



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA
STATISTICS DEPARTMENT

**Report on the External Debt and
the International Investment Position
of the Republic of Macedonia
as of the End of the Second Quarter of 2014**

September 2014

Report on the External Debt and the International Investment Position of the Republic of Macedonia as of the End of the Second Quarter of 2014

At the end of the second quarter of 2014, the **gross external debt** stood at Euro 5,741.6 million, which is by Euro 112.9 million more compared to the end of the previous quarter. The increase primarily (84%) results from the higher share of public company debt in the total public debt. **Gross external claims** decreased by Euro 48.7 million quarterly, mainly due to the lower investments of the National Bank of the Republic of Macedonia in long-term debt securities. Consequently, in the second quarter of 2014, the **net external debt** increased by Euro 161.7 million to Euro 1,805.4 million.

Compared to end-2013, the gross external debt increased by Euro 521.9 million, of which 80% relates to the increased public debt (mostly because of the repo transactions of the National Bank under the foreign reserves management¹, and in part because of the borrowing of public companies). If we exclude the effect of repo transactions, the gross external debt increased by Euro 217.8 million, of which Euro 83.4 million represents loans of affiliated entities to the corporate sector. Gross external claims increased by Euro 231.8 million, mainly due to rising public claims (mainly placements of the National Bank through reverse repo transactions). Without repo transactions, the gross external claims are lower by Euro 72.3 million. Since majority of changes in external debt and external claims arise from repo and reverse repo transactions of the NBRM, the annual cumulative change in net foreign debt in the second quarter of 2014 is smaller, i.e. it increased by Euro 290.1 million.

In the second quarter of 2014, the negative **net international investment position** increased by Euro 118.8 million compared to the previous quarter and by Euro 277.8 million compared to the end of 2013. The largest contribution to both quarterly and annual cumulative growth of the negative net IIP was made by the increasing net liabilities on debt instruments (by Euro 161.7 million and Euro 290.1 million, respectively). Thus, at the end of the second quarter of 2014, the negative net IIP reached Euro 4836.1 million, or 60.4% of the projected GDP. Most (82.6%) of this amount still consists of net liabilities on direct investment, of which 82% are based on equity.

¹ Entry into repo transactions creates liabilities (classified under the loan category) that increase gross debt. At the same time, the created claims from entering into reverse repo agreements increase gross claims. The NBRM simultaneously carries out matched conclusion of repo and reverse repo agreements in nearly identical amounts. In general, as they are concluded concurrently, these transactions have a neutral net effect, i.e. they appear in almost identical amount on both liabilities and assets side, thus having no effect on the total net external debt.

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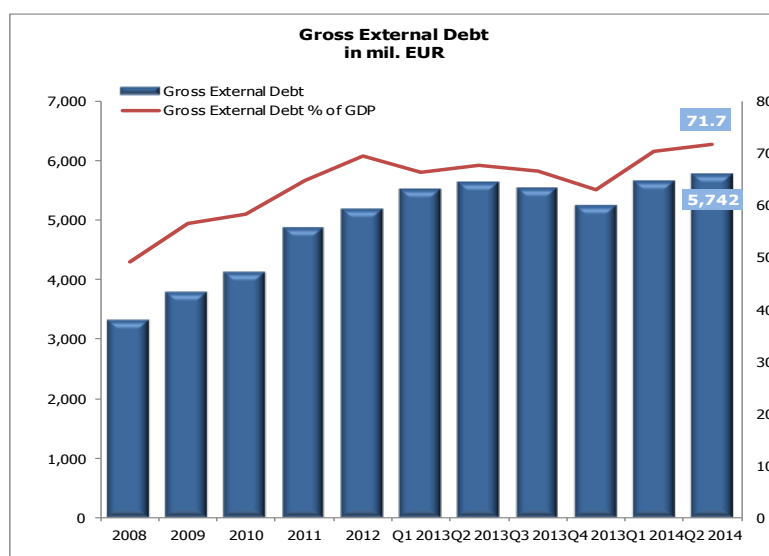
External Debt and International Investment Position of the Republic of Macedonia

	31.12.2013		31.03.2014		30.06.2014		change in respect to the end of the previous year			Quarterly Change		
	mill. EUR	% GDP	mill. EUR	% GDP	mill. EUR	% GDP	mill. EUR	%	p.p.	mill. EUR	%	p.p.
Gross External Debt	5,219.7	63.0	5,628.7	70.3	5,741.6	71.7	521.9	10.0	8.6	112.9	2.0	1.4
Gross External Debt-Excluding Debt of the Central Bank from Repo Arrangements	5,219.7	63.0	5,324.4	66.5	5,437.5	67.9	217.8	4.2	4.8	113.1	2.1	1.4
Long-term debt	4,002.8	48.3	3,949.7	49.3	4,041.0	50.4	38.2	1.0	2.1	91.3	2.3	1.1
Short-term debt	1,216.9	14.7	1,679.0	21.0	1,700.6	21.2	483.7	39.8	6.5	21.7	1.3	0.3
Public debt	2,172.4	26.2	2,506.7	31.3	2,585.5	32.3	413.2	19.0	6.0	78.9	3.1	1.0
Private debt	3,047.4	36.8	3,122.0	39.0	3,156.1	39.4	108.7	3.6	2.6	34.1	1.1	0.4
Gross External Claims	3,704.5	44.7	3,985.0	49.7	3,936.3	49.1	231.8	6.3	4.4	-48.7	-1.2	-0.6
Gross external claims-excluding claims of the Central Bank from repo arrangements	3,704.5	44.7	3,680.7	45.9	3,632.2	45.3	-72.3	-2.0	0.6	-48.6	-1.3	-0.6
Net External Debt	1,515.2	18.30	1,643.7	20.5	1,805.4	22.5	290.1	19.1	4.2	161.7	9.8	2.0
IIP, net	-4,558.4	-55.0	-4,717.4	-58.9	-4,836.1	-60.4	-277.8	6.1	-5.3	-118.8	2.5	-1.5

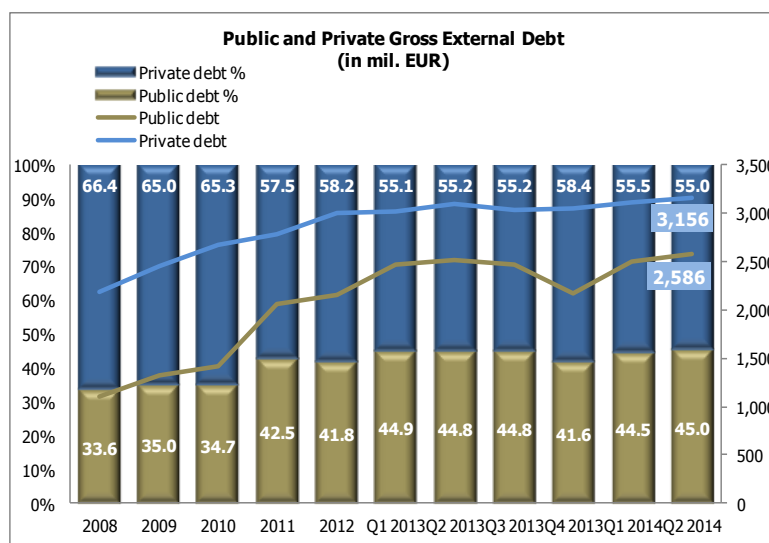
*The data on gross domestic product (GDP) for 2013 was revised by the State Statistical Office of the Republic of Macedonia in accordance with the changes in the calculation methodology (Source: Press release: Gross Domestic Product, Second Quarter of 2014, dated 12 September 2014).

These methodological changes are not yet included/reflected in the GDP projection for 2014. Therefore, data on debt, claims and IIP for 2013 and 2014, expressed as a percentage of GDP, are not mutually comparable.

Source: NBRM.



Source: NBRM.



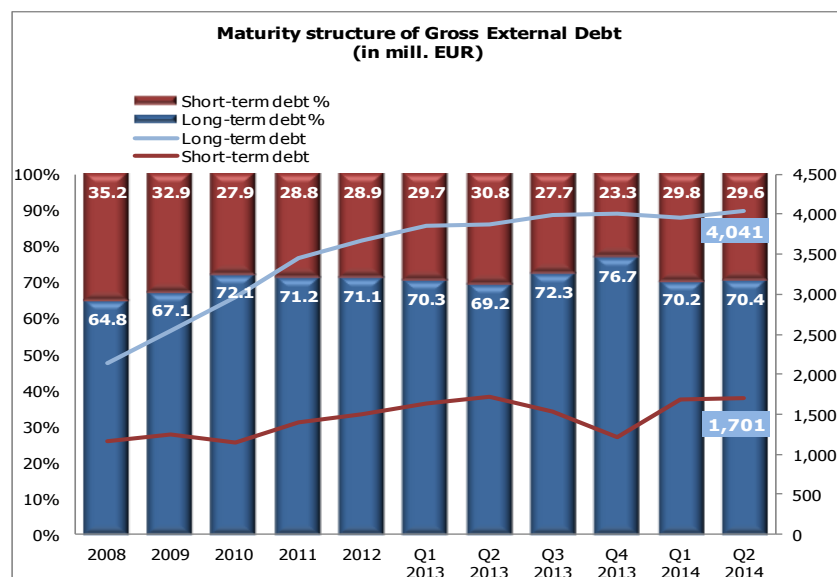
Source: NBRM.

In the second quarter of 2014, the gross external debt reached Euro 5,742 million, or 71.7% of GDP projected for this year and compared to the first quarter, it increased by Euro 113 million (or 2.0%).

Relative to the end of 2013, the gross external debt increased by Euro 522 million (or 10.0%).

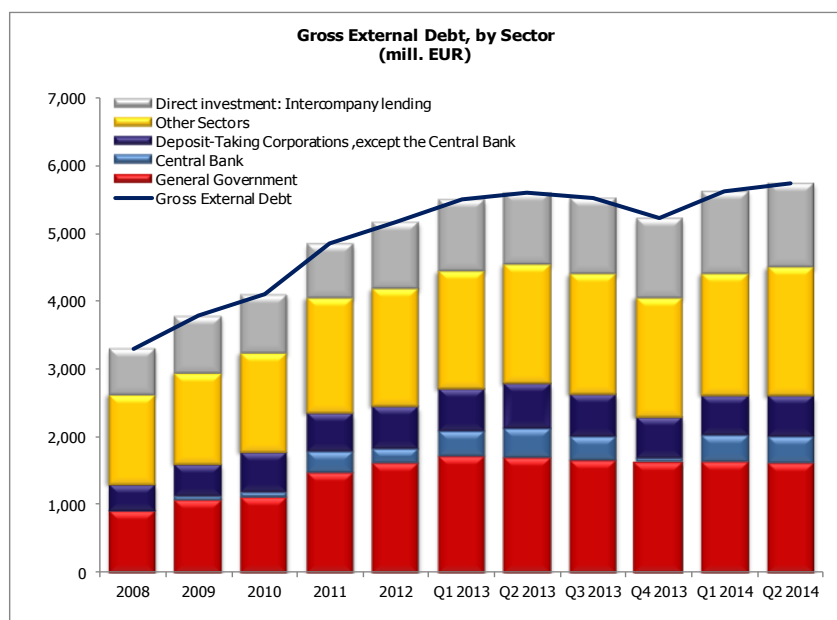
The share of private external debt predominate the structure of gross external debt. However, the growth in the share of public gross external debt continued in the second quarter of 2014 (by 0.5 percentage points compared to the previous quarter and by 3.4 percentage points compared to the end of the previous year).

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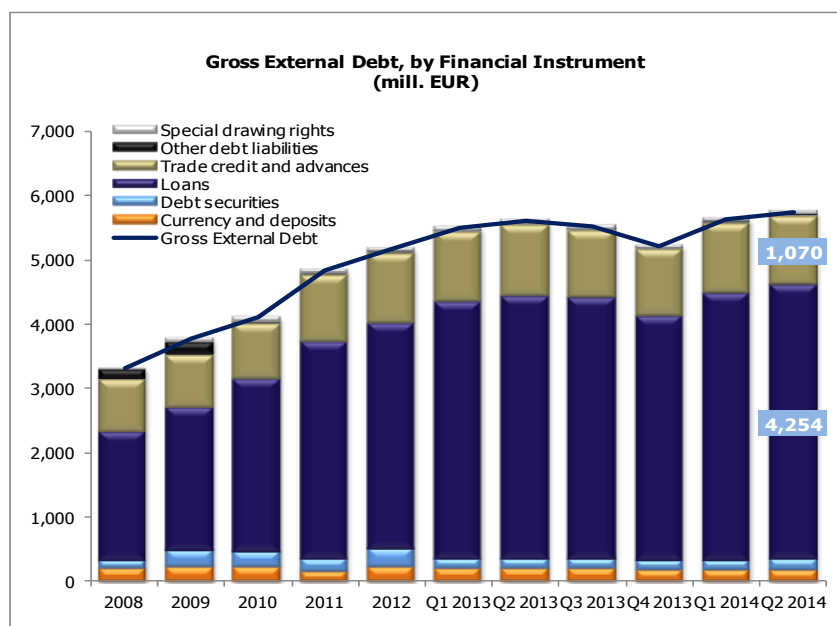
Source: NBRM.

The maturity structure of gross external debt registered no significant changes compared to the previous quarter. More pronounced changes were observed compared to the end of 2013, when the share of short-term debt increased (by 6.3 percentage points). Despite these changes, the maturity structure of gross debt remains favorable, with a dominant share of long-term debt.



Source: NBRM.

The sector-by-sector analysis shows that most of the gross external debt comes from other sectors (mainly non-financial companies), whose debt at the end of the second quarter of 2014 reached Euro 1,895 million or 33% of the total external debt, followed by the government debt of Euro 1,608 million and debt to affiliated entities of Euro 1.253 million (28% and 21.8% of the total external debt, respectively).

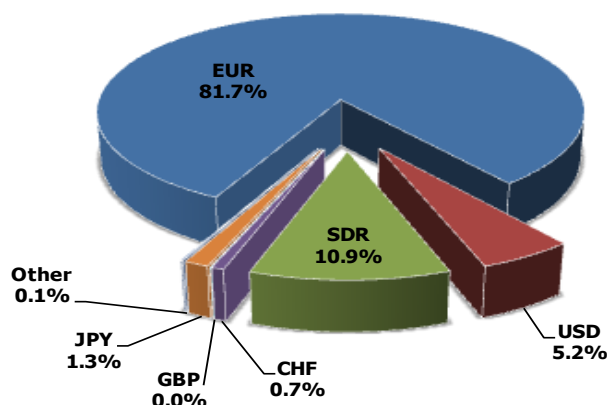


Source: NBRM.

Dominant portion or 74.1% of the gross external debt of the country is based on loans, followed by the debt based on trade credits (18.6%).

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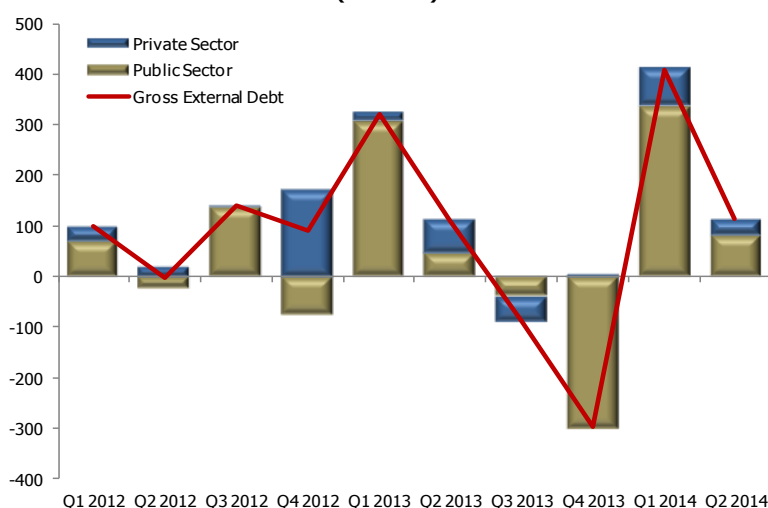
Currency Composition of Loans as of 30.06.2014



Analysis of the currency structure of loans, as a dominant instrument, shows that at the end of the second quarter of 2014, most of the liabilities were in euros.

Source: NBRM.

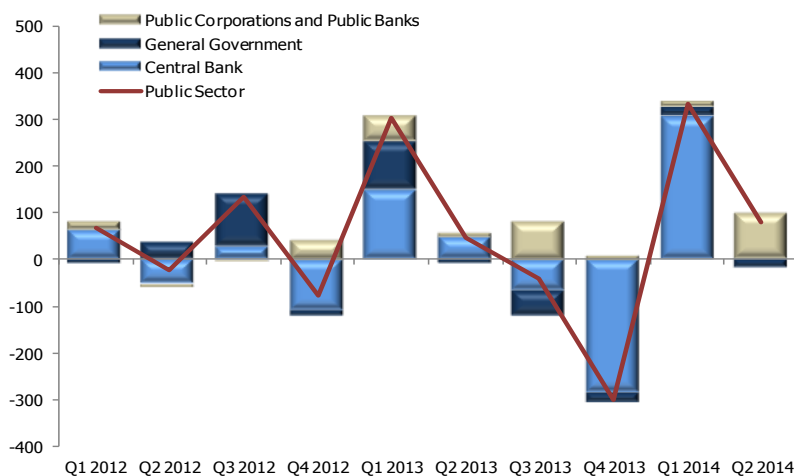
Contribution To the Quarterly Change of the Gross External Debt - Public and Private Debt (mill. EUR)



In the second quarter of 2014, the increase in total gross external debt is mostly due to the increased public debt (by Euro 78.9 million), with simultaneous growth of the private debt (of Euro 34.1 million).

Source: NBRM.

Contribution to the Quarterly Change of the Public External Debt-by Sector (mill. EUR)

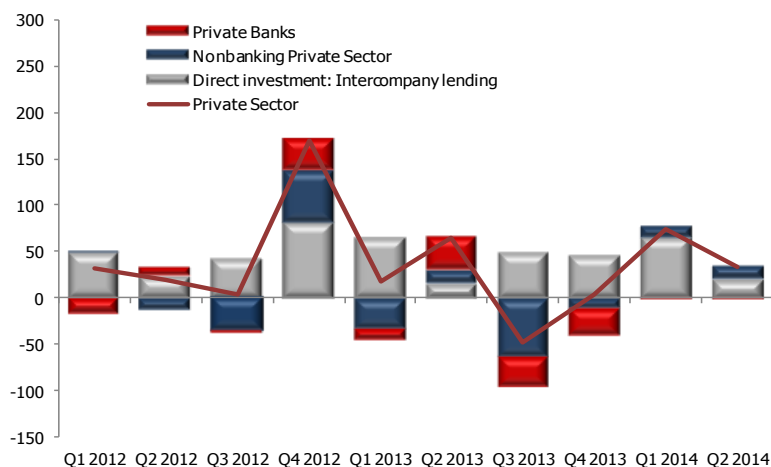


The increased public external debt results from the increasing public debt of banks and public enterprises by Euro 96.5 million (most of these funds, or Euro 86.5 million, are earmarked for construction of road infrastructure).

Source: NBRM.

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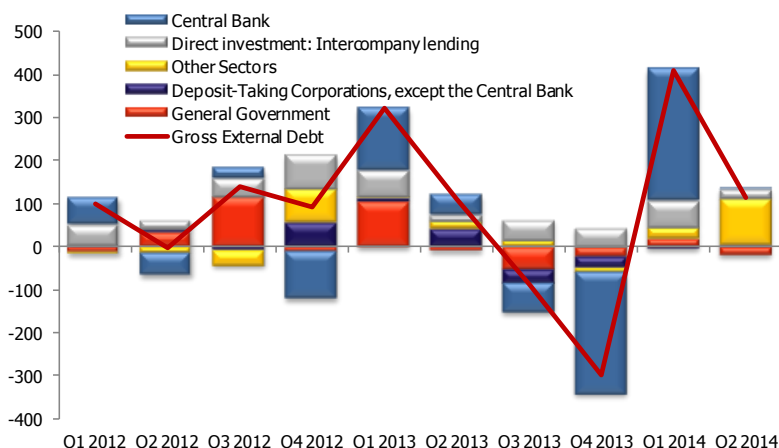
Contribution to the Quarterly Change of the Private External Debt - by Sector (mill. EUR)



Source: NBRM.

The main reason behind the rise in private external debt in the second quarter of 2014 is the increase in intercompany debt (of Euro 19.8 million) and the debt of nonbank private sector (of Euro 14.3 million).

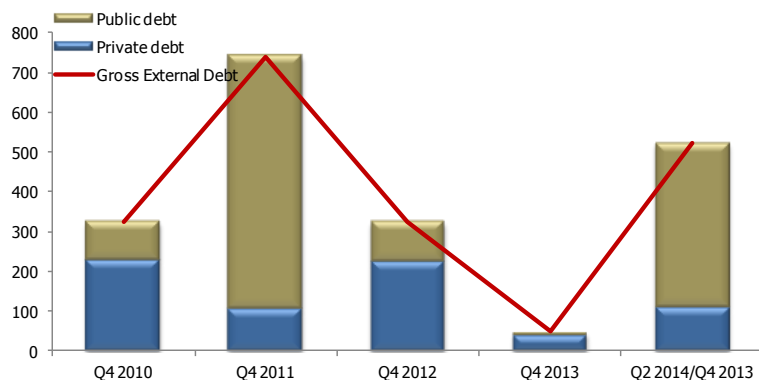
Contribution to the Quarterly Change of the Gross External Debt-by Sector (mill. EUR)



Source: NBRM.

In terms of institutional sectors, most of the quarterly growth of gross debt arises from other sectors (mainly non-financial companies) whose debt went up by Euro 109.0 million.

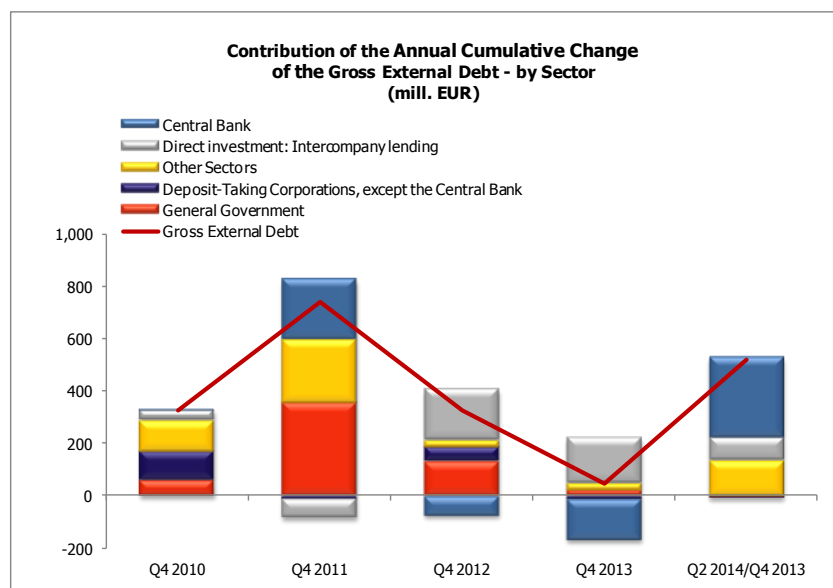
Contribution to the Annual Cumulative Change of the Gross External Debt - Public and Private Debt (mill. EUR)



Source: NBRM.

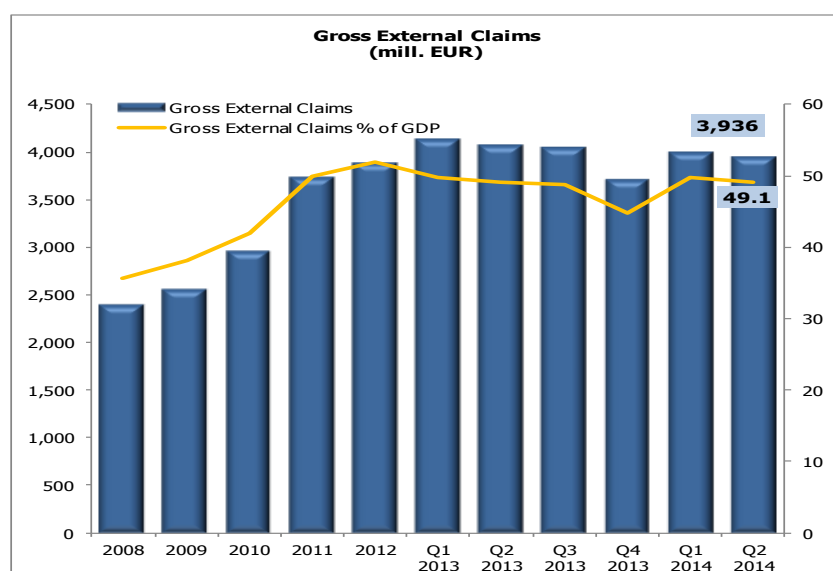
Compared to the end of 2013, most of the total growth in gross debt stems from the public external debt (Euro 413.2 million), mainly due to the increased debt on repo transactions of Euro 304.1 million and the increased debt of public enterprises of Euro 109.0 million.

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Source: NBRM.

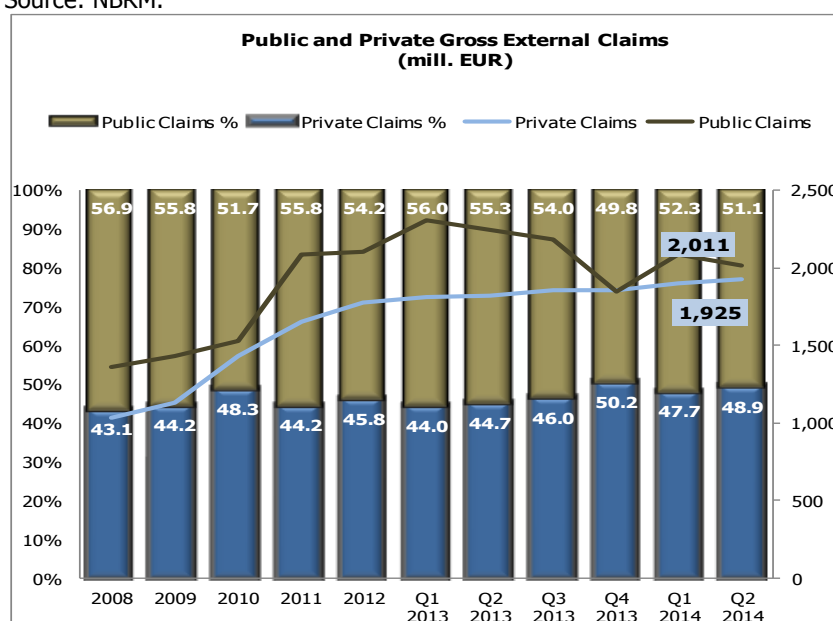
Compared with end-2013, rising gross debt stems from the central bank sector (Euro 304.1 million, based on repo transactions), other sectors (Euro 135.9 million) and intercompany debt (Euro 83.4 million).



Source: NBRM.

In the second quarter of 2014, the gross external claims reduced by Euro 48.7 million (or 1.2%) to Euro 3,936 million, or 49.1% of GDP projected for this year.

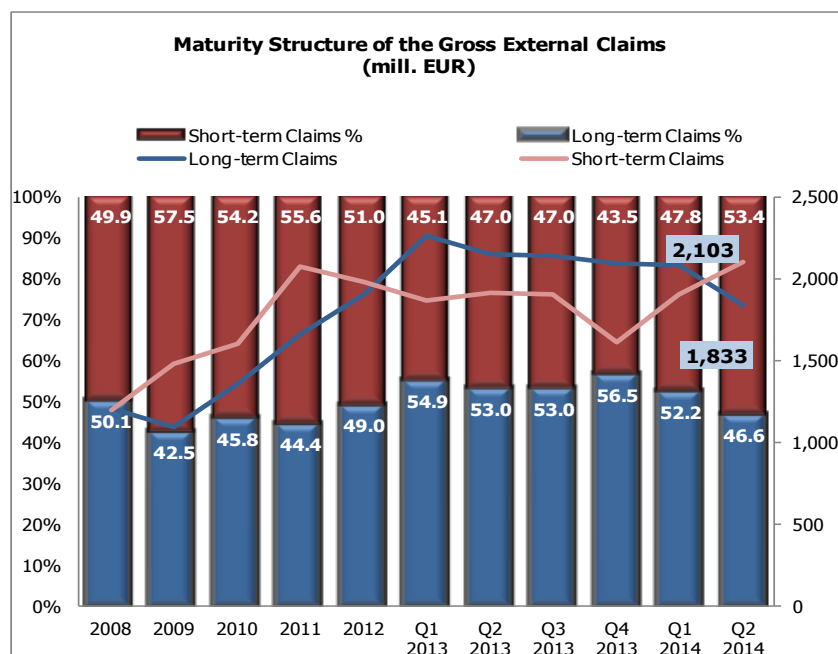
Compared to the end of 2013, the gross external claims increased by Euro 231.8 million (or 6.3%).



Source: NBRM.

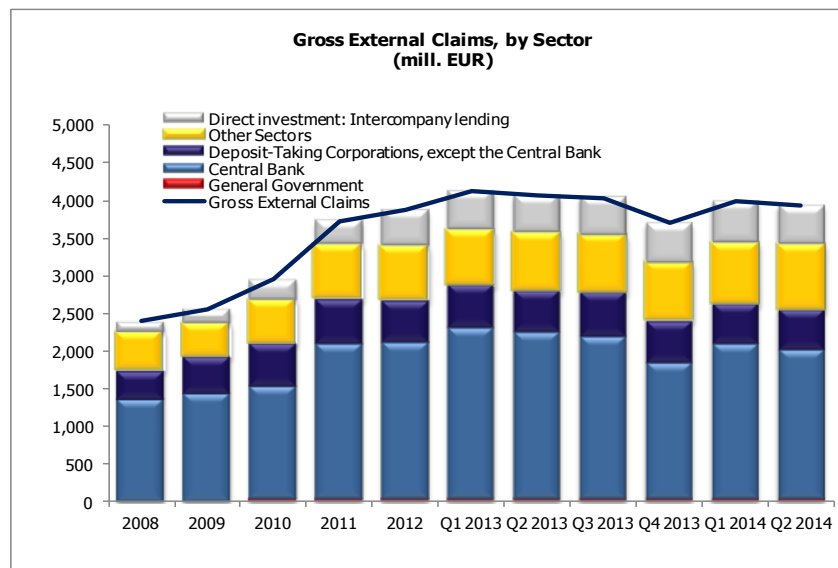
The second quarter of 2014 registered a quarterly shift in the claims structure by 1.2 percentage points in favor of private gross external claims. However, compared to the end of 2013, their share decreased by 1.3 percentage points.

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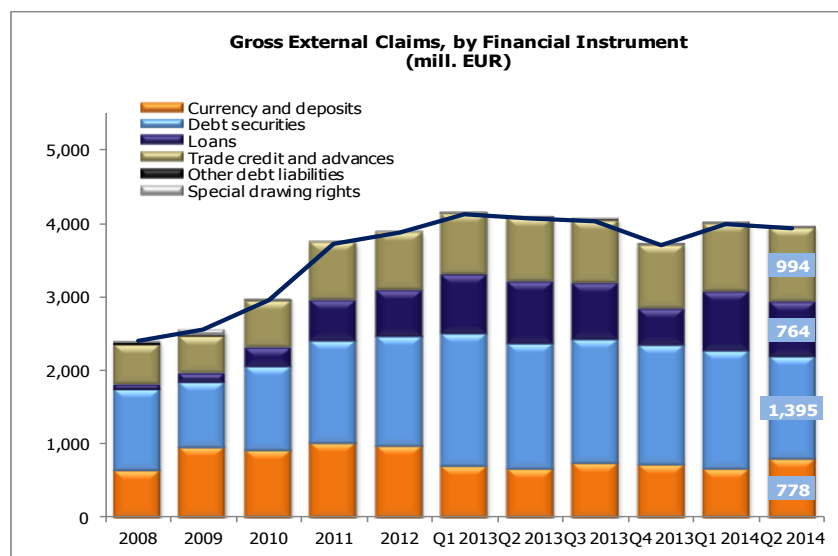
Source: NBRM.

Observing maturity structure, in the second quarter of 2014, the share of long-term claims decreased (by 5.6 percentage points compared to the previous quarter and by 9.9 percentage points compared to the end of 2013). Thus, short-term claims have dominant share in the total claims.



Source: NBRM.

The central bank, with Euro 1,967 million or 50% of total claims, is the major driver of the gross external claims, followed by the claims of other sectors (mainly non-financial companies), in the amount of Euro 866 million, or 22% of total claims.



Source: NBRM.

Within the gross external claims, the most important debt instruments include debt securities (35.4%), trade credits and advances (25.2%), currency and deposits (19.8%) and loans (19.4%).

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Contribution to the Quarterly Change of the Gross External Claims - Public and Private Claims (mill. EUR)



Source: NBRM

Most of the decrease in the gross external claims in the second quarter of 2014 is due to the lower public claims (by Euro 73.1 million), mainly resulting from the lower central bank demand for debt securities.

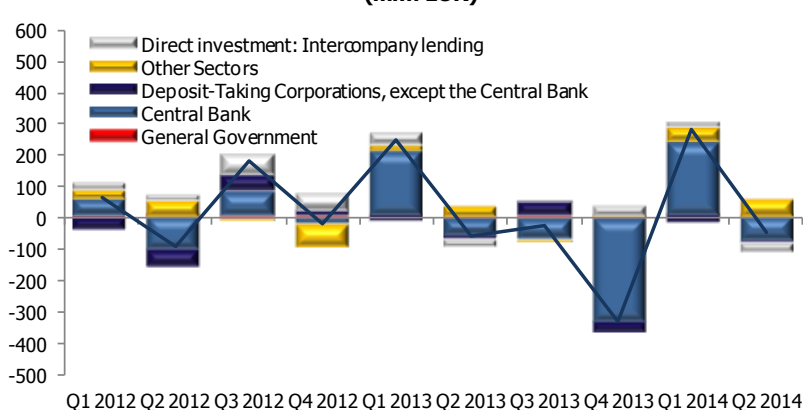
Contribution to the Quarterly Change of the Private External Claims - by Sector (mill. EUR)



Source: NBRM.

In the second quarter of 2014, private external claims increased (Euro 24.3 million), under the influence of the higher nonbank private sector claims (mainly on trade credits and advances), versus the reduced intercompany claims and claims of private banks.

Contribution to the Quarterly Change of the Gross External Claims - by Sector (mill. EUR)

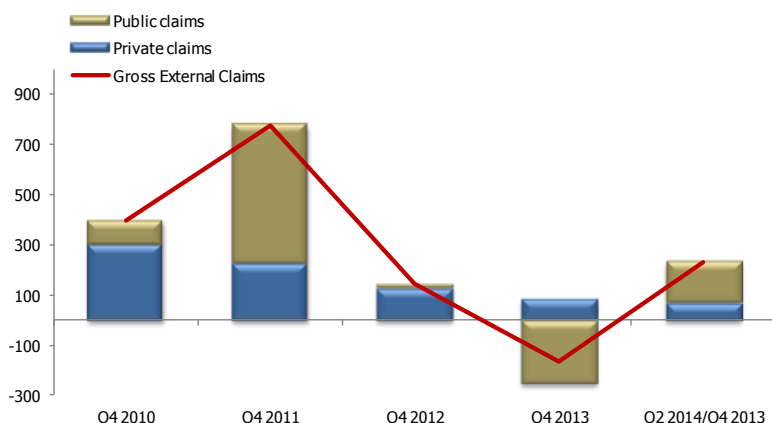


Source: NBRM.

Analyzing institutional sectors, the quarterly decrease in gross claims is influenced by the changes in the central bank (down by Euro 73.5 million) and in loans among affiliated entities (down by Euro 29.9 million), with a simultaneous increase in other sectors claims (by Euro 60.0 million).

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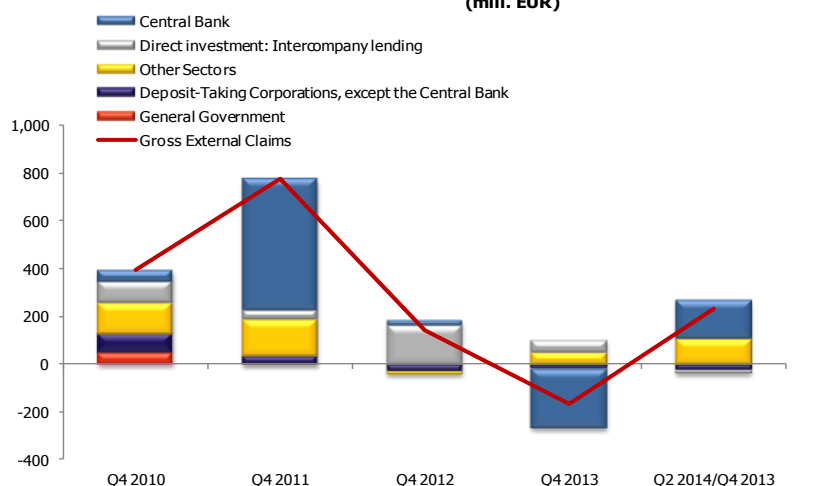
Contribution to the Annual Cumulative Change of the Gross External Claims - Public and Private Claims (mill. EUR)



Compared to the end of 2013, public claims increased by Euro 164.6 million. Private claims increased by Euro 67.2 million, under the influence of the higher nonbank private sector claims (by Euro 104.8 million), partially offset by the reduction of the claims of private banks (Euro 25.1 million) and loans among affiliated entities (Euro 12.5 million).

Source: NBRM.

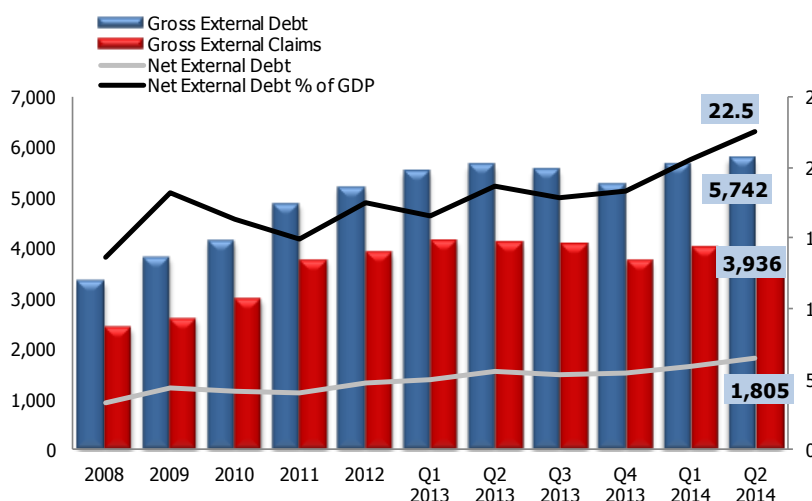
Contribution to the Annual Cumulative Change of the Gross External Claims - by Sector (mill. EUR)



The central bank (Euro 164.1 million) and other sectors (with Euro 104.8 million) made the largest contribution to the cumulative growth of total foreign claims.

Source: NBRM.

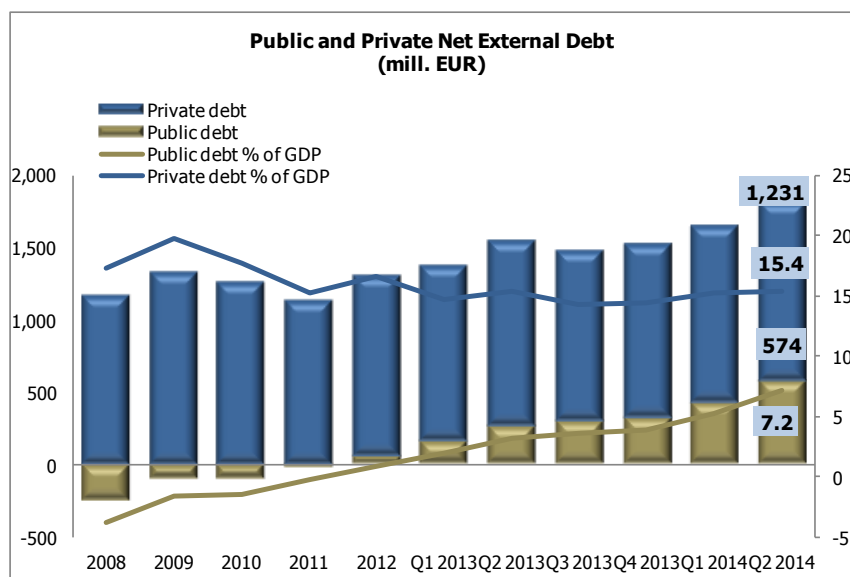
Net External Debt (mill. EUR)



Due to the increasing gross external debt and declining gross external claims of the country, in the second quarter of 2014, the net external debt increased by Euro 161.7 million (9.8%) to Euro 1.805 million (22,5% of the projected GDP). Compared to the end of 2013, the net external debt rose to Euro 290.1 million (19.1%).

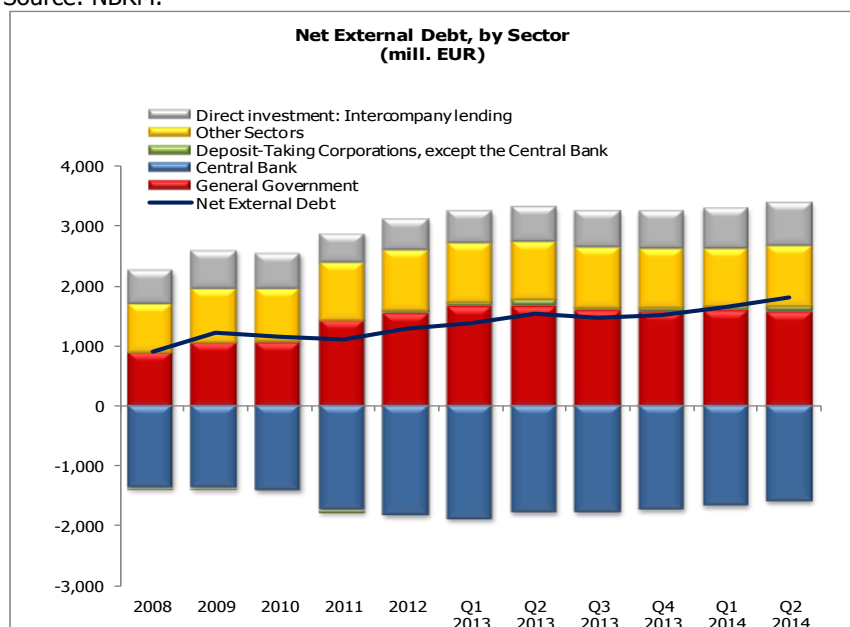
Source: NBRM.

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Most of the net debt (68.2%) is a private sector debt. However, the main driver of the quarterly and the annual cumulative growth is the increase in the net public debt (by Euro 151.9 million and by Euro 248.6 million, respectively).

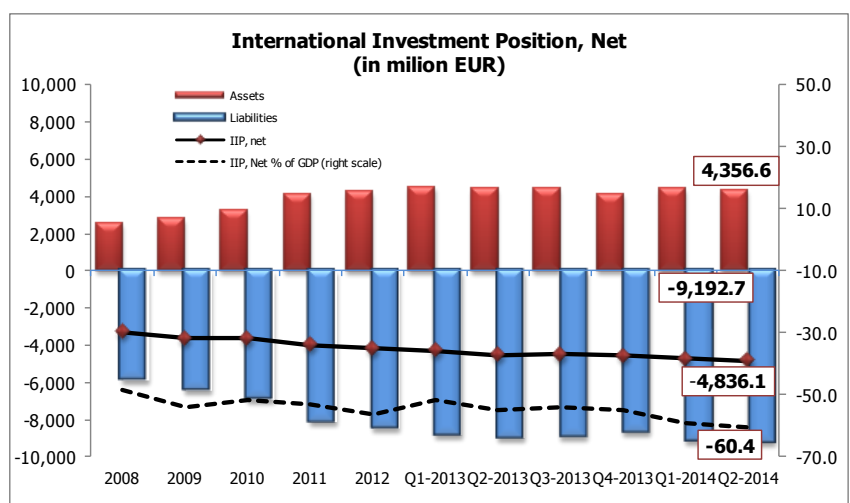
Source: NBRM.



Analyzing the stock, all other sectors, except the central bank, are net debtors to abroad. The largest net debtor is the state with net external debt of Euro 1,563 million, followed by other sectors with Euro 1,029 million and the net intercompany debt with Euro 726 million.

Analyzing flows, the sectors of central bank and affiliated entities made the largest contribution to the growth of net debt, on both quarterly and annual cumulative basis.

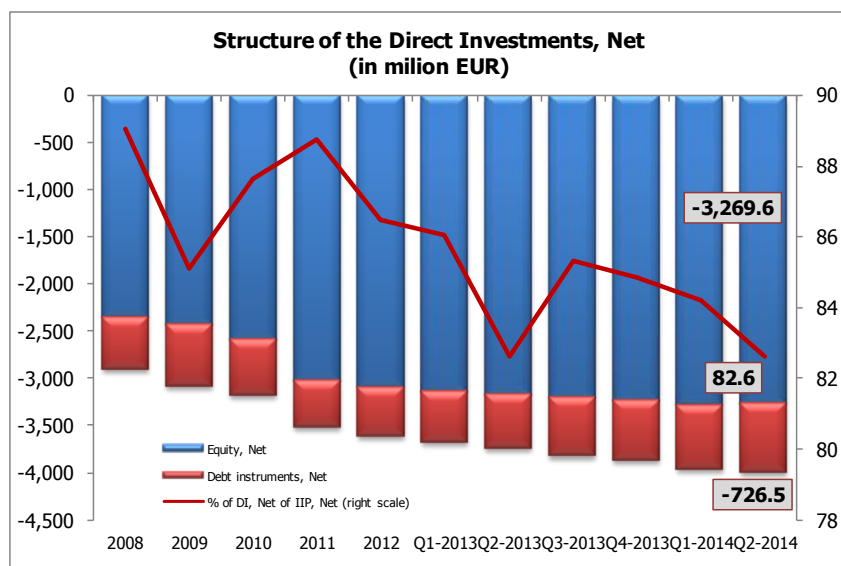
Source: NBRM.



During the second quarter of 2014, the negative net international investment position (IIP) increased by Euro 118.8 million (2.5%), reaching Euro 4,836.1 million. Observing the relative indicator, the negative net IIP, as a percentage of GDP, grew by 1.5 percentage points.

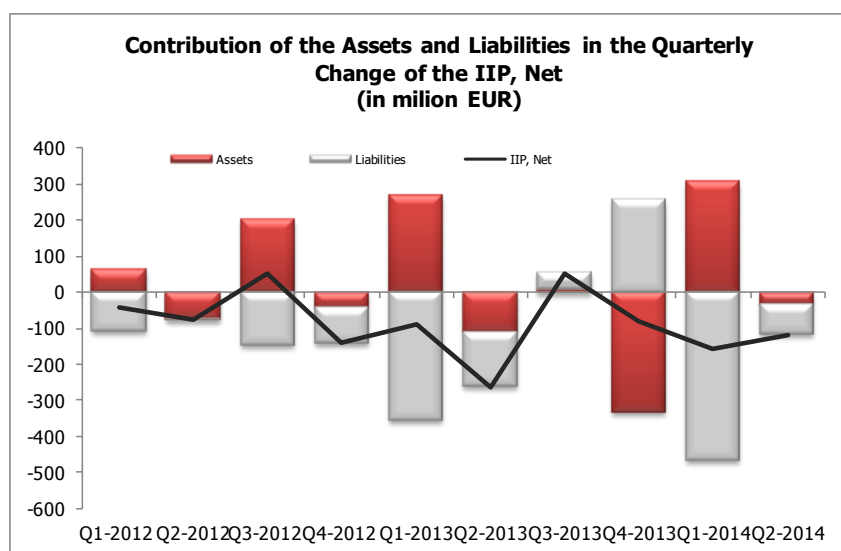
Source: NBRM.

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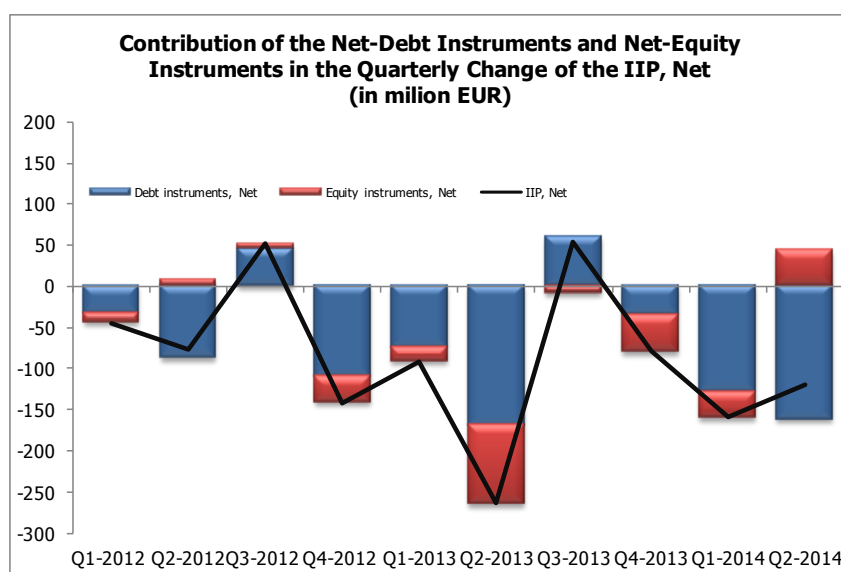
Source: NBRM.

Net liabilities on direct investments, of which 81.8% on equity, still dominate (82.6%) the negative net IIP.



Source: NBRM.

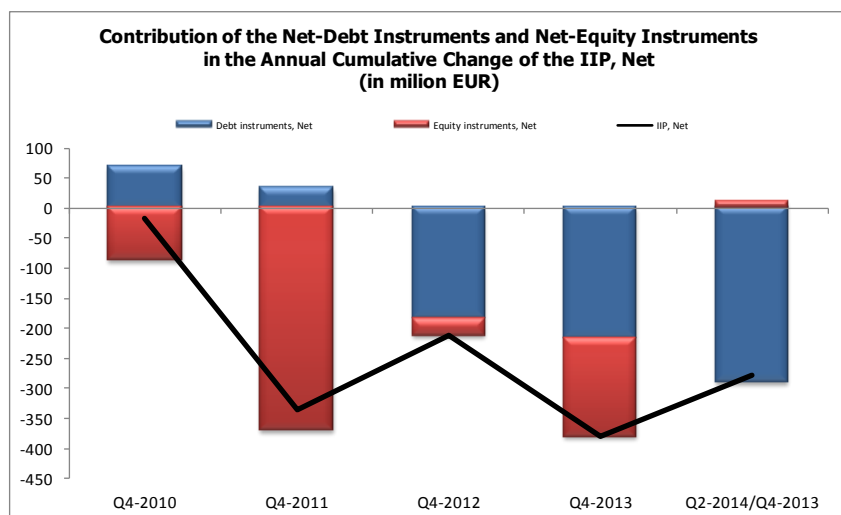
The quarterly increase in the negative net IIP of Euro 118.8 million is due to the increase in liabilities of Euro 84.9 million, coupled with the decrease of assets of Euro 33.9 million.



Source: NBRM.

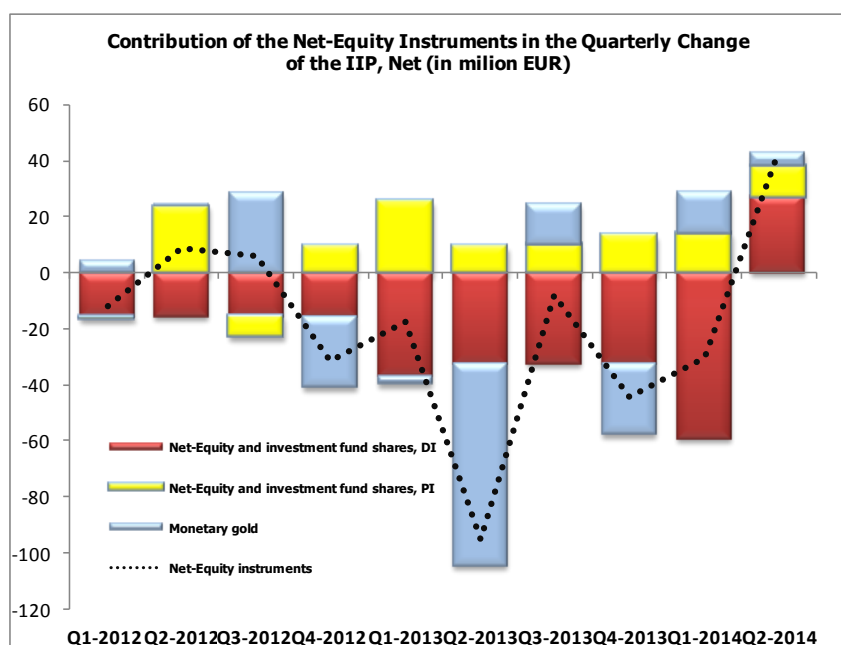
Observed by instrument, changes in debt instruments (an increase in net liabilities of Euro 161.7 million) partially offset by the reduction of net liabilities on equity instruments (of Euro 42.9 million) made the greatest contribution to the quarterly growth of the negative net IIP.

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Source: NBRM.

Also, the cumulative growth of the negative net IIP of Euro 277.8 million fully reflects the changes in debt instruments (increase in net liabilities of Euro 290.1 million), despite the lower net liabilities on equity instruments (by only Euro 12.3 million).



Source: NBRM.

The structure of equity instruments registered lower net liabilities on equity within the direct and portfolio investments (by Euro 26.9 million and Euro 10.9 million, respectively), with a simultaneous growth of the assets in monetary gold (of Euro 5.1 million due to price and exchange rate changes).

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ANNEX-TABLES

Table 1
Gross External Debt*
(in millions of euros)

	2008	2009	2010	2011	2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	change in respect to the end of the previous year		quarterly change	
												in mill. EUR	in %/p.p.	in mill. EUR	in %/p.p.
Instruments															
Currency and deposits	174.0	198.8	195.8	134.0	198.7	188.5	190.8	182.5	168.4	158.7	169.1	0.7	0.4	10.4	6.6
Debt securities	133.3	277.3	258.9	202.5	293.8	153.6	154.6	157.8	152.4	165.6	167.8	15.3	10.1	2.2	1.3
Loans	2,016.2	2,217.4	2,674.0	3,377.7	3,499.2	3,983.3	4,069.1	4,065.5	3,791.2	4,135.1	4,254.1	462.9	12.2	119.0	2.9
Trade credit and advances	822.3	828.2	860.5	1,033.4	1,093.1	1,081.3	1,105.2	1,026.3	1,028.2	1,089.5	1,070.0	41.7	4.1	-19.5	-1.8
Other debt liabilities	149.2	187.0	40.1	20.7	10.3	10.3	10.3	10.3	6.3	6.3	6.3	0.0	0.0	0.0	0.0
Special drawing rights	9.2	71.7	76.4	78.3	76.7	76.9	75.4	74.4	73.2	73.7	74.5	1.3	1.8	0.8	1.0
Gross External Debt	3,304.16	3,780.36	4,105.71	4,846.61	5,171.67	5,493.89	5,605.33	5,516.79	5,219.75	5,628.71	5,741.65	521.9	10.0	112.9	2.0
Sectors															
General Government	906.33	1,055.84	1,113.40	1,464.24	1,589.81	1,692.42	1,683.28	1,631.13	1,608.89	1,625.89	1,607.61	-1.3	-0.1	-18.3	-1.1
Central Bank	9.15	71.74	76.42	310.82	234.24	380.63	427.03	357.71	73.20	378.01	378.61	305.4	417.2	0.6	0.2
Deposit-Taking Corporations, except the Central Bank	384.07	468.22	578.78	564.75	618.82	626.23	666.15	635.59	609.34	606.05	607.86	-1.5	-0.2	1.8	0.3
Other Sectors	1,321.91	1,346.99	1,464.82	1,702.60	1,730.87	1,733.31	1,752.42	1,767.59	1,758.92	1,785.85	1,894.81	135.9	7.7	109.0	6.1
Direct investment: Intercompany lending	682.70	837.56	872.30	804.20	997.94	1,061.29	1,076.45	1,124.77	1,169.39	1,232.91	1,252.76	83.4	7.1	19.8	1.6
Gross External Debt	3,304.16	3,780.36	4,105.71	4,846.61	5,171.67	5,493.89	5,605.33	5,516.79	5,219.75	5,628.71	5,741.65	521.9	10.0	112.9	2.0
Gross External Debt % of GDP	49.17	56.40	58.18	64.86	69.39	66.34	67.69	66.62	63.03	70.25	71.66				1.4
Gross External Debt-Excluding Debt of the Central Bank from Repo Arrangements	0.00	0.00	0.00	4,614.08	5,014.10	5,190.17	5,253.67	5,233.45	5,219.75	5,324.43	5,437.53	217.8	4.2	113.1	2.1
Central Bank from repo arrangements % of GDP	0.00	0.00	0.00	61.75	67.27	62.67	63.44	63.20	63.03	66.46	67.87				1.4
Long-term debt	2,141.58	2,538.11	2,958.84	3,450.58	3,677.54	3,863.19	3,877.35	3,988.38	4,002.85	3,949.73	4,041.00	38.2	1.0	91.3	2.3
Short-term debt	1,162.58	1,242.25	1,146.87	1,396.03	1,494.13	1,630.70	1,727.98	1,528.41	1,216.90	1,678.98	1,700.64	483.7	39.8	21.7	1.3
Long-term debt %	64.81	67.14	72.07	71.20	71.11	70.32	69.17	72.30	76.69	70.17	70.38		-6.3		0.2
Short-term debt %	35.19	32.86	27.93	28.80	28.89	29.68	30.83	27.70	23.31	29.83	29.62		6.3		-0.2
Long-term debt % of GDP	31.87	37.87	41.93	46.18	49.34	46.65	46.82	48.16	48.34	49.30	50.44				1.1
Short-term debt % of GDP	17.30	18.53	16.25	18.68	20.05	19.69	20.87	18.46	14.69	20.96	21.23				0.3
Public debt	1,109.94	1,324.87	1,424.82	2,061.11	2,162.13	2,466.91	2,513.16	2,472.83	2,172.35	2,506.70	2,585.55	413.2	19.0	78.9	3.1
General Government	906.33	1,055.84	1,113.40	1,464.24	1,589.81	1,692.42	1,683.28	1,631.13	1,608.89	1,625.89	1,607.61	-1.3	-0.1	-18.3	-1.1
Central Bank	9.15	71.74	76.42	310.82	234.24	380.63	427.03	357.71	73.20	378.01	378.61	305.4	417.2	0.6	0.2
Public Corporations and Public Banks	194.45	197.28	235.00	286.05	338.08	393.86	402.84	483.99	490.26	502.80	599.32	109.1	22.2	96.5	19.2
Private debt	2,194.23	2,455.49	2,680.90	2,785.50	3,009.54	3,026.98	3,092.18	3,043.96	3,047.39	3,122.02	3,156.10	108.7	3.6	34.1	1.1
Public debt %	33.59	35.05	34.70	42.53	41.81	44.90	44.84	44.82	41.62	44.53	45.03		3.4		0.5
Private debt %	66.41	64.95	65.30	57.47	58.19	55.10	55.16	55.18	58.38	55.47	54.97		-3.4		-0.5
Public debt % of GDP	16.52	19.77	20.19	27.58	29.01	29.79	30.35	29.86	26.23	31.29	32.27				1.0
Private debt % of GDP	32.65	36.63	37.99	37.28	40.38	36.55	37.34	36.76	36.80	38.97	39.39				0.4

*The data on gross domestic product (GDP) for 2013 was revised by the State Statistical Office of the Republic of Macedonia in accordance with the changes in the calculation methodology (Source: Press release: Gross Domestic Product, Second Quarter of 2014, dated 12 September 2014). These methodological changes are not yet included / reflected in the GDP projection for 2014. Therefore, data on debt, claims and IIP for 2013 and 2014, expressed as a percentage of GDP, are not mutually comparable.

Source: NBRM.

Report on the External Debt and the International Investment Position of the Republic of Macedonia as of the End of the Second Quarter of 2014

Table 2

Gross External Claims*

(in millions of euros)

	2008	2009	2010	2011	2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	change in respect to the end of the previous year		quarterly change	
												in mill. EUR	in %/p.p.	in mill. EUR	in %/p.p.
Instruments															
Currency and deposits	628.5	937.9	903.1	995.2	961.3	681.9	655.3	732.3	711.6	643.0	778.5	66.8	9.4	135.5	21.1
Debt securities	1,114.7	901.2	1,139.7	1,394.3	1,492.2	1,801.2	1,707.8	1,688.4	1,627.7	1,610.6	1,395.3	-232.4	-14.3	-215.3	-13.4
Loans	66.2	133.7	271.1	561.2	629.1	819.6	838.1	764.8	494.5	801.6	763.6	269.1	54.4	-38.0	-4.7
Trade credit and advances	551.1	490.4	640.7	779.4	788.8	815.2	858.7	846.8	865.9	924.5	993.6	127.6	14.7	69.0	7.5
Other debt liabilities	31.0	34.8	0.5	0.0	0.0	1.4	1.6	1.5	1.4	1.5	1.5	0.0	1.1	0.0	-1.5
Special drawing rights	1.0	63.5	0.9	0.6	1.2	1.9	2.4	2.9	3.3	3.8	3.9	0.6	17.7	0.1	2.3
Gross External Claims	2,392.49	2,561.41	2,956.05	3,730.69	3,872.61	4,121.19	4,063.85	4,036.66	3,704.50	3,985.02	3,936.29	231.8	6.3	-48.7	-1.2
Sectors															
General Government	0.00	0.00	45.60	46.80	45.94	47.23	46.30	44.74	43.94	44.02	44.46	0.5	1.2	0.4	1.0
Central Bank	1,361.55	1,429.81	1,482.84	2,034.91	2,053.82	2,261.52	2,200.79	2,133.18	1,802.66	2,040.26	1,966.76	164.1	9.1	-73.5	-3.6
Deposit-Taking Corporations, except the Central Bank	390.65	496.81	572.83	603.05	572.70	558.18	547.36	593.24	557.82	538.49	532.69	-25.1	-4.5	-5.8	-1.1
Other Sectors	507.00	440.22	571.84	722.31	712.79	727.43	765.17	757.92	761.29	806.12	866.12	104.8	13.8	60.0	7.4
Direct investment: Intercompany lending	133.29	194.56	282.94	323.61	487.36	526.83	504.22	507.58	538.79	556.14	526.25	-12.5	-2.3	-29.9	-5.4
Gross External Claims	2,392.49	2,561.41	2,956.05	3,730.69	3,872.61	4,121.19	4,063.85	4,036.66	3,704.50	3,985.02	3,936.29	231.8	6.3	-48.7	-1.2
Gross External Claims % of GDP	35.60	38.21	41.89	49.92	51.96	49.76	49.07	48.74	44.73	49.74	49.13				-0.6
Gross external claims-excluding claims of the Central Bank from repo arrangements	0.00	0.00	0.00	3,497.63	3,736.55	3,817.21	3,701.43	3,752.81	3,704.50	3,680.74	3,632.17	-72.3	-2.0	-48.6	-1.3
Gross External Claims-Excluding Claims of the Central Bank from Repo Arrangements % of GDP	0.00	0.00	0.00	46.81	50.13	46.09	44.70	45.32	44.73	45.94	45.33				-0.6
Long-term Claims	1,199.21	1,087.90	1,352.64	1,655.28	1,898.65	2,260.79	2,151.87	2,138.06	2,093.42	2,079.30	1,832.84	-260.6	-12.4	-246.5	-11.9
Short-term Claims	1,193.28	1,473.51	1,603.42	2,075.40	1,973.96	1,860.41	1,911.98	1,898.60	1,611.07	1,905.73	2,103.45	492.4	30.6	197.7	10.4
Long-term Claims %	50.12	42.47	45.76	44.37	49.03	54.86	52.95	52.97	56.51	52.18	46.56		-9.9		-5.6
Short-term Claims %	49.88	57.53	54.24	55.63	50.97	45.14	47.05	47.03	43.49	47.82	53.44		9.9		5.6
Long-term claims % of GDP	17.85	16.23	19.17	22.15	25.47	27.30	25.98	25.82	25.28	25.95	22.88				-3.1
Short-term claims % of GDP	17.76	21.98	22.72	27.77	26.48	22.46	23.09	22.93	19.45	23.79	26.25				2.5
Public Claims	1,361.55	1,429.81	1,528.44	2,081.72	2,099.76	2,308.75	2,247.09	2,177.92	1,846.60	2,084.28	2,011.23	164.6	8.9	-73.1	-3.5
General Government	0.00	0.00	45.60	46.80	45.94	47.23	46.30	44.74	43.94	44.02	44.46	0.5	1.2	0.4	1.0
Central Bank	1,361.55	1,429.81	1,482.84	2,034.91	2,053.82	2,261.52	2,200.79	2,133.18	1,802.66	2,040.26	1,966.76	164.1	9.1	-73.5	-3.6
Public Corporations and Public Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Private Claims	1,030.94	1,131.60	1,427.61	1,648.97	1,772.86	1,812.45	1,816.76	1,858.74	1,857.90	1,900.74	1,925.06	67.2	3.6	24.3	1.3
Public Claims %	56.91	55.82	51.71	55.80	54.22	56.02	55.29	53.95	49.85	52.30	51.09		1.2		-1.2
Private Claims %	43.09	44.18	48.29	44.20	45.78	43.98	44.71	46.05	50.15	47.70	48.91		-1.2		1.2
Public Claims % of GDP	20.26	21.33	21.66	27.86	28.17	27.88	27.13	26.30	22.30	26.01	25.10				-0.9
Private Claims % of GDP	15.34	16.88	20.23	22.07	23.79	21.89	21.94	22.44	22.43	23.72	24.03				0.3

*The data on gross domestic product (GDP) for 2013 was revised by the State Statistical Office of the Republic of Macedonia in accordance with the changes in the calculation methodology (Source: Press release: Gross Domestic Product, Second Quarter of 2014, dated 12 September 2014).

These methodological changes are not yet included/reflected in the GDP projection for 2014. Therefore, data on debt, claims and IIP for 2013 and 2014, expressed as a percentage of GDP, are not mutually comparable.

Source: NBRM.

Report on the External Debt and the International Investment Position of the Republic of Macedonia as of the End of the Second Quarter of 2014

Table 3
Net External Debt*
(in millions of euros)

	2008	2009	2010	2011	2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	change in respect to the end of the previous year		quarterly change	
												in mill. EUR in	%/p.p.	in mill. EUR in	%/p.p.
Instruments															
Currency and deposits	-454.5	-739.2	-707.3	-861.1	-762.6	-493.4	-464.4	-549.8	-543.2	-484.3	-609.4	-66.1	12.2	-125.1	25.8
Debt securities	-981.4	-623.9	-880.8	-1,191.8	-1,198.4	-1,647.7	-1,553.2	-1,530.6	-1,475.3	-1,445.1	-1,227.5	247.7	-16.8	217.5	-15.1
Loans	1,949.9	2,083.8	2,402.9	2,816.5	2,870.0	3,163.7	3,230.9	3,300.7	3,296.8	3,333.4	3,490.5	193.7	5.9	157.0	4.7
Trade credit and advances	271.2	337.8	219.7	253.9	304.3	266.1	246.4	179.5	162.3	165.0	76.4	-85.9	-52.9	-88.5	-53.7
Other debt liabilities	118.2	152.2	39.6	20.7	10.3	9.0	8.8	8.8	4.8	4.8	4.8	0.0	-0.3	0.0	0.5
Special drawing rights	8.2	8.2	75.5	77.7	75.5	75.0	73.0	71.5	69.9	69.9	70.6	0.7	1.0	0.7	1.0
Net External Debt	911.68	1,218.94	1,149.66	1,115.92	1,299.06	1,372.70	1,541.48	1,480.13	1,515.25	1,643.69	1,805.36	290.1	19.1	161.7	9.8
Sectors															
General Government	906.33	1,055.84	1,067.80	1,417.44	1,543.87	1,645.19	1,636.98	1,586.40	1,564.96	1,581.87	1,563.15	-1.8	-0.1	-18.7	-1.2
Central Bank	-1,352.39	-1,358.07	-1,406.42	-1,724.09	-1,819.58	-1,880.89	-1,773.77	-1,775.48	-1,729.46	-1,662.26	-1,588.15	141.3	-8.2	74.1	-4.5
Deposit-Taking Corporations, except the Central Bank	-6.57	-28.60	5.95	-38.30	46.11	68.05	118.78	42.34	51.53	67.57	75.17	23.6	45.9	7.6	11.2
Other Sectors	814.91	906.77	892.98	980.29	1,018.07	1,005.88	987.25	1,009.68	997.63	979.73	1,028.69	31.1	3.1	49.0	5.0
Direct investment: Intercompany lending	549.40	643.00	589.36	480.59	510.58	534.46	572.23	617.19	630.60	676.78	726.51	95.9	15.2	49.7	7.3
Net External Debt	911.68	1,218.94	1,149.66	1,115.92	1,299.06	1,372.70	1,541.48	1,480.13	1,515.25	1,643.69	1,805.36	290.1	19.1	161.7	9.8
Net External Debt % of GDP	13.57	18.19	16.29	14.93	17.43	16.58	18.61	17.87	18.30	20.52	22.53				2.0
Long-term debt	942.37	1,450.21	1,606.20	1,795.30	1,778.89	1,602.40	1,725.48	1,850.31	1,909.42	1,870.44	2,208.16	298.7	15.6	337.7	18.1
Short-term debt	-30.70	-231.27	-456.54	-679.37	-479.83	-229.71	-184.00	-370.19	-394.17	-226.75	-402.80	-8.6	2.2	-176.1	77.6
Long-term debt %	103.37	118.97	139.71	160.88	136.94	116.73	111.94	125.01	126.01	113.79	122.31	-3.7			8.5
Short-term debt %	-3.37	-18.97	-39.71	-60.88	-36.94	-16.73	-11.94	-25.01	-26.01	-13.79	-22.31		3.7		-8.5
Long-term debt % of GDP	14.02	21.64	22.76	24.02	23.87	19.35	20.84	22.34	23.06	23.35	27.56				4.2
Short-term debt % of GDP	-0.46	-3.45	-6.47	-9.09	-6.44	-2.77	-2.22	-4.47	-4.76	-2.83	-5.03				-2.2
Public debt	-251.61	-104.95	-103.62	-20.61	62.37	158.16	266.06	294.91	325.76	422.42	574.32	248.6	76.3	151.9	36.0
General Government	906.33	1,055.84	1,067.80	1,417.44	1,543.87	1,645.19	1,636.98	1,586.40	1,564.96	1,581.87	1,563.15	-1.8	-0.1	-18.7	-1.2
Central Bank	-1,352.39	-1,358.07	-1,406.42	-1,724.09	-1,819.58	-1,880.89	-1,773.77	-1,775.48	-1,729.46	-1,662.26	-1,588.15	141.3	-8.2	74.1	-4.5
Public Corporations and Public Banks	194.45	197.28	235.00	286.05	338.08	393.86	402.84	483.99	490.26	502.80	599.32	109.1	22.2	96.5	19.2
Private debt	1,163.29	1,323.89	1,253.28	1,136.53	1,236.68	1,214.54	1,275.42	1,185.22	1,189.49	1,221.27	1,231.04	41.5	3.5	9.8	0.8
Public debt %	-27.60	-8.61	-9.01	-1.85	4.80	11.52	17.26	19.92	21.50	25.70	31.81		10.3		6.1
Private debt %	127.60	108.61	109.01	101.85	95.20	88.48	82.74	80.08	78.50	74.30	68.19		-10.3		-6.1
Public debt % of GDP	-3.74	-1.57	-1.47	-0.28	0.84	1.91	3.21	3.56	3.93	5.27	7.17				1.9
Private debt % of GDP	17.31	19.75	17.76	15.21	16.59	14.67	15.40	14.31	14.36	15.24	15.36				0.1

*The data on gross domestic product (GDP) for 2013 was revised by the State Statistical Office of the Republic of Macedonia in accordance with the changes in the calculation methodology (Source: Press release: Gross Domestic Product, Second Quarter of 2014, dated 12 September 2014).

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Source: NBRM.

Report on the External Debt and the International Investment Position of the Republic of Macedonia as of the End of the Second Quarter of 2014

Table 4
International Investment Position*
(in millions of euros)

	2008	2009	2010	2011	2012	Q1-2013	Q2-2013	Q3-2013	Q4-2013	Q1-2014	Q2-2014	Quarterly Change		Annual Change	
												in mill. EUR	in %/p.p.	in mill. EUR	in %/p.p.
IIP, net	-3,265.1	-3,612.5	-3,629.5	-3,965.8	-4,177.6	-4,268.7	-4,532.6	-4,479.1	-4,558.4	-4,717.4	-4,836.1	-118.8	2.5	-277.8	6.1
Assets	2,579.8	2,785.5	3,258.4	4,113.2	4,257.5	4,524.1	4,412.4	4,418.0	4,082.5	4,390.5	4,356.6	-33.9	-0.8	274.1	6.7
Liabilities	5,844.9	6,398.0	6,887.9	8,079.0	8,435.1	8,792.8	8,945.0	8,897.2	8,640.8	9,107.8	9,192.7	84.9	0.9	551.9	6.4
IIP, net/GDP (%)	-48.6	-53.9	-51.4	-53.1	-56.0	-51.5	-54.7	-54.1	-55.0	-58.9	-60.4		-1.5		
<i>Sectors</i>															
IIP, net General Government	-906.3	-1,055.8	-1,067.8	-1,417.4	-1,539.9	-1,641.2	-1,633.0	-1,582.4	-1,561.0	-1,577.9	-1,559.2	18.7	-1.2	1.8	-0.1
IIP, net Central Bank	1,486.9	1,526.7	1,638.8	1,991.8	2,095.8	2,154.4	1,975.2	1,991.5	1,920.4	1,868.1	1,799.1	-69.0	-3.7	-121.3	-6.3
IIP, net Deposit-Taking Corporations, Except Central Bank	-363.9	-361.5	-416.8	-420.6	-536.6	-568.1	-628.5	-561.8	-580.1	-596.0	-602.0	-6.0	1.0	-21.8	3.8
IIP, net Other Sectors	-3,481.8	-3,721.9	-3,783.8	-4,119.5	-4,196.8	-4,213.8	-4,246.3	-4,326.4	-4,337.6	-4,411.6	-4,474.1	-62.5	1.4	-136.5	3.1
<i>Instruments</i>															
IIP, net	-3,265.1	-3,612.5	-3,629.5	-3,965.8	-4,177.6	-4,268.7	-4,532.6	-4,479.1	-4,558.4	-4,717.4	-4,836.1	-118.8	2.5	-277.8	6.1
Direct Investments, Net	-2,907.9	-3,074.7	-3,181.3	-3,520.8	-3,613.3	-3,674.3	-3,744.6	-3,822.0	-3,867.9	-3,973.3	-3,996.1	-22.8	0.6	-128.2	3.3
Portfolio Investments, Net	-260.5	-405.5	-372.7	-279.2	-345.2	-179.4	-171.0	-164.3	-145.5	-144.8	-136.1	8.7	-6.0	9.3	-6.4
Financial derivatives (other than reserves) and employee stock options, Net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other equity, Net	0.0	0.0	0.0	0.0	0.0	-3.2	-3.2	-3.2	-3.2	-3.1	-3.2	0.0	0.9	0.0	0.1
Currency and deposits, Net	209.2	274.4	359.3	454.1	338.3	339.0	336.2	391.8	371.6	362.8	345.9	-16.8	-4.6	-25.6	-6.9
Loans, Net	-1,540.9	-1,608.8	-1,942.1	-2,465.8	-2,525.4	-2,801.8	-2,799.4	-2,809.7	-2,791.8	-2,811.2	-2,881.8	-70.7	2.5	-90.0	3.2
Insurance, pension, and standardized guarantee schemes, Net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credits and advances, Net	-170.5	-229.1	-130.8	-144.8	-148.7	-103.8	-116.1	-63.7	-42.9	-16.7	35.2	51.9	-310.5	78.1	-182.1
Other accounts receivable/payable, Net	-80.3	-94.6	0.0	0.0	0.0	1.4	1.6	1.5	1.4	1.5	1.5	0.0	-1.5	0.0	1.1
Reserve assets	1,494.9	1,597.5	1,714.5	2,068.9	2,193.3	2,230.4	2,039.2	2,064.8	1,993.0	1,941.2	1,873.0	-68.2	-3.5	-120.0	-6.0
Special drawing rights (Net incurrence of liabilities)	-9.2	-71.7	-76.4	-78.3	-76.7	-76.9	-75.4	-74.4	-73.2	-73.7	-74.5	-0.8	1.0	-1.3	1.8

*The data on gross domestic product (GDP) for 2013 was revised by the State Statistical Office of the Republic of Macedonia in accordance with the changes in the calculation methodology (Source: Press release: Gross Domestic Product, Second Quarter of 2014, dated 12 September 2014).

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Source: NBRM.