

**National Bank of the Republic of Macedonia**  
Research Department



**Monthly Information**  
**8/2012**

September, 2012

## Summary

**In August 2012, the NBRM preserved its policy rate at 3.75% and found the current monetary policy to be adequate.** Analyzing key indicators relevant for the monetary policy, presently they are as projected. In August, inflation accelerated on an annual basis from 2.3% to 3.7%, as a result of factors on the supply side. On the other hand, core inflation remains low and stable, signaling further absence of pressures through the demand. In August, foreign reserves registered a monthly increase at an expected pace, with their level being adequate and sufficient to absorb any adverse shocks. **Yet, monetary policy risks are still present, and additionally exacerbated in this period.** Amid permanent fluctuations of import prices, the inflation projection has been surrounded by greater uncertainty and increasing risks. In addition, it is relatively difficult to assess transmission effects of the rise of food and energy prices on other prices, and there are risks of steeper increase of core inflation compared to the present expectations. Moreover, the further deterioration of global economic developments has created downward export and capital inflow risks. In such circumstances, **the NBRM will keep on conducting prudent monetary policy, will continue monitoring the developments and will take the necessary actions on time.**

**Recent GDP data confirmed the expectations for deceleration of economic activity in the second quarter of 2012.** Thus according to the initial SSO assessments, **in the second quarter, the domestic economic activity decelerated by 0.9% on an annual basis, which is a certain slowdown compared to the fall in the first quarter.** Analyzing the GDP formation, **industry made the greatest contribution to the fall**, which again decreased, at a slower pace though (annual fall of 6.9%), followed by the **trade, the transport, storage and communication** and the **construction** that reported a fall in real terms of 2.2%, 3% and 5.1%, respectively. The other economic activities accelerated, except for the **financial intermediation** and the **agriculture** that reported a slowdown. Observing the GDP expense components, the fall decelerated mostly due to the improved investment activity - 32.1% real annual acceleration of **gross investments** in the second quarter compared to the fall of 8.8% in the previous quarter. **Private consumption** also accelerated (1% growth in the second quarter), whereas the **net exports** made a negative contribution, having less favorable effect on the total GDP compared to the previous quarter.

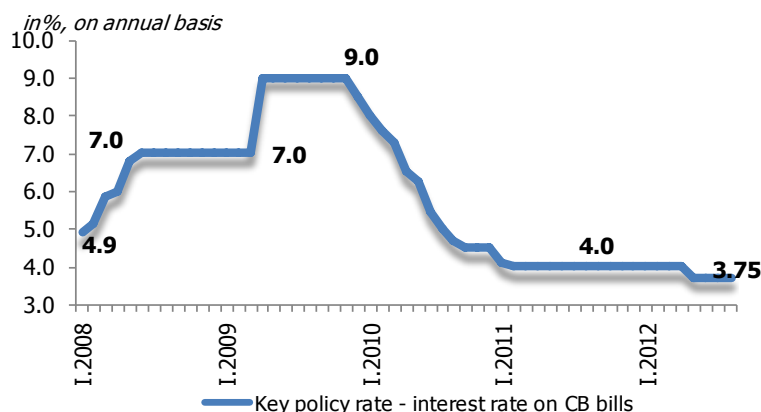
**Since there is a limited number of available highly frequent data on the third quarter, it is still early to make precise assessment on the development of the economic activity in this period.** The available data indicate that the **physical volume of industrial output**, after the stagnation in the first half of the year, registered downward monthly developments (seasonally adjusted) that actually accelerated the annual fall. On the other hand, perceptions of managers in the manufacturing industry of the business conditions of companies in the same period are slightly more favorable, and the survey points to an insignificant increase of the average utilization of production capacities. Additionally, in July there are also slightly more favorable expectations for both the output volume and the number of employees in the manufacturing industry for the next quarter. **The signals of managers of other economic activities** included in the business tendencies surveys indicate slight raise of optimism in the retail trade regarding the business condition of companies and the number of employees for the next six months. In addition, construction businesses have slightly more favorable perceptions of the employment and orders for the forthcoming quarter. The expectations for accelerated construction activity in the period ahead are underpinned by the exceptional increase of issued construction licenses, particularly in June and July.

**Currently, indicative aggregate demand categories in real terms point to further deceleration of the private consumption growth, slower investment activity and narrower trade balance in the third quarter of 2012. Taking into account that the data are incomplete and available only for the first month of the quarter, it is still early to make precise assessments of the development of economic activity.** Taking into account the limited number of available data, perceptions of **private consumption** arise primarily from the slower growth of loans and the increased probability for higher consumer restraint attributable to the increase of food and energy prices. Perceptions of **investment activity** are based on the steep annual fall of government capital investments and the slower increase of corporate loans in July. On the other hand, the **exports and imports** performance in nominal terms in July indicate annual reduction of trade deficit, where the exports increased and the imports decreased.

**In general, external sector performances are still as projected.** According to the last available balance of payments data, the second quarter of the year witnessed **current account deficit of Euro 84.6 million or 1.1% of GDP.** The balance enlarged by 0.3 percentage points of GDP compared to the same period of the previous year, particularly due to the wider trade deficit. The increase of inflows of private transfers (continuation of the trend of high net inflows of currency exchange operations) was not sufficient to fully offset the higher trade deficit. **In this period, the capital and financial account registered net inflows of Euro 15.2 million or 0.2% of GDP.** Highly frequent external sector data indicate narrowing of the negative trade balance in July, while net inflows on the currency exchange market kept on increasing in August, at a significantly slower pace though (partially due to the high base effect). **Gross foreign reserves** are still adequate, and as of August 31, 2012 they totaled Euro 2,114.9 million, which is an increase of 45.9 million compared to the end of the previous year.

**In August 2012, total foreign currency potential of the banks kept on increasing, but at a slower annual pace (5.3% compared to 6.7% in the previous month), amid slower increase of household deposits and decrease of corporate deposits. Total private sector loans continued increasing in August, at an annual growth rate of 7.2%, which is a deceleration compared to the preceding month (7.4%), in environment of slower annual dynamics of growth of corporate loans, while the annual increase of household loans remains unchanged compared to the previous month.**

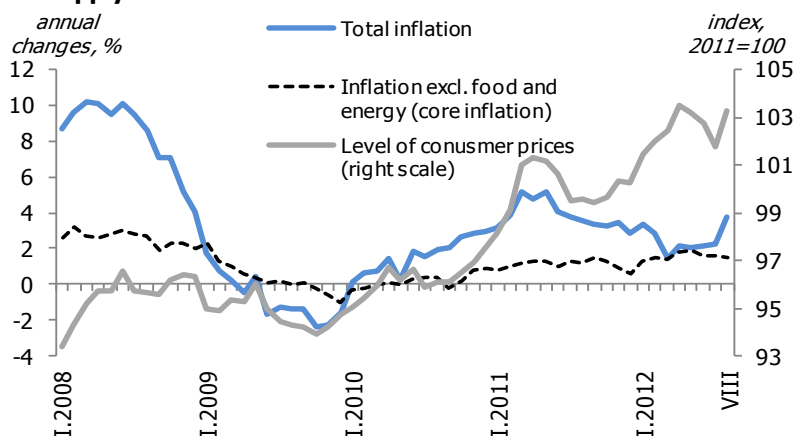
## In August, reference interest rate remained unchanged,...



Source: NBRM.

In August, the maximum CB bill interest rate remained unchanged and equaled 3.75%. The average weighted interest rate at the CB bill auction held in August remained at 3.73% as in July.

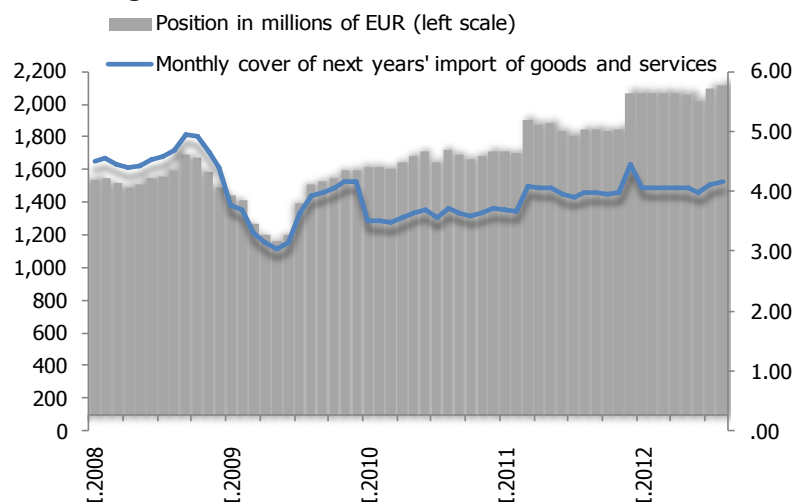
## ...consumer prices increased on a monthly basis, due to factors on the supply side...



Source: SSO and NBRM.

After the monthly decrease of price level in the previous three months, in August the consumer prices went up on a monthly basis. Such change was caused by the increase of regulated prices<sup>1</sup>, with additional effect being made by the rise of the price of unprocessed food. The increase of regulated prices significantly influenced the total annual inflation that rose to 3.7% in August. Yet, the core inflation is still relatively low and stable, indicating an absence of inflation pressures through the demand.

## ... and foreign reserves increased.



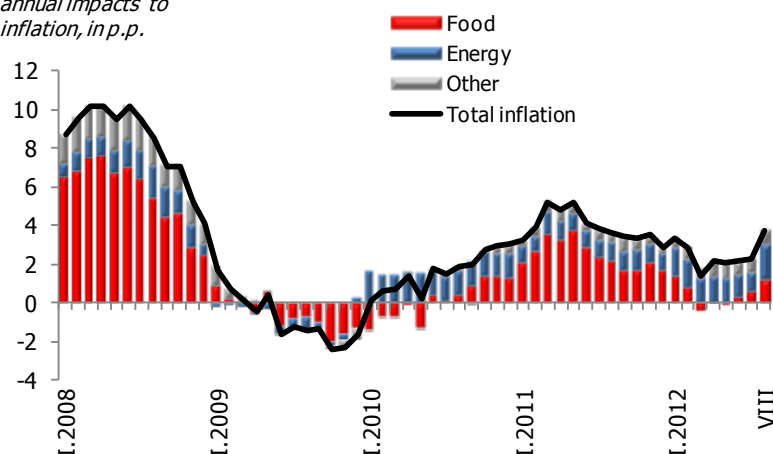
Source: NBRM.

At the end of August, foreign reserves reached Euro 2,114.5 million which is an increase compared to the end of the previous year. Foreign reserves still remain adequate.

<sup>1</sup> In July 2012, the Energy Regulatory Committee made decisions (in effect since August 1) to increase the price of electricity and central heating by 10% and 4.1%, respectively. Additionally, including the effect of the annual growth of price of oil derivatives (8.2%) and the probable effect of the abolition of the cheap daily electricity tariff, in August, the energy component of inflation registered an annual increase of 13.1%, and contributed with 1.9 percentage points to the total annual inflation rate of 3.7%.

## In August, the annual inflation rate significantly accelerated...

annual impacts to inflation, in p.p.

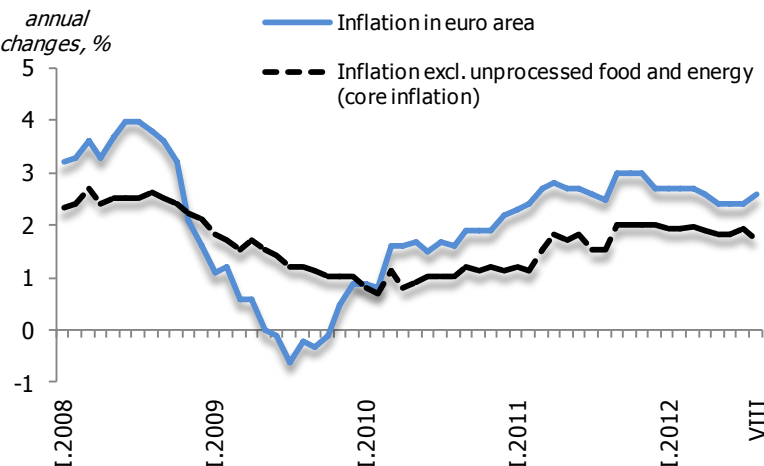


Source: SSO and NBRM.

In August, consumer prices increased by 1.5% on a monthly basis, due to the increase of prices of energy (electricity and liquid fuels) and food (unprocessed vegetables). The dynamics of regulated and unprocessed food prices also made the greatest contribution to the annual inflation that increased from 2.3% in July to 3.7% in August.

## ...with acceleration of the annual inflation rate being registered in the euro area, as well.

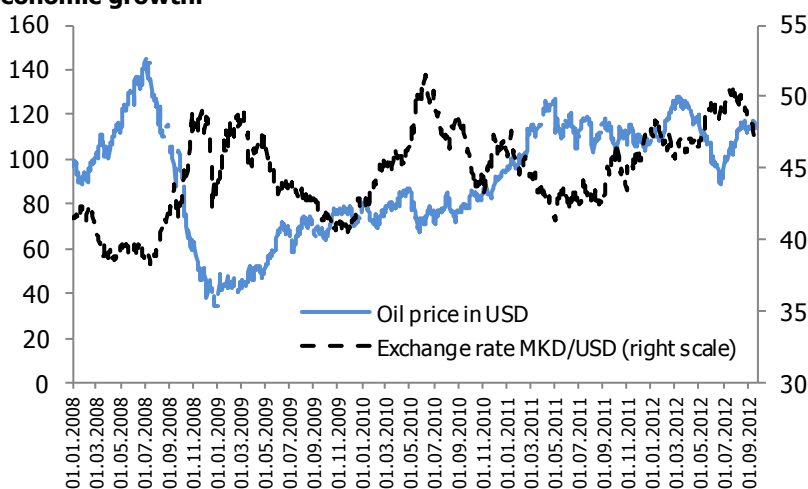
annual changes, %



Source: Eurostat. \* provisional data for July

The annual inflation rate in the euro area accelerated to 2.6% in August after three months of stable inflation of 2.4%. The annual rise of prices was mainly caused by the energy prices (liquid fuels, fuel oils, gas, electricity), while observed monthly, the 0.4% increase was mostly due to the higher prices of liquid fuels.

## The upward trend of oil prices on global stock markets continued in August, amid higher demand and higher expectations for the global economic growth.

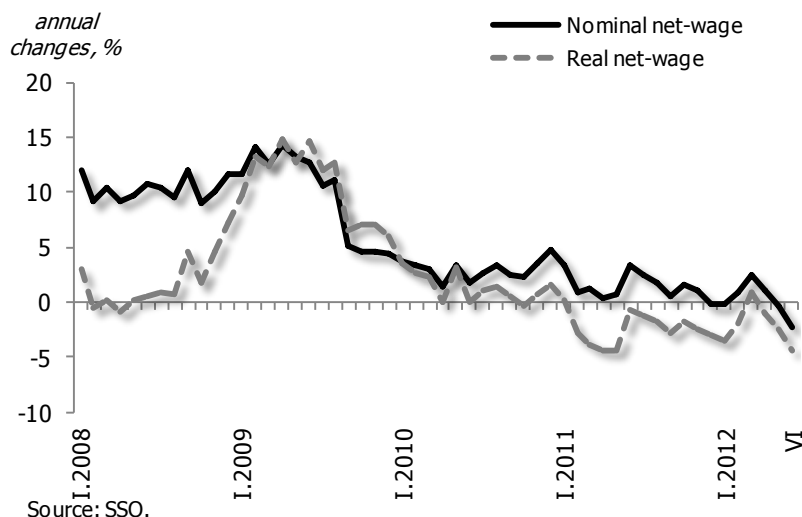


Source: The Energy Information Administration and NBRM.

In August, the average price of crude oil on the global stock markets registered a monthly increase of 9.9% and equaled US Dollar 113.3 per barrel. The upward trend remained moderate in the first half of September, as well, and the average price reached US Dollar 114.8 per barrel. In this period, the seasonal increase of the demand for oil and the announced stimulus from ECB, the US Fed and the Chinese government raised the expectations of economic agents and pushed oil prices up. On September 24, 2012, the ERC made a decision to decrease the retail prices of oil derivatives by 2.52%<sup>2</sup>.

<sup>2</sup>Re-pricing which is made every 14 days arises from the fall of price of crude oil on global stock markets (0.36%) and the appreciation of Denar against US Dollar (of 2.94%), and the simultaneous fall of referent prices of oil derivatives on the global stock market.

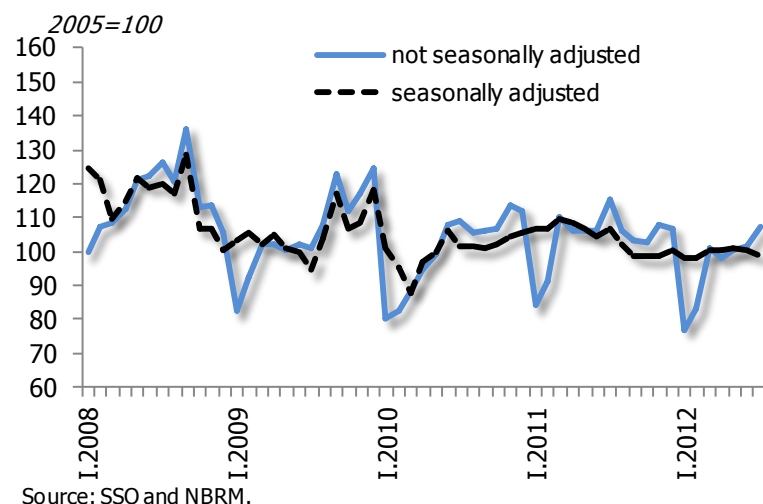
## In June, the real annual decrease of net paid wage accelerated.



June witnessed a 1% monthly fall of the net paid wage, compared to the increase of 0.6% in the previous month. This fall was due to the decrease of wages in the industry (mining and construction, in particular).

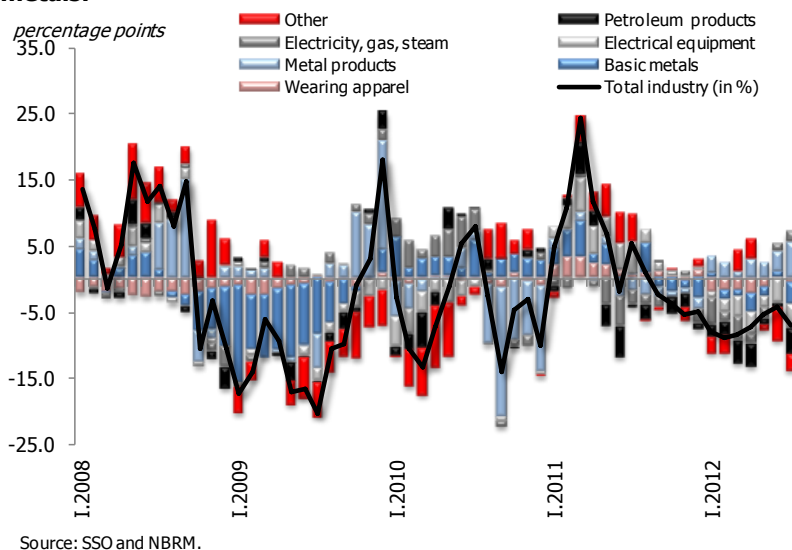
On an annual basis, the nominal net wage kept on decreasing, where the fall of 0.4% in May reached 2.2% in June. Amid almost stable annual inflation rate, the real annual fall of net paid wage accelerated from 2.4% in May to 4.3% in June.

## Further acceleration of the annual fall of industrial output in July...



In July, the industrial output registered a monthly increase of 5.4%. However, the seasonally adjusted data indicate monthly decrease of 1.2%, which is additional input compared to the monthly fall registered in June. The annual change also entered deeply into the negative zone, indicating that the volume of industrial output fell by 6.9%, compared to 4.1% in June.

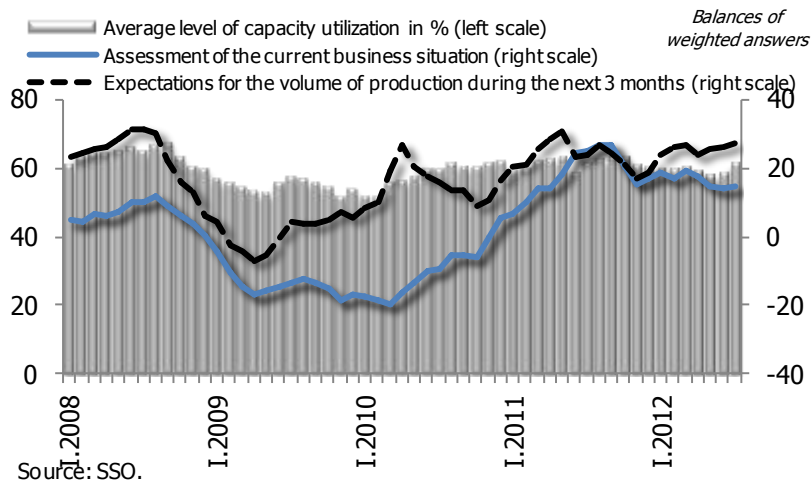
## ... mainly caused by the oil production, electricity equipment and metals.



The acceleration of annual fall reflects the slower production of half of the branches that accounts for 68.6% of the index.<sup>3</sup> Greatest individual contribution to the fall in July was made by the production of oil derivatives, electricity equipment and metal production. The first two of three noted branches are in the zone of negative changes since early this year.

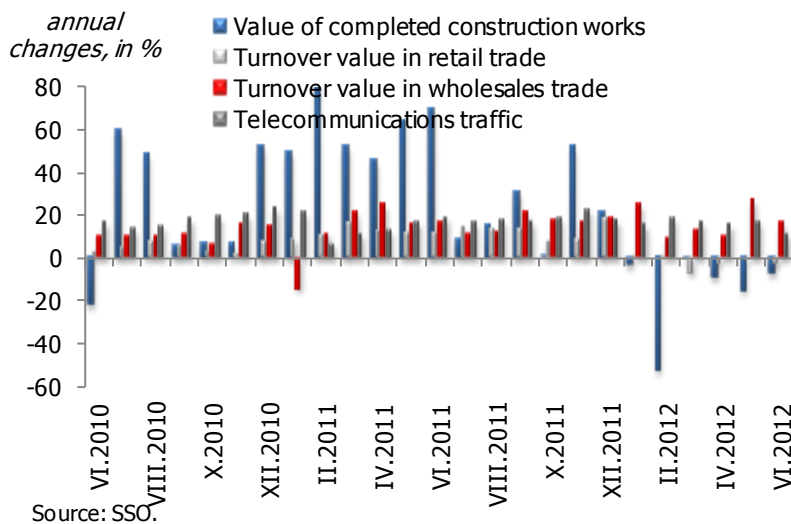
<sup>3</sup> The annual fall in June was attributable to half of the total number of branches in the industry that constituted 37.3% of the index.

## Stronger optimism in the expectations of managers of companies regarding the production in the next three months.



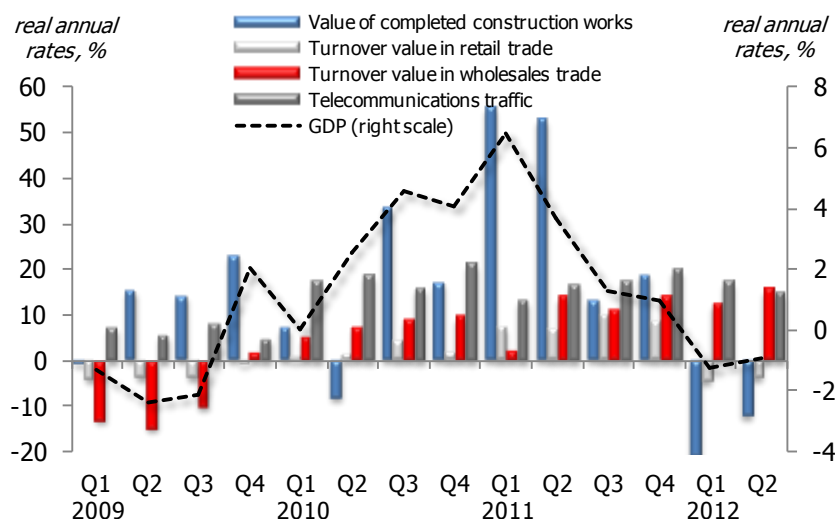
In July, the perception of managers for the current economic condition of the businesses in the manufacturing industry is slightly more favorable compared to June, which does not correspond to the monthly fall of industrial output on a seasonally adjusted basis. Utilization of capacities also registered an upward trend. In addition, the expectations for the output in the next quarter somewhat improved: higher number of employees, as well as higher purchase and sale prices.

## Other sectors in the economy registered divergent movements in June...



Telecommunications registered a solid annual growth in *June* as well, with a certain slowdown though. The annual wholesale growth also decelerated, and the retail trade declined. On the other hand, June experienced slower annual fall of completed construction works.

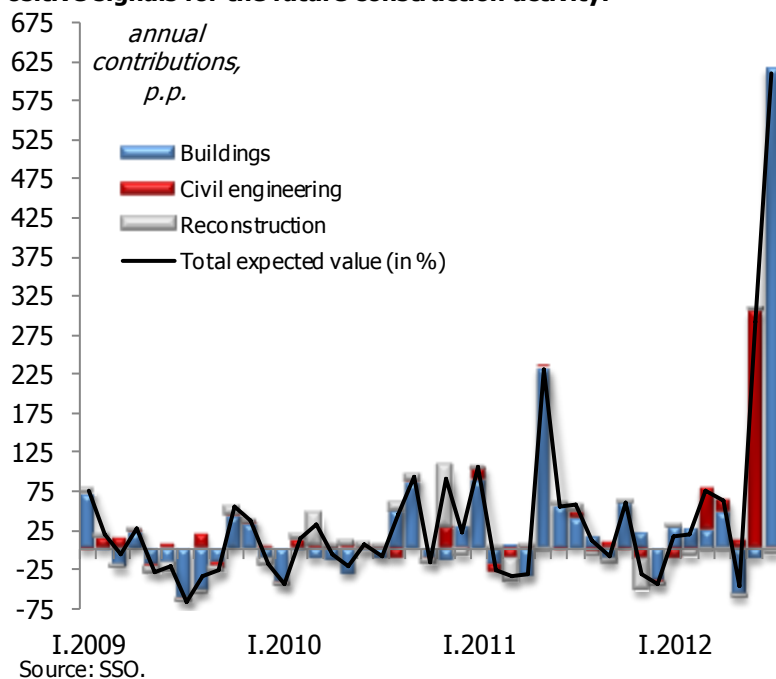
...which is typical for the second quarter of 2012.



Source: SSO and NBRM calculations.

Analyzing the developments of other sectors of the economy *for the second quarter*, the real growth of wholesale accelerated. Simultaneously, the real annual fall of retail trade and the value of completed construction works decelerated. On the other hand, the growth of telecommunications, which is solid, decelerated in the second quarter. Since there are no new data on these economic sectors, the signals sent by managers through the business tendencies surveys indicate mild rise of optimism in the retail trade in terms of the business condition of companies and the number of employees for the next six months. In addition, there are slightly more favorable perceptions of the construction activity in terms of employment and orders for the next three months.

**Positive signals for the future construction activity.**



Source: SSO.

The projected value of issued construction licenses, which in July was by less than seven times higher compared to the same period of the preceding year underpinned the positive signals for the future construction activity.

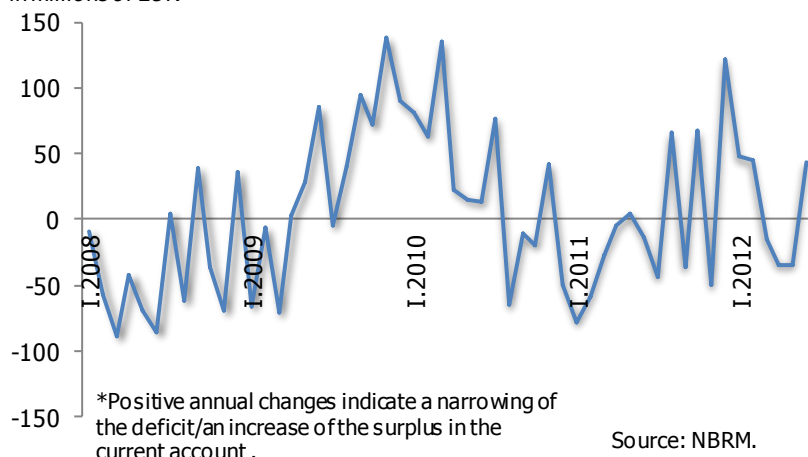
According to the initially available data on indicative aggregate demand categories<sup>4</sup> which are incomplete, it is still early to determine the direction of activity in the third quarter of 2012.

<sup>4</sup> See tables 6, 7 and 8.



## In June, the current account registered a surplus...

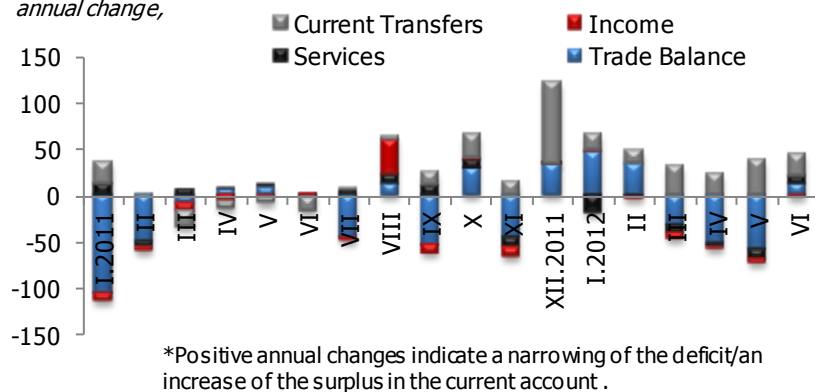
annual change,  
in millions of EUR\*



In June, the current account registered a surplus for the first time this year, in the amount of Euro 25.2 million, which is a positive annual change of Euro 42.9 million.

## ... due to the positive developments of all current account components, except for the income...

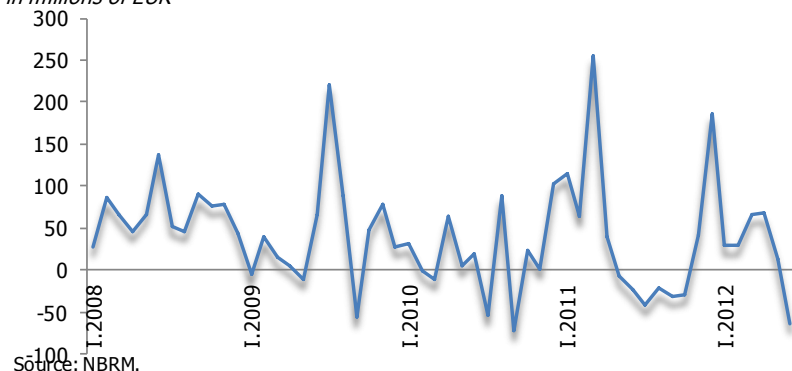
annual change,



Such improvement mostly resulted from the increase of current transfers, accompanied by higher surplus in the services trade and reduced negative trade balance, while the higher income deficit had an inverse effect.

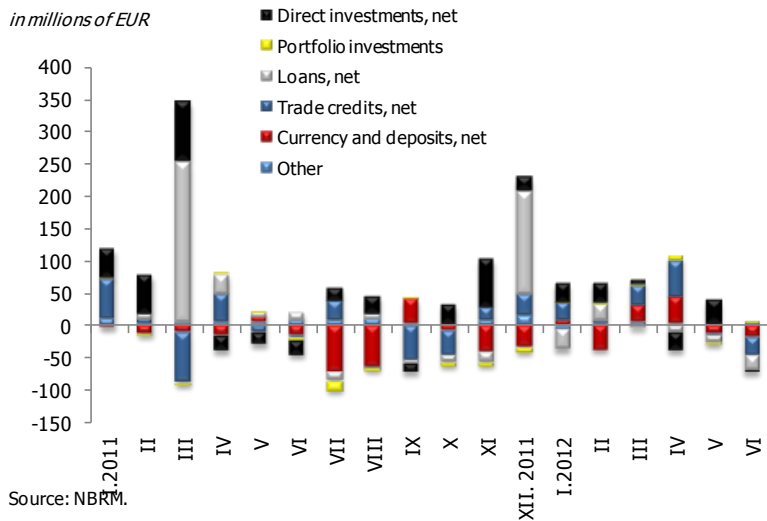
## ... while the capital and financial account reported net outflows...

in millions of EUR



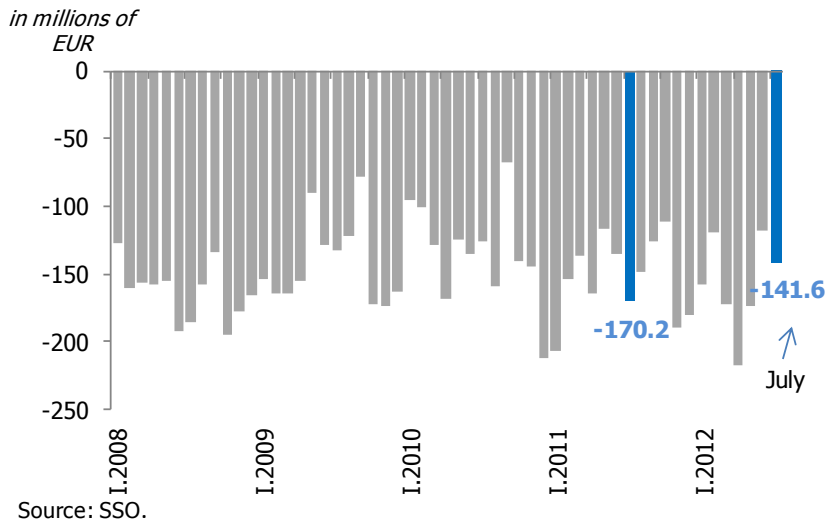
In June, the capital and financial account registered net outflows in the amount of Euro 64.5 million.

**...primarily due to the commercial credits, the loans and the currencies and deposits.**



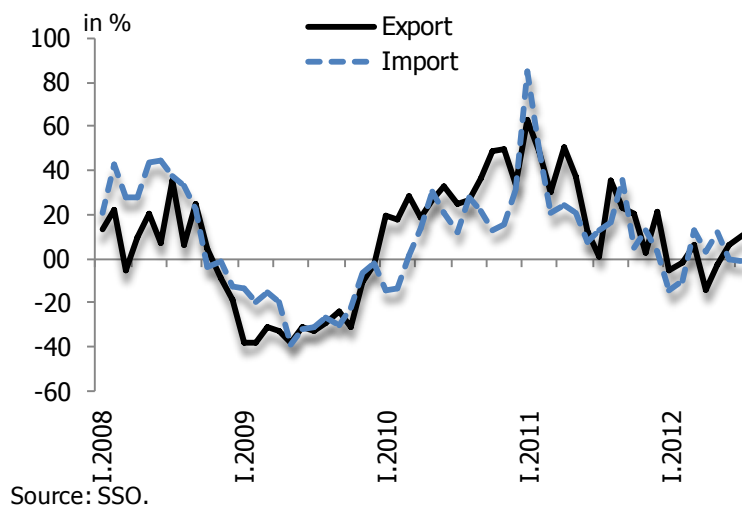
Commercial credits and loans registered the highest outflows, accompanied by outflows based on currencies and deposits and the negative foreign direct investments, due to the net outflows based on intercompany lending.

**In July, trade deficit narrowed on an annual basis...**



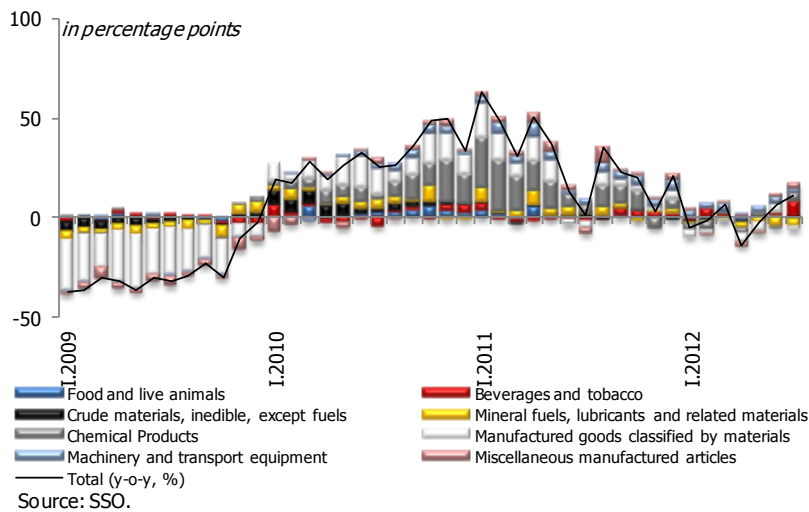
Trade deficit kept on reducing on an annual basis in July (by Euro 28.6 million).

**... as a result of the higher exports and lower imports, on an annual basis...**



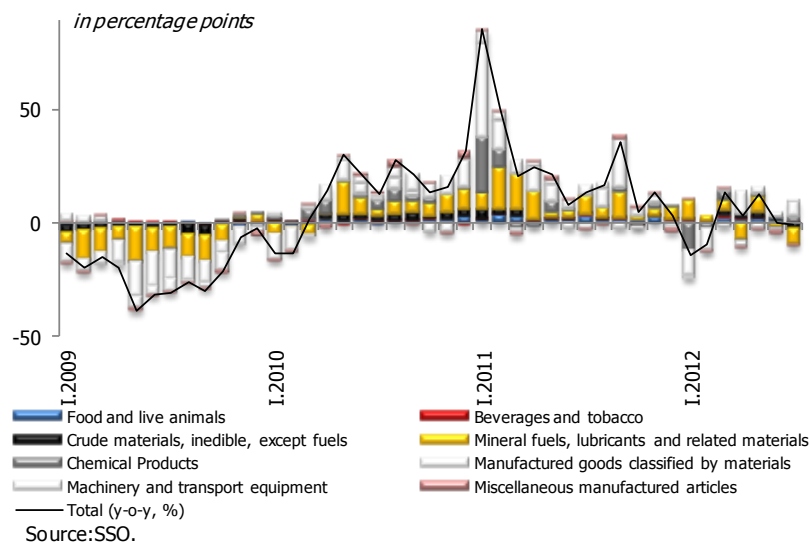
Such improvement of trade balance arises from the developments of both trade components, i.e. annual growth of exports by 10.8% and fall of imports (of 0.7%).

**...where the exports mainly increased due to the higher export of tobacco and chemical products...**



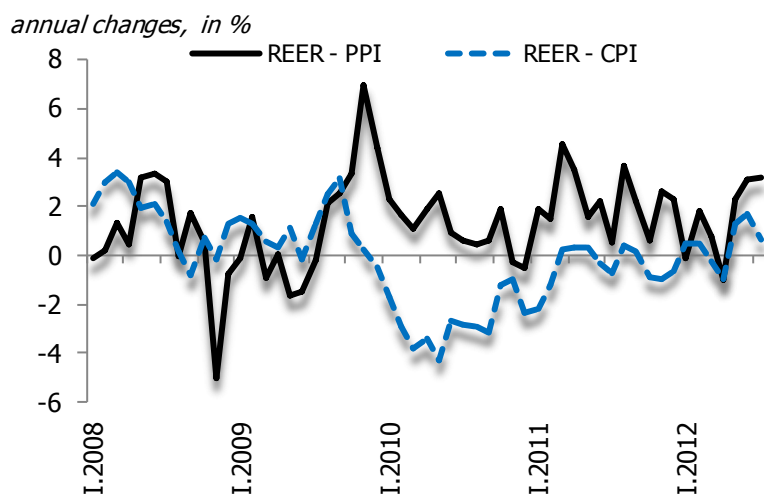
The tobacco and chemical products, the machines and transport equipment and the wearing apparel contribute the most to the increase of exports, while the export of oil derivatives and iron and steel had an inverse effect.

**... while the decrease of imports is mainly attributable to energy and ores...**



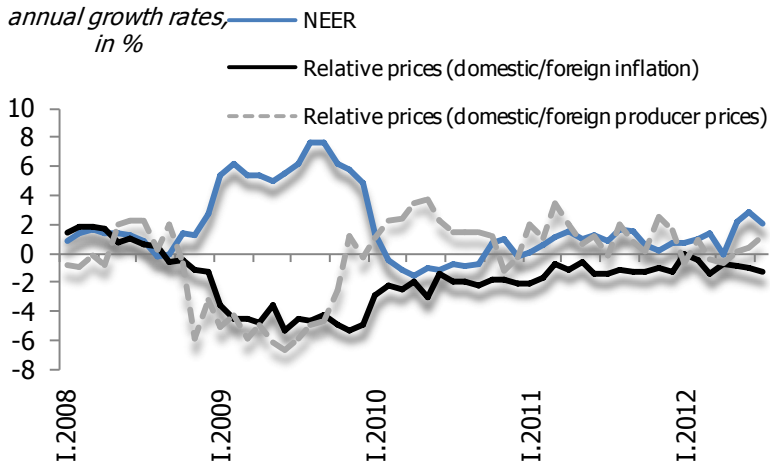
The fall of imports primarily results from energy and ores. On the other hand, the import of non-ferrous metals, textile and inorganic chemical products increased.

**... in environment of annual appreciation of REER...**



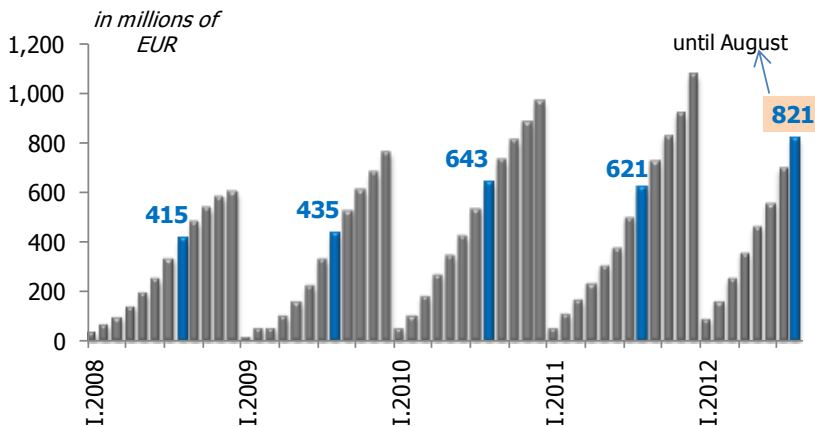
In July, price competitiveness indicators indicate a fall of price competitiveness, given the appreciation pressures of both indices. The annual NEER appreciation, that equaled 2% in July, made an outstanding contribution to this change. Given the favorable change of relative consumer prices, CPI-REER appreciation was milder compared to the nominal appreciation, and equaled 0.7%. On the other hand, PPI-REER appreciated more compared to the nominal appreciation (3.2%), given the faster increase of domestic producer prices compared to the increase of foreign producer prices.

... which is partially due to the NEER appreciation on an annual basis.



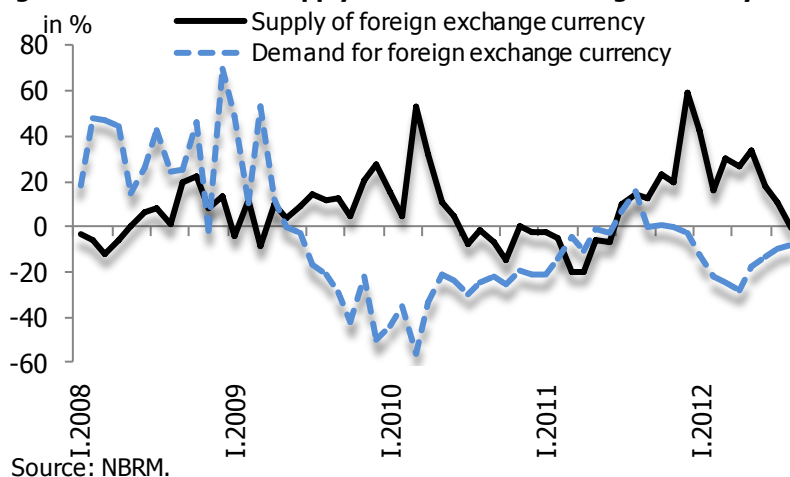
On the other hand, the relative prices registered divergent movements, i.e. further decrease of relative consumer prices and rise of relative producer prices.

In August, the increase of net purchase on the currency exchange market slowed down...



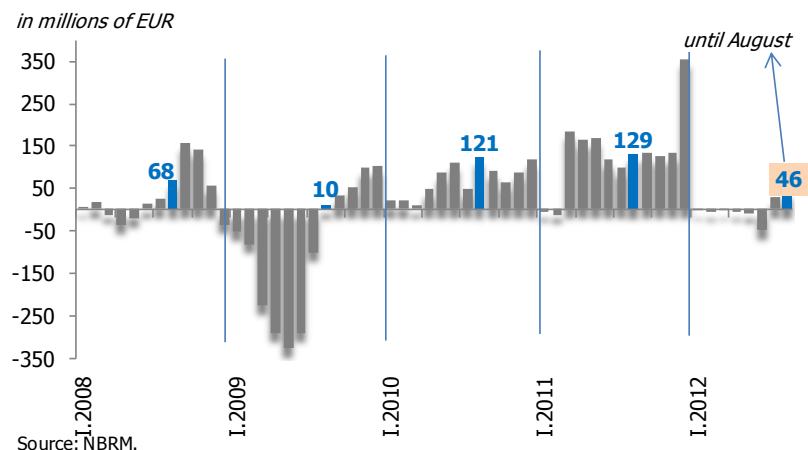
The annual rise of net purchase on the currency exchange market substantially decelerated (0.9%) in August. Aggregately, net purchase surged by 32.2% compared to the same period of the preceding year (partially due to the high base effect in the second half of the year).

... given the fall of both supply and demand for foreign currency.



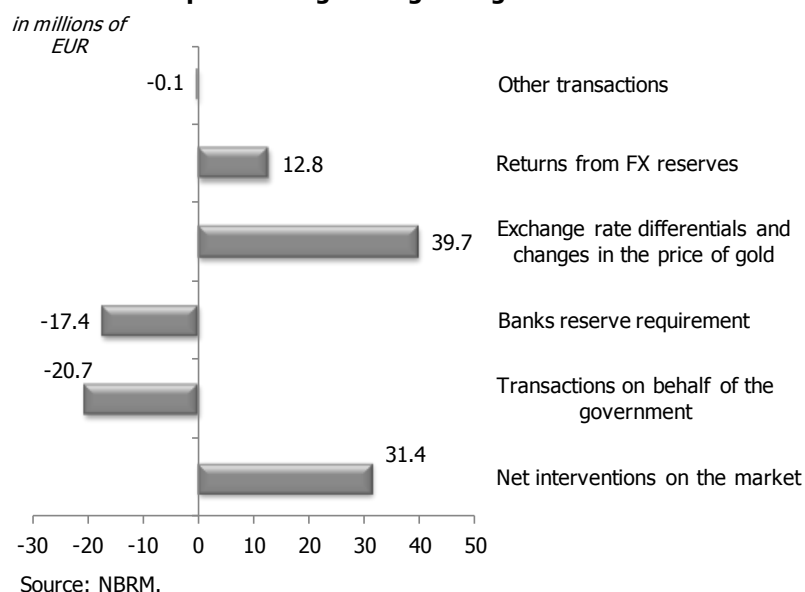
The annual increase of supply of foreign currency was interrupted in August, when it decreased by 0.8%, while the fall of demand decelerated (8.6%).

## Until August, foreign reserves went up compared to the end of previous year...



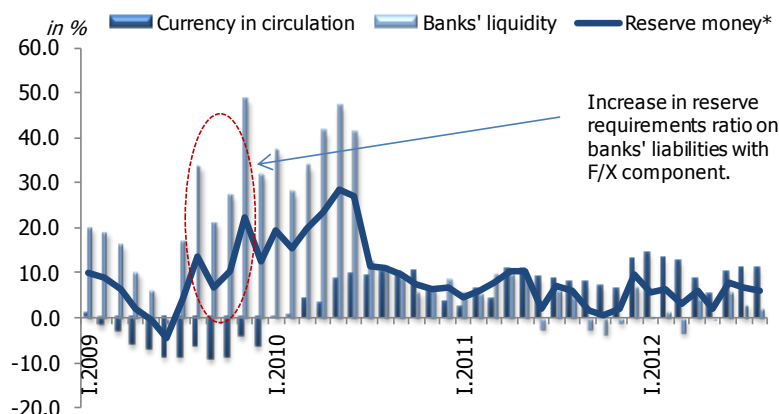
Since early this year to August, gross foreign reserves increased by 45.7 million, on an aggregate basis, compared to the end of 2011.

## ... with the components registering divergent movements.



The increase of foreign reserves in this period is attributable to the positive currency changes and changes in the gold price and the net purchase of NBRM on the foreign exchange market, that fully offset the outflow of foreign currency based on transactions for the account of the government and of the banks' foreign currency reserve requirement.

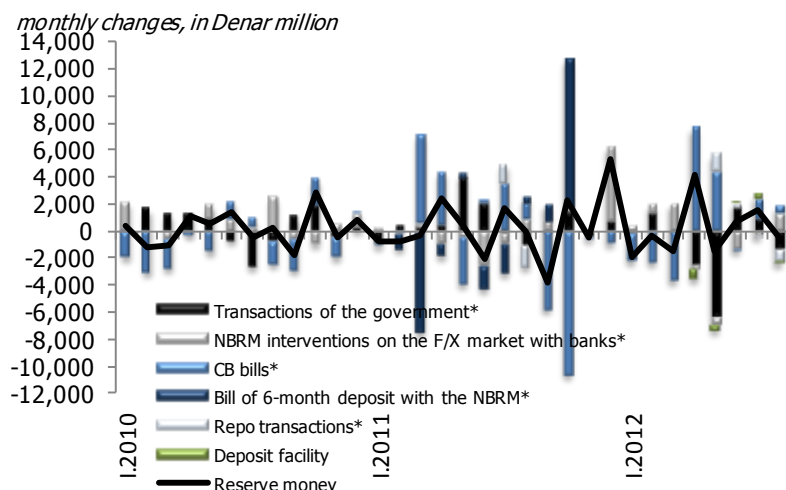
## Deceleration of the annual growth of reserve money in August...



Source: NBRM. \*Refers to reserve money including reserve requirements on F/X deposits.

The annual growth of reserve money kept on decelerating from 6.6% in July to 5.9% in August, given the slower annual growth of total banks' liquid assets and the slight deceleration of the increase of currency in circulation<sup>5</sup>.

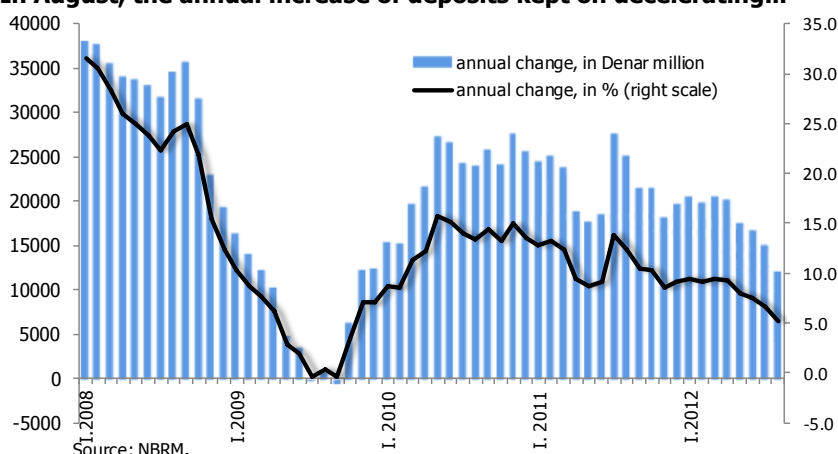
## ... given the monthly fall caused to the decrease of currency in circulation.



Source: NBRM. \*Positive change-reserve money provision; negative change-reserve money withdrawal.

After the faster growth in July, reserve money fell on a monthly basis in August. The decrease is mostly attributable to government transactions, primarily higher Denar deposits with the NBRM. The NBRM repo transactions also contributed to the withdrawal of liquidity. On the other hand, the NBRM foreign currency transactions with banks and the monetary instruments contributed to liquidity creation during the month.

## In August, the annual increase of deposits kept on decelerating...

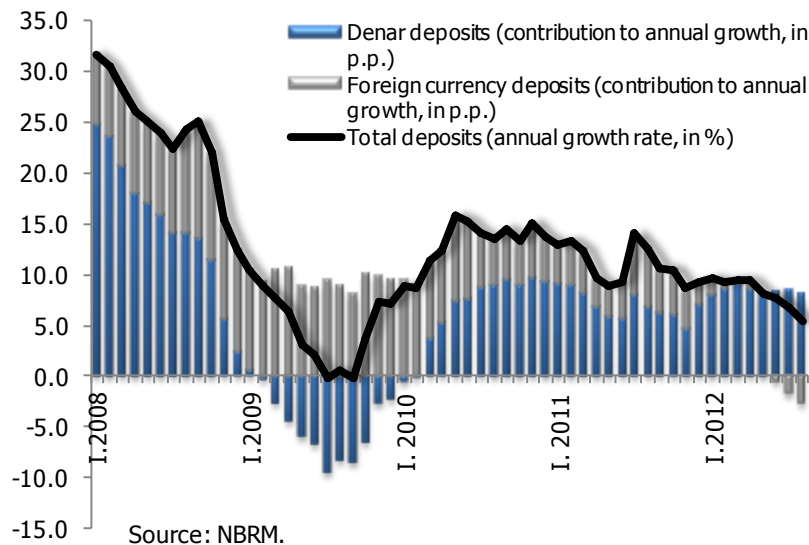


In August, total deposits<sup>6</sup> were by 5.3% higher on an annual basis, compared to 6.7% in July. Thus, the trend of deceleration of the annual deposit growth rate that started in March continued in August.

<sup>5</sup> Refers to currency in circulation and cash in the banks' vaults.

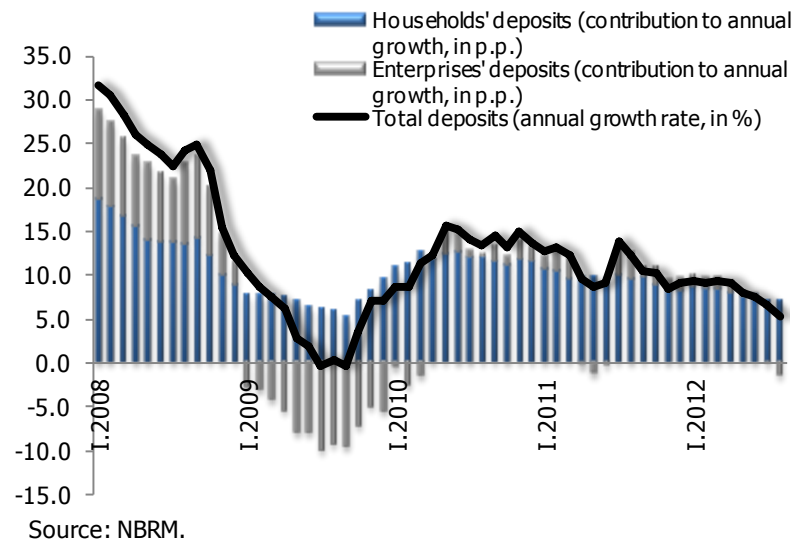
<sup>6</sup> Included demand deposits. As of January 2009, deposits also include the accrued interest.

**...with the increase being solely due to the increase of Denar deposits...**



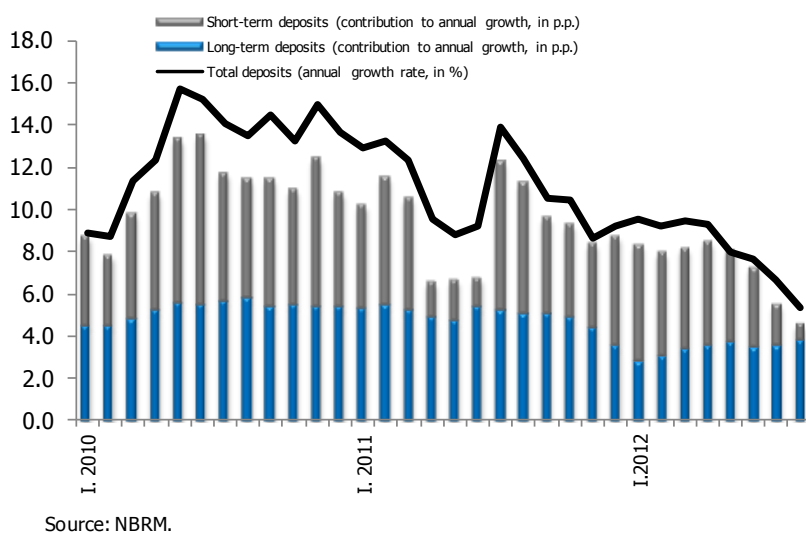
Observing the currency structure, Denar deposits are the major driver of the annual growth of total deposits for three consecutive months, given the annual fall of foreign currency deposits.

**...and the sector-by-sector analysis indicates that the new savings on an annual basis arises from the household sector...**



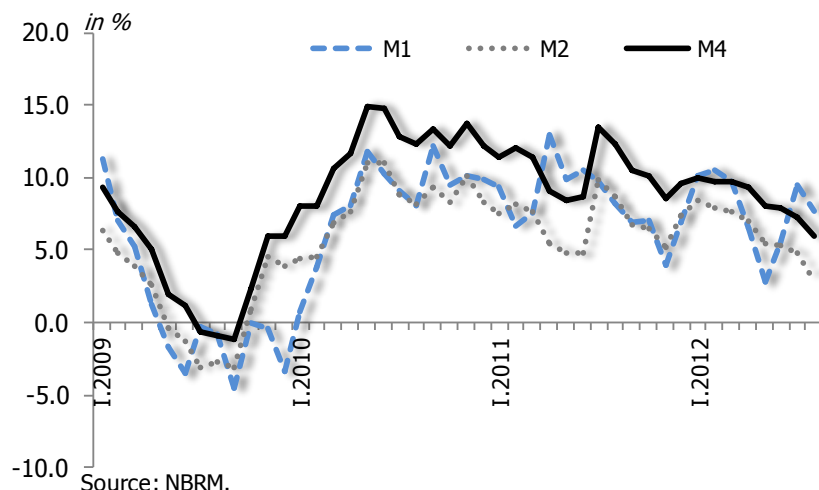
The annual increase of total deposits in August is fully attributed to household savings, while corporate deposits make negative contribution for two consecutive months.

**...while observing the maturity, the contribution of long-term deposits is greater.**



The contribution of the increase of long-term deposits in August was greater compared to the previous month, while the contribution of short-term deposits compared to the previous month decreased at a faster pace.

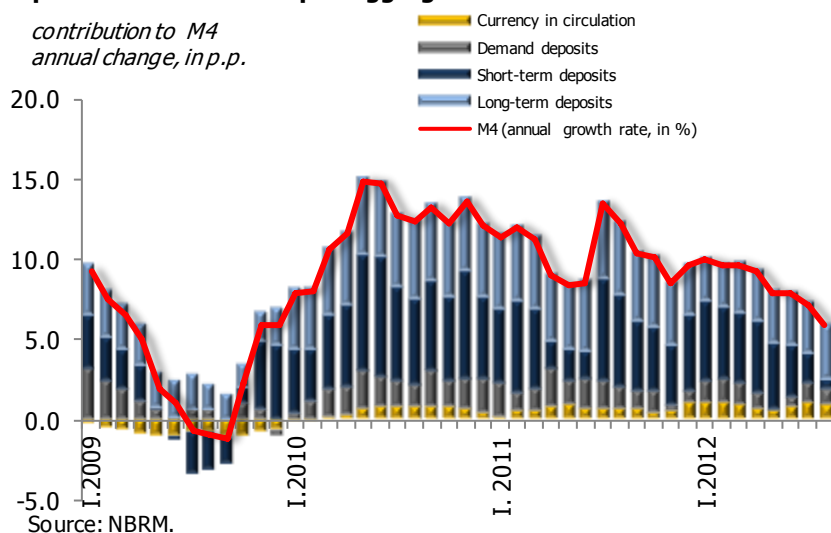
## In August, the annual growth of broad money decelerated...



In August, monetary aggregates increased at a slower annual pace, and the broad money M4 on an annual basis was by 6% higher, compared to 7.3% in July.

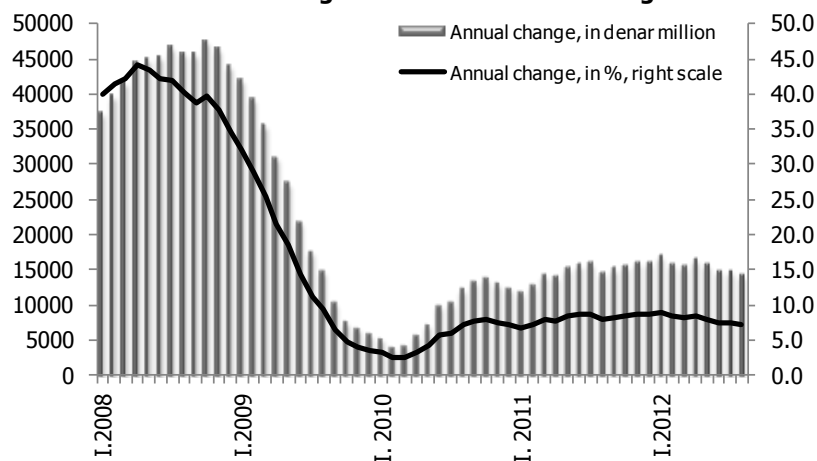
## ...mostly due to the slower annual growth rate of short-term deposits and the most liquid aggregate M1.

contribution to M4 annual change, in p.p.



In August, the deceleration of annual growth of M4 mostly arises from the slower annual growth rate of short-term deposits, and of demand deposits and currency in circulation, while the growth of long-term deposits accelerated.

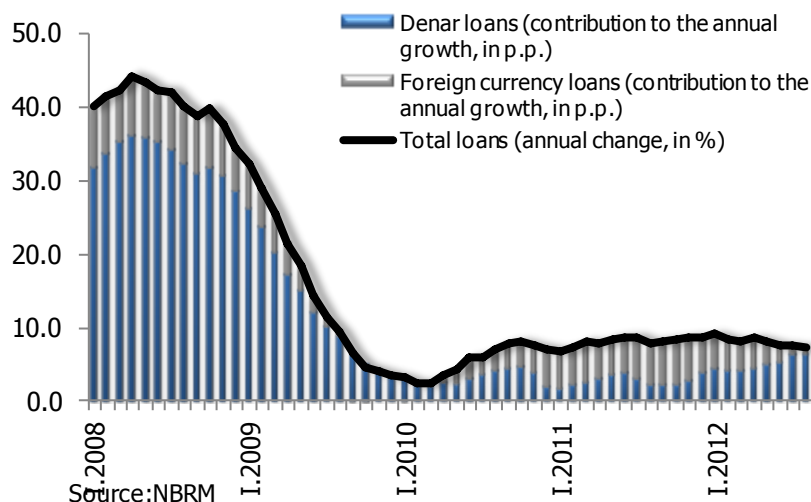
## Deceleration of the annual growth of total loans in August...



In August, total loans registered an annual increase of 7.2%, which is a deceleration compared to the preceding month (an increase of 7.4% in July).

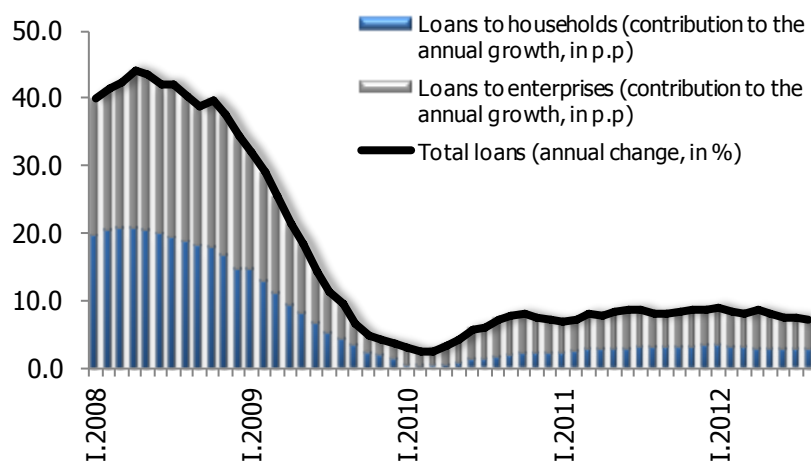


**...analyzing by currency, Denar loans made greater contribution to the increase of total loans in August, as well...**



Analyzing the currency, the annual growth of total loans in August was mostly due to the Denar loans, while the annual growth of foreign currency loans that started in May kept on decelerating.

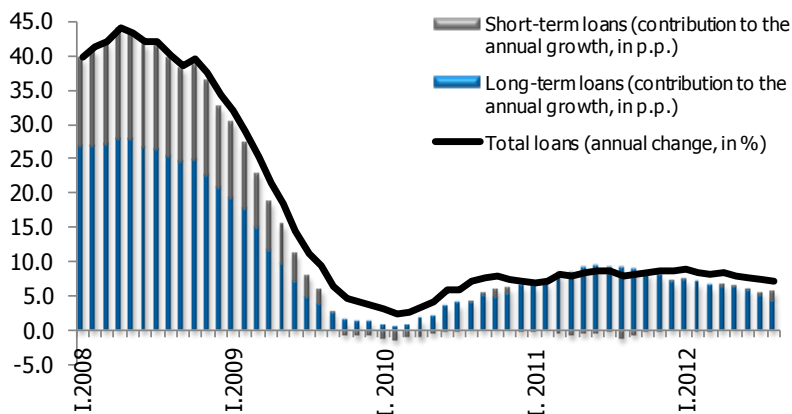
**...while the sector-by-sector analysis indicates that the corporate loans remain dominant in the annual growth of total loans...**



Observing the contribution of the two main sectors, the annual increase of total loans still mostly results from the increase of corporate loans.

Source: NBRM

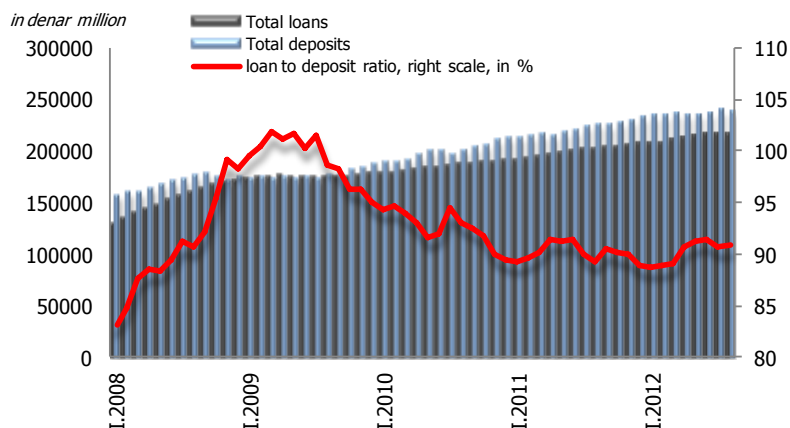
**...and observing the maturity, long-term loans contributed the most to the increase of total loans.**



Source: NBRM

The trend of high positive contribution of long-term loans to the total loan growth continued in August.

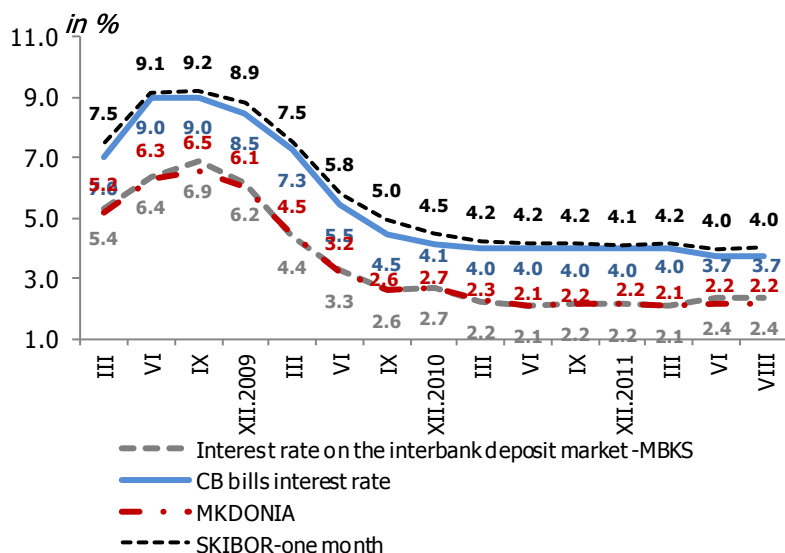
## Loan/deposit coverage ratio is higher compared to the previous month.



Source: NBRM

In August, loan-deposit coverage ratio increased moderately from 90.7% in July to 91%, given the faster monthly fall of deposits compared to the monthly fall of loans.

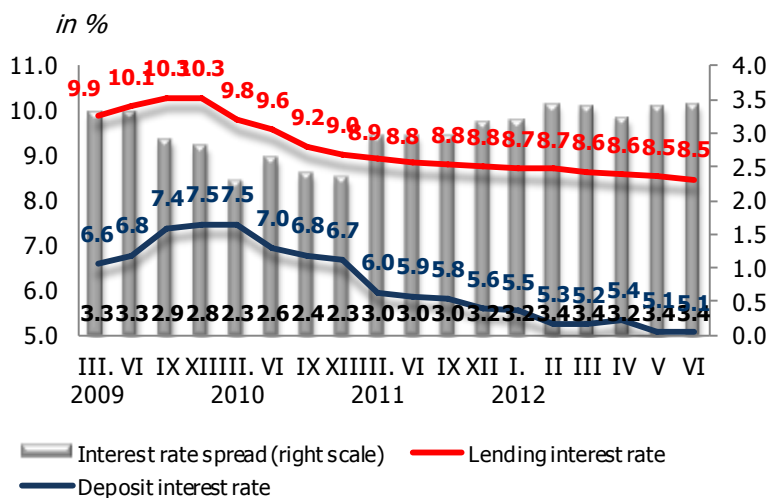
## Interest rates on the interbank deposit market went up in August.



Source: NBRM.

After the fall of MBKS and MKDONIA in July, in August these interest rates on the interbank money market increased moderately in conditions of unchanged average weighted interest rate on CB bills registered at the auction in August. On the other hand, SKIBOR (one-month) marginally increased.

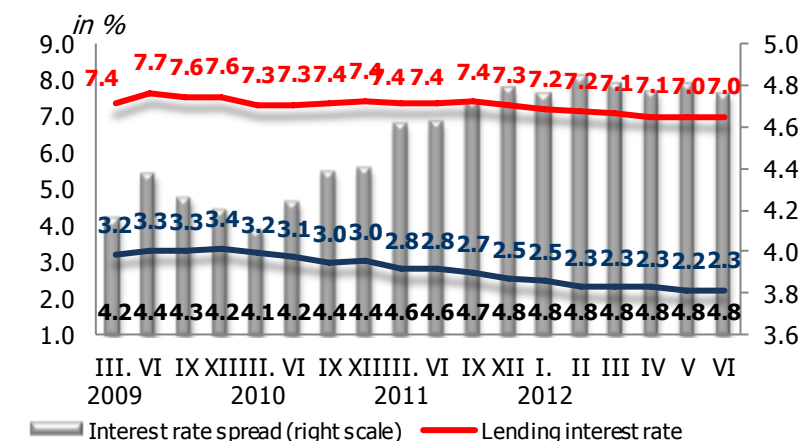
## Total Denar lending and deposit interest rates registered a minor fall in July...



Source: NBRM.

Interest rates on Denar loans and deposits went down in July, unlike the previous month that witnessed no significant changes.

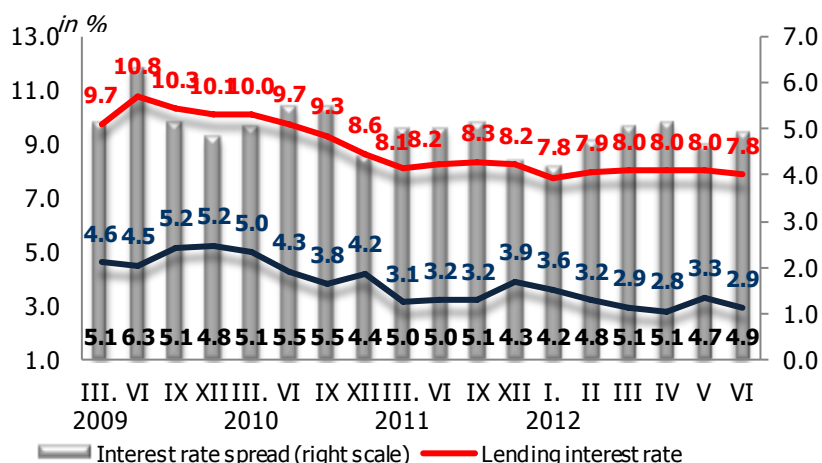
...given the simultaneous cut of the interest rates on total foreign currency loans and on foreign currency deposits.



Source: NBRM.

Interest rates on total foreign currency loans and foreign currency deposits registered a minor fall compared to the preceding month.

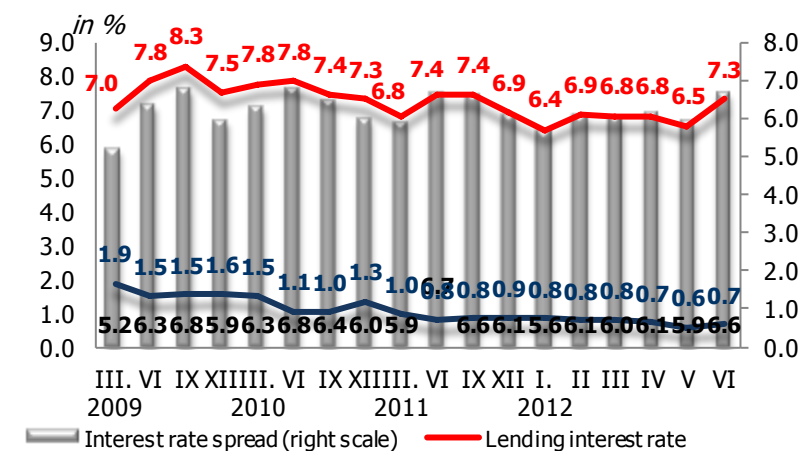
Lower interest rates on the new Denar loans...



Source: NBRM.

The decrease of new lending Denar interest rates in June continued in the next month, given the unchanged interest rate on new Denar deposits.

...and simultaneous decrease of the interest rate on newly approved foreign currency loans.



Source: NBRM.

Foreign currency interest rates on new loans registered a downtrend in July, while the interest rate on new foreign currency deposits remained unchanged.

# Statistical appendix

Table 1

## CONSUMER PRICES - INFLATION AND COMPONENTS

	<u>VIII.2012</u> <u>VII.2012</u>	<u>VIII.2012</u> <u>VIII.2011</u>	<u>I-VIII.2012</u> <u>I-VIII.2011</u>	<u>VIII.2012</u> <u>VII.2012</u>	<u>VIII.2012</u> <u>VIII.2011</u>	<u>I-VIII.2012</u> <u>I-VIII.2011</u>
	<i>change in %</i>			<i>contribution to change in percentage points</i>		
<b>Total</b>	<b>1.5</b>	<b>3.7</b>	<b>2.5</b>	<b>1.4</b>	<b>3.7</b>	<b>2.5</b>
<b>Food</b>	<b>0.8</b>	<b>2.8</b>	<b>1.1</b>	<b>0.3</b>	<b>1.1</b>	<b>0.4</b>
Grain products	0.2	-0.9	1.1	0.0	-0.1	0.1
Fresh and processed vegetables	3.6	10.2	0.9	0.2	0.5	0.0
Fresh and processed fruits	-1.9	8.7	-3.3	-0.1	0.3	-0.1
Meat and poultry	0.4	3.1	3.5	0.0	0.3	0.3
Fresh and cooked fish	0.0	2.3	3.9	0.0	0.0	0.0
Dairy products	0.5	1.6	1.3	0.0	0.1	0.1
Eggs	-1.7	1.4	7.1	0.0	0.0	0.1
Oils and fats	5.3	-4.2	-5.6	0.1	-0.1	-0.1
<b>Tobacco and beverages</b>	<b>-0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Clothing and footwear</b>	<b>-0.2</b>	<b>5.2</b>	<b>3.5</b>	<b>0.0</b>	<b>0.3</b>	<b>0.2</b>
<b>Housing</b>	<b>5.0</b>	<b>10.3</b>	<b>6.5</b>	<b>0.8</b>	<b>1.6</b>	<b>1.0</b>
Flat (rent, water and other services)	0.1	2.6	2.3	0.0	0.1	0.1
Fuel and lighting	7.5	15.2	9.6	0.8	1.5	1.0
Heating and services	2.1	8.2	7.6	0.1	0.3	0.2
Electric power	9.9	18.4	10.5	0.7	1.3	0.7
<b>Hygiene and health</b>	<b>0.3</b>	<b>2.4</b>	<b>2.2</b>	<b>0.0</b>	<b>0.2</b>	<b>0.2</b>
<b>Culture and entertainment</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Transport and communication services</b>	<b>2.6</b>	<b>2.3</b>	<b>3.2</b>	<b>0.3</b>	<b>0.3</b>	<b>0.4</b>
Fuels and lubricants	7.4	8.3	8.6	0.3	0.4	0.4
Public transport services & PTT	0.0	-1.5	-2.1	0.0	-0.1	-0.1
<b>Restaurants and hotels</b>	<b>0.0</b>	<b>2.3</b>	<b>2.7</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>
<b>Other services n.e.c.</b>	<b>0.0</b>	<b>-1.0</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: State Statistical Office of the Republic of Macedonia.

Table 2

## INFLATION, PRODUCTIVITY AND WAGES

	2008	2009	2010	2011	2011				2012		Latest months				
					Q1	Q2	Q3	Q4	Q1	Q2	Apr-12	May-12	Jun-12	Jul-12	Aug-12
	<i>annual changes in %</i>														
Inflation (CPI)	8.3	-0.8	1.6	3.9	4.1	4.7	3.6	3.2	2.5	2.1	2.2	2.0	2.1	2.3	3.7
Inflation (CPI) - cumulative average	8.3	-0.8	1.6	3.9	4.1	4.4	4.1	3.9	2.5	2.3	2.5	2.4	2.3	2.3	2.5
Core inflation (excluding food and energy)	2.6	0.3	0.2	1.1	1.0	1.2	1.3	0.9	1.4	1.8	1.8	1.9	1.6	1.6	1.5
Regulated prices	9.3	-1.8	11.3	6.9	7.1	6.9	6.8	7.0	9.4	8.7	9.3	8.7	8.0	6.7	13.1
Industrial producer prices	10.2	-7.0	8.7	11.1	13.6	11.6	10.2	9.1	5.1	3.1	3.0	3.2	3.0	4.2	3.6
Productivity	1.9	-4.2	1.5	1.9	1.1	1.2	1.2	4.1	-0.3	-1.9	-	-	-	-	-
Nominal net-wage*	10.3	9.8	3.0	1.4	1.9	1.5	1.6	0.8	1.0	-0.5	1.1	-0.4	-2.2	-	-
Real net-wage*	1.9	10.8	1.4	-2.4	-2.1	-3.1	-1.9	-2.4	-1.5	-2.6	-1.1	-2.4	-4.3	-	-

\*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				2012					2011				2012				
	Q1	Q2	Q3	Q4	Q1	Q2	Apr.	May	Jun	Q1	Q2	Q3	Q4	Q1	Q2	Apr.	May	Jun
	nominal annual changes, %									real annual changes, %								
<b>Total</b>	1.9	1.5	1.6	0.8	1.0	-0.5	1.1	-0.4	-2.2	-2.1	-3.1	-1.9	-2.4	-1.5	-2.6	-1.1	-2.4	-4.3
<b>Agriculture</b>	-1.2	3.8	4.6	6.8	7.2	5.6	6.2	6.3	4.3	-5.1	-0.9	1.0	3.5	4.5	3.4	3.9	4.2	2.1
Agriculture, forestry and fishing	-1.2	3.8	4.6	6.8	7.2	5.6	6.2	6.3	4.3	-5.1	-0.9	1.0	3.5	4.5	3.4	3.9	4.2	2.1
<b>Industry</b>	2.2	2.9	2.5	0.8	0.7	0.1	1.9	0.1	-1.5	-1.8	-1.8	-1.1	-2.3	-1.8	-1.9	-0.2	-1.9	-3.6
Mining and quarrying	7.8	3.6	5.1	-1.2	-6.5	-2.3	-1.3	0.0	-5.6	3.5	-1.1	1.5	-4.3	-8.8	-4.3	-3.4	-2.0	-7.6
Manufacturing	4.4	3.9	3.7	1.9	0.6	0.6	2.2	0.7	-1.0	0.3	-0.8	0.1	-1.3	-1.9	-1.5	0.0	-1.3	-3.1
Electricity, gas, steam and air conditioning supply	-2.7	1.0	-0.3	0.7	4.4	1.5	4.3	0.4	-0.2	-6.6	-3.6	-3.8	-2.4	1.8	-0.6	2.1	-1.6	-2.3
Water supply; sewerage, waste management and remediation activities	2.3	4.7	4.0	2.4	1.0	-1.0	0.2	-1.5	-1.7	-1.7	0.0	0.4	-0.8	-1.5	-3.1	-1.9	-3.5	-3.8
Construction	3.5	3.0	2.3	1.2	3.0	1.7	3.1	0.7	1.2	-0.6	-1.7	-1.2	-2.0	0.4	-0.4	0.9	-1.3	-0.9
<b>Services</b>	3.0	5.1	4.2	2.6	3.3	-1.6	0.8	-1.4	-4.1	-1.0	0.4	0.5	-0.6	0.7	-3.6	-1.3	-3.3	-6.1
Wholesale and retail trade; repair of motor vehicles and motorcycles	-0.6	-1.8	-0.1	-1.0	2.4	1.3	2.5	-0.5	1.8	-4.5	-6.2	-3.6	-4.1	-0.1	-0.8	0.3	-2.4	-0.4
Transportation and storage	2.4	2.5	6.9	1.7	0.3	-0.4	0.6	-1.2	-0.6	-1.6	-2.1	3.2	-1.5	-2.1	-2.5	-1.6	-3.1	-2.7
Accommodation and food service activities	0.0	-0.9	1.4	0.4	0.9	1.4	1.4	0.2	2.7	-3.9	-5.4	-2.2	-2.7	-1.6	-0.7	-0.8	-1.8	0.5
Information and communication	1.2	23.8	2.2	-3.3	18.9	-18.8	-1.9	-15.8	-33.3	-2.8	18.3	-1.4	-6.2	16.0	-20.5	-3.9	-17.5	-34.7
Financial and insurance activities	11.0	2.4	4.2	4.8	-7.3	-0.6	-0.2	0.0	-1.7	6.6	-2.2	0.5	1.5	-9.6	-2.7	-2.3	-2.0	-3.8
Real estate activities	-4.2	-1.4	5.3	3.9	10.3	4.8	6.2	3.3	4.9	-8.0	-5.8	1.7	0.7	7.6	2.6	4.0	1.2	2.7
Professional, scientific and technical activities	2.8	6.0	8.7	15.3	18.2	10.4	10.1	9.2	11.7	-1.2	1.2	4.9	11.7	15.2	8.1	7.8	7.1	9.4
Administrative and support service activities	-6.6	-5.1	-8.2	-3.7	-4.0	-7.7	-8.7	-7.1	-7.3	-10.3	-9.4	-11.4	-6.6	-6.4	-9.6	-10.6	-8.9	-9.2
Public administration and defence; compulsory social security	-0.2	-0.8	0.3	0.2	1.2	1.5	1.6	2.7	0.3	-4.1	-5.2	-3.2	-2.9	-1.3	-0.6	-0.6	0.6	-1.8
Education	4.2	-0.5	-0.6	-0.8	-0.8	-0.1	0.1	-0.2	-0.2	0.1	-5.0	-4.1	-3.9	-3.3	-2.1	-2.0	-2.2	-2.3
Human health and social work activities	-1.2	0.6	0.7	1.7	1.9	3.0	2.8	2.7	3.3	-5.1	-3.9	-2.8	-1.5	-0.6	0.8	0.6	0.7	1.2
Arts, entertainment and recreation	6.8	7.2	8.4	9.8	-5.2	-9.4	-11.0	-7.2	-9.9	2.6	2.4	4.6	6.4	-7.5	-11.3	-12.9	-9.1	-11.8
Other service activities	19.0	26.5	25.8	5.5	0.2	3.4	3.1	1.7	5.6	14.3	20.8	21.5	2.2	-2.3	1.3	0.9	-0.3	3.4

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**

	INDUSTRIAL OUTPUT AND OTHER ECONOMIC ACTIVITIES														
	2008	2009	2010	2011	2011				2012		Latest data				cumulative 2012
					Q1	Q2	Q3	Q4	Q1	Q2	Apr-12	May-12	Jun-12	Jul-12	
	annual changes in %														
Gross domestic product	5.0	-0.9	2.9	2.9	6.4	3.7	1.2	0.9	-1.3	-0.9	-	-	-	-	-1.1
Industrial output	5.1	-8.7	-4.8	3.3	13.8	5.3	1.4	-4.7	-8.4	-5.6	-7.2	-5.4	-4.1	-6.9	-6.9
Construction	25.6	13.7	14.9	34.3	61.8	60.0	17.4	22.5	-19.1	-10.5	-9.1	-15.2	-7.5	-	-13.7
Retail and wholesale trade	11.8	-7.4	7.3	11.4	6.5	13.5	12.3	12.9	4.7	6.4	2.2	11.0	6.3	-	5.6
Telecommunications	8.9	6.6	18.3	16.8	13.2	16.6	17.4	19.8	17.3	14.9	15.9	17.4	11.5	-	16.1

Source: State Statistical Office of the Republic of Macedonia.

Table 5

**SELECTED INDUSTRIAL ACTIVITIES**

	2008	2009	2010	2011	2011				2012				
					Q1	Q2	Q3	Q4	Q1	Q2	jul-2012		
	annual changes in %											change, %	contribution, p.p.
Mining and quarrying	9.4	-12.4	-3.8	7.4	7.9	14.6	-5.2	13.4	-10.4	-7.4	4.3	0.2	
Manufacture of food products	7.6	-2.3	2.8	0.8	-3.8	0.8	-6.0	11.2	5.2	0.5	-6.0	-0.7	
Manufacture of beverages	9.9	-0.3	-9.2	-13.3	-17.4	-16.5	-9.7	-12.3	4.6	2.4	-2.9	-0.2	
Manufacture of tobacco products	1.9	-3.2	19.6	16.8	1.3	43.1	21.8	-3.2	16.8	5.7	-3.1	-0.3	
Manufacture of wearing apparel	-20.0	-11.8	-4.7	19.2	35.2	26.4	11.3	6.4	-19.5	-13.5	-7.4	-0.6	
Printing and reproduction of recorded media	57.3	26.8	-34.2	-5.6	8.6	6.4	-15.7	-15.5	-22.2	-4.3	6.4	0.1	
Manufacture of coke and refined petroleum products	1.6	-8.9	-6.2	-20.3	43.0	-46.2	-23.0	-37.6	-49.1	-82.1	-95.4	-4.1	
Manufacture of basic pharmaceutical products and pharmaceutical preparations	25.2	-13.2	-2.8	8.2	11.0	5.1	5.0	10.8	-1.6	10.1	4.2	0.1	
Manufacture of other non-metallic mineral products	-3.0	-12.1	-14.2	10.0	13.1	14.5	11.4	-0.1	-22.6	-21.5	-37.2	-2.8	
Manufacture of basic metals	-5.3	-43.0	31.8	7.0	34.0	11.1	7.7	-16.1	-3.8	-8.6	-23.6	-3.2	
Manufacture of fabricated metal products	52.0	38.8	-53.5	-12.8	30.8	-11.0	-29.7	-16.3	50.1	65.4	2,8 times	5.4	
Manufacture of electrical equipment	27.8	-24.8	-43.2	2.2 times	2,9 times	2,9 times	2,2 times	22.9	-47.5	-53.5	-57.1	-3.5	
Manufacture of other transport equipment	-18.4	-46.4	44.5	2.0 times	3,6 times	79.2	2,2 times	37.8	-0.8	49.1	18.3	0.4	
Electricity, gas, steam and air conditioning supply	-3.1	8.7	14.4	-11.1	-3.1	-21.6	-16.7	-4.1	-17.6	-5.1	18.0	1.6	

Source: State Statistical Office of the Republic of Macedonia.

Table 6

## INDICATIVE VARIABLES FOR PRIVATE CONSUMPTION

	2008 2009 2010 2011				2010				2011				2012		Latest months			
	2008	2009	2010	2011	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Apr-12	May-12	Jun-12	Jun-12
					real annual growth rates in %													
Retail trade*	3.1	-2.9	2.2	8.2	0.9	1.5	4.4	1.7	7.4	6.7	9.9	8.4	-4.4	-3.7	-4.1	-2.2	-4.8	-
VAT revenues*	1.4	-1.9	5.4	7.9	-0.1	23.1	6.0	-4.2	15.1	-0.5	7.3	10.6	-2.8	-12.1	-8.5	-24.6	-3.4	-2.1
Imports of consumption goods*	9.8	-8.7	7.8	1.4	-1.4	15.2	13.2	4.2	4.5	-7.7	4.6	4.8	0.3	0.0	1.3	-1.9	0.6	-3.3
Domestic production of consumption goods	5.8	-4.6	-1.8	6.8	-5.8	-7.5	2.5	2.7	8.2	16.4	3.9	0.4	-6.0	-5.8	-3.2	-2.7	-10.8	-7.8
Counsumer credits*	31.8	4.0	2.2	5.1	-0.4	0.8	2.1	2.2	1.4	2.8	4.0	5.1	5.7	4.5	4.6	4.7	4.5	4.1
Average net wage*	1.9	10.7	1.4	-2.4	2.8	1.1	1.1	0.7	-2.1	-3.1	-1.9	-2.4	-1.5	-2.6	-1.1	-2.4	-4.3	-
Private net transfers*	-12.5	18.6	20.0	2.2	105.2	30.3	3.1	0.5	-7.6	-12.8	1.4	25.7	30.6	28.4	29.3	36.8	19.4	-
Pensions*	8.4	9.5	1.1	0.4	2.5	2.1	0.0	0.0	-0.9	-0.2	0.2	2.5	3.4	2.2	2.5	2.4	1.8	3.0

\* 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

	FOR INVESTMENTS																	
					2010				2011				2012		Latest months			
	2008	2009	2010	2011	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Apr-12	May-12	Jun-12	Jul-12
	real annual growth rates in %, except for FDI in million denars																	
Imports od capital goods*	19.4	-3.3	-14.2	5.0	-32.2	-11.0	5.0	-10.0	8.3	16.9	-6.6	-6.0	-9.3	-11.2	-10.0	-11.7	-12.1	4.3
Completed construction works*	16.3	14.9	12.9	29.4	7.1	-8.4	33.5	17.0	55.4	52.8	13.4	18.8	-21.1	-12.3	-11.0	-16.9	-9.5	-
Domestic production of capital goods	-1.0	-23.1	-10.8	41.0	-27.7	-5.9	-12.7	5.1	64.5	44.7	43.0	18.6	-13.9	-13.6	1.2	-19.9	-18.8	24.1
Government investments*	36.7	-32.3	12.4	11.1	24.0	-26.4	73.8	-1.5	19.5	70.8	-16.5	-0.8	2.4	-25.5	-32.9	-26.8	-13.0	-54.4
FDI*	-8211.9	-14385.6	711.9	7591.5	-750.6	-1175.6	-35.1	2673.2	10323.0	-6258.5	-323.3	3850.3	-7291.5	3522.0	-245.7	2642.0	1126.5	-
Long term credits to enterprises*	25.9	8.6	9.1	6.6	4.5	7.8	8.8	9.1	10.3	12.9	11.5	6.6	7.7	5.5	6.6	7.0	5.5	3.8
Domestic production of capital goods	-5.6	-2.1	-3.3	12.1	-6.8	-18.0	-6.7	-5.8	6.0	19.5	18.2	6.0	-3.9	-1.8	-3.3	-1.8	-0.1	-7.6

\* 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)

	2011				2011	2012			Jan-Jul 2012	annual changes in 2012 (in %)				realization (in %)
	Q1	Q2	Q3	Q4		Q1	Q2	July		Q1	Q2	April	Jan-Jul	
<i>in millions of Denars</i>														
<b>TOTAL BUDGET REVENUES</b>	<b>31,422</b>	<b>36,042</b>	<b>34,444</b>	<b>35,258</b>	<b>137,166</b>	<b>31,798</b>	<b>35,139</b>	<b>12,492</b>	<b>79,429</b>	<b>1.2</b>	<b>-2.5</b>	<b>4.8</b>	<b>0.1</b>	<b>53.1</b>
Revenues base on taxes and contributions	27,332	29,519	30,461	31,357	118,669	27,872	28,962	10,853	67,687	2.0	-1.9	2.4	0.3	54.7
Tax revenues (SRA)	192	146	151	215	704	210	192	81	483	9.4	31.5	55.8	23.8	106.9
Tax revenues	18,002	19,411	20,247	20,546	78,206	18,217	18,592	7,284	44,093	1.2	-4.2	2.7	-0.9	53.9
Personal income tax	2,242	2,325	2,288	2,658	9,513	2,298	2,363	795	5,456	2.5	1.6	1.8	2.0	53.4
Profit tax	920	1,496	731	741	3,888	964	1,312	191	2,467	4.8	-12.3	-32.7	-8.6	63.3
Value added tax	9,834	10,140	11,037	11,213	42,224	9,798	9,100	4,167	23,065	-0.4	-10.3	0.2	-4.4	52.1
Excises	3,423	3,687	4,326	4,077	15,513	3,399	4,034	1,512	8,945	-0.7	9.4	18.8	6.7	55.9
Custom duties	809	950	1,027	993	3,779	932	994	366	2,292	15.2	4.6	20.4	11.1	57.3
Other	774	813	838	864	3,289	826	789	253	1,868	6.7	-3.0	-13.7	-0.6	53.4
Contributions	9,138	9,962	10,063	10,596	39,759	9,445	10,178	3,488	23,111	3.4	2.2	1.0	2.5	55.7
Pension and Disability Insurance Fund	6,188	6,740	6,792	7,170	26,890	6,375	6,876	2,355	15,606	3.0	2.0	1.0	2.3	57.0
Employment Biro	388	425	434	452	1,699	402	437	150	989	3.6	2.8	0.7	2.8	51.5
Health Fund	2,562	2,797	2,837	2,974	11,170	2,668	2,865	983	6,516	4.1	2.4	1.1	2.9	53.6
Non-tax revenues	2,922	3,585	3,358	2,979	12,844	2,782	3,087	1,096	6,965	-4.8	-13.9	-0.5	-8.5	45.8
Capital revenues	605	2,558	232	392	3,787	746	2,697	201	3,644	23.3	5.4	161.0	12.5	62.7
Donations from abroad	231	277	254	325	1,087	280	296	259	835	21.2	6.9	156.4	37.1	20.1
Revenues of recovered loans	332	103	139	205	779	118	97	83	298	-64.5	-5.8	112.8	-37.1	49.7
<b>TOTAL BUDGET EXPENDITURES</b>	<b>35,148</b>	<b>40,048</b>	<b>36,103</b>	<b>37,350</b>	<b>148,649</b>	<b>36,328</b>	<b>38,656</b>	<b>14,373</b>	<b>89,357</b>	<b>3.4</b>	<b>-3.5</b>	<b>9.0</b>	<b>1.1</b>	<b>55.3</b>
Current expenditures	31,133	35,164	31,830	32,812	130,939	32,113	34,941	13,498	80,552	3.1	-0.6	19.3	3.8	57.4
Wages and salaries	5,755	5,773	5,821	5,798	23,147	5,680	5,702	1,906	13,288	-1.3	-1.2	-2.3	-1.4	57.6
Goods and services	3,497	3,768	3,128	3,565	13,958	3,739	3,328	1,126	8,193	6.9	-11.7	1.9	-2.1	51.5
Transfers	21,523	24,938	21,392	22,510	90,363	22,164	25,110	9,239	56,513	3.0	0.7	30.7	5.6	57.9
Transfers (SRA)	173	211	218	195	797	208	191	92	491	20.2	-9.5	43.8	9.6	49.2
Social transfers	15,961	17,223	16,665	17,339	67,188	17,015	17,254	5,758	40,027	6.6	0.2	3.3	3.3	56.9
Other transfers	5,389	7,504	4,509	4,976	22,378	4,941	7,665	3,389	15,995	-8.3	2.1	137.3	11.7	60.9
Interest payments	358	685	1,489	939	3,471	530	801	1,227	2,558	48.0	16.9	3.1	14.6	69.8
Interest on domestic debt	196	444	224	243	1,107	242	347	117	706	23.5	-21.8	56.0	-1.3	77.2
Interest on external debt	162	241	1,265	696	2,364	288	454	1,110	1,852	77.8	88.4	-0.4	22.0	67.3
Capital expenditures	4,015	4,884	4,273	4,538	17,710	4,215	3,715	875	8,805	5.0	-23.9	-53.3	-18.3	41.1
<b>BUDGET DEFICIT / SURPLUS</b>	<b>-3,726</b>	<b>-4,006</b>	<b>-1,659</b>	<b>-2,092</b>	<b>-11,483</b>	<b>-4,530</b>	<b>-3,517</b>	<b>-1,881</b>	<b>-9,928</b>	<b>21.6</b>	<b>-12.2</b>	<b>48.2</b>	<b>10.3</b>	<b>81.8</b>

Source: Ministry of Finance.

Table 9

BALANCE OF PAYMENTS																							
	2008	2009	2010	1	2	3	4	5	6	7	8	9	10	11	12	2011	1	2	3	4	5	6	2012
	EUR million																						
I. Current Account	-862.2	-457.1	-150.4	-92.7	-73.3	-34.3	-41.6	-0.1	-17.7	-7.0	26.5	27.2	25.6	-59.1	45.5	-201.1	-45.0	-27.7	-48.8	-75.8	-34.1	25.2	-206.1
A. GOODS, net	-1,762.5	-1,559.6	-1,467.8	-193.3	-142.2	-126.0	-149.1	-102.8	-122.8	-158.9	-132.6	-111.8	-100.0	-177.4	-164.9	-1,681.7	-145.5	-108.0	-157.4	-200.9	-159.6	-109.6	-880.9
Exports, f.o.b.	2,692.6	1,932.6	2,492.8	222.2	238.6	251.6	276.1	285.2	256.1	234.1	278.6	312.3	281.6	265.7	276.7	3,178.9	208.9	233.4	263.9	239.4	276.1	257.9	1,479.6
Imports, f.o.b.	-4,455.1	-3,492.2	-3,960.7	-415.5	-380.9	-377.6	-425.2	-388.0	-378.9	-392.9	-411.3	-424.1	-381.5	-443.1	-441.5	-4,860.5	-354.3	-341.4	-421.4	-440.2	-435.7	-367.5	-2,360.5
B. SERVICES, net	9.3	16.5	49.4	14.1	-5.8	11.0	4.6	9.7	9.3	12.6	15.6	9.3	7.3	0.3	9.3	97.4	-4.8	-7.6	2.2	0.6	-0.9	17.9	7.4
Credit	692.0	617.6	693.8	60.2	49.7	67.5	62.2	66.6	66.3	73.0	76.7	70.4	67.0	63.4	77.0	799.9	56.0	52.3	62.3	60.2	68.5	71.0	370.3
Debit	-682.8	-601.1	-644.3	-46.0	-55.5	-56.5	-57.6	-56.8	-57.0	-60.4	-61.1	-61.1	-59.7	-63.1	-67.7	-702.5	-60.8	-59.9	-60.1	-59.6	-69.4	-53.1	-362.9
C. INCOME, net	-94.4	-47.3	-99.1	-9.5	-8.1	-6.6	-9.6	-9.8	-8.4	-10.7	-7.8	-9.2	-9.5	-8.3	-12.2	-109.5	-8.4	-9.5	-13.3	-11.5	-14.5	-10.8	-67.8
Credit	185.2	128.0	146.6	15.4	12.8	15.7	14.2	14.0	14.6	13.1	15.5	14.2	14.1	15.4	13.6	172.7	18.3	16.5	14.6	14.6	13.4	14.6	92.0
Debit	-279.6	-175.3	-245.7	-24.9	-20.9	-22.3	-23.8	-23.7	-23.0	-23.9	-23.3	-23.3	-23.6	-23.6	-25.8	-282.2	-26.7	-26.0	-27.8	-26.1	-27.9	-25.3	-159.8
D. CURRENT TRANSFERS, net	985.5	1,133.3	1,367.2	95.9	82.7	87.4	112.4	102.7	104.2	149.9	151.2	138.9	127.7	126.4	213.2	1,492.6	113.6	97.4	119.7	136.0	140.9	127.6	735.3
Credit	1,033.2	1,181.0	1,414.0	99.3	86.1	91.3	116.1	106.7	108.4	153.8	155.4	142.6	131.7	130.8	218.6	1,540.8	117.6	101.0	124.1	140.4	145.4	131.7	760.2
Debit	-47.7	-47.7	-46.9	-3.3	-3.4	-3.9	-3.7	-4.0	-4.3	-3.9	-4.1	-3.7	-4.1	-4.4	-5.3	-48.1	-3.9	-3.7	-4.4	-4.4	-4.5	-4.1	-24.9
II. Capital and Financial Account	886.2	430.0	130.9	96.6	76.5	51.4	51.4	2.9	14.1	-1.0	-29.5	-40.4	-25.4	56.9	-44.9	208.5	49.4	27.9	38.7	77.7	30.3	-31.9	192.0
A. CAPITAL ACCOUNT, net	-12.2	20.2	12.9	7.8	0.9	0.8	1.2	1.4	0.9	3.1	0.5	0.3	0.4	0.9	2.7	20.9	0.1	2.3	0.7	1.0	0.4	0.3	4.8
Credit	0.0	25.4	25.5	8.0	1.9	2.0	2.3	2.4	2.5	4.0	2.3	1.5	1.9	2.9	4.3	36.1	1.8	3.1	2.0	1.7	1.7	1.8	12.1
Debit	-12.2	-5.3	-12.6	-0.3	-1.0	-1.2	-1.1	-1.0	-1.6	-0.9	-1.8	-1.1	-1.5	-2.0	-1.6	-15.3	-1.8	-0.8	-1.3	-0.7	-1.3	-1.4	-7.3
B. FINANCIAL ACCOUNT, net	898.4	409.8	118.0	88.8	75.6	50.6	50.2	1.5	13.2	-4.2	-30.0	-40.7	-25.9	56.0	-47.6	187.6	49.4	25.6	38.0	76.7	29.8	-32.2	187.2
1. Direct investment, net	409.4	136.9	157.6	46.6	61.2	93.8	-22.9	-17.5	-22.0	21.6	28.4	-13.4	29.3	74.9	21.8	301.9	30.0	31.1	7.7	-28.1	36.8	-1.2	76.4
Abroad	9.5	-8.1	-1.4	-0.3	-0.2	0.2	0.0	0.3	0.0	0.0	-0.1	-0.9	-0.4	-0.1	-0.1	-1.6	-0.5	0.0	-0.1	0.0	4.5	0.0	3.9
In reporting economy	399.9	145.0	159.1	46.9	61.4	93.6	-22.9	-17.8	-22.0	21.6	28.4	-12.4	29.6	75.1	21.9	303.5	30.5	31.1	7.9	-28.1	32.3	-1.2	72.5
2. Portfolio investment, net	-50.6	104.0	-61.7	0.2	-2.2	-1.2	0.2	0.8	-5.5	-14.8	-2.8	1.0	-6.5	-3.7	-7.5	-42.0	0.2	1.8	0.9	8.1	0.0	1.4	12.3
Assets	-0.5	-37.6	-21.9	-1.3	-3.0	-2.3	-2.7	0.0	-2.6	0.6	0.4	0.0	3.1	0.0	0.2	-7.6	-0.2	-0.9	-1.5	-1.8	-1.4	0.1	-5.7
Liabilities	-50.1	141.7	-39.7	1.6	0.8	1.1	2.9	0.7	-2.9	-15.4	-3.2	1.0	-9.6	-3.7	-7.7	-34.4	0.3	2.7	2.4	9.9	1.4	1.3	18.0
3. Other investment, net	464.4	245.8	83.7	60.4	3.1	162.4	59.7	6.4	1.9	-52.1	-48.5	-20.3	-52.8	-30.5	169.4	259.1	-2.0	-6.8	56.5	85.8	-24.3	-65.0	44.1
Assets	207.4	-107.0	-159.7	28.3	-8.7	-25.1	-74.3	-60.4	-16.8	-180.2	32.7	99.5	-211.9	-25.6	40.6	-401.9	-72.1	25.0	-32.0	59.3	2.3	-24.1	-41.6
Trade credits	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	-4.7	-19.1	7.3	-0.5	-1.4	-1.0	-49.2	-57.4	-9.1	-98.3	53.7	73.8	-201.1	-17.1	77.4	-230.2	-83.4	62.8	-49.6	43.7	19.3	-10.2	-17.4
Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	-49.7	-57.5	-11.1	-97.8	54.1	73.2	-202.4	-15.8	73.9	-233.1	-83.2	64.8	-45.0	44.4	19.5	-8.3	-7.9
General government	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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Banks	-0.3	-16.0	6.9	-0.5	-1.0	-1.0	0.7	0.3	1.9	-0.6	-0.7	0.7	1.5	-0.8	3.5	3.7	-1.2	-1.6	-4.4	-1.7	-0.1	-1.9	-10.8
Other sectors	-4.4	-3.2	0.4	0.0	-0.4	0.1	-0.3	-0.2	0.1	0.1	0.4	-0.1	-0.2	-0.4	0.0	-0.9	1.0	-0.4	-0.2	1.0	-0.1	0.1	1.3
Currency and deposits	211.3	-88.1	-167.2	28.9	-7.3	-23.8	-25.3	-2.9	-7.7	-82.0	-21.1	25.9	-11.0	-8.6	-36.7	-171.6	11.2	-37.9	17.7	15.6	-17.0	-14.1	-24.4
Monetary authorities	16.0	0.0	0.6	0.0	0.0	0.1	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	0.0	0.0
General government	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	0.0	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	-17.8	6.8	2.5	-72.1	-11.0	43.7	8.1	11.8	-17.2	-36.4	29.0	-19.8	39.8	37.2	11.8	7.6	105.5
Other sectors	-43.2	-2.0	-89.2	-2.0	-4.2	-5.0	-7.5	-9.7	-10.2	-10.0	-10.1	-17.7	-19.2	-20.3	-19.5	-135.3	-17.7	-18.1	-22.1	-21.6	-28.7	-21.7	-129.9
Other assets	0.8	0.1	0.2	0.0	0.0	-0.3	0.3	0.0	-0.1	0.1	0.1	-0.2	0.2	0.0	-0.1	-0.1	0.0	0.1	-0.1	0.0	0.0	0.1	0.1
Liabilities	256.9	352.8	243.4	32.1	11.7	187.5	134.0	66.7	18.7	128.2	-81.3	-119.8	159.2	-4.8	128.9	661.0	70.1	-31.8	88.4	26.5	-26.6	-40.8	85.8
Trade credits	-4.4	169.1	64.2	60.9	6.8	-77.5	42.2	-12.0	-2.3	29.0	-1.9	-52.6	-37.9	20.0	32.8	7.5	28.8	5.8	32.1	53.7	-1.8	-27.2	91.4
Loans	241.9	69.9	120.3	2.9	8.5	247.6	80.6	66.2	21.6	85.2	-45.5	-79.6	192.7	1.0	81.6	662.7	51.9	-37.6	46.2	-54.1	-30.4	-13.8	-37.8
Monetary authorities	0.0	0.0	0.0	0.0	0.0	0.0	49.7	57.2	11.4	97.3	-53.5	-73.2	202.1	16.0	-74.3	232.5	83.1	-64.2	44.8	-44.2	-19.5	7.8	7.9
General government	36.1	7.0	37.7	2.3	-0.6	231.2	-3.2	7.7	9.4	3.1	3.9	-4.3	-2.8	-11.9	131.6	366.5	0.8	-0.5	1.6	-5.8	-0.8	-6.3	-11.0
Banks	-17.0	58.9	110.7	0.4	0.7	19.9	29.8	0.5	0.1	-20.2	1.3	-5.8	-2.6	1.0	21.5	46.6	-24.8	27.4	-0.7	-5.0	-7.5	-7.4	-18.1
Other sectors	222.7	4.0	-28.1	0.2	8.4	-3.6	4.4	0.8	0.7	5.0	2.8	3.7	-4.1	-4.1	2.8	17.0	-7.2	-0.2	0.5	1.0	-2.7	-7.9	-16.6
Currency and deposits	12.1	26.0	-2.8	-32.7	-5.2	13.7	8.8	9.8	-7.2	10.1	-41.9	9.6	2.3	-32.5	3.3	-61.9	-5.3	0.4	6.7	25.4	3.8	-4.5	26.6
Monetary authorities	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	0.0	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	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	0.0
Banks	12.1	26.0	-2.8	-32.7																			

Table 10

**FOREIGN TRADE BY SITC**

<i>EUR million</i>	<b>Total</b>	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	Manufacture d goods classified by materials	Machinery and transport equipment	Miscellaneo us manufactur ed articles	Commodities and transactions not classified in SITC
<b>EXPORT</b>											
<b>2008</b>	<b>2,698</b>	210	149	183	211	8	123	1,079	127	606	1
<b>2009</b>	<b>1,937</b>	202	141	123	145	6	123	551	110	535	1
<b>2010</b>	<b>2,535</b>	249	153	196	195	8	288	750	150	542	2
<b>2011</b>	<b>3,198</b>	267	170	207	266	13	538	883	253	599	2
1	<b>222</b>	13	18	16	20	1	42	60	11	41	0
2	<b>240</b>	15	7	15	17	0	54	65	17	48	0
3	<b>252</b>	21	8	18	19	1	48	69	18	50	0
4	<b>278</b>	30	8	18	27	1	47	81	22	45	0
5	<b>286</b>	23	14	19	25	1	47	89	20	49	0
6	<b>260</b>	23	12	18	27	1	39	68	19	52	1
7	<b>239</b>	21	11	20	25	2	27	63	19	52	0
8	<b>279</b>	22	14	16	32	1	44	70	22	58	0
9	<b>313</b>	30	23	19	24	1	53	87	26	50	0
10	<b>286</b>	28	15	17	15	1	50	80	28	50	0
11	<b>266</b>	22	22	16	20	2	34	78	25	48	0
12	<b>277</b>	19	20	15	17	1	52	72	26	56	0
<b>2012</b>											
1	<b>211</b>	11	15	14	18	1	35	53	20	44	0
2	<b>237</b>	13	18	13	16	1	44	61	23	48	0
3	<b>268</b>	22	12	18	16	1	51	69	27	52	0
4	<b>240</b>	24	9	15	20	1	40	70	22	39	0
5	<b>279</b>	23	14	22	16	1	52	77	27	47	0
6	<b>277</b>	25	15	17	15	1	39	79	29	56	0
7	<b>265</b>	21	29	18	16	1	36	59	25	59	0
<b>IMPORT</b>											
<b>2008</b>	<b>4,664</b>	424	35	236	956	46	416	1,257	986	308	1
<b>2009</b>	<b>3,637</b>	401	37	145	583	33	408	868	873	282	7
<b>2010</b>	<b>4,137</b>	421	44	219	729	39	500	1,048	831	302	4
<b>2011</b>	<b>5,038</b>	483	49	263	1,034	55	596	1,404	841	310	4
1	<b>429</b>	31	2	19	70	3	84	148	55	16	0
2	<b>394</b>	38	2	16	101	4	53	94	63	21	0
3	<b>389</b>	43	3	21	83	3	42	98	71	24	0
4	<b>442</b>	38	4	21	99	3	47	127	80	24	0
5	<b>404</b>	35	4	21	57	4	49	127	76	30	0
6	<b>394</b>	37	5	21	76	3	48	107	66	30	0
7	<b>409</b>	45	6	21	94	5	46	97	67	26	0
8	<b>428</b>	38	5	24	93	5	49	107	82	25	0
9	<b>438</b>	35	4	23	75	5	47	149	73	28	0
10	<b>397</b>	43	3	21	78	6	43	117	57	29	0
11	<b>456</b>	49	4	30	98	6	44	126	70	28	0
12	<b>457</b>	50	5	26	108	6	43	108	80	30	2
<b>2012</b>											
1	<b>369</b>	35	4	20	106	5	31	100	51	18	0
2	<b>356</b>	35	3	16	113	5	44	58	63	19	0
3	<b>440</b>	50	8	29	102	7	57	101	63	24	0
4	<b>458</b>	45	5	29	67	3	44	171	69	23	2
5	<b>454</b>	43	5	32	84	6	54	139	65	26	0
6	<b>395</b>	43	4	24	70	6	46	114	63	24	0
7	<b>406</b>	45	6	9	67	3	57	125	70	24	0

Source: State Statistical Office of the Republic of Macedonia.



Table 11

**FOREIGN TRADE BY PARTNERS**

<i>EUR million</i>	<b>Total</b>	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
<b>EXPORT</b>									
<b>2008</b>	<b>2,698</b>	1,680	1,606	12	62	958	57	2	0
<b>2009</b>	<b>1,937</b>	1,132	1,093	14	25	716	64	25	0
<b>2010</b>	<b>2,535</b>	1,604	1,566	16	22	771	157	3	0
<b>2011</b>	<b>3,198</b>	2,043	1,938	23	82	879	260	15	0
1	<b>222</b>	150	142	2	6	51	21	0	0
2	<b>240</b>	167	160	2	6	53	19	0	0
3	<b>252</b>	162	155	2	5	69	20	0	0
4	<b>278</b>	181	172	2	6	79	19	0	0
5	<b>286</b>	181	173	2	5	81	24	0	0
6	<b>260</b>	159	154	2	3	79	21	0	0
7	<b>239</b>	142	134	2	6	72	24	1	0
8	<b>279</b>	169	165	1	3	89	19	3	0
9	<b>313</b>	193	184	2	7	87	29	4	0
10	<b>286</b>	188	179	2	6	76	21	1	0
11	<b>266</b>	172	154	2	16	75	17	3	0
12	<b>277</b>	180	165	2	14	67	26	3	0
<b>2012</b>									
1	<b>211</b>	145	129	1	14	47	19	0	0
2	<b>237</b>	174	161	2	12	46	14	2	0
3	<b>268</b>	185	173	3	9	67	15	1	0
4	<b>240</b>	155	145	1	8	70	13	3	0
5	<b>279</b>	185	169	2	14	72	20	2	0
6	<b>277</b>	188	171	2	14	67	19	3	0
7	<b>265</b>	176	167	3	6	63	21	4	0
<b>IMPORT</b>									
<b>2008</b>	<b>4,664</b>	2,671	2,250	202	219	516	1,430	48	0
<b>2009</b>	<b>3,637</b>	2,198	1,899	93	205	428	972	39	0
<b>2010</b>	<b>4,137</b>	2,475	2,199	76	199	475	1,145	43	0
<b>2011</b>	<b>5,038</b>	3,066	2,739	128	199	574	1,347	52	0
1	<b>429</b>	292	271	8	13	33	100	4	0
2	<b>394</b>	225	200	13	13	47	119	3	0
3	<b>389</b>	214	186	10	18	44	127	4	0
4	<b>442</b>	250	224	10	16	48	139	5	0
5	<b>404</b>	267	243	9	15	46	85	5	0
6	<b>394</b>	253	229	9	15	50	86	5	0
7	<b>409</b>	237	214	8	15	49	117	6	0
8	<b>428</b>	241	215	10	15	48	135	5	0
9	<b>438</b>	299	269	12	18	52	84	4	0
10	<b>397</b>	253	215	14	24	52	88	4	0
11	<b>456</b>	266	236	11	19	49	137	4	0
12	<b>457</b>	267	237	14	17	56	130	4	0
<b>2012</b>									
1	<b>369</b>	225	202	12	12	35	105	3	0
2	<b>356</b>	192	168	12	12	34	126	4	0
3	<b>440</b>	276	249	12	15	55	104	4	0
4	<b>458</b>	318	288	10	20	49	87	4	0
5	<b>454</b>	298	269	10	20	51	98	6	0
6	<b>395</b>	262	240	6	16	50	78	5	0
7	<b>406</b>	287	265	8	14	49	62	8	0

Source: State Statistical Office of the Republic of Macedonia.

Table 12

**CURRENCY EXCHANGE MARKET**

	<b>BANKS</b>			<b>EXCHANGE OFFICES</b>			<b>TOTAL</b>		
	<b>Supply</b>	<b>Demand</b>	<b>Net-purchase</b>	<b>Supply</b>	<b>Demand</b>	<b>Net-purchase</b>	<b>Supply</b>	<b>Demand</b>	<b>Net-purchase</b>
	<i>EUR million</i>								
<b>2004</b>	286.3	149.2	137.1	494.6	266.3	228.3	780.9	415.5	365.4
<b>2005</b>	340.3	108.6	231.7	541.1	235.6	305.5	881.4	344.2	537.2
<b>2006</b>	429.7	126.5	303.2	555.8	208.0	347.8	985.5	334.5	651.0
<b>2007</b>	470.7	191.5	279.2	609.1	200.8	408.3	1,079.9	392.4	687.5
<b>2008</b>	544.6	317.4	227.2	585.0	209.3	375.7	1,129.6	526.6	602.9
<b>2009</b>	476.2	282.0	194.3	766.6	197.1	569.5	1,242.8	479.1	763.8
<b>2010</b>	480.3	175.1	305.2	815.9	148.5	667.5	1,296.3	323.6	972.7
<b>2011</b>	464.4	165.6	298.7	924.2	146.8	777.3	1,388.5	312.5	1,076.1
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
6	36.6	15.9	20.7	64.1	12.7	51.4	100.6	28.5	72.1
7	42.4	16.0	26.4	108.0	12.6	95.4	150.4	28.6	121.8
8	43.8	14.0	29.9	103.4	12.1	91.3	147.2	26.1	121.2
9	38.2	10.8	27.5	91.3	12.5	78.8	129.6	23.3	106.3
10	36.9	10.6	26.3	82.9	12.6	70.3	119.8	23.2	96.6
11	39.7	11.5	28.2	80.4	12.6	67.8	120.1	24.1	96.0
12	62.8	14.7	48.1	120.8	12.9	107.9	183.6	27.6	156.0
<b>1-8.2012</b>	274.8	75.6	199.2	723.8	101.6	622.2	998.6	177.2	821.4
1	34.0	8.7	25.3	76.3	10.3	65.9	110.2	19.0	91.3
2	30.1	7.7	22.4	61.3	11.1	50.2	91.4	18.9	72.6
3	32.2	9.1	23.1	77.8	13.0	64.8	110.0	22.0	88.0
4	33.4	8.1	25.4	90.2	11.4	78.9	123.7	19.4	104.3
5	36.7	10.6	26.1	95.6	12.9	82.8	132.3	23.4	108.9
6	32.9	9.3	23.6	85.5	15.4	70.1	118.4	24.7	93.6
7	39.0	11.4	27.6	127.5	14.5	113.0	166.5	25.9	140.6
8	36.6	10.8	25.8	109.5	13.0	96.5	146.1	23.9	122.2

Source: NBRM.

Table 13

**NEER and REER indices**

	NEER	REER-CPI	Relative prices - CPI	REER-PPI	Relative prices - PPI
	<i>index 2006=100</i>				
<b>2004</b>	97.9	106.5	108.8	104.3	106.7
<b>2005</b>	99.8	102.2	102.5	101.2	101.4
<b>2006</b>	100.0	100.0	100.0	100.0	100.0
<b>2007</b>	99.6	97.2	97.6	96.6	97.0
<b>2008</b>	100.6	98.7	98.1	97.2	96.6
<b>2009</b>	106.6	99.7	93.5	98.5	92.4
<b>2010</b>	106.0	97.0	91.5	99.5	93.9
<b>2011</b>	106.9	96.5	90.3	101.7	95.2
1	106.8	97.4	91.2	100.9	94.5
2	106.5	97.5	91.6	100.8	94.6
3	106.5	97.8	91.8	102.9	96.6
4	106.4	97.4	91.5	102.7	96.5
5	105.9	96.6	91.3	101.5	95.9
6	106.1	96.0	90.4	101.5	95.6
7	106.5	95.5	89.6	100.7	94.5
8	107.5	96.5	89.7	102.9	95.7
9	107.6	95.7	89.0	102.0	94.8
10	107.8	95.6	88.8	101.9	94.6
11	107.7	95.9	89.0	101.5	94.2
12	107.6	96.1	89.3	101.8	94.6
<b>2012</b>					
1	107.5	97.8	91.1	100.8	93.8
2	107.5	98.0	91.1	102.6	95.4
3	107.8	97.5	90.4	103.7	96.2
4	106.2	96.4	90.8	101.7	95.8
5	108.2	97.9	90.5	103.8	96.0
6	109.1	97.6	89.4	104.6	95.9
7	108.7	96.1	88.5	103.9	95.6

Source: NBRM.

Table 14

**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
<b>2004</b>	39.7337	90.4298	49.4105	61.3377	39.7085	86.4983	45.0676	61.3100
<b>2005</b>	39.5871	89.6186	49.2919	61.2958	39.3402	89.2717	51.8589	61.1779
<b>2006</b>	38.8981	89.7611	48.7854	61.1885	38.0696	91.1007	46.4496	61.1741
<b>2007</b>	37.2534	89.4324	44.7184	61.1838	36.8596	83.2901	41.6564	61.2016
<b>2008</b>	38.6300	77.1265	41.8646	61.2654	41.0428	63.0387	43.5610	61.4123
<b>2009</b>	40.5769	68.8041	44.0766	61.2728	41.1165	67.6695	42.6651	61.1732
<b>2010</b>	44.5956	71.7150	46.4574	61.5150	49.3026	71.5008	46.3140	61.5050
<b>2011</b>	49.9881	70.8931	44.2281	61.5289	50.5964	73.6322	47.5346	61.5050
1	48.1809	72.4702	45.9858	61.5116	47.5236	71.4427	44.8614	61.5050
2	47.4083	72.6380	45.0951	61.5075	48.0545	71.9104	44.6919	61.5050
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
6	50.9005	69.5135	42.8109	61.6103	51.1964	68.4819	42.7175	61.6200
7	52.2133	69.5330	43.1423	61.6168	53.9524	70.4154	43.1998	61.6029
8	55.0191	70.1998	42.9071	61.5086	52.0182	69.5301	42.4562	61.5063
9	51.4977	70.4906	44.5426	61.5027	50.3842	70.6415	45.1737	61.5040
10	50.0403	70.6839	44.9128	61.5042	50.3685	69.9437	43.4357	61.5050
11	49.9897	71.6720	45.3129	61.5025	50.0826	72.0569	46.1243	61.5114
12	50.1034	72.8051	46.6049	61.5134	50.5964	73.6322	47.5346	61.5050
<b>2012</b>								
1	50.7711	73.8973	47.6848	61.5049	51.0584	73.5882	46.9146	61.5050
2	50.9539	73.5147	46.5380	61.5024	51.0373	72.5321	45.7113	61.5000
3	50.9953	73.6944	46.5718	61.5016	51.0627	73.7558	46.0505	61.5050
4	51.1828	74.7904	46.7293	61.5394	51.2153	75.4693	46.5115	61.5301
5	51.3028	76.5755	47.9980	61.6301	51.2749	77.1936	49.5105	61.5812
6	51.2945	76.4874	49.2161	61.6075	51.2320	76.3908	48.9532	61.6321
7	51.2608	78.0377	50.0522	61.5723	51.2224	78.8845	50.2353	61.5181
8	51.2045	78.0567	49.7112	61.5004	51.2127	77.7415	49.0285	61.5013

Source: NBRM.

Table 15

**FLOWS OF CREATION AND WITHDRAWAL OF RESERVE MONEY**

	Cumulative change I-XII.2011	Cumulative change I-VIII.2012	Monthly change VIII.2012 / VII. 2012
	<i>in Denar million</i>		
<b>Reserve money*</b>	3,681	613	-517
<b>Government depositis</b>	-658	-4,834	-1,933
<b>Foreign currency transactions of NBRM</b>	9,820	-23	1,754
Banks	3,076	1,917	1,260
Government	6,744	-1,940	494
<b>CB bills</b>	-6,301	5,523	554
<b>Repo operations</b>	0	800	-800
<b>Deposit facility</b>	0	-961	-213
<b>Other items</b>	820	107	121

\*Does not include reserve requirement in foreign currency.

Table 16

**BALANCE SHEET OF NBRM (SHORT FORM)**

	Cumulative change I-XII.2011	Cumulative change I-VIII.2012	Monthly change VIII.2012 /VII. 2012	Balance as of VIII.2012
	<i>in Denar million</i>			
Reserve money*	4,641	-458	-385	53,186
Net foreign assets	21,894	2,726	1,138	125,230
Net domestic assets	-17,253	-3,184	-1,524	-72,044

\*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)

Source: NBRM.

Table 17

**MONETARY AGREGATES**

	2010				2011				2012				2010				2011				2012			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	July	August	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	July	August
	<i>end of period to the end of the previous period, in %</i>												<i>annual changes, in %</i>											
M0	-4.3	7.9	-3.7	7.2	-3.4	2.4	-4.0	15.3	-9.0	7.0	2.6	-0.7	19.8	27.1	9.5	6.6	7.6	2.1	1.8	9.5	3.1	7.7	6.6	5.9
M1	-3.7	4.5	2.4	6.7	-5.8	7.3	-0.9	6.6	-3.2	3.1	3.5	-1.4	7.4	10.3	12.2	9.8	7.5	10.4	6.9	6.9	9.8	5.5	9.5	7.6
M4	1.7	4.6	0.7	4.8	0.9	2.0	2.4	4.1	1.0	0.3	1.8	-0.6	10.7	14.8	13.4	12.2	11.4	8.6	10.5	9.7	9.8	8.0	7.3	6.0
M4-denar	1.4	6.6	0.5	6.7	0.1	2.7	2.5	8.5	3.0	1.3	2.2	0.0	7.04	15.0	17.6	15.9	14.5	10.3	12.5	14.4	17.7	16.1	16.8	16.1

Source: NBRM

Table 18

**TOTAL DEPOSITS AT BANKS AND SAVING HOUSES**

	Balance as of 31.07.2012	Balance as of 31.08.2012	Monthly change (August 2012/July 2012)	Annual change (July 2012/july 2011)	Annual change (August 2012/August 2011)	Contribution to the monthly growth of total deposits in August 2012	Contribution to the annual growth of total deposits in August 2012
	<i>in Denar million</i>		<i>in %</i>			<i>in %</i>	
Total deposits	239,593	238,747	-0.4	6.7	5.3	100%	100%
Denar*	127,363	128,010	0.5	17.4	16.6	-76.5	150.8
Foreign currency	112,230	110,736	-1.3	-3.4	-5.3	176.5	-50.8
Total deposits of households	170,910	171,415	0.3	10.3	10.2	-59.7	131.3
Denar*	81,359	81,500	0.2	28.6	28.3	-16.7	148.7
Foreign currency	89,551	89,915	0.4	-2.3	-2.3	-43.0	-17.3
Total deposits of private enterprise	54,286	52,743	-2.8	-0.9	-5.9	182.4	-27.2
Denar*	33,348	33,800	1.4	3.9	2.0	-53.4	5.4
Foreign currency	20,938	18,943	-9.5	-7.6	-17.3	235.9	-32.7

\* Denar deposits include demand deposits.

Table 19

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

	2010				2011				2012			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	July	August
Total deposits	11.4	15.2	14.5	13.7	12.4	9.2	10.5	9.2	9.5	7.6	6.7	5.3
Denar	7.7	15.9	21.0	19.9	17.2	11.8	13.0	14.3	18.6	16.9	17.4	16.6
Foreign currency	14.8	14.6	9.0	8.2	8.1	6.8	8.2	4.3	0.8	-1.3	-3.4	-5.3
Short-term	6.9	11.1	8.4	7.7	7.6	2.1	6.7	7.8	7.1	5.9	3.0	1.2
Long-term	47.7	53.2	50.5	43.3	39.1	39.1	35.6	22.5	20.5	19.7	20.7	22.2
Deposits of private enterprises	-5.5	7.6	6.8	6.4	11.3	-1.7	4.7	6.1	6.2	0.8	-0.9	-5.9
Deposits of households	19.9	19.6	17.6	17.4	14.0	14.2	14.3	12.0	12.0	10.9	10.3	10.2

Source: NBRM

Table 20

**TOTAL CREDITS FROM BANKS AND SAVING HOUSES**

	Balance as of 31.07.2012	Balance as of 31.08.2012	Monthly change (August 2012/August20 12)	Monthly change (July 2012/July2012 )	Annual change (August 2012/August 2011)	Contribution to the monthly growth of total credit in August 2012	Contribution to the annual growth of total credit in August 2012
	<i>in Denar million</i>		<i>in %</i>			<i>in %</i>	
Total credits	217,331	217,147	-0.1	7.4	7.2	100%	100%
Denar*	161,289	160,884	-0.3	8.5	8.7	220.5	88.0
Foreign currency	56,042	56,263	0.4	4.4	3.2	-120.5	12.0
Total credits to households	85,093	85,706	0.7	6.6	6.6	-333.7	36.1
Denar*	78,402	79,049	0.8	6.3	6.4	-352.1	32.7
Foreign currency	6,691	6,657	-0.5	9.7	8.2	18.4	3.4
Total credits to enterprises	131,539	130,715	-0.6	7.6	7.3	449.0	60.7
Denar*	82,240	81,161	-1.3	10.0	10.4	588.2	52.2
Foreign currency	49,299	49,555	0.5	3.7	2.6	-139.2	8.5

\* Denar credits include credits with foreign currency clause.

Source: NBRM

Table 21

**TOTAL CREDITS FROM BANKS AND SAVING HOUSES, ANNUAL CHANGES IN %**

	2009				2010				2011				2012			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	July	August
Total credits	25.3	14.3	6.4	3.5	2.5	5.8	7.7	7.1	8.0	8.6	8.1	8.5	8.0	7.5	7.4	7.2
Denar	26.1	15.5	8.6	4.1	2.6	3.7	5.5	2.3	3.2	4.8	2.7	5.1	5.6	6.9	8.5	8.7
Foreign currency	22.9	10.4	-0.6	1.4	2.4	13.1	15.8	24.0	24.6	20.9	25.9	18.5	15.2	9.2	4.4	3.2
Short-term	26.2	13.5	1.2	-2.2	-3.4	-0.2	1.7	-1.0	-1.7	-2.0	-2.5	0.2	-0.4	1.4	2.4	5.7
Long-term	24.2	11.3	3.9	2.0	1.1	5.8	8.3	10.8	13.8	15.4	14.8	11.1	10.3	8.9	7.7	6.7
Enterprises	23.8	13.1	5.6	3.7	4.0	7.9	10.2	8.4	9.0	9.7	8.6	8.6	8.2	7.6	7.6	7.3
Households	27.6	16.3	7.9	3.5	0.6	2.8	4.3	5.1	6.6	7.0	7.4	8.1	7.4	6.8	6.6	6.6

Source: NBRM.

Table 22

**BANKS' NET FOREIGN ASSETS**

	Balance as of VIII.2012	Monthly change VIII.2012/VII.2012	Annual change VIII.2012/VIII.2011
	<i>in Denar million</i>		
Foreign assets	35,053	-672	-5,084
Foreign liabilities	35,307	443	-67
Net foreign assets	-254	-1,116	-5,017

Table 23

**INTEREST RATES**

	<b>August 2012</b>	<b>Monthly change</b>	<b>Annual change</b>
	<i>in %</i>	<i>in percentage points</i>	
Average weighted interest rate on the CB bills auctions (28 days)	3.73	0.00	-0.27
Average weighted interest rate on the Money Market (MKDONIA)	2.2	0.08	-0.01
	<b>July 2012</b>	<b>Monthly change</b>	<b>Annual change</b>
Banks' weighted lending interest rate (denar and f/x)	8.0	-0.1	-0.4
Banks' weighted deposit interest rates (denar and f/x)	3.4	-0.1	-0.4

Table 24

**INTEREST RATES ON THE INTERBANK MONEY MARKET**

<b>Period</b>	<b>MKDONIA</b>	<b>MBKS</b>	<b>SKIBOR overnight</b>	<b>SKIBOR 1 week</b>	<b>SKIBOR 1 month</b>	<b>SKIBOR 3 months</b>	<b>SKIBOR 6 months</b>	<b>SKIBOR 9 months</b>	<b>SKIBOR 12 months</b>
	<i>in %</i>								
I.2011	2.47	2.49	2.75	3.62	4.35	5.32			
II	2.17	2.24	2.63	3.54	4.29	5.27			
III	2.29	2.23	2.51	3.43	4.25	5.15			
IV	2.19	2.28	2.46	3.45	4.25	5.14			
V	2.12	2.12	2.38	3.39	4.24	5.09			
VI	2.09	2.10	2.29	3.27	4.17	5.08			
VII	2.19	2.19	2.23	3.17	4.17	5.03	5.55	6.05	6.60
VIII	2.21	2.22	2.19	3.17	4.15	5.00	5.47	6.00	6.49
IX	2.17	2.19	2.19	3.19	4.16	4.96	5.47	5.98	6.47
X	2.19	2.02	2.18	3.18	4.14	4.95	5.46	5.94	6.44
XI	1.99	1.99	2.18	3.17	4.12	4.91	5.43	5.91	6.37
XII	2.15	2.16	2.19	3.18	4.11	4.83	5.36	5.84	6.27
I.2012	2.12	2.11	2.18	3.18	4.14	4.81	5.34	5.82	6.25
II	2.14	2.14	2.19	3.18	4.14	4.78	5.28	5.79	6.24
III	2.10	2.11	2.19	3.18	4.16	4.76	5.29	5.78	6.26
IV	2.15	2.13	2.18	3.18	4.10	4.71	5.27	5.77	6.21
V	1.89	2.18	2.09	3.07	4.03	4.56	5.19	5.67	6.13
VI	2.18	2.37	2.03	3.01	4.00	4.46	5.04	5.54	6.02
VII	2.12	2.32	2.06	3.02	4.02	4.51	5.04	5.54	6.03
VIII	2.20	2.39	2.07	3.03	4.03	4.49	5.04	5.53	6.03

Source: NBRM.

Table 25

**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
VI	8.8	5.9	7.4	2.8
IX	8.8	5.8	7.4	2.7
X	8.8	5.7	7.4	2.7
XI	8.8	5.6	7.4	2.6
XII	8.8	5.6	7.3	2.5
III.2012	8.6	5.2	7.1	2.3
VI	8.5	5.1	7.0	2.3
VII	8.4	5.0	6.9	2.2

Source: NBRM

Table 26

**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
VI	8.2	3.2	7.4	0.8
IX	8.3	3.2	7.4	0.8
X	8.3	3.4	7.2	0.8
XI	8.3	3.7	7.5	0.8
XII	8.2	3.9	6.9	0.9
III.2012	8.0	2.9	6.8	0.8
VI	7.8	2.9	7.3	0.7
VII	7.6	2.9	6.9	0.7

Source: NBRM



Table 27

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
VI	8.7	9.2	10.2	6.0	5.4	5.8
IX	8.5	9.8	10.1	5.8	5.9	6.7
XII	8.5	9.7	9.8	5.5	5.7	6.9
III.2012	8.5	9.0	9.7	5.2	4.8	7.0
VI	8.3	8.8	9.6	5.1	4.8	6.6
VII	8.2	8.7	9.6	4.9	4.8	6.6

Source: NBRM

Table 28

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
VI	9.2	6.2	8.6	4.5
IX	9.1	6.2	8.6	4.5
XII	9.1	6.0	8.5	4.3
III	9.0	5.6	8.4	4.1
VI	8.9	5.2	8.2	4.3
VII	8.8	5.2	8.1	4.3

Source: NBRM

Table 29

**INTEREST RATES OF TOTAL CREDITS AND DEPOSITS, IN %**

	Interest rates on overdrafts		Interest rates on credit cards
	Loans	Deposits	Loans
VI.09	12.3	0.8	15.9
IX	12.2	0.9	15.8
XII	12.7	0.9	15.7
III.10	12.7	0.8	15.6
VI	12.2	0.7	14.4
IX	11.5	0.6	12.5
XII	11.4	0.5	12.2
III.11	10.7	0.5	11.3
VI	10.7	0.4	11.6
IX	10.6	0.3	11.5
XII	10.5	0.3	11.3
III.12	10.4	0.4	11.5
VI	10.3	0.3	11.5
VII	10.3	0.3	10.9

Source: NBRM.