

National Bank of the Republic of Macedonia



Monthly Information 05/2011

June, 2011

Summary

In May 2011, the NBRM maintained the key interest rates at the level of 4%, due to the judgment that it corresponds to the overall macroeconomic environment. In May 2011, **the inflation rate reduced by 0.2% on a monthly basis, for the first time in nine months,** mainly due to the fall of prices of fresh vegetables. The lower pressure from import prices had the same effect. In May, the average price of crude oil on the global markets registered a monthly fall, for the first time after nine months of steady growth. The annual inflation rate equaled 5.2% in May 2011, and the average annual inflation rate equaled 4.5% in the first five months of 2011. **Performances indicate that the inflation in the second quarter might approximate the threshold of the projected interval of NBRM (between 5% and 5.5%).** In May, **the core inflation rate,** that excludes the effect of the food and energy price growth, **persisted on the level of the preceding month, and equaled 1.3% on annual basis,** confirming the perceptions for temporary and controlled price growth. The ascertainment for stable expectations for both the inflation and the exchange rate is also demonstrated through the exchange market performances, which reported a cumulative net purchase of foreign currency in the amount of Euro 306.1 million in the first five months of 2011.

The latest high frequency data on economic activity strongly confirm the expectations for accelerated economic activity in the first half of 2011. The value of **completed construction works** in March kept on registering high annual growth rates (of 52.3%), accompanied with faster annual growth rate of **the wholesale and retail sale turnover** (11.4% and 38.5%, respectively) and of the **telecommunications** (9.5%). The annual growth of **industrial output** in April remained high, in spite of the annual deceleration (11.8% compared to 24.5% in March), due to the base effect, primarily in the metal output. However, the metal output, and the production of electrical equipment, oil derivatives and wearing apparel are leading industrial branches, making the highest contribution to the exports growth. **The exports growth accelerated in April** (Euro 79 million, compared to Euro 56 million in March), given the permanent recovery of external effective demand and the favorable developments of metal prices. The favorable tendencies in the domestic export sector contributed to higher level of exploitation of the output facilities, which reached 62.2% in April, compared to 61.6% in March (57.9% on average, in 2010). On the other hand, **the fast import growth since the beginning of the year, decelerated in March and April** (Euro 67 million and Euro 81 million, respectively). This is due to the lower import of intermediary products (raw materials and manufacturing supplies), and the strong effect of the oil price growth in the global markets on the import of oil.

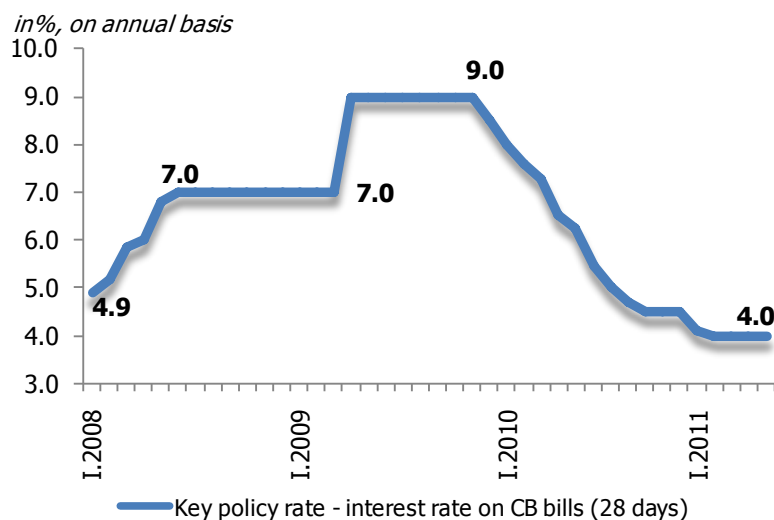
The growth of domestic output and the increased exploitation of output facilities, contribute to the rise of investment needs of the domestic business sector. Hence, one could expect the investments to be one of the major drivers of the growth of domestic economy in the first two quarters of 2011, which is in line with the NBRM projections. The available data on indicative categories confirm this ascertainment. Thus, the first three months of the year witnessed high amount of foreign direct investments, which in combination with the permanent growth of long-term corporate lending since the beginning of the year indicates higher private investments from foreign and domestic origin. Investment growth was further supported through the high real growth of government capital investments in the first quarter (18.9%) and their further increase in April. Although the domestic investment activity accelerated, the reduction of real paid wage (by 2.1% on annual basis), the gradual decrease of inflows from private transfers, net (with

real annual growth rate of 7.6%) and the steady growth of household savings (with nominal annual rates of roughly 15%), indicate that the households restrained from current consumption in the first quarter. Still, the improvement of consumer trust indicator in April, for the first time since the beginning of the year, is a signal for higher optimism of households. Such developments, along with the accumulation of household savings deposits in the previous period, and the increased crediting of household consumption in April and May (2.1% cumulative growth of total household credits in this period, compared to 1.5% in the first quarter), is expected to create a solid basis for faster personal consumption growth in the next period. However, due to the unavailability of updates on key indicative personal consumption categories, it is still early to foresee the extent to which it would follow the projected path for the second quarter.

The last available balance of payments data show **balance of payments current account deficit of 2.7% of GDP** in the first quarter of 2011, which is enlargement of 1.5 percentage points compared to the same period of the preceding year. This is due to the **deteriorated trade balance** and **lower inflows from private transfers**. Inflows of the **capital and financial account equaled 5.9% of GDP**, most of which in the form of loans i.e. based on funds the government withdrew from the IMF Precautionary Credit Line (in the amount of Euro 220 million). However, most of the capital inflows were based on foreign direct investments (in the amount of Euro 204 million, by four times higher compared to the same period of the preceding year), indicating gradual strengthening of the trust of foreign entities to invest in the domestic economy. **The capital inflows ensured full current account deficit coverage and additional accumulation of foreign reserves**. In line with these developments and the relatively favorable external sector tendencies that sustained in April and May, **on May 31, 2011 the gross foreign reserves equaled Euro 1,883.1 million, which is by Euro 168.5 million higher compared to the end of the preceding year**. The present dynamics of foreign reserves largely corresponds with the projection for the second quarter, indicating their further maintenance at adequate level.

In May 2011, the total deposit potential kept on increasing, ensuring faster growth rate of the total bank credits. Thus, **in May, the total deposits were by 8.8% higher on annual basis**, solely due to the increased households saving (by 14.7%), and lower deposits of the private sector corporations (by 4.5%). The acceleration of credit activity contributed to **hastening of the annual growth rate of total credits** from 7.8% in April **to 8.4% in May**, with dominant contribution being made by the corporate sector (67%). However, in the March - May 2011 period, the household credit growth accelerated on a monthly basis, possibly indicating improved expectations of the banks and households and potential acceleration of the pace of recovery of the household segment of credit market in the next period. Observing the developments as of May, one could conclude that the dynamics of total deposits and credits generally follows the projection for the second quarter.

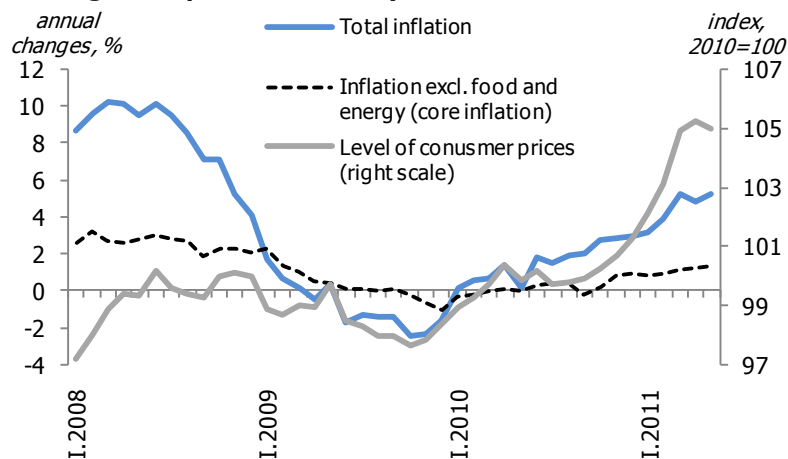
Unchanged design of monetary policy in May...



Source: NBRM.

CB bill interest rate in May remained unchanged, at the level of 4%.

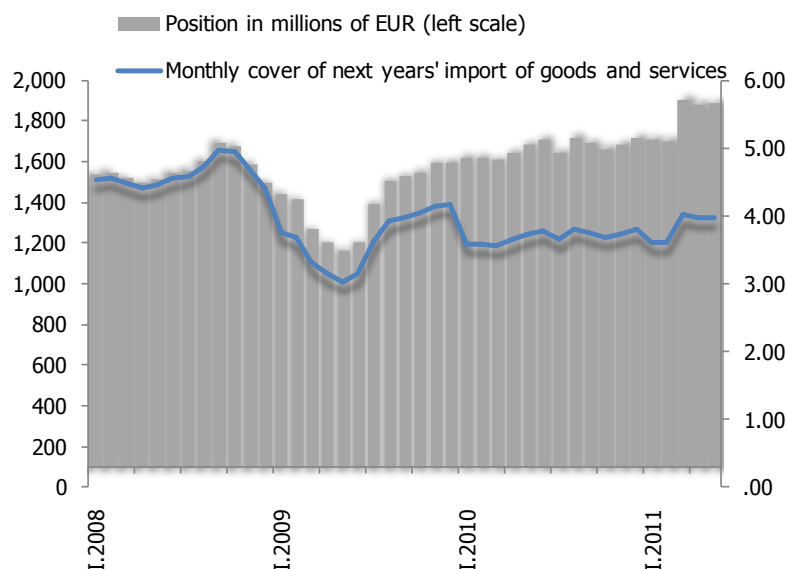
...having lower prices on monthly basis ...



Source: SSO and NBRM.

The domestic prices decreased on a monthly basis (for the first time in nine months), as a signal for alleviation of inflationary pressures and continuation of stable inflation expectations (the core inflation remains stable).

...and higher foreign reserves

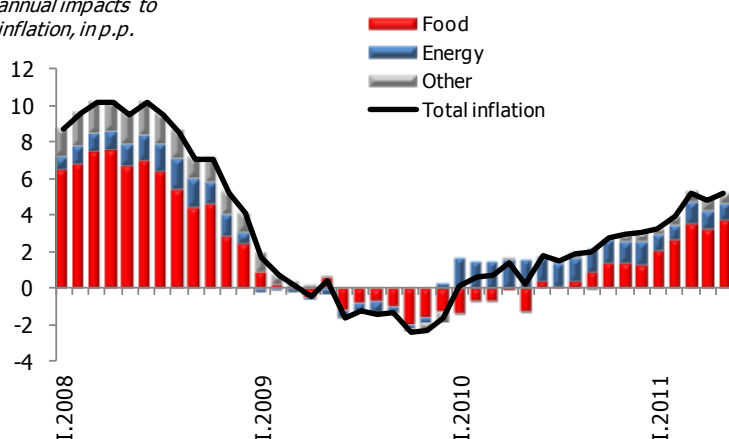


Source: NBRM.

The favorable trends of foreign reserves continued in May, amounting to Euro 1,883.1 million at the end of the month.

In May, the domestic food and energy prices decreased on a monthly basis ...

annual impacts to inflation, in p.p.

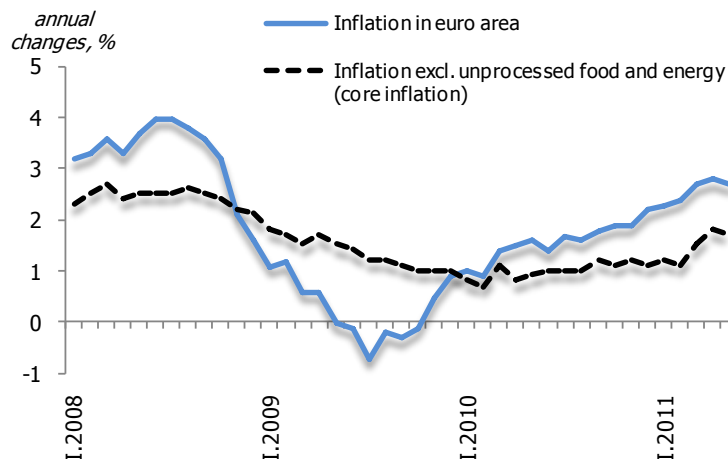


Source: SSO and NBRM.

The fall of food and oil derivative prices reduced the general price level in May on monthly basis. The annual energy price growth further decelerated, whereas the annual inflation rate accelerated (5.2%) due to the food prices (low-base effect).

...while the annual inflation in the Euro area started decelerating

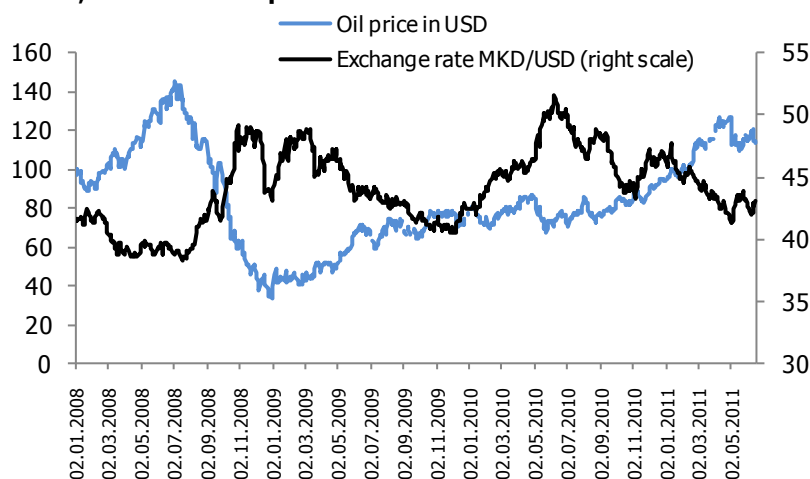
annual changes, %



Source: Eurostat.

The annual inflation rate in the Euro area slowed down in May (2.7%) due to the slower growth of the fuel and household oil prices. The core annual inflation rate also slowed down.

Oil price increased again on the global markets in the second week of June, in a moderate pace

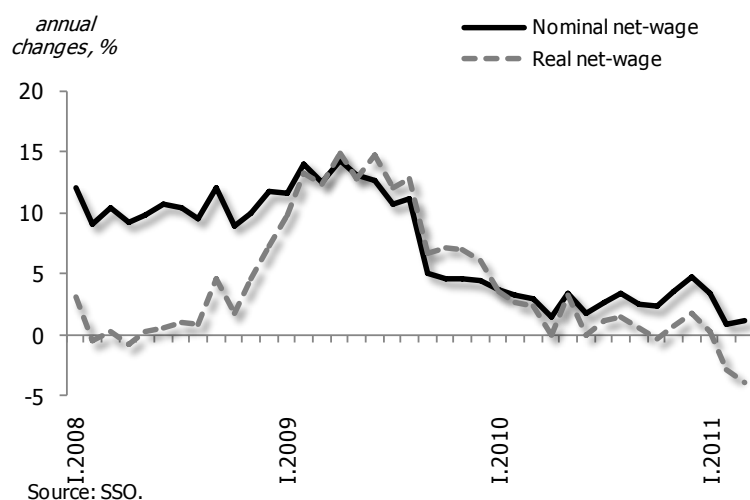


Source: The Energy Information Administration and NBRM.

The nine-month upward trend of oil price was discontinued in May, reducing to US Dollar 114.5 per barrel. From 6 - 17 of June, oil prices in the global markets increased again, swinging around US Dollar 117.3 per barrel, on average. On June 20, 2011, REC made a decision to increase the retail prices of oil derivatives by 1.4%¹.

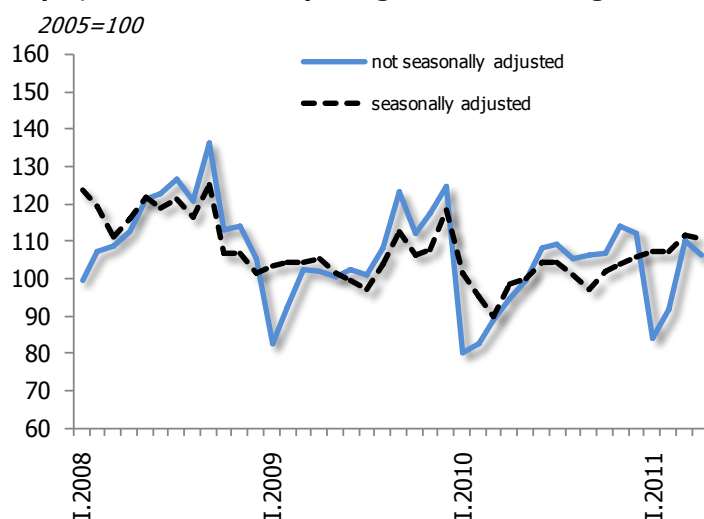
¹ The increase results from the faster growth of crude oil price in the global markets (2.9%) compared to the appreciation of the Denar against the US Dollar (1.2%).

The downward trend of real paid wage in the economy continues



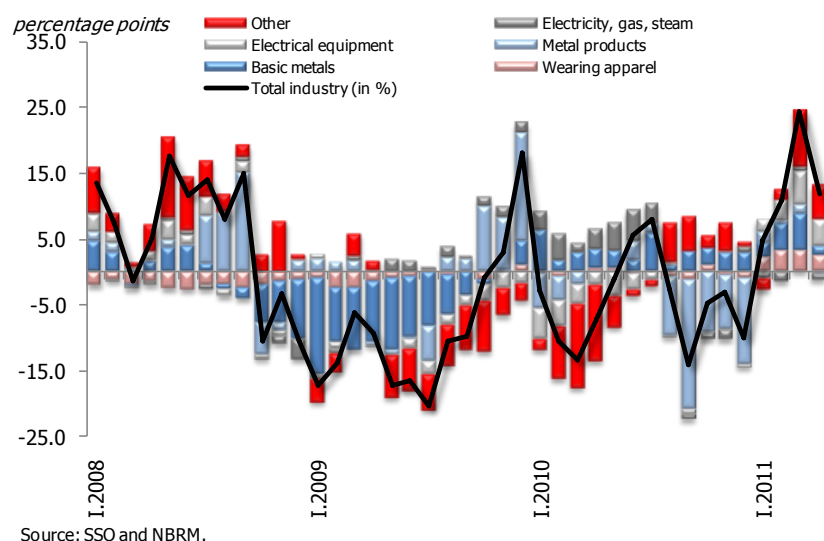
March witnessed a nominal monthly increase of wages (0.7%), but they still decrease, in real terms, which deepens on annual basis (3.8%), given the wage reduction in almost all activities.

In April, the industrial output registered a slower growth...



The annual growth of industrial output slowed down in April, but it still persist at a high level of 11.8%.

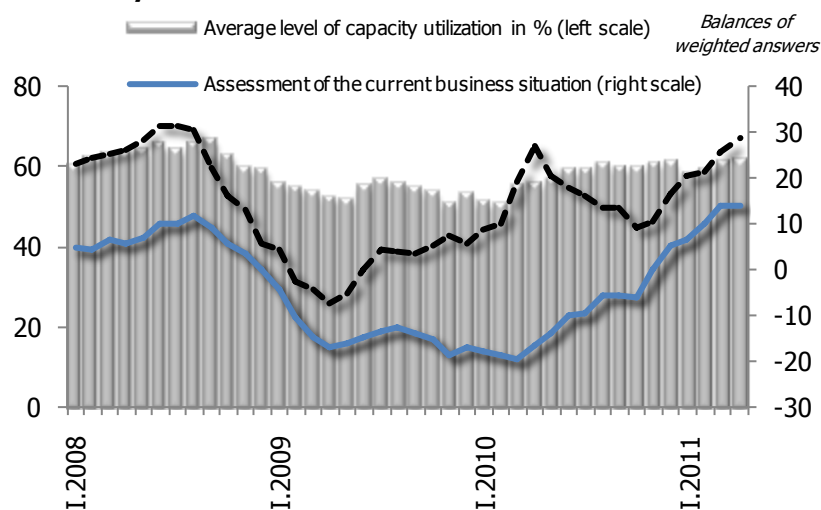
...given the lower positive contribution made by the metal industry (high-base effect)



The annual growth results from the higher output of less than two thirds of the total branch number, constituting almost 70% of the index. Major driver of the April growth is the manufacture of electrical equipment, with a considerable contribution being made by the higher output of oil derivatives², wearing apparel, metals and tobacco products.

²Given the low-base effect, due to the regular overhaul of the existing facilities that started in March and ended in the second half of April 2010.

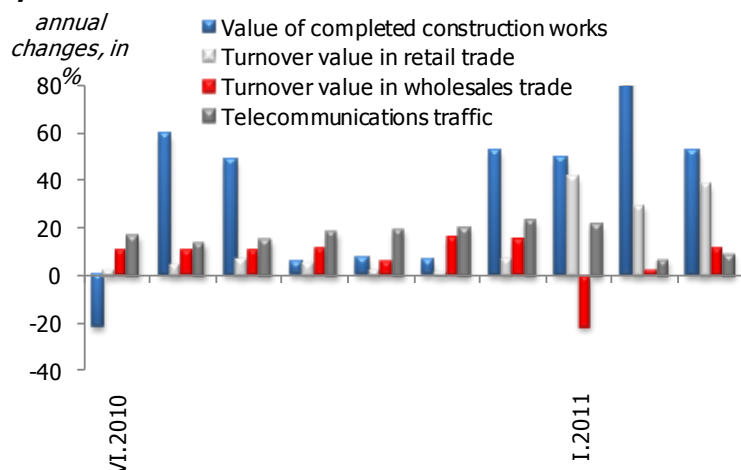
Corporate output expectations in the next three months are substantially favorable



Source: SSO.

The favorable expectations of the industry managers regarding the output volume for the next three months continued for April, as well. The managers still expect higher employee number and retail prices.

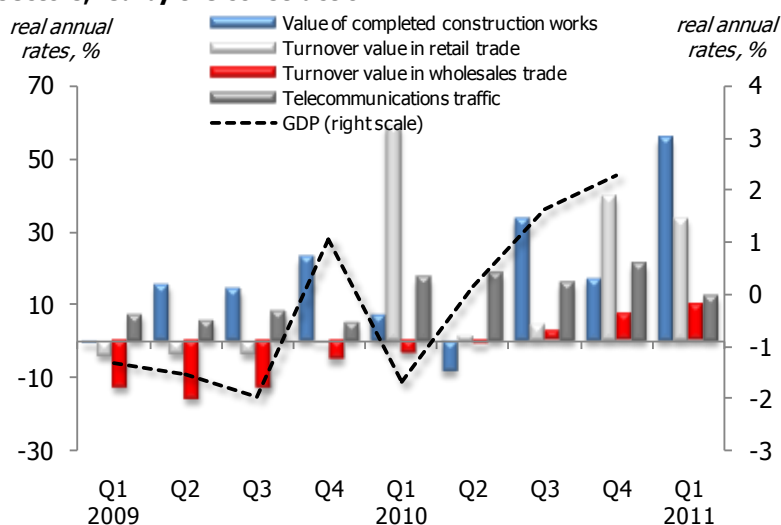
In March, other sectors of the economy kept on reporting positive dynamics...



Source: SSO.

Among other sectors in the economy, the March developments indicate deceleration of the annual growth of the value of completed construction works, which is still high, and acceleration of the annual growth of the wholesale and retail sale and the telecommunications.

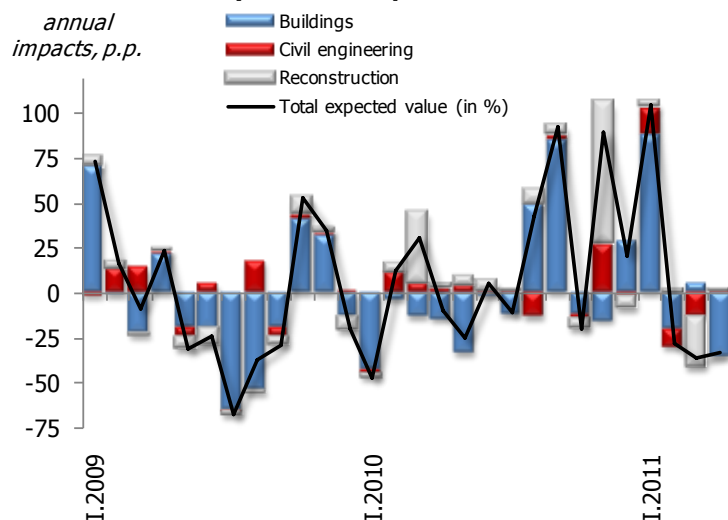
... thus, the first quarter of 2011 witnessed a real growth of all sectors, led by the construction ...



Source: SSO and NBRM calculations.

In the first quarter of 2011, the abovementioned sectors reported high real growth, with the value of completed construction works climbing up to 55.4%. The intensity of growth of these sectors indicates faster economic growth compared to the previous quarter.

...however, there were some signals for deceleration of the construction activity in the next period.



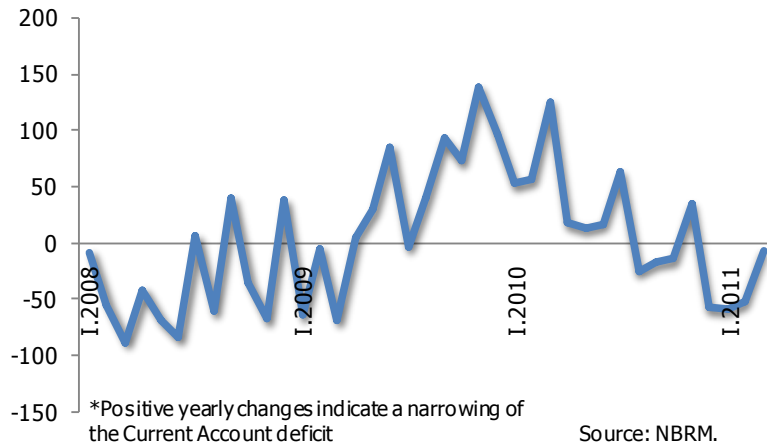
In April 2011, the total value of issued construction licenses continued the negative dynamics of annual growth, registering a steep fall in the building construction, as a major item.

The available data on indicative demand categories indicate economic growth in the first quarter of 2011. According to the initial data for April, the positive trends are expected to continue in the next quarter³.

³ See annex tables 6, 7 and 8.

In March, the current account deficit kept on expanding ...

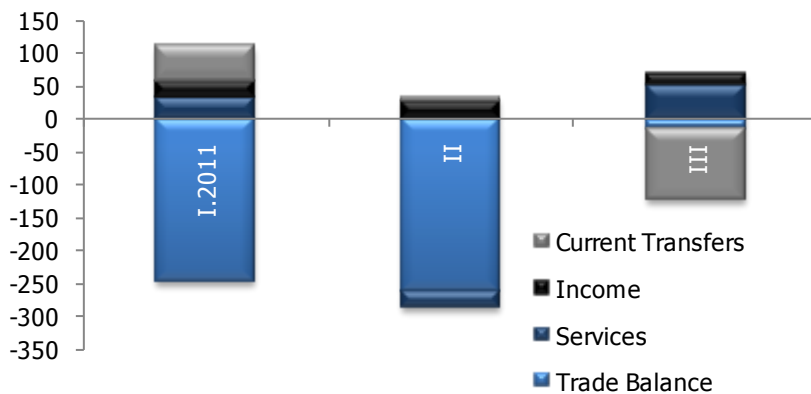
annual change,
in millions of EUR*



The trend of annual enlargement of the current account deficit that started early in the year, continued in March, in a slower pace. Thus, in the third month it stood at Euro 24.7 million.

... mainly driven by lower current transfers ...

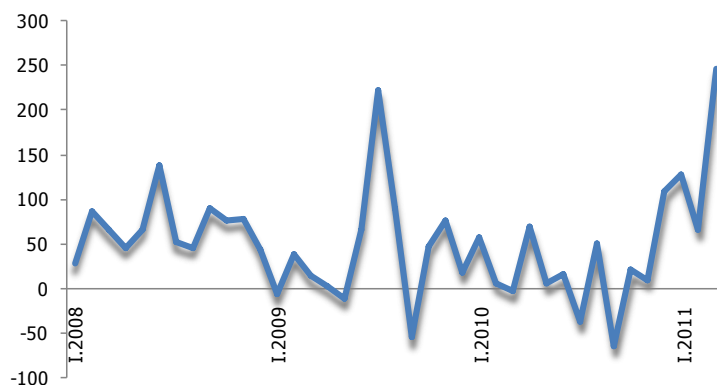
contribution in the annual change,
in p.p.*



The lower current transfers were main forces behind deficit deterioration, followed by the increased trade balance, while other current account components (services and income) partially offset this effect.

...and solely covered by net inflows of the capital account...

in millions of EUR

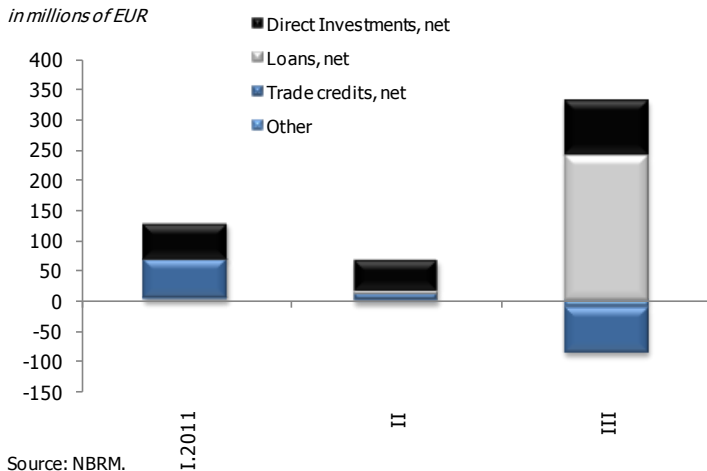


Source: NBRM.

The capital net inflows also went up (in the amount of Euro 246.1 million), fully covering the current account deficit and ensuring additional accumulation of foreign reserves.

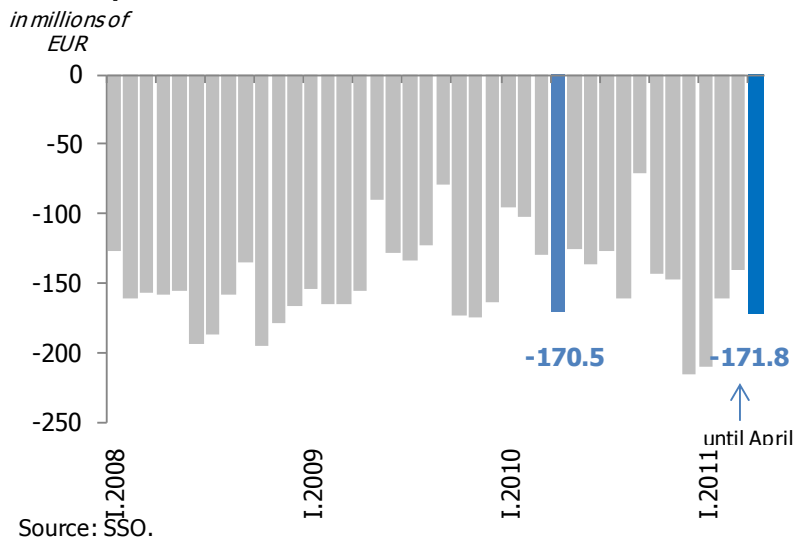
EXTERNAL SECTOR

... mostly due to loans and direct investments



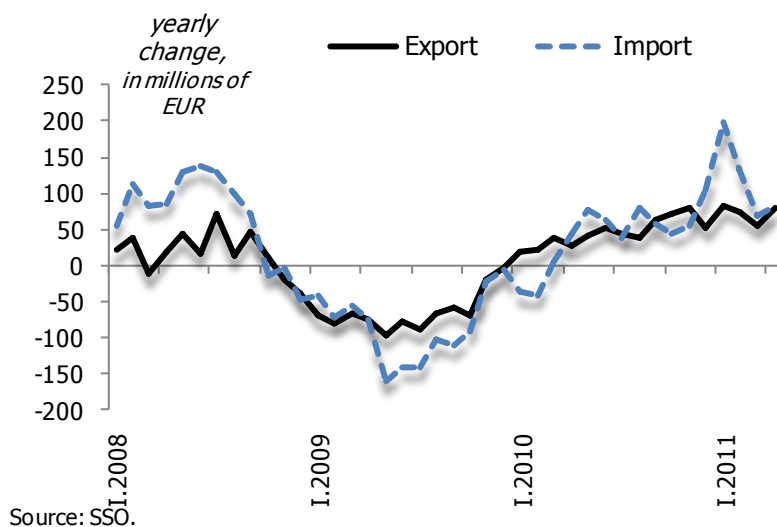
March registered high net inflows based on loans (IMF precautionary credit line) and direct investment, while trade credits registered net repayments.

In April, the trade deficit remained almost unchanged compared to the same period in 2010...

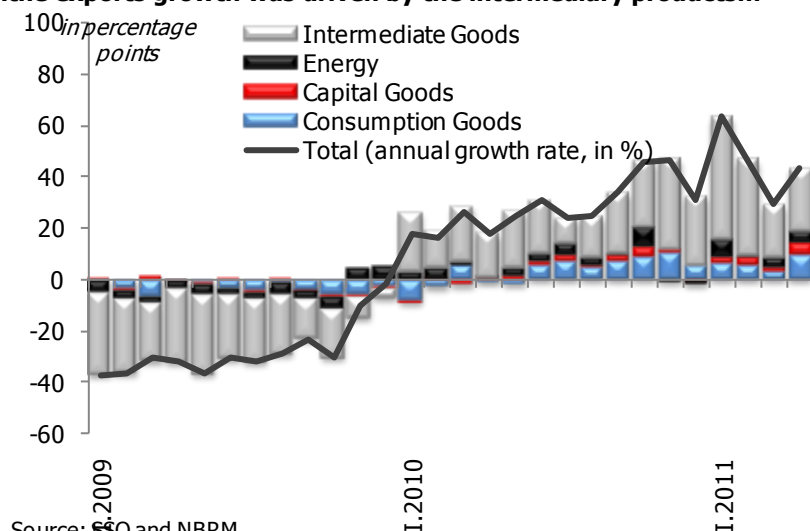


Although the trade deficit substantially enlarged in the first two months of the year, in April, the trade deficit remained almost identical to the same month of 2010.

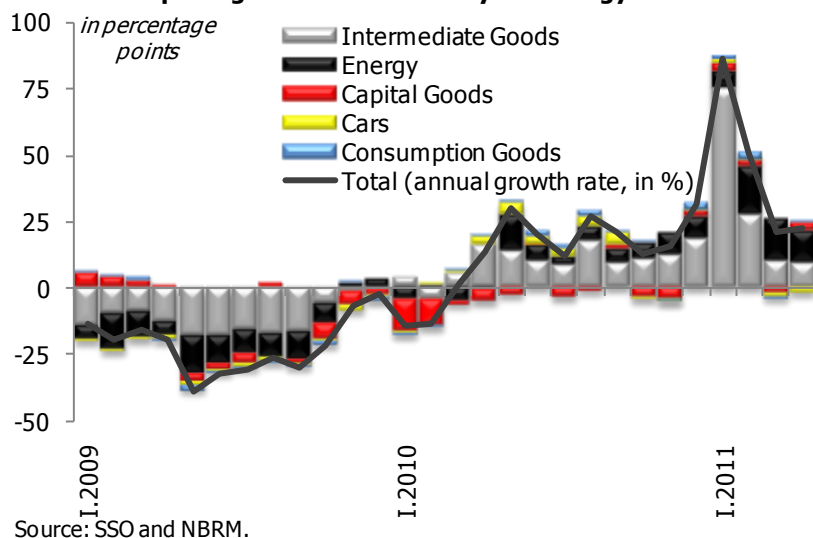
...given the balanced annual growth of the exports and the imports...



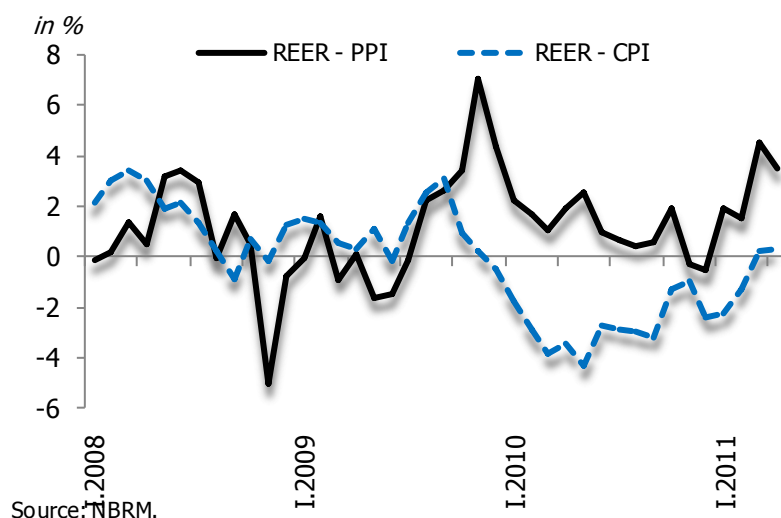
In April, both exports and imports registered identical annual growth (in absolute amounts). The annual growth rates of both the exports and the imports equaled 43% and 23%, respectively, due to the base effect.

...the exports growth was driven by the intermediary products...

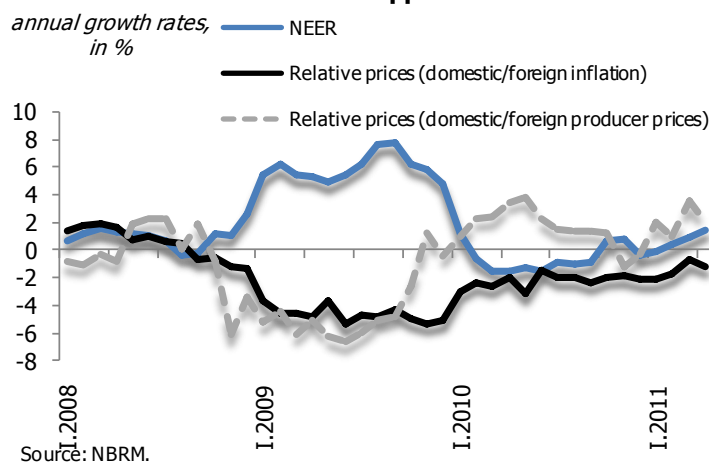
Intermediary products permanently make the greatest contribution to the annual exports growth, while, observing other segments, the energy exports made small but important contribution in April.

...while the imports growth was driven by the energy...

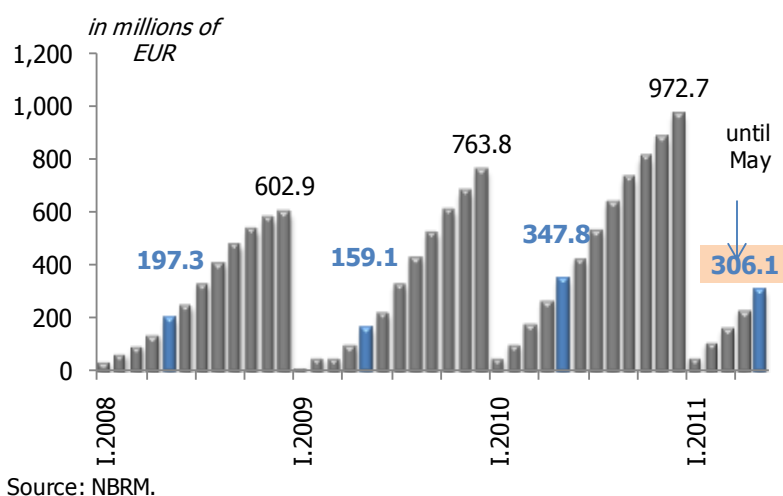
On the other hand, given the higher oil price on the global markets, in April, the highest contribution to the annual imports growth, was made by the import of energy, followed by the intermediary products. The other imports segments registered an annual decrease.

... having insignificant changes in REER...

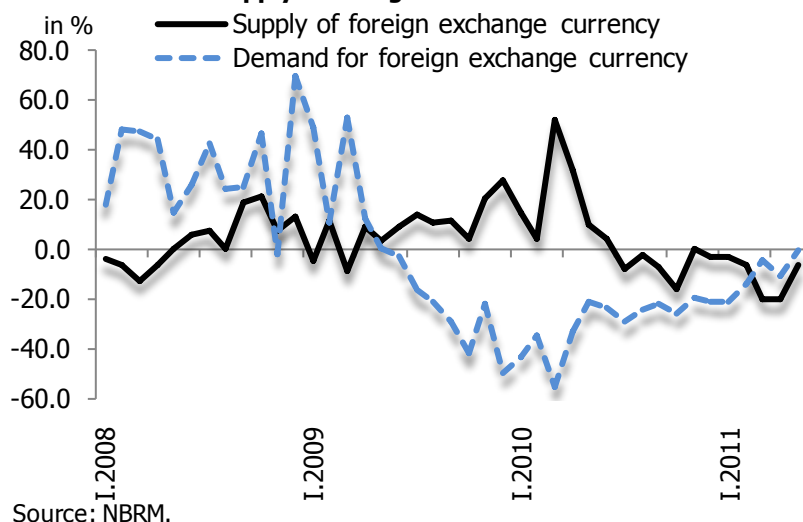
Price competitiveness indicators of the Macedonian economy registered no significant annual changes in April. CPI-measured REER slightly appreciated (0.3%), while PPI-measured REER kept on *appreciating in a slower pace* (3.5%).

... in conditions of annual NEER appreciation

In April, the NEER index registered mild appreciation (1.5%) compared to the same month of the preceding year due to the appreciation of the Denar against the Russian Ruble, Turkish Lira and Serbian Dinar, while the relative prices calculated according to the two price indices registered divergent developments (reduction of the relative consumer prices, and growth of the relative producer prices).

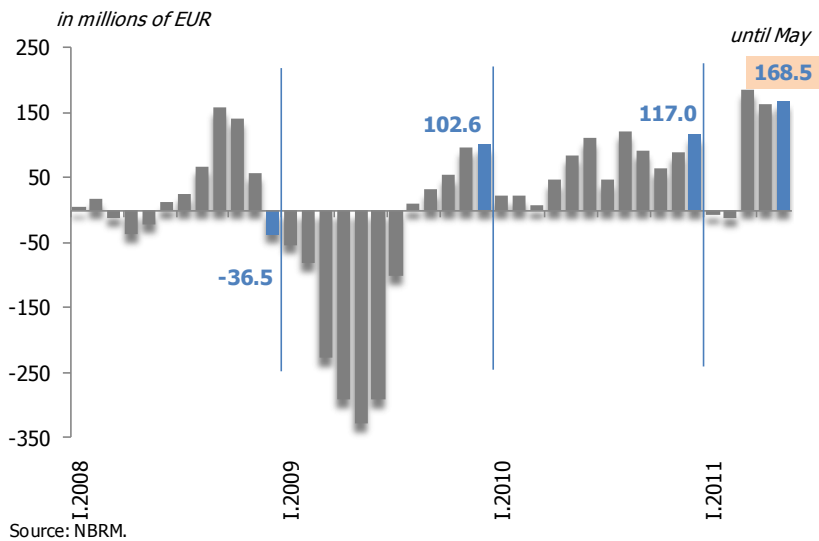
In May, the currency exchange market witnessed lower net purchase...

In spite of the dramatic decrease in the previous two months (by 24%, on average) in May, the annual fall of net purchase on the currency exchange market reduced to 8.1%. On cumulative basis, net purchase on the currency exchange market was lower (by 12%) compared to the preceding year.

...due to the lower supply of foreign currencies

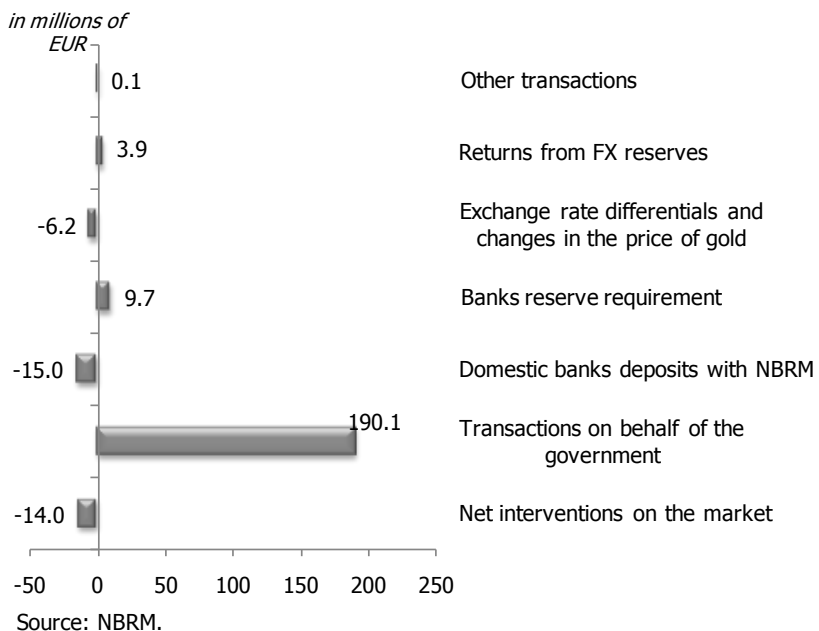
In May, the supply of foreign currency kept on decreasing, but in a slower pace, and the demand for foreign currency was almost the same as in the previous year.

Significant cumulative growth of foreign reserves since the beginning of the year...



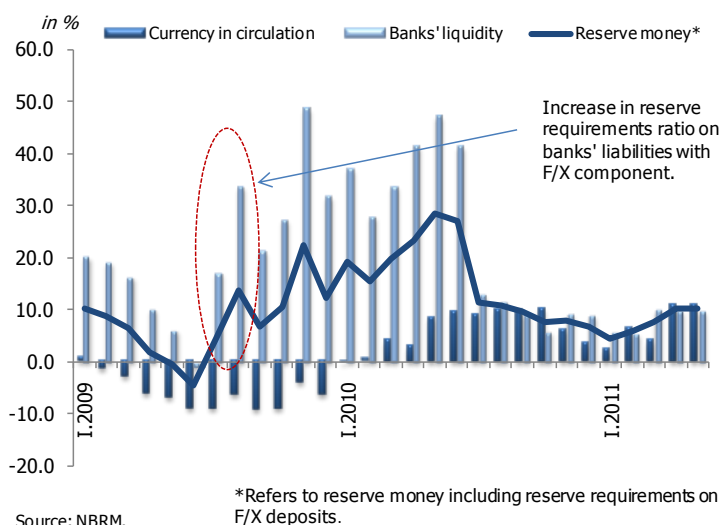
From the beginning of the year to May, the gross foreign reserves registered cumulative growth.

...due to the funds withdrawn from the IMF credit line



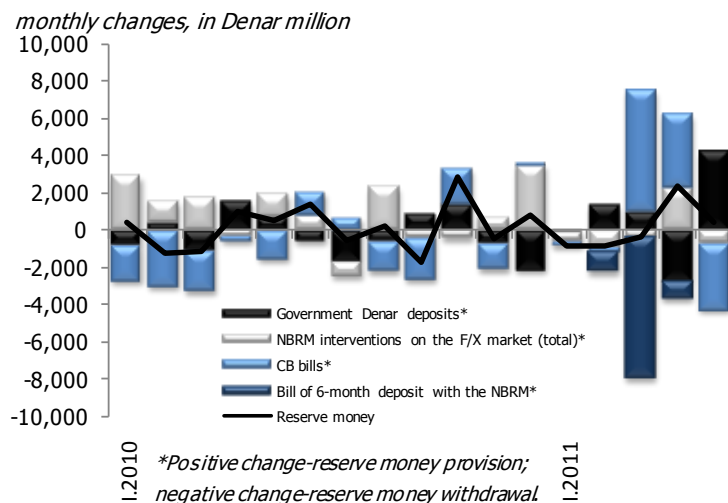
The foreign reserves growth was mostly due to the withdrawal of funds by the government from the IMF precautionary credit line.

The annual growth of reserve money remains the same as in the preceding month...



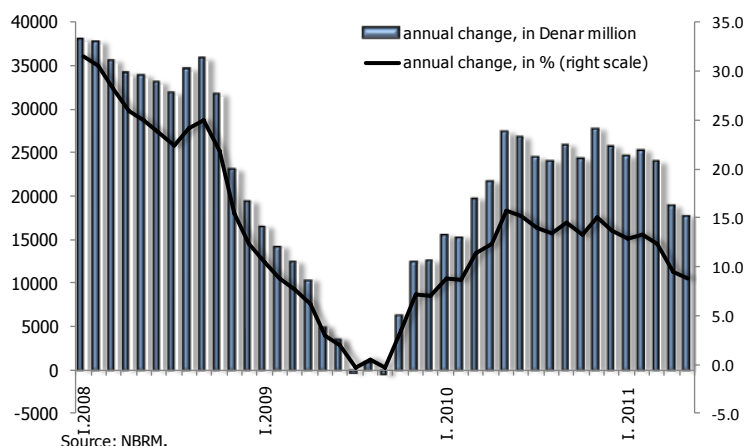
The annual growth of reserve money persisted at the level of the preceding month (10.2%), given the faster growth of currency in circulation and almost identical rise of total banks' liquid assets, same as in the preceding month.

... the growth decelerated on a monthly basis, with the reserve money being mainly created through government Denar deposits



The reserve money growth slowed down on a monthly basis. Reserve money was created through Denar government deposits, while reserve money was withdrawn through other sources.

In May, the annual deposit growth slowed down...

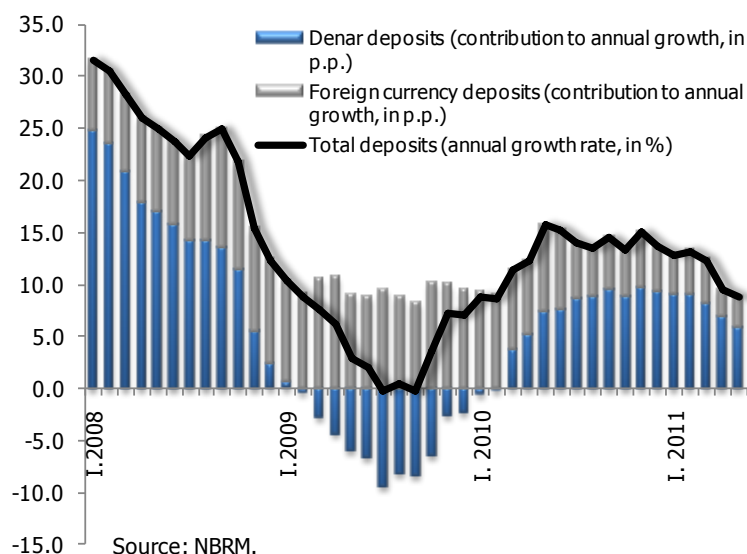


The slower growth pace of the total deposits (included demand deposits)⁴ continued in May, which is the third consecutive month of slower growth, mostly due to the base effect.⁵

⁴ Since 2009, deposits also include accrued interest.

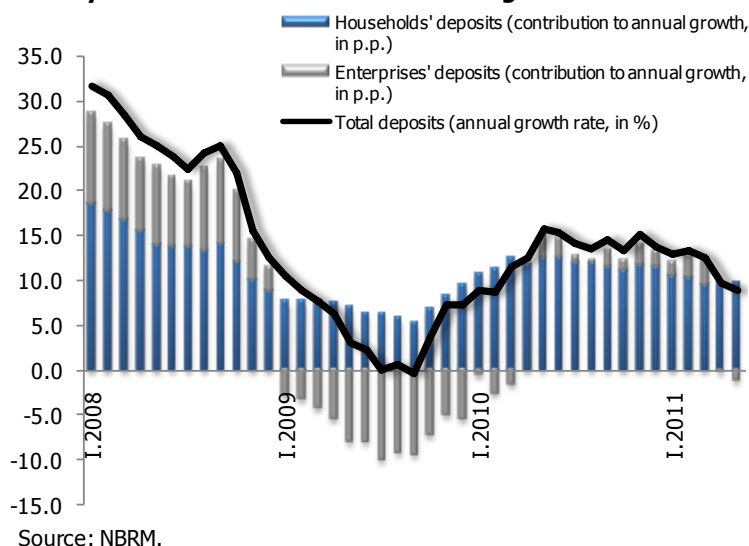
⁵ In 2010, after the moderate monthly growth in January and February, in March the total deposits started increasing in a faster pace. Also, in 2010, one of our large companies paid the dividend in July, and in 2011, the payment was made in April.

...observing by currency, the growth was still driven by Denar deposits...



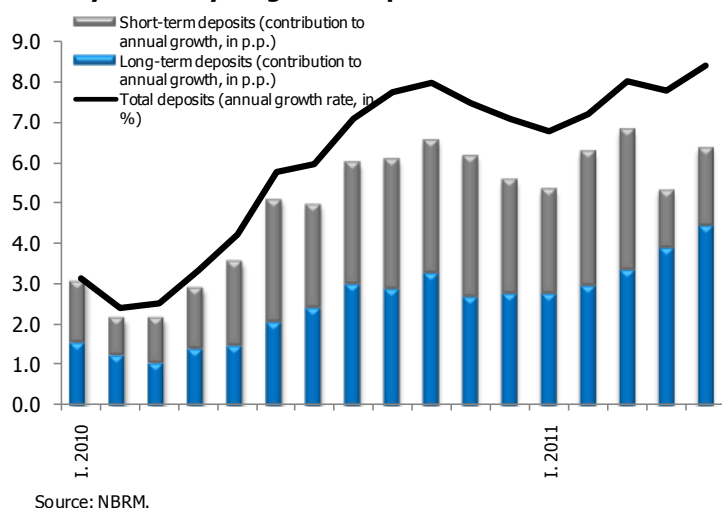
Denar deposits made the greatest contribution to the annual growth of total deposits, in spite of their slower growth in May.

...the sector-by-sector analysis shows that the new savings on annual basis fully results from the household savings...



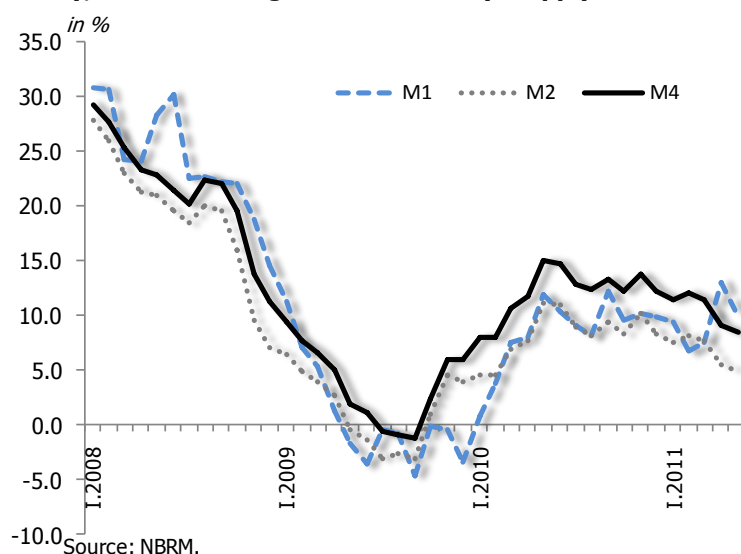
The sector-by-sector analysis shows that the total deposit growth solely results from the higher household savings, primarily in Denars. On the other hand, the corporate deposits made negative contribution.

...analyzing the maturity, the annual growth of total deposits was primarily driven by long-term deposits



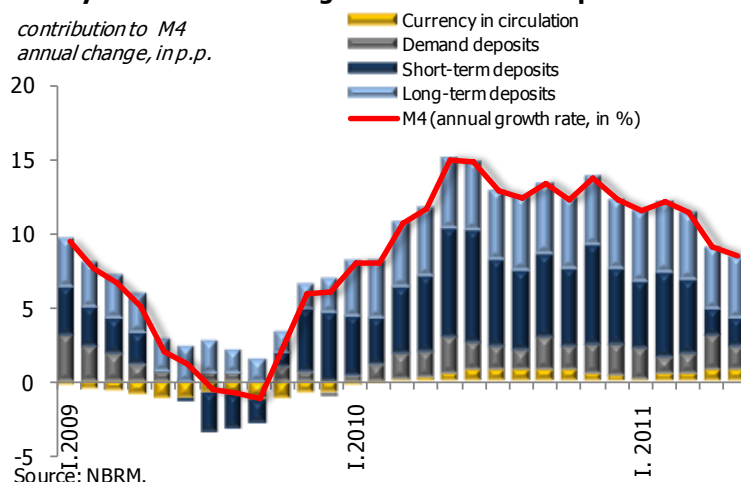
Same as the previous month, long-term deposits made the greatest contribution to the total deposit growth. The contribution of short-term deposits also increased.

In May, the annual growth of money supply also decelerated...



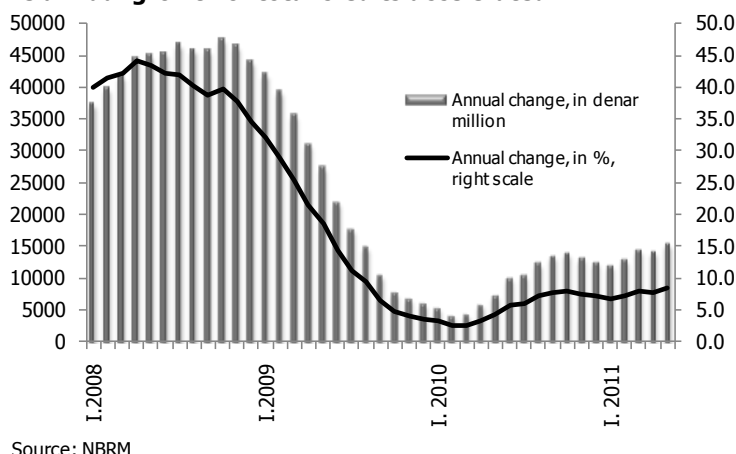
In May, the monetary aggregate M1 registered slower growth, following the significant seasonal acceleration in April. The monetary aggregates M2 and M4 increased in a slower pace, thus continuing the trend typical for the previous two months.

...mainly due to the slower growth of demand deposits



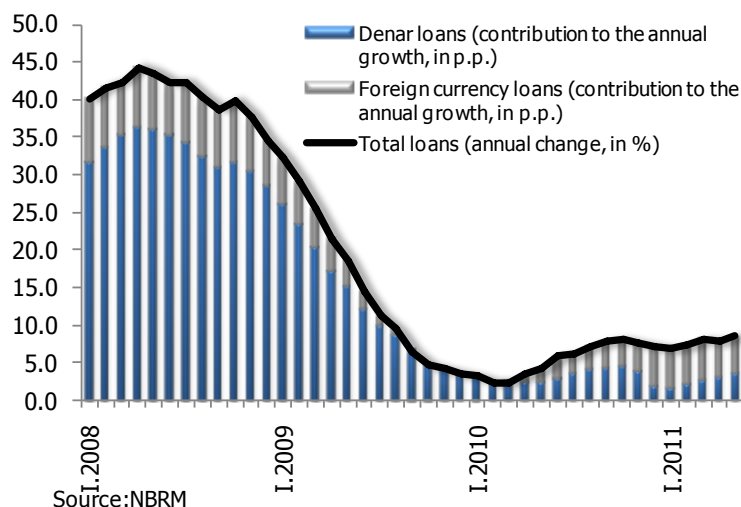
In May, M4 growth rate decelerated mostly due to the lower contribution of demand deposits, with the contribution of other components remaining generally stable.

The annual growth of total credits accelerated...



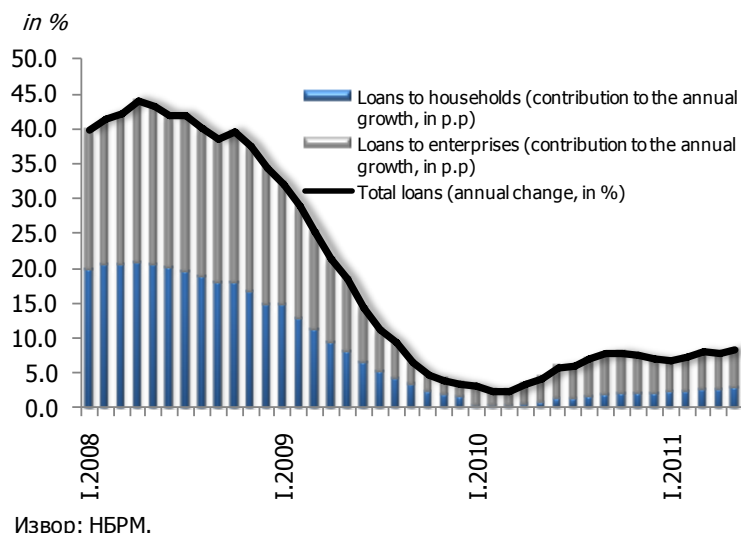
In May, the total credit growth accelerated on annual basis (of 8.4%), in spite of the deceleration in the preceding month.

...observing by currency, the growth was primarily driven by foreign currency credits...



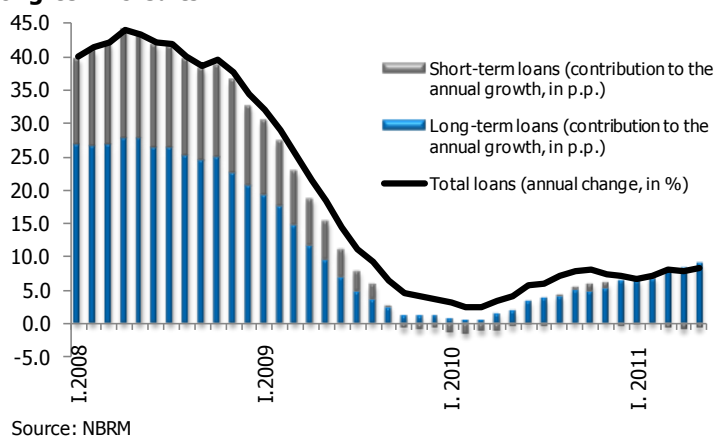
Observing the contribution of total credits to the annual growth, foreign currency lending remained dominant, with the contribution of Denar credits gradually increasing.

...the sector-by-sector analysis indicates that the corporate credits still play a leading role in the annual growth of total credits...



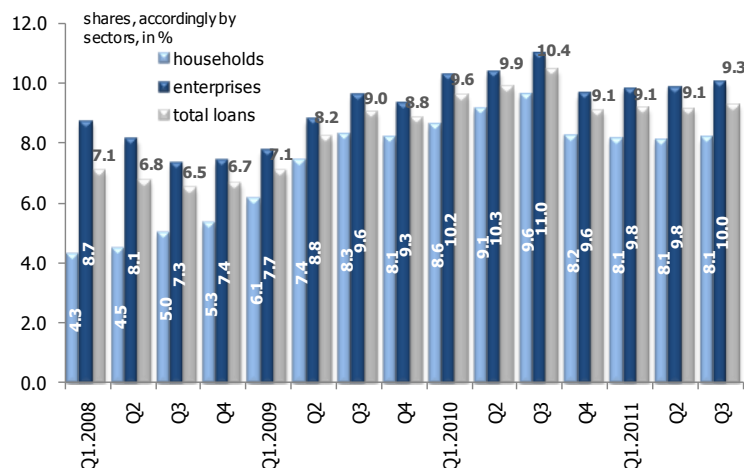
Analyzing the contribution of the two main sectors, the annual growth of total credits is still mostly driven by the growth of corporate credits.

...analyzing the maturity, total credits increased solely due to the long-term credits



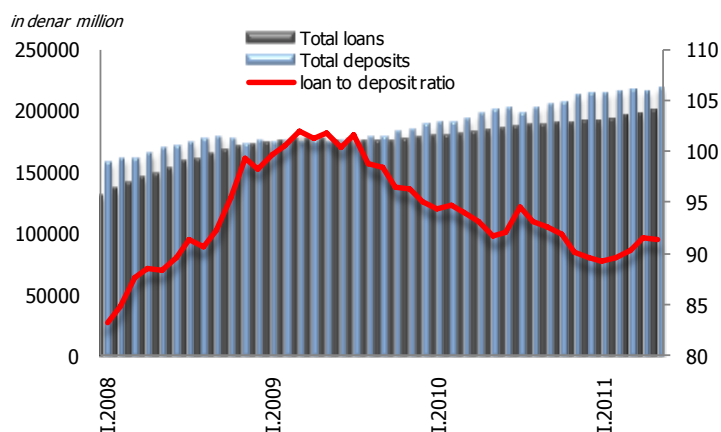
The trend of dominant contribution of long-term credits to the annual growth of total credits that started in the second half of 2010, continued. On the other hand, in the last three months, short-term credits made negative annual contribution.

The share of nonperforming credits in total credits slightly increased



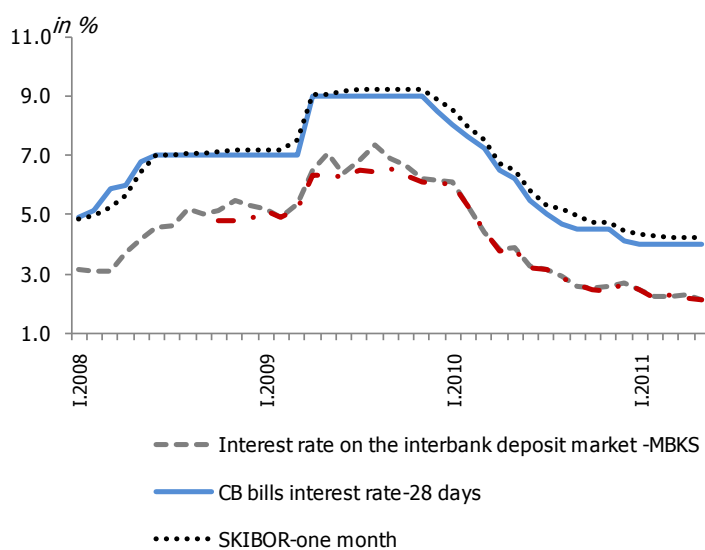
Source: NBRM

Credit-to-deposit coverage ratio went down



Source: NBRM

May witnessed a monthly fall of interest rates on the interbank deposits



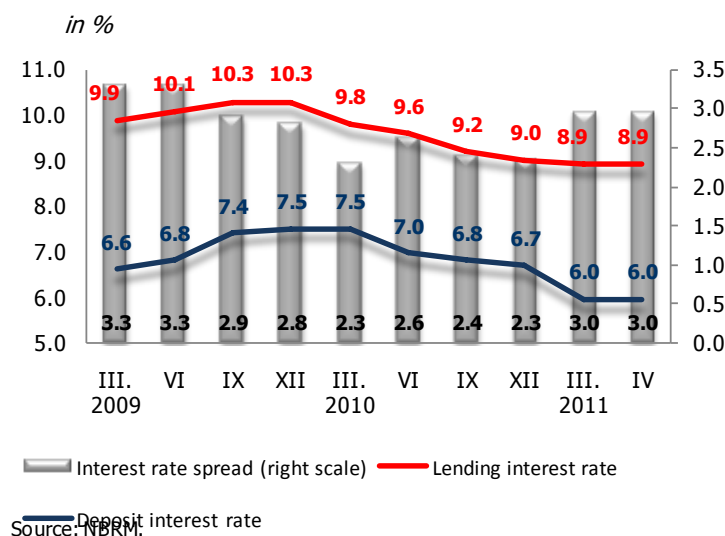
Source: NBRM.

Minor growth of the share of nonperforming credits in the total credits, and higher share of nonperforming portfolio in the total corporate portfolio and stable developments in the household sector.

This indicator moderately deteriorated in May (an increase since the beginning of the year), as the deposit growth exceeded the credit growth. Such developments indicate that in May, the banks' deposit potential available for lending was underused, i.e. a room for more intensive lending activity in the next period.

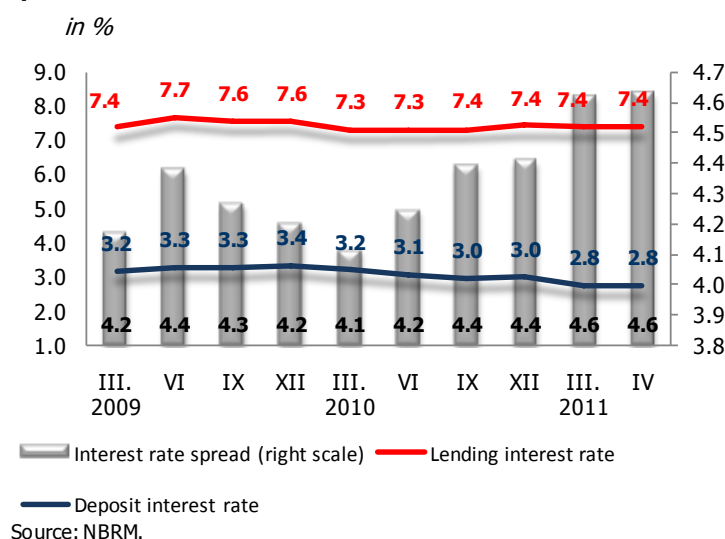
Interest rates on interbank deposit market tend to decrease on a monthly basis, while the key NBRM interest rate remains the same.

In April, the total Denar lending and deposit interest rate persisted on the level of the preceding month...



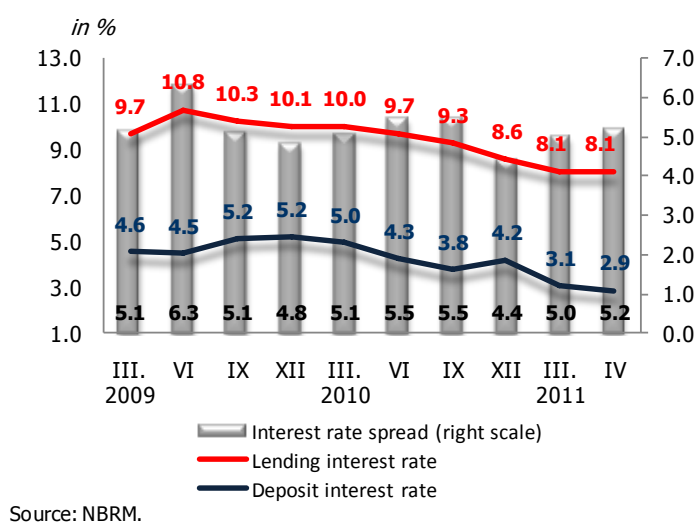
Unchanged interest rates on total Denar credits and deposits in April, after the fall in the preceding month.

...given the unchanged level of the total foreign currency lending and deposit interest rate



Foreign currency credit interest rate remained at the level of July 2010, while the interest rate on foreign currency deposits was preserved at the level of March 2011.

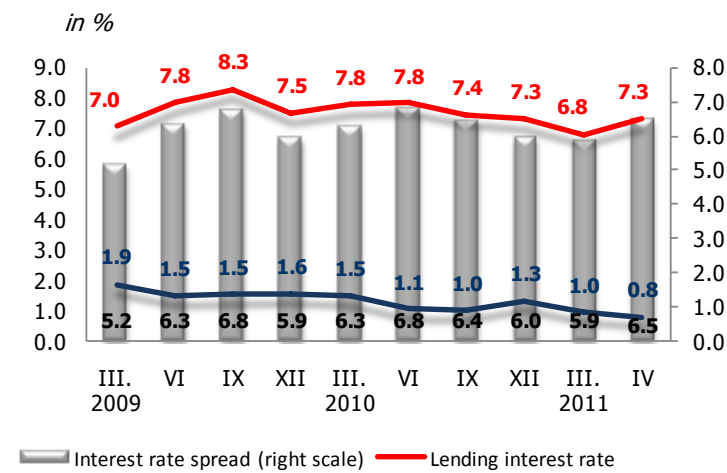
Unchanged interest rate on newly extended Denar credits...



The downtrend of the interest rate on newly approved Denar credits was discontinued, and in April it remained the same as in the preceding month. The interest rate on newly accepted Denar deposits further decreased.

MONETARY SECTOR

...given the increase of interest rate on newly approved foreign currency credits



Source: NBRM.

The interest rate on newly approved foreign currency credits went up on a monthly basis, while the return on newly accepted foreign currency deposits decreased.

Statistical appendix

Table 1

CONSUMER PRICES - INFLATION AND COMPONENTS

	V.2011 IV.2011	V.2011 V.2010	I-V.2011 I-V.2010	V.2011 IV.2011	V.2011 V.2010	I-V.2011 I-V.2010
	change in %			contribution to change in percentage points		
Total	-0.2	5.2	4.5	-0.2	5.2	4.5
Food	-0.4	9.6	7.8	-0.1	3.7	3.0
Grain products	0.4	15.7	11.2	0.0	1.0	0.0
Fresh and processed vegetables	-3.3	13.4	6.4	-0.2	0.8	0.0
Fresh and processed fruits	3.9	12.6	10.9	0.1	0.3	0.0
Meat and poultry	0.0	2.6	1.9	0.0	0.2	0.0
Fresh and cooked fish	1.0	2.1	1.2	0.0	0.0	0.0
Dairy products	-0.2	3.5	3.3	0.0	0.2	0.0
Eggs	0.0	11.2	10.4	0.0	0.1	0.0
Oils and fats	-1.4	36.5	40.6	0.0	0.6	0.0
Tobacco and beverages	0.1	1.1	1.0	0.0	0.1	0.1
Clothing and footwear	0.3	1.6	1.2	0.0	0.1	0.1
Housing	0.0	4.3	3.5	0.0	0.7	0.6
Flat (rent, water and other services)	-0.1	6.8	6.3	0.0	0.2	0.2
Fuel and lighting	0.0	5.5	4.2	0.0	0.5	0.4
Heating and services	0.0	5.8	6.0	0.0	0.2	0.2
Electric power	0.0	5.4	3.2	0.0	0.4	0.2
Hygiene and health	0.1	3.4	2.2	0.0	0.3	0.2
Culture and entertainment	-0.9	-2.8	-1.5	0.0	-0.1	-0.1
Transport and communication services	-0.3	2.9	4.2	0.0	0.4	0.6
Fuels and lubricants	-2.0	9.1	15.3	-0.1	0.3	0.5
Public transport services & PTT	0.8	2.0	0.9	0.0	0.1	0.1
Restaurants and hotels	-0.1	1.6	1.6	0.0	0.1	0.1
Other services n.e.c.	0.0	2.3	-2.6	0.0	0.0	0.0

Source: State Statistical Office of the Republic of Macedonia.

Table 2

CORE INFLATION, PRODUCTIVITY AND WAGES

	2008	2009	2010	2010				2011	Latest months		
				Q1	Q2	Q3	Q4	Q1	Mar-11	Apr-11	May-11
	annual changes in %										
Inflation (CPI)	8.3	-0.8	1.6	0.5	1.1	1.8	2.9	4.1	5.2	4.8	5.2
Inflation (CPI) - cumulative average	8.3	-0.8	1.6	0.5	0.8	1.1	1.6	4.1	4.1	4.3	4.5
Core inflation (excluding food and energy)	2.6	0.3	0.2	-0.2	0.1	0.2	0.6	1.0	1.2	1.3	1.3
Regulated prices	9.3	-1.8	11.3	12.9	11.9	9.9	10.3	7.1	8.9	7.5	6.5
Industrial producer prices	10.2	-7.0	8.7	7.3	10.5	8.4	8.6	13.6	15.3	13.3	10.8
Productivity	1.9	-4.2	-0.7	-1.3	1.6	0.7	-3.8	-	-	-	-
Nominal net-wage*	10.3	9.8	3.0	3.3	2.2	2.9	3.6	1.9	1.2	-	-
Real net-wage*	1.9	10.8	1.4	2.8	1.1	1.1	0.7	-2.1	-3.8	-	-

*For 2009, data are revised from structural break due to application of gross wages concept, which includes allowances for food and transport in the wages.

Source: State Statistical Office of the Republic of Macedonia and NBRM.

Table 3

NOMINAL AND REAL NET WAGES BY MAIN ECONOMIC ACTIVITIES*

	2011							
	Q1	Jan.	Feb.	Mar.	Q1	Jan.	Feb.	Mar.
	<i>nominal annual changes, %</i>				<i>real annual changes, %</i>			
Total	1.9	3.4	1.0	1.2	-2.1	0.2	-2.8	-3.8
Agriculture	-1.2	-3.3	-1.1	0.9	-5.1	-6.3	-4.8	-4.1
Agriculture, forestry and fishing	-1.2	-3.3	-1.1	0.9	-5.1	-6.3	-4.8	-4.1
Industry	2.2	1.3	3.7	1.5	-1.8	-1.8	-0.2	-3.5
Mining and quarrying	7.8	2.7	16.2	4.1	3.5	-0.5	11.9	-1.1
Manufacturing	4.4	5.1	6.4	1.8	0.3	1.8	2.4	-3.2
Electricity, gas, steam and air conditioning supply	-2.7	-1.4	-4.6	-2.2	-6.6	-4.5	-8.2	-7.0
Water supply; sewerage, waste management and remediation activities	2.3	2.0	2.5	2.3	-1.7	-1.1	-1.3	-2.7
Construction	3.5	1.6	3.6	5.2	-0.6	-1.5	-0.2	0.0
Services	3.0	4.7	0.9	3.5	-1.0	1.4	-2.9	-1.6
Wholesale and retail trade; repair of motor vehicles and motorcycles	-0.6	-2.5	-3.9	4.8	-4.5	-5.5	-7.5	-0.4
Transportation and storage	2.4	2.7	0.7	4.0	-1.6	-0.5	-3.1	-1.1
Accommodation and food service activities	0.0	0.9	0.6	-1.4	-3.9	-2.3	-3.2	-6.3
Information and communication	1.2	9.2	-9.5	5.6	-2.8	5.8	-12.9	0.3
Financial and insurance activities	11.0	24.7	3.4	5.0	6.6	20.8	-0.4	-0.2
Real estate activities	-4.2	-12.1	0.3	-0.6	-8.0	-14.9	-3.4	-5.5
Professional, scientific and technical activities	2.8	0.6	6.1	1.9	-1.2	-2.6	2.1	-3.1
Administrative and support service activities	-6.6	-6.2	-12.1	-1.0	-10.3	-9.1	-15.4	-5.9
Public administration and defence; compulsory social security	-0.2	0.8	-1.1	-0.3	-4.1	-2.3	-4.8	-5.2
Education	4.2	6.2	6.7	0.0	0.1	2.9	2.7	-4.9
Human health and social work activities	-1.2	-1.0	-1.4	-1.1	-5.1	-4.0	-5.1	-6.0
Arts, entertainment and recreation	6.8	3.7	9.1	7.9	2.6	0.5	5.0	2.6
Other service activities	19.0	17.8	19.3	19.8	14.3	14.2	14.8	13.9

Source: State Statistical Office of the Republic of Macedonia.

*SSO starting from January 2011 has published data for wages according to NCA Rev.2. The data from new classification are not comparable with the data from old classification.

Table 4

INDUSTRIAL OUTPUT AND OTHER ECONOMIC ACTIVITIES

	2008	2009	2010	2010				2011	Latest months			
				Q1	Q2	Q3	Q4	Q1	Jan.11	Feb.11	Mar.11	Apr.11
	<i>annual changes in %</i>											
Gross domestic product	5.0	-0.9	0.7	-1.7	0.2	1.6	2.3	-	-	-	-	-
Industrial output	5.1	-8.7	-4.8	-9.3	-0.9	-3.6	-6.0	13.8	4.9	10.9	24.5	11.8
Construction	25.6	13.7	14.9	7.6	-7.4	35.9	20.3	61.8	49.6	86.2	52.3	-
Retail and wholesale trade	11.8	-7.4	7.3	3.9	6.1	9.0	9.5	12.1	3.5	12.2	20.3	-
Telecommunications	8.9	6.6	18.3	17.3	18.8	15.9	21.2	12.5	23.9	7.2	9.5	-

Source: State Statistical Office of the Republic of Macedonia.

Table 5

SELECTED INDUSTRIAL ACTIVITIES

	2008	2009	2010	2010				2011	map.11	
				Q1	Q2	Q3	Q4	Q1		
	annual changes in %								change, %	contribution,
Mining and quarrying	9.4	-12.4	-3.8	-6.4	-0.4	5.1	-12.5	7.9	20.8	0.9
Manufacture of food products	7.6	-2.3	2.8	3.2	0.4	7.3	0.5	-3.8	0.0	0.0
Manufacture of beverages	9.9	-0.3	-9.2	-8.4	-9.2	-3.5	-14.2	-17.4	-8.3	-0.4
Manufacture of tobacco products	1.9	-3.2	19.6	15.4	-14.0	29.0	66.4	1.3	23.1	1.2
Manufacture of wearing apparel	-20.0	-11.8	-4.7	-5.4	1.8	-10.6	-3.8	35.2	32.1	2.2
Printing and reproduction of recorded media	57.3	26.8	-34.2	-52.8	-44.7	-17.1	-14.5	8.6	19.4	0.5
Manufacture of coke and refined petroleum products	1.6	-8.9	-6.2	-46.9	14.8	19.6	14.5	43.0	2.0 times	2.5
Manufacture of basic pharmaceutical products and pharmaceutical preparations	25.2	-13.2	-2.8	-4.8	4.4	-6.1	-4.7	11.0	7.6	0.3
Manufacture of other non-metallic mineral products	-3.0	-12.1	-14.2	-25.8	-21.8	-2.1	-7.8	13.1	11.2	0.9
Manufacture of basic metals	-5.3	-43.0	31.8	46.4	24.2	31.4	30.0	34.0	10.9	1.5
Manufacture of fabricated metal products	52.0	38.8	-53.5	-52.7	23.3	-62.4	-62.5	30.8	-7.0	-0.3
Manufacture of electrical equipment	27.8	-24.8	-43.2	-69.7	-58.1	-15.3	-5.3	2.9 times	2.9 times	4.1
Manufacture of other transport equipment	-18.4	-46.4	44.5	5.5	45.4	26.9	93.8	3.6 times	2.1 times	0.9
Electricity, gas, steam and air conditioning supply	-3.1	8.7	14.4	19.1	38.5	6.9	-3.8	-3.1	-6.3	-0.9

Source: State Statistical Office of the Republic of Macedonia.

Table 6

INDICATIVE VARIABLES FOR PRIVATE CONSUMPTION

	2008	2009	2010	2009				2010				2011	Latest months		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Feb-11	Mar-11	Apr-11
	real annual growth rates in %														
Retail trade*	3.1	-2.9	2.2	-4.0	-3.6	-3.7	-0.6	1.1	1.5	4.4	39.6	31.4	25.1	31.6	-
VAT revenues*	1.4	-1.9	5.4	-8.5	-14.0	-3.8	20.3	-0.1	23.1	6.0	-4.2	15.1	13.5	-7.6	-14.2
Imports of consumption goods*	7.9	-5.3	10.1	-0.1	-9.5	-6.6	-4.5	2.4	16.2	20.3	2.3	2.1	9.4	-9.9	-8.6
Domestic production of consumption goods	5.8	-4.6	-1.8	-1.8	-3.4	-4.8	-7.7	-5.8	-7.5	2.5	2.7	8.2	4.5	18.7	14.6
Counsumer credits*	30.1	4.5	2.3	25.5	15.8	8.2	4.5	-0.2	1.4	2.3	2.3	2.5	2.0	1.4	1.9
Average net wage*	1.9	10.7	1.4	11.8	14.1	10.4	6.8	2.8	1.1	1.1	0.7	-2.1	-2.8	-3.8	-
Private net transfers*	-12.5	16.4	22.2	-30.0	4.5	21.3	61.6	112.9	33.8	4.7	1.3	-7.6	-1.3	-21.2	-
Pensions*	8.4	9.5	1.1	13.1	10.6	8.2	6.6	2.5	2.1	0.0	0.0	-0.9	-2.4	0.1	-0.4

* real growth rates are calculated by the NBRM, by dividing the nominal growth rates with the annual CPI inflation.

Source: State Statistical Office, Ministry of Finance and NBRM calculations.

Table 7

INDICATIVE VARIABLES FOR INVESTMENTS

	2008	2009	2010	2009				2010				2011	Latest months		
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Feb-11	Mar-11	Apr-11
	<i>real annual growth rates in %</i>														
Imports of capital goods*	22.3	-6.4	-14.8	24.2	-11.2	-9.7	-20.2	-35.5	-12.4	1.7	-9.6	8.4	21.0	-11.4	20.2
Completed construction works*	16.3	14.9	12.9	-0.8	15.3	14.2	22.9	7.1	-8.4	33.5	17.0	55.4	79.3	44.8	-
Domestic production of capital goods	-1.0	-23.1	-10.8	-22.7	-39.7	-17.7	-5.1	-27.7	-5.9	-12.7	5.1	64.5	82.0	47.4	44.8
Government investments*	36.7	-32.3	12.4	-1.1	7.1	-4.9	-59.5	24.0	-26.4	73.8	-1.5	18.9	35.6	50.0	57.8
FDI*	3.9	-22.6	-21.8	14.6	145.8	-78.9	-72.2	-62.8	-82.5	26.1	384.2	598.2	36.3	1397.3	-
Long term credits to enterprises*	25.9	8.6	9.1	24.3	14.1	8.3	8.6	4.5	7.8	8.8	9.1	10.3	8.0	10.3	10.9
Domestic production of capital goods	-5.6	-2.1	-3.3	3.1	5.5	-10.4	-7.9	-6.8	-18.0	-6.7	-5.8	6.0	5.4	20.9	23.6

* real growth rates are calculated by the NBRM, by dividing the nominal growth rates with the annual CPI inflation.

Source: State Statistical Office, Ministry of Finance and NBRM calculations.

Table 8

BUDGET OF THE REPUBLIC OF MACEDONIA (Central Budget and Budgets of Funds)

<i>in millions of Denars</i>	2010				Total	2011		Jan-Apr	annual changes in 2011 (in %)		
	Q1	Q2	Q3	Q4	2010	Q1	Apr.	2011	Q1	Apr.	Jan-Apr
TOTAL BUDGET REVENUES	29,521	32,322	36,134	34,173	132,150	31,437	14,545	45,982	6.5	29.1	12.7
Revenues base on taxes and contributions	25,295	28,151	29,176	29,818	112,440	27,332	10,418	37,750	8.1	4.4	7.0
Tax revenues	16,009	18,528	19,209	19,192	72,938	18,002	6,880	24,882	12.4	4.4	10.1
personal income tax	2,111	2,116	2,085	2,560	8,872	2,242	837	3,079	6.2	11.3	7.5
profit tax	879	623	1,154	1,034	3,690	920	816	1,736	4.7	1,890.2	88.7
value added tax	8,204	9,734	9,929	9,827	37,694	9,834	3,491	13,325	19.9	-10.1	10.2
excises	3,140	3,542	4,304	3,939	14,925	3,423	1,143	4,566	9.0	4.2	7.8
custom duties	953	1,772	903	1,084	4,712	809	317	1,126	-15.1	-43.9	-25.8
other	722	741	834	748	3,045	774	276	1,050	7.2	9.5	7.8
Contributions	9,109	9,463	9,771	10,344	38,687	9,138	3,481	12,619	0.3	4.6	1.5
Pension and Disability Insurance Fund	6,162	6,385	6,613	6,977	26,137	6,188	2,351	8,539	0.4	5.0	1.6
Employment Biro	400	400	412	439	1,651	388	149	537	-3.0	5.7	-0.7
Health Fund	2,547	2,678	2,746	2,928	10,899	2,562	981	3,543	0.6	3.7	1.4
Non-tax revenues	3,703	3,020	6,284	3,563	16,570	3,011	1,626	4,637	-18.7	48.8	-3.3
Capital revenues	268	331	227	333	1,159	532	2,391	2,923	98.5	4,682.0	819.2
Donations from abroad	201	648	281	329	1,459	231	100	331	14.9	92.3	30.8
Revenues of recovered loans	56	173	166	130	525	331	10	341	491.1	-89.6	124.3
TOTAL BUDGET EXPENDITURES	33,625	34,293	36,644	38,130	142,692	35,147	14,224	49,371	4.5	19.3	8.4
Current expenditures	30,396	31,563	31,703	33,696	127,358	31,151	11,987	43,138	2.5	13.4	5.3
Wages and salaries	5,751	5,636	5,588	5,663	22,638	5,755	1,928	7,683	0.1	1.6	0.4
Goods and services	3,728	3,179	3,785	3,989	14,681	3,515	1,523	5,038	-5.7	19.1	0.6
Transfers	20,687	22,086	20,960	23,132	86,865	21,523	8,287	29,810	4.0	15.6	7.0
Social transfers	15,620	15,931	16,079	16,156	63,786	15,919	6,097	22,016	1.9	11.4	4.4
Other transfers	4,794	5,829	4,502	6,718	21,843	5,419	2,132	7,551	13.0	34.2	18.3
Refugees	9	17	10	15	51	12	4	16	33.3	-50.0	-5.9
Interest payments	231	661	1,370	912	3,174	358	249	607	55.0	11.2	33.4
Interest on domestic debt	99	464	185	271	1,019	196	107	303	98.0	-29.1	21.2
Interest on external debt	131	198	1,185	641	2,155	162	142	304	23.7	91.9	48.3
Capital expenditures	3,229	2,730	4,941	4,434	15,334	3,996	2,237	6,233	23.8	65.5	36.1
Investments in fixed assets	2,387	1,816	3,623	3,301	11,127	3,358	1,908	5,266	40.7	130.2	63.7
Capital transfers	843	914	1,318	1,133	4,208	638	329	967	-24.3	-37.1	-29.2
BUDGET DEFICIT / SURPLUS	-4,104	-1,972	-510	-3,957	-10,543	-3,710	321	-3,389	-9.6	-148.8	-28.8

Source: Ministry of Finance.

Table 9

BALANCE OF PAYMENTS

	2008	2009	2010	1	2	3	2011
	<i>EUR million</i>						
I. Current Account	-862.2	-449.3	-191.1	-104.3	-75.4	-24.7	-204.4
A. GOODS, net	-1,762.5	-1,551.1	-1,467.7	-196.3	-148.3	-119.4	-464.0
Exports, f.o.b.	2,692.6	1,920.9	2,492.8	218.7	231.9	230.6	681.2
Imports, f.o.b. /1	-4,455.1	-3,472.0	-3,960.6	-414.9	-380.2	-350.0	-1,145.1
B. SERVICES, net	5.8	28.0	59.9	15.7	-4.6	12.2	23.3
Credit	688.1	618.3	692.9	61.2	50.3	68.7	180.2
Debit	-682.3	-590.3	-633.0	-45.5	-54.9	-56.5	-156.9
C. INCOME, net	-90.9	-58.5	-149.2	-19.7	-5.2	-4.9	-29.8
Credit	185.2	128.1	143.6	14.9	12.2	16.4	43.5
Debit	-276.1	-186.6	-292.8	-34.6	-17.4	-21.3	-73.3
D. CURRENT TRANSFERS, net	985.5	1,132.3	1,366.0	96.0	82.7	87.4	266.1
Credit	1,033.2	1,180.0	1,413.8	99.3	86.1	91.3	276.6
Debit	-47.7	-47.7	-47.9	-3.3	-3.3	-3.9	-10.6
II. Capital and Financial Account	862.5	426.0	190.5	112.3	80.4	43.9	236.6
A. CAPITAL ACCOUNT, net	-12.2	20.2	9.1	7.8	0.7	0.6	9.0
Credit	0.0	25.4	22.8	8.0	1.7	1.8	11.5
Debit	-12.2	-5.3	-13.7	-0.3	-1.0	-1.2	-2.5
B. FINANCIAL ACCOUNT, net	874.8	405.9	181.4	104.5	79.7	43.3	227.6
1. Direct investment, net	409.4	136.9	219.9	59.6	50.4	93.8	203.7
Abroad	9.5	-8.1	-1.4	-0.3	-0.2	0.2	-0.3
In reporting economy	399.9	145.0	221.4	59.9	50.6	93.6	204.1
2. Portfolio investment, net	-50.6	104.0	-63.6	-2.5	8.0	-3.2	2.2
Assets	-0.5	-37.6	-21.9	-1.3	-3.0	-2.3	-6.6
Liabilities	-50.1	141.7	-41.6	-1.2	11.0	-0.9	8.9
3. Other investment, net	464.4	234.3	66.1	62.9	6.2	155.0	224.1
Assets	207.4	-107.1	-162.4	28.2	-8.5	-25.4	-5.6
Trade credits	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	-4.7	-19.1	4.6	-0.6	-1.2	-1.3	-3.1
Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Banks	-0.3	-16.0	6.4	-0.2	-1.0	-1.3	-2.5
Other sectors	-4.4	-3.2	-1.8	-0.4	-0.3	0.1	-0.6
Currency and deposits	211.3	-88.1	-167.2	28.9	-7.3	-23.8	-2.2
Monetary authorities	16.0	0.0	0.6	0.0	0.0	0.1	0.1
General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Banks	238.5	-86.0	-78.6	30.9	-3.1	-18.9	8.8
Other sectors	-43.2	-2.1	-89.2	-2.0	-4.1	-5.0	-11.2
Other assets	0.8	0.1	0.2	0.0	0.0	-0.3	-0.3
Liabilities	256.9	341.4	228.5	34.7	14.7	180.4	229.7
Trade credits	-4.4	157.6	39.3	65.3	11.8	-75.1	2.0
Loans	241.9	69.9	124.9	1.5	6.8	239.1	247.4
Monetary authorities	0.0	0.0	0.0	0.0	0.0	221.2	221.2
General government	36.1	7.0	38.4	1.7	-1.1	1.2	1.8
Banks	-17.0	58.9	110.2	0.0	0.2	20.6	20.8
Other sectors	222.7	4.0	-23.7	-0.2	7.6	-3.9	3.6
Currency and deposits	12.1	26.0	-2.8	-32.7	-5.2	13.7	-24.2
Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General government	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Banks	12.1	26.0	-2.8	-32.7	-5.2	13.7	-24.2
Other sectors	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities	7.4	87.9	67.2	0.6	1.3	2.7	4.6
Gross official reserves (- = increase) / 2	51.6	-69.4	-41.1	-15.5	15.2	-202.2	-202.4
III. Errors and Omissions	-0.3	23.2	0.5	-8.0	-5.0	-19.2	-32.2

* Preliminary data.

** Revision of data has been done in November 2010 in the following categories:

- for 2009 data: direct investment, income and other investment, due to inclusion of data from the annual FDI Survey DI 22 and improved coverage of credit indebtedness data;
- services and current transfers for 2009- as a result of improved coverage of data;
- goods, services and trade credits data for 2008 due to the final data on foreign trade for 2008.

1/ Imports data are on fob basis in accordance with IMF V Balance of Payments Manual.

Calculation of cif / fob factor as % of imports cif equals 3,86%.

Imports for 2006, 2007 and 2008 have been additionally adjusted with time adjustments for imports of electricity.

2/ Excluding monetary gold and exchange rate differences.

Source: NBRM.

Table 10

FOREIGN TRADE BY ECONOMIC USE														
	EXPORT							IMPORT						
	Total	Consumption goods	Intermediate goods	Capital goods	Cars	Energy	Other	Total	Consumption goods	Intermediate goods	Capital goods	Cars	Energy	Other
	EUR million							EUR million						
2008	2,698	957	1,486	46	1	205	2	4,664	776	2,127	654	174	932	2
2009	1,937	868	883	45	0	140	1	3,637	760	1,576	601	122	571	7
2010	2,498	939	1,305	62	1	189	1	4,119	796	1,942	483	182	710	5
1	134	55	67	2	0	10	0	230	49	95	24	7	54	0
2	159	65	77	2	0	14	0	260	55	109	31	11	53	0
3	191	78	97	4	0	11	0	320	69	152	48	16	32	3
4	183	67	101	4	0	12	0	353	67	177	39	19	51	0
5	207	71	113	5	0	17	0	332	62	167	33	20	49	0
6	227	83	119	7	0	17	0	364	69	171	43	19	61	0
7	233	92	110	7	0	24	0	360	72	167	37	21	62	0
8	203	78	100	4	0	22	0	364	66	168	38	17	74	0
9	250	90	137	7	0	17	0	321	62	154	47	21	38	0
10	233	87	119	9	0	18	0	376	73	188	36	10	70	0
11	253	86	143	6	0	18	0	400	72	195	40	10	84	0
12	224	89	122	4	0	10	0	439	80	199	66	11	83	0
01-04.2011	960	302	551	31	0	75	0	1,643	254	839	160	48	342	1
1	219	63	131	5	0	20	0	429	53	266	31	11	67	0
2	233	74	137	7	0	16	0	393	63	180	38	11	99	0
3	246	83	138	7	0	19	0	387	68	183	40	13	83	0
4	262	83	146	12	0	21	0	434	70	209	50	12	93	0

Source: State Statistical Office of the Republic of Macedonia.

Table 11

FOREIGN TRADE BY SITC											
<i>EUR million</i>	Total	Food and live animals	Beverages and tobacco	Crude materials, inedible, except fuels	Mineral fuels, lubricants and related materials	Animal and vegetable oils and fats	Chemical Products	Manufactured goods classified by materials	Machinery and transport equipment	Miscellaneous manufactured articles	Commodities and transactions not classified in SITC
EXPORT											
2008	2,698	210	149	183	211	8	123	1,079	127	606	1
2009	1,937	202	141	123	145	6	123	551	110	535	1
2010	2,498	249	153	196	195	8	288	750	116	540	2
1	134	9	13	14	10	0	9	36	5	39	0
2	159	12	9	15	15	0	14	45	6	44	0
3	191	23	11	18	12	1	16	56	8	45	0
4	183	20	11	17	12	1	20	58	8	36	0
5	207	22	15	18	17	1	20	66	9	39	0
6	227	22	15	16	18	0	24	72	12	47	0
7	233	21	15	17	24	0	16	71	11	58	0
8	203	21	14	16	22	1	22	56	10	42	0
9	250	28	14	18	18	1	32	78	13	49	0
10	233	29	7	16	18	1	28	74	14	47	0
11	253	22	15	16	18	1	47	74	11	46	0
12	224	20	16	15	11	1	41	62	10	48	0
01-04.2011	960	79	41	66	76	3	191	273	50	180	1
1	219	13	18	16	20	1	42	60	8	41	0
2	233	15	7	15	16	0	54	65	12	48	0
3	246	21	8	18	19	1	48	69	12	50	0
4	262	30	8	17	22	1	47	80	18	41	0
IMPORT											
2008	4,664	424	35	236	956	46	416	1,257	986	308	1
2009	3,637	401	37	145	583	33	408	868	873	282	7
2010	4,119	421	44	218	729	39	500	1,039	826	299	4
1	230	29	2	8	54	1	27	51	41	15	0
2	260	28	2	9	54	2	33	59	54	19	0
3	320	35	5	9	34	3	50	78	76	28	3
4	353	39	3	18	53	3	53	89	72	22	0
5	332	32	3	18	50	3	34	101	68	24	0
6	364	33	5	19	65	2	43	92	77	27	0
7	360	34	5	21	64	2	49	82	75	28	0
8	364	34	4	20	76	4	48	77	71	29	0
9	321	30	3	21	39	4	40	79	83	22	0
10	376	39	3	22	71	4	48	103	61	24	0
11	400	39	4	29	85	4	37	112	65	26	0
12	439	48	4	24	84	6	39	115	84	37	0
01-04.2011	1,643	150	12	76	348	14	226	465	266	84	1
1	429	31	2	19	70	3	84	148	54	16	0
2	393	38	2	16	101	4	53	94	63	21	0
3	387	43	3	21	83	3	42	97	70	24	0
4	434	38	4	21	94	3	46	126	79	24	0

Source: State Statistical Office of the Republic of Macedonia.

Table 12

FOREIGN TRADE BY PARTNERS

<i>EUR million</i>	Total	1. Developed countries - total	1.1. European Union	1.2. EFTA	1.3. Developed countries	2. Western Balkans	3. Developing countries	4. Low income countries	5. Other countries
EXPORT									
2008	2,698	1,680	1,606	12	62	958	57	2	0
2009	1,937	1,132	1,093	14	25	716	64	25	0
2010	2,498	1,568	1,531	15	21	771	156	3	0
1	134	93	91	1	1	37	3	1	0
2	159	98	96	1	1	48	12	0	0
3	191	116	114	2	1	61	13	1	0
4	183	111	108	1	1	61	11	0	0
5	207	128	125	2	2	70	9	0	0
6	227	146	143	1	2	67	14	0	0
7	233	147	144	1	1	74	12	0	0
8	203	118	116	1	1	72	13	0	0
9	250	161	157	2	2	74	16	0	0
10	233	146	143	1	2	69	18	0	0
11	253	165	158	2	5	73	15	0	0
12	224	139	135	2	2	65	20	0	0
01-04.2011	960	637	607	7	23	244	78	1	0
1	219	146	139	2	6	51	21	0	0
2	233	163	156	2	6	52	19	0	0
3	246	157	150	2	5	69	20	0	0
4	262	171	163	2	6	72	18	0	0
IMPORT									
2008	4,664	2,671	2,250	202	219	516	1,430	48	0
2009	3,637	2,198	1,899	93	205	428	972	39	0
2010	4,119	2,461	2,187	75	198	474	1,141	43	0
1	230	127	108	7	12	23	78	2	0
2	260	140	125	5	10	32	85	4	0
3	320	208	186	3	18	38	70	3	0
4	353	224	201	7	16	38	88	3	0
5	332	195	175	4	15	38	96	3	0
6	364	204	180	4	19	46	110	4	0
7	360	210	191	4	16	39	108	3	0
8	364	198	177	4	16	41	121	4	0
9	321	214	182	7	24	42	61	4	0
10	376	248	226	7	15	46	78	4	0
11	400	235	206	11	17	45	116	4	0
12	439	259	230	11	18	46	130	4	0
01-04.2011	1,643	977	878	39	59	171	479	16	0
1	429	292	271	8	13	33	100	4	0
2	393	225	199	12	13	47	119	3	0
3	387	213	185	10	18	44	127	4	0
4	434	248	223	9	16	47	134	5	0

Source: State Statistical Office of the Republic of Macedonia.

Table 13

CURRENCY EXCHANGE MARKET

	BANKS			EXCHANGE OFFICES			TOTAL		
	Supply	Demand	Net-purchase	Supply	Demand	Net-purchase	Supply	Demand	Net-purchase
	<i>EUR million</i>								
2004	286.3	149.2	137.1	494.6	266.3	228.3	780.9	415.5	365.4
2005	340.3	108.6	231.7	541.1	235.6	305.5	881.4	344.2	537.2
2006	429.7	126.5	303.2	555.8	208.0	347.8	985.5	334.5	651.0
2007	470.7	191.5	279.2	609.1	200.8	408.3	1,079.9	392.4	687.5
2008	544.6	317.4	227.2	585.0	209.3	375.7	1,129.6	526.6	602.9
2009	476.2	282.0	194.3	766.6	197.1	569.5	1,242.8	479.1	763.8
2010	480.3	175.1	305.2	815.9	148.5	667.5	1,296.3	323.6	972.7
1	30.2	14.3	15.9	48.8	13.4	35.4	79.0	27.7	51.4
2	30.9	13.5	17.4	52.4	14.7	37.7	83.3	28.2	55.1
3	38.2	15.5	22.7	66.8	15.4	51.3	104.9	30.9	74.0
4	48.9	16.2	32.7	72.5	14.2	58.3	121.4	30.4	91.0
5	39.9	15.7	24.1	65.3	13.1	52.2	105.1	28.8	76.3
6	41.2	16.7	24.4	67.3	12.5	54.7	108.4	29.3	79.1
7	44.8	15.4	29.4	91.6	11.3	80.3	136.4	26.7	109.7
8	44.4	12.6	31.8	84.7	10.0	74.7	129.1	22.6	106.5
9	42.2	12.7	29.5	73.3	10.6	62.6	115.4	23.3	92.1
10	38.4	12.2	26.2	59.2	10.7	48.5	97.6	22.9	74.7
11	38.8	13.6	25.2	61.6	10.6	51.0	100.5	24.2	76.2
12	42.5	16.6	25.9	72.6	11.8	60.7	115.1	28.5	86.6
1-5.2011	164.0	72.2	91.7	273.2	58.8	214.4	437.2	131.0	306.1
1	29.8	12.0	17.8	47.5	9.7	37.7	77.3	21.7	55.6
2	30.6	12.1	18.5	48.3	12.1	36.2	78.9	24.2	54.7
3	33.4	16.8	16.6	51.2	12.6	38.5	84.6	29.5	55.1
4	34.0	15.4	18.6	63.6	11.6	52.0	97.7	27.0	70.7
5	36.1	15.9	20.2	62.6	12.7	49.9	98.7	28.6	70.1

Source: NBRM.

Table 14

NEER and REER indices

	NEER	REER-CPI	Relative prices - CPI	REER-PPI	Relative prices - PPI
	<i>index 2006=100</i>				
2004	97.9	106.5	108.8	104.3	106.6
2005	99.8	102.2	102.5	101.2	101.5
2006	100.0	100.0	100.0	100.0	100.0
2007	99.6	97.2	97.6	96.6	97.0
2008	100.6	98.7	98.1	97.2	96.6
2009	106.6	99.7	93.5	98.5	92.4
2010	106.0	97.0	91.5	99.6	93.9
1	106.9	99.6	93.2	99.1	92.7
2	106.0	98.7	93.1	99.3	93.7
3	105.4	97.6	92.5	98.5	93.4
4	104.9	97.1	92.6	99.3	94.7
5	104.9	96.4	91.9	100.0	95.3
6	105.0	96.3	91.7	99.3	94.6
7	105.7	96.2	91.0	100.2	94.8
8	105.9	96.1	90.8	99.3	93.8
9	106.1	95.6	90.1	99.8	94.1
10	107.2	96.5	90.0	101.4	94.6
11	107.6	96.8	90.0	99.0	92.0
12	106.9	96.7	90.5	99.6	93.1
1-4.2011	106.5	97.5	91.5	101.9	95.6
1	106.8	97.4	91.2	101.0	94.6
2	106.5	97.5	91.6	100.8	94.7
3	106.5	97.8	91.8	103.0	96.7
4	106.4	97.4	91.5	102.7	96.5

Source: NBRM.

Table 15

EXCHANGE RATES

	Average exchange rate				End of period exchange rate			
	DEN/CHF	DEN/GBP	DEN/USD	DEN/EUR	DEN/CHF	DEN/GBP	DEN/USD	DEN/EUR
2004	39.7337	90.4298	49.4105	61.3377	39.708549	86.4983	45.0676	61.31
2005	39.5871	89.6186	49.2919	61.2958	39.340171	89.2717	51.8589	61.1779
2006	38.8981	89.7611	48.7854	61.1885	38.069637	91.1007	46.4496	61.1741
2007	37.2534	89.4324	44.7184	61.1838	36.859552	83.2901	41.6564	61.2016
2008	38.6300	77.1265	41.8646	61.2654	41.042772	63.0387	43.561	61.4123
2009	40.5769	68.8041	44.0766	61.2728	41.116548	67.6695	42.6651	61.1732
2010	44.5956	71.7150	46.4574	61.5150	49.3026	71.5008	46.314	61.505
1	41.4189	69.2566	42.8267	61.1798	41.854658	70.818	43.9405	61.3673
2	41.8753	70.1393	44.9312	61.4225	42.0179	68.8986	45.3248	61.5058
3	42.5149	68.3266	45.4022	61.6042	42.9729	68.8682	45.6312	61.52
4	43.0267	70.3153	45.9023	61.5988	42.9069	70.9371	46.4415	61.5628
5	43.4104	71.6068	48.7870	61.5285	43.1354	72.3601	49.6629	61.5025
6	44.5787	74.1980	50.3806	61.5127	46.4223	75.9461	50.4564	61.5467
7	45.7495	73.6661	48.2471	61.5171	45.4223	73.6691	47.2109	61.5063
8	45.8521	74.6177	47.7062	61.5102	47.1707	75.4212	48.4893	61.5814
9	47.1013	73.5319	47.3526	61.6319	46.3605	71.5204	45.2842	61.6363
10	45.8029	70.3719	44.3729	61.6227	44.9254	70.9001	44.4424	61.5838
11	45.7145	71.9099	44.9678	61.5474	46.6437	72.8725	46.7856	61.5044
12	47.9046	72.5878	46.5545	61.5027	49.3026	71.5008	46.314	61.505
2011								
1	48.1809	72.4702	45.9858	61.5116	47.5236	71.4427	44.8614	61.505
2	47.4083	72.6380	45.0951	61.5075	48.0545	71.9104	44.6919	61.505
3	47.8229	71.0588	43.9906	61.5183	47.3456	69.9923	43.6595	61.5162
4	47.4222	69.7080	42.6383	61.5200	47.8064	68.9834	41.3947	61.5125
5	49.0049	70.0430	42.8266	61.5297	50.7237	71.0577	43.1713	61.6141

Source: NBRM.

Table 16

FLOWS OF CREATION AND WITHDRAWAL OF RESERVE MONEY

	Cumulative change I-XII.2010	Cumulative change I-V.2011	Monthly change V.2011 / IV. 2011
	<i>in Denar million</i>		
Reserve money*	2,106	1,616	378
Government depositis	-3,291	3,408	4,103
Foreign currency transactions of NBRM	12,068	-356	-751
CB bills	-10,055	6,472	-3,545
Compulsory deposit with the NBRM	169	0	0
Six-month deposit with NBRM	0	-9,090	440
Other items	3,214	1,183	131

*Does not include reserve requirement in foreign currency.

Source: NBRM.

Table 17

BALANCE SHEET OF NBRM (SHORT FORM)

	Cumulative change I-XII.2010	Cumulative change I-V.2011	I-X. 2010	Monthly change V.2011 / IV. 2011	Balance as of V.2011
	<i>in Denar million</i>				
Reserve money*	3,051	1,403	50,406	514	50,406
Net foreign assets**	7,363	10,694	111,304	429	111,304
Net domestic assets	-4,312	-9,291	-60,898	-13,167	-60,898

*Includes the currency in circulation (including the cash in vault of banks), the reserve requirements in denar and foreign currency and the excess of liquid assets over the reserve requirement (in denars)

**The liabilities under PCL with the IMF are reclassified under Other Liabilities - Settlement Accounts- Government , the data for March and April 2011 are revised.

Source: NBRM.

Table 18

MONETARY AGREGATES

	2009				2010				2011			2009				2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	April	May	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	April	May
	<i>end of period to the end of the previous period, in %</i>												<i>annual change, in %</i>									
M0	-10.2	1.7	11.8	10	-4.3	7.9	-3.7	7.2	-3.4	5.4	1.0	6.4	-4.7	6.6	12.4	19.8	27.1	9.5	6.6	7.6	10.2	10.2
M1	-13.5	1.8	0.6	9	-3.7	4.5	2.4	6.7	-5.8	5.8	1.8	5.2	-3.6	-4.5	-3.5	7.4	10.3	12.2	9.8	7.5	13.0	9.9
M4	-2.6	0.8	2.0	5.9	1.7	4.6	0.7	4.8	0.9	-0.1	1.5	6.6	1.2	-1.1	6	10.7	14.8	13.4	12.2	11.4	9.0	8.5
M4-denar	-9.5	-0.7	-1.7	8.3	1.4	6.6	0.5	6.7	0.1	0.6	1.7	-4.7	-11.3	-14.5	-4.4	7.04	15.0	17.6	15.9	14.5	12.7	11.0

Source: NBRM

Table 19

TOTAL DEPOSITS AT BANKS AND SAVING HOUSES

	Balance as of 30.04.2011	Balance as of 30.05.2011	Monthly change (May 2011/April 2011)	Annual change (April 2011/April 2010)	Annual change (May 2011/May 2010)	Contribution to the monthly growth of total deposits in May 2011	Contribution to the annual growth of total deposits in May 2011
	<i>in Denar million</i>		<i>in %</i>			<i>in percentage changes</i>	
Total deposits	215,044	218,119	1.4	9.6	8.8	100%	100%
Denar*	105,271	106,796	1.4	14.5	12.2	49.6	65.8
Foreign currency	109,773	111,323	1.4	5.2	5.7	50.4	34.2
Total deposits of households	151,307	152,826	1.0	14.5	14.7	49.4	110.8
Denar*	62,470	62,646	0.3	27.4	24.5	5.7	69.8
Foreign currency	88,837	90,180	1.5	7.0	8.7	43.7	41.0
Total deposits of private enterprise	49,112	50,470	2.8	-1.1	-4.5	44.1	-13.5
Denar*	29,936	31,086	3.8	-0.3	-3.3	37.4	-6.1
Foreign currency	19,176	19,383	1.1	-2.3	-6.3	6.7	-7.4

* Denar deposits include demand deposits.

Source: NBRM

Table 20

TOTAL DEPOSITS AT BANKS AND SAVING HOUSES, ANNUAL CHANGES, IN %

	2008				2009				2010				2011		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	April	May
Total deposits	28.3	23.8	24.9	12.4	7.7	2.1	-0.3	7.1	11.4	15.2	14.5	13.7	12.4	9.6	8.8
Denar	41.8	30.1	25.0	4.2	-5.1	-12.1	-15.8	-4.6	7.7	15.9	21.0	19.9	17.2	14.5	12.2
Foreign currency	15.0	16.9	24.9	22.8	23.2	19.5	17.7	19.9	14.8	14.6	9.0	8.2	8.1	5.2	5.7
Краткорочни	22.6	16.0	18.7	4.2	2.1	-1.6	-3.6	5.9	6.9	11.1	8.4	7.7	7.6	2.5	2.9
Долгорочни	80.8	58.4	65.1	88.4	67.8	51.9	35.7	38.0	47.7	53.2	50.5	43.3	39.1	35.7	34.2
Private enterprises	24.2	20.8	26.1	7.5	-11.9	-22.2	-26.4	-16.4	-5.5	7.6	6.8	6.4	11.3	-1.1	-4.5
Households	27.6	23.0	23.2	14.6	12.6	10.7	8.7	15.4	19.9	19.6	17.6	17.4	14.0	14.5	14.7

Table 21

TOTAL CREDITS FROM BANKS AND SAVING HOUSES							
	Balance as of 30.04.2011	Balance as of 30.05.2011	Monthly change (May 2011/April 2011)	Annual change (April 2011/April 2010)	Annual change (May 2011/May 2010)	Contribution to the monthly growth of total deposits in May 2011	Contribution to the annual growth of total deposits in May 2011
	<i>in Denar million</i>		<i>in %</i>			<i>in percentage changes</i>	
Total credits	196,875	199,135	1.1	7.8	8.4	100%	100%
Denar*	146,645	147,621	0.7	3.8	4.4	43.2	40.4
Foreign currency	50,229	51,514	2.6	21.3	21.8	56.8	59.6
Total credits to households	77,256	78,239	1.3	6.6	6.9	43.5	32.8
Denar*	71,484	72,308	1.2	4.4	4.6	36.5	20.7
Foreign currency	5,772	5,931	2.7	45.1	45.9	7.0	12.1
Total credits to enterprises	119,424	120,663	1.0	8.6	9.4	54.8	67.0
Denar*	75,012	75,122	0.1	3.3	4.2	4.9	19.4
Foreign currency	44,412	45,541	2.5	18.8	19.3	49.9	47.6

* Denar credits include credits with foreign currency clause.

Source: NBRM

Table 22

TOTAL CREDITS FROM BANKS AND SAVING HOUSES, ANNUAL CHANGES, IN %															
	2008				2009				2010				2011		
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	April	May
Total credits	42.2	42.1	38.6	34.4	25.3	14.3	6.4	3.5	2.5	5.8	7.7	7.1	8.0	7.8	8.4
Denar	47.0	47.0	40.9	37.3	26.1	15.5	8.6	4.1	2.6	3.7	5.5	2.3	3.2	3.8	4.4
Foreign currency	28.0	27.5	31.5	25.2	22.9	10.4	-0.6	1.4	2.4	13.1	15.8	24.0	24.6	21.3	21.8
Краткорочни	51.6	53.2	46.1	39.9	26.2	13.5	1.2	-2.2	-3.4	-0.2	1.7	-1.0	-1.7	-2.8	-2.1
Долгорочни	44.7	43.3	40.4	33.2	24.2	11.3	3.9	2.0	1.1	5.8	8.3	10.8	13.8	14.1	15.1
Private enterprises	33.4	35.0	33.2	32.6	23.8	13.1	5.6	3.7	4.0	7.9	10.2	8.4	9.0	8.6	9.4
Households	57.3	53.5	47.1	37.2	27.6	16.3	7.9	3.5	0.6	2.8	4.3	5.1	6.6	6.6	6.9

Table 23

BANKS' NET FOREIGN ASSETS				
	Balance as of V.2011	Monthly change V.2011 / IV. 2011	Annual change V.2011/V.2010	Cumulative change I-V.2011
	<i>in Denar million</i>			
Foreign assets	35,233	-270	4,964	-113
Foreign liabilities	38,956	689	10,565	2,870
Net foreign assets	-3,723	-960	-5,601	-2,983

Source: NBRM

Table 24

INTEREST RATES

	May 2011	Monthly change	Annual change
	<i>in %</i>	<i>in percentage points</i>	
Average weighted interest rate on the CB bills auctions (28 days)	4.00	4.0	4.0
Average weighted interest rate on the Money Market (MKDONIA)	2.12	2.1	2.1
	April 2011	Monthly change	Annual change
	<i>in %</i>	<i>in percentage points</i>	
Banks' weighted lending interest rates	8.9	8.9	8.9
Banks' weighted deposit interest rates	6.0	6.0	6.0

Source: NBRM

Table 25

INTEREST RATES ON THE INTERBANK MONEY MARKET

Период	MKDONIA	MBKS	SKIBOR overnight	SKIBOR 1 week	SKIBOR 1 month	SKIBOR 3 months
	<i>BO %</i>					
I.2011	2,47	2,49	2,75	3,62	4,35	5,32
II.2011	2,17	2,24	2,63	3,54	4,29	5,27
III.2011	2,29	2,23	2,51	3,43	4,25	5,15
IV.2011	2,19	2,28	2,46	3,45	4,25	5,14
V.2011	2,12	2,12	2,38	3,39	4,24	5,09
01-20.VI.2011	2,07	2,08	2,30	3,28	4,18	5,09

Source: NBRM

Table 26

INTEREST RATES ON GRANTED LOANS AND RECEIVED DEPOSITS, IN %

	Denar		Foreign currency	
	Loans	Deposits	Loans	Deposits
III.2008	9.7	5.6	8.1	2.2
VI	9.7	5.8	8.1	2.3
IX	9.6	6.1	8.1	2.5
XII	9.8	6.5	7.2	3.0
III.2009	9.9	6.6	7.4	3.2
VI	10.1	6.8	7.7	3.3
IX	10.3	7.4	7.6	3.3
XII	10.3	7.5	7.6	3.4
III.2010	9.8	7.5	7.3	3.2
VI	9.6	7.0	7.3	3.1
IX	9.2	6.8	7.4	3.0
XII	9.0	6.7	7.4	3.0
III.2011	8.9	6.0	7.4	2.8
IV	8.9	6.0	7.4	2.8

Source: NBRM

Table 27

INTEREST RATES ON NEWLY GRANTED LOANS AND RECEIVED DEPOSITS, IN %

	Denar		Foreign currency	
	Loans	Deposits	Loans	Deposits
III.2008	9.1	3.8	8.0	1.4
VI	9.3	4.2	8.1	1.2
IX	9.1	4.5	7.8	1.9
XII	9.1	4.4	6.6	1.5
III.2009	9.7	4.6	7.0	1.9
VI	10.8	4.5	7.8	1.5
IX	10.3	5.2	8.3	1.5
XII	10.1	5.2	7.5	1.6
III.2010	10.0	5.0	7.8	1.5
VI	9.7	4.3	7.8	1.1
IX	9.3	3.8	7.4	1.0
XII	8.6	4.2	7.3	1.3
III.2011	8.1	3.1	6.8	1.0
IV	8.1	2.9	7.3	0.8

Source: NBRM

Table 28

INTEREST RATES BY GROUP OF BANKS

	large banks	middle banks	small banks	large banks	middle banks	small banks
	weighted interest rate on denar credits, in %			weighted interest rate on denar deposits, in %		
III.2008	8.6	11.4	10.6	5.6	5.6	5.8
VI	8.7	11.2	10.2	5.8	5.9	6.0
IX	8.8	11.1	10.0	6.1	6.1	6.1
XII	9.0	11.2	10.3	6.6	6.5	5.9
III.2009	9.2	11.2	10.5	6.8	6.2	5.9
VI	9.7	11.0	10.9	7.1	6.4	5.2
IX	9.8	11.1	11.0	7.6	7.0	5.1
XII	9.9	11.1	10.9	7.7	7.2	5.3
III.2010	9.5	10.6	10.9	7.7	7.1	5.7
VI	9.3	10.2	10.9	7.2	6.5	5.6
IX	9.0	9.4	10.6	7.0	6.5	5.6
XII	8.9	9.3	10.6	6.9	6.2	5.7
III.2011	8.7	9.3	10.4	6.0	5.8	6.0
IV	8.7	9.3	10.3	6.1	6.0	5.6

Source: NBRM

Table 29

INTEREST RATES BY SECTORS

	Households		Enterprises	
	weighted interest rate on denar credits, in %	weighted interest rate on denar deposits, in %	weighted interest rate on denar credits, in %	weighted interest rate on denar deposits, in %
III.2008	11.1	6.1	8.6	4.7
VI	10.9	6.2	8.7	5.2
IX	10.9	6.5	8.7	5.5
XII	11.0	7.0	8.8	5.8
III.2009	10.9	7.5	9.1	5.4
VI	11.1	8.2	9.5	5.0
IX	11.2	8.5	9.6	5.3
XII	11.1	8.7	9.7	5.2
III.2010	10.4	8.4	9.4	5.3
VI	10.4	8.0	9.1	4.6
IX	9.4	7.5	9.0	4.7
XII	9.4	7.3	8.8	4.5
III.2011	9.3	6.5	8.7	4.2
IV	9.3	6.4	8.6	4.7

Source: NBRM