

Modelling of structural changes in the banking sector in the republic of Bulgaria

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The steady state of the banking sector, its positive development and efficient operation is formed as a result of the immediate impact of the factors in the macroeconomic environment. This relationship is of particular relevance in the context of testing the effects of the global financial crisis and the economic development of the catching sector of Bulgaria.

The specific structure of the banking sector of Republic of Bulgaria was formed as a result of processes of privatization, entry of foreign investors. It had a significant role in the development and changes in global financial space - free movement of capital, liberalization and deregulation.

By using the Herfindahl-Hirschman Index and the Simple Concentration Ratio established levels of concentration of banking capital in the banking groups and market shares and are referred to the centres of the uncertainties arising from them.