



## National Bank of the Republic of Macedonia Statistics Department

Skopje, 31 August 2016

### PRESS RELEASE

### Significant developments in the balance of payments<sup>1</sup> in June 2016

In June 2016, the current account deficit totaled Euro 22.6 million, while the financial account registered inflows based on loans and outflows based on direct investments.

#### Main components of the balance of payments

(in millions of euros)

	VI-2016	I-VI.2016	monthly change		annual change		cumulative change	
			millions of euros	%	millions of euros	%	millions of euros	%
<b>Current account</b>	<b>-22.6</b>	<b>-180.9</b>	<b>41.6</b>	-64.8	<b>-26.1</b>	...*	<b>-52.3</b>	40.7
Goods	<b>-156.2</b>	<b>-914.6</b>	<b>18.6</b>	-10.6	<b>-20.0</b>	14.6	<b>-48.1</b>	5.5
Services	<b>21.9</b>	<b>188.4</b>	<b>-4.1</b>	-15.8	<b>-4.0</b>	-15.4	<b>27.6</b>	17.1
Primary income	<b>-19.3</b>	<b>-117.3</b>	<b>-1.3</b>	7.0	<b>-0.9</b>	4.9	<b>-6.9</b>	6.2
Secondary income	<b>131.0</b>	<b>662.6</b>	<b>28.4</b>	27.7	<b>-1.2</b>	-0.9	<b>-24.9</b>	-3.6
<b>Capital account</b>	<b>0.1</b>	<b>4.9</b>	<b>0.0</b>		<b>-0.5</b>		<b>2.2</b>	
<b>Financial account</b>	<b>-16.3</b>	<b>-188.8</b>	<b>55.6</b>		<b>-22.8</b>		<b>-85.7</b>	
Direct investment	<b>16.1</b>	<b>-115.4</b>	<b>50.3</b>		<b>34.4</b>		<b>-0.8</b>	
Portfolio investment	<b>-6.6</b>	<b>1.7</b>	<b>-8.8</b>		<b>-14.5</b>		<b>4.4</b>	
Currency and deposits	<b>-8.8</b>	<b>105.9</b>	<b>-13.0</b>		<b>-64.6</b>		<b>-30.8</b>	
Loans	<b>-16.7</b>	<b>-89.1</b>	<b>-2.7</b>		<b>-14.4</b>		<b>-217.8</b>	
Trade credit and advances	<b>24.5</b>	<b>27.5</b>	<b>21.4</b>		<b>19.6</b>		<b>50.1</b>	
Reserve assets	<b>-24.9</b>	<b>-119.4</b>	<b>8.4</b>		<b>16.8</b>		<b>109.4</b>	

...\* Percentage over 100.

Note: In the financial account, minus (-) indicates net inflows from abroad, except to foreign reserves, where it indicates net outflows.

Source: NBRM.

#### **Current account**

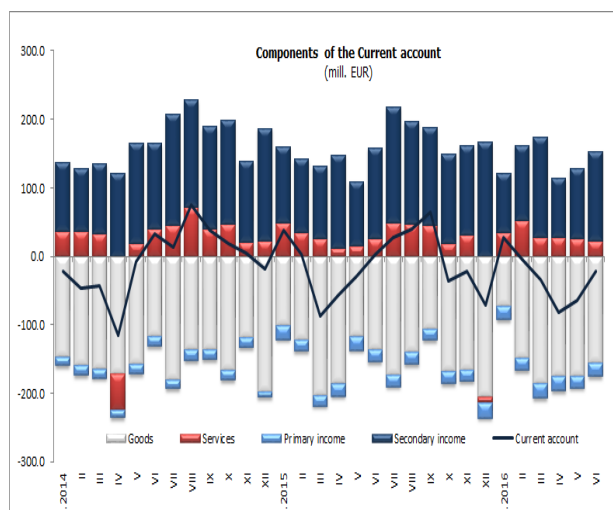
In the current transactions with non-residents in June 2016, deficit in the amount of Euro 22.6 million was registered. The deficit in the current account is mostly due to the deficits in the trade of goods (Euro 156.2 million) and the primary income (Euro 19.3 million), which are netted only partially with the surpluses registered in the secondary income and the trade of services (Euro 131 and 21.9 million, respectively).

The negative balance on the current account, for the first half of 2016, equals Euro 180.9 million, meaning it deepened by Euro 52.3 million compared to the same period of the previous year. The higher deficit in the current account results from the reduced net inflows in all current account components, except to the services sub-balance (higher surplus by Euro 27.6 million). Thus the deficit in the trade of goods is higher by Euro 48.1 million and by Euro 6.9 million in the primary income, while the surplus in the secondary income fell by Euro 24.9 million.

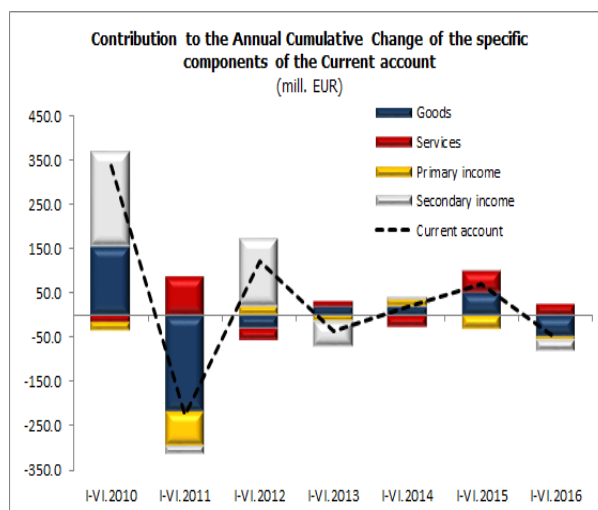
<sup>1</sup> The balance of payments is a statistical report that systematically summarizes all economic transactions of the Republic of Macedonia abroad in a certain time frame, i.e. it summarizes the current, capital and financial transactions between residents and nonresidents.



## National Bank of the Republic of Macedonia Statistics Department



Source: NBRM.



### **Financial account**

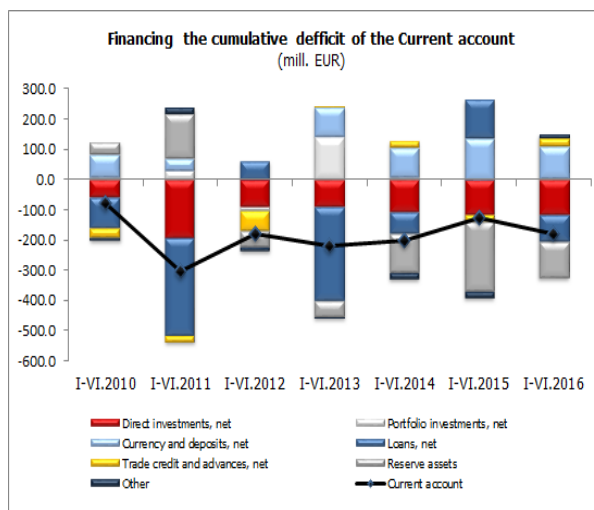
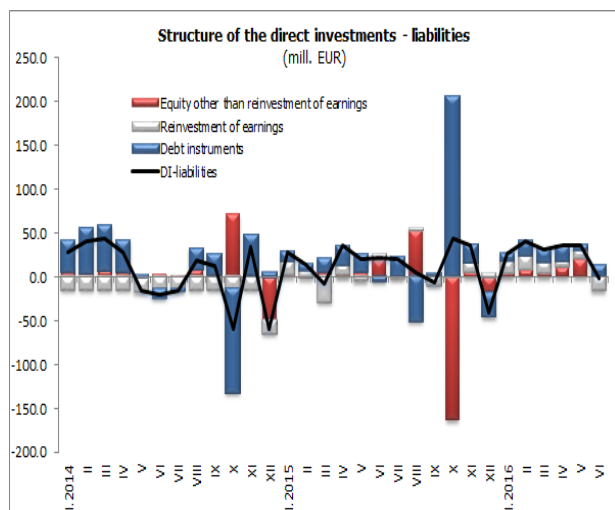
In June, in the financial account, net inflows based on loans (Euro 16.7 million), currencies and deposits (Euro 8.8 million) and portfolio investments (Euro 6.6 million) were registered, whereas the net outflows based on trade credits (Euro 24.5 million) and direct investments (Euro 16.1 million). Moreover, the reserve assets dropped this month by Euro 24.9 million.

Regarding the liabilities based on direct investments (non-residents' investments with residents), in June, net outflows in the amount of Euro 1 million were registered, amid more significant net outflows in the reinvestment of earnings of Euro 14.8 million (due to payment of dividends in the amount of Euro 31.5 million), most of which are netted with net inflows from debt instruments (Euro 12.3 million) and equity (Euro 1.5 million). Regarding the direct investments' assets (investment of residents with non-residents), in June, the outflows equaled Euro 15.1 million, mainly in form of investments in equity abroad. Cumulatively, in the first half of the year, the direct investments, on a net basis, equal Euro 115.4 million, which is almost identical realization with the net investments in the same period of the previous year.

The total current account deficit in the first half of the year (Euro 180.9 million) was mainly financed through net inflows from direct investments and loans.



## National Bank of the Republic of Macedonia Statistics Department



Source: NBRM.

### Data revisions

The data on the balance of payments in this press release contain regular data revisions for the period January - May 2016. These revisions did not cause significant changes in the previously disseminated data and mainly arise from the improved scope through statistical sources of data.

### Supporting information

Time series of data: annual, quarterly and monthly data on the balance of payments

<http://nbrm.mk/?ItemID=16C5679A8986CE4391D1F76413410999>

METHODOLOGICAL EXPLANATIONS

<http://nbrm.mk/?ItemID=16C5679A8986CE4391D1F76413410999>

Next publication: Advance Release Calendar

<http://nbrm.mk/?ItemID=D537DAB6F15C774DB7BDE486246D06C5>

Monthly balance of payments: 30 September 2016 (reference period as of July 2016 and data revision for 2014 and 2015).

For any questions, we kindly ask journalists to contact the officers from the Governor's Office.

For more information regarding the disseminated statistical data, please contact us on: [contact.statistika@nbrm.mk](mailto:contact.statistika@nbrm.mk) or on the telephone number 02 3215 181 extension 103 (or 110/108).