

**National Bank  
of the Republic of Macedonia**



**Monthly  
Report**

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**Important economic events and amendments to the legal regulations in September 2005**

- ❖ *On September 1, 2005, an interim free trade agreement was signed between the Republic of Macedonia and Kosovo. The interim free trade agreement will be implemented according to the rules of the WTO, and its duration is related to the UNMIK mandate. This is an asymmetrical agreement which makes official the introduction of customs duties for Macedonian products to be exported to Kosovo. The import of products from Kosovo to Macedonia is duty free, while the import of products from Macedonia to Kosovo will be duty free for 90% of the products, except for eight products (oil derivatives and some agricultural products) for which the customs duties will gradually reduce in a transition period of two and a half years (by 2008, when they will be completely abolished).*
- ❖ *On September 1, 2005 the newly established brokerage house "Iirika Investments" started trading on the Macedonian Stock Exchange, after fulfilling all preconditions for trading on the Macedonian capital market. Thus, the total number of brokerage houses, members of the Macedonian Stock Exchange reached fifteen.*
- ❖ *New company on the Macedonian insurance market - "Insurance Policy - National Insurance Group." So far, the insurance market comprised of nine insurance companies and four insurance and brokerage houses.*
- ❖ *The esteemed world-famous magazine The Banker awarded "Komercijalna Banka" a.d. Skopje the Bank of the Year award, for the fourth time.*
- ❖ *Novelties in the banking technology in the country: few months after the issuance of the first payment cards with chip, in the beginning of September, UNI Banka applied the latest high technology of communication among ATMs. This technology enables GPRS-communication between the ATMs and the processing - center, through the GSM-network, with the intermediation of the network of "Mobimak" as a medium.*
- ❖ *On September 1, the Macedonian construction company "Granit" a.d. Skopje signed the second subsequent agreement for engagement in Ukraine in the amount of Euro 45 million. The project is financed by the European Bank for Reconstruction and Development.*
- ❖ *On September 6, the Regulatory Energy Committee granted a license to "Lukoil Macedonia" d.o.o.e.l. Skopje for storage of and trading in oil and oil derivatives. According to the announcement of the Regulatory Energy Committee, these are the first licenses issued by the Commission for conducting energy-related operations, and underway is the procedure for issuing licenses also to other enterprises that according to the Law on Energy are obliged to obtain a license for conducting energy-related operations.*
- ❖ *In line with the Decision of the Regulatory Energy Committee, the refinery and retail prices of oil derivatives increased by 2.83% and 2%, respectively, on average. The increase in the prices of oil derivatives on the domestic market is a result of their increase on the world market in the previous fourteen days. On September 19, 2005, the Regulatory Energy Committee passed a decision on reducing the refinery and retail prices on oil derivatives by 6.33% and 3.97%, on average (the effect from this decision on the general price level will be evident in the following month, in accordance with the character of the statistical treatment of the prices).*
- ❖ *On September 8, 2005, the Committee on transformation of ESM adopted the draft-conclusions regarding the privatization of the ESM. The first stage of privatization of this company includes sale of 90% of the shares of the "Elektrostopanstvo na Makedonija" a.d. and 100% of the shares of the power plant "Negotino" in state ownership, to a strategic investor.*
- ❖ *In September 2005, the Government selected "Citigroup" from London as a bank which will prepare the future issuance of the first Macedonian bonds (Euro-bonds). The selection was made from among offers of eleven most attractive investment banks worldwide.*

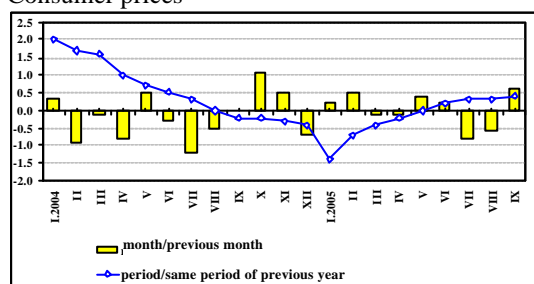


- ❖ *The Polish company “Arlen” builds a factory in Delcevo for production of textile products intended for the EU markets. This is a joint investment with a Macedonian partner. The investment was made after several months of negotiations and with the assistance of the Macedonian Agency for Foreign Investments.*
- ❖ *On September 15, 2005, the World Bank approved Euro 15 million for the project for reform of the railways in the Republic of Macedonia. The project will facilitate the reforms of the Macedonian railways and will improve their productivity and efficiency.*
- ❖ *On September 20, 2005, the employed persons started to apply for membership in the two private pension funds, in line with the reform of the pension system. The persons whose first employment was after January 1, 2003 are obliged to become members, while for the other employees the membership is on voluntary basis (deadline is December 31, 2005).*
- ❖ *New product on the credit market: “Stopanska Banka” a.d. Skopje introduced a revolving credit, i.e. credit which enables the borrowers to obtain a credit, which will be at their disposal for an indefinite period of time, with one application.*
- ❖ *The meat processing industry “Pilko”, the company for production of healthy food “Vitalia” and the company for production of juice “Gudalat” obtained certificates for implementation of European standards for safe food. The application of these standards enables management with the food quality, as a precondition for building export potentials and increased competitiveness of the domestic products and companies on the highly selective EU markets.*
- ❖ *New regulations:*
  - *Law on Litigation and Law on Audit (“Official Gazette of RM” No. 79/2005);*
  - *Law on the Public Revenue Office (“Official Gazette of RM” No. 81/2005)*

## I. Economic Developments in the Republic of Macedonia

In September 2005, the consumer prices registered an increase of 0.6% relative to the previous month. The monthly increase was caused by the increase in the prices of almost all categories in the structure of the index. Most important increase was registered in transport equipment and services (of 2.4%), which is mainly due to the higher prices of liquid fuels and lubricants (by 5.4%). On the other hand, a monthly decline was registered only in clothing and footwear (of 0.3%), while the prices of food remained unchanged. From a structural aspect, the monthly increase of the inflation rate is a result of the simultaneous increase in the prices of goods and services (of 0.4% and 1.3%, respectively). The annual inflation rate in September 2005 equaled 1.1%. The average inflation rate in the first nine months of 2005 equals 0.4%, mainly due to the higher prices of tobacco and beverages, and transport equipment and services.

Figure 1  
Consumer prices



In September 2005, the retail price index registered an increase of 1.6% relative to August 2005, reflecting the increase in the prices of non-food industrial products, food industrial products and beverages (of 1.8%, 0.4% and 0.3%, respectively). The downward trend in the prices of agricultural products registered in the past two months, continued in September, where on monthly basis they were by 2.4% lower. The analysis of the structure reveals that the monthly increase in the retail price index is due to the higher prices of goods and services (by 1.1% and 2.3%, respectively). On annual basis, and on average, an increase was registered in the retail prices (of 3.3% and 1.9%, respectively), which is due to the

simultaneous increase in the prices of goods and services.

In September 2005, the prices of the producers of industrial products increased by 1.2% on a monthly basis, primarily due to the higher prices in the processing industry (by 1.5%), given the unchanged prices in the other two sectors. The monthly increase in the prices in the processing industry is a result of the increased prices of the producers of oil derivatives (by 9%, in line with the decision of the Regulatory Energy Committee from September 6, 2005, on increasing the refinery prices of oil derivatives by 2.83%), and of the producers of food products (0.8%). Relative to the same month of the previous year, in September 2005, the prices of producers of industrial products went up by 5.0%. On average, in the first nine months of 2005, relative to the same period of 2004, production prices are higher by 3%, mainly due to the higher prices in the processing industry (by 3.6%, with the increase being the highest in the prices of the producers of oil derivatives (by 30.3%) and electrical machinery and apparatus (by 4.1%).

In September 2005, the actual volume of the industrial output registered high monthly increase of 10.5%. The increase in the industrial output is common for this month of the year, as a result of the accelerated production activity after the end of the holiday season. The increase is comprehensive, i.e. an increase in the output was registered in seventeen out of the total number of twenty-four industrial branches, which represents 83.4% of the total output. From the viewpoint of individual sectors, the increase in the total industrial output is a result of the increased output in all three sectors: in the processing industry sector, by 9.2%, in the electricity, gas and water supply sector, by 19.9% and in the quarrying and mining sector, by 2.1%. Within the processing industry, as the dominant sector, fourteen out of twenty processing branches register an increase in the output, comprising 62.9% of the total output. Most important are the following: manufacture of food products and beverages (14.4%), manufacture of textiles (31.1%), manufacture of wearing apparel; dressing and dyeing of fur (21.3%), manufacture of other non-metallic mineral

<sup>1</sup> Source: State Statistical Office of the Republic of Macedonia

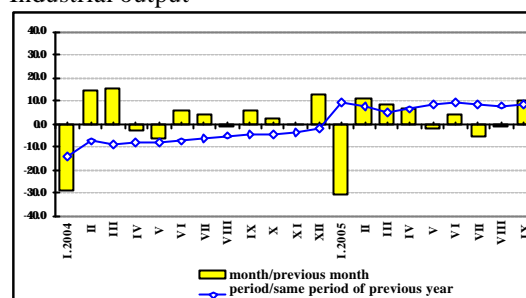


products (18.1%) and manufacture of basic metals (0.8%).

The high monthly growth rate of the industrial output caused an accelerated growth on annual and cumulative basis. Thus in September 2005, industrial output registered an increase of 9.4%, relative to the same month of the previous year. On cumulative basis, in the first nine months of 2005, industrial output is by 8.2% higher relative to the same period of 2004, given the increase in the output in the sectors quarrying and mining, manufacturing industry,

and electricity, gas and water supply of 23.1%, 9.3% and 2%, respectively.

Figure 2  
Industrial output



## II. Monetary developments in the Republic of Macedonia

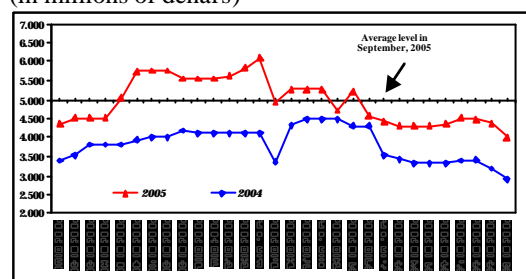
In September 2005, the total liquid funds of the banks<sup>2</sup> dropped by 6.3% on a monthly basis and reduced to Denar 3,991 million at the end of the month. From the viewpoint of liquidity creation and withdrawal, the NBRM foreign exchange transactions were dominant in the liquidity creation. The funds on the government Denar account also acted in this direction, which in line with the planned dynamics of spending funds from the budget reduced by 3.1%. The liquidity in the banking system created on such basis was offset by the increased interest in investing in CB bills (higher amount on a monthly basis by Denar 1,649 million) and by the increased demand for currency in circulation.

The average daily liquidity of the banking system totaled Denar 4,965.8 million in September 2005, which is an insignificant decline relative to the preceding month. Analyzing the dynamics, banks' liquidity had the common dynamics. In the first half of the month an increase was registered, which corresponds with the accumulation of liquid funds by the banks for fulfillment of the reserve requirement<sup>3</sup>, while in the second half of the month (immediately after the payment of taxes) a decline in the liquidity was registered. In September 2005, the banks' excess liquid funds over the reserve requirement equaled 7.9% (7.3% in the preceding month).

<sup>2</sup> Includes account of the banks with the NBRM and cash in the vaults of the banks.

<sup>3</sup> The period for maintaining (fulfilling) the banks' reserve requirement covers the period from the 11<sup>th</sup> in the current month to the 10<sup>th</sup> in the following month.

Figure 3  
Daily dynamics of the banks' liquidity  
(in millions of denars)



The turnover on the institutional money market in September 2005 totaled Denar 470.9 million, which is by 17.7% more compared to the preceding month. Given the relatively matching demand for and supply of liquid funds, and the relatively lower level of liquidity in the banking system, the realized interest rate reached 9.35% (9.2% in August 2005). The volume of executed transactions in the bilateral interbank trading reduced by 2.4 times relative to the preceding month and stood at Denar 744 million. In September, the average interest rate on the interbank money market (both segments) equaled 9.1% (9% in the previous month).

At the end of September 2005, relative to the end of the previous month, the reserve money<sup>4</sup> dropped by 0.9%, reflecting the decline in the banks' total liquid funds. On the other hand, the monthly increase in the demand deposits

<sup>4</sup> The reserve money analysis excludes the reserve requirement on foreign currency deposits.

(of 2.7%) and of the currency in circulation (of 0.8%) caused an increase in the monetary aggregate M1 of 1.8% on a monthly basis. Given the increase in the short-term Denar and foreign currency deposits, the monetary aggregate M2 increased by 2.3% on a monthly basis. The decline in the long-term foreign currency deposits (which have a small share in the banks' deposit base) caused an insignificantly lower growth rate in the broadest monetary aggregate M4 of 2.2% on a monthly basis. Annually, monetary aggregates M2 and M4 are higher by 14.1% and 13.7%, respectively.

Table 1  
Monetary aggregates and their components  
(in millions of denars)

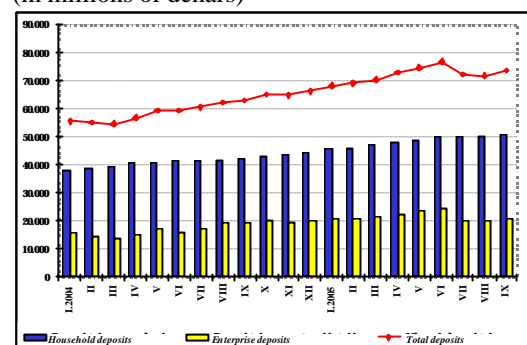
	30.09.2005	Monthly changes	Annual changes
		in %	in %
Currency in circulation	13.490	0,8	1,3
Demand deposits	14.416	2,7	10,5
<b>Monetary aggregate M1</b>	<b>27.906</b>	<b>1,8</b>	<b>5,8</b>
Short-term Denar deposits	20.732	4,3	6,6
<b>Monetary aggregate M2-Denar component</b>	<b>48.638</b>	<b>2,8</b>	<b>6,2</b>
Short-term foreign exchange deposits	48.142	1,9	23,4
<b>Monetary aggregate M2</b>	<b>96.780</b>	<b>2,3</b>	<b>14,1</b>
Non-monetary deposits	4.871	0,0	5,8
-Denar	3.130	8,3	-0,2
- foreign exchange	1.741	-12,1	18,5
<b>Monetary aggregate</b>	<b>101.651</b>	<b>2,2</b>	<b>13,7</b>

In September 2005, *the total banks' deposits*<sup>5</sup> registered an increase of 2.4%, caused by the increase in both the Denar and the foreign currency deposits. Thus, Denar deposits registered a monthly increase of 4.8%, with a simultaneous increase being registered in both the short-term and the long-term deposits (by 4.3% and by 8.3%, respectively). The total foreign currency deposits registered a relatively lower growth rate (of 1.3%), which, given the decline in the long-term foreign currency deposits, is entirely due to the increase in their short-term component (of 1.9%). The sector-by-sector analysis indicates an increase in the households' deposits of 1% on a monthly basis, with a simultaneous increase being registered in the short-term and long-term time deposits (of 1% and of 2.3%, respectively). From a viewpoint of the currency structure, an insignificant monthly decline of 0.2% was registered in the households' Denar deposits, while foreign currency deposits registered an increase of 1.5%. Enterprises'

<sup>5</sup> Since May 2005, the data on the deposits and the loans of the banks exclude "Radobank" a.d. Skopje, the founding and operating license of which was revoked by the NBRM on May 27, 2005.

deposits increased by 4.2% on a monthly basis, mainly due to the higher level of Denar time deposits with maturity of up to one and up to three months. On annual basis (September 2005 / September 2004) the total deposits increased by 16.9%.

Figure 4  
Deposit dynamics  
(in millions of denars)



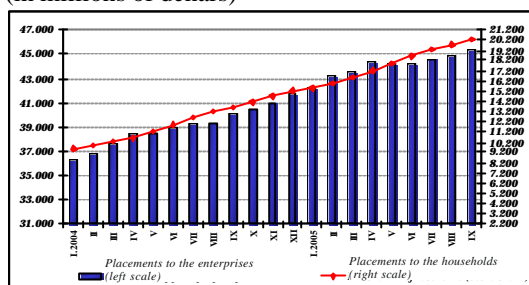
In September 2005, *the banks' total placements to the private sector*<sup>6</sup> increased by 1.7%. The positive monthly dynamics of the total placements is a result of the simultaneous increase of the placements in domestic<sup>7</sup> and in foreign currency (of 1.1% and 3.3%, respectively). Despite the growth in the short-term Denar and foreign currency credits, the higher volume of credits is primarily due to the long-term lending in Denars to the households sector (monthly increase of 2.5%) and long-term lending in foreign currency allocated with the corporate sector (increase of 4.1%). Analyzing by sectors, the total lending to households and corporations increased by 2.6% and 1.1%, respectively, on a monthly basis. On annual basis, the total placements of the banks picked up by 22%.

<sup>6</sup> Since January 2005, the banks' credits have been analyzed without the amount of the accrued interest by individual credits.

<sup>7</sup> Include the Denar indexed loans.

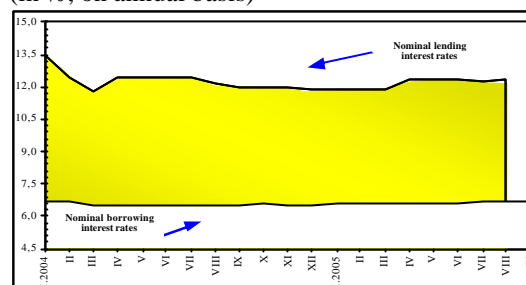


Figure 5  
Banks' placements by sectors  
(in millions of denars)



In September 2005, no significant changes in the interest rate policy of the banks were registered. Thus the average weighted lending interest rate of the banks (on short-term Denar credits) equaled 12.3%, and it was higher by 0.1 percentage points relative to the previous month. Contemporaneously, the average weighted deposit interest rate (on three-month Denar deposits) equaled 6.63% (6.62% in the preceding month).

Figure 6  
Banks' weighted interest rates and spreads\*  
(in %, on annual basis)



\*Pertain to Denar loans and deposits, including the Denar indexed loans

The average weighted interest rate on the short-term foreign currency credits in September 2005 equaled 7.53%, and it is by 0.1 percentage point lower relative to the preceding month. The interest rate on the three-month Euro deposits ranged from 1% to 3.26%, while the interest rate on the three-month US Dollar deposits ranged from 0.90% and 2.63%.

### III. Foreign Trade and Foreign Exchange Developments in the Republic of Macedonia

The foreign trade of the Republic of Macedonia in September 2005 totaled Euro 365.8 million<sup>8</sup> and registered a monthly increment of 17%. In September 2005, the export of goods in the amount of Euro 143.8 million (which is historically the second highest monthly export<sup>9</sup>), registered an increase of 22% relative to the previous month, caused by the higher export of iron and steel and products thereof, of vegetables, fruit and products thereof, and of wearing apparel and textile. Compared with September 2004, exports picked up by 17.4%. In September 2005, the import of goods increased by 14% on a monthly basis, which is mainly due to the increased import of mineral fuels, iron and steel and products thereof, of machines, equipment and vehicles. The analysis on annual level reveals an increase in the imports of 17.6%. In September 2005, trade deficit in the amount of Euro 78.2 million was registered (on a monthly basis it was by 1.7% higher), while the import-export

coverage ratio equaled 60.5% (on a monthly basis it was by 4.3 percentage points higher).

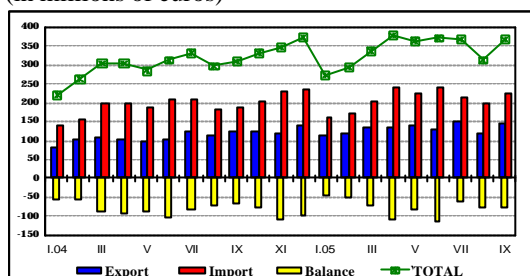
In the January - September 2005 period, the total foreign trade amounted to Euro 3,059.2 million and it was by 16.5% higher relative to the same period of the previous year. Exports rose by 23.6% relative to the same period of the previous year, mainly as a result of the increased export of iron and steel and products thereof, of oil derivatives and of food and tobacco. In the first nine months of 2005, imports increased by 12.4%, relative to the same period of 2004, primarily as a result of the increased import of mineral fuels and of iron and steel and products thereof. Such a dynamics in the individual trade components led to a trade deficit in the amount of Euro 684 million, which is by 2.9% (or Euro 20.8 million) lower, relative to the same period of the previous year. At the same time, the import-export coverage ratio equaled 63.5%, which is by 5.8 percentage points higher, relative to the first nine months of 2004.

<sup>8</sup> Source: State Statistical Office; the calculations in Euro are made in the NBRM.

<sup>9</sup> The highest monthly export of goods was registered in June 2005 (Euro 153.1 million).



Figure 7  
Foreign trade of the Republic of Macedonia  
(in millions of euros)

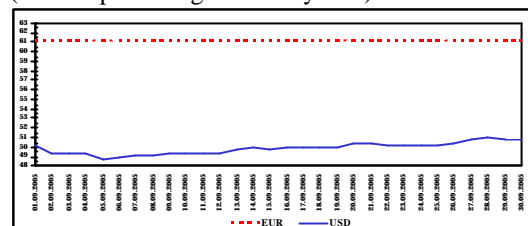


Source: State Statistical Office

In September 2005, favorable movements were registered on the *foreign exchange market*. The total turnover registered an insignificant monthly decline of 0.6%. Given the increase in the supply of and the fall in the demand for foreign currency (monthly change of 17.3% and 20.2%, respectively), commercial banks realized a smaller net sale of foreign currency on a monthly basis. In September 2005, NBRM realized a net-purchase of foreign currency on the foreign exchange market. At the end of September 2005, the *gross foreign reserves* reached Euro 876.6 million, which was an increase of Euro 54 million relative to August 2005. The increase in the gross foreign reserves is primarily a result of the significant net-purchase of foreign currency on the foreign exchange market, accomplished foreign exchange gains, and the net inflows on the basis of the withdrawn funds from the Stand-by Arrangement with the IMF (Euro 12.4 million).

The exchange rate of the Denar against the Euro on the foreign exchange market remained stable, and as of September 30, 2005, Denar 61.23 were traded per 1 Euro. The exchange rate of the Denar against the US Dollar at the end of September 2005 equaled Denar 50.76 per 1 US Dollar, with the value of the Denar against that of the US Dollar registering monthly depreciation of 1% (as of August 31, 2005, Denar 50.27 were traded per 1 US Dollar).

Figure 8  
Daily middle exchange rate of the Denar against  
the Euro and the US Dollar on the foreign  
exchange market  
(Denars per foreign currency unit)



Source: National Bank of the Republic of Macedonia.

In September 2005, the *turnover on the currency exchange market* stood at US Dollar 116.4 million, which, given the faster decline in the demand relative to that in the supply of foreign currency, is a monthly decline of 2.9%. Nonetheless, the realized monthly net-purchase of foreign currency from households was identical with the one realized in the preceding month (Euro 62 million, thus remaining the highest net purchase realized since 2003).

In September 2005, the exchange rate of the Denar against the Euro on the currency exchange market remained almost unchanged relative to the previous month, so that Denar 61.44 were traded per 1 Euro, on average. Regarding the US Dollar, the Denar registered slight monthly depreciation of 0.2%, so that 49.92 were traded per 1 US Dollar, (Denar 49.81 per 1 US Dollar in August 2005).

The external debt of the Republic of Macedonia, based on long-term credits and loans<sup>10</sup> totaled Euro 1,643.6 million at the end of September 2005 and rose by Euro 29.8 million relative to the end of the previous month. The monthly growth was primarily due to the higher amount of used relative to repaid funds, as well as the foreign exchange gains (in the amount of Euro 5.7 million). The used funds stood at Euro 32.8 million<sup>11</sup>, while the total repaid liabilities were in the amount of Euro 14.1 million (Euro 10 million of principal and Euro 4.1 million of interest). In September 2005, new credits in the amount of Euro 9.4 million were concluded (entirely pertaining to credits from the private sector). At the end of September, 2005, the *short-term debt*, pertaining solely to private entities, totaled Euro 74.8 million.

<sup>10</sup> Preliminary data of the NBRM.

<sup>11</sup> Of which, Euro 12.6 million are funds withdrawn from the new Stand-by Arrangement with the IMF.



## Appendix

### Developments in Real Sector in the Republic of Macedonia

**Table 1**

Costs of living and retail prices

	IX.2005 VIII.2005	IX.2005 IX.2004	I-IX.2005 I-IX.2004
	in %		
<b>Costs of living</b>	<b>0,6</b>	<b>1,1</b>	<b>0,4</b>
Food	0,0	0,2	-1,4
Tobacco and beverages	0,1	4,7	5,7
Clothing and footwear	-0,3	0,9	2,5
Housing	0,5	0,8	0,3
Flat (rent, water, services)	0,1	0,1	0,4
Fuel and lighting	0,6	1,5	0,9
Hygiene	0,1	-3,9	-3,6
Culture and entertainment	1,8	1,2	-0,3
Transport, communications, services	2,4	4,5	4,0
<i>Goods</i>	<i>0,4</i>	<i>1,3</i>	<i>0,1</i>
<i>Services</i>	<i>1,3</i>	<i>0,2</i>	<i>1,6</i>
<b>Retail prices</b>	<b>1,6</b>	<b>3,3</b>	<b>1,9</b>
Agricultural products	-2,4	-1,0	-1,5
Non-food industrial products	1,8	5,1	2,7
Processed food products	0,4	-0,1	-1,5
Beverages	0,3	-0,2	1,8
<i>Goods</i>	<i>1,1</i>	<i>3,2</i>	<i>1,3</i>
<i>Services</i>	<i>2,3</i>	<i>3,5</i>	<i>2,9</i>

Source: State Statistical Office of the Republic of Macedonia


**Table 2**

Prices of producers of industrial products\*

	IX.2005 VIII.2005	IX.2005 IX.2004	I-IX.2005 I-IX.2004
	in %		
<b>Prices of producers of industrial products</b>	<b>1,2</b>	<b>5,0</b>	<b>3,0</b>
Energy	4,1	19,3	10,8
Intermediary goods (except Energy)	-0,1	-0,6	0,8
Capital goods	0,0	0,0	0,0
Durable consumer goods	0,0	3,0	3,0
Non durable consumer goods	0,7	2,2	0,5
<i>Mining and quarrying</i>	<i>0,0</i>	<i>0,0</i>	<i>0,1</i>
<i>Manufacturing industry</i>	<i>1,5</i>	<i>6,1</i>	<i>3,6</i>
Manufacture of food products and beverages	0,8	1,7	-0,1
Manufacture of tobacco products	0,0	0,2	0,3
Manufacture of textiles	0,0	0,0	-0,5
Manufacture of wearing apparel; dressing and dyeing of fur	0,0	0,0	0,0
Publishing, printing and reproduction of recorded media	0,0	0,0	0,0
Manufacture of coke, refined petroleum products and nuclear fuel	9,0	50,7	30,3
Manufacture of chemicals and chemical products	0,0	0,1	0,1
Manufacture of rubber and plastic products	0,0	0,0	0,0
Manufacture of other non-metallic mineral products	0,0	0,4	0,1
Manufacture of basic metals	0,0	-0,1	0,0
Manufacture of fabricated metal products, except machinery and equipment	0,0	0,0	0,0
Manufacture of electrical machinery and apparatus n.e.c.	0,0	0,0	4,1
<i>Electricity, gas and water supply</i>	<i>0,0</i>	<i>0,0</i>	<i>0,0</i>

\* Previous data

Source: State Statistical Office of the Republic of Macedonia



**Table 3**  
Industrial output\*

	Structure in %	<u>IX.2005</u> <u>VIII.2005</u>	<u>IX.2005</u> <u>IX.2004</u>	<u>I-IX.2005</u> <u>I-IX.2004</u>
		in %		
<b>Prices of producers of industrial products</b>	<b>100,0</b>	<b>10,5</b>	<b>9,4</b>	<b>8,2</b>
Energy	<b>21,8</b>	14,5	13,1	3,7
Intermediary goods (except Energy)	<b>33,8</b>	9,6	10,0	16,1
Capital goods	<b>4,8</b>	1,1	-28,2	-2,8
Durable consumer goods	<b>1,4</b>	20,7	-8,8	-7,8
Non durable consumer goods	<b>38,1</b>	10,1	12,5	5,2
	<b>1,8</b>	<b>2,1</b>	<b>53,7</b>	<b>23,1</b>
<i>Mining and quarrying</i>				
<i>Manufacturing industry</i>	<b>79,4</b>	<b>9,2</b>	<b>8,0</b>	<b>9,3</b>
Manufacture of food products and beverages	20,0	14,4	24,1	5,3
Manufacture of tobacco products	3,9	-23,0	-5,9	4,4
Manufacture of textiles	2,5	31,1	18,4	-3,5
Manufacture of wearing apparel; dressing and dyeing of fur	8,6	21,3	1,7	3,8
Publishing, printing and reproduction of recorded media	3,9	-7,0	-9,6	3,4
Manufacture of coke, refined petroleum products and nuclear fuel	3,0	-4,2	23,9	13,3
Manufacture of chemicals and chemical products	5,9	0,3	-15,7	2,9
Manufacture of rubber and plastic products	2,6	22,9	6,8	-5,7
Manufacture of other non-metallic mineral products	8,1	18,1	22,8	15,7
Manufacture of basic metals	6,0	0,8	-0,7	49,4
Manufacture of fabricated metal products, except machinery and equipment	3,8	-1,2	9,7	27,3
Manufacture of electrical machinery and apparatus n.e.c.	3,2	17,5	11,4	20,6
<i>Electricity, gas and water supply</i>	<b>18,8</b>	<b>19,9</b>	<b>11,1</b>	<b>2,0</b>

\* Previous data

Source: State Statistical Office of the Republic of Macedonia



**Table 4**  
Central Government Budget  
(in Denar million)

	September 2005			January-September 2005		
	in Denar million	Monthly changes in %	Structure in %	in Denar million	Cumulative changes (2005/2004) in %	Structure in %
<b>Total budget revenues</b>	<b>5.256</b>	<b>16,2</b>	<b>100,0</b>	<b>45.278</b>	<b>7,9</b>	<b>100,0</b>
<i>Tax revenues:</i>	4.742	12,6	90,2	39.867	3,6	88,0
- personal income tax	656	8,4	12,5	5.837	4,4	12,9
- profit tax	189	16,7	3,6	2.303	16,0	5,1
- value added tax	2.316	24,0	44,1	19.164	3,0	42,3
- excises	1.066	-3,4	20,3	8.285	6,5	18,3
- custom duties	445	3,7	8,5	3.902	-5,3	8,6
- other	70	59,1	1,3	476	17,5	1,1
<i>Non-tax revenues:</i>	151	19,8	2,9	4.605	54,7	10,2
- inflows from state property dividends	6	0,0	0,1	3.162	2,2 Times	7,0
- administrative taxes and fees	125	25,0	2,4	1.204	12,5	2,7
- other administrative taxes	19	5,6	0,4	182	-5,2	0,4
- other non-tax revenues	1	-50,0	0,0	57	-79,8	0,1
<i>Capital revenues</i>	363	94,1	6,9	806	75,2	1,8
<b>Total budget expenditures</b>	<b>5.295</b>	<b>30,4</b>	<b>100,0</b>	<b>42.392</b>	<b>4,2</b>	<b>100,0</b>
<i>Current expenditures</i>	4.398	15,1	83,1	38.462	2,4	90,7
- wages and salaries	1.820	12,2	34,4	16.084	3,2	37,9
- goods and services	494	26,0	9,3	4.927	1,8	11,6
- transfers	1.945	14,6	36,7	15.650	0,8	36,9
- interest	139	25,2	2,6	1.801	14,7	4,2
<i>Capital expenditures</i>	897	3,8 pati	16,9	3.930	26,0	9,3
<b>Budget balance</b>	<b>-39</b>			<b>2.886</b>		
<b>Financing</b>	<b>39</b>			<b>-2.886</b>		
<i>Inflows</i>	512			2.478		
<i>Outflows</i>	473			5.364		

Source: Ministry of Finance

**Table 5**  
Total revenues and expenditures of the budget funds  
(in Denar million)

	September 2005				January- September 2005			
	Total revenues		Total expenditures		Total revenues		Total expenditures	
	Amount	monthly changes in %	Amount	monthly changes in %	Amount	cumulative changes in %	Amount	cumulative changes in %
<b>Social Funds</b>	<b>4.143</b>	<b>6,8</b>	<b>4.253</b>	<b>6,7</b>	<b>37.295</b>	<b>-0,8</b>	<b>37.679</b>	<b>-0,8</b>
- pension and disability insurance	2.324	2,0	2.411	7,0	21.201	0,1	21.431	-0,4
- health insurance	1.255	20,8	1.264	8,2	10.806	0,2	10.971	0,6
- employment	564	0,4	578	2,1	5.288	-6,1	5.277	-5,1
<b>Road Fund</b>	<b>246</b>	<b>-6,5</b>	<b>546</b>	<b>82,6</b>	<b>2.323</b>	<b>-9,1</b>	<b>2.403</b>	<b>-14,0</b>

Source: Ministry of Finance



## Monetary developments in the Republic of Macedonia

**Table 6**

National Bank accounts

(current exchange rate, in million denar)

	XII.04	I.05	II.05	III.05	IV.05	V.05	VI.05	VII.05	VIII.05	IX.05
<b>I. Net Foreign Assets</b>	41,824	41,909	42,743	43,139	43,547	44,075	45,817	47,694	48,543	51,055
Assets	44,686	44,791	45,618	46,026	46,364	46,779	48,508	50,376	51,171	54,463
Liabilities	2,862	2,882	2,875	2,887	2,817	2,704	2,691	2,682	2,628	3,408
<b>II. Net Domestic Assets</b>	-20,713	-19,243	-20,867	-21,358	-20,745	-20,829	-22,866	-23,720	-25,894	-28,360
<b>Credit to banks, net</b>	-4,498	-3,356	-5,683	-5,983	-5,336	-4,887	-5,995	-3,597	-4,758	-6,408
<b>Credit to banks</b>	54	53	54	51	50	50	58	46	47	46
Credits extended at auction	0	0	0	0	0	0	0	0	0	0
Repurchased agreement	0	0	0	0	0	0	0	0	0	0
Credits based on securities	0	0	0	0	0	0	10	0	0	0
Long - term credits	37	37	37	37	37	37	35	34	34	34
Advances	7	6	7	4	3	3	3	2	3	2
Other	10	10	10	10	10	10	10	10	10	10
<b>Instruments</b>	-4,552	-3,409	-5,737	-6,034	-5,386	-4,937	-6,053	-3,643	-4,805	-6,454
Auctions of bills	-4,552	-3,409	-5,737	-6,034	-5,386	-4,937	-6,053	-3,643	-4,805	-6,454
<b>Net, Government</b>	-8,075	-7,461	-6,734	-6,751	-6,781	-6,805	-7,168	-10,818	-11,905	-11,541
1. Claims on Government	2,881	2,881	2,881	2,881	2,574	2,574	2,574	2,574	2,574	2,574
Use of Fund credit	0	0	0	0	0	0	0	0	0	0
Ordinary credit	0	0	0	0	0	0	0	0	0	0
Purchased Government sec.	1,039	1,039	1,039	1,039	1,039	1,039	1,039	1,039	1,039	1,039
Other	1,842	1,842	1,842	1,842	1,535	1,535	1,535	1,535	1,535	1,535
2. Government Deposits	-10,956	-10,342	-9,615	-9,632	-9,355	-9,379	-9,742	-13,392	-14,479	-14,115
A) In denar	-4,696	-5,053	-4,552	-5,060	-4,922	-5,152	-4,874	-8,941	-9,893	-9,588
Demand deposits	-4,696	-5,053	-4,552	-5,060	-4,922	-5,152	-4,874	-8,941	-9,893	-9,588
- Budget account	-4,314	-4,687	-4,186	-4,683	-4,536	-4,771	-4,493	-8,572	-9,526	-9,207
- Other budget funds	-382	-366	-366	-377	-386	-381	-381	-369	-367	-381
Fund for monetary policy support	0	0	0	0	0	0	0	0	0	0
B) In foreign currency	-6,260	-5,289	-5,063	-4,572	-4,433	-4,227	-4,868	-4,451	-4,586	-4,527
Central Gov.dep.	-6,115	-5,144	-4,918	-4,425	-4,285	-4,082	-4,721	-4,304	-4,441	-4,380
o/w Telecom	0	0	0	0	0	0	0	0	0	0
o/w Road fund	-69	-61	-61	-61	-61	-61	-61	-61	-61	-367
Other Government deposits	-145	-145	-145	-147	-148	-145	-147	-147	-145	-147
3. External account	0	0	0	0	0	0	0	0	0	0
<b>Other items, net</b>	-8,140	-8,426	-8,450	-8,624	-8,628	-9,137	-9,703	-9,305	-9,231	-10,411
<b>Other assets</b>	2,424	2,506	2,481	2,472	2,467	2,492	2,541	2,551	2,538	2,551
<b>Other liabilities</b>	-2,484	-2,277	-2,283	-2,219	-2,274	-2,397	-2,382	-2,415	-2,324	-2,304
o/w Transitory account	-166	-20	-57	-15	-14	-28	-48	-40	-43	-21
<b>Capital account</b>	-7,016	-7,476	-7,444	-7,619	-7,584	-8,031	-8,634	-8,398	-8,453	-9,512
<b>Residual items</b>	-1,064	-1,179	-1,204	-1,258	-1,237	-1,201	-1,228	-1,043	-992	-1,146
<b>Reserve money</b>	21,111	22,666	21,876	21,781	22,802	23,246	22,951	23,974	22,649	22,695
Currency in circulation	14,162	13,364	13,362	13,207	14,191	13,086	13,390	14,331	13,385	13,490
Cash in vaults	909	1,023	918	796	902	944	874	808	859	936
Giro - accounts	6,040	8,279	7,596	7,778	7,709	9,216	8,687	8,835	8,405	8,269
o/w Reserve requirement	3,366	4,496	4,670	4,727	4,768	4,793	4,870	4,934	5,005	5,214

Source: National Bank of the Republic of Macedonia



**Table 7**  
**Monetary Survey**  
(current exchange rate, in million denar)

	XII.04	I.05	II.05	III.05	IV.05	V.05	VI.05	VII.05	VIII.05	IX.05
<b>I. Net Foreign Assets</b>	68865	69089	68359	68421	69502	70860	74372	73181	72711	75330
<i>National Bank</i>	41824	41909	42743	43139	43547	44075	45817	47694	48543	51055
Assets	44686	44791	45618	46026	46364	46779	48508	50376	51171	54463
Liabilities	2862	2882	2875	2887	2817	2704	2691	2682	2628	3408
<i>Deposit Money Banks</i>	27041	27180	25616	25282	25955	26785	28555	25487	24168	24275
Assets	37105	37308	36604	37303	37856	38457	40499	38484	38489	37738
Liabilities	10064	10128	10988	12021	11901	11672	11944	12997	14321	13463
<b>II. Net Domestic Assets</b>	26206	27050	28953	30116	32036	31890	30453	28191	27620	27250
<b>1.Domestic credit</b>	61356	62654	65358	66792	68696	68927	68959	66384	65987	67286
of which: Claims on Gov.	-916	-449	749	1118	1608	1407	561	-3060	-4309	-4160
a) Deposit Money Banks	69431	70115	72092	73543	75477	75732	76127	77202	77892	78827
-in denar	52575	52792	54327	55178	56524	56206	56348	62070	62288	62702
Government	1650	1497	1952	2414	2918	2736	2390	7689	7529	7308
Credits	1648	1495	1950	2413	2917	2733	2388	7687	7525	7304
a) Budget and Line Ministries	1403	1274	1390	1898	2463	2325	2027	7372	7258	7083
b) Funds	245	221	560	515	454	408	361	315	267	221
c) Ins. of Central Gov.: Courts, etc.	0	0	0	0	0	0	0	0	0	0
Accrued interest	2	2	2	1	1	3	2	2	4	4
Non Government sector	50925	51295	52375	52764	53606	53470	53958	54381	54759	55394
Credits	45750	46024	47071	47410	48278	48163	48567	48885	49216	49773
<i>Adjusted</i>										
of which: Overdue claims	9160	9336	9468	9548	9595	9141	8934	8868	9220	9229
Accrued interest	5175	5271	5304	5354	5328	5307	5391	5496	5543	5621
-in foreign currency	16856	17323	17765	18365	18953	19526	19779	15132	15604	16125
Government	5509	5515	5531	5455	5471	5476	5339	69	67	73
of which: Overdue	0	0	0	0	0	0	0	0	0	0
Non Government sector	11347	11808	12234	12910	13482	14050	14440	15063	15537	16052
<i>Adjusted</i>										
of which: Overdue	1600	1294	1342	1372	1333	1233	1429	1363	1429	1568
b) Nat. Bank Claims on Government	-8075	-7461	-6734	-6751	-6781	-6805	-7168	-10818	-11905	-11541
<b>2.Other items, net</b>	-35150	-35604	-36405	-36676	-36660	-37037	-38506	-38193	-38367	-40036
of which: Claims on Gov.										
for frozen f.c. deposits	0	0	0	0	0	0	0	0	0	0
Accrued interest	-5177	-5273	-5306	-5355	-5329	-5310	-5393	-5498	-5547	-5625
Others	-29973	-30331	-31099	-31321	-31331	-31727	-33113	-32695	-32820	-34411

Source: National Bank of the Republic of Macedonia



Monetary Survey (continuous)  
(current exchange rate, in million denar)

	XII.04	I.05	II.05	III.05	IV.05	V.05	VI.05	VII.05	VIII.05	IX.05
<b>M4Total</b>	95071	96139	97312	98537	101538	102750	104825	101372	100331	102580
<b>M4 ( nonGovernment)</b>	93947	94855	96211	97423	100417	101808	103841	100407	99436	101651
<b>M1(Total)</b>	27885	27123	27406	27303	27455	27316	27376	28494	27643	28181
<b>M1 (nonGovernment)</b>	27595	26584	27006	26948	27111	26993	27142	28285	27425	27906
<b>Currency in Circulation</b>	14162	13364	13362	13207	14191	13086	13390	14331	13385	13490
<b>Demand deposits(total)</b>	13723	13759	14044	14096	13264	14230	13986	14163	14258	14691
<b>Demand deposits(NonGov.)</b>	13433	13220	13644	13741	12920	13907	13752	13954	14040	14416
Deposit Money Banks	13705	13677	13974	13975	13215	14184	13942	14111	14154	14600
NonGov. Demand deposits	13415	13138	13574	13620	12871	13861	13708	13902	13936	14325
Government Demand deposits	290	539	400	355	344	323	234	209	218	275
a) Budget and Line Ministries	115	304	148	80	91	149	97	66	99	138
b) Funds	171	232	249	273	252	173	137	143	119	137
c) Ins. of C.Gov.: Courts, etc.	4	3	3	2	1	1	0	0	0	0
Nation. Bank NonGov.Demand dep.	18	82	70	121	49	46	44	52	104	91
<b>M2 (Total)</b>	89906	91300	92666	93845	96886	97662	99876	96324	95412	97662
<b>M2 (nonGovernment)</b>	88886	90063	91613	92779	95813	96768	98939	95406	94564	96780
<b>Quasi money (Total)</b>	62021	64177	65260	66542	69431	70346	72500	67830	67769	69481
<b>Quasi money (non Government)</b>	61291	63479	64607	65831	68702	69775	71797	67121	67139	68874
Deposit Money banks	62021	64156	65260	66542	69431	70346	72500	67830	67769	69481
Non Government sector	61291	63458	64607	65831	68702	69775	71797	67121	67139	68874
Denar	20483	20968	21948	23336	24517	25593	26335	20936	19876	20732
Foreign currency	40808	42490	42659	42495	44185	44182	45462	46185	47263	48142
Government deposits	730	698	653	711	729	571	703	709	630	607
Denar	703	684	646	703	723	570	701	708	628	606
Foreign currency	27	14	7	8	6	1	2	1	2	1
NBM quasi deposits	0	21	0	0	0	0	0	0	0	0
<b>Nonmonetary Deposits (Total)</b>	5165	4839	4646	4692	4652	5088	4949	5048	4919	4918
Denar nonm. deposits (total)	3464	3078	3122	3159	3155	3123	3140	3166	2938	3177
F.C. nonm. deposits (total)	1701	1761	1524	1533	1497	1965	1809	1882	1981	1741
<b>Nonmonetary Deposits (nonGov.)</b>	5061	4792	4598	4644	4604	5040	4902	5001	4872	4871
Denar nonm. dep.(nonG)	3360	3031	3074	3111	3107	3075	3093	3119	2891	3130
F.C. nonm. dep (nonG)	1701	1761	1524	1533	1497	1965	1809	1882	1981	1741
-Deposit Money Banks	5165	4839	4646	4692	4652	5088	4949	5048	4919	4918
Denar nonGov. nonmonetary dep.	3360	3031	3074	3111	3107	3075	3093	3119	2891	3130
F. C. nonGovern. nonmon. dep.	1701	1761	1524	1533	1497	1965	1809	1882	1981	1741
Denar Gov. nonmon. deposits	104	47	48	48	48	48	47	47	47	47
F. C. Govern. nonmon. deposits	0	0	0	0	0	0	0	0	0	0
-NBM NonGov. nonm. deposits	0	0	0	0	0	0	0	0	0	0
Denar	0	0	0	0	0	0	0	0	0	0
Foreign currency	0	0	0	0	0	0	0	0	0	0
<b>Total Deposits</b>	80909	82775	83950	85330	87347	89664	91435	87041	86946	89090
<b>Total Deposits (nonGov.)</b>	79785	81491	82849	84216	86226	88722	90451	86076	86051	88161

Source: National Bank of the Republic of Macedonia


**Table 8**

Total deposits of the non-government sector

	<b>30.09.2005</b>	<b>monthly changes</b>		<b>annual changes</b>		<b>structure</b>
	in Denar million	in Denar million	in %	in Denar million	in %	in %
<b>Total deposits</b>	<b>73.745</b>	<b>1.734</b>	<b>2,4</b>	<b>10.685</b>	<b>16,9</b>	<b>100,0</b>
<b>1. According to maturity</b>						
- short-term	<b>68.874</b>	<b>1.735</b>	<b>2,6</b>	<b>10.420</b>	<b>17,8</b>	<b>93,4</b>
- long-term	<b>4.871</b>	<b>-1</b>	<b>0,0</b>	<b>265</b>	<b>5,8</b>	<b>6,6</b>
<b>2. According to currency of denomination</b>						
- In denar	<b>23.862</b>	<b>1.095</b>	<b>4,8</b>	<b>1.269</b>	<b>5,6</b>	<b>32,4</b>
- In foreign currency	<b>49.883</b>	<b>639</b>	<b>1,3</b>	<b>9.416</b>	<b>23,3</b>	<b>67,6</b>

Source: National Bank of the Republic of Macedonia

**Table 9**

Households and enterprises deposits

	<b>structure in %</b>	<b>30.09.2005</b>	<b>monthly changes</b>		<b>annual changes</b>	
		in Denar million	in Denar million	in %	in Denar million	in %
<b>Total households deposits</b>	<b>100,0</b>	<b>50.742</b>	<b>519</b>	<b>1,0</b>	<b>8.616</b>	<b>20,5</b>
<b>1. According to maturity</b>						
- short-term	<b>95,1</b>	<b>48.233</b>	<b>463</b>	<b>1,0</b>	<b>8.750</b>	<b>22,2</b>
- long-term	<b>4,9</b>	<b>2.509</b>	<b>56</b>	<b>2,3</b>	<b>-134</b>	<b>-5,1</b>
<b>2. According to currency of denomination</b>						
- In denar	<b>25,4</b>	<b>12.880</b>	<b>-31</b>	<b>-0,2</b>	<b>1.662</b>	<b>14,8</b>
- In foreign currency	<b>74,6</b>	<b>37.862</b>	<b>550</b>	<b>1,5</b>	<b>6.954</b>	<b>22,5</b>
<b>Total enterprises deposits</b>	<b>100,0</b>	<b>20.967</b>	<b>851</b>	<b>4,2</b>	<b>1.622</b>	<b>8,4</b>
<b>1. According to maturity</b>						
- short-term	<b>94,6</b>	<b>19.832</b>	<b>1.196</b>	<b>6,4</b>	<b>1.459</b>	<b>7,9</b>
- long-term	<b>5,4</b>	<b>1.135</b>	<b>-345</b>	<b>-23,3</b>	<b>163</b>	<b>16,8</b>
<b>2. According to currency of denomination</b>						
- In denar	<b>43,7</b>	<b>9.157</b>	<b>780</b>	<b>9,3</b>	<b>-771</b>	<b>-7,8</b>
- In foreign currency	<b>56,3</b>	<b>11.810</b>	<b>71</b>	<b>0,6</b>	<b>2.393</b>	<b>25,4</b>

Source: National Bank of the Republic of Macedonia



**Table 10**  
Demand deposits of households and enterprises

	30.09.2005 in Denar million	monthly changes		annual changes	
		in Denar million	in %	in Denar million	in %
<b>Demand deposits</b>	<b>14.416</b>	<b>376</b>	<b>2,7</b>	<b>1.364</b>	<b>10,5</b>
- Demand deposits of households	2.683	-32	-1,2	55	2,1
- Demand deposits of enterprises	9.825	417	4,4	1.285	15,0

Source: National Bank of the Republic of Macedonia

**Table 11**  
Placements to households and enterprises

	30.09.2005 in Denar million	monthly changes		annual changes	
		in Denar million	in %	in Denar million	in %
<b>Total placements</b>	<b>65.825</b>	<b>1.072</b>	<b>1,7</b>	<b>11.877</b>	<b>22,0</b>
<i>Denar placements</i>	<b>49.773</b>	<b>557</b>	<b>1,1</b>	<b>4.739</b>	<b>10,5</b>
<i>of which:</i>					
- enterprises	29.921	15	0,1	-1.631	-5,2
- households	19.668	475	2,5	6.278	46,9
<i>Foreign currency placements</i>	<b>16.052</b>	<b>515</b>	<b>3,3</b>	<b>7.138</b>	<b>80,1</b>
<i>of which:</i>					
- enterprises	15.428	487	3,3	6.913	81,2
- households	609	31	5,4	347	132,4

Source: National Bank of the Republic of Macedonia


**Table 12**

Maturity and sector structure of Denar and foreign currency placements

	<b>Share on 30.09.2005 (in %)</b>	<b>Monthly change (in percentage points)</b>	<b>Annual change (in percentage points)</b>
<b>Denar placements</b>	<b>100,0</b>		
maturity structure			
- short-term	<b>50,9</b>	<b>-0,3</b>	<b>-7,2</b>
- long-term	<b>49,1</b>	<b>0,3</b>	<b>7,2</b>
structure by sectors			
- enterprises	<b>60,1</b>	<b>-0,7</b>	<b>-10,0</b>
- households	<b>39,5</b>	<b>0,5</b>	<b>9,8</b>
- other	<b>0,4</b>	<b>0,2</b>	<b>0,2</b>
<b>Foreign currency placements</b>	<b>100,0</b>		
maturity structure			
- short-term	<b>28,8</b>	<b>-0,6</b>	<b>-11,1</b>
- long-term	<b>71,2</b>	<b>0,6</b>	<b>11,1</b>
structure by sectors			
- enterprises	<b>96,1</b>	<b>-0,1</b>	<b>0,6</b>
- households	<b>3,8</b>	<b>0,1</b>	<b>0,9</b>
- other	<b>0,1</b>	<b>0,0</b>	<b>-1,4</b>

Source: National Bank of the Republic of Macedonia

**Table 13**

Interest rates

	<b>September 2005 in %</b>	<b>Monthly changes in percentage points</b>	<b>Annual changes</b>
Average weighted interest rate on the CB bills auctions (28 days)	<b>10,00</b>	<b>0,00</b>	<b>1,0</b>
Average weighted interest rate on the Money Market	<b>9,35</b>	<b>0,15</b>	<b>2,6</b>
Banks' weighted lending interest rates	<b>12,30</b>	<b>0,06</b>	<b>0,2</b>
Banks' weighted deposit interest rates	<b>6,63</b>	<b>0,01</b>	<b>0,1</b>

Source: National Bank of the Republic of Macedonia and Money and Short-term Securities Market



**Table 14**  
Auctions of Treasury bills

Date	Supply	Demand	Realized	Weighted interest rate
	in Denar million			in %
Treasury bills auctions, three month				
06.09.2005	600	943	600	10,44
20.09.2005	550	1.021,60	550	10,04
Treasury bills auctions, six month				
06.09.2005	100	112,1	100	11,20

Source: Ministry of finance

## Foreign Trade and Foreign Exchange Developments in the Republic of Macedonia

**Table 15**  
Foreign trade of the Republic of Macedonia  
(in EURO million)

	IX.2005	I-IX.2005	IX.2005		IX.2005		I-IX.2005	
			VIII.2005		IX.2004		I-IX.2004	
			amount	%	amount	%	amount	%
Foreign trade	365,8	3.059,2	53,2	17,0	54,6	17,5	433,3	16,5
Exports	143,8	1.187,6	25,9	22,0	21,4	17,4	227,0	23,6
Imports	222,0	1.871,6	27,2	14,0	33,2	17,6	206,3	12,4
Balance	-78,2	-684,0	-1,3	1,7	-11,9	17,9	20,8	-2,9

Source: State Statistical Office of the Republic of Macedonia

**Table 16**  
Ten most important trading partners of the Republic of Macedonia, I-IX, 2005

	Foreign trade (in US Dollar million)		Exports (in US Dollar million)		Imports (in US Dollar million)		Import- export coverage ratio
	Share		Share		Share		
	I-IX.2005						
Republic of MACEDONIA	3.059.2	100.0	1.187.6	100.0	1.871.6	100.0	63.5
out of which:							
Germany	416.2	13.6	260.3	21.9	155.9	8.3	166.9
Serbia and Montenegro	411.8	13.5	218.7	18.4	193.1	10.3	113.2
Greece	359.1	11.7	186.9	15.7	172.2	9.2	108.6
Russia	248.1	8.1	12.4	1.0	235.7	12.6	5.3
Italy	215.1	7.0	102.5	8.6	112.6	6.0	91.0
Bulgaria	180.9	5.9	40.3	3.4	140.5	7.5	28.7
Turkey	96.5	3.2	28.8	2.4	67.7	3.6	42.6
Slovenia	95.8	3.1	18.5	1.6	77.3	4.1	24.0
Croatia	90.7	3.0	48.4	4.1	42.3	2.3	114.3
China	75.1	2.5	7.6	0.6	67.5	3.6	11.2
Total (10 largest trading partners)	2,189.2	71.6	924.4	77.8	1,264.8	67.6	73.1

Source: State Statistical Office of the Republic of Macedonia


**Table 17**

External long-term debt of the Republic of Macedonia  
(in EURO million)

	<b>External debt</b>		<b>Credits used</b>		<b>Debt payments</b>	
	31.08.2005	30.09.2005	VIII-2005	IX-2005	VIII-2005	IX-2005
<b>Official creditors</b>	<b>1,017.3</b>	<b>1,033.8</b>	<b>2.0</b>	<b>19.0</b>	<b>5.8</b>	<b>7.0</b>
out of which:						
<b>Multilateral</b>	<b>844.0</b>	<b>863.3</b>	<b>1.9</b>	<b>18.9</b>	<b>4.1</b>	<b>3.2</b>
MMF	42.9	55.7	0.0	12.6	0.8	0.0
IBRD	183.9	184.8	0.6	0.0	2.0	0.0
IFC	5.9	5.6	0.0	0.0	0.0	0.5
IDA	301.2	302.8	0.0	0.7	0.4	0.0
EIB	118.0	116.7	0.8	0.0	0.0	2.1
EUROFIMA	6.1	6.1	0.0	0.0	0.1	0.0
Council of EDB	16.9	16.9	0.0	0.0	0.0	0.0
EBRD	68.8	74.3	0.3	5.2	0.5	0.3
EU	90.0	90.0	0.0	0.0	0.2	0.3
IFAD	10.1	10.4	0.0	0.3	0.0	0.0
European Agency for Reconstruction	0.0	0.0	0.0	0.0	0.0	0.0
<b>Bilateral</b>	<b>173.3</b>	<b>170.5</b>	<b>0.2</b>	<b>0.1</b>	<b>1.7</b>	<b>3.7</b>
Paris club (rescheduled 1995)	100.5	101.0	0.0	0.0	0.0	0.0
Paris club (rescheduled 2000)	6.6	6.6	0.0	0.0	0.0	0.0
New credits	3.6	0.0	0.0	0.0	0.0	3.7
Non-rescheduled debt	62.5	62.9	0.2	0.1	1.7	0.0
<b>Private creditors</b>	<b>596.5</b>	<b>609.8</b>	<b>9.0</b>	<b>13.8</b>	<b>5.1</b>	<b>7.2</b>
out of which:						
<b>London Club of Creditors</b>	<b>182.6</b>	<b>184.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Other private creditors</b>	<b>413.9</b>	<b>425.4</b>	<b>9.0</b>	<b>13.8</b>	<b>5.1</b>	<b>7.2</b>
Banks and financial institutions	223.1	227.8	7.6	7.0	2.1	6.5
Private non-financial sector	190.8	197.6	1.4	6.8	3.0	0.6
<b>TOTAL</b>	<b>1,613.8</b>	<b>1,643.6</b>	<b>11.1</b>	<b>32.8</b>	<b>10.9</b>	<b>14.1</b>

## National Bank of the Republic of Macedonia Balance sheet

**Table 18**

NBRM Balance sheet on 30.09.2005  
(in million Denars)

<b>Assets</b>	<b>Amount</b>	<b>Liabilities</b>	<b>Amount</b>
Foreign assets	54,463	Reserve money	17,481
Claims on Government	3,160	NBRM instruments	6,454
Claims on banks and other financial institutions	46	Restricted deposits	283
Other assets	2,551	Foreign liabilities	3,408
		Government deposits	15,793
		Capital accounts	9,512
		Other liabilities	7,289
<b>Total</b>	<b>60,220</b>	<b>Total</b>	<b>60,220</b>

Source: National Bank of the Republic of Macedonia