

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	6.4	3.0	5.0	5.0	5.5	5.3	5.3
Demand	6.0	-15.1	9.2	7.5	3.9	6.0	5.9	6.3	6.0	6.2
Consumption	5.7	-6.9	7.3	6.5	2.8	5.3	5.7	6.1	5.8	5.8
Private	5.8	-8.0	9.6	8.5	2.7	5.6	6.1	6.3	5.9	5.9
Public	5.0	-2.0	-1.1	-1.6	3.2	4.1	3.9	5.5	5.3	5.3
Gross capital formation	2.2	-30.9	17.2	10.7	8.5	9.5	6.9	7.2	7.2	8.1
Private	4.1	-32.1	18.5	8.8	6.0	8.0	8.0	8.0	8.0	8.0
Public	-4.6	-26.4	12.4	17.8	17.0	14.2	3.5	4.6	4.7	8.3
Nominal GDP (billions of Moldovan lei)	62.9	60.4	71.9	82.2	90.1	99.4	109.6	121.4	134.2	148.4
Nominal GDP (billions of U.S. dollars)	6.1	5.4	5.8	7.0	7.6	8.2	9.0	9.8	10.6	11.7
Consumer price index (average)	12.7	0.0	7.4	7.6	5.1	5.0	5.0	5.0	5.0	5.0
Consumer price index (end of period)	7.3	0.4	8.1	7.8	5.0	5.0	5.0	5.0	5.0	5.0
GDP deflator	9.2	2.2	11.1	7.4	6.5	5.0	5.0	5.0	5.0	5.0
Average monthly wage (Moldovan lei)	2,530	2,748	2,972	3,194	3,550	3,950	4,350	4,800	5,350	5,900
Average monthly wage (U.S. dollars)	243	247	240	272	299	327	356	387	424	464
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	9.8	12.6	12.2	11.7	10.9	10.4	9.9	9.5
National saving	16.8	12.8	12.9	10.6	11.5	12.7	13.5	14.2	14.8	15.5
Private	10.8	14.5	10.3	7.7	6.9	7.6	8.6	9.3	9.9	10.5
Public	6.0	-1.7	2.5	2.9	4.6	5.0	4.9	4.9	4.9	5.0
Gross investment	34.0	22.6	22.6	23.2	23.6	24.4	24.4	24.5	24.7	25.0
Private	27.0	17.6	17.9	18.0	17.9	18.2	18.4	18.7	18.9	19.2
Public	7.0	5.0	4.8	5.2	5.7	6.2	6.0	5.9	5.8	5.8
II. Fiscal indicators (general government)										
Primary balance (cash)	0.2	-5.0	-1.7	-1.6	-0.5	-0.4	-0.3	-0.4	-0.3	-0.3
Overall balance	-1.0	-6.3	-2.5	-2.4	-1.3	-1.1	-1.0	-0.9	-0.8	-0.8
Stock of public and publicly guaranteed debt	21.5	31.9	29.8	28.0	28.8	27.2	24.6	22.6	20.5	19.3
III. Financial indicators										
	(Percent change, unless otherwise indicated)									
Broad money (M3)	15.9	3.2	13.4	10.6	11.7	12.5	10.2	10.8	10.6	10.6
Velocity (GDP/end-period M3; ratio)	2.0	1.8	1.9	2.0	2.0	1.9	1.9	1.9	1.9	1.9
Reserve money 2/	18.4	-0.2	15.9	11.1	12.2	12.7	...	...	...	...
Credit to the economy 3/	20.7	-4.2	17.4	22.1	11.2	14.6	...	...	...	...
IV. External sector indicators										
	(Millions of U.S. dollars, unless otherwise indicated)									
Current account balance	-1041	-534	-568	-880	-924	-964	-978	-1013	-1051	-1104
Current account balance (percent of GDP)	-17.2	-9.8	-9.8	-12.6	-12.2	-11.7	-10.9	-10.4	-9.9	-9.5
Remittances and compensation of employees (net)	1,796	1,124	1,273	1,549	1,635	1,830	2,016	2,258	2,532	2,838
Gross official reserves	1,672	1,480	1,718	1,965	2,237	2,414	2,489	2,646	2,879	3,049
Gross official reserves (months of imports)	5.0	3.9	3.4	3.6	3.7	3.7	3.5	3.3	3.3	3.3
Exchange rate (Moldovan lei per USD, period ave)	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)	19.5	1.7	-6.0	6.1	3.9	0.5	1.4	1.1	1.1	1.1
Real effective exch.rate (end-year, percent change)	24.4	-17.6	7.3	9.3	-1.2	1.6	1.4	1.1	1.1	1.1
External debt (percent of GDP) 4/	55.2	65.5	67.0	64.6	69.7	72.9	72.5	72.6	72.4	71.6
Debt service (percent of exports of goods and services)	14.2	19.9	18.6	14.9	16.2	13.2	15.1	16.1	15.7	16.7

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	-568	-880	-924	-964	-978	-1,013	-1,051	-1,104
Merchandise trade balance	-3,223	-1,949	-2,220	-2,864	-3,070	-3,295	-3,454	-3,697	-3,986	-4,346
Exports	1,646	1,327	1,590	2,282	2,464	2,790	3,179	3,601	4,079	4,609
Of which: wine and alcohol	196	159	178	222	220	238	248	268	281	295
Imports	-4,869	-3,276	-3,810	-5,147	-5,534	-6,085	-6,633	-7,299	-8,065	-8,955
Services balance	7	-40	-70	-26	-35	-60	-54	-63	-44	-44
Exports of services	844	673	701	869	929	1,036	1,150	1,278	1,424	1,590
Imports of services	-837	-713	-771	-895	-963	-1,096	-1,205	-1,341	-1,468	-1,635
Income balance	599	303	499	568	658	775	827	939	1,057	1,214
Compensation of employees	763	497	684	863	928	1,041	1,156	1,305	1,474	1,663
Income on direct and portfolio investment	-140	-138	-135	-246	-200	-200	-234	-254	-287	-327
Income on other investment	-24	-56	-50	-49	-70	-66	-94	-112	-129	-123
Current transfer balance	1,577	1,151	1,223	1,442	1,523	1,617	1,702	1,808	1,922	2,072
Remittances	1,033	627	589	686	707	789	860	954	1,058	1,175
Budget transfers	136	103	137	148	207	213	211	205	196	207
Other transfers	408	421	496	608	609	615	631	649	667	690
Capital and financial account balance	1,272	91	386	750	922	966	984	1,116	1,271	1,277
Capital account balance	-15	-18	-28	-30	-15	-16	-18	-20	-21	-23
Financial account balance	1,286	108	415	780	938	982	1,002	1,136	1,292	1,300
Foreign direct investment balance	695	139	194	253	289	332	455	529	616	699
Portfolio investment and derivatives	7	-5	5	5	7	7	8	8	9	10
Other investment balance	584	-25	216	522	642	643	539	598	667	591
Loans	358	-43	69	188	234	258	324	379	413	449
General government, net	-21	-3	4	11	26	40	29	26	55	67
Private sector, net	379	-39	65	178	208	219	295	353	359	381
Other capital flows	226	18	147	334	408	384	216	219	254	142
Errors and omissions	67	50	39	88	0	0	0	0	0	0
Overall balance	298	-394	-143	-42	-1	2	5	103	220	172
Financing	-298	394	143	42	1	-2	-5	-103	-220	-172
Gross international reserves (increase: "-")	-452	201	-294	-278	-272	-176	-76	-157	-233	-168
Use of Fund credit, net	12	-15	175	153	138	55	-30	-45	-86	-109
Monetary authorities	12	-15	53	129	138	55	-30	-12	-25	-40
Purchases	38	0	61	135	154	77	0	0	0	0
Repurchases	-25	-15	-8	-6	-16	-22	-30	-12	-25	-40
General government	0	0	122	24	0	0	0	-33	-61	-69
Purchases	0	0	122	24	0	0	0	0	0	0
Repurchases	0	0	0	0	0	0	0	-33	-61	-69
Exceptional financing	142	208	262	167	135	119	100	99	99	105
Memorandum items:					(Percent of GDP, unless otherwise indicated)					
Gross official reserves (millions of U.S. dollars) 1/	1,672	1,480	1,718	1,965	2,237	2,414	2,489	2,646	2,879	3,049
Months of imports of good and services	5.0	3.9	3.4	3.6	3.7	3.7	3.5	3.3	3.3	3.3
Percent of short term debt and CA deficit	76.4	64.1	60.4	61.2	61.7	58.2	54.4	52.9	51.4	53.3
Pct of short-term debt at remaining maturity	100.9	85.1	88.0	86.8	85.3	76.8	70.3	67.9	65.0	63.0
Pct of the IMF composite measure (fixed) 2/	127.3	115.6	118.0	121.0	126.6	120.0	112.7	109.0	107.9	105.0
Pct of the IMF composite measure (floating) 2/	176.0	156.1	159.0	163.9	172.0	161.6	151.7	146.6	144.7	141.0
Current account balance	-17.2	-9.8	-9.8	-12.6	-12.2	-11.7	-10.9	-10.4	-9.9	-9.5
Goods and services trade balance	-53.1	-36.6	-39.4	-41.3	-40.9	-40.8	-39.1	-38.5	-37.9	-37.6
Export of goods and services	41.1	36.8	39.4	45.0	44.7	46.6	48.3	49.9	51.7	53.1
Import of goods and services	-94.2	-73.4	-78.8	-86.3	-85.6	-87.4	-87.4	-88.4	-89.6	-90.7
Foreign direct investment balance	11.5	2.5	3.3	3.6	3.8	4.0	5.1	5.4	5.8	6.0
	(Percent change of amounts in U.S. dollars, unless otherwise indicated)									
Exports of goods	19.8	-19.4	19.9	43.5	8.0	13.2	14.0	13.3	13.3	13.0
Exports of services	34.3	-20.2	4.2	23.9	6.9	11.5	11.1	11.1	11.4	11.7
Imports of goods	32.6	-32.7	16.3	35.1	7.5	10.0	9.0	10.0	10.5	11.0
Imports of services	28.8	-14.8	8.1	16.1	7.7	13.8	9.9	11.3	9.5	11.4
Remittances and compensation	26.5	-37.4	13.2	21.7	5.5	11.9	10.2	12.0	12.1	12.1
Remittances	25.0	-39.3	-6.1	16.4	3.0	11.6	9.1	10.9	10.9	11.0
Compensation of employees	28.7	-34.8	37.5	26.3	7.5	12.1	11.1	12.9	12.9	12.9
Debt service (pct of exports of goods and services)	14.2	19.9	18.6	14.9	16.2	13.2	15.1	16.1	15.7	16.7

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 measures are calculated as a weighted sum of short-term debt, other portfolio liabilities, broad money, and exports in percent of GDP, with different weights for "fixed" and "floating" exchange rate regime. Official reserves are recommended to be in the range of 100-150 percent of the appropriate measure.

Table 3. Moldova: General Government Budget, 2009–17

(Millions of Moldovan lei, unless otherwise indicated)

	2009	2010	2011	2012		2013	2014	2015	2016	2017
				Fourth review	Rev. Prog.	Proj.	Proj.	Proj.	Proj.	Proj.
Revenues and grants	23,506	27,540	30,159	34,662	34,346	37,690	40,999	45,125	49,696	54,874
Revenues	22,218	25,540	28,454	32,264	32,190	35,240	38,811	43,034	47,753	52,764
Tax revenues	19,325	22,261	25,323	29,089	28,614	31,796	35,026	38,862	43,163	47,715
Profit tax	443	484	571	1,775	1,775	2,025	2,232	2,473	2,734	3,023
Personal income tax	1,465	1,545	1,769	2,003	2,021	2,184	2,408	2,668	2,949	3,261
VAT	7,596	9,146	10,464	11,417	10,957	12,228	13,467	14,957	16,645	18,337
Excises	1,540	2,074	2,667	3,025	3,010	3,306	3,645	4,038	4,464	4,936
Foreign trade taxes	905	1,080	1,179	1,292	1,310	1,444	1,589	1,768	1,985	2,222
Other taxes	414	459	452	530	496	545	601	699	812	942
Social fund contributions	5,587	5,985	6,583	7,234	7,234	8,049	8,865	9,811	10,848	11,987
Health fund contributions	1,377	1,487	1,638	1,811	1,811	2,015	2,220	2,449	2,727	3,007
Non-tax revenues	1,035	1,697	1,456	1,494	1,926	1,694	1,867	2,068	2,287	2,529
Revenues of special funds	1,858	1,583	1,676	1,681	1,650	1,750	1,918	2,103	2,302	2,520
Grants	1,288	2,000	1,704	2,398	2,156	2,450	2,187	2,091	1,943	2,110
Budget support grants 1/	804	1,327	923	981	715	1,077	913	924	934	1,017
Foreign financed projects grants	334	584	663	1,381	1,386	1,353	1,274	1,167	1,009	1,093
Other grants 2/	150	89	119	35	55	20	0	0	0	0
Expenditure and net lending	27,343	29,326	32,117	35,499	35,539	38,825	42,106	46,260	50,811	55,991
Current expenditure	24,367	25,986	27,905	30,467	30,245	32,764	35,618	39,070	42,846	47,153
Wages	7,000	7,317	7,700	8,745	8,634	9,329	10,079	11,165	12,345	13,649
Goods and services	6,067	6,735	7,300	8,032	7,909	8,773	9,663	10,704	11,823	13,071
Health fund	3,071	3,368	3,616	3,920	3,900	4,261	4,698	5,204	5,748	6,355
Other goods and services	2,996	3,367	3,685	4,112	4,010	4,512	4,965	5,500	6,075	6,715
Interest payments	843	558	673	817	736	732	744	691	683	695
Domestic	639	374	486	618	528	468	438	421	413	401
Foreign	204	184	188	200	208	264	306	270	271	294
Transfers	10,156	11,082	11,945	12,514	12,581	13,538	14,700	16,031	17,466	19,153
Transfers to economy	1,197	1,094	1,057	1,084	1,072	1,148	1,266	1,403	1,551	1,715
Transfers to households	8,959	9,988	10,888	11,430	11,509	12,390	13,434	14,629	15,915	17,438
Social fund	7,603	8,603	9,234	9,817	9,898	10,664	11,519	12,534	13,597	14,862
Other transfers	1,356	1,385	1,654	1,614	1,611	1,725	1,915	2,095	2,319	2,576
Other current expenditure	302	295	287	358	386	392	432	479	529	585
Net lending	-28	-90	-62	-97	-122	-88	-58	-45	-35	-19
Capital expenditure	3,004	3,431	4,273	5,129	5,415	6,150	6,547	7,235	8,000	8,858
Overall balance (cash)	-3,837	-1,786	-1,959	-837	-1,193	-1,136	-1,107	-1,135	-1,115	-1,117
Primary balance (cash)	-2,994	-1,229	-1,285	-19	-457	-404	-364	-444	-432	-422
Change in arrears (+, increase)	212	-187	-65	-24	-24	0	0	0	0	0
Overall balance (commitments)	-4,049	-1,599	-1,894	-813	-1,169	-1,136	-1,107	-1,135	-1,115	-1,117
Primary balance (commitments)	-3,206	-1,041	-1,221	5	-433	-404	-364	-444	-432	-422
Financing	3,837	1,786	1,959	837	1,193	1,136	1,107	1,135	1,115	1,117
Budget financing	3,382	1,167	1,062	89	428	-453	-592	-723	-461	-917
Central government	2,919	1,011	606	165	286	-594	-814	-1,030	-561	-967
Net domestic	1,073	-528	825	164	340	-376	-690	-478	364	316
Net foreign (excl. project loans) 3/	1,774	1,441	-355	-259	-314	-469	-363	-781	-1,075	-1,382
Privatization	72	98	136	260	260	250	240	230	150	100
Local governments, of which:	245	-1	352	-76	85	42	122	207	100	50
Privatization	170	237	212	120	220	165	111	100	100	50
Social fund	26	213	125	0	0	0	0	0	0	0
Health fund	193	-57	-21	0	57	100	100	100	0	0
Project loans	456	619	897	748	765	1,588	1,699	1,858	1,577	2,034
Memorandum items:				(Billions of Moldovan lei)						
Public and publicly guaranteed debt	19.3	21.4	23.0	26.7	25.9	27.0	27.0	27.4	27.5	28.6
General Government debt, of which:	17.3	18.8	19.0	20.1	20.2	20.6	20.8	21.3	21.7	23.2
Domestic debt	5.1	5.3	5.6	5.9	6.1	6.0	5.7	5.6	5.4	6.1
Domestic expenditure arrears	0.5	0.3	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0
External debt	11.7	13.3	13.2	14.0	13.9	14.6	15.1	15.7	16.3	17.1
Other public and publicly guaranteed debt 4/	2.0	2.6	4.0	6.6	5.7	6.5	6.2	6.1	5.9	5.4

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 3. Moldova: General Government Budget, 2009–17 (Concluded)

(Percent of GDP, unless otherwise indicated)

	2009	2010	2011	2012 1/		2013	2014	2015	2016	2017
				Fourth review	Rev. Prog.					
Revenues and grants	38.9	38.3	36.7	38.5	38.1	37.9	37.4	37.2	37.0	37.0
Revenues	36.8	35.5	34.6	35.8	35.7	35.5	35.4	35.5	35.6	35.6
Tax revenues	32.0	31.0	30.8	32.3	31.7	32.0	32.0	32.0	32.2	32.2
Profit tax	0.7	0.7	0.7	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Personal income tax	2.4	2.1	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
VAT	12.6	12.7	12.7	12.7	12.2	12.3	12.3	12.3	12.4	12.4
Excises	2.5	2.9	3.2	3.4	3.3	3.3	3.3	3.3	3.3	3.3
Foreign trade taxes	1.5	1.5	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.5
Other taxes	0.7	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.6	0.6
Social fund contributions	9.2	8.3	8.0	8.0	8.0	8.1	8.1	8.1	8.1	8.1
Health fund contributions	2.3	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Non-tax revenues	1.7	2.4	1.8	1.7	2.1	1.7	1.7	1.7	1.7	1.7
Revenues of special funds	3.1	2.2	2.0	1.9	1.8	1.8	1.8	1.7	1.7	1.7
Grants	2.1	2.8	2.1	2.7	2.4	2.5	2.0	1.7	1.4	1.4
Budget support grants 2/	1.3	1.8	1.1	1.1	0.8	1.1	0.8	0.8	0.7	0.7
Foreign financed projects grants	0.6	0.8	0.8	1.5	1.5	1.4	1.2	1.0	0.8	0.7
Other grants 3/	0.2	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Expenditure and net lending	45.2	40.8	39.1	39.4	39.4	39.1	38.4	38.1	37.9	37.7
Current expenditure	40.3	36.1	34.0	33.8	33.6	33.0	32.5	32.2	31.9	31.8
Wages	11.6	10.2	9.4	9.7	9.6	9.4	9.2	9.2	9.2	9.2
Goods and services	10.0	9.4	8.9	8.9	8.8	8.8	8.8	8.8	8.8	8.8
Health fund	5.1	4.7	4.4	4.3	4.3	4.3	4.3	4.3	4.3	4.3
Other goods and services	5.0	4.7	4.5	4.6	4.4	4.5	4.5	4.5	4.5	4.5
Interest payments	1.4	0.8	0.8	0.9	0.8	0.7	0.7	0.6	0.5	0.5
Domestic	1.1	0.5	0.6	0.7	0.6	0.5	0.4	0.3	0.3	0.3
Foreign	0.3	0.3	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2
Transfers	16.8	15.4	14.5	13.9	14.0	13.6	13.4	13.2	13.0	12.9
Transfers to economy	2.0	1.5	1.3	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Transfers to households	14.8	13.9	13.2	12.7	12.8	12.5	12.3	12.1	11.9	11.8
Social fund	12.6	12.0	11.2	10.9	11.0	10.7	10.5	10.3	10.1	10.0
Other transfers	2.2	1.9	2.0	1.8	1.8	1.7	1.7	1.7	1.7	1.7
Other current expenditure	0.5	0.4	0.3	0.4	0.4	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	0.0	0.0	0.0
Capital expenditure	5.0	4.8	5.2	5.7	6.0	6.2	6.0	6.0	6.0	6.0
Overall balance (cash)	-6.3	-2.5	-2.4	-0.9	-1.3	-1.1	-1.0	-0.9	-0.8	-0.8
Primary balance (cash)	-5.0	-1.7	-1.6	0.0	-0.5	-0.4	-0.3	-0.4	-0.3	-0.3
Change in arrears (+, increase)	0.4	-0.3	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overall balance (commitments)	-6.7	-2.2	-2.3	-0.9	-1.3	-1.1	-1.0	-0.9	-0.8	-0.8
Primary balance (commitments)	-5.3	-1.4	-1.5	0.0	-0.5	-0.4	-0.3	-0.4	-0.3	-0.3
Financing	6.3	2.5	2.4	0.9	1.3	1.1	1.0	0.9	0.8	0.8
Budget financing	5.6	1.6	1.3	0.1	0.5	-0.5	-0.5	-0.6	-0.3	-0.6
Central government	4.8	1.4	0.7	0.2	0.3	-0.6	-0.7	-0.8	-0.4	-0.7
Net domestic	1.8	-0.7	1.0	0.2	0.4	-0.4	-0.6	-0.4	0.3	0.2
Net foreign (excl. project loans) 4/	2.9	2.0	-0.4	-0.3	-0.3	-0.5	-0.3	-0.6	-0.8	-0.9
Privatization	0.1	0.1	0.2	0.3	0.3	0.3	0.2	0.2	0.1	0.1
Local governments, of which:	0.4	0.0	0.4	-0.1	0.1	0.0	0.1	0.2	0.1	0.0
Privatization	0.4	0.3	0.3	0.1	0.2	0.2	0.1	0.1	0.1	0.0
Social fund	0.0	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Health fund	0.3	-0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.0
Project loans	0.8	0.9	1.1	0.8	0.8	1.6	1.6	1.5	1.2	1.4
Memorandum items:										
Public and publicly guaranteed debt	31.9	29.8	28.0	29.6	28.8	27.2	24.6	22.6	20.5	19.3
General Government debt, of which:	28.6	26.2	23.2	22.3	22.4	20.7	19.0	17.5	16.1	15.7
Domestic debt	8.4	7.4	6.8	6.5	6.8	6.0	5.2	4.6	4.0	4.1
Domestic expenditure arrears	0.8	0.4	0.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0
External debt	19.4	18.4	16.1	15.6	15.4	14.7	13.8	13.0	12.1	11.5
Other public and publicly guaranteed debt 5/	3.3	3.6	4.9	7.3	6.4	6.5	5.6	5.0	4.4	3.7

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

1/ In percent of GDP currently projected for 2012.

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

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

4/ 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.

5/ Includes mainly central bank liabilities to the IMF.

Table 5. Moldova: Financial Sector Indicators, 2008–12

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

	2008	2009	2010				2011				2012	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Size												
Number of banks	16	15	15	15	15	15	15	15	15	15	14	14
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	47.7	50.9	53.6
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	35.3	36.3	34.4	35.5
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	56.4	58.1	56.4	59.4
Capital adequacy												
Capital adequacy ratio 1/	32.2	32.3	32.6	31.2	31.2	30.1	29.7	28.2	28.5	30.4	28.4	25.6
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	15.8	16.2	17.3
Total deposits (billions of Moldovan lei)	27.2	24.4	26.3	26.1	27.3	28.7	29.6	30.7	31.7	32.6	33.1	35.2
Liquidity ratio 2/	44.1	62.6	54.5	52.8	50.9	50.3	48.8	46.4	46.3	48.5	48.8	49.2
Liquid assets share of total assets	30.6	38.3	36.5	34.8	34.0	34.2	33.2	31.8	31.7	33.2	31.8	32.3
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	29.8	31.0	32.0
Nonperforming loans (billions of Moldovan lei)	1.3	3.7	3.9	4.1	3.8	3.4	2.8	2.6	2.4	3.2	4.1	4.9
Substandard				2.3	2.1	2.3	1.7	1.6	1.6	2.4	2.3	2.6
Doubtful				1.7	1.4	1.0	1.0	0.8	0.5	0.7	0.8	1.3
Loss				0.0	0.1	0.1	0.1	0.1	0.2	0.1	1.0	1.0
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	2.1	2.9	3.3
Provisions to non-performing loans	94.2	59.2	58.8	59.5	60.1	63.2	71.8	76.0	79.3	65.0	71.2	67.3
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	10.7	13.2	15.3
Substandard	3.6	9.6	10.0	10.0	8.6	8.9	6.3	5.7	5.7	8.0	7.5	8.1
Doubtful	1.5	6.5	7.4	7.3	5.7	3.9	3.9	2.9	1.8	2.2	2.5	4.0
Loss	0.1	0.2	0.1	0.1	0.3	0.6	0.5	0.5	0.7	0.5	3.1	3.2
Loan-loss provisioning/gross loans	4.9	9.7	10.2	10.4	9.4	8.4	7.7	7.0	6.5	6.9	9.4	10.3
Profitability												
Return on equity	19.9	-2.1	8.9	9.9	6.9	3.0	10.1	10.3	11.5	11.5	14.6	13.4
Return on assets	3.5	-0.4	1.6	1.8	1.2	0.5	1.7	1.8	2.0	2.0	2.9	2.7
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	14.1	13.7
Domestic currency average deposit rate	18.1	9.8	9.1	6.7	7.4	6.5	7.9	7.3	6.9	8.5	7.3	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	5.5	6.7	6.1
Foreign currency average lending rate	14.6	10.6	10.2	10.5	9.8	9.4	9.1	8.9	8.9	7.7	9.4	7.9
Foreign currency average deposit rate	9.6	3.8	3.4	3.3	3.5	3.3	3.4	3.6	3.9	3.8	4.2	3.8
Interest rate spread, foreign currency	5.0	6.8	6.8	7.2	6.3	6.1	5.7	5.3	4.9	3.8	5.2	4.1
182-day T-bill (nominal yield)	19.2	6.1	8.5	7.5	7.3	7.4	12.1	11.6	13.5	12.3	6.3	5.7
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	39.6	40.7	43.4
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	20.0	20.5	22.1
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	50.4	50.4	50.8
Foreign currency denominated assets	12.9	16.1	15.0	15.1	17.3	17.2	17.7	18.4	20.0	19.3	20.9	22.5
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	40.5	41.1	41.9
Share of foreign currency deposits in total deposits	41.1	49.3	47.5	46.2	45.9	45.6	45.4	45.1	44.2	42.2	42.0	42.8
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	43.7	44.5	43.7	43.7

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, 2009-13

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

	2009	2010	2011	2012	2013
1 Total requirements	2,559	2,858	3,647	3,855	4,074
Current account deficit (excluding current transfers and compensation of employees)	2,183	2,474	3,190	3,375	3,622
<i>Of which:</i> exports of goods	1,327	1,590	2,277	2,464	2,790
Imports of goods	-3,276	-3,810	-5,146	-5,534	-6,085
Debt amortization	377	384	456	480	452
Public and publicly guaranteed	45	46	62	55	59
Private	332	338	394	425	393
2 Identified financing sources	2,359	3,153	3,925	3,815	3,974
Capital Account	-18	-28	-30	-15	-16
Foreign direct investment (net)	139	194	253	289	333
Portfolio investment	-5	5	5	7	7
New borrowing	334	453	645	637	617
Public	41	50	73	4	5
Private	293	403	572	633	612
Other capital flows	18	147	334	408	384
Current transfers	1,151	1,223	1,442	1,501	1,601
Worker's remittances	627	589	686	706	789
Official transfers	103	137	148	186	197
Other transfers	421	496	608	609	615
Compensation of employees	497	684	863	928	1,040
Use of Fund credit	-15	175	153	-16	-22
Errors and omissions	50	39	93	0	0
Exceptional financing	208	262	167	75	30
3 Gross international reserve accumulation (+: increase)	-201	294	278	272	176
4 Financing gap	...	...	...	312	275
Millions of SDR	...	...	...	205	183
Percent of quota	...	...	...	167	148
5 Prospective financing	...	...	...	312	275
IMF	...	...	...	154	77
Millions of SDR	...	...	...	100	50
Percent of quota	...	...	...	81	40
Other donors	...	...	...	158	197
European Commission	...	...	...	64	104
World Bank	...	...	...	72	57
EIB/EBRD/CEDB	...	...	...	22	36

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	52.6	57.5	53.7	50.2	44.6
Charges and interest	0.9	0.5	0.3	0.8	1.3	1.5	2.0	1.9	1.7	1.4	1.1	0.8	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	0.8	1.8	2.2	2.9	2.8	2.6	2.2	1.8	1.3	0.9
Total obligations based on existing and prospective credit													
Millions of SDRs	16.9	10.3	5.8	4.7	12.4	16.4	22.2	31.9	58.2	73.0	73.0	69.1	63.0
Millions of U.S. dollars	26.7	15.8	8.9	7.4	19.1	25.3	34.2	49.2	89.6	112.4	112.3	106.3	96.9
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	1.6	1.4	1.2
Percent of debt service 2/	32.7	18.1	11.9	8.5	19.9	23.0	28.4	40.5	55.6	51.7	48.2	43.7	37.7
Percent of GDP	0.4	0.3	0.2	0.1	0.3	0.3	0.4	0.5	0.8	1.0	0.9	0.8	0.6
Percent of gross international reserves	1.6	1.1	0.5	0.4	0.9	1.0	1.4	1.9	3.1	3.7	3.4	3.0	2.5
Percent of quota	13.7	8.3	4.7	3.8	10.0	13.3	18.0	25.9	47.2	59.3	59.2	56.1	51.1
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	487.4	691.0	669.3	639.4	594.2	508.1	398.4	288.9	184.6	89.0
Percent of exports of goods and services	6.8	7.6	14.2	15.5	20.4	17.5	14.8	12.2	9.2	6.4	4.2	2.5	1.1
Percent of debt service 2/	208.9	172.8	435.0	556.8	720.8	609.0	530.8	488.9	315.2	183.3	124.0	75.9	34.6
Percent of GDP	2.8	2.8	5.6	7.0	9.1	8.1	7.1	6.1	4.8	3.4	2.3	1.3	0.6
Percent of gross international reserves	10.2	10.2	18.9	24.8	30.9	27.7	25.7	22.5	17.6	13.1	8.7	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	100.0	49.6	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	3,151	3,393	3,826	4,330	4,879	5,502	6,200	6,840	7,463	8,143
Debt service (millions of U.S. dollars) 2/	81.6	87.6	74.6	87.5	95.9	109.9	120.5	121.5	161.2	217.3	233.0	243.2	257.3
Nominal GDP (millions of U.S. dollars) 2/	6,055	5,438	5,813	7,003	7,589	8,216	8,969	9,776	10,640	11,671	12,687	13,791	14,992
Gross International Reserves (millions of U.S. dollars)	1,672	1,480	1,718	1,965	2,237	2,414	2,489	2,646	2,879	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	2011	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	90.1	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	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	79.6	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	93.0	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	10.9	16.3 (met)	13.2	
▪ Under-five mortality rate (per 1,000) 1/	23.2	17.8	14.0	14.0	14.4	14.3	13.6	13.4	18.6 (met)	15.3	
▪ Immunization, measles (percent of children under 2 years old)	89.1	95.7	96.9	94.7	94.4	90.3	91.1	91.3	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	17.6	9.6 (missed)	8.0	
▪ HIV incidence among 15-24 year-olds (per 100,000 people) 3/	10.4	9.8	18.8	21.2	16.1	19.6	21.0	18.4	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	4.8	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	59.4	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	53.2	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.