

Table 1. Moldova: Selected Indicators, 2008–17 1/

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Projection									
I. Real sector indicators										
	(Percent change, unless otherwise indicated)									
Gross domestic product										
Real growth rate	7.8	-6.0	7.1	6.0	3.5	4.5	5.0	5.3	5.3	5.3
Demand	6.0	-15.1	9.2	7.9	3.9	5.1	6.4	6.9	7.0	7.0
Consumption	5.7	-6.9	7.3	6.9	2.7	4.2	5.7	6.6	6.8	6.8
Private	5.8	-8.0	9.6	8.5	2.7	4.5	5.9	7.0	7.3	7.2
Public	5.0	-2.0	-1.1	0.2	2.7	2.7	4.5	4.8	4.6	5.1
Gross capital formation	2.2	-30.9	17.2	13.3	8.1	8.5	9.8	8.3	8.1	7.8
Private	4.1	-32.1	18.5	14.5	4.0	8.0	8.0	8.0	8.0	8.0
Public	-4.5	-26.4	12.4	8.7	24.1	9.9	15.7	9.2	8.4	7.1
Nominal GDP (billions of Moldovan lei)	62.9	60.4	71.9	82.9	93.1	102.1	112.6	124.5	137.6	152.2
Nominal GDP (billions of U.S. dollars)	6.1	5.4	5.8	7.1	7.9	8.6	9.5	10.4	11.5	12.6
Consumer price index (average)	12.7	0.0	7.4	7.8	7.7	5.5	5.0	5.0	5.0	5.0
Consumer price index (end of period)	7.3	0.4	8.1	9.0	6.5	5.0	5.0	5.0	5.0	5.0
GDP deflator	9.2	2.2	11.1	8.8	8.5	5.0	5.0	5.0	5.0	5.0
Average monthly wage (Moldovan lei)	2,530	2,748	2,972	3,200	3,550	3,950	4,350	4,850	5,400	5,950
Average monthly wage (U.S. dollars)	243	247	240	273	302	333	366	406	450	493
Unemployment rate (annual average, percent)	4.0	6.4	7.4	6.7	6.6	6.4	6.0	5.5	5.0	5.0
Saving-investment balance										
	(Percent of GDP)									
Foreign saving	17.2	9.8	10.2	11.7	10.5	9.9	8.9	8.4	8.0	8.0
National saving	16.8	12.8	12.4	11.8	13.2	14.4	16.0	16.8	17.3	17.6
Private	10.8	14.5	9.9	9.5	8.1	9.4	10.5	11.2	11.5	11.3
Public	6.0	-1.7	2.5	2.3	5.2	5.0	5.5	5.6	5.8	6.2
Gross investment	34.0	22.6	22.6	23.5	23.7	24.4	24.9	25.1	25.3	25.6
Private	27.0	17.6	17.9	18.7	18.2	18.6	18.7	18.8	19.0	19.2
Public	7.0	5.0	4.8	4.8	5.5	5.7	6.2	6.3	6.4	6.4
II. Fiscal indicators (general government)										
Primary balance (cash)	0.2	-5.0	-1.7	-1.1	0.0	0.0	0.0	0.0	0.1	0.1
Overall balance	-1.0	-6.3	-2.5	-1.9	-0.9	-0.7	-0.7	-0.6	-0.5	-0.4
Stock of public and publicly guaranteed debt	22.0	32.4	30.2	28.3	28.7	26.1	23.5	21.7	19.7	17.8
III. Financial indicators										
	(Percent change, unless otherwise indicated)									
Broad money (M3)	15.9	3.2	13.4	14.7	12.3	9.7	10.3	10.6	10.6	10.6
Velocity (GDP/end-period M3; ratio)	2.0	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Reserve money 2/	18.4	-0.2	15.9	15.6	11.0	...	...	...	...	...
Credit to the economy 3/	20.7	-4.2	17.4	20.4	14.8	...	...	...	...	...
IV. External sector indicators										
	(Millions of U.S. dollars, unless otherwise indicated)									
Current account balance	-1041	-534	-592	-829	-829	-857	-843	-870	-922	-1009
Current account balance (percent of GDP)	-17.2	-9.8	-10.2	-11.7	-10.5	-9.9	-8.9	-8.4	-8.0	-8.0
Remittances and compensation of employees (net)	1,796	1,124	1,304	1,551	1,665	1,860	2,053	2,287	2,557	2,867
Gross official reserves	1,672	1,480	1,718	2,037	2,313	2,351	2,453	2,598	2,769	2,936
Gross official reserves (months of imports)	5.0	3.9	3.4	3.8	3.9	3.6	3.4	3.2	3.1	3.1
Exchange rate (Moldovan lei per USD, period avge)	10.4	11.1	12.4	11.7	...	...	...	...	...	...
Exchange rate (Moldovan lei per USD, end of period)	10.4	12.3	12.2	11.7	...	...	...	...	...	...
Real effective exch.rate (average, percent change)	17.7	5.6	-8.2	5.1	3.7	1.4	1.5	1.5	1.5	1.5
Real effective exch.rate (end-year, percent change)	25.1	-10.5	0.3	5.9	1.3	1.5	1.5	1.5	1.5	1.5
External debt (percent of GDP) 4/	55.6	66.0	67.4	66.4	68.6	69.1	67.6	66.0	64.2	63.3
Debt service (percent of exports of goods and services)	14.2	19.9	18.3	17.4	16.3	13.2	15.1	16.1	15.8	16.5

Sources: Moldovan authorities; and IMF staff estimates.

1/ Data exclude Transnistria.

2/ Adjusted for changes in reserve requirement ratios.

3/ Adjusted for exchange rate changes and write-offs.

4/ Includes private and public and publicly guaranteed debt.

Table 2. Moldova: Balance of Payments, 2008–17

(Millions of U.S. dollars, unless otherwise indicated)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
				Projection						
Current account balance	-1,041	-534	-592	-829	-829	-857	-843	-870	-922	-1,009
Merchandise trade balance	-3,223	-1,949	-2,220	-2,821	-2,951	-3,138	-3,295	-3,519	-3,809	-4,218
Exports	1,646	1,327	1,590	2,306	2,549	2,894	3,338	3,809	4,307	4,867
<i>Of which: wine and alcohol</i>	196	159	178	222	221	236	247	267	277	291
Imports	-4,869	-3,276	-3,810	-5,128	-5,500	-6,032	-6,633	-7,328	-8,115	-9,085
Services balance	7	-40	-70	-16	-43	-70	-62	-70	-51	-27
Exports of services	844	673	701	842	916	1,020	1,146	1,280	1,427	1,603
Imports of services	-837	-713	-771	-859	-958	-1,090	-1,207	-1,349	-1,478	-1,630
Income balance	599	303	487	594	611	697	750	843	941	1,074
Compensation of employees	763	497	671	804	863	972	1,082	1,216	1,371	1,550
Income on direct and portfolio investment	-140	-138	-135	-165	-184	-210	-247	-271	-310	-354
Income on other investment	-24	-56	-50	-45	-67	-65	-85	-101	-119	-122
Current transfer balance	1,577	1,151	1,211	1,414	1,554	1,653	1,763	1,874	1,997	2,162
Remittances	1,033	627	633	747	802	888	971	1,071	1,186	1,317
Budget transfers	136	103	137	138	207	206	219	214	205	216
Other transfers	408	421	441	529	545	559	573	589	606	629
Capital and financial account balance	1,272	91	386	845	804	856	900	985	1,105	1,204
Capital account balance	-15	-18	-28	-20	-22	-24	-27	-29	-32	-36
Financial account balance	1,286	108	415	865	827	880	926	1,015	1,137	1,240
Foreign direct investment balance	695	139	189	261	269	344	484	549	624	709
Portfolio investment and derivatives	7	-5	5	5	6	7	7	8	9	10
Other investment balance	584	-25	220	599	552	529	435	457	504	520
Loans	358	-43	74	224	240	267	246	260	293	264
General government, net	-21	-3	4	18	27	47	36	30	53	-30
Private sector, net	379	-39	70	206	212	220	210	230	239	294
Other capital flows	226	18	147	374	312	263	189	197	211	256
Errors and omissions	67	50	63	0	0	0	0	0	0	0
Overall balance	298	-394	-143	16	-24	-1	56	115	183	195
Financing	-298	394	143	-16	24	1	-56	-115	-183	-195
Gross international reserves (increase: "-")	-452	201	-294	-294	-276	-39	-102	-145	-172	-166
Use of Fund credit, net	12	-15	175	153	217	-22	-30	-45	-86	-110
Monetary authorities	12	-15	53	129	217	-22	-30	-12	-25	-43
Purchases	38	0	61	136	233	0	0	0	0	0
Repurchases	-25	-15	-8	-6	-16	-22	-30	-12	-25	-43
General government	0	0	122	24	0	0	0	-33	-61	-66
Purchases	0	0	122	24	0	0	0	0	0	0
Repurchases	0	0	0	0	0	0	0	-33	-61	-66
Exceptional financing	142	208	262	125	83	62	75	75	74	80
Memorandum items:				(Percent of GDP, unless otherwise indicated)						
Gross official reserves (millions of U.S. dollars) 1/	1,672	1,480	1,718	2,037	2,313	2,351	2,453	2,598	2,769	2,936
Months of imports of good and services	5.0	3.9	3.4	3.8	3.9	3.6	3.4	3.2	3.1	3.1
Percent of short term debt and CA deficit	76.4	63.5	60.9	63.4	66.4	61.0	58.1	56.6	55.6	54.9
Pct of short-term debt at remaining maturity	100.9	85.3	87.1	86.5	89.7	79.0	73.8	71.9	69.2	67.6
Pct of the IMF composite measure (float) 2/	176.0	156.1	159.0	168.5	175.0	160.0	153.1	148.9	146.1	142.9
Current account balance	-17.2	-9.8	-10.2	-11.7	-10.5	-9.9	-8.9	-8.4	-8.0	-8.0
Goods and services trade balance	-53.1	-36.6	-39.4	-40.2	-37.8	-37.2	-35.5	-34.4	-33.6	-33.6
Export of goods and services	41.1	36.8	39.4	44.6	43.8	45.4	47.4	48.8	50.0	51.2
Import of goods and services	-94.2	-73.4	-78.8	-84.8	-81.6	-82.6	-82.8	-83.3	-83.6	-84.8
Foreign direct investment balance	11.5	2.5	3.3	3.7	3.4	4.0	5.1	5.3	5.4	5.6
	(Percent change of amounts in U.S.dollars, unless otherwise indicated)									
Exports of goods	19.8	-19.4	19.9	45.0	10.5	13.5	15.3	14.1	13.1	13.0
Exports of services	34.3	-20.2	4.2	20.1	8.7	11.4	12.3	11.7	11.5	12.3
Imports of goods	32.6	-32.7	16.3	34.6	7.3	9.7	10.0	10.5	10.7	11.9
Imports of services	28.8	-14.8	8.1	11.4	11.6	13.7	10.8	11.8	9.6	10.2
Remittances and compensation	26.5	-37.4	16.0	19.0	7.3	11.7	10.4	11.4	11.8	12.1
Remittances	25.0	-39.3	0.8	18.1	7.3	10.8	9.3	10.3	10.8	11.1
Compensation of employees	28.7	-34.8	35.1	19.8	7.3	12.6	11.3	12.3	12.8	13.1
Debt service (pct of exports of goods and services)	14.2	19.9	18.3	17.4	16.3	13.2	15.1	16.1	15.8	16.5

Sources: National Bank of Moldova; and IMF staff estimates.

1/ Includes revaluation changes, which were not captured by changes of gross official reserves in the BOP.

2/ The IMF composite measure is calculated as a weighted sum of short-term debt, other portfolio liabilities, broad money, and exports in percent of GDP. Official reserves are recommended to be in the range of 100-150 percent of this measure.

Table 3. Moldova: General Government Budget, 2008–17

(Millions of Moldovan lei, unless otherwise indicated)

	2008	2009	2010	2011		2012		2013	2014	2015	2016	2017
				Third review	Rev. Prog.	Third review	Rev. Prog.					
Revenues and grants	25,517	23,506	27,540	30,903	30,603	34,998	34,662	37,788	41,994	46,443	51,336	56,984
Revenues	24,449	22,218	25,540	28,859	28,589	33,010	32,264	35,917	39,859	44,428	49,487	54,985
Tax revenues	21,030	19,325	22,261	25,765	25,443	29,710	29,089	32,439	36,082	40,252	44,848	49,845
Profit tax	718	443	484	576	552	1,657	1,775	1,948	2,148	2,375	2,626	2,895
Personal income tax	1,480	1,465	1,545	1,812	1,783	2,149	2,003	2,208	2,434	2,691	2,975	3,313
VAT	9,097	7,596	9,146	10,668	10,727	11,448	11,417	12,550	13,849	15,312	16,927	18,716
Excises	1,574	1,540	2,074	2,472	2,473	2,951	3,025	3,552	4,190	4,902	5,690	6,587
Foreign trade taxes	1,150	905	1,080	1,238	1,185	1,399	1,292	1,535	1,647	1,806	2,031	2,283
Other taxes	424	414	459	482	485	538	530	582	641	709	784	864
Social fund contributions	5,430	5,587	5,985	6,833	6,577	7,688	7,234	8,049	8,953	9,982	11,059	12,157
Health fund contributions	1,157	1,377	1,487	1,685	1,661	1,879	1,811	2,015	2,220	2,475	2,755	3,029
Non-tax revenues	1,575	1,035	1,697	1,490	1,473	1,666	1,494	1,630	1,797	1,986	2,196	2,421
Revenues of special funds	1,844	1,858	1,583	1,604	1,673	1,635	1,681	1,848	1,981	2,190	2,443	2,718
Grants	1,068	1,288	2,000	2,045	2,014	1,988	2,398	1,871	2,135	2,014	1,849	1,999
Budget support grants 1/	674	804	1,327	1,488	1,470	937	981	730	894	892	889	964
Foreign financed projects grants	352	334	584	543	448	1,051	1,381	1,141	1,241	1,123	959	1,036
Other grants 2/	43	150	89	14	97	0	35	0	0	0	0	0
Expenditure and net lending	26,147	27,343	29,326	32,499	32,199	35,726	35,499	38,533	42,825	47,233	52,062	57,553
Current expenditure	21,693	24,367	25,986	28,416	28,181	30,739	30,467	32,818	36,020	39,651	43,594	48,024
Wages	5,730	7,000	7,317	7,844	7,764	8,740	8,745	9,590	10,573	11,691	12,926	14,251
Goods and services	5,838	6,067	6,735	7,432	7,369	8,113	8,032	8,639	9,420	10,311	11,229	12,417
Health fund	2,548	3,071	3,368	3,639	3,551	3,924	3,920	4,297	4,737	5,238	5,791	6,385
Other goods and services	3,290	2,996	3,367	3,793	3,818	4,189	4,112	4,342	4,682	5,073	5,438	6,032
Interest payments	733	843	558	712	679	727	817	786	810	825	849	789
Domestic	569	639	374	515	483	532	618	592	585	568	591	607
Foreign	163	204	184	197	196	195	200	194	225	257	258	182
Transfers	8,875	10,156	11,082	12,052	12,011	12,758	12,514	13,462	14,842	16,410	18,132	20,061
Transfers to economy	1,681	1,197	1,094	1,129	1,051	1,077	1,084	1,083	1,194	1,320	1,448	1,612
Transfers to households	7,193	8,959	9,988	10,923	10,960	11,682	11,430	12,379	13,648	15,090	16,684	18,449
Social fund	6,015	7,603	8,603	9,327	9,286	9,989	9,817	10,610	11,697	12,933	14,300	15,765
Other transfers	1,178	1,356	1,385	1,596	1,675	1,692	1,614	1,769	1,950	2,156	2,384	2,684
Other current expenditure	517	302	295	376	357	401	358	340	375	415	459	506
Net lending	36	-28	-90	-53	-73	-53	-97	-149	-164	-181	-200	-221
Capital expenditure	4,419	3,004	3,431	4,135	4,091	5,040	5,129	5,864	6,969	7,764	8,668	9,750
Overall balance (cash)	-630	-3,837	-1,786	-1,596	-1,596	-729	-837	-745	-831	-791	-726	-569
Primary balance (cash)	103	-2,994	-1,229	-884	-916	-1	-29	34	-21	34	123	220
Change in arrears (+, increase)	0	212	-187	-50	-50	-48	-24	0	0	0	0	0
Overall balance (commitments)	-630	-4,049	-1,599	-1,546	-1,546	-681	-813	-745	-831	-791	-726	-569
Primary balance (commitments)	103	-3,206	-1,041	-834	-866	47	-5	34	-21	34	123	220
Financing	630	3,837	1,786	1,596	1,596	729	837	745	831	791	726	569
Budget financing	283	3,382	1,167	264	596	-363	89	-764	-1,157	-583	-773	-1,358
Central government	104	2,919	1,011	-81	452	-453	165	-929	-1,277	-583	-773	-1,358
Net domestic	-519	1,073	-528	134	693	-452	164	-862	-920	143	265	-205
Net foreign (excl. project loans) 3/	-313	1,774	1,441	-495	-351	-364	-259	-302	-358	-726	-1,038	-1,152
Privatization	936	72	98	280	110	363	260	235	0	0	0	0
Local governments, of which:	343	245	-1	164	1	90	-76	165	120	0	0	0
Privatization	343	170	237	176	220	90	120	165	120	0	0	0
Social fund	-48	26	213	181	181	0	0	0	0	0	0	0
Health fund	-117	193	-57	0	-37	0	0	0	0	0	0	0
Project loans	347	456	619	1,331	999	1,091	748	1,509	1,988	1,374	1,499	1,927
Memorandum items:												
				(Billions of Moldovan lei)								
Public and publicly guaranteed debt	13.8	19.6	21.7	24.3	23.9	27.5	26.7	26.7	26.5	27.0	27.2	27.0
General Government debt, of which:	12.1	17.6	19.1	20.2	19.8	20.8	20.1	20.3	20.5	21.1	21.6	21.9
Domestic debt	3.5	5.1	5.3	5.6	5.6	5.4	5.9	5.7	5.4	5.6	5.7	6.5
Domestic expenditure arrears	0.2	0.5	0.3	0.2	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0
External debt	8.4	12.0	13.5	14.4	13.9	15.2	14.0	14.6	15.1	15.5	15.9	15.4
Other public and publicly guaranteed debt 4/	1.7	2.0	2.6	4.1	4.1	6.7	6.6	6.3	6.0	5.9	5.6	5.1

Sources: Moldovan authorities; and IMF staff estimates and projections.

1/ In 2009, an EU project grant of €15 million was reclassified as budget support given that no actual expenditure took place.

2/ Includes internal grants and grants to other public institutions (such as public universities).

3/ Projections include direct budget support from the IMF of about US\$122 mln. (SDR 80 mln.) in 2010 and US\$23 mln. (SDR 15 mln.) in 2011.

4/ Includes mainly central bank liabilities to the IMF.

Table 3. Moldova: General Government Budget, 2008–17 (Concluded)

(Percent of GDP, unless otherwise indicated)

	2008	2009	2010	2011		2012		2013	2014	2015	2016	2017
				Third review	Rev. Prog.	Third review	Rev. Prog.					
Revenues and grants	40.6	38.9	38.3	37.6	36.9	38.2	37.2	37.0	37.3	37.3	37.3	37.4
Revenues	38.9	36.8	35.5	35.2	34.5	36.0	34.7	35.2	35.4	35.7	36.0	36.1
Tax revenues	33.4	32.0	31.0	31.4	30.7	32.4	31.3	31.8	32.0	32.3	32.6	32.8
Profit tax	1.1	0.7	0.7	0.7	0.7	1.8	1.9	1.9	1.9	1.9	1.9	1.9
Personal income tax	2.4	2.4	2.1	2.2	2.2	2.3	2.2	2.2	2.2	2.2	2.2	2.2
VAT	14.5	12.6	12.7	13.0	12.9	12.5	12.3	12.3	12.3	12.3	12.3	12.3
Excises	2.5	2.5	2.9	3.0	3.0	3.2	3.3	3.5	3.7	3.9	4.1	4.3
Foreign trade taxes	1.8	1.5	1.5	1.5	1.4	1.5	1.4	1.5	1.5	1.5	1.5	1.5
Other taxes	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Social fund contributions	8.6	9.2	8.3	8.3	7.9	8.4	7.8	7.9	8.0	8.0	8.0	8.0
Health fund contributions	1.8	2.3	2.1	2.1	2.0	2.1	1.9	2.0	2.0	2.0	2.0	2.0
Non-tax revenues	2.5	1.7	2.4	1.8	1.8	1.8	1.6	1.6	1.6	1.6	1.6	1.6
Revenues of special funds	2.9	3.1	2.2	2.0	2.0	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Grants	1.7	2.1	2.8	2.5	2.4	2.2	2.6	1.8	1.9	1.6	1.3	1.3
Budget support grants 1/	1.1	1.3	1.8	1.8	1.8	1.0	1.1	0.7	0.8	0.7	0.6	0.6
Foreign financed projects grants	0.6	0.6	0.8	0.7	0.5	1.1	1.5	1.1	1.1	0.9	0.7	0.7
Other grants 2/	0.1	0.2	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Expenditure and net lending	41.6	45.2	40.8	39.6	38.9	39.0	38.1	37.7	38.0	37.9	37.8	37.8
Current expenditure	34.5	40.3	36.1	34.6	34.0	33.6	32.7	32.1	32.0	31.8	31.7	31.6
Wages	9.1	11.6	10.2	9.6	9.4	9.5	9.4	9.4	9.4	9.4	9.4	9.4
Goods and services	9.3	10.0	9.4	9.1	8.9	8.9	8.6	8.5	8.4	8.3	8.2	8.2
Health fund	4.0	5.1	4.7	4.4	4.3	4.3	4.2	4.2	4.2	4.2	4.2	4.2
Other goods and services	5.2	5.0	4.7	4.6	4.6	4.6	4.4	4.3	4.2	4.1	4.0	4.0
Interest payments	1.2	1.4	0.8	0.9	0.8	0.8	0.9	0.8	0.7	0.7	0.6	0.5
Domestic	0.9	1.1	0.5	0.6	0.6	0.6	0.7	0.6	0.5	0.5	0.4	0.4
Foreign	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Transfers	14.1	16.8	15.4	14.7	14.5	13.9	13.4	13.2	13.2	13.2	13.2	13.2
Transfers to economy	2.7	2.0	1.5	1.4	1.3	1.2	1.2	1.1	1.1	1.1	1.1	1.1
Transfers to households	11.4	14.8	13.9	13.3	13.2	12.8	12.3	12.1	12.1	12.1	12.1	12.1
Social fund	9.6	12.6	12.0	11.4	11.2	10.9	10.5	10.4	10.4	10.4	10.4	10.4
Other transfers	1.9	2.2	1.9	1.9	2.0	1.8	1.7	1.7	1.7	1.7	1.7	1.8
Other current expenditure	0.8	0.5	0.4	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3
Net lending	0.1	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Capital expenditure	7.0	5.0	4.8	5.0	4.9	5.5	5.5	5.7	6.2	6.2	6.3	6.4
Overall balance (cash)	-1.0	-6.3	-2.5	-1.9	-1.9	-0.8	-0.9	-0.7	-0.7	-0.6	-0.5	-0.4
Primary balance (cash)	0.2	-5.0	-1.7	-1.1	-1.1	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Change in arrears (+, increase)	0.0	0.4	-0.3	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance (commitments)	-1.0	-6.7	-2.2	-1.9	-1.9	-0.7	-0.9	-0.7	-0.7	-0.6	-0.5	-0.4
Primary balance (commitments)	0.2	-5.3	-1.4	-1.0	-1.0	0.1	0.0	0.0	0.0	0.0	0.1	0.1
Financing	1.0	6.3	2.5	1.9	1.9	0.8	0.9	0.7	0.7	0.6	0.5	0.4
Budget financing	0.4	5.6	1.6	0.3	0.7	-0.4	0.1	-0.7	-1.0	-0.5	-0.6	-0.9
Central government	0.2	4.8	1.4	-0.1	0.5	-0.5	0.2	-0.9	-1.1	-0.5	-0.6	-0.9
Net domestic	-0.8	1.8	-0.7	0.2	0.8	-0.5	0.2	-0.8	-0.8	0.1	0.2	-0.1
Net foreign (excl. project loans) 3/	-0.5	2.9	2.0	-0.6	-0.4	-0.4	-0.3	-0.3	-0.3	-0.6	-0.8	-0.8
Privatization	1.5	0.1	0.1	0.3	0.1	0.4	0.3	0.2	0.0	0.0	0.0	0.0
Local governments, of which:	0.5	0.4	0.0	0.2	0.0	0.1	-0.1	0.2	0.1	0.0	0.0	0.0
Privatization	0.5	0.4	0.3	0.2	0.3	0.1	0.1	0.2	0.1	0.0	0.0	0.0
Social fund	-0.1	0.0	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Health fund	-0.2	0.3	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Project loans	0.6	0.8	0.9	1.6	1.2	1.2	0.8	1.5	1.8	1.1	1.1	1.3
Memorandum items:												
Public and publicly guaranteed debt	22.0	32.4	30.2	29.6	28.8	30.0	28.7	26.1	23.5	21.7	19.7	17.8
General Government debt, of which:	19.3	29.1	26.5	24.6	23.8	22.7	21.6	19.9	18.2	16.9	15.7	14.4
Domestic debt	5.6	8.4	7.4	6.8	6.8	5.9	6.3	5.6	4.8	4.5	4.1	4.3
Domestic expenditure arrears	0.4	0.8	0.4	0.3	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0
External debt	13.3	19.9	18.8	17.5	16.8	16.6	15.1	14.3	13.4	12.5	11.5	10.1
Other public and publicly guaranteed debt 4/	2.7	3.3	3.6	5.0	4.9	7.3	7.1	6.2	5.3	4.7	4.1	3.4

Sources: Moldovan authorities; and IMF staff estimates and projections.

1/ In 2009, an EU project grant of €15 million was reclassified as budget support given that no actual expenditure took place.

2/ Includes internal grants and grants to other public institutions (such as public universities).

3/ Projections include direct budget support from the IMF of about US\$122 mln. (SDR 80 mln.) in 2010 and US\$23 mln. (SDR 15 mln.) in 2011.

4/ Includes mainly central bank liabilities to the IMF.

Table 4. Moldova: Accounts of the National Bank of Moldova and Monetary Survey, 2010–12
(Millions of Moldovan lei, unless otherwise indicated)

	2010	2011				2012			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
		Projection							
National Bank of Moldova									
Net foreign assets	18,372	18,838	18,926	19,359	19,980	19,958	19,834	20,089	20,877
NFA (convertible)	18,386	18,887	18,993	19,426	20,044	20,014	19,893	20,154	20,945
Gross reserves	20,877	21,359	22,070	23,457	23,872	24,765	25,413	25,635	27,307
Reserve liabilities	-2,490	-2,472	-3,077	-4,030	-3,828	-4,751	-5,520	-5,482	-6,362
Net domestic assets	-6,257	-6,184	-5,524	-5,296	-5,069	-5,047	-4,518	-4,417	-4,331
at program exchange rates	-7,496	-7,151	-6,844	-6,761	-6,804	-6,537	-6,185	-6,170	-5,856
Net claims on general government	-1,067	-528	-91	-305	-712	-367	-726	-683	-619
Credit to banks	-4,646	-5,026	-4,978	-4,449	-4,027	-4,097	-3,450	-3,406	-3,183
Other items (net)	-544	-629	-455	-542	-329	-584	-342	-327	-530
Reserve money	12,115	12,654	13,402	14,063	14,912	14,911	15,316	15,673	16,545
Adjusted for change in reserve requirement 1/	12,115	12,196	12,924	13,219	14,009	13,995	14,401	14,720	15,548
Currency in circulation	10,108	9,731	10,486	10,510	11,543	11,128	11,760	11,911	12,915
Banks' reserves	2,007	2,919	2,914	3,552	3,368	3,783	3,556	3,762	3,630
Required reserves 1/	1,295	1,835	1,907	2,351	2,490	2,523	2,520	2,610	2,714
Excess reserves 2/	712	1,084	1,006	1,202	878	1,260	1,036	1,152	916
Monetary survey									
Net foreign assets	18,121	17,481	17,213	17,532	18,384	18,573	18,685	18,625	19,393
NFA (convertible)	18,376	17,821	17,600	17,902	18,774	18,969	19,093	19,041	19,832
Of which: commercial banks	-11	-1,066	-1,393	-1,524	-1,269	-1,045	-800	-1,112	-1,113
Foreign assets of commercial banks	4,615	3,558	3,419	3,614	3,682	3,896	4,032	3,843	4,005
Foreign liabilities of commercial banks	-4,626	-4,624	-4,812	-5,138	-4,951	-4,940	-4,832	-4,956	-5,118
NFA (non-convertible)	-254	-340	-387	-371	-391	-396	-408	-416	-439
Net domestic assets	18,930	20,203	22,309	22,774	24,114	24,520	25,638	26,670	28,341
Net claims on general government	-187	299	871	679	371	685	294	306	339
Credit to economy	26,915	27,482	28,826	30,077	31,238	31,571	32,855	33,977	35,748
Moldovan lei	15,529	15,452	15,888	16,937	17,933	17,734	18,609	19,354	20,219
Foreign exchange	11,387	12,030	12,938	13,140	13,305	13,837	14,246	14,623	15,529
in U.S. dollars	937	1,007	1,111	1,106	1,136	1,170	1,217	1,253	1,316
Other items (net)	-7,799	-7,578	-7,388	-7,982	-7,495	-7,737	-7,511	-7,613	-7,747
Broad money (M3)	37,051	37,684	39,522	40,305	42,498	43,093	44,324	45,294	47,733
Broad money (M2: excluding FCD)	24,771	25,002	26,418	27,141	29,161	28,975	29,588	30,375	32,113
Currency in circulation	10,108	9,731	10,486	10,510	11,543	11,128	11,760	11,911	12,915
Total deposits	26,944	27,953	29,036	29,796	30,955	31,965	32,564	33,384	34,818
Domestic currency deposits	14,662	15,269	15,929	16,630	17,617	17,848	17,828	18,464	19,197
Foreign currency deposits (FCD)	12,280	12,682	13,104	13,165	13,337	14,117	14,736	14,919	15,620
in U.S. dollars	1,010	1,062	1,126	1,108	1,138	1,193	1,258	1,278	1,323
Memorandum items:									
Reserve money growth (percent change; annual)	15.9	22.6	28.0	27.8	23.1	17.8	14.3	11.5	11.0
Adjusted for change in reserve requirement 1/	15.9	18.2	23.4	20.2	15.6	14.7	11.4	11.3	11.0
Broad money growth (percent change; annual)	13.4	15.4	19.9	15.9	14.7	14.4	12.1	12.4	12.3
Credit to economy (percent change; annual) 3/	12.7	15.8	15.8	16.1	16.1	14.9	14.0	13.0	14.4
in foreign exchange	7.9	21.6	33.5	23.2	21.2	15.8	9.1	13.6	15.9
Credit to economy (percent change; annual) 4/	17.4	21.6	22.9	22.4	20.4	18.7	16.4	14.1	14.8
in local currency	22.0	20.4	18.2	17.0	19.3	17.7	19.3	15.5	13.4
in foreign exchange 4/	11.7	23.1	27.6	28.2	21.1	18.6	12.4	12.5	17.4
Gross international reserves (millions of U.S. dollars)	1,718	1,788	1,896	1,975	2,038	2,094	2,170	2,197	2,314
Percent of domestic-currency broad money	84	85	84	86	82	85	86	84	85
Net international reserves (millions of U.S. dollars)	1,513	1,589	1,642	1,659	1,698	1,707	1,699	1,712	1,775
at program exchange rates	1,594	1,614	1,652	1,699	1,766	1,744	1,748	1,776	1,821
Broad money multiplier	3.1	3.0	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Share of foreign currency deposits in all deposits	45.6	45.4	45.1	44.2	43.1	44.2	45.3	44.7	44.9
Exchange rate (Moldovan lei per U.S. dollar, average)	12.1	11.9	11.6	11.6	11.8	...	...	...	...
Exchange rate (Moldovan lei per U.S. dollar, actual/projecte)	12.2	11.9	11.6	11.9	11.7	...	...	...	...
Reserve requirement ratio on deposits (percent) 1/	8	11	11	14	14	14	14	14	14

Sources: National Bank of Moldova; and IMF staff estimates and projections.

1/ The reserve requirement ratio on lei and foreign currency deposits was increased from 8 percent to 11 percent in February 2011, and to 14 percent in July 2011 while liabilities with maturities over two years were exempt of reserve requirements.

2/ Includes cash in vaults of commercial banks and amounts in correspondent accounts.

3/ Historical data as reported by the NBM. Not adjusted for exchange rate changes and write-offs.

4/ Adjusted for exchange rate changes and write-offs.

Table 5. Moldova: Financial Sector Indicators, 2008–11

(End-of-period; percent, unless otherwise indicated)

	2008	2009	2010				2011			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Oct
Size										
Number of banks	16	15	15	15	15	15	15	15	15	15
Total assets of the banking system (billions of Moldovan lei)	39.1	39.9	39.3	39.7	40.9	42.3	43.5	44.8	46.3	46.8
Total loans of the banking system (percent of GDP)	39.4	37.1	30.9	32.6	34.8	35.5	32.1	33.6	35.0	35.2
Total assets of the banking system (percent of GDP)	62.2	66.1	54.7	55.2	58.4	58.8	52.7	54.4	55.9	56.5
Capital adequacy										
Capital adequacy ratio 1/	32.2	32.3	32.6	31.2	31.2	30.1	29.7	28.2	28.5	29.4
Liquidity										
Liquid assets (billions of Moldovan lei)	12.0	15.3	14.3	13.8	13.9	14.4	14.4	14.2	14.7	15.4
Total deposits (billions of Moldovan lei)	27.2	24.4	26.3	26.1	27.3	28.7	29.6	30.7	31.7	31.9
Liquidity ratio 2/	44.1	62.6	54.5	52.8	50.9	50.3	48.8	46.4	46.3	48.4
Liquid assets share of total assets	30.6	38.3	36.5	34.8	34.0	34.2	33.2	31.8	31.7	32.9
Asset quality										
Gross loans (billions of Moldovan lei)	24.8	22.4	22.2	23.5	24.4	25.5	26.5	27.7	29.0	29.2
Nonperforming loans (billions of Moldovan lei)	1.3	3.7	3.9	4.1	3.8	3.4	2.8	2.6	2.4	2.8
Substandard				2.3	2.1	2.3	1.7	1.6	1.6	2.1
Doubtful				1.7	1.4	1.0	1.0	0.8	0.5	0.5
Loss				0.0	0.1	0.1	0.1	0.1	0.2	0.2
Loan loss provisions (billions of Moldovan lei)	1.2	2.2	2.3	2.4	2.3	2.1	2.0	1.9	1.9	2.0
Provisions to non-performing loans	94.2	59.2	58.8	59.5	60.1	63.2	71.8	76.0	79.3	71.6
Nonperforming loans as a share of total loans	5.2	16.3	17.4	17.5	15.7	13.3	10.7	9.2	8.1	9.7
Substandard	3.6	9.6	10.0	10.0	8.6	8.9	6.3	5.7	5.7	7.2
Doubtful	1.5	6.5	7.4	7.3	5.7	3.9	3.9	2.9	1.8	1.8
Loss	0.1	0.2	0.1	0.1	0.3	0.6	0.5	0.5	0.7	0.8
Loan-loss provisioning/gross loans	4.9	9.7	10.2	10.4	9.4	8.4	7.7	7.0	6.5	7.0
Profitability										
Return on equity	19.9	-2.1	8.9	9.9	6.9	3.0	10.1	10.3	11.5	12.5
Return on assets	3.5	-0.4	1.6	1.8	1.2	0.5	1.7	1.8	2.0	2.1
Interest rates										
Domestic currency average lending rate	21.0	18.6	17.3	16.5	15.8	14.8	14.6	14.2	14.1	14.0
Domestic currency average deposit rate	18.1	9.8	9.1	6.7	7.4	6.5	7.9	7.3	6.9	7.6
Interest rate spread, domestic currency	2.9	8.8	8.1	9.8	8.4	8.2	6.7	6.9	7.2	6.4
Foreign currency average lending rate	14.6	10.6	10.2	10.5	9.8	9.4	9.1	8.9	8.9	8.8
Foreign currency average deposit rate	9.6	3.8	3.4	3.3	3.5	3.3	3.4	3.6	3.9	4.1
Interest rate spread, foreign currency	5.0	6.8	6.8	7.2	6.3	6.1	5.7	5.3	4.9	4.7
182-day T-bill (nominal yield)	19.2	6.1	8.5	7.5	7.3	7.4	12.1	11.6	13.5	13.3
Foreign currency assets and liabilities										
Total liabilities (billions of Moldovan lei)	32.1	33.0	32.2	32.5	33.5	35.0	36.0	37.4	38.5	38.9
Foreign currency liabilities (billions of Moldovan lei)	15.4	17.1	16.3	16.0	16.9	17.7	18.2	19.0	19.6	19.9
Share of foreign currency denominated liabilities in total	48.0	51.7	50.4	49.2	50.5	50.7	50.6	51.0	50.8	51.1
Foreign currency denominated assets	12.9	16.1	15.0	15.1	17.3	17.2	17.7	18.4	20.0	20.4
Share of foreign currency denominated assets in total	33.0	40.2	38.3	38.1	42.3	40.8	40.6	41.1	43.1	43.6
Share of foreign currency deposits in total deposits	41.1	49.3	47.5	46.2	45.9	45.6	45.4	45.1	44.3	44.3
Share of foreign currency denominated loans in total loans	41.2	44.7	43.4	43.0	41.5	42.3	43.8	44.9	43.9	43.5

Source: National Bank of Moldova.

1/ Total regulatory capital over total risk-weighted assets.

2/ Liquid assets over total deposits.

Table 6. Moldova: External Financing Requirements and Sources, 2009-12

(Millions of U.S. dollars, unless otherwise indicated)

	2009	2010	2011	2012
1 Total requirements	2,559	2,854	3,526	3,714
Current account deficit (excluding current transfers and compensation of employees)	2,183	2,474	3,048	3,246
<i>Of which:</i> exports of goods	1,327	1,590	2,306	2,549
Imports of goods	-3,276	-3,810	-5,128	-5,500
Debt amortization	377	380	478	469
Public and publicly guaranteed	45	46	62	50
Private	332	334	416	419
2 Identified financing sources	2,359	3,148	3,444	3,577
Capital Account	-18	-28	-20	-22
Foreign direct investment (net)	139	189	261	269
Portfolio investment	-5	5	5	6
New borrowing	334	453	627	634
Public	41	50	5	2
Private	293	403	622	631
Other capital flows	18	147	374	312
Current transfers	1,151	1,211	1,398	1,532
Worker's remittances	627	633	747	802
Official transfers	103	137	122	186
Other transfers	421	441	529	545
Compensation of employees	497	671	804	863
Use of Fund credit	-15	175	-6	-16
Errors and omissions	50	63	0	0
Exceptional financing	208	262	0	0
3 Gross international reserve accumulation (+: increase)	-201	294	294	276
4 Financing gap	...	...	376	413
Millions of SDR	...	...	238	265
Percent of quota	...	...	193	215
5 Prospective financing	...	...	376	413
IMF	...	...	160	233
Millions of SDR	...	...	100	150
Percent of quota	...	...	81	121
Other donors	...	...	217	180
European Commission	...	...	129	87
World Bank	...	...	74	72
EIB/EBRD/CEDB	...	...	14	20

Sources: Moldovan authorities; and IMF staff projections.

Table 7. Moldova: Indicators of Fund Credit, 2008-20 1/

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Projection												
Fund obligations based on existing credit (millions of SDRs)													
Principal	16.0	9.7	5.5	3.9	10.5	14.2	19.3	29.1	49.8	50.3	44.8	41.3	35.7
Charges and interest	0.9	0.5	0.3	0.8	1.7	1.7	1.6	1.5	1.3	1.1	0.8	0.6	0.4
Fund obligations based on existing and prospective credit													
Principal	16.0	9.7	5.5	3.9	10.5	14.2	19.3	29.1	55.6	70.8	71.2	67.8	62.1
Charges and interest	0.9	0.5	0.3	0.8	2.8	3.0	3.0	2.9	2.7	2.3	1.8	1.4	0.9
Total obligations based on existing and prospective credit													
Millions of SDRs	16.9	10.3	5.8	4.7	13.3	17.1	22.3	32.0	58.2	73.1	73.0	69.1	63.0
Millions of U.S. dollars	26.7	15.8	8.9	7.4	20.7	26.6	34.5	49.4	90.0	113.0	112.9	106.9	97.5
Percent of exports of goods and services	1.1	0.8	0.4	0.2	0.6	0.7	0.8	1.0	1.6	1.8	1.7	1.5	1.2
Percent of debt service 2/	32.7	18.1	12.0	8.5	22.4	28.4	31.8	41.2	53.7	53.6	52.6	47.1	40.2
Percent of GDP	0.4	0.3	0.2	0.1	0.3	0.3	0.4	0.5	0.8	0.9	0.8	0.7	0.6
Percent of gross international reserves	1.6	1.1	0.5	0.4	0.9	1.1	1.4	1.9	3.3	3.7	3.4	3.0	2.5
Percent of quota	13.7	8.3	4.7	3.8	10.8	13.9	18.1	26.0	47.3	59.3	59.3	56.1	51.2
Outstanding Fund credit													
Millions of SDRs	107.9	98.2	212.6	308.7	447.8	433.6	414.3	385.2	329.7	258.9	187.7	119.9	57.8
Millions of U.S. dollars	170.5	151.4	324.5	487.8	696.9	673.0	641.7	595.7	509.8	400.3	290.2	185.4	89.4
Percent of exports of goods and services	6.8	7.6	14.2	15.5	20.1	17.2	14.3	11.7	8.9	6.5	4.4	2.6	1.1
Percent of debt service 2/	208.9	172.8	439.4	561.5	754.5	719.0	592.0	496.5	303.8	189.7	135.1	81.7	36.8
Percent of GDP	2.8	2.8	5.6	6.9	8.8	7.8	6.8	5.7	4.4	3.2	2.1	1.2	0.6
Percent of gross international reserves	10.2	10.2	18.9	23.9	30.1	28.6	26.2	22.9	18.4	13.1	8.8	5.1	2.3
Percent of quota	87.6	79.7	172.6	250.6	363.4	352.0	336.3	312.7	267.6	210.1	152.3	97.3	46.9
Net use of Fund credit (millions of SDRs)													
Disbursements and purchases 3/	22.9	0.0	120.0	100.0	149.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repayments and repurchases	16.0	9.7	5.5	3.9	10.5	14.2	19.3	29.1	55.6	70.8	71.2	67.8	62.1
Memorandum items:													
Exports of goods and services (millions of U.S. dollars)	2,490	2,000	2,292	3,149	3,465	3,916	4,485	5,091	5,736	6,136	6,670	7,251	7,882
Debt service (millions of U.S. dollars) 2/	81.6	87.6	73.8	86.9	92.4	93.6	108.4	120.0	167.8	211.0	214.8	227.1	242.7
Nominal GDP (millions of U.S. dollars) 2/	6,055	5,438	5,813	7,062	7,914	8,622	9,465	10,423	11,478	12,636	13,736	14,932	16,232
Gross International Reserves (millions of U.S. dollars)	1,672	1,480	1,718	2,037	2,313	2,351	2,453	2,598	2,769	3,049	3,314	3,603	3,916
Average exchange rate: SDR per U.S. dollars	0.6	0.6	0.7	0.6	...	...	...	...	...	...	...	...	...
Quota (millions of SDRs)	123.2	123.2	123.2	123.2	123.2	123.2	123.2	123.2	123.2	123.2	123.2	123.2	123.2

Sources: IMF staff estimates and projections.

1/ Includes disbursements of SDR 60.0 million (of which, SDR 15.0 million for budget support) in 2011 and prospective disbursements of SDR 44.8 million in 2012 under the ECF, and purchases of SDR 40.0 million in 2011 and SDR 104.8 million in 2012 under the EFF.

2/ Total debt service includes IMF repurchases and repayments.

3/ In 2009, does not include Moldova use of the SDR allocation of SDR 117.71 million.

Table 8: Moldova: Selected Localized Millennium Development Goals and Progress Indicators, 2000-15

	Actual data							Targets and status	
	2000	2003	2006	2007	2008	2009	2010	2010	2015
<u>Goal: Reduce extreme poverty and hunger</u>									
▪ Population with consumption below \$4.3 (PPP) a day (percent) 1/	...	...	34.5	29.8	30.4	29.5	26.8	29.0 (met)	23.0
▪ Proportion of people under the absolute poverty line 1/	67.8	29.0	30.2	25.8	26.4	26.3	21.9	25.0 (met)	20.0
▪ Proportion of people under the extreme poverty line 1/	52.2	15.0	4.5	2.8	3.2	2.1	1.4	4.0 (met)	3.5
<u>Goal: Achieve universal access to general secondary education</u>									
▪ Gross enrollment ratio in general secondary education (percent)	93.8	95.1	92.0	91.6	90.9	90.7	90.3	95.0 (missed)	98.0
▪ Literacy rate for the 15-24 year-old population 1/	...	...	99.6	99.6	99.6	99.6	99.5	99.5 (met)	99.5
▪ Enrollment rate for pre-school programs for 3-6 year-old children	44.1	61.1	70.1	72.6	74.4	75.5	77.1	75.0 (met)	78.0
▪ Enrollment rate for pre-school programs for 6-7 year-old children	91.1	92.2	90.3	91.0	91.1	93.8	93.1	95.0 (missed)	98.0
<u>Goal: Reduce child mortality</u>									
▪ Infant mortality rate (per 1,000 live births) 1/	18.3	14.4	11.8	11.3	12.2	12.1	11.7	16.3 (met)	13.2
▪ Under-five mortality rate (per 1,000) 1/	23.2	17.8	14.0	32.3	32.8	31.9	32.9	35.6 (met)	43.3
▪ Immunization, measles (percent of children under 2 years old)	89.1	95.7	96.9	94.7	94.4	90.3	91.1	96.0 (missed)	96.0
<u>Goal: Improve maternal health protection</u>									
▪ Maternal mortality ratio (per 100,000 births) 2/	27.1	21.9	16.0	15.8	38.4	17.2	44.5	15.5 (missed)	13.3
▪ Births attended by skilled health personnel (percent)	99.3	99.4	99.6	99.5	99.5	99.7	99.2	99.0 (met)	99.0
<u>Goal: Combat HIV/AIDS, tuberculosis and other diseases</u>									
▪ HIV/AIDS incidence (per 100,000 people) 3/	4.0	6.2	14.7	17.4	19.4	17.1	17.1	9.6 (missed)	8.0
▪ HIV incidence among 15-24 year-olds 3/	10.4	9.8	18.8	21.2	16.1	19.6	21.0	11.2 (missed)	11.0
▪ Mortality rate associated with tuberculosis (deaths per 100,000 people) 2/	17.2	16.9	19.3	20.2	17.1	18.0	17.8	15.0 (missed)	10.0
<u>Goal: Ensure environmental sustainability</u>									
▪ Proportion of land areas covered by forest (percent)	10.5	10.5	10.7	10.7	10.9	10.9	10.9	12.1 (missed)	13.2
▪ Ratio of area protected to maintain biological diversity (percent)	...	2.0	4.7	4.8	4.8	4.8	4.8	4.7 (met)	4.7
▪ Share of population with access to improved water sources (percent)	37.8	39.7	46.0	47.0	53.0	55.0	56.5	59.0 (missed)	65.0
▪ The share of population with access to sewage	32.3	32.9	43.3	43.9	45.7	47.9	50.7	50.3 (met)	65.0

Source: Moldovan authorities.

1/ The methodology was changed from 2006.

2/ The pandemic flu that resulted in 5 deaths led to a sharp deterioration of the maternal mortality ratio in 2010.

3/ Including data from Transnistria.