

National Bank of the Republic of Macedonia
Research Department



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***Important economic events and amendments to the legal regulations
in December 2007***

- ❖ *On December 1, the new dairy "Swedmilk Macedonia" started operating and it represents a Greenfield investment of the Swedish Investment Fund, in amount of Euro 15 million.*
- ❖ *On December 1, the utilization of the new riverbed of Temnica commenced for the purposes of the mine for lignite in REK "Oslomej" in Kichevo. The investment in amount of Euro 7 million shall ensure smooth exploitation of about 8 million tons of lignite in the mine "Oslomej - Zapad" for the next ten years.*
- ❖ *On December 6 and December 7, the National Bank of the Republic of Macedonia adopted decisions on issuing previous approval to the "Central Cooperative Bank" AD Sofia, Republic of Bulgaria, for purchasing 66.67% of the total shares in "Poshtenska Banka" AD Skopje and 100% of the total number of voting shares in "Sileks Banka" AD Skopje, so the transactions for purchasing of shares shall be performed within 180 days from the day of receiving the approval by the Governor.*
- ❖ *On December 10, the Energy Regulatory Commission took a decision on decreasing the refinery and retail prices of oil derivatives by 2.12% and 1.47%, on average, respectively ("Official Gazette of RM" no. 149/2007), and in accordance with the decision of December 24, they increased by 1.53% and 0.67%, on average, respectively ("Official Gazette of RM" no. 155/2007), in accordance with the development of the average price of the crude oil on the international market.*
- ❖ *On December 10, the Farmers Federation of the Republic of Macedonia (FFRM) signed a Memorandum on cooperation between the Agency for Support of Development (ASD) and the non-governmental organization "Fagrikom", within the Macedonian Agriculture Advisory Support Program (MAASP), aiming to prepare the agriculturalists to create business plans which shall enable them to use efficiently the assets from the European pre-accession funds.*
- ❖ *On December 11, in Skopje, the Agency of Energy of the Republic of Macedonia promoted the four-year Sustainable Energy Project, financed by the donation of the Global Ecology Fund, managed by the World Bank. The basic goal of the Project is to develop the energy market in Macedonia, to enable the functioning of the enterprise for energy services "MT ESKO" formed by AD "MEPSO" and AD "Toplifikacija", as well as to develop and to assess the projects for energy which will be supported by Macedonian Bank for Support of Development and by the commercial banks.*
- ❖ *On December 12, in the free economy zone "Bunardzhik", the facility of "Johnsons Controls" for production of electronic equipment for automobiles was opened, intended for sale in more countries. In the first phase, 150 employees will be engaged, and the next phase envisages additional investments, so the number of employees will reach up to 500.*
- ❖ *On December 19 in Skopje, in organization of the Ministry of Economy, a conference for promotion of the EC Competitiveness and Innovation Program was held, aiming to inform the economy subjects and institutions in the Republic of Macedonia on the possibilities which the Program is offering for the period from 2007 to 2013.*
- ❖ *On December 19 in Brussels, the Republic of Macedonia was accredited for the Project funded by the EU Instrument for Pre-Accession supporting Agriculture and Rural Development (IPARD), for the period 2007 - 2013.*
- ❖ *On December 20 in Skopje, the representatives of the stock exchanges in Macedonia, Belgrade, Zagreb and Ljubljana signed a two-year memorandum for partnership, aiming to establish a regional market and to represent themselves to the European and international investors.*

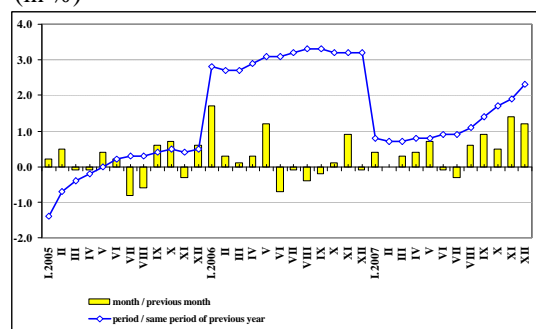


- ❖ *On December 26 the first investment advisers were promoted, after finishing the first staff training by the Securities and Exchange Committee, which represents a new profession at the market of capital in the Republic of Macedonia.*
- ❖ *In December, the Securities and Exchange Committee adopted a decision on issuing an approval for issuing of long-term securities, which allows the "ProCredit Bank" AD Skopje to issue the first emission of debt securities, which represents first emission of corporate securities by a bank in the Republic of Macedonia. The bank will issue 5.000 bonds in amount of Denar 300.000.000, with interest rate of 8.4%, annually, and maturity of three years ("Official Gazette of RM" no. 155/2007).*
- ❖ *In December, The Agency for Supervision of Fully Funded Pension Insurance adopted a decision on the amount of the monthly compensation fee which collects by the associations for management of the pension funds for 2008, according to which the monthly compensation fee for 2008 decreased, equaling 1% ("Official Gazette of RM" no. 158/2007).*
- ❖ *New regulations:*
 - *Law on amending the Law on one-stop shop system and on maintaining the trade registry and the registry of other legal entities ("Official Gazette of RM" no. 150/2007);*
 - *Law on amending the Pension and Disability Insurance Law ("Official Gazette of RM" no. 153/2007);*
 - *Law on Execution of 2008 Budget of the Republic of Macedonia ("Official Gazette of RM" no. 160/2007);*
 - *Law on amending the Personal Income Tax Law ("Official Gazette of RM" no. 160/2007);*
 - *Law on amending the Profit Tax Law ("Official Gazette of RM" no. 160/2007).*

I. Real sector development

The growth in the global level in the economy prices continued in the last month of 2007, with monthly inflation rate of 1.2%. The growth was mainly determined by the higher prices in the category "food" (by 2.4%) with growth in the prices of the fresh vegetables, fresh milk and yogurt and of cereal products (which was due to the growth in the price of bread and pastries, but also in the cereal prices). The rest of the categories of the inflation index registered divergent, and the prices of footwear and of the catering services (mainly the prices of food and beverages in the catering facilities) registered more significant growth, whereas the prices of the transport and telecommunication services and the prices in the category "education and culture" were acting towards opposite direction.

Figure 1
Consumer prices
(in %)



Source: State Statistical Office.

In December 2007, the level of consumer prices registered growth of 6.1% on annual basis, with significant change in the food costs (growth of 12.8%), reflecting the higher prices of cereal products, vegetable oils, fresh vegetables and fruits. The annual inflation rate continued intensifying (by additional 0.4 p.p. in December) and in 2007 it amounted to 2.3%, in conditions of higher prices of food and electricity, opposite of the lower prices of telecommunication services.

In December 2007, the producer prices of industrial products¹ registered minimal growth relative to the previous month by 0.1%. Such price development was fully determined by the higher prices in the manufacturing sector, i.e. by the higher producer prices of the food products and beverages (contribution of 0.5 p.p. in the total growth). Within this industrial sector, the

producer prices of oil derivatives were acting towards opposite direction (negative contribution of 0.3 p.p.) in accordance with the decrease in the refinery prices by the decisions of REC dated November 26 and December 10, 2007. Most of the other manufacturing branches registered stable price level, whereas few of them registered minimal developments.

On annual basis, in December 2007, the producer prices went up by 4.2%, which was largely due to the higher prices in the manufacturing industry. The high annual growth rates of the producer prices, in the last three months, determined moderate intensification in the cumulative price growth, which on average, in 2007, registered increase by 1.6% relative to 2006, with price growth in the energy and manufacturing sector and unchanged level in the mining prices. Analyzed by separate activities the producer prices of energy (due to the higher electricity prices) and of the food products and beverages, registered largest inflationary influence, while the lower producer prices of oil derivatives gave partially deflationary effects.

In December 2007, the total volume of industrial output² registered small monthly growth of 0.2%. Positive developments were registered in the mining sector (higher extraction of energy and metal ores) and in the energy sector (significant growth in the output of one thermal power station), which realized monthly growth in the output by 24.5% and 22.3%, respectively (total contribution of 3.9 p.p.). The manufacturing industry, which is most dominant, registered negative developments (fall in the output by 3.8%, and negative contribution of 3.7 p.p.), which was due to the significant fall of 49.4% in the metal manufacturing industry, as well as to the fall in the output of building materials (30%).

Relative to the same month of the previous year, in December 2007, the volume of industrial output realized moderate growth of 2.6%, reflecting the growth in all three industrial sectors. In 2007, the average annual increase in the industrial output equaled 3.7%, relative to 2006. It came as a result of the higher output in the manufacturing and the mining sector (contribution of 4.4 and 0.4 p.p., respectively, in the total growth), whereas the fall in the energy sector

¹ Preliminary SSO data..

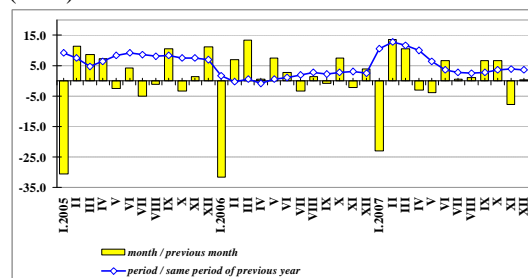
² Preliminary SSO data.



influenced negatively, decreasing the growth in the industrial output by 1.1 p.p. Within the manufacturing sector, the output of basic metals and the metal manufacturing industry registered most significant growth (with mutual contribution of 5.8 p.p.). The food industry also registered growth (contribution of 1.2 p.p.), whereas the growth in the building materials was more moderate. The fall in the industry for wearing apparel and electrical appliances was most influential among the industries which registered negative changes (with mutual negative contribution of 2.5 p.p.). Summarized, the output volume in 2007 rose in 11 manufacturing branches, relative to 2006, making 60.5% of the volume of manufacturing industry. The extraction of metal ores most significantly contributed (9,8%) to the growth in the mining output (0,6 p.p.), while the fall in the energy sector of 9.5% negatively influenced over the total volume of the

industrial output which was mainly due to the lower output of energy from the hydroelectric power plants.

Figure 2
Industrial output
(in %)



Source: State Statistical Office.

II. Monetary developments

In December 2007, the *reserve money*³ amounted to Denar 30,309 million registering positive change of 14%, relative to the end of the previous month, keeping the seasonal growth of the demand of *currency in circulation* and the higher level of *banks' liquidity assets*⁴.

In December 2007 *foreign currency transactions of NBRM* acted towards liquidity withdrawal, which was largely due to the net sale of foreign currencies for Government⁵ needs. After the net sale of foreign currencies in the last month, realized based on transaction with banks, in December 2007, NBRM realized net purchase of foreign currency assets by the market makers. The *currency in circulation* contributed for liquidity withdrawal, whereas the *Government Denar deposits with NBRM* acted towards liquidity creation. The *monetary instruments* acted towards sterilization, through higher amount of CB bills (with almost unchanged level of Treasury bills for monetary purposes). In November 2007, the banks allocated 8.1% over the reserve

requirements (in denars)⁶, which relative to the precedent accounting period represented decrease of 0.2 percentage points.

Table 1
Liquidity creation and withdrawal*
(In millions of denars)

	30.11.2007	31.12.2007	31.12.2007 / 30.11.2007
	in millions of Denars		changes in millions of Denars
Bank' liquidity (banks' account with NBRM)	8,600	10,415	1,815
Liquidity creation			5,257
1. Net domestic assets	-69,291	-64,034	5,257
of which:			
Government denar deposits with NBRM ¹	-19,426	-9,846	9,580
CB bills	-19,175	-20,995	-1,820
Treasury bills for monetary purposes	-4,561	-4,560	1
Other items, net	-23,261	-24,106	-845
Liquidity withdrawal			-3,442
1. Net foreign assets	95,873	94,343	-1,530
2. Currency in circulation	16,290	17,927	1,637
3. Banks' cash in vaults	1,692	1,967	275

¹Excluding treasury bills for monetary purposes.

* Positive change-liquidity creation; negative change-liquidity withdrawal.

Source: National Bank of the Republic of Macedonia.

On the auctions of CB bills, in December 2007, average weighted interest rate of 4.77% was realized (4.66% in November 2007), while the average weighted interest rate on Treasury bills (with maturity of three months) amounted to 5.15% (5.17% in the previous month).

³ The analysis pertains to reserve money, excluding the reserve requirement on foreign currency deposits.

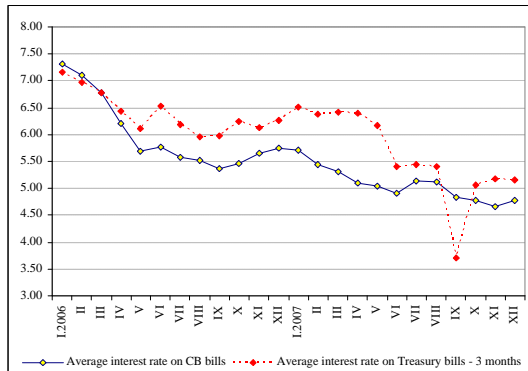
⁴ Includes the cash in the vaults and banks' accounts with NBRM.

⁵ At the end of 2007 the balance of the Government Denar account with NBRM decreased by 50.8% relative to November, which was mainly due to more intensive capital expenditures and realized outflows of assets grounded on payments on the basis of the supervision on the privatization of one public enterprise and payments after finishing the lawsuit.

⁶ The period for maintaining (fulfilling) the bank's reserve requirement covers the period from the 11th in the current month to the 10th in the following month. The excess pertains to funds allocated to the bank's accounts with NBRM over the reserve requirement.



Figure 3
Average interest rate on CB bills and Treasury bills
(In %)



Source: NBRM and the Ministry of Finance.

In December 2007, the monetary developments were influenced by the usual seasonal factors (New Year and Christmas holidays) which determined higher demand for currency in circulation of 10%, relative to the previous month. The growth in the currency in circulation, as well as the higher amount of transaction deposits (18.4% on monthly basis) contributed for the narrowest monetary aggregate M1 to register monthly growth of 15 % in December 2007. Such developments, together with the increase in the total deposits, resulted in growth in the broader monetary aggregates M2 and M4 by identical 5.3%, compared to the previous month. On annual basis (December 2007 / December 2006), the broader monetary aggregates M2 and M4 went up by 28.3% and 29.5%, respectively.

Table 2
Monetary aggregates and components thereof
(in millions of denars)

	31.12.2007	Monthly change	Annual change
		in %	in %
Currency in circulation	17,927	10.0	10.6
Demand deposits	27,832	18.4	50.1
Monetary aggregate M1	45,759	15.0	31.7
Short-term Denar deposits	55,054	1.8	51.6
Monetary aggregate M2-Denar component	100,813	7.4	41.9
Short-term foreign exchange deposits	64,047	2.2	11.5
Monetary aggregate M2	164,860	5.3	28.3
Non-monetary deposits	10,171	5.5	53.2
-Denar	5,669	9.3	56.2
-foreign exchange	4,502	1.0	49.7
Monetary aggregate M4	175,031	5.3	29.5

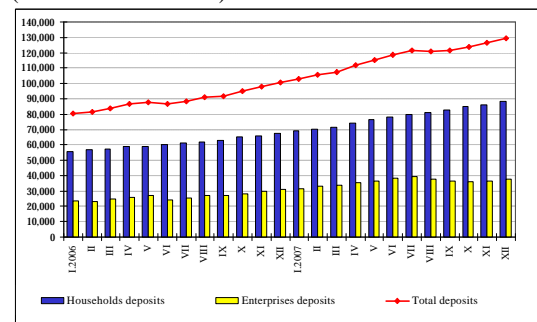
Source: National Bank of the Republic of Macedonia.

The continuous growth in the *total banks' deposit potential*⁷ continued in December 2007, which resulted in monthly growth rate of 2.3%. With respect to the maturity structure, the short-term

⁷ Since October 2007, the data on the total banks' deposits and credits excludes the "Makedonska Banka" AD Skopje, to which, on 16.10.2007, NBRM suspended the founding and operating license.

time deposits dominantly contributed to the growth in the total deposits (81.9%), while with respect to the denomination, the contribution of the Denar and foreign currency deposits was almost identical. Concerning the sector distribution, the household deposits gave higher contribution to the additional broadening of the deposit base (77.4%), with almost identical monthly growth in the saving of households and enterprises (2.6% and 2.5%, respectively). On annual basis (December 2007 / December 2006), the total deposits of banks went up by 28.8%.

Figure 4
Dynamics of deposits
(In millions of denars)



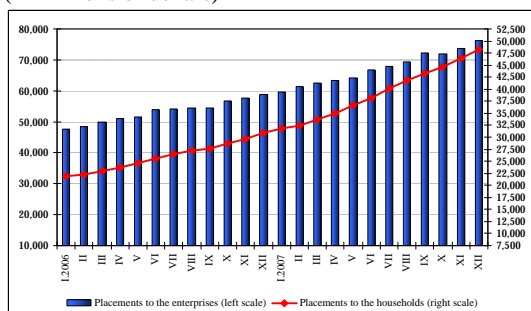
Source: National Bank of the Republic of Macedonia.

At the end of December 2007, the *total banks' placement to the private sector* rose by 3.7%, relative to the end of the previous month. In accordance with the analysis of the currency structure, 77.1% of the monthly change in the overall credits to the private sector was in domestic currency⁸, whereas by maturity aspect, the long-term credits still had the dominant participation (contribution of 72.7% in the growth of the total credits). Observed by sectors, even though the larger part of the growth in the total placements can be explained with the credits to the enterprises (contribution of 57.2%), the debts of the households continued registering more intensive growth dynamics. In December 2007, the annual growth rate of the total banks' placements to the private sector amounted to 39.1%.

⁸ Include Denar deposits with FX clause.



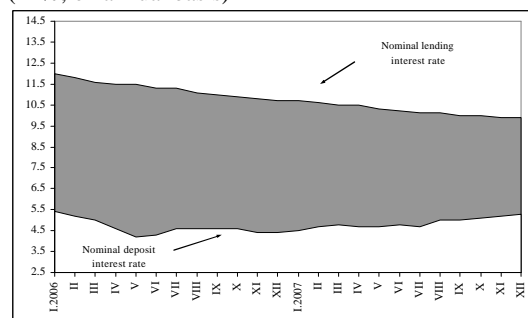
Figure 5
Bank placements by sector
(In millions of denars)



Source: National Bank of the Republic of Macedonia.

There are no considerable changes in the *banks' interest rate policy* in December 2007. Thus, the average weighted interest rate on Denar credits for all maturities and sectors kept the same level of the previous month equaling 9.9%, whereas the average weighted interest rate on Denar deposits for all maturities and sectors rose by 0.1 percentage points relative to November, equaling 5.3%.

Figure 6
Weighted interest rates and spreads of banks*
(in %, on annual basis)



Source: National Bank of the Republic of Macedonia.

* Pertain to Denar loans and deposits in all maturities and sectors, including the Denar loans and deposits with FX clause.

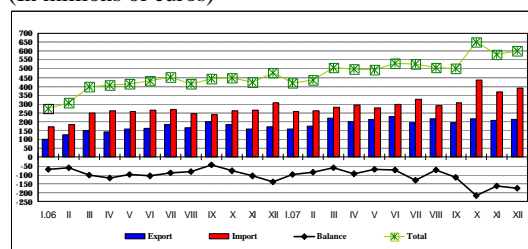
In December 2007, the average weighted interest rate on foreign currency credits for all maturities, sectors and currencies equaled 8.5% (8.4% in the previous month), whereas the average weighted interest rate on foreign currency deposits for all maturities, sectors and currencies kept the same level of November, equaling 2%.

III. Foreign trade and foreign exchange developments

In December 2007, the total *foreign trade*¹⁰ reached the level of Euro 601.1 million and relative to the previous month rose by 3.7%, as a result of the simultaneous growth in both components of foreign trade. In December 2007, *the export of goods* amounted to Euro 212.9 million and it realized a monthly growth of 2.1%, which mainly resulted from higher export of wearing apparel, iron and steel and pharmaceutical products. Compared with the same month of the previous year, the export rose by 25.8%, where the higher export of iron and steel and products thereof were the main factors of growth. The *import of goods*, In December 2007, reached up to Euro 388.3 million, which represented growth of 4.5%, relative to November 2007. Analyzed by products, such dynamics of the import came as a result of the higher import of mineral fuels and iron and steel and products thereof. On annual basis, the import registered growth of 26.2% which resulted from the higher import of vehicles, electrical machines, iron and steel and products thereof, ores and equipment.

¹⁰ Preliminary SSO data. The export of goods is shown on f.o.b. basis, whereas the import of goods is shown on c.i.f. basis.

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



Source: State Statistical Office of Republic of Macedonia.

Such dynamics of both categories of trade resulted in increase in the trade deficit of 7.7%, on monthly basis, which in December reached up to Euro 175.4 million. In December 2007, the import-export coverage ratio went down by 1.3 percentage points, relative to the previous month, equaling 54.8%.

In the period January-December 2007, the total foreign trade equaled Euro 6,241.4 million and relative to the same period of the previous year rose by 27.5%, with simultaneous growth of both categories of trade. The export of goods in 2007 realized cumulative growth of 28.3% equaling Euro 2,446.4 million. Such growth reflected mainly the higher export of iron and steel and products thereof (contribution of 75.8%), as well

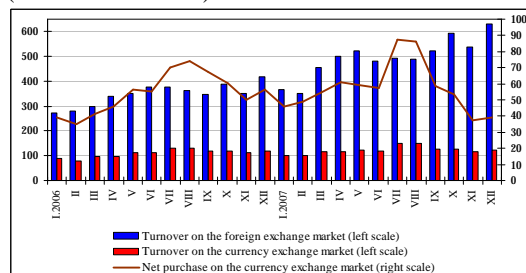


as the higher export of wearing apparel and textile and of ores. The overall import of goods in 2007 equaled Euro 3,795 million registering growth of 27%, relative to the same period of 2006, which was mainly due to the higher import of iron and steel and products thereof, mineral fuels, electrical machines, ores, vehicles and equipment. In 2007, trade deficit of Euro 1,348.6 million was realized, which relative to the same period of 2006 went up by 24.7%. In the same time, the import-export coverage ratio rose by 0.7 percentage points, equaling 64.5%.

In December 2007, the *total turnover on the exchange market* amounted to Euro 632.3 million and on monthly basis rose by 17.2%. In conditions of growth in the demand of foreign currencies (6.1%) and fall in the supply of foreign currencies (2.6%), the net sale of foreign currencies by the banks to the enterprises rose by 50.3% relative to the previous month. On the exchange market in December, NBRM realized net purchase of foreign currency assets of Euro 2.7 million, when cumulatively, in 2007, the net purchase of foreign currencies by NBRM reached up to Euro 354 million. The net outflows based on Government payments after finished lawsuit, as well as based on revision of the privatization of one public corporation, contributed for monthly fall in the *gross foreign reserves* (of 1.5%). Yet, on December 31, 2007, the gross foreign reserves amounted to Euro 1,524.4 million and relative to the end of 2006, went up by Euro 107.7 million, which was mainly due to the high net purchase on the exchange market by NBRM.

In December 2007, the turnover at the *exchange market* equaled Euro 124 million, which represented fall of 6.5%, on monthly basis. In conditions of simultaneous growth in the demand and the supply of foreign currencies (by 7.4% and 6.1%, respectively), net purchase of foreign currencies in amount of Euro 38.9 million was realized, which was higher by 4.7%, relative to the previous month. On cumulative basis, in 2007, the net purchase on the exchange market reached up to Euro 687.5 million and rose by 5.6%, relative to 2006.

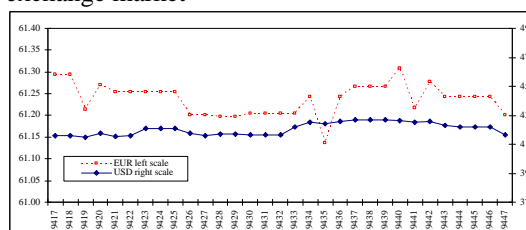
Figure 8
Development in the total turnover on the foreign exchange and currency exchange market
(in millions of euros)



Source: State Statistical Office of Republic of Macedonia.

The *Denar exchange rate* relative to the Euro on the exchange market was relatively stable and on December 31, 2007 it equaled Denar 61.2 per one Euro. The exchange rate of the Denar relative to the USA Dollar on December 31, 2007 equaled Denar 41.66 per USA Dollar and relative to the end of the previous month it depreciated by 0.2% (at the end of November Denar 41.59 were exchanged per one USA Dollar).

Figure 9
Daily middle exchange rate of the Denar against the Euro and the US Dollar on the foreign exchange market



Source: National Bank of the Republic of Macedonia.

On December 31, 2007 the *external debt*¹¹ of the Republic of Macedonia based on long-term credits and loans equaled Euro 1,741.9 million and relative to the previous month¹², it went up by Euro 86.1 million, which was mainly due to the higher amount of used assets (Euro 50.9 million) relative to the repaid liabilities (Euro 21.8 million), as well as to reclassification of the short-term liabilities in short-term debt. On December 31, 2007, the total long-term debt of the private sector equaled Euro 714.1 million, which represented growth of Euro 48.2 million relative to the end of the previous month, so the larger participation in the growth went to the debt of domestic banks to abroad (69.1%). In the same time, the total long-term debt of the public sector registered growth of Euro 37.9 million, which was

¹¹ Preliminary NBRM data.

¹² The data on the debt stock on 30.11.2007 is unrevised.



mainly due to the indebtedness based on credit by MBOR (PDPL II, in amount of Euro 23.3 million). On the other hand, in December 2007, *the short-term external debt* in amount of Euro 152.7 million (solely concerns the private sector) registered decrease of Euro 23.6 million on monthly basis, where the withdrawn assets

equaled Euro 18.6 million, whereas the repaid liabilities amounted to Euro 5.5 million. In December 2007, the new concluded credits equaled Euro 15.8 million, out of which the larger part were short-term credits to the private sector.



Appendix

Developments in Real Sector in the Republic of Macedonia

Table 1
Costs of living and retail prices

	<u>XII.2007</u> <u>XI.2007</u>	<u>XII.2007</u> <u>XII.2006</u>	<u>I-XII.2007</u> <u>I-XII.2006</u>
	in %		
Consumer prices	1.2	6.1	2.3
Food	2.4	12.8	3.9
Tobacco and beverages	-0.1	2.4	1.8
Clothing and footwear	3.2	5.6	1.8
Housing	0.0	4.1	4.7
Flat (rent, water, services)	-0.1	9.5	6.3
Fuel and lighting	0.1	3.3	5.8
Hygiene and health	0.8	0.6	0.3
Culture and entertainment	-1.2	-1.2	2.4
Transport and communication services	-0.5	-1.6	-3.1
Restaurants and hotels	2.2	10.0	4.7
Other services n.e.c.	-1.0	12.2	8.6
<i>Goods</i>	<i>1.5</i>	<i>7.6</i>	<i>3.0</i>
<i>Services</i>	<i>0.1</i>	<i>0.7</i>	<i>-0.3</i>
Retail prices	0.8	4.6	2.6
Agricultural products	3.4	15.3	5.2
Non-food industrial products	0.4	4.8	3.4
Industrial food products	2.2	12.3	3.4
Beverages	-0.1	1.1	0.7
<i>Goods</i>	<i>1.0</i>	<i>7.0</i>	<i>3.4</i>
<i>Services</i>	<i>0.5</i>	<i>0.8</i>	<i>1.5</i>

Source: State Statistical Office of the Republic of Macedonia.



Table 2
Prices of producers of industrial products*

	<u>XII.2007</u> <u>XI.2007</u>	<u>XII.2007</u> <u>XII.2006</u>	<u>I-XII.2007</u> <u>I-XII.2006</u>
	in %		
Prices of producers of industrial products	0.1	4.2	1.6
Energy	-1.6	7.1	1.7
Intermediate goods, except energy	1.3	8.3	5.7
Capital products	0.0	0.2	1.2
Durable consumer goods	0.0	0.0	0.2
Non-durable consumer goods	0.3	0.1	-1.1
<i>Mining and quarrying</i>	<i>0.1</i>	<i>-2.5</i>	<i>0.0</i>
<i>Manufacturing</i>	<i>0.3</i>	<i>4.2</i>	<i>0.4</i>
Manufacturing of food products and beverages	1.5	8.6	2.8
Manufacturing of tobacco products	0.1	-7.6	-2.1
Manufacturing of textiles	0.0	0.0	-0.3
Manufacturing of wearing apparel; dressing and dyeing of fur	0.0	-2.1	-2.2
Publishing, printing and reproduction of recorded media	0.0	0.3	-0.3
Manufacture of coke, refined petroleum products and nuclear fuel	-2.1	7.7	-6.6
Manufacture of chemicals and chemical products	0.0	-1.2	-0.9
Manufacture of rubber and plastic products	0.0	-3.1	-0.6
Manufacture of other non-metallic mineral products	0.0	0.5	1.6
Manufacture of basic metals	-0.8	9.3	10.9
Manufacture of fabricated metal products, except machinery and equipment	0.0	1.1	2.7
Manufacture of electrical machinery and apparatus n.e.c.	0.0	3.3	4.5
<i>Electricity, gas and water supply</i>	<i>-1.2</i>	<i>5.3</i>	<i>12.0</i>

* Previous data

Source: State Statistical Office of the Republic of Macedonia.



Table 3
Industrial output*

	Structure in %	XII.2007 XI.2007	XII.2007 XII.2006	I-XII.2007 I-XII.2006
		in %		
Total	100.0	0.2	2.6	3.7
Energy	18.3	17.6	-2.8	-6.9
Intermediate goods, except energy	34.1	-13.7	1.3	12.9
Capital products	5.1	-21.0	3.6	19.7
Durable consumer goods	2.2	-3.2	-6.2	8.8
Non-durable consumer goods	40.3	10.5	7.0	-2.0
Mining and quarrying	3.9	24.5	4.8	9.8
Mining of coal and lignite; extraction of peat	1.6	22.7	-0.3	-1.3
Mining of metal ores	0.7	24.7	43.9	68.9
Other mining and quarrying	1.5	26.4	-17.6	-8.1
Manufacturing	83.9	-3.8	1.4	5.2
Manufacturing of food products and beverages	16.1	19.0	12.2	7.7
Manufacturing of tobacco products	5.7	7.3	115.6	-0.8
Manufacturing of textiles	1.7	-18.6	-16.5	-7.3
Manufacturing of wearing apparel; dressing and dyeing of fur	11.1	-9.5	-20.7	-14.5
Tanning and dressing of leather; manufacture of luggage, handbags, saddles, harness and footwear	1.5	-12.7	0.8	0.5
Manufacture of wood and products of wood and cork, except furniture, manufacture of articles of straw and plaiting materials	1.2	-8.6	-22.5	0.1
Manufacture of pulp, paper and paper products	1.1	11.0	14.8	1.1
Publishing, printing and reproduction of recorded media	3.1	30.5	-13.7	-12.2
Manufacture of coke, refined petroleum products and nuclear fuel	4.5	4.7	-27.3	-2.4
Manufacture of chemicals and chemical products	4.6	18.0	13.5	0.1
Manufacture of rubber and plastic products	1.9	-3.0	2.2	2.2
Manufacture of other non-metallic mineral products	7.3	-30.0	-30.5	3.8
Manufacture of basic metals	11.2	-1.1	17.6	34.3
Manufacture of fabricated metal products, except machinery and equipment	3.3	-49.4	12.1	45.6
Manufacture of machinery and equipment n.e.c.	1.4	-0.3	3.2	39.1
Manufacture of electrical machinery and apparatus n.e.c.	3.5	-14.7	-6.7	-24.4
Manufacture of motor vehicles, trailers and semi-trailers	1.1	-18.6	-15.4	-27.0
Manufacture of other transport equipment	1.1	-38.2	-4.3	33.4
Manufacture of furniture, manufacturing n.e.c.	2.0	-1.9	-17.9	-15.0
Recycling	0.6	-23.6	-36.2	-35.6
Electricity, gas and water supply	12.2	22.3	9.8	-9.5

* Previous data

Source: State Statistical Office of the Republic of Macedonia.



Monetary developments in the Republic of Macedonia

Table 4
National Bank accounts
(current exchange rate, in millions of denars)

	XII.05	XII.06 ¹⁾	I.07	II.07	III.07	IV.07	V.07	VI.07	VII.07	VIII.07	IX.07	X.07	XI.07	XII.07 ²⁾
I. Net Foreign Assets	66282	85116	83884	83221	85066	87857	90799	87790	89659	91954	94209	95977	95873	94343
Assets	69504	87761	86503	85676	87526	90111	90799	87849	89718	91954	94209	95977	95873	94343
Liabilities	3222	2645	2619	2455	2460	2254	0	59	59	0	0	0	0	0
II. Net Domestic Assets	-40520	-53852	-55452	-54084	-55711	-56502	-60195	-55952	-52894	-58655	-61676	-62021	-62093	-56757
Credit to banks, net	-8880	-9422	-11596	-11137	-11274	-11726	-13755	-15067	-10082	-10432	-16311	-17758	-19147	-20968
Credit to banks	41	34	34	29	29	29	29	28	28	28	28	28	28	27
Credits extended at auction	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repurchased agreement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Credits based on securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Long - term credits	31	24	24	19	19	19	19	18	18	18	18	18	18	16
Advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	10	10	10	10	10	10	10	10	10	10	10	10	10	11
Instruments	-8921	-9456	-11630	-11166	-11303	-11755	-13784	-15095	-10110	-10460	-16339	-17786	-19175	-20995
Auctions of bills	-8921	-9456	-11630	-11166	-11303	-11755	-13784	-15095	-10110	-10460	-16339	-17786	-19175	-20995
Net, Government	-18989	-30690	-29827	-28241	-29969	-30240	-32124	-26497	-28290	-33174	-29929	-28610	-26883	-18960
I. Claims on Government	3290	2267	2267	2267	2267	1039	1039	1039	1039	1039	1039	1039	1039	1039
Use of Fund credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ordinary credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchased Government sec.	1039	1039	1039	1039	1039	1039	1039	1039	1039	1039	1039	1039	1039	1039
Other	2251	1228	1228	1228	1228	0	0	0	0	0	0	0	0	0
2. Government Deposits	-22279	-32957	-32094	-30508	-32236	-31279	-33163	-27536	-29329	-34213	-30968	-29649	-27922	-19999
A) In denar	-6993	-15326	-17161	-17647	-20106	-19997	-21803	-21807	-23940	-29221	-26128	-25403	-23987	-14406
Demand deposits	-6993	-15326	-17161	-17647	-20106	-19997	-21803	-21807	-23940	-29221	-26128	-25403	-23987	-14406
- Budget account	-6562	-10303	-12307	-12416	-14093	-13228	-14135	-13209	-14923	-19309	-19302	-19467	-18893	-9296
- Other budget funds	-431	-5023	-4854	-5231	-6013	-6769	-7668	-8598	-9017	-9912	-6826	-5936	-5094	-5110
o/w Government securities for monetary purpose		-4573	-4391	-4756	-5537	-6284	-7166	-8082	-8520	-9412	-6312	-5409	-4561	-4560
Fund for monetary policy support	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B) In foreign currency	-15286	-17631	-14933	-12861	-12130	-11282	-11360	-5729	-5389	-4992	-4840	-4246	-3935	-5593
Central Gov.dep.	-15139	-17515	-14820	-12745	-12015	-11168	-11247	-5599	-5261	-4861	-4709	-4116	-3804	-5446
Other Government deposits	-147	-116	-113	-116	-115	-114	-113	-130	-128	-131	-131	-130	-131	-147
3. External account	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other items, net	-12651	-13740	-14029	-14706	-14468	-14536	-14316	-14388	-14522	-15049	-15436	-15653	-16063	-16829
Other assets	5328	5727	5746	5760	5691	5612	5689	5610	5692	5732	5697	5101	5170	4541
Other liabilities	-5368	-5732	-5503	-5512	-5554	-5593	-5605	-5605	-5514	-5624	-5749	-5030	-5054	-4335
o/w Transitory account	-487	-171	-25	-66	-58	-46	-25	-68	-33	-41	-107	-21	-77	-74
Capital account	-11024	-11819	-12335	-12463	-12257	-12137	-12046	-11994	-12169	-12376	-12590	-12959	-13045	-13731
Residual items	-1587	-1916	-1937	-2491	-2348	-2418	-2354	-2399	-2531	-2781	-2794	-2765	-3134	-3304
Reserve money	25762	31264	28432	29137	29355	31355	30604	31838	36765	33299	32533	33956	33780	37586
Currency in circulation	14439	16206	14527	14986	15034	15531	15359	15844	16673	16380	16746	16575	16290	17927
Cash in vaults	1374	1526	1397	1520	1468	1567	1644	1590	1741	1816	1768	1720	1692	1967
Giro - accounts	9949	13532	12508	12631	12853	14257	13601	14404	18351	15103	14019	15661	15798	17692
o/w Reserve requirement	5323	6373	6462	6509	6595	6675	6740	6949	6987	7144	7229	7317	7198	7277

1/ Final data

2/ Preliminary data

Source: National Bank of the Republic of Macedonia.



Table 5
Monetary Survey (continuous)
(current exchange rate, in millions of denars)

	XII.05	XII.06 ¹⁾	I.07	II.07	III.07	IV.07	V.07	VI.07	VII.07	VIII.07	IX.07	X.07	XI.07	XII.07 ²⁾
I. Net Foreign Assets	89738	108042	106455	107140	108475	110951	113778	107566	110631	113010	111578	113946	112282	109802
<i>National Bank</i>	66282	85116	83884	83221	85066	87857	90799	87790	89659	91954	94209	95977	95873	94343
Assets	69504	87761	86503	85676	87526	90111	90799	87849	89718	91954	94209	95977	95873	94343
Liabilities	3222	2645	2619	2455	2460	2254	0	59	59	0	0	0	0	0
<i>Deposit Money Banks</i>	23456	22926	22571	23919	23409	23094	22979	19776	20972	21056	17369	17969	16409	15459
Assets	37786	39707	38257	38837	39614	39419	39424	39000	39182	40996	38175	38541	36865	38418
Liabilities	14330	16781	15686	14918	16205	16325	16445	19224	18210	19940	20806	20572	20456	22959
II. Net Domestic Assets	19545	28288	29824	33173	34538	37587	38540	48712	49613	48103	50327	49494	54833	66194
1.Domestic credit	62382	77176	79487	83921	85601	88305	89928	100434	101445	100551	104481	105738	110889	123145
of which: Claims on Gov.	-11791	-17184	-16633	-14556	-15513	-14956	-15969	-9477	-11370	-15450	-15736	-15595	-13800	-5922
a) Deposit Money Banks	81371	107866	109314	112162	115570	118545	122052	126931	129735	133725	134410	134348	137772	142105
-in denar	64186	84368	85822	87861	90626	93354	96169	99837	102258	105693	105391	105658	108192	111471
Government	7118	13377	13067	13562	14337	15165	16041	16907	16770	17557	14020	12805	12851	12783
Credits	7115	13355	13045	13539	14314	15142	16018	16883	16746	17533	13999	12784	12830	12762
a) Budget and Line Ministries	7033	13095	12762	13241	14052	14994	15893	16777	16661	17469	13946	12739	12788	12723
b) Funds	82	260	283	298	262	148	125	106	85	64	53	45	42	39
c) Ins. of Central Gov.: Courts, etc.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued interest	3	22	22	23	23	23	23	24	24	24	21	21	21	21
Non Government sector	57068	70991	72755	74299	76289	78189	80128	82930	85488	88136	91371	92853	95341	98688
Credits	51672	66410	68057	69569	71537	73380	75288	78031	81138	83694	86908	88517	91022	94496
of which: Overdue claims	9807	9810	9737	9721	9560	9848	10180	10049	9653	9756	10125	9725	9825	8968
Accrued interest	5396	4581	4698	4730	4752	4809	4840	4899	4350	4442	4463	4336	4319	4192
-in foreign currency	17185	23498	23492	24301	24944	25191	25883	27094	27477	28032	29019	28690	29580	30634
Government	80	129	127	123	119	119	114	113	150	167	173	210	232	255
of which: Overdue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non Government sector	17105	23369	23365	24178	24825	25072	25769	26981	27327	27865	28846	28480	29348	30379
of which: Overdue	1748	1650	1625	1473	1511	1566	1630	1611	1591	1748	1763	1691	1631	1518
b) Nat. Bank Claims on Government	-18989	-30690	-29827	-28241	-29969	-30240	-32124	-26497	-28290	-33174	-29929	-28610	-26883	-18960
2.Other items, net	-42837	-48888	-49663	-50748	-51063	-50718	-51388	-51722	-51832	-52448	-54154	-56244	-56056	-56951
of which: Claims on Gov.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
for frozen f.c. deposits	-5399	-4603	-4720	-4753	-4775	-4832	-4863	-4923	-4374	-4466	-4484	-4357	-4340	-4213
Accrued interest	-37438	-44285	-44943	-45995	-46288	-45886	-46525	-46799	-47458	-47982	-49670	-51887	-51716	-52738
Others														

1/ Final data

2/ Preliminary data



Monetary Survey
(current exchange rate, in millions of denars)

	XII.05	XII.06 ¹⁾	I.07	II.07	III.07	IV.07	V.07	VI.07	VII.07	VIII.07	IX.07	X.07	XI.07	XII.07 ²⁾
M4 (Total)	109283	136330	136279	140313	143013	148538	152318	156278	160244	161113	161905	163440	167115	175996
M4 (nonGovernment)	108174	135131	135262	139216	141473	147468	151242	155152	159208	160102	160861	162334	166154	175031
M1 (Total)	30034	35436	33102	34022	35281	36164	36484	36864	38448	39556	39864	39178	40290	46202
M1 (Non-Government)	29663	34747	32583	33433	34254	35708	35954	36319	37916	39051	39348	38566	39789	45759
Currency in circulation	14439	16206	14527	14986	15034	15531	15359	15844	16673	16380	16746	16575	16290	17927
Demand deposits (total)	15595	19230	18575	19036	20247	20633	21125	21020	21775	23176	23118	22603	24000	28275
Demand deposits (Non-Gov.)	15224	18541	18056	18447	19220	20177	20595	20475	21243	22671	22602	21991	23499	27832
Deposit Money Banks	15577	19207	18479	18705	19824	20159	20748	20814	21552	22699	22645	22175	23752	28127
Non-Gov. Demand deposits	15206	18518	17960	18116	18797	19703	20218	20269	21020	22194	22129	21563	23251	27684
Government Demand deposits	371	689	519	589	1027	456	530	545	532	505	516	612	501	443
a) Budget and Line Ministries	236	551	234	262	226	219	227	232	304	243	276	269	255	271
b) Funds	135	138	284	327	801	236	302	312	227	261	239	342	245	172
c) Ins. of C.Gov.: Courts, etc.	0	0	1	0	0	1	1	1	1	1	1	1	1	0
Nation. Bank Non-Gov. Demand dep.	18	23	96	331	423	474	377	206	223	477	473	428	248	148
M2 (Total)	104195	129644	129731	133527	136240	140944	143911	147785	151132	152010	152443	153954	157420	165712
M2 (Non-Government)	103134	128494	128763	132480	134750	139924	142885	146709	150146	151049	151450	152899	156510	164860
Quasi money (Total)	74161	94208	96629	99505	100959	104780	107427	110921	112684	112454	112579	114776	117130	119510
Quasi money (non Government)	73471	93747	96180	99047	100496	104216	106931	110390	112230	111998	112102	114333	116721	119101
Deposit Money banks	74161	94208	96629	99505	100959	104780	107427	110921	112684	112454	112579	114776	117130	119510
Non Government sector	73471	93747	96180	99047	100496	104216	106931	110390	112230	111998	112102	114333	116721	119101
Denar	24364	36317	37295	39293	40511	43540	45648	48389	49353	48434	50045	52787	54061	55054
Foreign currency	49107	57430	58885	59754	59985	60676	61283	62001	62877	63564	62057	61546	62660	64047
Government deposits	690	461	449	458	463	564	496	531	454	456	477	443	409	409
Denar	689	460	448	457	462	563	496	531	454	456	477	443	408	408
Foreign currency	1	1	1	1	1	1	0	0	0	0	0	0	1	1
NBM quasi deposits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nonmonetary Deposits (Total)	5088	6686	6548	6786	6773	7594	8407	8493	9112	9103	9462	9486	9695	10284
Denar non-mon. deposits (total)	3105	3678	3641	3739	3799	4536	4734	4938	5217	5407	5549	5175	5237	5782
F.C. non-mon. deposits (total)	1983	3008	2907	3047	2974	3058	3673	3555	3895	3696	3913	4311	4458	4502
Nonmonetary Deposits (Non-Gov.)	5040	6637	6499	6736	6723	7544	8357	8443	9062	9053	9411	9435	9644	10171
Denar non-mon. dep. (Non-Gov.)	3057	3629	3592	3689	3749	4486	4684	4888	5167	5357	5498	5124	5186	5669
F.C. non-mon. dep. (Non-Gov.)	1983	3008	2907	3047	2974	3058	3673	3555	3895	3696	3913	4311	4458	4502
-Deposit Money Banks	5088	6686	6548	6786	6773	7594	8407	8493	9112	9103	9462	9486	9695	10284
Denar Non-Gov. non-monetary dep.	3057	3629	3592	3689	3749	4486	4684	4888	5167	5357	5498	5124	5186	5669
F. C. Non-Govern. non-mon. dep.	1983	3008	2907	3047	2974	3058	3673	3555	3895	3696	3913	4311	4458	4502
Denar Gov. non-mon. deposits	48	49	49	50	50	50	50	50	50	50	51	51	51	113
F. C. Govern. non-mon. deposits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-NBM Non-Gov. non-mon. deposits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Denar	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign currency	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Deposits	94844	120124	121752	125327	127979	133007	136959	140434	143571	144733	145159	146865	150825	158069
Total Deposits (Non-Gov.)	93735	118925	120735	124230	126439	131937	135883	139308	142535	143722	144115	145759	149864	157104

1/ Final data

2/ Preliminary data

Source: National Bank of the Republic of Macedonia.



Table 6
Total deposits of the non-government sector

	31.12.2007	Monthly changes		Annual changes		structure
	in Denar million	in Denar million	in %	in Denar million	in %	in %
Total deposits	129,272	2,907	2.3	28,888	29	100.0
1. According to maturity						
-short-term	119,101	2,380	2.0	25,354	27	92.1
-long-term	10,171	527	5.5	3,534	53	7.9
2. According to currency of denomination						
- In denar	60,723	1,476	2.5	20,777	52	47.0
- In foreign currency	68,549	1,431	2.1	8,111	13	53.0

Source: National Bank of the Republic of Macedonia.

Table 7
Households and enterprises deposits

	structure in	31.12.2007	Monthly changes		Annual changes	
	%	in Denar million	in Denar million	in %	in Denar million	in %
Total households deposits	100.0	88106	2249	2.6	20754	30.8
1. According to maturity						
-short-term	92.7	81641	2081	2.6	18183	28.7
-long-term	7.3	6465	168	2.7	2571	66.0
2. According to currency of denomination						
- In denar	42.6	37561	1345	3.7	15115	67.3
- In foreign currency	57.4	50545	904	1.8	5639	12.6
Total enterprises deposits	100.0	37438	924	2.5	6664	21.7
1. According to maturity						
-short-term	95.8	35850	672	1.9	6412	21.8
-long-term	4.2	1588	252	18.9	252	18.9
2. According to currency of denomination						
- In denar	53.4	20005	406	2.1	4490	28.9
- In foreign currency	46.6	17433	518	3.1	2174	14.2

Source: National Bank of the Republic of Macedonia.



Table 8
Demand deposits of households and enterprises

	31.12.2007	Monthly changes		Annual changes	
	in Denar million	in Denar million	in %	in Denar million	in %
Demand deposits	27,832	4,333	18.4	9,291	50.1
- Demand deposits of households	5,786	356	6.6	2,084	56.3
- Demand deposits of enterprises	19,777	4,386	28.5	6,926	53.9

Source: National Bank of the Republic of Macedonia.

Table 9
Placements to households and enterprises

	31.12.2007	Monthly changes		Annual changes	
	in Denar million	in Denar million	in %	in Denar million	in %
Total placements	124,875	4,505	3.7	35,095	39.1
<i>Denar placements</i>	94,496	3,474	3.8	28,083	42.3
<i>of which:</i>					
-enterprises	48,274	1,692	3.6	11,113	29.9
-households	45,929	1,787	4.0	16,780	57.6
<i>Foreign currency placements</i>	30,379	1,031	3.5	7,012	30.0
<i>of which:</i>					
-enterprises	28,016	886	3.3	6,357	29.4
-households	2,343	145	6.6	637	37.3

Source: National Bank of the Republic of Macedonia.



Table 10

Maturity and sector structure of Denar and foreign currency placements

	31.12.2007	Monthly changes	Annual changes
	(in %)	(in percentage points)	
Denar placements	100.0	0.0	0.0
maturity structure			
-short-term	42.2	-0.7	-4.8
-long-term	57.8	0.7	4.8
structure by sectors			
- enterprises	51.1	-0.1	-4.9
- households	48.6	0.1	4.7
- other	0.3	0.0	0.2
Foreign currency placements	100.0	0.0	0.0
maturity structure			
-short-term	26.1	0.5	1.5
-long-term	73.9	-0.5	-1.5
structure by sectors			
- enterprises	92.2	-0.2	-0.5
- households	7.7	0.2	0.4
- other	0.1	0.0	0.1

Source: National Bank of the Republic of Macedonia.

Table 11

Interest rates

	December, 2007	Monthly changes	Annual changes
	in %	in percentage points	
Average weighted interest rate on the CB bills auctions (28 days)	4.8	0.1	-1.0
Average weighted interest rate on the Money Market	3.1	-0.2	-1.8
Interest rate on three-month treasury bills	5.2	0.0	-1.1
Banks' weighted lending interest rates	9.9	0.0	-0.8
Banks' weighted deposit interest rates	5.3	0.1	0.9

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



Table 12
Auctions of Treasury bills

	Supply	Demand	Realized	Weighted interest rate
	in Denar million			in %
Treasury bills auctions, 3 month				
04.12.2007	200	206	196	5.15
18.12.2007	465	480	465	5.15
Treasury bills auctions, 6 month				
04.12.2007	400	227	227	5.24
Treasury bills auctions, 12 month				
18.12.2007	300	16	16	5.50

Source: Ministry of finance.

Foreign Trade and Foreign Exchange Developments in the Republic of Macedonia

Table 13
Foreign trade of the Republic of Macedonia
(in millions of euros)

	XII.2007		I-XII.2007		XII.2007		XII.2007		I-XII.2007	
					XI.2007		XII.2006		I-XII.2006	
	amount		amount	%	amount	%	amount	%	amount	%
Foreign trade	601.1	6,241.4	21.2	3.7	124.3	26.1	1,347.5	27.5		
Export	212.9	2,446.4	4.3	2.1	43.6	25.8	540.2	28.3		
Import	388.3	3,795.0	16.8	4.5	80.7	26.2	807.3	27.0		
Balance	-175.4	-1,348.6	-12.5	7.7	-37.0	26.8	-267.2	24.7		

Source: State Statistical Office.

Table 14
Ten most important trading partners of the Republic of Macedonia, January-December, 2007
(in millions of euros)

	Foreign trade		Exports		Imports		Import-export coverage ratio
	amount	Share	amount	Share	amount	Share	
	amount	%	amount	%	amount	%	
Republic of MACEDONIA	6,241.4	100.0	2,446.4	100.0	3,795.0	100.0	64.5
<i>out of which:</i>							
Serbia	789.7	12.7	465.3	19.0	324.4	8.5	143.4
Germany	734.0	11.8	352.7	14.4	381.3	10.0	92.5
Greece	608.0	9.7	306.5	12.5	301.5	7.9	101.7
Russia	484.0	7.8	17.2	0.7	466.8	12.3	3.7
Italy	473.6	7.6	253.0	10.3	220.6	5.8	114.7
Bulgaria	370.3	5.9	176.2	7.2	194.1	5.1	90.8
Croatia	198.8	3.2	118.8	4.9	80.0	2.1	148.5
Turkey	180.2	2.9	38.7	1.6	141.5	3.7	27.4
China	176.2	2.8	0.4	0.0	175.8	4.6	0.2
Spain	165.2	2.6	128.1	5.2	37.1	1.0	345.7
Total (10 largest trading partners)	4,180.0	67.0	1,857.0	75.9	2,323.0	61.2	79.9

Source: State Statistical Office.



Table 15

External debt of the Republic of Macedonia, used credits and paid liabilities
(in millions of euros)

	External debt		Credits used		Paid liabilities	
	30.11.2007	31.12.2007	XI 2007	XII 2007	XI 2007	XII 2007
Long-term debt	1,655.8	1,741.9	29.8	50.9	8.3	21.8
Public sector	989.9	1,027.9	8.1	40.3	3.7	10.0
Official creditors	769.0	807.5	8.1	40.3	3.6	2.3
Multilateral creditors	684.3	720.0	8.0	37.3	3.3	2.0
Bilateral creditors	84.8	87.5	0.1	3.0	0.3	0.3
Private creditors	220.9	220.3	0.0	0.0	0.0	7.7
Eurobonds	150.0	150.0	0.0	0.0	0.0	6.9
Other private creditors	70.9	70.3	0.0	0.0	0.0	0.7
Private sector	665.9	714.1	21.6	10.5	4.6	11.8
Private banks	152.6	185.9	2.8	1.8	0.9	7.2
Non-banking private sector	513.3	528.2	18.8	8.7	3.7	4.6
Short-term debt	176.4	152.7	7.1	18.6	5.8	5.5
Public sector	0.0	0.0	0.0	0.0	0.0	0.0
Private sector	176.4	152.7	7.1	18.6	5.8	5.5
Private banks	43.4	18.2	0.0	10.8	0.0	0.0
Non-banking private sector	133.0	134.5	7.1	7.7	5.8	5.5
TOTAL	1,832.2	1,894.7	36.8	69.5	14.1	27.3

Source: National Bank of the Republic of Macedonia.

National Bank of the Republic of Macedonia Balance sheet

Table 16

NBRM Balance sheet on 31.12.2007
(in millions of Denars)

Assets	Amount	Liabilities	Amount
Foreign assets	94,343	Reserve money	30,309
Claims on Government	1,591	NBRM instruments	20,995
Claims on banks and other financial institutions	1,347	Restricted deposits	1,739
Other assets	3,224	Foreign liabilities	0
		Government deposits	22,424
		Capital accounts	13,731
		Other liabilities	11,307
Total	100,505	Total	100,505

Source: National Bank of the Republic of Macedonia.