BULGARIA

Quarterly Macroeconomic Review 2Q2026

Macroeconomic and Market Research

„From Consumption-Led Boom to More Balanced Growth“

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This quarterly macroeconomic review of Bulgarian economy was published on 24 July 2026. It employs statistical data and information available as of 10 July 2026.

Outlook

We expect GDP growth to remain on a strong trajectory this year, supported by robust domestic demand and a record-high absorption of EU funds. Growth is projected to moderate to 2.5% next year, reflecting fiscal consolidation measures, still relatively elevated consumer price inflation, and a loss of momentum in investment activity following the completion of projects financed under the Recovery and Resilience Plan. Despite the anticipated moderation, the Bulgarian economy is expected to remain among the fastest growing in the Central and Eastern European (CEE) region.

Fiscal consolidation efforts have already begun with a series of measures aimed at reducing public sector personnel expenditure. A reduction in public capital expenditure is also envisaged through the mobilisation of private-sector expertise and resources via public-private partnerships. We expect the 2027 budget to introduce additional measures to improve tax collection efficiency, as well as increases in selected taxes that account for a relatively small share of government revenue. Meanwhile, discussions on further pension system reform have gained momentum, increasing the likelihood of an agreement on a moderate increase in pension contribution rates. Under our baseline scenario, these measures will be sufficient to bring the fiscal deficit down to the level required under the Stability and Growth Pact, allowing the excessive deficit procedure to be closed during the 1H2029.

Reducing the fiscal deficit to around 1% of GDP, consistent with a return to a more prudent low-deficit and low-debt policy stance, will also require a reform of direct taxation. Such a reform could involve a gradual transition from the current flat income tax regime to a moderately progressive personal income tax system, as well as a reform of corporate taxation.

MACROECONOMIC DATA AND FORECASTS

	2023	2024	2025	2026F	2027F	2028F
GDP (EUR bn)	94.5	104.8	116.0	127.3	138.0	148.0
Population (mn)	6.4	6.4	6.4	6.4	6.4	6.4
GDP per capita (EUR)	14 665	16 275	18 062	19 889	21 627	23 281
Real economy, yoy change (%)						
GDP	1.7	3.4	3.1	2.9	2.5	2.3
Private Consumption	1.1	4.9	7.8	5.2	3.8	3.2
Public Consumption	1.1	3.6	6.8	2.1	1.2	2.0
Fixed Investment	10.2	1.5	11.4	3.0	1.0	2.4
Exports	0.0	1.8	-2.1	2.5	3.4	3.8
Imports	-5.5	3.9	5.9	4.7	3.9	4.6
Labor market						
Monthly wage, nominal (EUR)	1 043	1 189	1 331	1 475	1 598	1 718
Real wage, change (%)	5.6	11.5	7.4	5.8	4.4	4.4
Unemployment rate (%)	4.3	4.2	3.5	3.6	3.7	3.7
Fiscal accounts (% of GDP)						
Budget balance (ESA 2010)	-2.0	-3.0	-3.5	-4.8	-3.8	-3.3
Budget balance (cash basis)	-3.0	-3.0	-3.0	-5.0	-3.8	-3.1
Public debt	22.4	23.3	27.2	32.4	35.5	37.4
External accounts (% of GDP)						
Current account balance	-1.2	-0.5	-5.7	-5.5	-5.1	-4.0
Net FDI	3.9	1.6	2.5	3.5	3.3	3.2
Gross foreign debt	48.4	48.3	50.5	52.6	54.0	55.4
Prices stability, yoy change (%)						
Inflation (CPI), avg	9.6	2.4	4.6	5.0	4.0	3.1
Inflation (CPI), eop	4.7	2.2	5.0	4.9	4.1	3.0
Housing Price Index (HPI)	9.9	16.5	14.6	11.0	7.3	6.5

Source: National Statistical Institute, Bulgarian National Bank, Ministry of Finance, UniCredit Bulbank

MODERATE GROWTH DECELERATION AMID A MORE BALANCED GROWTH MODEL

Weaker domestic demand to constrain growth in 2027

Real GDP growth is projected to moderate to 2.5% in 2027, from 2.9% in 2026. The main factor behind the easing in economic activity next year will be the slower growth of private consumption. On the one hand, the planned fiscal consolidation and the associated restraint in public sector wage expenditure are expected to lead to a gradual moderation in wage growth and household disposable income. On the other hand, consumer price inflation is expected to remain relatively elevated and continue to erode households' purchasing power, thereby weighing on consumer spending growth.

Diminishing support from EU funds to moderate investment growth in 2027

Slower investment growth will also contribute to a moderation in GDP growth in 2027, albeit to a lesser extent. We expect investment activity to lose some of its momentum following the peak in the absorption of EU funds in 2026, when projects financed under the Recovery and Resilience Plan are scheduled to be completed.

From a consumption-led boom to more balanced expansion

At the same time, more moderate consumption growth in the period of the forecast will support a return to a more balanced composition of economic growth following an episode of strong reliance on domestic demand over the previous two consecutive years. Despite the projected slowdown, the Bulgarian economy is expected to retain its position among the fastest-growing economies in Central and Eastern Europe over the forecast horizon, according to UniCredit economists' projections (see chart).

SECOND-ROUND EFFECTS FROM HIGHER ENERGY PRICES WILL HINDER THE DISINFLATION PROCESS

In our baseline scenario, average annual inflation is projected to accelerate to 5.0% in 2026 before gradually entering a disinflationary path, declining to 4.0% in 2027 and further to 3.1% in 2028.

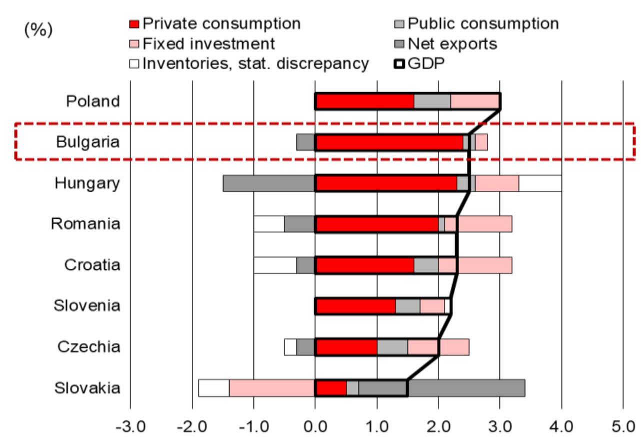
The energy price shock will slow the disinflation process

While fiscal consolidation measures are expected to help ease inflationary pressures over the forecast horizon, the new shock to energy commodity prices has altered the near-term inflation trajectory. The escalation of tensions in the Middle East has led to a significant increase in energy prices so far this year, which, according to our estimates, will generate substantial second-round effects on food prices and core inflation over the coming quarters. We expect the pass-through of the cost shock to consumer prices to peak in 2027, before gradually diminishing during 2028.

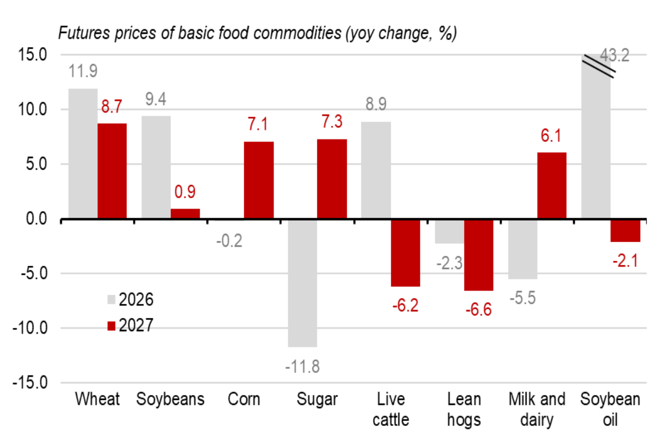
Futures markets point to renewed upward pressure on food prices

Our forecast for food price inflation is based on a model incorporating developments in eight major agricultural commodities traded on international markets. As of mid-July 2026, futures curves point to a notable increase in the prices of several key commodities, including wheat, soybeans and beef (see chart). This development is consistent with our expectations of rising cost pressures in the agricultural sector stemming from higher energy prices, which are increasing transportation and fertiliser costs.

DESPITE THE MODERATE SLOWDOWN, BULGARIA REMAINS AMONG THE FASTEST-GROWING ECONOMIES IN CEE IN 2027



FUTURES MARKETS POINT TO INCREASING PRICE PRESSURES FOR SOME FOOD CATEGORIES IN BULGARIA NEXT YEAR



Source: CME Group, UniCredit

Fertilizer costs are emerging as a key transmission channel for the energy shock

Risks to the inflation outlook remain tilted to the upside. The main risk stems from the possibility of a further escalation of the conflict in the Middle East, which could prolong the period of elevated energy prices and, in turn, amplify second-round inflationary effects across other components of the consumer basket. Under such a scenario, the pace of disinflation would be significantly slower than projected in the current forecast.

Government measures aimed at curbing unfair trading practices appear to have delivered the intended results

In addition to external factors, inflation dynamics have also been affected by government measures aimed at limiting price mark-ups on selected food products. The newly introduced regulations have increased transparency along the supply chain, expanded the scope of unfair trading practices, and strengthened the enforcement powers of regulatory authorities. At the same time, the impact on businesses has remained limited, as the measures apply primarily to products included in the so-called Small Consumer Basket, which comprises approximately 100 items. As a result, the associated administrative burden on businesses has been relatively low.

As a result, we have revised our inflation forecast downward

Data released by the National Statistical Institute (NSI) for May and June point to a significant decline in food prices, suggesting that the measures introduced by the government have influenced the pricing behavior of economic agents along the supply chain. The stronger-than-expected disinflationary effect on food prices resulting from measures aimed at curbing unfair trading practices has been the main factor behind the downward revision to our inflation forecast compared with the June forecasting round.

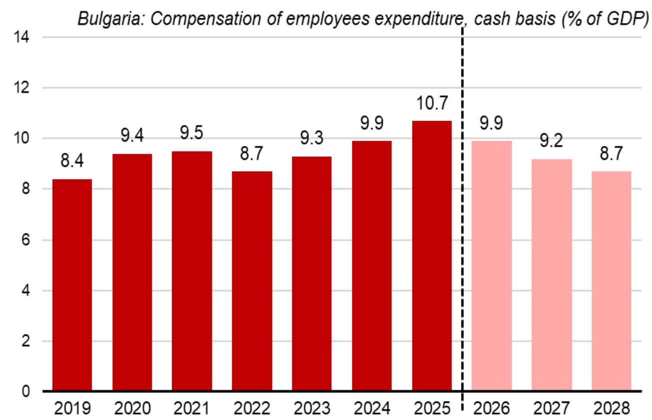
PERSONNEL EXPENDITURE CUTS MARK THE START OF FISCAL CONSOLIDATION

Fiscal consolidation started with personnel expenditure cuts

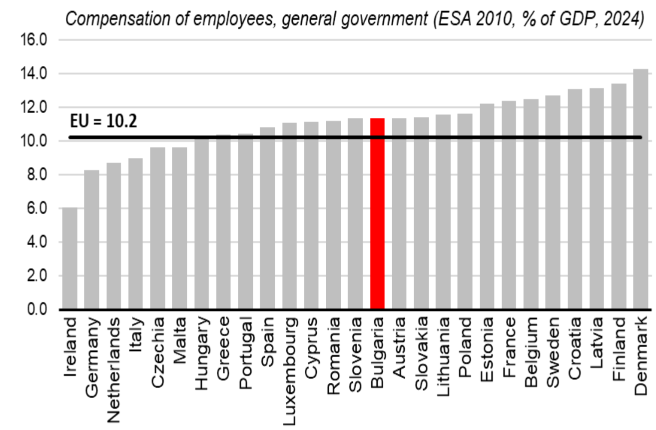
The package of measures to reduce the budget deficit proposed in the 2026 budget consists primarily of actions aimed at lowering public sector personnel expenditure. The government plans to curb the automaticity of wage bill increases and introduce salary caps across various government agencies and SOEs. These measures have received broad public support, as well as backing from the major political parties.

The government aims to reduce personnel expenditure on a cash basis from 10.7% of GDP in 2025 to 9.2% in 2027 and 8.7% in 2028. A reduction of 2 percentage points of GDP over a three-year period would represent a highly ambitious target (see chart). If achieved, Bulgaria would likely rank among the EU countries with the lowest levels of compensation of employees on an accrual basis (see chart).

FISCAL CONSOLIDATION ENVISAGES A SIGNIFICANT REDUCTION IN PERSONNEL EXPENDITURE



THE PLANNED CUTS WILL BRING BULGARIA CLOSER TO THE GROUP OF EU COUNTRIES WITH THE LOWEST COMPENSATION OF EMPLOYEES



Source: European Commission (AMECO), Ministry of Finance, UniCredit Bulbank

Note: The main source of differences between the data on personnel expenditure on an accrual basis (ESA 2010) and on a cash basis (Consolidated Fiscal Programme, CFP) is the institutional coverage. Accrual-based expenditure includes institutions within the general government sector, covering entities and organizations that are not included either in the state budget indicator “personnel expenditure” under the CFP, such as higher education institutions, the Bulgarian Academy of Sciences (BAS), and other scientific organizations, independent budget entities, and others.

Uncertainty remains over the implementation of expenditure cuts

At present, however, there is insufficient clarity as to whether the envisaged reductions in wage and maintenance costs will be driven by a comprehensive functional review of the public administration and broader public sector reform, or whether they will be achieved through across-the-board expenditure restraint in areas where political and administrative resistance is weakest. The distinction between the two approaches is important. In the former case, genuine efficiency gains could be achieved. In the latter, there is a risk of further weakening already underfunded public functions.

Potential effects on institutions performing control, regulatory and supervisory functions are of particular concern. These bodies play a critical role in enforcing legislation, limiting corrupt practices and maintaining a favorable business environment. Reducing resources in this part of the public administration may generate short-term fiscal savings but could also increase longer-term economic costs for businesses and households through weaker enforcement, lower regulatory quality and higher corruption risks.

An additional challenge relates to the condition of local government administration, where many municipalities continue to face a high number of unfilled positions and wage levels close to the statutory minimum wage. Shortages of qualified personnel are already constraining administrative capacity in the preparation and management of projects financed by the state budget and EU funds. As a result, there is a tangible risk that part of the planned savings could come at the expense of the public sector's ability to perform its core functions and absorb available investment resources.

REDUCING POLITICAL PARTY SUBSIDIES IS A CONTROVERSIAL MEASURE

The government has reduced state subsidies for political parties, a measure that has been welcomed by a large part of the public.

Less public funding often means greater dependence on private interests

The longer-term implications of this measure, however, are considerably more controversial. Limiting public funding inevitably increases political parties' reliance on private sources of financing. This creates a risk that economic interest groups with substantial financial resources could gain disproportionate influence over the country's political process. For parties with a limited membership base and a weak capacity to attract small-scale donations, such a change may lead to dependence on a narrow group of sponsors, including informal networks and oligarchic interests. As a result, a measure that reduces budgetary expenditure in the short term may have adverse consequences for the quality of the democratic process and the functioning of institutions over the longer term.

ADDITIONAL FISCAL CONSOLIDATION MEASURES ARE EXPECTED IN THE 2027 BUDGET

Some taxes with a limited contribution to fiscal revenues may be increased

We expect further fiscal consolidation measures to be incorporated into the 2027 Budget. These are likely to include increases in selected non-core tax revenues, particularly in areas where tax hikes are politically more feasible. Such measures could include higher taxation of gambling activities, where effective tax rates remain relatively low, as well as a faster-than-planned implementation of commitments to the European Commission regarding increases in excise duties on alcohol and tobacco products.

An increase in residential property tax valuations appears justified

An increase in residential property valuations for property tax purposes is also under consideration, although this is likely to prove politically more challenging. At the same time, such an adjustment appears justified given that the last nationwide update of tax valuations was carried out in 2007. This helps explain why property tax revenues, measured as a share of GDP, have declined over the past two decades (see chart on page 6), while international comparisons indicate that Bulgaria remains well below the EU average (see chart on page 6). We estimate that increases in these relatively minor revenue categories could generate additional revenue of around 0.3% of GDP per year over the next three years.

Measures to improve tax collection have significant potential

Efforts to reduce the fiscal deficit in 2027 are also expected to include measures aimed at bringing more economic activity into the formal economy. This is a positive development, as there remains considerable scope to reduce the deficit through the modernisation of the revenue administration and the adoption of new technologies that help curb tax evasion. Measures such as mandatory electronic invoicing, full real-time connectivity between fiscal devices and the National Revenue Agency (NRA), the integration of AI-driven risk analysis within the tax administration, and a further reduction in cash-based transactions have significant potential to improve tax compliance and revenue collection.

Mandatory competitive procurement is envisaged for all NHIF-financed expenditure

Among the most important expenditure-side reforms is the government's intention to introduce mandatory competitive procurement procedures for medicines and medical devices purchased by private hospitals in the country when financed through the National Health Insurance Fund (NHIF). The measure addresses a longstanding source of inefficiency in the Bulgaria's healthcare system and has the potential to improve value for money in publicly financed healthcare. Greater price competition should generate substantial savings for the public sector without affecting access to treatment.

The measure is expected to have a significant fiscal impact

The main challenge remains the political and institutional capacity to implement the reform in the face of significant resistance from economic interest groups that benefit from the current incentive structure. The successful adoption and implementation of this measure would send an important positive signal regarding the government's commitment to reforms aimed at reducing inefficient spending and improving the quality of public finances.

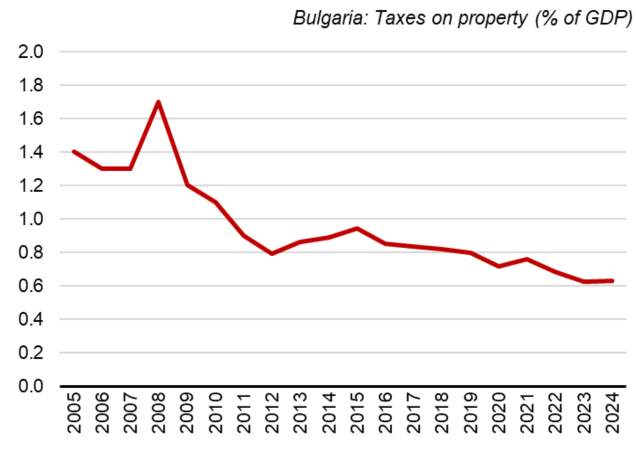
PUBLIC-PRIVATE PARTNERSHIPS DO NOT AUTOMATICALLY REDUCE THE BUDGET DEFICIT OR ASSOCIATED FISCAL RISKS

PPPs can accelerate investment, but they require strong institutions, transparency and effective oversight

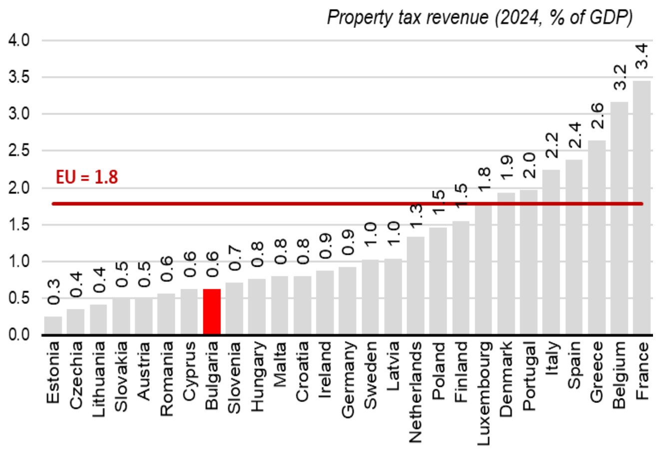
A reduction in capital expenditure is also envisaged, with the government placing particular emphasis on the use of public-private partnerships (PPPs) to deliver infrastructure projects. The main objective is to alleviate immediate pressure on the state budget by mobilising private-sector financing and expertise. At first glance, this approach appears attractive, as it allows infrastructure development to be accelerated without a significant increase in direct budgetary expenditure.

In practice, however, the successful implementation of PPPs is a considerably more complex undertaking. It requires well-functioning institutions, a clear allocation of responsibilities between the parties involved, transparent procurement and oversight procedures, and a high degree of coordination throughout the project lifecycle, which often spans several decades. Effective communication with the public is also essential to ensure that the public interest is adequately protected and is seen to be protected.

OUTDATED PROPERTY VALUATIONS CONTRIBUTE TO THE DECLINE IN PROPERTY TAX REVENUE



BULGARIA REMAINS WELL BELOW THE EU AVERAGE IN PROPERTY TAX REVENUE RELATIVE TO COUNTRY'S GDP



Source: Eurostat, European Commission, UniCredit Bulbank

PPPs do not eliminate fiscal risks; they shift them over time and make them more difficult to measure

The main risk stems from the fact that, in an environment characterised by relatively weak institutional quality and elevated levels of high-level corruption, PPPs may create additional opportunities for opaque practices and rent-seeking behaviour. Moreover, PPP arrangements often give rise to sizeable contingent liabilities for the state, which are not always fully reflected in the short term but may subsequently materialise as an additional fiscal burden. As a result, rather than automatically reducing risks to public finances, poorly structured PPPs can lead to the accumulation of hidden liabilities and a deterioration in the country's fiscal position over the medium to long term.

HIGHER PENSION CONTRIBUTIONS INSTEAD OF ANOTHER INCREASE IN THE RETIREMENT AGE

The pension system deficit is a demographic challenge that is increasingly becoming a fiscal one

In June, the National Assembly mandated the National Audit Office to conduct an audit of the pension system and social benefit payments, with the final report due to be presented by the end of October 2026. While the results of the audit are not yet available, the challenges facing the pension system are well known and documented. Population ageing and adverse demographic trends are leading to a gradual widening of the deficit in the Pension Fund and, according to the current projections of the National Statistical Institute (NSI), these pressures are expected to persist for at least the next three decades. This will require policy measures on both the expenditure and revenue sides of the public pension system.

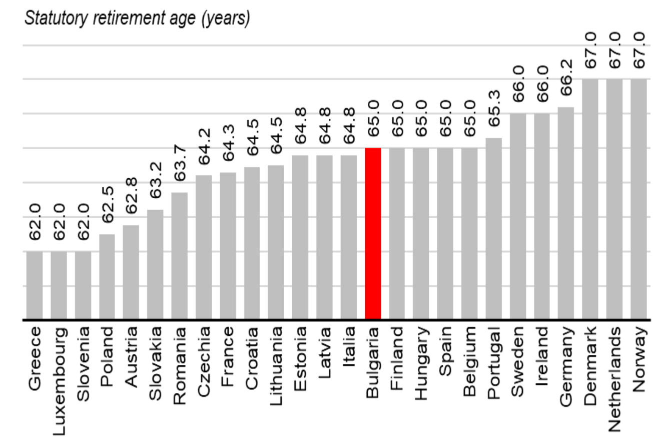
Low life expectancy limits the scope for raising the retirement age for the average worker

In the long run, raising the retirement age is the most effective instrument for reducing the pension system deficit, as it takes account of increasing life expectancy and extends individuals' participation in the labour force. While the available evidence suggests that a higher retirement age for military personnel and police officers appears justified, the same does not apply to workers in the largest employment category, namely those classified under the standard third labour category (see chart), given that life expectancy in Bulgaria remains among the lowest in the EU (see chart). Against this backdrop, an increase in pension contribution rates appears the more likely policy option. Estimates produced in recent years suggest that a cumulative increase of between two and four percentage points in pension contribution rates may be required to stabilise the pension system in the short-to-medium run.

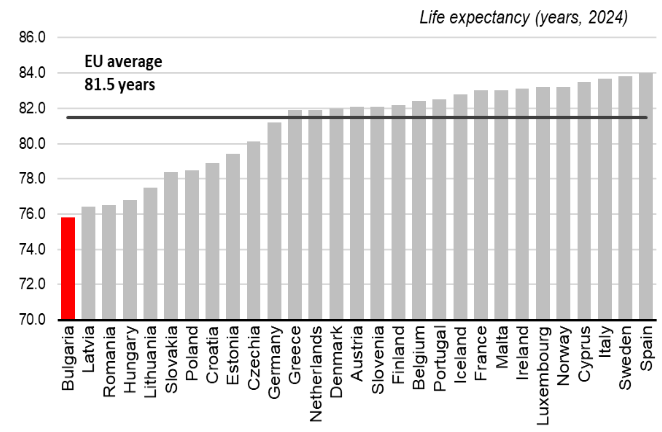
The longer reforms are postponed, the larger the adjustments required in the future

Should such a reform be adopted, it would most likely be implemented gradually over several years in order to avoid a sharp increase in the tax and social security burden on households and businesses.

BULGARIA'S RETIREMENT AGE IS ALREADY BROADLY IN LINE WITH THE EU AVERAGE



BULGARIA HAS THE LOWEST LIFE EXPECTANCY IN THE EU, LIMITING THE SCOPE FOR RAISING THE RETIREMENT AGE



Source: Eurostat, OECD, UniCredit Bulbank

Note: As shown, in countries where the statutory retirement age differs between men and women, the average of the two values is used. This applies to Poland (65 years for men and 60 years for women), Austria (65 and 60.5 years), Romania (65 and 62.4 years), Hungary (65 and 62 years), Italy (64.8 and 63.8 years), and Lithuania (64.7 and 64.3 years).

WE EXPECT THE EXCESSIVE DEFICIT PROCEDURE TO BE ABROGATED IN 2029

The deficit remains elevated, but the trend points to a gradual narrowing

According to our projections, the general government deficit on an accrual basis is expected to widen to 4.8% of GDP in 2026. We anticipate that fiscal consolidation measures will reduce the budget deficit to around 3.8% of country's GDP in 2027 and further to 3.3% in 2028 (see chart).

The excessive deficit procedure could be closed in 2029

After excluding expenditure related to the strengthening of defence capabilities (see chart), we expect the adjusted deficit in 2028 to be broadly consistent with the requirements of the Stability and Growth Pact. Such an outcome would create the conditions for the abrogation of the Excessive Deficit Procedure (EDP) in the first half of 2029 and would also allow for a partial rebuilding of fiscal buffers needed to respond to potential future economic shocks.

A lower deficit does not automatically imply a return to a more prudent low-deficit and low-debt policy stance

Reducing the budget deficit to a level consistent with the requirements of the Stability and Growth Pact would represent a significant policy achievement for the government. In our view, provided that fiscal consolidation is implemented gradually and in a predictable manner, the risks of a sharp slowdown in GDP growth should remain contained. Such an outcome would likely be acceptable to most stakeholders.

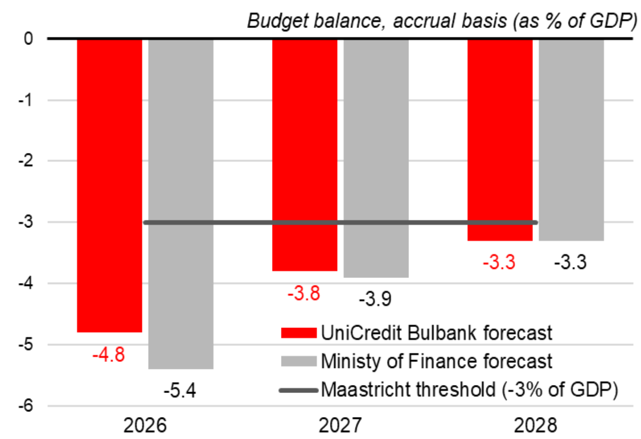
At the same time, this alone would not be sufficient to restore the more prudent low-deficit, low-debt fiscal policy framework that Bulgaria maintained for much of the past three decades.

A RETURN TO LOW DEFICITS AND DEBT WILL LIKELY REQUIRE REFORM OF DIRECT TAXATION

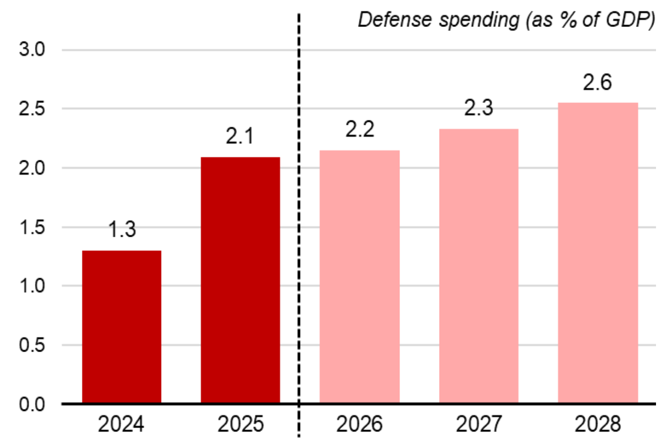
Rebuilding fiscal buffers will require deeper structural reforms

Bringing the budget deficit down to around 1% of GDP, as would be consistent with a return to Bulgaria's traditionally prudent low-deficit, low-debt fiscal framework, is likely to require additional policy measures beyond the spending restraint currently envisaged, even when combined with moderate increases in social security contributions and selected secondary taxes. Achieving durable fiscal sustainability and restoring adequate fiscal buffers against future shocks will likely necessitate a broader consensus on new and stable sources of government revenue, including potential reforms of the direct tax system.

OUR BASELINE SCENARIO ENVISAGES A GRADUAL NARROWING OF THE DEFICIT TOWARD THE 3% OF GDP THRESHOLD BY 2028



FISCAL CONSOLIDATION WILL BE IMPLEMENTED ALONGSIDE MODEST INCREASES IN DEFENCE SPENDING OVER THE NEXT TREE YEARS



Source: Ministry of Finance, UniCredit Bulbank

Somewhat higher direct taxes would not eliminate Bulgaria's tax competitiveness

Given the already relatively high tax burden on consumption and the anticipated increase in social security contributions, the scope for raising additional revenue will likely need to be found in direct taxation. Reaching political consensus on higher income taxation will be challenging, but it also appears justified, as direct taxes account for a disproportionately small share of government revenue in Bulgaria (see chart). The encouraging news is that the scale of the required adjustment is such that, even after its implementation, Bulgaria would remain among the countries with the lowest tax and social security burden in the EU, with low taxation continuing to represent a source of competitive advantage (see chart).

The reform could include a gradual phasing-out of the flat tax

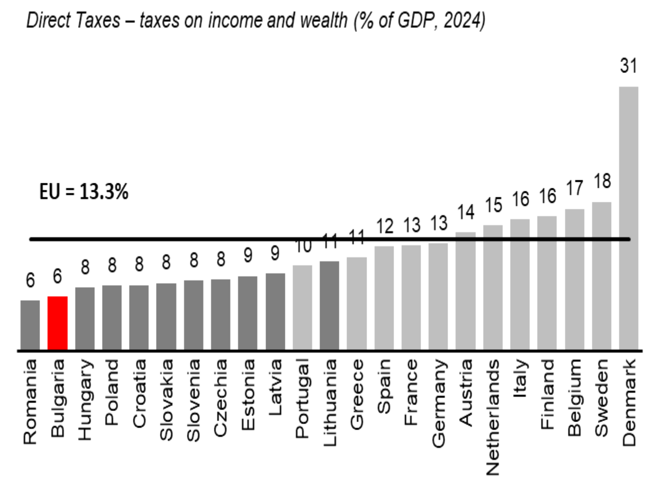
Such a reform could involve a gradual transition from the current flat-tax regime towards a moderately progressive personal income tax system, as well as reforms to corporate taxation. Such a change would represent one of the most significant tax reforms since the beginning of the century and would increase the contribution of high-income households and the most profitable companies to budget revenues.

Adverse demographic trends make revenue-enhancing measures difficult to avoid

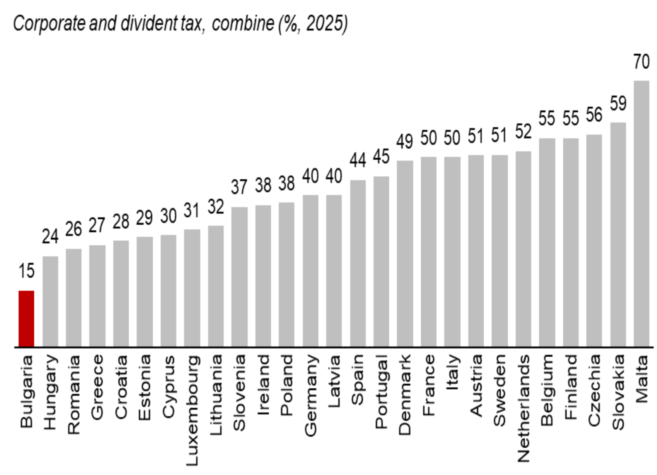
Regardless of the specific design of such a reform, the overall direction appears clear: if Bulgaria wishes to return to a more prudent low-deficit and low-debt policy framework, this is unlikely to be achieved through expenditure restraint and moderate increases in social security contributions alone. Given current demographic trends and the expected rise in spending on pensions, healthcare and defense, stabilizing public finances will require both expenditure-side measures and a gradual broadening of the revenue base.

In this context, a combination of more efficient public spending and higher sustainable revenues could create the conditions for a lasting reduction of the fiscal deficit to around 1% of GDP, thereby helping to rebuild fiscal buffers and maintain a comparatively low level of public debt over the long term.

BULGARIA HAS THE SECOND-LOWEST DIRECT TAX REVENUE-TO-GDP RATIO IN THE EU



THERE APPEARS TO BE SCOPE FOR DIRECT TAX REFORM WITHOUT SIGNIFICANTLY WEAKENING BULGARIA'S TAX COMPETITIVENESS



Source: European Commission (AMECO), Ernst & Young – Worldwide Corporate Tax Guide 2025, UniCredit Bulbank

GDP AND INFLATION FORECAST REVISIONS

	Forecast as of July 2026			Forecast as of March 2026			Revision (percentage change)		
	2025	2026F	2027F	2025	2026F	2027F	2025	2026F	2027F
Real yoy growth (%)									
GDP	**3.1**	**2.9**	**2.5**	**3.1**	**2.8**	**3.0**	**0.0**	**0.1**	**-0.5**
Private Consumption	7.8	5.2	3.8	7.8	4.1	3.7	0.0	1.1	0.1
Public Consumption	6.8	2.1	1.2	6.8	2.5	3.3	0.0	-0.4	-2.1
Fixed Investment	11.4	3.0	1.0	11.4	0.1	5.6	0.0	2.9	-4.6
Exports	-2.1	2.5	3.4	-2.1	4.7	4.3	0.0	-2.2	-0.9
Imports	5.9	4.7	3.9	5.9	5.0	5.8	0.0	-0.4	-2.0
Contribution to growth (%)									
GDP	**3.1**	**2.5**	**2.8**	**3.1**	**2.8**	**3.0**	**0.0**	**-0.3**	**-0.2**
Private Consumption	4.6	2.2	2.1	4.6	2.5	2.3	0.0	-0.4	-0.3
Public Consumption	1.3	0.5	0.7	1.3	0.5	0.6	0.0	0.0	0.1
Fixed Investment	2.0	-0.3	0.9	2.0	0.0	1.0	0.0	-0.3	-0.2
Exports	-1.3	2.7	2.5	-1.3	2.7	2.5	0.0	0.0	0.0
Imports	-3.4	-2.6	-3.4	-3.4	-2.9	-3.5	0.0	0.3	0.1
YoY growth, average (%)									
CPI inflation, total	**4.6**	**5.0**	**4.0**	**4.6**	**4.9**	**3.5**	**0.0**	**0.1**	**0.5**
Foods	5.7	3.3	4.0	5.7	5.0	4.2	0.0	-1.7	-0.2
Energy	-4.4	12.3	-4.2	-4.4	8.1	-9.0	0.0	4.3	4.7
Administered prices	4.7	3.8	4.5	4.7	3.5	4.8	0.0	0.4	-0.4
Core inflation	5.5	5.9	5.2	5.5	5.0	4.4	0.0	1.0	0.8
Contribution to growth (%)									
CPI inflation, total	**4.6**	**5.0**	**4.0**	**4.6**	**4.9**	**3.5**	**0.0**	**0.1**	**0.5**
Foods	1.9	1.0	1.2	1.9	1.6	1.3	0.0	-0.5	-0.1
Energy	-0.4	0.9	-0.3	-0.4	0.6	-0.6	0.0	0.3	0.3
Administered prices	1.0	0.8	0.9	1.0	0.7	1.0	0.0	0.1	-0.1
Core inflation	2.1	2.3	2.1	2.1	2.0	1.8	0.0	0.3	0.3

Source: National Statistical Institute, UniCredit Bulbank

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