2 thousand pers.) compared to the last year while there was a reduction in the number of inactive population. The structure of active population in the analyzed period is: 95.1% – the share of employed population and 4.9% – unemployed population share. The rate of active population is 42.4%, increasing compared to the previous year (41.2%). This indicator reached for men 45.1% and 39.9% for women.

The number of employed population amounted to 1,203.6 thousand pers. more by 18.7% compared to the last year. There were no differences between males and females. In terms of rural/urban: 53.9% – in rural areas and 46.1% – in urban areas. The rate of employed population aged 15 and over was 40.3%, increasing by 0.7 p.p. compared to 2014. This indicator reached 42.3% for men and 38.4% for women. According to area of residence, the employment rate was 42.0% in urban areas and 38.9% in rural areas.

In the analyzed period, the unemployment rate was 4.9% according to calculations of ILO methodology, increasing compared to the previous year (3.9%). The total number of Moldovans who lost their jobs in 2015 was 62.1 thousand persons, increasing by 14.6 thousand pers. compared to 2014. From total number of unemployed people, the unemployment hit a higher proportion of men – 63.4%, as well as people in urban areas – 61.7%. Among young people (aged 15-24) the unemployment rate was 12.8% and in the age group 15-29 years this indicator accounted for 9.7%. We can mention that due to the difficult conditions of the economic sector in the country, the social sector was affected, including the labour force.

On January 1, 2016 the number of unemployed registered at the National Agency for Employment amounted to 26,908 persons of which 13,207 were women. The number of registered unemployed people, on January 1, 2016 amounted to 32,984 persons of which 16,186 were women. 2,225 persons (1,076 women) benefited by unemployment benefits. 1,065 people (904 women) received professional integration and reintegration allowance. 1,290 unemployed people (including 846 women) attended professional training courses.

Inactive population is 57.6% of total population. In terms of their relation to the labour market there are two categories of people: discouraged persons to find the job they want amounted to 10.7 thousand pers. (compared to 13.8 thousand pers. in 2014) and persons declared by the households as gone abroad to work or to seek work amounted to 325.4 thousand pers.

compared to 341.9 thousand pers. in the previous year. From total number declared left men were 64.8%. The share of persons left from rural areas was 68.8%.

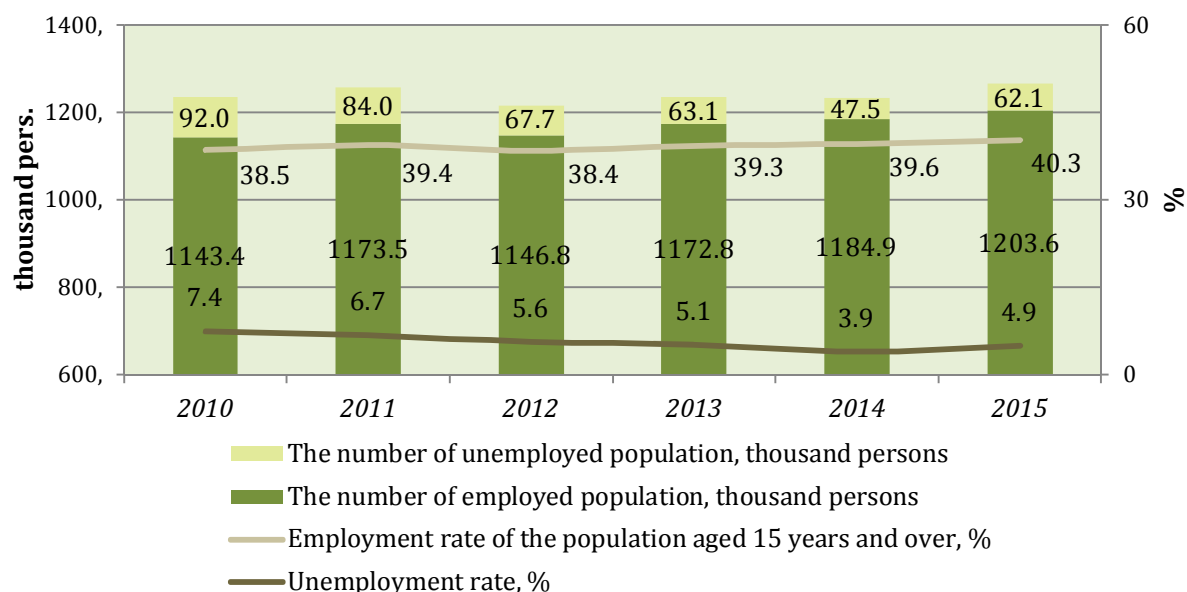


Figure 6.2. Trends in activity, employment and unemployment rates of the population aged 15 and over, dynamic trends in 2010-2015

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

Remuneration of labour. *The general trend on remuneration of labour during 2015 had an uneven development. Thus, in January the salaries rose slightly compared to February due to the annual paid bonus (Government Decision No. 180 of 11.03.2013 on the annual bonus payment to the people of budgetary institutions; last amendment – government Decision No. 770 of 23.09.2014). In the following period, February-July the salaries had a moderate growth trend especially in June-July (compared to the period July-November), when took place the vacation payment for teachers and the establishment of a new minimum guaranteed wage in the real sector (Government Decision No. 165 of 09.03.2010 on minimum guaranteed salary in the real sector; last amendment – Government Decision No. 219 of 29.04.2015). At the end of the year, in December the salaries rose due to the bonus calculation, salary increase in the real sector after winter holidays. Unlike nominal salaries in the real sector, those from the public sector have had smaller increments and more consistent declines.*

The nominal average salary in 2015 amounted to 4,610.9 MDL. According to the types of economic activities, the highest annual average salary (Annex *Remuneration of labour by economic activities, 2015*) has registered in: first place – Information and communication (9,770.7 MDL); IInd place – Financial and insurance activities (8,659.6 MDL); IIIrd place – Other service activities (6,965.4 MDL); IVth place – Professional, scientific and technical activities (6,320.2 MDL). On the opposite side were situated – Art, recreation and leisure activities (3,015.8 MDL); Accommodation and food service activities (3,055.6 MDL) and Agriculture, forestry and fishing (3,072.3 MDL).

In December, 2015 in the public sector the salary amounted to 4,161.7 MDL, more by 4.0% compared to December 2014. In the real sector the salary amounted to 5,683.8 MDL, by 8.6% more compared to December 2014. The index of the real salary for December 2015 was 94.5% compared to December 2014. However, in December 2015 the nominal average salary increased by 7.4% compared to December 2014 (Figure 6.3.).

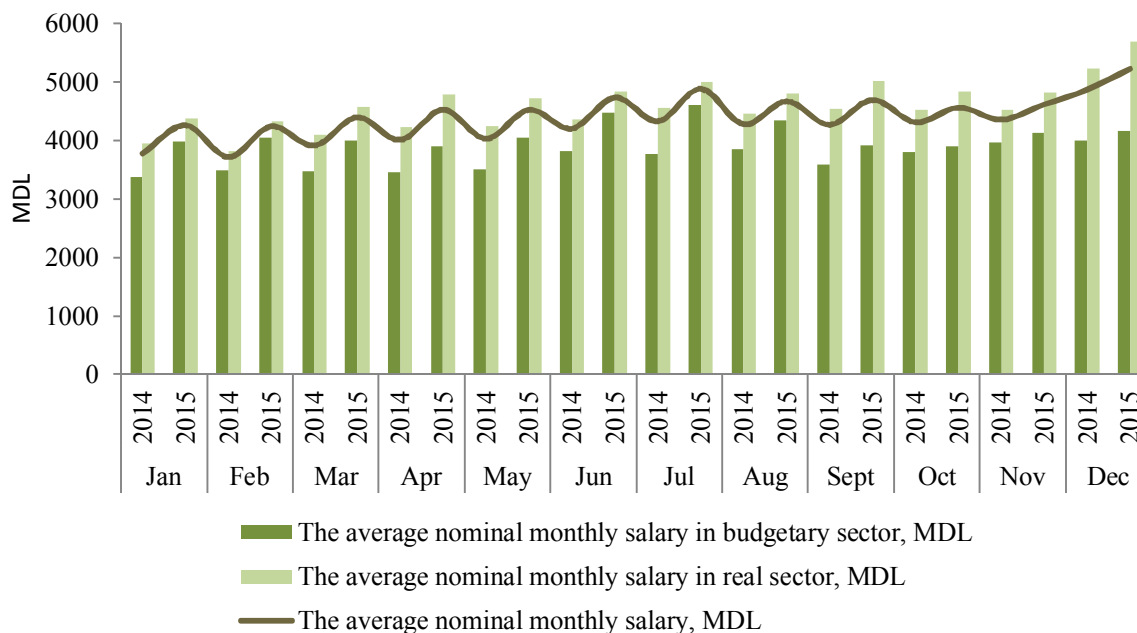


Figure 6.3. Dynamics of monthly nominal salary in budgetary and real sector in January- December 2014-2015, MDL

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

The trends in real average salaries were more moderate compared to the nominal rates registered in the analyzed period which were influenced by the inflationary pressures becoming more pronounced in the current year. The indices of real salaries in the period August-December 2015 had a decreasing trend compared to the same period of the last year, as a confirmation we have Table 6.2.

Table 6.2. Trends in nominal salary rates vs real salary rates, %

Year	2012		2013		2014		2015					
Nominal salary, %	108.9		110.0		110.8		110.5					
Real salary, %	104.1		104.6		105.4		100.7					
2015												
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Nominal salary, %	112.8	114.1	112.4	112.9	112.2	112.6	112.8	109.2	110.0	105.9	105.9	107.4
Real salary, %	107.7	107.1	104.9	104.9	103.8	104.0	103.9	97.3	97.7	93.6	93.3	94.5

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

The official statistical data show that the greater part of the disposable incomes of Moldovan population are the salaries. In the reviewed period, this indicator equated to 41.4% in the total disposable income structure. That is, this indicator is a main component in the incomes of population. At the same time, the contribution of the incomes decreased by 0.2 p.p. compared to 2014.

Disposable income of the population per month in 2015 amounted to 1956.6 MDL average per capita increasing by 10.7% compared to s.p.l.y. This indicator records a positive dynamics during the period 2012-2015. In real terms, adjusted to the consumer price index the incomes of population increased by 0.9%. The consumer price index amounted to 109.7% in 2015 compared to 2014.

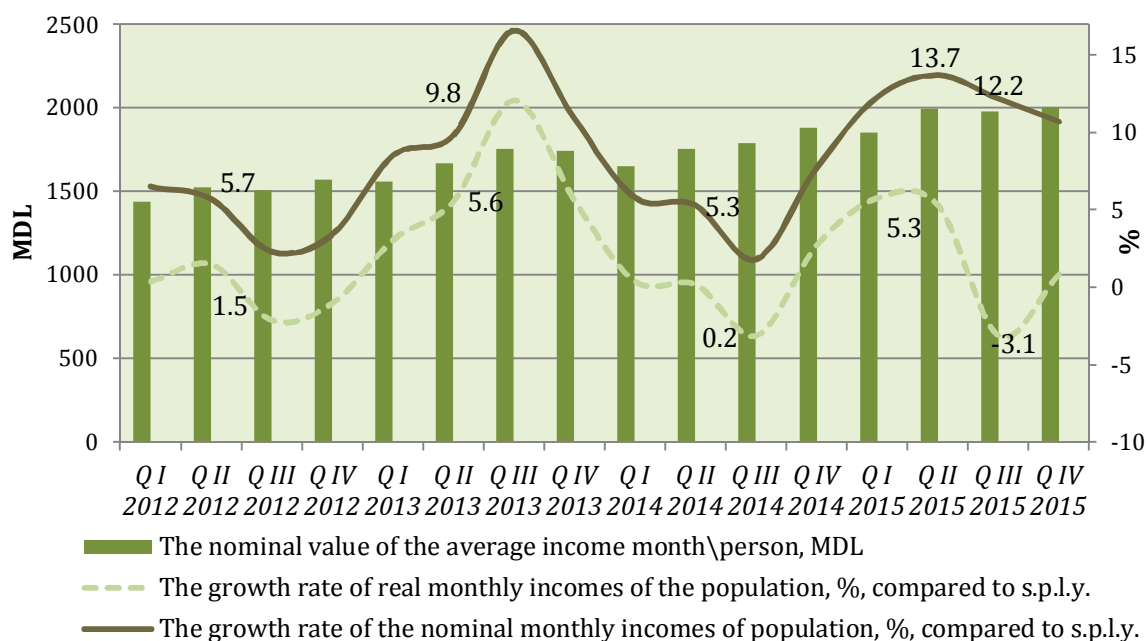


Figure 6.4. Dynamics of households disposable income, nominal value and growth rates, by quarters, 2012-2015

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

The most important source of income are the salaries which in 2015 amounted to 41.4% of total disposable incomes, thus this indicator decreased compared to the last years. The contribution of salaries in the income structure decreased by 0.2 p.p. compared to the last year.

The social benefits are the second source of income of Moldovans with a contribution of over 20.9% increased by 0.7 p.p. compared to s.p.l.y. The incomes of population obtained from self-employment activities amount to 15.9% of which 9.0% from individual agricultural activities and 6.9% from non-agricultural ones. However the remittances from abroad decreased by 0.2 p.p. revealing a growing contribution to the household budget, their weight exceeded 17.4% in the total structure of incomes which demonstrates that this indicator remains to be an important source for the household budget. It can be mentioned that people in villages are more dependent on remittances, their weight representing 23.4% of total incomes, two times higher than urban population (11.8%).

By area of residence, the same trend is maintained: the incomes of population from urban area are higher almost by 692.6 MDL compared to the incomes of population from the rural areas or by 1.4 times.

Average monthly consumption expenditures of the population in 2015 amounted to 2,048.5 MDL per person monthly increasing by 12.8% compared to 2014. In real terms, adjusted to the consumer price index, on average the population spent by 2.8% more compared to s.p.l.y.

In the analyzed period, the food consumption accounted for the biggest part of expenditures – 42.1% (43.8% in 2014). For housing maintenance one person allocated on average 17.9% of total consumption expenditures (-1.0 p.p. compared to s.p.l.y.), and for clothing and footwear – 11.2% (+0.6 p.p.). Other expenditures covered health (6.5% compared to 5.6% in 2014), housing facilities (3.9% compared to 3.5%), communication – 4.3% (the level of the previous year), transport (4.5% compared to 4.4%), education – (0.6% compared to 0.7%), etc.

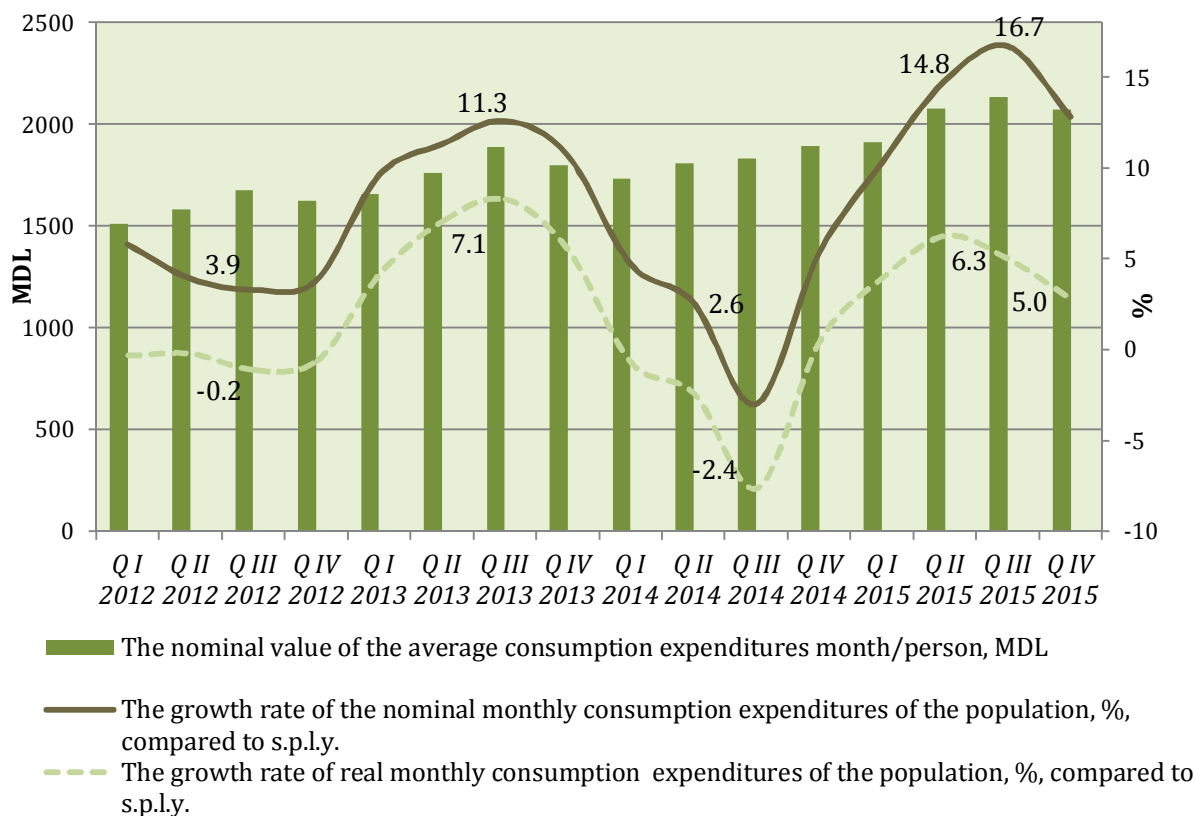


Figure 6.5. Dynamics of consumer expenditures, nominal value and growth rates, by quarters, 2012-2015

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

Food consumption of urban population totaled 39.6% of total monthly expenditures (42.1% in 2014), and in rural areas – 44.8%. At the same time, the urban population spent more for housing maintenance (18.7% compared to 17.0% in rural areas), transport (5.0% compared to 4.1%), communication services (4.6% compared to 4.0%), for hotels, cafes and restaurants (2.9% compared to 0.5%), leisure services (2.0% compared to 0.7%). In relative terms, the rural population spent more for clothing, footwear (12.0% compared to 10.5% in urban area) and housing facilities (4.3% compared to 3.6%).

Social protection of population. According to the data of the National House of Social Insurance, the number of pensioners registered to the social protection bodies on January 1, 2016 amounted to 679.9 thousand persons. The monthly average pension amounted to 1165.22 MDL.

The region of the Republic of Moldova from the left bank of the Dniester River¹⁶

Labour market. On January 1, 2016 the employed population amounted to 98.7 thousand pers., decreasing by 3,775 pers. or by 3.8% compared to the last year. At the end of 2015 unemployed people amounted to 3,591 pers. and their number decreased by 30.4% in comparison with the previous year. 1,839 pers. or 51.2% of total registered citizens are women. Overall, in 2015 through Transnistrian Agency for Employment there have been employed 1,651 pers. In this period, professional consultations with students were performed: group consultations – 208, totaled 3,630 pers. and individual consultations – 541 which included 508 pers., with adult population: individual consultations – 7,040 which included 6,892 pers. For unemployment

¹⁶ The analysis was based on the Statistical Service of Transnistria.

benefits there have been spent 14,827.7 thousand rubles. The average amount of *unemployment benefits* in 2015 amounted to 446.0 roubles.

Labour remuneration. In 2015, *the average monthly nominal salary* calculated for an employee, except for the small business entities, amounted to 3,865 rubles or 95.8% compared to the last year (at the official exchange rate of the monetary authority from the left bank of the Dniester River – 348 USD or 95.9% compared to 2014¹⁷).

During the analyzed period, the average monthly nominal salary calculated for an employee was higher than the average salary in the region in the following economic branches : „Electro- and radio- communication” (9,442 rubles or 851 USD), „Banks and credits” (7,894 rubles or 711 USD), „Insurance” (6,074 roubles or 547 USD), „Computing services and informatics” (5,039 rubles or 454 USD), „Industry” (4,976 rubles or 448 USD), „Constructions” (4,525 rubles or 408 USD), „Collection of ferrous and non-ferrous metals waste” (4,523 rubles or 407 USD), „Real estate transactions” (4,511 rubles or 406 USD), „Publishing and printing houses” (4,456 rubles or 401 USD), general trade activities (4,400 rubles or 396 USD), „Housing and communal services” (4,194 rubles or 378 USD), „Administration bodies” (4,170 rubles or 376 USD), „Transport” (4,107 rubles or 370 USD), „Trade and public food” (3,957 rubles or 356 USD).

At the same time, the average monthly nominal salary calculated for an employee was lower than the average salary in the region in the following branches of the economy: „Geology and meteorology” (1,962 rubles or 177 USD), „Forestry” (1,972 rubles or 178 USD), „Social assistance” (2,087 rubles or 188 USD), „Postal communication” (2,251 rubles or 203 USD), „Culture and art” (2,390 rubles or 215 USD), non-productive types of consumer services (2,451 rubles or 221 USD), „Health” (2,628 rubles or 237 USD), „Governing bodies of cities and districts” (2,643 rubles or 238 USD), „Education” (2,649 rubles or 239 USD), „Science” (2,955 rubles or 266 USD), „Agriculture” (3,102 rubles or 279 USD), „Physical culture, entertainment and tourism” (3,253 rubles or 293 USD), „Judicial authorities and institutions” (3,387 rubles or 305 USD).

In industry, the highest average nominal monthly salary in 2015 was recorded in the following sub-branches: steel industry – 558 USD or 160.2% of the average salary in economy; electrical industry – 539 USD, which is by 54.7% higher than the average salary in the region; manufacturing of machinery and processing of metals – 447 USD or by 28.4% higher than the average salary in the economy; printing industry – 432 USD. The lowest average nominal monthly salary, calculated for the analyzed period had the employees of the following industry sub-branches: wood processing industry – 252 USD, which is lower than the average salary by 27.6%; other industrial branches – 272 USD, which is by 22.0% lower than the average salary in the region; light industry – 354 USD or by 1.7% lower than the average salary in the economy; chemical industry – 368 USD or by 5.7% higher than the average salary in the economy.

Social protection of population. The average number of pensioners for 2015 equated to 125,026 pers., less by 11.5% compared to the previous year. The average number of pensioners for the period October-December 2015 was 124,789 pers., including 120,586 pers. receivers of labour pension and 4,204 pers. beneficiaries of social pension. The average amount of the pensions established for this period was 1,333.82 rubles (labour pension – 1,358.40 rubles, social pension – 628.91 rubles).

Subsistence minimum. In 2015 the amount of the *subsistence minimum* averaged 1,295.18 rubles per person per month, which is by 1.7% less compared to the last year.

¹⁷ *The official average exchange rate of the monetary authority of the region to the left bank of the Dniester River in January-December, 2015: 1 USD=11.1000 rubles; 1 MDL= 0.5924 rubles*
(http://www.cbpmr.net/resource/svkv_narast_itog_11_01_15.pdf)

Table 6.3. Subsistence minimum in the region from the left bank of the Dniester River in 2015
(average per person, rubles per month)

	Total population	Including:				
		Able to work		Pensioners	Children	
		Men	Women		Aged under 6 years	from 7 to 15 years
<i>January</i>	1,323.23	1,447.33	1,367.79	1,109.72	1,204.09	1,457.84
<i>February</i>	1,334.68	1,457.77	1,380.40	1,123.06	1,214.24	1,463.89
<i>March</i>	1,315.74	1,435.63	1,362.54	1,107.56	1,197.40	1,440.79
<i>April</i>	1,307.05	1,426.30	1,353.24	1,100.94	1,186.18	1,432.56
<i>May</i>	1,314.00	1,434.02	1,360.76	1,107.07	1,189.51	1,440.27
<i>June</i>	1,324.52	1,445.51	1,370.54	1,114.84	1,199.40	1,458.99
<i>July</i>	1,285.99	1,402.56	1,331.91	1,081.37	1,169.56	1,414.19
<i>August</i>	1,256.00	1,369.66	1,304.28	1,056.11	1,140.13	1,371.17
<i>September</i>	1,263.81	1,377.38	1,311.96	1,062.22	1,150.64	1,382.85
<i>October</i>	1,272.32	1,386.91	1,319.21	1,070.11	1,159.91	1,393.50
<i>November</i>	1,271.38	1,385.46	1,318.52	1,069.92	1,158.57	1,391.45
<i>December</i>	1,273.45	1,387.25	1,320.65	1,071.59	1,161.80	1,394.84

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

Crimes. In 2015, the public order protection bodies have registered 11,360 requests and reports about crimes or by 4.3% more than in 2014. There were registered 4,520 crimes which is by 1.7% less compared to the previous year. The recorded crimes included: 34 – murders, 50 – intentional severe injury, 216 crimes related to illegal trafficking of arms, 83 crimes committed by use of arms, munitions and explosives, 534 – crimes against public order, 654 – drug related crimes, 151 – swindles, 1,193 – thefts, 132 – robberies, hooliganism – 104, corruption cases (bribery) – 38, other crimes – 1,109, etc. As a result of crimes committed 2,530 pers. suffered, including 55 pers. died (2.2%), 60 pers. were caused serious health injuries (2.4%).

Chapter VII

FORECAST FOR 2016

(Updated version)

World economic perspective in view of the International Monetary Fund

In 2015, the world economic activity continued to be low. The economic increase in countries developing and those in transition decreased for the fifth consecutive year (although constituted over 70% of the world increase), when countries with high level of economic development continued an insignificant restoring growth.

The world economic growth was 3.1% in 2015 according to the recent estimations and it is forecasted at a level of 3.4% in 2016. The revival of world activity will be tempered according to the forecasts as provided in the launch from October 2015 by the IMF of the bulletin "Perspectives of world economic development", especially in developing countries and those in transition.

The challenges for the world perspectives are directed towards growth slowdown and are related to the correction continuity in the world economy: overall growth slowing for countries in transition, lower prices for commodity exchange and slow tightening of gentle monetary and credit conditions in USA.

The growth rates in countries with highly developed economy according to the forecasts will increase by 0.2 p.p. in 2016 to 2.1%. In USA the overall activity remains to be sustainable.

The economy of the European countries in transition will increase with stable rates according to the forecasts, although with slowdown in 2016. It is expected that Russia, which continues to adapt to the conditions of the low oil prices and sanctions imposed by Western countries, to be in recession also in 2016. Other CIS countries are exposed to the impact of Russia recession and geopolitical influence, as in some cases to some internal structural disorders. According to the forecasts, the growth in these countries will be insignificant in 2016.

In the view of IMF, the governing bodies of developing countries and those in transition have to promote strongly the structural reforms in order to remove the infrastructure constraints, support formation of a dynamic and favorable to innovation bussiness environment and enhance the human capital. In front of many of these countries are also raising issues of domestic capital markets capacity, more effective mobilization of budgetary revenues and diversification of export by reducing the weight of raw material goods.

Development of economy of the Republic of Moldova in 2015

After the parliamentary elections from November 2014, the socio-economic situation of the Republic of Moldova began to deteriorate considerable, turning gradually in a big disappointment and indignation of the population caused firstly by the disclosure of the three large banks robbing a huge amount of money named by mass-media "theft of the century".

In the next year (2015), the stressed socio-political situation in the country moved as secondary the realization of the main problems related to society reforming by implementation of the Association Agreement with the EU. In the whirl of political battles, many governments have been designated and then the confidence has been lost. The loss of relations with the international financial institutions and their granting aid was ceased as a consequence of instability of the internal socio-political situation and reforms stopping.

In country, along with stopping of structural and institutional reforms, the business unconfidence against authorities increased, business activity was significantly damaged, market and law institutions weakened and the inefficient state sector continued to deteriorate.

The overall state functionality has been questioned. In addition, the unfavorable weather conditions overlapped in agriculture. As a result, since the beginning of 2015, the first signs of crisis have been observed which then intensified. Thus, if after the first quarter only two positions (export and import) decreased compared to the same period of the last year then after the first half of the year – 5 positions, after 9 months – 7 positions and the entire year ended in a negative result on all positions, excepting industrial production.

Forecast on the national economy development in 2016

The continuous declining development of macroeconomic indicators in 2015, especially in the second half of the year which resulted in a decrease of the generalizing indicator in GDP by 0.5% will certainly influence the economic development in 2016, especially in the first half of the year.

The reforms delay due to some blockages of internal political reasons, aid and support development partners stopping harmed seriously the state. As a result the economy entered in a deep systemic crisis with uncertain prospects. So, there are preconditions that the initiated crisis in 2015 to have negative repercussions on a longer period than in 2009.

„The European Union will continue to support, including financially, the Republic of Moldova only after the implementation of essential reforms”. These statements belong to the High Representative of the Union for Foreign Affairs and Security Policy, the vice-president of the European Commission. Federica Mogherini, as well to the European Commissioner for Neighbourhood Policy and Negotiations for Enlargement. Johannes Hahn, after the Meeting of the EU-RM Association Council which took place in Brussels on March, 14, 2016. It should be mentioned that the process of promoting reforms will be aggravated by the eventual socio-political events of 2016 such as the presidential elections as well as possible early parliamentary elections.

In such uncertain circumstances, the experts opinions in the economic field are different on national economic development even in a subsequent transitional period. Most likely, in 2016, after more opinions, the economic growth will hover around „zero” percent in the best case.

Taking into account both the visions of experts and own experience of the scientific researchers of the National Institute for Economic Research based on the macroeconometric model there have been performed forecast calculations of the main macroeconomic indicators for 2016 and their results are presented in Table 7.1.

According to Table 7.1, the optimistic version of the forecast for 2016 provides a more positive development of the most indicators and firstly of GDP (+1.2%) but the pessimistic version provides a decrease (-1.6%). The optimistic version foresees a substantial improvement of the monetary policy of the National Bank of Moldova which could reduce the inflation by 3 percentage points (p.p.) to 6.7%. In the pessimistic version, the inflation reduction foresees only 0.5 p.p. The leu depreciation will be higher in the pessimistic version constituting 21 lei/USD, against 20 lei/USD in the optimistic version.

Table 7.1. Dynamics of the main macroeconomic indicators of the Republic of Moldova for 2013-2015 and the forecast for 2016

	Measurement unit	2013	2014	2015	2016	
		De facto			Forecast	
					Optimistic version	Pessimistic version
Nominal GDP	bln. lei	100.5	112.05	121.85	131.6	130.9
Compared to the previous year in comparable prices	%	109.4	104.8	99.5	101.2	98.4
Annual average consumer price index	%	104.6	105.1	109.7	106.7	109.2
Average exchange rate	lei/USD	12.59	14.04	18.81	20.0	21.0
Export of goods	mln.USD	2428	2340	1967	2105	1900
Compared to previous year	%	112.3	96.3	84.1	107.0	96.6
Import of goods	mln.USD	5492	5317	3987	4255	3800
Compared to previous year	%	105.4	96.8	75.0	106.7	95.3
Trade balance	mln.USD	-3064	-2977	-2020	-2150	-1900
Industrial production in current prices	bln.lei	39.0	43.5	46.0	48.4	46.2
Compared to previous year in comparable prices	%	108.6	107.3	100.6	101.5	97.0
Agricultural production in current prices	bln.lei	23.8	27.1	26.8	30.8	31.5
Compared to previous year in comparable prices	%	139.1	108.6	86.2	109.1	107.5
Investment in long-term tangible assets	bln.lei	19.13	20.8	20.8	23.6	22.8
Compared to previous year in comparable prices	%	101.5	102.3	91.2	103.5	100.4
Average nominal monthly salary	lei	3765	4172	4611	5040	4900
Compared to previous year						
nominal	%	108.3	110.8	110.5	109.3	106.3
Real	%	103.5	105.4	99.3	102.4	97.3
Labor remuneration fund	bln.lei	42.9	45.2	52.9	56.5	54.6
Labor force (economically active population)	thousand pers.	1236	1232	1218	1208	1204
Number of employees in the national economy	thousand pers.	1172.8	1184.9	1158.7	1150	1142
Unemployment rate	%	5.1	3.9	5.0	4.2	4.9
Remittances from abroad	mln. dol.	1609	1613	1130	1100	1050

Source: Elaborated by the author.

After a collapse in foreign trade in the last year, the optimistic version provides an increase of 7% in export and 6.7% in import. The pessimistic version foresees a continuous reduction for both indicators (-3.4% in export and -4.7% in import). The forecasted indicators for 2016 of the foreign trade are far below the level in the years 2013 and 2014.

The agricultural production for both versions is foreseen increasing with growth rates compared to the previous year, unfavorable for agricultural sector, though in pessimistic version (+7.5%) the growth will be lower than the optimistic one (+9.1%).

Industrial production, according to the optimistic version will be higher (+1.5%) compared to the previous year and according to the pessimistic version provides a 3% decrease. Due to the lack of agricultural raw material from the previous year serving as manufacturing base, the industrial production is not able to advance with higher rates than those provided in the optimistic version, it may even downgrade, according to the pessimistic version.

Investment in long-term tangible assets, after reducing significantly in the previous year compared to 2014, are foreseen to register a slight growth in both versions – by 3.5% in optimistic version and 0.4% – in pessimistic one. This growth will be achieved as a result of actions which will be carried on to improve the investment climate.

The average real monthly salary of an employee in the national economy will increase by 2.4% compared to previous year according to the optimistic version while the pessimistic version foresees a 2.7% reduction of real salaries. The remittances from abroad for see a continuous reduction in both versions (by 30 mln. USD in optimistic version and 80 mln. USD in pessimistic version).

The indicators characterizing the situation on labor market will decrease but the reductions will be insignificant. The number of unemployed people will be 4.2 thousand persons (optimistic version) and 4.9 thousand persons (pessimistic version) compared to 5 thousand in 2015. The number of employees in the national economy will be slightly below compared to previous year, in both versions.

An eventual quarterly development of GDP during 2016 is presented in the figure below.

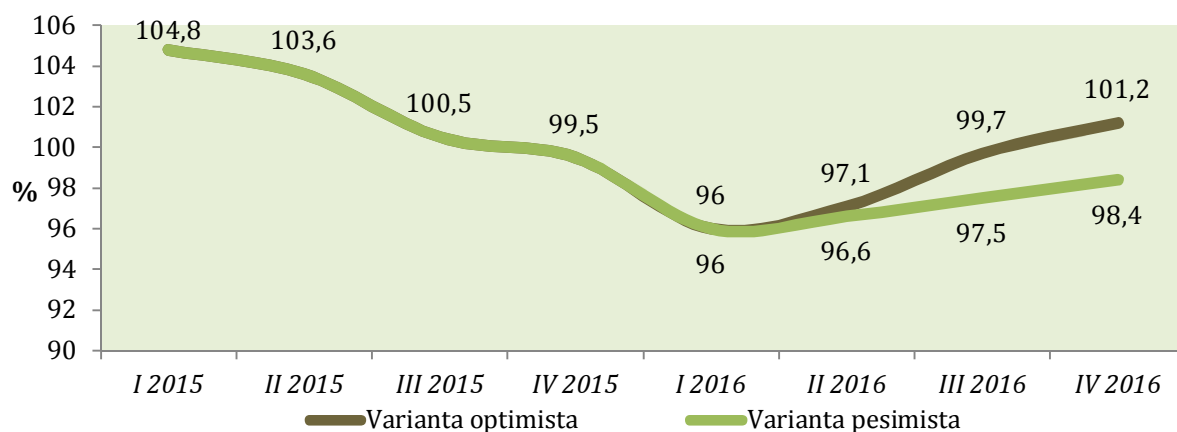


Figure 7.1. Cumulative dynamics of Gross Domestic Product during 2016

Source: Elaborated under the data of the NBS plus author’s calculations.

The parameters of macroeconomic indicators foreseen for 2016 start from the above mentioned reality. The specified parameters in this forecast could be reviewed with the return of socio-political stability in the country and creation of economic growth premises by accelerated rates.



STATISTICAL ANNEX

GDP RESOURCES																						
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	%	
2011	82348.7	106.8	106.3	68390	105.2	105.2	10095	105.2	11518	110.2	110.2	2720	101.9	101.3	13959	109.6	109.6	45831	101.3	101.3	13959	109.6
2012	88227.8	99.3	99	73686	79.9	79.9	9896	79.9	12314	100.8	100.8	3041	101.8	103.2	14542	100.8	100.8	50178	103.2	103.2	14542	100.8
2013	100510.5	109.4	110.2	83719	146.6	146.6	12383	146.6	14328	107.6	107.6	3373	105.3	103.9	16791	105.1	105.1	55346	103.9	103.9	16791	105.1
2014	111757.4	104.6	105.2	94228.3	108.2	108.2	14111.8	108.2	16246.8	107.2	107.2	3964.8	110.6	103.8	17529.1	101.5	101.5	62112.3	103.8	103.8	17529.1	101.5
2015	121850.9	99.5	99.6	103160.8	86.6	86.6	14267.8	86.6	14919.3	103.4	103.4	4359.7	100.6	102.8	18690.1	99.2	99.2	69441.4	102.8	102.8	18690.1	99.2
Quarter I 2013	19672.7	103.5	102.9	16201.0	102.3	102.3	824.8	102.3	2960.0	102.2	102.2	522.5	110.5	102.5	3471.8	106.6	106.6	12283.7	102.5	102.5	3471.8	106.6
Quarter II 2013	23703.3	106.1	105.9	19649.0	103.8	103.8	2064.3	103.8	2961.7	113.4	113.4	1182.5	100.8	104.6	4054.4	106.7	106.7	13388.1	104.6	104.6	4054.4	106.7
Quarter III 2013	29936.4	112.9	114.2	25436.1	159.8	159.8	5847.4	159.8	3836.0	107.5	107.5	1128.7	102.2	104.3	4500.3	105.6	105.6	15117.7	104.3	104.3	4500.3	105.6
Quarter IV 2013	26566.7	111.2	112.5	21792.1	152.2	152.2	3430.7	152.2	3633.8	107.4	107.4	600.4	116.0	104.5	4774.6	105.2	105.2	14610.8	104.5	104.5	4774.6	105.2
Quarter I 2014	21499.2	103.7	104.4	17917.5	104.4	104.4	977.2	110.2	3373.0	105.7	105.7	597.9	108.9	103.8	3581.7	100.7	100.7	13497.8	103.8	103.8	3581.7	100.7
Quarter II 2014	26280.9	104.3	104.9	21985.9	108.7	108.7	2354	108.7	3959.1	103.9	103.9	1403.4	110.5	104.4	4295	101.1	101.1	14823.9	104.4	104.4	4295	101.1
Quarter III 2014	34115	105.8	106.2	29372.9	108.4	108.4	6931.1	108.4	4420.0	106.1	106.1	1271.1	113.7	104.8	4742	103.4	103.4	17293.1	104.8	104.8	4742	103.4
Quarter IV 2014	29862.3	104.2	104.9	24951.9	107.3	107.3	3849.6	107.3	4495.0	112.7	112.7	692.4	106.7	102.2	4910.4	100.7	100.7	16497.5	102.2	102.2	4910.4	100.7
Quarter I 2015	24423.2	104.8	105.2	20473.7	104.4	104.4	914.7	104.4	4001.4	107.9	107.9	708.6	106.2	105.2	3949.4	103.1	103.1	15763.5	105.2	105.2	3949.4	103.1
Quarter II 2015	28526.8	102.5	102.7	23958.3	102.7	102.7	2064.6	102.7	4569.5	104.6	104.6	1521.4	101.1	103.5	4568.5	101.5	101.5	16755.0	103.5	103.5	4568.5	101.5
Quarter III 2015	35889.6	96.3	96.1	30723.9	82.6	82.6	6484.8	82.6	4846.8	102.5	102.5	1393.5	98.2	101.2	5165.7	97.6	97.6	19030.7	101.2	101.2	5165.7	97.6
Quarter IV 2015	33011.3	96.7	96.9	28004.8	81.7	81.7	4803.7	81.7	4010.9	98.1	98.1	736.2	98.9	106.2	5006.5	95.6	95.6	19002.6	106.2	106.2	5006.5	95.6

Source: According to the National Bureau of Statistics data.

Period	Uses of GDP													
	GDP			Final consumption			Gross capital formation			Stock variation			Net export	
	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
2011	82348.7	106.8	107.3	96090.5	107.3	113	19178.8	113	x	725.2	x	x	-33645.8	x
2012	88227.8	99.3	100.9	103062.6	100.9	101.8	20864.1	101.8	x	-3.2	x	x	-35695.7	x
2013	100510	109.4	105.2	113169	105.2	103.8	23062	103.8	x	1721	x	x	-37442	x
2014	111757.4	104.6	102.4	123357.5	102.4	110.1	27608.2	110.1	x	1447.4	x	x	-40655.8	x
2015	121850.9	99.5	98.1	131230.0	98.1	98.8	29492.3	98.8	x	-1952.2	x	x	-36919.2	x
Quarter I 2013	19672.7	103.5	102.6	23400.8	102.6	106.6	4219.7	106.6	x	-85.3	x	x	-7862.5	x
Quarter II 2013	23703.3	106.1	106.2	27408.2	106.2	103.0	5576.7	103.0	x	627.7	x	x	-9909.3	x
Quarter III 2013	29936.4	112.9	107.4	32009.0	107.4	101.2	6667.3	101.2	x	716.9	x	x	-9456.7	x
Quarter IV 2013	26566.7	111.2	104.2	30485.2	104.2	103.6	6103.1	103.6	x	478.2	x	x	-10499.9	x
Quarter I 2014	21499.2	103.7	100.5	24926.1	100.5	108.6	4993.3	108.6	x	-238	x	x	-8182.2	x
Quarter II 2014	26280.9	104.3	101.4	29542.5	101.4	107.6	6683.6	107.6	x	-109.3	x	x	-9835.9	x
Quarter III 2014	34115	105.8	103.3	35387.1	103.3	111.5	8173.6	111.5	x	973.4	x	x	-10419.1	x
Quarter IV 2014	29862.3	104.2	103.9	33501.8	103.9	112.1	7757.7	112.1	x	821.4	x	x	-12218.6	x
Quarter I 2015	24423.2	104.8	100.3	27244.8	100.3	107.8	5972.5	107.8	x	-73.9	x	x	-8720.3	x
Quarter II 2015	28526.8	102.5	100.1	31504.5	100.1	98.5	7053.9	98.5	x	-865.8	x	x	-9165.7	x
Quarter III 2015	35889.6	96.3	95.4	36492.0	95.4	95.2	8534.7	95.2	x	594.4	x	x	-9731.5	x
Quarter IV 2015	33011.3	96.7	97.6	35988.8	97.6	97.1	7931.1	97.1	x	-1606.9	x	x	-9301.7	x

Source: According to the National Bureau of Statistics data.

Period	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)
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
2015	9.7	9.8	11.8	6.2
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
Quarter II 2015	8.0	8.7	11.1	2.6
Quarter III 2015	11.1	10.7	12.8	8.6
Quarter IV 2015	13.4	14.1	13.8	11.4

Source: According to the National Bureau of Statistics, NIER'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 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
May 2015	8.1	9	11	2.6
June 2015	8.3	9.2	11.4	2.7
July 2015	8.6	8.7	12.2	3
August 2015	12.2	10.9	13.4	11.3
September 2015	12.6	12.6	12.9	11.4
October 2015	13.2	13.5	13.5	11.7
November 2015	13.5	14.5	13.8	11.3
December 2015	13.6	14.3	14.1	11.3
January 2016	13.4	14.6	13.3	11.3
February 2016	10.3	11.8	8.8	10.0

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

INDUSTRIAL PRODUCERS PRICES						
Period	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)	Growth rate of prices in constructions, % (compared to the same period of previous year)	Growth rate of prices for agricultural products, % (compared to the same period of previous year)
2011	6.8	2.6	6.3	10.5	9	10
2012	5.7/3.1*	3.8/4.7*	5.1/2.0*	9.2/11.4*	10	17.7
2013	3.2/3.3*	1.6/1.6*	3.8/3.8*	-0.4/-0.4*	8.3	-22.2
2014	5.5*	3.9*	6.5*	-1.4*	8.2	6.6
2015	6.3	4.4	6.8	2.8	8.0	18.8
Quarter I 2013	2.6	4.7	2.6	2.0	10.6	10.4
Quarter II 2013	3.2	1.7	3.6	0.7	8.0	2.7
Quarter III 2013	3.4	1.2	4.1	-1.6	7.8	-26.4
Quarter IV 2013	3.7	-0.2	4.6	-2.4	8.1	-28.9
Quarter I 2014	4.9	1.3	5.9	-2.5	9.1	-15.2
Quarter II 2014	6.7	4.9	7.9	-2.5	7.4	-0.5
Quarter III 2014	6.4	5.1	7.4	-0.8	8.2	2.6
Quarter IV 2014	4.2	4.2	4.7	0	8.3	8.6
Quarter I 2015	5.7	5.6	6.3	0.7	7.7	1.0
Quarter II 2015	4.5	4.2	5.0	0.3	7.9	-13.8
Quarter III 2015	6.1	3.5	6.5	3.4	8.3	27.6
Quarter IV 2015	8.9	4.6	9.2	6.8	8.2	33.0

Source: According to the National Bureau of Statistics data. NIER'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 CAEM. rev.2.

INDUSTRIAL 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 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
October 2014	4.3	4.5	4.9	0
November 2014	4.3	3.8	4.9	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	5.5	5.3	6.1	0.3
May 2015	4.5	4.7	5	0.3
June 2015	3.4	2.6	3.9	0.3
July 2015	3.8	3.4	4.2	0.3
August 2015	7.4	3.4	7.2	9.8
September 2015	7.2	3.7	8.2	0.2
October 2015	8.2	3.9	9.3	0.2
November 2015	9.3	4.6	9.4	9.8
December 2015	9.1	5.3	9.0	10.5
January 2016	8.2	4.2	8.1	9.7

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

Period	EXCHANGE RATE					
	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)
2011	11.7	16.3	-5.1	-0.4	-9	-4.5
2012	12.1	15.6	3.2	-4.7	0.7	-6.5
2013	12.6	16.7	3.9	7.4	0.9	4.3
2014	14.0	18.6	11.1	11.4	7.8	6.6
2015	18.8	20.9	34.3	12.4	22.3	2.2
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	10.9	25.7	4.2
Quarter II 2015	18.1	20.1	32.6	6.9	21.7	-1.1
Quarter III 2015	19.4	21.6	38.1	15.8	22.0	3.3
Quarter IV 2015	19.9	21.8	32.5	16.2	16.7	1.7

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

Period	EXCHANGE RATE					
	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 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	27.6	1.1
April 2015	18.0	19.4	34.4	4.4	23.2	-3.0
May 2015	18.0	20.0	31.3	6.5	20.4	-1.3
June 2015	18.4	20.7	32.4	9.4	21.4	1.0
July 2015	19.0	20.9	35.4	9.9	23.9	1.4
August 2015	19.0	21.2	37.4	15.0	21.7	2.6
September 2015	19.6	22.1	36.9	19.4	20.4	5.9
October 2015	19.9	22.4	35.7	20.4	19.1	7.5
November 2015	20.0	21.5	33.8	15.2	17.6	3.2
December 2015	19.8	21.5	28.3	13.0	13.3	2.6
January 2016	20.3	22.1	22.2	13.7		
February 2016	20.1	22.3	6.7	4.2		

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

MONETARY POLICY					
Period	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)
2011	10864.5	17385.6	28265.4	40977.1	17154.0
2012	13240.8	20607.3	34914.6	49513.2	20531.1
2013	17550.5	21119.4	45177.1	62631.5	26077.7
2014	17508.7	26513.2	43219.9	65973.0	27722.2
2015	15509.4	23561.8	39260.8	64006.2	29689.1
January 2014	16900.7	26179.4	44349.8	62300.0	25262.1
February 2014	16715.9	26279.5	44360.4	62555.9	24766.2
March 2014	16656.2	26522.4	44408.9	62328.5	25097.0
April 2014	17027.5	26398.7	44252.4	62481.4	25878.9
May 2014	17301.2	26942.1	44776.8	63316.9	25551.3
June 2014	17610.6	27362.9	45067.5	64455.1	26095.6
July 2014	18137.3	27770.8	45364.3	64806.2	27037.5
August 2014	17988.8	27373.9	44996.6	64675.8	26616.9
September 2014	17531.3	27185.7	44727.1	65213.2	25811.5
October 2014	17600.5	27645.8	45040.5	65882.8	29191.7
November 2014	17452.0	26613.4	43885.6	65504.6	26109.1
December 2014	17508.7	26513.2	43219.9	65973.0	27722.2
January 2015	16635.9	25264.0	41613.5	67516.2	25356.4
February 2015	15810.9	23824.9	39171.2	66586.6	25873.4
March 2015	15420.3	23530.3	38927.0	64613.0	24622.1
April 2015	15410.9	23914.7	39276.3	64856.6	24728.4
May 2015	15676.8	24280.0	39650.9	64804.8	25735.8
June 2015	16136.7	24615.4	39983.3	65894.8	26569.1
July 2015	16369.1	24681.3	39911.8	65517.4	27480.4
August 2015	16992.3	25123.3	40189.7	65531.4	28718.4
September 2015	16588.9	24301.7	39410.5	65718.6	29860.8
October 2015	16193.4	23415.6	38653.8	64496.3	29403.4
November 2015	15536.6	22885.8	38384.2	63403.3	29269.4
December 2015	15509.4	23561.8	39260.8	64006.2	29689.1
January 2016	15060.2	22904.9	38820.1	64639.1	28712.8

Source: According to the National Bank of Moldova data.

MONETARY POLICY							
Period	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 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	3.5/4.5	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	8.5/13.5	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	13.5	309.6	16.5	3.3	10.5	622.1	18
May 2015	13.5	1169.7	16.5	-	10.5/11.5	692.4	18
June 2015	14.5/15.5	1539.8	17.5/18.5	-	11.5/12.5	617.9	20
July 2015	15.5/17.5	1335.9	18.5/20.5	-	12.5/14.5	545.1	22
August 2015	17.5/19.5	978.5	20.5/22.5	-	14.5/16.5	507	26
September 2015	19.5	479.4	22.5	5	16.5	510.7	32
October 2015	19.5	410.2	22.5	7.7	16.5	346.5	35
November 2015	19.5	790.9	22.5	-	16.5	437.3	35
December 2015	19.5	1200.4	22.5	4.6	16.5	428.6	35
January 2016	19.5	1195.2	22.5	16.0	16.5	474.1	35

Source: According to the National Bank of Moldova data.

PUBLIC FINANCES						
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 of PNB, MDL million (end of period balance)	Tax burden, %
2011	30150.5	9	32117	1	1958.5	31
2012	33526.1	11	35364	10	1837.9	31
2013	36908.5	10	38673.1	9	1764.6	37
2014	42446.8	0.15	44393.1	15	1946.7	32
2015	43660.7	2.86	46393.9	4.51	2733.2	35.8
Quarter I 2013	7521.8	14	7598.5	3	76.7	
Quarter II 2013	9196.3	5	9569.9	8	578.1	
Quarter III 2013	9090.1	6	9263	9	642.5	
Quarter IV 2013	11099.6	16	12221.7	15	1764.6	
Quarter I 2014	8413.2	0.12	8483.2	12	70	
Quarter II 2014	18847	0.13	19312	13	465	
Quarter III 2014	30454	0.18	30533.6	15	260.5	
Quarter IV 2014	42446.8	0.15	44393.1	15	1946.7	
Quarter I 2015	10173.8	20.93	9830.5	15.88	343.3	
Quarter II 2015	20790.5	10.31	21463.9	11.14	673.6	
Quarter III 2015	31822.5	4.49	32687.1	7.05	864.6	
Quarter IV 2015	43660.7	2.86	46393.9	4.51	2733.2	

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

Period	PUBLIC FINANCES										External debt by maturity, MDL million
	PNB revenues, MDL million	Increase on PNB revenues, % (compared to the previous period)	PNB expenditures, MDL million	Increase on PNB expenditure, % (compared to the previous period)	Public debt, MDL million	Domestic debt by maturity, MDL million	External debt by maturity, MDL million	Sources of financing of PNB, MDL million (end of period balance)	Public debt, MDL million	Domestic debt by maturity, MDL million	
January 2014	2359.7	0.08	2395.3	9	24200.8	6899.3	17301.5	35.6	24200.8	6899.3	17301.5
February 2014	5018.3	0.11	5353.9	12	24701.0	7028.7	17672.2	274.6	24701.0	7028.7	17672.2
March 2014	8413.2	0.12	8483.2	12	24456.0	7006.7	17449.3	70	24456.0	7006.7	17449.3
April 2014	11796.9	0.10	11888.6	10	25061.1	7079.3	17981.8	91.7	25061.1	7079.3	17981.8
May 2014	14768.6	0.10	14768.6	11	25588.1	7142.1	18446	542.4	25588.1	7142.1	18446
June 2014	18847	0.13	19312	13	25899.7	7166.0	18733.7	465	25899.7	7166.0	18733.7
July 2014	22170.2	0.11	22687.2	11	25409.0	6905.9	18503.1	517	25409.0	6905.9	18503.1
August 2014	26944.5	0.19	26615.5	14	25361.4	6916.0	18445.4	329	25361.4	6916.0	18445.4
September 2014	30454	0.18	30533.6	15	25982.2	7025.4	18956.8	260.5	25982.2	7025.4	18956.8
October 2014	34238.3	0.16	34818.3	17	26367.2	7162.4	19204.8	580	26367.2	7162.4	19204.8
November 2014	37681.9	0.15	38762.7	17	26564.0	7183.5	19380.5	1080.8	26564.0	7183.5	19380.5
December 2014	42446.8	0.15	44393.1	15	27470.6	7075.4	20395.3	1946.7	27470.6	7075.4	20395.3
January 2015	2620.3	11.04	2853.1	19.11	30105.0	7239.8	22865.3	232.8	30105.0	7239.8	22865.3
February 2015	5449.0	8.58	6323.4	18.11	31168.6	6988.5	24180.1	874.4	31168.6	6988.5	24180.1
March 2015	10173.8	20.93	9830.5	15.88	29901.3	6829.6	23071.7	343.3	29901.3	6829.6	23071.7
April 2015	13550.4	14.86	13738.3	15.56	29883.2	6788.6	23094.6	187.9	29883.2	6788.6	23094.6
May 2015	16693.2	13.03	17252.8	16.82	29926.3	6937.7	22988.6	559.6	29926.3	6937.7	22988.6
June 2015	20790.5	10.31	21463.9	11.14	31225.7	7090.7	24135.0	673.6	31225.7	7090.7	24135.0
July 2015	24634.1	11.11	25583.4	12.77	31259.9	7168.2	24091.7	949.3	31259.9	7168.2	24091.7
August 2015	28020.7	3.99	29181.6	9.64	32951.4	7224.8	25726.5	1160.9	32951.4	7224.8	25726.5
September 2015	31822.5	4.49	32687.1	7.05	33554.1	6714.2	26824.7	864.6	33554.1	6714.2	26824.7
October 2015	35468.3	3.59	36499.4	4.83	32947.2	6400.3	26546.9	1031.1	32947.2	6400.3	26546.9
November 2015	39214.3	4.07	40567.1	4.65	32714.7	6432.5	26282.2	1352.8	32714.7	6432.5	26282.2
December 2015	43660.7	2.86	46393.9	4.51	33508.8	7225.4	26283.4	2733.2	33508.8	7225.4	26283.4

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

BANKING SECTOR															
Period	Indicators				Deposits structures, %			Earnings and profitability, %		Liquidity ratio, %		Deposits interest rates, %		Loans interest rates, %	
	Bank assets (stock at the end of period). million MDL	Bank liabilities (stock at the end of the period). million MDL	Loans (stock at the end of period) MDL million. volume per year	Deposits (stock at the end of period). million MDL	Deposits of individuals	Deposits of legal entities	Currency deposits	Return on assets	Return on equity	Principle I	Principle II > 20 %	In national currency	In foreign currency	In national currency	In foreign currency
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
2015	69095.5	57330.1	38187.6	50201.4	69.7	29.9	52.4	2.10	12.78	0.70	41.55	14.22	2.12	15.58	6.93
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
Quarter II 2015	101176.4	88267.8	42780.1	66751.6	52.8	24.8	56.0	1.1	8.9	1.5	27.0	11.34	2.26	13.91	6.83
Quarter III 2015	104504.0	91248.3	43779.0	66808.6	68.4	30.8	55.4	2.6	16.1	0.7	38.8	13.80	2.08	15.44	6.70
Quarter IV 2015	69095.5	57330.1	38187.6	50201.4	69.7	29.9	52.4	2.10	12.78	0.70	41.55	14.22	2.12	15.58	6.93

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

BANKING SECTOR															
Period	Indicators				Deposits structure, %			Earnings and profitability, %		Liquidity Ratio, %		Deposits interest rate, %		Loans interest rate, %	
	Bank assets (stock at the end of period), million MDL	Bank liabilities (stock at the end of the period), million MDL	Loans (stock at the end of period) MDL million, volume per year	Deposits (stock at the end of period), million MDL	Deposits of individuals	Deposits of legal entities	Currency deposits	Return on assets	Return on equity	Principle I	Principle II > 20 %	In national currency	In foreign currency	In national currency	In foreign currency
January 2014	77327.9	65795.0	42295.3	55704.6	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	53063.2	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	54360.3	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	53878.5	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	54669.9	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	55631.9	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	55669.8	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	56582.3	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	57845.1	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	59172.3	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
May 2015	99645.2	86598.7	41756.9	65902.9	52.4	25.5	55.2	1.4	11.2	1.5	27.6	11.58	2.38	13.85	7.24
June 2015	101176.4	88267.8	42780.1	66751.6	52.8	24.8	56.0	1.1	8.9	1.5	27.0	11.34	2.26	13.91	6.83
July 2015	101387.9	88361.2	42664.2	65505.5	52.5	24.7	55.9	1.2	9.7	1.5	12.7	11.93	2.02	14.37	6.85
August 2015	102187.4	88919.2	43199.3	65708.8	52.9	23.6	56.3	1.41	11.33	1.58	14.08	13.25	2.15	14.54	6.82
September 2015	104504.0	91248.3	43779.0	66808.6	68.4	30.8	55.3	2.64	16.07	0.73	38.83	13.80	2.08	15.44	6.70
October 2015	69254.1	57389.9	39358.7	50120.1	69.0	30.3	54.9	1.82	14.41	0.73	39.73	14.02	2.31	15.75	7.05
November 2015	68862.2	56884.1	38731.9	49505.2	69.7	29.8	53.5	1.83	14.17	0.72	40.23	14.35	2.06	15.67	6.55
December 2015	69095.5	57330.1	38187.6	50201.4	69.7	29.9	52.4	2.10	12.78	0.70	41.55	14.22	2.12	15.58	6.93
January 2016	70351.8	58468.9	38165.3	51314.1	70.4	29.2	53.5	2.54	15.55	0.69	42.59	15.33	2.20	16.08	6.45

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

Period	EXTERNAL SECTOR: INVESTMENT AND REMITTANCES									
	Social capital	Reinvested earnings	Other capital	Total net FDI inflow, mil. USD	Compensation of employees	Personal transfers	Other transfers	Total remittances inflow, mil. USD		
2011	143.9	86.7	57.6	288.2	907.7	905.4	-	1813.1		
2012	144.6	-11.0	61.5	195.1	1010.0	976.5	18.1	2004.6		
2013	160.3	19.2	63.2	242.7	1118.1	1073.6	16.9	2208.6		
2014	165.5	33.1	1.9	207.4	1068.2	1015.4	17.8	2101.4		
2015	73.9	159.6	-	-	799.5	753.88	7.7	-		
Quarter I 2013	49.1	14.5	1.9	65.5	214.5	221.4	3.3	439.2		
Quarter II 2013	22.7	20.4	25.3	68.4	284.1	254.6	3.1	541.8		
Quarter III 2013	34.9	9.0	13.5	57.4	311.7	295.2	4.2	611.1		
Quarter IV 2013	53.6	-24.7	22.6	51.5	307.8	302.4	6.3	616.5		
Quarter I 2014	37.2	13.9	-21.4	29.8	214.7	215.7	2.7	433.1		
Quarter II 2014	71.4	8.0	-19.4	60.1	295.9	271.6	4.5	571.9		
Quarter III 2014	15.7	39.6	17.8	73.1	309.3	298.8	6.7	614.8		
Quarter IV 2014	41.2	-28.5	24.9	37.6	248.4	229.4	3.9	481.7		
Quarter I 2015	20.5	41.9	13.1	75.5	174.7	168.1	1.6	342.8		
Quarter II 2015	17.4	82.2	4.6	104.1	211.2	200.6	2.4	411.7		
Quarter III 2015	13.9	15.0	-18.0	10.9	207.3	192.0	2.3	399.3		
Quarter IV 2015	18.5	20.5	-	-	191.7	191.3	1.4	-		

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

Source	Total external trade, mil. USD		EXTERNAL SECTOR: EXTERNAL TRADE					
	Goods	Services	Export	Goods	Services	Import	Goods	Services
2000	1613.2	366.2	641.4	476.8	164.6	971.9	770.3	201.6
2001	1824.0	379.7	735.5	564.6	170.9	1088.5	879.7	208.8
2002	2170.8	473.6	876.4	659.7	216.7	1294.5	1037.5	257.0
2003	2777.4	544.2	1055.0	805.1	249.9	1722.4	1428.1	294.3
2004	3427.4	685.1	1326.2	994.1	332.1	2101.3	1748.2	353.1
2005	4219.3	818.6	1503.5	1104.6	398.9	2715.8	2296.1	419.7
2006	4659.1	954.7	1527.9	1060.8	467.1	3131.2	2643.5	487.6
2007	6323.3	1278.5	2001.8	1373.3	628.4	4321.5	3671.4	650.1
2008	8198.8	1681.0	2489.8	1645.9	843.9	5709.0	4871.9	837.1
2009	5988.6	1386.0	2000.0	1326.9	673.1	3988.6	3275.7	712.9
2010	6784.5	1384.2	2270.8	1590.4	680.4	4513.7	3809.9	703.8
2011	9115.4	1690.5	3138.7	2277.8	860.9	5976.7	5147.1	829.5
2012	9176.2	1794.9	3130.6	2228.5	902.0	6045.6	5152.7	892.9
2013	9874.7	1959.9	3453.9	2466.2	987.8	6420.8	5448.6	972.2
2014	8798.0	2134.8	2933.1	1805.5	1127.6	5864.9	4857.7	1007.2
2015	6907.8	1805.7	2481.8	1507.0	974.8	4426.0	3595.1	830.9

Source: According to the balance of payments. National Bank of Moldova.

EXTERNAL SECTOR: EXTERNAL TRADE OF SERVICES

Nominal value of export by services categories, 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	Q. II 2015	Q. III 2015	
Export	680.4	860.9	902.0	987.8	958.8	216.9	243.5	265.5	261.8	217.0	247.9	246.9	246.9	181.6	207.2	222.2	
Transport	244.5	343.0	363.1	403.6	374.3	88.8	100.1	110.2	104.4	87.0	101.0	96.4	89.9	69.2	79.6	86.9	
Travel	163.2	186.4	198.5	225.5	228.6	47.7	53.8	64.3	59.7	45.3	56.6	63.7	62.9	39.9	50.3	60.3	
Business travels	48.9	50.2	56.6	67.6	65.6	13.3	16.6	19.1	18.6	13.2	16.3	19.1	17.0	14.8	18.5	19.9	
Personal travels	114.3	136.2	141.9	157.9	162.9	34.4	37.1	45.3	41.1	32.1	40.3	44.6	45.9	25.1	31.8	40.5	
Communication services	126.1	135.0	140.0	137.4	129.8	32.5	35.0	36.4	33.6	30.7	33.8	34.4	31.0	27.6	28.7	26.1	
Construction services	4.1	5.2	3.3	5.3	5.3	0.7	1.1	0.5	3.0	1.0	1.0	1.4	1.9	0.9	1.6	1.4	
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	0.0	0.0	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	0.8	0.8	1.2	
Computer and information services	33.4	47.8	55.8	62.7	71.0	13.7	15.3	15.3	18.4	16.8	17.5	17.4	19.3	17.0	17.5	17.4	
Royalty and license fees services	4.9	5.3	4.6	6.1	6.9	1.0	1.6	1.6	1.9	1.5	2.1	1.9	1.5	0.8	1.5	1.0	
Other business services	62.1	89.6	91.6	99.3	99.7	23.1	24.9	25.7	25.6	24.9	25.7	21.7	27.3	19.0	19.2	19.8	
Personal, cultural and recreation services	0.1	0.3	1.3	1.6	1.9	0.3	0.3	0.4	0.6	0.7	0.5	0.4	0.3	0.3	0.4	0.5	
Government services included nowhere	37.8	42.0	39.2	40.2	35.0	8.0	9.9	9.7	12.7	7.4	8.4	8.3	11.0	6.1	7.5	7.6	
Structure of export of services, %																	
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	100.0	100.0	
Transport	35.9	39.8	40.3	40.9	39.0	40.9	41.1	41.5	39.9	40.1	40.7	39.0	36.4	38.1	38.4	39.1	
Travels	24.0	21.7	22.0	22.8	23.8	22.0	22.1	24.2	22.8	20.9	22.8	25.8	25.5	22.0	24.3	27.1	
Business travels	7.2	5.8	6.3	6.8	6.8	6.1	6.8	7.2	7.1	6.1	6.6	7.7	6.9	8.1	8.9	9.0	
Personal travels	16.8	15.8	15.7	16.0	17.0	15.9	15.2	17.1	15.7	14.8	16.3	18.1	18.6	13.8	15.3	18.2	
Communication services	18.5	15.7	15.5	13.9	13.5	15.0	14.4	13.7	12.8	14.1	13.6	13.9	12.6	15.2	13.9	11.7	
Construction services	0.6	0.6	0.4	0.5	0.6	0.3	0.5	0.2	1.1	0.5	0.4	0.6	0.8	0.5	0.8	0.6	
Insurance services	0.2	0.2	0.1	0.1	0.1	0.0	0.1	0.0	0.2	0.1	0.1	0.0	0.0	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	0.4	0.4	0.5	
Computer and information services	4.9	5.6	6.2	6.3	7.4	6.3	6.3	5.8	7.0	7.7	7.1	7.0	7.8	9.4	8.4	7.8	
Royalty and license fees services	0.7	0.6	0.5	0.6	0.7	0.5	0.7	0.6	0.7	0.7	0.8	0.8	0.6	0.4	0.7	0.5	
Other business services	9.1	10.4	10.2	10.1	10.4	10.7	10.2	9.7	9.8	11.5	10.4	8.8	11.1	10.5	9.3	8.9	
Personal, cultural and recreation services	0.0	0.0	0.1	0.2	0.2	0.1	0.1	0.2	0.2	0.3	0.2	0.2	0.1	0.2	0.2	0.2	
Government services included nowhere	5.6	4.9	4.3	4.1	3.7	3.7	4.1	3.7	4.9	3.4	3.4	3.4	4.5	3.4	3.6	3.4	

Source: According to the balance of payments. National Bank of Moldova.

EXTERNAL SECTOR: EXTERNAL TRADE OF SERVICES

Nominal value of import by services categories, 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	Q-II 2015	Q-III 2015	
Export	703.8	829.5	892.9	972.2	992.2	217.6	243.3	251.6	259.7	222.4	260.2	260.6	248.9	181.9	210.9	215.4	
Transport	264.8	346.2	362.5	379.9	379.8	91.1	95.8	95.8	97.2	88.1	96.6	95.4	99.8	69.8	76.0	77.1	
Travel	241.4	276.7	307.6	333.7	350.6	69.2	83.3	92.3	88.9	74.2	96.3	99.5	80.6	58.7	72.9	77.7	
Business travels	124.7	148.7	164.1	177.1	178.9	34.2	45.4	49.8	47.6	35.9	50.3	52.7	40.1	28.7	33.5	32.7	
Personal travels	116.7	128.0	143.5	156.6	171.7	35.0	37.9	42.4	41.3	38.4	46.0	46.8	40.6	30.0	39.5	45.0	
Communication services	38.1	42.5	40.2	51.6	52.3	10.4	13.3	14.3	13.6	10.6	13.2	14.2	14.3	9.9	13.1	13.9	
Construction services	11.7	8.0	8.9	9.1	7.8	1.6	2.3	2.0	3.1	1.0	2.9	2.4	1.5	0.9	1.0	1.5	
Insurance services	15.7	13.3	4.7	3.6	2.5	1.3	0.8	0.6	1.0	1.0	0.6	0.6	0.4	0.2	0.3	0.6	
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	1.6	1.7	1.3	
Computer and information services	23.6	23.0	37.1	41.1	42.5	10.3	8.4	10.3	12.1	11.6	10.8	9.0	11.1	12.9	9.6	9.9	
Royalty and license fees services	12.8	16.6	18.7	22.8	23.5	5.6	5.1	6.8	5.4	5.9	6.1	5.2	6.3	4.5	4.9	3.4	
Other business services	56.6	58.9	69.5	76.0	83.7	15.3	20.6	16.1	24.1	16.4	21.6	22.9	22.8	13.9	22.1	20.9	
Personal, cultural and recreation 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	0.9	0.8	1.7	
Government services included nowhere	31.7	36.6	35.0	45.3	39.3	10.8	11.4	11.4	11.8	11.7	9.7	8.8	9.1	8.5	8.5	7.6	
Structure of import of services, %																	
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	100.0	100.0	
Transport	37.6	41.7	40.6	39.1	38.3	41.9	39.4	38.1	37.4	39.6	37.1	36.6	40.1	38.4	36.0	35.8	
Travel	34.3	33.4	34.4	34.3	35.3	31.8	34.2	36.7	34.2	33.4	37.0	38.2	32.4	32.3	34.6	36.1	
Business travels	17.7	17.9	18.4	18.2	18.0	15.7	18.7	19.8	18.3	16.1	19.3	20.2	16.1	15.8	15.9	15.2	
Personal travels	16.6	15.4	16.1	16.1	17.3	16.1	15.6	16.9	15.9	17.3	17.7	18.0	16.3	16.5	18.7	20.9	
Communication services	5.4	5.1	4.5	5.3	5.3	4.8	5.5	5.7	5.2	4.8	5.1	5.4	5.7	5.4	6.2	6.5	
Construction services	1.7	1.0	1.0	0.9	0.8	0.7	0.9	0.8	1.2	0.4	1.1	0.9	0.6	0.5	0.5	0.7	
Insurance services	2.2	1.6	0.5	0.4	0.3	0.6	0.3	0.2	0.4	0.4	0.2	0.2	0.2	0.1	0.1	0.3	
Financial services	0.9	0.8	0.8	0.6	0.8	0.7	0.6	0.6	0.7	0.8	0.7	0.8	0.8	0.9	0.8	0.6	
Computer and information services	3.4	2.8	4.2	4.2	4.3	4.7	3.5	4.1	4.7	5.2	4.2	3.5	4.5	7.1	4.6	4.6	
Royalty and license fees services	1.8	2.0	2.1	2.3	2.4	2.6	2.1	2.7	2.1	2.7	2.3	2.0	2.5	2.5	2.3	1.6	
Other business services	8.0	7.1	7.8	7.8	8.4	7.0	8.5	6.4	9.3	7.4	8.3	8.8	9.2	7.6	10.5	9.7	
Personal, cultural and recreation services	0.2	0.2	0.2	0.3	0.3	0.2	0.4	0.3	0.3	0.2	0.3	0.3	0.4	0.5	0.4	0.8	
Government services included nowhere	4.5	4.4	3.9	4.7	4.0	5.0	4.7	4.5	4.5	5.3	3.7	3.4	3.7	4.7	4.0	3.5	

Source: According to the balance of payments. National Bank of Moldova.

EXTERNAL SECTOR: EXTERNAL TRADE OF GOODS														
Period	Total value of external trade in goods, mil. USD				Value of export, mil. USD				Value of import, mil. USD				Net export, mil. USD	Degree of imports coverage by exports, %
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
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	1246.1	357.8	5317.0	1449.3	2567.6	1300.1	-2977.5	44.0
2015	5953.7	1510.4	3171.7	1271.6	1966.9	492.3	1217.6	257.0	3986.8	1018.1	1954.1	1014.6	-2019.9	49.3
Quarter 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
Quarter 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
Quarter 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
Quarter 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
Quarter I 2014	1791.2	565.1	867.9	358.2	573.0	180.8	318.9	73.3	1218.2	384.3	549.0	284.9	-645.2	47.0
Quarter II 2014	1928.0	523.3	955.7	409.0	599.2	204.5	301.9	92.8	1328.8	318.8	693.8	316.2	-729.6	45.1
Quarter III 2014	1884.0	520.1	954.1	409.8	565.2	184.3	284.0	96.9	1318.8	335.8	670.1	312.9	-753.6	42.9
Quarter 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
Quarter 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
Quarter II 2015	1513.5	354.6	835.0	274.4	504.8	137.5	306.1	61.2	1009.1	217.1	528.9	262.7	-503.9	50.0
Quarter III 2015	1432.7	360.8	772.4	299	455.5	125.2	273.1	56.7	977.2	235.6	499.3	242.3	-521.7	46.6
Quarter IV 2015	1543.5	400.8	811.2	331.5	519.2	125.5	318.8	74.9	1024.4	275.3	492.4	256.6	-497.1	50.8

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

Period	EXTERNAL SECTOR: EXTERNAL TRADE OF GOODS												Net export, mil. USD	Degree of imports coverage by exports, %
	Total value of external trade in goods, mil. USD				Value of export, mil. USD				Value of import, mil. USD					
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
January 2014	490.2	181.5	217.6	91.1	170.7	56.0	92.2	22.5	319.5	125.5	125.4	68.6	-148.8	53.4
February 2014	603.9	191.3	290	122.6	188.2	59.5	105.4	23.3	415.7	131.8	184.6	99.3	-227.5	45.3
March 2014	697.1	192.3	360.3	144.5	214.1	65.3	121.2	27.6	483	127.0	239.1	116.9	-268.9	44.3
April 2014	637.7	168.2	328.2	141.3	194.5	63.1	94.4	37	443.2	105.1	233.8	104.3	-248.7	43.9
May 2014	635.2	160.1	338	137.1	201.7	64.3	108.6	28.8	433.5	95.8	229.4	108.3	-231.8	46.5
June 2014	655.1	195	329.5	130.6	203	77.1	98.9	27	452.1	117.9	230.6	103.6	-249.1	44.9
July 2014	651.3	180.2	334.7	136.4	204.3	72.5	99	32.8	447	107.7	235.7	103.6	-242.7	45.7
August 2014	589	161.6	299.1	128.3	176.1	52.7	90.7	32.7	412.9	108.9	208.4	95.6	-236.8	42.6
September 2014	643.7	178.3	320.3	145.1	184.8	59.1	94.3	31.4	458.9	119.2	226	113.7	-274.1	40.3
October 2014	694.3	195.5	354.3	144.5	212.5	69.7	113.4	29.4	481.8	125.8	240.9	115.1	-269.3	44.1
November 2014	672.6	191	333.2	148.4	208.3	53	127.4	27.9	464.3	138	205.8	120.5	-256.0	44.9
December 2014	686.4	189.9	308.5	188	181.3	43.3	100.5	37.5	505.1	146.6	208	150.5	-323.8	35.9
January 2015	417.1	120.8	208.5	87.8	147.8	28.9	100	18.9	269.3	91.9	108.5	68.9	-121.5	54.9
February 2015	469.8	126	244.8	99	165.5	33.5	110.9	21.1	304.3	92.5	133.9	77.9	-138.8	54.4
March 2015	577.3	147.2	299.9	130.2	174.7	41.6	109	24.1	402.6	105.6	190.9	106.1	-227.9	43.4
April 2015	480.8	112.4	268.9	99.5	151.3	34	94.8	22.5	329.5	78.4	174.1	77	-178.2	45.9
May 2015	500.9	111.6	281.1	108.2	172.9	44.4	109.8	18.7	328	67.2	171.3	89.5	-155.1	52.7
June 2015	531.9	130.6	285	116.3	180.6	59.1	101.6	19.9	351.3	71.5	183.4	96.4	-170.7	51.4
July 2015	505.8	130.4	273.2	102.1	164.9	51.3	95.9	17.6	340.9	79.1	177.3	84.5	-176.0	48.4
August 2015	425.8	112.9	223.8	88.7	127.2	35.7	73.4	17.7	298.6	77.2	150.4	71.0	-171.4	42.6
September 2015	501.1	117.5	275.4	108.2	163.4	38.2	103.8	21.4	337.7	79.3	171.6	86.8	-174.3	48.4
October 2015	525.7	130.1	288.6	107	188.5	48.9	115.8	23.8	337.2	81.2	172.8	83.2	-148.7	55.9
November 2015	501.7	131.2	267.6	102.9	167.2	38.5	104.7	24.0	334.5	92.7	162.9	78.9	-167.3	50.0
December 2015	516.1	139.5	255	121.6	163.5	38.1	98.3	27.1	352.6	101.4	156.7	94.5	-189.1	46.4

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

Period	EXTERNAL SECTOR: EXTERNAL TRADE OF GOODS													
	Annual growth in value of merchandise trade sply, %				Annual growth in value of merchandise exports sply, %				Annual growth in value of merchandise imports sply, %				Annual growth of net exports in goods sply, %	Index of imports coverage by exports sply, %
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
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
2015	-22.2	-30.9	-16.8	-23.3	-15.9	-33.1	-2.3	-28.2	-2.5	-29.8	-23.9	-22	-32.2	112
Quarter 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
Quarter 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
Quarter 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
Quarter 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
Quarter I 2014	-2.2	-16.1	12.2	-7.1	-2.8	-26.6	22.5	-11.8	-2.0	-10.0	6.9	-5.8	-1.2	99.1
Quarter II 2014	1.6	-11.6	12.9	-3.5	9.6	-1.8	20.2	6.4	-1.7	-16.9	10.0	-6.1	-9.3	111.5
Quarter 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
Quarter 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
Quarter I 2015	-18.3	-30.3	-13.2	-11.5	-14.8	-42.5	0.3	-12.6	-19.9	-24.5	-21.1	-11.2	-24.3	106.4
Quarter II 2015	-21.5	-32.2	-16.1	-32.9	-15.8	-32.8	1.4	-34.1	-24.1	-31.9	-23.8	-16.9	-30.9	110.9
Quarter III 2015	-24.0	-30.6	-19.0	-27.0	-19.4	-32.1	-3.8	-41.5	-25.9	-29.8	-25.5	-22.6	-30.8	108.6
Quarter IV 2015	-24.8	-21.5	-19.6	-31.1	-13.8	-24.4	-6.4	-21	-29.4	-32.9	-24.8	-33.5	-41.5	122.4

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

EXTERNAL TRADE: EXTERNAL TRADE OF GOODS														
Period	Annual growth in value of merchandise trade, sply, %				Annual growth in value of merchandise exports, sply, %				Annual growth in value of merchandise imports, sply, %				Annual growth of net exports in goods, sply, %	Index of imports coverage by exports, sply, %
	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries	Total	CIS	EU	Other countries		
January 2014	-4.6	-5.9	4.2	-18.7	3.2	-12.1	12.0	16.0	-8.2	-2.8	-0.9	-25.9	-18.6	112.5
February 2014	-0.6	-13.1	10.6	-1.8	-6.3	-24.7	17.4	-27.3	2.3	-6.7	7.1	6.9	10.6	91.7
March 2014	-2.0	-26.1	19.0	-2.7	-4.2	-37.0	37.6	-13.2	-1.0	-18.9	11.4	0.2	1.7	96.8
April 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	110.5
May 2014	9.9	-7.6	24.0	3.9	20.1	2.6	39.6	4.7	5.8	-13.4	17.8	3.7	-4.1	113.5
June 2014	2.2	-7.6	12.4	-4.5	9.4	2.8	15.9	6.7	-0.7	-13.3	10.9	-7.0	-7.6	110.1
July 2014	-4.3	-17.1	5.9	-7.3	-0.2	-8.7	4.2	7.9	-6.1	-22.0	6.6	-11.3	-10.5	106.2
August 2014	-9.0	-22.7	2.7	-12.7	-13.2	-31.3	-3.2	0.6	-7.1	-17.7	5.5	-16.5	-1.9	93.4
September 2014	-1.4	-13.1	6.8	-1.8	-6.2	-24.5	8.3	-0.9	0.7	-6.0	6.2	-2.1	6.0	93.1
October 2014	-1.9	-11.3	3.1	0.5	-6.6	-11.9	-2.6	-8.1	0.3	-11.0	6.1	3.0	6.5	93.1
November 2014	-9.4	-15.3	-8.1	-3.6	-18.3	-37.4	-3.3	-27.7	-4.7	-2.0	-10.9	4.4	10.3	85.7
December 2014	-9.6	-24.8	-9.4	12.8	-11.4	-38.6	-1.4	16.1	-9.0	-19.5	-12.8	12.1	-7.5	97.3
January 2015	-1.9	-33.4	-4.2	-3.6	-13.4	-48.4	8.5	-16.0	-15.7	-26.8	-13.5	0.4	-18.3	102.8
February 2015	-22.2	-34.1	-15.6	-19.2	-12.1	-43.7	5.2	-9.4	-26.8	-29.8	-27.5	-21.6	-39.0	120.1
March 2015	-17.2	-23.5	-16.8	-9.9	-18.4	-36.3	-10.1	-12.7	-16.6	-16.9	-20.2	-9.2	-15.2	98.0
April 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
May 2015	-21.1	-30.3	-16.8	-21.1	-14.3	-30.9	1.1	-35.1	-24.3	-29.9	-25.3	-17.4	-33.1	113.3
June 2015	-18.8	-33.0	-13.5	-10.9	-11.0	-23.3	2.7	-26.3	-22.3	-39.4	-20.5	-6.9	-31.5	114.5
July 2015	-22.3	-27.6	-18.4	-25.1	-19.3	-29.2	-3.1	-46.3	-23.7	-26.6	-24.8	-18.4	-27.5	105.9
August 2015	-27.7	-30.1	-25.2	-30.9	-27.8	-32.3	-19.1	-45.9	-27.7	-29.1	-27.8	-25.7	-27.6	100.0
September 2015	-22.2	-34.1	-14.0	-25.4	-11.6	-35.4	10.1	-31.8	-26.4	-33.5	-24.1	-23.7	-36.4	120.1
October 2015	-24.3	-33.5	-18.5	-26.0	-11.3	-29.8	2.1	-19.0	-30.0	-35.5	-28.3	-27.7	-44.8	126.8
November 2015	-25.4	-31.3	-19.7	-30.7	-19.7	-27.4	-17.8	-14.0	-28.0	-32.8	-20.8	-34.5	-34.6	111.4
December 2015	-24.9	-26.6	-17.4	-36.4	-9.8	-12.0	-2.2	-27.8	-30.2	-30.8	-24.6	-37.2	-41.6	129.2

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

EXTERNAL TRADE: INDICES OF TRADE WITH GOODS							
Period	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), %	
2011	143.8	134.7	107.0	110.0	134.0	122.0	
2012	97.5	100.4	97.0	99.0	101.0	101.0	
2013	112.3	105.4	98.0	99.0	113.0	106.0	
2014	96.3	96.8	94.0	96.0	102.0	101.0	
2015	84.1	75.1	83.0	78.5	101.5	95.8	
Quarter I 2013	115.4	103.2	102.0	100.0	113.0	103.0	
Quarter II 2013	100.4	107.5	99.0	98.0	101.0	110.0	
Quarter III 2013	119.4	108.1	97.0	100.0	122.0	108.0	
Quarter IV 2013	112.0	102.9	92.0	98.0	120.0	105.0	
Quarter I 2014	97.2	98.0	97.2	98.0	106.0	100.0	
Quarter II 2014	109.6	98.3	97.0	100.0	113.0	98.0	
Quarter III 2014	93.5	95.8	95.0	97.0	98.0	99.0	
Quarter IV 2014	88.1	92.3	89.0	92.0	100.0	104.0	
Quarter I 2015	85.2	80.1	80.0	79.0	106.0	101.0	
Quarter II 2015	84.2	75.9	79.0	79.0	107.0	96.0	
Quarter III 2015	80.6	74.1	84.0	78.0	96.0	95.0	
Quarter IV 2015	86.3	70.6	89.0	78.0	97.0	91.0	

Source: According to the National Bureau of Statistics data.

EXTERNAL SECTOR												
Value of exports, mil. USD												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1-Q3 2014	Q1-Q3 2015		
Total export	573.0	599.2	565.2	602.1	488.0	504.8	455.4	519.2	1737.5	1448.2		
Agri food products	255.7	259.3	246.0	300.1	243.6	233.2	177.6	131.5	761.0	654.4		
<i>Fruits and vegetables</i>	72.7	51.5	44.0	100.5	70.9	59.6	42.7	81.0	168.2	173.1		
<i>Cereals</i>	46.8	38.0	70.7	45.3	38.4	29.1	37.7	23.5	155.5	105.3		
<i>Oil seeds</i>	41.9	42.2	34.0	35.3	51.4	52.0	26.1	47.9	118.1	129.5		
<i>Beverages</i>	40.9	46.9	44.5	59.6	33.1	35.1	40.1	46.5	132.2	108.3		
<i>Oils</i>	30.2	24.5	2.9	21.9	22.7	25.7	1.2	22.4	57.6	49.6		
<i>Minerals</i>	3.8	5.2	4.2	2.9	2.2	2.5	3.8	1.6	13.2	8.5		
<i>Electrical machinery and equipment</i>	58.2	65.4	60.5	60.0	57.8	62.0	59.5	56.2	184.2	179.3		
<i>Clothing</i>	67.5	76.2	74.6	57.3	51.0	61.9	62.1	54.5	220.3	174.9		
<i>Drugs</i>	36.7	34.2	23.6	30.6	13.4	21.4	17.5	23.9	94.6	52.3		
<i>Furniture</i>	27.0	26.7	26.9	28.4	22.9	22.4	25.0	27.4	80.5	70.4		
Structure of exports, %												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1-Q3 2014	Q1-Q3 2015		
Total export	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
Agri food products	44.6	43.3	43.5	49.8	49.9	46.2	39.0	25.3	43.8	45.2		
<i>Fruits and vegetables</i>	12.7	8.6	7.8	16.7	14.5	11.8	9.4	15.6	9.7	12.0		
<i>Cereals</i>	8.2	6.3	12.5	7.5	7.9	5.8	8.3	4.5	8.9	7.3		
<i>Oil seeds</i>	7.1	7.2	5.8	6.0	8.7	8.8	4.4	9.2	20.0	22.0		
<i>Beverages</i>	7.1	7.8	7.9	9.9	6.8	6.9	8.8	9.0	7.6	7.5		
<i>Oils</i>	5.3	4.1	0.5	3.6	4.7	5.1	0.3	4.3	3.3	3.4		
<i>Minerals</i>	0.7	0.9	0.7	0.5	0.4	0.5	0.8	0.3	0.8	0.6		
<i>Electrical machinery and equipment</i>	10.2	10.9	10.7	10.0	11.8	12.3	13.1	10.8	10.6	12.4		
<i>Clothing</i>	11.8	13.0	13.2	9.5	10.4	12.3	13.6	10.5	12.7	12.1		
<i>Drugs</i>	6.4	5.7	4.2	5.1	2.7	4.2	3.8	4.6	5.4	3.6		
<i>Furniture</i>	4.7	4.4	4.8	4.7	4.7	4.4	5.5	5.2	4.6	4.9		

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

EXTERNAL SECTOR												
Annual growth of exports, %												
	Q1/14	T2/14	T3/14	T4/14	T1/15	T2/15	T3/15	T4/2015	T1-T3 2014	T1-T3 2015		
Total export	-2.8	9.7	-6.5	-12.4	-14.8	-15.8	-19.4	-13.8	-0.2	-16.6		
Agri food products	4.0	39.9	3.9	-12.8	-4.7	-10.0	-27.8	-56.2	13.9	-14.0		
Fruits and vegetables	2.8	0.7	-17.8	-14.2	-2.5	15.7	-3.1	-19.4	-4.1	2.9		
Cereals	134.8	545.2	2.7	1.9	-17.9	-23.3	-46.7	-48.1	64.2	-32.3		
Oil seeds	-20.5	53.5	34.5	-41.3	22.7	23.1	-23.1	35.7	12.0	9.7		
Beverages	-35.3	-31.6	-23.4	-3.6	-19.1	-25.2	-9.8	-22.0	-30.3	-18.1		
Oils	113.1	1521.1	50.3	-17.2	-24.6	4.8	-58.4	2.7	226.9	-13.8		
Minerals	-17.5	-16.7	-46.3	-65.0	-42.7	-51.2	-10.4	-44.8	-29.3	-35.7		
Electrical machinery and equipment	11.0	-1.8	0.0	1.6	-0.7	-5.2	-1.7	-6.3	2.5	-2.6		
Clothing	15.2	19.2	4.6	-11.8	-24.5	-20.9	-16.8	-4.9	12.7	-20.6		
Drugs	54.3	38.5	-26.1	-6.7	-63.5	-37.5	-26.0	-21.9	17.5	-44.7		
Furniture	13.5	4.1	6.2	-8.9	-15.2	-15.9	-6.8	-3.5	7.8	-12.6		
Degree of influence on export amendments compared to the same period of the previous year, %												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/2015	Q1-Q3 2014	Q1-Q3 2015		
Total export	-2.8	9.7	-6.5	-12.4	-14.8	-15.8	-19.4	-13.8	-0.2	-16.6		
Agri food products	1.7	13.5	1.5	-6.4	-2.1	-4.3	-12.1	-28	5.3	-6.1		
Fruits and vegetables	0.3	0.1	-1.6	-2.4	-0.3	1.4	-0.2	-3.2	-0.4	0.3		
Cereals	4.6	5.9	0.3	0.1	-1.5	-1.5	-5.8	-3.6	3.5	-2.9		
Oil seeds	-1.8	2.7	1.4	-3.6	1.7	1.6	-1.4	2.1	0.7	0.7		
Beverages	-3.8	-4.0	-2.2	-0.3	-1.4	-2.0	-0.8	-2.2	-3.3	-1.4		
Oils	2.7	4.2	0.2	-0.7	-1.3	0.2	-0.3	0.08	2.3	-0.5		
Minerals	-0.1	-0.2	-0.6	-0.8	-0.3	-0.4	-0.1	-0.2	-0.3	-0.3		
Electrical machinery and equipment	1.0	-0.2	0.0	0.1	-0.1	-0.6	-0.2	-0.6	0.3	-0.3		
Clothing	1.5	2.3	0.5	-1.1	-2.9	-2.7	-2.2	-0.4	1.4	-2.6		
Drugs	2.2	1.7	-1.4	-0.3	-4.1	-2.1	-1.1	-1.1	0.8	-2.4		
Furniture	0.5	0.2	0.3	-0.4	-0.7	-0.7	-0.3	-0.2	0.3	-0.6		

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

SECTORUL EXTERN												
Value of imports, mil. USD												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1-Q3 2014	Q1-Q3 2015	Q1-Q4 2015	
Total	1218.2	1328.8	1318.7	1451.2	976.1	1008.8	977.1	1024.4	3865.8	2962.0	3986.4	
Agri food products	167.0	181.3	168.3	176.9	124.1	147.3	129.9	165.2	516.6	401.3	566.5	
Inedible raw materials	22.2	24.8	24.6	21.0	20.1	21.0	19.3	20.2	71.6	60.4	80.6	
Fuels	298.6	244.8	258.6	334.1	234.7	163.2	150.5	168.9	801.9	548.4	717.3	
Oil	111.9	164.0	178.1	156.5	85.1	115.8	112.2	94.3	453.9	313.1	407.4	
Gas	172.0	61.4	61.3	163.6	146.9	43.0	30.3	68.8	294.7	220.2	289	
Manufacturing products	730.5	878.0	867.2	919.2	597.3	677.2	677.4	678.3	2475.7	1951.8	2630.2	
Electrical machinery and apparatus	72.7	76.7	76.7	90.1	66.8	64.4	66.8	66.0	226.1	197.9	264	
Yarns, fabrics, textile items	58.7	73.9	61.2	60.5	46.2	55.4	48.4	57.7	193.9	150.0	207.7	
Pharmaceuticals	58.1	73.4	57.9	85.5	39.4	48.8	44.0	61.3	189.5	132.2	193.5	
Structure of imports, %												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1-Q3 2014	Q1-Q3 2015	Q1-Q4 2015	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	
Agri food products	13.7	13.6	12.8	12.2	12.7	14.6	13.3	16.1	13.4	13.5	14.1	
Inedible raw materials	1.8	1.9	1.9	1.4	2.1	2.1	2.0	2.0	1.9	2.0	2	
Fuels	24.5	18.4	19.6	23.0	24.0	16.2	15.4	16.5	20.7	18.5	18	
Oil	9.2	12.3	13.5	10.8	8.7	11.5	11.5	9.2	11.7	10.6	10.2	
Gas	14.1	4.6	4.6	11.3	15.0	4.3	3.1	6.7	7.6	7.4	7.2	
Manufactured products	60.0	66.1	65.8	63.3	61.2	67.1	69.3	66.2	64.0	65.9	65.9	
Electrical machinery and apparatus	6.0	5.8	5.8	6.2	6.8	6.4	6.8	6.4	5.8	6.7	6.6	
Yarns, fabrics, textile items	4.8	5.6	4.6	4.2	4.7	5.5	5.0	5.6	5.0	5.1	5.3	
Pharmaceuticals	4.8	5.5	4.4	5.9	4.0	4.8	4.5	6	4.9	4.5	4.8	

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

EXTERNAL SECTOR												
Annual growth of imports, %												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1-Q3 2014	Q1-Q3 2015	Q1-Q4 2015	
Total	-2.0	-1.7	-4.2	-4.7	-19.9	-24.1	-25.9	-29.4	-2.6	-23.4	-24.8	
Agri food products	-0.6	-9.6	-4.0	-16.4	-25.7	-18.7	-22.8	-6.6	-5.0	-22.3	-18.5	
Inedible raw materials	1.3	-13.8	8.6	-12.9	-9.3	-15.1	-21.7	-3.8	-2.3	-15.6	-12.5	
Fuels	-10.4	-5.6	-8.0	-7.7	-21.4	-33.3	-41.8	-49.4	-8.2	-31.6	-36.5	
<i>Oil</i>	-8.5	9.0	-5.4	-16.9	-23.9	-29.4	-37.0	-39.7	-1.5	-31.0	-32.5	
<i>Gas</i>	-11.7	-0.1	8.9	12.6	-14.6	-29.9	-50.6	-57.9	-5.7	-25.3	-38.2	
Manufactured products	1.5	1.8	-3.3	-0.6	-18.2	-22.9	-21.9	-26.2	-0.1	-21.2	-22.3	
<i>Electrical machinery and apparatus</i>	0.9	-16.6	-18.3	0.6	-8.1	-16.1	-12.9	-26.7	-12.4	-12.5	-1.6	
<i>Yarns, fabrics, textile items</i>	-2.3	2.7	-9.8	-20.9	-21.3	-25.1	-20.9	-4.6	-3.1	-22.6	-1.8	
<i>Pharmaceuticals</i>	8.2	19.0	-4.0	0.7	-32.2	-33.5	-24.1	-28.3	7.8	-30.2	-29.5	
Degree of influence on export amendments compared to the same period of the previous year, %												
	Q1/14	Q2/14	Q3/14	Q4/14	Q1/15	Q2/15	Q3/15	Q4/15	Q1-Q3 2014	Q1-Q3 2015	Q1-Q4 2015	
Total	-2.0	-1.7	-4.2	-4.7	-19.9	-24.1	-25.9	-29.4	-2.6	-23.4	-24.8	
Agri food products	-0.1	-1.4	-0.5	-2.3	-3.5	-2.6	-2.9	-0.8	-0.7	-3.0	-2.5	
Inedible raw materials	0.0	-0.3	0.1	-0.2	-0.2	-0.3	-0.4	-0.1	0.0	-0.3	-0.25	
Fuels	-2.8	-1.1	-1.6	-1.8	-5.2	-6.1	-8.2	-11.4	-1.8	-6.6	-7.7	
<i>Oil</i>	-0.8	1.0	-0.7	-2.1	-2.2	-3.6	-5.0	-4.3	-0.2	-3.6	-3.7	
<i>Gas</i>	-1.8	0.0	0.4	1.2	-2.1	-1.4	-2.4	-6.5	-0.4	-1.9	-3.1	
Manufactured products	0.9	1.1	-2.2	-0.4	-10.9	-15.1	-14.4	-16.6	-0.1	-13.6	-14.3	
<i>Electrical machinery and apparatus</i>	0.0	-1.1	-1.3	0.0	-0.5	-0.9	-0.8	-1.6	-0.8	-0.7	-1	
<i>Yarns, fabrics, textile items</i>	-0.1	0.1	-0.5	-1.0	-1.0	-1.4	-1.0	-0.2	-0.2	-1.1	-0.9	
<i>Pharmaceuticals</i>	0.4	0.9	-0.2	0.0	-1.5	-1.9	-1.1	-1.7	0.3	-1.5	-1.6	

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

EXTERNAL SECTOR: EXTERNAL TRADE OF GOODS OF THE MAIN TRADE PARTNERS														
Period	Annual growth rate of exports of goods compared to the same period of the previous year, %							Annual growth rate of imports of goods compared to the same period of the previous year, %						
	World	USA	EU 28 intracom.	EU 28 extracom.	Romania	Russian Federation	Ukraine	World	USA	EU 28 intracom.	EU 28 extracom.	Romania	Russian Federation	Ukraine
2010	22.1	21.1	9.7	17.2	21.8	32.1	29.4	21.5	22.7	9.7	17.8	13.9	29.6	33.9
2011	19.8	16.0	15.9	20.7	27.3	30.3	33.0	19.3	15.1	15.9	18.5	23.4	30.2	35.6
2012	0.5	4.3	-7.2	0.1	-8.2	1.4	0.1	0.9	3.1	-7.2	-4.0	-8.2	3.6	2.5
2013	2.4	2.2	3.5	6.5	13.8	-1.1	-6.1	1.6	-0.3	3.5	-3.0	4.7	1.8	-9.3
2014	0.4	2.6	3.1	-2.0	5.9	-4.9	-15.8	0.5	3.6	3.1	0.3	5.8	-9.8	-29.2
Quarter I 2013	0.5	0.4	-2.1	4.3	5.5	-5.0	-1.5	0.0	-2.6	-2.1	-6.0	-0.2	5.0	-6.2
Quarter II 2013	1.8	1.6	2.4	8.7	9.4	-3.4	-9.8	1.3	-1.2	2.4	-3.9	-2.4	2.9	-21.9
Quarter III 2013	3.4	2.7	6.9	7.1	21.6	4.2	-9.1	2.9	1.6	6.9	-1.2	11.2	0.0	-1.7
Quarter IV 2013	3.9	4.0	7.1	5.9	18.9	-0.2	-3.8	2.5	1.1	7.1	-0.9	10.1	-0.1	-6.8
Quarter I 2014	1.4	2.3	7.4	1.0	14.2	-1.7	-10.8	1.9	2.4	7.4	2.1	13.7	-5.3	-20.4
Quarter II 2014	2.0	3.3	7.3	-2.0	10.8	4.0	-8.2	1.9	4.6	7.3	5.2	12.3	-4.5	-18.8
Quarter III 2014	2.2	4.0	3.2	-1.4	6.1	-4.0	-14.3	1.5	3.7	3.2	2.2	4.1	-7.8	-37.8
Quarter IV 2014	-3.9	0.9	-5.3	-5.3	-5.9	-16.5	-28.8	-3.4	3.5	-5.3	-8.1	-5.0	-20.0	-36.8
Quarter I 2015	-12.4	-4.8	-15.0	-14.3	-13.7	-27.2	-33.6	-12.3	-1.7	-15.0	-15.0	-12.7	-37.6	-36.6
Quarter II 2015	-13.1	-5.5	-14.3	-11.6	-14.0	-31.1	-37.3	-12.7	-4.5	-14.3	-16.1	-13.6	-40.3	-40.8
Quarter III 2015	-14.4	-7.7	-12.5	-12.5	-14.0	-36.9	-28.2	-13.4	-4.7	-12.5	-16.9	-9.7	-37.5	-29.3

Source: According to the WTO data (on January 18, 2016).

Period	EXTERNAL SECTOR: EXTERNAL TRADE OF GOODS OF THE MAIN TRADE PARTNERS													
	Annual growth rate of exports of goods compared to the same period of the previous year, %					Annual growth rate of imports of goods compared to the same period of the previous year, %								
	World	USA	EU 28 intracom.	EU 28 extracom.	Romania	Russian Federation	Ukraine	World	USA	EU 28 intracom.	EU 28 extracom.	Romania	Russian Federation	Ukraine
January 2014	2.9	2.8	5.1	0.8	8.0	2.0	-14.3	1.0	0.3	5.1	-0.9	6.4	-3.2	-11.4
February 2014	0.5	0.0	6.6	3.2	14.9	-13.0	-12.0	2.0	0.0	6.6	0.3	16.9	-9.0	-23.5
March 2014	1.8	4.0	11.2	-0.9	19.4	5.7	-6.4	2.9	6.9	11.2	7.1	17.3	-3.5	-24.4
April 2014	1.5	3.4	7.9	-2.6	8.1	7.0	-16.2	0.9	5.2	7.9	2.9	8.8	-7.0	-30.2
May 2014	1.9	3.8	8.3	-3.9	14.4	7.5	1.3	0.6	1.8	8.3	6.7	14.4	-1.0	-4.4
June 2014	2.9	2.6	6.3	0.5	10.0	-2.7	-7.8	4.2	6.9	6.3	6.0	13.7	-5.3	-18.0
July 2014	4.6	4.6	7.9	0.5	9.7	5.7	-7.9	2.2	3.6	7.9	7.4	8.0	-3.5	-33.9
August 2014	-0.3	3.6	-0.6	-8.2	1.3	-2.5	-18.2	-1.8	1.9	-0.6	-2.0	-3.6	-10.9	-41.8
September 2014	3.6	3.8	2.6	2.9	6.7	-15.0	-16.8	3.2	5.8	2.6	1.0	7.2	-9.5	-37.7
October 2014	-1.3	2.3	-3.8	-5.1	-2.7	-4.4	-24.8	-2.3	2.9	-3.8	-6.3	-4.6	-12.5	-39.8
November 2014	-4.2	-1.1	-5.9	-5.7	-4.7	-21.5	-28.6	-5.0	0.7	-5.9	-10.2	-4.6	-22.5	-35.3
December 2014	-2.5	1.4	-5.0	-5.0	-11.3	-22.5	-32.7	-3.3	7.0	-5.0	-7.2	-5.9	-24.6	-35.1
January 2015	7.7	4.5	5.6	9.6	10.1	-2.2	-3.8	-13.7	-2.8	-15.9	-18.4	-10.9	-41.4	-33.6
February 2015	-2.0	-0.1	-3.1	2.2	11.1	-7.3	7.9	-13.5	-4.4	-13.9	-13.8	-14.5	-35.8	-40.4
March 2015	-1.4	-2.5	-8.2	1.8	-3.2	-5.0	-7.5	-11.2	1.8	-15.0	-12.5	-12.5	-37.3	-35.5
April 2015	5.6	1.6	4.0	13.4	14.8	-1.4	4.6	-14.2	-5.5	-18.3	-17.0	-18.2	-41.4	-38.9
May 2015	0.7	1.4	-1.0	8.6	2.3	-10.3	-20.9	-15.7	-7.2	-16.5	-19.2	-16.5	-41.0	-45.9
June 2015	1.0	1.7	3.9	4.4	11.8	2.2	-12.6	-8.7	-0.7	-8.0	-11.5	-6.0	-39.0	-37.2
July 2015	5.5	4.9	9.2	11.3	27.3	5.9	-9.5	-13.0	-5.3	-15.1	-19.3	-12.6	-42.3	-33.5
August 2015	3.0	3.1	2.8	2.8	16.6	3.0	-10.8	-12.5	-3.1	-12.5	-16.1	-7.3	-35.3	-23.1
September 2015	2.4	0.2	7.9	6.9	20.6	3.8	-6.7	-14.6	-5.4	-9.6	-15.2	-8.8	-35.0	-30.7
October 2015	4.9	6.4	6.1	6.8	18.5	-5.6	-9.5	-13.5	-7.1	-9.7	-11.5	-5.4	-36.0	-27.4
November 2015	3.8	4.7	4.0	2.3	12.8	3.0	-6.4	-10.5	-3.7	-7.8	-9.9	-6.7	-28.9	-14.1

Source: According to the WTO data (on January 18, 2016).

BUSINESS ENVIRONMENT		
Period	Registration of enterprises	Liquidation of enterprises
2011	6740	3430
2012	6273	3218
2013	6231	2808
2014	6263	2770
2015	5985	3905
Quarter I 2013	1797	700
Quarter II 2013	1509	668
Quarter III 2013	1379	657
Quarter IV 2013	1546	783
Quarter I 2014	1660	686
Quarter II 2014	1570	670
Quarter III 2014	1581	683
Quarter IV 2014	1452	731
Quarter I 2015	1602	778
Quarter II 2015	1482	814
Quarter III 2015	1374	1220
Quarter IV 2015	1527	1093
Jan. 2015	481	215
Feb. 2015	579	280
Mar. 2015	542	283
Apr. 2015	500	255
May 2015	521	238
Jun. 2015	461	321
Jul. 2015	506	440
Aug. 2015	385	326
Sept. 2015	483	454
Oct. 2015	509	316
Novem. 2015	503	308
Dec. 2015	515	469

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

DEMOGRAPHIC SITUATION																
Period	Number of the resident population Total (thou. pers.) beginning-year		Number of the present population Total (thou. pers.) beginning-year		Live-births		Deceased		Infant deaths		Natural increase		Marriages		Divorces	
	Total (thou. pers.) beginning-year	Total (thou. pers.) beginning-year	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 people	Natural increase (pers.)	Per 1000 people	Number of marriages - total (number)	Marriages per 1000 people	Number of divorces - total (number)	Divorces per 1000 people		
2011	3,560.4	3,413.0	3,9182	11.0	39,249	11.0	431	10.9	-67	0.0	25,900	7.3	11,120	3.1		
2012	3,559.5	3,412.6	3,9435	11.1	39,560	11.1	387	9.8	-125	0.0	24,262	6.8	10,637	3.0		
2013	3,559.5	3,414.3	3,7871	10.6	38,060	10.7	359	9.4	-189	-0.1	24,449	6.9	10,775	3.0		
2014	3,557.6	3,413.2	3,8616	10.9	39,494	11.1	372	9.6	-878	-0.2	25,624	7.2	11,130	3.1		
2015	3,555.2	3,384.1	3,8567	10.9	39,905	11.2	374	9.7	-1,338	-0.3	24,689	6.9	11,106	3.1		
January 2013			3,371	11.2	4,089	13.5	35	10.4	-718	-2.3	1,229	4.1	1,115	3.7		
February 2013			6,177	10.7	7,405	12.9	66	7.9	-1,228	-2.2	2,409	4.2	1,854	3.2		
March 2013			8,974	10.2	10,859	12.4	92	8.4	-1,885	-2.2	3,899	4.4	2,919	3.3		
April 2013			11,744	10.0	14,169	12.1	122	9.6	-2,425	-2.1	4,615	3.9	3,726	3.2		
May 2013			14,732	10.0	17,285	11.7	152	9.8	-2,553	1.7	6,646	4.5	4,768	3.2		
June 2013			17,779	10.1	19,936	11.3	178	10.1	-2,157	1.2	9,014	5.1	5,506	3.1		
July 2013			21,204	10.3	22,592	10.9	209	9.9	-1,388	-0.6	10,927	5.3	6,331	3.1		
August 2013			24,632	10.4	25,105	10.6	232	9.4	-473	-0.2	14,406	6.1	7,097	3.0		
September 2013			27,960	10.5	27,907	10.5	266	9.5	53	0.0	18,039	6.8	7,794	2.9		
October 2013			31,880	10.8	31,416	10.6	294	9.2	464	0.2	21,038	7.1	8,644	2.9		
November 2013			35,030	10.8	34,724	10.7	325	9.3	306	0.1	23,369	7.2	9,745	3.0		
December 2013			37,871	10.6	38,060	10.7	359	9.4	-189	-0.1	24,449	6.9	10,775	3.0		
Quarter I 2014			8,985	10.2	10,956	12.5	99	11.0	-1,971	-2.3	4,152	4.7	2,957	3.4		
Quarter II 2014			18,248	10.3	20,542	11.6	188	10.3	-2,294	-1.3	9,876	5.6	5,653	3.2		
Quarter III 2014			29,068	10.9	28,932	10.9	280	9.6	136	0.0	19,319	7.3	8,141	3.1		
Quarter IV 2014			38,616	10.9	39,494	11.1	372	9.6	-878	-0.2	25,624	7.2	11,130	3.1		
Quarter I 2015			9,179	10.5	11,166	12.7	90	9.8	-1,987	-2.2	3,893	4.4	2,864	3.3		
Quarter II 2015			18,522	10.5	21,049	11.9	182	9.8	-2,527	-1.4	9,553	5.4	5,724	3.2		
Quarter III 2015			28,881	10.9	29,725	11.2	272	9.4	-844	-0.3	18,727	7.0	8,270	3.1		
Quarter IV 2015			38,567	10.9	39,905	11.2	374	9.7	-1,338	-0.3	24,689	6.9	11,106	3.1		

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

LABOUR MARKET																				
Period	Number of economically active population (thou pers.)		Activity rate of population, %				Number of employees (thou. pers.)		Employment rate of population, %				Number of ILO unemployed (thou. pers.)				Unemployment rate, %			
	Total		men	women	urban	rural	Total		men	women	urban	rural	Total		men	women	urban	rural		
2011	1,257.5		42.3	45.6	39.3	48.0	38.0	1,173.5	39.4	42.1	37.1	44.1	36.0	84.0	6.7	7.7	5.6	8.2	5.2	
2012	1,214.5		40.7	43.5	38.2	47.0	36.0	1,146.8	38.4	40.6	36.5	43.6	34.6	67.7	5.6	6.8	4.3	7.3	3.9	
2013	1,235.9		41.4	44.5	38.6	45.6	38.1	1,172.8	39.3	41.8	37.0	42.8	36.6	63.1	5.1	6.0	4.1	6.3	4.1	
2014	1,232.4		41.2	44.1	38.6	44.1	39.1	1,184.9	39.6	42.1	37.4	41.8	38.0	47.5	3.9	4.6	3.1	5.2	2.7	
2015	1,265.6		42.4	45.1	39.9	44.9	40.4	1,203.6	40.3	42.3	38.4	42.0	38.9	62.1	4.9	6.2	3.6	6.4	3.5	
Quarter I 2013	1,121.0		37.5	39.7	35.6	45.8	31.5	1,030.2	34.5	35.7	33.4	42.0	29.0	90.8	8.1	10.2	6.0	8.2	8.0	
Quarter II 2013	1,288.4		43.1	47.2	39.5	45.0	41.7	1,227.6	41.1	44.5	38.0	42.1	40.3	60.8	4.7	5.6	3.8	6.4	3.3	
Quarter III 2013	1,328.2		44.5	47.7	41.6	46.0	43.3	1,276.8	42.7	45.7	40.1	43.5	42.1	51.4	3.9	4.1	3.6	5.3	2.7	
Quarter IV 2013	1,205.8		40.4	43.4	37.6	45.8	36.2	1,156.5	38.7	41.3	36.4	43.5	35.1	49.3	4.1	4.8	3.3	5.2	3.0	
Quarter I 2014	1,128.1		37.7	40.4	35.4	43.9	33.2	1,070.6	35.8	37.9	33.9	41.2	31.8	57.5	5.1	6.1	4.1	6.0	4.2	
Quarter II 2014	1,328.6		44.5	47.8	41.5	45.0	44.1	1,280.1	42.8	45.8	40.1	42.3	43.2	48.5	3.7	4.1	3.2	5.8	1.9	
Quarter III 2014	1,319.6		44.2	47.5	41.1	44.5	43.9	1,275.7	42.7	45.6	40.0	42.4	42.9	43.9	3.3	4.0	2.6	4.6	2.3	
Quarter IV 2014	1,153.4		38.6	40.9	36.5	43.2	35.2	1,113.1	37.2	39.0	35.6	41.3	34.2	40.2	3.5	4.5	2.4	4.2	2.8	
Quarter I 2015	1,151.9		38.6	41.2	36.1	43.7	34.5	1,054.0	35.3	36.6	34.1	39.7	31.8	97.9	8.5	11.2	5.7	9.2	7.8	
Quarter II 2015	1,339.2		44.8	47.9	42.1	44.3	45.2	1,284.0	43.0	45.4	40.8	41.6	44.1	55.1	4.1	5.2	3.0	6.2	2.5	
Quarter III 2015	1,349.2		45.2	48.2	42.4	45.5	44.9	1,305.2	43.7	46.4	41.3	43.2	44.1	44.0	3.3	3.9	2.6	5.0	1.8	
Quarter IV 2015	1,222.3		40.9	43.2	38.9	46.0	36.9	1,171.1	39.2	41.1	37.5	43.4	35.8	51.2	4.2	4.8	3.6	5.6	2.8	

Source: According to the National Bureau of Statistics.

Period	REMUNERATION OF LABOUR										
	Nominal monthly wage - Total					Index of nominal monthly wage (comparative to previous year), %					Index of real monthly wage (comparative to previous year), %
	MDL	USD	EUR	MDL	USD	MDL	USD	EUR	MDL	USD	
January 2014	3,777.4	286.9	210.4	110.2	101.6	98.9					104.9
February 2014	3,717.9	275.6	202.1	109.8	98.4	96.6					104.2
March 2014	3,912.4	289.5	209.6	107.3	97.8	91.8					101.5
April 2014	4,009.1	298.5	216.0	107.2	98.5	92.7					101.3
May 2014	4,032.6	294.9	214.3	107.3	96.9	91.6					102.5
June 2014	4,203.9	301.9	222.1	108.9	97.4	94.4					103.7
July 2014	4,328.8	308.8	227.8	110.8	100.2	96.6					105.2
August 2014	4,276.9	309.2	232.1	111.6	102.9	102.8					106.2
September 2014	4,267.7	298.0	230.5	113.5	102.1	105.3					108.3
October 2014	4,309.5	293.7	231.6	113.8	101.2	108.7					108.6
November 2014	4,354.9	291.4	233.3	114.8	99.6	107.7					109.5
December 2014	4,865.4	315.2	255.7	113.7	96.1	106.7					108.6
January 2015	4,260.6	256.5	219.1	112.8	89.4	104.1					107.7
February 2015	4,241.2	225.2	198.1	114.1	81.7	98.0					107.1
March 2015	4,397.3	236.0	217.1	112.4	81.5	103.6					104.9
April 2015	4,526.5	251.3	233.2	112.9	84.2	108.0					104.9
May 2015	4,524.0	252.0	225.7	112.2	85.5	105.3					103.8
June 2015	4,732.7	256.7	228.6	112.6	85.0	102.9					104.0
July 2015	4,882.6	257.4	233.8	112.8	83.4	102.6					103.9
August 2015	4,669.1	245.8	220.4	109.2	79.5	95.0					97.3
September 2015	4,694.9	239.0	212.6	110.0	80.2	92.2					97.7
October 2015	4,564.9	229.2	203.8	105.9	78.0	88.0					93.6
November 2015	4,613.4	230.7	214.5	105.9	79.2	91.9					93.3
December 2015	5,227.7	263.6	243.0	107.4	83.6	95.0					94.5

Source: According to the National Bureau of Statistics data.

REMUNERATION OF LABOUR BY ECONOMIC ACTIVITIES, 2015

Economic activities	REMUNERATION OF LABOUR BY ECONOMIC ACTIVITIES, 2015												
	January	February	March	April	May	June	July	August	September	October	November	December	Annual average 2015
Total economy	4,260.6	4,241.2	4,397.3	4,526.5	4,524.0	4,732.7	4,882.6	4,669.1	4,694.9	4,564.9	4,613.4	5,227.7	4,610.9
Agriculture, forestry and fishing	2,602.0	2,576.2	2,834.8	2,815.9	2,900.1	2,936.6	3,233.9	2,878.7	3,484.0	3,395.4	3,363.1	3,713.0	3,072.3
Industry	4,514.4	4,445.4	4,707.1	4,994.9	4,845.4	4,936.5	5,076.0	4,995.4	5,027.4	4,942.8	5,007.2	5,884.1	4,962.8
Constructions	3,442.4	4,002.3	4,549.3	4,538.9	4,550.4	4,752.5	4,995.4	4,683.8	4,638.6	4,761.8	4,637.6	5,145.5	4,559.0
Wholesale and retail trade; maintenance and repairing of vehicles and motorcycles	4,085.4	4,012.3	4,220.2	4,307.0	4,417.7	4,515.4	4,668.0	4,614.7	4,554.3	4,013.8	3,937.5	4,453.4	3,903.2
Transport and storage	7,215.1	7,353.5	7,803.3	9,134.2	7,672.0	7,771.4	7,768.0	7,806.1	9,366.0	4,485.7	4,271.0	4,907.6	4,411.3
Public accomodation and food activities	4,447.5	4,075.4	4,574.6	5,307.9	4,609.9	4,751.2	4,969.9	4,912.4	4,811.5	3,220.2	3,131.7	3,290.8	3,055.6
Information and communication	3,950.8	4,011.3	4,229.2	4,369.0	4,581.7	4,687.3	4,762.1	4,690.4	4,781.2	9,725.0	9,553.1	10,429.6	9,770.7
Financial and insurance activities	3,552.4	3,559.2	3,657.1	3,797.5	3,826.5	3,974.5	4,054.1	3,977.6	4,034.8	8,736.8	8,246.3	10,685.4	8,659.6
Real estate transactions	4,130.6	3,940.4	4,113.4	4,406.4	4,566.5	4,369.3	4,541.4	4,615.6	4,596.3	4,231.5	4,247.8	4,922.9	4,218.7
Professional, scientific and technical activities	2,827.6	2,781.9	2,904.1	2,851.2	2,970.3	3,081.0	3,219.2	3,181.1	3,204.1	6,362.7	6,661.0	7,102.4	6,320.2
Activities of administrative and support services	8,533.6	8,889.3	9,650.7	10,443.5	9,400.4	9,611.4	9,640.5	9,392.6	12,024.8	3,773.5	3,635.6	4,039.9	3,669.7
Public administration and defense; mandatory social insurance	7,683.3	7,305.5	8,825.2	9,595.3	8,092.1	8,471.0	10,121.3	8,235.3	8,005.3	5,324.0	5,771.7	6,279.6	5,749.2
Education	4,014.8	3,942.7	4,028.8	4,257.0	4,259.6	4,119.4	4,316.4	4,112.6	4,195.9	3,648.5	3,735.3	3,878.5	3,813.6
Health and social care	5,735.9	5,790.8	6,064.7	5,785.6	6,248.4	6,558.3	6,854.3	6,442.1	6,449.9	4,250.2	4,404.6	5,518.1	4,430.2
Art. recreation and leisure activities	3,634.2	3,291.5	3,534.9	3,531.6	3,641.5	3,715.0	3,739.9	3,816.8	3,729.6	2,918.1	3,107.2	3,118.6	3,015.8
Other service activities	5,460.4	5,568.9	5,792.4	5,493.6	5,503.1	5,997.0	6,604.3	5,841.1	5,347.9	7,143.9	7,141.6	8,574.9	6,965.4

Source: According to the National Bureau of Statistics data.

Note: Information contains the units from the real sector with 4 or more employees and all public institutions regardless of the number of employees

Note: Since January 2014, the new version of the Classification of Economic Activities of Moldova (CAEM Rev.2) fully harmonized with the Nomenclature of Economic Activities in the European Community (NACE Rev. 2) is implemented in practice.

Period	HOUSEHOLD DISPOSABLE INCOME						
	Household disposable income MDL	Structure of disposable income, %					
		Employment activity	Individual agricultural activity	Individual non-agricultural activity	property	Social benefits	Other sources
2011	1,444.7	44.7	10.0	6.8	0.4	18.1	20.1
2012	1,508.8	42.7	9.6	7.2	0.2	19.2	21.2
2013	1,681.4	41.6	9.1	6.9	0.2	19.9	22.3
2014	1,767.5	41.6	9.5	6.6	0.1	20.2	21.9
2015	1,956.6	41.4	9.0	6.9	0.2	20.9	21.6
Quarter I 2013	1,559.8	42.5	9.1	6.4	0.3	19.4	22.3
Quarter II 2013	1,667.2	43.7	10.0	6.3	0.1	18.8	21.0
Quarter III 2013	1,755.5	41.9	8.8	7.2	0.2	20.3	21.7
Quarter IV 2013	1,743.0	38.7	8.4	7.5	0.2	20.9	24.3
Quarter I 2014	1,650.0	42.6	10.1	5.9	0.1	20.0	21.2
Quarter II 2014	1,756.1	43.0	10.4	5.6	0.0	18.8	22.2
Quarter III 2014	1,787.4	40.7	9.0	6.6	0.1	21.4	22.3
Quarter IV 2014	1,877.8	40.1	8.8	8.1	0.2	20.7	22.0
Quarter I 2015	1,854.0	40.2	9.6	5.3	0.2	21.3	23.3
Quarter II 2015	1,997.2	43.5	9.3	6.6	0.1	19.9	20.6
Quarter III 2015	1,978.3	39.9	8.5	7.5	0.2	21.2	22.4
Quarter IV 2015	1,999.4	41.7	8.9	8.2	0.2	20.9	20.1

Source: According to the National Bureau of Statistics data.

Period		HOUSEHOLD CONSUMER EXPENDITURES												
		Structure of consumer expenditures, %												
Household consumer expenditures MDL		food	alcoholic beverages, tobacco	clothing and footwear	household and maintenance	endowment house	health	transport	services and communication	recreation	education	hotel, restaurant, cafes	other goods and services	
2011	1,534.1	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	1,598.6	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	1,775.8	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	1,816.7	43.8	1.3	10.6	18.9	3.5	5.6	4.4	4.3	1.3	0.7	1.5	4.0	
2015	2,048.5	42.1	1.4	11.2	17.9	3.9	6.5	4.5	4.3	1.4	0.6	1.7	4.4	
Quarter I 2013	1,656.1	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	1,761.8	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	1,888.0	40.9	1.4	10.2	20.3	3.8	5.8	5.1	4.0	2.0	0.8	1.7	4.0	
Quarter IV 2013	1,798.5	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	1,733.7	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	1,807.9	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	1,832.0	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	1,893.7	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	1,913.3	41.5	1.4	10.9	17.1	3.5	7.7	4.9	4.4	1.6	0.6	1.7	4.8	
Quarter II 2015	2,075.9	41.9	1.4	11.0	17.9	4.0	6.3	4.7	4.5	1.1	0.6	2.0	4.5	
Quarter III 2015	2,132.7	41.5	1.4	11.8	18.9	4.1	6.2	4.0	4.1	1.5	0.7	1.4	4.3	
Quarter IV 2015	2,072.9	43.3	1.5	11.0	17.6	4.1	5.9	4.6	4.2	1.2	0.7	1.8	4.1	

Source: According to the National Bureau of Statistics data.

Period	CRIMES																				
	Recorded crimes - total. (cases)																				
	Crimes against life and health of the person (cases)			Crimes of sexual life (cases)			Crimes against property (cases)								Crimes 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	Theft	Brigandage	Robbery	Fraud	Pocket-picking	Blackmail	Total	Drug related crimes	Total	Trafficking in children	Total	Contraband	Manufacture of counterfeit currency	Total	Hooliganism	
2011	35,124	1,799	216	360	291	19,340	15,060	152	1,151	1,574	554	44	1,810	1,658	597	24	1,384	211	681	1,342	1,152
2012	36,615	1,755	223	325	617	18,751	14,294	167	1,175	1,651	540	64	1,785	1,575	953	20	1,928	163	1,156	1,514	1,284
2013	38,157	1,647	215	324	608	20,391	15,378	146	1,144	2,065	741	88	1,305	1,166	1,474	20	1,002	151	344	1,625	1,444
2014	41,786	1,542	172	320	647	21,875	16,729	125	1,127	2,068	836	77	1,439	1,288	2,423	24	1,305	216	286	1,804	1,614
2015	39,782	1,389	177	252	639	20,588	15,363	113	994	2,077	1,011	67	1,362	1,191	2,058	38	1,429	229	433	1,752	1,491
Quarter I 2013	8,250	326	55	66	154	4,630	3,535	47	267	424	182	17	308	274	317	7	224	30	84	383	341
Quarter II 2013	18,098	767	114	140	306	10,004	7,563	83	550	1,002	378	39	568	496	663	14	492	68	188	784	694
Quarter III 2013	27,320	1,175	150	220	455	14,624	11,037	121	829	1,513	494	67	951	850	1,067	17	724	103	256	1,151	1,025
Quarter IV 2013	38,157	1,647	215	324	608	20,391	15,378	146	1,144	2,065	741	88	1,305	1,166	1,474	20	1,002	151	344	1,625	1,444
Quarter I 2014	8,940	336	42	67	156	4,489	3,350	28	245	467	173	25	316	276	492	6	319	54	46	389	352
Quarter II 2014	18,138	769	115	140	306	10,012	7,563	84	550	1,007	378	41	575	503	663	14	501	73	188	786	694
Quarter III 2014	30,328	1,116	129	223	497	15,620	11,828	83	840	1,577	571	55	1,093	979	1,810	14	930	156	176	1,296	1,163
Quarter IV 2014	41,786	1,542	172	320	647	21,875	16,729	125	1,127	2,068	836	77	1,439	1,288	2,423	24	1,305	216	286	1,804	1,614
Quarter I 2015	8,875	276	39	63	130	4,601	3,339	40	239	439	264	12	332	299	529	5	324	47	104	421	358
Quarter II 2015	18,696	599	74	118	286	9,615	7,143	72	462	919	514	23	716	632	1,039	19	713	97	259	847	722
Quarter III 2015	28,583	950	118	171	478	14,462	10,793	87	714	1,429	704	47	1,079	955	1,563	30	1,012	145	333	1,289	1,100
Quarter IV 2015	39,782	1,389	177	252	639	20,588	15,363	113	994	2,077	1,011	67	1,362	1,191	2,058	38	1,429	229	433	1,752	1,491

Source: According to the National Bureau of Statistics.

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