



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

Pursuant to item 10 paragraph 4 of the Decision on the credit of last resort (Official Gazette of the Republic of Macedonia No. 74/15), the Governor of the National Bank of the Republic of Macedonia adopted the following

List of margin ratios on the instruments used as collateral for the credit of last resort

1. When approving the credit of last resort, the National Bank of the Republic of Macedonia (hereinafter: National Bank), shall determine the margin ratios on the following instruments used as collateral:

- debt securities, and
- other instruments used as collateral (banks' claims on clients).

2. The margin ratios, differentiated according to the type of collateral and residual maturity, are given below:

Type of instruments used as collateral	Margin ratios					
	up to 3 months	above 3 months up to 12 months	above 12 months up to 3 years	above 3 years up to 5 years	above 5 years up to 10 years	above 10 years up to 15 years
securities issued by the National Bank						
securities issued or backed by a guarantee of the Republic of Macedonia						
securities issued by any other government authority in the Republic of Macedonia, public enterprises and public institutions in the Republic of Macedonia, trade companies established by the Republic of Macedonia or in which the Republic of Macedonia is the majority shareholder, municipal authorities in the Republic of Macedonia, municipalities of the City of Skopje and the City of Skopje	1.01	1.05	1.15	1.20	1.40	1.50
securities issued by other central governments, public institutions in other countries, local government and regional authority of other countries, multilateral development banks and international organizations	according to margin ratios published by the European Central Bank					
	up to 12 months		above 12 months up to 7 years		above 7 years up to 15 years	
other instruments used as collateral (banks' claims on clients)	1.20		1.50		2.50	

3. The amount of the instruments used as collateral for the approved funds shall be calculated by applying the following formula:

- for debt securities:

$$\text{value of debt securities} = \frac{\text{approved funds} * \text{margin ratio} * 100}{\text{price of debt securities}}$$

- for other instruments used as collateral (bank's claims on clients):

$$\text{value of claims} = \text{approved funds} * \text{margin ratio}$$

When determining the value of the securities in foreign currency and the securities with foreign currency clause the middle exchange rate from the Exchange Rate List of the National Bank shall be applied.

4. Upon approval of the credit of last resort with debt securities, the National Bank shall monitor the value of the securities on a regular basis, at market prices.

Market prices are the prices published on the electronic information systems for the international financial markets, i.e. the prices quoted on the Macedonian Stock Exchange AD Skopje or marketed over the counter.

Notwithstanding paragraph 1 of this item, if the securities are not traded on the secondary market or recent prices deviate significantly from the actual market movements, the National Bank has the right to determine a theoretical valuation price by applying an appropriate valuation methodology.

5. Upon approval of the credit of last resort with other instruments used as collateral (bank's claims), the National Bank shall monitor the carrying value of the claims (without being reduced by the accumulated depreciation and impairment, or the effects of changes in the fair value).

6. If the ratio between the value of all instruments used as collateral and approved funds drops below the specified margin ratios, the National Bank shall be entitled to require margin in funds or appropriate collateral.

The National Bank shall apply a minimum amount for margin request of 0.1% of the approved funds.

7. This List shall enter into force on the date of its publishing in the "Official Gazette of the Republic of Macedonia".

No. 17548
14 May 2015
Skopje

Dimitar Bogov
Governor
of the National Bank of the Republic of
Macedonia