

Table 1. Moldova: Selected Indicators, 2008–16 1/

	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Projection								
I. Real sector indicators									
	(Percent change, unless otherwise indicated)								
Gross domestic product									
Real growth rate	7.8	-6.0	6.9	4.5	4.8	5.0	4.5	4.5	4.5
Demand	6.0	-15.1	9.1	5.5	5.5	5.8	5.1	4.9	4.7
Consumption	5.7	-6.9	7.2	5.0	4.7	4.8	4.5	4.4	4.3
Private	5.8	-8.0	9.0	5.8	5.3	5.0	4.6	4.4	4.3
Public	5.0	-2.0	0.3	1.5	2.3	3.8	4.5	4.1	4.2
Gross capital formation	2.2	-30.9	17.2	8.5	9.2	10.6	7.7	7.4	6.8
Private	4.1	-32.1	18.7	7.0	8.5	8.5	8.0	7.5	7.0
Public	-4.5	-26.4	11.8	14.3	11.6	17.6	6.7	6.9	6.1
Nominal GDP (billions of Moldovan lei)	62.9	60.4	71.8	82.1	91.2	100.5	110.3	121.0	132.8
Nominal GDP (billions of U.S. dollars)	6.1	5.4	5.8	6.6	7.3	8.0	8.8	9.6	10.5
Consumer price index (average)	12.7	0.0	7.4	7.5	6.3	5.0	5.0	5.0	5.0
Consumer price index (end of period)	7.3	0.4	8.1	7.5	5.0	5.0	5.0	5.0	5.0
GDP deflator	9.2	2.2	11.2	9.3	6.0	5.0	5.0	5.0	5.0
Average monthly wage (Moldovan lei)	2,530	2,748	2,972	3,350	3,690	4,068	4,464	4,898	5,374
Average monthly wage (U.S. dollars)	243	247	240	270	295	324	354	387	423
Unemployment rate (annual average, percent)	4.0	6.4	7.5	6.5	6.0	5.5	5.0	5.0	5.0
Saving-investment balance									
	(Percent of GDP)								
Foreign saving	17.3	9.8	12.7	13.0	12.2	11.8	11.2	10.6	10.0
National saving	16.7	12.8	10.0	10.4	11.9	13.2	13.9	14.8	15.6
Private	10.6	14.5	7.3	7.1	7.1	7.6	8.6	9.1	9.6
Public	6.0	-1.7	2.7	3.3	4.8	5.6	5.3	5.8	6.0
Gross investment	34.0	22.6	22.7	23.4	24.2	24.9	25.1	25.4	25.6
Private	27.0	17.6	17.9	18.2	18.7	18.9	19.1	19.4	19.6
Public	7.0	5.0	4.8	5.2	5.5	6.0	6.0	6.0	6.0
II. Fiscal indicators (general government)									
Primary balance (cash)	0.2	-5.0	-1.7	-1.1	0.3	0.5	0.2	0.6	0.9
Overall balance	-1.0	-6.3	-2.5	-1.9	-0.7	-0.4	-0.7	-0.3	0.0
Stock of public and publicly guaranteed debt	22.0	32.3	30.1	30.6	32.7	31.9	30.0	27.7	25.4
III. Financial indicators									
	(Percent change, unless otherwise indicated)								
Broad money (M3)	15.9	3.2	13.4	13.0	11.7	10.2	9.7	9.7	9.7
Velocity (GDP/end-period M3; ratio)	2.0	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0
Reserve money	22.0	-10.1	15.9	16.8	10.9	...	...	...	...
Credit to the economy	20.3	-4.9	12.7	17.1	16.7	...	...	...	...
IV. External sector indicators									
	(Millions of U.S. dollars, unless otherwise indicated)								
Current account balance	-1049	-534	-739	-859	-892	-942	-982	-1015	-1049
Current account balance (percent of GDP)	-17.3	-9.8	-12.7	-13.0	-12.2	-11.8	-11.2	-10.6	-10.0
Remittances and compensation of employees (net)	1,796	1,124	1,207	1,359	1,532	1,688	1,866	2,037	2,223
Gross official reserves	1,672	1,480	1,718	1,960	2,203	2,378	2,663	2,893	3,102
Gross official reserves (months of imports)	5.0	3.9	3.9	3.9	4.1	4.1	4.2	4.2	4.2
Exchange rate (Moldovan lei per U.S. dollar, period average)	10.4	11.1	12.4	...	...	...	...	...	...
Exchange rate (Moldovan lei per U.S. dollar, end of period)	10.4	12.3	12.2	...	...	...	...	...	...
Real effective exch.rate (average, percent change)	17.7	5.2	-7.4	...	...	...	...	...	...
Real effective exch.rate (end-year, percent change)	25.1	-16.2	5.3	...	...	...	...	...	...
External debt (percent of GDP) 2/	55.6	65.9	67.4	70.3	74.0	74.3	74.9	74.2	72.2
Debt service (percent of exports of goods and services)	14.9	19.9	18.4	17.9	15.7	14.4	16.9	17.7	17.6

Sources: Moldovan authorities; and IMF staff estimates.

1/ Data exclude Transnistria.

2/ Includes private and public and publicly guaranteed debt.

Table 2. Moldova: Balance of Payments, 2007–16
(Millions of U.S. dollars, unless otherwise indicated)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
				Est.			Projection			
Current account balance	-726	-1,049	-534	-739	-859	-892	-942	-982	-1,015	-1,049
Merchandise trade balance	-2,298	-3,223	-1,944	-2,237	-2,583	-2,888	-3,082	-3,210	-3,450	-3,683
Exports	1,373	1,646	1,332	1,602	1,931	2,134	2,355	2,606	2,884	3,204
Of which: wine and alcohol	136	196	159	187	241	264	270	274	294	287
Imports	-3,671	-4,869	-3,276	-3,840	-4,513	-5,022	-5,438	-5,816	-6,334	-6,887
Services balance	-25	-1	-44	-68	-29	-23	-17	-11	-1	11
Exports of services	625	837	669	670	808	916	1,014	1,112	1,238	1,378
Imports of services	-650	-839	-713	-739	-837	-939	-1,031	-1,122	-1,239	-1,368
Income balance	416	599	303	325	336	404	442	449	500	559
Compensation of employees	593	763	497	526	589	662	728	800	875	954
Income on direct and portfolio investment	-170	-140	-138	-149	-174	-199	-226	-256	-289	-326
Income on other investment	-6	-24	-56	-52	-80	-59	-60	-95	-85	-69
Current transfer balance	1,180	1,577	1,151	1,241	1,416	1,616	1,715	1,790	1,936	2,064
Remittances	826	1,033	627	681	769	871	959	1,066	1,163	1,268
Budget transfers	87	136	103	114	116	198	193	144	175	180
Other transfers	267	408	421	446	531	547	564	580	598	616
Capital and financial account balance	996	1,260	72	470	848	844	1,085	1,220	1,181	1,214
Capital account balance	-8	-15	-18	-26	-19	-21	-23	-25	-27	-29
Financial account balance	1,004	1,274	89	496	867	865	1,107	1,245	1,208	1,244
Foreign direct investment balance	516	697	121	170	239	331	530	602	688	779
Portfolio investment and derivatives	-5	7	-5	5	2	3	3	3	4	4
Other investment balance	492	570	-26	321	625	531	574	639	517	461
Loans	279	344	-44	244	314	292	374	279	248	147
General government, net 1/	-15	-21	-3	164	91	135	221	110	12	11
Private sector, net	294	365	-41	80	223	157	153	170	236	136
Other capital flows	213	226	18	77	311	239	200	360	268	313
Errors and omissions	117	86	58	260	0	0	0	0	0	0
Overall balance	387	297	-404	-10	-11	-47	142	239	166	165
Financing	-387	-297	404	10	11	47	-142	-239	-166	-165
Gross international reserves (increase: "-")	-529	-452	201	-294	-243	-243	-175	-285	-230	-209
Use of Fund credit, net	11	12	-15	53	127	217	-22	-30	-12	-31
Purchases	33	38	0	61	133	234	0	0	0	0
Repurchases	-22	-25	-15	-8	-6	-16	-22	-30	-12	-31
Exceptional financing	131	143	219	251	127	73	55	76	76	75
Memorandum items:										
					(Percent of GDP, unless otherwise indicated)					
Gross official reserves (millions of U.S. dollars) 2/	1,334	1,672	1,480	1,718	1,960	2,203	2,378	2,663	2,893	3,102
Months of imports of good and services	2.8	5.0	3.9	3.9	3.9	4.1	4.1	4.2	4.2	4.2
Percent of short term debt and CA deficit	53.9	76.4	55.9	60.7	61.9	62.5	63.6	64.1	64.1	62.7
Pct of short-term debt at remaining maturity	92.2	100.9	84.8	91.4	91.5	93.2	89.8	85.2	83.7	80.4
Current account balance	-16.5	-17.3	-9.8	-12.7	-13.0	-12.2	-11.8	-11.2	-10.6	-10.0
Goods and services trade balance	-52.8	-53.3	-36.6	-39.7	-39.5	-39.9	-38.7	-36.8	-36.1	-35.1
Export of goods and services	45.4	41.0	36.8	39.1	41.4	41.8	42.0	42.5	43.1	43.8
Import of goods and services	-98.2	-94.3	-73.4	-78.8	-80.8	-81.7	-80.7	-79.3	-79.1	-79.0
Foreign direct investment balance	11.7	11.5	2.2	2.9	3.6	4.5	6.6	6.9	7.2	7.5
					(Percent change of amounts in U.S.dollars, unless otherwise indicated)					
Exports of goods	29.5	19.9	-19.1	20.3	20.5	10.5	10.4	10.6	10.7	11.1
Exports of services	34.3	33.9	-20.1	0.2	20.6	13.3	10.7	9.7	11.3	11.4
Imports of goods	38.9	32.6	-32.7	17.2	17.5	11.3	8.3	7.0	8.9	8.7
Imports of services	33.3	29.0	-15.0	3.6	13.4	12.1	9.8	8.9	10.4	10.4
Remittances and compensation	26.8	26.5	-37.4	7.4	12.6	12.8	10.1	10.6	9.2	9.1
Remittances	38.6	25.0	-39.3	8.6	12.9	13.2	10.2	11.1	9.1	9.1
Compensation of employees	13.5	28.7	-34.8	5.8	12.1	12.2	10.1	9.9	9.3	9.1
Debt service (percent of exports of goods and services)	13.6	14.9	19.9	18.4	17.9	15.7	14.4	16.9	17.7	17.6

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

1/ Projections include IMF disbursement to the Ministry of Finance of about US\$122 million (SDR 80 million) in 2010 and US\$23 million (SDR 15 million) in 2011.

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

Table 3. Moldova: General Government Budget, 2009–16

(Millions of Moldovan lei, unless otherwise indicated)

	2009	2010		2011		2012		2013	2014	2015	2016
		First Review	Prel.	First Review	Rev. Prog.	First Review	Rev. Prog.	Proj.	Proj.	Proj.	Proj.
Revenues and grants	23,506	26,635	27,551	29,856	31,016	32,788	34,785	38,928	42,376	46,959	51,779
Revenues	22,218	24,498	25,557	27,246	28,859	30,987	32,401	36,892	40,737	44,988	49,808
Tax revenues	19,325	21,433	22,267	24,594	25,765	27,987	28,858	32,985	36,451	40,294	44,632
Profit tax	443	388	484	547	576	602	672	1,701	1,992	2,235	2,453
Personal income tax	1,465	1,577	1,545	1,810	1,812	1,996	2,033	2,242	2,460	2,699	2,962
VAT	7,596	8,522	9,146	9,766	10,668	11,241	11,848	13,097	14,301	15,719	17,293
Excises	1,540	1,967	2,074	2,264	2,472	2,500	2,951	3,439	4,000	4,608	5,309
Foreign trade taxes	905	1,045	1,079	1,165	1,238	1,291	1,368	1,480	1,601	1,758	2,051
Other taxes	414	411	459	413	482	596	551	608	667	732	803
Social fund contributions	5,587	6,023	5,994	6,879	6,833	7,735	7,564	8,356	9,168	10,059	11,038
Health fund contributions	1,377	1,500	1,487	1,750	1,685	2,026	1,871	2,063	2,263	2,483	2,724
Non-tax revenues	1,035	1,542	1,697	1,137	1,490	1,253	1,655	1,825	2,002	2,188	2,401
Revenues of special funds	1,858	1,523	1,593	1,515	1,604	1,746	1,888	2,082	2,284	2,506	2,775
Grants 1/	1,288	2,137	1,994	2,610	2,158	1,801	2,384	2,036	1,639	1,971	1,971
Budget support grants 2/	804	1,520	1,410	1,857	1,573	918	911	685	963	959	955
Foreign financed projects grants	334	594	584	753	571	883	1,472	1,351	677	1,012	1,016
Expenditure and net lending	27,343	30,231	29,329	32,331	32,612	34,876	35,408	39,299	43,106	47,267	51,790
Current expenditure	24,367	26,135	25,995	27,798	28,416	28,901	30,521	33,372	36,615	40,085	43,906
Wages	7,000	7,550	7,316	8,011	7,844	8,110	8,714	9,511	10,435	11,369	12,463
Goods and services	6,067	6,677	6,732	7,042	7,432	7,414	7,970	8,646	9,487	10,410	11,365
Of which: health fund	3,071	3,433	3,368	3,669	3,639	4,045	3,974	4,381	4,807	5,274	5,787
Interest payments	843	675	558	709	712	684	852	898	984	1,049	1,146
Domestic	639	468	374	497	515	462	660	657	693	731	784
Foreign	204	207	184	212	197	222	191	241	291	318	362
Transfers	10,156	10,865	11,090	11,631	12,052	12,233	12,653	13,935	15,290	16,797	18,428
Transfers to economy	1,197	920	1,094	884	1,129	955	1,204	1,314	1,442	1,582	1,734
Transfers to households	8,959	9,945	9,996	10,747	10,923	11,278	11,449	12,621	13,848	15,215	16,694
Of which: social fund	7,603	8,546	8,611	9,272	9,327	9,660	10,351	11,412	12,522	13,740	15,076
Other current expenditure	302	368	300	406	376	459	333	382	419	460	505
Net lending	-28	-95	-89	-79	-53	-87	-91	-101	-111	-121	-133
Capital expenditure	3,004	4,191	3,423	4,611	4,249	6,063	4,979	6,027	6,602	7,303	8,017
Overall balance (cash)	-3,837	-3,596	-1,778	-2,474	-1,596	-2,089	-623	-371	-729	-308	-11
Primary balance (cash)	-2,994	-2,922	-1,230	-1,766	-884	-1,405	229	527	254	741	1,135
Change in arrears (+, increase)	212	-107	-261	-75	-50	-25	-48	0	0	0	0
Overall balance (commitments)	-4,049	-3,489	-1,517	-2,399	-1,546	-2,064	-575	-371	-729	-308	-11
Primary balance (commitments)	-3,206	-2,815	-969	-1,691	-834	-1,380	277	527	254	741	1,135
Financing	3,837	3,596	1,778	2,474	1,596	2,089	623	371	729	308	11
Budget financing	3,382	2,526	1,166	957	188	496	-1,417	-2,827	-983	-830	-1,132
Central government	2,919	2,317	1,010	724	-157	405	-1,507	-2,992	-1,071	-830	-1,132
Net domestic	1,073	234	-529	971	-125	459	-1,470	-2,756	-688	-261	-321
Net foreign (excl. project loans) 3/	1,774	1,733	1,441	-527	-313	-373	-400	-470	-383	-569	-811
Privatization	72	350	98	280	280	320	363	235	0	0	0
Local governments, of which:	245	0	0	233	164	90	90	165	87	0	0
Privatization	170	252	237	150	176	90	90	165	87	0	0
Social fund	26	209	213	0	181	0	0	0	0	0	0
Health fund	193	0	-57	0	0	0	0	0	0	0	0
Project loans	456	1,070	612	1,517	1,408	1,589	2,040	3,197	1,713	1,138	1,143
Memorandum items:											
				(Billions of Moldovan lei)							
Public and publicly guaranteed debt	19.5	22.9	21.6	25.9	25.1	28.8	29.8	32.1	33.1	33.6	33.7
General Government debt, of which:	19.5	22.3	21.0	22.7	22.9	23.8	24.8	27.3	28.7	29.3	29.8
Domestic debt	5.1	5.3	5.3	5.2	5.6	5.0	5.8	5.7	5.7	5.6	5.6
Domestic expenditure arrears	0.5	0.4	0.2	0.3	0.1	0.3	0.3	0.0	0.0	0.0	0.0
External debt	14.0	16.6	15.5	17.3	17.1	18.5	18.8	21.6	23.1	23.7	24.3
Other public and publicly guaranteed debt 4/	0.0	0.6	0.6	3.2	2.2	5.0	5.0	4.7	4.4	4.2	3.8

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

1/ Includes "internal grants" of MDL 149.5 million in 2009, MDL 89.1 million in 2010, and MDL 14 million in 2011.

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

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, 2009–16 (Concluded)
(Percent of GDP, unless otherwise indicated)

	2009	2010		2011		2012		2013	2014	2015	2016
		First Review	Prel.	First Review	Rev. Prog.	First Review	Rev. Prog.	Proj.	Proj.	Proj.	Proj.
Revenues and grants	38.9	39.7	38.3	40.7	37.8	40.6	38.1	38.7	38.4	38.8	39.0
Revenues	36.8	36.5	35.6	37.2	35.2	38.3	35.5	36.7	36.9	37.2	37.5
Tax revenues	32.0	31.9	31.0	33.5	31.4	34.6	31.6	32.8	33.0	33.3	33.6
Profit tax	0.7	0.6	0.7	0.7	0.7	0.7	0.7	1.7	1.8	1.8	1.8
Personal income tax	2.4	2.4	2.1	2.5	2.2	2.5	2.2	2.2	2.2	2.2	2.2
VAT	12.6	12.7	12.7	13.3	13.0	13.9	13.0	13.0	13.0	13.0	13.0
Excises	2.5	2.9	2.9	3.1	3.0	3.1	3.2	3.4	3.6	3.8	4.0
Foreign trade taxes	1.5	1.6	1.5	1.6	1.5	1.6	1.5	1.5	1.5	1.5	1.5
Other taxes	0.7	0.6	0.6	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.6
Social fund contributions	9.2	9.0	8.3	9.4	8.3	9.6	8.3	8.3	8.3	8.3	8.3
Health fund contributions	2.3	2.2	2.1	2.4	2.1	2.5	2.1	2.1	2.1	2.1	2.1
Non-tax revenues	1.7	2.3	2.4	1.6	1.8	1.6	1.8	1.8	1.8	1.8	1.8
Revenues of special funds	3.1	2.3	2.2	2.1	2.0	2.2	2.1	2.1	2.1	2.1	2.1
Grants 1/	2.1	3.2	2.8	3.6	2.6	2.2	2.6	2.0	1.5	1.6	1.5
Budget support grants 2/	1.3	2.3	2.0	2.5	1.9	1.1	1.0	0.7	0.9	0.8	0.7
Foreign financed projects grants	0.6	0.9	0.8	1.0	0.7	1.1	1.6	1.3	0.6	0.8	0.8
Expenditure and net lending	45.2	45.1	40.8	44.1	39.7	43.1	38.8	39.1	39.1	39.1	39.0
Current expenditure	40.3	39.0	36.2	37.9	34.6	35.8	33.5	33.2	33.2	33.1	33.1
Wages	11.6	11.3	10.2	10.9	9.6	10.0	9.6	9.5	9.5	9.4	9.4
Goods and services	10.0	10.0	9.4	9.6	9.1	9.2	8.7	8.6	8.6	8.6	8.6
Of which: health insurance fund	5.1	5.1	4.7	5.0	4.4	5.0	4.4	4.4	4.4	4.4	4.4
Interest payments	1.4	1.0	0.8	1.0	0.9	0.8	0.9	0.9	0.9	0.9	0.9
Domestic	1.1	0.7	0.5	0.7	0.6	0.6	0.7	0.7	0.6	0.6	0.6
Foreign	0.3	0.3	0.3	0.3	0.2	0.3	0.2	0.2	0.3	0.3	0.3
Transfers	16.8	16.2	15.4	15.9	14.7	15.1	13.9	13.9	13.9	13.9	13.9
Transfers to economy	2.0	1.4	1.5	1.2	1.4	1.2	1.3	1.3	1.3	1.3	1.3
Transfers to households	14.8	14.8	13.9	14.7	13.3	14.0	12.6	12.6	12.6	12.6	12.6
Of which: social insurance fund	12.6	12.7	12.0	12.6	11.4	11.9	11.4	11.4	11.4	11.4	11.4
Other current expenditure	0.5	0.5	0.4	0.6	0.5	0.6	0.4	0.4	0.4	0.4	0.4
Net lending	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Capital expenditure	5.0	6.2	4.8	6.3	5.2	7.5	5.5	6.0	6.0	6.0	6.0
Overall balance (cash)	-6.3	-5.4	-2.5	-3.4	-1.9	-2.6	-0.7	-0.4	-0.7	-0.3	0.0
Primary balance (cash)	-5.0	-4.4	-1.7	-2.4	-1.1	-1.7	0.3	0.5	0.2	0.6	0.9
Change in arrears (+, increase)	0.4	-0.2	-0.4	-0.1	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0
Overall balance (commitments)	-6.7	-5.2	-2.1	-3.3	-1.9	-2.6	-0.6	-0.4	-0.7	-0.3	0.0
Primary balance (commitments)	-5.3	-4.2	-1.3	-2.3	-1.0	-1.7	0.3	0.5	0.2	0.6	0.9
Financing	6.3	5.4	2.5	3.4	1.9	2.6	0.7	0.4	0.7	0.3	0.0
Budget financing	5.6	3.8	1.6	1.3	0.2	0.6	-1.6	-2.8	-0.9	-0.7	-0.9
Central government	4.8	3.5	1.4	1.0	-0.2	0.5	-1.7	-3.0	-1.0	-0.7	-0.9
Net domestic	1.8	0.3	-0.7	1.3	-0.2	0.6	-1.6	-2.7	-0.6	-0.2	-0.2
Net foreign (excl. project loans) 3/	2.9	2.6	2.0	-0.7	-0.4	-0.5	-0.4	-0.5	-0.3	-0.5	-0.6
Privatization	0.1	0.5	0.1	0.4	0.3	0.4	0.4	0.2	0.0	0.0	0.0
Local governments, of which:	0.4	0.0	0.0	0.3	0.2	0.1	0.1	0.2	0.1	0.0	0.0
Privatization	0.4	0.4	0.3	0.2	0.2	0.1	0.1	0.2	0.1	0.0	0.0
Social fund	0.0	0.3	0.3	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Health fund	0.3	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Project loans	0.8	1.6	0.9	2.1	1.7	2.0	2.2	3.2	1.6	0.9	0.9
Memorandum items:											
Public and publicly guaranteed debt	32.3	34.2	30.1	35.3	30.6	35.6	32.7	31.9	30.0	27.7	25.4
General Government debt, of which:	32.3	33.2	29.2	31.0	27.8	29.4	27.2	27.2	26.0	24.2	22.5
Domestic debt	8.4	7.9	7.4	7.0	6.8	6.2	6.3	5.7	5.1	4.6	4.2
Domestic expenditure arrears	0.8	0.5	0.3	0.4	0.2	0.3	0.3	0.0	0.0	0.0	0.0
External debt	23.1	24.8	21.5	23.6	20.8	22.9	20.7	21.5	20.9	19.6	18.3
Other public and publicly guaranteed debt 4/	0.0	1.0	0.9	4.4	2.7	6.2	5.5	4.7	3.9	3.5	2.9

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

1/ Includes "internal grants" equivalent to 0.25 percent of GDP in 2009, 0.12 percent of GDP in 2010, and 0.02 percent of GDP in 2011.

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

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, 2009–12

(Millions of Moldovan lei, unless otherwise indicated)

	2009	2010	2011				2012			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
			Projection							
National Bank of Moldova										
Net foreign assets	16,305	18,372	18,927	18,955	19,604	20,323	20,026	19,566	20,097	20,828
NFA (convertible)	16,313	18,386	18,942	18,970	19,619	20,338	20,041	19,580	20,112	20,843
Gross reserves	18,210	20,877	21,420	22,124	23,723	24,406	25,062	25,444	25,992	27,595
Reserve liabilities	-1,896	-2,490	-2,478	-3,154	-4,104	-4,068	-5,021	-5,863	-5,880	-6,752
Net domestic assets	-5,849	-6,257	-6,614	-6,237	-6,302	-6,175	-6,222	-5,371	-5,297	-5,137
at program exchange rates	-6,028	-7,496	-7,393	-7,003	-6,996	-6,894	-6,831	-6,051	-5,841	-5,626
Net claims on general government	-583	-1,067	-804	-1,193	-1,784	-1,547	-1,578	-1,717	-2,759	-3,053
Credit to banks	-3,690	-4,646	-4,740	-3,933	-3,621	-3,914	-4,017	-3,057	-1,956	-1,713
Other items (net)	-1,576	-544	-1,070	-1,111	-897	-714	-627	-596	-582	-371
Reserve money	10,456	12,115	12,313	12,718	13,302	14,148	13,804	14,195	14,800	15,691
Adjusted for change in reserve requirement 1/	10,456	12,115	11,861	12,245	12,811	13,638	13,290	13,666	14,252	15,122
Currency in circulation	8,849	10,108	9,911	10,106	10,562	11,274	10,961	11,280	11,790	12,588
Banks' reserves	1,604	2,007	2,402	2,612	2,740	2,874	2,843	2,915	3,010	3,103
Required reserves	1,042	1,295	1,783	1,867	1,936	2,010	2,027	2,084	2,161	2,244
Excess reserves	563	712	619	745	805	864	816	831	849	859
Monetary survey										
Net foreign assets	16,225	18,121	18,464	18,483	18,770	19,277	18,657	18,194	18,707	19,823
NFA (convertible)	16,363	18,376	18,720	18,748	19,045	19,564	18,944	18,489	19,014	20,144
Of which: commercial banks	50	-11	-222	-222	-574	-773	-1,096	-1,091	-1,098	-699
Foreign assets of commercial banks	5,377	4,615	4,417	4,417	4,074	3,866	3,561	3,543	3,566	3,968
Foreign liabilities of commercial banks	-5,327	-4,626	-4,639	-4,639	-4,648	-4,639	-4,657	-4,634	-4,664	-4,667
NFA (non-convertible)	-138	-254	-256	-265	-275	-288	-287	-295	-307	-321
Net domestic assets	16,459	18,930	18,845	20,052	21,269	22,601	23,169	24,816	25,990	26,936
Net claims on general government	1,107	-187	162	-141	-646	-323	-345	-476	-1,509	-1,793
Credit to economy	23,884	26,915	27,223	28,784	30,500	31,530	31,868	33,628	35,879	36,788
Moldovan lei	13,202	15,529	15,559	16,770	18,161	18,600	18,627	19,926	21,675	21,864
Foreign exchange	10,682	11,387	11,664	12,014	12,339	12,930	13,241	13,703	14,205	14,924
in US\$	867	937	937	965	989	1,039	1,059	1,102	1,135	1,191
Other items (net)	-8,532	-7,799	-8,540	-8,592	-8,585	-8,606	-8,354	-8,337	-8,381	-8,058
Broad money (M3)	32,684	37,051	37,309	38,535	40,039	41,877	41,826	43,010	44,697	46,759
Broad money (M2: excluding FCD)	20,942	24,771	24,980	25,884	26,921	28,259	28,091	28,890	30,053	31,553
Currency in circulation	8,849	10,108	9,911	10,106	10,562	11,274	10,961	11,280	11,790	12,588
Total deposits	23,835	26,944	27,398	28,429	29,477	30,603	30,865	31,730	32,906	34,171
Domestic currency deposits	12,092	14,662	15,069	15,778	16,360	16,985	17,130	17,610	18,263	18,965
Foreign currency deposits (FCD)	11,742	12,280	12,329	12,651	13,117	13,618	13,735	14,120	14,643	15,206
in US\$	953	1,010	990	1,016	1,051	1,094	1,099	1,135	1,170	1,214
Memorandum items:										
Reserve money growth (percent change; annual)	-10.1	15.9	19.3	21.5	20.9	16.8	12.1	11.6	11.3	10.9
Adjusted for change in reserve requirement 1/	-10.1	15.9	14.9	16.9	16.5	12.6	12.0	11.6	11.2	10.9
Broad money growth (percent change; annual)	3.2	13.4	14.2	16.9	15.2	13.0	12.1	11.6	11.6	11.7
Credit to economy, (percent change, annual)	-4.9	12.7	14.7	15.6	17.8	17.1	17.1	16.8	17.6	16.7
in local currency	-10.7	17.6	15.7	18.2	19.9	19.8	19.7	18.8	19.3	17.5
in US\$	-12.7	7.9	12.8	15.6	9.9	10.9	13.1	14.2	14.7	14.7
Gross international reserves (millions of US\$)	1,480	1,718	1,720	1,777	1,902	1,960	2,005	2,046	2,076	2,203
Percent of domestic-currency broad money	87	84	86	85	88	86	89	88	86	87
Net international reserves (millions of US\$)	1,326	1,513	1,521	1,524	1,573	1,634	1,603	1,574	1,607	1,664
at program exchange rates	1,341	1,594	1,602	1,603	1,650	1,711	1,678	1,646	1,678	1,733
Broad money multiplier	3.1	3.1	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Share of foreign currency deposits in all deposits	49.3	45.6	45.0	44.5	44.5	44.5	44.5	44.5	44.5	44.5
Exchange rate (MDL/US\$, average)	11.1	12.1	...	...	...	...	...	...	...	...
Exchange rate (MDL/US\$, actual/projected,eop)	12.3	12.2	...	...	...	...	...	...	...	...
Reserve requirement ratio on deposits (percent) 1/	8	8	11	11	11	11	11	11	11	11

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

1/ The reserve requirement ratio on lei and foreign currency deposits was increased in February 2011 from 8 percent to 11 percent.

Table 5: Moldova: Financial Sector Indicators, 2007–10

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

	2007	2008	2009				2010			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Size										
Number of banks	15	16	16	15	15	15	15	15	15	15
Total assets of the banking system (billions of Moldovan lei)	32.0	39.1	37.6	36.6	37.8	39.9	39.3	39.7	40.9	42.3
Total loans of the banking system (percent of GDP)	38.8	39.4	40.1	37.0	36.5	37.1	30.9	32.6	34.8	35.5
Total assets of the banking system (percent of GDP)	59.9	62.2	62.2	60.5	62.5	66.1	54.7	55.2	58.4	58.9
Capital adequacy										
Capital adequacy ratio 1/	29.1	32.2	32.8	32.8	31.7	32.3	32.6	31.2	31.2	30.1
Liquidity										
Liquid assets (billions of Moldovan lei)	9.3	12.0	11.0	11.5	13.1	15.3	14.3	13.8	13.9	14.4
Total deposits (billions of Moldovan lei)	23.1	27.2	25.3	24.2	24.9	24.4	26.3	26.1	27.3	28.7
Liquidity ratio 2/	40.3	44.1	43.5	47.6	52.5	62.6	54.5	52.8	50.9	50.3
Liquid assets share of total assets	29.1	30.6	29.3	31.5	34.5	38.3	36.5	34.8	34.0	34.2
Asset quality										
Gross loans (billions of Moldovan lei)	20.8	24.8	24.2	22.4	22.0	22.4	22.2	23.5	24.4	25.5
Provisions to non-performing loans	113.7	94.2	69.9	62.8	53.8	59.2	58.8	59.5	60.1	63.2
Nonperforming loans as a share of total loans	3.7	5.2	8.0	10.5	14.6	16.3	17.4	17.5	15.7	13.3
Substandard	...	3.6	6.4	8.4	12.2	9.6	10.0	10.0	8.6	8.9
Doubtful	...	1.5	1.5	2.0	2.2	6.5	7.4	7.3	5.7	3.9
Loss	...	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.3	0.6
Loan-loss provisioning/gross loans	4.2	4.9	5.6	6.6	7.9	9.7	10.2	10.4	9.4	8.4
Profitability										
Return on equity	24.2	19.9	7.5	2.6	0.9	-2.1	8.9	9.9	6.9	3.0
Return on assets	3.9	3.5	1.4	0.5	0.2	-0.4	1.6	1.8	1.2	0.5
Interest rates										
Domestic currency average lending rate	18.9	21.0	23.1	18.9	19.0	18.6	17.3	16.5	15.8	14.8
Domestic currency average deposit rate	15.7	18.1	19.4	15.0	10.8	9.8	9.1	6.7	7.4	6.5
Interest rate spread, domestic currency	3.2	2.9	3.7	3.9	8.3	8.8	8.1	9.8	8.4	8.2
Foreign currency average lending rate	10.8	14.6	13.3	13.1	11.9	10.6	10.2	10.5	9.8	9.4
Foreign currency average deposit rate	6.5	9.6	10.2	8.2	4.9	3.8	3.4	3.3	3.5	3.3
Interest rate spread, foreign currency	4.3	5.0	3.1	4.9	7.0	6.8	6.8	7.2	6.3	6.1
182-day T-bill (nominal yield)	16.4	19.2	16.2	13.6	7.4	6.1	8.5	7.5	7.3	7.4
Foreign currency assets and liabilities										
Total liabilities (billions of Moldovan lei)	-26.5	-32.1	-30.5	-29.8	-31.0	-33.0	-32.2	-32.5	-33.5	-35.0
Foreign currency liabilities (billions of Moldovan lei)	-12.7	-15.4	-16.1	-16.4	-16.1	-17.1	-16.3	-16.0	-16.9	-17.7
Share of foreign currency denominated liabilities in total	48.2	48.0	52.9	55.2	51.8	51.7	50.4	49.2	50.5	50.7
Foreign currency denominated assets	11.5	12.9	13.6	13.8	15.4	16.1	15.0	15.1	17.3	17.2
Share of foreign currency denominated assets in total assets	35.9	33.0	36.2	37.8	40.8	40.2	38.3	38.1	42.3	40.8
Share of foreign currency deposits in total deposits	43.3	41.1	48.7	50.2	50.0	49.3	47.5	46.2	45.9	45.6
Share of foreign currency denominated loans in total loans	43.6	41.2	41.1	43.0	43.6	44.7	43.4	43.0	41.5	42.3

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	2,560	2,898	3,279	3,556
Current account deficit (excluding current transfers and compensation of employees)	2,182	2,507	2,865	3,169
<i>Of which:</i> exports of goods	1,332	1,602	1,931	2,134
Imports of goods	-3,276	-3,840	-4,513	-5,022
Debt amortization	377	392	413	387
Public and publicly guaranteed	45	48	66	48
Private	333	343	348	339
2 Identified financing sources	2,359	2,828	3,094	3,295
Capital Account	-18	-26	-19	-21
Foreign direct investment (net)	121	170	239	331
Portfolio investment	-5	5	2	3
New borrowing	333	444	579	503
Public	41	21	8	7
Private	292	424	570	496
Other capital flows	18	77	311	239
Current transfers	1,151	1,222	1,395	1,595
Worker's remittances	627	681	769	871
Official transfers	103	96	94	177
Other transfers	421	446	531	547
Compensation of employees	497	526	589	662
Use of Fund credit	-15	-8	-6	-16
Errors and omissions	58	260	0	0
Exceptional financing	219	158	4	0
3 Gross international reserve accumulation (+: increase)	-201	294	243	243
4 Financing gap	...	364	427	504
Millions of SDR	...	239	273	322
Percent of quota	...	194	221	262
5 Prospective financing	...	364	427	504
IMF	...	183	157	234
Millions of SDR	...	120	100	150
Percent of quota	...	97	81	121
Other donors	...	182	270	270
European Commission	...	94	125	86
World Bank	...	83	92	70
EIB/EBRD/CEDB	...	6	52	114

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	28.3	39.1	31.6	26.1	22.7	17.0
Charges and interest	0.9	0.5	0.3	1.0	1.5	1.4	1.4	1.3	1.1	0.9	0.8	0.7	0.5
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	1.4	3.3	3.7	3.7	3.6	3.4	2.9	2.4	1.9	1.4
Total obligations based on existing and prospective credit													
Millions of SDRs	16.9	10.3	5.8	5.3	13.8	17.8	23.0	32.7	58.9	73.8	73.6	69.6	63.5
Millions of US\$	26.7	15.8	8.9	8.3	21.6	27.8	35.8	50.9	91.7	114.8	114.6	108.4	98.8
Percent of exports of goods and services	1.1	0.8	0.4	0.3	0.7	0.8	1.0	1.2	2.0	2.3	2.2	1.9	1.6
Percent of debt service 2/	32.7	18.1	12.0	9.0	23.9	25.6	31.3	44.6	51.0	46.2	41.8	35.0	30.5
Percent of GDP	0.4	0.3	0.2	0.1	0.3	0.3	0.4	0.5	0.9	1.0	1.0	0.8	0.7
Percent of gross international reserves	1.6	1.1	0.5	0.4	1.0	1.2	1.3	1.8	3.0	3.5	3.2	2.8	2.4
Percent of quota	13.7	8.3	4.7	4.3	11.2	14.5	18.7	26.5	47.8	59.9	59.7	56.5	51.5
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 US\$	170.5	151.4	324.5	483.3	699.6	676.4	645.6	599.6	513.1	402.9	292.1	186.7	90.0
Percent of exports of goods and services	6.9	7.6	14.3	17.6	22.9	20.1	17.4	14.5	11.2	8.2	5.6	3.3	1.5
Percent of debt service 2/	208.9	172.8	439.4	520.1	774.8	622.1	563.5	525.3	285.3	162.1	106.5	60.3	27.8
Percent of GDP	2.8	2.8	5.6	7.3	9.6	8.4	7.4	6.3	4.9	3.6	2.4	1.5	0.7
Percent of gross international reserves	10.2	10.2	18.9	24.7	31.8	28.4	24.2	20.7	16.5	12.1	8.2	4.9	2.2
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 US\$)	2,483.3	2,000.5	2,272.5	2,739.1	3,049.7	3,368.9	3,717.9	4,121.8	4,582.2	4,907.5	5,255.9	5,629.1	6,028.8
Debt service (millions of US\$) 2/	81.6	87.6	73.8	92.9	90.3	108.7	114.6	114.1	179.9	248.5	274.3	309.3	323.5
Nominal GDP (millions of US\$) 2/	6,054.8	5,437.7	5,810.4	6,619.3	7,297.8	8,013.4	8,754.0	9,567.9	10,454.4	11,196.6	11,991.6	12,843.0	13,754.9
Gross International Reserves (millions of US\$)	1,672.4	1,480.3	1,717.7	1,960.3	2,203.1	2,377.8	2,663.0	2,893.2	3,102.1	3,322.3	3,558.2	3,810.9	4,081.4
Average exchange rate: SDR/US\$	0.6	0.6	0.7	...	...	...	...	...	...	...	...	...	...
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/ Assumes prospective disbursements of SDR 60.0 million (of which, SDR 15.0 million for budget support) in 2011 and SDR 44.8 million in 2012 under the ECF, and purchases of SDR 40.0 million in 2011 and SDR 104.8 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: Localized Millennium Development Goals

	2002	2003	2004	2005	2006	2007	2008	2009	Targets	
									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	29.0	23.0
▪ Proportion of people under the absolute poverty line 1/	40.4	29.0	26.5	29.1	30.2	25.8	26.4	26.3	25.0	20.0
▪ Proportion of people under the extreme poverty line 1/	26.2	15.0	14.7	16.1	4.5	2.8	3.2	2.1	4.0	3.5
<u>Goal: Achieve universal access to general secondary education</u>										
▪ Gross enrollment ratio in general secondary education (percent)	95.1	95.1	94.6	94.4	92.0	91.6	90.9	90.7	95.0	98.0
▪ Literacy rate for the 15-24 year-old population 1/	...	...	...	...	99.6	99.6	99.6	99.6	99.5	99.5
▪ Enrollment rate for pre-school programs for 3-6 year-old children	57.0	61.1	66.1	70.7	70.1	72.6	74.4	75.5	75.0	78.0
▪ Enrollment rate for pre-school programs for 6-7 year-old children	66.5	78.8	69.1	75.6	81.7	...	...	...	95.0	98.0
<u>Goal: Reduce child mortality</u>										
▪ Infant mortality rate (per 1,000 live births) 1/	14.7	14.4	12.2	12.4	11.8	11.3	12.2	12.1	16.3	13.2
▪ Under-five mortality rate (per 1,000) 1/	18.2	17.8	15.3	15.6	14.0	14.0	14.4	14.3	18.6	15.3
▪ Immunization, measles (percent of children under 2 years old)	94.3	95.7	96.3	96.9	96.9	94.7	94.4	...	96.0	96.0
<u>Goal: Improve maternal health protection</u>										
▪ Maternal mortality ratio (per 100,000 births)	28.0	21.9	23.5	18.6	16.0	15.8	...	17.2	15.5	13.3
▪ Births attended by skilled health personnel (percent)	99.1	99.4	99.4	99.5	99.6	99.5	99.5	99.8	99.0	99.0
<u>Goal: Combat HIV/AIDS, tuberculosis and other diseases</u>										
▪ HIV/AIDS incidence (per 100,000 people) 2/	4.7	6.2	8.4	12.5	14.7	17.4	19.4	17.1	9.6	8.0
▪ HIV incidence among 15-24 year-olds 2/	9.0	9.8	13.4	20.1	18.8	21.2	16.1	19.6	11.2	11.0
▪ Mortality rate associated with tuberculosis (deaths per 100,000 people) 2/	17.3	16.9	17.1	19.1	19.3	20.2	17.1	18.0	15.0	10.0
<u>Goal: Ensure environmental sustainability</u>										
▪ Proportion of land areas covered by forest (percent)	10.3	10.5	10.6	10.7	10.7	10.7	10.9	10.9	12.1	13.2
▪ Ratio of area protected to maintain biological diversity (percent)	2.0	2.0	2.0	2.0	4.7	4.7	4.8	4.8	4.7	4.7
▪ Share of population with access to improved water sources (percent)	38.5	39.7	44.5	45.0	46.0	47.0	53.0	55.0	59.0	65.0
▪ The share of population with access to sewage	31.3	31.7	32.8	43.8	43.3	43.9	45.7	47.9	50.3	65.0

Sources: *Economic Growth and Poverty Reduction Strategy Paper (EGPRSP) 2004-06*, EGPRSP Monitoring Unit.

1/ The methodology was changed from 2006.

2/ Including data from Transnistria.