



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 21 May 2019

Press Release

Monetary developments in the Republic of North Macedonia: April 2019

- In April 2019, the **broad money** growth (**monetary aggregate M3^{1,2}**) accelerated. On a monthly basis, it equals 2.1%, and it results from the increase in all components, with the largest contribution of demand deposits³ (share of 59.6%), followed by the short-term deposits and currency in circulation. The annual broad money growth rate equals 12.2% and is mostly due to the growth of demand deposits and short-term deposits (contribution of 85.2%) and to a lesser extent, to the currency in circulation and long-term deposits up to two-years.
- In April, **total deposits⁴** registered a monthly and annual growth of 1.9% and 13.1%, respectively, amid deposit growth in both sectors, slightly more evident in the household sector (share in the change of the total growth of 48.6% and 50.6%, respectively).

Table 1. Total deposits and loans⁵ of the non-government sector

	stocks (in millions of NC)								annual changes (in %)								monthly changes (in %)	
	12.2016 ⁵	12.2017 ¹	3.2018	6.2018	9.2018	12.2018 ³	3.2019	4.2019	12.2016 ¹	12.2017 ¹	3.2018	6.2018	9.2018	12.2018 ³	3.2019	4.2019	3.2019	4.2019
Broad Money M4	354,712	372,931	374,681	386,470	395,840	416,814	418,499	426,808	6.2	5.1	7.5	10.1	11.7	11.8	11.7	13.3	0.3	2.0
Broad Money M3	322,199	336,989	337,684	348,090	353,862	373,436	372,833	380,640	6.0	4.6	7.3	10.1	10.9	10.8	10.4	12.2	0.2	2.1
<i>of which:</i>																		
Currency in Circulation	28,193	29,968	28,658	29,681	30,665	32,233	31,236	32,562	7.2	6.3	6.9	4.2	5.9	7.6	9.0	12.3	0.0	4.2
Total Deposits	321,888	339,314	340,135	349,816	358,126	375,046	377,800	385,142	5.7	5.4	7.1	9.9	11.6	10.5	11.1	13.1	0.4	1.9
<i>of which:</i>																		
Corporations	87,377	89,248	85,791	90,295	93,775	97,703	96,147	99,347	13.4	2.1	4.1	11.6	16.8	9.5	12.1	16.9	0.3	3.3
Households	217,394	230,744	233,485	236,832	240,139	252,563	253,748	257,312	2.5	6.1	7.3	7.9	8.4	9.5	8.7	9.6	0.2	1.4
Total Loans	284,782	300,257	298,059	306,049	311,558	322,089	324,798	326,394	-0.1	5.4	5.7	6.2	7.9	7.3	9.0	8.9	1.0	0.5
<i>of which:</i>																		
Corporations	154,225	157,722	152,187	155,427	157,165	164,765	164,734	165,453	-5.3	2.3	2.3	2.9	5.7	4.5	8.2	8.5	1.0	0.4
Households	129,321	141,232	144,491	149,254	152,990	155,734	158,550	159,413	7.0	9.2	9.4	9.7	10.1	10.3	9.7	9.3	1.0	0.5

Source: NBRNM.

¹ Starting from June 2018, the National Bank has been using the monetary aggregate M3 as a new standard definition of broad money. For analytical purposes, the monetary aggregate M4 will continue to be calculated and published.

² Monetary aggregate M1 includes currency in circulation and demand deposits. Monetary aggregate M2 is composed of monetary aggregate M1 and short-term deposits, whereas the monetary aggregate M3 (broad money) besides the monetary aggregate M2 also includes deposits with a maturity from one to two years. Consequently, monetary aggregate M4 contains monetary aggregate M3 and long-term deposits with maturity over two years. For more details see the methodology at: http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_monetarna_07_2018_eng.pdf

³ Demand deposits refer to current accounts with banks and savings houses and current accounts of other financial corporations with the National Bank.

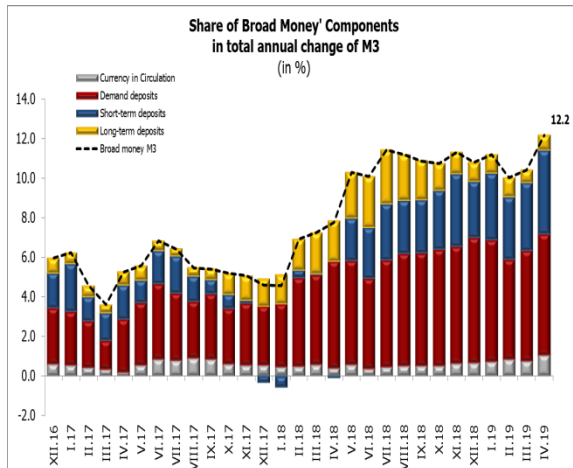
⁴ Total deposits consist of all deposits included in the monetary aggregate M4.

⁵ The annual rates of loans in the period June 2016 – May 2017 were influenced by the effects of the NBRNM's measure for write-off of the claims that have been fully covered for more than two years.

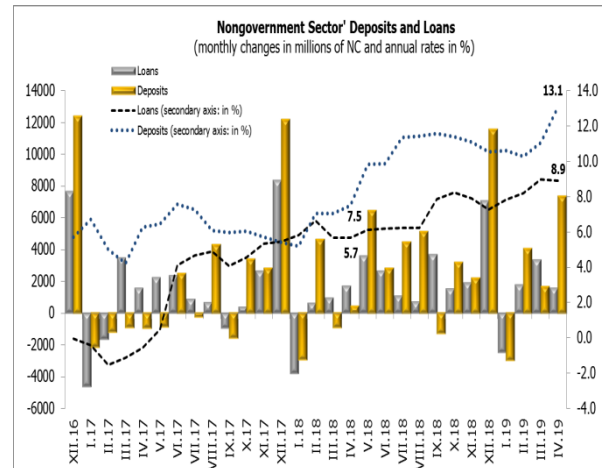


National Bank of the Republic of North Macedonia Statistics Department

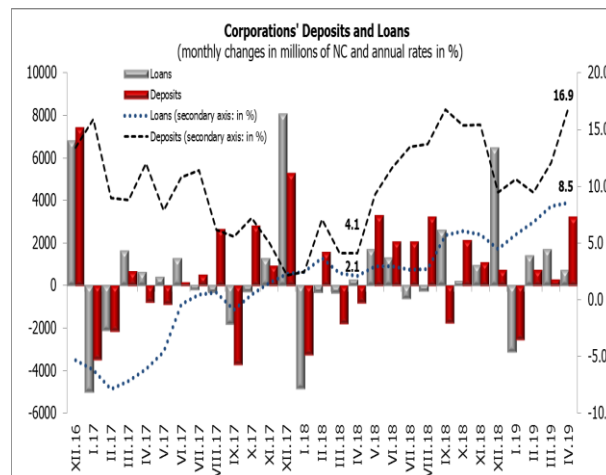
- In April, the **total loans** registered monthly increase of 0.5%. The monthly loan growth arises from the increase in lending to both sectors, which is more pronounced in the household sector (share in the total growth of 54.0%). On annual basis, the total loans increased by 8.9%, also as a result of the enhanced lending to both sectors, which registered almost equal share in the change.



Source: NBRNM.



1. Deposits and loans of the corporate sector⁶



Source: NBRNM.

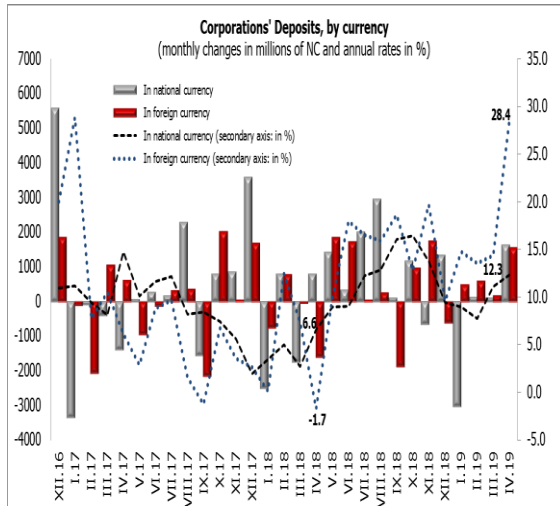
- This month, total **corporate deposits** increased by 3.3% on a monthly basis, mainly as a result of the demand deposits and short-term deposits in foreign currency, amid smaller contribution of the long-term foreign currency and denar deposits, as opposed to the minor decline in short-term denar deposits. The annual growth rate of corporate deposits amounts to 16.9% and is mostly a result of the increase in demand deposits and short-term foreign currency deposits, simultaneously registering slight increase also in short-term denar deposits and long-term deposits in foreign currency and in denars.

⁶ For the purposes of this press release, the corporate sector includes public and private non-financial corporations.

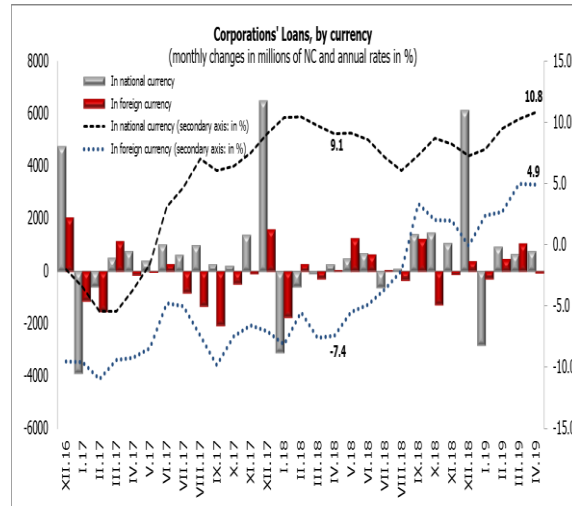


National Bank of the Republic of North Macedonia Statistics Department

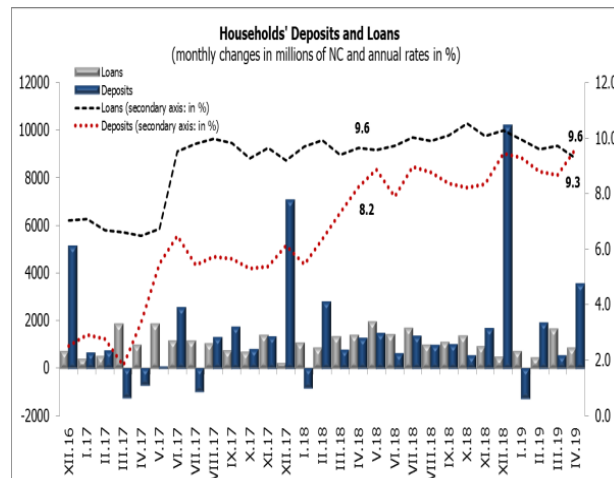
- In April, **corporate loans**⁷ registered a monthly increase of 0.4%, which is due to the increased corporate lending in denars, amid slight decrease in foreign currency lending. Annually, corporate loans increased by 8.5%, mainly reflecting the increased denar lending (share of 77.9%).



Source: NBRNM.



2. Deposits and loans of the households⁸



Source: NBRNM.

- In April 2019, the total **household deposits** increased by 1.4% on a monthly basis, mainly reflecting the increase in the demand deposits (contribution to the growth of 91.0%). The annual growth is 9.6% and it is due to the increase in demand deposits, short-term foreign currency deposits, and long-term denar and foreign currency deposits.

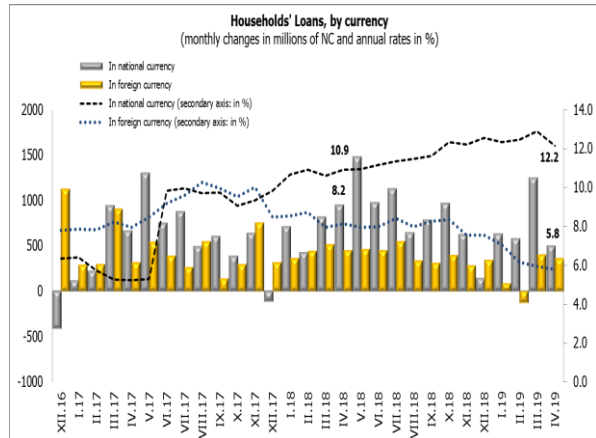
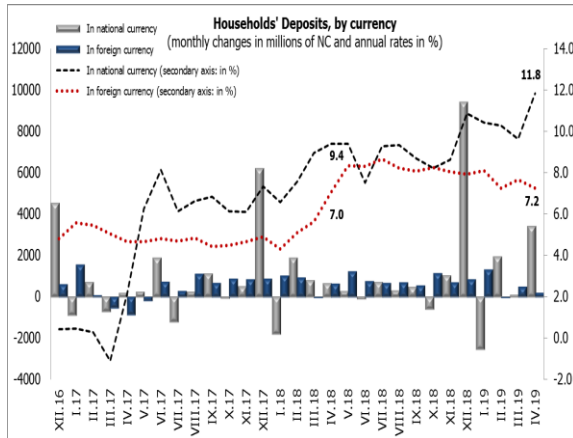
⁷ Starting from June 2018, and according to the new methodology, data on financial instruments in denars with FX clause are included in the foreign currency.

⁸ For the purposes of this press release, households refer to individuals and self-employed professionals.

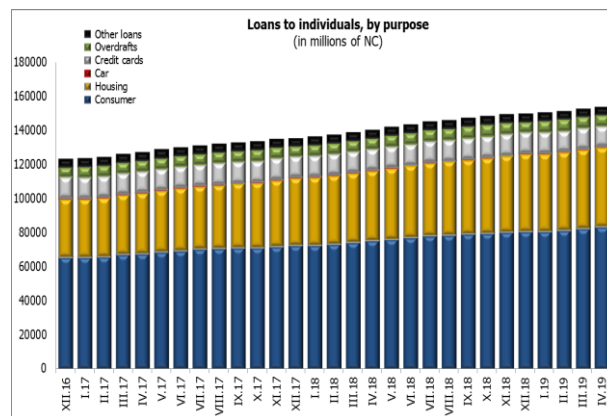


National Bank of the Republic of North Macedonia Statistics Department

- This month, total **household loans** registered a monthly and annual increase of 0.5% and 9.3%, respectively. According to the currency structure, the enhanced lending to households largely arises from the denar loans (contribution of 57.9% and 71.6% to the monthly and annual growth, respectively).



Source: NBRNM.



Source: NBRNM.

Table 2. Banks and savings houses loans granted to individuals, by purpose

	Stocks (in millions of NC)								annual changes (in %)						monthly changes (in %)			
	12.2016 ⁽¹⁾	12.2017 ⁽¹⁾	3.2018	6.2018	9.2018	12.2018 ⁽¹⁾	3.2019	4.2019	12.2016 ⁽¹⁾	12.2017 ⁽¹⁾	3.2018	6.2018	9.2018	12.2018 ⁽¹⁾	3.2019	4.2019	3.2019	4.2019
Consumer loans	65,438	72,595	74,218	77,100	78,964	80,632	82,324	83,292	13.4	10.9	10.7	11.1	11.1	11.1	10.9	10.9	1.2	1.2
Housing loans	34,608	39,535	40,899	42,309	43,896	45,539	46,477	46,797	14.3	14.2	15.4	14.9	16.2	15.2	13.6	13.2	1.2	0.7
Car loans	323	316	318	307	301	312	319	323	-19.1	-2.2	2.9	0.2	-2.2	-1.3	0.4	2.4	2.3	1.2
Credit cards	12,380	12,281	12,157	12,192	12,235	12,246	12,113	12,086	0.3	-0.8	-1.1	-0.8	-0.9	-0.3	-0.4	-0.7	0.0	-0.2
Overdrafts	5,795	5,896	6,300	6,672	6,881	6,232	6,830	6,419	3.6	1.8	0.4	4.8	5.7	5.7	8.4	1.1	1.1	-6.0
Other loans	4,584	4,564	4,534	4,593	4,566	4,607	4,252	4,214	7.3	-0.4	-0.5	-0.8	-0.2	0.9	-6.2	-7.8	-0.6	-0.9

Source: NBRNM.



National Bank of the Republic of North Macedonia Statistics Department

- In April, analyzing the purpose of loans granted to individuals, the most common categories – **consumer and housing loans** registered a monthly growth of 1.2% and 0.7%, respectively, given annual rise of 10.9% and 13.2%, respectively. This month, **car loans** registered a monthly growth of 1.2%, given the annual rise of 2.4%, while **credit card** loans registered a monthly and annual decrease of 0.2% and 0.7%, respectively. Furthermore, in April, **overdrafts** registered a monthly decrease of 6.0%, while on annual basis they incremented by 1.1%, while loans granted on **other basis** registered a monthly and annual drop of 0.9% and 7.8%, respectively.

Supporting information

Time series of data: Balance sheets and list of depository institutions, monthly data
<http://www.nbrm.mk/ns-newsarticle-bilansi-i-pregledi-na-depozitnite-institucii---mesečni-podatoci-en.nspix>

Methodological explanations:

http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_monetarna_07_2018_eng.pdf

Information on methodological changes in the monetary statistics, the statistics of the other financial corporations and the interest rates statistics:

http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf

Next publications: Advance Release Calendar

http://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf

Monetary developments in the Republic of North Macedonia: 21 June 2019 (reference period as of May 2019).

We kindly ask journalists to contact the Governor's Office for any queries.

For more information about the disseminated statistical data, please contact us at: contact.statistika@nbrm.mk or on the telephone number 02 3215 181 extension 116 (or 110/108).