



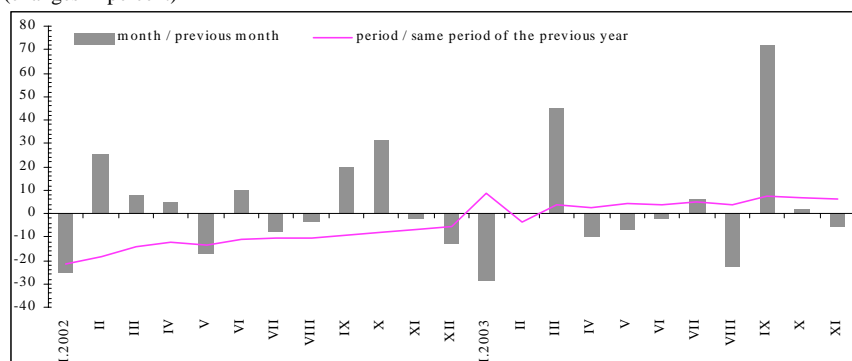
1.2.

Economic activity

In November 2003, the volume of the industrial output decreased by 5.5% on a monthly basis...

In November 2003, the volume of the industrial output registered a decline of 5.5% on a monthly basis. The registered decrease is common for this month of the year, due to the high comparison base registered in October, when the industrial output commonly registers two-digit growth rates on a monthly basis (however, moderate increase was registered in October 2003). Analyzed by main groups of industrial products, a decrease was registered in the production of intermediary products (except energy), in the production of capital products and in the production of durable consumption goods by 50.9%, 16.6% and 14.6%, respectively. The significant decline registered in these groups of industrial products was not completely leveled with the increase in the production of non-durable consumption goods and energy (by 30.9% and by 0.6%, respectively). Analyzed by sectors, the monthly decrease in the industrial output is mainly due to the decreased output in the processing industry by 5.1%, which as a sector, comprises 89.9% of the total industrial output. However, a reduced production was registered in almost all more important branches of the processing industry. The most significant decrease of 80.8% was registered in the production of basic metals (primarily as a result of the high comparison base registered in the previous month). On the other hand, the production of food products and beverages registered high increase of 35.7%, partially as a result of the low comparison base registered in the previous month.

Chart 4
Industrial output
(changes in percent)



...while it increased by 0.5% and 6.1% on annual and cumulative basis, respectively

In November 2003, compared to the same month in 2002, the industrial output increased by 0.5%, which is due to the increased production in almost all main groups of industrial products, except in the production of non-durable consumption goods (by 2.3 times) and durable consumption goods (by 26.2%). On cumulative basis, in the January - November 2003 period, compared to the same period of the previous year, the industrial output increased by 6.1%. The main reason for this increase is the increased production of oil derivatives, basic metals and food products and beverages.



Intensified increase in the gross domestic product in the third quarter of 2003

As a result of the positive economic movements, in the third quarter of 2003, an intensification of the increase in the gross domestic product in real terms was registered, which reached 5.2%*, compared to the same period of 2002. An increase in real terms was registered in all sectors, with the most significant one being recorded in industry (14.4%). Thus, the share of this sector in the GDP reached 24.1% (an increase of 2 percentage points), while the shares of the remaining sectors remained almost unchanged. The value added in trade (11.5% of the GDP) and in agriculture (9.3% of the GDP) increased by 3.5% and 3.8%, respectively. The sectors "traffic, storage and communications" and "construction" registered an identical increase in real terms of 3.4%, thus comprising 8.3% and 5.8% of the GDP, respectively.

The analysis of the available data on the movement of the expenditure aggregates of the GDP points to the significant nominal increase in the export and the import of goods and services in the third quarter of 2003 (by 13.1% and by 7.4%, respectively, in accordance with the intensified foreign trade activity), given the simultaneous decrease in the investments and the public consumption (by 2.1% and by 0.9%, respectively).

* Estimated data of the State Statistical Office.