

## Introduction

This analysis follows the approach used in previous publications. It examines tendencies and factors of macroeconomic development. Notably, the following topics are covered: economic performance, sources of economic growth, macroeconomic (im)balance and processes of real and nominal convergence. Analytical output for 2006 is distinct with elaborated contexts between economic and social development, which aims to compare the extent of balance between economic output and the standard of living expressed by aggregated as well as partial components of the quality of life. Where possible, economic input data are compared to the social output data in order to evaluate efficiency, balance and proportionality of the growth process. The goal of the analysis is to characterise the main features of the 2006 development in the light of long-term trends and development of the CR's international position using a selected set of socio-economic indicators. Data used in the analysis are those available up to the 30th of April, 2007. Unless a source is given in graphs, CZSO data are used.